

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.



April 24, 2026

To whom it may concern:

Company Name: Japan Aviation Electronics Industry, Limited  
Name of Representative: Masayuki Muraki, President  
(Securities code: 6807 Tokyo Stock Exchange Prime Market)  
Inquiries: Yoshichika Kato, General Manager,  
Corporate Planning and Investor Relations Division  
(Telephone: +81-3-3780-2721)

### **Notice of the Formulation of the Medium-Term Management Plan**

We hereby announce that the Company has formulated its Medium-Term Management Plan covering the fiscal years from 2026 to 2028.

Please refer to the attached document for further details.

[Attachment] Medium-Term Management Plan (FY2026–FY2028)

---

# Medium-Term Management Plan (FY2026-2028)

Technology to Inspire Innovation

April 24, 2026

6807 Japan Aviation Electronics Industry, Ltd.

# JAE's Value Creation Process and Medium-Term Management Plan

Vision

## Technology to Inspire Innovation

### Business Activities

#### Technology Development

Continuously enhance technological capabilities and accelerate product development

#### Product Manufacturing

Improve productivity and deliver highly reliable products

**"JAE's Strengths"**

#### Global Marketing

Co-creation with global leading companies and contribute to the development of industry standards

### Economic Value



Automotive



Mobile Devices

#### Four Key Markets

**"Profit Growth"**



Industrial & Infrastructure



Aviation & Space

### Social Value

Creating social value in five areas

#### Connected Society

A healthy and comfortable society where people around the world are interconnected

#### Safe Mobility

A safe and secure mobility society

#### Aviation, Space and Ocean

Pioneering the Aviation, Space & Ocean Frontier

#### Industrial Innovation

Efficient and safe production activities

#### Clean Energy

An environmentally friendly energy society

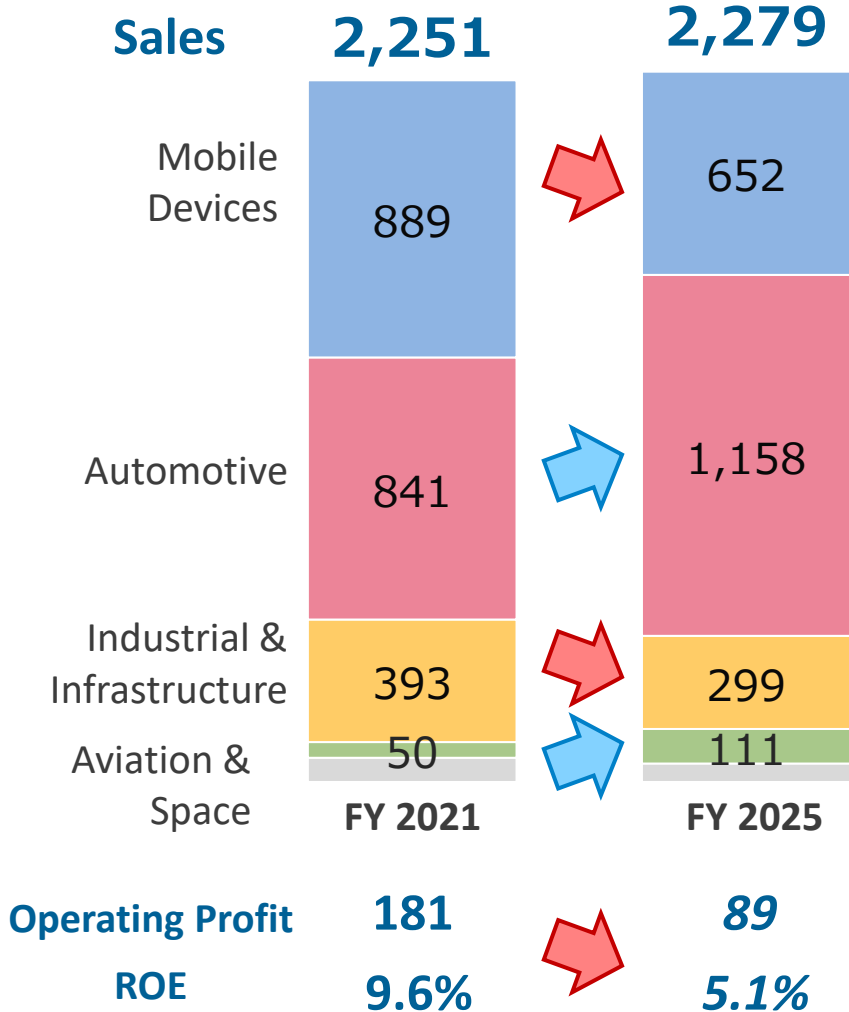
## Medium-Term Management Plan

Corporate Philosophy **"Explore, Create, and Practice"**

# Review of the Previous Medium-Term Plan [FY2021-FY2025]

Growth has stagnated amid a changing business environment, and profitability has declined significantly

(JPY in 100 millions)

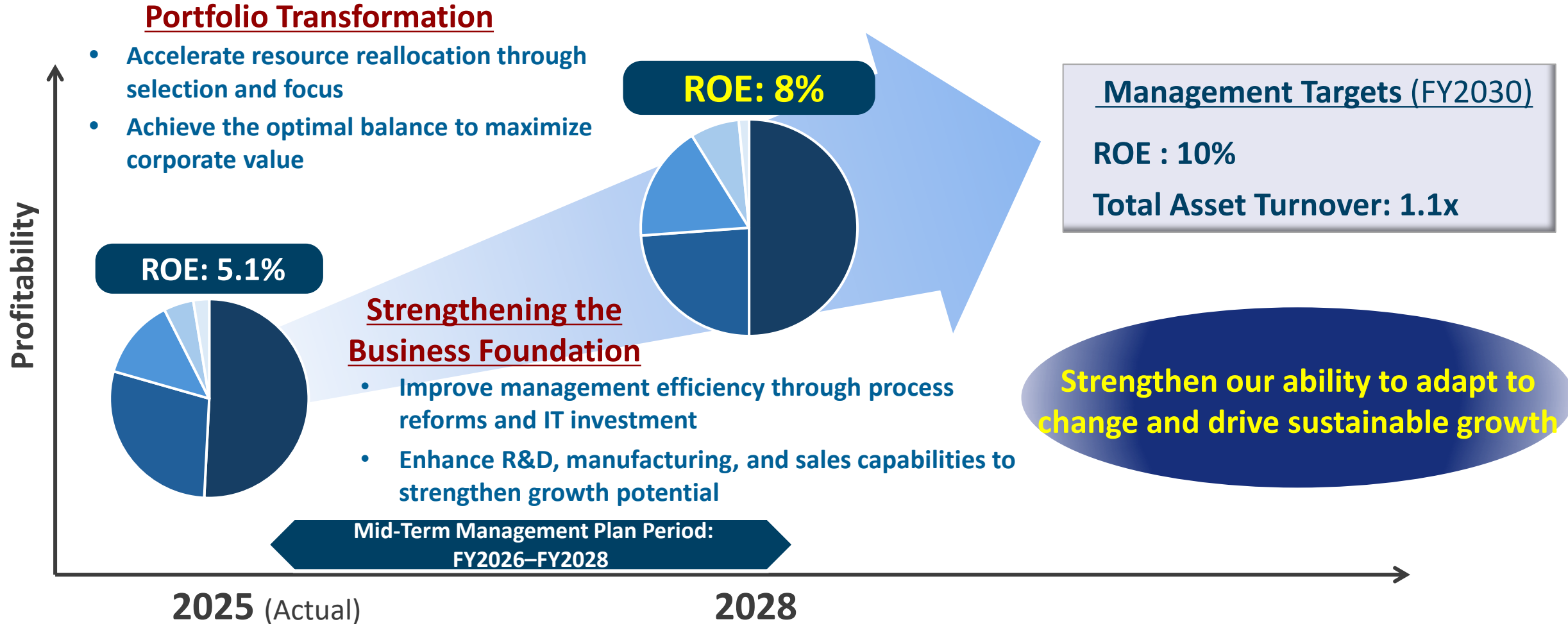


<b>Mobile devices</b>	<ul style="list-style-type: none"> <li><b>Intensified competition and declining selling prices</b> in the smartphone market</li> <li>USB Type-C adoption expanded</li> </ul>
<b>Automotive</b>	<ul style="list-style-type: none"> <li>Grew by ADAS harnesses, but <b>challenges remained in profitability</b></li> <li><b>Slowing growth</b> in the EV market, <b>declining demand</b> in Europe</li> </ul>
<b>Industrial &amp; Infrastructure</b>	<ul style="list-style-type: none"> <li>Promoted initiatives for new products and new fields despite the <b>slump in the FA market</b> from FY2023</li> <li>The acquisition of Tooltornix expanded our product portfolio, while the oil drilling market <b>decelerated</b> after peaking in FY2023</li> </ul>
<b>Aviation &amp; Space</b>	<ul style="list-style-type: none"> <li>Significant growth driven by a robust business environment and expanded manufacturing capacity</li> </ul>
<b>Profitability</b>	<ul style="list-style-type: none"> <li><b>Deterioration in product/business mix</b></li> <li>Delayed response to <b>surging raw material costs</b></li> </ul>

**Swift decision-making and a portfolio transformation to rebuild the earnings base are required**

# Overview of the Medium-Term Management Plan [FY2026–FY2028]

Optimize resource allocation to build into a corporate structure capable of generating stable profits and achieving growth  
Return ROE to 8% by FY2028 and achieve our medium- to long-term management targets



## Accelerating Resource Shifts and Pursue Optimal Market Balance

- **Improve organizational efficiency, focus resources on priority areas, and drive growth**
  - Merge the User Interface Solutions (UIS) business into the Connector business
- **Rebalance our four key markets to improve profitability and achieve stable growth**
  - In the "Mobile Devices" and "Automotive" markets, prioritize **restoring and strengthening earnings power** while achieving **sustainable growth**
  - Return the "Industrial & Infrastructure" market business **back on a growth path. Focus on overseas markets and new business areas**
  - **Strengthen** the "Aviation & Space" market, which has significant growth potential, **as JAE's core business since its inception**

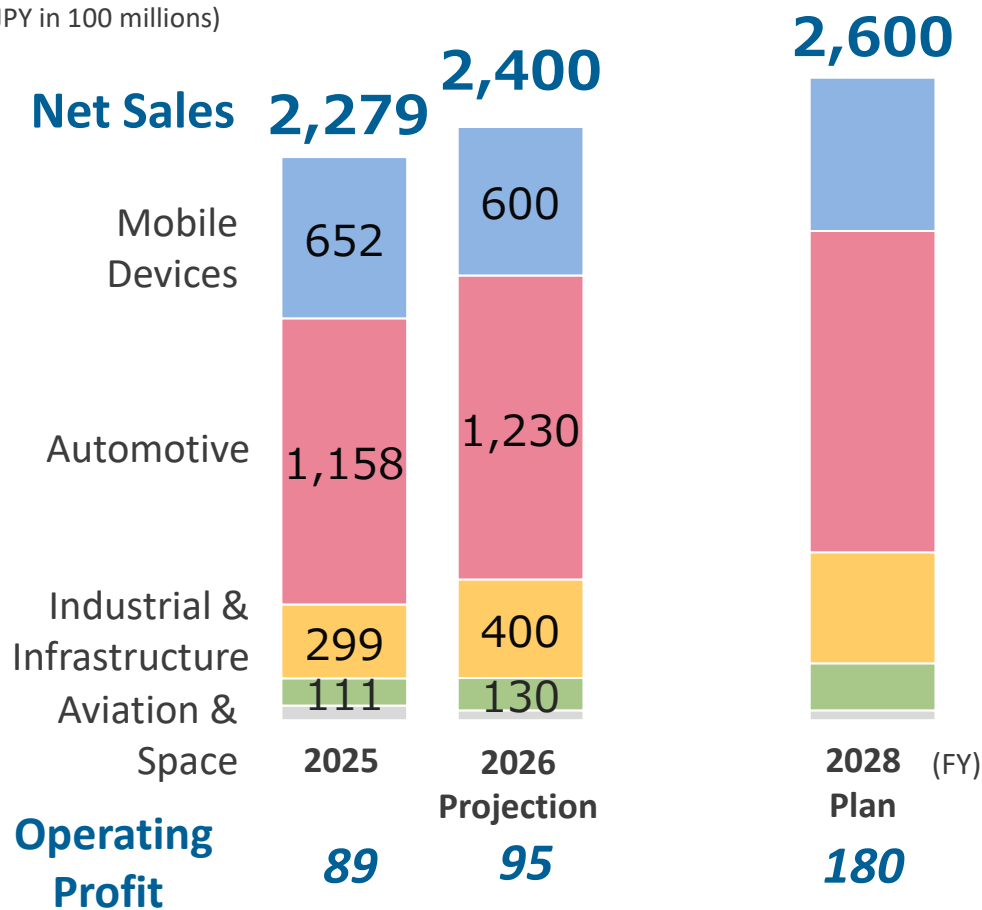
## Improving management efficiency and strengthening growth capabilities

- **Improving management efficiency by optimizing business processes and information systems**
  - **Fundamentally transform and optimize processes** related to material procurement and equipment development **to enhance cost competitiveness**
  - **Reducing operational costs** through the utilization of IT infrastructure and **improving resource deployment efficiency** through data-driven decision-making
- **Strengthening execution capabilities across R&D, manufacturing, and sales to enhance growth**
  - Create high-value products by **strengthening marketing and focusing resources on advanced technology development**
  - Enhance R&D and manufacturing capabilities/capacity and expand customer reach **by leveraging Kyocera Group assets**

# Revenue and Profit Forecast

Increase focus on areas where JAE can leverage its strengths to achieve growth and restore profitability

(JPY in 100 millions)



## Mobile Devices

Narrow down target customers and product groups based on profitability and concentrate on securing earnings

## Automotive

Improve profitability of high-growth products and prioritize growth regions and customers

## Industrial & Infrastructure

Capture expanding markets while accelerating overseas expansion through alliances

## Aviation & Space

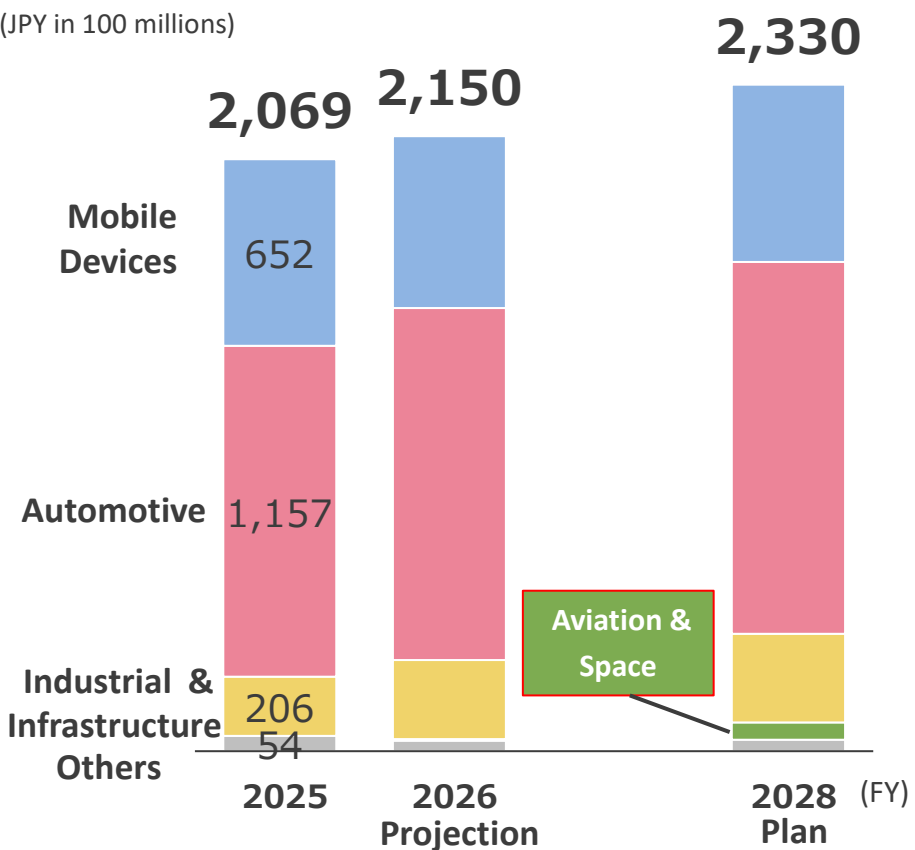
Improve profitability in the defense sector and accelerating market expansion in the growing space sector

# Growth Strategy by Segment [Connector Business]

## Restoring profitability in core businesses and securing new growth drivers

### Net Sales

(JPY in 100 millions)

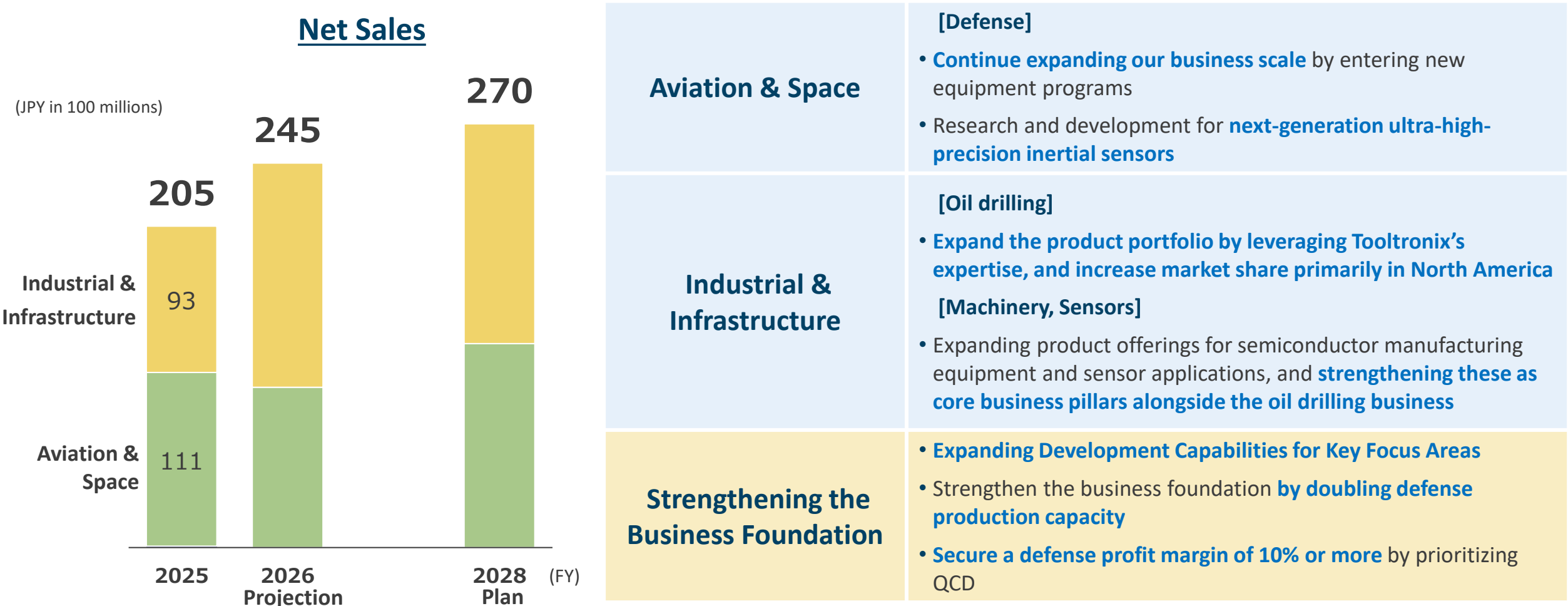


\*The Connector Segment results for fiscal year 2025 represent the combined figures of the former Connector business and UIS.

<b>Mobile Devices</b>	<ul style="list-style-type: none"> <li>Focus on <b>high-margin, high-end products</b> and <b>focus development resources</b> (utilizing collaboration with Kyocera)</li> <li><b>Withdraw from the mid-to-low-end segment in China</b> and selectively pursuing business opportunities</li> </ul>
<b>Automotive</b>	<ul style="list-style-type: none"> <li><b>Expand profit in ADAS products in the volume segment</b> through the promotion of automation</li> <li><b>Strengthen our presence in the motorcycle and electric vehicle markets</b> in growth regions, primarily <b>India and the U.S.</b></li> </ul>
<b>Industrial &amp; Infrastructure</b>	<ul style="list-style-type: none"> <li><b>Secure the recovering Japanese market</b> by leveraging existing products</li> <li><b>Developing the European market</b> by utilizing the customer base of Kyocera</li> <li><b>Launching new products by utilizing alliances targeting new areas such as data centers and physical AI</b></li> </ul>
<b>Aviation &amp; Space</b>	<ul style="list-style-type: none"> <li><b>Expand our presence in the space sector, focusing on the U.S. satellite business</b></li> <li>Collaborating with Kyocera to expand the deployment of high-quality connectors and technologies in the U.S. market</li> </ul>
<b>Strengthening the Business Foundation</b>	<ul style="list-style-type: none"> <li>Clearly defining areas to strengthen and areas to scale back, and <b>shift resources</b></li> <li><b>Strengthening R&amp;D in leading-edge technologies</b> based on a roadmap</li> <li><b>Cost reduction</b> through fundamental reforms in procurement and production methods</li> </ul>

# Growth Strategy by Segment [Aerospace Business]

Strengthening the company-wide earnings base by expanding defense business amid robust demand and enhancing our high-margin industrial & infrastructure



# Global Expansion Strategy

Focusing on India and North America, while leveraging alliances and M&A to accelerate growth

## Europe [Connectors]

### Deepen Penetration in Low-Market-Share Segments

- Expand through collaboration with Kyocera
  - Sales collaboration in the Industrial & Infrastructure Markets, and Automotive Markets will begin this fiscal year
  - Advancing contract manufacturing of automotive connectors at the KAVX Czech plant

## China [Connectors]

### Strengthen profitability

- Selection of customers and business opportunities (Mobile devices, Automotive)
- Strengthening price competitiveness through local production for local demand

## India and ASEAN [Connectors]

### Establish bases to expand in growing markets

- India
  - Accelerate market entry by leveraging a sales joint venture
  - Consider to establish local manufacturing companies
- Consider to establish sales offices in Indonesia and Thailand
- Consider to outsource manufacturing to Kyocera in Vietnam

## North America

### [Connectors]

### Pioneer New Fields

- Pioneer the space sector by leveraging our U.S. manufacturing base, focusing on the satellite business
- Expand business with major EV customers
- Developing new AI-related demand

### [Aerospace]

### Expand into high-margin commercial markets

- Expand new product offerings for oil drilling by leveraging Tooltronix

# Synergies from Collaboration with Kyocera

## Mobile Devices

### ■ Strengthening Technology Development and Manufacturing Capabilities

- ➔ Launch development and secure advanced development resource

## Automotive, Industrial & Infrastructure

### ■ Europe: Leveraging KAVX's customer base and production sites

#### Asia: Utilization of Kyocera production sites

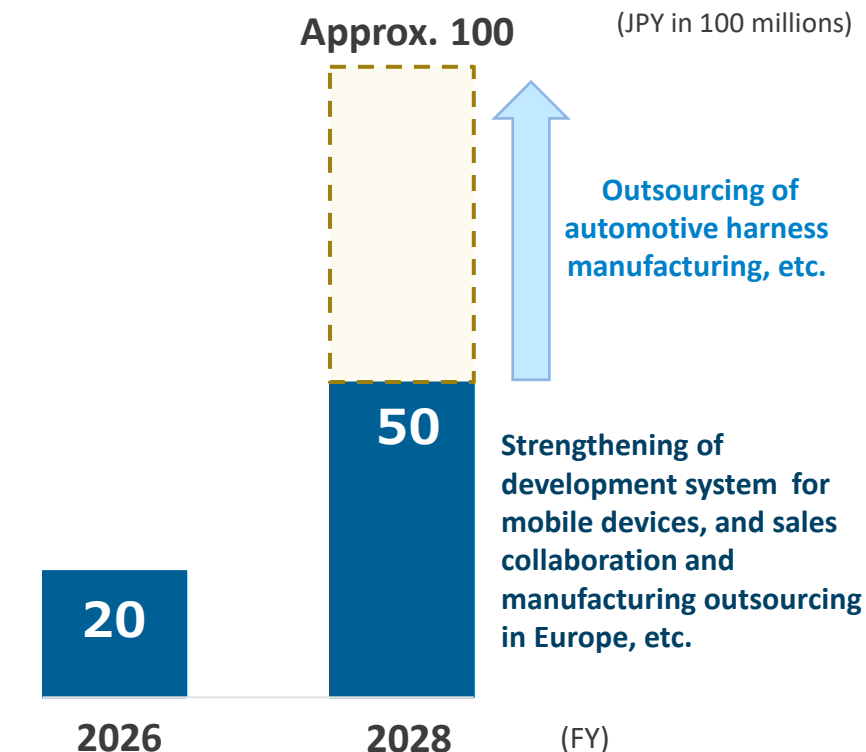
- ➔ Business expansion through increased customer channels
- Reducing transportation costs through local production and consumption

## Aviation & Space

### ■ U.S.: Leveraging the KAVX customer base

- ➔ Capturing new demand in the defense, aviation, and space sectors

## Synergy effects (including indirect synergies)



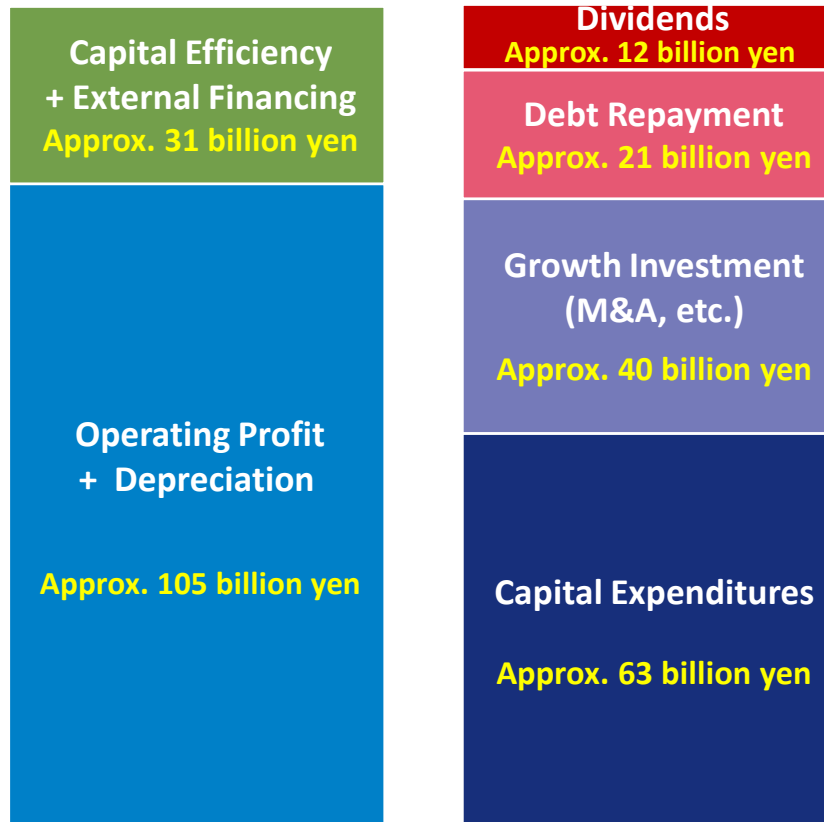
Indirect Synergy: Sales from projects expected to generate cost synergies

**In addition to expanding collaborative synergies, we will introduce optical products into new fields such as data centers and quantum computers through joint development**

# Capital Allocation

While maintaining financial soundness, JAE will secure and deploy the funds necessary for growth investments by leveraging external financing, and enhancing cash management

## FY2026–FY2028 (3-year total)



### ■ Dividend Policy

Maintain a dividend payout ratio of 30% or higher; total dividends of 12 billion yen are estimated for the medium-term plan period

### ■ Growth Investment (M&A) Policy

Consider business expansion in overseas markets with growth potential, and the acquisition of promising future technologies and products as primary targets

### ■ Capital Expenditures Policy

Achieve equipment cost reductions; capital expenditures of 63 billion yen are planned over the medium-term plan period

# Strengthening the IT Infrastructure

Accelerating business foundation reinforcement through advanced data utilization

## Transitioning from "Defensive IT" to "Offensive, Value-Creating IT"

Shift toward AI-driven decision support, real-time visualization of management KPIs, and a shift to higher value-added work

- Building a Unified Data Platform
- AI-driven process automation, forecasting, and improvement proposals



## Organizationally driving digital transformation (DX)

- Cross-departmental promotion of DX initiatives  
(Production & Sales / Management Control / Product Development)
- Developing DX talent and building mechanisms for autonomous operation

Strengthening security measures against growing risks as information assets expand and become decentralized

(Visualization and vulnerability management of information assets, system integrity assurance, and network verification)

# Promoting Sustainability Management

## Promoting sustainability management to strengthen the business foundation for the sustainable enhancement of corporate value

### ■ Expanding ESG Initiatives Globally and Across the Supply Chain

**Environment:** Accelerating global reductions in Scope 1 and 2 emissions toward a decarbonized and circular society, as well as initiatives to reduce Scope 3 emissions  
Addressing biodiversity

**Social:** Strengthening human rights due diligence across corporate activities  
Promoting the active participation of diverse talent and improving employee engagement

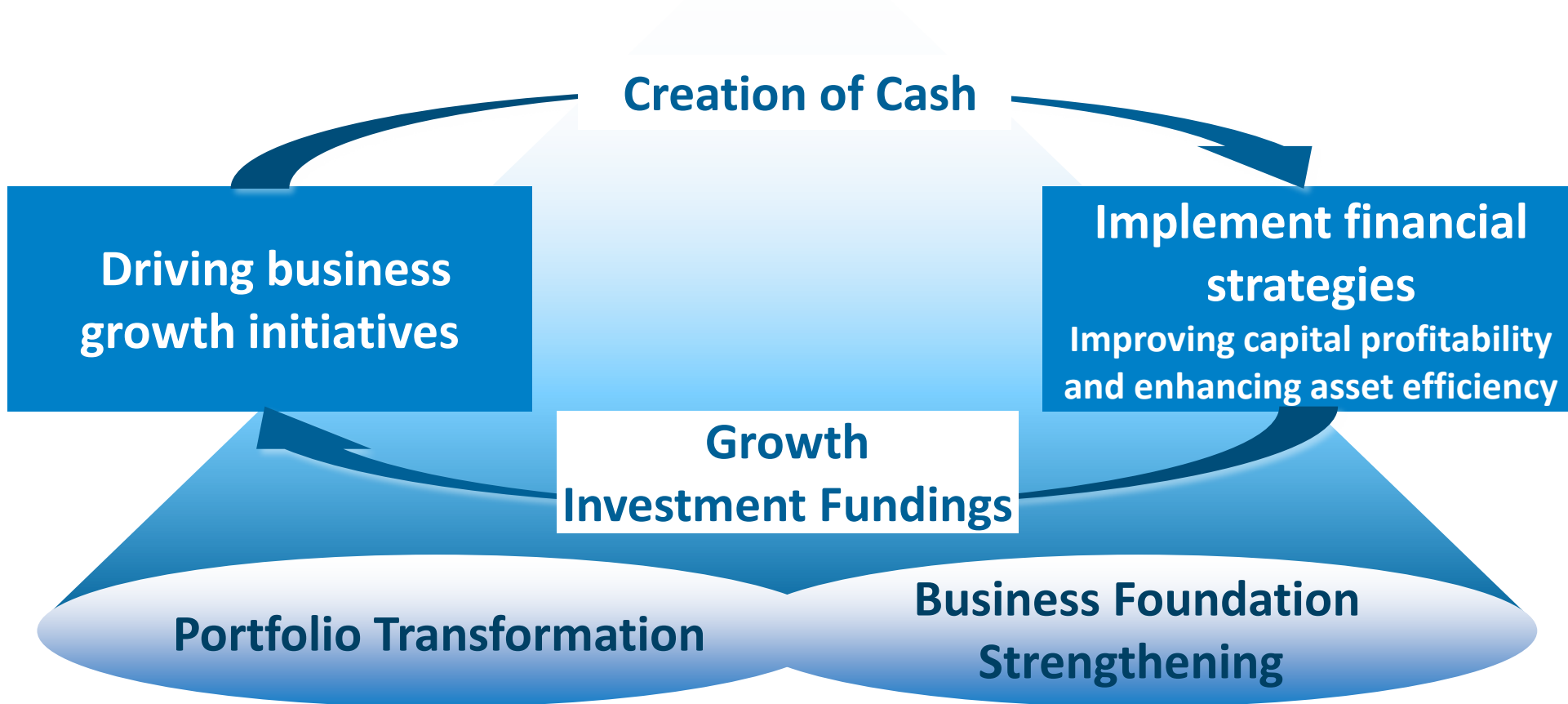
**Governance:** Advancing risk management  
Enhancing the effectiveness of the Board of Directors

### ■ Identifying materiality issues (double materiality) that contributes to solving social issues

# Toward the Sustainable Enhancement of Corporate Value

## Sustained enhancement of corporate value

Promotion of sustainability management





<Cautionary Statement>

The plans, strategies & results forecasts and targets for our company and our consolidated affiliates (hereinafter JAE) noted in these materials are forecasts and targets as of April 24, 2026, and include risks and uncertainties.

The targets noted in these materials are not projections, and do not reflect current projections by the management team with regards to future results. Rather, these are targets to be attained by the management team through implementing business strategies.

Note that actual results may differ greatly from forecasts and targets, etc. based on various factors. Major factors that affect actual business results, etc. are the political and economic situations in Japan, the US, Asia and so forth that involve regions where JAE conducts business operations, demand fluctuations for JAE products (including software products) in the market, deflationary pressures caused by severe competition, the ability to continue supplying over our competitors, the ability to expand business operations in overseas markets, changes to the laws and regulations concerning business activities, and their transparency, potential legal responsibilities, exchange rates, etc, and there may be other factors beyond the ones listed here. Actual results may differ from management targets and other forecasts due to a worsening global economy and the global financial situation, stagnation in the domestic and overseas stock markets, etc. Note that descriptions concerning projections are current as of that day.

Although new risks and factors of uncertainty that occur at any anytime are evident, it is impossible to predict their occurrence or effects. In addition, details describing future predictions may not actually occur due to risk and uncertainties. Do not rely solely on these descriptions.

※ Amounts less than 100 million JPY are rounded off.