Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

July 29, 2026

Company name: Japan Aviation Electronics Industry, Limited
Stock exchange listing: Tokyo Stock Exchange
Code number: 6807
URL: https://www.jae.com
Representative: Masayuki Muraki, President
Contact: Katsuyuki Koyama, General Manager Accounting and Financial Division
Phone: +81-3-3780-2752
Scheduled date of commencing dividend payments: –
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 1, 2026 – June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	58,250	12.9	327	(77.9)	345	(68.4)	333	(61.0)
June 30, 2025	51,605	(7.1)	1,480	(60.8)	1,091	(67.6)	856	(72.7)

(Note) Comprehensive income: Three months ended June 30, 2026: ¥1,765 million [(–)%]
Three months ended June 30, 2025: ¥153 million [(97.6)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	4.95	4.95
June 30, 2025	12.70	12.70

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	237,053	144,115	60.7
As of March 31, 2026	232,142	144,362	62.1

(Reference) Equity: As of June 30, 2026: ¥143,955 million
As of March 31, 2026: ¥144,206 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	30.00	–	30.00	60.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		25.00	–	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	120,000	8.7	3,800	(20.2)	3,500	(26.1)	2,700	(13.4)	40.04
Full year	240,000	5.3	9,500	6.3	8,500	3.0	6,000	(15.1)	88.98

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: None

Excluded: None

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 7 of the Attachments.

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: Yes

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

June 30, 2026:	70,302,608 shares
March 31, 2026:	70,302,608 shares

2) Total number of treasury shares at the end of the period:

June 30, 2026:	2,871,406 shares
March 31, 2026:	2,874,359 shares

3) Average number of shares during the period:

Three months ended June 30, 2026:	67,429,714 shares
Three months ended June 30, 2025:	67,400,820 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of performance forecast and other notes

The forward-looking statements concerning future financial results presented in this document are prepared based on the information currently available for the Company and certain preconditions which the Company believes to be reasonable at this time. Actual results may be substantially different from any projections presented herein due to various factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments for the assumptions underlying the financial results forecasts and precautions when using the forecasts.

The Company is scheduled to hold a financial results briefing session (telephone conference) for institutional investors and analysts on July 29, 2026. We will post the financial results explanatory materials to be used at the session on our website.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

The world economy during the three months ended June 30, 2026 was greatly affected by soaring crude oil prices and raw material shortages due to escalating tensions in the Middle East. While in the United States, industrial production and capital investments remained robust, particularly in the high-tech and automotive industries where AI demand is accelerating, the European economy saw a growing sense of caution due to high resource prices and energy shortages. In China, the continued stagnation in personal consumption, along with a decline in corporate capital investment motivation due to escalating tensions in the Middle East, has made the economic slowdown increasingly apparent. Meanwhile, despite gradual recovery in personal consumption and exports, the Japanese economy faced a highly uncertain situation owing to surging resource prices and raw material shortages. Against this background, the foreign exchange market witnessed an even stronger trend of yen depreciation since last year, with the exchange rate trading in the 160 yen per dollar range, marking a significant depreciation compared to the mid-140-yen range during the same period last year.

In the electronics market relevant to the Group, whereas the sales of smartphones in the mobile device market were sluggish, the automotive market continued to see a strong demand, with a recovery observed in the industrial and infrastructure market as well. In addition, demand in the aviation and space market remained firm.

Under these circumstances, the Group aimed to expand orders received and sales by optimizing selling prices, conducting global marketing and speeding up new product development centered on its flagship Connector Business. At the same time, the Group strived to achieve higher business performance by promoting the streamlining of management as a whole, including improvement of factory utilization ratio through further promotion of in-house production, resource conservation, and cost reduction through and more efficient use of equipment. However, we expect these measures to make a full-scale contribution to business performance from the latter half of the current fiscal year onward. As a result, we recorded net sales that exceeded the results for the corresponding period of the previous year, totaling ¥58,250 million (113% compared to the corresponding period of the previous year). On the profit side, however, we fell short of fully absorbing increasing costs owing to persistently high prices of key raw materials such as gold and copper, rising energy prices resulting from the situation in the Middle East, higher domestic procurement costs for components caused by the weak yen, as well as increased labor costs and other expenses, and posted operating profit totaling ¥327 million (22% compared to the corresponding period of the previous year), ordinary profit totaling ¥345 million (32% compared to the corresponding period of the previous year), and profit attributable to owners of parent totaling ¥333 million (39% compared to the corresponding period of the previous year).

(2) Explanation of Financial Position

Total assets at the end of the three months ended June 30, 2026 amounted to ¥237,053 million, marking an increase of ¥4,910 million from the end of the consolidated fiscal year ended March 31, 2026. The increase was attributable mainly to an increase in inventories, along with an increase in property, plant and equipment through capital investments in new products and others for future growth, despite a decrease in cash and deposits primarily due to financing for capital investments and the payment of dividends as well as a decrease in trade receivables.

Total liabilities amounted to ¥92,937 million, marking an increase of ¥5,157 million from the end of the consolidated fiscal year ended March 31, 2026, mainly due to an increase in trade payables, despite the repayment of borrowings.

Net assets amounted to ¥144,115 million, marking a decrease of ¥246 million from the end of the consolidated fiscal year ended March 31, 2026, mainly due to the payment of the year-end dividends, despite the recording of profit attributable to owners of parent and an increase in foreign currency translation adjustment arising from yen depreciation.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The consolidated financial results forecast for the fiscal year ending March 31, 2027 (for the first six months and for the full year) and the dividend forecast (for the second quarter-end and for the year-end) remain unchanged from the figures announced on April 24, 2026.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	48,499	43,822
Notes receivable - trade	45	1
Electronically recorded monetary claims - operating	2,887	3,417
Accounts receivable - trade	35,981	34,007
Inventories	32,815	37,561
Other	10,558	12,455
Allowance for doubtful accounts	(131)	(127)
Total current assets	130,657	131,138
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,332	28,156
Machinery, equipment and vehicles, net	20,514	22,116
Tools, furniture and fixtures, net	6,870	6,937
Land	7,060	7,076
Construction in progress	14,771	15,019
Total property, plant and equipment	77,550	79,307
Intangible assets	3,096	3,455
Investments and other assets		
Deferred tax assets	2,469	3,342
Other	18,498	19,939
Allowance for doubtful accounts	(129)	(130)
Total investments and other assets	20,838	23,152
Total non-current assets	101,485	105,915
Total assets	232,142	237,053

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,478	32,332
Short-term borrowings	11,000	11,000
Income taxes payable	1,342	1,194
Provision for bonuses for directors (and other officers)	55	11
Other	15,017	15,070
Total current liabilities	52,893	59,608
Non-current liabilities		
Long-term borrowings	30,750	29,000
Retirement benefit liability	171	173
Other	3,965	4,155
Total non-current liabilities	34,887	33,329
Total liabilities	87,780	92,937
Net assets		
Shareholders’ equity		
Share capital	10,690	10,690
Capital surplus	14,431	14,431
Retained earnings	101,169	99,479
Treasury shares	(7,252)	(7,245)
Total shareholders’ equity	119,039	117,356
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,001	1,292
Foreign currency translation adjustment	18,503	19,815
Remeasurements of defined benefit plans	5,662	5,491
Total accumulated other comprehensive income	25,167	26,599
Share acquisition rights	155	159
Total net assets	144,362	144,115
Total liabilities and net assets	232,142	237,053

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	51,605	58,250
Cost of sales	43,661	50,807
Gross profit	7,944	7,443
Selling, general and administrative expenses	6,463	7,116
Operating profit	1,480	327
Non-operating income		
Interest income	97	101
Dividend income	327	226
Foreign exchange gains	–	91
Other	44	59
Total non-operating income	469	478
Non-operating expenses		
Interest expenses	180	243
Loss on retirement of non-current assets	105	151
Foreign exchange losses	534	–
Other	38	65
Total non-operating expenses	858	460
Ordinary profit	1,091	345
Profit before income taxes	1,091	345
Income taxes - current	448	217
Income taxes - deferred	(212)	(205)
Total income taxes	235	11
Profit	856	333
Profit attributable to owners of parent	856	333

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	856	333
Other comprehensive income		
Valuation difference on available-for-sale securities	180	291
Foreign currency translation adjustment	(753)	1,312
Remeasurements of defined benefit plans, net of tax	(130)	(171)
Total other comprehensive income	(702)	1,432
Comprehensive income	153	1,765
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	153	1,765
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Changes in presentation)

(Quarterly consolidated balance sheets)

"Notes receivable – trade," "Electronically recorded monetary claims – operating," and "Accounts receivable – trade," which were previously included in "Notes and accounts receivable – trade" under current assets in the fiscal year ended March 31, 2026, have been presented separately from the beginning of the three months ended June 30, 2026 in order to to enhance clarity. To reflect this change in presentation, the consolidated financial statements for the fiscal year ended March 31, 2026 have been reclassified.

As a result, the ¥38,914 million presented in "Notes and accounts receivable – trade" under current assets on the consolidated balance sheet for the fiscal year ended March 31, 2026 has been reclassified as ¥45 million in "Notes receivable – trade," ¥2,887 million in "Electronically recorded monetary claims – operating," and ¥35,981 million in "Accounts receivable – trade."

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

For calculation of tax expenses, we adopt a method whereby the effective tax rate for the profit before income taxes for the fiscal year ending March 31, 2027, after the application of tax effect accounting is reasonably estimated, and the quarterly profit before income taxes is multiplied by such effective tax rate.

However, in cases where calculating tax expenses using the reasonably estimated effective tax rate yields a result that is notably lacking rationality, tax expenses are calculated using the statutory effective tax rate.

(Changes in accounting estimates)

(Change in the amortization period for actuarial gains and losses from accounting treatments of defined benefit plans)

With regard to the amortization period for actuarial gains and losses from accounting treatments of retirement benefits, the Company previously amortized these amounts over a fixed number of years (13 years) within the average remaining service period of employees; however, since such period has fallen below this figure, the Company has changed the amortization period to 12 years starting from the three months ended June 30, 2026.

As a result of this change, operating profit, ordinary profit, and profit before income taxes for the three months ended June 30, 2026 increased by ¥33 million, respectively.

(Segment information, etc.)

[Segment information]

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment		Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	Aerospace Business				
Net sales						
Mobile devices	15,209	–	–	15,209	–	15,209
Automotive	27,075	33	–	27,108	–	27,108
Industrial and infrastructure	4,451	1,960	–	6,412	–	6,412
Aviation and space	–	1,713	–	1,713	–	1,713
Others	1,034	–	126	1,161	–	1,161
Revenue from contracts with customers	47,771	3,707	126	51,605	–	51,605
Total	47,771	3,707	126	51,605	–	51,605
Segment income (Note 1)	2,442	230	43	2,716	(1,236)	1,480

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥1,236 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.

For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

1. Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment		Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	Aerospace Business				
Net sales						
Mobile devices	14,085	–	–	14,085	–	14,085
Automotive	30,828	38	–	30,866	–	30,866
Industrial and infrastructure	6,688	2,525	–	9,213	–	9,213
Aviation and space	214	2,254	–	2,468	–	2,468
Others	1,453	–	162	1,615	–	1,615
Revenue from contracts with customers	53,270	4,818	162	58,250	–	58,250
Total	53,270	4,818	162	58,250	–	58,250
Segment income (Note 1)	798	724	40	1,563	(1,235)	327

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥1,235 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.

2. Matters concerning changes in reportable segments

The Company has conducted its business primarily through three reportable segments of the "Connector Business," the "User Interface Solutions Business," and the "Aerospace Business." However, starting from the three months ended June 30, 2026, we have decided to reorganize the User Interface Solutions Business into the Connector Business as a single reportable segment, in order to consolidate management resources to enhance efficiency and maximize synergies, thereby fostering renewed business growth and improving profitability.

Accordingly, segment information for the three months ended June 30, 2025 has been restated to reflect the new reportable segments.

(Notes to Consolidated Statement of Cash Flows)

We have not prepared a Consolidated Statement of Cash Flows for the three months ended June 30, 2026. Depreciation (including depreciation of intangible assets) for the three months ended June 30 is as follows.

	For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)	For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)
Depreciation	¥4,478 million	¥4,458 million