

October 4, 2013

JAE Comments on Suspension from Ministry of Defense Bidding

Tokyo, October 4, 2013 – JAE (Japan Aviation Electronics Industry, Limited) received notice today from Japan's Ministry of Defense (MOD) that following revelations that the company overcharged the MOD for expenses, JAE was suspended from participating in further bidding for nine months from today until July 3, 2014.

JAE will fully cooperate with the MOD's investigation of the matter.

Details regarding the total amount of overcharge, the timing of reimbursing the central government treasury and the impact on the company's financial performance are currently unclear. JAE will disclose the impact the matter has on the company as soon as the situation is better understood.

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