

Presentation of Consolidated Financial Results
for the 2nd Quarter of the FY Ended March 31, 2019
(from Apr. 2018 to Sep. 2018)

AIDA



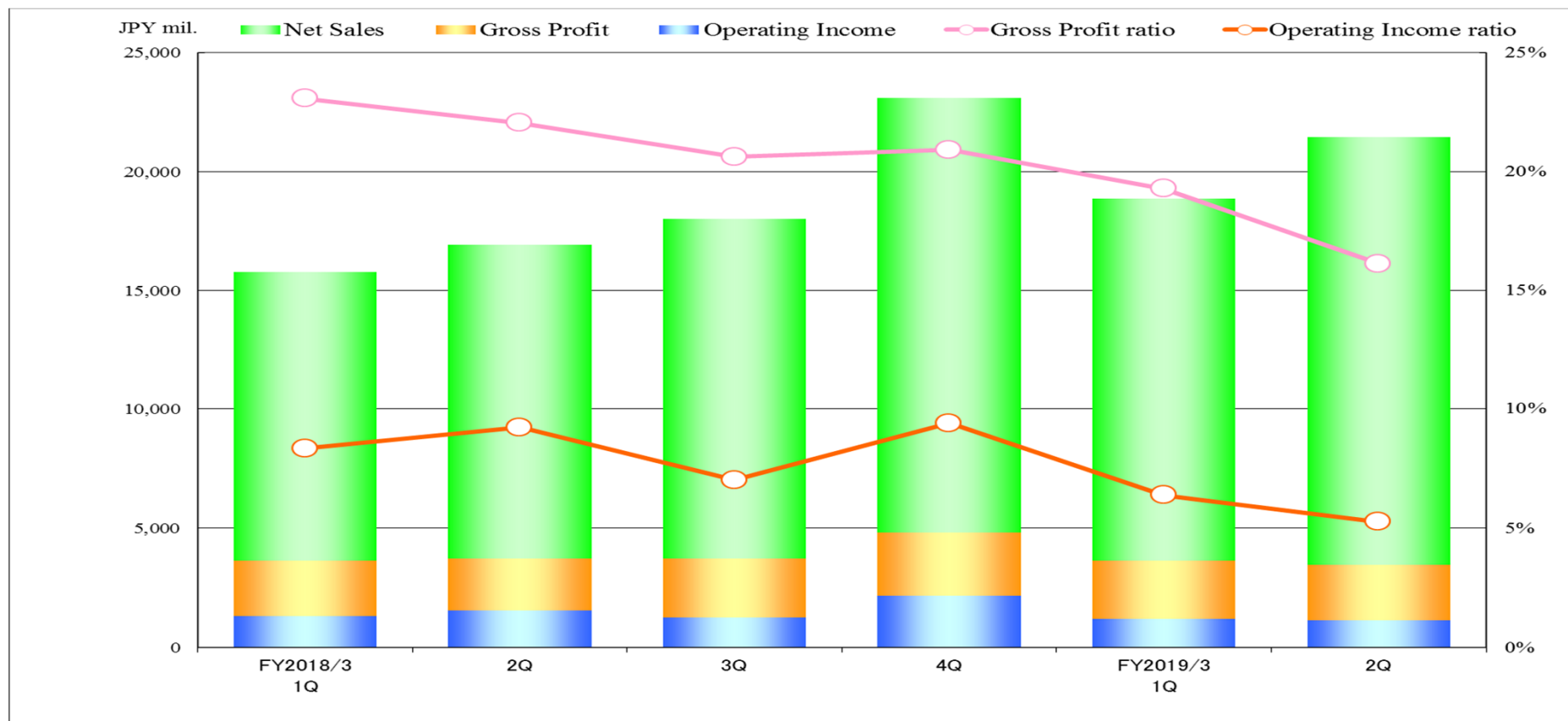
Highlights of Consolidated Results Summary of P&L



(JPY mil.)	FY2018/3	FY2019/3	Fluctuation	
	1st Half	1st Half	Amount	%
Order Intake	43,939	44,081	142	0.3%
Net Sales	32,734	40,311	7,577	23.1%
Cost of Sales	25,353	33,214	7,860	31.0%
Gross Profit	7,381	7,097	△ 283	△3.8%
<Gross Profit ratio>	22.5%	17.6%		(△4.9P)
Selling, general and administrative expenses	4,504	4,762	258	5.7%
Operating Income	2,876	2,334	△ 542	△18.9%
<Operating Income ratio>	8.8%	5.8%		(△3.0P)
Ordinary Income	2,834	2,651	△ 183	△6.5%
Income Before Income Taxes	2,832	2,505	△ 326	△11.5%
Net Income	1,950	1,735	△ 214	△11.0%
Exchange Rate	1USD=	¥111.10	△0.76	△0.7%
	1EUR=	¥126.24	3.65	2.9%

<Summary>		
<p>Orders intake has maintained high-level Net sales increased, but OP didn't catch up</p>	Order Intake:	Orders intake increased by 0.3% from previous FY due to expansion of order intakes from automotive related customers and consolidation of Reliance Electric Limited/Japan and RAS.
	Net Sales:	Net sales increased by 23.1% from previous FY due to sales to automotive related customers and consolidation of Reliance Electric Limited/Japan and RAS.
	Gross Profit:	Gross Profit decreased by 3.8% from previous FY. The decrease was mainly due to rising of cost for raw materials and outsourcing, offsetting impact of the net sales increase.
	Operating Income:	Operating income decreased by 18.9% from previous FY. The decrease was mainly due to decrease of gross profit.
	Ordinary Income:	Ordinary income decreased by 6.5% from previous FY due to decrease of Operating Income, despite improvement of foreign exchange gain/loss of foreign-currency-denominated assets.
	Net Income:	Net income decreased by 11.0% from previous FY, mainly due to decrease of ordinary income.

Trend of Sales, Gross Profit and Operating Income

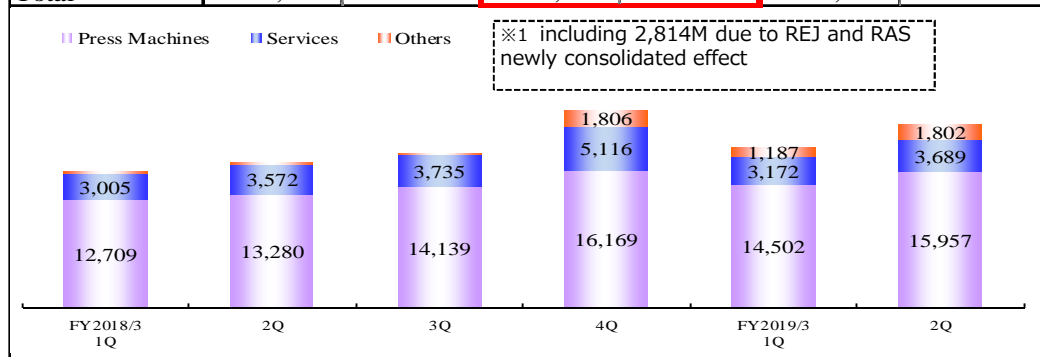


		FY2018				FY2019	
		1Q	2Q	3Q	4Q	1Q	2Q
	Net Sales	15,792	16,942	18,028	23,093	18,862	21,449
	Gross Profit	3,644	3,736	3,718	4,830	3,637	3,459
	Operating Income	1,315	1,561	1,265	2,170	1,203	1,130
	Gross Profit ratio	23.1%	22.1%	20.6%	20.9%	19.3%	16.1%
	Operating Income ratio	8.3%	9.2%	7.0%	9.4%	6.4%	5.3%

Sales to Third Party (by Business/Customer/Geographic segment)

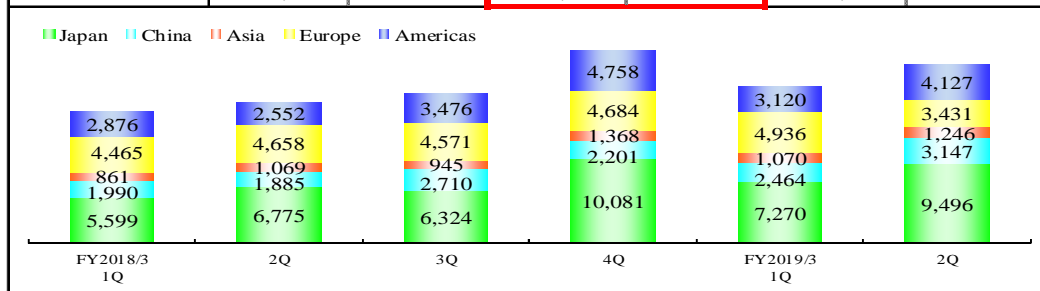
Sales by Business segment

(JPY mil.)	FY2018/3		FY2019/3		Fluctuation	
	1st Half		1st Half		Amount	%
Press Machines	25,990	79.4%	30,459	75.6%	4,469	17.2%
Services	6,577	20.1%	6,862	17.0%	284	4.3%
Others	166	0.5%	2,990	7.4%	2,823	※1 1692.7%
Total	32,734	100.0%	40,311	100.0%	7,577	23.1%



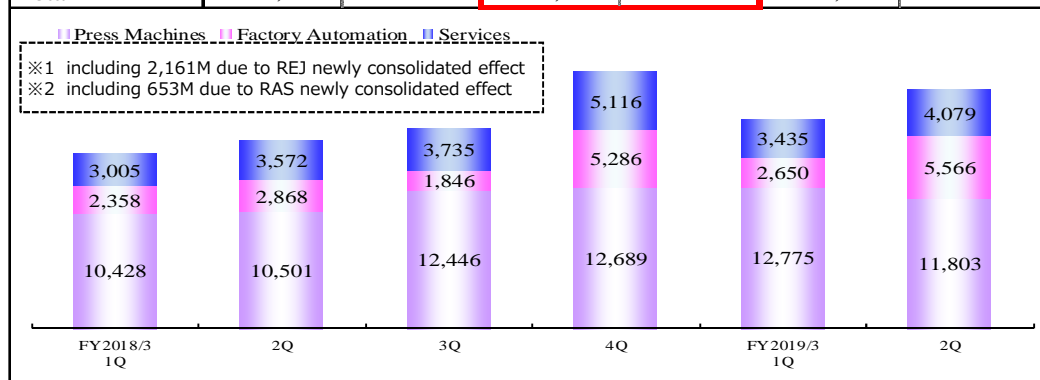
Sales by Geographic segment

(JPY mil.)	FY2018/3		FY2019/3		Fluctuation	
	1st Half		1st Half		Amount	%
Japan	12,374	37.8%	16,767	41.6%	4,392	35.5%
China	3,875	11.8%	5,611	13.9%	1,735	44.8%
Asia	1,931	5.9%	2,316	5.7%	384	19.9%
Americas	9,124	27.9%	8,368	20.8%	△ 755	△ 8.3%
Europe	5,428	16.6%	7,248	18.0%	1,819	33.5%
Total	32,734	100.0%	40,311	100.0%	7,577	23.1%



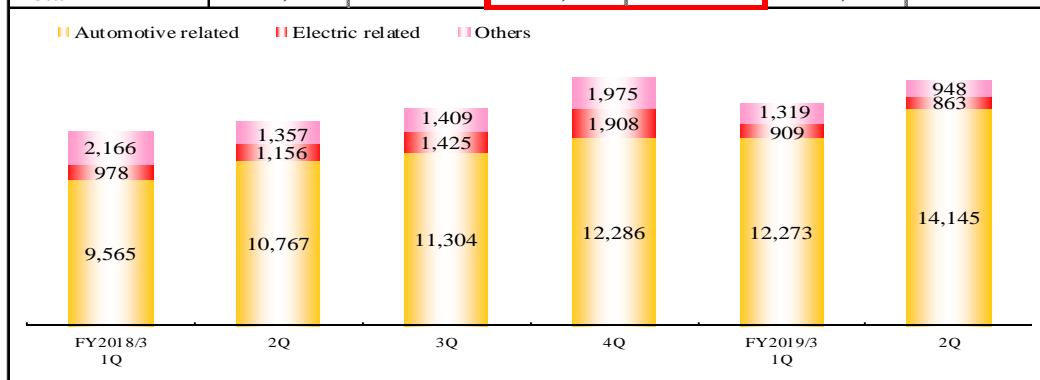
Sales by Business segment of the Mid-Term Management Plan "THE AIDA PLAN 523"

(JPY mil.)	FY2018/3		FY2019/3		Fluctuation	
	1st Half		1st Half		Amount	%
Press Machines	20,930	63.9%	24,579	61.0%	3,649	17.4%
Factory Automation	5,226	16.0%	8,217	20.4%	2,990	※1 57.2%
Services	6,577	20.1%	7,514	18.6%	937	※2 14.3%
Total	32,734	100.0%	40,311	100.0%	7,577	23.1%

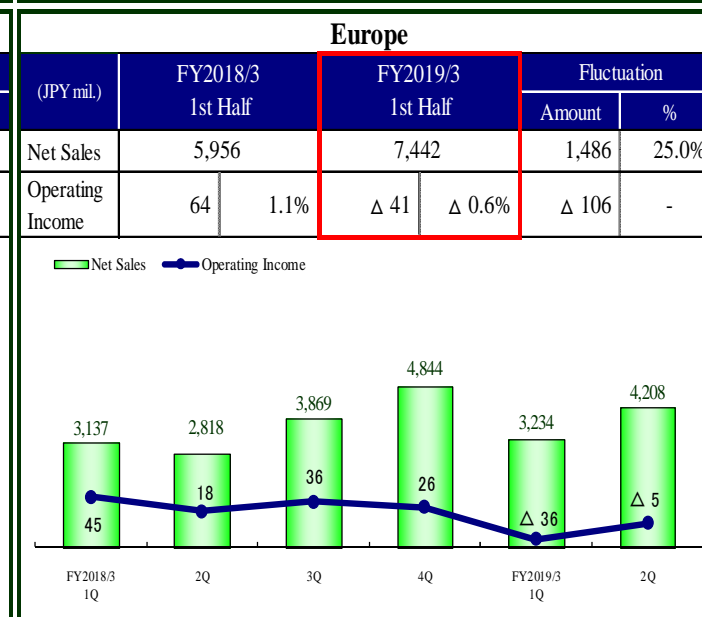
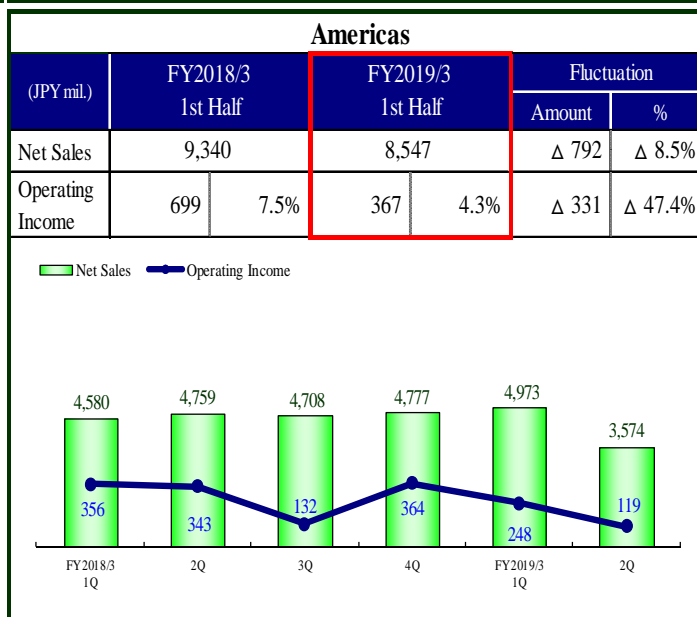
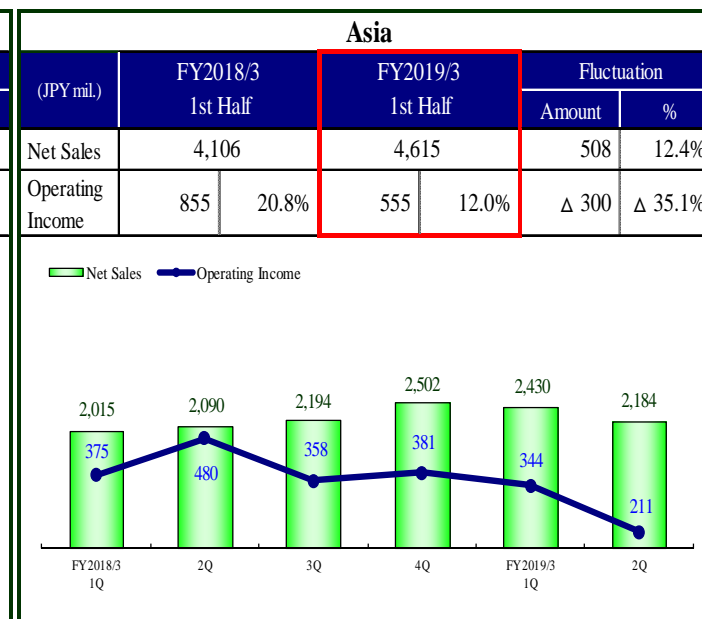
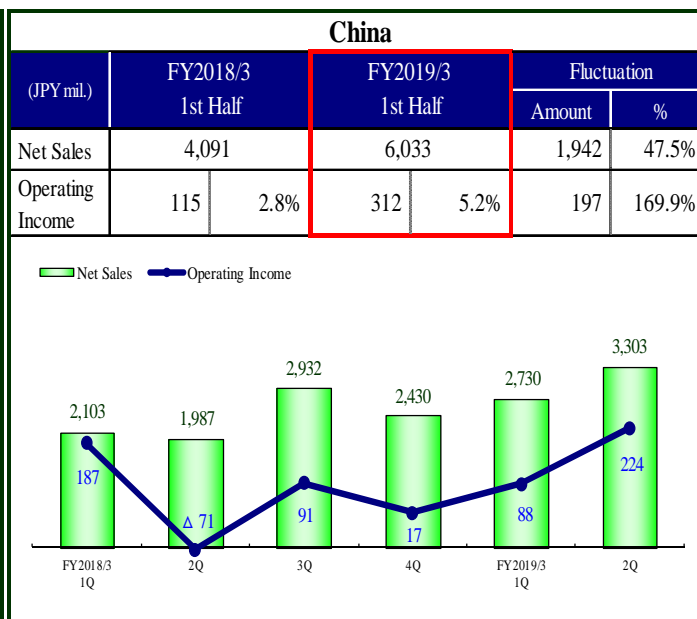
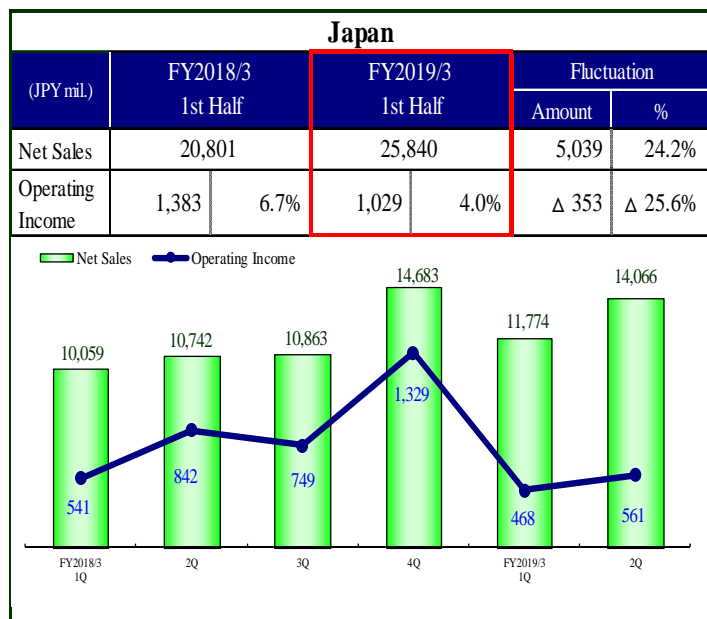


Sales (press machines) by Customer industry

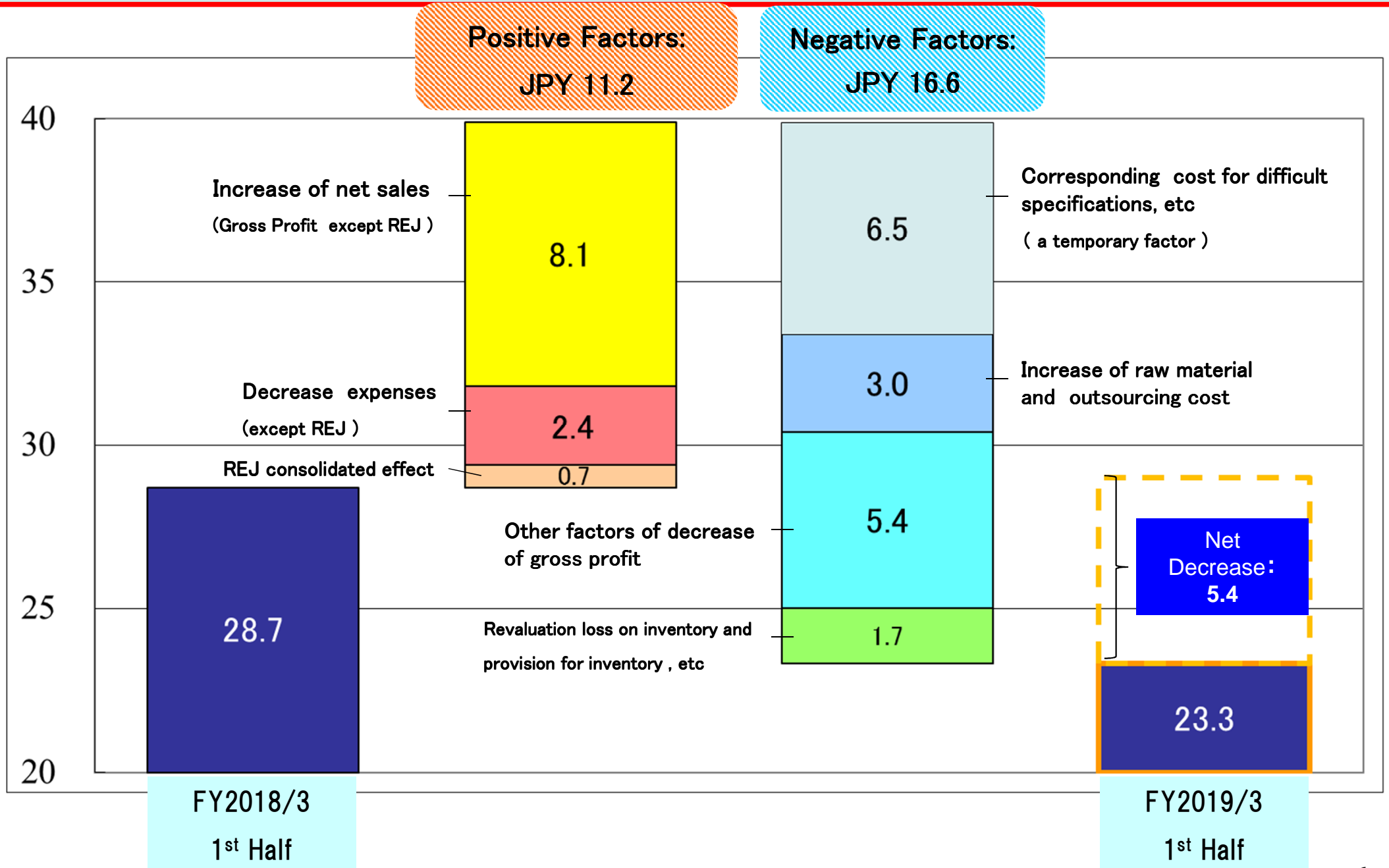
(JPY mil.)	FY2018/3		FY2019/3		Fluctuation	
	1st Half		1st Half		Amount	%
Automotive related	20,332	78.2%	26,418	86.7%	6,085	29.9%
Electric related	2,134	8.2%	1,773	5.8%	△ 361	△ 16.9%
Other industries	3,523	13.6%	2,267	7.4%	△ 1,255	△ 35.6%
Total	25,990	100.0%	30,459	100.0%	4,469	17.2%



Sales / Operating Income (by Geographic segment)



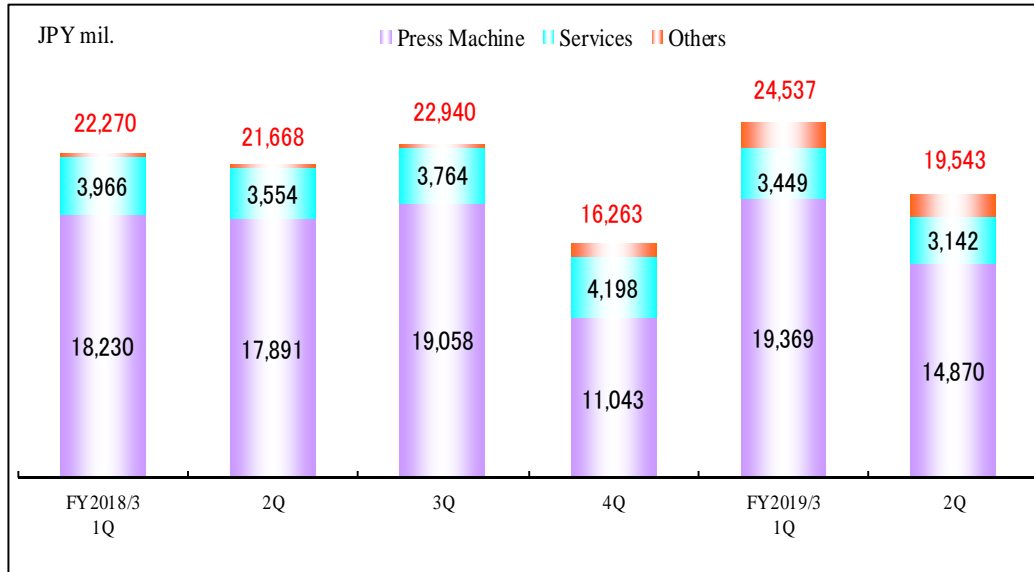
Fluctuation Analysis with regards to Operating Income



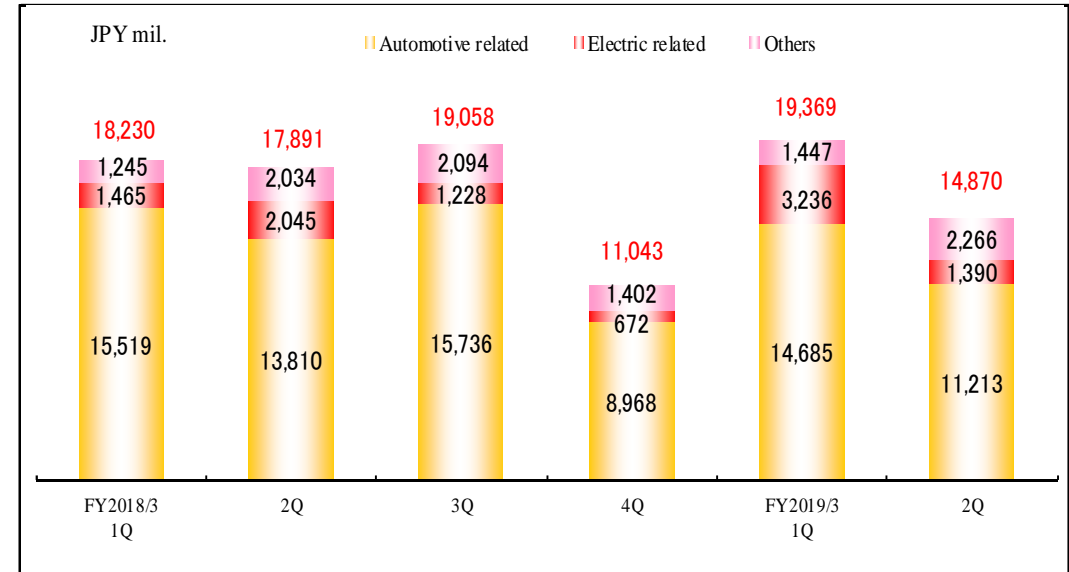
Orders Intake & Backlog (by Business/Customer/Geographic segment)



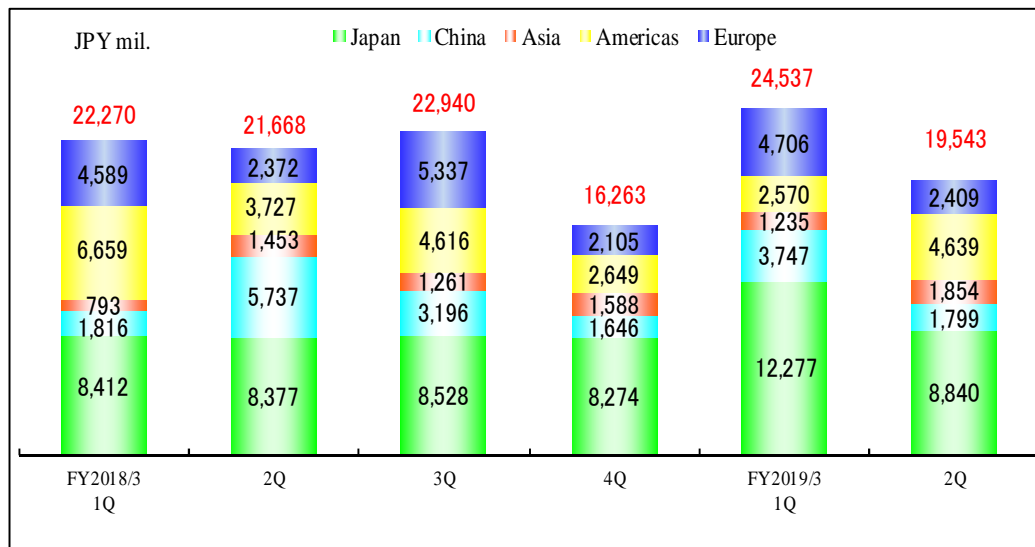
Orders Intake by Business Segment



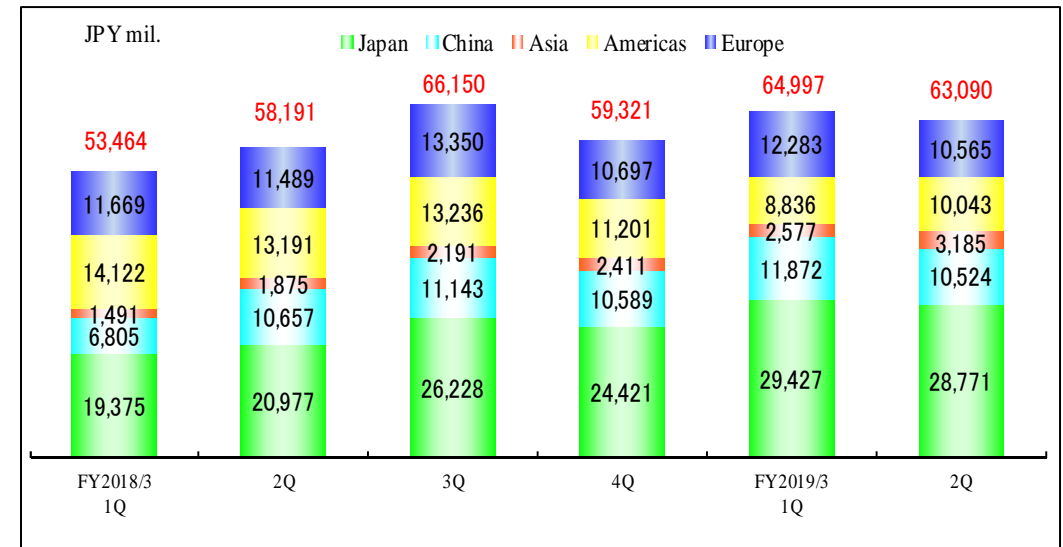
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



(JPY mil.)	FY2017/3				FY2018/3				FY2019/3		vs. FY2018/3	
	1st Half		Full-year		1st Half		Full-year		1st Half		Fluctuation	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	%
Order Intake: total	25,919	100.0%	62,655	100.0%	43,939	100.0%	83,143	100.0%	44,081	100.0%	142	0.3%
By Business												
Press Machine	19,290	74.4%	48,776	77.8%	36,121	82.2%	66,223	79.6%	34,240	77.7%	Δ 1,881	Δ 5.2%
By Customer												
Automotive related	12,572	65.2%	34,868	71.5%	29,330	81.2%	54,034	81.6%	25,898	75.6%	Δ 3,431	Δ 11.7%
Electric related	2,256	11.7%	4,893	10.0%	3,511	9.7%	5,412	8.2%	4,626	13.5%	1,115	31.8%
Other industries	4,461	23.1%	9,014	18.5%	3,279	9.1%	6,776	10.2%	3,714	10.8%	435	13.3%
Services	6,537	25.2%	13,569	21.7%	7,521	17.1%	15,484	18.6%	6,591	15.0%	Δ 930	Δ 12.4%
Others	91	0.4%	309	0.5%	296	0.7%	1,435	1.7%	3,250	7.4%	2,953	996.7%
By Region												
Japan	10,541	40.7%	22,474	35.9%	16,789	38.2%	33,592	40.4%	21,117	47.9%	4,327	25.8%
China	2,524	9.7%	7,636	12.2%	7,553	17.2%	12,396	14.9%	5,547	12.6%	Δ 2,005	Δ 26.6%
Asia	2,255	8.7%	4,753	7.6%	2,247	5.1%	5,097	6.1%	3,090	7.0%	843	37.5%
Americas	6,381	24.6%	18,041	28.8%	10,387	23.6%	17,653	21.2%	7,210	16.4%	Δ 3,176	Δ 30.6%
Europe	4,217	16.3%	9,749	15.6%	6,961	15.8%	14,404	17.3%	7,116	16.1%	154	2.2%
Order Backlog: total	46,029	100.0%	46,986	100.0%	58,191	100.0%	59,321	100.0%	63,090	100.0%	3,769	6.4%
By Region												
Japan	18,029	39.2%	16,562	35.2%	20,977	36.0%	24,421	41.2%	28,771	45.6%	4,349	17.8%
China	5,861	12.7%	6,979	14.9%	10,657	18.3%	10,589	17.9%	10,524	16.7%	Δ 64	Δ 0.6%
Asia	1,819	4.0%	1,559	3.3%	1,875	3.2%	2,411	4.1%	3,185	5.0%	774	32.1%
Americas	9,931	21.6%	11,928	25.4%	13,191	22.7%	11,201	18.9%	10,043	15.9%	Δ 1,158	Δ 10.3%
Europe	10,388	22.6%	9,956	21.2%	11,489	19.7%	10,697	18.0%	10,565	16.7%	Δ 132	Δ 1.2%

Major Changes on Balance Sheet



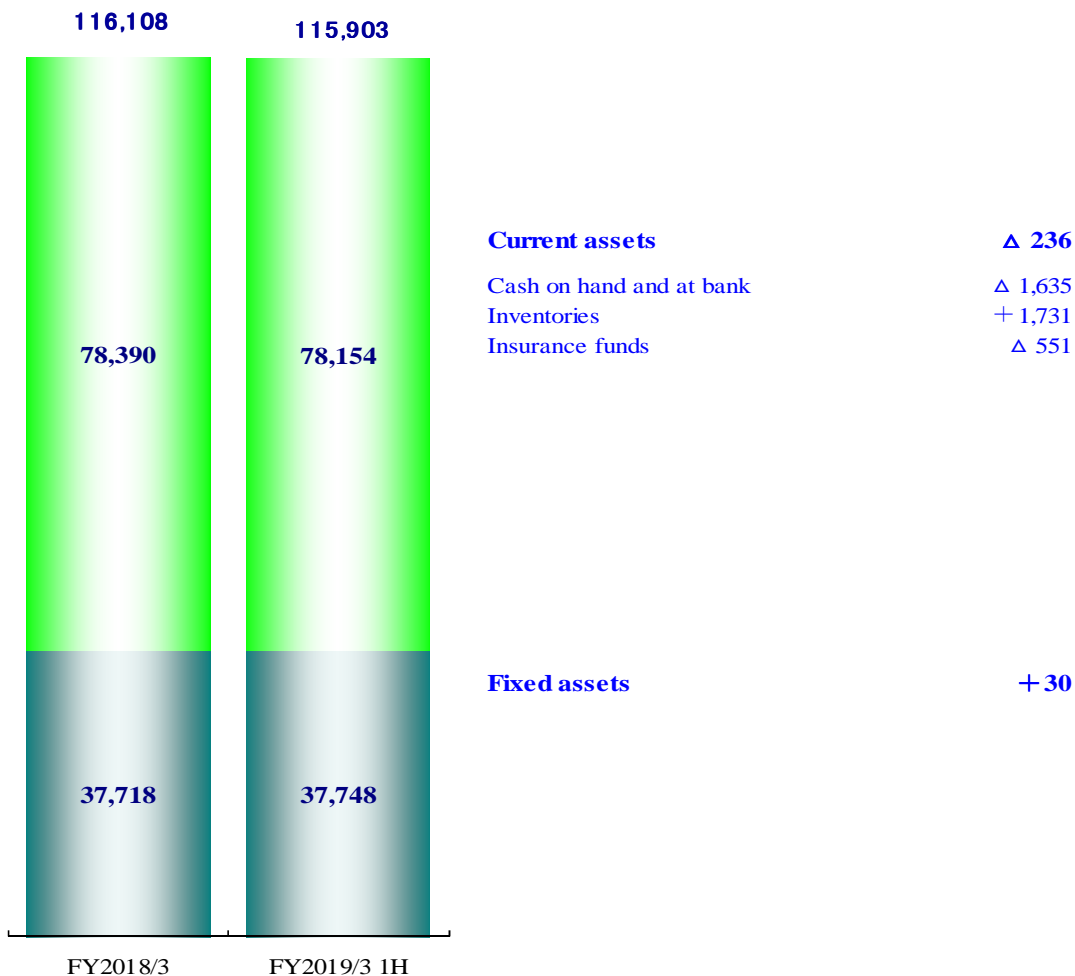
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Previous FY

Total assets Δ 205



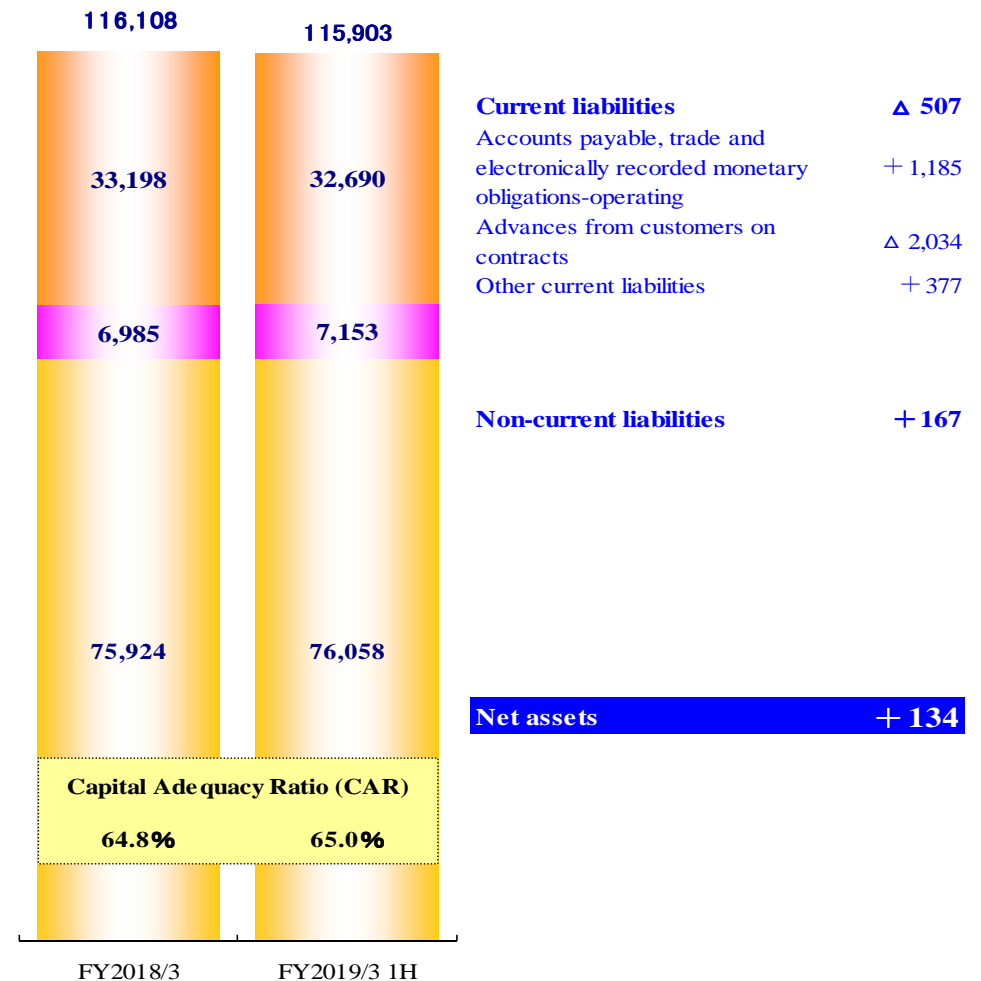
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
■ Long-term liabilities
■ Net assets

VS end of Previous FY

Total liabilities Δ 340



Highlights: Forecasts of FY2019 Consolidated Results



(JPY mil.)	FY2018/3	FY2019/3			Fluctuation		FY2019/3 Initial Forecast [B]	Change= [A]-[B]		
		1H Results	2H Forecast	Full-year forecast (revised) [A]	Amount	%		Amount	%	
Net Sales	73,856	40,311	37,689	78,000	4,144	5.6%	78,000	—	—	
Cost of Sales	57,926	33,214	28,686	61,900	3,974	6.9%	61,200	700	1.1%	
Gross Profit	15,930	7,097	9,003	16,100	170	1.1%	16,800	Δ 700	Δ4.2%	
<Gross Profit ratio>	21.6%	17.6%	23.9%	20.6%		(Δ1.0P)	21.5%		(Δ0.9P)	
Selling, general and administrative expenses	9,617	4,762	5,088	9,850	233	2.4%	10,000	Δ 150	Δ1.5%	
Operating Income	6,312	2,334	3,916	6,250	Δ 62	Δ 1.0%	6,800	Δ 550	Δ 8.1%	
<Operating Income ratio>	8.5%	5.8%	10.4%	8.0%		(Δ0.5P)	8.7%		(Δ0.7P)	
Ordinary Income	5,927	2,651	3,949	6,600	673	11.3%	6,900	Δ 300	Δ 4.3%	
Income Before Income Taxes	6,639	2,505	3,995	6,500	Δ 139	Δ 2.1%	6,900	Δ 400	Δ5.8%	
Net Income	4,786	1,735	3,165	4,900	114	2.4%	4,900	—	—	
Cash Dividends per Share	30	—	—	30	—	—	30	—	—	
Exchange Rate	1USD=	¥110.92	¥110.34	¥109.66	¥110.00	Δ0.92	Δ0.8%	¥106.00	4.00	3.8%
	1EUR=	¥129.67	¥129.89	¥128.11	¥129.00	Δ0.67	Δ0.5%	¥129.00	—	—

Causes of Change of Operating Income

(In million JPY)

Improved gross profit (sales mix, price and productivity):	+5.7
Decrease expenses (except REJ):	+4.5
REJ consolidated effect:	+1.0
Increase of raw material and outsourcing cost:	Δ7.0
Corresponding cost for difficult specifications, etc:	Δ4.8
Net Change	Δ0.6

<Summary>

Forecasted net sales are going to reach record-high, but OP are not going to catch up

Net Sales:	Expecting net sales increase by 5.6% compared with the previous year. Expansion of order intakes which is continuing from the previous year and consolidation of Reliance Electric Limited/Japan and RAS will contribute to sales increase.
Gross Profit:	Expecting gross profit increase compared with the previous year. On the other hand, expecting gross profit decrease compared with the initial forecast due to rising of cost for raw materials and outsourcing, and additional cost for handling difficult specifications.
Operation Income:	Expecting decrease of operating income compared with the initial forecast due to the cost increase as explained above, resulting to the same level as previous FY.
Ordinary Income:	Expecting ordinary income increased from previous FY, mainly due to improvement of foreign exchange gain/loss of foreign-currency-denominated assets and gains from insurance cancellation.
Net Income:	Expecting net income increased from previous FY, mainly due to increase of ordinary income and U.S. tax cut. Expecting net income and cash dividends per share are at the same level as the initial forecast.

Forecasts of Orders Intake/Sales/Operating Income (by segment)



By Business

(JPY mil.)	Orders				Net Sales			
	FY2018	FY2019 forecast	Fluctuation: FY2019 vs FY2018		FY2018	FY2019 forecast	Fluctuation: FY2019 vs FY2018	
			Amount	%			Amount	%
Press Machines	66,223	63,000	Δ 3,223	Δ 4.9%	56,300	56,000	Δ 300	Δ 0.5%
Services	15,484	16,000	516	3.3%	15,430	16,000	570	3.7%
Others	1,435	6,000	4,565	318.1%	2,126	6,000	3,874	182.2%
Consolidated	83,143	85,000	1,857	2.2%	73,856	78,000	4,144	5.6%

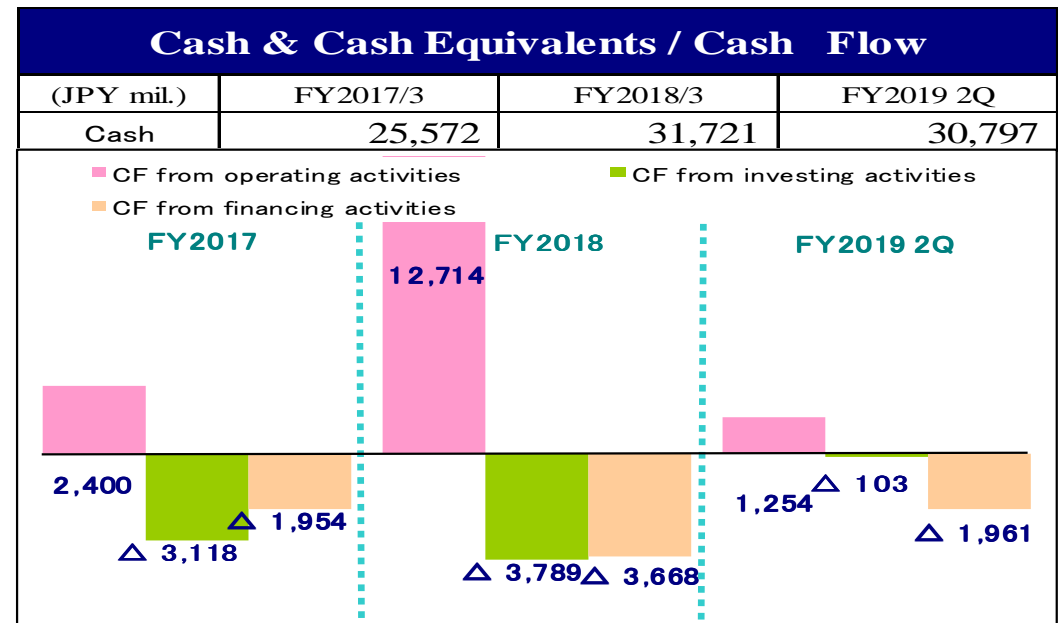
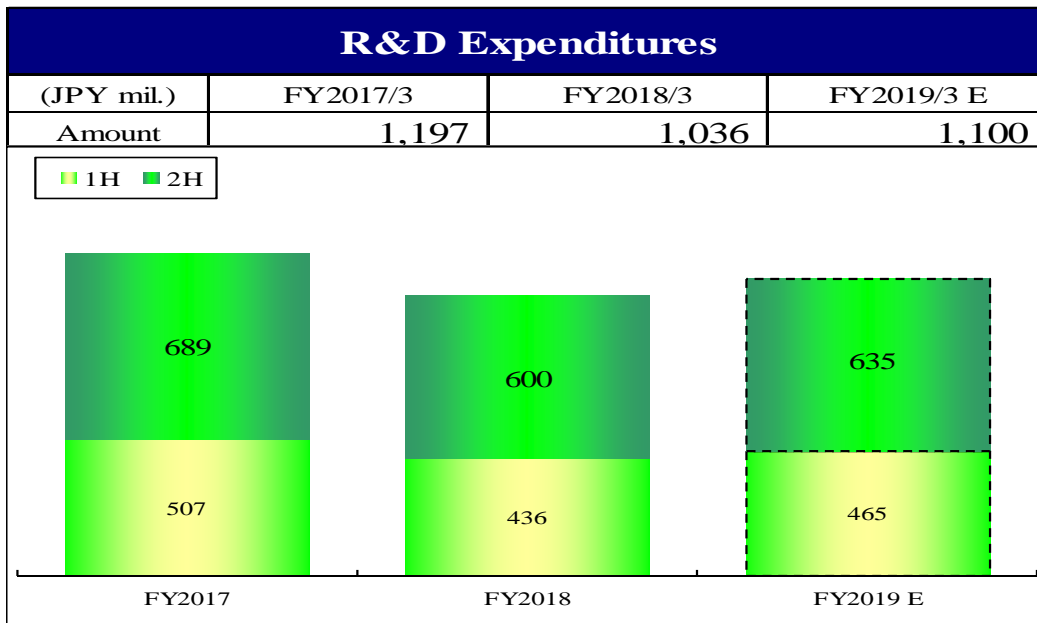
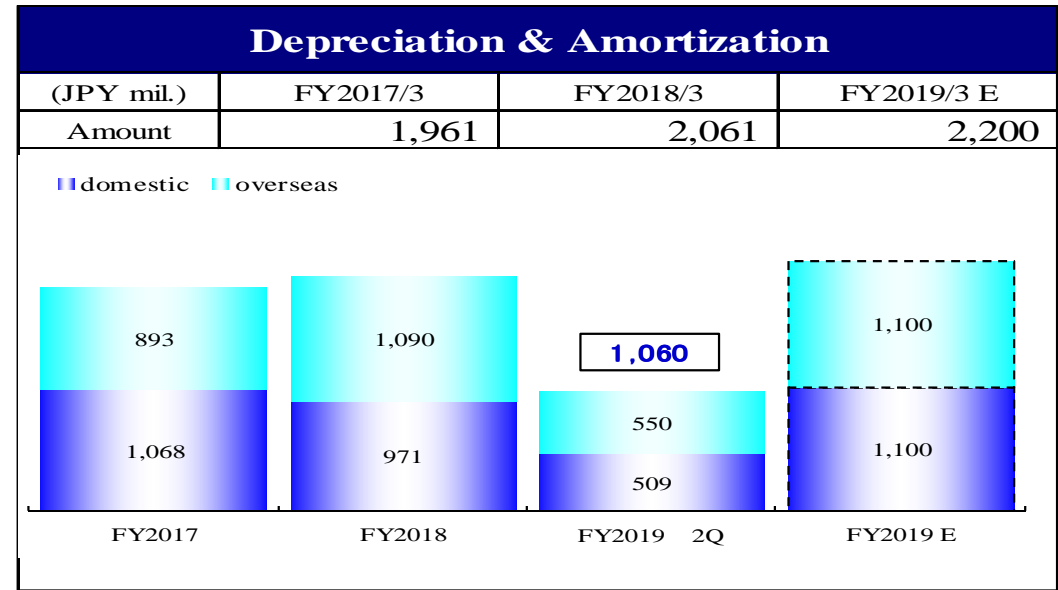
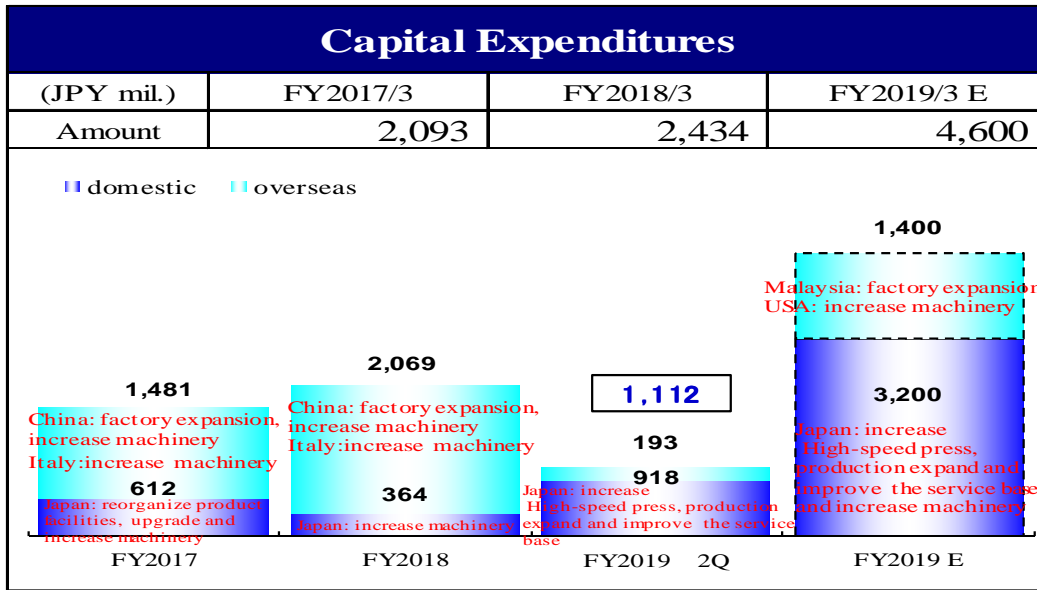
by Business segment of the Mid-Term Management Plan "THE AIDA PLAN 523"

(JPY mil.)	Net Sales				
	FY2018	FY2019 forecast		Fluctuation	
		Amount	%	Amount	%
Press Machines	46,106	45,500	58%	Δ 606	Δ 1.3%
Factory Automation	12,320	16,000	21%	3,680	29.9%
Services	15,430	16,500	21%	1,070	6.9%
Total	73,856	78,000	100%	4,144	5.6%

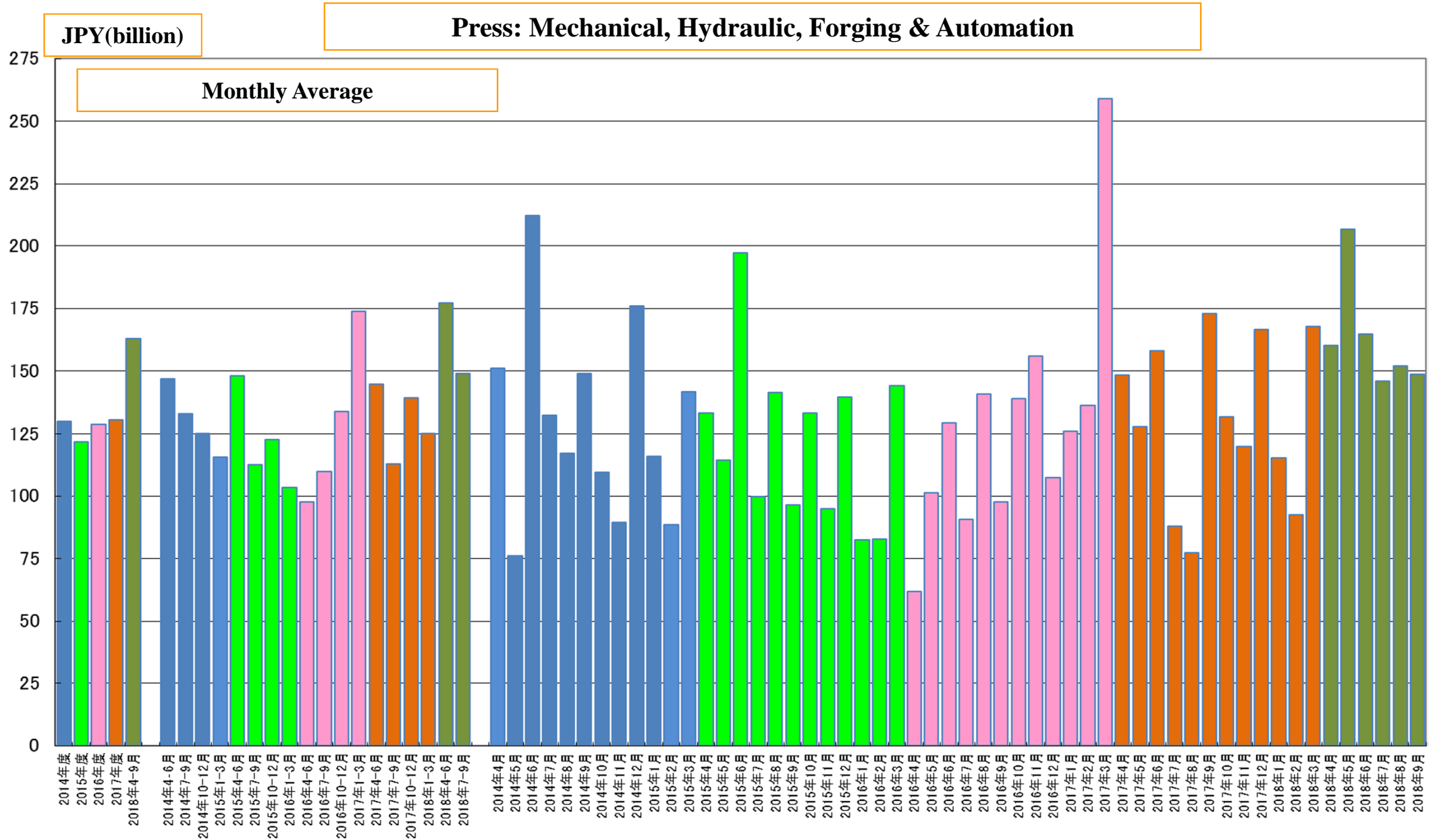
By Region

(JPY mil.)	Orders				Net Sales				Operating Income			
	FY2018	FY2019 forecast	Fluctuation: FY2019 vs FY2018		FY2018	FY2019 forecast	Fluctuation: FY2019 vs FY2018		FY2018	FY2019 forecast	Fluctuation: FY2019 vs FY2018	
			Amount	%			Amount	%			Amount	%
Japan	33,592	39,000	5,408	16.1%	46,349	52,000	5,651	12.2%	3,462	2,950	Δ 512	Δ 14.8%
China	12,396	8,500	Δ 3,896	Δ 31.4%	9,453	13,000	3,547	37.5%	224	700	476	212.5%
Asia	5,097	6,500	1,403	27.5%	8,803	9,500	697	7.9%	1,595	1,500	Δ 95	Δ 6.0%
Americas	17,653	15,000	Δ 2,653	Δ 15.0%	18,825	18,800	Δ 25	Δ 0.1%	1,196	1,000	Δ 196	Δ 16.4%
Europe	14,404	16,000	1,596	11.1%	14,669	14,300	Δ 369	Δ 2.5%	127	100	Δ 27	Δ 21.3%
Reconciliation					Δ 24,243	Δ 29,600	Δ 5,357	22.1%	Δ 292		292	Δ 100.0%
Consolidated	83,143	85,000	1,857	2.2%	73,856	78,000	4,144	5.6%	6,312	6,250	Δ 62	Δ 1.0%

Trend of Capex, Depreciation, R&D & CF



(for Reference) Statistics of Forming Machinery Industry-1

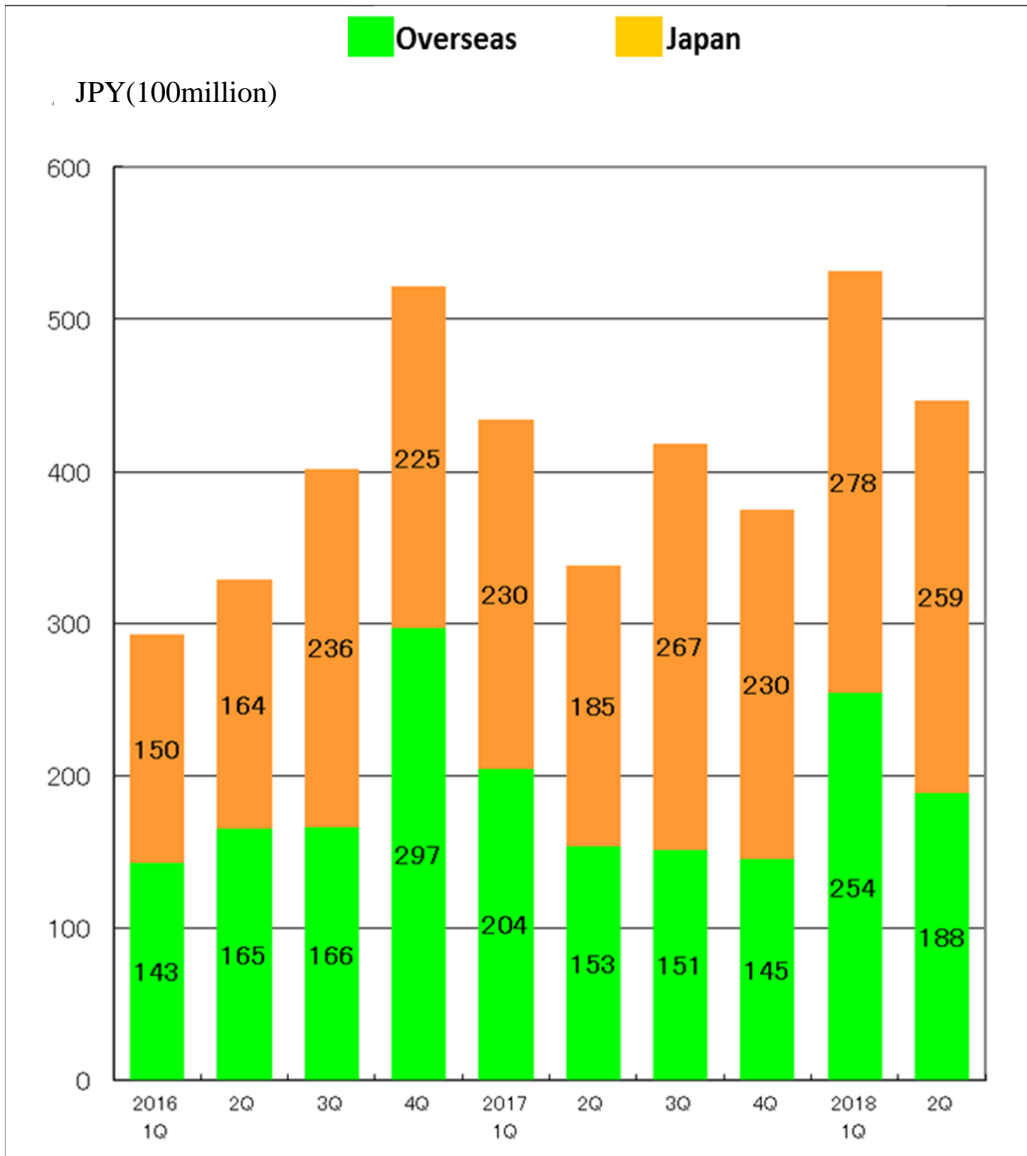


Place of origin: JFMA

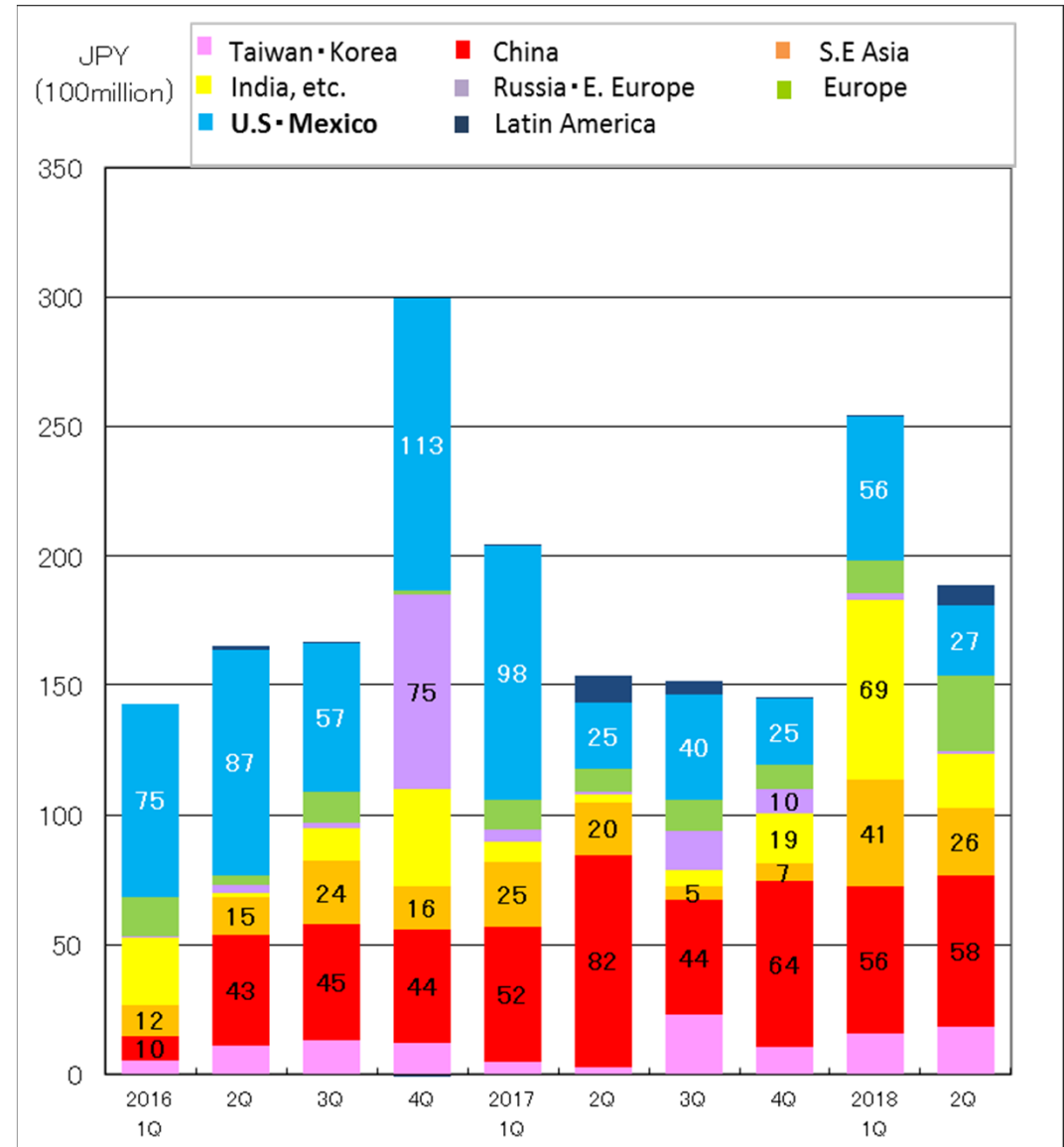
(for Reference) Statistics of Forming Machinery Industry- 2



Trend of Order Intake



Trend of Order Intake (Overseas) by Geographic Segment



Cautions about forecast statements contained in this package

- **The information in this package contains future forecasts.**
- **Future forecasts contained in this document are based on the judgment of company management based on currently available information. Although the future forecasts are based on or grounded in assumptions, future economic circumstances and actual business results may differ from these assumptions.**
- **Although the Company or its management is stating its expectations and/or convictions regarding future results, this does not guarantee that these expectations or convictions will be realized, nor does it guarantee that the actual results will be close to the forecasts. Moreover, the Company does not assume any obligation to update or revise any forecasts unless otherwise stipulated by law.**

November 2018

AIDA ENGINEERING, LTD.