

Presentation of Consolidated Financial Results
for the 2nd Quarter of the FY Ended March 31, 2018
(from Apr. 2017 to Sep. 2017)

AIDA



Highlights of Consolidated Results Summary of P&L

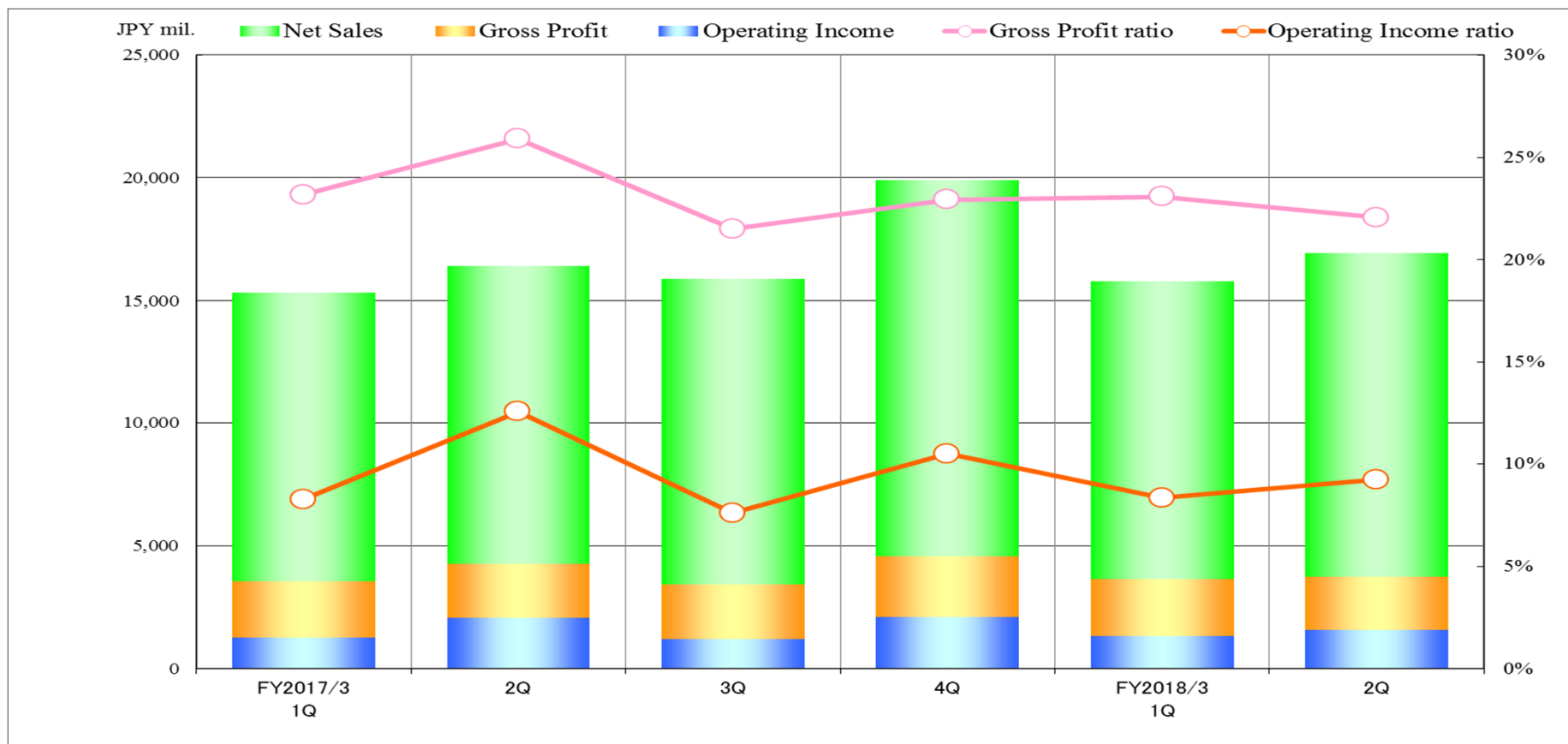


(JPY mil.)	FY2017/3	FY2018/3	Fluctuation	
	1st Half	1st Half	Amount	%
Order Intake	25,919	43,939	18,019	69.5%
Net Sales	31,768	32,734	966	3.0%
Cost of Sales	23,959	25,353	1,394	5.8%
Gross Profit	7,809	7,381	△ 427	△5.5%
<Gross Profit ratio>	24.6%	22.5%		(△2.1P)
Selling, general and administrative expenses	4,483	4,504	20	0.5%
Operating Income	3,325	2,876	△ 448	△13.5%
<Operating Income ratio>	10.5%	8.8%		(△1.7P)
Ordinary Income	3,587	2,834	△ 753	△21.0%
Income Before Income Taxes	3,574	2,832	△ 741	△20.8%
Net Income	2,596	1,950	△ 646	△24.9%
Exchange Rate	1USD=	¥105.38	¥5.72	5.4%
	1EUR=	¥118.31	¥126.24	¥7.93

<Summary>

Order Intake:	Orders intake significantly increased by 69.5% from previous FY due to world-wide expansion of order intakes from automotive related customers.
Net Sales:	Net sales increased by 3.0% from previous FY due to increase of sales to automotive related customers in Japan and Americas.
Gross Profit:	Gross profit decreased by 5.5% from previous FY. This decrease was mainly due to booking of strategic orders (low margin) and additional costs for specific deals.
Operating Income:	Operating income decreased by 13.5% from previous FY. This decrease was mainly due to decrease of the gross profit and SG&A cost associated with AIDA 100th anniversary.
Ordinary Income:	Ordinary income decreased by 21.0% from previous FY, mainly due to depreciation of foreign-currency-denominated assets against local currency of overseas subsidiaries and decrease of insurance refund booked in previous FY.
Net Income:	Net income decreased by 24.9% from previous FY, mainly due to decrease of ordinary income.

Trend of Sales, Gross Profit and Operating Income



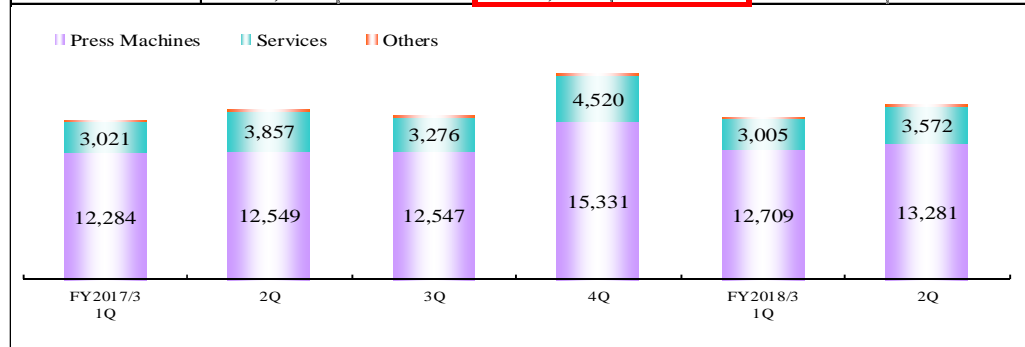
		FY2017				FY2018	
		1Q	2Q	3Q	4Q	1Q	2Q
	Net Sales	15,338	16,430	15,882	19,897	15,792	16,942
	Gross Profit	3,553	4,256	3,414	4,562	3,644	3,737
	Operating Income	1,266	2,059	1,205	2,087	1,315	1,561
	Gross Profit ratio	23.2%	25.9%	21.5%	22.9%	23.1%	22.1%
	Operating Income ratio	8.3%	12.5%	7.6%	10.5%	8.3%	9.2%

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



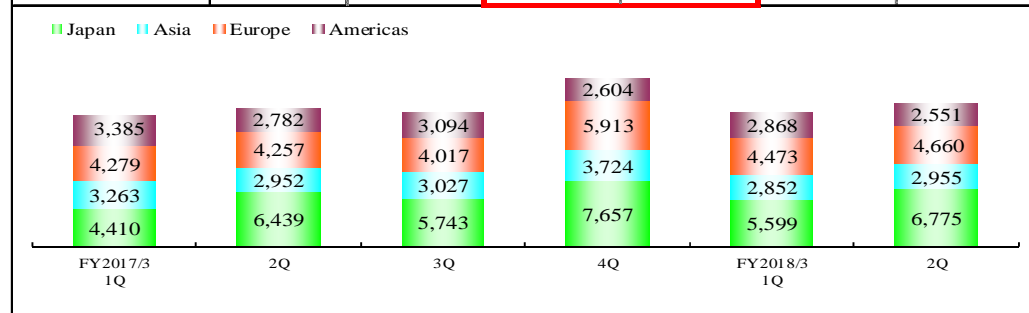
Sales by Business segment

(JPY mil.)	FY2017/3 1st Half		FY2018/3 1st Half		Fluctuation	
	Amount	%	Amount	%	Amount	%
Press Machines	24,833	78.2%	25,990	79.4%	1,157	4.7%
Services	6,878	21.7%	6,577	20.1%	△ 300	△ 4.4%
Others	56	0.2%	166	0.5%	109	192.6%
Total	31,768	100.0%	32,734	100.0%	966	3.0%



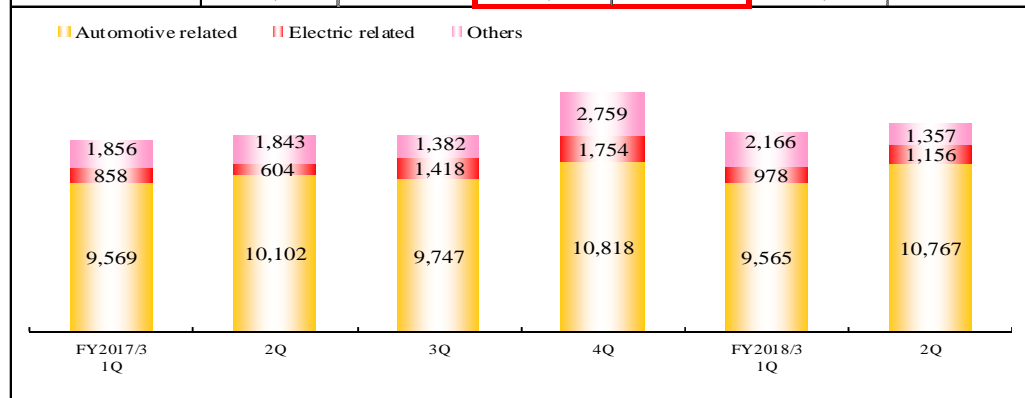
Sales by Geographic segment

(JPY mil.)	FY2017/3 1st Half		FY2018/3 1st Half		Fluctuation	
	Amount	%	Amount	%	Amount	%
Japan	10,849	34.2%	12,374	37.8%	1,525	14.1%
Asia	6,215	19.6%	5,807	17.7%	△ 407	△ 6.6%
Americas	8,536	26.9%	9,133	27.9%	596	7.0%
Europe	6,167	19.4%	5,419	16.6%	△ 748	△ 12.1%
Total	31,768	100.0%	32,734	100.0%	966	3.0%

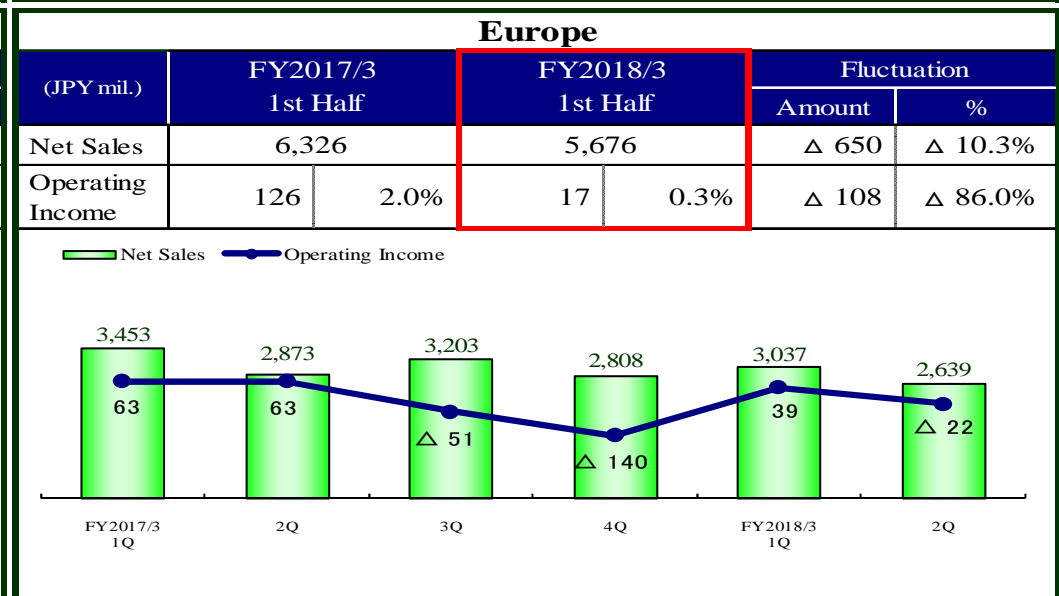
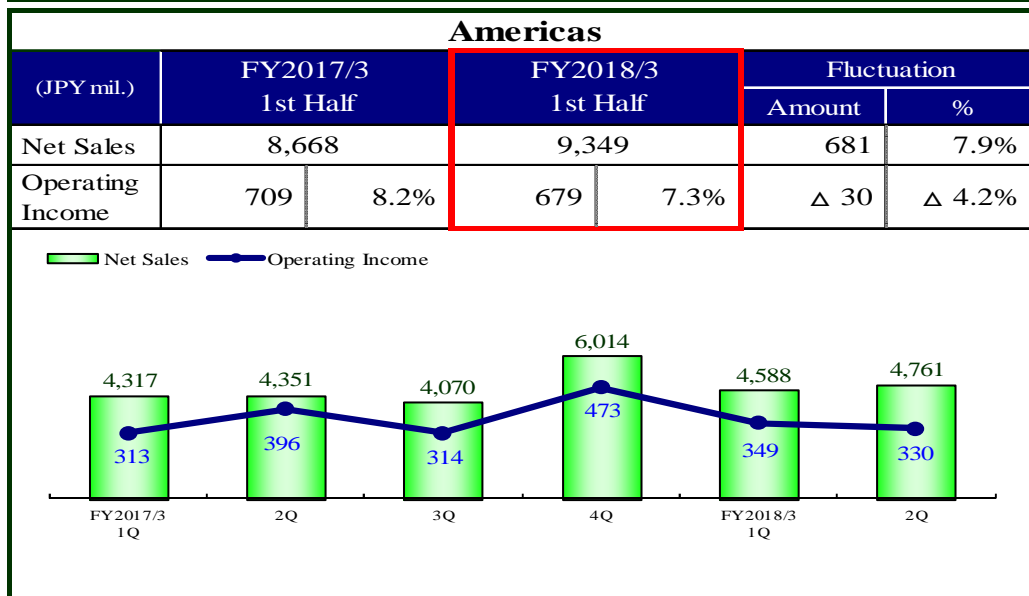
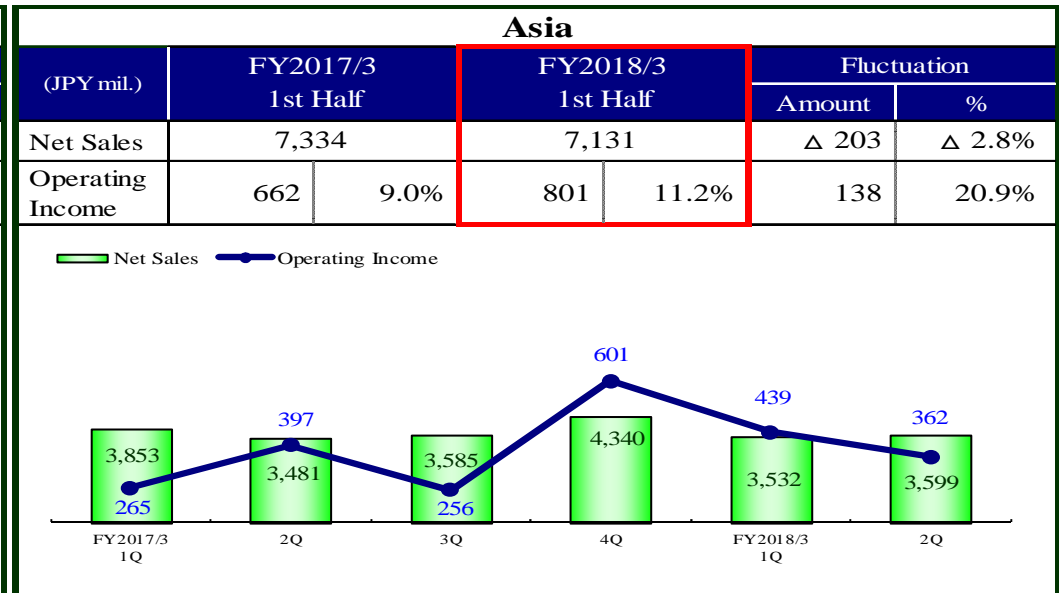
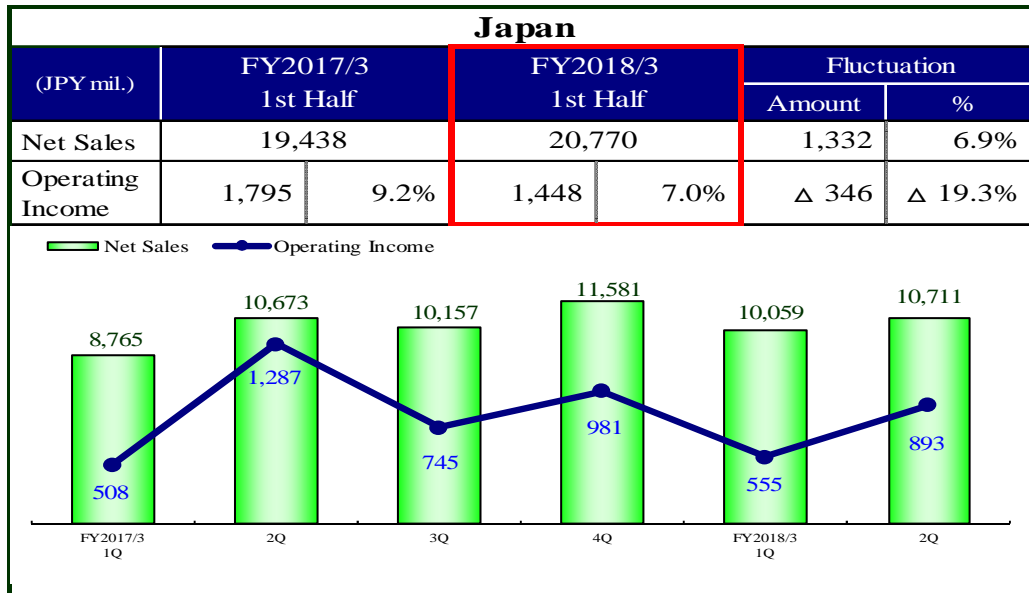


Sales (press machines) by Customer industry

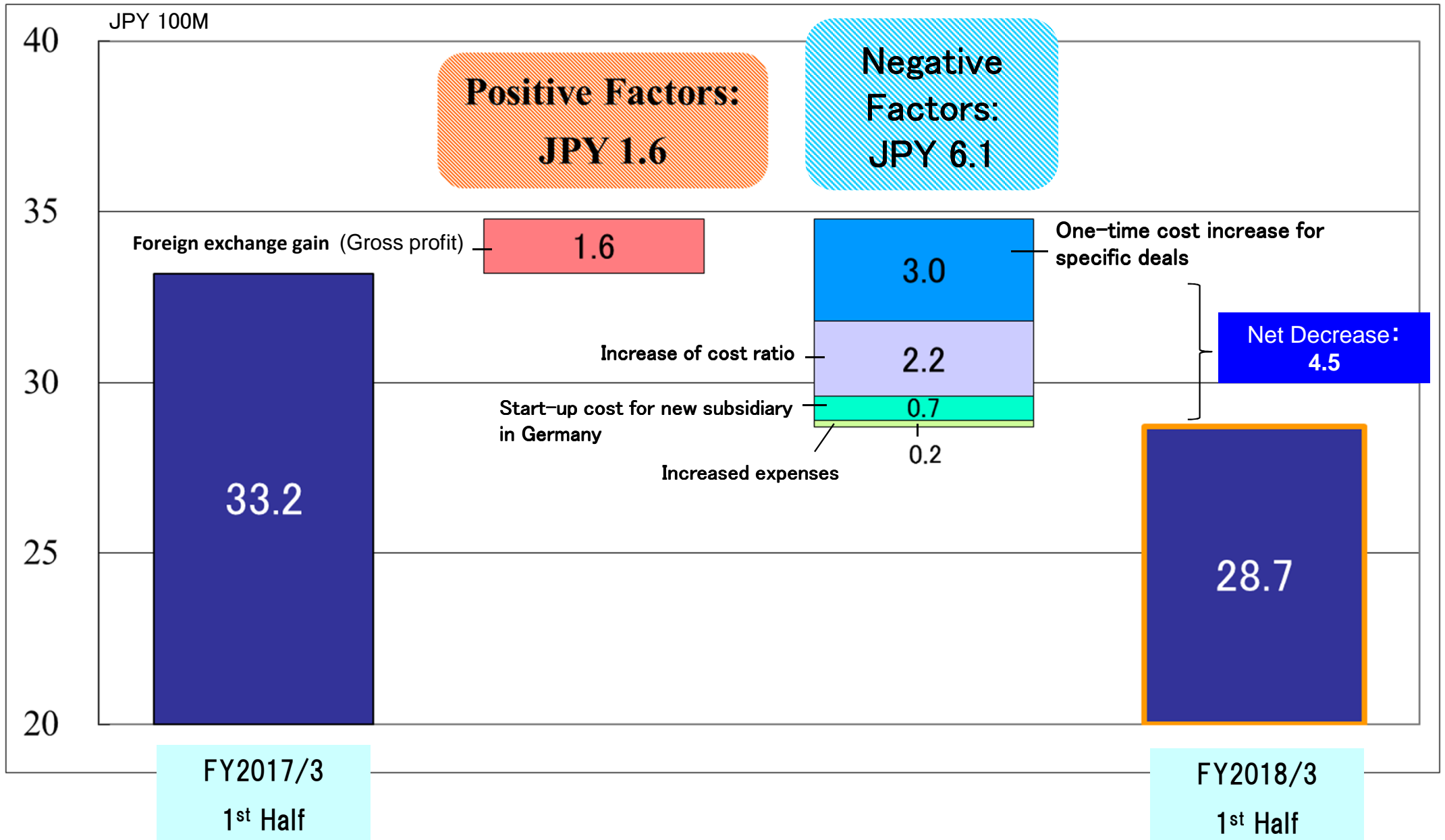
(JPY mil.)	FY2017/3 1st Half		FY2018/3 1st Half		Fluctuation	
	Amount	%	Amount	%	Amount	%
Automotive related	19,671	79.2%	20,332	78.2%	661	3.4%
Electric related	1,462	5.9%	2,134	8.2%	672	46.0%
Other industries	3,699	14.9%	3,523	13.6%	△ 176	△ 4.8%
Total	24,833	100.0%	25,990	100.0%	1,157	4.7%



Sales / Operating Income (by Geographic segment)



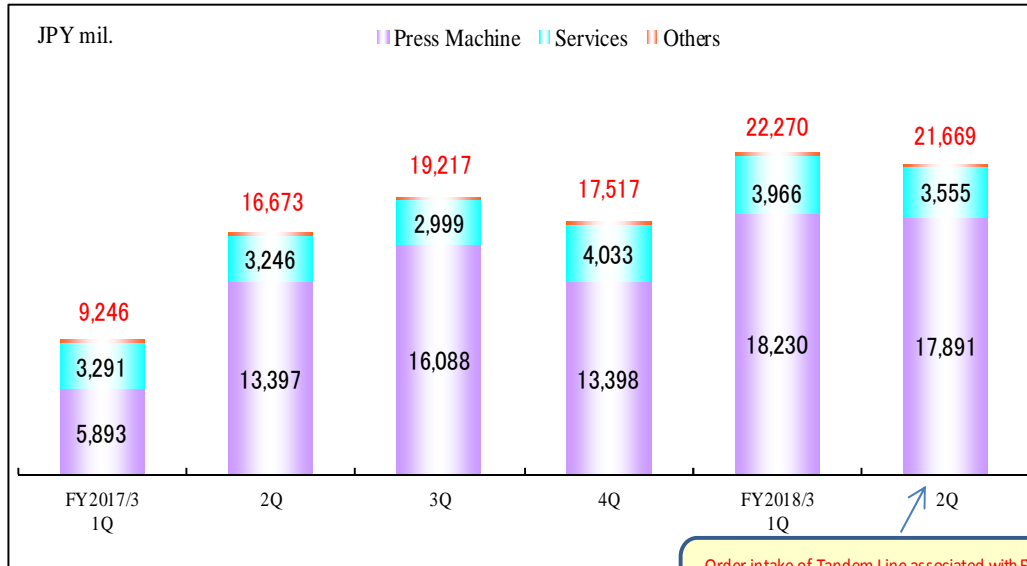
Fluctuation Analysis with regards to Operating Income



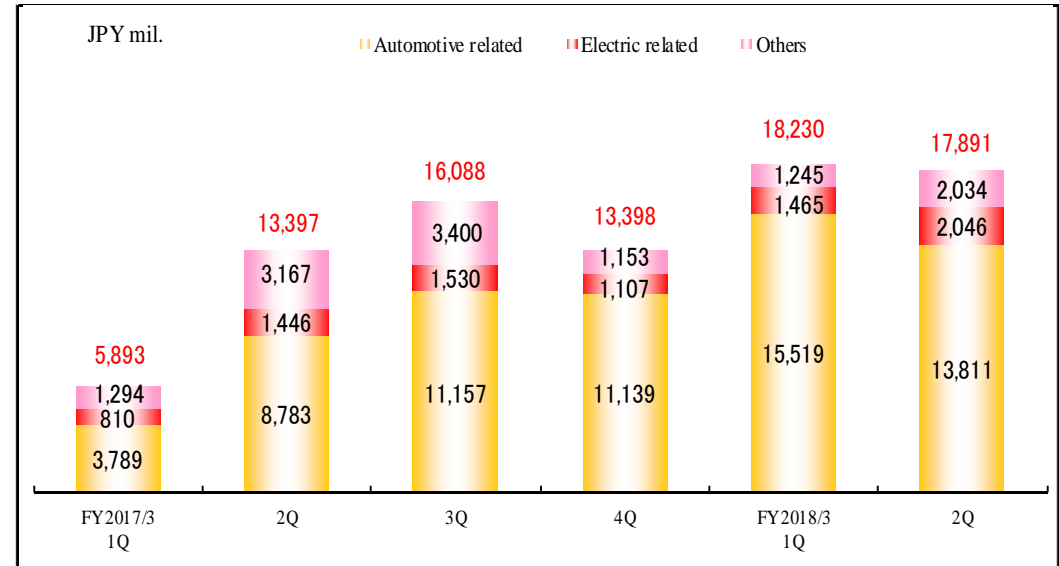
Orders Intake & Backlog (by Business/Customer/Geographic segment)



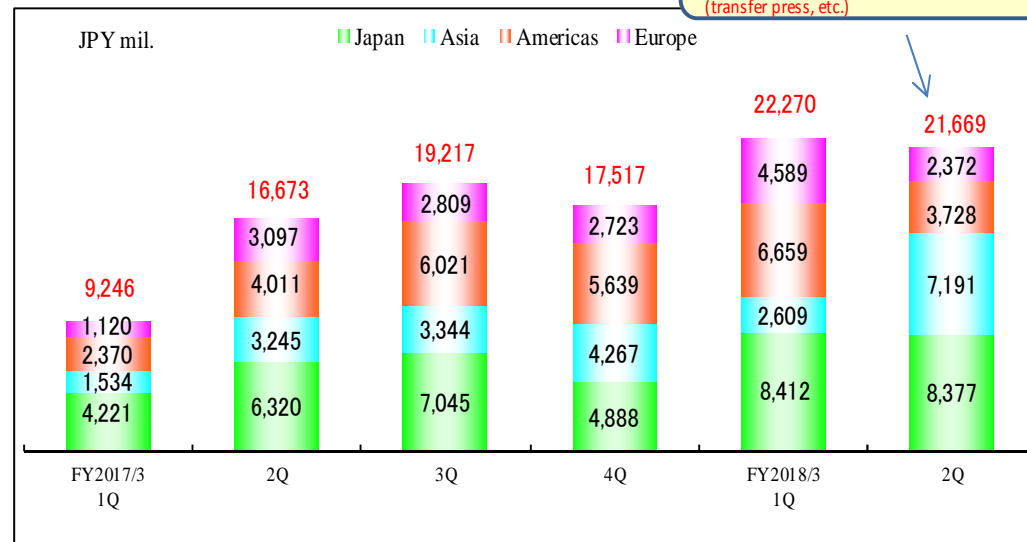
Orders Intake by Business Segment



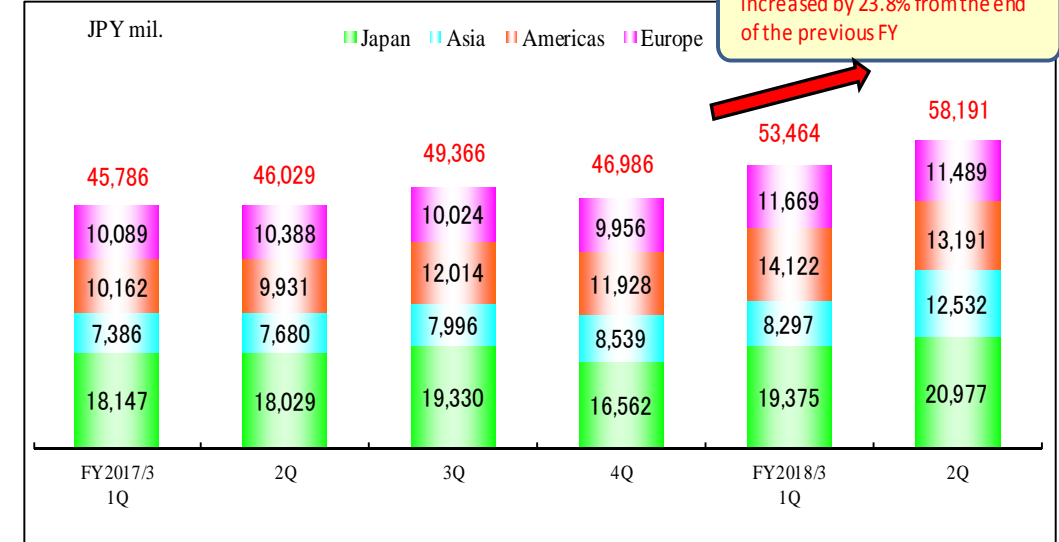
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



(JPY mil.)	FY2016/3				FY2017/3				FY2018/3		vs. FY2017/3	
	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	43,437	100.0%	75,474	100.0%	25,919	100.0%	62,655	100.0%	43,939	100.0%	18,019	69.5%
By Business												
Press Machine	36,358	83.7%	60,949	80.8%	19,290	74.4%	48,776	77.8%	36,121	82.2%	16,830	87.2%
By Customer												
Automotive related	29,152	80.2%	49,431	81.1%	12,572	65.2%	34,868	71.5%	29,330	81.2%	16,757	133.3%
Electric related	3,252	8.9%	4,168	6.8%	2,256	11.7%	4,893	10.0%	3,511	9.7%	1,254	55.6%
Other industries	3,953	10.9%	7,349	12.1%	4,461	23.1%	9,014	18.5%	3,279	9.1%	△ 1,181	△ 26.5%
Services	6,931	16.0%	14,282	18.9%	6,537	25.2%	13,569	21.7%	7,521	17.1%	984	15.1%
Others	148	0.3%	242	0.3%	91	0.4%	309	0.5%	296	0.7%	204	223.2%
By Region												
Japan	16,406	37.8%	27,770	36.8%	10,541	40.7%	22,474	35.9%	16,789	38.2%	6,248	59.3%
Asia	10,768	24.8%	13,113	17.4%	4,779	18.4%	12,390	19.8%	9,800	22.3%	5,020	105.0%
Americas	9,829	22.6%	18,233	24.2%	6,381	24.6%	18,041	28.8%	10,387	23.6%	4,005	62.8%
Europe	6,433	14.8%	16,356	21.7%	4,217	16.3%	9,749	15.6%	6,961	15.8%	2,744	65.1%
Order Backlog: total	57,903	100.0%	51,878	100.0%	46,029	100.0%	46,986	100.0%	58,191	100.0%	11,204	23.8%
By Region												
Japan	20,732	35.8%	18,337	35.3%	18,029	39.2%	16,562	35.2%	20,977	36.0%	4,414	26.7%
Asia	14,740	25.5%	9,115	17.6%	7,680	16.7%	8,539	18.2%	12,532	21.5%	3,992	46.8%
Americas	12,184	21.0%	12,070	23.3%	9,931	21.6%	11,928	25.4%	13,191	22.7%	1,263	10.6%
Europe	10,246	17.7%	12,354	23.8%	10,388	22.6%	9,956	21.2%	11,489	19.7%	1,533	15.4%

Major Changes on Balance Sheet



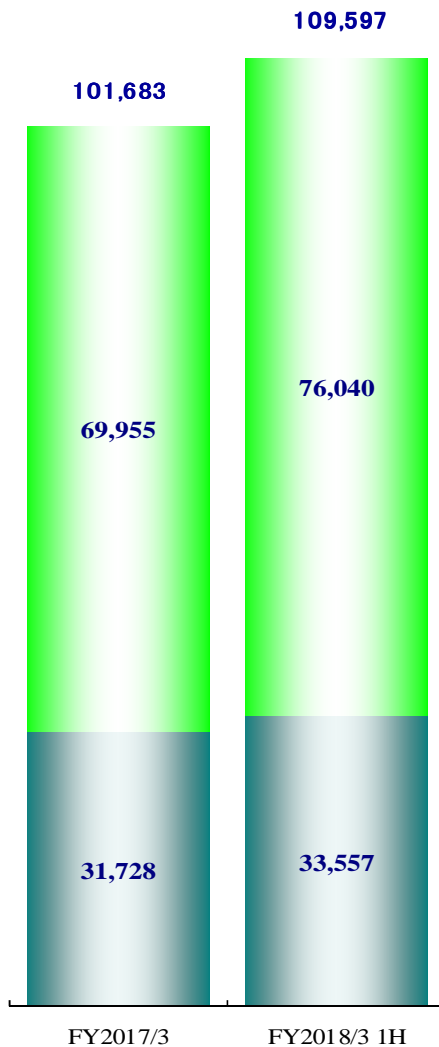
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Mar. 2017

Total assets + 7,913



Current assets + 6,084
 Cash on hand and at bank and
 Short-term securities + 3,462
 Inventories + 2,820

Fixed assets + 1,828
 Property, plant and equipment + 567
 Investment securities + 1,210

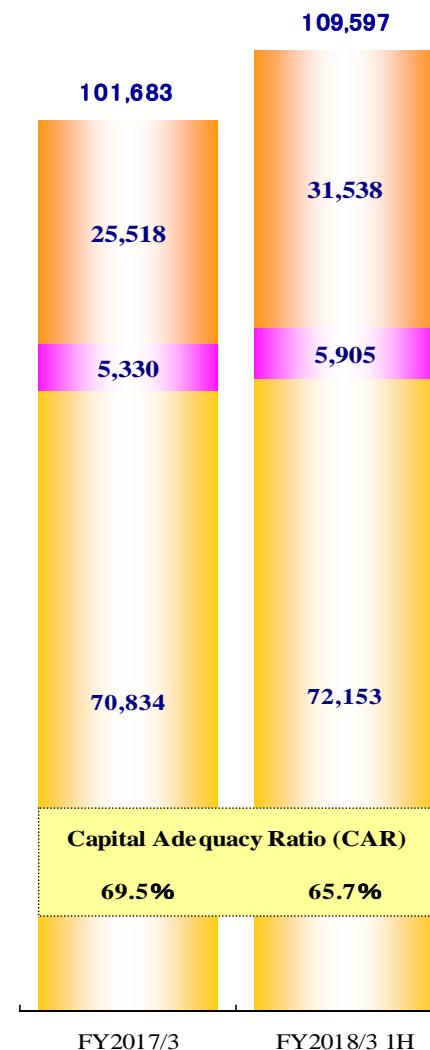
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
 ■ Long-term liabilities
 ■ Net assets

VS end of Mar. 2017

Total current liabilities + 6,595



Current liabilities + 6,020
 Accounts payable, trade + 1,970
 Advances from customers on
 contracts + 3,078
 Other current liabilities + 384

Net assets + 1,318
 Retained earnings Δ 652
 Net unrealized gains (losses) on
 other securities + 845
 Foreign currency translation
 adjustments + 1,250

Capital Adequacy Ratio (CAR)
 69.5% 65.7%

Highlights: Forecasts of FY2018 Consolidated Results



(JPY ml.)	FY2017/3	FY2018/3			Fluctuation	
		1H Results	2H Forecast	Full-year forecast	Amount	%
Net Sales	67,547	32,734	39,266	72,000	4,453	6.6%
Cost of Sales	51,761	25,353	30,247	55,600	3,839	7.4%
Gross Profit	15,785	7,381	9,019	16,400	615	3.9%
<Gross Profit ratio>	23.4%	22.5%	23.0%	22.8%		(Δ0.6P)
Selling, general and administrative expenses	9,168	4,504	4,896	9,400	232	2.5%
Operating Income	6,617	2,876	4,124	7,000	383	5.8%
<Operating Income ratio>	9.8%	8.8%	10.5%	9.7%		(Δ0.1P)
Ordinary Income	6,775	2,834	4,266	7,100	325	4.8%
Income Before Income Taxes	6,754	2,832	4,168	7,000	246	3.6%
Net Income	4,985	1,950	3,050	5,000	15	0.3%
Cash Dividends per Share	40	—	—	30	-10	Δ 25.0%
Exchange Rate	1USD=	¥108.47	¥111.10	¥110.90	¥111.00	¥2.53 2.3%
	1EUR=	¥118.91	¥126.24	¥129.76	¥128.00	¥9.09 7.6%

Cause of Change of Operating Income

(in million JPY)

Increase of net sales :	+620
Foreign exchange gain :	+260
Increase of cost ratio :	△270
Increase expenses :	△230
Net Change :	+380

<Summary>

Net Sales:	Expecting net sales increase compared with the previous year. Expansion of order intakes in the 1st half will contribute to sales increase in the 2nd half.
Gross Profit:	Gross profit will increase from the previous FY. Increase of net sales and improving productivity will absorb negative impact of rise in raw material cost.
Operation Income:	Operating income will increase from the previous FY due to increase of Gross profit, absorbing negative impact of SGA increasing.
Net Income:	Net income will not increase from the previous FY due to decrease of tax credit and tax refund.

※ Impact of Acquisition of Reliance Electric Ltd.: The impact is not included in the above forecast, while the P/L is consolidated from 4Q of this FY

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



By Business

(JPY mil.)	Orders				Net Sales			
	FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017	
			Amount	%			Amount	%
Press Machines	48,776	58,200	9,424	19.3%	52,711	56,200	3,489	6.6%
Services	13,569	15,600	2,031	15.0%	14,674	15,600	926	6.3%
Others	309	200	Δ 109	Δ 35.3%	160	200	40	25.0%
Consolidated	62,655	74,000	11,345	18.1%	67,547	72,000	4,453	6.6%

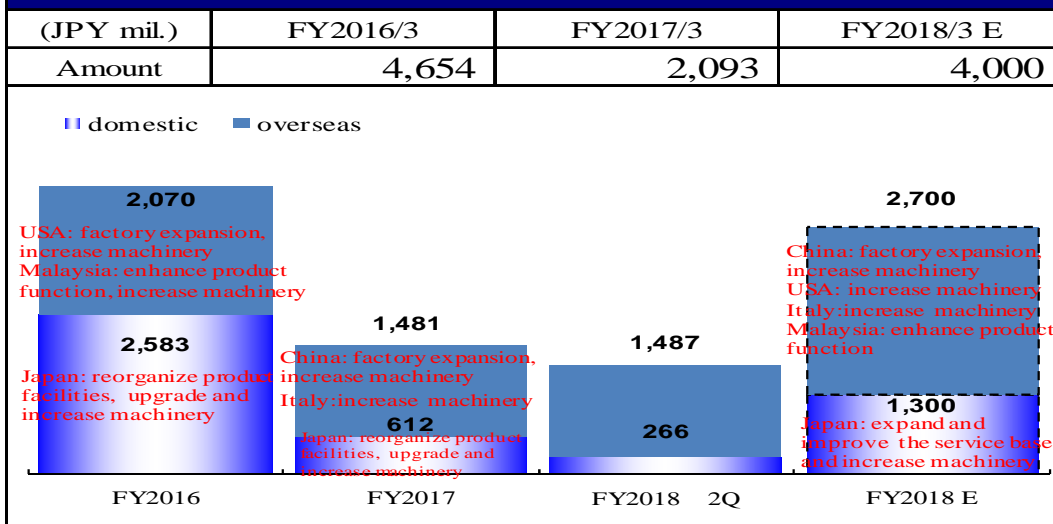
By Region

(JPY mil.)	Orders				Net Sales				Operating Income			
	FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017	
			Amount	%			Amount	%			Amount	%
Japan	22,474	25,000	2,526	11.2%	41,176	42,000	824	2.0%	3,521	3,600	79	2.2%
Asia	12,390	16,000	3,610	29.1%	15,259	17,000	1,741	11.4%	1,519	2,000	481	31.7%
Americas	18,041	20,000	1,959	10.9%	18,752	22,000	3,248	17.3%	1,496	1,300	Δ 196	Δ 13.1%
Europe	9,749	13,000	3,251	33.3%	12,337	15,000	2,663	21.6%	Δ 65	100	165	-
Reconciliation					Δ 19,979	Δ 24,000	Δ 4,021	20.1%	144	0	Δ 144	-
Consolidated	62,655	74,000	11,345	18.1%	67,547	72,000	4,453	6.6%	6,617	7,000	383	5.8%

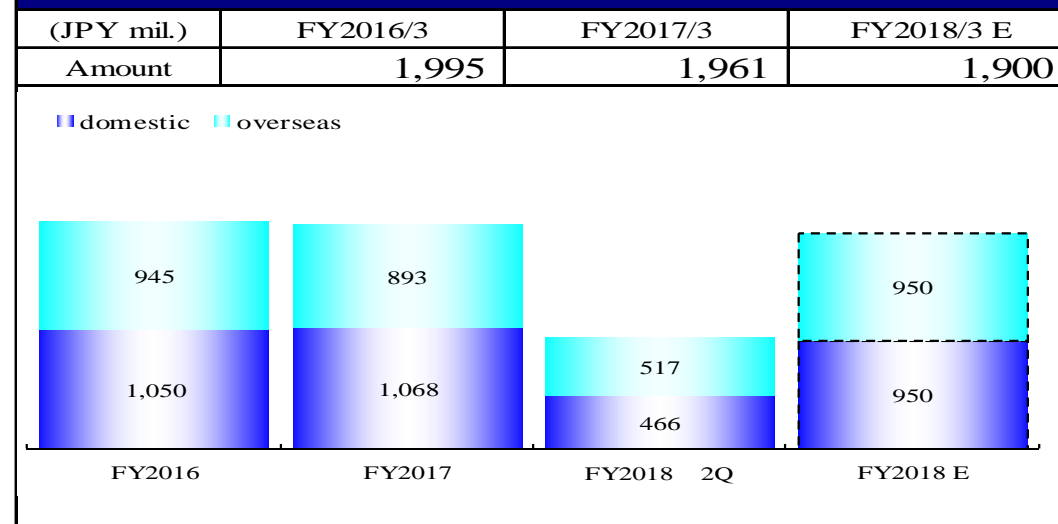
Trend of Capex, Depreciation, R&D & CF



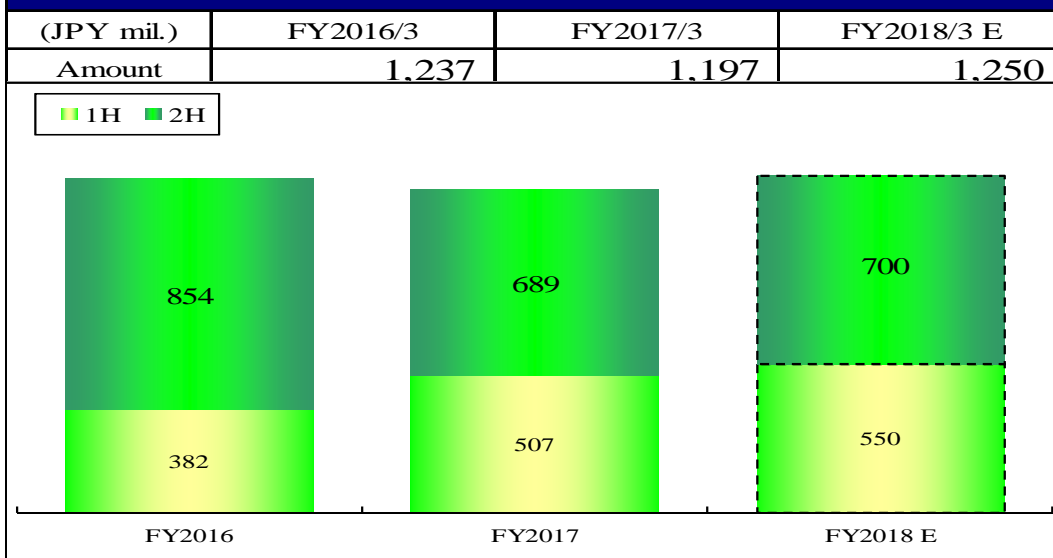
Capital Expenditures



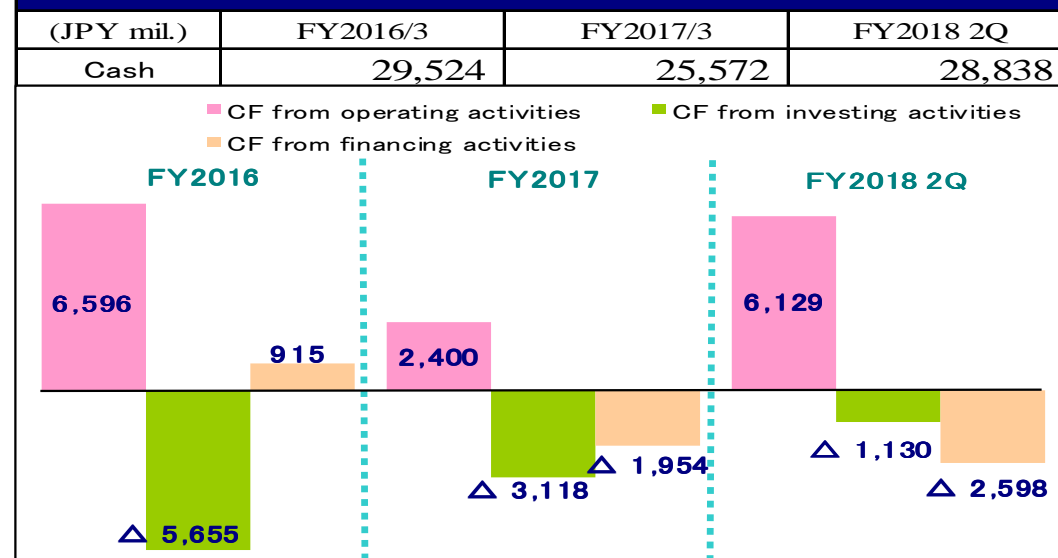
Depreciation & Amortization



R&D Expenditures



Cash & Cash Equivalents / Cash Flow

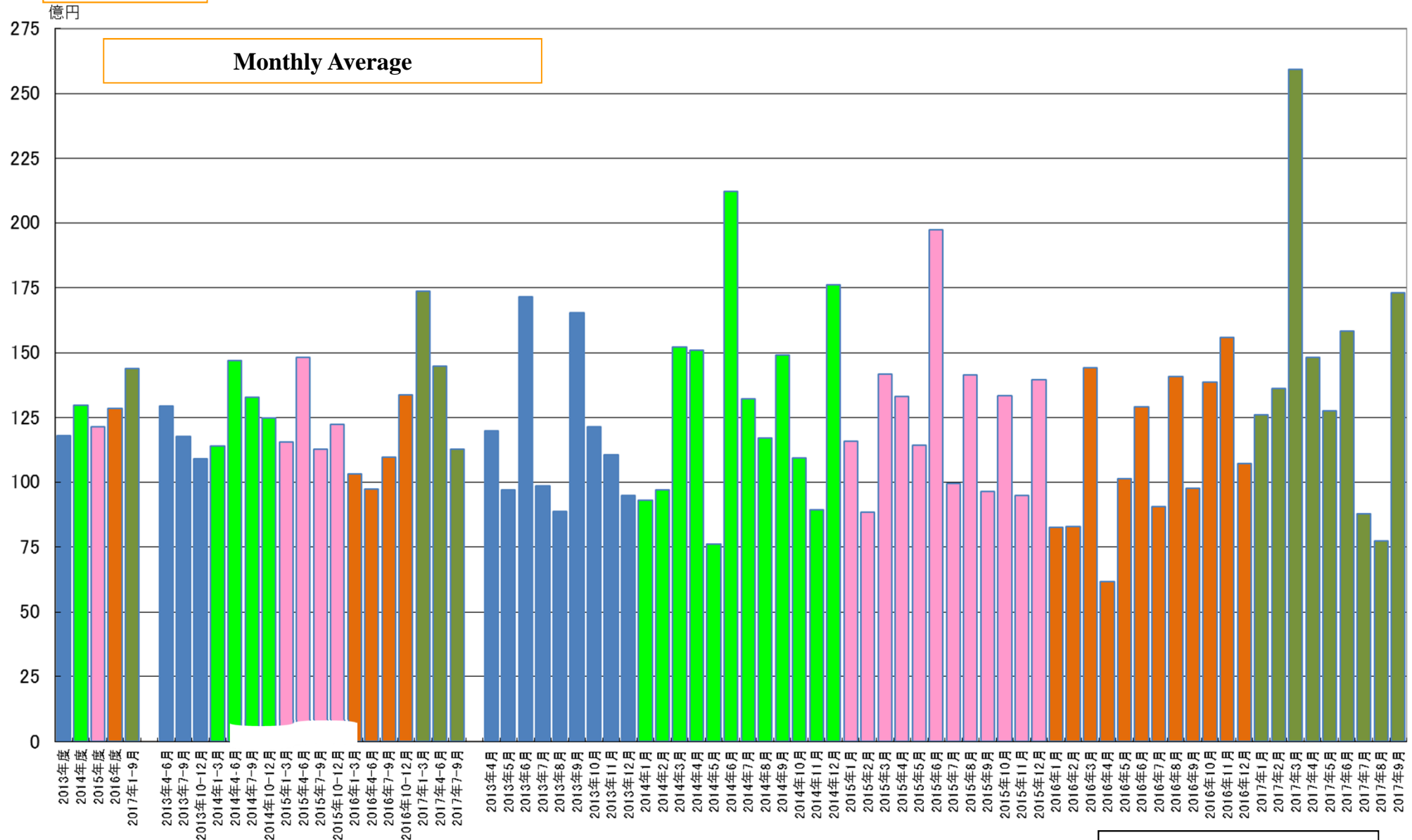


(for Reference) Statistics of Forming Machinery Industry



JPY(billion)

Press: Mechanical, Hydraulic, Forging & Automation

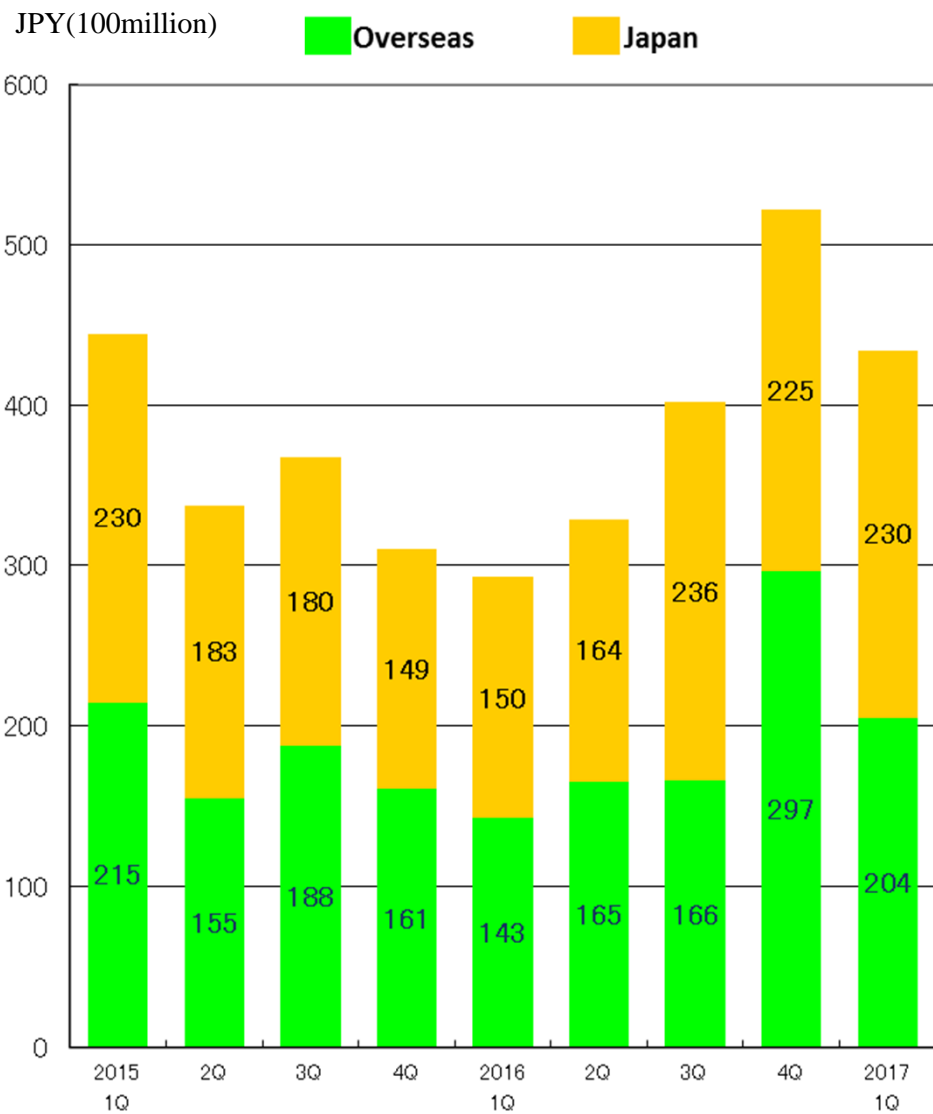


Place of origin: JFMA

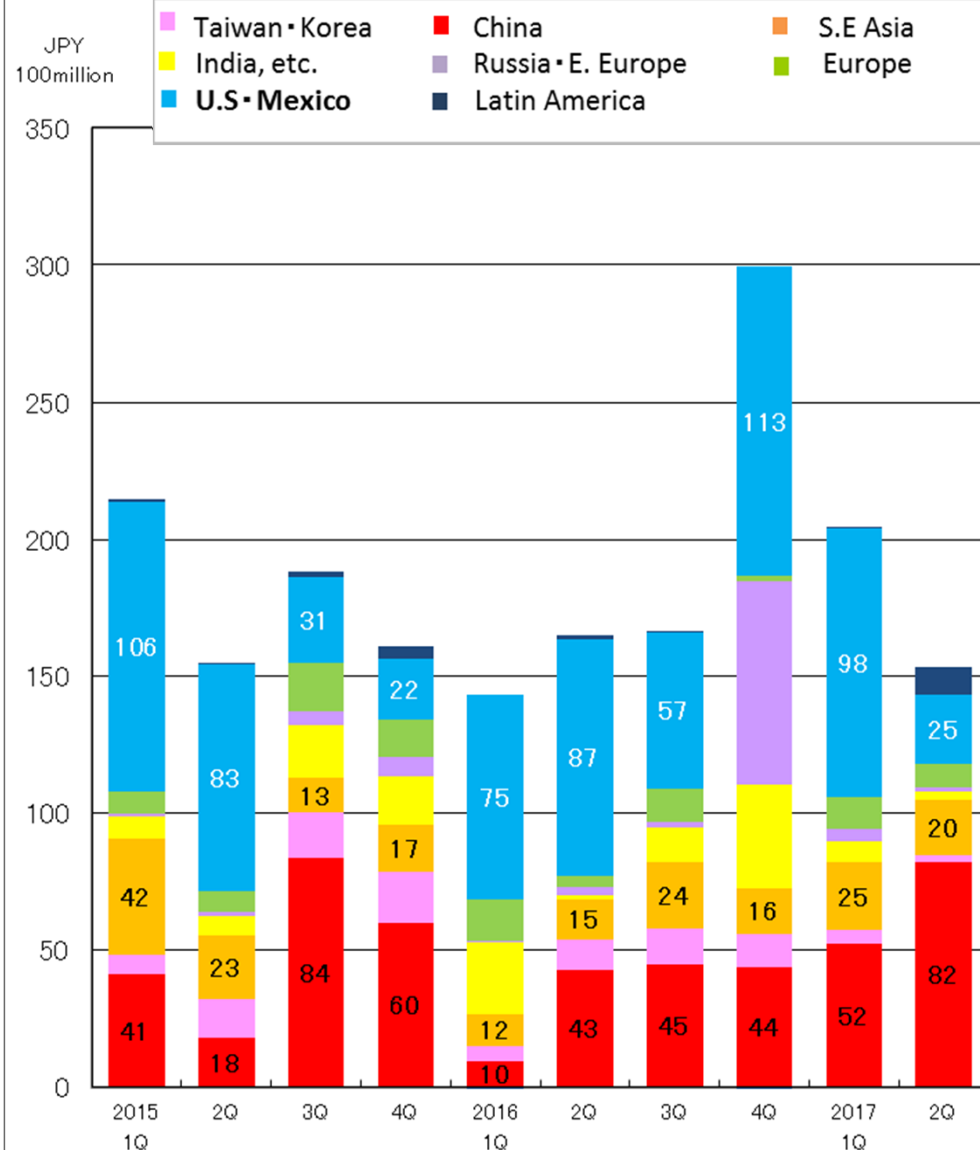
(for Reference) Statistics of Forming Machinery Industry- 2)



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 2017

AIDA ENGINEERING, LTD.