

# FY 2014 Third Quarter Financial Results

(9 months: from Apr. 2013 to Dec. 2013)

**AIDA**



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Highlights of 3Q  
Consolidated Results  
&  
Forecast of Full-Year FY  
2014

# Highlights of Consolidated Results Summary of P&L



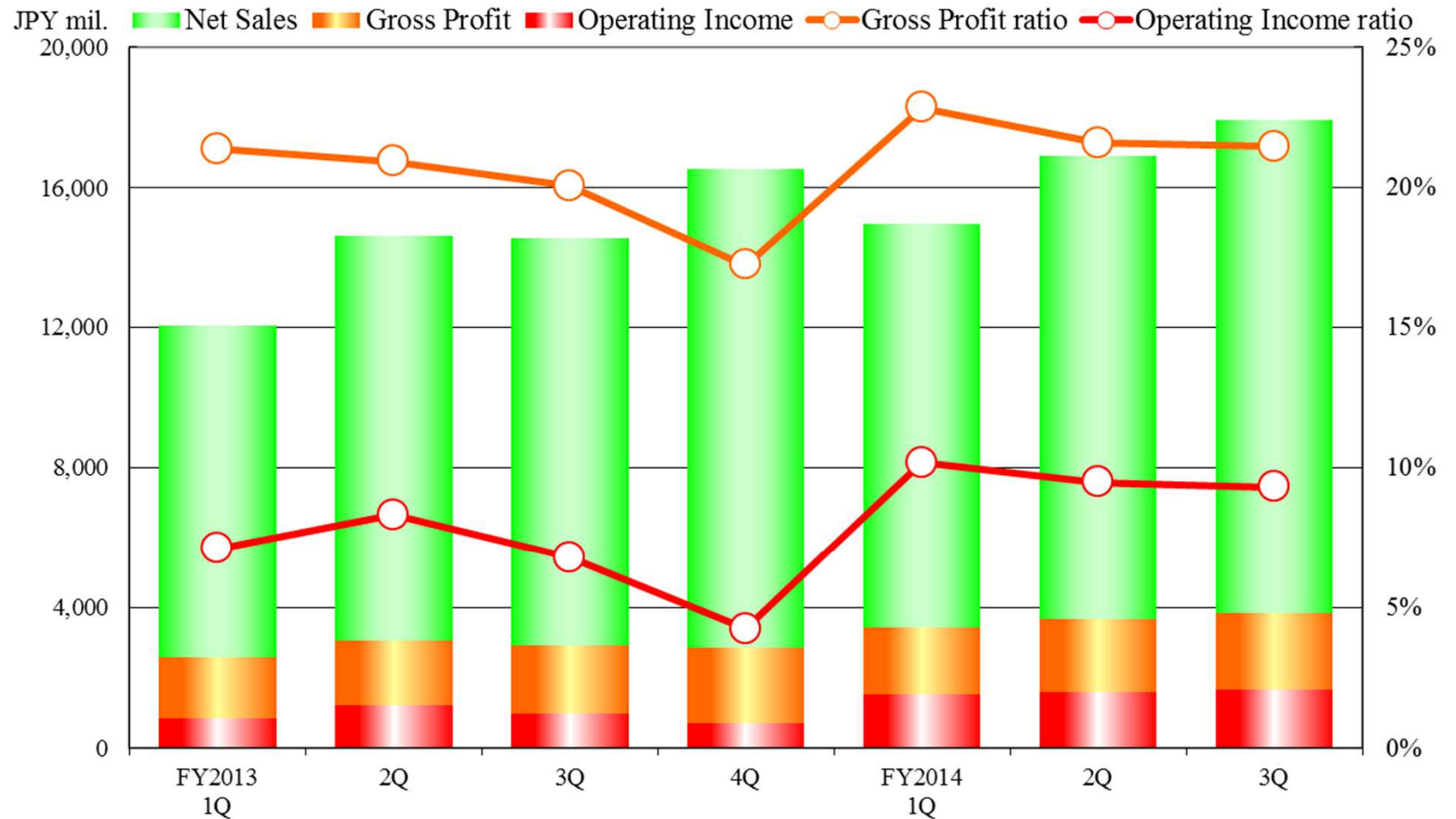
(JPY mil.)	FY2013	FY2014	Fluctuation	
	3Q (9M)	3Q (9M)	Amount	%
Net Sales	41,271	49,804	8,532	20.7%
Cost of Sales	32,707	38,890	6,182	18.9%
Gross Profit	8,564	10,914	2,350	27.4%
<Gross Profit ratio>	20.8%	21.9%		(+1.1P)
Selling, general & administrative expenses	5,507	6,124	616	11.2%
Operating Income	3,056	4,790	1,733	56.7%
<Operating Income ratio>	7.5%	9.6%		(+2.1P)
Ordinary Profit	3,470	5,269	1,798	51.8%
Income Before Income Taxes	3,457	5,293	1,835	53.1%
Net Income	3,156	4,227	1,071	33.9%

## Summary

"mark drastic increases both in sales and profit"

Net Sales:	Increased sales of mid to large sized presses for automotive-related industry. Considerable increase of 76% on the same term last FY in US market.
Gross Profit:	Profitability improved mainly due to earnings growth, coupled with weak yen effect, productivity improvement and cost reduction measures. Decreased in unrealized profit results 130 million yen.
Operating Income:	Achieved profit increase making up for rise in SG&A expense due to foreign subsidiaries' cost growth of JPY 0.5 bil. caused by weak yen.
Ordinary Profit:	Non-operating items gain JPY 65 mil. including improvement in foreign exchange profit of JPY 40 mil.
Net Income:	Effective tax rate is 20%, applying tax loss carried forward (for Aida Japan & US subsidiary)

# Quarterly Financial Performances

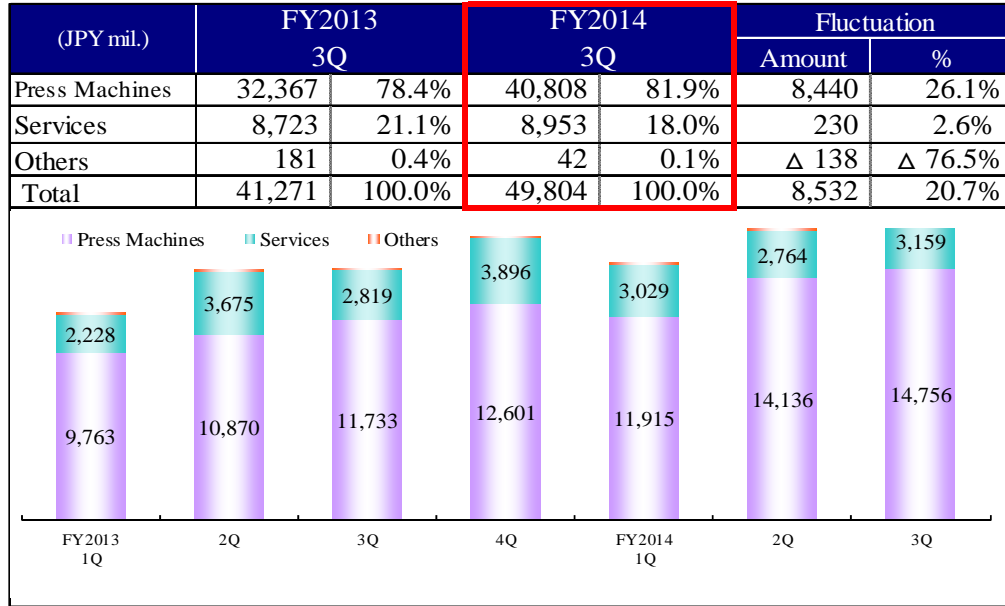


		FY2013				FY2014		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
	Net Sales	12,064	14,638	14,569	16,541	14,960	16,913	17,930
	Gross Profit	2,578	3,063	2,922	2,853	3,415	3,651	3,847
	Operating Income	854	1,215	986	701	1,521	1,602	1,665
	Gross Profit ratio	21.4%	20.9%	20.1%	17.2%	22.8%	21.6%	21.5%
	Operating Income ratio	7.1%	8.3%	6.8%	4.2%	10.2%	9.5%	9.3%

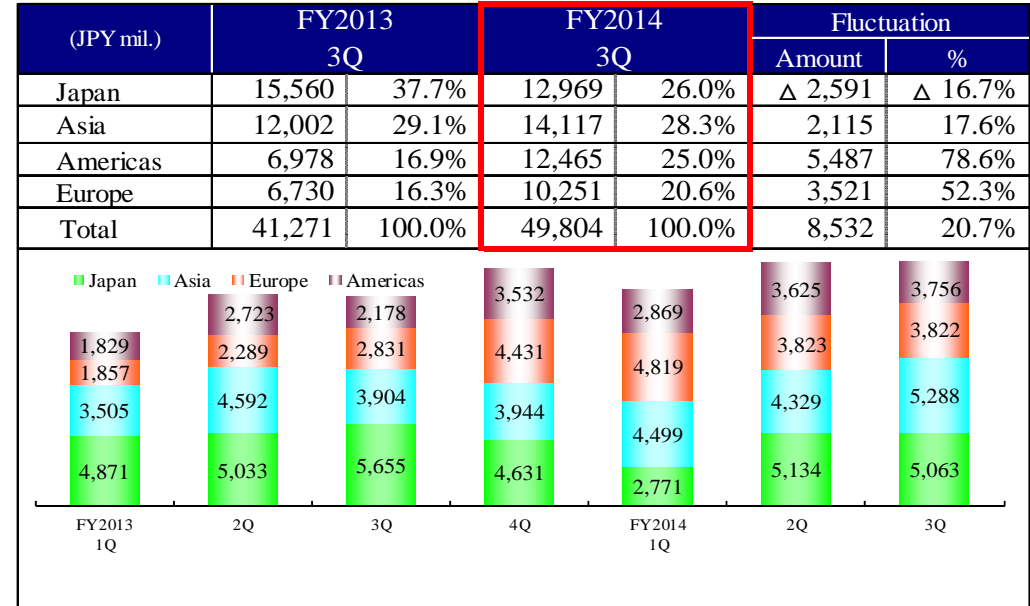
# Sales (by Business/Customer/Geographic segment)



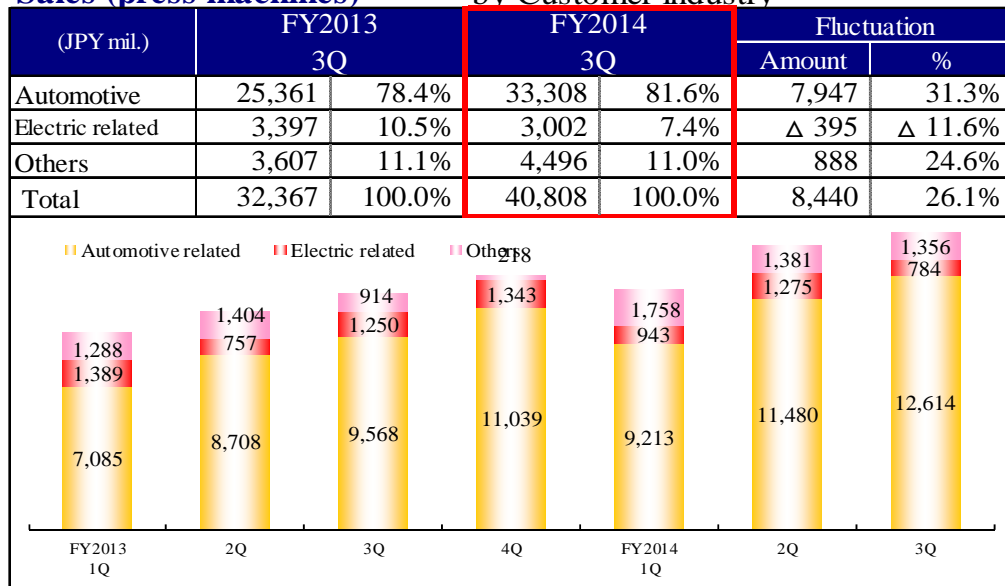
Sales by Business segment



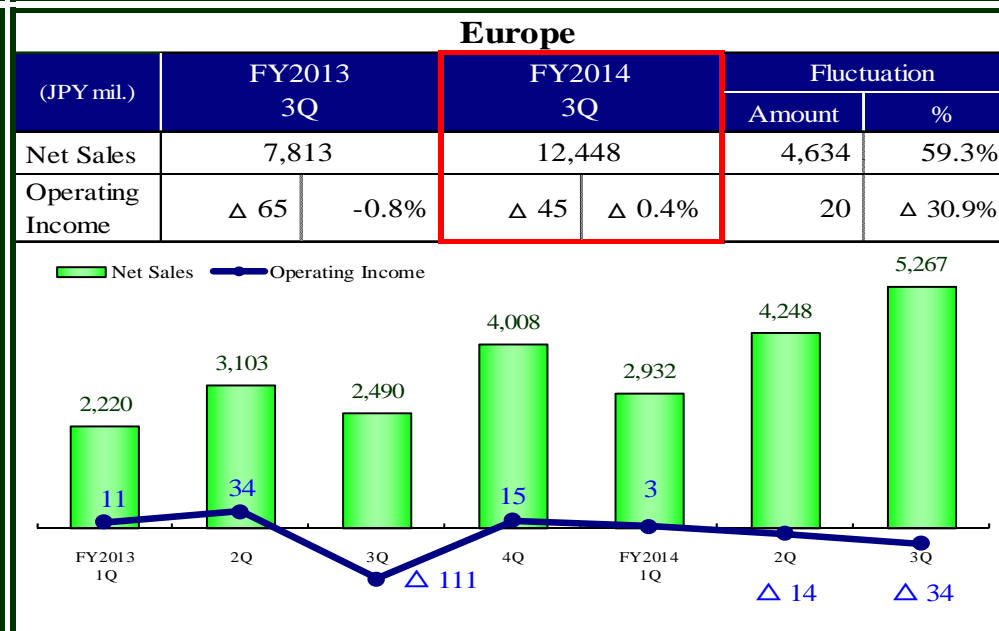
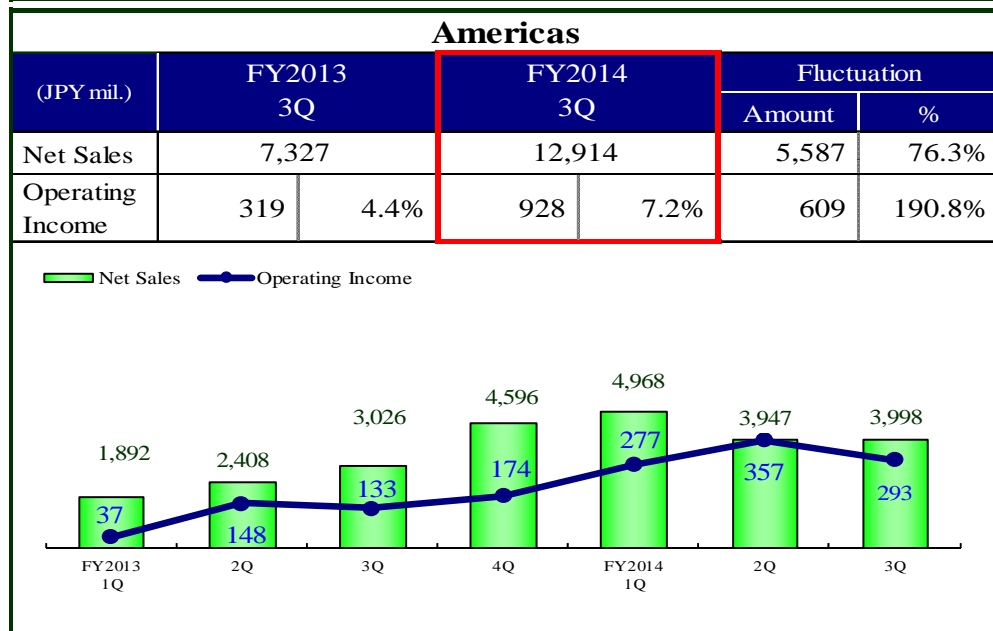
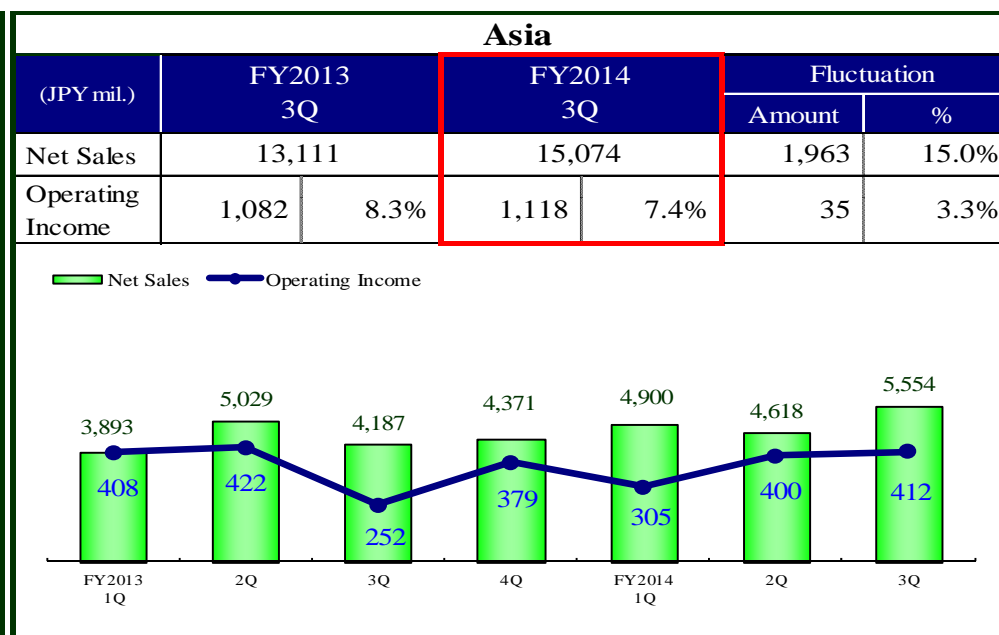
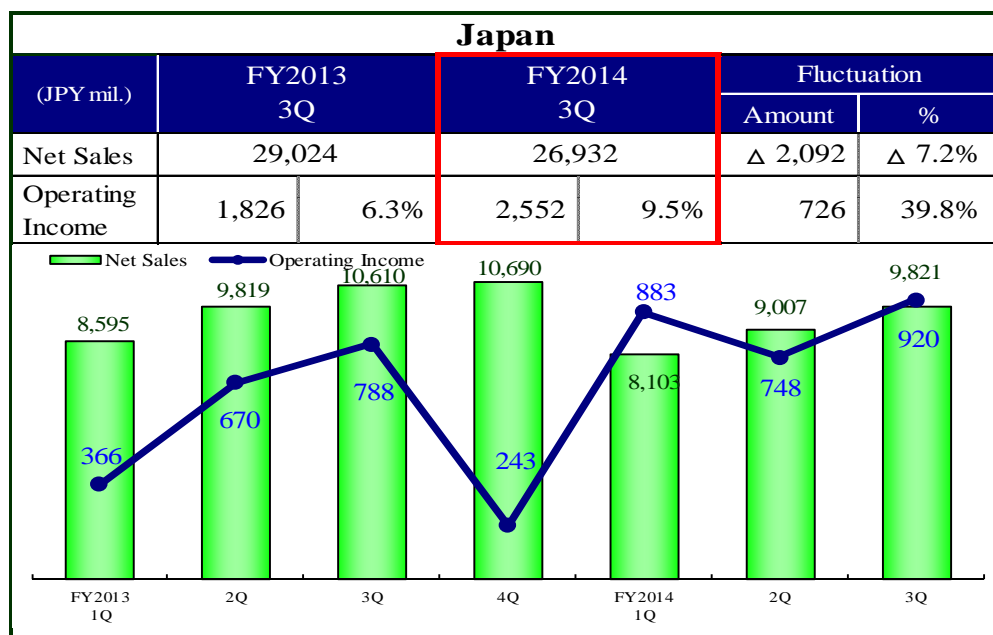
Sales by Geographic segment



Sales (press machines) by Customer industry



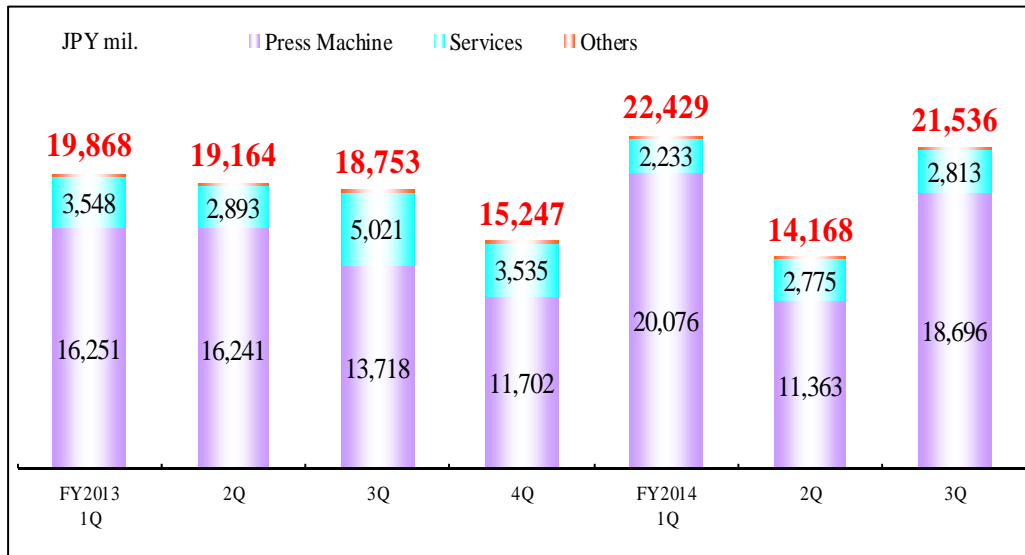
# Sales / Operating Income (by Geographic Segment)



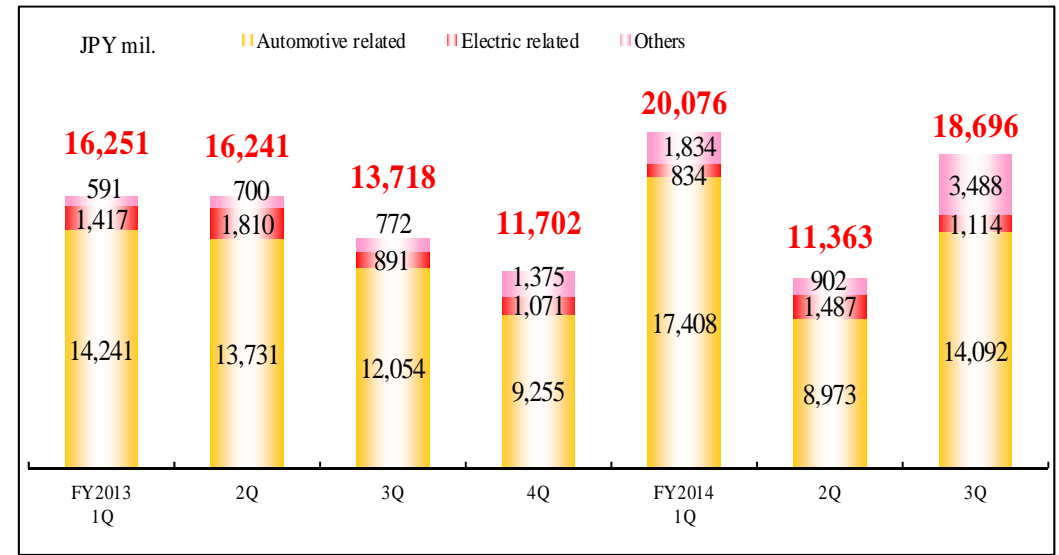
# Trend of Orders Intake & Backlog



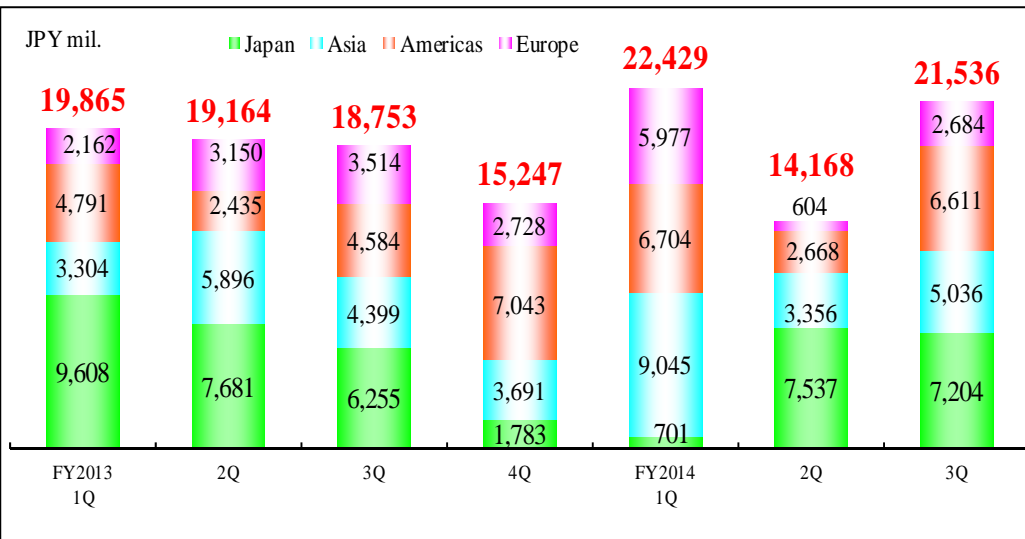
## Orders Intake by Business Segment



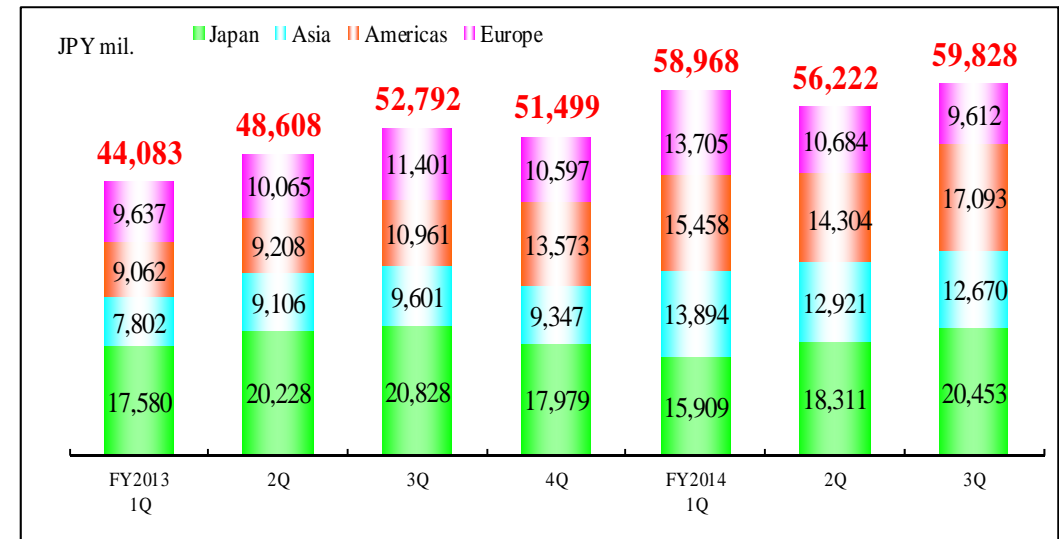
## Orders Intake by Customer Industry (Press Machines)



## Orders Intake by Geographic Segment



## Orders Backlog by Geographic Segment



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



(JPY mil.)	FY2012				FY2013				FY2014		vs. FY2013	
	3Q (9M)		Full-year		3Q (9M)		Full-year		3Q (9M)		Fluctuation	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	%
<b>Order Intake: total</b>	38,853	100.0%	58,021	100.0%	57,785	100.0%	73,033	100.0%	58,134	100.0%	349	0.6%
<b>By Business</b>												
Press Machine	31,129	76.4%	47,052	81.1%	46,211	80.0%	57,914	79.3%	50,135	86.2%	3,924	8.5%
<b>By Customer</b>												
Automotive related	23,179	76.6%	34,647	73.6%	40,027	86.6%	49,283	85.1%	40,473	80.7%	446	1.1%
Electric related	4,550	13.4%	7,061	15.0%	4,119	8.9%	5,190	9.0%	3,436	6.9%	△ 683	△ 16.6%
Other industries	3,399	10.0%	5,343	11.4%	2,064	4.5%	3,440	5.9%	6,225	12.4%	4,161	201.5%
Services	7,563	23.2%	10,679	18.4%	11,463	19.8%	14,998	20.5%	7,822	13.5%	△ 3,641	△ 31.8%
Others	160	0.5%	289	0.5%	111	0.2%	120	0.2%	176	0.3%	65	59.0%
<b>By Region</b>												
Japan	19,300	43.2%	23,993	41.4%	23,545	40.7%	25,329	34.7%	15,442	26.6%	△ 8,103	△ 34.4%
Asia	10,380	29.7%	14,020	24.2%	13,600	23.5%	17,291	23.7%	17,439	30.0%	3,839	28.2%
Americas	4,690	11.4%	7,667	13.2%	11,811	20.4%	18,855	25.8%	15,985	27.5%	4,174	35.3%
Europe	4,481	15.8%	12,340	21.3%	8,828	15.3%	11,556	15.8%	9,266	15.9%	438	5.0%
<b>Order Backlog: total</b>	30,621	100.0%	36,278	100.0%	52,792	100.0%	51,499	100.0%	59,828	100.0%	7,036	13.3%
<b>By Region</b>												
Japan	13,877	37.4%	12,842	35.4%	20,828	39.5%	17,979	34.9%	20,453	34.2%	△ 375	△ 1.8%
Asia	7,843	27.9%	8,003	22.1%	9,601	18.2%	9,347	18.2%	12,670	21.2%	3,069	32.0%
Americas	5,403	18.5%	6,128	16.9%	10,961	20.8%	13,573	26.4%	17,093	28.6%	6,132	55.9%
Europe	3,497	16.2%	9,304	25.6%	11,401	21.6%	10,597	20.6%	9,612	16.1%	△ 1,789	△ 15.7%



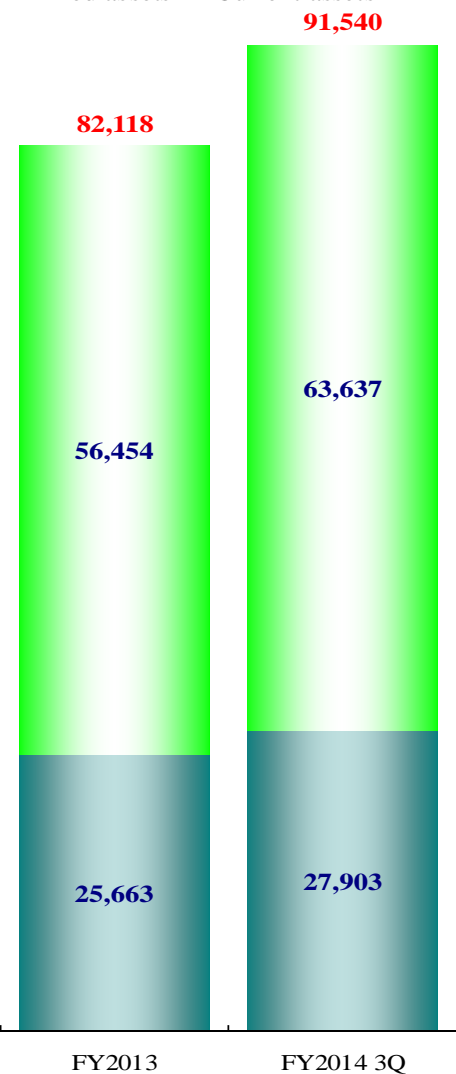
# Major Changes on Balance Sheet



## Assets

(JPY mil.)

■ Fixed assets ■ Current assets



VS end of Mar. 2013  
**Total assets + 9,422**

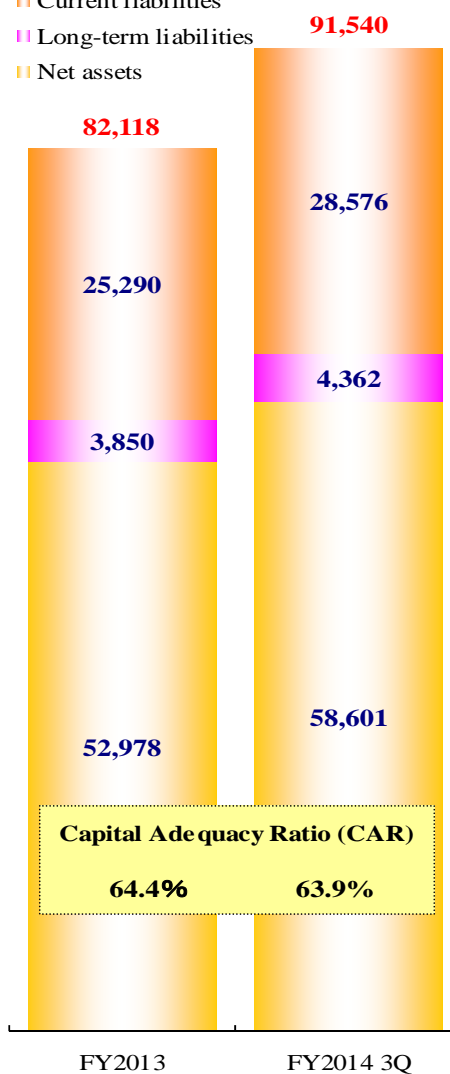
**Current assets + 7,183**  
 Cash & cash equivalents & securities +4,951  
 Accounts receivable, trade +563  
 Inventories +1,391

**Fixed assets + 2,240**  
 Property, plant and equipment +1,323  
 Intangible assets +151  
 Investments and other assets +765

## Liabilities and Net Assets

(JPY mil.)

■ Current liabilities  
 ■ Long-term liabilities  
 ■ Net assets



VS end of Mar. 2013  
**Total current liabilities + 3,798**

**Current liabilities + 3,286**  
 Accounts payable, trade +1,426  
 Short-term loan payable +1,015  
 Advances from customers on contracts +988

**Long-term liabilities + 512**  
 Deferred tax liabilities +519

**Net assets + 5,623**  
 Retained earnings +3,005  
 Net unrealized gains on other securities +824  
 Deferred Hedge (loses) gains Δ 449  
 Foreign currency translation adjustments +2,003

**Capital Adequacy Ratio (CAR)**  
**64.4%**      **63.9%**

# Highlights: Forecasts of FY2014 Consolidated Results



(JPY mil.)	FY2013 Full-year (A)	FY2014			Fluctuation (B)-(A)	
		3Q (9M) Results	4Q Forecast	Full-year Forecast (B)	Amount	%
Net Sales	57,812	49,804	15,196	65,000	7,188	12.4%
Cost of Sales	46,396	38,890	12,110	51,000	4,604	9.9%
Gross Profit	11,416	10,914	3,086	14,000	2,584	22.6%
<Gross Profit ratio>	19.7%	21.9%	20.3%	21.5%		(+ 1.8P)
Selling, general and administrative expenses	7,659	6,124	2,076	8,200	541	7.1%
Operating Income	3,756	4,790	1,010	5,800	2,044	54.4%
<Operating Income ratio>	6.5%	9.6%	6.6%	8.9%		(+ 2.4P)
Ordinary Profit	4,073	5,269	831	6,100	2,027	49.8%
Income Before Income Taxes	4,015	5,293	807	6,100	2,085	51.8%
Net Income	3,803	4,227	773	5,000	1,197	31.5%
Cash Dividends per Share	¥19	—	—	¥24	¥5	26.3%

## 【Summary】

Increase both in sales and profit for 4 consecutive terms are expected

Sales, net income and dividend per share will be the highest since listed

Net Sales	Sales increase is expected maintaining high-level orders of mid to large size presses for automotive industry, mainly to markets such as North America and developing countries.
Gross Profit	Cost percentage and profit is improving due to revenue growth, cost reduction and production effectivity improvement despite a higher proportion of mid to large sized presses with low profitability.
Operating Income	Sales and general admin' expenses proceeds as planned with continued cost reduction, making up for foreign subsidiaries cost growth caused by weak yen.
Ordinary Profit	Forex gain or loss improved in 1H, non-operating profit and loss is expected to come out even in 2H.
Net Income	Tax burden will subsequently remain at low levels despite a decrease in deferred tax asset amount due to enhanced results and lessening net loss carried forward
Dividend per Share	Expected growth in profit will make 5 yen increase to 24 yen.

# Remarks



Cautions about forecast statements contained in this package

- The information in this package contains future forecasts.
- Future forecasts are based on the company management's judgment on currently available information. Although the future forecasts are based on assumption or grounds based on assumption, they may differ from the assumed facts or actual results depending on economical circumstances surrounding us.
- We enlightened future expectations and affirm conviction towards our future achievements, however, we undertake no guarantee on achieving the expectations or results close to forecasts, nor do we assume any obligation to update or revise any forecasts unless it is otherwise stipulated by law.

February 2014

AIDA ENGINEERING, LTD.