

FY 2016 Second Quarter Financial Results

(from Apr. 2015 to Sep. 2015)

AIDA



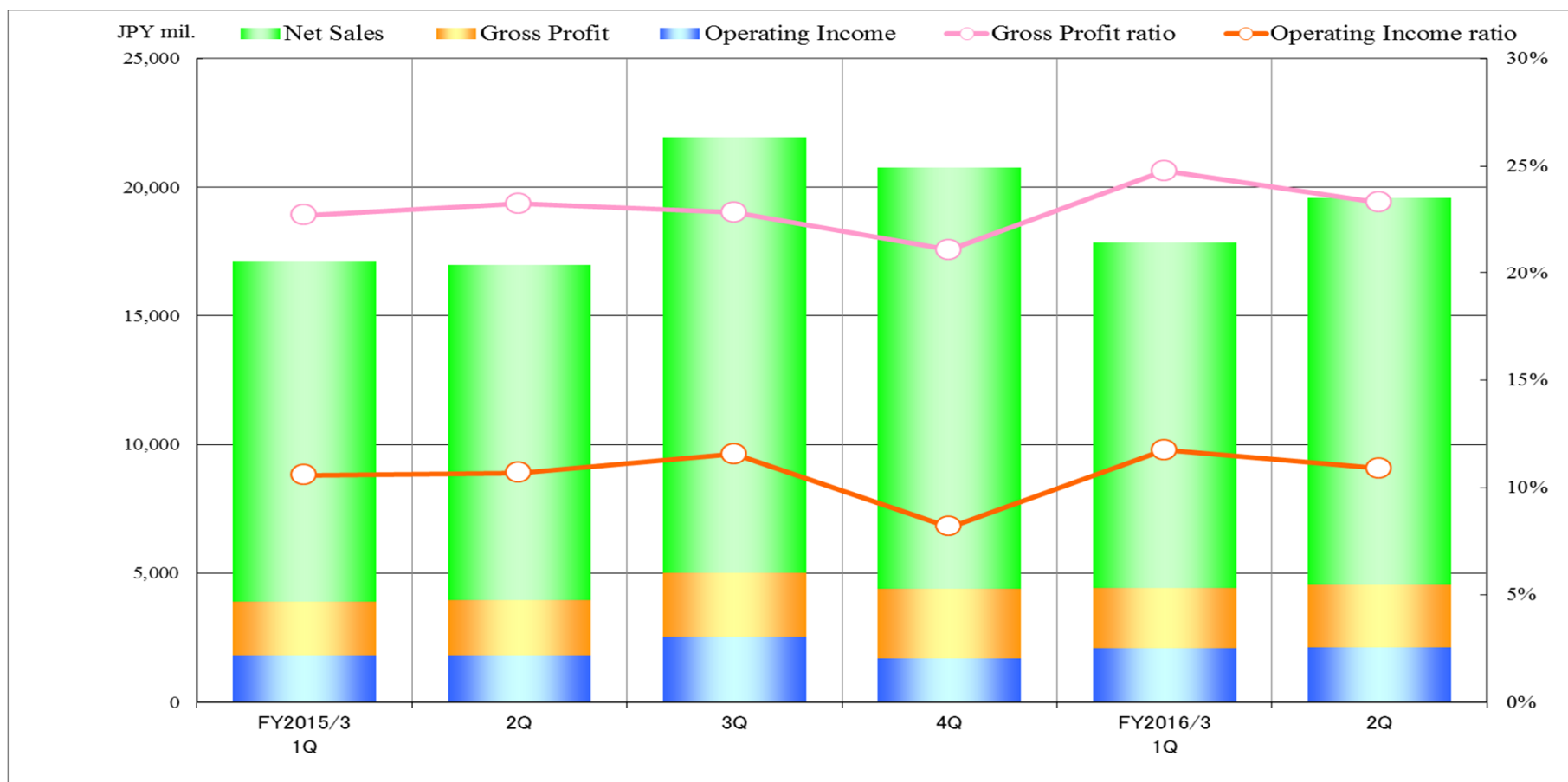
Highlights of Consolidated Results Summary of P&L



| (JPY mil.) | | FY2015/3 | FY2016/3 | Fluctuation | | FY2016/3 | vs. Initial Forecast | |
|--|--------|----------|----------|-------------|---------|------------------|----------------------|---------|
| | | 1st Half | 1st Half | Amount | % | Initial Forecast | Amount | % |
| Net Sales | | 34,163 | 37,468 | 3,305 | 9.7% | 39,500 | Δ 2,031 | Δ5.1% |
| Cost of Sales | | 26,316 | 28,475 | 2,159 | 8.2% | 30,700 | Δ 2,224 | Δ7.2% |
| Gross Profit | | 7,847 | 8,993 | 1,145 | 14.6% | 8,800 | 193 | 2.2% |
| <Gross Profit ratio> | | 23.0% | 24.0% | | (+1.0P) | 22.3% | | (+1.7P) |
| Selling, general and administrative expenses | | 4,216 | 4,759 | 543 | 12.9% | 4,800 | Δ 40 | Δ0.8% |
| Operating Income | | 3,630 | 4,233 | 602 | 16.6% | 4,000 | 233 | 5.8% |
| <Operating Income ratio> | | 10.6% | 11.3% | | (+0.7P) | 10.1% | | (+1.2P) |
| Ordinary Profit | | 3,784 | 5,055 | 1,271 | 33.6% | 4,100 | 955 | 23.3% |
| Income Before Income Taxes | | 3,919 | 5,054 | 1,134 | 28.9% | 4,100 | 954 | 23.3% |
| Net Income | | 2,739 | 3,386 | 647 | 23.6% | 3,000 | 386 | 13.0% |
| Exchange Rate | 1USD = | ¥103.06 | ¥121.81 | ¥18.75 | 18.2% | ¥115.00 | ¥6.81 | 5.9% |
| | 1EUR = | ¥138.94 | ¥135.13 | ¥-3.81 | -2.7% | ¥130.00 | ¥5.13 | 3.9% |

| <Summary> | |
|---|---|
| Net sales and profit increased from 2Q of FY2015 | Net sales increased by 9.7% from 2Q of the previous FY, due to expansion of press machine sales to automotive industry, in Japan and Asia. |
| Net Sales and Profits reached record high for 6-month results | Gross profit increased by 14.6% from 2Q of the previous FY due to increase of net sales, improvement of manufacturing cost and yen depreciation. Gross profit ratio improved by 1.0P. |
| | Operating income increased by 16.6% from 2Q of the previous FY, mainly due to increase of gross profit. Operating income ratio improved by 0.7P. |
| | Ordinary profit increased by 33.6%, contributed by increase of foreign exchange profits. |
| | Net income increased by 23.6% from 2Q of the previous FY, due to the above reason. |

Trend of Sales, Gross Profit and Operating Income



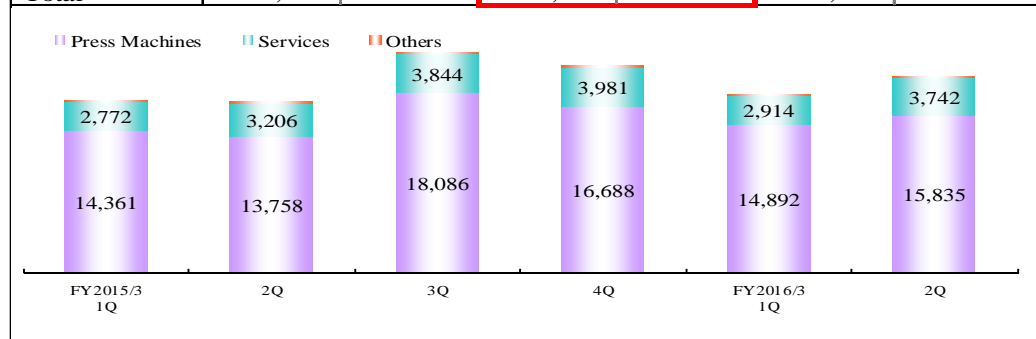
| | | FY2015 | | | | FY2016 | |
|--|------------------------|--------|--------|--------|--------|--------|--------|
| | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| | Net Sales | 17,168 | 16,995 | 21,951 | 20,783 | 17,857 | 19,611 |
| | Gross Profit | 3,897 | 3,950 | 5,015 | 4,384 | 4,421 | 4,572 |
| | Operating Income | 1,815 | 1,815 | 2,536 | 1,697 | 2,097 | 2,136 |
| | Gross Profit ratio | 22.7% | 23.2% | 22.8% | 21.1% | 24.8% | 23.3% |
| | Operating Income ratio | 10.6% | 10.7% | 11.6% | 8.2% | 11.7% | 10.9% |

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



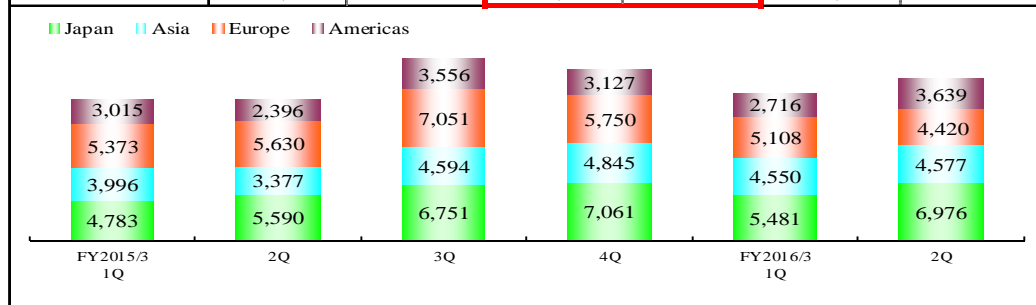
Sales by Business segment

| (JPY mil.) | FY2015/3 | | FY2016/3 | | Fluctuation | |
|----------------|----------|--------|----------|--------|-------------|-------|
| | 1st Half | | 1st Half | | Amount | % |
| Press Machines | 28,119 | 82.3% | 30,727 | 82.0% | 2,607 | 9.3% |
| Services | 5,978 | 17.5% | 6,656 | 17.8% | 678 | 11.3% |
| Others | 65 | 0.2% | 84 | 0.2% | 19 | 29.2% |
| Total | 34,163 | 100.0% | 37,468 | 100.0% | 3,305 | 9.7% |



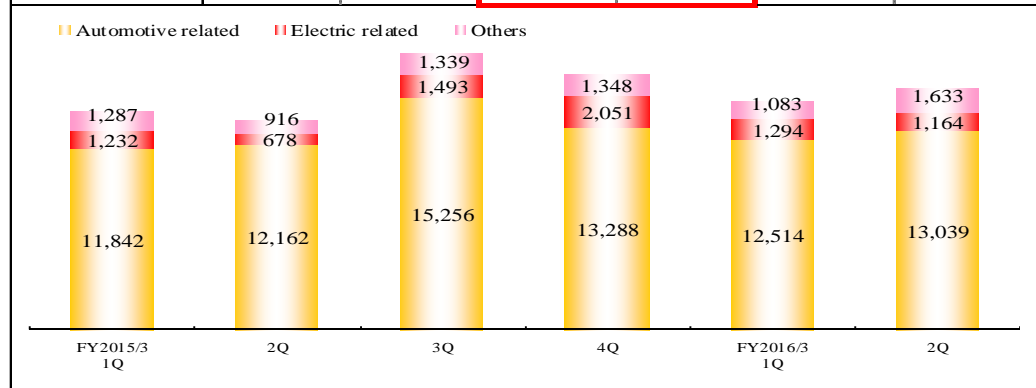
Sales by Geographic segment

| (JPY mil.) | FY2015/3 | | FY2016/3 | | Fluctuation | |
|------------|----------|--------|----------|--------|-------------|---------|
| | 1st Half | | 1st Half | | Amount | % |
| Japan | 10,373 | 30.4% | 12,457 | 33.2% | 2,083 | 20.1% |
| Asia | 7,373 | 21.6% | 9,127 | 24.4% | 1,753 | 23.8% |
| Americas | 11,003 | 32.2% | 9,528 | 25.4% | Δ 1,475 | Δ 13.4% |
| Europe | 5,411 | 15.8% | 6,355 | 17.0% | 943 | 17.4% |
| Total | 34,163 | 100.0% | 37,468 | 100.0% | 3,305 | 9.7% |

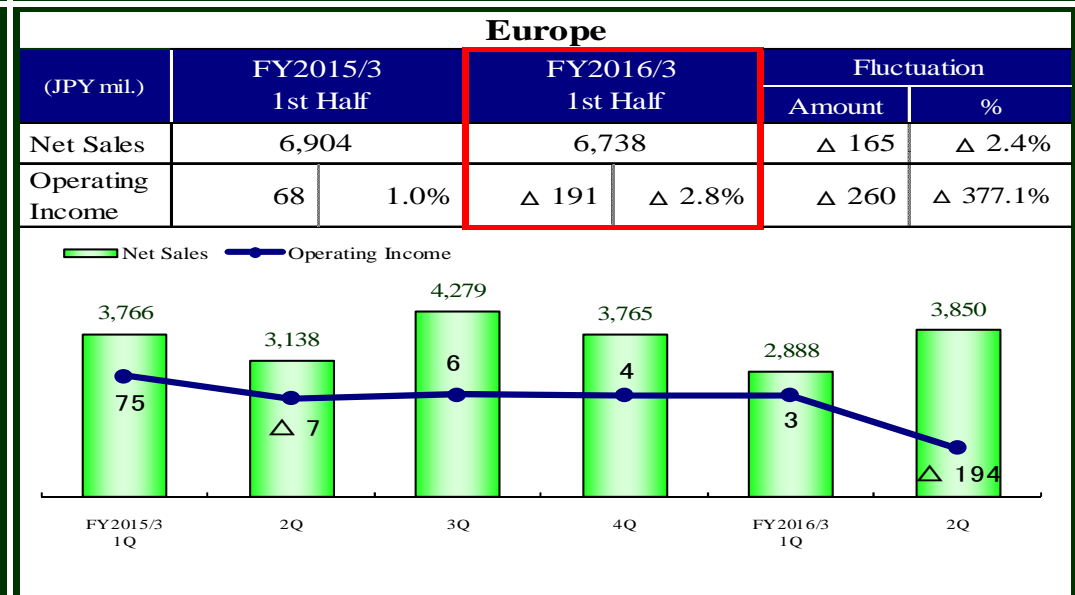
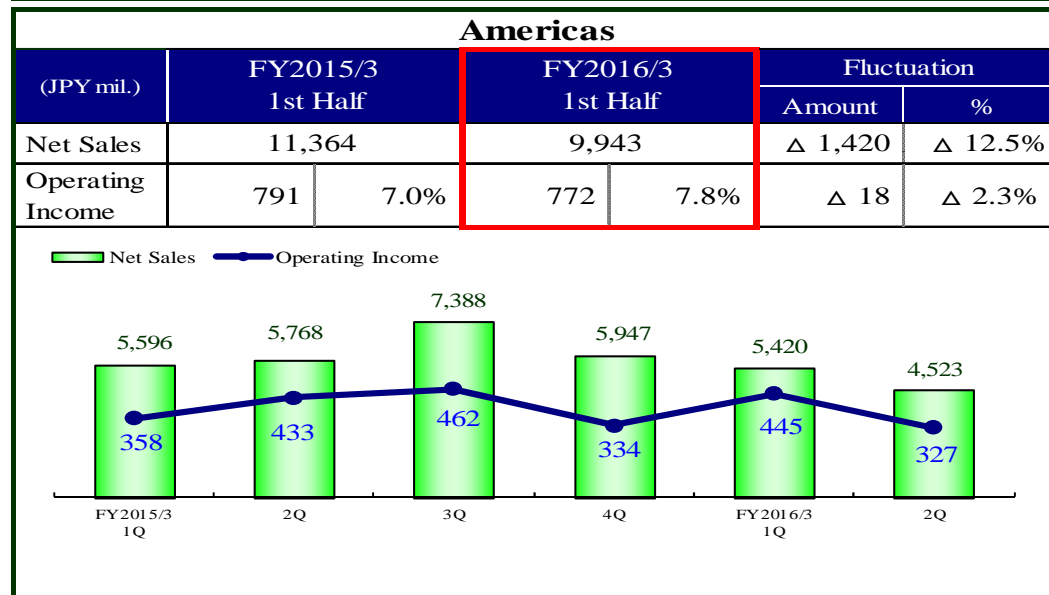
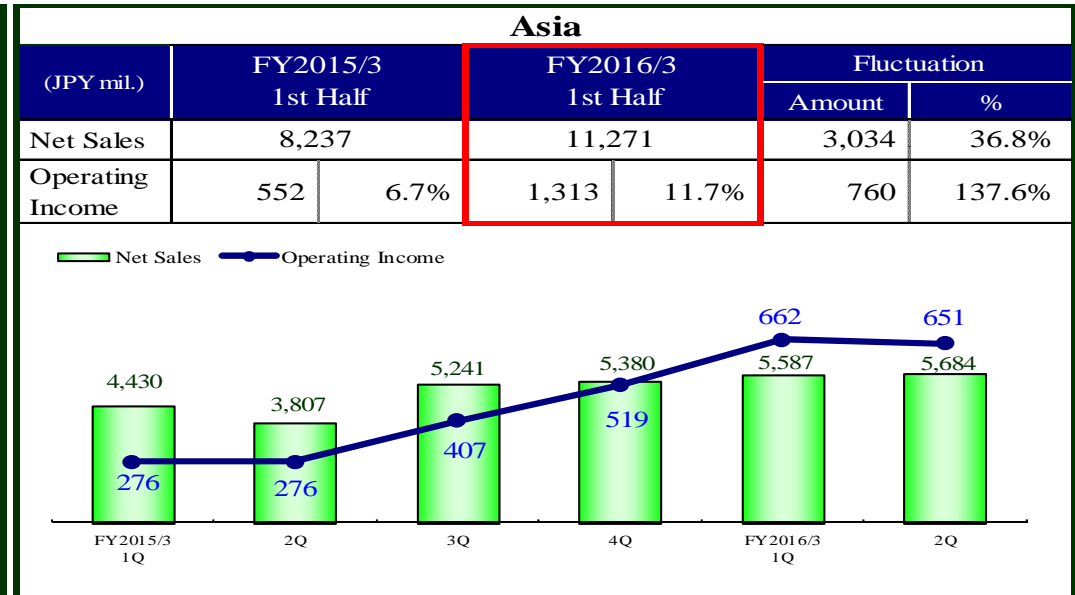
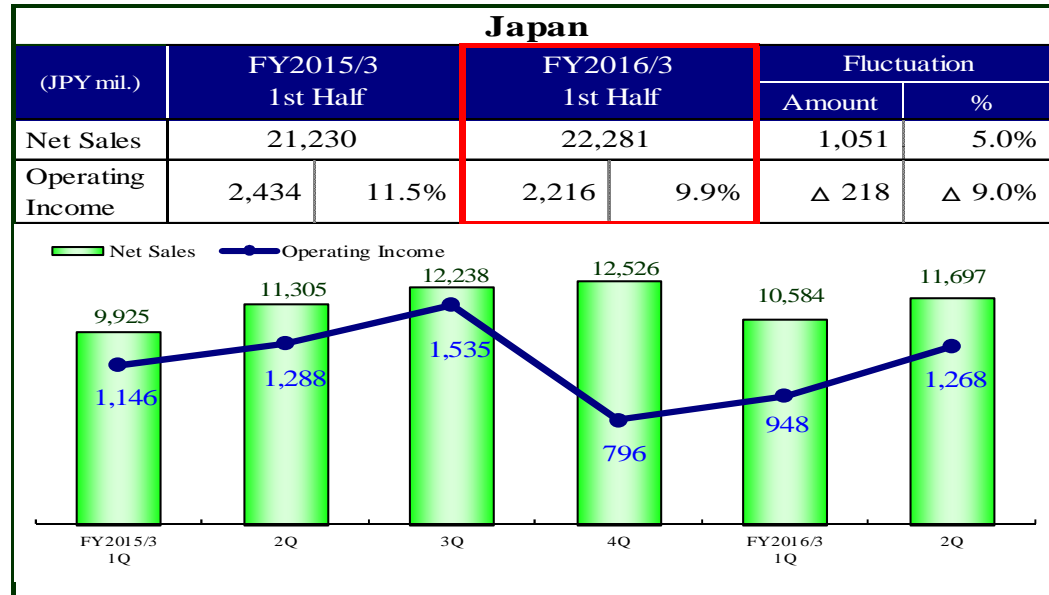


Sales (press machines) by Customer industry

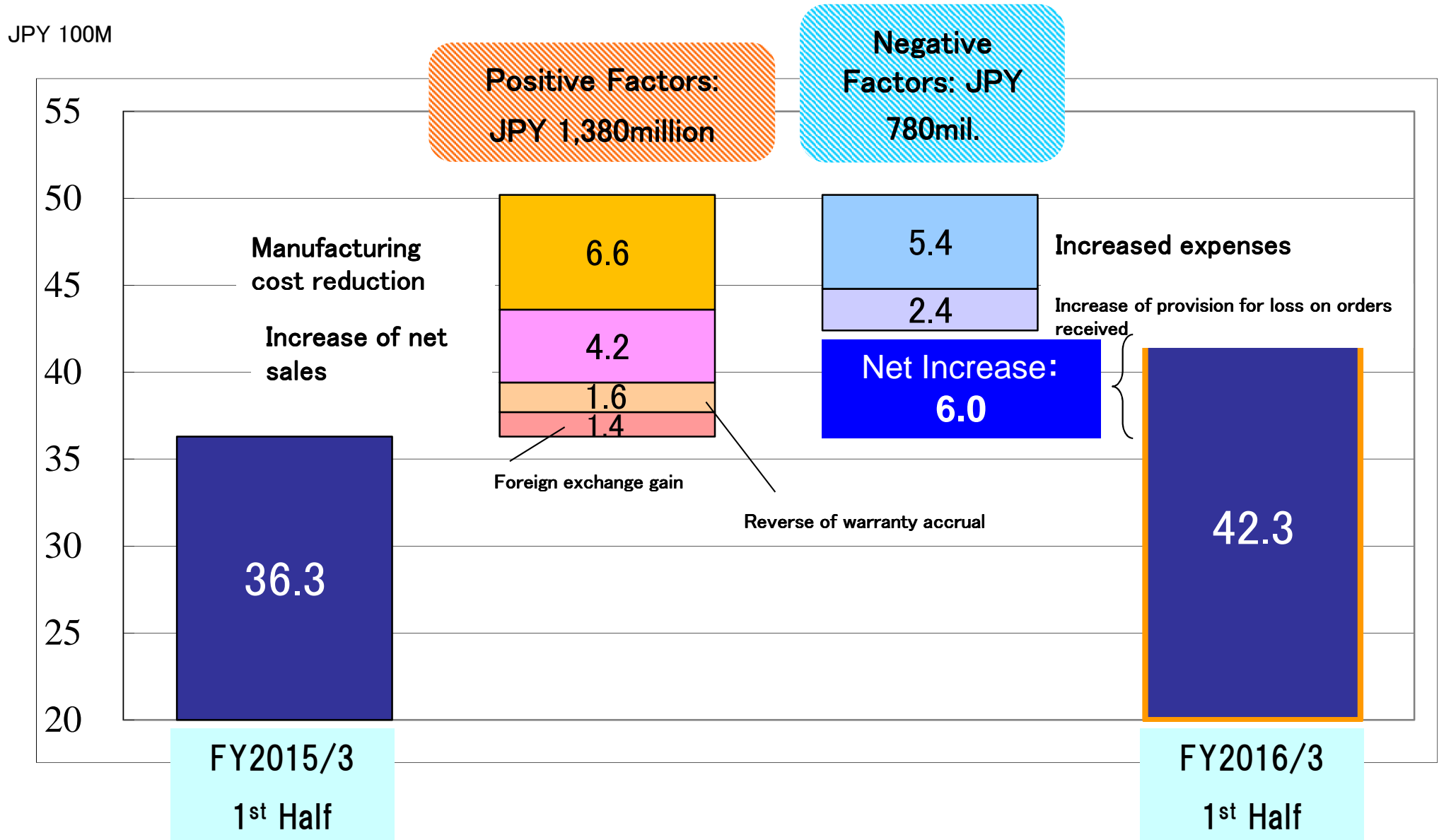
| (JPY mil.) | FY2015/3 | | FY2016/3 | | Fluctuation | |
|------------------|----------|--------|----------|--------|-------------|-------|
| | 1st Half | | 1st Half | | Amount | % |
| Automotive | 24,004 | 85.4% | 25,553 | 83.2% | 1,548 | 6.5% |
| Electric related | 1,910 | 6.8% | 2,458 | 8.0% | 547 | 28.6% |
| Others | 2,203 | 7.8% | 2,716 | 8.8% | 512 | 23.2% |
| Total | 28,119 | 100.0% | 30,727 | 100.0% | 2,607 | 9.3% |



Sales / Operating Income (by Geographic segment)



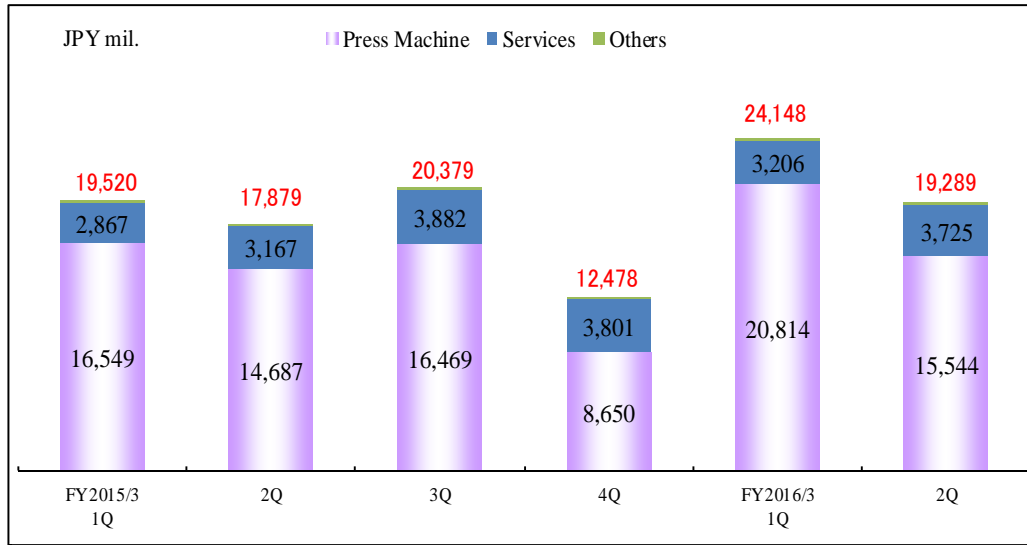
Fluctuation Analysis with regards to Operating Income



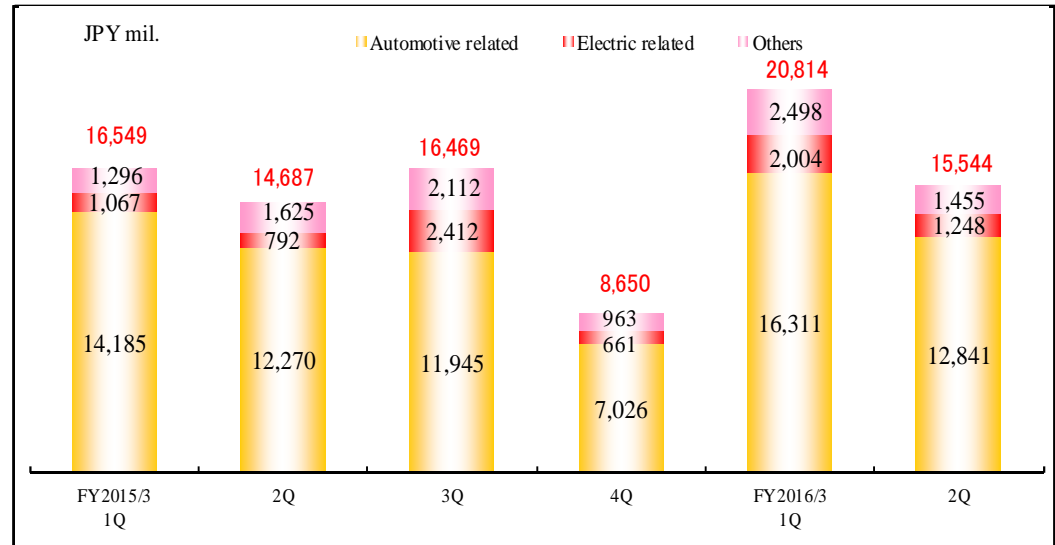
Orders Intake & Backlog (by Business/Customer/Geographic segment)



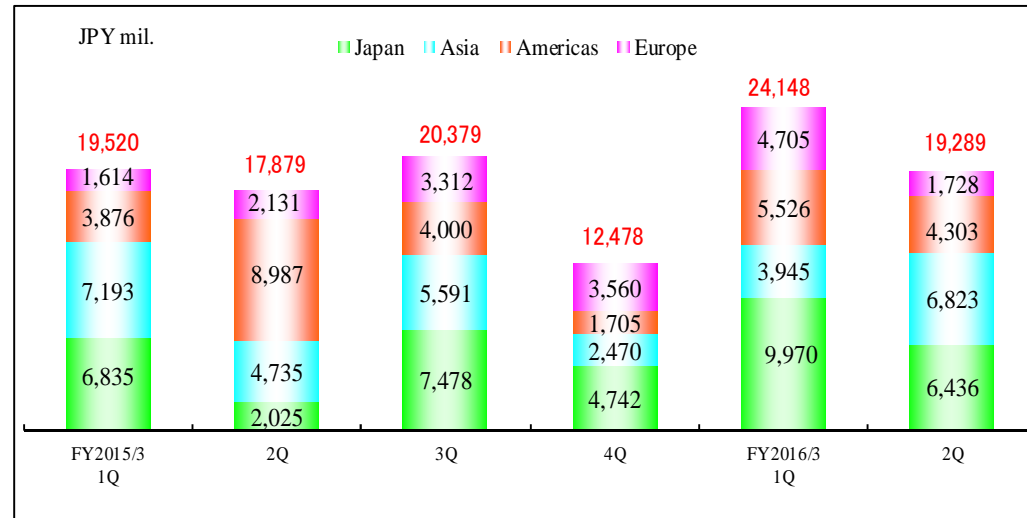
Orders Intake by Business Segment



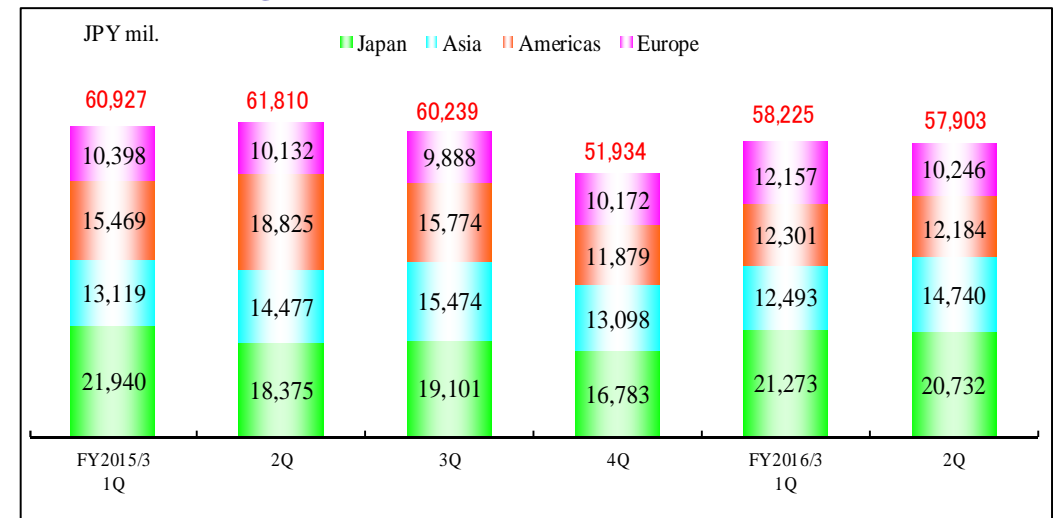
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



| (JPY mil.) | FY2014/3 | | | | FY2015/3 | | | | FY2016/3 | | vs. FY2015/3 | |
|-----------------------------|----------|------------|-----------|------------|----------|------------|-----------|------------|----------|------------|--------------|---------|
| | 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 | 36,597 | 100.0% | 76,670 | 100.0% | 37,399 | 100.0% | 70,256 | 100.0% | 43,437 | 100.0% | 6,038 | 16.1% |
| By Business | | | | | | | | | | | | |
| Press Machine | 31,439 | 85.9% | 64,807 | 84.5% | 31,236 | 83.5% | 56,355 | 80.2% | 36,358 | 83.7% | 5,121 | 16.4% |
| By Customer | | | | | | | | | | | | |
| Automotive related | 26,381 | 83.9% | 52,053 | 80.3% | 26,455 | 84.7% | 45,426 | 80.6% | 29,152 | 80.2% | 2,696 | 10.2% |
| Electric related | 2,321 | 7.4% | 4,390 | 6.8% | 1,859 | 6.0% | 4,932 | 8.8% | 3,252 | 8.9% | 1,392 | 74.9% |
| Other industries | 2,736 | 8.7% | 8,363 | 12.9% | 2,921 | 9.4% | 5,996 | 10.6% | 3,953 | 10.9% | 1,032 | 35.3% |
| Services | 5,009 | 13.7% | 11,650 | 15.2% | 6,034 | 16.1% | 13,717 | 19.5% | 6,931 | 16.0% | 896 | 14.9% |
| Others | 148 | 0.4% | 212 | 0.3% | 127 | 0.3% | 183 | 0.3% | 148 | 0.3% | 20 | 15.9% |
| By Region | | | | | | | | | | | | |
| Japan | 8,238 | 22.5% | 22,961 | 29.9% | 8,860 | 23.7% | 21,080 | 30.0% | 16,406 | 37.8% | 7,545 | 85.2% |
| Asia | 12,402 | 33.9% | 19,052 | 24.9% | 11,928 | 31.9% | 19,989 | 28.5% | 10,768 | 24.8% | Δ 1,160 | Δ 9.7% |
| Americas | 9,373 | 25.6% | 20,188 | 26.3% | 12,863 | 34.4% | 18,568 | 26.4% | 9,829 | 22.6% | Δ 3,034 | Δ 23.6% |
| Europe | 6,582 | 18.0% | 14,467 | 18.9% | 3,745 | 10.0% | 10,617 | 15.1% | 6,433 | 14.8% | 2,688 | 71.8% |
| Order Backlog: total | 56,222 | 100.0% | 58,575 | 100.0% | 61,810 | 100.0% | 51,934 | 100.0% | 57,903 | 100.0% | Δ 3,907 | Δ 6.3% |
| By Region | | | | | | | | | | | | |
| Japan | 18,311 | 32.6% | 19,888 | 34.0% | 18,375 | 29.7% | 16,783 | 32.3% | 20,732 | 35.8% | 2,357 | 12.8% |
| Asia | 12,921 | 23.0% | 9,922 | 16.9% | 14,477 | 23.4% | 13,098 | 25.2% | 14,740 | 25.5% | 262 | 1.8% |
| Americas | 14,304 | 25.4% | 16,965 | 29.0% | 18,825 | 30.5% | 11,879 | 22.9% | 12,184 | 21.0% | Δ 6,640 | Δ 35.3% |
| Europe | 10,684 | 19.0% | 11,799 | 20.1% | 10,132 | 16.4% | 10,172 | 19.6% | 10,246 | 17.7% | 113 | 1.1% |

Major Changes on Balance Sheet



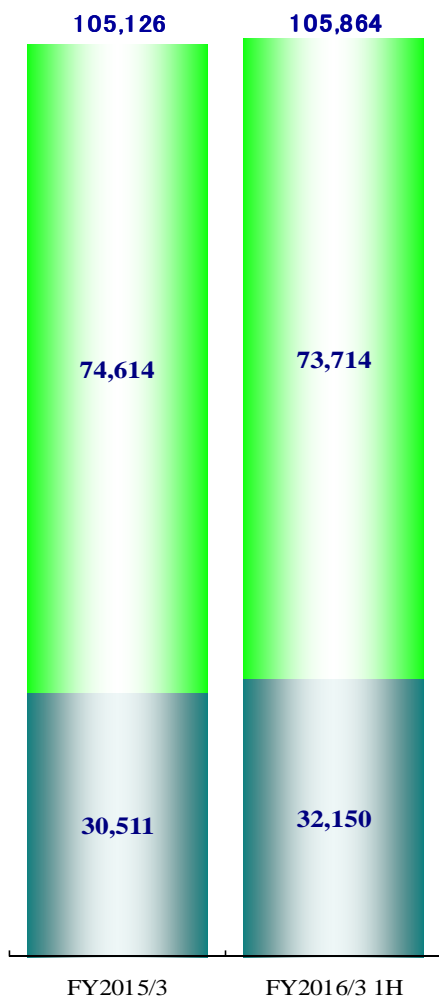
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Mar. 2015

Total assets + 738



Current assets Δ 900
 Cash & cash equivalents Δ 3,408
 Accounts receivable, trade + 2,673

Fixed assets + 1,639
 Property, plant and equipment + 1,935

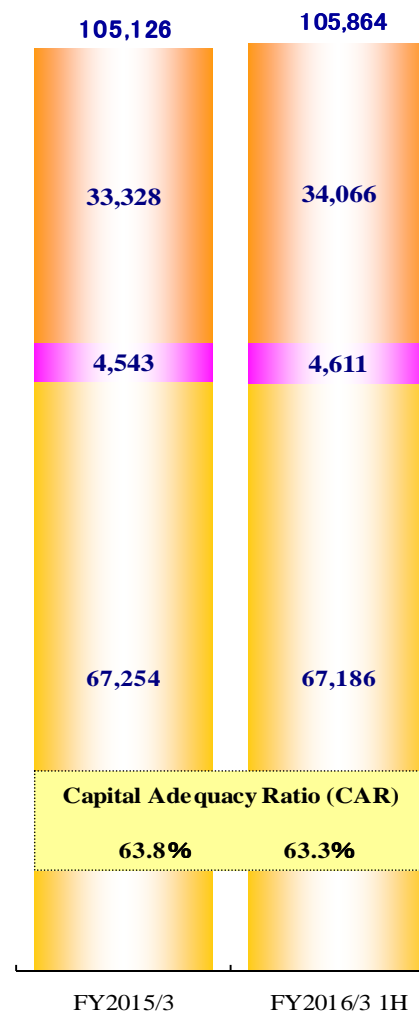
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
 ■ Long-term liabilities
 ■ Net assets

VS end of Mar. 2015

Total current liabilities + 806



Current liabilities + 738
 Accounts payable, trade Δ 1,507
 Short-term loans payable + 1,511
 Non-trade payables + 1,449

Long-term liabilities + 68

Net assets Δ 67
 Retained earnings + 1,436
 Foreign currency translation adjustments Δ 1,461
 Net unrealized gains (losses) on other securities Δ 208

Capital Adequacy Ratio (CAR)
 63.8% 63.3%

Highlights: Forecasts of FY2016 Consolidated Results



| (JPY mil.) | FY2014/3 | FY2015/3 | | | Fluctuation | |
|--|----------|------------|-------------|--------------------|-------------|---------|
| | | 1H Results | 2H Forecast | Full-year forecast | Amount | % |
| Net Sales | 76,897 | 37,468 | 40,532 | 78,000 | 1,103 | 1.4% |
| Cost of Sales | 59,650 | 28,475 | 31,625 | 60,100 | 450 | 0.8% |
| Gross Profit | 17,246 | 8,993 | 8,907 | 17,900 | 654 | 3.8% |
| <Gross Profit ratio> | 22.4% | 24.0% | 22.0% | 22.4% | 0 | (+0.0P) |
| Selling, general and administrative expenses | 9,383 | 4,759 | 5,241 | 10,000 | 617 | 6.6% |
| Operating Income | 7,863 | 4,233 | 3,667 | 7,900 | 37 | 0.5% |
| <Operating Income ratio> | 10.2% | 11.3% | 9.0% | 10.1% | 0 | (Δ0.1P) |
| Ordinary Profit | 8,208 | 5,055 | 3,645 | 8,700 | 492 | 6.0% |
| Income Before Income Taxes | 8,543 | 5,054 | 3,646 | 8,700 | 157 | 1.7% |
| Net Income | 6,205 | 3,386 | 2,614 | 6,000 | Δ 205 | Δ 3.3% |
| Cash Dividends per Share | ¥30 | — | — | ¥30 | — | — |
| Exchange Rate | 1USD= | ¥109.89 | — | ¥121.00 | ¥11.11 | 10.1% |
| | 1EUR= | ¥138.85 | — | ¥135.00 | ¥-3.85 | -2.8% |

Cause of Change of Operating Income

(in million JPY)

| | |
|--|-------------|
| Lowering Costs and Improvement of | +700 |
| (Net of fixed costs increase other than below two) | |
| Reverse of warranty | +180 |
| FX Gain/Loss | +20 |
| (CTA +340) | |
| (FX loss on hedged items exports Δ320) | |
| Increased expenses | △62 |
| Increase of provision for orders received | △24 |
| Net Change | +40 |

<Summary>

Achieving 6 consecutive-terms increase in Net Sales, Ordinary Profit and Operating Income

| | |
|------------------|---|
| Net Sales | Achieve full year target of net sales by increasing sales to automotive industry. |
| Gross Profit | Gross profit will increase from FY2014 due to improvement of efficiency in manufacturing, absorbing increase of cost for capital investment and human resource development. |
| Operating Income | Achieving record high operating income through gross profit increase, absorbing increase of SG&A expenses. |
| Ordinary Profit | The forecast was revised to 8.7billion yen from 8.1billion yen, due to foreign exchange gain booked in 1st half. |
| Net Income | Net income will decrease due to drop of extraordinary gain and tax refund booked in FY2014. |

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



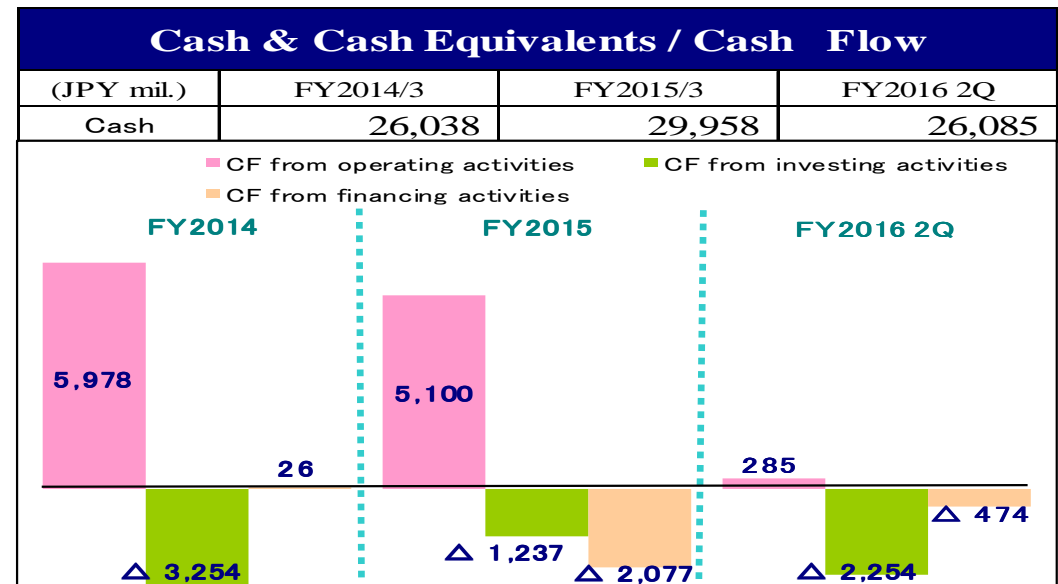
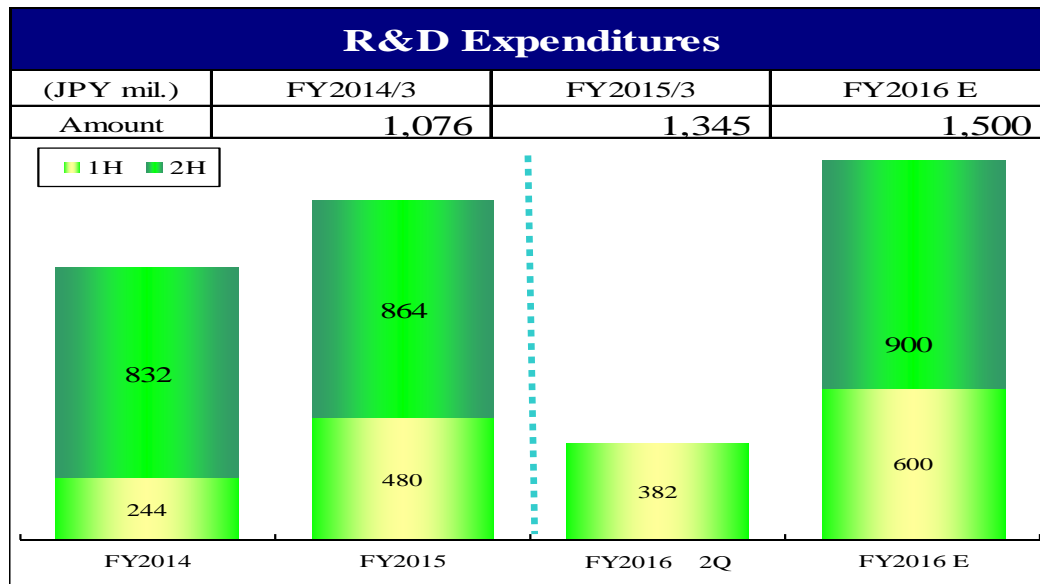
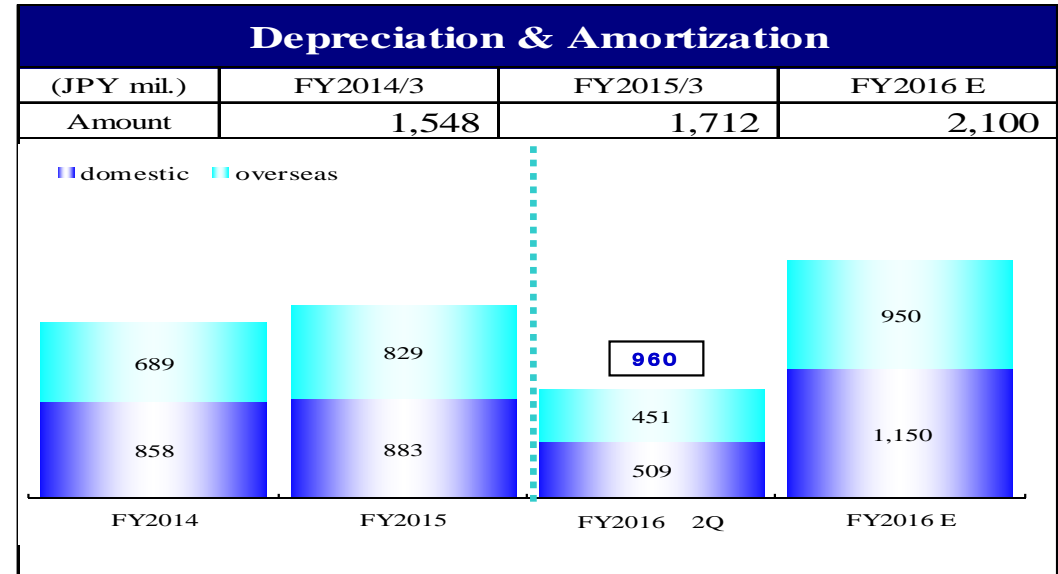
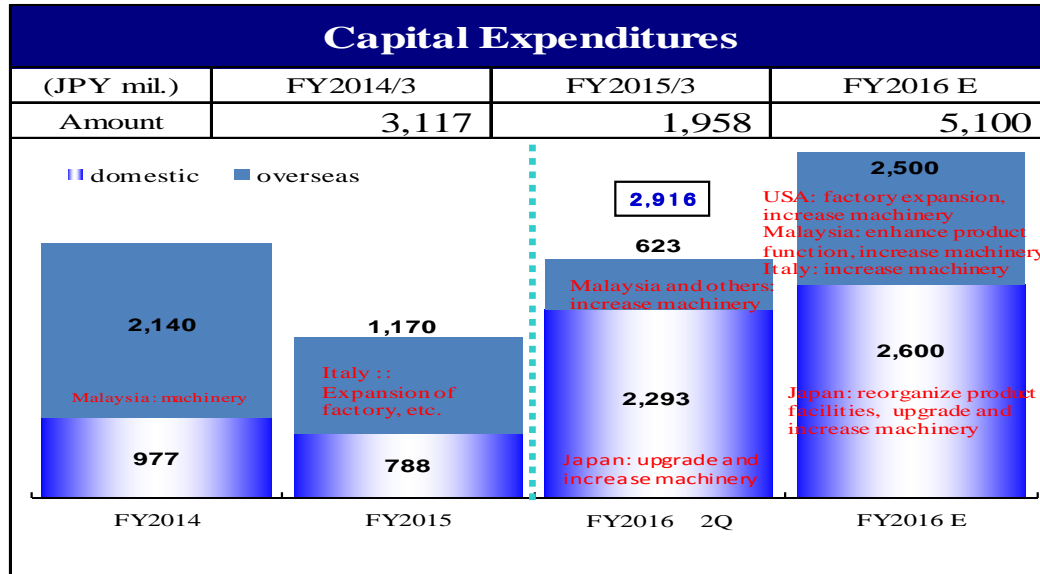
By Business

| (JPY mil.) | Orders | | | | Net Sales | | | |
|---------------|--------|--------------------|-------------------------------------|-------|-----------|--------------------|-------------------------------------|------|
| | FY2015 | FY2016 forecast | Fluctuation: FY2016 vs FY2015 | | FY2015 | FY2016 forecast | Fluctuation: FY2016 vs FY2015 | |
| | | | Amount | % | | | Amount | % |
| Press Machine | 56,355 | 66,500 | 10,145 | 18.0% | 62,893 | 63,000 | 107 | 0.2% |
| Services | 13,717 | 15,300 | 1,583 | 11.5% | 13,803 | 14,800 | 997 | 7.2% |
| Others | 183 | 200 | 17 | 9.3% | 199 | 200 | 1 | 0.5% |
| Consolidated | 70,256 | 82,000 | 11,744 | 16.7% | 76,897 | 78,000 | 1,103 | 1.4% |

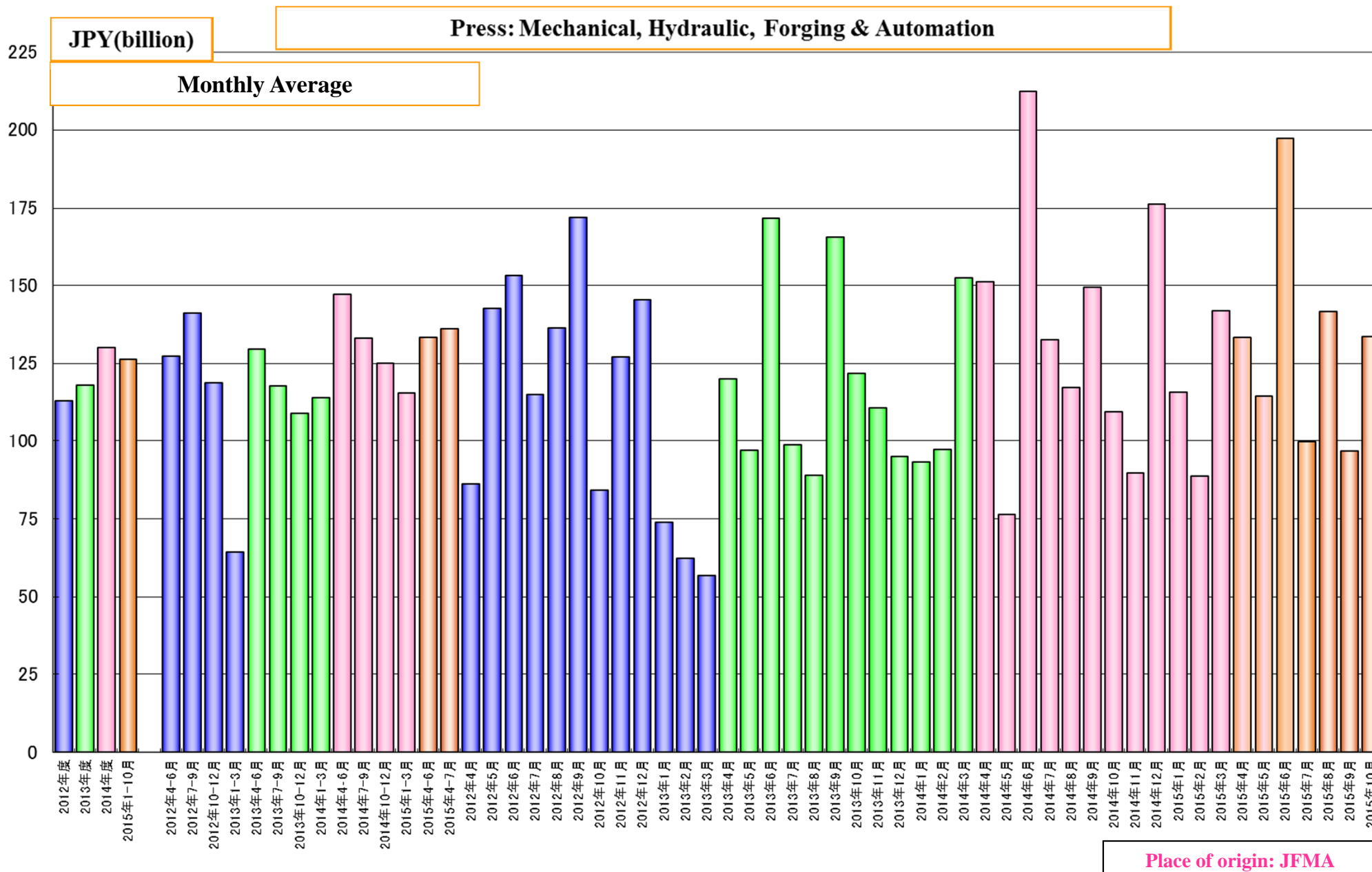
By Region

| (JPY mil.) | Orders | | | | Net Sales | | | | Operating income | | | |
|----------------|--------|--------------------|-------------------------------------|-------|-----------|--------------------|-------------------------------------|--------|------------------|--------------------|-------------------------------------|---------|
| | FY2015 | FY2016 forecast | Fluctuation: FY2016 vs FY2015 | | FY2015 | FY2016 forecast | Fluctuation: FY2016 vs FY2015 | | FY2015 | FY2016 forecast | Fluctuation: FY2016 vs FY2015 | |
| | | | Amount | % | | | Amount | % | | | Amount | % |
| Japan | 21,080 | 25,000 | 3,920 | 18.6% | 45,994 | 43,500 | Δ 2,494 | Δ 5.4% | 4,765 | 4,400 | Δ 365 | Δ 7.7% |
| Asia | 19,989 | 22,500 | 2,511 | 12.6% | 18,858 | 24,500 | 5,642 | 29.9% | 1,478 | 2,500 | 1,022 | 69.1% |
| Americas | 18,568 | 20,000 | 1,432 | 7.7% | 24,549 | 22,500 | Δ 2,049 | Δ 8.3% | 1,563 | 1,300 | Δ 263 | Δ 16.8% |
| Europe | 10,617 | 14,500 | 3,883 | 36.6% | 15,098 | 14,500 | Δ 598 | Δ 4.0% | 101 | Δ 300 | Δ 401 | - |
| Reconciliation | | | | | Δ 27,604 | Δ 27,000 | 604 | Δ 2.2% | Δ 45 | 0 | 45 | - |
| Consolidated | 70,256 | 82,000 | 11,744 | 16.7% | 76,897 | 78,000 | 1,103 | 1.4% | 7,863 | 7,900 | 37 | 0.5% |

Trend of Capex, Depreciation, R&D & CF



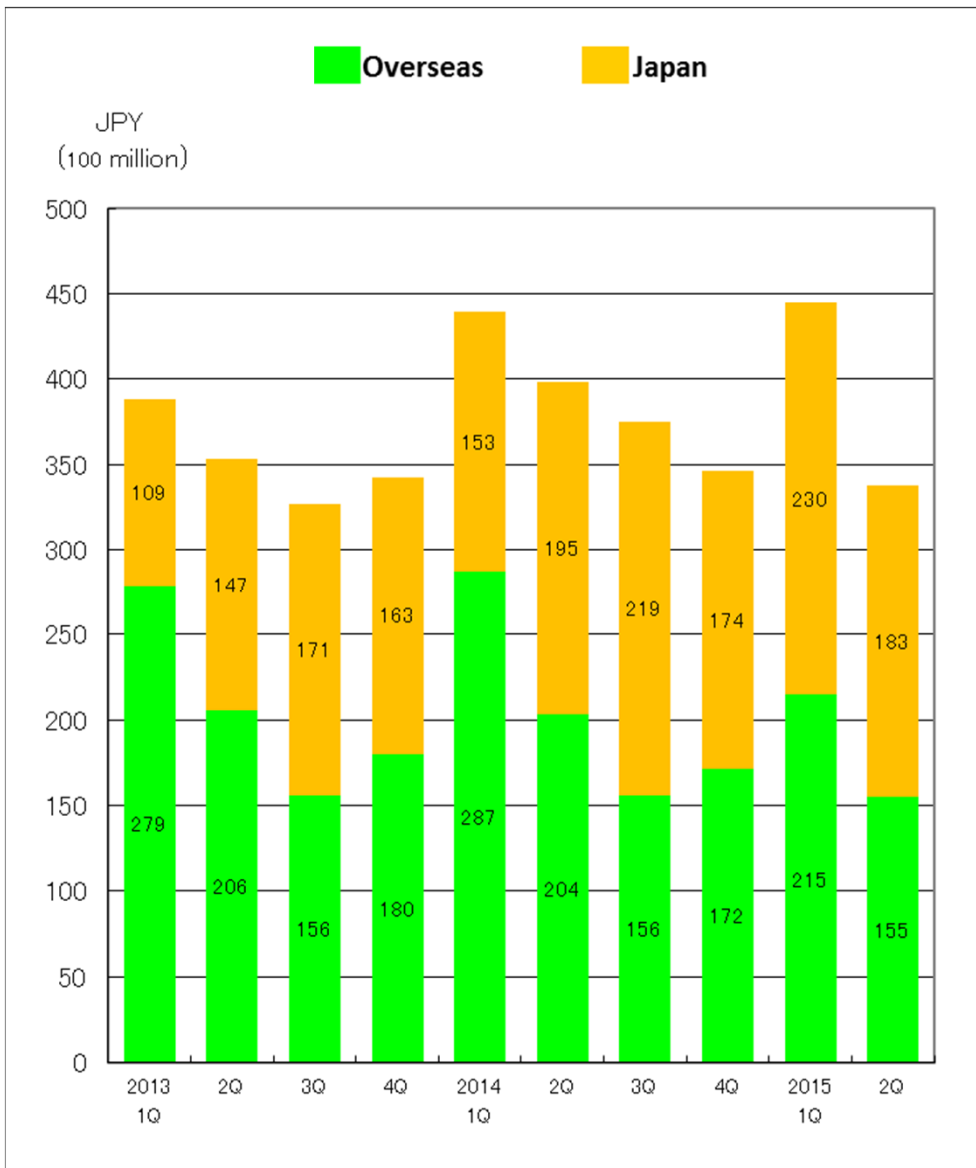
(for Reference) Statistics of Forming Machinery Industry- 1)



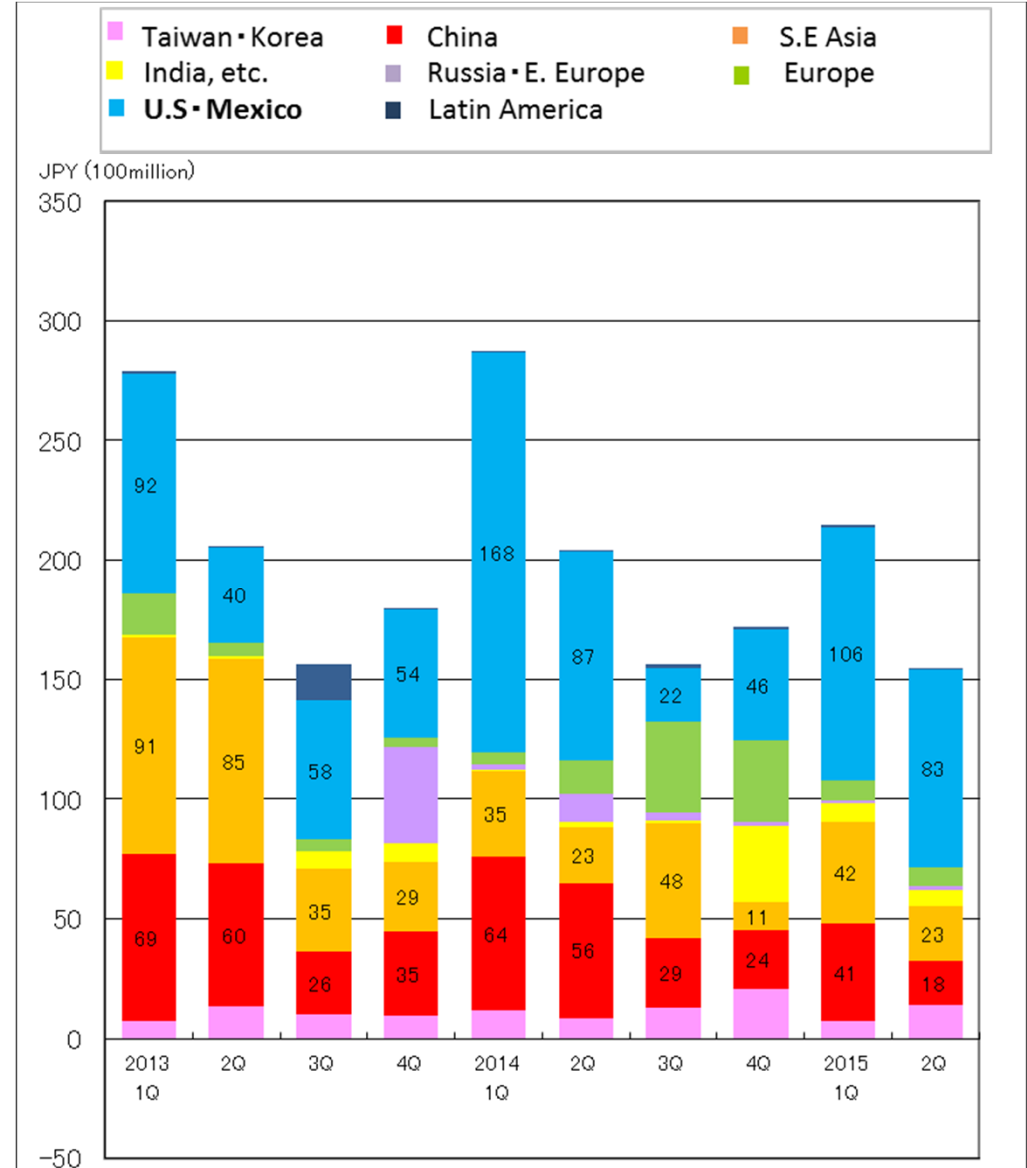
(for Reference) Statistics of Forming Machinery Industry- 2)



Trend of Order Intake



Trend of Order Intake (Overseas) by Geographic Segment



Remarks



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 2015

AIDA ENGINEERING, LTD.