

FY 2016
Financial Results
(from Apr. 2015 to Mar. 2016)

AIDA



Highlights of FY2016
(Fiscal Year ended Mar.2016)
Financial Results
&
Forecast of Full-Year FY2017

Highlights of Consolidated Results Summary of P&L



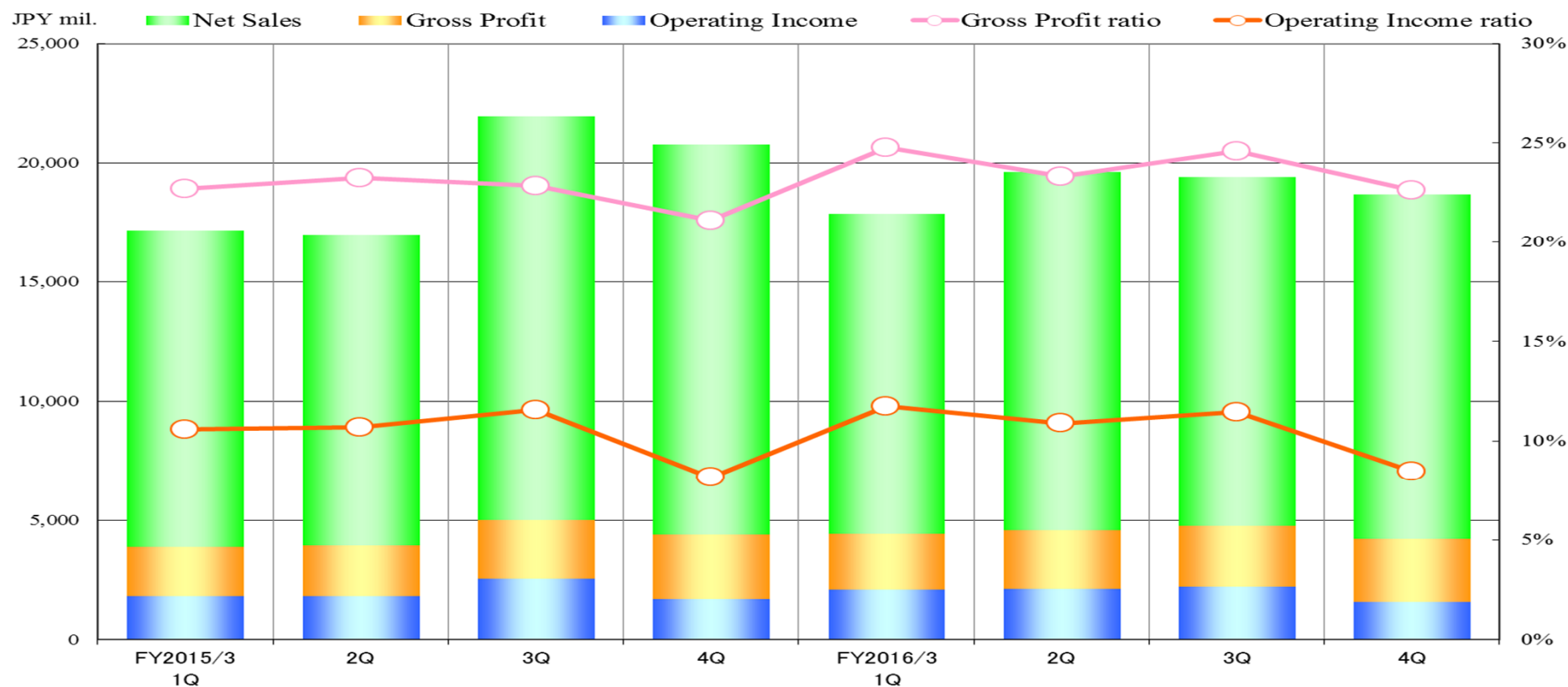
(JPY mil.)	FY2015	FY2016	Fluctuation		FY2016 forecast	VS Forecast	
			Amount	%		Amount	%
Net Sales	76,897	75,529	Δ 1,367	Δ1.8%	78,000	Δ 2,470	Δ3.2%
Cost of Sales	59,650	57,544	Δ 2,105	Δ3.5%	60,100	Δ 2,555	Δ4.3%
Gross Profit	17,246	17,985	738	4.3%	17,900	85	0.5%
<Gross Profit ratio>	22.4%	23.8%		(+1.4P)	22.9%		(+0.9P)
Selling, general & administrative expenses	9,383	9,947	564	6.0%	10,000	Δ 52	Δ0.5%
Operating Income	7,863	8,037	173	2.2%	7,900	137	1.7%
<Operating Income ratio>	10.2%	10.6%		(+0.4P)	10.1%	0.0%	0.51274
Ordinary Profit	8,208	8,364	156	1.9%	8,700	Δ 335	Δ3.9%
Income Before Income Taxes	8,543	8,329	Δ 214	Δ2.5%	8,700	Δ 370	Δ4.3%
Net Income	6,205	5,782	Δ 422	Δ6.8%	6,000	Δ 217	Δ3.6%
Exchange Rate	1USD=	¥109.89	¥10.22	9.3%	¥121.00	¥-0.89	-0.7%
	1EUR=	¥138.85	¥132.66	¥-6.19	¥135.00	¥-2.34	-1.7%

Summary

Operating Income and Ordinary Profit increased for 6 consecutive terms and achieved the record high.

- Net Sales:** Net sales increase in Asia covered decrease in America, resulting to 1.8% decline in the total net sales from the previous FY.
- Gross Profit:** Gross profit increased by 4.3% from the previous FY due to manufacturing cost reduction and yen depreciation.
- Operating Income:** Operating income increased by 2.2% from the previous FY, mainly due to increase of the gross profit.
- Ordinary Profit:** Ordinary profit increased by 1.9%, due to increase of the operating income.
- Net Income:** Net income decreased mainly due to drop of extraordinary gain in the previous FY.

Trend of Sales, Gross Profit and Operating Income



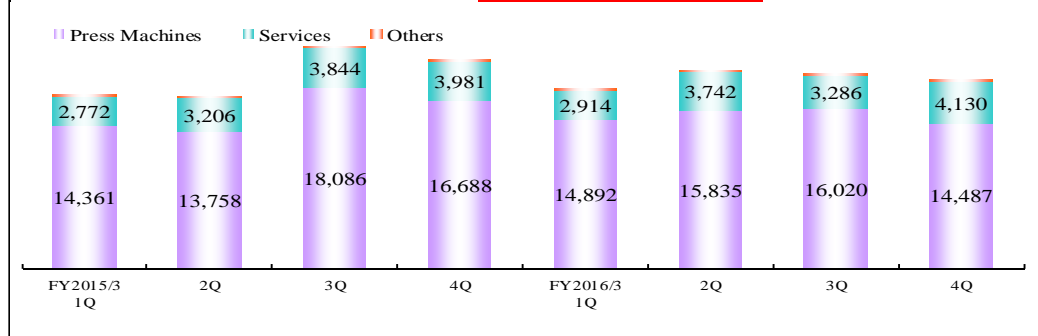
		FY2015				FY2016			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	Net Sales	17,168	16,995	21,951	20,783	17,857	19,611	19,393	18,668
	Gross Profit	3,897	3,950	5,015	4,384	4,421	4,572	4,767	4,225
	Operating Income	1,815	1,815	2,536	1,697	2,097	2,136	2,221	1,583
	Gross Profit ratio	22.7%	23.2%	22.8%	21.1%	24.8%	23.3%	24.6%	22.6%
	Operating Income ratio	10.6%	10.7%	11.6%	8.2%	11.7%	10.9%	11.5%	8.5%

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



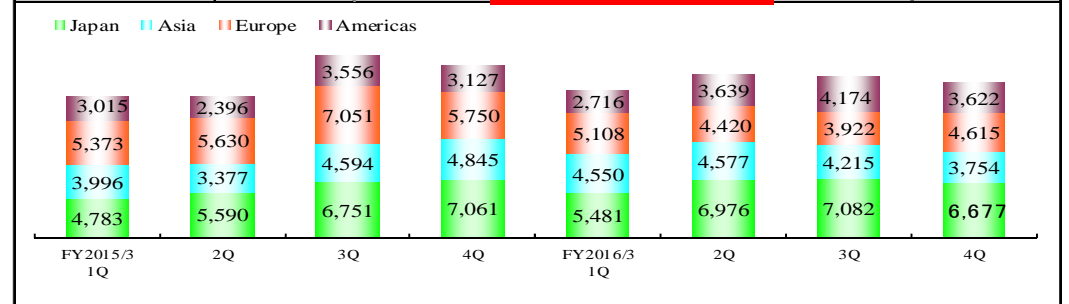
Sales by Business segment

(JPY mil.)	FY2015		FY2016		Fluctuation	
	Amount	%	Amount	%	Amount	%
Press Machines	62,893	81.8%	61,234	81.1%	Δ 1,659	Δ 2.6%
Services	13,803	18.0%	14,072	18.6%	269	2.0%
Others	199	0.3%	222	0.3%	23	11.6%
Total	76,897	100.0%	75,529	100.0%	Δ 1,367	Δ 1.8%



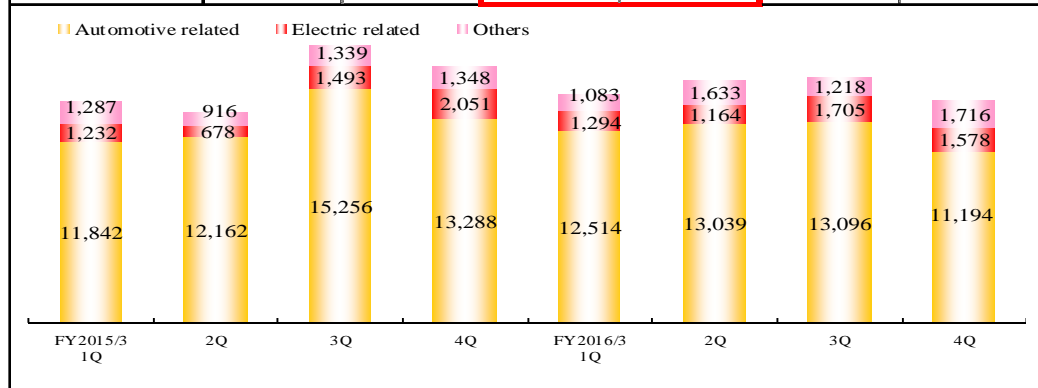
Sales by Geographic segment

(JPY mil.)	FY2015		FY2016		Fluctuation	
	Amount	%	Amount	%	Amount	%
Japan	24,185	31.5%	26,216	34.7%	2,031	8.4%
Asia	16,812	21.9%	17,096	22.6%	283	1.7%
Americas	23,804	31.0%	18,065	23.9%	Δ 5,739	Δ 24.1%
Europe	12,094	15.7%	14,151	18.7%	2,056	17.0%
Total	76,897	100.0%	75,529	100.0%	Δ 1,367	Δ 1.8%



Sales (press machines) by Customer industry

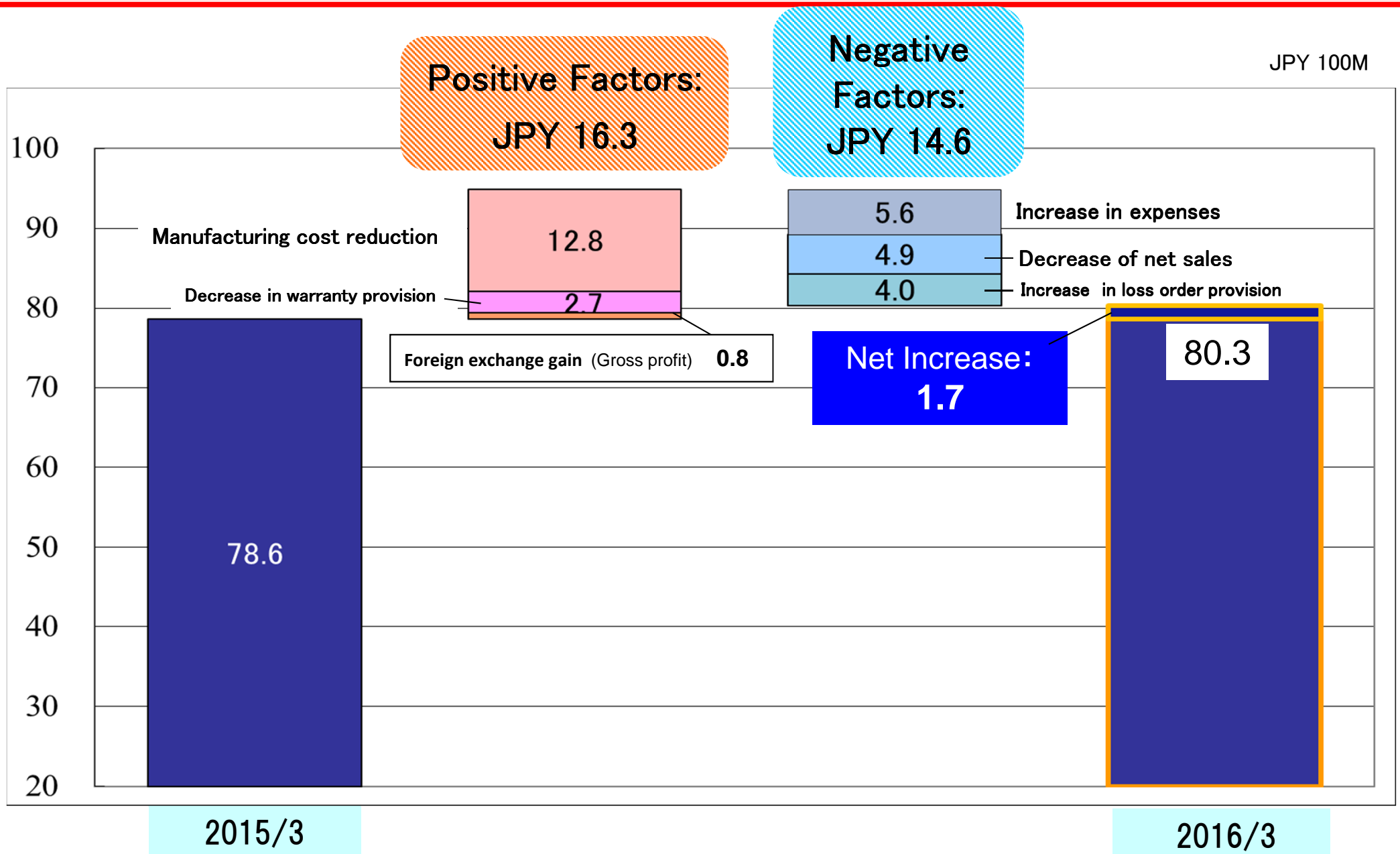
(JPY mil.)	FY2015		FY2016		Fluctuation	
	Amount	%	Amount	%	Amount	%
Automotive	52,548	83.6%	49,843	81.4%	Δ 2,705	Δ 5.1%
Electric related	5,454	8.7%	5,741	9.4%	286	5.3%
Others	4,890	7.8%	5,650	9.2%	759	15.5%
Total	62,893	100.0%	61,234	100.0%	Δ 1,659	Δ 2.6%



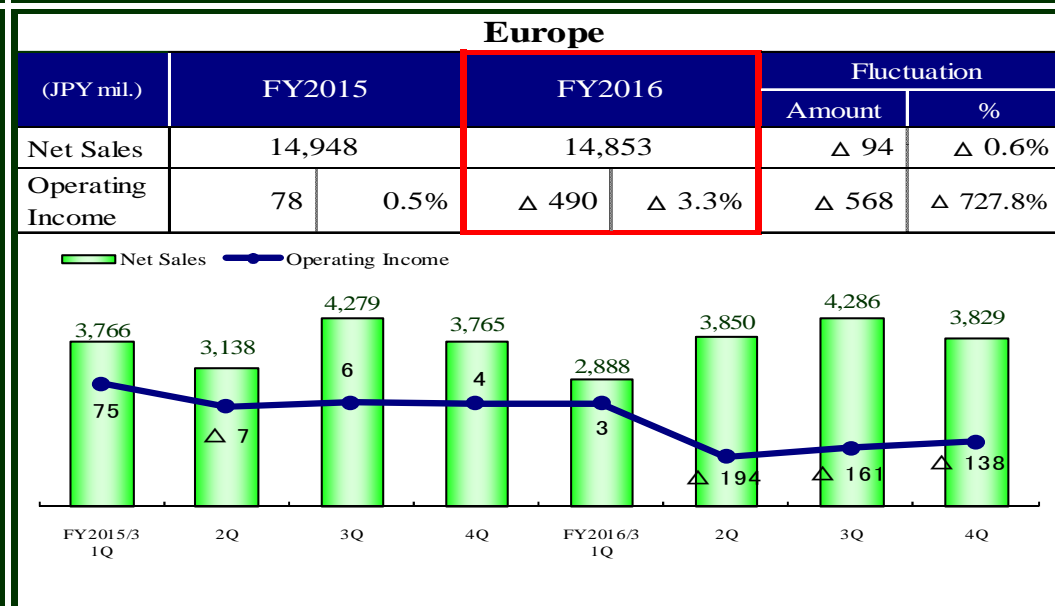
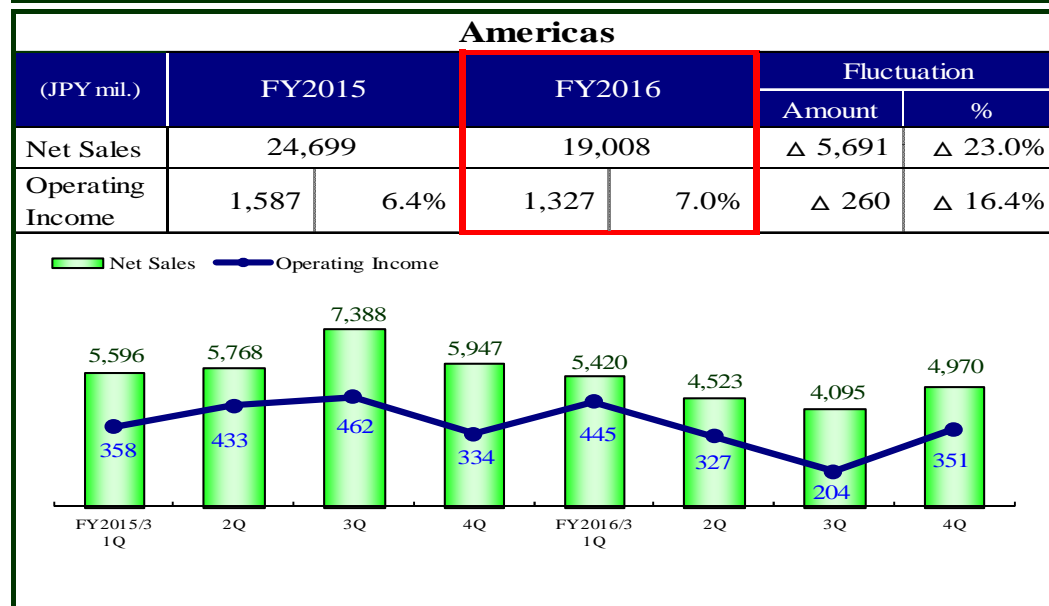
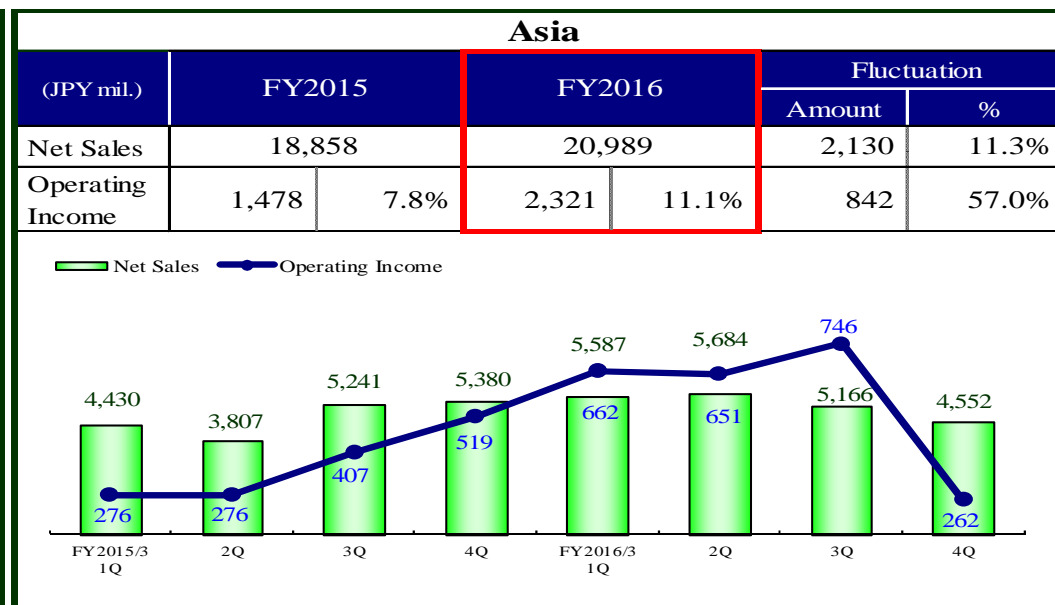
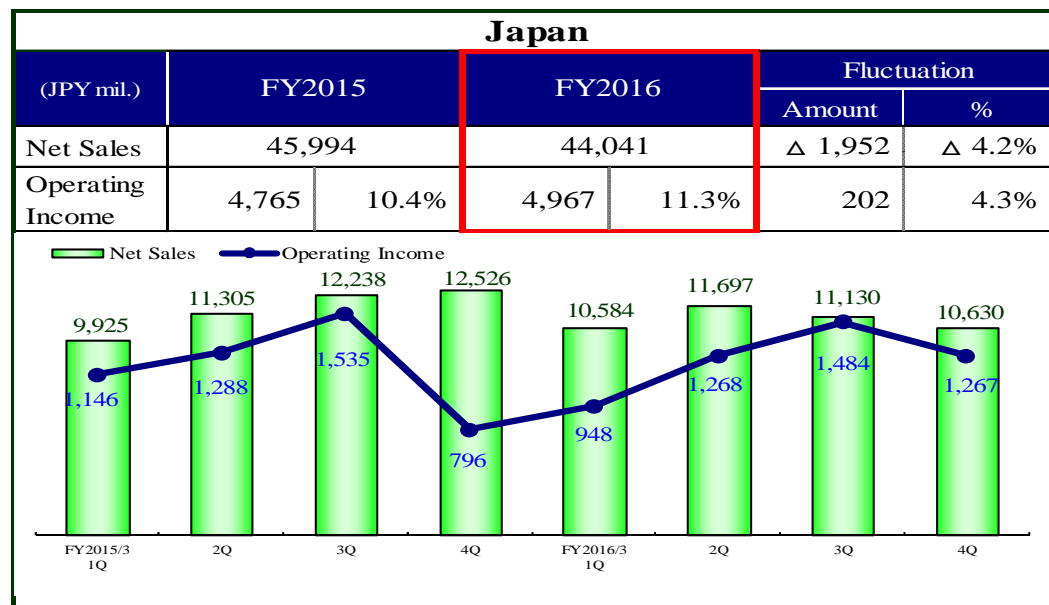
Fluctuation Analysis with regards to Operating Income



JPY 100M



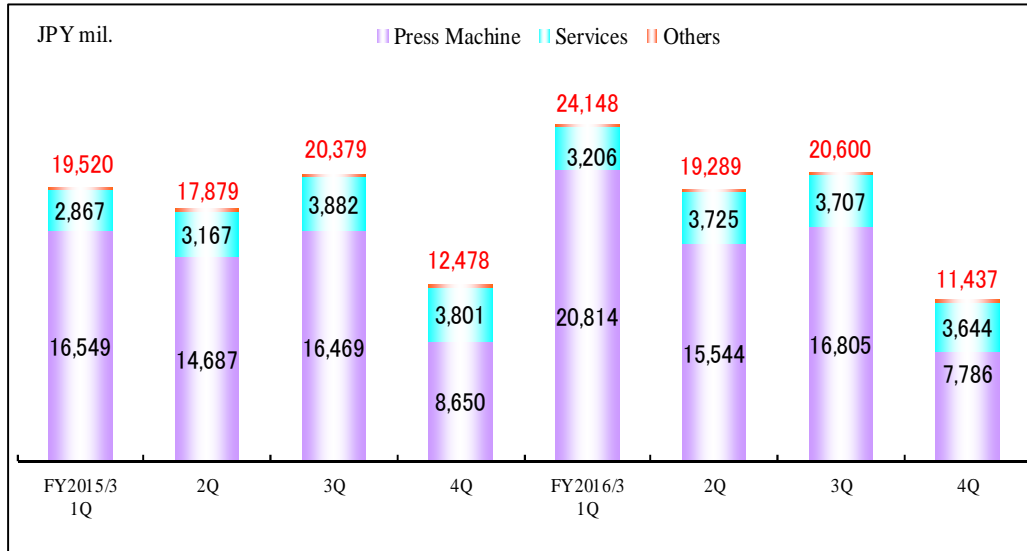
Sales / Operating Income (by Geographic segment)



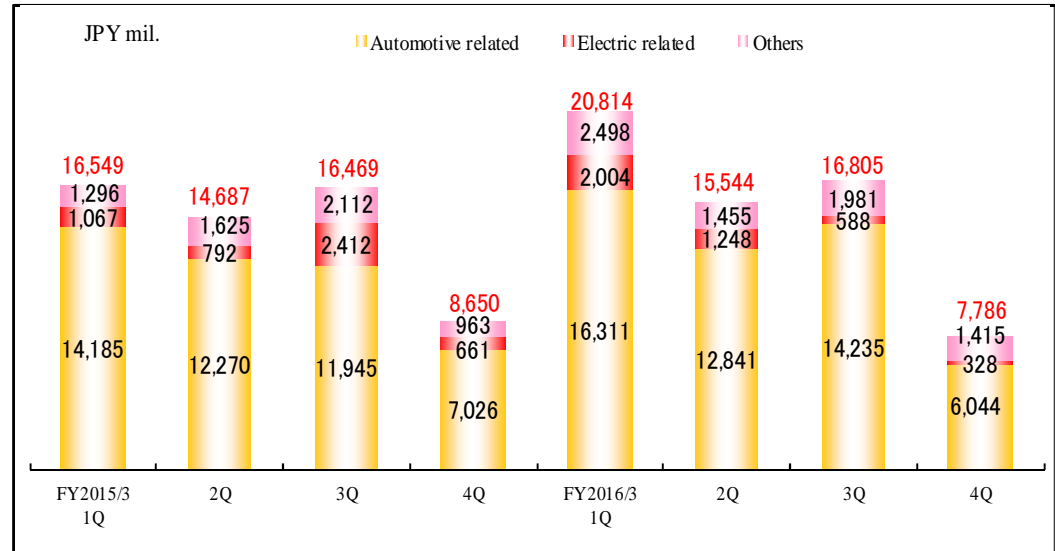
Orders Intake & Backlog (by Business/Customer/Geographic segment)



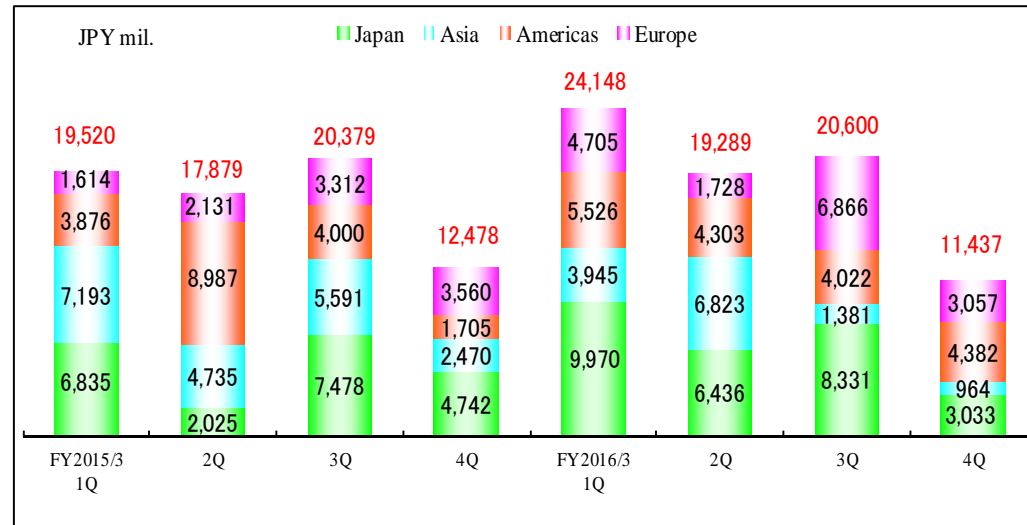
Orders Intake by Business Segment



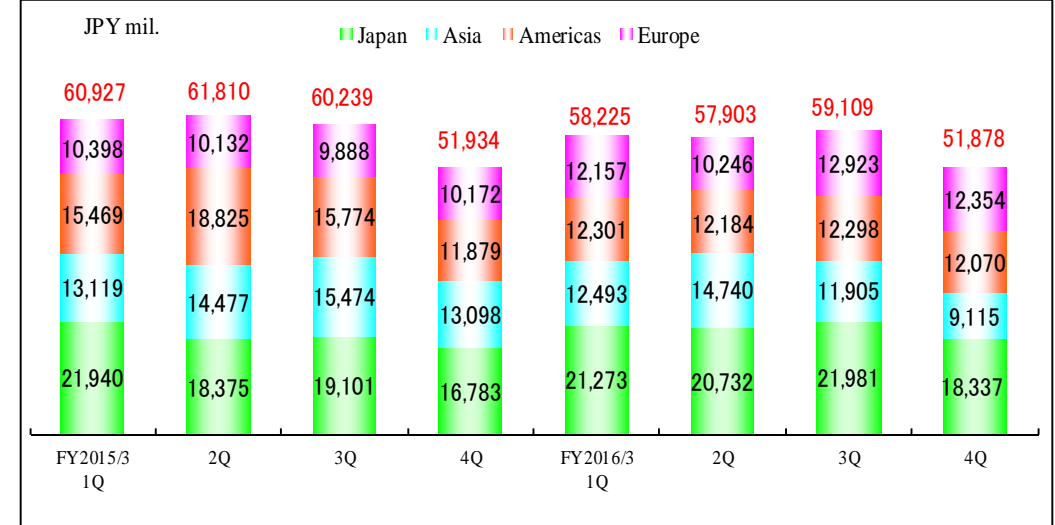
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



(JPY mil.)	FY2015				FY2016				vs. FY2015	
	1st Half		Full-year		1st Half		Full-year		Fluctuation	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	%
Order Intake: total	37,399	100.0%	70,256	100.0%	43,437	100.0%	75,474	100.0%	5,218	7.4%
By Business										
Press Machine	31,236	83.5%	56,355	80.2%	36,358	83.7%	60,949	80.8%	4,593	8.2%
By Customer										
Automotive related	26,455	84.7%	45,426	80.6%	29,152	80.2%	49,431	81.1%	4,005	8.8%
Electric related	1,859	6.0%	4,932	8.8%	3,252	8.9%	4,168	6.8%	△ 763	△ 15.5%
Other industries	2,921	9.4%	5,996	10.6%	3,953	10.9%	7,349	12.1%	1,352	22.5%
Services	6,034	16.1%	13,717	19.5%	6,931	16.0%	14,282	18.9%	565	4.1%
Others	127	0.3%	183	0.3%	148	0.3%	242	0.3%	59	32.3%
By Region										
Japan	8,860	23.7%	21,080	30.0%	16,406	37.8%	27,770	36.8%	6,689	31.7%
Asia	11,928	31.9%	19,989	28.5%	10,768	24.8%	13,113	17.4%	△ 6,875	△ 34.4%
Americas	12,863	34.4%	18,568	26.4%	9,829	22.6%	18,233	24.2%	△ 334	△ 1.8%
Europe	3,745	10.0%	10,617	15.1%	6,433	14.8%	16,356	21.7%	5,739	54.1%
Order Backlog: total	61,810	100.0%	51,934	100.0%	57,903	100.0%	51,878	100.0%	△ 55	△ 0.1%
By Region										
Japan	18,375	29.7%	16,783	32.3%	20,732	35.8%	18,337	35.3%	1,553	9.3%
Asia	14,477	23.4%	13,098	25.2%	14,740	25.5%	9,115	17.6%	△ 3,982	△ 30.4%
Americas	18,825	30.5%	11,879	22.9%	12,184	21.0%	12,070	23.3%	191	1.6%
Europe	10,132	16.4%	10,172	19.6%	10,246	17.7%	12,354	23.8%	2,181	21.4%

Major Changes on Balance Sheet



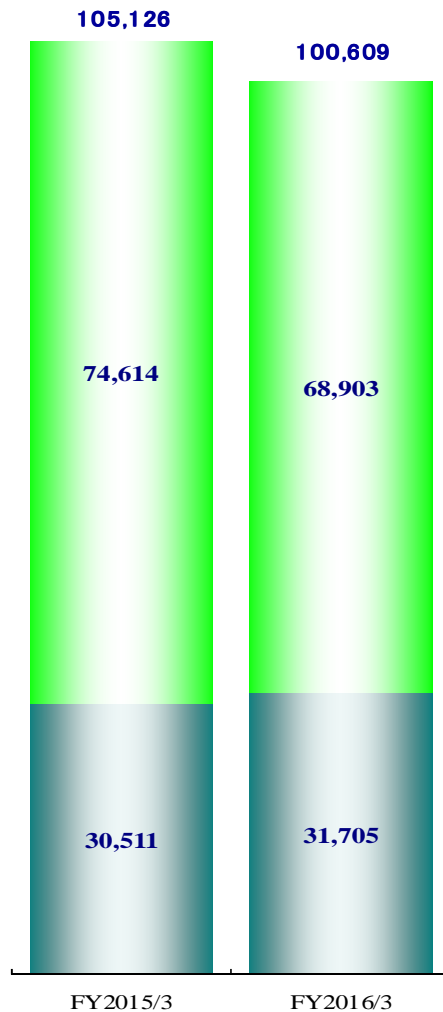
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Mar. 2015

Total assets Δ 4,516



Current assets Δ 5,711
 Notes and accounts receivable, trade and Electronically recorded monetary claims-operating Δ 2,323
 Inventories Δ 1,097
 Consumption taxes receivable Δ 987

Fixed assets Δ 1,194
 Property, plant and equipment Δ 1,423

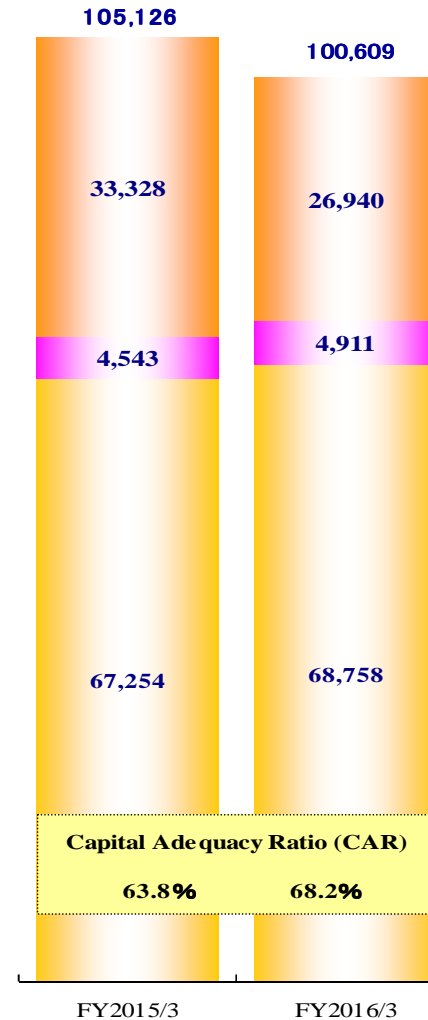
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
 ■ Long-term liabilities
 ■ Net assets

VS end of Mar. 2015

Total current liabilities Δ 6,020



Current liabilities Δ 6,387
 Accounts payable, trade and Electronically recorded monetary obligations-operating Δ 3,988
 Short-term loans payable Δ 2,772
 Advances from customers on contracts Δ 3,061
 Special suspense account for reduction entry Δ 1,098

Long-term liabilities Δ 367

Net assets Δ 1,503
 Retained earnings Δ 3,832
 Foreign currency translation adjustments Δ 2,543

Highlights: Forecasts of FY2016 Consolidated Results



(JPY mil.)	FY2016	FY2017 Forecast	Fluctuation	
			Amount	%
Net Sales	75,529	80,000	4,471	5.9%
Cost of Sales	57,544	61,500	3,956	6.9%
Gross Profit	17,985	18,500	515	2.9%
<Gross Profit ratio>	23.8%	23.1%		(Δ0.7P)
Selling, general and administrative expenses	9,947	10,400	453	4.6%
Operating Income	8,037	8,100	63	0.8%
<Operating Income ratio>	10.6%	10.1%		(Δ0.5P)
Ordinary Profit	8,364	8,200	Δ 164	Δ2.0%
Income Before Income Taxes	8,329	8,100	Δ 229	Δ2.7%
Net Income	5,782	5,900	118	2.0%
Exchange Rate	1USD=	¥120.11	¥-12.11	-10.1%
	1EUR=	¥132.66	¥-8.66	-6.5%

Causes of Change of Operating Income

(In million JPY)

Increase of net sales	: +10.1
Foreign exchange gain (Gross profit)	: Δ7.5
Decrease in loss order provision	: +2.5
Increase in expenses (R&D cost, etc)	: Δ4.5
Net Change	+0.6

Summary

Increase Profits from FY2015 by absorbing negative impact of Yen depreciation, achieving record high in Net Sales and Operating Income.

Net Sales	Increase net sales from FY2015 especially in Asia, America and Europe, absorbing unfavorable impact of Yen appreciation, resulting to the record high.
Gross Profit	Increase gross profit from FY2015 due to improvement of productivity, absorbing increase of cost for capital investment and human resource development.
Operating Income	Achieving record high operating income due to gross profit increase, absorbing increase of SG&A expenses.
Ordinary Profit	Exchange gain and loss is assumed to be even. FX profit is not expected in the forecast.
Net Income	Net income will increase mainly due to tax rate decrease.

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



By Business

(JPY mil.)	Orders				Net Sales			
	FY2016	FY2017 forecast	Fluctuation: FY2017 vs FY2016		FY2016	FY2017 forecast	Fluctuation: FY2017 vs FY2016	
			Amount	%			Amount	%
Press Machine	60,949	66,800	5,851	9.6%	61,234	64,800	3,566	5.8%
Services	14,282	15,000	718	5.0%	14,072	15,000	928	6.6%
Others	242	200	Δ 42	Δ 17.4%	222	200	Δ 22	Δ 9.9%
Consolidated	75,474	82,000	6,526	8.6%	75,529	80,000	4,471	5.9%

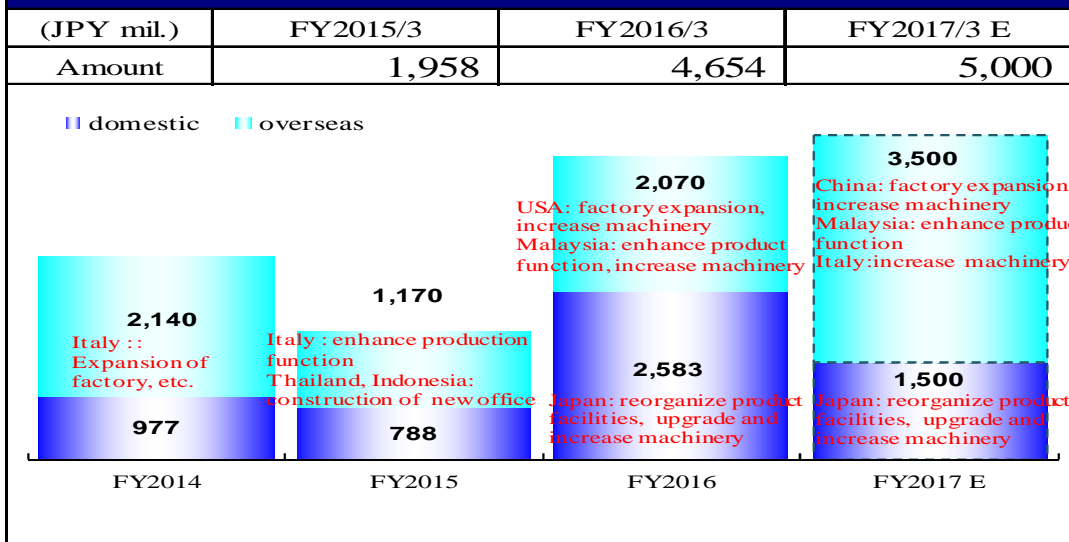
By Region

(JPY mil.)	Orders				Net Sales				Operating income			
	FY2016	FY2017 forecast	Fluctuation: FY2017 vs FY2016		FY2016	FY2017 forecast	Fluctuation: FY2017 vs FY2016		FY2016	FY2017 forecast	Fluctuation: FY2017 vs FY2016	
			Amount	%			Amount	%			Amount	%
Japan	27,770	27,000	Δ 770	Δ 2.8%	44,041	44,500	459	1.0%	4,967	4,350	Δ 617	Δ 12.4%
Asia	13,113	19,000	5,887	44.9%	20,989	23,000	2,011	9.6%	2,321	2,300	Δ 21	Δ 0.9%
Americas	18,233	21,000	2,767	15.2%	19,008	20,000	992	5.2%	1,327	1,300	Δ 27	Δ 2.0%
Europe	16,356	15,000	Δ 1,356	Δ 8.3%	14,853	15,000	147	1.0%	Δ 490	150	640	-
Reconciliation					Δ 23,363	Δ 22,500	863	Δ 3.7%	Δ 88	0	88	-
Consolidated	75,474	82,000	6,526	8.6%	75,529	80,000	4,471	5.9%	8,037	8,100	63	0.8%

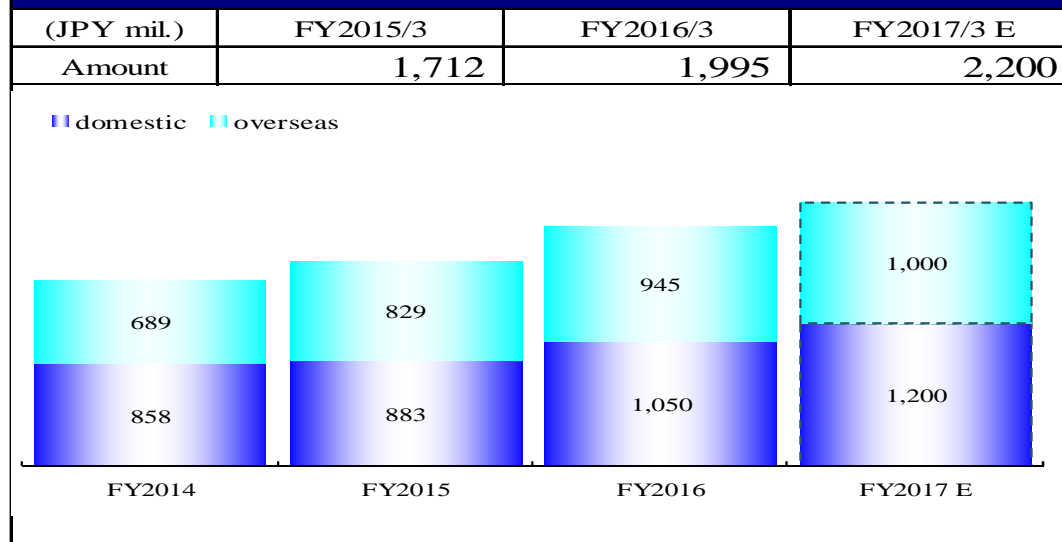
Trend of Capex, Depreciation, R&D & CF



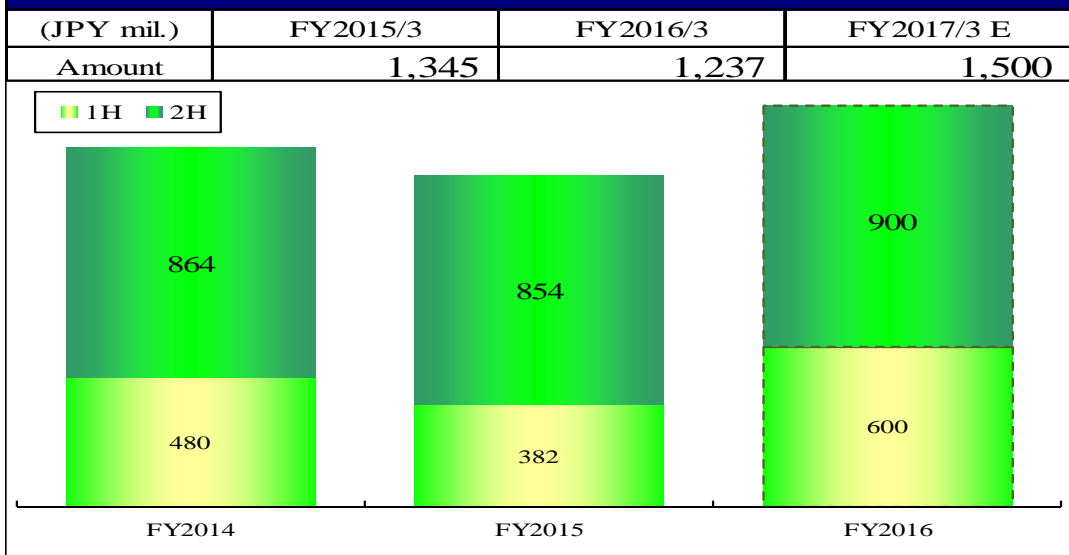
Capital Expenditures



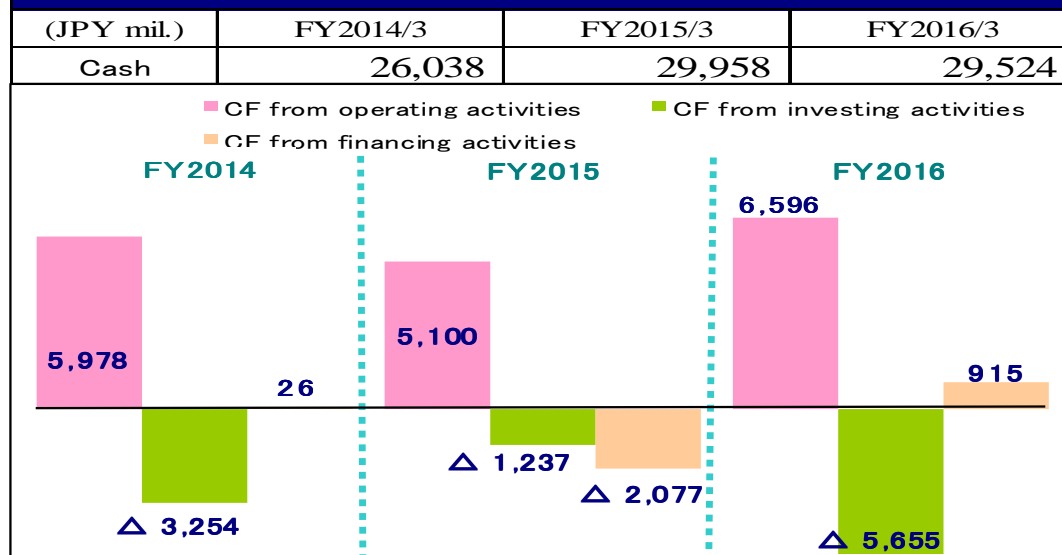
Depreciation & Amortization



R&D Expenditures

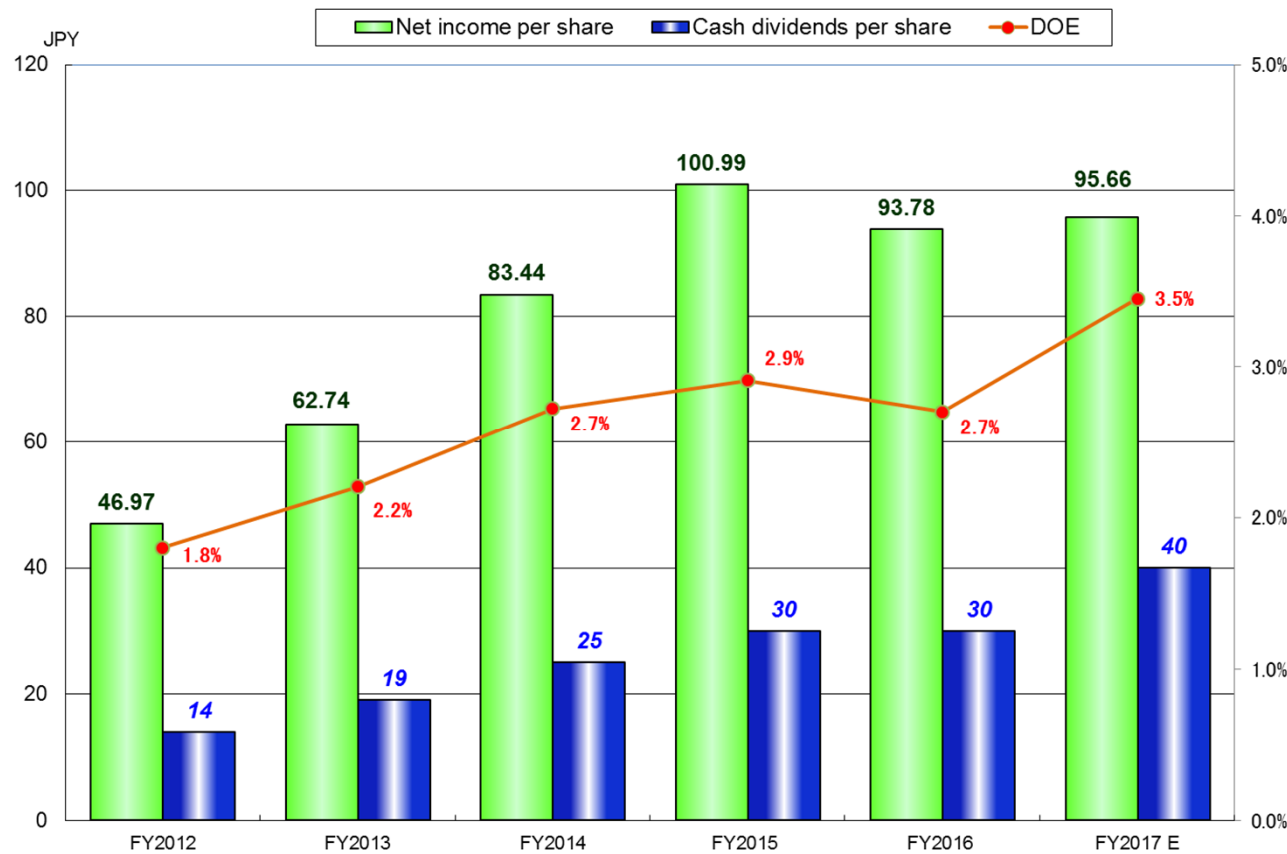


Cash & Cash Equivalents / Cash Flow



Return to Shareholders

• **Dividend Policy:** AIDA focuses on continuation of stable dividend, maintaining “dividend on equity” at adequate level. Dividend amount is basically linked with consolidated financial results, targeting 30% of dividend payout ratio.



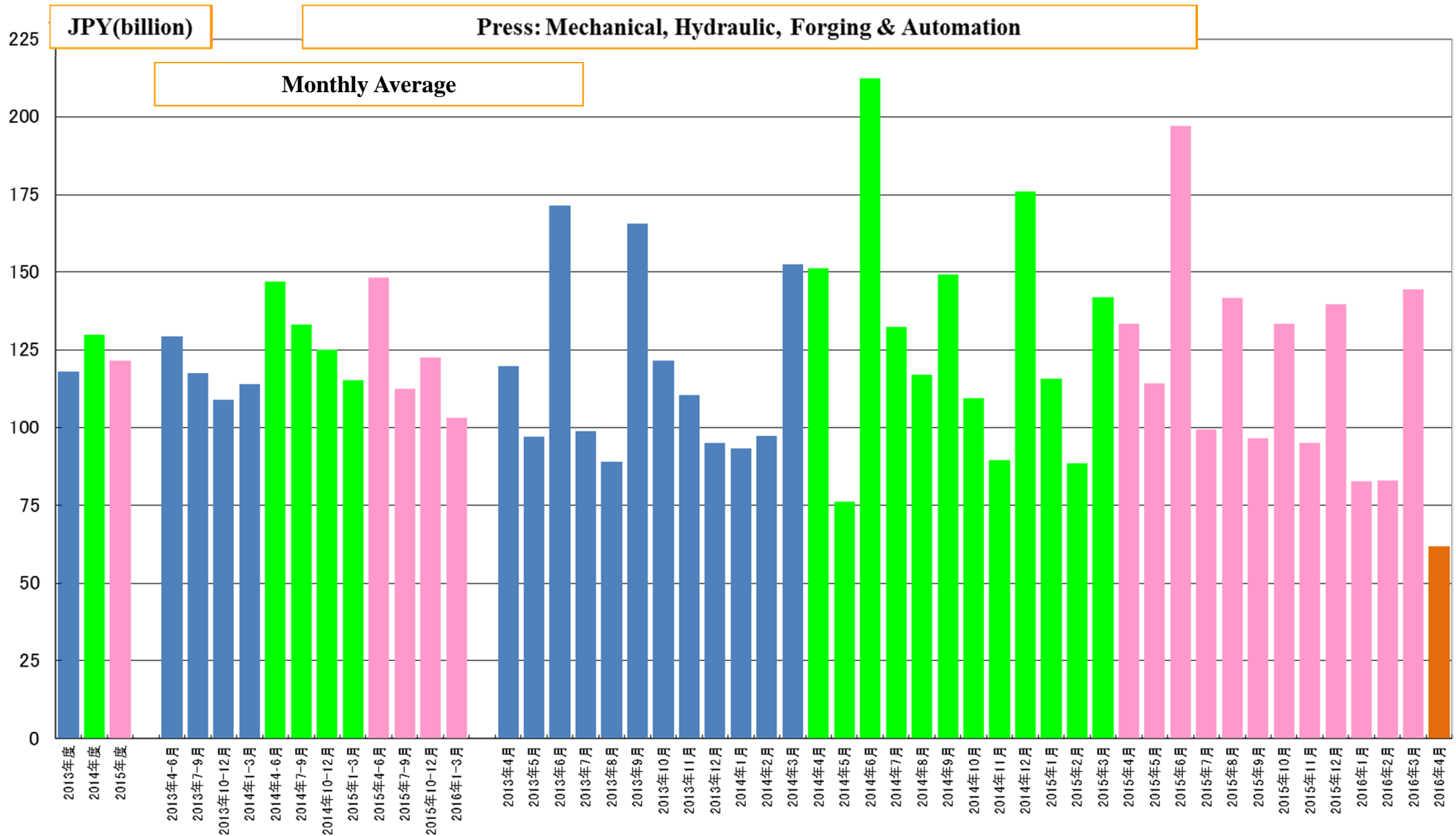
We will keep a dividend for FY2016/3 at the same level as the previous year.

A dividend of ¥40 for FY2017/3 is expected, after adding a **100th anniversary** commemorative dividend of ¥10.

Dividend Payout Ratio

29.8% 30.3% 29.8% 29.7% 32.0% 41.8%

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

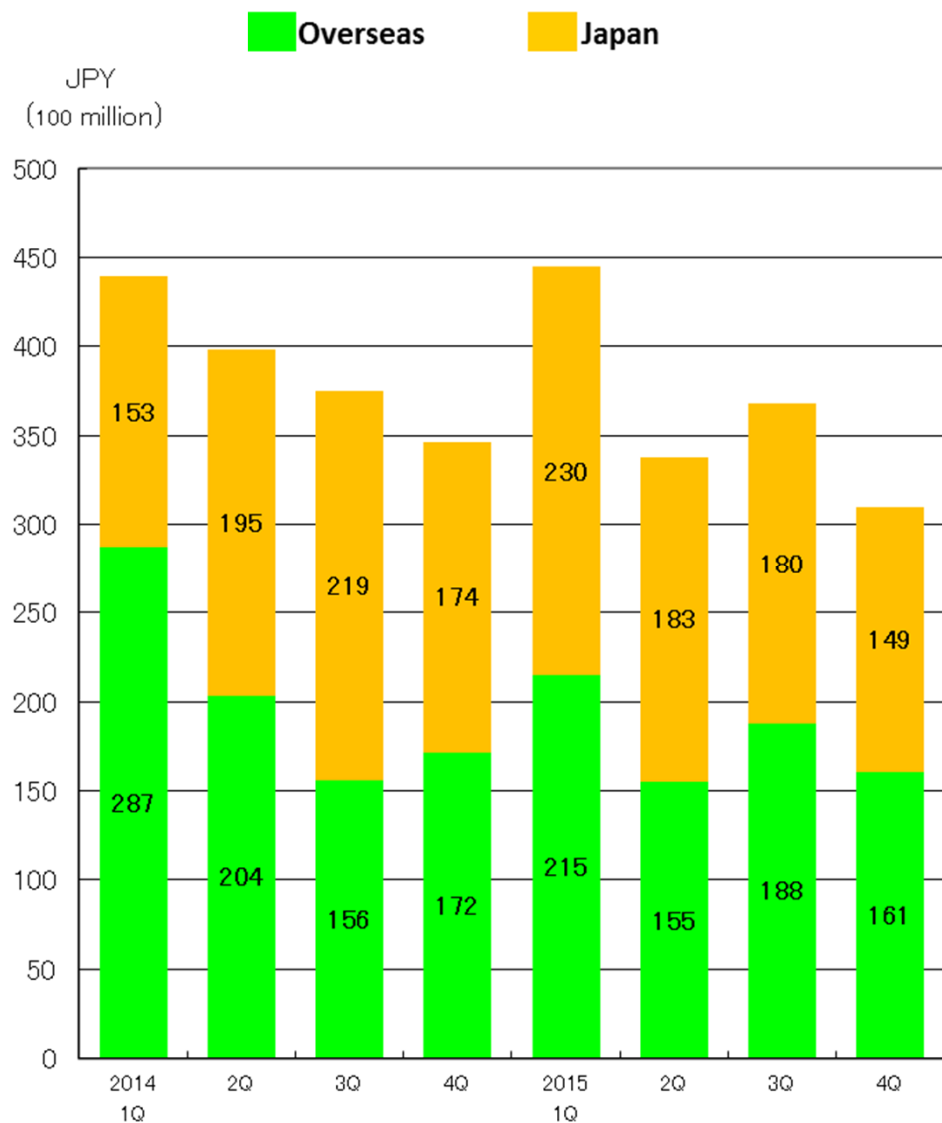


Place of origin: JFMA

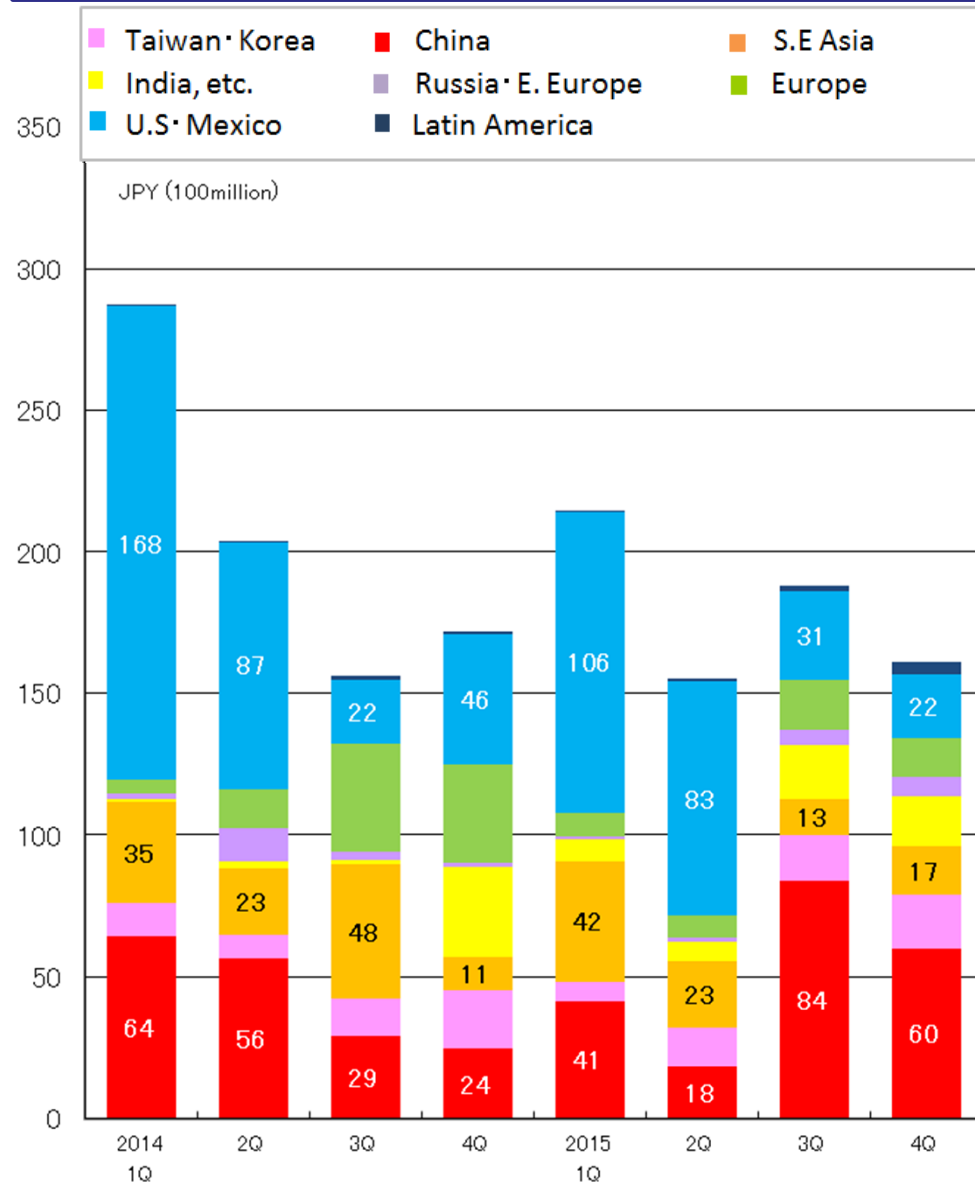
(for Reference) Statistics of Forming Machinery Industry- 2)



Trend of Order Intake



Trend of Order Intake (Overseas) by Geographic Segment



Place of origin: JFMA

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.**

May 2016

AIDA ENGINEERING, LTD.