

**Presentation of Consolidated Financial Results  
for the 3rd Quarter of the FY Ended March 31, 2018  
(from Apr. 2017 to Dec. 2017)**

**AIDA**



# Highlights of Consolidated Results Summary of P&L

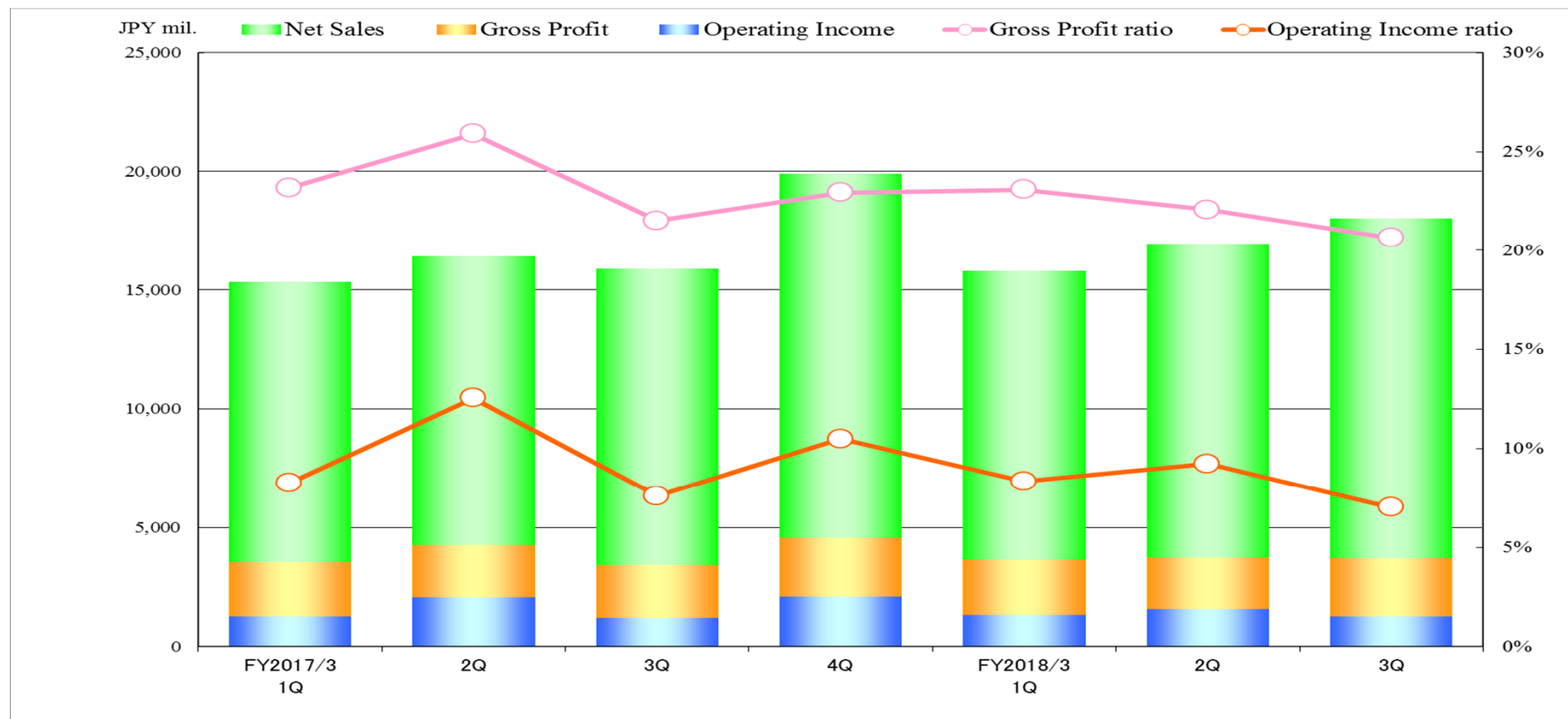


(JPY mil.)	FY2017	FY2018	Fluctuation	
	3Q (9M)	3Q (9M)	Amount	%
Order Intake	45,137	66,880	21,742	48.2%
Net Sales	47,650	50,763	3,112	6.5%
Cost of Sales	36,426	39,663	3,237	8.9%
Gross Profit	11,223	11,099	△ 124	△1.1%
<Gross Profit ratio>	23.6%	21.9%		(△1.7P)
Selling, general & administrative expenses	6,692	6,957	264	4.0%
Operating Income	4,530	4,141	△ 389	△8.6%
<Operating Income ratio>	9.5%	8.2%		(△1.3P)
Ordinary Income	4,794	4,016	△ 778	△16.2%
Income Before Income Taxes	4,774	4,033	△ 740	△15.5%
Net Income	3,410	2,696	△ 714	△20.9%
Exchange Rate	1USD=	¥106.71	¥5.02	4.7%
	1EUR=	¥118.15	¥128.50	8.8%

## <Summary>

Order Intake:	Orders intake significantly increased by 48.2% from previous FY due to world-wide expansion of order intakes from automotive related customers.
Net Sales:	Net sales increased by 6.5% from previous FY due to increase of sales to automotive related customers in Japan, Asia, and Americas.
Gross Profit:	Gross profit decreased by 1.1% 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 8.6% from previous FY. This decrease was mainly due to decrease of the gross profit and SG&A cost associated with AIDA 100th anniversary and startup cost of technology center in Germany.
Ordinary Income:	Ordinary income decreased by 16.2% 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 20.9% from previous FY, mainly due to decrease of ordinary income.

# Trend of Sales, Gross Profit and Operating Income

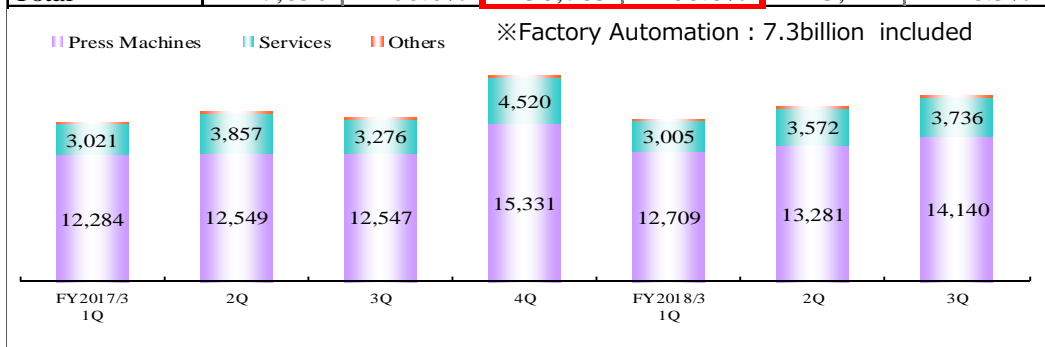


		FY2017				FY2018		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
	Net Sales	15,338	16,430	15,882	19,897	15,792	16,942	18,029
	Gross Profit	3,553	4,256	3,414	4,562	3,644	3,737	3,718
	Operating Income	1,266	2,059	1,205	2,087	1,315	1,561	1,265
	Gross Profit ratio	23.2%	25.9%	21.5%	22.9%	23.1%	22.1%	20.6%
	Operating Income ratio	8.3%	12.5%	7.6%	10.5%	8.3%	9.2%	7.0%

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

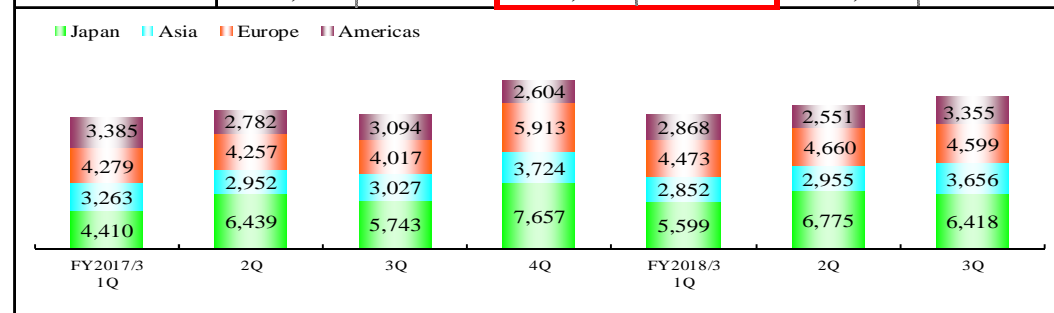
## Sales by Business segment

(JPY mil.)	FY2017 3Q (9M)		FY2018 3Q (9M)		Fluctuation	
	Amount	%	Amount	%	Amount	%
Press Machines	37,380	78.4%	※40,130	79.1%	2,750	7.4%
Services	10,154	21.3%	10,313	20.3%	159	1.6%
Others	116	0.2%	319	0.6%	203	175.3%
<b>Total</b>	<b>47,650</b>	<b>100.0%</b>	<b>50,763</b>	<b>100.0%</b>	<b>3,112</b>	<b>6.5%</b>



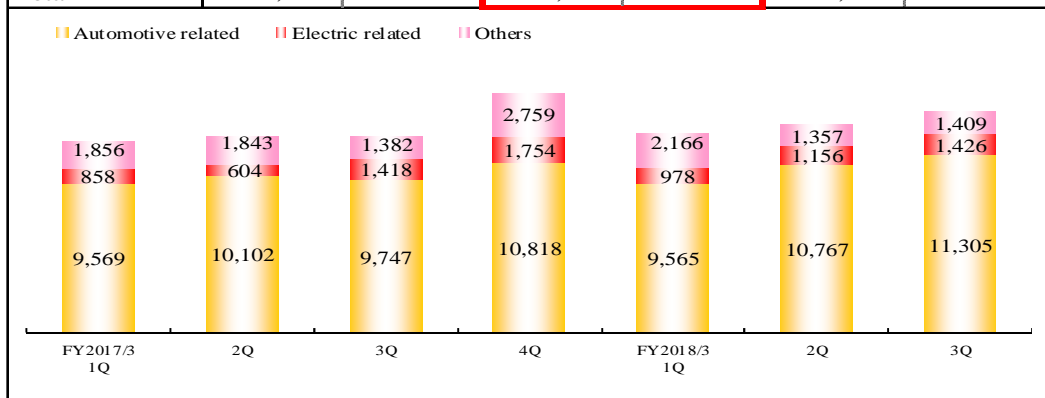
## Sales by Geographic segment

(JPY mil.)	FY2017 3Q (9M)		FY2018 3Q (9M)		Fluctuation	
	Amount	%	Amount	%	Amount	%
Japan	16,592	34.8%	18,792	37.0%	2,199	13.3%
Asia	9,242	19.4%	9,463	18.6%	221	2.4%
Americas	12,553	26.3%	13,732	27.1%	1,179	9.4%
Europe	9,261	19.4%	8,774	17.3%	△ 487	△ 5.3%
<b>Total</b>	<b>47,650</b>	<b>100.0%</b>	<b>50,763</b>	<b>100.0%</b>	<b>3,112</b>	<b>6.5%</b>

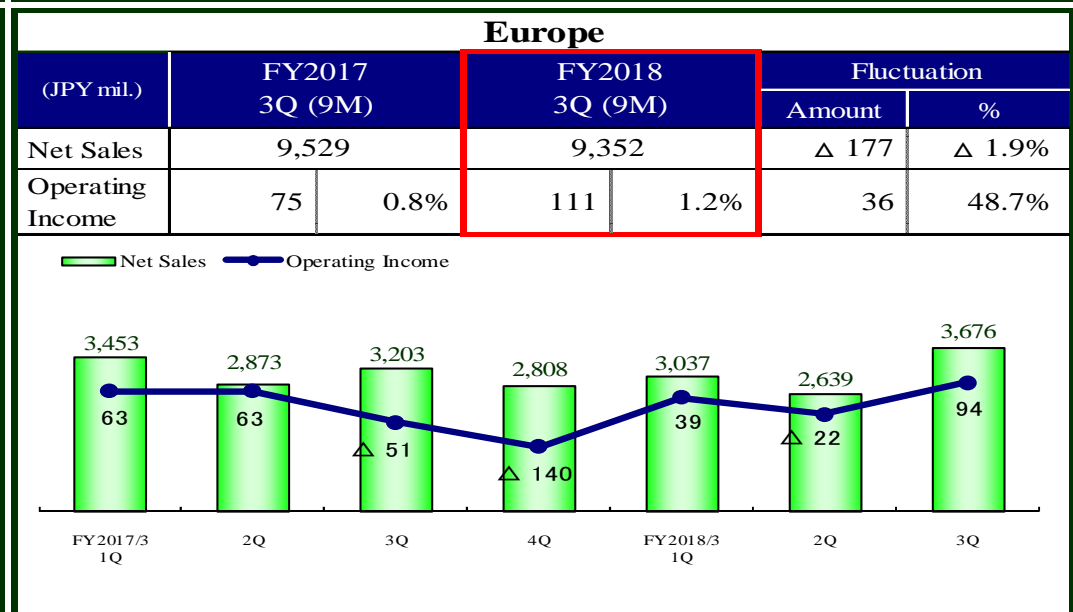
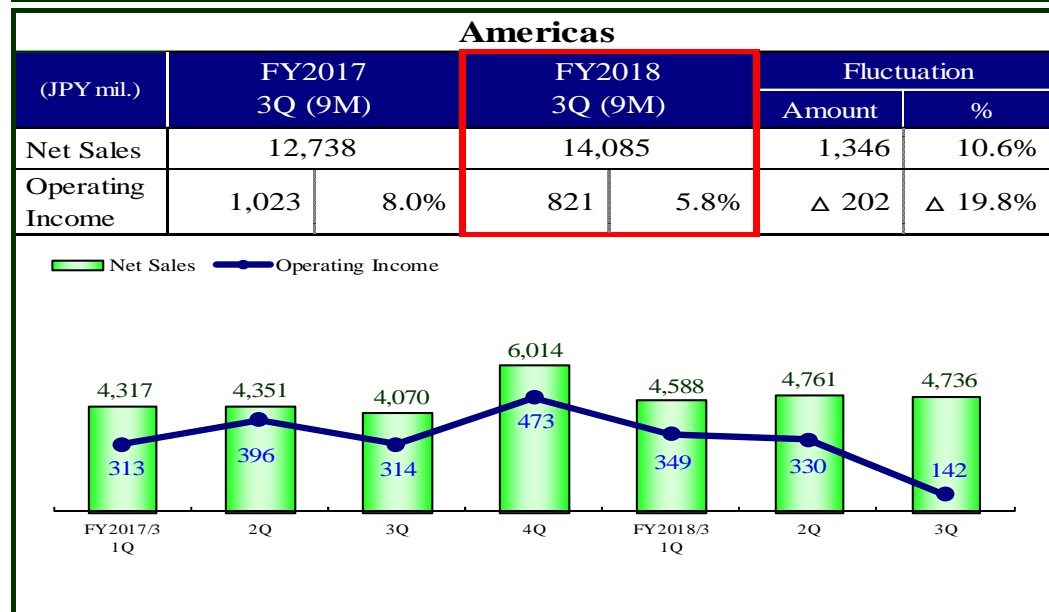
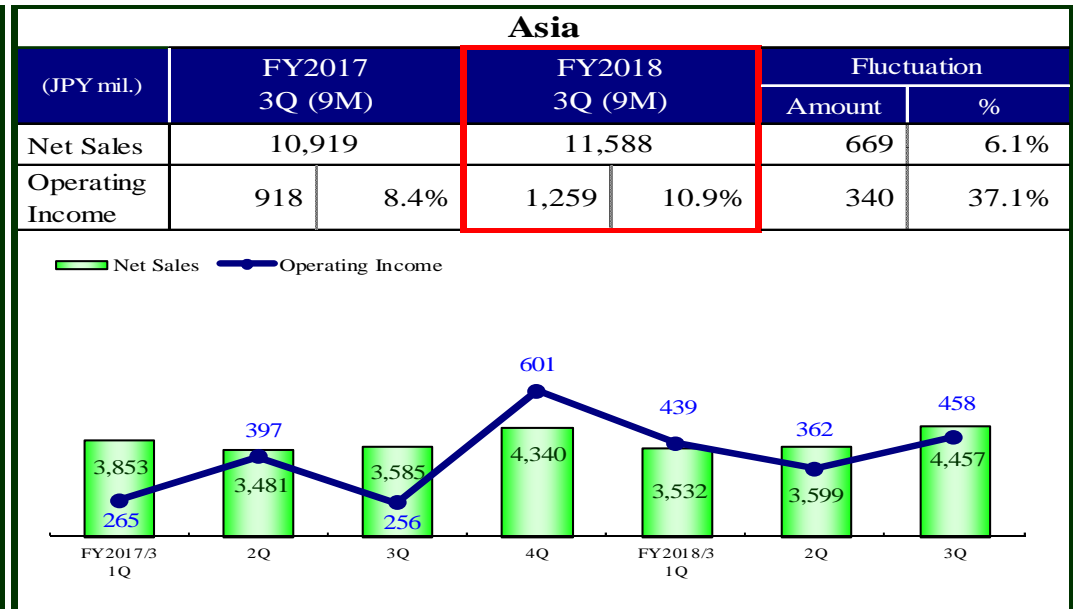
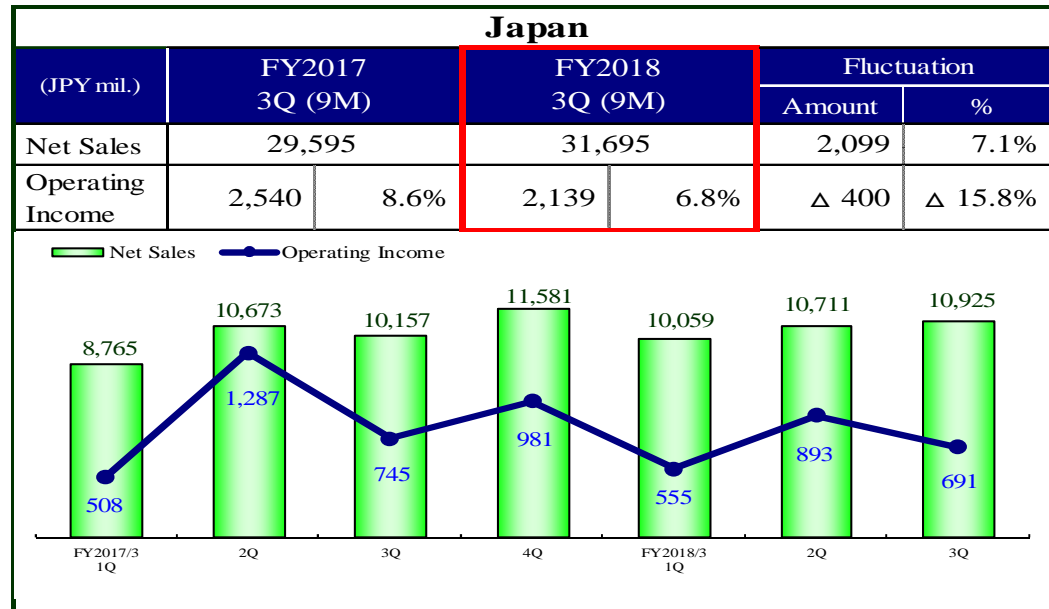


## Sales (press machines) by Customer industry

(JPY mil.)	FY2017 3Q (9M)		FY2018 3Q (9M)		Fluctuation	
	Amount	%	Amount	%	Amount	%
Automotive related	29,418	78.7%	31,637	78.8%	2,218	7.5%
Electric related	2,880	7.7%	3,560	8.9%	679	23.6%
Other industries	5,081	13.6%	4,932	12.3%	△ 148	△ 2.9%
<b>Total</b>	<b>37,380</b>	<b>100.0%</b>	<b>40,130</b>	<b>100.0%</b>	<b>2,750</b>	<b>7.4%</b>



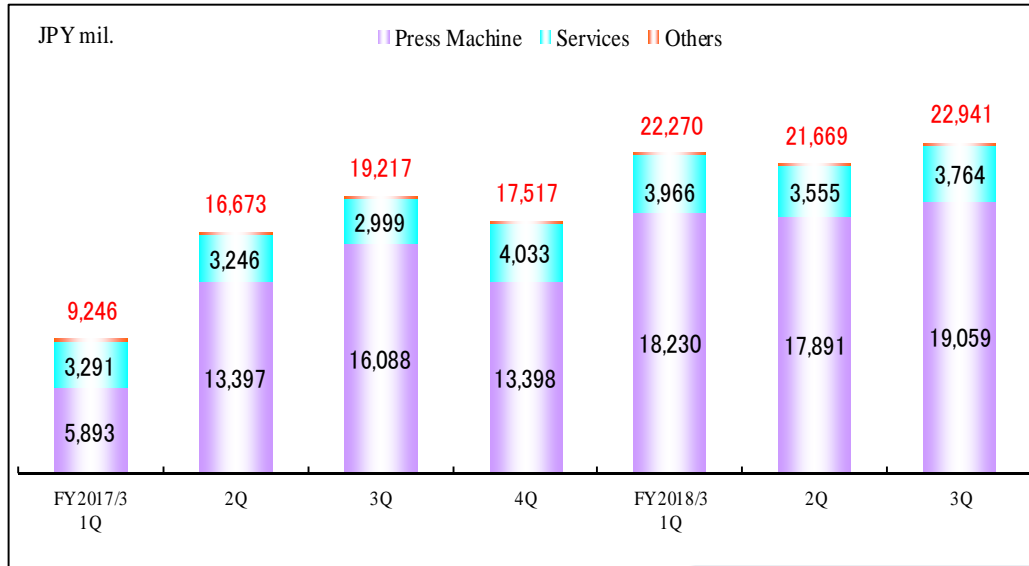
# Sales / Operating Income (by Geographic segment)



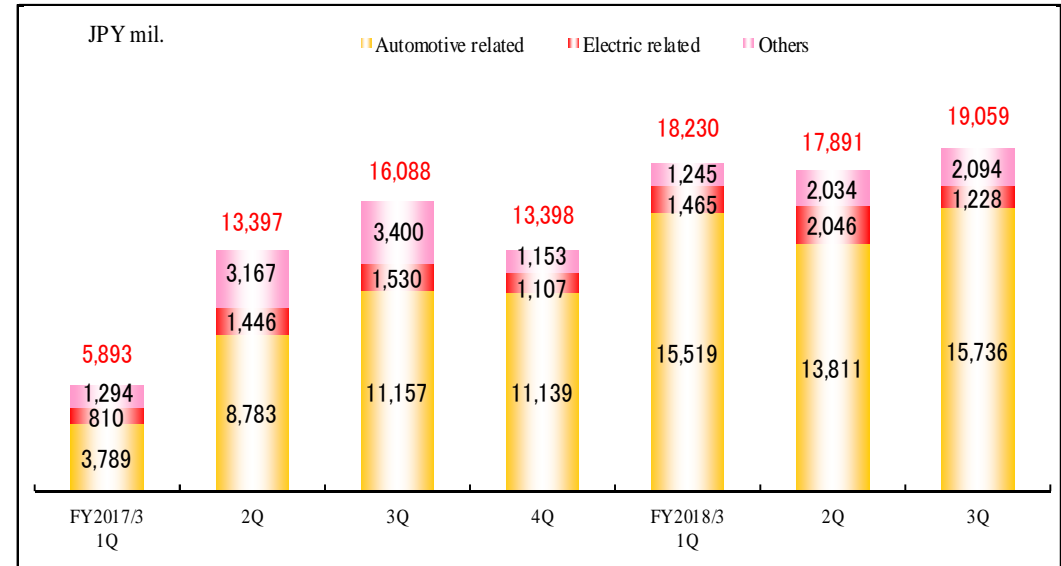
# Orders Intake & Backlog (by Business/Customer/Geographic segment)



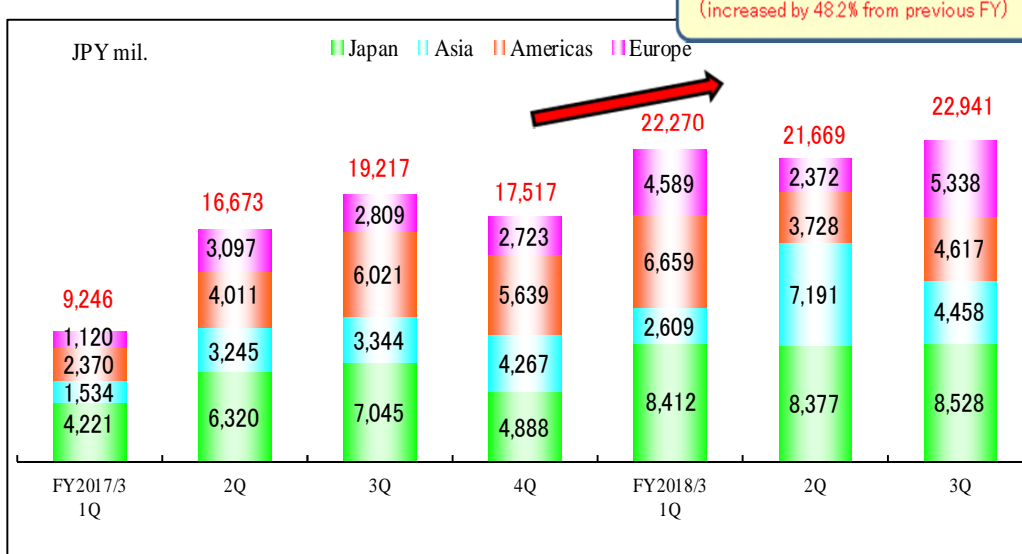
## Orders Intake by Business Segment



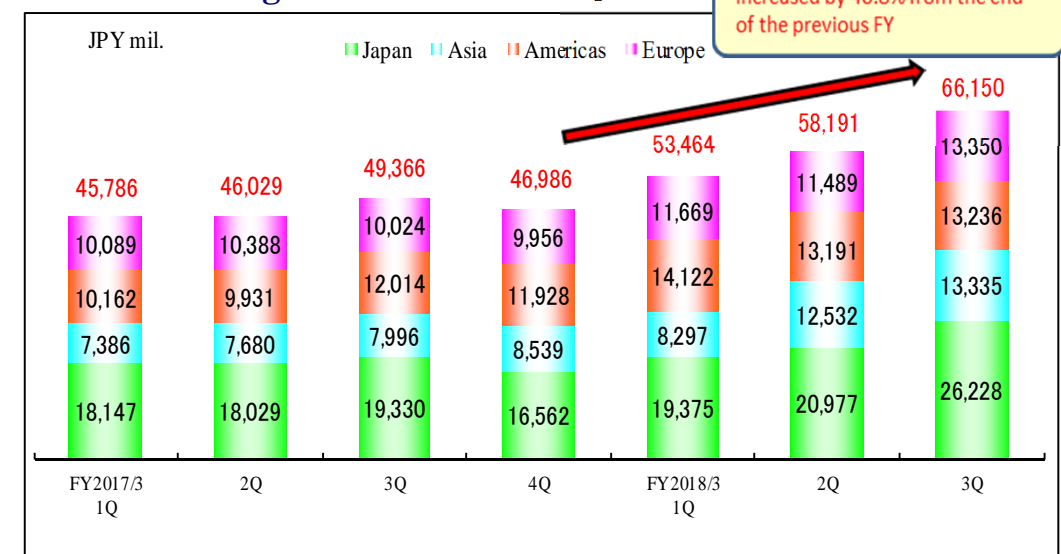
## Orders Intake by Customer Industry (Press Machines)



## Orders Intake by Geographic Segment



## Orders Backlog by Geographic Segment



# Trend of Orders Intake & Backlog



(JPY mil.)	FY2016/3				FY2017/3				FY2018/3		vs. FY2017/3	
	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>	64,037	100.0%	75,474	100.0%	45,137	100.0%	62,655	100.0%	66,880	100.0%	21,742	48.2%
<b>By Business</b>												
Press Machines	53,163	83.0%	60,949	80.8%	35,378	78.4%	48,776	77.8%	55,180	82.5%	19,801	56.0%
<b>By Customer</b>												
Automotive related	43,387	81.6%	49,431	81.1%	23,729	67.1%	34,868	71.5%	45,066	81.7%	21,336	89.9%
Electric related	3,840	7.2%	4,168	6.8%	3,786	10.7%	4,893	10.0%	4,739	8.6%	953	25.2%
Other industries	5,934	11.2%	7,349	12.1%	7,861	22.2%	9,014	18.5%	5,373	9.7%	△ 2,487	△ 31.6%
Services	10,638	16.6%	14,282	18.9%	9,536	21.1%	13,569	21.7%	11,285	16.9%	1,748	18.3%
Others	236	0.4%	242	0.3%	222	0.5%	309	0.5%	414	0.6%	191	85.9%
<b>By Region</b>												
Japan	24,737	38.6%	27,770	36.8%	17,586	39.0%	22,474	35.9%	25,317	37.9%	7,731	44.0%
Asia	12,149	19.0%	13,113	17.4%	8,123	18.0%	12,390	19.8%	14,258	21.3%	6,135	75.5%
Americas	13,851	21.6%	18,233	24.2%	12,402	27.5%	18,041	28.8%	15,004	22.4%	2,601	21.0%
Europe	13,299	20.8%	16,356	21.7%	7,026	15.6%	9,749	15.6%	12,299	18.4%	5,273	75.0%
<b>Order Backlog: total</b>	59,109	100.0%	51,878	100.0%	49,366	100.0%	46,986	100.0%	66,150	100.0%	19,164	40.8%
<b>By Region</b>												
Japan	21,981	37.2%	18,337	35.3%	19,330	39.2%	16,562	35.2%	26,228	39.6%	9,666	58.4%
Asia	11,905	20.1%	9,115	17.6%	7,996	16.2%	8,539	18.2%	13,335	20.2%	4,795	56.2%
Americas	12,298	20.8%	12,070	23.3%	12,014	24.3%	11,928	25.4%	13,236	20.0%	1,308	11.0%
Europe	12,923	21.9%	12,354	23.8%	10,024	20.3%	9,956	21.2%	13,350	20.2%	3,394	34.1%

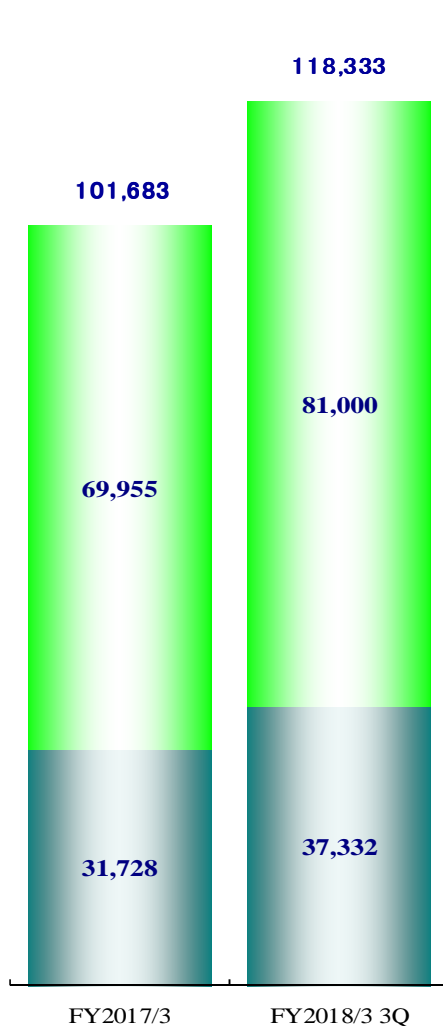
# Major Changes on Balance Sheet



## Assets

(JPY mil.)

■ Fixed assets ■ Current assets



VS end of Mar. 2017	
<b>Total assets</b>	<b>+ 16,650</b>
REJ and RAS newly consolidated effect	+ 6,850

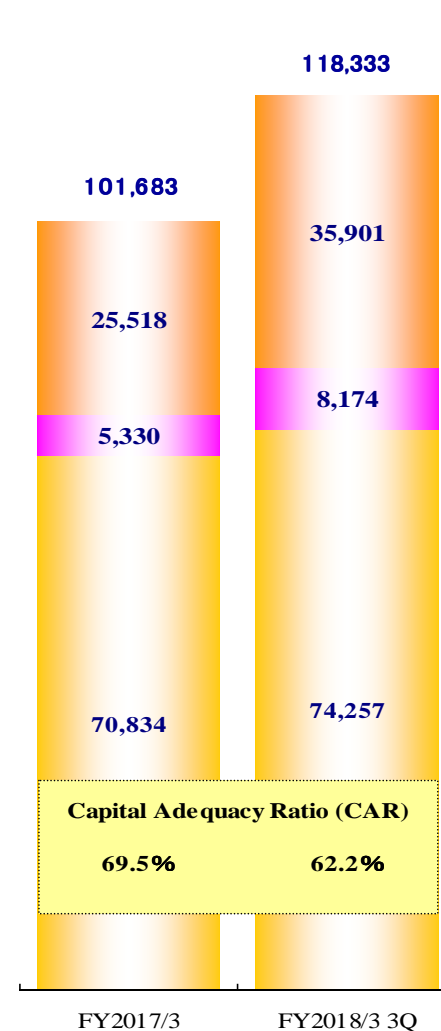
<b>Current assets</b>	<b>+ 11,045</b>
Cash on hand and at bank and Short-term securities	+ 6,177
Inventories	+ 5,431

<b>Fixed assets</b>	<b>+ 5,604</b>
Property, plant and equipment	+ 3,264
Investment securities	+ 1,987

## Liabilities and Net Assets

(JPY mil.)

■ Current liabilities  
■ Long-term liabilities  
■ Net assets



VS end of Mar. 2017	
<b>Total current liabilities</b>	<b>+ 13,227</b>
REJ and RAS newly consolidated effect	+ 3,759

<b>Current liabilities</b>	<b>+ 10,383</b>
Accounts payable, trade	+ 3,712
Advances from customers on contracts	+ 5,273
Other current liabilities	+ 1,367

<b>Non-current assets</b>	<b>+ 2,843</b>
Net defined benefit liability	+ 1,363

<b>Net assets</b>	<b>+ 3,422</b>
Foreign currency translation adjustments	+ 1,710
Net unrealized gains (losses) on other securities	+ 1,238

Capital Adequacy Ratio (CAR)	
FY2017/3	69.5%
FY2018/3 3Q	62.2%



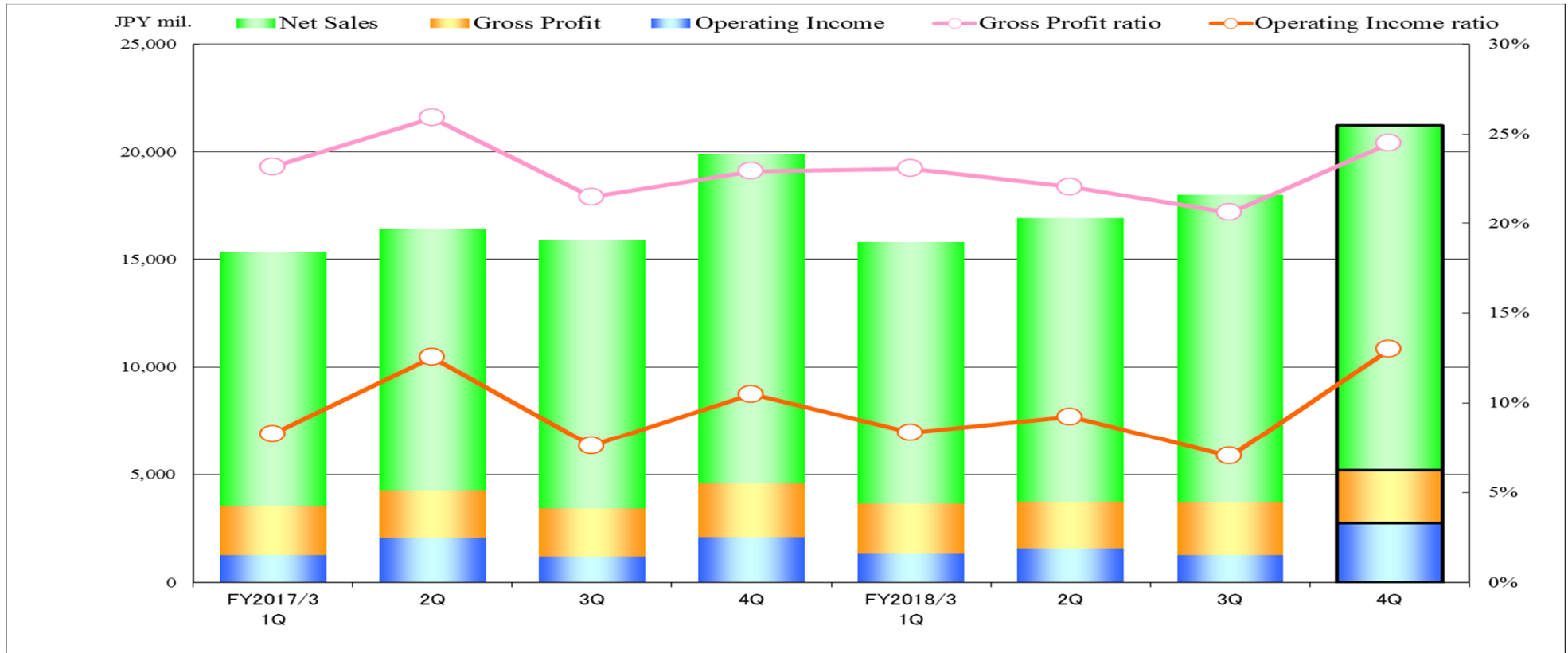
# Highlights: Forecasts of FY2018 Consolidated Results



(JPY mil.)	FY2017 Full-year	FY2018/3			Fluctuation	
		3Q (9M) Results	4Q Forecast	Full-year forecast	Amount	%
Net Sales	67,547	50,763	21,237	72,000	4,453	6.6%
Cost of Sales	51,761	39,663	16,037	55,700	3,939	7.6%
Gross Profit	15,785	11,099	5,201	16,300	515	3.3%
<Gross Profit ratio>	23.4%	21.9%	24.5%	22.6%		(Δ0.8P)
Selling, general and administrative expenses	9,168	6,957	2,443	9,400	232	2.5%
Operating Income	6,617	4,141	2,759	6,900	283	4.3%
<Operating Income ratio>	9.8%	8.2%	13.0%	9.6%		(Δ0.2P)
Ordinary Income	6,775	4,016	2,884	6,900	125	1.8%
Income Before Income Taxes	6,754	4,033	2,867	6,900	146	2.2%
Net Income	4,985	2,696	2,204	4,900	Δ 85	Δ 1.7%
Cash Dividends per Share	¥40	—	—	¥30	Δ¥10	Δ 25.0%
Exchange Rate	1USD=	¥108.47	¥108.81	¥111.00	¥2.53	2.3%
	1EUR=	¥118.91	¥134.50	¥130.00	¥11.09	9.3%

<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 4th quarter. Impact of consolidation of Reliance Electric Limited/Japan and RAS is around 1,500 million yen.
	Gross Profit:	Gross profit will increase from the previous FY. Increase of net sales and improvement of 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. Impact of consolidation of Reliance Electric Limited/Japan and RAS is around 100 million yen.
	Net Income:	Net income will not increase from the previous FY due to decrease of tax credit and tax refund.

# Trend of Sales, Gross Profit and Operating Income【4Q Forecast】



		FY2017				FY2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q (Forecast)
	Net Sales	15,338	16,430	15,882	19,897	15,792	16,942	18,029	21,237
	Gross Profit	3,553	4,256	3,414	4,562	3,644	3,737	3,718	5,201
	Operating Income	1,266	2,059	1,205	2,087	1,315	1,561	1,265	2,759
	Gross Profit ratio	23.2%	25.9%	21.5%	22.9%	23.1%	22.1%	20.6%	24.5%
	Operating Income ratio	8.3%	12.5%	7.6%	10.5%	8.3%	9.2%	7.0%	13.0%

# 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	63,300	14,524	29.8%	52,711	55,300	2,589	4.9%
Services	13,569	15,000	1,431	10.5%	14,674	15,000	326	2.2%
Others	309	1,700	1,391	450.2%	160	1,700	1,540	962.5%
Consolidated	62,655	80,000	17,345	27.7%	67,547	72,000	4,453	6.6%

## By Region

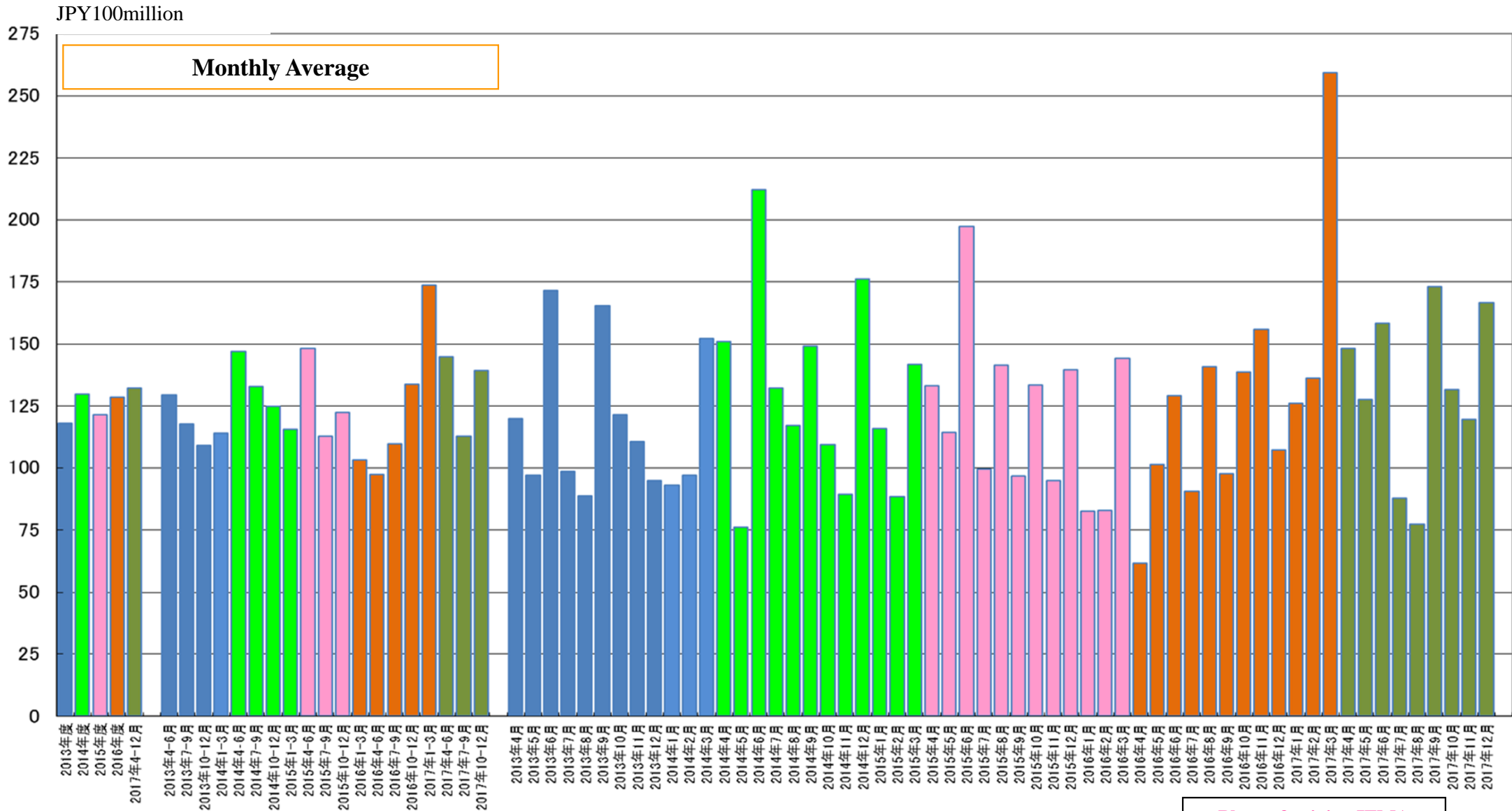
(JPY mil.)	Orders				Net Sales				Operating Income			
	FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017	
			Amount	%			Amount	%			Amount	%
Japan	22,474	29,000	6,526	29.0%	41,176	44,000	2,824	6.9%	3,521	3,500	Δ 21	Δ 0.6%
Asia	12,390	18,000	5,610	45.3%	15,259	18,000	2,741	18.0%	1,519	2,000	481	31.7%
Americas	18,041	18,000	Δ 41	Δ 0.2%	18,752	20,000	1,248	6.7%	1,496	1,300	Δ 196	Δ 13.1%
Europe	9,749	15,000	5,251	53.9%	12,337	14,000	1,663	13.5%	Δ 65	100	165	-
Reconciliation					Δ 19,979	Δ 24,000	Δ 4,021	20.1%	144		Δ 144	Δ 100.0%
Consolidated	62,655	80,000	17,345	27.7%	67,547	72,000	4,453	6.6%	6,617	6,900	283	4.3%

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



## Press: Mechanical, Hydraulic, Forging & Automation

Monthly Average

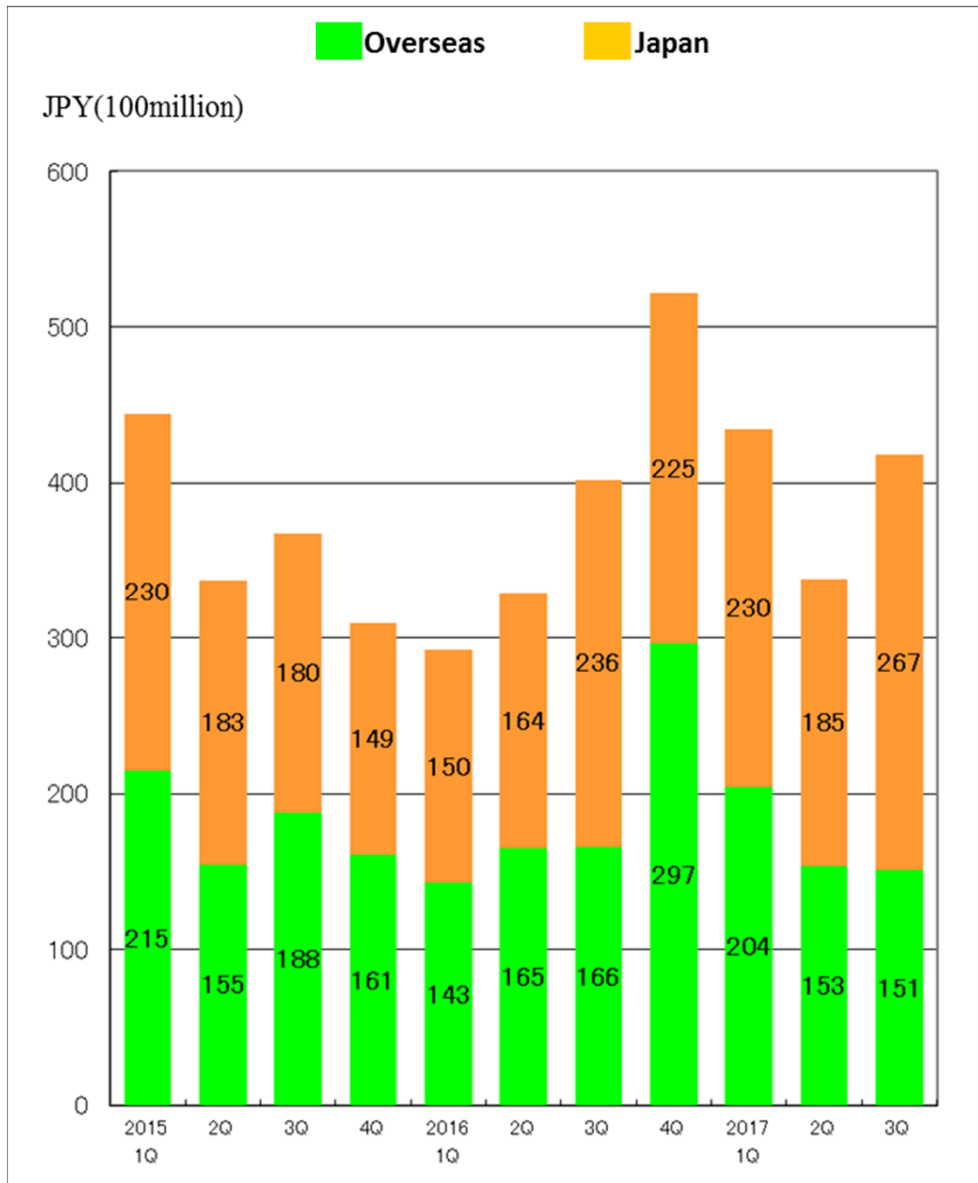


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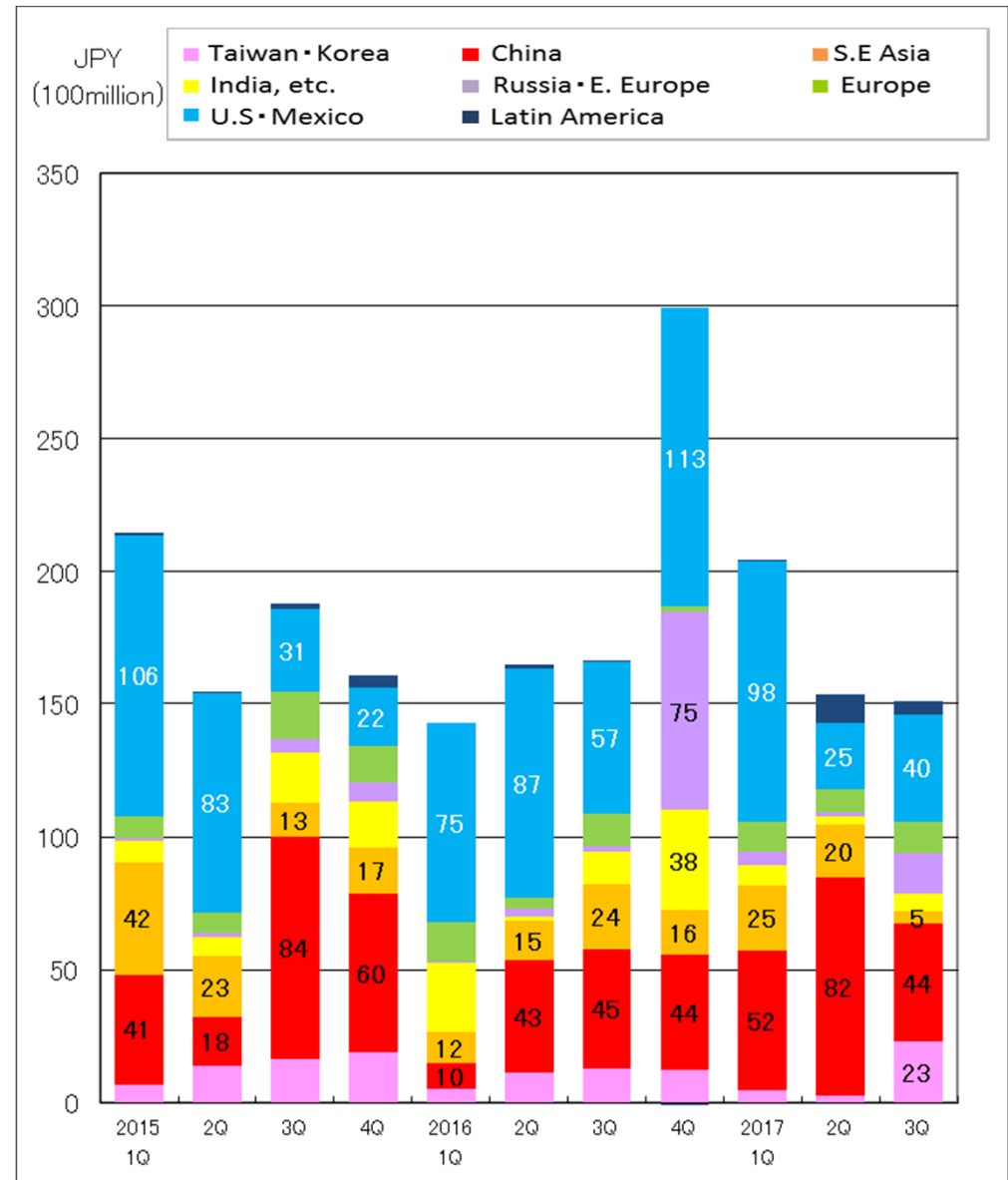
# (for Reference) Statistics of Forming Machinery Industry- 2)



## 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.**

**February 2018**

**AIDA ENGINEERING, LTD.**