

## Consolidated Financial Results for the Year ended March 31, 2019 [Japanese Standard]

May 14, 2019

Stock exchange: Tokyo (First Section)

Listed company name: Aida Engineering, Ltd.  
 Stock code: 6118 (URL <http://www.aida.co.jp>)  
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 Scheduled date of annual general shareholders' meeting: June 26, 2019  
 Scheduled date of filing annual securities report: June 26, 2019  
 Scheduled beginning date of dividend payment: June 27, 2019  
 Preparation of supplemental explanatory materials: Yes  
 Holding of financial results briefing: Yes (for analysts and institutional investors)

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)

#### (1) Consolidated Financial Results

(Percentages represent change compared to the previous period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2019	84,082	13.8	5,561	(11.9)	5,880	(0.8)	4,634	(3.2)
Year ended March 31, 2018	73,856	9.3	6,312	(4.6)	5,927	(12.5)	4,786	(4.0)

Note: Comprehensive income  
 Year ended March 31, 2019 3,237 million yen ( -54.8 %)  
 Year ended March 31, 2018 7,169 million yen ( 78.7 %)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2019	75.10	74.94	6.1	5.2	6.6
Year ended March 31, 2018	77.59	77.38	6.6	5.4	8.5

Reference: Equity in earnings of affiliates  
 Year ended March 31, 2019 — millions of yen  
 Year ended March 31, 2018 — millions of yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2019	111,564	77,206	68.5	1,238.41
As of March 31, 2018	116,108	75,924	64.8	1,219.02

Reference: Shareholders' equity  
 As of March 31, 2019 76,453 million yen  
 As of March 31, 2018 75,210 million yen

#### (3) Consolidated Cash Flow

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2019	2,977	(1,805)	(1,956)	30,633
Year ended March 31, 2018	12,714	(3,789)	(3,668)	31,721

#### 2. Cash Dividends

	Cash dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1Q End	2Q End	3Q End	Year-end	Total			
Year ended March 31, 2018	Yen -	Yen -	Yen -	Yen 30.00	Yen 30.00	Millions of yen 1,954	% 38.7	% 2.5
Year ended March 31, 2019	-	-	-	30.00	30.00	1,955	39.9	2.4
Year ended March 31, 2020 (forecast)	-	-	-	30.00	30.00		39.8	

### 3. Forecasts of Consolidated Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(Percentages represent change compared to the previous period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ended September 30, 2019	39,000	(3.3)	3,150	34.9	3,200	20.7	2,300	32.5	37.26
Full year ended March 31, 2020	79,000	(6.0)	6,350	14.2	6,500	10.5	4,650	0.3	75.32

## 4. Others

## (1) Changes among significant subsidiaries during the period: None

Note: This refers to addition and deletion in specific subsidiaries with changes in the scope of consolidation during the period.

## (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1. Changes in accounting policies due to revisions of accounting standards: None
2. Changes in accounting policies other than "1": None
3. Changes in accounting estimates: None
4. Retrospective restatement: None

## (3) Number of shares outstanding (Common stock)

## 1. Total number of issued shares (Including treasury stock)

As of March 31, 2019	71,647,321 shares
As of March 31, 2018	73,647,321 shares

## 2. Total number of treasury Stock

As of March 31, 2019	9,912,330 shares
As of March 31, 2018	11,950,279 shares

## 3. Average number of shares

Year ended March 31, 2019	61,712,228 shares
Year ended March 31, 2018	61,695,784 shares

## [Reference] Outline of Non-Consolidated Results

Non-Consolidated Results for the Fiscal Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)

## (1) Non-Consolidated Financial Results

(Percentages represent change compared to the previous period)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2019	44,812	3.9	2,630	(19.0)	4,126	(7.3)	3,436	(10.9)
Year ended March 31, 2018	43,114	7.0	3,249	(1.7)	4,453	(13.6)	3,855	(5.8)

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Year ended March 31, 2019	55.68	55.56		
Year ended March 31, 2018	62.50	62.33		

## (2) Non-Consolidated Financial Position

	Total assets		Net assets		Shareholders' equity ratio		Net assets per share	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	%	Yen	Yen	
As of March 31, 2019	74,718	56,779	56,639	56,779	75.8	917.47		
As of March 31, 2018	76,469	56,603	56,454	56,603	73.8	915.04		

Reference: Shareholders' equity  
 As of March 31, 2019 56,639 million yen  
 As of March 31, 2018 56,454 million yen

This financial results falls outside the scope of audit procedures.

Statement for proper use of business forecast and other special remarks:

The above forecasts and those presented in appended material are based on the information presently available.

Actual results may differ from these forecasts due to changes in various factors.

Financial results briefing for analysts and institutional investors is scheduled to be held on May 28, 2019.

The presentation material will be available on our website after the briefing.

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## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash on hand and at banks	33,163	31,155
Notes and accounts receivable - trade	22,444	22,859
Electronically recorded monetary claims - operating	2,485	2,213
Finished goods	2,312	2,761
Work in process	11,038	9,814
Raw materials and supplies	4,014	3,914
Advance payments - trade	1,155	1,120
Accounts receivable - other	797	1,425
Consumption taxes receivable	984	766
Other current assets	219	595
Allowance for doubtful accounts	(226)	(231)
Total current assets	78,390	76,396
Fixed assets		
Property, plant and equipment		
Buildings and structures	24,664	25,102
Accumulated depreciation	(16,106)	(16,613)
Buildings and structures, net	8,558	8,488
Machinery and vehicles	16,326	17,687
Accumulated depreciation	(9,579)	(10,451)
Machinery and vehicles, net	6,746	7,235
Land	7,140	7,301
Construction in progress	362	296
Other fixed assets	3,535	3,578
Accumulated depreciation	(2,894)	(2,967)
Other fixed assets, net	641	610
Total property, plant and equipment	23,449	23,932
Intangible assets	927	800
Investments and other assets		
Investment securities	8,734	6,808
Insurance reserve fund	2,943	2,219
Net defined benefit assets	795	856
Deferred tax assets	708	405
Other assets	195	178
Allowance for doubtful accounts	(36)	(32)
Total investments and other assets	13,340	10,435
Total fixed assets	37,718	35,167
Total assets	116,108	111,564

(Millions of Yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	7,374	6,806
Electronically recorded monetary obligations - operating	4,600	4,671
Short-term loans payable	2,611	2,491
Current portion of long-term loans payable	500	500
Accounts payable - other	1,065	1,123
Income taxes payable	1,156	617
Accrued expenses	1,075	1,191
Advances received	11,745	8,291
Accrued warranty costs	717	596
Accrued bonuses for employees	1,214	1,080
Accrued bonuses for directors	52	44
Provision for loss on orders received	105	56
Other current liabilities	979	956
<b>Total current liabilities</b>	<b>33,198</b>	<b>28,428</b>
<b>Long-term liabilities</b>		
Long-term loans payable	1,000	1,000
Long-term accounts payable - other	820	817
Deferred tax liabilities	3,039	2,024
Accrued stock payments	344	401
Net defined benefit liabilities	1,461	1,385
Other long-term liabilities	319	300
<b>Total long-term liabilities</b>	<b>6,985</b>	<b>5,929</b>
<b>Total liabilities</b>	<b>40,184</b>	<b>34,358</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	7,831	7,831
Additional paid-in capital	12,486	12,415
Retained earnings	54,000	55,777
Treasury stock	(5,222)	(4,230)
<b>Total shareholders' equity</b>	<b>69,095</b>	<b>71,793</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gains on other securities	4,930	3,617
Deferred hedge gains (losses)	26	(1)
Foreign currency translation adjustments	734	645
Retirement benefit plan adjustments	423	398
<b>Total accumulated other comprehensive income</b>	<b>6,114</b>	<b>4,660</b>
<b>Stock options</b>	<b>148</b>	<b>139</b>
<b>Non-controlling interests</b>	<b>566</b>	<b>613</b>
<b>Total net assets</b>	<b>75,924</b>	<b>77,206</b>
<b>Total liabilities and net assets</b>	<b>116,108</b>	<b>111,564</b>

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Net sales	73,856	84,082
Cost of sales	57,926	68,851
Gross profit	15,930	15,230
Selling, general and administrative expenses	9,617	9,669
Operating income	6,312	5,561
Non-operating income		
Interest income	87	99
Dividend income	145	197
Insurance premiums refunded cancellation	22	168
Gain from redemption at maturity of endowment insurance	28	13
Other non-operating income	146	140
Total non-operating income	431	619
Non-operating expense		
Interest expenses	45	38
Foreign exchange loss	549	155
Other non-operating expenses	221	107
Total non-operating expenses	816	301
Ordinary income	5,927	5,880
Extraordinary gain		
Gain on change in insurance	608	—
Gain on sales of fixed assets	71	24
Gain on sales of investment securities	—	83
Gain on bargain purchase	55	—
Other extraordinary gain	0	—
Total extraordinary gain	735	107
Extraordinary loss		
Loss on sales of fixed assets	0	0
Loss on disposal of fixed assets	23	197
Other extraordinary loss	—	4
Total extraordinary loss	23	202
Income before income taxes	6,639	5,785
Current taxes	1,813	1,248
Deferred taxes	(2)	(155)
Income taxes	1,810	1,092
Net income	4,828	4,693
Net income attributable to non-controlling interests	41	58
Net income attributable to owners of parent	4,786	4,634

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Net income	4,828	4,693
Other comprehensive income		
Net unrealized gains (losses) on other securities	1,169	(1,313)
Deferred hedge gains (losses)	102	(27)
Foreign currency translation adjustments	1,036	(89)
Retirement benefit plan adjustments	33	(25)
Total other comprehensive income (loss)	2,340	(1,455)
Comprehensive income	7,169	3,237
Comprehensive income attributable to owners of parent	7,127	3,179
Comprehensive income attributable to non-controlling interests	41	57

(3) Consolidated Statements of Change in Net Assets  
Year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Millions of Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	7,831	12,420	51,817	(5,158)	66,909
Changes during the period					
Cash dividends			(2,603)		(2,603)
Net income attributable to owners of parent			4,786		4,786
Purchase of treasury stock				(106)	(106)
Disposal of treasury stock		66		42	108
Retirement of treasury stock					—
Net changes of items other than shareholders' equity					
Total changes during the period	—	66	2,183	(64)	2,185
Balance at the end of period	7,831	12,486	54,000	(5,222)	69,095

	Accumulated other comprehensive income					Stock option	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on other securities	Deferred hedge gains (losses)	Foreign currency translation adjustments	Retirement benefit plans adjustments	Total accumulated other comprehensive income (loss)			
Balance at the beginning of the period	3,761	(75)	(301)	390	3,774	151	—	70,834
Changes during the period								
Cash dividends								(2,603)
Net income attributable to owners of parent								4,786
Purchase of treasury stock								(106)
Disposal of treasury stock								108
Retirement of treasury stock								—
Net changes of items other than shareholders' equity	1,169	102	1,036	33	2,340	(3)	566	2,903
Total changes during the period	1,169	102	1,036	33	2,340	(3)	566	5,089
Balance at the end of period	4,930	26	734	423	6,114	148	566	75,924



Year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

(Millions of Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	7,831	12,486	54,000	(5,222)	69,095
Changes during the period					
Cash dividends			(1,954)		(1,954)
Net income attributable to owners of parent			4,634		4,634
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		3		14	18
Retirement of treasury stock		(74)	(903)	978	—
Net changes of items other than shareholders' equity					
Total changes during the period	—	(71)	1,776	992	2,697
Balance at the end of period	7,831	12,415	55,777	(4,230)	71,793

	Accumulated other comprehensive income					Stock option	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on other securities	Deferred hedge gains (losses)	Foreign currency translation adjustments	Retirement benefit plans adjustments	Total accumulated other comprehensive income (loss)			
Balance at the beginning of the period	4,930	26	734	423	6,114	148	566	75,924
Changes during the period								
Cash dividends							(10)	(1,965)
Net income attributable to owners of parent								4,634
Purchase of treasury stock								(0)
Disposal of treasury stock								18
Retirement of treasury stock								—
Net changes of items other than shareholders' equity	(1,312)	(27)	(89)	(25)	(1,454)	(8)	57	(1,405)
Total changes during the period	(1,312)	(27)	(89)	(25)	(1,454)	(8)	47	1,281
Balance at the end of period	3,617	(1)	645	398	4,660	139	613	77,206

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Cash flows from operating activities:		
Income before income taxes	6,639	5,785
Depreciation and amortization	2,061	2,142
(Gain) loss on sales of fixed assets	(71)	(23)
Loss on disposal of fixed assets	23	197
(Gain) loss on sales of securities	—	(83)
Increase (decrease) in allowance for doubtful accounts	24	(0)
Increase (decrease) in accrued bonuses for employees, net	134	(138)
Increase (decrease) in accrued bonuses for directors, net	(0)	(8)
Increase (decrease) in accrued warranty costs, net	(41)	(116)
Increase (decrease) in net defined benefit liabilities	(117)	(72)
(Increase) decrease in net defined benefit assets	(14)	(33)
Increase (decrease) in accrued stock payments, net	66	56
Increase (decrease) in provision for loss on orders received, net	(121)	(46)
Interest and dividend income	(233)	(297)
Interest expense	45	38
(Increase) decrease in accounts receivable - trade	5,776	(4,328)
(Increase) decrease in inventories	(2,190)	1,010
Increase (decrease) in accounts payable - trade	1,531	(473)
(Increase) decrease in other assets	849	197
Increase (decrease) in other liabilities	(139)	659
Other, net	(349)	80
Sub-total	13,872	4,545
Interest and dividend income received	233	297
Interest expenses paid	(44)	(38)
Income taxes paid	(1,346)	(1,826)
Net cash provided by (used in) operating activities	12,714	2,977
Cash flows from investing activities:		
Payments for purchase of property, plant and equipment	(1,547)	(2,733)
Proceeds from sales of property, plant and equipment	188	(23)
Payments for purchase of intangible assets	(89)	(82)
Proceeds from sales of investment securities	—	67
Payments into time deposits	(2,987)	(76)
Proceeds from withdrawal of time deposits	2,420	1,040
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,749)	—
Other, net	(24)	2
Net cash provided by (used in) investing activities	(3,789)	(1,805)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(1,172)	—
Proceeds from long-term loans payable	—	500
Repayment of long-term loans payable	—	(500)
Payments for finance lease obligations	(1)	—
Proceeds from sales of treasury stock	104	10
Payments for purchase of treasury stock	(1)	(0)
Cash dividends paid	(2,597)	(1,965)
Net cash provided by (used in) financing activities	(3,668)	(1,956)
Effect of exchange rate changes on cash and cash equivalents	891	(302)
Net increase (decrease) increase in cash and cash equivalents	6,148	(1,087)
Cash and cash equivalents at the beginning of the year	25,572	31,721
Cash and cash equivalents at the end of the year	31,721	30,633

(5) Notes to Going Concern Assumption

None

(6) Segment Information

1. Overview of Reportable Segments

The reportable segments are components for which discrete financial information is available and whose operating results are regularly reviewed by management to make decisions about resource allocation and to assess performance.

The Companies operate within a single business related to the manufacture and sale of press machines and their ancillary facilities, and auxiliary business such as services. The Company plays a key role for the domestic business. As for the overseas business, each local company including China (China and Hong Kong), Asia (Singapore and Malaysia), Americas (U.S.A.) and Europe (Italy) plays an important role. Each foreign subsidiary is a single business entity, planning comprehensive business strategies for products and conducting business activities in each area. Accordingly, the Companies consist of geographic segments which have the fundamental function of manufacturing, sales and service. Reportable segments are categorized into "Japan", "China", "Asia", "Americas" and "Europe."

2. Basis for calculating sales, profit or loss, assets, and other items by reportable segments

Operating income is used as reportable segment income. Inter-segment sales and transfer prices are based on fair value.

3. Information regarding amounts of sales, profit, assets, and other items by reportable segments

Year ended March 31, 2018

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	28,780	8,787	4,245	18,380	13,663	73,856	—	73,856
Inter-segment sales	17,569	666	4,557	445	1,005	24,244	(24,244)	—
Total sales	46,349	9,453	8,803	18,825	14,669	98,101	(24,244)	73,856
Segment profit	3,462	224	1,595	1,196	127	6,607	(294)	6,312
Segment assets	84,290	13,408	10,148	10,823	17,316	135,985	(19,876)	116,108
Others								
Depreciation	973	341	254	207	287	2,063	(1)	2,061
Increase in property, plant, equipment and intangible	364	1,342	217	168	340	2,434	—	2,434

Note:

1. Adjustments of sales represent elimination of inter-segment transactions.

Adjustments of segment profit refer to inter-segment transaction eliminations.

Adjustments of segment assets represent elimination between inter-segment receivables and payables.

2. Segment profit is adjusted to operating income of consolidated statements of income.

Year ended March 31, 2019

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	34,833	13,125	4,923	16,140	15,059	84,082	—	84,082
Inter-segment sales	16,429	784	4,726	485	426	22,851	(22,851)	—
Total sales	51,263	13,909	9,649	16,625	15,485	106,933	(22,851)	84,082
Segment profit	2,431	723	1,398	693	4	5,251	310	5,561
Segment assets	81,842	12,055	10,588	9,126	15,361	128,973	(17,409)	111,564
Others								
Depreciation	1,034	355	263	208	282	2,143	(1)	2,142
Increase in property, plant, equipment and intangible	2,364	50	103	247	101	2,867	—	2,867

Note:

1. Adjustments of sales represent elimination of inter-segment transactions.

Adjustments of segment profit refer to inter-segment transaction eliminations.

Adjustments of segment assets represent elimination between inter-segment receivables and payables.

2. Segment profit is adjusted to operating income of consolidated statements of income.

4. Changes in the reportable segment classification method

Effective from the beginning of the fiscal year ended March 31, 2019, the reportable segment classification method has been revised in line with the internal control of group companies.

The business in China and Hong Kong, which was previously included in the Asia segment, is now included in the China segment (new segment).

Accordingly the Asia segment includes the business in Asia excluding Japan, China and Hong Kong.

The segment information for the previous period has been restated in line with the new method of classification.

## 2. Supplementary Information

### Status of Orders

#### Orders and Order Backlog

Year ended March 31, 2019

(Millions of Yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	39,538	17.7	29,126	19.3
China	7,801	(37.1)	5,265	(50.3)
Asia	5,158	1.2	2,646	9.8
Americas	11,130	(36.9)	6,192	(44.7)
Europe	12,064	(16.2)	7,702	(28.0)
Total	75,694	(9.0)	50,932	(14.1)

Note:

1. Inter-segment transactions have been eliminated.
2. Amounts above do not include consumption tax.