

## Consolidated Financial Results for the 1st Quarter of the Fiscal Year Ended March 31, 2020 [Japanese Standard]

August 8, 2019

Stock exchange: Tokyo (First Section)

Listed company name: Aida Engineering, Ltd.  
 Stock code: 6118 (URL <http://www.aida.co.jp>)  
 Representative: Kimikazu Aida, Chairman & President (CEO)  
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 Scheduled date of filing quarterly securities report: August 8, 2019  
 Scheduled beginning date of dividend payment: —  
 Preparation of supplemental explanatory materials: Yes  
 Holding of quarterly financial results briefing: None

(Figures are rounded down to the nearest million yen)

## 1. Consolidated Results for 1st Quarter of the Fiscal Year Ended March 31, 2020 (April 1, 2019 to June 30, 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	%
Three months ended June 30, 2019	16,007	(15.1)	1,097	(8.8)	1,239	(9.5)	860	(8.7)
Three months ended June 30, 2018	18,862	19.4	1,203	(8.5)	1,369	8.7	942	(3.5)

Note: Comprehensive income Three months ended June 30, 2019 (79) million yen ( — %)  
 Three months ended June 30, 2018 546 million yen ( -67.8 %)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2019	13.94	13.91
Three months ended June 30, 2018	15.28	15.24

## (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2019	108,114	75,151	68.8	1,205.60
As of March 31, 2019	111,564	77,206	68.5	1,238.41

Reference: Shareholders' equity As of June 30, 2019 74,431 million yen  
 As of March 31, 2019 76,453 million yen

## 2. Cash Dividends

	Cash dividends per share				
	1Q End	2Q End	3Q End	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	—	—	—	30.00	30.00
Year ended March 31, 2020	—	—	—	—	—
Year ended March 31, 2020 (forecast)	—	—	—	30.00	30.00

Note: Revision of dividend forecast for this period: None

## 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

Note: Revision of forecasts of consolidated results: None

4. Others

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

(2) Adoption of special accounting treatment for quarter financial report: Yes

Note: This refers to whether these above were used for preparing quarterly consolidated financial statements.

(3) 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

(4) Number of shares outstanding (Common stock)

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

As of June 30, 2019 71,647,321 shares

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

2. Total number of treasury Stock

As of June 30, 2019 9,909,235 shares

As of March 31, 2019 9,912,330 shares

3. Average number of shares

Three months ended June 30, 2019 61,735,348 shares

Three months ended June 30, 2018 61,696,979 shares

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.

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## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash on hand and at banks	31,155	29,797
Notes and accounts receivable - trade	22,859	19,316
Electronically recorded monetary claims - operating	2,213	3,190
Finished goods	2,761	2,727
Work in process	9,814	11,228
Raw materials and supplies	3,914	3,777
Other current assets	3,906	3,926
Allowance for doubtful accounts	(231)	(218)
Total current assets	76,396	73,745
Fixed assets		
Property, plant and equipment		
Buildings and structures	25,102	24,918
Accumulated depreciation	(16,613)	(16,674)
Buildings and structures, net	8,488	8,243
Machinery and vehicles	17,687	17,395
Accumulated depreciation	(10,451)	(10,560)
Machinery and vehicles, net	7,235	6,835
Land	7,301	7,296
Construction in progress	296	408
Other fixed assets	3,578	3,576
Accumulated depreciation	(2,967)	(2,996)
Other fixed assets, net	610	579
Total property, plant and equipment	23,932	23,363
Intangible assets	800	765
Investments and other assets		
Investment securities	6,808	6,545
Insurance reserve fund	2,219	2,346
Net defined benefit assets	856	862
Deferred tax assets	405	349
Other assets	178	169
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	10,435	10,239
Total fixed assets	35,167	34,369
Total assets	111,564	108,114

(Millions of Yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	6,806	5,950
Electronically recorded monetary obligations - operating	4,671	4,369
Short-term loans payable	2,491	2,449
Current portion of long-term loans payable	500	500
Accounts payable - other	1,123	1,031
Income taxes payable	617	625
Advances received	8,291	8,460
Accrued warranty costs	596	605
Accrued bonuses for employees	1,080	565
Accrued bonuses for directors	44	18
Provision for loss on orders received	56	56
Other current liabilities	2,148	2,443
<b>Total current liabilities</b>	<b>28,428</b>	<b>27,076</b>
<b>Long-term liabilities</b>		
Long-term loans payable	1,000	1,000
Long-term accounts payable - other	817	907
Deferred tax liabilities	2,024	1,905
Accrued stock payments	401	408
Net defined benefit liabilities	1,385	1,380
Other long-term liabilities	300	283
<b>Total long-term liabilities</b>	<b>5,929</b>	<b>5,886</b>
<b>Total liabilities</b>	<b>34,358</b>	<b>32,963</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	7,831	7,831
Additional paid-in capital	12,415	12,415
Retained earnings	55,777	54,683
Treasury stock	(4,230)	(4,229)
<b>Total shareholders' equity</b>	<b>71,793</b>	<b>70,699</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gains on other securities	3,617	3,434
Deferred hedge gains (losses)	(1)	34
Foreign currency translation adjustments	645	(111)
Retirement benefit plan adjustments	398	374
<b>Total accumulated other comprehensive income</b>	<b>4,660</b>	<b>3,732</b>
<b>Stock options</b>	<b>139</b>	<b>139</b>
<b>Non-controlling interests</b>	<b>613</b>	<b>580</b>
<b>Total net assets</b>	<b>77,206</b>	<b>75,151</b>
<b>Total liabilities and net assets</b>	<b>111,564</b>	<b>108,114</b>

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

## Consolidated Statements of Income

(Millions of Yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	18,862	16,007
Cost of sales	15,224	12,640
Gross profit	3,637	3,366
Selling, general and administrative expenses	2,433	2,268
Operating income	1,203	1,097
Non-operating income		
Interest income	25	26
Dividend income	84	91
Foreign exchange gain	73	42
Other non-operating income	52	22
Total non-operating income	235	182
Non-operating expense		
Restructuring charges	—	28
Interest expenses	9	7
Equipment relocation expenses	48	—
Other non-operating expenses	12	5
Total non-operating expenses	69	41
Ordinary income	1,369	1,239
Extraordinary gain		
Gain on sales of fixed assets	6	0
Total extraordinary gain	6	0
Extraordinary loss		
Loss on labor accident	—	24
Loss on disposal of fixed assets	12	5
Total extraordinary loss	12	29
Income before income taxes	1,363	1,210
Income taxes	426	362
Net income	937	848
Net income (loss) attributable to non-controlling interests	(5)	(12)
Net income attributable to owners of parent	942	860

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net income	937	848
Other comprehensive income		
Net unrealized gains (losses) on other securities	(362)	(183)
Deferred hedge gains (losses)	(68)	36
Foreign currency translation adjustments	51	(756)
Retirement benefit plan adjustments	(11)	(23)
Total other comprehensive income (loss)	(391)	(927)
Comprehensive income	546	(79)
Comprehensive income attributable to owners of parent	551	(67)
Comprehensive income attributable to non-controlling interests	(5)	(12)

(3) Notes to Going Concern Assumption

None

(4) Notes Regarding Remarkable Fluctuation in Shareholders' Equity

None

(5) Segment Information

Three months ended June 30, 2018

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	7,270	2,464	1,070	4,936	3,120	18,862	—	18,862
Inter-segment sales	4,503	266	1,360	36	113	6,280	(6,280)	—
Total sales	11,774	2,730	2,430	4,973	3,234	25,142	(6,280)	18,862
Segment profit or loss	468	88	344	248	(36)	1,112	91	1,203

Note:

1. Adjustments of sales represent elimination of inter-segment transactions.  
Adjustments of segment profit or loss refer to inter-segment transaction eliminations.
2. Segment profit or loss is adjusted to operating income of consolidated statements of income.

Three months ended June 30, 2019

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	7,404	1,426	1,466	3,000	2,707	16,007	—	16,007
Inter-segment sales	3,955	171	739	50	100	5,018	(5,018)	—
Total sales	11,360	1,598	2,206	3,051	2,808	21,025	(5,018)	16,007
Segment profit or loss	769	38	327	111	(66)	1,180	(82)	1,097

Note:

1. Adjustments of sales represent elimination of inter-segment transactions.  
Adjustments of segment profit or loss refer to inter-segment transaction eliminations.
2. Segment profit or loss is adjusted to operating income of consolidated statements of income.



## 2. Supplementary Information

### Status of Orders

Three months ended June 30, 2019

(Millions of Yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	9,557	(22.2)	31,279	7.4
China	1,168	(68.8)	5,007	(4.9)
Asia	1,343	8.7	2,523	(4.7)
Americas	2,616	1.8	5,807	(6.2)
Europe	2,472	(47.5)	7,466	(3.1)
Total	17,158	(30.1)	52,084	2.3

Note:

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