

## Consolidated Financial Results for the Year ended March 31, 2020 [Japanese Standard]

May 28, 2020

Stock exchange: Tokyo (First Section)

Listed company name: Aida Engineering, Ltd.

Stock code: 6118 (URL <https://www.aida.co.jp/en/>)

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Scheduled date of annual general shareholders' meeting: June 29, 2020

Scheduled date of filing annual securities report: June 29, 2020

Scheduled beginning date of dividend payment: June 30, 2020

Preparation of supplemental explanatory materials: Yes

Holding of financial results briefing: None

(Figures are rounded down to the nearest million yen)

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

#### (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, 2020	69,159	(17.7)	6,173	11.0	6,423	9.2	4,022	(13.2)
Year ended March 31, 2019	84,082	13.8	5,561	(11.9)	5,880	(0.8)	4,634	(2.4)

Note: Comprehensive income  
 Year ended March 31, 2020 1,605 million yen ( -50.4 %)  
 Year ended March 31, 2019 3,237 million yen ( -54.8 %)

	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, 2020	66.88	66.75	5.3	6.0	8.9
Year ended March 31, 2019	75.10	74.94	6.1	5.2	6.6

Reference: Equity in earnings of affiliates  
 Year ended March 31, 2020 — million yen  
 Year ended March 31, 2019 — million 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, 2020	104,114	74,840	71.1	1,243.15
As of March 31, 2019	111,564	77,206	68.5	1,238.41

Reference: Shareholders' equity  
 As of March 31, 2020 74,031 million yen  
 As of March 31, 2019 76,453 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, 2020	3,908	(1,091)	(3,377)	28,710
Year ended March 31, 2019	2,821	(1,650)	(1,956)	30,633

### 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			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	—	—	—	30.00	30.00	1,955	39.9	2.4
Year ended March 31, 2020	—	—	—	30.00	30.00	1,889	44.9	2.4
Year ended March 31, 2021 (forecast)	—	—	—	—	—	—	—	—

### 3. Forecasts of Consolidated Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

Due to uncertainties caused by the spread of COVID-19, the forecast for the fiscal year ending March 31, 2021 is currently undetermined. When it becomes possible to make a reasonable estimate, Aida will make an announcement in a timely manner.



## TABLE OF CONTENTS

1. Consolidated Financial Statements	
(1) Consolidated Balance Sheets.....	2
(2) Consolidated Statements of Income and Comprehensive Income.....	4
Consolidated Statements of Income.....	4
Consolidated Statements of Comprehensive Income.....	5
(3) Consolidated Statements of Change in Net Assets .....	6
(4) Consolidated Statements of Cash Flows.....	8
(5) Notes to Going Concern Assumption.....	9
(6) Segment Information.....	9
2. Supplementary Information	
Status of Orders .....	10

## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash on hand and at banks	31,155	28,723
Notes and accounts receivable - trade	22,859	20,378
Electronically recorded monetary claims - operating	2,213	2,748
Finished goods	2,761	2,618
Work in process	9,814	10,662
Raw materials and supplies	3,914	3,557
Advance payments - trade	1,120	596
Accounts receivable - other	1,425	1,628
Consumption taxes receivable	766	386
Other current assets	595	490
Allowance for doubtful accounts	(231)	(223)
Total current assets	76,396	71,568
Fixed assets		
Property, plant and equipment		
Buildings and structures	25,102	25,001
Accumulated depreciation	(16,613)	(16,957)
Buildings and structures, net	8,488	8,044
Machinery and vehicles	17,687	17,095
Accumulated depreciation	(10,451)	(11,099)
Machinery and vehicles, net	7,235	5,996
Land	7,301	7,283
Construction in progress	296	377
Other fixed assets	3,578	3,638
Accumulated depreciation	(2,967)	(3,077)
Other fixed assets, net	610	561
Total property, plant and equipment	23,932	22,263
Intangible assets	800	743
Investments and other assets		
Investment securities	6,808	5,944
Insurance reserve fund	2,219	2,324
Net defined benefit assets	856	814
Deferred tax assets	405	331
Other assets	178	156
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	10,435	9,539
Total fixed assets	35,167	32,546
Total assets	111,564	104,114

(Millions of Yen)

	As of March 31, 2019	As of March 31, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	6,806	4,733
Electronically recorded monetary obligations - operating	4,671	3,369
Short-term loans payable	2,491	2,991
Current portion of long-term loans payable	500	500
Accounts payable - other	1,123	707
Income taxes payable	617	1,681
Accrued expenses	1,191	1,048
Advances received	8,291	6,134
Accrued warranty costs	596	583
Accrued bonuses for employees	1,080	1,129
Accrued bonuses for directors	44	49
Provision for loss on orders received	56	170
Other current liabilities	956	725
<b>Total current liabilities</b>	<b>28,428</b>	<b>23,823</b>
<b>Long-term liabilities</b>		
Long-term loans payable	1,000	1,000
Long-term accounts payable - other	817	883
Deferred tax liabilities	2,024	1,445
Accrued stock payments	401	463
Net defined benefit liabilities	1,385	1,387
Other long-term liabilities	300	271
<b>Total long-term liabilities</b>	<b>5,929</b>	<b>5,450</b>
<b>Total liabilities</b>	<b>34,358</b>	<b>29,273</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	56,536
Treasury stock	(4,230)	(4,917)
<b>Total shareholders' equity</b>	<b>71,793</b>	<b>71,864</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gains on other securities	3,617	2,638
Deferred hedge gains (losses)	(1)	47
Foreign currency translation adjustments	645	(773)
Retirement benefit plan adjustments	398	253
<b>Total accumulated other comprehensive income</b>	<b>4,660</b>	<b>2,166</b>
<b>Stock options</b>	<b>139</b>	<b>139</b>
<b>Non-controlling interests</b>	<b>613</b>	<b>669</b>
<b>Total net assets</b>	<b>77,206</b>	<b>74,840</b>
<b>Total liabilities and net assets</b>	<b>111,564</b>	<b>104,114</b>

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

## Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2019	Year ended March 31, 2020
Net sales	84,082	69,159
Cost of sales	68,851	53,966
Gross profit	15,230	15,192
Selling, general and administrative expenses	9,669	9,019
Operating income	5,561	6,173
Non-operating income		
Interest income	99	102
Dividend income	197	196
Foreign exchange gain	—	45
Gain from redemption at maturity of endowment insurance	168	—
Other non-operating income	154	145
Total non-operating income	619	490
Non-operating expense		
Interest expenses	38	31
Commission expenses	13	83
Foreign exchange loss	155	—
Restructuring charges	—	71
Other non-operating expenses	94	55
Total non-operating expenses	301	240
Ordinary income	5,880	6,423
Extraordinary gain		
Gain on sales of fixed assets	24	3
Gain on sales of investment securities	83	44
Total extraordinary gain	107	48
Extraordinary loss		
Loss on sales of fixed assets	0	0
Loss on disposal of fixed assets	197	25
Loss on impairment	—	174
Other extraordinary loss	4	28
Total extraordinary loss	202	228
Income before income taxes	5,785	6,242
Current taxes	1,248	2,276
Deferred taxes	(155)	(132)
Income taxes	1,092	2,143
Net income	4,693	4,099
Net income attributable to non-controlling interests	58	76
Net income attributable to owners of parent	4,634	4,022

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Year ended March 31, 2019	Year ended March 31, 2020
Net income	4,693	4,099
Other comprehensive income		
Net unrealized gains (losses) on other securities	(1,313)	(979)
Deferred hedge gains (losses)	(27)	49
Foreign currency translation adjustments	(89)	(1,418)
Retirement benefit plan adjustments	(25)	(144)
Total other comprehensive income (loss)	(1,455)	(2,493)
Comprehensive income	3,237	1,605
Comprehensive income attributable to owners of parent	3,179	1,529
Comprehensive income attributable to non-controlling interests	57	76

(3) Consolidated Statements of Change in Net Assets  
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

Year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(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	12,415	55,777	(4,230)	71,793
Changes during the period					
Cash dividends			(1,955)		(1,955)
Net income attributable to owners of parent			4,022		4,022
Purchase of treasury stock				(2,000)	(2,000)
Disposal of treasury stock				4	4
Retirement of treasury stock			(1,309)	1,309	—
Net changes of items other than shareholders' equity					
Total changes during the period	—	—	758	(686)	71
Balance at the end of period	7,831	12,415	56,536	(4,917)	71,864

	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	3,617	(1)	645	398	4,660	139	613	77,206
Changes during the period								
Cash dividends							(20)	(1,975)
Net income attributable to owners of parent								4,022
Purchase of treasury stock								(2,000)
Disposal of treasury stock								4
Retirement of treasury stock								—
Net changes of items other than shareholders' equity	(979)	49	(1,418)	(144)	(2,493)	—	76	(2,416)
Total changes during the period	(979)	49	(1,418)	(144)	(2,493)	—	55	(2,365)
Balance at the end of period	2,638	47	(773)	253	2,166	139	669	74,840

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2019	Year ended March 31, 2020
Cash flows from operating activities:		
Income before income taxes	5,785	6,242
Depreciation and amortization	2,142	2,146
Loss on impairment	—	174
(Gain) loss on sales of fixed assets	(23)	(3)
Loss on disposal of fixed assets	197	25
(Gain) loss on sales of securities	(83)	(44)
Increase (decrease) in allowance for doubtful accounts	(0)	(2)
Increase (decrease) in accrued bonuses for employees, net	(138)	53
Increase (decrease) in accrued bonuses for directors, net	(8)	4
Increase (decrease) in accrued warranty costs, net	(116)	(1)
Increase (decrease) in net defined benefit liabilities	(72)	(5)
(Increase) decrease in net defined benefit assets	(33)	(15)
Increase (decrease) in accrued stock payments, net	56	61
Increase (decrease) in provision for loss on orders received, net	(46)	116
Interest and dividend income	(297)	(298)
Interest expense	38	31
(Increase) decrease in accounts receivable - trade	(4,328)	(740)
(Increase) decrease in inventories	1,010	(714)
Increase (decrease) in accounts payable - trade	(473)	(2,776)
(Increase) decrease in other assets	197	379
Increase (decrease) in other liabilities	504	(500)
Other, net	80	607
Sub-total	4,389	4,738
Interest and dividend income received	297	299
Interest expenses paid	(38)	(31)
Income taxes paid	(1,826)	(1,097)
Net cash provided by (used in) operating activities	2,821	3,908
Cash flows from investing activities:		
Payments for purchase of property, plant and equipment	(2,733)	(1,219)
Proceeds from sales of property, plant and equipment	132	5
Payments for purchase of intangible assets	(82)	(93)
Payments for purchase of investment securities	—	(500)
Proceeds from sales of investment securities	67	218
Payments into time deposits	(76)	—
Proceeds from withdrawal of time deposits	1,040	497
Other, net	2	(0)
Net cash provided by (used in) investing activities	(1,650)	(1,091)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	—	604
Proceeds from long-term loans payable	500	500
Repayment of long-term loans payable	(500)	(500)
Payments for finance lease obligations	—	(3)
Proceeds from sales of treasury stock	10	—
Payments for purchase of treasury stock	(0)	(2,000)
Cash dividends paid	(1,965)	(1,977)
Net cash provided by (used in) financing activities	(1,956)	(3,377)
Effect of exchange rate changes on cash and cash equivalents	(302)	(1,363)
Net increase (decrease) in cash and cash equivalents	(1,087)	(1,923)
Cash and cash equivalents at the beginning of the year	31,721	30,633
Cash and cash equivalents at the end of the year	30,633	28,710

## (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, 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.

Year ended March 31, 2020

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	35,988	6,147	5,160	11,467	10,395	69,159	—	69,159
Inter-segment sales	12,667	583	3,067	350	794	17,463	(17,463)	—
Total sales	48,655	6,731	8,228	11,817	11,189	86,622	(17,463)	69,159
Segment profit or loss	4,726	240	1,062	542	(243)	6,329	(155)	6,173
Segment assets	78,123	9,718	10,341	8,436	11,077	117,696	(13,582)	104,114
Others								
Depreciation	1,067	329	277	208	262	2,145	0	2,146
Increase in property, plant, equipment and intangible	371	43	389	45	88	939	—	939

Note:

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

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

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

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

## 2. Supplementary Information

### Status of Orders

Year ended March 31, 2020

(Millions of Yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	27,879	(29.5)	21,017	(27.8)
China	6,141	(21.3)	5,259	(0.1)
Asia	5,594	8.4	3,080	16.4
Americas	11,336	1.8	6,061	(2.1)
Europe	11,375	(5.7)	8,681	12.7
Total	62,326	(17.7)	44,100	(13.4)

Note:

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