

(For reference purposes only)

## Consolidated Financial Results for the 1st Quarter of the Fiscal Year Ended March 31, 2022 [Japanese Standard]

August 6, 2021

Stock exchange: Tokyo (First Section)

Listed company name: Aida Engineering, Ltd.

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

Representative: Kimikazu Aida, Chairman & President (CEO)

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Scheduled date of filing quarterly securities report: August 6, 2021

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, 2022 (April 1, 2021 to June 30, 2021)

#### (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, 2021	13,079	23.9	270	50.7	380	64.0	226	—
Three months ended June 30, 2020	10,559	(34.0)	179	(83.7)	231	(81.3)	(140)	—

Note: Comprehensive income Three months ended June 30, 2021 617 million yen ( 34.5 %)  
Three months ended June 30, 2020 458 million yen ( — %)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2021	3.79	3.79
Three months ended June 30, 2020	(2.36)	—

#### (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, 2021	107,994	76,754	70.4	1,273.28
As of March 31, 2021	107,787	77,505	71.2	1,285.38

Reference: Shareholders' equity As of June 30, 2021 76,008 million yen  
As of March 31, 2021 76,731 million yen

#### 2. Cash Dividends

	Cash dividends per share				
	1Q End	2Q End	3Q End	Year-end	Total
Year ended March 31, 2021	Yen —	Yen —	Yen —	Yen 20.00	Yen 20.00
Year ended March 31, 2022	—	—	—	—	—
Year ended March 31, 2022 (forecast)	—	—	—	25.00	25.00

Note: Revision of dividend forecast for this period: None

### 3. Forecasts of Consolidated Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(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, 2021	31,000	20.3	2,200	42.5	2,300	42.0	1,500	96.4	25.13
Full year ended March 31, 2022	62,000	6.7	4,500	20.9	4,600	22.7	3,000	127.9	50.26

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: Yes

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, 2021 69,448,421 shares

As of March 31, 2021 69,448,421 shares

2. Total number of treasury stock

As of June 30, 2021 9,753,519 shares

As of March 31, 2021 9,753,258 shares

3. Average number of shares

Three months ended June 30, 2021 59,695,051 shares

Three months ended June 30, 2020 59,555,570 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.

## 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) Notes to Going Concern Assumption.....	6
(4) Notes Regarding Remarkable Fluctuation in Shareholders' Equity.....	6
(5) Changes in Accounting Policies.....	6
(6) Segment Information.....	6
2. Supplementary Information	
Status of Orders .....	7

## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash on hand and at banks	31,705	31,575
Notes and accounts receivable - trade	19,032	—
Notes and accounts receivable - trade and contract assets	—	16,582
Electronically recorded monetary claims - operating	2,793	2,196
Finished goods	3,237	3,314
Work in process	10,751	13,256
Raw materials and supplies	3,601	3,330
Other current assets	2,468	3,092
Allowance for doubtful accounts	(933)	(941)
Total current assets	72,656	72,407
Fixed assets		
Property, plant and equipment		
Buildings and structures	25,045	25,122
Accumulated depreciation	(17,653)	(17,819)
Buildings and structures, net	7,392	7,302
Machinery and vehicles	17,400	17,449
Accumulated depreciation	(12,421)	(12,681)
Machinery and vehicles, net	4,978	4,767
Land	7,236	7,233
Construction in progress	1,258	1,450
Other fixed assets	3,697	3,752
Accumulated depreciation	(3,213)	(3,274)
Other fixed assets, net	483	477
Total property, plant and equipment	21,350	21,231
Intangible assets	779	777
Investments and other assets		
Investment securities	9,843	10,320
Insurance reserve fund	1,922	2,042
Net defined benefit assets	868	876
Deferred tax assets	249	217
Other assets	154	159
Allowance for doubtful accounts	(38)	(38)
Total investments and other assets	13,000	13,578
Total fixed assets	35,130	35,587
Total assets	107,787	107,994

(Millions of Yen)

	As of March 31, 2021	As of June 30, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	5,004	5,089
Electronically recorded monetary obligations - operating	2,500	2,480
Short-term loans payable	1,297	1,711
Accounts payable - other	1,114	950
Income taxes payable	1,070	294
Advances received	8,207	—
Contract liabilities	—	9,964
Accrued warranty costs	471	509
Accrued bonuses for employees	1,090	678
Accrued bonuses for directors	36	21
Provision for loss on orders received	113	67
Other current liabilities	2,472	2,410
<b>Total current liabilities</b>	<b>23,378</b>	<b>24,177</b>
<b>Long-term liabilities</b>		
Long-term loans payable	1,500	1,500
Long-term accounts payable - other	904	972
Deferred tax liabilities	2,334	2,416
Accrued stock payments	480	489
Net defined benefit liabilities	1,390	1,390
Asset retirement obligations	10	10
Other long-term liabilities	281	283
<b>Total long-term liabilities</b>	<b>6,902</b>	<b>7,063</b>
<b>Total liabilities</b>	<b>30,281</b>	<b>31,240</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	7,831	7,831
Additional paid-in capital	12,423	12,423
Retained earnings	55,963	54,841
Treasury stock	(4,838)	(4,838)
<b>Total shareholders' equity</b>	<b>71,379</b>	<b>70,256</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gains (losses) on other securities	4,869	5,199
Deferred hedge gains (losses)	(139)	(96)
Foreign currency translation adjustments	410	453
Retirement benefit plan adjustments	210	195
<b>Total accumulated other comprehensive income</b>	<b>5,351</b>	<b>5,751</b>
<b>Stock options</b>	<b>91</b>	<b>91</b>
<b>Non-controlling interests</b>	<b>683</b>	<b>654</b>
<b>Total net assets</b>	<b>77,505</b>	<b>76,754</b>
<b>Total liabilities and net assets</b>	<b>107,787</b>	<b>107,994</b>

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

## Consolidated Statements of Income

(Millions of Yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	10,559	13,079
Cost of sales	8,490	10,704
Gross profit	2,068	2,375
Selling, general and administrative expenses	1,889	2,104
Operating income	179	270
Non-operating income		
Interest income	12	10
Dividend income	81	97
Foreign exchange gain	—	1
Other non-operating income	15	17
Total non-operating income	109	127
Non-operating expense		
Interest expenses	9	5
Foreign exchange loss	25	—
Restructuring charges	—	4
Fines	—	5
Other non-operating expenses	21	2
Total non-operating expenses	57	17
Ordinary income	231	380
Extraordinary gain		
Gain on sales of fixed assets	0	2
Subsidy income related to suspension or decrease of production	164	5
Total extraordinary gain	165	7
Extraordinary loss		
Loss on sales of fixed assets	0	—
Loss on disposal of fixed assets	0	5
Loss on suspension or decrease of production	380	15
Total extraordinary loss	380	20
Income before income taxes	16	367
Income taxes	155	149
Net income (loss)	(138)	217
Net income (loss) attributable to non-controlling interests	1	(8)
Net income (loss) attributable to owners of parent	(140)	226

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net income (loss)	(138)	217
Other comprehensive income		
Net unrealized gains (losses) on other securities	602	329
Deferred hedge gains (losses)	(45)	42
Foreign currency translation adjustments	55	43
Retirement benefit plan adjustments	(14)	(15)
Total other comprehensive income	597	399
Comprehensive income	458	617
Comprehensive income attributable to owners of parent	457	625
Comprehensive income attributable to non-controlling interests	1	(8)

## (3) Notes to Going Concern Assumption

None

## (4) Notes Regarding Remarkable Fluctuation in Shareholders' Equity

None

## (5) Changes in Accounting Policies

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) (hereinafter, the "Revenue Recognition Accounting Standard") and other related guidance have been adopted since the beginning of the first quarter of the current fiscal year.

The adoption of the Revenue Recognition Accounting Standard follows the transitional treatment in the proviso to paragraph 84 of the standard. Accordingly, the cumulative effect of retroactively adopting the new accounting policy prior to the beginning of the first quarter has been adjusted and the new accounting policy has been adopted the balance of retained earnings from the beginning of the period.

As a result, in the first quarter of the current fiscal year, net sales and cost of sales decreased by 85 million yen and 70 million yen respectively, while operating income, ordinary income, and income before income taxes decreased by 14 million yen each.

## (6) Segment Information

Three months ended June 30, 2020

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties	5,614	1,248	867	1,796	1,032	10,559	—	10,559
Inter-segment sales	2,605	152	536	20	10	3,324	(3,324)	—
Total sales	8,219	1,401	1,403	1,816	1,043	13,884	(3,324)	10,559
Segment profit or loss	264	46	10	54	(115)	261	(81)	179

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, 2021

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Sub total	Adjustments (*1)	Consolidated statements of income(*2)
Sales								
Sales to third parties								
Press Machines	2,625	1,406	269	2,238	2,605	9,144	—	9,144
Service	1,432	395	281	617	376	3,104	—	3,104
Others	800	4	2	—	22	830	—	830
Subtotal	4,859	1,806	553	2,856	3,004	13,079	—	13,079
Inter-segment sales	3,099	109	677	29	22	3,938	(3,938)	—
Total sales	7,958	1,915	1,231	2,885	3,027	17,017	(3,938)	13,079
Segment profit or loss	89	187	66	(42)	45	345	(75)	270

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.

3. Due to the adoption of the Revenue Recognition Accounting Standard, in the first quarter of the current fiscal year, net sales of Japan increased by 38 million yen, net sales of Europe decreased by 124 million yen, segment profit of Japan increased by 13 million yen, and segment profit of Europe decreased by 27 million yen compared with the previous method.



## 2. Supplementary Information

### Status of Orders

Three months ended June 30, 2021

(Millions of Yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	8,108	82.0	17,150	23.4
China	4,413	100.7	9,026	40.6
Asia	2,318	227.7	3,587	96.8
Americas	2,915	296.0	6,970	0.9
Europe	2,810	210.5	10,003	(1.9)
Total	20,566	128.4	46,739	19.1

Note:

1. Inter-segment transactions have been eliminated.
2. Amounts above do not include consumption tax.
3. The effect of the adoption of the Revenue Recognition Accounting Standard was added to the order backlog at the end of the previous fiscal year.