

FY2014 First Quarter Consolidated Financial Results [Japanese Standard]

August 8, 2013

Listed company name: Aida Engineering, Ltd.

Stock exchange: Tokyo (First Section)

Code: 6118 URL <http://www.aida.co.jp>

Representative: Kimikazu Aida, President

Contact: Ken Masuda, Director of The Board, Executive Officer, General Manager Business Administration Department

Tel: +81-42-772-5231

- Scheduled date of filing Quarterly Securities Report: August 8, 2013
- Scheduled beginning date of dividend payment: -
- Supplementary documents for quarterly consolidated financial results are prepared.
- First quarter results briefing is not planned.

1. Consolidated Results for Fiscal Year 2014 First Quarter(April 1, 2013 to June 30, 2013)

(Figures are rounded down to the nearest million yen)

(1) Consolidated Financial Results(For the three months ended June 30)

(Percentages represent the comparisons with the first quarter of previous year)

	Net Sales		Operating Income		Ordinary Profit		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2014 First Quarter	14,960	24.0	1,521	78.0	1,645	66.6	1,441	76.7
FY2013 First Quarter	12,064	(6.9)	854	41.6	987	57.4	815	39.7

Note. Comprehensive Income FY2014 1Q 2,089 Million yen (-%), FY2013 1Q (407) Million yen (-%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
FY2014 First Quarter	23.66	23.56
FY2013 First Quarter	13.45	13.43

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
FY2014 First Quarter	87,845	53,862	61.2	882.25
FY2013	82,118	52,978	64.4	868.12

Reference. Shareholders' Equity FY2014 1Q 53,761 Million yen, FY2013 52,877 Million yen

2. Cash Dividends

	Cash Dividends per Share				
	1Q End	2Q End	3Q End	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2013	-	-	-	19.00	19.00
Fiscal 2014	-	-	-	-	-
Fiscal 2014(forecast)	-	-	-	20.00	20.00

Note. Dividends forecast not revised

3. Forecast of Consolidated Results for the year ending March 31, 2014(April 1, 2013 to March 31, 2014)

(Percentages represent the comparisons with FY2013 first half and FY2013)

	Net Sales		Operating Income		Ordinary Profit		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim	32,500	21.7	2,350	13.6	2,350	7.9	2,100	13.0	34.47
Fiscal Year	65,000	12.4	4,700	25.1	4,700	15.4	4,200	10.4	68.93

Note. Revision of Forecast of Consolidated Results was not made

4. Other

(1) Changes among significant subsidiaries during the period : No

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

(2) Adoption of special accounting treatment for quarter financial report: No

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

(3) Changes in accounting principles, estimates, and retrospective restatement

1. Changes due to revisions of accounting standards: No

2. Changes other than "1": No

3. Change in accounting estimates: No

4. Retrospective restatement: No

(4) Number of shares outstanding (Common stock)

1. Common stock (Treasury stock included) FY2014 1Q: 79,147,321 shares, FY2013 : 79,147,321 shares

2. Treasury Stock FY2014 1Q: 18,210,505 shares, FY2013 : 18,236,991 shares

3. Average number of shares outstanding FY2014 1Q: 60,924,761 shares, FY2013 1Q : 60,658,609 shares

Status of execution of the quarterly review process of financial statements:

Review procedures under the Financial Instruments and Exchange Act, had been completed at the time of disclosure of this report.

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.....	4
Consolidated Statements of Comprehensive Income.....	5
(3) Going Concern Assumption.....	6
(4) Significant change of shareholders' equity.....	6
(5) Segment Information.....	6
2. Supplementary Information	
Status of Orders and Sales.....	7

1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Million of Yen

	FY2013	FY2014 First quarter
Assets		
Current assets		
Cash on hand and at banks	18,675	21,901
Notes and accounts receivable, trade	16,091	14,495
Electronically recorded monetary claims-operating	98	193
Securities	3,700	4,700
Finished goods	2,042	1,055
Work in process	8,566	10,787
Raw materials and suppliers	2,457	2,471
Deferred tax assets	1,623	1,504
Other current assets	3,270	4,635
Allowance for doubtful accounts	(71)	(66)
Total current assets	56,454	61,677
Fixed assets		
Property, plant and equipment		
Buildings and structures	20,055	20,328
Accumulated depreciation	(13,935)	(14,086)
Buildings and structures - Net	6,119	6,242
Machinery and vehicles	8,607	9,607
Accumulated depreciation	(5,139)	(5,401)
Machinery and vehicles - Net	3,468	4,206
Land	4,851	4,865
Lease assets	1,201	97
Accumulated depreciation	(378)	(54)
Lease assets - Net	823	43
Construction in progress	550	924
Other fixed assets	2,278	2,363
Accumulated depreciation	(1,924)	(1,983)
Other - Net	353	380
Total property, plant and equipment	16,167	16,662
Intangible assets	842	1,041
Investments and other assets		
Investment securities	4,116	4,723
Insurance reserve fund	3,216	3,243
Deferred tax assets	61	65
Other assets	1,336	508
Allowance for doubtful accounts	(77)	(77)
Total investments and other assets	8,654	8,464
Total fixed assets	25,663	26,167
Total assets	82,118	87,845

	FY2013	FY2014 First quarter
Liabilities		
Current liabilities		
Accounts payable, trade	5,991	5,775
Electronically recorded obligations-operating	2,703	2,602
Current portion of long-term loans payable	500	500
Short-term Lease obligations	796	20
Non-trade payables	1,365	1,232
Income taxes payable	428	334
Advances from customers on contracts	9,381	14,823
Accrued warranty costs	1,231	1,238
Accrued bonuses for employees	810	427
Provision for directors' bonuses	33	22
Provision for loss on orders received	257	208
Other current liabilities	1,790	2,708
Total current liabilities	25,290	29,893
Long-term liabilities		
Long-term loans payable	1,000	1,000
Long-term Lease obligations	29	25
Long-term accounts payable	362	382
Deferred tax liabilities	1,947	2,147
Accrued pension and severance costs for employees	117	102
Other long-term liabilities	392	431
Total long-term liabilities	3,850	4,090
Total liabilities	29,140	33,983
Net assets		
Shareholders' equity		
Common stock	7,831	7,831
Additional paid-in capital	12,979	12,983
Retained earnings	39,573	39,793
Treasury stock	(8,992)	(8,979)
Total shareholders' equity	51,391	51,628
Accumulated other comprehensive income		
Net unrealized gains on other securities	1,898	2,295
Deferred hedge gains	(412)	(462)
Foreign currency translation adjustments	0	300
Total accumulated other comprehensive income	1,485	2,133
Stock options	100	100
Total net assets	52,978	53,862
Total liabilities and net assets	82,118	87,845

(2) Consolidated Statements of Income

	FY2013 First quarter(Three months ended June 30, 2012)	FY2014 First quarter(Three months ended June 30, 2013)
Net sales	12,064	14,960
Cost of sales	9,485	11,545
Gross profit	2,578	3,415
Selling, general and administrative expenses	1,723	1,893
Operating income	854	1,521
Non-operating income		
Interest income	5	10
Dividend income	45	45
Foreign exchange gain	105	61
Other non-operating income	12	21
Total non-operating income	169	139
Non-operating expense		
Interest expense	12	6
Other non-operating expenses	23	8
Total non-operating expense	35	15
Ordinary profit	987	1,645
Extraordinary gain		
Gain on sale of fixed assets	0	0
Total extraordinary gain	0	0
Extraordinary loss		
Loss on disposal of fixed assets	0	0
Other extraordinary loss	0	—
Total extraordinary loss	0	0
Income before income taxes	986	1,645
Current taxes	68	95
Deferred taxes	103	108
Total corporate tax	171	204
Income before minority interests	815	1,441
Net income	815	1,441

Consolidated Statements of Comprehensive Income

	FY2013 First quarter	FY2014 First quarter
Income before minority interests	815	1,441
Other comprehensive income		
Net unrealized gains on other securities	(336)	397
Deferred hedge gains	(13)	(50)
Foreign currency translation adjustment	(873)	300
Total other comprehensive income	(1,222)	647
Comprehensive income	(407)	2,089
Comprehensive income attributable to: Shareholders of Aida Engineering, Ltd.	(407)	2,089

(3) Notes to going concern

None

(4) Notes regarding remarkable fluctuation in shareholders' equity

None

(5) Segment Information

FY2013 First quarter (Three months ended June 30, 2012)

(Millions of Yen)

	Japan	Asia	Americas	Europe	Sub Total	Adjustment(*1)	Consolidated Statements of Income(*2)
Sales							
Sales to external customers	4,871	3,505	1,857	1,829	12,064	—	12,064
Inter-segment sales	3,724	388	34	391	4,537	(4,537)	—
Total sales	8,595	3,893	1,892	2,220	16,602	(4,537)	12,064
Segment income (loss)	366	408	37	11	824	29	854

Note

1. Adjustment of sales amount means elimination among inter-segment transactions.

Adjustments of segment income (loss) arose from elimination among inter-segment transactions.

2. Segment income (loss) is adjusted to operating income of consolidated statements of income.

FY2014 First quarter (Three months ended June 30, 2013)

(Millions of Yen)

	Japan	Asia	Americas	Europe	Sub Total	Adjustment(*1)	Consolidated Statements of Income(*2)
Sales							
Sales to external customers	2,771	4,499	4,819	2,869	14,960	—	14,960
Inter-segment sales	5,332	401	148	63	5,944	(5,944)	—
Total sales	8,103	4,900	4,968	2,932	20,904	(5,944)	14,960
Segment income (loss)	883	305	277	3	1,469	52	1,521

Note

1. Adjustment of sales amount means elimination among inter-segment transactions.

Adjustments of segment income arose from elimination among inter-segment transactions.

2. Segment income (loss) is adjusted to operating income of consolidated statements of income.

2. Supplementary Information

Status of Orders and Sales

(1) Orders Receipt and Backlog

(Millions of Yen)

		Three months ended June 30, 2012	Three months ended June 30, 2013	Fluctuation rate(%)
Orders	Japan	9,608	701	(92.7)
	Asia	3,304	9,045	173.7
	Americas	4,791	6,704	39.9
	Europe	2,162	5,977	176.4
	Total	19,868	22,429	12.9
Backlog	Japan	17,580	15,909	(9.5)
	Asia	7,802	13,894	78.1
	Americas	9,062	15,458	70.6
	Europe	9,637	13,705	42.2
	Total	44,083	58,968	33.8

Note.

1. After eliminating inter-segment transactions.
2. Excluding consumption tax.

(2) Sales

(Millions of Yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013	Fluctuation rate(%)
Japan	4,871	2,771	(43.1)
Asia	3,505	4,499	28.3
Americas	1,857	4,819	159.5
Europe	1,829	2,869	56.8
Total	12,064	14,960	24.0

Note.

1. After eliminating inter-segment transactions.
2. Excluding consumption tax.