

(For reference purposes only)

## Consolidated Financial Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2024 [Japanese Standard]

November 14, 2023  
Stock exchange: Tokyo

Listed company name: AIDA ENGINEERING, LTD.  
Stock code: 6118 (URL <https://www.aida.co.jp/en/>)  
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Scheduled date of filing quarterly securities report: November 14, 2023  
Scheduled beginning date of dividend payment: —  
Preparation of supplemental explanatory materials: Yes  
Holding of quarterly financial results briefing: Yes (for securities analysts and institutional investors)

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Results for 2nd Quarter of the Fiscal Year Ending March 31, 2024 (April 1, 2023 to September 30, 2023)

#### (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	%
Six months ended September 30, 2023	34,575	7.5	1,427	99.3	1,461	85.2	1,148	131.7
Six months ended September 30, 2022	32,164	19.5	716	(10.3)	789	(18.0)	495	(10.3)

Note: Comprehensive income: Six months ended September 30, 2023 3,207 million yen (458.5%)  
Six months ended September 30, 2022 574 million yen (-68.3%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2023	19.24	19.21
Six months ended September 30, 2022	8.30	8.29

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	121,052	79,334	65.5	1,326.72
As of March 31, 2023	116,287	78,043	67.0	1,305.47

Reference: Shareholders' equity As of September 30, 2023 79,243 million yen  
As of March 31, 2023 77,951 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, 2023	—	—	—	30.00	30.00
Year ending March 31, 2024	—	—	—	—	—
Year ending March 31, 2024 (forecast)	—	—	—	30.00	30.00

Note: Revision of dividend forecast for this period: None

3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)  
(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
Full year	72,000	4.7	3,700	140.2	3,800	122.2	2,850	120.0	47.72

Note: Revision of forecasts of consolidated results: Yes

4. Others

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

(2) Application of special accounting treatment used in preparation of the quarterly consolidated financial statements:  
Yes

Note: Please refer to “(Accounting Policies Adopted Specially for the Preparation of Quarterly Consolidated Financial Statements)” in “(4) Notes to Quarterly Consolidated Financial Statements” on page 11 for details.

(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 issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)
 

As of September 30, 2023	69,448,421 shares
As of March 31, 2023	69,448,421 shares
2. Total number of treasury shares at the end of the period
 

As of September 30, 2023	9,719,879 shares
As of March 31, 2023	9,736,558 shares
3. Average number of shares outstanding during the period
 

Six months ended September 30, 2023	59,721,666 shares
Six months ended September 30, 2022	59,700,182 shares

Quarterly financial results are exempt from audit conducted by certified public accountants or an audit corporation.

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. For the assumptions used as a basis for the business forecast and notes for using the forecast, please refer to “(3) Consolidated financial results forecast and other forward-looking information” on page 4 of the attachments.

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## 1. Qualitative information on the financial results for the period under review

### (1) Operating results

During the six months ended September 30, 2023, the global economy was generally on a moderate recovery trend with normal conditions restored after COVID-19 and gradually relaxed supply constraints on semiconductors and others, while economic activities were weighed down by tight monetary policy resulting from high inflation, and the slowdown in the European and Chinese economies added downward pressures to the overall economy. Downside risks also increased due to geopolitical factors, including the Ukraine crisis, the Middle East situation, in addition to tensions between the United States and China.

In the metalforming machinery industry, the Japan Forming Machinery Association reported that orders for press machines received in the six months ended September 30, 2023 increased 9.9% year on year to ¥87,417 million, reflecting robust domestic and foreign demand.

Under these conditions, orders received by AIDA ENGINEERING, LTD. (the “Company”) and its group companies in the six months ended September 30, 2023 were ¥42,990 million (down 9.1% year on year), due to a reaction to rush orders before price increase in the corresponding period of the previous year even while demand for high-speed press machines for electric vehicles has remained firm. The order backlog as of September 30, 2023 reached a record high of ¥78,758 million (up 12.0% from the end of the previous fiscal year).

Net sales were ¥34,575 million (up 7.5% year on year), mainly due to increased sales of high-speed press machines related to electric vehicles and the impact of yen depreciation.

In terms of profit, operating income was ¥1,427 million (up 99.3% year on year), ordinary income was ¥1,461 million (up 85.2% year on year), and net income attributable to owners of parent was ¥1,148 million (up 131.7% year on year), mainly due to gain on sale of non-current assets. Contributing to this is the fact that increased sales and the improvement of the product mix raised gross profit margins despite soaring manufacturing costs of raw materials, subcontracting, logistics, and others.

Operating results by segment during the six months ended September 30, 2023 were as follows.

- Japan: Net sales remained almost the same on a year-on-year basis at ¥18,493 million (down 1.3% year on year). Although improvement of the product mix raised gross profit margins, segment loss was ¥225 million (segment loss of ¥288 million in the same period of the previous year) due to a sales shortfall and others.
- China: Due to robust sales of press machines, mainly customized press machines and high-speed press machines, net sales were ¥7,120 million (up 33.6% year on year). Segment profit was ¥510 million (up 101.5% year on year) partially due to a decrease in SG&A expenses.
- Asia: Net sales remained almost the same on a year-on-year basis at ¥5,275 million (down 2.9% year on year) due to a decrease in sales of customized press machines although sales of general-purpose press machines and services remained robust. Segment income was ¥620 million (up 82.5% year on year) due to improvement of gross profit margins.
- Americas: Net sales were ¥7,382 million (down 9.9% year on year) mainly due to a decrease in sales of customized press machines. However, thanks to improvement of the product mix, segment income was ¥164 million (up 232.6% year on year).
- Europe: Net sales were ¥8,062 million (up 61.5% year on year) due to an increase in sales of high-speed press machines and services. Although rises in manufacturing costs led to decreased gross profit margins, segment income was ¥213 million (up 143.6% year on year) due to increased sales.

## (2) Financial position

### 1) Analysis of financial position

Total assets as of September 30, 2023 increased by ¥4,765 million from the end of the previous fiscal year to ¥121,052 million. This is attributable to a ¥3,491 million increase in inventories and a ¥1,650 million increase in other under investments and other assets.

Total liabilities increased by ¥3,473 million from the end of the previous fiscal year to ¥41,718 million. This is attributable to a ¥1,077 million increase in trade payables, including accounts payable - trade and electronically recorded obligations - operating, and a ¥1,042 million increase in contract liabilities.

Net assets increased by ¥1,291 million from the end of the previous fiscal year to ¥79,334 million. This is attributable to a ¥1,996 million increase in foreign currency translation adjustment. As a result, shareholders' equity ratio was 65.5% as of September 30, 2023.

### 2) Analysis of cash flows

Cash and cash equivalents (the "cash") as of September 30, 2023 decreased by ¥925 million from the end of the previous fiscal year to ¥29,583 million.

Cash flows from activities during the six months ended September 30, 2023 and their primary factors are as follows:

#### (i) Cash flows from operating activities

Net cash provided by operating activities was ¥306 million (a cash outflow of ¥1,925 million in the same period of the previous fiscal year). Factors for cash inflows include income before income taxes of ¥1,741 million and a decrease in trade receivables of ¥754 million, and factors for cash outflows include an increase in inventories of ¥2,203 million.

#### (ii) Cash flows from investing activities

Net cash used in investing activities was ¥511 million (a cash outflow of ¥2,036 million in the same period of the previous year). Factors for cash inflows include proceeds from sale of property, plant and equipment of ¥306 million, and factors for cash outflows include payments of ¥800 million for purchase of property, plant and equipment and purchase of intangible assets.

#### (iii) Cash flows from financing activities

Net cash used in financing activities was ¥1,915 million (a cash outflow of ¥2,157 million in the same period of the previous year). Factors for cash outflows include dividends paid of ¥1,914 million.

(3) Consolidated financial results forecast and other forward-looking information

There were differences between the forecasts of consolidated results for the six months ended September 30, 2023 (April 1, 2023 to September 30, 2023) announced on May 15, 2023 and the actual results announced today as follows, and the Company revised its full-year forecasts of consolidated results for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024).

1. Differences between the forecasts and actual consolidated results for the six months ended September 30, 2023

Differences between the forecasts and actual consolidated results for the six months ended September 30, 2023 (April 1, 2023 to September 30, 2023)

	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
Previous forecasts (A)	36,000	2,350	2,450	1,800	30.14
Actual results announced today (B)	34,575	1,427	1,461	1,148	19.24
Difference (B) - (A)	(1,424)	(922)	(988)	(651)	—
Change (%)	(4.0)	(39.2)	(40.4)	(36.2)	—
(Reference) Actual results for the six months ended September 30, 2022	32,164	716	789	495	8.30

2. Revision of the forecasts of consolidated results for the fiscal year

Revision of the forecasts of consolidated results for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

	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
Previous forecasts (A)	72,000	4,700	4,900	3,600	60.29
Revised forecast announced today (B)	72,000	3,700	3,800	2,850	47.72
Difference (B) - (A)	—	(1,000)	(1,100)	(750)	—
Change (%)	—	(21.3)	(22.4)	(20.8)	—
(Reference) Actual results for the fiscal year ended March 31, 2023	68,795	1,540	1,710	1,295	21.70

3. Reasons for differences between forecasts and actual results and reasons for revision of the forecasts of consolidated results

Actual net sales for the six months ended September 30, 2023 were lower than the initial forecast because longer lead times of parts and other factors caused sales of press machines and services to be delayed to the second half of the fiscal year. In addition, actual profit was lower than the initial forecast due to sales delays in high-value-added press projects and the impacts of lower gross profit margins caused by manufacturing costs, such as raw material and subcontracting costs, which increased more than expected.

For the full fiscal year ending March 31, 2024, the initial forecast for net sales remains unchanged as they are anticipated to increase due to the yen's depreciation, although sales will continue to be delayed in the second half of the fiscal year onwards due to longer lead times of parts and others. The Company, however, lowered the initial forecasts for profits because some sales will be delayed to the next fiscal year, and because increases in

manufacturing costs, such as raw material and subcontracting costs, will exceed expectations, although gross profit margins will recover thanks to an increase in sales of high-value-added press projects and services.

- \* The above forecasts are based on the information presently available. Actual results may differ from these forecasts due to changes in various factors.

## 2. Consolidated Financial Statements and Principal Notes

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	30,510	29,604
Notes and accounts receivable - trade, and contract assets	22,506	21,477
Electronically recorded monetary claims - operating	1,018	1,260
Finished goods	4,387	3,827
Work in process	17,022	20,599
Raw materials and supplies	4,456	4,931
Other	4,457	4,456
Allowance for doubtful accounts	(1,837)	(223)
<b>Total current assets</b>	<b>82,522</b>	<b>85,933</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	26,737	27,195
Accumulated depreciation	(19,222)	(19,508)
Buildings and structures, net	7,514	7,687
Machinery, equipment and vehicles	20,479	21,660
Accumulated depreciation	(15,092)	(16,155)
Machinery, equipment and vehicles, net	5,387	5,504
Land	7,297	7,332
Construction in progress	234	197
Other	4,245	4,554
Accumulated depreciation	(3,665)	(3,887)
Other, net	580	667
<b>Total property, plant and equipment</b>	<b>21,015</b>	<b>21,390</b>
Intangible assets	1,961	2,064
Investments and other assets		
Investment securities	9,186	10,087
Insurance funds	571	534
Retirement benefit asset	633	649
Deferred tax assets	268	272
Other	161	1,811
Allowance for doubtful accounts	(32)	(1,690)
<b>Total investments and other assets</b>	<b>10,788</b>	<b>11,664</b>
<b>Total non-current assets</b>	<b>33,765</b>	<b>35,119</b>
<b>Total assets</b>	<b>116,287</b>	<b>121,052</b>



(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	6,942	7,175
Electronically recorded obligations - operating	2,536	3,380
Short-term borrowings	582	631
Current portion of long-term borrowings	500	500
Accounts payable - other	1,329	1,136
Income taxes payable	345	428
Contract liabilities	15,407	16,449
Provision for product warranties	615	633
Provision for bonuses	961	1,068
Provision for bonuses for directors (and other officers)	14	32
Provision for loss on orders received	180	200
Other	2,470	3,252
<b>Total current liabilities</b>	<b>31,887</b>	<b>34,889</b>
Non-current liabilities		
Long-term borrowings	1,000	1,000
Long-term accounts payable - other	1,005	1,119
Deferred tax liabilities	1,870	1,834
Provision for share awards	649	706
Retirement benefit liability	1,451	1,438
Asset retirement obligations	9	9
Other	369	720
<b>Total non-current liabilities</b>	<b>6,356</b>	<b>6,828</b>
<b>Total liabilities</b>	<b>38,244</b>	<b>41,718</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,831	7,831
Capital surplus	13,007	13,007
Retained earnings	55,205	54,432
Treasury shares	(5,247)	(5,241)
<b>Total shareholders' equity</b>	<b>70,796</b>	<b>70,029</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,994	4,632
Deferred gains or losses on hedges	(173)	(736)
Foreign currency translation adjustment	3,463	5,460
Remeasurements of defined benefit plans	(130)	(143)
<b>Total accumulated other comprehensive income</b>	<b>7,155</b>	<b>9,213</b>
Share acquisition rights	91	91
<b>Total net assets</b>	<b>78,043</b>	<b>79,334</b>
<b>Total liabilities and net assets</b>	<b>116,287</b>	<b>121,052</b>

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	32,164	34,575
Cost of sales	26,862	28,250
Gross profit	5,302	6,324
Selling, general and administrative expenses	4,585	4,897
Operating income	716	1,427
Non-operating income		
Interest income	35	70
Dividend income	169	121
Other	47	36
Total non-operating income	252	228
Non-operating expenses		
Interest expenses	9	17
Foreign exchange losses	97	158
Commission expenses	57	4
Other	16	13
Total non-operating expenses	180	194
Ordinary income	789	1,461
Extraordinary income		
Gain on sale of non-current assets	1	286
Subsidy income related to suspension or decrease of production	8	—
Gain on sale of investment securities	100	—
Total extraordinary income	109	286
Extraordinary losses		
Loss on sale of non-current assets	1	—
Loss on retirement of non-current assets	4	5
Loss on suspension or decrease of production	6	—
Total extraordinary losses	12	5
Income before income taxes	885	1,741
Income taxes	390	592
Net income	495	1,148
Net income attributable to owners of parent	495	1,148

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net income	495	1,148
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,568)	638
Deferred gains or losses on hedges	(445)	(563)
Foreign currency translation adjustment	2,125	1,996
Remeasurements of defined benefit plans, net of tax	(32)	(12)
Total other comprehensive income	78	2,058
Comprehensive income	574	3,207
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	574	3,207

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
<b>Cash flows from operating activities</b>		
Income before income taxes	885	1,741
Depreciation	893	988
Increase (decrease) in allowance for doubtful accounts	(58)	(53)
Increase (decrease) in provision for product warranties	32	(21)
Increase (decrease) in provision for bonuses	20	91
Increase (decrease) in provision for bonuses for directors (and other officers)	(6)	18
Increase (decrease) in provision for loss on orders received	(60)	13
Loss (gain) on sale of investment securities	(100)	—
Increase (decrease) in retirement benefit liability	(2)	(23)
Decrease (increase) in retirement benefit asset	(63)	(34)
Increase (decrease) in provision for share awards	93	56
Interest and dividend income	(204)	(192)
Interest expenses	9	17
Loss (gain) on sale of property, plant and equipment	0	(286)
Loss on retirement of non-current assets	4	5
Decrease (increase) in trade receivables	1,049	754
Decrease (increase) in inventories	(2,252)	(2,203)
Increase (decrease) in trade payables	(1,762)	236
Decrease (increase) in other assets	(313)	(171)
Increase (decrease) in other liabilities	779	72
Other, net	(1,033)	(450)
Subtotal	(2,090)	559
Interest and dividends received	202	192
Interest paid	(10)	(20)
Income taxes refund (paid)	(27)	(424)
Net cash provided by (used in) operating activities	(1,925)	306
<b>Cash flows from investing activities</b>		
Payments into time deposits	(529)	(36)
Proceeds from withdrawal of time deposits	322	19
Purchase of property, plant and equipment	(1,196)	(609)
Proceeds from sale of property, plant and equipment	14	306
Purchase of intangible assets	(399)	(190)
Proceeds from sale of investment securities	251	—
Purchase of shares of subsidiaries	(500)	—
Other, net	(0)	(0)
Net cash provided by (used in) investing activities	(2,036)	(511)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(554)	—
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,598)	(1,914)
Dividends paid to non-controlling interests	(2)	—
Other, net	(1)	—
Net cash provided by (used in) financing activities	(2,157)	(1,915)
Effect of exchange rate change on cash and cash equivalents	1,314	1,194
Net increase (decrease) in cash and cash equivalents	(4,805)	(925)
Cash and cash equivalents at beginning of period	35,030	30,508
Cash and cash equivalents at end of period	30,224	29,583

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)

None

(Notes Regarding Remarkable Fluctuation in Shareholders' Equity)

None

(Accounting Policies Adopted Specially for the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

The effective tax rate after the application of tax effect accounting to income before income taxes for the current fiscal year is reasonably estimated. Tax expenses are calculated by multiplying income before income taxes for the quarter by the estimated effective tax rate.

In addition, "income taxes – current" and "income taxes – deferred" are collectively presented as "income taxes."

(Segment Information)

Information regarding amounts of sales, income or loss, assets, other items, and disaggregation of revenue by reportable segment

I. Six months ended September 30, 2022

(Millions of yen)

	Japan	China	Asia	Americas	Europe	Subtotal	Adjustments (*1)	Consolidated statements of income (*2)
Sales								
(1) Sales to third parties								
a. Press Machines	6,898	4,433	2,273	6,376	3,521	23,502	—	23,502
b. Service	2,647	596	832	1,574	1,210	6,860	—	6,860
c. Others	1,762	13	13	1	11	1,801	—	1,801
Subtotal	11,307	5,043	3,119	7,951	4,742	32,164	—	32,164
(2) Inter-segment sales	7,428	287	2,314	245	248	10,524	(10,524)	—
Total sales	18,736	5,331	5,433	8,197	4,991	42,689	(10,524)	32,164
Segment income (loss)	(288)	253	339	49	87	442	274	716

Notes:

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

Adjustments of segment income (loss) refer to the adjustment as a result of inter-segment transaction eliminations.

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

II. Six months ended September 30, 2023

(Millions of yen)

	Japan	China	Asia	Americas	Europe	Subtotal	Adjustments (*1)	Consolidated statements of income (*2)
Sales								
(1) Sales to third parties								
a. Press Machines	5,838	6,344	2,449	5,549	5,687	25,870	—	25,870
b. Service	2,473	607	1,079	1,500	1,461	7,122	—	7,122
c. Others	1,549	4	15	—	13	1,582	—	1,582
Subtotal	9,861	6,956	3,544	7,049	7,162	34,575	—	34,575
(2) Inter-segment sales	8,631	163	1,730	332	899	11,757	(11,757)	—
Total sales	18,493	7,120	5,275	7,382	8,062	46,333	(11,757)	34,575
Segment income (loss)	(225)	510	620	164	213	1,283	143	1,427

Notes:

- Adjustments of sales represent elimination of inter-segment transactions.  
Adjustments of segment income (loss) refer to the adjustment as a result of inter-segment transaction eliminations.
- Segment income (loss) is adjusted to operating income of consolidated statements of income.

3. Supplementary Information

Status of Orders

Six months ended September 30, 2023

(Millions of yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	15,194	3.8	29,051	22.5
China	5,316	(52.9)	15,872	(9.4)
Asia	4,212	14.7	5,973	12.6
Americas	8,357	(12.8)	11,996	12.2
Europe	9,908	22.1	15,863	20.9
Total	42,990	(9.1)	78,758	12.0

Notes:

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