

FY 2017
Financial Results
(from Apr. 2016 to Mar. 2017)

AIDA



Highlights of FY2017
(Fiscal Year ended Mar.2017)
Financial Results
&
Forecast of Full-Year FY2018

Highlights of Consolidated Results Summary of P&L

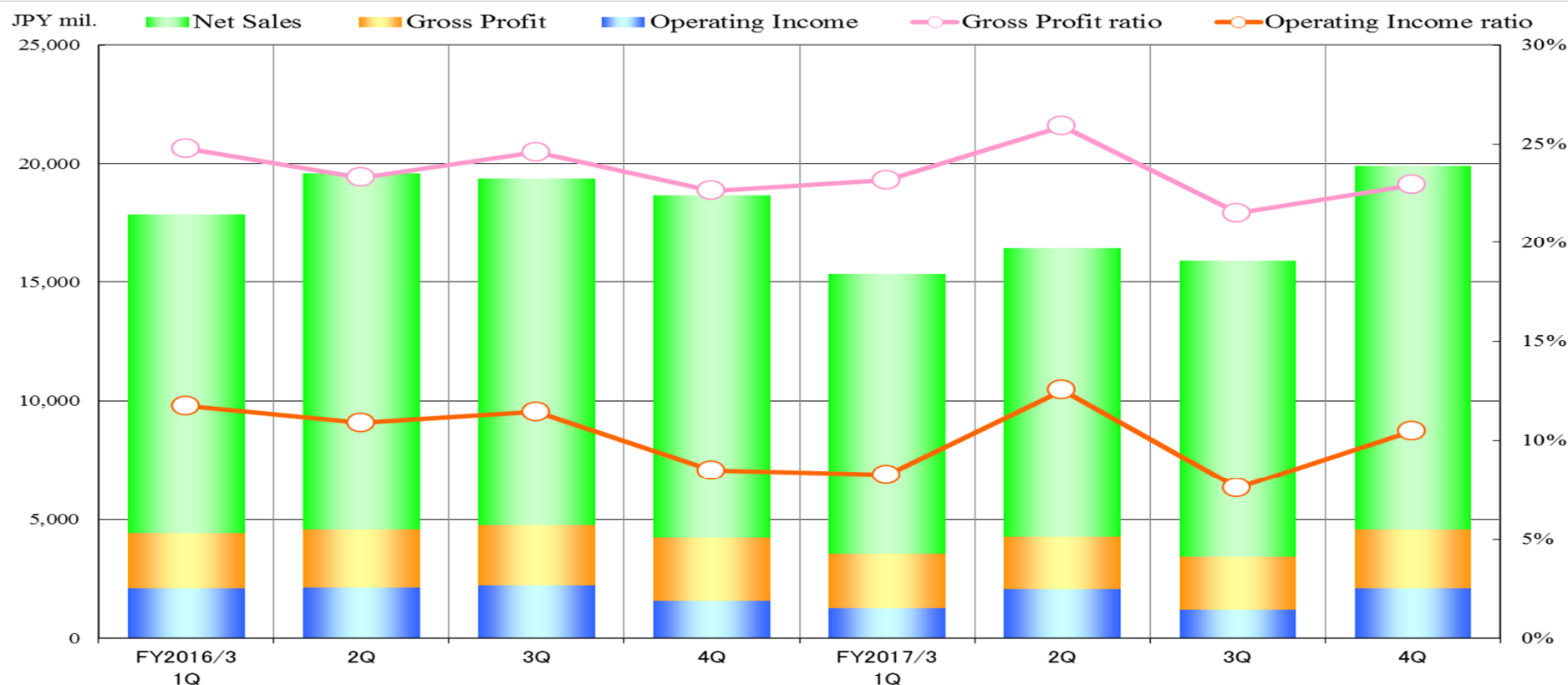







(JPY mil.)		FY2016	FY2017	Fluctuation		FY2017 forecast	VS Forecast	
				Amount	%		Amount	%
Net Sales		75,529	67,547	Δ 7,982	Δ10.6%	70,000	Δ 2,452	Δ3.5%
Cost of Sales		57,544	51,761	Δ 5,783	Δ10.0%	53,900	Δ 2,138	Δ4.0%
Gross Profit		17,985	15,785	Δ 2,199	Δ12.2%	16,100	Δ 314	Δ2.0%
<Gross Profit ratio>		23.8%	23.4%		(Δ0.4P)	23.0%		(+0.4P)
Selling, general & administrative expenses		9,947	9,168	Δ 779	Δ 7.8%	9,600	Δ 431	Δ4.5%
Operating Income		8,037	6,617	Δ 1,420	Δ17.7%	6,500	117	1.8%
<Operating Income ratio>		10.6%	9.8%		(Δ0.8P)	9.3%		(+0.5P)
Ordinary Profit		8,364	6,775	Δ 1,589	Δ19.0%	6,600	175	2.7%
Income Before Income Taxes		8,329	6,754	Δ 1,574	Δ18.9%	6,600	154	2.3%
Net Income		5,782	4,985	Δ 797	Δ13.8%	4,600	385	8.4%
Exchange Rate	1USD=	¥120.11	¥108.47	¥-11.64	-9.7%	¥108.00	¥0.47	0.4%
	1EUR=	¥132.66	¥118.91	¥-13.75	-10.4%	¥119.00	¥-0.09	-0.1%

Summary

Net Sales:	Net Sales declined by 8.0 billion yen (by 10.6%) from previous FY. The decline was due to the stronger yen and decrease of automotive related sales in Japan and Asia. The impact of yen appreciation to the net sales decline is approximately 4.5 billion yen.
Gross Profit:	Gross profit decreased by 2.2 billion yen (by 12.2%) from previous FY. The decrease was due to yen appreciation and decrease of net sales. The impact of yen appreciation to the profit decrease is around 0.9 billion yen.
Operating Income:	Operating income decreased by 1.4 billion yen (by 17.7%) from previous FY. The impact of yen appreciation to the income decrease is approximately 0.5 billion yen.
Net Income:	Net income decreased by 13.8% from previous FY due to the decrease of operating income.

Trend of Sales, Gross Profit and Operating Income

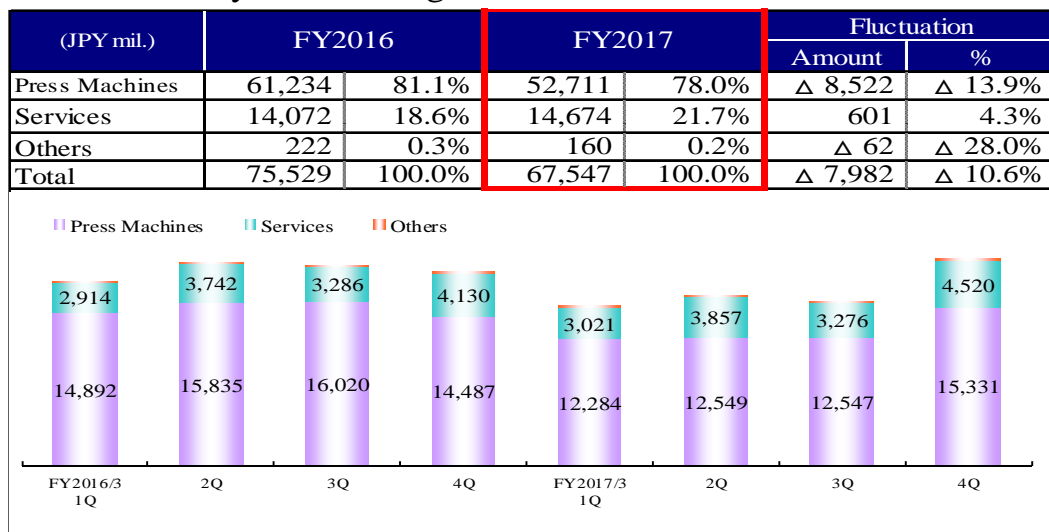


		FY2016				FY2017			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	Net Sales	17,857	19,611	19,393	18,668	15,338	16,430	15,882	19,897
	Gross Profit	4,421	4,572	4,767	4,225	3,553	4,256	3,414	4,562
	Operating Income	2,097	2,136	2,221	1,583	1,266	2,059	1,205	2,087
	Gross Profit ratio	24.8%	23.3%	24.6%	22.6%	23.2%	25.9%	21.5%	22.9%
	Operating Income ratio	11.7%	10.9%	11.5%	8.5%	8.3%	12.5%	7.6%	10.5%

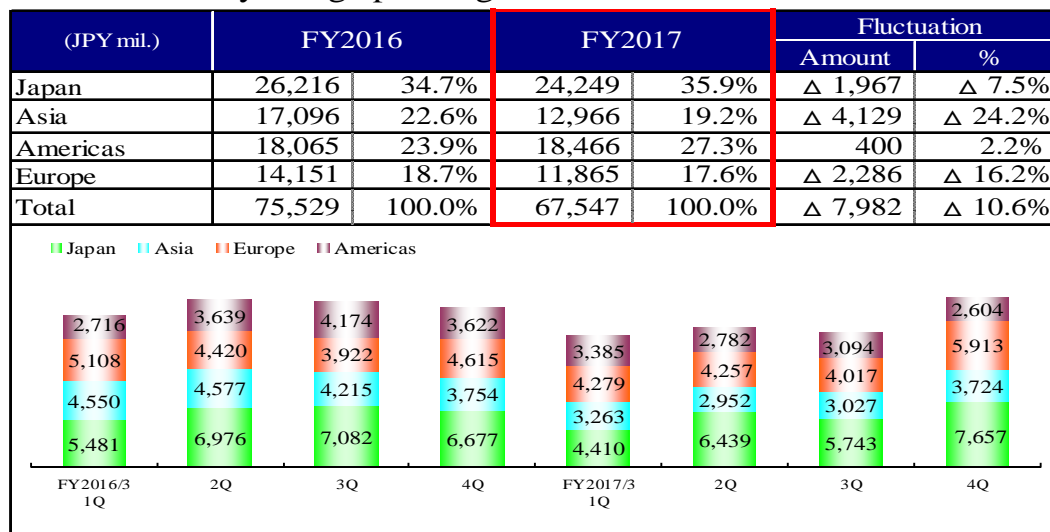
Sales to Third Party (by Business/Customer/Geographic segment)



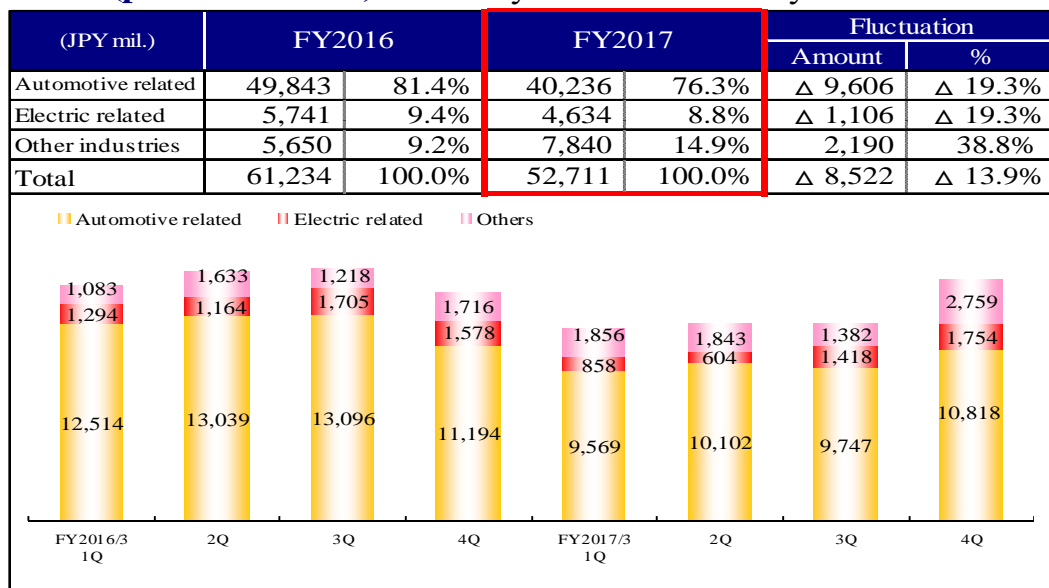
Sales by Business segment



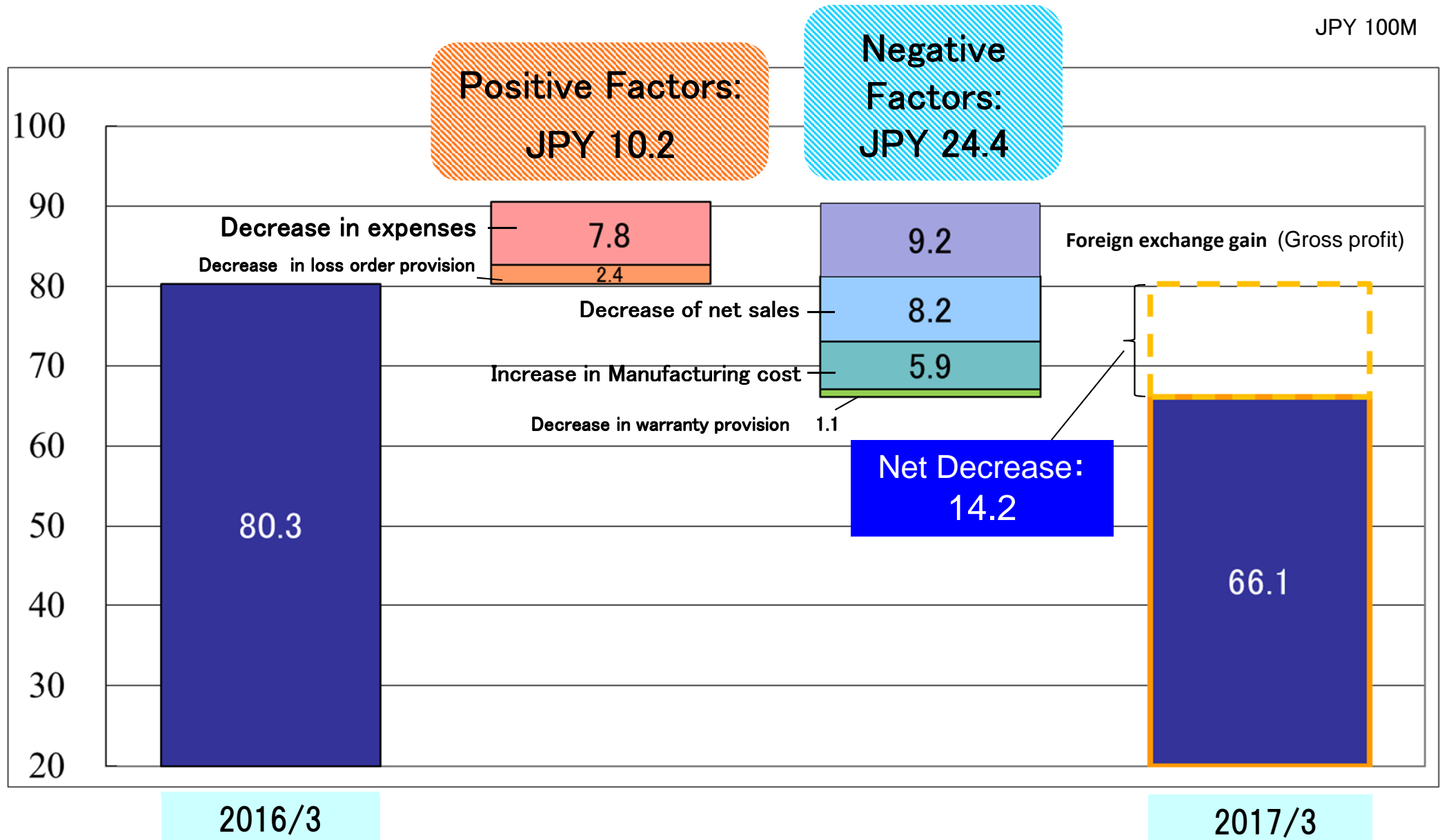
Sales by Geographic segment



Sales (press machines) by Customer industry



Fluctuation Analysis with regards to Operating Income

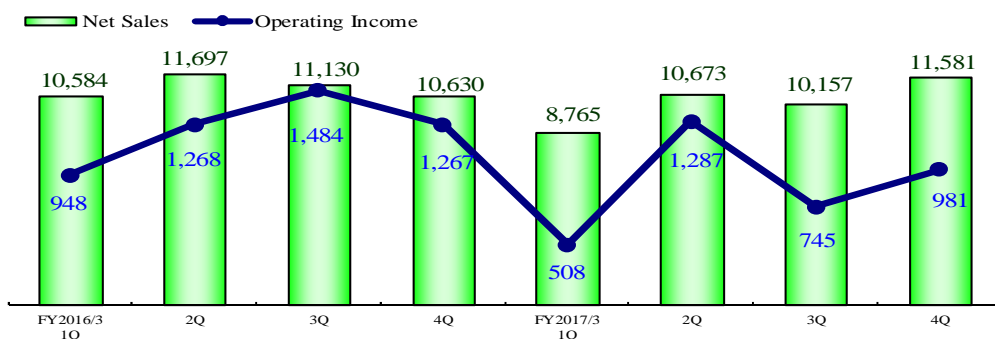


Sales / Operating Income (by Geographic segment)



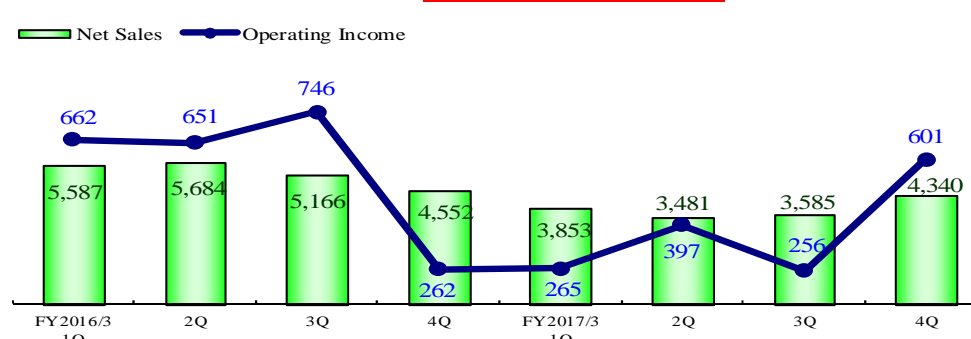
Japan

(JPY mil.)	FY2016		FY2017		Fluctuation	
					Amount	%
Net Sales	44,041		41,176		△ 2,865	△ 6.5%
Operating Income	4,967	11.3%	3,521	8.6%	△ 1,446	△ 29.1%



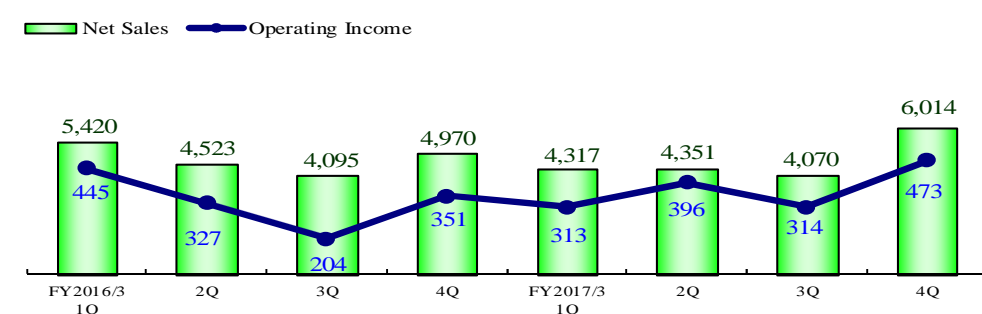
Asia

(JPY mil.)	FY2016		FY2017		Fluctuation	
					Amount	%
Net Sales	20,989		15,259		△ 5,729	△ 27.3%
Operating Income	2,321	11.1%	1,519	10.0%	△ 801	△ 34.5%



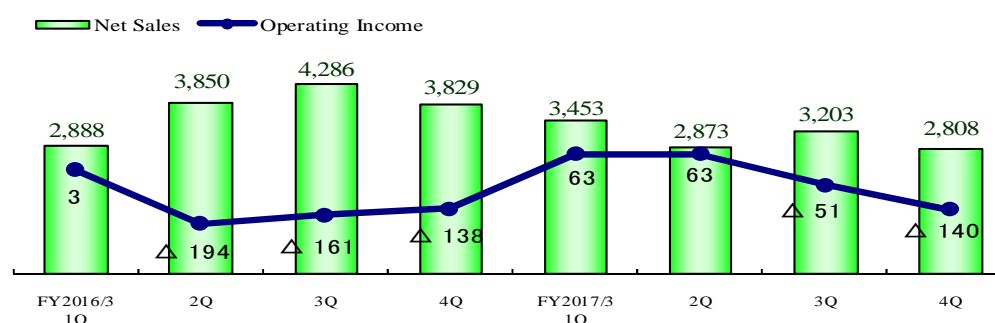
Americas

(JPY mil.)	FY2016		FY2017		Fluctuation	
					Amount	%
Net Sales	19,008		18,752		△ 255	△ 1.3%
Operating Income	1,327	7.0%	1,496	8.0%	169	12.8%



Europe

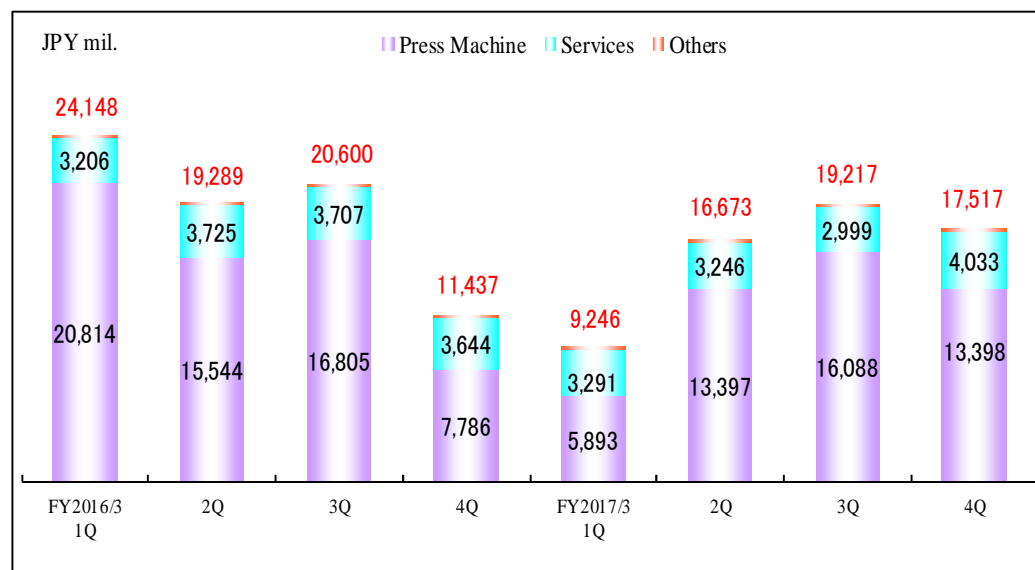
(JPY mil.)	FY2016		FY2017		Fluctuation	
					Amount	%
Net Sales	14,853		12,337		△ 2,516	△ 16.9%
Operating Income	△ 490	△ 3.3%	△ 65	△ 0.5%	425	-



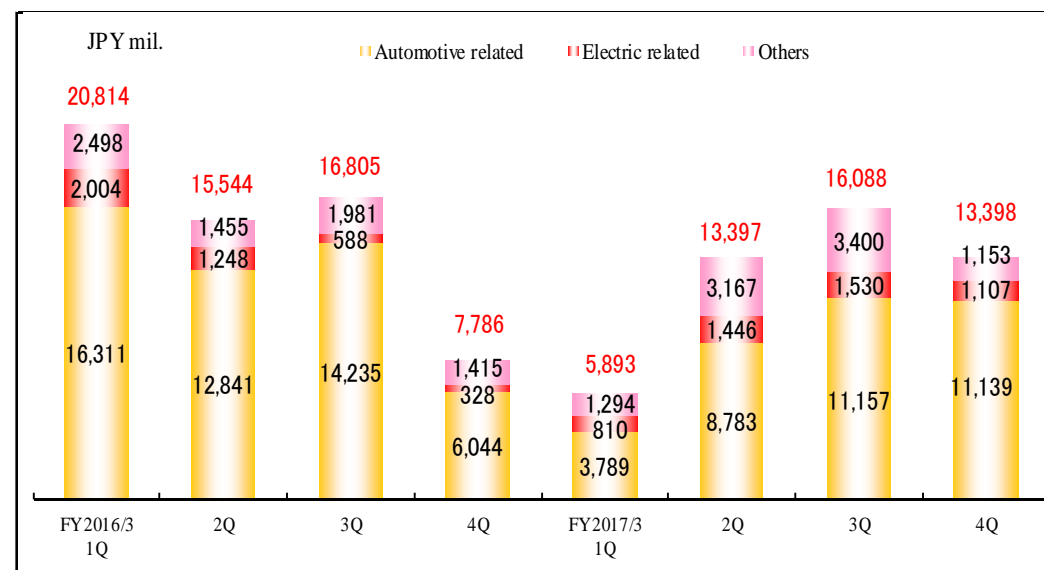
Orders Intake & Backlog (by Business/Customer/Geographic segment)



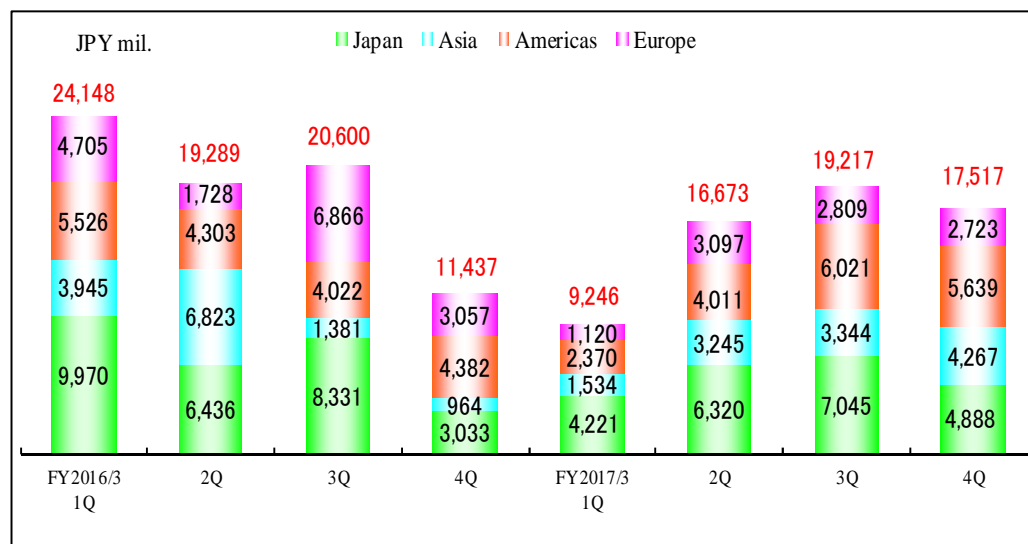
Orders Intake by Business Segment



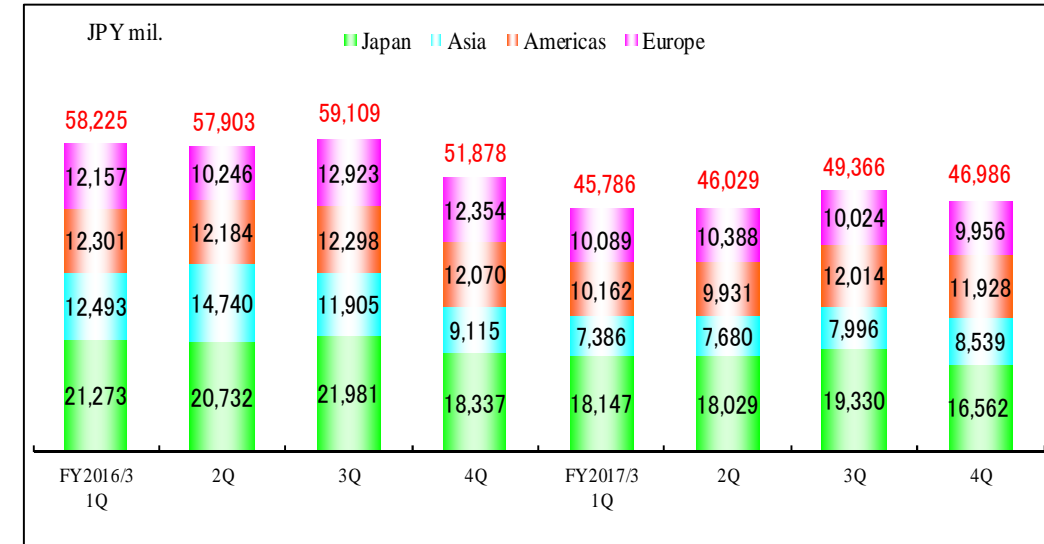
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



(JPY mil.)	FY2016				FY2017				vs. FY2016	
	1st Half		Full-year		1st Half		Full-year		Fluctuation	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	%
Order Intake: total	43,437	100.0%	75,474	100.0%	25,919	100.0%	62,655	100.0%	Δ 12,818	Δ 17.0%
By Business										
Press Machine	36,358	83.7%	60,949	80.8%	19,290	74.4%	48,776	77.8%	Δ 12,172	Δ 20.0%
By Customer										
Automotive related	29,152	80.2%	49,431	81.1%	12,572	65.2%	34,868	71.5%	Δ 14,562	Δ 29.5%
Electric related	3,252	8.9%	4,168	6.8%	2,256	11.7%	4,893	10.0%	724	17.4%
Other industries	3,953	10.9%	7,349	12.1%	4,461	23.1%	9,014	18.5%	1,664	22.7%
Services	6,931	16.0%	14,282	18.9%	6,537	25.2%	13,569	21.7%	Δ 713	Δ 5.0%
Others	148	0.3%	242	0.3%	91	0.4%	309	0.5%	67	27.9%
By Region										
Japan	16,406	37.8%	27,770	36.8%	10,541	40.7%	22,474	35.9%	Δ 5,295	Δ 19.1%
Asia	10,768	24.8%	13,113	17.4%	4,779	18.4%	12,390	19.8%	Δ 722	Δ 5.5%
Americas	9,829	22.6%	18,233	24.2%	6,381	24.6%	18,041	28.8%	Δ 192	Δ 1.1%
Europe	6,433	14.8%	16,356	21.7%	4,217	16.3%	9,749	15.6%	Δ 6,607	Δ 40.4%
Order Backlog: total	57,903	100.0%	51,878	100.0%	46,029	100.0%	46,986	100.0%	Δ 4,891	Δ 9.4%
By Region										
Japan	20,732	35.8%	18,337	35.3%	18,029	39.2%	16,562	35.2%	Δ 1,775	Δ 9.7%
Asia	14,740	25.5%	9,115	17.6%	7,680	16.7%	8,539	18.2%	Δ 575	Δ 6.3%
Americas	12,184	21.0%	12,070	23.3%	9,931	21.6%	11,928	25.4%	Δ 142	Δ 1.2%
Europe	10,246	17.7%	12,354	23.8%	10,388	22.6%	9,956	21.2%	Δ 2,398	Δ 19.4%

Major Changes on Balance Sheet



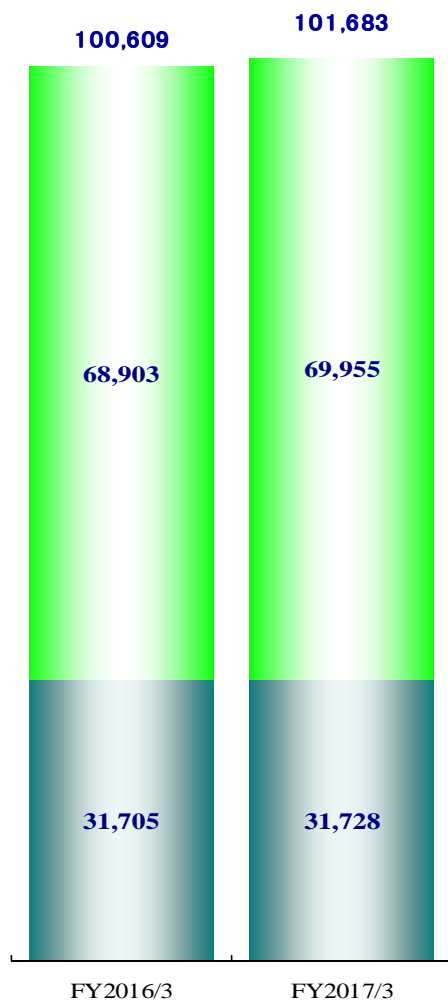
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Mar. 2016

Total assets **+ 1,073**



Current assets **+ 1,051**
 Cash on hand and at bank and
 Short-term securities Δ 3,238
 Notes and accounts receivable,
 trade and Electronically recorded
 monetary claims-operating $+ 3,387$

Fixed assets **+ 22**
 Investment securities $+ 1,022$
 Insurance reserve fund Δ 1,198

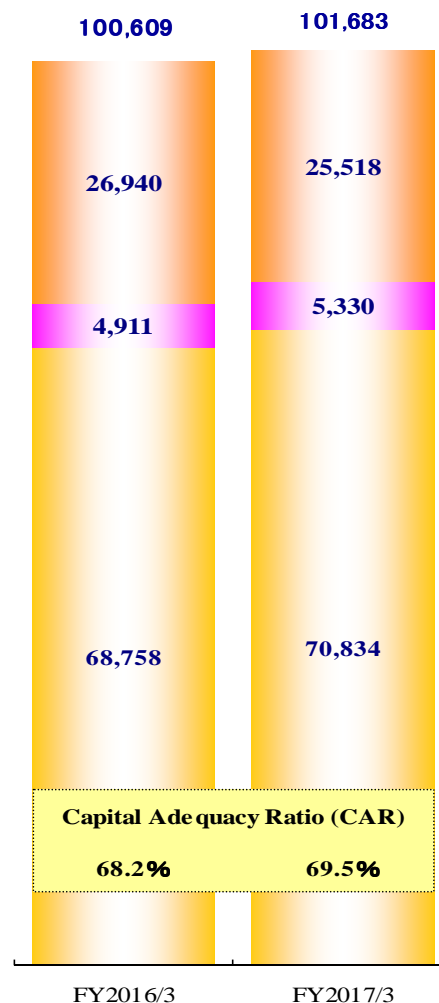
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
 ■ Long-term liabilities
 ■ Net assets

VS end of Mar. 2016

Total current liabilities **Δ 1,002**



Current liabilities **Δ 1,422**
 Income taxes payable Δ 527

Net assets **+ 2,076**
 Retained earnings $+ 3,033$
 Foreign currency translation
 adjustments Δ 1,512

Capital Adequacy Ratio (CAR)
68.2% **69.5%**

Highlights: Forecasts of FY2017 Consolidated Results



(JPY mil.)	FY2017	FY2018 Forecast	Fluctuation		FY2018 1H Forecast
			Amount	%	
Net Sales	67,547	72,000	4,453	6.6%	36,000
Cost of Sales	51,761	55,400	3,639	7.0%	27,700
Gross Profit	15,785	16,600	815	5.2%	8,300
<Gross Profit ratio>	23.4%	23.1%		(Δ0.3P)	23.1%
Selling, general and administrative expenses	9,168	9,600	432	4.7%	4,800
Operating Income	6,617	7,000	383	5.8%	3,500
<Operating Income ratio>	9.8%	9.7%		(Δ0.1P)	9.7%
Ordinary Income	6,775	7,100	325	4.8%	3,600
Income Before Income Taxes	6,754	7,000	246	3.6%	3,500
Net Income	4,985	5,000	15	0.3%	2,500
Exchange Rate	1USD=	¥108.47	¥1.53	1.4%	¥110.00
	1EUR=	¥118.91	¥0.09	0.1%	¥119.00

Causes of Change of Operating Income

(In million JPY)

Increase of net sales	:	+ 9
Foreign exchange gain	:	+ 1
Increase in Manufacturing cost	:	Δ 2
Increase in expenses	:	Δ 4
Net Change		+ 4

Summary

Net Sales:	Order intakes have been strong since 3Q of previous FY. Expecting sales increase either in domestic or overseas, compared with the previous FY.
Gross Profit:	Gross profit will increase from the previous FY by improving productivity, absorbing negative impact of rise in raw material cost.
Operating Income:	Operating income will increase from the previous FY, due to increase of Gross profit, absorbing negative impact of SGA increasing.
Net Income:	Net income will not increase from the previous FY due to the decrease of tax credit and tax refund.

Forecasts of Orders Intake/Sales/Operating Income (by segment)



By Business

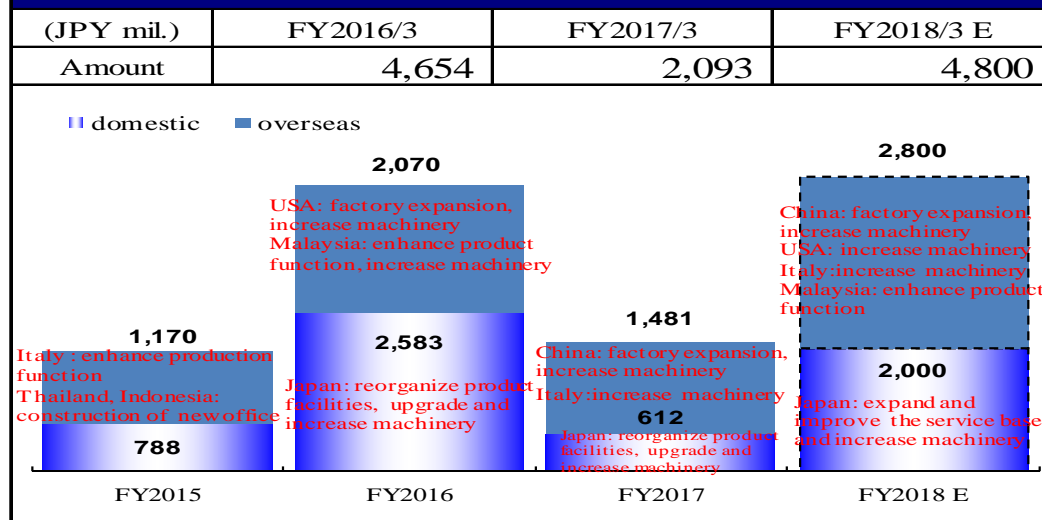
(JPY mil.)	Orders				Net Sales			
	FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017	
			Amount	%			Amount	%
Press Machines	48,776	58,200	9,424	19.3%	52,711	56,200	3,489	6.6%
Services	13,569	15,600	2,031	15.0%	14,674	15,600	926	6.3%
Others	309	200	Δ 109	Δ 35.3%	160	200	40	25.0%
Consolidated	62,655	74,000	11,345	18.1%	67,547	72,000	4,453	6.6%

By Region

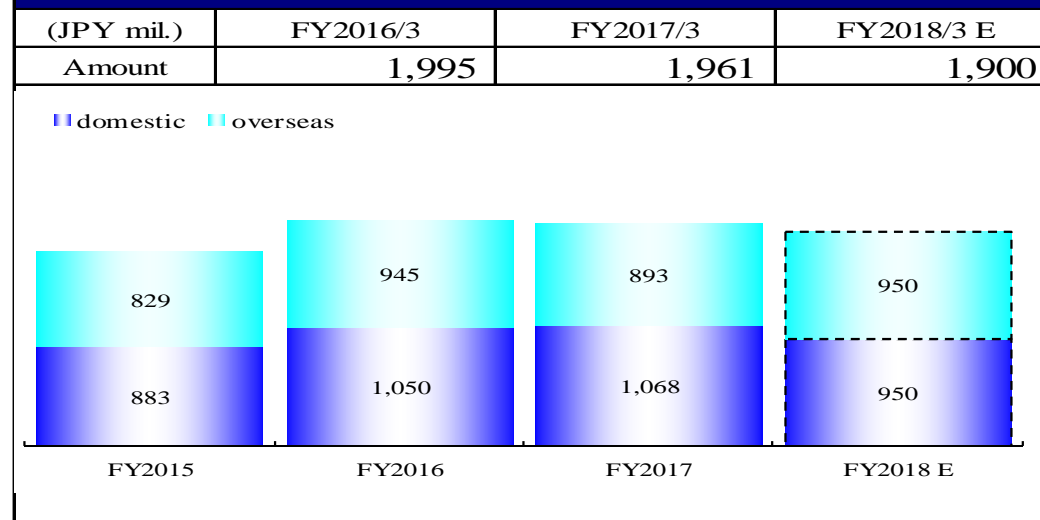
(JPY mil.)	Orders				Net Sales				Operating Income			
	FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017		FY2017	FY2018 forecast	Fluctuation: FY2018 vs FY2017	
			Amount	%			Amount	%			Amount	%
Japan	22,474	24,000	1,526	6.8%	41,176	42,000	824	2.0%	3,521	3,600	79	2.2%
Asia	12,390	17,000	4,610	37.2%	15,259	18,000	2,741	18.0%	1,519	2,000	481	31.7%
Americas	18,041	20,000	1,959	10.9%	18,752	21,000	2,248	12.0%	1,496	1,300	Δ 196	Δ 13.1%
Europe	9,749	13,000	3,251	33.3%	12,337	14,000	1,663	13.5%	Δ 65	100	165	–
Reconciliation					Δ 19,979	Δ 23,000	Δ 3,021	15.1%	144	0	Δ 144	–
Consolidated	62,655	74,000	11,345	18.1%	67,547	72,000	4,453	6.6%	6,617	7,000	383	5.8%

Trend of Capex, Depreciation, R&D & CF

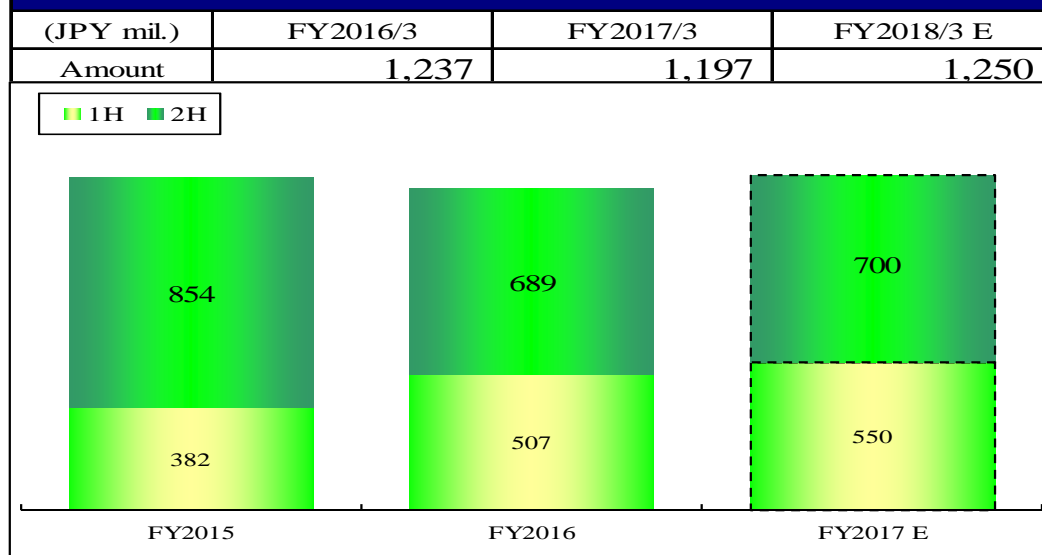
Capital Expenditures



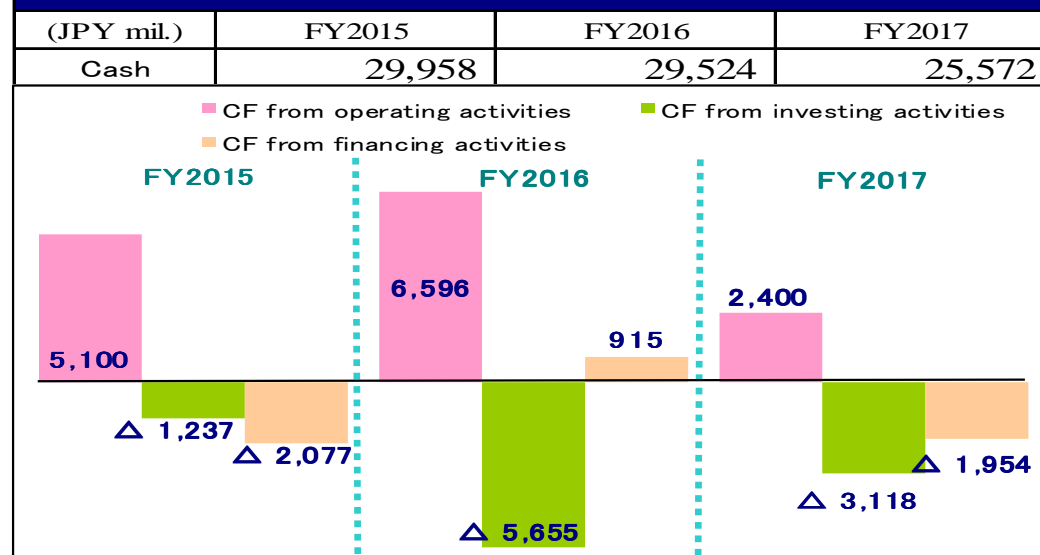
Depreciation & Amortization



R&D Expenditures

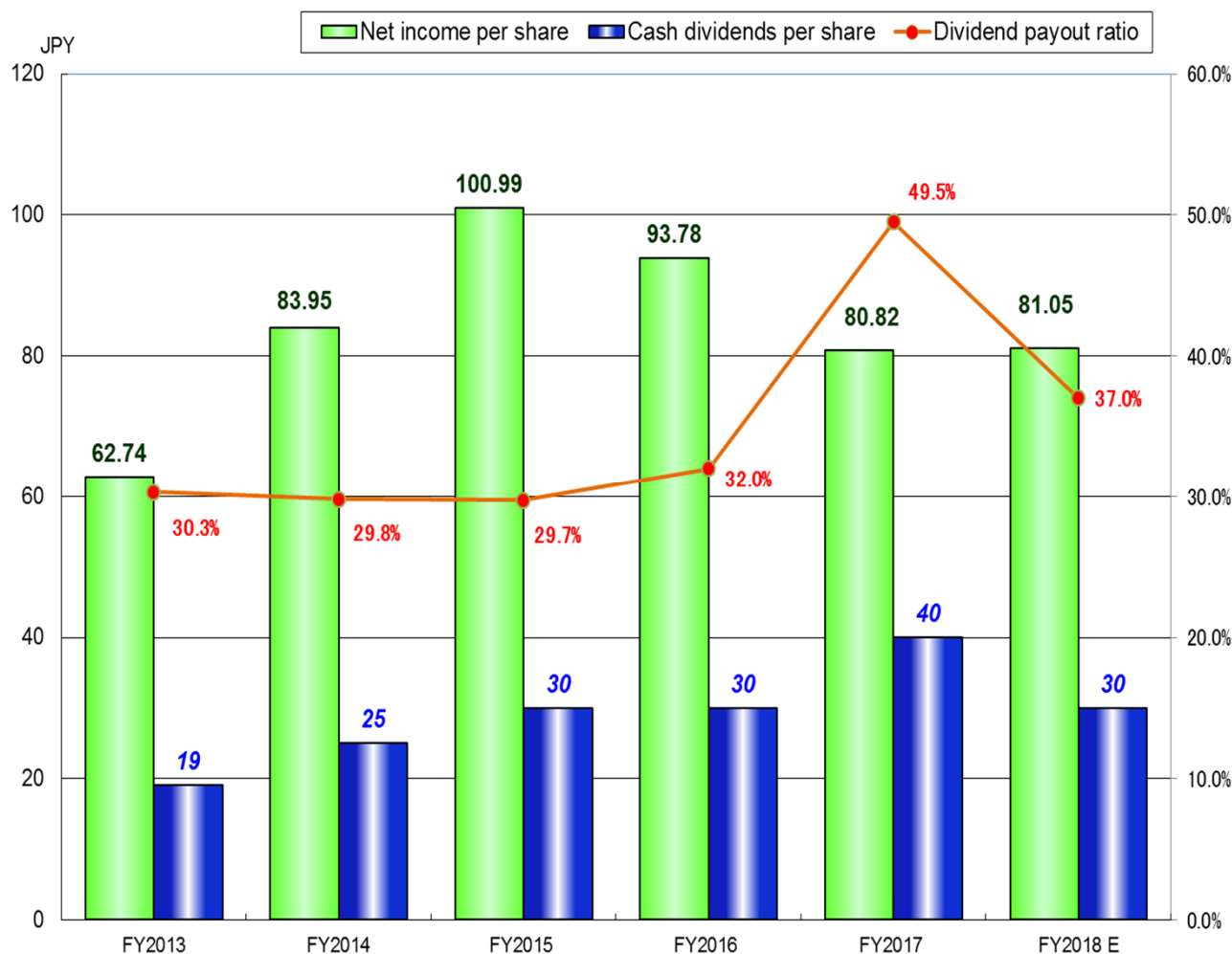


Cash & Cash Equivalents / Cash Flow



Return to Shareholders

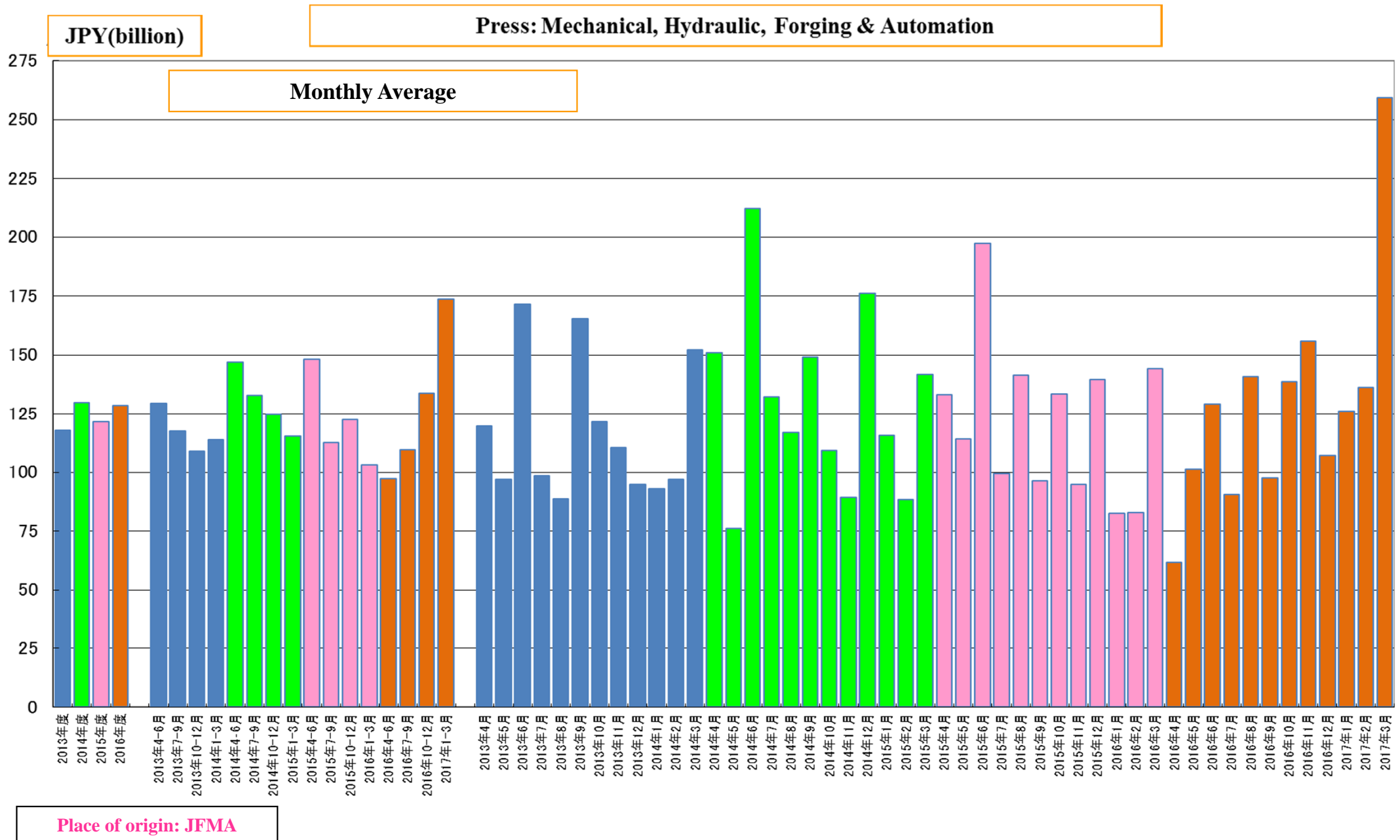
• **Dividend Policy**: AIDA focuses on continuation of stable dividend, maintaining “dividend on equity” at adequate level. Dividend amount is basically linked with consolidated financial results, targeting 30% of dividend payout ratio.



A dividend of ¥40 per share for FY2017 is expected, after adding a **100th anniversary commemorative dividend** of ¥10 per share to common dividend of ¥30 per share.

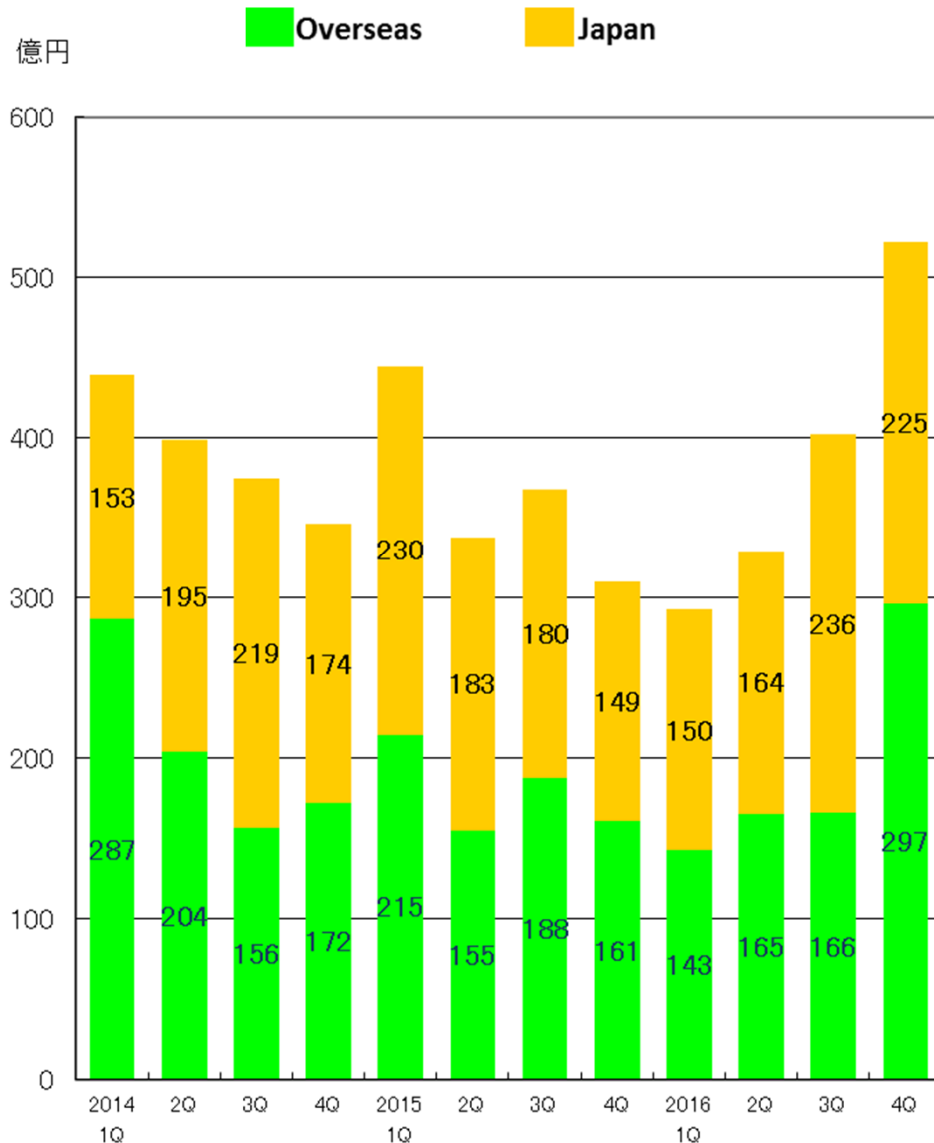
Expect a dividend of ¥30 per share for FY2018 in order to continue stable return to stockholders.
→ Achieving 37% of dividend payout ratio.

(for Reference) Statistics of Forming Machinery Industry- 1)



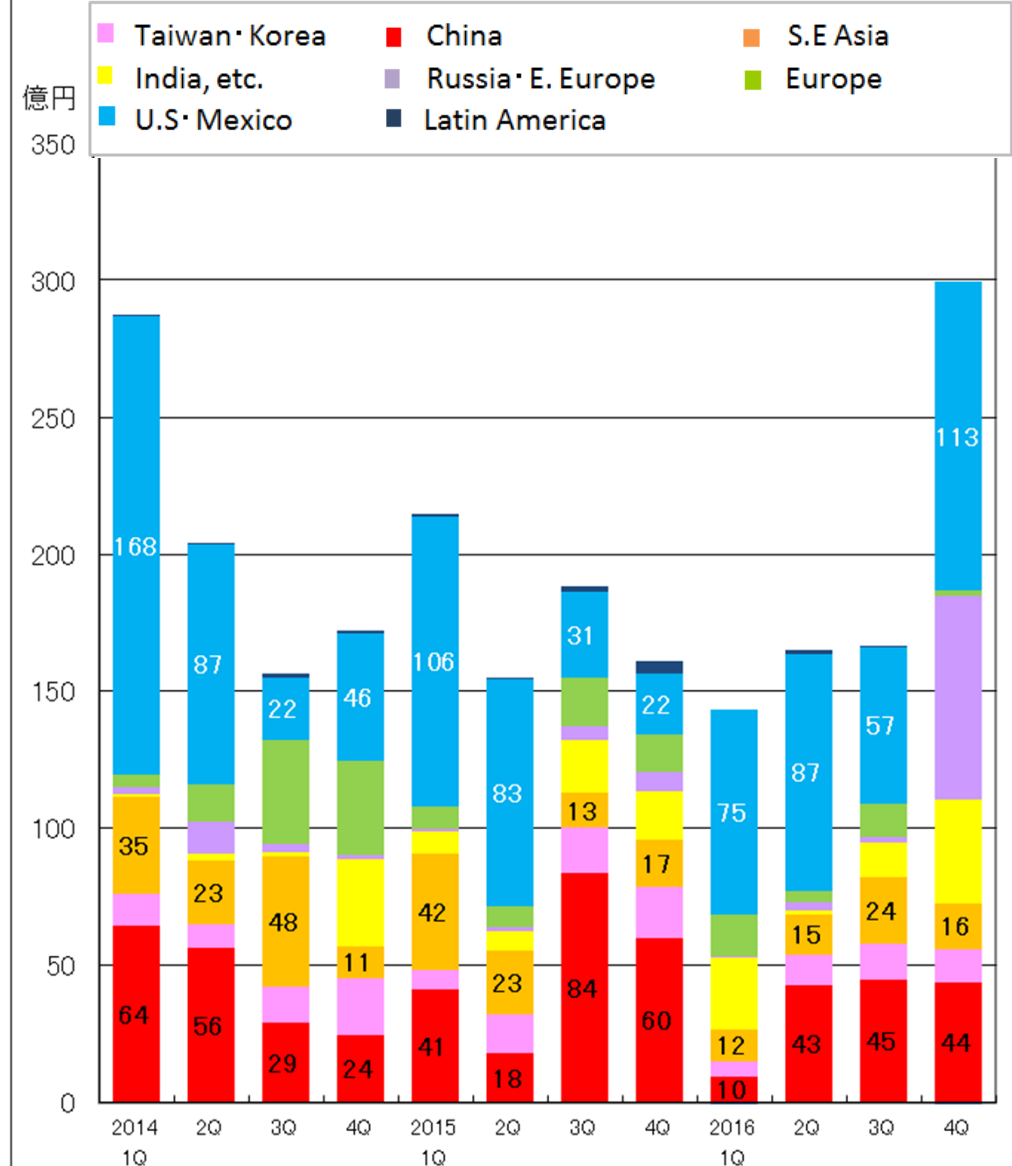
(for Reference) Statistics of Forming Machinery Industry- 2)

Trend of Order Intake



Place of origin: JFMA

Trend of Order Intake (Overseas) by Geographic Segment



Cautions about forecast statements contained in this package

- **The information in this package contains future forecasts.**
- **Future forecasts contained in this document are based on the judgment of company management based on currently available information. Although the future forecasts are based on or grounded in assumptions, future economic circumstances and actual business results may differ from these assumptions.**
- **Although the Company or its management is stating its expectations and/or convictions regarding future results, this does not guarantee that these expectations or convictions will be realized, nor does it guarantee that the actual results will be close to the forecasts. Moreover, the Company does not assume any obligation to update or revise any forecasts unless otherwise stipulated by law.**

May 2017

AIDA ENGINEERING, LTD.