

Presentation of Consolidated Financial Results
for the 3rd Quarter of the FY Ended March 31, 2020
(from Apr. 2019 to Dec. 2019)

AIDA



Highlights of Consolidated Results Summary of P&L



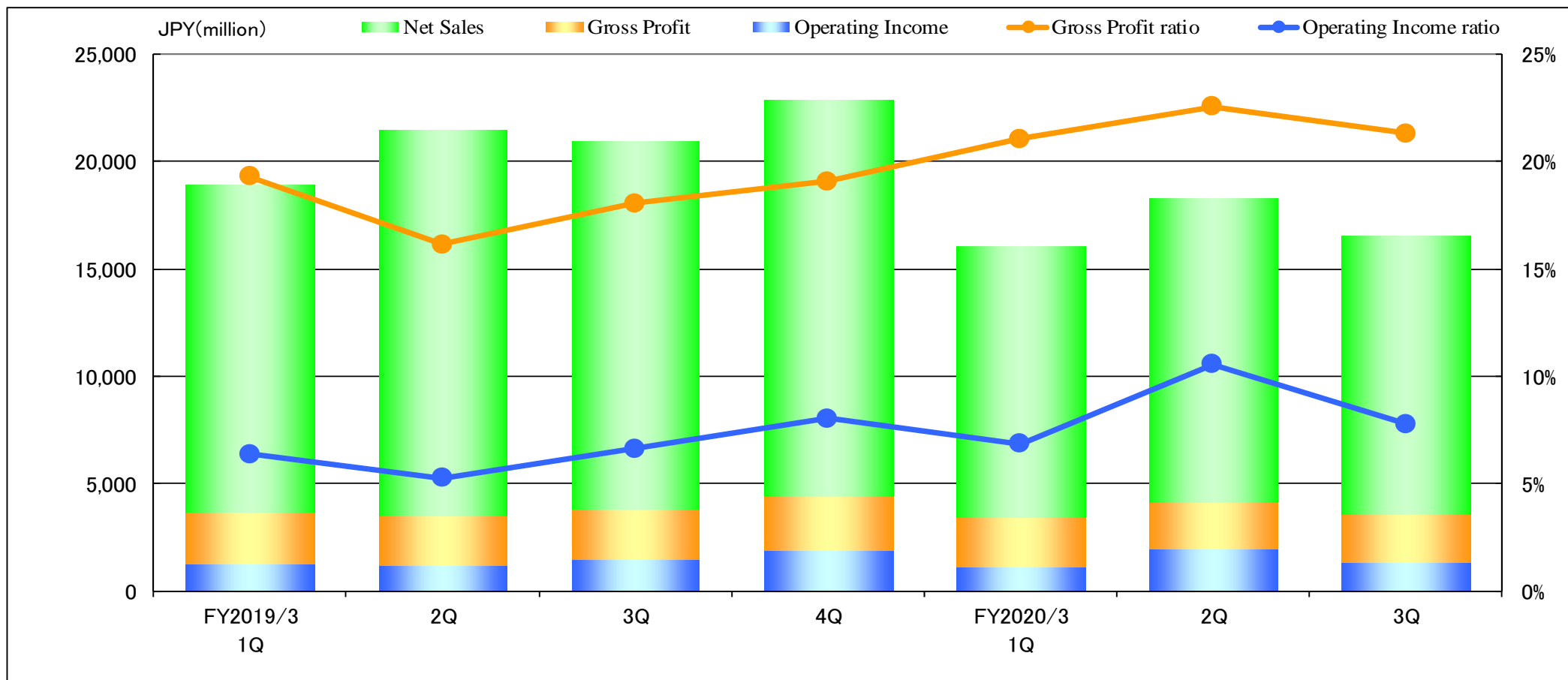
(JPY mil.)	FY2019/3	FY2020/3	Fluctuation		
	3Q (9M)	3Q (9M)	Amount	%	
Net Sales	61,257	50,809	△ 10,447	△17.1%	
Cost of Sales	50,378	39,802	△ 10,576	△21.0%	
Gross Profit	10,878	11,006	128	1.2%	
<Gross Profit ratio>	17.8%	21.7%		(+3.9P)	
Selling, general and administrative expenses	7,154	6,691	△ 462	△6.5%	
Operating Income	3,723	4,314	590	15.9%	
<Operating Income ratio>	6.1%	8.5%		(+2.4P)	
Ordinary Income	4,109	4,371	261	6.4%	
Income Before Income Taxes	3,938	4,364	426	10.8%	
Net Income	2,783	3,024	240	8.6%	
Exchange Rate	1USD=	¥111.19	¥108.74	△2.45	△2.2%
	1EUR=	¥129.53	¥121.11	△8.42	△6.5%

<Summary>

Net sales decreased, but OP didn't catch up
Ordinary income and net income increased
from previous FY

Net Sales:	Net sales decreased by 17.1% from the previous FY mainly due to decrease of orders intake in the previous FY from automotive-related customers in China, Americas and Europe.
Gross Profit:	While net sales decreased, gross profit increased by 1.2% from the previous FY due to improvement of product mix, profitability of mid-to-large sized press machines, and drop in additional cost for custom specifications which occurred in previous FY.
Operating Income:	Operating income increased by 15.9% from the previous FY. The increase was mainly due to the increase of gross profit and the reduction of SGA. Operating income ratio increased by 2.4 points.
Ordinary Income:	Ordinary income increased by 6.4% from the previous FY, due to increase in operating income.
Net Income:	Net income increased by 8.6% from the previous FY, due to increase in ordinary income.

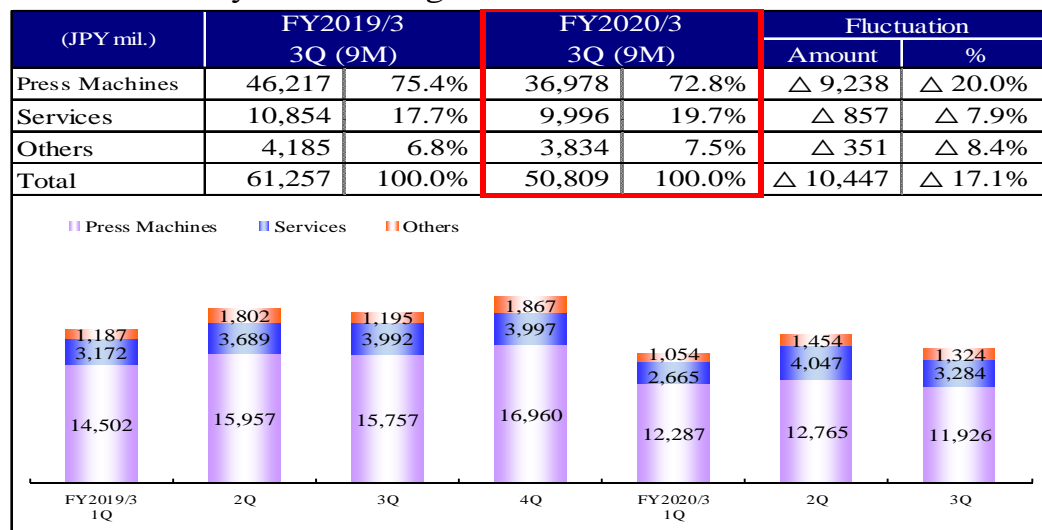
Trend of Sales, Gross Profit and Operating Income



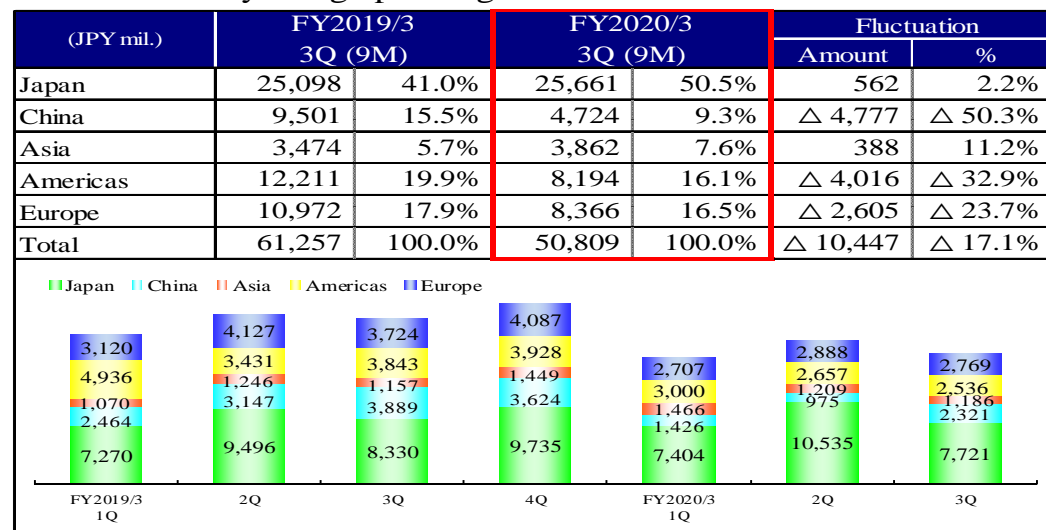
		FY2019/3				FY2020/3		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
	Net Sales	18,862	21,449	20,945	22,825	16,007	18,267	16,534
	Gross Profit	3,637	3,459	3,781	4,352	3,366	4,115	3,524
	Operating Income	1,203	1,130	1,389	1,837	1,097	1,929	1,287
	Gross Profit ratio	19.3%	16.1%	18.1%	19.1%	21.0%	22.5%	21.3%
	Operating Income ratio	6.4%	5.3%	6.6%	8.1%	6.9%	10.6%	7.8%

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

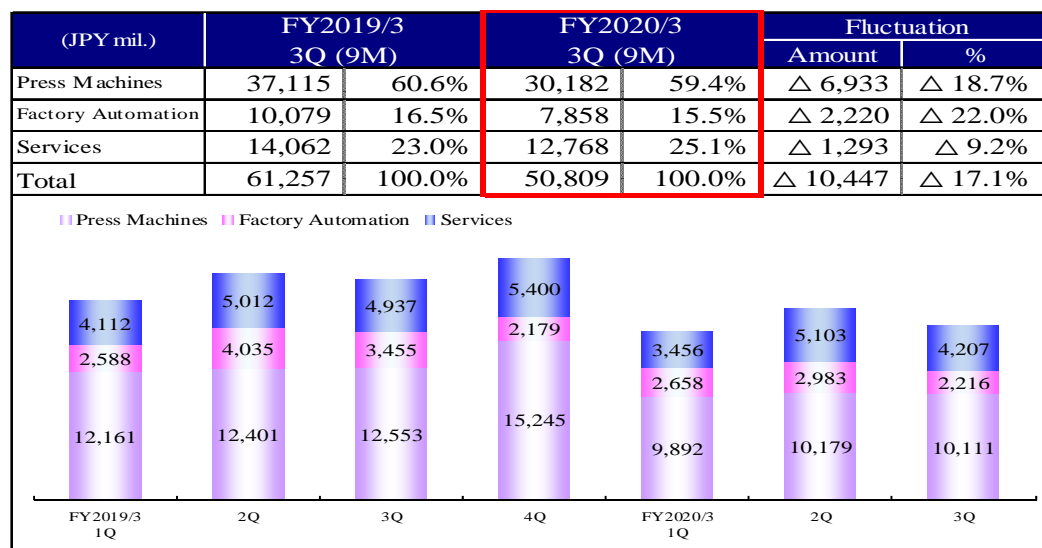
Sales by Business segment



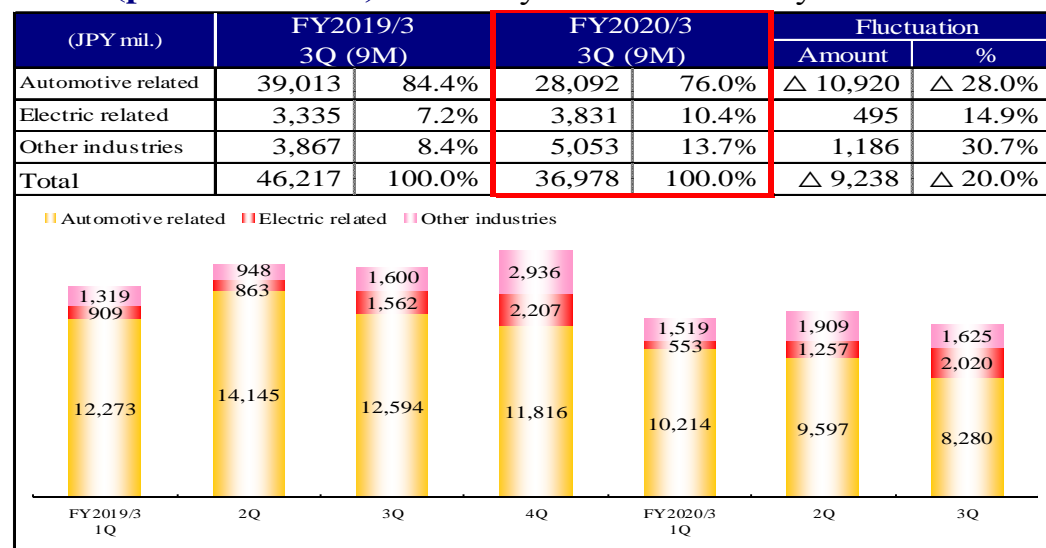
Sales by Geographic segment



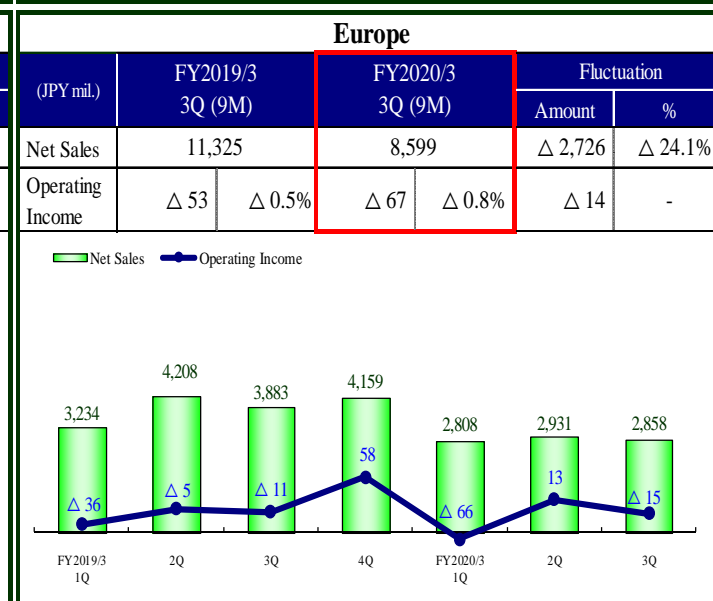
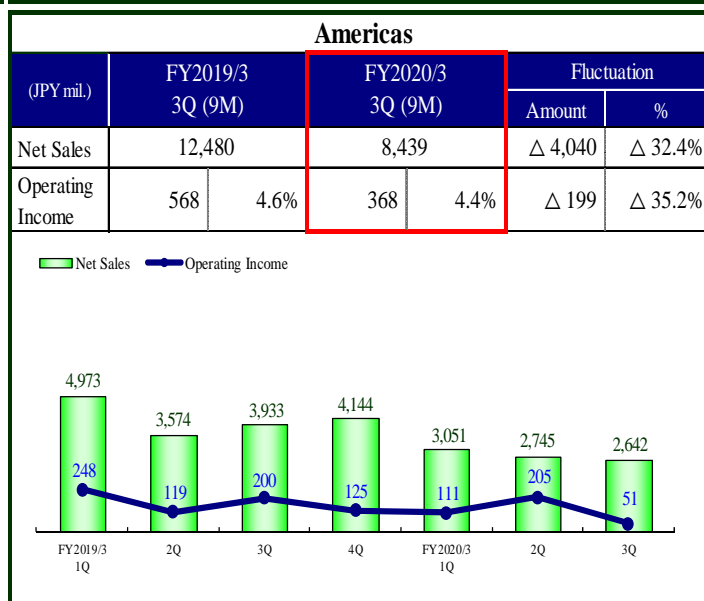
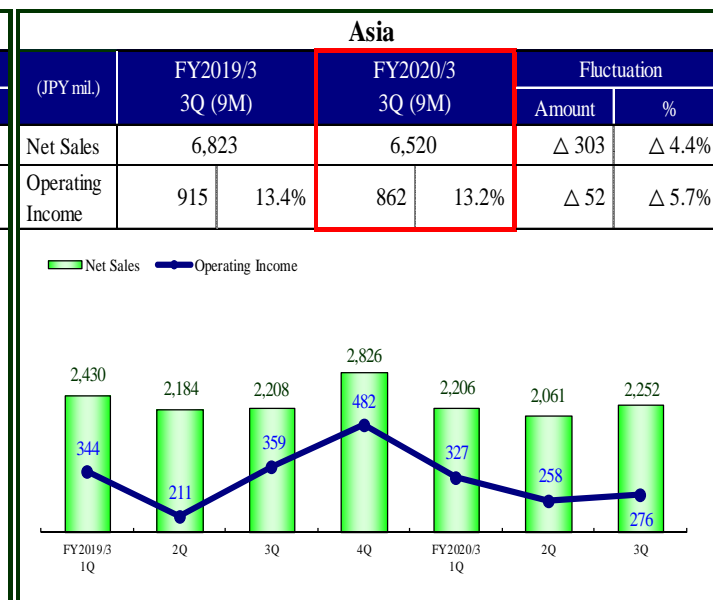
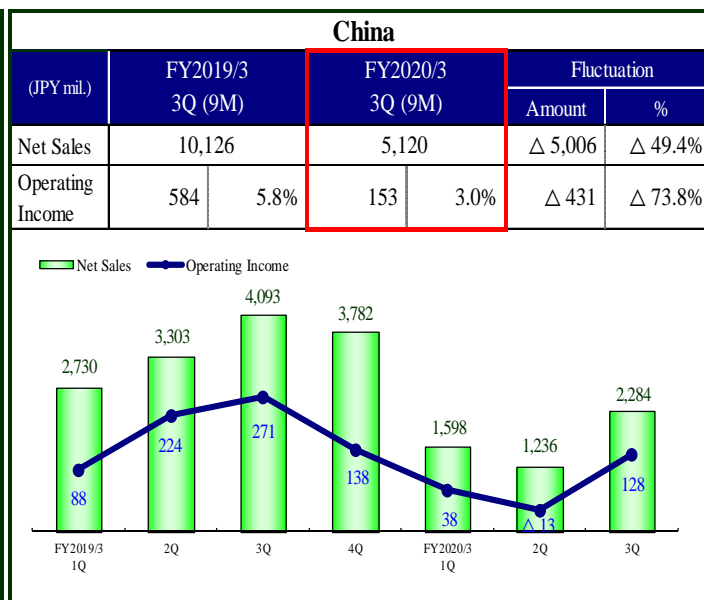
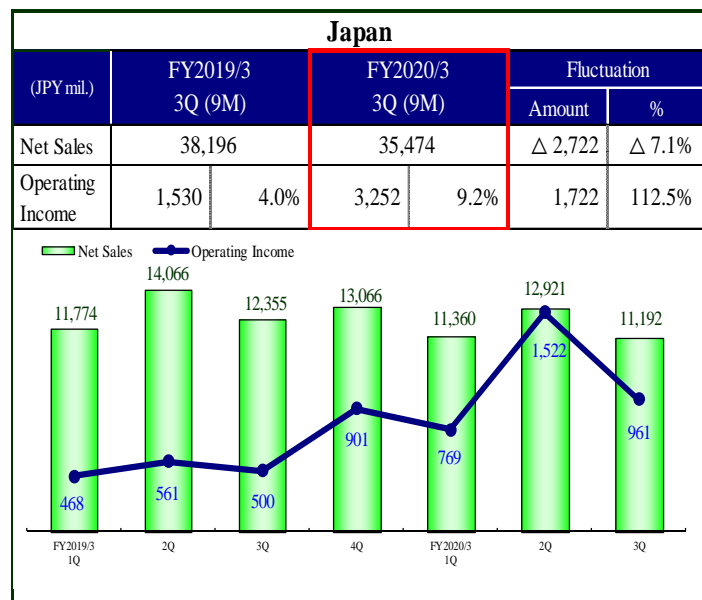
Sales by Business segment of the Mid-Term Management Plan "THE AIDA PLAN 523"



Sales (press machines) by Customer industry



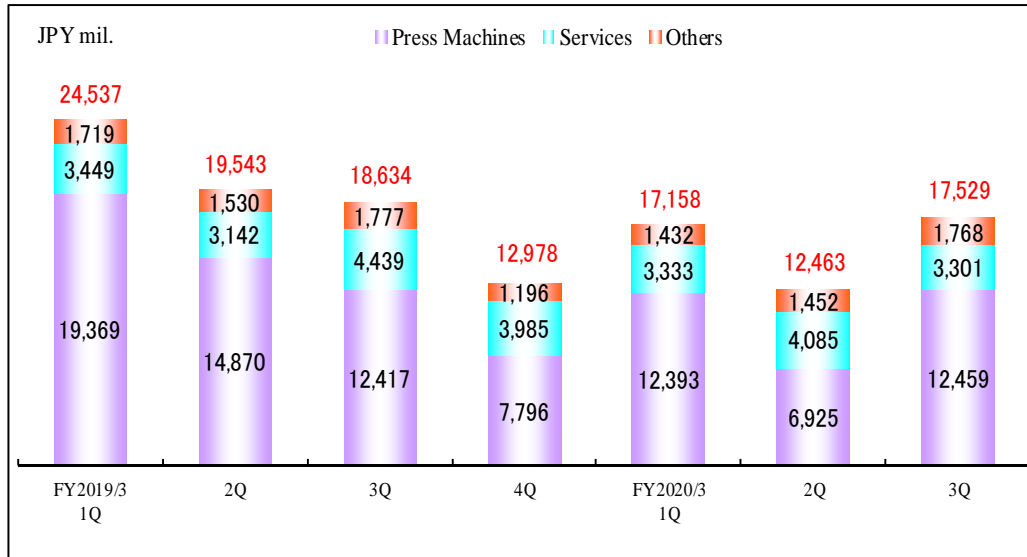
Sales / Operating Income (by Geographic segment)



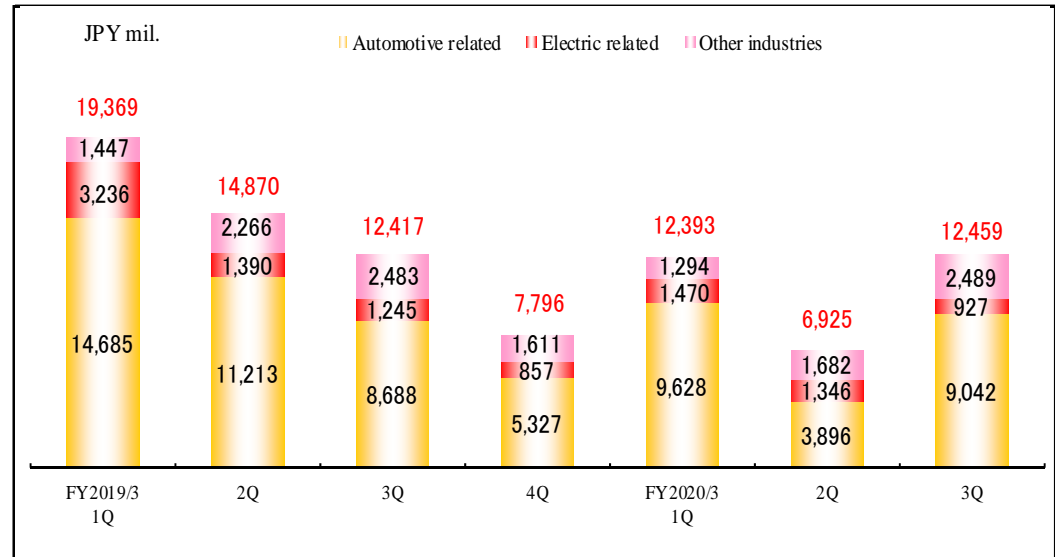
Orders Intake & Backlog (by Business/Customer/Geographic segment)



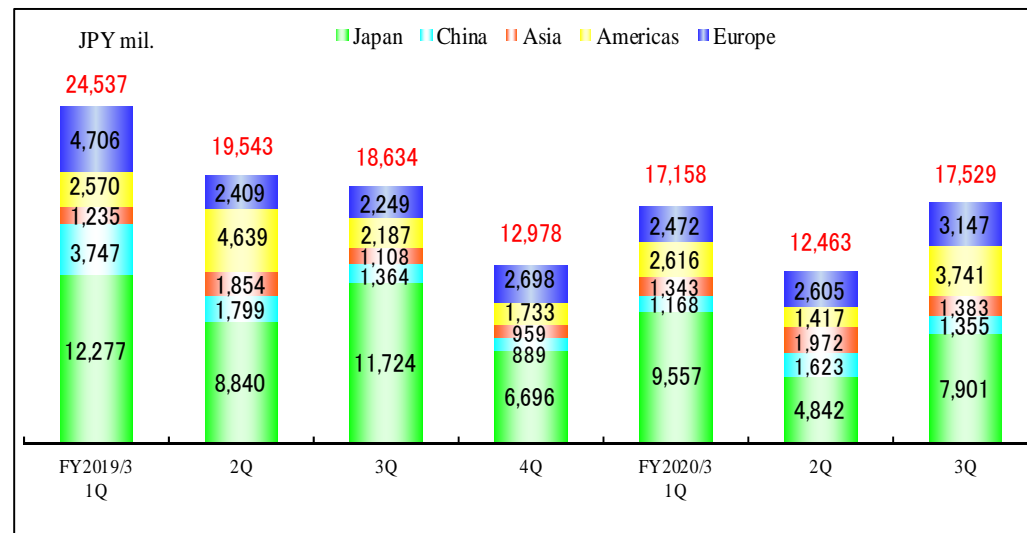
Orders Intake by Business Segment



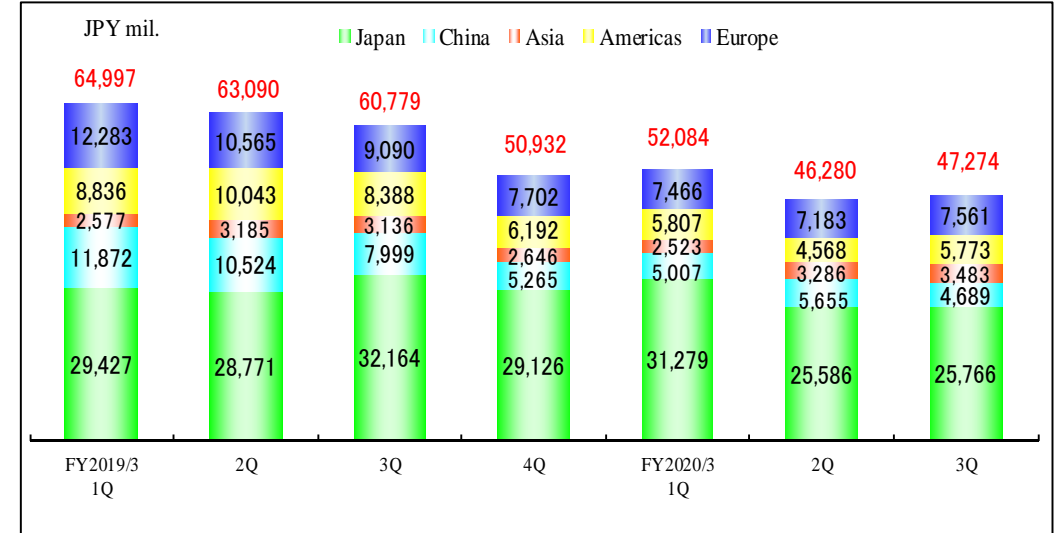
Orders Intake by Customer Industry (Press Machines)



Orders Intake by Geographic Segment



Orders Backlog by Geographic Segment



Trend of Orders Intake & Backlog



(JPY mil.)	FY2018/3				FY2019/3				FY2020/3		vs. FY2019/3	
	3Q (9M)		Full-year		3Q (9M)		Full-year		3Q (9M)		Fluctuation	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	%
Order Intake: total	66,880	100.0%	83,143	100.0%	62,716	100.0%	75,694	100.0%	47,150	100.0%	△ 15,565	△ 24.8%
By Business												
Press Machine	55,180	82.5%	66,223	79.6%	46,657	74.4%	54,454	71.9%	31,778	67.4%	△ 14,879	△ 31.9%
By Customer												
Automotive related	45,066	81.7%	54,034	81.6%	34,587	74.1%	39,914	73.3%	22,567	71.0%	△ 12,019	△ 34.8%
Electric related	4,739	8.6%	5,412	8.2%	5,871	12.6%	6,729	12.4%	3,744	11.8%	△ 2,127	△ 36.2%
Other industries	5,373	9.7%	6,776	10.2%	6,198	13.3%	7,809	14.3%	5,465	17.2%	△ 732	△ 11.8%
Services	11,285	16.9%	15,091	18.2%	11,030	17.6%	15,015	19.8%	10,719	22.7%	△ 311	△ 2.8%
Others	414	0.6%	1,828	2.2%	5,027	8.0%	6,223	8.2%	4,652	9.9%	△ 374	△ 7.5%
By Region												
Japan	25,317	37.9%	33,592	40.4%	32,841	52.4%	39,538	52.2%	22,301	47.3%	△ 10,539	△ 32.1%
China	10,749	16.1%	12,396	14.9%	6,911	11.0%	7,801	10.3%	4,148	8.8%	△ 2,763	△ 40.0%
Asia	3,508	5.2%	5,097	6.1%	4,199	6.7%	5,158	6.8%	4,699	10.0%	500	11.9%
Americas	15,004	22.4%	17,653	21.2%	9,397	15.0%	11,130	14.7%	7,775	16.5%	△ 1,622	△ 17.3%
Europe	12,299	18.4%	14,404	17.3%	9,365	14.9%	12,064	15.9%	8,225	17.4%	△ 1,139	△ 12.2%
Order Backlog: total	66,150	100.0%	59,321	100.0%	60,779	100.0%	50,932	100.0%	47,274	100.0%	△ 3,658	△ 7.2%
By Region												
Japan	26,228	39.6%	24,421	41.2%	32,164	52.9%	29,126	57.2%	25,766	54.5%	△ 3,359	△ 11.5%
China	11,143	16.8%	10,589	17.9%	7,999	13.2%	5,265	10.3%	4,689	9.9%	△ 575	△ 10.9%
Asia	2,191	3.3%	2,411	4.1%	3,136	5.2%	2,646	5.2%	3,483	7.4%	836	31.6%
Americas	13,236	20.0%	11,201	18.9%	8,388	13.8%	6,192	12.2%	5,773	12.2%	△ 419	△ 6.8%
Europe	13,350	20.2%	10,697	18.0%	9,090	15.0%	7,702	15.1%	7,561	16.0%	△ 140	△ 1.8%

Major Changes on Balance Sheet



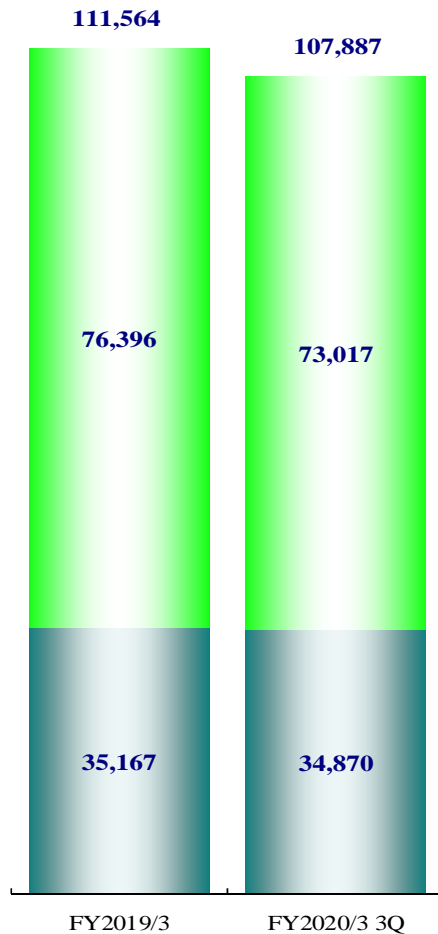
Assets

(JPY mil.)

■ Fixed assets ■ Current assets

VS end of Previous FY

Total assets Δ 3,676



Current assets	Δ 3,378
Cash on hand and at bank	Δ 1,764
Work in process	+ 2,082
Notes and accounts receivable - trade, electronically recorded monetary claims - operating	Δ 3,256
Fixed assets	Δ 297

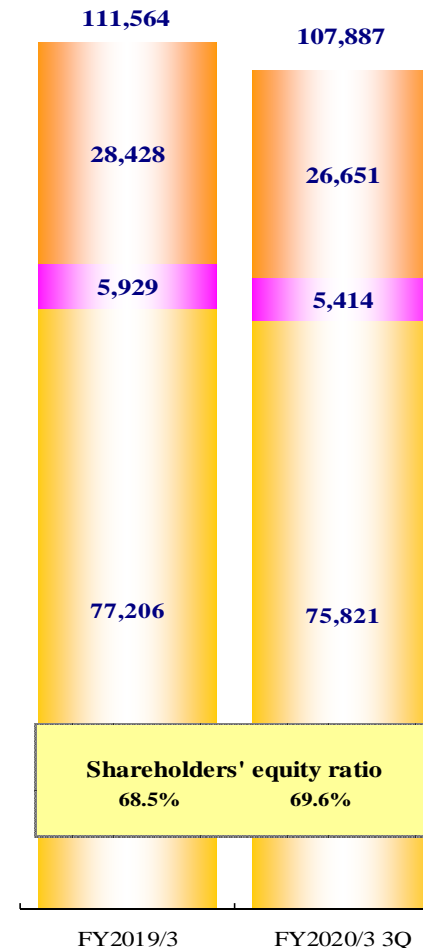
Liabilities and Net Assets

(JPY mil.)

■ Current liabilities
■ Non-current liabilities
■ Net assets

VS end of Previous FY

Total liabilities Δ 2,291



Current liabilities	Δ 1,776
Accounts payable - trade and electronically recorded monetary obligations - operating	Δ 1,229
Advances received	Δ 692
Long-term liabilities	Δ 515
Net assets	Δ 1,384
Treasury stock	Δ 686
Foreign currency translation adjustments	Δ 475

Highlights: Forecasts of FY2020 Consolidated Results



(JPY mil.)	FY2019 Full-year	FY2020/3			Fluctuation		
		3Q (9M) Results	4Q Forecast	Full-year forecast	Amount	%	
Net Sales	84,082	50,809	21,191	72,000	△ 12,082	△14.4%	
Cost of Sales	68,851	39,802	16,448	56,250	△ 12,601	△18.3%	
Gross Profit	15,230	11,006	4,744	15,750	520	3.4%	
<Gross Profit ratio>	18.1%	21.7%	22.4%	21.9%		(+3.8P)	
Selling, general and administrative expenses	9,669	6,691	2,709	9,400	△ 269	△2.8%	
Operating Income	5,561	4,314	2,036	6,350	789	14.2%	
<Operating Income ratio>	6.6%	8.5%	9.6%	8.8%		(+2.2P)	
Ordinary Income	5,880	4,371	2,029	6,400	520	8.8%	
Income Before Income Taxes	5,785	4,364	2,036	6,400	615	10.6%	
Net Income	4,634	3,024	1,626	4,650	16	0.3%	
Cash Dividends per Share	¥30	—	¥30	¥30	—	—	
Exchange Rate	1USD=	¥110.95	¥108.74	¥109.78	¥109.00	△1.95	△1.8%
	1EUR=	¥128.46	¥121.11	¥120.67	¥121.00	△7.46	△5.8%

<Summary>

Net sales will decrease from the previous FY due to deterioration of market environment, but profit forecast is expected to increase due to improvements in gross margin.

Net Sales:	Net sales is expected to decrease by 14.4% compared to the previous year due to sluggish capital investment in the automotive industry.
Gross Profit:	Gross profit is expected to increase year-on-year due to improvements in product mix, gross margins for mid-to-large sized press machines and services, and drop in costs for custom specifications recorded in the previous year despite negative impact from decline in net sales. The gross margin is expected to improve by 3.8 points.
Operation Income:	Operating income is expected to increase 14.2% from the previous FY due to increase in gross profit and reduction in SGA.
Net Income:	Although the tax burden will increase without increase of deferred tax assets recorded in the previous FY, net profit will not decline from the previous FY due to increase in profits.

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



(JPY mil.)	Orders Intake				Net Sales			
	FY2019/3	FY2020/3 forecast	Fluctuation: FY2020/3 vs FY2019/3		FY2019/3	FY2020/3 forecast	Fluctuation: FY2020/3 vs FY2019/3	
			Amount	%			Amount	%
Press Machines	54,454	47,000	△ 7,454	△ 13.7%	63,177	51,000	△ 12,177	△ 19.3%
Services	15,015	15,000	△ 15	△ 0.1%	14,852	15,000	148	1.0%
Others	6,223	6,000	△ 223	△ 3.6%	6,052	6,000	△ 52	△ 0.9%
Consolidated	75,694	68,000	△ 7,694	△ 10.2%	84,082	72,000	△ 12,082	△ 14.4%

by Business segment of the Mid-Term Management Plan
“THE AIDA PLAN 523”

(JPY mil.)	Net Sales				
	FY2019/3	FY2020/3 forecast		Fluctuation	
		Amount	%	Amount	%
Press Machines	52,361	42,000	58%	△ 10,361	△ 19.8%
Factory Automation	12,258	11,000	15%	△ 1,258	△ 10.3%
Services	19,462	19,000	26%	△ 462	△ 2.4%
Total	84,082	72,000	100%	△ 12,082	△ 14.4%

(JPY mil.)	Orders Intake				Net Sales				Operating Income			
	FY2019/3	FY2020/3 forecast	Fluctuation: FY2020/3 vs FY2019/3		FY2019/3	FY2020/3 forecast	Fluctuation: FY2020/3 vs FY2019/3		FY2019/3	FY2020/3 forecast	Fluctuation: FY2020/3 vs FY2019/3	
			Amount	%			Amount	%			Amount	%
Japan	39,538	34,000	△ 5,538	△ 14.0%	51,263	49,000	△ 2,263	△ 4.4%	2,431	4,700	2,269	93.3%
China	7,801	5,500	△ 2,301	△ 29.5%	13,909	7,300	△ 6,609	△ 47.5%	723	200	△ 523	△ 72.3%
Asia	5,158	5,500	342	6.6%	9,649	9,200	△ 449	△ 4.7%	1,398	1,200	△ 198	△ 14.2%
Americas	11,130	11,000	△ 130	△ 1.2%	16,625	12,500	△ 4,125	△ 24.8%	693	500	△ 193	△ 27.8%
Europe	12,064	12,000	△ 64	△ 0.5%	15,485	12,500	△ 2,985	△ 19.3%	4	△ 100	△ 104	△ 2600.0%
Reconciliation					△ 22,851	△ 18,500	4,351	△ 19.0%	310	△ 150	△ 460	△ 148.4%
Consolidated	75,694	68,000	△ 7,694	△ 10.2%	84,082	72,000	△ 12,082	△ 14.4%	5,561	6,350	789	14.2%

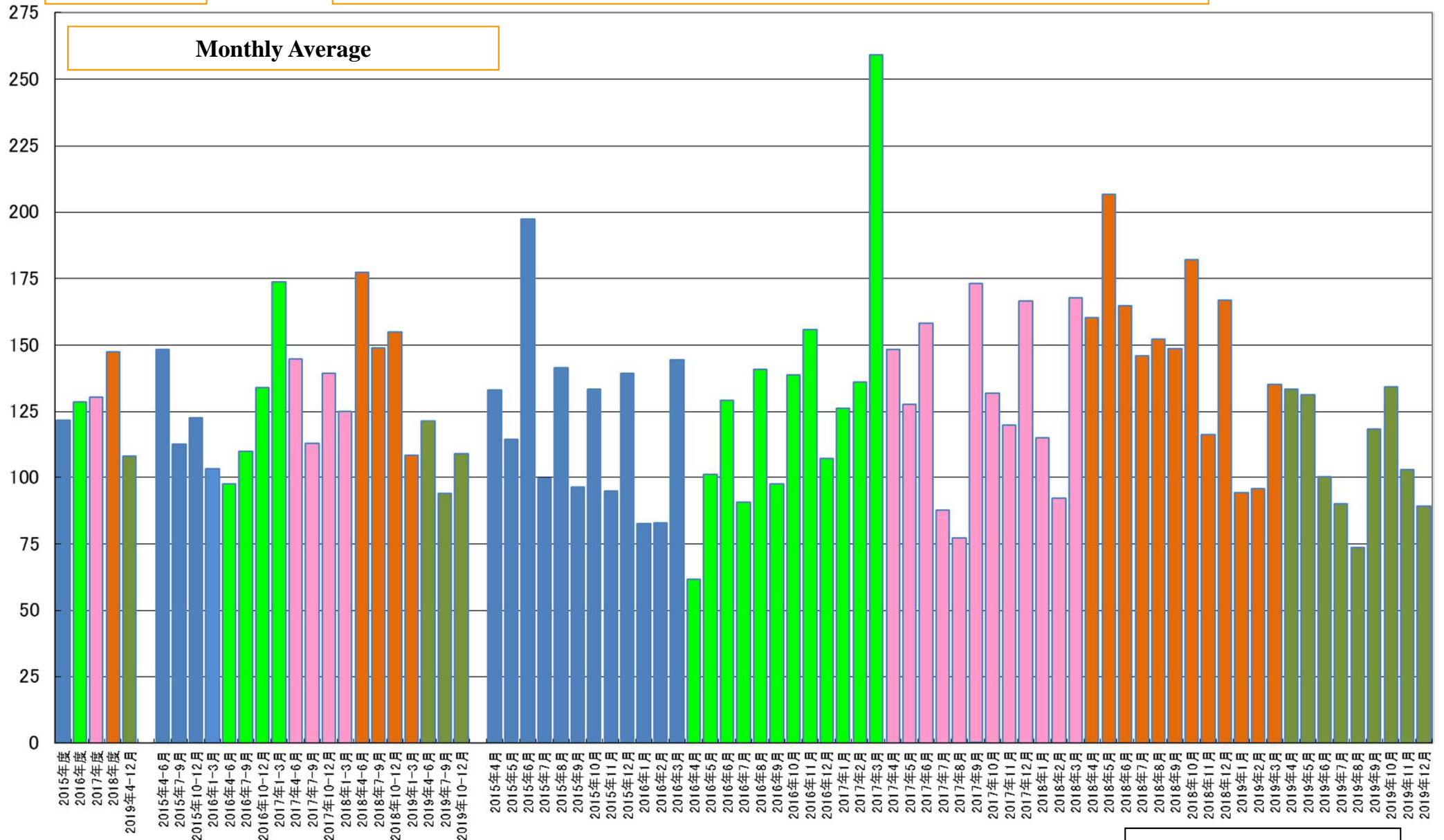
(for Reference) Statistics of Forming Machinery Industry-1



JPY(billion)

Press: Mechanical, Hydraulic, Forging & Automation

Monthly Average

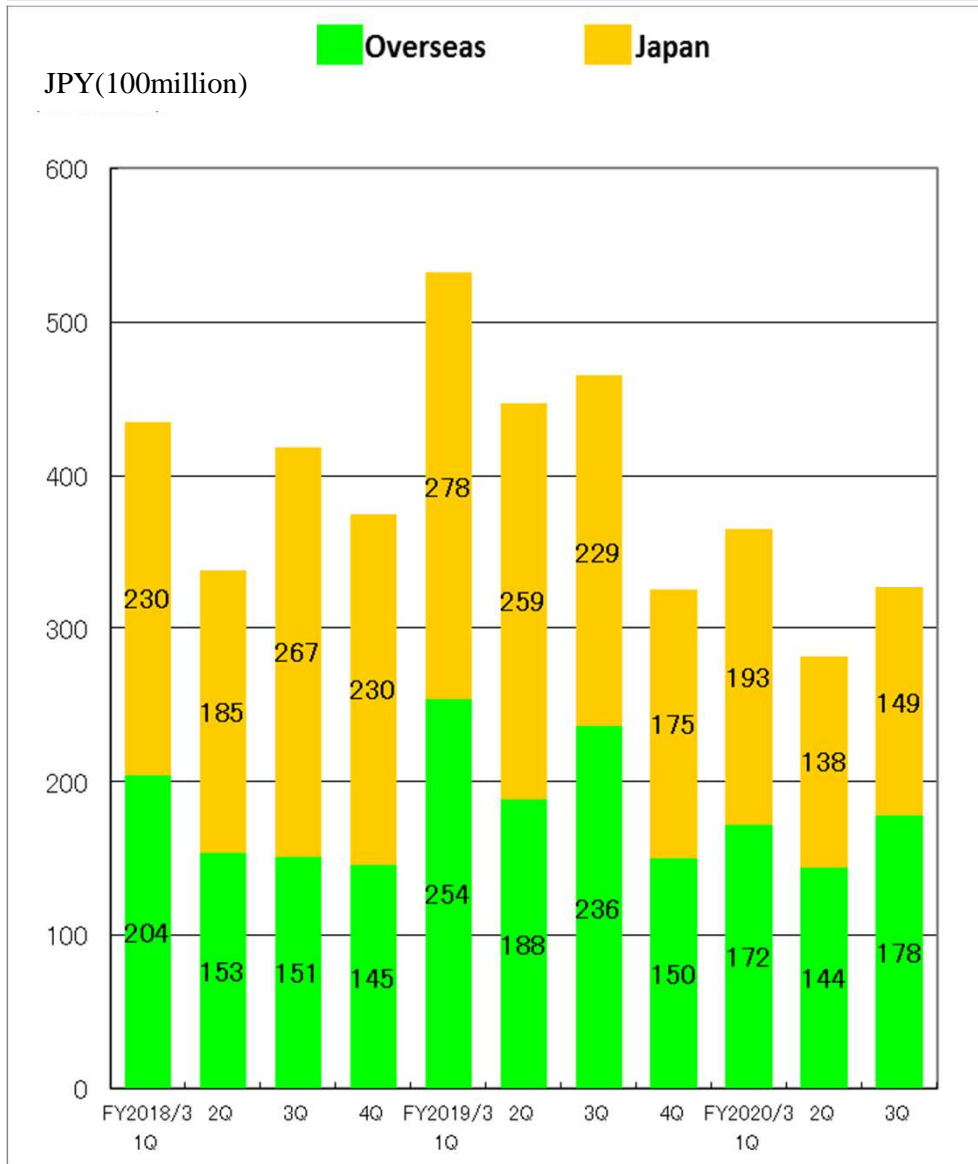


Place of origin: JFMA

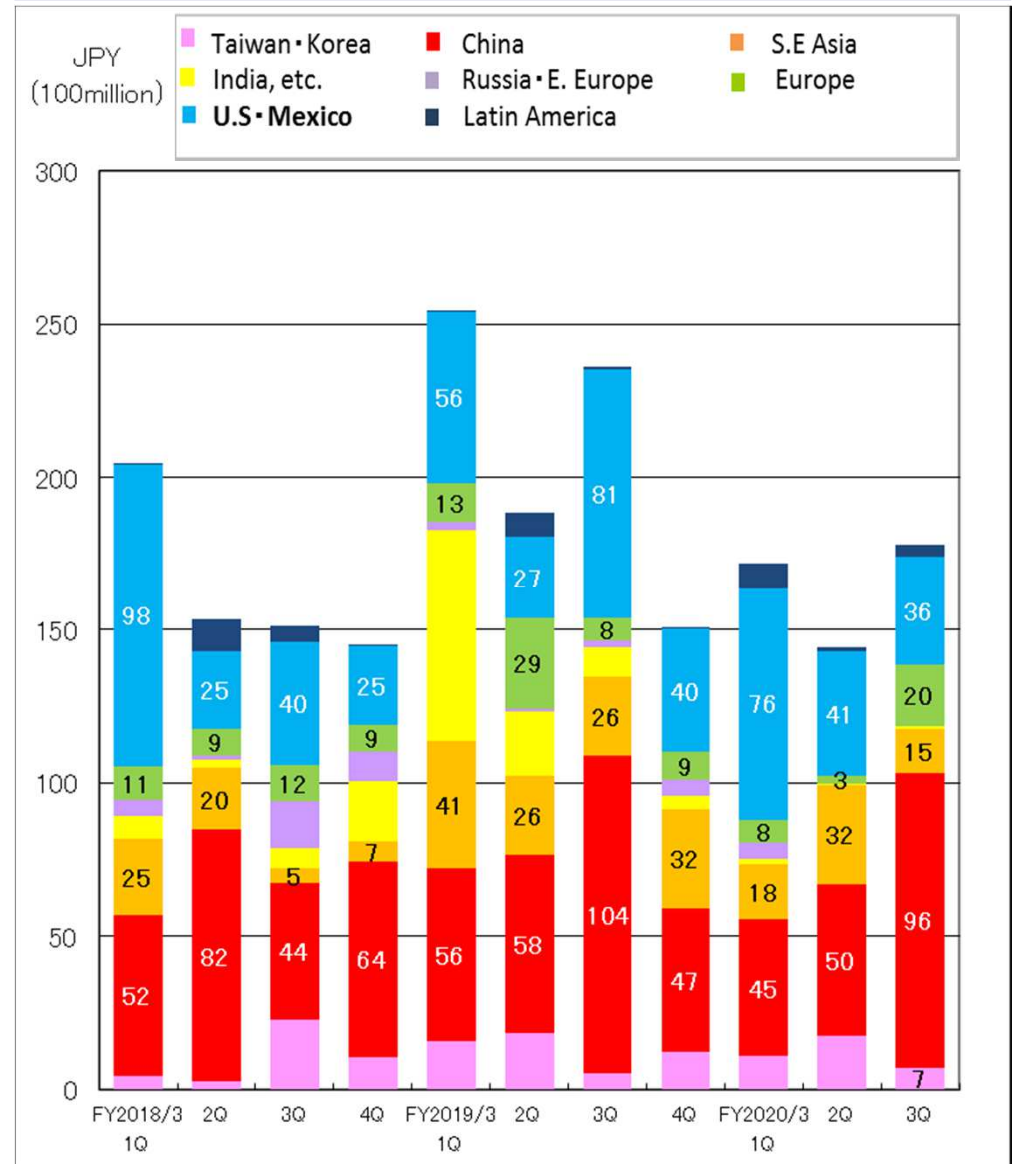
(for Reference) Statistics of Forming Machinery Industry- 2



Trend of Order Intake



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.**

February 2020

AIDA ENGINEERING, LTD.