

Summary Report on the Consolidated Results for the Nine Months Ended December 31, 2015

AMADA HOLDINGS CO., LTD.

Listed on the First Section of the TSE

Stock Code: 6113

(URL <http://www.amadaholdings.co.jp>)

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Planned filing of the quarterly financial statements: February 12, 2016

Date of scheduled payment of dividends: -

Quarterly earnings supplementary explanatory documents: Yes

Quarterly earnings presentation: Yes (for investment analysts and institutional investors)

(Amounts less than one million yen are truncated.)

1. Consolidated Business Performance for the Nine Months Ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

(1) Operating Results

Percentages indicate year-on-year increase (decrease).

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2015	215,997	12.4	30,252	111.7	31,832	63.8	21,163	93.1
Nine months ended December 31, 2014	192,097	17.4	14,289	181.0	19,439	118.8	10,961	102.4

Note: Comprehensive income:

Nine months ended December 31, 2015:

¥15,156 million (6.4%)

Nine months ended December 31, 2014:

¥14,245 million (-32.5%)

	Net income per share	Net income per share after dilution
	Yen	Yen
Nine months ended December 31, 2015	57.41	57.35
Nine months ended December 31, 2014	29.23	29.19

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2015	551,946	420,956	75.7
As of March 31, 2015	573,537	426,481	73.8

Reference: Total shareholders' equity:

As of December 31, 2015: ¥417,865 million

As of March 31, 2015: ¥423,319 million

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	13.00	—	13.00	26.00
Fiscal year ending March 31, 2016	—	16.00	—		
Fiscal year ending March 31, 2016 (Forecast)				18.00	34.00

Note: Revision to dividend forecasts most recently announced: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year increase (decrease).

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending March 31, 2016	300,000	4.7	38,000	37.2	40,000	20.2

	Profit attributable to owners of parent		Net income per share	
	Millions of yen	%	Yen	
Fiscal year ending March 31, 2016	26,000	41.1	71.17	

Note: Revision to consolidated forecasts most recently announced: None

4. Other Items

1. Changes in the scope of consolidation for significant subsidiaries during the nine months: None
2. Application of special accounting practices in the preparation of the consolidated financial statements: None
3. Changes in accounting policies, changes in accounting estimates and retrospective restatements:
 - 1) Changes in accounting policies in accordance with revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatements: None
4. Number of shares issued and outstanding (common shares)
 - 1) Number of shares of common shares outstanding at end of period, including treasury shares

December 31, 2015	378,115,217 shares
March 31, 2015	386,502,117 shares
 - 2) Number of shares of treasury shares at end of period

December 31, 2015	12,811,706 shares
March 31, 2015	13,043,469 shares
 - 3) Average number of shares outstanding for each period

Nine months ended December 31, 2015	368,671,534 shares
Nine months ended December 31, 2014	375,002,052 shares

Indication regarding the status of quarterly review procedures

At the time of disclosure of this quarterly summary report of consolidated results, the quarterly review procedures for the quarterly financial statements pursuant to the Financial Instruments and Exchange Law were still in progress.

Explanation regarding the appropriate use of forecasts of business results

The above forecasts of future performance are based on information available to the Company at the present time and are subject to potential risks and uncertainty. Accordingly, actual results may differ significantly from any expressed future performance herein due to various factors.

Consolidated Financial Statements
Consolidated Balance Sheets

(Millions of yen; amounts less than one million yen are truncated.)

		(millions of yen, amounts less than one million yen are indicated)	
Period		As of March 31, 2015	As of December 31, 2015
Item		Amount	Amount
(Assets)			
Current assets			
Cash and deposits		80,203	73,995
Notes and accounts receivable - trade		147,911	127,225
Lease investment assets		13,430	13,157
Securities		33,739	40,103
Merchandise and finished goods		66,876	62,958
Work in process		7,405	8,590
Raw materials and supplies		15,827	15,961
Other		14,097	13,645
Allowance for doubtful accounts		(2,204)	(2,118)
Total current assets		377,286	353,520
Non-current assets			
Property, plant and equipment			
Buildings and structures, net		61,699	58,712
Other, net		67,812	68,734
Total property, plant and equipment		129,511	127,447
Intangible assets			
Goodwill		2,230	1,748
Other		3,382	4,053
Total intangible assets		5,613	5,801
Investments and other assets			
Investment securities		48,844	52,304
Net defined benefit asset		131	127
Other		12,470	13,061
Allowance for doubtful accounts		(320)	(315)
Total investments and other assets		61,126	65,176
Total non-current assets		196,250	198,426
Total assets		573,537	551,946

(Millions of yen; amounts less than one million yen are truncated.)

(millions of yen; amounts less than one million yen are truncated.

Item	Period	As of March 31, 2015	As of December 31, 2015
		Amount	Amount
(Liabilities)			
Current liabilities			
Notes and accounts payable - trade		20,261	11,670
Electronically recorded obligations - operating		19,158	19,598
Short-term loans payable		32,903	28,229
Income taxes payable		6,485	6,707
Provision for bonuses		3,339	1,749
Provision for directors' bonuses		219	207
Deferred profit on installment sales		15,018	13,709
Other		28,302	27,311
Total current liabilities		125,687	109,184
Non-current liabilities			
Long-term loans payable		5,887	7,754
Provision for directors' retirement benefits		35	41
Net defined benefit liability		7,733	6,103
Other		7,711	7,906
Total non-current liabilities		21,368	21,806
Total liabilities		147,055	130,990
(Net assets)			
Shareholders' equity			
Capital stock		54,768	54,768
Capital surplus		163,199	163,199
Retained earnings		208,449	210,984
Treasury shares		(10,337)	(12,172)
Total shareholders' equity		416,079	416,779
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities		1,155	424
Deferred gains or losses on hedges		75	104
Revaluation reserve for land		(9,251)	(9,251)
Foreign currency translation adjustment		14,206	8,699
Remeasurements of defined benefit plans		1,054	1,109
Total accumulated other comprehensive income		7,240	1,085
Subscription rights to shares		104	77
Non-controlling interests		3,056	3,014
Total net assets		426,481	420,956
Total liabilities and net assets		573,537	551,946

Consolidated Statements of Income

(Millions of yen; amounts less than one million yen are truncated.)

Item	Period	Nine months ended December 31, 2014	Nine months ended December 31, 2015
		Amount	Amount
Net sales		192,097	215,997
Cost of sales		110,345	117,622
Gross profit		81,751	98,375
Selling, general and administrative expenses			
Sales commission		4,585	4,872
Packing and transportation expenses		6,805	6,550
Salaries and allowances		21,362	22,595
Other		36,066	35,484
Total selling, general and administrative expenses		68,820	69,502
Carryback of deferred profit on installment sales and finance lease sales		3,943	3,982
Deferred unrealized profit on installment sales and finance lease sales		2,584	2,603
Operating income		14,289	30,252
Non-operating income			
Interest income		1,489	1,419
Dividend income		535	477
Foreign exchange gains		2,656	—
Other		1,068	754
Total non-operating income		5,749	2,651
Non-operating expenses			
Interest expenses		216	215
Loss on sales of investment securities		162	—
Foreign exchange losses		—	464
Other		220	391
Total non-operating expenses		599	1,070
Ordinary income		19,439	31,832
Extraordinary income			
Gain on sales of non-current assets		25	73
Gain on sales of investment securities		3	—
Subsidy income		23	1,280
Other		0	—
Total extraordinary income		53	1,353
Extraordinary losses			
Loss on sales of non-current assets		2	14
Loss on retirement of non-current assets		30	129
Impairment loss		309	29
Loss on liquidation of business		430	—
Other		13	6
Total extraordinary losses		786	180
Income before income taxes		18,706	33,006
Income taxes - current		7,611	11,165
Income taxes - deferred		(105)	420
Total income taxes		7,506	11,586
Profit		11,200	21,419
Profit attributable to non-controlling interests		239	255
Profit attributable to owners of parent		10,961	21,163

Statements of Comprehensive Income

(Millions of yen; amounts less than one million yen are truncated.)

Item	Period	Nine months ended December 31, 2014	Nine months ended December 31, 2015
	Amount	Amount	Amount
Profit	11,200	21,419	
Other comprehensive income			
Valuation difference on available-for-sale securities	1,684	(723)	
Deferred gains or losses on hedges	(631)	28	
Foreign currency translation adjustment	2,028	(5,531)	
Remeasurements of defined benefit plans, net of tax	2	54	
Share of other comprehensive income of entities accounted for using equity method	(39)	(91)	
Total other comprehensive income	3,044	(6,262)	
Comprehensive income	14,245	15,156	
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent	13,928	15,009	
Comprehensive income attributable to non-controlling interests	317	147	

Notes Regarding Assumption of Going Concern

No events to be noted for this purpose.

Notes Regarding Significant Change in Shareholders' Equity

1) Acquisition of Treasury Shares

During the nine months ended December 31, 2015, based on the decision made at the meeting of the Board of Directors held on May 13, 2015, the Company acquired 8,386,900 shares of its common shares via market purchases between July 1 and August 31, 2015, at a total amount of ¥9,999 million.

2) Retirement of Treasury Shares

During the nine months ended December 31, 2015, based on the decision made at the meeting of the Board of Directors held on November 12, 2015, the Company retired 8,386,900 shares of treasury shares on November 30, 2015. As a result, treasury shares and retained earnings both decreased by ¥7,968 million.

Segment Information

1. Nine months ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

Sales and income or loss by reportable segment

(Millions of yen; amounts less than one million yen are truncated.)

	Reportable segment			Other (Note 1)	Total	Reconciliations	Consolidated (Note 2)
	Metalworking Machinery	Metal Machine Tools	Total				
Sales							
(1) External customers	150,001	41,199	191,200	896	192,097	—	192,097
(2) Intersegment sales or transfers	35	17	52	—	52	(52)	—
Total	150,036	41,216	191,253	896	192,149	(52)	192,097
Segment profit	10,178	3,765	13,943	345	14,289	—	14,289

Notes:

1. The "Other" classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
2. Segment profit is adjusted from the operating income presented in the Consolidated Statement of Income for the quarter under review.

2. Nine months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

Sales and income or loss by reportable segment

(Millions of yen; amounts less than one million yen are truncated.)

	Reportable segment			Other (Note 1)	Total	Reconciliations	Consolidated (Note 2)
	Metalworking Machinery	Metal Machine Tools	Total				
Sales							
(1) External customers	177,611	37,112	214,723	1,273	215,997	—	215,997
(2) Intersegment sales or transfers	31	27	59	—	59	(59)	—
Total	177,643	37,140	214,783	1,273	216,057	(59)	215,997
Segment profit	24,569	5,455	30,025	226	30,252	—	30,252

Notes:

1. The "Other" classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
2. Segment profit is adjusted from the operating income presented in the Consolidated Statement of Income for the quarter under review.

Notes Regarding Changes to Reportable Segments

As of the three months ended June 2015, the Amada Group transitioned to a holding company system with the objective of restructuring a strong management foundation to achieve continued consecutive growth and to increase profits by further maximizing the Group's management efficiency, based on the management philosophy of "growing together with our customers". In line with this restructuring, we have planned and executed a comprehensive strategy with regard to our product range for the stamping press market that falls within the Metalworking Machinery Business. We have transferred the Stamping Press Business to Amada Machine Tools Co., Ltd. and included the product range for the stamping press market in the Metal Machine Tools Business, to undertake the planning and execution of the strategy of Stamping Press Business in order to achieve synergic benefits with the product range for machine tools market handled by Amada Machine Tools Co., Ltd.

It should be noted that the segment information for the nine months ended December 2014 is compiled based on the classifications of reportable segments following these changes.

Supplementary Information

Status of Orders and Sales (Consolidated) Orders Received

(Millions of yen; amounts less than one million yen are truncated.)

Business Segments	Period		Nine months ended December 31, 2014				Nine months ended December 31, 2015			
			Orders received		Balance of outstanding orders		Orders received		Balance of outstanding orders	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%		%		%
Metalworking Machinery Business	170,897	78.8	51,275	81.9	183,504	81.6	46,063	83.2		
Sheet-Metal Processing Machines Division	152,679	70.4	46,861	74.9	165,860	73.7	41,853	75.6		
Welding Division	18,218	8.4	4,413	7.0	17,643	7.9	4,209	7.6		
Metal Machine Tools Business	45,054	20.8	11,322	18.1	40,161	17.8	9,270	16.8		
Bandsaws Division	25,601	11.8	4,008	6.4	26,541	11.8	4,287	7.8		
Presses Division	7,400	3.4	2,768	4.4	7,693	3.4	2,423	4.4		
Machine Tools Division	12,052	5.6	4,544	7.3	5,925	2.6	2,559	4.6		
Others	894	0.4	4	0.0	1,282	0.6	14	0.0		
Total	216,847	100.0	62,602	100.0	224,947	100.0	55,347	100.0		

Sales Results

(Millions of yen; amounts less than one million yen are truncated.)

Business Segments	Period		Nine months ended December 31, 2014		Nine months ended December 31, 2015	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Metalworking Machinery Business	150,001	78.1	177,611	82.2		
Sheet-Metal Processing Machines Division	132,994	69.2	160,836	74.4		
Welding Division	17,006	8.9	16,775	7.8		
Metal Machine Tools Business	41,199	21.4	37,112	17.2		
Bandsaws Division	23,626	12.3	24,435	11.3		
Presses Division	6,514	3.4	7,335	3.4		
Machine Tools Division	11,057	5.7	5,342	2.5		
Others	896	0.5	1,273	0.6		
Total	192,097	100.0	215,997	100.0		

Notes:

- For "Status of Orders and Sales," amounts exclude consumption tax.
- As noted in Segment Information, classifications of reportable segments have been changed from the three months ended June 2015. The Welding Division handled by Amada Miyachi Co., Ltd., a consolidated subsidiary, which until now had been included in the Sheet-Metal Processing Machines Division, is now presented as a separate classification. It should be noted that the year-on-year figures are compiled based on the classifications following these changes.

Status of Sales to Customers by Geographic Region

(Millions of yen; amounts less than one million yen are truncated.)

Regions	Period		Nine months ended December 31, 2014		Nine months ended December 31, 2015	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Japan	84,516	44.0	100,349	46.5		
Overseas	107,580	56.0	115,648	53.5		
North America	31,899	16.6	38,615	17.9		
Europe	35,616	18.5	37,502	17.3		
Asia	35,874	18.7	36,512	16.9		
Other regions	4,189	2.2	3,017	1.4		
Total	192,097	100.0	215,997	100.0		

Note: This table presents sales to customers in each geographic region by the Amada Group.