

## Summary Report on the Consolidated Results for the Fiscal Year Ended March 31, 2016

### 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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Scheduled Date for the General Meeting of Shareholders: June 28, 2016 Date of scheduled payment of dividends: June 29, 2016

Planned filing of the financial statements: June 28, 2016

Earnings supplementary explanatory documents: Yes

Earnings presentation: Yes (for investment analysts and institutional investors)

(Amounts less than one million yen are truncated.)

### 1. Consolidated Business Performance for the Fiscal Year Ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

#### (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	%
<b>Fiscal year ended March 31, 2016</b>	<b>304,018</b>	<b>6.1</b>	<b>42,526</b>	<b>53.6</b>	<b>43,157</b>	<b>29.7</b>	<b>27,425</b>	<b>48.9</b>
Fiscal year ended March 31, 2015	286,527	11.7	27,694	70.7	33,277	60.9	18,423	51.2

(Note) Comprehensive income: Fiscal year ended March 31, 2016: ¥13,540 million (-57.5%)  
Fiscal year ended March 31, 2015: ¥31,844 million (-12.7%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income-to-total assets ratio	Operating income-to-net sales ratio
	Yen	Yen	%	%	%
<b>Fiscal year ended March 31, 2016</b>	<b>74.56</b>	<b>74.49</b>	<b>6.5</b>	<b>7.6</b>	<b>14.0</b>
Fiscal year ended March 31, 2015	49.18	49.12	4.4	5.9	9.7

(Reference) Equity in earnings of affiliates: Fiscal year ended March 31, 2016: ¥154 million  
Fiscal year ended March 31, 2015: ¥181 million

#### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
<b>As of March 31, 2016</b>	<b>565,266</b>	<b>419,380</b>	<b>73.6</b>	<b>1,139.17</b>
As of March 31, 2015	573,537	426,481	73.8	1,133.51

(Reference) Total shareholders' equity: As of March 31, 2016: ¥416,181 million  
As of March 31, 2015: ¥423,319 million

#### (3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
<b>Fiscal year ended March 31, 2016</b>	<b>52,733</b>	<b>(21,845)</b>	<b>(24,836)</b>	<b>100,236</b>
Fiscal year ended March 31, 2015	25,242	(1,790)	(17,866)	96,320

### 2. Dividends

	Dividends per share					Total amount of dividends (for the entire fiscal year)	Payout ratio (consolidated)	Dividends-to-net assets ratio (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year end	Total			
	Yen	Yen	Yen	Yen	Yen			
Fiscal year ended March 31, 2015	---	13.00	---	13.00	26.00	9,704	52.9	2.3
<b>Fiscal year ended March 31, 2016</b>	<b>---</b>	<b>16.00</b>	<b>---</b>	<b>20.00</b>	<b>36.00</b>	<b>13,150</b>	<b>48.3</b>	<b>3.2</b>
Fiscal year ending March 31, 2017 (Forecast)	---	24.00	---	18.00	42.00		55.8	

(Note): Breakdown of dividends at the end of the second quarter of the fiscal year ending March 31, 2017 (forecast):  
Ordinary dividend: ¥18.00 70th anniversary commemorative dividend: ¥6.00

### 3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ending September 30, 2016	140,000	(2.5)	16,000	(15.4)	17,000	(16.5)
Fiscal year ending March 31, 2017	300,000	(1.3)	39,000	(8.3)	41,000	(5.0)

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending September 30, 2016	11,000	(20.7)	30.11
Fiscal year ending March 31, 2017	27,500	0.3	75.27

#### 4. Other Items

- Changes in the scope of consolidation for significant subsidiaries during the fiscal year ended March 31, 2016. (Changes in specified subsidiaries resulting in change in the scope of consolidation): None
- Changes in accounting policies, changes in accounting estimates and retrospective restatements:
  - Changes in accounting policies in accordance with revision of accounting standards: Yes
  - Changes in accounting policies other than 1) above: None
  - Changes in accounting estimates: None
  - Retrospective restatements: None
- Number of shares issued and outstanding (common stock)
  - Number of shares of common stock outstanding at end of period, including treasury shares
 

As of March 31, 2016	378,115,217 shares
As of March 31, 2015	386,502,117 shares
  - Number of shares of treasury shares at end of period
 

As of March 31, 2016	12,776,953 shares
As of March 31, 2015	13,043,469 shares
  - Average number of shares outstanding for each period
 

Fiscal year ended March 31, 2016	367,835,902 shares
Fiscal year ended March 31, 2015	374,593,658 shares

#### (Reference)

(Amounts less than one million yen are truncated.)

#### 1. Non-Consolidated Business Performance for the Fiscal Year Ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

##### (1) Operating Results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Fiscal year ended March 31, 2016</b>	<b>100,766</b>	<b>(36.3)</b>	<b>10,728</b>	<b>(36.9)</b>	<b>16,733</b>	<b>(38.0)</b>	<b>10,968</b>	<b>(38.2)</b>
Fiscal year ended March 31, 2015	158,165	13.6	16,999	39.8	26,983	54.3	17,761	57.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
<b>Fiscal year ended March 31, 2016</b>	<b>29.82</b>	<b>29.79</b>
Fiscal year ended March 31, 2015	47.42	47.35

Notes on operating results

##### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
<b>As of March 31, 2016</b>	<b>366,037</b>	<b>316,052</b>	<b>86.3</b>	<b>864.89</b>
As of March 31, 2015	403,460	331,766	82.2	888.08

(Reference) Total shareholders' equity: As of March 31, 2016: ¥315,978 million  
As of March 31, 2015: ¥331,662 million

#### Indication regarding the status of annual audit procedures

At the time of disclosure of this summary report of consolidated results, the audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Law are being conducted.

#### 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.)

		Period	As of March 31, 2015	As of March 31, 2016
Item			Amount	Amount
(Assets)				
Current assets:				
Cash and deposits			80,203	79,434
Notes and accounts receivable - trade			147,911	137,839
Lease investment assets			13,430	13,781
Securities			33,739	51,751
Merchandise and finished goods			66,876	54,194
Work in process			7,405	8,364
Raw materials and supplies			15,827	15,358
Deferred tax assets			7,344	7,505
Other			6,753	6,419
Allowance for doubtful accounts			(2,204)	(2,301)
Total current assets			377,286	372,347
Non-current assets:				
Property, plant and equipment:				
Buildings and structures			145,330	143,428
Accumulated depreciation			(83,631)	(85,828)
Buildings and structures, net			61,699	57,599
Machinery, equipment and vehicles			46,134	45,482
Accumulated depreciation			(34,314)	(34,630)
Machinery, equipment and vehicles, net			11,820	10,852
Tools, furniture and fixtures			17,520	16,773
Accumulated depreciation			(13,588)	(13,258)
Tools, furniture and fixtures, net			3,932	3,514
Assets for rent			15,365	14,755
Accumulated depreciation			(4,570)	(3,879)
Assets for rent, net			10,795	10,875
Land			39,865	40,157
Leased assets			573	485
Accumulated depreciation			(245)	(260)
Leased assets, net			328	224
Construction in progress			1,070	1,509
Total property, plant and equipment			129,511	124,733
Intangible assets:				
Goodwill			2,230	1,601
Software			2,415	4,044
Leased assets			16	4
Other			951	879
Total intangible assets			5,613	6,529
Investments and other assets:				
Investment securities			48,844	49,187
Long-term loans receivable			74	85
Deferred tax assets			5,596	7,488
Net defined benefit asset			131	121
Other			6,799	5,081
Allowance for doubtful accounts			(320)	(310)
Total investments and other assets			61,126	61,654
Total non-current assets			196,250	192,918
Total assets			573,537	565,266

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

Item	Period	As of March 31, 2015	As of March 31, 2016
		Amount	Amount
<b>(Liabilities)</b>			
<b>Current liabilities:</b>			
Notes and accounts payable - trade		20,261	18,359
Electronically recorded obligations - operating		19,158	17,561
Short-term loans payable		32,903	25,797
Lease obligations		291	269
Income taxes payable		6,485	9,583
Deferred tax liabilities		339	284
Provision for bonuses		3,339	3,727
Provision for directors' bonuses		219	347
Deferred profit on installment sales		15,018	13,923
Other		27,671	28,068
Total current liabilities		125,687	117,923
<b>Non-current liabilities:</b>			
Long-term loans payable		5,887	7,743
Lease obligations		468	302
Deferred tax liabilities		449	432
Deferred tax liabilities for land revaluation		502	473
Provision for directors' retirement benefits		35	61
Net defined benefit liability		7,733	11,936
Long-term guarantee deposited		3,127	3,071
Other		3,164	3,942
Total non-current liabilities		21,368	27,962
<b>Total liabilities</b>		147,055	145,885
<b>(Net assets)</b>			
<b>Shareholders' equity:</b>			
Capital stock		54,768	54,768
Capital surplus		163,199	163,199
Retained earnings		208,449	217,253
Treasury shares		(10,337)	(12,139)
Total shareholders' equity		416,079	423,081
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities		1,155	(891)
Deferred gains or losses on hedges		75	128
Revaluation reserve for land		(9,251)	(9,221)
Foreign currency translation adjustment		14,206	6,385
Remeasurements of defined benefit plans		1,054	(3,301)
Total accumulated other comprehensive income		7,240	(6,899)
<b>Subscription rights to shares</b>		104	73
<b>Non-controlling interests</b>		3,056	3,125
<b>Total net assets</b>		426,481	419,380
<b>Total liabilities and net assets</b>		573,537	565,266

## Consolidated Statements of Income

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

Item	Period	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
		Amount	Amount
Net sales		286,527	304,018
Cost of sales		165,961	167,813
Gross profit		120,565	136,204
Selling, general and administrative expenses:			
Sales commission		6,606	6,993
Packing and transportation expenses		9,200	8,871
Directors' compensations		652	656
Provision of allowance for doubtful accounts		282	694
Salaries and allowances		27,953	29,211
Provision for bonuses		2,110	2,267
Provision for directors' bonuses		219	351
Depreciation		4,429	4,914
Research and development expenses		8,332	7,766
Retirement benefit expenses		1,266	1,396
Other		32,194	31,601
Total selling, general and administrative expenses		93,246	94,726
Carryback of deferred profit on installment sales and finance lease sales		5,061	5,055
Deferred unrealized profit on installment sales and finance lease sales		4,685	4,007
Operating income		27,694	42,526
Non-operating income:			
Interest income		2,025	1,874
Dividend income		691	640
Commission fee		122	34
Gain on sales of investment securities		174	---
Share of profit of entities accounted for using equity method		181	154
Gain on valuation of derivatives		---	39
Foreign exchange gains		2,193	---
Other		993	802
Total non-operating income		6,380	3,547
Non-operating expenses:			
Interest expenses		288	286
Loss on sales of investment securities		162	---
Loss on valuation of derivatives		34	---
Foreign exchange losses		---	2,084
Other		311	545
Total non-operating expenses		797	2,916
Ordinary income		33,277	43,157

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

Item	Period	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
	Amount	Amount	Amount
Extraordinary income:			
Gain on sales of non-current assets	165	75	
Gain on sales of investment securities	106	---	
Subsidy income	23	1,280	
Other	1	---	
Total extraordinary income	296	1,355	
Extraordinary losses:			
Loss on sales of non-current assets	45	131	
Loss on retirement of non-current assets	66	244	
Impairment loss	314	528	
Loss on valuation of investment securities	18	---	
Loss on liquidation of subsidiaries and associates	595	83	
Loss on liquidation of business	1,106	---	
Special retirement expenses	351	---	
Other	---	414	
Total extraordinary losses	2,498	1,401	
Income before income taxes	31,075	43,112	
Income taxes - current	12,167	14,833	
Income taxes - deferred	117	470	
Total income taxes	12,284	15,303	
Profit	18,791	27,808	
Profit attributable to non-controlling interests	367	383	
Profit attributable to owners of parent	18,423	27,425	

## Statements of Comprehensive Income

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

Item	Period	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
		Amount	Amount
Profit		18,791	27,808
Other comprehensive income			
Valuation difference on available-for-sale securities		1,747	(2,036)
Deferred gains or losses on hedges		163	53
Revaluation reserve for land		53	29
Foreign currency translation adjustment		10,257	(7,839)
Remeasurements of defined benefit plans, net of tax		802	(4,309)
Share of other comprehensive income of entities accounted for using equity method		29	(166)
Total other comprehensive income		13,053	(14,268)
Comprehensive income		31,844	13,540
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent		31,214	13,285
Comprehensive income attributable to non-controlling interests		630	254

## Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

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

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	54,768	163,270	210,617	(8,843)	419,812
Cumulative effects of changes in accounting policies			(2,879)		(2,879)
Restated balance	54,768	163,270	207,738	(8,843)	416,933
Changes of items during period					
Dividends of surplus			(9,820)		(9,820)
Profit attributable to owners of parent			18,423		18,423
Purchase of treasury shares				(10,032)	(10,032)
Disposal of treasury shares		(40)		615	574
Retirement of treasury shares		(7,923)		7,923	---
Transfer of negative balance of other capital surplus		7,892	(7,892)		---
Change in retained earnings due to mergers between consolidated and non-consolidated subsidiaries					---
Reversal of revaluation reserve for land					---
Net changes of items other than shareholders' equity					
Total changes of items during period	---	(70)	710	(1,493)	(853)
Balance at end of current period	54,768	163,199	208,449	(10,337)	416,079

	Accumulated other comprehensive income						Subscription rights to shares	Profit attributable to non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(592)	(87)	(9,304)	4,192	241	(5,550)	197	2,543	417,002
Cumulative effects of changes in accounting policies									(2,879)
Restated balance	(592)	(87)	(9,304)	4,192	241	(5,550)	197	2,543	414,123
Changes of items during period									
Dividends of surplus									(9,820)
Profit attributable to owners of parent									18,423
Purchase of treasury shares									(10,032)
Disposal of treasury shares							(91)		483
Retirement of treasury shares									---
Transfer of negative balance of other capital surplus									---
Change in retained earnings due to mergers between consolidated and non-consolidated subsidiaries									---
Reversal of revaluation reserve for land			53			53			53
Net changes of items other than shareholders' equity	1,747	163	---	10,013	812	12,737	(1)	513	13,250
Total changes of items during period	1,747	163	53	10,013	812	12,790	(92)	513	12,357
Balance at end of current period	1,155	75	(9,251)	14,206	1,054	7,240	104	3,056	426,481



Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

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

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	54,768	163,199	208,449	(10,337)	416,079
Cumulative effects of changes in accounting policies					---
Restated balance	54,768	163,199	208,449	(10,337)	416,079
Changes of items during period					
Dividends of surplus			(10,698)		(10,698)
Profit attributable to owners of parent			27,425		27,425
Purchase of treasury shares				(10,051)	(10,051)
Disposal of treasury shares		(29)		282	252
Retirement of treasury shares		(7,968)		7,968	---
Transfer of negative balance of other capital surplus		7,997	(7,997)		---
Change in retained earnings due to mergers between consolidated and non-consolidated subsidiaries			74		74
Reversal of revaluation reserve for land					---
Net changes of items other than shareholders' equity					
Total changes of items during period	---	---	8,803	(1,801)	7,001
Balance at end of current period	54,768	163,199	217,253	(12,139)	423,081

	Accumulated other comprehensive income						Subscription rights to shares	Profit attributable to non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,155	75	(9,251)	14,206	1,054	7,240	104	3,056	426,481
Cumulative effects of changes in accounting policies									---
Restated balance	1,155	75	(9,251)	14,206	1,054	7,240	104	3,056	426,481
Changes of items during period									
Dividends of surplus									(10,698)
Profit attributable to owners of parent									27,425
Purchase of treasury shares									(10,051)
Disposal of treasury shares							(31)		220
Retirement of treasury shares									---
Transfer of negative balance of other capital surplus									---
Change in retained earnings due to mergers between consolidated and non-consolidated subsidiaries									74
Reversal of revaluation reserve for land			29			29			29
Net changes of items other than shareholders' equity	(2,046)	53	---	(7,820)	(4,355)	(14,169)	---	68	(14,100)
Total changes of items during period	(2,046)	53	29	(7,820)	(4,355)	(14,139)	(31)	68	(7,100)
Balance at end of current period	(891)	128	(9,221)	6,385	(3,301)	(6,899)	73	3,125	419,380

## Consolidated Statements of Cash Flows

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

Item	Period	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
		Amount	Amount
<b>Cash flows from operating activities:</b>			
Income before income taxes		31,075	43,112
Depreciation		8,552	8,849
Increase (decrease) in provision for directors' retirement benefits		6	25
Increase (decrease) in net defined benefit asset and liability		(1,973)	(1,939)
Loss (gain) on sales of non-current assets		(120)	55
Loss (gain) on sales of investment securities		(118)	---
Loss (gain) on valuation of investment securities		18	---
Share of (profit) loss of entities accounted for using equity method		(181)	(154)
Interest and dividend income		(2,716)	(2,515)
Subsidy income		---	(1,280)
Interest expenses		288	286
Loss on liquidation of subsidiaries and associates		595	83
Loss on liquidation of business		1,106	---
Decrease (increase) in notes and accounts receivable - trade		1,575	5,950
Decrease (increase) in lease investment assets		(608)	(552)
Decrease (increase) in inventories		(2,652)	6,621
Increase (decrease) in notes and accounts payable - trade		15,942	(583)
Increase (decrease) in deferred profit on installment sales		(375)	(1,048)
Increase (decrease) in accrued consumption taxes		(669)	1,990
Other, net		(14,227)	2,700
Subtotal		35,516	61,602
Interest and dividend income received		3,493	2,756
Interest expenses paid		(296)	(293)
Loss on liquidation of business		(401)	---
Income taxes paid		(13,070)	(12,611)
Proceeds from subsidy income		---	1,280
Net cash provided by (used in) operating activities		25,242	52,733

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

Item	Period	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
		Amount	Amount
<b>Cash flows from investing activities:</b>			
Payments into time deposits		(6,103)	(11,138)
Proceeds from withdrawal of time deposits		8,053	4,963
Purchase of securities		(1,500)	(9,498)
Proceeds from sales and redemption of securities		10,552	12,147
Purchase of investment securities		(11,855)	(16,986)
Proceeds from sales and redemption of investment securities		7,355	4,501
Payments into long-term time deposits		(1,000)	(1,000)
Proceeds from withdrawal of long-term time deposits		---	1,000
Purchase of property, plant and equipment		(7,504)	(6,258)
Proceeds from sales of property, plant and equipment		927	927
Purchase of intangible assets		(834)	(2,105)
Decrease (increase) in short-term loans receivable		10	32
Payments of long-term loans receivable		(0)	(31)
Collection of long-term loans receivable		2	5
Purchase of noncontrolling interests		---	(330)
Purchase of shares of subsidiaries		(434)	---
Proceeds from transfer of business		---	1,117
Other, net		539	809
Net cash provided by (used in) investing activities		(1,790)	(21,845)
<b>Cash flows from financing activities:</b>			
Net increase (decrease) in short-term loans payable		(1,018)	(4,708)
Proceeds from long-term loans payable		3,175	2,421
Repayments of long-term loans payable		(145)	(1,799)
Purchase of treasury shares		(10,032)	(10,010)
Proceeds from exercise of share options		481	166
Cash dividends paid		(9,805)	(10,690)
Dividends paid to non-controlling interests		(115)	(192)
Repayments of finance lease obligations		(407)	(193)
Other, net		1	170
Net cash provided by (used in) financing activities		(17,866)	(24,836)
<b>Effect of exchange rate change on cash and cash equivalents</b>		1,995	(2,335)
<b>Net increase (decrease) in cash and cash equivalents</b>		7,580	3,715
<b>Cash and cash equivalents at beginning of period</b>		88,537	96,320
<b>Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries</b>		202	200
<b>Cash and cash equivalents at end of period</b>		96,320	100,236

## Notes regarding Assumption of Going Concern

No events to be noted for this purpose.

## Segment Information

### 1. Overview of reportable segments

The Company's reportable segments comprise business units for which separate financial information is available. The reportable segments are regularly reviewed by the Board of Directors for such purposes as making decisions on the allocation of management resources and evaluating business performance.

The Company's business is divided into two parts: the Metalworking Machinery business, which manufactures and sells sheet metal processing machines and welding machines; and the Metal Machine Tools business, which manufactures and sells cutting machines, presses and machine tools. The Metalworking Machinery business is principally operated by the Company, while the Metal Machine Tool business is principally operated by Amada Machine Tools Co., Ltd. The two companies comprehensively develop strategies for their respective products and services both in Japan and overseas.

Consequently, the Company has two reportable segments—Metalworking Machinery and Metal Machine Tools—based on its business segment-delineated production and marketing structure.

The Metalworking Machinery business manufactures products for the sheet metalworking market, including laser machines, punch presses and press brakes, as well as welding machines for the welding market. The Metal Machine Tools business manufactures products for the cutting market, including metal-cutting bandsaws, and mechanical presses for the press market as well as machine tools, including grinders.

From the fiscal year ended March 31, 2016, 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 fiscal year ended in March 31, 2015 is compiled based on the classifications of reportable segments following these changes.

### 2. Method for calculation of sales, income or loss, assets, liabilities and other items for each reportable segment

The method of accounting treatment for business segments is largely the same as that specified in "Significant matters relating to the basis of preparation of the consolidated financial statements." Further, the income for reportable segments is based on operating income, and inter-segment sales and transfers are based on selling prices, which take into account market prices.

### 3. Information regarding sales, income or loss, assets and liabilities of reportable segment

Fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

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

	Reportable segment			Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Metalworking Machinery	Metal Machine Tools	Total				
Sales							
(1) External customers	225,811	59,466	285,277	1,249	286,527	---	286,527
(2) Intersegment sales or transfers	48	24	73	---	73	(73)	---
Total	225,859	59,491	285,350	1,249	286,600	(73)	286,527
Segment profit	20,676	6,538	27,214	479	27,694	---	27,694
Segment assets	383,166	65,229	448,395	14,209	462,604	110,932	573,537
Other items							
Depreciation	6,802	1,744	8,546	6	8,552	---	8,552
Investments in affiliates accounted for by equity method	3,375	60	3,436	---	3,436	---	3,436
Increase in property, plant and equipment and intangible assets	8,966	849	9,815	---	9,815	25	9,841

Notes:

- The "Other" classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.

2. Reconciliations comprise the following.

- (1) The ¥110,932 million presented for segment assets under reconciliations is the amount for corporate assets not allocated to any reportable segment. These assets mainly comprise invested surplus funds at the parent company (deposits and short-term investment securities and others) and long-term invested funds (investment securities), and customer training and reception facilities.
- (2) Income and expenses pertaining to customer training and reception facilities are shown included in each reportable segment, based on a rational allocation method. Assets, however, because of the difficulty of rational allocation, are shown in "Reconciliations" as common assets.
- (3) The ¥25 million increase in "Increase in property, plant and equipment and intangible assets" is the amount of capital investment pertaining to corporate assets.

3. Segment profit is adjusted from the operating income presented in the Consolidated Statements of Income for the year under review.

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

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

	Reportable segment			Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Metalworking Machinery	Metal Machine Tools	Total				
Sales							
(1) External customers	250,825	51,470	302,296	1,722	304,018	---	304,018
(2) Intersegment sales or transfers	37	37	74	---	74	(74)	---
Total	250,862	51,508	302,370	1,722	304,093	(74)	304,018
Segment profit	34,561	7,748	42,309	217	42,526	---	42,526
Segment assets	361,867	59,110	420,978	13,635	434,613	130,652	565,266
Other items							
Depreciation	7,274	1,569	8,844	5	8,849	---	8,849
Investments in affiliates accounted for by equity method	3,656	75	3,731	---	3,731	---	3,731
Increase in property, plant and equipment and intangible assets	9,506	473	9,979	---	9,979	60	10,039

Notes:

1. The "Other" classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
2. Reconciliations comprise the following.
  - (1) The ¥130,652 million presented for segment assets under reconciliations is the amount for corporate assets not allocated to any reportable segment. These assets mainly comprise invested surplus funds at the parent company (deposits and short-term investment securities and others) and long-term invested funds (investment securities), and customer training and reception facilities.
  - (2) Income and expenses pertaining to customer training and reception facilities are shown included in each reportable segment, based on a rational allocation method. Assets, however, because of the difficulty of rational allocation, are shown in "Reconciliations" as common assets.
  - (3) The ¥60 million increase in "Increase in property, plant and equipment and intangible assets" is the amount of capital investment pertaining to corporate assets.
3. Segment profit is adjusted from the operating income presented in the Consolidated Statements of Income for the year under review.

**(Related information)**

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

## 1. Product and service information

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

	Metalworking Machinery		Metal Machine Tools			Others	Total
	Sheet-Metal Processing Machines Division	Welding Division	Bandsaws Division	Presses Division	Machine Tools Division		
Sales to external customers	228,001	22,823	33,827	9,919	7,724	1,722	304,018

Note: From the fiscal year ended March 2016, 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.

## 2. Regional information

## (1) Sales

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

Japan	North America	Europe	Asia	Other regions	Total
139,762	57,235	53,232	49,615	4,172	304,018

Notes:

- Sales are classified into country or region according to the location of the customer.
- Sales in the North America region include sales in the United States totaling ¥49,735 million, which account for more than 10% of Net sales presented in the Consolidated Statements of Income.

## (2) Property, plant and equipment

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

Japan	North America	Europe	Other regions	Total
84,991	14,347	13,973	11,421	124,733

**(Information relating to the impairment of long-lived assets for each reportable segment)**

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

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

	Reportable segment		Other	Eliminations and corporate	Consolidated
	Metalworking Machinery	Metal Machine Tools			
Impairment loss	221	---	---	306	528

Note: The amount in "Eliminations and corporate" presents the amount pertaining to the reception facilities, which is impossible to rationally allocate to each business segment.

**(Amortization of goodwill and balance of unamortized goodwill for each reportable segment)**

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

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

	Reportable segment		Other	Eliminations and corporate	Consolidated
	Metalworking Machinery	Metal Machine Tools			
(Goodwill)					
Amortization during this fiscal year	519	26	---	---	546
Balance at end of period	1,601	---	---	---	1,601

## Supplementary Information

### Status of Orders and Sales (Consolidated)

#### 1. Orders Received

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

Business Segments	Period	Fiscal year ended March 31, 2015				Fiscal year ended March 31, 2016			
		Orders received		Balance of outstanding orders		Orders received		Balance of outstanding orders	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Metalworking Machinery Business		235,601	79.5	40,170	84.1	253,272	82.6	42,618	87.4
Sheet-Metal Processing Machines Division		212,303	71.6	36,829	77.1	229,973	75.0	38,801	79.6
Welding Division		23,298	7.9	3,341	7.0	23,299	7.6	3,816	7.8
Metal Machine Tools Business		59,565	20.1	7,565	15.9	51,407	16.8	6,157	12.6
Bandsaws Division		34,325	11.6	2,180	4.6	34,329	11.2	2,682	5.5
Presses Division		9,532	3.2	2,064	4.3	9,717	3.2	1,862	3.8
Machine Tools Division		15,707	5.3	3,320	7.0	7,360	2.4	1,611	3.3
Others		1,249	0.4	5	0.0	1,722	0.6	6	0.0
Total		296,416	100.0	47,742	100.0	306,402	100.0	48,782	100.0

#### 2. Sales Results

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

Business Segments	Period	Fiscal year ended March 31, 2015		Fiscal year ended March 31, 2016	
		Amount	Ratio	Amount	Ratio
Metalworking Machinery Business		225,811	78.8	250,825	82.5
Sheet-Metal Processing Machines Division		202,652	70.7	228,001	75.0
Welding Division		23,158	8.1	22,823	7.5
Metal Machine Tools Business		59,466	20.8	51,470	16.9
Bandsaws Division		34,179	11.9	33,827	11.1
Presses Division		9,349	3.3	9,919	3.3
Machine Tools Division		15,937	5.6	7,724	2.5
Others		1,249	0.4	1,722	0.6
Total		286,527	100.0	304,018	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 fiscal year ended March 2016. 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.