

Summary Report on the Consolidated Results for the Fiscal Year Ended March 31, 2017

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, 2017

Date of scheduled payment of dividends: June 29, 2017

Planned filing of the financial statements: June 28, 2017

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, 2017 (from April 1, 2016 to March 31, 2017)

(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	%
Fiscal year ended March 31, 2017	278,840	(8.3)	33,030	(22.3)	34,307	(20.5)	25,894	(5.6)
Fiscal year ended March 31, 2016	304,018	6.1	42,526	53.6	43,157	29.7	27,425	48.9

Note: Comprehensive income:

Fiscal year ended March 31, 2017: ¥17,119 million 26.4%

Fiscal year ended March 31, 2016: ¥13,540 million (57.5%)

	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	%	%	%
Fiscal year ended March 31, 2017	70.85	70.81	6.2	6.2	11.8
Fiscal year ended March 31, 2016	74.56	74.49	6.5	7.6	14.0

Reference: Equity in earnings of affiliates:

Fiscal year ended March 31, 2017: ¥347 million

Fiscal year ended March 31, 2016: ¥154 million

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	533,433	419,970	78.1	1,139.87
As of March 31, 2016	565,266	419,380	73.6	1,139.17

Reference: Total shareholders' equity:

As of March 31, 2017: ¥416,796 million

As of March 31, 2016: ¥416,181 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
Fiscal year ended March 31, 2017	26,023	(18,005)	(27,972)	76,723
Fiscal year ended March 31, 2016	52,733	(21,845)	(24,836)	100,236

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	Millions of yen	%	%
Fiscal year ended March 31, 2016	—	16.00	—	20.00	36.00	13,150	48.3	3.2
Fiscal year ended March 31, 2017	—	24.00	—	18.00	42.00	15,351	59.3	3.7
Fiscal year ending March 31, 2018 (Forecast)	—	20.00	—	20.00	40.00		55.2	

Note: Breakdown of dividends at the end of the second quarter of the fiscal year ended March 31, 2017:

Ordinary dividend: ¥18.00

70th anniversary commemorative dividend: ¥6.00

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017	130,000	3.6	13,000	(6.6)	14,000	8.5
Fiscal year ending March 31, 2018	285,000	2.2	34,000	2.9	36,000	4.9

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending September 30, 2017	9,500	10.5	25.98
Fiscal year ending March 31, 2018	26,500	2.3	72.47

4. Other Items

- Changes in the scope of consolidation for significant subsidiaries during the fiscal year ended March 31, 2017. (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, 2017	378,115,217 shares
As of March 31, 2016	378,115,217 shares
 - Number of shares of treasury shares at end of period

As of March 31, 2017	12,461,845 shares
As of March 31, 2016	12,776,953 shares
 - Average number of shares outstanding for each period

Fiscal year ended March 31, 2017	365,453,850 shares
Fiscal year ended March 31, 2016	367,835,902 shares

(Reference)

(Amounts less than one million yen are truncated.)

1. Non-Consolidated Business Performance for the Fiscal Year Ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(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	%
Fiscal year ended March 31, 2017	95,779	(4.9)	9,716	(9.4)	20,054	19.8	16,815	53.3
Fiscal year ended March 31, 2016	100,766	(36.3)	10,728	(36.9)	16,733	(38.0)	10,968	(38.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2017	46.01	45.98
Fiscal year ended March 31, 2016	29.82	29.79

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	362,177	317,323	87.6	867.73
As of March 31, 2016	366,037	316,052	86.3	864.89

Reference: Total shareholders' equity: As of March 31, 2017: ¥317,286 million
As of March 31, 2016: ¥315,978 million

These consolidated financial results are outside the scope of audit.

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, 2016	As of March 31, 2017
Item			Amount	Amount
(Assets)				
Current assets:				
	Cash and deposits		79,434	75,503
	Notes and accounts receivable - trade		137,839	127,202
	Lease investment assets		13,781	14,254
	Securities		51,751	30,527
	Merchandise and finished goods		54,194	50,767
	Work in process		8,364	7,397
	Raw materials and supplies		15,358	12,527
	Deferred tax assets		7,505	8,329
	Other		6,419	7,365
	Allowance for doubtful accounts		(2,301)	(1,966)
	Total current assets		372,347	331,909
Non-current assets:				
	Property, plant and equipment:			
	Buildings and structures		143,428	143,498
	Accumulated depreciation		(85,828)	(87,203)
	Buildings and structures, net		57,599	56,294
	Machinery, equipment and vehicles		45,482	44,643
	Accumulated depreciation		(34,630)	(34,829)
	Machinery, equipment and vehicles, net		10,852	9,813
	Tools, furniture and fixtures		16,773	16,968
	Accumulated depreciation		(13,258)	(13,343)
	Tools, furniture and fixtures, net		3,514	3,625
	Assets for rent		14,755	14,223
	Accumulated depreciation		(3,879)	(3,251)
	Assets for rent, net		10,875	10,971
	Land		40,157	40,106
	Leased assets		485	419
	Accumulated depreciation		(260)	(243)
	Leased assets, net		224	176
	Construction in progress		1,509	11,020
	Total property, plant and equipment		124,733	132,009
	Intangible assets:			
	Goodwill		1,601	1,153
	Software		4,044	6,877
	Leased assets		4	—
	Other		879	959
	Total intangible assets		6,529	8,990
	Investments and other assets:			
	Investment securities		49,187	51,137
	Long-term loans receivable		85	47
	Deferred tax assets		7,488	5,965
	Net defined benefit asset		121	135
	Other		5,081	3,527
	Allowance for doubtful accounts		(310)	(290)
	Total investments and other assets		61,654	60,523
	Total non-current assets		192,918	201,523
Total assets			565,266	533,433

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

		(Millions of yen, amounts less than one million yen are truncated.)	
Period		As of March 31, 2016	As of March 31, 2017
Item		Amount	Amount
(Liabilities)			
Current liabilities:			
Notes and accounts payable - trade		18,359	16,722
Electronically recorded obligations - operating		17,561	19,232
Short-term loans payable		25,797	13,705
Lease obligations		269	218
Income taxes payable		9,583	3,620
Deferred tax liabilities		284	8
Provision for bonuses		3,727	3,503
Provision for directors' bonuses		347	275
Deferred profit on installment sales		13,923	13,731
Other		28,068	25,722
Total current liabilities		117,923	96,743
Non-current liabilities:			
Long-term loans payable		7,743	3,366
Lease obligations		302	163
Deferred tax liabilities		432	199
Deferred tax liabilities for land revaluation		473	473
Provision for directors' retirement benefits		61	78
Net defined benefit liability		11,936	5,274
Long-term guarantee deposited		3,071	3,012
Other		3,942	4,152
Total non-current liabilities		27,962	16,719
Total liabilities		145,885	113,462
(Net assets)			
Shareholders' equity:			
Capital stock		54,768	54,768
Capital surplus		163,199	163,199
Retained earnings		217,253	226,500
Treasury shares		(12,139)	(11,841)
Total shareholders' equity		423,081	432,626
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities		(891)	(552)
Deferred gains or losses on hedges		128	(114)
Revaluation reserve for land		(9,221)	(9,221)
Foreign currency translation adjustment		6,385	(4,847)
Remeasurements of defined benefit plans		(3,301)	(1,093)
Total accumulated other comprehensive income		(6,899)	(15,829)
Subscription rights to shares		73	36
Non-controlling interests		3,125	3,137
Total net assets		419,380	419,970
Total liabilities and net assets		565,266	533,433

Consolidated Statements of Income

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

Item	Period	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
		Amount	Amount
Net sales		304,018	278,840
Cost of sales		167,813	155,916
Gross profit		136,204	122,923
Selling, general and administrative expenses:			
Sales commission		6,993	6,428
Packing and transportation expenses		8,871	8,021
Directors' compensations		656	554
Provision of allowance for doubtful accounts		694	216
Salaries and allowances		29,211	28,238
Provision for bonuses		2,267	2,025
Provision for directors' bonuses		351	280
Depreciation		4,914	4,826
Research and development expenses		7,766	7,112
Retirement benefit expenses		1,396	1,961
Other		31,601	30,326
Total selling, general and administrative expenses		94,726	89,993
Carryback of deferred profit on installment sales and finance lease sales		5,055	5,197
Deferred unrealized profit on installment sales and finance lease sales		4,007	5,097
Operating income		42,526	33,030
Non-operating income:			
Interest income		1,874	1,617
Dividend income		640	627
Commission fee		34	1
Gain on sales of investment securities		–	163
Share of profit of entities accounted for using equity method		154	347
Gain on valuation of derivatives		39	–
Other		802	894
Total non-operating income		3,547	3,652
Non-operating expenses:			
Interest expenses		286	166
Loss on sales of investment securities		–	145
Loss on valuation of derivatives		–	16
Foreign exchange losses		2,084	1,625
Other		545	420
Total non-operating expenses		2,916	2,375
Ordinary income		43,157	34,307
Extraordinary income:			
Gain on sales of non-current assets		75	128
Gain on sales of investment securities		–	4
Gain on revision of retirement benefit plan		–	2,479
Subsidy income		1,280	–
Total extraordinary income		1,355	2,612
Extraordinary losses:			
Loss on sales of non-current assets		131	29
Loss on retirement of non-current assets		244	393
Impairment loss		528	277
Loss on liquidation of subsidiaries and associates		83	–
Litigation settlement		400	–
Other		14	0
Total extraordinary losses		1,401	700
Income before income taxes		43,112	36,219
Income taxes - current		14,833	10,686
Income taxes - deferred		470	(631)
Total income taxes		15,303	10,055
Profit		27,808	26,163
Profit attributable to non-controlling interests		383	269
Profit attributable to owners of parent		27,425	25,894

Statements of Comprehensive Income

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

Item	Period	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
	Amount	Amount	Amount
Profit		27,808	26,163
Other comprehensive income			
Valuation difference on available-for-sale securities		(2,036)	343
Deferred gains or losses on hedges		53	(243)
Revaluation reserve for land		29	—
Foreign currency translation adjustment		(7,839)	(11,254)
Remeasurements of defined benefit plans, net of tax		(4,309)	2,178
Share of other comprehensive income of entities accounted for using equity method		(166)	(67)
Total other comprehensive income		(14,268)	(9,044)
Comprehensive income		13,540	17,119
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent		13,285	16,964
Comprehensive income attributable to non-controlling interests		254	155

Consolidated Statements of Changes in Net Assets

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
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
Change of fiscal year-end of consolidated subsidiaries					—
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
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
Change of fiscal year-end of consolidated subsidiaries									—
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

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(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	217,253	(12,139)	423,081
Changes of items during period					
Dividends of surplus			(16,076)		(16,076)
Profit attributable to owners of parent			25,894		25,894
Purchase of treasury shares				(6)	(6)
Disposal of treasury shares		(73)		304	230
Retirement of treasury shares					–
Transfer of negative balance of other capital surplus		73	(73)		–
Change in retained earnings due to mergers between consolidated and non-consolidated subsidiaries					–
Change of fiscal year-end of consolidated subsidiaries			(496)		(496)
Reversal of revaluation reserve for land					–
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	9,247	297	9,545
Balance at end of current period	54,768	163,199	226,500	(11,841)	432,626

	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	(891)	128	(9,221)	6,385	(3,301)	(6,899)	73	3,125	419,380
Changes of items during period									
Dividends of surplus									(16,076)
Profit attributable to owners of parent									25,894
Purchase of treasury shares									(6)
Disposal of treasury shares							(36)		194
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									–
Change of fiscal year-end of consolidated subsidiaries									(496)
Reversal of revaluation reserve for land									–
Net changes of items other than shareholders' equity	338	(243)	–	(11,233)	2,207	(8,930)	–	11	(8,918)
Total changes of items during period	338	(243)	–	(11,233)	2,207	(8,930)	(36)	11	589
Balance at end of current period	(552)	(114)	(9,221)	(4,847)	(1,093)	(15,829)	36	3,137	419,970

Consolidated Statements of Cash Flows

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

Item	Period	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
		Amount	Amount
Cash flows from operating activities:			
Income before income taxes		43,112	36,219
Depreciation		8,849	8,949
Increase (decrease) in provision for directors' retirement benefits		25	17
Increase (decrease) in net defined benefit asset and liability		(1,939)	(1,112)
Loss (gain) on sales of non-current assets		55	(98)
Loss (gain) on sales of investment securities		—	(22)
Share of (profit) loss of entities accounted for using equity method		(154)	(347)
Interest and dividend income		(2,515)	(2,244)
Subsidy income		(1,280)	—
Gain on revision of retirement benefit plan		—	(2,479)
Interest expenses		286	166
Loss on liquidation of subsidiaries and associates		83	—
Decrease (increase) in notes and accounts receivable - trade		5,950	(2,786)
Decrease (increase) in lease investment assets		(552)	(558)
Decrease (increase) in inventories		6,621	2,055
Increase (decrease) in notes and accounts payable - trade		(583)	4,082
Increase (decrease) in deferred profit on installment sales		(1,048)	(100)
Increase (decrease) in accrued consumption taxes		1,990	(2,107)
Other, net		2,700	985
Subtotal		61,602	40,616
Interest and dividend income received		2,756	2,436
Interest expenses paid		(293)	(153)
Income taxes paid		(12,611)	(16,875)
Proceeds from subsidy income		1,280	—
Net cash provided by (used in) operating activities		52,733	26,023

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

Item	Period	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
		Amount	Amount
Cash flows from investing activities:			
Payments into time deposits		(11,138)	(3,498)
Proceeds from withdrawal of time deposits		4,963	8,899
Purchase of securities		(9,498)	(34,902)
Proceeds from sales and redemption of securities		12,147	38,028
Purchase of investment securities		(16,986)	(13,500)
Proceeds from sales and redemption of investment securities		4,501	6,636
Payments into long-term time deposits		(1,000)	—
Proceeds from withdrawal of long-term time deposits		1,000	—
Purchase of property, plant and equipment		(6,258)	(15,306)
Proceeds from sales of property, plant and equipment		927	275
Purchase of intangible assets		(2,105)	(4,901)
Decrease (increase) in short-term loans receivable		32	12
Payments of long-term loans receivable		(31)	(2)
Collection of long-term loans receivable		5	14
Purchase of shares of affiliates accounted for using equity method		(330)	(480)
Proceeds from transfer of business		1,117	—
Other, net		809	719
Net cash provided by (used in) investing activities		(21,845)	(18,005)
Cash flows from financing activities:			
Net increase (decrease) in short-term loans payable		(4,708)	(11,084)
Proceeds from long-term loans payable		2,421	1,084
Repayments of long-term loans payable		(1,799)	(1,608)
Purchase of treasury shares		(10,010)	(6)
Proceeds from exercise of share options		166	193
Cash dividends paid		(10,690)	(16,045)
Dividends paid to non-controlling interests		(192)	(127)
Repayments of finance lease obligations		(193)	(337)
Other, net		170	(40)
Net cash provided by (used in) financing activities		(24,836)	(27,972)
Effect of exchange rate change on cash and cash equivalents		(2,335)	(1,727)
Net increase (decrease) in cash and cash equivalents		3,715	(21,681)
Cash and cash equivalents at beginning of period		96,320	100,236
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries		200	—
Increase (decrease) in cash and cash equivalents resulting from change of fiscal year-end of consolidated subsidiaries		—	(1,831)
Cash and cash equivalents at end of period		100,236	76,723

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.

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.

The Company and its domestic consolidated subsidiaries have changed the method of depreciation for facilities attached to buildings and structures acquired on or after April 1, 2016 from the declining balance method to the straight line method. The depreciation method for reporting segments has also been changed accordingly.

The effect of this change on consolidated financial statements for the fiscal year under review was immaterial.

3. Information regarding sales, income or loss, assets and liabilities of 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 (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:

- The "Other" classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
- Reconciliations comprise the following.
 - 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.
 - 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.
 - The ¥60 million increase in "Increase in property, plant and equipment and intangible assets" is the amount of capital investment pertaining to corporate assets.
- 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, 2017 (from April 1, 2016 to March 31, 2017)

(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	229,492	48,056	277,548	1,291	278,840	—	278,840
(2) Intersegment sales or transfers	7	31	38	—	38	(38)	—
Total	229,499	48,088	277,587	1,291	278,879	(38)	278,840
Segment profit	25,007	7,607	32,614	415	33,030	—	33,030
Segment assets	354,686	53,318	408,005	13,048	421,053	112,379	533,433
Other items							
Depreciation	7,588	1,355	8,944	5	8,949	—	8,949
Investments in affiliates accounted for by equity method	3,843	78	3,922	—	3,922	—	3,922
Increase in property, plant and equipment and intangible assets	17,476	254	17,731	—	17,731	5,836	23,567

Notes:

- The “Other” classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
- Reconciliations comprise the following.
 - The ¥112,379 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.
 - 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.
 - The ¥5,836 million increase in “Increase in property, plant and equipment and intangible assets” is the amount of capital investment pertaining to corporate assets.
- 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, 2017 (from April 1, 2016 to March 31, 2017)

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	206,051	23,441	31,888	9,423	6,744	1,291	278,840

2. Regional information

(1) Sales

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

Japan	North America	Europe	Asia	Other regions	Total
131,203	51,810	49,205	43,390	3,230	278,840

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 ¥44,791 million, which account for 10% or more 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
94,605	12,698	13,815	10,890	132,009

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

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(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	277	—	—	—	277

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

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(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	459	—	—	—	459
Balance at end of period	1,153	—	—	—	1,153

Supplementary Information

Status of Orders and Sales (Consolidated)

1. Orders Received

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

Period Divisions	Fiscal year ended March 31, 2016				Fiscal year ended March 31, 2017			
	Orders received		Balance of outstanding orders		Orders received		Balance of outstanding orders	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Sheet-Metal Processing Machines Division	229,973	75.0	38,801	79.6	204,252	74.0	36,190	80.3
Welding Division	23,299	7.6	3,816	7.8	23,900	8.7	4,276	9.5
Bandsaws Division	34,329	11.2	2,682	5.5	31,368	11.4	2,273	5.0
Presses Division	9,717	3.2	1,862	3.8	8,929	3.2	1,374	3.0
Machine Tools Division	7,360	2.4	1,611	3.3	6,140	2.2	971	2.2
Others	1,722	0.6	6	0.0	1,289	0.5	4	0.0
Total	306,402	100.0	48,782	100.0	275,881	100.0	45,089	100.0

2. Sales Results

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

Period Divisions	Fiscal year ended March 31, 2016		Fiscal year ended March 31, 2017	
	Amount	Ratio	Amount	Ratio
Sheet-Metal Processing Machines Division	228,001	75.0	206,051	73.9
Welding Division	22,823	7.5	23,441	8.4
Bandsaws Division	33,827	11.1	31,888	11.4
Presses Division	9,919	3.3	9,423	3.4
Machine Tools Division	7,724	2.5	6,744	2.4
Others	1,722	0.6	1,291	0.5
Total	304,018	100.0	278,840	100.0

Note: For "Status of Orders and Sales," amounts exclude consumption tax.