

Summary Report on the Consolidated Results for the Fiscal Year Ended March 31, 2018

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 27, 2018

Date of scheduled payment of dividends: June 28, 2018

Planned filing of the financial statements: June 27, 2018

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, 2018 (from April 1, 2017 to March 31, 2018)

(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, 2018	300,655	7.8	37,965	14.9	40,616	18.4	29,856	15.3
Fiscal year ended March 31, 2017	278,840	(8.3)	33,030	(22.3)	34,307	(20.5)	25,894	(5.6)

Note: Comprehensive income:

Fiscal year ended March 31, 2018: ¥32,954 million 92.5%

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

	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, 2018	81.62	81.61	7.0	7.4	12.6
Fiscal year ended March 31, 2017	70.85	70.81	6.2	6.2	11.8

Reference: Equity in earnings of affiliates:

Fiscal year ended March 31, 2018: ¥184 million

Fiscal year ended March 31, 2017: ¥347 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, 2018	557,170	438,863	78.2	1,190.97
As of March 31, 2017	533,433	419,970	78.1	1,139.87

Reference: Total shareholders' equity:

As of March 31, 2018: ¥435,669 million

As of March 31, 2017: ¥416,796 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, 2018	32,406	(26,950)	(17,184)	78,239
Fiscal year ended March 31, 2017	26,023	(5,505)	(27,972)	89,223

Note on consolidated business performance

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, 2017	—	24.00	—	18.00	42.00	15,351	59.3	3.7
Fiscal year ended March 31, 2018	—	20.00	—	22.00	42.00	15,364	51.5	3.6
Fiscal year ending March 31, 2019 (Forecast)	—	21.00	—	21.00	42.00		53.9	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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

	Sales revenue		Operating income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2019	310,000	–	40,500	–	28,500	–	77.91

Note: The Company has decided to voluntarily adopt International Financial Reporting Standards (IFRS) from fiscal year ending March 31, 2019 and the consolidated forecasts presented above show forecasts calculated based on IFRS. Therefore, year-on-year increase (decrease) against performance of fiscal year ended March 31, 2018 which has applied Japanese GAAP is not presented.

4. Other Items

- (1) Changes in the scope of consolidation for significant subsidiaries during the fiscal year ended March 31, 2018. (Changes in specified subsidiaries resulting in change in the scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatements:
 - 1) Changes in accounting policies in accordance with revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: Yes
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatements: None
- (3) Number of shares issued and outstanding (common stock)
 - 1) Number of shares of common stock outstanding at end of period, including treasury shares

As of March 31, 2018	378,115,217 shares
As of March 31, 2017	378,115,217 shares
 - 2) Number of shares of treasury shares at end of period

As of March 31, 2018	12,305,750 shares
As of March 31, 2017	12,461,845 shares
 - 3) Average number of shares outstanding for each period

Fiscal year ended March 31, 2018	365,781,884 shares
Fiscal year ended March 31, 2017	365,453,850 shares

(Reference)

(Amounts less than one million yen are truncated.)

1. Non-Consolidated Business Performance for the Fiscal Year Ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(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, 2018	99,024	3.4	9,570	(1.5)	21,100	5.2	18,262	8.6
Fiscal year ended March 31, 2017	95,779	(4.9)	9,716	(9.4)	20,054	19.8	16,815	53.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2018	49.93	49.92
Fiscal year ended March 31, 2017	46.01	45.98

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2018	379,340	321,118	84.7	877.82
As of March 31, 2017	362,177	317,323	87.6	867.73

Reference: Total shareholders' equity: As of March 31, 2018: ¥321,116 million
As of March 31, 2017: ¥317,286 million

These financial results are outside the scope of audit by certified public accountants or audit corporations.

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 truncated.)	
Item	Period	As of March 31, 2017	As of March 31, 2018
		Amount	Amount
(Assets)			
Current assets:			
Cash and deposits		75,503	75,964
Notes and accounts receivable - trade		127,202	134,095
Lease investment assets		14,254	10,612
Securities		30,527	21,414
Merchandise and finished goods		50,767	51,380
Work in process		7,397	10,015
Raw materials and supplies		12,527	14,130
Deferred tax assets		8,329	8,756
Other		7,365	13,788
Allowance for doubtful accounts		(1,966)	(1,937)
Total current assets		331,909	338,220
Non-current assets:			
Property, plant and equipment:			
Buildings and structures		143,498	153,009
Accumulated depreciation		(87,203)	(90,262)
Buildings and structures, net		56,294	62,746
Machinery, equipment and vehicles		44,643	46,498
Accumulated depreciation		(34,829)	(31,186)
Machinery, equipment and vehicles, net		9,813	15,311
Tools, furniture and fixtures		16,968	17,320
Accumulated depreciation		(13,343)	(13,035)
Tools, furniture and fixtures, net		3,625	4,285
Assets for rent		14,223	9,548
Accumulated depreciation		(3,251)	(2,739)
Assets for rent, net		10,971	6,808
Land		40,106	41,379
Leased assets		419	459
Accumulated depreciation		(243)	(333)
Leased assets, net		176	126
Construction in progress		11,020	6,154
Total property, plant and equipment		132,009	136,813
Intangible assets:			
Goodwill		1,153	884
Software		6,877	8,876
Other		959	975
Total intangible assets		8,990	10,736
Investments and other assets:			
Investment securities		51,137	62,268
Long-term loans receivable		47	30
Deferred tax assets		5,965	5,874
Net defined benefit asset		135	132
Other		3,527	3,369
Allowance for doubtful accounts		(290)	(274)
Total investments and other assets		60,523	71,399
Total non-current assets		201,523	218,950
Total assets		533,433	557,170

(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, 2017	As of March 31, 2018
		Amount	Amount
(Liabilities)			
Current liabilities:			
Notes and accounts payable - trade		16,722	19,162
Electronically recorded obligations - operating		19,232	18,081
Short-term loans payable		13,705	8,092
Lease obligations		218	127
Income taxes payable		3,620	8,160
Deferred tax liabilities		8	27
Provision for bonuses		3,503	3,656
Provision for directors' bonuses		275	387
Deferred profit on installment sales		13,731	11,911
Other		25,722	32,853
Total current liabilities		96,743	102,461
Non-current liabilities:			
Long-term loans payable		3,366	5,313
Lease obligations		163	103
Deferred tax liabilities		199	341
Deferred tax liabilities for land revaluation		473	473
Provision for directors' retirement benefits		78	85
Net defined benefit liability		5,274	3,309
Long-term guarantee deposited		3,012	2,589
Other		4,152	3,629
Total non-current liabilities		16,719	15,845
Total liabilities		113,462	118,307
(Net assets)			
Shareholders' equity:			
Capital stock		54,768	54,768
Capital surplus		163,199	163,199
Retained earnings		226,500	242,449
Treasury shares		(11,841)	(11,695)
Total shareholders' equity		432,626	448,721
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities		(552)	(1,146)
Deferred gains or losses on hedges		(114)	104
Revaluation reserve for land		(9,221)	(9,221)
Foreign currency translation adjustment		(4,847)	(2,421)
Remeasurements of defined benefit plans		(1,093)	(366)
Total accumulated other comprehensive income		(15,829)	(13,051)
Subscription rights to shares		36	2
Non-controlling interests		3,137	3,191
Total net assets		419,970	438,863
Total liabilities and net assets		533,433	557,170

Consolidated Statements of Income

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

Item	Period	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
		Amount	Amount
Net sales		278,840	300,655
Cost of sales		155,916	169,871
Gross profit		122,923	130,783
Selling, general and administrative expenses:			
Sales commission		6,428	7,160
Packing and transportation expenses		8,021	8,702
Directors' compensations		554	598
Provision of allowance for doubtful accounts		216	186
Salaries and allowances		28,238	27,817
Provision for bonuses		2,025	2,218
Provision for directors' bonuses		280	393
Depreciation		4,826	5,252
Research and development expenses		7,112	6,838
Retirement benefit expenses		1,961	1,870
Other		30,326	32,145
Total selling, general and administrative expenses		89,993	93,183
Reversal of unrealized profit on installment sales		5,197	4,948
Deferred unrealized profit on installment sales and finance lease sales		5,097	4,582
Operating income		33,030	37,965
Non-operating income:			
Interest income		1,617	1,631
Dividend income		627	586
Commission fee		1	25
Gain on sales of investment securities		163	848
Share of profit of entities accounted for using equity method		347	184
Other		894	1,115
Total non-operating income		3,652	4,391
Non-operating expenses:			
Interest expenses		166	95
Loss on sales of investment securities		145	600
Loss on valuation of derivatives		16	22
Foreign exchange losses		1,625	498
Other		420	523
Total non-operating expenses		2,375	1,740
Ordinary income		34,307	40,616
Extraordinary income:			
Gain on sales of non-current assets		128	732
Gain on sales of investment securities		4	816
Gain on revision of retirement benefit plan		2,479	–
Gain on transfer of receivables		–	1,607
Other		–	15
Total extraordinary income		2,612	3,172
Extraordinary losses:			
Loss on sales of non-current assets		29	38
Loss on retirement of non-current assets		393	474
Impairment loss		277	–
Other		0	4
Total extraordinary losses		700	517
Income before income taxes		36,219	43,271
Income taxes - current		10,686	13,530
Income taxes - deferred		(631)	(429)
Total income taxes		10,055	13,100
Profit		26,163	30,170
Profit attributable to non-controlling interests		269	314
Profit attributable to owners of parent		25,894	29,856

Statements of Comprehensive Income

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

Item	Period	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
	Amount	Amount	Amount
Profit		26,163	30,170
Other comprehensive income			
Valuation difference on available-for-sale securities		343	(615)
Deferred gains or losses on hedges		(243)	218
Foreign currency translation adjustment		(11,254)	2,345
Remeasurements of defined benefit plans, net of tax		2,178	723
Share of other comprehensive income of entities accounted for using equity method		(67)	111
Total other comprehensive income		(9,044)	2,783
Comprehensive income		17,119	32,954
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent		16,964	32,634
Comprehensive income attributable to non-controlling interests		155	320

Consolidated Statements of Changes in Net Assets

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
Change in ownership interest of parent due to transactions with non-controlling interests					–
Transfer of negative balance of other capital surplus		73	(73)		–
Change of fiscal year-end of consolidated subsidiaries			(496)		(496)
Forfeiture of share acquisition rights					–
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	Non-controlling interests	Total liabilities and 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
Change in ownership interest of parent due to transactions with non-controlling interests									–
Transfer of negative balance of other capital surplus									–
Change of fiscal year-end of consolidated subsidiaries									(496)
Forfeiture of share acquisition rights									–
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

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(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	226,500	(11,841)	432,626
Changes of items during period					
Dividends of surplus			(13,898)		(13,898)
Profit attributable to owners of parent			29,856		29,856
Purchase of treasury shares				(6)	(6)
Disposal of treasury shares		(37)		153	116
Change in ownership interest of parent due to transactions with non-controlling interests		27			27
Transfer of negative balance of other capital surplus		9	(9)		—
Change of fiscal year-end of consolidated subsidiaries					—
Forfeiture of share acquisition rights					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	15,948	146	16,095
Balance at end of current period	54,768	163,199	242,449	(11,695)	448,721

	Accumulated other comprehensive income						Subscription rights to shares	Non-controlling interests	Total liabilities and 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	(552)	(114)	(9,221)	(4,847)	(1,093)	(15,829)	36	3,137	419,970
Changes of items during period									
Dividends of surplus									(13,898)
Profit attributable to owners of parent									29,856
Purchase of treasury shares									(6)
Disposal of treasury shares							(18)		97
Change in ownership interest of parent due to transactions with non-controlling interests									27
Transfer of negative balance of other capital surplus									—
Change of fiscal year-end of consolidated subsidiaries									—
Forfeiture of share acquisition rights							(15)		(15)
Net changes of items other than shareholders' equity	(593)	218	—	2,426	726	2,777	—	54	2,832
Total changes of items during period	(593)	218	—	2,426	726	2,777	(34)	54	18,892
Balance at end of current period	(1,146)	104	(9,221)	(2,421)	(366)	(13,051)	2	3,191	438,863

Consolidated Statements of Cash Flows

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

Item	Period	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
	Amount	Amount	Amount
Cash flows from operating activities:			
Income before income taxes	36,219	43,271	
Depreciation	8,949	10,080	
Increase (decrease) in provision for directors' retirement benefits	17	7	
Increase (decrease) in net defined benefit asset and liability	(1,112)	(1,049)	
Loss (gain) on sales of non-current assets	(98)	(693)	
Loss (gain) on sales of investment securities	(22)	(1,060)	
Share of (profit) loss of entities accounted for using equity method	(347)	(184)	
Interest and dividend income	(2,244)	(2,218)	
Gain on revision of retirement benefit plan	(2,479)	—	
Gain on transfer of receivables	—	(1,607)	
Interest expenses	166	95	
Decrease (increase) in notes and accounts receivable - trade	(2,786)	(5,900)	
Decrease (increase) in lease investment assets	(558)	4,172	
Decrease (increase) in inventories	2,055	(4,681)	
Increase (decrease) in notes and accounts payable - trade	4,082	277	
Increase (decrease) in deferred profit on installment sales	(100)	(1,820)	
Increase (decrease) in accrued consumption taxes	(2,107)	(742)	
Other, net	985	1,148	
Subtotal	40,616	39,093	
Interest and dividend income received	2,436	2,409	
Interest expenses paid	(153)	(70)	
Income taxes paid	(16,875)	(9,025)	
Net cash provided by (used in) operating activities	26,023	32,406	

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

Item	Period	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
		Amount	Amount
Cash flows from investing activities:			
Payments into time deposits		(3,498)	(9,907)
Proceeds from withdrawal of time deposits		8,899	7,238
Purchase of securities		(1,402)	(3,800)
Proceeds from sales and redemption of securities		17,028	9,629
Purchase of investment securities		(13,500)	(29,911)
Proceeds from sales and redemption of investment securities		6,636	13,720
Purchase of property, plant and equipment		(15,306)	(14,182)
Proceeds from sales of property, plant and equipment		275	5,191
Purchase of intangible assets		(4,901)	(4,663)
Decrease (increase) in short-term loans receivable		12	22
Payments of long-term loans receivable		(2)	(4)
Collection of long-term loans receivable		14	13
Purchase of shares of subsidiaries resulting in change in scope of consolidation		(480)	(140)
Other, net		719	(157)
Net cash provided by (used in) investing activities		(5,505)	(26,950)
Cash flows from financing activities:			
Net increase (decrease) in short-term loans payable		(11,084)	(1,852)
Proceeds from long-term loans payable		1,084	2,217
Repayments of long-term loans payable		(1,608)	(3,906)
Purchase of treasury shares		(6)	(6)
Proceeds from exercise of share options		193	97
Cash dividends paid		(16,045)	(13,878)
Dividends paid to non-controlling interests		(127)	(212)
Repayments of finance lease obligations		(337)	(250)
Other, net		(40)	608
Net cash provided by (used in) financing activities		(27,972)	(17,184)
Effect of exchange rate change on cash and cash equivalents		(1,727)	744
Net increase (decrease) in cash and cash equivalents		(9,181)	(10,984)
Cash and cash equivalents at beginning of period		100,236	89,223
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		89,223	78,239

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.

(Change in inventory valuation method)

Domestic consolidated subsidiaries of the Company, which had mainly adopted the last purchase price method as the inventory valuation method for raw materials of machinery, changed the valuation method mainly to the first-in first-out method effective from this fiscal year under review.

This change is aimed at calculating periodic profit and loss more quickly and appropriately, taking advantage of the reconstruction of the accounting system.

Since the impact of this change is immaterial, the change has not been applied retroactively.

(Change in depreciation method for property, plant and equipment)

The Company, its domestic consolidated subsidiaries and some overseas consolidated subsidiaries changed the method of depreciation for property, plant and equipment (excluding leased assets) to the straight line method from this fiscal year under review, although the declining balance method had been previously used (however, the straight line method had been used for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016 by the Company and its domestic consolidated subsidiaries).

This change was made after the depreciation method for property, plant and equipment had been reviewed again, with the investment plan under the Medium Term Management Plan as an opportunity. As a result of the review, stable operation over a long period is expected mainly based on the actual conditions of demand for products of the Company. Accordingly, the Company judged that adoption of the straight line method as the depreciation method for property, plant and equipment is reasonable from the viewpoint of cost allocation and better reflects the actual economic conditions, and thus it made the change.

As a result of this change, segment profit of the consolidated financial statement for this fiscal year under review increased by ¥965 million in "Metalworking Machinery" and ¥118 million in "Metal Machine Tools" compared with figures calculated based on the previous method.

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

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(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	249,214	50,118	299,332	1,322	300,655	—	300,655
(2) Intersegment sales or transfers	6	22	29	—	29	(29)	—
Total	249,221	50,141	299,362	1,322	300,684	(29)	300,655
Segment profit	29,218	8,329	37,547	417	37,965	—	37,965
Segment assets	377,907	47,902	425,810	8,249	434,059	123,110	557,170
Other items							
Depreciation	8,753	1,070	9,823	4	9,827	252	10,080
Investments in affiliates accounted for by equity method	4,040	93	4,134	—	4,134	—	4,134
Increase in property, plant and equipment and intangible assets	10,163	713	10,876	—	10,876	8,543	19,419

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 ¥123,110 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 ¥8,543 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, 2018 (from April 1, 2017 to March 31, 2018)

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	223,165	26,048	33,762	9,383	6,971	1,322	300,655

2. Regional information**(1) Sales**

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

Japan	North America	Europe	Asia	Other regions	Total
130,662	57,860	58,857	48,864	4,411	300,655

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 ¥49,752 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
98,512	11,820	14,804	11,676	136,813

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

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

No events to be noted for this purpose.

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

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(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	297	—	—	—	297
Balance at end of period	884	—	—	—	884

Supplementary Information

Status of Orders Received and Sales (Consolidated)

1. Orders Received

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

Period Divisions	Fiscal year ended March 31, 2017				Fiscal year ended March 31, 2018			
	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	204,252	74.0	36,190	80.3	237,930	73.8	50,954	76.1
Welding Division	23,900	8.7	4,276	9.5	27,378	8.5	5,605	8.4
Bandsaws Division	31,368	11.4	2,273	5.0	36,000	11.2	4,511	6.8
Presses Division	8,929	3.2	1,374	3.0	10,830	3.3	2,821	4.2
Machine Tools Division	6,140	2.2	971	2.2	9,020	2.8	3,020	4.5
Others	1,289	0.5	4	0.0	1,322	0.4	4	0.0
Total	275,881	100.0	45,089	100.0	322,482	100.0	66,917	100.0

2. Sales Results

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

Period Divisions	Fiscal year ended March 31, 2017		Fiscal year ended March 31, 2018	
	Amount	Ratio	Amount	Ratio
		%		%
Sheet-Metal Processing Machines Division	206,051	73.9	223,165	74.2
Welding Division	23,441	8.4	26,048	8.7
Bandsaws Division	31,888	11.4	33,762	11.3
Presses Division	9,423	3.4	9,383	3.1
Machine Tools Division	6,744	2.4	6,971	2.3
Others	1,291	0.5	1,322	0.4
Total	278,840	100.0	300,655	100.0

Note: For “Status of Orders Received and Sales,” amounts exclude consumption tax.

Status of Sales to Customers by Geographic Region

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

Period Regions	Fiscal Year ended March 31, 2017		Fiscal Year ended March 31, 2018		Percentage change
	Amount	Ratio	Amount	Ratio	
				%	%
Japan	131,203	47.1	130,662	43.5	(0.4)
Overseas	147,637	52.9	169,993	56.5	15.1
[North America]	[51,810]	[18.6]	[57,860]	[19.2]	[11.7]
[Europe]	[49,205]	[17.6]	[58,857]	[19.6]	[19.6]
[Asia and other regions]	[46,621]	[16.7]	[53,275]	[17.7]	[14.3]
Total	278,840	100.0	300,655	100.0	7.8

Note: This table presents sales to customers by geographic region.