

## Consolidated Financial Results for the Three Months Ended June 30, 2018 (IFRS)

### 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 to file quarterly securities report: August 10, 2018

Scheduled date to commence dividend payments:

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results briefing: Yes (for investment analysts and institutional investors)

(Amounts less than one million yen are truncated.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

#### (1) Operating Results (Cumulative)

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

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Three months ended June 30, 2018</b>	<b>67,327</b>	<b>16.5</b>	<b>6,034</b>	<b>38.0</b>	<b>6,881</b>	<b>17.0</b>	<b>4,914</b>	<b>21.4</b>	<b>4,846</b>	<b>21.2</b>
Three months ended June 30, 2017	57,795	—	4,372	—	5,880	—	4,049	—	3,999	—

Note: Comprehensive income: Three months ended June 30, 2018: ¥4,356 million (37.5%)  
Three months ended June 30, 2017: ¥6,966 million ---%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
<b>Three months ended June 30, 2018</b>	<b>13.25</b>	<b>13.25</b>
Three months ended June 30, 2017	10.94	10.93

#### (2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%
<b>As of June 30, 2018</b>	<b>547,042</b>	<b>434,014</b>	<b>430,350</b>	<b>78.7</b>
As of March 31, 2018	556,104	437,707	434,091	78.1

#### 2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2018	—	20.00	—	22.00	42.00
<b>Fiscal year ending March 31, 2019</b>	—				
Fiscal year ending March 31, 2019 (Forecast)		21.00	—	21.00	42.00

Notes: Revision to dividend forecasts most recently announced: None

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

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

	Revenue		Operating profit		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	2.7	40,500	2.0	28,500	5.2	77.91

Note: Revision to consolidated financial forecasts most recently announced: None

Percentages of year-on-year increase (decrease) is calculated using the actual figures for the fiscal year ended March 31, 2018, which were prepared in accordance with International Reporting Standards ("IFRS").

### 4. Other Items

(1) Changes in the scope of consolidation for significant subsidiaries during the three months ended June 30, 2018: None

(Changes in specified subsidiaries resulting in change in the scope of consolidation)

(2) Changes in accounting policies and changes in accounting estimates:

1) Changes in accounting policies required by IFRS: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

1) Number of shares issued at end of period (including treasury shares)

As of June 30, 2018 378,115,217 shares

As of March 31, 2018 378,115,217 shares

2) Number of treasury shares at end of period

As of June 30, 2018 12,306,536 shares

As of March 31, 2018 12,305,750 shares

3) Average number of shares during period

Three months ended June 30, 2018 365,808,855 shares

Three months ended June 30, 2017 365,715,526 shares

\* **These quarterly consolidated financial results are outside the scope of the quarterly review procedures by a certified public accountant or an auditing firm.**

\* **Explanation regarding the appropriate use of financial results forecast and other special notes**

(Adoption of IFRS)

The Group has adopted International Financial Reporting Standards ("IFRS") from the three months ended June 30, 2018. Comparative financial figures for the previous corresponding period and the previous fiscal year are also presented in conformity with IFRS.

(Notes on forward-looking statements)

The consolidated financial forecasts mentioned in this document and other forward-looking statements are based on information available to and on certain reasonable assumptions by the Company as of today. Accordingly, actual results may differ significantly from the forecasts herein due to various factors.

**Condensed Quarterly Consolidated Financial Statements and Primary Notes**  
**Condensed Quarterly Consolidated Statement of Financial Position**

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

Item	Period	As of April 1, 2017 (Date of transition to IFRS)	As of March 31, 2018	As of June 30, 2018
<b>(Assets)</b>				
<b>Current assets:</b>				
Cash and cash equivalents		91,746	80,464	66,630
Trade and other receivables		135,928	141,774	127,357
Inventories		75,755	82,109	91,406
Other financial assets		17,111	19,584	24,613
Other current assets		5,739	8,355	8,178
Total current assets		326,281	332,289	318,186
<b>Non-current assets:</b>				
Property, plant and equipment		118,448	126,008	126,641
Goodwill		950	967	1,328
Intangible assets		7,288	9,287	10,020
Investments accounted for using equity method		1,423	1,598	1,633
Other financial assets		52,777	63,297	67,529
Deferred tax assets		12,674	13,380	12,651
Other non-current assets		13,422	9,275	9,050
Total non-current assets		206,985	223,814	228,856
<b>Total assets</b>		<b>533,267</b>	<b>556,104</b>	<b>547,042</b>

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

Period	As of April 1, 2017 (Date of transition to IFRS)	As of March 31, 2018	As of June 30, 2018
<b>Item</b>			
<b>(Liabilities and Equity)</b>			
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Trade and other payables	50,171	53,164	52,970
Borrowings	15,150	9,897	13,259
Income taxes payable	2,413	7,784	1,600
Other financial liabilities	1,521	1,343	3,181
Provisions	971	1,476	1,480
Other current liabilities	20,115	23,490	19,897
Total current liabilities	90,345	97,156	92,391
<b>Non-current liabilities:</b>			
Borrowings	3,706	5,703	5,947
Other financial liabilities	3,514	2,890	2,865
Deferred tax liabilities	1,940	2,179	1,729
Retirement benefit liability	6,508	5,171	4,902
Provisions	6	6	6
Other non-current liabilities	5,545	5,289	5,185
Total non-current liabilities	21,222	21,240	20,637
Total liabilities	111,567	118,396	113,028
<b>Equity</b>			
Share capital	54,768	54,768	54,768
Capital surplus	163,235	163,217	163,217
Retained earnings	210,921	224,850	221,649
Treasury shares	(11,841)	(11,695)	(11,696)
Other components of equity	1,079	2,950	2,411
Total equity attributable to owners of parent	418,163	434,091	430,350
Non-controlling interests	3,536	3,615	3,664
Total equity	421,699	437,707	434,014
<b>Total liabilities and equity</b>	<b>533,267</b>	<b>556,104</b>	<b>547,042</b>

## Condensed Quarterly Consolidated Statement of Profit or Loss

Three months ended June 30, 2017 and 2018

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

Item	Period	Three months ended June 30, 2017	Three months ended June 30, 2018
Revenue		57,795	67,327
Cost of sales		(31,716)	(37,849)
Gross profit		26,079	29,478
Selling, general and administrative expenses		(21,850)	(23,614)
Other income		285	562
Other expenses		(141)	(392)
Operating profit		4,372	6,034
Finance income		1,723	970
Finance costs		(264)	(239)
Share of profit of investments accounted for using equity method		48	115
Profit before tax		5,880	6,881
Income tax expense		(1,831)	(1,966)
Profit		4,049	4,914
Profit attributable to:			
Owners of parent		3,999	4,846
Non-controlling interests		49	68
Profit		4,049	4,914
Earnings per share			
Basic earnings per share		10.94	13.25
Diluted earnings per share		10.93	13.25

## Condensed Quarterly Consolidated Statement of Comprehensive Income

Three months ended June 30, 2017 and 2018

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

Item	Period	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit		4,049	4,914
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Equity financial assets measured at fair value through other comprehensive income		15	(56)
Total of items		15	(56)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		2,848	(464)
Debt financial assets measured at fair value through other comprehensive income		8	(13)
Share of other comprehensive income of investments accounted for using equity method		46	(23)
Total of items		2,902	(501)
Total other comprehensive income		2,917	(558)
Comprehensive income		6,966	4,356
Comprehensive income attributable to:			
Owners of parent		6,910	4,307
Non-controlling interests		56	49
Comprehensive income		6,966	4,356

## Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

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

	Equity attributable to owners of parent									Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity				Total		
					Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of investments accounted for using equity method	Total			
Balance at April 1, 2017	54,768	163,235	210,921	(11,841)	1,079	–	–	1,079	418,163	3,536	421,699
Profit			3,999					–	3,999	49	4,049
Other comprehensive income					23	2,840	46	2,910	2,910	7	2,917
Comprehensive income	–	–	3,999	–	23	2,840	46	2,910	6,910	56	6,966
Dividends			(6,581)					–	(6,581)	(135)	(6,717)
Purchase of treasury shares				(1)				–	(1)		(1)
Disposal of treasury shares (including through the exercise of share options)		(10)	(20)	84				–	53		53
Total transactions with owners	–	(10)	(6,602)	83	–	–	–	–	(6,528)	(135)	(6,664)
Balance at June 30, 2017	54,768	163,225	208,319	(11,757)	1,103	2,840	46	3,990	418,545	3,457	422,002

Three months ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

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

	Equity attributable to owners of parent									Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity				Total		
					Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Share of other comprehensive income of investments accounted for using equity method	Total			
Balance at April 1, 2018	54,768	163,217	224,850	(11,695)	529	2,351	70	2,950	434,091	3,615	437,707
Profit			4,846					–	4,846	68	4,914
Other comprehensive income					(70)	(445)	(23)	(539)	(539)	(19)	(558)
Comprehensive income	–	–	4,846	–	(70)	(445)	(23)	(539)	4,307	49	4,356
Dividends			(8,047)					–	(8,047)	(0)	(8,048)
Purchase of treasury shares				(1)				–	(1)		(1)
Disposal of treasury shares (including through the exercise of share options)		0	0	0				–	0		0
Total transactions with owners	–	0	(8,047)	(1)	–	–	–	–	(8,048)	(0)	(8,049)
Balance at June 30, 2018	54,768	163,217	221,649	(11,696)	458	1,905	47	2,411	430,350	3,664	434,014

## Condensed Quarterly Consolidated Statement of Cash Flows

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

Item	Period	Three months ended June 30, 2017	Three months ended June 30, 2018
<b>Cash flows from operating activities</b>			
Profit before tax		5,880	6,881
Depreciation and amortization		2,240	2,961
Finance income and finance costs		(1,458)	(731)
Share of profit of investments accounted for using equity method		(48)	(115)
Gain on sale of fixed assets		(4)	139
Decrease (increase) in inventories		(7,255)	(9,221)
Decrease (increase) in trade and other receivables		14,267	15,088
Increase (decrease) in trade and other payables		(1,250)	(8)
Increase (decrease) in retirement benefit liability		(220)	(252)
Increase (decrease) in provisions		580	(1)
Other		1,436	(1,722)
Subtotal		14,167	13,017
Interest received		239	281
Dividends received		147	71
Interest paid		(25)	(27)
Income taxes paid		(2,961)	(6,775)
Net cash provided by (used in) operating activities		11,567	6,567
<b>Cash flows from investing activities</b>			
Net decrease (increase) in time deposits		(3,792)	(5,394)
Purchase of securities		—	(1,000)
Proceeds from sale of marketable securities		3,423	1,600
Purchase of investment securities		(7,488)	(4,303)
Proceeds from sale of investment securities		550	7
Purchase of property, plant and equipment		(3,676)	(4,470)
Proceeds from sale of property, plant and equipment		60	214
Purchase of intangible assets		(893)	(1,037)
Payments from purchase of shares of subsidiaries resulting in change in scope of consolidation		—	(742)
Other		10	194
Net cash provided by (used in) investing activities		(11,806)	(14,931)
<b>Cash flows from financing activities</b>			
Proceeds from short-term borrowings		1,219	1,801
Repayments of short-term borrowings		(812)	(2,037)
Net increase (decrease) in short-term borrowings		(777)	3,315
Proceeds from long-term borrowings		—	30
Repayments of long-term borrowings		—	(69)
Proceeds from exercise of employee share options		53	—
Repayments of lease obligations		(87)	(34)
Payments for purchase of treasury shares		(1)	(1)
Dividends paid		(6,585)	(8,050)
Dividends paid to non-controlling interests		(2)	(0)
Other		0	0
Net cash provided by (used in) financing activities		(6,993)	(5,046)
<b>Effect of exchange rate changes on cash and cash equivalents</b>		194	(424)
<b>Net increase (decrease) in cash and cash equivalents</b>		(7,037)	(13,834)
<b>Cash and cash equivalents at beginning of period</b>		91,746	80,464
<b>Cash and cash equivalents at end of period</b>		84,708	66,630



**Notes on Going Concern Assumption**

Not applicable.

## Segment Information

Three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

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

	Metalworking Machinery	Metal Machine Tools	Other	Total	Reconciliations	Consolidated
Revenue						
Revenue from external customers	47,704	9,744	346	57,795	—	57,795
Intersegment revenue	1	8	—	10	(10)	—
Total	47,705	9,753	346	57,805	(10)	57,795
Segment profit	2,959	1,294	119	4,372	—	4,372
Finance income						1,723
Finance costs						(264)
Share of profit of investments accounted for using equity method						48
Profit before tax						5,880

Notes:

1. The “Other” classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
2. Segment profit is adjusted from operating profit.

Three months ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

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

	Metalworking Machinery	Metal Machine Tools	Other	Total	Reconciliations	Consolidated
Revenue						
Revenue from external customers	55,834	11,189	304	67,327	—	67,327
Intersegment revenue	2	2	—	4	(4)	—
Total	55,836	11,191	304	67,332	(4)	67,327
Segment profit	4,425	1,480	128	6,034	—	6,034
Finance income						970
Finance costs						(239)
Share of profit of investments accounted for using equity method						115
Profit before tax						6,881

Notes:

1. The “Other” classification refers to businesses not included within reportable segments. It principally comprises real estate leasing and automobile leasing.
2. Segment profit is adjusted from operating profit.

## Supplementary Information

### Status of Orders Received and Sales (Consolidated)

#### 1. Orders Received

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

Divisions	Period	Three months ended June 30, 2017				Three months ended June 30, 2018			
		Orders received		Balance of outstanding orders		Orders received		Balance of outstanding orders	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
			%		%		%		%
Sheet Metal Division		48,517	70.1	50,722	79.2	49,377	68.8	61,749	76.2
Micro Welding Division		7,739	11.2	5,915	9.2	8,599	12.0	6,641	8.2
Cutting Division		8,016	11.6	3,415	5.3	9,031	12.6	5,760	7.1
Stamping Presses Division		2,749	4.0	2,386	3.7	2,418	3.4	3,294	4.1
Grinding Division		1,799	2.6	1,638	2.6	2,027	2.8	3,585	4.4
Others		341	0.5	—	—	300	0.4	—	—
Total		69,164	100.0	64,078	100.0	71,754	100.0	81,031	100.0

#### 2. Sales Results

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

Divisions	Period	Three months ended June 30, 2017		Three months ended June 30, 2018	
		Amount	Ratio	Amount	Ratio
			%		%
Sheet Metal Division		41,604	72.0	48,270	71.7
Micro Welding Division		6,099	10.5	7,564	11.2
Cutting Division		6,874	11.9	7,781	11.5
Stamping Presses Division		1,737	3.0	1,945	2.9
Grinding Division		1,132	2.0	1,462	2.2
Others		346	0.6	304	0.5
Total		57,795	100.0	67,327	100.0

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

### Status of Sales revenue to Customers by Geographic Region

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

Regions	Period	Three months ended June 30, 2017		Three months ended June 30, 2018		Percentage change
		Amount	Ratio	Amount	Ratio	
			%		%	%
Japan		20,571	35.6	22,676	33.7	10.2
Overseas		37,223	64.4	44,651	66.3	20.0
North America		(13,419)	(23.2)	(16,075)	(23.9)	(19.8)
Europe		(11,708)	(20.3)	(14,699)	(21.8)	(25.5)
Asia and other regions		(12,095)	(20.9)	(13,875)	(20.6)	(14.7)
Total		57,795	100.0	67,327	100.0	16.5

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