

Consolidated Financial Results for the Three Months Ended June 30, 2021 (IFRS)

AMADA CO., LTD.

Listed on the First Section of the TSE

Stock Code: 6113

(URL <https://www.amada.co.jp>)

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Scheduled date to file quarterly securities report: August 6, 2021

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, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	62,178	30.4	5,306	(38.9)	5,948	(40.1)	4,227	(34.3)	4,179	(35.0)
Three months ended June 30, 2020	47,683	(26.5)	8,679	83.5	9,936	99.3	6,431	72.9	6,424	75.8

Note: Comprehensive income: Three months ended June 30, 2021: ¥4,321 millions (44.5) %
Three months ended June 30, 2020: ¥7,786 millions — %

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	12.02	—
Three months ended June 30, 2020	18.48	—

(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	%
As of June 30, 2021	556,079	449,918	446,066	80.2
As of March 31, 2021	557,298	450,813	447,077	80.2

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, 2021	—	15.00	—	15.00	30.00
Fiscal year ended March 31, 2022	—				
Fiscal year ended March 31, 2022 (Forecast)		17.00	—	17.00	34.00

Note: Revision to dividend forecasts most recently announced: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2022 (Forecast)	300,000	19.8	36,000	34.8	26,000	40.1	74.79

Note: Revision to consolidated financial forecasts most recently announced: Yes

4. Other Items

(1) Changes in the scope of consolidation for significant subsidiaries during the three months ended June 30, 2021: 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: None

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, 2021 **359,115,217** shares

As of March 31, 2021 359,115,217 shares

2) Number of treasury shares at end of period

As of June 30, 2021 **11,452,743** shares

As of March 31, 2021 11,452,346 shares

3) Average number of shares during period

Three months ended June 30, 2021 **347,662,577** shares

Three months ended June 30, 2020 347,665,711 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**

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 March 31, 2021	As of June 30, 2021
(Assets)			
Current assets:			
Cash and cash equivalents		75,868	83,392
Trade and other receivables		115,534	105,621
Inventories		81,765	87,758
Other financial assets		25,679	21,516
Other current assets		8,161	8,137
Total current assets		307,009	306,427
Non-current assets:			
Property, plant and equipment		160,270	161,922
Goodwill		6,067	6,088
Intangible assets		13,532	13,014
Investments accounted for using equity method		420	387
Other financial assets		54,766	52,402
Deferred tax assets		6,124	6,610
Other non-current assets		9,106	9,227
Total non-current assets		250,288	249,652
Total asset		557,298	556,079

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

Item	Period	As of March 31, 2021	As of June 30, 2021
(Liabilities and Equity)			
Liabilities			
Current liabilities:			
Trade and other payables		42,009	44,252
Borrowings		11,220	8,741
Income taxes payable		2,034	2,157
Other financial liabilities		3,014	3,756
Provisions		1,755	1,858
Other current liabilities		25,085	26,091
Total current liabilities		85,118	86,859
Non-current liabilities:			
Borrowings		3,690	1,843
Other financial liabilities		10,127	10,009
Retirement benefit liability		17	17
Provisions		6	6
Deferred tax liabilities		1,116	1,072
Other non-current liabilities		3,352	3,218
Total non-current liabilities		21,367	19,301
Total liabilities		106,485	106,161
Equity			
Share capital		54,768	54,768
Capital surplus		143,883	143,883
Retained earnings		252,315	251,279
Treasury shares		(12,092)	(12,092)
Other components of equity		8,202	8,227
Total equity attributable to owners of parent		447,077	446,066
Non-controlling interests		3,735	3,851
Total equity		450,813	449,918
Total liabilities and equity		557,298	556,079

Condensed Quarterly Consolidated Statement of Profit or Loss

Three months ended June 30, 2020 and 2021

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

Item	Period	Three months ended June 30, 2020	Three months ended June 30, 2021
Revenue		47,683	62,178
Cost of sales		(28,905)	(36,052)
Gross profit		18,777	26,126
Selling, general and administrative expenses		(19,643)	(20,975)
Other income		10,674	343
Other expenses		(1,129)	(187)
Operating profit		8,679	5,306
Finance income		1,254	733
Finance costs		(47)	(137)
Share of profit of investments accounted for using equity method		50	45
Profit before tax		9,936	5,948
Income tax expense		(3,505)	(1,721)
Profit		6,431	4,227
Profit attributable to:			
Owners of parent		6,424	4,179
Non-controlling interests		6	47
Profit		6,431	4,227
Earnings per share			
Basic earnings per share (Yen)		18.48	12.02
Diluted earnings per share (Yen)		—	—

Condensed Quarterly Consolidated Statement of Comprehensive Income

Three months ended June 30, 2020 and 2021

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

Item	Period	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit		6,431	4,227
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Equity financial assets measured at fair value through other comprehensive income		762	(1,022)
Total of items		762	(1,022)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		463	1,105
Debt financial assets measured at fair value through other comprehensive income		131	5
Share of other comprehensive income of investments accounted for using equity method		(2)	5
Total of items		593	1,116
Total other comprehensive income		1,355	94
Comprehensive income		7,786	4,321
Comprehensive income attributable to:			
Owners of parent		7,739	4,204
Non-controlling interests		46	116
Comprehensive income		7,786	4,321

Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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, 2020	54,768	143,884	248,515	(12,089)	2,002	(5,982)	(5)	(3,986)	431,091	3,457	434,549
Profit	—	—	6,424	—	—	—	—	—	6,424	6	6,431
Other comprehensive income	—	—	—	—	894	423	(2)	1,315	1,315	40	1,355
Comprehensive income	—	—	6,424	—	894	423	(2)	1,315	7,739	46	7,786
Dividends	—	—	(8,343)	—	—	—	—	—	(8,343)	(0)	(8,344)
Purchase of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	(0)	—	0	—	—	—	—	0	—	0
Total transactions with owners	—	(0)	(8,343)	(0)	—	—	—	—	(8,344)	(0)	(8,344)
Balance at June 30, 2020	54,768	143,884	246,595	(12,089)	2,896	(5,559)	(8)	(2,671)	430,487	3,504	433,992

Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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, 2021	54,768	143,883	252,315	(12,092)	4,291	3,915	(4)	8,202	447,077	3,735	450,813
Profit	—	—	4,179	—	—	—	—	—	4,179	47	4,227
Other comprehensive income	—	—	—	—	(1,016)	1,036	5	25	25	68	94
Comprehensive income	—	—	4,179	—	(1,016)	1,036	5	25	4,204	116	4,321
Dividends	—	—	(5,214)	—	—	—	—	—	(5,214)	(0)	(5,215)
Purchase of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Total transactions with owners	—	—	(5,214)	(0)	—	—	—	—	(5,215)	(0)	(5,215)
Balance at June 30, 2021	54,768	143,883	251,279	(12,092)	3,274	4,952	1	8,227	446,066	3,851	449,918

Condensed Quarterly Consolidated Statement of Cash Flows

Three months ended June 30, 2020 and 2021

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

Item	Period	Three months ended June 30, 2020	Three months ended June 30, 2021
Cash flows from operating activities			
Profit before tax		9,936	5,948
Depreciation and amortization		4,095	4,328
Finance income and finance costs		(1,268)	(482)
Share of profit of investments accounted for using equity method		(50)	(45)
Loss (gain) on sales and retirement of fixed assets		(10,247)	0
Decrease (increase) in inventories		(1,365)	(5,613)
Decrease (increase) in trade and other receivables		20,041	10,212
Increase (decrease) in trade and other payables		(8,144)	2,385
Increase (decrease) in retirement benefit liability		(281)	(73)
Increase (decrease) in provisions		176	91
Other		1,888	1,212
Subtotal		14,781	17,965
Interest received		203	188
Dividends received		68	57
Interest paid		(49)	(23)
Income taxes paid		(2,279)	(1,609)
Net cash provided by (used in) operating activities		12,724	16,578
Cash flows from investing activities			
Net decrease (increase) in time deposits		(833)	1,060
Purchase of marketable securities		—	(4,000)
Proceeds from sales and redemption of marketable securities		500	7,200
Proceeds from sales and redemption of investment securities		5,533	1,193
Purchase of property, plant and equipment		(4,761)	(4,329)
Proceeds from sale of property, plant and equipment		9,753	102
Purchase of intangible assets		(1,122)	(719)
Other		(76)	115
Net cash provided by (used in) investing activities		8,994	623
Cash flows from financing activities			
Proceeds from short-term borrowings		36	—
Net increase (decrease) in short-term borrowings		957	(3,897)
Repayments of long-term borrowings		—	(364)
Repayments of lease liabilities		(675)	(599)
Payments for purchase of treasury shares		(0)	(0)
Dividends paid		(8,379)	(5,229)
Dividends paid to non-controlling interests		(0)	(0)
Other		17	17
Net cash provided by (used in) financing activities		(8,061)	(10,092)
Effect of exchange rate changes on cash and cash equivalents		330	415
Net increase (decrease) in cash and cash equivalents		13,986	7,524
Cash and cash equivalents at beginning of period		47,167	75,868
Cash and cash equivalents at end of period		61,153	83,392

Segment Information

Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	38,806	8,559	317	47,683	—	47,683
Intersegment revenue	—	—	—	—	—	—
Total	38,806	8,559	317	47,683	—	47,683
Segment profit (loss)	8,793	(296)	182	8,679	—	8,679
Finance income						1,254
Finance costs						(47)
Share of profit of investments accounted for using equity method						50
Profit before tax						9,936

Note:

1. The “Other” classification refers to businesses not included within reportable segments. It principally comprises real estate leasing.
2. Segment profit (loss) is adjusted from operating profit.
3. Segment profit (loss) in the Metalworking Machinery business includes the gain on sale associated with the sale of the Komaki factory.

Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	50,821	11,053	303	62,178	—	62,178
Intersegment revenue	—	—	—	—	—	—
Total	50,821	11,053	303	62,178	—	62,178
Segment profit	4,183	904	218	5,306	—	5,306
Finance income						733
Finance costs						(137)
Share of profit of investments accounted for using equity method						45
Profit before tax						5,948

Note:

1. The “Other” classification refers to businesses not included within reportable segments. It principally comprises real estate 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, 2020				Three months ended June 30, 2021			
			Orders received		Balance of outstanding orders		Orders received		Balance of outstanding orders	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio		
		%		%		%		%		
Sheet Metal Division	32,794	70.5	47,702	76.0	61,040	72.0	69,686	76.3		
Micro Welding Division	4,674	10.0	4,984	7.9	8,092	9.5	7,452	8.2		
Cutting and Grinding Division	6,217	13.4	4,806	7.7	10,110	11.9	7,414	8.1		
Stamping Presses Division	2,523	5.4	5,303	8.4	5,229	6.2	6,741	7.4		
Others	317	0.7	—	—	303	0.4	—	—		
Total	46,526	100.0	62,797	100.0	84,776	100.0	91,295	100.0		

2. Sales Results

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

Divisions	Period		Three months ended June 30, 2020		Three months ended June 30, 2021	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
Sheet Metal Division	33,714	70.7	44,969	72.3	44,969	72.3
Micro Welding Division	5,092	10.7	5,852	9.4	5,852	9.4
Cutting and Grinding Division	6,155	12.9	7,819	12.6	7,819	12.6
Stamping Presses Division	2,403	5.0	3,234	5.2	3,234	5.2
Others	317	0.7	303	0.5	303	0.5
Total	47,683	100.0	62,178	100.0	62,178	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, 2020		Three months ended June 30, 2021		Percentage change
	Amount	Ratio	Amount	Ratio	Amount	Ratio	
		%		%		%	
Japan	19,008	39.9	19,236	30.9	19,236	30.9	1.2
Overseas	28,674	60.1	42,941	69.1	42,941	69.1	49.8
North America	12,487	26.2	17,105	27.5	17,105	27.5	37.0
Europe	7,877	16.5	14,618	23.5	14,618	23.5	85.6
Asia and other regions	8,310	17.4	11,218	18.1	11,218	18.1	35.0
Total	47,683	100.0	62,178	100.0	62,178	100.0	30.4