

Consolidated Financial Results for the Six Months Ended September 30, 2021 (IFRS)

AMADA CO., LTD. Listed on the First Section of the TSE
 Stock Code: 6113
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 Scheduled date to file quarterly securities report: November 12, 2021
 Scheduled date to commence dividend payments: December 7, 2021
 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 Six Months Ended September 30, 2021 (from April 1, 2021 to September 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	%
Six months ended September 30, 2021	141,895	25.0	17,566	13.8	18,733	9.7	13,282	17.8	13,166	17.3
Six months ended September 30, 2020	113,519	(26.7)	15,433	(19.5)	17,075	(12.4)	11,274	(16.4)	11,222	(15.9)

Note: Comprehensive income: Six months ended September 30, 2021: ¥13,523 millions 8.3 %
 Six months ended September 30, 2020: ¥12,487 millions 147.1 %

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	37.87	—
Six months ended September 30, 2020	32.28	—

(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 September 30, 2021	571,029	458,984	455,154	79.7
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	—	17.00	—	—	—
Fiscal year ended March 31, 2022 (Forecast)	—	—	—	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)	310,000	23.8	38,000	42.3	27,000	45.4	77.66

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 six months ended September 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 September 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 September 30, 2021 **11,453,840** shares

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

3) Average number of shares during period

Six months ended September 30, 2021 **347,662,125** shares

Six months ended September 30, 2020 347,665,480 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 September 30, 2021
(Assets)			
Current assets:			
Cash and cash equivalents		75,868	99,245
Trade and other receivables		115,534	112,342
Inventories		81,765	89,753
Other financial assets		25,679	15,716
Other current assets		8,161	5,451
Total current assets		307,009	322,509
Non-current assets:			
Property, plant and equipment		160,270	160,910
Goodwill		6,067	6,080
Intangible assets		13,532	12,682
Investments accounted for using equity method		420	448
Other financial assets		54,766	52,471
Deferred tax assets		6,124	6,678
Other non-current assets		9,106	9,246
Total non-current assets		250,288	248,519
Total asset		557,298	571,029

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

Item	Period	As of March 31, 2021	As of September 30, 2021
(Liabilities and Equity)			
Liabilities			
Current liabilities:			
Trade and other payables		42,009	49,144
Borrowings		11,220	8,646
Income taxes payable		2,034	4,814
Other financial liabilities		3,014	2,844
Provisions		1,755	1,819
Other current liabilities		25,085	25,267
Total current liabilities		85,118	92,535
Non-current liabilities:			
Borrowings		3,690	1,492
Other financial liabilities		10,127	10,568
Retirement benefit liability		3,072	3,170
Provisions		6	6
Deferred tax liabilities		1,116	1,048
Other non-current liabilities		3,352	3,220
Total non-current liabilities		21,367	19,508
Total liabilities		106,485	112,044
Equity			
Share capital		54,768	54,768
Capital surplus		143,883	143,883
Retained earnings		252,315	260,266
Treasury shares		(12,092)	(12,093)
Other components of equity		8,202	8,329
Total equity attributable to owners of parent		447,077	455,154
Non-controlling interests		3,735	3,830
Total equity		450,813	458,984
Total liabilities and equity		557,298	571,029

Condensed Quarterly Consolidated Statement of Profit or Loss

Six months ended September 30, 2020 and 2021

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

Item	Period	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue		113,519	141,895
Cost of sales		(68,233)	(81,570)
Gross profit		45,286	60,324
Selling, general and administrative expenses		(39,150)	(43,316)
Other income		11,435	767
Other expenses		(2,137)	(208)
Operating profit		15,433	17,566
Finance income		1,738	1,114
Finance costs		(201)	(51)
Share of profit of investments accounted for using equity method		105	103
Profit before tax		17,075	18,733
Income tax expense		(5,801)	(5,450)
Profit		11,274	13,282
Profit attributable to:			
Owners of parent		11,222	13,166
Non-controlling interests		51	115
Profit		11,274	13,282
Earnings per share			
Basic earnings per share (Yen)		32.28	37.87
Diluted earnings per share (Yen)		—	—

Condensed Quarterly Consolidated Statement of Comprehensive Income

Six months ended September 30, 2020 and 2021

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

Item	Period	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit		11,274	13,282
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Equity financial assets measured at fair value through other comprehensive income		(48)	(746)
Total of items		(48)	(746)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		1,097	981
Debt financial assets measured at fair value through other comprehensive income		167	(0)
Share of other comprehensive income of investments accounted for using equity method		(2)	7
Total of items		1,261	988
Total other comprehensive income		1,213	241
Comprehensive income		12,487	13,523
Comprehensive income attributable to:			
Owners of parent		12,392	13,293
Non-controlling interests		95	230
Comprehensive income		12,487	13,523

Condensed Quarterly Consolidated Statement of Changes in Equity

Six months ended September 30, 2020 (from April 1, 2020 to September 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	—	—	11,222	—	—	—	—	—	11,222	51	11,274
Other comprehensive income	—	—	—	—	118	1,053	(2)	1,169	1,169	43	1,213
Comprehensive income	—	—	11,222	—	118	1,053	(2)	1,169	12,392	95	12,487
Dividends	—	—	(8,343)	—	—	—	—	—	(8,343)	(173)	(8,517)
Purchase of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	(0)	—	0	—	—	—	—	0	—	0
Transfer from other components of equity to retained earnings	—	—	25	—	(25)	—	—	(25)	—	—	—
Total transactions with owners	—	(0)	(8,318)	(0)	(25)	—	—	(25)	(8,344)	(173)	(8,518)
Balance at September 30, 2020	54,768	143,883	251,419	(12,089)	2,095	(4,929)	(8)	(2,842)	435,139	3,379	438,519

Six months ended September 30, 2021 (from April 1, 2021 to September 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	—	—	13,166	—	—	—	—	—	13,166	115	13,282
Other comprehensive income	—	—	—	—	(747)	866	7	126	126	114	241
Comprehensive income	—	—	13,166	—	(747)	866	7	126	13,293	230	13,523
Dividends	—	—	(5,214)	—	—	—	—	—	(5,214)	(135)	(5,350)
Purchase of treasury shares	—	—	—	(1)	—	—	—	—	(1)	—	(1)
Disposal of treasury shares	—	0	—	0	—	—	—	—	0	—	0
Total transactions with owners	—	0	(5,214)	(1)	—	—	—	—	(5,216)	(135)	(5,352)
Balance at September 30, 2021	54,768	143,883	260,266	(12,093)	3,544	4,782	2	8,329	455,154	3,830	458,984

Condensed Quarterly Consolidated Statement of Cash Flows

Six months ended September 30, 2020 and 2021

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

Item	Period	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities			
Profit before tax		17,075	18,733
Depreciation and amortization		8,343	8,608
Finance income and finance costs		(1,785)	(912)
Share of profit of investments accounted for using equity method		(105)	(103)
Loss (gain) on sales and retirement of fixed assets		(10,253)	0
Decrease (increase) in inventories		9,108	(7,646)
Decrease (increase) in trade and other receivables		17,427	3,598
Increase (decrease) in trade and other payables		(17,174)	7,167
Increase (decrease) in retirement benefit liability		(613)	(33)
Increase (decrease) in provisions		380	59
Other		(472)	478
Subtotal		21,932	29,950
Interest received		393	354
Dividends received		93	86
Interest paid		(108)	(52)
Income taxes paid		(1,848)	(1,237)
Net cash provided by (used in) operating activities		20,462	29,100
Cash flows from investing activities			
Net decrease (increase) in time deposits		(8,265)	3,861
Purchase of marketable securities		(6,000)	(9,000)
Proceeds from sales and redemption of marketable securities		4,400	15,300
Proceeds from sales and redemption of investment securities		5,906	1,807
Purchase of property, plant and equipment		(8,840)	(5,536)
Proceeds from sale of property, plant and equipment		9,886	499
Purchase of intangible assets		(1,960)	(1,610)
Other		(75)	96
Net cash provided by (used in) investing activities		(4,949)	5,418
Cash flows from financing activities			
Proceeds from short-term borrowings		599	—
Repayments of short-term borrowings		—	(4)
Net increase (decrease) in short-term borrowings		1,796	(4,106)
Proceeds from long-term borrowings		4,276	—
Repayments of long-term borrowings		(4,276)	(731)
Repayments of lease liabilities		(1,371)	(1,240)
Payments for purchase of treasury shares		(0)	(1)
Dividends paid		(8,343)	(5,219)
Dividends paid to non-controlling interests		(173)	(135)
Other		0	0
Net cash provided by (used in) financing activities		(7,493)	(11,440)
Effect of exchange rate changes on cash and cash equivalents		485	298
Net increase (decrease) in cash and cash equivalents		8,504	23,377
Cash and cash equivalents at beginning of period		47,167	75,868
Cash and cash equivalents at end of period		55,672	99,245

Segment Information

Six months ended September 30, 2020 (from April 1, 2020 to September 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	92,997	19,839	682	113,519	—	113,519
Intersegment revenue	—	—	—	—	—	—
Total	92,997	19,839	682	113,519	—	113,519
Segment profit	14,781	243	408	15,433	—	15,433
Finance income						1,738
Finance costs						(201)
Share of profit of investments accounted for using equity method						105
Profit before tax						17,075

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.
3. Segment profit in the Metalworking Machinery business includes the gain on sale associated with the sale of the Komaki factory.

Six months ended September 30, 2021 (from April 1, 2021 to September 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	116,211	25,072	611	141,895	—	141,895
Intersegment revenue	—	—	—	—	—	—
Total	116,211	25,072	611	141,895	—	141,895
Segment profit	14,374	2,760	430	17,566	—	17,566
Finance income						1,114
Finance costs						(51)
Share of profit of investments accounted for using equity method						103
Profit before tax						18,733

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		Six months ended September 30, 2020				Six months ended September 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	82,922	73.4	48,703	76.8	136,427	74.1	85,785	77.3		
Micro Welding Division	9,363	8.3	4,610	7.3	16,000	8.7	9,257	8.3		
Cutting and Grinding Division	14,021	12.4	4,793	7.5	20,798	11.3	8,275	7.5		
Stamping Presses Division	5,977	5.3	5,295	8.4	10,390	5.6	7,710	6.9		
Others	682	0.6	—	—	611	0.3	—	—		
Total	112,966	100.0	63,402	100.0	184,227	100.0	111,028	100.0		

2. Sales Results

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

Divisions	Period		Six months ended September 30, 2020		Six months ended September 30, 2021	
	Amount	Ratio	Amount	Ratio		
		%		%		
Sheet Metal Division	82,841	73.0	104,257	73.5		
Micro Welding Division	10,155	8.9	11,954	8.4		
Cutting and Grinding Division	13,973	12.3	17,645	12.5		
Stamping Presses Division	5,866	5.2	7,426	5.2		
Others	682	0.6	611	0.4		
Total	113,519	100.0	141,895	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		Six months ended September 30, 2020		Six months ended September 30, 2021		Percentage change
	Amount	Ratio	Amount	Ratio			
		%		%		%	
Japan	51,000	44.9	54,359	38.3	6.6		
Overseas	62,518	55.1	87,536	61.7	40.0		
North America	25,869	22.8	34,776	24.5	34.4		
Europe	19,006	16.7	29,035	20.5	52.8		
Asia and other regions	17,642	15.6	23,724	16.7	34.5		
Total	113,519	100.0	141,895	100.0	25.0		