

Consolidated Financial Results for the Nine Months Ended December 31, 2022 (IFRS)

AMADA CO., LTD.

Listed on the Prime Market of the TSE

Stock Code: 6113

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

Representative: Tsutomu Isobe, President

Contact: Kazuhiko Miwa, Director, Managing Executive Officer, General Manager of Finance Division TEL: +81-463-96-1111

Scheduled date to file quarterly securities report: February 9, 2023

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 Nine Months Ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(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 | % |
| Nine months ended December 31, 2022 | 258,905 | 19.2 | 35,000 | 31.8 | 34,346 | 20.9 | 24,252 | 19.1 | 24,039 | 19.0 |
| Nine months ended December 31, 2021 | 217,158 | 26.5 | 26,552 | 40.2 | 28,412 | 35.0 | 20,360 | 47.1 | 20,201 | 47.1 |

Note: Comprehensive income: Nine months ended December 31, 2022: ¥26,014 millions (5.1) %
 Nine months ended December 31, 2021: ¥27,423 millions 51.8 %

| | Basic earnings per share | Diluted earnings per share |
|--|--------------------------|----------------------------|
| | Yen | Yen |
| Nine months ended December 31, 2022 | 69.15 | — |
| Nine months ended December 31, 2021 | 58.11 | — |

(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 December 31, 2022 | 623,003 | 494,894 | 490,621 | 78.8 |
| As of March 31, 2022 | 614,439 | 484,034 | 479,788 | 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, 2022 | — | 17.00 | — | 21.00 | 38.00 |
| Fiscal year ended March 31, 2023 | — | 22.00 | | | |
| Fiscal year ended March 31, 2023 (Forecast) | | | — | 26.00 | 48.00 |

Note: Revision to dividend forecasts most recently announced: Yes

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2023 (Forecast) | 350,000 | 11.9 | 48,000 | 24.6 | 33,000 | 18.8 | 94.92 |

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

4. Other Items

- (1) Changes in the scope of consolidation for significant subsidiaries during the nine months ended December 31, 2022: 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 December 31, 2022 | 359,115,217 | shares |
| As of March 31, 2022 | 359,115,217 | shares |
 - 2) Number of treasury shares at end of period

| | | |
|--------------------------------|-------------------|---------------|
| As of December 31, 2022 | 11,457,486 | shares |
| As of March 31, 2022 | 11,455,307 | shares |
 - 3) Average number of shares during period

| | | |
|--|--------------------|---------------|
| Nine months ended December 31, 2022 | 347,658,724 | shares |
| Nine months ended December 31, 2021 | 347,661,741 | 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, 2022 | As of December 31, 2022 |
|---|--------|----------------------|-------------------------|
| (Assets) | | | |
| Current assets: | | | |
| Cash and cash equivalents | | 106,791 | 89,980 |
| Trade and other receivables | | 123,468 | 119,109 |
| Inventories | | 101,885 | 132,426 |
| Other financial assets | | 23,388 | 24,586 |
| Other current assets | | 8,598 | 10,334 |
| Total current assets | | 364,132 | 376,436 |
| Non-current assets: | | | |
| Property, plant and equipment | | 164,429 | 175,573 |
| Goodwill | | 6,251 | 6,392 |
| Intangible assets | | 11,900 | 11,650 |
| Investments accounted for using equity method | | 487 | 704 |
| Other financial assets | | 52,834 | 32,993 |
| Deferred tax assets | | 5,343 | 9,703 |
| Other non-current assets | | 9,059 | 9,548 |
| Total non-current assets | | 250,307 | 246,566 |
| Total asset | | 614,439 | 623,003 |

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

| Item | Period | As of March 31, 2022 | As of December 31, 2022 |
|---|--------|----------------------|-------------------------|
| (Liabilities and Equity) | | | |
| Liabilities | | | |
| Current liabilities: | | | |
| Trade and other payables | | 58,828 | 58,421 |
| Borrowings | | 4,822 | 4,497 |
| Income taxes payable | | 9,120 | 6,134 |
| Other financial liabilities | | 4,172 | 3,935 |
| Provisions | | 2,076 | 2,170 |
| Other current liabilities | | 32,635 | 34,633 |
| Total current liabilities | | 111,655 | 109,793 |
| Non-current liabilities: | | | |
| Borrowings | | 2,244 | 884 |
| Other financial liabilities | | 9,712 | 10,262 |
| Retirement benefit liability | | 3,025 | 3,199 |
| Provisions | | 7 | 7 |
| Deferred tax liabilities | | 503 | 943 |
| Other non-current liabilities | | 3,255 | 3,017 |
| Total non-current liabilities | | 18,749 | 18,315 |
| Total liabilities | | 130,405 | 128,109 |
| Equity | | | |
| Share capital | | 54,768 | 54,768 |
| Capital surplus | | 143,883 | 143,883 |
| Retained earnings | | 269,067 | 278,157 |
| Treasury shares | | (12,095) | (12,097) |
| Other components of equity | | 24,164 | 25,909 |
| Total equity attributable to owners of parent | | 479,788 | 490,621 |
| Non-controlling interests | | 4,246 | 4,273 |
| Total equity | | 484,034 | 494,894 |
| Total liabilities and equity | | 614,439 | 623,003 |

Condensed Quarterly Consolidated Statement of Profit or Loss

Nine months ended December 31, 2021 and 2022

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

| Item | Period | Nine months ended December 31, 2021 | Nine months ended December 31, 2022 |
|--|--------|--|--|
| Revenue | | 217,158 | 258,905 |
| Cost of sales | | (123,920) | (145,395) |
| Gross profit | | 93,237 | 113,510 |
| Selling, general and administrative expenses | | (67,396) | (79,030) |
| Other income | | 1,062 | 1,143 |
| Other expenses | | (350) | (622) |
| Operating profit | | 26,552 | 35,000 |
| Finance income | | 2,320 | 2,250 |
| Finance costs | | (607) | (3,113) |
| Share of profit of investments accounted for using equity method | | 147 | 208 |
| Profit before tax | | 28,412 | 34,346 |
| Income tax expense | | (8,052) | (10,094) |
| Profit | | 20,360 | 24,252 |
| Profit attributable to: | | | |
| Owners of parent | | 20,201 | 24,039 |
| Non-controlling interests | | 159 | 212 |
| Profit | | 20,360 | 24,252 |
| Earnings per share | | | |
| Basic earnings per share (Yen) | | 58.11 | 69.15 |
| Diluted earnings per share (Yen) | | — | — |

Condensed Quarterly Consolidated Statement of Comprehensive Income

Nine months ended December 31, 2021 and 2022

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

| Item | Period | Nine months ended December 31, 2021 | Nine months ended December 31, 2022 |
|--|--------|--|--|
| Profit | | 20,360 | 24,252 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Equity financial assets measured at fair value through other comprehensive income | | 2,055 | (5,011) |
| Total of items | | 2,055 | (5,011) |
| Items that may be reclassified subsequently to profit or loss | | | |
| Exchange differences on translation of foreign operations | | 5,002 | 6,769 |
| Debt financial assets measured at fair value through other comprehensive income | | (3) | (8) |
| Share of other comprehensive income of investments accounted for using equity method | | 8 | 13 |
| Total of items | | 5,007 | 6,774 |
| Total other comprehensive income | | 7,062 | 1,762 |
| Comprehensive income | | 27,423 | 26,014 |
| Comprehensive income attributable to: | | | |
| Owners of parent | | 26,997 | 25,784 |
| Non-controlling interests | | 426 | 229 |
| Comprehensive income | | 27,423 | 26,014 |

Condensed Quarterly Consolidated Statement of Changes in Equity

Nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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 | — | — | 20,201 | — | — | — | — | — | 20,201 | 159 | 20,360 |
| Other comprehensive income | — | — | — | — | 2,052 | 4,735 | 8 | 6,796 | 6,796 | 266 | 7,062 |
| Comprehensive income | — | — | 20,201 | — | 2,052 | 4,735 | 8 | 6,796 | 26,997 | 426 | 27,423 |
| Dividends | — | — | (11,125) | — | — | — | — | — | (11,125) | (144) | (11,270) |
| Purchase of treasury shares | — | — | — | (2) | — | — | — | — | (2) | — | (2) |
| Disposal of treasury shares | — | 0 | — | 0 | — | — | — | — | 0 | — | 0 |
| Transfer from other components of equity to retained earnings | — | — | (13) | — | 13 | — | — | 13 | — | — | — |
| Total transactions with owners | — | 0 | (11,139) | (2) | 13 | — | — | 13 | (11,127) | (144) | (11,272) |
| Balance at December 31, 2021 | 54,768 | 143,883 | 261,376 | (12,094) | 6,357 | 8,651 | 3 | 15,012 | 462,947 | 4,017 | 466,964 |

Nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(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, 2022 | 54,768 | 143,883 | 269,067 | (12,095) | 6,101 | 18,052 | 9 | 24,164 | 479,788 | 4,246 | 484,034 |
| Profit | — | — | 24,039 | — | — | — | — | — | 24,039 | 212 | 24,252 |
| Other comprehensive income | — | — | — | — | (5,020) | 6,752 | 13 | 1,745 | 1,745 | 17 | 1,762 |
| Comprehensive income | — | — | 24,039 | — | (5,020) | 6,752 | 13 | 1,745 | 25,784 | 229 | 26,014 |
| Dividends | — | — | (14,949) | — | — | — | — | — | (14,949) | (202) | (15,151) |
| Purchase of treasury shares | — | — | — | (2) | — | — | — | — | (2) | — | (2) |
| Disposal of treasury shares | — | 0 | — | 0 | — | — | — | — | 0 | — | 0 |
| Total transactions with owners | — | 0 | (14,949) | (2) | — | — | — | — | (14,951) | (202) | (15,154) |
| Balance at December 31, 2022 | 54,768 | 143,883 | 278,157 | (12,097) | 1,080 | 24,805 | 23 | 25,909 | 490,621 | 4,273 | 494,894 |

Condensed Quarterly Consolidated Statement of Cash Flows

Nine months ended December 31, 2021 and 2022

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

| Item | Period | Nine months ended December 31, 2021 | Nine months ended December 31, 2022 |
|---|--------|--|--|
| Cash flows from operating activities | | | |
| Profit before tax | | 28,412 | 34,346 |
| Depreciation and amortization | | 12,970 | 13,244 |
| Finance income and finance costs | | (989) | 2,254 |
| Share of profit of investments accounted for using equity method | | (147) | (208) |
| Loss (gain) on sales and retirement of fixed assets | | 77 | 390 |
| Decrease (increase) in inventories | | (16,794) | (28,127) |
| Decrease (increase) in trade and other receivables | | 7,244 | 8,152 |
| Increase (decrease) in trade and other payables | | 9,792 | (3,175) |
| Increase (decrease) in retirement benefit liability | | (24) | (28) |
| Increase (decrease) in provisions | | 131 | 35 |
| Other | | 1,950 | (3,598) |
| Subtotal | | 42,624 | 23,285 |
| Interest received | | 546 | 660 |
| Dividends received | | 138 | 91 |
| Interest paid | | (105) | (169) |
| Income taxes paid | | (4,167) | (15,071) |
| Net cash provided by (used in) operating activities | | 39,036 | 8,796 |
| Cash flows from investing activities | | | |
| Net decrease (increase) in time deposits | | 1,458 | (4,605) |
| Purchase of marketable securities | | (18,000) | (19,000) |
| Proceeds from sales and redemption of marketable securities | | 19,600 | 23,500 |
| Proceeds from sales and redemption of investment securities | | 3,133 | 11,425 |
| Purchase of property, plant and equipment | | (9,077) | (14,558) |
| Proceeds from sale of property, plant and equipment | | 508 | 673 |
| Purchase of intangible assets | | (2,328) | (3,257) |
| Other | | 166 | (624) |
| Net cash provided by (used in) investing activities | | (4,539) | (6,447) |
| Cash flows from financing activities | | | |
| Proceeds from short-term borrowings | | 2 | 344 |
| Repayments of short-term borrowings | | (4) | — |
| Net increase (decrease) in short-term borrowings | | (6,843) | (641) |
| Proceeds from long-term borrowings | | 2,222 | 18 |
| Repayments of long-term borrowings | | (1,110) | (2,054) |
| Repayments of lease liabilities | | (1,801) | (1,971) |
| Payments for purchase of treasury shares | | (2) | (2) |
| Dividends paid | | (11,143) | (14,938) |
| Dividends paid to non-controlling interests | | (149) | (202) |
| Other | | 0 | 0 |
| Net cash provided by (used in) financing activities | | (18,832) | (19,447) |
| Effect of exchange rate changes on cash and cash equivalents | | 1,370 | 287 |
| Net increase (decrease) in cash and cash equivalents | | 17,035 | (16,811) |
| Cash and cash equivalents at beginning of period | | 75,868 | 106,791 |
| Cash and cash equivalents at end of period | | 92,903 | 89,980 |

Segment Information

Nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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 | 177,748 | 38,479 | 929 | 217,158 | — | 217,158 |
| Intersegment revenue | — | — | — | — | — | — |
| Total | 177,748 | 38,479 | 929 | 217,158 | — | 217,158 |
| Segment profit | 21,537 | 4,366 | 648 | 26,552 | — | 26,552 |
| Finance income | | | | | | 2,320 |
| Finance costs | | | | | | (607) |
| Share of profit of investments accounted for using equity method | | | | | | 147 |
| Profit before tax | | | | | | 28,412 |

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.

Nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(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 | 212,652 | 45,292 | 961 | 258,905 | — | 258,905 |
| Intersegment revenue | — | — | — | — | — | — |
| Total | 212,652 | 45,292 | 961 | 258,905 | — | 258,905 |
| Segment profit | 28,762 | 5,552 | 685 | 35,000 | — | 35,000 |
| Finance income | | | | | | 2,250 |
| Finance costs | | | | | | (3,113) |
| Share of profit of investments accounted for using equity method | | | | | | 208 |
| Profit before tax | | | | | | 34,346 |

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 | | Nine months ended December 31, 2021 | | | | Nine months ended December 31, 2022 | | | |
|-------------------------------|-----------------|-------|-------------------------------------|-------|-----------------|-------|-------------------------------------|-------|--|--|
| | Orders received | | Balance of outstanding orders | | Orders received | | Balance of outstanding orders | | | |
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | | |
| | | % | | % | | % | | % | | |
| Sheet Metal Division | 205,107 | 73.5 | 99,856 | 76.5 | 218,250 | 73.5 | 140,096 | 77.8 | | |
| Micro Welding Division | 24,305 | 8.7 | 10,634 | 8.1 | 26,986 | 9.1 | 14,208 | 7.9 | | |
| Cutting and Grinding Division | 32,452 | 11.7 | 10,042 | 7.7 | 35,749 | 12.0 | 14,619 | 8.1 | | |
| Stamping Presses Division | 16,303 | 5.8 | 10,103 | 7.7 | 15,188 | 5.1 | 11,097 | 6.2 | | |
| Others | 929 | 0.3 | — | — | 961 | 0.3 | — | — | | |
| Total | 279,098 | 100.0 | 130,637 | 100.0 | 297,136 | 100.0 | 180,021 | 100.0 | | |

2. Sales Results

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

| Divisions | Period | | Nine months ended December 31, 2021 | | Nine months ended December 31, 2022 | |
|-------------------------------|---------|-------|-------------------------------------|-------|-------------------------------------|--|
| | Amount | Ratio | Amount | Ratio | | |
| | | % | | % | | |
| Sheet Metal Division | 158,865 | 73.2 | 189,599 | 73.2 | | |
| Micro Welding Division | 18,882 | 8.7 | 23,052 | 8.9 | | |
| Cutting and Grinding Division | 27,532 | 12.7 | 31,107 | 12.0 | | |
| Stamping Presses Division | 10,947 | 5.0 | 14,184 | 5.5 | | |
| Others | 929 | 0.4 | 961 | 0.4 | | |
| Total | 217,158 | 100.0 | 258,905 | 100.0 | | |

Status of Sales revenue to Customers by Geographic Region

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

| Regions | Period | | Nine months ended December 31, 2021 | | Nine months ended December 31, 2022 | | Percentage change |
|------------------------|---------|-------|-------------------------------------|-------|-------------------------------------|------|-------------------|
| | Amount | Ratio | Amount | Ratio | | | |
| | | % | | % | | % | |
| Japan | 79,922 | 36.8 | 96,432 | 37.2 | | 20.7 | |
| Overseas | 137,235 | 63.2 | 162,472 | 62.8 | | 18.4 | |
| North America | 53,722 | 24.7 | 69,881 | 27.0 | | 30.1 | |
| Europe | 45,697 | 21.1 | 49,881 | 19.3 | | 9.2 | |
| Asia and other regions | 37,815 | 17.4 | 42,710 | 16.5 | | 12.9 | |
| Total | 217,158 | 100.0 | 258,905 | 100.0 | | 19.2 | |