



Summary Report on Consolidated Financial Position and Business Results for the Third Quarter of Fiscal Year Ending March 2006

February 8, 2006

Company Name: AMADA CO., LTD. (Code No.: 6113 Tokyo, Osaka, First Section of each)
(URL <http://www.amada.co.jp/>)
Representative: Mitsuo Okamoto, President and Representative Director
Contact: Yoshihiro Yamashita, Director of Finance TEL: (0463) 96 - 1111

1. Matters Related to the Preparation of the Quarterly Financial Information

Adoption of a simplified accounting method: Yes

A simplified accounting method is partly adopted for accounts whose impacts on the financial results were not material.

Any change in accounting method from the latest fiscal year: No

Any change in scope of consolidation and equity method of accounting: Yes

Number of consolidated subsidiaries:

(Newly included) 2 (Excluded) 4

Number of affiliates accounted for by the equity method

(Newly included) 0 (Excluded) 2

2. Performance for the Third Quarter of Fiscal Year Ending March 2006 (from April 1, 2005 to December 31, 2005)

(1) Consolidated operating results

(Millions of yen: Amounts below one million yen are truncated.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Nine months ended December 31, 2005	149,990	5.4	18,807	28.2	22,118	39.3	15,093	287.4
Nine months ended December 31, 2004	142,363	31.0	14,673	—	15,877	—	3,896	—
(Ref.) Last fiscal year ended March 2005	201,097		21,513		24,960		10,940	

	Net income per share	Fully diluted income per share
	¥	¥
Nine months ended December 31, 2005	38.53	38.50
Nine months ended December 31, 2004	9.94	—
(Ref.) Last fiscal year ended March 2005	27.66	—

Note. The percent change for net sales, operating income, etc. is presented in comparison with the previous third quarter.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
As of December 31, 2005	493,213	385,335	78.1	984.10
As of December 31, 2004	461,822	361,371	78.2	921.99
(Ref.) As of March 31, 2005	475,224	367,808	77.4	938.38

[Consolidated cash flows]

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of the period
	¥ Million	¥ Million	¥ Million	¥ Million
Nine months ended December 31, 2005	19,192	366	-272	92,400
Nine months ended December 31, 2004	8,984	-10,891	-94	66,747
(Ref.) Last fiscal year ended March 2005	22,124	-12,637	-5,733	72,357

(Ref.) Non-consolidated Performance for the Third Quarter of Fiscal Year Ending March 2006 (from April 1, 2005 to December 31, 2005)

	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Nine months ended December 31, 2005	74,675	-8.5	5,828	16.5	10,907	46.1	7,139	—
Nine months ended December 31, 2004	81,652	28.7	5,004	—	7,465	—	-798	—
(Ref.) Last fiscal year ended March 2005	115,051		8,201		11,779		1,737	

	Total assets	Shareholders' equity
	¥ Million	¥ Million
As of December 31, 2005	410,908	344,485
As of December 31, 2004	399,501	333,747
(Ref.) As of March 31, 2005	401,290	336,279

Note. The percent change for net sales, operating income, etc. is presented in comparison with the previous third quarter.

3. Forecast Performance for Fiscal 2006 (from April 1, 2005 to March 31, 2006)

Consolidated

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	¥ Million	¥ Million	¥ Million	¥ Million	¥
Fiscal 2006	214,000	25,400	28,600	18,800	48.00

(Ref.) Non-consolidated

	Net sales	Operating income	Ordinary income	Net income	Dividend per share	
					Year-end	Annual
	¥ Million	¥ Million	¥ Million	¥ Million	¥	¥
Fiscal 2006	114,000	9,400	14,800	9,500	10.00	10.00

Note: These projected performance figures are based on information available to the Company's management at the time of preparing this report. There are many uncertain factors inherent in forecasting, and there might be cases in which actual results differ from forecast values.

Condensed Consolidated Balance Sheets

(Millions of yen: Amounts below one million yen are truncated.)

Item	As of December 31, 2004		As of December 31, 2005		Change		As of March 31, 2005	
	Amount	Ratio	Amount	Ratio	Amount	Change	Amount	Ratio
(Assets)		%		%		%		%
Current assets	257,123	55.7	285,584	57.9	28,461	11.1	269,499	56.7
Cash and cash equivalents	51,687		70,623		18,935		53,195	
Notes and accounts receivable	124,873		123,423		-1,449		132,610	
Marketable Securities	28,226		29,351		1,125		31,182	
Inventories	47,408		54,759		7,351		47,370	
Other	4,927		7,425		2,498		5,140	
Fixed assets	204,698	44.3	207,628	42.1	2,929	1.4	205,725	43.3
Tangible fixed assets	99,793		98,993		-800		100,223	
Intangible fixed assets	3,742		3,855		112		4,237	
Investments and other assets	101,162		104,780		3,617		101,263	
Total assets	461,822	100.0	493,213	100.0	31,391	6.8	475,224	100.0
(Liabilities)								
Current liabilities	66,283	14.4	73,656	15.0	7,373	11.1	72,850	15.3
Notes and accounts payable	20,417		22,264		1,847		23,271	
Short-term borrowings	11,269		12,586		1,316		8,423	
Deferred profit on installment sales	18,608		18,880		271		19,750	
Other	15,987		19,924		3,937		21,405	
Long-term liabilities	31,856	6.9	31,202	6.3	-654	-2.1	32,093	6.8
Long-term debt	219		315		95		474	
Liabilities for employees' retirement benefits	17,015		16,611		-404		17,076	
Other	14,621		14,275		-345		14,542	
Total liabilities	98,139	21.3	104,858	21.3	6,718	6.8	104,944	22.1
(Minority interests)								
Minority interests	2,311	0.5	3,018	0.6	707	30.6	2,470	0.5
(Shareholders' equity)								
Common stock	54,768	11.9	54,768	11.1	—	—	54,768	11.5
Capital surplus	163,372	35.4	163,375	33.1	3	0.0	163,372	34.4
Retained earnings	154,361	33.4	172,512	35.0	18,151	11.8	161,405	34.0
Land revaluation difference	-8,105	-1.8	-8,090	-1.7	14	—	-8,104	-1.7
Net unrealized gain/loss or available-for-sale securities	3,297	0.7	8,693	1.8	5,395	163.6	3,353	0.7
Foreign currency translation adjustments	-2,103	-0.5	-1,398	-0.3	705	—	-2,707	-0.6
Treasury stock	-4,219	-0.9	-4,526	-0.9	-306	—	-4,278	-0.9
Total shareholders' equity	361,371	78.2	385,335	78.1	23,964	6.6	367,808	77.4
Total liabilities, minority interests and shareholders' equity	461,822	100.0	493,213	100.0	31,391	6.8	475,224	100.0

Condensed Consolidated Income Statements

(Millions of yen: Amounts below one million yen are truncated.)

Item \ Period	From April 1, 2004 to December 31, 2004		From April 1, 2005 to December 31, 2005		Change		From April 1, 2004 to March 31, 2005	
	Amount	Ratio	Amount	Ratio	Amount	Change	Amount	Ratio
Net sales	142,363	100.0	149,990	100.0	7,627	5.4	201,097	100.0
Cost of sales	78,159	54.9	83,588	55.7	5,428	6.9	111,918	55.7
Gross profit	64,203	45.1	66,402	44.3	2,198	3.4	89,178	44.3
Selling, general and administrative expenses	48,299	33.9	48,464	32.3	164	0.3	65,293	32.5
Carryback in deferred profit on installment sales	4,433		4,603		169		5,672	
Deferred unrealized profit on installment sales	5,663		3,733		-1,930		8,044	
Operating income	14,673	10.3	18,807	12.5	4,133	28.2	21,513	10.7
Non-operating income	2,396	1.7	4,164	2.8	1,767	73.8	4,432	2.2
Non-operating expenses	1,191	0.8	853	0.6	-338	-28.4	985	0.5
Ordinary income	15,877	11.2	22,118	14.7	6,240	39.3	24,960	12.4
Extraordinary income	122		282		159		793	
Extraordinary loss	5,862		184		-5,677		7,066	
Income before taxes and minority interests	10,137	7.1	22,215	14.8	12,077	119.1	18,687	9.3
Income taxes	5,799		6,585		785		7,166	
Minority interests in net income	442		537		95		581	
Net income	3,896	2.7	15,093	10.1	11,196	287.4	10,940	5.4

Note: Income taxes include Refund of income taxes, etc., and Deferred income taxes expenses.

Condensed Consolidated Statements of Cash Flows

(Millions of yen: Amounts below one million yen are truncated.)

Item	Period	From April 1, 2004 to December 31, 2004	From April 1, 2005 to December 31, 2005	Change	From April 1, 2004 to March 31, 2005
Cash Flow from Operating Activities					
Income before income taxes and minority interests		10,137	22,215	12,077	18,687
Depreciation and amortization		6,523	6,521	-2	8,669
Losses on devaluation of golf club memberships		1,491	—	-1,491	1,491
Impairment loss		3,847	—	-3,847	3,847
Interest and dividend income		-1,400	-2,355	-954	-1,990
Interest expenses		306	508	202	431
Increase/decrease in receivables		450	10,060	9,610	-5,938
Increase/decrease in inventories		-8,083	-7,047	1,035	-5,183
Increase/decrease in payables		-2,890	-1,650	1,240	-597
Other		-160	-4,011	-3,850	3,359
Subtotal		10,221	24,241	14,019	22,776
Interest and dividend received		1,473	2,442	969	2,007
Interest paid		-329	-564	-234	-459
Proceeds from refund of corporate tax, etc.		441	147	-293	469
Income tax and other		-2,821	-7,074	-4,252	-3,359
Other		—	—	—	688
Cash Flow from Operating Activities		8,984	19,192	10,207	22,124
Cash Flow from Investing Activities					
Purchases of marketable securities		-444	-1,500	-1,055	-959
Proceeds from sales and redemption of marketable securities		8,327	10,367	2,039	15,069
Purchases of investment securities		-15,601	-22,640	-7,039	-24,724
Proceeds from sales and redemption of investment securities		4,695	19,616	14,920	6,910
Purchases of property, plant and equipment		-4,115	-4,429	-313	-5,286
Proceeds from sales of property, plant and equipment		300	261	-39	329
Purchase of intangible fixed assets		-577	-669	-92	-827
Other		-3,476	-638	2,837	-3,148
Cash Flow from Investing Activities		-10,891	366	11,257	-12,637
Cash Flow from Financing Activities					
Net decrease in short-term borrowings		4,084	5,834	1,750	-1,661
Repayment of long-term liabilities		-2,229	-1,849	379	-2,094
Cash dividends paid by parent company		-1,985	-3,943	-1,958	-1,960
Other		36	-314	-350	-17
Cash Flow from Financing Activities		-94	-272	-178	-5,733
Foreign currency translation adjustments on cash and cash equivalents		419	646	227	276
Net increase/decrease in cash and cash equivalents		-1,581	19,932	21,513	4,028
Cash and cash equivalents increased by merger		1,150	—	-1,150	1,150
Cash and cash equivalents of newly consolidated subsidiaries		650	110	-539	650
Cash and cash equivalents, beginning of the term		66,528	72,357	5,828	66,528
Cash and cash equivalents, end of the term		66,747	92,400	25,652	72,357