



FY 2006, the year ended March 31, 2006

Flash Report on the Consolidated Results for the Year Ended March 31, 2006

May 17, 2006

Company Name: AMADA CO., LTD.

Code Number: 6113

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

Stock Exchange Listings: 1st Section both Tokyo and Osaka

Location of Head Office (Prefecture): Kanagawa

Representative: Mitsuo Okamoto, President and Representative Director

Contact: Yoshihiro Yamashita, Director of Finance

Phone: (0463) 96-1111

Date of the Board of Directors Meeting on the Closing of Accounts: May 17, 2006

Adoption of U.S. GAAP: No

1. Consolidated Performance for FY2006, the Year Ended March 31, 2006 (from April 1, 2005, to March 31, 2006)

(1) Consolidated operating results

(Note: Amounts below one million yen are truncated.)

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
Year ended March 31, 2006	221,780	10.3	28,320	31.6	33,259	33.2
Year ended March 31, 2005	201,097	22.2	21,513	779.7	24,960	281.3

	Net income		Net income per share	Fully diluted net income per share
	¥ Million	%	¥	¥
Year ended March 31, 2006	22,297	103.8	56.59	56.53
Year ended March 31, 2005	10,940	—	27.66	—

	Return of Equity (ROE)	Ratio of ordinary income to total capital	Ratio of ordinary income to net sales
	%	%	%
Year ended March 31, 2006	5.8	6.7	15.0
Year ended March 31, 2005	3.0	5.4	12.4

Notes: 1. Equity in earnings (losses) of unconsolidated subsidiaries and associated companies
Year ended March 2006: ¥194 million Year ended March 2005: - ¥49 million

2. Average number of shares outstanding during the year (consolidated):

Year ended March 2006: 391,653,747 shares Year ended March 2005: 391,954,051 shares

3. Change in accounting method: No

4. Percentages for net sales, operating income, ordinary income and net income show respective year-over-year changes from the previous fiscal year.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
Year ended March 31, 2006	511,248	394,691	77.2	1,007.87
Year ended March 31, 2005	475,224	367,808	77.4	938.38

Note: Number of shares outstanding at the end of the year (consolidated):

391,479,631 shares at March 31, 2006

391,855,070 shares at March 31, 2005

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	¥ Million	¥ Million	¥ Million	¥ Million
Year ended March 31, 2006	36,045	(8,649)	(5,882)	95,567
Year ended March 31, 2005	22,124	(12,637)	(5,733)	72,357

(4) Scope of consolidation and application of the equity method

Number of consolidated subsidiaries: 49

Number of unconsolidated subsidiaries accounted for by the equity method: 9

Number of associated companies accounted for by the equity method: 4

(5) Change in the scope of consolidation and application of the equity method

Consolidation (newly included): 3 (excluded): 4

Equity method (newly applied): 1 (excluded): 3

2. Forecast Consolidated Performance for the Year Ending March 31, 2007 (from April 1, 2006, to March 31, 2007)

	Net sales	Ordinary income	Net income
	¥ Million	¥ Million	¥ Million
Interim period ending September 30, 2006	117,000	17,300	10,400
Year ending March 31, 2007 (full year)	240,000	36,500	22,400

(Reference) Forecast net income per share (full year): ¥57.22

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.

Comparative Consolidated Balance Sheets

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

Fiscal year Account item	FY2005 (As of March 31, 2005)		FY2006 (As of March 31, 2006)		Year-over-year change	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Rate of change (%)
(ASSETS)						
Current assets:	269,499	56.7	297,929	58.3	28,430	10.5
Cash and cash equivalents	53,195		74,118		20,922	
Notes and accounts receivable—trade	132,610		132,484		(126)	
Marketable securities	31,182		33,719		2,537	
Inventories	47,370		50,099		2,729	
Deferred tax assets	3,637		5,160		1,523	
Other	5,162		5,456		293	
Allowance for doubtful accounts	(3,659)		(3,110)		548	
Fixed assets:	205,725	43.3	213,319	41.7	7,594	3.7
Property, plant and equipment:	100,223	21.1	100,309	19.6	86	0.1
Buildings and structures	89,282		93,623		4,341	
Machinery, equipment and vehicles	28,533		30,085		1,552	
Land	30,856		31,255		399	
Other	55,888		54,448		(1,439)	
Accumulated depreciation	(104,337)		(109,104)		(4,767)	
Intangible fixed assets:	4,237	0.9	5,927	1.2	1,689	39.9
Software	3,148		2,845		(302)	
Consolidation adjustments account	595		2,590		1,994	
Other	493		492		(1)	
Investments and other assets:	101,263	21.3	107,082	20.9	5,818	5.7
Investment securities	82,780		92,664		9,884	
Deferred tax assets	10,830		7,022		(3,808)	
Other	8,059		7,729		(330)	
Allowance for doubtful accounts	(406)		(333)		73	
Total Assets	475,224	100.0	511,248	100.0	36,024	7.6
(LIABILITIES)						
Current liabilities:	72,850	15.3	79,895	15.6	7,044	9.7
Notes and accounts payable—trade	23,271		25,728		2,457	
Short-term bank loans	8,423		7,288		(1,134)	
Income taxes payable	4,484		8,235		3,751	
Deferred tax liabilities	27		13		(13)	
Unrealized profit on installment sales	19,750		19,650		(100)	
Other	16,893		18,977		2,083	
Long-term liabilities:	32,093	6.8	33,308	6.5	1,214	3.8
Long-term debt	474		310		(164)	
Deferred tax liabilities	1		247		246	
Liability for employees' retirement benefits	17,076		16,414		(661)	
Other	14,541		16,336		1,795	
Total Liabilities	104,944	22.1	113,204	22.1	8,259	7.9
(MINORITY INTERESTS)						
Minority interests in consolidated subsidiaries	2,470	0.5	3,353	0.7	882	35.7
(SHAREHOLDERS' EQUITY)						
Common stock	54,768	11.5	54,768	10.7	—	—
Capital surplus	163,372	34.4	163,376	31.9	3	0.0
Retained earnings	161,405	34.0	179,716	35.2	18,311	11.3
Land revaluation difference	(8,104)	(1.7)	(8,090)	(1.6)	14	—
Net unrealized gains on available-for-sale securities	3,353	0.7	9,151	1.8	5,798	172.9
Foreign currency translation adjustments	(2,707)	(0.6)	384	0.1	3,091	—
Treasury stock, at cost	(4,278)	(0.9)	(4,615)	(0.9)	(337)	—
Total Shareholders' Equity	367,808	77.4	394,691	77.2	26,882	7.3
Total Liabilities, Minority Interests and Shareholders' Equity	475,224	100.0	511,248	100.0	36,024	7.6

Comparative Consolidated Statements of Income

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

Fiscal year Account item	FY2005 (From April 1, 2004, to March 31, 2005)		FY2006 (From April 1, 2005, to March 31, 2006)		Year-over-year change	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Rate of change (%)
Net sales	201,097	100.0	221,780	100.0	20,683	10.3
Cost of goods sold	111,918	55.7	125,133	56.4	13,215	11.8
Gross profit	89,178	44.3	96,646	43.6	7,468	8.4
Selling, general and administrative expenses	65,293	32.5	68,426	30.9	3,133	4.8
Carryback of deferred profit on installment sales	5,672		6,036		364	
Deferred unrealized profit on installment sales	8,044		5,936		(2,107)	
Operating income	21,513	10.7	28,320	12.8	6,806	31.6
Non-operating income	4,432	2.2	6,192	2.8	1,760	39.7
Interest and dividend income	1,990		3,480		1,490	
Equity in earnings of unconsolidated subsidiaries and associated companies	—		194		194	
Other	2,441		2,517		75	
Non-operating expenses	985	0.5	1,253	0.6	268	27.2
Interest expense	431		693		262	
Equity in loss of unconsolidated subsidiaries and associated companies	49		—		(49)	
Other	504		559		55	
Ordinary income	24,960	12.4	33,259	15.0	8,298	33.2
Extraordinary gains	793		297		(496)	
Extraordinary losses	7,066		227		(6,839)	
Income before income taxes and minority interests	18,687	9.3	33,328	15.0	14,641	78.3
Income taxes—current	5,633		11,718		6,084	
Income taxes refunded	45		42		(3)	
Income taxes—deferred	1,577		(1,448)		(3,026)	
Minority interests in earnings of consolidated subsidiaries	581		803		222	
Net income	10,940	5.4	22,297	10.1	11,357	103.8

Comparative Consolidated Statements of Retained Earnings

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

Fiscal year Account item	FY2005 (From April 1, 2004, to March 31, 2005)	FY2006 (From April 1, 2005, to March 31, 2006)	Year-over-year change
(Capital surplus)			
Capital surplus at beginning of year	163,249	163,372	123
Increase in capital surplus:	123	3	(119)
Profit resulting from disposal of treasury stock	123	3	(119)
Capital surplus at end of year	163,372	163,376	3
(Retained earnings)			
Retained earnings at beginning of year	153,135	161,405	8,270
Increase in retained earnings:	10,946	22,377	11,430
Increase resulting from change in the scope of consolidation	6	79	73
Net income	10,940	22,297	11,357
Decrease in retained earnings:	2,676	4,065	1,388
Cash dividends	1,959	3,918	1,959
Bonuses to directors	51	122	70
Bonuses to corporate auditors	6	10	4
Reversal of land revaluation difference	659	14	(645)
Retained earnings at end of year	161,405	179,716	18,311

Comparative Consolidated Statements of Cash Flows

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

Account item	Fiscal year	FY2005 (From April 1, 2004, to March 31, 2005)	FY2006 (From April 1, 2005, to March 31, 2006)	Year-over-year change
Cash flows from operating activities:				
Income before income taxes and minority interests		18,687	33,328	14,641
Adjustments for :				
Depreciation and amortization		8,669	8,808	139
(Decrease) Increase in liabilities for employees' retirement benefits		(395)	(663)	(267)
Increase (decrease) in retirement allowance for directors and corporate auditors		(186)	268	454
Loss on impairment of investment securities		536	97	(438)
Loss on impairment of golf memberships		1,491	—	(1,491)
Loss on impairment of long-lived assets		3,847	—	(3,847)
Gain on collection of retired bonds		(688)	—	688
Equity in earnings (losses) of unconsolidated subsidiaries and associated companies		49	(194)	(244)
Gain or loss on valuation of marketable securities		2	(3)	(5)
Interest and dividend income		(1,990)	(3,480)	(1,490)
Interest expense		431	693	262
Decrease (increase) in receivables		(5,938)	2,559	8,498
(Increase) decrease in inventories		(5,183)	(1,708)	3,474
(Increase) decrease in payables		(597)	712	1,310
Increase in unrealized profit on installment sales		2,371	(100)	(2,471)
Increase (decrease) in consumption taxes payable		448	31	(417)
Other		1,220	503	(717)
Subtotal		22,776	40,853	18,076
Interest and dividends received		2,007	3,557	1,549
Collection of retired bonds received		688	—	(688)
Interest paid		(459)	(740)	(281)
Income taxes refunded		469	172	(297)
Income taxes paid		(3,359)	(7,797)	(4,437)
Net cash provided by operating activities		22,124	36,045	13,920
Cash flows from investing activities:				
Increase in time deposits		(536)	(249)	286
Decrease in time deposits		435	231	(203)
Payments for purchases of marketable securities		(959)	(2,500)	(1,540)
Proceeds from sales and redemption of marketable securities		15,069	11,977	(3,092)
Purchases of investment securities		(24,724)	(35,538)	(10,813)
Proceeds from sales and redemption of investment securities		6,910	25,043	18,133
Purchases of long-term deposits		(1,500)	(1,000)	500
Payments for purchases of property, plant and equipment		(5,286)	(5,801)	(514)
Proceeds from sales of property, plant and equipment		329	384	55
Payments for acquisition of intangible assets		(827)	(980)	(152)
Net decrease in short-term loans receivable		0	(141)	(142)
Payments for long-term loans receivable		(559)	(6)	553
Proceeds from collection of long-term loans receivable		111	43	(67)
Payments for purchases of newly consolidated subsidiaries, net of cash acquired		(556)	—	556
Proceeds from reimbursement of insurance reserve fund		271	656	385
Other		(813)	(768)	44
Net cash used in investing activities		(12,637)	(8,649)	3,988
Cash flows from financing activities:				
Net (decrease) increase in short-term bank loans		(1,661)	377	2,039
Increase in long-term debt		68	—	(68)
Payments for repayment of long-term debt		(2,094)	(1,942)	152
Cash dividends paid by parent company		(1,960)	(3,914)	(1,954)
Cash dividends paid to minority shareholders		(63)	(69)	(5)
Other		(22)	(333)	(311)
Net cash used in financing activities		(5,733)	(5,882)	(148)
Effect of exchange rate changes on cash and cash equivalents		276	1,317	1,040
Net increase (decrease) in cash and cash equivalents		4,028	22,830	18,802
Increase of cash and cash equivalents due to merger of consolidated subsidiaries		1,150	—	(1,150)
Increase of cash and cash equivalents due to change in scope of consolidation		650	378	(271)
Cash and cash equivalents at beginning of year		66,528	72,357	5,828
Cash and cash equivalents at end of year		72,357	95,567	23,209



FY 2006, the year ended March 31, 2006

Summary of Non-consolidated Financial Statements for the Year Ended March 31, 2006

May 17, 2006

Company Name: AMADA CO., LTD.

Code Number: 6113

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

Stock Exchange Listings: 1st Section both Tokyo and Osaka

Location of Head Office (Prefecture): Kanagawa

Representative: Mitsuo Okamoto, President and Representative Director

Contact: Yoshihiro Yamashita, Director of Finance

Phone: (0463) 96-1111

Date of the Board of Directors Meeting on the Closing of Accounts: May 17, 2006

Interim Dividend System: Applied

Start Date for Payment of Dividends: June 30, 2006

Date of the Ordinary General Meeting of Shareholders: June 29, 2006

Unit (*tangen*) Stock System: Adopted (Unit (*tangen*) stock of shares: 1,000 shares)

1. Non-consolidated Performance for FY 2006, the Year Ended March 31, 2006 (from April 1, 2005, to March 31, 2006)

(1) Non-consolidated operating results

(Note: Amounts below one million yen are truncated.)

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
Year ended March 31, 2006	111,936	-2.7	10,013	22.1	16,551	40.5
Year ended March 31, 2005	115,051	14.8	8,201	—	11,779	158.9

	Net income		Net income per share	Fully diluted net income per share
	¥ Million	%	¥	¥
Year ended March 31, 2006	10,570	508.5	26.65	26.62
Year ended March 31, 2005	1,737	-5.4	4.18	—

	Return of Equity (ROE)	Ratio of ordinary income to total capital	Ratio of ordinary income to net sales
	%	%	%
Year ended March 31, 2006	3.1	4.0	14.8
Year ended March 31, 2005	0.5	2.9	10.2

Notes: 1. Average number of shares outstanding during the year:

Year ended March 2006: 391,653,747 shares Year ended March 2005: 391,954,051 shares

2. Change in accounting method: No

3. Percentages for net sales, operating income, ordinary income and net income show respective year-over-year changes from the previous fiscal year.

(2) Dividends

	Annual dividend per share		Total amount of dividends (annually)	Payout ratio	Ratio of dividends to shareholders' equity
	Interim	Year-end			
Year Ended March 31, 2006	¥ 16.00	¥ 0.00	¥ Million 6,263	% 60.0	% 1.8
Year Ended March 31, 2005	10.00	0.00	3,918	239.2	1.2

(3) Non-consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	¥ Million	¥ Million	%	¥
Year ended March 31, 2006	416,331	348,299	83.7	889.36
Year ended March 31, 2005	401,290	336,279	83.8	857.92

Notes: 1. Number of shares outstanding at the end of the year:

391,479,631 shares at March 31, 2006 391,855,070 shares at March 31, 2005

2. Number of treasury stocks at the end of the year:

14,954,486 shares at March 31, 2006 14,579,047 shares at March 31, 2005

2. Forecast Non-consolidated Performance for FY 2007, the Year Ending March 31, 2007 (from April 1, 2006, to March 31, 2007)

	Net sales	Ordinary income	Net income	Annual dividend per share		
				Interim	Year-end	
	¥ Million	¥ Million	¥ Million	¥	¥	¥
Interim period ending September 30, 2006	61,000	10,200	6,800	8.00	—	—
Year ending March 31, 2007 (full year)	125,000	18,600	11,700	—	8.00	16.00

(Reference) Forecast net income per share (full year): ¥29.89

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.

Comparative Non-consolidated Balance Sheets

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

Fiscal year Account item	FY2005 (As of March 31, 2005)		FY2006 (As of March 31, 2006)		Year-over-year change	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount	Rate of change (%)
(ASSETS)						
Current assets:	196,768	49.0	208,402	50.1	11,633	5.9
Cash and bank deposits	28,164		44,647		16,482	
Notes receivable—trade	67,731		61,738		(5,993)	
Accounts receivable—trade	45,670		43,323		(2,346)	
Marketable securities	29,807		31,247		1,440	
Inventories	20,056		20,017		(39)	
Deferred tax assets	1,741		1,795		54	
Other	6,894		7,303		408	
Allowance for doubtful accounts	(3,297)		(1,672)		1,625	
Fixed assets:	204,521	51.0	207,929	49.9	3,408	1.7
Property, plant and equipment	77,319	19.3	76,874	18.4	(445)	(0.6)
Intangible fixed assets	2,950	0.7	2,526	0.6	(424)	(14.4)
Investments and other assets	124,667	31.1	128,979	31.0	4,311	3.5
Allowance for doubtful accounts	(416)		(450)		(33)	
Total Assets	401,290	100.0	416,331	100.0	15,041	3.7
(LIABILITIES)						
Current liabilities:	41,484	10.3	45,185	10.8	3,700	8.9
Notes payable—trade	3,407		3,531		124	
Accounts payable—trade	6,239		8,012		1,772	
Income taxes payable	1,700		4,756		3,056	
Unrealized profit on installment sales	22,585		21,820		(764)	
Other	7,552		7,063		(488)	
Long-term liabilities:	23,525	5.9	22,846	5.5	(679)	(2.9)
Liability for employees' retirement benefits	13,147		12,748		(399)	
Other	10,378		10,098		(279)	
Total Liabilities	65,010	16.2	68,032	16.3	3,021	4.6
(SHAREHOLDERS' EQUITY)						
Common stock	54,768	13.7	54,768	13.2	—	—
Capital surplus	163,372	40.7	163,376	39.2	3	0.0
Additional paid-in capital	163,199		163,199		—	
Other capital surplus	173		177		3	
Retained earnings	127,175	31.7	133,712	32.1	6,536	5.1
Legal reserve	9,126		9,126		—	
Voluntary reserve	114,118		111,497		(2,620)	
Unappropriated retained earnings	3,931		13,088		9,157	
Land revaluation difference	(8,104)	(2.0)	(8,090)	(1.9)	14	(0.2)
Net unrealized gains on available-for-sale securities	3,345	0.8	9,148	2.2	5,803	173.5
Treasury stock, at cost	(4,278)	(1.1)	(4,615)	(1.1)	(337)	7.9
Total Shareholders' Equity	336,279	83.8	348,299	83.7	12,020	3.6
Total Liabilities and Shareholders' Equity	401,290	100.0	416,331	100.0	15,041	3.7

Comparative Non-consolidated Statements of Income

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

Fiscal year Account item	FY2005 (From April 1, 2004, to March 31, 2005)		FY2006 (From April 1, 2005, to March 31, 2006)		Year-over-year change	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Rate of change (%)
Net sales	115,051	100.0	111,936	100.0	(3,115)	(2.7)
Cost of goods sold	70,589	61.4	69,104	61.7	(1,485)	(2.1)
Gross profit	44,461	38.6	42,832	38.3	(1,629)	(3.7)
Selling, general and administrative expenses	34,657	30.1	33,583	30.0	(1,073)	(3.1)
Carryback of deferred profit on installment sales	6,731		6,885		153	
Deferred unrealized profit on installment sales	8,334		6,120		(2,213)	
Operating income	8,201	7.1	10,013	8.9	1,811	22.1
Non-operating income	4,047	3.5	6,954	6.2	2,906	71.8
Interest income	1,106		1,393		286	
Dividend income	633		2,534		1,900	
Other	2,307		3,027		719	
Non-operating expenses	469	0.4	416	0.3	(53)	(11.3)
Interest expense	34		33		0	
Other	435		382		(52)	
Ordinary income	11,779	10.2	16,551	14.8	4,771	40.5
Extraordinary gains	1,173		362		(811)	
Extraordinary losses	6,744		97		(6,646)	
Income before income taxes	6,209	5.4	16,816	15.0	10,606	170.8
Income taxes—current	1,528		5,364		3,836	
Income taxes—deferred	2,944		880		(2,063)	
Net income	1,737	1.5	10,570	9.4	8,833	508.5
Surplus brought forward from the previous year	2,976		2,535		(441)	
Reversal of land revaluation difference	(659)		(14)		645	
Difference in retirement of shares of merged companies	(126)		(3)		123	
Unappropriated retained earnings resulting from merger received	3		—		(3)	
Unappropriated retained earnings	3,931		13,088		9,157	