

Note: This English translation is solely for reference purpose only and not a legally definitive translation of the original Japanese text. In the event a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.



## Summary Report on the Consolidated Results for the Third Quarter Ending March 31, 2007

February 7, 2007

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

### 1. Matters Related to the Presentation of the Quarterly Financial Information

- (1) 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.
- (2) Any change in accounting policies from the most recent consolidated fiscal year: No
- (3) Any change in scope of consolidation and application of equity method: Yes  
 Number of consolidated subsidiaries:  
 (Newly included) 1 (Excluded) 1  
 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 2007 (from April 1, 2006 to December 31, 2007)

#### (1) Consolidated operating results (Millions of yen: Amounts below one million yen are truncated.)

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
Nine months ended December 31, 2006	181,034	20.7	27,423	45.8	31,620	43.0
Nine months ended December 31, 2005	149,990	5.4	18,807	28.2	22,118	39.3
(Ref.) Last fiscal year ended March 2006	221,780		28,320		33,259	

	Net income		Net income per share	Fully diluted net income per share
	¥ Million	%	Yen	Yen
Nine months ended December 31, 2006	19,964	32.3	50.96	50.90
Nine months ended December 31, 2005	15,093	287.4	38.53	38.50
(Ref.) Last fiscal year ended March 2006	22,297		56.59	56.53

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

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	Yen
As of December 31, 2006	519,150	409,620	78.1	1,034.97
As of December 31, 2005	493,213	385,335	78.1	984.10
(Ref.) As of March 31, 2006	511,248	394,691	77.2	1,007.87

#### [Consolidated cash flows]

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	¥ Million	¥ Million	¥ Million	¥ Million
Nine months ended December 31, 2006	9,475	(18,961)	(7,117)	80,025
Nine months ended December 31, 2005	19,192	366	(272)	92,400
(Ref.) Last fiscal year ended March 2006	36,045	(8,649)	(5,882)	95,567

(Ref.) Non-consolidated Performance for the Third Quarter of Fiscal Year Ending March 31, 2007  
(from April 1, 2006 to December 31, 2006)

	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Nine months ended December 31, 2006	96,351	29.0	10,133	73.9	16,952	55.4	10,978	53.8
Nine months ended December 31, 2005	74,675	(8.5)	5,828	16.5	10,907	46.1	7,139	-
(Ref.) Last fiscal year ended March 2006	111,936		10,013		16,551		10,570	

	Total assets	Net assets
	¥ Million	¥ Million
As of December 31, 2006	415,716	347,956
As of December 31, 2005	410,908	344,485
(Ref.) As of March 2006	416,331	348,299

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

**3. Forecast Performance for Fiscal Year Ending March 31, 2007 (from April 1, 2006 to March 31, 2007)**

Consolidated

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	¥ Million	¥ Million	¥ Million	¥ Million	Yen
Year ending March 31, 2007 (full year)	251,000	34,300	39,200	24,000	61.24

(Ref.) Non-consolidated

	Net sales	Operating income	Ordinary income	Net income	Dividend per share	
					Year-end	Annual
	¥ Million	¥ Million	¥ Million	¥ Million	Yen	Yen
Year ending March 31, 2007 (full year)	132,000	12,400	19,800	12,500	9.00	18.00

Note: Actual performance may differ from these forecasts due to economic circumstances and demand trends in primary markets, fluctuations in foreign exchange rates and other various factors in the future.

[Attachments]

**Condensed Consolidated Balance Sheets**

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

Item	End of previous third quarter (As of December 31, 2005)		End of third quarter (As of December 31, 2006)		Change from the end of the previous third quarter		End of previous year (As of March 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Change	Amount	Ratio
<b>(Assets)</b>		%		%		%		%
<b>Current assets</b>	285,584	57.9	293,004	56.4	7,420	2.6	297,929	58.3
Cash and bank deposits	70,623		61,896		(8,726)		74,118	
Notes and accounts receivable--trade	123,423		131,274		7,850		132,484	
Marketable securities	29,351		29,589		237		33,719	
Inventories	54,759		58,589		3,829		50,099	
Other	7,425		11,654		4,228		7,506	
<b>Fixed assets</b>	207,628	42.1	226,145	43.6	18,516	8.9	213,319	41.7
Property, plant and equipment	98,993		105,228		6,235		100,309	
Intangible assets	3,855		5,453		1,598		5,927	
Investments and other assets	104,780		115,463		10,682		107,082	
<b>Total assets</b>	<b>493,213</b>	<b>100.0</b>	<b>519,150</b>	<b>100.0</b>	<b>25,936</b>	<b>5.3</b>	<b>511,248</b>	<b>100.0</b>
<b>(Liabilities)</b>								
<b>Current liabilities</b>	73,656	15.0	77,272	14.9	3,615	4.9	79,895	15.6
Notes and accounts payable	22,264		21,493		(771)		25,728	
Short-term bank loans	12,586		11,237		(1,348)		7,288	
Unrealized profit on installment sales	18,880		19,486		605		19,650	
Other	19,924		25,055		5,130		27,227	
<b>Long-term liabilities</b>	31,202	6.3	32,258	6.2	1,055	3.4	33,308	6.5
Long-term debt	315		617		301		310	
Liabilities for employees' retirement benefits	16,611		15,767		(843)		16,414	
Other	14,275		15,872		1,597		16,584	
<b>Total liabilities</b>	<b>104,858</b>	<b>21.3</b>	<b>109,530</b>	<b>21.1</b>	<b>4,671</b>	<b>4.5</b>	<b>113,204</b>	<b>22.1</b>
<b>(Minority interests)</b>								
<b>Minority interests</b>	3,018	0.6	—	—	—	—	3,353	0.7
<b>(Shareholders' equity)</b>								
<b>Common stock</b>	54,768	11.1	—	—	—	—	54,768	10.7
<b>Capital surplus</b>	163,375	33.1	—	—	—	—	163,376	31.9
<b>Retained earnings</b>	172,512	35.0	—	—	—	—	179,716	35.2
<b>Land revaluation difference</b>	(8,090)	(1.7)	—	—	—	—	(8,090)	(1.6)
<b>Net unrealized gain on available-for-sale securities</b>	8,693	1.8	—	—	—	—	9,151	1.8
<b>Foreign currency translation adjustments</b>	(1,398)	(0.3)	—	—	—	—	384	0.1
<b>Treasury stock, at cost</b>	(4,526)	(0.9)	—	—	—	—	(4,615)	(0.9)
<b>Total shareholders' equity</b>	<b>385,335</b>	<b>78.1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>394,691</b>	<b>77.2</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>493,213</b>	<b>100.0</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>511,248</b>	<b>100.0</b>
<b>(Net assets)</b>								
<b>Shareholders' equity</b>	—	—	403,454	77.7	—	—	—	—
Common stock	—	—	54,768	10.5	—	—	—	—
Capital surplus	—	—	163,597	31.5	—	—	—	—
Retained earnings	—	—	189,747	36.6	—	—	—	—
Treasury stock, at cost	—	—	(4,659)	(0.9)	—	—	—	—
<b>Valuation gains and losses and translation adjustments</b>	—	—	2,255	0.4	—	—	—	—
Net unrealized gain on available-for-sale securities	—	—	7,440	1.4	—	—	—	—
Land revaluation difference	—	—	(7,968)	(1.5)	—	—	—	—
Foreign currency translation adjustments	—	—	2,784	0.5	—	—	—	—
<b>Minority interests</b>	—	—	3,909	0.8	—	—	—	—
<b>Total net assets</b>	—	—	<b>409,620</b>	<b>78.9</b>	—	—	—	—
<b>Total liabilities and net assets</b>	—	—	<b>519,150</b>	<b>100.0</b>	—	—	—	—

## Condensed Consolidated Statements of Income

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

Item	Previous third quarter (From April 1, 2005 to December 31, 2005)		Third quarter (From April 1, 2006 to December 31, 2006)		Change from the previous third quarter		Previous year (From April 1, 2005 to March 31, 2006)	
	Amount	Ratio	Amount	Ratio	Amount	Change	Amount	Ratio
		%		%		%		%
Net sales	149,990	100.0	181,034	100.0	31,044	20.7	221,780	100.0
Cost of goods sold	83,588	55.7	99,079	54.7	15,491	18.5	125,133	56.4
Gross profit	66,402	44.3	81,955	45.3	15,552	23.4	96,646	43.6
Selling, general and administrative expenses	48,464	32.3	54,695	30.2	6,230	12.9	68,426	30.9
Carryback of deferred profit on installment sales	4,603		4,682		78		6,036	
Deferred unrealized profit on installment sales	3,733		4,518		784		5,936	
Operating income	18,807	12.5	27,423	15.1	8,616	45.8	28,320	12.8
Non-operating income	4,164	2.8	4,887	2.7	722	17.4	6,192	2.8
Non-operating expenses	853	0.6	690	0.3	(162)	(19.1)	1,253	0.6
Ordinary income	22,118	14.7	31,620	17.5	9,502	43.0	33,259	15.0
Extraordinary gains	282		1,773		1,490		297	
Extraordinary losses	184		360		175		227	
Income before income taxes and minority interests	22,215	14.8	33,032	18.2	10,816	48.7	33,328	15.0
Income taxes	6,585		12,442		5,857		10,227	
Minority interests in earnings of consolidated subsidiaries	537		625		88		803	
Net income	15,093	10.1	19,964	11.0	4,870	32.3	22,297	10.1

(Note) Income taxes include income taxes-refunded and income taxes-deferred.

## Condensed Consolidated Statements of Cash Flows

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

Item \ Period	Previous third quarter (From April 1, 2005 to December 31, 2005)	Third quarter (From April 1, 2006 to December 31, 2006)	Change from the previous third quarter (—)	Previous year (From April 1, 2005 to March 31, 2006)
<b>Cash Flow from Operating Activities</b>				
Income before income taxes and minority interests	22,215	33,032	10,816	33,328
Depreciation and amortization	6,521	6,506	(14)	8,808
Interest and dividend income	(2,355)	(2,714)	(359)	(3,480)
Interest expense	508	517	8	693
Decrease (Increase) in receivables	10,060	2,973	(7,087)	2,559
(Increase) decrease in inventories	(7,047)	(7,245)	(198)	(1,708)
(Increase) decrease in payables	(1,650)	(5,179)	(3,529)	712
Other	(4,011)	(6,542)	(2,530)	(60)
Subtotal	24,241	21,347	(2,894)	40,853
Interest and dividends received	2,442	2,800	358	3,557
Interest paid	(564)	(467)	97	(740)
Income taxes-refunded	147	71	(76)	172
Income taxes paid	(7,074)	(14,277)	(7,202)	(7,797)
Net cash provided by (used in) operating activities	19,192	9,475	(9,717)	36,045
<b>Cash Flow from Investing Activities</b>				
Payments for purchases of marketable securities	(1,500)	(199)	1,300	(2,500)
Proceeds from sales and re-demption of marketable securities	10,367	7,285	(3,081)	11,977
Payments for purchases of investment securities	(22,640)	(23,333)	(693)	(35,538)
Proceeds from sales and re-demption of investment securities	19,616	7,733	(11,882)	25,043
Payments for purchases of property, plant and equipment	(4,429)	(10,304)	(5,874)	(5,801)
Proceeds from sales of property, plant and equipment	261	385	124	384
Payments for acquisition of intangible assets	(669)	(833)	(163)	(980)
Other	(638)	305	944	(1,234)
Net cash used in investing activities	366	(18,961)	(19,328)	(8,649)
<b>Cash Flow from Financing Activities</b>				
Net increase (decrease) in short-term bank loans	5,834	1,905	(3,928)	377
Payments for repayment of long-term debt	(1,849)	(174)	1,675	(1,942)
Cash dividends paid by parent company	(3,943)	(9,640)	(5,697)	(3,914)
Other	(314)	792	1,106	(402)
Net cash used in financing activities	(272)	(7,117)	(6,844)	(5,882)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	646	896	250	1,317
<b>Net increase (decrease) in cash and cash equivalents</b>	19,932	(15,706)	(35,639)	22,830
<b>Increase of cash and cash equivalents due to change in scope of consolidation</b>	110	165	54	378
<b>Cash and cash equivalents at beginning of period</b>	72,357	95,567	23,209	72,357
<b>Cash and cash equivalents at end of period</b>	92,400	80,025	(12,375)	95,567