

To all persons concerned

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**Notice: The Difference between Actual and Forecast Earnings  
 For second quarter of fiscal year 2018**

Please be informed that the accumulated earnings for second quarter of fiscal year 2018 (April 1, 2018 to September 30, 2018) resulted in differences indicated below, compared to the forecast earnings for the same period announced April 25, 2018.

1. The difference between actual and forecast earnings for second quarter of fiscal year 2018 (April 1, 2018 to September 30, 2018)

(CONSOLIDATED)

(Unit: JPY Million)

	Sales	Operating Profit	Ordinary Profit	Net Income attributable to owners of the parent company	Net Income per share (JPY)
Previously Announced Forecast (A)	61,000	5,900	6,200	3,300	43.39
Actual results (B)	61,008	5,502	5,924	3,828	50.55
Variance (B minus A)	8	(397)	(275)	528	—
Variance Ratio (%)	0.0	(6.7)	(4.4)	16.0	—
(Reference) Second quarter of FY2017 Results	57,962	5,628	5,982	4,071	53.61

(UNCONSOLIDATED ACJ)

(Unit: JPY Million)

	Sales	Operating Profit	Ordinary Profit	Net Income	Net Income per share (JPY)
Previously Announced Forecast (A)	33,400	3,700	4,800	2,600	34.19
Actual results (B)	33,885	3,830	5,165	3,699	48.84
Variance (B minus A)	485	130	365	1,099	—
Variance Ratio (%)	1.5	3.5	7.6	42.3	—
(Reference) Second quarter of FY2017 Results	32,930	3,800	4,997	3,741	49.26

2. Reasons for the difference

Unconsolidated sales were slightly higher than the initial plan mainly due to strong orders in Information Systems business. Profits also exceeded the initial plans due to (i) lower cost ratio, which was achieved by the ongoing company-wide efforts to reduce COGS and expenses, and (ii) extraordinary losses that were initially anticipated, were not posted.

As for consolidated results, decreased sales in North America were compensated by increased sales in other regions, resulting in sales approximate to initial plan. In terms of profit, the trend was upward for unconsolidated ACJ and in addition, the domestic, European and Asian group companies performed strongly. However, due to the slower-than-expected business recovery in North America, operating income and ordinary income fell short of the initial plan.

There will be no change in the full year forecast for fiscal year 2018. However, in the event of changes in the business environment that may affect the forecast, the Company will appropriately disclose revised earning forecasts accordingly.

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