TIME & ECOLOGY
AMANO

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To all persons concerned

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Notice: The Difference between Actual and Forecast Earnings For the full year of fiscal year 2018

Please be informed that the accumulated earnings for full year of fiscal year 2018 (April 1, 2018 to March 31, 2019) 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 full year of fiscal year 2018 (April 1, 2018 to March 31, 2019)

(CONSOLIDATED) (Unit: JPY Million)

	Net Sales	Operating Profit	Ordinary Profit	Net Income attributable to owners of the parent company	Net Income per share (JPY)
Previously Announced Forecast (A)	130,000	15,000	15,700	9,800	131.13
Actual results (B)	131,713	15,161	16,090	9,142	121.17
Variance (B minus A)	1,713	161	390	(657)	—
Variance Ratio (%)	1.3	1.1	2.5	(6.7)	—
(Reference) FY2017 Results	124,405	14,350	15,060	10,019	132.12

(UNCONSOLIDATED ACJ) (Unit: JPY Million)

	Net Sales	Operating Profit	Ordinary Profit	Net Income	Net Income per share (JPY)
Previously Announced Forecast (A)	74,000	10,300	12,000	7,800	104.37
Actual results (B)	74,796	11,155	13,210	9,827	130.24
Variance (B minus A)	796	855	1,210	2,027	—
Variance Ratio (%)	1.1	8.3	10.1	26.0	—
(Reference) FY2017 Results	71,754	9,810	11,629	8,456	111.51

2. Reasons for the difference

Unconsolidated sales were for the most part in line with the initial plan owing to the growth in Information Systems business and Environmental Systems business. Operating profit and Ordinary profit were also in line with the initial plans. Net income was slightly higher because of the ¥ 720 million reversal of the allowance for investment losses at Group companies and the ¥ 141 million gain on sale of investment securities, which boosted extraordinary income.

As for consolidated results, despite the recovery delays of the North American business, unconsolidated ACJ and other regional group companies compensated the shortfall resulting in sales and profits approximate to the initial plan. However, due to the poor performance of Amano McGann Inc., of North America, we posted an impairment loss of ¥ 220 million and an income tax adjustment of ¥ 423 million as a result of the reversal of deferred tax assets, which caused the net income attributable to owners of the parent company to become short of plan.

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