

FY 2019: 1st Quarter Report

(Fiscal Year ending March 2020)

AMANO CORPORATION (Ticker: 6436)

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◆ Consolidated

(In million yen)

	Disclosed plan			FY2019 1Q		FY2018 1Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	138,000	100.0	4.8	30,444	100.0	28,180	100.0	2,264	8.0
Gross profit	61,000	44.2	4.7	13,308	43.7	12,341	43.8	967	7.8
SG&A	44,500	32.2	3.3	11,011	36.2	10,950	38.9	60	0.6
Operating profit	16,500	12.0	8.8	2,297	7.5	1,390	4.9	907	65.2
Non-operating income	1,000	0.7	(7.6)	220	0.7	226	0.8	(6)	(2.7)
Non-operating expense	600	0.4	292.6	76	0.3	30	0.1	45	147.7
Ordinary profit	16,900	12.2	5.0	2,441	8.0	1,586	5.6	855	53.9
Extraordinary profit	0			1		2		(1)	
Extraordinary loss	300			2		4		(2)	
Net income attributable to owners of the parent company	11,000	8.0	20.3	1,420	4.7	765	2.7	655	85.6

* FX Rates: (Quarterly Average) US\$ 105.00 US\$ 110.30 US\$ 107.50
 EUR 125.00 EUR 125.28 EUR 132.33

◆ ACJ* * ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			FY2019 1Q		FY2018 1Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	77,000	100.0	2.9	16,016	100.0	15,300	100.0	715	4.7
Gross profit	33,100	43.0	2.7	6,772	42.3	6,245	40.8	526	8.4
SG&A	21,600	28.1	2.5	5,623	35.1	5,509	36.0	113	2.1
Operating profit	11,500	14.9	3.1	1,148	7.2	735	4.8	413	56.2
Non-operating income	2,100	2.7	(1.6)	1,299	8.1	1,156	7.6	142	12.3
Non-operating expense	100	0.1	27.6	48	0.3	9	0.1	38	412.8
Ordinary profit	13,500	17.5	2.2	2,399	15.0	1,883	12.3	516	27.5
Extraordinary profit	0			0		0		0	
Extraordinary loss	300			0		1		(1)	
Net income	9,500	12.3	(3.3)	1,718	10.7	1,343	8.8	375	28.0

◆ Consolidated performance (Year-on-year)

1 Sales: Up ¥ 2,264 Mil (Up 8.0 %)

- Time Information Segment: Up 1,813 Mil (Up 8.7 %)
- Incl: Information Systems: Up 505 Mil (Up 8.3 %)
- Incl: Parking Systems: Up 1,282 Mil (Up 9.2 %)
- Environmental Segment: Up 450 Mil (Up 6.1 %)
- Incl: Environmental Systems: Up 573 Mil (Up 12.2 %)
- Incl: Clean Systems: Dn 123 Mil (Dn 4.7 %)

2 Gross Profit: Up ¥ 967 Mil (Up 7.8 %)

Gross Profit Ratio: 43.7 % Dn 0.1 %

- Time Information Segment : Up 0.8 %
- Environmental Segment : Dn 2.6 %

3 SG&A: Up ¥ 60 Mil (Up 0.6 %)

- Labor Cost Up 270 Mil (Up 3.9 %)
- Other Costs Dn 210 Mil (Dn 5.2 %)

4 Operating Profit Up ¥ 907 Mil (Up 65.2 %)

- Time Information Segment: ¥ 2,432 Mil (Up 886 Mil)
- Environmental Segment: ¥ 883 Mil (Up 22 Mil)
- Company-wide Expense: ¥ -1,018 Mil (Dn -2 Mil)

- Operating profit Ratio 7.5 % (FY2018: 11.5%, FY2018 1Q: 4.9%)
- ROE — (FY2018: 8.7%)
- Consolidated Sales / Parent Sales Ratio 1.90 times (FY2018: 1.76 times, FY2018 1Q: 1.84 times)

◆ **Consolidated**

(In million yen)

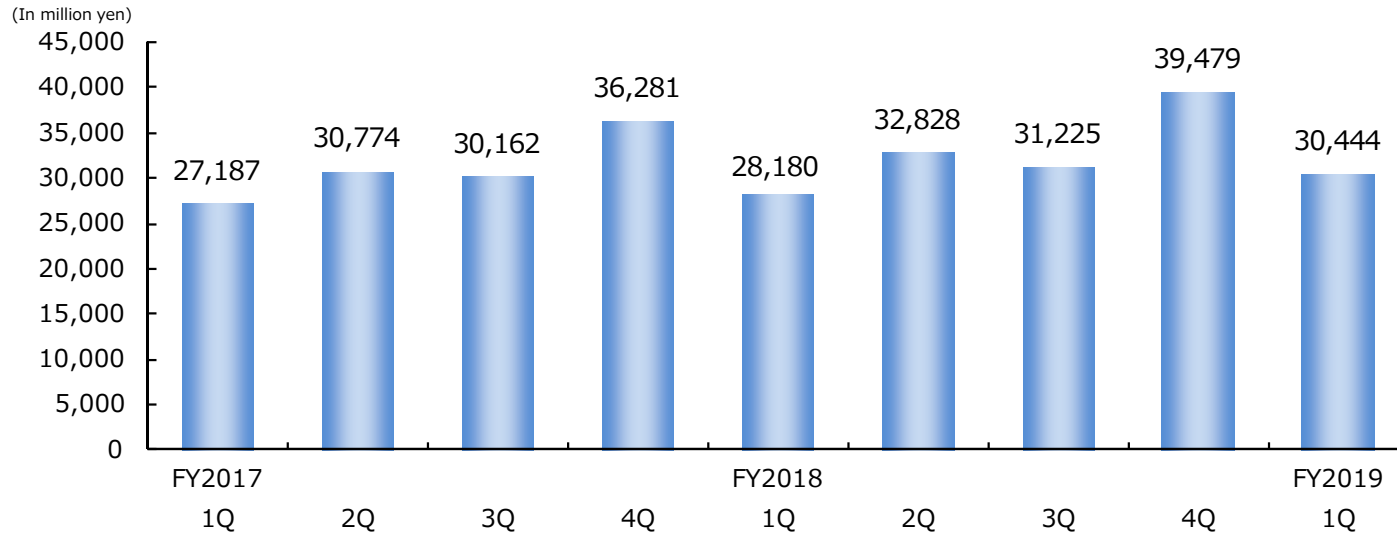
Business division	FY2019 Plan 1st Half			FY2019 1Q Result		FY2018 1Q Result		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	14,300	22.5	7.9	6,602	21.6	6,097	21.6	505	8.3
Time Management Products	1,600	2.5	(5.7)	848	2.8	822	2.9	25	3.2
Parking Systems	31,200	49.2	4.8	15,214	50.0	13,931	49.5	1,282	9.2
Total: Time Information Segment	47,100	74.2	5.3	22,665	74.4	20,851	74.0	1,813	8.7
Environmental Systems	10,500	16.5	0.3	5,280	17.4	4,707	16.7	573	12.2
Clean Systems	5,900	9.3	1.2	2,497	8.2	2,620	9.3	(123)	(4.7)
Total: Environmental Segment	16,400	25.8	0.6	7,778	25.6	7,328	26.0	450	6.1
Grand total	63,500	100.0	4.1	30,444	100.0	28,180	100.0	2,264	8.0

◆ **ACJ**

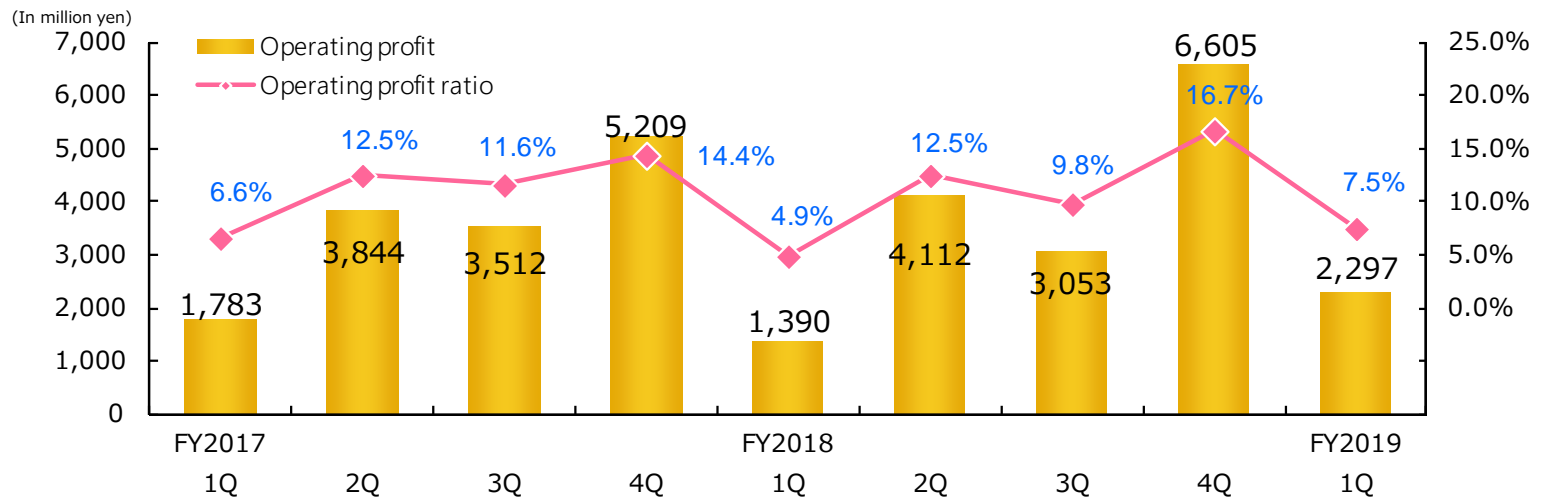
(In million yen)

Business division	FY2019 Plan 1st Half			FY2019 1Q Result		FY2018 1Q Result		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	8,000	23.0	8.8	3,584	22.4	3,059	20.0	525	17.2
Time Management Products	1,400	4.0	(1.1)	716	4.5	676	4.4	40	5.9
Parking Systems	14,100	40.5	0.6	6,320	39.4	6,437	42.1	(116)	(1.8)
Total: Time Information Segment	23,500	67.5	3.2	10,622	66.3	10,172	66.5	449	4.4
Environmental Systems	9,000	25.9	1.4	4,290	26.8	4,027	26.3	263	6.5
Clean Systems	2,300	6.6	3.1	1,103	6.9	1,100	7.2	2	0.3
Total: Environmental Segment	11,300	32.5	1.8	5,394	33.7	5,127	33.5	266	5.2
Grand total	34,800	100.0	2.7	16,016	100.0	15,300	100.0	715	4.7

■ Sales



■ Operating Profit



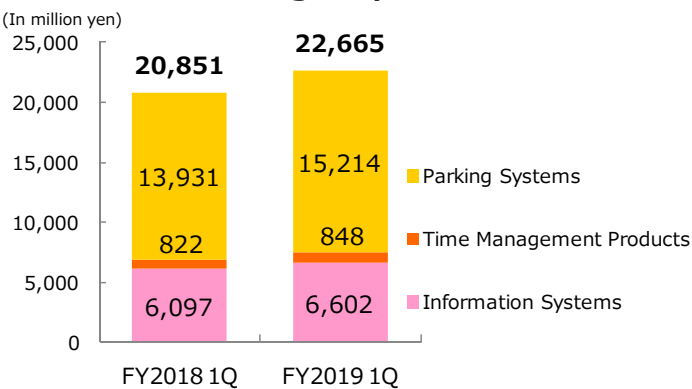
Sales & Operating Profit by Business Segment

(In million yen)

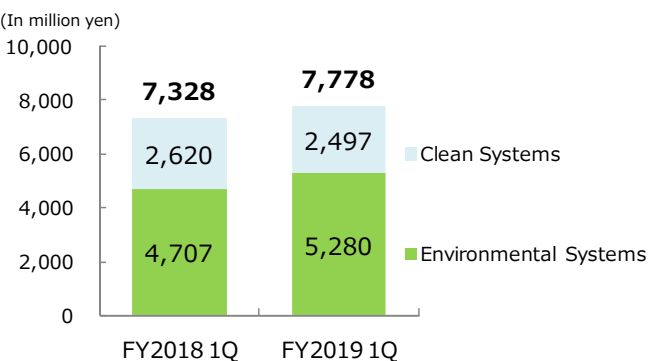
	FY2019 1Q			FY2018 1Q			Change			
	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	%	Operating profit	%
Time Information Segment	22,665	2,432	10.7	20,851	1,545	7.4	1,813	8.7	886	57.4
Environmental Segment	7,778	883	11.4	7,328	861	11.8	450	6.1	22	2.6
Company-wide Expenses		(1,018)			(1,016)				(2)	
Total	30,444	2,297	7.5	28,180	1,390	4.9	2,264	8.0	907	65.2

< Sales >

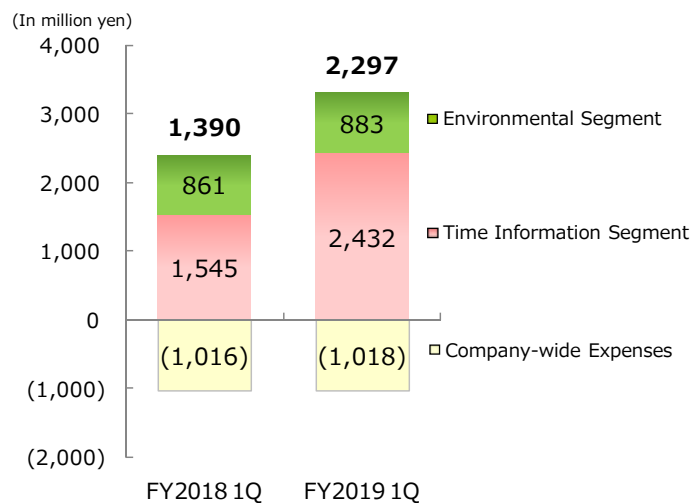
● Time Information Segment Change Up 8.7%



● Environmental Segment Change Up 6.1%



< Operating profit >



- Time Information Segment Up 57.4 %
- Environmental Segment Up 2.6 %

[References]

Increase / decrease in gross profit margin

① FY2018 1Q/FY2019 1Q

	Consolidated	ACJ
Information Systems	↑	↑
Time Management Products	↓	↓
Parking Systems	↑	↑
Environmental Systems	↓	↓
Clean Systems	↑	→

② FY2018/FY2019 1Q

	Consolidated	ACJ
Information Systems	↓	↓
Time Management Products	↑	↓
Parking Systems	↓	↑
Environmental Systems	↓	↓
Clean Systems	↑	↑

Geographic Segment Information

*Report of all overseas units are as of year ending December.

(In million yen)

	FY2019 1Q (Jan - Mar, 2019)			FY2018 1Q (Jan - Mar, 2018)			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
North America	4,289	(115)	(2.7)	3,748	(564)	(15.0)	541	14.4	448	-
Europe	2,244	135	6.0	2,439	212	8.7	(195)	(8.0)	(77)	(36.2)
Asia	4,859	433	8.9	3,752	385	10.3	1,106	29.6	48	12.5
Overseas group companies Total	11,393	453	4.0	9,941	33	0.3	1,452	14.6	420	-

*Exchange rate:
US\$ 110.30
EUR 125.28

US\$ 107.50
EUR 132.33

*Goodwill Amortization:
N.America 59 million
Europe 77 million

N.America 43 million
Europe 81 million

(In million yen)

	FY2019 1Q (Apr - Jun, 2019)			FY2018 1Q (Apr - Jun, 2018)			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
Domestic Group companies Total	5,310	698	13.1	5,347	594	11.1	(36)	(0.7)	104	17.5

◆ Consolidated

(In million yen)

	FY2019 Plan		FY2018 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	138,000	100.0	131,713	100.0	6,286	4.8
Gross profit	61,000	44.2	58,246	44.2	2,753	4.7
SG&A	44,500	32.2	43,084	32.7	1,415	3.3
Operating profit	16,500	12.0	15,161	11.5	1,338	8.8
Non-operating income	1,000	0.7	1,081	0.8	(81)	(7.6)
Non-operating expense	600	0.4	152	0.1	447	292.6
Ordinary profit	16,900	12.2	16,090	12.2	809	5.0
Extraordinary profit	0		166		(166)	
Extraordinary loss	300		1,423		(1,123)	
Net income attributable to owners of the parent company	11,000	8.0	9,142	6.9	1,857	20.3

◆ ACJ

(In million yen)

	FY2019 Plan		FY2018 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	77,000	100.0	74,796	100.0	2,203	2.9
Gross profit	33,100	43.0	32,222	43.1	877	2.7
SG&A	21,600	28.1	21,066	28.2	533	2.5
Operating profit	11,500	14.9	11,155	14.9	344	3.1
Non-operating income	2,100	2.7	2,133	2.9	(33)	(1.6)
Non-operating expense	100	0.1	78	0.1	21	27.6
Ordinary profit	13,500	17.5	13,210	17.7	289	2.2
Extraordinary profit	0		862		(862)	
Extraordinary loss	300		1,147		(847)	
Net Income	9,500	12.3	9,827	13.1	(327)	(3.3)

Sales Forecast for the FY2019 1st Half by Business Division AMANO

*The plan for FY2019 2Q is shown as "1st Half Year Plan minus 1Q Results"

◆ Consolidated

(In million yen)

Business division	FY2019 1st Half Plan				FY2019 1Q Result		FY2019 2Q Plan		FY2018 1st Half Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	14,300	22.5	1,048	7.9	6,602	21.6	7,698	23.3	13,251	21.7
Time Management Products	1,600	2.5	(96)	(5.7)	848	2.8	752	2.3	1,696	2.8
Parking Systems	31,200	49.2	1,434	4.8	15,214	50.0	15,986	48.3	29,765	48.8
Total: Time Information Segment	47,100	74.2	2,387	5.3	22,665	74.4	24,435	73.9	44,712	73.3
Environmental Systems	10,500	16.5	33	0.3	5,280	17.4	5,220	15.8	10,466	17.1
Clean Systems	5,900	9.3	70	1.2	2,497	8.2	3,403	10.3	5,829	9.6
Total: Environmental Segment	16,400	25.8	103	0.6	7,778	25.6	8,622	26.1	16,296	26.7
Grand total	63,500	100.0	2,491	4.1	30,444	100.0	33,056	100.0	61,008	100.0

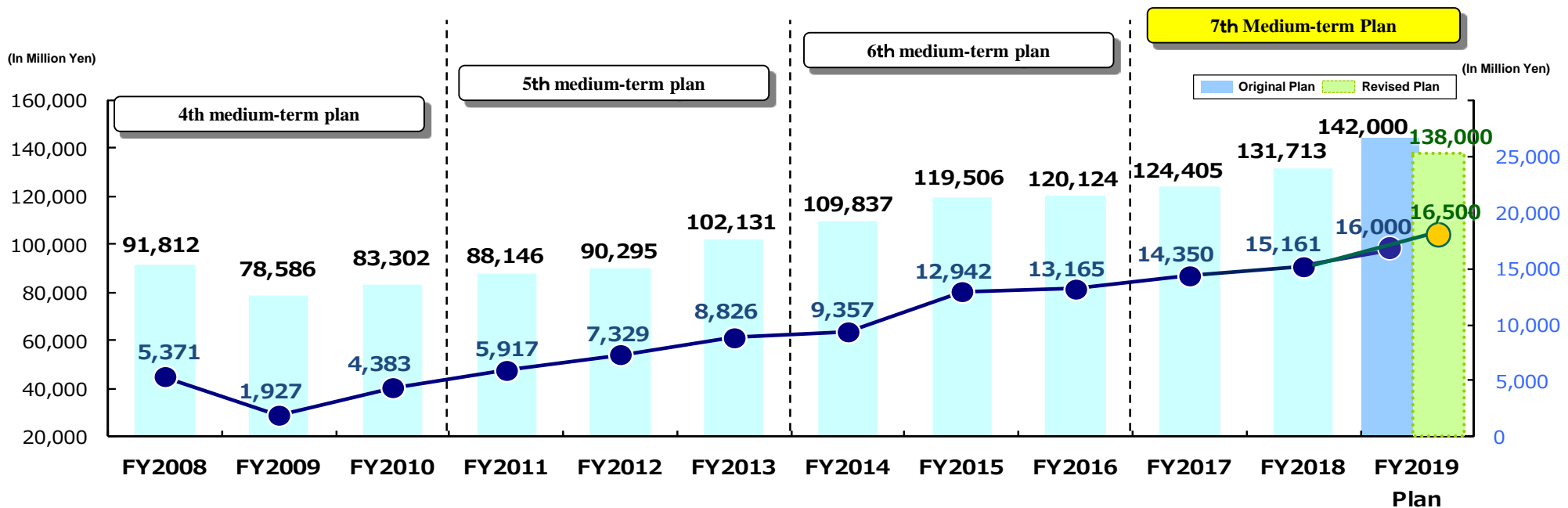
◆ ACJ

(In million yen)

Business division	FY2019 1st Half Plan				FY2019 1Q Result		FY2019 2Q Plan		FY2018 1st Half Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	8,000	23.0	649	8.8	3,584	22.4	4,416	23.5	7,350	21.7
Time Management Products	1,400	4.0	(15)	(1.1)	716	4.5	684	3.7	1,415	4.2
Parking Systems	14,100	40.5	86	0.6	6,320	39.4	7,780	41.4	14,013	41.3
Total: Time Information Segment	23,500	67.5	719	3.2	10,622	66.3	12,878	68.6	22,780	67.2
Environmental Systems	9,000	25.9	126	1.4	4,290	26.8	4,710	25.1	8,873	26.2
Clean Systems	2,300	6.6	68	3.1	1,103	6.9	1,197	6.3	2,231	6.6
Total: Environmental Segment	11,300	32.5	194	1.8	5,394	33.7	5,906	31.4	11,105	32.8
Grand total	34,800	100.0	914	2.7	16,016	100.0	18,784	100.0	33,885	100.0

Roadmap of the Medium-term Business Plan

FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
4th medium-term plan			5th medium-term plan			6th medium-term plan			7th Medium-term Plan		
Global Growth Strategy			To become a 100-year Company			Challenge to a New Stage			2 nd Stage Towards a 100-year Company Quantum Leap		
FY2010 Net Sales: over ¥114Bn Ordinary Profit: over ¥12.7Bn			FY2013 Sales: over ¥103Bn Operating Profit: over ¥10Bn			FY2016 Sales: over ¥130Bn Operating Profit: over ¥13Bn			FY2019 Sales: over ¥140Bn Operating Profit: over ¥16Bn		
Re-building profit structure & strengthening global strategy			Global Niche Top Establishing new businesses			Expand Corporate Scale & Establish Growth Drivers			Innovative Creation of Value for Sustainable Growth		



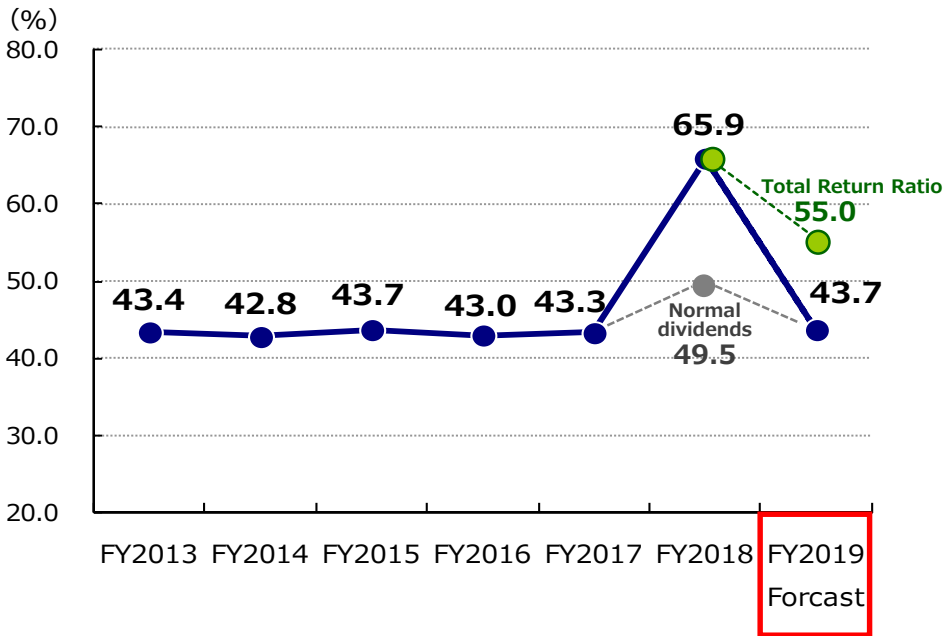
Shareholder Return Policy

◎ Dividend Policy

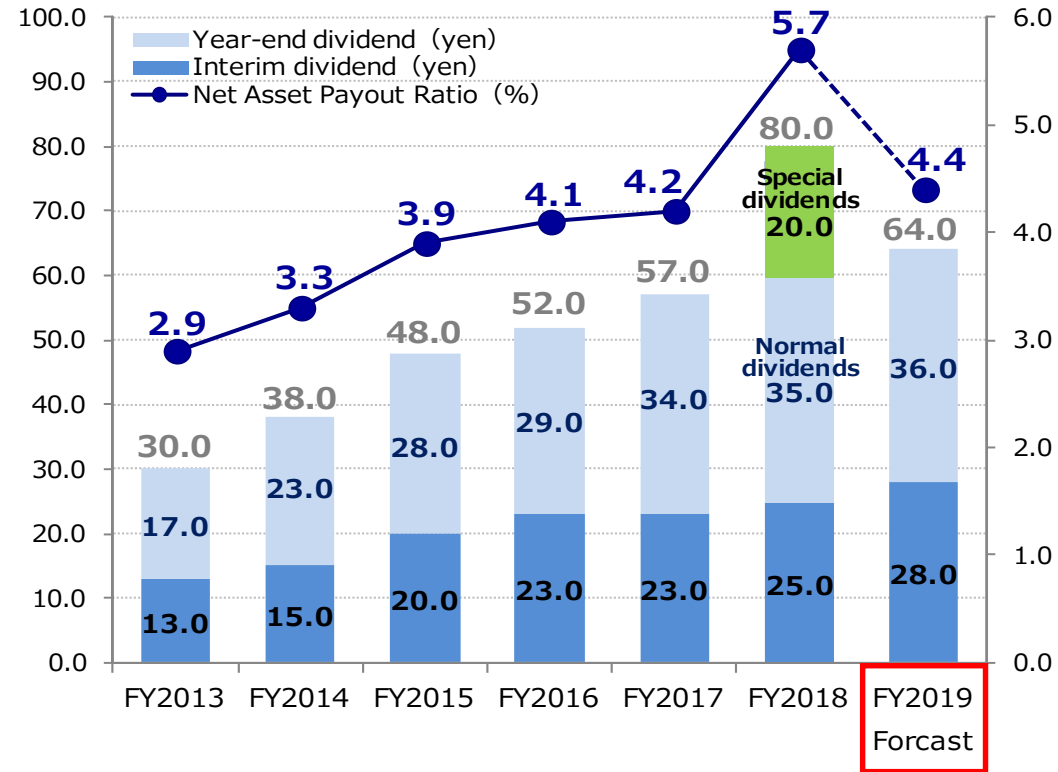
Stable dividends + performance incentives

- Consolidated Dividend Payout Ratio: Target above 40.0%
- Net Asset Payout Ratio: Target above 2.5%
- NEW** • Total Return Ratio : Target above 55.0%

<Consolidated Dividend Payout Ratio and Total Return Ratio >



<Dividend per Share and Consolidated Net Asset Payout Ratio >

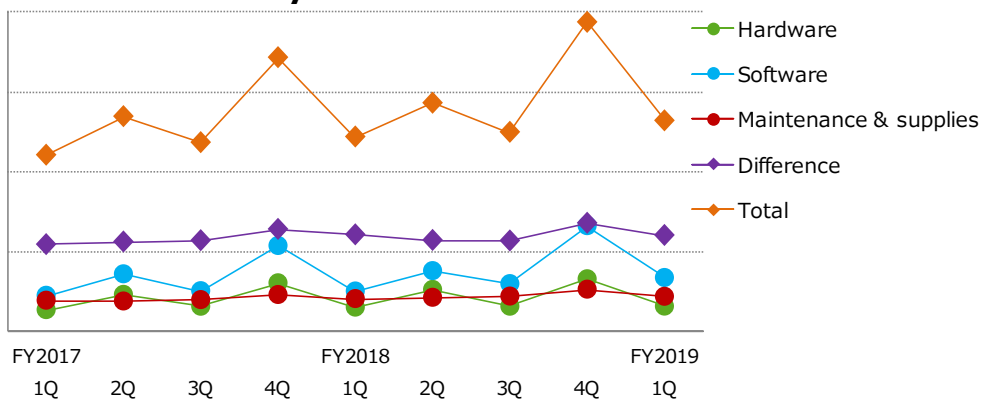


★ The acquisition of treasury stock

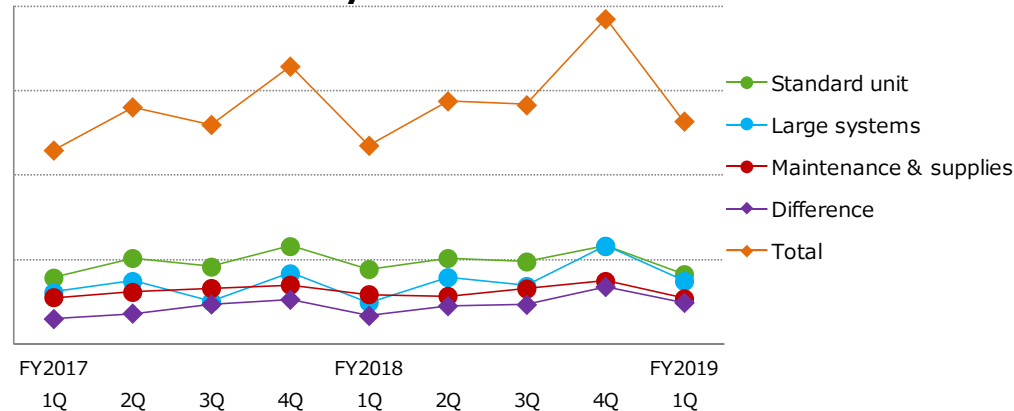
- Acquisition period : From October 2018 to March 2019
- Total number of acquired stocks : 1 Million
- Total amount of acquired stocks : 2,326 Million yen

Quarterly Sales by Item (actual results)

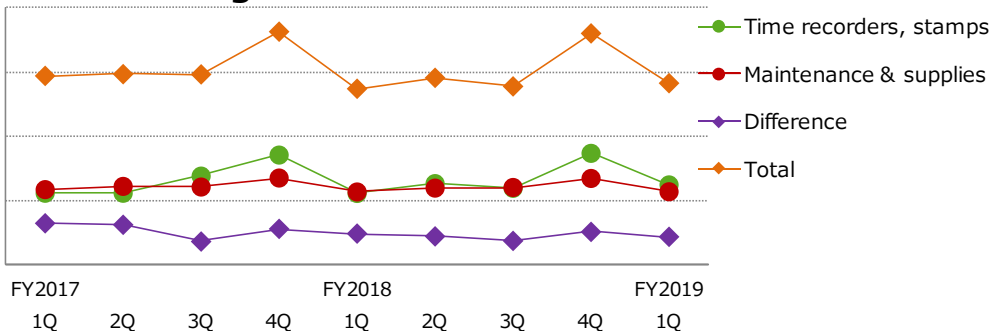
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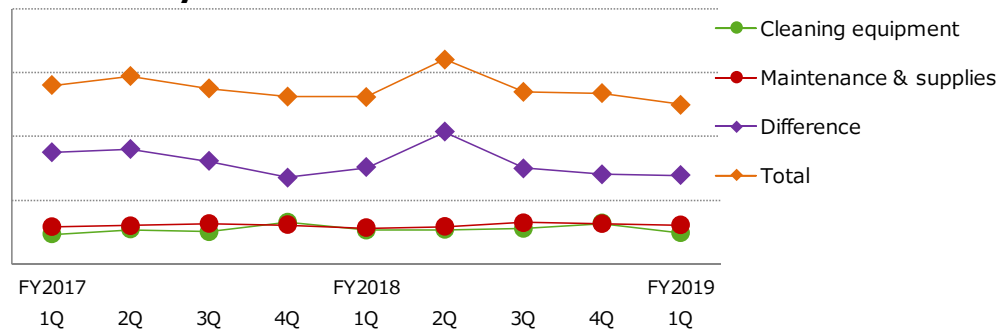
<Environmental Systems>



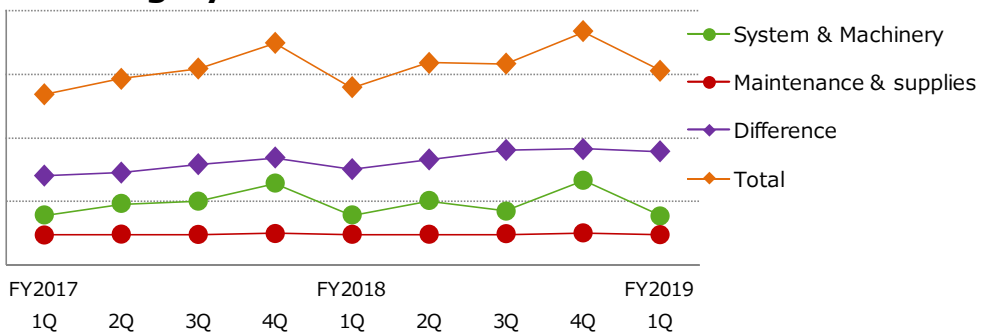
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<Clean Systems>



<Parking Systems>



AMANO

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