

FY 2020: 1st Quarter Report

(Fiscal Year ending March 2021)

AMANO CORPORATION (Ticker: 6436)

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FY 2020: 1st Quarter Accumulated Results (FY end March 2021)

◆ Consolidated

(In million yen)

	FY2020 Plan 1st Half			FY2020 1Q		FY2019 1Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	50,000	100.0	(22.9)	25,390	100.0	30,444	100.0	(5,054)	(16.6)
Gross profit	22,000	44.0	(23.7)	10,493	41.3	13,308	43.7	(2,815)	(21.2)
SG&A	20,000	40.0	(7.6)	10,575	41.7	11,011	36.2	(435)	(4.0)
Operating profit	2,000	4.0	(72.1)	(82)	(0.3)	2,297	7.5	(2,380)	-
Non-operating income	600	1.2	28.6	251	1.0	220	0.7	31	14.2
Non-operating expense	100	0.2	(44.7)	83	0.3	76	0.3	7	10.2
Ordinary profit	2,500	5.0	(66.5)	85	0.3	2,441	8.0	(2,356)	(96.5)
Extraordinary profit	0			2		1		0	
Extraordinary loss	0			0		2		(1)	
Net income attributable to owners of the parent company	2,500	5.0	(46.6)	341	1.3	1,420	4.7	(1,079)	(76.0)

* FX Rates:(Quarterly Average)

US\$ 105.00
EUR 115.00

US\$ 109.12
EUR 120.09

US\$ 110.30
EUR 125.28

◆ ACJ* * ACJ; Amano Corporation Japan

(In million yen)

	FY2020 Plan 1st Half			FY2020 1Q		FY2019 1Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	27,500	100.0	(22.9)	12,759	100.0	16,016	100.0	(3,256)	(20.3)
Gross profit	12,300	44.7	(19.9)	5,090	39.9	6,772	42.3	(1,681)	(24.8)
SG&A	10,700	38.9	(0.8)	5,185	40.6	5,623	35.1	(437)	(7.8)
Operating profit	1,600	5.8	(65.0)	(95)	(0.7)	1,148	7.2	(1,244)	-
Non-operating income	850	3.1	(42.6)	1,511	11.8	1,299	8.1	212	16.3
Non-operating expense	50	0.2	(40.3)	18	0.1	48	0.3	(30)	(62.1)
Ordinary profit	2,400	8.7	(59.8)	1,397	11.0	2,399	15.0	(1,002)	(41.8)
Extraordinary profit	0			0		0		(0)	
Extraordinary loss	0			0		0		0	
Net income	1,700	6.2	(59.5)	1,033	8.1	1,718	10.7	(685)	(39.9)

◆ Consolidated performance (Year-on-year)

1 Sales: Dn ¥ 5,054 Mil (Dn 16.6 %)

·Time Information Segment:	Dn 3,220 Mil (Dn 14.2 %)
Incl: Information Systems:	Dn 625 Mil (Dn 9.5 %)
Incl: Parking Systems:	Dn 2,415 Mil (Dn 15.9 %)
·Environmental Segment:	Dn 1,833 Mil (Dn 23.6 %)
Incl: Environmental Systems:	Dn 1,625 Mil (Dn 30.8 %)
Incl: Clean Systems:	Dn 207 Mil (Dn 8.3 %)

2 Gross Profit: Dn ¥ 2,815 Mil (Dn 21.2 %)

Gross Profit Ratio:	41.3 % Dn 2.4 %
·Time Information Segment :	Dn 3.2 %
·Environmental Segment :	Dn 0.3 %

3 SG&A: Dn ¥ 435 Mil (Dn 4.0 %)

·Labor Cost	Dn 100 Mil (Dn 1.4 %)
·Other Costs	Dn 334 Mil (Dn 8.7 %)

4 Operating Profit Dn ¥ 2,380 Mil

·Time Information Segment:	¥ 532 Mil (Dn 1,900 Mil)
·Environmental Segment:	¥ 341 Mil (Dn 542 Mil)
·Company-wide Expense:	¥ (956) Mil (Up 62 Mil)

FY 2020: 1st Quarter Accumulated Results (FY end March 2021)

Sales by Business Division

◆ Consolidated

(In million yen)

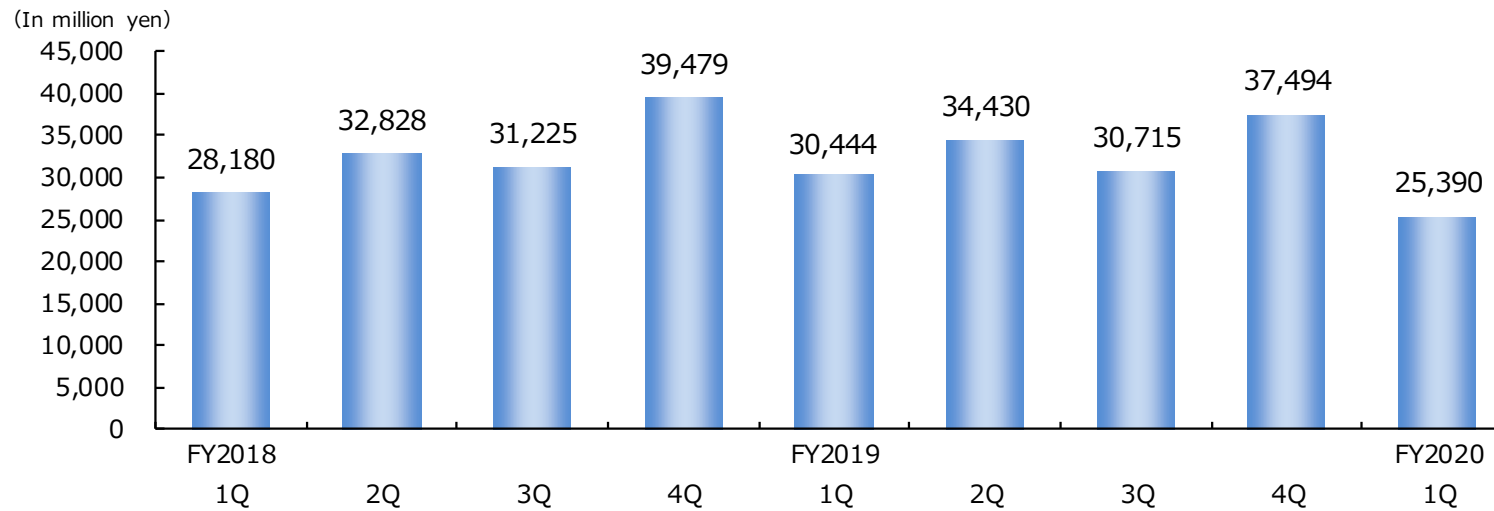
Business division	FY2020 Plan 1st Half			FY2020 1Q Result		FY2019 1Q Result		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	12,500	25.0	(13.5)	5,977	23.6	6,602	21.6	(625)	(9.5)
Time Management Products	1,400	2.8	(18.7)	669	2.6	848	2.8	(179)	(21.1)
Parking Systems	25,000	50.0	(22.2)	12,798	50.4	15,214	50.0	(2,415)	(15.9)
Total: Time Information Segment	38,900	77.8	(19.5)	19,445	76.6	22,665	74.4	(3,220)	(14.2)
Environmental Systems	6,800	13.6	(39.5)	3,654	14.4	5,280	17.4	(1,625)	(30.8)
Clean Systems	4,300	8.6	(19.4)	2,290	9.0	2,497	8.2	(207)	(8.3)
Total: Environmental Segment	11,100	22.2	(33.0)	5,944	23.4	7,778	25.6	(1,833)	(23.6)
Grand total	50,000	100.0	(22.9)	25,390	100.0	30,444	100.0	(5,054)	(16.6)

◆ ACJ

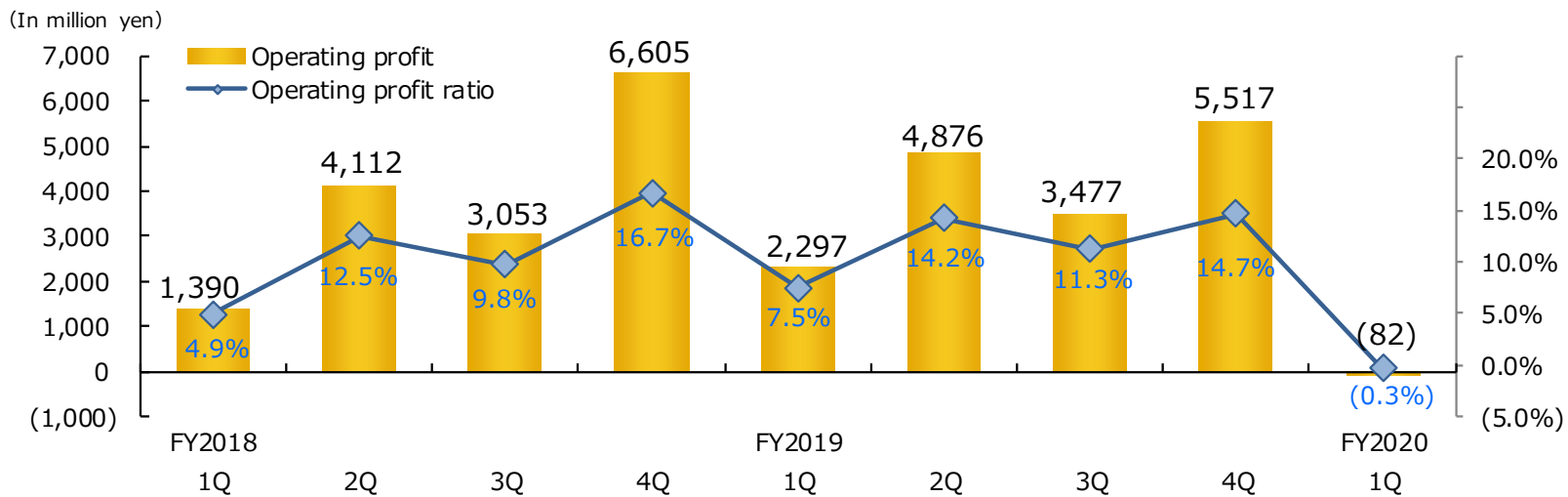
(In million yen)

Business division	FY2020 Plan 1st Half			FY2020 1Q Result		FY2019 1Q Result		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	7,600	27.6	(11.1)	3,089	24.2	3,584	22.4	(494)	(13.8)
Time Management Products	1,200	4.4	(18.2)	544	4.3	716	4.5	(171)	(24.0)
Parking Systems	11,000	40.0	(23.8)	5,086	39.9	6,320	39.4	(1,234)	(19.5)
Total: Time Information Segment	19,800	72.0	(19.0)	8,721	68.4	10,622	66.3	(1,900)	(17.9)
Environmental Systems	6,000	21.8	(33.3)	3,127	24.5	4,290	26.8	(1,163)	(27.1)
Clean Systems	1,700	6.2	(23.9)	911	7.1	1,103	6.9	(192)	(17.4)
Total: Environmental Segment	7,700	28.0	(31.4)	4,038	31.6	5,394	33.7	(1,355)	(25.1)
Grand total	27,500	100.0	(22.9)	12,759	100.0	16,016	100.0	(3,256)	(20.3)

■ Sales



■ Operating Profit



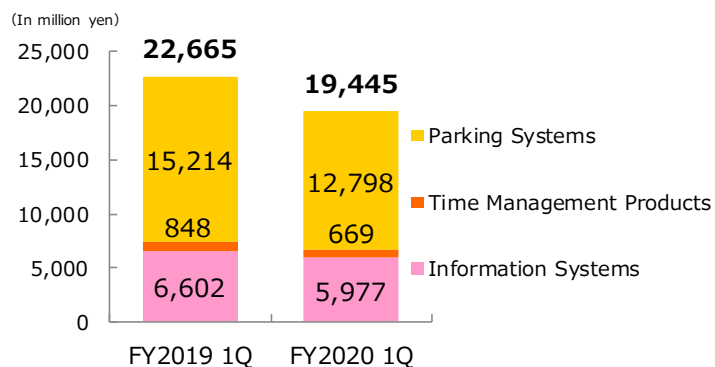
Sales & Operating Profit by Business Segment

(In million yen)

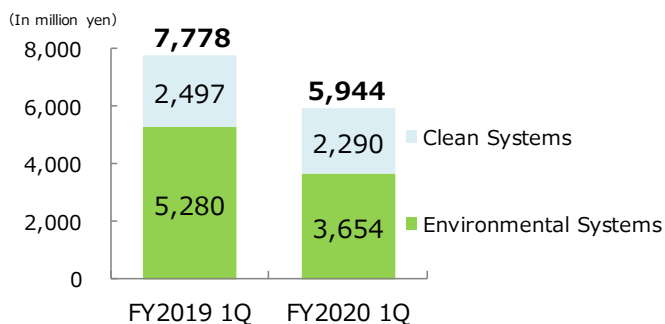
	FY2020 1Q			FY2019 1Q			Change			
	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales		Operating profit	
Time Information Segment	19,445	532	2.7	22,665	2,432	10.7	(3,220)	(14.2)	(1,900)	(78.1)
Environmental Segment	5,944	341	5.7	7,778	883	11.4	(1,833)	(23.6)	(542)	(61.4)
Company-wide Expenses		(956)			(1,018)				62	
Total	25,390	(82)	(0.3)	30,444	2,297	7.5	(5,054)	(16.6)	(2,380)	—

< Sales >

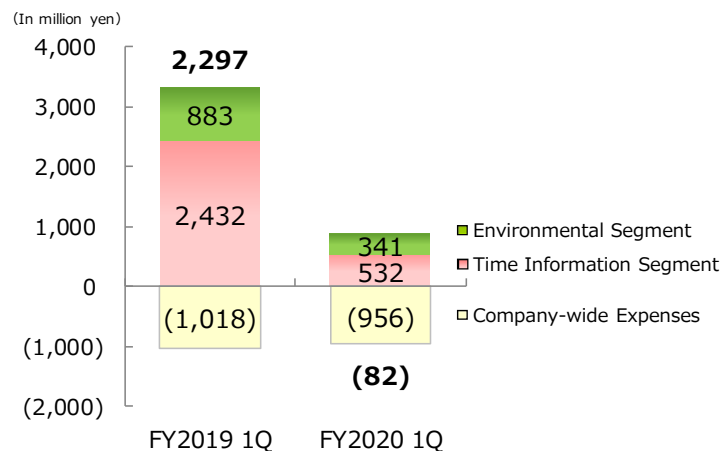
● **Time Information Segment** **Down 14.2%**



● **Environmental Segment** **Down 23.6%**



< Operating profit >



● **Time Information Segment** **Down 78.1 %**

● **Environmental Segment** **Down 61.4 %**

[References]

Increase / decrease in gross profit margin

① FY2019 1Q/FY2020 1Q

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

② FY2019/FY2020 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)

	FY2020 1Q (Jan - Mar, 2020)			FY2019 1Q (Jan - Mar, 2019)			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
North America	3,880	(473)	(12.2)	4,289	(115)	(2.7)	(409)	(9.6)	(357)	-
Europe	2,084	106	5.1	2,244	135	6.0	(160)	(7.1)	(28)	(21.2)
Asia	4,013	180	4.5	4,859	433	8.9	(845)	(17.4)	(252)	(58.4)
Overseas group companies Total	9,977	(186)	(1.9)	11,393	453	4.0	(1,416)	(12.4)	(639)	-

*Exchange rate: US\$ 109.12 US\$ 110.30
 EUR 120.09 EUR 125.28

*Goodwill Amortization: N.America 14 million N.America 59 million
 Europe 73 million Europe 77 million

(In million yen)

	FY2020 1Q (Apr - Jun, 2020)			FY2019 1Q (Apr - Jun, 2019)			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
Domestic Group companies Total	4,559	218	4.8	5,310	698	13.1	(751)	(14.1)	(480)	(68.8)

(In million yen)

◆ Consolidated

	FY2020 Plan		FY2019 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	110,000	100.0	133,084	100.0	(23,084)	(17.3)
Gross profit	48,800	44.4	59,721	44.9	(10,921)	(18.3)
SG&A	41,800	38.0	43,552	32.7	(1,752)	(4.0)
Operating profit	7,000	6.4	16,168	12.1	(9,168)	(56.7)
Non-operating income	1,000	0.9	1,028	0.8	(28)	(2.7)
Non-operating expense	200	0.2	332	0.2	(132)	(39.8)
Ordinary profit	7,800	7.1	16,864	12.7	(9,064)	(53.8)
Extraordinary profit	0		5		(5)	
Extraordinary loss	0		588		(588)	
Net income attributable to owners of the parent company	6,100	5.5	10,567	7.9	(4,467)	(42.3)

(In million yen)

◆ ACJ

	FY2020 Plan		FY2019 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	62,000	100.0	74,852	100.0	(12,852)	(17.2)
Gross profit	27,300	44.0	33,023	44.1	(5,723)	(17.3)
SG&A	21,300	34.4	21,811	29.1	(511)	(2.3)
Operating profit	6,000	9.7	11,212	15.0	(5,212)	(46.5)
Non-operating income	1,500	2.4	2,229	3.0	(729)	(32.7)
Non-operating expense	100	0.2	111	0.1	(11)	(10.0)
Ordinary profit	7,400	11.9	13,330	17.8	(5,930)	(44.5)
Extraordinary profit	0		0		(0)	
Extraordinary loss	0		313		(313)	
Net Income	5,200	8.4	9,374	12.5	(4,174)	(44.5)

Sales Forecast for the FY2020 1st Half by Business Division

*The plan for FY2020 2Q is shown as "1st Half Year Plan minus 1Q Results"

◆ Consolidated

(In million yen)

Business division	FY2020 1st Half Plan				FY2020 1Q Result		FY2020 2Q Plan		FY2019 1st Half Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	12,500	25.0	(1,945)	(13.5)	5,977	23.6	6,523	26.5	14,445	22.3
Time Management Products	1,400	2.8	(322)	(18.7)	669	2.6	731	3.0	1,722	2.7
Parking Systems	25,000	50.0	(7,131)	(22.2)	12,798	50.4	12,202	49.5	32,131	49.5
Total: Time Information Segment	38,900	77.8	(9,399)	(19.5)	19,445	76.6	19,455	79.0	48,299	74.5
Environmental Systems	6,800	13.6	(4,438)	(39.5)	3,654	14.4	3,146	12.8	11,238	17.3
Clean Systems	4,300	8.6	(1,037)	(19.4)	2,290	9.0	2,010	8.2	5,337	8.2
Total: Environmental Segment	11,100	22.2	(5,475)	(33.0)	5,944	23.4	5,156	21.0	16,575	25.5
Grand total	50,000	100.0	(14,874)	(22.9)	25,390	100.0	24,610	100.0	64,874	100.0

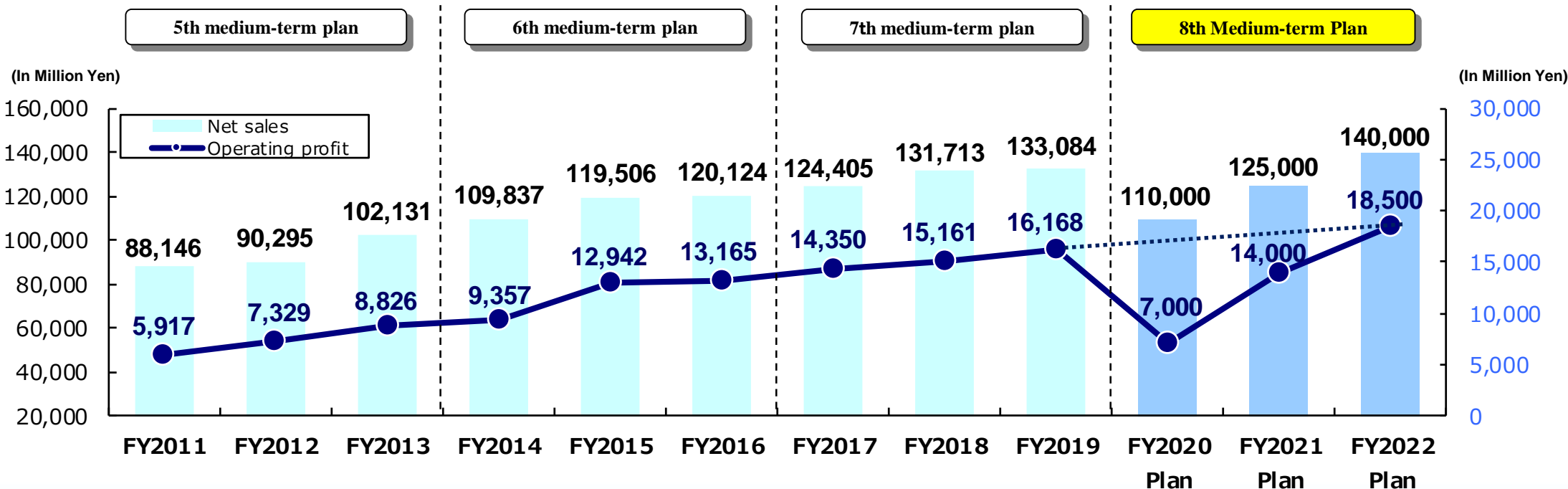
◆ ACJ

(In million yen)

Business division	FY2020 1st Half Plan				FY2020 1Q Result		FY2020 2Q Plan		FY2019 1st Half Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	7,600	27.6	(948)	(11.1)	3,089	24.2	4,511	30.6	8,548	24.0
Time Management Products	1,200	4.4	(267)	(18.2)	544	4.3	656	4.5	1,467	4.1
Parking Systems	11,000	40.0	(3,432)	(23.8)	5,086	39.9	5,914	40.1	14,432	40.4
Total: Time Information Segment	19,800	72.0	(4,648)	(19.0)	8,721	68.4	11,079	75.2	24,448	68.5
Environmental Systems	6,000	21.8	(2,990)	(33.3)	3,127	24.5	2,873	19.5	8,990	25.2
Clean Systems	1,700	6.2	(534)	(23.9)	911	7.1	789	5.4	2,234	6.3
Total: Environmental Segment	7,700	28.0	(3,524)	(31.4)	4,038	31.6	3,662	24.8	11,224	31.5
Grand total	27,500	100.0	(8,172)	(22.9)	12,759	100.0	14,741	100.0	35,672	100.0

Roadmap of the Medium-term Business Plan

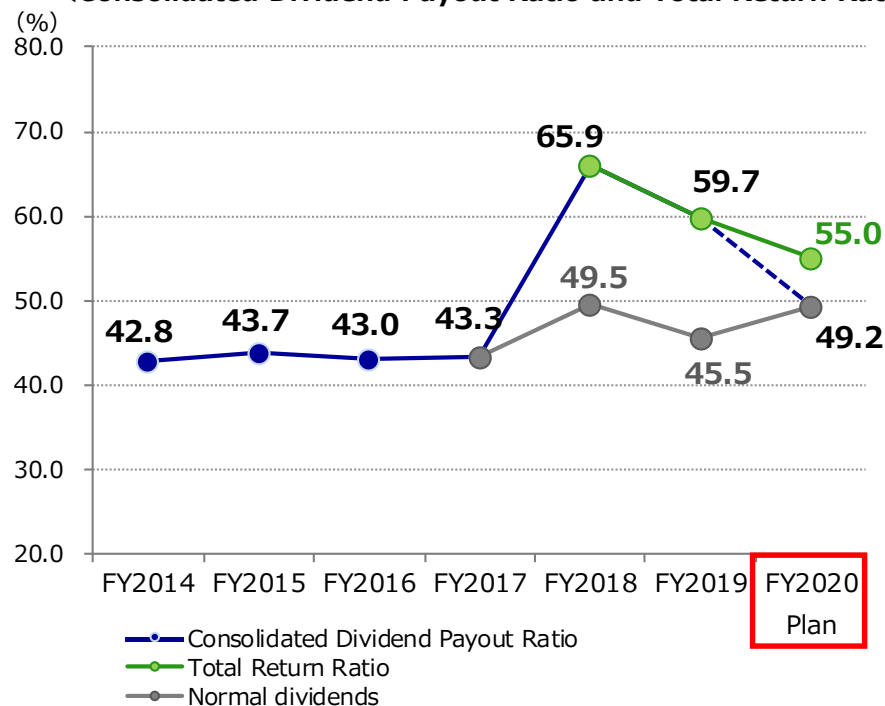
FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
5th medium-term plan To become a 100-year Company FY2013 Sales: over ¥103Bn Operating Profit: over ¥10Bn Global Niche Top Establishing new businesses			6th medium-term plan Challenge to a New Stage FY2016 Sales: over ¥130Bn Operating Profit: over ¥13Bn Expand Corporate Scale & Establish Growth Drivers			7th Medium-term Plan 2nd Stage Towards a 100-year Company Quantum Leap FY2019 Sales: over ¥140Bn Operating Profit: over ¥16Bn Innovative Creation of Value for Sustainable Growth			8th Medium-term Plan 3rd Stage Towards a 100-year Company FY2022 Sales: over ¥140Bn Operating Profit: over ¥18.5Bn Establish a solid business foundation that leads to sustainable growth		



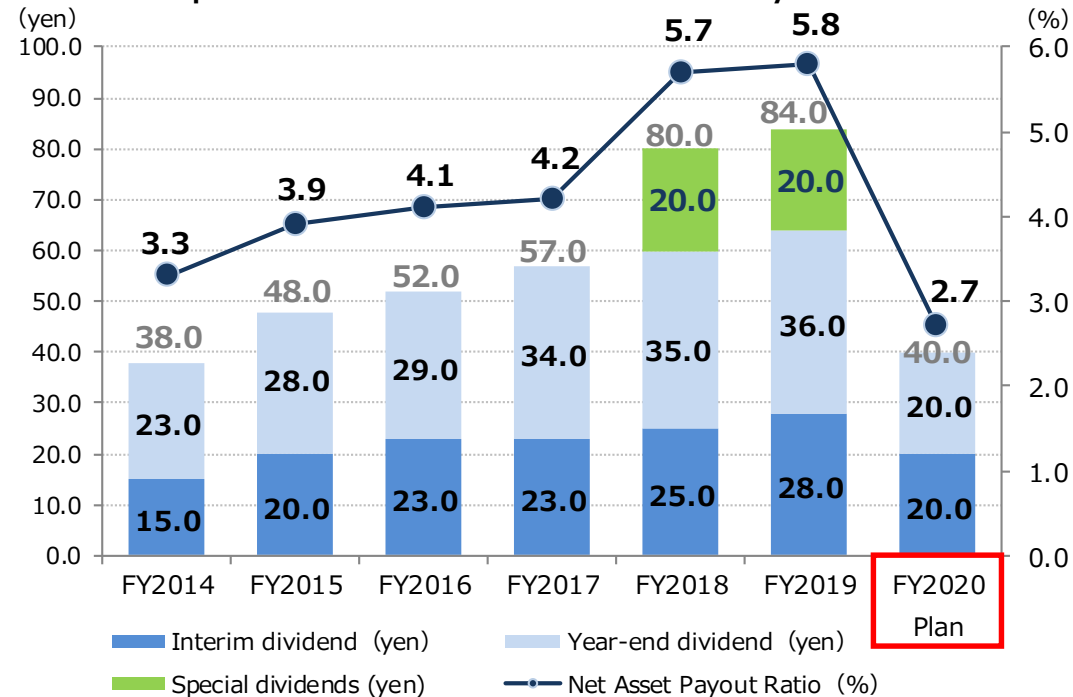
◎ Dividend Policy Stable dividends + performance incentives

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

<Consolidated Dividend Payout Ratio and Total Return Ratio >



<Dividend per Share and Consolidated Net Asset Payout Ratio >

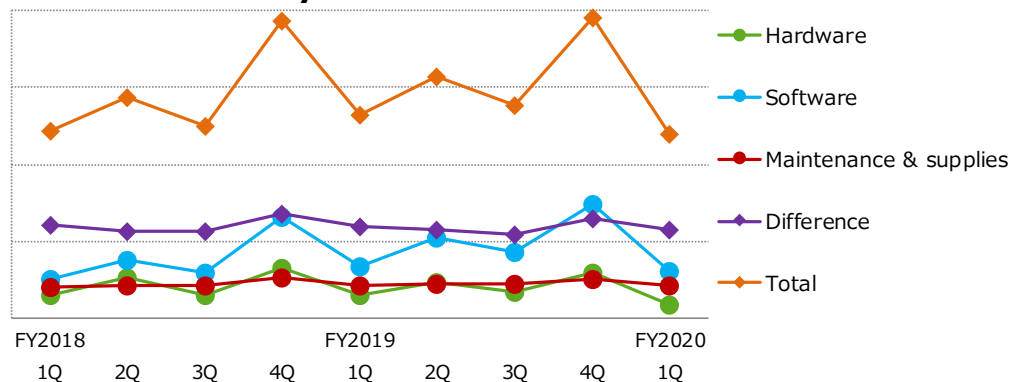


★ The acquisition of treasury stock

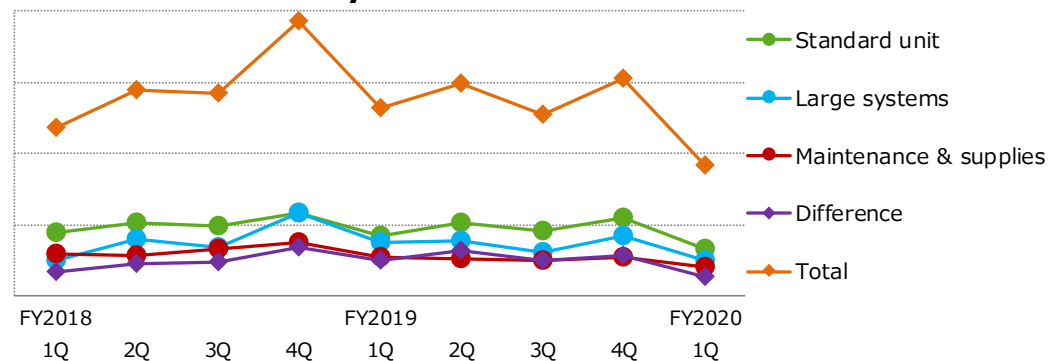
- Acquisition period : From October 2018 to March 2019
- Total number of acquired stocks : 1 Million
- Total amount of acquired stocks : 2,326 Million yen

Quarterly Sales by Item (actual results)

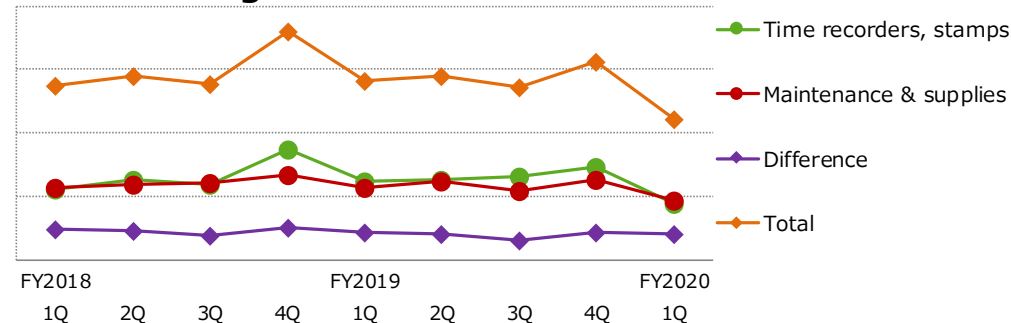
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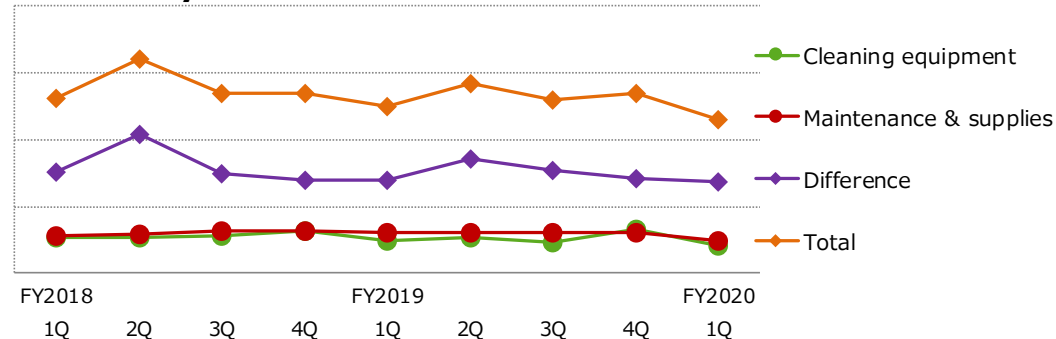
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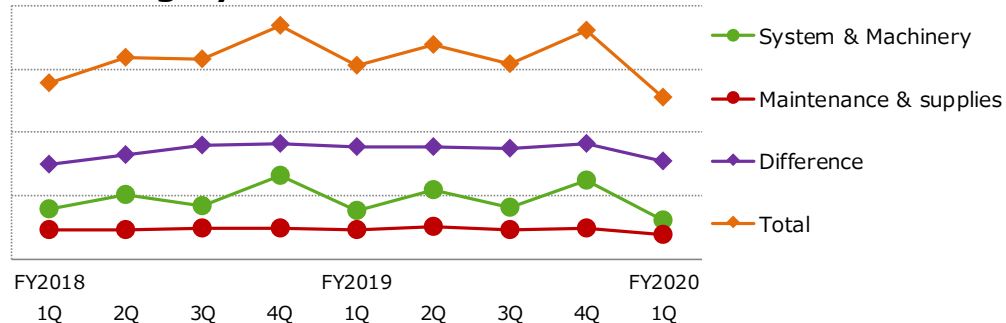
<Time Management Products>



<Clean Systems>



<Parking Systems>



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The prospect of operating performance or forecast compiled by Amano is based on the current information available, and it includes potential risks or uncertainties. Please note that actual operating performance may change substantially from what is described here as a result of various changing factors.