

To all persons concerned

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Notice: Revised Business Projection

Please be informed that we have revised our business projection as follows:

1. Revised Consolidated business projections for second quarter of fiscal year 2014 (Apr.2014 – Mar.2015)

(Unit: JPY Million, %)

CONSOLIDATED	Sales	Operating Profit	Ordinary Profit	Net Profit	Net Profit per share (JPY)
Previously Announced Projection (A)	51,500	3,100	3,410	2,700	35.25
Revised Projection (B)	49,300	2,300	2,700	1,400	18.28
Change (B minus A)	(2,200)	(800)	(710)	(1,300)	
Change (%)	(4.3)	(25.8)	(20.8)	(48.1)	
(For Reference second quarter of FY2013 Results)	46,399	3,098	3,401	1,893	24.72

2. Revised Consolidated business projections for fiscal year 2014 (Apr.2014 – Mar.2015)

(Unit: JPY Million, %)

CONSOLIDATED	Sales	Operating Profit	Ordinary Profit	Net Profit	Net Profit per share (JPY)
Previously Announced Projection (A)	110,000	9,100	9,700	6,300	82.25
Revised Projection (B)	110,000	9,100	9,700	5,500	71.81
Change (B minus A)	-	-	-	(800)	
Change (%)	-	-	-	(12.7)	
(For Reference FY2013 Results)	102,131	8,826	9,423	5,299	69.19

3. Revised Unconsolidated business projections for second quarter of fiscal year 2014 (Apr.2014 – Mar.2015)

(Unit: JPY Million, %)

UNCONSOLIDATED	Sales	Operating Profit	Ordinary Profit	Net Profit	Net Profit per share (JPY)
Previously Announced Projection (A)	31,000	2,300	2,900	1,800	23.50
Revised Projection (B)	29,500	1,600	2,300	1,400	18.28
Change (B minus A)	(1,500)	(700)	(600)	(400)	
Change (%)	(4.8)	(30.4)	(20.7)	(22.2)	
(For Reference second quarter of FY2013 Results)	28,597	2,150	2,759	1,733	22.63

4. Reasons for the revision

(First Half Fiscal Year Period)

Despite the initial higher sales projection, unconsolidated sales for the period are expected to be lower due to the effects of stronger-than-anticipated backlash downturn in sales associated with the consumption tax hike. Therefore, we expect to fall short of our sales plan and in terms of profit, due to the inability to compensate the increases in labor and R&D costs by higher gross margins, it is expected that profits will be lower year on year.

Consolidated projections are revised downwards as above due to the lower unconsolidated performance and the expected operating losses from our North American subsidiaries, which were primarily caused by the delays in new product launch and higher Cost of Sales Ratios in conjunction with increased competition. In addition, the booking of Extraordinary Profit associated with the planned sale of a European subsidiary in the second quarter is now expected to occur next year.

(Full Fiscal Year Period)

On an unconsolidated basis, there are no changes in projections due to the firm accumulation of backlog orders. In addition, the overall performance of both domestic and overseas subsidiaries looks positive and expected to achieve increased sales and profit. However, due to the delay in booking Extraordinary Profit associated with the sale of a European subsidiary, we will revise only the consolidated Net Income.

(Note) Considerations regarding business projections

It should be noted that the above projections are based on currently available information and the actual results may differ due to various factors arising in the future.

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