

To all persons concerned

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**Notice: The Difference between Actual and Forecast Earnings
 For second quarter of fiscal year 2017**

Please be informed that the accumulated earnings for second quarter of fiscal year 2017 (April 1, 2017 to September 30, 2017) resulted in differences indicated below, compared to the forecast earnings for the same period announced April 26, 2017.

1. The difference between actual and forecast earnings for second quarter of fiscal year 2017 (April 1, 2017 to September 30, 2017)

(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) | 59,300 | 5,300 | 5,500 | 3,400 | 44.71 |
| Actual results (B) | 57,962 | 5,628 | 5,982 | 4,071 | 53.61 |
| Variance (B minus A) | (1,337) | 328 | 482 | 671 | — |
| Variance Ratio (%) | (2.3) | 6.2 | 8.8 | 19.8 | — |
| (Reference) Second quarter of FY2016 Results | 56,599 | 5,099 | 5,238 | 3,259 | 42.56 |

(UNCONSOLIDATED ACJ)

(Unit: JPY Million)

| | Sales | Operating Profit | Ordinary Profit | Net Income | Net Income per share (JPY) |
|--|---------|------------------|-----------------|------------|----------------------------|
| Previously Announced Forecast (A) | 34,100 | 3,300 | 4,400 | 3,000 | 39.45 |
| Actual results (B) | 32,930 | 3,800 | 4,997 | 3,741 | 49.26 |
| Variance (B minus A) | (1,169) | 500 | 597 | 741 | — |
| Variance Ratio (%) | (3.4) | 15.2 | 13.6 | 24.7 | — |
| (Reference) Second quarter of FY2016 Results | 32,872 | 3,175 | 4,075 | 2,861 | 37.36 |

2. Reasons for the difference

With regard to the unconsolidated operating results, although sales for Information Systems and Clean Systems grew year-on-year, overall sales fell short of initial plans due to the decrease of large scale projects in Parking Systems and Environmental Systems. Profits exceeded the initial plans due to the increase in revenues mainly from highly-profitable information systems, lower cost ratio as a result of the company-wide efforts to reduce COGS and expenses, and the booking of extraordinary income on sales of investment securities.

As for Amano's consolidated results, sales fell short of the initial plan due to the shortfall on an unconsolidated basis as well as the decrease in sales in North America. However, profits exceeded the initial plan owing to the increase in sales on an unconsolidated basis as mentioned above, as well as the increase in revenues from domestic Group companies and robust performance in Korea and Mexico.

Furthermore, our FY2017 full year forecast remains unchanged. However, if there are changes in the business environment necessitating forecast revisions, we will disclose appropriately in a timely manner.

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