

To all persons concerned

Company: AMANO Corporation
Representative: President & Representative Director
Hiroyuki TSUDA
(Code 6436: The first Section of TSE)
Contact: Director & Operating Officer
General Manager, Corporate Planning
Kunihiro IHARA
(TEL: 81-45-439-1591)

Notice: Regarding an Acquisition of a Business Unit by a Consolidated Subsidiary.

Please be informed that on 1st February, 2018, the Board of Directors of Amano Corporation (“Amano” hereunder), approved the acquisition of a valet parking business through its American subsidiary Amano McGann Inc. (“AMI” hereunder) from a California based company, Service Tracking Systems, Inc. (“STS” hereunder).

1. Reason for the Acquisition

Although AMI has endeavored to develop and expand the parking business in North America, in order to further enhance its competitiveness, AMI needs to diversify its products and services along with the expansion of its customer base.

STS pioneered the Valet Parking market and developed a system that now has top share in the U.S., and through this business acquisition AMI will obtain additional products and services to offer along with new valet parking customers on top of its primary parking management systems and its customer base. We believe that this will place AMI in a better position to seek further growth in the North American parking business.

2. Summary of Business Acquisition

(1) Contents of Acquisition

Valet Parking Business

(2) Purchase Price and Means of Settlement

US\$20,500k

*Approximately 2.3 billion Yen (1USD = JPY113.05: as of December End 2017)

Furthermore, the acquisition will be funded by a capital increase at AMI injected by Amano via Amano USA Holdings Inc., utilizing Amano’s own funds.

3. Information of the Selling Party

(1)	Name of company	Service Tracking Systems, Inc.	
(2)	Address	237 Kearny St., Suite #306, San Francisco, CA 94108	
(3)	Representative	President, Kai Schuette	
(4)	Description of business	The development and sales of software and peripheral equipment related to valet parking	
(5)	Capital stock	US\$10,000	
(6)	Established	December , 2006	
(7)	Common Stock and share-holding	100% owned by Kai Schuette.	
(8)	Relationship between the listed company and the subject company	Capital relationship	None
		Personal relationships	None
		Business relationships	None
		Related party status	Not applicable

4. Schedule

- | | | |
|-----|--------------------------------------|--|
| (1) | Resolution of the Board of Directors | February 1, 2018 (JST) |
| (2) | Contract Date | To be signed promptly after the resolution of the Board of Directors February 1,2018 |
| (3) | Business Acquisition Date | Scheduled for February 2, 2018 |

5. Summary of Accounting Methods

The acquisition process will be carried out in accordance with the accounting standards used for enterprise integration.

It is expected that positive goodwill will occur but the amount is yet to be determined at this time.

6. Future Outlook

No impact on AMANO's consolidated business results for FY2017.

The impact on AMANO's consolidated business results for FY2018 will be included in the earnings forecast, which will be announced at a later date.

-End-

(For Your Reference)

Consolidated forecast earnings (publicly announced April 26, 2017) and the previous fiscal year consolidated results.

(Unit: Million Yen)	Sales	Operating profit	Ordinary profit	Profit after tax
Consolidated forecast earnings (FY2017)	126,000	13,800	14,300	9,400
The previous fiscal year consolidated results (FY2016)	120,124	13,165	13,806	9,223