TIME & ECOLOGY
AMANO

Summary Financial Statements (Consolidated)
for Fiscal Year 2012 (Year Ended March 31, 2013) (Japan GAAP)

May 8, 2013

Company name:	Amano Corporation	Listed on: TSE, OSE	
Securities code:	6436	URL:	http://www.amano.co.jp/
Representative:	Izumi Nakajima, President & Representative Director		
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Scheduled date for Ordinary General Meeting of Shareholders: June 27, 2013
Scheduled date for filing of securities report: June 27, 2013
Scheduled date for start of dividend payments: June 28, 2013
Supplementary explanation materials prepared for financial results: Yes
Briefing held on financial results: Yes (for institutional investors and analysts)

(Amounts less than 1 million yen are rounded down)

1. Business results for fiscal year 2012 (April 1, 2012 to March 31, 2013)

(1) Operating results

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	(% change)	Millions of yen	(% change)	Millions of yen	(% change)	Millions of yen	(% change)
FY 2012 (year ended March 2013)	90,295	2.4	7,329	23.9	7,768	22.9	3,986	65.1
FY 2011 (year ended March 2012)	88,146	5.8	5,917	35.0	6,322	31.5	2,414	(21.2)

Note: Comprehensive income FY 2012 (year ended March 2013): 6,554 million yen (301.7%)
FY 2011 (year ended March 2012): 1,631 million yen (155.8%)

	Net income per share	Diluted net income per share	Ratio of net income to equity capita	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY 2012 (year ended March 2013)	52.04	—	5.4	7.3	8.1
FY 2011 (year ended March 2012)	31.52	—	3.3	6.1	6.7

Reference: Equity in earnings of affiliates FY 2012 (year ended March 2013): −47 million yen
FY 2011 (year ended March 2012): 37 million yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2012 (year ended March 2013)	109,476	76,718	69.8	998.09
FY 2011 (year ended March 2012)	103,477	72,191	69.6	940.07

Reference: Equity capital As of March 31, 2013: ¥76,449 million
As of March 31, 2012: ¥72,005 million

(3) Cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	%	Millions of Yen
FY 2012 (year ended March 2013)	8,659	(5,092)	(3,382)	26,587
FY 2011 (year ended March 2012)	5,974	(1,534)	(3,051)	25,921

2. Dividends

	Annual dividends					Total dividend amount (Year)	Payout ratio (Consolidated)	Ratio of dividend to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	yen	yen	yen	yen	yen		%	%
FY 2011 (year ended March 2012)	—	13.00	—	13.00	26.00	1,991	82.5	2.8
FY 2012 (year ended March 2013)	—	13.00	—	13.00	26.00	1,991	50.0	2.7
FY 2013 (year ending March 2014) (est.)	—	13.00	—	13.00	26.00		40.6	

3. Forecast earnings for fiscal year 2013 (April 1, 2013 to March 31, 2014)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	46,500	7.0	3,300	10.4	3,500	9.9	1,900	15.9	24.81
Full year	98,000	8.5	8,200	11.9	8,500	9.4	4,900	22.9	63.97

4. Other matters

(1) Significant changes among subsidiaries during the fiscal year under review (i.e. changes among specific subsidiaries resulting in a change in the scope of consolidation): None

Note: For details, please see Attachment page 10: "2. Status of the Corporate Group."

(2) Changes to accounting policy, changes to accounting forecasts, and restatements

[1] Changes arising from revision of accounting standards : Yes

[2] Changes to accounting policy other than those in [1] above : None

[3] Changes to accounting forecasts : Yes

[4] Restatements : None

Note: We changed the method of calculating depreciation from this fiscal year. This change falls under "Changes in accounting policies which are difficult to distinguish from changes in accounting estimates." For details, please see Attachment page 23: "(5) Notes to Consolidated Financial Statements," which is in the section entitled "4. Consolidated Financial Statements."

(3) Number of shares issued and outstanding (common stock)

[1] Number of shares issued and outstanding at the end of the period (including treasury stock)	As of March 31, 2013	81,257,829 shares	As of March 31, 2012	81,257,829 shares
[2] Number of shares of treasury stock at the end of the period	As of March 31, 2013	4,662,695 shares	As of March 31, 2012	4,661,851 shares
[3] Average number of shares outstanding (over the consolidated fiscal year under review)	As of March 31, 2013	76,595,533 shares	As of March 31, 2012	76,596,304 shares

Reference: Non-consolidated results

1. Business results for fiscal year 2012 (April 1, 2012 to March 31, 2013)

(1) Operating results (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	(%)	Millions of yen	(%)	Millions of yen	(%)	Millions of yen	(%)
FY 2012 (year ended March 2013)	60,002	(1.0)	5,054	(4.3)	6,067	0.8	4,005	25.2
FY 2011 (year ended March 2012)	60,624	6.8	5,279	45.5	6,017	38.1	3,198	34.2

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2012 (year ended March 2013)	52.30	—
FY 2011 (year ended March 2012)	41.76	—

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2012 (year ended March 2013)	102,709	82,749	80.6	1,080.35
FY 2011 (year ended March 2012)	100, 659	80,240	79.7	1,047.58

Reference: Equity capital As of March 31, 2013: ¥82,749 million
As of March 31, 2012: ¥80,240 million

2. Forecast earnings for fiscal year 2013 (April 1, 2013 to March 31, 2014)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	29,500	2.2	2,200	21.5	2,700	17.3	1,600	11.3	20.89
Full year	63,500	5.8	6,000	18.7	6,700	10.4	4,200	4.9	54.83

Note: Presentation of the implementation status of audit procedures

These Summary Financial Statements are not subject to the audit procedures stipulated in Japan's Financial Instruments and Exchange Act. As of the date of release of these Summary Financial Statements, the financial statement audit procedures stipulated in the Act have not yet been completed.

Note: Explanation concerning appropriate use of the earnings forecast, and other matters to note

Caution regarding forward-looking statements

Earnings forecasts and other forward-looking statements contained in this document are based on information available at the time of this document's preparation and on certain assumptions that are deemed to be reasonable. A variety of factors could cause actual results to differ significantly from the forecasts. For matters related to earnings forecasts, please see Attachment page 2: "1. Analysis of Business Results and Financial Condition."

Obtaining supplementary financial results materials and information on the scheduled financial results briefing

Supplementary financial results materials are disclosed via TDnet on the same day as the date of this document. Also, a financial results briefing for institutional investors and analysts is scheduled for Friday, May 10, 2013. The financial results materials to be distributed at this briefing are due to be published on the Amano Corporation website immediately following the meeting.

○ Table of Contents for Attachment

1. Analysis of Business Results and Financial Condition

(1) Analysis of Business Results

During the fiscal year ended March 31, 2013, although overseas economies continued to struggle due to uncertainty resulting from the effects of the prolonged European debt crisis, the slowdown in emerging economies (including China), and other factors, the Japanese economy showed signs of improvement in sentiment based on the prospects of the economy because public investments for reconstruction projects, etc. following the Great East Japan Earthquake bolstered the economy and the yen's depreciation and surging stock prices continued as a result of expectations stemming from the change in the government.

Amid this business environment, the Amano Group worked, in accordance with the consolidated growth strategy (on a global basis) outlined in its new medium-term business plan, on global market and product development as well as enhancement of its capacity to provide holistic solutions. The Amano Group also concentrated on thoroughly uncovering customer needs, and strove to reduce sales costs and selling, general and administrative expenses.

As a result of the above, during the fiscal year under review, the Company recorded sales of ¥90,295 million, up by 2.4% year-on-year. Operating profit increased by 23.9% to ¥7,329 million, ordinary profit went up by 22.9% to ¥7,768 million, and net income increased by 65.1% to ¥3,986 million, resulting in increases in both income and profit.

The following is a breakdown of sales by business division.

Sales by business division (Millions of yen)

Category	FY 2011 (year ended March 31, 2012)		FY 2012 (year ended March 31, 2013)		Change	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	%
Time Information System business:		%		%		%
Information Systems	19,569	22.2	19,331	21.4	(238)	(1.2)
Time Management Equipment	4,245	4.8	3,996	4.4	(248)	(5.9)
Parking Systems	40,793	46.3	42,207	46.7	1,413	3.5
Subtotal	64,608	73.3	65,535	72.5	926	1.4
Environment System business:						
Environmental Systems	16,373	18.6	17,385	19.3	1,011	6.2
Clean Systems	7,164	8.1	7,374	8.2	210	2.9
Subtotal	23,538	26.7	24,760	27.5	1,221	5.2
Total	88,146	100.0	90,295	100.0	2,148	2.4

Time Information System business

• Information Systems: Time & attendance (T&A), payroll, human-resource management, access control, and cafeteria systems

• Time Management Equipment: Time recorders and time stamps

• Parking Systems: Parking and bicycle-parking space management systems, and commissioned parking lot management business

• Information Systems

Although information-related investments continued to be constrained and market competition is intensifying in Japan, this business division is seeing increasing needs for systems to be used to carry out services as well as an expansion in the cloud computing market resulting from companies' preparations for their Business Contingency Plans (BCP).

In response to these market conditions, the Company concentrated on enhancing its cloud services (e.g., hosting services), proactively developing proposals that offer comprehensive solutions associated with the transition from owning systems to using systems, and uncovering demand by strengthening business support activities carried out by its system engineers.

Domestic sales for the current term were as follows: hardware sales increased by ¥215 million (4.3%) year-on-year, software sales decreased by ¥366 million (11.1%), and sales generated by maintenance contracts and supply services increased by ¥81 million (2.5%). The increase in hardware sales was attributed to the effects of the launch of new products and orders for large-scale projects, and the decrease in software sales was attributed to a decrease in the number of new projects and a delay in the launch of new packaged software. As a result, T&A system sales were down by ¥156 million (1.9%), while access control system sales increased by ¥144 million (12.4%).

Overall overseas sales decreased by ¥263 million (3.7%). The sales of Accu-Time Systems, Inc. in North America slightly increased and the sales of Horosmart S.A. in Europe declined in terms of Japanese yen due to fluctuations in exchange rates, although sales increased on a local currency basis.

As a result of the above, sales in this business division totaled ¥19,331 million, representing a decrease of 1.2% year-on-year.

• Time Management Equipment

In Japan, this business division continued to struggle under difficult conditions because the demand structure has shifted from standard machines to systems.

In this market environment, the Company concentrated on uncovering new demand by developing and expanding new sales channels (e.g., Internet and mail orders) and strengthening sales promotion activities, in order to enhance and expand its customer base.

Overall domestic sales for the current term decreased by ¥250 million (7.5%) from a year earlier due to weak sales in Japan and sluggish exports to Asia. Sales for all of North America, Europe and Asia also dropped. As a result, overall overseas sales decreased by ¥26 million (2.1%).

As a result of the above, sales in this business division totaled ¥3,996 million, representing a decrease of 5.9% year-on-year.

• Parking Systems

The Parking Systems business sector in Japan has been working to promote environmentally friendly initiatives and to reduce the costs of parking lot management (e.g., reducing energy consumption), as well as ensuring safety and security to prevent crimes and accidents in parking lots.

In response to these market conditions, the Company has, in cooperation with its Group companies in Japan, focused its efforts on improving commissioned management services by expanding and improving its support centers to increase convenience for parking lot users as well as providing parking lot owners and parking lot management companies with parking lot information distribution services and video streaming services for crime prevention purposes. The Company has also made efforts to expand into new markets for exclusive gate systems, toll road systems and lane control systems.

In Japan, sales of parking lot system equipment during the fiscal year under review decreased by ¥696 million (4.3%) year-on-year due to a decrease in the number of orders for large parking lot systems, although medium and small parking lot system projects remained strong. Revenues from maintenance contracts and supply services increased by ¥82 million (0.9%).

The commissioned management business by the Group subsidiary Amano Management Service Corporation expanded steadily and the number of commissioned parking spaces increased by 21,500 (9.4%) from the end of the previous fiscal year.

Overall overseas sales increased by ¥189 million (1.9%). Sales for North America increased as Amano McGann, Inc. experienced a recovery. Sales for Europe declined due to the prolonged economic slowdown. Sales in the

Asian region declined as sales in Korea decreased.
As a net result of the above, the Parking Systems business division provided sales totaling ¥42,207 million, an increase of 3.5% year-on-year.

Environment System business

• Environmental Systems:	Standard dust collectors, large dust collection systems, pneumatic powder conveyance systems, high-temperature hazardous-gas removal systems, deodorization systems, and electrolytic water generators
• Clean Systems:	Cleaning equipment, dry-care cleaning systems, and cleaning management services

• Environmental Systems
In this business division, movements to reduce capital investment continued in Japan due to uncertainties over the economy, while demand associated with Japanese-affiliated companies operating abroad remained steady.
In response to these changes in the market environment, the Company proactively shifted its management resources to where the demand is and focused on scaling-up its operations. The Company's efforts included an increase in local staff, the establishment of closer cooperation with overseas Group companies, and full-fledged business development in North America in order to boost sales of products and services to businesses operating overseas. The Company has also made efforts to conquer new markets in the pharmaceutical, food and cosmetics fields.
During the current term, domestic sales of large-scale systems increased by ¥117 million (2.1%), sales of standard dust collectors decreased by ¥20 million (0.4%), and sales of maintenance contracts and supply services increased by ¥248 million (7.0%) year-on-year by means of acquiring overseas demand from companies in Japan.
Overall overseas sales increased by ¥712 million (38.5%) year-on-year because Asian markets continued to remain strong.
As a result of the above, sales in this business division totaled ¥17,385 million, up by 6.2% year-on-year.

• Clean Systems
This business division continued to struggle in Japan under difficult conditions caused by the impact of prolonged corporate restraints on cleaning management costs.
To cope with this market environment, the Company focused on providing proposals to improve efficiency without compromising quality, which will reduce total cleaning management costs. In addition, the division worked to uncover new demand by proactively holding demonstrations of machines, launching new products, and providing holistic solutions, including peripheral cleaning work.
Domestic sales of cleaning equipment during the fiscal year under review decreased by ¥49 million (2.5%) year-on-year, and revenue from maintenance contracts and supply services increased by ¥48 million (1.6%).
Overall overseas sales increased by ¥235 million (15.4%) year-on-year. Sales for North America started to recover thanks to new product launches and cultivation of markets in Central and South America.
As a result of the above, sales in this business division totaled ¥7,374 million, up by 2.9% year-on-year.

Reference information

Information by area

(Unit: Millions of yen)

	Net sales				Operating profit (loss)			
	FY 2011 (year ended March 2012)	FY 2012 (year ended March 2013)	Change	Percentage change (%)	FY 2011 (year ended March 2012)	FY 2012 (year ended March 2013)	Change	Percentage change (%)
Japan	68,021	69,191	1,170	1.7	8,696	8,894	198	2.3
Other Asia	6,652	7,461	809	12.2	593	654	61	10.3
North America	9,548	10,186	638	6.7	(79)	303	382	—
Europe	5,872	5,453	(419)	(7.1)	(221)	168	389	—
Total	90,095	92,293	2,198	2.4	8,989	10,021	1,032	11.5
Eliminations/ Corporate	(1,948)	(1,998)	—	—	(3,071)	(2,692)	—	—
Consolidated	88,146	90,295	2,148	2.4	5,917	7,329	1,411	23.9

Notes: 1. The national and regional demarcations are based on the degree of geographical proximity.
2. Major countries and territories included in areas other than Japan:
(1) Other Asia: Singapore, Thailand, Malaysia, Indonesia, South Korea, and China
(2) North America: United States and Canada
(3) Europe: France, Belgium, and Spain

Overseas sales

(Unit: Millions of yen)

	Overseas sales				Proportion of consolidated net sales accounted for by overseas sales (%)		
	FY 2011 (year ended March 2012)	FY 2012 (year ended March 2013)	Change	Percentage change (%)	FY 2011 (year ended March 2012)	FY 2012 (year ended March 2013)	Change
Other Asia	7,031	7,779	747	10.6	8.0	8.6	0.6
North America	9,426	10,086	659	7.0	10.7	11.2	0.5
Europe	5,858	5,437	(420)	(7.2)	6.6	6.0	(0.6)
Other regions	173	89	(83)	(48.3)	0.2	0.1	(0.1)
Total	22,490	23,392	902	4.0	25.5	25.9	0.4
Consolidated net sales	88,146	90,295					

Notes: 1. The national and regional demarcations are based on the degree of geographical proximity.
2. Major countries and territories included in areas other than Japan:
(1) Other Asia: Singapore, Thailand, Malaysia, Indonesia, South Korea, and China
(2) North America: United States and Canada
(3) Europe: France, Belgium, and Spain
(4) Other regions: Central and South America
3. Overseas sales comprise sales by the Company and its consolidated subsidiaries to countries and regions other than Japan.

(2) Analysis of Financial Condition

(i) Assets, liabilities, and net assets

Assets

Total assets as of March 31, 2013, amounted to ¥109,476 million, up by ¥5,998 million from the previous fiscal year-end. Current assets increased by ¥2,987 million year-on-year. This was chiefly due to a ¥1,165 million increase in notes and accounts receivable—trade and a ¥1,118 million increase in cash and bank deposits. Fixed assets increased by ¥3,010 million year-on-year. This was attributable primarily to a ¥2,176 million increase in investment securities, a ¥591 million increase in intangible fixed assets and a ¥500.7 million increase in lease assets.

Liabilities

Total liabilities as of March 31, 2013, amounted to ¥32,758 million, up by ¥1,472 million year-on-year. Current liabilities increased by ¥1,467 million year-on-year. This was chiefly due to an increase of ¥859 million in other current liabilities due to an increase in advances received and accrued expenses as well as an increase of ¥298 million in lease obligations. Fixed liabilities increased by ¥4 million year-on-year. The principal factors behind this were an increase of ¥581 million in lease obligations, despite a decrease of ¥313 million in accrued retirement benefits for employees.

Net Assets

Total net assets as of March 31, 2013 amounted to ¥76,718 million, up by ¥4,526 million from the previous fiscal year-end. This was primarily due to an increase of ¥1,994 million in shareholders' equity resulting from an increase in retained earnings and an increase of ¥2,449 million in total accumulated other comprehensive income resulting from an increase in foreign currency translation adjustments.

(ii) Cash flows

Consolidated cash and cash equivalents increased by ¥665 million from the previous fiscal year-end, to a total of ¥26,587 million on March 31, 2013. The status of each type of cash flow at the year-end and the underlying factors are as follows.

Cash flow from operating activities

Net cash provided by operating activities totaled ¥8,659 million. This was attributable primarily to income before income taxes amounting to ¥7,332 million and depreciation and amortization amounting to ¥3,558 million, despite income taxes payments amounting to ¥3,443 million.

Cash flow from investing activities

Net cash used in investing activities totaled −¥5,092 million. This was largely due to expenditures of ¥5,762 million for the placement of time deposits, ¥2,000 million for the acquisition of securities, ¥1,803 million for the acquisition of investment securities, ¥1,791 million for the acquisition of intangible fixed assets, and ¥1,117 million for the acquisition of tangible fixed assets. These outflows more than offset proceeds of ¥5,265 million from the withdrawal of time deposits and ¥2,000 million from the redemption of securities.

Cash flow from financing activities

Net cash used in financing activities totaled −¥3,382 million. This was chiefly due to expenditures of ¥1,991 million for the payment of cash dividends and ¥1,173 million for the repayment of finance lease obligations.

Reference: Trend of cash flow indicators

	As of Mar. 31, 2009	As of Mar. 31, 2010	As of Mar. 31, 2011	As of Mar. 31, 2012	As of Mar. 31, 2013
Equity ratio (%)	72.9	73.4	70.3	69.6	69.8
Fair value equity ratio (%)	58.8	64.7	59.3	56.9	62.3
Ratio of cash flow to interest-bearing liabilities (%)	24.1	17.1	31.4	50.2	34.7
Interest coverage ratio	200.7	250.6	275.2	158.1	207.7

Notes: Equity ratio: Equity capital/Total assets
Fair value equity ratio: Gross market capitalization/Total assets
Ratio of cash flow to interest-bearing liabilities: Interest-bearing liabilities/Cash flow from operating activities
Interest coverage ratio: Cash flow from operating activities/Interest payments

Assumptions:

* All indicators are calculated on the basis of consolidated financial values.

* Gross market capitalization is calculated by multiplying the closing price of the Company's shares at the year-end by the number of shares of common stock issued and outstanding at the year-end (less treasury stock).

* The term "cash flow from operating activities" refers to cash flow from operating activities posted under the consolidated statements of cash flows. The term "interest-bearing liabilities" refers to those liabilities stated in the consolidated balance sheets on which interest is paid. Interest payments equate with the interest paid recorded in the consolidated statements of cash flows.

(iii) Outlook for fiscal year ending March 31, 2014

During the fiscal year ending March 31, 2014, we forecast that the Japanese economy will continue to recover at a modest pace, as exports are expected to increase due to growth in overseas economies, including those of the United States and Southeast Asia, and the yen's depreciation and domestic demand are expected to remain strong on the basis of the trends of increased public investment and improved business and consumer sentiment.

Amid this business environment, Amano Corporation and its Group companies continue to emphasize the following strategies: 1) emphasis on Time & Ecology business fields, and enhancement of core business; 2) becoming a niche leader in the business fields in which we excel; 3) ceaseless restructuring; and 4) management based on cash flow. In line with these four fundamental strategies, we will pursue our consolidated growth strategy on a global scale to ensure sustainable growth and the continual improvement of profitability with a view to maximizing the corporate value of Amano Corporation.

The following business results are projected for the fiscal year ending March 31, 2014: net sales of ¥98,000 million, operating profit of ¥8,200 million, ordinary profit of ¥8,500 million, and net income of ¥4,900 million. These projections assume currency exchange rates of ¥95 to the US dollar and ¥120 to the euro.

(3) Basic Policy on Distribution of Profits and Payment of Dividends for This Fiscal Year and the Next

Amano places great importance on its policy for the payment of dividends to shareholders. Fundamental to this is its policy for the return of profit to shareholders, based on maintaining a stable ordinary dividend of ¥26 annually (¥13 interim and ¥13 year-end), together with appropriate results-based distributions of profits and flexible purchasing of treasury stock. The Company aims to maintain a payout ratio of at least 35% on a consolidated basis and a ratio of dividend to net assets of at least 2.5%.

In line with this policy, taking into account our current-year operations results, we plan to pay a year-end dividend of ¥13 per share, unchanged from the amount paid at the end of the previous year. As a result, the annual per-share dividend will be ¥26 (including the ¥13 per share paid as the interim dividend). This corresponds to a dividend payout ratio of 50.0% and a 2.7% ratio of dividends to net assets on a consolidated basis.

With regard to the dividend for the next fiscal year, in line with our Basic Policy on Distribution of Profits and in view of our Outlook for Fiscal Year Ending March 31, 2014, we aim to pay an annual per-share dividend of ¥26 (interim dividend of ¥13, and year-end dividend of ¥13).

Retained earnings will be earmarked to fund effective investment aimed at the fundamental enhancement of the Company's capacity to conduct its business operations. This will include the expansion and strengthening of existing business fields, strategic investment in growth fields, and spending on research and development, as well as the rationalization of production plants and equipment for the purpose of reducing costs and further improving product quality.

(4) Operating and Other Risk Factors

Matters relating to the qualitative information contained in these summary financial statements and relating to the consolidated financial statements that could be envisaged as having a possible material impact on investors are described below.

Every effort are made to identify factors that may now or in the future pose a risk to the undertaking of business by the Amano Group, and these risk factors are then eliminated or otherwise managed in the course of business.

Forward-looking statements are current as of the date of the release of these financial results (May 8, 2013).

(i) Impact on earnings due to changes in the business environment

The Amano Group uses the unique technologies and know-how it has accumulated to provide customers with high-quality products, services and solutions, thereby gaining large market shares in each sphere of business in Japan, North America, Europe, and Asia, and developing its business globally.

In the year ended March 31, 2013, the Time Information System business accounted for 72.5% of total sales, and the Environment System business accounted for 27.5%. Before the deduction of unallocated expenses, the Time Information System business contributed 77.4% to operating profit, while the Environment System business contributed 22.6%. In terms of weighted average sales over the last five years, the Time Information System business accounted for 73.0% of total sales and 75.8% of operating profit.

One future risk factor is that if market expansion is forecast for a business activity within the Time Information System business segment (which accounts for a large proportion of the Group's business) for such reasons as a significant change in the demand structure or the creation of a new market, entities in other industries or other powerful competitors may be tempted to enter the market. In such an event, if a competitor were to enter with innovative products or solutions that surpass Amano's, the Amano Group's market advantage would decline, which may have a material impact on its business performance.

(ii) Fluctuations in exchange rates

The Group engages in business activities on a global scale and has production and sales bases overseas. In view of this, the Group's business results may be impacted by fluctuations in exchange rates when the proceeds for overseas transactions are converted into yen.

(iii) Information security

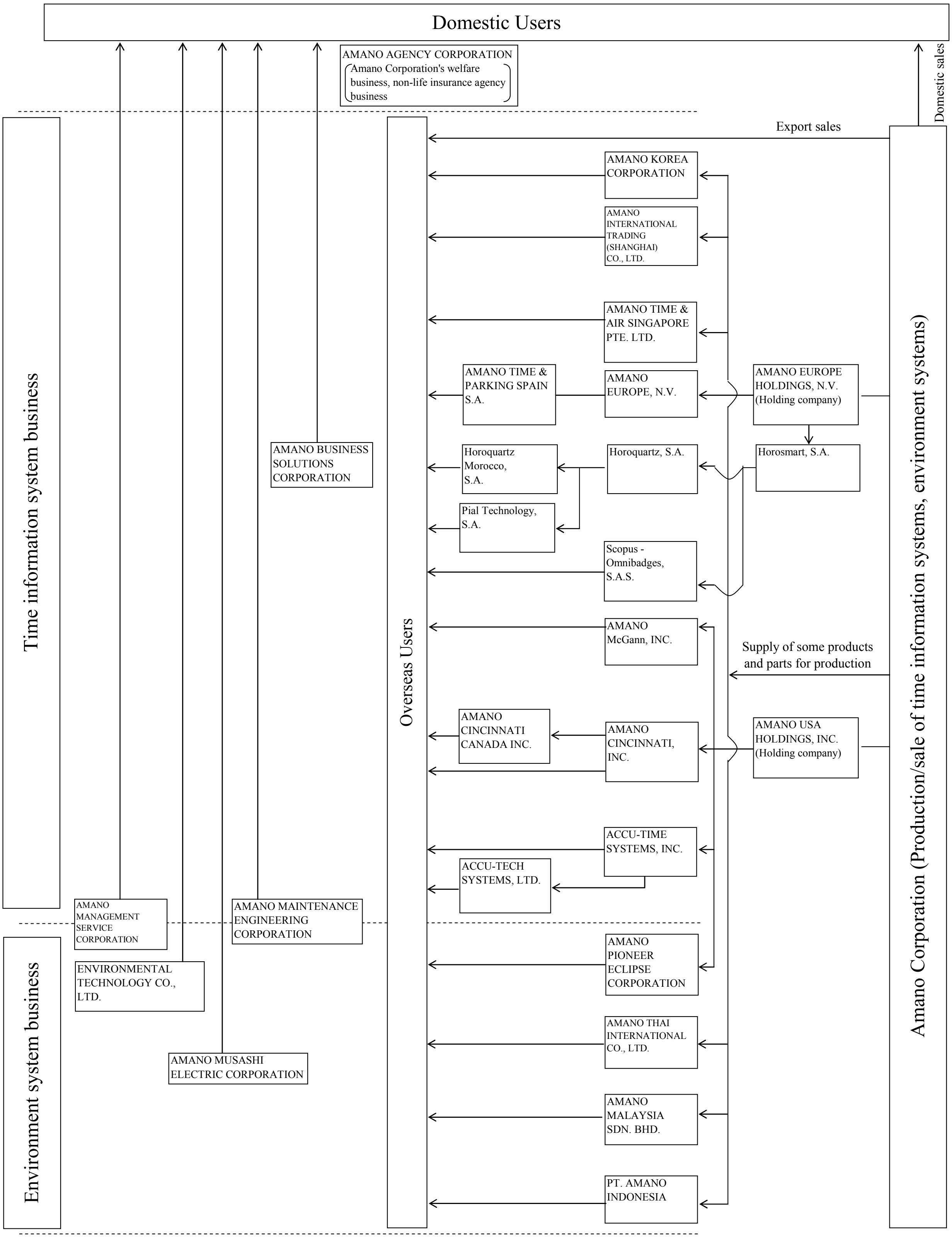
In the course of providing system solutions and developing cloud business services (e.g., ASP, SaaS, and hosting services), the Amano Group handles confidential information, such as personal information concerning, or provided by, customers. In view of this, the Company has strengthened and thoroughly implemented security control measures based on the Information Security Management Rules. Specifically, the Company has implemented measures to protect confidential information (e.g., encrypting hard disk drives and external media as well as periodic staff training through e-learning) to ensure that a foolproof structure is in place. Nevertheless, the occurrence of an unforeseen situation that results in access to or leakage of confidential information as described above could have an adverse material impact on the Group's business performance due to factors such as loss of confidence.

2. Status of the Corporate Group

The Amano Group, which comprises Amano Corporation and 28 subsidiaries, engages primarily in the production and sale of time information systems and environment systems.

The following chart sets out the Group's principal business activities.

The positioning of the companies in the chart's business categories is based on each company's principal line of business.



3. Business Policies

(1) Basic Management Policy

Throughout its history, Amano has adhered to a basic policy of putting the customer first. This has meant paying heed to what its customers say—based on its corporate themes of "people and time" and "people and the environment"—and giving pivotal importance to customer satisfaction throughout its business activities, particularly in sales, production, and development.

In accordance with this fundamental policy, Amano continues to undertake business activities with the goal of earning the trust and high regard of all those who support it: the customers, employees, shareholders, suppliers and other entities with which it does business, and the local community. It achieves this by providing a variety of products, systems, services, and solutions that match the needs of its customers in relation to the themes of "people and time" and "people and the environment."

Amano and its Group companies direct their efforts toward maximizing corporate value by fostering innovation in management and by ensuring a strong earnings structure and sustained growth in business performance.

(2) New Medium-Term Business Plan

Amano and all of its Group companies continue to pursue the Group's tradition of continuing to evolve in response to the changes of the times, while remaining committed to the following four immutable strategies of the Amano Group.

(i) Emphasis on the Time & Ecology business fields and enhancement of our core business
(ii) Being a niche leader in the business fields in which we excel
(iii) Ceaseless restructuring
(iv) Management based on cash flow

In accordance with these four fundamental strategies, Amano launched a new medium-term business plan. An outline of the plan is set out below.

[1] Basic policies

Under its new medium-term business plan, the Group seeks to become a global niche leader by exploring new market frontiers (advancing aggressively into emerging and untapped markets), having each office engage in multiple business operations, and establishing new business domains. We are pursuing a new global growth strategy designed to maximize our corporate value.

Priority issues under the new plan are listed below.

1. North American and European markets

   North America: In the Parking System business, we will merge Amano McGann's parking management software with the Amano Group's software and hardware, introduce new parking systems into the market, and strengthen direct sales structures to enable us to work more closely with customers when proposing solutions. These efforts are designed to build upon our business foundations, which are second to none in North America. In our Time Information System business, Accu-Time Systems Inc. will continue to scale up our operations by launching new products bolstering their already diversified range of time information management terminals, in order to fully utilize their blue-chip customer base. In addition, Amano Pioneer Eclipse Corp. will endeavor to strengthen the Environment System business by enhancing the local production and distribution of oil mist collectors.

   Europe: In the Time Information System business, we will continue to enhance Horosmart's ability to offer holistic solutions, and to expand its blue-chip customer base. These efforts are aimed at cementing our position as number one at the high end of the market in France and at increasing our visibility and expanding further into other markets across Europe. In the Parking System business, we will step up sales of low-priced system products, focusing on the UK and the three Benelux countries, in order to build a stronger business foundation.

2. Asian, Latin American and other emerging markets

Asia: In the Environment System business, we will enhance our ability to offer products and render services to Japanese companies operating outside Japan in other parts of Asia by deepening ties between our Group companies across Asia and our head office in Japan. We will also expand our local production capabilities in order to enhance our cost competitiveness. In the Parking System business, we will seek to further scale up our South Korean and Malaysian operations, as well as to aggressively promote the development of business operations in other Asian countries.

Latin America: In light of the local market's future growth potential, we will aggressively allocate a higher proportion of our management resources, including local production capabilities, to this region, in order to explore the market frontiers in the Information System, Parking System, and Environment System businesses.

3. Japanese market

Japan: We will reinforce ties among Group companies and develop high-quality comprehensive service offerings (combining products and services) across all business fields to expand our business domain, create new markets, and enhance our cost competitiveness. These efforts should align our entire group to work cohesively towards maximizing its corporate value.

[2] Numerical targets

Although the business environment has generally improved as described in the Outlook for the Fiscal Year Ending March 31, 2014 on page 7, uncertainty remains regarding trends in capital investment that impact the Environment System business. Therefore, we have reviewed and modified the numerical targets originally set for the fiscal year ending March 31, 2014 as described in Summary Information, taking into account current year results.

(3) Issues to Be Addressed

The Company will take the following steps to achieve the goals set out in its new medium-term business plan.

1) Time Information Systems

• Information Systems business

Given the continuing efforts by the labor authorities to more strictly monitor unpaid overtime and long working hours (overworking) in order to eradicate these practices and an increasing number of industrial court cases, there is strong potential demand among companies for T&A systems, which aim to establish and build labor time management systems to optimize business operations by reducing working hours, etc. and to implement measures for compliance toward appropriately managing working hours. However, market conditions remain tough, reflecting prolonged reductions in information-related investments, intensifying competition in the market, and other factors. Meanwhile, the business environment in which this segment operates has seen a significant shift from companies owning systems to simply utilizing them, with an increasingly prominent movement in the industry toward cloud computing.

In this market environment, we will focus on spurring latent demand in our solutions business, which is targeted at medium and large companies, by strengthening our competitive advantage with enhanced software functions and through cooperation with the human resource and payroll systems of CREO CO., LTD., as well as reinforcing our marketing structures with collaboration between sales staff and systems engineers. In addition, we will actively make proposals for comprehensive solutions, including hardware, software, and cloud services, by strengthening alliances with Group companies in Japan in order to respond to the changes of the times.

To enhance the profitability of this business, we will strictly manage revenue from our solutions business targeted at large companies, enhance our project management systems, cut costs by standardizing system software, and expand sales of standard software packages to small and medium-scale business establishments, so as to boost earnings capacity.

Overseas, Accu-Time Systems Inc. will continue to scale up our operations by launching new products to bolster their already diversified range of time information management terminals, in order to fully utilize their blue-chip customer base. In addition, we will work on establishing a global supply system and reducing development costs by expanding our hardware lineup. As a means of expanding our business, we will also extend our sales channels for software products from Horosmart, S.A. (France) across Europe and reinforce our organizational structures toward globalization.

• Parking Systems business

The Parking Systems business sector has been working to promote environmentally friendly initiatives and to reduce the costs of parking lot management (e.g., reducing energy consumption), as well as ensuring safety and security to prevent crimes and accidents in parking lots. Thus, the environment surrounding the Parking Systems business has been changing.

In this environment, the Company will, in cooperation with its Group companies in Japan, focus its efforts on improving commissioned parking lot management services by expanding and improving its support centers to increase convenience for parking lot users and provide parking lot owners and parking lot management companies with parking lot information distribution services and video streaming services for crime prevention purposes. The Company will also make efforts to expand into new markets for exclusive gate systems, toll road systems and lane control systems.

Overseas, we aim to expand our business and establish ourselves as the top manufacturer of parking systems in the North American market, leveraging the strengths of Amano McGann, Inc. to further boost sales by building closer relationships with customers. In Europe, we will step up our sales of low-priced system products, focusing on the UK and the three Benelux countries, in order to build stronger operational foundations. In Asia, we will further expand our parking lot management business, focusing on Korea.

2) Environment Systems business

• Environment Systems

In the Environment System business, the increasing trend in capital investment by Japanese-affiliated companies in the Asian and North American regions continues, and it has become apparent in the business environment that demand has shifted from Japan to the rest of the world.

In this market environment, we will continue to shift our management resources to markets where demand is growing in order to appropriately exploit expansions in demand in the Asian and North American markets. Our efforts include the bolstering of systems to sell products and services to businesses operating overseas, the establishment of closer cooperation with overseas Group companies, and the expansion of production in China. In addition, we will strengthen our capability to develop new products with less environmental impact, launch new products to match the reduction in size and the diversification of machine tools, and enhance our lineup of dust-explosion-proof technologies to raise safety standards. We also aim to spur latent demand by expanding our maintenance business and to further strengthen profit control for each site in order to boost profitability.

3) Human resource development

Recognizing that people are the key management resource in the operation of our business, we have positioned human resource development as a priority issue and will focus on developing employees who have no fear of change and are willing to meet challenges.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Assets		
Current assets		
Cash and bank deposits	28,056	29,175
Notes and accounts receivable—trade	23,754	24,920
Marketable securities	1,074	1,241
Merchandise and finished goods	3,058	2,984
Work in process	707	931
Raw materials and supplies	2,424	2,781
Deferred tax assets	1,446	1,235
Other current assets	1,871	2,160
Allowance for doubtful accounts	(128)	(177)
Total current assets	62,266	65,253
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	10,742	10,559
Machinery and vehicles (net)	795	807
Tools, furniture and fixtures (net)	1,095	1,158
Land	7,121	7,167
Lease assets (net)	2,516	3,087
Construction in progress	103	206
Total tangible fixed assets	22,375	22,985
Intangible fixed assets		
Goodwill	4,677	4,679
Software	1,840	1,363
Software in progress	346	1,396
Other	1,025	1,042
Total intangible fixed assets	7,889	8,481
Investments and other assets		
Investment securities	4,274	6,450
Long-term loans receivable	16	13
Claims in bankruptcy and similar claims	482	401
Fixed leasehold deposits	1,069	1,153
Deferred tax assets	1,853	1,740
Long-term deposits	1,550	1,500
Other	2,155	1,978
Allowance for doubtful accounts	(456)	(483)
Total investments and other assets	10,945	12,755
Total fixed assets	41,211	44,222
Total assets	103,477	109,476

(Millions of yen)

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable—trade	10,386	5,633
Electronically recorded obligations	–	5,404
Short-term bank loans	168	197
Lease obligations	864	1,162
Accrued income taxes	2,147	1,878
Accrued bonuses	1,882	1,780
Other current liabilities	8,187	9,046
Total current liabilities	23,636	25,104
Long-term liabilities		
Long-term bank loans	1,290	1,244
Long-term accounts payable—other	223	201
Lease obligations	2,552	3,133
Deferred tax liabilities	302	247
Accrued retirement benefits for employees	2,984	2,670
Asset retirement obligations	16	17
Other long-term liabilities	279	138
Total long-term liabilities	7,649	7,653
Total liabilities	31,285	32,758
Net assets		
Shareholders' equity		
Common stock	18,239	18,239
Capital surplus	19,567	19,567
Retained earnings	47,391	49,385
Treasury stock	(3,719)	(3,719)
Total shareholders' equity	81,478	83,472
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(179)	316
Foreign currency translation adjustments	(9,294)	(7,340)
Total accumulated other comprehensive income	(9,473)	(7,023)
Minority interests	186	268
Total net assets	72,191	76,718
Total liabilities and net assets	103,477	109,476

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Net sales	88,146	90,295
Cost of sales	49,345	50,527
Gross profit	38,800	39,767
Selling, general and administrative expenses		
Selling expenses	29,148	29,238
General and administrative expenses	3,734	3,200
Total selling, general and administrative expenses	32,883	32,438
Operating profit	5,917	7,329
Non-operating profit		
Interest income	70	78
Dividend income	87	97
Foreign exchange gains	–	189
Other	439	310
Total non-operating profit	597	675
Non-operating expenses		
Interest expenses	37	41
Exchange rate loss	70	–
Foreign withholding tax	22	22
Provision of allowance for doubtful accounts	–	61
Equity in losses of affiliates	–	47
Other	61	62
Total non-operating expenses	191	236
Ordinary profit	6,322	7,768
Extraordinary income		
Gain on sale of fixed assets	4	7
Gain on sales of investment securities	–	2
Subsidiary income	–	7
Other	2	1
Total extraordinary income	7	18
Extraordinary losses		
Loss on disposal of fixed assets	23	41
Loss on sale of fixed assets	0	1
Loss on valuation of investment securities	538	244
Loss on liquidation of subsidiaries	–	11
Loss on reduction of fixed assets	–	6
Impairment loss	87	–
Special retirement expenses	162	143
Other	7	4
Total extraordinary losses	820	454
Income before income taxes	5,509	7,332

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Income taxes	3,037	3,187
Deferred income taxes	7	78
Total income taxes	3,045	3,265
Income before minority interests	2,464	4,066
Minority interests	49	80
Net income	2,414	3,986

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Income before minority interests	2,464	4,066
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	(24)	497
Foreign currency translation adjustments	(794)	1,961
Share of other comprehensive income of associates accounted for using equity method	(13)	28
Total other comprehensive income	(832)	2,487
Comprehensive income	1,631	6,554
(Breakdown)		
Comprehensive income attributable to owners of the parent Company	1,596	6,435
Comprehensive income attributable to minority interests	35	118

(3) Consolidated Statement of Changes in Shareholders' Equity

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Net assets		
Shareholders' equity		
Balance at the beginning of the year	18,239	18,239
Changes during the year		
Total changes during the year	–	–
Balance at year end	18,239	18,239
Capital surplus		
Balance at the beginning of the year	19,567	19,567
Changes during the year		
Total changes during the year	–	–
Balance at year end	19,567	19,567
Retained earnings		
Balance at the beginning of the year	46,968	47,391
Changes during the year		
Dividends from surplus	(1,991)	(1,991)
Net income	2,414	3,986
Total changes during the year	422	1,994
Balance at year end	47,391	49,385
Treasury stock		
Balance at the beginning of the year	(3,718)	(3,719)
Changes during the year		
Purchase of treasury stock	(0)	(0)
Total changes during the year	(0)	(0)
Balance at year end	(3,719)	(3,719)
Total shareholders' equity		
Balance at the beginning of the year	81,056	81,478
Changes during the year		
Dividends from surplus	(1,991)	(1,991)
Net income	2,414	3,986
Purchase of treasury stock	(0)	(0)
Total changes during the year	422	1,994
Balance at year end	81,478	83,472

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Accumulated other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities		
Balance at the beginning of the year	(154)	(179)
Changes during the year		
Net changes in items other than shareholders' equity	(24)	495
Total changes during the year	(24)	495
Balance at year end	(179)	316
Foreign currency translation adjustments		
Balance at the beginning of the year	(8,500)	(9,294)
Changes during the year		
Net changes in items other than shareholders' equity	(793)	1,953
Total changes during the year	(793)	1,953
Balance at year end	(9,294)	(7,340)
Total accumulated other comprehensive income		
Balance at the beginning of the year	(8,654)	(9,473)
Changes during the year		
Net changes in items other than shareholders' equity	(818)	2,449
Total changes during the year	(818)	2,449
Balance at year end	(9,473)	(7,023)
Minority interests		
Balance at the beginning of the year	159	186
Changes during the year		
Net changes in items other than shareholders' equity	26	82
Total changes during the year	26	82
Balance at year end	186	268
Total net assets		
Balance at the beginning of the year	72,561	72,191
Changes during the year		
Dividends from surplus	(1,991)	(1,991)
Net income	2,414	3,986
Purchase of treasury stock	(0)	(0)
Net changes in items other than shareholders' equity	(791)	2,532
Total changes during the year	(369)	4,526
Balance at year end	72,191	76,718

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Cash flows from operating activities		
Income before income taxes	5,509	7,332
Depreciation and amortization	4,030	3,558
Amortization of goodwill	678	561
Impairment loss	87	–
Increase (decrease) in accrued retirement benefits for employees	(461)	(337)
Increase (decrease) in allowance for doubtful accounts	42	38
Interest and dividend revenue	(157)	(175)
Equity in (earnings) losses of affiliates	(37)	47
Interest expenses	37	41
Foreign currency translation loss (gain)	2	(23)
Loss (gain) on sale of fixed assets	(4)	(5)
Loss on disposal of fixed assets	23	41
Loss on reduction of fixed assets	–	6
Loss (gain) on sale of investment securities	–	(2)
Loss (gain) on valuation of investment securities	538	244
Extra retirement payment	162	143
Loss (gain) on liquidation of subsidiaries	–	11
Subsidiary income	–	(7)
(Increase) decrease in trade notes and accounts receivable	(2,916)	(413)
(Increase) decrease in inventories	35	(173)
Increase (decrease) in accounts payable	446	414
Increase (decrease) in other current liabilities	210	456
Other	633	325
Subtotal	8,861	12,089
Receipts from interest and dividends	208	222
Interest paid	(37)	(41)
Extra retirement payment	(99)	(209)
Income taxes paid	(3,082)	(3,443)
Income taxes refunded	123	42
Net cash provided by operating activities	5,974	8,659

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Cash flows from investing activities		
Payment for acquisition of securities	(2,053)	(2,000)
Proceeds from redemption of securities	2,241	2,000
Payment for purchase of tangible fixed assets	(1,265)	(1,117)
Proceeds from sale of tangible fixed assets	11	23
Payment for acquisition of intangible fixed assets	(842)	(1,791)
Payment for acquisition of investment securities	(56)	(1,803)
Proceeds from subsidies	–	7
Repayment for loans to third parties	(7)	(63)
Collection of loans receivable	3	65
Increase in time deposits	(4,376)	(5,762)
Proceeds from withdrawal of time deposits	4,672	5,265
Other	138	84
Net cash used in investing activities	(1,534)	(5,092)
Cash flows from financing activities		
Repayment for short-term bank loans	1,728	(173)
Proceeds from long-term debt	1,549	–
Repayment for long-term debt	(17)	–
Payment for acquisition of treasury stock	(0)	(0)
Repayment of finance/lease obligations	(854)	(1,173)
Dividends paid	(1,991)	(1,991)
Dividends paid to minority interests	(8)	(18)
Liquidating dividends paid to minority interests	–	(25)
Net cash used in financing activities	(3,051)	(3,382)
Effect of exchange rate changes on cash and cash equivalents	(80)	481
Net increase (decrease) in cash and cash equivalents	1,307	665
Cash and cash equivalents at the beginning of the year	24,613	25,921
Cash and cash equivalents at end of period	25,921	26,587

(5) Notes to Consolidated Financial Statements

Notes Regarding the Premise of a Going Concern

None

Basis for the Presentation of the Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries:	27
Names of major consolidated subsidiaries:	Please refer to “2. Status of the Corporate Group” on page 10. Amano Cleantech (M) Sdn. Bhd. is currently under liquidation proceedings as of March 31, 2013. As the distribution of its residual assets was completed on January 31, 2013, it was excluded from the scope of consolidation, though its profit and loss were included in the consolidated financial statements until the point at which it was excluded from the scope of consolidation.
(2) Names of non-consolidated subsidiaries:	7 companies: AMANO SOFTWARE ENGINEERING (SHANGHAI) CO., LTD.; @PARK KOREA CO., LTD.; TIME STAMP SOLUTIONS CO., LTD.; AMANO PARKING EUROPE, N.V.; AMANO UK Ltd.; Amano Manufacturing Shanghai Co., Ltd.; Amano Cleantech (M) Sdn. Bhd.

Reasons for exclusion from the scope of consolidation

Non-consolidated subsidiaries are small in scale, and their combined total assets, sales, net income, and retained earnings (according to the Group’s holding in them) would, in every case, have no material impact on the consolidated financial statements.

2. Application of the equity method

Number of affiliated companies to which the equity method is applied:	2
Names of the companies:	PARKINSYS TECHNOLOGY CO., LTD. CREO CO., LTD.

CREO CO., LTD. has been included in the scope of equity method affiliates, as the Company has newly acquired a portion of its shares.

3. Fiscal years of consolidated subsidiaries

The fiscal year-end for our overseas subsidiaries is December 31. Their financial statements as of that date are used in the preparation of the consolidated financial statements, and necessary adjustments are made to the consolidated accounts if significant transactions take place between that date and the consolidated balance sheet date.

4. Accounting standards

(1) Valuation standards and methods for significant assets

(i) Securities:

a. Held-to-maturity bonds:	Amortized cost method applied
b. Other securities:	Available-for-sale securities with market prices are marked to market as of the balance sheet date. Net unrealized gains or losses on these securities are recorded directly in shareholders’ equity, and costs of securities sold are computed using the moving average method. Available-for-sale securities without market prices are stated at cost based on the moving average method.

(ii) Derivatives:
Marked to market

(iii) Inventories:
In principal, stated at cost based on the periodic average method (balance sheet value calculated by write-down method based on reduced profitability)

(2) Depreciation methods for important depreciable assets

(i) Tangible fixed assets (excluding lease assets)
Declining-balance method, except for buildings (excluding equipment ancillary to the buildings) acquired since April 1, 1998, for which the straight-line method is used.
Useful life of key items is deemed to be:

Buildings and other structures	7–50 years
Machinery, equipment, and vehicles	7–17 years

Changes in accounting policies which are difficult to distinguish from changes in accounting estimates

Starting with this fiscal year, the Company and its domestic consolidated subsidiaries have changed the method of calculating depreciation due to the revision of the Corporation Tax Act. The change stipulates that tangible fixed assets acquired on or after April 1, 2012 shall be depreciated according to the revised law. This change had only a minor impact on this fiscal year's profit and loss.

(ii) Intangible fixed assets (excluding lease assets)
Straight-line method
Software for sale by the Company is depreciated by the straight-line method based on the estimated period during which it can be sold (3 years), while software for internal use by the Company and its domestic consolidated subsidiaries is depreciated by the straight-line method over its useful life (5 years).

(iii) Lease assets
Lease assets in finance lease transactions not involving transfer of ownership:
Depreciation is calculated by the straight-line method over the lease term for leased assets with no residual value.

(3) Accounting for significant reserves

(i) Allowance for doubtful accounts
To provide against possible losses from doubtful accounts such as receivables and loan allowances, a rate determined by past loss experience is used for general receivables, and allowances for certain doubtful accounts are provided for estimated amounts if they are judged to be uncollectible when the collectability of the each of the accounts is individually studied.

(ii) Accrued bonuses
To provide for the payment of employee bonuses, the amount of bonuses estimated to be paid in the fiscal year under review is stated as accrued bonuses.

(iii) Accrued officers' bonuses

To provide for the payment of officers' bonuses, the amount of bonuses estimated to be paid in the fiscal year under review is stated as accrued bonuses.

For this fiscal year, because the Company has decided to forgo the payment of officers' bonuses in view of its operating results and other factors, no accrued officers' bonuses are recognized.

(iv) Accrued retirement benefits for employees

To provide for the payment of employee retirement benefits, the Company has set aside a reserve based on estimated retirement benefit liabilities and pension assets at the end of the fiscal year.

Prior service costs are charged using the straight-line method over a fixed number of years (10) that falls within the average remaining service period of the Company employees at the time when they are incurred in each fiscal year.

Actuarial differences are charged to income from the fiscal year following the one in which they arise, using the straight-line method over a fixed number of years (10) that falls within the average remaining service period of the Company employees at the time when they are incurred in each fiscal year.

(4) Accounting for significant income and expenses

To account for revenue from completed construction work, the percentage-of-completion method is applied to construction contracts where the percentage of construction already completed by the end of the reporting period can be estimated fairly reliably. (The estimation is based on the proportion of direct costs incurred for each work phase as compared with the estimated total cost for the entire contract.) For construction contracts other than those mentioned above, the completed-contract method is applied.

(5) Home currency conversion of significant foreign-currency assets and liabilities

Monetary debts and credits denominated in foreign currencies are converted into yen at the spot exchange rate on the final day of the consolidated accounting period, and any differences are treated as either gains or losses.

The assets and liabilities of overseas subsidiaries, etc. are converted into yen at the spot exchange rate on the final day of their accounting periods, while the income and expenses are calculated on an average exchange rate basis during the period. Any differences are included in net assets as foreign currency translation adjustments and minority interests.

(6) Amortization method of goodwill and the amortization period

Goodwill is amortized using the straight-line method over the period for which the investment is deemed to be in effect.

However, if the amount of goodwill to be amortized is minor, it is amortized in its entirety during its duration.

(7) Scope of funds included in the consolidated statements of cash flows

These funds include cash on hand, demand deposits, and short-term investments maturing or redeemable within three months after acquisition that are highly liquid, readily convertible into cash, and exposed to low price-fluctuation risk.

(8) Other significant matters in the preparation of the consolidated financial statements

Accounting for consumption taxes

National and local consumption taxes are accounted for based on the tax-exclusion method.

Consolidated Balance Sheets

Accumulated depreciation of tangible fixed assets is as follows.

FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
¥34,672 million	¥36,535 million

Trade notes maturing at the end of the fiscal year are settled on their clearance dates.
The final date of this consolidated fiscal year was a bank holiday, so the following notes, which matured on the fiscal year-end date, are included in the balance as of the fiscal year-end.

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Accounts receivable	¥325 million	¥502 million

Pledged assets and secured liabilities are as follows:

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Buildings and structures	—	¥27 million
Total	—	¥27 million

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Short-term bank loans	—	¥24 million
Long-term bank loans	—	¥32 million
Total	—	¥56 million

Treasury stocks that were not cancelled after the resolution of the Board of Directors Meeting are as follows:

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Book value of shares to be cancelled	—	¥3,669 million
Type of shares to be cancelled	—	Common stock of the Company
Number of shares to be cancelled	—	4,600,000 shares

Consolidated Statements of Income

The major items and amounts included in selling, general and administrative expenses are as follows.

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Provision for accrued bonuses	¥1,267 million	¥1,198 million
Retirement benefit expense	1,120	1,179
Salaries, wages, and other payroll costs	14,036	14,017

Consolidated Statement of Changes in Shareholders' Equity

FY 2011 (year ended March 31, 2012)

1. Shares issued and outstanding

Share type	As of April 1, 2011	Increase	Decrease	As of March 31, 2012
Common stock (shares)	81,257,829	—	—	81,257,829

2. Shares of treasury stock

Share type	As of April 1, 2011	Increase	Decrease	As of March 31, 2012
Common stock (shares)	4,660,922	929	—	4,661,851

Summary analysis of change

The primary components of the increase in the number of shares are as follows.

Increase as a result of purchases of odd-lot shares: 929

3. Share subscription rights

Not applicable.

4. Dividends

(1) Dividends paid

Resolution	Share type	Total dividend (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders, June 29, 2011	Common stock	995	13	March 31, 2011	June 30, 2011
Board of Directors Meeting, November 7, 2011	Common stock	995	13	September 30, 2011	December 2, 2011

(2) Dividends for which the date of record falls in the fiscal year under review, but the effective date is after the end of the fiscal year

Resolution	Share type	Dividend funding	Total dividend (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders, June 28, 2012	Common stock	Retained earnings	995	13	March 31, 2012	June 29, 2012

FY 2012 (year ended March 31, 2013)

1. Shares issued and outstanding

Share type	As of April 1, 2012	Increase	Decrease	As of March 31, 2013
Common stock (shares)	81,257,829	—	—	81,257,829

2. Shares of treasury stock

Share type	As of April 1, 2012	Increase	Decrease	As of March 31, 2013
Common stock (shares)	4,661,851	844	—	4,662,695

Summary analysis of change

The primary components of the increase in the number of shares are as follows.

Increase as a result of purchases of odd-lot shares: 844

3. Share subscription rights

Not applicable.

4. Dividends

(1) Dividends paid

Resolution	Share type	Total dividend (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders, June 28, 2012	Common stock	995	13	March 31, 2012	June 29, 2012
Board of Directors Meeting, November 5, 2012	Common stock	995	13	September 30, 2012	December 4, 2012

(2) Dividends for which the date of record falls in the fiscal year under review, but the effective date is after the end of the fiscal year

Resolution	Share type	Dividend funding	Total dividend (Millions of yen)	Dividend per share (Yen)	Date of record	Effective date
Ordinary General Meeting of Shareholders, June 27, 2013	Common stock	Retained earnings	995	13	March 31, 2013	June 28, 2013

Consolidated Statements of Cash Flows

Reconciliation of year-end balance of cash and cash equivalents and amounts stated in the consolidated balance sheets

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
Cash and bank deposits	¥28,056 million	¥29,175 million
Marketable securities	1,074	1,241
Total	29,131	30,416
Time deposits deposited for more than 3 months	(2,210)	(2,829)
Marketable securities with maturities of more than 3 months	(1,000)	(1,000)
Cash and cash equivalents	25,921	26,587

Segment Information and Others

Segment Information

1. Outline of Reporting Segments

The reporting segments are defined as those business units which constitute the Company and from which separate financial information can be obtained. The reporting segments are periodically reviewed by the Company's highest decision-making body to determine the allocation of management resources and evaluate financial results.

The Company maintains several business units at its head office, separated into product and service types. The role of these business units is to formulate and implement domestic business strategies for similar types of products and services. In overseas business, meanwhile, local subsidiaries in each region develop strategies in their respective business fields in cooperation with the relevant business unit at the head office and carry out business activities in accordance with such strategy.

Based on the above, the Company divides its business into two segments, from which separate financial information can be obtained on a consolidated basis: the Time Information System business and the Environment System business. The operating results of these two segments are periodically reviewed by the Company's highest decision-making body to determine the allocation of management resources and evaluate financial results.

As described above, the Company's reporting segments consist of the Time Information System business and the Environment System business.

The Time Information System business and the Environment System business manufacture and sell the following products:

Business segment	Sales category	Principal products
Time Information System business	Information Systems	Time & attendance (T&A) systems, payroll systems, human-resource management systems, cafeteria systems, access control systems, proximity IC card solutions, system time recorders, T&A/human-resource and payroll ASP services, time distribution and authentication services
	Time management equipment	PC-interface time recorders, computerized time recorders, standard electronic time recorders, electronic time stamps, numbering machines, patrol recorders
	Parking Systems	Automatic fee settlement systems, access control systems, parking lot management systems, bicycle parking systems, time registers, parking tower management systems, Internet-based parking guidance systems, commissioned parking lot management business
Environment System business	Environmental Systems	Industrial vacuum cleaners, standard dust collectors, oil mist collectors, fume collectors, large dust collection systems, deodorization systems, high-temperature hazardous-gas removal systems, pneumatic powder conveyance systems, environmental equipment monitoring/maintenance support systems, electrolytic water cleaning systems, alkaline electrolytic water industrial cleaning systems
	Clean Systems	Commercial vacuum cleaners, road and industrial sweepers, automatic floor scrubbers, high-speed burnishers, dry-care cleaning systems, carpet cleaning system, chemical products, supplies and accessories

2. Methodology for Determining Net Sales, Profit/Loss, Assets, Liabilities, and Other Line Item Amounts by Reporting Segment

The accounting methods used by the reporting business segments are the same as those described in the Basis of Presentation of the Consolidated Financial Statements section.

Profits for the reporting segments are reported at the operating profit level.

Intersegment internal earnings and transfers are based on prevailing market prices.

3. Information by Reporting Segment Regarding Net Sales, Profit/Loss, Assets, Liabilities, and Other Line Item Amounts

FY 2011 (year ended March 31, 2012)

(Millions of yen)

	Reporting segments			Adjustments Note 1	Amounts reported in consolidated financial statements Note 2
	Time Information System business	Environment System business	Total		
Net sales					
To customers	64,608	23,538	88,146	—	88,146
Intersegment	—	—	—	—	—
Total	64,608	23,538	88,146	—	88,146
Segment profit (loss)	6,698	2,277	8,976	(3,059)	5,917
Segment assets	43,908	17,505	61,413	42,064	103,477
Other items					
Depreciation and amortization	3,141	440	3,581	448	4,030
Extraordinary losses	—	87	87	—	87
(Impairment loss)	—	87	87	—	87
Investments in affiliates accounted for using the equity method	218	—	218	—	218
Increases in tangible and intangible fixed assets	3,208	153	3,361	56	3,418

Notes: 1. Details of the adjustments are as follows.

(1) The −¥3,059 million adjustment in segment profit indicates company-wide expenses not allocated to the reporting segments. Company-wide expenses consist mainly of general and administrative expenses that do not belong to any of the reporting segments.

(2) The ¥42,064 million adjustment in segment assets indicates company-wide assets not allocated to the reporting segments. Company-wide assets consist mainly of assets and others associated with the administration function that do not belong to any of the reporting segments.

2. Segment profit is reconciled with operating profit in the consolidated statement of income.

FY 2012 (year ended March 31, 2013)

(Millions of yen)

	Reporting segments			Adjustments Note 1	Amounts reported in consolidated financial statements Note 2
	Time information System business	Environment System business	Total		
Net sales					
To customers	65,535	24,760	90,295	—	90,295
Intersegment	—	—	—	—	—
Total	65,535	24,760	90,295	—	90,295
Segment profit (loss)	7,845	2,292	10,138	(2,809)	7,329
Segment assets	49,760	19,498	69,259	40,216	109,476
Other items					
Depreciation and amortization	2,742	418	3,161	396	3,558
Investments in affiliates accounted for using the equity method	1,614	—	1,614	—	1,614
Increases in tangible and intangible fixed assets	4,202	379	4,582	131	4,713

Notes: 1. Details of the adjustments are as follows.

(1) The −¥2,809 million adjustment in segment profit indicates company-wide expenses not allocated to the reporting segments. Company-wide expenses consist mainly of general and administrative expenses that do not belong to any of the reporting segments.

(2) The ¥40,216 million adjustment in segment assets indicates company-wide assets not allocated to the reporting segments. Company-wide assets consist mainly of assets and others associated with the administration function that do not belong to any of the reporting segments.

2. Segment profit is reconciled with operating profit in the consolidated statement of income.

Related Information

FY 2011 (year ended March 31, 2012)

1. Information by Product and Service
   This information has been omitted from this section, because similar information is disclosed in the Segment Information section.

2. Information by Geographical Region
   (1) Net Sales

(Millions of yen)

Japan	North America	Other	Total
65,656	9,426	13,063	88,146

Note: Net sales are broken down by country/region based on the geographical locations of the Company's customers.

   (2) Tangible Fixed Assets

(Millions of yen)

Japan	Other	Total
20,044	2,331	22,375

3. Information by Major Customer
   There is no information to be disclosed here, because no single external customer that the Company deals with accounts for at least 10% of the net sales that appear on the consolidated statement of income.

FY 2012 (year ended March 31, 2013)

1. Information by Product and Service
   This information has been omitted from this section, because similar information is disclosed in the Segment Information section.

2. Information by Geographical Region
   (1) Net Sales

(Millions of yen)

Japan	North America	Other	Total
66,902	10,086	13,306	90,295

Note: Net sales are broken down by country/region based on the geographical locations of the Company's customers.

   (2) Tangible Fixed Assets

(Millions of yen)

Japan	Other	Total
20,567	2,418	22,985

3. Information by Major Customer
   There is no information to be disclosed here, because no single external customer that the Company deals with accounts for at least 10% of the net sales that appear on the consolidated statement of income.

Information on Impairment Loss in Fixed Assets for Each Reporting Segment

FY 2011 (year ended March 31, 2012)

Please see “3. Information by Reporting Segment Regarding Net Sales, Profit/Loss, Assets, Liabilities, and Other Line Item Amounts” in the Segment Information section.

FY 2012 (year ended March 31, 2013)

None

Information on Amortization of Goodwill and Balance Yet to Be Amortized for Each Reporting Segment

FY 2011 (year ended March 31, 2012)

(Millions of yen)

	Reporting segments			Eliminations/ Corporate	Total
	Time Information System business	Environment System business	Total		
Value amortized during the year	678	—	678	—	678
Ending balance	4,677	—	4,677	—	4,677

FY 2012 (year ended March 31, 2013)

(Millions of yen)

	Reporting segments			Eliminations/ Corporate	Total
	Time information System business	Environment System business	Total		
Value amortized during the year	561	—	561	—	561
Ending balance	4,679	—	4,679	—	4,679

Information on Gain on Negative Goodwill for Each Reporting Segment

FY 2011 (year ended March 31, 2012)

None

FY 2012 (year ended March 31, 2013)

None

Deferred Tax Accounting

1. Breakdown of principal origins of deferred tax assets and liabilities

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
(Deferred tax assets)		
Accrued enterprise tax	¥148 million	¥114 million
Accrued bonuses not deductible until paid	733	679
Nondeductible accounts payable and long-term accounts payable	79	78
Accrued retirement benefits for employees not deductible until paid	1,087	949
Loss carried forward	737	941
Valuation loss on investment securities	443	546
Surplus on allowance for doubtful accounts	96	120
Net unrealized gains (losses) on available-for-sale securities	78	—
Unrealized profit	527	597
Other	693	833
Deferred tax assets (subtotal)	4,626	4,861
Valuation allowance	(1,301)	(1,721)
Total deferred tax assets	3,325	3,139
(Deferred tax liabilities)		
Reserve for advanced depreciation of building	(16)	(15)
Intangible fixed assets obtained by acquisition	(129)	(96)
Net unrealized gains (losses) on available-for-sale securities	—	(121)
Other	(181)	(177)
Total deferred tax liabilities	(326)	(410)
Net deferred tax assets	2,998	2,728

2. Breakdown of principal components of significant differences arising between the statutory tax rate and the effective tax rate

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
Statutory tax rate	40.6%	38.0%
(Adjustments)		
Entertainment and other nondeductible expenses	1.6	0.5
Dividend and other nontaxable income	(6.0)	(5.7)
Inhabitant tax per capita	1.5	1.1
Nondeductible amortization of goodwill	3.1	2.3
Effects of elimination in consolidation of dividends received	5.8	5.6
Realization of tax benefits on operating losses	(0.2)	(0.1)
Tax credit for research and development expenses	(1.7)	(0.3)
Increase (decrease) in valuation reserve	6.7	3.0
Downward revision of deferred tax assets at the end of the period due to tax rate change	3.6	—
Tax-rate difference for overseas subsidiaries	(2.4)	(1.8)
Equity method investment gain	(0.3)	0.3
Other	3.0	1.6
Actual tax rate	55.3	44.5

Securities

FY 2011 (year ended March 31, 2012)

1. Held-to-maturity bonds (as of March 31, 2012)

(Millions of yen)

Type	Balance-sheet amount	Market price	Unrealized gains (losses)
Bonds whose market price does not exceed the balance-sheet amount	1,424	1,420	(4)
Total	1,424	1,420	(4)

2. Other securities (as of March 31, 2012)

(Millions of yen)

Type	Balance-sheet amount	Acquisition cost	Unrealized gains (losses)
Securities for which balance sheet amount exceeds acquisition cost			
Stocks	802	502	299
Bonds	—	—	—
Other	303	300	3
Subtotal	1,105	802	302
Securities for which balance sheet amount does not exceed acquisition cost			
Stocks	1,725	2,258	(533)
Bonds	—	—	—
Other	371	400	(28)
Subtotal	2,097	2,658	(561)
Total	3,203	3,461	(258)

3. Other securities sold during the fiscal year under review (April 1, 2011 to March 31, 2012)

None

FY 2012 (year ended March 31, 2013)

1. Held-to-maturity bonds (as of March 31, 2013)

(Millions of yen)

Type	Balance-sheet amount	Market price	Unrealized gains (losses)
Bonds whose market price does not exceed the balance-sheet amount	1,350	1,347	2
Total	1,350	1,347	2

2. Other securities (as of March 31, 2013)

(Millions of yen)

Type	Balance-sheet amount	Acquisition cost	Unrealized gains (losses)
Securities for which balance sheet amount exceeds acquisition cost			
Stocks	1,679	961	718
Bonds	—	—	—
Other	310	300	10
Subtotal	1,989	1,261	728
Securities for which balance sheet amount does not exceed acquisition cost			
Stocks	1,614	1,901	(287)
Bonds	—	—	—
Other	395	400	(4)
Subtotal	2,009	2,301	(292)
Total	3,999	3,562	436

3. Other securities sold during the fiscal year under review (April 1, 2012 to March 31, 2013)

None

Retirement Benefits

1. Outline of the retirement benefit plans adopted

The Company adopted as its retirement benefit plans a defined benefit corporate pension scheme, a defined contribution pension scheme and an employees' pension fund plan.

The Company has joined a comprehensive establishment-type employees' pension fund plan (which includes the surrogated portion of employee pensions), and as such the amount of pension assets proportional to the contributions made by the Company cannot be calculated in a reasonable manner. Therefore, in accordance with "Corporate pensions under multi-employer pension plans" in note 12 of the Interpretive Notes to Accounting Standard for Retirement Benefits (published by the Business Accounting Council on June 16, 1998), the required contributions to the pension fund are accounted for as retirement benefit expense.

- Multi-employer pension plan under which required contributions are accounted for as retirement benefit expenses

(1) Funded status of the entire plan

	FY 2010 (as of March 31, 2011)	FY 2011 (as of March 31, 2012)
Pension assets (Millions of yen)	56,469	53,360
Benefit obligation based on pension finance calculation (Millions of yen)	72,438	70,990
Balance (Millions of yen)	(15,969)	(17,630)

(2) Percentage of the Group's contributions in the entire plan

FY 2010: 21.7% (From April 1, 2010 to March 31, 2011)

FY 2011: 21.8% (From April 1, 2011 to March 31, 2012)

(3) Supplementary explanation

The principal factor for the balance in (1) above is the prior service cost balance (FY 2010: ¥11,246 million, FY 2011: ¥6,761 million) based on pension finance calculations.

For this pension plan, prior service cost is amortized through the amortization of principal and interest using the straight-line method over a period of 20 years. The Group accounted for special contributions of ¥172 million and ¥175 million as expenses in the consolidated financial statements for the previous fiscal year and for the fiscal year under review, respectively.

Furthermore, the percentage in (2) above does not match the actual percentage borne by the Group.

2. Retirement benefit obligations

(Millions of yen)

	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
(1) Projected benefit obligations	11,149	11,360
Breakdown:		
(2) Unrecognized prior service cost	(25)	(21)
(3) Unrecognized actuarial difference	1,547	1,054
(4) Plan assets	6,677	7,713
Difference	2,949	2,613
(5) Prepaid pension expenses	34	57
(6) Accrued retirement benefits	2,984	2,670

3. Retirement benefit expenses

(Millions of yen)

	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
(1) Service cost	592	663
(2) Interest cost	245	161
(3) Expected return on plan assets	(213)	(164)
(4) Amortization of prior service cost	(3)	(3)
(5) Amortization of actuarial loss	167	211
Subtotal	788	868
(6) Employees' pension fund	513	523
(7) Other*	318	319
Total	1,620	1,711

* Contribution paid to defined contribution pension scheme

4. Assumptions used in the calculation of retirement benefit obligations

(1) Method of attributing projected benefits to periods of service

Straight-line basis

(2) Discount rate

FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
1.5%	1.5%

(3) Expected rate of return on plan assets

FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
3.5%	2.5%

(4) Amortization period for prior service cost

10 years. (When prior service costs are incurred, they are prorated and recognized in expenses over a fixed number of years that falls within the average remaining service period of the employees.)

(5) Amortization period for actuarial difference

10 years. (When prior service costs are incurred, they are prorated in expenses over a fixed number of years that falls within the average remaining service period of the employees, and recognized in expenses the following year.)

Per-share Data

The net assets per share and net income per share are calculated on the following basis.

Item	FY 2011 (as of March 31, 2012)	FY 2012 (as of March 31, 2013)
(1) Net assets per share (Yen)	940.07	998.09
The basis for these calculations is as follows.		
Total net assets in consolidated balance sheet (Millions of yen)	72,191	76,718
Net assets relating to common stock (Millions of yen)	72,005	76,449
Principal component of the difference (Millions of yen) Minority interests	186	268
Number of shares of common stock issued (Thousands)	81,257	81,257
Number of shares of common stock held as treasury stock (Thousands)	4,661	4,662
Number of shares of common stock used to compute net assets per share (Thousands)	76,595	76,595

Item	FY 2011 (April 1, 2011– March 31, 2012)	FY 2012 (April 1, 2012– March 31, 2013)
(2) Net income per share (Yen)	31.52	52.04
The basis for these calculations is as follows.		
Net income in the consolidated statements of income (Millions of yen)	2,414	3,986
Net income relating to common stock (Millions of yen)	2,414	3,986
Average number of shares of common stock outstanding during the term (Thousands)	76,596	76,595

Note: Details for the diluted net income per share are not stated, because there are no potential shares.

Significant Subsequent Events

At the Board of Directors Meeting held on March 27, 2013, the Company resolved to cancel treasury stock pursuant to the provision of Article 178 of the Companies Act. The details of this cancellation are as follows:

(1) Reason for cancellation

To improve capital efficiency and implement capital policies in response to changes in the business environment.

(2) Type of shares to be cancelled: Common stock of the Company

(3) Number of shares to be cancelled: 4,600,000 shares

(5.66% of outstanding shares prior to cancellation)

(4) Number of shares outstanding after cancellation: 76,657,829 shares

(5) Scheduled date of cancellation: April 8, 2013

(6) Number of treasury shares held after cancellation: 62,735 shares