

Summary Financial Statements (Consolidated)  
for Fiscal Year 2022 (Year Ended March 31, 2023) (Japan GAAP)

April 26, 2023

Company name: Amano Corporation Listed on: TSE  
Securities code: 6436 URL <https://www.amano.co.jp/en>  
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Scheduled date for Ordinary General Meeting of Shareholders: June 29, 2023

Scheduled date for filing of securities report: June 29, 2023

Scheduled date for start of dividend payments: June 30, 2023

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 2022 (April 1, 2022 to March 31, 2023)

(1) Operating results

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent company	
	Millions of yen	(% change)	Millions of yen	(% change)	Millions of yen	(% change)	Millions of yen	(% change)
FY 2022 (year ended March 2023)	132,810	12.1	15,787	22.4	16,960	21.8	11,288	16.0
FY 2021 (year ended March 2022)	118,429	4.3	12,893	29.8	13,919	26.3	9,733	34.3

Note: Comprehensive income FY 2022 (year ended March 2023): ¥ 15,262 million (26.6%)

FY 2021 (year ended March 2022): ¥ 12,052 million (48.9%)

	Net income per share	Diluted net income per share	Ratio of net income to equity capital	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY 2022 (year ended March 2023)	154.42	—	9.6	10.2	11.9
FY 2021 (year ended March 2022)	131.49	—	8.6	9.0	10.9

Reference: Equity in earnings of affiliates FY 2022 (year ended March 2023): ¥ 172 million

FY 2021 (year ended March 2022): ¥ 228 million

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2022 (year ended March 2023)	171,250	121,638	70.5	1,656.43
FY 2021 (year ended March 2022)	159,342	116,271	72.5	1,563.31

Reference: Equity capital FY 2022 (year ended March 2023): ¥ 120,756 million

FY 2021 (year ended March 2022): ¥ 115,519 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	Millions of yen
FY 2022 (year ended March 2023)	18,951	(7,376)	(13,950)	55,084
FY 2021 (year ended March 2022)	19,200	(5,891)	(10,870)	55,931

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			
FY 2021 (year ended March 2022)	—	25.00	—	70.00	95.00	7,057	72.5	6.2
FY 2022 (year ended March 2023)	—	30.00	—	80.00	110.00	8,062	71.4	6.8
FY 2023 (year ending March 2024) (est.)	—	35.00	—	80.00	115.00		67.4	

\*The detail of year-end dividend of FY2021 (year ended March 2022): ordinary dividend ¥50.00, commemorative dividend ¥20.00

### 3. Forecast earnings for fiscal year 2023 (April 1, 2023 to March 31, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent company		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	63,700	5.4	6,400	14.2	6,900	10.5	4,200	13.4	57.61
Full year	140,000	5.4	17,700	12.1	18,500	9.1	12,500	10.7	171.46

#### Notes

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

(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	:	None
[4] Restatements	:	None

(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, 2023	76,657,829 shares	As of March 31, 2022	76,657,829 shares
[2] Number of shares of treasury stock at the end of the period	As of March 31, 2023	3,756,315 shares	As of March 31, 2022	2,763,911 shares
[3] Average number of shares outstanding	As of March 31, 2023	73,104,399 shares	As of March 31, 2022	74,027,602 shares

Note: The number of shares of treasury stock as of March 31, 2023, includes the Company's shares held by the Director's Compensation BIP Trust and the Employee Stock Ownership Plan (J-ESOP).

(398,219 shares as of Mar. 31, 2023 and 400,519 shares as of March 31, 2022 respectively)

In addition, these Company's shares are included in the treasury stock which is deducted in calculating the average number of shares outstanding.

Reference: Non-consolidated results

#### 1. Business results for fiscal year 2022 (April 1, 2022 to March 31, 2023)

##### (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 2022 (year ended March 2023)	64,736	4.8	9,794	19.9	13,419	26.7	9,841	26.6
FY 2021 (year ended March 2022)	61,770	(0.1)	8,165	15.6	10,587	13.4	7,776	14.3

	Net income per share	Diluted net income per share
	Yen	Yen
FY 2022 (year ended March 2023)	134.62	—
FY 2021 (year ended March 2022)	105.04	—

##### (2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY 2022 (year ended March 2023)	129,614	107,446	82.9	1,473.86
FY 2021 (year ended March 2022)	128,107	107,303	83.8	1,452.13

Reference: Equity capital

FY 2022 (year ended March 2023): ¥ 107,446 million

FY 2021 (year ended March 2022): ¥ 107,303 million

### 2. Forecast earnings for fiscal year 2023 (April 1, 2023 to March 31, 2024)

(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	30,300	6.0	3,600	11.2	6,100	8.1	4,300	5.3	58.98
Full year	69,000	6.6	10,600	8.2	14,100	5.1	10,300	4.7	141.29

Note: Summary Financial Statements are not subject to auditing by a certified public accountant or auditing firm.

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.

#### 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, April 28, 2023. The financial results materials to be distributed at this briefing are due to be published on the Amano's website immediately for Friday, April 28, 2023.

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## 1. General Business Results

### (1) General Business Results for This Fiscal Year

During the consolidated fiscal year under review, the world economy showed signs of recovery amid progress in balancing economic activities with measures to prevent infection by the COVID-19. However, it seems that the future outlook for the Japanese economy continues to be uncertain due to the concerns about a recession in Europe and the U.S., various price hikes against the backdrop of the global supply chain disruptions, the impact of the situation in Ukraine, and unstable currency fluctuations, etc.

Amid this business environment, we the Amano Group set forth the management concept of "The 3rd Stage Towards a 100-year Company-Establishing a solid business foundation that leads to sustainable growth" in our 8th Medium-Term Business Plan launched in April 2021, in which we will promote strategic investments into growth drivers in order to respond to digital transformation (DX), and we shall establish unrivaled competitive advantage by raising the synergistic effects of the strengths of each of our business divisions.

As a result, during the fiscal year under review, Amano recorded net sales of ¥132,810 million, up by 12.1% year-on-year. Operating profit increased by 22.4% to ¥15,787 million, ordinary profit went up by 21.8% to ¥16,960 million, and net income attributable to owners of the parent company increased by 16.0% to ¥11,288 million, resulting in increases in both sales and profit.

(Main factors behind the business results)

- (i) At non-consolidated Amano, sales of the Information Systems grew mainly in software, reflecting the continued strong investment in systems for DX initiatives and business efficiency improvement with the tailwind of "work style reform" continuing. Sales for the Environmental Systems continued to grow, especially for standard equipment. On the other hand, sales for the Parking Systems increased due to continued recovery, but failed to make up for the first half downfall resulted in the plan not being achieved.
- (ii) In domestic group companies, the consigned parking lot management service business performed well, approaching pre-COVID-19 results, and T&A cloud service for work management continued to grow due to an increase in inquiries from customers.
- (iii) In overseas markets, sales increased in North America, Europe, and Asia partly due to the effect of yen depreciation. In particular, overall sales in Asia increased by double digits due to significant growth in the Parking Systems in Korea, Hong Kong, and Malaysia. In North America, although sales of parking systems increased due to the effect of launching a new product, earnings improvement was not achieved to continued investment in development and other factors.

The following is a breakdown of sales by business division.

Sales by business division

(Millions of yen)

Category	FY 2021 (April 1, 2021– March 31, 2022)		FY 2022 (April 1, 2022– March 31, 2023)		Change	
	Amount	Ratio (%)	Amount	Ratio (%)	Amount	%
Time Information System business:						
Information Systems	28,808	24.3	31,353	23.6	2,545	8.8
Time Management Products	2,700	2.3	2,841	2.1	141	5.2
Parking Systems	55,581	46.9	64,708	48.7	9,126	16.4
Subtotal	87,090	73.5	98,903	74.4	11,813	13.6
Environment System business:						
Environmental Systems	19,977	16.9	20,838	15.7	860	4.3
Clean Systems	11,361	9.6	13,068	9.9	1,706	15.0
Subtotal	31,339	26.5	33,906	25.6	2,567	8.2
Total	118,429	100.0	132,810	100.0	14,381	12.1

## Time Information System business

The sales in this business totaled ¥98,903 million, up by ¥11,813 million (up 13.6%) year-on-year. The following is a breakdown of sales by business division.

- Information Systems ¥31,353 million (up 8.8% year-on-year)

Domestic sales for the current term were as follows. For Amano, on an unconsolidated basis, software sales increased by ¥641 million (6.9%) due to a recovery in orders for small to medium-sized businesses, hardware sales increased by ¥81 million (3.1%), and sales generated by maintenance contracts and supplies services increased by ¥72 million (1.6%) year-on-year. The cloud services developed by Amano Business Solutions Corporation continued to perform strongly.

Overall overseas sales increased by ¥1,664 million (14.6%), because sales for both Accu-Time Systems, Inc. in North America and Horoquartz S.A. in Europe increased.

- Time Management Products ¥2,841 million (up 5.2% year-on-year)

During the current term for Amano, on an unconsolidated basis, the sales of standard time recorders increased, although sales of PC-linked time recorders decreased, while overall sales increased ¥19 million (0.9%) year-on-year partly due to an increase in exports.

Overall overseas sales increased by ¥195 million (35.7%), as sales in North America and Asia increased.

- Parking Systems ¥64,708 million (up 16.4% year-on-year)

Domestic sales for the current term were as follows. For Amano, on an unconsolidated basis, domestic parking equipment sales increased by ¥377 million (2.8%) due to a recovery trend, while sales generated by maintenance contracts and supplies services increased by 937 million (10.7%). Sales continued to increase in the consigned parking lot management service business operated by Amano Management Service because it is on a recovery trend. As a result of the continued investment by them, the number of parking spaces under management increased by 34,500 (5.3%) from the end of the previous fiscal year.

Overall overseas sales increased by ¥7,186 million (32.2%) due to the increase in the sales of Amano McGann, Inc. in North America and the significant increase in sales of the consigned parking lot management service business in Korea, Hong Kong, and Malaysia in Asia.

## Environment System business

The sales in this business totaled ¥33,906 million, up by ¥2,567 million (up 8.2%) year-on-year. The following is a breakdown of sales by business division.

- Environmental Systems ¥20,838 million (up 4.3% year-on-year)

During the current term for Amano, on an unconsolidated basis, domestic sales of standard equipment increased by ¥271 million (3.8%), although the trend was slowdown. On the other hand, sales of large dust collectors decreased by ¥50 million (1.0%) with the recovering signs of orders, while sales generated by maintenance contracts and supplies services increased by ¥409 million (10.1%) year-on-year.

Overall overseas sales increased by ¥282 million (8.0%) as sales in Asia increased due to a recovery in China.

- Clean Systems ¥13,068 million (up 15.0% year-on-year)

During the current term for Amano, on an unconsolidated basis, overall domestic sales of cleaning equipment increased by ¥160 million (8.0%) led by due to the effect of the launch of the new robotic floor scrubber, and domestic sales generated by maintenance contracts and supplies services decreased by ¥40 million (1.8%) year-on-year.

Overall overseas sales increased by ¥1,610 million (25.0%) as Amano Pioneer Eclipse Corporation in North America achieved the increase in sales.

Reference information

Information by area

(Millions of yen)

	Net sales				Operating profit or loss			
	FY 2021 (year ended March 2022)	FY 2022 (year ended March 2023)	Change	Percentage change (%)	FY 2021 (year ended March 2022)	FY 2022 (year ended March 2023)	Change	Percentage change (%)
Japan	75,222	78,840	3,618	4.8	14,830	16,936	2,105	14.2
Other Asia	19,614	25,431	5,816	29.7	902	1,784	882	97.7
North America	15,038	19,360	4,321	28.7	(626)	(722)	(96)	—
Europe	9,770	10,712	942	9.6	1,401	1,543	142	10.2
Total	119,646	134,345	14,698	12.3	16,508	19,542	3,034	18.4
Eliminations/ Corporate	(1,216)	(1,534)	—	—	(3,615)	(3,755)	—	—
Consolidated	118,429	132,810	14,381	12.1	12,893	15,787	2,894	22.4

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, China, Philippines, and Vietnam

(2) North America: United States, Canada, and Mexico

(3) Europe: France, Belgium, and Spain

Overseas sales

(Millions of yen)

	Overseas sales				Proportion of consolidated net sales accounted for by overseas sales (%)		
	FY 2021 (year ended March 2022)	FY 2022 (year ended March 2023)	Change	Percentage change (%)	FY 2021 (year ended March 2022)	FY 2022 (year ended March 2023)	Change
Other Asia	19,628	25,580	5,952	30.3	16.6	19.3	2.7
North America	14,155	18,185	4,030	28.5	11.9	13.7	1.8
Europe	9,320	10,353	1,033	11.1	7.9	7.8	(0.1)
Other regions	1,220	1,198	(22)	(1.9)	1.0	0.9	(0.1)
Total	44,325	55,318	10,993	24.8	37.4	41.7	4.3
Consolidated net sales	118,429	132,810					

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, China, Philippines, and Vietnam

(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) General Financial Condition for This Fiscal Year

### (i) Assets, liabilities, and net assets

Total assets amounted to ¥171,250 million (up ¥11,907 million from the previous consolidated fiscal year-end).

- Current assets: an increase of ¥8,211 million due to increases in notes and accounts receivable-trade and contract assets and raw materials and supplies, etc.
- Fixed assets: an increase of ¥3,695 million due to an increase in lease assets, etc.

Total liabilities amounted to ¥49,612 million (up ¥6,541 million from the previous consolidated fiscal year-end).

- Current liabilities: an increase of ¥3,688 million due to an increase in electronically recorded obligations, etc.
- Long-term liabilities: an increase of ¥2,852 million due to an increase in lease obligations, etc.

Net assets amounted to ¥121,638 million (up ¥5,366 million from the previous consolidated fiscal year-end).

- Shareholders' equity: an increase of ¥1,415 million due to posting of net income attributable to owners of the parent company, etc.
- Accumulated other comprehensive income: an increase of ¥3,821 million due to increases in foreign currency translation adjustments, etc.

## (3) Summary of Cash Flows for This Fiscal Year

Consolidated cash and cash equivalents decreased by ¥847 million from the previous fiscal year-end to a total of ¥55,084 million as of March 31, 2023. The status of each type of cash flow at year-end and the underlying factors are as follows.

Net cash provided by operating activities totaled ¥18,951 million (a decrease in income of ¥249 million year-on-year).

#### •Main income factors:

Posting of income before income taxes amounting to ¥16,752 million and posting of depreciation and amortization amounting to ¥9,017 million.

#### •Main expenditure factors:

Posting of income taxes paid amounting to ¥5,670 million and posting of increase in inventories amounting to ¥2,617 million.

Posting of increase in trade notes and accounts receivable and contract assets amounting to ¥2,002 million.

Net cash used in investing activities totaled -¥7,376 million (an increase in cash outflow of ¥1,484 million year-on-year).

#### •Main income factors:

Posting of proceeds from withdrawal of time deposits amounting to ¥2,968 million.

#### •Main expenditure factors:

Posting of increase in time deposits amounting to ¥5,892 million and posting of payment for purchase of tangible fixed assets amounting to ¥2,795 million.

Posting of payment for acquisition of intangible fixed assets amounting to ¥1,577 million.

Net cash used in financing activities amounted to -¥13,950 million (an increase in cash outflow of ¥3,080 million year-on-year).

#### •Main income factors:

Posting of proceeds from sale and leaseback amounting to ¥1,730 million.

#### •Main expenditure factors:

Posting of dividends paid amounting to ¥7,399 million and posting of repayments of lease obligations amounting to ¥5,607 million.

Posting of payment for acquisition of treasury stock amounting to ¥2,479 million.

(4) Future Outlook

In the next fiscal year ending March 31, 2024, the world economy showed signs of recovery amid progress in balancing economic activities with measures to prevent infection by the COVID-19. However, it seems that the future outlook for the Japanese economy continues to be uncertain due to the growing concerns about a financial instability and a recession in Europe and the U.S., various price hikes against the backdrop of the global supply chain disruptions and the impact of the situation in Ukraine, etc., and unstable currency fluctuations, etc.

Amid this business environment, Amano and our group companies have set "The 4th Stage Towards a 100-year Company-Commitment to a Paradigm Shift Leading to Sustainable Management" as our management concept and work to address key issues in the 9th Medium-Term Business Plan.

The detail of this plan is available for inspection on the Amano's website.

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

Amano places great importance on our policy of paying dividends to shareholders. Our fundamental policy to return profits to shareholders is to make appropriate performance-based distributions and to buy back shares, as it deems necessary. We aim to maintain a dividend payout ratio of at least 40% on a consolidated basis, a net asset dividend rate of at least 2.5%, and a total return ratio of at least 55%.

In line with this policy, taking into account our current-year operations results, we plan to pay a year-end dividend of ¥80 per share, and the annual per-share dividend for this fiscal year will be ¥110 (including ¥30 per share paid as the interim dividend), an increase of ¥15 from the annual per share dividend of ¥95 for the previous fiscal year. In addition, the Board of Directors approved a resolution regarding the acquisition of treasury stock on April 26, 2023. The detail of this matter is available for inspection on the Amano's website.

([https://www.amano.co.jp/en/ir/dl/news/2023/20230426\\_4.pdf](https://www.amano.co.jp/en/ir/dl/news/2023/20230426_4.pdf)) .

As a result, the consolidated payout ratio will be 71.4%, the net asset dividend rate will be 6.8%, and the total return ratio will be 92.7%.

With regard to the dividend for the next fiscal year ending March 31, 2024, in line with our Basic Policy on Distribution of Profits and in view of our outlook for the next fiscal year, we currently aim to pay an annual per share dividend of ¥115 (with an interim dividend of ¥35 and a year-end dividend of ¥80).

Retained earnings will be earmarked to fund effective investment aimed at the fundamental enhancement of the capacity to conduct our 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, etc.



## 2. Business Policies

### (1) Basic Management Policy

Amano's management philosophy is to create new values and contribute to the realization of a safe, comfortable and a wholesome society in the fields of "People & Time" and "People & Air."

Under this management philosophy and based on an optimal governance structure that responds to changes in the business environment, we will strive to maximize corporate value by ensuring sustained growth through the creation of new businesses and markets with a medium-to long-term global perspective, in addition to expanding our existing businesses. Furthermore, we will aim to become a company that has the trust and high regard of all the stakeholders including customers, business partner companies, shareholders, employees and local communities by constantly returning a fair profit earned through business activities.

### (2) Our Medium-long Term Business Strategy

Amano launched the 9th Medium-Term Business Plan for the three years from April 2023 to March 2026, the detail of which is available for inspection on the Amano's website.

(<https://www.amano.co.jp/en/ir/managementpolicy/plan/>)

#### [1] Basic policies

In the 9th Medium-Term Business Plan, we have set "The 4th Stage Towards a 100-year Company - Commitment to Paradigm Shift Leading to Sustainable Management" as our management concept.

Starting as a hardware manufacturer, we have grown as a company that provides total solutions including services such as software, cloud services, and consigned businesses, etc., in response to changing market needs and technological innovation. To further develop this trend, we will promote DX in each business field and execute strategic investments in software-based assets, IoT, AI, etc. In addition, we will improve customer convenience by enhancing the functions of standard products and further enhance our competitive advantage in terms of profitability. Furthermore, we will develop and expand our management infrastructure and work to solve social issues such as maximizing the value of human capital and reducing environmental impact.

Under this policy, we will expand our business performance based on the three growth drivers, aiming to achieve sales of ¥160,000 million, operating profit of ¥21,000 million, operating profit margin (OPR) of 13%, and ROE of 12% in the fiscal year ending March 31, 2026, the final year of this plan.

Expansion of business performance based on the three growth drivers in the 9th Medium-Term Business Plan.

- (i) Information Systems: Software plus cloud services
- (ii) Parking Systems: Proposals centric to the Data center for Systems and Management Services
- (iii) Clean Systems: Robot plus cloud service proposals

#### [2] Numerical targets

(Millions of yen)

	FY 2023 (year ending March 2024)		FY 2024 (year ending March 2025)		FY 2025 (year ending March 2026)	
	Amount	YoY (%)	Amount	YoY (%)	Amount	YoY (%)
Net sales	140,000	5.4	150,000	7.1	160,000	6.7
Operating profit	17,700	12.1	19,500	10.2	21,000	7.7
Operating profit ratio (%)	12.6%	—	13.0%	—	13.1%	—
Ordinary profit	18,500	9.1	20,500	10.8	22,000	7.3
Net income attributable to owners of the parent company	12,500	10.7	13,500	8.0	14,500	7.4

## 3. Basic Approach to the Selection of Accounting Standards

We have not determined a specific date for the adoption of IFRS; however, to prepare for the future adoption, we will undertake the preparations and examinations that are presently possible, and at the same time we will continue to collect and study international accounting information.

#### 4. Consolidated Financial Statements and Primary Explanatory Notes

##### (1) Consolidated Balance Sheets

(Millions of yen)

	FY 2021 (as of March 31, 2022)	FY 2022 (as of March 31, 2023)
<b>Assets</b>		
Current assets		
Cash and bank deposits	60,337	62,399
Notes and accounts receivable—trade and contract assets	27,995	30,958
Marketable securities	3,219	3,357
Merchandise and finished goods	3,687	4,663
Work in process	559	791
Raw materials and supplies	5,741	7,956
Other current assets	4,464	4,112
Allowance for doubtful accounts	(468)	(491)
<b>Total current assets</b>	<b>105,537</b>	<b>113,749</b>
Fixed assets		
Tangible fixed assets		
Buildings and structures	28,591	29,016
Accumulated depreciation	(19,697)	(20,419)
Buildings and structures (net)	8,894	8,597
Machinery and vehicles	7,355	7,807
Accumulated depreciation	(6,629)	(6,914)
Machinery and vehicles (net)	725	892
Tools, furniture and fixtures	15,755	16,704
Accumulated depreciation	(13,717)	(14,422)
Tools, furniture and fixtures (net)	2,038	2,281
Land	5,818	5,846
Lease assets	15,041	19,149
Accumulated depreciation	(7,035)	(7,995)
Lease assets (net)	8,005	11,153
Construction in progress	298	364
<b>Total tangible fixed assets</b>	<b>25,780</b>	<b>29,135</b>
Intangible fixed assets		
Goodwill	1,417	1,214
Software	2,980	3,194
Software in progress	1,110	702
Other	1,740	1,729
<b>Total intangible fixed assets</b>	<b>7,249</b>	<b>6,840</b>
Investments and other assets		
Investment securities	14,694	14,974
Claims in bankruptcy and similar claims	522	458
Fixed leasehold deposits	1,547	1,661
Net defined benefit assets	128	115
Deferred tax assets	2,505	2,591
Other	1,911	2,194
Allowance for doubtful accounts	(533)	(470)
<b>Total investments and other assets</b>	<b>20,776</b>	<b>21,525</b>
<b>Total fixed assets</b>	<b>53,805</b>	<b>57,501</b>
<b>Total assets</b>	<b>159,342</b>	<b>171,250</b>

(Millions of yen)

	FY 2021 (as of March 31, 2022)	FY 2022 (as of March 31, 2023)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable—trade	5,605	6,138
Electronically recorded obligations	5,667	6,284
Short-term bank loans	367	266
Lease liabilities	3,610	4,150
Accrued income taxes	3,426	3,523
Accrued bonuses	2,569	2,766
Accrued officers' bonuses	128	130
Other current liabilities	13,450	15,252
<b>Total current liabilities</b>	<b>34,825</b>	<b>38,513</b>
<b>Long-term liabilities</b>		
Lease liabilities	4,994	7,791
Deferred tax liabilities	12	16
Net defined benefit liabilities	2,377	2,281
Provision for stock benefit	293	357
Provision for directors' stock benefit	203	249
Asset retirement obligations	33	34
Other long-term liabilities	331	367
<b>Total long-term liabilities</b>	<b>8,245</b>	<b>11,098</b>
<b>Total liabilities</b>	<b>43,071</b>	<b>49,612</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	18,239	18,239
Capital surplus	19,293	19,293
Retained earnings	86,244	90,133
Treasury stock	(6,546)	(9,019)
<b>Total shareholders' equity</b>	<b>117,230</b>	<b>118,646</b>
<b>Accumulated other comprehensive income</b>		
Net unrealized gains (losses) on available- for-sale securities	2,088	2,237
Foreign currency translation adjustments	(3,250)	248
Remeasurements of defined benefit plans	(549)	(375)
<b>Total accumulated other comprehensive income</b>	<b>(1,711)</b>	<b>2,109</b>
<b>Non-controlling shareholders' interests</b>	<b>752</b>	<b>882</b>
<b>Total net assets</b>	<b>116,271</b>	<b>121,638</b>
<b>Total liabilities and net assets</b>	<b>159,342</b>	<b>171,250</b>

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

(Millions of yen)

	FY 2021 (April 1, 2021- March 31, 2022)	FY 2022 (April 1, 2022- March 31, 2023)
Net sales	118,429	132,810
Cost of sales	64,876	72,555
Gross profit	53,552	60,254
Selling, general and administrative expenses		
Selling expenses	36,738	40,551
General and administrative expenses	3,921	3,916
Total selling, general and administrative expenses	40,659	44,467
Operating profit	12,893	15,787
Non-operating profit		
Interest income	203	265
Dividend income	208	245
Insurance dividend income	122	161
Insurance income	28	70
Foreign exchange gains	108	48
Equity in earnings of affiliates	228	172
Other	385	440
Total non-operating profit	1,285	1,405
Non-operating expenses		
Interest expenses	138	151
Foreign withholding tax	21	0
Other	99	80
Total non-operating expenses	258	232
Ordinary profit	13,919	16,960
Extraordinary income		
Gain on sale of fixed assets	412	11
Total extraordinary income	412	11
Extraordinary losses		
Loss on disposal of fixed assets	49	58
Loss on sale of fixed assets	5	1
Office transfer expenses	-	11
Sublease loss	24	-
Loss on valuation of investment securities	-	150
Total extraordinary losses	78	220
Income before income taxes	14,253	16,752
Income taxes	4,745	5,584
Deferred income taxes	(271)	(186)
Total income taxes	4,474	5,397
Net income	9,778	11,354
Net income attributable to non-controlling shareholders	45	65
Net income attributable to owners of the parent company	9,733	11,288

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2021 (April 1, 2021- March 31, 2022)	FY 2022 (April 1, 2022- March 31, 2023)
Net income	9,778	11,354
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities	212	150
Foreign currency translation adjustment	1,990	3,583
Remeasurements of defined benefit plans	70	174
Share of other comprehensive income of associates accounted for using equity method	0	0
Total other comprehensive income	2,273	3,907
Comprehensive income	12,052	15,262
(Breakdown)		
Comprehensive income attributable to owners of the parent company	12,008	15,109
Comprehensive income attributable to non-controlling shareholders	43	152

## (3) Consolidated Statement of Changes in Shareholders' Equity

FY 2021 (April 1, 2021–March 31, 2022)

(Millions of yen)

	Net assets				
	Shareholders' equity	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	18,239	19,293	81,749	(4,443)	114,838
Cumulative impact of changes of accounting policies			(4)		(4)
Balance at the beginning of the period reflecting changes of accounting policies	18,239	19,293	81,744	(4,443)	114,833
Changes during the year					
Dividends from surplus			(5,234)		(5,234)
Net income attributable to owners of the parent company			9,733		9,733
Purchase of treasury stock				(2,154)	(2,154)
Disposal of treasury stock				52	52
Net changes in items other than shareholders' equity					
Total changes during the year	—	—	4,499	(2,102)	2,397
Balance at year end	18,239	19,293	86,244	(6,546)	117,230

	Accumulated other comprehensive income				Non-controlling shareholders' interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	1,875	(5,242)	(620)	(3,986)	733	111,585
Cumulative impact of changes of accounting policies						(4)
Balance at the beginning of the period reflecting changes of accounting policies	1,875	(5,242)	(620)	(3,986)	733	111,581
Changes during the year						
Dividends from surplus						(5,234)
Net income attributable to owners of the parent company						9,733
Purchase of treasury stock						(2,154)
Disposal of treasury stock						52
Net changes in items other than shareholders' equity	212	1,991	70	2,274	18	2,293
Total changes during the year	212	1,991	70	2,274	18	4,690
Balance at year end	2,088	(3,250)	(549)	(1,711)	752	116,271

FY 2022 (April 1, 2022–March 31, 2023)

(Millions of yen)

	Net assets				
	Shareholders' equity	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	18,239	19,293	86,244	(6,546)	117,230
Cumulative impact of changes of accounting policies			—		—
Balance at the beginning of the period reflecting changes of accounting policies	18,239	19,293	86,244	(6,546)	117,230
Changes during the year					
Dividends from surplus			(7,399)		(7,399)
Net income attributable to owners of the parent company			11,288		11,288
Purchase of treasury stock				(2,479)	(2,479)
Disposal of treasury stock				5	5
Net changes in items other than shareholders' equity					
Total changes during the year	—	—	3,888	(2,473)	1,415
Balance at year end	18,239	19,293	90,133	(9,019)	118,646

	Accumulated other comprehensive income				Non-controlling shareholders' interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	2,088	(3,250)	(549)	(1,711)	752	116,271
Cumulative impact of changes of accounting policies						—
Balance at the beginning of the period reflecting changes of accounting policies	2,088	(3,250)	(549)	(1,711)	752	116,271
Changes during the year						
Dividends from surplus						(7,399)
Net income attributable to owners of the parent company						11,288
Purchase of treasury stock						(2,479)
Disposal of treasury stock						5
Net changes in items other than shareholders' equity	148	3,498	174	3,821	129	3,951
Total changes during the year	148	3,498	174	3,821	129	5,366
Balance at year end	2,237	248	(375)	(2,109)	882	121,638

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2021 (April 1, 2021- March 31, 2022)	FY 2022 (April 1, 2022- March 31, 2023)
Cash flows from operating activities		
Income before income taxes	14,253	16,752
Depreciation and amortization	8,070	9,017
Amortization of goodwill	351	311
Increase (decrease) in net defined benefit liabilities	148	108
Increase (decrease) in provision for stock benefit	83	70
Increase (decrease) in provision for directors' stock benefit	32	45
Increase (decrease) in allowance for doubtful accounts	(28)	(113)
Interest and dividend revenue	(411)	(511)
Equity in (earnings) losses of affiliates	(228)	(172)
Interest expenses	138	151
Foreign currency translation loss (gain)	(114)	(79)
Loss (gain) on sale of fixed assets	(406)	(10)
Loss on disposal of fixed assets	49	58
(Increase) decrease in trade notes and accounts receivable and contract assets	24	-
Loss (gain) on valuation of investment securities	-	150
(Increase) decrease in trade notes and accounts receivable and contract assets	(274)	(2,002)
(Increase) decrease in inventories	(645)	(2,617)
Increase (decrease) in trade payables	672	853
Increase (decrease) in other current liabilities	(346)	1,041
Other	272	591
Subtotal	21,641	23,644
Receipts from interest and dividends	524	614
Interest paid	(137)	(151)
Income taxes paid	(2,938)	(5,670)
Income taxes refunded	111	514
Net cash provided by operating activities	19,200	18,951
Cash flows from investing activities		
Payment for acquisition of securities	(3,850)	(3,850)
Proceeds from redemption of securities	3,450	4,050
Payment for purchase of tangible fixed assets	(1,951)	(2,795)
Proceeds from sale of tangible fixed assets	771	18
Payment for acquisition of intangible fixed assets	(1,597)	(1,577)
Payment for acquisition of investment securities	(2,110)	(306)
Payments for acquisition of businesses	(200)	-
Increase in time deposits	(2,962)	(5,892)
Proceeds from withdrawal of time deposits	2,428	2,968
Other	129	7
Net cash used in investing activities	(5,891)	(7,376)



(Millions of yen)

	FY 2021 (April 1, 2021- March 31, 2022)	FY 2022 (April 1, 2022- March 31, 2023)
Cash flows from financing activities		
Increase in short-term loans payable	358	213
Repayment for short-term bank loans	(519)	(385)
Payment for acquisition of treasury stock	(2,154)	(2,479)
Repayments of lease liabilities	(4,606)	(5,607)
Proceeds from sale and leaseback	1,312	1,730
Dividends paid	(5,234)	(7,399)
Payment of dividends to non-controlling shareholders	(25)	(22)
Cash flows from financing activities	(10,870)	(13,950)
Effect of exchange rate changes on cash and cash equivalents	947	1,528
Net increase (decrease) in cash and cash equivalents	3,385	(847)
Cash and cash equivalents at the beginning of the year	52,546	55,931
Cash and cash equivalents at end of period	55,931	55,084

(5) Notes to Consolidated Financial Statements  
Notes Regarding the Premise of a Going Concern  
None

Change of Accounting Policy

(Application of ASU 2016-02 "Leases")

For those of our subsidiaries that are subject to US-GAAP, we have applied ASU 2016-02 "Leases" from the current fiscal year. Accordingly, in principle, lessees recognize all leases on the current fiscal year consolidated balance sheet as assets and liabilities. In adopting this accounting standard, we have adopted the permitted transitional measure whereby the cumulative effect when applying this standard, is recognized on the effective date of application.

As a result, compared with the previous accounting standard, the balance of lease assets under tangible fixed assets increased by ¥662 million, lease obligations under current liabilities by ¥148 million, and lease obligations under long-term liabilities by ¥513 million at the beginning of the current fiscal year. The effect of this change on profit and loss for the current fiscal year was negligible.

Additional Information

(Directors' Compensation BIP Trust and Employee Stock Ownership Plan (J-ESOP))

In Amano Corporation and some of our subsidiaries, for the purpose of enhancing the motivation to contribute to the improvement of medium- to long-term business performance and to increase corporate value, we have adopted the Directors' Compensation BIP Trust system for directors (excluding outside directors and expatriates) and operating officers (excluding expatriates). We have also adopted the Employee Stock Ownership Plan (J-ESOP) system for employees who meet the prescribed requirements.

[1] Outline of the system

Under the system, a trust is established with money contributed by Amano Corporation as a source, stocks of Amano Corporation are acquired by the trust, and the stocks are granted to the eligible persons. Furthermore, as for the executive compensation BIP trust, the trust period will be extended for the same period as the initial trust period as a stock compensation plan linked to the period of the 8th Medium-Term Business Plan which started in April 2020.

Under the Directors' Compensation BIP Trust, in accordance with the stock distribution rules and based on points granted according to the attainment level of numerical targets related to their positions and management indicators, stocks of Amano Corporation are provided by the trust to directors and operating officers.

Under the Employee Stock Ownership Plan (J-ESOP), in accordance with the stock distribution rules and based on points granted according to their positions and operating performance, etc., stocks of Amano Corporation are provided by the trust to employees who meet certain requirements.

[2] Stocks of Amano Corporation that remain in the trust

Stocks of Amano Corporation that remain in the trust are recorded as treasury stock in the net assets section with the book value of the trust (excluding incidental expenses).

Book value of the treasury stock and the number of shares

Current fiscal year	¥987 million, 398,219 shares
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In addition, the Board of Directors approved a resolution regarding the continuance and partial revision of the Directors' Compensation BIP Trust on April 26, 2023. The detail of this matter is available for inspection on the Amano's website.

([https://www.amano.co.jp/en/ir/dl/news/2023/20230426\\_3.pdf](https://www.amano.co.jp/en/ir/dl/news/2023/20230426_3.pdf))

## 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), Human Resource (HR) systems, payroll information systems, cafeteria systems, access control, proximity IC card solutions, system time recorders, T&A and HR and payroll ASP services, time distribution and authentication services (digital time stamps)
	Time Management Products	PC-linked time recorders, online time recorders, computerized time recorders, standard electronic time recorders, electronic time stamps, patrol recorders
	Parking Systems	Automatic fee settlement systems, access control systems, parking lot management systems, bicycle parking lot management systems, automatic 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, 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, industrial air purifiers
	Clean Systems	Commercial vacuum cleaners, automatic floor scrubbers, robotic floor scrubbers, road and industrial sweepers, high-speed burnishers, polisher chemical products, supplies and accessories, wooden floor sanding machines, consigned janitorial management services, electrolytic water cleaning systems, alkaline electrolytic water industrial cleaning systems

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

The accounting methods of the reported business segments are in accordance with the accounting policies adopted to prepare the consolidated financial statements.

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 2021 (April 1, 2021–March 31, 2022)

	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	87,090	31,339	118,429	—	118,429
Intersegment	—	—	—	—	—
Total	87,090	31,339	118,429	—	118,429
Segment profit (loss)	12,569	4,136	16,706	(3,813)	12,893
Segment assets	70,331	29,704	100,036	59,306	159,342
Other items					
Depreciation and amortization	6,879	644	7,523	547	8,070
Investments in affiliates accounted for using the equity method	2,261	—	2,261	—	2,261
Increases in tangible and intangible fixed assets	6,940	334	7,274	259	7,534

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

- (1) The ¥3,813 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 ¥59,306 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 2022 (April 1, 2022–March 31, 2023)

	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	98,903	33,906	132,810	—	132,810
Intersegment	—	—	—	—	—
Total	98,903	33,906	132,810	—	132,810
Segment profit (loss)	14,927	4,705	19,632	(3,844)	15,787
Segment assets	79,509	30,935	110,444	60,806	171,250
Other items					
Depreciation and amortization	7,773	748	8,521	496	9,017
Investments in affiliates accounted for using the equity method	2,331	—	2,331	—	2,331
Increases in tangible and intangible fixed assets	9,363	781	10,145	257	10,402

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

- (1) The ¥3,844 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 ¥60,806 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.

Per-share Data

	FY 2021 (April 1, 2021– March 31, 2022)	FY 2022 (April 1, 2022– March 31, 2023)
Net assets per share (Yen)	1,563.31	1,656.43
Net income per share (Yen)	131.49	154.42

- Note: 1. Details for the diluted net income per share are not stated, because there are no potential shares.  
2. The net income per share is calculated on the following basis.

Item	FY 2021 (April 1, 2021– March 31, 2022)	FY 2022 (April 1, 2022– March 31, 2023)
Net income per share		
Net income attributable to owners of the parent company (Millions of yen)	9,733	11,288
Amount not attributed to common stockholders (Millions of yen)	—	—
Net income for common stock attributable to owners of the parent company (Millions of yen)	9,733	11,288
Average number of shares of common stock outstanding (Shares)	74,027,602	73,104,399

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

Item	FY 2021 (as of March 31, 2022)	FY 2022 (as of March 31, 2023)
Total net assets (Millions of yen)	116,271	121,638
Amount to be deducted from total net assets (Millions of yen)	752	882
(of which, non-controlling shareholders' interests) (Millions of yen)	(752)	(882)
Net assets at the end of year attributable to common stock (Millions of yen)	115,519	120,756
Number of shares of common stock outstanding at year end used to calculate net assets per share (Shares)	73,893,918	72,901,514

4. Shares remaining in trust of the Director's Compensation BIP Trust and the Employee Stock Ownership Plan (J-ESOP) recognized in shareholders' equity as treasury stock are included in treasury stock to be deducted in the calculation of the average number of shares outstanding over the period to calculate net income per share and also included in treasury stock to be deducted in the calculation of the number of shares of treasury stock at the end of the period to calculate net assets per share. The average number of shares of such treasury stock outstanding over the period that was deducted to calculate net income per share was 412,477 shares for the previous fiscal year and 398,794 for the fiscal year under review. The number of shares of treasury stock at the end of the period that was deducted to calculate net assets per share was 400,519 shares for the previous fiscal year and 398,219 for the fiscal year under review.

### Significant Subsequent Events

On April 26, 2023, the Board of Directors of the Company approved the resolution to acquire treasury stock pursuant to the provisions of Article 156 of the Companies Act as applied by replacing certain terms under the provisions of Article 165, Paragraph 3 of the same Act.

#### 1. Reasons for acquisition of treasury stock

While strengthening shareholder returns, treasury stock is acquired in order to flexibly carry out its capital management strategies and to improve capital efficiency in response to changes in the business environment.

#### 2. Details of the acquisition

(1) Class of shares to be acquired	Common stock of the Company
(2) Total number of shares to be acquired	Up to 800,000 shares (upper limit) [Representing 1.09% of the Total number of shares issued (excluding treasury stock)]
(3) Total acquisition cost	Up to JPY2,400 Million (upper limit)
(4) Acquisition period	From April 27, 2023 to August 31, 2023