

Fiscal Year 2017 (The year ending March 2018)

Year End Business Results

AMANO CORPORATION (Ticker: 6436)

Apr. 27, 2018

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-  **FY2017 Financial Report** **P. 3**
The year ending March 2018

-  **The 7th Medium-term Business Plan** **P.20**
The 2nd Stage Towards a 100-year Company

-  **FY2018 Business Plans** **P.27**

The business forecasts and projections described herein are based on currently available information and it contains potential risks and uncertainties.

Please acknowledge that actual results may differ substantially due to various unforeseeable factors that may or may not occur in the future.

FY2017 Financial Report

The Year ending March 2018

Business Performance

● Consolidated

(In million yen)

	Disclosed plan			FY2017 Result		FY2016 Result		Change(YOY)		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	126,000	100.0	4.9	124,405	100.0	120,124	100.0	4,281	3.6	(1,595)	98.7
Gross profit	54,700	43.4	5.3	55,302	44.5	51,943	43.2	3,358	6.5	602	101.1
SG&A	40,900	32.5	5.5	40,951	32.9	38,778	32.3	2,173	5.6	51	100.1
Operating profit	13,800	11.0	4.8	14,350	11.5	13,165	11.0	1,185	9.0	550	104.0
Non-operating income	560	0.4	(31.5)	947	0.8	818	0.7	129	15.8	387	169.1
Non-operating expense	60	0.0	(66.0)	237	0.2	176	0.1	60	34.4	177	395.0
Ordinary profit	14,300	11.3	3.6	15,060	12.1	13,806	11.5	1,253	9.1	760	105.3
Extraordinary profit	0			259		103		155		259	
Extraordinary loss	0			39		79		(39)		39	
Net income attributable to owners of the parent company	9,400	7.5	1.9	10,019	8.1	9,223	7.7	795	8.6	619	106.6

* FX Rates:(Quarterly Average) US\$ 105.00 US\$ 112.04 US\$ 109.45
 EUR 114.00 EUR 127.19 EUR 120.59

◆ ACJ * ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			FY2017 Result		FY2016 Result		Change(YOY)		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	73,500	100.0	3.4	71,754	100.0	71,059	100.0	695	1.0	(1,746)	97.6
Gross profit	31,000	42.2	5.1	30,980	43.2	29,498	41.5	1,482	5.0	(20)	99.9
SG&A	22,200	30.2	6.0	21,170	29.5	20,948	29.5	222	1.1	(1,030)	95.4
Operating profit	8,800	12.0	2.9	9,810	13.7	8,550	12.0	1,260	14.7	1,010	111.5
Non-operating income	1,750	2.4	(0.5)	1,924	2.7	1,758	2.5	165	9.4	174	110.0
Non-operating expense	50	0.1	(42.6)	105	0.1	87	0.1	18	20.7	55	210.3
Ordinary profit	10,500	14.3	2.7	11,629	16.2	10,222	14.4	1,407	13.8	1,129	110.8
Extraordinary profit	0			250		100		150		250	
Extraordinary loss	0			2		69		(66)		2	
Net income	7,500	10.2	2.5	8,456	11.8	7,319	10.3	1,137	15.5	956	112.8

● Consolidated performance (Year-on-year)

1 Sales: Up ¥ 4,281 Mil (Up 3.6 %)

- Time Information Segment: Up 4,250 Mil (Up 4.9 %)
 Incl: Information Systems: Up 1,970 Mil (Up 7.9 %)
 Incl: Parking Systems: Up 2,350 Mil (Up 4.0 %)

- Environmental Segment: Up 20 Mil (Up 0.1 %)
 Incl: Environmental Systems: Up 280 Mil (Up 1.3 %)
 Incl: Clean Systems: Dn 250 Mil (Dn 2.3 %)

2 Gross Profit: Up ¥ 3,358 Mil (Up 6.5 %)

Gross Profit Ratio: 44.5 % Up 1.3 %

- Time Information Segment: Up 1.0 %
 - Environmental Segment: Up 1.6 %

3 SG&A: Up ¥ 2,173 Mil (Up 5.6 %)

- Labor Cost Up 1,380 Mil (Up 5.6 %)
 - Other Costs Up 780 Mil (Up 5.5 %)

4 Operating Profit Up ¥ 1,185 Mil (Up 9.0 %)

- Time Information Segment: ¥ 13,040 Mil (Up 1,150 Mil)
 - Environmental Segment: ¥ 5,180 Mil (Up 290 Mil)
 - Company-wide Expense: ¥ -3,880 Mil (Dn 260 Mil)

● Operating profit Ratio 11.5 % (FY2016: 11.0%)

● ROE 9.8 % (FY2016: 9.5%)

● Cons OP / Parent OP 1.73 times (FY2016: 1.69 times)

Sales by Business Division

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● Consolidated

(In million yen)

Business division	Disclosed plan			FY2017		FY2016		Change(YOY)		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	26,400	21.0	6.5	26,759	21.5	24,789	20.6	1,970	7.9	359	101.4
Time Management Products	3,600	2.9	(5.7)	3,751	3.0	3,818	3.2	(66)	(1.7)	151	104.2
Parking Systems	61,300	48.6	5.0	60,757	48.8	58,402	48.6	2,354	4.0	(543)	99.1
Total: Time Information Segment	91,300	72.5	4.9	91,268	73.3	87,010	72.4	4,257	4.9	(32)	100.0
Environmental Systems	22,900	18.1	5.5	21,993	17.7	21,712	18.1	281	1.3	(907)	96.0
Clean Systems	11,800	9.4	3.5	11,143	9.0	11,401	9.5	(257)	(2.3)	(657)	94.4
Total: Environmental Segment	34,700	27.5	4.8	33,136	26.7	33,113	27.6	23	0.1	(1,564)	95.5
Grand total	126,000	100.0	4.9	124,405	100.0	120,124	100.0	4,281	3.6	(1,595)	98.7

● ACJ

Business division	Disclosed plan			FY2017		FY2016		Change(YOY)		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	15,000	20.4	7.5	15,155	21.1	13,957	19.6	1,197	8.6	155	101.0
Time Management Products	3,000	4.1	(2.4)	3,089	4.3	3,073	4.3	16	0.5	89	103.0
Parking Systems	30,500	41.5	1.0	30,255	42.2	30,185	42.5	70	0.2	(245)	99.2
Total: Time Information Segment	48,500	66.0	2.7	48,500	67.6	47,216	66.4	1,284	2.7	0	100.0
Environmental Systems	20,000	27.2	4.6	18,635	26.0	19,124	27.0	(489)	(2.6)	(1,365)	93.2
Clean Systems	5,000	6.8	6.0	4,618	6.4	4,718	6.6	(99)	(2.1)	(382)	92.4
Total: Environmental Segment	25,000	34.0	4.9	23,254	32.4	23,843	33.6	(588)	(2.5)	(1,746)	93.0
Grand total	73,500	100.0	3.4	71,754	100.0	71,059	100.0	695	1.0	(1,746)	97.6

Quarterly Performance (Consolidated)

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◆ Quarterly Performance

(In million yen)

	1st quarter		2nd quarter		3rd quarter		4th quarter		FY2017 Result	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	27,187	100.0	30,774	100.0	30,162	100.0	36,281	100.0	124,405	100.0
Gross profit	11,752	43.2	13,974	45.4	13,346	44.2	16,229	44.7	55,302	44.5
SG&A	9,969	36.7	10,129	32.9	9,833	32.6	11,019	30.4	40,951	32.9
Operating profit	1,783	6.6	3,844	12.5	3,512	11.6	5,209	14.4	14,350	11.5
Non-operating income	173	0.6	234	0.8	222	0.7	316	0.9	947	0.8
Non-operating expense	54	0.2	△ 0	0.0	25	0.1	156	0.4	237	0.2
Ordinary profit	1,902	7.0	4,079	13.3	3,709	12.3	5,369	14.8	15,060	12.1
Extraordinary profit	1		252		1		3		259	
Extraordinary loss	1		3		18		14		39	
Net income attributable to owners of the parent company	1,039	3.8	3,031	9.9	2,575	8.5	3,372	9.3	10,019	8.1

* FX Rates:(Quarterly Average)

US\$ 112.82
EUR 120.13

US\$ 111.42
EUR 124.23

US\$ 111.17
EUR 131.22

US\$ 112.76
EUR 133.16

US\$ 112.04
EUR 127.19

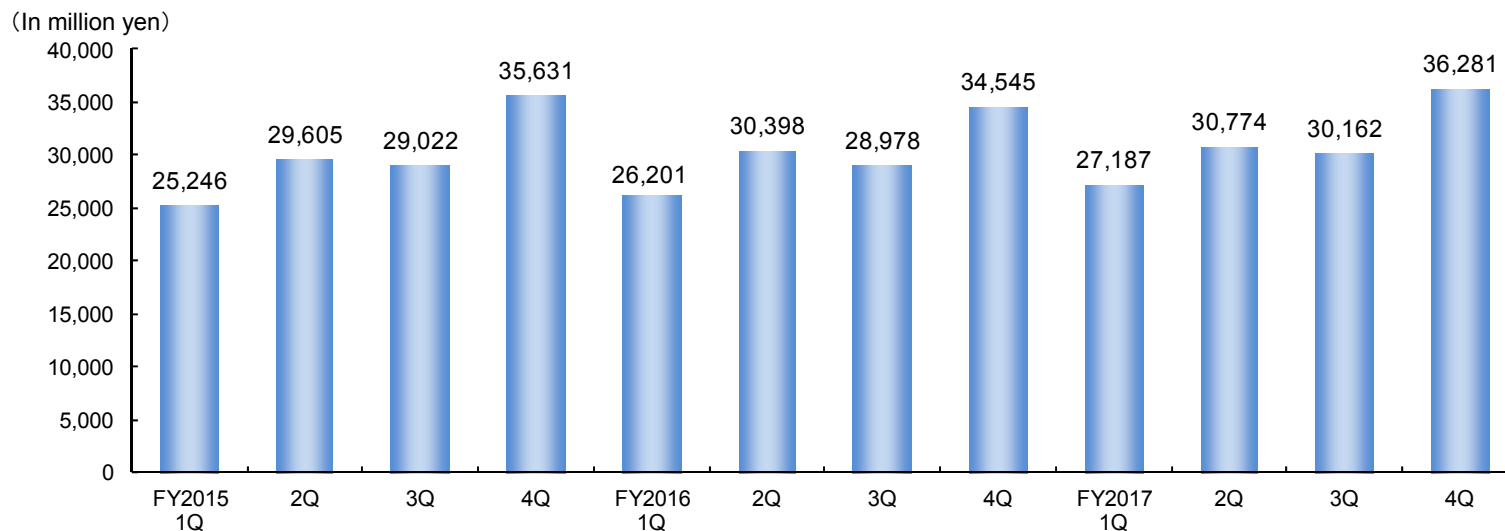
◆ Quarterly Sales

(In million yen)

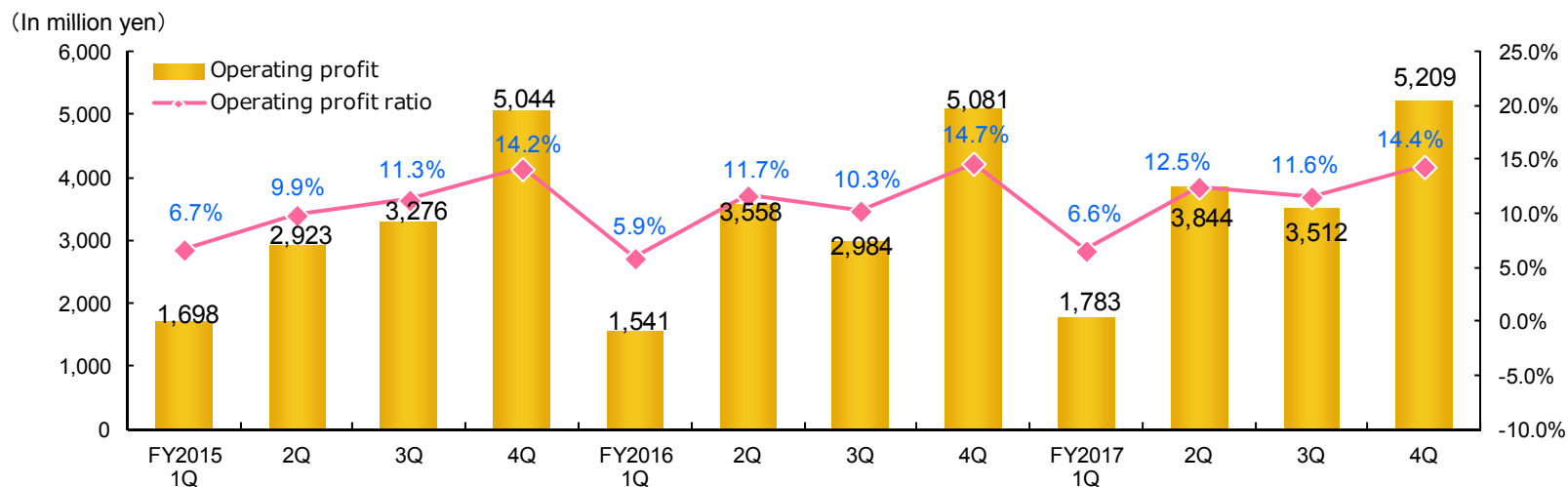
Business division	1st quarter		2nd quarter		3rd quarter		4th quarter		FY2017 Result	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	5,528	20.3	6,733	21.9	5,920	19.6	8,577	23.6	26,759	21.5
Time Management Products	882	3.3	890	2.9	889	3.0	1,088	3.0	3,751	3.0
Parking Systems	13,371	49.2	14,583	47.4	15,394	51.0	17,407	48.0	60,757	48.8
Total: Time Information Segment	19,782	72.8	22,207	72.2	22,205	73.6	27,073	74.6	91,268	73.3
Environmental Systems	4,595	16.9	5,616	18.2	5,200	17.3	6,580	18.1	21,993	17.7
Clean Systems	2,809	10.3	2,950	9.6	2,756	9.1	2,627	7.3	11,143	9.0
Total: Environmental Segment	7,405	27.2	8,567	27.8	7,956	26.4	9,207	25.4	33,136	26.7
Grand total	27,187	100.0	30,774	100.0	30,162	100.0	36,281	100.0	124,405	100.0

Consolidated Sales & Operating Profit Transitions (Quarterly) **AMANO**

■ Net sales



■ Operating profit



Sales & Operating Profit by Business Segment

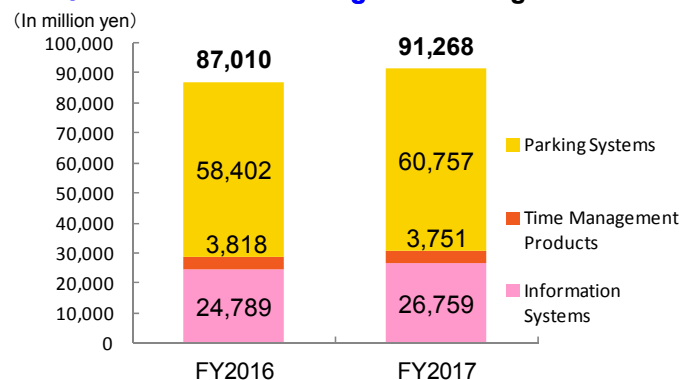


(In million yen)

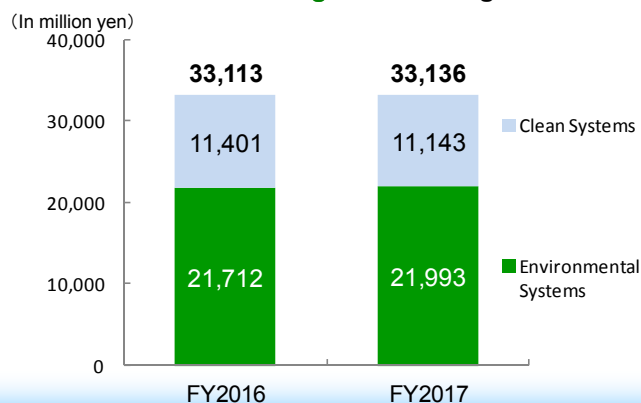
	FY2017 1Q			FY2017 2Q			FY2017 3Q			FY2017 4Q			Year ending March 31, 2017			Year ending March 31, 2016			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	%	Operating profit	%
Time Information Segment	19,782	1,744	8.8	22,207	3,370	15.2	22,205	3,251	14.6	27,073	4,677	17.3	91,268	13,044	14.3	87,010	11,890	13.7	4,257	4.9	1,154	9.7
Environmental Segment	7,405	926	12.5	8,567	1,407	16.4	7,956	1,201	15.1	9,207	1,653	18.0	33,136	5,189	15.7	33,113	4,893	14.8	23	0.1	296	6.1
Company-wide Expenses		(887)			(934)	0.0		(940)	0.0		(1,121)			(3,884)			(3,618)				(265)	
Total	27,187	1,783	6.6	30,774	3,844	12.5	30,162	3,512	11.6	36,281	5,209	14.4	124,405	14,350	11.5	120,124	13,165	11.0	4,281	3.6	1,185	9.0

【Net sales】

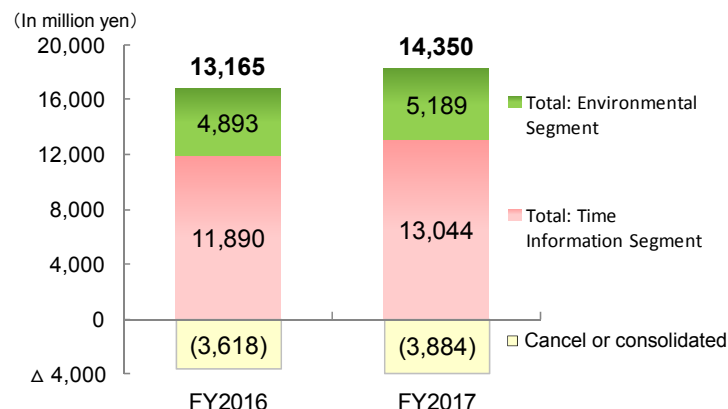
● Time Information Segment change +4.9%



● Environmental Segment change +0.1%



【Operating profit】



● Time Information Segment Up 9.7 %
 ● Environmental Segment Up 6.1 %

【References】

Increase / decrease in gross profit margin

● Consolidated

Information Systems	↑
Time Management Products	→
Parking Systems	↑
Environmental Systems	↑
Clean Systems	↑

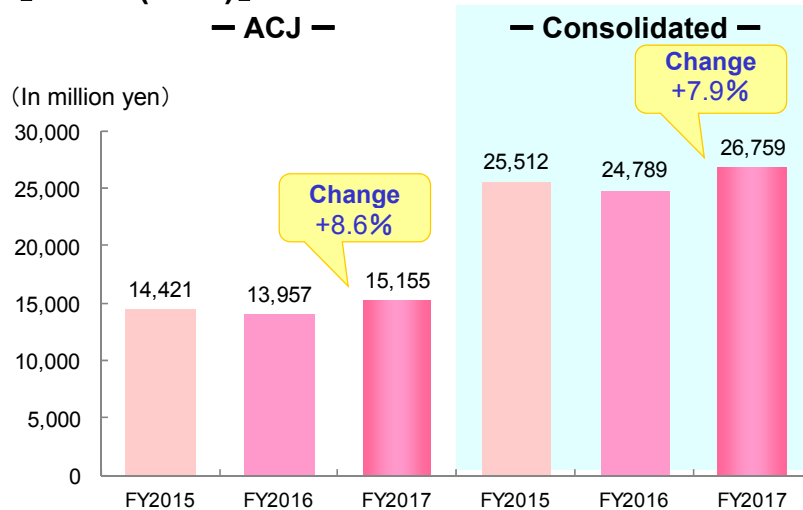
● ACJ

Information Systems	↑
Time Management Products	↓
Parking Systems	↑
Environmental Systems	↑
Clean Systems	↑

Performance by Business Division

✦ Increased Domestic & Overseas Sales

【Sales (YOY)】



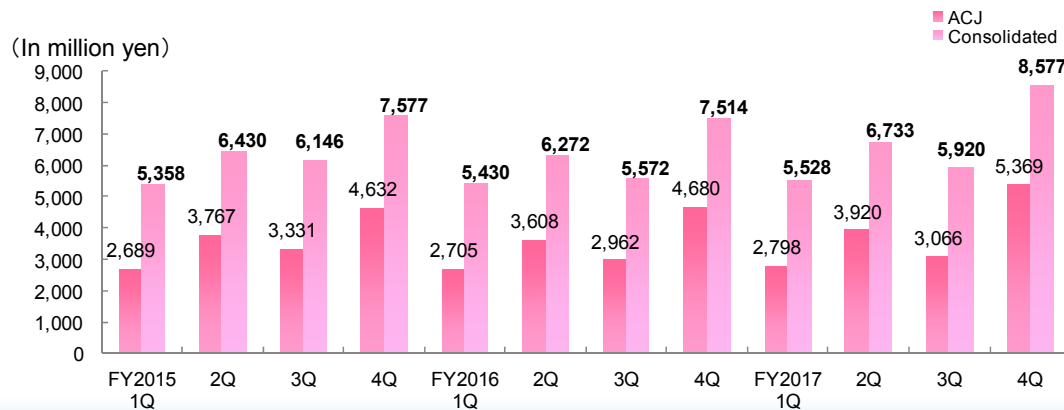
- Domestic**
- Increased Software Orders
 - Increased Orders for Cloud Services
 - Lower T&A Terminal Sales



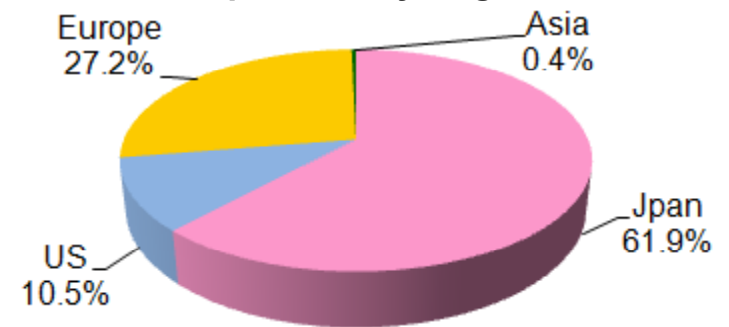
- Overseas**
- N. America; Sales Grew at Accu-Time Systems Inc.
 - Europe; Sales Grew at Horosmart S.A.



【Quarterly Sales Performance (1Q FY2015 to 4Q FY2017)】



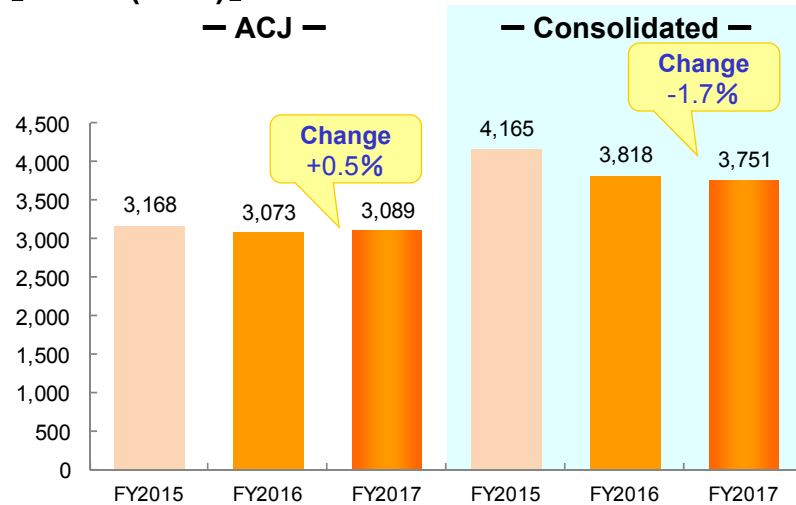
【Sales composition by Region】



Time Management Products

✳ Increased Domestic Sales, Lower Overseas Sales

【Sales (YOY)】



Domestic

- Higher Sales Volume for Domestic Time Recorders
- Higher Sales for TimeP@ck Series
- Exports Declined

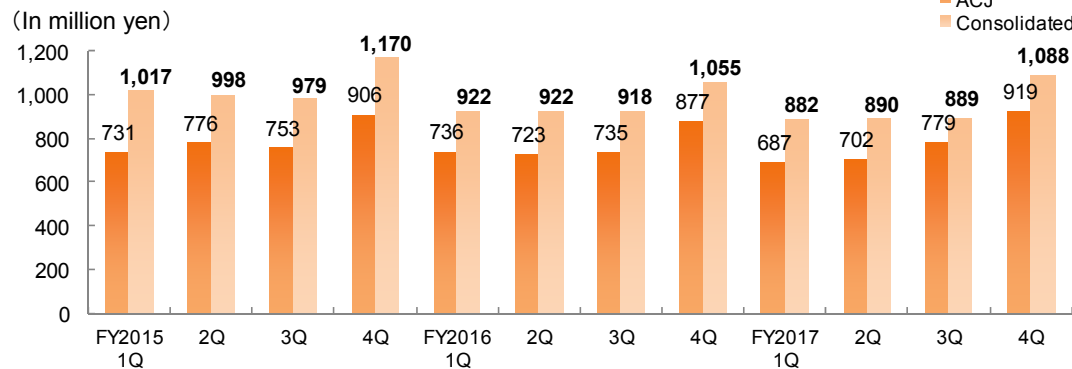


Overseas

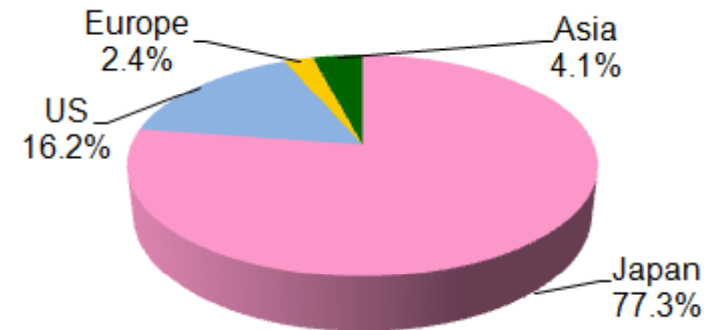
- European Sales Flat
- Lower Sales in N. America & Asia



【Quarterly Sales Performance (1Q FY2015 to 4Q FY2017)】

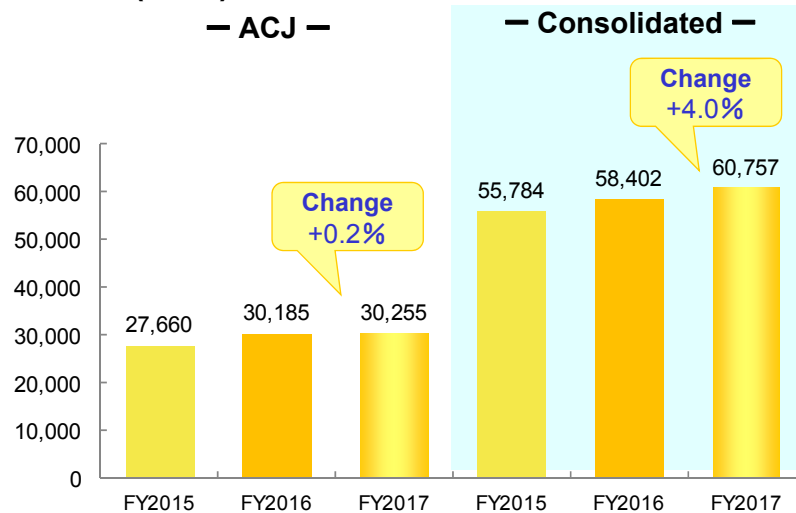


【Sales composition by Region】



✳ Increased Domestic & Overseas Sales

【Sales (YOY)】



Domestic

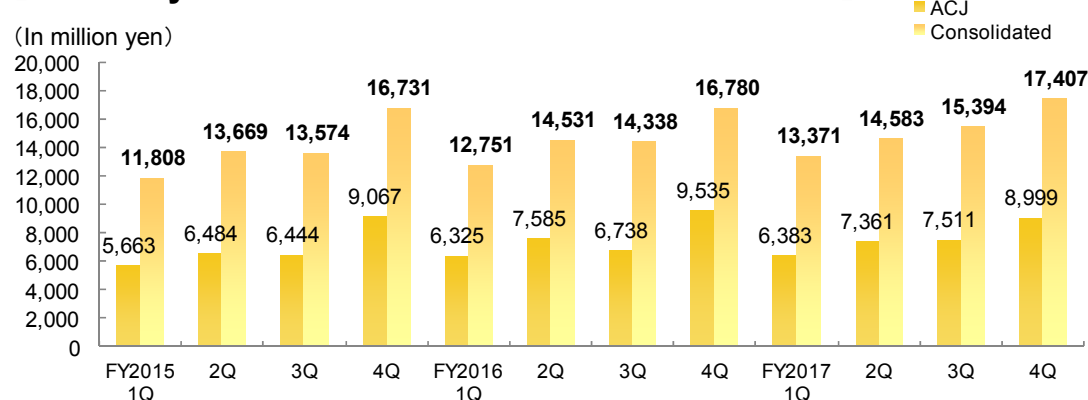


Overseas

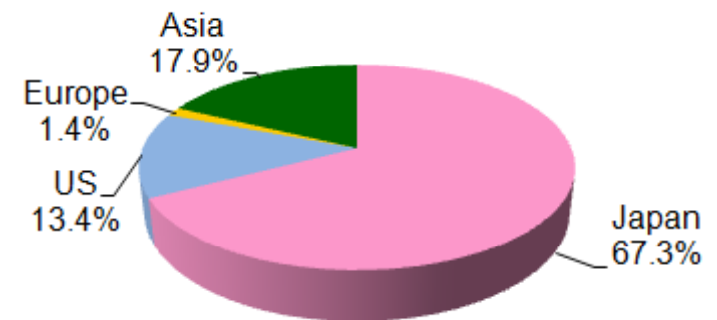


- Growing Orders for Parking System Renewal Projects
- Growing orders for security gate systems
- Firm commissioned management service business
- Large-scale Bicycle Parking Projects Declined
- N. America; Sales Declined at Amano McGann Inc.
- Asian Sales Higher (Korea, Hong Kong and Malaysia were Strong)

【Quarterly Sales Performance (1Q FY2015 to 4Q FY2017)】

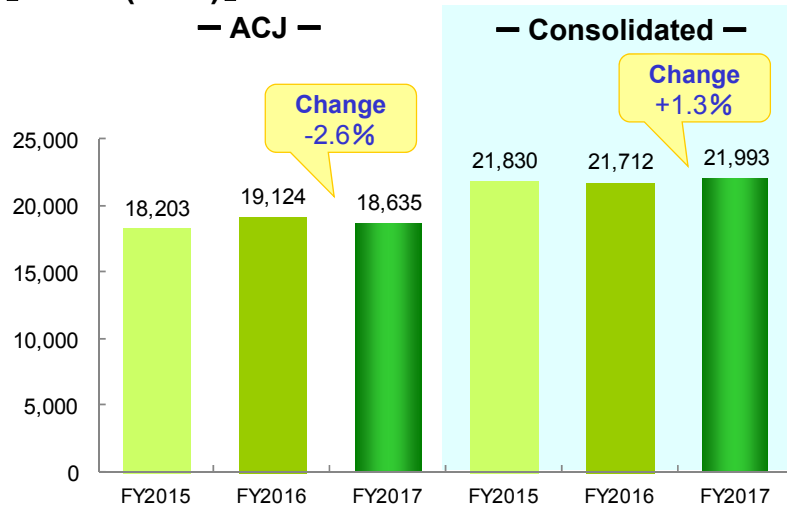


【Sales composition by Region】



✂ Lower Domestic Sales, Higher Overseas Sales

【Sales (YOY)】



Domestic

- Firm Orders for Standard Dust Collectors
- Large-scale System Sales Declined



Domestic

Overseas

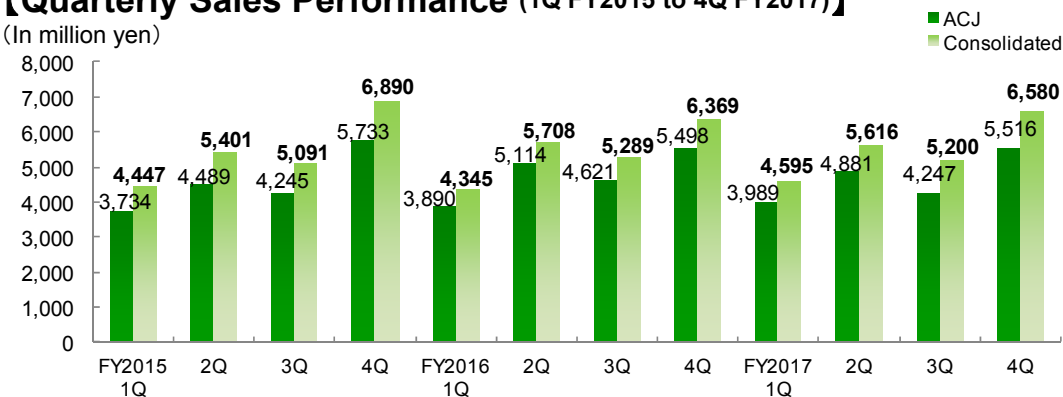
- Asian Sales Higher (Recovery of China)
- Mexican Sales Higher



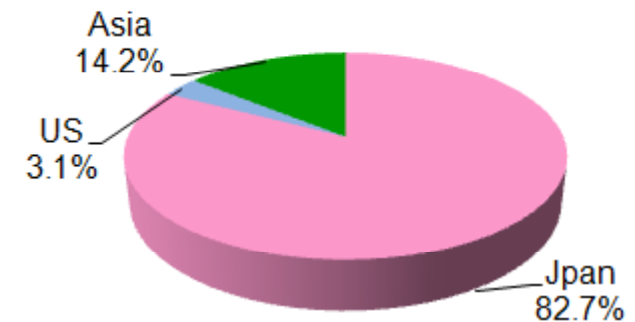
Global

【Quarterly Sales Performance (1Q FY2015 to 4Q FY2017)】

(In million yen)

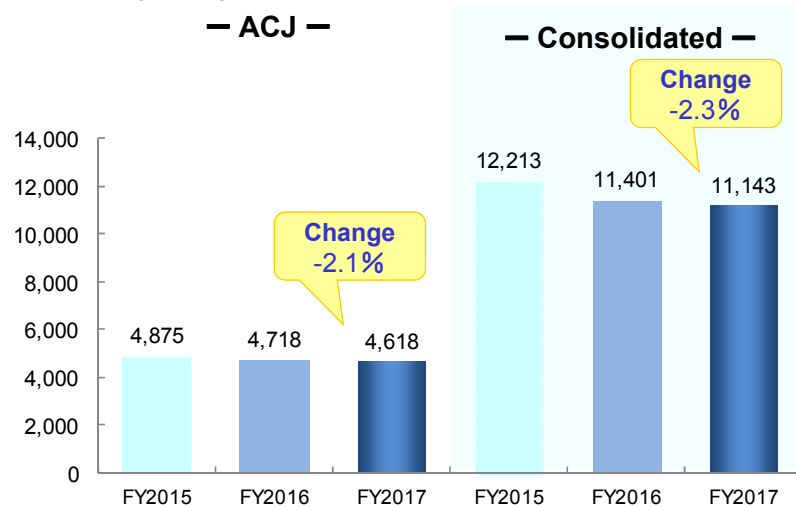


【Sales composition by Region】



✂ Lower Domestic & Overseas Sales

【Sales (YOY)】



Domestic

- Strong Orders for New Scubber
- Carpet Cleaner Sales Declined
- Maintenance & Supply Sales Declined
- Continued Efforts to Develop Market for Robotic Cleaners

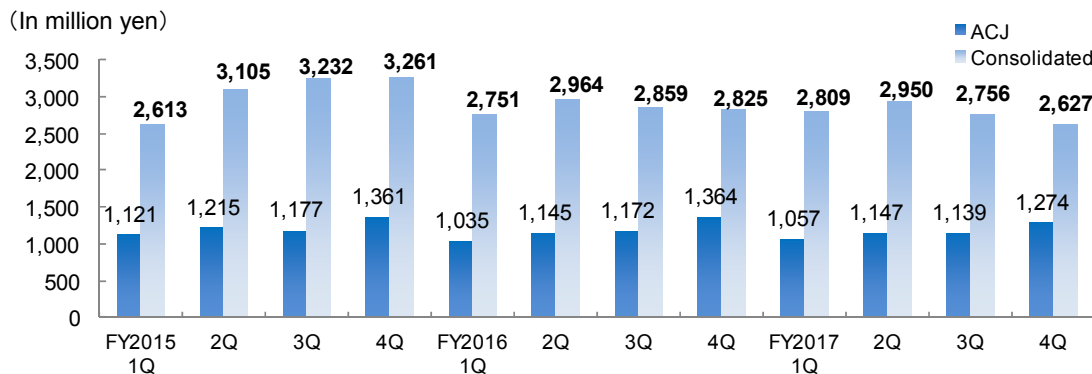


Overseas

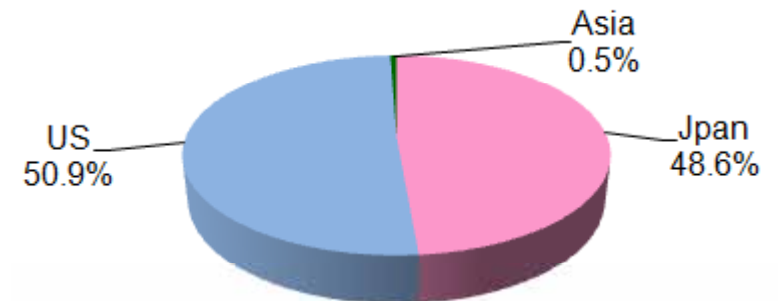
- N. America; Wood Floor Sanding Business remains Firm
- Sales for Cleaning Equipment & Chemicals Declined



【Quarterly Sales Performance (1Q FY2015 to 4Q FY2017)】



【Sales composition by Region】



Performance of Overseas Group Companies



* Performance by region

*Report of all overseas units are as of year ending December.

(In million yen)

	FY2017 1Q (Jan - Mar, 2017)			FY2017 2Q (Apr - Jun, 2017)			FY2017 3Q (Jul - Sep, 2017)			FY2017 4Q (Oct - Dec, 2017)			FY 2017 (Jan - Dec, 2017)			FY2016 (Jan - Dec, 2016)			Year on Year Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
N. America	4,457	(66)	(1.5)	4,726	(45)	(1.0)	4,752	70	1.5	4,150	(61)	(1.5)	18,085	(102)	(0.6)	18,858	852	4.5	(772)	(4.1)	(955)	—
Europe	1,957	134	6.9	2,004	113	5.6	2,057	202	9.8	2,414	246	10.2	8,432	695	8.2	7,383	490	6.6	1,048	14.2	205	41.9
Asia	2,908	193	6.6	3,199	248	7.8	3,841	447	11.6	4,546	292	6.4	14,494	1,180	8.1	12,021	896	7.5	2,472	20.6	283	31.7
Overseas group companies Total	9,322	261	2.8	9,929	316	3.2	10,650	719	6.8	11,110	477	4.3	41,011	1,773	4.3	38,262	2,238	5.8	2,749	7.2	(464)	(20.6)

FX Rates : Quarterly Average)

US \$ 112.82

US \$ 111.42

US \$ 111.17

US \$ 112.76

US \$ 112.04

US \$ 109.45

EUR 120.13

EUR 124.23

EUR 131.22

EUR 133.16

EUR 127.19

EUR 120.59

Goodwill Amortization:

N.America 83million

N.America 82million

N.America 15million

N.America 15million

N.America 197million

N.America 387million

Europe 73million

Europe 76million

Europe 80million

Europe 82million

Europe 313million

Europe 296million

(In million yen)

	FY2017 1Q (Apr - Jun, 2017)			FY2017 2Q (Jul - Sep, 2017)			FY2017 3Q (Oct - Dec, 2017)			FY2017 4Q (Jan - Mar, 2018)			FY 2017 (Apr,2017 - Mar, 2018)			FY 2016 (Apr,2016 - Mar, 2017)			Year on Year Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
Domestic Group companies Total	5,251	538	10.3	5,367	678	12.6	5,507	684	12.4	5,931	811	13.7	22,056	2,711	12.3	21,505	2,223	10.3	550	2.6	487	21.9

Consolidated Balance Sheet

AMANO

CONSOLIDATED B/S	(In million yen)		
	FY2017 18.3.31	FY2016 17.3.31	Change
Assets	145,446	137,888	7,557
Cash & Bank Deposits	44,525	38,940	5,584
Notes and accounts receivable - trade	33,632	33,710	(78)
Inventories	9,729	9,459	270
Deferred Tax Assets	1,838	1,889	(50)
Othe Current Assets	4,177	3,638	539
Fixed Assets	51,543	50,250	1,293
Liabilities	39,812	38,467	1,344
Notes and accounts payable - trade	13,488	14,209	(721)
Other Current Liabilities	20,881	18,024	2,857
Other Fixed Liabilities	5,441	6,233	(791)
Net Assets	105,634	99,421	6,213
Shareholder's Equity	106,780	101,548	5,232
Total accumulated other comprehensive income	(1,689)	(2,585)	895
Non-Controlling shareholder's interests	543	458	85
Total Liabilities & Net Assets	145,446	137,888	7,557

Consolidated Statements of Cash Flows

AMANO

(In million yen)

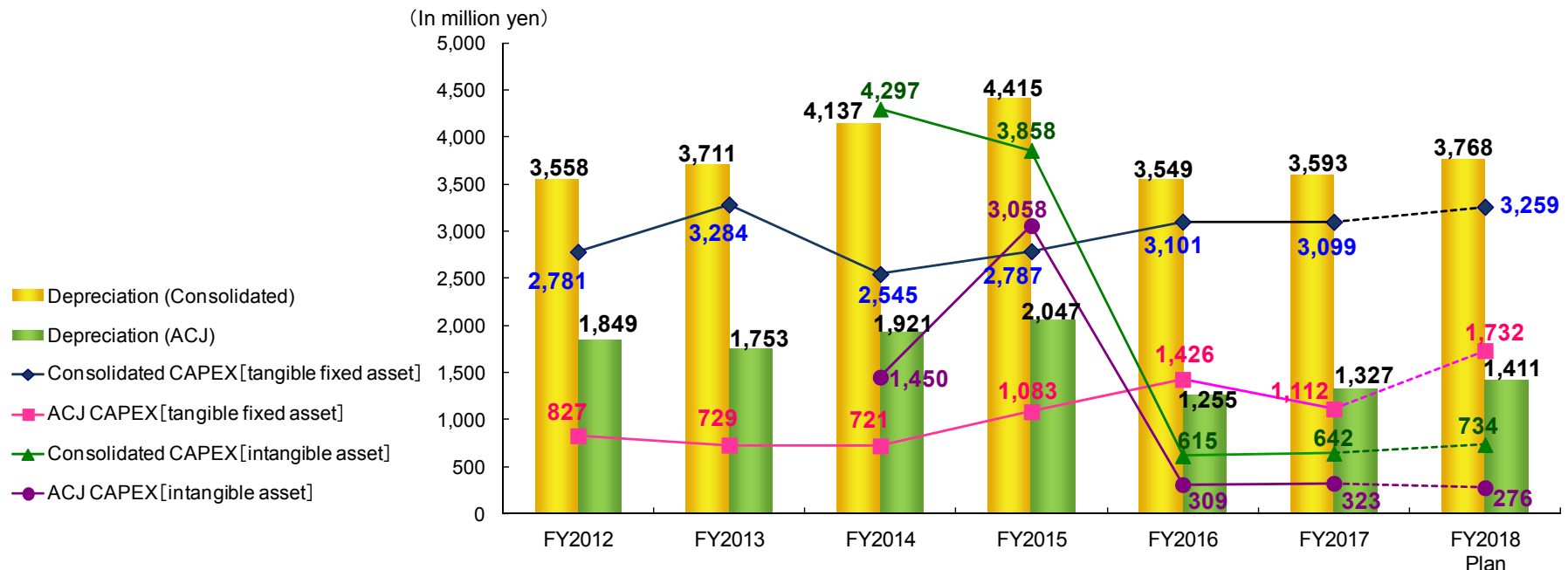
Consolidated Cash Flows (CF)	FY2017 18.3.31	FY2016 17.3.31	Change
CF from Operating Activities	16,750	13,734	3,015
CF from Investing Activities	(6,500)	(4,684)	(1,815)
FCF	10,250	9,050	1,200
CF from Financial Activities	(5,392)	(6,256)	864
Net Increase (decrease) in Cash & Equivalents	4,961	2,544	2,416
Cash & Cash Equivalents at End of Year	40,231	35,270	4,961
CAPEX (tangible fixed asset)	3,099	3,101	(2)
CAPEX (intangible asset)	642	615	26
Depreciation	3,593	3,549	44

CAPEX & Depreciation

(In million yen)

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 Plan
Consolidated CAPEX[tangible fixed asset]	2,781	3,284	2,545	2,787	3,101	3,099	3,259
[intangible asset]	—	—	4,297	3,858	615	642	734
Total	—	—	6,842	6,645	3,717	3,742	3,994
ACJ CAPEX[tangible fixed asset]	827	729	721	1,083	1,426	1,112	1,732
[intangible asset]	—	—	1,450	3,058	309	323	276
Total	—	—	2,171	4,142	1,736	1,435	2,009
Depreciation (Consolidated)	3,558	3,711	4,137	4,415	3,549	3,593	3,768
Depreciation (ACJ)	1,849	1,753	1,921	2,047	1,255	1,327	1,411

Note: The CAPEX and Depreciation figures after FY2016, does not include software for sale and M&As.



The 7th Medium-Term Business Plan
(FY2017-FY2019)

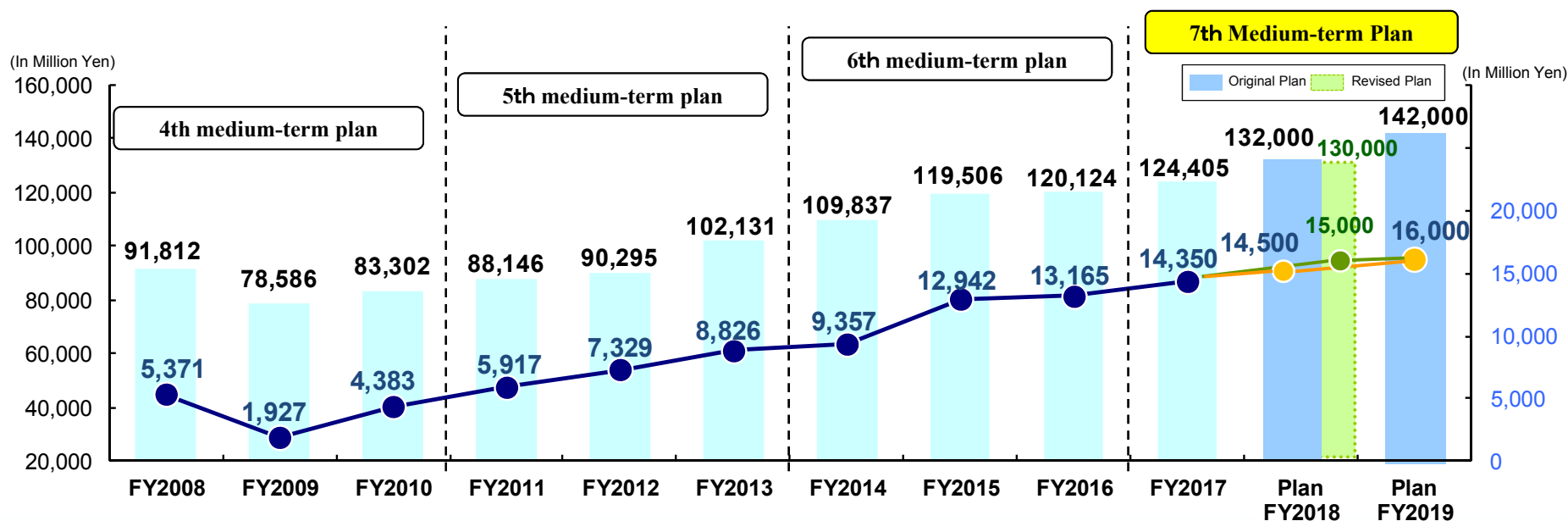
The 2nd Stage
Towards a 100-year Company
Quantum Leap

~Innovative Creation of Value for Sustainable Growth~

Roadmap of the Medium-term Business Plan

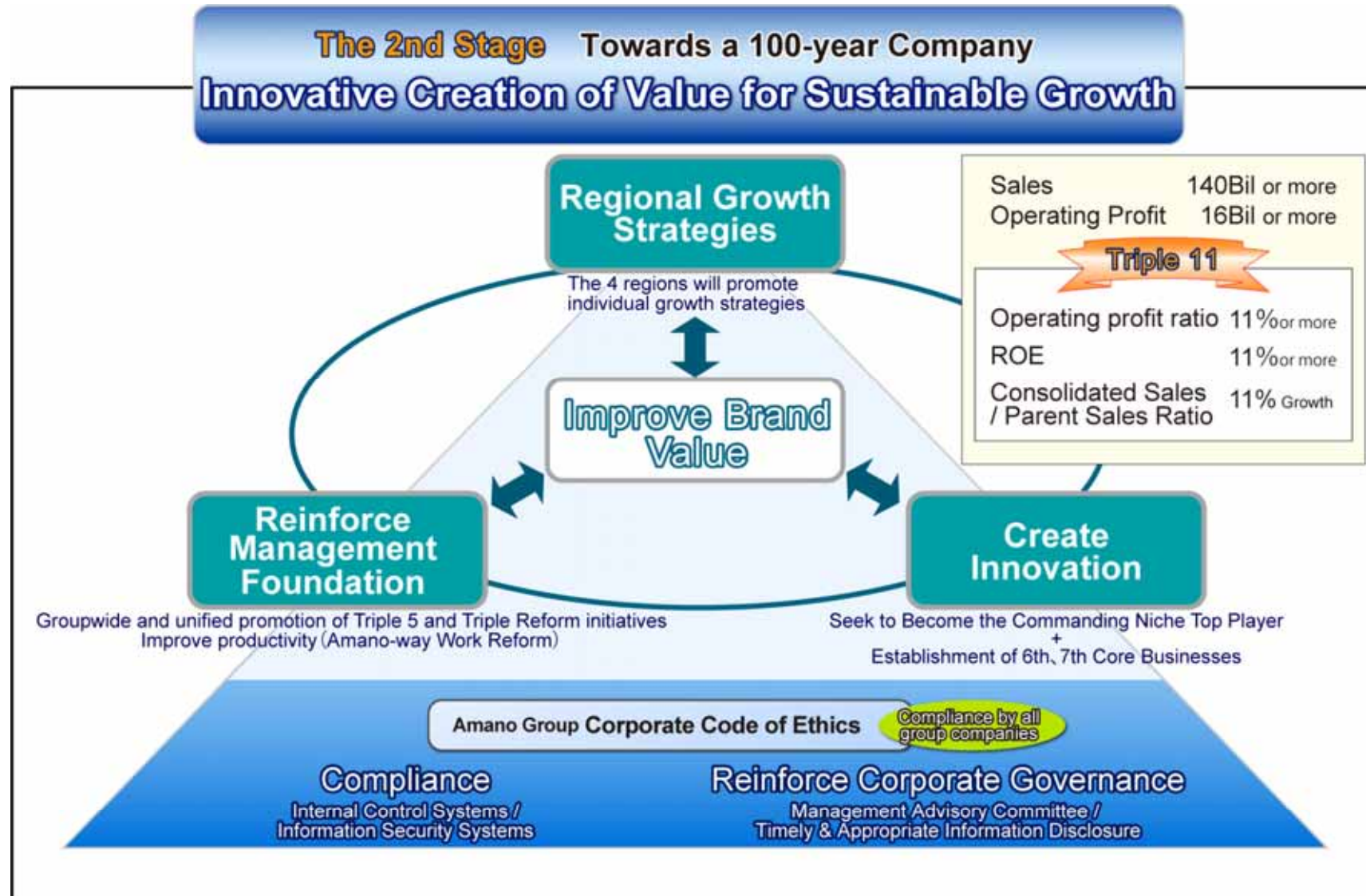


FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
4th medium-term plan			5th medium-term plan			6th medium-term plan			7th Medium-term Plan		
Global Growth Strategy			To become a 100-year Company			Challenge to a New Stage			2nd Stage Towards a 100-year Company Quantum Leap		
FY2010 Net Sales: over ¥114Bn Ordinary Profit: over ¥12.7Bn			FY2013 Sales: over ¥103Bn Operating Profit: over ¥10Bn			FY2016 Sales: over ¥130Bn Operating Profit: over ¥13Bn			FY2019 Sales: over ¥140Bn Operating Profit: over ¥16Bn		
Re-building profit structure & strengthening global strategy			Global Niche Top Establishing new businesses			Expand Corporate Scale & Establish Growth Drivers			Innovative Creation of Value for Sustainable Growth		



Business Concept

The 7th Medium-Term Business Plan Concept (Apr. 2017- Mar. 2020)



The 7th Medium-Term Business Plan the theme, "Regional growth strategies"

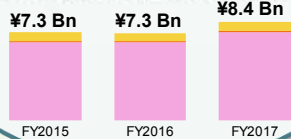
Regional Growth Strategies

Japan / N. America / Europe / Asia
The 4 regions will formulate
individual growth strategies

FY2019
Sales: **¥ 140 Billion or more**
*After Internal Eliminations
Operating Profit: **¥ 16 Billion or more**

Europe

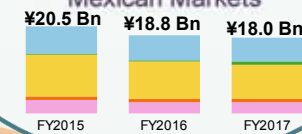
Expand Business Foundation
based on Information Systems
+
Parking Management Services



North America

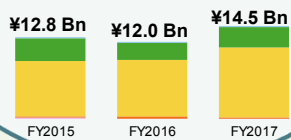
New Businesses & Products
/ Restructured Services

+
Domination of Canadian and
Mexican Markets



Asia

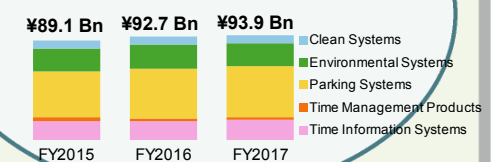
Establish a Core Entity
in the ASEAN Region
+
Parking Management Services
in China & Taiwan



Japan (ACJ + Domestic Group)

Expand Niche Top Areas
of Existing Businesses

+
Establish the 6th Core Business



Numerical Targets for FY2017-FY2019

AMANO

< Consolidated >

◆ Business Plan

(In million yen)

	FY2017 Result		MTBP FY2018 Plan	FY2018 Revised Plan		MTBP FY2019 Plan	
	Amount	Change%	Amount	Amount	Change%	Amount	Change%
Sales	124,405	3.6	132,000	130,000	4.5	142,000	9.2
Operating profit	14,350	9.0	14,500	15,000	4.5	16,000	6.7
Operating profit Ratio	11.5%		11.0%	11.5%		11.3%	
Ordinary profit	15,060	9.1	14,900	15,700	4.2	16,400	4.5
Net income attributable to owners of the parent company	10,019	8.6	9,800	(*) 9,800	(2.2)	10,800	10.2

(*) For the purpose of improving asset efficiency, Amano Corporation Japan intends to sell real estate held with low occupancy rate, and we are assuming to incur extraordinary loss on the sale. Since this loss will be a one-time expense, the dividend level will remain unchanged.

◆ Sales Plan

(In million yen)

	FY2017 Result			MTBP FY2018 Plan		FY2018 Revised Plan			MTBP FY2019 Plan		
	Amount	%	Change%	Amount	Change%	Amount	%	Change%	Amount	%	Change%
Information Systems	26,759	21.5	7.9	28,500	21.6	29,000	22.3	8.4	32,000	22.5	10.3
Time Management Products	3,751	3.0	(1.7)	3,400	2.6	3,500	2.7	(6.7)	3,300	2.3	(5.7)
Parking Systems	60,757	48.8	4.0	64,000	48.5	63,500	48.8	4.5	68,000	47.9	7.1
Total: Time Information Segment	91,268	73.3	4.9	95,900	72.7	96,000	73.8	5.2	103,300	72.7	7.6
Environmental Systems	21,993	17.7	1.3	23,800	18.0	22,800	17.6	3.7	25,200	17.8	10.5
Clean Systems	11,143	9.0	(2.3)	12,300	9.3	11,200	8.6	0.5	13,500	9.5	20.5
Total: Environmental Segment	33,136	26.7	0.1	36,100	27.3	34,000	26.2	2.6	38,700	27.3	13.8
Grand total	124,405	100.0	3.6	132,000	100.0	130,000	100.0	4.5	142,000	100.0	9.2

FX Conversion Rates: US\$ 112.04
EUR 127.19

US\$ 105.00
EUR 114.00

US\$ 105.00
EUR 130.00

US\$ 105.00
EUR 114.00

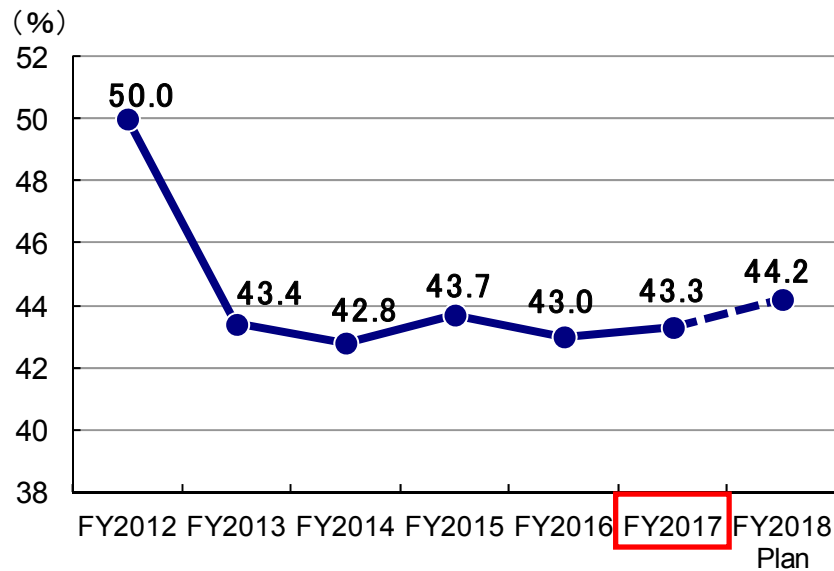
Shareholder Return Policy

◎ Dividend Policy

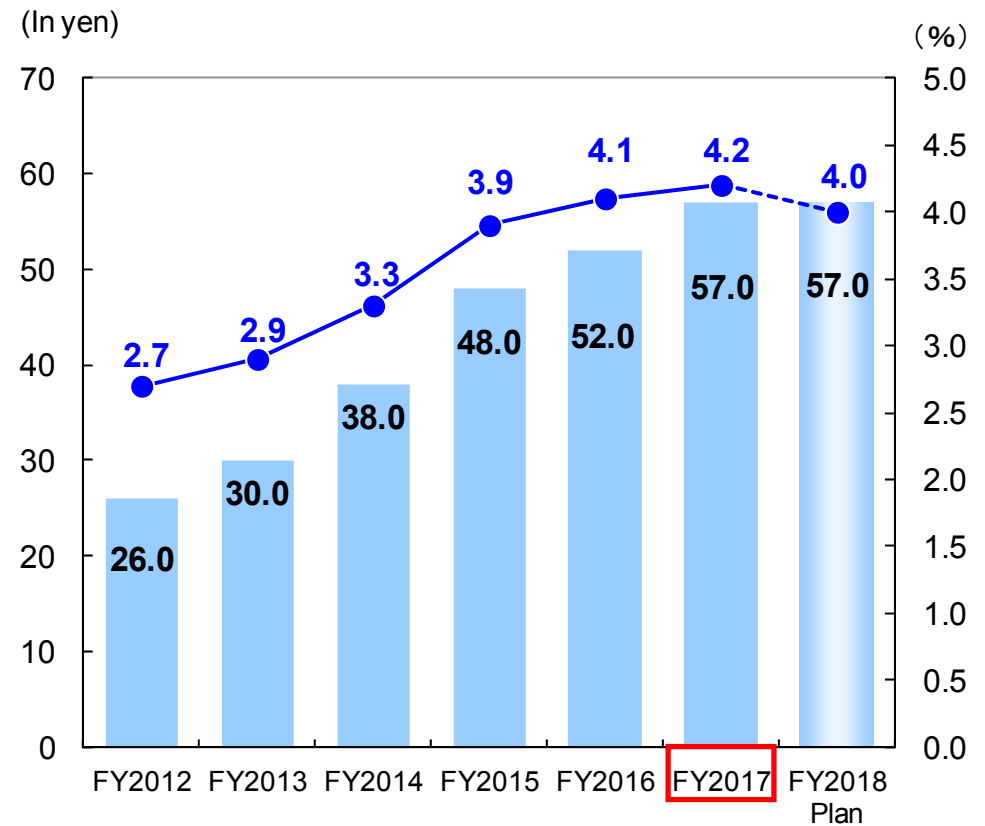
Stable dividends + performance incentives

- Consolidated Dividend Payout Ratio: Target over 40.0%
- Net Asset Payout Ratio: Target over 2.5%

<Consolidated Dividend Payout Ratio>



<Dividend per Share and Consolidated Net Asset Payout Ratio >



Business Plan for FY2018

FY2018 Plan: Consolidated & Individual ACJ



● Consolidated

(In million yen)

	FY2018 Plan						FY2017 Result			
	Full Year			1st Half			Full Year		1st Half	
	Amount	(%)	Change(%)	Amount	(%)	Change(%)	Amount	(%)	Amount	(%)
Net sales	130,000	100.0	4.5	61,000	100.0	5.2	124,405	100.0	57,962	100.0
Gross profit	58,000	44.6	4.9	27,000	44.3	4.9	55,302	44.5	25,726	44.4
SG&A	43,000	33.1	5.0	21,100	34.6	5.0	40,951	32.9	20,098	34.7
Operating profit	15,000	11.5	4.5	5,900	9.7	4.8	14,350	11.5	5,628	9.7
Ordinary profit	15,700	12.1	4.2	6,200	10.2	3.6	15,060	12.1	5,982	10.3
Net income attributable to owners of the parent company	9,800	7.5	(2.2)	3,300	5.4	(19.0)	10,019	8.1	4,071	7.0

● ACJ

(In million yen)

	FY2018 Plan						FY2017 Result			
	Full Year			1st Half			Full Year		1st Half	
	Amount	(%)	Change(%)	Amount	(%)	Change(%)	Amount	(%)	Amount	(%)
Net sales	74,000	100.0	3.1	33,400	100.0	1.4	71,754	100.0	32,930	100.0
Gross profit	32,000	43.2	3.3	14,400	43.1	2.0	30,980	43.2	14,113	42.9
SG&A	21,700	29.3	2.5	10,700	32.0	3.8	21,170	29.5	10,312	31.3
Operating profit	10,300	13.9	5.0	3,700	11.1	(2.6)	9,810	13.7	3,800	11.5
Ordinary profit	12,000	16.2	3.2	4,800	14.4	(4.0)	11,629	16.2	4,997	15.2
Net Income	7,800	10.5	(7.8)	2,600	7.8	(30.5)	8,456	11.8	3,741	11.4

FY2018: Sales Plan by Business Division

AMANO

● Consolidated

(In million yen)

Business division	Plan FY2018 Year ending March 31, 2019				Plan First half		Plan Second half		Result FY2016	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	29,000	22.3	2,240	8.4	13,100	21.5	15,900	23.0	26,759	21.5
Time Management Products	3,500	2.7	(251)	(6.7)	1,500	2.5	2,000	2.9	3,751	3.0
Parking Systems	63,500	48.8	2,742	4.5	30,200	49.5	33,300	48.3	60,757	48.8
Total: Time Information Segment	96,000	73.8	4,731	5.2	44,800	73.5	51,200	74.2	91,268	73.3
Environmental Systems	22,800	17.6	806	3.7	10,500	17.2	12,300	17.8	21,993	17.7
Clean Systems	11,200	8.6	56	0.5	5,700	9.3	5,500	8.0	11,143	9.0
Total: Environmental Segment	34,000	26.2	863	2.6	16,200	26.5	17,800	25.8	33,136	26.7
Grand total	130,000	100.0	5,594	4.5	61,000	100.0	69,000	100.0	124,405	100.0

● ACJ

(In million yen)

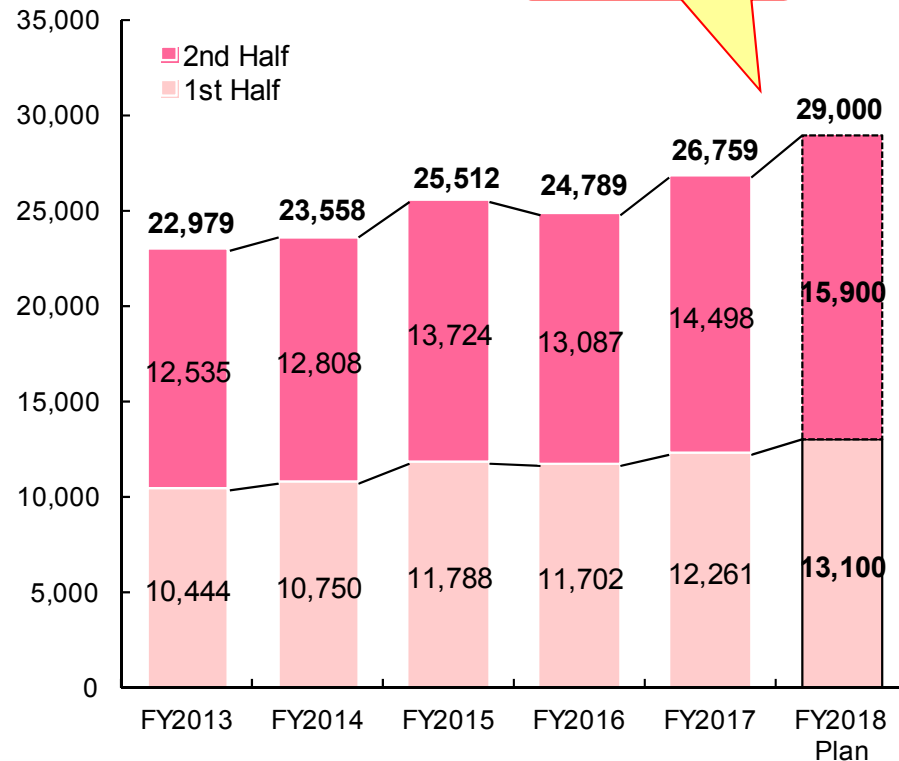
Business division	Plan FY2018 Year ending March 31, 2019				Plan First half		Plan Second half		Result FY2016	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	16,000	21.6	844	5.6	7,000	21.0	9,000	22.2	15,155	21.1
Time Management Products	3,000	4.1	(89)	(2.9)	1,300	3.9	1,700	4.2	3,089	4.3
Parking Systems	30,800	41.6	544	1.8	13,700	41.0	17,100	42.1	30,255	42.2
Total: Time Information Segment	49,800	67.3	1,299	2.7	22,000	65.9	27,800	68.5	48,500	67.6
Environmental Systems	19,500	26.3	864	4.6	9,200	27.5	10,300	25.3	18,635	26.0
Clean Systems	4,700	6.4	81	1.8	2,200	6.6	2,500	6.2	4,618	6.4
Total: Environmental Segment	24,200	32.7	945	4.1	11,400	34.1	12,800	31.5	23,254	32.4
Grand total	74,000	100.0	2,245	3.1	33,400	100.0	40,600	100.0	71,754	100.0

Information Systems: Action Plan

The 7th Medium-term Business Plan
Brand Strategy by Business

HR Solution Vendor

(In million yen)



Domestic



Domestic

- ML(Middle Low) market;
Strengthen proposals of NX(T&A / Payroll)
Expand proposals utilizing Web and Hosting
- MH(Middle High) market;
Promote VG+ZeeM packaged sales
Collaborate with CREO
Promote Hosting & Cloud Based Solutions
- Strengthen Terminal Business

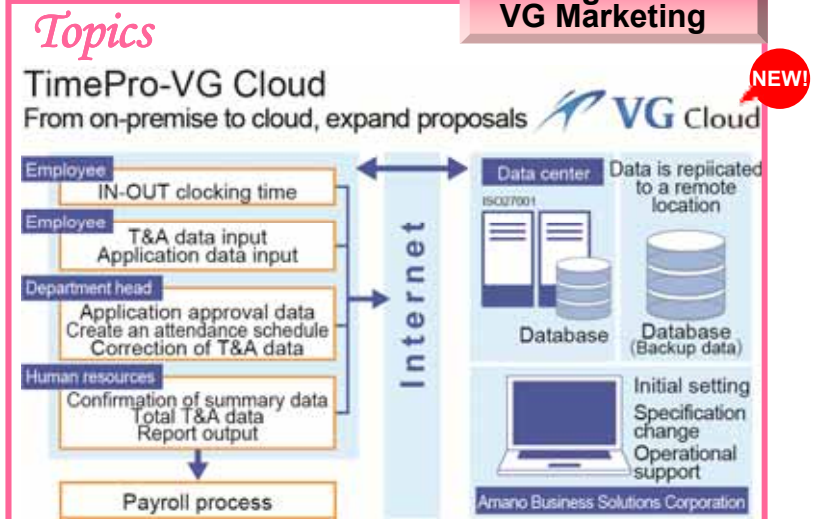
Overseas



Global

- N. America; Accu-Time Systems Inc.
Expand cloud services, strengthen terminal proposals
- Europe; Horoquartz S.A. Expand customer base
Strengthen proposals for T&A, Access and Cloud services

Strengthen VG Marketing



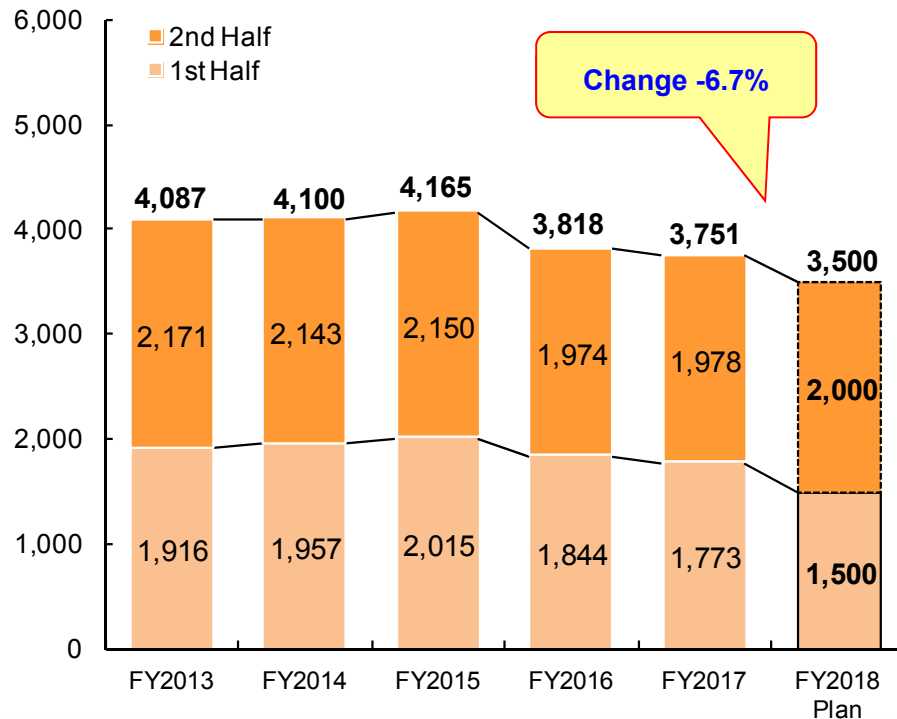
Time Management Products : Action Plan



The 7th Medium-term Business Plan
Brand Strategy by Business

HR Solution Vendor

(In million yen)



Domestic



- Uncovering new demand from the standard equipment market
- Strengthen online store and sales over the internet
- Expand TimeP@CK sales
- Enhance Operational Proposals

Overseas



- N. America; Restructure Sales Channels & Deploy Online Sales
- Europe; Establish sales network, deploy online sales

Enhance Customer base

Topics

The TimeP@CK Series
Easy, even for first-time users
Popular online tutorials

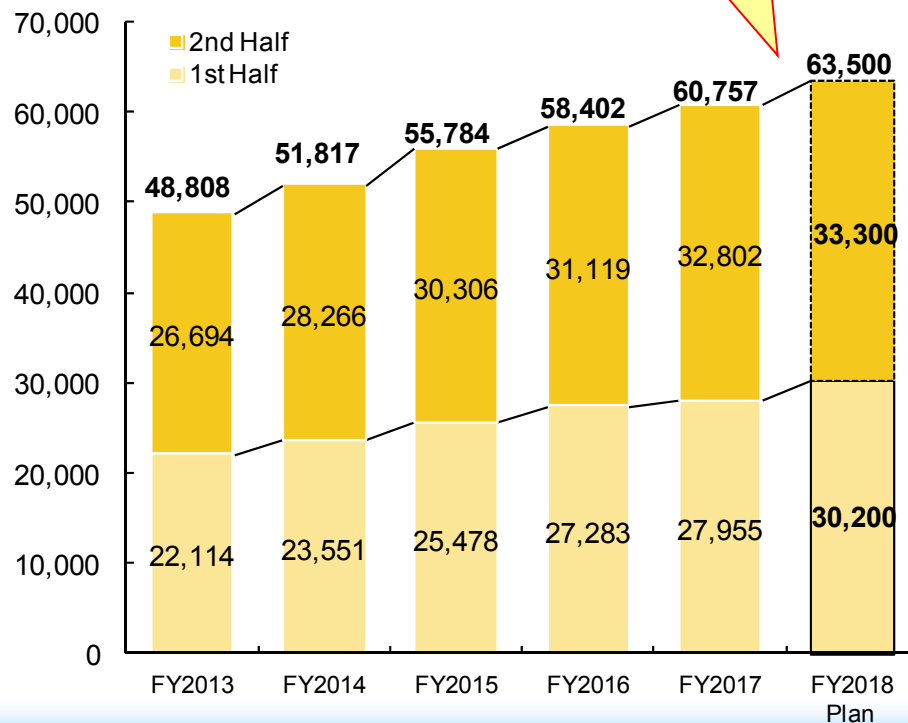


Parking Systems: Action Plan

The 7th Medium-term Business Plan
Brand Strategy by Business

Parking Total Solution Vendor

(In million yen)



Domestic



Domestic

Overseas



Global

- Closer ties with major operators
- Medium small operators
 - Parking Data Center; Enhance Services
- Management services; Expand holistic solutions
 - Promote Packaged Installation of Car & Bicycle Parking
- Mining new markets
 - Bicycle parking, security gates, toll roads,
- N. America; Enter New Markets, Reinforce System Sales
- Europe; Reinforce Sales Organization, Enter Management Service Business
- Asia; Expand Management service business
 - Capturing the demand in the Chinese market

Expand Business Domain

Topics

Enhance and expand data center functions
Promote business development based on parking data center!
EC settlement service and reservation service are scheduled.

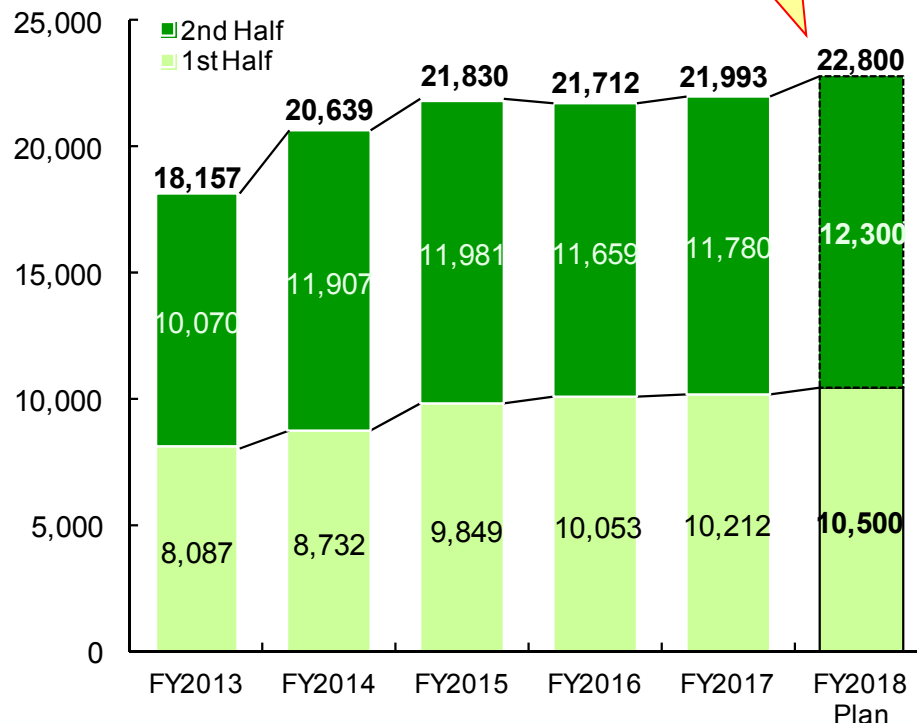


Environmental Systems: Action Plan

The 7th Medium-term Business Plan
Brand Strategy by Business

M2M Partial Solution Vendor

(In million yen)



Domestic

- Increase global project orders initiated domestically
- Capture the demand for standard dust collectors
- Expand holistic sales by including peripheral devices
Powder Conveying & Deodorizing Equipment
- Mining the pharmaceutical, foods, and cosmetics markets



Overseas

- North & Central America;
Expand standard equipment sales to the auto industry
Develop new markets
- Asia; Reinforce sales and engineering
Develop China and Vietnam markets



Accelerate Global deployment

Topics

Strengthen sales and engineering capabilities

Strengthen sales and engineering capabilities to better serve Japanese companies expanding overseas!

Dec 2017
New release

Pulse jet dust collector, the SI series

Down flow & side inlet filter specification
A horizontal dust collector using envelope-type sewn filters



NEW!



Mexican subsidiary Strong orders!

North & Latin American markets
Promoting sales of standard machines and systems targeting the auto industry!

Clean Systems: Action Plan

The 7th Medium-term Business Plan
Brand Strategy by Business

Robotics Solution Vendor

Domestic



Domestic

- Expanding demands for robotic cleaners
- Expand the Sales of Auto Scrubber "EG Series"
- Strengthen Holistic Cleanliness Proposals Total Solutions; Hard & Software, Maintenance and Services
- Mining the factory market

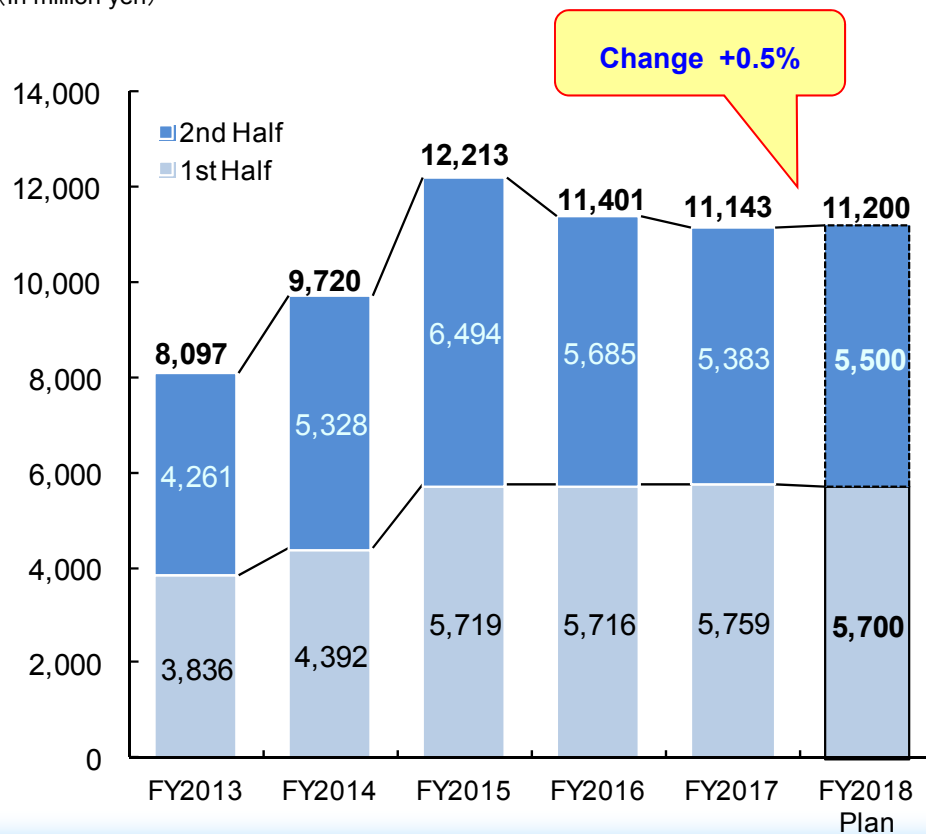
Overseas



Global

- N. America; Strengthen business foundation
- Expand the wooden floor sanding business

(In million yen)



New Market Development

Topics

Lineup enhancement



Strengthen proposals tailored to the cleaning scene!



NEW!

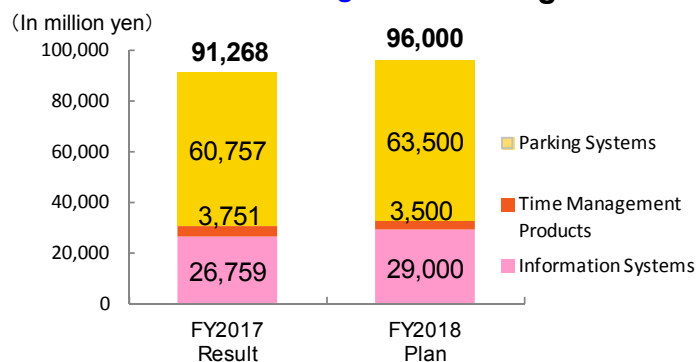
Sales & Operating Profit Plans by Segment

(In million yen)

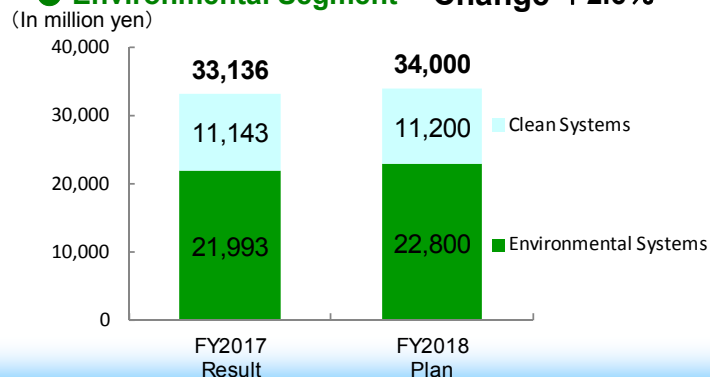
	FY2018 Plan			FY2017 Result			Change			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
Time Information Segment	96,000	14,000	14.6	91,268	13,044	14.3	4,731	5.2	955	7.3
Environmental Segment	34,000	5,000	14.7	33,136	5,189	15.7	863	2.6	(189)	(3.7)
Company-wide Expenses		(4,000)			(3,884)			0.0	(115)	
Total	130,000	15,000	11.5	124,405	14,350	11.5	5,594	4.5	649	4.5

【Sales】

● Time Information Segment Change +5.2%

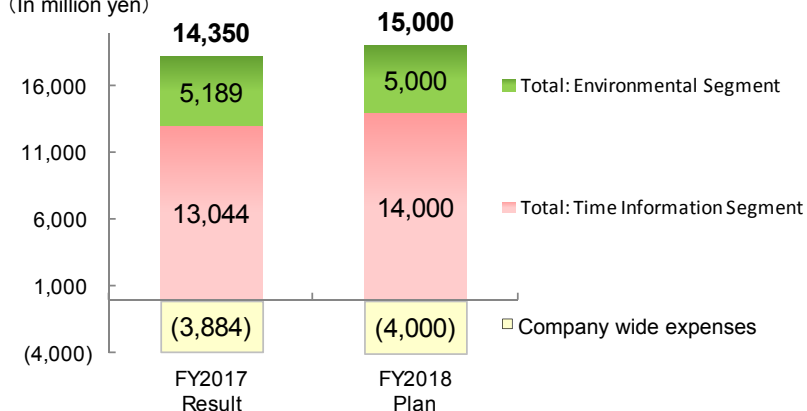


● Environmental Segment Change +2.6%



【Operating profit】

(In million yen)



※ Operating Profit + 4.5%

- Time Information Segment Change + 7.3%
- Environmental Segment Change - 3.7%

Quarterly Sales by Item (actual results)

* Indicating Year-over-Year Variance

<Information Systems>

Product	FY2016					Full Year	FY2017				Full Year
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q		
Hardware	↑	↑	↓	↓	↓	↓	↓	↓	↑	↓	
Software	↓	↓	↓	↑	↓	↑	↑	↑	↑	↑	
Maintenance & supplies	↑	↑	↑	↑	↑	↑	↑	→	↓	↑	
Difference	↑	→	↓	↓	↓	→	↑	↑	↑	↑	
Total	↑	↓	↓	↓	↓	↑	↑	↑	↑	↑	

< Time Management Products >

Product	FY2016					Full Year	FY2017				Full Year
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q		
Time recorders, stamps	↑	↓	→	↓	↓	↓	↓	↑	↑	→	
Maintenance & supplies	↓	↓	↓	→	↓	↑	↑	→	↓	↑	
Difference	↓	↓	↓	↓	↓	↑	↓	↓	↓	↓	
Total	↓	↓	↓	↓	↓	↓	↓	↓	↑	↓	

<Parking Systems>

Product	FY2016					Full Year	FY2017				Full Year
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q		
System & Merchandise	↑	↑	↑	↑	↑	↑	↓	↑	↓	↑	
Maintenance & supplies	↑	↑	↓	↓	↑	↓	↓	↑	↓	↓	
Difference	↑	↓	↑	↓	↑	↑	↑	↑	↑	↑	
Total	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	

< Environmental Systems >

Product	FY2016					Full Year	FY2017				Full Year
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q		
Standard unit	↑	↑	↓	↑	↑	↑	↑	↑	↓	↑	
Large systems	↑	↑	↑	↓	↑	↓	↓	↓	↓	↓	
Maintenance & supplies	↑	↑	↑	↑	↑	↑	→	↑	↑	↑	
Difference	↓	↓	↓	↓	↓	↑	↑	↑	↑	↑	
Total	↓	↑	↑	↓	↓	↑	↓	↓	↑	↑	

< Clean Systems >

Product	FY2016					Full Year	FY2017				Full Year
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q		
Cleaning equipment	↓	↓	↑	→	↓	↑	↑	↓	↓	↓	
Maintenance & supplies	↓	↓	↓	↑	↓	↓	↓	→	↓	↓	
Difference	↑	↓	↓	↓	↓	↑	↓	↓	↓	↓	
Total	↑	↓	↓	↓	↓	↑	↓	↓	↓	↓	

AMANO