

Second Quarter Report for FY 2018

(Fiscal Year ending March 2019)

Details of Business Results

AMANO CORPORATION (Ticker: 6436)

October 31, 2018

Contact : Corporate Planning Unit,
Corporate Planning Division

TEL : +81(0)45-439-1591

Web site : <http://www.amano.co.jp/English/>

- FY 2018: Second Quarter Report P.3
- The 7th Medium-term Business Plan P.19
The 2nd Stage Towards a 100-year Company
- Business Forecast for FY2018 P.25

The prospect of operating performance or forecast compiled by Amano is based on the current information available, and it includes potential risks or uncertainties. Please note that actual operating performance may change substantially from what is described here as a result of various changing factors.

FY 2018: Second Quarter Report

(Fiscal Year ending March 2019)

FY 2018: 1st Half Accumulated Results (FY end March 2019)

◆ Consolidated

(In million yen)

	Disclosed plan			1st Half ended September 30, 2018		1st Half ended September 30, 2017		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	61,000	100.0	5.2	61,008	100.0	57,962	100.0	3,046	5.3	8	100.0
Gross profit	27,000	44.3	4.9	27,036	44.3	25,726	44.4	1,309	5.1	36	100.1
SG&A	21,100	34.6	5.0	21,533	35.3	20,098	34.7	1,434	7.1	433	102.1
Operating profit	5,900	9.7	4.8	5,502	9.0	5,628	9.7	(125)	(2.2)	(397)	93.3
Non-operating income	310	0.5	(24.1)	470	0.8	408	0.7	61	15.1	160	151.6
Non-operating expense	10	0.0	(81.6)	48	0.1	54	0.1	(5)	(10.7)	38	485.4
Ordinary profit	6,200	10.2	3.6	5,924	9.7	5,982	10.3	(57)	(1.0)	(275)	95.6
Extraordinary profit	0			8		253		(245)		8	
Extraordinary loss	1,040			10		5		5		(1,029)	
Net income attributable to owners of the parent company	3,300	5.4	(19.0)	3,828	6.3	4,071	7.0	(243)	(6.0)	528	116.0

*FX Rates:(Quarterly Average) US\$ 105.00 US\$ 108.52 US\$ 112.12
EUR 130.00 EUR 130.66 EUR 122.18

◆ ACJ * ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			1st Half ended September 30, 2018		1st Half ended September 30, 2017		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	33,400	100.0	1.4	33,885	100.0	32,930	100.0	954	2.9	485	101.5
Gross profit	14,400	43.1	2.0	14,317	42.3	14,113	42.9	204	1.4	(82)	99.4
SG&A	10,700	32.0	3.8	10,487	31.0	10,312	31.3	174	1.7	(212)	98.0
Operating profit	3,700	11.1	(2.6)	3,830	11.3	3,800	11.5	29	0.8	130	103.5
Non-operating income	1,110	3.3	(9.1)	1,362	4.0	1,220	3.7	141	11.6	252	122.7
Non-operating expense	10	0.0	(57.9)	26	0.1	23	0.1	2	12.1	16	266.3
Ordinary profit	4,800	14.4	(4.0)	5,165	15.2	4,997	15.2	167	3.4	365	107.6
Extraordinary profit	0			—		250		(250)		0	
Extraordinary loss	1,040			2		0		1		(1,037)	
Net income	2,600	7.8	(30.5)	3,699	10.9	3,741	11.4	(42)	(1.1)	1,099	142.3

◆ Consolidated performance (Year-on-year)

1 Sales: Up ¥ 3,046 mil (Up 5.3 %)

- Time Information Segment: Up 2,720 Mil (Up 6.5 %)
- Incl: Information Systems: Up 980 Mil (Up 8.1 %)
- Incl: Parking Systems: Up 1,800 Mil (Up 6.5 %)
- Environmental Segment: Up 320 Mil (Up 2.0 %)
- Incl: Environmental Systems: Up 250 Mil (Up 2.5 %)
- Incl: Clean Systems: Up 70 Mil (Up 1.2 %)

2 Gross Profit: Up ¥ 1,309 mil (Up 5.1 %)

Gross Profit Ratio: 44.3 % Dn 0.1 %

- Time Information Segment : Dn 0.4 %
- Environmental Segment : Up 0.7 %

3 SG&A: Up ¥ 1,434 mil (Up 7.1 %)

- Labor Cost Up 790 Mil (Up 6.3 %)
- Other Costs Up 640 Mil (Up 8.6 %)

4 Operating Profit Dn ¥ 125 mil (Dn 2.2 %)

- Time Information Segment: ¥ 5,130 Mil (Up 20 Mil)
- Environmental Segment: ¥ 2,360 Mil (Up 20 Mil)
- Company-wide Expense: ¥ -1,990 Mil (Dn 170 Mil)

- Operating profit Ratio 9.0% (FY2017: 11.5%, Half ended Sep.30,2017: 9.7%)
- ROE — (FY2017: 9.8%)
- Consolidated Sales / Parent Sales Ratio 1.8 times (FY2017: 1.73 times, Half ended Sep.30,2017: 1.76 times)

FY 2018: 1st Half Accumulated Results (FY end March 2019) Sales by business division

AMANO

◆ Consolidated

(In million yen)

Business division	Disclosed plan			1st Half ended September 30,		1st Half ended September 30,		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	13,100	21.5	6.8	13,251	21.7	12,261	21.2	989	8.1	151	101.2
Time Management Products	1,500	2.5	(15.4)	1,696	2.8	1,773	3.1	(77)	(4.3)	196	113.1
Parking Systems	30,200	49.5	8.0	29,765	48.8	27,955	48.2	1,809	6.5	(434)	98.6
Total: Time Information Segment	44,800	73.5	6.7	44,712	73.3	41,989	72.5	2,722	6.5	(87)	99.8
Environmental Systems	10,500	17.2	2.8	10,466	17.1	10,212	17.6	253	2.5	(33)	99.7
Clean Systems	5,700	9.3	(1.0)	5,829	9.6	5,759	9.9	70	1.2	129	102.3
Total: Environmental Segment	16,200	26.5	1.4	16,296	26.7	15,972	27.5	324	2.0	96	100.6
Grand total	61,000	100.0	5.2	61,008	100.0	57,962	100.0	3,046	5.3	8	100.0

◆ ACJ

(In million yen)

Business division	Disclosed plan			1st Half ended September 30,		1st Half ended September 30,		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	7,000	21.0	4.2	7,350	21.7	6,719	20.4	631	9.4	350	105.0
Time Management Products	1,300	3.9	(6.5)	1,415	4.2	1,389	4.2	25	1.9	115	108.9
Parking Systems	13,700	41.0	(0.3)	14,013	41.3	13,745	41.8	268	2.0	313	102.3
Total: Time Information Segment	22,000	65.9	0.7	22,780	67.2	21,854	66.4	925	4.2	780	103.5
Environmental Systems	9,200	27.5	3.7	8,873	26.2	8,871	26.9	2	0.0	(326)	96.5
Clean Systems	2,200	6.6	(0.2)	2,231	6.6	2,205	6.7	26	1.2	31	101.4
Total: Environmental Segment	11,400	34.1	2.9	11,105	32.8	11,076	33.6	28	0.3	(294)	97.4
Grand total	33,400	100.0	1.4	33,885	100.0	32,930	100.0	954	2.9	485	101.5

FY 2018: Consolidated performance by quarter(FY end March 2019) **AMANO**

◆ Quarterly Financials

(In million yen)

	1st quarter		2nd quarter		1st half	
	Amount	%	Amount	%	Amount	%
Net sales	28,180	100.0	32,828	100.0	61,008	100.0
Gross profit	12,341	43.8	14,695	44.8	27,036	44.3
SG&A	10,950	38.9	10,582	32.2	21,533	35.3
Operating profit	1,390	4.9	4,112	12.5	5,502	9.0
Non-operating income	226	0.8	243	0.7	470	0.8
Non-operating expense	30	0.1	17	0.1	48	0.1
Ordinary profit	1,586	5.6	4,338	13.2	5,924	9.7
Extraordinary profit	2		5		8	
Extraordinary loss	4		6		10	
Net income attributable to owners of the parent company	765	2.7	3,062	9.3	3,828	6.3

* FX Rates : (Quarterly Average)

US\$ 107.50
EUR 132.33

US\$ 109.53
EUR 128.98

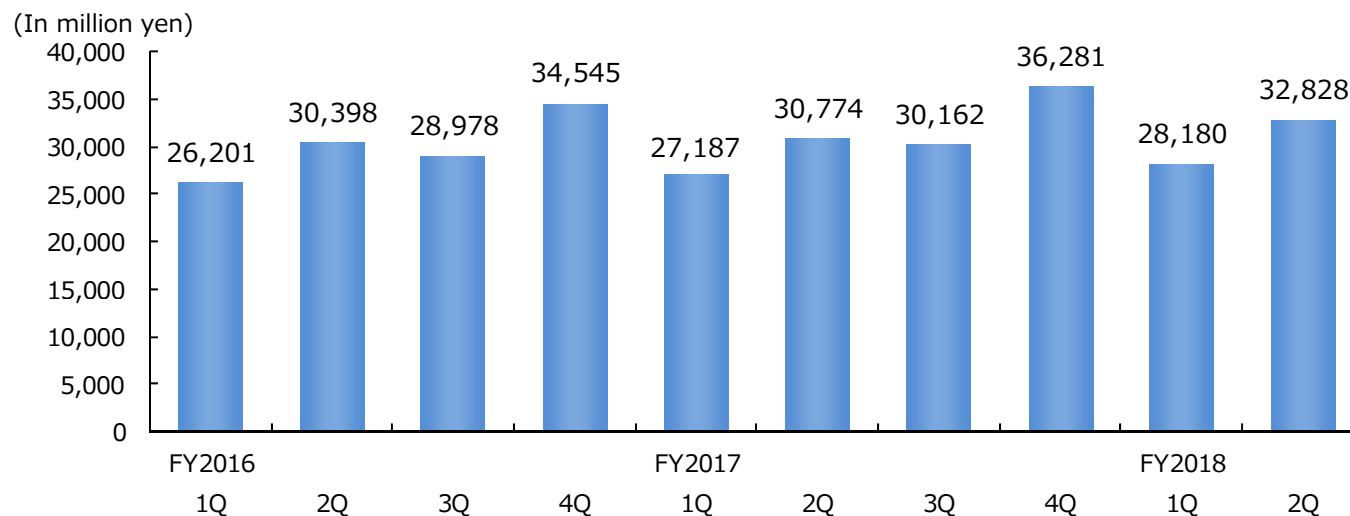
US\$ 108.52
EUR 130.66

◆ Quarterly Sales

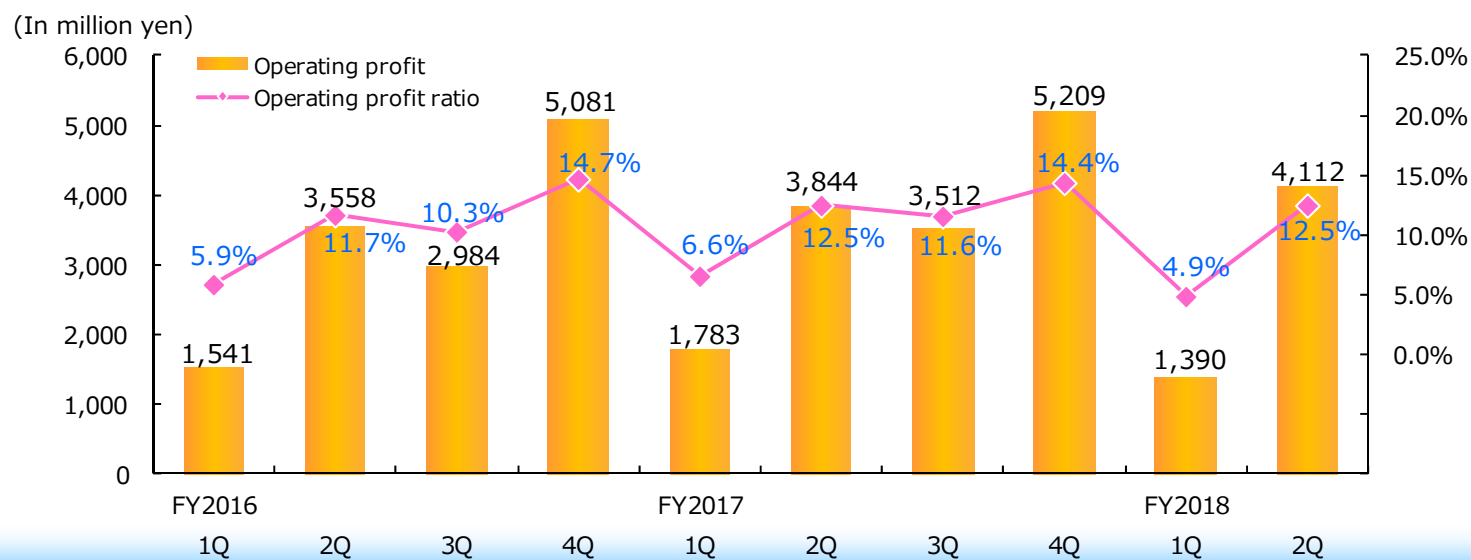
(In million yen)

Business division	1st quarter		2nd quarter		1st half	
	Amount	%	Amount	%	Amount	%
Information Systems	6,097	21.6	7,153	21.8	13,251	21.7
Time Management Products	822	2.9	873	2.7	1,696	2.8
Parking Systems	13,931	49.5	15,833	48.2	29,765	48.8
Total: Time Information Segment	20,851	74.0	23,860	72.7	44,712	73.3
Environmental Systems	4,707	16.7	5,759	17.5	10,466	17.1
Clean Systems	2,620	9.3	3,208	9.8	5,829	9.6
Total: Environmental Segment	7,328	26.0	8,968	27.3	16,296	26.7
Grand total	28,180	100.0	32,828	100.0	61,008	100.0

■ Sales



■ Operating Profit



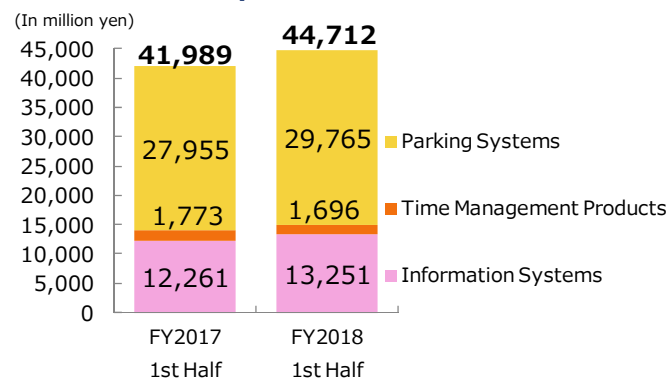
Sales & Operating Profit by Business Segment

(In million yen)

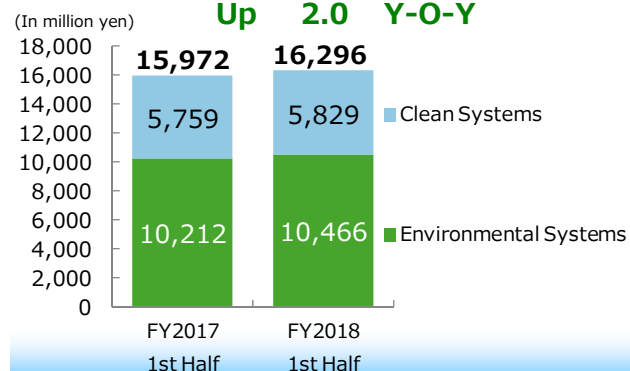
	FY2018 1Q			FY2018 2Q			1st Half ended September 30, 2018			1st Half ended September 30, 2017			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
Time Information Segment	20,851	1,545	7.4	23,860	3,592	15.1	44,712	5,137	11.5	41,989	5,115	12.2	2,722	6.5	22	0.4
Environmental Segment	7,328	861	11.8	8,968	1,502	16.8	16,296	2,364	14.5	15,972	2,334	14.6	324	2.0	29	1.3
Company-wide Expenses		(1,016)			(982)			(1,999)			(1,822)				(177)	
Total	28,180	1,390	4.9	32,828	4,112	12.5	61,008	5,502	9.0	57,962	5,628	9.7	3,046	5.3	(125)	(2.2)

< Sales >

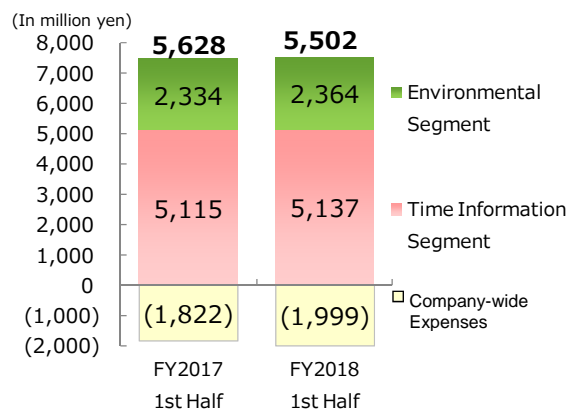
● Time Information Segment Up 6.5 Y-O-Y



● Environmental Segment Up 2.0 Y-O-Y



< Operating profit >



- Time Information Segment UP 0.4 %
- Environmental Segment UP 1.3 %

[References]

Increase / decrease in gross profit margin

① FY2017 2Q / FY2018 2Q

	Consolidated	ACJ
Information Systems	↓	↓
Time Management Products	↑	↑
Parking Systems	↓	↓
Environmental Systems	↑	→
Clean Systems	↓	↑

② FY2017 / FY2018 2Q

	Consolidated	ACJ
Information Systems	↓	↓
Time Management Products	↑	↑
Parking Systems	↓	↓
Environmental Systems	↑	→
Clean Systems	↑	↑

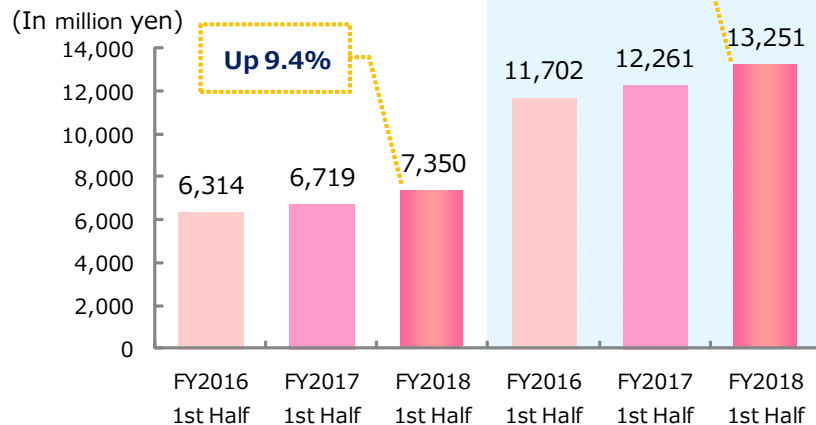
Performance by Business Division

※ Increased Domestic & Overseas Sales

<Sales (Y-O-Y)>

— ACJ —

— Consolidated —



Domestic

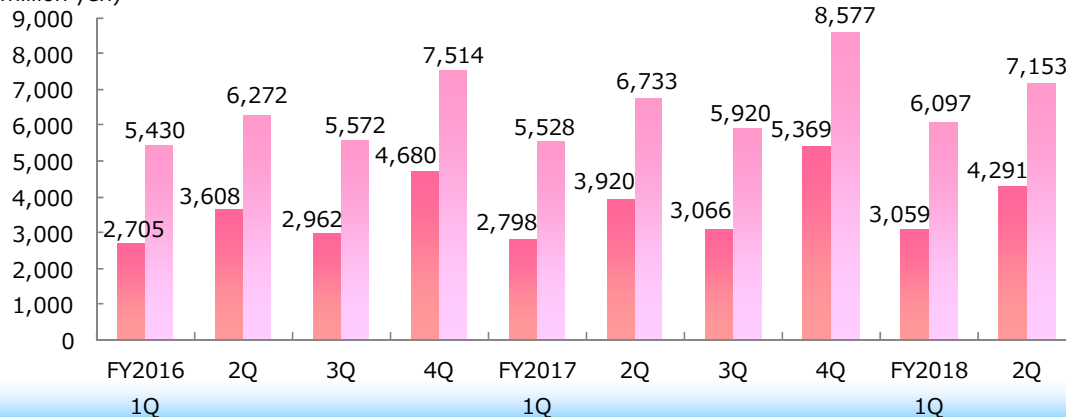
- Strong Orders for Software and Cloud Services
- Favorable T&A Terminal Sales
- Firm Orders from the Public sector

Overseas

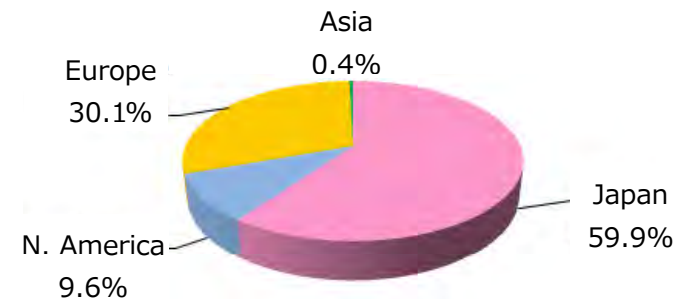
- N. America:
Accu-Time Systems Inc.; Sales declined
- Europe:
Sales Grew at Horoquartz, S.A.

<Quarterly Sales (FY2016.1Q~FY2018.2Q)>

(In million yen)



< Sales by Region >



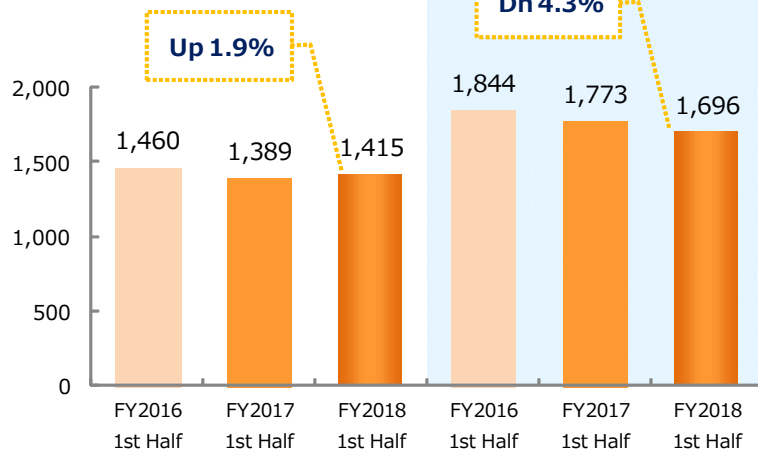
※ Increased Domestic Sales, Lower Overseas Sales

<Sales (Y-O-Y)>

— ACJ —

— Consolidated —

(In million yen)



Domestic

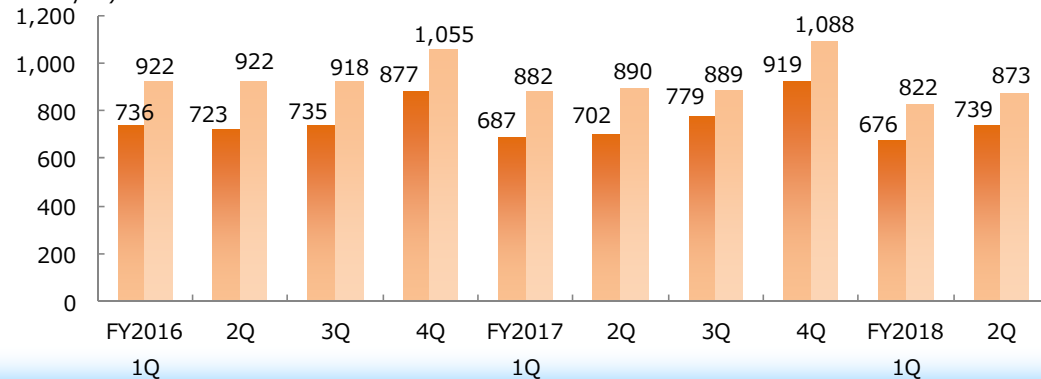
- Higher Sales for TimeP@ck Series
- Exports Increased

Overseas

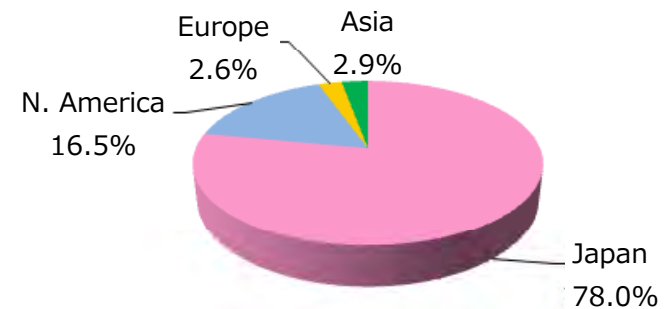
- European Sales Flat
- Lower Sales in N. America & Asia

<Quarterly Sales (FY2016.1Q~FY2018.2Q) >

(In million yen)



< Sales by Region >



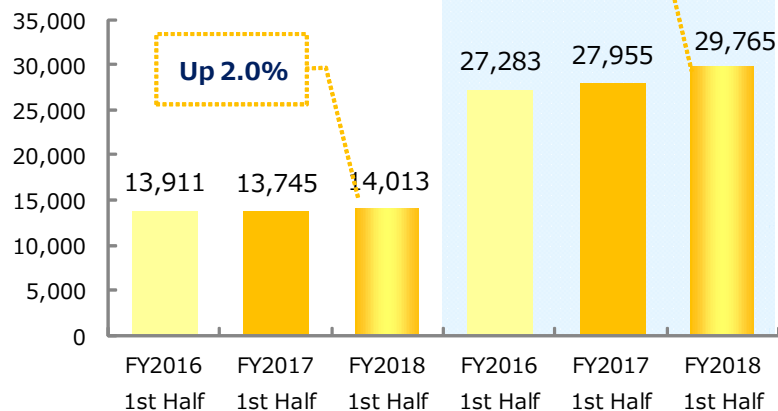
※ Increased Domestic & Overseas Sales

<Sales (Y-O-Y)>

— ACJ —

— Consolidated —

(In million yen)



Domestic

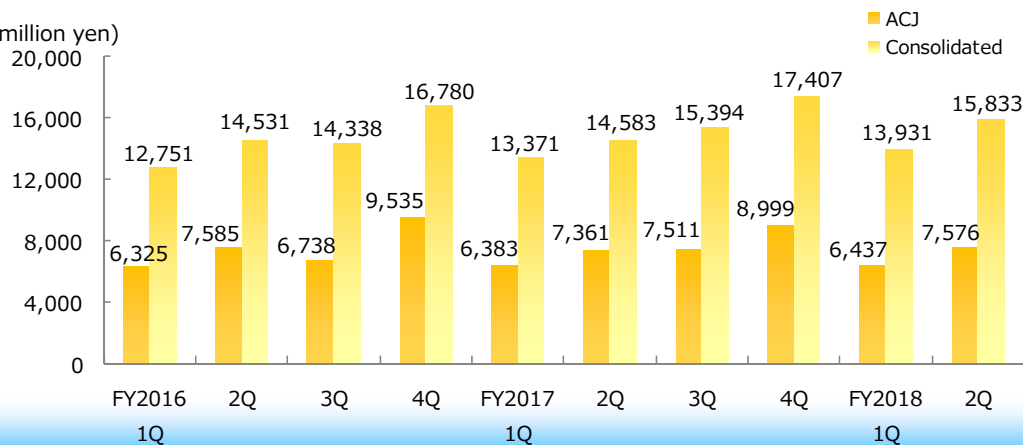
Overseas

- Growing Orders for Parking System Renewal Projects
- Firm Orders from Management Service Projects
- Sales for Bicycle Parking Systems and Security Gate Systems declined
- Firm commissioned management service business

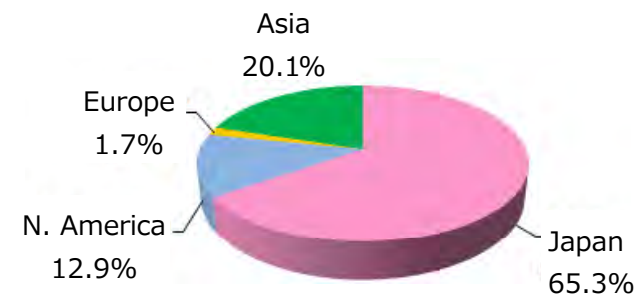
- N. America; Sales Declined at Amano McGann Inc.
- Management Service Business Sales Higher in Korea

<Quarterly Sales (FY2016.1Q~FY2018.2Q)>

(In million yen)



< Sales by Region >



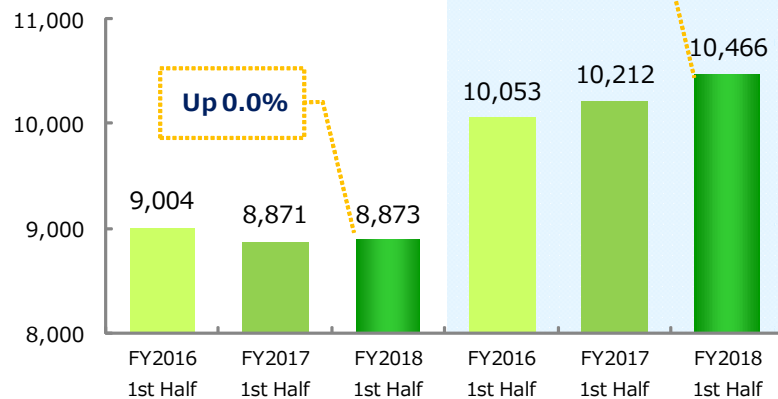
※ Lower Domestic Sales, Higher Overseas Sales

<Sales (Y-O-Y)>

— ACJ —

— Consolidated —

(In million yen)



Domestic

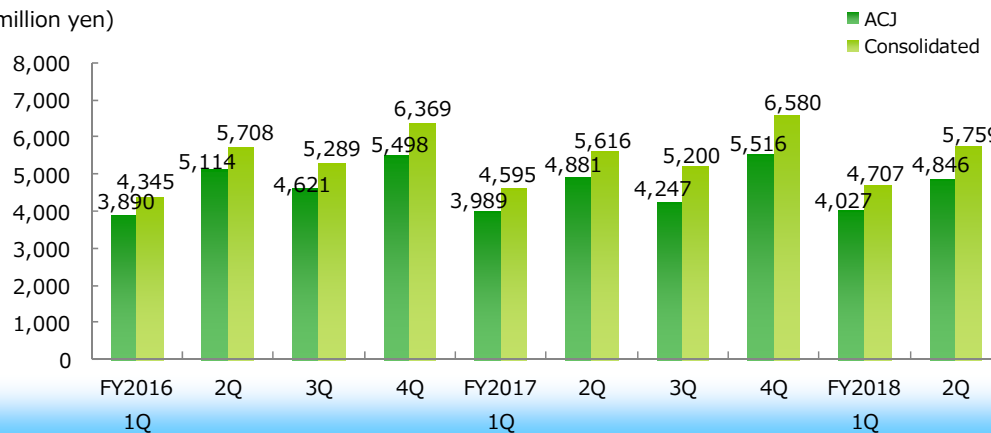
- Strong Sales for Standard Dust Collectors
- Large-scale System Sales Declined

Overseas

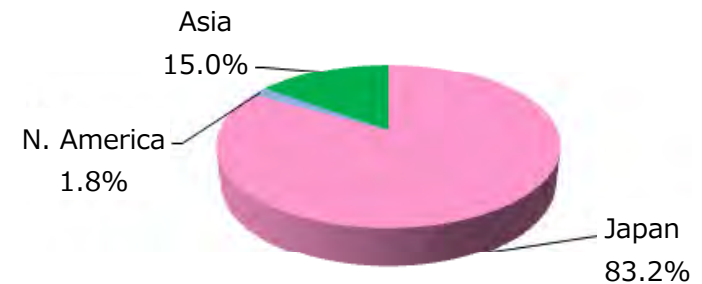
- Asian Sales Higher (driven by the Philippines, Thailand and China)
- Mexican Sales Declined

<Quarterly Sales (FY2016.1Q~FY2018.2Q)>

(In million yen)



< Sales by Region >



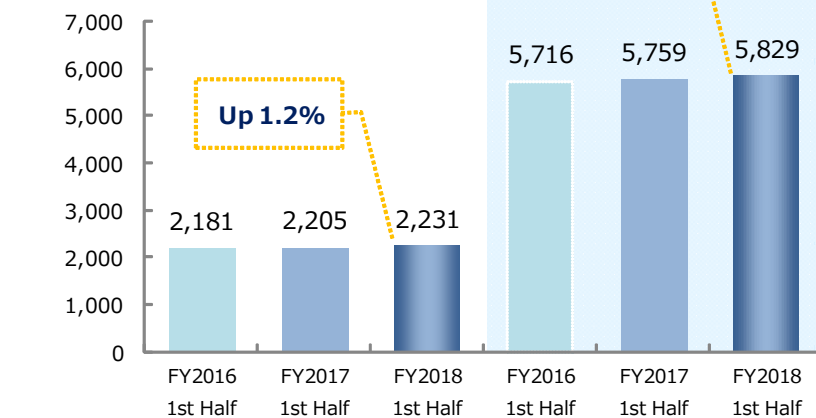
※ Domestic & Overseas Sales Increased

<Sales (Y-O-Y)>

— ACJ —

— Consolidated —

(In million yen)



Domestic



- Strong Sales for "EG series" Scrubbers
- Strong Orders for New Cordless Polisher
- Increased Carpet Cleaner Sales
- Continued Efforts to Develop Market for Robotic Cleaners

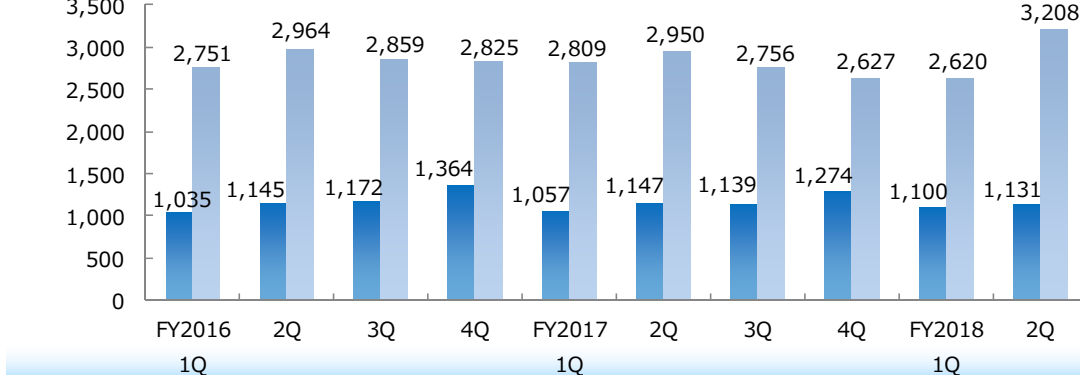
Overseas



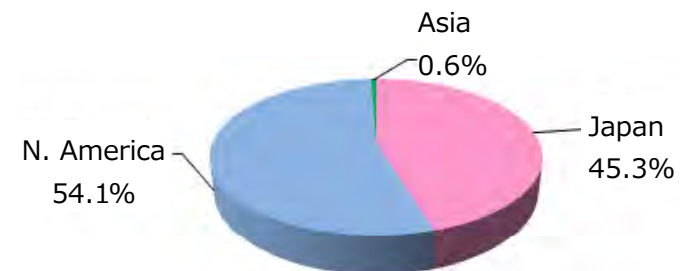
- N. America; Wood Floor Sanding Business remains Firm
- Sales for Cleaning Equipment&Chemicals Declined

<Quarterly Sales (FY2016.1Q~FY2018.2Q) >

(In million yen)



< Sales by Region >



Geographic Segment Information

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

(In million yen)

	FY2018 1Q (Jan - Mar, 2018)			FY2018 2Q (Apr - Jun, 2018)			FY2018 1st Half			FY2017 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
North America	3,748	(564)	(15.1)	5,050	(121)	(2.4)	8,798	(685)	(7.8)	9,183	(111)	(1.2)	(385)	(4.2)	(573)	—
Europe	2,439	212	8.7	2,170	101	4.8	4,609	313	6.8	3,961	247	6.2	647	16.4	65	26.6
Asia	3,752	385	10.3	4,007	297	7.4	7,759	682	8.8	6,107	441	7.2	1,651	27.0	241	54.6
Overseas group companies	9,941	33	0.3	11,225	277	2.5	21,166	310	1.5	19,253	577	3.0	1,913	9.9	(266)	(46.3)

*Exchange rate: US\$ 107.50 US\$ 109.53 US\$ 108.52 US\$ 112.12
 EUR 132.33 EUR 128.98 EUR 130.66 EUR 122.18

*Goodwill: N.America 43 Mil N.America 59 Mil N.America 103 Mil N.America 166 Mil
 Amortization: Europe 81 Mil Europe 79 Mil Europe 160 Mil Europe 150 Mil

	FY2018 1Q (Apr - Jun, 2018)			FY2018 2Q (Jul - Sep, 2018)			FY2018 1st Half			FY2017 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
Domestic Group companies	5,347	594	11.1	5,384	769	14.3	10,732	1,363	12.7	10,618	1,216	11.5	113	1.1	146	12.1

Consolidated Balance Sheet

AMANO

CONSOLIDATED B/S	(In million yen)		
	FY2018 2Q 18.9.30	FY2017 18.3.31	Change
Assets	144,388	145,439	(1,051)
Cash & Bank Deposits	43,341	44,525	(1,183)
Notes and accounts receivable - trade	30,205	33,632	(3,427)
Inventories	10,841	9,729	1,111
Othe Current Assets	5,067	4,177	889
Fixed Assets	54,933	53,374	1,558
Liabilities	37,964	39,805	(1,840)
Notes and accounts payable - trade	12,355	13,488	(1,133)
Other Current Liabilities	20,294	20,881	(587)
Other Fixed Liabilities	5,314	5,434	(120)
Net Assets	106,423	105,634	789
Shareholder's Equity	108,093	106,780	1,312
Valuation & Conversion Adjustments	(2,191)	(1,689)	(502)
Non-Controlling shareholder's interests	522	543	(21)
Total Liabilities & Net Assets	144,388	145,439	(1,051)

Consolidated Statements of Cash Flows

Consolidated Cash Flows (CF)	(In million yen)		
	FY2018 1st Half 18.9.30	FY2017 1st Half 17.9.30	Change
CF from Operating Activities	6,755	7,549	(793)
CF from Investing Activities	(4,801)	(3,018)	(1,783)
FCF	1,953	4,530	(2,577)
CF from Financial Activities	(2,814)	(3,107)	293
Net Increase (decrease) in Cash & Equivalents	(1,353)	1,187	(2,540)
Cash & Cash Equivalents at End of Year	38,878	36,457	2,420
CAPEX (tangible fixed asset)	1,168	1,312	(144)
CAPEX (intangible asset)	316	311	5
Depreciation	1,842	1,736	106
Depreciation (Software for sale)	960	619	341

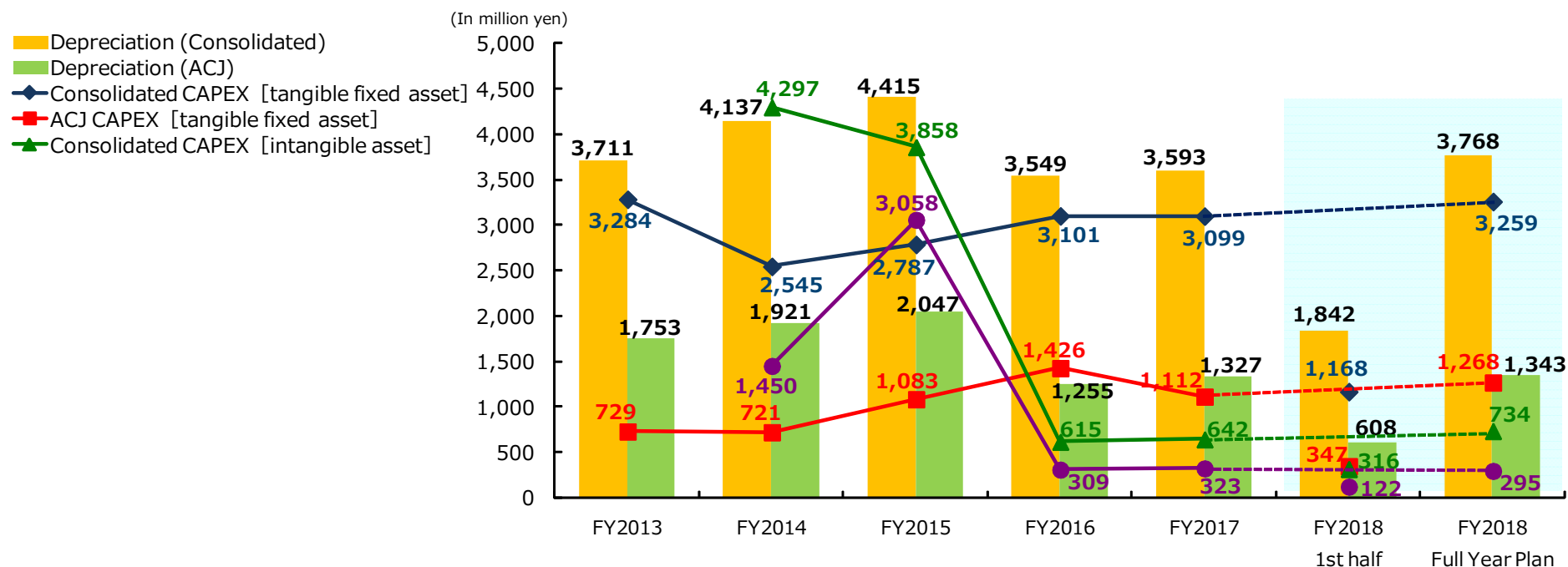
※Note: The CAPEX and Depreciation does not include M&As.

CAPEX & Depreciation

(in million yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 1st half	FY2018 Full Year Plan
Consolidated CAPEX [tangible fixed asset]	3,284	2,545	2,787	3,101	3,099	1,168	3,259
[intangible asset]	—	4,297	3,858	615	642	316	734
Total	—	6,842	6,645	3,717	3,742	1,484	3,994
ACJ CAPEX [tangible fixed asset]	729	721	1,083	1,426	1,112	347	1,268
[intangible asset]	—	1,450	3,058	309	323	122	295
Total	—	2,171	4,142	1,736	1,435	470	1,564
Depreciation (Consolidated)	3,711	4,137	4,415	3,549	3,593	1,842	3,768
Depreciation (ACJ)	1,753	1,921	2,047	1,255	1,327	608	1,343

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



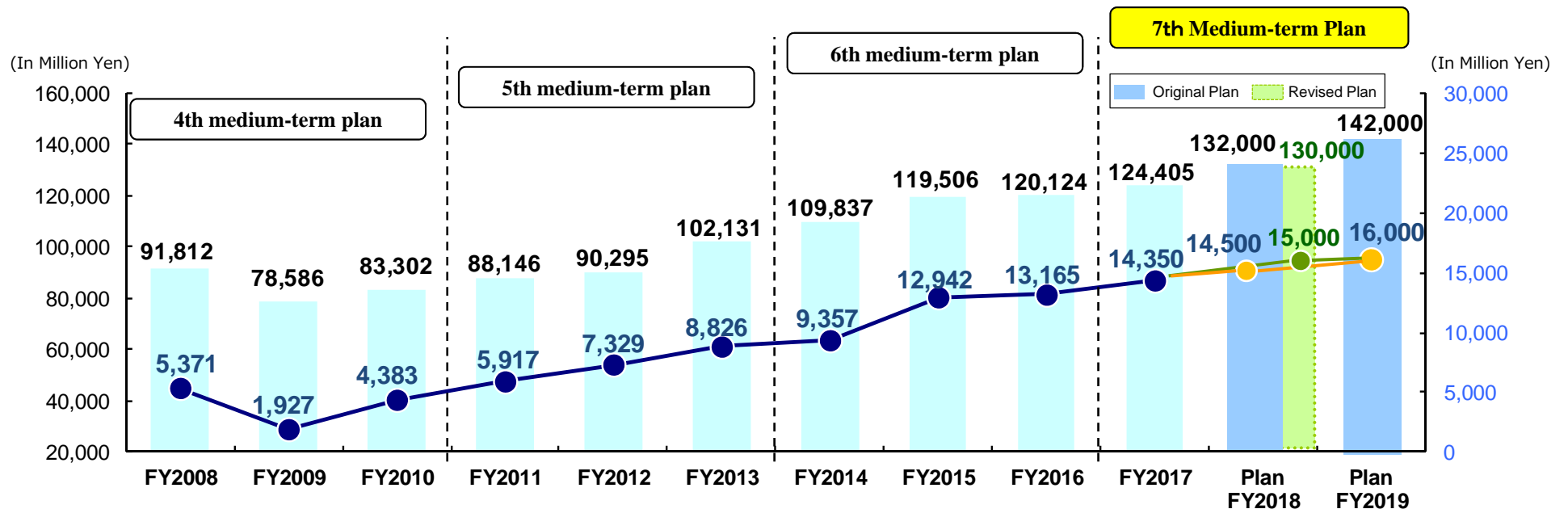
The 7th Medium-Term Business Plan (FY2017-FY2019)

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

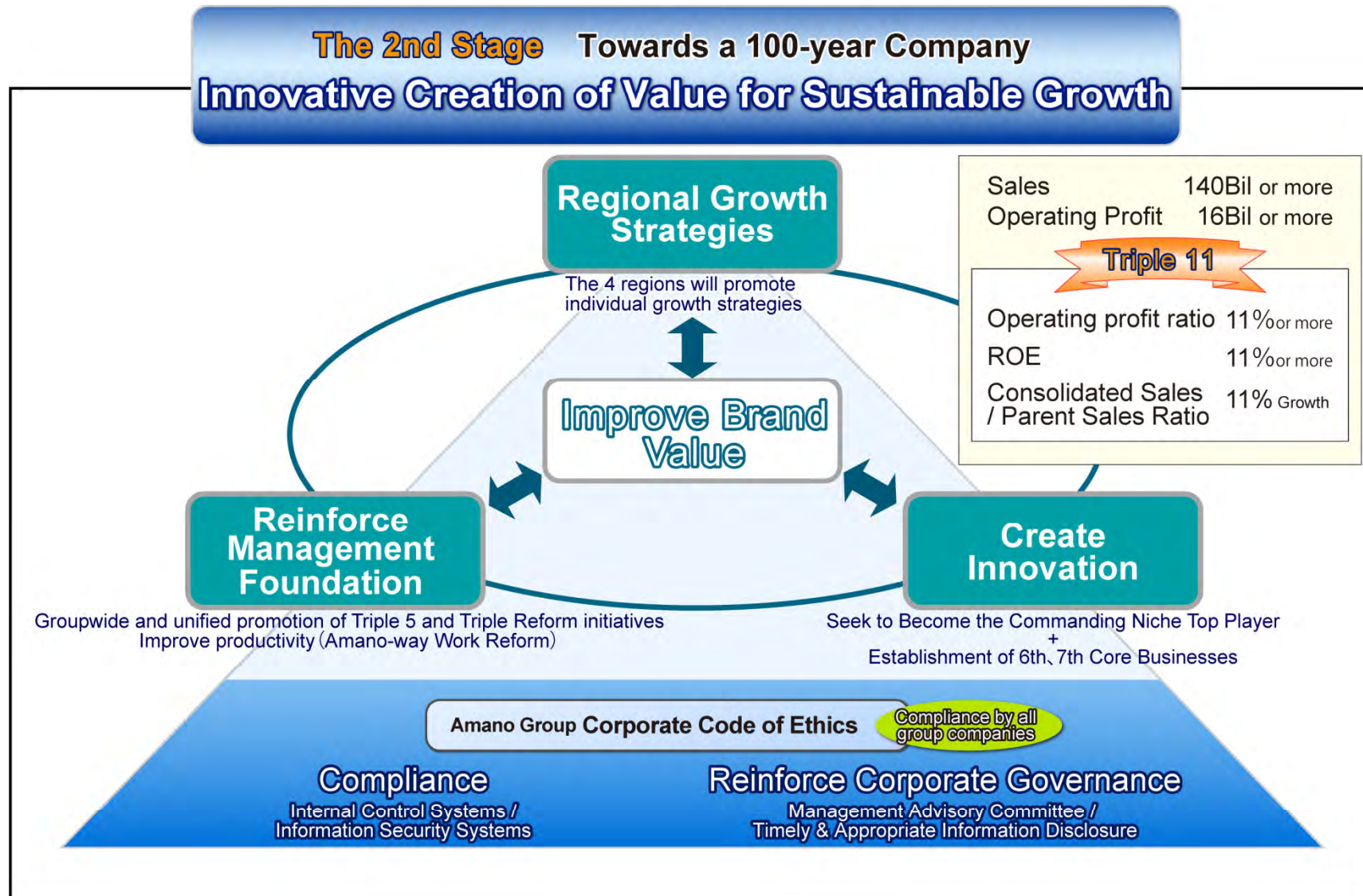
~Innovative Creation of Value for Sustainable Growth~

Roadmap of the Medium-term Business Plan

FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
4th medium-term plan Global Growth Strategy			5th medium-term plan To become a 100-year Company			6th medium-term plan Challenge to a New Stage			7th Medium-term Plan 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		



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



Regional Growth Strategies

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

FY2019

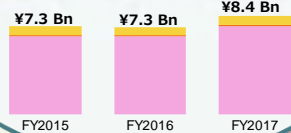
Sales: ¥ 140 Billion or more

*After Internal Eliminations

Operating Profit: ¥ 16 Billion or more

Europe

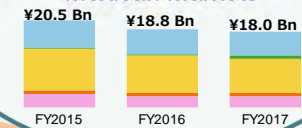
Expand Business Foundation
based on Information Systems
+
Parking Management Services



North America

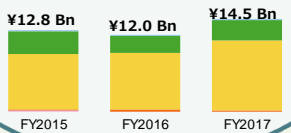
New Businesses & Products
/ Restructured Services

+
Domination of Canadian and
Mexican Markets



Asia

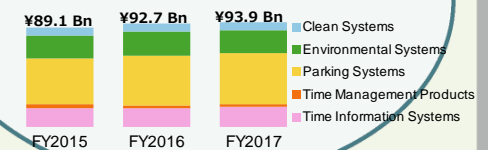
Establish a Core Entity
in the ASEAN Region
+
Parking Management Services
in China & Taiwan



Japan

(ACI + Domestic Group)

Expand Niche Top Areas
of Existing Businesses
+
Establish the 6th Core Business



Numerical Targets for FY2017-FY2019

<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

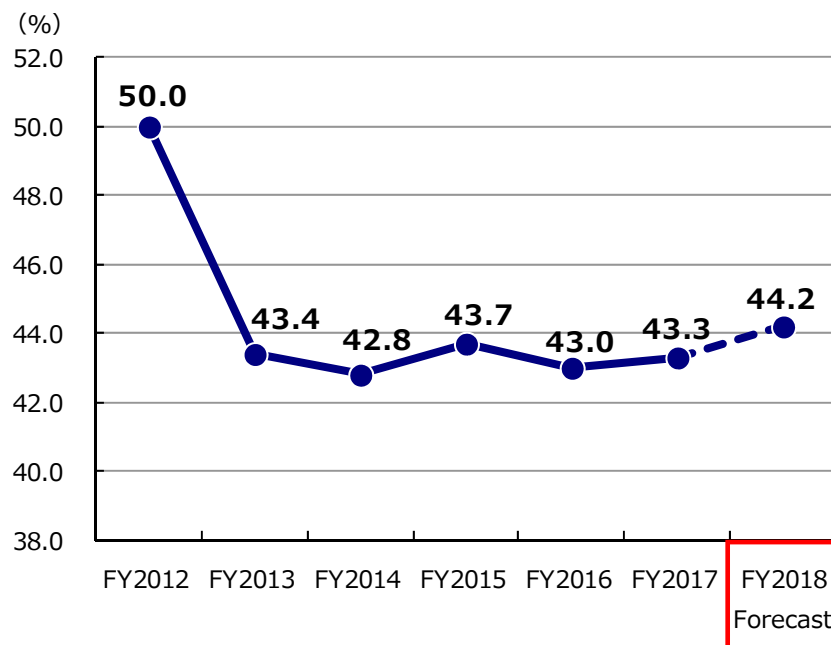
US\$ 105.00
EUR 130.00

US\$ 105.00
EUR 114.00

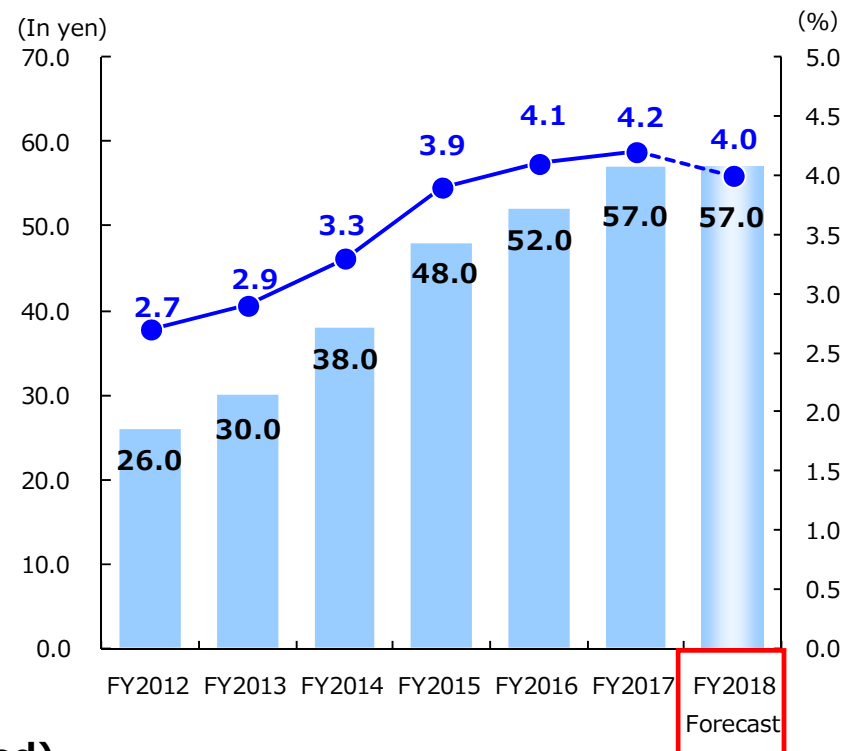
◎ Dividend Policy Stable dividends + performance incentives

- 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 >



★ The acquisition of treasury stock (planned)

- Acquisition period : From October 2018 to March 2019
- Total number of acquired stocks : 1 Mil (Upper limit)
- Total amount of acquired stocks : 25 Bil (Upper limit)

Business Forecast for FY2018

(Fiscal Year ending March 2019)

Business Forecast for the Full FY2018

◆ 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

Sales Forecast for the Full FY2018 by Business Division

◆ Consolidated

*The plan for the 2nd Half is shown as "Full Year Plan minus 1st Half Results" (In million yen)

Business division	Plan Year ending March 31, 2019				Result 1st Half		Plan 2nd Half		Year ending March 31, 2018	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	29,000	22.3	2,240	8.4	13,251	21.7	15,749	22.8	26,759	21.5
Time Management Products	3,500	2.7	(251)	(6.7)	1,696	2.8	1,804	2.6	3,751	3.0
Parking Systems	63,500	48.8	2,742	4.5	29,765	48.8	33,735	48.9	60,757	48.8
Total: Time Information Segment	96,000	73.8	4,731	5.2	44,712	73.3	51,288	74.3	91,268	73.4
Environmental Systems	22,800	17.5	806	3.7	10,466	17.1	12,334	17.9	21,993	17.7
Clean Systems	11,200	8.6	56	0.5	5,829	9.6	5,371	7.8	11,143	9.0
Total: Environmental Segment	34,000	26.2	863	2.6	16,296	26.7	17,704	25.7	33,136	26.6
Grand total	130,000	100.0	5,594	4.5	61,008	100.0	68,992	100.0	124,405	100.0

◆ ACJ

(In million yen)

Business division	Plan Year ending March 31, 2019				Result 1st Half		Plan 2nd Half		Year ending March 31, 2018	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	16,000	21.6	844	5.6	7,350	21.7	8,650	21.6	15,155	21.1
Time Management Products	3,000	4.1	(89)	(2.9)	1,415	4.2	1,585	4.0	3,089	4.3
Parking Systems	30,800	41.6	544	1.8	14,013	41.3	16,787	41.8	30,255	42.2
Total: Time Information Segment	49,800	67.3	1,299	2.7	22,780	67.2	27,020	67.4	48,500	67.6
Environmental Systems	19,500	26.4	864	4.6	8,873	26.2	10,627	26.4	18,635	26.0
Clean Systems	4,700	6.4	81	1.8	2,231	6.6	2,469	6.2	4,618	6.4
Total: Environmental Segment	24,200	32.7	945	4.1	11,105	32.8	13,095	32.6	23,254	32.4
Grand total	74,000	100.0	2,245	3.1	33,885	100.0	40,115	100.0	71,754	100.0

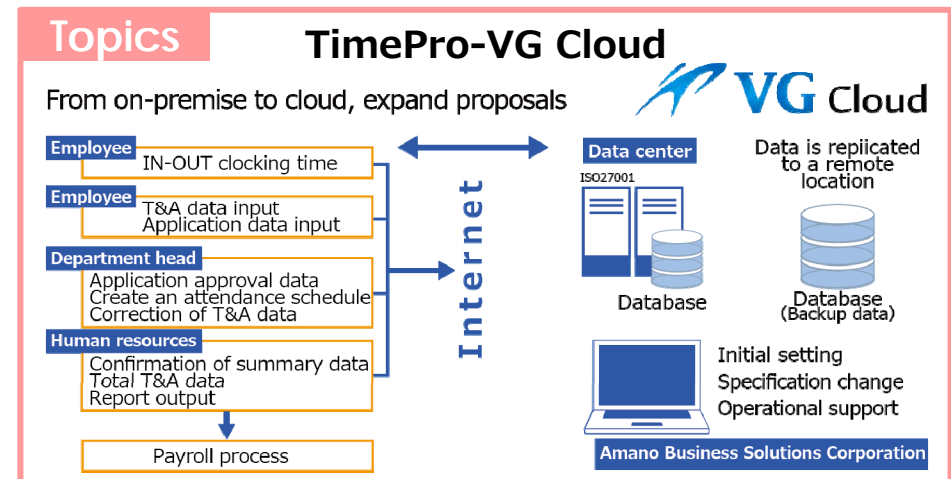
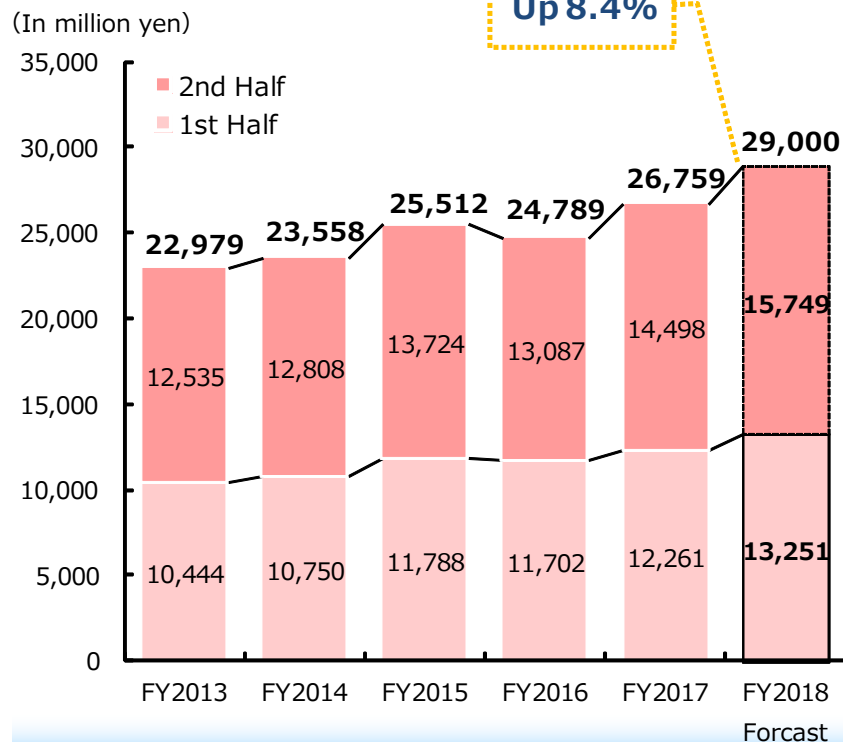
The 7th
Medium-term Business Plan
Brand Strategy by Business

HR Solution Vendor



- 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 Slutions (VG Cloud)
- Strengthen Terminal Business

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



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

HR Solution Vendor



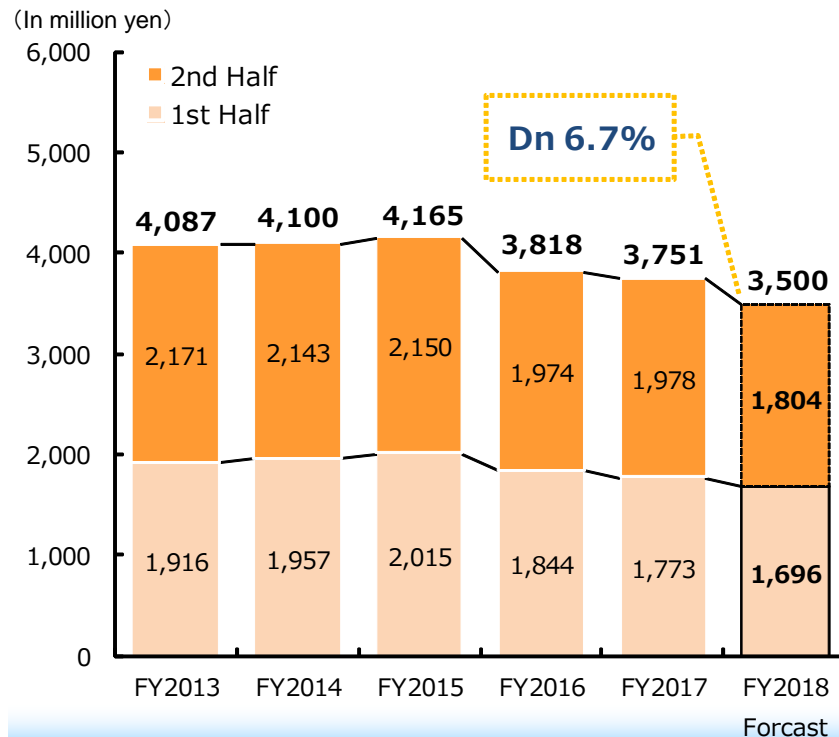
Domestic

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



Overseas

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



Topics

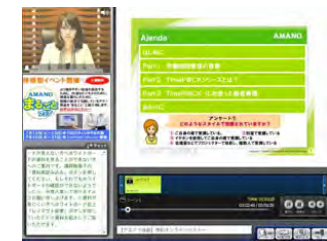
The TimeP@CK Series

Easy, even for first-time users Popular online tutorials



TimeP@CK-iCIV

TimeP@CK III 10



The popular online tutorial

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

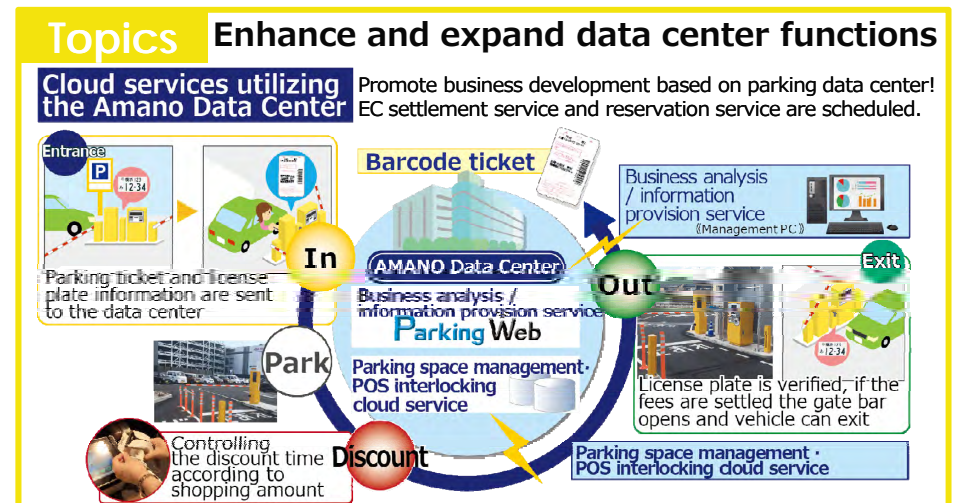
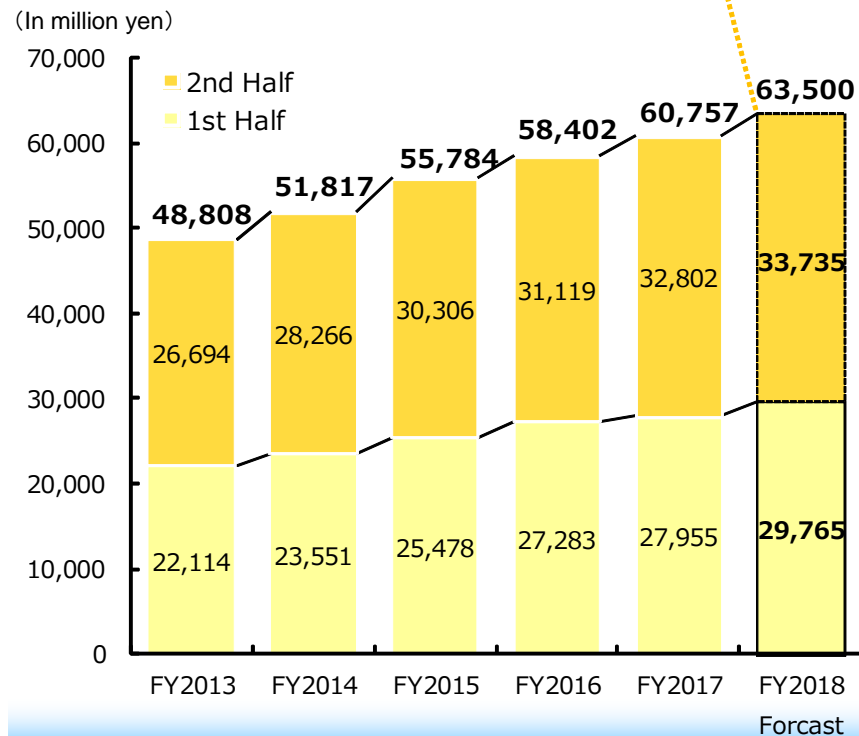
Parking Total Solution Vendor



- 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



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

M2M Partial Solution Vendor



Domestic

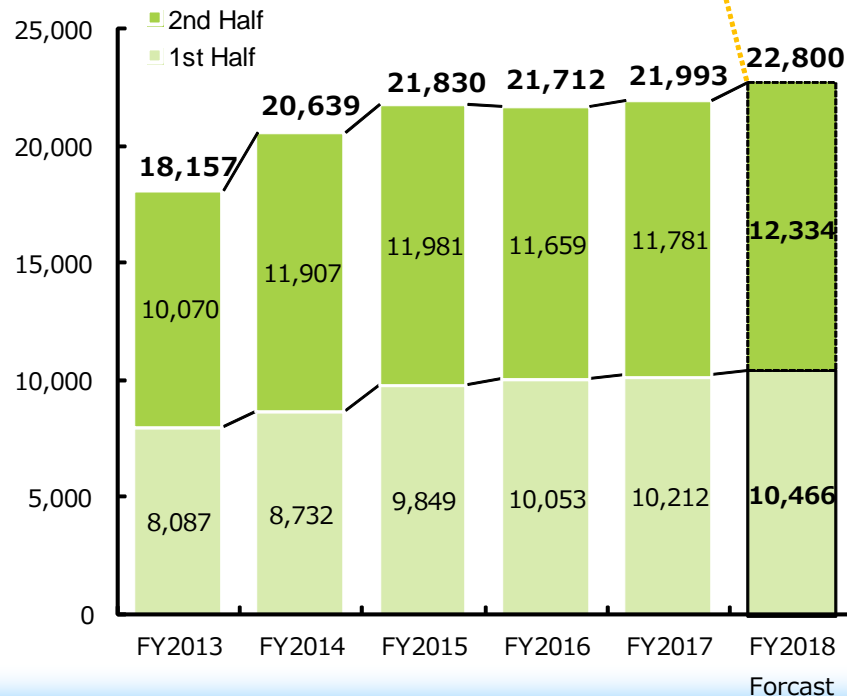
- Capture the demand for standard dust collectors
- Increase global project orders initiated domestically
- Expand holistic sales by including peripheral devices
Powder Conveying & Deodorizing Equipment
- Mining the pharmaceutical, foods, and cosmetics markets



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

(In million yen)



Topics

Strengthen sales and engineering capabilities

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

NEW! Large dust collector "PiF Series"

- Space saving & Large area filter
- Inverter as standard equipment
- Automatic air volume control

NEW! Dust explosion pressure diffusion type medium size dust collectors "PiF D series"

- Explosion dissipating port & Check valve
- Space saving & Large area filter
- Inverter as standard equipment
- Automatic air volume control

Kst value 300 compliant

Vietnam Representative Office opened! Sep. 2018

THE REPRESENTATIVE OFFICE OF AMANO THAI INTERNATIONAL CO.,LTD. IN HO CHI MINH CITY

We will work closely with local customers to provide detailed sales and services, and continue to work on solving issues of further Japanese overseas affiliated companies.

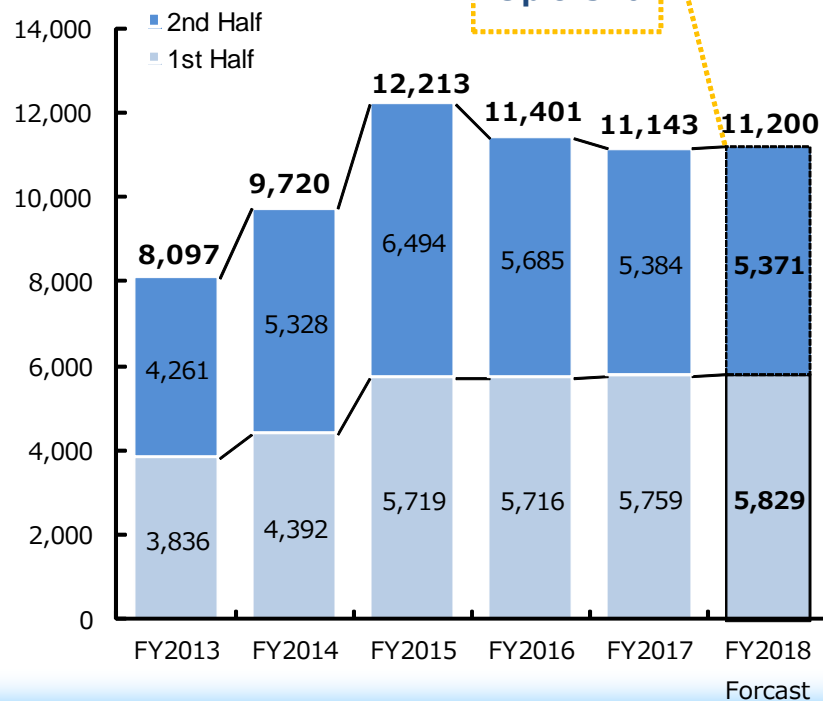
The 7th
Medium-term Business Plan
Brand Strategy by Business

Robotics Solution Vendor



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

(In million yen)



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

Topics

Lineup enhancement

Offer cleaning work solutions that correspond to "manpower shortage" and "work reform"

Strengthen proposals tailored to the cleaning scene!

Commercial Robotic Vacuum Cleaner
[RcDC]



Compact cordless polishers
[SQUARE 9]



NEW!
Robotic Floor Scrubber
[EGrobo]



Floor Scrubber
[EG Series]



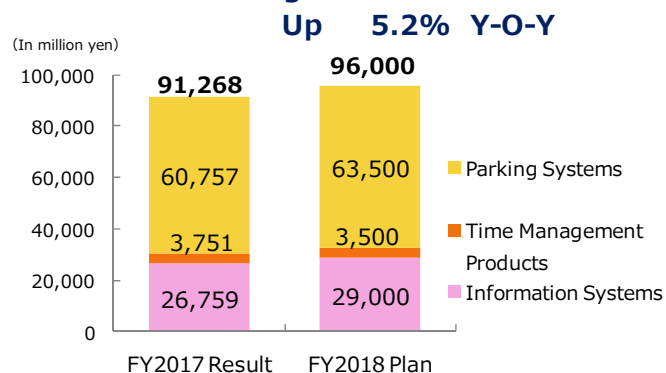
FY2018 Sales & Operating Profit by Segment -Full Year Forecast- AMANO

(In million yen)

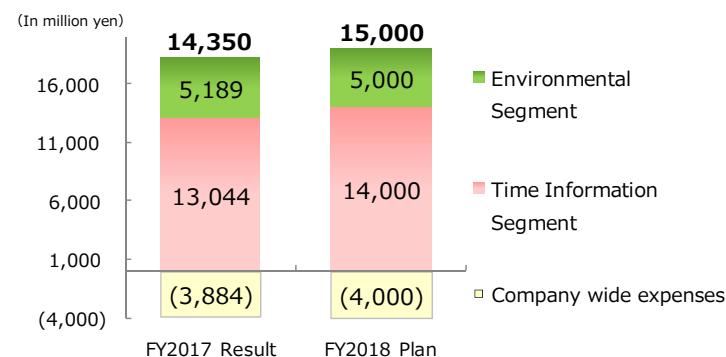
	FY2018 Plan			FY2017 Result			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
Time Information Segment	96,000	14,000	14.6	91,268	13,044	14.3	4,731	5.2	955	7.3
Environmental Segment	34,000	5,000	14.7	33,136	5,189	15.7	863	2.6	(189)	(3.7)
Company-wide Expenses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

【Sales】

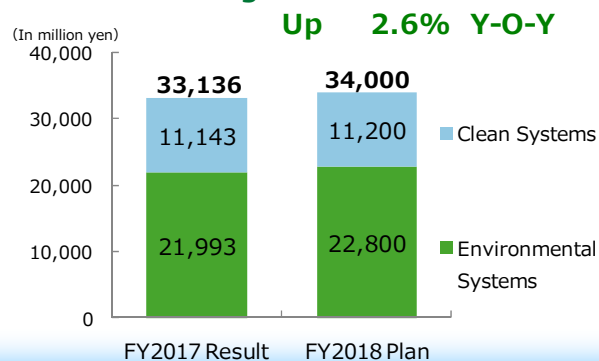
● Time Information Segment



【Operating profit】



● Environmental Segment



※ Operating Profit + 4.5 Y-O-Y

- Time Information Segment UP 7.3 %
- Environmental Segment UP (3.7) %

Quarterly Sales by Item (actual results)

* Indicating Year-over-Year Variance

<Information Systems>

Product	FY2017				FY2017 Result	FY2018		1st Half
	1Q	2Q	3Q	4Q		1Q	2Q	
Hardware	↓	↓	↓	↑	↓	↑	↑	↑
Software	↑	↑	↑	↑	↑	↑	↑	↑
Maintenance & supplies	↑	↑	→	↓	↑	↑	↑	↑
Difference	→	↑	↑	↑	↑	↑	↑	↑
Total	↑	↑	↑	↑	↑	↑	↑	↑

<Environmental Systems>

Product	FY2017				FY2017 Result	FY2018		1st Half
	1Q	2Q	3Q	4Q		1Q	2Q	
Standard unit	↑	↑	↑	↓	↑	↑	→	↑
Large systems	↓	↓	↓	↓	↓	↓	↑	↓
Maintenance & supplies	↑	→	↑	↑	↑	↑	↓	↓
Difference	↑	↑	↑	↑	↑	↑	↑	↑
Total	↑	↓	↓	↑	↑	↑	↑	↑

<Time Management Products>

Product	FY2017				FY2017 Result	FY2018		1st Half
	1Q	2Q	3Q	4Q		1Q	2Q	
Time recorders, stamps	↓	↓	↑	↑	→	→	↑	↑
Maintenance & supplies	↑	↑	→	↓	↑	↓	↓	↓
Difference	↑	↓	↓	↓	↓	↓	↓	↓
Total	↓	↓	↓	↑	↓	↓	↓	↓

<Clean Systems>

Product	FY2017				FY2017 Result	FY2018		1st Half
	1Q	2Q	3Q	4Q		1Q	2Q	
Cleaning equipment	↑	↑	↓	↓	↓	↑	↓	↑
Maintenance & supplies	↓	↓	→	↓	↓	↓	↓	↓
Difference	↑	↓	↓	↓	↓	↓	↑	↑
Total	↑	↓	↓	↓	↓	↓	↑	↑

<Parking Systems>

Product	FY2017				FY2017 Result	FY2018		1st Half
	1Q	2Q	3Q	4Q		1Q	2Q	
System & Merchandise	↑	↓	↑	↓	↑	→	↑	↑
Maintenance & supplies	↓	↓	↑	↓	↓	↑	↓	↑
Difference	↑	↑	↑	↑	↑	↑	↑	↑
Total	↑	↑	↑	↑	↑	↑	↑	↑

AMANO