

# **FY 2019: 3rd Quarter Report**

## **(Fiscal Year ending March 2020)**

AMANO CORPORATION (Ticker: 6436)

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## ◆ Consolidated

(In million yen)

	Disclosed plan			FY2019 3Q		FY2018 3Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	138,000	100.0	4.8	95,590	100.0	92,234	100.0	3,355	3.6
Gross profit	61,000	44.2	4.7	42,612	44.6	40,337	43.7	2,275	5.6
SG&A	44,500	32.2	3.3	31,960	33.4	31,780	34.5	180	0.6
Operating profit	16,500	12.0	8.8	10,651	11.1	8,556	9.3	2,095	24.5
Non-operating income	1,000	0.7	(7.6)	728	0.8	741	0.8	(12)	(1.7)
Non-operating expense	600	0.4	292.6	205	0.2	74	0.1	131	176.5
Ordinary profit	16,900	12.2	5.0	11,175	11.7	9,223	10.0	1,951	21.2
Extraordinary profit	0			5		13		(8)	
Extraordinary loss	300			173		1,191		(1,018)	
Net income attributable to owners of the parent company	11,000	8.0	20.3	7,150	7.5	5,274	5.7	1,875	35.6

\* FX Rates : (Quarterly Average) US\$ 105.00      US\$ 109.22      US\$ 109.64  
 EUR 125.00      EUR 122.36      EUR 130.61

## ◆ ACJ \* ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			FY2019 3Q		FY2018 3Q		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	77,000	100.0	2.9	52,342	100.0	50,712	100.0	1,630	3.2
Gross profit	33,100	43.0	2.7	22,624	43.2	21,272	41.9	1,352	6.4
SG&A	21,600	28.1	2.5	15,951	30.5	15,445	30.5	505	3.3
Operating profit	11,500	14.9	3.1	6,673	12.7	5,826	11.5	846	14.5
Non-operating income	2,100	2.7	(1.6)	1,714	3.3	1,595	3.1	118	7.4
Non-operating expense	100	0.1	27.6	75	0.1	39	0.1	35	87.9
Ordinary profit	13,500	17.5	2.2	8,311	15.9	7,381	14.6	930	12.6
Extraordinary profit	0			0		0		(0)	
Extraordinary loss	300			112		1,147		(1,035)	
Net income	9,500	12.3	(3.3)	5,878	11.2	4,467	8.8	1,411	31.6

## ◆ Consolidated performance (Year-on-year)

**Net Sales:** Up ¥ 3,355 Mil ( Up 3.6 % )

• **Time Information Segment:** Up 3,765 Mil ( Up 5.6 % )

Incl: Information Systems: Up 1,849 Mil ( Up 9.5 % )

Incl: Parking Systems: Up 1,909 Mil ( Up 4.2 % )

• **Environmental Segment:** Dn 409 Mil ( Dn 1.7 % )

Incl: Environmental Systems: Up 186 Mil ( Up 1.2 % )

Incl: Clean Systems: Dn 595 Mil ( Dn 7.0 % )

**Gross Profit:** Up ¥ 2,275 Mil ( Up 5.6 % )

Gross Profit Ratio: 44.6 % Up 0.9 %

• Time Information Segment : Up 1.4 %

• Environmental Segment : Dn 0.9 %

**SG&A:** Up ¥ 180 Mil ( Up 0.6 % )

• Labor Cost Up 427 Mil ( Up 2.1 % )

• Other Costs Dn 247 Mil ( Dn 2.1 % )

**Operating Profit** Up ¥ 2,095 Mil ( Up 24.5 % )

• Time Information Segment: ¥ 10,258 Mil ( Up 2,499 Mil )

• Environmental Segment: ¥ 3,405 Mil ( Dn 309 Mil )

• Company-wide Expense: ¥ -3,012 Mil ( Dn 95 Mil )

● Operating profit Ratio 11.1 % (FY2018: 11.5%, FY2018 3Q: 9.3%)

● ROE — (FY2018: 8.7%)

● Consolidated Sales / Parent Sales Ratio 1.83 times (FY2018: 1.76 times, FY2018 3Q: 1.82 times)

# FY 2019: 3rd Quarter Accumulated Results(FY end March 2020)

## Sales by business division

### ◆ Consolidated

(In million yen)

Business division	Disclosed plan			FY2019 3Q		FY2018 3Q		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	31,500	22.8	8.0	21,344	22.3	19,494	21.1	1,849	9.5
Time Management Products	3,500	2.5	(3.0)	2,535	2.7	2,529	2.8	6	0.2
Parking Systems	67,500	49.0	5.7	47,455	49.6	45,546	49.4	1,909	4.2
Total: Time Information Segment	102,500	74.3	6.0	71,335	74.6	67,569	73.3	3,765	5.6
Environmental Systems	24,100	17.4	1.1	16,319	17.1	16,132	17.5	186	1.2
Clean Systems	11,400	8.3	1.7	7,935	8.3	8,531	9.2	(595)	(7.0)
Total: Environmental Segment	35,500	25.7	1.3	24,254	25.4	24,664	26.7	(409)	(1.7)
Grand total	138,000	100.0	4.8	95,590	100.0	92,234	100.0	3,355	3.6

### ◆ ACJ

(In million yen)

Business division	Disclosed plan			FY2019 3Q		FY2018 3Q		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	18,500	24.0	8.6	12,714	24.3	10,748	21.2	1,965	18.3
Time Management Products	3,100	4.0	1.2	2,188	4.2	2,137	4.2	51	2.4
Parking Systems	30,400	39.5	1.1	21,066	40.2	20,796	41.0	269	1.3
Total: Time Information Segment	52,000	67.5	3.7	35,969	68.7	33,682	66.4	2,287	6.8
Environmental Systems	20,100	26.1	0.8	13,071	25.0	13,595	26.8	(524)	(3.9)
Clean Systems	4,900	6.4	4.0	3,301	6.3	3,434	6.8	(132)	(3.9)
Total: Environmental Segment	25,000	32.5	1.5	16,373	31.3	17,030	33.6	(656)	(3.9)
Grand total	77,000	100.0	2.9	52,342	100.0	50,712	100.0	1,630	3.2

## ◆ Quarterly Financials

(In million yen)

	1st quarter		2nd quarter		1st half		3rd quarter		3rd quarter Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	30,444	100.0	34,430	100.0	64,874	100.0	30,715	100.0	95,590	100.0
Gross profit	13,308	43.7	15,511	45.1	28,820	44.4	13,791	44.9	42,612	44.6
SG&A	11,011	36.2	10,635	30.9	21,646	33.4	10,314	33.6	31,960	33.4
Operating profit	2,297	7.5	4,876	14.2	7,174	11.1	3,477	11.3	10,651	11.1
Non-operating income	220	0.7	245	0.7	466	0.7	262	0.9	728	0.8
Non-operating expense	76	0.3	104	0.3	180	0.3	24	0.1	205	0.2
Ordinary profit	2,441	8.0	5,017	14.6	7,459	11.5	3,715	12.1	11,175	11.7
Extraordinary profit	1		2		3		1		5	
Extraordinary loss	2		146		149		23		173	
Net income attributable to owners of the parent company	1,420	4.7	3,258	9.5	4,679	7.2	2,470	8.0	7,150	7.5

\*Exchange rate: US\$ 110.30  
EUR 125.28

US\$ 109.66  
EUR 122.86

US\$ 109.98  
EUR 124.07

US\$ 107.69  
EUR 118.95

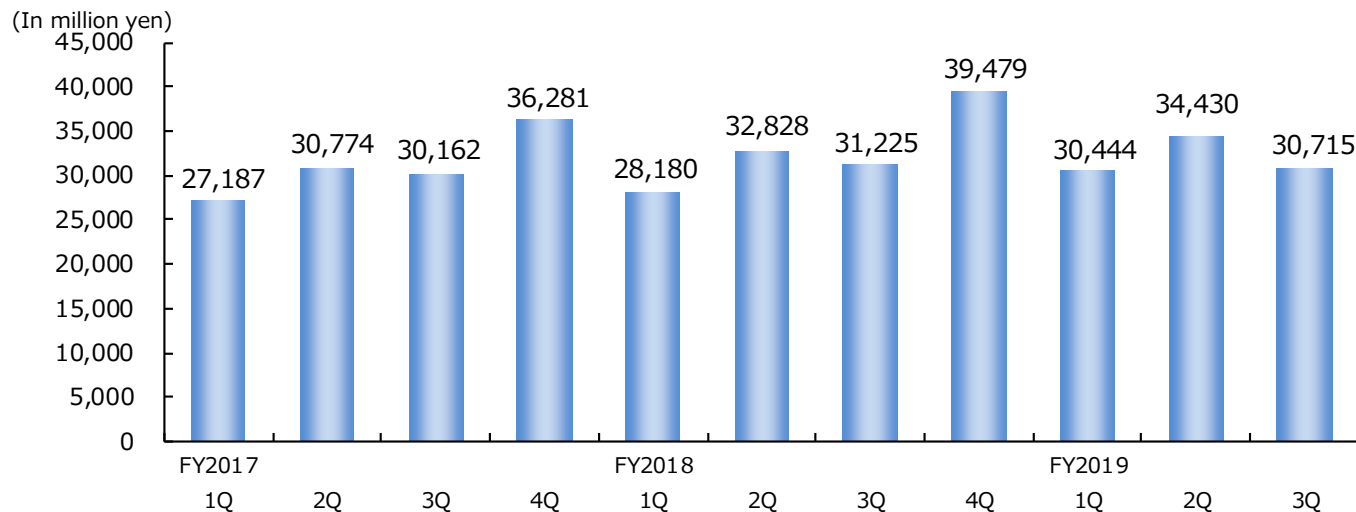
US\$ 109.22  
EUR 122.36

## ◆ Quarterly Sales

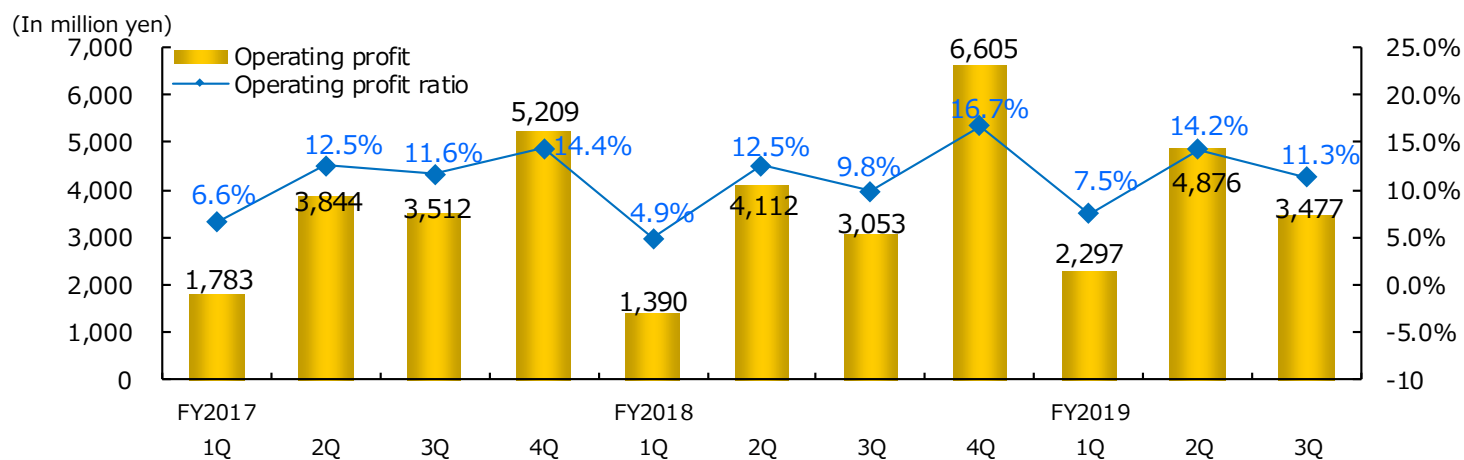
(In million yen)

	1st quarter		2nd quarter		1st half		3rd quarter		3rd quarter Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	6,602	21.6	7,842	22.8	14,445	22.3	6,898	22.5	21,344	22.3
Time Management Products	848	2.8	873	2.5	1,722	2.7	813	2.6	2,535	2.7
Parking Systems	15,214	50.0	16,917	49.1	32,131	49.5	15,323	49.9	47,455	49.6
Total: Time Information Segment	22,665	74.4	25,633	74.4	48,299	74.5	23,036	75.0	71,335	74.6
Environmental Systems	5,280	17.4	5,957	17.3	11,238	17.3	5,080	16.5	16,319	17.1
Clean Systems	2,497	8.2	2,839	8.3	5,337	8.2	2,598	8.5	7,935	8.3
Total: Environmental Segment	7,778	25.6	8,797	25.6	16,575	25.5	7,679	25.0	24,254	25.4
Grand total	30,444	100.0	34,430	100.0	64,874	100.0	30,715	100.0	95,590	100.0

## ■ Net Sales



## ■ Operating Profit



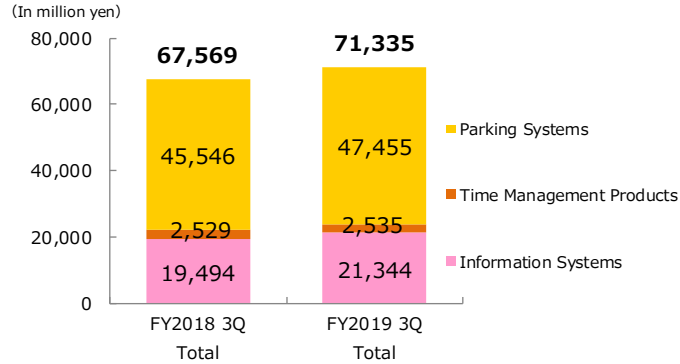
# Sales & Operating Profit by Business Segment

(In million yen)

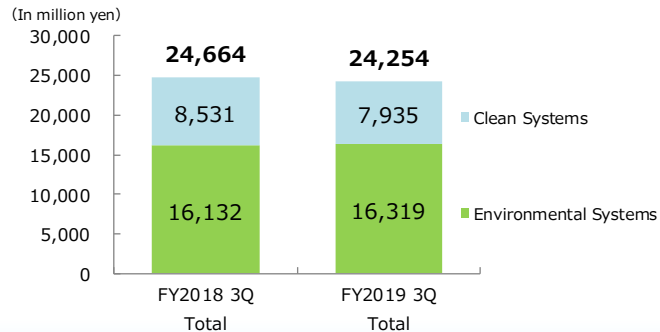
	FY2019 1Q			FY2019 2Q			FY2019 1st Half			FY2019 3Q			FY2019 3Q Total			FY2018 3Q Total			Change			
	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	%	Operating profit	%
Time Information Segment	22,665	2,432	10.7	25,633	4,430	17.3	48,299	6,862	14.2	23,036	3,395	14.7	71,335	10,258	14.4	67,569	7,758	11.5	3,765	5.6	2,499	32.2
Environmental Segment	7,778	883	11.4	8,797	1,475	16.8	16,575	2,359	14.2	7,679	1,045	13.6	24,254	3,405	14.0	24,664	3,715	15.1	(409)	(1.7)	(309)	(8.3)
Company-wide Expenses		(1,018)			(1,029)			(2,048)			(964)			(3,012)			(2,917)				(95)	
<b>total</b>	<b>30,444</b>	<b>2,297</b>	<b>7.5</b>	<b>34,430</b>	<b>4,876</b>	<b>14.2</b>	<b>64,874</b>	<b>7,174</b>	<b>11.1</b>	<b>30,715</b>	<b>3,477</b>	<b>11.3</b>	<b>95,590</b>	<b>10,651</b>	<b>11.1</b>	<b>92,234</b>	<b>8,556</b>	<b>9.3</b>	<b>3,355</b>	<b>3.6</b>	<b>2,095</b>	<b>24.5</b>

## < Net Sales >

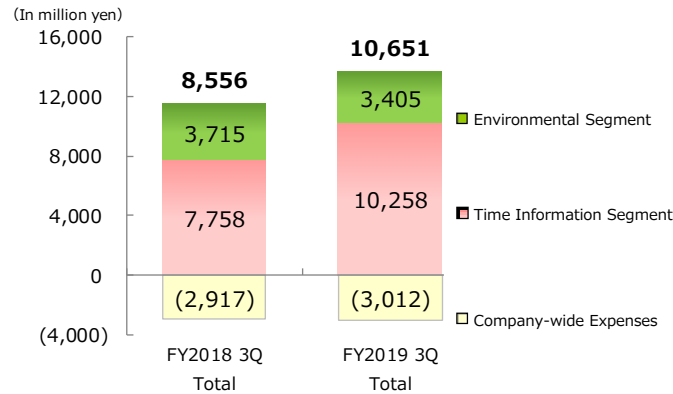
● **Time Information Segment** Up 5.6% YoY



● **Environmental Segment** Down 1.7% YoY



## < Operating profit >



● **Time Information Segment** Up 32.2 % YOY  
 ● **Environmental Segment** Down 8.3 % YOY

## [References]

Increase / decrease in gross profit margin

① FY2018 3Q / FY2019 3Q

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

② FY2018 / FY2019 3Q

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

## Geographic Segment Information

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

(In million yen)

	FY2019 1Q (Jan - Mar, 2019)			FY2019 2Q (Apr - Jun, 2019)			FY2019 1st Half (Jan - Jun, 2019)			FY2019 3Q (Jul - Sep, 2019)			FY2019 3Q Total (Jan - Sep, 2019)			FY2018 3Q Total (Jan - Sep, 2018)			FY2019 3Q Total / FY2018 3Q Total YoY Change			
	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	%
North America	4,289	(115)	(2.7)	4,658	(80)	(1.7)	8,947	(195)	(2.2)	4,200	(285)	(6.8)	13,147	(480)	(3.7)	13,442	(931)	(6.9)	(294)	(2.2)	450	—
Europe	2,244	135	6.0	2,136	164	7.7	4,380	299	6.8	2,000	254	12.7	6,380	553	8.7	6,634	436	6.6	(253)	(3.8)	116	26.8
Asia	4,859	433	8.9	4,770	457	9.6	9,629	890	9.3	4,628	625	13.5	14,257	1,515	10.6	12,395	1,090	8.8	1,861	15.0	424	38.9
Overseas group companies Total	11,393	453	4.0	11,564	541	4.7	22,957	994	4.3	10,829	594	5.5	33,786	1,588	4.7	32,471	595	1.8	1,315	4.0	993	166.9

\*Exchange rate: US\$ 110.30  
EUR 125.28

US\$ 109.66  
EUR 122.86

US\$ 109.98  
EUR 124.07

US\$ 107.69  
EUR 118.95

US\$ 109.22  
EUR 122.36

US\$ 109.64  
EUR 130.61

\*Goodwill Amortization: N.America 59 mil  
Europe 77 mil

N.America 59 mil  
Europe 75 mil

N.America 119 mil  
Europe 152 mil

N.America 58 mil  
Europe 73 mil

N.America 178 mil  
Europe 226 mil

N.America 164 mil  
Europe 241 mil

(In million yen)

	FY2019 1Q (Apr - Jun, 2019)			FY2019 2Q (Jul - Sep, 2019)			FY2019 1st Half (Apr - Sep, 2019)			FY2019 3Q (Oct - Dec, 2019)			FY2019 3Q Total (Apr - Dec, 2019)			FY2018 3Q Total (Apr - Dec, 2018)			FY2019 3Q Total / FY2018 3Q Total YoY Change			
	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	Net Sales	Operating profit	%	%
Domestic Group companies Total	5,310	698	13.1	5,639	895	15.9	10,950	1,593	14.6	5,418	822	15.2	16,368	2,415	14.8	16,235	2,134	13.1	133	0.8	281	13.2

## ◆ Consolidated

(In million yen)

	FY2019 Plan		FY2018 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	138,000	100.0	131,713	100.0	6,286	4.8
Gross profit	61,000	44.2	58,246	44.2	2,753	4.7
SG&A	44,500	32.2	43,084	32.7	1,415	3.3
Operating profit	16,500	12.0	15,161	11.5	1,338	8.8
Non-operating income	1,000	0.7	1,081	0.8	(81)	(7.5)
Non-operating expense	600	0.4	152	0.1	447	294.7
Ordinary profit	16,900	12.2	16,090	12.2	809	5.0
Extraordinary profit	0		166		(166)	
Extraordinary loss	300		1,423		(1,123)	
Net income attributable to owners of the parent company	11,000	8.0	9,142	6.9	1,857	20.3

## ◆ ACJ

(In million yen)

	FY2019 Plan		FY2018 Result		Change	
	Amount	%	Amount	%	Amount	%
Net sales	77,000	100.0	74,796	100.0	2,203	2.9
Gross profit	33,100	43.0	32,222	43.1	877	2.7
SG&A	21,600	28.1	21,066	28.2	533	2.5
Operating profit	11,500	14.9	11,155	14.9	344	3.1
Non-operating income	2,100	2.7	2,133	2.9	(33)	(1.6)
Non-operating expense	100	0.1	78	0.1	21	28.2
Ordinary profit	13,500	17.5	13,210	17.7	289	2.2
Extraordinary profit	0		862		(862)	
Extraordinary loss	300		1,147		(847)	
Net Income	9,500	12.3	9,827	13.1	(327)	(3.3)



# Sales Forecast for the Full FY2019 by Business Division

## ◆ Consolidated

\*The forecast for FY2019 4Q is shown as "FY2019 Plan minus FY2019 3Q Results" (In million yen)

Business division	FY2019 Plan				Result FY2019 3Q		Forecast FY2019 4Q		FY2018 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	31,500	22.8	2,323	8.0	21,344	22.3	10,156	23.9	29,176	22.2
Time Management Products	3,500	2.5	(109)	(3.0)	2,535	2.7	965	2.3	3,609	2.7
Parking Systems	67,500	49.0	3,620	5.7	47,455	49.6	20,045	47.3	63,879	48.5
Total: Time Information Segment	102,500	74.3	5,834	6.0	71,335	74.6	31,165	73.5	96,665	73.4
Environmental Systems	24,100	17.4	266	1.1	16,319	17.1	7,781	18.3	23,833	18.1
Clean Systems	11,400	8.3	186	1.7	7,935	8.3	3,465	8.2	11,213	8.5
Total: Environmental Segment	35,500	25.7	452	1.3	24,254	25.4	11,246	26.5	35,047	26.6
Grand total	138,000	100.0	6,286	4.8	95,590	100.0	42,410	100.0	131,713	100.0

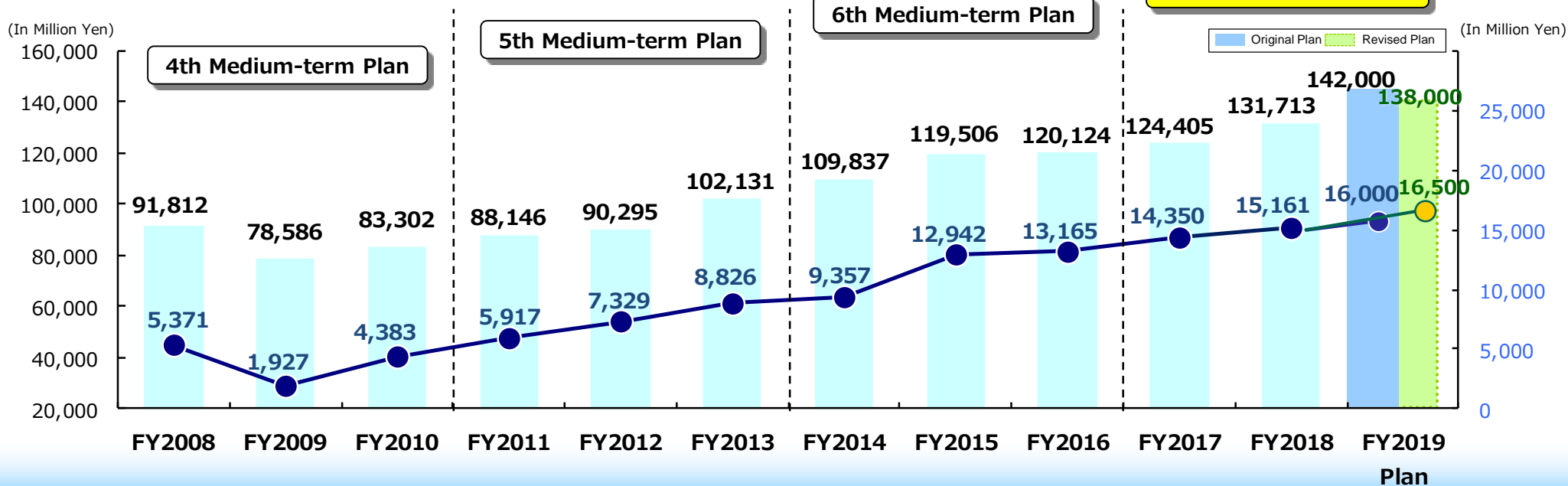
## ◆ ACJ

(In million yen)

Business division	FY2019 Plan				Result FY2019 3Q		Forecast FY2019 4Q		FY2018 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	18,500	24.0	1,467	8.6	12,714	24.3	5,786	23.5	17,032	22.8
Time Management Products	3,100	4.0	36	1.2	2,188	4.2	912	3.6	3,063	4.1
Parking Systems	30,400	39.5	340	1.1	21,066	40.2	9,334	37.9	30,059	40.2
Total: Time Information Segment	52,000	67.5	1,845	3.7	35,969	68.7	16,031	65.0	50,154	67.1
Environmental Systems	20,100	26.1	168	0.8	13,071	25.0	7,029	28.5	19,931	26.6
Clean Systems	4,900	6.4	189	4.0	3,301	6.3	1,599	6.5	4,710	6.3
Total: Environmental Segment	25,000	32.5	357	1.5	16,373	31.3	8,627	35.0	24,642	32.9
Grand total	77,000	100.0	2,203	2.9	52,342	100.0	24,658	100.0	74,796	100.0

# Roadmap of the Medium-term Business Plan

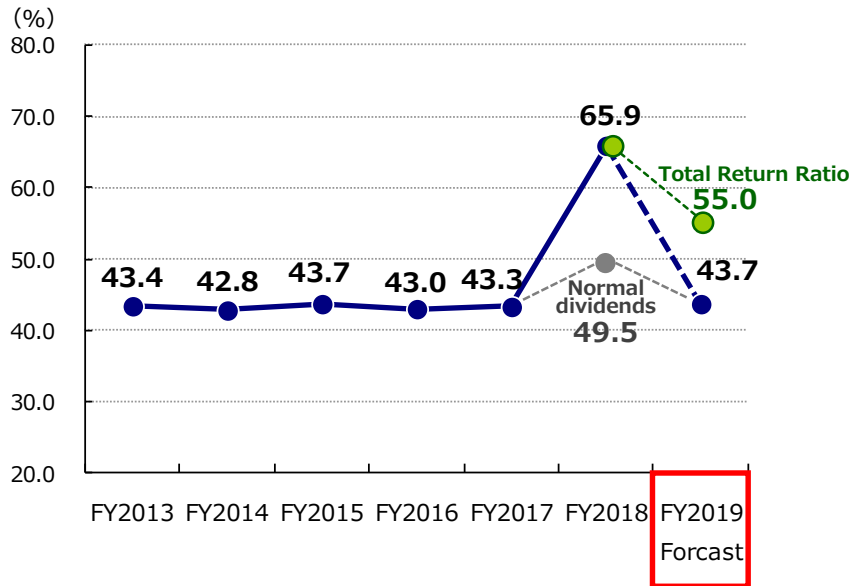
FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
<b>4th Medium-term Plan</b>			<b>5th Medium-term Plan</b>			<b>6th Medium-term Plan</b>			<b>7th Medium-term Plan</b>		
Global Growth Strategy			To become a 100-year Company			Challenge to a New Stage			2nd Stage Towards 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		



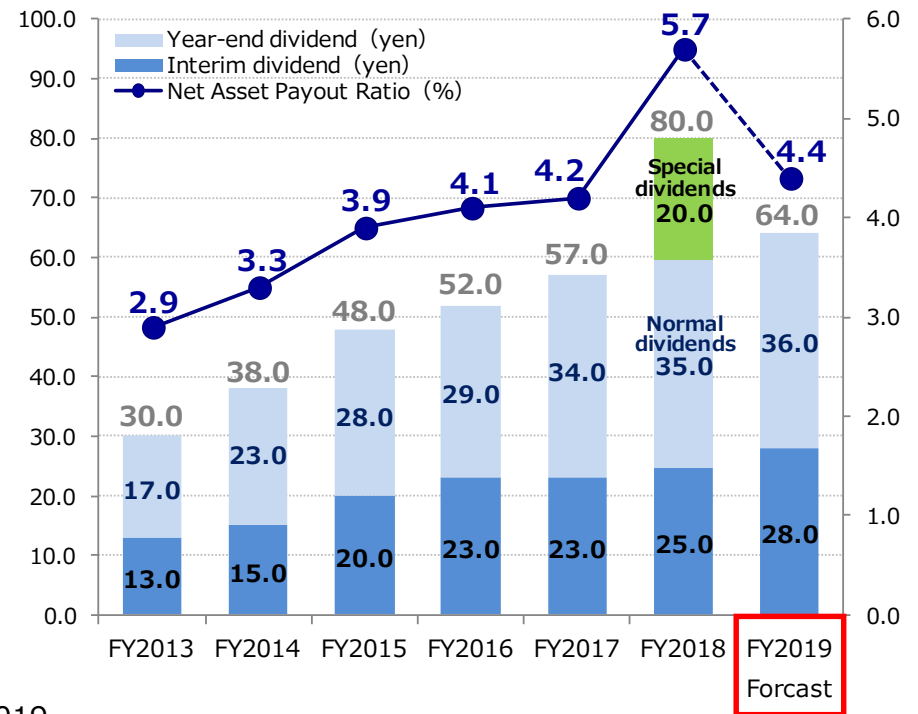
## ◎ Dividend Policy **Stable dividends + performance incentives**

- Consolidated Dividend Payout Ratio: Target above 40.0%
- Net Asset Payout Ratio: Target above 2.5%
- NEW** • Total Return Ratio : Target above 55.0%

<Consolidated Dividend Payout Ratio and Total Return Ratio >



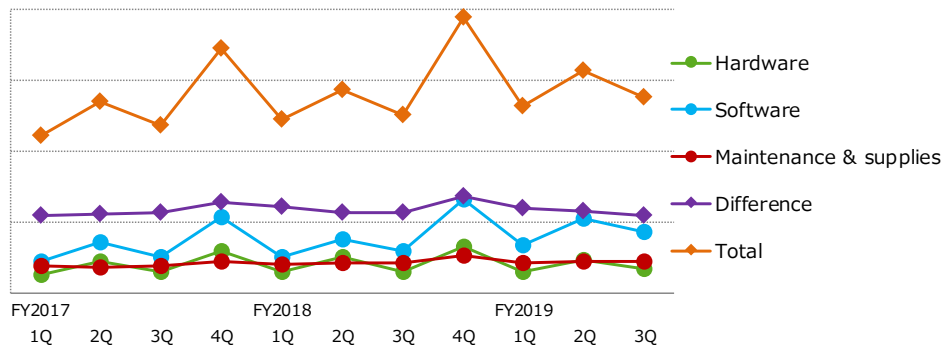
<Dividend per Share and Consolidated Net Asset Payout Ratio >



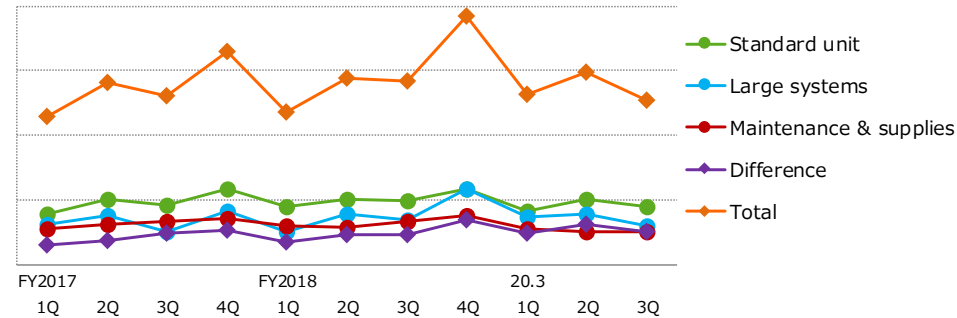
### ★ The acquisition of treasury stock

- Acquisition period : From October 2018 to March 2019
- Total number of acquired stocks : 1 Million
- Total amount of acquired stocks : 2,326 Million yen

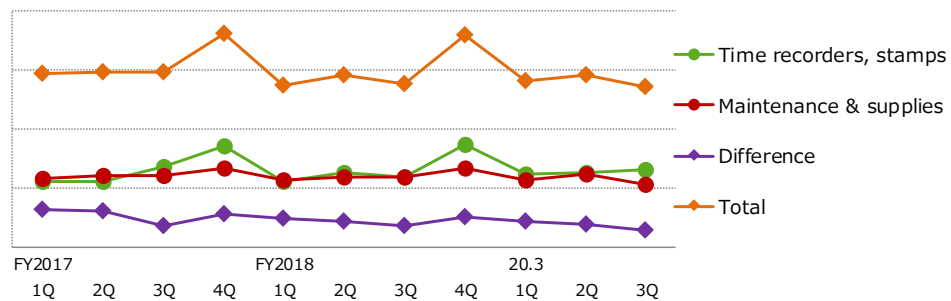
## <Information Systems>



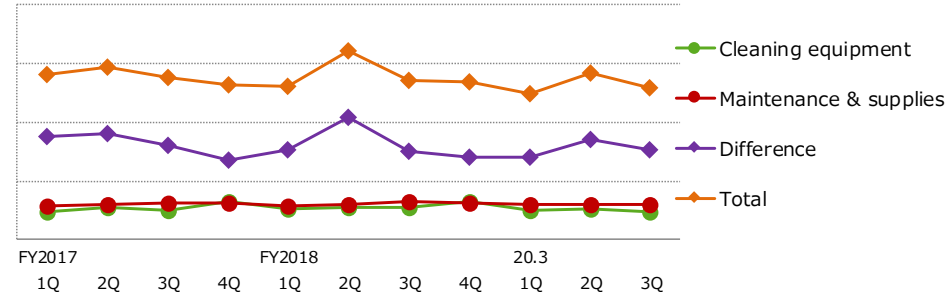
## <Environmental Systems>



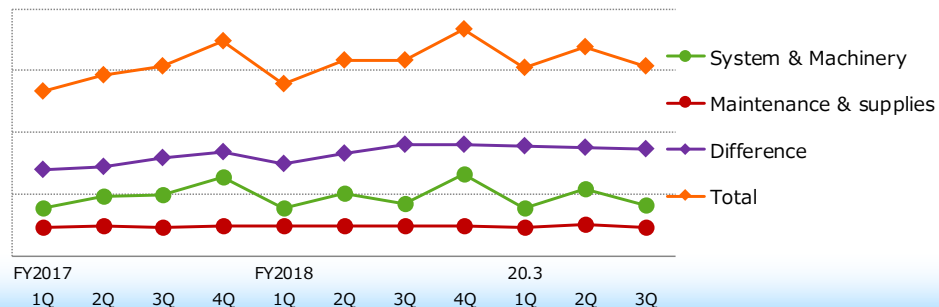
## <Time Management Products>



## <Clean Systems>



## <Parking Systems>



# AMANO

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.