

# **Second Quarter Report for FY 2019**

**(Fiscal Year ending March 2020)**

## **Details of Business Results**

**AMANO CORPORATION (Ticker: 6436)**  
**October 30, 2019**

Contact : Corporate Planning Unit,  
Corporate Planning Division

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

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

- FY 2019: Second Quarter Report P.3
- The 7th Medium-term Business Plan P.19  
The 2nd Stage Towards a 100-year Company
- Business Forecast for FY2019 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 2019: Second Quarter Report

(Fiscal Year ending March 2020)

## ◆ Consolidated

(In million yen)

	Disclosed plan			1st Half ended September 30, 2019		1st Half ended September 30, 2018		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	63,500	100.0	4.1	64,874	100.0	61,008	100.0	3,866	6.3	1,374	102.2
Gross profit	28,200	44.4	4.3	28,820	44.4	27,036	44.3	1,784	6.6	620	102.2
SG&A	22,200	35.0	3.1	21,646	33.4	21,533	35.3	113	0.5	(553)	97.5
Operating profit	6,000	9.4	9.0	7,174	11.1	5,502	9.0	1,671	30.4	1,174	119.6
Non-operating income	500	0.8	6.4	466	0.7	470	0.8	(3)	(0.8)	(33)	93.3
Non-operating expense	0	0.0		180	0.3	48	0.1	132	272.8	180	
Ordinary profit	6,500	10.2	9.7	7,459	11.5	5,924	9.7	1,535	25.9	959	114.8
Extraordinary profit	0			3		8		(4)		3	
Extraordinary loss	0			149		10		138		149	
Net income attributable to owners of the parent company	4,000	6.3	4.5	4,679	7.2	3,828	6.3	851	22.2	679	117.0

\*FX Rates:(Quarterly Average)

US\$ 105.00  
EUR 125.00

US\$ 109.98  
EUR 124.07

US\$ 108.52  
EUR 130.66

## ◆ ACJ

\* ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			1st Half ended September 30, 2019		1st Half ended September 30, 2018		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	34,800	100.0	2.7	35,672	100.0	33,885	100.0	1,787	5.3	872	102.5
Gross profit	14,700	42.2	2.7	15,360	43.1	14,317	42.3	1,042	7.3	660	104.5
SG&A	10,800	31.0	3.0	10,787	30.2	10,487	31.0	299	2.9	(12)	99.9
Operating profit	3,900	11.2	1.8	4,573	12.8	3,830	11.3	743	19.4	673	117.3
Non-operating income	1,350	3.9	(0.9)	1,479	4.1	1,362	4.0	117	8.7	129	109.6
Non-operating expense	50	0.1	87.8	83	0.2	26	0.1	57	214.4	33	167.4
Ordinary profit	5,200	14.9	0.7	5,969	16.7	5,165	15.2	803	15.6	769	114.8
Extraordinary profit	0			0		0		0		0	
Extraordinary loss	0			112		2		109		112	
Net income	3,800	10.9	2.7	4,202	11.8	3,699	10.9	503	13.6	402	110.6

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

**1 Sales: Up ¥ 3,866 mil ( Up 6.3 % )**

·Time Information Segment: Up 3,586 Mil ( Up 8.0 % )  
 Incl: Information Systems: Up 1,194 Mil ( Up 9.0 % )  
 Incl: Parking Systems: Up 2,366 Mil ( Up 8.0 % )  
 ·Environmental Segment: Up 279 Mil ( Up 1.7 % )  
 Incl: Environmental Systems: Up 771 Mil ( Up 7.4 % )  
 Incl: Clean Systems: Dn 492 Mil ( Dn 8.4 % )

**2 Gross Profit: Up ¥ 1,784 mil ( Up 6.6 % )**

Gross Profit Ratio: 44.4 % Up 0.1 %

·Time Information Segment : Up 0.5 %  
 ·Environmental Segment : Dn 1.1 %

**3 SG&A: Up ¥ 113 mil ( Up 0.5 % )**

·Labor Cost Up 433 Mil ( Up 3.2 % )  
 ·Other Costs Dn 320 Mil ( Dn 4.0 % )

**4 Operating Profit Up ¥ 1,671 mil ( Up 30.4 % )**

·Time Information Segment: ¥ 6,862 Mil ( Up 1,725 Mil )  
 ·Environmental Segment: ¥ 2,359 Mil ( Dn 4 Mil )  
 ·Company-wide Expense: ¥ -2,048 Mil ( Dn 49 Mil )

● Operating profit Ratio 11.1% (FY2018: 11.5%, Half ended Sep.30,2018: 9.0%)

● ROE — (FY2018: 8.7%)

● Consolidated Sales / Parent Sales Ratio 1.80 times (FY2018: 1.76 times, Half ended Sep.30,2018: 1.80 times)

# FY 2019 : 1st Half Accumulated Results (FY end March 2020)

## Sales by business division

### ◆ Consolidated

(In million yen)

Business division	Disclosed plan			1st Half ended September 30, 2019		1st Half ended September 30, 2018		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	14,300	22.5	7.9	14,445	22.3	13,251	21.7	1,194	9.0	145	101.0
Time Management Products	1,600	2.5	(5.7)	1,722	2.7	1,696	2.8	25	1.5	122	107.6
Parking Systems	31,200	49.2	4.8	32,131	49.5	29,765	48.8	2,366	8.0	931	103.0
Total: Time Information Segment	47,100	74.2	5.3	48,299	74.5	44,712	73.3	3,586	8.0	1,199	102.5
Environmental Systems	10,500	16.5	0.3	11,238	17.3	10,466	17.1	771	7.4	738	107.0
Clean Systems	5,900	9.3	1.2	5,337	8.2	5,829	9.6	(492)	(8.4)	(562)	90.5
Total: Environmental Segment	16,400	25.8	0.6	16,575	25.5	16,296	26.7	279	1.7	175	101.1
Grand total	63,500	100.0	4.1	64,874	100.0	61,008	100.0	3,866	6.3	1,374	102.2

### ◆ ACJ

(In million yen)

Business division	Disclosed plan			1st Half ended September 30, 2019		1st Half ended September 30, 2018		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	8,000	23.0	8.8	8,548	24.0	7,350	21.7	1,198	16.3	548	106.9
Time Management Products	1,400	4.0	(1.1)	1,467	4.1	1,415	4.2	51	3.6	67	104.8
Parking Systems	14,100	40.5	0.6	14,432	40.4	14,013	41.3	418	3.0	332	102.4
Total: Time Information Segment	23,500	67.5	3.2	24,448	68.5	22,780	67.2	1,667	7.3	948	104.0
Environmental Systems	9,000	25.9	1.4	8,990	25.2	8,873	26.2	116	1.3	(10)	99.9
Clean Systems	2,300	6.6	3.1	2,234	6.3	2,231	6.6	2	0.1	(65)	97.1
Total: Environmental Segment	11,300	32.5	1.8	11,224	31.5	11,105	32.8	119	1.1	(76)	99.3
Grand total	34,800	100.0	2.7	35,672	100.0	33,885	100.0	1,787	5.3	872	102.5

## ◆ Quarterly Financials

(In million yen)

	FY2019 1Q		FY2019 2Q		1st Half ended September 30, 2019	
	Amount	%	Amount	%	Amount	%
Net sales	30,444	100.0	34,430	100.0	64,874	100.0
Gross profit	13,308	43.7	15,511	45.1	28,820	44.4
SG&A	11,011	36.2	10,635	30.9	21,646	33.4
Operating profit	2,297	7.5	4,876	14.2	7,174	11.1
Non-operating income	220	0.7	245	0.7	466	0.7
Non-operating expense	76	0.3	104	0.3	180	0.3
Ordinary profit	2,441	8.0	5,017	14.6	7,459	11.5
Extraordinary profit	1		2		3	
Extraordinary loss	2		146		149	
Net income attributable to owners of the parent company	1,420	4.7	3,258	9.5	4,679	7.2

\* FX Rates : (Quarterly Average)

US\$ 110.30  
EUR 125.28

US\$ 109.66  
EUR 122.86

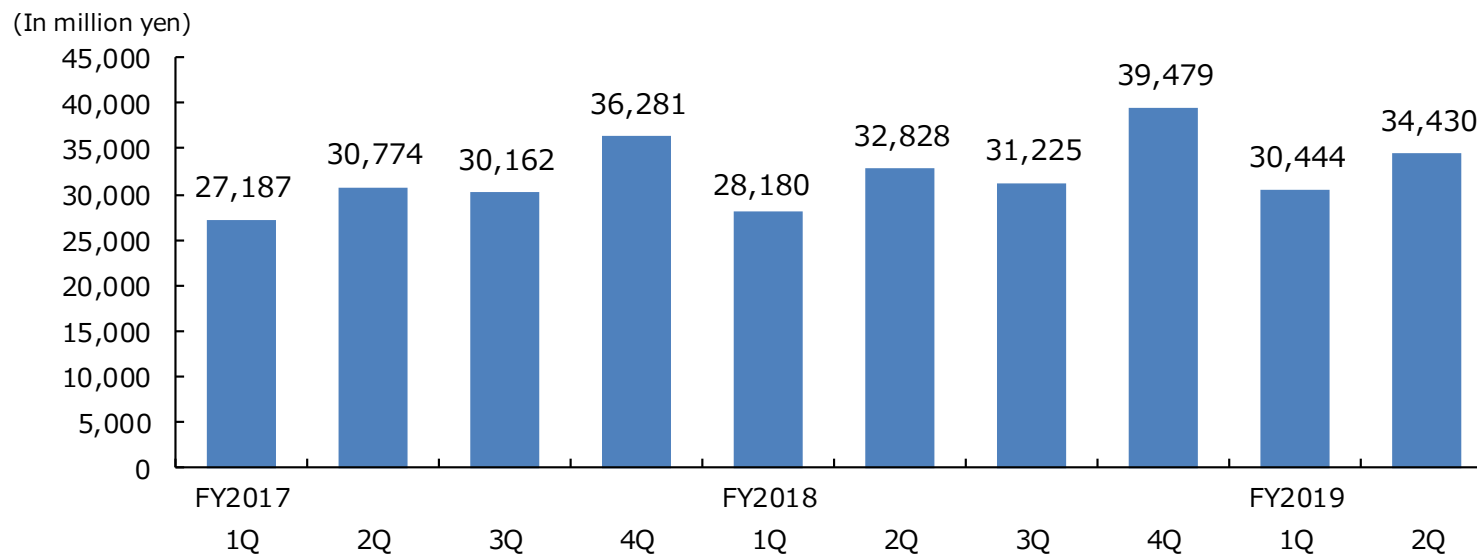
US\$ 109.98  
EUR 124.07

## ◆ Quarterly Sales

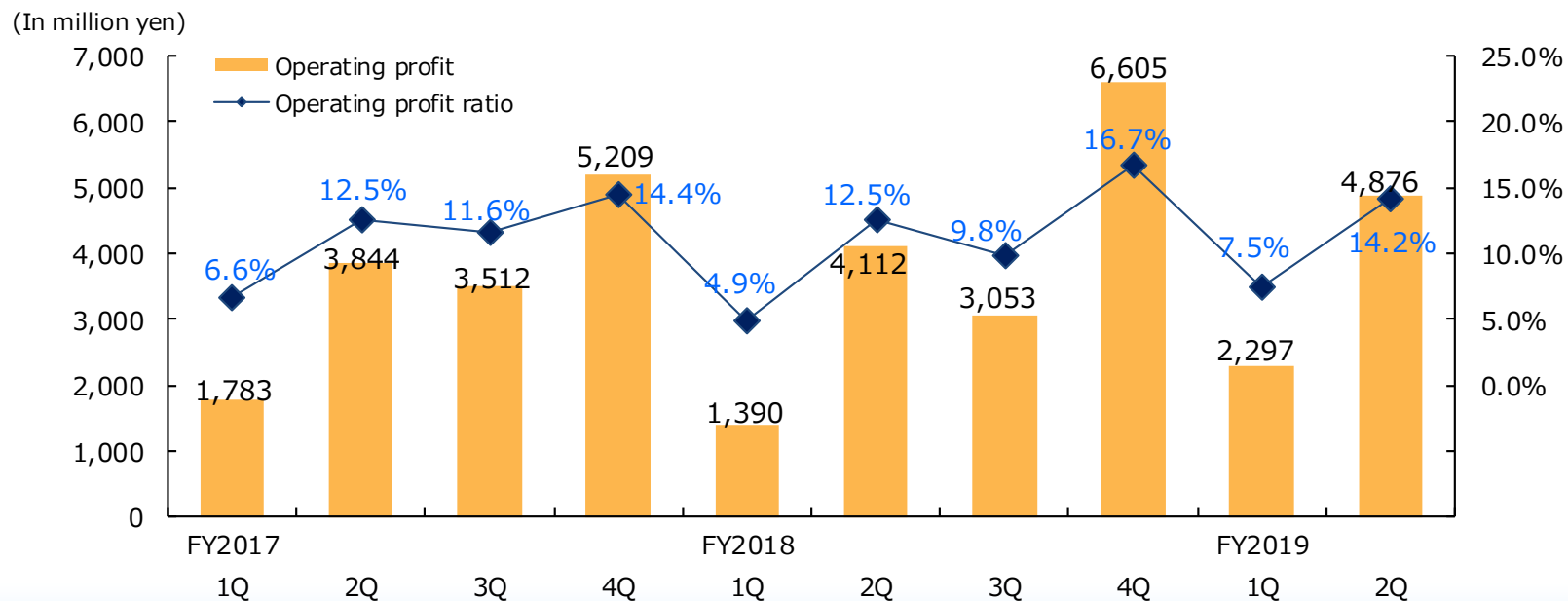
(In million yen)

Business division	FY2019 1Q		FY2019 2Q		1st Half ended September 30, 2019	
	Amount	%	Amount	%	Amount	%
Information Systems	6,602	21.6	7,842	22.8	14,445	22.3
Time Management Products	848	2.8	873	2.5	1,722	2.7
Parking Systems	15,214	50.0	16,917	49.1	32,131	49.5
Total: Time Information Segment	22,665	74.4	25,633	74.4	48,299	74.5
Environmental Systems	5,280	17.4	5,957	17.3	11,238	17.3
Clean Systems	2,497	8.2	2,839	8.3	5,337	8.2
Total: Environmental Segment	7,778	25.6	8,797	25.6	16,575	25.5
Grand total	30,444	100.0	34,430	100.0	64,874	100.0

## ■ Sales



## ■ Operating Profit



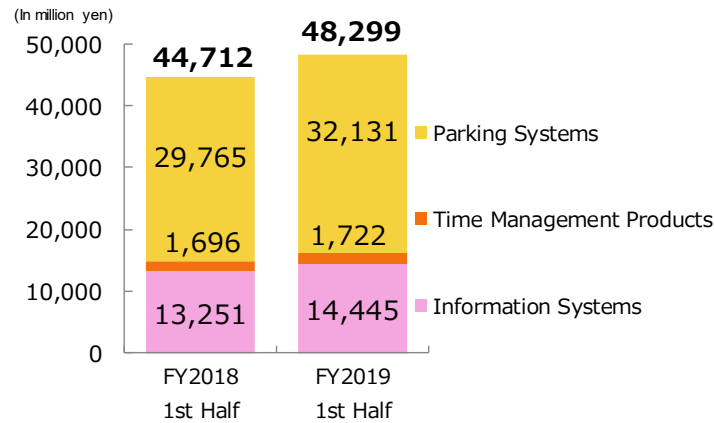
# Sales & Operating Profit by Business Segment

(In million yen)

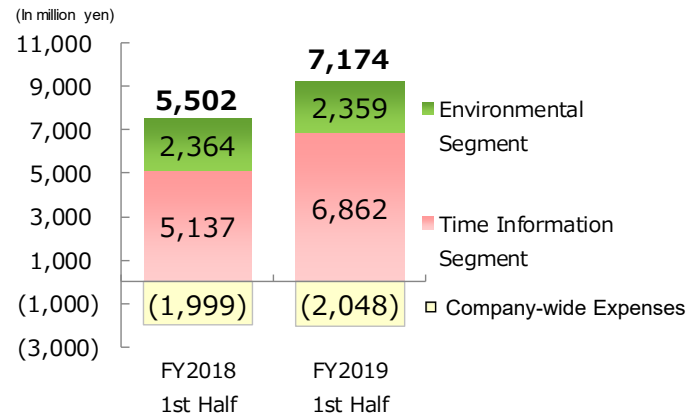
	FY2019 1Q			FY2019 2Q			1st Half ended September 30, 2019			1st Half ended September 30, 2018			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	%	Operating profit	%
Time Information Segment	22,665	2,432	10.7	25,633	4,430	17.3	48,299	6,862	14.2	44,712	5,137	11.5	3,586	8.0	1,725	33.6
Environmental Segment	7,778	883	11.4	8,797	1,475	16.8	16,575	2,359	14.2	16,296	2,364	14.5	279	1.7	(4)	(0.2)
Company-wide Expenses		(1,018)			(1,029)			(2,048)			(1,999)				(49)	
<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>61,008</b>	<b>5,502</b>	<b>9.0</b>	<b>3,866</b>	<b>6.3</b>	<b>1,671</b>	<b>30.4</b>

## < Sales >

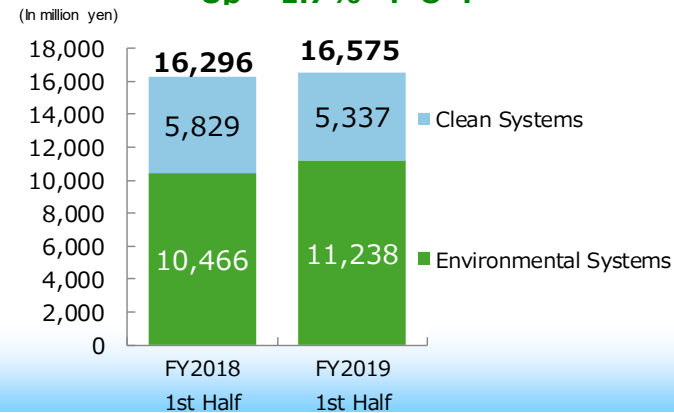
### ● Time Information Segment Up 8.0% Y-O-Y



## < Operating profit >



### ● Environmental Segment Up 1.7% Y-O-Y



● Time Information Segment UP 33.6 % Y-O-Y  
● Environmental Segment Dn 0.2 % Y-O-Y

## [References]

### Increase / decrease in gross profit margin

#### ① FY2018 2Q / FY2019 2Q

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

#### ② FY2018 / FY2019 2Q

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

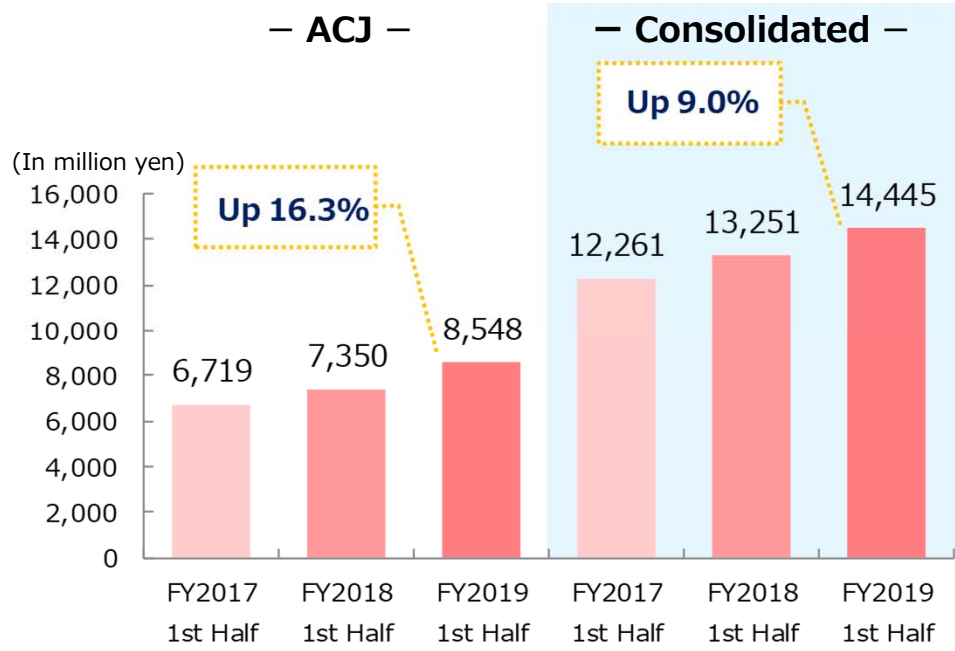


# Performance by Business Division

# Information Systems

## ※ Increased Domestic & Overseas Sales

### <Sales (Y-O-Y)>

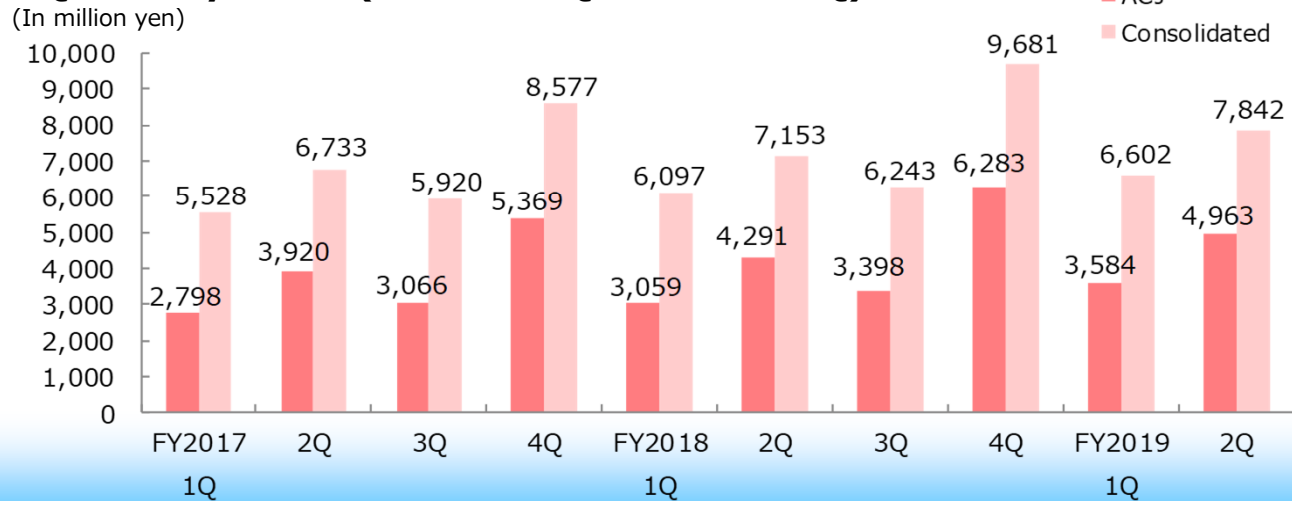


- Domestic**
- Strong Orders for Software and Cloud Services
  - Lower T&A Terminal sales
  - Increased demand in the Public sector

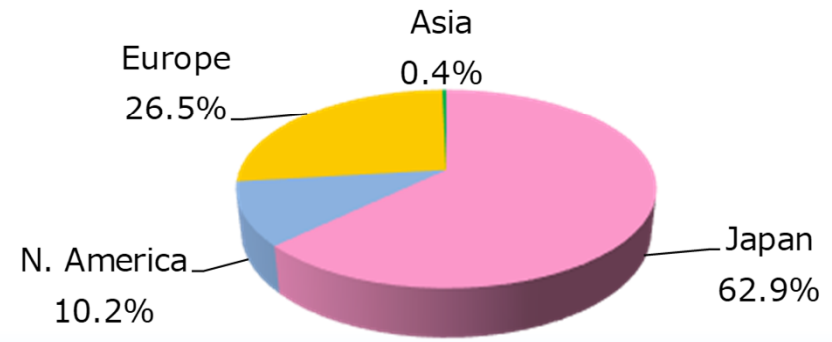


- Overseas**
- N. America: Sales Grew at Accu-Time Systems Inc.
  - Europe: Sales lower at Horoquartz, S.A. (due to FX rates)

### <Quarterly Sales (FY2017.1Q~FY2019.2Q) >



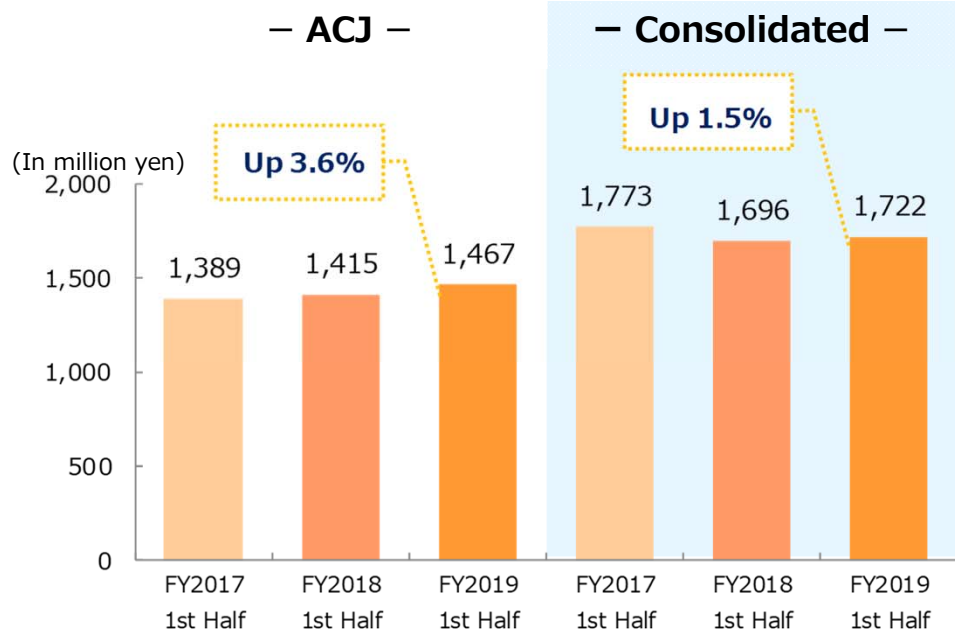
### < Sales by Region >



# Time Management Products

## ※ Increased Domestic Sales, Lower Overseas Sales

### <Sales (Y-O-Y)>



**Domestic**

- Higher Sales for TimeP@ck Series
- Basic Time Recorders;
- Domestic and export sales volume declined



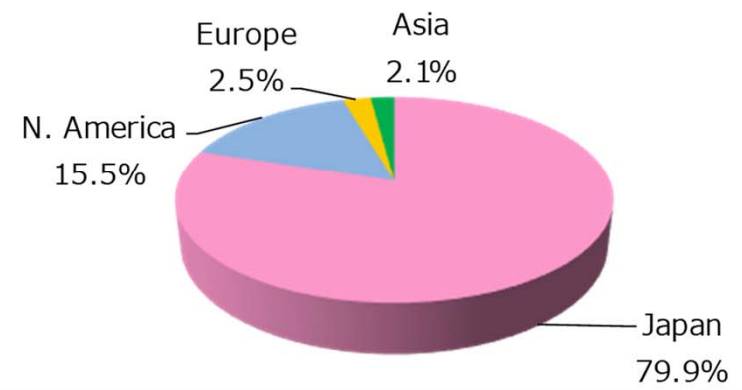
**Overseas**

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

### <Quarterly Sales (FY2017.1Q~FY2019.2Q) >



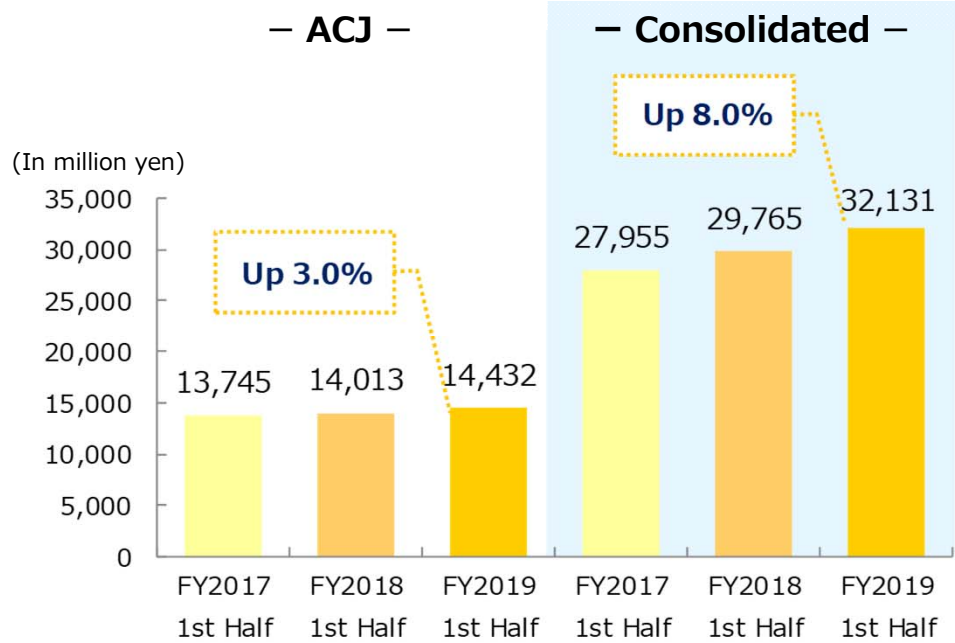
### < Sales by Region >



# Parking Systems

## ※ Increased Domestic & Overseas Sales

### <Sales (Y-O-Y)>



### Domestic



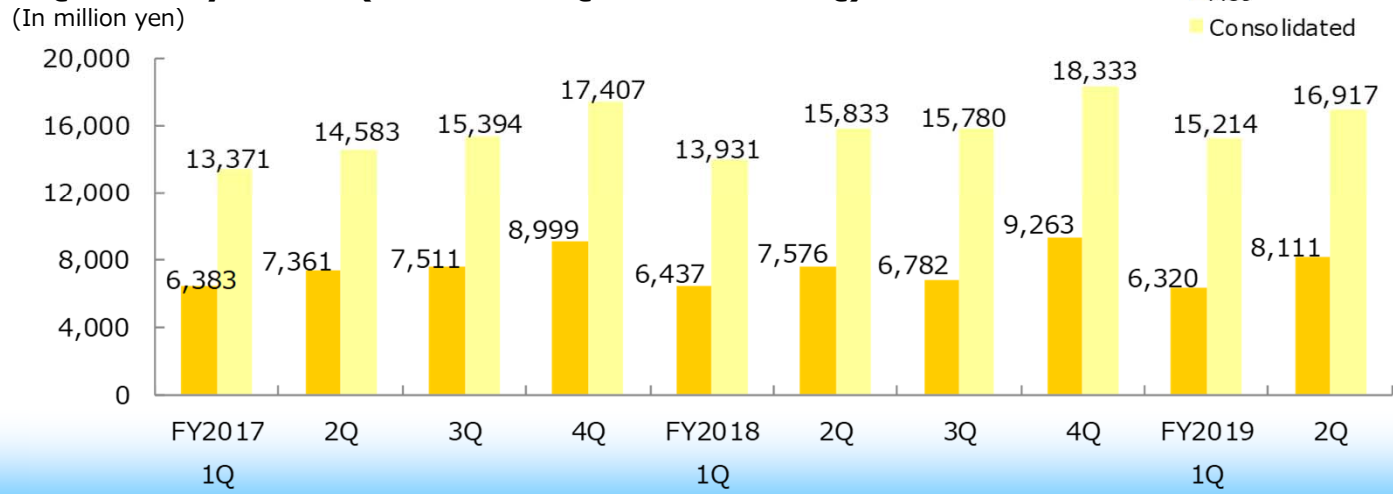
- Increased orders from Large-scale Projects and Parking Operators
- Parking commissioned management services remained firm
- Increased orders for Bicycle Parking Systems

### Overseas

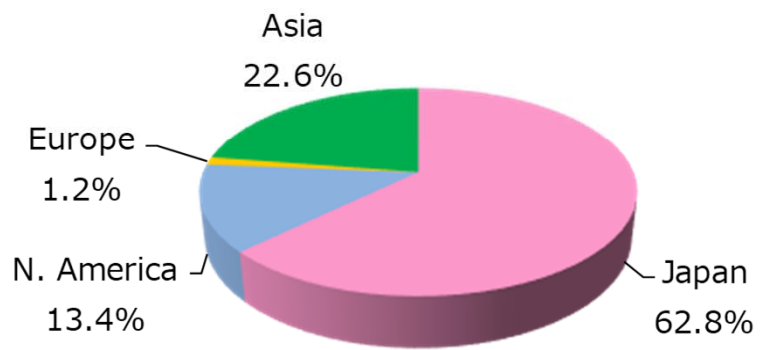


- N. America; Amano McGann Inc; Sales Higher, Profitability advancing towards recovery
- Asian Sales Higher (Korea and Malaysia were Strong)

### <Quarterly Sales (FY2017.1Q~FY2019.2Q) >



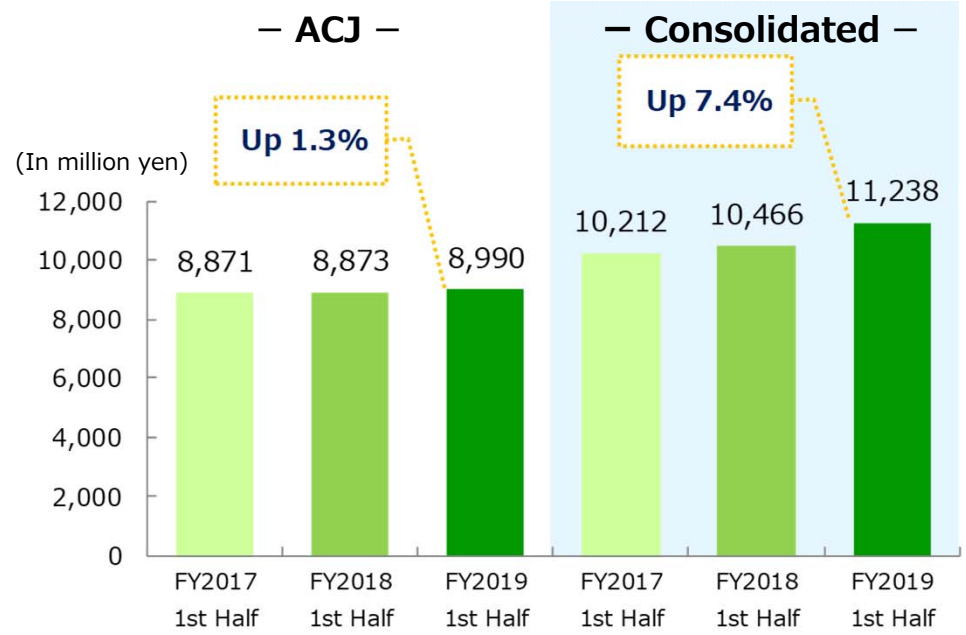
### < Sales by Region >



# Environmental Systems

## ※ Increased Domestic & Overseas Sales

### <Sales (Y-O-Y)>



### Domestic

- Standard Dust Collector Sales Declined
- Large-scale System Sales Higher

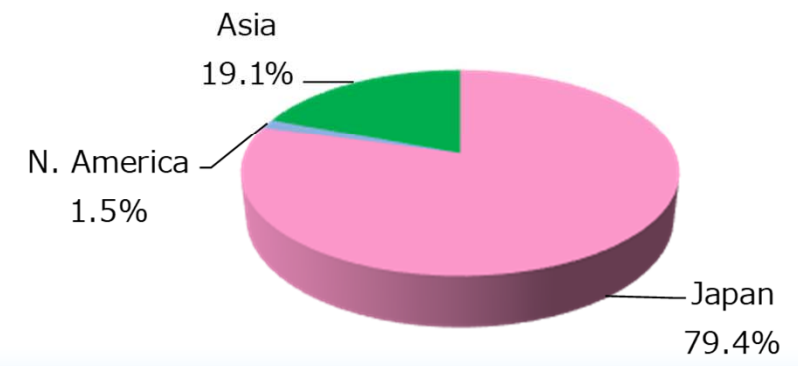
### Overseas

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

### <Quarterly Sales (FY2017.1Q~FY2019.2Q)>



### < Sales by Region >

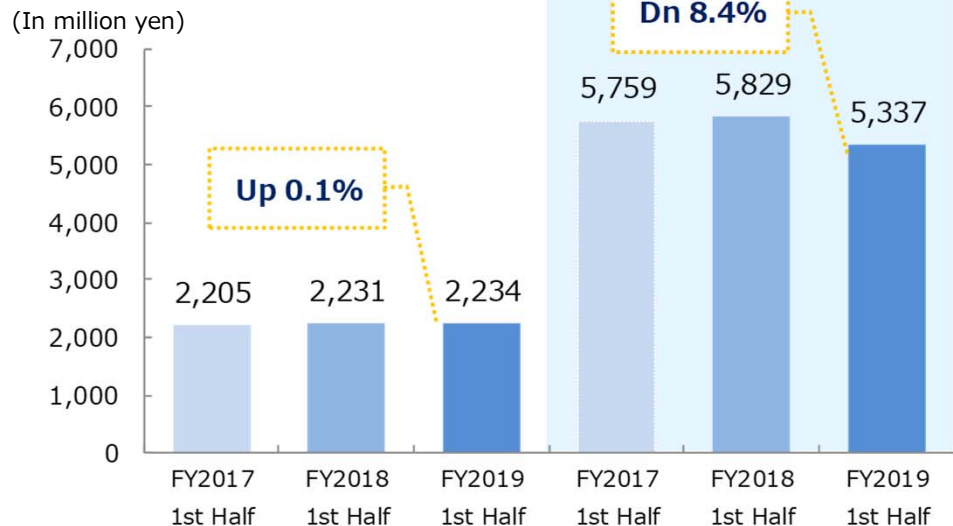


## ※ Domestic Sales Flat, Lower Overseas Sales

### <Sales (Y-O-Y)>

— ACJ —

— Consolidated —



Domestic

- Orders for the new robotic scrubber “EGrobo” is favorable
- Cleaning equipment sales declined

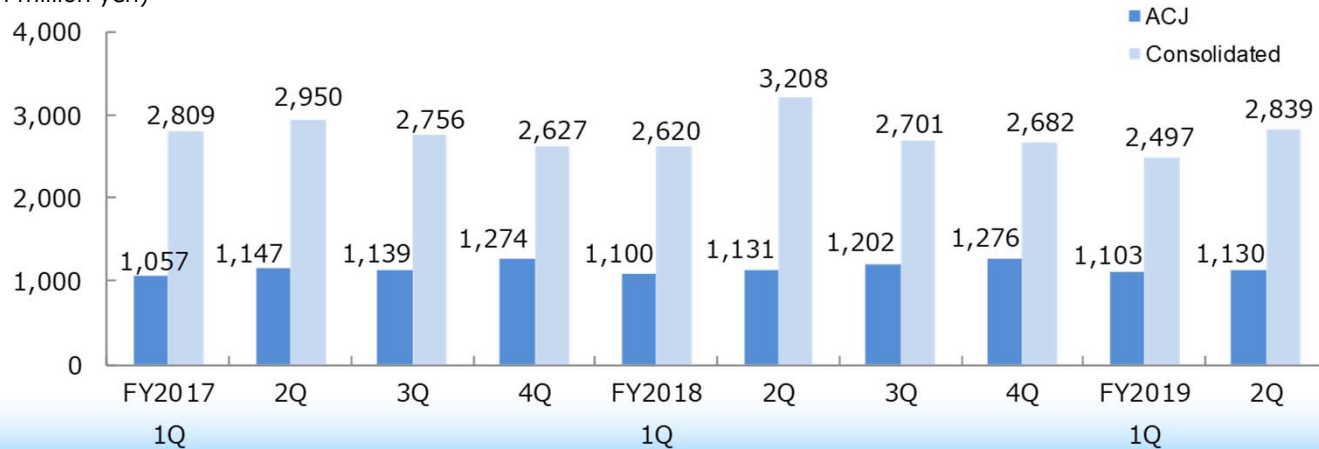


Overseas

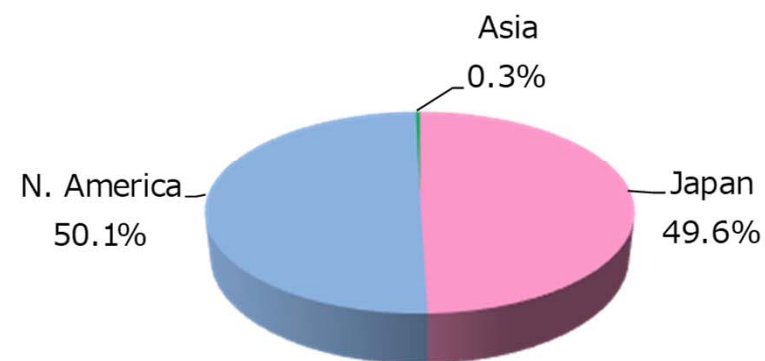
• N. America; Sales Declined

### <Quarterly Sales (FY2017.1Q~FY2019.2Q) >

(In million yen)



### < Sales by Region >



## Geographic Segment Information

(In million yen)

	FY2019 1Q (Jan - Mar, 2019)			FY2019 2Q (Apr - Jun, 2019)			FY2019 1st Half			FY2018 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
North America	4,289	(115)	(2.7)	4,658	(80)	(1.7)	8,947	(195)	(2.2)	8,798	(685)	(7.8)	149	1.7	489	—
Europe	2,244	135	6.0	2,136	164	7.7	4,380	299	6.8	4,609	313	6.8	(229)	(5.0)	(13)	(4.4)
Asia	4,859	433	8.9	4,770	457	9.6	9,629	890	9.3	7,759	682	8.8	1,870	24.1	208	30.5
Overseas group companies	11,393	453	4.0	11,564	541	4.7	22,957	994	4.3	21,166	310	1.5	1,791	8.5	684	220.6

\*Exchange rate: US\$ 110.30      US\$ 109.66      US\$ 109.98      US\$ 108.52  
 EUR 125.28      EUR 122.86      EUR 124.07      EUR 130.66

\*Goodwill Amortization: N.America 59 Mil      N.America 59 Mil      N.America 119 Mil      N.America 103 Mil  
 Europe 77 Mil      Europe 75 Mil      Europe 152 Mil      Europe 160 Mil

	FY2019 1Q (Apr - Jun, 2019)			FY2019 2Q (Jul - Sep, 2019)			FY2019 1st Half			FY2018 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
Domestic Group companies	5,310	698	13.1	5,639	895	15.9	10,950	1,593	14.6	10,732	1,363	12.7	218	2.0	230	16.9

(In million yen)

	FY2019 2Q 19.9.30	FY2018 19.3.31	Change
Assets	148,025	147,609	416
Cash & Bank Deposits	47,905	45,558	2,346
Notes and accounts receivable - trade	30,715	35,367	(4,651)
Inventories	11,011	10,184	827
Othe Current Assets	4,865	4,338	527
Fixed Assets	53,526	52,160	1,366
Liabilities	41,700	41,017	683
Notes and accounts payable - trade	12,520	14,279	(1,758)
Other Current Liabilities	22,127	21,290	837
Other Fixed Liabilities	7,052	5,447	1,604
Net Assets	106,325	106,592	(267)
Shareholder's Equity	109,728	109,178	549
Valuation & Conversion Adjustments	(4,094)	(3,216)	(877)
Non-Controlling shareholder's interests	691	630	61
Total Liabilities & Net Assets	148,025	147,609	416



(In million yen)

	FY2019 1st Half 19.9.30	FY2018 1st Half 18.9.30	Change
CF from Operating Activities	9,699	6,755	2,943
CF from Investing Activities	(2,667)	(4,801)	2,134
FCF	7,032	1,953	5,078
CF from Financial Activities	(4,697)	(2,814)	(1,883)
Net Increase (decrease) in Cash & Equivalents	2,059	(1,353)	3,413
Cash & Cash Equivalents at End of Year	44,547	38,878	5,668
CAPEX (tangible fixed asset) (*)	2,204	1,168	1,036
CAPEX (intangible asset) (*)	335	316	19
Depreciation (*)	2,442	1,842	601

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

(\*) Amano subsidiaries subject to IFRS have applied IFRS 16 "Leases" for fiscal year 2019 and its impact is reflected in the CAPEX and Depreciation expenses.

CAPEX and Depreciation expenses excluding the impact are as follows:

■ FY2019 1 <sup>st</sup> half (Consolidated) (In million yen)	
CAPEX (tangible fixed asset)	1,504
CAPEX (intangible asset)	335
Depreciation	1,838

(in million yen)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 1st half	FY2019 Full Year Plan
Consolidated CAPEX [tangible fixed asset] (*)	2,545	2,787	3,101	3,099	2,751	2,204	5,810
[intangible asset] (*)	4,297	3,858	615	642	715	335	888
<b>Total</b>	<b>6,842</b>	<b>6,645</b>	<b>3,717</b>	<b>3,742</b>	<b>3,468</b>	<b>2,540</b>	<b>6,699</b>
ACJ CAPEX [tangible fixed asset]	721	1,083	1,426	1,112	924	645	1,346
[intangible asset]	1,450	3,058	309	323	251	186	375
<b>Total</b>	<b>2,171</b>	<b>4,142</b>	<b>1,736</b>	<b>1,435</b>	<b>1,175</b>	<b>832</b>	<b>1,721</b>
Depreciation (Consolidated) (*)	4,137	4,415	3,549	3,593	3,833	2,442	5,072
Depreciation (ACJ)	1,921	2,047	1,255	1,327	1,273	630	1,420

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

(\*) Amano subsidiaries subject to IFRS have applied IFRS 16 "Leases" for fiscal year 2019 and the impact is reflected in the actual results and plans.

CAPEX and Depreciation expenses excluding the impact are as follows:

<ul style="list-style-type: none"> <li>■ FY2019 1<sup>st</sup> half (Consolidated)</li> <li>CAPEX (tangible fixed asset) 1,504</li> <li>CAPEX (intangible asset) 335</li> <li>Depreciation 1,838</li> </ul>	<ul style="list-style-type: none"> <li>■ FY2019 Full Year Plan (Consolidated) (In million yen)</li> <li>CAPEX (tangible fixed asset) 3,109</li> <li>CAPEX (intangible asset) 888</li> <li>Depreciation 3,878</li> </ul>
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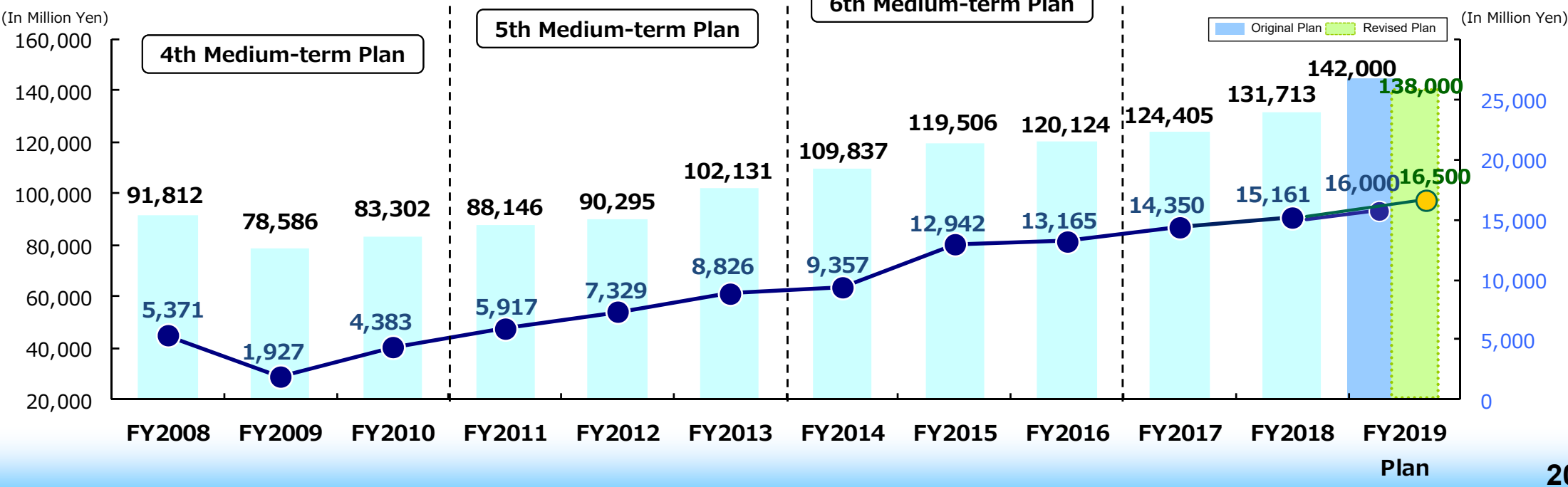
# The 7th Medium-Term Business Plan (FY2017-FY2019)

## *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
<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			2 <sup>nd</sup> 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**  
Operating Profit: **¥ 16 Billion or more**  
\*After Internal Eliminations

**Europe**

Expand Business Foundation based on Information Systems  
+  
Parking Management Services


FY2016	FY2017	FY2018
¥7.3Bn	¥8.4Bn	¥9.0Bn



**North America**

New Businesses & Products / Restructured Services  
+  
Domination of Canadian and Mexican Markets

FY2016	FY2017	FY2018
¥18.8Bn	¥18.0Bn	¥18.3Bn



**Asia**

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

FY2016	FY2017	FY2018
¥12.0Bn	¥14.5Bn	¥17.8Bn




**Japan (ACJ + Domestic Group)**

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

FY2016	FY2017	FY2018
¥92.7Bn	¥93.9Bn	¥96.8Bn

- Clean Systems
- Environmental Systems
- Parking Systems
- Time Management Products
- Information Systems



# Numerical Targets for FY2017-FY2019

## ◆ Business Plan

(In million yen)

	FY2017 Result		FY2018 Result		MTBP FY2019 Plan	FY2019 Revised Plan	
	Amount	Change%	Amount	Change%	Amount	Amount	Change%
Sales	124,405	3.6	131,713	5.9	142,000	138,000	4.8
Operating profit	14,350	9.0	15,161	5.7	16,000	16,500	8.8
Operating profit Ratio	11.5%		11.5%		11.3%	12.0%	
Ordinary profit	15,060	9.1	16,090	6.8	16,400	16,900	5.0
Net income attributable to owners of the parent company	10,019	8.6	9,142	(8.8)	10,800	11,000	20.3

(\*)MTBP : Medium-Term Business Plan

## ◆ Sales Plan

(In million yen)

	FY2017 Result			FY2018 Result			MTBP FY2019 Plan		FY2019 Revised Plan		
	Amount	%	Change%	Amount	%	Change%	Amount	Change%	Amount	%	Change%
Information Systems	26,759	21.5	7.9	29,176	22.2	9.0	32,000	22.5	31,500	22.8	8.0
Time Management Products	3,751	3.0	(1.7)	3,609	2.7	(3.8)	3,300	2.3	3,500	2.5	(3.0)
Parking Systems	60,757	48.8	4.0	63,879	48.5	5.1	68,000	47.9	67,500	48.9	5.7
Total: Time Information Segment	91,268	73.3	4.9	96,665	73.4	5.9	103,300	72.7	102,500	74.2	6.0
Environmental Systems	21,993	17.7	1.3	23,833	18.1	8.4	25,200	17.8	24,100	17.5	1.1
Clean Systems	11,143	9.0	(2.3)	11,213	8.5	0.6	13,500	9.5	11,400	8.3	1.7
Total: Environmental Segment	33,136	26.7	0.1	35,047	26.6	5.8	38,700	27.3	35,500	25.8	1.3
Grand total	124,405	100.0	3.6	131,713	100.0	5.9	142,000	100.0	138,000	100.0	4.8

FX Conversion Rates: US\$ 112.04  
EUR 127.19

US\$ 110.37  
EUR 130.00

US\$ 105.00  
EUR 114.00

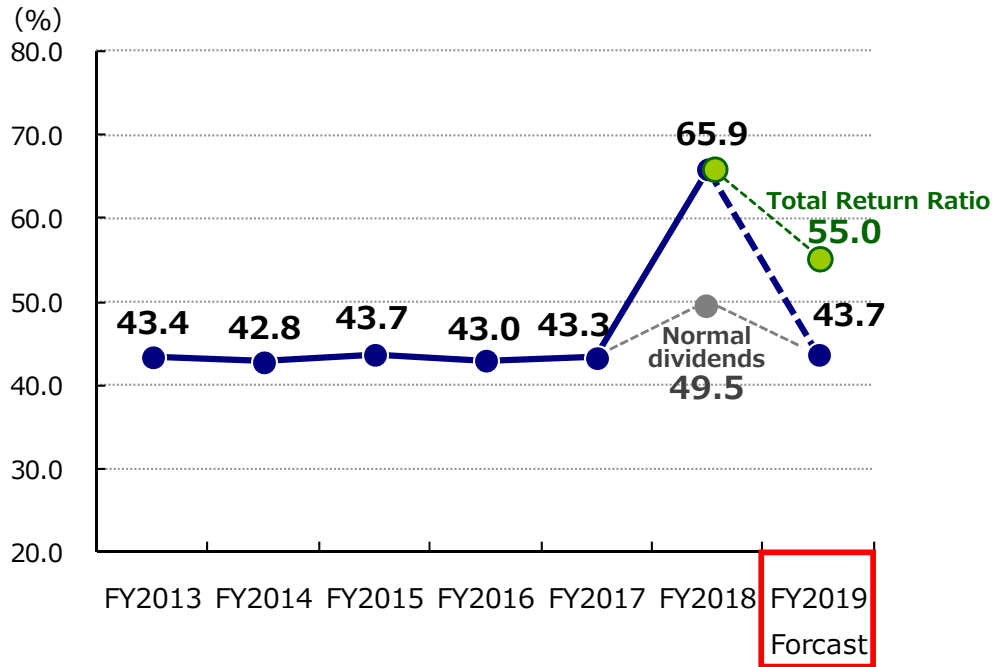
US\$ 105.00  
EUR 125.00

# Returns to shareholders

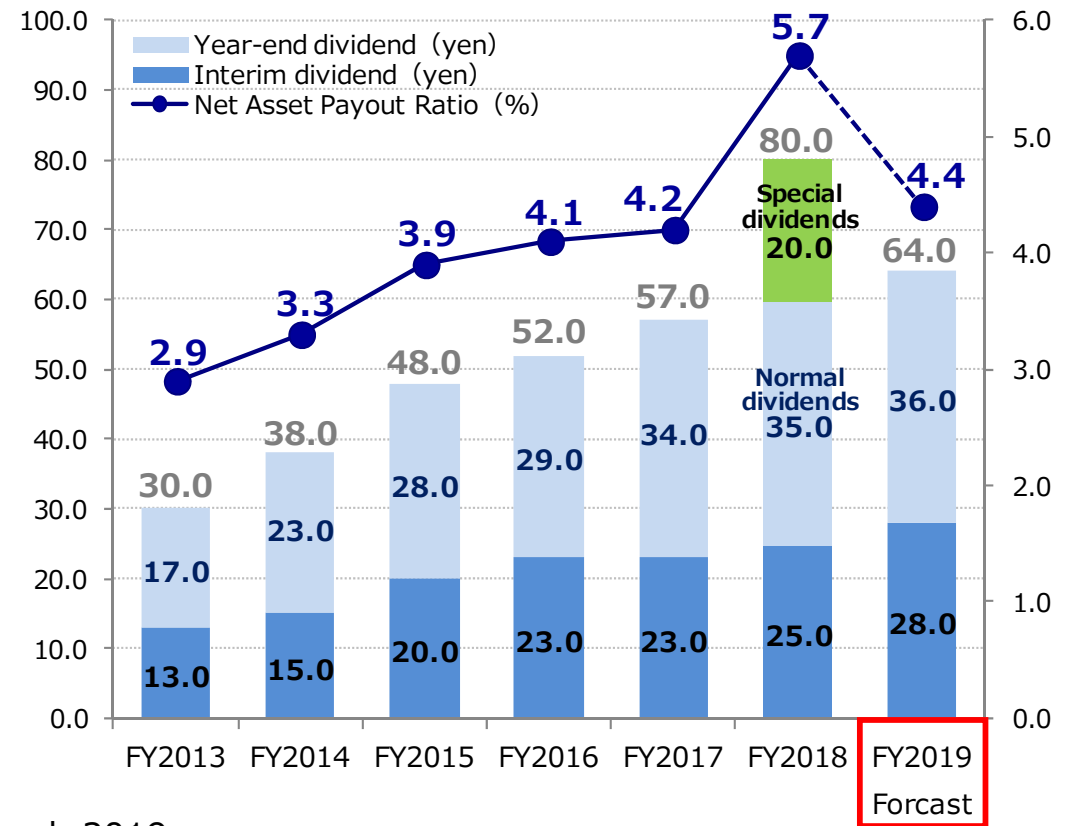
## ◎ Dividend Policy Stable dividends + performance incentives

- 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



# **Business Forecast for FY2019**

**(Fiscal Year ending March 2020)**

## ◆ Consolidated

(In million yen)

	FY2019 Plan						FY2018 Result			
	Full Year			1st Half			Full Year		1st Half	
	Amount	(%)	Change(%)	Amount	(%)	Change(%)	Amount	(%)	Amount	(%)
Net sales	138,000	100.0	4.8	63,500	100.0	4.1	131,713	100.0	61,008	100.0
Gross profit	61,000	44.2	4.7	28,200	44.4	4.3	58,246	44.2	27,036	44.3
SG&A	44,500	32.2	3.3	22,200	35.0	3.1	43,084	32.7	21,533	35.3
Operating profit	16,500	12.0	8.8	6,000	9.4	9.0	15,161	11.5	5,502	9.0
Ordinary profit	16,900	12.2	5.0	6,500	10.2	9.7	16,090	12.2	5,924	9.7
Net income attributable to owners of the parent company	11,000	8.0	20.3	4,000	6.3	4.5	9,142	6.9	3,828	6.3

## ◆ ACJ

(In million yen)

	FY2019 Plan						FY2018 Result			
	Full Year			1st Half			Full Year		1st Half	
	Amount	(%)	Change(%)	Amount	(%)	Change(%)	Amount	(%)	Amount	(%)
Net sales	77,000	100.0	2.9	34,800	100.0	2.7	74,796	100.0	33,885	100.0
Gross profit	33,100	43.0	2.7	14,700	42.2	2.7	32,222	43.1	14,317	42.3
SG&A	21,600	28.1	2.5	10,800	31.0	3.0	21,066	28.2	10,487	31.0
Operating profit	11,500	14.9	3.1	3,900	11.2	1.8	11,155	14.9	3,830	11.3
Ordinary profit	13,500	17.5	2.2	5,200	14.9	0.7	13,210	17.7	5,165	15.2
Net Income	9,500	12.3	(3.3)	3,800	10.9	2.7	9,827	13.1	3,699	10.9

# Sales Forecast for the Full FY2019 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, 2020				Result 1st Half		Plan 2nd Half		Year ending March 31, 2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	31,500	22.8	2,323	8.0	14,445	22.3	17,054	23.3	29,176	22.2
Time Management Products	3,500	2.5	(109)	(3.0)	1,722	2.7	1,777	2.4	3,609	2.7
Parking Systems	67,500	48.9	3,620	5.7	32,131	49.5	35,368	48.4	63,879	48.5
Total: Time Information Segment	102,500	74.3	5,834	6.0	48,299	74.5	54,200	74.1	96,665	73.4
Environmental Systems	24,100	17.5	266	1.1	11,238	17.3	12,861	17.6	23,833	18.1
Clean Systems	11,400	8.3	186	1.7	5,337	8.2	6,062	8.3	11,213	8.5
Total: Environmental Segment	35,500	25.7	452	1.3	16,575	25.5	18,924	25.9	35,047	26.6
Grand total	138,000	100.0	6,286	4.8	64,874	100.0	73,125	100.0	131,713	100.0

## ◆ ACJ

(In million yen)

Business division	Plan Year ending March 31, 2020				Result 1st Half		Plan 2nd Half		Year ending March 31, 2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	18,500	24.0	1,467	8.6	8,548	24.0	9,951	24.1	17,032	22.8
Time Management Products	3,100	4.0	36	1.2	1,467	4.1	1,632	4.0	3,063	4.1
Parking Systems	30,400	39.5	340	1.1	14,432	40.4	15,967	38.6	30,059	40.2
Total: Time Information Segment	52,000	67.5	1,845	3.7	24,448	68.5	27,551	66.7	50,154	67.1
Environmental Systems	20,100	26.1	168	0.8	8,990	25.2	11,109	26.8	19,931	26.6
Clean Systems	4,900	6.4	189	4.0	2,234	6.3	2,665	6.5	4,710	6.3
Total: Environmental Segment	25,000	32.5	357	1.5	11,224	31.5	13,775	33.3	24,642	32.9
Grand total	77,000	100.0	2,203	2.9	35,672	100.0	41,327	100.0	74,796	100.0

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

## HR Solution Vendor



Domestic

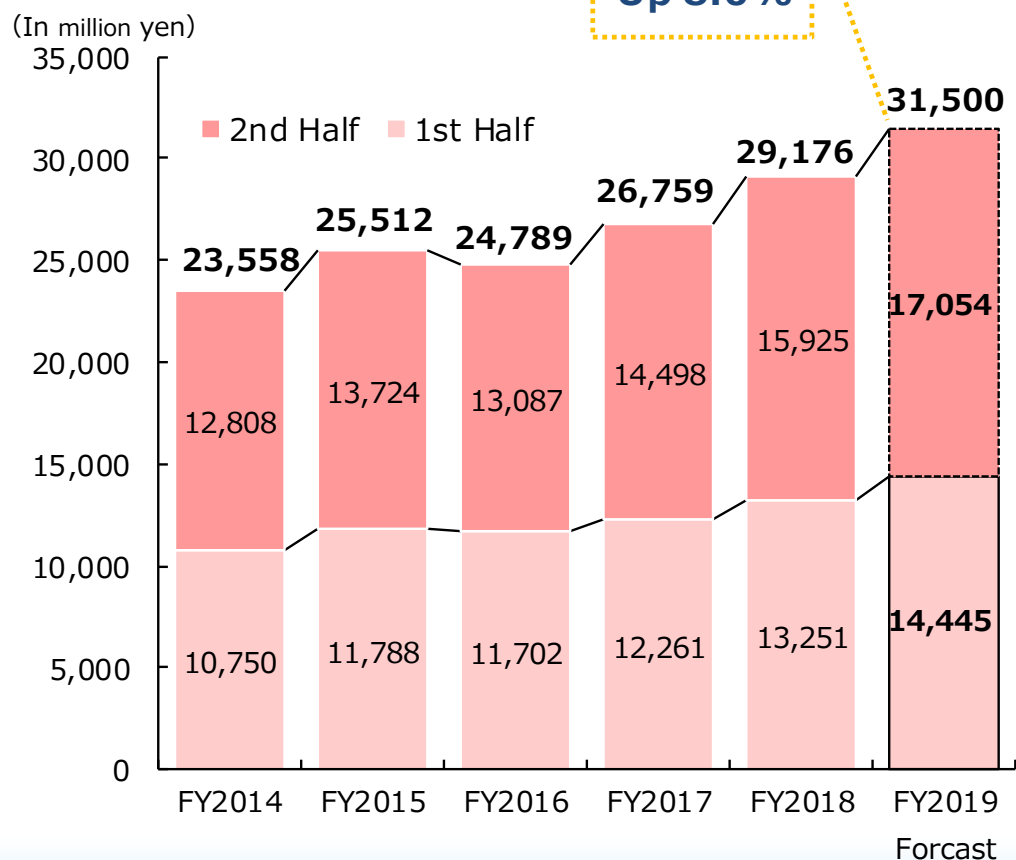
- MH(Middle High) market;  
Promote VG+ZeeM packaged deals  
Collaborate with CREO  
Promote Hosting & Cloud Based Solutions (VG Cloud)
- ML(Middle Low) market;  
Promote NX(T&A / Payroll) + "e-AMANO(Personnel affairs notification service)" packaged deals
- Developing public markets
- Strengthen Terminal Business



Overseas

- N. America; Accu-Time Systems Inc.  
Expand cloud services, strengthen terminal proposals
- Europe; Horoquartz, S.A. Expand customer base  
Promote 3-in-1 proposals which includes T&A, Access and Cards

Up 8.0%



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

## HR Solution Vendor



Domestic

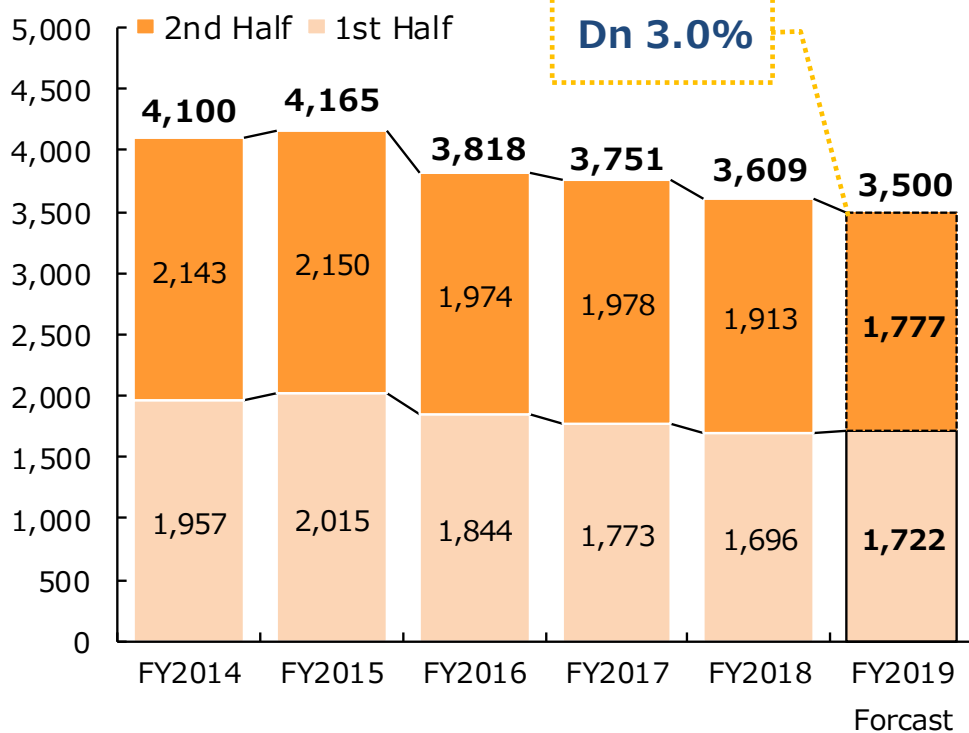
- Uncovering new demand from the basic time recorder market
- Strengthen online store and sales over the internet
- Expand TimeP@CK sales
- Enhancing charged member services



Overseas

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

(In million yen)



# Parking Systems: Action Plan

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

## Parking Total Solution Vendor



Domestic

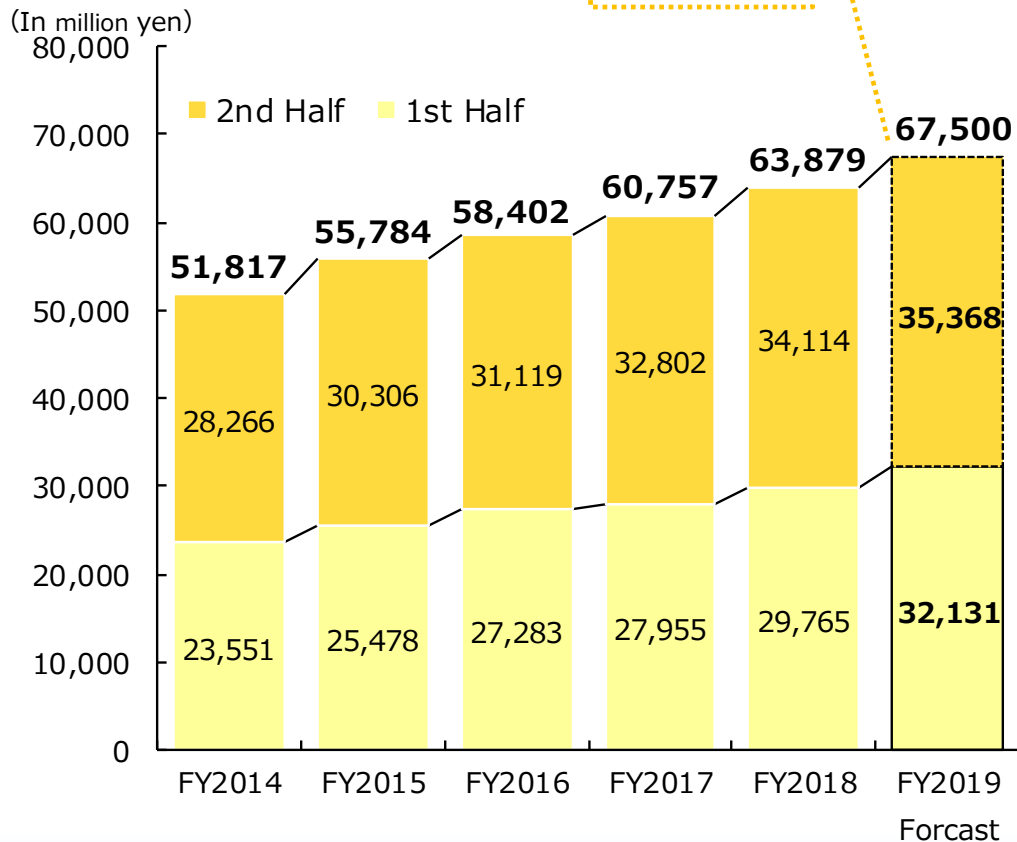
- Closer ties with major operators
- Medium small operators  
Parking Data Center; Enhance Services
- Management services; Expand holistic solutions  
Promote Packaged Installation of Car & Bicycle Parking
- Expand new markets  
Bicycle parking , security gates, toll roads
- New product launch



Overseas

- Strengthening group collaboration
- N.America; Re-establishing the sales regime and management controls
- Europe; Reinforce Sales Organization and Management Service Business
- Asia; Expand Management service business

Up 5.7%



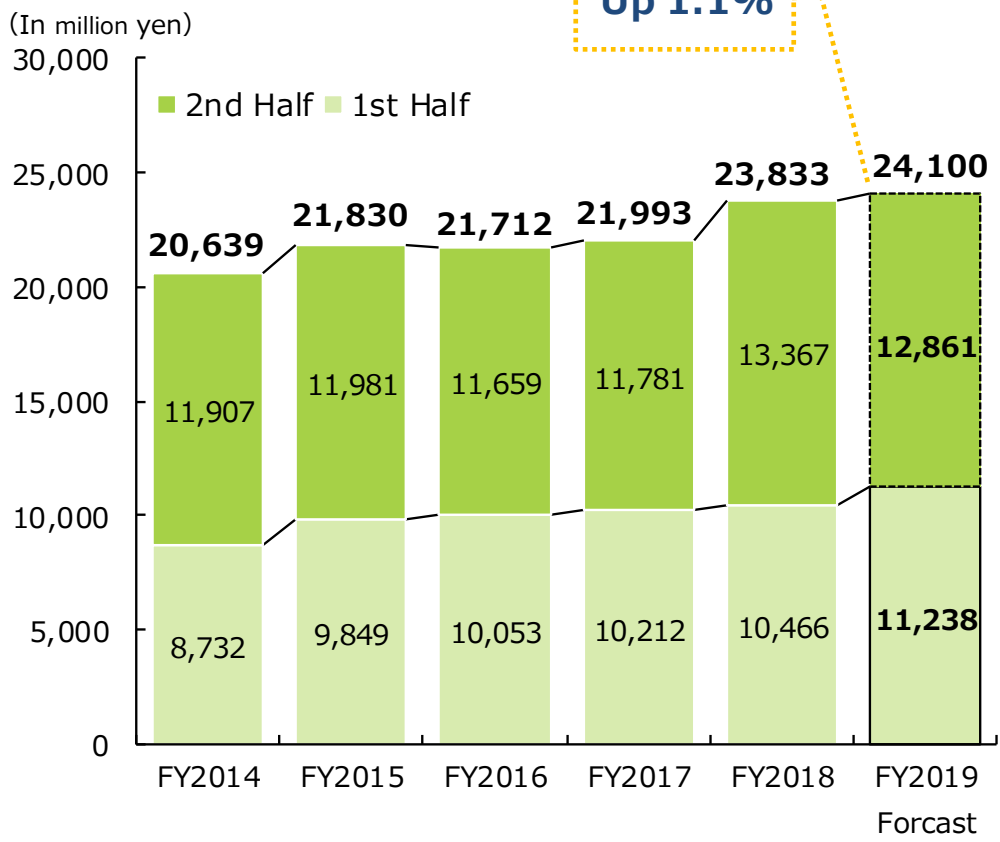
The 7th Medium-term Business Plan  
Brand Strategy by Business

## M2M Partial Solution Vendor



Domestic

- Increase global project orders initiated domestically
- Increase orders for standard dust collectors  
Strengthen proposals for mid and large sized models
- Expand holistic sales by including peripheral devices  
Powder Conveying & Deodorizing Equipment



Overseas

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

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

## Robotics Solution Vendor



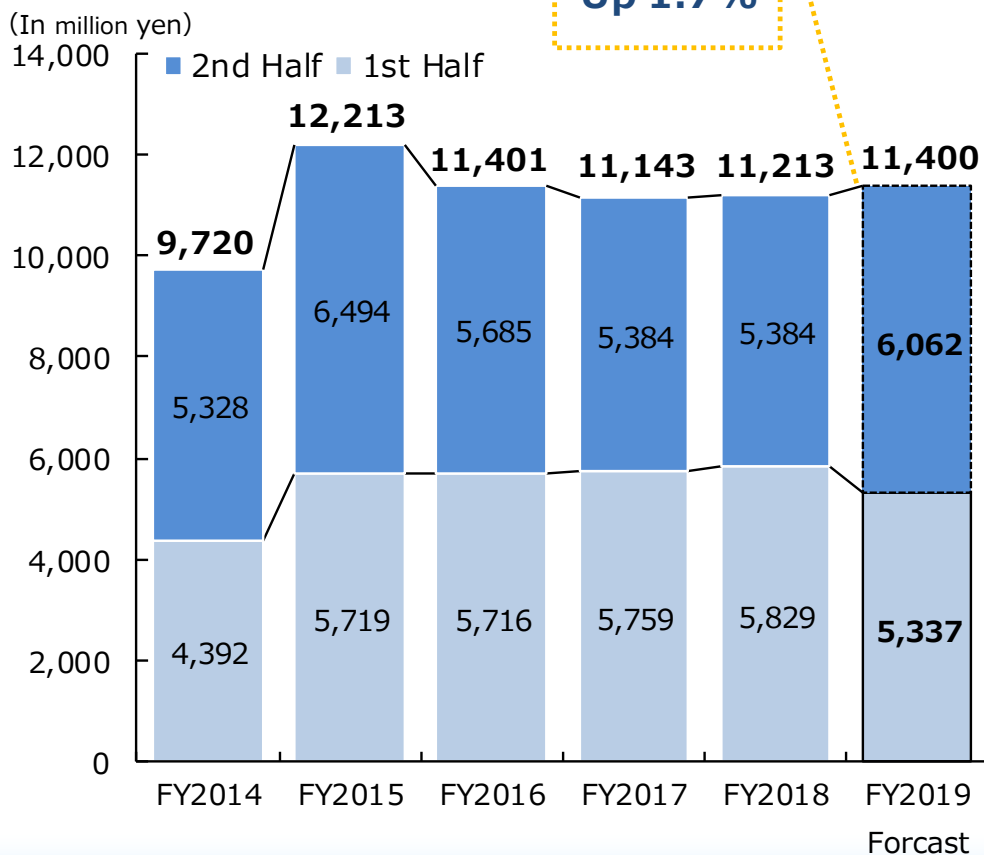
Domestic

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



Overseas

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





# FY2019 Sales & Operating Profit by Segment -Full Year Forecast- AMANO

(In million yen)

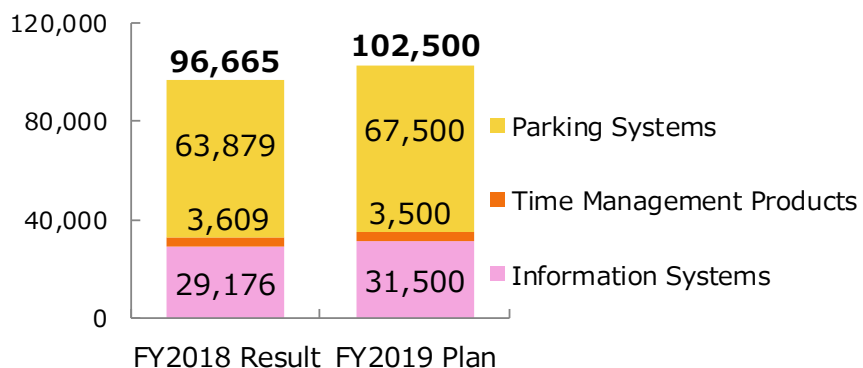
	FY2019 Plan			FY2018 Result			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	%	Operating profit	%
Time Information Segment	102,500	15,200	14.8	96,665	13,590	14.1	5,834	6.0	1,609	11.8
Environmental Segment	35,500	5,500	15.5	35,047	5,621	16.0	452	1.3	(121)	(2.2)
Company-wide Expenses		(4,200)			(4,049)				(150)	
<b>Total</b>	<b>138,000</b>	<b>16,500</b>	<b>12.0</b>	<b>131,713</b>	<b>15,161</b>	<b>11.5</b>	<b>6,286</b>	<b>4.8</b>	<b>1,338</b>	<b>8.8</b>

## 【Sales】

### ● Time Information Segment

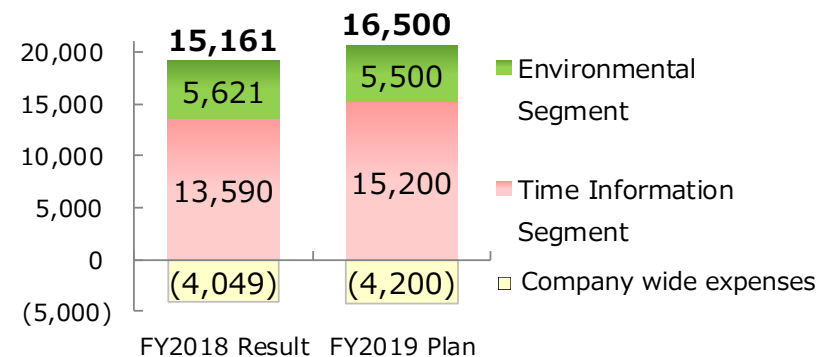
Up 6.0% Y-O-Y

(In million yen)



## 【Operating profit】

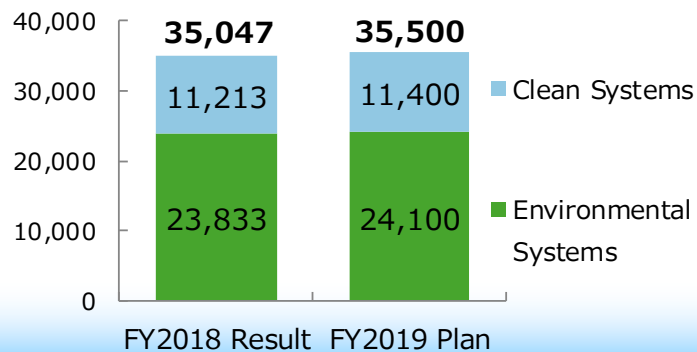
(In million yen)



### ● Environmental Segment

Up 1.3% Y-O-Y

(In million yen)

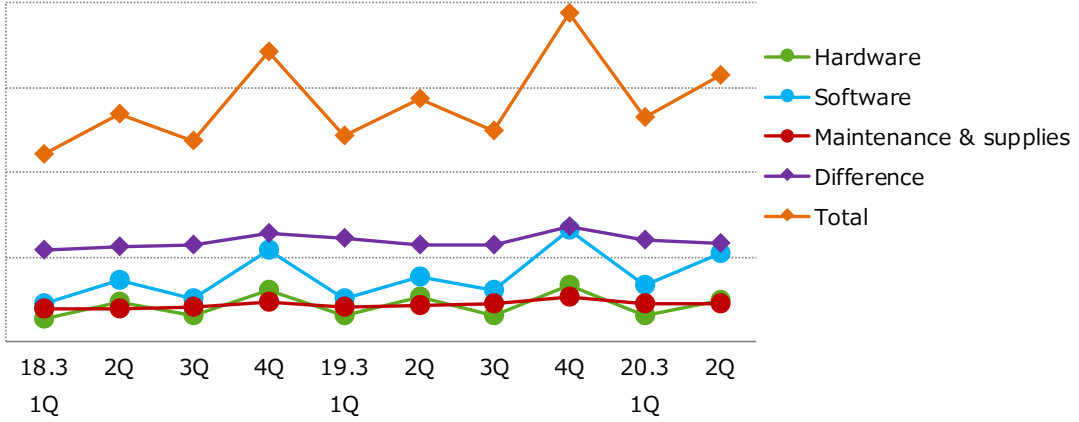


## ※ Operating Profit Up 8.8% Y-O-Y

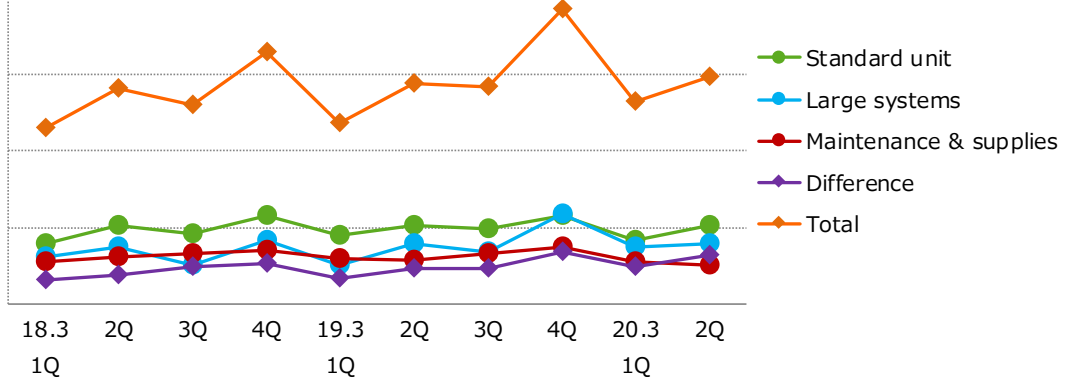
- Time Information Segment UP 11.8 % Y-O-Y
- Environmental Segment Dn 2.2 % Y-O-Y

# Quarterly Sales by Item (actual results)

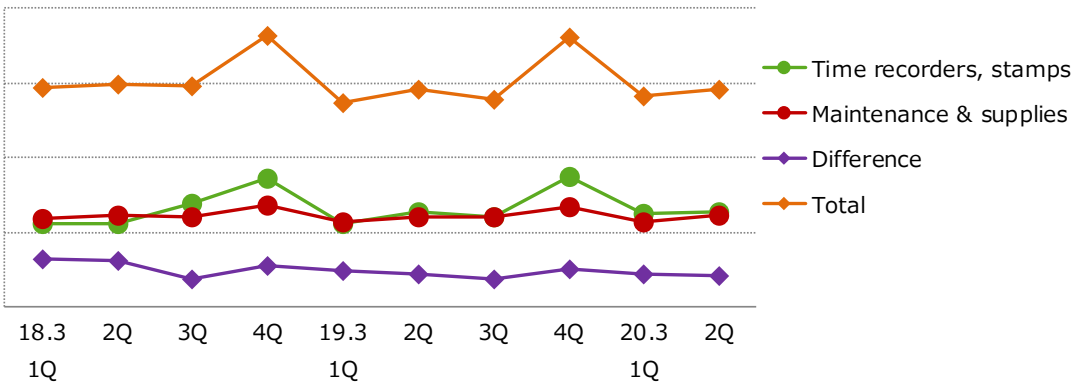
## <Information Systems>



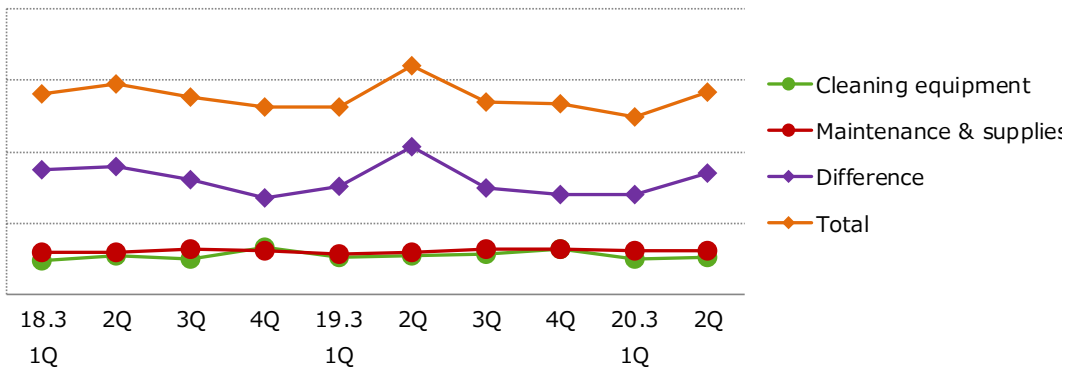
## <Environmental Systems>



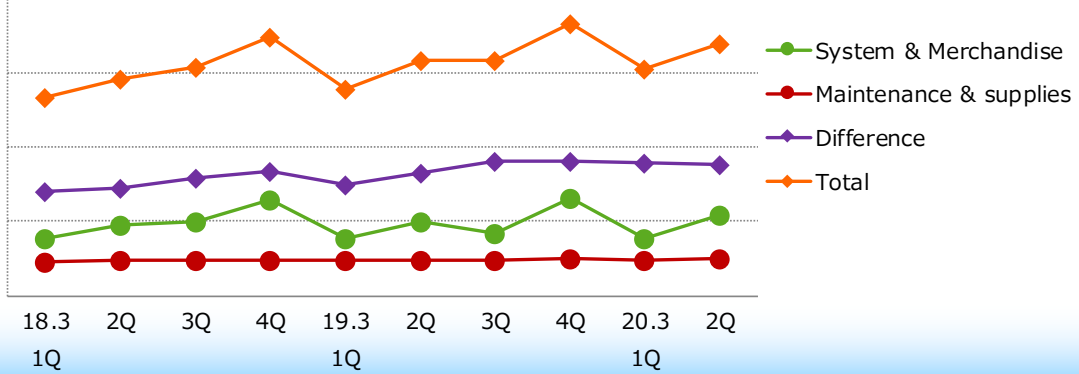
## <Time Management Products>



## <Clean Systems>



## <Parking Systems>



\* Indicating Y-O-Y Variance

**AMANO**