

# **FY 2020: 3rd Quarter Report**

## **(Fiscal Year ending March 2021)**

AMANO CORPORATION (Ticker: 6436)

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# FY 2020: 3rd Quarter Accumulated Results (FY end March 2021)

## Consolidated

(In million yen)

	Disclosed plan			FY2020 3Q Total		FY2019 3Q Total		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	110,000	100.0	(17.3)	80,525	100.0	95,590	100.0	(15,064)	(15.8)
Gross profit	48,800	44.4	(18.3)	34,693	43.1	42,612	44.6	(7,919)	(18.6)
SG&A	41,800	38.0	(4.0)	29,557	36.7	31,960	33.4	(2,403)	(7.5)
Operating profit	7,000	6.4	(56.7)	5,135	6.4	10,651	11.1	(5,515)	(51.8)
Non-operating income	1,000	0.9	(2.7)	895	1.1	728	0.8	166	22.8
Non-operating expense	200	0.2	(39.8)	200	0.3	205	0.2	(4)	(2.3)
Ordinary profit	7,800	7.1	(53.8)	5,830	7.2	11,175	11.7	(5,344)	(47.8)
Extraordinary profit	0			13		5		7	
Extraordinary loss	0			85		173		(87)	
Net income attributable to owners of the parent company	6,100	5.5	(42.3)	4,696	5.8	7,150	7.5	(2,453)	(34.3)

\* FX Rates : (Quarterly Average)

US\$ 105.00

US\$ 107.26

US\$ 109.22

EUR 115.00

EUR 121.13

EUR 122.36

## ACJ

\* ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			FY2020 3Q Total		FY2019 3Q Total		Change	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%
Net sales	62,000	100.0	(17.2)	42,673	100.0	52,342	100.0	(9,669)	(18.5)
Gross profit	27,300	44.0	(17.3)	18,099	42.4	22,624	43.2	(4,525)	(20.0)
SG&A	21,300	34.4	(2.3)	14,709	34.5	15,951	30.5	(1,241)	(7.8)
Operating profit	6,000	9.7	(46.5)	3,389	7.9	6,673	12.7	(3,283)	(49.2)
Non-operating income	1,500	2.4	(32.7)	1,978	4.6	1,714	3.3	264	15.4
Non-operating expense	100	0.2	(10.0)	37	0.1	75	0.1	(37)	(50.2)
Ordinary profit	7,400	11.9	(44.5)	5,330	12.5	8,311	15.9	(2,981)	(35.9)
Extraordinary profit	0			3		0		3	
Extraordinary loss	0			1		112		(111)	
Net income	5,200	8.4	(44.5)	3,957	9.3	5,878	11.2	(1,921)	(32.7)

## Consolidated performance (Year-on-year)

**1 Net Sales:** Dn ¥ 15,064 Mil ( Dn 15.8 % )

• **Time Information Segment:** Dn 11,803 Mil ( Dn 16.5 % )

Incl: Information Systems: Dn 2,267 Mil ( Dn 10.6 % )

Incl: Parking Systems: Dn 9,019 Mil ( Dn 19.0 % )

• **Environmental Segment:** Dn 3,261 Mil ( Dn 13.4 % )

Incl: Environmental Systems: Dn 3,085 Mil ( Dn 18.9 % )

Incl: Clean Systems: Dn 175 Mil ( Dn 2.2 % )

**2 Gross Profit:** Dn ¥ 7,919 Mil ( Dn 18.6 % )

Gross Profit Ratio: 43.1 % Dn 1.5 %

• Time Information Segment : Dn 2.1 %

• Environmental Segment : Up 0.5 %

**3 SG&A:** Dn ¥ 2,403 Mil ( Dn 7.5 % )

• Labor Cost Dn 1,037 Mil ( Dn 5.1 % )

• Other Costs Dn 1,366 Mil ( Dn 11.9 % )

**4 Operating Profit** Dn ¥ 5,515 Mil ( Dn 51.8 % )

• Time Information Segment: ¥ 5,230 Mil ( Dn 5,027 Mil )

• Environmental Segment: ¥ 2,668 Mil ( Dn 736 Mil )

• Company-wide Expense: ¥ -2,763 Mil ( Up 248 Mil )

# FY2020: 3rd Quarter Accumulated Results Sales by business division

## Consolidated

(In million yen)

Business division	Disclosed plan			FY2020 3Q Total		FY2019 3Q Total		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	27,500	25.0	(11.6)	19,077	23.7	21,344	22.3	(2,267)	(10.6)
Time Management Products	3,000	2.7	(13.7)	2,018	2.5	2,535	2.7	(517)	(20.4)
Parking Systems	55,500	50.5	(15.2)	38,435	47.7	47,455	49.6	(9,019)	(19.0)
Total: Time Information Segment	86,000	78.2	(14.0)	59,531	73.9	71,335	74.6	(11,803)	(16.5)
Environmental Systems	15,500	14.1	(30.9)	13,233	16.4	16,319	17.1	(3,085)	(18.9)
Clean Systems	8,500	7.7	(20.1)	7,759	9.7	7,935	8.3	(175)	(2.2)
Total: Environmental Segment	24,000	21.8	(27.4)	20,993	26.1	24,254	25.4	(3,261)	(13.4)
<b>Grand total</b>	<b>110,000</b>	<b>100.0</b>	<b>(17.3)</b>	<b>80,525</b>	<b>100.0</b>	<b>95,590</b>	<b>100.0</b>	<b>(15,064)</b>	<b>(15.8)</b>

\* FX Rates : (Quarterly Average)

US\$ 105.00

US\$ 107.26

US\$ 109.22

EUR 115.00

EUR 121.13

EUR 122.36

## ACJ

(In million yen)

Business division	Disclosed plan			FY2020 3Q Total		FY2019 3Q Total		Change	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%
Information Systems	17,000	27.4	(11.6)	11,009	25.8	12,714	24.3	(1,705)	(13.4)
Time Management Products	2,600	4.2	(13.4)	1,712	4.0	2,188	4.2	(476)	(21.8)
Parking Systems	25,500	41.1	(14.9)	15,596	36.6	21,066	40.2	(5,470)	(26.0)
Total: Time Information Segment	45,100	72.7	(13.6)	28,317	66.4	35,969	68.7	(7,651)	(21.3)
Environmental Systems	13,300	21.5	(26.4)	11,322	26.5	13,071	25.0	(1,748)	(13.4)
Clean Systems	3,600	5.8	(21.6)	3,033	7.1	3,301	6.3	(268)	(8.1)
Total: Environmental Segment	16,900	27.3	(25.5)	14,355	33.6	16,373	31.3	(2,017)	(12.3)
<b>Grand total</b>	<b>62,000</b>	<b>100.0</b>	<b>(17.2)</b>	<b>42,673</b>	<b>100.0</b>	<b>52,342</b>	<b>100.0</b>	<b>(9,669)</b>	<b>(18.5)</b>

# FY 2020: Consolidated performance by quarter

## Quarterly Financials

(In million yen)

	FY2020 1Q		FY2020 2Q		FY2020 1st Half		FY2020 3Q		FY2020 3Q Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	25,390	100.0	27,847	100.0	53,237	100.0	27,287	100.0	80,525	100.0
Gross profit	10,493	41.3	12,187	43.8	22,680	42.6	12,013	44.0	34,693	43.1
SG&A	10,575	41.7	9,439	33.9	20,015	37.6	9,542	35.0	29,557	36.7
Operating profit	△ 82	(0.3)	2,747	9.9	2,664	5.0	2,470	9.1	5,135	6.4
Non-operating income	251	1.0	324	1.2	576	1.1	319	1.2	895	1.1
Non-operating expense	83	0.3	72	0.3	155	0.3	44	0.2	200	0.2
Ordinary profit	85	0.3	2,999	10.8	3,085	5.8	2,745	10.1	5,830	7.2
Extraordinary profit	2		0		2		10		13	
Extraordinary loss	0		8		9		76		85	
Net income attributable to owners of the parent company	341	1.3	2,407	8.6	2,749	5.2	1,947	7.1	4,696	5.8

\*Exchange rate: US\$ 109.12  
EUR 120.09

US\$ 107.38  
EUR 118.71

US\$ 108.25  
EUR 119.40

US\$ 105.27  
EUR 124.59

US\$ 107.26  
EUR 121.13

## Quarterly Sales

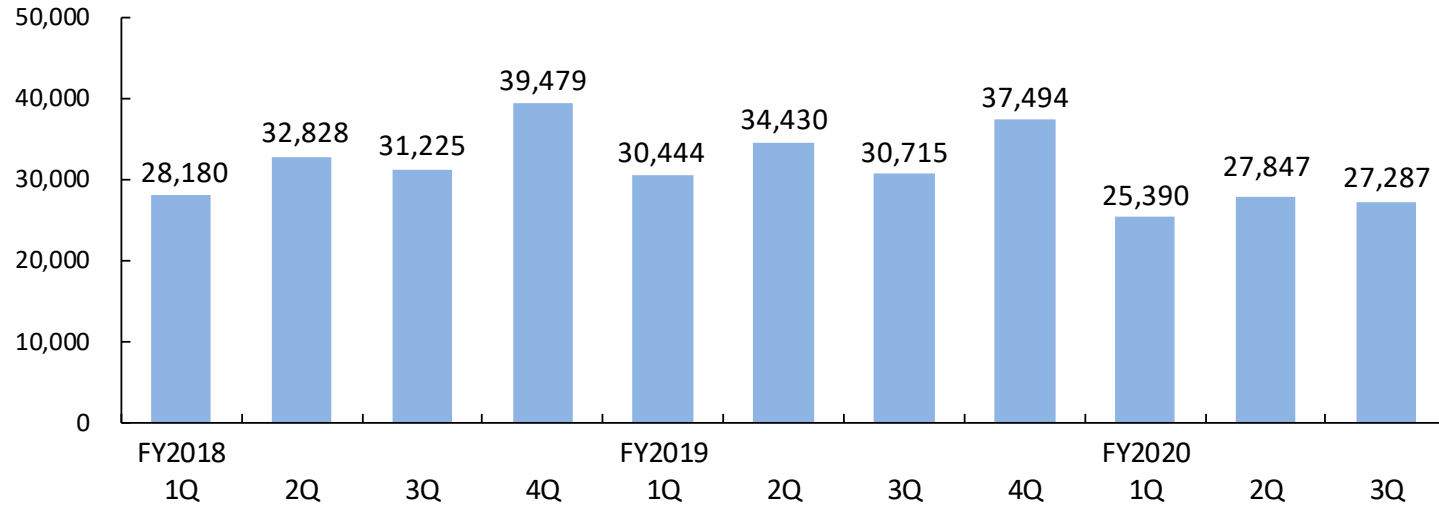
(In million yen)

	FY2020 1Q		FY2020 2Q		FY2020 1st Half		FY2020 3Q		FY2020 3Q Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	5,977	23.6	6,636	23.8	12,613	23.7	6,463	23.7	19,077	23.7
Time Management Products	669	2.6	620	2.2	1,290	2.4	728	2.7	2,018	2.5
Parking Systems	12,798	50.4	13,031	46.9	25,829	48.5	12,606	46.2	38,435	47.7
Total: Time Information Segment	19,445	76.6	20,287	72.9	39,733	74.6	19,798	72.6	59,531	73.9
Environmental Systems	3,654	14.4	4,880	17.5	8,535	16.1	4,698	17.2	13,233	16.4
Clean Systems	2,290	9.0	2,679	9.6	4,969	9.3	2,790	10.2	7,759	9.7
Total: Environmental Segment	5,944	23.4	7,559	27.1	13,504	25.4	7,489	27.4	20,993	26.1
Grand total	25,390	100.0	27,847	100.0	53,237	100.0	27,287	100.0	80,525	100.0

# Consolidated Sales & Operating Profit (Quarterly)

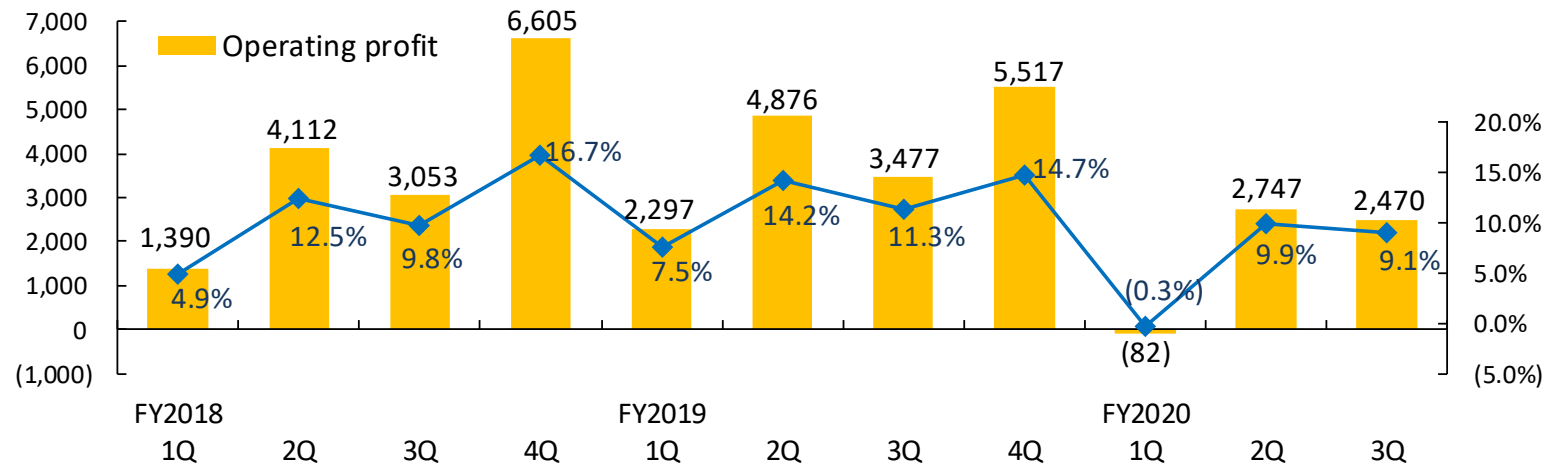
## Sales

(In million yen)



## Operating Profit

(In million yen)



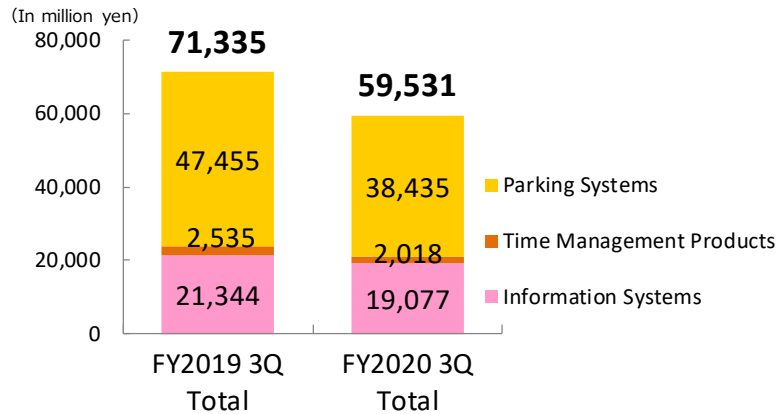
# Sales & Operating Profit by Business Segment

(In million yen)

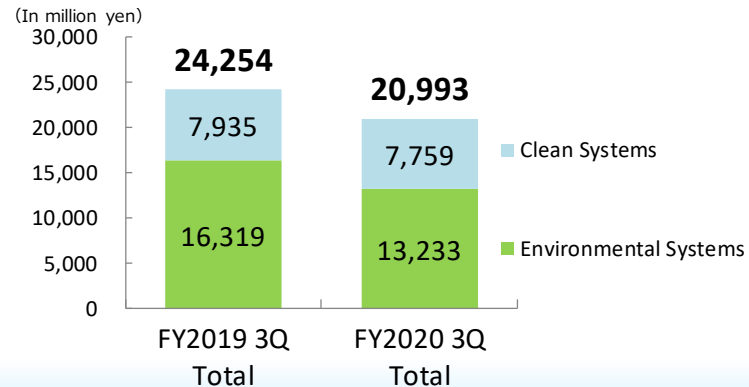
	FY2020 1Q			FY2020 2Q			FY2020 1st Half			FY2020 3Q			FY2020 3Q Total			FY2019 3Q Total			Change			
	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit	%	Net sales	Operating profit		
Time Information Segment	19,445	532	2.7	20,287	2,492	12.3	39,733	3,024	7.6	19,798	2,205	11.1	59,531	5,230	8.8	71,335	10,258	14.4	(11,803)	(16.5)	(5,027)	(49.0)
Environmental Segment	5,944	341	5.7	7,559	1,155	15.3	13,504	1,497	11.1	7,489	1,171	15.6	20,993	2,668	12.7	24,254	3,405	14.0	(3,261)	(13.4)	(736)	(21.6)
Company-wide Expenses		(956)			(900)			(1,857)			(906)			(2,763)			(3,012)					248
total	25,390	(82)	(0.3)	27,847	2,747	9.9	53,237	2,664	5.0	27,287	2,470	9.1	80,525	5,135	6.4	95,590	10,651	11.1	(15,064)	(15.8)	(5,515)	(51.8)

## Sales

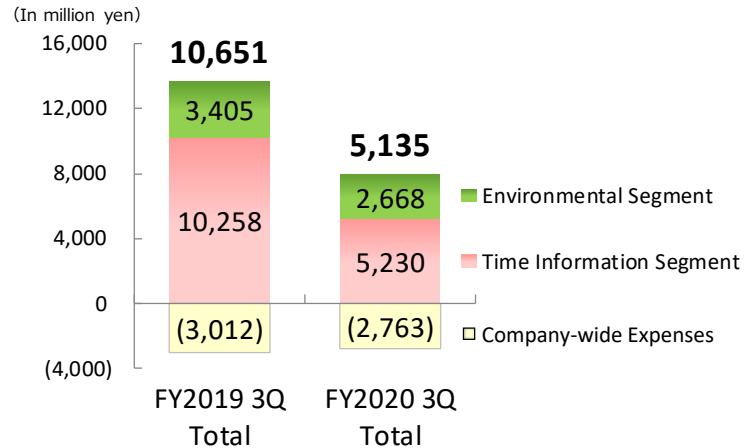
### ● Time Information Segment Down 16.5% YoY



### ● Environmental Segment Down 13.4% YoY



## Operating Profit



### ● Time Information Segment Down 49.0% YoY

### ● Environmental Segment Down 21.6% YoY

## 【References】

### Increase / decrease in gross profit margin

#### ① FY2019 3Q / FY2020 3Q

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

#### ② FY2019 / FY2020 3Q

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

# Performance of group companies

## Geographic Segment Information

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

(In million yen)

	FY2020 1Q (Jan - Mar, 2020)			FY2020 2Q (Apr - Jun, 2020)			FY2020 1st Half (Jan - Jun, 2020)			FY2020 3Q (Jul - Sep, 2020)			FY2020 3Q Total (Jan - Sep, 2020)			FY2019 3Q Total (Jan - Sep, 2019)			FY2020 3Q Total / FY2019 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	3,880	(473)	(12.2)	3,478	(198)	(5.7)	7,358	(671)	(9.1)	3,623	(63)	(1.7)	10,981	(734)	(6.7)	13,147	(480)	(3.7)	(2,165)	(16.5)	(254)	—
Europe	2,084	106	5.1	1,786	142	8.0	3,870	248	6.4	1,991	230	11.6	5,861	478	8.2	6,380	553	8.7	(519)	(8.1)	(76)	(13.6)
Asia	4,013	180	4.5	3,798	23	0.6	7,811	203	2.6	4,061	30	0.7	11,872	233	2.0	14,257	1,515	10.6	(2,385)	(16.7)	(1,281)	(84.6)
Overseas group companies Total	9,977	(186)	(1.9)	9,063	(33)	(0.4)	19,040	(219)	(1.2)	9,675	197	2.0	28,715	(22)	(0.1)	33,786	1,588	4.7	(5,071)	(15.0)	(1,610)	(101.4)

\*Exchange rate: US\$ 109.12  
EUR 120.09

US\$ 107.38  
EUR 118.71

US\$ 108.25  
EUR 119.40

US\$ 105.27  
EUR 124.59

US\$ 107.26  
EUR 121.13

US\$ 109.22  
EUR 122.36

\*Goodwill Amortization: N.America 14 mil  
Europe 73 mil

N.America 14 mil  
Europe 73 mil

N.America 29 mil  
Europe 147 mil

N.America 14 mil  
Europe 76 mil

N.America 43 mil  
Europe 223 mil

N.America 178 mil  
Europe 226 mil

(In million yen)

	FY2020 1Q (Apr - Jun, 2020)			FY2020 2Q (Jul - Sep, 2020)			FY2020 1st Half (Apr - Sep, 2020)			FY2020 3Q (Oct - Dec, 2020)			FY2020 3Q Total (Apr - Dec, 2020)			FY2019 3Q Total (Apr - Dec, 2019)			FY2020 3Q Total / FY2019 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	4,559	218	4.8	5,194	760	14.6	9,753	978	10.0	5,203	695	13.4	14,957	1,674	11.2	16,368	2,415	14.8	(1,411)	(8.6)	(741)	(30.7)

# Business Forecast for the Full FY2020

## Consolidated

\*The forecast for FY2020 4Q is shown as "FY2020 Plan minus Result FY2020 3Q Total"

(In million yen)

Business division	FY2020 Plan				Result FY2020 3Q Total		Forecast FY2020 4Q		FY2019 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Net sales	110,000	100.0	(23,084)	(17.3)	80,525	100.0	29,475	100.0	133,084	100.0
Gross profit	48,800	44.4	(10,921)	(18.3)	34,693	43.1	14,107	47.9	59,721	44.9
SG&A	41,800	38.0	(1,752)	(4.0)	29,557	36.7	12,243	41.5	43,552	32.7
Operating profit	7,000	6.4	(9,168)	(56.7)	5,135	6.4	1,865	6.3	16,168	12.1
Ordinary profit	7,800	7.1	(9,064)	(53.8)	5,830	7.2	1,970	6.7	16,864	12.7
Net income attributable to owners of the parent company	6,100	5.5	(4,467)	(42.3)	4,696	5.8	1,404	4.8	10,567	7.9
	US\$ 105.00 EUR 115.00				US\$ 107.26 EUR 121.13				US\$ 109.22 EUR 122.36	

## ACJ

(In million yen)

Business division	FY2020 Plan				Result FY2020 3Q Total		Forecast FY2020 4Q		FY2019 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Net sales	62,000	100.0	(12,852)	(17.2)	42,673	100.0	19,327	100.0	74,852	100.0
Gross profit	27,300	44.0	(5,723)	(17.3)	18,099	42.4	9,201	47.6	33,023	44.1
SG&A	21,300	34.4	(511)	(2.3)	14,709	34.5	6,591	34.1	21,811	29.1
Operating profit	6,000	9.7	(5,212)	(46.5)	3,389	7.9	2,611	13.5	11,212	15.0
Ordinary profit	7,400	11.9	(5,930)	(44.5)	5,330	12.5	2,070	10.7	13,330	17.8
Net income	5,200	8.4	(4,174)	(44.5)	3,957	9.3	1,243	6.4	9,374	12.5



# Sales Forecast for the Full FY2020 by Business Division

## Consolidated

\*The forecast for FY2020 4Q is shown as "FY2020 Plan minus Result FY2020 3Q Total"

(In million yen)

Business division	FY2020 Plan				Result FY2020 3Q Total		Forecast FY2020 4Q		FY2019 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	27,500	25.0	(3,610)	(11.6)	19,077	23.7	8,423	28.6	31,110	23.4
Time Management Products	3,000	2.7	(475)	(13.7)	2,018	2.5	982	3.3	3,475	2.6
Parking Systems	55,500	50.5	(9,929)	(15.2)	38,435	47.7	17,065	57.9	65,429	49.2
Total: Time Information Segment	86,000	78.2	(14,016)	(14.0)	59,531	73.9	26,469	89.8	100,016	75.2
Environmental Systems	15,500	14.1	(6,932)	(30.9)	13,233	16.4	2,267	7.7	22,432	16.9
Clean Systems	8,500	7.7	(2,135)	(20.1)	7,759	9.7	741	2.5	10,635	8.0
Total: Environmental Segment	24,000	21.8	(9,068)	(27.4)	20,993	26.1	3,007	10.2	33,068	24.8
<b>Grand total</b>	<b>110,000</b>	<b>100.0</b>	<b>(23,084)</b>	<b>(17.3)</b>	<b>80,525</b>	<b>100.0</b>	<b>29,475</b>	<b>100.0</b>	<b>133,084</b>	<b>100.0</b>
	US\$ 105.00				US\$ 107.26				US\$ 109.22	
	EUR 115.00				EUR 121.13				EUR 122.36	

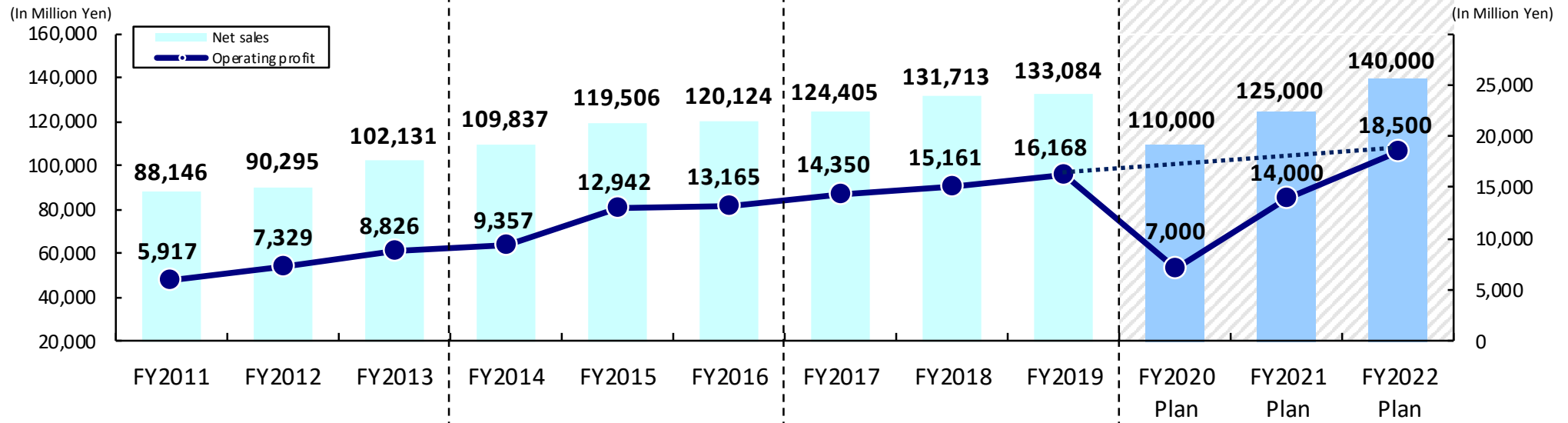
## ACJ

(In million yen)

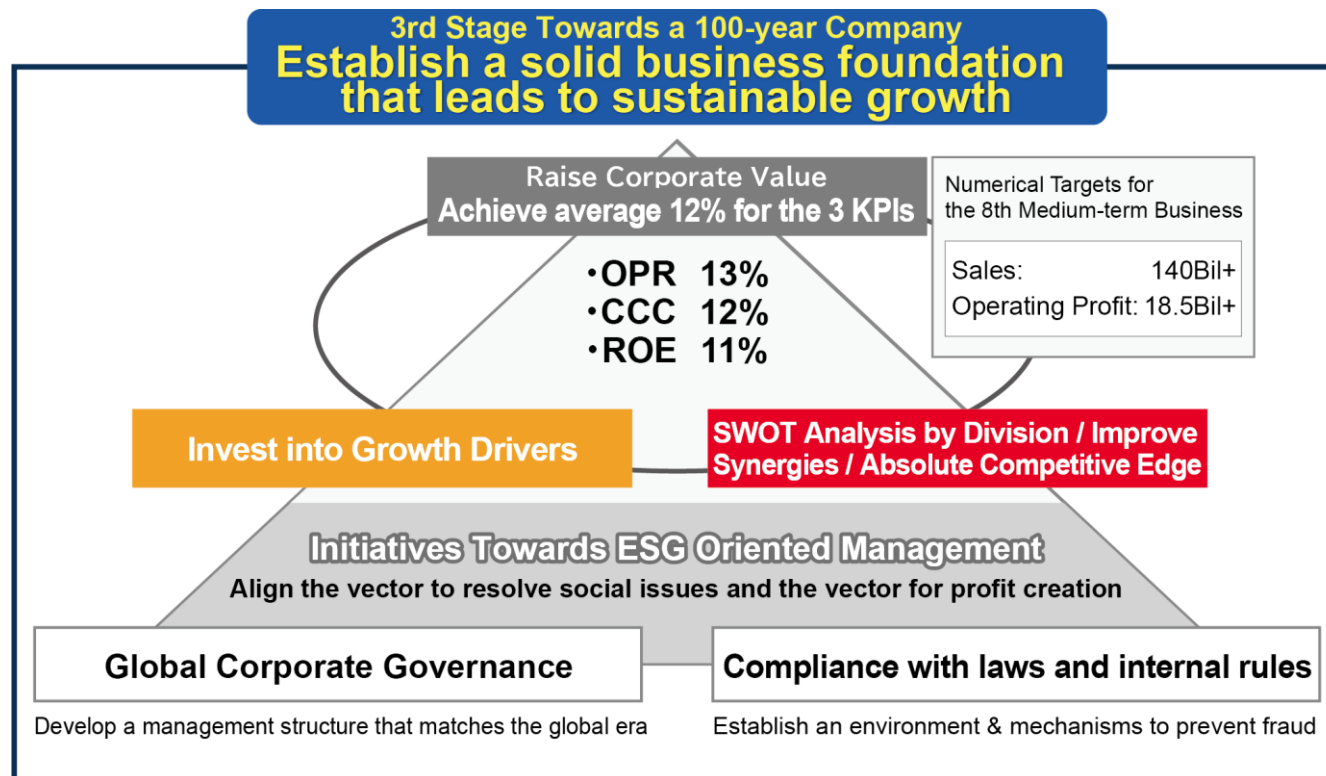
Business division	FY2020 Plan				Result FY2020 3Q Total		Forecast FY2020 4Q		FY2019 Result	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	17,000	27.4	(2,220)	(11.6)	11,009	25.8	5,991	31.0	19,220	25.7
Time Management Products	2,600	4.2	(402)	(13.4)	1,712	4.0	888	4.6	3,002	4.0
Parking Systems	25,500	41.1	(4,457)	(14.9)	15,596	36.6	9,904	51.2	29,957	40.0
Total: Time Information Segment	45,100	72.7	(7,080)	(13.6)	28,317	66.4	16,783	86.8	52,180	69.7
Environmental Systems	13,300	21.5	(4,780)	(26.4)	11,322	26.5	1,978	10.2	18,080	24.2
Clean Systems	3,600	5.8	(991)	(21.6)	3,033	7.1	567	2.9	4,591	6.1
Total: Environmental Segment	16,900	27.3	(5,771)	(25.5)	14,355	33.6	2,545	13.2	22,671	30.3
<b>Grand total</b>	<b>62,000</b>	<b>100.0</b>	<b>(12,852)</b>	<b>(17.2)</b>	<b>42,673</b>	<b>100.0</b>	<b>19,327</b>	<b>100.0</b>	<b>74,852</b>	<b>100.0</b>

# Roadmap of the Medium-term Business Plan

FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
5th medium-term plan			6th medium-term plan			7th Medium-term Plan			8th Medium-term Plan		
To become a 100-year Company			Challenge to a New Stage			2nd Stage Towards a 100-year Company Quantum Leap			3rd Stage Towards a 100-year Company		
<b>FY2013</b> Sales: over ¥103Bn Operating Profit: over ¥10Bn			<b>FY2016</b> Sales: over ¥130Bn Operating Profit: over ¥13Bn			<b>FY2019</b> Sales: over ¥140Bn Operating Profit: over ¥16Bn			<b>FY2022</b> Sales: over ¥140Bn Operating Profit: over ¥18.5Bn		
Global Niche Top Establishing new businesses			Expand Corporate Scale & Establish Growth Drivers			Innovative Creation of Value for Sustainable Growth			Establish a solid business foundation that leads to sustainable growth		



## The 8th Medium-Term Business Plan Concept (Apr. 2020- Mar. 2023)



### ① Investing in growth drivers

- In response to the movement of DX (Digital Transformation), promote digitization and IT in each business field.
- Solid strategic investments in growth drivers such as software assets, IoT, and AI, etc.
- Continue to invest in venture and/or start-up companies and engage in M&A to build the sixth core business.

### ② Establish unrivaled competitive advantage

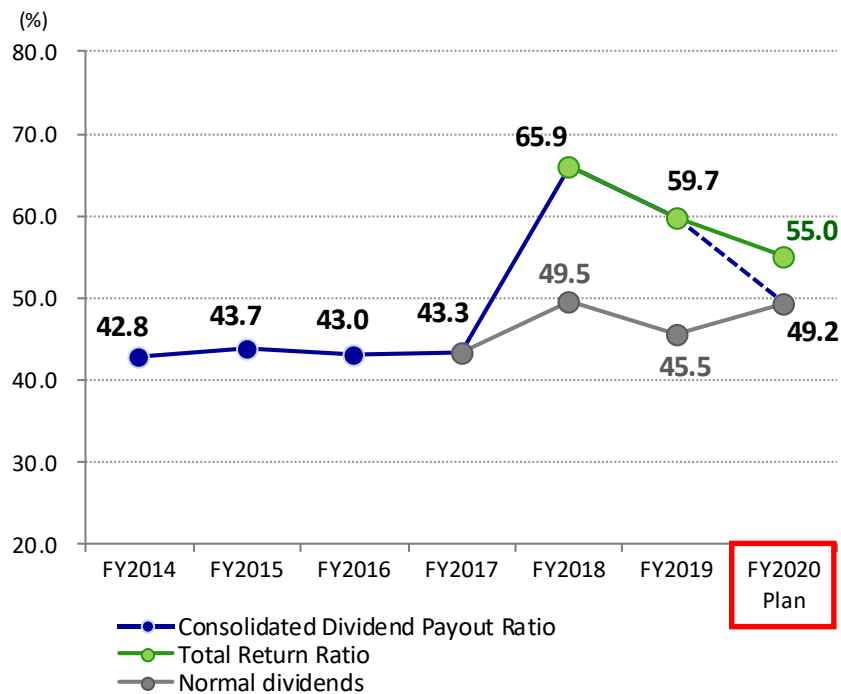
- Each business division and group company shall grasp their strengths using the SWOT analysis method and invest accordingly as in ① to further strengthen their advantages.
- Through synergistic effects of the strengths revealed above, further enhance the competitive advantage.
- Promote deepening and expanding the customer base.
- Enhance product lineup which are in line with market trends.

## ◎ Dividend Policy

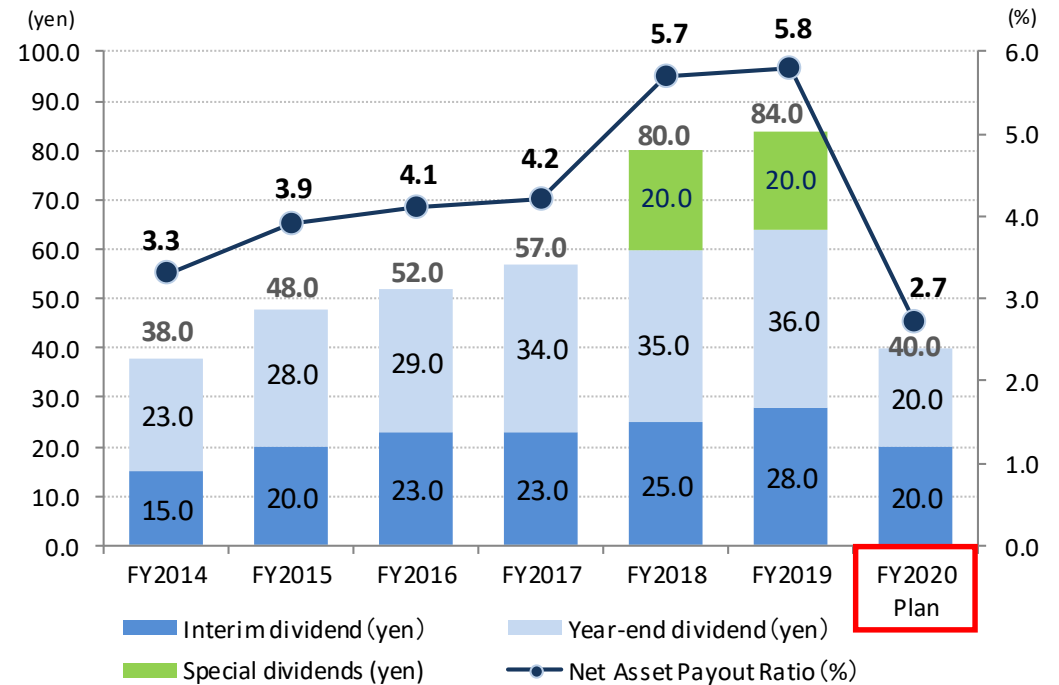
## Stable dividends + performance incentives

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

Consolidated Dividend Payout Ratio and Total Return Ratio



Dividend per Share and Consolidated Net Asset Payout Ratio

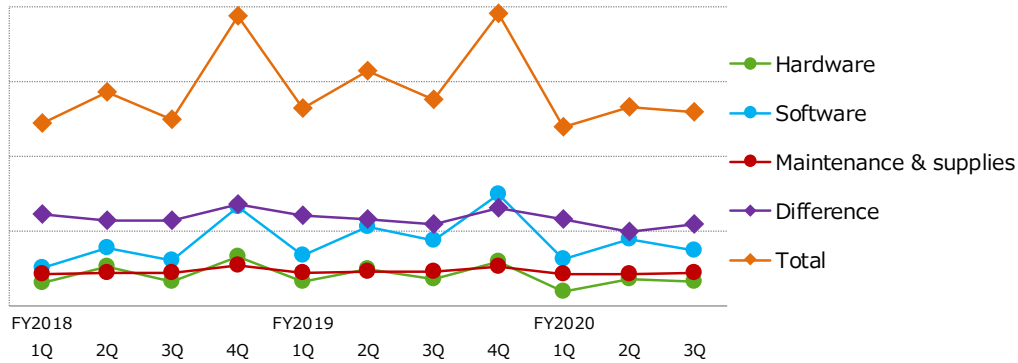


### ★ The status of treasury stock acquisition in conjunction with additional contribution to the Executive compensation BIP trust

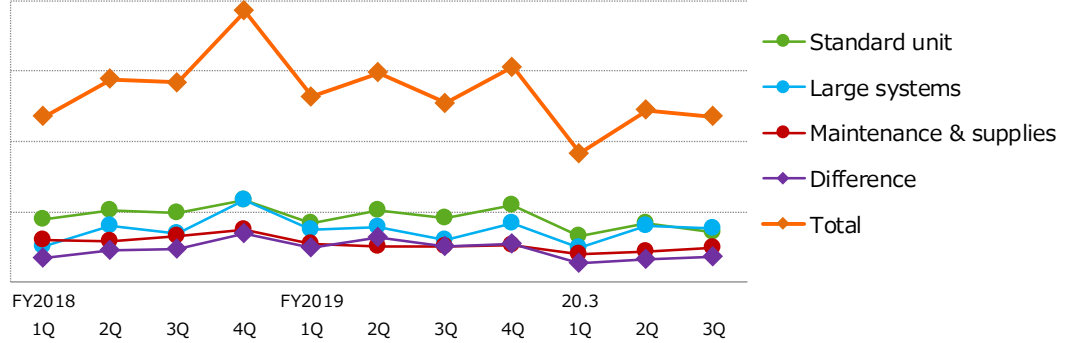
- Acquisition period : August 2020
- Total number of acquired stocks : 117,700
- Total amount of acquired stocks : 244 Million yen

# Quarterly Sales by Item (actual results)

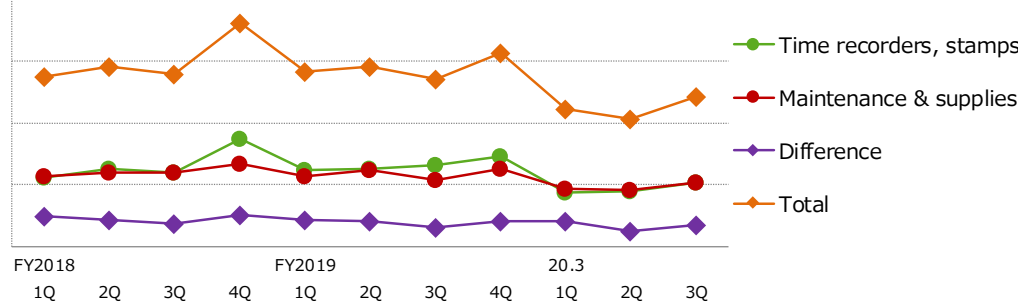
## Information Systems



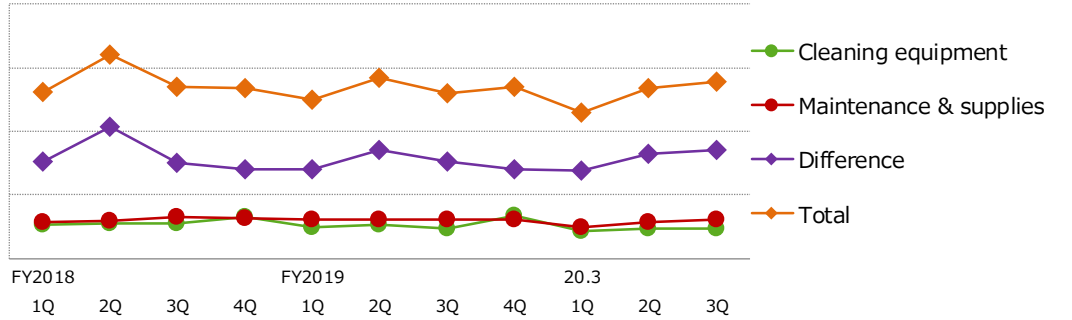
## Environmental Systems



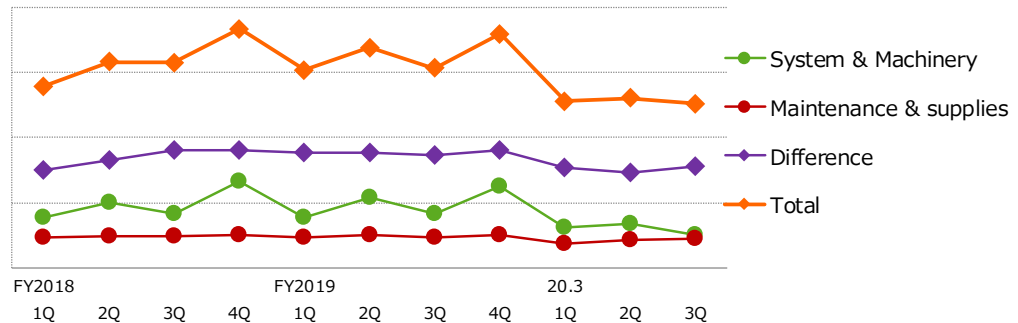
## Time Management Products



## 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.