

Second Quarter Report for FY 2020

(Fiscal Year ending March 2021)

Details of Business Results

AMANO CORPORATION (Ticker: 6436)

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- **FY 2020: 2nd Quarter Report** **P.3**

- **The 8th Medium-term Business Plan** **P.19**
The 3rd Stage Towards a 100-year Company

- **Business Forecast for FY2020** **P.24**

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 2020: 2nd Quarter Report

(Fiscal Year ending March 2021)

FY 2020: 1st Half Accumulated Results (FY end March 2021)

Consolidated

(In million yen)

	Disclosed plan			FY2020 1st Half		FY2019 1st Half		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	50,000	100.0	(22.9)	53,237	100.0	64,874	100.0	(11,637)	(17.9)	3,237	106.5
Gross profit	22,000	44.0	(23.7)	22,680	42.6	28,820	44.4	(6,140)	(21.3)	680	103.1
SG&A	20,000	40.0	(7.6)	20,015	37.6	21,646	33.4	(1,631)	(7.5)	15	100.1
Operating profit	2,000	4.0	(72.1)	2,664	5.0	7,174	11.1	(4,509)	(62.9)	664	133.2
Non-operating income	600	1.2	28.6	576	1.1	466	0.7	109	23.5	(23)	96.0
Non-operating expense	100	0.2	(44.7)	155	0.3	180	0.3	(25)	(13.8)	55	156.0
Ordinary profit	2,500	5.0	(66.5)	3,085	5.8	7,459	11.5	(4,374)	(58.6)	585	123.4
Extraordinary profit	0			2		3		(1)		2	
Extraordinary loss	0			9		149		(139)		9	
Net income attributable to owners of the parent company	2,500	5.0	(46.6)	2,749	5.2	4,679	7.2	(1,930)	(41.2)	249	110.0

*FX Rates:(Quarterly Average)

US\$ 105.00 US\$ 108.25 US\$ 109.98
 EUR 115.00 EUR 119.40 EUR 124.07

ACJ

* ACJ; Amano Corporation Japan

(In million yen)

	Disclosed plan			FY2020 1st Half		FY2019 1st Half		Change		Change over plan	
	Amount	%	Change(%)	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	27,500	100.0	(22.9)	28,420	100.0	35,672	100.0	(7,252)	(20.3)	920	103.3
Gross profit	12,300	44.7	(19.9)	11,776	41.4	15,360	43.1	(3,583)	(23.3)	(523)	95.7
SG&A	10,700	38.9	(0.8)	9,902	34.8	10,787	30.2	(884)	(8.2)	(797)	92.6
Operating profit	1,600	5.8	(65.0)	1,873	6.6	4,573	12.8	(2,699)	(59.0)	273	117.1
Non-operating income	850	3.1	(42.6)	1,739	6.1	1,479	4.1	259	17.6	889	204.7
Non-operating expense	50	0.2	(40.3)	31	0.1	83	0.2	(52)	(62.5)	(18)	62.7
Ordinary profit	2,400	8.7	(59.8)	3,581	12.6	5,969	16.7	(2,387)	(40.0)	1,181	149.2
Extraordinary profit	0			0		0		(0)		0	
Extraordinary loss	0			0		112		(111)		0	
Net income	1,700	6.2	(59.5)	2,657	9.4	4,202	11.8	(1,544)	(36.8)	957	156.3

Consolidated performance (Year-on-year)

1 Sales: Dn ¥ 11,637 mil (Dn 17.9 %)

• Time Information Segment: Dn 8,565 mil (Dn 17.7 %)
 Incl: Information Systems: Dn 1,831 mil (Dn 12.7 %)
 Incl: Parking Systems: Dn 6,302 mil (Dn 19.6 %)

• Environmental Segment: Dn 3,071 mil (Dn 18.5 %)
 Incl: Environmental Systems: Dn 2,702 mil (Dn 24.1 %)
 Incl: Clean Systems: Dn 368 mil (Dn 6.9 %)

2 Gross Profit: Dn ¥ 6,140 mil (Dn 21.3 %)

Gross Profit Ratio: 42.6 % Dn 1.8 %

• Time Information Segment: Dn 2.5 %
 • Environmental Segment: 0.0 %

3 SG&A: Dn ¥ 1,631 mil (Dn 7.5 %)

• Labor Cost Dn 766 mil (Dn 5.5 %)
 • Other Costs Dn 864 mil (Dn 11.2 %)

4 Operating Profit Dn ¥ 4,509 mil (Dn 62.9 %)

• Time Information Segment: ¥ 3,024 mil (Dn 3,838 mil)
 • Environmental Segment: ¥ 1,497 mil (Dn 862 mil)
 • Company-wide Expense: ¥ -1,857 mil (Up 191 mil)

FY 2020: 1st Half Accumulated Results (FY end March 2021) Sales by business division

Consolidated

(In million yen)

Business division	Disclosed plan			FY2020 1st Half		FY2019 1st Half		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	12,500	25.0	(13.5)	12,613	23.7	14,445	22.3	(1,831)	(12.7)	113	100.9
Time Management Products	1,400	2.8	(18.7)	1,290	2.4	1,722	2.7	(431)	(25.1)	(109)	92.1
Parking Systems	25,000	50.0	(22.2)	25,829	48.5	32,131	49.5	(6,302)	(19.6)	829	103.3
Total: Time Information Segment	38,900	77.8	(19.5)	39,733	74.6	48,299	74.5	(8,565)	(17.7)	833	102.1
Environmental Systems	6,800	13.6	(39.5)	8,535	16.1	11,238	17.3	(2,702)	(24.1)	1,735	125.5
Clean Systems	4,300	8.6	(19.4)	4,969	9.3	5,337	8.2	(368)	(6.9)	669	115.6
Total: Environmental Segment	11,100	22.2	(33.0)	13,504	25.4	16,575	25.5	(3,071)	(18.5)	2,404	121.7
Grand total	50,000	100.0	(22.9)	53,237	100.0	64,874	100.0	(11,637)	(17.9)	3,237	106.5

*FX Rates:(Quarterly Average)

US\$ 105.00

US\$ 108.25

US\$ 109.98

EUR 115.00

EUR 119.40

EUR 124.07

ACJ

(In million yen)

Business division	Disclosed plan			FY2020 1st Half		FY2019 1st Half		Change		Change over plan	
	Amount	%	Change%	Amount	%	Amount	%	Amount	%	Amount	%
Information Systems	7,600	27.6	(11.1)	7,255	25.5	8,548	24.0	(1,292)	(15.1)	(344)	95.5
Time Management Products	1,200	4.4	(18.2)	1,090	3.8	1,467	4.1	(376)	(25.6)	(109)	90.9
Parking Systems	11,000	40.0	(23.8)	10,775	38.0	14,432	40.4	(3,656)	(25.3)	(224)	98.0
Total: Time Information Segment	19,800	72.0	(19.0)	19,122	67.3	24,448	68.5	(5,326)	(21.8)	(678)	96.6
Environmental Systems	6,000	21.8	(33.3)	7,350	25.8	8,990	25.2	(1,639)	(18.2)	1,350	122.5
Clean Systems	1,700	6.2	(23.9)	1,947	6.9	2,234	6.3	(286)	(12.8)	247	114.6
Total: Environmental Segment	7,700	28.0	(31.4)	9,298	32.7	11,224	31.5	(1,926)	(17.2)	1,598	120.8
Grand total	27,500	100.0	(22.9)	28,420	100.0	35,672	100.0	(7,252)	(20.3)	920	103.3

FY 2020: Consolidated performance by quarter (FY end March 2021)

Quarterly Financials

(In million yen)

	FY2020 1Q		FY2020 2Q		FY2020 1st Half	
	Amount	%	Amount	%	Amount	%
Net sales	25,390	100.0	27,847	100.0	53,237	100.0
Gross profit	10,493	41.3	12,187	43.8	22,680	42.6
SG&A	10,575	41.7	9,439	33.9	20,015	37.6
Operating profit	(82)	(0.3)	2,747	9.9	2,664	5.0
Non-operating income	251	1.0	324	1.2	576	1.1
Non-operating expense	83	0.3	72	0.3	155	0.3
Ordinary profit	85	0.3	2,999	10.8	3,085	5.8
Extraordinary profit	2		0		2	
Extraordinary loss	0		8		9	
Net income attributable to owners of the parent company	341	1.3	2,407	8.6	2,749	5.2

* FX Rates : (Quarterly Average)

US\$ 109.12

US\$ 107.38

US\$ 108.25

EUR 120.09

EUR 118.71

EUR 119.40

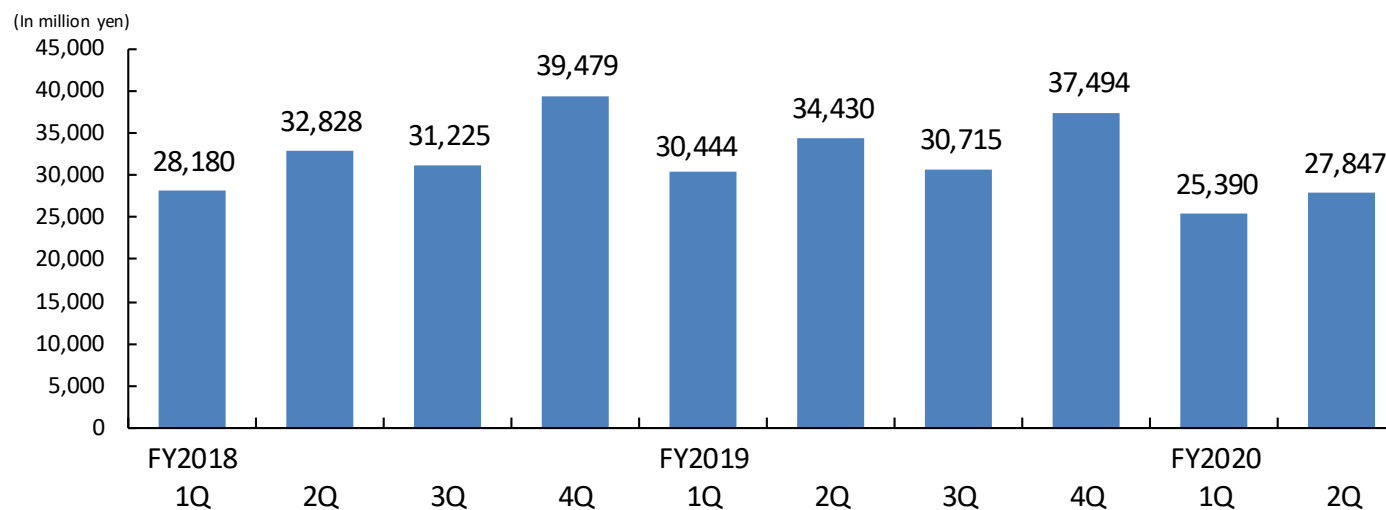
Quarterly Sales

(In million yen)

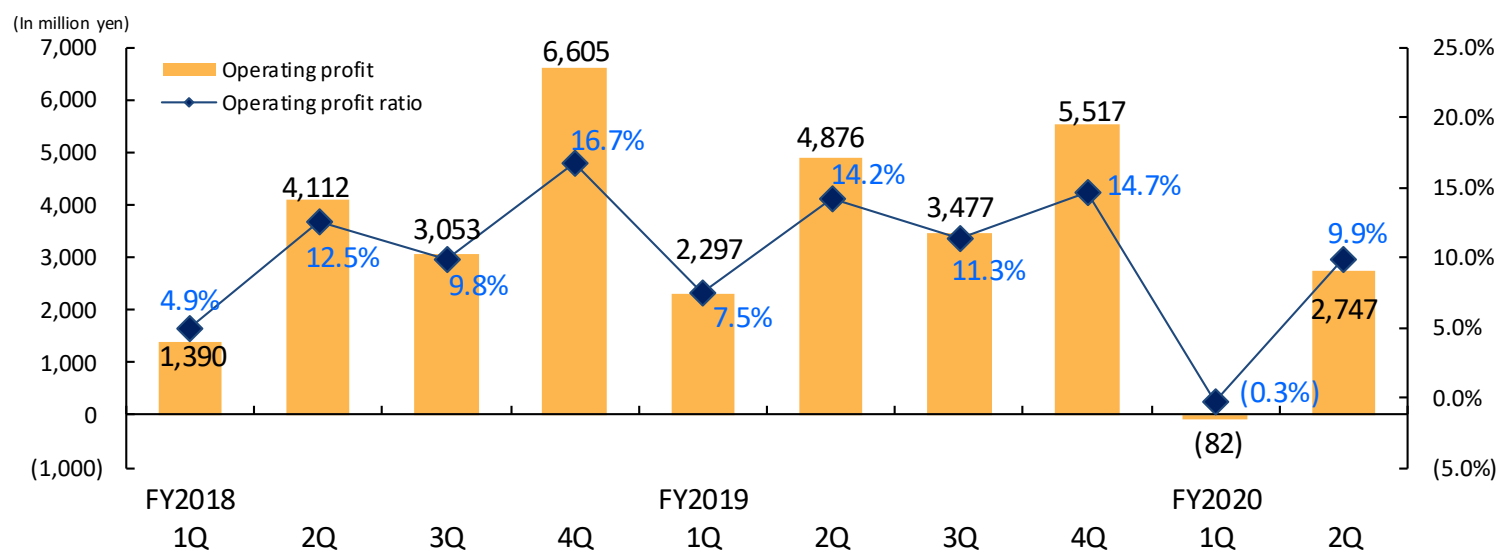
Business division	FY2020 1Q		FY2020 2Q		FY2020 1st Half	
	Amount	%	Amount	%	Amount	%
Information Systems	5,977	23.6	6,636	23.8	12,613	23.7
Time Management Products	669	2.6	620	2.2	1,290	2.4
Parking Systems	12,798	50.4	13,031	46.9	25,829	48.5
Total: Time Information Segment	19,445	76.6	20,287	72.9	39,733	74.6
Environmental Systems	3,654	14.4	4,880	17.5	8,535	16.1
Clean Systems	2,290	9.0	2,679	9.6	4,969	9.3
Total: Environmental Segment	5,944	23.4	7,559	27.1	13,504	25.4
Grand total	25,390	100.0	27,847	100.0	53,237	100.0

Consolidated Sales & Operating Profit (Quarterly)

Sales



Operating Profit



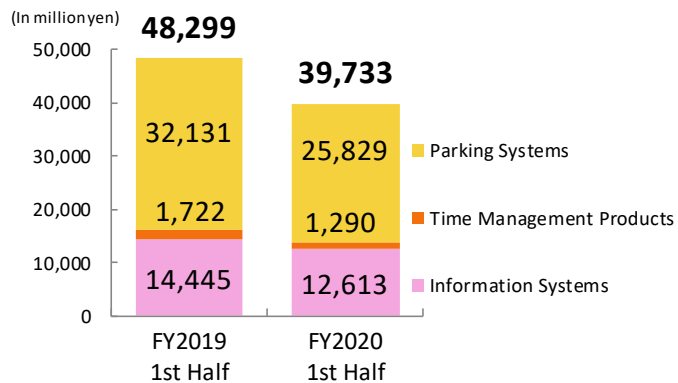
Sales & Operating Profit by Business Segment

(In million yen)

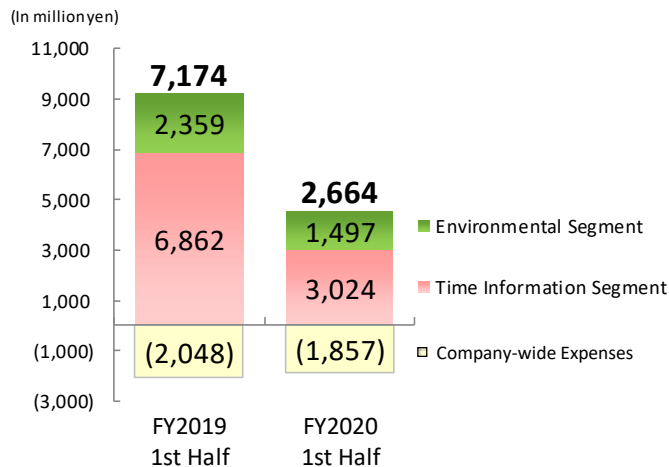
	FY2020 1Q			FY2020 2Q			FY2020 1st Half			FY2019 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	%	Operating profit	%
Time Information Segment	19,445	532	2.7	20,287	2,492	12.3	39,733	3,024	7.6	48,299	6,862	14.2	(8,565)	(17.7)	(3,838)	(55.9)
Environmental Segment	5,944	341	5.7	7,559	1,155	15.3	13,504	1,497	11.1	16,575	2,359	14.2	(3,071)	(18.5)	(862)	(36.6)
Company-wide Expenses		(956)			(900)			(1,857)			(2,048)				191	
Total	25,390	(82)	(0.3)	27,847	2,747	9.9	53,237	2,664	5.0	64,874	7,174	11.1	(11,637)	(17.9)	(4,509)	(62.9)

Sales

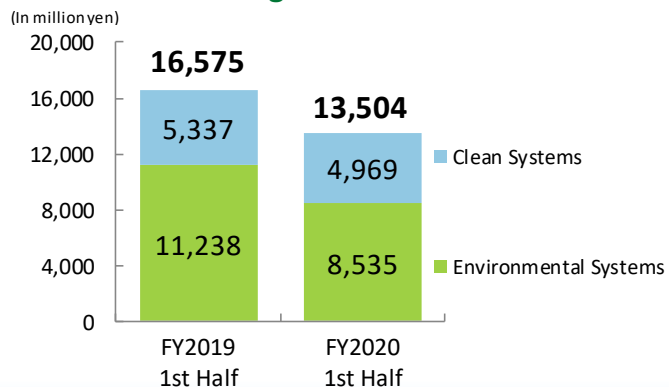
● Time Information Segment Dn 17.7% Y-O-Y



Operating Profit



● Environmental Segment Dn 18.5% Y-O-Y



● Time Information Segment Dn 55.9%
● Environmental Segment Dn 36.6%

【References】

Increase / decrease in gross profit margin

① FY2019 2Q/FY2020 2Q

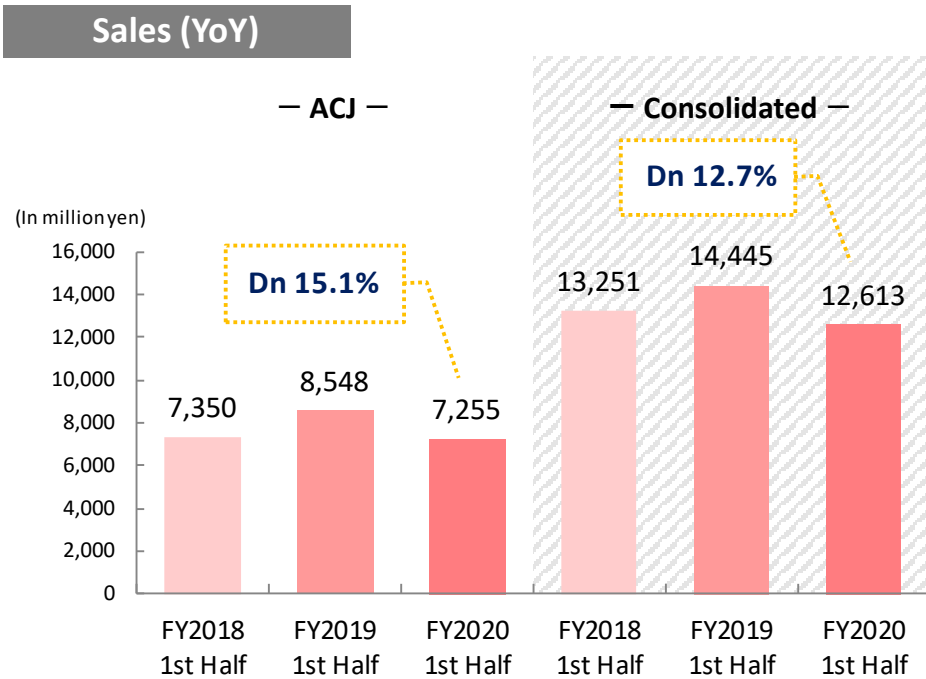
	Consolidated	ACJ
Information Systems	↓	↓
Time Management Products	↓	↓
Parking Systems	↓	↓
Environmental Systems	↑	→
Clean Systems	↓	↓

② FY2019/FY2020 2Q

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

Performance by Business Division

■ Both Domestic (ACJ) and Overseas Sales Declined

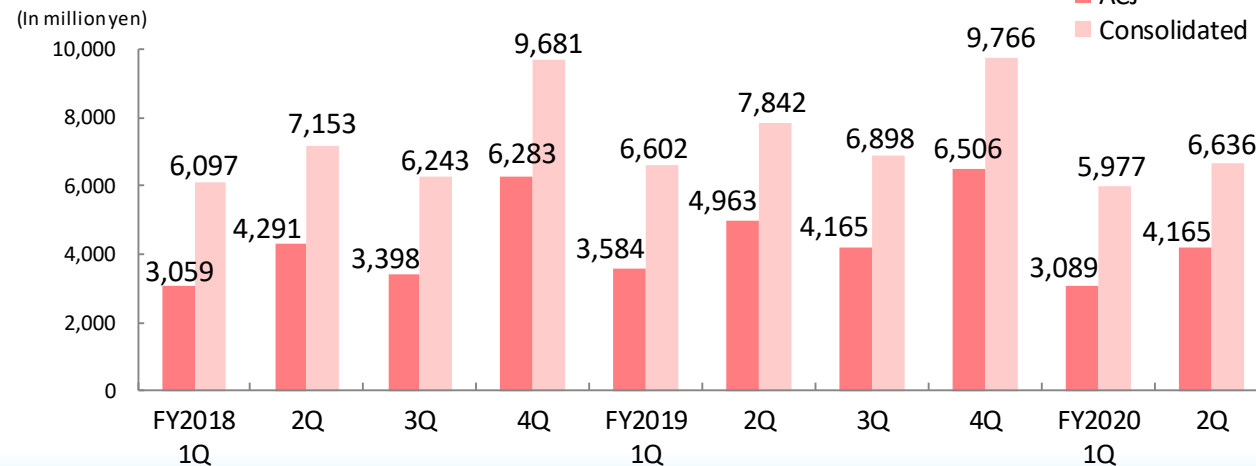


- Lower Sales for Software and T&A Terminals
- Amano Business Solutions Corporation Strong Orders for Cloud Services

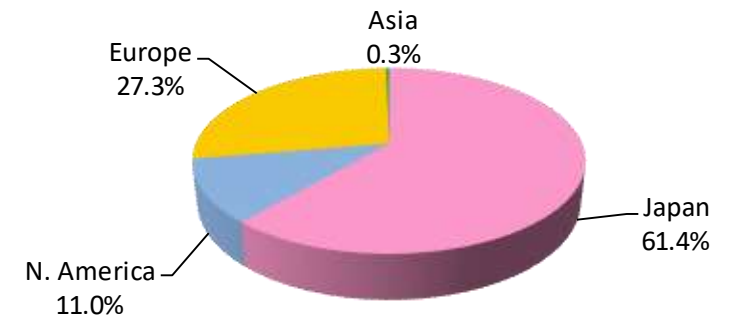


- N. America: Sales lower at Accu-Time Systems Inc.
- Europe: Sales lower at Horoquartz, S.A.

Quarterly Sales (FY2018.1Q~FY2020.2Q)

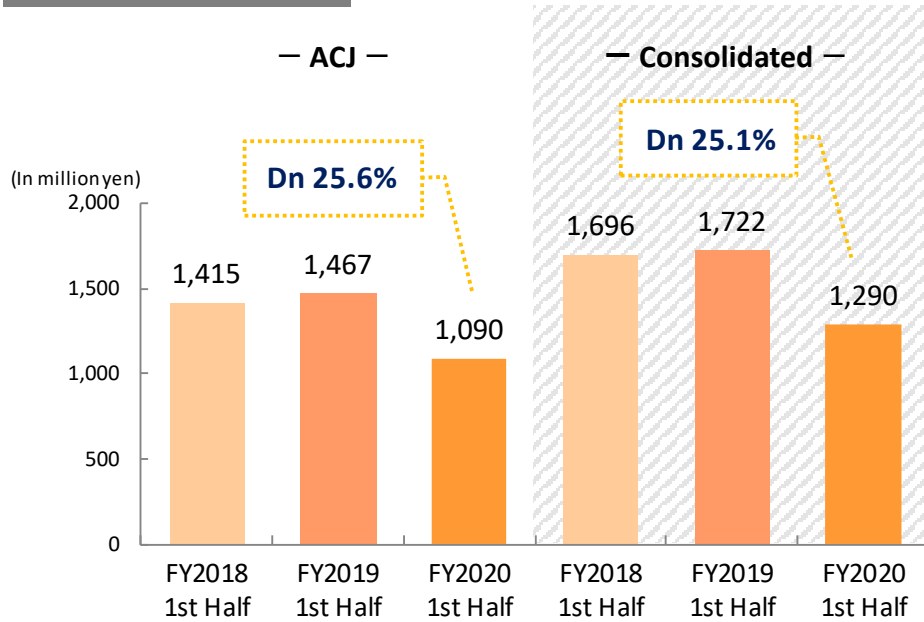


Sales by Region



Lower Overseas & Domestic Sales

Sales (YoY)

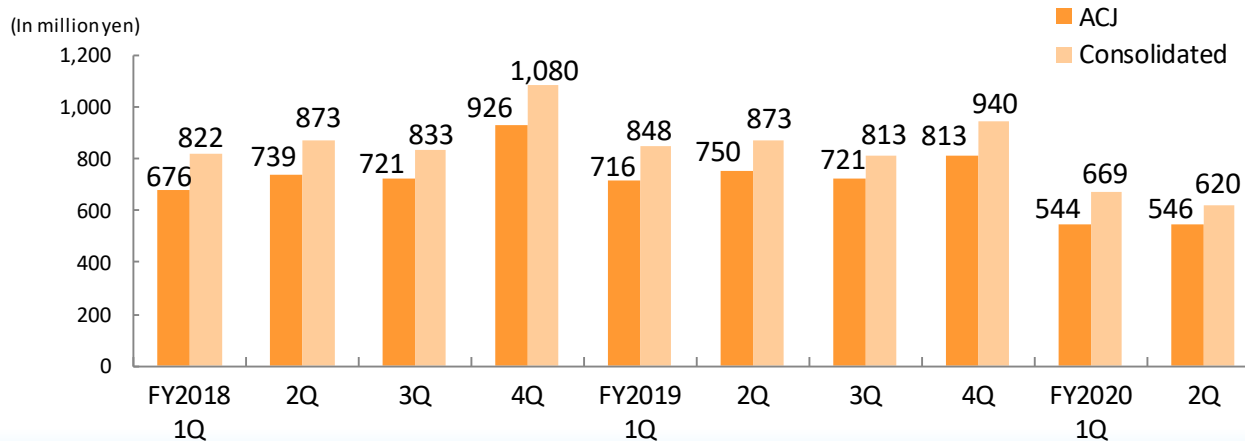


- Lower Sales for the TimeP@ck Series
- Standard Time Recorders;
Lower domestic sales and exports

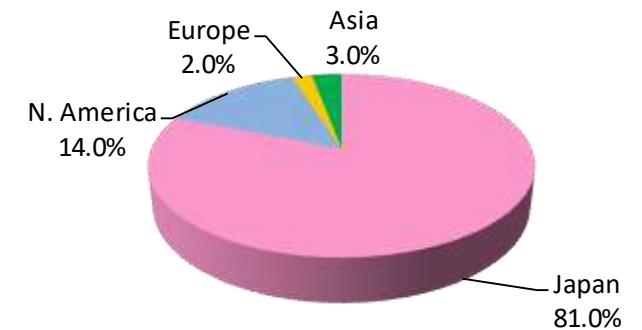


- Lower Sales in the Americas & Europe
- Asian Sales Flat

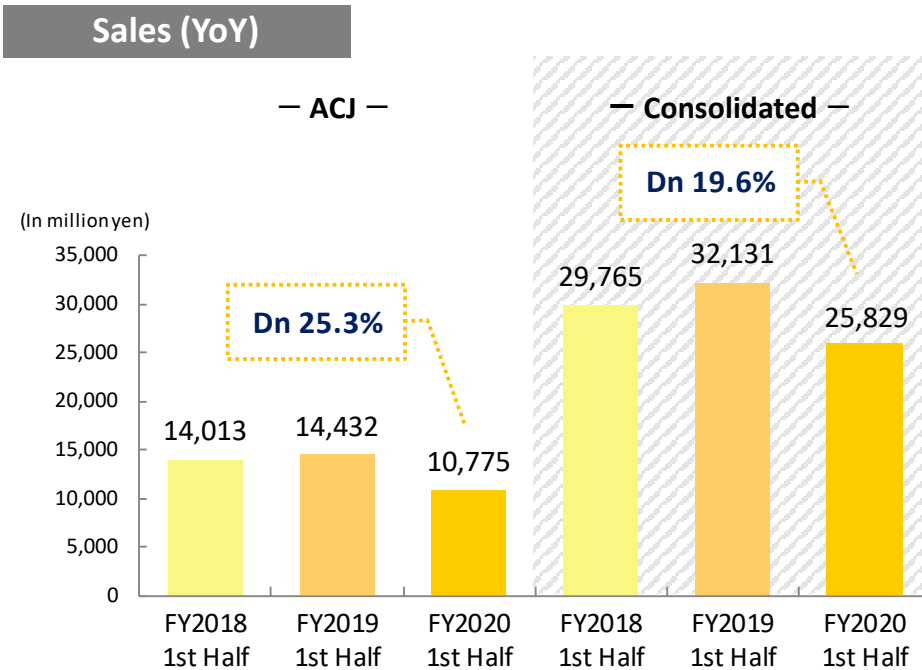
Quarterly Sales (FY2018.1Q~FY2020.2Q)



Sales by Region



Lower Overseas & Domestic Sales

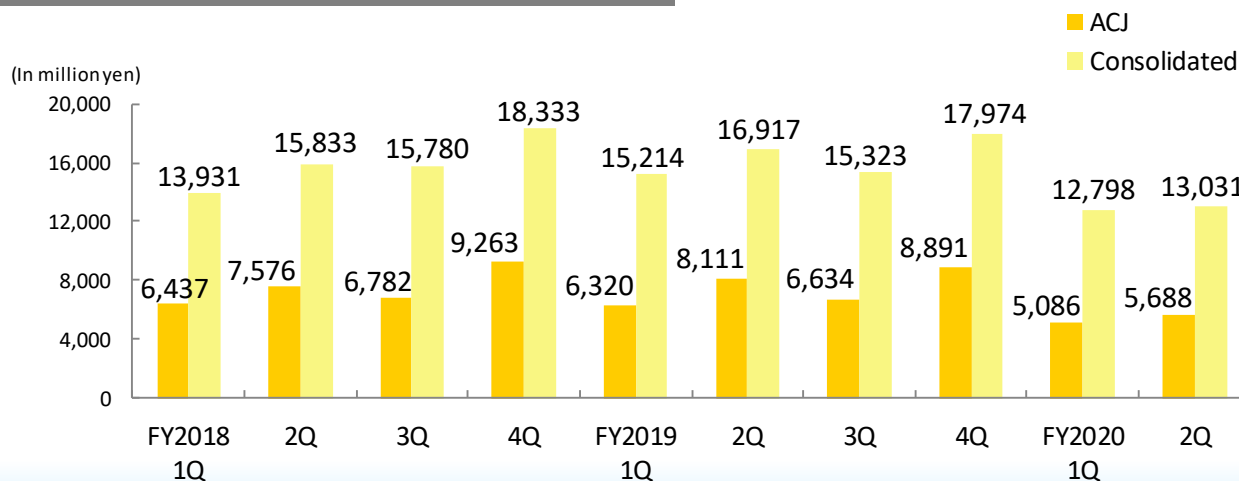


- Decrease in orders for system equipment
- Weak order intake from parking operators
- Amano Management Service Corporation Revenues from parking management services declined
- Sales for Bicycle Parking Systems declined

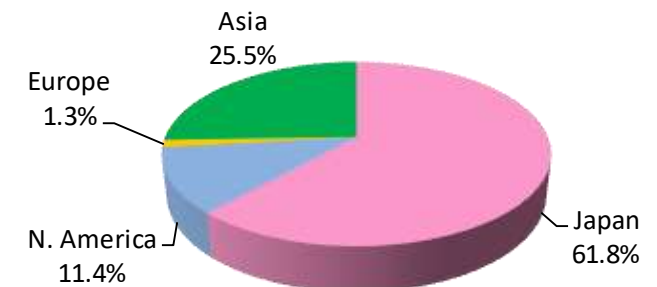


- Amano McGann Inc. of N. America: Sales declined
Reduced fixed expenses by reducing the workforce
- Asia:
Amano Parking Service Ltd.(HK): Sales Grew
Amano Korea Corporation & Amano Malaysia Sdn. Bhd.: Sales declined

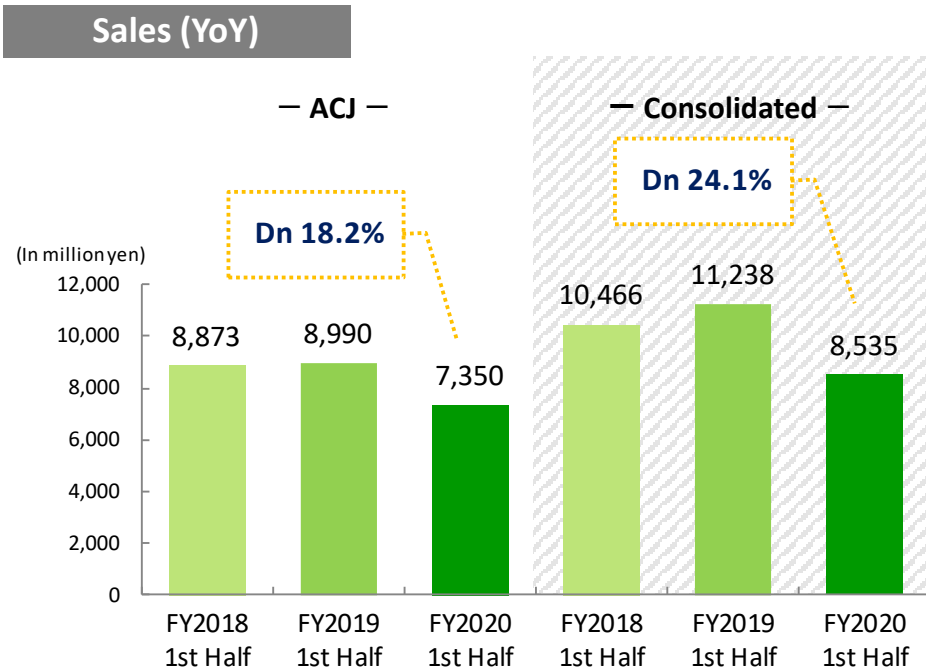
Quarterly Sales (FY2018.1Q~FY2020.2Q)



Sales by Region



Lower Domestic and Overseas Sales



Domestic

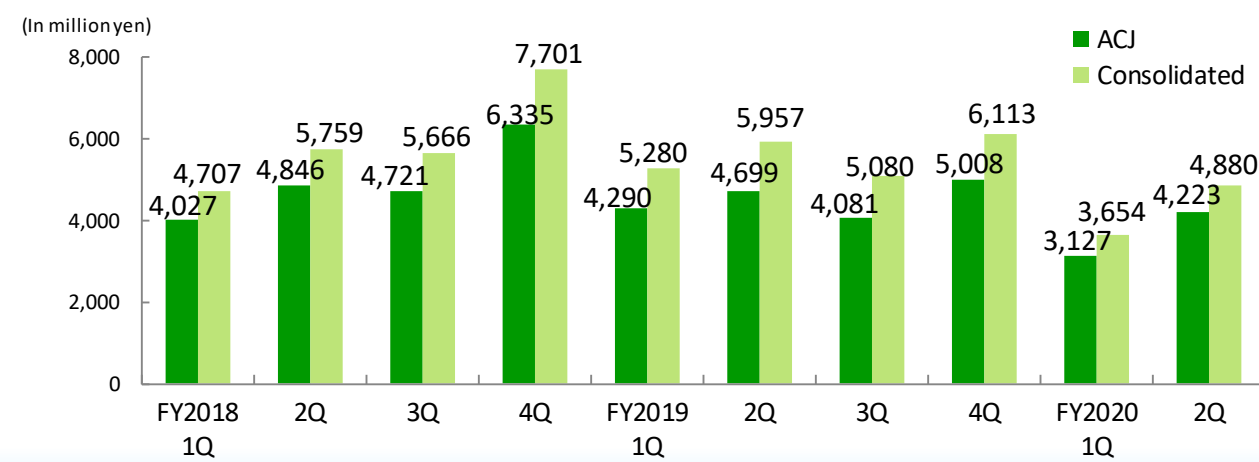
- Sales for Standard Dust Collectors declined
- Sales for Large-scale Systems declined



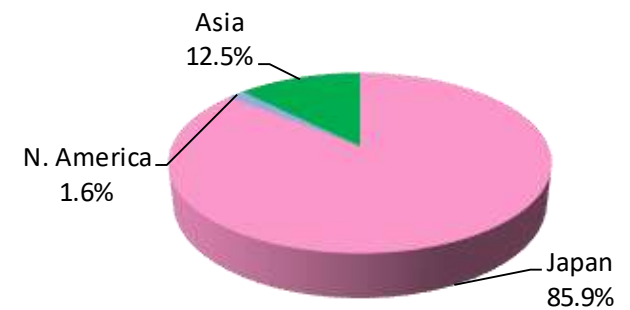
Overseas

- Asian Sales Lower
- Mexican sales flat

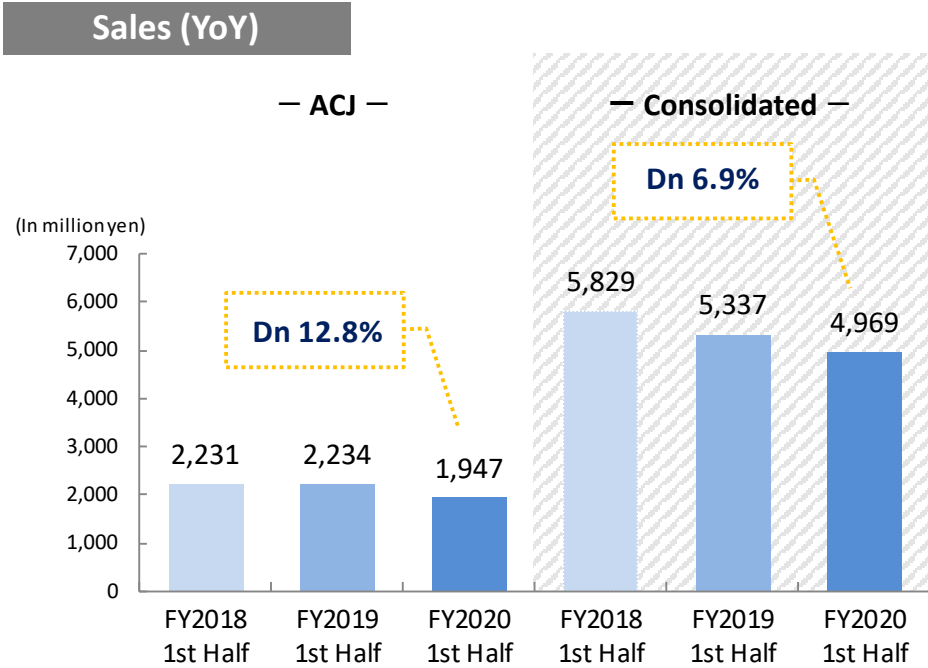
Quarterly Sales (FY2018.1Q~FY2020.2Q)



Sales by Region



Lower Overseas & Domestic Sales

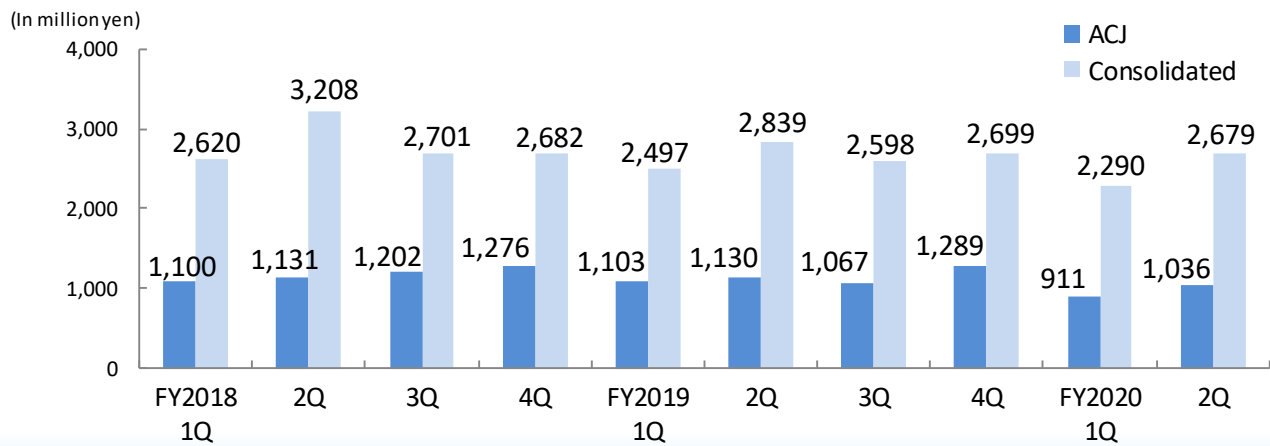


- Sales for the robotic scrubber “EGrobo” declined
- Cleaning equipment sales declined
- Firm demand for Electrolyzed water (hypochlorous acid water) generator

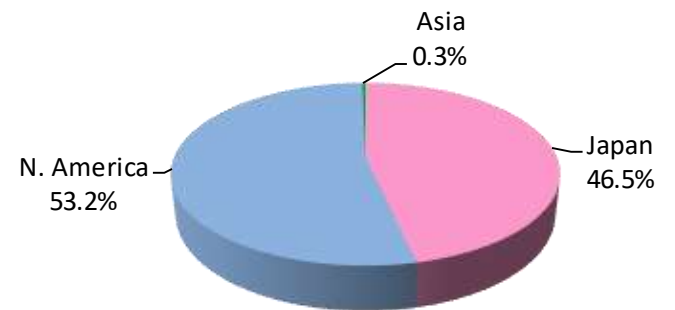


- Americas:
Amano Pioneer Eclipse Corporation: Sales declined

Quarterly Sales (FY2018.1Q~FY2020.2Q)



Sales by Region



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			FY2019 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
North America	3,880	(473)	(12.2)	3,478	(198)	(5.7)	7,358	(671)	(9.1)	8,947	(195)	(2.2)	(1,589)	(17.8)	(475)	—
Europe	2,084	106	5.1	1,786	142	8.0	3,870	248	6.4	4,380	299	6.8	(509)	(11.6)	(50)	(16.9)
Asia	4,013	180	4.5	3,798	23	0.6	7,811	203	2.6	9,629	890	9.3	(1,817)	(18.9)	(687)	(77.1)
Overseas group companies	9,977	(186)	(1.9)	9,063	(33)	(0.4)	19,040	(219)	(1.2)	22,957	994	4.3	(3,917)	(17.1)	(1,213)	—

*FX rate: US\$ 109.12 US\$ 107.38 US\$ 108.25 US\$ 109.98
 EUR 120.09 EUR 118.71 EUR 119.40 EUR 124.07

*Goodwill Amortization: N.America 14 Mil N.America 14 Mil N.America 29 Mil N.America 119 Mil
 Europe 73 Mil Europe 73 Mil Europe 147 Mil Europe 152 Mil

(In million yen)

	FY2020 1Q (Apr - Jun, 2020)			FY2020 2Q (Jul - Sep, 2020)			FY2020 1st Half			FY2019 1st Half			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	Sales	Operating profit	%	
Domestic Group companies	4,559	218	4.8	5,194	760	14.6	9,753	978	10.0	10,950	1,593	14.6	(1,196)	(10.9)	(614)	(38.6)

Consolidated Balance Sheet

(In million yen)

	FY2020 2Q 20.9.30	FY2019 20.3.31	Change
Assets	147,897	154,276	(6,379)
Cash & Bank Deposits	53,615	54,973	(1,358)
Notes and accounts receivable - trade	23,924	31,392	(7,468)
Inventories	9,830	9,701	128
Othe Current Assets	6,761	4,390	2,371
Fixed Assets	53,766	53,818	(51)
Liabilities	40,602	44,798	(4,196)
Notes and accounts payable - trade	9,411	13,056	(3,645)
Other Current Liabilities	21,998	23,607	(1,609)
Other Fixed Liabilities	9,192	8,134	1,058
Net Assets	107,295	109,478	(2,182)
Shareholder's Equity	111,840	113,512	(1,672)
Valuation & Conversion Adjustments	(5,265)	(4,817)	(448)
Non-Controlling shareholder's interests	721	783	(61)
Total Liabilities & Net Assets	147,897	154,276	(6,379)

(In million yen)

	FY2020 1st Half 20.9.30	FY2019 1st Half 19.9.30	Change
CF from Operating Activities	6,989	9,699	(2,710)
CF from Investing Activities	(3,621)	(2,667)	(954)
FCF	3,368	7,032	(3,664)
CF from Financial Activities	(5,562)	(4,697)	(864)
Net Increase (decrease) in Cash & Equivalents	(2,559)	2,059	(4,618)
Cash & Cash Equivalents at End of Year	49,575	44,547	5,028
CAPEX (tangible fixed asset)	3,744	2,204	1,541
CAPEX (intangible asset)	397	335	62
Depreciation	3,146	2,442	703

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:

(in million yen)

	FY2020 1st Half	FY2019 1st Half
Consolidated CAPEX [tangible fixed asset]	1,065	1,504
Consolidated CAPEX [intangible asset]	397	335
Depreciation (Consolidated)	1,827	1,838

(in million yen)

	FY2015	FY2016	FY2017	FY2018	FY2019 1st Half	FY2019	FY2020 1st Half	FY2020 Full Year Plan
Consolidated CAPEX [tangible fixed asset]	2,787	3,101	3,099	2,751	2,204	6,166	3,744	5,908
[intangible asset]	3,858	615	642	715	335	794	397	985
Total	6,645	3,717	3,742	3,468	2,540	6,962	4,143	6,893
ACJ CAPEX [tangible fixed asset]	1,083	1,426	1,112	924	645	1,252	363	1,050
[intangible asset]	3,058	309	323	251	186	377	119	497
Total	4,142	1,736	1,435	1,175	832	1,629	482	1,548
Depreciation (Consolidated)	4,415	3,549	3,593	3,833	2,442	5,351	3,146	6,109
Depreciation (ACJ)	2,047	1,255	1,327	1,273	630	1,322	631	1,299

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:

(in million yen)

	FY2019 1st Half	FY2019	FY2020 1st Half	FY2020 Full Year Plan
Consolidated CAPEX [tangible fixed asset]	1,504	2,955	1,065	2,992
Consolidated CAPEX [intangible asset]	335	794	397	985
Depreciation (Consolidated)	1,838	3,788	1,827	3,752

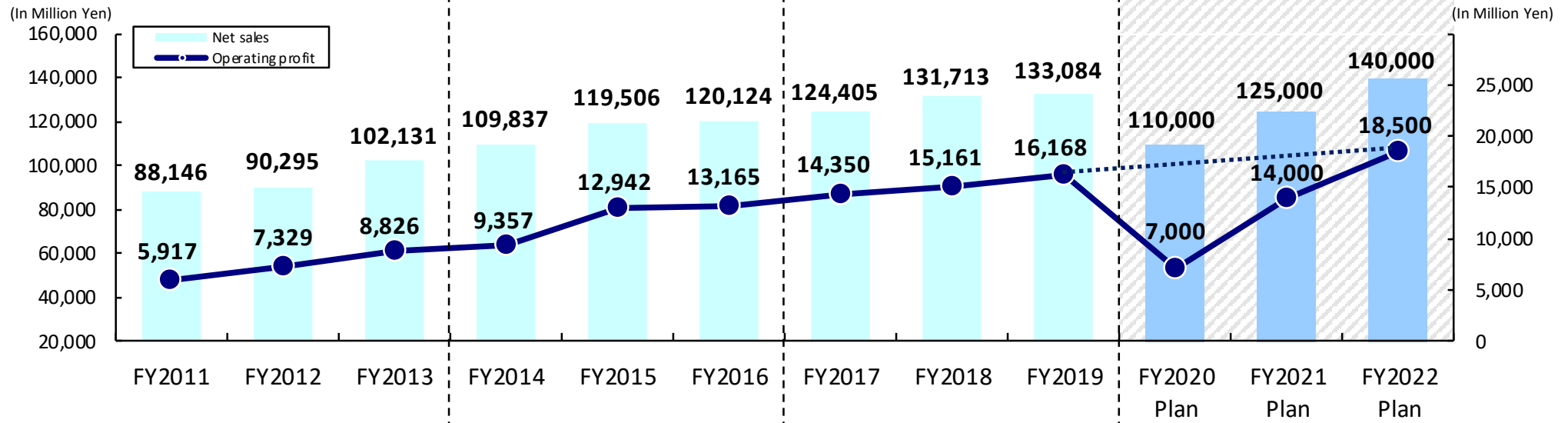
The 8th Medium-Term Business Plan (FY2020-FY2022)

*The 3rd Stage
Towards a 100-year Company*

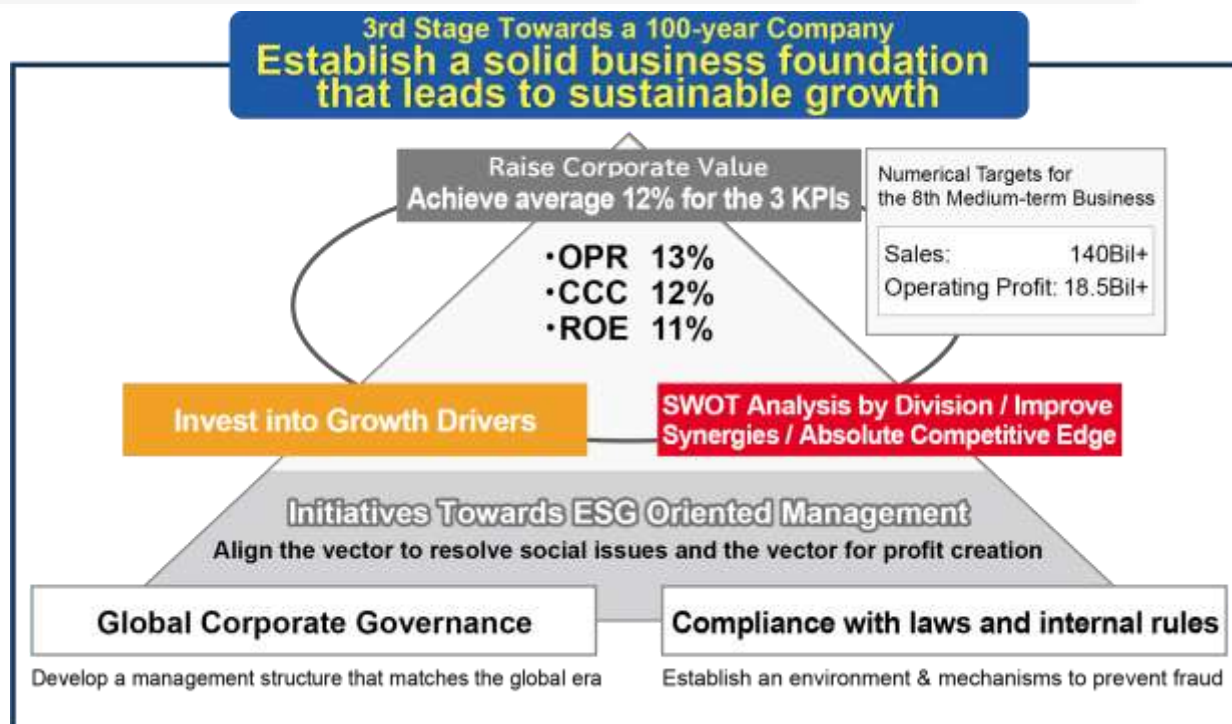
**Establish a solid business foundation
that leads to sustainable growth**

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		
FY2013 Sales: over ¥103Bn Operating Profit: over ¥10Bn			FY2016 Sales: over ¥130Bn Operating Profit: over ¥13Bn			FY2019 Sales: over ¥140Bn Operating Profit: over ¥16Bn			FY2022 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.

Numerical Targets for FY2020-FY2022

Consolidated Business Plan

(In million yen)

	FY2020		FY2021		FY2022	
	Amount	Change(%)	Amount	Change(%)	Amount	Change(%)
Net sales	110,000	(17.3)	125,000	13.6	140,000	12.0
Operating profit	7,000	(56.7)	14,000	100.0	18,500	32.1
Operating profit ratio	6.4%		11.2%		13.2%	
Ordinary profit	7,800	(53.8)	15,000	92.3	19,500	30.0
Net income attributable to owners of the parent company	6,100	(42.3)	10,000	63.9	13,000	30.0

Consolidated Sales Plan

(In million yen)

	FY2020			FY2021			FY2022		
	Amount	(%)	Change(%)	Amount	(%)	Change(%)	Amount	(%)	Change(%)
Information Systems	27,500	25.0	(11.6)	31,500	25.2	14.5	33,500	23.9	6.3
Time Management Products	3,000	2.7	(13.7)	3,200	2.6	6.7	3,200	2.3	0.0
Parking Systems	55,500	50.5	(15.2)	61,300	49.0	10.5	69,500	49.7	13.4
Total: Time Information Segment	86,000	78.2	(14.0)	96,000	76.8	11.6	106,200	75.9	10.6
Environmental Systems	15,500	14.1	(30.9)	20,000	16.0	29.0	23,000	16.4	15.0
Clean Systems	8,500	7.7	(20.1)	9,000	7.2	5.9	10,800	7.7	20.0
Total: Environmental Segment	24,000	21.8	(27.4)	29,000	23.2	20.8	33,800	24.1	16.6
Grand total	110,000	100.0	(17.3)	125,000	100.0	13.6	140,000	100.0	12.0

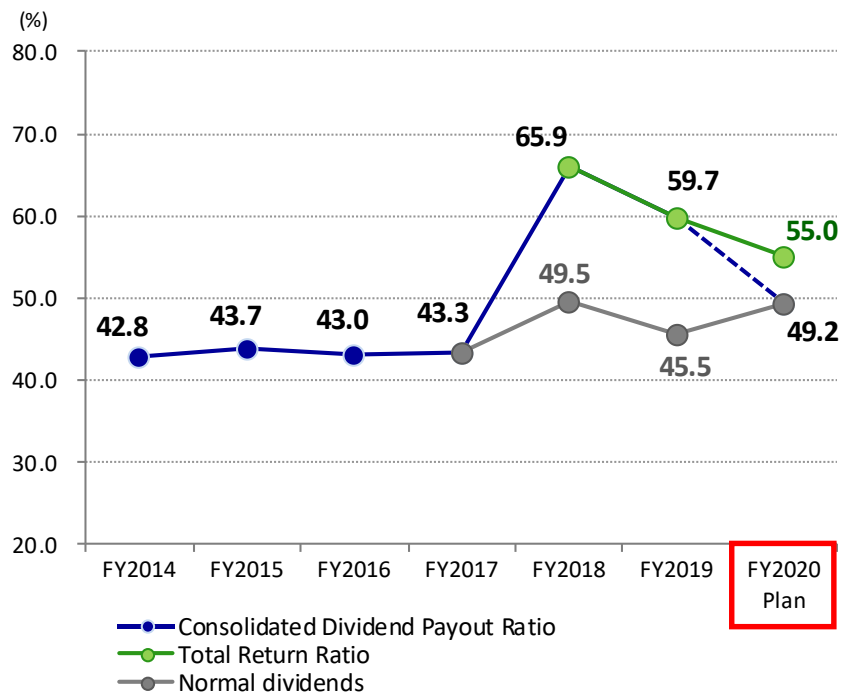
* FX Rates (Yearly Average):
 US\$ 105.00
 EUR 115.00

◎ Dividend Policy

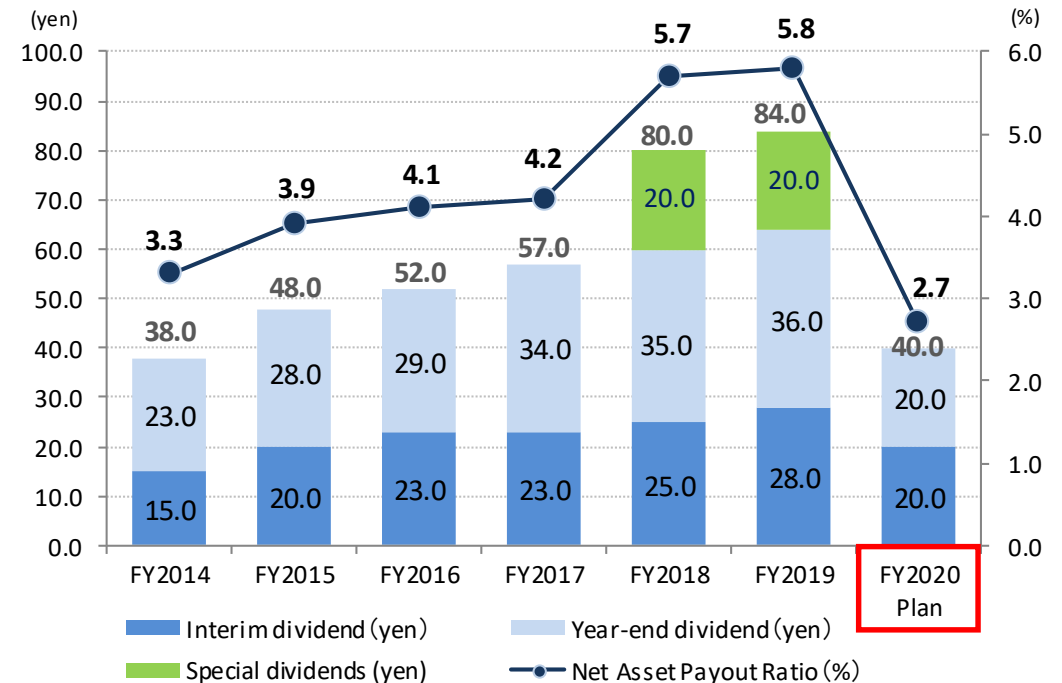
Stable dividends + performance incentives

- 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

Business Forecast for FY2020

(Fiscal Year ending March 2021)

Business Forecast for the Full FY2020

Consolidated

*The plan for the 2nd Half Plan is shown as "Full Year Plan minus 1st Half Results"

(In million yen)

	FY2020 Plan				FY2020 1st Half Result		FY2020 2nd Half Plan		FY2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Net sales	110,000	100.0	(23,084)	(17.3)	53,237	100.0	56,763	100.0	133,084	100.0
Gross profit	48,800	44.4	(10,921)	(18.3)	22,680	42.6	26,120	46.0	59,721	44.9
SG&A	41,800	38.0	(1,752)	(4.0)	20,015	37.6	21,785	38.4	43,552	32.7
Operating profit	7,000	6.4	(9,168)	(56.7)	2,664	5.0	4,336	7.6	16,168	12.1
Ordinary profit	7,800	7.1	(9,064)	(53.8)	3,085	5.8	4,715	8.3	16,864	12.7
Net income attributable to owners of the parent company	6,100	5.5	(4,467)	(42.3)	2,749	5.2	3,351	5.9	10,567	7.9

* FX Rates : (Quarterly Average)

US\$ 105.00
EUR 115.00

US\$ 108.25
US\$ 119.40

US\$ 109.25
US\$ 122.15

ACJ

(In million yen)

	FY2020 Plan				FY2020 1st Half Result		FY2020 2nd Half Plan		FY2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Net sales	62,000	100.0	(12,852)	(17.2)	28,420	100.0	33,580	100.0	74,852	100.0
Gross profit	27,300	44.0	(5,723)	(17.3)	11,776	41.4	15,524	46.2	33,023	44.1
SG&A	21,300	34.4	(511)	(2.3)	9,902	34.8	11,398	33.9	21,811	29.1
Operating profit	6,000	9.7	(5,212)	(46.5)	1,873	6.6	4,127	12.3	11,212	15.0
Ordinary profit	7,400	11.9	(5,930)	(44.5)	3,581	12.6	3,819	11.4	13,330	17.8
Net Income	5,200	8.4	(4,174)	(44.5)	2,657	9.4	2,543	7.6	9,374	12.5

Sales Forecast for the Full FY2020 by Business Division

Consolidated

*The plan for the 2nd Half Plan is shown as "Full Year Plan minus 1st Half Results"

(In million yen)

Business division	FY2020 Plan				FY2020 1st Half Result		FY2020 2nd Half Plan		FY2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	27,500	25.0	(3,610)	(11.6)	12,613	23.7	14,887	26.2	31,110	23.4
Time Management Products	3,000	2.7	(475)	(13.7)	1,290	2.4	1,710	3.0	3,475	2.6
Parking Systems	55,500	50.5	(9,929)	(15.2)	25,829	48.5	29,671	52.3	65,429	49.2
Total: Time Information Segment	86,000	78.2	(14,016)	(14.0)	39,733	74.6	46,267	81.5	100,016	75.2
Environmental Systems	15,500	14.1	(6,932)	(30.9)	8,535	16.1	6,965	12.3	22,432	16.9
Clean Systems	8,500	7.7	(2,135)	(20.1)	4,969	9.3	3,531	6.2	10,635	8.0
Total: Environmental Segment	24,000	21.8	(9,068)	(27.4)	13,504	25.4	10,496	18.5	33,068	24.8
Grand total	110,000	100.0	(23,084)	(17.3)	53,237	100.0	56,763	100.0	133,084	100.0

* FX Rates : (Quarterly Average)

US\$ 105.00
EUR 115.00

US\$ 108.25
EUR 119.40

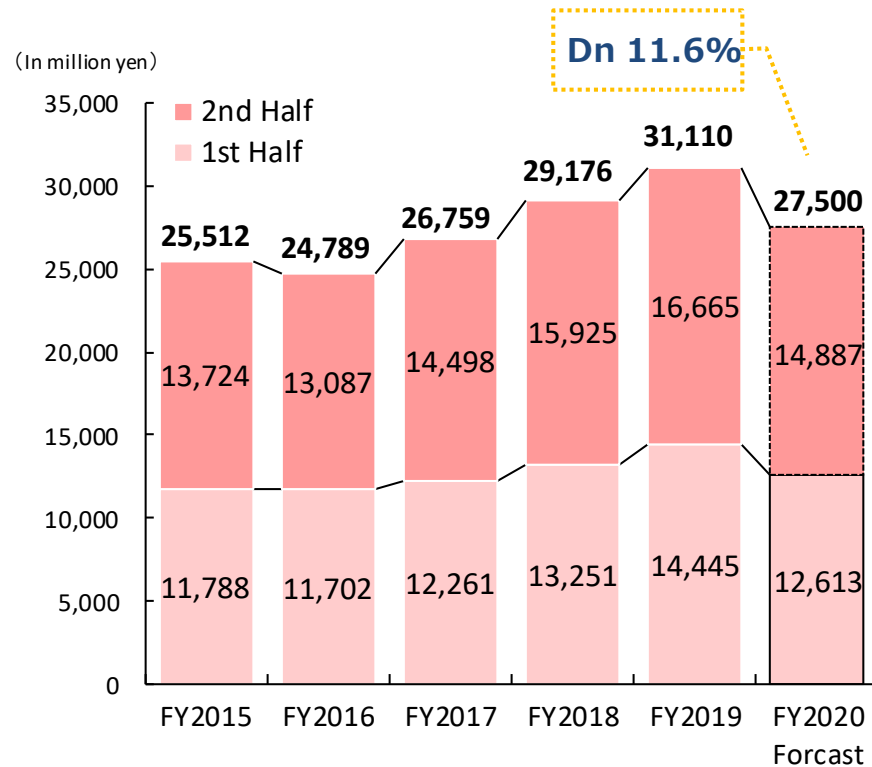
US\$ 109.25
EUR 122.15

ACJ

(In million yen)

Business division	FY2020 Plan				FY2020 1st Half Result		FY2020 2nd Half Plan		FY2019	
	Amount	%	Change		Amount	%	Amount	%	Amount	%
Information Systems	17,000	27.4	(2,220)	(11.6)	7,255	25.5	9,745	29.0	19,220	25.7
Time Management Products	2,600	4.2	(402)	(13.4)	1,090	3.8	1,510	4.5	3,002	4.0
Parking Systems	25,500	41.1	(4,457)	(14.9)	10,775	38.0	14,725	43.9	29,957	40.0
Total: Time Information Segment	45,100	72.7	(7,080)	(13.6)	19,122	67.3	25,978	77.4	52,180	69.7
Environmental Systems	13,300	21.5	(4,780)	(26.4)	7,350	25.8	5,950	17.7	18,080	24.2
Clean Systems	3,600	5.8	(991)	(21.6)	1,947	6.9	1,653	4.9	4,591	6.1
Total: Environmental Segment	16,900	27.3	(5,771)	(25.5)	9,298	32.7	7,602	22.6	22,671	30.3
Grand total	62,000	100.0	(12,852)	(17.2)	28,420	100.0	33,580	100.0	74,852	100.0

■ Business expansion driven by software and cloud services



Domestic

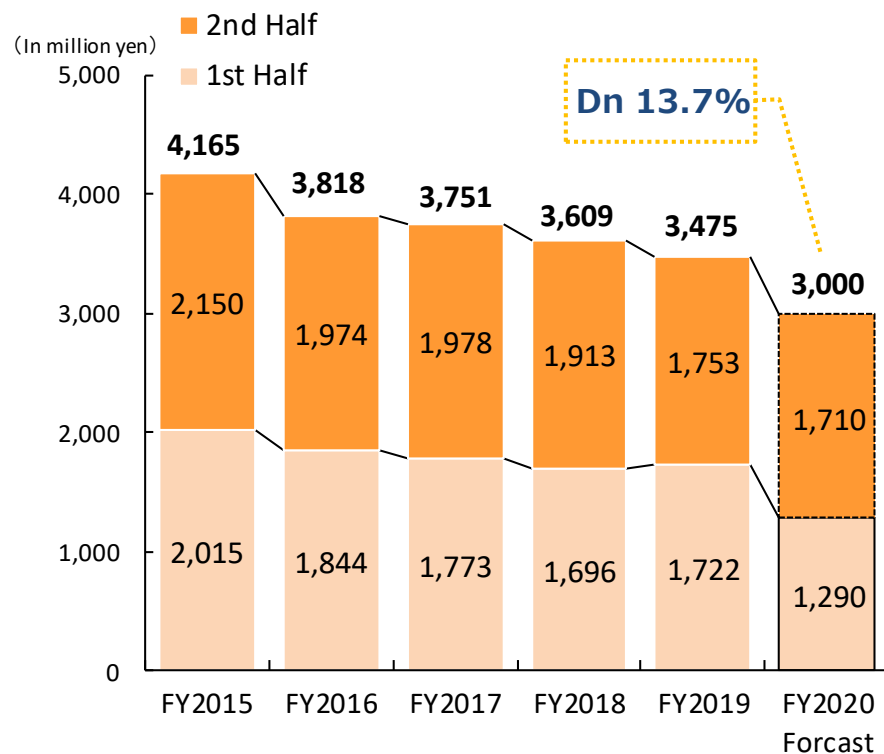
- MH(Middle High) market;
Promote VG+ZeeM consultative proposals
- ML(Middle Low) market;
Strengthen NX T&A + Payroll packaged proposals
- Expand Cloud business proposals
- Develop the digital time stamp market



Overseas

- Americas;
Strengthen ties with companies engaged in ERP systems
Promote proposals for new terminals equipped with biometrics
- Europe;
Promote the cross-selling of T&A, HR and Access Control
Promote Cloud Business

■ Japan: Expand new product sales "Connected Time Recorder"



Domestic

- Expand sales of Connected Time Recorder (equipped with Wi-Fi as standard feature)
- Expand TimeP@CK sales
Enhancing paid member services
- Strengthen online store sales and e-commerce



Overseas

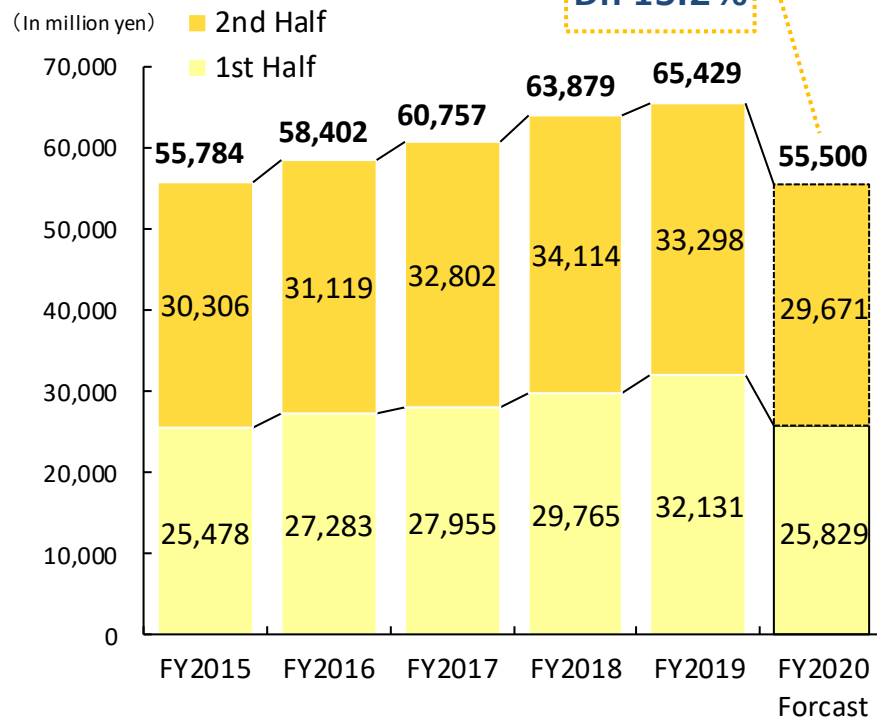
- Develop new sales channels in the Americas, Europe and Asia

■ Promote new system sales and expand parking management services



Domestic

- Promote proposals for new systems (ticketless, cashless)
- Deploy new maintenance services (cloud, various remote services)
- Strengthen proposals for commissioned management services



Overseas

- Americas: Re-establish the sales and control organizations and develop new products
- Europe: Reinforce sales regime and Management Service Business
- Asia: Expand Management service business
- Deploy and strengthen regional proposals for systems through group collaboration

■ Expand standard product sales, launch the new high performance air purifier and reinforce the engineering regime



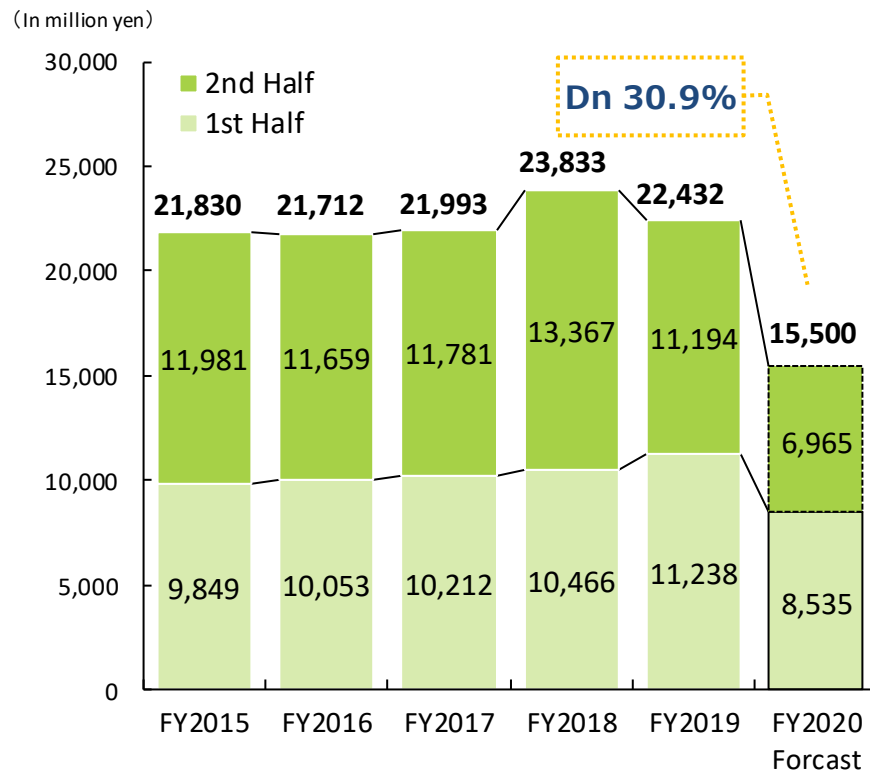
Domestic

- Enhance the product line-up for standard dust collectors and improve profitability
- Develop new markets with the new product "Amatsukaze", the new high-performance air purifier based on dust collection technology
- Expand holistic sales including peripheral devices

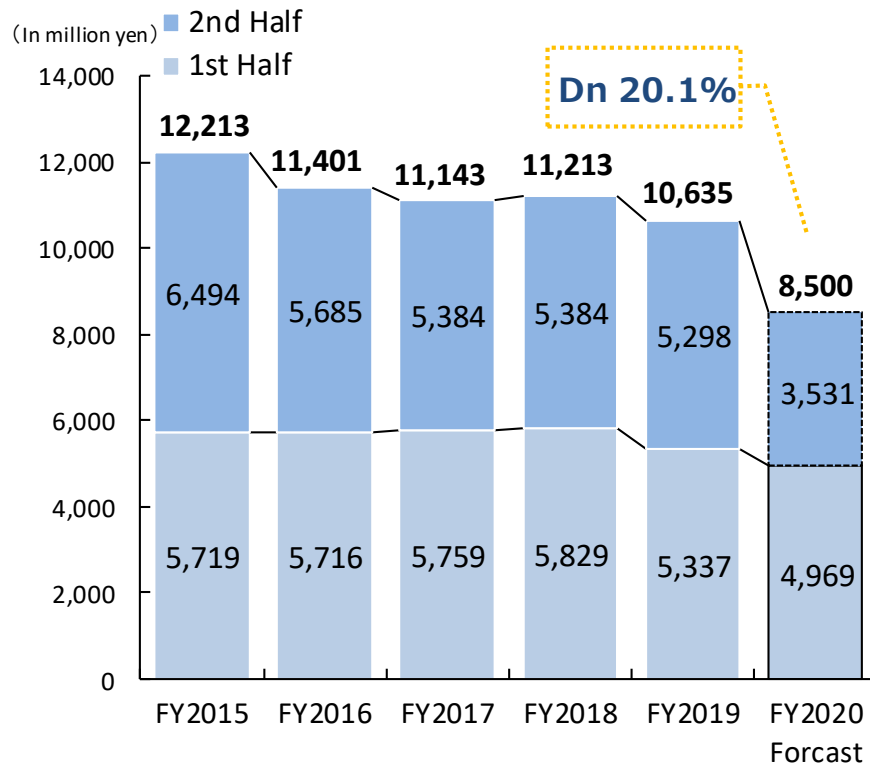


Overseas

- Promote global deployment by group collaboration
- North & Central America;
Expand target industries to introduce standard products
Develop business with non-Japanese customers
- Asia;
Reinforce sales and engineering capabilities
Develop the Vietnamese markets



■ Expand cleaning robot sales



Domestic

- Expand sales of robotic scrubber "EGrobo"
Deploy various new services using communication capabilities
- Strengthen auto floor scrubber "EG Series" proposals
- Expand sales of electrolyzed water (hypochlorous acid water) generators



Overseas

- Americas;
Expand the wood floor sanding business
Develop new sales channels
Strengthen sales and marketing
Expand into markets other than the Americas

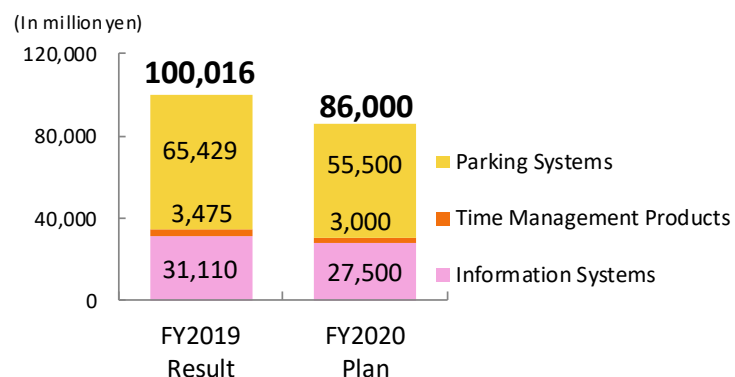
FY2020 Sales & Operating Profit by Segment -Full Year Forecast-

(In million yen)

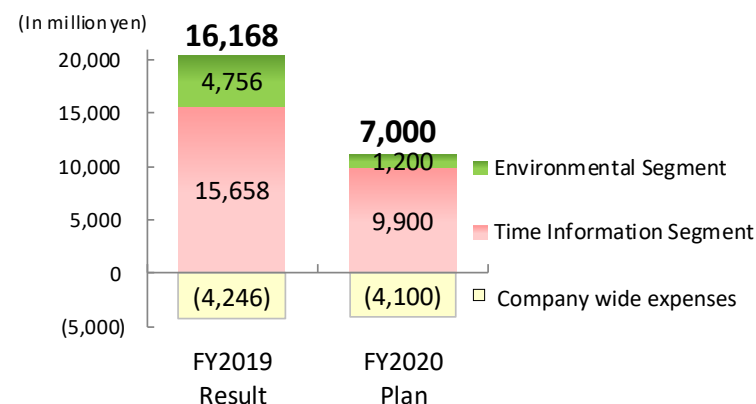
	FY2020 Plan			FY2019 Result			Change Y-O-Y			
	Sales	Operating profit	%	Sales	Operating profit	%	Sales		Operating profit	
Time Information Segment	86,000	9,900	11.5	100,016	15,658	15.7	(14,016)	(14.0)	(5,758)	(36.8)
Environmental Segment	24,000	1,200	5.0	33,068	4,756	14.4	(9,068)	(27.4)	(3,556)	(74.8)
Company-wide Expenses		(4,100)			(4,246)				146	
Total	110,000	7,000	6.4	133,084	16,168	12.1	(23,084)	(17.3)	(9,168)	(56.7)

Sales

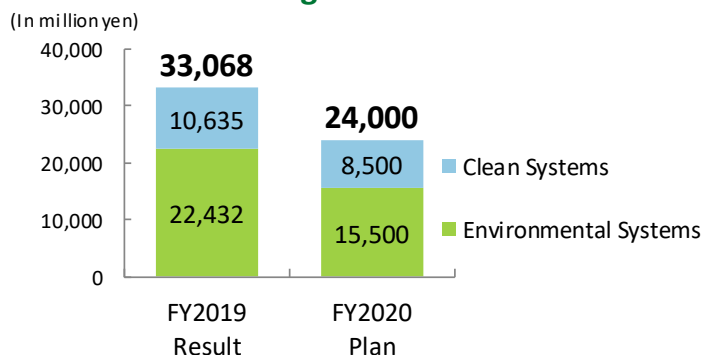
● Time Information Segment Dn 14.0% Y-O-Y



Operating Profit



● Environmental Segment Dn 27.4% Y-O-Y

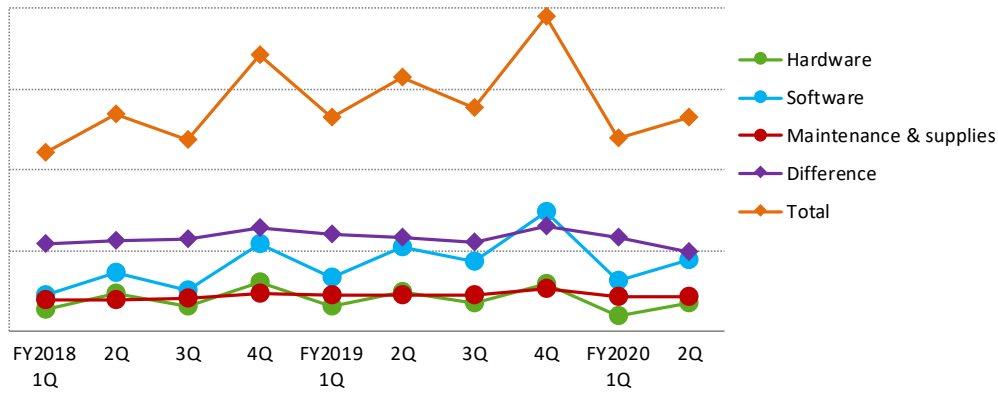


⊗ Operating Profit Dn 56.7% Y-O-Y

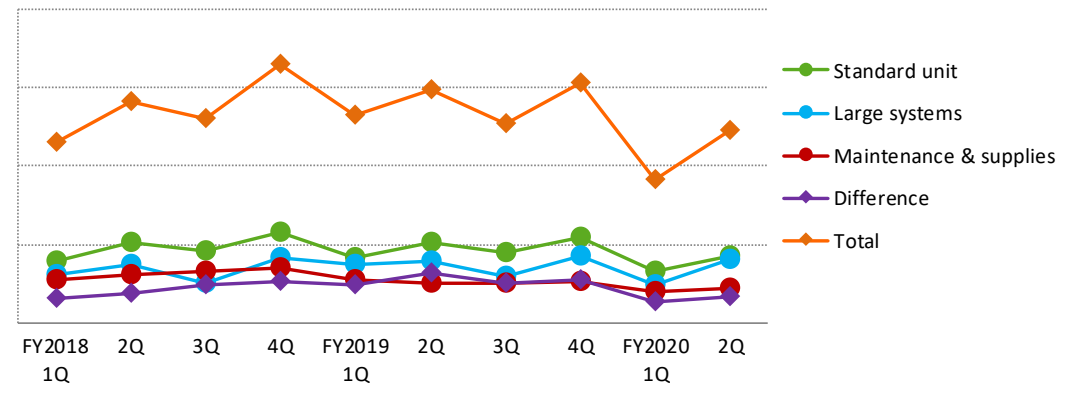
- Time Information Segment Dn 36.8% Y-O-Y
- Environmental Segment Dn 74.8% Y-O-Y

Quarterly Sales by Item (actual results)

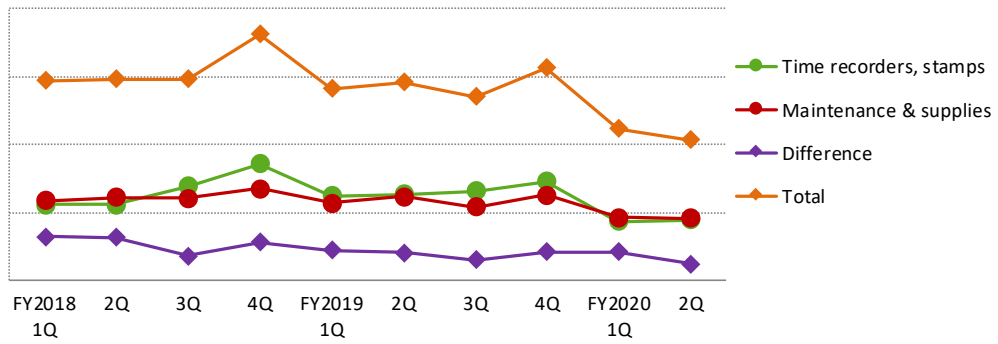
Information Systems



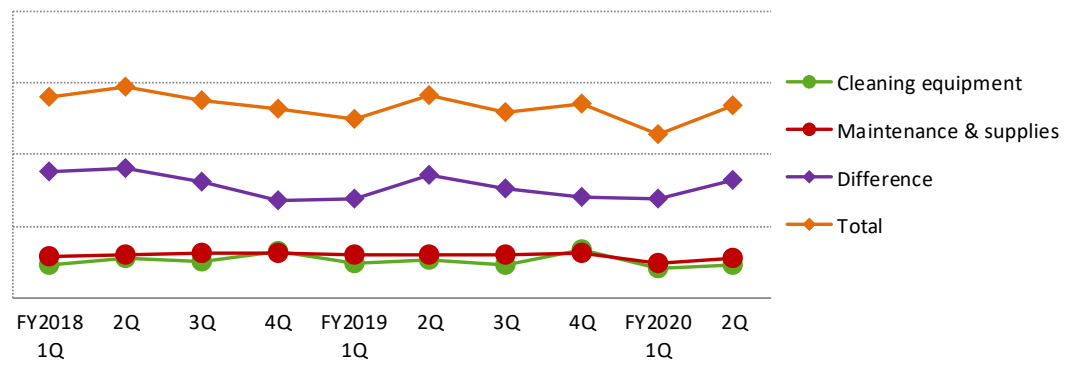
Environmental Systems



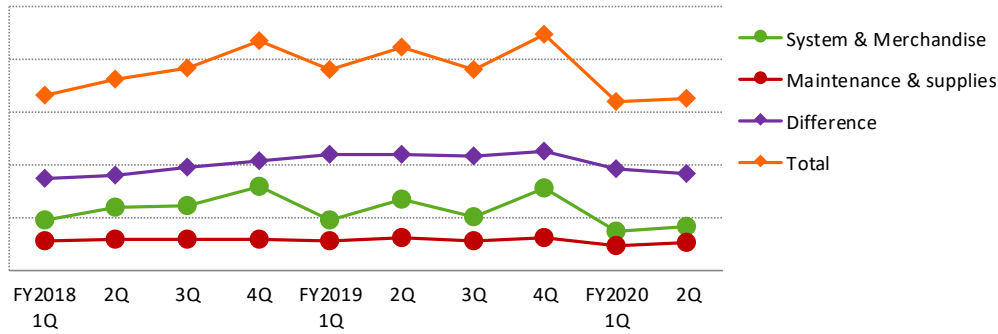
Time Management Products



Clean Systems



Parking Systems



AMANO