

October 25, 2024

To all persons concerned:

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Notice: Revised Earnings and Dividends Forecasts for the Second Quarter of the Fiscal Year Ending March 31, 2025

In consideration of the recent business performance, please be informed that we have revised earnings and dividends forecasts announced on April 25, 2024, as follows:

1. Revised Earnings Forecast

Consolidated earnings forecast for the Second Quarter of FY2024 (Apr.2024 – Sep.2024) (Unit: JPY Million)

	Net Sales	Operating Profit	Ordinary Profit	Net income attributable to owners of the parent company	Net income per share (JPY)
Previously Announced Forecast(A)	72,200	8,400	8,900	5,700	79.49
Revised Forecast (B)	84,200	9,800	10,500	7,100	99.45
Variance (B minus A)	12,000	1,400	1,600	1,400	
Variance rate (%)	16.6	16.7	18.0	24.6	
For Reference: the Second Quarter of FY2023 Results	70,163	8,012	8,609	5,557	76.84

Non-consolidated Amano earnings forecast for the Second Quarter of FY2024 (Apr.2024 – Sep.2024) (Unit: JPY Million)

	Net Sales	Operating Profit	Ordinary Profit	Net income	Net income per share (JPY)
Previously Announced Forecast(A)	33,800	5,000	7,900	5,700	79.49
Revised Forecast (B)	36,500	6,000	10,700	8,600	120.46
Variance (B minus A)	2,700	1,000	2,800	2,900	
Variance rate (%)	8.0	20.0	35.4	50.9	
For Reference: the Second Quarter of FY2023 Results	32,499	4,481	7,348	5,443	75.26

2. Revised Dividends Forecast

(Unit: JPY)

	Annual dividends		
	Second Quarter-end	Year-end	Total
Previously Announced Forecast: Announced on April 25, 2024	45.00	95.00	140.00
Revised Forecast	50.00	95.00	145.00
For Reference: FY2023 Results	40.00	95.00	135.00

3. Reasons for the Revisions

Earnings Forecast for the Second Quarter of FY2024

As for the non-consolidated business performance, net sales are expected to exceed the initial plans due to the significant increase in Parking Systems business with the earlier than expected demand to respond to the new banknote issuance, as well as the demand for the post-COVID-19 economic recovery. Profits are also expected to exceed the initial plans mainly due to the increased sales of Parking Systems and the higher dividends from overseas group companies.

As for the consolidated business performance, net sales are also expected to surpass the initial plans. In addition to the aforementioned non-consolidated performance, Information Systems business were strong in Europe along with the robust Parking Systems business in North America and Asia, and amid the current weak-yen situation, such firm overseas performance is expected to have positive effects on a consolidated yen basis.

The profitability improvement was limited due to the inflation-induced increases in the cost of materials and labor costs in North America and Europe. However, owing to the improved profitability of non-consolidated Amano and the Asian group in general, profits are also expected to exceed the initial plans. Under such circumstances, we decided to revise our earnings forecast for the second quarter of fiscal year 2024 as above.

Earnings Forecast for the Full Year of FY2024

Although the second quarter of consolidated fiscal year ended with increases both in net sales and profits compared to the same period of the previous year as above, we recognize that business conditions from the third quarter of consolidated fiscal year onward remain uncertain due to the inflation-induced increases in the cost of materials and labor costs in North America and Europe, and the changes in the business environment in countries with recessionary concerns and heightened geopolitical risks, etc.

Accordingly, we decided not to revise the full-year earnings forecast for the fiscal year 2024, which were announced on April 25, 2024. However, if the business environment changes and there is an impact on our business performance, we will review the numerical plan and disclose it in a timely manner.

Dividends Forecast

Amano Corporation places the great importance on our policy of paying dividends to shareholders. Our fundamental policy to return profits to shareholders is to continue to make stable ordinary dividend payments, make appropriate performance-based distributions, and buy back shares, as it deems necessary.

We aim to maintain a dividend payout ratio over 40% on a consolidated basis, a total return ratio over 55%, and a net asset dividend rate over 2.5%. In line with this policy, taking into account the revised business forecasts of this second quarter, we decided to pay an interim dividend of ¥50 per share, which an increase of ¥5 per share from the previous forecast announced on April 25, 2024.

Notes on Considerations regarding forecast

Earnings forecast and other forward-looking statements contained in this document are based on information available at the time of this document's preparation and on certain assumptions that are deemed reasonable. A variety factors could cause actual results to differ significantly from the forecast.

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