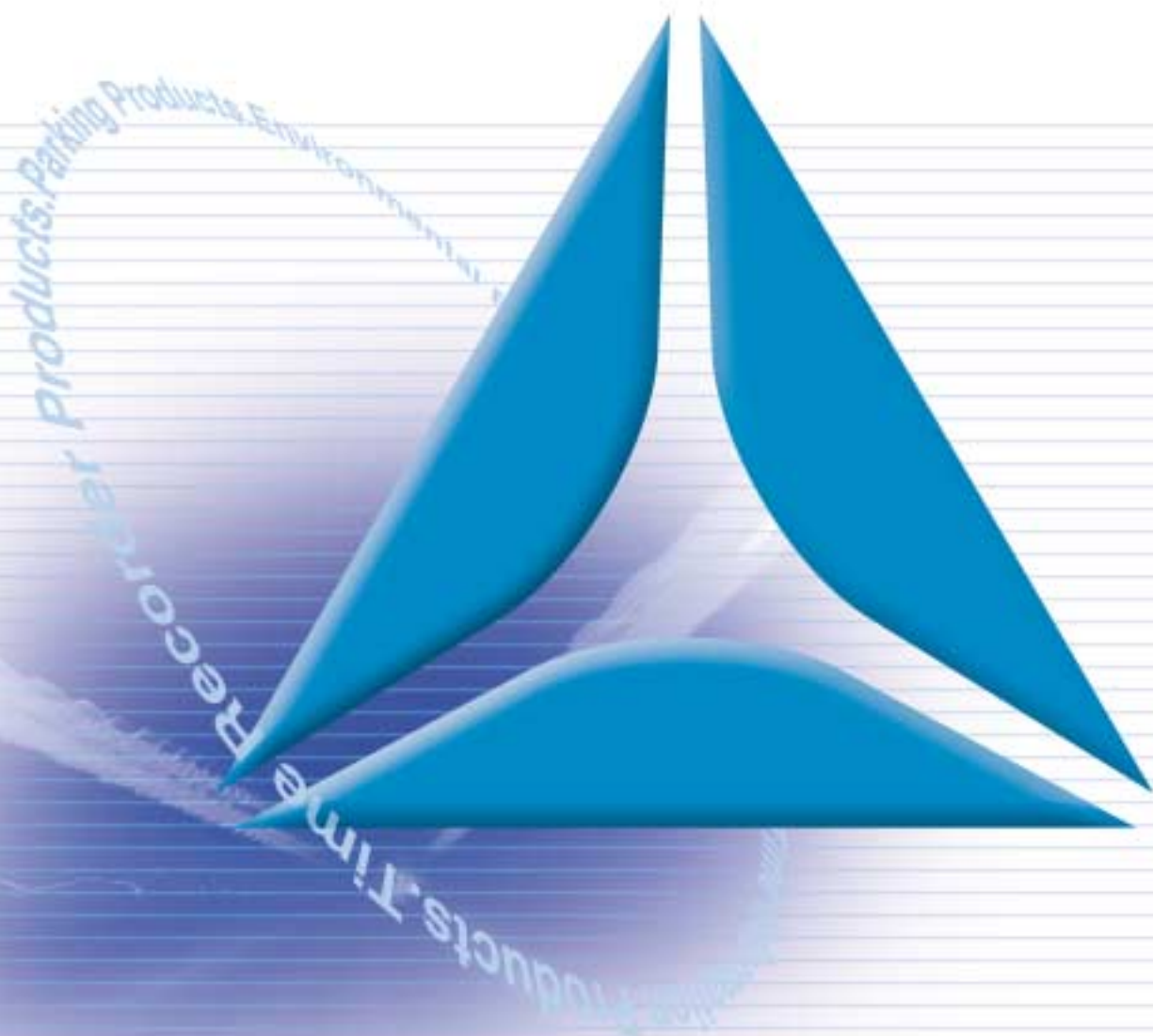


FINANCIAL REPORT

April 2002 – March 2003



Management Policy

1. Basic Management Policy

Since its foundation, Amano's first priority has been to maximize customer satisfaction. All of our employees, including the staff of our sales, production, and development divisions: focus on customers throughout all business activities, under the themes of "people and time" and "people and the environment." In accordance with this fundamental policy, Amano has been making diligent efforts to maintain the trust of all those who have been supporting us: customers, shareholders, business associates, employees, and society as a whole. Amano has set out to achieve this by providing a variety of products, systems, services, and solutions that accurately respond to the needs of customers.

2. Basic Policy on Dividends

It is Amano's dividend policy to offer our shareholders reasonable dividends that reflect actual performance. This policy has been one of our highest priorities.

Since 1998, as part of our policy of passing on earnings to our shareholders, Amano has redeemed and retired its own shares. We have already redeemed 14.52 million treasury stocks as of the end of March 2003, and have completed the retirement of 11.98 million stocks.

Currently, dividends to shareholders are paid on the basis of a payout ratio of 35% or more, and Amano will make every effort to realize a 2-percent dividend rate for shareholder's equity in the medium term.

Regarding the dividend for the current term, the annual dividend will be 13 yen per share as in the previous term. With the payment of 6.5 yen per share in the interim term, the dividend for the end of the term will be 6.5 yen per share.

Retained earnings will be used to strengthen our management capabilities through effective investments, such as the expansion and enhancement of existing business fields and strategic investments in growing business areas and research and development activities, while reducing costs and rationalizing production facilities for quality improvement.

3. Medium- and Long-Term Management Strategy

Amano and each of its Group companies maintain the tradition of continuously evolving in response to the changing times, while adhering to the four fundamental strategies of the Amano Group.

- (1) Emphasis on the Time & Ecology business fields/enhancement of our core business
- (2) Global niche leader
- (3) Structural reforms/constant restructuring
- (4) Management based on cash flow

Based on these fundamental strategies, we have developed a new three-year medium-term management plan. An overview of the plan is given below.



A handwritten signature in black ink, appearing to read 'Kaoru Haruta'.

Kaoru Haruta
President and CEO

Basic policy

Based on the previous management plan aimed at the creation of new value (i.e., adding future value to present value), the new medium-term management plan is to enhance our marketing capabilities and cost competitiveness in order to ensure a corporate structure that can steadily and continuously grow profits. We will also address structural reforms, including a reduction in fixed and original costs and improved productivity.

[1] Enhancement of marketing capability

- * Cultivating new markets by adding direct-sales capability, Amano's specialty, to the long-accumulated customer base (accumulated market)
- * Creating and nurturing new business projects based on the strengths of the Group by enhancing alliances with Group companies
- * Expanding service operations throughout all business areas
- * Securing dominance in the growing Asian market (particular emphasis on the Chinese market)

[2] Enhancement of cost competitiveness

- * Improving the profitability of parking and environment-related businesses
- * Differentiating cost-competitive products
- * Reducing production costs (overheads, overseas production, overseas procurement, and outsourcing costs)
- * Developing global products through selection and concentration (Japan, US, Europe, China)
- * Reducing sales and administrative costs

Numerical plan

By the end of March 2006, which will complete this plan, the following management indices, as targets, should be realized on a consolidated basis.

- (1) Consolidated ratio of operating profit to sales 7% or more
- (2) ROE 4% or more
- (3) Earnings per share 40 yen

Management targets (In units of one million yen)

	Year ending March 2004		Year ending March 2005		Year ending March 2006	
	Amount	Percentage change from the previous year	Amount	Percentage change from the previous year	Amount	Percentage change from the previous year
Sales	67,000	3.0	69,000	3.0	71,000	2.9
Operating profit	4,700	15.0	5,100	8.5	5,500	7.8
Operating-profit margin	7.0%		7.4%		7.7%	
Current profit	4,600	14.7	5,000	8.7	5,400	8.0
Current net income	2,500	52.5	3,100	24.0	3,300	6.5

Overview of the Current Term

With no sign of recovery in either consumer or capital spending, and with the intensifying deflationary trend and deteriorating stock market, as well as slowdown of the US economy, the Japanese economy has stay sluggish for the period under review.

In such an adverse management environment, Amano has been endeavoring to implement aggressive customer-oriented marketing through introduction of new products and software for information systems and parking systems, as well as in other business categories, and through

strengthening and improvement of its service capabilities. In addition, to improve profitability, each of its subsidiary companies has been striving to streamline its management through the rigorous control of profitability and cost/expenditures.

In terms of the consolidated business performance, the sales volume totaled 65.029 billion yen (up 3.3 percent from the same period last year), operating profits totaled 4.088 billion yen (up 10.8 percent), and ordinary profit totaled 4.011 billion yen (up 0.3%). For the term under review, extraordinary losses totaling 1.638 billion yen (of which 1.102 billion yen is accounted for by loss on sale of investments in securities and 484 million yen by loss on write-down of in-

vestments in securities) were posted, resulting in a net income for the current term of 1.639 billion yen, up 19.3% from the previous period.

The performance by business division is as indicated below.

Sales by business division

(¥: Millions)

Division	Current Consolidated Fiscal Year		Previous Consolidated Fiscal Year		Change	
	April 2002 to March 2003		April 2001 to March 2002			
	Amount	Component Ratio	Amount	Component Ratio	Amount	Ratio
(Time Information System Business)						%
Information Systems	10,657	16.4	10,378	16.5	279	2.7
Time Management Products	7,640	11.7	8,268	13.1	628	7.6
Parking Systems	22,509	34.6	20,847	33.1	1,662	8.0
Sub total	40,806	62.7	39,493	62.7	1,313	3.3
(Environment System Business)						
Environmental Systems	13,933	21.5	13,671	21.7	262	1.9
Clean Systems	10,290	15.8	9,804	15.6	486	5.0
Sub total	24,223	37.3	23,475	37.3	748	3.2
Grand total	65,029	100.0	62,968	100.0	2,061	3.3

Time Information System Business

Time Information Systems:
Time & Attendance (T&A), Payroll, Human-Resource Management, Access Control, Cafeteria Systems.
Time Management Products: Time Recorder, Time Stamp

Parking Systems:
Parking Management Equipment, Management Services

Information Systems

Due to the murky economic prospects in Japan, orders from small businesses remained sluggish.



AGX-100AX: an attendance information terminal compatible with proximity IC cards

Under these circumstances, orders from small-to-medium-sized businesses remained unchanged compared with the level in the previous term. However, customer demand for system construction was characterized by a tendency toward the introduction of low-cost models with limited functions, thus bringing down revenues to below the levels of the previous term.

On the other hand, implementation of attendance management systems has been actively promoted among large businesses, which is triggered by

enhanced guidance from the Ministry of Health, Labour, and Welfare concerning the what it referred to as proper understanding of working hours. Furthermore, demand for time/attendance management systems in government and public offices was also brisk due to consolidations of municipal governments and as part of the implementation of electronic local governments, in accordance with the e-Japan Strategy.

Sales alliances with major business partners performed strongly due to the enhanced interaction between our separate external systems, interlocking of the ERP system with payment and personnel systems, and stronger alliances for increasing orders for personnel/payroll systems designed for local governments. Maintenance services also led to improved results, due primarily to enhanced customer services provided through total support centers.

In overseas markets, performance improved in both North America and Europe, due primarily to enhanced software and marketing systems.

As a result of the above activities, sales achieved by the Information Systems Division totaled 10.657 billion yen (an increase of 2.7% over the previous term).

Time Management Products

In Japan, we made aggressive marketing efforts to recover order levels, primarily with "Time P@CK," a time recorder bundled with spread-sheet software for PCs introduced last year, and "PJR-500," a time recorder

equipped with time summary features for part timers.

As a result, the number of standard time recorders shipped increased, due to the significant growth of TimeP@CK; however, the overall numbers fell, affected by the decrease in sales of intelligent time recorders.

In overseas markets, revenues in Asia increased as demand in the Taiwanese and Chinese markets recovered due to the market launches of low-priced models produced in China, and the beneficial effects of opening the marketing base in Beijing, China.

However, sales declined in North America and Europe due primarily to intensifying competition.

Consequently, this business division posted sales of 7.640 billion yen (a decrease of 7.6% from the previous term).

Parking Systems

In the domestic market, demand remained brisk for both newly installed and upgraded small pay stations for park lock pay systems and medium-sized and small parking lots, as well as entrance/exit control systems including pay stations with built-in computers.

Acquisition of parking business of Omron Corporation as of October 1, 2002, significantly increased the revenue.

As of the end of the term, the number of parking systems we delivered exceeded 11,000, including those for

tokyo metropolitan area and demand from companies specializing in parking-lot management also continued to increase steadily.

Our management services for parking-facility and business management increased to 35,700 parking spaces (up 45%) as of the end of the term, due to the enhanced and expanded consulting marketing activities for parking-lot management.

Overseas, sales in North America recovered partly due to orders for large-scale facilities in the second half of the term, but failed to make up for the losses in the first half. In Europe, enhanced marketing systems and modification demands triggered by the introduction of a single currency contributed to the sales increase. In Asia, expansion of the Korean market contributed to the sales increase.

Under such business conditions, sales by this business division totaled 22.509 billion yen (an increase of 8.0% over the previous term).

Environment System Business

Environmental Systems:
Standard Dust Collectors, Large Dust Collection Systems, Pneumatic Powder Conveyance Systems, High-Temperature Hazardous-Gas Removal Systems, Deodorization Systems, and Electrolyzed Water Generators and Garbage Reduction Systems

Cleaning Systems:
Vacuum Cleaners, Dry-Care Cleaning Systems, and Cleanliness Management Services

Environmental Systems

In this business division, demand for standard equipment remained sluggish due to factors such as dwindling capital investment, the elimination or merging of plants in the reduction of excess facilities.

Under these circumstances, sales of the standard equipment for the second half of the term exceeded those in the first half due to the introduction of new products. However, the recovery of the standard equipment as a whole remained weak, resulting in lower income than in the previous term.

As for larger systems such as exhaust disposal systems and pneumatic powder conveyance systems, demand remained brisk, primarily from incineration facilities, recycling facilities, and rubber/chemical industries. With more stringent environment-related laws and regulations enforced, sales forces are stepped up to offer recommendations covering dust collection, deodorizing, and pneumatic transportation. Sales thus increased significantly over the level in the previous term.

As a result, this business division achieved sales of 13.933 billion yen (an increase of 1.9% over the previous term).



High-Temperature Hazardous-Gas Removal Systems

Cleaning Systems

In Japan, retail outlets (such as large supermarkets, convenience stores, and drug stores) have sought in particular to enhance customer satisfaction by maintaining cleaner floors.

Under these circumstances, we aggressively promoted the holistic offers proposal for a cleaning system, ranging from cleaning equipment to supplies, maintenance, and cleaning services, to help customers maintain clean floors at lower cost.

As a result, sales of cleaning equipment such as the UHS system (combining cleaning machines and buffing machines) and the CVS system (designed for small-scale chain stores) increased relative to the previous term. However, as a whole, both the number of units and revenues leveled off compared with the previous term, due to customers' efforts to reduce costs. On the other hand, cleaning management services significantly improved performance over the previous year, resulting from customers' appreciation of our business efforts, which led to greater cleanliness at reduced cost.

Overseas revenue dropped in North America due to increased requirements for cost reductions in the cleaning industry, affected by economic conditions in this region, and the intensified competitive environment there.

Sales by this business division thus amounted to 10.290 billion yen (an increase of 5.0% over the previous term), partly due to activities of our newly consolidated affiliate, Musashi Electric Works Corporation.

Financial status

Consolidated cash and cash equivalents (hereinafter referred to as "funds") rose to 21.898 billion yen in this consolidated accounting year, an increase of 291 million yen (1.3%) over the previous term. This is due to the fact that, while net profit before tax and adjustment declined, expenditures for the acquisition of treasury stocks and payments of income taxes were also reduced.

(Cash flow from operating activities)
The cash flow from operating activities in this consolidated accounting year totaled 5.998 billion yen, an increase of 699 million yen over the previous term. This increase was due to factors such as the loss on sales of investment securities, increased depreciation including amortization of goodwill, and reduced payment of income taxes, despite the fact that the net profit before tax and adjustment declined.

(Cash flow from investment activities)
Cash flow from investment activities in this consolidated accounting year recorded a deficit of 1.126 billion yen, a decrease of 1.161 billion yen from the previous term. This is primarily due to reduced income from the sale of investment securities and increased payment for the acquisition of intangible fixed assets, including purchase consideration for goodwill in parking-facility operations.

(Cash flow from financing activities)
Cash flow from financing activities in this consolidated accounting year recorded a deficit of 5.105 billion yen, a

decrease of 1.575 billion yen from the previous term. This is primarily due to the reduced repayment of short-term borrowings, mainly at overseas subsidiaries, and reduced payments for the acquisition of treasury stocks and the like.

Outlook for Next Year

With intensified fears of an economic slowdown throughout the world, primarily led by the United States, the Japanese economy is expected to remain bogged down in uncertainty over its murky financial situation, sluggish consumer spending and postponed capital expenditures, leading to an increasingly difficult business environment.

In such an adverse management environment, Amano and each of its Group companies will enhance their mutual alliances to promote market creation for each business division, aggressive customer-oriented marketing activities, the development of high-value-added products through the use of improved and enhanced software, and a wide range of solution services. In addition, we will work to improve profitability and streamline management through the rigorous control of costs and profitability.

As for the matters to be addressed, we will place priority on the following business strategies in accordance with the new medium-term management strategy.

(1) Time Information System Business

[1] Information Systems

- * Promote our original system offers integrating hardware and software, through which Amano can capitalize on its strength as a leading provider of time & attendance management systems
- * Establish a team specializing in SI business solutions in the Tokyo metropolitan area to enhance our marketing system
- * Enhance our peripheral solutions business, such as through sales of terminals and proximity IC cards
- * Expand our service business, emphasizing maintenance contracts

[2] Time Management Products

- * Enhance marketing of "Time P@CK," a time recorder bundled with spread-sheet software for PCs, to multiple outlets and offices
- * Expand sales in the Asian market through the introduction of low-cost products, particularly market expansion in China, by improving the network of marketing bases

[3] Parking Systems

- * Enhance the renewal strategy for the current customer base, which is comprised of 11,000 customer sites to which our products have been delivered

- * Expand our market shares through introduction of cost-competitive products
- * Expand our management/administrative service business through stepped-up consultative marketing capability
- * Empower services, including credit payment, ETC compatibility, etc., to effectively respond to general IT trends

(2) Environmental System Business

[1] Environmental Systems

- * Expand and promote the standard equipment market by launching new products with functions targeted to market requirements

[2] Cleaning Systems

- * Enhance the renewal strategy targeted at large-scale supermarkets, convenience stores, and multiple-outlet chains

- * Improve the profitability of large-scale systems by prioritizing profitability
- * Enhance the combined marketing of large-scale systems and standard equipment through holistic offers for recycling-related markets
- * Expand and promote sales in the Chinese market through beefed-up marketing base in Shanghai (China)
- * Promote service operations with maintenance, and supplies

- * Expand sales of carpet-cleaning equipment in the growing soft-floor market
- * Expand sales in cleaning-service business by promoting management services
- * Promote our service business with maintenance and supplies

Through the above efforts, we expect to achieve sales of 67 billion yen, operating profit of 4.7 billion yen, ordinary profit of 4.6 billion yen, and net income of 2.5 billion yen for the next term.

(In units of one million yen)

	Sales	Operating profit	Ordinary profit	Net income
Year ended March 2004	67,000	4,700	4,600	2,500
Year ended March 2003	65,029	4,088	4,011	1,639
Growth rate	3.0%	15.0%	14.7%	52.5%

Full-scale launch of Amano time authentication service and digital time stamp service project for the expansion of time business

Against the backdrop of increasingly sophisticated communication technologies, systems for electronic commerce and electronic applications are taking shape as a means of improving infrastructure to promote what is termed the "e-Japan Strategy." The needs for accurate and reliable time are thus expected to increase, expanding the opportunities in an evolving time business.

In January 2002, the "Study Group on Time Business" was launched at the initiative of the Information and Communication Policy Bureau of the Ministry of Public Management, Home Affairs, Posts and Telecommunications. In connection with this study group, Amano attended the sub-meeting "Study Group on R&D of Standard Time Validation and Time-Stamping

Services;" the results of which were reported in June 2002. According to the estimates indicated in the report, with the growth of electronic government/commerce markets within the framework of the government's e-Japan Strategy; the scale of the time-business market as a whole is estimated to reach 115.9 billion to 148.1 billion yen.

The year before last, Amano launched activities to publicize its "e-timing" time distribution and authentication services. We are currently actively involved in dissemination activities, including participation in the Time Business Forum and similar events.

Amano's time business offers two types of services, known as "e-timing services."

1) Amano standard time-distribution and time-authentication service
This is to provide stable distribution of the reliable Coordinated Universal Time from Amano Timing Center to customers' servers. The distribu-

tion history can be maintained and browsed on the Web.

2) Amano digital time-stamp service (Amano time-authentication service)
Customers' electronic documents are stamped with reliable officially authenticated time by the Amano Timing Center, enabling the detection of any tampering.

In January 2003, we completed a full-scale arrangement for market launch allowing free software to be downloaded from the e-timing web page, enabling users to view the time stamps using Adobe® Acrobat® Reader. Other aggressive initiatives include entering into a comprehensive operational alliance to incorporate Amano's e-timing service into Nissho Iwai's electronic seal system in April 2003. In May, we offered a server solution enabling the automated generation of digital time stamps.



(Reference: Examples of application of the Amano Digital Time Stamp)

- IR information documents publicly available on the web
- Intellectual-property information from the early stages of development and experiments
- Critical documents, such as minutes of the board of directors
- Various documents requiring officially authenticated dates
- Financial information documents, such as financial statements
- Written estimates, order forms, order acceptance forms, invoices, etc.
- Technical documentation, drawings, electronic manuals, electronic catalogs, specifications, etc.
- Electronic medical charts, and similar documentation

Time Information System Business-Expansion of proximity IC-card business

In this business category, we provide seamless product lines, systems, and services to our customers, who range from small-scale offices with fewer than ten employees to giant enterprises capable of operating large-scale online employment systems via networks.

We offer proposals for systems that can flexibly respond to various corporate infrastructures, including systems covering working hours and attendance, payroll, human-resource management, access control, cafeteria systems, and the like. Amano's effective, network-based time-information terminals have thus far been structured on the basis of time cards and magnetic stripe cards. However, many customers have recently expressed their desire to use IC cards (specifically proximity cards) in their employee card systems.

In addition to conventional card media, we have aggressively promoted the expansion of card business through the introduction and commercialization of proximity cards such as "mifare," "hitag2," "FeliCa," and the like, as well as other information terminals compatible with fingerprint recognition systems.

In the product line of "TimePro-Get," an integrated system of time/attendance, payroll, and personnel management, the time/attendance and personnel Web software has been adopted at several government of-

fices, and additional orders are expected. In addition, we have introduced the new "iAccess," a door security and access information system. Amano's time-information system business has thus consistently provided products with substantial market appeal.

* "mifare" and "hitag2" are registered trademarks of Phillips Electronics N.V.
* "FeliCa" is a registered trademark of Sony Corporation.

Development of a comprehensive management system for urban commercial facility parking in Roppongi Hills, the first of its kind in Japan!

Participation as a comprehensive parking consultant and coordinator Supporting urban development with its comprehensive parking system

In April 25, 2003, Roppongi Hills, a new landmark in Tokyo, celebrated its grand opening. Roppongi Hills is located southwest of Roppongi Station on the Hibiya subway line, occupying an area of 11.6 hectares (approximately 8 times the size of the Tokyo Dome baseball field), with a building site area of 84,800 m², a total floor area of 759,000 m², and 840 residential units. This is the largest private-sector urban re-development model project in Japan designed for the 21st century. Based on the concept of forming the cultural center of Tokyo, the area integrates the main 54-story Roppongi Hills Mori Tower, hotels, cinema complexes, more than 200 commercial facilities, a broadcasting center, four residential buildings

(including two high-rises), parks, public squares, and more. This complex urban area is equipped not only with business, shopping, and entertainment facilities, but also with all of the features of a city, including a comfortable environment for living, working, playing, leisure, learning, and creating activities.

The Roppongi Hills parking facilities can accommodate approximately 2,670 vehicles.

Beneath each building, parking facilities of major mechanical-parking-facility manufacturers have been introduced. Amano, as a control equipment manufacturer, has developed Japan's first comprehensive management system for urban commercial facility parking, an integrated remote surveillance/management software package for these mechanical public and private parking facilities.

In parking facility management comprised of the composite parking formats of "flat reversing mechanical parking" and "self-drive parking," the following three themes have been considered in development efforts, collectively referred to as "new parking management approach for the 21st century."

- 1) From "Annexed Parking" to "Public Parking"
- 2) From "Renting space" to "Charging time"
- 3) From "Security" to "Hospitality"

The main features of this comprehensive management system for urban commercial facility parking include:

- 1) Development of remote-con-

- trol system software capable of integrating mechanical parking facilities
- 2) Introduction of a credit payment system with automated payment machines
- 3) Use of proximity IC cards as pass cards (parking passes) for contracted vehicles
- 4) Vehicle entrance/exit control with a license plate recognition system utilizing pattern-matching technologies
- 5) Use of remote ticket issuance and a serial-number control system for general and commercial-facility users
- 6) Timely control of management/administration, such as allocation of personnel and confirmation of the usage status

7) Central management, at the control center, of various types of surveillance data provided by different mechanical-parking-facility manufacturers

Based on the know-how acquired through participation in the Roppongi Hills re-development project, Amano expands its parking-system business as a professional parking consultant or coordinator. In addition, we plan to standardize our proprietary software for the holistic management system for urban commercial facility parking, and promote its sales in parking areas of commercial facilities and complex buildings to be constructed in urban re-development projects throughout the country.



“Elemister EM-8e,” a new product, is a small, sophisticated electric-type mist collector that provides both high collection capability and a low environmental stress

Dust collectors represent core products in our environmental-system business.

Mist collectors can collect a range of substances, from fine oil mist (oil smoke) of less than 0.1 μm to water-soluble mist (spray) of more than 100 μm.

Mist collectors can be divided into the filter type and the electric dust-collection type.

Filter-type mist collectors may involve operational problems such as reduced suction power due to clogging of the filters, frequent filter replacements, the need for the disposal of used filters, and the like. To avoid these problems, Amano has developed its electric dust-collection small mist collectors. Electric dust-collection mist collectors can collect mist electrically with high efficiency.

The “Elemister EM-8e,” a new product launched in January 2003, is a small, sophisticated electric dust-col-



Elemister EM-8e

lection mist collector that provides both high collection capability and a low environmental stress.

The model features completely washable electric dust-collection parts enabling reuse, low energy consumption (electricity expenses reduced by approximately 50%), and noise-reduction design with a noise level of less than 65 dB (A). It can collect water-soluble mist as a result of improvement of the control method, achieving a stable collection rate of 99% or higher.

This model fulfills most user requirements by providing improved quality both in terms of easy maintenance and sophisticated technologies, including the mist pre-treatment system, tungsten needle electrodes, and safety circuit with the current limit/self-drooping functions.

**Reduce cleaning time and cost!
The new “CHC-60N” (King Cobra Pro 400) carpet cleaner**

The carpet cleaning market is expanding remarkably, to encompass office buildings, commercial/amusement facilities such as hotels and theaters, hospitals and nursing facilities, golf clubhouses, sports clubs, gaming halls, and public facilities such as airport buildings.

For carpeted floors in these facilities, we collaborated with Takahara Corporation for the joint development of a new all-in-one steam carpet

cleaner for business use, designed to facilitate maintenance and cleaning for routine facility management, with enhanced cleaning capability, greater suction power, compact maneuverability, and improved operability. The new model was launched in January 2003.



At the same time we introduced our innovative “Carpet-Cleaning Hyper-Solution System” (CCHSS). In order to increase public awareness of our cleaning techniques and know-how, all based on the most reputed carpet maintenance standards (set forth by the IICRC in the U.S.), we also hold Carpet Cleaner Technician (CCT) training seminars throughout the country. We are enhancing our operations in this field as well, with a view to extending carpet service life by maintaining cleanliness for long periods, particularly in consideration of the current increasing demand for carpet.

**Introduction to Amano Group companies: ASE (Amano Software Engineering)
Planning and developing resourceful new products for the time-information system business with joint efforts with Amano Corporation**

ASE Shanghai (Started operation in April 2001) 45 engineers
ASE USA (Started operation in October 2001) 18 engineers
ASE Europe (Started operation in October 2002) 10 engineers

Current status

The primary function of ASE Shanghai is to conduct the consigned development of software products for the entire Amano Group.

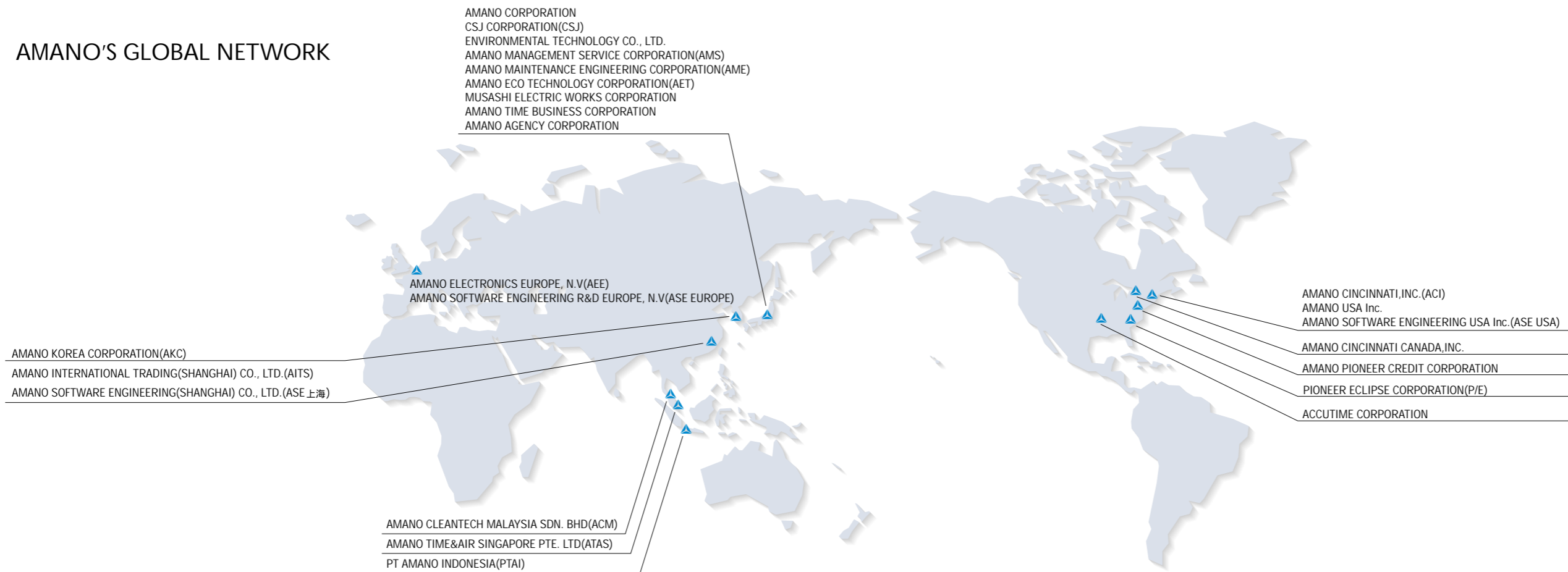
ASE USA collaborates with Amano Corporation in planning and developing new products for time-information/parking systems in the U.S., and ASE Europe, based in Belgium, plans and develops new products for time-information systems by taking advantage of uniquely European ideas. Both companies work together with Amano Corporation in their development efforts.

Specifically, ASE Shanghai is positioned as a production base for the software products of the entire Amano Group. As the Amano IT business center in the Chinese market, it also plays a leading role in the development of software technologies in Amano, such as by participating in major projects of corporate headquarters.



The building in which ASE Shanghai is located ASE Shanghai office

AMANO'S GLOBAL NETWORK



AMANO Cincinnati, Inc. (ACI)

**Success Story
Parking System Accommodates 12,000 Office Workers, 1.5 Million Visitors**

The economy of the United States weakened during the year under review and revenues were 6% lower. However, gross margins improved and expenditure was restrained such that net income for the year remained at 2001 levels. We made useful enhancements to our parking revenue control systems and introduced a new range of access control equipment, further improving our capabilities to offer our customers the benefits of integrated systems.

The Sears Tower was designed for 12,000+ occupants. Approximately 25,000 people enter the building each day. About 1.5 million tourists visit the building's Sky Deck each year. Where do these people park? How does the Tower manage the parking with space for only 1000 vehicles?

Parking facility operators had to find a way to get parking patrons in and out quickly - particularly during busy weekdays, rough weather, and other factors that affect parking situations - despite multiple entrance and exit lanes. Success would lie in facility design and equipment selection and implementation - particularly parking payment choices. There are four entry lanes and three exit lanes - each

offering the option to use a monthly card, take a ticket and pay with credit card at the exit or cash/credit card in the lobbies, or insert credit card for in and out. There are two payment lobbies; one in the main lobby, the other at the Franklin lobby.

The Franklin lobby relies upon an Amano AGP-7000 series Automatic Pay Station (pay-on-foot) to allow parking patrons the option to pay for their parking fees prior to exiting. The pay station accepts cash and credit cards, and validates the ticket, which the patrons then feed into the Amano ExpressParc Exit Station in order to open the gate and exit.

The main lobby gets the most atten-

tion, housing another cashierless piece of Amano equipment - strictly credit card only: the Amano AGP-4300 Series ExpressParc™ Pay Station. In the same area is another AGP-7000 and a manned kiosk where a cashier processes transactions using Amano's AGP-5210 Fee Computer. (The kiosk is used primarily during special events.) While the cash payment is important, it is naturally slower than choosing to use the credit card only payment option.

Credit card transactions are processed in real-time, on-line T1 speeds. Monthly patrons accessing the garage, and using Automatic Vehicle Identification (AVI) technology, eliminate the need to roll down their windows,

speeding up throughput. McGann Software provides the facility software system, including count software with facility mapping, AVI debit access, revenue software with ticket tracking, and credit card in/out software. The McGann Mass Validation System allows the facility to create and distribute validation coupons for use in the Amano hardware, discounting parking fees for those who have and use a coupon prior to completion of their transaction at the pay station, fee computer, or exit lanes. The speed of the Amano-McGann solution is what keeps the facility operating smoothly. Over 68 percent of Sears Tower parking patrons get in and out quickly using this real-time processed credit card pay option.

Other Amano equipment used at the Sears Tower include the AGP-9100 Series License Plate Inventory System (including host software, hand held units and docking station), AGP-1700 Series Parking Gates with aluminum arms, mag-stripe Entry and Exit stations with credit card functionality, HR-200 hand-held encoders for merchant validations, and lot full signs.

**New Product Release
Amano Cincinnati, Inc.
Access Control Technology Promises Unprecedented Value.**

Amano Access Control offers unprecedented opportunity for access systems integrated with Amano time

and parking products. The cost-effective, single door AXP 100 offers simple to install, easy to use proximity access, while the 16-door AXP 200 handles up to 2000 tag holders in full anti-pass back mode. Our RS485 system bus configuration allows simple installation without dipswitches, using full data encryption for secure data transfer. It can also control elevators, HVAC, gates, lighting, etc. Software features include automatic hardware identification, self-diagnostics, report wizards, door mode patterns, time/event triggered actions, access groups, time zones, programmable holidays, and more.

The AXP-400 system uses the Amano AC Advanced Controller and AmanoNet™ Access Control Software controlling over 4,000 doors and up to 160,000 tag holders supporting multiple controllers and multiple sites linked across a worldwide network. Features and options include automatic database population and troubleshooting, easy upgrade, ODBC/JDBC compliance, multi-language translation, customizable web-



AXP Series proximity IC Card Reader



based reporting, user-interface tree, SQL-compatible open architecture client/server database, customizable GUI floor plan, badging card design and printing, Digital Video Recording (DVR) system, LAN/WAN networking using TCP/IP, platform-independent JAVA software modules, CCTV integration, third party input with Amano PT reader interface, Wiegand format for inputs including Amano HandPunch biometric, magnetic stripe, bar code or integration with time and attendance. AmanoNet software modules include AmanoNet engine with browser-viewable web reports, AmanoNet Access, Transaction Viewer, Alarms, Visitor Module, QuickTag, Graphics, Card Designer and CCTV.

Pioneer Eclipse Corporation (P/E)

Stringent Cost Controls and Continued Focus on New Product Development

Despite a depressed economic climate within the cleaning industry in 2002, Pioneer Eclipse managed to deliver a profitable performance. While the overall sales declined, effective cost controls and successful execution of key product promotions enabled the company to maintain optimum support for the customer base while continuing strong emphasis on R&D initiatives.

Pioneer Eclipse introduced several new products at the industry trade show in Las Vegas in October 2002.



FloorCare for a Greener Planet

Introduction of the new EnviroStar Green floorcare line has created new opportunities for the Company in market segments that require specific environmentally friendly products. As local governments continue to adopt more stringent regulations, Pioneer Eclipse anticipates much greater demand for these kinds of products.



New Equipment Introductions

HydroStar	StripVac
CleanStar 20	CleanStar 27R

Two new battery-powered autoscrubber units attracted much attention at the show. The CleanStar 20 provides a versatile, slim profile alternative to competitive models at a price point which has already generated better than expected sales. The CleanStar 27R is a high water capacity ride-on autoscrubber with a sleek, low profile. This compact model has the lowest price point in its category and promises to be another success story.

The HydroStar Stripper Applicator and StripVac Stripper Recovery Vacuum were designed to complement any stripping operation. The high solution capacity HydroStar provides users with a quick and efficient method for applying floor stripper solution while the similar capacity StripVac incorporates a heavy-duty vacuum pump that effectively retrieves strip slurry. Both of these units provide superior capacity and performance at a price point well below any

similar product. Initial sales of these products have exceeded the company's expectations.



SpeedStar Burnisher in Action

By year's end, Pioneer Eclipse had successfully won a bid involving the single largest contract cleaner deal in the history of Canada. The oldest and most prestigious department store chain in Canada became the new home to more than 200 SpeedStar UHS burnishers. The contractor made his choice based on the superior quality and reputation of these units. Subsequently, the Company has been offered an opportunity to win the entire floor-care chemical business away from the number one brand name in the industry. The contractor convinced the operators of the chain to consider Pioneer Eclipse because of the perceived superiority in performance and cost of the floorcare chemical products.

Strong emphasis on R&D initiatives and product line expansion continue to keep pace with new marketing opportunities. Pioneer Eclipse is currently focusing efforts on larger propane powered equipment that will ideally create interest in conventional retail and commercial applications as well as in the industrial market where the Company has previously had limited focus.

Amano Electronics Europe, N.V.(AEE)

Finding parking opportunities with TF Series

Due to the need of more parking spaces, people are seeking new locations to park their vehicles. Most often supermarkets are the target-spot, since they have a rather big parking capability and most often, free-of-charge. Since 2001 Amano Europe has expanded its parking business towards these types of customer. We call it "non-revenue-parking-business," meaning we equip standard Amano machines, including paystations, but people are allowed not pay as long as they shop in the supermarket. Until today, Amano has closed contract with European-wide supermarket chains, e.g. ALDI (4 installations in Belgium), Delhaize 'Food Lion' (1 installation, 2 more to install in 2004) and last but not least CARREFOUR.

Let's focus on Carrefour:

Location: City of Brussels - capital of Belgium,

Capacity: 800 spaces, divided over 3 levels,

Machines: 3 IN / 6 OUT / 3 PayStations / 44 HR-200 / 3 signs indication "# free spaces",

Visitors/day: 2625

Problem: Every morning, people working in surrounding buildings with insufficient parking space, parked their cars inside Carrefour parking. Result was that 60% of available parking was occupied during working hours. This resulted in a loss of customers. The R.O.I. will be generated from a higher turnover. Initial investment was prox. 175.000,00 - excl.VAT.

The New TF Series, which are currently proposed in the Benelux and abroad, offer us a wide variety of possibilities to solve parking problems for the complete range of supermarkets in Europe, like Carrefour.

The challenge in the beginning was to persuade the managers of these shops that invest in these types of installation would give them a return in general turnover. After 1 year 'in operation' the store-managers confirmed us that the extra turnover - generated in the shop - easily covers the initial and operational cost for consumables, maintenance as well. For Amano Electronics Europe, this means that a whole new world is open to install machines. It's correct that competition is also seeking sales opportunity in this niche-market. If we can supply consistently with reliable machines and good service-staff, we'll be able to install 5 to 7 supermarkets/year in Belgium.

The most recent evolution in the 'non-revenue-parking-business' is to provide ideas and solutions for commercial centres, meaning more shops are gathered around one parking lot. The total amount of free parking time, depends on the number of shops the customers visit. So the need exists to provide each shop with a machine that offers the possibility of validation, compared to HR-200.

Based on our current experiences with the newly introduced TF-Series, which have been installed in hotels, supermarkets, hospitals and private-owned-parkings, together with a good sales strategy, we can again become one of the leading companies in parking manufacturing in the European countries. It will be time consuming, but steadily we are replacing competitive equipment by Amano-machines in the European countries, where Amano is currently present.



Growing market success for the TF-1630KN parking gate with built-in communications interface!

Sales of the TF-1630KN, a new parking gate, have increased steadily. This new gate can be PC-controlled and linked to home automation systems as part of external security systems at high-rise condominiums.



The gate is already certified for CE marking for deployment in overseas markets. Currently, about 400,000 units are produced each month.

Amano's UHS System adopted by Carrefour's ChungGae outlet

AKC last year ventured into the cleaning systems market, successfully promoting our UHS System for adoption at Carrefour's ChungGae outlet, the first Korean outlet of a large discount store chain based in France. In Korea, as competition among large discount stores intensifies, aesthetic impressions as well as price considerations are increasingly being regarded as important factors in drawing customers. Carrefour's adoption of the UHS System is expected to accelerate future business deployment. The UHS System introduced at the ChungGae outlet (comprised of an ST-24, a buffing machine, and our original resin wax, Floor Coating) has



won a favorable reception for its capacity to provide a longer-lasting clean and luster. An emphasis on high quality and high-end users is expected to result in steady growth in the market segment represented by such products.

The first delivery of WRT, a large-scale dust collection system

AKC delivered its first large-scale dust collection system (three WRT-5090's, one WRT-5100, and one WRT-5162, all models from our WRT-5000 Series) to Seoul Fine Tech, a manufacturer of carbon rubber used to produce auto tires. Formerly unable to compete with Korean manufacturers on a price footing, AKC won this order by shifting to local procurement of parts and by securing cooperation from the Environmental Systems Division of the headquarters in Japan.



While our deployment in Korea has so far been limited to small dust collectors, we intend to expand the market segment of large-scale dust collectors by improving local procurement capabilities and enhancing sales promotions, while effectively promoting the AMANO brand and performance in the large-scale dust collection system market.

AMANO sales networks expanding in China

AMANO International Trading (Shanghai) Co. Ltd. was established on April, 1995. Its business covers the mainland of China, Hong Kong and Taiwan, providing products of AMANO brand and services through regional distributors and agents. With China's entry into WTO, the Chinese market is expected to grow dramatically with its huge business opportunity. In seeking larger market shares with AMANO sales networks being established, we set up two offices in Beijing and Shenzhen respectively. (See the photos)

<Address>
Beijing Branch:
Room 401, Unit 2, Meihui Mansion NO. 58 Dongzhong Street, Dongcheng, Beijing
TEL: +86(010)65546989
FAX: +86(010)65542687

Shenzhen Branch:
Room 2012, Beifang Mansion No.3003 Shennan RD. Futian Shenzhen
TEL: +86(0755)83278800
FAX: +86(0755)83278700

With our business development in Beijing and Shenzhen, we expect to grow in market shares and penetrate the market with quality of AMANO brand, and will gradually build AMANO sales networks extending to other cities in China. We believe that in the near future, AMANO products along with its quality will come to stay with more users in the market. It has already started in Beijing and Shenzhen.



Sales increase in parking system business operations at ATAS

In addition to renewing existing systems, Amano Time & Air Singapore expanded its customer base in fiscal 2002 by providing the Singaporean market, which is increasingly moving toward ticket-less and cashless transactions, with the systems needed to enhance added value. Among other benefits, these systems reduce parking management expenses and protect against fraud.

At the One Utama Shopping Mall parking facility in Malaysia, which has a capacity of 7,500 spaces, we received orders for 14 entrance units, 23 exit units, and 25 fully automated payment machines. We also received orders from IKEA, a large furniture store, for nine entrance units, eight exit units, and eight fully automated payment machines.

In Hong Kong, we developed a system that allows vehicle entry based on the Octopus Card (Felica) widely used to pay subway or bus charges. The new system has been introduced at nine parking locations at the Housing Department parking lot and six parking locations at the Transport Department parking lot.

We plan to enhance our marketing position as a total solutions provider by continuing to improve our capability to respond to the requirements of each market.



Into the 5th year of operation, ATAS Services has managed to establish a name in the industry providing cleaning and security services. We now have also a group of regular customers whom they have a good faith on our services for which they have trusted us by awarding us new contracts. Far East Organization, Chambers Property, Cold Storage Group, Guthrie Group, Jones Lang Lasalle, Chan Kok Hong Property Management, Ho Bee Group and CPG-AMEC Facilities are some of the list of our regular customers.

Singapore Economy performance for this financial year has been gloomy where property owner had cut down their maintenance budget as a means of cost saving. Therefore, we have been very selective in bring service contract for cleaning and security. Thus, we had started out to venture into new business like car park management. We have tied in our security services together with AMANO Car Park Equipment to serve as package for our customer.



The selling point of this proposal is that, customers do not have to up-right payment for the system and can be made payable in either 24 months or 36 months installment. With our security services, our security officers are well trained on AMANO sys-

tem where they are able to assist the owner upon car park breakdown. This is a quite a selling point where we have secured contracts like Far East Square, Riverside Point, Far East Shopping Centre, Kovan Centre, ANA Hotel, Ginza Plaza and E-Centre.

In the new financial year, we will still concentrate on car park management and at the same time working hand in hand with CPG-AMEC Facilities to bring in combine services (security, cleaning).

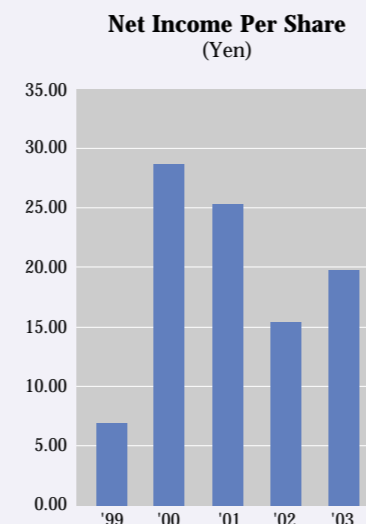
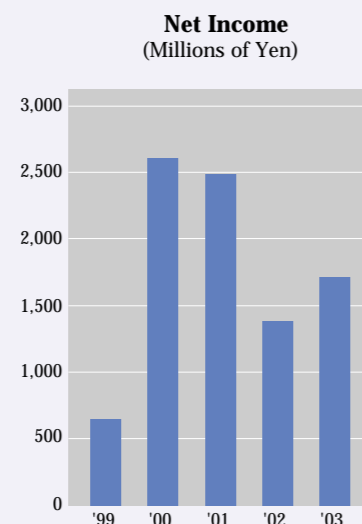
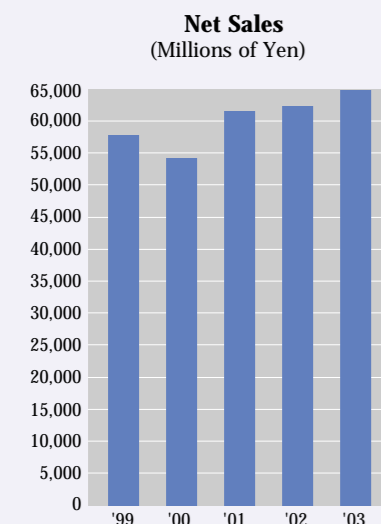
Financial Highlights

For the years ended March 31, 2003 and 2002.

Yen in millions and U.S. dollars in thousands, except per share amounts
- See Note 4 to the Consolidated Financial Statements.

	2003	2002	2003
For the years ended March 31:			
Net sales	¥65,029	¥62,968	\$541,908
Net income	1,639	1,375	13,658
Per share data:			
Net income per share	¥19.77	¥15.28	\$0.165
Cash dividends per common share	13.00	13.00	0.108
At March 31:			
Total assets	¥89,935	¥93,176	\$749,458
Working capital	33,161	36,118	276,342
Shareholders' equity	67,272	71,212	560,600
Sales by product:			
Time information systems	¥10,657	¥10,378	\$88,808
Time management equipment	7,640	8,268	63,667
Parking systems	22,509	20,847	187,575
Environmental systems	13,933	13,671	116,108
Cleaning systems	10,290	9,804	85,750

Note : U.S. dollar amounts have been translated at the rate of ¥120= US \$1, the rate prevailing on March 31, 2003.
- See Note 4 to the Consolidated Financial Statements.



Consolidated Balance Sheets

As at March 31, 2003 and 2002.

ASSETS	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Current assets:			
Cash and bank deposits	¥21,909	¥22,883	\$182,575
Marketable securities	1	2,627	8
Notes and accounts receivable:			
Trade	21,212	21,382	176,766
Less allowance for doubtful accounts	(184)	(131)	(1,533)
	21,028	21,251	175,233
Inventories	6,286	5,705	52,384
Deferred tax assets	794	764	6,617
Other current assets	801	570	6,675
Total current assets	50,819	53,800	423,492
Investments and advances:			
Investment in and advance to affiliates'	228	667	1,900
Investments in securities	5,732	7,594	47,767
Other investments	6,786	6,140	56,550
Total investments and advances	12,746	14,401	106,217
Property, plant and equipment, at cost:			
Buildings	23,456	23,022	195,466
Machinery and equipment	17,132	16,562	142,767
	40,588	39,584	338,233
Less accumulated depreciation	(26,191)	(24,855)	(218,258)
	14,397	14,729	119,975
Land	6,022	5,847	50,184
Construction in progress	625	177	5,208
Net property, plant and equipment	21,044	20,753	175,367
Fixed leasehold deposits	1,219	1,246	10,158
Deferred charges and other assets	4,107	2,976	34,224
Total	¥89,935	¥93,176	\$749,458

The accompanying notes are an integral part of these statements.

Consolidated Statements of Income

For the years ended March 31, 2003 and 2002.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Current liabilities:			
Short-term bank loans	¥866	¥877	\$7,217
Trade notes and accounts payable	9,659	9,569	80,491
Accrued expenses	3,377	3,175	28,142
Accrued income taxes	698	829	5,817
Other current liabilities	3,058	3,232	25,483
Total current liabilities	17,658	17,682	147,150
Long-term liabilities:			
Accrued retirement benefits to employees	3,564	3,060	29,700
Accrued retirement benefits to directors and corporate auditors ..	909	858	7,575
Deferred tax liabilities	39	45	325
Other	319	207	2,658
Total long-term liabilities	4,831	4,170	40,258
Minority interests in consolidated subsidiaries	174	112	1,450
Shareholders' Equity:			
Common stock:			
Authorized- 188,020,000 shares			
Issued and outstanding:			
March 31, 2003 - 83,801,829 shares	18,240	-	152,000
March 31, 2002 - 88,801,829 shares	-	18,240	-
Additional paid-in capital	19,293	19,293	160,775
Retained earnings	34,924	38,552	291,033
	72,457	76,085	603,808
Net unrealized losses on other securities	(1,197)	(1,208)	(9,975)
Foreign currency translation adjustments	(1,117)	(687)	(9,308)
Treasury stock at cost, 3,582,563 shares in 2003 and 3,413,247 shares in 2002	(2,871)	(2,978)	(23,925)
Total shareholders' equity	67,272	71,212	560,600
Total	¥89,935	¥93,176	\$749,458

The accompanying notes are an integral part of these statements.

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Net sales	¥65,029	¥62,968	\$541,908
Cost of sales	37,117	35,571	309,308
Gross profit	27,912	27,397	232,600
Selling, general and administrative expenses	23,824	23,707	198,533
Operating income	4,088	3,690	34,067
Other income (expenses) :			
Interest and dividend income	151	283	1,258
Interest expense	(55)	(119)	(458)
Amortization of goodwill	(320)	-	(2,666)
Loss on disposal of property and equipment	(44)	(22)	(367)
Loss on sale of marketable securities	-	(3)	-
Gain on sale of investments in securities	97	-	808
Loss on sale of investments in securities	(1,102)	(271)	(9,183)
Loss on write-down of investments in securities	(484)	(1,092)	(4,033)
Loss on write-down of golf club membership	(8)	(5)	(67)
Other, net	151	144	1,258
Income before income taxes	2,474	2,605	20,617
Income taxes :			
Current	1,520	1,795	12,667
Deferred	(757)	(595)	(6,308)
Income before minority interests	1,711	1,405	14,258
Minority interests in net income of consolidated subsidiaries ..	(72)	(30)	(600)
Net income	¥1,639	¥1,375	\$13,658
	Yen		U.S. dollars (Note 4)
Net income per share, basic	¥19.77	¥15.28	\$0.165
Cash dividends per common share	13.00	13.00	0.108

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

For the years ended March 31, 2003 and 2002.

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Cash Flows from Operating Activities:			
Income before income taxes.....	¥2,474	¥2,605	\$20,617
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,853	2,471	23,775
Adjustment for consolidation	(91)	–	(758)
Increase in provision for accrued retirement benefits	457	232	3,808
Increase (decrease) in allowance for doubtful accounts	(158)	(26)	(1,317)
Interest and dividend revenue	(151)	(283)	(1,258)
Interest expenses	55	119	458
Foreign currency translation (gain) loss	23	(33)	192
Gain on sale of investments in securities	(97)	–	(808)
Loss on sale of investments in securities	1,102	271	9,183
Loss on write-down of investments in securities	484	1,092	4,033
Loss on disposal of fixed assets	44	22	367
Loss on write-down of golf club membership	8	5	67
(Increase) decrease in trade notes and accounts receivable.....	258	1,526	2,150
(Increase) decrease in inventories	(619)	487	(5,159)
Increase (decrease) in accounts payable	20	(1,164)	167
Others	837	224	6,975
Subtotal	7,499	7,548	62,492
Receipts from interest and dividends	214	344	1,783
Interest paid	(68)	(148)	(567)
Income taxes paid	(1,647)	(2,445)	(13,725)
Net cash provided by operating activities	5,998	5,299	49,983
Cash Flows from Investing Activities:			
Proceeds from sale of marketable securities	–	1,720	–
Proceeds from maturities of marketable securities	3,000	–	25,000
Payment for purchase of property and equipment	(2,459)	(1,716)	(20,491)
Proceeds from sale of property and equipment	3	6	25
Payment for acquisition of intangible assets	(2,502)	(963)	(20,850)
Payment for acquisition of investments in securities	(1,717)	(1,891)	(14,308)
Proceeds from sale of investments in securities	757	3,910	6,308
Decrease in time deposits	1,000	–	8,333
Loans to third parties	(209)	(121)	(1,742)
Collection of loans	11	90	92
Others	990	(1,000)	8,250
Net cash used in investing activities	(1,126)	35	(9,383)
Cash Flows from Financing Activities:			
Proceeds from short-term bank loans	287	198	2,392
Repayment for short-term bank loans	(363)	(786)	(3,025)
Proceeds from long-term debt	133	14	1,108
Payment for acquisition of treasury stock	(4,064)	(4,919)	(33,867)
Dividends paid	(1,098)	(1,187)	(9,150)
Net cash used in financing activities	(5,105)	(6,680)	(42,542)
Effect of exchange rate changes on cash and cash equivalents	90	(133)	750
Net increase in cash and cash equivalents	(143)	(1,479)	(1,192)
Cash and cash equivalents at beginning of year	21,608	22,989	180,067
Increase in cash and cash equivalents of newly consolidated subsidiaries	434	98	3,617
Cash and cash equivalents at end of year	¥21,899	¥21,608	\$182,492

The accompanying notes are an integral part of these statements.

Consolidated Statements of Shareholders' Equity

For the years ended March 31, 2003 and 2002.

	Millions of Yen		
	Common Stock	Additional Paid-In Capital	Retained Earnings
(Number of Shares of Common Stock - Thousands)			
Balance at March 31, 2001 (92,382)	¥18,240	¥19,293	¥41,326
Net income for the year	–	–	1,375
Cash dividends	–	–	(1,183)
Directors' and corporate auditors' bonuses	–	–	(46)
Decrease in retained earnings resulting from			
addition of consolidated subsidiaries	–	–	(118)
Retirement of treasury stock (3,580)	–	–	(2,802)
Balance at March 31, 2002 (88,802)	¥18,240	¥19,293	¥38,552
Net income for the year	–	–	1,639
Cash dividends	–	–	(1,092)
Directors' bonuses	–	–	(4)
Retirement of treasury stock (5,000)	–	–	(4,171)
Balance at March 31, 2003 (83,802)	¥18,240	¥19,293	¥34,924
	Thousands of U.S. dollars (Note 4)		
	Common Stock	Additional Paid-In Capital	Retained Earnings
Balance at March 31, 2002 (88,802)	\$152,000	\$160,775	\$321,267
Net income for the year	–	–	13,658
Cash dividends	–	–	(9,100)
Directors' bonuses	–	–	(33)
Retirement of treasury stock (5,000)	–	–	(34,759)
Balance at March 31, 2003 (83,802)	\$152,000	\$160,775	\$291,033

The accompanying notes are an integral part of these statements.

Notes to the Consolidated Financial Statements

For the years ended March 31, 2003 and 2002.

1. Basis of Consolidated Financial Statements

The consolidated financial statements of AMANO Corporation (“the Company”) and its subsidiaries (majority-owned companies) have been prepared in accordance with the accounting standards for consolidated financial statements in Japan. The accounts of the Company included in the consolidation are based on the accounting records maintained in accordance with the provisions of the Japanese Commercial Code and accounting principles generally accepted in Japan, which are different in certain respects as to the application and the disclosure requirements of International Accounting Standards.

The accounts of consolidated overseas subsidiaries, as shown below, are based on audited financial statements prepared in conformity with accounting practices prevailing in the country of incorporation. In general, no adjustments to the accounts of overseas consolidated subsidiaries have been reflected in the accompanying consolidated financial statements.

The accompanying consolidated financial statements of the Company and its consolidated subsidiaries are essentially the translation of statements in the Securities Annual Report filed with the Ministry of Finance and the Tokyo and Osaka Stock Exchanges, as required by the provisions of the Securities and Exchange Law and related regulations in Japan.

The information in the consolidated financial statements is derived from the original text, scope, and the na-

ture of that information, and is therefore limited to that contained in the original text. However, certain reclassifications or summarizations of accounts have been made to present the consolidated financial statements in a form which is more familiar to the readers outside Japan.

The consolidated financial statements are not intended to present the consolidated financial position, results of operations and the cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

2. Principles of Consolidation

(1) Scope of Consolidation

The Company had 23 subsidiaries at March 31, 2003 (21 at March 31, 2002). The Company changed its consolidation policy from the application of the ownership concept to the control concept effective April 1, 1999. Under the control concept, major subsidiaries in which the Company is able to exercise control over operations are to be fully consolidated.

The accounts of the overseas consolidated subsidiaries are prepared on the basis of a December 31 fiscal year-end, and are consolidated accordingly with the Company at March 31, 2003 and 2002, and for the year then ended.

The consolidated subsidiaries that have been consolidated with the Company for the year ended March 31, 2003 are as follows:

Company Name	Equity ownership %	Paid In Capital (Thousands)
Amano USA, Inc.	100%	US\$55,623
Amano Cincinnati Inc.	100%	US\$25,985
Amano Cincinnati Canada Inc.	100%	C\$439
Time & Parking Systems, Inc.*	100%	US\$294
Pioneer Eclipse Corp.	100%	US\$4,606
Amano Pioneer Credit Corp. (d.b.a. Amano Business Credit)	84%	US\$135
Accutime Corp.	100%	US\$290
Amano Electronics Europe N.V.	100%	EUR24,974
Amano Asia Management Pte. Ltd.	100%	S\$125
ATAS E&C Services (M) Sdn. Bhd.	70%	MR150
ATAS Services Pte. Ltd.	95%	S\$500
Amano Cleantech Malaysia Sdn. Bhd.	60%	MR200
PT. Amano Indonesia	100%	IDR1,928,000
Amano Time & Air Singapore Pte. Ltd.	100%	S\$700
Amano International Trading (Shanghai) Co., Ltd.	100%	US\$200
Amano Korea Corp.	100%	W2,010,000
Amano Agency Corp.	43%	¥10,000
Environmental Technology Company	100%	¥10,000
Amano Management Service Corp.	70%	¥40,000
Amano Handy Aid Corp.	100%	¥10,000
Amano Maintenance Engineering Corp.	71%	¥30,000
CSJ Corp.	87%	¥300,000
Musashi Electric works Corp.*	100%	¥10,000

*Musashi Electric works Corp. and Time & Parking Systems, Inc. were newly consolidated as of March 31, 2003.

(2) Investments in Affiliates

For the year ended March 31, 2002 and 2003, the Company has no affiliate.

(3) Consolidation and Elimination

For the purpose of preparing the consolidated financial statements, all significant intercompany transactions, account balances, and unrealized profits among the Companies have been eliminated from the consolidated financial statements. Intracompany profit included in the assets sold from the Company to the consolidated subsidiaries has been entirely eliminated and charged against the consolidated earnings of the Companies. Intracompany profit included in the assets sold from the consolidated subsidiaries to the Company has been entirely eliminated and the portion applicable to minority interests has been charged against minority interests. Other consolidation differences are directly charged or credited to income for the year, since such differences had no material effect on the consolidated result of operations, nor on the financial position at March 31.

3. Summary of Significant Accounting Policies

(1) Cash and Cash Equivalents

Cash and cash equivalents include time deposits whose expiration dates are within three months.

(2) Inventories

Inventories are stated at cost. Cost

is determined principally using the periodic average method.

(3) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is computed on the declining balance method, except for buildings acquired from April 1, 1998, at rates based on the estimated useful lives. The range of the useful lives of assets is :

Buildings	3-50 years
Machinery and equipment	3-16 years

Cost of property, plant and equipment, retired or otherwise disposed of, and related accumulated depreciation, is eliminated from the respective accounts, and the resulting gain or loss is reflected in income during the applicable period. Normal repairs and maintenance, including minor renewals and improvements, are charged to income as incurred.

(4) Deferred charges and other assets

Intangible assets are amortized using the straight-line method. Software costs for internal use are amortized by the straight-line method over their expected useful lives (five years). Goodwill represents the excess of costs over the fair value of net assets of businesses acquired. The company's U.S. consolidated subsidiaries adopted the provisions of SFAS No. 142 for the fiscal year beginning April 1, 2002. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, and are instead tested for impairment at least

annually in accordance with the provisions of SFAS No. 142. SFAS No. 142 required the Company to perform an assessment of whether there was an indication that goodwill is impaired as of the date of adoption. The results of this assessment did not require the Company to recognize an impairment loss. As a result of adoption of the new standard, income before income taxes for the year ended March 31, 2003 has decreased by ¥46 million (\$383 thousand), as compared with the amount which would have been reported if the previous standard had been applied consistently. Prior to the adoption of SFAS No. 142, goodwill arising from the acquisition of a subsidiary in the USA is amortized over 40 years period on a straight-line basis.

(5) Accounting for Financial Instruments

(a) Derivatives
All derivatives are stated at fair value, with changes in fair value included in net profit or loss for the period in which they arise.

(b) Securities
Securities held by the Company and its subsidiaries are classified into four categories;

Trading securities, which are held for the purpose of generating profits on short-term differences in prices, are stated at fair value, with changes in fair value included in net profit or loss for the period in which they arise. Additionally, securities held in trusts for trading purposes are accounted for in the same manner as trading securities.

Held-to-maturity debt securities, that the Company and its subsidiaries have intent to hold to maturity, are stated at cost after accounting for premium or discount on acquisition, which are amortized over the period to maturity. Investments of the Company in equity securities issued by unconsolidated subsidiaries and affiliates are accounted for by the equity method. Exceptionally, investments in certain unconsolidated subsidiaries and affiliates are stated at cost because the effect of application of the equity method would be immaterial. Other securities for which market quotations are available are stated at fair value. Net unrealized gains or losses on these securities are reported as a separate item in the shareholders' equity at a net-of-tax amount. For the year ended March 31, 2002, other securities for which market quotations are available are stated at fair value. As a result, marketable securities have decreased by ¥374 million (\$2,812 thousand), investments in securities have decreased by ¥1,709 million (\$12,850 thousand), the deferred tax assets (current assets) have increased by ¥157 million (\$1,180 thousand), the deferred tax assets (non-current assets) have increased by ¥718 million (\$5,398 thousand), and net unrealized losses on other securities are accounted for by ¥1,208 million (\$9,083 thousand). This change has no impact on the accompanying consolidated financial statements. Other securities for which market quotations are unavailable are stated at cost, except as stated in the paragraph below. In cases where the fair value of held-

to-maturity debt securities, equity securities issued by unconsolidated subsidiaries and affiliates, or other securities had declined significantly and such impairment of the value is not deemed temporary, those securities are written down to the fair value and the resulting losses are included in net profit or loss for the period.

(6) Foreign Currency Translation

Current monetary assets and current monetary liabilities denominated in foreign currencies held by the Company are translated into Japanese yen at the rate of exchange prevailing at the balance sheet date. The resulting translation gains or losses are charged or credited to income. Long-term monetary assets and liabilities denominated in foreign currencies, including investments in unconsolidated subsidiaries, are principally translated at the rate of exchange prevailing when such translations were made.

(7) Translation of Foreign Currency Financial Statements (Accounts of Overseas Subsidiaries)

Foreign currency denominated statements of overseas consolidated subsidiaries have been translated into Japanese yen using the method prescribed by the Business Accounting Deliberation Council of Japan. All items are translated at the rate of exchange prevailing at the balance sheet date, except common stock and additional paid in capital, which are translated at historical exchange rates. Differences arising from translation are presented as "Foreign cur-

rency translation adjustment" in the accompanying consolidated financial statements.

(8) Income Taxes

The Companies recognizes tax effect of temporary differences between the carrying amounts and the tax basis of assets and liabilities. The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences.

(9) Appropriation of Retained Earnings

Under the Japanese Commercial Code and the Articles of Incorporation of the Company, the plan for the appropriation of retained earnings (primarily cash dividend payments) proposed by the Board of Directors is subject to approval at the annual shareholders' meeting, which must be held within three months after the end of each fiscal year. The appropriation of retained earnings reflected in the accompanying consolidated financial statements represents the results of appropriations applicable to the immediately preceding financial year, which was approved at the shareholders' meeting and disposed of during that year. Dividends are paid to shareholders listed on the shareholders' register at the end of each fiscal year. As is customary practice in Japan, bonuses are paid to directors and corporate auditors out of retained earnings, instead of

being charged to income for the year, which constitutes a part of the appropriation cited above.

(10) Provision for Accrued Expenses

(a) Allowance for doubtful accounts. In general, the Company and its subsidiaries provide the allowance based on the past receivables loss experience for a certain reference period. Furthermore, for receivables with financial difficulty which could affect the debtors' ability to perform their obligations, the allowance is provided for estimated unrecoverable amounts individually.

(b) Accrued pension and severance liabilities

Until the year ended March 31, 2000, "Accrued retirement benefits to employees" represents the liability for which the Company has provided to the amount which would be required to pay if all eligible employees voluntarily terminated their employment at the respective balance sheet dates, less related benefits provided by the pension plan. Under the current retirement benefit program, the Company also has a funded pension plan which covers a portion of retirement benefits payable to employees. The Company also provides for the accrual of lump-sum retirement benefits payable to directors and corporate auditors upon retirement in an amount equivalent to 100% of the liability.

(11) Research and Development Expenses

Research and development expenses are charged to income as incurred.

(12) Subsequent Events

Appropriations of the Company's retained earnings in respect to the year ended March 31, 2003, which was proposed by the Board of Directors and approved at the shareholders' meeting held on June 27, 2003, was totaled to ¥521 million mainly for dividends. Such appropriations have not been segregated from retained earnings in the accompanying consolidated statements.

(13) Net Income and Dividends per Share

Basic net income per share is computed based on the weighted average number of shares of common stock outstanding during each period. Diluted net income per share is not presented since no bonds with warrants and convertible bonds are issued. Cash dividends per share shown for each fiscal period in the accompanying consolidated statements of income represent actual dividends declared as applicable to the respective fiscal period.

(14) Reclassifications

Certain reclassifications of previously reported amounts have been made to the consolidated balance sheets at March 31, 2002, the consolidated statements of income and the consolidated statements of shareholders' equity for the year then ended to conform to the current year presentation. Such reclassifications have no effect on net assets and net income.

4. United States Dollar Amounts

The Company maintains its accounting records in Japanese yen. The U.S. dollar amounts included in the consolidated financial statements and notes thereto represent the arithmetical results of translating Japanese yen to U.S. dollars at a rate of ¥120= US \$1, the approximate effective rate of exchange prevailing on March 31, 2003. The inclusion of U.S. dollar amounts is solely for the convenience of readers outside Japan and is not intended to imply that yen amounts could be converted, realized, or settled in U.S. dollars at that, or any other rate.

5. Cash and cash equivalents

A reconciliation of cash and cash equivalents to the amounts shown in the consolidated balance sheets is as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Cash and bank deposits	¥21,909	¥22,883	\$182,575
Time deposits due more than three months	(10)	(1,275)	(83)
Cash and cash equivalents	¥21,899	¥21,608	\$182,492

6. Selling, general and administrative expenses

Selling, general and administrative expenses during the years ended March 31, 2003 and 2002 include principally:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Labor and Payroll	¥9,596	¥9,825	\$79,967
Rental for Properties	1,341	1,421	11,175
Travel and Transportation	833	899	6,942

7. Provisions

Provisions charged to operation during the years ended March 31, 2003 and 2002 are mainly as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
	SGA	SGA	SGA
Employees' Bonuses	¥1,050	¥996	\$8,750
Retirement Benefits	693	607	5,775
Doubtful Accounts	97	628	808

8. Leases Commitments

Finance lease contracts other than those which are deemed to transfer the ownership of the leased assets are accounted for by the method that is applicable to ordinary operating leases.

Minimum feature lease payments under finance leases, which includes the imputed interest expense portion' are summarized as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Due within one year	¥612	¥484	\$5,100
Due over one year	1,442	1,066	12,017
Total	¥2,054	¥1,550	\$17,117

Lease rental payments on finance lease contracts without transfer of ownership for the years ended March 31, 2002 and 2003 were ¥538 and ¥616 (\$5,133), respectively.

Acquisition cost, accumulated depreciation, net book value at March 31, 2002, and depreciation expenses for the year ended March 31, 2003, if capitalized, are summarized as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Acquisition cost	¥3,484	¥2,858	\$29,034
Accumulated depreciation	1,430	1,308	11,917
Net book value	¥2,054	¥1,550	\$17,117
Depreciation	¥616	¥538	\$5,133

Depreciation is calculated based on the straight-line method over the lease term of the leased assets.

9. Securities

Other securities with readily determinable fair value as of March 31, 2003 and 2002, are as follows:

	Millions of Yen		
	2003		
	Acquisition Cost	Book carrying amount	Unrealized gains (losses)
Other securities with book carrying amount exceeding acquisition cost			
Stocks	¥1	¥2	¥1
Subtotal	1	2	1
Other securities with book carrying amount not exceeding acquisition cost			
Stocks	3,834	2,628	(1,206)
Bonds	815	758	(57)
Other	2,052	1,300	(752)
Subtotal	6,701	4,686	(2,015)
Total	¥6,702	¥4,688	¥(2,014)

	Millions of Yen		
	2002		
	Acquisition Cost	Book carrying amount	Unrealized gains (losses)
Other securities with book carrying amount exceeding acquisition cost			
Stocks	¥437	¥556	¥119
Subtotal	437	556	119
Other securities with book carrying amount not exceeding acquisition cost			
Stocks	4,710	3,528	(1,182)
Bonds	4,915	4,510	(405)
Other	2,195	1,580	(615)
Subtotal	11,820	9,618	(2,202)
Total	¥12,257	¥10,174	¥(2,083)

	Thousands of U.S. dollars (Note 4)		
	2003		
	Acquisition Cost	Book carrying amount	Unrealized gains (losses)
Other securities with book carrying amount exceeding acquisition cost			
Stocks	\$8	\$16	\$8
Subtotal	8	16	8
Other securities with book carrying amount not exceeding acquisition cost			
Stocks	31,950	21,900	(10,050)
Bonds	6,792	6,317	(475)
Other	17,100	10,834	(6,266)
Subtotal	55,842	39,051	(16,791)
Total	\$55,850	\$39,067	\$(16,783)

10. Retirement benefits

The company maintains tax qualified pension plans and lump-sum payment plans, both of which are defined benefit plans.

The components of a accrued retirement benefits to employees as of March 31, 2003 and 2002 are as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Benefit obligation	¥12,079	¥10,567	\$100,658
Plan assets	(5,864)	(5,959)	(48,866)
Unfunded benefit obligation	6,215	4,608	51,792
Unrecognized actuarial loss	(2,651)	(1,548)	(22,092)
Accrued retirement benefits to employees	¥3,564	¥3,060	\$29,700

The components of retirement benefit expenses for the years ended March 31, 2003 and 2002 are as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Service cost	¥639	¥558	\$5,325
Interest cost	316	327	2,633
Expected return on plan assets	(209)	(206)	(1,741)
Amortization of unrecognized actuarial loss	162	69	1,350
Retirement benefit expenses	¥908	¥748	\$7,567

The assumptions used for calculation of retirement benefits for the years ended March 31, 2003 and 2002 are as follows:

	2003	2002
	Method of attribution of estimated retirement benefits to periods of employee service	Straight-line method
Discount rate	2.5%	3.0%
Expected return on plan assets	3.5%	3.5%
Amortization period of unrecognized actuarial gains or losses	10years	10years
Amortization period of net transition obligation	-	-

11. Deferred Tax

Deferred tax assets and liabilities (both current and non-current) consisted of the following elements:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
Deferred tax assets:			
Accrued enterprise tax	¥53	¥56	\$442
Accrued employees' bonuses not deductible until paid	556	405	4,633
Accrued retirement benefits to directors and corporate auditors not deductible until paid	369	374	3,075
Accrued retirement benefits to employees not deductible until paid	1,206	948	10,050
Loss carried forward	380	430	3,167
Loss on write-down of investments in securities and golf club membership not deductible until paid	702	715	5,850
Unrealized loss on other securities	818	875	6,817
Others	348	252	2,900
Less: valuation allowance	(323)	(628)	(2,692)
Total deferred tax assets	¥4,109	¥3,427	\$34,242
Deferred tax liabilities:			
Reserve for advanced depreciation of building	(26)	(28)	(217)
Others	(62)	(77)	(517)
Total deferred tax liabilities	(88)	(105)	(734)
Net deferred tax assets	¥4,021	¥3,322	\$33,508
Reconciliation of actual tax rate is shown below:			
Effective statutory tax rate	42.0%	42.0%	
Adjustments:			
Entertainment expenses and other not deductible	0.9	0.9	
Dividends income and other not taxable	(0.5)	(0.5)	
Inhabitant tax on per capitallevy	2.8	2.6	
Changes in valuation allowance	(8.7)	-	
Realization of tax benefits on operating losses	(4.6)	-	
Effect of change in statutory tax rate	3.8	-	
Adjustment for consolidation	(1.5)	-	
Others	(3.4)	1.1	
Actual tax rate	30.8%	46.1%	

12. Segment Information

(1) Industry Segments

The Companies operate primarily in the following two businesses:

1. Time information
2. Environmental equipment

	Millions of Yen				
	2003				
	Information	Environment	Total	Consolidation	Consolid. Total
Net Sales:					
Customers	¥40,806	¥24,223	¥65,029	-	¥65,029
Intersegment	-	-	-	-	-
Total	40,806	24,223	65,029	-	65,029
Operating Expenses	36,224	22,633	58,857	¥2,084	60,941
Operating Income	¥4,582	¥1,590	¥6,172	¥(2,084)	¥4,088
Assets					
Depreciation	¥33,034	¥10,813	¥43,847	¥46,088	¥89,935
Capital expenditures	1,972	408	2,380	473	2,853
	3,542	361	3,903	51	3,954

	Millions of Yen				
	2002				
	Information	Environment	Total	Consolidation	Consolid. Total
Net Sales:					
Customers	¥39,493	¥23,475	¥62,968	-	¥62,968
Intersegment	-	-	-	-	-
Total	39,493	23,475	62,968	-	62,968
Operating Expenses	35,299	21,978	57,277	¥2,001	59,278
Operating Income	¥4,194	¥1,497	¥5,691	¥(2,001)	¥3,690
Assets					
Depreciation	¥32,257	¥11,119	¥43,376	¥49,800	¥93,176
Capital expenditures	1,467	523	1,990	481	2,471
	1,357	355	1,712	1,486	3,198

	Thousands of U.S. dollars (Note 4)				
	2003				
	Information	Environment	Total	Consolidation	Consolid. Total
Net Sales:					
Customers	\$340,050	\$201,858	\$541,908	-	\$541,908
Intersegment	-	-	-	-	-
Total	340,050	201,858	541,908	-	541,908
Operating Expenses	301,867	188,608	490,475	\$17,366	507,841
Operating Income	\$38,183	\$13,250	\$51,433	\$(17,366)	\$34,067
Assets					
Depreciation	\$275,283	\$90,108	\$365,391	\$384,067	\$749,458
Capital expenditures	16,433	3,400	19,833	3,942	23,775
	29,517	3,008	32,525	425	32,950

(2) Geographic Segments

Information by geographic areas based on location for the years ended and as of March 31, 2003 and 2002, is summarized as follows:

	Millions of Yen						
	2003						
	Domestic (in Japan)	Asia	Overseas North America	Europe	Total	Consolidation	Consolid. Total
Net Sales:							
Customers	¥53,801	¥2,058	¥8,167	¥1,003	¥65,029	–	¥65,029
Intersegment	1,497	91	478	83	2,149	¥(2,149)	–
Total	55,298	2,149	8,645	1,086	67,178	(2,149)	65,029
Operating Expenses	49,537	1,915	8,502	1,085	61,039	(98)	60,941
Operating Income	¥5,761	¥234	¥143	¥1	¥6,139	¥(2,051)	¥4,088
Assets	¥33,746	¥1,622	¥7,060	¥2,244	¥44,672	¥45,263	¥89,935

	Millions of Yen						
	2002						
	Domestic (in Japan)	Asia	Overseas North America	Europe	Total	Consolidation	Consolid. Total
Net Sales:							
Customers	¥50,975	¥1,687	¥9,385	¥921	¥62,968	–	¥62,968
Intersegment	1,348	105	450	28	1,931	¥(1,931)	–
Total	52,323	1,792	9,835	949	64,899	(1,931)	62,968
Operating Expenses	46,790	1,577	9,828	1,027	59,222	56	59,278
Operating Income	¥5,533	¥215	¥7	¥(78)	¥5,677	¥(1,987)	¥3,690
Assets	¥33,183	¥1,402	¥7,424	¥1,367	¥43,376	¥49,800	¥93,176

	Thousands of U.S. dollars (Note 4)						
	2003						
	Domestic (in Japan)	Asia	Overseas North America	Europe	Total	Consolidation	Consolid. Total
Net Sales:							
Customers	\$448,342	\$17,150	\$68,058	\$8,358	\$541,908	–	\$541,908
Intersegment	12,475	758	3,984	692	17,909	\$(17,909)	–
Total	460,817	17,908	72,042	9,050	559,817	(17,909)	541,908
Operating Expenses	412,809	15,958	70,850	9,042	508,659	(818)	507,841
Operating Income	\$48,008	\$1,950	\$1,192	\$8	\$51,158	\$(17,091)	\$34,067
Assets	\$ 281,217	\$13,517	\$58,833	\$18,700	\$372,267	\$377,191	\$749,458

(3) Overseas and Export Sales

Overseas sales for the Companies for the years ended March 31, 2003 and 2002 are summarized as follows:

	Millions of Yen		Thousands of U.S. dollars (Note 4)
	2003	2002	2003
	Export sales and sales by overseas subsidiaries		
Asia	¥2,448	¥2,116	\$20,400
North America	8,171	9,388	68,092
Europe	1,003	921	8,358
Others	170	245	1,417
Total	¥11,792	¥12,670	\$98,267
Percentage of overseas and export sales to consolidated net sales	18.1%	20.1%	

Overseas and export sales represents the total amount of export sales of the Company and domestic subsidiaries' and sales of the overseas subsidiaries.

13. Per Share Data

Net assets and income, listed per share as of and for the years ended March 31, 2003 and 2002:

	Yen		U.S. dollars (Note 4)
	2003	2002	2003
	Per share:		
Net Assets	¥838.51	¥833.97	\$6.988
Net Income: Basic	19.77	15.28	0.165

Corporate Data

Board of Directors

Chairman
Yasuyoshi Komoto

President/CEO
Kaoru Haruta

Senior Executive Director
Yoshinori Mizushima

Executive Directors
Ryozo Nakamura
Syuji Noda
Yutaka Suzuki
Toshio Kusanagi

Directors
Keizo Ueno
Kazuo Unno
Toshiaki Imura
Hirofumi Hayashi
Nobuyuki Tabata
Haruhiko Yamaguchi
Minoru Koyama
Izumi Nakajima
Seiken Uyama
Masamiki Konno
Kzuo Kobayashi
Hiroshi Shiraishi

Auditors
Mitsutaka Asanuma
Tetsuya Kato
Katsuhiko Kawada
Tatsuyuki Sawada
Hiroo Wakabayashi

Domestic Operations

HEAD OFFICE
275 Mamedocho, Kohokoku, Yokohama,
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FACILITIES
YOKOHAMA Facility
TSUKUI Facility
HOSOE Facility
MIYAKODA Facility

SALES OFFICE
77 Sales Offices Located in major cities,
including

TOKYO Office
YOKOHAMA Office
NAGOYA Office
OSAKA Office
SAPPORO Office
SENDAI Office
OMIYA Office
NAGANO Office
KANAZAWA Office
KYOTO Office
OKAYAMA Office
HIROSHIMA Office
FUKUOKA Office

SYSTEM CENTERS
TOKYO System Center
KANAGAWA System Center
NAGOYA System Center
OSAKA System Center
SENDAI System Center
OMIYA System Center
SHINJYUKU System Center
SHINAGAWA System Center
SHIZUOKA System Center
NAGANO System Center
KANAZAWA System Center
HIROSHIMA System Center
TAKAMATSU System Center
FUKUOKA System Center

DOMESTIC SUBSIDIARIES
CSJ CORPORATION
ENVIRONMENTAL TECHNOLOGY CO., LTD.
AMANO MANAGEMENT SERVICE CORPORATION
AMANO MAINTENANCE ENGINEERING CORPORATION
AMANO ECO TECHNOLOGY CORPORATION
MUSASHI ELECTRIC WORKS CORPORATION
AMANO TIME BUSINESS CORPORATION
AMANO AGENCY CORPORATION

Overseas Operations

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