

Consolidated Financial Results for the fiscal year ended March 31, 2018

- 1** Consolidated Financial Results P. 2
 - 2** Details of Performance P. 6
 - 3** Long-Term Vision 2028 P. 21
 - 4** 2020
Medium-Term Management Plan P. 26
 - 5** Financial Forecast for FY2018 P. 46
-

1

Consolidated Financial Results for FY2017

- | | |
|---------------------------------------|-----|
| 1) Performance Overview (Y-on-Y) | P 3 |
| 2) Factors of Net Sales Change | P 4 |
| 3) Factors of Operating Income Change | P 5 |

Net sales

Overall sales were higher thanks to sales growth in all business segments.

Income

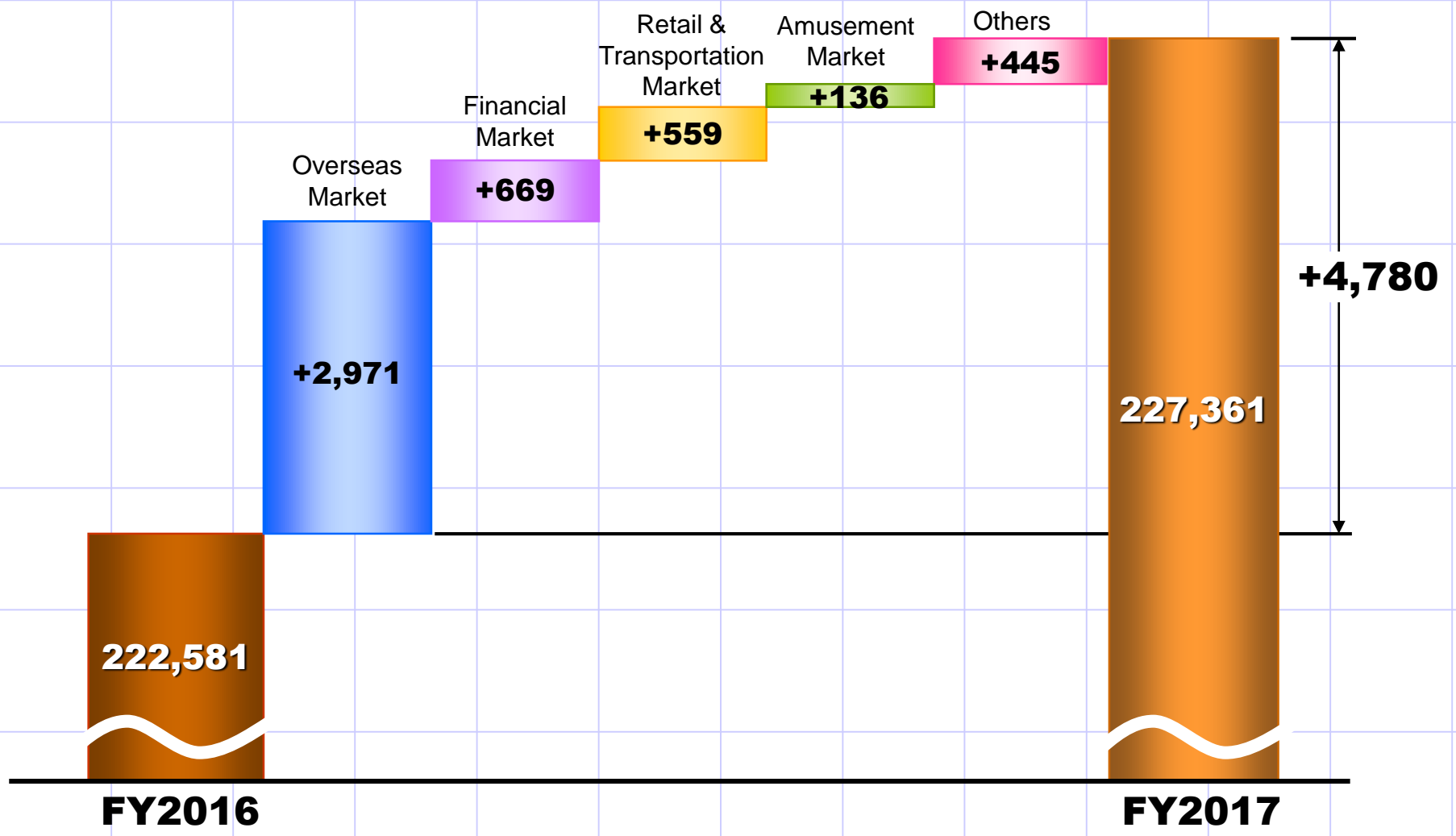
Operating income decreased year-on-year mainly due to decline of product mix in Financial Market.

(Millions of yen)	FY2016		FY2017		Y-on-Y
	Full year	Ratio	Full year	Ratio	
Net Sales	222,581	100.0%	227,361	100.0%	+2.1%
Maintenance Services	63,921	28.7%	67,677	29.8%	+5.9%
Operating Income	20,365	9.1%	19,615	8.6%	-3.7%
Ordinary Income	17,205	7.7%	17,553	7.7%	+2.0%
Net Income Attributable to Owners of Parent	10,382	4.7%	9,892	4.4%	-4.7%
EBITDA	33,906	15.2%	32,987	14.5%	-2.7%
Exchange rate	US\$	¥ 108	¥ 111		
	Euro	¥ 119	¥ 130		

Net sales is expected to increase by about ¥2.2 billion, and operating income to decrease by about ¥2.4 billion, year-on-year, if effects of exchange rate fluctuations are excluded.

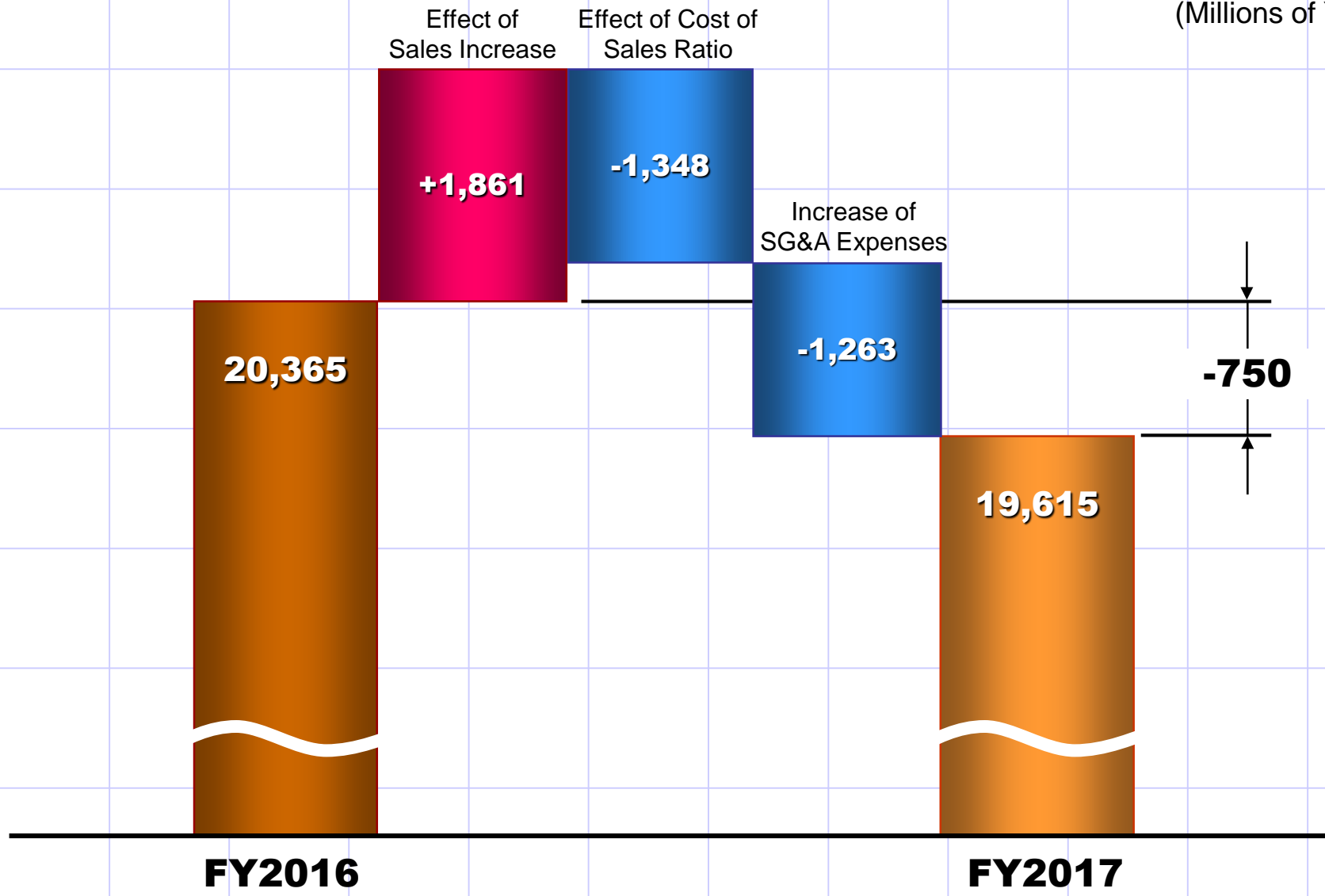
Factors of Net Sales Change

(Millions of Yen)



Factors of Operating Income Change

(Millions of Yen)








2

Details of Performance for FY2017

- | | |
|--|------|
| 1) Sales & Operating Income by Business Segment (Y-on-Y) | P 7 |
| 2) Capital Expenditures, etc. | P 16 |
| 3) Consolidated Statements of Income / Statement of Comprehensive Income | P 17 |
| 4) Consolidated Balance Sheets | P 18 |
| 5) Consolidated Statements of Cash Flows | P 19 |
| 6) Dividend for FY2017 | P 20 |

Sales & Operating Income by Business Segment (Y-on-Y)

(Millions of yen)	Net sales			Operating income		
	FY2016	FY2017	Y-on-Y	FY2016	FY2017	Y-on-Y
	Full year	Full year		Full year	Full year	
 Overseas Market	103,787	106,758	+2971 +2.9 %	9,900	11,167	+1,267 +12.8 %
 Financial Market	53,301	53,970	+669 +1.3 %	6,510	4,043	-2,467 -37.9 %
 Retail & Transportation Market	42,657	43,216	+559 +1.3 %	3,468	3,476	+8 +0.2 %
 Amusement Market	20,434	20,570	+136 +0.7 %	737	1,331	+594 +80.6 %
 Others	2,400	2,845	+445 +18.5 %	-251	-403	-152 - %
Total	222,581	227,361	+4,780 +2.1 %	20,365	19,615	-750 -3.7 %

Strong sales of main products in Europe and the U.S.

(Millions of Yen)

Highlights

- Banknote recyclers for tellers
 → Sales increased in the U.S.
- Sales proceeds deposit machines for retail industries
 → Sales increased in Europe

Outline of the Segment

Sales and maintenance services to financial institutions, cash-in-transit companies, retail stores, casinos, OEM clients and others in overseas.

Main Products



Banknote recyclers
for tellers
<RBG series>



Banknote sorters
<UW series>



Sales proceeds
deposit machines
<CI-100 series>

	FY2016	FY2017	Y-on-Y
Sales	103,787	106,758	+2,971 +2.9 %
Ratio to total net sales	46.6%	47.0%	+0.3 pt
Operating income	9,900	11,167	+1,267 +12.8 %
Ratio to total operating income	48.6%	56.9%	+8.3 pt
Operating margin	9.5%	10.5%	+1.0 pt

(Millions of yen)	FY2016	FY2017	Y-on-Y	
				Local currency basis
Americas	40,230	39,008	-1,222 -3.0 %	-5.2%
EMEA	39,659	45,063	+5,404 +13.6 %	+4.2%
Asia	14,590	13,755	-835 -5.7 %	-
China	6,437	5,912	-525 -8.2 %	-11.7%
OEM	9,306	8,930	-376 -4.0 %	-4.0%
Total overseas sales	103,787	106,758	+2,971 +2.9 %	-

Operating margin decreased due to decline of product mix

(Millions of Yen)

Highlights

- ☑ Open teller systems
 - ➔ Lower sales of compact type due to the reaction to the rush demand of the year-earlier period
- ☑ Coin and banknote recyclers for tellers
 - ➔ Increased sales due to capturing of replacement demand

Outline of the Segment

Sales and maintenance services to financial institutions, OEM clients and others in Japan.

Main Products



Open teller systems
<WAVE series>



Coin and banknote
recyclers for tellers
<RB series>



Multi-functional
banknote changers
<EN series>

	FY2016	FY2017	Y-on-Y
Sales	53,301	53,970	+669 +1.3 %
Ratio to total net sales	23.9%	23.7%	-0.2 pt
Operating income	6,510	4,043	-2,467 -37.9 %
Ratio to total operating income	32.0%	20.6%	-11.4 pt
Operating margin	12.2%	7.5%	-4.7 pt

Sales of coin and banknote recyclers on par with the FY2016

(Millions of Yen)

Highlights

- ☑ Coin and banknote recyclers for cashiers
 - ➔ Robust capturing of replacement demand
- ☑ Sales proceeds deposit machines
 - ➔ Lower sales to cash-in-transit companies
- ☑ Cigarette vending machines
 - ➔ Increased sales due to capturing of replacement demand

Outline of the Segment

Sales and maintenance services to supermarkets, department stores, cash-in-transit companies, railroad companies, tobacco companies, hospitals, local governments, general companies and others in Japan.

Main Products



Coin and banknote recyclers for cashiers
<RT / RAD series>



Sales proceeds deposit machines
<DS / DSS series>



Sales proceeds deposit machines
<DS series>

	FY2016	FY2017	Y-on-Y
Sales	42,657	43,216	+559 +1.3 %
Ratio to total net sales	19.2%	19.0%	-0.2 pt
Operating income	3,468	3,476	+8 +0.2 %
Ratio to total operating income	17.0%	17.7%	+0.7 pt
Operating margin	8.1%	8.0%	-0.1 pt

Lower sales of card systems

(Millions of Yen)

Highlights

☑ Card systems

- ➔ Sales increased due to capturing of replacement demand during 1st half, but slowed down from Q3

Outline of the Segment

Sales and maintenance services to amusement halls (pachinko parlors and others) in Japan.

Main Products

Card systems



Management terminals



Pachinko ball counters



Prepaid card systems for pachinko parlors



Pachinko prize dispensing machines <JK series>

	FY2016	FY2017	Y-on-Y
Sales	20,434	20,570	+136 +0.7 %
Ratio to total net sales	9.2%	9.0%	-0.2 pt
Operating income	737	1,331	+594 +80.6 %
Ratio to total operating income	3.6%	6.8%	+3.2 pt
Operating margin	3.6%	6.5%	+2.9 pt

Steady sales of main products

(Millions of Yen)

Highlights

- ☑ Face recognition systems
 - ➔ Increased sales to commercial facilities

Outline of the Segment

Sales and maintenance service not included in the reportable segments

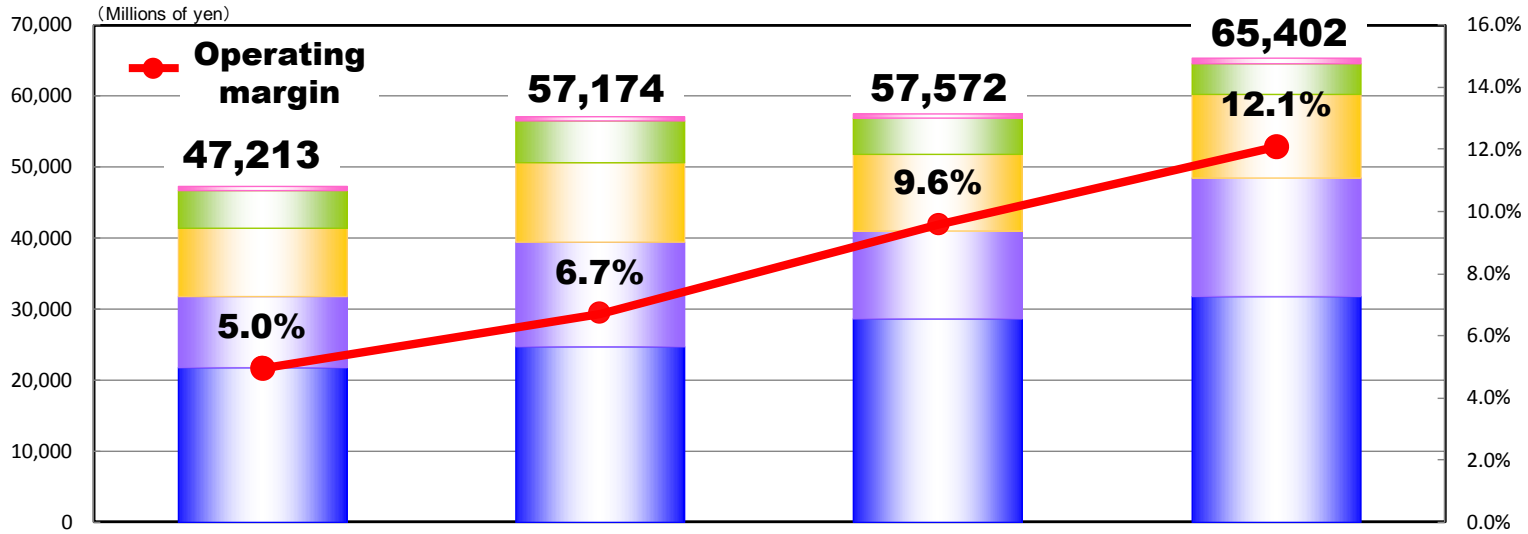
Main Products



Face recognition systems
(Visitor identification system)






	FY2016	FY2017	Y-on-Y
Sales	2,400	2,845	+445 +18.5 %
Ratio to total net sales	1.1%	1.3%	+0.2 pt
Operating income	-251	-403	-152 - %
Ratio to total operating income	-	-	- pt
Operating margin	-	-	- pt

Quarterly Sales & Operating Income by Business Segment

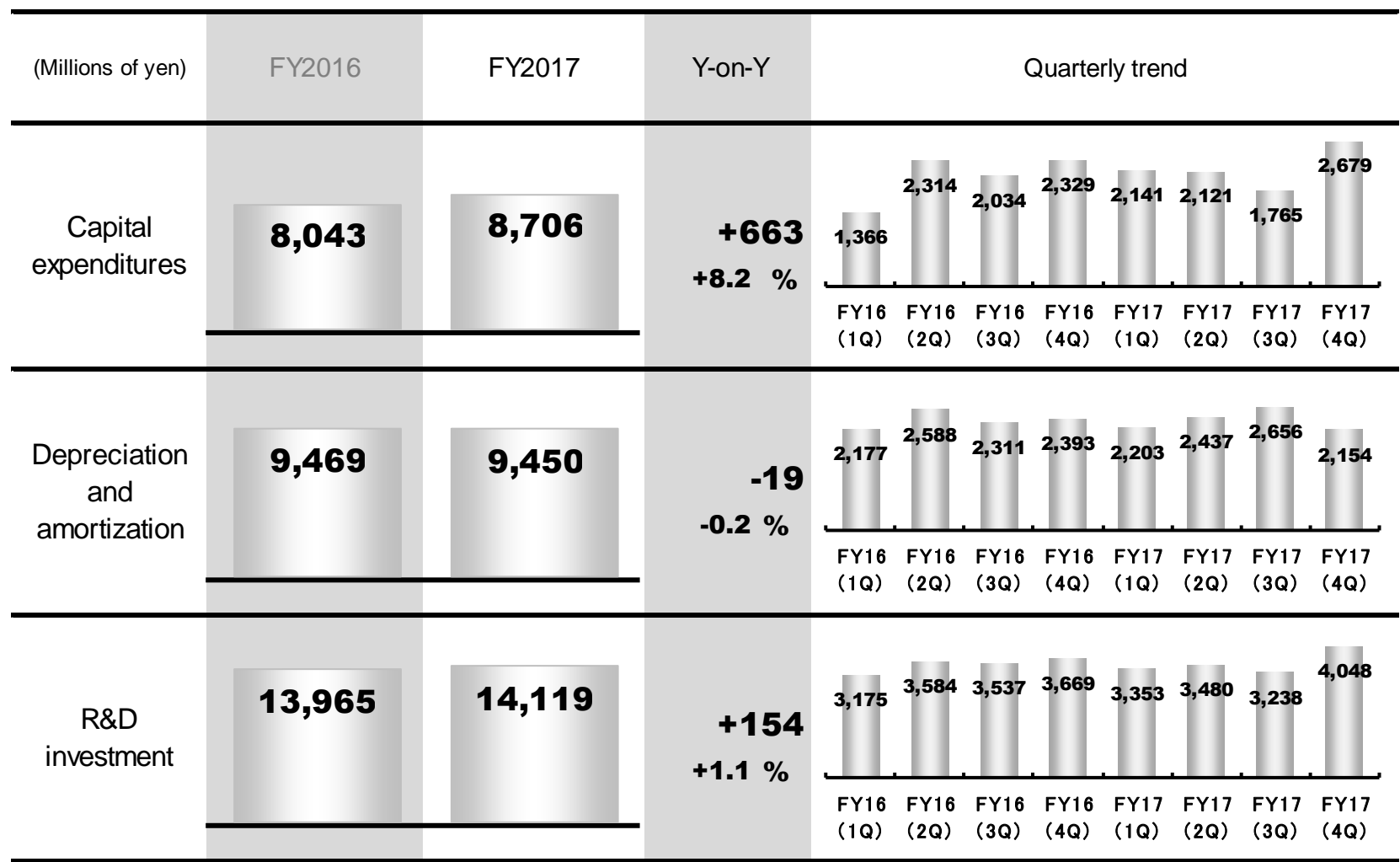


(Millions of yen)	FY2017 Q1		FY2017 Q2		FY2017 Q3		FY2017 Q4	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Overseas Market	21,725	1,221	24,716	1,327	28,564	3,119	31,753	5,500
Financial Market	10,015	348	14,799	1,247	12,506	865	16,650	1,583
Retail & Transportation Market	9,607	608	11,023	939	10,680	1,124	11,906	805
Amusement Market	5,319	386	5,993	437	5,094	454	4,164	54
Others	545	-218	644	-117	728	-40	928	-28
Total	47,213	2,346	57,174	3,833	57,572	5,522	65,402	7,914

Sales & Operating Income by Business Segment (Vs. forecast)

(Millions of yen)	Net sales			Operating income		
	FY2017		Y-on-Y	FY2017		Y-on-Y
	Forecast	Results		Forecast	Results	
 Overseas Market	113,000	106,758	-6,242 -5.5 %	10,800	11,167	+367 +3.4 %
 Financial Market	53,000	53,970	+970 +1.8 %	4,900	4,043	-857 -17.5 %
 Retail & Transportation Market	44,000	43,216	-784 -1.8 %	4,000	3,476	-524 -13.1 %
 Amusement Market	22,000	20,570	-1,430 -6.5 %	1,800	1,331	-469 -26.1 %
 Others	3,000	2,845	-155 -5.2 %	-500	-403	+97 - %
Total	235,000	227,361	-7,639 -3.3 %	21,000	19,615	-1,385 -6.6 %

Capital Expenditures etc.



(Millions of yen)	FY2016		FY2017		Y-on-Y
	Full year	Ratio	Full year	Ratio	
Net sales	222,581	100.0%	227,361	100.0%	+4,780
Cost of sales	135,907	61.1%	140,174	61.7%	+4,267
Selling, general and administrative expenses	66,307	29.8%	67,570	29.7%	+1,263
Operating income	20,365	9.1%	19,615	8.6%	-750
Non-operating income	1,196	0.5%	786	0.3%	-410
Non-operating expenses	4,355	2.0%	2,848	1.3%	-1,507
Ordinary income	17,205	7.7%	17,553	7.7%	+348
Extraordinary income	37	0.0%	159	0.1%	+122
Extraordinary loss	81	0.0%	174	0.1%	+93
Income before income taxes and minority interests	17,161	7.7%	17,538	7.7%	+377
Income taxes	5,736	2.6%	6,267	2.8%	+531
Net Income	11,424	5.1%	11,271	5.0%	-153
Net income attributable to owners of parent	10,382	4.7%	9,892	4.4%	-490

Includes foreign exchange losses of 2,124

(FY2016: Includes foreign exchange losses of 3,458)

Net Income	11,424	5.1%	11,271	5.0%	-153
Valuation difference on available-for-sale securities	586		93		-493
Foreign currency translation adjustment	-9,970		-2,041		+7,929
Remeasurements of defined benefit plans	1,235		1,182		-53
Total other comprehensive income	-8,148	-3.7%	-765	-0.3%	+7,383
Comprehensive income	3,275	1.5%	10,506	4.6%	+7,231

Foreign currency translation adjustment -2,041

(Millions of yen)	As of March 31, 2017	As of March 31, 2018	Increase/ Decrease		As of March 31, 2017	As of March 31, 2018	Increase/ Decrease
Cash, deposits and Securities	77,292	63,154	-14,138	Notes and accounts payable-trade	18,484	20,106	+1,622
Notes and accounts receivable-trade	47,137	54,275	+7,138	Short-term loans payable	34,445	30,751	*2 -3,694
Inventories	46,125	51,362	+5,237	Other	39,514	40,763	+1,249
Other	10,043	11,246	+1,203	Total current liabilities	92,443	91,620	-823
Current assets	180,597	180,037	-560	Long-term loans payable	13,271	4,508	*2 -8,763
Property, plant and equipment	35,657	34,509	-1,148	Other	15,662	14,659	-1,003
Customer relationships	22,221	19,683	*1 -2,538	Noncurrent liabilities	28,933	19,167	-9,766
Goodwill	51,573	45,113	-6,460	Total liabilities	121,377	110,787	-10,590
Other	5,649	5,978	+329	Capital stock	12,892	12,892	0
Intangible assets	79,443	70,774	-8,669	Retained earnings	158,504	165,380	+6,876
Other	17,121	17,631	+510	Other	20,047	13,893	-6,154
Total noncurrent assets	132,223	122,915	-9,308	Total netassets	191,443	192,165	+722
Total assets	312,821	302,953	-9,868	Total liabilities and net assets	312,821	302,953	-9,868
ROE	5.4%	5.3%	-0.1%				

*1 Customer relationships and goodwill decreased steadily despite effects of exchange rate fluctuations.

*2 Loans decreased steadily

Free cash flow decreased reflecting lower cash flow from operating activities

(Millions of yen)	FY2016 Full year	FY2017 Full year	Increase/ Decrease
Cash flows from operating activities	30,087	14,585	-15,502
Cash flows from investing activities	-6,632	-8,609	-1,977
Free cash flows	23,455	5,976	-17,479
Cash flows from financing activities	-10,964	-23,574	-12,610
Effect of exchange rate change on cash and cash equivalents	-2,055	-234	+1,821
Net increase (decrease) in cash and cash equivalents	10,435	-17,832	-28,267
Cash and cash equivalents at end of period	77,050	62,375	-14,675

*Free cash flows = Cash flows from operating activities + Cash flows from investing activities

Basic policy on profit distribution

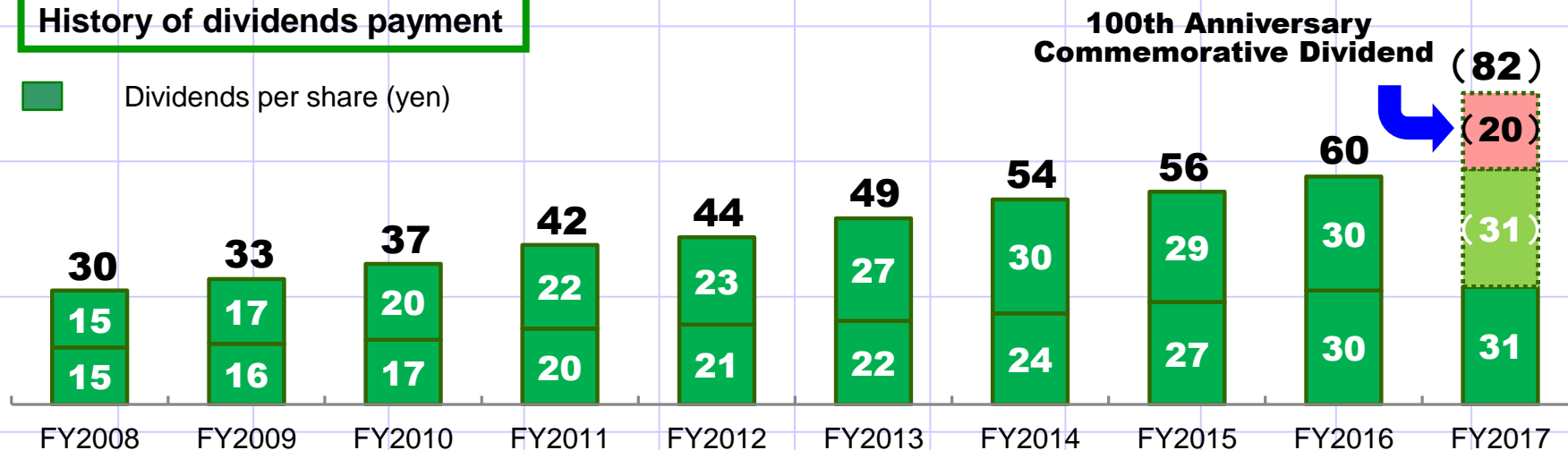
GLORY considers the return of profits to shareholders to be an important management task and retains a policy to continue stable dividends while striving to maintain and enhance sound financial standing in preparation for future business growth. GLORY has set a target of dividend payout ratio of 30% or higher on a consolidated basis.

Dividends per share	Interim	Year-end (plan)		Annual (plan)
	¥31	¥31 *	¥20 (100th Anniversary Commemorative)	¥82 (Dividend payout ratio 52.6%)

*Year-end dividends to be proposed to the 72nd Ordinary General Meeting of Shareholders scheduled for June 27, 2018.

History of dividends payment

■ Dividends per share (yen)



Glory Group Long-Term Vision 2028

(From FY2018 to FY2027)



1) Vision	P. 22
2) Megatrends	P. 23
3) Performance Target and Vision of Business Domain	P. 24
4) Steps	P. 25

We enable a confident world

Safe and secure transactions are critical to your business, and your customers.

We deliver secure, efficient payment systems and instant, highly accurate identity verification and authentication solutions that enable confidence in transactions and other interactions between businesses and people.

Our innovative technologies, our experienced professionals and our commitment to the success of our customers, partners and communities create a safe, confident path forward.

We are Glory – we enable a confident world for a better tomorrow.

GLORY is now facing following megatrends

Rapid emergence of new payment mechanisms and digital currencies

- The amount of currency in circulation will continue to increase even digitalization is having a great effect to currency market.
- Fintech market such as virtual currency will grow tremendously.

Growing middle class in emerging economies

- For 2030, the population in Africa and Asia except for China will increase.
- An economic levels in emerging countries such as India, China will become as same economic level as developed countries.

Increasing speed of new technology adoption

- Jobs which are susceptible to computerization will be substituted by artificial intelligence and robotics even in financial and retail market.

Increasing awareness of data and identify threat and the need for security

- Terrorism incidents in the world will increase.
- As information technology advances, cyber-crime and cyber-terrorism show tremendous increase.

A longer-living and aging population, creating new challenges for society

- The population of Japan will decline by 10 million in 2028 compared to the peak of 2008. Approximately 40% of the total population is over 65 years old in 2050.
- Japan is expected to solve problems ahead of other countries.

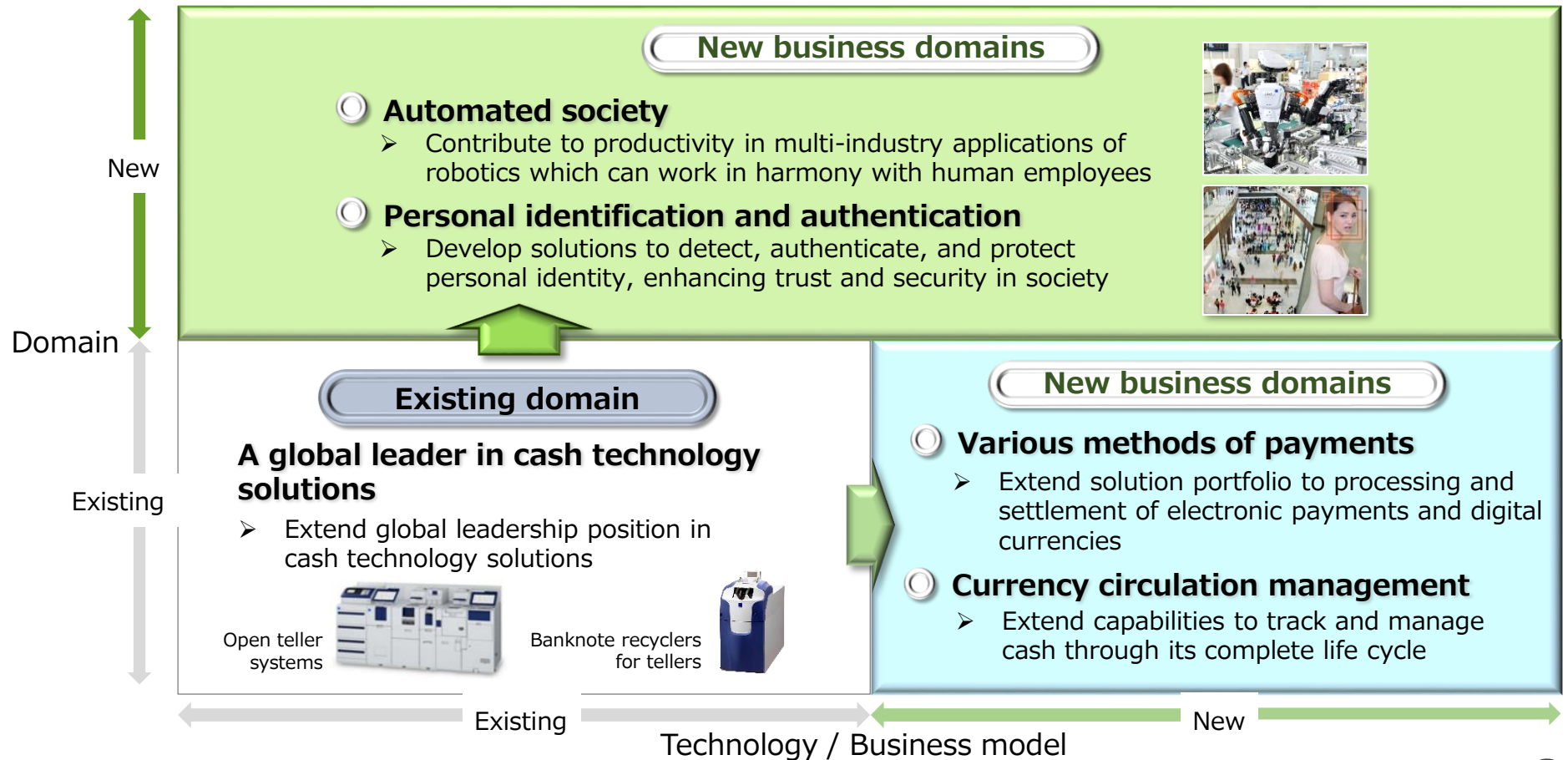
Performance Target and Vision of Business Domain

**Consolidated
Net Sales**

approx. ¥500 billion (FY2017 : ¥227 billion)

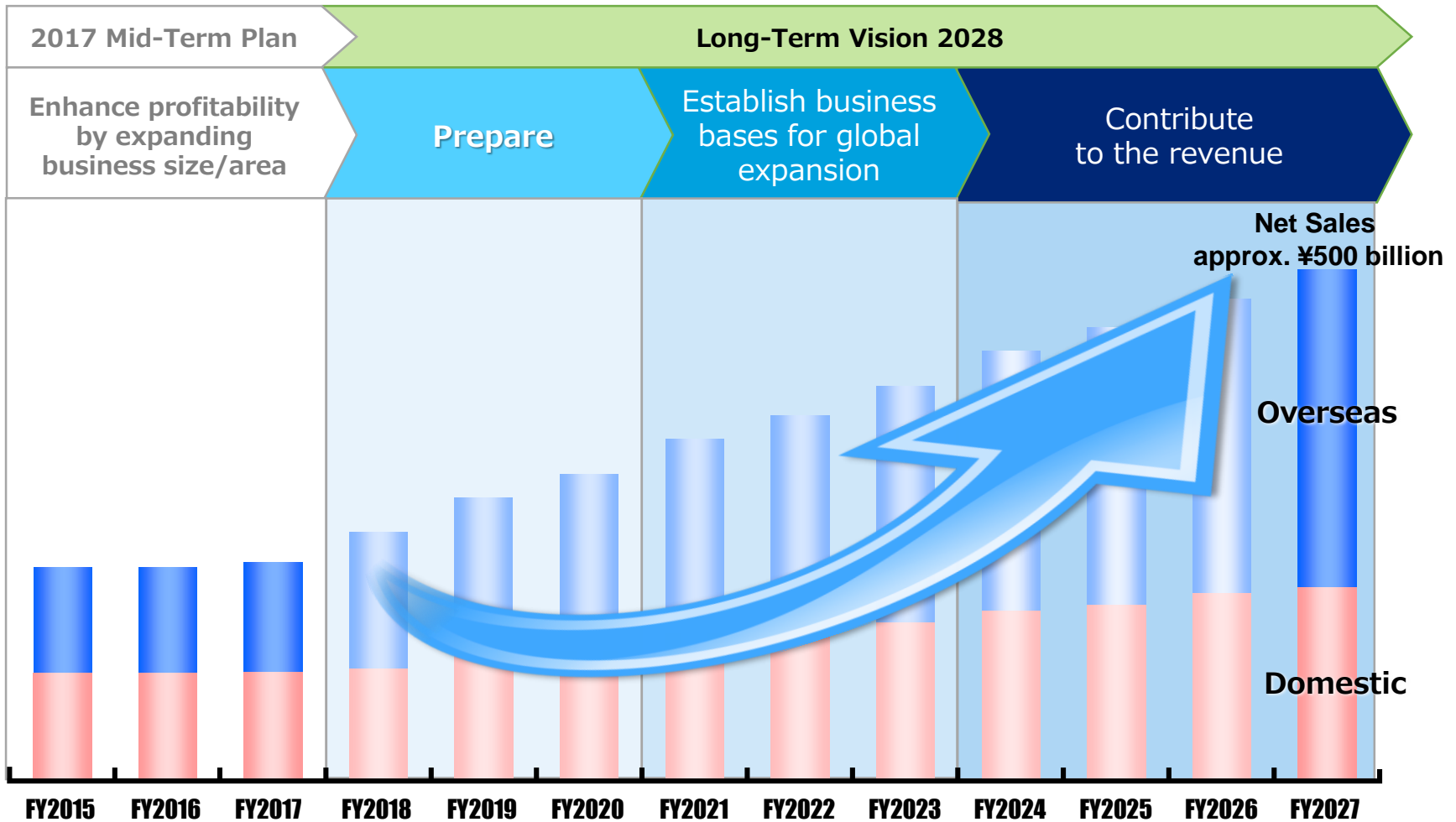
**Business
Domain**

By expanding new business domains, we aim to become a company that enable a confident world



Steps

In order to achieve the vision, it is required to tackle commercialization with a sense of speed



GLORY Group 2020 Medium-Term Management Plan (FY2018 - FY2020)



1) Review of Medium-Term Management Plan	P. 28	7) Promote new business domains	P. 41
2) Point of 2020 Medium-Term Management Plan	P. 33	8) Acquire new core technology	P. 42
3) Outline of 2020 Medium-Term Management Plan	P. 35	9) Strengthen management base	P. 43
4) Overseas Business Strategy	P. 38	10) Investment Plan	P. 44
5) Domestic Business Strategy	P. 39	11) Shareholder Returns	P. 45
6) Strategy by Function	P. 40		

The logo consists of a solid blue square with the word "GLORY" written in white, uppercase, sans-serif font centered within it.

GLORY



Review of Medium-Term Management Plan (FY2015 – FY2017)

2017 Medium-Term Management Plan

Performance Targets

Net Sales : ¥260 billion
 Operating Income: ¥28 billion
 Overseas Sales ratio: 50%

Management Target

ROE : 8%

[Exchange rate assumptions]
 1USD=¥120, 1EUR=¥130, 1GBP=¥175

Basic Policy	Realize business growth through “customer-oriented superb manufacturing” and enhance profitability to achieve the Long-Range Vision 2018		
	Business Strategy	Constitutional Strategy	Corporate management Strategy
Basic Strategy	Enhance profitability by expanding business size/area	Provide timely products and services meeting market needs	Reinforce group management infrastructure
Focus	Overseas Business	Product Development	Group Governance
	Domestic Business	Production/Procurement	Human Resources
		Quality Assurance	Capital/Financing
			Information System

Review of Medium-Term Management Plan

Performance and management targets

	Targets	Results	Ratio
Net Sales (¥bil.)	260.0	227.3	87%
Operating Income (¥bil.)	28.0	19.6	70%
Operating Margin	10.8%	8.6%	-2.2pt
Overseas Sales ratio	50% or higher	47.0%	-3.0pt
ROE	8.0%	5.3%	-2.7pt
Exchange Rate	1USD=¥120 1EUR=¥130 1GBP=¥175	1USD=¥111 1EUR=¥130 1GBP=¥147	

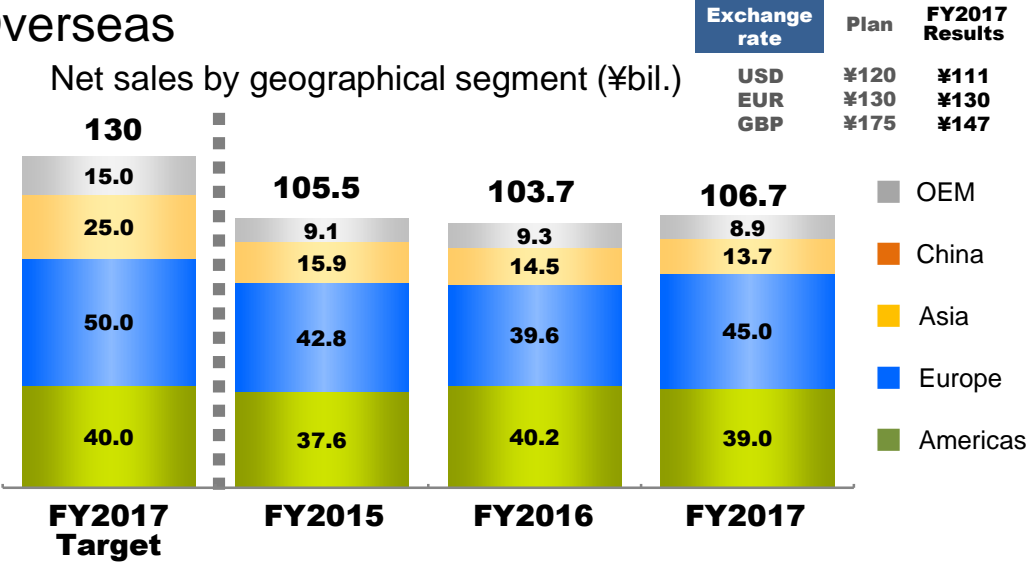
Basic strategies

Business Strategy (Overseas, Domestic, New business)	
Overseas	<ul style="list-style-type: none"> • Achievements: Expansion of sales in retail market • Challenges: Expansion of sales in emerging countries
Domestic	<ul style="list-style-type: none"> • Achievements: Expansion of sales of main products • Challenges: Creation of new products and business models
New business	<ul style="list-style-type: none"> • Achievements: Expansion of business area of facial recognition systems • Challenges: Reinforcement of marketing and sales structures
Constitutional Strategy (Product development, Production/procurement, Quality assurance)	
<ul style="list-style-type: none"> • Achievements: Reinforcement of global capabilities in each function • Challenges: Improvement of productivity in each function 	
Corporate Management Strategy (Group structure, Human resources, Financial management)	
<ul style="list-style-type: none"> • Achievements: Enhancement of risk management on a group-wide basis • Challenges: Recruiting and fostering of human resources to promote businesses 	

Despite efforts to implement growth strategies and strengthen earning potential, performance and management targets were not achieved.

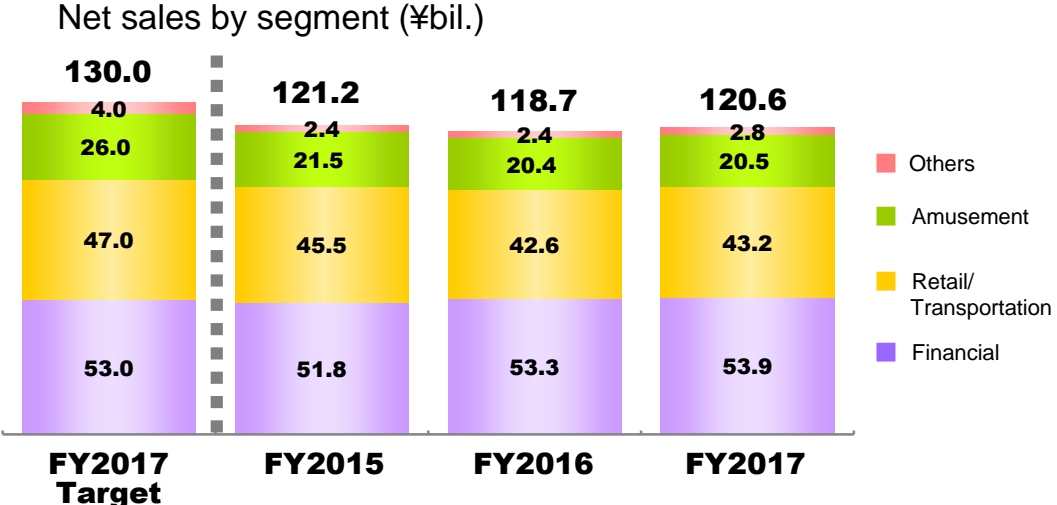
Review by Segment (vs. Target)

Overseas



- OEM** | Sales of existing products declined while sales of new units for ATMs increased.
- Asia** | Sales of banknote sorters and other products were slow.
[China] Sales slowed down due to changes in market environment.
- Europe** | Sales in retail market expanded.
- Americas** | Sales of key products increased.

Domestic



- Amusement** | Sales of main products decreased due to changes in market environment.
- Retail/Transportation** | Sales of main products in the new business category increased.
- Financial** | Sales of main products increased.

GLORY



2020 Medium-Term Management Plan

(FY2018 - FY2020)

(Overseas)

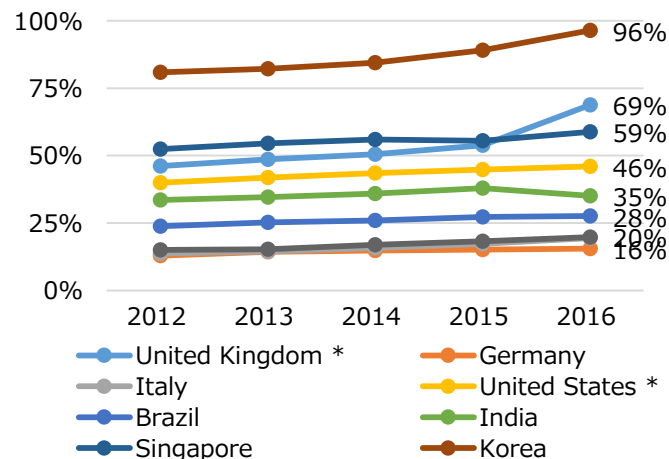
Macro

- Money circulation of major countries such as Dollar and Euro is on the increase.
- Compared to Japan, introduction ratio of cash handling machine is still at low level.
- Business opportunities in emerging countries are increasing due to the increase of currency circulation and new stores.

(About Cashless Society)

- The progress toward the cashless society is slow except for some countries.
- In developed countries, settlement using a credit card is well under way.

Non-cash settlement ratio in private consumption expenditure of each country



Source: Bank for International Settlements United Nations statistics (* There is no data on electronic money)

(Domestic)

Macro

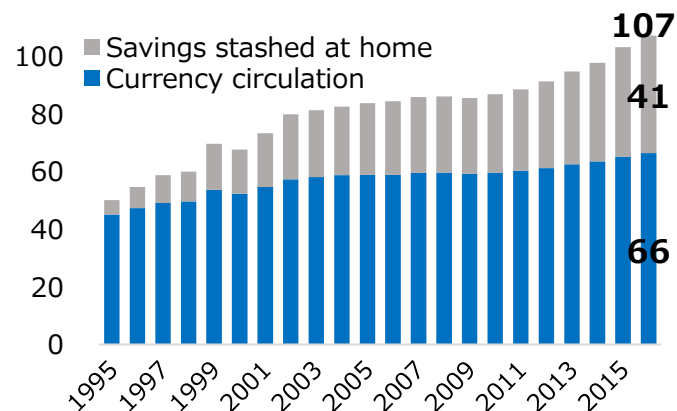
- Changes in settlement means due to expansion and deepening of Fintech.
- Mechanization toward productivity improvement by promotion of working-style reform.
- Increase of currency circulation.
- Labor shortage due to decrease of working population.

(About Cashless Society)

- Raise the cashless settlement ratio to 40% by 2025
- Electronic money settlement has increased mainly for small amount payment at public transportation and retail stores.

(¥ trillion)

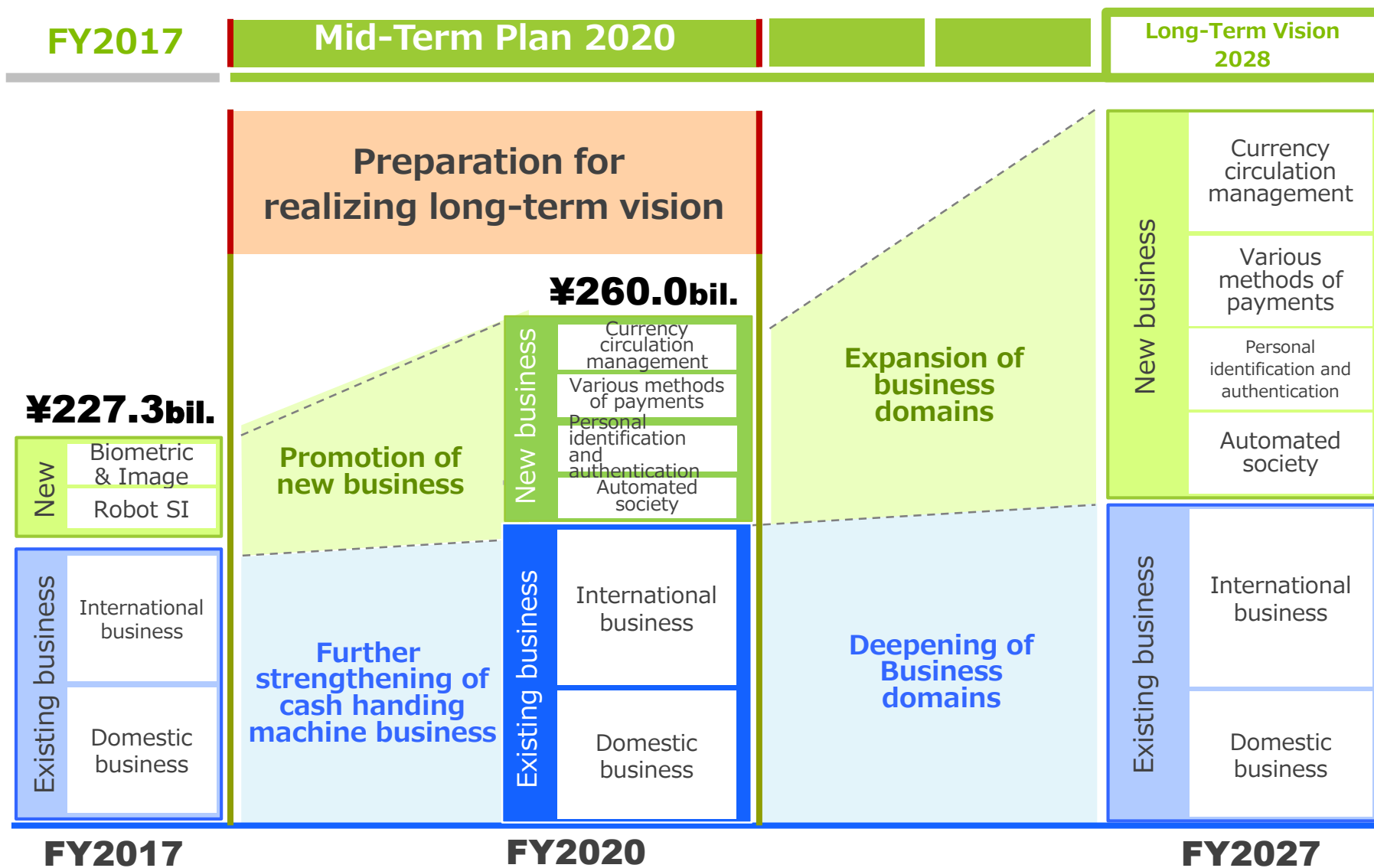
Changes of currency circulation balance



Source: The Bank of Japan. "Chronological statistical data" January 1, 2018 * Balance as of the end of year

- 1** Increase sales by further strengthening of the cash handling machine business
- 2** Promote new business domains and create new businesses
- 3** Implement strategic investment for existing and new businesses

Position of Medium-Term Management Plan 2020

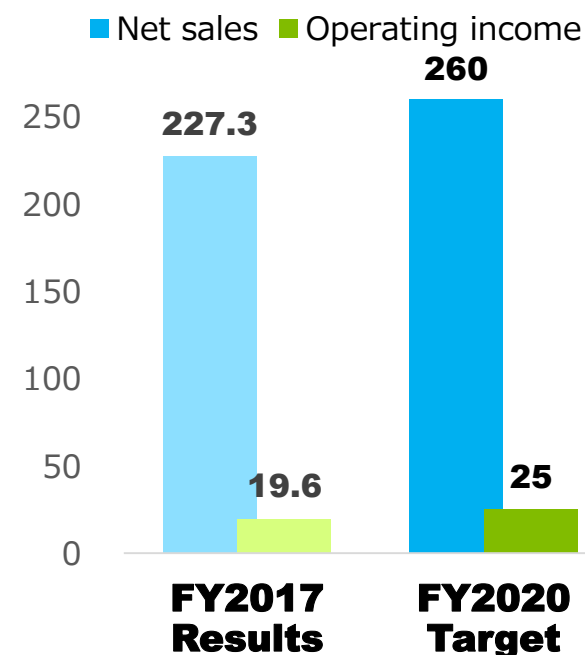


Outline of 2020 Medium-Term Management Plan

Position Preparation for realizing long-term vision

Performance Target	FY2017	2020 Mid-Term Plan	Growth rate
Net sales	¥227.3 bil.	¥260.0 bil.	+14 %
Operating income	19.6 bil.	25.0 bil.	+28 %
Operating margin	8.6 %	9.6 %	+1.0 Pt
R O E	5.3 %	8.0 %	+2.7 Pt
Exchange rate US\$	¥111 (results)	¥110 (plan)	-
Euro	¥130 (results)	¥120 (plan)	-

(¥ billion)



Outline of 2020 Medium-Term Management Plan

Basic Policy

Policy 1 Existing Business

Build foundations for realizing sustainable business management

- Overseas business
Further growth of financial market and acceleration of retail business
- Domestic business
Promote solution proposals

Policy 2 New Business

Strengthen collaboration with various partners to solve social issues

- Promote new business domains
- Acquire new core technology
- Proactive allocation of management resources for new business

Policy 3 Management Base

Realize higher productivity and robust corporate constitution that directly generate outcome

- Work-style and operational reform to improve productivity
- Organizational climate reform to realize open innovation

Organization to Achieve the Plan

● Overseas Business

Realize quick decision making → Shift to company system

● Domestic Business

Strengthen regional strategy → Review regional office management

● New Business

Promote new business domain → Establish Business Innovation Center

Performance Target by Business Segment

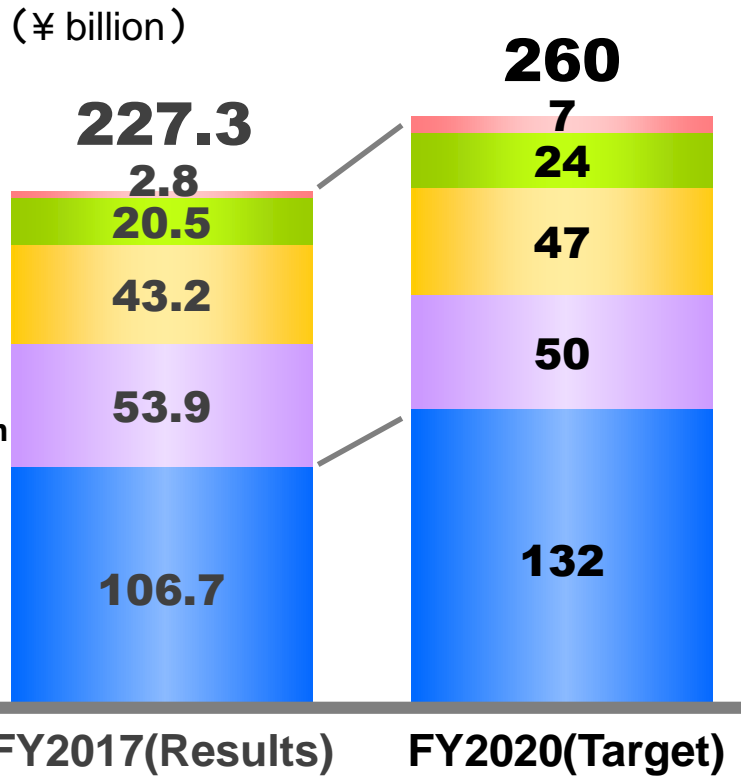
Operating margin



Operating margin

+1.0pt.

Net sales



- Others
- Amusement
- Retail and Transportation
- Financial
- Overseas

Growth rate
Domestic business

+6.1%
(Average annual +2.0%)

Overseas business

+23.7%
(Average annual +7.4%)

Overseas Business Strategy

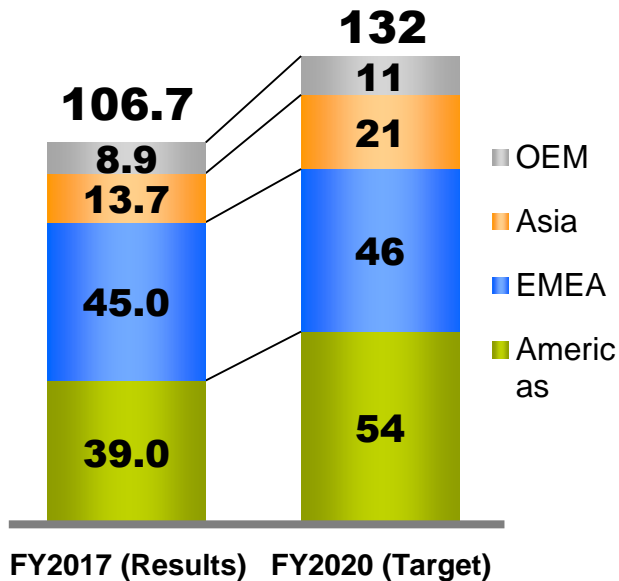
Policy 1 Build foundations for realizing sustainable business management

Further growth of financial market by expanding business of self-operation machines and acceleration of retail business

Sales by geographical segment

Key measures

(¥ billion)



[Common]

- Expand sales by establishing strategic partnership
- Strengthen cost competitiveness
- Prompt response to template
- Bolster direct sales & direct service system in key areas

[Europe& Americas]

(Financial) Wider use of banknote recycler for tellers and cultivation of “Self” market

(Retail) Reinforce sales to back-office market and entry to front market

[Asia]

(Financial) Expand sales of banknote recycler for tellers in main countries

(Retail) Investment in potentially high-growth countries

[OEM]

Expand sales of ATM unit by reinforcing sales channel

Domestic Business Strategy

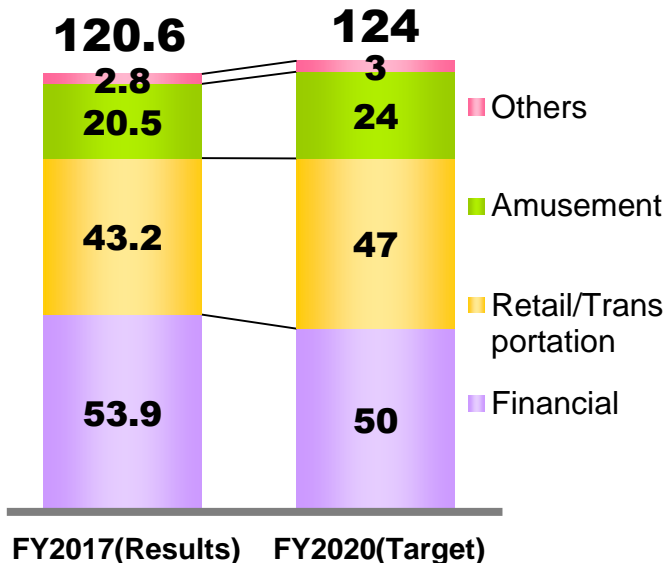
Policy 1 Build foundations for realizing sustainable business management

Respond to the market changes flexibly and promote solution proposals
 - Realization of next generation branch style, expansion of “non-cash” business sector -

Sales by business segment

Key measures

(¥ billion)



[Common]

Formulate and execute strategy for customer needs

[Financial]

- Expand sales of products that realize next generation branch style
- Expand main financial product sales

[Retail / Transportation]

- Increase share of coin and banknote recycler for cashiers
- Expand “non-cash” business sector
 → electronic settlement, voucher processing, biometric authentication

[Amusement]

- Increase profitability by strengthen solution proposal

Strategy by Function

Policy 1 Build foundations for realizing sustainable business management

Strengthen functions to respond to changes in the market environment and customer needs, and review profit structure



[Development]

- Enhance core technologies
- Improve system response capabilities

[Quality assurance]

Strengthen function of international quality assurance

[Production]

Pursue profit by improved productivity by automation, etc.

[Procurement]

Promote group-wide purchasing & inspection functions

Promote new business domains

Policy 2 Strengthen collaboration with various partners to solve social issues

New business domains

Business summary

Currency circulation management

**Realization of Connected Cash*
(new cash access and cycle)**



Various methods of payments

Reinforce service infrastructure for realization of various methods of payments



Personal identification and authentication

Provide secure solution using personal identification and authentication by promoting open innovation



Automated society

Realize the collaborative environment between robot and human through the provision of robot SI service

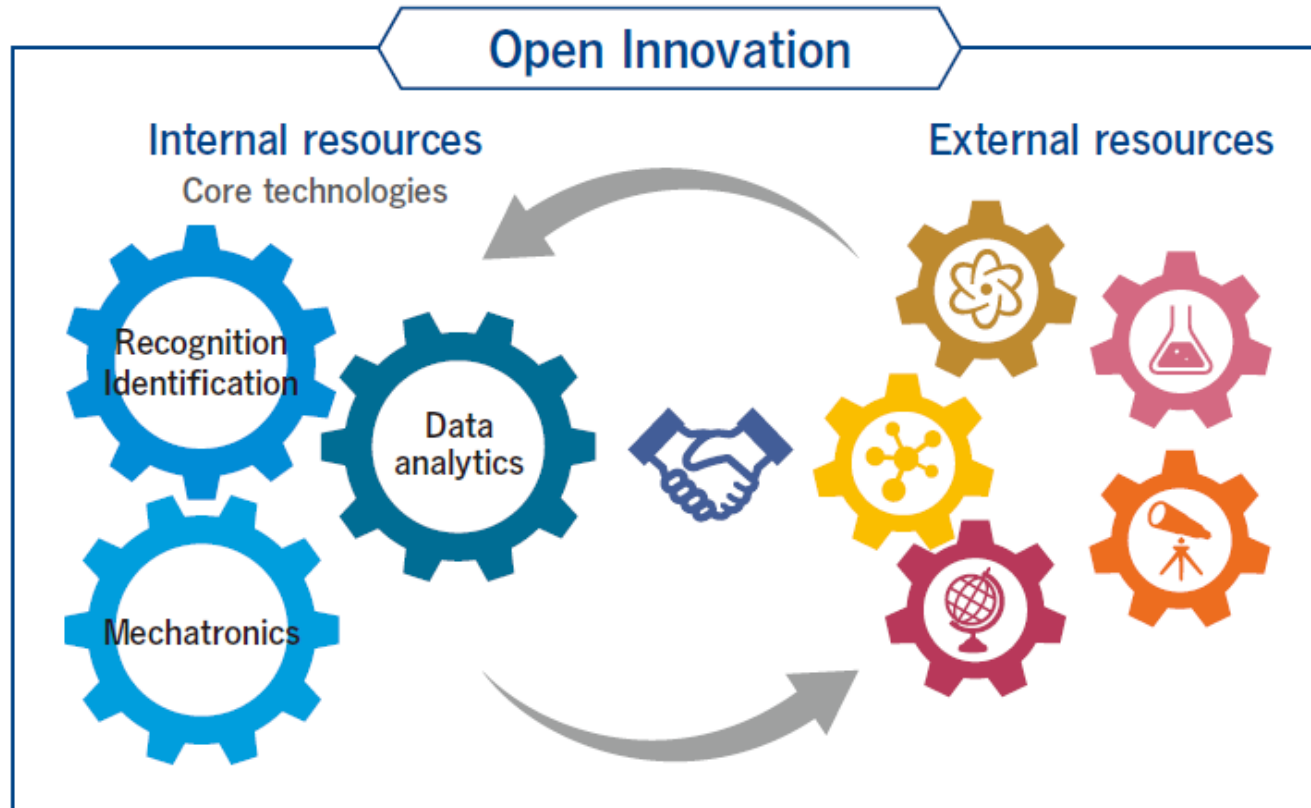


* Connected Cash = Infrastructure to replace bank counter, ATM, cash out

Acquire new core technology

Policy 2 Strengthen collaboration with various partners to solve social issues

- Extend software capabilities (data analytics) through internal growth, acquisitions, and strategic partnership
- Develop core competency in total system engineering to deliver unique customer value through combining Glory and 3rd party technologies



Strengthen management base

Policy 3 Realize higher productivity and robust corporate constitution that directly generate outcome

Workstyle reform and operational reform to improve productivity

- Realization of a diversified way of working
- Building of group-common core system (ERP)
- Working-style reform and establishment of ICT environment to improve work efficiency

Organizational climate reform to realize open innovation

- Launch of a specialized team to create new business
- Recruiting and fostering of highly specialized personnel to support the growth of business
- Promotion of diversity

Strategic investment quota for existing and new businesses
(including M & A)

Investment Quota (max.)
(3 years total)

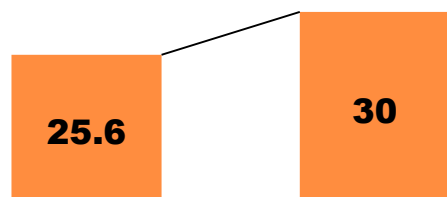
60 billion yen

Capital expenditure

(¥ billion)

Capital expenditure
(3 years total)

30 billion yen



2017 Mid-Term Plan 3 years total : **25.6** billion yen

2017 Mid-Term
Results

2020 Mid-Term
Plan

R&D investment

(¥ billion)

FY2020

R&D Investment Ratio

5.5%

6.2%

5.5%



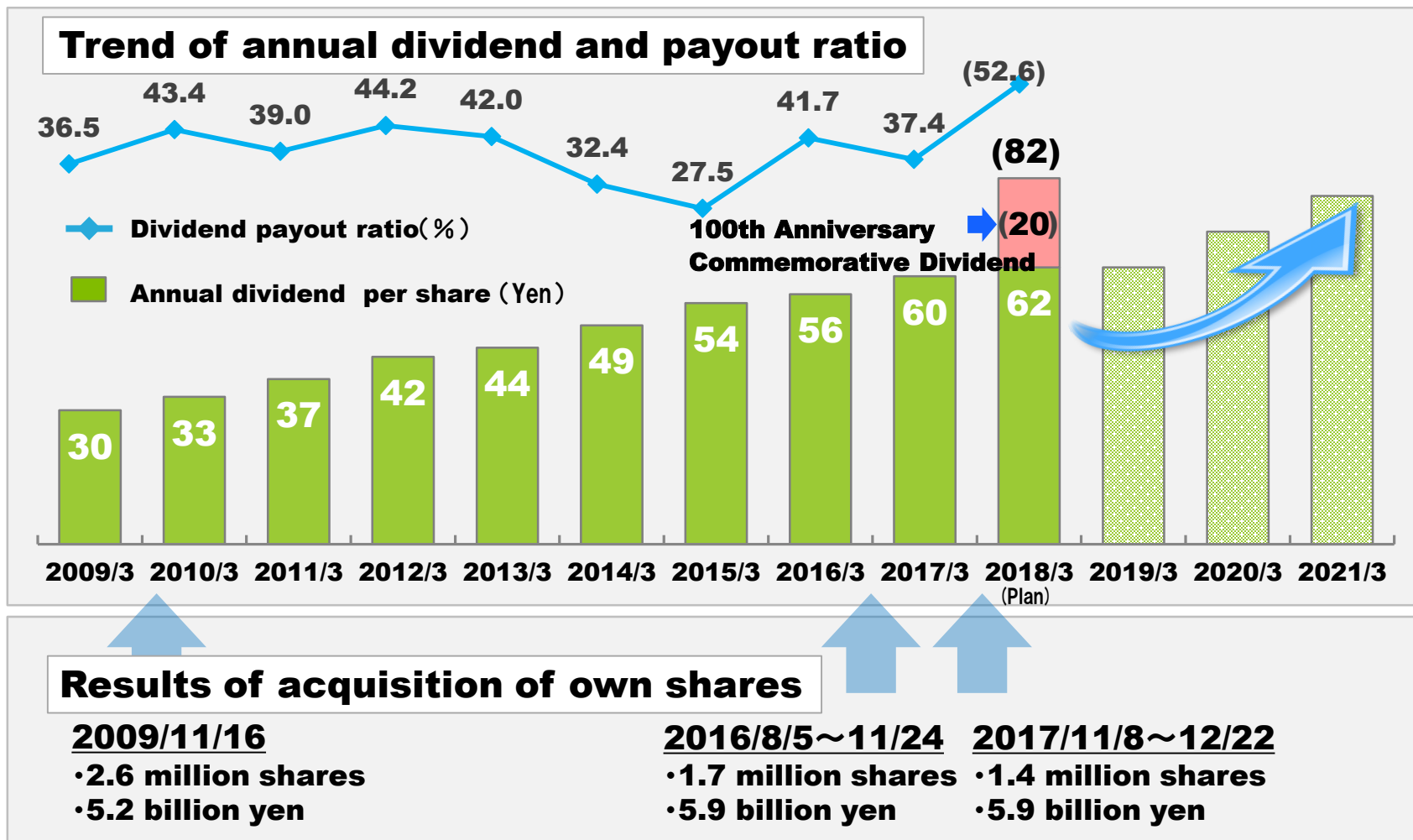
2017 Mid-Term Plan 3 years total : **40.6** billion yen (Results)

2020 Mid-Term Plan 3 years total : **43.0** billion yen (Plan)

FY2017 Results

FY2020 Plan

Dividend payout ratio of 30% or higher on a consolidated basis



5

Financial Forecast for FY2018

- | | | |
|---|-----|------|
| 1) Financial Forecast for FY2018 | ... | P.47 |
| 2) Sales & Operating Income Forecast
by Business Segment | ... | P.48 |
| 3) Sales Forecast by Geographical
Segment of Overseas Market | ... | P.50 |
| 4) Capital Expenditures etc. | ... | P.51 |

Net sales

Higher sales due to estimated sales increase in overseas and domestic markets.

Income

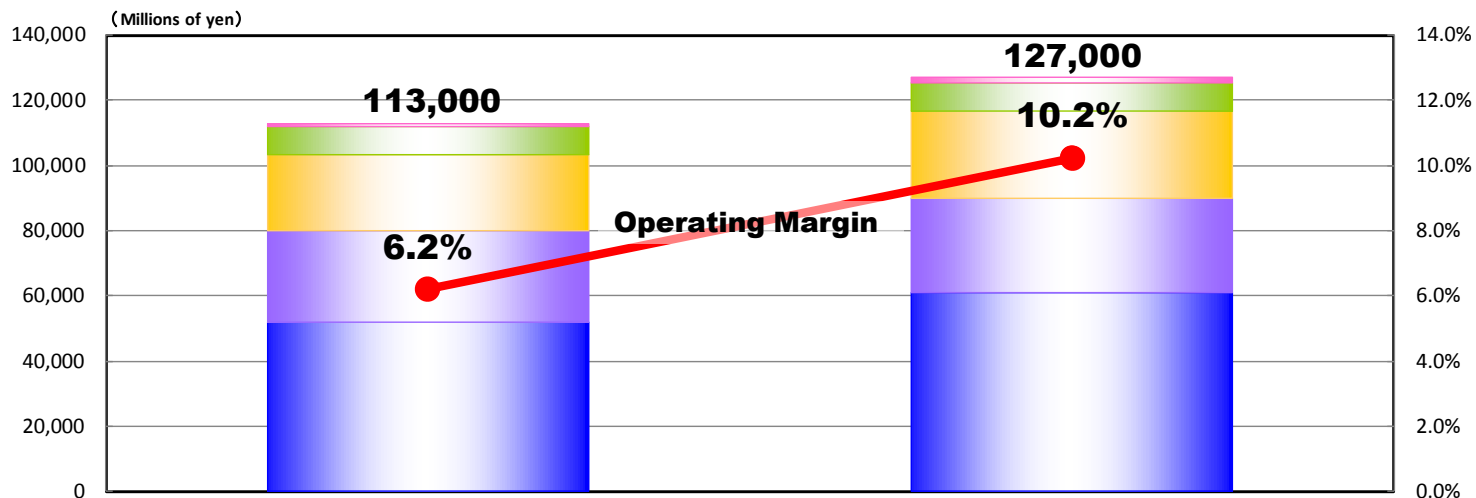
On par with the FY2017 anticipating strategic investment in existing business and new businesses.

(Millions of yen)	FY2017		FY2018		Y-on-Y
	Full year	Ratio	Full year (forecast)	Ratio	
Net Sales	227,361	100.0%	240,000	100.0%	+5.6%
Maintenance Services	67,677	29.8%	68,000	28.3%	+0.5%
Operating Income	19,615	8.6%	20,000	8.3%	+2.0%
Ordinary Income	17,553	7.7%	20,000	8.3%	+13.9%
Net Income Attributable to Owners of Parent	9,892	4.4%	12,000	5.0%	+21.3%
Exchange rate	US\$	¥ 111	¥ 110		
	Euro	¥ 130	¥ 130		

Sales & Operating Income Forecast by Business Segment (Full Year)

(Millions of yen)	Sales			Operating Income		
	FY2017 Full year	FY2018 Full year (forecast)	Y-on-Y	FY2017 Full year	FY2018 Full year (forecast)	Y-on-Y
 Overseas Market	106,758	113,000	+6,242 +5.8 %	11,167	11,500	+333 +3.0 %
 Financial Market	53,970	57,000	+3,030 +5.6 %	4,043	6,500	+2,457 +60.8 %
 Retail & Transportation Market	43,216	50,000	+6,784 +15.7 %	3,476	4,000	+524 +15.1 %
 Amusement Market	20,570	17,500	-3,070 -14.9 %	1,331	0	-1,331 -100.0 %
 Others	2,845	2,500	-345 -12.1 %	-403	-2,000	-1,597 - %
Total	227,361	240,000	+12,639 +5.6 %	19,615	20,000	+385 +2.0 %

Sales & Operating Income Forecast by Business Segment (Half Year)



(Millions of yen)	Q1-Q2 (Forecast)		Q3-Q4 (Forecast)		Full year (Forecast)	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Overseas Market	52,000	3,500	61,000	8,000	113,000	11,500
Financial Market	28,000	3,000	29,000	3,500	57,000	6,500
Retail & Transportation Market	23,500	1,500	26,500	2,500	50,000	4,000
Amusement Market	8,500	0	9,000	0	17,500	0
Others	1,000	-1,000	1,500	-1,000	2,500	-2,000
Total	113,000	7,000	127,000	13,000	240,000	20,000

**Sales Forecast by Geographical Segment of
Overseas Market**

(Millions of yen)	FY2017	FY2018	Y-on-Y	Local currency basis
	Full Year	Full Year (Forecast)		
Americas	39,008	44,000	+4,992 +12.8 %	+13.7%
EMEA	45,063	45,000	-63 -0.1 %	-0.4%
Asia	13,755	16,000	+2,245 +16.3 %	-
China	5,912	7,000	+1,088 +18.4 %	+16.7%
OEM	8,930	8,000	-930 -10.4 %	-10.4%
Total overseas sales	106,758	113,000	+6,242 +5.8 %	- %



<Notes>

1.The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to the company and certain assumptions which the company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors.

The factors includes changes in the economic conditions in the company's principal markets, changes in demand for the company's products, fluctuations of exchange rates, and impacts of changes in various regulations, accounting principles and practices.

Please also take note that forecasts in this document may change without prior notice unless required by laws.

2.Amounts are rounded down to the nearest million yen for calculating percentages of year-on-year changes and composition ratios.