

Consolidated financial results

for the first half of fiscal year ending March 31, 2007

- 1 Performance overview
- 2 Details of performance
- 3 Business results by market
- 4 Medium-term business strategy & performance trends
- 5 Profit distribution



This document may contain forward-looking statements which reflect management's current views with respects to certain future events and financial performances. Actual results may differ materially from those projected or implied in the forward-looking statements and from historical trends. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate.

So please avoid making investment decision relying only on this document. And please note that we may change the contents of the forward-looking statements without advance notice except that we need legal procedures.

1 - 1) Business results

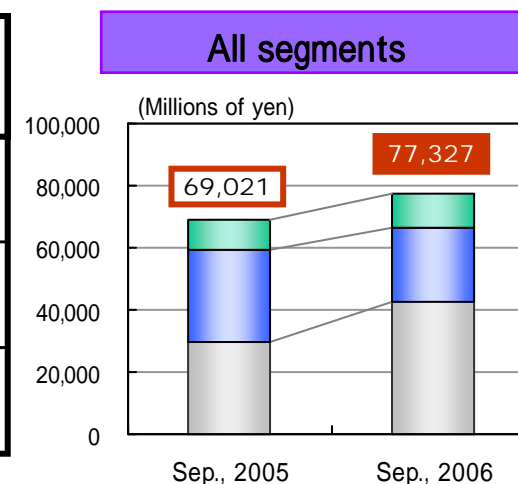
Net sales ··· Enjoyed solid sales in products for financial institution market.

Profit ··· Increased compared with the previous year due to increasing net sales and changes in sales composition such as the rise in the percentage of high-margin products.

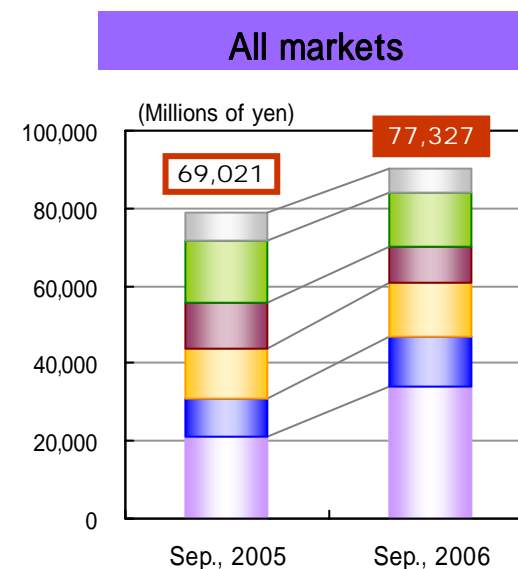
(Millions of yen)	FY2005	FY2006	Comparison with previous year
	First half	First half	
Net sales	69,021	77,327	12.0%
Operating profit	3,058	5,317	73.9%
Ordinary profit	3,574	5,828	63.0%
Net income	1,566	3,752	139.5%

2 - 1) Net sales by segment / by market

By segment	First half of FY2005	First half of FY2006	Comparison with previous year
Money handling machines & Cash management systems	29,989	42,375	41.3%
Vending machines & Automatic service equipment	29,580	24,171	-18.3%
Other goods and products	9,451	10,780	14.1%



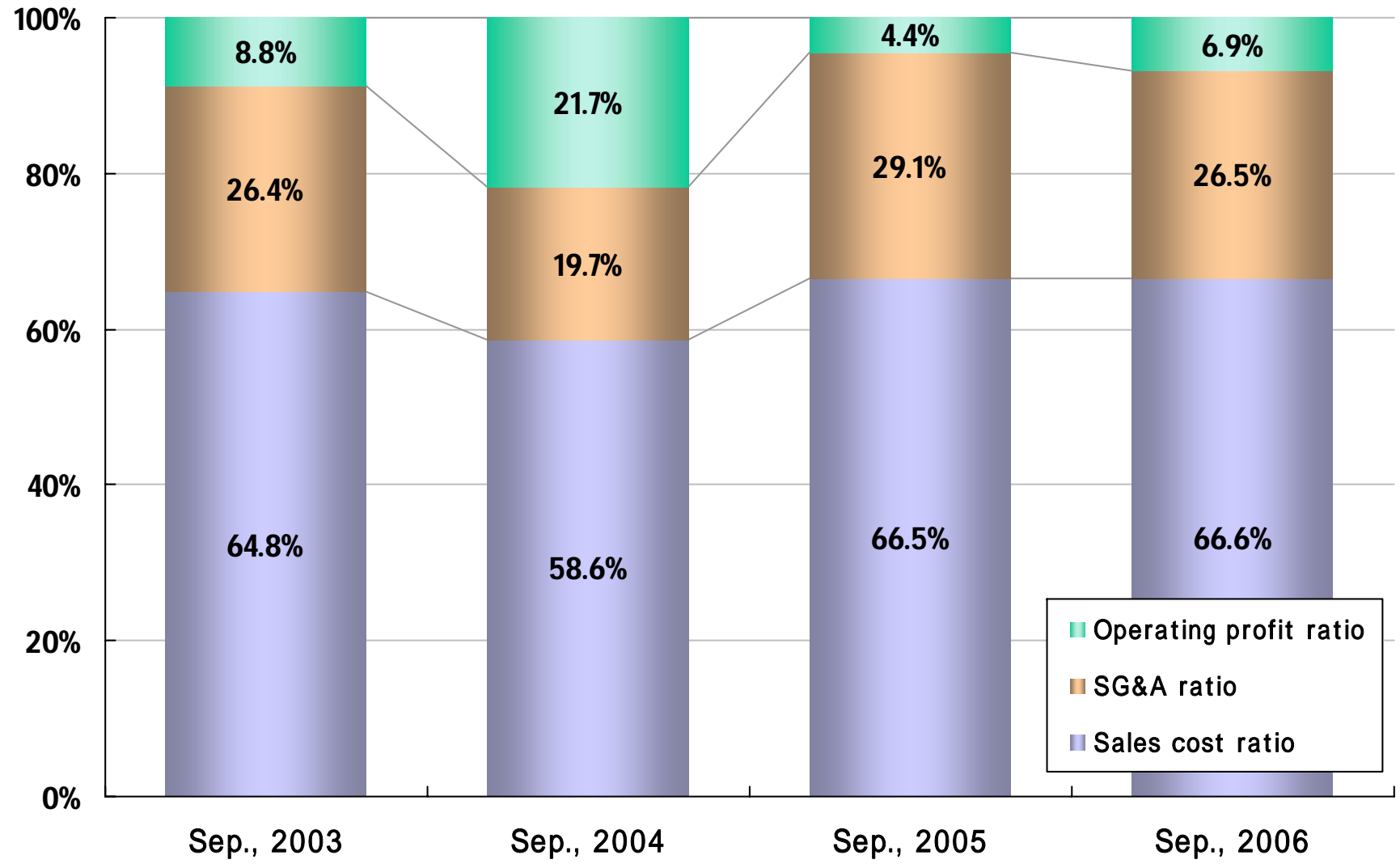
By market	First half of FY2005	First half of FY2006	Comparison with previous year
Financial institutions	11,422	20,953	83.4%
Overseas	9,698	12,888	32.9%
Retail/ Transportation	13,252	14,052	6.0%
Vending machines	11,596	9,263	-20.1%
Amusement game	15,806	14,080	-10.9%
Other	7,247	6,091	-16.0%





2 - 2) Net sales / Sales cost ratio / SG&A ratio / Operating profit ratio

(Millions of yen)



2 - 3) Business forecast



Net sales ··· Being expected to enjoy solid sales in products for domestic and overseas financial institution market.

Profit ··· Promoting actively the correction of the high cost structure.

(Millions of yen)	FY2005	FY2006	
	Full year	Full year (estimated)	Comparison with previous year
Net sales	141,231	160,000	13.3%
Operating profit	5,453	11,000	101.7%
Ordinary profit	6,132	11,200	82.6%
Net income	740	7,000	845.9%

3 - 1) Financial Institution market

Expansion of demand for our core products

- In financial institutions, willingness to invest is rising related to reduction in human error in cash handling services thanks to improving business results.
- There is synergistic effect of promotion of mechanization in both Japan Post and private financial institutions caused by privatization of postal business.

[Sales comparison with previous year] +83.4%

Sales of “open teller systems”, our core product for this market, and “RB series”, banknote/coin depositing and dispensing machines remained smoothly.

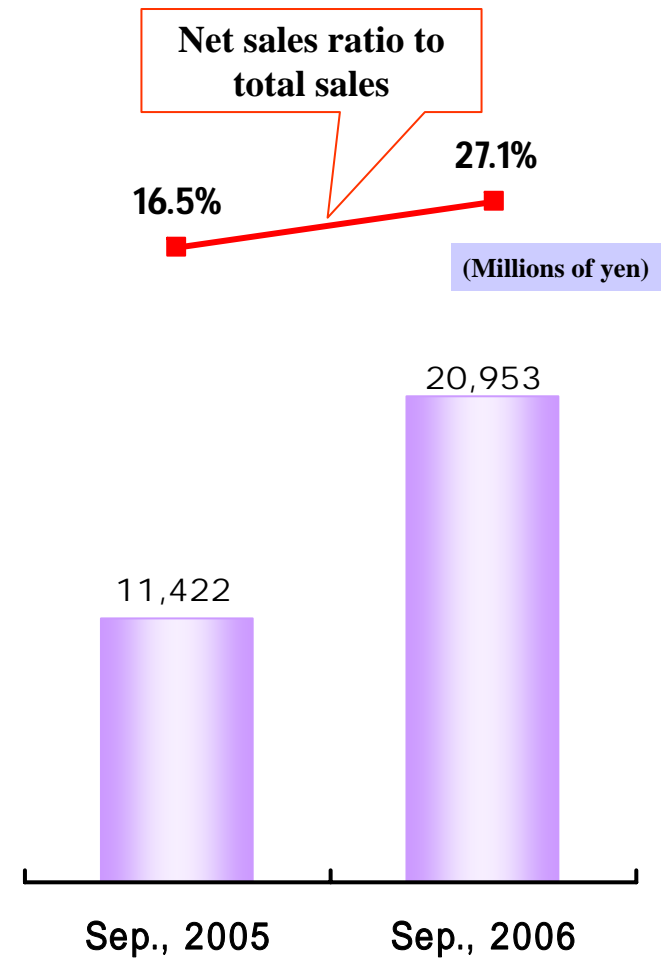


Open teller systems
WAVE series



Banknote/coin depositing and
dispensing machines
RB series

Sales in financial institution market



3 - 2) Overseas market

Expansion of demand for system devices

Demand for ATMs and system devices increased due to growing needs of automated processing machines to take a measures against counterfeit euro banknotes.

[Sales comparison with previous year] +32.9%

Sales of “RBU series”, banknote depositing and dispensing machines remained smoothly. Sales of “UD series”, banknote depositing units for ATMs (our OEM products) increased.



Banknote depositing and dispensing machines
RBU series



Banknote depositing units for ATMs
UD series

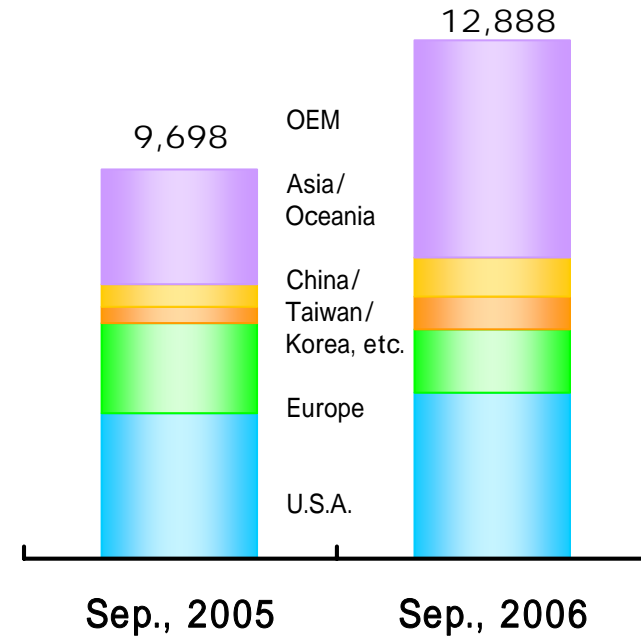
Sales in overseas market

Net sales ratio to total sales

14.1%

16.7%

(Millions of yen)



3 - 3) Retail/Transportation market

Enjoyed solid sales in cash recyclers for cashiers

Demand for the systems around cashiers increased due to increasing of part-timers and extending shop hour. And we strengthened line up of cash recyclers for cashiers.

[Sales comparison with previous year] +6.0%

Sales of cash recyclers for cashiers remained smoothly.

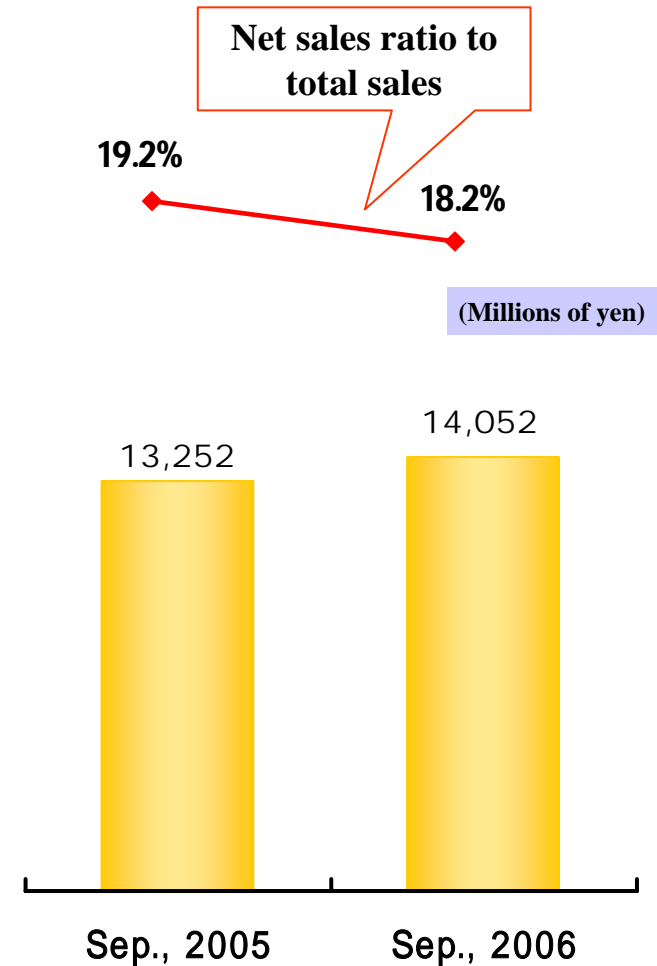


Cash recyclers for cashiers with drawer
RT-RAD series



Cash recyclers for major appliance store
RT-RAD series

Sales in retail/Transportation market



3 - 4) Vending machine market

Dropped demand for cigarette vending machines

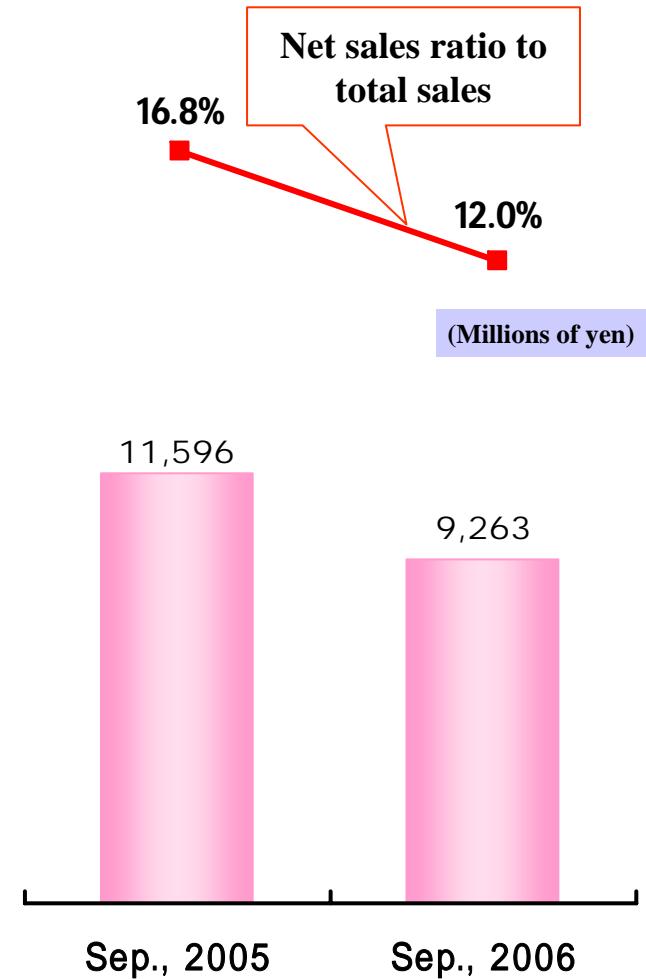
Sales of cigarette vending machines decreased because demand was postponed to the second half of the fiscal year, for replacement and remodeling of vending machines supported a newly required function to recognize if the customer is 20 years old or older.

[Sales comparison with previous year] -20.1%



Cigarette Vending machines
TNR series

Sales in vending machine market



3 - 5) Amusement game market

Sharp decline in capital investment due to industry-wide downturn

Under regulation revision of pachinko and pachislo machines, pachinko parlors tend to invest to replace an old game machine with new one, thus investment in game-related units is restrained.

[Sales comparison with previous year] -10.9%

Sales of token dispensing machines for banknotes and banknote exchange machines dropped.

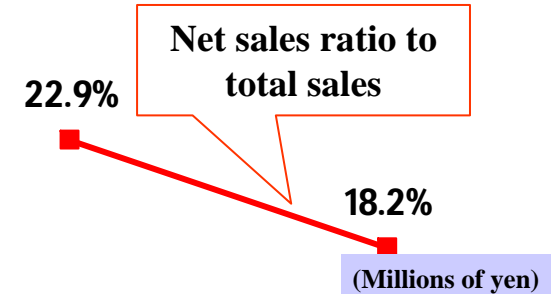


Token dispensing machines
for banknotes
JMM-20/20A



High denomination banknote
exchange machines
ER-120-E

Sales in amusement game market



15,806

Sep., 2005

14,080

Sep., 2006

3 - 6) Other markets

Dropped demand in each markets

- Sales of hospital-related products dropped.
- Sales of IC card-related products dropped.

[Sales comparison with previous year] -16.0%

Sales of “FK series”, medical payment terminal for hospitals, and IC card cafeteria systems decreased.



Medical payment terminal
FK series

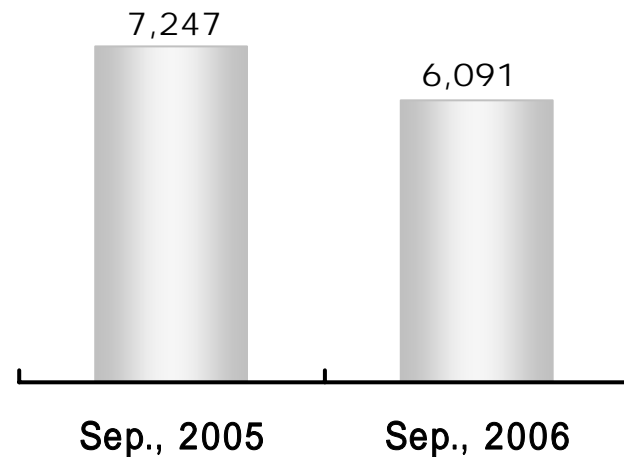
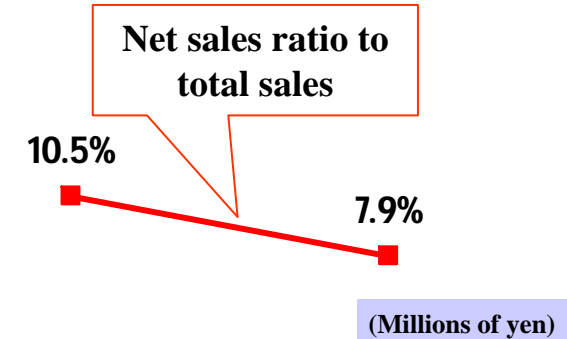


Automatic cash register
PSA series

“Other market” means

- Hospitals · Card-related devices · Public offices · Campuses
- Leisure parks · Vending machine-management companies
- Other companies, and so on.

Sales in other markets (Main markets)



3 - 7) Maintenance sales

Dropped sales under the influence of the term of a free guarantee of machine

Sales decreased under the influence of expansion in the range of object machines that can be maintained for free, with a increasing sales in system devices.

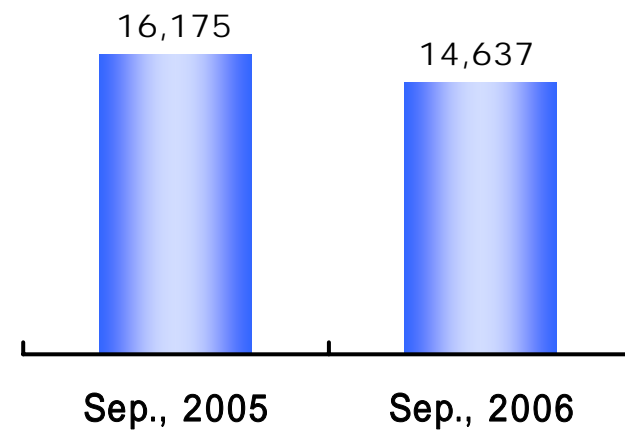
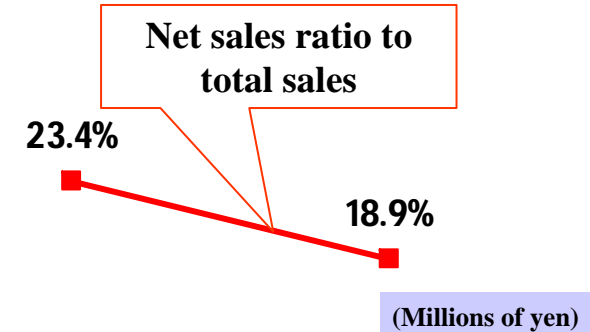
Sales of remodeling of cigarette vending machines is postponed to the second half of the fiscal year, supported a newly required function to recognize if the customer is 20 years old or older.

[Sales comparison with previous year] -9.5%



Open teller systems
WAVE series

Maintenance sales








4 - 1) Strategy for growth

1 . Improvement of response capabilities to operations and speeding up business management by introducing company system



2 . Promotion of non - cash business field and new business field (Development of new business leading sales expansion, job creation, maintenance sales)

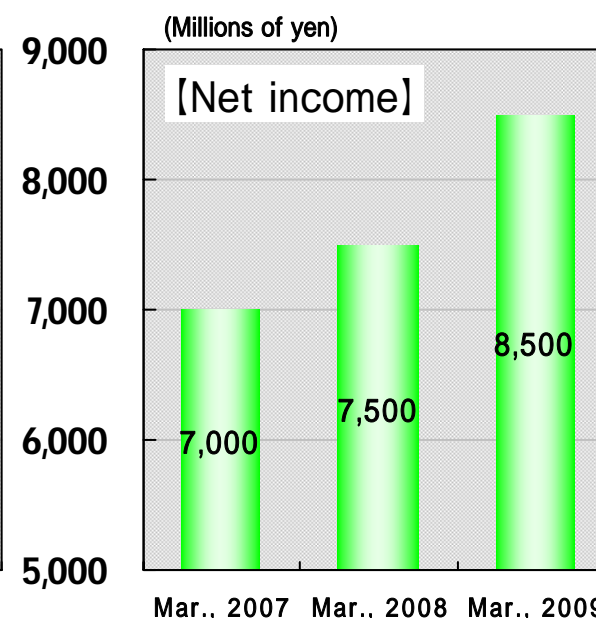
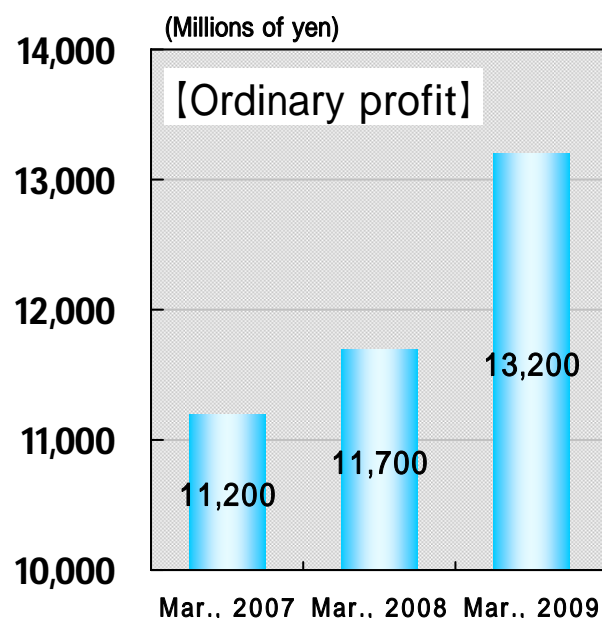
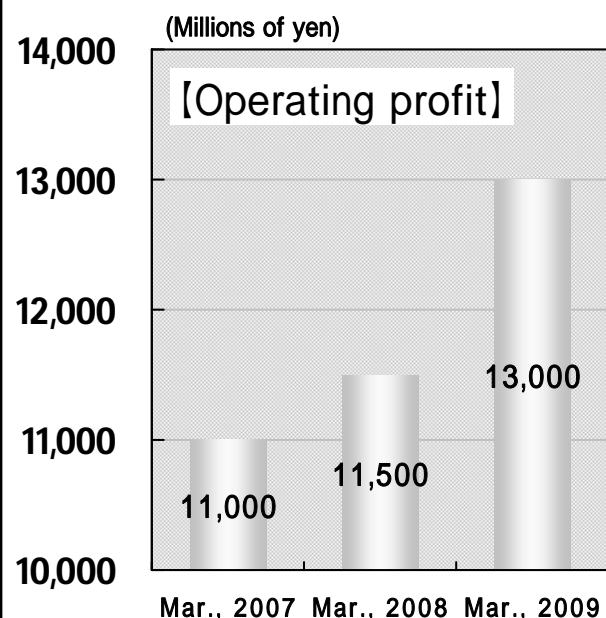
4 - 2) Sales - size by company

Companies	Main market by company	Sales objective FY2008 (March, 2009)
 Financial business systems	Domestic financial institution Japan Post	¥ 3 0 billion
 International operations & OEM	OEM products for domestic and overseas Overseas (our own products)	¥ 2 2.5 billion
 Retail & media industries systems	Retails Hospitals Transportations IC cards Security services Companies	¥ 2 3 billion
 Vending machine & amusement systems	Cigarette vending machine Amusement game	¥ 2 3.5 billion
 Maintenance Div.	All markets	¥ 2 4.5 billion
New business	Biometrics Cashier's operation contracting business Card and network business Checking machine of printed materials, etc.	¥ 5 billion +

4 - 3) Consolidated results

(Millions of yen)

		March, 2007	March, 2008	March, 2009
Forecast announced on September 27, 2006	Net sales	160,000	▶ 160,000	▶ 160,000
	Operating profit	11,000	▶ 11,500	▶ 13,000
	Ordinary profit	11,200	▶ 11,700	▶ 13,200
	Net income	7,000	▶ 7,500	▶ 8,500

These are objective figures.

5 - 1) Profit distribution

Revision of projected dividends for FY2006

Our dividend policy

We return profits by taking into account the change in the consolidated operational results and other factors, in addition to stable dividend on the basis of shareholders' equity.

Capital growth by merger with GLORY Shoji

Dividend per share

	Half year	Year - end	Full year
FY2005	¥ 11	¥ 11	¥ 22
FY2006 (estimated)	¥ 11	¥ 17	¥ 28
FY2007 (estimated)	¥ 14	¥ 14	¥ 28