

Consolidated financial results

for the fiscal year ended March 31, 2008

- 1 Performance overview
- 2 Details of performance
- 3 Progress of medium-term management plan
- 4 Business forecast for FY2008
- 5 Other information

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 Performance overview

Business results compared with previous fiscal year



Sales

Enjoyed solid sales driven by financial institution market and overseas market and vending machine market.

Profit

Improved profit ratio due to increasing net sales and reduction of sales cost ratio and SG&A ratio.

(Millions of yen)	FY2006	FY2007	Comparison with previous fiscal year	Forecast for FY2007 (revised in Nov. 7, 2007)
Net sales	164,539	185,181	+12.5%	185,000
Operating profit	12,960 (7.9%)	22,826 (12.3%)	+76.1%	21,000 (11.4%)
Ordinary profit	13,406 (8.1%)	21,582 (11.7%)	+61.0%	21,000 (11.4%)
Net income	6,461 (3.9%)	11,711 (6.3%)	+81.3%	13,000 (7.0%)

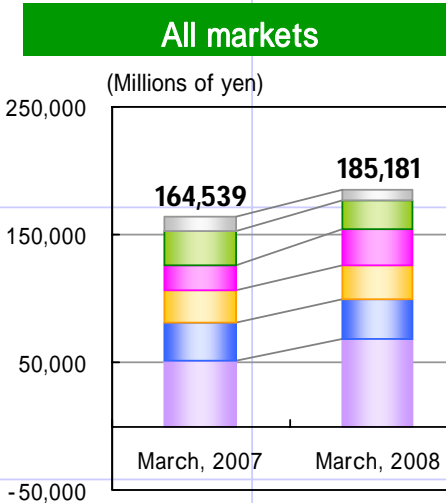
2 Details of performance

Net sales by market / by segment



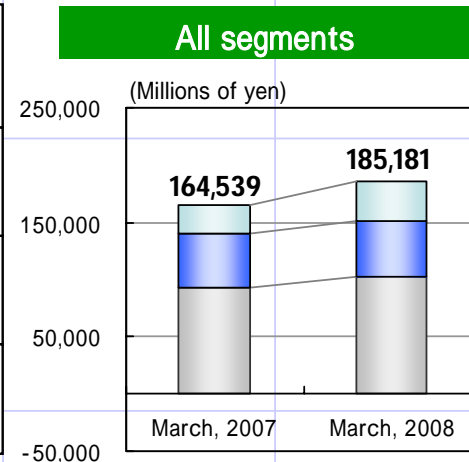
(Millions of yen)

By market	FY2006	FY2007	Comparison with previous fiscal year
Financial institutions	51,826	68,030	+31.3%
Overseas	28,476	31,784	+11.6%
Retail/Transportation	26,557	26,838	+1.1%
Vending machines	19,388	27,882	+43.8%
Amusement	26,202	21,558	-17.7%
Other	12,090	9,089	-24.8%

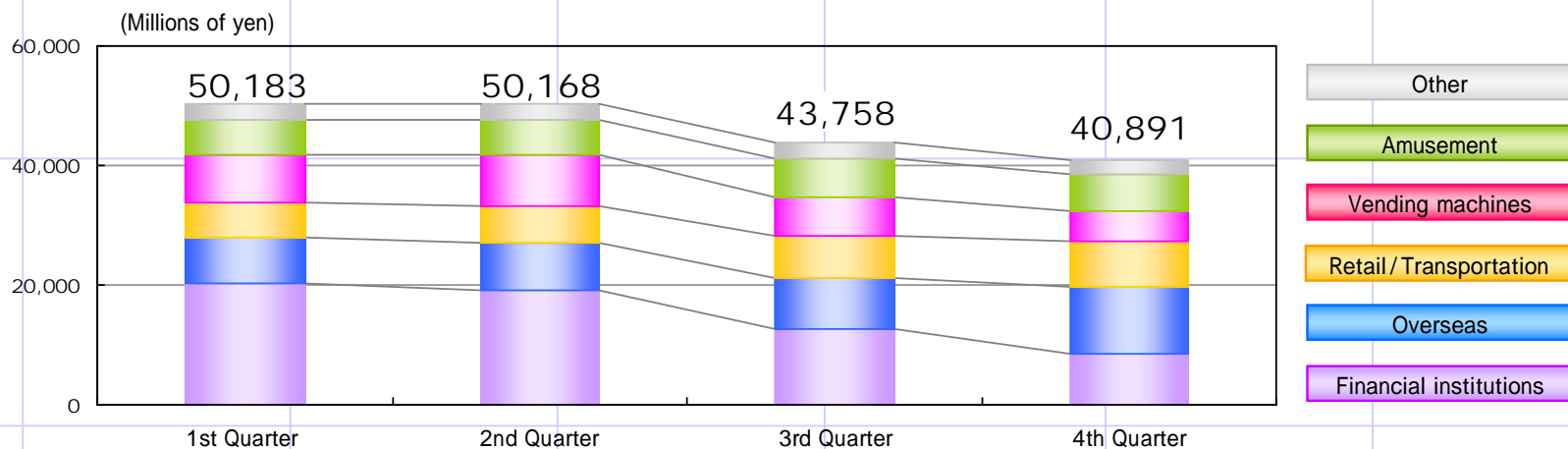


(Millions of yen)

By segment	FY2006	FY2007	Comparison with previous fiscal year
Money handling machines & Cash management systems	92,829	101,710	+9.6%
Vending machines & Automatic service equipment	47,535	50,078	+5.3%
Other goods and products	24,174	33,393	+38.1%



Quarterly net sales by market



FY2007	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Full year
Financial institutions [Domestic]	20,187 (40.2%)	19,224 (38.3%)	12,536 (28.6%)	16,083 (39.3%)	68,030 (36.7%)
[Overseas]	7,821 (15.6%)	7,902 (15.8%)	8,707 (19.9%)	7,354 (18.0%)	31,784 (17.2%)
Financial institutions [Total]	28,008 (55.8%)	27,126 (54.1%)	21,243 (48.5%)	23,437 (57.3%)	99,814 (53.9%)
Retail/Transportations	5,821 (11.6%)	6,107 (12.2%)	7,036 (16.1%)	7,874 (19.3%)	26,838 (14.5%)
Vending machines	7,798 (15.5%)	8,432 (16.8%)	6,410 (14.6%)	5,242 (12.8%)	27,882 (15.1%)
Amusement	6,054 (12.1%)	6,040 (12.0%)	6,469 (14.8%)	2,995 (7.3%)	21,558 (11.6%)
Other	2,502 (5.0%)	2,463 (4.9%)	2,599 (5.9%)	1,525 (3.7%)	9,089 (4.9%)
Total	50,183	50,168	43,758	40,891	185,181

() indicates sales composition ratio.



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.
- Demand for products for financial institutions increased due to promotion of mechanization and strengthening of internal control caused by privatization of postal business.

[Sales comparison with previous fiscal year] +31.3%

Market	FY2006	FY2007	Comparison with previous fiscal year
Financial institutions	51,826	68,030	+31.3%

Net sales ratio to total sales



Our main products influenced business results

- ↑ Open teller systems "WAVE series"
- ↑ Banknote/coin depositing and dispensing machines "RB series"
- ↑ Key box system "K B series"



Open teller systems
WAVE series



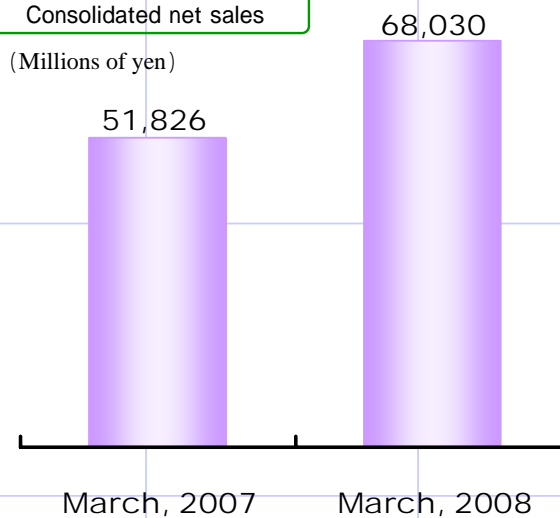
Banknote/coin depositing and
dispensing machines
RB series



Key box system
KB series

Consolidated net sales

(Millions of yen)





Expansion of demand for system devices in Europe

Demands for ATMs and system devices increased due to growing needs of automated processing machines to take a measure against counterfeit euro banknotes and needs of fitness sorting of banknote in banking offices.

Market	FY2006	FY2007	Comparison with previous fiscal year
Overseas	28,476	31,784	+11.6%

[Sales comparison with previous fiscal year] +11.6%

Our main products influenced business results

- ↑ Banknote depositing and dispensing machines “RBU series/RZ series”
- ↑ Banknote depositing units for ATMs “UD series”
- ↑ Banknote sorting machines “UW series”



Banknote depositing and dispensing machines
RBU series



Banknote depositing and dispensing machines
RZ series



Banknote depositing units for ATMs
UD series



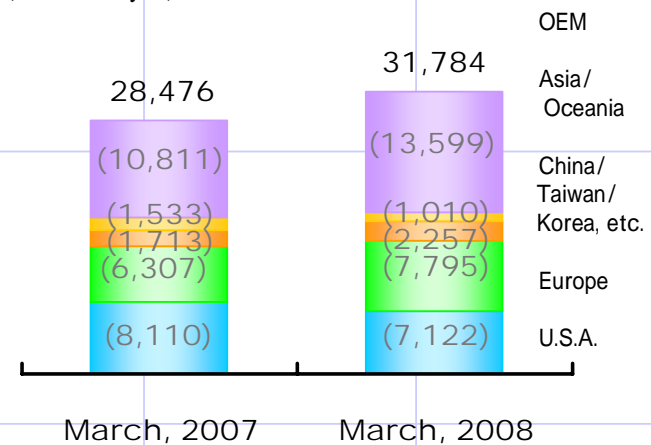
Banknote sorting machines
UW series

Net sales ratio to total sales

17.3%

17.2%

Consolidated net sales
(Millions of yen)





Enjoyed solid sales in cash recyclers for cashiers

Demand for systems around cashiers remained smoothly because cash recyclers came to be put into shops as measures for increasing part-timers and extended shop hour. Demand for deposit machines also increased due to revitalization of investment after issue of new banknotes.

[Sales comparison with previous fiscal year] +1.1%

Our main products influenced business results

- ↑ Automatic deposit machines “DS series”
- ↓ Cash recyclers for cashiers “RT/RAD series”



Cash recyclers for cashiers
RT-RAD series



Automatic deposit machines
DS series

Market	FY2006	FY2007	Comparison with previous fiscal year
Retail/Transportations	26,557	26,838	+1.1%

Net sales ratio to total sales

16.1%

14.5%

Consolidated net sales

(Millions of yen)

26,557

26,838

March, 2007

March, 2008

Vending machine market



Increased sales in Cigarette vending machines

Sales of cigarette vending machines equipped with an adult identification function remained smoothly due to aggressive sales activity.
Remodeling operation is also running smoothly.

Market	FY2006	FY2007	Comparison with previous fiscal year
Vending machines	19,388	27,882	+43.8%

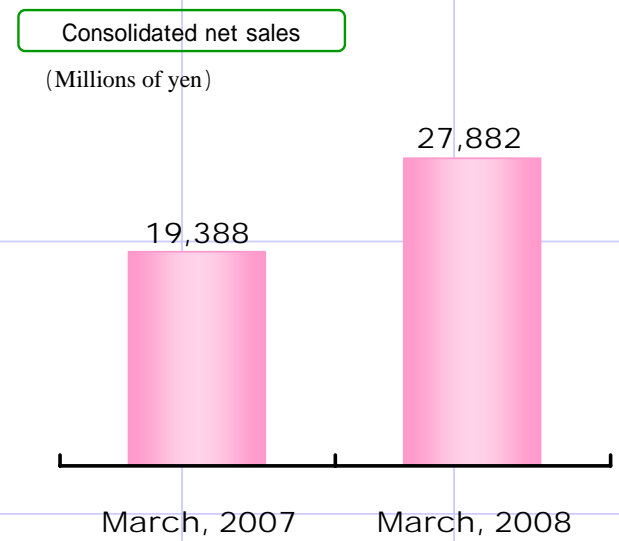
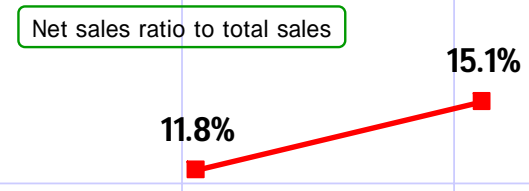
[Sales comparison with previous fiscal year] +43.8%

Our main products influenced business results

↑ Cigarette vending machines



Cigarette Vending machines TNR series





Decline in capital investment due to industry-wide downturn

Sales of card-related devices only remained smoothly under reduced investment in peripheral equipment due to trend of concentrated investment in replacement of pachislo machines with new industrial standard machines in pachinko parlors.

[Sales comparison with previous fiscal year] -17.7%

Our main products influenced business results

- ↓ Token dispensing machines for banknotes
- ↓ Banknote exchange machines



**Token dispensing machines
for banknotes
JMM-20/20A**



**High denomination banknote
exchange machines
ER-120-E**

Market	FY2006	FY2007	Comparison with previous fiscal year
Amusement	26,202	21,558	- 17.7%

Net sales ratio to total sales

15.9%

11.6%

Consolidated net sales

(Millions of yen)

26,202

21,558

March, 2007

March, 2008



Decreased sales in automated contact machines and medical - related systems




Demands for automated contact machines for consumer finance companies and medical accounting support systems for hospitals decreased.

Products related to elections only enjoyed solid sales because we certainly satisfied demand for unified local elections and the Upper House election and national election.

[Sales comparison with previous fiscal year] -24.8%

Market	FY2006	FY2007	Comparison with previous fiscal year
Other	12,090	9,089	- 24.8%

Our main products influenced business results

-  Ballot paper sorters "GTS series"
-  Automated contact machines "FVK series"
-  Medical accounting support system "FK series"



Ballot paper sorters
GTS-series

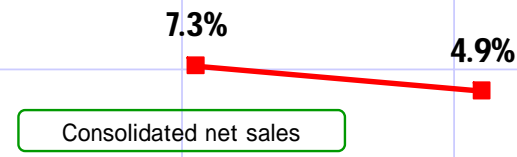


Automated contact machines
FVK series

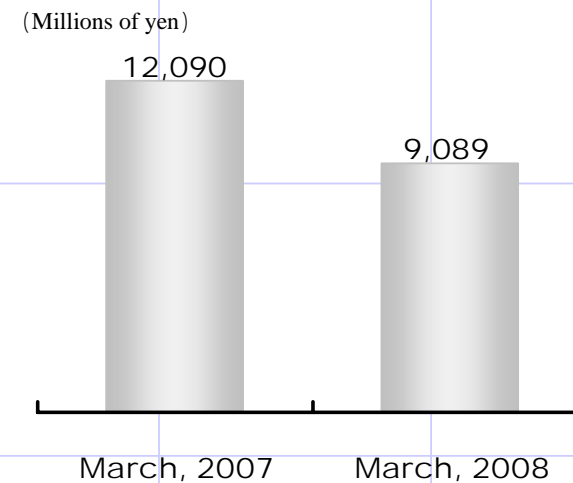


Medical accounting support system
FK series

Net sales ratio to total sales



Consolidated net sales





Enjoyed solid sales in remodeling operation for an adult identification function

Remodeling operation of cigarette vending machines equipped with an adult identification function remained smoothly. As for maintenance sales of money handling machines continue to be flat because maintenance sales of automated contact machines decreased although maintenance sales of system devices increased.

[Sales comparison with previous fiscal year] +21.1%

Market	FY2006	FY2007	Comparison with previous fiscal year
Maintenance sales	31,587	38,243	+21.1%

Net sales ratio to total sales



Our main products influenced business results

↑ Remodeling operation of cigarette vending machines



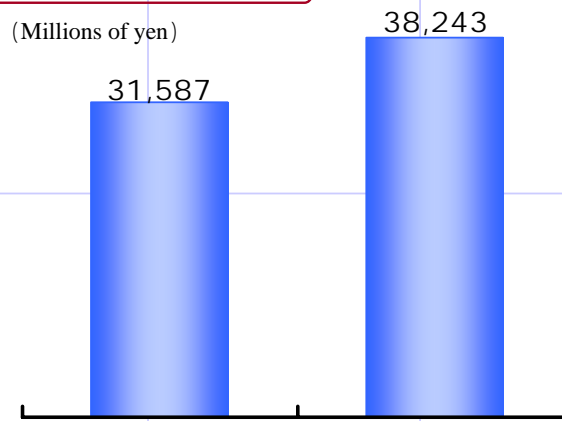
Maintenance staff remodeling operation of cigarette vending machines

[Remodeling operation of cigarette vending machines]

- Results: About 113,000 operations (almost completed by the end of March, 2008)

Consolidated net sales

(Millions of yen)



March, 2007

March, 2008

Statements of income



(Millions of yen)

(Millions of yen)	FY2006	FY2007	Changes
Net sales	164,539	185,181	20,642
Cost of sales	108,627	117,066	8,439
SG&A	42,951	45,288	2,337
Operating profit	12,960	22,826	9,866
Other income	1,719	1,382	- 337
Other expenses	1,272	2,626	1,354
Ordinary profit	13,406	21,582	8,176
Extraordinary profit	173	187	14
Extraordinary loss	3,980	1,571	- 2,409
Income before income taxes and minority interests	9,599	20,198	10,599
Income taxes - deferred	3,127	8,451	5,324
Net income	6,461	11,711	5,250

Sales cost ratio : Decreased as a result of the activities for cost reduction in manufacturing and development processes

SG&A ratio : Improved as a result of cost reduction

Other expense : Loss on disposal of discarded parts, etc.

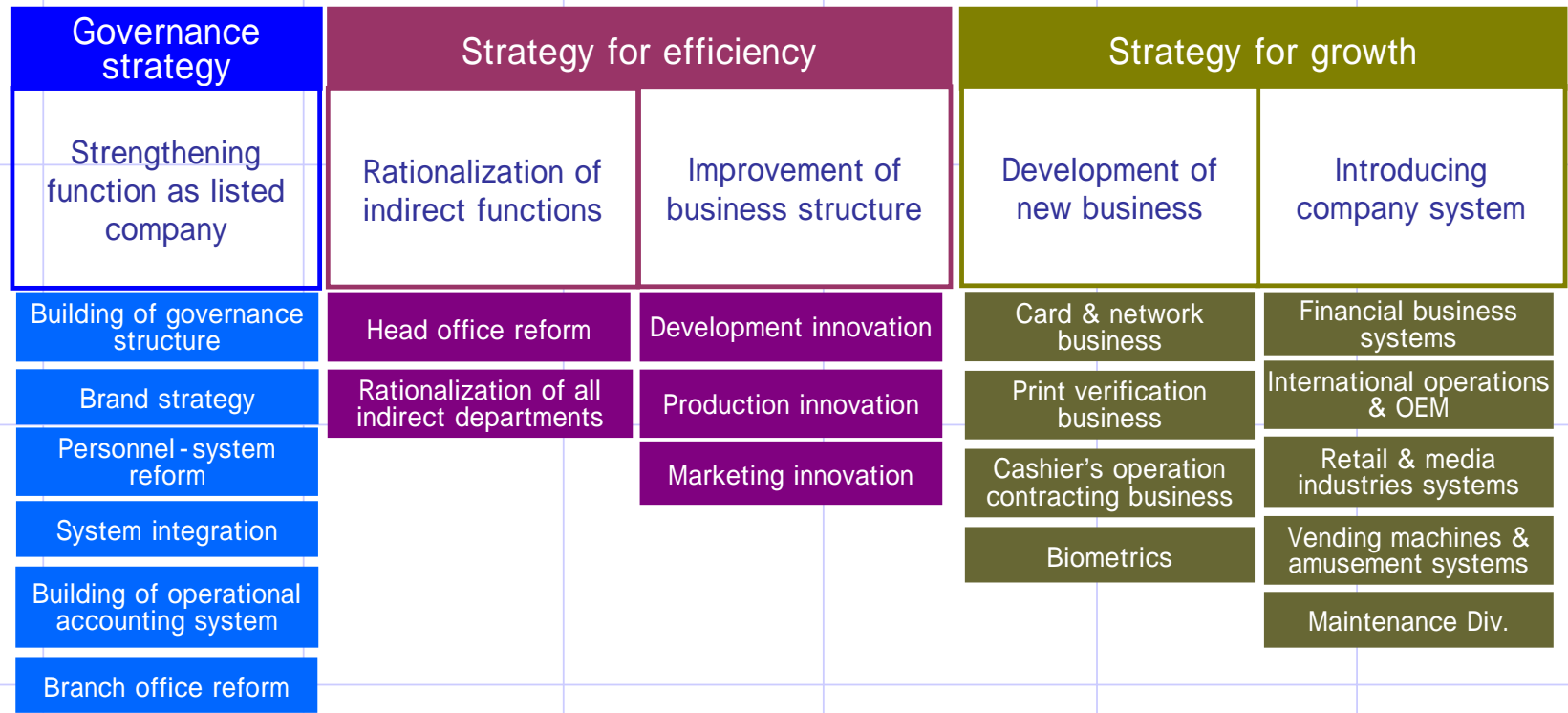
Extraordinary loss : Loss on revaluation of investments in securities

Loss on disposal of fixed asset such as equipment items, etc.

3

Progress of medium-term management plan

Outline of medium-term management plan




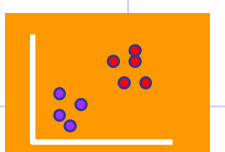



Improvement of corporate - value by integration
“Realization of effect of merger”

Governance strategy



Governance strategy Strengthening function as listed company

<p>Building of governance structure</p>	<ul style="list-style-type: none"> · Separating and strengthening of management supervisory function and operating function · Constructing risk management structure 	
<p>Brand strategy</p>	<ul style="list-style-type: none"> · Carrying out measures for corporate logo to become wide-spread within company and outside 	
<p>Personnel-system reform</p>	<ul style="list-style-type: none"> · Completing detail design · Getting ready to change to new system 	
<p>System integration</p>	<ul style="list-style-type: none"> · Integrated 13 systems · Making a start of detail design (2 systems started operating in FY2007) 	
<p>Building of operational accounting system</p>	<ul style="list-style-type: none"> · Completed basic design · Making a start of detail design 	

Strategy for efficiency



Strategy for efficiency Improvement of business structure

Development innovation

·Increasing efficiency in product development by rising quality threefold and reducing cost by 30%

	Objective	FY2007	FY2008 (Objective)
Shorten the development period	- 30%	- 27%	- 28%
Reduction of development cost	- 30%	- 38%	- 39%
Reduction of research cost	- 50%	- 52%	- 54%

Production innovation

·Promoting the activities for cost reduction
 [Main measures]
 Increasing of overseas manufacturing and procurement
 Integrated purchasing
 Improving manufacturing efficiency

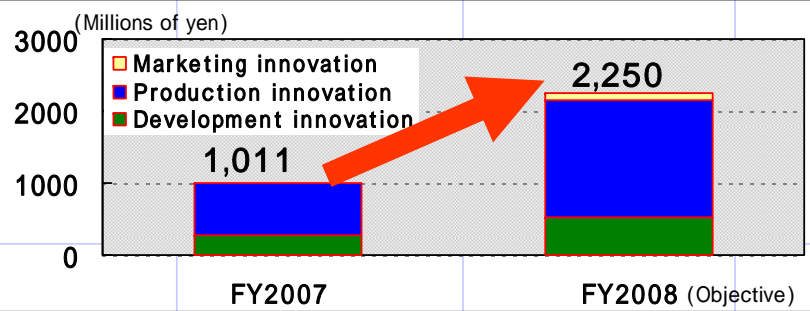


GLORY Denshi Kogyo(Suzhou)Ltd. Second factory

Amount of cost reduced	FY2007		FY2008
	Objective	Results	Objective
	450 million yen	730 million yen	1,630 million yen

Objective of overseas manufacturing and procurement ratio for FY2008:more than 10%

Improvement of business structure
 Change of cost reduction effect





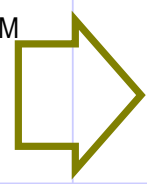
Strategy for growth

Introducing company system / Development of new business

Introducing company system

Speeding up business management by company system

- Financial business systems
- International operations & OEM
- Retail & media industries systems
- Vending machines & amusement systems
- Maintenance Div.



- **Strengthening foundation of foreign business**
 《Foreign sales ratio》
 FY2006 : About 17% FY2008 (estimated) : About 24%
- **Approach for domestic large-scale demand**
 Approach to demand for privatization of postal business



Development of new business

1 . Biometrics

- 1) New style door (Due to begin in May, 2008)
- 2) Face recognition system (Due to begin in June, 2008)

2 . Card & network business

FY2006 : About 200 million yen
 FY2008 (estimated) : About 500 million yen

3 . Cashier's operation contracting business

Expanding business in 9 shopping malls.

3 . Print verification business



- Adopted by first user
- Constructing sales structure



4 Business forecast for FY2008

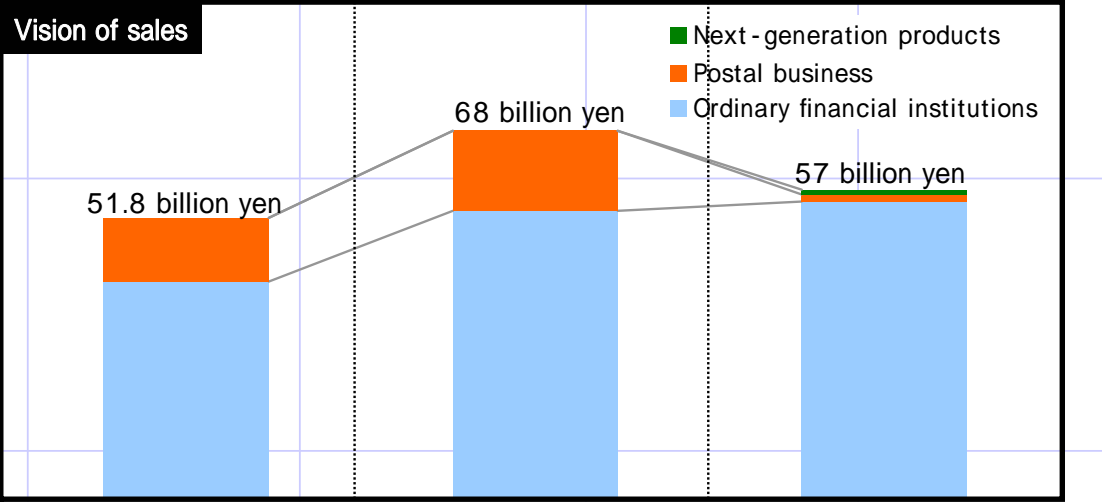


Increasing our market share due to expansion of business opportunity

Strategy	FY2006	FY2007	FY2008 (estimated)
1 . Promoting sales for Japan Post Expanding sales of banknote / coin depositing and dispensing machines Expanding installation of open teller systems	 RB series	【Completed installation at the end of Aug., 2007】 { RB series (approx. 10,000) { WAVE series (approx. 400) { Other	Constructing structure of proposal sales
2 . Expanding sales of open teller systems Improvement of product lineup and function	Installed base of WAVE  WAVE series <approx. 1,200>	<approx. 2,000> (including postal business)	<approx. 1,600> Due to renew lineup
3 . Other Expanding sales of Document processing devices Expansion of next-generation products	Sales of Document processing systems <2.5 billion yen>	<3 billion yen>	<4 billion yen> Sequential new products release

Market environment

- Continuing investment under reduction in human error in cash handling services
- Increasing system coalition
- Increasing business merger in local bank
- Approach for business relevant privatization of postal business

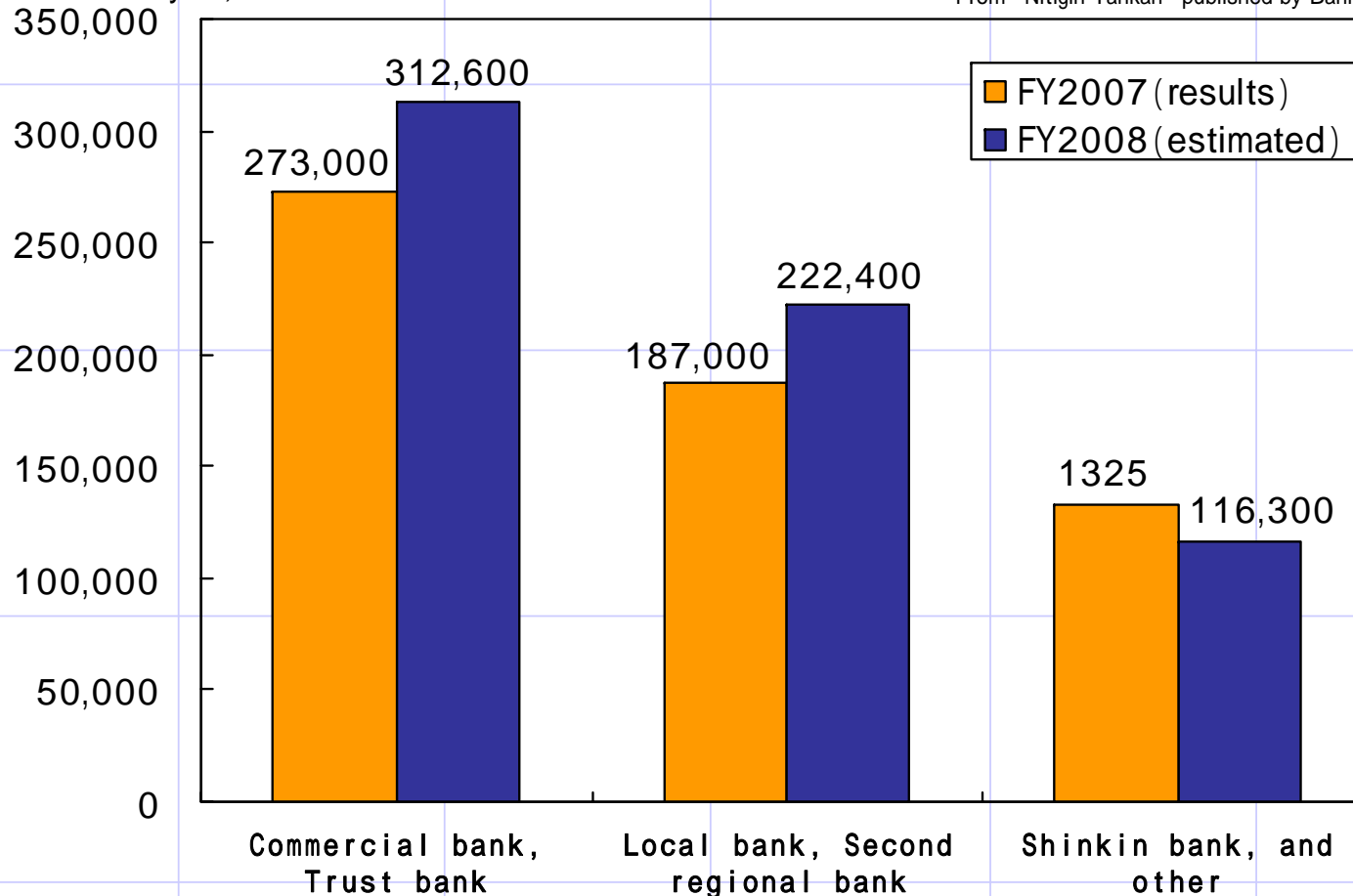




Amount of capital investment for FY2008 of financial institutions (Comparison with previous fiscal year)




(Millions of yen)

From "Nitigin Tankan" published by Bank of Japan



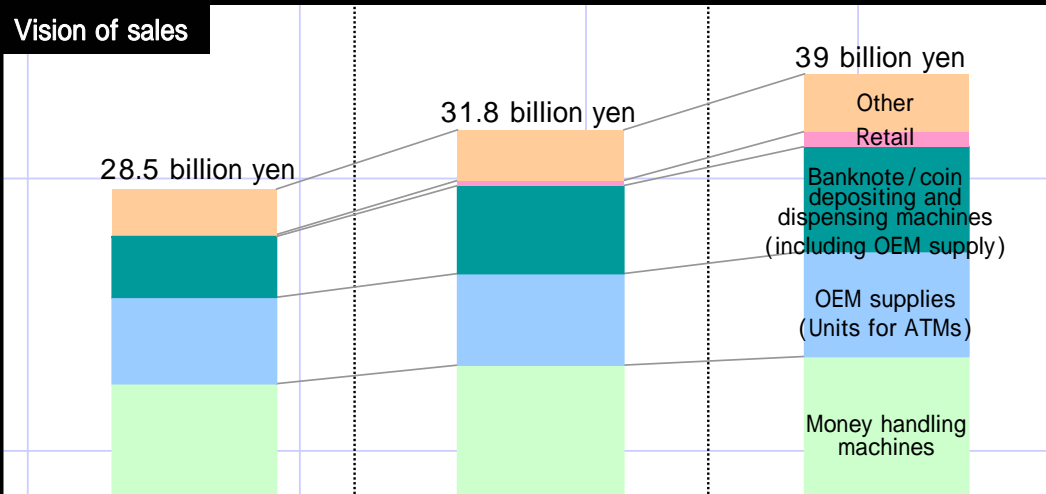


Market development and sales promotion

Strategy	FY2006	FY2007	FY2008 (estimated)
Strengthening our sales structure in Europe Improvement of direct marketing structure	Auto cashiers Set up the Austria office	<Approach for large-scale demand in Spain and Italy> Set up the UK office	Manufacturing in Reiss Development new market Set up the France office
Expanding sales of ATM units Improvement of empower price competitiveness	Installed base of UD series <approx. 8,500> → <approx. 11,000> → <approx. 14,000>		
Promoting sales for BRICs market Improvement of product lineup	 Banknote reader counter for Brazil GFR series	 Banknote sorting machines for Russia UW series	
Other Expanding sales of retail-market products	Put new products	Expansion of RZ series	



Market environment

- 1 . Growing needs for counterfeit detection due to increasing counterfeit banknotes and a spate of issue of new banknotes in the world
- 2 . Growing needs for machines which have a function of fitness sorting of banknotes due to increasing movement of detection of unfit banknotes
- 3 . Increasing purchasing power of newly developing countries including BRICs
- 4 . Growing needs for accurate affairs and efficiency





Promoting sales for cash-around market and security service market

Strategy	FY2006	FY2007	FY2008 (estimated)
Promoting sales for cash-around market Expanding sales of cash recycler for cashiers  Provision of units for self-cash registers	Put Highly-functional type into major supermarkets and specialty shops Provision of units for domestic manufactures	Development new products Rack up large user	Due to new products release Approach for self-cash register
Promoting sales for security market Response to growing needs of collection of cash by security company 		Strengthening sales to security companies	Due to new products release

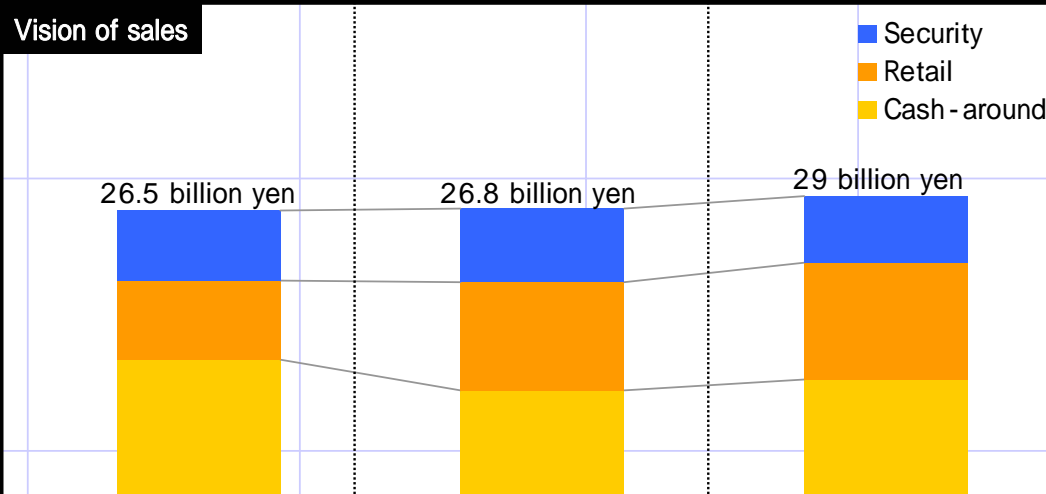
Market environment

1.Sales of Cash recyclers

- Expansion of demand for cash recyclers for cashiers in the business category whose daily sales per store are low.
- Increasing demand for self-cash register

2.Security market


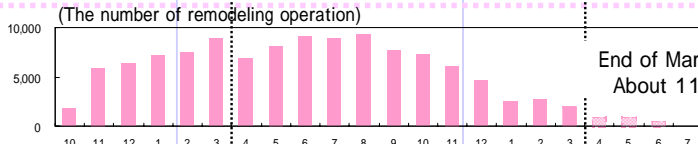
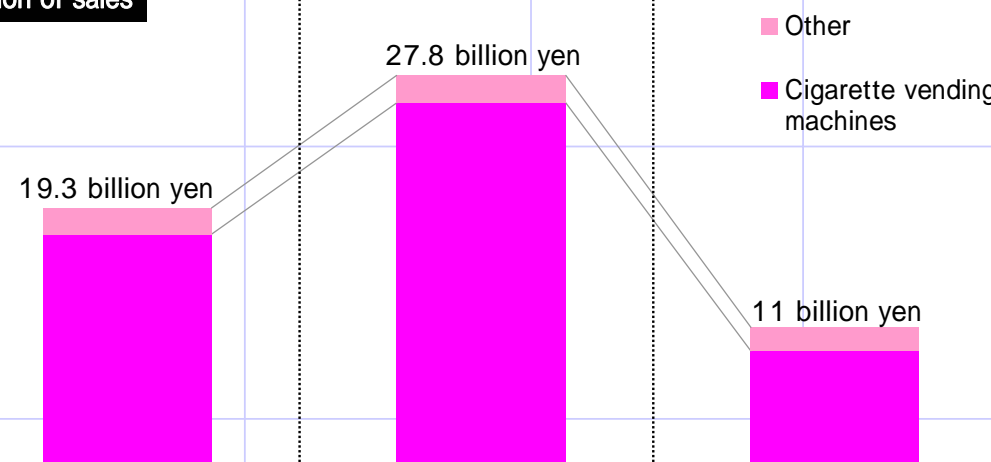
- Fiercer competition between security companies
- Increasing demand for products related to security companies caused by installation of automatic deposit machines



Vending machine market



Accomplish remodeling activities for cigarette vending machines equipped with an adult identification function

Strategy	FY2006	FY2007	FY2008 (estimated)
<p>Accomplish remodeling activities for cigarette vending machines equipped with an adult identification function</p> <p>Demand for replacement</p> <p>Remodeling</p> 	<p>Installed base of cigarette vending machines</p> <p><approx. 22,000> → <approx. 28,000> → <approx. 9,000></p> <p>(The number of remodeling operation)</p> 		
<p>Installation schedule</p>	<p>In Miyazaki, Kagoshima ··· March, 2008 (Pilot area)</p> <p>In Hokkaido, Tohoku, Chugoku, Shikoku, Kyusyu regions ··· May, 2008 ~ (1st area)</p> <p>In Joshinetsu, Hokuriku, Tokai, Chubu, Kinki regions ··· June, 2008 ~ (2nd area)</p> <p>In Kanto region and Okinawa (Expand through Japan) ··· July, 2008 ~ (3rd area)</p>		
<p>Market environment</p> <p>[Market forecast after remodeling activities]</p> <ul style="list-style-type: none"> · Decrease of smoking population · Setting cigarette vending machines in manager's view · Increasing cigarette sales in convenience store <p>[Installed base: approx. 520,000]</p> <p>↓</p> <p>[Expected to decrease after completed]</p>	<p>Vision of sales</p>  <p>19.3 billion yen</p> <p>27.8 billion yen</p> <p>11 billion yen</p> <p>Other</p> <p>Cigarette vending machines</p>		



Expanding sales of card system devices for pachinko parlor

Strategy	FY2006	FY2007	FY2008 (estimated)																
<p>Active sales promotion of card system</p> <p>Promoting sales of card system</p>	<p>Total number of parlors in operation: [11,200 parlors]</p> <p>Our share of card system [10.2%]</p>	<p>Total number of parlors in operation: [10,400 parlors]</p> <p>Our share of card system [10.6%]</p>	<p>Promoting racking up newly-opened major pachinko parlors</p>																
<p>Improvement of lineup of peripheral equipment</p> <p>Improvement of lineup</p>		<p>Development products supported to market trend</p> <p>Began to sell products in new field</p>	<p>Expanding sales structure</p>																
<p>Market environment</p> <p>1 . Number of pachinko parlors decreased by selection among small-scale parlors due to replacement of pachislo machines (about 1,700,000 machines) with new industrial standard machines under regulation revision in amusement market.</p> <p>2 . Investment peripheral equipment is reduced due to concentrated investment in replacement of pachislo machines with new standard machines in pachinko parlors.</p> <p>3 . Demand for card-related devices increased due to coming to replacement time.</p>	<p>Vision of sales</p> <table border="1"> <caption>Vision of sales (billion yen)</caption> <thead> <tr> <th>Year</th> <th>Card-related devices</th> <th>Peripheral equipment</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>FY2006</td> <td>~10.0</td> <td>~16.2</td> <td>26.2</td> </tr> <tr> <td>FY2007</td> <td>~10.0</td> <td>~11.5</td> <td>21.5</td> </tr> <tr> <td>FY2008</td> <td>~10.0</td> <td>~11.0</td> <td>21.0</td> </tr> </tbody> </table>			Year	Card-related devices	Peripheral equipment	Total	FY2006	~10.0	~16.2	26.2	FY2007	~10.0	~11.5	21.5	FY2008	~10.0	~11.0	21.0
Year	Card-related devices	Peripheral equipment	Total																
FY2006	~10.0	~16.2	26.2																
FY2007	~10.0	~11.5	21.5																
FY2008	~10.0	~11.0	21.0																



Developing new business

Security

[Products coming after May, 2008]



Face recognition system



New Style Door (Unit supply)



Gate - robot

New concept machine

The gate keeps someone from tailgating and using a false identity.

Fee - based business



Cashier's operation contracting business

- Operating in 9 shopping malls (increased 3 branches from the previous fiscal year)



Card & network business

- Proposing solutions to various fields
- Electronic settlement
 - Support of securities business

Print verification business



- Strengthening product lineup
- Accumulating know-how
- Constructing sales structure

Business forecast for FY2008



Sales

Sales decreased from the previous fiscal year due to dropping off the demand caused by privatization of postal business and large-scale demand of cigarette vending machines.

Profit

Profits decreased due to increasing sales cost ratio and SG&A ratio.

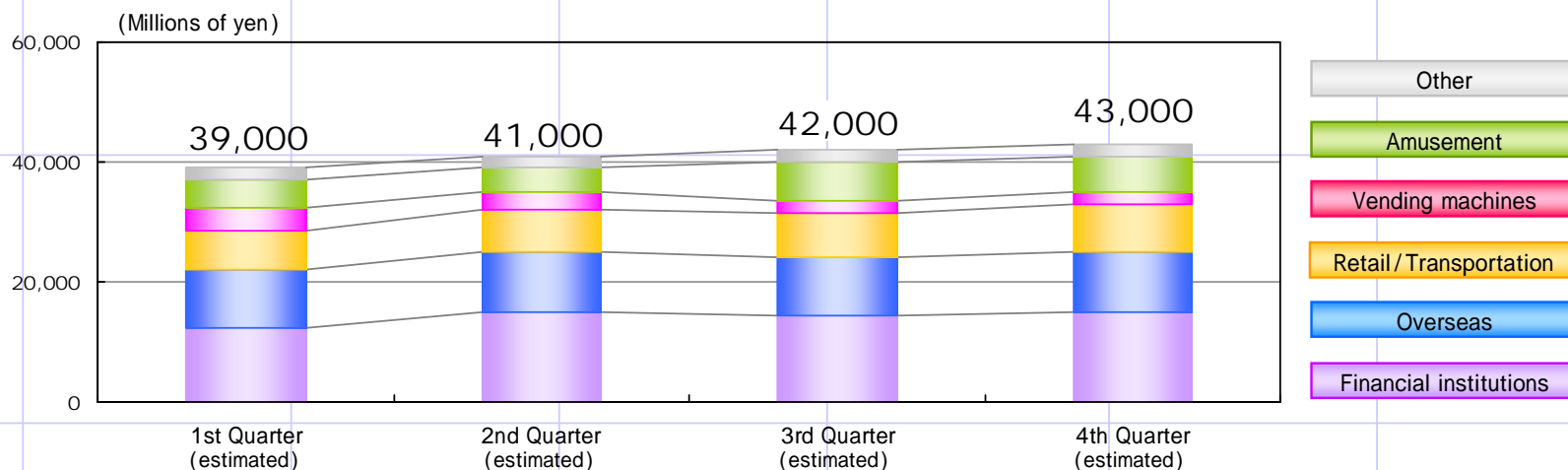
(Millions of yen)	FY2007	FY2008	Comparison with previous fiscal year
Net sales	185,181	165,000	- 10.9%
Operating profit	22,826 (12.3%)	15,000 (9.0%)	- 34.3%
Ordinary profit	21,582 (11.7%)	15,000 (9.0%)	- 30.5%
Net income	11,711 (6.3%)	10,000 (6.1%)	- 14.6%

Projected sales by market



(Millions of yen)	FY2007		FY2008		
	Net sales	Sales composition ratio	Net sales	Sales composition ratio	Comparison with previous fiscal year
Financial institutions	68,030	36.7%	57,000	34.5%	-16.2%
Overseas	31,784	17.2%	39,000	23.6%	+22.7%
Retail/ Transportation	26,838	14.5%	29,000	17.6%	+8.1%
Vending machines	27,882	15.1%	11,000	6.7%	-60.5%
Amusement	21,558	11.6%	21,000	12.7%	- 2.6%
Other	9,089	4.9%	8,000	4.8%	-12.0%

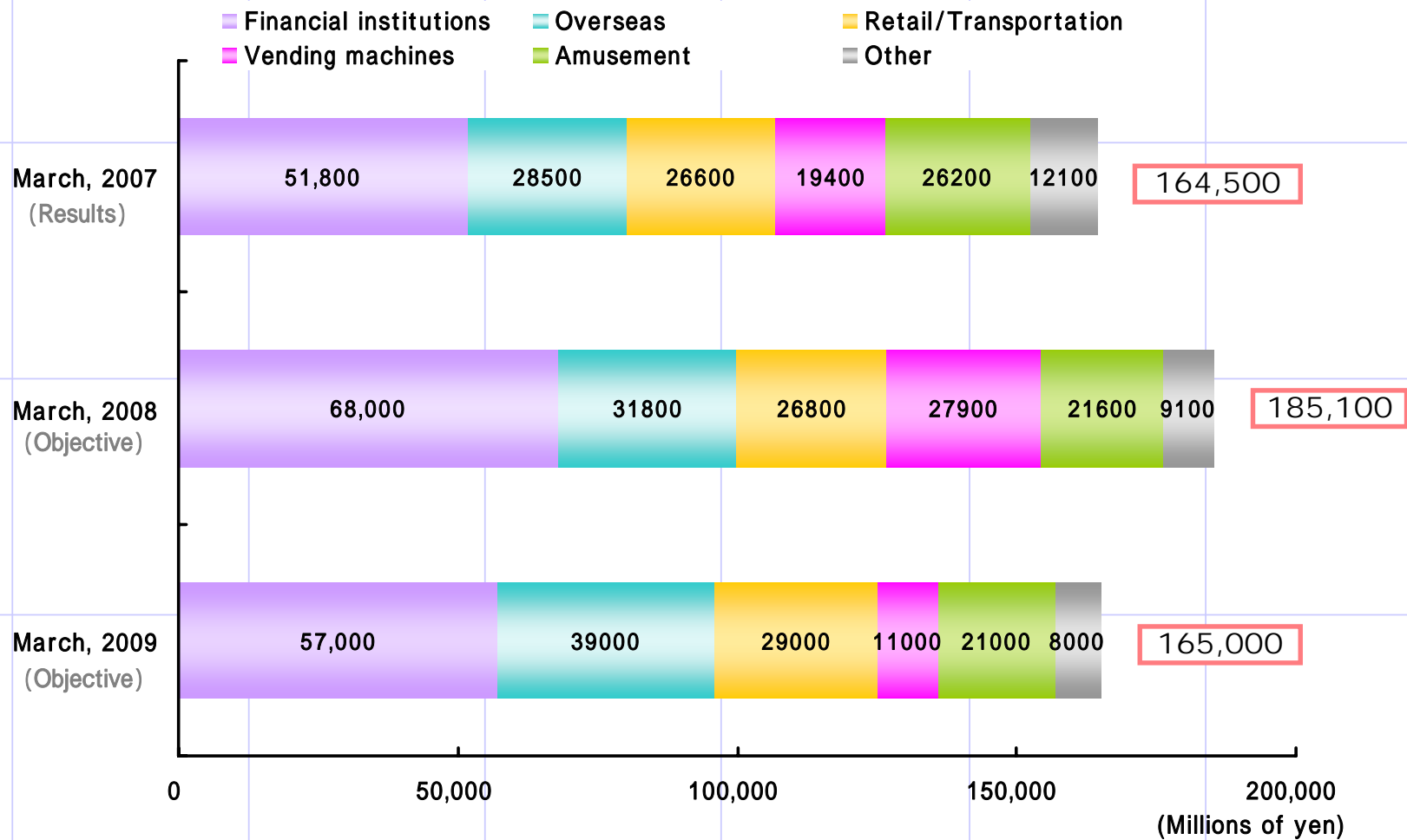
Projected quarterly sales by market



FY2008	1 st Quarter (estimated)	2 nd Quarter (estimated)	3 rd Quarter (estimated)	4 th Quarter (estimated)	Full year (estimated)
Financial institutions [Domestic]	12,500 (32.0%)	15,000 (36.6%)	14,500 (34.5%)	15,000 (34.9%)	57,000 (34.6%)
[Overseas]	9,500 (24.4%)	10,000 (24.4%)	9,500 (22.6%)	10,000 (23.2%)	39,000 (23.6%)
Financial institutions [Total]	22,000 (56.4%)	25,000 (61.0%)	24,000 (57.1%)	25,000 (58.1%)	96,000 (58.2%)
Retail/Transportations	6,500 (16.7%)	7,000 (17.1%)	7,500 (17.8%)	8,000 (18.6%)	29,000 (17.6%)
Vending machines	4,000 (10.3%)	3,000 (7.3%)	2,000 (4.8%)	2,000 (4.7%)	11,000 (6.7%)
Amusement	4,500 (11.5%)	4,000 (9.7%)	6,500 (15.5%)	6,000 (13.9%)	21,000 (12.7%)
Other	2,000 (5.1%)	2,000 (4.9%)	2,000 (4.8%)	2,000 (4.7%)	8,000 (4.8%)
Total	39,000	41,000	42,000	43,000	165,000

() indicates sales composition ratio.

Change of sales by market



5 Other information

Repurchase of shares

Objective : In order to implement flexible capital policies and to return to shareholders

	1st repurchase	2 nd repurchase
1 . Details		
1) Period to repurchase	May 18, 2007 through August 16, 2007	February 7, 2008 through March 18, 2008
2) Type of shares to be repurchased	Common stocks	Common stocks
3) Total number of shares to be repurchased	About 1,398,000 shares (1.88% of number of shares issued and outstanding)	About 1,054,300 shares (1.44% of number of shares issued and outstanding)
4) Total purchase price of shares	About 3,995 million yen	About 2,653 million yen
2 . Cancellation of shares		
2) Number of shares for cancellation	About 1,398,000 shares (1.88% of number of shares issued and outstanding)	-
3) Date of cancellation	November 9, 2007	-
4) Total number of shares issued and outstanding after cancellation	72,838,210株	-

Revision of projected dividends

Revision of projected dividends for FY2007

Our dividend policy

We return profits by taking into account the change in the consolidated operational results and other factors in addition to ordinary annual dividends of ¥28 per share on the basis of equity capital.

Change some parts of our dividend policy

Our dividend policy

We return profits by taking into account the change in the consolidated operational results and other factors (about 25% of consolidated net income) in addition to ordinary annual dividends of ¥30 per share on the basis of equity capital.

Dividend per shares

	Interim	Year - end	Annual
FY2007	¥ 1 4	¥ 2 6	¥ 4 0
	Ordinary dividend ¥ 1 4	Ordinary dividend ¥ 1 4 Extraordinary dividend ¥ 1 2	Ordinary dividend ¥ 2 8 Extraordinary dividend ¥ 1 2
Forecast for FY2008	¥ 1 5	-	-