

Consolidated financial results

for the fiscal year ended March 31, 2006

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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 compared with previous year

Net sales

Decreased significantly from the previous fiscal year under the influence of flagging demand due to the negative effect of special demand related to issue of new banknotes.

Profit

Decreased significantly due to the decline in sales cost ratio with decreasing net sales.

(Millions of yen)	FY2004	FY2005	Comparison with previous fiscal year	Forecast for FY2005 (revised in May 10, 2006)
Net sales	188,881	141,231	- 25.2%	141,000
Operating profit	32,554	5,453	- 83.2%	6,000
Ordinary profit	32,267	6,132	- 81.0%	6,100
Net income	19,306	740	- 96.2%	700

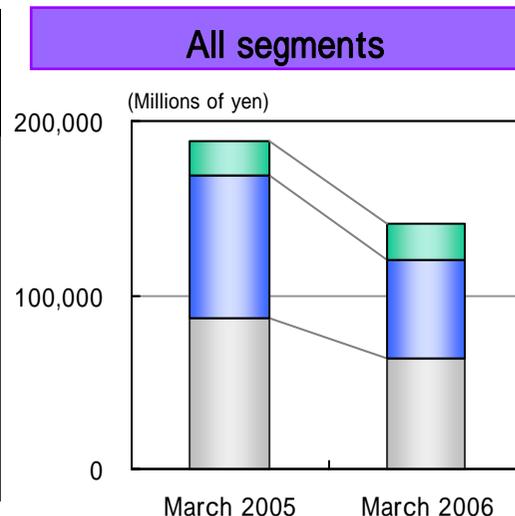
【Comparison with previous fiscal year】

- ・Sales cost -17.6%
- ・SG&A -0.9%

2 - 1) Net sales by segments / by markets

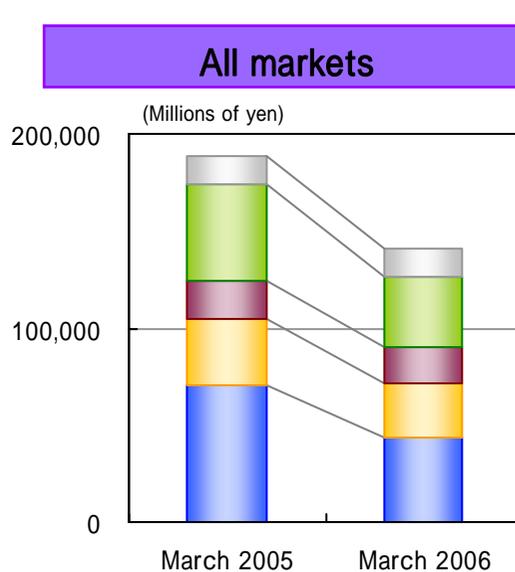
(Millions of yen)

By segments	FY2004	FY2005	Comparison with previous fiscal year
 Money handling machines & Cash management systems	87,108	63,567	- 27.0%
 Vending machines & Automatic service equipment	81,153	57,052	- 29.7%
 Other goods and products	20,619	20,610	- 0.04%



(Millions of yen)

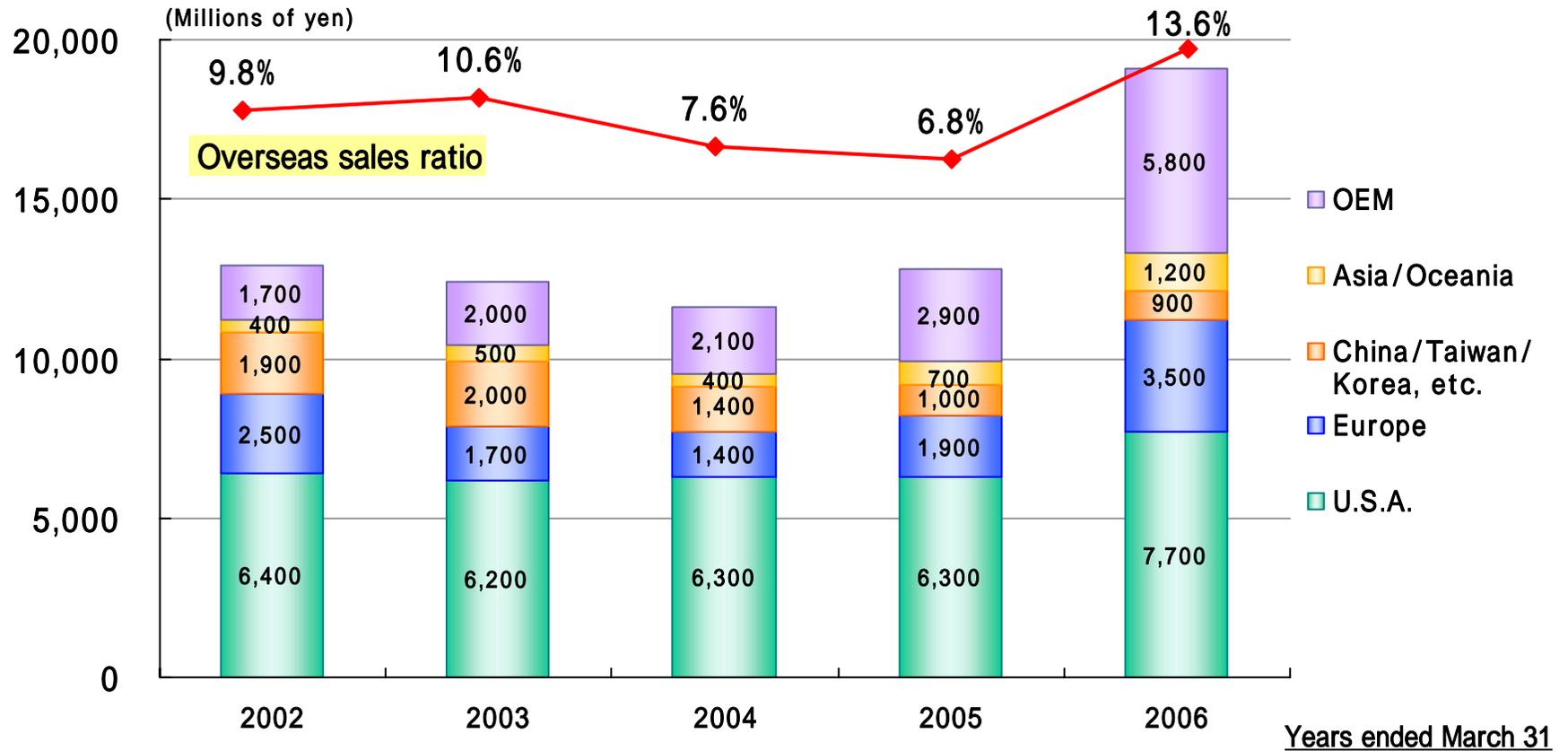
By markets	FY2004	FY2005	Comparison with previous fiscal year
 Financial institutions	70,620	43,746	- 38.1%
 Distribution/ Transportation	34,087	27,818	- 18.4%
 Vending machines	19,825	18,730	- 5.5%
 Amusement game	49,438	35,986	- 27.2%
 Others	14,911	14,951	+ 0.2%





2 . Details of performance

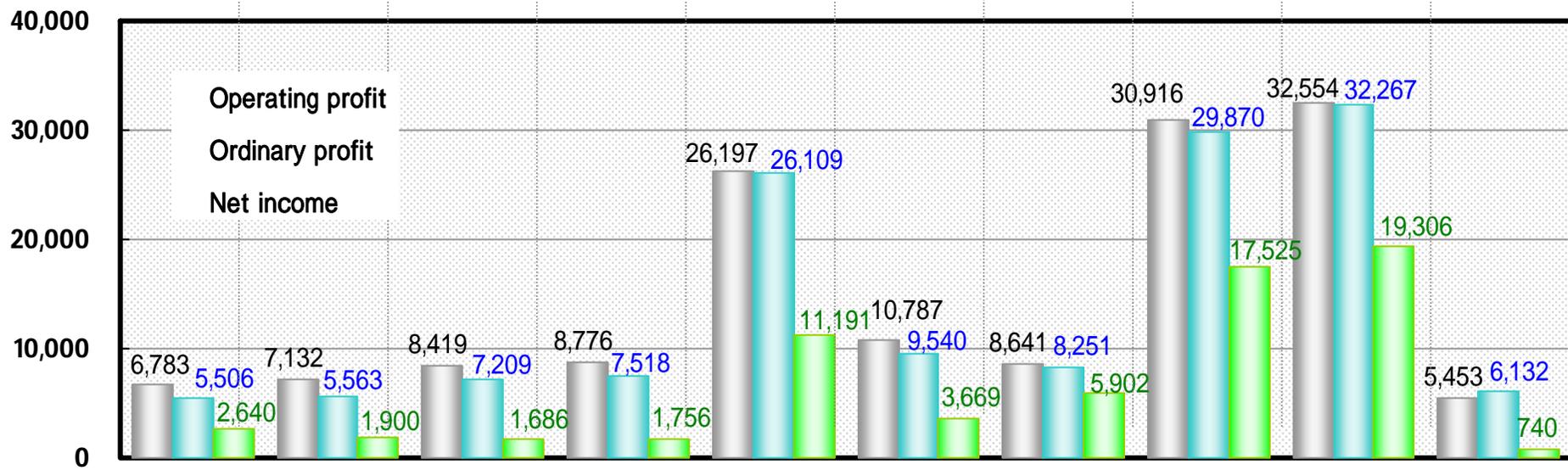
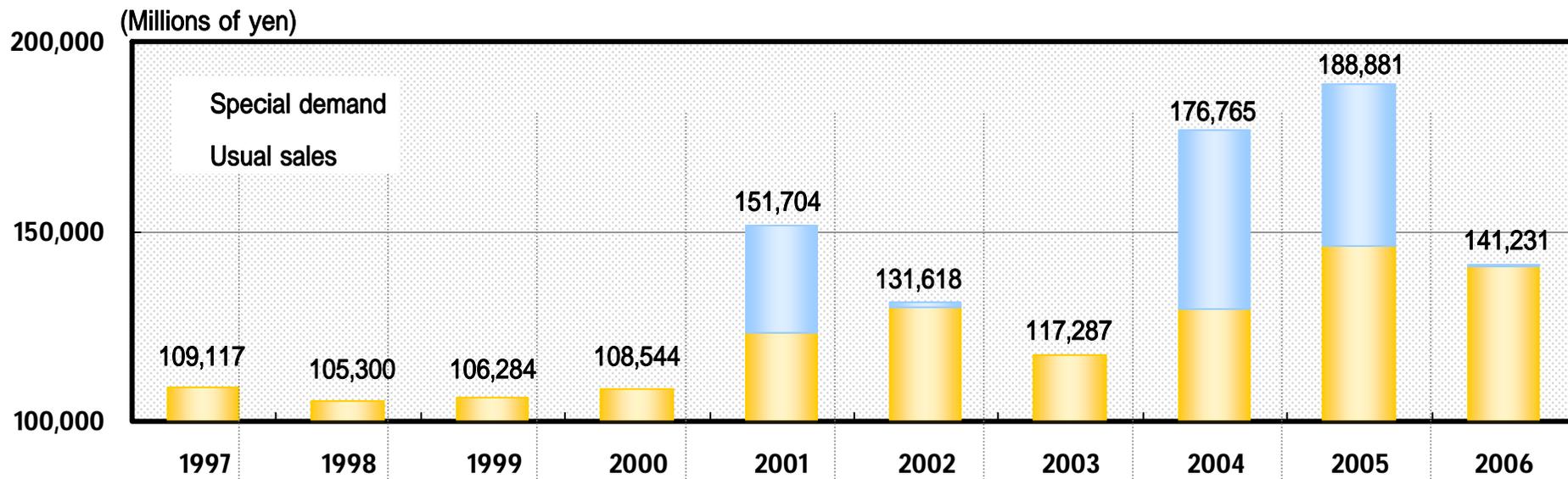
2 - 2) Overseas sales



(Millions of yen)	2002	2003	2004	2005	2006
Overseas sales	12,900	12,400	11,600	12,800	19,100
Overseas sales ratio	9.8%	10.6%	6.6%	6.8%	13.6%
Consolidated net sales	131,600	117,300	176,800	188,800	141,200



3 - 1) Change of results



Years ended March 31



3 - 2) Financial institution market

Negative effect of special demand related to issue of new banknotes

In financial institution market, demand decreased significantly due to negative effect of special demand (2003~2004) related to issue of new banknotes.

【 Sales comparison with previous fiscal year 】

- 38.1% (Including special demand)
- 25.6% (Excluding special demand)

Sales of "WAVE series", open teller systems for institutions as our main products, and "RB series", banknote, coin depositing and dispensing machine for tellers, and coin depositing and dispensing units for ATM were low.

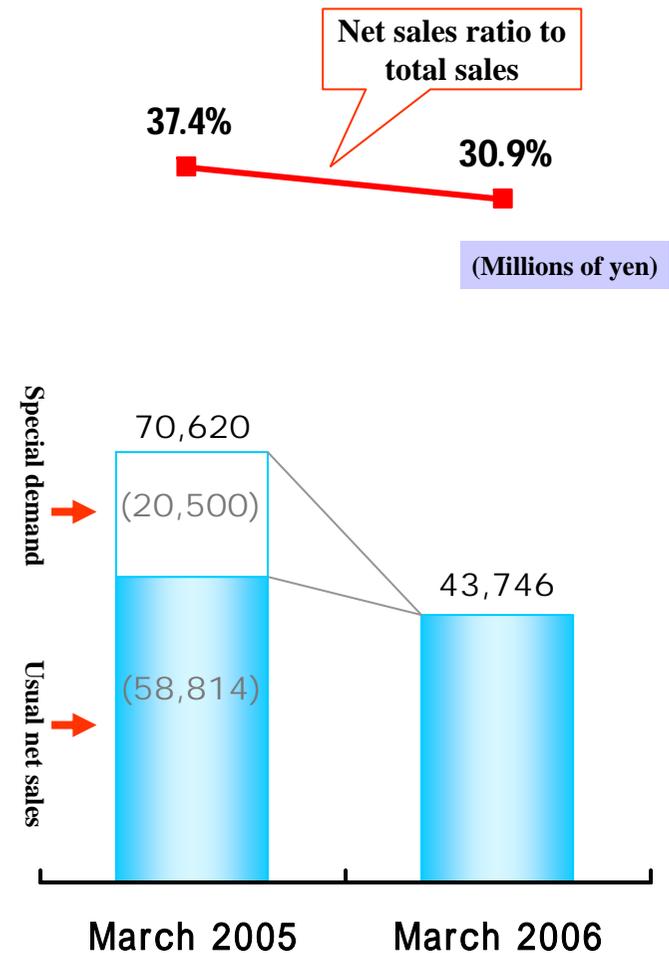


Open teller system for institutions
WAVE series



Banknote, coin depositing and dispensing machine for tellers
RB series

Sales in financial institution market





3 - 3) Overseas market

Expansion of demand for system devices in Europe

As to overseas market, demand for system devices increased in Europe due to growing needs of automation including measures for counterfeit euro banknotes.

[Sales comparison with previous fiscal year] + 49.5%

Banknote depositing and dispensing machines, “RBU series” and “RZ series” expanded its sales. In addition, sales of “UD series” (OEM products), banknote depositing units for ATM, increased.



Banknote depositing and dispensing machine RBU series



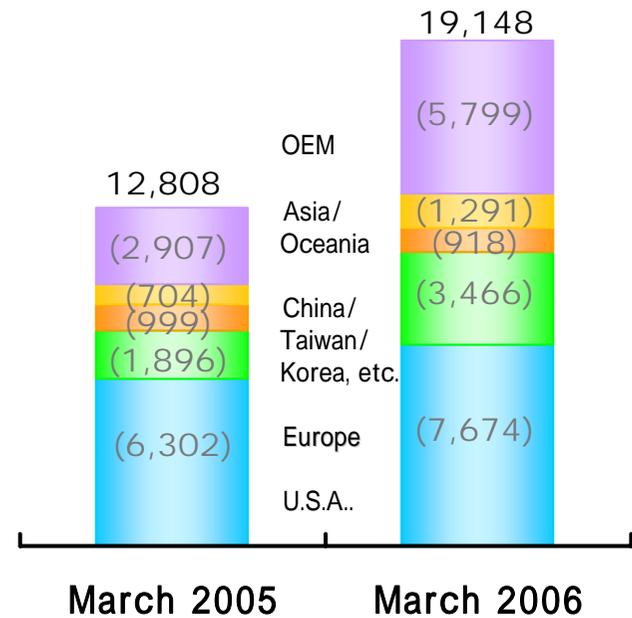
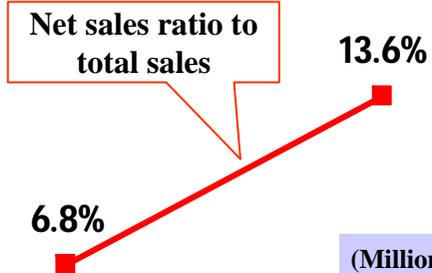
Banknote depositing and dispensing machine RZ series



Banknote depositing unit for ATM UD series

Overseas sales are included in sales of financial institution market.

Sales in overseas market





3 - 4) Distribution / Transportation market

Expansion of demand for cash recyclers for cashier

In distribution market, although there was expansion of demand for products around cashers, demand for the whole market was low due to negative effect of special demand related to issue of new banknotes.

【 Sales comparison with previous fiscal year 】

- 18.4% (Including special demand)
- + 8.7% (Excluding special demand)

Sales of cash recyclers for cashiers increased substantially by improvement of products lineup. However, sales of “DSS series”, automatic deposit machines for security service companies, and sales of “DS series”, small-sized cash deposit machines for supermarkets and mass merchandisers, decreased due to negative effect of special demand related to issue of new banknotes.



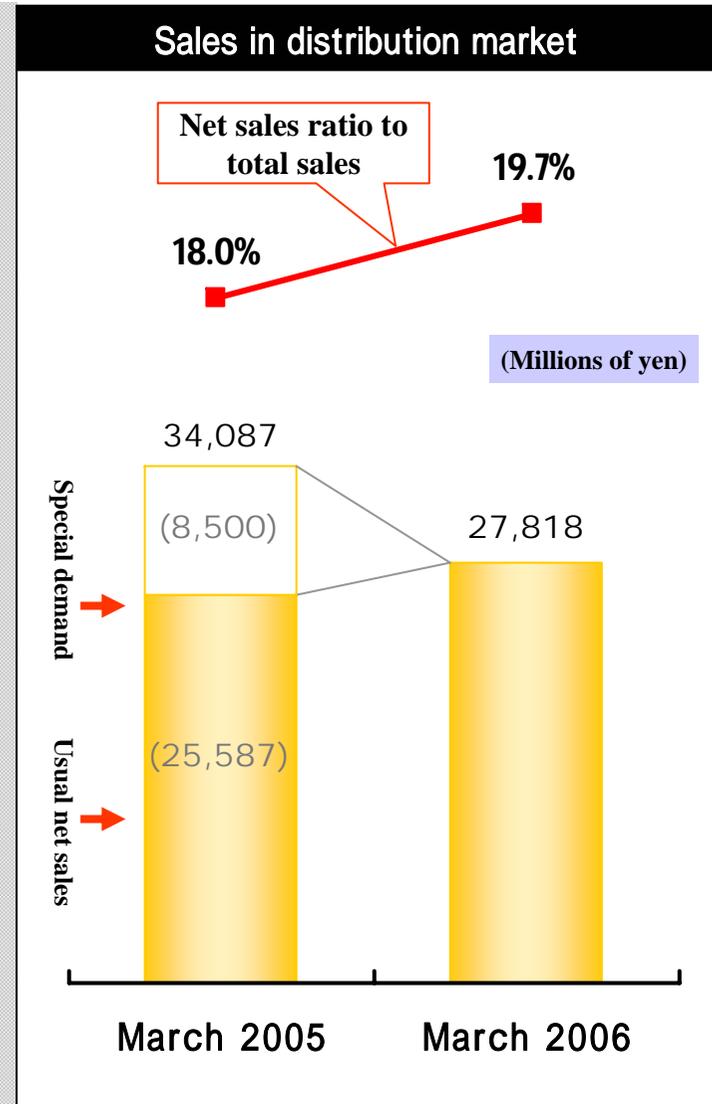
Cash recycler for cashier
RT·RAD series



Automatic deposit machine
DSS series



Small-sized cash deposit machine
DS series



3 - 5) Vending machine market

Expansion of demand for cigarette vending machines to replace

In vending machine market, although the market for cigarette vending machines is saturated, sales of cigarette vending machines increased due to demand for replacement of an old machine with new one and marketing strategies.

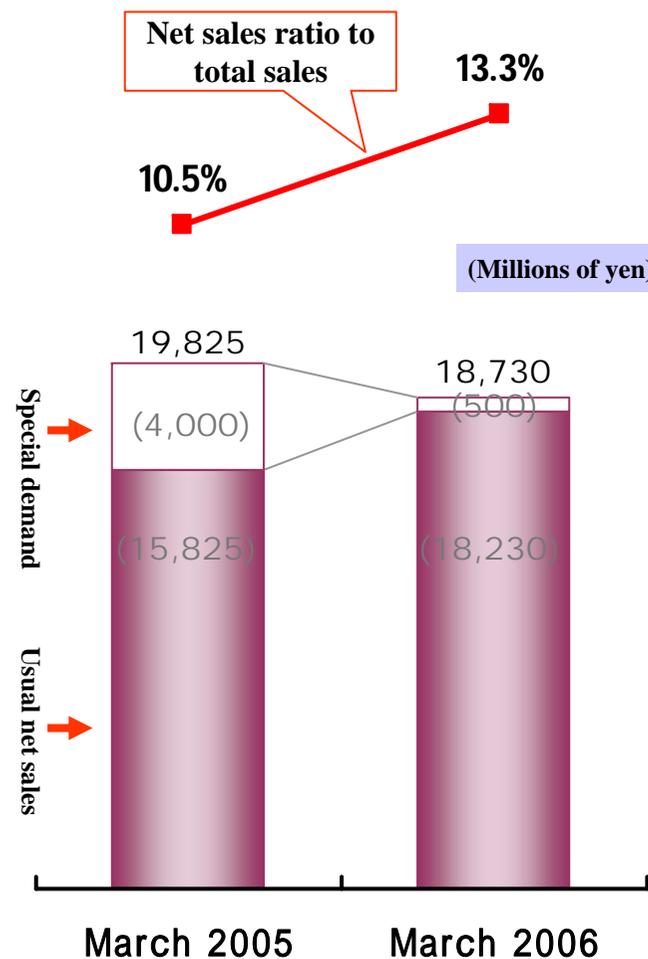
【 Sales comparison with previous fiscal year 】

- + 5.5% (Including special demand)
- + 15.2% (Excluding special demand)



Cigarette vending machine
TNR series

Sales in vending machine market





3 . Business results by markets

3 - 6) Amusement game market

Negative effect of special demand related to issue of new banknotes

In amusement game market, although sales of new line of card systems increased, demand decreased due to negative effect of special demand related to issue of new banknotes as well as industry-wide tendency to postpone investments.

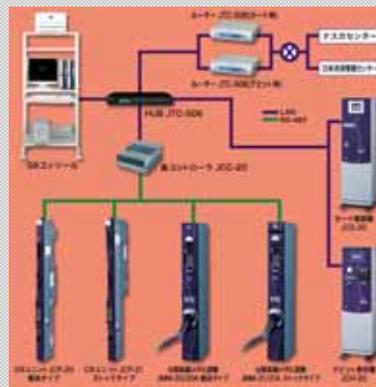
[Sales comparison with previous fiscal year]

- 27.2% (Including special demand)
- 9.9% (Excluding special demand)

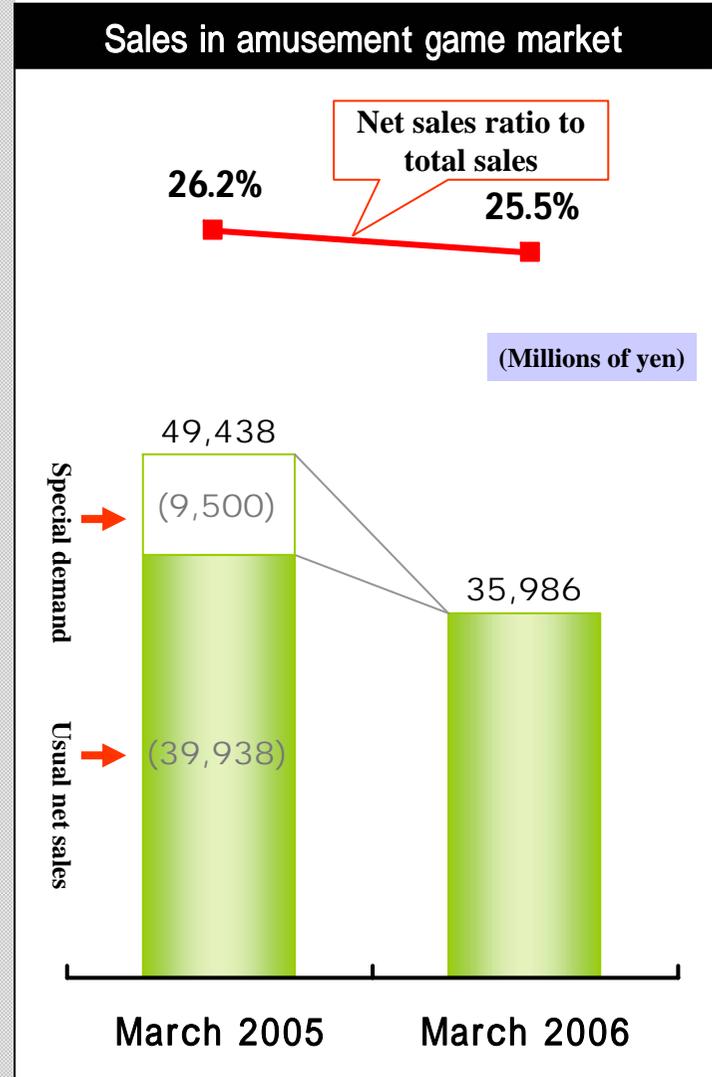
Sales of “NASCA G7” and “G8”, IC card systems complying with large banknotes, remained smoothly.



NASCA G7 system



NASCA G8 system



3 - 7) Other markets

Enjoyed solid sales in the products related to hospital market

In other markets, products related to hospital market enjoyed solid sales.

[Sales comparison with previous fiscal year] + 15.1%

Sales of “FK series”, medical payment terminal for hospitals, increased. We have accepted 120 orders from 40 hospitals.



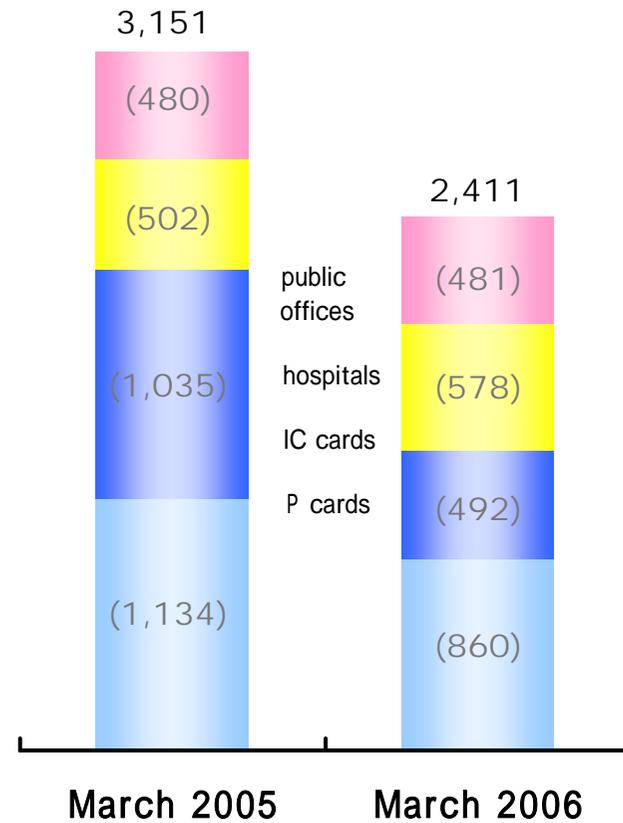
**Medical payment terminal
FK series**

”Other markets” means

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

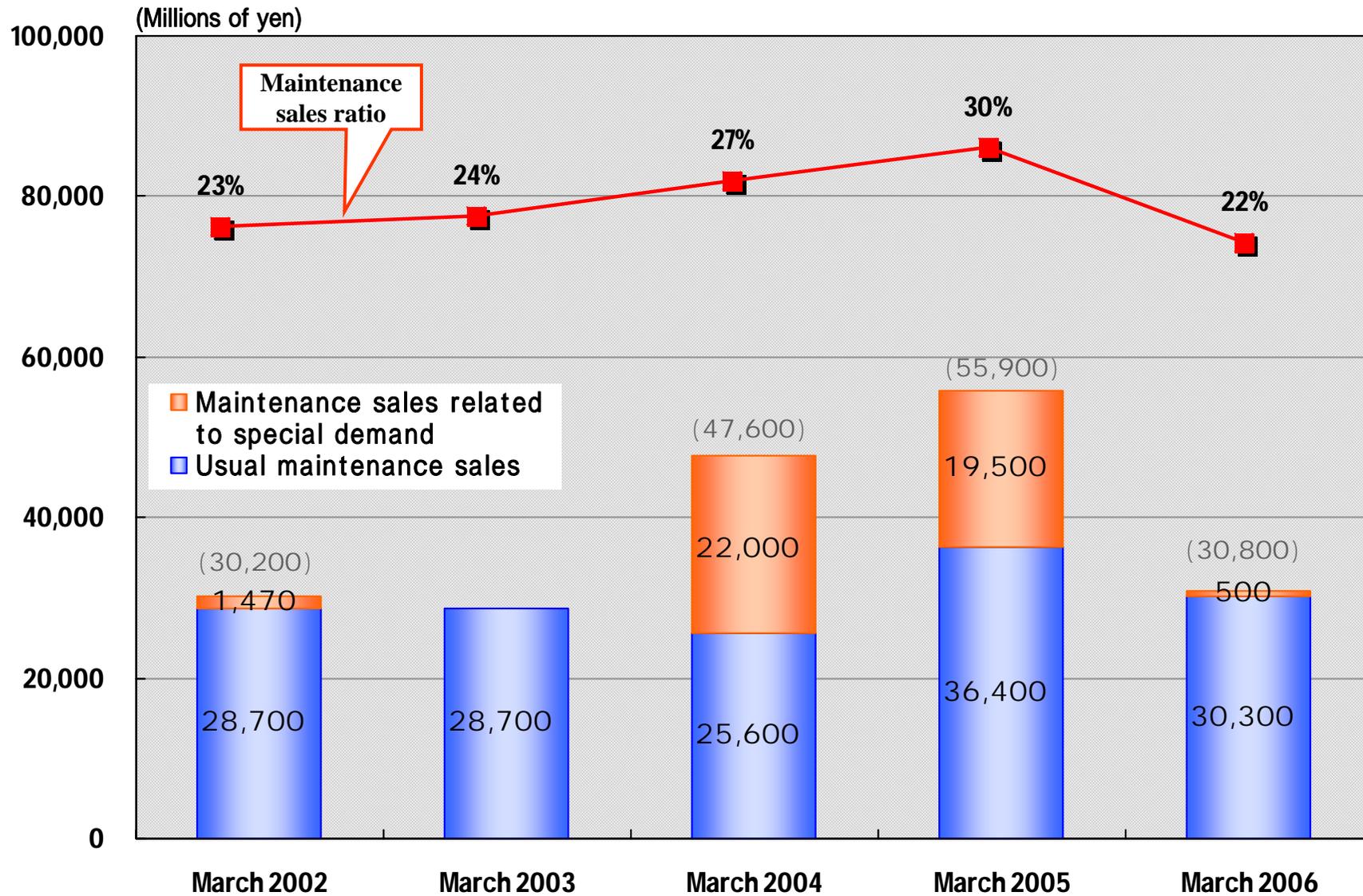
Net sales in other markets (Main markets)

(Millions of yen)





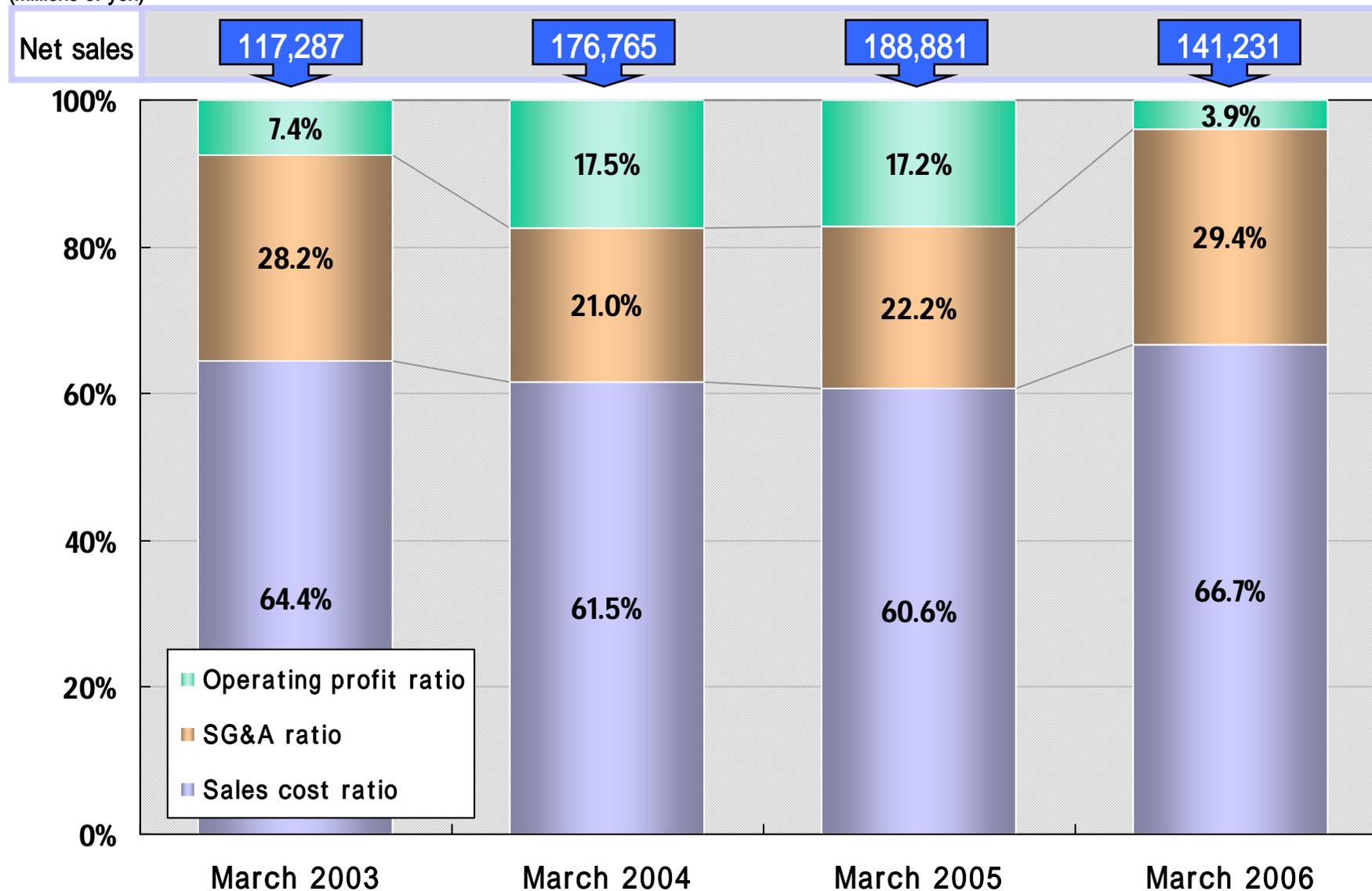
3 - 8) Maintenance sales trends





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

(Millions of yen)

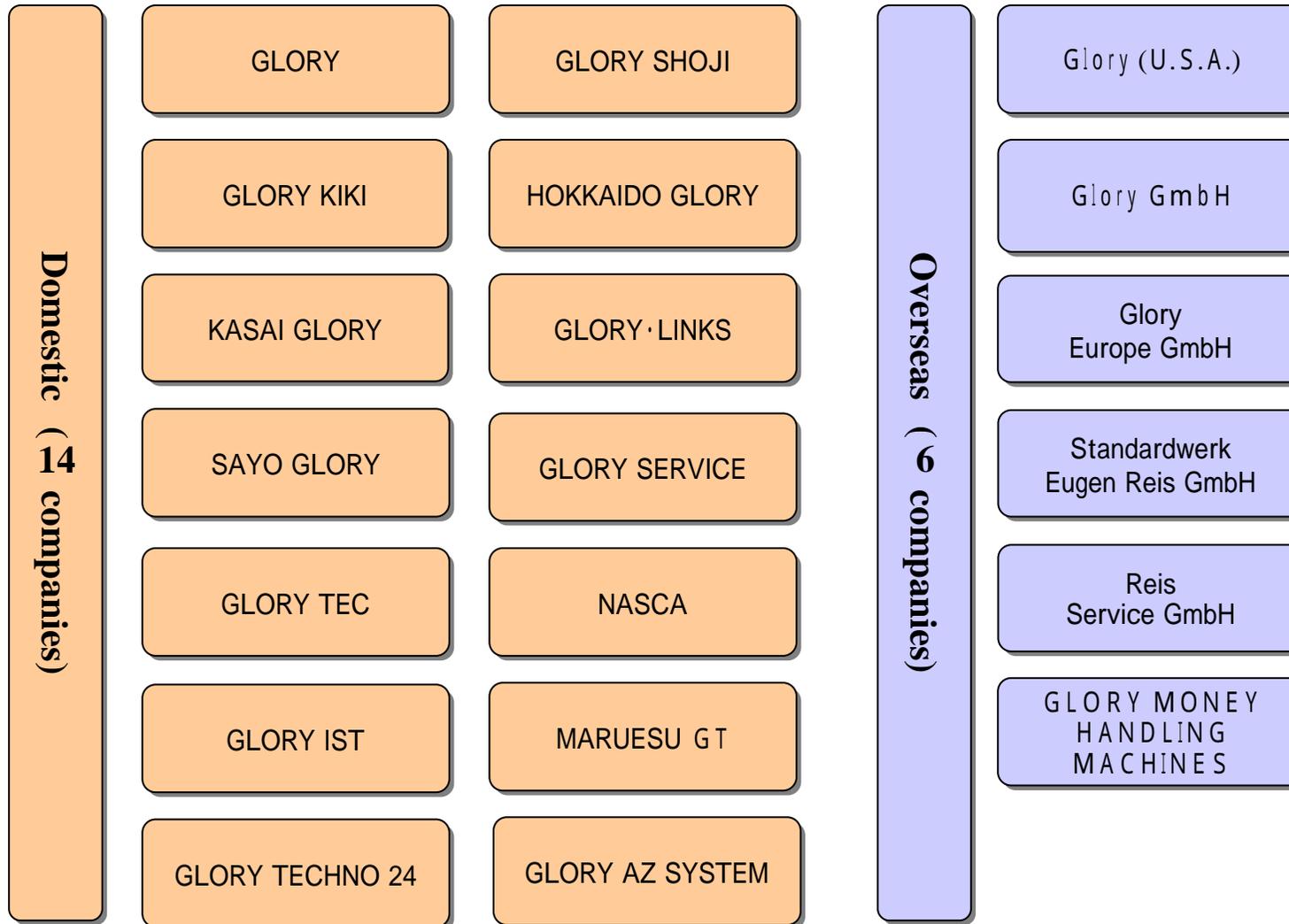


4 - 1) Addition of consolidated subsidiaries

GLORY AZ SYSTEM CO., LTD.	Name	MARUESU GT CO., LTD.
Nishinomiya City, Hyogo, Japan	Head Office Address	Neyagawa City, Osaka, Japan
¥50,000,000	Capital	¥10,000,000
93	Number of employees	28
<p>Development and manufacturing various system devices</p>   <p>Key management system Money rate board</p>	Outline of operations	<p>Cigarette-related business</p> <ul style="list-style-type: none"> ・ Sale of cigarettes ・ Management of cigarette vending machines
¥2,600 million	Net sales (FY2005)	¥2,500 million



4 - 2) Consolidated subsidiaries 20 companies



4 - 3) Business forecast

Net sales

Increased from the previous fiscal year due to the increasing demand in financial institution market and cigarette vending machine market.

Profit

Profit ratio increased due to the improvement of sales cost ratio and SG&A ratio.

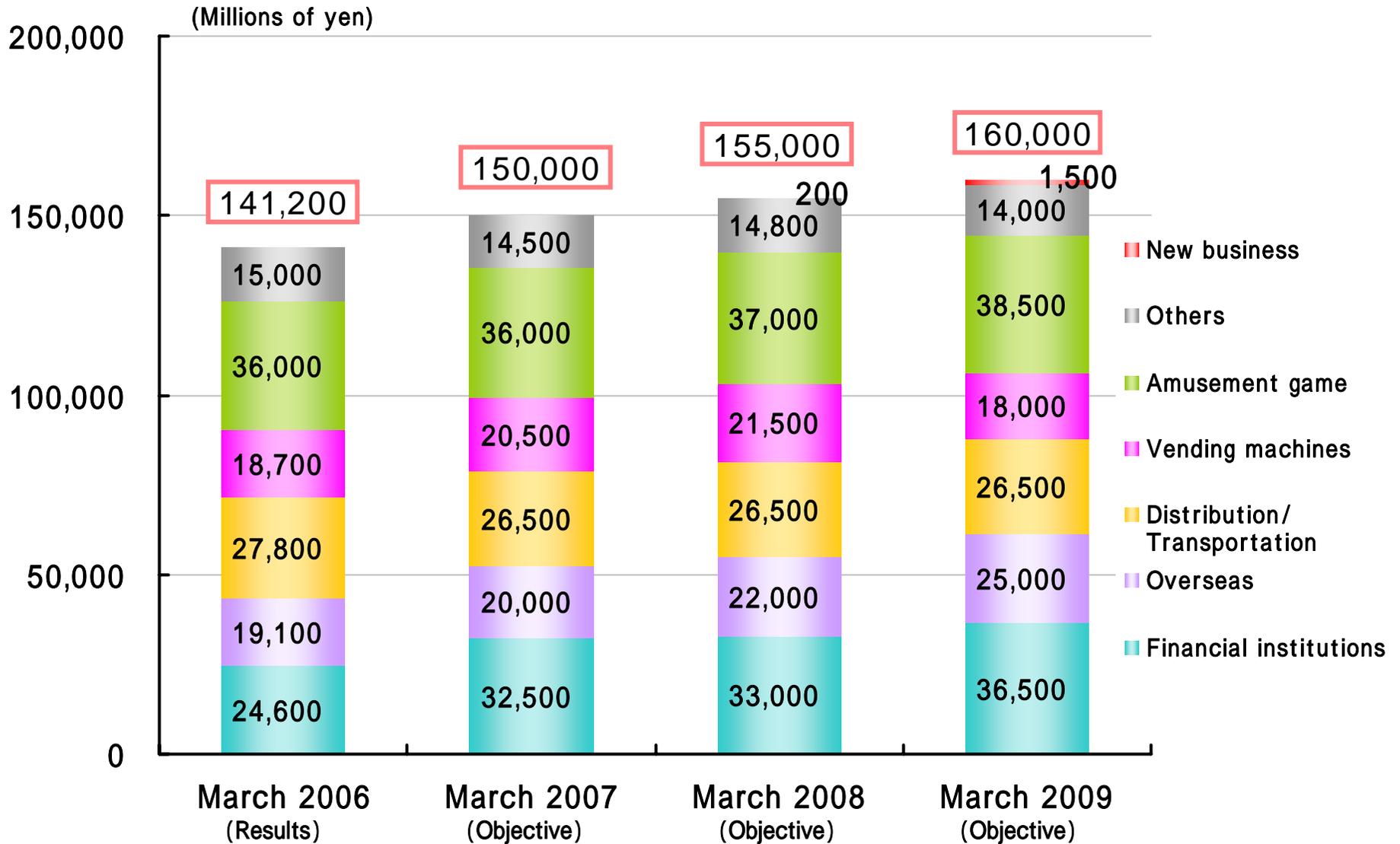
(Millions of yen)	FY2005	FY2006		
		Forecast announced on May 18, 2006	Comparison with previous fiscal year	Forecast announced on March 10, 2006
Net sales	141,231	150,000	+ 6.2%	145,000
Operating profit	5,453	9,000	+ 65.0%	8,000
Ordinary profit	6,132	9,200	+ 50.0%	8,300
Net income	740	5,000	+575.7%	-

4 - 4) Projected sales by markets

(Millions of yen)	FY2005	FY2006		
		Forecast announced on May 18, 2006	Comparison with previous fiscal year	Forecast announced on March 10, 2006
Financial institutions	24,598	32,500	+32.1%	30,000
Overseas	19,148	20,000	+ 4.4%	18,500
Distribution/ Transportation	27,818	26,500	- 4.7%	26,000
Vending machines	18,730	20,500	+ 9.5%	20,500
Amusement game	35,986	36,000	+ 0.0%	37,000
Others	14,951	14,500	- 3.0%	13,000

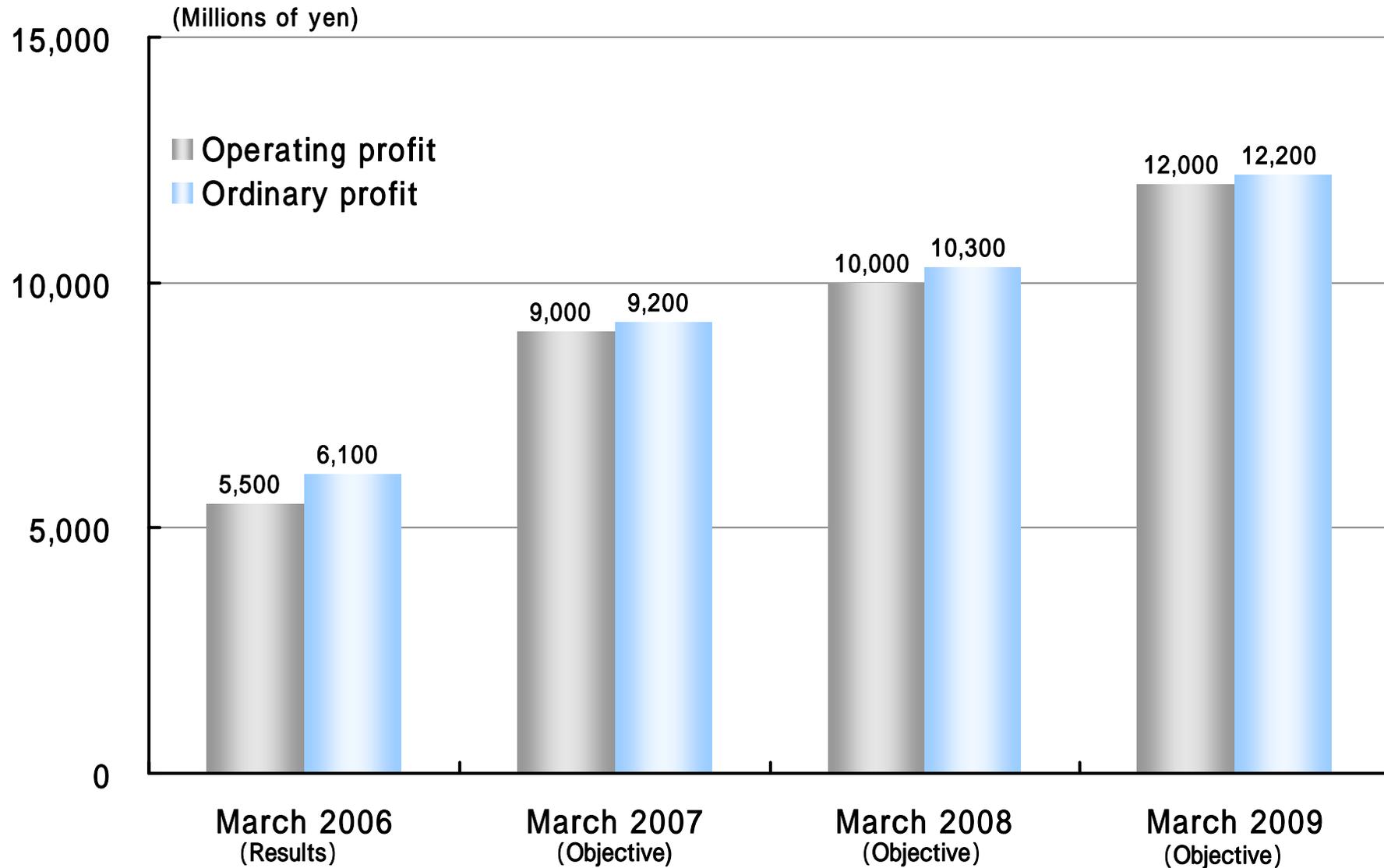


4 - 5) Medium - term profit objective (Sales by markets)





4 - 6) Medium-term profit objective (Operating profit / Ordinary profit)



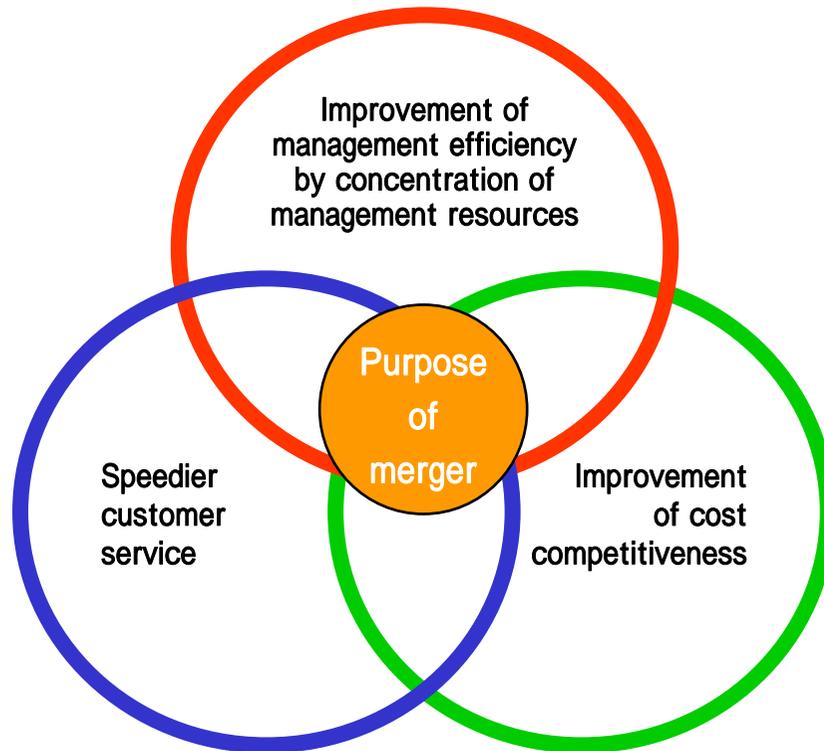


5 . Merger with GLORY SHOJI, etc.

5 - 1) Merger with GLORY SHOJI

In April 28, 2006 Contract of merger was signed

Improvement of management efficiency by merger



Realization of direct marketing system
by integration of manufacturing and sales

Speeding up of business by promoting
rapid decision-making to customers

Strengthening total cost management
for each department

Promoting efficiency and human resources
management by review of common function



5 . Merger with GLORY SHOJI, etc.

5 - 2) Merger with GLORY SHOJI

Business forecast (Non-consolidated base)

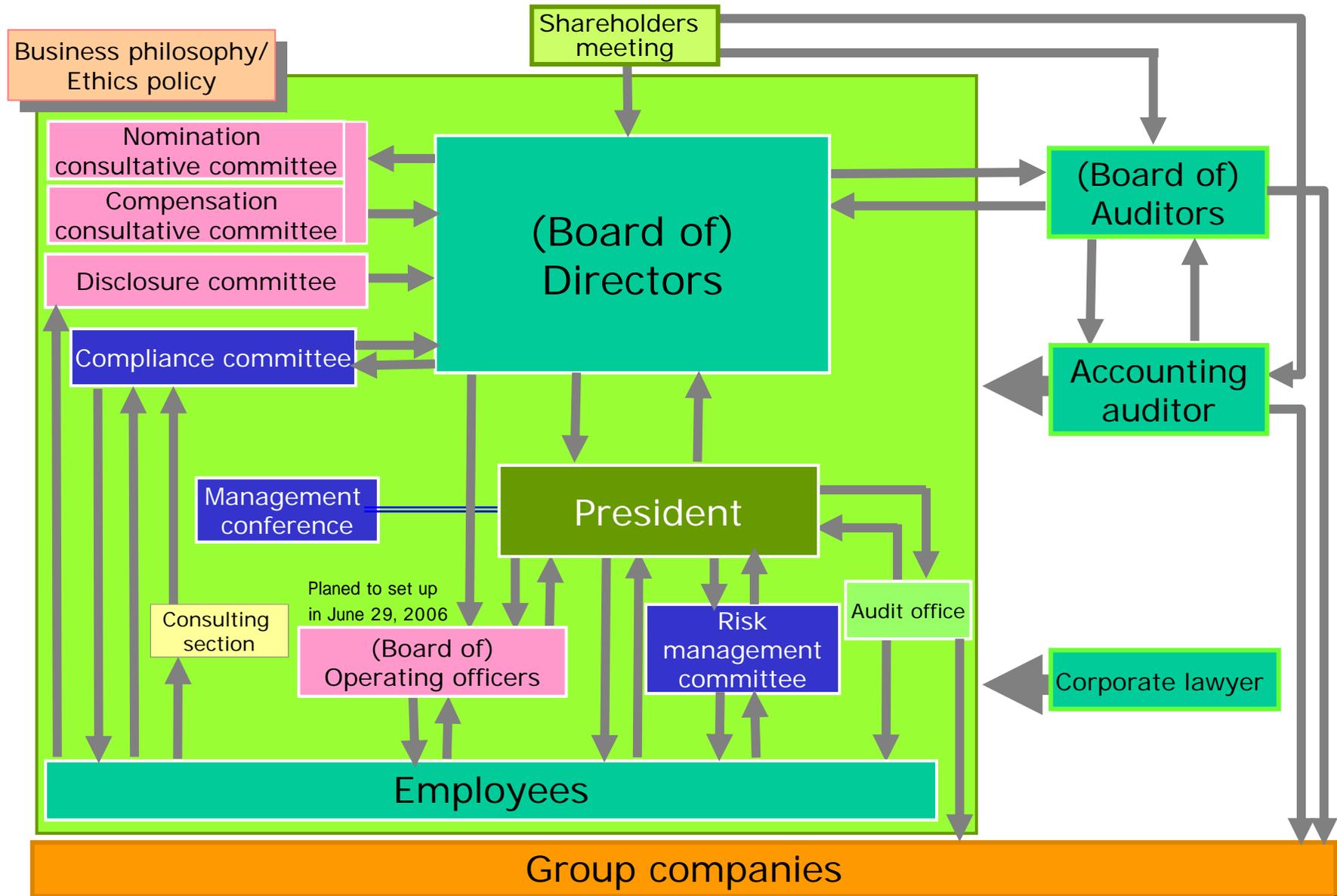
Business forecast for FY2006 includes profit from merger of ¥22,000 million as an extraordinary profit due to the merger with GLORY SHOJI in October 1, 2006 (Schedule).

(Millions of yen)	FY2006			FY2007	FY2008
	First half	Second half	Full year		
Net sales	40,000	70,000	110,000	129,000	133,000
Operating profit	1,200	5,300	6,500	8,500	10,000
Ordinary profit	3,000	5,000	8,000	8,700	10,100
Net income	2,500	24,500	27,000	5,000	-



5 . Merger with GLORY SHOJI, etc.

5 - 3) Corporate governance policy



5 - 4) Return on profit

We will return profits by taking into account the change in the consolidated operational results and other factors, setting a ¥22 annual dividend per share as the standard on the basis of shareholders' equity.

The basis of our dividend policy



Dividend for FY2005 : ¥22 (Schedule)



<http://www.glory.co.jp>