

# Consolidated financial results

for the fiscal year ended March 31, 2009

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- 3 Business project in FY2009
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- 5 Other information

June 1, 2009

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.

# Business results compared with previous fiscal year

## Sales

Decreased from the same period last year, as large-scale demand for postal privatization-related equipment and cigarette vending machines with an adult identification function died out, and in addition, there were also effects from suppressed business investments as a result of the deterioration of the market environment after we entered the third quarter, and the rise of the yen.

## Income

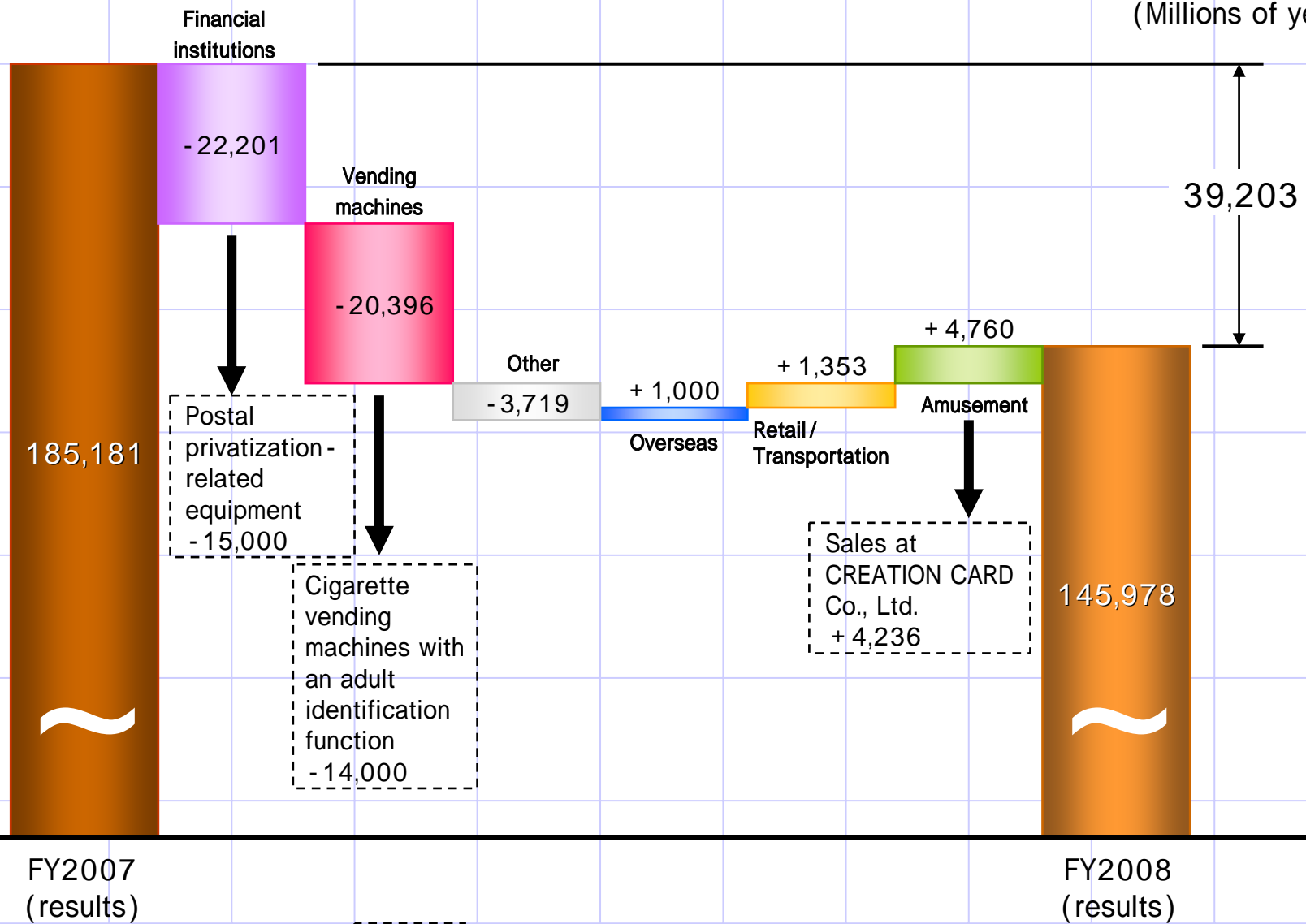
Decreased as net sales decreased.

(Millions of yen)	Year ended March 31, 2008	Year ended March 31, 2009	Year-on-year comparison	Forecast for year ended March 31, 2009 (revised in Feb. 9, 2009)
Net sales	185,181	145,978	- 21.2%	145,000
<div style="border: 1px dashed black; padding: 2px;">Sales from maintenance operations</div>	38,243 (20.7%)	32,000 (21.9%)	- 16.3%	32,400 (22.3%)
Operating income	22,826 (12.3%)	9,426 (6.5%)	- 58.7%	9,500 (6.5%)
Ordinary income	21,582 (11.7%)	9,309 (6.4%)	- 56.9%	9,000 (6.2%)
Net income	11,711 (6.3%)	5,782 (4.0%)	- 50.6%	6,000 (4.1%)

# Changing factor of net sales by market

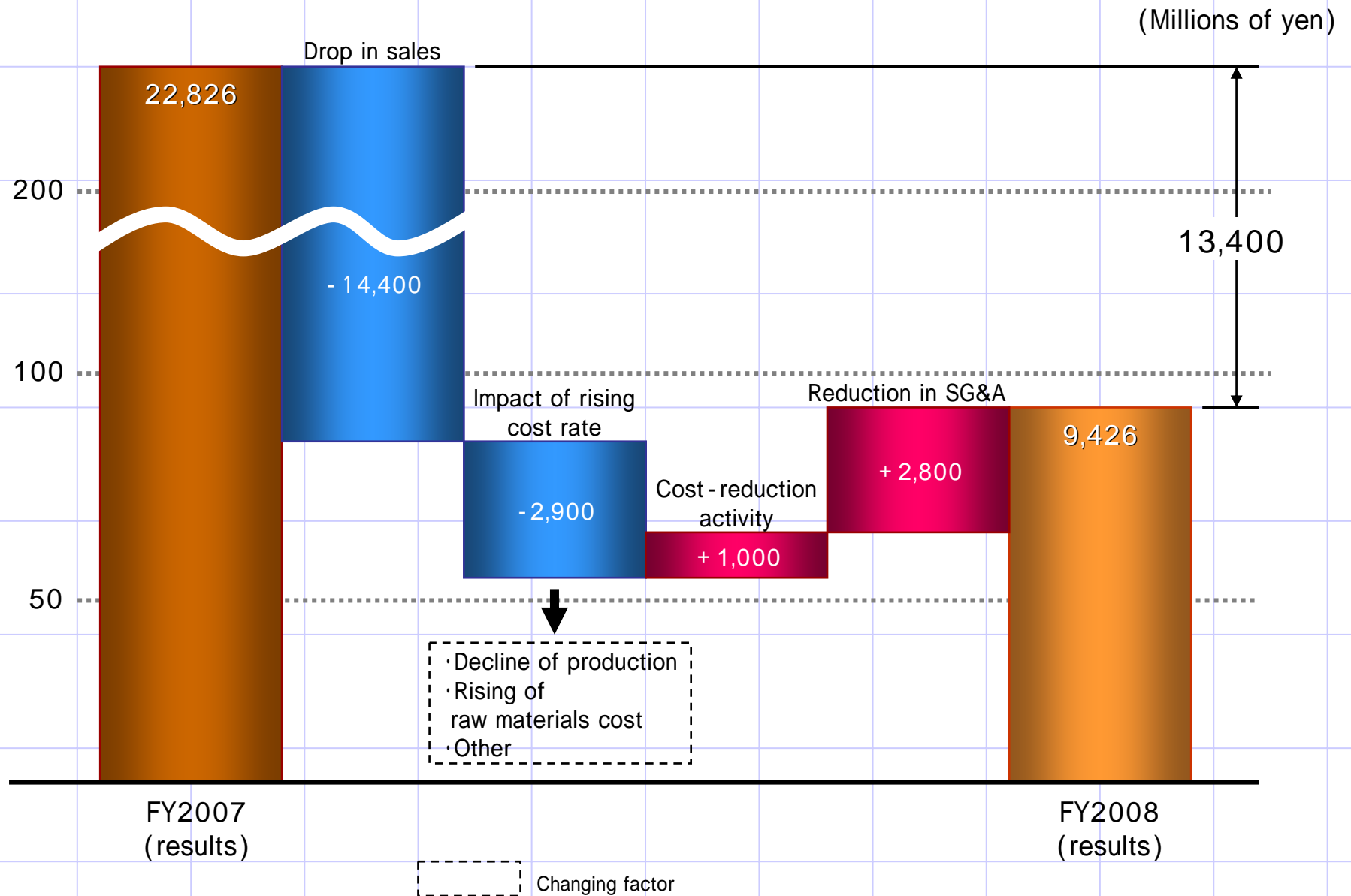


(Millions of yen)



Changing factor

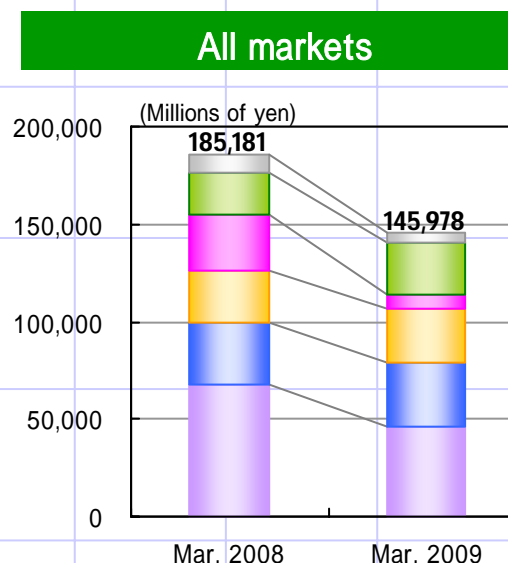
# Changing factor of operating income



# Net sales by market / by segment

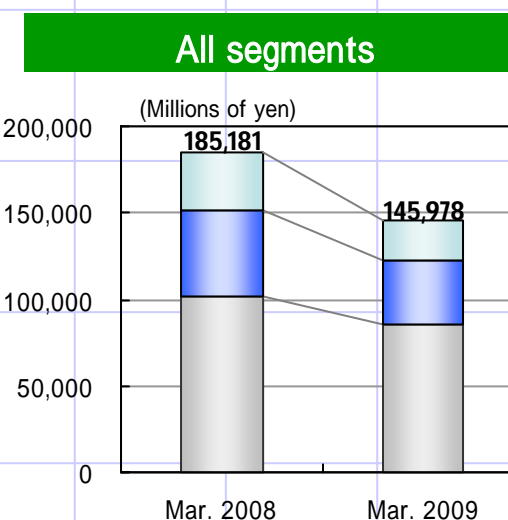
(Millions of yen)

By market	Year ended March 31, 2008	Year ended March 31, 2009	Year-on year comparison
Financial institutions	68,030	45,829	- 32.6%
Overseas	31,784	32,784	+3.1%
Retail/Transportation	26,838	28,191	+5.0%
Vending machines	27,882	7,486	- 73.2%
Amusement	21,558	26,318	+22.1%
Other	9,089	5,370	- 40.9%



(Millions of yen)

By segment	Year ended March 31, 2008	Year ended March 31, 2009	Year-on year comparison
Money handling machines & Cash management systems	101,710	85,927	- 15.5%
Vending machines & Automatic service equipment	50,077	36,313	- 27.5%
Other goods and products	33,393	23,737	- 28.9%



## Demand for our core products decreased

Although there is still a strong need to tighten up and improve operational efficiency, sales of open teller systems and OEM banknote/coin depositing and dispensing units were dramatically down, compared with the same period of the previous year, due to the end of large-volume orders related to postal privatization and restraint in purchasing due to the financial crisis.

### Our main products influenced business results

- ↓ Open teller systems “WAVE series”
- ↓ Banknote/coin depositing and dispensing machines “RB series”



Open teller systems  
WAVE series



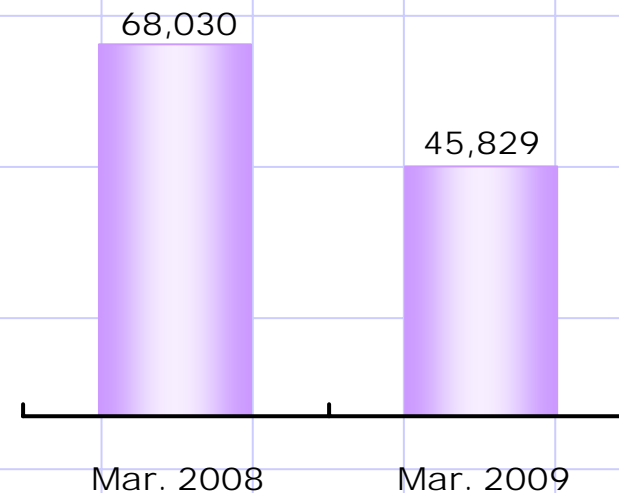
Banknote/coin depositing and  
dispensing units

(Millions of yen)

<b>Net sales</b>	45,829			
<b>Year-on-year comparison</b>	- 32.6%	Net sales in this market (FY2007)		
		68,030		
<b>Net sales ratio to total sales</b>	31.2%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	10,500	13,555	9,996	12,148

### Net sales

(Millions of yen)



## Demand in Europe increased

Although demand for banknote depositing units for ATMs became sluggish after the third quarter of this fiscal year, sales increased dramatically for the full year. In addition, sales of banknote depositing and dispensing machines except for Spain and sales of banknote sorting machines have held steady.

### Our main products influenced business results

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



Banknote depositing units for ATMs UD series



Banknote depositing and dispensing machines RZ series



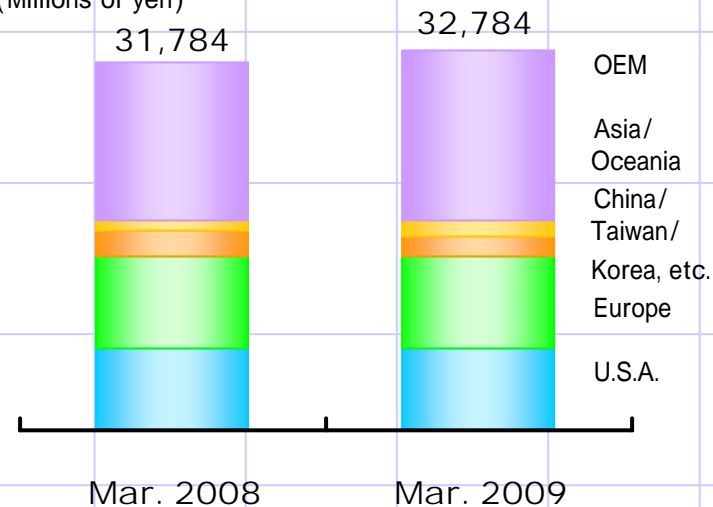
Banknote depositing and dispensing machines RBU series

(Millions of yen)

<b>Net sales</b>	32,784			
<b>Year-on-year comparison</b>	+3.1%	Net sales in this market (FY2007)		
		31,784		
<b>Net sales ratio to total sales</b>	22.5%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	7,666	10,348	7,358	7,414

### Net sales

(Millions of yen)



## Sales of our core product have held steady

Sales of cash recyclers for cashiers and small-sized depositing machines held steady.

### Our main products influenced business results

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



Cash recyclers for cashiers  
RT-RAD series



Automatic deposit  
machines  
DS series



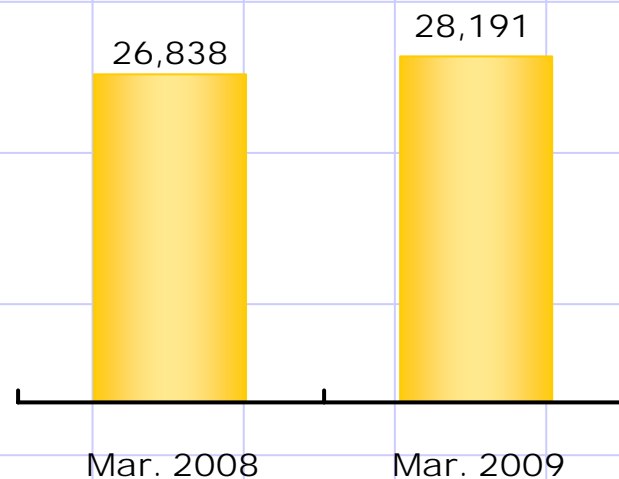
Automatic deposit  
machines  
DSS series

(Millions of yen)

<b>Net sales</b>	28,191			
<b>Year-on-year comparison</b>	+5.0%	Net sales in this market (FY2007)		
		26,838		
<b>Net sales ratio to total sales</b>	19.3%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	5,902	7,796	6,811	7,682

### Net sales

(Millions of yen)





## Demand for cigarette vending machines declined dramatically

As the demand for cigarette vending machines with an adult identification function had died down by the first quarter. And as purchases of cigarettes shifted from vending machines to counter sales at convenience stores, etc., demand for cigarette vending machines declined dramatically.

Our main products influenced business results

↓ Cigarette vending machines



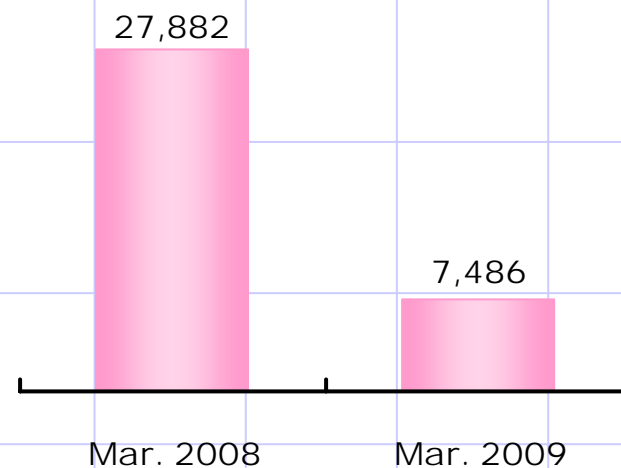
Cigarette Vending machines  
TNR series

(Millions of yen)

<b>Net sales</b>	7,486			
<b>Year-on-year comparison</b>	- 73.2%	Net sales in this market (FY2007)		
		27,882		
<b>Net sales ratio to total sales</b>	5.1%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	3,522	1,429	1,389	1,146

Net sales

(Millions of yen)



## Sales of pre - paid card systems for pachinko parlors held favorably

Although the tendency of restrained capital investment in this industry has been continuing, sales of pre-paid card systems for pachinko parlors held favorably.

### Our main products influenced business results

↑ IC card system “NASCA G8” / CREATION CARD

↓ Premium dispensing machine



Pre-paid card issuing machine accepting debit-cards JCH-20



Pre-paid card system unit for pachinko parlors JCP-30



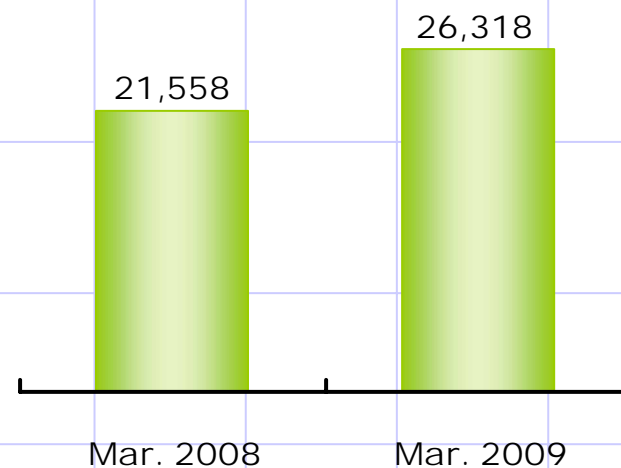
Premiums dispensing machine JK-200

(Millions of yen)

<b>Net sales</b>	26,318			
<b>Year-on-year comparison</b>	+22.1%	Net sales in this market (FY2007)		
		21,558		
<b>Net sales ratio to total sales</b>	18.0%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	5,074	6,313	7,357	7,574

### Net sales

(Millions of yen)



## Sales of self-service contract machines and products related to elections decreased

Sales of medical payment kiosk for hospitals and card-related system held steady. Sales of self-service contract machines and products related to elections were low.

### Our main products influenced business results

- Medical payment kiosk "FKS series"
- Ballot paper sorters "GTS series"
- Self-service contract machines "FVK series"



Medical payment kiosk  
FKS series



Ballot paper sorters  
GTS-series



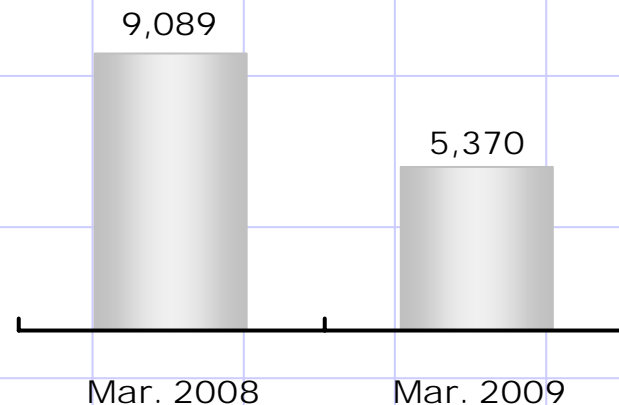
Self-service contract  
machines  
FVK series

(Millions of yen)

<b>Net sales</b>	5,370			
<b>Year-on-year comparison</b>	- 40.9%	Net sales in this market (FY2007)		
		9,089		
<b>Net sales ratio to total sales</b>	3.7%	Total sales (FY2008)		
		145,978		
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	1,658	1,429	1,312	970

### Net sales

(Millions of yen)



# Sales from maintenance operations



## Sales from remodeling operation for an adult identification function decreased

As number of maintenance contract for open teller systems and banknote/coin depositing and dispensing units increased, sales from maintenance operations held steady. Sales from remodeling operations of cigarette vending machines for an adult identification function declined dramatically.

Our main products influenced business results

↓ Remodeling operation of cigarette vending machines

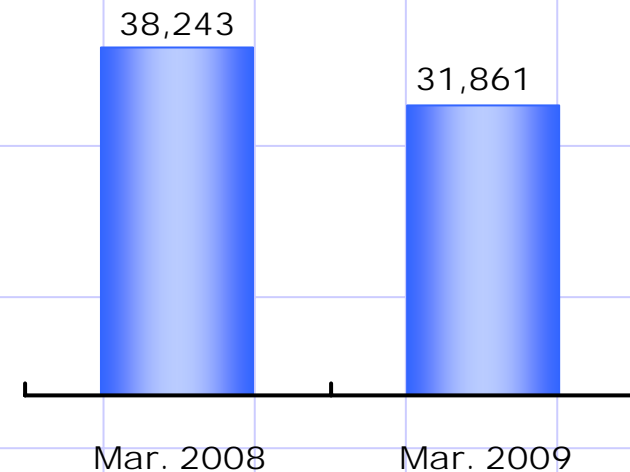


Maintenance staff remodeling operation of cigarette vending machines

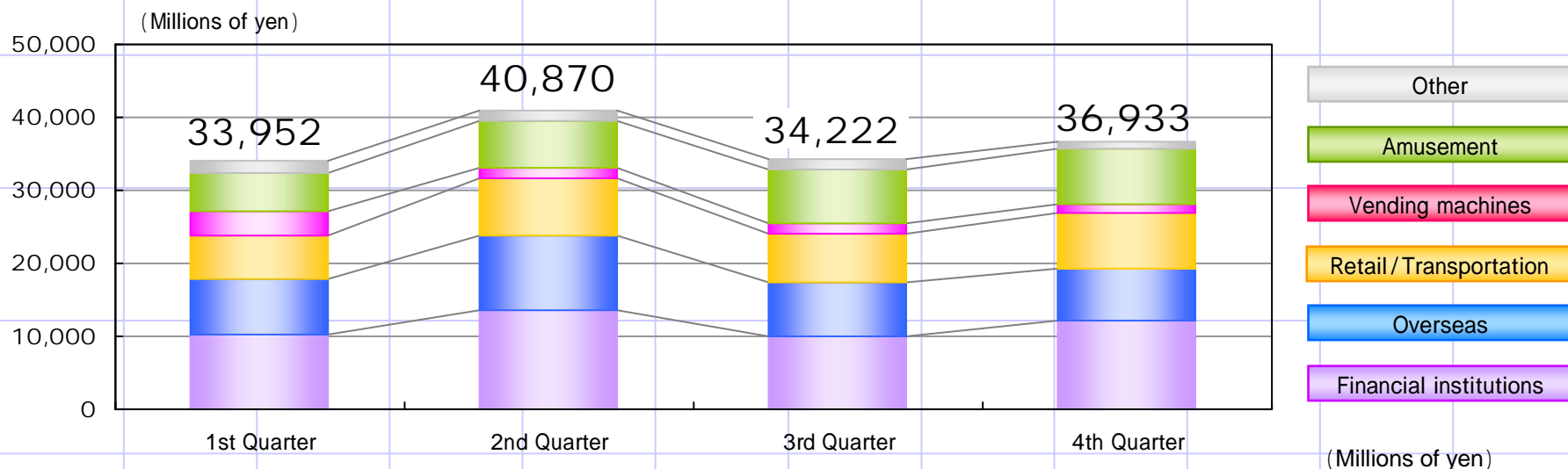
(Millions of yen)

<b>Net sales</b>	31,861			
<b>Year-on-year comparison</b>	- 16.7%		Net sales in this market (FY2007)	
			38,243	
<b>Net sales ratio to total sales</b>	21.8%		Total sales (FY2008)	
			145,978	
<b>Quarterly sales</b>	1Q	2Q	3Q	4Q
	8,382	7,992	7,674	7,953

Net sales  
(Millions of yen)

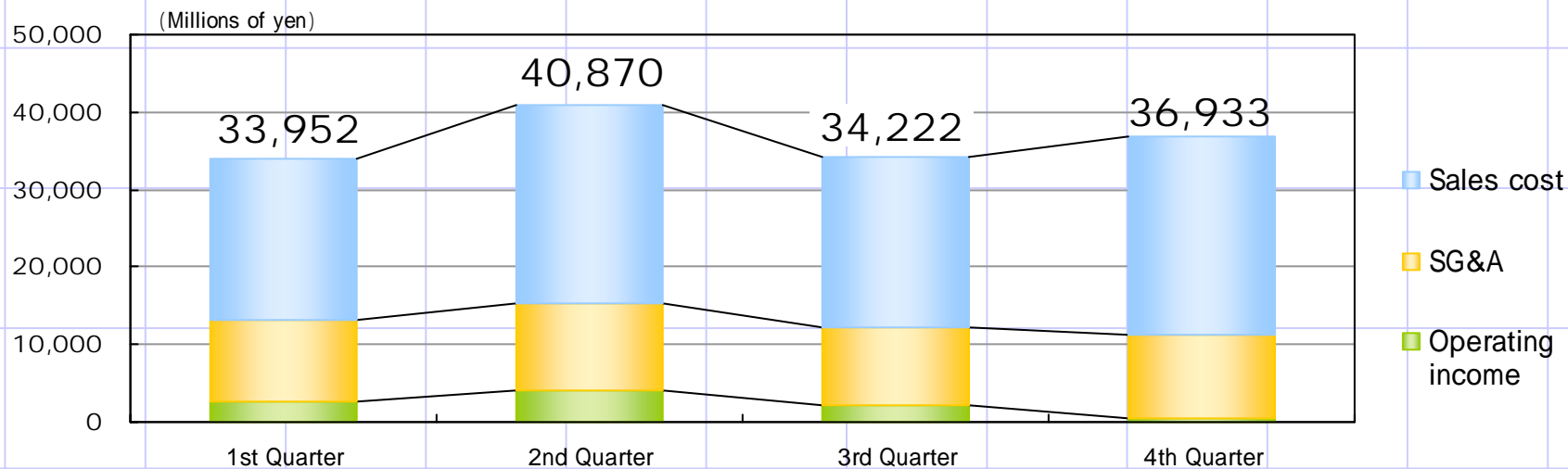


# Quarterly sales by market



FY2008	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Full year
Financial institutions [Domestic]	10,130	13,555	9,996	12,148	45,829
[Overseas]	7,666	10,348	7,358	7,141	32,784
Financial institutions [Total]	17,796	23,903	17,053	19,289	78,613
Retail/Transportations	5,902	7,796	6,811	7,682	28,191
Vending machines	3,522	1,429	1,389	1,146	7,486
Amusement	5,074	6,313	7,357	7,574	26,318
Other	1,658	1,429	1,312	970	5,370
<b>Total</b>	<b>33,952</b>	<b>40,870</b>	<b>34,222</b>	<b>36,933</b>	<b>145,978</b>

# Change of quarterly results



(Millions of yen)

FY2008	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Full year
Net sales	33,952	40,870	34,222	36,933	145,978
Cost of sales (Cost-to-sales ratio)	20,908 (61.6%)	25,562 (62.5%)	21,922 (64.1%)	25,724 (69.7%)	94,115 (64.5%)
SG&A (SG&A ratio)	10,355 (30.5%)	11,126 (27.2%)	10,209 (29.8%)	10,724 (29.0%)	42,436 (29.1%)
Operating income (Operating income ratio)	2,690 (7.9%)	4,159 (10.2%)	2,092 (6.1%)	486 (1.3%)	9,426 (6.5%)

# Analysis of statements of income

(Millions of yen)

	Year ended March 31, 2008	Ratio (%)	Year ended March 31, 2009	Ratio (%)	Rate of change
Net sales	185,181	100.0	145,978	100.0	- 39,203
Cost of sales	117,066	63.2	94,115	64.5	- 22,951
SG&A	45,288	24.5	42,436	29.0	- 2,852
Operating income	22,826	12.3	9,426	6.5	- 13,400
Non-operating income	1,382	0.8	1,416	1.0	34
Non-operating expenses	2,626	1.4	1,533	1.1	- 1,093
Ordinary income	21,582	11.7	9,309	6.4	- 12,273
Extraordinary income	187	0.1	582	0.4	395
Extraordinary loss	1,571	0.9	1,232	0.8	- 339
Income before income taxes and minority interests	20,198	10.9	8,658	5.9	- 11,540
Income taxes - deferred	8,451	4.6	2,836	1.9	- 5,615
Net income	11,711	6.3	5,782	4.0	- 5,929

Sales cost ratio: Increased only just 1.3% as a result of cost-reduction activities although net sales decreased dramatically

SG&A ratio: Increased 4.5% due to decline in net sales although SG&A decrease from the previous year

Non-operating expenses: Decreased due to loss on disposal of obsolete inventories (1,879 million yen) from the previous year

Extraordinary loss: Loss on valuation of investment securities (683 million yen)

## Basic principle of 2011 Medium - Term Management Plan

Capitalize on new business opportunities with a global vision  
and accelerate to a period of new growth!

[Slogan] **"GET INTO GLOBAL 2011"**

## Profit target (FY2011)

【Consolidated net sales】 170 billion yen  
 【Overseas sales】 51 billion yen (Overseas sales ratio:30%)  
 【Consolidated operating income】 15 billion yen (Profit ratio:8.8%)

## Basic strategy

Business  
strategy

- Growth business  
(Overseas operations)
- Basic business  
(Domestic operations)
- Future new business  
(New operations)

Constitutional  
strength strategy

- Developmental renovation
- Production/Procurement  
renovation
- Sales renovation
- Inventory renovation

Group system  
strengthening  
strategy

- Governance strategy
- Group business strategy
- Personnel strategy
- Capital asset strategy



## Business environment and viewpoint

Financial institutions are selecting the fields to be invested carefully because of the large reduction in budget with the downturn in business. However, in spite of such a severe environment, demand for our products which were evaluated as a tool to improve operational efficiency and to avoid operational - risk held steady.

## Focused measure

1. Market exploitation by new product release (WAVE series, etc.)
2. Strengthening of sales and marketing activity to customer who has not introduced our products yet



Open teller systems  
WAVE series

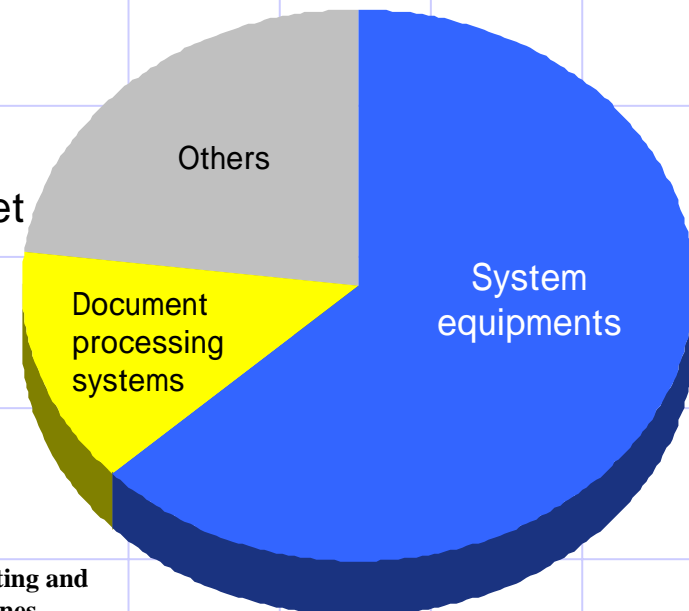


Auto cash cabinet  
BW



Banknote/coin depositing and  
dispensing machines  
RB series

Sales composition ratio by products



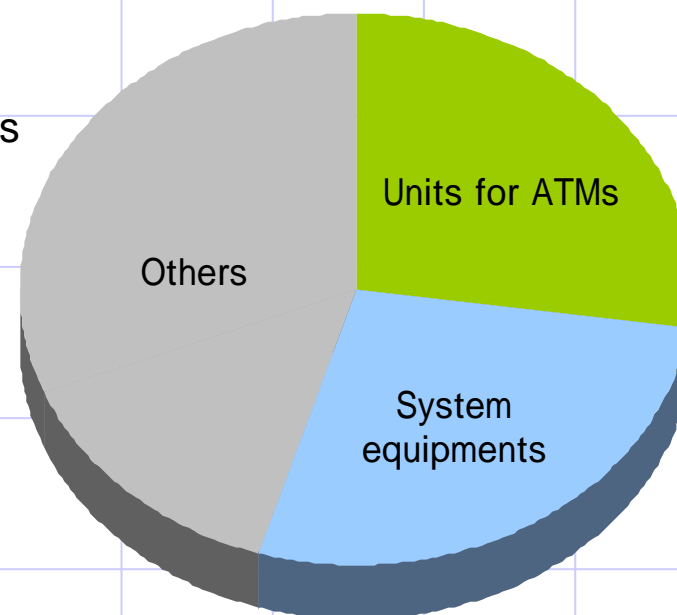
## Business environment and viewpoint

Although financial institutions, mainly in the U.S. and Europe, tend to reduce their invest continuously due to financial crisis, products equipped with the function of detecting counterfeit money and fitness sorting are still in high demand. Also we expect that demand in Asia and oil-producing countries will increase.

## Focused measure

1. Business expansion in main products
  - 1) Banknote depositing and dispensing machines (RBU/RZ series)
  - 2) Banknote depositing units for ATMs (UD series)
  - 3) Banknote sorting machines (UW/USF series)
2. Market exploitation
  - 1) Creation of the retail/security market

Sales composition ratio by products



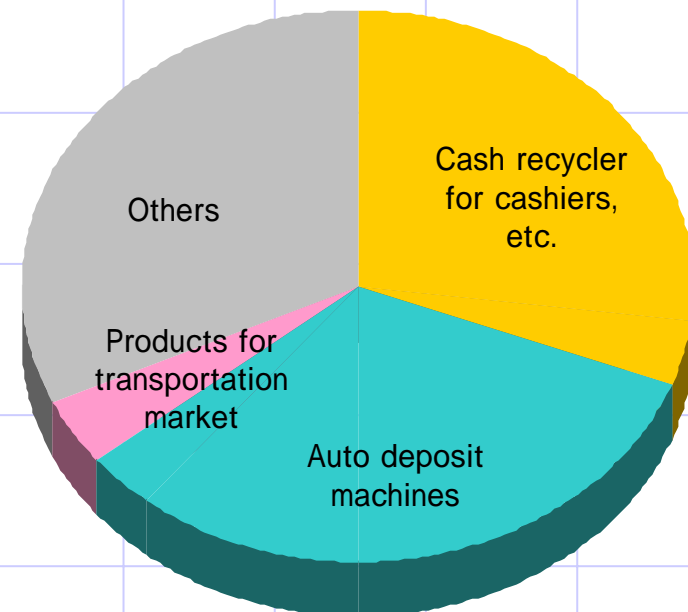
## Business environment and viewpoint

Net sales in the overall retailers are on the downward trend due to the decline on consumer confidence under the business downturn. Many retail stores tend to postpone or scrap opening their new shops and their investment. Under such an environment, demand for our products which allow retail stores to reduce management costs held steady.

## Focused measure

1. New product release and market exploitation
  - 1) Promotion of replacement  
(Cash recycler for cashiers, etc.)
  - 2) Exploring and breaking into new market  
(Transportation market, etc.)
2. The following customers we promote sales activity
  - 1) Convenience stores
  - 2) Restaurants

Sales composition ratio by products



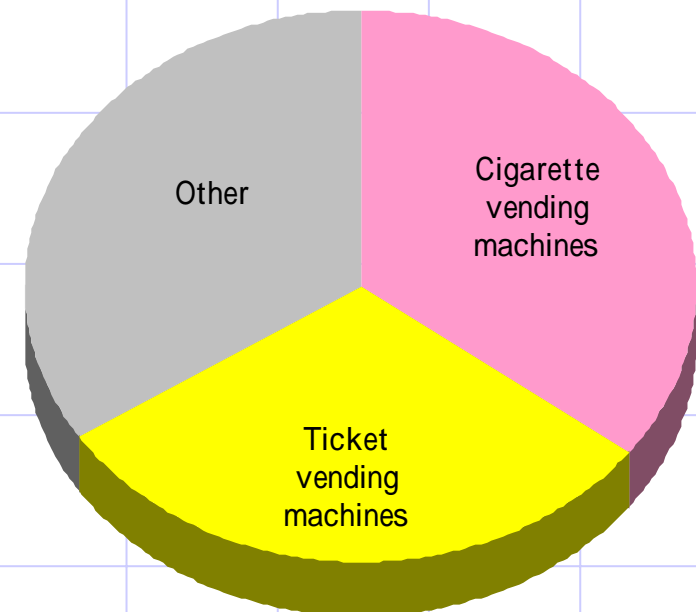
## Business environment and viewpoint

The rate of “taspo-card” holders was only 33.7% at the end of March 2009. Sales of cigarettes purchased by vending machines decreased to around 35% of before. Right now, an estimated 43,000 cigarette vending machines are expected to decrease furthermore. We expect that this adverse market condition will continue for two years.

## Focused measure

1. Improvement of sales structure for ticker vending machines
2. Restructuring of cigarette vending machine business

Sales composition ratio by products



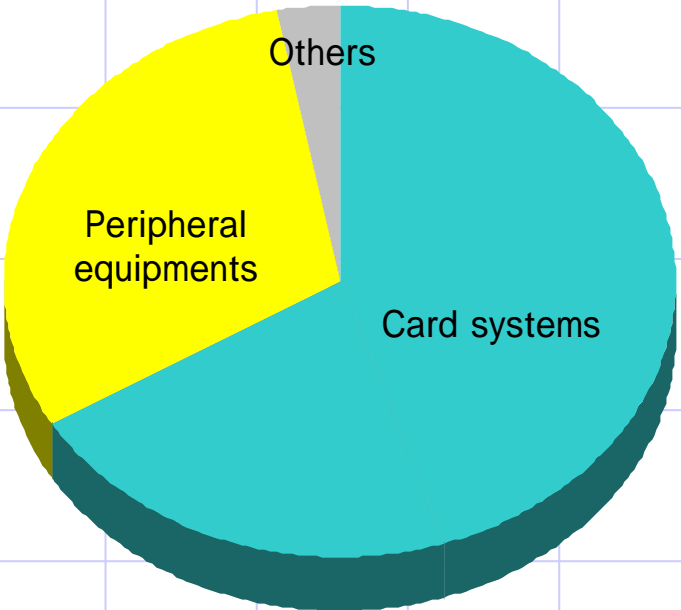
## Business environment and viewpoint

The number of amusement machines in pachinko parlors stayed in the slight decrease because they are getting bigger despite the number of pachinko parlors decreased continuously. Demand for premium management POS systems and pachinko-ball counting machines for each machines supported for multiple rate increased as many pachinko parlors adopt multiple rates. Demand for our products from well-resourced major pachinko parlors held steady.

## Focused measure

1. Promoting expansion of sales activities for prepaid card system by new product release
2. The following customers we promote sales activity
  - 1) Major pachinko parlors
  - 2) Regional leading pachinko parlors

Sales composition ratio by products



## Business environment and viewpoint

Formation of new operational business model

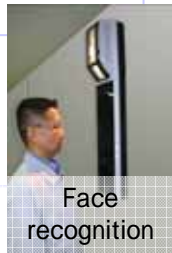
## Focused measure

1. Enhancement of the pursuit of peripheral technology that will interface with the current operations
2. Strengthening in non-cash business markets
3. Integration of original and external technology

### Security



New style door



Face recognition system

### Print verification system



Print verification system

### Card & network business



Pre-paid card issuing machines accepting debit-cards

### Developmental renovation

1. Further improvement in design quality and the relentless pursuit of cost reductions
2. Further improvement in developmental efficiency
3. Globalization of core technology and promotion of unit standardization

### Target in FY2011

- Triple the quality, cost reduction 30%
- Improving development efficiency by 30%

### Production / Procurement renovation

1. Drive total cost down by analyzing and implementing strategies for the most effective and efficient production and distribution methods
2. Renovation of productive technology

### Target in FY2011

- Overseas production / procurement ratio : 30%
- Improving productivity by 30%

### Sales renovation

1. Implementation of aggressive sales techniques to overcome difficult competitive environment
2. Functional restructuring of branch offices for customer and regional orientation

### Target in FY2011

Structuring new sales style

### Inventory renovation

1. SCM system integration for reorganizing
2. Reduction of product lead time
3. Maintaining appropriate inventory levels including inventory at overseas subsidiaries


### Target in FY2011


Inventory turnover period : one and a half months


# Measure for turning a profit


Plan for cost-reduction for FY2009


Target in FY2009

Cost-reduction in production and procurement  1 billion yen

Concentration of investment in development  1 billion yen

Postponement of make-work investment  500 million yen

Reduction of personnel cost and other expenses  300 million yen

Restructuring of vending machine business  
(Production structure/Number of sales staff/Subsidiary) 

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# Business forecast for FY2009

## Sales

Will decrease from the same period last year as a result of reduced investment due to worsening market environment.

## Income

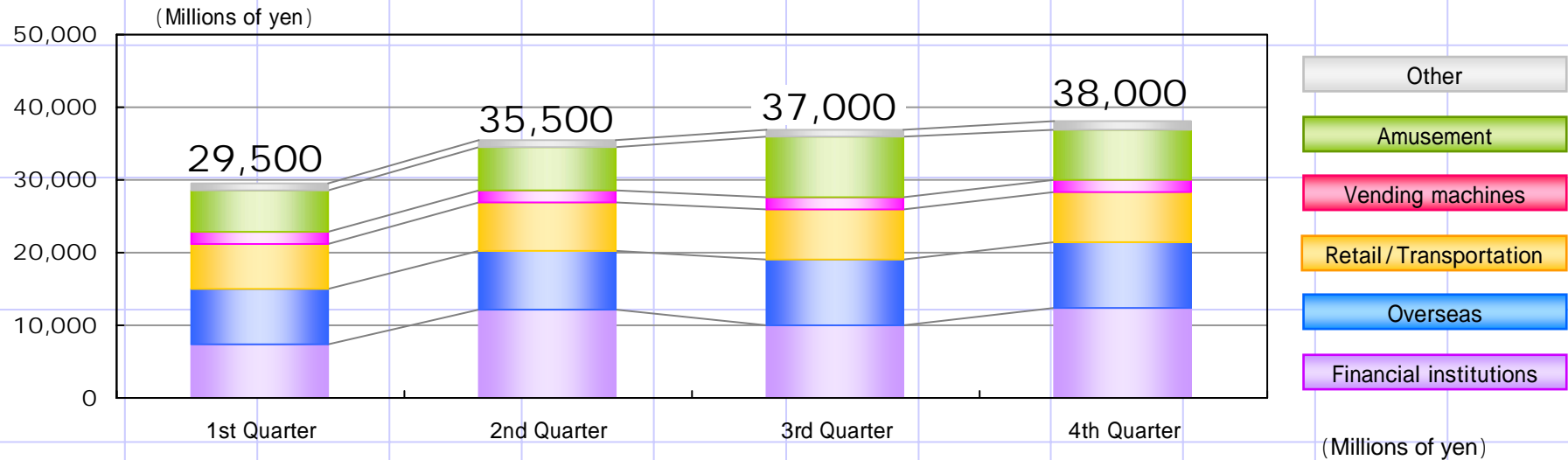
Will decrease because cost-reduction will not be able to make up for decreasing net sales.

(Millions of yen)	Year ended March 31, 2009	Year ended March 31, 2010	Year - on - year comparison
Net sales	145,978	140,000	- 4.1%
Operating income	9,426 (6.5%)	7,500 (5.4%)	- 20.4%
Ordinary income	9,309 (6.4%)	7,500 (5.4%)	- 19.4%
Net income	5,782 (4.0%)	4,500 (3.2%)	- 22.2%

# Projected sales by market

(Millions of yen)	Year ended March 31, 2009		Year ended March 31, 2010		
	Net sales	Sales composition ratio	Net sales	Sales composition ratio	Year-on-year comparison
Financial institutions	45,829	31.4%	42,000	30.0%	- 8.4%
Overseas	32,874	22.5%	33,500	23.9%	+2.2%
Retail / Transportation	28,191	19.3%	27,000	19.3%	- 4.2%
Vending machines	7,486	5.1%	6,500	4.6%	- 13.2%
Amusement	26,318	18.0%	27,000	19.3%	+2.6%
Other	5,370	3.7%	4,000	2.9%	- 25.5%

# Projected quarterly sales by market



FY2009	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Full year
Financial institutions [Domestic]	7,450	12,150	10,050	12,350	42,000
[Overseas]	7,500	8,000	9,000	9,000	33,500
Financial institutions [Total]	14,950	20,150	19,050	21,350	77,000
Retail/Transportations	6,250	6,750	7,000	7,000	27,000
Vending machines	1,600	1,600	1,650	1,650	6,500
Amusement	5,700	6,000	8,300	7,000	27,000
Other	1,000	1,000	1,000	1,000	4,000
<b>Total</b>	<b>29,500</b>	<b>35,500</b>	<b>37,000</b>	<b>38,000</b>	<b>140,000</b>

# Revision of projected dividends

## Projected dividend for Year ended March 31, 2009

### Basic policy on profit distribution

We will pay an annual dividend that is approximately 25% of consolidated earnings per share and maintain a dividend of at least ¥30 per share based on our equity.

Dividend per share	Interim (results)	Year - end (estimated)	Annual (estimated)
Year ended March 31, 2009 (Forecast announced on May 13, 2009)	¥ 1 5	¥ 1 5	¥ 3 0 (Dividend payout ratio: 36.5%)

## Projected dividend for Year ending March 31, 2010

### Basic policy on profit distribution

GLORY's basic policy is to continue a stable dividend while striving to maintain and enhance a sound balance sheet in preparation for future business growth. Specifically, GLORY has a target of returning profits to shareholders at a consolidated dividend payout ratio of 25% or higher, while providing a minimum dividend in any case at the rate of 1.5% of consolidated equity capital.

Dividend per share	Interim (estimated)	Year - end (estimated)	Annual (estimated)
Year ending March 31, 2010 (Forecast announced on May 13, 2009)	¥ 1 6	¥ 1 7	¥ 3 3 (Dividend payout ratio: 51.6%)

In addition, GLORY will also consider, from time to time, the purchase of treasury stock to improve capital efficiency and to have an agile capital policy to respond to the operating environment.

# Investment in plant

## Construction of the second factory of GLORY Denshi Kogyo (Suzhou) (Completed on end of March, 2009)

Coping with medium and long-term production increase envisaged by expanding sales in fast-growing China.  
Making a contribution for cost-reduction in a GLORY group with production commissioned by Head office  
Improving of procurement in China, and making a contribution to reduce variable cost

### [Production capacity after completion]

Nearly double (Man-hour in a year: 300 thousand hours)



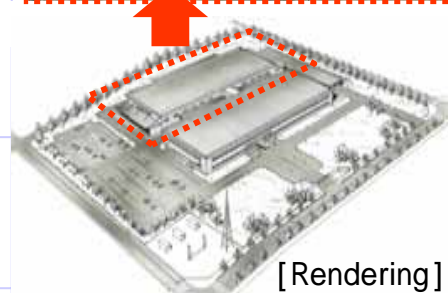
[Rendering]

## Construction of the second Saitama Factory (Will be completed on end of June, 2009)

Coping with production scale of medium-term production plan by expansion of floor space  
Using space for stocking parts and units as increasing overseas procurement  
Improving the efficiency of distribution system by using second Saitama Factory as the "Saitama Stock Point" and physical distribution base in eastern Japan

### [Production capacity after completion]

1.7 times (Output in FY2008: 14.5 billion yen)



[Rendering]