

Consolidated Financial Results

for the first quarter of the fiscal year ending March 31, 2013

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※Notes on presentation:

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

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The forecasts for future business contained in this document are based on the information currently available to the company. These forecasts involve some risks or uncertainty of fluctuating in the future, depending on the economic conditions of Japan and elsewhere, industry's trends, demands for the company's products, development of new technologies and other factors.

Accordingly, investments made solely based on the forecasts in this document are not recommended. Please also take note that forecasts in this document may change without prior notice unless required by laws.

Net sales

First quarter sales were higher than one year earlier as increases in sales in the retail and transportation market and amusement market offset weakness in the financial market.

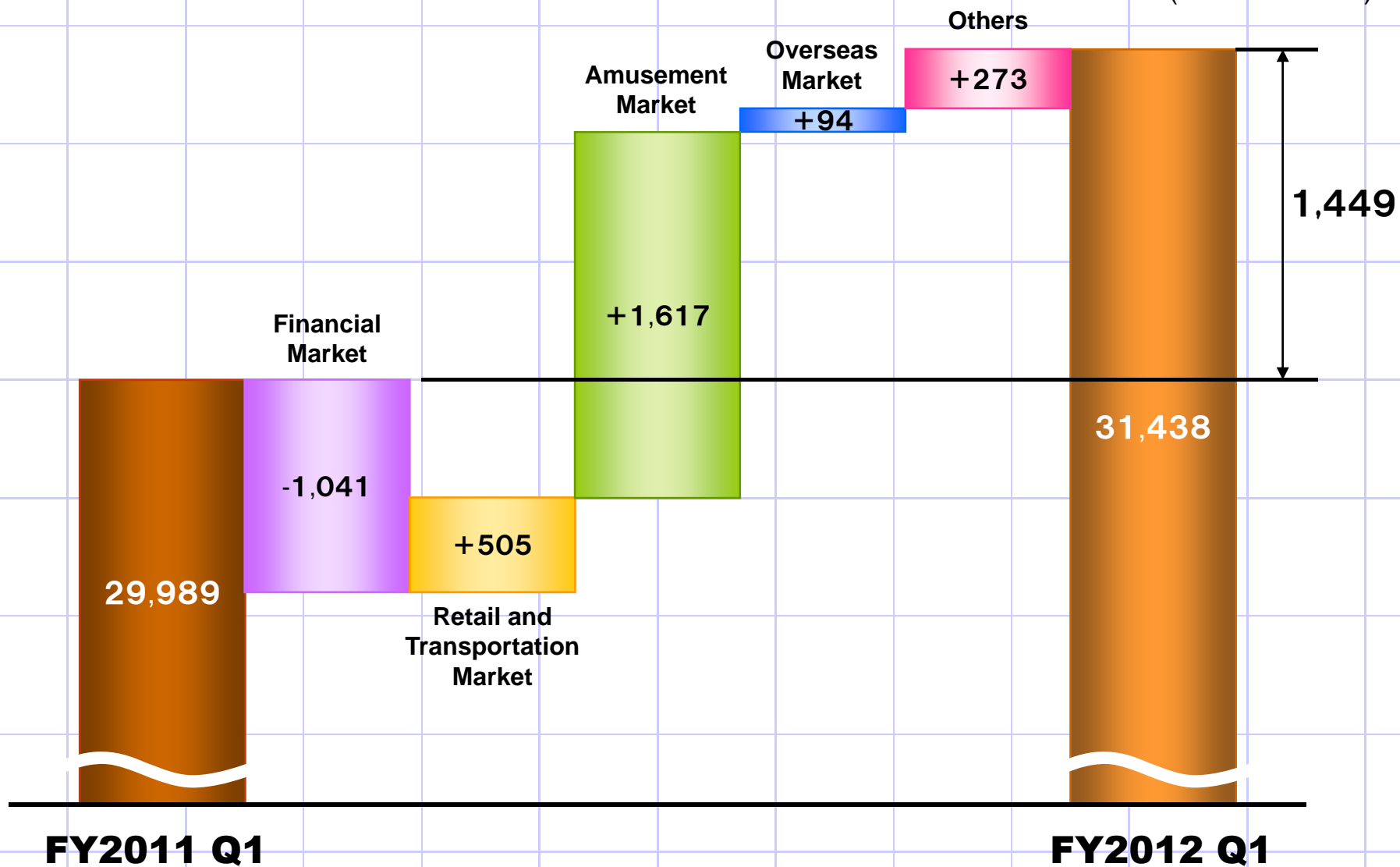
Income

Earnings increased from one year earlier due to cost reductions resulting from growth in overseas production and procurement and to the increase in sales.

(Millions of yen)	FY2011 Q1	FY2012 Q1	Year-on-year comparison
Net sales	29,989	31,438	+4.8%
Maintenance service	8,292 (27.7%)	8,405 (26.7%)	+1.4%
Operating income	1,306 (4.4%)	1,411 (4.5%)	+8.0%
Ordinary income	1,588 (5.3%)	1,657 (5.3%)	+4.3%
Net income	768 (2.6%)	922 (2.9%)	+20.1%

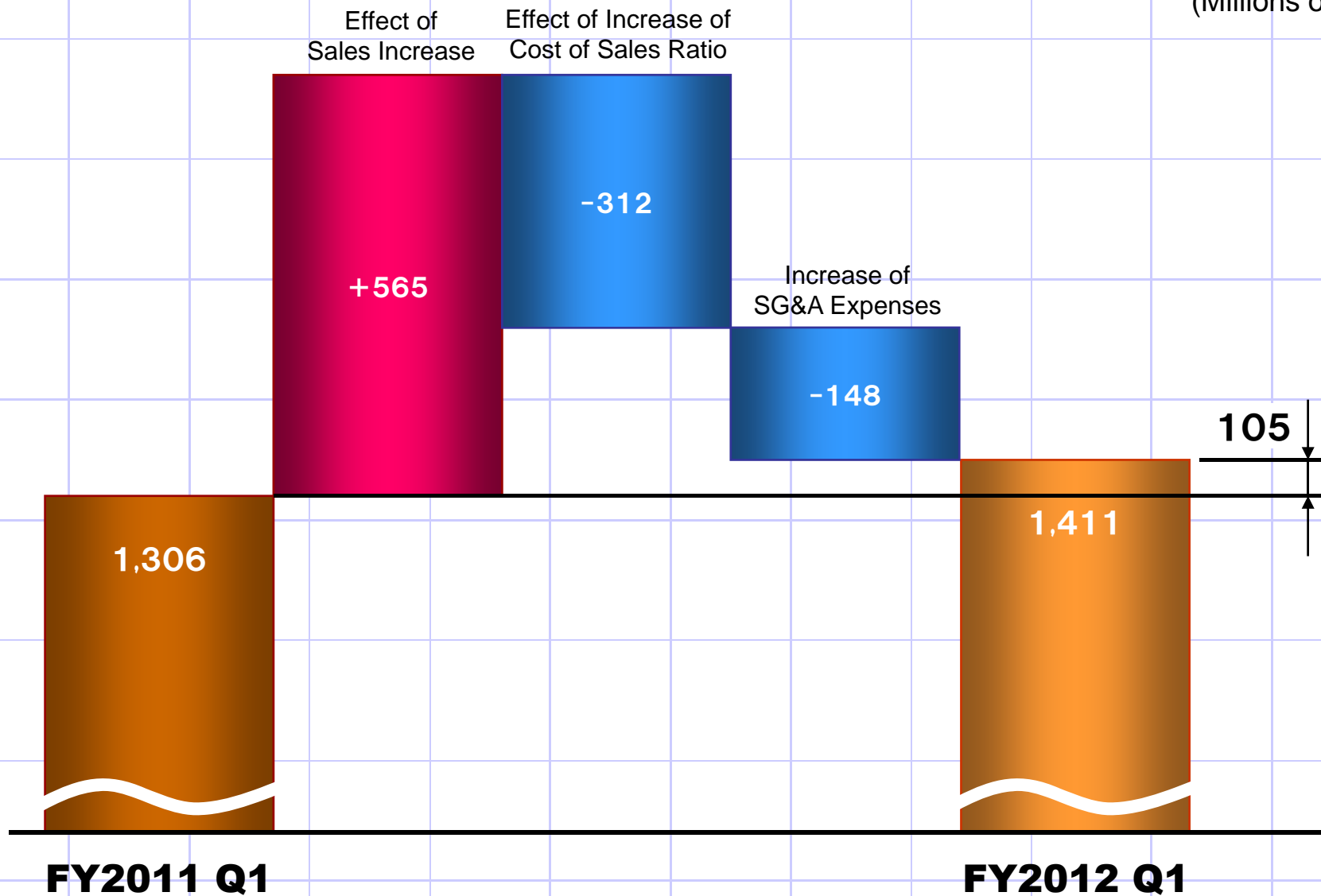
Factors of Net Sales Change

(Millions of Yen)








Factors of Operating Income Change

(Millions of Yen)



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

(Millions of yen)

Business Segments	Sales			Operating Income		
	FY2011 Q1	FY2012 Q1	Year-on-Year comparison	FY2011 Q1	FY2012 Q1	Year-on-Year comparison
 Financial Market	8,471	7,430	-1,041 (-12.3%)	342	-38	-380 (- %)
 Retail & Transportation Market	5,836	6,341	+505 (+8.7%)	736	728	-8 (-1.1%)
 Amusement Market	4,597	6,214	+1,617 (+35.2%)	-251	406	+657 (- %)
 Overseas Market	7,779	7,873	+94 (+1.2%)	502	446	-56 (-11.2%)
 Others	3,304	3,577	+273 (+8.3%)	-23	-131	-108 (- %)
Total	29,989	31,438	+1,449 (+4.8%)	1,306	1,411	+105 (+8.0%)

● Slow sales of main products

Sales of multifunctional banknote changers increased due to measures to target replacement demand but sales of open teller systems, the main products in this segment, and coin and banknote recyclers for tellers were lower.

Outline of the Segment

Sales and maintenance to financial institutions, OEM clients and others at domestic market in Japan.

Main Products



Open teller systems
WAVE series



Coin and banknote
recyclers for tellers
RB series



Multi-functional
banknote changers
EN series

(Millions of yen)

	FY2011 Q1	FY2012 Q1	Y-on-Y
Sales	8,471	7,430	-1,041 (-12.3%)
Ratio to total sales	28.2%	23.6%	-4.6%
Operating income	342	-38	-380 (- %)
Ratio to total operating income	26.2%	-2.7%	—
Operating margin	4.0%	—	—

● Strong sales of coin and banknote recyclers for cashiers

Sales of coin and banknote recyclers for cashiers, the main product in this segment, were solid and there was an increase in sales of sales proceeds deposit machines to cash-in-transit companies.

Outline of the Segment

Sales and maintenance to supermarkets, department stores, cash-in-transit companies, railroad companies, and others at domestic market in Japan.

Main Products



Coin and banknote recyclers RT/RAD series



Sales proceeds deposit machines DSS series



Multi-functional stations cash management stations DSR series

(Millions of yen)

	FY2011 Q1	FY2012 Q1	Y-on-Y
Sales	5,836	6,341	+505 (+8.7%)
Ratio to total sales	19.5%	20.2%	+0.7%
Operating income	736	728	-8 (-1.1%)
Ratio to total operating income	56.3%	51.6%	-4.7%
Operating margin	12.6%	11.5%	-1.1%

(Millions of yen)

● Higher sales of card systems

Sales of card systems for pachinko parlors, the main product in this segment, and other products were higher. In particular, there were strong sales of pachislot token dispensers because of the recovery in the popularity of pachislot in Japan.

Outline of the Segment

Sales and maintenance for pachinko parlors, and others in the domestic market.

Main Products

Card systems



Management terminals



Pachinko ball dispensers with card readers



Prepaid card systems for pachinko parlors



Pachinko prize dispensing machines JK series

	FY2011 Q1	FY2012 Q1	Y-on-Y
Sales	4,597	6,214	+1,617 (+35.2%)
Ratio to total sales	15.3%	19.8%	+4.5%
Operating income	-251	406	+657 (- %)
Ratio to total operating income	-19.2%	28.8%	—
Operating margin	—	6.5%	—

● Growth backed by sales of banknote deposit units for ATMs

(Millions of yen)

Although sales of OEM bulk banknote and check deposit units for ATMs were sluggish, there were strong sales of banknote deposit units for ATMs.

Outline of the Segment

Sales and maintenance to financial institutions, cash-in-transit companies, casinos, OEM customers and others at the overseas market.

Main products



Banknote recyclers
for tellers
RZ series



Banknote sorters
UW series



Banknote deposit
units for ATMs
UD series

	FY2011 Q1	FY2012 Q1	Y-on-Y
Sales	7,779	7,873	+94 (+1.2%)
Ratio to total sales	25.9%	25.0%	-0.9%
Operating income	502	446	-56 (-11.2%)
Ratio to total operating income	38.4%	31.6%	-6.8%
Operating margin	6.5%	5.7%	-0.8%

Sales by Geographical Segment of Overseas Market

(Millions of yen)

Sales by geographical segment (overseas)	FY2011 Q1	FY2012 Q1	Year-on-Year Comparison
Americas	2,069	1,836	-233
Europe	3,949	4,244	+295
Asia	1,760	1,793	+33
China	466	681	+215
Total	7,779	7,873	+94
OEM	2,438	2,750	+312

(Millions of yen)

● Strong sales of main products

Although sales of cigarette vending machines were lackluster, segment sales increased because of growth in sales of horse race winning ticket payment units for public-sector race tracks, an OEM product, and in sales of medical payment kiosks, ticket vending machines and other products.

Outline of the Segment

Sales and maintenance to tobacco kiosks, tobacco companies, hospitals, government offices and others in Japan

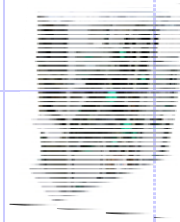
Main products



Medical payment kiosks
FHP series



Ticket vending
Machines
VT series



Banknote recycling units
for horse race ticket
vending machines
RBK series

	FY2011 Q1	FY2012 Q1	Y-on-Y
Sales	3,304	3,577	+273 (+8.3%)
Ratio to total sales	11.0%	11.4%	+0.4%
Operating income	-23	-131	-108 (- %)
Ratio to total operating income	-1.8%	-9.3%	—
Operating margin	—	—	—

Capital Expenditures and Other Expenses

(Millions of yen)

	FY2011 Q1	FY2012 Q1	Year-on-Year	Change during the last five years										
Capital Expenditures	1,187	1,861	+674 (+56.8%)	<table border="1"> <tr> <td>FY11 (Q1)</td> <td>FY11 (Q2)</td> <td>FY11 (Q3)</td> <td>FY11 (Q4)</td> <td>FY12 (Q1)</td> </tr> <tr> <td>1,187</td> <td>1,947</td> <td>1,411</td> <td>2,163</td> <td>1,861</td> </tr> </table>	FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)	1,187	1,947	1,411	2,163	1,861
FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)										
1,187	1,947	1,411	2,163	1,861										
Depreciation & Amortization	1,555	1,532	-23 (-1.5%)	<table border="1"> <tr> <td>FY11 (Q1)</td> <td>FY11 (Q2)</td> <td>FY11 (Q3)</td> <td>FY11 (Q4)</td> <td>FY12 (Q1)</td> </tr> <tr> <td>1,555</td> <td>1,681</td> <td>1,785</td> <td>1,821</td> <td>1,532</td> </tr> </table>	FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)	1,555	1,681	1,785	1,821	1,532
FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)										
1,555	1,681	1,785	1,821	1,532										
R&D Expenses	2,354	2,521	+167 (+7.1%)	<table border="1"> <tr> <td>FY11 (Q1)</td> <td>FY11 (Q2)</td> <td>FY11 (Q3)</td> <td>FY11 (Q4)</td> <td>FY12 (Q1)</td> </tr> <tr> <td>2,354</td> <td>2,733</td> <td>2,416</td> <td>2,431</td> <td>2,521</td> </tr> </table>	FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)	2,354	2,733	2,416	2,431	2,521
FY11 (Q1)	FY11 (Q2)	FY11 (Q3)	FY11 (Q4)	FY12 (Q1)										
2,354	2,733	2,416	2,431	2,521										

Consolidated Statements of Income and Comprehensive Income

(Millions of Yen)

	FY2011 Q1	ratio	FY2012 Q1	ratio	Increase/ Decrease
Net sales	29,989	100.0	31,438	100.0	+1,449
Cost of sales	18,279	61.0	19,473	61.9	+1,194
SG&A expenses	10,404	34.7	10,552	33.6	+148
Operating income	1,306	4.4	1,411	4.5	+105
Non operating income	414	1.4	382	1.2	-32
Non operating expenses	131	0.4	136	0.4	+5
Ordinary income	1,588	5.3	1,657	5.3	+69
Extraordinary income	25	0.1	2	0.0	-23
Extraordinary loss	88	0.3	52	0.2	-36
Income before income taxes	1,524	5.1	1,607	5.1	+83
Total income taxes	643	2.1	582	1.9	-61
Net income	768	2.6	922	2.9	+154
Income before minority interests	881	2.9	1,025	3.3	+144
Total other comprehensive income	434	1.4	-369	—	-803
Comprehensive income	1,316	4.4	655	2.1	-661

*1 Cost to sales ratio : Increased 0.9% despite cost-reduction measures mainly because of higher R&D expenditures.

*2 Non operating expenses : Includes foreign exchange loss (¥64 million)

Net sales

Forecast higher sales because of overseas market expansion through acquisition of Talaris and deeper penetration in the Japanese market

Income

Forecast higher earnings because of benefits of Talaris acquisition and cost-reduction measures

(Millions of yen)	FY2011 Q1 results	FY2012 Q1-Q2 forecast	FY2012 Forecast
Net sales	31,438	70,000 → 80,000	155,000 → 185,000
Maintenance service	8,405 (26.7%)	17,000 → 21,100 (26.4%)	34,000 → 46,500 (25.1%)
Operating income	1,411 (4.5%)	4,000 → 4,500 (5.6%)	12,000 → 14,500 (7.8%)
Ordinary income	1,657 (5.3%)	4,000 → 4,500 (5.6%)	12,000 → 13,500 (7.3%)
Net income	992 (2.9%)	2,000 → 2,500 (3.1%)	7,000 → 7,500 (4.1%)

Exchange rate: US\$1 = ¥80 €1 = ¥100

(Millions of Yen)

Business Segments	FY2012					
	FY2012 Q1 results		FY2012 Q1-Q2 forecast		FY2012 forecast	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Financial Market	7,430	-38	21,000	1,700	46,000	4,800
			21,000	1,300	45,000	3,900
Retail & Transportation Market	6,341	728	13,000	1,300	29,000	3,700
			13,500	1,300	29,500	3,700
Amusement Market	6,214	406	12,000	300	25,500	1,600
			12,000	500	25,500	1,800
Overseas Market	7,873	446	17,500	700	40,000	1,900
			26,500	1,600	70,000	5,300
Others	3,577	-131	6,500	0	14,500	0
			7,000	-200	15,000	▲200
Total	31,438	1,411	70,000	4,000	155,000	12,000
			80,000	4,500	185,000	14,500



Upper row shows the forecasts
announced previously

Lower row shows the revised forecasts

1. Summary

On July 10, 2012, GLORY acquired all of the outstanding shares of Talaris Topco Limited headquartered in Basingstoke, UK ("Talaris"), a provider of cash handling equipment and software solutions, through GLORY Global Solutions Ltd., a GLORY subsidiary located in UK. As a result, Talaris and its 32 subsidiaries (together, "Talaris Group") became subsidiaries of GLORY.

2. Reason for the acquisition

Acquisition of Talaris will provide GLORY with the wider distribution and maintenance service networks, advanced solution capabilities, a broad customer base and skillful human resources of Talaris Group, and is envisaged to accelerate the growth of GLORY's overseas business.

3. Names of the sellers of the shares

CEP III Participations S.a.r.l. SICAR and Talaris management team

4. Outline of the company acquired

(1) Company name

Talaris Topco Limited

(2) Principal business

Holding company that manufactures, sells and maintains cash handling machines

(3) Consolidated financial condition and revenue (as of March 31, 2012)

Paid-in capital	£ 132 million (¥165 billion)	(*Exchange rate: £ 1 = ¥125)
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Total assets	£ 555 million (¥694 billion)
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Revenue	£ 330 million (¥413 billion)
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5. Date of the acquisition

July 10, 2012

6. Acquisition price and shareholding ratio after the acquisition

Acquisition price:	£ 438 million
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Shareholding ratio:	100%
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7. Funds for the acquisition

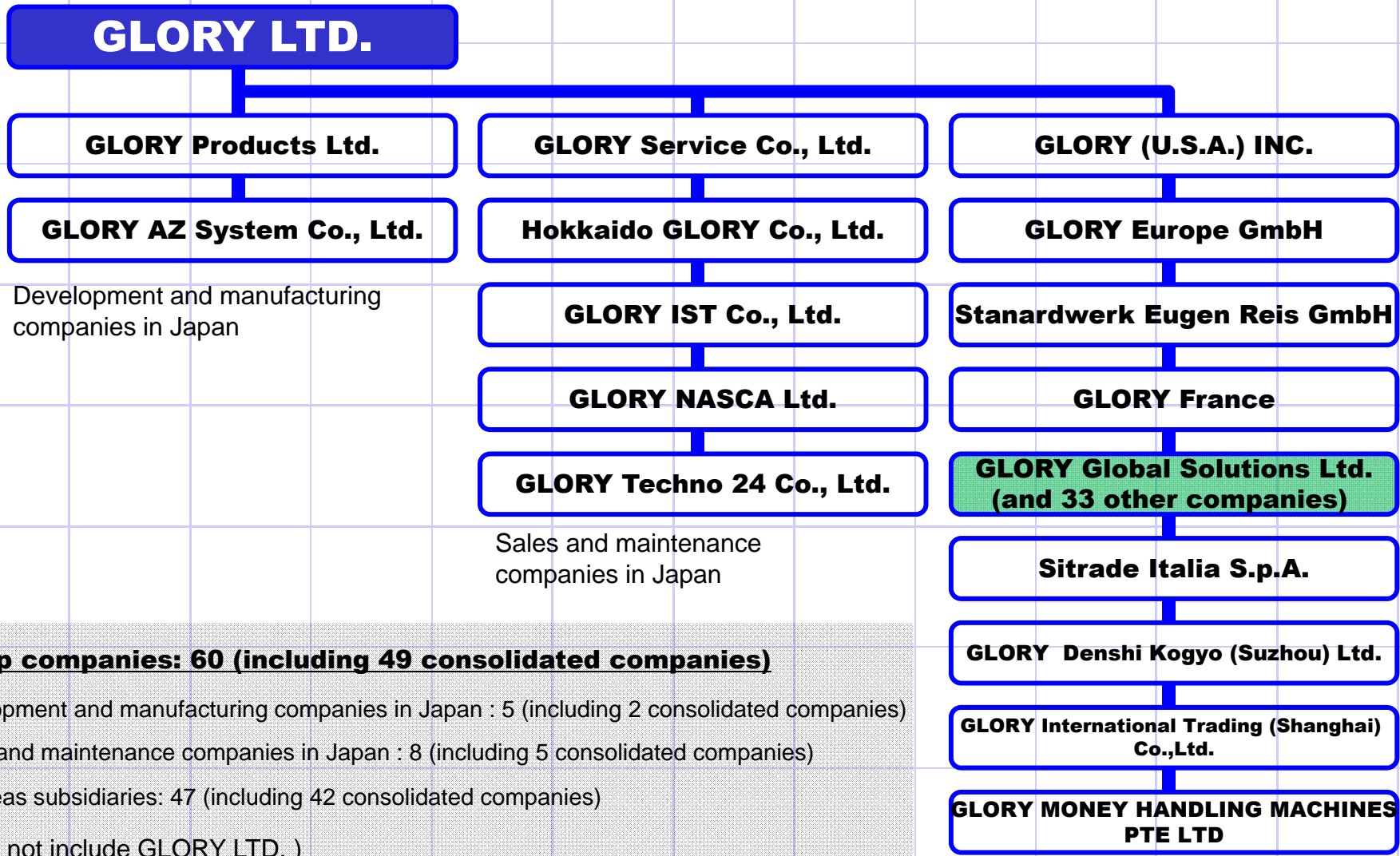
GLORY's own resources and financial loans

● **Sales Forecast for Overseas Geographic Segments**

(Millions of Yen)

Sales by geographical segment (overseas)	FY2012 Q1-Q2			FY2012		
	Previous forecast	Revised forecast	Difference	Previous forecast	Revised forecast	Difference
Americas	4,000	7,900	3,900	9,000	21,000	12,000
Europe	8,500	13,200	4,700	17,000	31,000	14,000
Asia	5,000	5,400	400	14,000	18,000	4,000
China	2,000	1,700	-300	7,000	7,000	0
Total	17,500	26,500	9,000	40,000	70,000	30,000
OEM	5,000	6,200	1,200	10,500	13,500	3,000

*Previous forecast is the forecast announced on May 10, 2012



Development and manufacturing companies in Japan

Sales and maintenance companies in Japan

Overseas subsidiaries

Group companies: 60 (including 49 consolidated companies)
 Development and manufacturing companies in Japan : 5 (including 2 consolidated companies)
 Sales and maintenance companies in Japan : 8 (including 5 consolidated companies)
 Overseas subsidiaries: 47 (including 42 consolidated companies)
 (*Does not include GLORY LTD.)