

Questions and Answers at the Investor Conference Call on Earnings Results for the First Quarter of the Fiscal Year 2011

Q1) Please explain about contributing factors in cost reduction of ¥800 million.

A1) One of the major factors is that GLORY increased production of coin and banknote recycler units in China. Overseas procurements contributed most to cost reduction. In addition increase of productivity also reduced the cost.

Q2) Please explain why inventories increased during the first quarter compared with the end of the fourth quarter of the previous fiscal year.

A2) Inventories increased about ¥3 billion. Although the Company intends to reduce inventories as much as possible, under the influence of the Great East Japan Earthquake there are some parts which we cannot tell time form receiving to delivering orders. We are producing products ready to get started.

Q3) Please explain how the plants in the Philippines and China are operating.

A3) The plant in China is operating at full capacity. In the Philippines the second plant was completed in March this year so they still have some capacity to be operated.