

Consolidated financial results

for the second quarter of fiscal year ending March 31, 2011

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This document may contain forecasts for future business which reflect management's current views with respect to certain future events and financial performances. Actual results may differ materially from those projected or implied in the forecasts and from historical trends. Further, certain forecasts 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 forecasts without advance notice except that we need legal procedures.

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Consolidated Financial Results

for the six months ended September 30, 2010

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Net sales

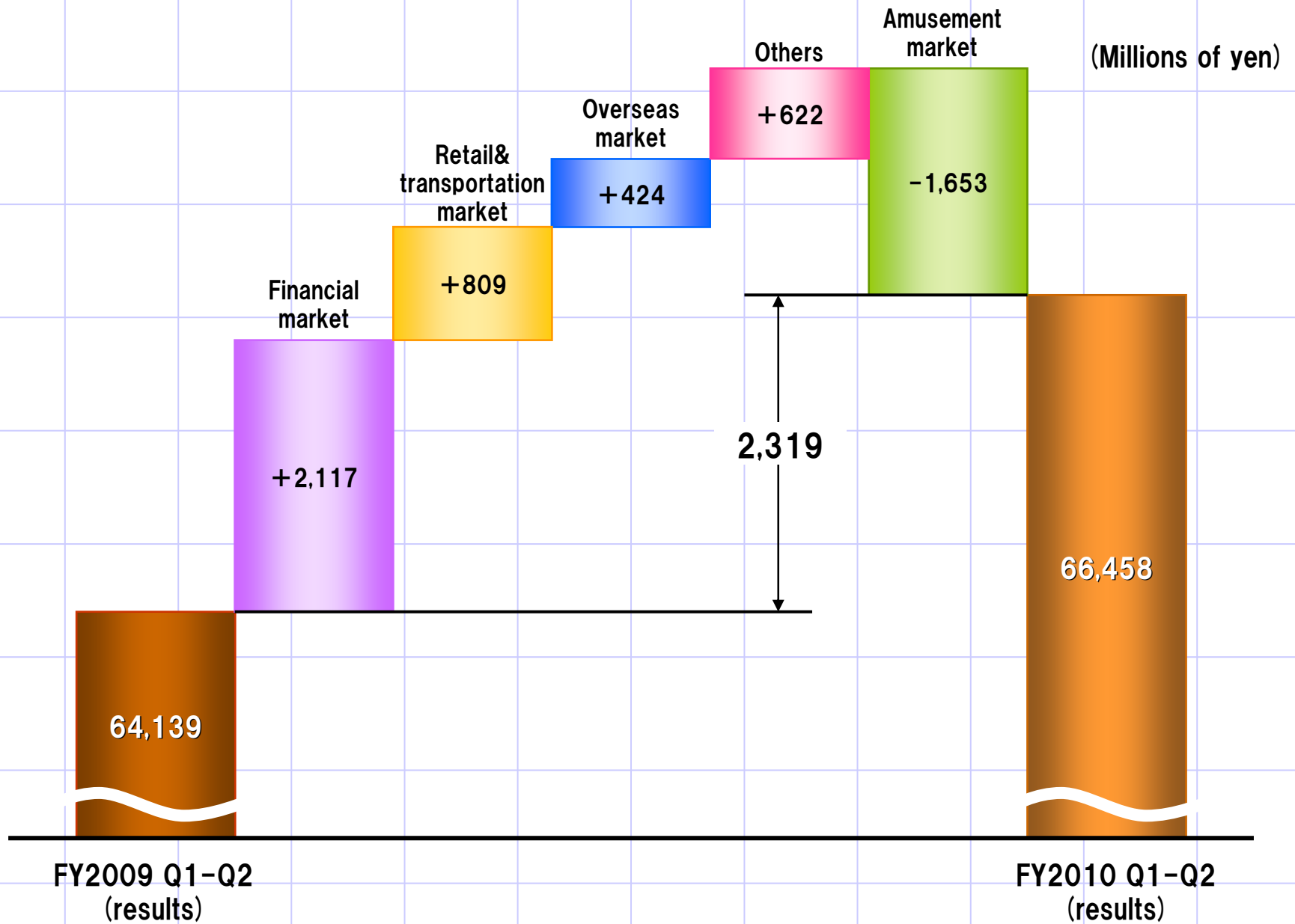
Although the amusement market was sluggish, sales in the domestic financial market, retail/transportation market and overseas market were all favorable, and net sales increased on a year-on-year basis.

Incomes

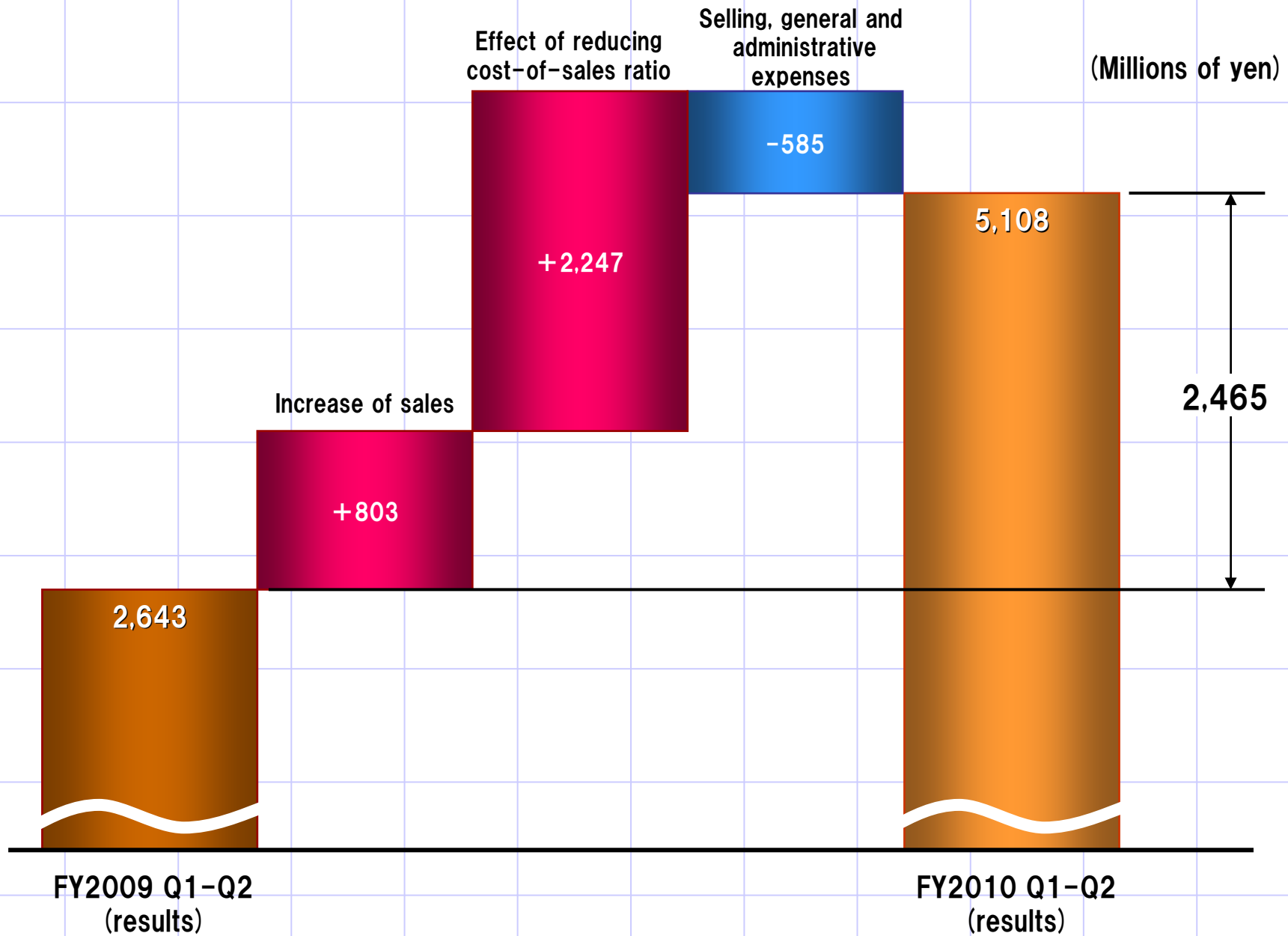
Not only reduction in overseas procurement costs but also favorable sales of higher-value-added products boosted profitability. Operating income, ordinary income and net income all increased on the year.

(Millions of yen)	FY2009 Q1-Q2	FY2010 Q1-Q2	Year-on-year comparison
Net sales	64,139	66,458	+3.6%
Maintenance services	15,644 (24.4%)	15,913 (23.9%)	+1.7%
Operating income	2,643 (4.1%)	5,108 (7.7%)	+93.3%
Ordinary income	3,767 (5.9%)	5,515 (8.3%)	+46.4%
Net income	2,223 (3.5%)	2,935 (4.4%)	+32.0%

Changing factors of net sales



Changing factors of operating income



Net sales & operating income by business segment

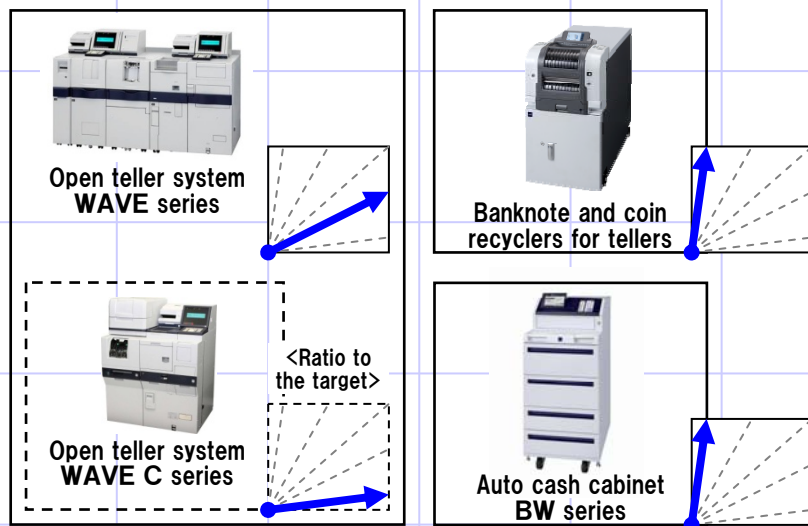
FY2010 Q1-Q2					
Business segments	Net sales	Performance FY09 Q1-Q2	Numerical target	Operating income	Numerical target
		Year-on-year	Ratio to the target		Ratio to the target
Financial market	21,579	19,462	20,000	2,178	993
		+10.9%	+ 7.9%		+119.3%
Retail & transportation market	13,571	12,763	13,000	1,180	982
		+ 6.3%	+ 4.4%		+20.2%
Amusement market	12,166	13,819	12,000	528	454
		- 12.0%	+ 1.4%		+16.3%
Overseas market	13,486	13,062	15,000	1,137	840
		+ 3.2%	- 10.1%		+35.4%
Others	5,654	5,033	5,000	84	- 270
		+12.3%	+13.1%		+131.5%
Vending machine market	2,681	3,192	2,500	- 259	- 278
		- 16.0%	+ 7.2%		+ 7.3%
Total	66,458	64,139	65,000	5,108	3,000
		+ 3.6%	+ 2.2%		+70.3%

*Ratio to the target as of August 5, 2010

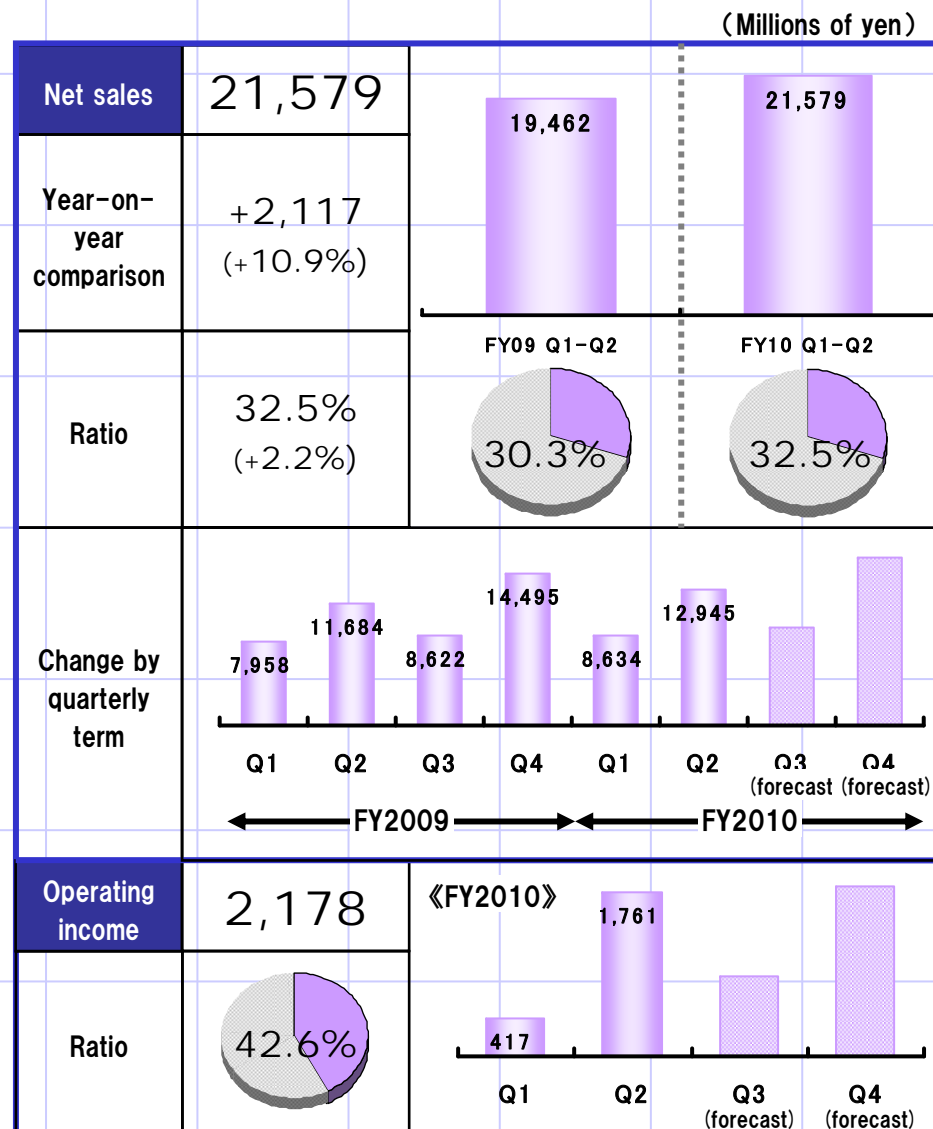
● Favorable sales of main products

Sales of open teller systems, our main products, were favorable due to the release of compact open teller systems for small and mid-sized financial outlets. In addition, OEM banknote and coin recycling units for tellers were also favorable due to replacement demand.

Sales of main products (Year-on-year comparison)



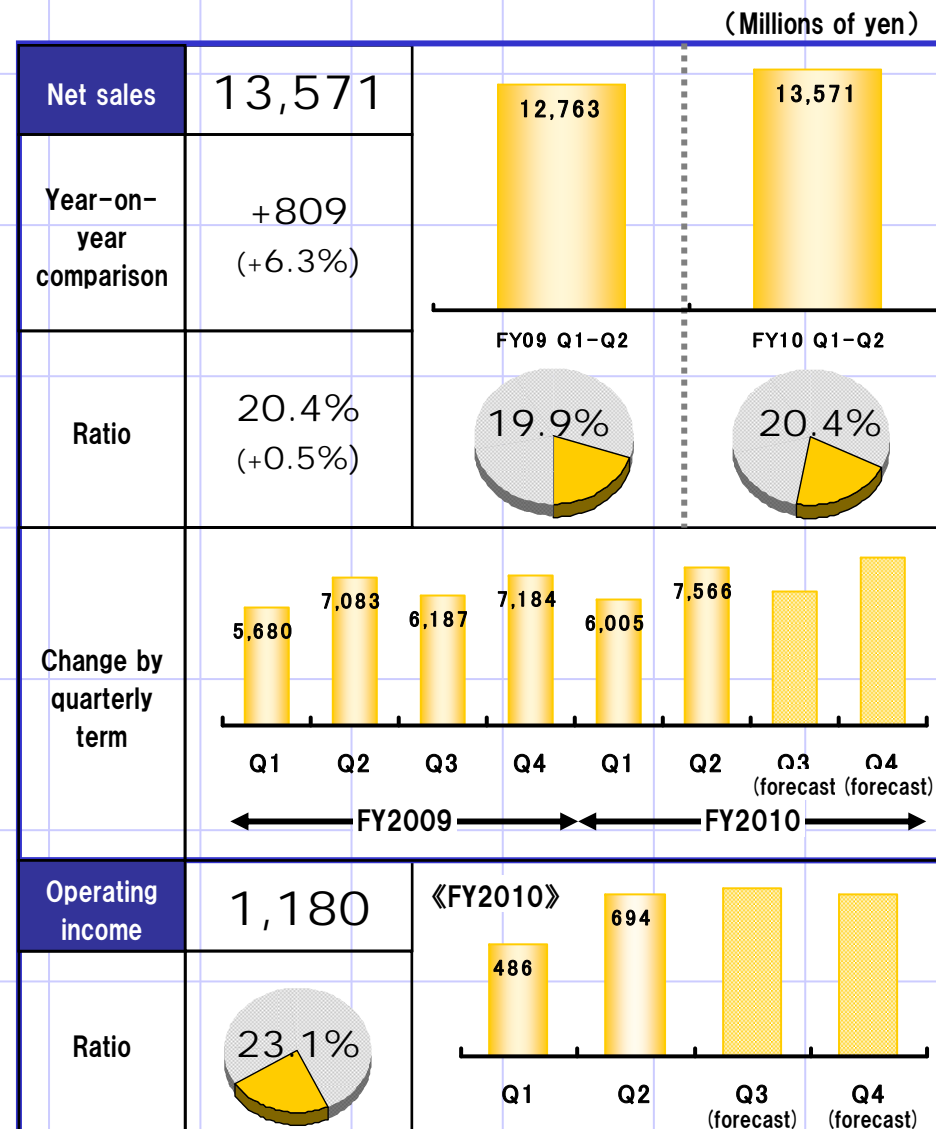
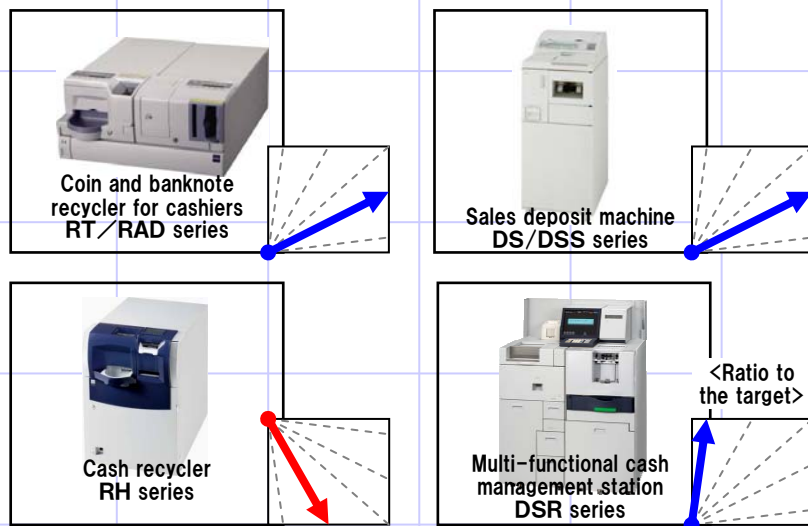
*Inclination of an arrow indicates fluctuation of sales compared to the same period last year



● Favorable sales of main products

Though market conditions were very severe because both supermarkets and specialty shops were in downward-trend in capital investment and setting up new stores, the Group tried to expand sales of our main products, coin and banknote recyclers for cashiers and OEM sales proceeds deposit machines for cash-in-transit companies, consequently sales for this segment were favorable.

Sales of main products (Year-on-year comparison)

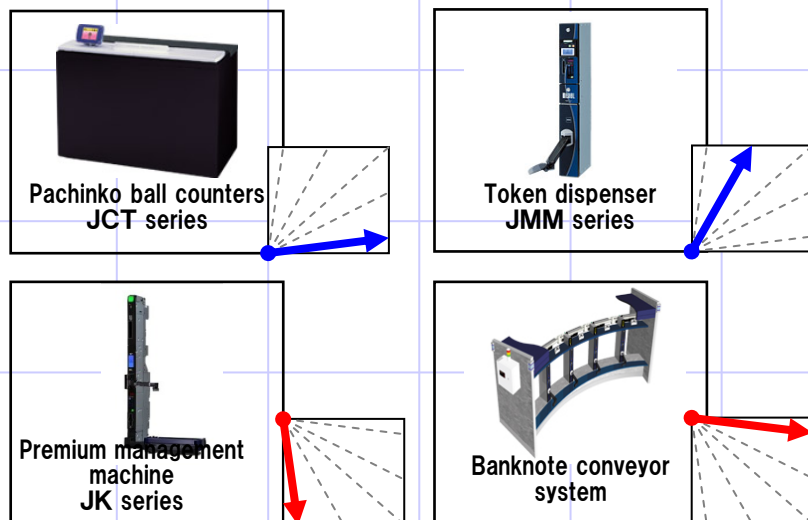


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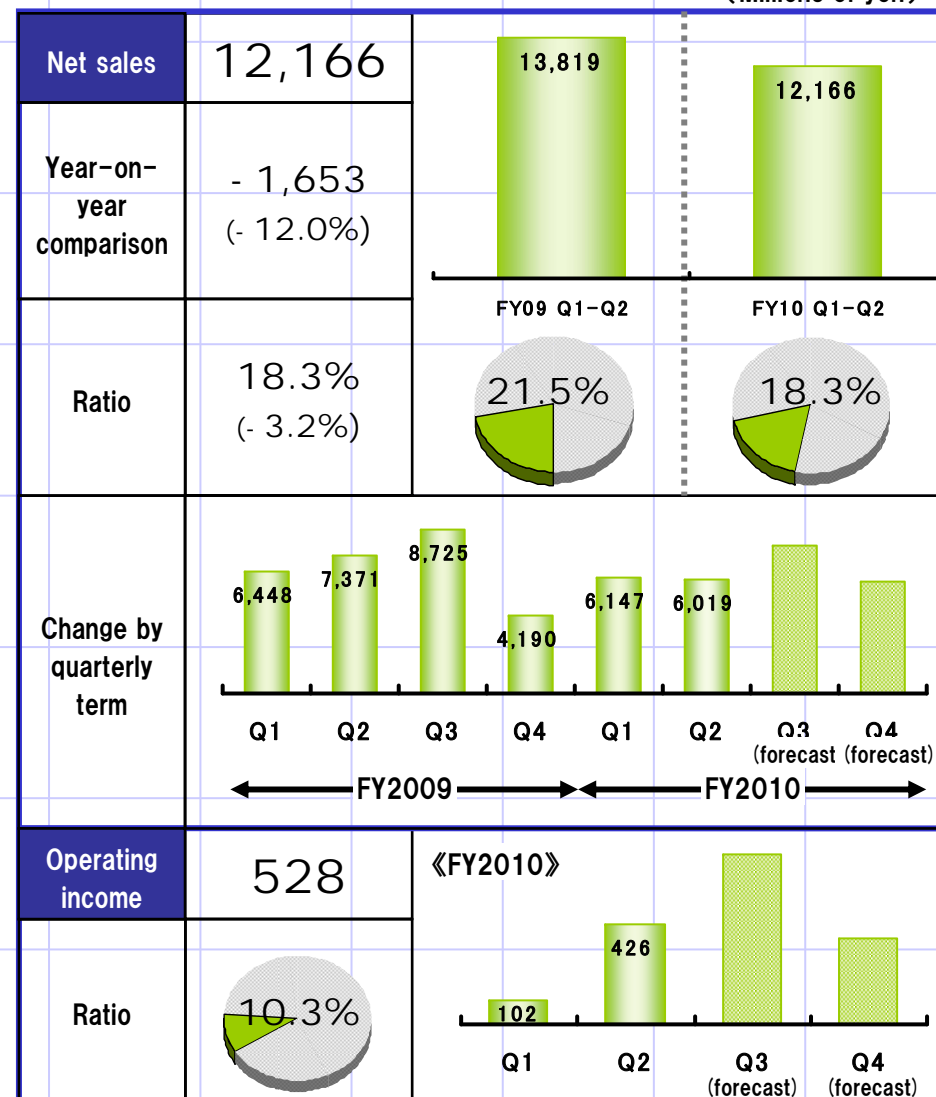
● Sluggish sales of card systems

Net sales for this segment were sluggish due not only to restrained investment in card systems and other equipments but to the undesirable affect from intensified competition in the market.

Sales of main products (Year-on-year comparison)



(Millions of yen)

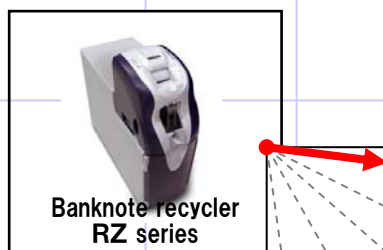
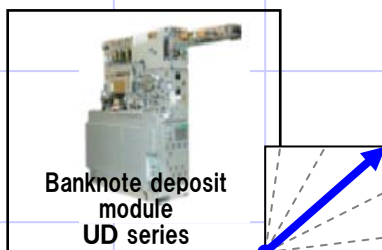


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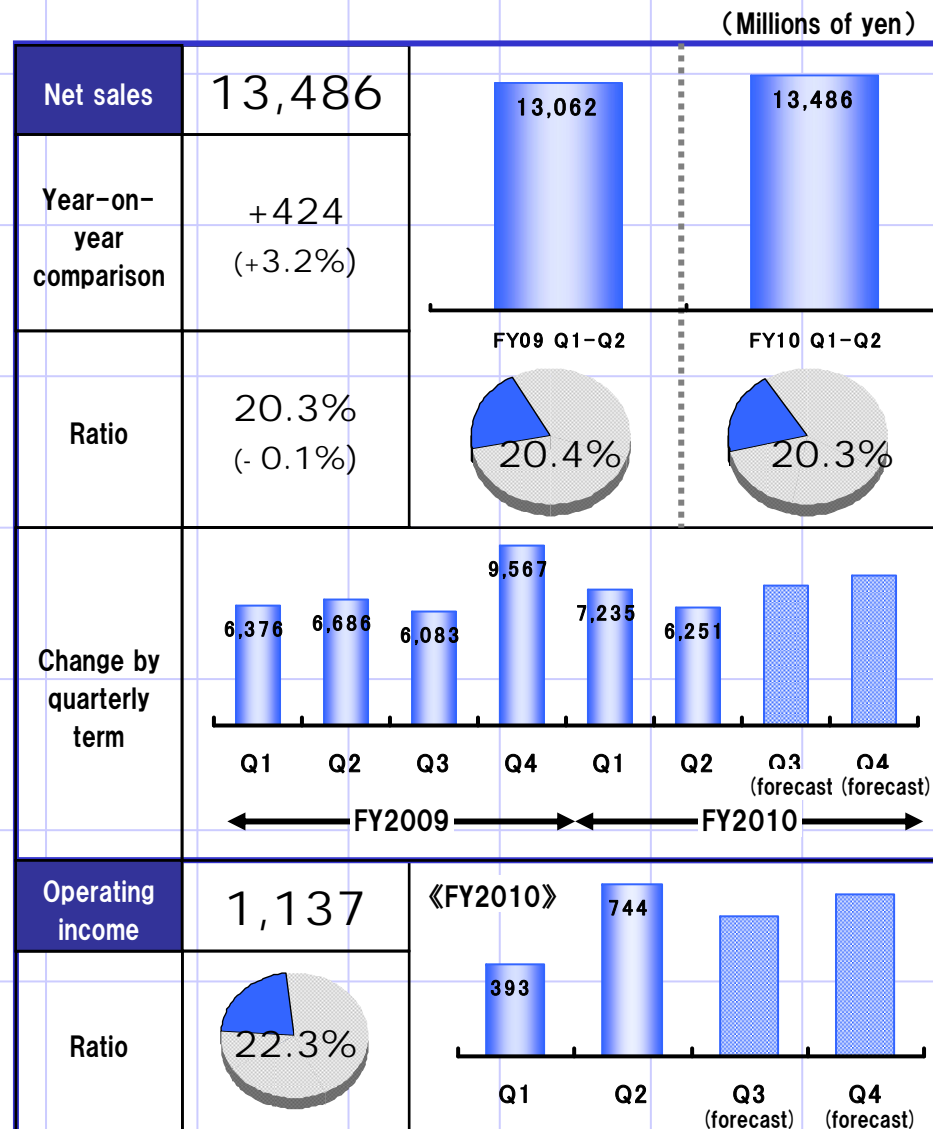
● Favorable sales in Asia

Sales of OEM banknote deposit modules for ATMs and banknote sorters and banknote counters in Asia were favorable, while total sales for this market were almost on a par with the corresponding period of the previous year because sale of banknote recyclers in the U.S. and Europe were sluggish.

Sales of main products (Year-on-year comparison)



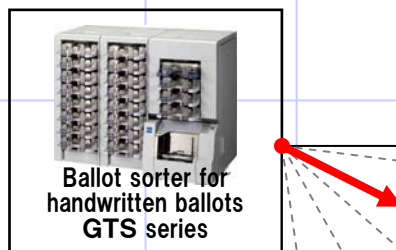
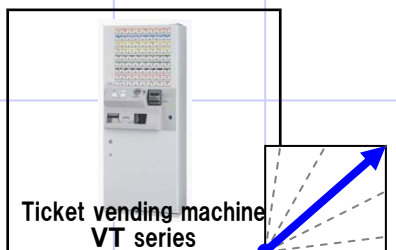
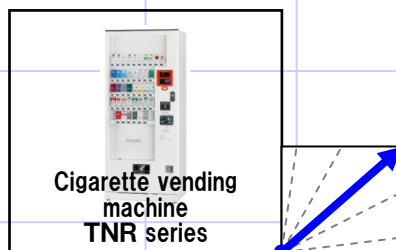
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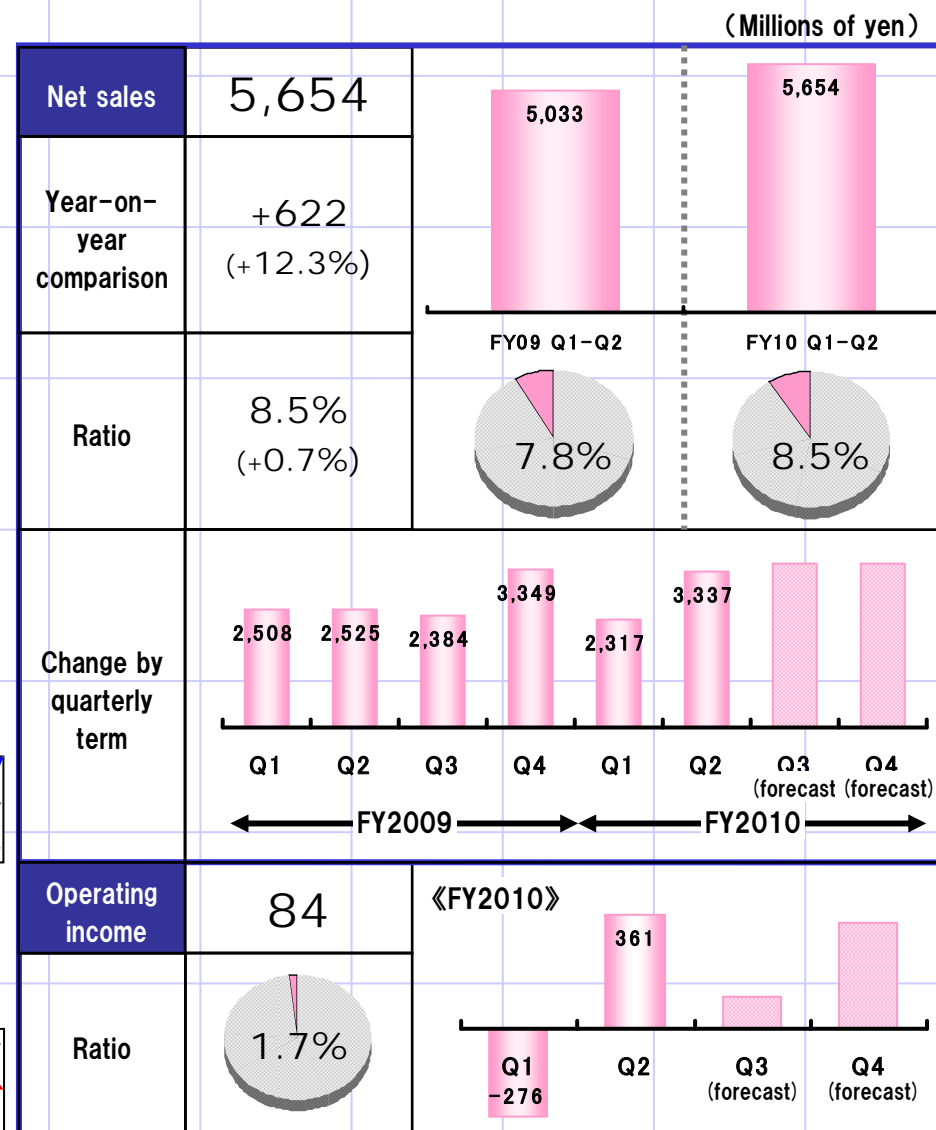
● Favorable sales of OEM products and ticket vending machines

Sales of OEM banknote recycling units for horse race ticket vending machines and ticket vending machines were favorable.

Sales of main products (Year-on-year comparison)



*Inclination of an arrow indicates fluctuation of sales compared to the same period last year



Net sales by geographical segment

(Millions of yen)

Comparison on a local currency base

Net sales by geographical segment (overseas)	FY2009 Q1-Q2	FY2010 Q1-Q2	Year-on-year comparison	FY2009 Q1-Q2	FY2010 Q1-Q2	Year-on-year comparison
Americas	3,845	2,628	- 1,217	\$25,587,000 (89.76¥/U.S.\$)	\$25,996,000 (83.44¥/U.S.\$)	+1.5%
Direct sales	2,321	2,166	- 155			
OEM	1,524	462	- 1,062			
				On a yen base		- 6.7%
Europe	7,230	7,816	+586	€33,606,000 (135.15¥/ €)	€29,668,000 (108.10¥/ €)	- 11.7%
Direct sales	4,542	3,207	- 1,335			
OEM	2,688	4,609	+1,921			
				On a yen base		- 29.4%
Asia	1,987	3,042	+1,055	\$8,099,000 (89.76¥/\$)	\$15,518,000 (83.44¥/\$)	+91.6%
Direct sales	727	1,295	+568			
China	621	1,145	+524			
OEM	639	602	- 37			
				On a yen base		+78.1%
Total	13,062	13,486	+424	Comparison of direct sales on a local basis * Exchange rate		
Direct sales	8,211	7,813	- 398	•Americas & Asia: At the end of September, 2010		
OEM	4,851	5,673	+822	•Europe: At the end of June, 2010		

Capital expenditures and others

(Millions of yen)

	FY2009 Q1-Q2	FY2010 Q1-Q2	Year-on-year	Change during the last five years																		
Capital expenditures	3,280	3,441	+161 +4.9%	<table border="1"> <tr><th>Fiscal Year</th><th>Q1-Q2</th><th>Value (Millions of yen)</th></tr> <tr><td>FY06</td><td>Q1-Q2</td><td>3,512</td></tr> <tr><td>FY07</td><td>Q1-Q2</td><td>2,556</td></tr> <tr><td>FY08</td><td>Q1-Q2</td><td>3,330</td></tr> <tr><td>FY09</td><td>Q1-Q2</td><td>3,280</td></tr> <tr><td>FY10</td><td>Q1-Q2</td><td>3,360</td></tr> </table>	Fiscal Year	Q1-Q2	Value (Millions of yen)	FY06	Q1-Q2	3,512	FY07	Q1-Q2	2,556	FY08	Q1-Q2	3,330	FY09	Q1-Q2	3,280	FY10	Q1-Q2	3,360
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Depreciation & amortization	3,851	3,180	- 671 - 17.4%	<table border="1"> <tr><th>Fiscal Year</th><th>Q1-Q2</th><th>Value (Millions of yen)</th></tr> <tr><td>FY06</td><td>Q1-Q2</td><td>3,016</td></tr> <tr><td>FY07</td><td>Q1-Q2</td><td>3,095</td></tr> <tr><td>FY08</td><td>Q1-Q2</td><td>3,408</td></tr> <tr><td>FY09</td><td>Q1-Q2</td><td>3,851</td></tr> <tr><td>FY10</td><td>Q1-Q2</td><td>3,180</td></tr> </table>	Fiscal Year	Q1-Q2	Value (Millions of yen)	FY06	Q1-Q2	3,016	FY07	Q1-Q2	3,095	FY08	Q1-Q2	3,408	FY09	Q1-Q2	3,851	FY10	Q1-Q2	3,180
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R&D expenses	4,310	4,151	- 159 - 3.7%	<table border="1"> <tr><th>Fiscal Year</th><th>Q1-Q2</th><th>Value (Millions of yen)</th></tr> <tr><td>FY06</td><td>Q1-Q2</td><td>4,499</td></tr> <tr><td>FY07</td><td>Q1-Q2</td><td>4,825</td></tr> <tr><td>FY08</td><td>Q1-Q2</td><td>4,700</td></tr> <tr><td>FY09</td><td>Q1-Q2</td><td>4,310</td></tr> <tr><td>FY10</td><td>Q1-Q2</td><td>4,151</td></tr> </table>	Fiscal Year	Q1-Q2	Value (Millions of yen)	FY06	Q1-Q2	4,499	FY07	Q1-Q2	4,825	FY08	Q1-Q2	4,700	FY09	Q1-Q2	4,310	FY10	Q1-Q2	4,151
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Analysis of income statements

(Millions of yen)

	FY2009 Q1-Q2	Percent (%)	FY2010 Q1-Q2	Percent (%)	Increase/Decrease	
Net sales	64,139	100.0	66,458	100.0	+2,319	
Cost of sales	41,902	65.3	41,170	61.9	- 732	①
SG&A costs	19,594	30.5	20,179	30.4	+585	
Operating income	2,643	4.1	5,108	7.7	+2,465	
Non-operating income	1,304	2.0	880	1.3	- 424	②
Non-operating expenses	180	0.3	474	0.7	+294	
Ordinary income	3,767	5.9	5,515	8.3	+1,748	
Extraordinary income	416	0.6	180	0.3	- 236	
Extraordinary loss	529	0.8	942	1.4	+413	③
Income before income taxes	3,653	5.7	4,753	7.2	+1,100	
Adjustment of income tax	1,430	2.2	1,818	2.7	+388	
Net income	2,223	3.5	2,935	4.4	+712	

①Cost of sales ratio : Activities to reduce costs decreased the ratio by 3.4 percentage points.

②Non-operating income and expenses : Foreign exchange loss (¥335 million)

(¥486 million of insurance return was posted to non-operating income in the same period last year.)

③Extraordinary loss : Impairment loss (¥365 million) , Retirement fund payment cost (¥257 million) ,

Losses on devaluation of its investment securities holdings (¥200 million)

2

Market environment and initiatives to be taken for the second half of the fiscal year 2010

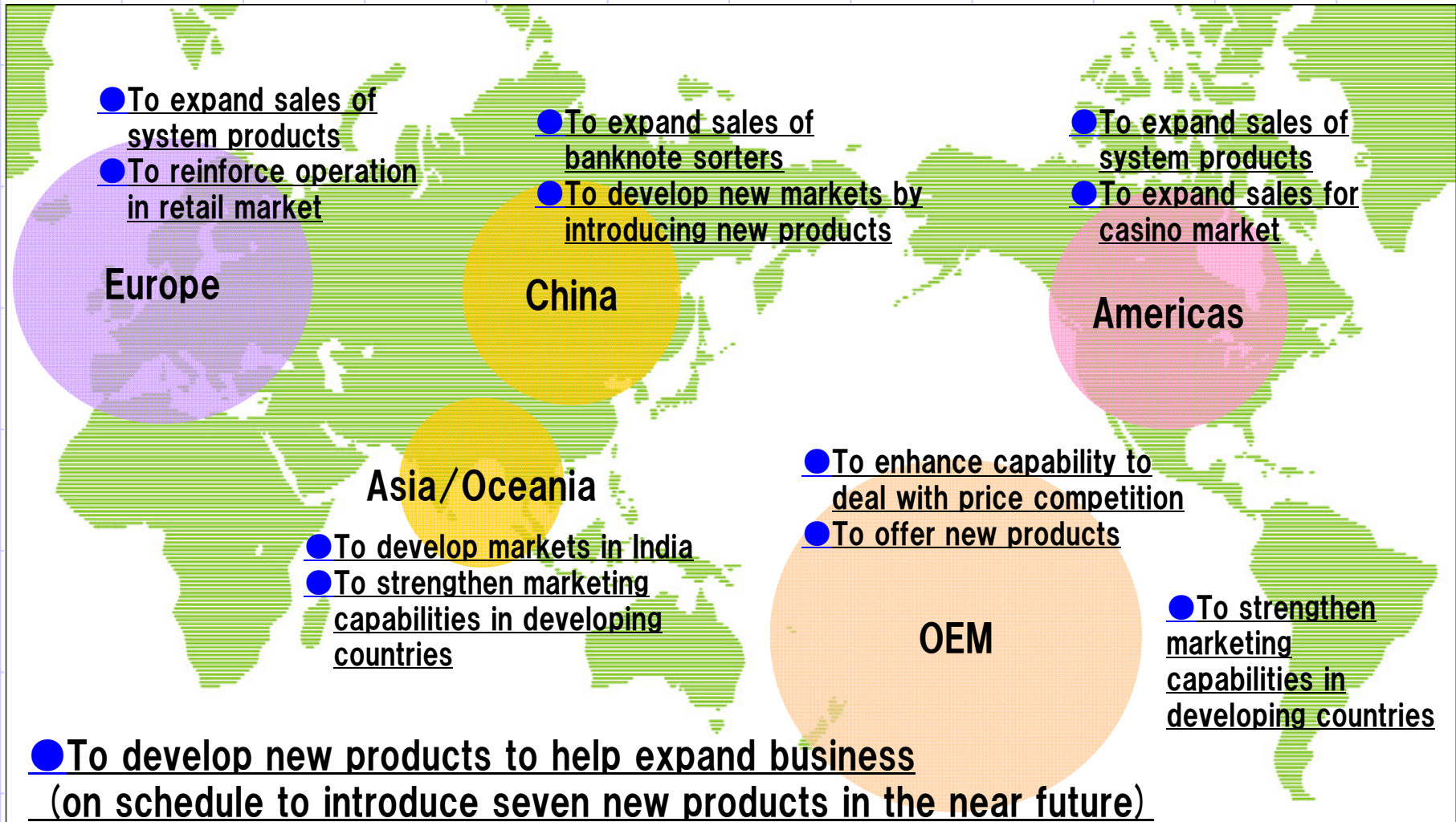
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Overseas market



● To enrich the solid business foundation for expansion of overseas business

[Environment] Expanding in Asia, uncertain in the U.S.A. & Europe and OEM products



● To enrich the solid business foundation for expansion of overseas business

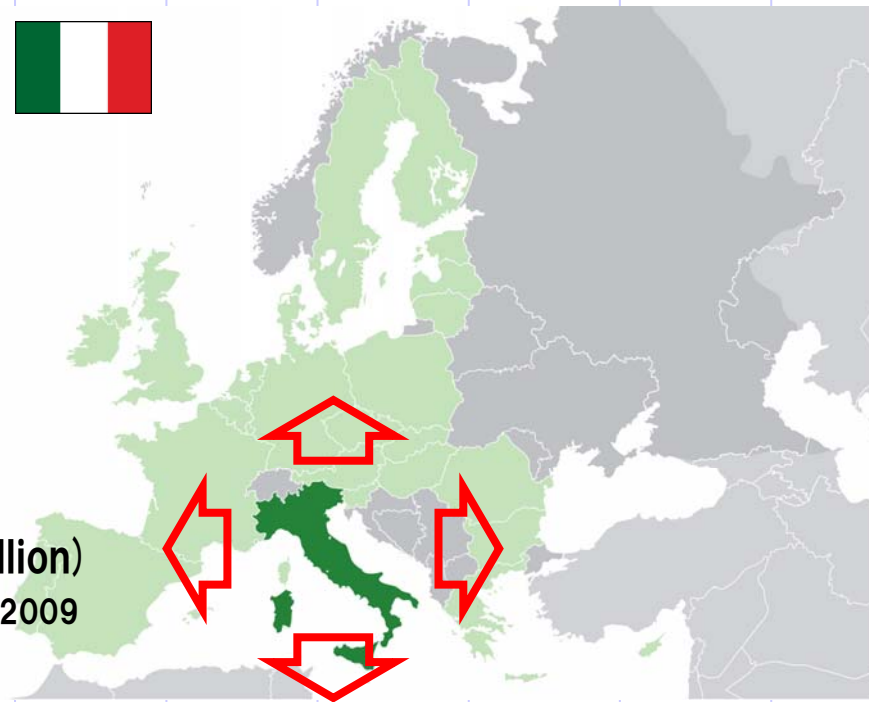
The Company's largest distributor in Europe into a subsidiary (October 1, 2010)

To take advantage of the distributor's customer network and sales know-how to boost the market share in not only Italy but other European countries in the future.

Sitrade Italia S.p.A

- **Capital:** € 620,000 (¥68 million)
- **No. of employees:** About 130
- **Established:** July 1978
- **Offices:** Head office (Milano)
7 regional offices (Rome, etc.)
18 service offices
- **Net sales:** €47million (¥5,200million)
- **Operating income:** €9.7million (¥1,100 million)

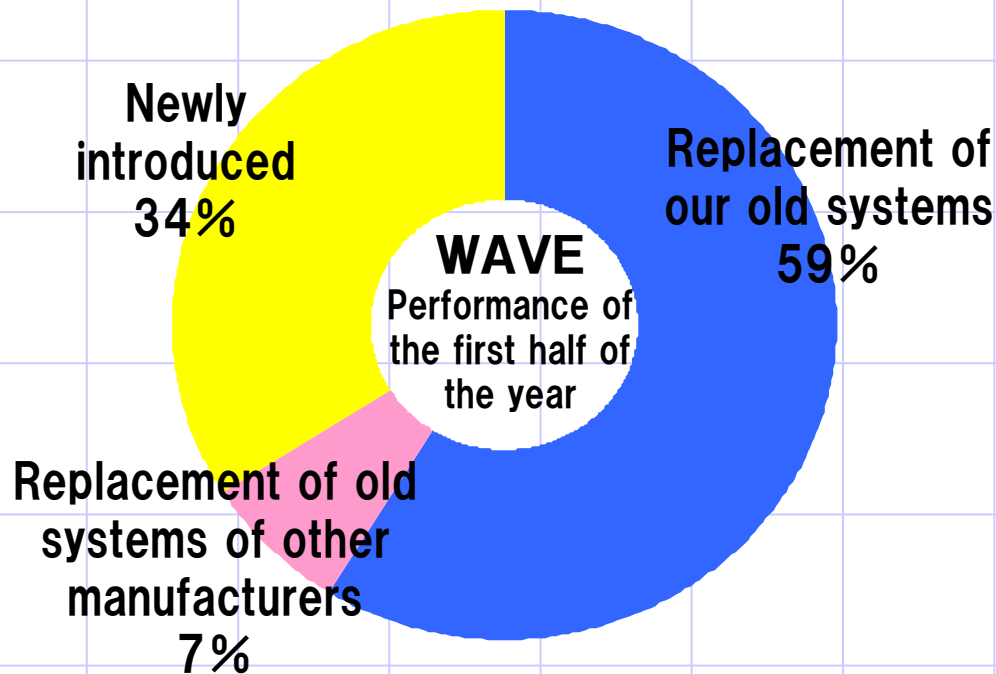
*Fiscal year ended December 2009



● Expansion of sales of open teller systems

【Environment】 Capital investment in upward trend; gaps in income widened.
Some financial institutes with less profit tended to reduce investment.

- To stimulate replacement demand: to encourage customers with over-ten-year-old machines to replace them
- To expand market: to focus on undeveloped market and gain bigger share



● To promote introduction of coin and banknote recyclers into undeveloped markets

【Environment】 Remained in downward trend in capital investment and setting up new stores.
Pushing forward with initiatives to reduce costs such as the disposal of unprofitable stores, reduction of work hours.

● To demonstrate good performance by operating our products by our full-time staff (at CVS, restaurants, specialty shops)

Convenience stores

• To promote test use

Coin and banknote recyclers RT/RAD200 series



Chain restaurants
• Family restaurants
• Coffee shops

• To promote full-scale introduction



Specialty shops

• To promote full-scale introduction to the retail sector



● To strengthen competitiveness in the market

【Environment】 Big and midsize pachinko parlors had the strength to open and renew parlors, while smaller parlors couldn't afford to spend much on capital investment under difficult business conditions.

- Promotion of a merger of two consolidated subsidiaries of the Company (GLORY NASCA Ltd. and CREATION CARD CO., LTD.)
- Promotion of development of new products and new services

Preparation for the merger

Unification of the card systems of the two companies



Release of new products

Card-related products, pachinko prize-related products and so on



Providing new services

Service via mobile phone websites



3

Financial forecast for the fiscal year ending March 31, 2011

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Financial forecast for FY2010

Net sales

Net sales will increase compared to the same period last year due to developing markets more due to launching new products.

Incomes

Incomes will increase compared to the same period last year due to the effect of increasing sales and promoting cost reduction.

(Millions of yen)	FY2009 (results)	FY2010 (forecast)	Year-on-year comparison
Net sales	135,105	145,000	+7.3%
Maintenance services	31,682 (23.4%)	32,000 (22.1%)	+1.0%
Operating income	7,685 (5.7%)	10,000 (6.9%)	+30.1%
Ordinary income	9,011 (6.7%)	10,000 (6.9%)	+11.0%
Net income	5,108 (3.8%)	6,000 (4.1%)	+17.5%

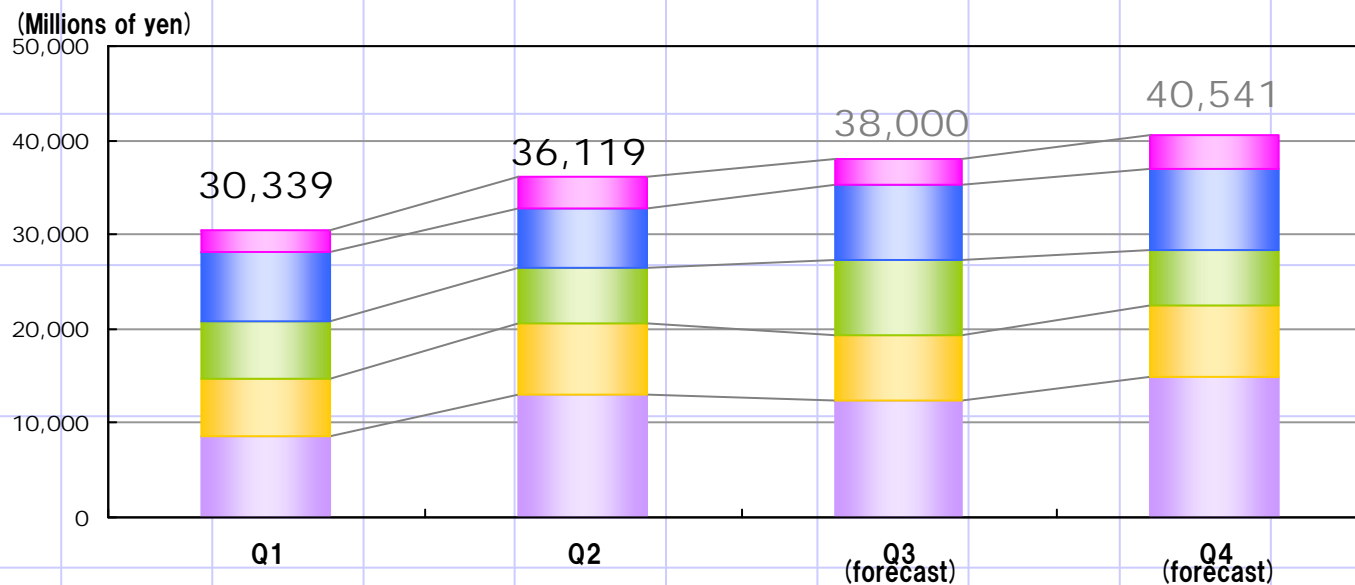
Projected net sales by business segment



(Millions of yen)	FY2009 (results)		FY2010 (forecast)		
	Net sales	Ratio	Net sales	Y-on-Y comparison	Operating income
Financial market	42,759	31.6%	47,000 → 49,000	+14.6%	4,200
Retail & transportation market	26,134	19.3%	28,000 → 28,000	+7.1%	2,200
Amusement market	26,734	19.8%	26,000 → 26,000	- 2.7%	1,300
Overseas market	28,712	21.3%	32,000 → 30,000	+4.5%	1,900
Others	10,766	7.9%	12,000 → 12,000	+11.5%	400
Vending machine market	6,381	4.7%	6,500 → 6,500	+1.9%	0
Total	135,105	100.0%	145,000 → 145,000	+7.3%	10,000

*Figures on the left of an arrow were disclosed on August 5, 2010.

Quarterly sales by business segment



Business segments	Q1	Q2	Q3 (forecast)	Q4 (forecast)	Full year (forecast)
Financial market	8,634	12,945	12,400	15,020	49,000
Retail & transportation market	6,005	7,566	6,900	7,528	28,000
Amusement market	6,147	6,019	8,000	5,834	26,000
Overseas market	7,235	6,251	7,900	8,614	30,000
Others	2,317	3,337	2,800	3,545	12,000
Vending machine market	1,097	1,583	1,650	2,169	6,500
Total	30,339	36,119	38,000	40,541	145,000

4 Other information

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● Projected dividend for FY2010

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 (Forecast)	Year-end (Forecast)	Annual (Forecast)
FY2010 (Forecast announced on May 11, 2010)	¥17	¥17	¥34 (Dividend payout ratio: 38.1%)

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.

(For your reference)

Dividend per share	Interim (Results)	Year-end (Results)	Annual (Results)
FY2009	¥16	¥17	¥33 (Dividend payout ratio: 43.4%)

● Assumed foreign exchange rate for the second half period of FY2010 and sensitiveness to foreign exchange fluctuations

Assumed rate ↓ At the beginning of FY2010 ¥85 to 1 U.S. dollar, ¥130 to 1 EURO
 After the second quarter ¥85 to 1 U.S. dollar, ¥110 to 1 EURO

● Sensitiveness to foreign exchange fluctuations
 (effect for the second half period of Fiscal Year 2010)

Impact by 1 yen rise		(REFERENCE) Estimate of the effect on the assumed rate The rates on the day of earnings announcement (November 5) ¥81 to 1 U.S. dollar, ¥115 to 1 EURO	
U.S. dollar	<ul style="list-style-type: none"> •Net sales ¥10 million <decrease> •Operating income ¥50 million <increase> 	<ul style="list-style-type: none"> •Net sales ¥44 million <decrease> •Operating income ¥196 million <increase> 	
EURO	<ul style="list-style-type: none"> •Net sales ¥20 million <decrease> •Operating income ¥20 million <decrease> 	<ul style="list-style-type: none"> •Net sales ¥120 million <increase> •Operating income ¥120 million <increase> 	
Total		<ul style="list-style-type: none"> •Net sales ¥76 million <increase> •Operating income ¥316 million <increase> 	