

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

Q1) Why did you revise down your fiscal year sales forecast for the financial market?

A1) We expect sales of WAVE open teller systems, the main product in this sector, the RB series banknote and coin recyclers for tellers and other products to be ¥2.5 billion less than the previous forecast.

Q2) You revised up the fiscal year sales forecast for the amusement market. What is your outlook for this market in the next fiscal year?

A2) The profitability of pachinko parlors is improving. In the current fiscal year, in response to the earthquake, manufacturers of pachinko machines canceled introductions of new models and parlors cut back on operations. But large pachinko parlor companies continue to add new locations and the number of machines at each location is not decreasing. Therefore, we believe this market will not be weaker in the next fiscal year than it is now.

Q3) What segments may perform poorly in the next fiscal year?

A3) Based on the Bank of Japan Tankan survey, it appears that interest among Japanese financial institutions in making capital expenditures is not declining. But the European debt problem is a source of concern because it is still uncertain how much this will affect Japan.

Q4) Sales of coin and banknote recyclers for cashiers are apparently strong. What industries are the major sources of orders?

A4) Sales for drug store chains, restaurant chains and regional supermarkets are increasing. Presently, only about 25% of the POS systems in operations in Japan are equipped with coin and banknote recyclers. Therefore, we plan to continue targeting this market with the aim of raising this percentage.