

# Consolidated Financial Results for the Three Months ended June 30, 2015

## 1 Consolidated Financial Results

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### Notes:

1. Revenue and expense accounts of foreign subsidiaries were previously translated into Japanese yen at the current exchange rate prevailing as of the respective balance sheet date. However, from the first quarter ended June 30, 2015, the company has changed the translation method to one using the average exchange rate for the respective period. This change in accounting policy is retrospectively applied and the figures of the financial results for FY2014 in this material reflects the retrospective application.

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

3. The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to the company and certain assumptions which the company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors. The factors includes changes in the economic conditions in the company's principal markets, changes in demand for the company's products, fluctuations of exchange rates, and impacts of changes in various regulations, accounting principles and practices. Please also take note that forecasts in this document may change without prior notice unless required by laws.

## Net Sales

Overall sales were higher than one year earlier: higher sales in all segments except the Amusement Market.

## Income

Operating income increased because of higher sales in the Financial Market and the Retail & Transportation Market, despite the sales decrease in the Overseas Market due to intensifying market competition and an increase in preparatory costs.

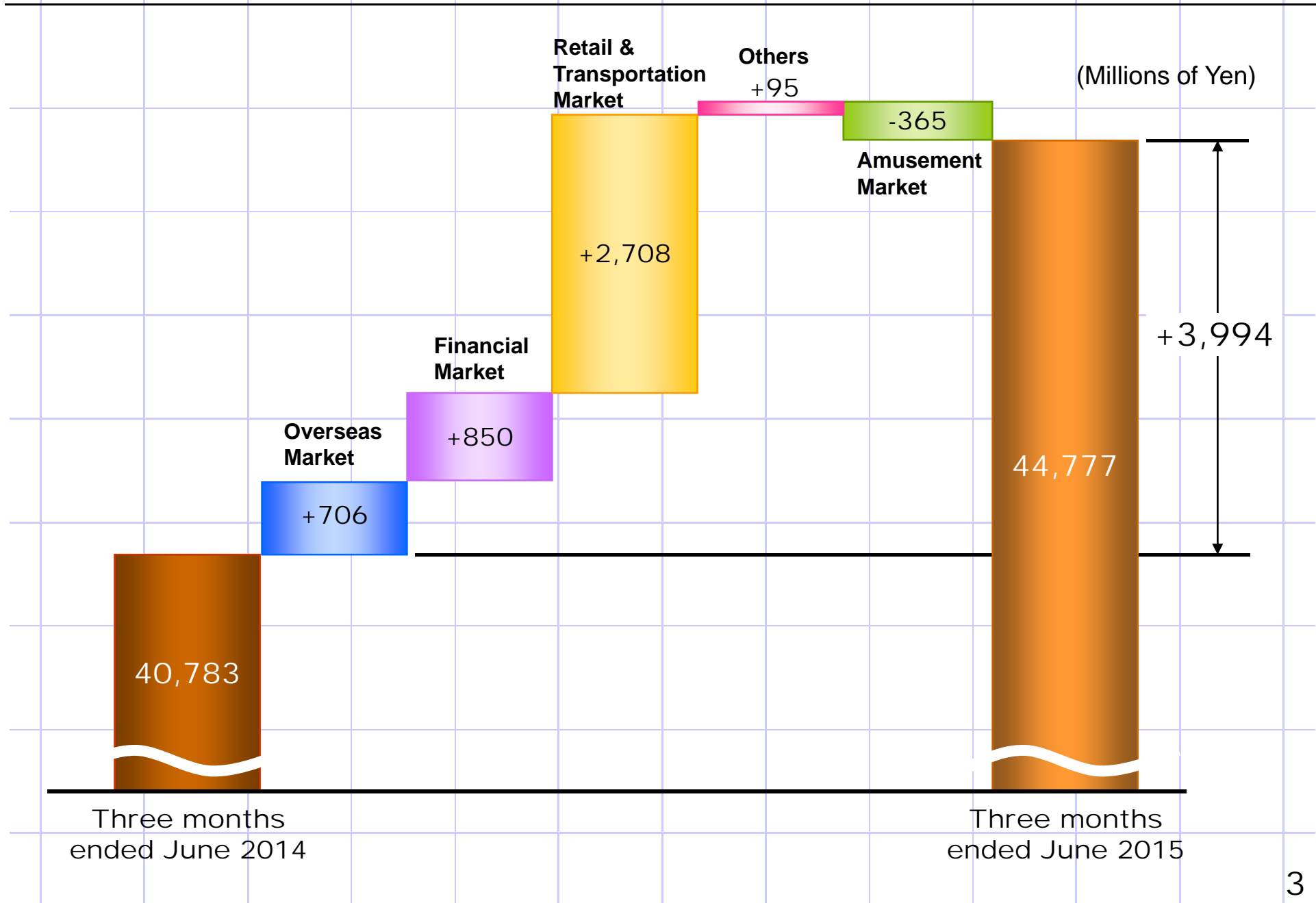
(Millions of yen)	FY2014		FY2015		Y-on-Y
	Three months ended June 30, 2014	Ratio	Three months ended June 30, 2015	Ratio	
Net Sales	40,783	100.0%	44,777	100.0%	+9.8%
Maintenance Services	15,468	38.0%	15,931	35.6%	+3.0%
Operating Income	798	1.9%	924	2.1%	+15.8%
Ordinary Income	1,497	3.7%	2,659	5.9%	+77.6%
Net Income Attributable to Owners of Parent *1	763	1.8%	1,114	2.5%	+46.0%
EBITDA *2	4,632	11.4%	4,607	10.3%	-0.5%
Exchange rate *3	US\$	¥ 102	¥ 121		
	Euro	¥ 141	¥ 134		
	GBP	¥ 172	¥ 186		

\*1 From the first quarter of FY2015, "Net income" is presented as "Net income attributable to owners of parent".

\*2 EBITDA=Operating income(loss) + Depreciation and amortization + Goodwill amortization

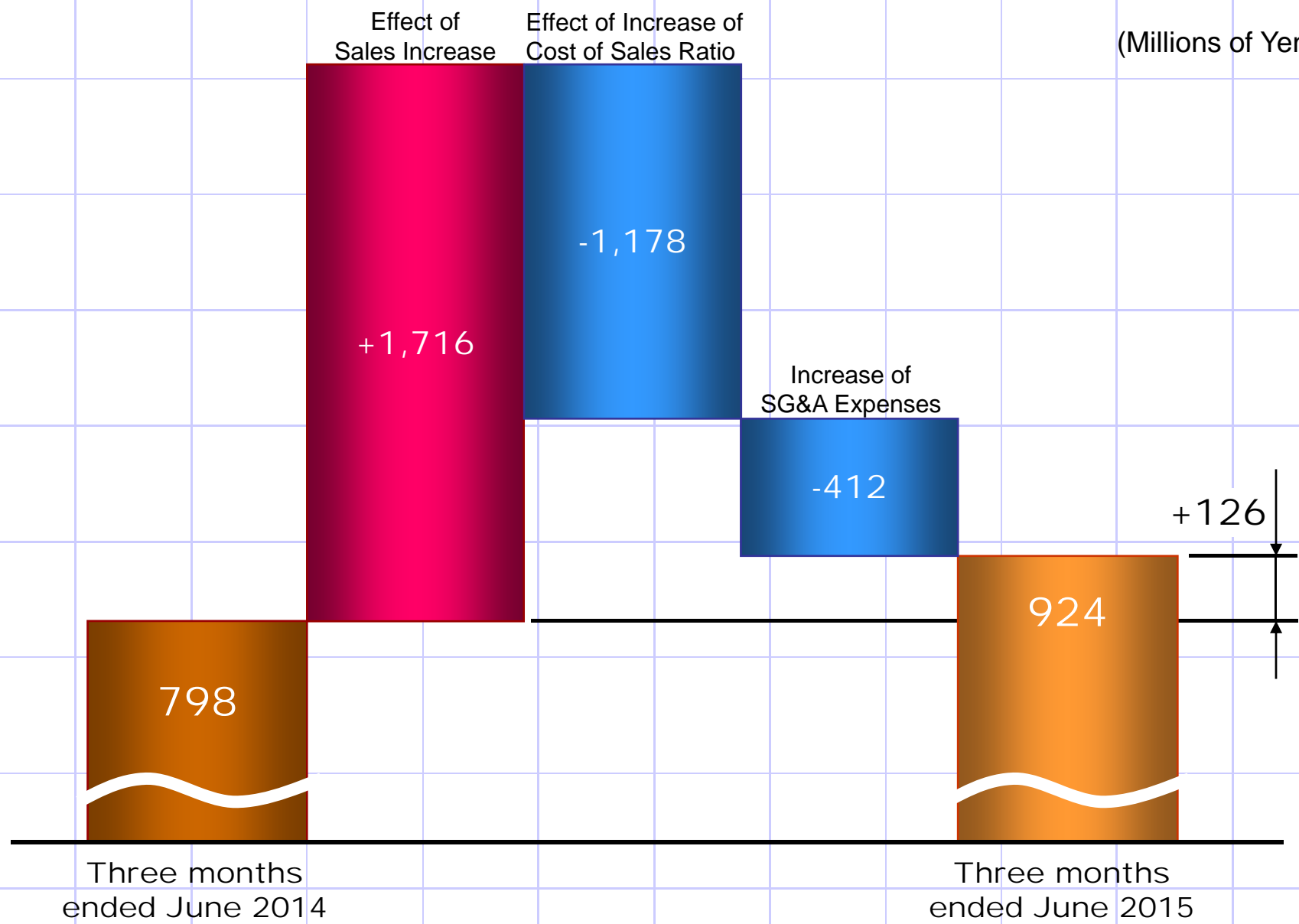
\*3 Exchange rate : Average exchange rate for the respective period






# Factors of Net Sales Change



# Factors of Operating Income Change

(Millions of Yen)



(Millions of yen)	Sales			Operating Income		
	Three months ended June 30,2014	Three months ended June 30,2015	Y-on-Y	Three months ended June 30,2014	Three months ended June 30,2015	Y-on-Y
 Overseas Market	19,696	20,402	706 +3.6 %	161	-936	-1,097 - %
 Financial Market	7,719	8,569	+850 +11.0 %	38	571	533 - %
 Retail & Transportation Market	5,730	8,438	+2,708 +47.3 %	343	1,094	+751 +219.0 %
 Amusement Market	5,042	4,677	-365 -7.2 %	470	325	-145 -30.9 %
 Others	2,594	2,689	+95 +3.7 %	-215	-130	+85 - %
<b>Total</b>	<b>40,783</b>	<b>44,777</b>	<b>+3,994</b> <b>+9.8 %</b>	<b>798</b>	<b>924</b>	<b>126</b> <b>+15.8 %</b>

## Strong sales of banknote recyclers

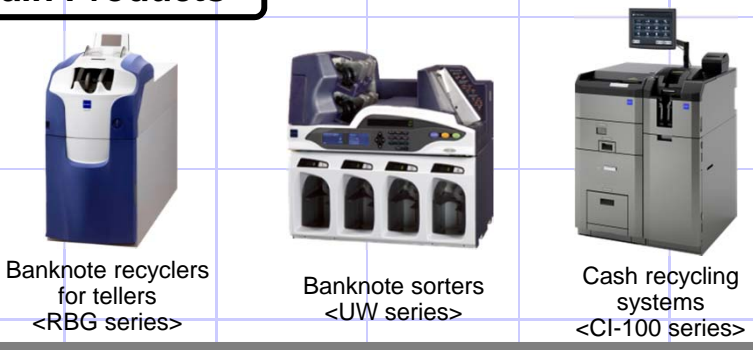
(Millions of Yen)

Although sales of “banknote sorters” were sluggish in Europe and Asia, sales of this segment’s main product, “banknote recyclers,” were strong in the Americas and Europe. Moreover, sales of “coin and banknote recyclers” for the retail market were strong in Europe. Therefore, sales for the market overall were on par with the corresponding period of the previous year.

### Outline of the Segment

Sales and maintenance services to financial institutions, cash-in-transit companies, retail stores, casinos, OEM clients and others in overseas.

### Main Products



	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on Y
Sales	19,696	20,402	706 +3.6 %
Ratio to total net sales	48.3%	45.6%	-2.7 pt
Operating income	161	-936	-1,097 - %
Ratio to total operating income	-	-	- pt
Operating margin	0.8%	-	- pt

(Millions of yen)	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on-Y
Americas	6,082	7,703	+1,621 +26.7 %
Europe	8,357	8,782	+425 +5.1 %
Asia	3,833	2,513	-1,320 -34.4 %
China	1,932	1,358	-574 -29.7 %
Total direct sales	18,273	18,999	+726 +4.0 %
OEM	1,423	1,402	-21 -1.5 %
Total overseas sales	19,696	20,402	+706 +3.6 %

## Robust sales of main products

(Millions of Yen)

Sales of this segment's main product, "open teller systems," were strong for compact models for small- and medium-sized financial outlets and sales of "coin and banknote recyclers" for tellers were also robust due to our capturing of replacement demand.

### Outline of the Segment

Sales and maintenance services to financial institutions, OEM clients and others in Japan.

### Main Products



Open teller systems  
<WAVE series>



Coin and banknote  
recyclers for tellers  
<RB series>



Multi-functional  
banknote changers  
<EN series>

	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on Y
Sales	7,719	8,569	+850 +11.0 %
Ratio to total net sales	18.9%	19.1%	+0.2 pt
Operating income	38	571	+533 - %
Ratio to total operating income	-	-	- pt
Operating margin	0.5%	6.7%	+6.2 pt



## Favorable sales of coin and banknote recyclers for cashiers (Millions of Yen)

Sales of “coin and banknote recyclers” for cashiers, the main product in this segment, were strong. Moreover, sales of “sales proceeds deposit machines” for the retail market and “sales proceeds deposit machines” in the cash-in-transit market were robust due to our capturing of replacement demand.

### Outline of the Segment

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

### Main Products



Coin and banknote recyclers for cashiers <RT / RAD series>



Sales proceeds deposit machines <DSS series>



Sales proceeds deposit machines <DS series>

	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on Y
Sales	5,730	8,438	+2,708 +47.3 %
Ratio to total net sales	14.0%	18.8%	+4.8 pt
Operating income	343	1,094	+751 +219.0 %
Ratio to total operating income	-	-	- pt
Operating margin	6.0%	13.0%	+7.0 pt

## Weak sales of card systems

(Millions of Yen)

Sales of this segment's main products such as "card systems" were sluggish, mainly reflecting a trend of constraint toward investment in pachinko parlors.

### Outline of the Segment

Sales and maintenance services to amusement halls (pachinko parlors) and others in Japan.

### Main Products



	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on Y
Sales	5,042	4,677	-365 -7.2 %
Ratio to total net sales	12.4%	10.4%	-2.0 pt
Operating income	470	325	-145 -30.9 %
Ratio to total operating income	-	-	- pt
Operating margin	9.3%	6.9%	-2.4 pt

# Higher sales of cigarette vending machines

(Millions of Yen)

Sales of the cigarette vending machines and medical payment kiosks were strong due to capturing of customer demand for replacement.

### Outline of the Segment

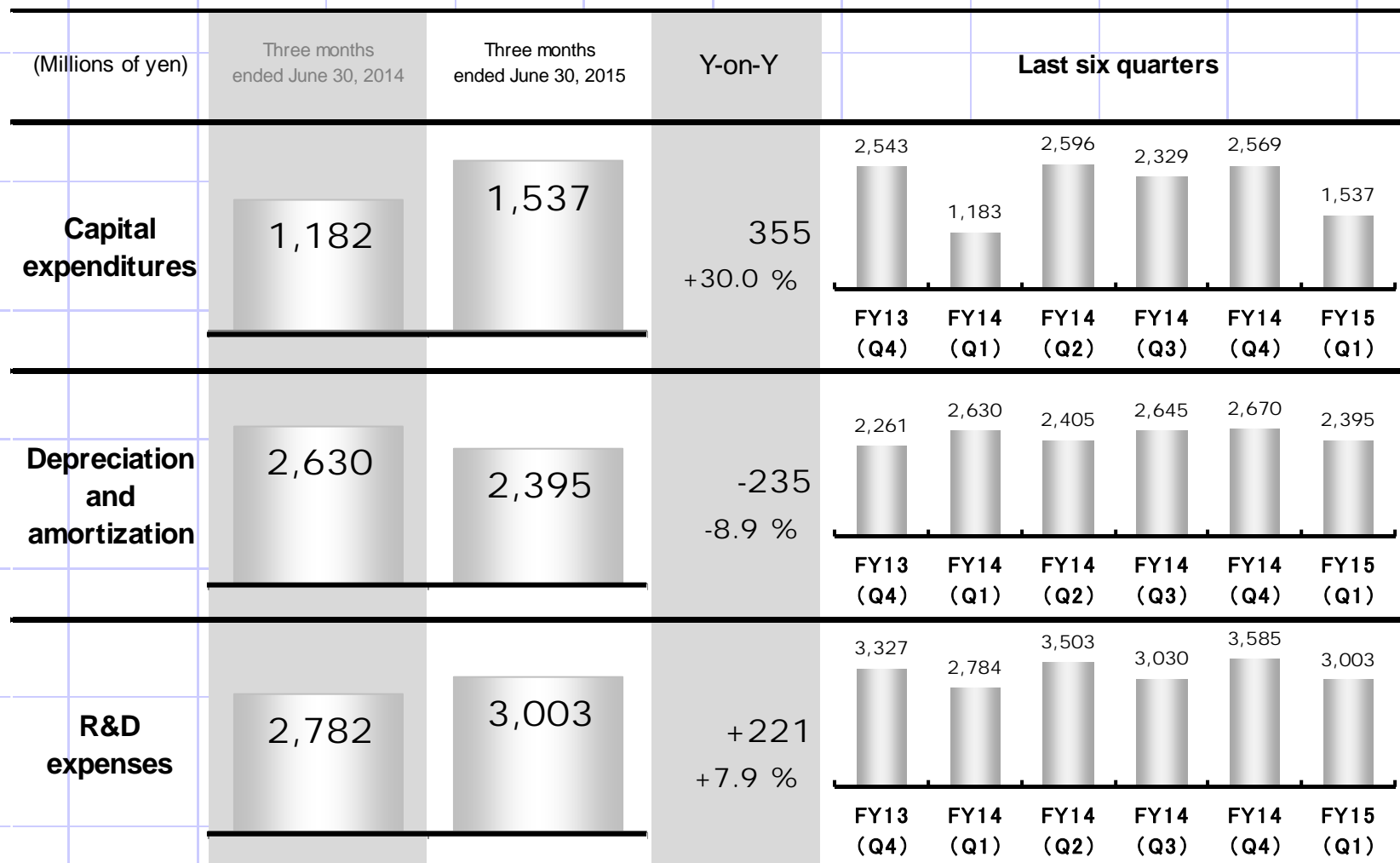
Sales and maintenance services to tobacco shops, tobacco companies, hospitals, local governments, general companies and others in Japan.

### Main Products



	Three months ended June 30, 2014	Three months ended June 30, 2015	Y-on Y
Sales	2,594	2,689	+95 +3.7 %
Ratio to total net sales	6.4%	6.0%	-0.4 pt
Operating income	-215	-130	+85 - %
Ratio to total operating income	-	-	- pt
Operating margin	-	-	- pt

# Capital Expenditures etc.



(Millions of Yen)

	Three months ended June 30, 2014		Three months ended June 30, 2015		Y-on-Y
		Ratios		Ratios	
<b>Net sales</b>	40,783	100.0%	44,777	100.0%	+3,994
Cost of sales	23,263	57.0%	26,719	59.7%	+3,456
Selling, general and administrative expenses	16,721	41.0%	17,133	38.3%	+412
<b>Operating income</b>	<b>798</b>	<b>2.0%</b>	<b>924</b>	<b>2.1%</b>	<b>+126</b>
Non-operating income	945	2.3%	2,011	4.5%	+1,066
Non-operating expenses	246	0.6%	276	0.6%	+30
<b>Ordinary income</b>	<b>1,497</b>	<b>3.7%</b>	<b>2,659</b>	<b>5.9%</b>	<b>+1,162</b>
Extraordinary income	4	0.0%	2	0.0%	-2
Extraordinary loss	20	0.0%	15	0.0%	-5
<b>Income before income taxes and minority interests</b>	<b>1,481</b>	<b>3.6%</b>	<b>2,646</b>	<b>5.9%</b>	<b>+1,165</b>
Income taxes	516	1.3%	1,238	2.8%	+722
<b>Net Income</b>	<b>964</b>	<b>2.4%</b>	<b>1,407</b>	<b>3.1%</b>	<b>+443</b>
<b>Net income attributable to owners of parent</b>	<b>763</b>	<b>1.9%</b>	<b>1,114</b>	<b>2.5%</b>	<b>+351</b>

Foreign  
exchange gains  
1,496  
(FY2014 Q1: 303)

<b>Net Income</b>	964	2.4%	1,407	3.1%	+443
Valuation difference on available- for-sale securities	124		329		+205
Foreign currency translation adjustment	42		6,558		+6,516
Remeasurements of defined benefit plans	286		-387		-673
<b>Total other comprehensive income</b>	<b>453</b>	<b>1.1%</b>	<b>6,500</b>	<b>14.5%</b>	<b>+6,047</b>
<b>Comprehensive income</b>	<b>1,417</b>	<b>3.5%</b>	<b>7,907</b>	<b>17.7%</b>	<b>+6,490</b>

Foreign currency  
translation  
adjustment  
6,558  
(FY2014 Q1: 42)

(Millions of Yen)

	As of March 31, 2015	As of June 30, 2015	Increase/ Decrease		As of March 31, 2015	As of June 30, 2015	Increase/ Decrease
Cash, deposits and Securities	66,776	61,257	-5,519	Notes and accounts payable-trade	21,366	17,026	-4,340
Notes and accounts receivable-trade	55,648	42,682	-12,966	Short-term loans payable	29,445	28,862	(2) -583
Inventories	41,630	48,523	+6,893	Other	40,563	36,255	-4,308
Other	10,600	10,938	+338	Total current liabilities	91,374	82,143	-9,231
<b>Current assets</b>	<b>174,654</b>	<b>163,400</b>	<b>-11,254</b>	Long-term loans payable	32,835	30,246	(2) -2,589
Property, plant and equipment	35,509	36,043	+534	Other	17,859	18,847	+988
Customer relationships	31,935	34,062	(1) +2,127	Noncurrent liabilities	50,694	49,093	-1,601
Goodwill	74,790	79,365	+4,575	Total liabilities	142,069	131,236	-10,833
Other	6,411	6,490	+79	Capital stock	12,892	12,892	0
Intangible assets	113,136	119,917	+6,781	Retained earnings	145,165	145,717	+552
Other	23,312	23,365	+53	Other	46,487	52,881	+6,394
<b>Total noncurrent assets</b>	<b>171,958</b>	<b>179,325</b>	<b>+7,367</b>	Total net assets	204,544	211,490	+6,946
<b>Total assets</b>	<b>346,613</b>	<b>342,726</b>	<b>-3,887</b>	Total liabilities and net assets	346,613	342,726	-3,887

(1) Customer relationships and goodwill increased due to yen depreciation.

(2) Loans continued to decrease.






## Net Sales

Higher sales thanks to sales expansion in domestic market.

## Income

Higher earnings thanks to sales increase of main products and cost reducing measures.

(Millions of yen)	FY2014		FY2015		Y-on-Y
	Full year	Ratio	Full year (forecast)	Ratio	
Net Sales	222,356	100.0%	230,000	100.0%	+3.4%
Maintenance Services	63,205	28.4%	65,000	28.3%	+2.8%
Operating Income	18,693	8.4%	20,000	8.7%	+7.0%
Ordinary Income	22,211	10.0%	20,000	8.7%	-10.0%
Net Income Attributable to Owners of Parent	12,887	5.8%	11,500	5.0%	-10.8%
US\$	¥ 110		¥ 120		
Euro	¥ 140		¥ 130		
GBP	¥ 177		¥ 175		

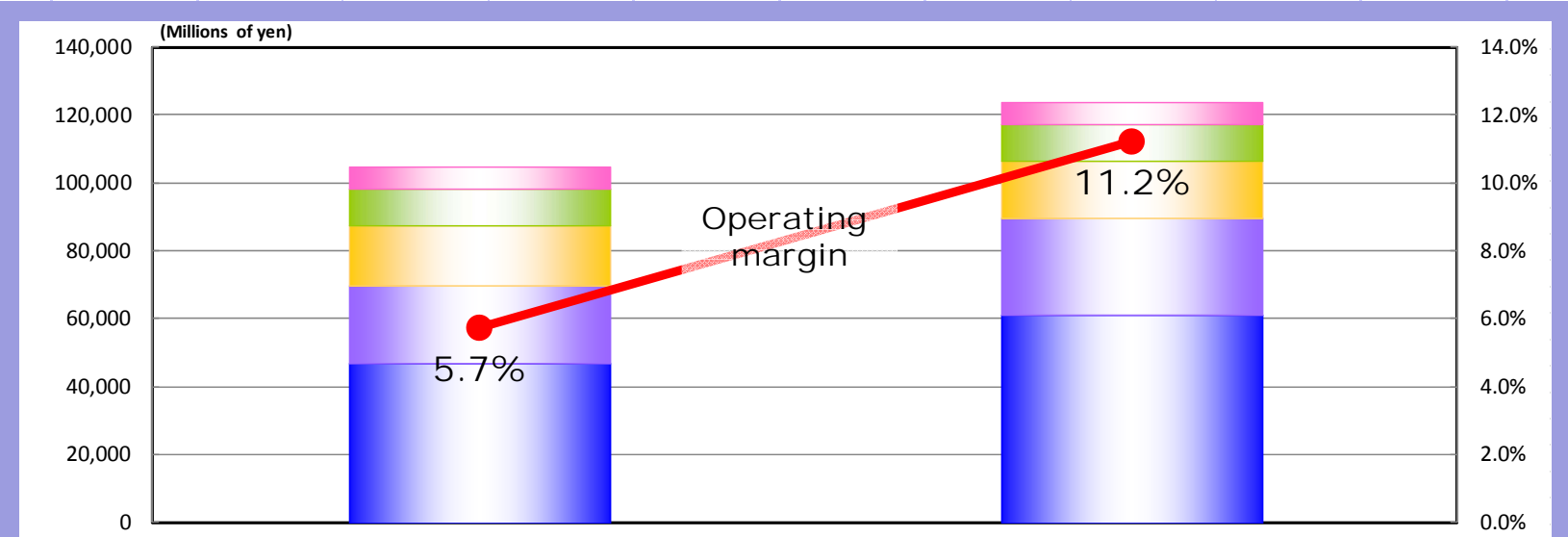
(Millions of yen)	Sales			Operating Income		
	FY2014 Full year	FY2015* Full year (forecast)	Y-on-Y	FY2014 Full year	FY2015* Full year (forecast)	Y-on-Y
 Overseas Market	104,241	109,000	+4,759 +4.6 %	8,057	8,700	+643 +8.0 %
 Financial Market	48,116	50,000 51,500	+3,384 +7.0 %	5,502	5,900 6,100	+598 +10.9 %
 Retail & Transportation Market	29,886	33,000 34,500	+4,614 +15.4 %	2,463	2,900 3,100	+637 +25.9 %
 Amusement Market	25,432	25,000 22,000	-3,432 -13.5 %	2,460	2,400 2,000	-460 -18.7 %
 Others	14,679	13,000	-1,679 -11.4 %	210	100	-110 -52.4 %
<b>Total</b>	<b>222,356</b>	<b>230,000</b>	<b>+7,644</b> <b>+3.4 %</b>	<b>18,693</b>	<b>20,000</b>	<b>+1,307</b> <b>+7.0 %</b>

\*FY2015 forecast;

Upper row : as of May 12, 2015

Under row : as of August 5, 2015





(Millions of yen)	FY2015 Q1-Q2 (forecast)		FY2015 Q3-Q4 (forecast)		Full year (forecast)	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Overseas Market	48,000 47,000	1,600 1,000	61,000 62,000	7,100 7,700	109,000	8,700
Financial Market	22,000 23,000	1,850 2,500	28,000 28,500	4,050 3,600	50,000 51,500	5,900 6,100
Retail & Transportation Market	16,000 17,500	1,400 1,700	17,000 17,000	1,500 1,400	33,000 34,500	2,900 3,100
Amusement Market	12,500 11,000	1,100 800	12,500 11,000	1,300 1,200	25,000 22,000	2,400 2,000
Others	6,500	50 0	6,500	50 100	13,000	100
<b>Total</b>	<b>105,000</b>	<b>6,000</b>	<b>125,000</b>	<b>14,000</b>	<b>230,000</b>	<b>20,000</b>

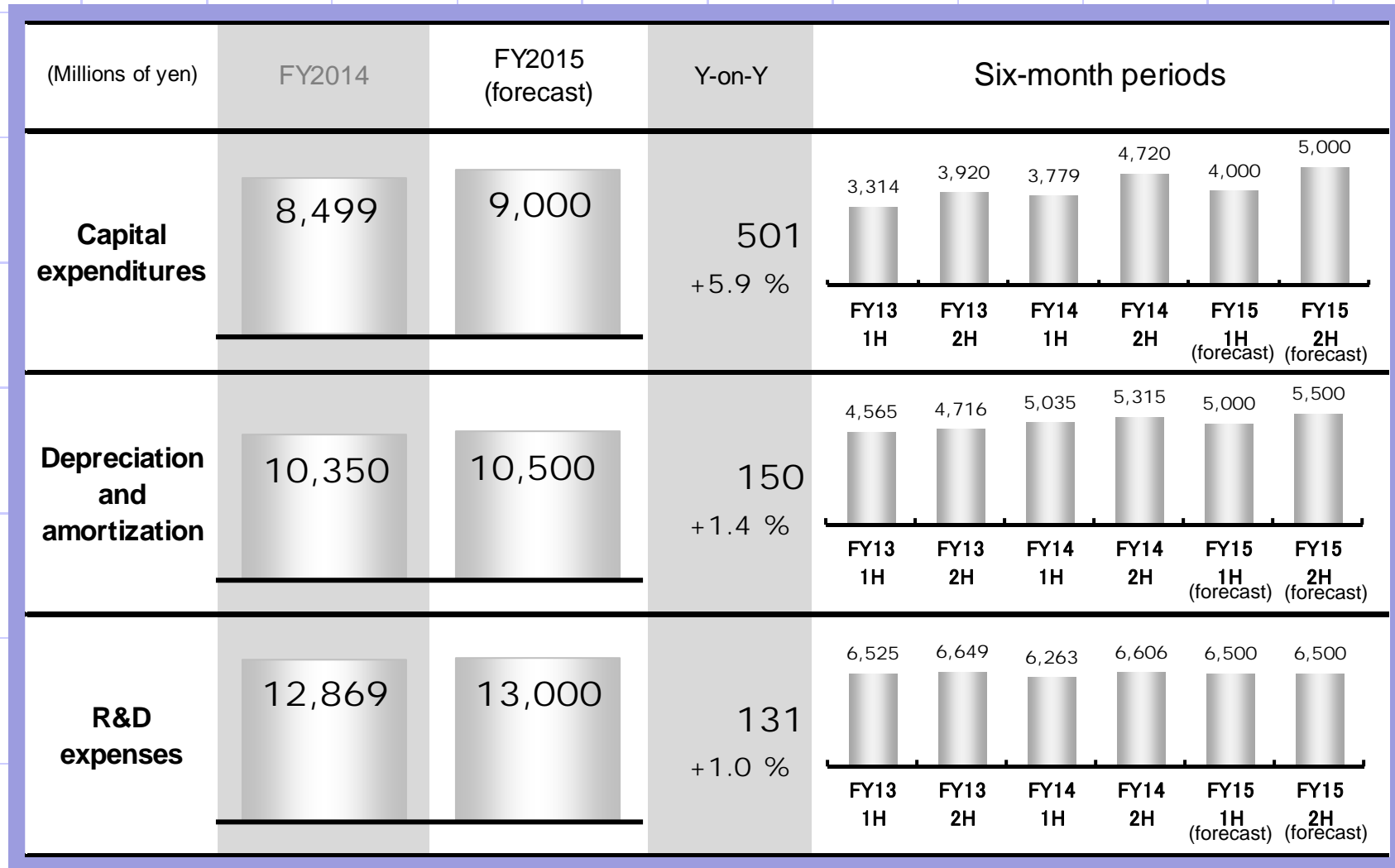
\*FY2015 forecast;  
 Upper row : as of May 12, 2015  
 Under row : as of August 5, 2015

(Millions of yen)	FY2015 Q1-Q2 (forecast)		FY2015 Q3-Q4 (forecast)		Full year (forecast)	
	Sales	Y-on-Y	Sales	Y-on-Y	Sales	Y-on-Y
Americas	15,500	+16.0 %	21,000	+1.3 %	36,500	+7.1 %
Europe	19,500	-0.5 %	22,500	+5.7 %	42,000	+2.8 %
	19,000		23,000			
Asia	9,000	+2.3 %	13,000	+7.4 %	22,000	+5.3 %
	8,500		13,500			
China	3,500	-4.7 %	8,500	+21.3 %	12,000	+13.5 %
	3,000		9,000			
Total direct sales	44,000	+5.5 %	56,500	+4.4 %	100,500	+4.9 %
	43,000		57,500			
OEM	4,000	+12.6 %	4,500	-7.4 %	8,500	+1.1 %
Total overseas sales	48,000	+6.0 %	61,000	+3.5 %	109,000	+4.6 %
	47,000		62,000			

\*FY2015 forecast;

Upper row : as of May 12, 2015

Under row : as of August 5, 2015



[Three months ended June 30, 2014]

(Millions of yen)	Before the retrospective application	After the retrospective application	Difference
Sales	40,738	40,783	+45
Maintenance Services	15,468	15,468	±0
Operating Income	784	798	+14
Ordinary Income	1,487	1,497	+10
Net income attributable to owners of parent	752	763	+11
EBITDA	4,625	4,632	+7

	Current exchange rate	Average exchange rate	Difference
US\$	¥101	¥102	+ ¥1
Euro	¥142	¥141	- ¥1
GBP	¥173	¥172	- ¥1

[Six months ended September 30, 2014]

(Millions of yen)	Before the retrospective application	After the retrospective application	Difference
Sales	99,776	96,567	-3,209
Maintenance Services	31,109	30,560	-549
Operating Income	4,911	4,987	+76
Ordinary Income	6,661	6,708	+47
Net income attributable to owners of parent	4,037	4,073	+36
EBITDA	12,472	12,410	-62

	Current exchange rate	Average exchange rate	Difference
US\$	¥110	¥104	- ¥6
Euro	¥138	¥140	+ ¥2
GBP	¥178	¥173	- ¥5

[Fiscal year ended March 31, 2015 (Full year)]

(Millions of yen)	Before the retrospective application	After the retrospective application	Difference
Sales	226,974	222,356	-4,618
Maintenance Services	64,569	63,205	-1,364
Operating Income	19,179	18,693	-486
Ordinary Income	22,606	22,211	-395
Net income attributable to owners of parent	13,082	12,887	-195
EBITDA	34,601	33,890	-711

	Current exchange rate	Average exchange rate	Difference
US\$	¥120	¥110	- ¥10
Euro	¥147	¥140	+ ¥7
GBP	¥178	¥177	- ¥1