

Consolidated Financial Results for FY2020 & 2023 Medium-Term Management Plan

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Consolidated Financial Results for FY2020

Performance Overview Year-on-Year

[Both net sales and operating income decreased year-on-year due to the spread of COVID-19]

- Domestic: Sales from maintenance services increased owing to system modifications required for the scheduled issuance of new 500-yen coins, as well as replacement demand for main products
- Overseas: Sales decreased due to restrictions on business activities amid the COVID-19 pandemic

(Millions of yen)	FY2019		FY2020		Y-on-Y
	Full year	Ratio	Full year	Ratio	
Net Sales	224,170	100.0%	217,423	100.0%	-6,747 -3.0%
Maintenance Services	71,099	31.7%	78,675	36.2%	7,576 10.7%
Operating Income	17,927	8.0%	14,201	6.5%	-3,726 -20.8%
Ordinary Income	15,514	6.9%	14,137	6.5%	-1,377 -8.9%
Net Income	8,486	3.8%	5,705	2.6%	-2,781 -32.8%
* EBITDA	31,865	14.2%	29,410	13.5%	-2,455 -7.7%

Exchange rate	US\$	¥ 109	¥ 106
	Euro	¥ 121	¥ 124

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

Factors of Operating Income Change

(Millions of Yen)

● **Impact of sales decreases**

Sales declined in all markets except overseas and financial markets

Net sales: 214,700 (-6,700 YoY)

● **Effect of improved cost of sales ratio**

Sales of main products increased

Cost of sales ratio: 60.7% (-0.5pt YoY)

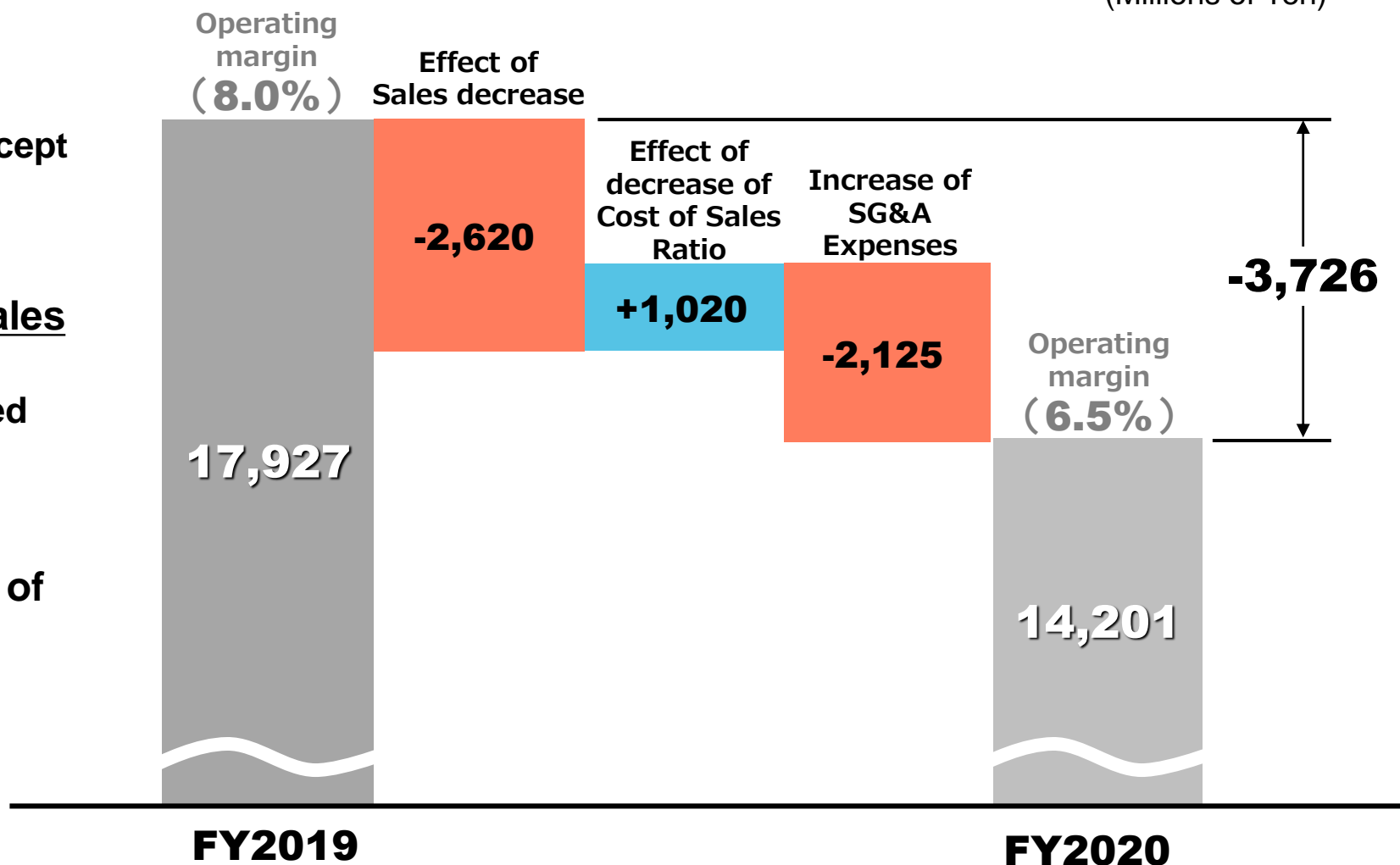
● **Increase of SG&A expenses**

Chiefly due to consolidation of Acrelec






SG&A expenses: 71,200 (+2,100 YoY)

● **Change of operating margin**

-1.5 pt YoY



Sales and Operating Income by Business Segment

(Millions of yen)	Sales			Operating Income		
	FY2019 Full year	FY2020 Full year	Y-on-Y	FY2019 Full year	FY2020 Full year	Y-on-Y
 Overseas Market	103,621	104,765	+1,144 +1.1 %	9,780	3,836	-5,944 -60.8 %
 Financial Market	42,262	49,877	+7,615 +18.0 %	3,314	9,861	+6,547 +197.6 %
 Retail & Transportation Market	52,487	48,789	-3,698 -7.0 %	5,198	2,883	-2,315 -44.5 %
 Amusement Market	20,753	11,020	-9,733 -46.9 %	1,998	-290	-2,288 - %
 Others	5,045	2,969	-2,076 -41.1 %	-2,364	-2,089	+275 - %
Total	224,170	217,423	-6,747 -3.0 %	17,927	14,201	-3,726 -20.8 %



Details of Performance for FY2020

(Millions of yen)	FY2019	FY2020	Y-on-Y
Sales	103,621	104,765	+1,144 +1.1 %
Ratio to total net sales	46.2 %	48.2 %	+2.0 pt
Operating income	9,780	3,836	-5,944 -60.8 %
Operating margin	9.4 %	3.7 %	-5.7 pt

Highlights

Financial institutions :

- Sales of TCR* were lower due to impact of COVID-19

* TCR : Teller cash recycler

Retail industry :

- Increase of sales of coin and banknote recycler for cashers
Need for contact-free, self-services devices expanded
- Performance of Acrelec is recovering gradually from Q3

Main Products



Sales proceeds deposit machines
<CI-10 series>



Self-service kiosks



Banknote recyclers for tellers
<GLR series>



Assisted service solution
<G-200 series>

Outline of the Segment

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

Sales by Geographical Segment of Overseas Market

(Millions of yen)	Full year		Y-on-Y	
	FY2019	FY2020 *		Local currency basis
Americas	38,189	34,741	-3,448 -9.0 %	-6.7%
EMEA	43,313	49,483	+6,170 +14.2 %	+11.6%
Asia	14,802	14,153	-649 -4.4 %	-
China	5,694	5,521	-173 -3.0 %	-3.5%
OEM	7,316	6,386	-930 -12.7 %	-12.7%
Total overseas sales	103,621	104,765	1,144 +1.1 %	-

Acrelec sales	Full year		Y-on-Y
FY2019	FY2020		
-	1,125	-	- %
-	7,297	-	- %
-	450	-	- %
-	-	-	- %
-	-	-	- %
-	8,873	-	- %

- Americas
 - EMEA
 - Asia
 - China
 - OEM
- * Includes Acrelec' s sales
- } Sales of products for retail industry were fevable.
 Sales of products for financial institutions (TCR) were lower.
- ... Sales of products for financial institutions (Banknote sorters) were steady.
 - ... Sales of products for financial institutions (Banknote sorters) were steady.
 - ... Sales of banknote recycling units for ATMs were lower.

Profit and loss from Acrelec are included in the scope of consolidation from the second quarter of FY2020

(Millions of yen)	FY2019	FY2020	Y-on-Y
Sales	42,262	49,877	+7,615 +18.0 %
Ratio to total net sales	18.9 %	22.9 %	+4.0 pt
Operating income	3,314	9,861	+6,547 +197.6 %
Operating margin	7.8 %	19.8 %	+12.0 pt

Highlights

- Increase of sales of main products such as open teller systems and coin and banknote recyclers for tellers, due to the capturing of replacement demands
- Increase of sales from maintenance services due to the system modifications required in connection with the expected issuance of new 500-yen coins

Main Products



Open teller systems
<WAVE series>



Coin and banknote
recyclers for tellers
<RB series>



DP Station with built-in PC
<FU series>



Security storage systems
<BK series>

Outline of the Segment

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

Retail and Transportation Market

(Millions of yen)	FY2019	FY2020	Y-on-Y
Sales	52,487	48,789	-3,698 -7.0 %
Ratio to total net sales	23.4 %	22.4 %	-1.0 pt
Operating income	5,198	2,883	-2,315 -44.5 %
Operating margin	9.9 %	5.9 %	-4.0 pt

Highlights

- Sales of coin and banknote recycler for cashiers were higher if large-scale orders of the previous year was excluded. Need for contactless and self-service systems expanded
- Increase of sales from maintenance services due to the system modifications required in connection with the expected issuance of new 500-yen coins

Main Products



Outline of the Segment

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

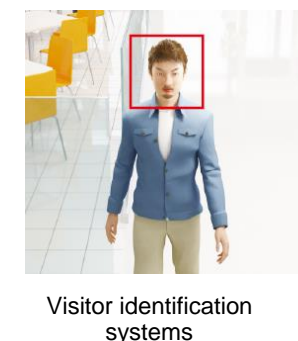
Amusement Market

(Millions of yen)	FY2019	FY2020	Y-on-Y
Sales	20,753	11,020	-9,733 -46.9 %
Ratio to total net sales	9.3 %	5.1 %	-4.2 pt
Operating income	1,998	-290	-2,288 - %
Operating margin	9.6 %	-	- pt

Highlights

- Lower sales reflecting the constraint toward investment in pachinko parlors due to decrease of customers caused by the spread of COVID-19
- Lower sales of card systems and Pachinko prize dispensing machines

Main Products



Outline of the Segment

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

(Millions of yen)	FY2019	FY2020	Y-on-Y
Sales	5,045	2,969	-2,076 -41.1 %
Ratio to total net sales	2.3 %	1.4 %	-0.9 pt
Operating income	-2,364	-2,089	+275 - %
Operating margin	- %	- %	- pt

Highlights

- Promoted strategic investment for proactive allocation of human resources for new business department and conduct of proof-of-concept studies, etc.

Main Products



Facial recognition systems



Robotic SI Business

Outline of the Segment

Sales and maintenance service not included in the reportable segments

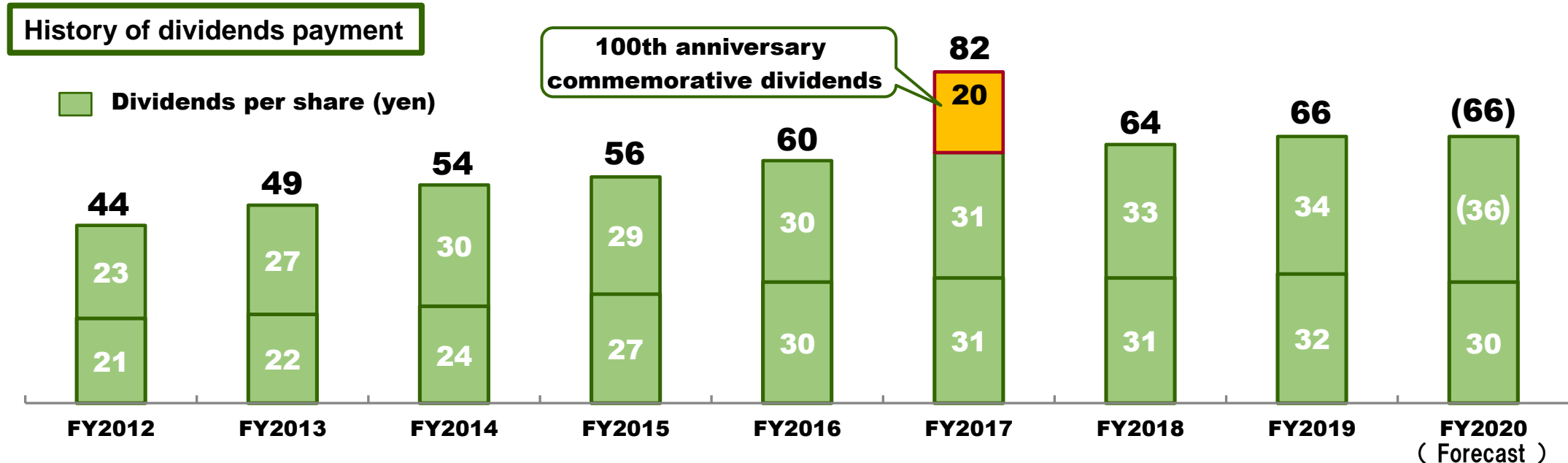
Dividends for FY2020

Basic policy on profit distribution

GLORY considers the return of profits to shareholders to be an important management task and retains a policy to continue stable dividends while striving to maintain and enhance sound financial standing in preparation for future business growth. GLORY has set a target of dividend payout ratio of 30% or higher on a consolidated basis.

	Interim	Year-end (plan)	Annual (plan)
Dividends per share	¥ 30	¥ 36	¥ 66

*Year-end dividends to be proposed to the 75th Ordinary General Meeting of Shareholders scheduled for June 25, 2021.





GLORY 2023

Glory Group Medium-Term Management Plan

3

GLORY Group
2023 Medium-Term Management Plan

(FY2021 ~ FY2023)



GLORY 2020

Glory Group Medium-Term Management Plan

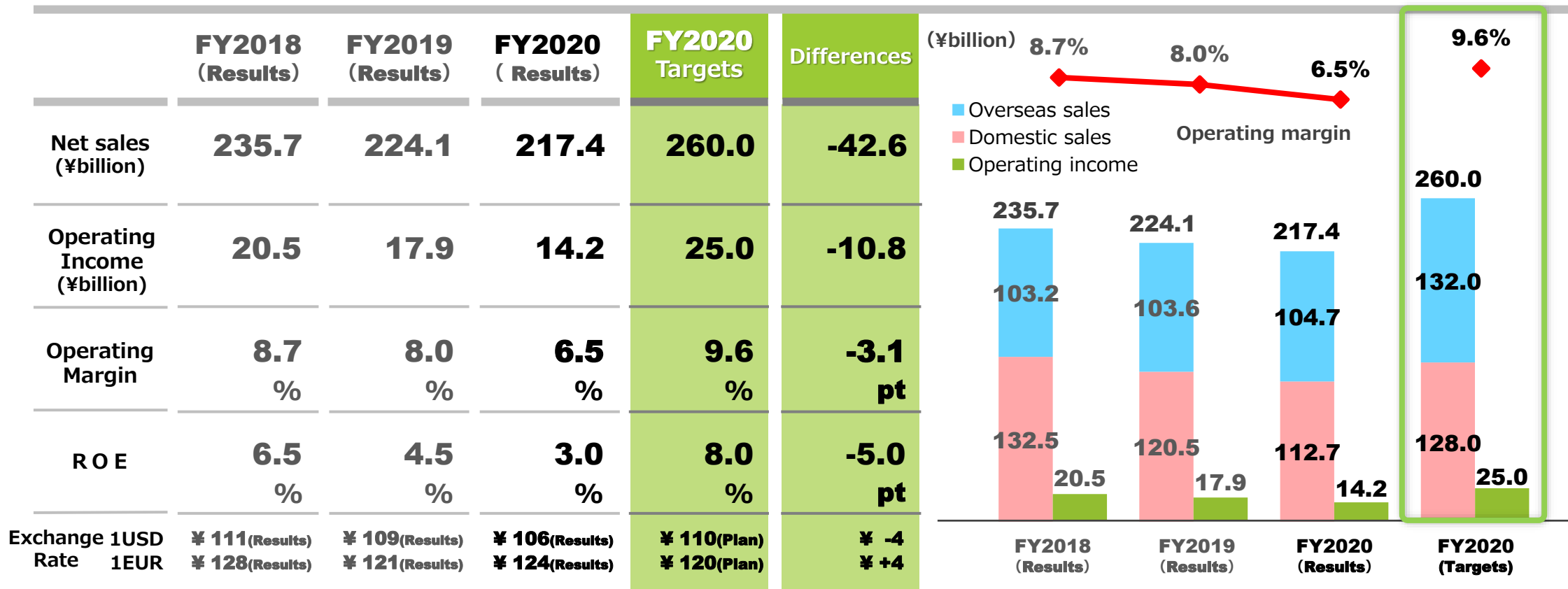
**Review of
2020 Medium-Term Management Plan
(FY2018 ~ FY2020)**

2020 Medium-Term Management Plan

Review of 2020 Medium-Term Management Plan

[Performance targets not achieved due to the spread of COVID-19]

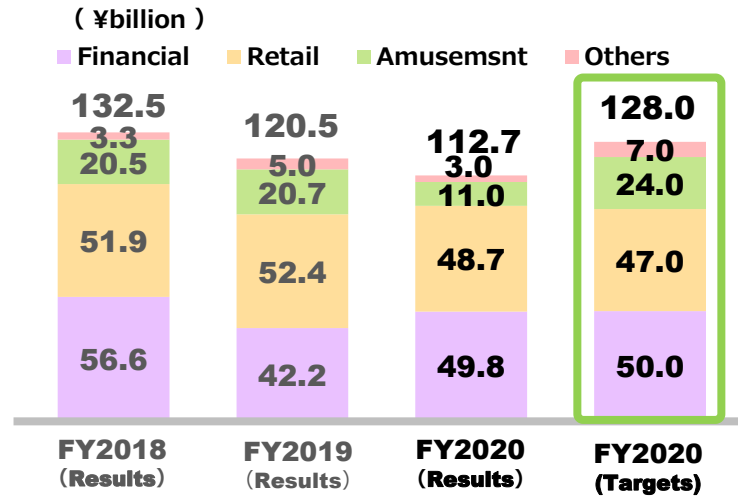
- Domestic: **Sales targets achieved** for financial and retail & transportation markets, underpinned by brisk performance of maintenance services and the expanding needs for contact-free, self-service machines
- Overseas: **Sales targets not achieved** due to prolonged business negotiations and COVID-19
- New businesses: **Business bases developed** to prepare for growth



Review of Business Strategy

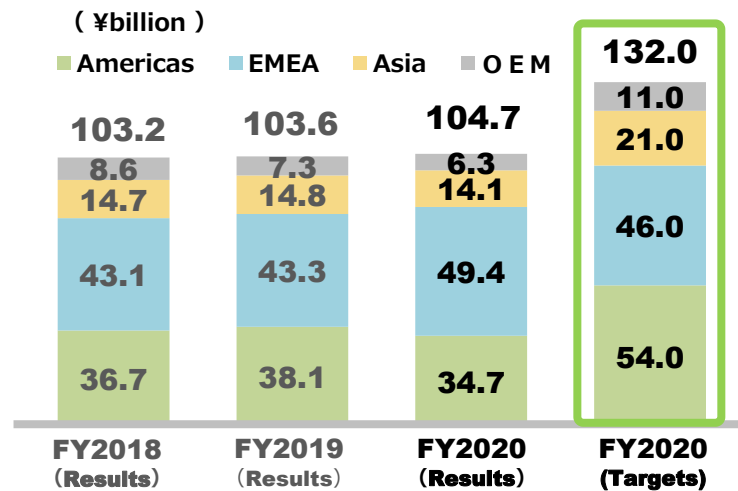
【Domestic Business】 Respond to the market changes flexibly and promote solution proposals

- Realization of next generation branch style, expansion of “non-cash” business sector -



	Key Measures	Review
Financial	<ul style="list-style-type: none"> Expand sales of products that realize next generation branch style Expand main financial product sales 	<ul style="list-style-type: none"> Expanded the self-service product line, etc. in line with customers' visions for “next-generation stores” Acquired large demand for main products, including WAVE and RB Increased sales from maintenance services owing to system modifications required for the scheduled issuance of new 500-yen coins
Retail	<ul style="list-style-type: none"> Expand sales of products for self check-out such as Coin and banknote recyclers for cashiers & Ticket vending machines Expand “non-cash” business sector (electronic settlement, voucher processing, biometric authentication) 	<ul style="list-style-type: none"> Took advantage of the expanding needs for contact-free, self-service machines to expand sales of automated machines, including coin and banknote recyclers for cashiers and ticket vending machines Launched the settlement fee business and automatic post-care medical payment processing
Amusement	<ul style="list-style-type: none"> Increase profitability by strengthen solution proposal 	<ul style="list-style-type: none"> Sales decreased as capital expenditure was curbed due to COVID-19

【Overseas business】 Further growth of financial market by expanding business of self-operation machines & acceleration of retail business



Regions	Key Measures	Review
Americas / EMEA	<p>(Financial) Wider use of banknote recycler for tellers and cultivation of “Self” market</p> <p>(Retail) Reinforce sales to back-office market and entry to front market</p>	<p>(Financial)</p> <p>U.S.: Business negotiations for new/replacement demand prolonged due to COVID-19</p> <p>Europe: Sales of self-service machines expanded despite sluggish TCR sales due to COVID-19</p> <p>(Retail & Transportation)</p> <p>U.S.: Sales in the front market expanded on the back of increased need for self-service machines</p> <p>Europe: Sales expanded both in the back-office and front markets</p>
Asia	<p>(Financial) Expand sales of banknote recycler for tellers in main countries</p> <p>(Retail) Investment in potentially high-growth countries</p>	<p>(Financial)</p> <p>TCR sales slow in Singapore, China, and other key markets due to COVID-19</p> <p>(Retail)</p> <p>Retail sales expanded in Singapore, Australia, and other key markets</p>

Review of Business Strategy

【Total amount of strategic investments】 FY2018-FY2019 : Approx. ¥44.5 billion

1) Expanded and strengthened direct sales & maintenance network (Approx. ¥10 billion)



- Increased ownership ratio of Sitrade to 75%
- Acquired CTS Solutions, a distributor

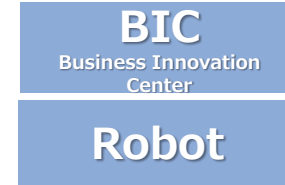


- Acquired Sortek, a distributor

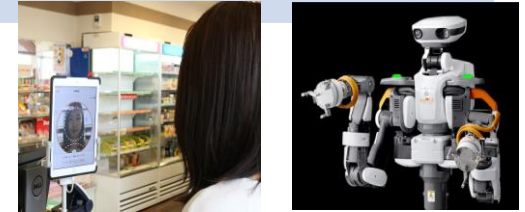


- Established of Austrian Subsidiary






3) Promoted new business domain (Approx. ¥3.5 billion)



- Added value to core businesses (short-/long-term)
- Created a new business model (mid-/long-term)
- Promoted automation (short-/mid-term)



2) Strengthened retail market (Approx. ¥32 billion)

Acquisition / Alliance	Company	 Acrelec Group S.A.S	 viafintech GmbH SOCASH PTE. LTD			
	Amount	¥24.2billion	Not available	¥2.6billion	Not available	Not available
Solutions	<ul style="list-style-type: none"> • Store management platform • Non-cash payment • Customer experience 	<ul style="list-style-type: none"> • Expansion of cash access points • Providing a cash payment platform for e-commerce 	<ul style="list-style-type: none"> • Utilizing voice recognition technology • Provision of CRM 	<ul style="list-style-type: none"> • Attracting customers of retail & hospitality industry through data collection & analysis • Web targeting ads 	<ul style="list-style-type: none"> • Improving the ability to attract customers by providing various ordering methods to restaurants 	
Synergies	<ul style="list-style-type: none"> • Expansion of sales of Coin and banknote recyclers for cashiers to largest quick service restaurant • Expansion of sales by utilizing sales channels of both Acrelec & Glory • Realize new services through combined Glory's technology 	<ul style="list-style-type: none"> • Expansion of sales of Coin and banknote recyclers for cashiers & Banknote recyclers. • Expansion of customer base • Realization of low-cost cash cycle 	<ul style="list-style-type: none"> • Provision various payment methods • Provision a high-quality personal authentication system by combining image recognition technology and voice recognition technology 	<ul style="list-style-type: none"> • Provision of analyses & recommendations concerning the improvement of customer service & business flows in retail stores • Provision of solution services based on the use of data analytics technology combining AdInte's data & data from Glory's products. 	<ul style="list-style-type: none"> • Customer and store analysis and proposal for new services attracting and creating customers • Provision of solution services based on the use of data of Glory and Showcase gig. 	



GLORY 2023

Glory Group Medium-Term Management Plan

2023 Medium-Term Management Plan

(FY2021 ~ FY2023)

Core and New businesses powering growth together

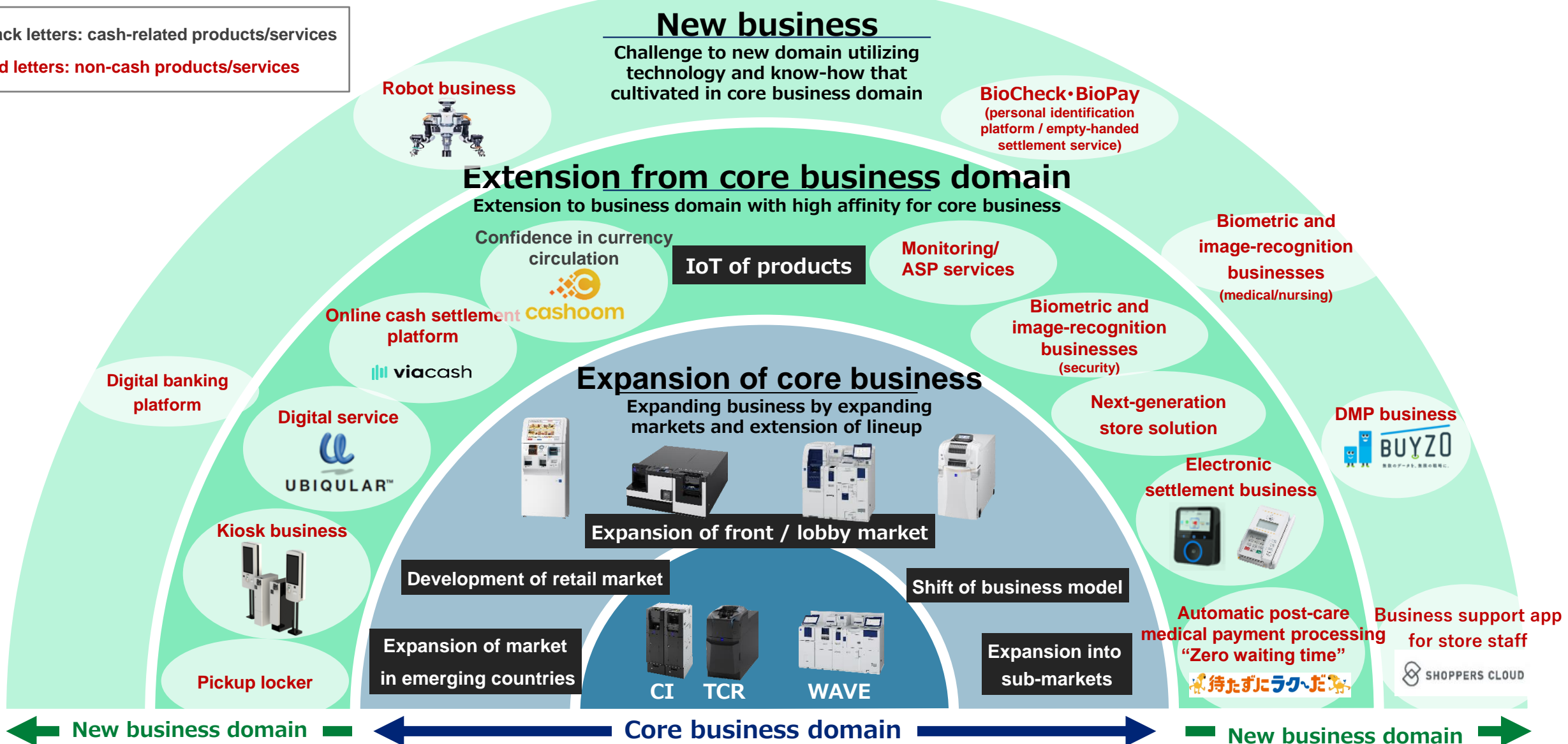


Direction of Growth Strategy

Aim at continuous growth and business expansion by core and new businesses powering growth together

Black letters: cash-related products/services

Red letters: non-cash products/services



Basic Policy / Performance Targets

Concept

Core and New businesses powering growth together

Basic Policy

Business Strategy

Accelerate business growth to develop “next generation”

Maximize core business profits by innovation

Management Base

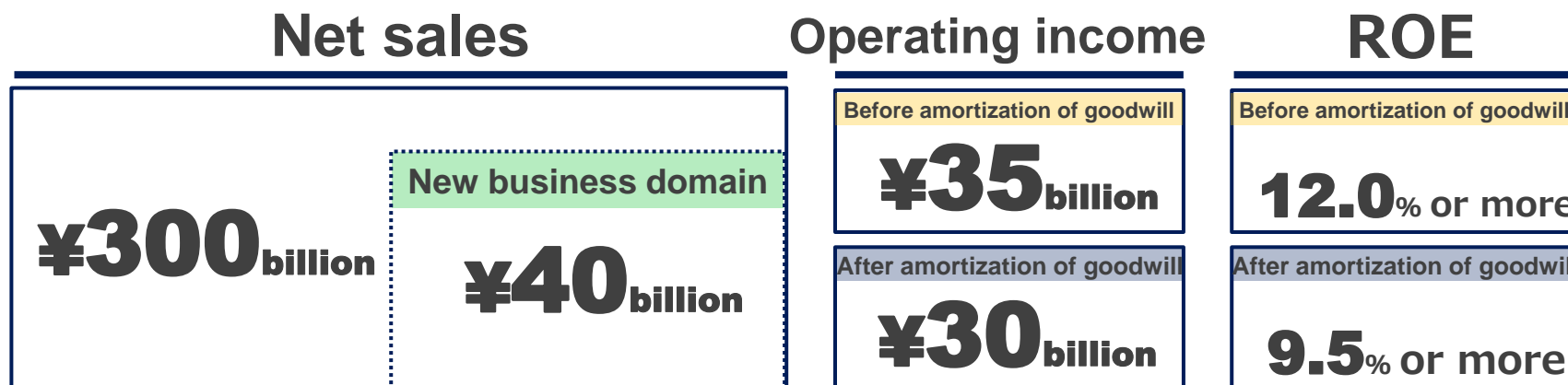
Establish management base to support sustainable growth

Sustainability Policy

Contribute to the sustainable growth of society and promote measures to improve corporate value

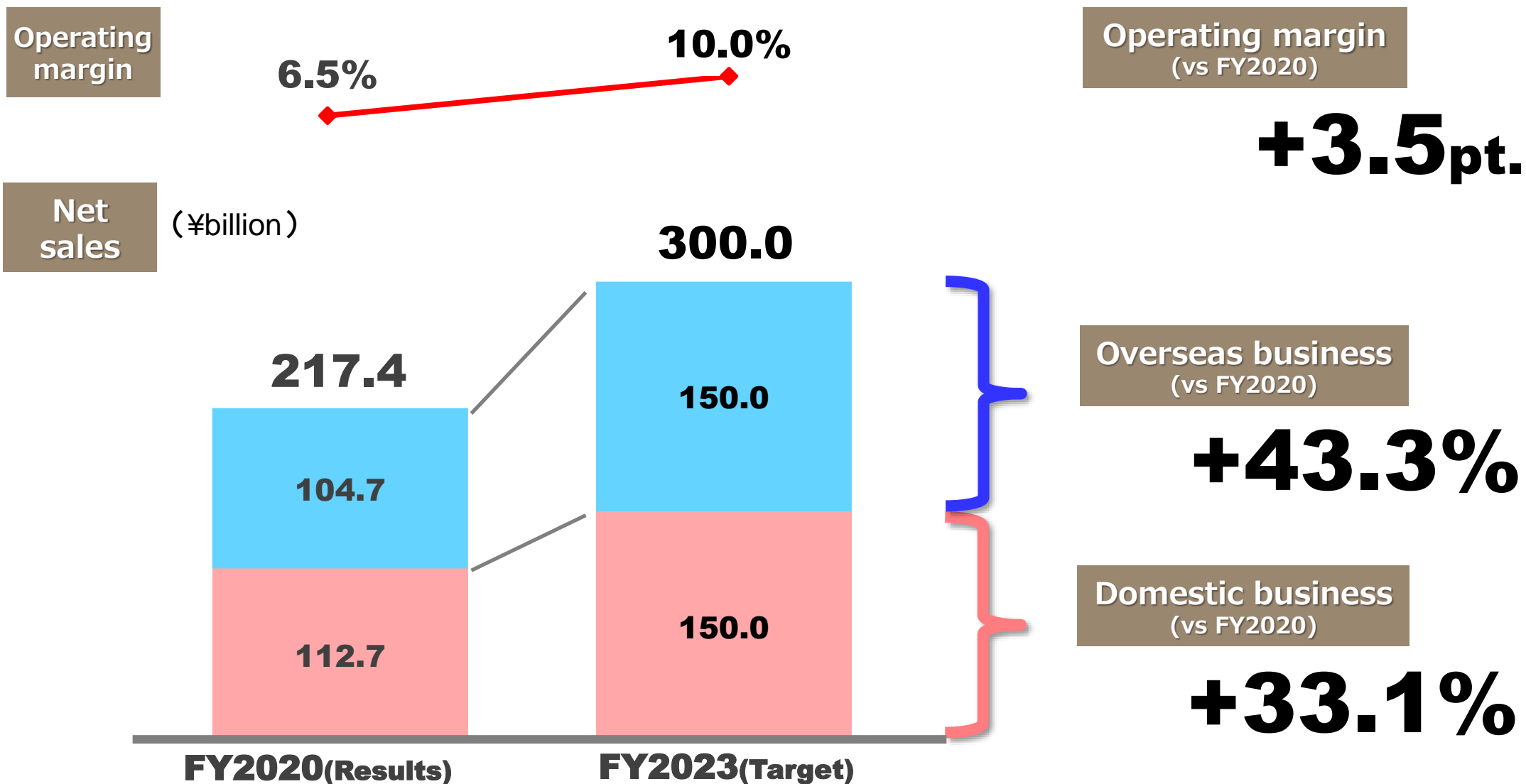
Performance Targets

FY2023



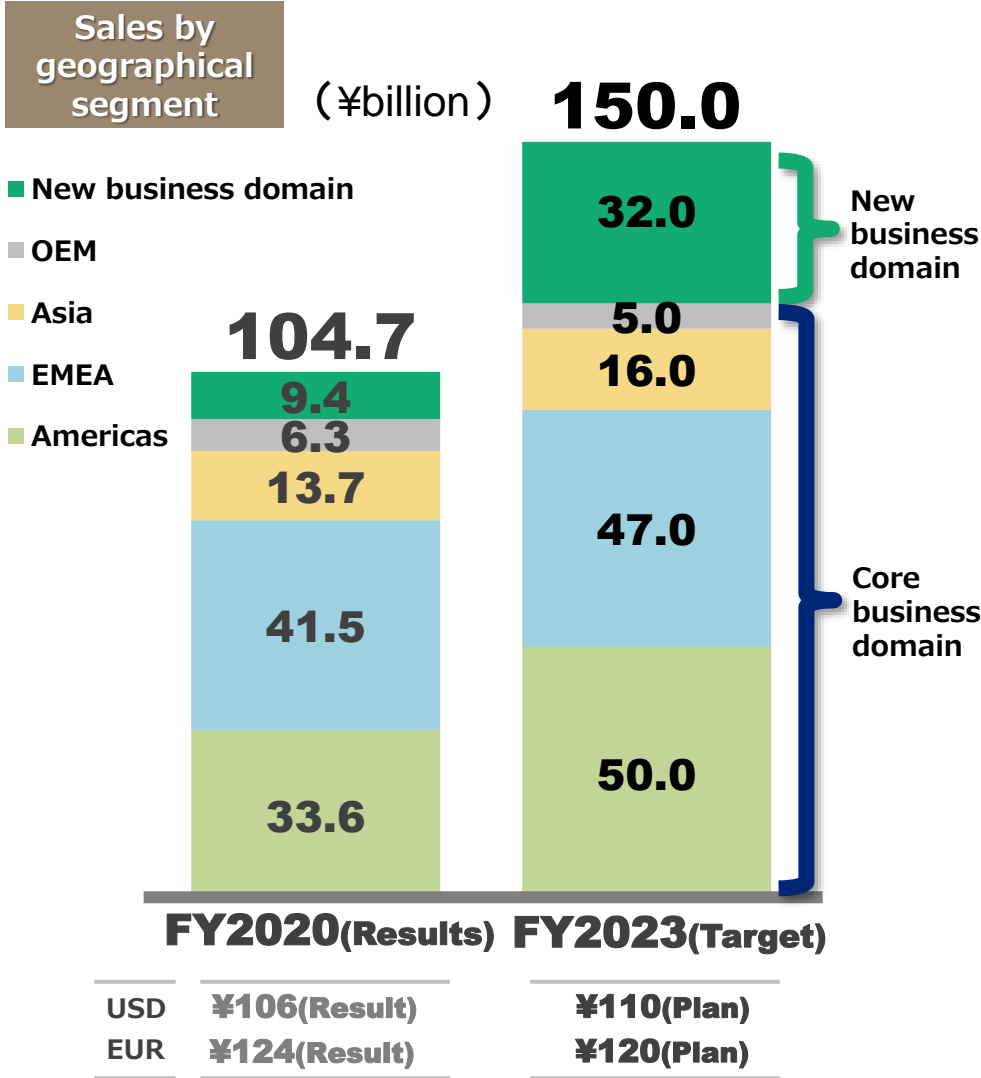
	Basic Policy	Key Initiatives	Main products/services
Business Strategy	I Accelerate Business growth to develop "next generation"	<ul style="list-style-type: none"> Expand business domain having a high affinity with core business domain (kiosk services, data management platform <DMP>, electronic settlement, etc.) Improve profits in biometric/image recognition business and robot business by utilizing the sales channels of domestic business 	 <p>KIOSK UBIQULAR™ BUYZO</p>
	II Maximize core business profits by innovation	<ul style="list-style-type: none"> Provide the product/service lines that cater to the need for contact-free, self-services devices Release the latest-model products, including teller cash recyclers (TCRs) and coin and banknote recyclers for cashiers Seize the replacement demand to coincide with new banknotes issue in Japan 	 <p>Coin and banknote recyclers for cashiers Open teller systems CI-series GLR-series</p>
Management base	III Establish management base to support sustainable growth	<ul style="list-style-type: none"> Enhance cash-generating ability to support growth investment and fulfilling shareholder returns Promote DX for speedy management decisions such as by introducing a new ERP system Improve employee engagement 	
Sustainability Policy			
	Contribute to the sustainable growth of society and promote measures to improve corporate value	<ul style="list-style-type: none"> Reduce CO2 emissions by 15% (vs. fiscal 2013) to contribute to decarbonized society Respect human rights and diversity Strengthen corporate governance 	

Performance Target by Business Segment



Overseas Business Strategy

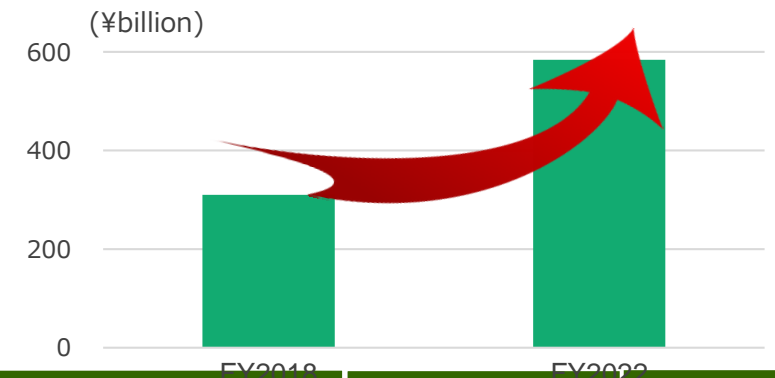
Expanding Beyond Cash !!



	[Retail] Key Initiatives	[Financial] Key Initiatives
Core business domain	<ul style="list-style-type: none"> - Expand sales of coin and banknote recyclers for cashiers capturing needs for self-services machines - Enhance global expansion of back-office products - Boost CI Series sales through integration with kiosks and digital services (UBIQULAR) 	<ul style="list-style-type: none"> - Expand sales of the latest model of TCRs - Strengthen sales of self-service products/services (G200 Series, Teller Infinity, etc.)
Core business domain	<ul style="list-style-type: none"> - Realize synergy with Acrelec early - Provide cash infrastructure in place of ATMs (viacash, etc.) - Expand sales of new digital service solution using cloud service (UBIQULAR) (Provided cloud-based services such as remote monitoring, business analysis, money management) 	

Kiosk market growth potential

Five-year average growth ratio: 14% or higher (current as of 2018)



Core business domain

Expand sales of TCR and self-service products

Further efficiency of teller operations



Self-service solutions



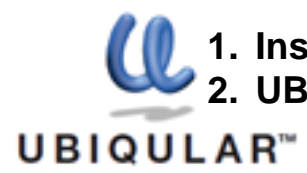
G-200 series



Teller Infinity

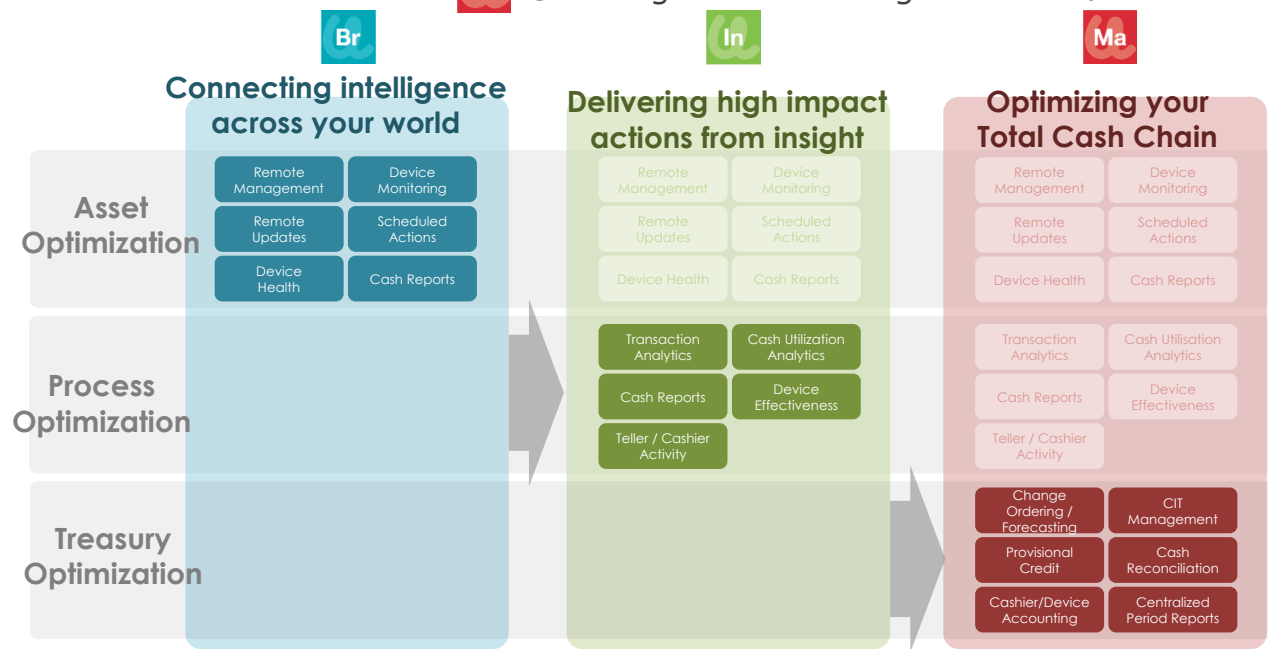
New business domain

Expand sales of new digital service solution (UBIQULAR™)



1. Install function to connect with UBIQULAR™ in major products
2. UBIQULAR™ is services utilizing cloud technology

- Br** ① Bridge (Remote monitoring)
- In** ② Inform (Business analysis)
- Ma** ③ Manage (Cash managed services)



Core business domain

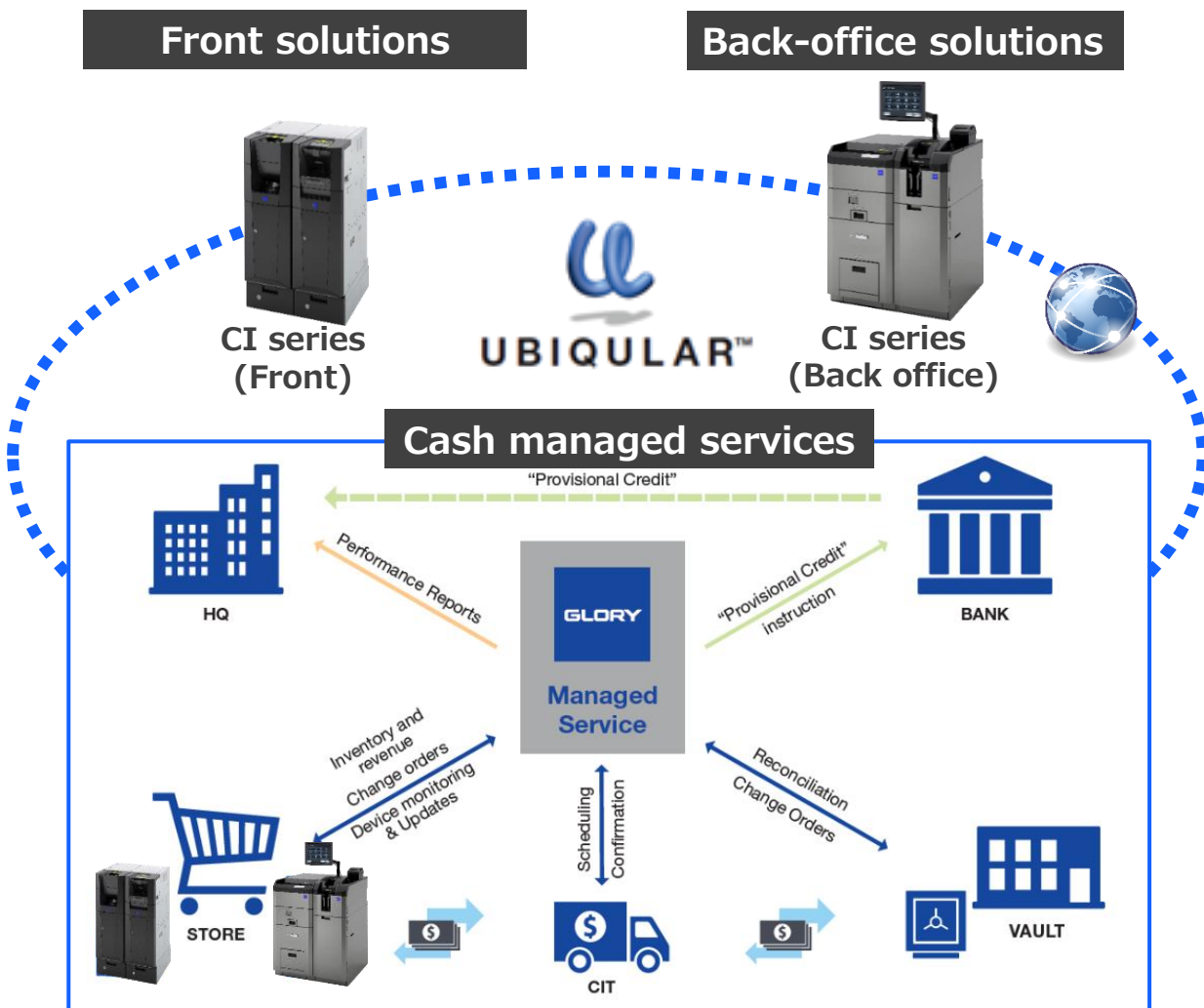
New business domain

Enhance responses to the needs for contact-free and self services

Realize synergy with Acrelec promptly

Promote Acrelec products to big retailers which are Glory's core customer and acquire new customers in "Click & Collect" market

Click & Collect
Shopping style that allows consumers to receive products purchased online at physical/drive-through stores

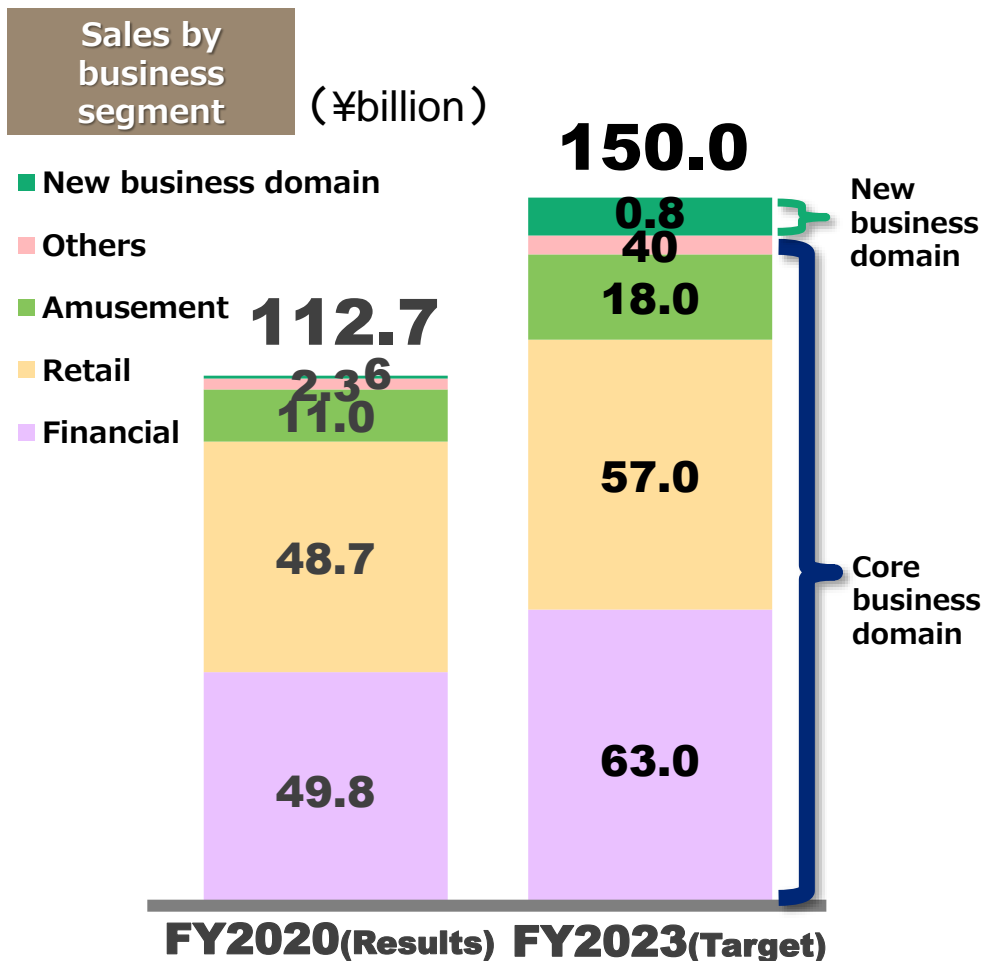


[Strategy by services]	Drive-Thru	Kiosk	Click& Collect	Self-Checkout
Restaurants				
QSR, Coffee Shops, Bakeries, Fast casuals, Catering	●	●	●	●
Retail market				
DIY, C-stores, pharmacies, Entertainment, Supermarket, Grocery	●	●	●	●



Domestic Business Strategy

Create added values and expand business domain centering on current customers



	Segment	Key Initiatives
New business domain	Common	<ul style="list-style-type: none"> Response to the issuance of new banknotes Fulfill the corporate mission of supporting social infrastructure Seize replacement demand from the issuance of new banknotes
	Financial	<ul style="list-style-type: none"> Strengthen solutions to self-service machines for next-generation stores Create added value by introducing IoT technology to products utilizing B-LINK* <p>(*Promote visualization of branches of financial institutions utilizing cloud-based services)</p>
	Retail / Transportation	<ul style="list-style-type: none"> Expand sales of self-service machines catering to the market needs for contact-free, self-service operations Expand the product line and make inroads into untapped markets by introducing new business models
	Amusement	<ul style="list-style-type: none"> Strengthen sales of products that support amusement machines reducing gambling elements
Core business domain		<ul style="list-style-type: none"> DMP* business <ul style="list-style-type: none"> By combining IoT products and DMP, support promotion of DX at financial institutions, retailers, restaurants, etc. Electronic settlement business <ul style="list-style-type: none"> Expand sales of the settlement fee business and automatic post-care medical payment processing Biometric/image recognition business <ul style="list-style-type: none"> Expand to new domains (healthcare, long-term care, railway, logistics, etc.) that utilizes biometric/image recognition technology Robot business <ul style="list-style-type: none"> Provide total solutions by tapping into the customer base gained through the core business

*DMP (=Data Management Platform)
A platform to utilize AI beacon of AdInte with which we have capital and business alliance, to conjugate, divide, and normalize various data of our own and from outside, and preserve and manage it

Core business domain

Provide solutions in response to changes in the market

- Extend the lineup of self-service products installed at branch lobbies



Self deposit machines
SDM series



Tax and official payment
deposit station
FKR series



Electronic data
entry tablet



Open teller systems
WAVE series

● B-LINK(Product management system)

Promote visualization / efficient operation of branches of financial institutions

- Open teller systems, etc. ... To check cash handling information
- Key / security storage systems ... To check operational history
- Reception system ... To check visiting customer information



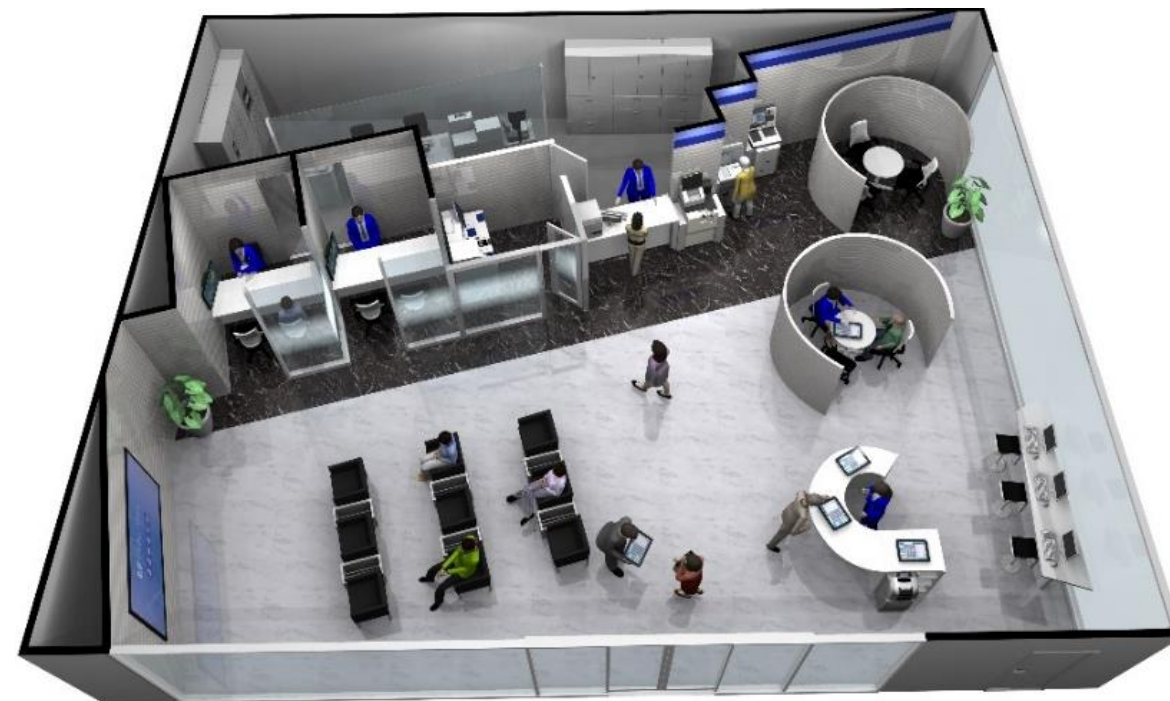
- Respond strategically to new banknotes issue scheduled for 2024

New business domain

Create added value utilizing IoT

- Provide next-generation store solutions

Propose next-generation store solutions for financial institutions



Core business domain

New business domain

Respond to the needs for contact-free, self-service operations

- Provide the product/service lines that cater to the need for contact-free, self-services devises
- Expand the product line and make inroads into untapped markets by introducing new business models



Promote the DMP business

Promote DX for retailers and restaurants with data utilization service BUYZO

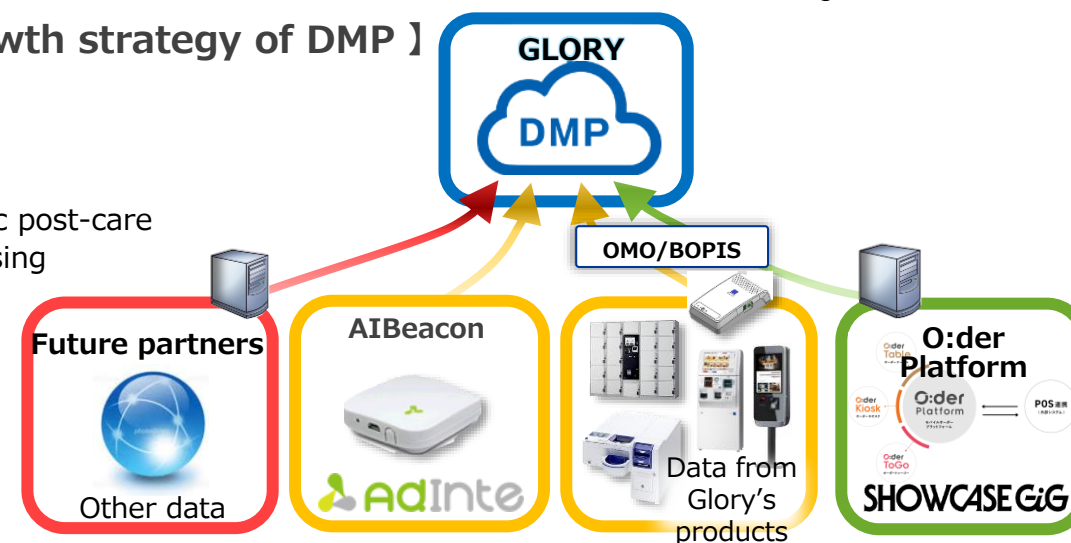
New store operation solutions for customer analysis and behavioral analysis, web marketing, distribution of coupons, ads, and other content



BUYZO is...

A collective term for Glory's DMP business that ranges from customer data collection to its analysis/visualization and coordinated actions. Made possible through the capital and business alliances with AdInte and Showcase Gig

【Growth strategy of DMP】



■ Biometric and image-recognition businesses

Expand to new domains (healthcare, long-term care, etc.) that utilizes biometric/image recognition technology

Provide health monitoring services for care and welfare facilities collaborated with EcoNaviSta

- **Facial-recognition-driven system**

If a resident tries to leave the facility, the facial-recognition system installed will detect them.

Introduced:



TSUKUI NONOAOYAMA

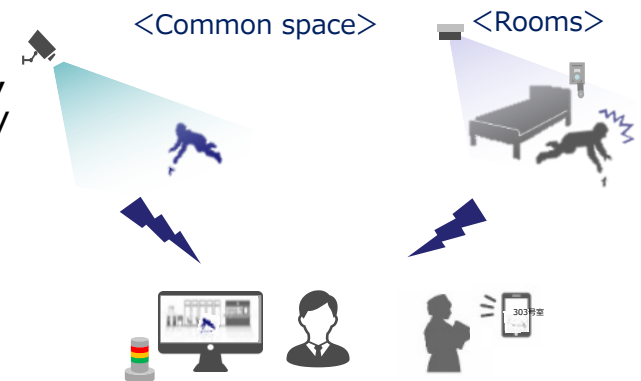


CHARM CARE

- **Fall detection system**

Launching of "Fall detection system", using skeletal recognition technology and 3D cameras.

Goal is to sell 10,000 systems to about 28,000 facilities by FY2024.



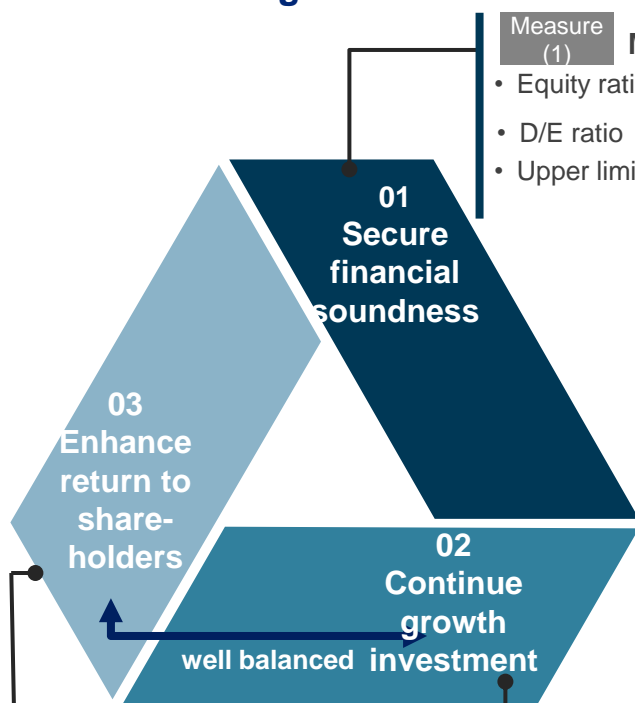
EcoNaviSta

Study commercialization based on proof of concept



Capital and Financial Strategies

- Adoption of IFRS assumed
- Enhance cash-generating ability to support growth investment and fulfilling shareholder returns



Measure (1) Maintain credit rating: A(R&I)

- Equity ratio : 50% or more
- D/E ratio : 0.6 or less
- Upper limit of procurement : 50 billion yen

Measure (2) Dividend policy

- Realize stable dividends
- Payout ratio before goodwill amortization of 30% or more (average in a period)

Measure (3) Flexible return policy

- Based on CF in consideration of balance with growth investment

Measure (4) Strategic investment

- Set roughly in the scale of actual results of 2020 Medium-Term Plan to be adjusted depending on the case

Measure (5) Capital expenditures

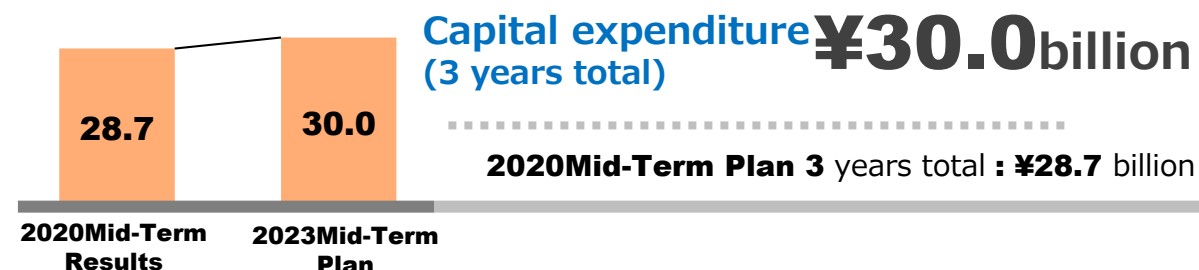
- Set roughly in the scale of actual results of 2020 Medium-Term Plan

Investment Plan

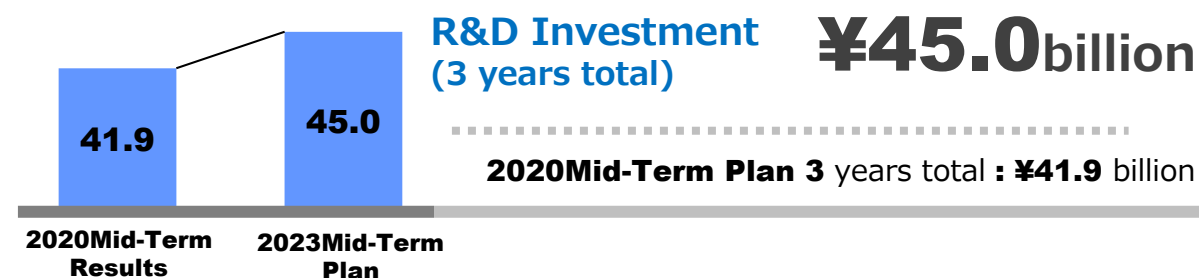
Strategic investment for core and new business domains (including M&A)



Capital expenditure



R&D investment



【Change of Shareholder Return Policy】

Reason

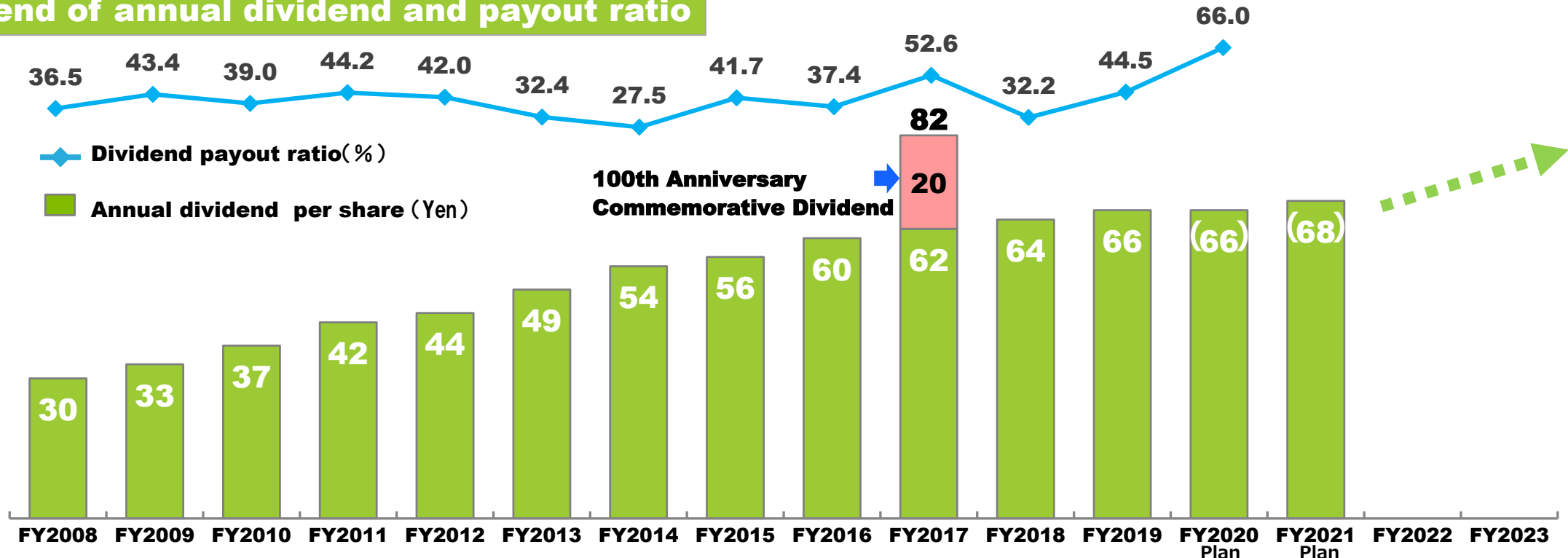
- Change to payout ratio before goodwill amortization based on IFRS
- Continue stable dividends throughout the 2023 Medium-Term Management Plan period

Target

- Payout ratio before goodwill amortization of 30% or higher (three fiscal years average during the 2023MTP period*)

* Total dividends paid over the three years / Three fiscal years total of "Net income attributable to owners of parent + Goodwill amortization"

Trend of annual dividend and payout ratio





Financial Forecast for FY2021

Financial Forecast for FY2021

[Expected to increase sales and decrease income]

Domestic : Expect a decrease in both sales and profit in a negative rebound of the pickup in FY2020 sales from maintenance services attributable to the expected issuance of new 500-yen coins, but self-service products should perform strongly thanks to the continued need for contact-free, self-service operations.

Overseas : Expect both sales and profit to increase in financial and retail & transportation markets, as the drive for capital expenditure recovers.

(Millions of yen)	FY2020		FY2021		Y-on-Y
	Full Year	Ratio	Full Year (Forecast)	Ratio	
Net Sales	217,423	100.0%	225,000	100.0%	7,577 3.5%
Maintenance Services	78,675	36.2%	76,000	33.8%	-2,675 -3.4%
Operating Income	14,201	6.5%	10,000	4.4%	-4,201 -29.6%
Ordinary Income	14,137	6.5%	9,500	4.2%	-4,637 -32.8%
Net Income Attributable to Owners of Parent	5,705	2.6%	4,500	2.0%	-1,205 -21.1%
* EBITDA	29,410	37.4%	25,000	32.9%	-4,410 -15.0%
Exchange rate	US\$	¥ 106	¥ 105		
	Euro	¥ 124	¥ 125		

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

Sales & Operating Income Forecast by Business Segment for FY2021



Confidence Enabled

(Millions of yen)	Sales			Operating Income		
	Full Year		Y-on-Y	Full Year		Y-on-Y
	FY2020	FY2021(Forecast)		FY2020	FY2021(Forecast)	
Overseas Market	104,765	120,000	+15,235 +14.5 %	3,836	5,000	+1,164 +30.3 %
Financial Market	49,877	40,000	-9,877 -19.8 %	9,861	4,000	-5,861 -59.4 %
Retail & Transportation Market	48,789	49,000	+211 +0.4 %	2,883	2,500	-383 -13.3 %
Amusement Market	11,020	13,000	+1,980 +18.0 %	-290	0	+290 - %
Others	2,969	3,000	31 +1.0 %	-2,089	-1,500	+589 - %
Total	217,423	225,000	+7,577 +3.5 %	14,201	10,000	-4,201 -29.6 %

Overseas Market

Both sales and profit are expected to increase in the financial and retail & transportation markets as the appetite for capital expenditure should recover in major Western countries.

Financial Market

Sales from maintenance services are expected to decrease in a negative rebound of the pickup in FY2020 sales attributable to the expected issuance of new 500-yen coins

Retail & Transportation Market

In anticipation of the continued need for contact-free, self-service operations, we aim to expand sales of self-service products.

Amusement Market

As we expect pachinko parlors to continue to curb their capex, it should take some time before we can resume full-scale sales activities of our main products.

Sales Forecast by Geographical Segment of Overseas Market for FY2021



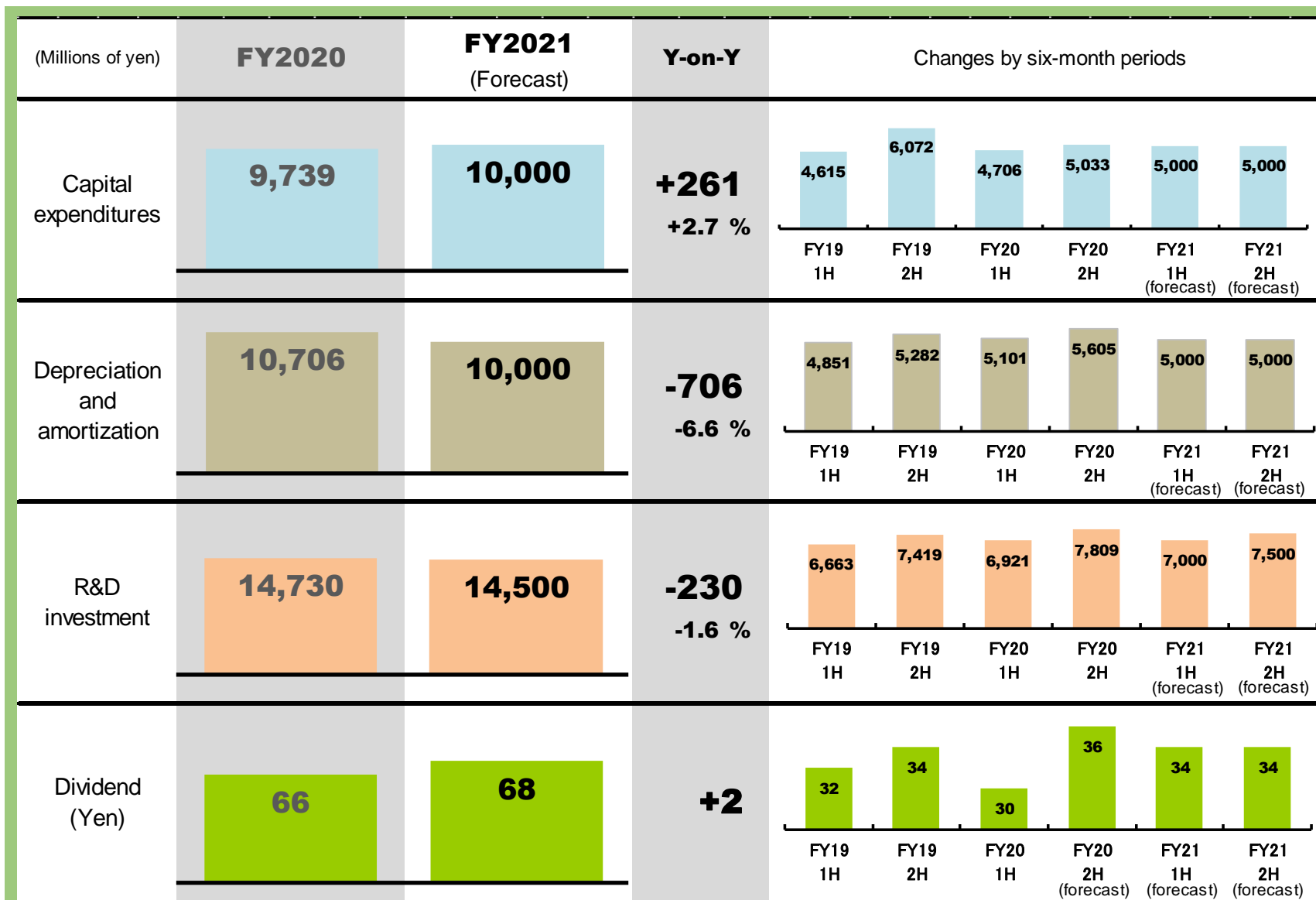
Confidence Enabled

(百万円)	Full Year *		Y-on-Y	Local currency basis
	FY2020	FY2021(Forecast)		
Americas	34,741	42,000	+7,259 +20.9 %	+22.1%
EMEA	49,483	59,000	+9,517 +19.2 %	+18.0%
Asia	14,153	14,500	+347 +2.5 %	-
China	5,521	5,000	-521 -9.4 %	-11.3%
OEM	6,386	4,500	-1,886 -29.5 %	-29.5%
Total overseas sales	104,765	120,000	+15,235 +14.5 %	-

Acrelec sales	Full Year *		Y-on-Y
	FY2020	FY2021(Forecast)	
	1,125	2,650	+1,525 +135.6 %
	7,297	14,300	+7,003 +96.0 %
	450	950	+500 +111.1 %
	-	-	- - %
	-	-	- - %
	8,873	17,900	+9,027 +101.7 %

Profit and loss from Acrelec are included in the scope of consolidation from the second quarter of FY2020.

Capital Expenditures and Dividend etc. for FY2021



References

Consolidated Statement of Income / Statement of Comprehensive Income for FY2020



Confidence Enabled

(Millions of yen)	FY2019		FY2020		Y-on-Y
	Full Year	Ratio	Full Year	Ratio	
Net sales	224,170	100.0%	217,423	100.0%	-6,747
Cost of sales	137,109	61.2%	131,962	60.7%	-5,147
Selling, general and administrative expenses	69,134	30.8%	71,259	32.8%	+2,125
Operating income	17,927	8.0%	14,201	6.5%	-3,726
Non-operating income	785	0.4%	1,589	0.7%	+804
Non-operating expenses	3,197	1.4%	1,652	0.8%	-1,545
Ordinary income	15,514	6.9%	14,137	6.5%	-1,377
Extraordinary income	226	0.1%	27	0.0%	-199
Extraordinary loss	899	0.4%	1,574	0.7%	+675
Income before income taxes and minority interests	14,842	6.6%	12,590	5.8%	-2,252
Income taxes	5,326	2.4%	6,073	2.8%	+747
Net Income	9,515	4.2%	6,516	3.0%	-2,999
Net income attributable to owners of parent	8,486	3.8%	5,705	2.6%	-2,781
Net Income	9,515	4.2%	6,516	3.0%	-2,999
Valuation difference on available-for-sale securities	-672		1,128		+1,800
Foreign currency translation adjustment	-2,542		4,059		+6,601
Remeasurements of defined benefit plans	-1,333		5,264		+6,597
Total other comprehensive income	-4,551	-2.0%	10,459	4.8%	+15,010
Comprehensive income	4,693	2.1%	16,976	7.8%	+12,283

Consolidated Balance Sheet for FY2020

(Millions of yen)	As of March 31, 2020	As of March 31, 2021	Increase/ Decrease		As of March 31, 2020	As of March 31, 2021
Cash, deposits and Securities	<u>73,076</u>	<u>66,238</u>	<u>-6,838</u>	Notes and accounts payable-trade	<u>18,623</u>	<u>17,072</u>
Notes and accounts receivable-trade	<u>52,838</u>	<u>56,344</u>	<u>+3,506</u>	Short-term loans payable	<u>24,931</u>	<u>15,656</u>
Inventories	<u>51,681</u>	<u>52,516</u>	<u>+835</u>	Other	<u>42,212</u>	<u>55,068</u>
Other	<u>3,306</u>	<u>4,680</u>	<u>+1,374</u>	Total current liabilities	<u>85,766</u>	<u>87,796</u>
Current assets	<u>180,901</u>	<u>179,778</u>	<u>-1,123</u>	Long-term loans payable	<u>46</u>	<u>3,939</u>
Property, plant and equipment	<u>38,503</u>	<u>39,183</u>	<u>+680</u>	Other	<u>35,950</u>	<u>42,539</u>
Customer relationships	<u>17,968</u>	<u>22,473</u>	<u>+4,505</u>	Noncurrent liabilities	<u>35,996</u>	<u>46,478</u>
Goodwill	<u>43,246</u>	<u>① 49,800</u>	<u>+6,554</u>	Total liabilities	<u>121,762</u>	<u>134,275</u>
Other	<u>6,701</u>	<u>8,369</u>	<u>+1,668</u>	Capital stock	<u>12,892</u>	<u>12,892</u>
Intangible assets	<u>67,915</u>	<u>80,642</u>	<u>+12,727</u>	Retained earnings	<u>162,595</u>	<u>164,411</u>
Total investments and other assets	<u>21,110</u>	<u>31,003</u>	<u>+9,893</u>	Other	<u>11,181</u>	<u>19,029</u>
Total noncurrent assets	<u>127,529</u>	<u>150,829</u>	<u>+23,300</u>	Total netassets	<u>186,668</u>	<u>196,332</u>
Total assets	<u>308,431</u>	<u>330,608</u>	<u>+22,177</u>	Total liabilities and net assets	<u>308,431</u>	<u>330,608</u>






① Goodwill increased due to acquisition of Acrelec.

Cash flow statement for FY2020

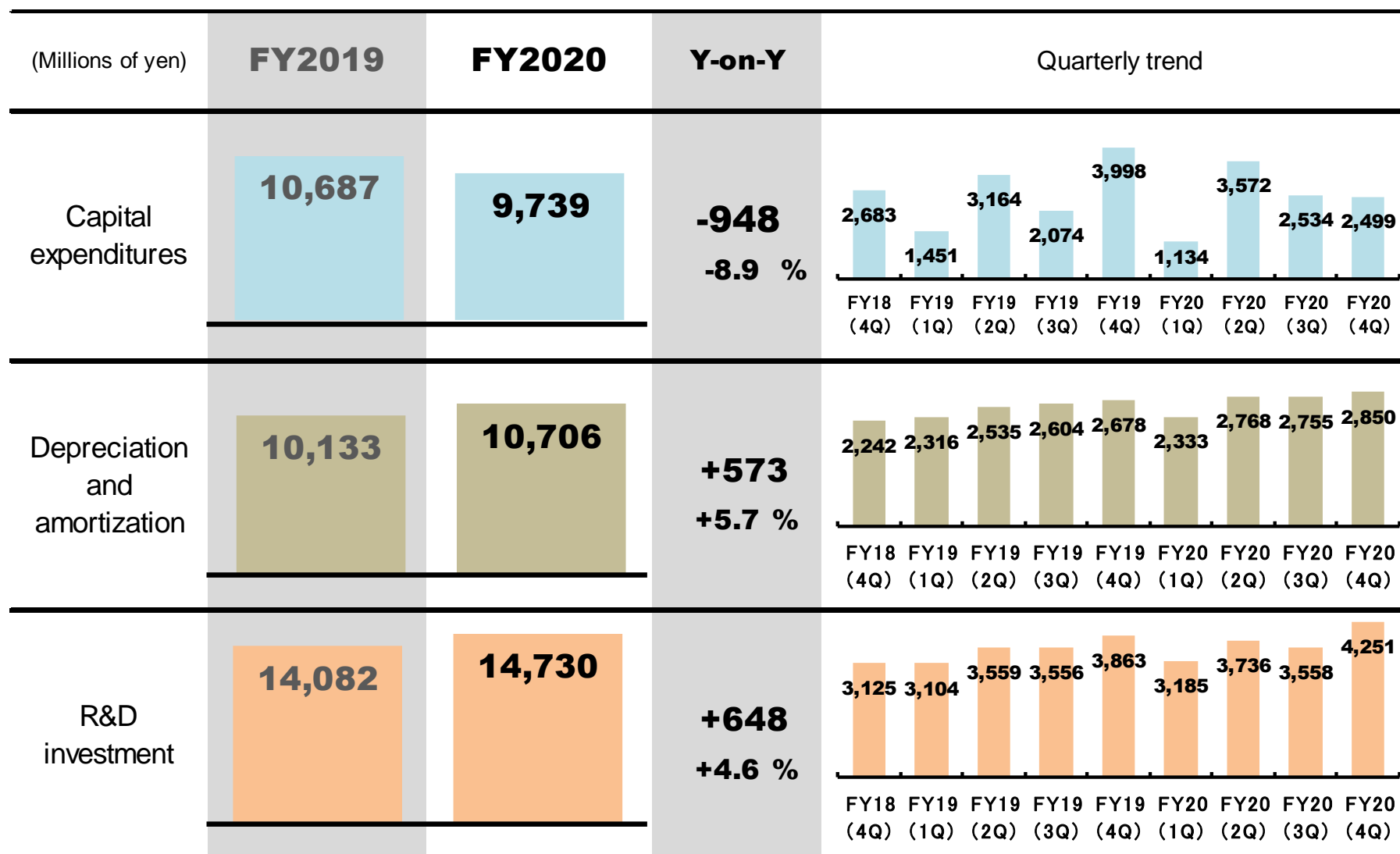
(Millions of yen)	FY2019 Full Year	FY2020 Full Year	Increase/ Decrease
Cash flows from operating activities	<u>24,555</u>	<u>28,443</u>	<u>+3,888</u>
Cash flows from investing activities	-13,032	-21,666	-8,634
Cash flows from financing activities	-15,339	-12,131	+3,208
Net increase (decrease) in cash and cash equivalents	<u>-4,734</u>	<u>-4,357</u>	<u>+377</u>
Free cash flows	<u>11,523</u>	<u>6,777</u>	<u>-4,746</u>

*Free cash flows = Cash flows from operating activities + Cash flows from investing activities

Sales & Operating Income by Business Segment for FY2020(vs Forecast)

(Millions of yen)	Sales			Operating Income		
	FY2019		Y-on-Y	FY2020		Y-on-Y
	Forecast	Results		Forecast	Results	
 Overseas Market	101,000	104,765	+3,765 +3.7 %	2,500	3,836	+1,336 +53.4 %
 Financial Market	50,000	49,877	-123 -0.2 %	8,000	9,861	+1,861 +23.3 %
 Retail & Transportation Market	48,500	48,789	+289 +0.6 %	3,500	2,883	-617 -17.6 %
 Amusement Market	10,500	11,020	+520 +5.0 %	-500	-290	+210 - %
 Others	3,000	2,969	-31 -1.0 %	-2,500	-2,089	+411 - %
Total	213,000	217,423	+4,423 +2.1 %	11,000	14,201	+3,201 +29.1 %

Capital Expenditures etc. for FY2020



<Notes>

1.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.

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