

# Consolidated financial results

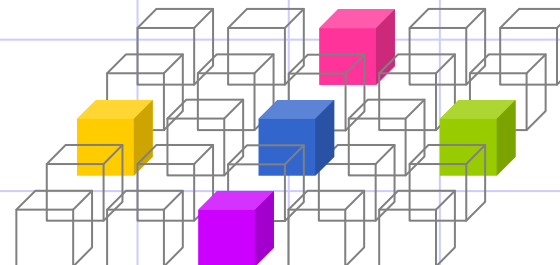
for the first quarter of the fiscal year ending March 31, 2012

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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.

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## Net sales

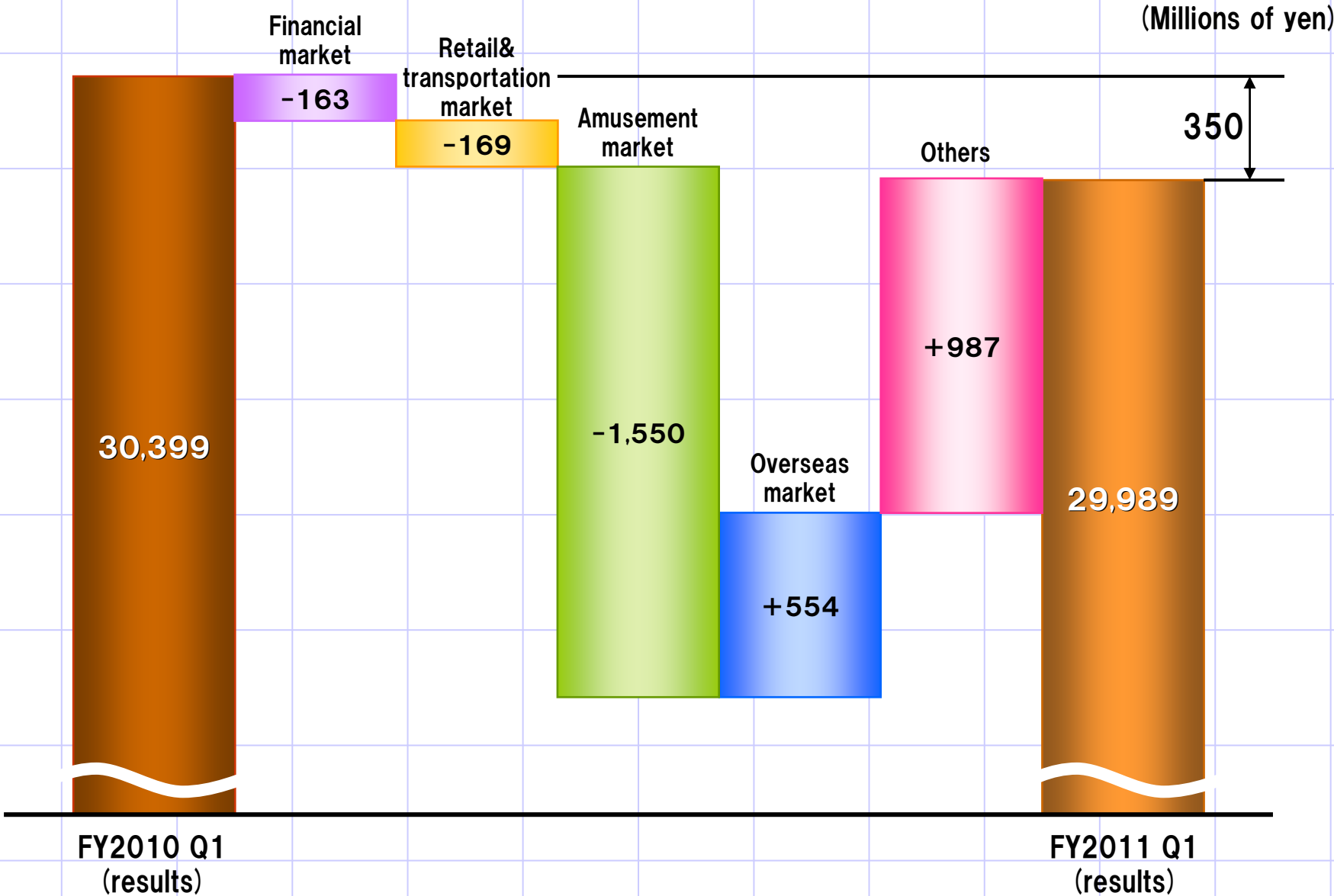
Sluggish sales in amusement market, while favorable sales in overseas market and other business market. Total net sales approximated to those of the previous year.

## Incomes

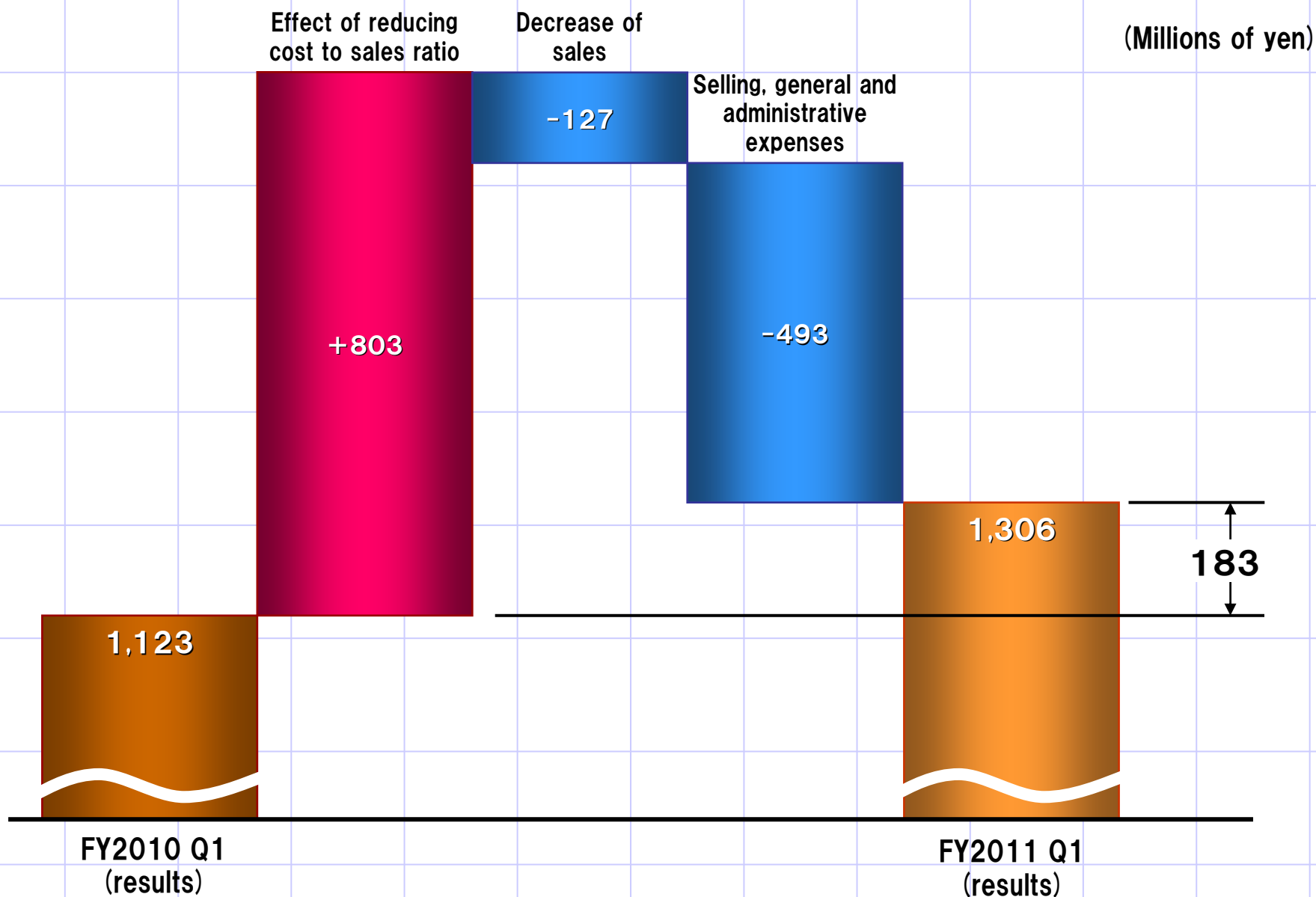
Operating, ordinary and net income increased on the year due to improvement of development efficiency and productivity, promotion of cost reduction such as increasing overseas production and procurements.

| (Millions of yen)                                                               | FY2010 Q1        | FY2011 Q1        | Year-on-year comparison |
|---------------------------------------------------------------------------------|------------------|------------------|-------------------------|
| <b>Net sales</b>                                                                | 30,399           | 29,989           | -1.2%                   |
| <div style="border: 1px dashed black; padding: 2px;">Maintenance services</div> | 7,879<br>(25.9%) | 8,292<br>(27.7%) | +5.2%                   |
| <b>Operating income</b>                                                         | 1,123<br>(3.7%)  | 1,306<br>(4.4%)  | +16.3%                  |
| <b>Ordinary income</b>                                                          | 1,160<br>(3.8%)  | 1,588<br>(5.3%)  | +36.9%                  |
| <b>Net income</b>                                                               | 456<br>(1.5%)    | 768<br>(2.6%)    | +68.6%                  |

# Changing factors of net sales








# Changing factors of operating income



# Sales & operating income by business segment

(Millions of yen)

| Business segments                                                                                                | Sales               |                     |                         | Operating income    |                     |                         |
|------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|-------------------------|---------------------|---------------------|-------------------------|
|                                                                                                                  | FY2010 Q1 (results) | FY2011 Q1 (results) | Year-on-year comparison | FY2010 Q1 (results) | FY2011 Q1 (results) | Year-on-year comparison |
|  Financial market               | 8,634               | 8,471               | -163 (-1.9%)            | 417                 | 342                 | -76 (-18.0%)            |
|  Retail & transportation market | 6,005               | 5,836               | -169 (-2.8%)            | 486                 | 736                 | +250 (+51.4%)           |
|  Amusement market               | 6,147               | 4,597               | -1,550 (-25.2%)         | 102                 | -251                | -353 (-346.1%)          |
|  Overseas market              | 7,235               | 7,779               | +544 (+7.5%)            | 393                 | 502                 | +109 (+27.7%)           |
|  Others                       | 2,317               | 3,304               | +987 (+42.6%)           | -276                | -23                 | +253 (+91.7%)           |
| <b>Total</b>                                                                                                     | <b>30,339</b>       | <b>29,989</b>       | <b>-350 (-1.2%)</b>     | <b>1,123</b>        | <b>1,306</b>        | <b>-183 (+16.3%)</b>    |

## ● Favorable sales of main products

Although sales of our main product open teller systems were favorable for both conventional systems and compact systems for small and mid-sized financial outlets, total sales for this segment approximated sales for the previous first quarter.

### Outline of business segments

Sales and maintenance services to domestic financial institutions, Japan Post Bank, OEM clients, and others.

### Main products



Open teller systems  
WAVE series



Banknote and coin  
recyclers for tellers,  
sold as OEM products



Cash monitoring cabinets  
BW series

(Millions of yen)

|                         | FY2010 Q1 | FY2011 Q1 | Y-on-Y          |
|-------------------------|-----------|-----------|-----------------|
| <b>Sales</b>            | 8,643     | 8,471     | -163<br>(-1.9%) |
| <b>Ratio</b>            | 28.5%     | 28.2%     | -0.3%           |
| <b>Operating income</b> | 417       | 342       | -75<br>(-18.0%) |
| <b>Ratio</b>            | 37.1%     | 26.2%     | -10.9%          |
| <b>Operating margin</b> | 4.8%      | 4.0%      | -0.8%           |

## ● Favorable sales of coin and banknote recyclers for cashiers

Favorable sales of banknote and coin recyclers, sluggish sales of OEM banknote depositing modules; total sales for the segment approximated to those of the previous year. Operating income increased due to cost reduction by producing banknote coin recyclers in overseas countries.

### Outline of business segments

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

### Main products



Coin and banknote recyclers RT/RAD series



Sales proceeds deposit machines DS-DSS series



Multi-functional cash management stations DSR series

(Millions of yen)

|                         | FY2010 Q1 | FY2011 Q1 | Y-on-Y        |
|-------------------------|-----------|-----------|---------------|
| <b>Sales</b>            | 6,005     | 5,836     | -169 (-2.8%)  |
| <b>Ratio</b>            | 19.8%     | 19.5%     | -0.3%         |
| <b>Operating income</b> | 486       | 736       | +250 (+51.4%) |
| <b>Ratio</b>            | 43.3%     | 56.3%     | +13.0%        |
| <b>Operating margin</b> | 8.1%      | 12.6%     | +4.5%         |

## ● Sluggish sales of card systems

Sales of our main product card systems were sluggish, as the aftermath of the Earthquake suppressed pachinko parlors managers from making capital investments and they exercised self-restraint in renewing their pachinko parlors.

### Outline of business segments

Sales and maintenance services to domestic amusement halls (pachinko parlors), and others.

### Main products

#### Card systems



Management terminals



pachinko ball dispenser with card reader



Smart card systems



Pachinko prize dispensing machines JK series

(Millions of yen)

|                  | FY2010 Q1 | FY2011 Q1 | Y-on-Y          |
|------------------|-----------|-----------|-----------------|
| Sales            | 6,147     | 4,597     | -1,550 (-25.2%) |
| Ratio            | 20.3%     | 15.3%     | -5.0%           |
| Operating income | 102       | -251      | -353 (-346.1%)  |
| Ratio            | 9.1%      | -19.3%    | -28.4%          |
| Operating margin | 1.7%      | —         | —               |

## ● Favorable sales of banknote sorters and new products

In the U.S.A., sales of OEM bulk banknote and check deposit units for ATMs were favorable. In Asia, sales of banknote sorters were favorable, in line with expanding markets in China and India. In Europe, Sitrade Italia S.p.A., a sales subsidiary in Italy, contributed favorable financial results, although sales of OEM banknote recycling units for ATMs were sluggish.

### Outline of business segments

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

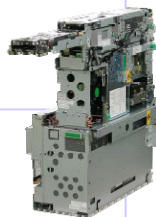
### Main products



Banknote recyclers for tellers RZ series



Banknote sorters UW/USF series



Banknote deposit units for ATMs UD series

(Millions of yen)

|                  | FY2010 Q1 | FY2011 Q1 | Y-on-Y        |
|------------------|-----------|-----------|---------------|
| Sales            | 7,235     | 7,779     | +544 (+7.5%)  |
| Ratio            | 23.8%     | 25.9%     | +2.1%         |
| Operating income | 393       | 502       | +109 (+27.7%) |
| Ratio            | 35.0%     | 38.4%     | +3.4%         |
| Operating margin | 5.4%      | 6.5%      | +1.1%         |

## ● Favorable sales of main products

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

### Outline of business segments

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

### Main products



Banknote recycling units for horse race ticket vending machines RBK series



Ticket vending machines VT series



RFID self-checkout systems for cafeterias PSA series

(Millions of yen)

|                         | FY2010 Q1 | FY2011 Q1 | Y-on-Y           |
|-------------------------|-----------|-----------|------------------|
| <b>Sales</b>            | 2,317     | 3,304     | +987<br>(+42.6%) |
| <b>Ratio</b>            | 7.6%      | 11.0%     | +3.4%            |
| <b>Operating income</b> | -276      | -23       | +253<br>(+91.7%) |
| <b>Ratio</b>            | -24.6%    | -1.8%     | +22.8%           |
| <b>Operating margin</b> | —         | —         | —                |

# Sales by geographical segment



(Millions of yen)

| Sales by geographical segment (overseas) | FY2010 Q1 | FY2011 Q1 | Year-on-year comparison |
|------------------------------------------|-----------|-----------|-------------------------|
| Americas                                 | 1,265     | 2,069     | +804                    |
| Europe                                   | 4,395     | 3,949     | - 446                   |
| Asia                                     | 1,583     | 1,760     | +177                    |
| China                                    | 769       | 466       | - 303                   |
| Total                                    | 7,235     | 7,779     | +544                    |
| OEM                                      | 3,030     | 2,438     | - 682                   |

# Capital expenditures and other expenses



(Millions of yen)

|                                        | FY2010 Q1 | FY2011 Q1 | Year-on-year     | Change by quarterly term |           |           |           |           |
|----------------------------------------|-----------|-----------|------------------|--------------------------|-----------|-----------|-----------|-----------|
| <b>Capital expenditures</b>            | 1,688     | 1,187     | -300<br>-4.5%    | 1,688                    | 1,672     | 1,323     | 1,730     | 1,187     |
|                                        |           |           |                  | FY10 (1Q)                | FY10 (2Q) | FY10 (3Q) | FY10 (4Q) | FY11 (1Q) |
| <b>Depreciation &amp; amortization</b> | 1,598     | 1,555     | -1,427<br>-17.5% | 1,598                    | 1,582     | 1,728     | 1,809     | 1,555     |
|                                        |           |           |                  | FY10 (1Q)                | FY10 (2Q) | FY10 (3Q) | FY10 (4Q) | FY11 (1Q) |
| <b>R&amp;D expenses</b>                | 1,901     | 2,354     | -97<br>-1.1%     | 1,901                    | 2,250     | 2,155     | 2,372     | 2,354     |
|                                        |           |           |                  | FY10 (1Q)                | FY10 (2Q) | FY10 (3Q) | FY10 (4Q) | FY11 (1Q) |

(Millions of yen)

|                                    | FY2010 Q1 | Percent (%) | FY2011 Q1 | Percent (%) | Increase/Decrease |
|------------------------------------|-----------|-------------|-----------|-------------|-------------------|
| Net sales                          | 30,339    | 100.0       | 29,989    | 100.0       | -350              |
| Cost of sales                      | 19,304    | 63.6        | 18,279    | 61.0        | -1,025            |
| SG&A expenses                      | 9,911     | 32.7        | 10,404    | 34.7        | +493              |
| Operating income                   | 1,123     | 3.7         | 1,306     | 4.4         | +183              |
| Non operating income               | 514       | 1.7         | 414       | 1.4         | -100              |
| Non operating expenses             | 477       | 1.6         | 131       | 0.4         | -346              |
| Ordinary income                    | 1,160     | 3.8         | 1,588     | 5.3         | +428              |
| Extraordinary income               | 138       | 0.5         | 25        | 0.1         | -113              |
| Extraordinary loss                 | 353       | 1.2         | 88        | 0.3         | -265              |
| Income before income taxes         | 944       | 3.1         | 1,524     | 5.1         | +580              |
| Total income taxes                 | 488       | 0.4         | 643       | 2.1         | +155              |
| Net income 1 <sup>st</sup> quarter | 456       | 1.5         | 768       | 2.6         | +312              |
| Income before minority interests   | —         | —           | 881       | 2.9         | —                 |
| Total other Comprehensive income   | —         | —           | 434       | 1.4         | —                 |
| Comprehensive income               | —         | —           | 1,316     | 4.4         | —                 |

① Cost-to-sales ratio : Improved 2.6 percentage due to cost reduction activities

② Non-operating income and expenses : Foreign exchange loss (¥53 million)  
(¥405 million of foreign exchange loss was posted in the same period last year.)

# Financial forecast for FY 2011

## 売上高

Sales increased on the previous year due to cultivation and stimulation of the market by releasing new products.

## 利益

Income increased on the year due to sales increase and promotion of cost reduction.

| (Millions of yen)     | FY2011 Q1<br>(results) | FY2011 Q1-Q2<br>(forecast) | FY2011<br>(forecast) |
|-----------------------|------------------------|----------------------------|----------------------|
| Net sales             | 29,989                 | 65,000                     | 145,000              |
| Maintenance services  | 8,292<br>(27.7%)       | 16,000<br>(24.6%)          | 32,000<br>(22.1%)    |
| Operating income      | 1,306<br>(4.4%)        | 2,500<br>(3.8%)            | 11,000<br>(7.6%)     |
| Ordinary income       | 1,558<br>(5.3%)        | 2,500<br>(3.8%)            | 11,000<br>(7.6%)     |
| Net income by quarter | 768<br>(2.6%)          | 1,500<br>(2.3%)            | 6,500<br>(4.5%)      |

※exchange rate [dollar] 85 yen [euro] 110 yen

## Sales and Operating income by business segments

| (Millions of yen)              | FY2011        |                  |                  |                  |                      |                  |
|--------------------------------|---------------|------------------|------------------|------------------|----------------------|------------------|
|                                | Q1 (results)  |                  | Q1-Q2 (forecast) |                  | Full year (forecast) |                  |
|                                | Sales         | Operating income | Sales            | Operating income | Sales                | Operating income |
| Financial market               | 8,471         | 342              | 21,000           | 800              | 47,000               | 4,700            |
| Retail & transportation market | 5,836         | 736              | 13,000           | 1,300            | 30,000               | 3,900            |
| Amusement market               | 4,597         | -251             | 9,000            | -400             | 20,000               | 200              |
| Overseas market                | 7,779         | 502              | 16,000           | 900              | 35,000               | 2,100            |
| Others                         | 3,304         | -23              | 6,000            | -100             | 13,000               | 100              |
| <b>Total</b>                   | <b>29,989</b> | <b>1,306</b>     | <b>65,000</b>    | <b>2,500</b>     | <b>145,000</b>       | <b>11,000</b>    |