

Consolidated Financial Results

Third Quarter of the Fiscal Year Ending March 31, 2012 <Japanese GAAP>

February 3, 2012

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Scheduled filing date of quarterly security report: February 13, 2012
 Scheduled date of dividend payments: —
 Quarterly earnings supplementary explanatory material: Yes
 Quarterly earnings presentation: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded downward.)

1. Consolidated Financial Results for the Third Quarter Ended December 31, 2011 (from April 1, 2011 to December 31, 2011)

(1) Consolidated Operating Results (cumulative)

(The percentages show the increase or decrease from the same quarter of the previous year.)

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Third quarter ended December 31, 2011	103,579	4.1	7,320	(1.1)	7,706	(1.0)
Third quarter ended December 31, 2010	99,469	3.3	7,401	42.7	7,784	22.4

	Net income		Net income per share	Fully diluted net income per share
	(Millions of yen)	(%)	(Yen)	(Yen)
Third quarter ended December 31, 2011	3,646	(17.6)	55.51	—
Third quarter ended December 31, 2010	4,427	22.1	67.39	—

(Note) Comprehensive income

Third quarter ended December 31, 2011: ¥3,614 million (-5.8%) Third quarter ended December 31, 2010: ¥3,837 million (— %)

(2) Consolidated Financial Position

	Total assets	Net assets	Ownership equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of December 31, 2011	200,415	150,570	74.4	2,271.46
As of March 31, 2011	198,019	149,781	75.0	2,260.47

(Reference) Ownership equity As of December 31, 2011: ¥149,207 million As of March 31, 2011: ¥148,485 million

2. Dividends

(Record date)	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Year ended March 31, 2011	—	17.00	—	20.00	37.00
Year ending March 31, 2012	—	20.00	—		
Year ending March 31, 2012 (forecast)				21.00	41.00

(Note) Revisions to the last announced dividend forecast: None

3. Consolidated Financial Forecast for the Year Ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

(The percentages show the increase or decrease from the previous full year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Full Year	145,000	4.3	11,000	6.5	11,000	(0.3)	6,500	4.3	98.95

(Note) Revisions to the last announced consolidated financial forecast: None

4. Other

(1) Changes in significant subsidiaries during the quarter (changes in specified subsidiaries involving a change in the scope of consolidation): None

(2) Application of accounting methods specific to preparation of the quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- (a) Changes in accounting policies associated with a revision of accounting standards, etc.: None
- (b) Changes in accounting policies other than (a): None
- (c) Changes in accounting estimates: None
- (d) Restatements: None

(4) Total number of shares issued (common stock)

(a) Total number of shares issued at the end of the period (including treasury stock)

As of December 31, 2011: 68,638,210 shares

As of March 31, 2011: 68,638,210 shares

(b) Number of treasury shares at the end of the period

As of December 31, 2011: 2,950,450 shares

As of March 31, 2011: 2,950,306 shares

(c) Average number of shares during the term

Third quarter ended December 31, 2011: 65,687,858 shares

Third quarter ended December 31, 2010: 65,688,448 shares

(Note) Status of Implementation of Quarterly Review Procedures

These "Consolidated Financial Results" are not subject to the quarterly review procedures set forth in the Financial Instruments and Exchange Act. As of the date of the release of these Consolidated Financial Results, implementation of quarterly review procedures for consolidated quarterly financial statements were in progress.

(Note) Explanation Regarding the Appropriate Use of Financial Forecasts and Other Special Items

The above forecasts were prepared based on information available as of the date of this report. Actual performance may differ greatly from these forecasts due to various present and future factors.

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1. Qualitative Information and Financial Statements, etc.

(1) Qualitative Information Related to the Consolidated Operating Results

During the nine-month period ended December 31, 2011, Japan's economy staged a slow recovery following the impact of the Great East Japan Earthquake. However, the economic outlook remains uncertain because of slowing overseas economic growth against the backdrop of the European debt crisis, the yen's rapid appreciation, lackluster stock prices and other events.

In the current fiscal year, which is the final year of the 2011 Medium-Term Management Plan, the GLORY Group has been taking positive measures in Japan and overseas based on the basic principle: "Capitalize on new business opportunities with global vision and accelerate to a period of new growth!" These measures include developing and launching many new products to stimulate demand, boosting overseas production and procurement to cut costs, and realigning subsidiaries to enable the group to operate more efficiently.

In the first three quarters, net sales increased 4.1% from one year earlier to ¥103,579 million. Sales of merchandise and finished goods increased 3.6% to ¥78,343 million and sales from maintenance services increased 5.9% to ¥25,235 million. Earnings were lower, with operating income down 1.1% to ¥7,320 million, ordinary income down 1.0% to ¥7,706 million and net income down 17.6% to ¥3,646 million. Comprehensive income decreased 5.8% from one year earlier to ¥3,614 million.

Results of operations in reportable business segments were as follows.

(Financial market)

Sales of open teller systems, the main product in this segment, were lower than one year earlier because of a decline in large orders for compact models. OEM products benefited from strong sales of coin recycling modules for ATMs, but sales of banknote and coin recycling modules for tellers were weak due to a delay in the emergence of expected replacement demand.

As a result, segment sales decreased 8.0% to ¥29,879 million and operating income fell 44.2% to ¥2,011 million.

(Retail and transportation market)

Sales of sales proceeds deposit machines, which is an OEM product, were soft. But this market segment was healthy overall because of strong sales of coin and banknote recyclers for cashiers, the major product in this segment. The strong sales of these recyclers were supported by a rebound in corporate capital expenditures and the receipt of large orders.

As a result, segment sales increased 4.1% to ¥19,988 million and operating income was up 55.3% to ¥2,493 million.

(Amusement market)

Sales of card systems, the primary product in this segment, were slow partly because of intense competition. However, total sales were about the same as one year earlier because of strong sales of token machines due to a rebound in popularity of pachislot.

As a result, segment sales increased 1.8% to ¥19,791 million and operating income increased 23.6% to ¥1,468 million.

(Overseas market)

In the Americas, there were brisk sales of bulk banknote and check deposit units for ATMs. In Asia, there were solid sales of banknote sorters, particularly in China. In Europe, sales benefited from the acquisition of Sitrade Italia S.p.A., a distributor in Italy.

As a result, segment sales increased 19.9% to ¥23,510 million and operating income rose 51.7% to ¥1,537 million.

In the "others" business segment, sales increased 19.0% to ¥10,409 million and there was an operating loss of ¥189 million compared with an ¥11 million loss one year earlier.

All amounts in this section do not include consumption taxes

2. Other Information

(1) Changes in Significant Subsidiaries During the Quarter:

None

(2) Application of Accounting Methods Specific to Preparation of the Quarterly Consolidated Financial Statements

Tax expense is calculated by rationally estimating the effective tax rate after application of tax-effect accounting to income before income taxes for the consolidated fiscal year including this third quarter, and then multiplying income before income taxes for the quarter by the estimated effective tax rate. Deferred income taxes are included and presented in “income taxes.”

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

None

(Additional information)

The Group adopted “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Statement No. 24, December 4, 2009) and “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24, December 4, 2009) with respect to accounting changes and prior period error corrections as of the beginning of the first quarter ended June 30, 2011.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	Previous Fiscal Year (As of March 31, 2011)	Current Third Quarter (As of December 31, 2011)
ASSETS		
CURRENT ASSETS:		
Cash and deposits	33,706	34,691
Notes and accounts receivable-trade	29,794	34,965
Short-term investment securities	22,340	15,788
Merchandise and finished goods	14,359	15,377
Work in process	6,163	7,606
Raw materials and supplies	6,018	6,681
Other	8,471	9,085
Allowance for doubtful accounts	(335)	(337)
Total current assets	120,520	123,858
NONCURRENT ASSETS:		
Property, plant and equipment:		
Net property, plant and equipment	34,454	33,855
Intangible assets:		
Goodwill	4,238	3,340
Other	3,885	3,750
Total intangible assets	8,123	7,090
Investment and other assets:		
Investment securities	19,476	19,747
Other	17,040	17,183
Allowance for doubtful accounts	(1,594)	(1,319)
Total investment and other assets	34,921	35,611
Total noncurrent assets	77,499	76,556
TOTAL ASSETS	198,019	200,415
LIABILITIES		
CURRENT LIABILITIES:		
Notes and accounts payable-trade	13,362	15,795
Short-term loans payable	11,064	10,872
Income taxes payable	2,221	1,378
Provision for bonuses	3,903	2,149
Other provision	371	294
Other	9,522	11,678
Total current liabilities	40,445	42,169
NONCURRENT LIABILITIES:		
Provision for retirement benefits	3,293	3,128
Other	4,499	4,546
Total noncurrent liabilities	7,792	7,675
Total liabilities	48,238	49,845

(TRANSLATION FOR REFERENCE ONLY)

(Millions of yen)

	Previous Fiscal Year (As of March 31, 2011)	Current Third Quarter (As of December 31, 2011)
NET ASSETS		
SHAREHOLDERS' EQUITY:		
Capital stock	12,892	12,892
Capital surplus	20,629	20,629
Retained earnings	122,267	123,258
Treasury stock	(5,815)	(5,815)
Total shareholders' equity	149,974	150,965
VALUATION AND TRANSLATION ADJUSTMENTS:		
Valuation difference on available-for-sale securities	(312)	(288)
Foreign currency translation adjustments	(1,176)	(1,470)
Total valuation and translation adjustments	(1,489)	(1,758)
Minority interests	1,295	1,363
Total net assets	149,781	150,570
TOTAL LIABILITIES AND NET ASSETS	198,019	200,415

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
 (Quarterly Consolidated Statements of Income)
 Third Quarter ended December 31, 2011

(Millions of yen)

	Third Quarter ended December 31, 2010 (From April 1, 2010 to December 31, 2010)	Third Quarter ended December 31, 2011 (From April 1, 2011 to December 31, 2011)
NET SALES	99,469	103,579
COST OF SALES	61,677	64,592
Gross profit	37,791	38,986
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	30,389	31,666
Operating income	7,401	7,320
NON-OPERATING INCOME:		
Interest income	267	264
Dividend income	425	290
Other	358	266
Non-operating income-net	1,051	821
NON-OPERATING EXPENSES:		
Interest expense	121	118
Foreign exchange loss	480	204
Other	66	113
Non-operating expenses-net	668	435
Ordinary income	7,784	7,706
EXTRAORDINARY INCOME:		
Gain on sales of noncurrent assets	143	8
Reversal of allowance for doubtful accounts	73	—
Gain on sales of investment securities	—	19
Reversal of provision for loss on cancellation of lease contracts	62	—
Other	21	8
Total extraordinary income	301	36
EXTRAORDINARY LOSS:		
Loss on valuation of investment securities	233	228
Retirement benefit expenses	257	—
Impairment loss	358	—
Other	240	127
Total extraordinary loss	1,091	356
INCOME BEFORE INCOME TAXES	6,994	7,386
INCOME TAXES	2,567	3,403
INCOME BEFORE MINORITY INTERESTS	4,427	3,983
MINORITY INTERESTS IN INCOME	—	337
NET INCOME	4,427	3,646

(Quarterly Consolidated Statements of Comprehensive Income)
 Third Quarter ended December 31, 2011

(Millions of yen)

	Third Quarter ended December 31, 2010 (From April 1, 2010 to December 31, 2010)	Third Quarter ended December 31, 2011 (From April 1, 2011 to December 31, 2011)
Income before minority interests	4,427	3,983
OTHER COMPREHENSIVE INCOME		
Valuation difference on available-for-sale securities	(142)	24
Foreign currency translation adjustment	(447)	(393)
Total other comprehensive income	(589)	(368)
COMPREHENSIVE INCOME	3,837	3,614
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	3,837	3,376
Comprehensive income attributable to minority interests	—	237

(3) Notes Relating to Assumption as a Going Concern
Not applicable

(4) Segment Information
(Segment Information)

(a) Third Quarter ended December 31, 2010 (from April 1, 2010 to December 31, 2010)
Information on sales and income (loss) by reportable business segment

(Millions of yen)

	Reportable business segments					Others	Total	Adjustment	Amounts reported on the consolidated statement of income
	Financial market	Retail and transportation market	Amusement market	Overseas market	Total				
Net sales									
(1) Sales to customers	32,476	19,195	19,438	19,607	90,718	8,750	99,469	—	99,469
(2) Intersegment sales or transfers	—	—	—	—	—	—	—	—	—
Total	32,476	19,195	19,438	19,607	90,718	8,750	99,469	—	99,469
Segment operating income (loss)	3,605	1,605	1,187	1,013	7,413	(11)	7,401	—	7,401

(Note) The “Others” segments consist of business segments not included in reportable business segments, and includes sales and maintenance services to domestic tobacco shops, tobacco companies, hospitals, local governments, general companies, etc.

(b) Third Quarter ended December 31, 2011 (from April 1, 2011 to December 31, 2011)
Information on sales and income (loss) by reportable business segment

(Millions of yen)

	Reportable business segments					Others	Total	Adjustment	Amounts reported on the consolidated statement of income
	Financial market	Retail and transportation market	Amusement market	Overseas market	Total				
Net sales									
(1) Sales to customers	29,879	19,988	19,791	23,510	93,169	10,409	103,579	—	103,579
(2) Intersegment sales or transfers	—	—	—	—	—	—	—	—	—
Total	29,879	19,988	19,791	23,510	93,169	10,409	103,579	—	103,579
Segment operating income (loss)	2,011	2,493	1,468	1,537	7,510	(189)	7,320	—	7,320

(Note) The “Others” segment consists of business segments not included in reportable business segments, and includes sales and maintenance services to domestic tobacco shops, tobacco companies, hospitals, local governments, general companies, etc.

(5) Note for Significant Change in the Amount of Shareholders' Equity
Not applicable

This is a translation of the original Japanese text of the “Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2012.” Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.