

Securities Code: 6457

June 1, 2012

To our shareholders,

Hirokazu Onoe

President

GLORY LTD.

3-1, Shimoteno 1-chome,

Himeji City, Hyogo

## **Notice of the 66th Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 66th Ordinary General Meeting of Shareholders of GLORY LTD. (the “Company”), which will be held as described below.

In the event that you are unable to attend the meeting in person, you are kindly requested to review the attached Reference Materials for the General Meeting of Shareholders, and exercise your voting rights by stating your approval or disapproval for each of the proposals in the enclosed Voting Card, and return the Voting Card to the Company, or vote via the Company’s voting site\* at <http://www.evotepj.com>. Whichever method you use, we ask that you please exercise your voting rights no later than 5:15 p.m., Thursday, June 21, 2012 (Tokyo time).

\*Available only in the Japanese language.

**1. Date & Time** Friday, June 22, 2012, 10:00 a.m.

**2. Place** Conference Room  
GLORY LTD. Headquarters  
3-1 Shimoteno 1-chome,  
Himeji City, Hyogo

### **3. Agenda**

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements and the Reports of Independent Auditors and the Board of Corporate Auditors on the Consolidated Financial Statements for the 66th term (from April 1, 2011 to March 31, 2012)
2. The Financial Statements for the 66th term (from April 1, 2011 to March 31, 2012)

Proposals to be acted upon:

- |                |                                   |
|----------------|-----------------------------------|
| Proposal No. 1 | Distribution of Retained Earnings |
| Proposal No. 2 | Election of Nine (9) Directors    |
| Proposal No. 3 | Payment of Bonuses to Directors   |

This is a partial translation of the original Japanese text of the “Notice of the 66th Ordinary General Meeting of Shareholders” prepared for the convenience of shareholders. Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.

**REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS****Proposal No. 1 Distribution of Retained Earnings**

Considering the return of profits to shareholders to be an important management task, the Company's policy in regard to distribution of profits is to continue stable dividends while striving to maintain and enhance sound financial standing in preparation for future business growth. The Company has set the target of attaining a dividend payout ratio of 25% or higher and DOE (dividends on equity) of at least 1.8%, both on a consolidated basis.

In accordance with the above policy, the Company is proposing to pay a year-end dividend of ¥22 per share. As the Company previously paid out ¥20 per share as an interim-period dividend, the total dividend for the fiscal year will be ¥42 per share. Consequently, DOE will be 1.8% and the payout ratio will be 44.2%.

1. Type of dividend asset  
Cash
2. Allocation of dividend asset and total amount of allocation  
¥22 per share of common stock  
Total amount of payout: ¥1,445,130,720
3. Effective date of dividend payment  
June 25, 2012

**Proposal No. 2 Election of Nine (9) Directors**

At the close of this General Meeting of Shareholders, the term of office will expire for all nine (9) Directors. Therefore, we would like shareholders to elect nine (9) Directors.

The candidates for the position of Directors are as follows:

| <i>No</i> | <i>Name<br/>(date of birth)</i>       | <i>Career summary, positions and areas of responsibility in the Company and<br/>significant concurrent positions</i>   | <i>Number of<br/>shares in<br/>the Company<br/>owned by the<br/>candidate</i> |
|-----------|---------------------------------------|--|---|
| 1         | Hideto Nishino<br><br>(Dec. 28, 1940) | Apr. 1963    Joined the Company<br>Apr. 1989    General Manager, Card System Div.<br>Jun. 1989    Director<br>Jun. 1992    Managing Director<br>Jun. 1995    Senior Managing Director<br>Jun. 2000    Vice President & Representative Director<br>Jun. 2001    President & Representative Director<br>Apr. 2011    Chairman of the Board & Representative Director<br>(to present) | 31,876  |

## (TRANSLATION OF AN EXCERPT FOR REFERENCE ONLY)

| No | Name<br>(date of birth)              | Career summary, positions and areas of responsibility in the Company and significant concurrent positions  | Number of shares in the Company owned by the candidate |
|----|--------------------------------------|--|--|
| 2  | Hirokazu Onoe<br>(Mar. 19, 1948)     | Sep. 1970 Joined the Company<br>Apr. 2000 General Manager, Vending Machine & Amusement Systems Business Div.<br>Jun. 2001 Director<br>Jun. 2004 Managing Director<br>Jun. 2006 Director & Managing Executive Officer<br>Oct. 2006 Company President, Vending Machine & Amusement Systems Company<br>Jun. 2008 General Manager, Management Planning Office<br>Apr. 2009 General Manager, Corporate Strategy Div.<br>Jun. 2010 Director & Executive Vice President<br>Apr. 2011 President & Representative Director (to present)<br>[Significant Concurrent Position]<br>President of Japan Vending Machine Manufacturers Association          | 13,800   |
| 3  | Hisao Onoe<br>(Aug. 16, 1935)        | Jul. 1961 Joined the Company<br>Jun. 1970 General Manager, General Affairs Dept.<br>Dec. 1970 Director<br>Dec. 1974 Managing Director<br>Jan. 1978 Senior Managing Director<br>Jan. 1980 Vice President & Representative Director<br>Jun. 1989 President & Representative Director<br>Jun. 2001 Chairman of the Board & Representative Director<br>Apr. 2011 Director & Executive Advisor (to present)<br>[Significant Concurrent Position]<br>Director of The Himeji Shinkin Bank   | 487,488  |
| 4  | Masahiro Ichitani<br>(Oct. 27, 1947) | Mar. 1970 Joined GLORY Shoji Co., Ltd. (now the Company)<br>Apr. 1992 General Manager, Financial Market Sales Dept. of GLORY Shoji Co., Ltd.<br>Jun. 1995 Director of GLORY Shoji Co., Ltd.<br>Jun. 1999 Managing Director of GLORY Shoji Co., Ltd.<br>Jun. 2006 Director of the Company<br>Oct. 2006 Director & Managing Executive Officer<br>Jun. 2007 Managing Executive Officer<br>Company President, Financial Business Systems Company<br>Jun. 2008 Senior Managing Executive Officer<br>Apr. 2009 Responsible for domestic financial institutions (to present)<br>Jun. 2010 Director & Senior Managing Executive Officer (to present) | 16,000   |

## (TRANSLATION OF AN EXCERPT FOR REFERENCE ONLY)

| No | Name<br>(date of birth)           | Career summary, positions and areas of responsibility in the Company and significant concurrent positions  | Number of shares in The Company owned by the candidate |
|----|-----------------------------------|--|--|
| 5  | Tomoaki Ishido<br>(Nov. 13, 1947) | Mar. 1970 Joined the Company<br>Apr. 2003 General Manager, 1st Banking System & Equipment Div., Retail & Media Industries Systems Company<br>Jun. 2004 Director<br>Jun. 2006 Executive Officer<br>Jun. 2007 Senior Executive Officer<br>Apr. 2009 General Manager, Production Headquarters<br>Jun. 2010 Managing Executive Officer<br>Apr. 2011 Executive General Manager, Development Headquarters<br>(to present)<br>Jun. 2011 Director & Managing Executive Officer<br>(to present)<br>[Significant Concurrent Position]<br>President of GLORY Denshi Kogyo (Suzhou) Ltd.         | 17,000   |
| 6  | Hiroki Sasaki<br>(Feb. 15, 1942)  | Apr. 1965 Joined Fuji Iron & Steel Co., Ltd. (now Nippon Steel Corporation)<br>Jun. 1995 Director of Nippon Steel Corporation<br>Apr. 1999 Managing Director of Nippon Steel Corporation<br>Jun. 2001 Vice President & Representative Director of Sanyo Special Steel Co., Ltd.<br>Jun. 2002 President & Representative Director of Sanyo Special Steel Co., Ltd.<br>Jun. 2007 Director & Senior Adviser of Sanyo Special Steel Co., Ltd.<br>Jun. 2008 Director of the Company<br>(to present)<br>[Significant Concurrent Position]<br>Outside Corporate Auditor of KITZ Corporation | 3,200  |
| 7  | Akira Niijima<br>(Mar. 9, 1944)   | Apr. 1969 Joined Pioneer Corporation<br>Sep. 1995 President of Pioneer North America, Inc.<br>Jun. 1997 Director of Pioneer Corporation<br>Jun. 2000 Managing Director of Pioneer Corporation<br>Jun. 2002 Senior Managing Director of Pioneer Corporation<br>Jun. 2004 Senior Managing Director & Representative Director of Pioneer Corporation<br>Jun. 2008 Director of the Company<br>(to present)   | 2,100  |

## (TRANSLATION OF AN EXCERPT FOR REFERENCE ONLY)

| No | Name<br>(date of birth)                 | Career summary, positions and areas of responsibility in the Company and significant concurrent positions  | Number of shares in The Company owned by the candidate |
|----|---|--|--|
| 8  | *Yoshiyuki Yamaguchi<br>(Feb. 20, 1950) | Jul. 1972 Joined GLORY Shoji Co., Ltd. (now the Company)<br>Apr. 1996 General Manager, Retail & Transportation Market Sales Dept. of GLORY Shoji Co., Ltd.<br>Apr. 2006 Senior General Manager, Retail & Media Market Sales Planning Div. of GLORY Shoji Co., Ltd.<br>Oct. 2006 Executive Officer of the Company<br>Company President, Retail & Media Industries Systems Company<br>Jun. 2007 Senior Executive Officer<br>Apr. 2011 Managing Executive Officer (to present)<br>Executive General Manager, Domestic Business Headquarters (to present)  | 4,000  |
| 9  | *Motozumi Miwa<br>(Jun. 9, 1954)        | Apr. 1977 Joined Taiyo Kobe Bank, Ltd. (now Sumitomo Mitsui Banking Corporation)<br>Oct. 2001 General Manager, Kobe Block Consumer Business Office and General Manager, Kobe Main Office of Sumitomo Mitsui Banking Corporation<br>Jun. 2005 Managing Director of Kobe Maintenance of Building Co., Ltd.<br>Jun. 2009 Joined the Company<br>Mar. 2010 General Manager, Legal Affairs Dept., General Affairs Div.<br>Jun. 2010 Executive Officer<br>Senior General Manager, General Affairs Div.<br>Apr. 2012 Senior Executive Officer (to present)<br>Executive General Manager, General Affairs Headquarters (to present) | 3,500  |

Notes:

1. A candidate for new Director is marked with (\*).
2. There is no special interest between the Company and the candidates.
3. Hiroki Sasaki and Akira Nijima are candidates for Outside Directors.
4. Hiroki Sasaki and Akira Nijima have been notified to Tokyo Stock Exchange and Osaka Securities Exchange as “Independent Directors”.
5. The following are items required to be noted about the candidates for Outside Directors:

(1) Reason for recommending the candidates for Outside Directors:

- 1) Hiroki Sasaki possesses considerable experience and global knowledge as management executive and has been playing an important role, as an Outside Director, in ensuring transparency and fairness in the Company’s management. Further, he has been providing the Company with valuable advice as a member of the Nomination Advisory Committee and the Compensation Advisory Committee of the Company. It is our judgment that we can strengthen the Company’s management organization further by receiving from him proper advice regarding the corporate management from an independent standpoint. We thus recommend his election to the board as an Outside Director for another year.
- 2) Akira Nijima has accumulated considerable experience in both international and domestic businesses at an R&D oriented company similar to the Company and possesses valuable global knowledge. He has been playing an important role, as an Outside Director, in ensuring transparency and fairness in the Company’s management. Further, he has been providing the Company with valuable advice as a member of the Nomination Advisory Committee and the Compensation Advisory Committee of the Company. It is our judgment that we can strengthen the Company’s management organization further by receiving from him proper advice regarding the corporate management from an independent standpoint. We thus recommend his election to the board as an Outside Director for another year.

(2) Number of years of service as Outside Director

At the close of this General Meeting of Shareholders, Hiroki Sasaki and Akira Nijima will have served as Outside Director for four (4) years.

(3) Regarding agreements limiting the liability of Outside Directors

To enable Outside Directors to effectively fulfill their expected roles, the Articles of Incorporation of the Company provide that the Company may conclude agreements with Outside Directors to the effect that liability of Outside Directors be limited. The Company has concluded such agreements with Hiroki Sasaki and Akira Nijima. The Company will maintain the existing agreement with each of the candidates for Outside Director, Hiroki Sasaki and Akira Nijima, if they are reelected as Outside Directors as proposed.

Brief summary of the said agreements is as follows:

\* Outside Director shall be liable for damages up to the minimum amount of liability stipulated in Paragraph 1, Article 425 of the Companies Act should he or she become liable for damages caused to the Company as a result of negligence in the performance of his or her duties.

\* The liability limitation described above shall be applicable in cases where Outside Director performed the duties that became the cause of liability in good faith and without gross negligence.

### **Proposal No. 3 Payment of Bonuses to Directors**

We propose to pay a total amount of ¥54,200,000 as bonuses to six (6) executive Directors out of nine (9) Directors, who were in office at the end of the fiscal year taking into consideration the Company's business performance of the year.

The above amount is calculated according to the policy setting the amount of bonuses at a fixed ratio of consolidated net income. The bonuses for each Director will be determined by the resolution of the Board of Directors.

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