

May 12, 2016



News Release

Company name:	GLORY LTD.
Representative:	Hirokazu Onoe, President
Headquarters:	3-1, Shimoteno 1-chome, Himeji, Hyogo, JAPAN
Securities Code:	6457
Stock Exchange:	Tokyo (1st Section)
Accounting Term:	March

**Notice on Amendments to Performance-Based Stock Compensation Plan  
for Directors of GLORY**

GLORY LTD. (the “Company”) hereby announces that a resolution was made at its Board of Directors meeting held on May 12, 2016 to submit a proposal regarding amendments of amounts and other contents of the performance-based stock compensation plan for the Company’s directors to the 70th Ordinary General Meeting of Shareholders of the Company (the “Shareholders’ Meeting”) to be held on June 24, 2016, as follows:

1. Reason for the proposed amendments

The Company has been implementing a performance-based stock compensation plan (the “Plan”) for its directors (excluding the outside directors of the Company); the same shall apply hereinafter (the “Directors”), which was approved by the resolution at the 69<sup>th</sup> Ordinary General Meeting of Shareholders held on June 26, 2015 (the “Previous Shareholders’ Meeting”), with the aim of improving the Company’s business performance and increasing its corporate value over the medium to long term. The Board of Directors of the Company has determined at its meeting held today to partially amend the Plan with the view of further enhancing the motivation to improve the corporate value of Glory’s group companies as a whole.

Specifically, the Plan will be amended to add the presidents of the Company’s domestic subsidiaries (the “Specified Subsidiaries\*”) as beneficiaries of the Plan, and to modify the amounts and other contents of the Plan so that the Company will be able to administer the Plan in an integrated manner. All the contents of the Plan that were approved by the Previous Shareholders’ Meeting will be left unchanged, except the points detailed in the next section.

Additionally, the proposed amendments will be conditional on approval by the shareholders' meetings of each of the Specified Subsidiaries with respect to the "proposal on the amount and other contents of the performance-based stock compensation plan for the president."

\* As of May 12, 2016, there are 12 such subsidiaries.

## 2. Amount and other contents of the revised Plan

### (1) Outline of the Plan

The Company is presently implementing the "2017 Medium-Term Management Plan" covering the three years from the fiscal year ending March 31, 2016 to the fiscal year ending March 31, 2018 (the "Mid-term Plan period"). In this connection, the Company will distribute a certain number of shares of the Company and the cash conversion equivalent thereof to each of the Directors and the presidents of Specified Subsidiaries as compensation based on their positions and the degree of achievement of its consolidated business performance goals in each fiscal year during the Mid-term Plan period under the revised Plan. While the Plan was approved by the Previous Shareholders' Meeting as a plan with only the Directors as beneficiaries, the revised Plan will include the presidents of Specified Subsidiaries as beneficiaries from the fiscal year ending March 31, 2017.

### (2) Upper limits of money to be contributed by the Company and Specified Subsidiaries to the Trust, etc.

The Company has set up a trust (the "Trust"), the beneficiaries of which are Directors who meet the beneficiary requirements, by contributing an amount of money within the limit of 120 million yen as compensation for the Directors based on the approval by the Previous Shareholders' Meeting. Along with the addition of the presidents of Specified Subsidiaries as beneficiaries of the revised Plan, the contents of the Trust will be revised to raise the limit of the money to be contributed by the Company to 236 million yen. However, as the increased money in the Trust will be used as compensation for the presidents of Specified Subsidiaries during the trust period, such increase in trust money will be borne by Specified Subsidiaries.

Further, the upper limit of the points to be awarded to the presidents of Specified Subsidiaries each year will be 13,900 points; the combined total of such limit and the upper limit of the points to be awarded to Directors each year will become 23,900. Therefore, the upper limit of the number of shares that the Trust will acquire ("Acquired Shares") will be 57,800 shares, which is the sum of (a) the number of shares corresponding to the upper limit of the points to be awarded to Directors each year multiplied by 3 (number of years in the trust period) (30,000 shares) and (b) the number of shares corresponding to the upper limit of the points to be awarded to the presidents of Specified Subsidiaries each year multiplied by 2 (number of years in the trust period) (27,800 shares). The Trust will, in accordance with instructions from the trust caretaker, acquire the shares of the

(TRANSLATION FOR REFERENCE ONLY)

Company from either the Company (disposal of its treasury shares) or from the stock market within the upper limits of Trust funds and the Acquired Shares.

Details of the method of share acquisition will be announced when they are determined following approval by the Shareholders' Meeting.

As a general rule, sale of the shares of the Company acquired through the Plan would not be permitted during a incumbencies of each directors from the viewpoint of value sharing with shareholders and of ensuring the link with the medium to long term performance of the Glory's group.

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**About GLORY LTD.**

GLORY LTD., headquartered in Himeji, Japan, is a pioneer in the development and manufacture of money handling machines and systems. GLORY provides a variety of products such as money handling machines, cash management systems, vending machines, automatic service equipment, and cash management solutions that are built on its leading-edge recognition/identification and mechatronics technology. Committed to meet society's wide-ranging needs, GLORY serves the financial, retail, vending machine, amusement and gaming industries in over 100 countries around the world. GLORY employs approximately 9,000 people worldwide. For more information about GLORY, please visit GLORY Group website at <http://www.glory-global.com/>

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