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News Release

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Securities Code: 6457  
Stock Exchange: Tokyo (1st Section)  
Accounting Term: March

## **Notice concerning GLORY's new Medium-Term Management Plan**

GLORY LTD. has adopted the 2017 Medium-Term Management Plan (“the Plan”) covering the three-year period from FY2015 to FY2017, as detailed below. The plan will be the second and final step toward realizing our Long-Range Vision 2018 in our centennial year of 2018. Under the Plan, the Company will work to improve the earning potential by targeting further expansion of our overseas business activities, which are the Group’s growth drivers, while strengthening marketing capabilities for the domestic operation, which is our core business.

### **Overview of the Plan**

#### 1. Basic Policy

Realize business growth through “customer-oriented superb manufacturing” and enhance profitability to achieve the Long-Range Vision 2018

#### 2. Targets

[FY2017]

Consolidated performance targets

- Net sales : 260 billion yen (Overseas sales ratio : 50%)
- Operating income : 28 billion yen

Consolidated management target

- Return on Equity (ROE) : 8 %

\*Exchange rate assumptions : USD 1=JPY 120, EUR 1=JPY 130, GBP 1=JPY 175

#### 3. Basic Strategy

##### (1) Business Strategy

Enhance profitability by expanding business size/area

##### 1) Domestic Business Strategy

- Strengthen sales force
- Expand business by enhancing ability to meet market needs

##### 2) Overseas Business Strategy

- Execute region-specific strategies based on exhaustive market analysis
- Expand direct sales/maintenance network aiming for revenue growth
- Explore and promote new businesses leveraging technologies accumulated in the domestic market

(2) Constitutional Strategy

Provide timely products and services meeting market needs

- 1) Product Development Strategy
  - Enhance development capabilities of core technologies
  - Reinforce product development structure for overseas markets
- 2) Production/Procurement Strategy
  - Establish global production system
  - Promote global procurement
- 3) Quality Assurance Strategy
  - Strengthen quality assurance function for overseas market

(3) Corporate Management Strategy

Reinforce group management infrastructure

- 1) Group Governance Strategy
  - Promote management adhering to the corporate philosophy
  - Enhance management capability on a global level
- 2) Human Resource Strategy
  - Cultivate and utilize human resources for global business expansion
  - Promote diversity of human resources
- 3) Capital/Financing Strategy
  - Maintain stable dividend payouts
  - Improve capital efficiency
- 4) Information System Strategy
  - Establish information platform underpinning business activities
  - Enhance information security system

[Reference]

Dividends Policy

The Company has adopted the new dividend target to be applicable from FY2015, as follows;

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. Under such basic policy, the Company has set the target of attaining a dividend payout ratio of 30% or higher on a consolidated basis.

**Caution Concerning Forward-Looking Statements**

Information about business performance and targets and other forward-looking statements contained in this document are based on information currently available to GLORY LTD. and specific assumptions that were deemed to be reasonable, and we do not offer any guarantee that actual outcomes will be as indicated in such information and statements. Readers should be aware that various factors could cause actual business results to differ significantly from these statements.

**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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