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Summary of Consolidated Financial Statements for the 3rd Quarter Ending March 31, 2011

February 8, 2011

Listed Company	Japan Cash Machine Co., Ltd.	Stock Exchanges:	Tokyo, Osaka
Code Number	6418	URL	http://www.jcm-hq.co.jp/
Representative	Position: President	Name:	Yojiro Kamihigashi
For Inquiries	Position: Operating Officer, Deputy Executive General Manager of Administration Division	Name:	Tsuyoshi Takagaki
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Date of starting to pay dividends: -

Additional materials of the Financial Results for the Third Quarter: None

Briefing session for the Financial Results for the Third Quarter: None

1. Results for the nine months ended December 31, 2010 (April 1, 2010 to December 31, 2010)

(1) Consolidated operating results (Cumulative)

(Amounts less than 1 million yen have been rounded off.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2010	15,323	21.0	567	-	464	-	379	-
Nine months ended December 31, 2009	12,662	(36.1)	(518)	-	(344)	-	(342)	-

	Net Income Per share:	Net Income Per share:
	Basic	Diluted
	Yen	Yen
Nine months ended December 31, 2010	14.08	-
Nine months ended December 31, 2009	(12.50)	-

(2) Consolidated financial position

	Total Assets	Total Net Assets	Capital Adequacy Ratio	Net Assets Per Share
	Million yen	Million yen	%	Yen
Nine months ended December 31, 2010	28,584	22,398	78.4	830.18
Year Ended March 31, 2010	28,775	23,343	81.1	865.16

(Note) Shareholders' equity: December 31, 2010: 22,398 million yen

March 31, 2010: 23,343 million yen

2. Dividends

	Dividend Per Share				
	End of 1 st quarter	End of 2 nd quarter	End of 3 rd quarter	Year End	Annual
	Yen	Yen	Yen	Yen	Yen
Year Ended March 31, 2010	-	7.00	-	7.00	14.00
Year Ending March 31, 2011	-	7.00	-		
Year Ending March 31, 2011 (Forecast)				7.00	14.00

(Note) Change in forecasts of dividends during the nine months ended December 31, 2010: None

3. Projected Results for the Year Ending March 31, 2011 (April 1, 2010 to March 31, 2011)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share: Basic
Year Ending March 31, 2011	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	19,200	13.3	500	-	390	-	290	-	10.75

(Note) Change in earnings forecasts for the fiscal year ending March 31, 2011 during the nine months ended December 31, 2010: None

4. Others (Please see Page 3 for detailed information)

(1) The status of changes in major subsidiaries: None

New: - (Company name:) Eliminated: - (Company name:)

(2) Adoption of simplified and special accounting policies for quarterly financial statements: Applicable

(3) Changes in principles, procedures and presentation of accounting procedures

1) Changes relation to revisions to accounting standards, etc.: Applicable

2) Changes other than 1) above: None

(4) Outstanding shares (common shares)

Number of shares outstanding (including treasury stocks)	Nine months ended December 31, 2010	29,662,851 shares	Year Ended March 31, 2010	29,662,851 Shares
Number of treasury stocks	Nine months ended December 31, 2010	2,682,023 shares	Year Ended March 31, 2010	2,681,558 shares
The average number of shares issued during the period	Nine months ended December 31, 2010	26,981,064 shares	Nine months ended December 31, 2009	27,425,438 shares

(Note) Implementation status of Quarterly Overview

This Financial Results for the Third Quarter was exempt from Quarterly review which was based on Financial Instrument and Exchange Law of Japan. As of this the Third Quarter disclosure, Quarterly review for the quarterly financial statements is currently conducted.

(Note) Explanation regarding the appropriate use of business forecast results

The above forecasted results have been prepared based on the current available information and certain assumptions thought to be reasonable and actual results may differ from the projections due to the impacts of future events. Please see "Qualitative information on consolidated financial forecasts" for bases for financial results forecasts and notices for use of this financial results projection.

1. Qualitative information/Financial Statements

(1) Qualitative information on consolidated operating results

Emerging countries show economic expansion, and the businesses in those countries conducted by developed countries show growth. However, in Japan, volatile economic condition continues due to sudden Japanese Yen appreciation.

For overseas gaming market, demands of our products have not fully recovered due to unclear economic condition. However, the orders of our products have recovered, and the demand of new product for overseas commercial market has been increased compared to the same period in previous year. On the other hand, for domestic amusement market, the orders of pachisuro-related facility have been increased since pachisuro became popular again. Additionally, launching a new product of facility equipment and proactive promotion led sales to increase. Furthermore, managerial improvement, mainly cost reduction also contributed to maximizing profits.

As a result, net sales amounted to ¥15.3 billion, 21.0% year-to-year increase. Operating income amounted to ¥567million (2009: ¥518 million operating deficit), ordinary income amounted to ¥464 million (2009: ¥344 million ordinary loss), and net profit amounted to ¥379 million (2009: ¥342 million net deficit).

(2) Qualitative information on consolidated financial position

Total assets amounted to ¥28.5 billion, ¥191 million year-to-year decrease. “Notes and accounts receivable-trade” were increased as a result of increase in net sales. Additionally, “merchandise and finished goods” and “raw materials and supplies” were increased as a result of high-volume production of a new product.

Total liabilities amounted to ¥6.1 billion, ¥752 million year-to-year increase. Provisions were decreased while “notes and account payable-trade” were increased due to increase in high-volume production.

Total net assets amounted to ¥22.3 billion, decreased by ¥944 million year-to-year which is mainly due to the decreases of foreign currency translation adjustments in foreign subsidiaries. This is caused by weakened USD and EURO.

(3) Qualitative information on consolidated financial forecast

There are no changes in figures for financial results for the nine months ended December 31, 2010 which was disclosed on November 2, 2010.

2. Others

(1) The status of changes in major subsidiaries

There was no change in major subsidiaries.

(2) Adoption of simplified and special accounting policies for quarterly financial statements

Simplified accounting policies are applied, but the descriptions are omitted since it is unimportant.

(3) Changes in principles, procedures and presentation of accounting procedures

Effective April 1, 2010, “Accounting Standards for Asset Retirement Obligation (ASBJ statement No. 18 issued on March 31, 2008)” and “Guidance on Accounting Standards for Asset Retirement Obligation (ASBJ statement No. 21 issued on March 31, 2008)” have been applied. The impacts on operating income, ordinary income, and income before income taxes and minority interests are minimal.

3. Quarterly consolidated financial statements

Consolidated quarterly balance sheets		
(In thousand yen, rounded down)		
	Nine months ended December 31, 2010	Fiscal Year Ended March 31, 2010
Assets		
Current assets		
Cash and deposits	9,007,911	11,918,432
Notes and accounts receivable-trade	4,978,321	3,607,448
Short-term investment securities	252,074	92,047
Merchandise and finished goods	3,383,005	2,873,889
Work in process	532,621	470,894
Raw materials and supplies	2,641,265	1,614,769
Other	1,012,600	1,357,312
Allowance for doubtful accounts	-90,177	-93,454
Total current assets	21,717,623	21,841,338
Noncurrent assets		
Property, plant and equipment	4,947,404	4,839,675
Intangible assets	376,014	547,094
Investments and other assets		
Other	1,774,250	1,769,993
Allowance for doubtful accounts	-231,137	-222,508
Total investments and other assets	1,543,112	1,547,485
Total noncurrent assets	6,866,530	6,934,254
Total assets	28,584,154	28,775,593
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,790,161	2,389,729
Income taxes payable	69,738	68,889
Provision for bonuses	92,641	210,016
Provision for directors' bonuses	1,500	3,000
Provision for business structure improvement	—	430,000
Other	2,171,185	1,376,253
Total current liabilities	5,125,226	4,477,888
Noncurrent liabilities		
Provision for retirement benefits	19,917	18,928
Negative goodwill	256,393	400,614
Other	783,736	535,103
Total noncurrent liabilities	1,060,046	954,645
Total liabilities	6,185,273	5,432,533
Net assets		
Shareholders' equity		
Capital stock	2,216,945	2,216,945
Capital surplus	2,069,003	2,069,003
Retained earnings	22,872,403	22,870,167
Treasury stock	-2,325,619	-2,325,304
Total shareholders' equity	24,832,732	24,830,812
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	8,547	206,297
Deferred gains or losses on hedges	10,359	-11,153
Foreign currency translation adjustment	-2,452,757	-1,682,895
Total valuation and translation adjustments	-2,433,850	-1,487,752
Total net assets	22,398,881	23,343,059
Total liabilities and net assets	28,584,154	28,775,593

Consolidated quarterly statements of income		
(In thousand yen, rounded down)		
	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Net sales	12,662,835	15,323,805
Cost of sales	7,129,169	8,788,521
Gross profit	5,533,666	6,535,283
Reversal of unrealized income on installment sales	12,740	72,103
Provision of unrealized income on installment sales	60,548	145,115
Gross profit-net	5,485,857	6,462,271
Selling, general and administrative expenses	6,004,299	5,894,924
Operating income (loss)	-518,441	567,347
Non-operating income		
Interest income	28,354	24,666
Dividends income	20,611	20,303
Interest on refund	26,588	—
Amortization of negative goodwill	128,196	144,221
Other	52,363	73,216
Total non-operating income	256,114	262,406
Non-operating expenses		
Interest expenses	926	16,910
Foreign exchange losses	66,159	331,182
Other	15,498	16,732
Total non-operating expenses	82,583	364,825
Ordinary income (loss)	-344,911	464,928
Extraordinary income		
Gain on sales of noncurrent assets	—	303
Gain on sales of investment securities	5,778	217,157
Reversal of allowance for doubtful accounts	42,009	12,638
Penalty income	—	25,000
Total extraordinary income	47,787	255,099
Extraordinary loss		
Loss on sales of noncurrent assets	1,330	66
Loss on retirement of noncurrent assets	9,619	12,262
Loss on valuation of golf club membership	1,500	—
Office transfer expenses	19,107	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	3,528
Loss on liquidation of subsidiaries	—	41,880
Total extraordinary losses	31,556	57,738
Income (loss) before income taxes and minority interests	-328,679	662,289
Income taxes-current	87,791	170,336
Income taxes-deferred	-73,519	111,981
Total income taxes	14,272	282,317
Net income (loss)	-342,951	379,971

Consolidated quarterly statements of cash flows		
(In thousand yen, rounded down)		
	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	-328,679	662,289
Depreciation and amortization	683,167	628,683
Amortization of negative goodwill	-128,196	-144,221
Increase (decrease) in provision	-342,298	-109,002
Loss (gain) on liquidation of subsidiaries	—	41,880
Increase (decrease) in provision for business structure improvement	—	-430,000
Interest and dividends income	-48,966	-44,969
Interest expenses	926	16,910
Foreign exchange losses (gains)	28,504	87,597
Loss (gain) on sales and retirement of property, plant and equipment	10,949	12,025
Loss (gain) on sales of investment securities	-5,778	-217,157
Prepayment penalty revenues	—	-25,000
Loss on valuation of golf club memberships	1,500	—
Decrease (increase) in notes and accounts receivable-trade	199,960	-1,533,194
Decrease (increase) in inventories	1,300,204	-1,910,401
Increase (decrease) in notes and accounts payable-trade	-615,233	628,450
Decrease (increase) in consumption taxes refund receivable	59,091	-47,171
Other, net	-765,463	1,003,336
Subtotal	49,688	-1,379,943
Interest and dividends income received	48,346	43,884
Interest expenses paid	-926	-16,910
Income taxes paid	-649,020	-88,672
Income taxes refund	1,868,990	—
Net cash provided by (used in) operating activities	1,317,078	-1,441,642
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	-176,523	-566,519
Net decrease (increase) in short-term investment securities	94,845	-178,767
Purchase of property, plant and equipment	-626,980	-722,804
Proceeds from sales of property, plant and equipment	2,820	1,633
Purchase of intangible assets	-34,192	-13,966
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	254,719	—
Purchase of investment securities	-985	-379,581
Proceeds from sales of investment securities	46,162	489,753
Payments of loans receivable	—	-600
Collection of loans receivable	14,306	23,773
Proceeds from liquidation of subsidiaries	15,000	—
Other, net	800	-50
Net cash provided by (used in) investing activities	-410,026	-1,347,130
Net cash provided by (used in) financing activities		
Decrease in short-term loans payable	-200,000	—
Proceeds from lease obligations	52,826	364,212
Repayments of lease obligations	-3,040	-84,594
Cash dividends paid	-496,507	-383,343
Purchase of treasury stock	-694,911	-315
Net cash provided by (used in) financing activities	-1,341,631	-104,040
Effect of exchange rate change on cash and cash equivalents	-37,481	-473,579
Net increase (decrease) in cash and cash equivalents	-472,061	-3,366,392
Cash and cash equivalents at beginning of period	12,559,163	11,193,347
Cash and cash equivalents at end of period	12,087,101	7,826,955

4. Segment Information

[Segment information by business category]

Nine months ended December 31, 2009

The businesses of the Company and the consolidated subsidiaries are classified into two segments: cash machines and related equipment, and amusement equipment and related businesses. As net sales and operating income of cash machines and related equipments constituted more than 90% of the consolidated sales and operating income for the nine months ended December 31, 2009, the disclosure of business segment information has been omitted.

[Geographical segment information]

Nine months ended December 31, 2009 (From April 1, 2009 to December 31, 2009)

(In thousand yen, rounded down)

	Japan	North America	Asia	Europe	Total	Elimination/ Corporate	Consolidated
Net sales							
(1) Sales to third parties	5,831,502	3,902,218	10,393	2,918,719	12,662,835	-	12,662,835
(2) Intersegment sales	2,767,209	9,261	1,625,502	19,152	4,421,125	(4,421,125)	-
Total Sales	8,598,711	3,911,480	1,635,895	2,937,872	17,083,960	(4,421,125)	12,662,835
Operating income and loss	(1,443,771)	(6,545)	(84,166)	244,378	(1,290,104)	771,662	(518,441)

- (Note) 1. The geographical areas are classified according to the geographical closeness.
 2. Each global geographical division other than Japan consists of the following countries.
 (1) North AmericaU.S.A.
 (2) AsiaHong Kong, Thailand
 (3) EuropeGermany, UK, Bulgaria

[Overseas sales]

Nine months ended December 31, 2009 (From April 1, 2009 to December 31, 2009)

(In thousand yen, rounded down)

	North America	Europe	Other Areas	Total
I . Overseas net sales	3,334,860	2,953,558	603,197	6,891,616
II . Consolidated net sales				12,662,835
III . Overseas net sales as a percentage of consolidated net sales	26.3	23.3	4.8	54.4

- (Note) 1. The geographical areas are classified according to their geographical closeness.
 2. Each global geographical division other than Japan consists of the following countries.
 (1) North America ... U.S.A. and Canada
 (2) Europe Italy, Germany, Spain, the Czech Republic, UK, Austria, Slovenia, and other countries.
 (3) Other Areas Australia, China and other countries
 3. Overseas sales are the Company's and consolidated subsidiaries' sales in countries or regions outside of Japan.

[Segment Information]

1. Reported segments overview

The Company's reportable segments are component of the Company about which separate financial information is available. Financial statements by each segment are prepared and reviewed regularly in order for board of directors to decide on the distribution of resources and evaluation of business performance.

JCM Group mainly manufactures and sells currency related equipments, and the Company and domestic consolidated subsidiaries take care of domestic business while overseas consolidated subsidiaries take care of overseas business. Consolidated subsidiaries are managed independently, and they create regional strategies for product lines in their markets.

Thus, JCM Group consists of segments based on the scope of their activities (manufacturing/sales): "The Company", "Domestic Amusement Business", "North American regions", "European regions", and "Asian regions".

2. Net sales, profit or loss information by reported segments for the nine months ended December 31, 2010

(In thousand yen)

	Reported Segments					Total
	The Company	Domestic Amusement Business	North American regions	European regions	Asian regions	
Net sales						
(1) Sales to third parties	1,079,367	6,078,239	4,475,108	3,541,138	149,950	15,323,805
(2) Intersegment sales	8,010,408	187,077	34,519	22,405	4,352,675	12,607,086
Total Sales	9,089,776	6,265,316	4,509,628	3,563,544	4,502,625	27,930,891
Segment profit/loss	(173,928)	182,261	108,157	317,295	177,157	610,945

3. Differences between total reported segment profit or loss and quarterly consolidated income statement, and details on those differences

(In thousand yen)

Profit	Amount
Total reported segment profit	610,945
Eliminate unrealized income	(199,330)
Amortization of negative goodwill	144,221
Elimination of dividends income	(118,302)
The group's revenue	21,391
Other adjustment	6,003
Ordinary income in quarterly consolidated financial statements	464,928

Note: The group's revenue mainly consists of non-operating profit/loss which does not belong to any reported segment.

4. Loss on noncurrent assets and information on goodwill by each reported segments

None.

(Additional information)

Effective April 1, 2010, “Accounting Standards for Business Combinations and Related Matters” (ASBJ statement No. 17 issued on March 27, 2009)” and “Accounting Standards for Disclosure about Segments of an Enterprise and Related Information Guidance” (ASBJ statement No. 20 issued on March 21, 2008)” have been applied.

[Notice on changes in shareholder’s equity]

None.