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Press Release

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### **Notice on the Formulation of a Rolling Plan (III) for “New Medium-Term Management Plan”**

The Japan Cash Machine Group (hereinafter referred to as either “we”, “us” or “our”) hereby announces that we have recently formulated the rolling plan (III) ending in the fiscal year 2021 (term ending March 31, 2021) after completely reviewing the rolling plan (II), the Medium-Term Management Plan ending in the fiscal year 2018 (term ending March 31, 2018), which was announced on May 12, 2015. The details are as follows:

1. Outline of a rolling plan (III) for “Medium-Term Management Plan”

[The requirements for the formulation]

- (1) We have actively endeavored to recover and expand our operating results for seven business terms from the fiscal year ended March 31, 2011. However, as disclosed in the “Notice on Posting of Extraordinary Income and Extraordinary Loss and Revision of Financial Results Forecast” on November 13, 2017, we have found it difficult to achieve our earnings target for the fiscal year 2018, the final year of our current Medium-Term Management Plan.
- (2) The rolling plan (III), a new Medium-Term Management Plan, comprises the following:
  - We reviewed our numerical targets, basic policy, and prioritized measures for the subsequent fiscal year(s) after scrutinizing the situation of each of our business and the progress of our measures, mainly the business environment (trend of market demand and regulatory control), from the medium- and long-term viewpoint.
  - Under our basic policy, “Improve earnings structure and management cultures to enhance our corporate value,” we regard the fiscal year 2019 to 2021 as an important period for making a transition to a new growth path in the subsequent fiscal year 2022 or later, and determined to focus all our energy on steadily implementing our new medium-term management plan, especially our prioritized measures.

[Basic policy]

“Improve earnings structure and management cultures to enhance our corporate value”

- (1) Strengthen our global governance system;
- (2) Enhance profitability and rebuild the earnings structure;
- (3) Strengthen competitiveness by enhancing the ability and speed of our business promotion and execution; and
- (4) Create a business foundation for us that can cope with changes in the new era after the fiscal year 2022 as a long-term vision.

[Priority Measures]

- (1) Expand new businesses;  
(Expand the sales channel)
  - Accelerate the expansion of markets, regions, and customer bases by strengthening the global commercial function centering on Asia, the third business division.  
(Create a new market by developing a new product)
  - Accelerate the contribution of new products to sales growth by enhancing the development capability of the new R&D division that places emphasis on the marketing function.
- (2) Improve the profitability of the existing businesses;
  - Revamp consistent earnings structure and management cultures, mainly in sales, development, production, quality control, and maintenance divisions.
- (3) Create a fourth business division, a new business field, considering the long-term viewpoint; and
- (4) Endeavor toward achieving targets of the medium-term management plan by devoting optimum management resources, including strategic investment such as M&As, financial strategies, and human resource strategies, to implementing the above measures from (1) to (3), mainly restructuring each business division.

2. Numerical Targets on the Rolling Plan (III)

[Consolidated Results]

	FY 2019	FY 2020	FY 2021
Net Sales	30,500	32,500	33,500
Operating Income	1,300	1,750	2,000
Net Income	800	1,150	1,300

[Key Management Index]

- 1) Operating Income Ratio for FY 2021 6%
- 2) ROE for FY 2021 4%

3. Other

We will actively tackle our duties to achieve each target by solving and improving issues and implementing measures ahead of the schedule (accomplishing the current Medium-Term Management Plan) in the second half of the fiscal year ending March 2018 to accelerate the promotion of the new Medium-Term Management Plan right from its commencement.