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Press Release

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Establishment of Mid-term Management Plan

Japan Cash Machine Co., Ltd. (hereinafter referred to as the “Company”) hereby notifies that the Company has formulated new mid-term management plan for the three-year period from fiscal 2012 through fiscal 2014.

1. Review of previous efforts before establishing new mid-term management plan

Since 2009, our business environment was forced to become diminished by the causes such as a drop in capital spending in the gaming market in the North America, the yen's sharp appreciation and a decline of pachinko parlors due to the worldwide recession after Lehman's fall.

Therefore, the Company placed emphasis on the improvement in earnings by re-creating the business structure and tackled the following issues;

- 1) Making operations more efficient by means of reorganization of the group's business
- 2) Intensifying business locations and manpower, and minimizing exchange risks by altering transactions flow within the group
- 3) Investing vigorously to develop new products and system technologies, especially for the core business (money handling machines)
- 4) Expanding businesses actively with major domestic and international OEMs through new products
- 5) Further enhancing corporate governance

Through such efforts, we shifted away from the high-cost structure and aimed to strengthen business quality that can achieve further growth with interests.

2. Overview of new mid-term management plan

(Positioning of the plan)

With speeding and continuing prior efforts more, the Company has established new mid-term management plan, setting up policies and measures through fiscal 2014 to aspire to become “a truly global company to keep creating markets and values in the circulation of currency”.

By concentrating all our energies toward achieving the goal, we will strive to be the company group that keeps on evolving while being supported by customers and shareholders.



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(Basic policies and priority measures)

- 1) Carrying out positive business activities at emerging countries or unexplored markets in the money-handling business field
- 2) Growing ties with the existing gaming companies and customers at North American and European markets, and with the existing leading OEMs and pachinko parlor operating companies at domestic market, and what is more, aiming at building synergistic relationships with new partners
- 3) Continuing investments aggressively to develop new products, new technologies or for commercialization, and seeking for new business to bolster our revenue base for the next generation
- 4) Accelerating to rebuild the group management system to fit into its business lineup and scale, and to develop flexible and fleet operations.

(Numerical targets)

(100 millions of yen)

	FY2012 (Forecasts)	FY2013 (Targets)	FY2014 (Targets)
Net Sales	230	247	265
Operating income	6.1% 14	7.1% 17	8.7% 23
Net income	9	13	17
an assumed exchange rate	(yen)	(yen)	(yen)
USD in yen	79.44	80.00	80.00
Euro in yen	102.93	100.00	100.00

(Segmental sales)

(100 millions of yen)

	FY2012 (Forecasts)	FY2013 (Targets)	FY2014 (Targets)
Japan Cash Machine co., Ltd.	26	29	36
Amusement industry market	92	90	94
North American market	73	87	91
European market	37	38	40
Asian market	2	3	4
Total	230	247	265

(Major indicators)

1) Amount of R&D investment

(100 millions of yen)

FY2012 (Forecasts)	FY2013 (Targets)	FY2014 (Targets)
14	15	15



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2) Dividends to shareholders

Regarding shareholder return, the Company, aiming to pay stable and consecutive dividends, will set the standard for the consolidated dividend payout ratio to be 30% or more and ratio of dividends to equity to be 2.0%.

(Note)

Future forecasts in this release are made based upon data currently available and contain various risks and uncertainties. Please note that actual results may differ materially from these forecasts for various reasons.