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(Securities Code 6418)

June 5, 2018

To Our Shareholders

Yojiro Kamihigashi
President and Representative Director
Japan Cash Machine Co., Ltd.
2-3-15 Nishiwaki, Hirano-ku, Osaka

Convocation Notice of the 65th Ordinary General Meeting of Shareholders

Japan Cash Machine Co., Ltd. (hereinafter referred to as the “Company”) hereby notifies you that the 65th Ordinary General Meeting of Shareholders will be held as follows. Your attendance is respectfully requested.

If you are unable to attend the meeting, you may exercise your voting right in writing. Please refer to the documents for the Ordinary General Meeting of Shareholders attached and vote on the proposals using the form enclosed herein to exercise your voting right. The form should be returned to the Company on or before 5:30 p.m. on Tuesday, June 26, 2018.

- 1. Date and time:** 10:00 a.m., Wednesday, June 27, 2018
- 2. Location:** Tennoji Miyako Hotel, Yoshino Room (6th floor)
1-2-8, Matsuzaki-cho, Abeno-ku, Osaka

3. Meeting Agenda:

Reports:

1. Reports on the business report, the consolidated financial statements and the results of the audit of the consolidated financial statements by the Independent Auditor and the Audit & Supervisory Board for the 65th fiscal year (from April 1, 2017 to March 31, 2018) .
2. Reports on the Non-Consolidated Financial Statements for the 65th fiscal year (from April 1, 2017 to March 31, 2018)

Resolutions:

- Proposal 1: Election of eight (8) Directors
Proposal 2: Election of one (1) Audit & Supervisory Board Member
Proposal 3: Payment of Bonuses to Directors

Proposal 1: Election of eight (8) Directors

The term of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company has proposed to elect eight (8) Directors (including two (2) Outside Directors).

The candidates for Directors are as follows:

No.		Name	Current Position and Responsibility in the Company	Attendance Ratio of at the Board of Directors meetings (65 th Fiscal Year)
1	Reappointment	Koichiro Kamihigashi	Chairman	100% (18 out of 18 meetings)
2	Reappointment	Yojiro Kamihigashi	President and Representative Director	100% (18 out of 18 meetings)
3	Reappointment	Hisashi Maki	Executive Director President's Assistant	100% (18 out of 18 meetings)
4	Reappointment	Tsuyoshi Takagaki	Director and Senior Executive Officer Executive General Manager of Corporate Planning Division	100% (18 out of 18 meetings)
5	Reappointment	Yasuhiko Yoshimura	Director	100% (18 out of 18 meetings)
6	New appointment	Yoshihiro Iuchi	Senior Executive Officer In Charge of Production	— % (— out of — meetings)
7	Reappointment Outside Independent	Brian Andrew Smith	Outside Director	100% (18 out of 18 meetings)
8	Reappointment Outside Independent	Koji Yoshikawa	Outside Director	100% (18 out of 18 meetings)

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held
1	<p>Koichiro Kamihigashi (December 15, 1957)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Reappointment</div> <p>Number of years served as Director 31 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	<p>Apr. 1978 Joined Japan Cash Machine Co., Ltd. May 1987 Director Jun. 1991 Executive Director Jun. 1994 President and Representative Director Apr. 2007 Director Jun. 2007 Chairman (present)</p> <p>(Important Concurrent Position) President and Representative Director of Johto Investment and Development, Inc.</p>	2,707,246
	<p>Reason for selecting the candidate for Director</p> <p>Mr. Koichiro Kamihigashi has long been a member of the Board, actively participating in the management of the Company as Director, including the President and Representative Director. Based on the accumulated management experience, he is currently overseeing decision-making processes and business execution activities from a broader perspective as the Chairman of the Board. Since it is expected that he will continue to perform his duties appropriately and will contribute to adding up corporate value to the Company, we consider him a suitable candidate for Director. Accordingly, he is a proposed candidate for Director.</p>		
	<p>Special interests between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company.</p>		

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held
2	<p>Yojiro Kamihigashi (June 5, 1959)</p> <p>Reappointment</p> <p>Number of years served as Director 25 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	<p>Oct. 1984 Joined Japan Cash Machine Co., Ltd.</p> <p>Jun. 1993 Director</p> <p>May 1995 Director General Manager of Overseas Sales Department</p> <p>Jun. 2006 Director Executive Officer Executive General Manager of International Division</p> <p>Apr. 2007 President and Representative Director (present)</p> <p>Apr. 2015 General Manager of Global Commercial Division</p> <p>Jul. 2015 Representative Director of JCM EUROPE GMBH. (present)</p> <p>(Important Concurrent Position) Representative Director of JCM EUROPE GMBH.</p>	1,458,283
	Reason for selecting the candidate for Director		
	<p>Mr. Yojiro Kamihigashi has ample management experience at overseas subsidiaries. Capitalizing on this experience, he currently exerts his effective leadership in the management of the Company group's global business development. He plays an important decision-making role, while overseeing business execution activities. Since it is expected that he will continue to perform his duties appropriately and will contribute to adding up corporate value to the Company, we consider him a suitable candidate for Director. Accordingly, he is a proposed candidate for Director.</p>		
Special interests between the candidate and the Company			
There is no special interest between the candidate and the Company.			
3	<p>Hisashi Maki (February 26, 1949)</p> <p>Reappointment</p> <p>Number of years served as Director 17 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	<p>Dec. 1991 Joined Japan Cash Machine Co., Ltd.</p> <p>Jun. 2001 Director Executive General Manager of Administration Division</p> <p>Jun. 2007 Executive Director (present)</p> <p>Jun. 2014 Management of General Administrative tasks</p> <p>Jul. 2015 Executive General Manager of Creating and Manufacturing Division</p> <p>Jun. 2016 Management of Production Division, Quality Division and Corporate Planning Division</p> <p>Jun. 2018 President's Assistance (present)</p>	—
	Reason for selecting the candidate for Director		
	<p>Mr. Hisashi Maki has led the administration division for a long time, mainly in the fields of finance and accounting, while also handling public relations and IR activities. He has made judgments based on management analyses and financial strategies considering viewpoints of various stakeholders, including investors, while also supervising execution of effective business activities, assisting the President. Since it is expected that he will continue to perform his duties appropriately and will contribute to adding up corporate value to the Company, we consider him a suitable candidate for Director. Accordingly, he is a proposed candidate for Director.</p>		
Special interests between the candidate and the Company			
There is no special interest between the candidate and the Company.			

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held
4	<p>Tsuyoshi Takagaki (September 13, 1961)</p> <p>Reappointment</p> <p>Number of years served as Director 5 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	<p>Aug. 1997 Joined Japan Cash Machine Co., Ltd.</p> <p>Jun. 2007 Executive Officer Deputy Executive General Manager of Administration Division</p> <p>Oct. 2011 Senior Executive Officer Executive General Manager of Human Resources, General Affairs and Corporate Planning Division</p> <p>Jun. 2013 Director and Senior Executive Officer (present)</p> <p>Dec. 2013 Executive General Manager of Corporate Planning Division (present)</p>	800
	<p>Reason for selecting the candidate for Director</p> <p>Since joining the Company, Mr. Tsuyoshi Takagaki has worked for the development of the Company group, taking charge of general affairs, legal, compliance, and human resources. He currently makes effective business decisions based on his experiences accumulated through his career, while also currently supervises execution of effective business activities as Director. Since it is expected that he will continue to perform his duties appropriately and will contribute to adding up corporate value to the Company, we consider him a suitable candidate for Director. Accordingly, he is a proposed candidate for Director.</p>		
	<p>Special interests between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company.</p>		
5	<p>Yasuhiko Yoshimura (November 26, 1961)</p> <p>Reappointment</p> <p>Number of years served as Director 5 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	<p>Aug. 1996 Joined Sammy Industry Co., Ltd. (currently Sammy Corporation)</p> <p>Apr. 2007 Executive Officer of Sammy Corporation President and Representative Director of Sammy Systems Corporation</p> <p>May 2009 President and Director of JCM Systems Co., Ltd.</p> <p>May 2010 President and Representative Director of JCM Systems Co., Ltd. (present)</p> <p>Jun. 2013 Director (present)</p> <p>(Important Concurrent Position) President and Representative Director of JCM Systems Co., Ltd. Representative Director of Electronic Authentication System Association</p>	400
	<p>Reason for selecting the candidate for Director</p> <p>Mr Yasuhiko Yoshimura has long-standing experience and a strong track record in amusement equipment business and its related area. He currently serves strategic decision-making and supervisory function for the execution of business activities, from the viewpoint of managing the amusement equipment business as President and Representative Director of JCM Systems Co., Ltd. Since it is expected that he will continue to perform his duties appropriately and will contribute to adding up corporate value to the Company, we consider him a suitable candidate for Director. Accordingly, he is a proposed candidate for Director.</p>		
	<p>Special interests between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company.</p>		

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held
6	<p>Yoshihiro Iuchi (March 21, 1960)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px 0;">New appointment</div> <p>Number of years served as Director - years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) -</p>	<p>Mar. 2004 Joined Japan Cash Machine Co., Ltd. May 2007 General Manager of International Division Jun. 2007 Executive Officer Deputy Executive General Manager of International Division Nov. 2010 Representative Director of JCM GOLD (H.K.) LTD. Jul. 2016 Senior Executive Officer In Charge of Production (present)</p>	7,352
	<p>Reason for selecting the candidate for Director</p> <p>Since joining the Company, Mr. Yoshihiro Iuchi has engaged in sales activities for overseas customers, and after working as the representative Director of a subsidiary company that controls overseas production, he now serves as the senior executive officer in charge of the production department. Since he has achievements and experiences in both manufacturing and sales functions that contributed to the Company group's development, we consider him a suitable candidate for Director. Accordingly, he is a newly proposed candidate for Director.</p>		
	<p>Special interests between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company.</p>		

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held			
7	<p>Brian Andrew Smith (March 30, 1946)</p> <table border="1" data-bbox="225 253 478 392"> <tr> <td>Reappointment</td> </tr> <tr> <td>Outside</td> </tr> <tr> <td>Independent</td> </tr> </table> <p>Number of years served as Director 4 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	Reappointment	Outside	Independent	<p>Jun. 1969 Employed by Department of External Affairs and Trade and International Trade, Canada</p> <p>Sep. 1984 Counselor (Energy) and Head of the Energy Section, Canadian Embassy in the United States of America</p> <p>Oct. 1987 Counselor (Financial and Monetary Affairs), Canadian Embassy in Japan</p> <p>Oct. 1998 Special Advisor, Financial Sector Branch, Department of Finance, Canada</p> <p>Aug. 2005 Director (Public Affairs), Engineers Canada (The Canadian Council of Professional Engineers)</p> <p>May 2010 Principal, Alta Vista Consulting International</p> <p>Apr. 2011 Special Representative (Ottawa), Canadian Chamber of Commerce in Japan</p> <p>Jun. 2014 Outside Director of the Company (present)</p> <p>Apr. 2018 Special Representative (Vancouver), Canadian Chamber of Commerce in Japan (present)</p> <p>(Important Concurrent Position) Special Representative (Vancouver), Canadian Chamber of Commerce in Japan</p>	—
	Reappointment					
	Outside					
	Independent					
	<p>Reason for selecting the candidate for Outside Director</p> <p>Mr. Brian Smith has been providing advice to the Company group on the execution of global business operations from objective and appropriate point of view, based on his observations and expertise regarding cultural differences that are obtained from his extensive international experience. We, therefore, consider him an appropriate candidate for Outside Director for the Company. It is expected that he will contribute to strengthening the function of supervising the execution of duties of other Directors and management transparency. Accordingly, he is a proposed candidate for Outside Director.</p>					
<p>Matters regarding independence</p> <p>The Company nominates this candidate as an Independent Director based on the regulations of the Tokyo Stock Exchange and has reported such to the Exchange. It should also be mentioned that the Company has its own standards for judging independence, separately from those stipulated by the Exchange, and the candidate also fulfills the standards of the Company.</p>						
<p>Special interests between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company.</p>						
<p>Regarding agreements limiting the liability</p> <p>The Company concluded a contract with this candidate to limit his liability for damages under Article 423 (1) of the Companies Act based on the stipulation in Article 427 (1) of the same. The maximum amount of the liability for damages under the said contract shall be ten million yen or the minimum amount of the liability prescribed by Article 425 (1) of the Companies Act, whichever is higher. If the reelection of this candidate is approved, we plan to continue the contract.</p>						

No.	Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held																			
	<p>Koji Yoshikawa (February 8, 1950)</p> <table border="1" data-bbox="193 255 443 398"> <tr><td>Reappointment</td></tr> <tr><td>Outside</td></tr> <tr><td>Independent</td></tr> </table> <p>Number of years served as Director 4 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Attendance Ratio of the Board of Directors meetings (65th Fiscal Year) 100% (18/18)</p>	Reappointment	Outside	Independent	<table border="0"> <tr><td>Apr. 1978</td><td>Appointed Public Prosecutor, Osaka District Public Prosecutors Office</td></tr> <tr><td>Apr. 2000</td><td>Deputy Manager, Special Investigation Department, Osaka District Public Prosecutors Office</td></tr> <tr><td>Apr. 2004</td><td>Prosecutor, Supreme Public Prosecutors Office</td></tr> <tr><td>Jul. 2005</td><td>Deputy Chief Public Prosecutor, Osaka District Public Prosecutors Office</td></tr> <tr><td>Jan. 2009</td><td>Chief Public Prosecutor, Kobe District Public Prosecutors Office</td></tr> <tr><td>Jan. 2010</td><td>Resigned as prosecutor</td></tr> <tr><td>Mar. 2010</td><td>Certified as Lawyer</td></tr> <tr><td>Jun. 2014</td><td>Outside Director of the Company (present)</td></tr> </table> <p>(Important Concurrent Position) Lawyer (Baba · Takahashi law firm) Outside Audit & Supervisory Board Member, NCS&A Co., Ltd.</p>	Apr. 1978	Appointed Public Prosecutor, Osaka District Public Prosecutors Office	Apr. 2000	Deputy Manager, Special Investigation Department, Osaka District Public Prosecutors Office	Apr. 2004	Prosecutor, Supreme Public Prosecutors Office	Jul. 2005	Deputy Chief Public Prosecutor, Osaka District Public Prosecutors Office	Jan. 2009	Chief Public Prosecutor, Kobe District Public Prosecutors Office	Jan. 2010	Resigned as prosecutor	Mar. 2010	Certified as Lawyer	Jun. 2014	Outside Director of the Company (present)	—
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Jun. 2014	Outside Director of the Company (present)																					
8	<p>Reason for selecting the candidate for Outside Director Although Mr. Koji Yoshikawa has not been directly involved in the management of a company, he has extensive knowledge and expertise as a judicial officer. As such, he has been giving appropriate advice to the Company group with stronger requirement for compliance, such as in the case of maintaining casino gaming licenses in the U.S. We, therefore, consider him an appropriate candidate for Outside Director of the Company. It is expected that he will contribute to strengthening the function of supervising the execution of duties of other Directors and management transparency. Accordingly, he is a proposed candidate for Outside Director.</p> <p>Matters regarding independence The Company nominates this candidate as an Independent Director based on the regulations of the Tokyo Stock Exchange and has reported such to the Exchange. It should also be mentioned that the Company has its own standards for judging independence, separately from those stipulated by the Exchange, and this candidate also fulfills the standards of the Company.</p> <p>Special interests between the candidate and the Company There is no special interest between the candidate and the Company.</p> <p>Regarding agreements limiting the liability The Company concluded a contract with this candidate to limit his liability for damages under Article 423 (1) of the Companies Act based on the stipulation in Article 427 (1) of the same. The maximum amount of the liability for damages under the said contract shall be ten million yen or the minimum amount of the liability prescribed by Article 425 (1) of the Companies Act, whichever is higher. If the reelection of this candidate is approved, we plan to continue the contract.</p>																					

Independence Standards for Outside Officers
(Outside Directors and Outside Audit & Supervisory Board Members)

The Company defines the standards for the independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company (hereinafter referred to collectively as “outside officers”) as follows. Based on an investigation by the Company to an extent possible, it is considered that an outside officer is sufficiently independent of the Company if none of the following criteria is applicable.

1. A person who executes business (including managing director, executive officer, and employee, but excluding Audit & Supervisory Board Member, hereinafter referred to collectively as “executor”) of the Company or its consolidated subsidiaries (hereinafter referred to generally as “the Company group”) or has been an executors of the Company group for the past ten years
2. An entity whose major sales destination is the Company group (referring to groups that provide products or services for the Company group, including both direct partners and their parent company, subsidiaries, and business group composed of subsidiaries of the same parent company, and the same applies hereinafter, with a transaction volume in the latest fiscal year of more than 2% of the annual consolidated sales of them) or their executors
3. An entity that is a major sales destination of the Company group (referring to groups to which the Company group provides products or services with a transaction volume in the latest fiscal year of more than 2% of the annual consolidated sales of the Company group) or their executors
4. Legal expert, accounting expert, consultant, or advisor who receives a substantial amount of cash or economic benefits (more than five million yen annually for individuals and twelve million yen for an organization in cash or economic benefits during the latest fiscal year excluding Director’s compensation) from the Company group apart from Director’s compensation (if a corporate body or an association is a recipient of the economic benefit, its members)
5. A person who belongs to the audit corporation that carries out statutory audits of the Company group
6. A person who receives donations or funding exceeding a certain fixed amount from the Company (10 million yen annually on average over the past three fiscal years (if a corporate body or an association is the recipient of the donation or funding, its executors))
7. An executor who belongs to a major financial institution from which the Company group receives loans (financial institutions that provide loans equivalent to more than 2% of the consolidated asset of the Company group as of the end of the latest fiscal year) or their parent company or subsidiary
8. A major shareholder of the Company group (those who directly and indirectly own 10% or more of the total voting rights in terms of the holding ratio of voting rights in the latest fiscal year) or if the major shareholder is a corporate body, executor of the corporate body
9. An executor of another company who is concurrently an Outside Director of the Company group (if an executor of the Company group is an Outside Director of another company whose executor is also an outside officer of the Company)
10. Those to which 2 - 9 above are applicable for the past five years
11. Spouse and relative by affinity within the second degree of kinship of those who apply to any of the above 1 - 10 (limited to those who have an important position, including Director (excluding Outside Director), executive officer, and senior management employee above general manager, lawyer belonging to legal company, certified public accountant belonging to an audit corporation or an accounting firm, councilor, director, and supervisor, belonging to a incorporated foundation, incorporate association, or incorporated educational institution, or others of equivalent importance from an objective and reasonable point of view)
12. Apart from the above, those who have a particular reason for not being able to carry out the duties of an independent outside officer, such as those with a conflict of interest with the Company

It should also be mentioned that even when one applies to any of the above 1 - 11, if the person fulfills the conditions to be an outside officer under the Companies Act, and if the Company considers the person appropriate to be an independent outside officer, it is possible for this person, as an exception, to be a candidate for independent outside officer with the reasons for the nomination articulated.

Proposal 2: Election of one (1) Audit & Supervisory Board Member

As Mr. Taizo Nakamura will resign at the conclusion of this Ordinary General Meeting of Shareholders, the Company has proposed to elect an Audit & Supervisory Board Member to fill this vacancy. His term of office will be the same as that of his predecessor pursuant to the Company's Articles of Incorporation.

The Company's Audit & Supervisory Board has already consented to this proposal.

The candidate for the Audit & Supervisory Board Member is as follows:

Name (Date of Birth)	Career Summary, Position and Responsibility in the Company (Important concurrent positions)	Number of the Company's Shares Held
<p>Shigeru Yamazawa (April 21, 1955)</p> <div data-bbox="121 607 371 651" style="border: 1px solid black; padding: 2px; width: fit-content;">New candidate</div>	<p>Mar. 1976 Joined Japan Cash Machine Co., Ltd. Apr. 1998 Sales Promotion General Manager of Sales Division Apr. 2004 Deputy Executive General Manager of Domestic Sales Division Jun. 2006 Executive Officer Jun. 2007 Senior Executive Officer Executive General Manager of Domestic Sales Division Apr. 2015 Senior Executive Officer Deputy Executive General Manager of Global Commercial Division Apr. 2018 Senior Executive Officer Deputy Executive General Manager of Global Operation Division (present)</p>	40,538
<p>Reason for nomination as a candidate for Audit & Supervisory Board Member Mr. Shigeru Yamazawa has sufficient insight and experience in preventing fraud and controlling risks at the site of sales activities. Also, he is familiar with the business procedures of the entire Company group, as he has held a number of key post, focusing on sales to domestic and overseas customers. We, therefore, consider him an appropriate candidate for Audit & Supervisory Board Member. Accordingly, he is a proposed candidate for Audit & Supervisory Board Member.</p>		
<p>Special interests between the candidate and the Company There is no special interest between the candidate and the Company.</p>		

Proposal 3: Payment of Bonuses to Directors

The Company will offer a total of 12 million yen for six (6) Directors as of the end of this term (excluding Outside Directors), based on comprehensive consideration of business performance during this term, past Directors' remuneration, and various other factors. Furthermore, it is proposed that the determination of the amounts to be paid to each Director be entrusted to the decision of the Board of Directors.