



October 24, 2017

Press Release

Company Name Japan Cash Machine Co., Ltd.
Representative Yojiro Kamihigashi
Stock Code 6418
Stock Listing Tokyo Stock Exchange, 1st section
Tsuyoshi Takagaki,
Contact Director, Senior Executive Officer and Executive
General Manager of Corporate Planning Division
TEL +81-6-6703-8400

Notice on Revision of Financial Results Forecast

Japan Cash Machine Co., Ltd. (“the Company”) hereby announces that the Company has revised its financial results forecast as below, which was previously announced on May 11, 2017, considering the recent business performance.

1. Revision of Financial Results Forecast

Revision of forecast for consolidated financial results for the second quarter
(April 1, 2017 through September 30, 2017)

	Net Sales (millions of yen)	Operating income (millions of yen)	Ordinary income (millions of yen)	Net income attributable to owners of parent (millions of yen)	Net income per share (yen)
Previous forecast (A)	15,700	550	550	290	9.78
Revised forecast (B)	15,000	960	1,060	450	15.82
Changes from previous Forecast (B)-(A)	(700)	410	510	160	-
Change (%)	(4.6)	74.5	92.7	55.2	-
Results for previous term (for reference)	15,298	1,147	566	403	14.99

2. Reasons for the Revisions

Regarding the business environment surrounding the Company in the fiscal year under review, in the commercial market, the Company experienced an increase in new projects in Europe and Japan. Meanwhile, in the gaming market, there were few new casino openings in North America and lingering worries about the market shrinking in Europe owing to Germany’s revised regulations. Furthermore, as the outlook for the amusement equipment market in Japan remained uncertain due to the impact of the revised game machine regulations, capital investments by operators of pachinko parlors were sluggish.

[Second quarter of Fiscal 2018]

Regarding the revision of regulations on gaming in Germany, the Federal government amended the related laws; however, individual states have failed to keep pace with the Federal government. Despite the apprehension that the gaming market would become smaller in the future, the sales volume of gaming machines did not decline as much as concerned. In addition, the Company tried to expand its share in markets other than Germany. There was also growth

in the sales of printers and products for the commercial market. Meanwhile, in the amusement equipment market in Japan, the number of pachinko parlors decreased, as there was growing uncertainty in the market outlook due to the abovementioned amendment of regulations on game machines. Simultaneously, pachinko parlor operators became more reluctant to buy equipment. Consequently, the sales volume of gaming equipment fell more than expected.

Under such circumstances, net sales are expected to fall short of the previous forecast, largely due to a decline in sales of equipment for the amusement industry. On the other hand, profits are likely to exceed the previous forecast. This is because steady sales in Europe have boosted profits and the Company has postponed expenditures on development by considering the business environment of the commercial market.

[Full-year]

Although the business environment in the second half of the fiscal year under review is expected to remain nearly unchanged, the Company has not changed its full-year forecasts for the fiscal year ending March 31, 2018 from the previous ones. If there is a change in its business situation, the Company will announce its new forecast accordingly.

Regarding interim and year-end dividend forecast for the fiscal year ending March 31, 2018, the Company does not plan to change announced one dated May 11, 2017.

*Please note that the forecasts above are based on currently available information, and actual results may differ from the forecasts due to subsequent various factors.