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Press Release

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Notice on the Management Improvement Measures

Japan Cash Machine Co., Ltd. (hereinafter referred to as the “Company”) hereby notifies that the Company will take measures to improve management, considering the current business environment and envisioned management environment in the future.

1. Background

Under the market shrinkage of the domestic amusement market due to an amendment on regulations for *pachinko/pachisuro* related equipments, intensified competition from other manufactures in the overseas gaming market and delayed market development in the commercial market, we have focused on concentration and selection of business, efficient and effective investment of management resources with the primary goal to improve our profit margin. More specifically, we have conducted further globalization of our management systems, reviewed the complete business structure, and focused on development of the next generation of our products.

On the other hand, the U.S. financial crisis, which began last fall, negatively influenced the world-wide economies, which in turn affected the overseas gaming market negatively. Since the accounting period of our overseas subsidiaries end at 31st December, no revisions are needed for the forecast of financial year ended March 31, 2009, of which we publicly announced on February 3, 2009. However, the financial results for the year starting from April 1, 2009 will inevitably decrease compared to last year.

With this situation in mind, we decide to implement the following measures to achieve earnings recovery and to reduce fixed costs. In addition, we decide to revise medium-term business plan according to the future market trend.

(Provided for reference only. Japanese-language original prevails in all cases.)

2 . Outline of management improvements

(1) Reduction of personnel expenses

Reduction of salary for directors

- 30% reduction in monthly salary for chairman, president, and executive directors *
- 20% reduction in monthly salary for directors *
- No allowance will be made for directors' bonuses related to financial year ending March 31, 2010 (No payment)

Voluntary refund from corporate auditors

- 15% refund from monthly salary for full-time corporate auditors *

Reduction of salary for employees

- Cancellation of current year's annual increase
- 10% reduction in monthly salary for operating officers
- 3-5% reduction in monthly salary for deputy general managers and managers*

Promotion of early retirement program

- Effective this year, we will actively encourage the early retirement program for employees who are over 45 years old by applying special measures such as lowering eligible age and increasing the additional ratio of special retirement bonuses.

Staff reductions

We have started a restructuring plan through the selection and concentration of businesses. In fact, we have already reduced our workforce by 90 positions in the entire group, domestically and overseas; however, we decided to implement further downsizing this year.

(2) Reform of profit structure

Reduction of manufacturing costs

About manufacturing costs, we are endeavoring to reduce all kinds of costs by lowering the number of manufacturing process, the amount of production and procurement parts. Our goal is to reduce the manufacturing cost by 3 percent, i.e. 200 million yen this year.

Facility consolidation and reallocation

We will engage in improving operational effectiveness and cutting fixed expenses. Also, our focus would be continued on the consolidation of affiliated companies in Europe (Germany and the U.K.), effective positioning, integration of domestic manufacturing bases into the Nagahama plant in Japan and consolidation of domestic affiliated companies into headquarter.

Proper job assignment

In addition to facility consolidation, we will improve the operational efficiency by consolidating back-

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office jobs. We will assign the right job to the right employee. Further, we try to cut costs by the avoidance of outsourcing.

(3) Strategic investment project

We actively promote investment projects which aim at improving profitability, while reducing existing costs; specifically, opening new business fields, promotion of business alliance, M&A, and enhancements of sales and development division in Kanto area.

3. Influences on business performance

We expect the cost reduction, amounted to 1 billion yen for the year, through the implementation of these measures to reduce labor costs, manufacturing costs, depreciation and amortization. We will devote our efforts to improve profitability steadily in the fiscal year ending March 31, 2010. In addition, the dividend for the period is determined based on the company's basic dividend policy of "30% plus dividend payout ratio".

The fiscal results ending March 31, 2009, the forecast for the year ending March 31, 2010 and the forecast of dividend for the year ending March 31, 2010 are now under careful examinations and reviews. We will inform you when they are ready to be disclosed.

(The business results for the year ending March 31, 2009 will be announced on May 8, 2009).