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August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Japan Cash Machine Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 6418
 URL: <https://www.jcm-hq.co.jp/en/>
 Representative: Yojiro Kamihigashi, President and Representative Director
 Inquiries: Tsuyoshi Takagaki, Executive Director and Senior Executive Officer,
 Executive General Manager of Corporate Planning Division
 Telephone: +81-6-6643-8400
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes (List on HP)
 Holding of financial results briefing: No

(All amounts are rounded down to the nearest millions)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (cumulative)

(Percentage figures indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	7,612	(24.7)	441	(77.0)	261	(89.0)	76	(96.2)
June 30, 2024	10,104	58.2	1,917	595.2	2,377	170.6	2,004	167.1

Note: Comprehensive income Three months ended June 30, 2025: ¥(632) million [—%]
 Three months ended June 30, 2024: ¥3,012 million [517.5%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	2.83	—
June 30, 2024	73.34	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2025	47,642	30,619	64.3	1,130.12
March 31, 2025	49,385	32,031	64.9	1,189.39

Reference: Equity

As of June 30, 2025: ¥30,619 million
 As of March 31, 2025: ¥32,031 million

2. Cash Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	14.00	—	36.00	50.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		20.00	—	20.00	40.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage figures indicate the changes from the corresponding period of the previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	15,300	(28.0)	800	(78.7)	500	(83.3)	2,800	12.4	103.97
Full year	31,000	(18.0)	1,400	(71.5)	1,000	(78.6)	3,200	(16.0)	118.82

Note: Revisions to the most recently announced earnings forecast: None

* Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes other than (i): None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	29,672,651 shares
As of March 31, 2025	29,672,651 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	2,578,977 shares
As of March 31, 2025	2,741,926 shares

- (iii) Average number of shares outstanding during the period

Three months ended June 30, 2025	27,039,358 shares
Three months ended June 30, 2024	27,325,308 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements)

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. However, the Company does not guarantee the achievement of these forecasts. Actual results may differ significantly from these forecasts due to various factors. For details regarding the above forecasts, please refer to page 4 of the attached materials.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Current Quarter

During the three months ended June 30, 2025, the global economy remained under uncertain conditions. This was due to concerns over developments in U.S. trade policy and the prolonged impact of geopolitical risks stemming from ongoing international instability.

In the gaming market, which is the Group's primary market, there was a trend toward increased capital investment in gaming areas of casino hotels in North America. This was driven by last-minute demand in anticipation of tariff hikes in the United States. On the other hand, in the international commercial market, inventory adjustments were observed among major customers in Europe, reflecting a deterioration in business sentiment in the region. In the domestic commercial market and the market for equipment for the amusement industry, capital investment by customers showed signs of moderation. This was due to the waning of replacement demand associated with the issuance of new banknotes, which had been particularly prominent in the previous fiscal year.

As a result of the above, net sales for the three months ended June 30, 2025 amounted to 7,612 million yen (down 24.7% YoY). In terms of profit, operating profit was 441 million yen (down 77.0% YoY). Ordinary profit was 261 million yen (down 89.0% YoY), due to the recording of foreign exchange losses resulting from the appreciation of the yen. Profit attributable to owners of parent was 76 million yen (down 96.2% YoY).

Although both revenue and profit declined during the three months ended June 30, 2025, this was largely due to a reactionary decline following the special replacement demand associated with the issuance of new banknotes in the domestic commercial market and the market for equipment for the amusement industry. Overall, business performance has been progressing generally in line with the initial forecast, including trends in the market environment that underpin our assumptions.

In addition, cash flows from operating activities significantly improved, increasing by 137.8 % year on year. This was due to progress in inventory reduction resulting from continued efforts to enhance efficiency in production and sales activities.

During the three months ended June 30, 2025, the average exchange rates were 151.22 yen to the U.S. dollar (149.90 yen in the same period of the previous fiscal year) and 159.38 yen to the euro (162.27 yen in the same period of the previous fiscal year). The exchange rate on the quarter-end date, which was applied for the mark-to-market valuation as of the end of the first quarter of the consolidated fiscal year, was 144.82 yen to the U.S. dollar (149.53 yen at the end of the previous fiscal year).

Operating results by segment are as follows.

i. Global Gaming

Net sales in this segment totaled 4,937 million yen (up 3.3% YoY), mainly due to strong sales of bill validator units for gaming machines in North America. On the other hand, segment profit was 1,060 million yen (down 0.6% YoY), mainly as a result of investments in research and development.

ii. International Commercial

Net sales in this segment totaled 1,037 million yen (down 39.6% YoY), mainly due to a decline in sales in European market. On the profitability side, the segment posted a loss of 335 million yen (a segment loss of 109 million yen was recorded in the same period of the previous fiscal year), primarily due to upfront investments such as research and development for new products.

iii. Domestic Commercial

Net sales in this segment totaled 648 million yen (down 51.1% YoY) and segment profit was 65 million yen (down 88.5% YoY). These results were mainly due to a reactionary decline following the special replacement demand associated with the issuance of new banknotes.

iv. Equipment for the Amusement Industry

Net sales in this segment totaled 988 million yen (down 56.7% YoY) and the segment posted a loss of 27 million yen (a segment profit of 683 million yen was recorded in the same period of the previous fiscal year). As with the domestic commercial segment, these results were mainly due to a reactionary decline following the special replacement demand associated with the issuance of new banknotes.

(2) Overview of Financial Position for the Current Quarter

i. Assets, Liabilities and Net Assets

Total assets at the end of the first quarter of the current consolidated fiscal period decreased by 1,742 million yen compared to the end of the previous consolidated fiscal year, amounting to 47,642 million yen.

Total current assets decreased by 1,954 million yen compared to the end of the previous consolidated fiscal year, amounting to 39,510 million yen. "Electronically recorded monetary claims - operating" and inventories decreased by 206 million yen and 1,600 million yen, respectively.

Total non-current assets increased by 217 million yen compared to the end of the previous consolidated fiscal year, amounting to 8,034 million yen. "Other" under Investments and other assets increased by 191 million yen, mainly due to the market valuation of investment securities.

Total deferred assets decreased by 5 million yen compared to the end of the previous consolidated fiscal year, amounting to 97 million yen due to amortization of bond issuance costs.

Total current liabilities increased by 97 million yen compared to the end of the previous consolidated fiscal year, amounting to 8,166 million yen. While "Income taxes payable" increased by 102 million yen and "Other" increased by 499 million yen mainly due to an increase in contract liabilities, "Notes and accounts payable - trade" and "Provision for bonuses" decreased by 177 million yen and 281 million yen, respectively.

Total non-current liabilities decreased by 428 million yen compared to the end of the previous consolidated fiscal year, amounting to 8,857 million yen. "Long-term borrowings" decreased by 420 million yen due to loan repayments.

Total net assets decreased by 1,412 million yen compared to the end of the previous consolidated fiscal year, amounting to 30,619 million yen. "Treasury shares" decreased by 232 million yen mainly due to the disposal of treasury shares in connection with restricted share-based remuneration. "Retained earnings" decreased by 892 million yen due to the payment of dividends, despite the recording of profit attributable to owners of the parent. "Foreign currency translation adjustment" decreased by 811 million yen mainly due to the impact of the yen's appreciation.

ii. Cash Flows

Cash and cash equivalents (hereinafter referred to as "cash") for the three months ended June 30, 2025, decreased by 145 million yen compared to the end of the previous consolidated fiscal year, amounting to 17,312 million yen.

The status of each cash flow and their factors for the three months ended June 30, 2025, are as follows.

Cash flows from operating activities

Net cash provided by operating activities was 1,995 million yen (net cash provided of 822 million yen in the same period of the previous fiscal year). This was mainly due to an increase in cash resulting from profit before income taxes of 263 million yen and a decrease in inventories of 1,128 million yen.

Cash flows from investing activities

Net cash used in investing activities was 305 million yen (net cash used of 90 million yen in the same period of the previous fiscal year). This was mainly due to a decrease in cash resulting from purchases for the acquisition of property, plant and equipment of 194 million yen.

Cash flows from financing activities

Net cash used in financing activities was 1,422 million yen (net cash used of 1,240 million yen in the same period of the previous fiscal year). This was mainly due to a decrease in cash resulting from repayments of long-term borrowings of 420 million yen and dividends paid of 969 million yen.

In addition to these items, there was a decrease of 372 million yen in cash resulting from the effect of exchange rate changes on cash and cash equivalents.

(3) Information on consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts remain unchanged from those announced in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)” dated May 9, 2025, for the six months ending September 30, 2025 and the full fiscal year ending March 31, 2026.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	17,457,475	17,312,011
Notes and accounts receivable - trade, and contract assets	5,413,792	5,239,113
Electronically recorded monetary claims - operating	654,606	448,076
Securities	39,935	38,240
Merchandise and finished goods	10,636,484	9,442,674
Work in process	727,067	762,234
Raw materials and supplies	5,698,136	5,256,341
Other	971,700	1,145,895
Allowance for doubtful accounts	(133,364)	(133,597)
Total current assets	41,465,835	39,510,988
Non-current assets		
Property, plant and equipment	4,080,651	4,124,631
Intangible assets	195,617	174,486
Investments and other assets		
Other	3,613,220	3,804,846
Allowance for doubtful accounts	(72,635)	(69,503)
Total investments and other assets	3,540,584	3,735,343
Total non-current assets	7,816,854	8,034,460
Deferred assets	102,342	97,153
Total assets	49,385,032	47,642,603
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,201,881	2,024,417
Current portion of long-term borrowings	1,500,000	1,500,000
Income taxes payable	485,210	587,954
Provision for bonuses	443,928	162,820
Provision for bonuses for directors (and other officers)	46,000	—
Other	3,391,399	3,891,051
Total current liabilities	8,068,419	8,166,244
Non-current liabilities		
Bonds payable	6,000,000	6,000,000
Long-term borrowings	3,120,000	2,700,000
Other	165,587	157,355
Total non-current liabilities	9,285,587	8,857,355
Total liabilities	17,354,006	17,023,599
Net assets		
Shareholders' equity		
Share capital	2,220,316	2,220,316
Capital surplus	2,760,065	2,717,826
Retained earnings	27,469,657	26,576,708
Treasury shares	(3,913,131)	(3,680,558)
Total shareholders' equity	28,536,908	27,834,293
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	270,332	372,270
Foreign currency translation adjustment	3,223,784	2,412,440
Total accumulated other comprehensive income	3,494,117	2,784,710
Total net assets	32,031,025	30,619,003
Total liabilities and net assets	49,385,032	47,642,603

(2) Quarterly Consolidated Statement of Income and Comprehensive Income
Quarterly Consolidated Statement of Income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	10,104,417	7,612,055
Cost of sales	5,554,679	4,677,067
Gross profit	4,549,737	2,934,987
Selling, general and administrative expenses	2,631,828	2,493,754
Operating profit	1,917,908	441,233
Non-operating income		
Interest income	3,145	46,414
Dividend income	34,285	39,475
Foreign exchange gains	485,154	—
Other	6,474	5,190
Total non-operating income	529,060	91,080
Non-operating expenses		
Interest expenses	24,997	25,760
Share of loss of entities accounted for using equity method	11,622	—
Foreign exchange losses	—	231,221
Other	32,978	13,994
Total non-operating expenses	69,598	270,976
Ordinary profit	2,377,370	261,337
Extraordinary income		
Gain on sale of investment securities	335	—
Gain on sale of golf club membership	—	1,990
Total extraordinary income	335	1,990
Extraordinary losses		
Loss on retirement of non-current assets	0	12
Loss on sale of non-current assets	—	300
Total extraordinary losses	0	312
Profit before income taxes	2,377,705	263,015
Income taxes - current	367,666	233,424
Income taxes - deferred	5,871	(46,966)
Total income taxes	373,537	186,457
Profit	2,004,167	76,557
Profit attributable to owners of parent	2,004,167	76,557

Quarterly Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	2,004,167	76,557
Other comprehensive income		
Valuation difference on available-for-sale securities	71,088	101,937
Foreign currency translation adjustment	935,780	(811,344)
Share of other comprehensive income of entities accounted for using equity method	1,635	—
Total other comprehensive income	1,008,504	(709,406)
Comprehensive income	3,012,672	(632,848)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,012,672	(632,848)
Comprehensive income attributable to non-controlling interests	—	—

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,377,705	263,015
Depreciation	131,059	147,926
Increase (decrease) in provisions	(235,714)	(325,795)
Interest and dividend income	(37,431)	(85,890)
Interest expenses	24,997	25,760
Foreign exchange losses (gains)	(386,952)	161,005
Loss (gain) on sale of securities	(335)	—
Loss (gain) on sale and retirement of property, plant and equipment	0	312
Loss (gain) on sale of golf club membership	—	(1,990)
Share of loss (profit) of entities accounted for using equity method	11,622	—
Decrease (increase) in trade receivables	(469,754)	151,645
Decrease (increase) in inventories	235,977	1,128,945
Increase (decrease) in trade payables	(1,488,519)	(58,328)
Decrease (increase) in consumption taxes refund receivable	627,356	(11,990)
Other, net	158,103	544,931
Subtotal	948,114	1,939,549
Interest and dividends received	37,259	85,718
Interest paid	(20,280)	(14,939)
Income taxes paid	(142,864)	(55,178)
Net cash provided by (used in) operating activities	822,228	1,955,150
Cash flows from investing activities		
Net decrease (increase) in short-term investment securities	345	(494)
Purchase of property, plant and equipment	(79,465)	(194,164)
Proceeds from sale of property, plant and equipment	—	877
Purchase of intangible assets	(11,482)	(907)
Purchase of investment securities	(388)	(101,877)
Proceeds from sale of investment securities	640	—
Proceeds from sale of golf club membership	—	2,000
Payments of guarantee deposits	—	(10,830)
Other, net	100	—
Net cash provided by (used in) investing activities	(90,250)	(305,396)
Cash flows from financing activities		
Repayments of long-term borrowings	(300,000)	(420,000)
Proceeds from long-term borrowings	1,200,000	—
Dividends paid	(534,683)	(969,869)
Repayments of lease liabilities	(29,496)	(32,328)
Purchase of treasury shares	(1,576,209)	(51)
Net cash provided by (used in) financing activities	(1,240,389)	(1,422,248)
Effect of exchange rate change on cash and cash equivalents	366,458	(372,969)
Net increase (decrease) in cash and cash equivalents	(141,951)	(145,464)
Cash and cash equivalents at beginning of period	12,522,582	17,457,475
Cash and cash equivalents at end of period	12,380,630	17,312,011

(4) Notes to Quarterly Consolidated Financial Statements

Notes on segment information, etc.

1. Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

Information on amounts of net sales, profit and loss for each reportable segment

(Thousands of yen)

	Reportable segments					Adjustment (Note)	Amount recorded in quarterly consolidated financial statements
	Global gaming	International commercial	Domestic commercial	Equipment for amusement industry	Total		
Sales							
Net sales to external customers	4,780,160	1,716,640	1,327,261	2,280,353	10,104,417	—	10,104,417
Inter-segment net sales and transfer	—	—	—	—	—	—	—
Total	4,780,160	1,716,640	1,327,261	2,280,353	10,104,417	—	10,104,417
Segment profit (loss)	1,067,707	(109,605)	567,094	683,034	2,208,230	(290,321)	1,917,908

(Note) Adjustment on segment profit (loss) reflects corporate-wide expenses not allocated to each reportable segment.

2. Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)

Information on amounts of net sales, profit and loss for each reportable segment

(Thousands of yen)

	Reportable segments					Adjustment (Note)	Amount recorded in quarterly consolidated financial statements
	Global gaming	International commercial	Domestic commercial	Equipment for amusement industry	Total		
Sales							
Net sales to external customers	4,937,635	1,037,266	648,953	988,199	7,612,055	—	7,612,055
Inter-segment net sales and transfer	—	—	—	—	—	—	—
Total	4,937,635	1,037,266	648,953	988,199	7,612,055	—	7,612,055
Segment profit (loss)	1,060,841	(335,686)	65,071	(27,007)	763,219	(321,985)	441,233

(Note) Adjustment on segment profit (loss) reflects corporate-wide expenses not allocated to each reportable segment.

Notes on significant changes in the amount of shareholders' equity

Based on a resolution of the Board of Directors held on February 6, 2025, the Company disposed of 163,000 treasury shares on May 30, 2025, as restricted share-based remuneration for the employee stock ownership association. As a result, during the three months ended June 30, 2025, capital surplus decreased by 42,239 thousand yen, and treasury shares decreased by 232,572 thousand yen, including the increase due to the purchase of shares constituting less than one unit. Accordingly, as of the end of the first quarter of the current consolidated fiscal year, capital surplus totaled 2,717,826 thousand yen and treasury share totaled 3,680,558 thousand yen.

Notes on the going concern assumption

Not applicable.

Notes on significant subsequent events

At a meeting of the Board of Directors held on July 15, 2025, the Company resolved to dispose of treasury shares as restricted share-based remuneration as outlined below.

1. Summary of disposal of treasury shares

(1) Disposal date	August 14, 2025
(2) Class and number of shares to be disposed	34,500 shares of common stock of the Company
(3) Disposal price	928 yen per share
(4) Total value of share disposal	32,016,000 yen
(5) Grantees of shares and numbers thereof; number of shares to be allotted	Directors of the Company (excluding Directors who reside overseas, Directors who are Audit & Supervisory Committee Members and Outside Directors): 4 Directors, 22,000 shares Senior Executive Officers not concurrently serving as Directors of the Company and Executive Officers not concurrently serving as Directors of the Company (excluding those who reside overseas): 6 Senior Executive Officers and Executive Officers, 6,500 shares General Managers of the Company: 12 General Managers, 6,000 shares

2. Purpose and reason for the disposal

At the meeting of the Board of Directors held on May 14, 2019, the Company resolved to introduce restricted share-based remuneration plan (hereinafter referred to as the "Plan") for its Directors (excluding Outside Directors) in order to provide an incentive to further increase their willingness to contribute to the increase in the share price and the enhancement of corporate value, as well as to share the benefits and risks of share price fluctuations with our shareholders. In addition, at the 71st Ordinary General Meeting of Shareholders held on June 25, 2024, the Company received renewed approval for allocation of restricted shares to the Company's directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors; hereinafter referred to as the "Eligible Directors") in connection with the transition to a company with an Audit & Supervisory Committee.

In addition to the Eligible Directors, the Company also applies the Plan to Senior Executive Officers and Executive Officers not concurrently serving as Directors of the Company and the General Managers of the Company in order to share the same objectives as described above.