

December 24, 2008

Company Name: RISO KAGAKU CORPORATION
Listed Market: Tokyo Stock Exchange (First Section), JASDAQ
Stock Code: 6413 (URL: <http://www.riso.co.jp/>)
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**Notice Regarding Changes in the Forecasts, the Recording of an Extraordinary Loss,
Changes in the Dividend Forecasts and the Decrease of Director Remuneration**

Riso Kagaku Corporation (the “Company”) announced that it has recorded a loss on allowance for support to subsidiaries as an extraordinary loss and that, in light of current business trends, changes were made to the consolidated forecasts for the fiscal year ending March 31, 2009 (April 1, 2008 to March 31, 2009), which were released on October 31, 2008.

The Company also announced that, as a result of these changes to the forecasts, changes were made to the dividend forecasts released in the “Fiscal 2008 Consolidated Earnings Report Ended March 31, 2008”, dated May 9, 2008, and that director remuneration was decreased.

1. Changes in the full-year forecasts for the fiscal year ending March 31, 2009 (from April 1, 2008 to March 31, 2009)

Consolidated forecasts

(Millions of yen, rounded down)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts	89,400	1,360	3,110	1,500	57.40
Revised forecasts	85,200	(670)	(930)	(60)	(2.30)
Difference	(4,200)	(2,030)	(4,040)	(1,560)	-
Percentage change	(4.7)%	-	-	-	-
(Reference) Actual results of the fiscal year ended March 31, 2008	92,621	5,397	4,709	1,657	62.73

2. Reasons for changes in the forecasts and recording of extraordinary loss

Consolidated forecasts

Net sales are expected to be lower than the previous forecasts as a result of anticipations of poor performance in the Americas and Europe, as well as low sales to Asian dealers in yen-denominated transactions, against a backdrop of a worsening global economy and a higher yen.

With respect to earnings, we expect operating income, ordinary income and net income to significantly fall short of the previous forecasts due to an anticipated decrease in net sales.

(Reference)

With foreign exchange rates for the US dollar and euro estimated at ¥93 and ¥118, respectively, for December and beyond, the average rates for the full-year were changed to ¥100 and ¥140, respectively.

Please note that, at the time of the previous forecasts, the average rates for the full-year were estimated to be ¥103 and ¥150, respectively.

3. Changes in the forecasts of cash dividends for the fiscal year ending March 31, 2009

(1) Description of changes

Record date	Cash dividends per share (Yen)				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
Previous forecasts (Released May 9, 2008)	-	0.00	-	40.00	40.00
Revised forecasts	-	0.00	-	30.00	30.00
(Reference) Actual results of the fiscal year ended March 31, 2008	-	0.00	-	40.00	40.00

(2) Reasons for changes

Regarding the return of profits to shareholders, it is the basic policy of the Company to reflect business performance in dividend payments while strengthening the corporate structure and we continue to work towards providing a stable dividend. Unfortunately, in light of results and forecasts for the fiscal year ending March 31, 2009, we sincerely regret to report that the dividend forecasts for the full-year has been decreased by ¥10 from the previous fiscal year to ¥30 per share.

4. Decrease of director remuneration

In light of the changes to the forecasts for the fiscal year ending March 31, 2009, directors remuneration were decreased as follows in order to clarify managerial responsibility for said changes.

The Company also announces that it received an offer for a voluntary return of remuneration from its auditors.

(1) Decrease in director remuneration

President & CEO: 20% decrease in monthly remuneration

Managing directors: 15% decrease in monthly remuneration

Directors: 10% decrease in monthly remuneration

(2) Voluntary return of auditor remuneration

Auditors: 10% return of monthly remuneration

(3) Effective period

From January 2009 to June 2009 (six months)

5. Other

Despite the acquisition of land in Tsukuba City, Ibaraki Prefecture, in October 2007 with the intent of building an R&D facility in hopes of strengthening the Company's research and development capabilities through the integration of its development hubs, we have postponed the plan for its construction to in and after 2010 in light of the changes made to the forecasts of the fiscal year ending March 31, 2009.

(Note)

The above forecasts are based on beliefs and assumptions of management in light of information currently available to it at the time of announcement and are subject to a number of uncertainties that may affect future results. A number of factors could cause actual results to differ materially from the forecasts.