



April 21, 2006

RISO KAGAKU CORPORATION
(Code: 6413)

5-34-7, Shiba
Minato-ku, Tokyo, 108-8385
JAPAN

President & CEO: Akira Hayama

Corrections in Consolidated Earnings Reports

In the process of preparing Consolidated Earnings Report and the Annual Security Report relating to the 52nd Term (April 1, 2005 to March 31, 2006), it turned out that there were several descriptions required to be corrected regarding financial statements. Riso Kagaku (“the Company”) is, therefore, correcting the following information concerning financial statements as shown in the attached materials.

An amendment report has been submitted for the corresponding annual and interim security reports accordingly.

1. Earnings reports to be corrected

- Fiscal 2006 Consolidated Interim Earnings Report
- Fiscal 2005 Consolidated Earnings Report
- Fiscal 2004 Consolidated Earnings Report
- Fiscal 2003 Consolidated Interim Earnings Report(available in Japanese only)
- Fiscal 2002 Consolidated Earnings Report (available in Japanese only)
- Fiscal 2001 Consolidated Interim Earnings Report (available in Japanese only)

2. Content of Correction

- (1) Correction concerning the status of implementation of measures relating to corporate governance
Correction adding as the capital relationship between the Company and outside directors and outside auditors the fact that outside directors and outside auditors hold shares of the Company
- (2) Correction concerning transactions with related parties
Correction where the scope of transactions with Directors, etc. that fall under related parties had been misunderstood, and where transactions with a foundation and cooperative association that are non-profit organizations had not been recognized as matters that ought to be stated.
- (3) Correction to show amounts of transactions separately on statements of income included in consolidated financial statements, etc. and separate financial statements, etc.
Correction showing amounts of transactions separately in compliance with regulations on consolidated financial statements and regulations on separate financial statements.
- (4) Correction concerning how some data is represented in consolidated financial statements, etc. and individual financial statements, etc.
Correction changing the way some data is represented because it is shown separately in conformity with regulations on consolidated financial statements and regulations on individual financial statements
- (5) Correction concerning derivative transactions
Correction made because the market value of derivative transactions was misunderstood as the total market value of contracts, and correction adding the related hedge accounting methods

A table showing corrections and errors is shown in the attachment. [The parts corrected are underlined.]

1. Fiscal 2006 Consolidated Interim Earnings Report

(2) Management Policies

5. Basic Corporate Governance Policies and Procedures

[2] Current Procedures

< Page 5 >

[Original]

(6) Outside directors' and auditors' interests with the Company, such as personal, capital and transactional relationships

[Outside directors]

Name	Personal Relationship	Capital or Transactional Relationship
Aizo Murakami	Brother-in-law of Nobuo Kawai, Senior Managing Director	Company's advisory lawyer

[Outside auditors]

None

[Corrected]

(6) Outside directors' and auditors' interests with the Company, such as personal, capital and transactional relationships

[Outside directors]

Name	Personal Relationship	Capital Relationship	Transactional Relationship
Aizo Murakami	Brother-in-law of Nobuo Kawai, Senior Managing Director	<u>Holds 2,530 shares of common stock of the Company</u>	Company's advisory lawyer

[Outside auditors]

Name	Personal Relationship	Capital Relationship	Transactional Relationship
<u>Tatsuo Suzuki</u>	-	<u>Holds 100 shares of common stock of the Company</u>	-
<u>Yoshinari Iizuka</u>	-	<u>Holds 1,000 shares of common stock of the Company</u>	-

2. Fiscal 2005 Consolidated Earnings Report

(2) Management Policies

4. Basic Corporate Governance Policies and Procedures

[2] Current Procedures

< Page 4 >

[Original]

(6) Outside auditors' interests with the Company, such as personal, capital and transactional relationships

Name (Post)	Personal Relationship	Capital or Transactional Relationship
Aizo Murakami (Outside auditor)	Brother-in-law of Nobuo Kawai, Senior Managing Director	Company's advisory lawyer

[Corrected]

(6) Outside auditors' interests with the Company, such as personal, capital and transactional relationships

Name (Post)	Personal Relationship	Capital Relationship	Transactional Relationship
Aizo Murakami (Outside auditor)	Brother-in-law of Nobuo Kawai, Senior Managing Director	<u>Holds 2,530 shares of common stock of the Company</u>	Company's advisory lawyer
<u>Tatsuo Suzuki</u> (Outside auditor)	-	<u>Holds 100 shares of common stock of the Company</u>	-

(4) Consolidated Financial Statements

Significant Notes in Preparation of Consolidated Financial Statements

Reclassification

< Page 17 >

[Original]

FY 2004 (Year ended Mar. 31, 2004)	FY 2005 (Year ended Mar. 31, 2005)
(None)	[Consolidated statements of income] The losses on sale of fixed assets, which amounted to ¥84 million in the previous fiscal year and were included in "Others" under "Other expenses," are shown separately on the corresponding income statements because they have exceeded 10% of the total amount of other expenses.

[Corrected]

FY2004 (Year ended Mar. 31, 2004)	FY2005 (Year ended Mar. 31, 2005)
<u>(Consolidated statements of income)</u> <u>The losses on sale of fixed assets, which were shown separately in the previous fiscal year, are shown included in "Others" under "Other Expenses" because they are less than 10% of the total amount of other expenses.</u> <u>The losses on sale of fixed assets amounted to ¥84 million this fiscal year.</u>	(Consolidated statements of income) The losses on sale of fixed assets, which were previously included in "Others" under "Other Expenses," are shown separately because they have exceeded 10% of the total amount of other expenses. The losses on sale of fixed assets amounted to ¥84 million in the previous fiscal year.

Related Party Transactions

<Page 24>

[Original]

- FY 2004 (Year ended Mar. 31, 2004) -

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Business				
Directors or their relatives	Noboru Hayama	-	-	Board chairman	5.94% directly	-	-	Offices leased	5	-	-
	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note: 1. Consumption taxes are not included in the amounts of transaction.

2. Details of transactions and their arrangement

(1) The leased office is the Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser.

3. Noboru Hayama retired as board chairman on June 27, 2003.

- FY 2005 (Year ended Mar. 31, 2005)

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Business				
Directors or their relatives	Noboru Hayama	-	-	Father of Akira Hayama, President & CEO	5.24% directly	-	-	Offices leased	5	-	-
	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note: 1. Consumption taxes are not included in the amounts of transaction.

2. Details of transactions and their arrangement

(1) The leased office is the Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser.

[Corrected]

FY2004 (Year ended Mar. 31, 2004)

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)	
						Other duties	Busines s					
Directors or their relatives	Noboru Hayama	-	-	Chairman & Director	5.94% directly	-	-	Offices leased	5	-	-	
								<u>Guarantee deposited</u>	-	<u>Deposited guarantee</u>	4	
								<u>Advisory fee paid</u>	10	-	-	
	Akira Hayama	-	-	-	President & CEO, Chairman of Riso Educational Foundation, Inc.	2.46% directly 2.71% indirectly	-	-	<u>Donation</u>	10	-	-
									<u>Quarterly magazine purchased</u>	2	-	-
									<u>Offices leased</u>	4	-	-
									<u>Subsidy for administrative expenses received</u>	3	-	-
									<u>Company products sold</u>	11	-	-
									<u>Salaries of loaned employees paid</u>	17	-	-
									<u>Investment</u>	-	<u>Investmen t</u>	2
									<u>Funds loaned</u>	-	<u>Loan</u>	70
									<u>Interest received</u>	1	-	-
President & CEO, Chairman of Tokyo Educational and Industrial Cooperative Association	-	-	-	2.46% directly 2.71% indirectly	-	-	-	-	-	-	-	

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Busines s				
	<u>Takehiko Imamura</u>	-	-	<u>Auditor</u>	<u>N/A</u>	-	-	<u>Guarantee received</u>	-	<u>Guarantee deposit received</u>	<u>1</u>
	<u>Aizo Murakami</u>	-	-	<u>Auditor</u>	<u>0.01% directly</u>	-	-	<u>Lawyer's fee</u>	<u>7</u>	-	-

- Note
1. Consumption taxes are not included in the amounts of transaction.
 2. The transactions with Riso Educational Foundation, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.
 3. The transactions with Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.
 4. Riso Educational Foundation, of which Akira Hayama is Chairman, holds 4.91% of the voting rights of the Company.
 5. Terms and conditions of transactions and policy for determining terms and conditions of transactions
 - (1) The office lease transaction with Noboru Hayama relates to Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser. The guarantee deposited relates to this lease transaction, and the amount of the guarantee is decided through consultation between the parties, based on twelve times the monthly rent at the start of the contract.
 - (2) The advisory fee paid to Noboru Hayama is decided through negotiation, based on the provisions of the advisory agreement.
 - (3) The donation to Riso Educational Foundation, of which Akira Hayama is Chairman, is within the maximum allowable limit for inclusion in general donations under the Corporation Tax Law and is decided by the Company's Board of Directors.
 - (4) The quarterly magazine purchased from Riso Educational Foundation, of which Akira Hayama is Chairman, is purchased at a unit price calculated by dividing the production costs of the quarterly magazine by its circulation.
 - (5) The office lease transaction with Riso Educational Foundation, of which Akira Hayama is Chairman, relates to the offices of Riso Educational Foundation, whose rent is decided through price negotiation, based on market prices and with consideration given to surrounding area rents.
 - (6) The subsidy for administrative expenses received from Riso Educational Foundation, of which Akira Hayama is Chairman, is determined through negotiation, with consideration given to the number of loaned Company employees involved in administration of the Foundation's secretariat.
 - (7) The Company's products sold to Riso Educational Foundation, of which Akira Hayama is Chairman, are sold at a price decided in the same way as the terms and conditions of general transactions.
 - (8) The salaries paid to employees on loan to Riso Educational Foundation, of which Akira Hayama is Chairman, are decided based on a consideration of the salary level and duties of Company employees.
 - (9) The long-term loan of funds to Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, amounts to ¥70 million, and interest is receivable in accordance with the provisions of an agreement on monetary loan for consumption. The interest rate is decided rationally based on a consideration of market interest rates.
 - (10) The guarantee received from Takehiko Imamura relates to the office lease transaction with Takehiko Imamura and the amount of the guarantee is ten times the monthly rent at the start of the contract. This lease transaction is not shown because the amount of the transaction is insignificant.
 - (11) The lawyer's fee paid to Aizo Murakami is decided through negotiation, based on the standard provision on legal fees of the Japan Federation of Bar Associations.
 6. Noboru Hayama and Takehiko Imamura resigned with effect June 27, 2003.

FY2005 (Year ended Mar. 31, 2005)

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Busines s				
Directors or their relatives	<u>Noboru Hayama</u>	-	-	<u>Father of Akira Hayama, President & CEO</u>	<u>5.24% directly</u>	-	-	<u>Offices leased</u>	<u>5</u>	-	-
								<u>Guarantee deposited</u>	-	<u>Deposited guarantee</u>	<u>4</u>
								<u>Advisory fee paid</u>	<u>14</u>	-	-
	<u>Akira Hayama</u>	-	-	<u>President & CEO, Chairman of Riso Educational Foundation</u>	<u>3.17% directly 2.75% indirectly</u>	-	-	<u>Donation</u>	<u>5</u>	-	-
								<u>Quarterly magazine purchased</u>	<u>1</u>	-	-
								<u>Offices leased</u>	<u>4</u>	-	-

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Busines s				
								Subsidy for administrative expenses received	3	-	-
								Company products sold	8	-	-
								Salaries of loaned employees paid	27	-	-
				President & CEO, Chairman of Tokyo Educational and Industrial Cooperative Association	3.17% directly 2.75% indirectly	-	-	Investment	-	Investment	2
								Funds loaned	-	Loan	70
								Interest received	1	-	-
	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note 1. Consumption taxes are not included in the amounts of transaction.

2. The transactions with Riso Educational Foundation, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.

3. The transactions with Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.

4. Riso Educational Foundation, of which Akira Hayama is Chairman, holds 4.98% of the voting rights of the Company.

5. Terms and conditions of transactions and policy for determining terms and conditions of transactions

(1) The office lease transaction with Noboru Hayama relates to Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser. The guarantee deposited relates to this lease transaction, and the amount of the guarantee is decided through consultation between the parties, based on twelve times the monthly rent at the start of the contract.

(2) The advisory fee paid to Noboru Hayama is decided through negotiation, based on the provisions of the advisory agreement.

(3) The donation to Riso Educational Foundation, of which Akira Hayama is Chairman, is within the maximum allowable limit for inclusion in general donations under the Corporation Tax Law and is decided by the Company's Board of Directors.

(4) The quarterly magazine purchased from Riso Educational Foundation, of which Akira Hayama is Chairman, is purchased at a unit price calculated by dividing the production costs of the quarterly magazine by its circulation.

(5) The office lease transaction with Riso Educational Foundation, of which Akira Hayama is Chairman, relates to the offices of Riso Educational Foundation, whose rent is decided through price negotiation, based on market prices and with consideration given to surrounding area rents.

(6) The subsidy for administrative expenses received from Riso Educational Foundation, of which Akira Hayama is Chairman, is determined through negotiation, with consideration given to the number of loaned Company employees involved in administration of the Foundation's secretariat.

(7) The Company's products sold to Riso Educational Foundation, of which Akira Hayama is Chairman, are sold at a price decided in the same way as the terms and conditions of general transactions.

(8) The salaries paid to employees on loan to Riso Educational Foundation, of which Akira Hayama is Chairman, are decided based on a consideration of the salary level and duties of Company employees.

(9) The long-term loan of funds to Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, amounts to ¥70 million, and interest is receivable in accordance with the provisions of an agreement on monetary loan for consumption. The interest rate is decided rationally based on a consideration of market interest rates.

(10) The lawyer's fee paid to Aizo Murakami is decided through negotiation, based on consideration of the old standard provision on legal fees of the Japan Federation of Bar Associations.

3. Fiscal 2004 Consolidated Earnings Report (4) Consolidated Financial Statements

[2] Consolidated Statements of Income

<Page 10>

[Original]

Item	FY 2003 (Year ended Mar. 31, 2003)			FY 2004 (Year ended Mar. 31, 2004)			Y-O-Y Change
	Amount (Million yen)		(%)	Amount (Million yen)		(%)	Amount (Million yen)
□ Other income							
1. Interest income	<u>191</u>			<u>140</u>			
2. Gains on sale of investment securities	<u>58</u>			<u>102</u>			
3. Others	<u>486</u>	736	0.9	<u>282</u>	525	0.6	(210)
□ Other expenses							
1. Interest expenses	<u>545</u>			<u>544</u>			
2. Equity method losses	<u>-</u>			<u>652</u>			
3. Exchange losses	<u>86</u>			<u>569</u>			
4. Others	<u>405</u>	1,036	1.3	<u>431</u>	2,198	2.6	1,162
Recurring income		6,619	8.0		6,680	8.0	61

[Corrected]

Item	FY2003 (Year ended Mar. 31, 2003)			FY2004 (Year ended Mar. 31, 2004)			Y-O-Y Change
	Amount (Million yen)		(%)	Amount (Million yen)		(%)	Amount (Million yen)
IV Other income							
1. Interest income	<u>178</u>			<u>76</u>			
2. Dividend income	<u>13</u>			<u>64</u>			
3. Gains on sale of investment securities	<u>58</u>			<u>102</u>			
4. Others	<u>486</u>	736	0.9	<u>282</u>	525	0.6	(210)
V Other expenses							
1. Interest expenses	<u>545</u>			<u>544</u>			
2. Equity method losses	<u>-</u>			<u>652</u>			
3. Exchange losses	<u>86</u>			<u>569</u>			
4. Losses on removal of fixed assets	<u>146</u>			<u>-</u>			
5. Others	<u>258</u>	1,036	1.3	<u>431</u>	2,198	2.6	1,162
Recurring income		6,619	8.0		6,680	8.0	61

Reclassification
<Page 16>

[Original]

FY 2003 (Year ended Mar. 31, 2003)	FY 2004 (Year ended Mar. 31, 2004)
[Consolidated statements of cash flows] The decrease in accrued expenses, which amounted to ¥360 million in the corresponding fiscal year and was included in “others, net” under “Cash flows from operating activities”, is shown separately on the corresponding cash flow statements in recognition of its importance.	(None)

[Corrected]

FY2003 (Year ended Mar. 31, 2003)	FY2004 (Year ended Mar. 31, 2004)
=====	(Consolidated statements of income)
(Consolidated statements of cash flows) The decrease in accrued expenses, amounted to ¥360 million which in the previous fiscal year and was included in “others, net” under “Cash flows from operating activities”, is shown separately from this fiscal year in recognition of its importance.	<u>The losses on sale of fixed assets, which were shown separately in the previous fiscal year, are shown included in “Others” under “Other Expenses” because they are less than 10% of the total amount of other expenses.</u> <u>The losses on sale of fixed assets amounted to ¥84 million this fiscal year.</u>

Related Party Transactions

<Page 24>

[Original]

- FY 2003 (Year ended Mar. 31, 2003) -

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Business				
Director	Noboru Hayama	-	-	Board chairman	6.08% directly	-	-	Offices leased	5	-	-
Director	Takehiko Imamura	-	-	Auditor	None	-	-	Leasing offices	2	-	-
								Lawyer's fee	2	-	-
Director	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note: 1. Consumption taxes are not included in the amount of transaction.

2. Details of transactions and their arrangement

- (1) The leased office is the Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser.
- (2) The leasing office is the Imamura Legal Office, whose rent is decided through price negotiation, based on the current market price, taking into consideration the level of neighboring rents.

- FY 2004 (Year ended Mar. 31, 2004) -

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Business				
Director	Noboru Hayama	-	-	Board chairman	5.94% directly	-	-	Offices leased	1	-	-
Director	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note: 1. Consumption taxes are not included in the amounts of transaction.

2. Details of transactions and their arrangement

(1) The leased office is the Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser.

3. Noboru Hayama retired as board chairman on June 27, 2003.

[Corrected]

FY2003 (Year ended Mar, 31, 2003)

(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Business				
Director	Noboru Hayama	-	-	Chairman & Director	6.08% directly	-	-	Offices leased	5	-	-
								Guarantee deposited	-	Deposited guarantee	4
Director	Akira Hayama	-	-	President & CEO, Chairman of Riso Educational Foundation	2.44% directly 2.71% indirectly	-	-	Donation	10	-	-
								Quarterly magazine purchased	2	-	-
								Offices leased	4	-	-
								Subsidy for administrative expenses received	3	-	-
				Company products sold	7	-	-				
				Salaries of loaned employees paid	15	-	-				
				Investment	-	Investment	2				
				Funds loaned	-	Loan	70				
Director	Takehiko Imamura	-	-	Auditor	N/A	-	-	Offices leased	2	-	-
								Guarantee received	-	Guarantee deposit received	1
								Lawyer's fee	2	-	-
Director	Aizo Murakami	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

Note 1. Consumption taxes are not included in the amounts of transaction.

2. The transactions with Riso Educational Foundation, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.

3. The transactions with Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.

4. Riso Educational Foundation, of which Akira Hayama is Chairman, holds 4.91% of the voting rights of the Company.

5. Terms and conditions of transactions and policy for determining terms and conditions of transactions

(1) The office lease transaction with Noboru Hayama relates to Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser. The guarantee deposited relates to this lease transaction, and the amount of the guarantee is decided through consultation between the parties, based on twelve times the monthly rent at the start of the contract.

(2) The donation to Riso Educational Foundation, of which Akira Hayama is Chairman, is within the maximum allowable limit for inclusion in general donations under the Corporation Tax Law and is decided by the Company's Board of Directors.

(3) The quarterly magazine purchased from Riso Educational Foundation, of which Akira Hayama is Chairman, is purchased at a unit price calculated by dividing the production costs of the quarterly magazine by its circulation.

(4) The office lease transaction with Riso Educational Foundation, of which Akira Hayama is Chairman, relates to the offices of Riso Educational Foundation, whose rent is decided through price negotiation, based on market prices and with consideration given to surrounding area rents.

(5) The subsidy for administrative expenses received from Riso Educational Foundation, of which Akira Hayama is Chairman, is determined through negotiation, with consideration given to the number of loaned Company employees involved in administration of the Foundation's secretariat.

(6) The Company's products sold to Riso Educational Foundation, of which Akira Hayama is Chairman, are sold at a price decided in the same way as the terms and conditions of general transactions.

(7) The salaries paid to employees on loan to Riso Educational Foundation, of which Akira Hayama is Chairman, are decided based on a consideration of the salary level and duties of Company employees.

(8) The long-term loan of funds to Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, amounts to ¥70 million, and interest is receivable in accordance with the provisions of an agreement on monetary loan for consumption. The interest rate is decided rationally based on a consideration of market interest rates.

(9) The office lease transaction with Takehiko Imamura relates to the Imamura law offices, the rent for which is decided through price negotiations, based on market prices with consideration given to surrounding area rents. The guarantee received relates to this lease transaction, and the amount of guarantee is ten times the monthly rent at the start of the contract.

(10) The lawyer's fees paid to Takehiko Imamura and Aizo Murakami are decided based on the standard provision on legal fees of the Japan Federation of Bar Associations.

FY2004 (Year ended March 31, 2004)
(1) Directors and major individual shareholders

Type	Name	Address	Capital (Million yen)	Business or job title	Voting right ratio	Relationship		Transaction	Amount (Million yen)	Item	Balance at year-end (Million yen)
						Other duties	Busines s				
Directors or their relatives	Noboru Hayama	-	-	Chairman & Director	5.94% directly	-	-	Offices leased	5	-	-
								Guarantee deposited	-	Deposited guarantee	4
								Advisory fee paid	10	-	-
	Akira Hayama	-	-	President & CEO, Chairman of Riso Educational Foundation	2.46% directly 2.71% indirectly	-	-	Donation	10	-	-
								Quarterly magazine purchased	2	-	-
								Office leased	4	-	-
								Subsidy for administrative expenses received	3	-	-
								Company products sold	11	-	-
								Salaries of loaned employees paid	17	-	-
								President & CEO, Chairman of Tokyo Educational and Industrial Cooperative Association	2.46% directly 2.71% indirectly	-	-
	Funds loaned	-	Loan	70							
	Interest received	1	-	-							
	Takehiko Imamura	-	-	-	Auditor	N/A	-	-	Guarantee deposit received	-	1
Aizo Murakami	-	-	-	Auditor	0.01% directly	-	-	Lawyer's fee	7	-	-

- Note
1. Consumption taxes are not included in the amounts of transaction.
 2. The transactions with Riso Educational Foundation, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.
 3. The transactions with Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, fall under transactions conducted by a director on behalf of a third party.
 4. Riso Educational Foundation, of which Akira Hayama is Chairman, holds 4.91% of the voting rights of the Company.
 5. Terms and conditions of transactions and policy for determining terms and conditions of transactions
 - (1) The office lease transaction with Noboru Hayama relates to Print Techno Riso Kanda, whose rent is reviewed and decided through price negotiation at every renewal of contract, based on the assessment by a real estate appraiser. The guarantee deposited relates to this lease transaction, and the amount of the guarantee is decided through consultation between the parties, based on twelve times the monthly rent at the start of the contract.
 - (2) The advisory fee paid to Noboru Hayama is decided through negotiation, based on the provisions of the advisory agreement.
 - (3) The donation to Riso Educational Foundation, of which Akira Hayama is Chairman, is within the maximum allowable limit for inclusion in general donations under the Corporation Tax Law and is decided by the Company's Board of Directors.
 - (4) The quarterly magazine purchased from Riso Educational Foundation, of which Akira Hayama is Chairman, is purchased at a unit price calculated by dividing the production costs of the quarterly magazine by its circulation.
 - (5) The office lease transaction with Riso Educational Foundation, of which Akira Hayama is Chairman, relates to the offices of Riso Educational Foundation, whose rent is decided through price negotiation, based on market prices and with consideration given to surrounding area rents.
 - (6) The subsidy for administrative expenses received from Riso Educational Foundation, of which Akira Hayama is Chairman, is determined through negotiation, with consideration given to the number of loaned Company employees involved in administration of the Foundation's secretariat.
 - (7) The Company's products sold to Riso Educational Foundation, of which Akira Hayama is Chairman, are sold at a price decided in the same way as the terms and conditions of general transactions.

(8) The salaries paid to employees on loan to Riso Educational Foundation, of which Akira Hayama is Chairman, are decided based on a consideration of the salary level and duties of Company employees.

(9) The long-term loan of funds to Tokyo Educational and Industrial Cooperative Association, of which Akira Hayama is Chairman, amounts to ¥70 million, and interest is receivable in accordance with the provisions of an agreement on monetary loan for consumption. The interest rate is decided rationally based on a consideration of market interest rates.

(10) The guarantee received from Takehiko Imamura relates to the office lease transaction with Takehiko Imamura and the amount of the guarantee is ten times the monthly rent at the start of the contract. This lease transaction is not shown because the amount of the transaction is insignificant.

(11) The lawyer's fee paid to Aizo Murakami is decided through negotiation, based on the standard provision on legal fees of the Japan Federation of Bar Associations.

6. Noboru Hayama and Takehiko Imamura resigned with effect June 27, 2003.