



November 5, 2008

Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2009

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Scheduled date to file Quarterly Report: November 13, 2008

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the six months of the fiscal year ending March 31, 2009 (from April 1, 2008 to September 30, 2008)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2008	42,627	-	689	-	883	-	192	-
September 30, 2007	43,535	2.2	2,279	(0.0)	2,358	4.8	1,321	2.2

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2008	7.38	-
September 30, 2007	49.93	48.01

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2008	113,536	68,173	59.9	2,605.41
March 31, 2008	114,795	69,796	60.7	2,650.67

Reference: Equity As of September 30, 2008: 67,992 million yen As of March 31, 2008: 69,630 million yen

2. Cash dividends

Record date	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2008	-	0.00	-	40.00	40.00
Fiscal year ending March 31, 2009	-	0.00	-	-	-
Fiscal year ending March 31, 2009 (Forecasts)	-	-	-	40.00	40.00

Note: Revisions to the forecasts of cash dividends in the current quarter: None

3. Forecasts for the fiscal year ending March 31, 2009 (from April 1, 2008 to March 31, 2009)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2009	89,400	(3.5)	1,360	(74.8)	3,110	(34.0)	1,500	(9.5)	57.40

Note: Revisions to the forecasts in the current quarter: Yes

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements: Yes

Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 9.
- (3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")
 - a. Changes due to revisions to accounting standards and other regulations: Yes
 - b. Changes due to other reasons: None

Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 9.

- (4) Number of issued shares (common stock)
- | | | |
|----|---|-------------------|
| a. | Total number of issued shares at the end of the period (including treasury stock) | |
| | As of September 30, 2008 | 26,643,166 shares |
| | As of March 31, 2008 | 28,053,166 shares |
| b. | Number of treasury shares at the end of the period | |
| | As of September 30, 2008 | 546,626 shares |
| | As of March 31, 2008 | 1,784,156 shares |
| c. | Average number of shares during the period (cumulative from the beginning of the fiscal year) | |
| | Six months ended September 30, 2008 | 26,133,189 shares |
| | Six months ended September 30, 2007 | 26,465,461 shares |

* Proper use of the forecasts, and other special matters

1. The forecasts for the full year were revised in these materials as announced on October 31, 2008.
2. The forward-looking statements, including forecasts, contained in these materials are based on information currently available to the Company. Actual business may differ substantially from the forecasts due to various factors in the future.
3. Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the “Accounting Standard for Quarterly Financial Reporting” (ASBJ [Accounting Standards Board of Japan] Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). They are also prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”

(Reference)**Consolidated performance for the second quarter of the fiscal year ending March 31, 2009
(from July 1, 2008 to September 30, 2008)****(1) Consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Second quarter ended								
September 30, 2008	20,585	-	(240)	-	(575)	-	(688)	-
September 30, 2007	-	-	-	-	-	-	-	-

	Net income per share	Diluted net income per share
	Yen	Yen
Second quarter ended		
September 30, 2008	(26.39)	-
September 30, 2007	-	-

Note: Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14). Accordingly, consolidated performance in the second quarter (three months) of the fiscal year ended March 31, 2008 and percentage changes compared with the previous fiscal year are not shown here nor are they disclosed in consolidated statement of income relating to said period.

[Qualitative Information and Financial Statements]

1. Qualitative information regarding consolidated operating results

The Japanese economy during the current six-month consolidated accounting period experienced a slowdown against a backdrop of prudence towards capital investment caused by such factors as rising costs of raw materials, lower exports to Europe and America and an appreciating yen. On the other hand, looking overseas, the US economy continued further on its downward trend affecting various areas as seen in worsening hiring conditions, decreasing consumer spending and adjustments in the housing market. Europe's economy decelerated in the wake of lower spending following a rise in commodity prices and worsening hiring conditions. In Asia, confronted by the effects of a slowdown in developed countries, uncertainty abounds on future economic trends even though steady growth continues supported by increased hiring and incomes.

Under these economic circumstances, the Group effectuated activities designating the acquisition of new customers for its printing equipment-related business of paramount importance. During the six-month period, we carried out operations with the following four key objectives in mind: "Executing product development with the next generation in mind," "Establishing a profit base in the inkjet business," "Securing profit in the digital duplicating business" and "Revitalizing overseas subsidiaries and implementing their internal reformation."

For the current six-month consolidated accounting period, we focused on sales activities designed to increase the number of installations of digital printers and high-speed color printers. Although high-speed color printer sales are increasing both in Japan and overseas, digital printers are experiencing a downward trend. In doing so and strongly affected by a higher yen compared to the same period in the previous fiscal year, net sales amounted to 42,627 million yen (down 2.1% year on year,) operating income was 689 million yen (down 69.8% year on year) due to a falling gross profit on digital printers and rising selling, general and administrative expenses, ordinary income was 883 million yen (down 62.5% year on year) and net income for the six months was 192 million yen (down 85.4% year on year.)

Please note that the average exchange rate for the US dollar and the euro over the six months was, respectively, 106.11 yen (an increase of 13.22 yen year on year) and 162.68 yen (a decrease of 0.38 yen year on year) and net sales minus the amount representing the impact of foreign exchange fluctuations increased 1.8% compared to the same period in the previous fiscal year.

The business results by business segment are as follows:

(1) Printing equipment-related business

RISO's main activity in the printing equipment-related business is the inkjet business (high-speed color printers) and digital duplicating business (digital printers.)

As for sales of high-speed color printers, we succeeded in increasing sales by leveraging features such as high printing speed and low running cost. On the other hand, although sales of digital printers increased in Asia and China, they decreased compared to the previous fiscal year in developed countries as the sales volume waned.

As a result, consolidated net sales in the printing equipment-related business amounted to 42,068 million yen (down 2.1% year on year) and operating income was 251 million yen (down 86.4% year on year.)

(2) Real estate business and others

RISO operates a real estate business and other business focusing on leasing of Omotesando building and Shin-Osaka building. It also operates an insurance agency business.

Both the real estate business and the insurance agency business have performed as projected, and net sales for the real estate business and others was 559 million yen (up 0.6% year on year) and operating income was 438 million yen (up 0.6% year on year.)

The business results by geographical segment are as follows:

(1) Japan (domestic sales and sales to Asian dealers)

Domestically, sales of high-speed color printers advanced steadily, but digital printer sales, including those to Asian dealers, stayed at roughly the same level of the same period the previous fiscal year. As a result, net sales including the real estate business and others was 23,897 million yen (up 1.9% year on year). Operating income was 809 million yen (down 63.5% year on year) as a result of the impact from a higher yen and increased selling and administrative expenses.

(2) The Americas (American subsidiaries)

In the Americas, sales of high-speed color printers rose covering the fall in digital printer sales. Net sales totaled 5,515 million yen (down 11.3% year on year,) from the effects of a strong yen, and an operating loss of 366 million yen was recorded (compared to an operating loss of 278 million yen in the same period of the previous fiscal year) due to a decrease in gross profit following lower digital printer sales.

(3) Europe (European subsidiaries)

Sales of high-speed color printers expanded in Europe compared to the previous fiscal year, but not enough to cover the deficit created by falling digital printer sales. As a result, affected by a strong yen, net sales totaled 9,083 million yen (down 5.9% year on year) and an operating loss of 479 million yen was recorded (compared to an operating income of 165 million yen in the same period of the previous fiscal year) due to a lower gross profit following a decrease in sales of digital printers and higher selling, general and administrative expenses.

(4) Asia (Asian and Chinese subsidiaries)

In Asia, affected by unfavorable foreign exchange fluctuations, net sales amounted to 4,131 million yen (down 1.7% year on year) and operating income was 311 million yen (down 17.8% year on year) even though sales of digital printers increased mostly in Thailand, India, China and others.

* Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). Accordingly, because standards for preparing the consolidated statements of income for the current and previous six-month accounting periods differ, information regarding year-on-year changes between the two periods is included as reference.

2. Qualitative information regarding consolidated financial position

The financial position of the Company at the end of the consolidated second quarter under review compared to the previous fiscal year is as follows.

Total assets dropped 1,258 million yen to 113,536 million yen and net assets decreased 1,622 million yen to 68,173 million yen. As a result, the equity ratio moved down 0.8 points to 59.9%. The main changes in the assets portion include increases of 2,103 million yen in cash and deposits and 1,190 million yen in merchandise and finished goods, in contrast to decreases of 2,820 million yen in notes and accounts receivable-trade and of 2,361 million yen in short-term investment securities. In the liabilities portion, short-term loans payable was up 155 million yen, notes and accounts payable-trade was down 294 million yen and income taxes payable was down 224 million yen.

(Cash Flows)

Net cash provided by operating activities was 1,756 million yen. This is mainly attributable to income before income taxes and minority interests of 883 million yen, depreciation and amortization of 1,291 million yen, a decrease in notes and accounts receivable-trade of 3,062 million yen, an increase in inventories of 1,473 million yen, a decrease in notes and accounts payable-other of 598 million yen and income taxes paid of 818 million yen.

Net cash used in investment activities was 805 million yen, primarily the result of expenses of 575 million yen from the purchase of property, plant and equipment, an expense of 492 million yen for the purchase of intangible assets and revenue of 256 million yen for the proceeds from withdrawal of time deposits.

Net cash used in financing activities was 1,182 million yen. The result mainly reflects a net increase of 111 million yen in short-term loans payable, an expenditure of 244 million yen for purchase of treasury stock, payments of 1,047 million yen for cash dividends.

3. Qualitative information regarding forecasts

(1) Changes in the full-year forecasts

The consolidated full-year forecasts for the fiscal year ending March 31, 2009, which were released on May 9, 2008, are changed as follows.

a. Full-year forecasts

	(Millions of yen)				
	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecasts	93,500	3,600	5,430	3,560	135.52 yen
Revised forecasts	89,400	1,360	3,110	1,500	57.40 yen
Difference	(4,100)	(2,240)	(2,320)	(2,060)	-
Percentage change	(4.4)%	(62.2)%	(42.7)%	(57.9)%	-
(Reference) Actual results of the fiscal year ended March 31, 2008	92,621	5,397	4,709	1,657	62.73 yen

b. Reasons for changes

Net sales are expected to be lower than the previous forecasts as a result of anticipations of poor performance continuing in Europe as well as considerations concerning actual market conditions in other regions.

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

(2) Information regarding medium-management plan prospects

The Group formulated its third medium-management plan (RISO Vision 10), which aims for 100 billion yen in consolidated net sales and a 10% consolidated operating income to net sales ratio in the fiscal year ending March 31, 2010. In the printing equipment-related business, the Group's core competency, activities are effectuated designating the acquisition of new customers of paramount importance. However, due to lower revenue from our digital duplicating business and a stronger than expected yen in the foreign exchange market, attaining these objectives is, at this stage, expected to be difficult. We will continue to focus on the important issues provided in the medium-management plan.

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation)

No items to report

(2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements

Special accounting for preparing the quarterly consolidated financial statements

Calculation of tax expenses

Tax expenses are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against income before income taxes and minority interests for the fiscal year including the quarter under review, and next by multiplying the quarterly income before income taxes and minority interests by such estimated effective tax rate. Note that corporate income tax and other tax adjustments is included in income taxes.

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

a. Application of “Accounting Standard for Quarterly Financial Reporting”

Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). They are also prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”

b. Changes in valuation criteria and method of inventories

Before the change, inventories held for sale in the ordinary course of business was stated mainly at the moving-average cost. However, because the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006) has been applied from the first quarter, inventories is now mainly stated at the moving-average cost (for the value stated in the balance sheet, the book value is written down based on the decreased profitability.) As a result of this change, operating income, ordinary income and income before income taxes and minority interests for the six months under review each decreased by 43 million yen from the previous method.

c. Application of the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”

From the first quarter, the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF No. 18, May 17, 2006) has been applied, and necessary amendments for quarterly consolidated financial statements were made. As a result of this change, operating income, ordinary income and income before income taxes and minority interests for the six months under review each increased by 26 million yen from the previous method. Also, according to the deduction by 131 million yen from the retained earnings at the beginning of the fiscal year, the retained earnings decreased by the same amount.

5. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of September 30, 2008	As of March 31, 2008 (Summary)
Assets		
Current assets		
Cash and deposits	27,016	24,913
Notes and accounts receivable-trade	13,327	16,147
Short-term investment securities	9,912	12,273
Merchandise and finished goods	12,236	11,045
Work in process	605	571
Raw materials and supplies	1,407	1,360
Deferred tax assets	2,583	2,670
Other	1,712	1,709
Allowance for doubtful accounts	(256)	(311)
Total current assets	68,546	70,381
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	18,590	18,538
Accumulated depreciation	(11,094)	(10,862)
Buildings and structures, net	7,496	7,676
Machinery, equipment and vehicles	8,068	7,902
Accumulated depreciation	(6,525)	(6,247)
Machinery, equipment and vehicles, net	1,543	1,655
Tools, furniture and fixtures	16,178	16,662
Accumulated depreciation	(14,304)	(15,164)
Tools, furniture and fixtures, net	1,873	1,497
Land	18,053	18,053
Construction in progress	100	24
Other	12,627	12,613
Accumulated depreciation	(8,496)	(8,505)
Other, net	4,131	4,107
Total property, plant and equipment	33,198	33,014
Intangible assets		
Software	1,808	1,807
Goodwill	–	137
Other	448	363
Total intangible assets	2,256	2,309
Investments and other assets		
Investment securities	2,054	2,279
Long-term loans receivable	281	299
Deferred tax assets	1,249	1,217
Other	6,254	5,559
Allowance for doubtful accounts	(305)	(265)
Total investments and other assets	9,535	9,089
Total noncurrent assets	44,989	44,413
Total assets	113,536	114,795

(Millions of yen)

	As of September 30, 2008	As of March 31, 2008 (Summary)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,910	14,205
Short-term loans payable	5,545	5,389
Current portion of long-term loans payable	9	9
Current portion of convertible bonds	13,286	13,286
Income taxes payable	718	942
Provision for bonuses	1,573	1,559
Provision for directors' bonuses	12	28
Provision for product warranties	135	125
Other	5,409	5,925
Total current liabilities	40,601	41,472
Noncurrent liabilities		
Long-term loans payable	97	98
Provision for retirement benefits	2,851	2,785
Provision for directors' retirement benefits	249	229
Liabilities from application of equity method	57	226
Other	1,506	185
Total noncurrent liabilities	4,761	3,526
Total liabilities	45,362	44,998
Net assets		
Shareholders' equity		
Capital stock	14,114	14,114
Capital surplus	14,779	14,779
Retained earnings	39,651	43,131
Treasury stock	(965)	(3,210)
Total shareholders' equity	67,580	68,815
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	617	831
Foreign currency translation adjustment	(205)	(16)
Total valuation and translation adjustments	411	815
Minority interests	181	165
Total net assets	68,173	69,796
Total liabilities and net assets	113,536	114,795

(2) Consolidated statement of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2008
Net sales	42,627
Cost of sales	21,434
Gross profit	21,193
Selling, general and administrative expenses	20,504
Operating income	689
Non-operating income	
Interest income	160
Dividends income	23
Equity in earnings of affiliates	159
Other	260
Total non-operating income	605
Non-operating expenses	
Interest expenses	242
Foreign exchange losses	88
Other	79
Total non-operating expenses	410
Ordinary income	883
Income before income taxes and minority interests	883
Income taxes	672
Minority interests in income	18
Net income	192

(2) Consolidated statement of income

(Millions of yen)

	Second quarter ended September 30, 2008
Net sales	20,585
Cost of sales	10,497
Gross profit	10,087
Selling, general and administrative expenses	10,328
Operating loss	(240)
Non-operating income	
Interest income	80
Dividends income	4
Other	73
Total non-operating income	157
Non-operating expenses	
Interest expenses	124
Equity in losses of affiliates	80
Foreign exchange losses	234
Other	51
Total non-operating expenses	492
Ordinary loss	(575)
Loss before income taxes and minority interests	(575)
Income taxes	106
Minority interests in income	7
Net loss	(688)

(3) Consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2008
<hr/>	
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	883
Depreciation and amortization	1,291
Equity in (earnings) losses of affiliates	(159)
Increase (decrease) in provision for retirement benefits	65
Increase (decrease) in provision for directors' retirement benefits	19
Increase (decrease) in provision for directors' bonuses	(15)
Increase (decrease) in allowance for doubtful accounts	(9)
Interest and dividends income	(184)
Interest expenses	242
Foreign exchange losses (gains)	5
Decrease (increase) in notes and accounts receivable-trade	3,062
Decrease (increase) in inventories	(1,473)
Increase (decrease) in notes and accounts payable-trade	(207)
Increase (decrease) in accounts payable-other	(598)
Other, net	(291)
Subtotal	<hr/> 2,630 <hr/>
Interest and dividends income received	186
Interest expenses paid	(242)
Income taxes paid	(818)
Net cash provided by (used in) operating activities	<hr/> 1,756 <hr/>
Net cash provided by (used in) investment activities	
Payments into time deposits	(1)
Proceeds from withdrawal of time deposits	256
Purchase of property, plant and equipment	(575)
Purchase of intangible assets	(492)
Proceeds from sales of investment securities	2
Payments of loans receivable	(15)
Collection of loans receivable	37
Other, net	(17)
Net cash provided by (used in) investment activities	<hr/> (805) <hr/>

(Millions of yen)

Six months ended
September 30, 2008

Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	111
Proceeds from long-term loans payable	4
Repayment of long-term loans payable	(5)
Purchase of treasury stock	(244)
Cash dividends paid	(1,047)
Other, net	(0)
Net cash provided by (used in) financing activities	(1,182)
Effect of exchange rate change on cash and cash equivalents	(47)
Net increase (decrease) in cash and cash equivalents	(279)
Cash and cash equivalents at beginning of period	30,427
Cash and cash equivalents at end of period	30,148

Commencing with the current fiscal year, the quarterly consolidated financial statements conform to the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14). They are also prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”

(4) Notes on premise of going concern

No items to report

(5) Segment information

a. Segment information by business

Second quarter ended September 30, 2008

(Millions of yen)

	Printing equipment-related business	Real estate business and others	Total	Inter-segment elimination	Consolidated
Sales and operating income (loss)					
(1) External customer sales	20,306	279	20,585	-	20,585
(2) Inter-segment sales	-	19	19	(19)	-
Total	20,306	298	20,604	(19)	20,585
Operating income (loss)	(457)	217	(240)	-	(240)

Six months ended September 30, 2008

(Millions of yen)

	Printing equipment-related business	Real estate business and others	Total	Inter-segment elimination	Consolidated
Sales and operating income (loss)					
(1) External customer sales	42,068	559	42,627	-	42,627
(2) Inter-segment sales	-	41	41	(41)	-
Total	42,068	600	42,668	(41)	42,627
Operating income (loss)	251	438	689	-	689

b. Segment information by geographic area

Second quarter ended September 30, 2008

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment elimination	Consolidated
Sales and operating income (loss)							
(1) External customer sales	11,871	2,963	3,668	2,081	20,585	-	20,585
(2) Inter-segment sales	6,334	0	122	1,995	8,452	(8,452)	-
Total	18,205	2,964	3,791	4,077	29,038	(8,452)	20,585
Operating income (loss)	195	(114)	(527)	140	(305)	65	(240)

Six months ended September 30, 2008

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment elimination	Consolidated
Sales and operating income (loss)							
(1) External customer sales	23,897	5,515	9,083	4,131	42,627	-	42,627
(2) Inter-segment sales	11,955	0	242	3,843	16,042	(16,042)	-
Total	35,853	5,515	9,326	7,974	58,670	(16,042)	42,627
Operating income (loss)	809	(366)	(479)	311	275	414	689

c. Overseas segment sales data

Second quarter ended September 30, 2008

(Millions of yen)

	Americas	Europe	Asia	Total
I Overseas sales	2,963	3,716	2,697	9,377
II Consolidated sales	-	-	-	20,585
III Percentage of overseas sales	14.4%	18.1%	13.1%	45.6%

Six months ended September 30, 2008

(Millions of yen)

	Americas	Europe	Asia	Total
I Overseas sales	5,515	9,182	5,226	19,924
II Consolidated sales	-	-	-	42,627
III Percentage of overseas sales	12.9%	21.5%	12.3%	46.7%

(6) Notes on significant changes in the amount of shareholders' equity

The Company retired treasury stock on July 1, 2008. As a result, capital surplus decreased by 0 million yen during the current second quarter consolidated accounting period to 14,779 million yen at the end of the period with retained earnings decreasing by 2,490 million yen to 39,651 million yen and treasury stock by 2,490 million yen to 965 million yen.

Reference

Consolidated financial statements and others

(1) Consolidated statements of income

Item	1st Half of FY 2008 (6 months ended Sept. 30, 2007)		
	Amount (Millions of yen)		%
I Net sales		43,535	100.0
II Cost of sales		20,954	48.1
Gross profit		22,580	51.9
III Selling, general and administrative expenses		20,300	46.6
Operating income		2,279	5.3
IV Other income			
Interest income	140		
Dividend income	22		
Equity method gains	29		
Insurance reimbursement receivable	63		
Others	192	448	1.0
V Other expenses			
Interest expenses	299		
Exchange losses	3		
Losses on disposal of fixed assets	38		
Others	27	369	0.9
Recurring income		2,358	5.4
Income before income taxes		2,358	5.4
Corporate income tax and other tax expenses	1,046		
Corporate income tax and other tax adjustments	(22)	1,024	2.4
Minority interest in net income of consolidated subsidiaries		12	0.0
Net income		1,321	3.0

(2) Consolidated statements of cash flows

	1st Half of FY 2008 (6 months ended Sept. 30, 2007)
Item	Amount (Millions of yen)
I Cash flows from operating activities	
Income before income taxes	2,358
Depreciation	1,351
Depreciation of goodwill	25
Equity method losses (gains)	(29)
Increase (decrease) in employees' retirement allowances	(119)
Increase (decrease) in directors' retirement allowances	(80)
Increase (decrease) in accrued directors' bonuses	(34)
Increase (decrease) in allowance for doubtful receivables	(23)
Interest and dividends receivable	(162)
Interest payable	299
Exchange losses (profits)	(50)
Decrease (increase) in accounts receivable	3,100
Decrease (increase) in inventories	(1,052)
Increase (decrease) in accounts payable	(698)
Increase (decrease) in accrued expenses	(446)
Others, net	(270)
Subtotal	4,165
Interest and dividends received	156
Interest paid	(300)
Income taxes paid	(1,415)
Net cash provided by operating activities	2,606

	1st Half of FY 2008 (6 months ended Sept. 30, 2007)
Item	Amount (Millions of yen)
II Cash flows from investing activities	
Increase in time deposits	(1,727)
Decrease in time deposits	0
Proceeds from sale of marketable securities	3,995
Payments for acquisition of tangible fixed assets	(993)
Payments for acquisition of intangible fixed assets	(315)
Payments for purchase of investment securities	(3,003)
Increase in loans receivable	(123)
Decrease in loans receivable	48
Others, net	27
Net cash used in investing activities	(2,092)
III Cash flows from financing activities	
Net increase (decrease) in short-term loans	(630)
Proceeds from long-term bank borrowings	24
Repayments of long-term bank borrowings	(17)
Payments for redemption of corporate bonds	(816)
Cash dividends paid	(1,057)
Others, net	(0)
Net cash used in financing activities	(2,498)
IV Effect of exchange rate changes on cash and cash equivalents	76
V Increase (decrease) in cash and cash equivalents	(1,907)
VI Cash and cash equivalents, beginning of term	32,667
VII Cash and cash equivalents, end of term	30,759

(3) Segment information

a. Segment information by business

1st Half of FY 2008 (6 months ended September 30, 2007)

(Millions of yen)

	Printing equipment-related business	Real estate business and others	Total	Inter-segment elimination	Consolidated
Sales					
(1) External customer sales	42,979	556	43,535	-	43,535
(2) Inter-segment sales	-	37	37	(37)	-
Total	42,979	594	43,573	(37)	43,535
Operating income	1,844	435	2,279	-	2,279

b. Segment information by geographic area

1st Half of FY 2008 (6 months ended September 30, 2007)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment elimination	Consolidated
Sales							
(1) External customer sales	23,455	6,218	9,656	4,203	43,535	-	43,535
(2) Inter-segment sales	12,007	5	278	4,822	17,114	(17,114)	-
Total	35,463	6,224	9,935	9,026	60,649	(17,114)	43,535
Operating income (loss)	2,215	(278)	165	379	2,481	(201)	2,279

c. Overseas segment sales data

1st Half of FY 2008 (6 months ended September 30, 2007)

	Americas	Europe	Asia	Total
I Overseas sales (Millions of yen)	6,218	9,821	5,376	21,416
II Consolidated sales (Millions of yen)	-	-	-	43,535
III Ratio of overseas sales in consolidated net sales (%)	14.3%	22.6%	12.3%	49.2%