

# Annual Review 2007

The Financial Information appearing in this review is a translation of the original Japanese text into English and is based on generally accepted accounting standards and practices in Japan.

**Forward-looking Statements**

Forecasts of future performance contained in forward-looking statements are based on Riso Kagaku Corporation's current expectations, estimates and assessment of the markets in which it operates. A number of factors, many beyond the Company's control, could cause actual results to differ materially from the forecasts contained in these statements.

## To Our Shareholders

It is with great pleasure that we present the following Annual Review 2007. The fiscal year under review was a particularly momentous one. On September 2, 2006, Riso Kagaku Corporation celebrated its 60th anniversary, and on December 28 the Company's shares were listed on the first section of the Tokyo Stock Exchange. I would like to express my sincere gratitude to all our shareholders and investors for the continued support that has made these milestones possible.

In fiscal 2007, ended March 31, 2007, the final year of the Riso Group's (hereafter, "RISO") medium-term management plan, "Riso Vision 07," sales in the digital duplicating business were down on the previous year. In contrast, sales of the ORPHIS (RISO) HC series in the inkjet printing business expanded both in Japan and overseas. As a result, and together with the favorable foreign exchange rate, we recorded increases in both sales and profits.

In regard to dividends for fiscal 2007, we paid cash dividends per share of ¥40.00, which included a commemorative dividend of ¥5.00.

In fiscal 2008, RISO will embark upon its third medium-term management plan, "Riso Vision 10" (see page 3), scheduled for completion in the fiscal year ending March 31, 2010. Moving forward, our core objective is to raise corporate value through strengthening the digital duplicating business and realizing further growth in the inkjet printing business.

I would like to take this opportunity to ask shareholders for your continued support and encouragement in achieving our goals.



June 2007

Akira Hayama  
President & CEO

## Third Medium-term Management Plan “Riso Vision 10”

RISO considers the acquisition of new customers in both the inkjet printing and digital duplicating business of major importance in achieving further growth. In line with this goal, the basic policies of “Riso Vision 10,” scheduled for completion in the fiscal year ending March 31, 2010, are as follows.

### Basic Policies

- 1. Accelerating our hardware installation in the inkjet printing business**
- 2. Gaining new customers in the digital duplicating business**
- 3. Creating new businesses that could be our future core businesses**
- 4. Making investments in development, engineering and manufacturing in anticipation of changes in businesses**
- 5. Creating a corporate culture that will nurture future leaders**
- 6. Increasing corporate value through the promotion of CSR activities**

### Major Issues to be Addressed in Fiscal 2008

1. Strengthening direct sales and providing RISO dealers with appropriate support
2. Revitalizing overseas subsidiaries and implementing their internal reformation
3. Establishing the foundation for new business
4. Aiming for higher product quality and increased safety in manufacturing operations
5. Establishing and promoting an internal control system



**Aiming to Achieve Consolidated Net Sales of ¥100 billion  
and Operating Income Margin of 10%**

# Striving to Make a Significant Leap Forward with New Initiative on the Occasion of Our 60th Anniversary and Listing on the First Section of the Tokyo Stock Exchange



Akira Hayama, President & CEO

With the conclusion of RISO's second medium-term management plan, "Riso Vision 07," in the fiscal year ended March 31, 2007, we began our third medium-term management plan, "Riso Vision 10." President & CEO Akira Hayama discusses the results of "Riso Vision 07" as well as provides an overview of "Riso Vision 10," including basic policies.

## Although All Our Objectives Were Not Achieved, Consolidated Net Sales Topped ¥90 Billion for the First Time in Nine Years

Our goals for the second medium-term management plan, "Riso Vision 07," ended March 31, 2007, were for consolidated net sales of ¥100 billion and an operating income margin of 10%. This was to be achieved through boosting income in RISO's core digital duplicating business and the establishment of a new inkjet printing business.

In order to realize these objectives, RISO implemented a variety of reforms and innovative measures while focusing on six basic policies: accelerating new product development and strengthening development system; making challenges for further expansion of digital duplicating business; establishing a new inkjet printing business; building the production and distribution system enabling low operation cost and inventory level; fostering human resources capable of leading our future growth; and operating business in compliance with the law and consideration of the environment.

In spite of these efforts, consolidated net sales were ¥90.8 billion, while the operating income margin stood at 5.9% at year-end. Although these amounts fell short of our objectives, this marked the first time since

fiscal 1998 that net sales exceeded the ¥90 billion level, with an 8.6% increase over a three-year period.

## Raise Profitability through Sales of High Value-added Products

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In fiscal 2007, operational efforts were carried out focused on priority issues that included increasing market share and improving profitability in the digital duplicating business, accelerating sales of the ORPHIS (RISO) HC series and reorganizing operations of the U.S. subsidiary.

As a result of aggressive sales efforts for high value-added models, mainly one-pass two-color printers, in Japan, the United States, Europe and other developed markets, sales of hardware rose for the second consecutive year, although overall sales were sluggish in the digital duplicating business. RISO intends to continue to bolster sales of high-end models, expand market scale and realize increased sales of consumables.

The ORPHIS series of printers, which promises “low running costs, high-speed and full-color,” is meanwhile garnering heightened recognition within the market, with sales becoming increasingly brisk. Accordingly, fiscal 2007 saw net sales of the inkjet printing business climb to approximately 15% of RISO’s overall sales.

## Creating a New Foundation to Take a New Step Forward

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The U.S. market is currently undergoing dramatic change. Amid the backdrop of rapidly expanding demand for color printing, intensifying price competition, the acquisition and integration of sales companies, among other emerging developments,



One-pass two-color printer RISOGRAPH MZ970

RISO is flexibly adapting by shifting to a framework capable of accelerating sales of one-pass two-color printers and products in the ORPHIS series.

The chief focus of this past fiscal year has been to create a new foundation in order to take a new step forward. Subsequently, RISO is establishing a framework in which sales will be accelerated as a result of such measures as organizational reforms and elimination or consolidation of branches and sales offices, in addition to strengthening the support functions of the head office.

## Renewing Efforts to Achieve Consolidated Net Sales of ¥100 billion

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In our third medium-term management plan “Riso Vision 10,” set for completion in the fiscal year ending March 31, 2010, we are renewing efforts to achieve consolidated net sales of ¥100 billion and an operating income margin of 10%. These goals are to be accomplished by sustaining and strengthening our digital duplicating business as well as significantly expanding the inkjet printing business.

Specifically, RISO will place priority on “gaining new customers.” For example, as a full-color printer, the ORPHIS series differs from digital printers, and as such, it has a somewhat different market. In addition to encouraging existing customers to replace their digital printers or additionally purchase full-color printers, we must approach a wide variety of offices that do not currently use digital printers.

In global terms, the electrostatic copier market, consisting of copy machines, printers, and other equipment, is currently worth approximately ¥10 trillion. In light of this, the ORPHIS series has the potential to dramatically boost demand, and we have already realized significant advances in terms of sales and



High-speed full-color printer ORPHIS (RISO) HC5500A

technology in the three years since its launch. We are also working continuously to strengthen our direct sales network of branches and sales offices, and are actively pursuing the cultivation of new customers.

### **Aiming to Gain New Customers in the Digital Duplicating Business by Proposing Applications of Our Products**

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Gaining new customers is undoubtedly a primary objective in the digital duplicating business as well. In Japan, the United States, Europe and other developed markets, we are working relentlessly to differentiate our one-pass two-color and other high value-added printers. Currently, the proportion of one-pass two-color printers has risen to approximately 20% in the Japanese market, while overseas, this ratio is less than 5%. We must move beyond simply replacing the equipment of existing clients and seek to propose applications of our products to cultivate new customers and increase the volume of installed equipment.

Furthermore, in China, India and other emerging markets in Asia and other regions, we must focus on increasing sales volumes of our low-cost range of printers, as well as expanding sales of consumables in order to establish a healthy profit structure.

### **Transforming Our Corporate Culture to Challenge New Business Domains**

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Another strategic theme of the new medium-term management plan is “creating new businesses that could be our future core businesses.” On April 1, 2007, the New Business Planning & Development Division was established by the head office in tandem with setting up the Print Creating Business Department via the integration of the “Print Gocco” and “Print Techno” businesses. The Print Creating Business Department is a separate and independent entity capable of promptly and appropriately responding to diverse market needs. This is just one example of RISO’s efforts to create original new businesses and products with progressive and innovative concepts.

### **Working to Achieve Stable Dividends and Repurchase of Own Shares**

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We are working to expand profits as well as seeking to continuously raise corporate value in order to meet the expectations of all of our shareholders.

With regard to the distribution of profits, based on the basic policy allocating an appropriate proportion of profits in accordance with business results while continuing to strengthen our corporate structure, the Company will make concerted efforts to maintain stable dividends and give consideration to the acquisition of treasury stock.

In the fiscal year under review, we paid cash dividends per share of ¥40.00, which included a dividend increase of ¥5.00 in addition to a commemorative dividend of ¥5.00 to mark the Company’s 60th anniversary.

Another recent milestone was being listed on the First Section of the Tokyo Stock Exchange in December 2006. RISO would like to express sincere gratitude to our shareholders and stakeholders for their warm support and guidance in achieving this goal.

In Japan, there is an honored tradition of celebrating one’s 60th birthday. As such, it can be said to be a time of rebirth. On the occasion of the 60th anniversary of our establishment and having been listed on the Tokyo Stock Exchange, we must take great strides as a “specialty company that provides original printing solutions in both the digital duplicating and inkjet printing fields,” as well as aim to pursue innovation in every aspect of corporate management. As we move forward in these endeavors, we request the ongoing support and guidance of our shareholders.

### Thanks to Our Shareholders, Riso Kagaku Listed on the Tokyo Stock Exchange

In December 2006, Riso Kagaku Corporation was listed on the first section of the Tokyo Stock Exchange. Thanks to your patronage and support, company stock can now be traded on two stock exchange markets, the other being the JASDAQ Securities Exchange.

On the day of listing, a ceremony was conducted at the Tokyo Stock Exchange to present President & CEO Akira Hayama with official notification of listing. This was followed by a commemorative ceremony held at TSE Arrows.

RISO will continue to offer appealing products and services together with aggressively pursuing inroads into new technology fields. In doing so, we ask for the further understanding and support of our shareholders.



President & CEO Akira Hayama (right) receives notification of listing on the Tokyo Stock Exchange.

### Digital Printer RISO CZ180 Released for Emerging Markets

RISO has launched the RISO CZ180 as part of its new product lineup of digital printers for emerging markets, including China in particular. Sales activities in China began in February 2007, with launches also scheduled in Southeast Asia, South and Central America, Eastern Europe and other emerging markets.

With enhanced basic printer functions, the reduced size and price of the RISO CZ180 make it ideal for emerging markets. The RISO CZ180 boasts a maximum speed of 130ppm, size enlargement and reduction, image processing mode for various types of originals and other features. In consideration of future development of IT infrastructure, the printer is also designed to be added to networks\*.

The RISO CZ180 follows in the steps of the low-price RISO KS series, which was released in 2000 especially for emerging markets. Sales efforts for the new model will primarily focus on the school and government office market segments, both of which have strong printing demand.

\* Optional network card necessary



Digital printer RISO CZ180 for emerging markets

## Business Environment and Performance

In what was the final fiscal year of the medium-term management plan, RISO's operations focused on four key areas: increasing market share and improving profitability in the digital duplicating business; accelerating sales of the ORPHIS (RISO) HC series; reorganizing operations of the U.S. subsidiary; and accelerating new product development and the advancement of new business projects. With respect to the first task—increasing market share and improving profitability in the digital duplicating business—we released the RISOGRAPH MZ970, which with a high resolution of 600dpi is the top of the line in the MZ series of one-pass two-color printers. In addition, the more compact and lower-priced RISO CZ series was launched in emerging markets, with sales activities focused mainly on China. Meanwhile, in order to respond to future growth of the Indian economy and initiate business expansion, we established an India-based subsidiary. As for accelerating sales of the ORPHIS (RISO) HC series, to expand the market base and respond to increasing customer demand for color printing, we introduced in the domestic market a count charge system for controlling installation costs and also released the ORPHIS HC5500A as a specialized machine for the system. To reorganize operations of the U.S. subsidiary, our third task, we set out to renew the on-site management team and started a review of labor costs and expenses.

As a result of the above activities, together with the favorable

effect of foreign exchange rates, net sales increased 3.7% from the previous year to ¥90,863 million. Operating income stood at ¥5,379 million, up 11.8%, recurring income was up 12.9% to ¥5,139 million, and net income jumped 38.2% to ¥2,977 million.

On the domestic front, while RISOGRAPH sales fell short of the previous year's results, ORPHIS sales increased, supported by brisk demand for consumables. As a result, net sales including the real estate business and others amounted to ¥48,013 million, an increase of 3.4% over the previous fiscal year.

In the Americas, RISOGRAPH sales fell short of the previous year. Sales of ORPHIS, however, remained brisk. As a result, and thanks to the favorable impact of foreign exchange rates, net sales rose 2.7% to ¥13,396 million.

RISOGRAPH sales in Europe also fell short of last year, especially in developed countries, while ORPHIS sales expanded, led by our subsidiary in France. This, along with favorable foreign exchange rates, resulted in an 8.2% increase in net sales to ¥19,263 million.

Although results in Southeast Asia were on a par with the previous year, in China, RISOGRAPH sales were down year-on-year due to heightened competition. As a result, net sales declined 1.3% to ¥10,190 million.

In the term under review, to respond to the consistent support of our shareholders, we increased dividends per share by ¥5.00, and added another ¥5.00 to commemorate the 60th anniversary of the Company's founding, for a total dividend of ¥40.00 per share.

## Business Outlook for Fiscal 2008

Turning to the forecast for the next fiscal year, in the RISOGRAPH business, we aim to improve profitability and enhance our corporate structure while focusing on sales of high value-added models such as one-pass two-color printers in developed nations and low-price models centering on the CZ series in emerging markets. In the ORPHIS business, in Japan, in addition to the existing count charge system, we will add a new menu for customers who mainly use black and white printers, and thereby boost sales.

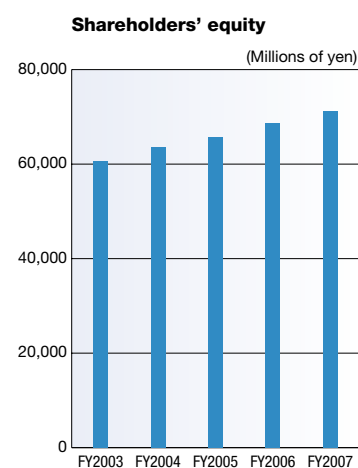
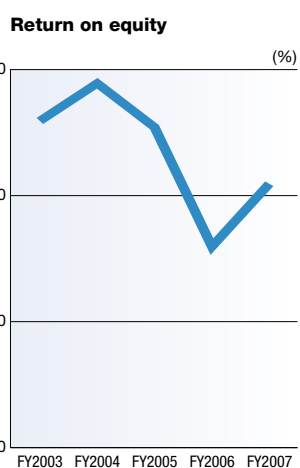
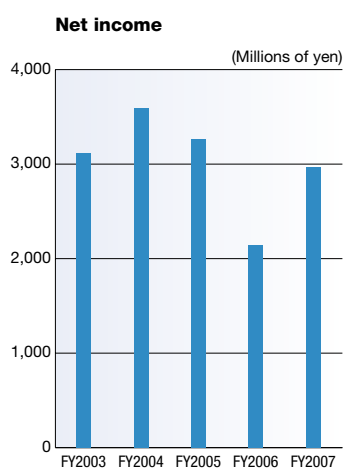
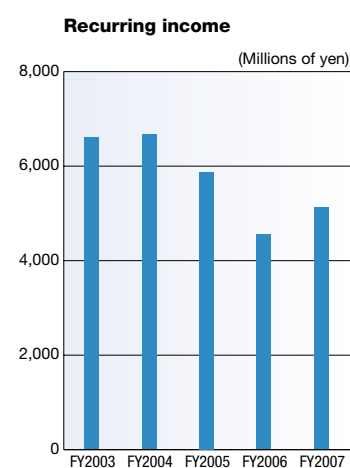
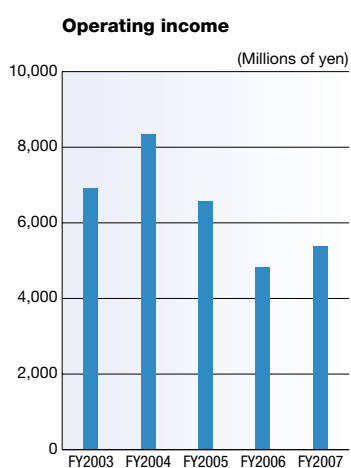
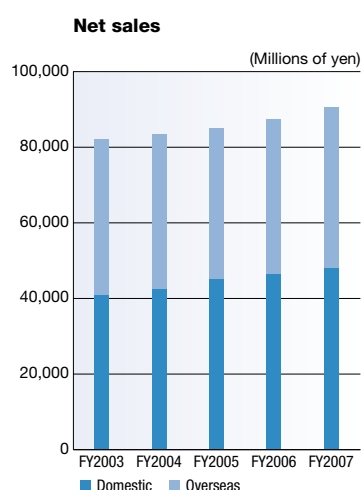
In the consolidated business forecast for the full fiscal year, we anticipate net sales of ¥94,000 million (up 3.5% from the previous year), operating income of ¥6,520 million (up 21.2%), recurring income of ¥6,170 million (up 20.1%) and net income of ¥3,840 million (up 29.0%). This forecast was made based on an exchange rate of ¥113 against the U.S. dollar and ¥152 against the euro.



# Financial Highlights (Consolidated basis)

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007
Net sales	¥ 82,414	¥ 83,666	¥ 85,161	¥ 87,601	¥ <b>90,863</b>
Domestic	40,978	42,430	44,933	46,431	<b>48,013</b>
Overseas	41,436	41,235	40,228	41,170	<b>42,849</b>
Operating income	6,918	8,353	6,574	4,812	<b>5,379</b>
Recurring income	6,619	6,680	5,883	4,552	<b>5,139</b>
Net income	3,124	3,604	3,280	2,154	<b>2,977</b>
Return on equity (%)	5.2	5.8	5.1	3.2	<b>4.2</b>
Shareholders' equity	60,905	63,732	65,834	68,978	<b>71,354</b>



## Balance Sheets

### ASSETS

(Millions of yen)

	FY2006 (As of Mar. 31, 2006)	FY2007 (As of Mar. 31, 2007)
<b>Currents assets</b>	¥ 69,846	¥ 73,619
Cash and deposits	30,734	29,572
Notes and accounts receivable	16,917	17,570
Marketable securities	3,311	8,040
Inventories	15,037	13,914
Others	4,139	4,760
Allowance for doubtful receivables	(294)	(238)
<b>Fixed assets</b>	48,599	47,430
Tangible fixed assets	32,037	31,296
Buildings and structures	8,333	8,022
Machinery, equipment and vehicles	1,847	1,982
Land	14,873	14,873
Others	6,982	6,418
Intangible fixed assets	2,332	2,459
Software	1,403	1,774
Others	929	685
Investments and other securities	14,229	13,674
Investment in securities	8,704	7,266
Others	6,556	7,215
Allowance for doubtful receivables	(1,030)	(807)
<b>Total assets</b>	<b>¥ 118,446</b>	<b>¥ 121,049</b>

Note: Total depreciation amount of tangible fixed assets was ¥40,570 million for fiscal 2007.

### Point 1

#### Notes and accounts receivable

Because the last day of the fiscal year was a bank holiday, unsettled amounts are included.

### Point 2

#### Marketable securities and Investment in securities

A reclassification from Investment in securities to Marketable securities was made.

**LIABILITIES**

(Millions of yen)

	FY2006 (As of Mar. 31, 2006)	FY2007 (As of Mar. 31, 2007)
Current liabilities	¥ 28,449	¥ 31,492
Notes and accounts payable	13,150	15,444
Short-term loans	6,305	5,805
Current portion of long-term bank borrowings due within one year	51	9
Others	8,942	10,232
Long-term liabilities	20,869	18,202
Convertible bonds	16,675	14,091
Long-term bank borrowings	112	104
Others	4,082	4,007
<b>Total liabilities</b>	<b>¥ 49,318</b>	<b>¥ 49,694</b>

**NET ASSETS**

(Millions of yen)

	FY2006 (As of Mar. 31, 2006)	FY2007 (As of Mar. 31, 2007)
Shareholders' equity	¥ 66,664	¥ 68,557
Common stock	14,114	14,114
Capital surplus	14,779	14,779
Retained earnings	40,384	42,532
Treasury stock	(2,614)	(2,868)
Other comprehensive income	2,313	2,630
Net unrealized holding gains on securities	2,205	1,706
Foreign currency translation adjustments	108	923
Minority interests	149	166
Total net assets	¥ 69,127	¥ 71,354
<b>Total liabilities and net assets</b>	<b>¥ 118,446</b>	<b>¥ 121,049</b>

Notes: Along with the enforcement of the Corporate Law, previously expressed "shareholders' equity" is now expressed under net assets. This item has been reclassified for fiscal 2006.

**Point 3****Notes and accounts payable and Others (Current liabilities)**

Because the last day of the fiscal year was a bank holiday, unsettled amounts are included.

**Point 4****Convertible bonds**

The Company carried out a repurchase and cancellation of convertible bonds.

## Statements of Income

(Millions of yen)

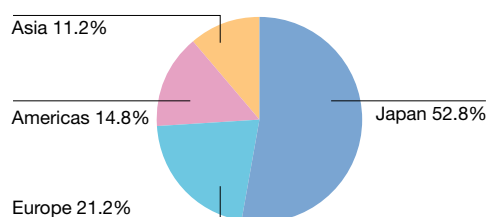
	FY2006 (Year ended Mar. 31, 2006)	FY2007 (Year ended Mar. 31, 2007)
<b>Net sales</b>	<b>¥ 87,601</b>	<b>¥ 90,863</b>
Cost of sales	42,351	44,452
Gross profit	45,249	46,410
Selling, general and administrative expenses	40,437	41,031
<b>Operating income</b>	<b>4,812</b>	<b>5,379</b>
Other income	798	736
Other expenses	1,058	975
<b>Recurring income</b>	<b>4,552</b>	<b>5,139</b>
Extraordinary gain	—	—
Extraordinary loss	25	—
<b>Income before income taxes</b>	<b>4,527</b>	<b>5,139</b>
Corporate income tax and other tax expenses	2,642	2,083
Corporate income tax and other tax adjustments	(277)	68
Minority interest in net income of consolidated subsidiaries	7	10
<b>Net income</b>	<b>¥ 2,154</b>	<b>¥ 2,977</b>

## Statements of Cash Flows

(Millions of yen)

	FY2006 (Year ended Mar. 31, 2006)	FY2007 (Year ended Mar. 31, 2007)
Cash flows from operating activities	¥ 6,365	¥ 10,053
Cash flows from investing activities	(6,539)	(6,043)
Cash flows from financing activities	(903)	(4,293)
Effect of exchange rate changes on cash and cash equivalents	248	252
Decrease in cash and cash equivalents	828	30
Cash and cash equivalents, beginning of year	33,526	32,697
Cash and cash equivalents, end of year	¥ 32,697	¥ 32,667

**Sales by region**  
(Fiscal year ended March 31, 2007)



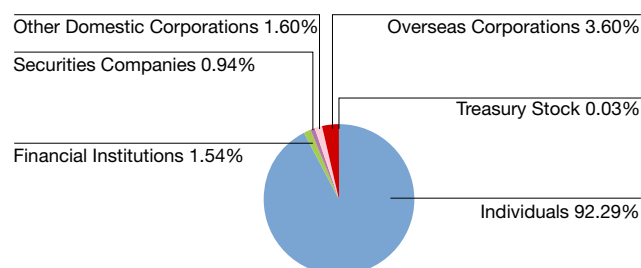
### Point 5

#### Net sales

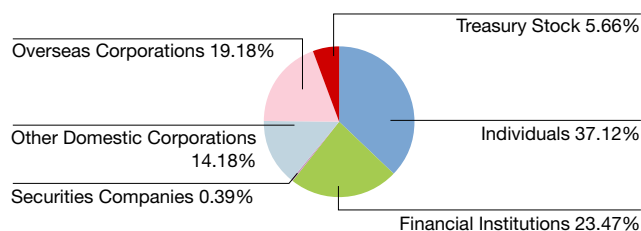
A depreciating yen prevailed throughout the fiscal year under review. Using the exchange rate of the previous fiscal year, net sales are recalculated as increasing 1.1% over the previous fiscal year.

<b>Number of shares</b>	67,840,000 (No change from the end of the previous period)
<b>Number of shares issued</b>	28,053,166 (No change from the end of the previous period)
<b>Number of shareholders</b>	2,997 (A decrease of 474 from the end of the previous period)

## Breakdown of shareholders by type



## Breakdown of stock ownership



## Repurchase of Own Shares

The Board of Directors resolved at a meeting held February 20, 2007 to repurchase its own shares in the market pursuant to the provisions of Article 156 of the Corporate Law, as rephrased and applied pursuant to the provision of Article 165, Paragraph 3 of the same law.

- Based upon the above resolution, the following shares were repurchased.

Number of shares repurchased (thousands of shares): 100  
Total repurchase amount (millions of yen): ¥254

## Major Shareholders (Top 10 Shareholders)

Shareholder name	Number of shares owned (thousands of shares)	Shareholding ratio (%)
Riso Limited	2,470	8.80
Northern Trust Company (AVFC) Sub Account American Client	1,879	6.69
RISO KAGAKU CORPORATION	1,587	5.65
Noboru Hayama	1,347	4.80
Riso Educational Foundation	1,330	4.74
Japan Trustee Services Bank, Ltd. (Trust Account)	1,105	3.94
Akira Hayama	850	3.03
Northern Trust Company AVFC Re U.S. Tax Exempted Pension Funds	806	2.87
The Master Trust Bank Account of Japan, Ltd. (Trust Account)	799	2.85
Trust & Custody Services Bank, Ltd. as trustee for the Tokyo Tomin Bank, Ltd. Retirement Benefit Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	783	2.79

### (Notes)

- 783 thousand shares owned by the Trust & Custody Services Bank, Ltd. as trustee for the Tokyo Tomin Bank, Ltd. Retirement Benefit Account re-entrusted by Mizuho Trust and Banking Co., Ltd. correspond to the number of shares owned by Tokyo Tomin Bank, Ltd. that were contributed to the employee retirement benefit trust.
- The Company received a copy of the substantial shareholding report (amended report) dated September 30, 2005 from Silchester International Investors Ltd. However, we have not yet verified the number of shares owned by the company as of the end of fiscal 2007, thus the company name is not included in the above list. Summary details of the substantial shareholding report (amended report) are as follows.

Shareholder name	Number of shares owned (thousands of shares)
Silchester International Investors Ltd.	1,398

(The number of shares refers to the number prior to the stock split.)

- The Company received a copy of the substantial shareholding report (amended report) dated September 15, 2006 from four companies of joint shareholders, including Merrill Lynch Japan Securities Co., Ltd. However, we have not yet verified the number of shares owned by the companies as of the end of fiscal 2007, thus the company name is not included in the above list. Summary details of the substantial shareholding report (amended report) are as follows.

Shareholder name	Number of shares owned (thousands of shares)
Merrill Lynch International	1
Merrill Lynch Investment Managers Limited	602
Merrill Lynch Investment Managers, LP	419
Merrill Lynch Japan Securities Co., Ltd.	—
Total	1,023

- The Company received a copy of the substantial shareholding report dated January 15, 2007 from SPARX Asset Management Co., Ltd. However, we have not yet verified the number of shares owned by the company as of the end of fiscal 2007, thus the company name is not included in the above list. Summary details of the substantial shareholding report are as follows.

Shareholder name	Number of shares owned (thousands of shares)
SPARX Asset Management Co., Ltd.	1,670

## Domestic

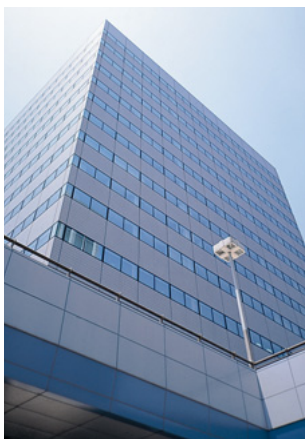
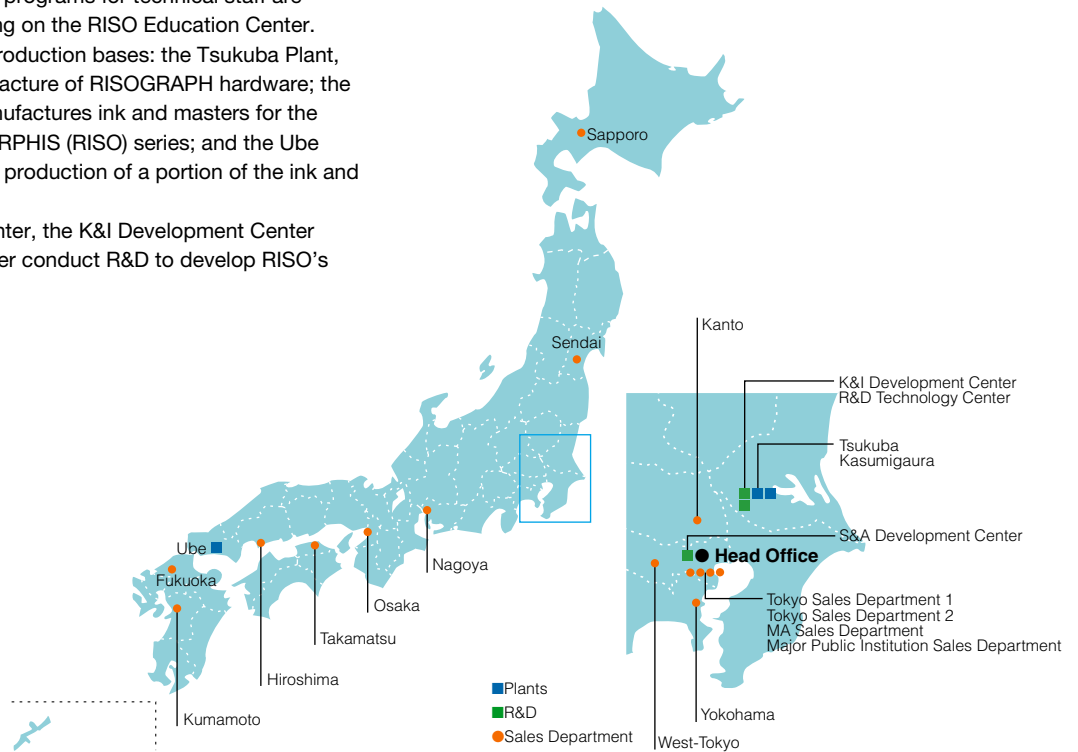
RISO's sales network encompasses 15 sales departments and 48 sales branches as well as sales subsidiaries. Additionally, we provide technological support and develop supply systems for consumables throughout the nation to enable customers to use our products with assurance. Skills development programs for technical staff are carried out nationwide centering on the RISO Education Center.

We have three domestic production bases: the Tsukuba Plant, which is engaged in the manufacture of RISOGRAPH hardware; the Kasumigaura Plant, which manufactures ink and masters for the RISOGRAPH and ink for the ORPHIS (RISO) series; and the Ube Plant, which handles the mass production of a portion of the ink and masters for the RISOGRAPH.

The S&A Development Center, the K&I Development Center and the R&D Technology Center conduct R&D to develop RISO's next-generation products.

### ◆ Domestic major subsidiaries

- RISO VEC CORPORATION
- RISO OKINAWA CORPORATION
- RISO AGENCY CORPORATION



Head Office



K&I Development Center



R&D Technology Center



Kasumigaura site



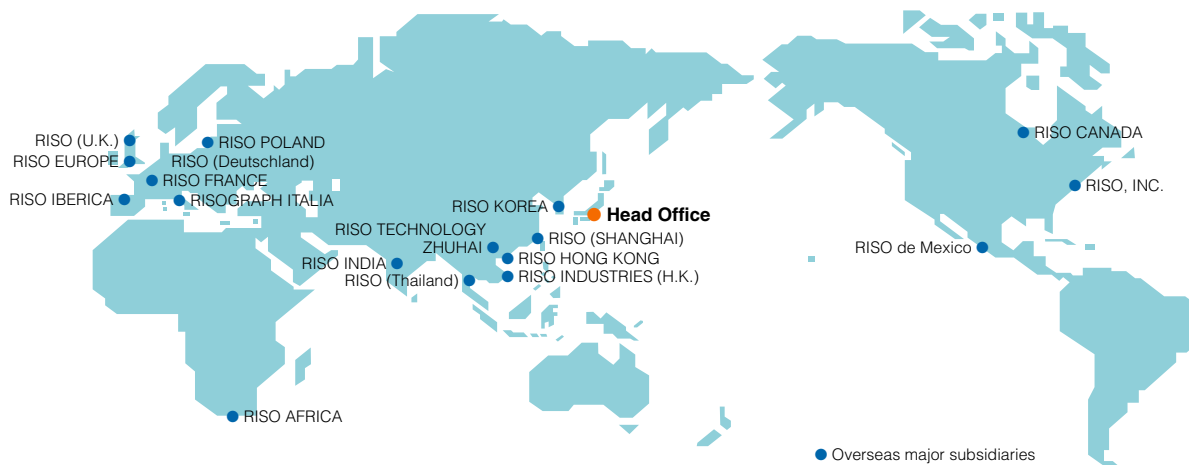
Tsukuba site



Ube site

## Overseas

Our wide-spanning network centering on 19 overseas subsidiaries engaged in sales of the ORPHIS (RISO) HC5500 and RISOGRAPH, provides technological support and also acts as a supply route for consumables. Additionally, RISOGRAPH hardware is produced at the manufacturing plant of RISO TECHNOLOGY ZHUHAI CO., LTD. in China. Over 3,000 RISO Group employees value communication with customers and provide customer support in the respective countries where we operate.



### ◆ Overseas major subsidiaries

- RISO, INC.
- RISO CANADA, INC.
- RISO DE MEXICO, S.A. de C.V.
- RISO EUROPE LTD.
- RISO (U.K.) LTD.
- RISO (Deutschland) GmbH
- RISO POLAND Sp. Zo.o.
- RISO FRANCE S.A.
- RISO IBERICA, S.A.
- RISOGRAPH ITALIA, S.p.A.
- RISO AFRICA (PTY) LTD.
- RISO HONGKONG LTD.
- RISO (Thailand) LTD.
- RISO (SHANGHAI)
- INTERNATIONAL TRADING CO., LTD.
- RISO TECHNOLOGY ZHUHAI CO., LTD.
- RISO KOREA LTD.
- RISO INDUSTRIES (H.K.) LTD.
- RISO INDIA PRIVATE LIMITED



RISO, INC. (Boston, U.S.A.)



RISO (Deutschland) GmbH (Hamburg, Germany)



RISO (Thailand) LTD. (Bangkok, Thailand)



RISO EUROPE LTD. (London, U.K.)



RISO FRANCE S.A. (Lyon, France)



RISO TECHNOLOGY ZHUHAI CO., LTD. (Zhuhai, China)

## Corporate Data

(As of March 31, 2007)

<b>Corporate name</b>	RISO KAGAKU CORPORATION
<b>Head office</b>	5-34-7 Shiba, Minato-ku, Tokyo 108-8385 Japan
<b>Established</b>	September 2, 1946
<b>Incorporated</b>	January 25, 1955
<b>Paid-in capital</b>	¥14,114,985,384
<b>Number of employees</b>	1,561
<b>Subsidiaries</b>	24 companies (domestic: 5 overseas: 19)

## Board of Directors and Auditors

(As of June 26, 2007)

President & CEO (Representative Director)	Akira Hayama
Senior Managing Director	Nobuo Kawai
Managing Director	Yasuhiro Takahashi
Managing Director	Takashi Kunitani
Director	Kazuo Abe
Director	Hidetaka Igarashi
Director	Eigo Ishibashi
Director	Yoshitaka Okada
Director	Kihachiro Endo
Director	Yasunobu Takahashi
Standing Auditor	Shogo Hada
Standing Auditor	Takashi Taniguchi
Auditor	Takio Suzuki*
Auditor	Yoshinari Iizuka*

Note: \*Refers to outside auditors, as stipulated by Item 16 of Article 2 in the Corporate Law.

## RISO KAGAKU CORPORATION

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

Tel: +81-(3) 5441-6661

Fax: +81-(3) 5441-6668

<http://www.riso.co.jp/english/>