

Fiscal 2005 Consolidated Interim Earnings Report

November 4, 2004

Company Name: RISO KAGAKU CORPORATION

Listed Stock

Stock Code: 6413

Headquarters: Tokyo

(URL: <http://www.riso.co.jp/>)

Representative Director: Akira Hayama, President & CEO

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Board Meeting held to Approve the Results: November 4, 2004

US GAAPs Applied: No

1. Consolidated Interim Results (April 1, 2004 to September 30, 2004)

(1) Consolidated Operating Results

(Millions of yen, rounded down)

	Net Sales		Operating Income		Recurring Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
1st Half of FY2005	38,932	[- 1.7]	2,792	[- 14.8]	2,855	[26.7]
1st Half of FY2004	39,617	[2.5]	3,279	[11.0]	2,254	[- 18.0]
FY 2004	83,666		8,353		6,680	

	Net Income		Net Income Per Share		Diluted Net Income Per Share	
	Millions of yen	%	Yen		Yen	
1st Half of FY2005	1,609	[53.8]	118.	73	112.	56
1st Half of FY2004	1,046	[- 32.0]	77.	22	74.	84
FY 2004	3,604		261.	29	246.	46

(Notes)

1. Equity-method loss (millions of yen): 3 in 1st Half of FY2005, 610 in 1st Half of FY2004, and 652 in FY2004

2. Average no. of outstanding shares (Consolidated): 13,557,957 shares in 1st Half of FY2005

13,557,941 shares in 1st Half of FY2004, and

13,557,970 shares in FY2004

3. Changes in accounting standards: No

4. Percentage figures for net sales, operating income, recurring income and net income represent year-on-year changes.

(2) Consolidated Financial Position

(Millions of yen, rounded down)

	Total Assets	Shareholders' Equity	Equity Ratio	Book Value Per Share
	Millions of yen	Millions of yen	%	Yen
Sept. 30, 2004	107,780	64,811	60.1	4,780. 34
Sept. 30, 2003	105,789	61,373	58.0	4,526. 75
March 31, 2003	107,374	63,732	59.4	4,696. 16

(Notes)

No. of shares issued (Consolidated): 13,557,854 shares on Sept. 30, 2004, 13,557,966 shares on Sept. 30, 2003, and

13,558,001 shares on Mar. 31, 2004

(3) Consolidated Cash Flows

(Millions of yen, rounded down)

	Operating Activities	Investing Activities	Financing Activities	Period-end Cash and Cash Equivalents
1st Half of FY2005	1,640	- 374	- 625	32,624
1st Half of FY2004	1,555	- 3,540	- 947	31,850
FY 2004	6,587	- 5,979	- 3,541	31,832

(4) Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 28 Equity-method non-consolidated subsidiaries: 0

Equity-method affiliates: 1

(5) Changes in Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: (New) 1 / (Excluded) 0 Equity-method affiliates: (New) 0 / (Excluded) 0

2. Forecast for FY 2005 (April 1, 2004 to March 31, 2005)

(Millions of yen, rounded down)

	Net Sales	Recurring Income	Net Income
Year-end Results	87,900	6,130	3,680

(Remarks) Projected net income per share at year-end: 271.43 yen

The above forecasts are based on beliefs and assumptions of management in light of information currently available to it at the time of announcement and are subject to a number of uncertainties that may affect future results. A number of factors could cause actual results to differ materially from forecasts. Please refer to Page 6 for an explanation of the assumptions and factors upon which the forecasts are based.

Note:

The financial information appearing in this report is a translation of the original Japanese text into English and according to accounting standards and practices in Japan.

(1) Group Organization Structure

The Riso Group (RISO) consists of Riso Kagaku Corporation (the parent company), 29 subsidiaries, and 2 affiliated companies. The main business of the Group is the manufacture and sale of printing equipment, as well as related market research. The Group also operates a real estate business and an insurance agency.

The following shows the relationship of the RISO members and their business territories.

RISO KAGAKU CORPORATION (Manufacture and sales)

<Subsidiaries in Japan>

Printing equipment - Sales and market research

RISO OKINAWA CO., LTD.

RISO TSUKUBA CO., LTD.

RISO CHIBA CO., LTD.

RISO SHIZUOKA CO., LTD.

Printing equipment - Sales and funded research and development

RISO VEC CO., LTD.

Real estate business and others

- Insurance

RISO AGENCY CO., LTD.

- Real estate

<Affiliated companies in Japan>

Printing equipment - Research and development, manufacture and sales

ORTEK CORPORATION

<Overseas subsidiaries>

Printing equipment - Sales and market research

RISO, INC .

RISO EUROPE LTD.

RISO (U.K.) LTD.

RISO (Deutschland) GmbH

RISO FRANCE S.A.

RISO IBERICA ,S.A.

RISOGRAPH ITALIA S.p.A.

RISO AFRICA (PTY) LTD.

RISO HONG KONG LTD.

RISO (Thailand) LTD.

RISO KOREA LTD.

Printing equipment - Manufacture and sales

RISO TECHNOLOGY ZHUHAI CO., LTD.

RISO INDUSTRIES (H.K.) LTD.

(2) Management Policies

1. Basic Management Policies

To expand profit in our core business “digital duplicating” and establish a foundation for growth through a new business “ink jet printing,” RISO has made a new medium-term management plan, whose closing term is FY2007, and is now operating business accordingly.

The basic objectives of the new medium-term management plan, Riso Vision 07, are as follows.

- (1) Accelerating new product development and strengthening development system;
- (2) Making challenges for further expansion of digital duplicating business;
- (3) Establishing a new inkjet printing business;
- (4) Building the production and distribution system enabling low operation cost and inventory level;
- (5) Fostering human resources capable of leading our future growth; and
- (6) Operating business in compliance with the law and consideration of the environment.

By implementing this medium-term management plan, we aim to achieve consolidated sales of 100 billion yen and a ratio of operating income to consolidated sales of 10% at year-end in FY2007.

This business term is the initial year of the said medium-term management plan. Therefore, we will operate business focusing on the following 4 points this fiscal year.

- (1) Developing new product sales;
- (2) Achieving spectacular improvement in design, engineering and production capabilities;
- (3) Reviving sales in the United States and China; and
- (4) Strengthening customer-oriented planning and development capabilities.

Since its inception, Riso Kagaku has been expanding business through positive product development, selecting stencil printing as main business segment, based on the development philosophy of “Create fundamentally unique products.”

Riso Kagaku has also responded quickly to drastic changes in the global business environment, notably the rapid progress of IT-related technologies, and has been pursuing sales increase and high profitability mainly by providing optimal solutions for high-volume printing jobs.

2. Basic Policy for Earning Distribution

Our basic policy for earning distribution is to allocate an appropriate portion of earnings for a dividend in accordance with business results while retaining the remains to strengthen the corporate structure.

Following the above basic policy, we try to maintain appropriate dividend distribution in future as well. Regarding the frequency and time of dividend payment, it will be yearly and shortly after the coming ordinary general meeting of shareholders as usual.

Regarding retained earnings, we will use them to improve the operating results through improvement of the balance sheet, capital investment and research and development.

3. Basic Corporate Governance Policies and Procedures

[Basic Policies]

We regard corporate governance as an essential for sound corporate management and are confident that it is realized by properly taking such existing management processes as the board of directors and audit system.

[Current Procedures]

The board of directors is composed of 10 directors and holds regular monthly meetings and extra meetings if required to make decisions on various management issues. Among the said 10 board members, outside directors are not included.

The board of auditors is composed of 1 full-time auditor and 2 part-time outside ones (a lawyer and a public accountant), and is conducting the audit fairly and objectively. The auditors generally attend the meetings held by the board of directors and besides the full-time auditor also attends the executive committees and other important internal meetings, to surely check the management operations by directors.

We also place the audit department under the direct command of CEO for internal control. In addition, to make the compliance mind root deeply in the company, we have instituted the “compliance management codes” installing CEO as superintendent, appointed a director in charge of supervising compliance program performance and reform and distributed a compliance handbook to all company members, with a high regard for compliance.

(3) Business Results and Financial Positions

1. Business Results

In the past half of this fiscal year, the Japanese economy was fairly improved through the increase of export fueled by strong global economy with China as its driving power and the expansion of capital investment by recovering private sectors. On the other hand, the future economic situation is still unclear, affected by escalating oil prices.

Under such a global economic climate, RISO introduced another flagship digital printer featuring improved usability and image quality, RISOGRAPH RZ Series, into the market.

The consolidated net sales for this interim period decreased ¥685 million (1.7%) year-on-year to ¥38,932 million, affected by tough sales of digital printers both in Japan and overseas, in spite of favorable sales of the high-speed full-color printer, ORPHIS HC5000.

Sales cost increased ¥359 million (2.1%) year-on-year to ¥17,585 million, causing sales cost ratio to rise 1.7 point to 45.2%, given the increase of production costs due to the introduction of new products.

Selling, general and administrative expenses dropped ¥558 million (2.9%) year-on-year to ¥18,554 million.

Non-operating section was turned from 1,024-million-yen loss to 63-million-yen profit on the year-on-year basis. This resulted mainly from the 607-million-yen year-on-year decrease of the equity-method loss relating to ORTEK CORPORATION and the record of foreign exchange profit of ¥183 million (against the record of 229-million-yen loss in the same period in the previous fiscal year).

As a result, recurring income rose 26.7% year-on-year to ¥2,855 million and net income also increased 53.8% to ¥1,609 million.

The business results in the respective segments by geographical area are as follows:

(1) Japan - Total domestic sales and Asian dealer sales

Domestic sales remained steady, supported by strong demands for supplies of digital printers and favorable effects of the launch of the high-speed full-color printer, ORPHIS HC5000, while the sales of digital printers were tough in both domestic and Asian dealer operations. As a result, net sales rose 6.3% year-on-year to ¥21,762 million but operating income decreased 11.3% year-on-year to ¥2,606 million due to the increase of prior investment on sales expansion of new products.

(2) The Americas - Total American subsidiaries' sales

In the Americas, net sales dropped 14.5% year-on-year to ¥6,096 million, affected by tough direct sales operations and dollar depreciation against Japanese yen. As for operating income, the degree of deficit decreased year-on-year to ¥168 million.

(3) Europe - Total European subsidiaries' sales

In Europe, the sales result was favorable in France but below the target in UK and Germany. As a result, net sales decreased 5.3% year-on-year to ¥7,282 million and operating income rose 265.5% year-on-year to ¥140 million.

(4) Asia - Total Asian subsidiaries' sales including Chinese ones

As for Asian subsidiaries, the sales were favorable in Southeast Asian markets, while they stayed below the target in the Chinese market, affected by severe competition. As a result, net sales decreased 12.5% year-on-year to ¥3,790 million and operating income 55.5% to ¥125 million.

2. Financial Positions

Interim Consolidated Cash Flows

Cash and cash equivalents increased ¥791 million to ¥32,624 million when calculated on September 30, 2004, compared with the corresponding value on March 31, 2004.

The cash flows from the respective categorized activities in this interim period are described below, including their contributing factors.

Cash Flows from Operating Activities

Operating activities provided ¥1,640 million as net cash, in succession to the acquisition of ¥1,555-million net cash in the same period of the previous year. This position resulted from both the main cash inflows of ¥2,855 million as income before income taxes and of ¥2,203 million as decrease in accounts receivable, and the main cash outflows of ¥1,358 million as increase in inventories, of ¥1,365 million as decrease in accounts payable and of ¥1,459 million as payment of corporate income taxes.

Cash Flows from Investing Activities

Investing activities used ¥374 million as net cash, in succession to the use of ¥3,540-million net cash in the same period of the previous year. This position resulted from both the main cash inflows of ¥999 million as sales of marketable securities and the main cash outflows of ¥786 million as acquisition of tangible fixed assets, of ¥307 million as deposit of time deposits and of ¥300 million as purchase of marketable securities.

Cash Flows from Financing Activities

Financing activities used ¥625 million as net cash, in succession to the use of ¥947-million net cash in the same period of the previous year. This position resulted from the main cash inflows of ¥227 million as net increase in short-term loans and the main cash outflows of ¥813 million as payment of dividends.

3. Business Outlook in Fiscal Year 2005

The Japanese economy is expected to gradually recover, aided by the increase of companies with good business results. On the other hand, the future global economic situation is unclear, affected by escalating oil prices and currency volatility.

Under this economic condition, RISO will work with full energy on the major issues raised in the aforementioned medium-term management plan, "Riso Vision 07".

In Japan, we expect net sales will increase through the sales expansion of ORPHIS HC5000. We will also start marketing another model of digital printer which has enabled 1-pass-and-2-color printing at a high print speed of 150 copies per minute for the first time in our industry,

RISOGRAPH MZ Series.

In overseas markets as well, we expect net sales will rise, fueled by introduction of new digital printer model, RISOGRAPH RZ Series. The marketing of RISO HC5000 (equivalent to ORPHIS HC5000) will also start in Europe.

Regarding expenditures, we continue to further pursue cost reduction and expense curtailment. However, expenditures are expected to increase due to initial investments for worldwide launch of new products, thus causing recurring income to decline.

Summarizing the prospect of the performance in FY2005, net sales are expected to increase 5.1% year-on-year to ¥87,900 million, recurring income drop 8.2% to 6,130 million and net income rise 2.1% to ¥3,680 million.

In the above prospect, we use the exchange rates of ¥109 against the US dollar and ¥132 against the Euro.

(4) Interim Consolidated Financial Statements

[1] Interim Consolidated Balance Sheets

Item	1st Half of FY 2004 (As of Sept. 30, 2003)		1st Half of FY 2005 (As of Sept. 30, 2004)		FY 2004 (As of Mar. 31, 2004)	
	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)
(ASSETS)						
Current assets						
1. Cash and deposits	31,895		31,169		30,377	
2. Notes and accounts receivable	14,381		14,429		16,153	
3. Marketable securities	999		1,800		2,799	
4. Inventories	11,599		13,117		11,303	
5. Deferred tax assets (short)	3,129		2,553		2,700	
6. Others	1,699		1,487		1,587	
Allowance for doubtful receivables (short)	(877)		(972)		(851)	
Total current assets	62,827	59.4	63,583	59.0	64,070	59.7
Fixed assets						
1. Tangible fixed assets						
(1) Buildings and structures	9,154		8,709		8,934	
(2) Machinery, equipment and vehicles	1,855		2,215		1,916	
(3) Tools, furniture and fixtures	1,982		2,561		2,400	
(4) Land	14,899		14,899		14,899	
(5) Construction in progress	368		61		291	
(6) Others	4,651	32,911	4,671	33,118	4,315	32,758
2. Intangible fixed assets						
(1) Trade rights	372		403		408	
(2) Software	1,045		1,154		1,163	
(3) Consolidated adjustment account	72		51		63	
(4) Others	346	1,837	459	2,068	249	1,885
3. Investments and other securities						
(1) Investment in securities	3,083		3,298		3,375	
(2) Long-term advances	358		315		375	
(3) Deferred tax assets (long)	1,529		1,618		1,391	
(4) Others	3,525		4,085		3,801	
Allowance for doubtful receivables (long)	(283)	8,212	(309)	9,008	(283)	8,659
Total fixed assets	42,961	40.6	44,196	41.0	43,303	40.3
Total assets	105,789	100.0	107,780	100.0	107,374	100.0

Item	1st Half of FY 2004 (As of Sept. 30, 2003)		1st Half of FY 2005 (As of Sept. 30, 2004)		FY 2004 (As of Mar. 31, 2004)	
	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)
(LIABILITIES)						
Current liabilities						
1. Notes and accounts payable	10,045		9,343		10,347	
2. Short-term loans	7,448		5,274		4,799	
3. Long-term bank borrowings due within one year	64		71		67	
4. Accrued taxes	730		1,092		1,367	
5. Accrued bonuses	1,520		1,555		1,644	
6. Accrued warranty costs	35		38		35	
7. Others	4,297		4,738		4,663	
Total current liabilities	24,141	22.8	22,115	20.6	22,925	21.3
Long-term liabilities						
1. Convertible bonds	16,915		16,915		16,915	
2. Long-term bank borrowings	245		218		260	
3. Employees' retirement allowances	2,483		2,869		2,724	
4. Directors' retirement allowances	285		260		308	
5. Equity-method debt	-		151		106	
6. Others	218		295		275	
Total long-term liabilities	20,147	19.1	20,711	19.2	20,589	19.2
Total liabilities	44,288	41.9	42,826	39.8	43,515	40.5
(MINORITY INTERESTS)						
Minority interests	127	0.1	142	0.1	126	0.1
(SHAREHOLDERS' EQUITY)						
Common stock	14,114	13.3	14,114	13.1	14,114	13.1
Capital reserve	14,779	14.0	14,779	13.7	14,779	13.8
Retained earnings	34,115	32.2	37,407	34.7	36,673	34.2
Net unrealized holding gains or losses on securities	519	0.5	567	0.5	730	0.7
Foreign currency translation adjustments	(753)	(0.7)	(655)	(0.6)	(1,163)	(1.1)
Treasury stock	(1,402)	(1.3)	(1,402)	(1.3)	(1,402)	(1.3)
Total shareholders' equity	61,373	58.0	64,811	60.1	63,732	59.4
Total liabilities, minority interests and shareholders' equity	105,789	100.0	107,780	100.0	107,374	100.0

[2] Interim Consolidated Statements of Income

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)		1st Half of FY 2005 (6 months ended Sept. 30, 2004)		FY 2004 (Year ended Mar. 31, 2004)				
	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)	Amount (Millions of yen)	(%)			
Net sales		39,617	100.0		38,932	100.0		83,666	100.0
Cost of sales		17,225	43.5		17,585	45.2		36,538	43.7
Gross profit		22,391	56.5		21,346	54.8		47,128	56.3
Selling, general and administrative expenses		19,112	48.2		18,554	47.7		38,774	46.3
Operating income		3,279	8.3		2,792	7.1		8,353	10.0
Other income									
1. Interest income	47			46			76		
2. Dividend income	43			41			64		
3. Gains on sale of investment securities	55			-			102		
4. Exchange profits	-			183			-		
5. Others	186	332	0.8	195	467	1.2	282	525	0.6
Other expenses									
1. Interest expenses	269			227			544		
2. Equity method losses	610			3			652		
3. Exchange losses	229			-			569		
4. Losses on sale of fixed assets	-			52			-		
5. Others	246	1,356	3.4	119	403	1.0	431	2,198	2.6
Recurring income		2,254	5.7		2,855	7.3		6,680	8.0
Income before income taxes		2,254	5.7		2,855	7.3		6,680	8.0
Corporate income tax and other tax expenses	932			1,184			2,423		
Corporate income tax and other tax adjustments	276	1,209	3.1	54	1,239	3.2	646	3,070	3.7
Minority interest in net income of consolidated subsidiaries		(1)	(0.0)		6	0.0		5	0.0
Net income		1,046	2.6		1,609	4.1		3,604	4.3

[3] Interim Consolidated Surplus Statements

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)		1st Half of FY 2005 (6 months ended Sept. 30, 2004)		FY 2004 (Year ended Mar. 31, 2004)	
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
(CAPITAL RESERVE)						
Capital reserve brought forward		14,779		14,779		14,779
Increases						
1. Gains on retirement of treasury stock	0	0	0	0	0	0
Capital reserve carried forward		14,779		14,779		14,779
(RETAINED EARNINGS)						
Retained earnings brought forward		33,864		36,673		33,864
Increases						
1. Net income	1,046	1,046	1,609	1,609	3,604	3,604
Decreases						
1. Dividends	745		813		745	
2. Bonuses to directors	50	795	62	875	50	795
Retained earnings carried forward		34,115		37,407		36,673

[4] Interim Consolidated Statements of Cash Flows

	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
Item	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities			
Income before income taxes	2,254	2,855	6,680
Depreciation	1,040	1,287	2,276
Amortization of adjustments on consolidated accounts	9	8	18
Equity method losses	610	3	652
Increase in employees' retirement allowances	215	145	456
Decrease in directors' retirement allowances	(634)	(48)	(610)
Increase (decrease) in allowance for doubtful receivables	7	118	(0)
Interest and dividends receivable	(90)	(88)	(140)
Interest payable	269	227	544
Exchange losses	69	73	160
Losses (gains) on sale of investment securities	(55)	1	(102)
Decrease (increase) in accounts receivable	1,930	2,203	(110)
Decrease (increase) in inventories	206	(1,358)	96
Decrease in accounts payable	(742)	(1,365)	(245)
Decrease in accrued expenses	(476)	(618)	(382)
Directors' bonuses paid	(50)	(62)	(50)
Others, net	(724)	(138)	705
Subtotal	3,841	3,245	9,947
Interest and dividends received	90	88	140
Interest paid	(263)	(232)	(539)
Income taxes paid	(2,112)	(1,459)	(2,961)
Net cash provided by (used in) operating activities	1,555	1,640	6,587
Cash flows from investing activities			
Increase in time deposits	(4)	(307)	(5)
Decrease in time deposits	2	6	3
Payments for purchase of marketable securities	(999)	-	(2,298)
Proceeds from sale of marketable securities	300	999	1,300
Payments for acquisition of tangible fixed assets	(2,969)	(786)	(4,749)
Payments for acquisition of intangible fixed assets	(218)	(219)	(374)
Payments for purchase of investment securities	(490)	(300)	(490)
Proceeds from sale of investment securities	479	101	589
Increase in loans receivable	-	(16)	(80)
Decrease in loans receivable	43	80	101
Others, net	316	68	24
Net cash provided by (used in) investing activities	(3,540)	(374)	(5,979)
Cash flows from financing activities			
Net increase (decrease) in short-term loans	(8)	227	(2,636)
Proceeds from long-term bank borrowings	47	-	70
Repayments of long-term bank borrowings	(71)	(39)	(61)
Payments for redemption of corporate bonds	(169)	-	(169)
Payments for purchase of treasury stock	-	(0)	-
Cash dividends paid	(745)	(813)	(746)
Others, net	0	0	0
Net cash provided by (used in) financing activities	(947)	(625)	(3,541)
Effect of exchange rate changes on cash and cash equivalents	(223)	150	(239)
Increase (decrease) in cash and cash equivalents	(3,155)	791	(3,173)
Cash and cash equivalents, beginning of year	35,006	31,832	35,006
Cash and cash equivalents, end of year	31,850	32,624	31,832

Significant Notes in Preparation of Consolidated Financial Statements

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
1. Scope of consolidation	<p>(1) Number of consolidated subsidiaries: 27</p> <p>Principal ones are as follows: RISO, INC., RISO (Deutschland) GmbH, RISO FRANCE S.A., and RISO TECHNOLOGY ZHUHAI CO., LTD.</p> <p>RISO INDUSTRIES (H.K.) LTD. was established and consolidated during the 1st half of fiscal 2004.</p> <p>(2) List of non-consolidated subsidiaries RISO IRELAND LABORATORY LTD. (Reason of non-consolidation) The listed subsidiary is small in size and its main financial indexes, such as total assets, net sales, net income (calculated by equity method), and retained earnings (calculated by equity method), have no significant effect on the interim consolidated financial statement.</p>	<p>(1) Number of consolidated subsidiaries: 28</p> <p>Principal ones are as follows: RISO, INC., RISO (Deutschland) GmbH, RISO FRANCE S.A., and RISO TECHNOLOGY ZHUHAI CO., LTD.</p> <p>Kubota Office Machine Limited was acquired on July 30, 2004 and consolidated during the 1st half of fiscal 2005.</p> <p>(2) List of non-consolidated subsidiaries Same as left</p>	<p>(1) Number of consolidated subsidiaries: 27</p> <p>Principal ones are as follows: RISO, INC., RISO (Deutschland) GmbH, RISO FRANCE S.A., and RISO TECHNOLOGY ZHUHAI CO., LTD.</p> <p>RISO INDUSTRIES (H.K.) LTD. was established and consolidated during the fiscal 2004.</p> <p>(2) List of non-consolidated subsidiaries RISO IRELAND LABORATORY LTD. (Reason of non-consolidation) The listed subsidiary is small in size and its main financial indexes, such as total assets, net sales, net income (calculated by equity method), and retained earnings (calculated by equity method), have no significant effect on the consolidated financial statement.</p>
2. Application of the equity method	<p>(1) Number of affiliated companies accounted for by the equity method: 1 ORTEK CORPORATION</p> <p>ORTEK CORPORATION was established and accounted for by the equity method during the 1st half of fiscal 2004.</p> <p>(2) RISO IRELAND LABORATORY LTD., a non-consolidated subsidiary, and AVENIR CO., LTD., an affiliate, are not accounted for by the equity method because their performances made no remarkable result and have no significant effect on the interim consolidated financial statements, given their net income (calculated by equity method) and retained earnings (calculated by equity method).</p>	<p>(1) Number of affiliated companies accounted for by the equity method: 1 ORTEK CORPORATION</p> <p>(2) Same as left</p>	<p>(1) Number of affiliated companies accounted for by the equity method: 1 ORTEK CORPORATION</p> <p>ORTEK CORPORATION was established and accounted for by the equity method during the fiscal 2004.</p> <p>(2) RISO IRELAND LABORATORY LTD., a non-consolidated subsidiary, and AVENIR CO., LTD., an affiliate, are not accounted for by the equity method because their performances made no remarkable result and have no significant effect on the consolidated financial statements, given their net income (calculated by equity method) and retained earnings (calculated by equity method).</p>

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
3. Fiscal year for consolidated subsidiaries	<p>The interim accounting period of the subsidiaries listed below ends on June 30.</p> <p>RISO DE MEXICO S.A., RISO TECHNOLOGY ZHUHAI CO., LTD. , and RISO (SHANGHAI) INTERNATIONAL TRADING CO., LTD.</p> <p>Interim consolidated financial statements are prepared, applying provisional interim financial statements in the accounting period ending on September 30 for these subsidiaries.</p>	Same as left	<p>The accounting period of the subsidiaries listed below ends on December 31.</p> <p>RISO DE MEXICO S.A., RISO TECHNOLOGY ZHUHAI CO., LTD. , and RISO (SHANGHAI) INTERNATIONAL TRADING CO., LTD.</p> <p>Consolidated financial statements are prepared, applying provisional financial statements in the accounting period ending on March 31 for these subsidiaries.</p>
4. Significant accounting policies	<p>(1) Valuation standards and accounting treatment for important assets</p> <p>1. Marketable securities</p> <ul style="list-style-type: none"> - Other marketable securities with market quotations Stated at market value, determined by the market price as of the end of the interim period, with unrealized gains or losses reported in shareholders' equity and selling price determined by the moving-average method. - Other marketable securities without market quotations Stated at cost determined by the moving-average method. <p>2. Derivatives Stated at market value</p> <p>3. Inventories Stated at cost, primarily by the moving-average method</p>	<p>(1) Valuation standards and accounting treatment for important assets</p> <p>1. Marketable securities</p> <ul style="list-style-type: none"> - Other marketable securities with market quotations Same as left - Other marketable securities without market quotations Same as left <p>2. Derivatives Same as left</p> <p>3. Inventories Same as left</p>	<p>(1) Valuation standards and accounting treatment for important assets</p> <p>1. Marketable securities</p> <ul style="list-style-type: none"> - Other marketable securities with market quotations Stated at market value, determined by the market price as of the end of the accounting period, with unrealized gains or losses reported in shareholders' equity and selling price determined by the moving-average method. - Other marketable securities without market quotations Same as left <p>2. Derivatives Same as left</p> <p>3. Inventories Same as left</p>
	<p>(2) Depreciation rules of important depreciable assets</p> <p>1. Tangible fixed assets Buildings, excluding fixtures, are depreciated using the straight-line method. Other tangible fixed assets are primarily depreciated by the declining-balance method.</p> <p>2. Intangible fixed assets They are primarily depreciated using the straight-line method. Proprietary software is depreciated using the straight-line method over 5-year period of use.</p>	<p>(2) Depreciation rules of important depreciable assets</p> <p>1. Tangible fixed assets Same as left</p> <p>2. Intangible fixed assets Same as left</p>	<p>(2) Depreciation rules of important depreciable assets</p> <p>1. Tangible fixed assets Same as left</p> <p>2. Intangible fixed assets Same as left</p>

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
	<p>(3) Accounting rules for major allowances and accruals</p> <p>1. Allowance for doubtful receivables</p> <p>For ordinary accounts receivable, the estimated credit loss is calculated based on historic default rate and declared as allowance, while it is determined, estimating the default rate individually, for such specific accounts receivable as those with lower credit.</p> <p>2. Accrued bonuses</p> <p>The amount which is expected to be paid as employees' bonuses in the corresponding accounting period is posted as accrued bonuses in the following group companies: parent company, all domestic subsidiaries and several overseas ones.</p> <p>3. Accrued warranty costs</p> <p>The amount which is expected to be paid for repair parts used in the products under warranty in the corresponding accounting period is posted as accrued warranty costs, calculated based on the actual expense record in the previous years, in the parent company but not in other group companies.</p> <p>4. Employees' retirement allowances</p> <p>The amount estimated to be reserved for employees' retirement benefit funds in the corresponding interim accounting period is posted as employees' retirement allowances, calculated based on the projected retirement benefit obligation and pension assets at the end of the current fiscal year, in the parent company and several overseas subsidiaries.</p> <p>The actuarial losses realized in the corresponding accounting period for the said allowances are amortized over the following fiscal years (15 years at the maximum), whose period is not beyond the average remaining service years of employees calculated at the end of the corresponding fiscal year, in the declining-balance method.</p>	<p>(3) Accounting rules for major allowances and accruals</p> <p>1. Allowance for doubtful receivables</p> <p>Same as left</p> <p>2. Accrued bonuses</p> <p>Same as left</p> <p>3. Accrued warranty costs</p> <p>Same as left</p> <p>4. Employees' retirement allowances</p> <p>Same as left</p>	<p>(3) Accounting rules for major allowances and accruals</p> <p>1. Allowance for doubtful receivables</p> <p>Same as left</p> <p>2. Accrued bonuses</p> <p>Same as left</p> <p>3. Accrued warranty costs</p> <p>Same as left</p> <p>4. Employees' retirement allowances</p> <p>The expected amount of employees' retirement benefit obligation and pension assets at the end of the corresponding fiscal year is posted as employees' retirement allowances, in the parent company and several overseas subsidiaries.</p> <p>The actuarial losses realized in the corresponding accounting period for the said allowances are amortized over the following fiscal years (15 years at the maximum), whose period is not beyond the average remaining service years of employees calculated at the end of the corresponding fiscal year, in the declining-balance method.</p>

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
	<p>5. Directors' retirement allowances</p> <p>The amount that is required to be paid as rewards to directors on retirement at the end of the corresponding interim accounting period is posted as directors' retirement allowances, as prescribed in the internal regulations, in the parent company.</p>	<p>5. Directors' retirement allowances</p> <p>Same as left</p>	<p>5. Directors' retirement allowances</p> <p>The amount that is required to be paid as rewards to directors on retirement at the end of the corresponding accounting period is posted as directors' retirement allowances, as prescribed in the internal regulations, in the parent company.</p>
	<p>(4) Conversion rules of main items in foreign currencies</p> <p>Monetary assets and liabilities denominated in foreign currencies are translated using the spot exchange rates at the interim balance sheet date. The resulting exchange gains or losses are declared as income or expenses.</p> <p>The assets and liabilities of consolidated overseas subsidiaries are translated into yen amounts using the spot exchange rates at the interim balance sheet date, while their incomes and expenses are converted into yen amounts with the average exchange rates during the corresponding interim accounting period. The resulting exchange gains or losses are listed under foreign currency translation adjustments in shareholders' equity.</p>	<p>(4) Conversion rules of main items in foreign currencies</p> <p>Same as left</p>	<p>(4) Conversion rules of main items in foreign currencies</p> <p>Monetary assets and liabilities denominated in foreign currencies are translated using the spot exchange rates at the balance sheet date. The resulting exchange gains or losses are declared as income or expenses.</p> <p>The assets and liabilities of consolidated overseas subsidiaries are translated into yen amounts using the spot exchange rates at the balance sheet date, while their incomes and expenses are converted into yen amounts with the average exchange rates during the corresponding accounting period. The resulting exchange gains or losses are listed under foreign currency translation adjustments in shareholders' equity.</p>
	<p>(5) Transaction of main lease accounts</p> <p>Finance lease contracts are processed according to the accounting rules of operating lease ones, excluding those transferring the ownership of the leased assets to lessees at the end of the lease term.</p> <p>In some consolidated overseas subsidiaries, they are processed according to the accounting rules of ordinary sales transaction, in compliance with the accounting principles in the countries concerned</p>	<p>(5) Transaction of main lease accounts</p> <p>Same as left</p>	<p>(5) Transaction of main lease accounts</p> <p>Same as left</p>
	<p>(6) Other essential accounting rules required for drafting the Interim Consolidated Financial Statements</p> <p>1. Transaction of consumption taxes</p> <p>Consumption tax and local consumption tax are excluded from the reported amounts.</p>	<p>(6) Other essential accounting rules required for drafting the Interim Consolidated Financial Statements</p> <p>1. Transaction of consumption taxes</p> <p>Same as left</p>	<p>(6) Other essential accounting rules required for drafting the Consolidated Financial Statements</p> <p>1. Transaction of consumption taxes</p> <p>Same as left</p>

Item	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
5. Scope of cash and cash equivalents in the Consolidated statements of cash flows	Cash and cash equivalents in the Consolidated statements of cash flows are composed of the following items: cash on hand, demand deposits and highly liquid short-term investment with maturity of less than 3 months which are exposed to minimal risks of value fluctuations.	Same as left	Same as left

Reclassification

1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)
(None)	[Interim consolidated statements of income] The losses on sale of fixed assets, which amounted to ¥46 million in the interim accounting period ending on September 2003 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.

Notes on Consolidated Balance Sheets

1st Half of FY 2004 (As of Sept. 30, 2003)	1st Half of FY 2005 (As of Sept. 30, 2004)	FY 2004 (As of Mar. 31, 2004)
1. The amount of accumulated depreciation on tangible fixed assets is ¥34,834 million.	1. The amount of accumulated depreciation on tangible fixed assets is ¥35,916 million.	1. The amount of accumulated depreciation on tangible fixed assets is ¥35,125 million.
2. Contingent liabilities Guaranty of liabilities for bank loans made by other group companies than consolidated subsidiaries <Guaranteed> AVENIR CO., LTD ¥30 million	2. Contingent liabilities (None)	2. Contingent liabilities (None)

Notes on Consolidated Statements of Income

1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
1. The main items of "Selling, general and administrative expenses" and their amounts are given below.	1. The main items of "Selling, general and administrative expenses" and their amounts are given below.	1. The main items of "Selling, general and administrative expenses" and their amounts are given below.
[Item] [Amount] (millions of yen)	[Item] [Amount] (millions of yen)	[Item] [Amount] (millions of yen)
Employees' salaries and bonuses 5,837	Employees' salaries and bonuses 5,447	Employees' salaries and bonuses 12,537
Provision for employees' retirement allowances 349	Provision for employees' retirement allowances 337	Provision for employees' retirement allowances 754
Provision for directors' retirement allowances 184	Provision for directors' retirement allowances 21	Provision for directors' retirement allowances 208
Provision for bonuses 1,182	Provision for bonuses 1,265	Provision for bonuses 1,388
Provision for doubtful receivables 45	Provision for doubtful receivables 75	Provision for doubtful receivables 75
Research and development expenses 2,105	Research and development expenses 2,166	Research and development expenses 4,049

Notes on Consolidated Statements of Cash Flows

1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)																																		
<p>Reconciliation between interim balance sheet accounts and term-end balance of cash and cash equivalents</p> <p style="text-align: right;">(As of September 30, 2003)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">[Item]</th> <th style="text-align: right;">[Amount] (Millions of yen)</th> </tr> </thead> <tbody> <tr> <td>Cash and deposits</td> <td style="text-align: right;">31,895</td> </tr> <tr> <td>Time deposits with maturity of more than 3 months</td> <td style="text-align: right;">(45)</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">31,850</td> </tr> </tbody> </table>	[Item]	[Amount] (Millions of yen)	Cash and deposits	31,895	Time deposits with maturity of more than 3 months	(45)	<hr/>		Cash and cash equivalents	31,850	<p>Reconciliation between interim balance sheet accounts and term-end balance of cash and cash equivalents</p> <p style="text-align: right;">(As of September 30, 2004)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">[Item]</th> <th style="text-align: right;">[Amount] (Millions of yen)</th> </tr> </thead> <tbody> <tr> <td>Cash and deposits</td> <td style="text-align: right;">31,169</td> </tr> <tr> <td>Time deposits with maturity of more than 3 months</td> <td style="text-align: right;">(45)</td> </tr> <tr> <td>Short-term investment (marketable securities) with maturity of 3 months or less from the acquisition date</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">32,624</td> </tr> </tbody> </table>	[Item]	[Amount] (Millions of yen)	Cash and deposits	31,169	Time deposits with maturity of more than 3 months	(45)	Short-term investment (marketable securities) with maturity of 3 months or less from the acquisition date	1,500	<hr/>		Cash and cash equivalents	32,624	<p>Reconciliation between balance sheet accounts and term-end balance of cash and cash equivalents</p> <p style="text-align: right;">(As of March 31, 2004)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">[Item]</th> <th style="text-align: right;">[Amount] (Millions of yen)</th> </tr> </thead> <tbody> <tr> <td>Cash and deposits</td> <td style="text-align: right;">30,377</td> </tr> <tr> <td>Time deposits with maturity of more than 3 months</td> <td style="text-align: right;">(45)</td> </tr> <tr> <td>Short-term investment (marketable securities) with maturity of 3 months or less from the acquisition date</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">31,832</td> </tr> </tbody> </table>	[Item]	[Amount] (Millions of yen)	Cash and deposits	30,377	Time deposits with maturity of more than 3 months	(45)	Short-term investment (marketable securities) with maturity of 3 months or less from the acquisition date	1,500	<hr/>		Cash and cash equivalents	31,832
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Segment Information

[Segment Information by Business]

- 1st Half of FY 2004 (6 months ended Sept. 30, 2003) -

We classify our businesses into two segments, "Printing equipment-related business" and "Others", but do not disclose the segment information by business because the Printing equipment-related business generates more than 90% of total net sales and operating income respectively.

- 1st Half of FY 2005 (6 months ended Sept. 30, 2004) -

(Millions of yen)

	Printing equipment-related business	Real estate business and others	Total	Inter-segment Elimination	Consolidated
Sales					
(1) External customer sales	38,359	572	38,932	-	38,932
(2) Inter-segment sales	-	35	35	(35)	-
[Total]	38,359	608	38,967	(35)	38,932
Costs and expenses	35,937	237	36,175	(35)	36,140
Operating income	2,421	370	2,792	-	2,792

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

(Millions of yen)

	Printing equipment-related business	Real estate business and others	Total	Inter-segment Elimination	Consolidated
Sales					
(1) External customer sales	83,045	621	83,666	-	83,666
(2) Inter-segment sales	-	53	53	(53)	-
[Total]	83,045	675	83,720	(53)	83,666
Costs and expenses	74,965	402	75,367	(53)	75,313
Operating income	8,079	273	8,353	-	8,353

Note: 1. We classify our businesses into two segments, an existing one, "Printing equipment-related business", and a new one, "Real estate business and others."

2. The given business segments are based on the segmentation for internal management.

3. The main operations in each business segment are as follows:

(1) Printing equipment-related business: Manufacturing and sales of printing equipment

(2) Real estate business and others: Lease of real estate

4. All costs and expenses are allocated to the respective business segments without leaving unallocated ones.

[Segment Information by Geographic Area]

- 1st Half of FY 2004 (6 months ended September 30, 2003) -

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment Elimination	Consolidated
Sales							
(1) External customer sales	20,468	7,130	7,686	4,331	39,617	-	39,617
(2) Inter-segment sales	9,752	0	209	174	10,137	(10,137)	-
[Total]	30,221	7,131	7,896	4,505	49,754	(10,137)	39,617
Costs and expenses	27,283	7,379	7,857	4,425	46,946	(10,608)	36,338
Operating income (losses)	2,937	(248)	38	80	2,808	470	3,279

- 1st Half of FY 2005 (6 months ended September 30, 2004) -

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment Elimination	Consolidated
Sales							
(1) External customer sales	21,762	6,096	7,282	3,790	38,932	-	38,932
(2) Inter-segment sales	9,609	0	227	3,827	13,665	(13,665)	-
[Total]	31,372	6,096	7,510	7,618	52,597	(13,665)	38,932
Costs and expenses	28,765	6,265	7,369	7,492	49,893	(13,753)	36,140
Operating income (losses)	2,606	(168)	140	125	2,704	87	2,792

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

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Inter-segment Elimination	Consolidated
Sales							
(1) External customer sales	45,431	14,056	15,920	8,257	83,666	-	83,666
(2) Inter-segment sales	19,312	0	422	2,853	22,588	(22,588)	-
[Total]	64,744	14,057	16,343	11,110	106,255	(22,588)	83,666
Costs and expenses	58,042	14,044	16,082	11,040	99,209	(23,895)	75,313
Operating income (losses)	6,702	13	260	69	7,046	1,306	8,353

Note: 1. The above geographic segments are classified by geographic proximity.

2. The main countries included in each geographic segment are as follows:

- (1) Americas – U.S. and Canada
- (2) Europe – Germany, United Kingdom and France
- (3) Asia – China and Thailand

3. All costs and expenses are allocated to the respective business segments without leaving unallocated ones.

[Overseas Segment Sales Data]

- 1st Half of FY 2004 (6 months ended September 30, 2003) -

	Americas	Europe	Asia	Total
Overseas sales (Millions of yen)	7,130	7,774	5,716	20,621
Consolidated net sales (Millions of yen)	-	-	-	39,617
Ratio of overseas sales in consolidated net sales (%)	18.0	19.6	14.4	52.0

- 1st Half of FY 2005 (6 months ended September 30, 2004) -

	Americas	Europe	Asia	Total
Overseas sales (Millions of yen)	6,096	7,446	4,913	18,457
Consolidated net sales (Millions of yen)	-	-	-	38,932
Ratio of overseas sales in consolidated net sales (%)	15.7	19.1	12.6	47.4

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

	Americas	Europe	Asia	Total
Overseas sales (Millions of yen)	14,056	16,145	11,033	41,235
Consolidated net sales (Millions of yen)	-	-	-	83,666
Ratio of overseas sales in consolidated net sales (%)	16.8	19.3	13.2	49.3

Note: 1. The above geographic segments are classified by geographic proximity.

2. The main countries included in each geographic segment are as follows:

- (1) Americas – U.S. and Canada
- (2) Europe – Germany, United Kingdom and France
- (3) Asia – China and Thailand

3. Overseas sales represent the sales realized outside Japan by the parent company and consolidated subsidiaries.

Notes on Lease Accounts

The notes on lease accounts are not disclosed according to the EDINET disclosure rules.

Notes on Marketable Securities

- 1st Half of FY 2004 (As of September 30, 2003) -

1. Other marketable securities with market quotations (Millions of yen)

	Market value	Book value	Difference
(1) Shares	1,192	2,065	873
(2) Others	-	-	-
Total	1,192	2,065	873

2. Main marketable securities without market quotations (Millions of yen)

	Book value
Other securities	
Commercial papers	999
Non-listed shares (excluding OTC shares)	1,017

- 1st Half of FY 2005 (As of September 30, 2004) -

1. Other marketable securities with market quotations (Millions of yen)

	Market value	Book value	Difference
(1) Shares	1,128	2,087	958
(2) Others	197	196	(1)
Total	1,326	2,283	957

2. Main marketable securities without market quotations (Millions of yen)

	Book value
Other securities	
Corporate bonds	300
Cash trusts	1,500
Non-listed shares (excluding OTC shares)	1,014

- FY 2004 (As of March 31, 2004) -

1. Other marketable securities with market quotations (Millions of yen)

	Market value	Book value	Difference
(1) Shares	1,128	2,360	1,232
(2) Others	-	-	-
Total	1,128	2,360	1,232

2. Main marketable securities without market quotations (Millions of yen)

	Book value
Other securities	
Corporate bonds	300
Commercial papers	999
Cash trusts	1,500
Non-listed shares (excluding OTC shares)	1,014

Notes on Derivative Accounts

The notes on derivative accounts are not disclosed according to the EDINET disclosure rules.

Notes on Per-share Financial Data

1st Half of FY 2004 (6 months ended Sept. 30, 2003)		1st Half of FY 2005 (6 months ended Sept. 30, 2004)		FY 2004 (Year ended Mar. 31, 2004)	
Shareholders' equity per share	¥4,526.75	Shareholders' equity per share	¥4,780.34	Shareholders' equity per share	¥4,696.16
Net income per share	¥77.22	Net income per share	¥118.73	Net income per share	¥261.29
Diluted net income per share	¥74.84	Diluted net income per share	¥112.56	Diluted net income per share	¥246.46

Important Subsequent Events

No event to be stated

(5) Production Record, Orders Received and Sales Results

[1] Production Record

(Millions of yen)

Business Segment	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
Printing equipment-related business	28,490	27,755	56,978
Total	28,490	27,755	56,978

Note: 1. The factory prices are used as unit price in calculating the above figures.

2. The above figures do not include consumption tax.

[2] Orders Received

Orders received are not disclosed because they are scarce and contribute to a minimal share of production under the current forecast-based production process.

[3] Sales Results

(Millions of yen)

Business Segment	1st Half of FY 2004 (6 months ended Sept. 30, 2003)	1st Half of FY 2005 (6 months ended Sept. 30, 2004)	FY 2004 (Year ended Mar. 31, 2004)
Printing equipment-related business	39,545	38,359	83,045
Others	72	572	621
Total	39,617	38,932	83,666

Note: 1. The above figures do not include consumption tax.

2. Sales results are not broken down by customer because we do not have such a customer as accounts for 10% or more of the total sales.