



September 26, 2006

RISO KAGAKU CORPORATION  
(Code: 6413)  
5-34-7, Shiba  
Minato-ku, Tokyo, 108-8385  
JAPAN  
President & CEO : Akira Hayama

**Notice Regarding Repurchase and Cancellation of Convertible Bonds**

Tokyo, Japan, September 26, 2006 -- Riso Kagaku Corporation today announced that it has repurchased a portion of its convertible bonds and cancelled them as shown below.

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| 1. Type of bonds:   | Riso Kagaku Corporation 2nd issue of unsecured convertible bonds  |
| 2. Date of cancellation:  | September 26, 2006  |
| 3. The principal amount of repurchased and cancelled bonds:                       | ¥1,000 million (face value: ¥1 million)   |
| 4. Principal amount of notes outstanding after cancellation of repurchased bonds: | ¥15,675 million   |
| 5. Financial effect from the repurchase and cancellation of the bonds:            | The repurchase and cancellation of the bonds will have minimal effect on FY2007 consolidated earning forecast |

< Reference >

Summary of Riso Kagaku Corporation 2nd issue of unsecured convertible bonds:

Date of issuance:	March 17, 1994
The original aggregate principal amount:	¥18,000 million
Date of maturity:	March 31, 2009
Interest rate:	1.5% per annum
Conversion price:	5,990.50 yen