

**Consolidated Financial Results**  
**for the Six Months of the Fiscal Year Ending March 31, 2016**  
**<under Japanese GAAP>**

Company name: **RISO KAGAKU CORPORATION**  
 Listing: First Section of the Tokyo Stock Exchange  
 Stock code: 6413  
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Scheduled date to file Quarterly Report: November 12, 2015  
 Scheduled date of dividend payment commencement: –  
 Preparation of supplementary information on quarterly business results: Yes  
 Holding of briefing on quarterly business results: Yes (for analysts, in Japanese)

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

**1. Consolidated performance for the six months of the fiscal year ending March 31, 2016**  
**(from April 1, 2015 to September 30, 2015)**

**(1) Consolidated operating results (cumulative)**

(Percentages indicate year-on-year changes.)

|                    | Net sales       |     | Operating income |       | Ordinary income |        | Profit attributable to owners of parent |        |
|--------------------|-----------------|-----|------------------|-------|-----------------|--------|---|--------|
|                    | Millions of yen | %   | Millions of yen  | %     | Millions of yen | %      | Millions of yen                         | %      |
| Six months ended   |                 |     |                  |       |                 |        |   |        |
| September 30, 2015 | 40,785          | 1.7 | 2,738            | (4.7) | 2,699           | (12.1) | 1,849                                   | (16.5) |
| September 30, 2014 | 40,107          | 2.7 | 2,872            | 35.5  | 3,072           | 30.5   | 2,214                                   | 43.6   |

Note: Comprehensive Income

Six months ended September 30, 2015: 1,518 million yen / (49.7)%

Six months ended September 30, 2014: 3,016 million yen / 36.7%

|                    | Net income per share |  | Diluted net income per share |  |
|--------------------|----------------------|--|------------------------------|--|
|                    | Yen                  |  | Yen                          |  |
| Six months ended   |                      |  |                              |  |
| September 30, 2015 | 46.20                |  | –                            |  |
| September 30, 2014 | 53.15                |  | –                            |  |

A two-for-one split of its common shares was conducted on January 1, 2015. As a result, net income per share stated above was calculated based on the assumption that the two-for-one stock split took place at the beginning of the fiscal year ended March 31, 2015.

## (2) Consolidated financial position

|                    | Total assets    | Net assets      | Equity ratio |
|--------------------|-----------------|-----------------|--------------|
| As of              | Millions of yen | Millions of yen | %            |
| September 30, 2015 | 90,315          | 67,148          | 74.3         |
| March 31, 2015     | 94,338          | 68,946          | 73.1         |

Reference: Shareholders' Equity As of September 30, 2015: 67,148 million yen As of March 31, 2015: 68,946 million yen

## 2. Cash dividends

|   | Cash dividends per share |                |               |                 |       |
|---|--------------------------|----------------|---------------|-----------------|-------|
|   | First quarter            | Second quarter | Third quarter | Fiscal year-end | Total |
|   | Yen                      | Yen            | Yen           | Yen             | Yen   |
| Fiscal year ended March 31, 2015              | –                        | 0.00           | –             | 45.00           | 45.00 |
| Fiscal year ending March 31, 2016             | –                        | 0.00           |               |                 |       |
| Fiscal year ending March 31, 2016 (Forecasts) |                          |                | –             | 60.00           | 60.00 |

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

## 3. Forecasts for the fiscal year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes.)

|                                   | Net sales       |     | Operating income |     | Ordinary income |     | Profit attributable to owners of parent |        | Net income per share |
|-----------------------------------|-----------------|-----|------------------|-----|-----------------|-----|---|--------|----------------------|
|                                   | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %   | Millions of yen                         | %      | Yen                  |
| Fiscal year ending March 31, 2016 | 86,100          | 0.5 | 7,370            | 7.8 | 7,340           | 4.9 | 4,810                                   | (14.5) | 120.56               |

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 changes in scope of consolidation): None
- (2) Adoption of peculiar accounting methods for quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatement
- Changes due to revisions to accounting standards and other regulations: Yes
  - Changes due to other reasons: None
  - Changes in accounting estimates: None
  - Restatement: None

(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, 2015 | 47,406,332 shares |
| As of March 31, 2015     | 47,406,332 shares |

- b. Number of treasury stock at the end of the period

|                          |                  |
|--------------------------|------------------|
| As of September 30, 2015 | 7,654,392 shares |
| As of March 31, 2015     | 7,030,392 shares |

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                       |                   |
|---------------------------------------|-------------------|
| Three months ended September 30, 2015 | 40,042,602 shares |
| Three months ended September 30, 2014 | 41,656,707 shares |

A two-for-one split of its common shares was conducted on January 1, 2015. As a result, number of issued share stated above was calculated based on the assumption that the two-for-one stock split took place at the beginning of the fiscal year ended March 31, 2015

\* Indication regarding execution of quarterly review procedures

This quarterly financial results report is not subject to the quarterly review procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results report, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act are in progress.

\* Proper use of the forecasts, and other special matters

The forward-looking statements, including forecasts, contained in these materials are based on information currently available to the Company. These statements do not purport that the Company pledges to achieve such performance. Actual business may differ substantially from the forecasts due to various factors in the future.

\* How to obtain quarterly financial results briefing materials

The Company plans to hold a briefing for securities analysts on November 9, 2015. The briefing material and quarterly financial results used on that day will be made available on the Company's website after the briefing.

## Attached Materials

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## 1. Qualitative Information regarding Consolidated Results for the Six Months

### (1) Explanation on consolidated operating results

The RISO Group (RISO) has been following its medium-term management policy of expanding sales channels and gaining new customers worldwide.

In RISO's consolidated operating results for the current six months, in the printing equipment business, inkjet business sales remained stable from the first quarter and together with the effects of yen depreciation resulted in higher overall sales. Operating income fell year on year due to higher selling, general and administrative expenses. Net sales were 40,785 million yen (up 1.7% year on year), operating income was 2,738 million yen (down 4.7% year on year) and ordinary income was 2,699 million yen (down 12.1% year on year). Profit attributable to the owners of parent was 1,849 million yen (down 16.5% year on year).

The average exchange rates during the current consolidated six months period were 121.80 yen (a 18.76 yen depreciation of the yen year on year) for the US dollar and 135.07 yen (an 3.85 yen appreciation of the yen year on year) for the euro.

Results by segment are as follows:

#### a. Printing equipment business

RISO, as part of its printing equipment business, engages in the inkjet business, principally with its ORPHIS high-speed color printers, as well as the digital duplicating business, consisting mainly of its RISOGRAPH digital duplicators.

In the inkjet business, sales of hardware fell below the previous year's level, while sales of consumables continued to increase steadily and overall net sales rose. Sales in the digital duplicating business increased in some emerging nations, although on the whole the trend of declining net sales continues. Overall net sales for the printing equipment business were 40,100 million yen (up 1.8% year on year). Operating income was 2,630 million yen (down 1.2% year on year).

#### Japan

In the inkjet business, hardware sales remained unchanged at the previous year's levels, whereas sales of consumables rose steadily, resulting in higher overall net sales. In the digital duplicating business, the trend of declining sales is continuing. Net sales were 22,419 million yen (down 0.1% year on year). Operating income was 2,093 million yen (down 5.0% year on year).

#### The Americas

In the inkjet business, sales of both hardware and consumables in North America expanded steadily, and sales exceeded the previous year's level. In the digital duplicating business sales decreased. Net sales were 3,227 million yen (up 16.1% year on year), due to the effects of yen depreciation. Operating losses were 25 million yen (in the previous year operating losses were 297 million yen).

#### Europe

In the inkjet business, sales of hardware in France and the United Kingdom decreased, leading to lower sales compared to the previous year. In the digital duplicating business sales declined. Net sales were 7,609 million yen (down 9.8% year on year). Operating income, due to the effects of the yen appreciation against the euro, was 300 million yen (down 48.6% year on year).

#### Asia

In the inkjet business, sales of both hardware and consumables in China and South-East Asia were strong. In the digital duplicating business, sales grew in some emerging nations, although overall sales declined. Net sales, partly due to the effects of yen depreciation, were 6,844 million yen (up 19.4% year on year). Operating income was 262 million yen (up 53.7% year on year).

b. Real estate business and others

RISO operates a real estate business focusing on leasing of the Omotesando Building and Shin-Osaka Building as well as a print creating business.

Net sales in the real estate and others were 685 million yen (down 4.6% year on year), and operating income was 107 million yen (down 48.7% year on year).

**(2) Explanation on consolidated financial position**

The financial position of RISO at the end of the current quarter compared to the end of the previous fiscal year is as follows.

Total assets fell 4,023 million yen to 90,315 million yen, while net assets fell 1,798 million yen to 67,148 million yen. As a result, the equity ratio moved up 1.2 points to 74.3%.

The main changes in the assets portion include an increase of 976 million yen in Tools, furniture and fixtures, in contrast to decreases of 2,646 million yen in notes and accounts receivable-trade, 1,198 million yen in short-term investment securities and 725 million yen in Merchandise and finished goods. In the liabilities portion, there were decreases of 1,284 million yen in notes and accounts payable-trade, 365 million yen in short-term loans payable and 618 million yen in net defined benefit liability.

(Cash flows)

Net cash provided by operating activities was 3,997 million yen (down 20.1% year on year). This is mainly attributable to income before income taxes and minority interests of 2,943 million yen, depreciation and amortization of 1,439 million yen, a decrease in notes and accounts receivable-trade of 2,529 million yen, a decrease in inventories of 796 million yen, a decrease in net defined benefit liability of 620 million yen, a decrease in notes and accounts payable-trade of 1,113 million yen, a decrease in accounts payable-other of 913 million yen and taxes paid of 528 million yen.

Net cash used in investing activities was 1,017 million yen (compared to 86 million yen of net cash used in the previous fiscal year). This is primarily the result of the expenses of 773 million yen for the purchase of property, plant and equipment and payments for transfer of business of 311 million yen.

Net cash used in financing activities was 3,671 million yen (up 0.1% year on year). The result mainly reflects net decrease of 1,499 million yen for the purchase of treasury stock and payments of 1,816 million yen for cash dividends.

### (3) Explanation on future estimates information pertaining to consolidated earnings forecasts

The consolidated forecasts for the fiscal year ending March 31, 2016, which were released on May 8, 2015, are changed as follows.

Changes to the full-year forecast figures for the fiscal year ending March 31, 2016  
(April 1, 2015 to March 31, 2016)

(Millions of yen)

|   | Net sales | Operating income | Ordinary income | Profit attributable to owners of parent | Net income per share |
|---|-----------|------------------|-----------------|---|----------------------|
| Previous forecasts  | 88,900    | 7,990            | 8,160           | 5,740                                   | 142.16 yen           |
| Revised forecasts   | 86,100    | 7,370            | 7,340           | 4,810                                   | 120.56 yen           |
| Difference  | (2,800)   | (620)            | (820)           | (930)                                   | –                    |
| Percentage change   | (3.1)     | (7.8)            | (10.0)          | (16.2)                                  | –                    |
| (Reference)<br>Actual results of the fiscal year ended March 31, 2015 | 85,674    | 6,839            | 6,999           | 5,624                                   | 136.99 yen           |

#### Reasons for changes

In order to reflect the operating results for the current six months and future business environment, full-year net sales, operating income, ordinary income and profit attributable to owners of parent were each revised downwards.

Foreign exchange rates for the full year in the outlook for the projected results are assumed to be 120 yen and 134 yen for the US dollar and the euro, respectively.

## 2. Matters Regarding Summary Information (Notes)

### (1) Changes in accounting policies, changes in accounting estimates and restatement

#### Changes in accounting policies

(Application of Accounting Standards regarding Business Combinations)

Effective as of the first quarter of the current consolidated fiscal year, the Company applied the “Accounting Standards for Business Combinations” (ASBJ Statement No. 21, September 13, 2013), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013), the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and other accounting standards. As a result, the method of reporting quarterly net income and other amounts was changed. The consolidated financial statements for the second quarter of the previous fiscal year have been reclassified to reflect these changes in presentation

### 3. Consolidated Quarterly Financial Statements

#### (1) Consolidated quarterly balance sheets

(Millions of yen)

|  | As of March 31, 2015 | As of September 30, 2015 |
|--|----------------------|--------------------------|
| <b>Assets</b>                          |                      |                          |
| Current assets                         |                      |                          |
| Cash and deposits                      | 14,074               | 14,211                   |
| Notes and accounts receivable-trade    | 15,877               | 13,231                   |
| Short-term investment securities       | 5,120                | 3,921                    |
| Merchandise and finished goods         | 9,232                | 8,506                    |
| Work in process                        | 606                  | 521                      |
| Raw materials and supplies             | 2,924                | 2,794                    |
| Deferred tax assets                    | 2,406                | 2,265                    |
| Other                                  | 2,082                | 2,254                    |
| Allowance for doubtful accounts        | (335)                | (296)                    |
| Total current assets                   | 51,988               | 47,409                   |
| Noncurrent assets                      |                      |                          |
| Property, plant and equipment          |                      |                          |
| Buildings and structures               | 22,355               | 22,408                   |
| Accumulated depreciation               | (12,387)             | (12,741)                 |
| Buildings and structures, net          | 9,967                | 9,667                    |
| Machinery, equipment and vehicles      | 6,153                | 6,293                    |
| Accumulated depreciation               | (5,173)              | (5,037)                  |
| Machinery, equipment and vehicles, net | 980                  | 1,255                    |
| Tools, furniture and fixtures          | 16,181               | 16,983                   |
| Accumulated depreciation               | (15,252)             | (15,077)                 |
| Tools, furniture and fixtures, net     | 929                  | 1,906                    |
| Land                                   | 17,031               | 17,003                   |
| Lease assets                           | 356                  | 351                      |
| Accumulated depreciation               | (192)                | (154)                    |
| Lease assets, net                      | 163                  | 196                      |
| Construction in progress               | 355                  | 213                      |
| Other                                  | 9,598                | 9,683                    |
| Accumulated depreciation               | (6,237)              | (5,985)                  |
| Other, net                             | 3,361                | 3,698                    |
| Total property, plant and equipment    | 32,790               | 33,941                   |
| Intangible assets                      |                      |                          |
| Goodwill                               | 9                    | 92                       |
| Software                               | 1,965                | 1,773                    |
| Other                                  | 1,324                | 1,170                    |
| Total intangible assets                | 3,299                | 3,036                    |
| Investments and other assets           |                      |                          |
| Investment securities                  | 2,260                | 2,261                    |
| Long-term loans receivable             | 120                  | 80                       |
| Deferred tax assets                    | 811                  | 564                      |
| Other                                  | 3,118                | 3,071                    |
| Allowance for doubtful accounts        | (51)                 | (49)                     |
| Total investments and other assets     | 6,260                | 5,928                    |
| Total noncurrent assets                | 42,350               | 42,906                   |
| Total assets                           | 94,338               | 90,315                   |



(Millions of yen)

|   | As of March 31, 2015 | As of September 30, 2015 |
|---|----------------------|--------------------------|
| <b>Liabilities</b>                                    |                      |                          |
| <b>Current liabilities</b>                            |                      |                          |
| Notes and accounts payable-trade                      | 10,323               | 9,039                    |
| Short-term loans payable                              | 2,586                | 2,221                    |
| Current portion of long-term loans payable            | 2                    | 1                        |
| Income taxes payable                                  | 488                  | 634                      |
| Provision for bonuses                                 | 1,682                | 1,695                    |
| Provision for directors' bonuses                      | 83                   | 51                       |
| Provision for product warranties                      | 34                   | 33                       |
| Other   | 7,482                | 7,304                    |
| Total current liabilities                             | 22,682               | 20,982                   |
| <b>Noncurrent liabilities</b>                         |                      |                          |
| Long-term loans payable                               | 27                   | 19                       |
| Net defined benefit liability                         | 2,277                | 1,659                    |
| Other   | 404                  | 506                      |
| Total noncurrent liabilities                          | 2,709                | 2,185                    |
| Total liabilities                                     | 25,392               | 23,167                   |
| <b>Net assets</b>                                     |                      |                          |
| <b>Shareholders' equity</b>                           |                      |                          |
| Capital stock   | 14,114               | 14,114                   |
| Capital surplus                                       | 14,779               | 14,779                   |
| Retained earnings                                     | 46,837               | 46,870                   |
| Treasury stock  | (8,475)              | (9,975)                  |
| Total shareholders' equity                            | 67,255               | 65,789                   |
| <b>Accumulated other comprehensive income</b>         |                      |                          |
| Valuation difference on available-for-sale securities | 629                  | 663                      |
| Foreign currency translation adjustment               | 1,114                | 754                      |
| Remeasurements of defined benefit plans               | (53)                 | (59)                     |
| Total accumulated other comprehensive income          | 1,690                | 1,358                    |
| Total net assets                                      | 68,946               | 67,148                   |
| Total liabilities and net assets                      | 94,338               | 90,315                   |

**(2) Consolidated quarterly statements of (comprehensive) income****(Consolidated quarterly statements of income)**

|  | (Millions of yen)   |   |
|--|---|---|
|  | Second Quarter ended<br>September 30, 2014<br>(From April 1, 2014<br>to September 30, 2014) | Second Quarter ended<br>September 30, 2015<br>(From April 1, 2015<br>to September 30, 2015) |
| Net sales                                    | 40,107  | 40,785  |
| Cost of sales                                | 16,737  | 16,879  |
| Gross profit                                 | 23,369  | 23,906  |
| Selling, general and administrative expenses | 20,497  | 21,168  |
| Operating income                             | 2,872   | 2,738   |
| Non-operating income                         |   |   |
| Interest income                              | 70  | 64  |
| Dividends income                             | 27  | 24  |
| Foreign exchange gains                       | 33  | -   |
| Other  | 129   | 122   |
| Total non-operating income                   | 260   | 211   |
| Non-operating expenses                       |   |   |
| Interest expenses                            | 27  | 33  |
| Foreign exchange losses                      | -   | 164   |
| Loss on retirement of noncurrent assets      | 21  | 22  |
| Other  | 11  | 30  |
| Total non-operating expenses                 | 60  | 250   |
| Ordinary income                              | 3,072   | 2,699   |
| Extraordinary income                         |   |   |
| Settlement received                          | -   | 243   |
| Insurance return                             | 33  | -   |
| Total extraordinary income                   | 33  | 243   |
| Extraordinary loss                           |   |   |
| Impairment loss                              | 59  | -   |
| Total extraordinary loss                     | 59  | -   |
| Income before income taxes                   | 3,046   | 2,943   |
| Income taxes                                 | 832   | 1,093   |
| Profit                                       | 2,214   | 1,849   |
| Profit attributable to owners of parent      | 2,214   | 1,849   |

**(Consolidated quarterly statements of comprehensive income)**

(Millions of yen)

|  | Second Quarter ended<br>September 30, 2014<br>(From April 1, 2014<br>to September 30, 2014) | Second Quarter ended<br>September 30, 2015<br>(From April 1, 2015<br>to September 30, 2015) |
|--|---|---|
| Profit   | 2,214   | 1,849   |
| Other comprehensive income                                     |   |   |
| Valuation difference on available-for-sale securities          | 185   | 34  |
| Foreign currency translation adjustment                        | 574   | (359)   |
| Remeasurements of defined benefit plans                        | 42  | (5)   |
| Total other comprehensive income                               | 802   | (331)   |
| Comprehensive income   | 3,016   | 1,518   |
| Comprehensive income attributable to                           |   |   |
| Comprehensive income attributable to owners of the parent      | 3,016   | 1,518   |
| Comprehensive income attributable to non-controlling interests | —   | —   |

### (3) Consolidated quarterly statements of cash flows

(Millions of yen)

|   | Second Quarter ended<br>September 30, 2014<br>(From April 1, 2014<br>to September 30, 2014) | Second quarter ended<br>September 30, 2015<br>(From April 1, 2015<br>to September 30, 2015) |
|---|---|---|
| Net cash provided by (used in) operating activities         |   |   |
| Income before income taxes and minority interests           | 3,046   | 2,943   |
| Depreciation and amortization                               | 1,417   | 1,439   |
| Impairment loss   | 59  | –   |
| Amortization of goodwill                                    | 334   | 7   |
| Increase (decrease) in net defined benefit liability        | (629)   | (620)   |
| Increase (decrease) in allowance for doubtful accounts      | 19  | (32)  |
| Interest and dividends income                               | (97)  | (89)  |
| Interest expenses   | 27  | 33  |
| Foreign exchange losses (gains)                             | 17  | (81)  |
| Decrease (increase) in notes and accounts receivable-trade  | 2,734   | 2,529   |
| Decrease (increase) in inventories                          | 163   | 796   |
| Increase (decrease) in notes and accounts payable-trade     | (236)   | (1,113)   |
| Increase (decrease) in accounts payable-other               | (33)  | (913)   |
| Other, net  | (554)   | (426)   |
| Subtotal  | 6,269   | 4,470   |
| Interest and dividends income received                      | 97  | 88  |
| Interest expenses paid                                      | (27)  | (32)  |
| Income taxes paid   | (1,333)   | (528)   |
| Net cash provided by (used in) operating activities         | 5,006   | 3,997   |
| Net cash provided by (used in) investing activities         |   |   |
| Payments into time deposits                                 | (845)   | (953)   |
| Proceeds from withdrawal of time deposits                   | 1,776   | 1,243   |
| Purchase of property, plant and equipment                   | (701)   | (773)   |
| Proceeds from sales of property, plant and equipment        | 37  | 9   |
| Purchase of intangible assets                               | (342)   | (246)   |
| Collection of loans receivable                              | 1   | 9   |
| Payments for transfer of business                           | –   | (311)   |
| Other, net  | (12)  | 5   |
| Net cash provided by (used in) investing activities         | (86)  | (1,017)   |
| Net cash provided by (used in) financing activities         |   |   |
| Net increase (decrease) in short-term loans payable         | (504)   | (308)   |
| Repayment of long-term loans payable                        | (1)   | (8)   |
| Purchase of treasury stock                                  | (1,866)   | (1,499)   |
| Cash dividends paid   | (1,255)   | (1,816)   |
| Other, net  | (40)  | (38)  |
| Net cash provided by (used in) financing activities         | (3,667)   | (3,671)   |
| Effect of exchange rate change on cash and cash equivalents | 248   | (77)  |
| Net increase (decrease) in cash and cash equivalents        | 1,500   | (769)   |
| Cash and cash equivalents at beginning of period            | 14,580  | 18,127  |
| Cash and cash equivalents at end of period                  | 16,081  | 17,357  |

#### (4) Notes on quarterly consolidated financial statements

##### (Notes on premise of going concern)

No items to report

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

The company purchased treasury stock during the current second quarter. As a result, treasury stock increased 1,499 million yen during the second quarter and amounted to 9,975 million yen at the end of the current second quarter.

##### (Segment information)

###### 1. Second quarter ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

Information on sales and income or loss for each reportable segment

(Millions of yen)

|                       | Printing equipment business |              |        |       |        | Real estate business and others | Total  |
|-----------------------|-----------------------------|--------------|--------|-------|--------|---------------------------------|--------|
|                       | Japan                       | The Americas | Europe | Asia  | Total  |                                 |        |
| Sales                 | 22,442                      | 2,780        | 8,433  | 5,731 | 39,388 | 718                             | 40,107 |
| Segment income (loss) | 2,203                       | (297)        | 584    | 170   | 2,661  | 210                             | 2,872  |

Notes: 1. Real estate business and others includes real estate business, print creating business.

2. The main countries and areas included in each segment for the printing equipment business are as follows:

- (1) The Americas ···· U.S. and Canada
- (2) Europe ·········· Germany, United Kingdom and France
- (3) Asia ············ China, Thailand, South Korea and India

3. The total amount of segment income (loss) is same as the operating income amount on the consolidated quarterly statement of income.

###### 2. Second quarter ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

Information on sales and income or loss for each reportable segment

(Millions of yen)

|                       | Printing equipment business |              |        |       |        | Real estate business and others | Total  |
|-----------------------|-----------------------------|--------------|--------|-------|--------|---------------------------------|--------|
|                       | Japan                       | The Americas | Europe | Asia  | Total  |                                 |        |
| Sales                 | 22,419                      | 3,227        | 7,609  | 6,844 | 40,100 | 685                             | 40,785 |
| Segment income (loss) | 2,093                       | (25)         | 300    | 262   | 2,630  | 107                             | 2,738  |

Notes: 1. Real estate business and others includes real estate business and print creating business.

2. The main countries and areas included in each segment for the printing equipment business are as follows:

- (1) The Americas ···· U.S. and Canada
- (2) Europe ·········· Germany, United Kingdom and France
- (3) Asia ············ China, Thailand, South Korea and India

3. The total amount of segment income (loss) is same as the operating income amount on the consolidated quarterly statement of income.

**(Subsequent event)**

(Purchase of Treasury Stock)

Riso Kagaku Corporation (the “Company”) announced that its Board of Directors resolved at the meeting held on November 5, 2015 to purchase treasury stock as described below, pursuant to the provisions of Article 156 of the Corporate Law as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the same Law.

- |  |   |
|--|---|
| (1) Reason for purchase of treasury stock: | The Company will conduct the purchase of treasury stock to carry out capital management that allows the Company to respond quickly to changes in the business environment and to distribute earnings to shareholders. |
| (2) Type of shares to be purchased:        | Common stock of the Company   |
| (3) Number of shares to be purchased:      | Up to 600,000 shares  |
| (4) Total purchase cost:                   | Up to 1,200,000,000 yen   |
| (5) Purchase period:                       | From November 6, 2015 to December 18, 2015  |
| (6) Purchase method:                       | Purchased on the Tokyo Stock Exchange   |