



Briefing on Business Results **- for the Six Months of FY2025-**

(From April 1, 2024 to September 30, 2024)

RISO KAGAKU CORPORATION

November 8, 2024

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■Notes on the descriptions in this briefing

The amounts indicated have been rounded down to a million yen unless otherwise noted.

■A note on the description relating to forecasts

The following statements, including forecasts, contained in these materials are based on information currently available to the Company. Actual business may differ substantially from the forecasts due to various factors in the future.



1 Corporate Data

- 1.1 Corporate Data
- 1.2 Change in reportable segment
- 1.3 Business Outline and Domains
- 1.4 Change in the Inkjet Business'
Share of Consolidated Net Sales
- 1.5 Market Position of RISO
Products

1.1 Corporate Data (as of September 30, 2024)

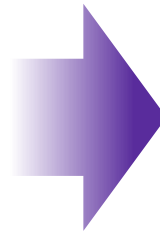
■ Corporate Name	RISO KAGAKU CORPORATION
■ President & CEO	Akira Hayama
■ Head Office	5-34-7 Shiba, Minato-ku, Tokyo 108-8385, Japan
■ Established	September 2, 1946
■ Incorporated	January 25, 1955
■ Paid-in Capital	¥14,114,985,384
■ Group Employees	2,958
■ Group Subsidiaries	26 (Domestic: 4 Overseas: 22)

1.2 Change in reportable segment

■ Establishment of New Reporting Segment “Printing Equipment-Related Business”

■ Printing Equipment Business

- Inkjet Business
High Speed Inkjet Printer
ORPHIS
- Digital Duplicating Business
High Speed Digital Duplicator
RISOGRAPH



Printing Equipment-Related Business

■ Printing Equipment Business

- Inkjet Business
High Speed Inkjet Printer
ORPHIS
- Digital Duplicating Business
High Speed Digital Duplicator
RISOGRAPH

■ Inkjet Head business

1.3 Business Outline and Domains

Printing Equipment-Related Business

■ Printing Equipment Business

- Inkjet Business
High Speed Inkjet Printer **ORPHIS**
- Digital Duplicating Business
High Speed Digital Duplicator **RISOGRAPH**

■ Inkjet Head Business

Real Estate Business

Others

- Print creating business
- Digital communicating business
- Application software business



ORPHIS
GL9730



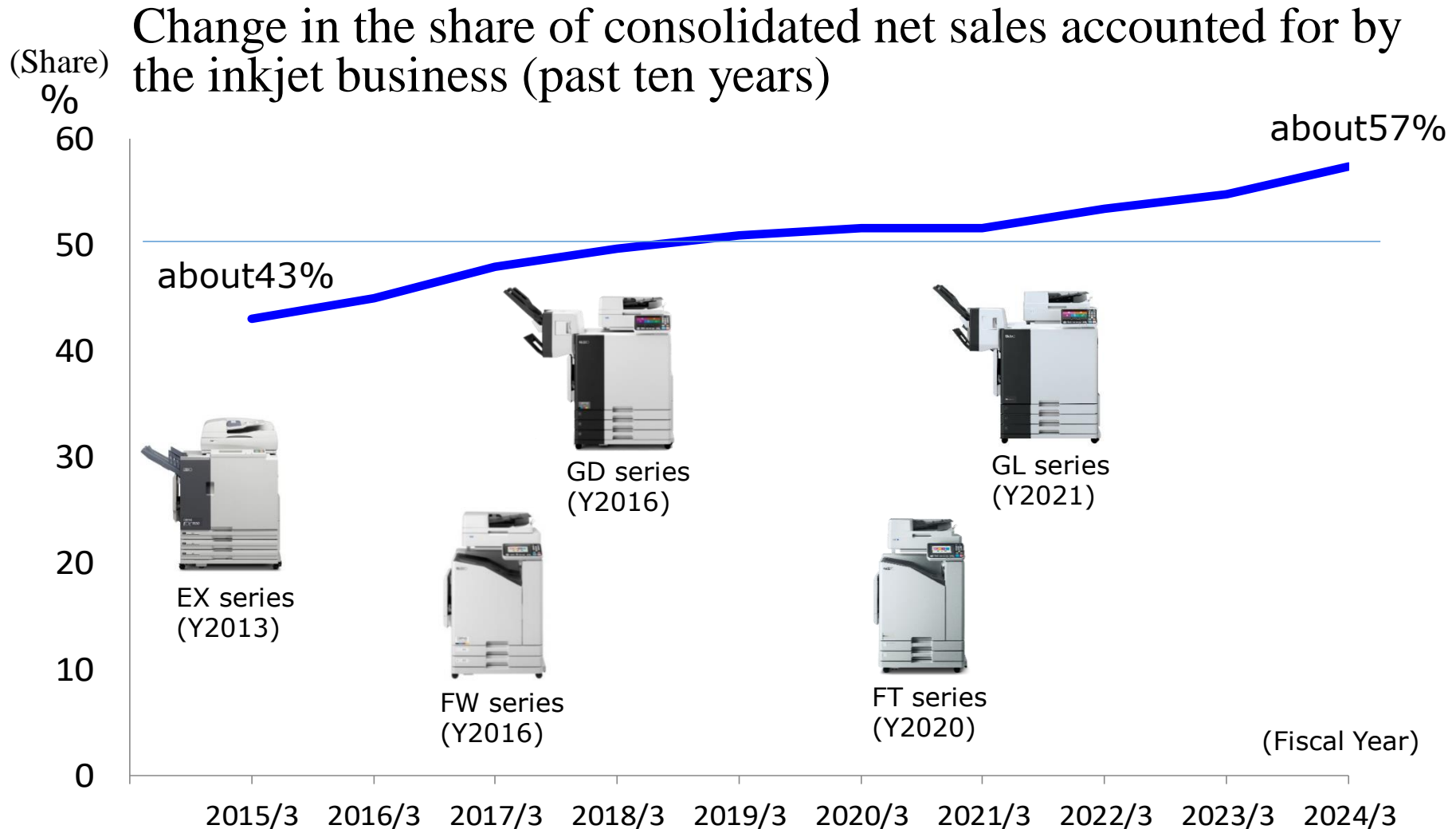
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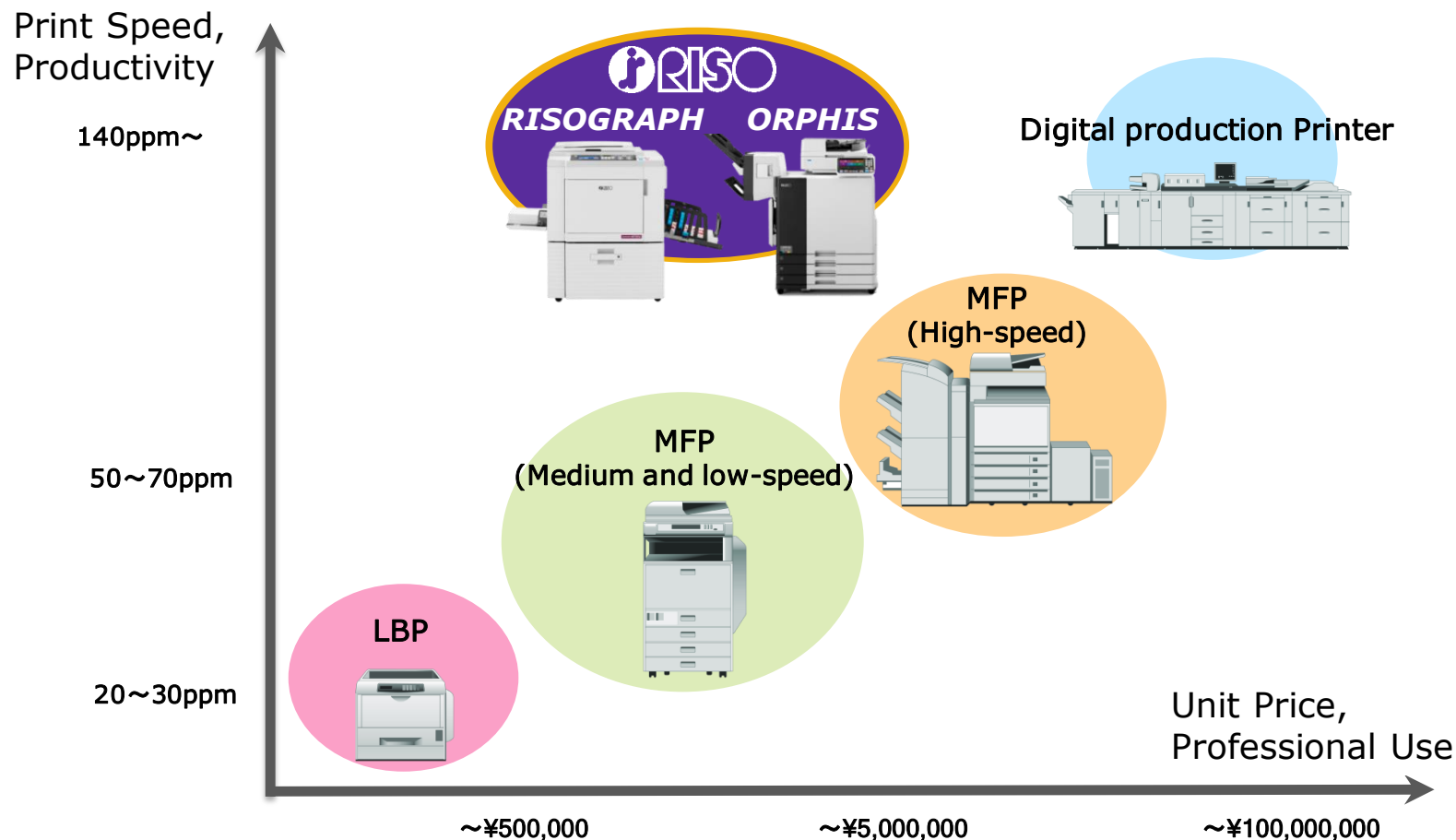
Inkjet Head
CF Series



1.4 Change in the Inkjet Business' Share of Consolidated Net Sales



1.5 Market Position of RISO Products



Deployment of original products with fast printing speed, low running cost, and easy operation as their strengths



2 First Half of FY2025 Consolidated Financial Results

- 2.1 Performance Overview
- 2.2 Results by Segment

2.1 First Half of FY2025 - Performance Overview

(Millions of Yen)

	FY2024 1st half	FY2025 1st half	Difference (year-on-year)	
			Amount	Growth%
Net sales	34,837	38,167	3,330	9.6%
Gross profit	19,774	22,387	2,612	13.2%
(Gross profit ratio)	(56.8%)	(58.7%)		
Selling, general and administrative expenses	17,933	19,583	1,649	9.2%
Operating income	1,841	2,804	963	52.3%
(Operating income ratio)	(5.3%)	(7.3%)		
Ordinary income	2,343	2,630	287	12.3%
Profit attributable to the owner of parent	1,870	1,782	▲88	▲4.7%

Average Exchange rates

1US\$	141.00	152.63
1Euro	153.39	165.95



2.1 First Half of FY2025 - Performance Overview

(Millions of Yen)

	FY2024 1st half	FY2025 1st half	Difference (year-on-year)	
			Amount	Growth%
Net sales	34,837	38,167	3,330	9.6%
Gross profit	19,774	22,387	2,612	13.2%
(Gross profit ratio)	(56.8%)	(58.7%)		
Selling, general and administrative expenses	17,933	19,583	1,649	9.2%
Operating income	1,841	2,804	963	52.3%
(Operating income ratio)	(5.3%)	(7.3%)		
Non-operating profit and loss	502	▲173	▲675	
Ordinary income	2,343	2,630	287	12.3%
Extraordinary income	432	0	▲432	
Profit attributable to the owner of parent	1,870	1,782	▲88	▲4.7%

FY2024 1st half :
Foreign exchange gains 313

FY2025 1st half :
Foreign exchange losses 416

FY2024 1st half :
Gain on revision of retirement benefit plan 432

Average Exchange rates

1US\$	141.00	152.63
1Euro	153.39	165.95



2.1 First Half of FY2025 - Performance Overview

(Millions of Yen)

	FY2024 1st half	FY2025 1st half	Difference (year-on-year)		Calculated with exchange rates of the previous year
			Amount	Growth%	Growth%
Net sales	34,837	38,167	3,330	9.6%	5.5%
Gross profit	19,774	22,387	2,612	13.2%	7.6%
(Gross profit ratio)	(56.8%)	(58.7%)			
Selling, general and administrative expenses	17,933	19,583	1,649	9.2%	6.4%
Operating income	1,841	2,804	963	52.3%	18.6%
(Operating income ratio)	(5.3%)	(7.3%)			
Ordinary income	2,343	2,630	287	12.3%	
Profit attributable to the owner of parent	1,870	1,782	▲88	▲4.7%	

Excluding the softening of demand from consumables price revisions in Japan in the previous year and the impact of launching the inkjet head business, performance in the Printing Equipment-Related Business was generally in line with the same period of the previous year.



2.2 First Half of FY2025 - Results by Segment

Net sales

(Millions of Yen)

	FY2024 1st half		FY2025 1st half		Difference	
	Amount	Ratio	Amount	Ratio	Amount	Growth
Net sales	34,837	100.0%	38,167	100.0%	3,330	9.6%
Printing equipment-related business	33,970	97.5%	37,301	97.5%	3,330	9.8%
Japan	16,090	46.2%	17,700	46.4%	1,609	10.0%
Overseas	17,880	51.3%	19,601	51.4%	1,720	9.6%
Real estate business	543	1.6%	521	1.4%	▲22	▲4.1%
Others	323	0.9%	345	0.9%	21	6.7%

【Printing equipment-related business】

Overall sales remained steady. In Japan, sales increased from the previous year when there was a softening of demand due to consumables price revisions. Overseas, sales increased partly due to the effect of yen depreciation.



RISO KAGAKU CORPORATION
<https://www.riso.co.jp>

Note: We have changed our geographical segment classification from the semi-annual period of the fiscal year ending March 2025. Previously, the Printing Equipment Business was reported in four geographical segments, but this has 12 been changed to two segments (Japan and Overseas).

2.2 First Half of FY2025 - Results by Segment

Operating income

(Millions of Yen)

	FY2024 1st half	FY2025 1st half	Difference	
			Amount	Growth
Operating income	1,841	2,804	963	52.3%
Printing equipment-related business	1,539	2,665	1,125	73.1%
Real estate business	385	332	▲52	▲13.7%
Others	▲84	▲193	▲109	–

【Printing equipment-related business】

Profit increased from the previous year when there was a softening of demand due to consumables price revisions in Japan and due to the effect of yen depreciation

3 Activity in the Fiscal Year Ending March 31, 2025

- 3.1 The 8th Medium-term Management Plan
“RISO Vision 25”
- 3.2 Management Policies for FY2025
- 3.3 Activity in the First Half of FY2025

3.1 The 8th Medium-term Management Plan “ RISO Vision 25”

The 8th Medium-term Management Plan “RISO Vision 25”

(From April 1, 2022 to March 31, 2025)

<Management Objectives>

1. Expand IJ business
2. Establish a solid customer oriented sales planning structure

3.2 Management Policies for FY2025

Continue to improve and maintain sound management in the IJ business while developing new business.

3.3 Activity in the First Half of FY2025 ①

■ Inkjet head business

Integration of Inkjet Head Business from July 1, 2024

- Business succeeded from Toshiba Tec Corporation and operated by our subsidiary, RISO TECHNOLOGIES CORPORATION.



Inkjet head products manufactured by RISO TECHNOLOGIES CORPORATION

3.3 Activity in the First Half of FY2025 ②

■ Purchase of Treasury Stock: (first half of FY2025)

- Total Number of shares purchased during first half of FY2025 : 288,500 shares
(About 0.80% of total shares issued)
- Total purchase cost during first half of FY2025 : 954 million yen

Number of shares as of September 30, 2024

- Total number of issued shares : 36,000,000 shares
- Number of treasury stock : 3,439,058 shares
- Total number of issued shares excluding treasury stock : 32,560,942 shares

※ In October 2024, 13,300 shares were acquired for 45 million yen.

4 Forecast for FY2025

4. Forecast for FY2025 ①

■ The consolidated forecasts for the fiscal year ending March 31, 2025 are changed as follows.

(Millions of Yen)

	FY2024 Actual	FY2025 Revised forecast	Difference	
			Amount	Growth
Net sales	74,602	80,500	5,897	7.9%
Operating income	5,256	6,500	1,243	23.7%
Ordinary income	6,202	6,600	397	6.4%
Profit attributable to the owner of parent	4,831	4,200	▲631	▲13.1%
Operating income margin	7.0%	8.1%		

Average exchange rates

1US\$	¥144.62	¥150.00
1EURO	¥156.80	¥163.00

【Reference】

① Amortization of goodwill: 407 million yen (FY2025)

② Extraordinary Income in Previous Period and Extraordinary Loss in Current Period

	FY2024 Actual	FV2025 Forecast	Difference
Extraordinary Income	432	0	▲432
Extraordinary Loss	0	500	500

4. Forecast for FY2025 ②

■ Implementation of structural reform at consolidated subsidiary

Implementation of structural reforms at our consolidated subsidiary
RISO TECHNOLOGY CHINA CO., LTD.

1. Objective

Consolidation of sales locations for operational efficiency

2. Business outlook

The company plans to record an extraordinary loss of approximately 500 million yen in the third quarter of the fiscal year ending March 2025.

4. Forecast for FY2025 ③

■ Reference: Impact of fluctuation of exchange rate (¥1/term)

	Net sales		Operating income
US\$	121 million yen		32 million yen
Euro	71 million yen		31 million yen

5 Shareholders Return and Share Split

5. Shareholders Return and Share Split -Basic Policy

■ Basic policy for the distribution of earnings

(1) Allocate an appropriate portion of earnings in accordance with our business results while continuing to strengthen our corporate structure

(2) Strive to provide a stable dividend

※Based on the Basic Policies, the Company will distribute annual dividends from surplus once a year at the end of every fiscal year.

■ Purchase and retirement of treasury stock

(1) Consider the repurchasing of shares as a measure for allocating earnings to shareholders, and acquire treasury stock in consideration of market trends

(2) Retire treasury stock, as a general rule

5. Shareholders Return and Share Split

■ Purchase of Treasury Stock (Announced on November 1, 2024)

- Number of shares to be purchased : Up to 230,000 shares
- Total purchase cost : Up to 700 million yen
- Purchase Period : From November 18, 2024
to December 23, 2024

5. Shareholders Return and Share Split

■ Share Split

1. Purpose of share split : To increase the liquidity of the Company's shares.
2. Method of share split : Stock split at a ratio of 2 shares for every 1 share held by shareholders recorded in the register of shareholders on the record date.
3. Number of shares to be:
increased by share split
 - ① Total number of issued shares

Before the share split	36,000,000 shares
After the share split	72,000,000 shares
 - ② Total number of shares authorized to be issued

Before the share split	135,680,000 shares
After the share split	271,360,000 shares
4. Record date : December 31, 2024 (scheduled)
5. Effective date : January 1, 2025 (scheduled)

■ Dividend Forecast for FY2025 : 50 yen per share



5. Shareholders Return and Share Split

■ Period of the 8th Medium-term Management Plan “RISO Vision 25”

In addition to the basic policy, we will aim to achieve a total return ratio of at least 100% in the aggregate during this period in order to improve capital efficiency through the reduction of shareholders' equity.

◆ Total return ratio performance

	RISO Vision 25 (From April 1, 2022 to March 31, 2025)		
	FY2023	FY2024	FY2025
Actual result (%)	104.0	99.0	
	101.4		

(reference data)

(Millions of Yen)

	FY2025 Forecast			FY2024 Actual	
	Amount	Ratio to net sales	Difference (YOY)	Amount	Ratio to net sales
Net sales	80,500	100.0%	7.9%	74,602	100.0%
Printing equipment-related business	78,750	97.8%	8.1%	72,874	97.7%
Japan	36,150	44.9%	4.4%	34,623	46.4%
Overseas	42,600	52.9%	11.4%	38,250	51.3%
Real estate business & others	1,750	2.2%	1.3%	1,727	2.3%
Gross profit	48,100	59.8%	12.0%	42,959	57.6%
Selling, general & administrative expenses	41,600	51.7%	10.3%	37,702	50.5%
Operating Income	6,500	8.1%	23.7%	5,256	7.0%
Ordinary Income	6,600	8.2%	6.4%	6,202	8.3%
Profit attributable to the owner of parent	4,200	5.2%	▲13.1%	4,831	6.5%

