



Briefing on Business Results

- FY2024-

(From April 1, 2023 to March 31, 2024)

RISO KAGAKU CORPORATION

May 16, 2024

Table of Contents

1. Corporate Data	Slide	2
2. FY2024 Consolidated Financial Results	Slide	7
3. FY2024 Activity Overview	Slide	13
4. Forecast for FY2025	Slide	20
5. Shareholders Return	Slide	25

■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 Business Outline and Domains
- 1.3 Change in the Inkjet Business'
Share of Consolidated Net Sales
- 1.4 Market Position of RISO
Products

1.1 Corporate Data (as of March 31, 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	2,802
■ Group Subsidiaries	25 (Domestic: 3 Overseas: 22)

1.2 Business Outline and Domains

Printing equipment business

■ Inkjet Business:

High Speed Inkjet Printer **ORPHIS**

■ Digital Duplicating Business:

High Speed Digital Duplicator **RISOGRAPH**



ORPHIS
GL9730

Real Estate Business

Others

■ Print creating business

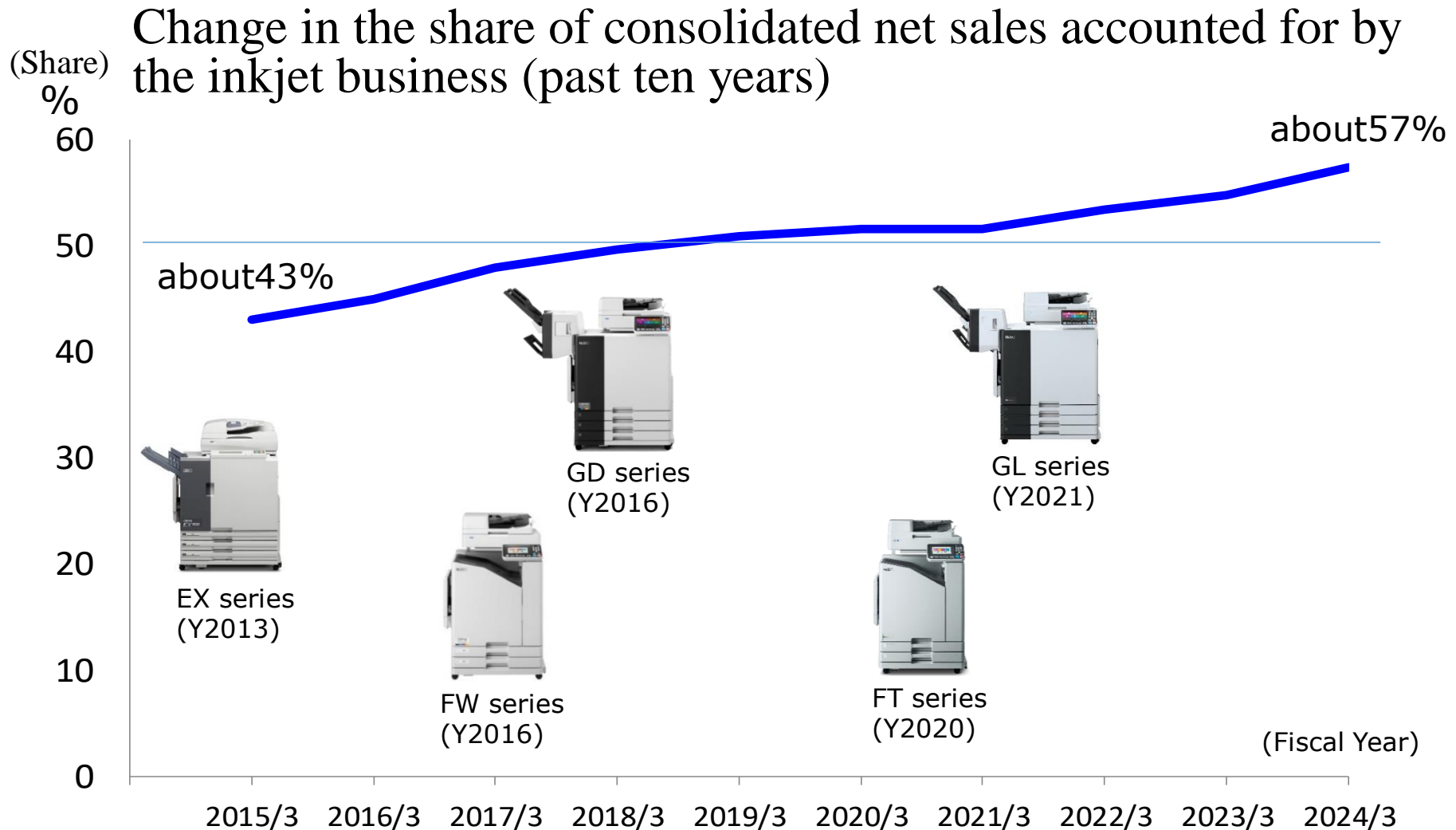
■ Digital communicating business

■ Application software business

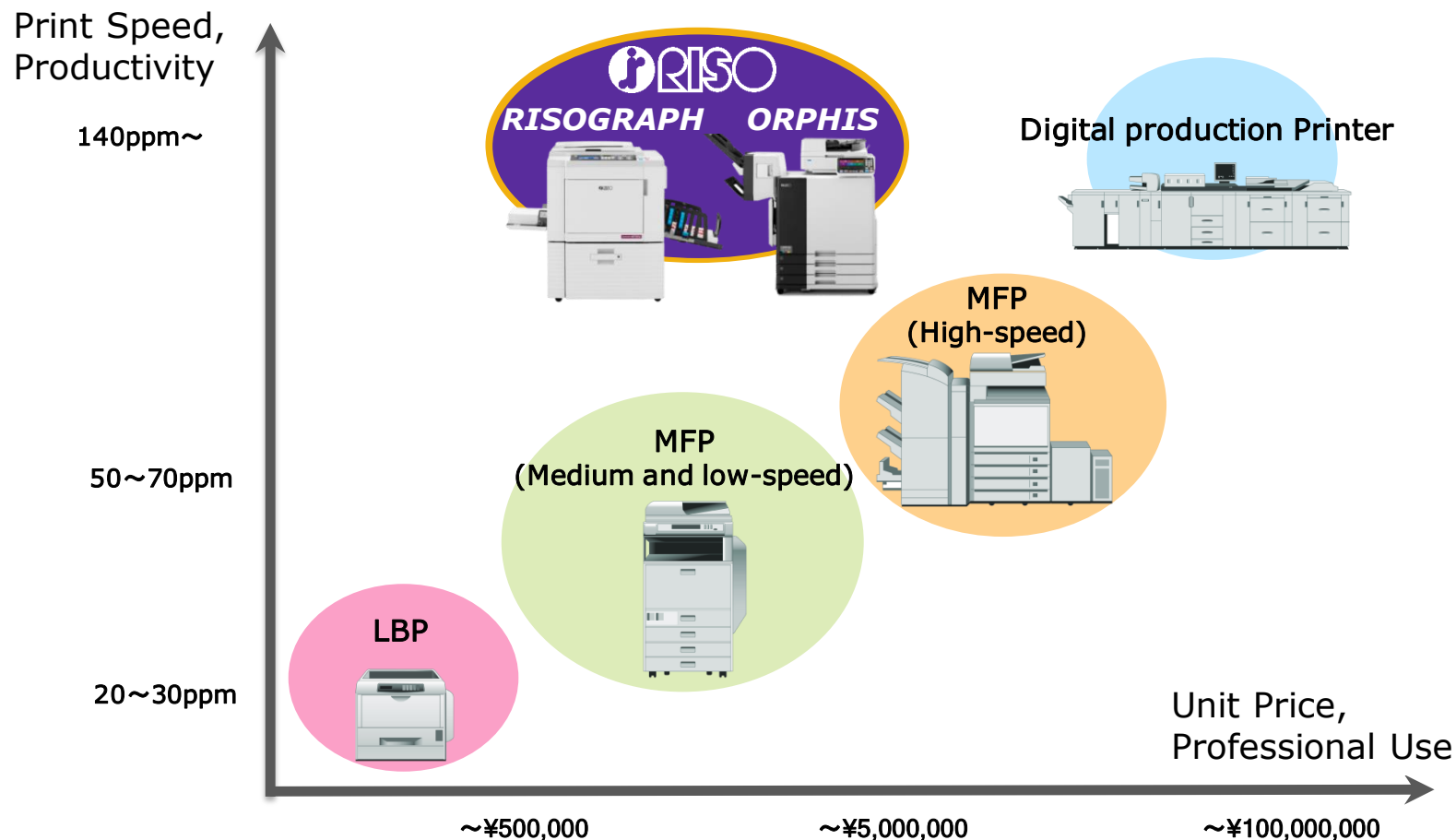


RISOGRAPH
MH935W

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



1.4 Market Position of RISO Products



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

2 FY2024

Consolidated Financial Results

- 2.1 Performance Overview
- 2.2 Results by Segment
- 2.3 Consolidated Balance Sheet

2.1 FY2024 - Performance Overview

Net sales decreased; operating income decreased Profit attributable to owners of parent increased

■ Net sales (Printing equipment business)

Japan : Net sales for the fiscal year under review were 2,335 million yen lower than the previous fiscal year due to front-loaded demand at the end of the previous fiscal year ahead of price revisions in April 2023.

Overseas: Net sales for the fiscal year under review exceeded the previous fiscal year by 2,179 million yen due to overall steady performance, partly driven by the effect of price revisions, as well as the influence of yen depreciation.

■ Operating income

Gross profit : Increased by 893 million yen

Selling, general and administrative expenses : Increased by 1,592 million yen

■ Profit attributable to owners of parent

Non-operating expenses (income) : Profit of 945 million yen (foreign exchange gains, etc.)

Extraordinary loss (income) : Profit of 492 million yen
(recording of a gain on revision of retirement benefit plan, etc.)

2.1 FY2024 - Performance Overview

(Millions of Yen)

	FY2023	FY2024	Difference (year-on-year)		Calculated with exchange rates of the previous year
			Amount	Growth%	Growth%
Net sales	74,655	74,602	▲52	▲0.1%	▲2.8%
Gross profit	42,065	42,959	893	2.1%	▲1.7%
(Gross profit ratio)	(56.3%)	(57.6%)			
Selling, general and administrative expenses	36,110	37,702	1,592	4.4%	2.0%
Operating income	5,955	5,256	▲698	▲11.7%	▲24.0%
(Operating income ratio)	(8.0%)	(7.0%)			
Ordinary income	6,201	6,202	0	0.0%	
Profit attributable to the owner of parent	4,624	4,831	207	4.5%	

Average Exchange rates

1US\$	¥135.47	¥144.62
1Euro	¥140.97	¥156.80



2.2 FY2024 - Results by Segment

Net sales

(Millions of Yen)

	FY2023		FY2024		Difference	
	Amount	Ratio	Amount	Ratio	Amount	Growth
Net sales	74,655	100.0%	74,602	100.0%	▲52	▲0.1%
Printing equipment business	73,030	97.8%	72,874	97.7%	▲155	▲0.2%
Japan	36,958	49.5%	34,623	46.4%	▲2,335	▲6.3%
Americas	5,465	7.3%	5,737	7.7%	272	5.0%
Europe	15,938	21.4%	17,335	23.2%	1,396	8.8%
Asia	14,666	19.6%	15,177	20.3%	510	3.5%
Real estate business	1,095	1.5%	1,094	1.5%	▲1	▲0.1%
Others	528	0.7%	633	0.8%	104	19.8%

Japan : Net sales for the fiscal year under review were lower than the previous fiscal year due to front-loaded demand at the end of the previous fiscal year ahead of price revisions in April 2023.

2.2 FY2024 - Results by Segment

Operating income

(Millions of Yen)

	FY2023	FY2024	Difference	
			Amount	Growth
Operating income	5,955	5,256	▲698	▲11.7%
Printing equipment business	5,323	4,646	▲677	▲12.7%
Real estate business	796	761	▲34	▲4.4%
Others	▲165	▲152	13	—

2.3 FY2024- Consolidated Balance Sheet

(millions of Yen)

Items	FY2023	FY2024	Items	FY2023	FY2024
Current assets	47,632	49,283	Current liabilities	18,979	19,966
Cash and deposits	19,551	20,812	Notes and accounts payable-trade	9,189	9,254
Notes and accounts receivable-trade	13,544	13,999	Income taxes payable	1,330	834
Short-term investment securities	1,110	676	Other	8,459	9,877
Merchandise and finished goods	8,763	7,848	Noncurrent liabilities	1,497	1,769
Work in process	713	828	Net defined benefit liability	717	729
Raw materials and supplies	2,398	2,485	Other	779	1,039
Other	1,551	2,631	Total liabilities	20,477	21,735
Noncurrent assets	37,141	39,345	Shareholders' equity	61,165	60,489
Total property, plant and equipment	28,399	28,000	Capital stock	14,114	14,114
Intangible assets	1,079	1,232	Capital surplus	14,779	14,779
Investments and other assets	7,662	10,112	Retained earnings	43,231	37,410
			Treasury shares	△ 10,960	△ 5,815
			Accumulated other comprehensive assets	3,131	6,403
			Total net assets	64,296	66,893
Total assets	84,773	88,628	Total liabilities and net assets	84,773	88,628

* Equity Ratio FY2023:75.8% FY2024:75.5%



3 FY2024 Activity Overview

- 3.1 The 8th Medium-term Management Plan
“RISO Vision 25”
- 3.2 Management Policies for FY2024
- 3.3 FY2024
- Activity Overview

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 FY2024

Expand IJ business while accomplishing business plans to create new added values.

3.3 FY2024 - Activity Overview ①

■ Application software business

October 2023: Launched “Yomiyasu”

- A cloud-based service that verifies the visibility and readability of documents
- Jointly developed by combining the Company’s image processing technology cultivated through printer development with the document evaluation expertise of the Universal Communication Design Association (UCDA)

3.3 FY2024 - Activity Overview ②

■ Acquisition of the inkjet head business

Agreed to acquire the inkjet head business from Toshiba Tec Corporation and its subsidiary

<Overview of business acquisition >

- Business to be acquired: Development, manufacture, and sale of inkjet heads and related products
- Subsidiary to acquire the business: Established on April 1, 2024
Business to commence on July 1, 2024
- Business acquisition amount: 6,436 million yen
- Goodwill amount: Approximately 4,061 million yen
(amortization period: 5 years)

3.3 FY2024 - Activity Overview ③

■ Retirement of Treasury Stock

- Number of shares to be retired : 4,000,000 shares
(10.0% of total shares issued before retirement)
- Total number of issued shares after retirement (including treasury stock)
: 36,000,000 shares
- Scheduled date of retirement : May 19, 2023

3.3 FY2024 - Activity Overview ④

■ Purchase of Treasury Stock

- Total Number of shares purchased during FY2024 : 552,000 shares
(About 1.53% of total shares issued)
- Total purchase cost during FY2024 : 1,499 million yen

Number of shares as of March 31, 2024

- | | |
|--|---------------------|
| ▪ Total number of issued shares | : 36,000,000 shares |
| ▪ Number of treasury stock | : 3,150,398 shares |
| ▪ Total number of issued shares excluding treasury stock | : 32,849,602 shares |

4 Forecast for FY2025

- 4.1 Management Policies for FY2025
- 4.2 Forecast for FY2025

4.1 Management Policies for FY2025

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

4.2 Forecast for FY2025 ①

(Millions of Yen)

	FY2024 Actual	FY2025 Forecast	Difference	
			Amount	Growth
Net sales	74,602	78,300	3,697	5.0%
Operating income	5,256	4,900	▲356	▲6.8%
Ordinary income	6,202	5,100	▲1,102	▲17.8%
Profit attributable to the owner of parent	4,831	3,700	▲1,131	▲23.4%
Operating income margin	7.0%	6.3%		

Average exchange rates

1US\$	¥144.62	¥145.00
1EURO	¥156.80	¥155.00

4.2 Forecast for FY2025 ①

(Millions of Yen)

	FY2024 Actual	FY2025 Forecast	Difference	
			Amount	Growth
Net sales	74,602	78,300	3,697	5.0%
Operating income	5,256	4,900	▲356	▲6.8%

Fiscal year ending March 2025: Consolidated business results are forecast to show increased sales and decreased profits

■ Net sales

- Sales in the printing equipment business will increase overseas
- Sales from inkjet head sales will be recorded from the second quarter

■ Operating income

- The effect of business acquisition on profits will take until the end of the fiscal year to become apparent
- Selling, general and administrative expenses, including amortization of goodwill, will increase from the second quarter due to the acquisition of the inkjet head business
- Selling expenses and development costs in the printing equipment business will increase

4.2 Forecast for FY2025 ②

■ 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



5. Shareholders Return - 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 - Period of the 8th Mid-Term Management Plan

■ 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.

5. Shareholders Return

■ Dividend Forecast for FY2024 : 100 yen per share

Total return ratio performance

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

5. Shareholders Return

■ Dividend Forecast for FY2025 : 100 yen per share

■ Purchase of Treasury Stock (Announced on May 9, 2024)

- Number of shares to be purchased : Up to 200,000 shares
- Total purchase cost : Up to 500 million yen
- Purchase Period : From May 24,2024 to June 21,2024

5. Shareholders Return

(Millions of Yen)

	FY2021	FY2022	FY2023	FY2024
Profit attributable to the owner of parent	1,651	3,578	4,624	4,831
<i>Cash dividends per share (Yen)</i>	40	100	120	100
Cash dividends paid(A)	1,388	3,373	4,008	3,284
Repurchase of treasury stock (B)	—	1,999	799	1,499
Total return (A)+(B)	1,388	5,373	4,808	4,784

Payout ratio	84.0%	95.1%	87.1%	68.7%
Total return ratio	84.0%	150.2%	104.0%	99.0%

(reference data)

	FY2025 2 nd half Forecast			(Millions of Yen) FY2024 2 nd half Actual	
	Amount	Ratio to net sales	Difference (YOY)	Amount	Ratio to net sales
Net sales	36,500	100.0%	4.8%	34,837	100.0%
Printing equipment business	35,100	96.2%	3.3%	33,970	97.5%
Japan	16,300	44.7%	1.3%	16,090	46.2%
Americas	2,900	8.0%	5.7%	2,745	7.9%
Europe	8,400	23.0%	2.7%	8,176	23.5%
Asia	7,500	20.5%	7.8%	6,958	20.0%
Real estate business & others	1,400	3.8%	61.5%	866	2.5%
Gross profit	21,400	58.6%	8.2%	19,774	56.8%
Selling, general & administrative expenses	19,500	53.4%	8.7%	17,933	51.5%
Operating Income	1,900	5.2%	3.2%	1,841	5.3%
Ordinary Income	1,900	5.2%	▲18.9%	2,343	6.7%
Profit attributable to the owner of parent	1,600	4.4%	▲14.5%	1,870	5.4%



(reference data)

(Millions of Yen)

	FY2025 Forecast			FY2024 Actual	
	Amount	Ratio to net sales	Difference (YOY)	Amount	Ratio to net sales
Net sales	78,300	100.0%	5.0%	74,602	100.0%
Printing equipment business	74,700	95.4%	2.5%	72,874	97.7%
Japan	34,700	44.3%	0.2%	34,623	46.4%
Americas	6,000	7.7%	4.6%	5,737	7.7%
Europe	17,900	22.9%	3.3%	17,335	23.2%
Asia	16,100	20.6%	6.1%	15,177	20.3%
Real estate business & others	3,600	4.6%	108.4%	1,727	2.3%
Gross profit	45,800	58.5%	6.6%	42,959	57.6%
Selling, general & administrative expenses	40,900	52.2%	8.5%	37,702	50.5%
Operating Income	4,900	6.3%	▲6.8%	5,256	7.0%
Ordinary Income	5,100	6.5%	▲17.8%	6,202	8.3%
Profit attributable to the owner of parent	3,700	4.7%	▲23.4%	4,831	6.5%

