

A decorative background consisting of numerous overlapping circles of various sizes and colors, including yellow, orange, teal, light blue, and purple, scattered across the page.

Annual Review 2 0 1 6



Fiscal 2016 Comes to a Close

President Akira Hayama provides an overview of fiscal 2016.



Akira Hayama, President & CEO

Sales of Consumables Increase Steadily in the Inkjet Business

During fiscal 2016, the final fiscal year of the Fifth Medium-term Management Plan "RISO Vision 16," in the inkjet business, sales of consumables increased steadily in Japan and overseas, but sales of hardware remained at the previous year's level.

In the digital duplicating business, sales remained on a downward trend. As a result, net sales amounted to ¥85,454 million (down 0.3% year on year), operating income was ¥6,551 million (down 4.2% year on year) and profit attributable to owners of parent was ¥5,267 million (down 6.3% year on year).

Selling, general and administrative (SG&A) expenses were nearly level with the previous fiscal year. Although the amortization of goodwill that arose as a result of the transfer of the inkjet business to the Company came to an end in the previous fiscal year, selling expenses in Asia and research and development expenditure both increased.

During the fiscal year, the overseas sales ratio rose 0.6 percentage point from the previous fiscal year to 43.2%. The inkjet business accounted for 45% of net sales, an increase of 2.0 percentage points from the previous fiscal year.

Achieving Double-digit Growth in Asia

During fiscal 2016, RISO implemented five Management Policies aimed at acquiring new customers and expanding overseas business. Regarding the policy "Expand new sales channels and acquire new accounts worldwide," RISO expanded sales



To Our Shareholders

channels and cultivated new markets for ORPHIS high-speed color printers in Japan and overseas.

For the policy “Accelerate RISO overseas business by focusing on potential regions,” we worked to expand our inkjet business in all regions by continuing to enhance our sales channels and strengthen solutions sales, which included establishing a sales subsidiary in Singapore in April 2015 and in Turkey in September 2015.

As a result, net sales in the printing equipment business declined 0.2% year on year. In Europe, sales decreased due to a decline in sales of inkjet hardware and the impact of the strong yen. However, RISO recorded double-digit growth in Asia. Operating income in the printing equipment business declined 2.2% year on year due to the effects of exchange rates. Although operating income in Europe decreased, operating income increased when excluding the effects of the strong yen. Operating income in Asia expanded sharply thanks to favorable results in the inkjet business and the effects of the weak yen.

Sales of the ORPHIS FW Series and the RISO CV3230

In the inkjet business, in March 2016 RISO launched sales of the ORPHIS FW series as a new lineup in addition to its current ORPHIS EX series of high-speed color printers. ORPHIS FW series models

maintain the ORPHIS features of high productivity and economic performance, yet are compact in size (just two-thirds the width of the earlier models), making these ideal for office use. By introducing this lineup, RISO aims to further permeate the market for high-volume printing in offices.

In the digital duplicating business, in June 2015 RISO launched the new model digital duplicator CV3230 for emerging markets. The RISO CV3230 features enhanced operability and basic performance, which includes the first LCD incorporated into a model for emerging markets. By launching this new model, RISO aims to further expand the number of users of its digital duplicators in emerging markets.



[RISO CV3230]



[ORPHIS FW5230]



Summary of RISO Vision 16 and Shareholder Return in Fiscal 2016

Here we review the Fifth Medium-term Management Plan “RISO Vision 16” that was completed in fiscal 2016 and also explain returns to shareholders during the fiscal year.

Net Sales and Operating Income Fall Short of Initial Plan but ROE Exceeds Target

Under the Fifth Medium-term Management Plan “RISO Vision 16,” RISO implemented the Management Policy of “Energize corporate activities through individual ideas and action to expand sales channels and gain new customers worldwide” and set the numerical targets of consolidated net sales of ¥86 billion, consolidated operating income of ¥7 billion and ROE of 7%.

Despite growth in sales in the inkjet business, sales in the digital duplicating business continued to trend downward and fell short of our initial plan. ROE exceeded the target of 7%, but consolidated net sales and consolidated operating income were unable to reach the respective targets.

By geographic region, sales in Japan increased during the first fiscal year but then declined for two consecutive fiscal years. In the Americas, although sales trended downward, we recorded increased sales on a yen basis due to the impact of exchange rates. Sales in Europe increased during the first two years and then declined in the third year. In Asia, sales increased during all three years.

Year-End Dividends Per Share Increased ¥15.00 to ¥60.00

RISO’s basic policy for the distribution of earnings to shareholders consists of two policies, namely, allocate an appropriate portion of earnings as a dividend in accordance with business results while retaining the means to strengthen the corporate structure and strive to make continued, stable dividend payments.

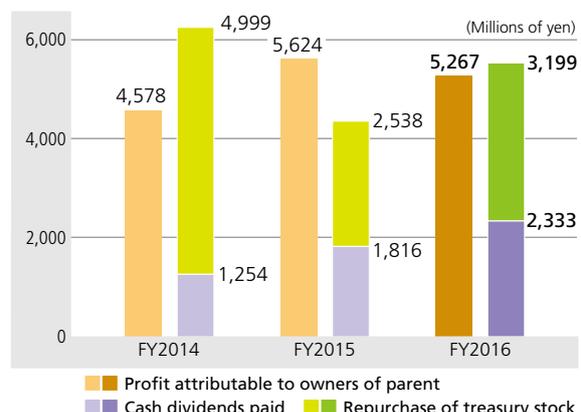
RISO also considers the repurchasing of shares as a measure for allocating earnings to shareholders and acquires treasury stock in consideration of stock price levels and market trends.

Specifically, our basic approach is to distribute annual dividends from surplus once a year at the end of the fiscal year and to appropriately acquire treasury stock while considering stock price levels and market trends. The Company retires treasury stock, in principle.

During “RISO Vision 16,” in accordance with the basic policy, the Company adhered to its principle of paying dividends reflecting operating results. During the period of the plan, the total return ratio was 104.3%.

In fiscal 2016, year-end cash dividends per share were raised ¥15.00 from the previous fiscal year to ¥60.00. The payout ratio was 45.2% and the total return ratio was 105.0%. During the fiscal year, RISO acquired a total of 1,487,800 shares of treasury stock at a cost of ¥3,199 million.

Shareholder return





To Our Shareholders

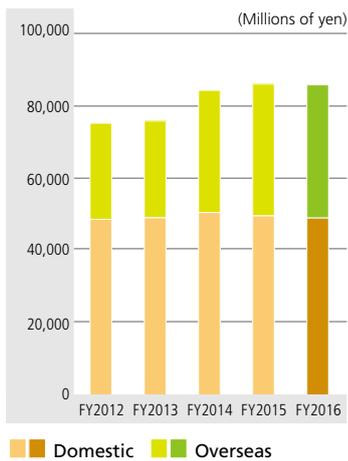
Financial Highlights (Consolidated basis)

Note: Amounts less than the unit expressed are omitted.

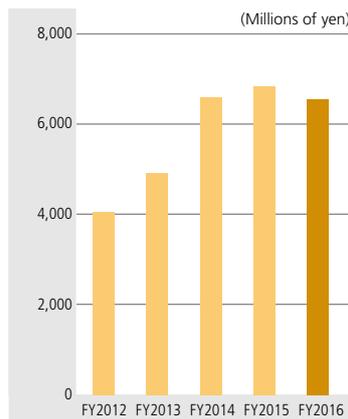
(Millions of yen)

	FY2012	FY2013	FY2014	FY2015	FY2016
Net sales	74,847	75,455	83,938	85,674	85,454
Domestic	48,196	48,637	50,077	49,158	48,561
Overseas	26,651	26,817	33,861	36,516	36,893
Operating income	4,050	4,910	6,588	6,839	6,551
Ordinary income	4,309	5,512	7,192	6,999	6,476
Profit attributable to owners of parent	2,886	4,827	4,578	5,624	5,267
Operating income margin (%)	5.4	6.5	7.8	8.0	7.7
Net assets	61,825	66,033	64,804	68,946	65,879

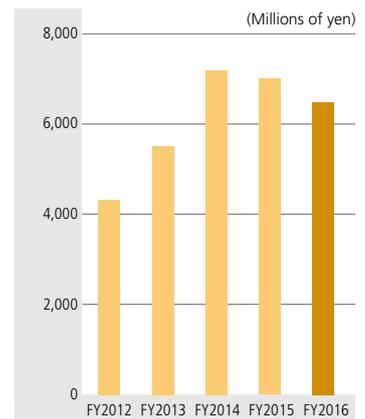
Net sales



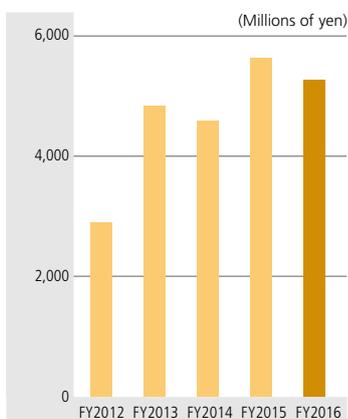
Operating income



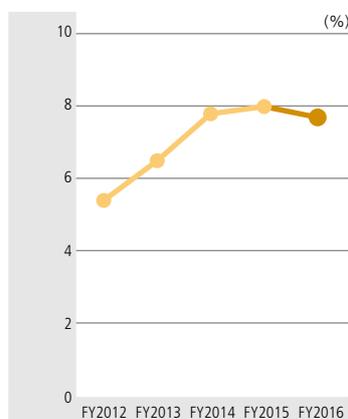
Ordinary income



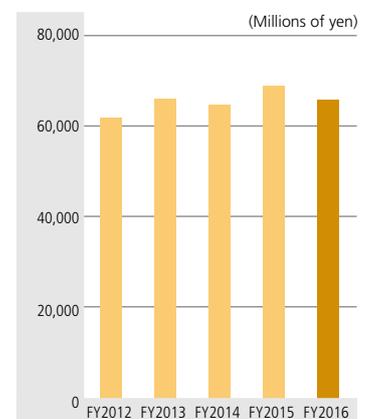
Profit attributable to owners of parent



Operating income margin



Net assets





New Medium-term Management Plan and Policies and Earnings Forecast for Fiscal 2017

In April 2016, RISO started The Sixth Medium-term Management Plan “RISO Vision 19.” President Akira Hayama provides an overview of this three-year plan and explains RISO's management policies, business development and earnings forecast for fiscal 2017.



Akira Hayama, President & CEO

Aim to Gain New Customers through Unique New Products

The Sixth Medium-term Management Plan “RISO Vision 19” sets the management objective of “Accomplish the growth of the number of machine installations by taking full advantage of RISO's utmost unique products to ensure a stable revenue & profit growth.” The management plan also establishes the numerical targets of consolidated net sales of ¥85 billion, consolidated operating income of ¥7 billion and ROE of 7% during the final year of the plan.

RISO recognizes that earnings from supplies (consumables) serve as its lifeline. To ensure that the Sales Division can increase these sales, RISO will implement the policy of “Gain new customers and increase the consumable profit which is the lifeline to pursue RISO's future business.”

RISO will also execute its development policy of “creating fundamentally unique products” and undertake unique product development and strive to increase the number of machine installations in the market by gaining new customers.

Focus on Sales Activities Taking Full Advantage of the Introduction of New Products

In fiscal 2017, RISO will focus on sales activities to expand machine installations worldwide in keeping with the management policies of “Ensure successful launching and sales expansion of the new products by R&D, Production and Sales Divisions” and “Accomplish the growth of the number of machine installation by taking full advantage of new products.”



To Our Shareholders

In the inkjet business, from September 2016 RISO will launch the ORPHIS GD series that pursues high productivity. In introducing this series, RISO is setting its sights on the light production market in addition to the market for large-volume printing in offices. In the digital duplicating business, RISO will launch four models of the RISOGRAPH SF series duplicators that are for the mass market and significantly enhance productivity, image features and operability basic performance. These models will be launched in Japan from August 2016 and then successively introduced in overseas markets as well.

RISO displayed two inkjet printer models as reference exhibits at drupa 2016, the largest printing equipment exhibition in the world, held in Germany from May 31, 2016. These models consisted of the RISO T1 full-color inkjet printer for transactional printing that use roll-paper and the RISO T2 high-speed full-color cut-sheet inkjet printer. In exhibiting these printers, RISO has explored unique possibilities in new businesses.

Planning to Maintain Year-end Dividends for Fiscal 2017 at the Previous Fiscal Year's ¥60.00

By implementing these measures, for fiscal 2017 RISO forecasts net sales of ¥82,000 million, operating income of ¥4,000 million, ordinary income of ¥4,000 million and profit attributable to owners of parent of ¥2,800 million. Although RISO plans to expand sales throughout the world by introducing new products, net sales are forecast to decline 4.0% due to the effects of exchange rates. Operating income is expected to decrease 38.9% due to an increase in depreciation and amortization on capital investment associated with the introduction of new products as well as an increase in selling expenses and the effects of exchange rates. The operating income margin is forecast to be 4.9%.

Regarding the forecast for year-end dividends in fiscal 2017, in view of these business results and our financial condition, RISO plans to maintain cash dividends per share at ¥60.00. Additionally, on May 9,

2016, RISO announced a repurchase of treasury stock and from May 18 through June 17, 2016 RISO purchased 340,000 shares of treasury stock at a cost of ¥500 million.

Established in 1946, RISO marked our 70th anniversary in 2016. We were able to celebrate this milestone thanks to your loyal support. I would like to express my deep appreciation and ask our shareholders for their continued support.

The Sixth Medium-term Management Plan "RISO Vision 19"

(April 1, 2016 - March 31, 2019)

Management Objectives

Accomplish the growth of the number of machine installation by taking full advantage of RISO's utmost unique products to ensure a stable revenue & profit growth

Priority Actions

1. Gain new customers and increase the consumable profit which is the lifeline to pursue RISO's future business
2. Take on the challenge to create new business and pursue every technological possibility by the R&D Division
3. Provide opportunities for long-term human resource developments for younger-generations and improve organization structures within the Production Division
4. Develop human resources to enhance the managerial and leadership performance by enriching RISO corporate culture which will enable RISO employees to bring out their ability at full potential

Financial Targets

Consolidated net sales:	¥85 billion	* Exchange rates: 1 U.S. dollar: ¥108.00 1 euro: ¥122.00
Consolidated operating income:	¥7 billion	
ROE:	7%	

Management Policies for the Fiscal Year Ending March, 2017

(April 1, 2016 - March 31, 2017)

- 1) Ensure successful launching and sales expansion of the new products by R&D, Production and Sales Divisions
- 2) Accomplish the growth of the number of machine installation by taking full advantage of new products



Consolidated Financial Statements

Notes: Amounts less than the unit expressed are omitted. These financial statements show major items only.

Balance Sheets

ASSETS			(Millions of yen)
Item	FY2015 (As of Mar. 31, 2015)	FY2016 (As of Mar. 31, 2016)	
Current assets	¥51,988	¥50,938	
Cash and deposits	14,074	16,943	
Notes and accounts receivable—trade	15,877	15,257	
Short-term investment securities	5,120	3,430	
Inventories	12,763	11,199	
Other	4,488	4,407	
Allowance for doubtful accounts	(335)	(300)	
Noncurrent assets	42,350	40,730	
Total property, plant and equipment	32,790	32,343	
Buildings and structures, net	9,967	8,701	
Machinery, equipment and vehicles, net	980	1,444	
Land	17,031	15,921	
Other	4,810	6,276	
Intangible assets	3,299	2,671	
Goodwill	9	83	
Software	1,965	1,582	
Other	1,324	1,006	
Investments and other assets	6,260	5,715	
Investment securities	2,260	1,604	
Other	4,050	4,162	
Allowance for doubtful accounts	(51)	(51)	
Total assets	¥94,338	¥91,669	

Note: Total amount of depreciation of tangible fixed assets for fiscal 2016 was ¥38,545 million.

LIABILITIES

(Millions of yen)

Item	FY2015 (As of Mar. 31, 2015)	FY2016 (As of Mar. 31, 2016)
Current liabilities	¥22,682	¥22,198
Notes and accounts payable—trade	10,323	10,538
Short-term loans payable	2,586	1,620
Current portion of long-term loans payable	2	1
Other	9,770	10,037
Noncurrent liabilities	2,709	3,591
Long-term loans payable	27	18
Net defined benefit liability	2,277	3,130
Other	404	442
Total liabilities	¥25,392	¥25,789

NET ASSETS

(Millions of yen)

Item	FY2015 (As of Mar. 31, 2015)	FY2016 (As of Mar. 31, 2016)
Shareholders' equity	¥67,255	¥67,506
Capital stock	14,114	14,114
Capital surplus	14,779	14,779
Retained earnings	46,837	50,287
Treasury stock	(8,475)	(11,675)
Total accumulated other comprehensive income	1,690	(1,627)
Valuation difference on available-for-sale securities	629	137
Foreign currency translation adjustment	1,114	(246)
Remeasurements of defined benefit plans	(53)	(1,518)
Total net assets	¥68,946	¥65,879
Total liabilities and net assets	¥94,338	¥91,669

POINT ①
Treasury stock

A total of 1,487,800 shares of treasury stock amounting to ¥3,199 million were acquired during fiscal 2016.



Consolidated Financial Statements

Statements of Income

(Millions of yen)

Item	FY2015 (Year ended Mar. 31, 2015)	FY2016 (Year ended Mar. 31, 2016)
Net sales	¥85,674	¥85,454
Printing equipment business	84,195	84,063
Japan	47,778	47,276
Americas	5,797	6,195
Europe	17,547	15,555
Asia	13,072	15,035
Real estate business and others	1,478	1,391
Cost of sales	35,734	35,640
Gross profit	49,939	49,814
Selling, general and administrative expenses	43,100	43,262
Operating income	6,839	6,551
Non-operating income	350	373
Non-operating expenses	189	449
Ordinary income	6,999	6,476
Extraordinary income	81	1,645
Extraordinary loss	59	465
Income before income taxes and minority interests	7,021	7,655
Income taxes	1,397	2,388
Profit attributable to owners of parent	¥ 5,624	¥ 5,267

Point ② Net sales

Net sales decreased ¥219 million versus the previous fiscal year. Of this amount, the effect of foreign exchange rates amounted to ¥321 million.

Point ③ Selling, general and administrative expenses

Although the amortization of goodwill that arose as a result of the transfer of the inkjet business to the Company came to an end in the previous fiscal year, selling expenses in Asia and research and development expenditure increased.

Statements of Cash Flows

(Millions of yen)

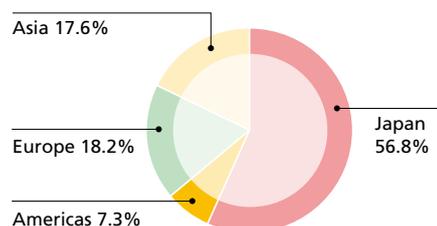
Item	FY2015 (Year ended Mar. 31, 2015)	FY2016 (Year ended Mar. 31, 2016)
Net cash provided by (used in) operating activities	¥ 8,650	¥ 8,681
Net cash provided by (used in) investment activities	(1,403)	(952)
Net cash provided by (used in) financing activities	(4,261)	(5,902)
Effect of exchange rate change on cash and cash equivalents	560	(565)
Net increase (decrease) in cash and cash equivalents	3,546	1,260
Cash and cash equivalents at beginning of period	14,580	18,127
Cash and cash equivalents at end of period	¥18,127	¥19,388

Point ④ Extraordinary income

Extraordinary income was recorded due to such factors as the sale of the Shin-Osaka Building.

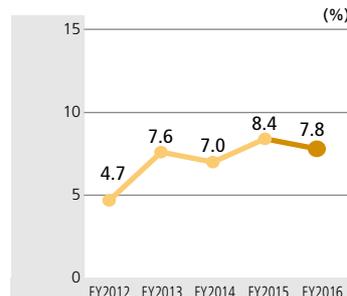
Sales by region

(Fiscal year ended March 31, 2016)



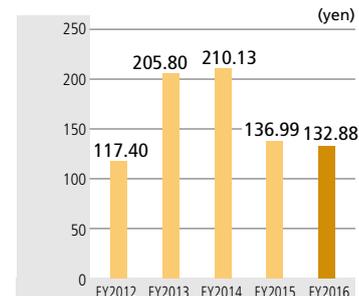
Return on equity

(%)



Net income per share

(yen)



Note: Effective January 1, 2015, each share of common stock was split into two shares.



ORPHIS FW Series Launched

In March 2016, RISO launched the ORPHIS FW series as a new line of ORPHIS high-speed color printers. The ORPHIS FW series is an addition to the current EX series. ORPHIS FW models are compact in size, making these ideal for office use, and can perform high-speed print work. While maintaining the ORPHIS features of high productivity and economic performance, the ORPHIS FW series printer hardware has been reduced in size to a width that is just two-thirds that of earlier models.

The ORPHIS FW series offers enhanced easy-to-use functions specifically for office use that include a design for quiet operation and a new LCD operating panel.



ORPHIS FW5230

Supporting 3 Million Pages of Printing as an Official Partner of COP21

RISO FRANCE S.A., a RISO subsidiary, was selected as one official cooperating company for The 21st Session of the Conference of the Parties to the United Nations (UN) Framework Convention on Climate Change (COP21) held in Paris in 2015. At COP21, printing operations for approximately 3 million pages of multi-lingual documents used at the conference were supported by ORPHIS (overseas brand name: ComColor) high-speed color printers.



Voice

I take immense pride in being selected as a partner company for such a large international conference. For our customers as well, I believe this demonstrates that the printers they use regularly are worthy of such trust and this will give them great satisfaction.



Fabrice Sposito
President of
RISO FRANCE S.A.

COP21 printing room and official partner logo
A total of eight ORPHIS printers performed printing of 3 million pages of multi-lingual documents during the two weeks of the conference.



ORPHIS Plays Active Role in Printing of Extra-edition News Bulletin for Hakone Ekiden

ORPHIS high-speed color printers played an active role in printing an extra-edition news bulletin for the 92nd Tokyo-Hakone Collegiate Road Relay (Hakone Ekiden) held on January 2-3, 2016. RISO cooperated with *Yomiuri Shimbun*, a co-sponsor of the race, while performing on-location editing of various articles. Large-volume printing of race results was carried out quickly using ORPHIS printers installed in vehicles, and these results were distributed as extra-edition news bulletins to the numerous persons gathered near the outward and return course finish lines.



Extra-edition news bulletins being distributed to people near the outward course finish line

Support as an Official Sponsor of the Kashima Antlers

RISO is supporting the Kashima Antlers, a professional soccer club based in Kashima City, Ibaraki Prefecture, as a club official sponsor of the J-League 2016 season.

Reflecting our role as a sponsor, the RISO logo mark is emblazoned on the lower edge of the players' uniforms. Through its support of the team, RISO is striving to raise its brand value while contributing to the promotion and invigoration of sports in Ibaraki Prefecture where RISO has a development and manufacturing base.



RISO logo mark on the lower edge of the backside of players' uniforms

Kashima Antlers

Based in Japan's Kashima City (approximately 80km north-east of Tokyo) in Ibaraki Prefecture, the Kashima Antlers are a club team and member of the JAPAN PROFESSIONAL FOOTBALL LEAGUE (J-League). The team has been a J-League member since the establishment of the league in 1992. The Antlers have won the most titles (17 times) in Japan and many of its athletes have played for Japan's national teams. Former Brazil representative Zico has also been a member of the Antlers, both as a player and a coach.

Marking the 70th Anniversary of Our Establishment

RISO marked the 70th anniversary of our establishment thanks to the support of everyone. RISO has added a 70th anniversary commemorative site on our home page.



70th anniversary commemorative site (Japanese only)
<http://www.riso.co.jp/70th/>



70th Anniversary logo mark

Relief Donations for Kumamoto Earthquake Disaster

Through The Japanese Red Cross Society, RISO has provided ¥1 million in relief donations to support victims of the 2016 Kumamoto Earthquake Disaster that occurred in April and for the rebuilding of the region devastated by the earthquake.

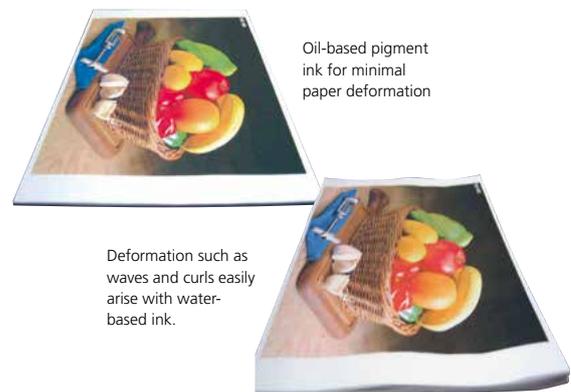
ORPHIS Ink Supports the World's Highest-speed Color Printing



RISO's independently developed ink oil-based pigment ink is used by ORPHIS high-speed color printers. This ink maintains stable quality, has outstanding water resistance and is suitable for high-speed printing. Here we introduce ORPHIS ink.

Oil-based Pigment Ink Is Suited to High-speed Printing

Most office inkjet printers use water-based inks, but ORPHIS uses an original oil-based ink. With water-based inks, immediately after printing the paper absorbs water, the fibers in the paper expand and deformations such as waves and curls easily arise. Oil-based inks dry quickly and since no deformities occur with oil-based inks, the paper feeding process is smooth, which makes such inks suitable for high-speed printing. This results in increased reliability in post-processing printing tasks such as sorting, collating and binding.



Earth-friendly Inks Adhere to Various Types of Environmental Labeling and Regulations

In the same manner as with hardware and optional equipment, ORPHIS ink complies with the Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other, Eco Mark certified product requirements and the European RoHS DIRECTIVE environmental labelling and regulations. Additionally, we promote the collection and recycling of used ink cartridges.

ORPHIS Ink Recycling Flow



"RISO FW Ink F" and "RISO FW Ink H"
Eco-mark certified product number 15142010
"RISO FW Ink A" Eco Mark certified product number 15142009



RISO Customers

This section introduces ORPHIS and RISOGRAPH users. Here we introduce Hokkaido Television Broadcasting Co., Ltd. and Seiko Ltd.

ORPHIS

Color Printing That Was So Expensive in the Past Can Now Be Easily Used



Hokkaido Television Broadcasting Co., Ltd.

Hokkaido Television Broadcasting Co., Ltd. is a TV broadcaster that not only disseminates life-related information to residents of Hokkaido but also proactively undertakes business activities that convey the appeal of Hokkaido to people in Japan and overseas. To improve its printing costs, Hokkaido Television Broadcasting simultaneously introduced four ORPHIS printers in departments that handle editing and events.

Broadcasters generate large volumes of printed matter such as program proposals and manuscripts every day without pause. For hit TV programs, the company generates a huge volume of printed matter that exceeds 100,000 pages over a one-month period. Prior to introducing ORPHIS printers, the broadcaster curbed its use of color printing because of costs.

“Using color printing that we previously avoided has now become so natural,” the person in charge explains with a smile. With a sense of satisfaction about the printing speed of ORPHIS, she adds: “At any rate, ORPHIS is really fast when printing booklets with a large number of pages. ORPHIS is also extremely useful when having to make urgent responses such as for rush jobs for printing additional booklets.”

RISOGRAPH

Satisfied with Inks Rich in Variety and Printing Speed



Seiko Ltd.

Seiko Ltd. is a printing company that operates a unique shop that is relied upon by customers in accordance with its basic policy of “never refuse.” Seiko introduced the RISOGRAPH to raise product quality and operational efficiency. The company provides a variety of printed matter that includes store menus, envelopes, payment slips, leaflets and pamphlets.

Seiko introduced the RISOGRAPH because of the wide range of ink color variations. “The printers we used up to now were unable to produce such special colors as white,” a company representative explains. Only the RISOGRAPH is able to produce our desired colors.” This person also expresses her satisfaction regarding The RISOGRAPH’s printing speed of 185* pages per minute, the industry’s highest printing speed, also noting: “Operating efficiency jumped sharply following introduction. Large-volume printing of folded-insert leaflets that previously took three days now takes just a half day. In addition, there are almost no printing errors.”

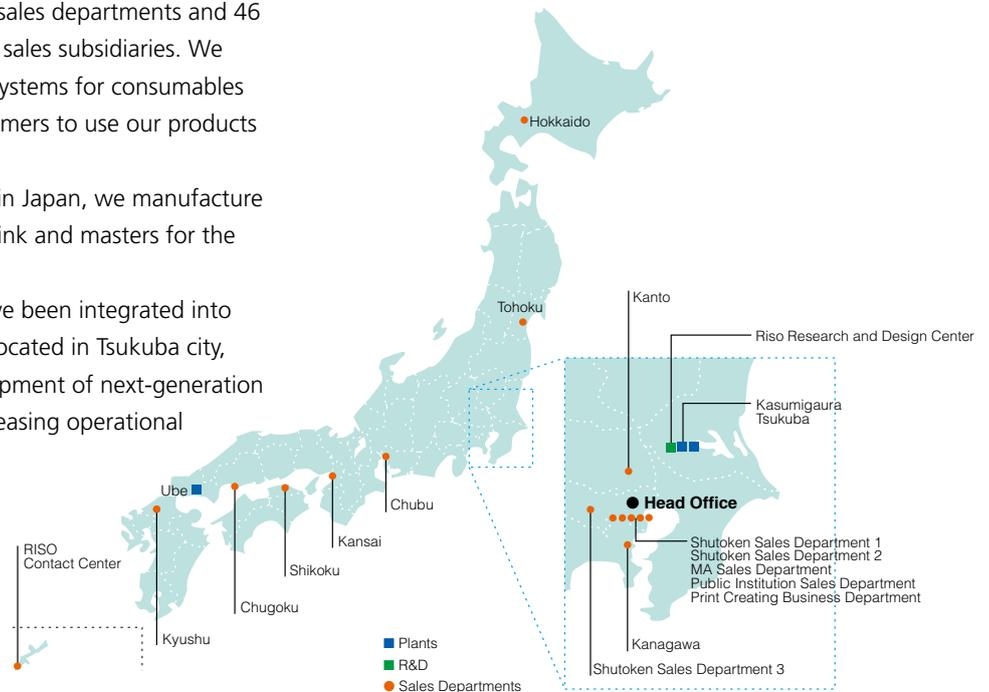
* In the case of RISOGRAPH SE. When using high-speed mode, with internal temperature of 20°C or higher, regular-form A4 or below sized, straight-supplied paper. The industry’s fastest office-use digital duplicator sold as of May 2015. (RISO survey)

Facilities in Japan

RISO's sales network encompasses 14 sales departments and 46 sales branches and 2 offices as well as sales subsidiaries. We provide technical support and supply systems for consumables throughout the nation to enable customers to use our products with assurance.

At our three manufacturing bases in Japan, we manufacture hardware and ink for the ORPHIS and ink and masters for the RISOGRAPH.

Our development departments have been integrated into the Riso Research and Design Center located in Tsukuba city, Ibaraki Prefecture, in which the development of next-generation RISO products is carried out while increasing operational efficiency.



Global Network

Our wide-spanning network, centering on 25 overseas subsidiaries, engages in sales of ORPHIS and RISOGRAPH hardware, provides technical support and also supplies consumables. RISOGRAPH hardware is produced at the manufacturing plants of RISO INDUSTRIES (SHENZHEN) LTD. and RISO TECHNOLOGY CHINA CO., LTD. in China and RISO INDUSTRY (THAILAND) CO., LTD. in Thailand.

Over 3,500 RISO Group employees value communication with customers and provide customer support in the respective countries where we operate.



Main subsidiaries

- RISO, INC.
- RISO CANADA, INC.
- RISO LATIN AMERICA, INC.
- RISO de Mexico, S.A. de C.V.
- RISO do Brasil Ltda.
- RISO (U.K.) LTD.
- RISO (Deutschland) GmbH
- RISO FRANCE S.A.
- RISO IBERICA, S.A.

- RISOGRAPH ITALIA S.R.L.
- RISO EURASIA LLC
- RISO EURASIA KAZAKHSTAN LLC
- RISO EURASIA UKRAINE LLC
- RISO TURKEY BASKI COZUMLERI A.S.
- RISO AFRICA (PTY) LTD.
- RISO INDUSTRIES (H.K.) LTD.
- RISO INDUSTRIES (SHENZHEN) LTD.
- RISO TECHNOLOGY CHINA CO., LTD.

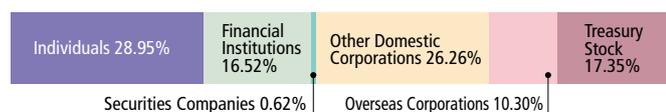
- RISO INDUSTRY SHANGHAI CO., LTD.
- RISO HONG KONG LTD.
- RISO (Thailand) LTD.
- RISO INDUSTRY (THAILAND) CO., LTD.
- RISO INDIA PRIVATE LTD.
- RISO KOREA LTD.
- RISO (SG) PTE. LTD.

Number of shares: 135,680,000
(No change from the end of the previous period)

Number of shares issued: 47,406,332
(No change from the end of the previous period)

Number of shareholders: 3,031
(An increase of 345 persons from the end of the previous period)

Breakdown of stock ownership



Major Shareholders (Top 10 Shareholders)	Number of shares owned (thousands of shares)	Shareholding ratio (%)
RISO KAGAKU CORPORATION	8,518	17.97
RISO Limited	4,941	10.42
Riso Educational Foundation	2,661	5.61
Akatsuki Kosan Co., Ltd.	1,959	4.13
RISO KAGAKU CORPORATION Employees' Shareholding Association	1,653	3.49
Trust & Custody Services Bank, Ltd. as trustee for the Tokyo Tomin Bank, Ltd. Retirement Benefit Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	1,567	3.31
Osamu Hayama	1,194	2.52
Akira Hayama	1,192	2.52
Takashi Hayama	1,180	2.49
Mariko Ito	1,170	2.47

Repurchase of Treasury Stock

During fiscal 2016, RISO repurchased treasury stock as detailed below.

Number of shares repurchased: 1,487,800 shares

Total repurchased amount: ¥3,199 million

Corporate name RISO KAGAKU CORPORATION

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 (As of March 31, 2016)

Number of employees 1,697 (3,563 for the RISO Group)
(As of March 31, 2016)

Subsidiaries 28 companies (domestic: 2; overseas: 26)
(As of March 31, 2016)

Board of Directors and Auditors (As of June 24, 2016)

President & CEO (Representative Director) Akira Hayama

Managing Director Kihachiro Endo

Director Yasunobu Takahashi

Director Shoichi Ikejima

Director Yoshiomi Narumiya

Director Masahiro Ueda

Director Soichiro Hashimoto

Director Naoki Ujiie

Director Toshiaki Kano

Director Kyoshi Hayashi

Director Kenji Oshima

Director Takehiko Nishiyama

Standing Auditor Yasuo Tazawa

Standing Auditor Nobuyoshi Shirai

Auditor Yoshinari Iizuka*

Auditor Shinji Hatta*

Note: "*" refers to outside auditors, as stipulated under Item 16 of Article 2 of the Corporate Law.

The financial information appearing in this review is a translation of the original Japanese text into English and is based on generally accepted accounting standards and practices in Japan.

Forward-looking Statements

Forecasts of future performance contained in forward-looking statements are based on Riso Kagaku Corporation's current expectations, estimates and assessment of the markets in which it operates. A number of factors, many beyond the Company's control, could cause actual results to differ materially from the forecasts contained in these statements.

RISO KAGAKU CORPORATION

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