



Annual Review 2013



I am pleased to have this opportunity to present our shareholders with the RISO Annual Review 2013.

During fiscal 2013, RISO recorded its first increase in net sales in five years since fiscal 2008 by achieving steady sales growth in the printing equipment business in Japan and Asia. In terms of profits, gross profit increased as a result of reducing the cost of sales by realizing an operating structure in which the Company independently handles the inkjet business.

As for manufacturing operations, RISO changed its overseas production system from the fiscal year under review. Production commenced at plants in Ayutthaya, Thailand, and Shenzhen, China, employing a system in which nearly all RISOGRAPH models are currently produced overseas.

In the inkjet business, the new ORPHIS series was launched for the domestic market in January. By taking advantage of the ORPHIS' high speed and economic efficiency while enhancing the expandability of the products, our third-generation ORPHIS EX series delivers a lineup with broader applications for customers. RISO will continue to cultivate new markets by providing our unique solutions.

Going forward, RISO will take concerted efforts to further improve business performance by promoting our new Medium-term Management Plan "RISO Vision 16" running through the end of the fiscal year ending March 2016.

Concerning the year end-dividend for the fiscal year under review, we paid ¥55.00 per share, an increase of ¥15.00 per share from the previous year.

I would like to ask our shareholders for their continued support.

June 2013

Akira Hayama
President & CEO



Fifth Medium-term Management Plan “RISO Vision 16”

(April 1, 2013 – March 31, 2016)

Management Policy

Energize corporate activities through individual ideas and action to expand sales channels and gain new customers worldwide

Numerical Targets

Consolidated net sales: ¥86 billion Consolidated operating income: ¥7 billion ROE: 7%

(*Exchange rates: 90 yen to the U.S. dollar, 116 yen to the euro)

Priority Actions

1. Expand RISO business by strengthening overseas sales planning/promotions
2. Increase new inkjet hardware installations by expanding and reinforcing sales channels
3. Maintain revenue in the digital duplicating business by focusing customer management
4. Establish a new production structure and prepare for a changing environment
5. Take on the challenge to create new businesses
6. Involvement of all employees to challenge beyond individual potential to be more involved in RISO business

Management Policies for the Fiscal Year Ending March 31, 2014

(April 1, 2013 - March 31, 2014)

1. Promote gaining of new markets and new customers throughout the whole RISO Group
2. Strengthen the overseas sales management and sales planning functions to expand overseas business
3. Utilize newly established Riso Research and Design Center efficiently and accelerate development
4. Establish production facilities towards optimization of global plant network



Expand Sales Channels and Acquire New Customers throughout the World

The Fifth Medium-term Management Plan “RISO Vision 16” has kicked off in line with the conclusion of “Riso Vision 13,” our fourth medium-term management plan ended in March 2013.

President Akira Hayama explains the overall plan and its deployment going forward.

Achieved Operating Income Targets for All Three Terms

For Riso Vision 13, which wrapped up in March 2013, we established our management policy of “realizing strong growth by gaining new customers through the utilization of optimum corporate resources in order to re-establish a stable profit-making business model.” Accordingly, we set numerical targets of achieving consolidated net sales of ¥83 billion and consolidated operating income of ¥2.5 billion.

With regard to net sales, despite steady advances in the domestic market, we were unable to achieve growth according to plan in the overseas inkjet business, in which we were aiming to increase sales by building and cultivating sales channels. With the significant impact of the strong yen as well, we were unable to achieve our overall targets.

On the profit side, in addition to employing an operating structure to conduct the inkjet business independently, the Company also reviewed costs through various measures such as carrying out business restructuring at its North American subsidiaries. As a result, we were able to achieve our operating income target of ¥2.5 billion for all three fiscal terms.

Expansion of Overseas Business as the Most Important Task

RISO Vision 16, starting from the current fiscal year, aims to realize our management goal of “energizing corporate activities through individual ideas and action to expand sales channels and gain new customers worldwide.” Accordingly, we established numerical targets of achieving consolidated net sales of ¥86 billion, consolidated operating income of ¥7 billion and return on equity (ROE) of 7%.

To realize our objectives, RISO will carry out operations with a main focus on the six priority actions previously mentioned on page 3, which include efforts to expand RISO business by strengthening overseas sales planning/promotions, increase new inkjet hardware installations by expanding and reinforcing sales channels and maintain revenue in the digital duplicating business by focusing customer management.

It is essential that we also grow the inkjet business overseas in order to expand our overseas business, which is our most important task. The inkjet business has high potential and is anticipated to grow not only in developed countries but also in emerging countries.

Sales of the new ORPHIS series released in the domestic market in January 2013 have also commenced overseas from May 2013. In this respect, we will strengthen our sales system and sales promotion activities worldwide in order to tap global markets and gain new customers.



Undertake Initiatives to Acquire New Customers Groupwide

We established following management policies in RISO Vision 16 starting from the fiscal year ending March 31, 2014.

- 1. Promote gaining of new markets and new customers throughout the whole RISO Group**
- 2. Strengthen the overseas sales management and sales planning functions to expand overseas business**
- 3. Utilize newly established Riso Research and Design Center efficiently and accelerate development**
- 4. Establish production facilities towards optimization of global plant network**

The construction of our new development base, the Riso Research and Design Center, which started in May 2012, was completed on May 31, 2013. This center was constructed to integrate our development bases that were previously spread out over four locations in Tsukuba city, Ibaraki Prefecture. We will utilize this center as our new development base to develop unique products.

Adhering to Our Basic Policy of Paying Dividends Reflecting Business Results

RISO's basic policy for the distribution of earnings is to allocate an appropriate portion of earnings as dividends in accordance with business results while retaining the means to strengthen the corporate structure; and strive to make continued, stable dividend payments. Additionally, we regard the repurchasing of shares as a measure for allocating earnings to shareholders and will effectuate repurchases taking into account stock price levels and market trends.

With respect to the distribution of earnings to shareholders during the period of the Fifth Medium-

term Management Plan "RISO Vision 16," the Company follows the principle of paying a dividend reflecting operating results in accordance with its basic policy, and accordingly, will increase the distribution of earnings when operating results are favorable.

For the fiscal year ending March 2014, the Company plans to increase its annual dividend by ¥5.00 yen per share to ¥60.00 per share. Additionally, the Company will purchase treasury stock with a limit of up to 1,000,000 shares valued at ¥2,000 million during the two-month period from May 16, 2013 to July 16, 2013.



Akira Hayama, President & CEO



Business Environment and Performance

Steady growth in the inkjet business contributed to recording an increase in net sales for the first time in five years and profits increased due to a decrease in the cost of sales.

The RISO Group (hereafter, “RISO”) set forth and implemented its medium-term management policy of achieving strong growth by gaining new customers in the printing equipment business.

In Japan, the new series released in January 2013 in the inkjet business got off to a good start and drove overall sales. In the digital duplicating business, although sales fell, efforts were taken to maintain profits by promoting installations of high value-added models such as two-color digital duplicators. During the fiscal year under review, steady growth in the overseas inkjet business also contributed to recording an increase in net sales for the first time in five years. On the profit side, operating income increased due to a decrease in the cost of sales.

As a result, in the fiscal year under review on a consolidated basis, net sales were up 0.8% from the previous fiscal year to ¥75,455 million, operating income increased 21.2% year-on-year to ¥4,910 million and ordinary income rose 27.9% year-on-year to ¥5,512 million. In addition, due to recording income taxes-deferred in line with the revision of the criteria for determining the collectability of deferred tax assets, net income increased 67.2% year-on-year to ¥4,827 million.

Business Outlook for Fiscal 2014

We are aiming to increase sales and profits by expanding overseas business and cultivating new markets.

From the fiscal year ending March 2014, RISO will promote “RISO Vision 16,” its fifth medium-term management plan running through the end of the fiscal year ending March 2016, in order to continuously expand sales channels and gain new customers. In particular, RISO regards the expansion of overseas business as our most important task and will consecutively roll out new inkjet printer products overseas, with a key focus on gaining new customers worldwide. Additionally, by proposing new applications of products, RISO will work to cultivate new markets with the aim of increasing sales and profits.

RISO forecasts net sales of ¥79,300 million, up 5.1% from the previous fiscal year; operating income of ¥5,400 million, an increase of 10.0% year-on-year; ordinary income of ¥5,500 million, down 0.2% year-on-year; and net income of ¥3,600 million, a decrease of 25.4% year-on-year.

The above forecasts are based on exchange rate assumptions of ¥90 to the U.S. dollar and ¥116 to the euro.)



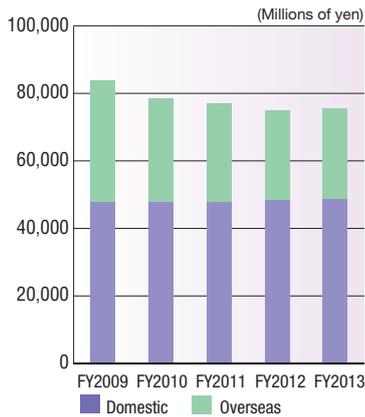
Financial Highlights (Consolidated basis)

Note: Amounts less than the unit expressed are omitted.

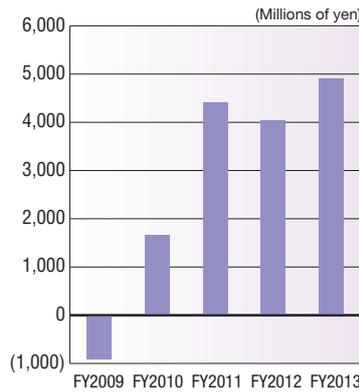
(Millions of yen)

| | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 |
|-----------------------------|--------|---------|--------|--------|--------|
| Net sales | 83,774 | 78,469 | 76,897 | 74,847 | 75,455 |
| Domestic | 47,797 | 47,562 | 47,758 | 48,196 | 48,637 |
| Overseas | 35,976 | 30,907 | 29,138 | 26,651 | 26,817 |
| Operating income (loss) | (913) | 1,669 | 4,406 | 4,050 | 4,910 |
| Ordinary income (loss) | (695) | 2,113 | 4,939 | 4,309 | 5,512 |
| Net income (loss) | (641) | (5,937) | 6,288 | 2,886 | 4,827 |
| Operating income margin (%) | (1.1) | 2.1 | 5.7 | 5.4 | 6.5 |
| Net assets | 65,484 | 58,275 | 62,095 | 61,825 | 66,033 |

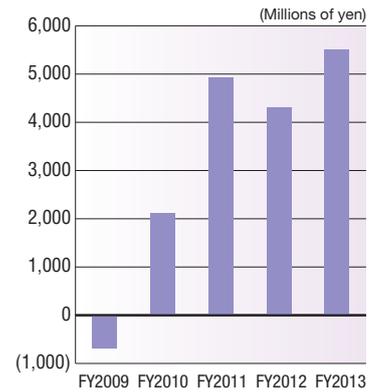
Net sales



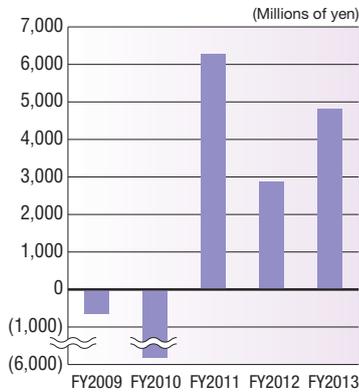
Operating income (loss)



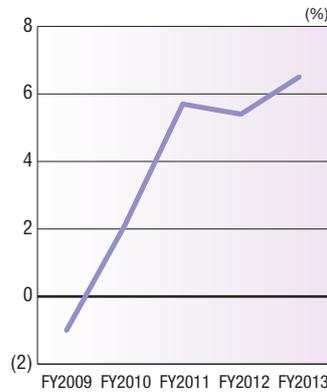
Ordinary income (loss)



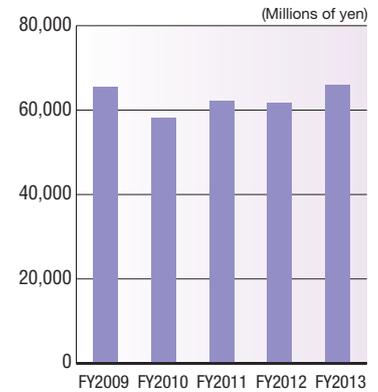
Net income (loss)



Operating income margin



Net assets





Balance Sheets

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

ASSETS

(Millions of yen)

| Item | FY2012 (As of Mar. 31, 2012) | FY2013 (As of Mar. 31, 2013) |
|--|---------------------------------|---------------------------------|
| Current assets | ¥50,707 | ¥53,429 |
| Cash and deposits | 13,377 | 13,901 |
| Notes and accounts receivable—trade | 14,240 | 14,936 |
| Short-term investment securities | 8,731 | 8,987 |
| Inventories | 11,393 | 12,211 |
| Other | 3,241 | 3,683 |
| Allowance for doubtful accounts | (275) | (291) |
| Noncurrent assets | 38,989 | 42,022 |
| Total property, plant and equipment | 27,540 | 30,323 |
| Buildings and structures, net | 6,129 | 5,624 |
| Machinery, equipment and vehicles, net | 921 | 1,024 |
| Land | 16,943 | 17,129 |
| Other | 3,546 | 6,544 |
| Intangible assets | 6,709 | 5,636 |
| Goodwill | 2,009 | 1,344 |
| Software | 2,303 | 2,404 |
| Other | 2,397 | 1,887 |
| Investments and other assets | 4,740 | 6,062 |
| Investment securities | 1,463 | 1,824 |
| Other | 3,381 | 4,296 |
| Allowance for doubtful accounts | (104) | (58) |
| Total assets | ¥89,697 | ¥95,452 |

Note: Total amount of depreciation of tangible fixed assets for fiscal 2013 was ¥40,473 million.

Point 1 Inventories

Inventories increased at the fiscal year-end in line with the launch of the new ORPHIS series.

Point 2 Total property, plant and equipment, Other

Construction in progress was recorded for the Riso Research and Design Center, in which construction was completed at the end of May 2013.

LIABILITIES

(Millions of yen)

| Item | FY2012 (As of Mar. 31, 2012) | FY2013 (As of Mar. 31, 2013) |
|--|---------------------------------|---------------------------------|
| Current liabilities | ¥22,676 | ¥24,969 |
| Notes and accounts payable—trade | 11,197 | 11,149 |
| Short-term loans payable | 2,227 | 2,839 |
| Current portion of long-term loans payable | 2 | 2 |
| Other | 9,249 | 10,979 |
| Noncurrent liabilities | 5,195 | 4,448 |
| Long-term loans payable | 38 | 35 |
| Provision for retirement benefits | 3,691 | 3,807 |
| Other | 1,465 | 605 |
| Total liabilities | ¥27,872 | ¥29,418 |

NET ASSETS

(Millions of yen)

| Item | FY2012 (As of Mar. 31, 2012) | FY2013 (As of Mar. 31, 2013) |
|---|---------------------------------|---------------------------------|
| Shareholders' equity | ¥64,757 | ¥67,118 |
| Capital stock | 14,114 | 14,114 |
| Capital surplus | 14,779 | 14,779 |
| Retained earnings | 37,874 | 39,159 |
| Treasury stock | (2,011) | (935) |
| Total accumulated other comprehensive income | (2,932) | (1,085) |
| Valuation difference on available-for-sale securities | (107) | 249 |
| Foreign currency translation adjustment | (2,825) | (1,334) |
| Total net assets | ¥61,825 | ¥66,033 |
| Total liabilities and net assets | ¥89,697 | ¥95,452 |

Point 3 Treasury stock

A total of 1,047,500 shares of treasury stock amounting to ¥1,499 million were acquired in the fiscal year under review. Additionally, 2,000,000 shares of treasury stock were retired on February 7, 2013.

Statements of Income

(Millions of yen)

| Item | FY2012 (Year ended Mar. 31, 2012) | FY2013 (Year ended Mar. 31, 2013) |
|--|---|---|
| Net sales | ¥74,847 | ¥75,455 |
| Printing equipment business | 73,149 | 73,864 |
| Japan | 46,572 | 47,113 |
| Americas | 5,177 | 4,834 |
| Europe | 12,390 | 12,274 |
| Asia | 9,008 | 9,642 |
| Real estate business and others | 1,698 | 1,590 |
| Cost of sales | 34,259 | 33,286 |
| Gross profit | 40,588 | 42,168 |
| Selling, general and administrative expenses | 36,538 | 37,258 |
| Operating income | 4,050 | 4,910 |
| Non-operating income | 545 | 753 |
| Non-operating expenses | 286 | 151 |
| Ordinary income | 4,309 | 5,512 |
| Extraordinary income | 417 | 61 |
| Extraordinary loss | 447 | 555 |
| Income before income taxes and minority interests | 4,280 | 5,018 |
| Income taxes | 1,393 | 191 |
| Net income | ¥ 2,886 | ¥ 4,827 |

Point 4 Net sales

Net sales increased approximately ¥600 million versus the previous fiscal year. Of this amount, the effect of foreign exchange rates amounted to approximately ¥400 million.

Point 5 Cost of sales and gross profit

Gross profit increased due to a decrease in cost of sales in the inkjet business.

Point 6 Income taxes

Income taxes-current amounted to ¥2,398 million. However, negative ¥2,260 million was recorded in income taxes-deferred due to conducting a review of deferred tax assets.

Statements of Cash Flows

(Millions of yen)

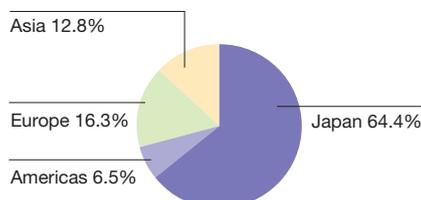
| Item | FY2012 (Year ended Mar. 31, 2012) | FY2013 (Year ended Mar. 31, 2013) |
|---|---|---|
| Net cash provided by (used in) operating activities | ¥ 8,945 | ¥ 7,287 |
| Net cash provided by (used in) investing activities | (2,212) | (5,174) |
| Net cash provided by (used in) financing activities | (2,773) | (2,246) |
| Effect of exchange rate change on cash and cash equivalents | (113) | 769 |
| Net increase (decrease) in cash and cash equivalents | 3,846 | 636 |
| Cash and cash equivalents at beginning of period | 17,130 | 20,976 |
| Cash and cash equivalents at end of period | ¥20,976 | ¥21,612 |

Point 7 Net cash provided by (used in) investing activities

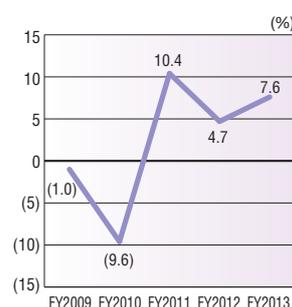
Construction in progress was recorded for the Riso Research and Design Center, in which construction was completed at the end of May 2013.

Sales by region

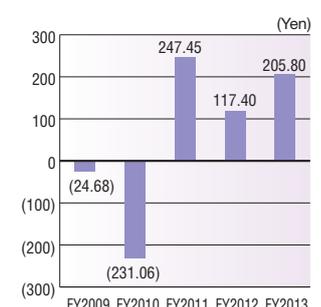
(Fiscal year ended March 31, 2013)



Return on equity



Net income (loss) per share





Launch of ORPHIS EX Series of High-Speed Color Printers Offering Stability and Expandability

In January 2013, RISO commenced sales in Japan of four models of the ORPHIS EX series, featuring enhanced expandability, as a new series of ORPHIS high-speed color printers.

1. New ink developed to better accommodate duplex printing

The development of new fast-drying ink has improved duplex printing jobs. Since it is also outstanding in terms of light and water resistance in addition to preventing bleeding through to the reverse page, the ink is strong against color fading and moisture, which also makes it suitable for printing documents requiring long-term storage.

2. Improvement of paper path mechanism also enables handling of lightweight paper

The paper path mechanism was improved to increase the stability of the paper path for handling various types of paper such as lightweight paper and thick paper, including envelopes. Being able to handle thin, lightweight paper has also made it possible to reduce storage space of printed documents as well as direct mail delivery costs.

3. A variety of options available to respond to various needs

To address diversifying needs of in-house printing at offices, RISO offers an abundance of options such as the Wrapping Envelope Finisher, which automates the processes from printing addresses and enclosures including for direct mail to insertion and sealing; a Prefect Binder function, which automatically handles jobs from printing to binding small booklets; and a High Capacity Feeder and High Capacity Stacker, which allow continuous printing of 4,000 sheets.

4. The world's fastest printing speed and outstanding economical efficiency

Similar to our existing X series, the EX9050 and EX9000 models in the new EX series are capable of high-speed output of up to 150 sheets per minute*1 for simplex full-color printing, making these models the

world's fastest office color printers. Additionally, the new series realizes lower running costs, with full-color printing at 1.56 yen per sheet*2 and 0.53 yen per sheet*2 for monochrome printing.

*1 EX9050 and EX9000 models (A4 long-edge feed, simplex, continuous printing, plain paper in standard mode, based on office color printers using cut sheet commercially available as of November 2012 (Source: RISO data).

*2 A4 long-edge feed, simplex printing, using RISO EX F ink. Uses color pattern that was designated by ISO/IEC24712 for measurement image and calculated using measurement method based on ISO/IEC24711. Uses monochrome pattern that was designated by ISO/IEC19752 for measurement image and calculated using measurement method based on ISO/IEC24711. Cost of paper is separate.



ORPHIS EX9050



Launch of Perfect Binder That Automatically Realizes Book Making

RISO launched an in-line Perfect Binder for the domestic market in January 2013 as an optional item of the ORPHIS EX series that allows fully automated binding of A4, B5 and A5 size booklets.

This equipment is capable of high-speed binding of up to approximately 60 booklets*1 per hour (up to 30mm in thickness and approximately 600 pages*2 in duplex printing) from printing to finishing. In addition to the ability to print titles on the spine, the cover inserter can be used to insert preprinted covers. Since a fully automated process from printing to binding is possible, the Perfect Binder easily enables in-house binding jobs that were previously outsourced.

*1 Binding 100 duplex pages, A4, using EX9050/EX9000 models. Approximately 48 booklets/hour for EX7250/EX7250A/EX7200 models.

*2 Using RISO paper IJ (85g/m²).

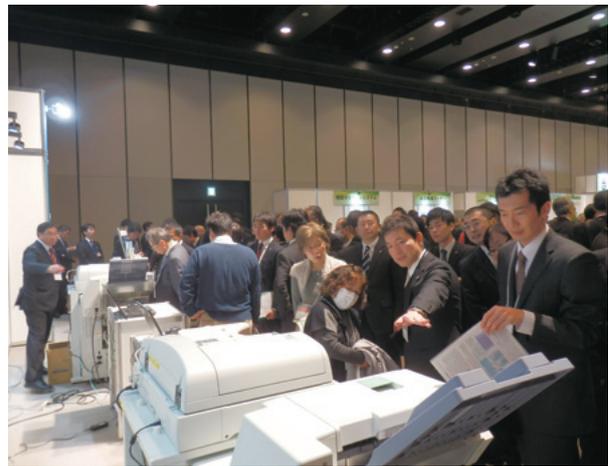


ORPHIS EX9050 equipped with Perfect Binder

New Products Exhibited at RISO Extra Value Fair

RISO exhibited its new products at the RISO Extra Value Fair from January to March 2013. Customers from a total of approximately 3,100 companies visited an exhibition held at the Shibuya Hikarie commercial complex in Tokyo over a two-day period.

A special stage was set up at the venue to introduce functions, features, applications and other appealing points of the ORPHIS EX series of high-speed color printers accompanied by visual images and narrations. A variety of optional equipment was also proposed such as the Perfect Binder, Wrapping Envelope Finisher and High Capacity Feeder and High Capacity Stacker.



RISO Extra Value Fair at Shibuya Hikarie in Tokyo

Release of New Version of Software for Funeral and Gift Businesses

In October 2012, RISO launched new versions of business software for ORPHIS and RISOGRAPH products for the domestic market. The specialized software easily allows full-fledged production of printed materials for both funeral and gift purposes.

With the color print mode added to the new version that enables color printing using ORPHIS, RISO is meeting the diverse needs of the funeral and gift businesses.



RISO Hikko Shokunin Kaisoreijo Ver. 3/Noshi Ver. 3

Termination of PRINT GOCCO Business

As of December 28, 2012, RISO terminated its PRINT GOCCO business. We would like to express our sincere appreciation for everyone's patronage over many years.



Introduction of Customer Case Studies

Case studies of customers using ORPHIS or RISOGRAPH products in Japan are introduced in this section. At this time, we will introduce insource Co., Ltd. and Oominato Elementary School.

ORPHIS



insource Co., Ltd. (Chiyoda-ku, Tokyo)

Playing a Major Role in Enhancing Work Efficiency and Binding Technology for Producing Training Materials

insource Co., Ltd. provides high-quality human resources development and instructor training services, including respective business skills, level-based training and theme-based training. The company produces training material texts according to customers' tasks and is printing approximately 80,000 sheets of documents per month in-house. In producing texts for various kinds of training, the ORPHIS EX series, which is capable of fully automated processing of jobs from color printing to binding, is playing a major role.

Printing jobs that previously took from the morning until afternoon prior to introducing the machine can now be completed in the morning. Since the machine produces 100 booklets in one hour in the case of a 40-page text, employees can dedicate the time saved to their main duties.

Texts are products of the company and the presentation of these texts is therefore extremely important. Easy-to-understand, color graphs and images are also useful in enhancing customers' level of understanding.

Measures also can be taken to fully address sudden changes when printing is conducted in-house. As the potential of color printing expands further, the company hopes to produce all kinds of printed materials in-house in the future.

RISOGRAPH



Oominato Elementary School (Ise City, Mie Prefecture)

Delightful Effects in 2-Color Printing

A teacher in charge of sixth grade students at Oominato Elementary School was previously creating educational materials by printing data using a personal computer. During extended school break periods, the teacher has been spending several weeks creating and finishing homework materials consisting of nearly 100 pages for 35 class students. However, with the introduction of RISOGRAPH MD series, the printing job is completed in approximately two hours, enabling the teacher to spend more time after school with the children.

Additionally, printing answer sheets and writing paper in the color green makes it easier to read letters written by the children in pencil. Also, using different colors only for key sentences makes it easier to convey important points. Consequently, 2-color printing is having a greater effect than expected.

Furthermore, since different colors can be selected using the touch panel, children are also willing to help in printing various notices of events while also learning about design through hands-on experience including how information can be more easily conveyed by using colors for emphasis.

Teachers at Oominato Elementary School will continue to think about effective ways of using the machine, and in doing so, the utilization of 2-color printing can be further anticipated in applying these ideas.

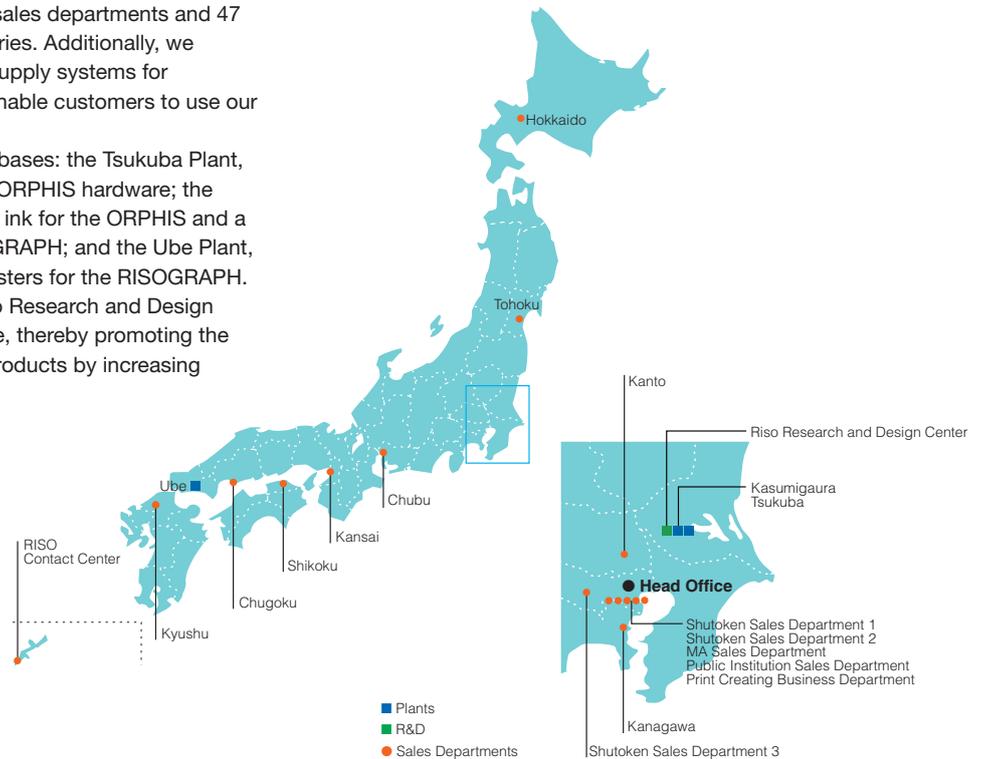


Facilities in Japan

RISO's sales network encompasses 14 sales departments and 47 sales branches as well as sales subsidiaries. Additionally, we provide technical support and develop supply systems for consumables throughout the nation to enable customers to use our products with assurance.

We have three domestic production bases: the Tsukuba Plant, which is engaged in the manufacture of ORPHIS hardware; the Kasumigaura Plant, which manufactures ink for the ORPHIS and a portion of ink and masters for the RISOGGRAPH; and the Ube Plant, which handles production of ink and masters for the RISOGGRAPH.

RISO has newly established the Riso Research and Design Center in Tsukuba city, Ibaraki Prefecture, thereby promoting the development of next-generation RISO products by increasing operational efficiency.



Global Network

Our wide-spanning network, centering on 23 overseas subsidiaries, engages in sales of ORPHIS and RISOGGRAPH hardware, provides technical support and also supplies consumables. RISOGGRAPH 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

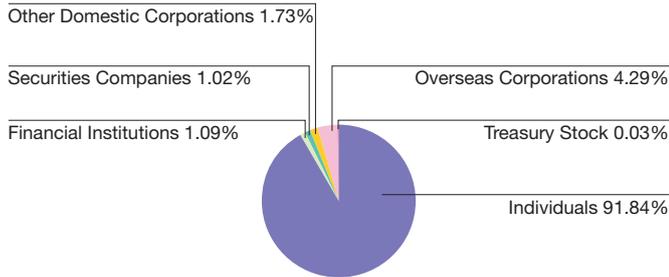
- RISO, INC.
- RISO CANADA, INC.
- RISO LATIN AMERICA, INC.
- RISO de Mexico, S.A. de C.V.
- RISO do Brasil Ltda.
- RISO (U.K.) LTD.
- RISO (Deutschland) GmbH
- RISO FRANCE S.A.
- RISO IBERICA, S.A.
- RISOGGRAPH ITALIA S.p.A.
- RISO EURASIA LLC
- RISO EURASIA KAZAKHSTAN LLC
- RISO AFRICA (PTY) LTD.
- 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.



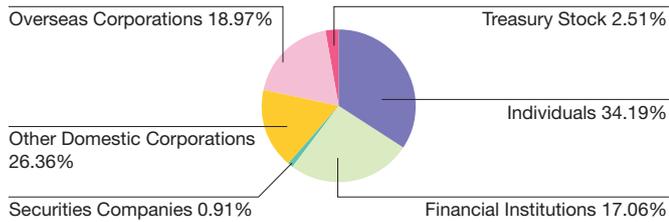


| | |
|---------------------------------|---|
| Number of shares: | 67,840,000 <small>(No change from the end of the previous period)</small> |
| Number of shares issued: | 23,703,166 <small>(A decrease of 2,000,000 shares from the end of the previous period)</small> |
| Number of shareholders: | 3,122 <small>(A decrease of 293 from the end of the previous period)</small> |

Breakdown of shareholders by type



Breakdown of stock ownership



Major Shareholders (Top 10 Shareholders)

| Shareholder name | Number of shares owned (thousands of shares) | Shareholding ratio (%) |
|---|--|------------------------|
| RISO Limited | 2,470 | 10.42 |
| Northern Trust Company (AVFC) Sub Account American Client | 1,482 | 6.26 |
| Riso Educational Foundation | 1,330 | 5.61 |
| RISO KAGAKU CORPORATION Employees' Shareholding Association | 1,010 | 4.26 |
| 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. | 783 | 3.31 |
| Northern Trust Co. AVFC Re U.S. Tax Exempted Pension Funds | 656 | 2.77 |
| Akira Hayama | 616 | 2.60 |
| Osamu Hayama | 597 | 2.52 |
| RISO KAGAKU CORPORATION | 594 | 2.51 |
| Takashi Hayama | 594 | 2.51 |

Note:

The Company received a copy of the substantial shareholding report (amended report) dated January 16, 2013 from Silchester International Investors LLP, in which we received a report that the shares are owned as indicated below as of January 10, 2013. However, the details are different from the shareholder name list and we have not yet verified the number of shares owned by the company as of the end of the fiscal year under review, thus the company name is not included in the above list. Summary details of the amended report are as follows.

| Shareholder name | Number of shares owned (thousands of shares) |
|--|--|
| Silchester International Investors LLP | 2,549 |

Repurchase of Treasury Stock

During fiscal 2013, RISO repurchased and retired treasury stock as detailed below.

| | |
|-------------------------------|--|
| Number of shares repurchased: | 1,047,500 shares |
| Total repurchased amount: | ¥1,499 million |
| Number of shares retired: | 2,000,000 shares <small>(Ratio versus the total number of shares issued prior to retirement: 7.78%)</small> |
| Date of retirement: | February 7, 2013 |

Corporate Data

(As of March 31, 2013)

| | |
|----------------------------|---|
| 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 |
| Number of employees | 1,760 (3,586 for the RISO Group) |
| Subsidiaries | 25 companies (domestic: 2; overseas: 23) |

Board of Directors and Auditors

(As of June 25, 2013)

| | |
|---|--------------------|
| President & CEO (Representative Director) | Akira Hayama |
| Managing Director | Yasuhiro Takahashi |
| Managing Director | Takashi Kunitani |
| Managing Director | Kazuo Abe |
| Managing Director | Kihachiro Endo |
| Director | Hidenori Fujioka |
| Director | Yasunobu Takahashi |
| Director | Shoichi Ikejima |
| Director | Masahiro Ueda |
| Director | Soichiro Hashimoto |
| Director | Yoshiomi Narumiya |
| Director | Naoki Ujiie |
| Director | Toshiaki Kano |
| Director | Kyoshi Hayashi |
| Director | Soichiro Oku* |
| Standing Auditor | Kenjuro Yamamoto |
| Standing Auditor | Yasuo Tazawa |
| Auditor | Yoshinari Iizuka* |
| Auditor | Shinji Hatta* |

Note: "*" refers to outside directors and outside auditors, as stipulated under Item 15 and 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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