

**Consolidated Financial Results**  
**for the Three Months of the Fiscal Year Ending March 31, 2023**  
**<under Japanese GAAP>**

Company name: **RISO KAGAKU CORPORATION**  
Listing: Tokyo Stock Exchange Prime Market  
Stock code: 6413  
URL: <https://www.riso.co.jp/english/>  
Representative: Akira Hayama, President & CEO  
Inquiries: Shouichi Ikejima, Director and General Manager of Corporate Headquarters  
TEL: +81-3-5441-6611 (from overseas)

Scheduled date to file Quarterly Report: August 9, 2022  
Scheduled date of dividend payment commencement: –  
Preparation of supplementary information on quarterly business results: None  
Holding of briefing on quarterly business results: None

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

**1. Consolidated performance for the three months of the fiscal year ending March 31, 2023**  
**(from April 1, 2022 to June 30, 2022)**

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2022	17,258	3.6	1,356	32.2	1,666	44.5	1,177	15.9
June 30, 2021	16,655	23.8	1,026	–	1,153	–	1,016	–

Note: Comprehensive Income

Three months ended June 30, 2022: 2,524 million yen / 142.4 %

Three months ended June 30, 2021: 1,041 million yen / 381.8 %

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended		
June 30, 2022	34.94	–
June 30, 2021	29.42	–

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2022	80,404	61,922	77.0
March 31, 2022	81,829	62,971	77.0

Reference: Shareholders' Equity As of June 30, 2022: 61,922 million yen As of March 31, 2022: 62,971 million yen

## 2. Cash dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	–	0.00	–	100.00	100.00
Fiscal year ending March 31, 2023	–				
Fiscal year ending March 31, 2023 (Forecasts)		0.00	–	60.00	60.00

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

Breakdown of dividends for fiscal year ended March 31, 2022

Ordinary dividend 60.00yen Dividend to commemorate 75th anniversary of the founding of the Company 40.00yen

## 3. Forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	34,000	5.3	2,000	43.3	2,200	42.4	1,600	22.3	47.51
Fiscal year ending March 31, 2023	70,800	2.1	3,800	(8.8)	3,900	(16.0)	2,800	(21.8)	83.18

(Note) Revisions to the forecasts in the current quarter: Yes

#### 4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of peculiar accounting methods for quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and restatement

a. Changes due to revisions to accounting standards and other regulations: None

b. Changes due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement: None

(4) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of June 30, 2022	40,000,000 shares
As of March 31, 2022	40,000,000 shares

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

As of June 30, 2022	6,353,069 shares
As of March 31, 2022	6,263,511 shares

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

Three months ended June 30, 2022	33,714,490 shares
Three months ended June 30, 2021	34,555,410 shares

\* These financial results are outside the scope of audit by a certified public accountant or an audit firm.

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

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

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

### (1) Explanation on consolidated operating results

The RISO Group (RISO) formulated the Eighth Medium term Management Plan (RISO Vision 25) with the final fiscal year of the period ending March 31, 2025, and followed its medium term management policy of “1. Expand IJ business 2. Establish a solid customer oriented sales planning structure”. Both net sales and operating income grew in the first quarter of the fiscal year under review compared with the same period of the previous year.

Net sales were 17,258 million yen (up 3.6% year on year), operating income was 1,356 million yen (up 32.2% year on year), and ordinary income was 1,666 million yen (up 44.5% year on year), profit attributable to owners of parent was 1,177 million yen (up 15.9% year on year).

The average exchange rates during the current consolidated three months period were 129.57 yen (a 20.08 yen depreciation of the yen year on year) for the US dollar and 138.12 yen (a 6.16 yen depreciation of the yen year on year) for the euro.

Results by segment are as follows:

#### a. Printing equipment business

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

Net sales in the printing equipment business were 16,876 million yen (up 3.5% year on year) due to the effects of yen depreciation in exchange rates, and segment profit was 1,217 million yen (up 40.0% year on year).

In Japan, sales in the inkjet business exceeded the same period of the previous year, and sales in the digital duplicating business decline the same period of the previous year. Overseas, sales for both the inkjet business and the digital duplicating business exceeded the same period of the previous year. Net sales in Japan were 8,246 million yen (down 2.5% year on year), in the Americas were 1,259 million yen (up 68.8% year on year), in Europe were 3,873 million yen (up 12.1% year on year), and in Asia were 3,497 million yen (down 3.9% year on year).

#### b. Real estate business

The Group's real estate business consists of the leasing of buildings. Net sales in the real estate business were 273 million yen (up 0.4% year on year), and segment profit was 203 million yen (down 1.0% year on year).

#### c. Others

RISO operates a print creating business and a digital communication business as well as printing equipment business and real estate business. Net sales in the others were 107 million yen (up 28.2% year on year), and segment loss was 64 million yen (compared to segment loss of 49 million yen in the same period of the previous fiscal year).

### (2) Explanation on consolidated financial position

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

Total assets fell 1,424 million yen to 80,404 million yen, while net assets fell 1,049 million yen to 61,922 million yen.

The main areas of change in the assets section were raw materials and supplies increased by 398 million yen. Cash and deposits, and notes and accounts receivable-trade decreased by 560 million yen and 2,423 million yen, respectively. In the liabilities section, retirement benefit liability increased by 763 million yen. Income taxes payable, and provision for bonuses decreased by 609 million yen and 834 million yen, respectively. In net assets, retained earnings decreased by 2,195 million yen, while foreign currency translation adjustment increased by 1,301 million yen.

As a result, the equity ratio remained unchanged from the end of the previous fiscal year at 77.0%.

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

We have revised our consolidated earnings forecast for the first half of the fiscal year under review, as we expect to exceed the forecast announced on May 13, 2022.

For details, please refer to the “Notification of Revisions to Earnings Forecasts” released today (July 29, 2022).

**(4) Explanation on research and development activities**

Expenses for RISO’s research and development activities in the current quarter totaled 1,164 million yen. The main R&D activities were in the printing equipment business.

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	19,353	18,793
Notes and accounts receivable - trade	12,504	10,081
Securities	400	400
Merchandise and finished goods	8,444	8,630
Work in process	758	723
Raw materials and supplies	2,332	2,731
Other	1,743	2,044
Allowance for doubtful accounts	(264)	(292)
Total current assets	45,274	43,112
Non-current assets		
Property, plant and equipment		
Buildings and structures	22,678	22,765
Accumulated depreciation	(15,074)	(15,269)
Buildings and structures, net	7,604	7,496
Machinery, equipment and vehicles	6,978	7,102
Accumulated depreciation	(6,277)	(6,432)
Machinery, equipment and vehicles, net	701	669
Tools, furniture and fixtures	14,425	13,454
Accumulated depreciation	(13,732)	(12,809)
Tools, furniture and fixtures, net	693	645
Land	17,664	17,675
Leased assets	445	613
Accumulated depreciation	(297)	(244)
Leased assets, net	147	369
Construction in progress	11	16
Other	9,747	9,770
Accumulated depreciation	(7,695)	(7,716)
Other, net	2,052	2,053
Total property, plant and equipment	28,874	28,926
Intangible assets		
Software	932	1,015
Other	98	48
Total intangible assets	1,031	1,064
Investments and other assets		
Investment securities	1,667	1,781
Long-term loans receivable	13	13
Deferred tax assets	1,622	1,417
Other	3,350	4,092
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	6,649	7,301
Total non-current assets	36,555	37,292
Total assets	81,829	80,404

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,454	8,479
Short-term borrowings	228	206
Current portion of long-term borrowings	1	1
Income taxes payable	1,080	471
Provision for bonuses	1,722	887
Provision for bonuses for directors (and other officers)	40	14
Provision for product warranties	18	19
Other	6,539	6,684
Total current liabilities	18,084	16,762
Non-current liabilities		
Long-term borrowings	10	10
Retirement benefit liability	157	921
Other	604	787
Total non-current liabilities	772	1,719
Total liabilities	18,857	18,482
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,114	14,114
Capital surplus	14,779	14,779
Retained earnings	41,979	39,784
Treasury shares	(10,160)	(10,360)
Total shareholders' equity	60,714	58,318
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	422	501
Foreign currency translation adjustment	781	2,083
Remeasurements of defined benefit plans	1,053	1,019
Total accumulated other comprehensive income	2,257	3,603
Total net assets	62,971	61,922
<b>Total liabilities and net assets</b>	<b>81,829</b>	<b>80,404</b>



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

### (Consolidated quarterly statements of income)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	16,655	17,258
Cost of sales	7,069	7,407
Gross profit	9,585	9,851
Selling, general and administrative expenses	8,559	8,494
Operating profit	1,026	1,356
Non-operating income		
Interest income	33	44
Dividend income	30	37
Foreign exchange gains	43	181
Other	56	62
Total non-operating income	164	326
Non-operating expenses		
Interest expenses	10	10
Loss on retirement of non-current assets	16	1
Other	10	5
Total non-operating expenses	37	16
Ordinary profit	1,153	1,666
Profit before income taxes	1,153	1,666
Income taxes	136	488
Profit	1,016	1,177
Profit attributable to owners of parent	1,016	1,177

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

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	1,016	1,177
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	78
Foreign currency translation adjustment	39	1,301
Remeasurements of defined benefit plans, net of tax	(13)	(33)
Total other comprehensive income	24	1,346
Comprehensive income	1,041	2,524
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,041	2,524
Comprehensive income attributable to non-controlling interests	—	—

### **(3) Notes on quarterly consolidated financial statements**

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

No items to report

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

The Company purchased treasury stock during the first three months of the fiscal year ending March 31, 2023. As a result, treasury stock during the first three months of the fiscal year by 200 million yen, and was 10,360 million yen at the end of the same period.

#### **(Additional information)**

There have been no material changes to the hypothesis, which includes the timing of the resolution of the COVID-19 issue, described in "Accounting estimates in relation to the impact of novel coronavirus infectious disease (COVID-19)" section of the "Additional information" section of the securities report for the previous fiscal year.

(Segment information)

1. Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

Information on sales and income or loss for each reportable segment

(Millions of yen)

	Printing equipment business	Real estate Business	Others	Adjustments	Total
Net sales:					
Outside customers	16,298	272	84	—	16,655
Inter-segment	—	—	—	—	—
Total	16,298	272	84	—	16,655
Segment profit (loss)	870	205	(49)	—	1,026

Notes: 1. The business segment “Others” encompasses businesses not included in the reportable segments, and includes the print creating business and the digital communication business.

2. Total amount of segment income coincides with the operating income in the consolidated statements of income.

2. Three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

Information on sales and income or loss for each reportable segment

(Millions of yen)

	Printing equipment business	Real estate Business	Others	Adjustments	Total
Net sales:					
Outside customers	16,876	273	107	—	17,258
Inter-segment	—	—	—	—	—
Total	16,876	273	107	—	17,258
Segment profit (loss)	1,217	203	(64)	—	1,356

Notes: 1. The business segment “Others” encompasses businesses not included in the reportable segments, and includes the print creating business and the digital communication business.

2. Total amount of segment income (loss) coincides with the operating loss in the consolidated statements of income.

**(Subsequent event)**

(Purchase of Treasury Stock)

RISO KAGAKU CORPORATION (the “Company”) announced that its Board of Directors resolved at the meeting held on July 29, 2022 to purchase treasury stock as described below, pursuant to the provisions of Article 156 of the Corporate Law as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the same Law.

(1) Reason for purchase of treasury stock:

The Company will conduct the purchase of treasury stock to carry out capital management that allows the Company to respond quickly to changes in the business environment and to distribute earnings to shareholders.

(2) Type of shares to be purchased: Common stock of the Company

(3) Number of shares to be purchased: Up to 150,000 shares

(4) Total purchase cost: Up to 300,000,000 yen

(5) Purchase period: From August 19, 2022 to September 22, 2022

(6) Purchase method: Purchased on the Tokyo Stock Exchange