

Company name: **RISO KAGAKU CORPORATION**
 Listing: First Section of the Tokyo Stock Exchange
 Stock code: 6413
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Notification of Revisions to Earnings Forecasts for the First Six Months of the Fiscal Year Ending March 31, 2020

RISO KAGAKU CORPORATION (the “Company”) announced that it has revised the consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2020 released on May 10, 2019.

Particulars

●Revisions to earnings forecasts

Revisions of figures in earnings forecasts for the six months of the fiscal year ending March 31, 2020
 (April 1, 2019 – September 30, 2019)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	39,500	1,300	1,300	900	25.14 yen
Revised forecast (B)	39,700	2,100	2,000	1,000	28.13 yen
Amount of increase/decrease (B-A)	200	800	700	100	
Percentage of increase/decrease (%)	0.5	61.5	53.8	11.1	
(Ref.) Results of the six months of the previous fiscal year (six months of the fiscal year ended March 31, 2019)	40,092	1,730	1,659	1,365	37.55 yen

Reasons for revision

Whereas net sales and operating income results for the first quarter were below those of the same period of the previous fiscal year, in the second quarter we anticipate a substantial year-on-year increase in earnings due to a much greater than expected surge in demand materializing before the consumption tax hike took effect.

Our analysis for the second quarter indicates that both net sales and operating income results were on par with those of the same period in the previous fiscal year, excluding effects of the surge in demand. For the first six months of the fiscal year ending March 31, 2020, we expect net sales and operating income to exceed our previous forecast by 200 million yen and 800 million yen, respectively, upon having

factored in the combined effects of a lackluster first quarter and the greater-than-expected surge in demand in the second quarter.

In the second quarter, the Company is likely to post extraordinary losses of approximately 440 million yen, particularly in the form of losses on revaluation of investment securities.

The surge in demand is likely to bring about a subsequent decrease in demand going forward. We will promptly disclose any revisions made to our full-year forecasts, such that are deemed necessary upon closely monitoring developments in the second half of the fiscal year.

(Note)

The forecasts stated herein have been prepared based on information available to the Company as of the date of this document's release, and accordingly do not purport that the Company pledges to achieve such performance. Moreover, actual results may vary substantially from the forecasts due to various factors going forward.