

April 25, 2006

Ryosan Co., Ltd.

President: Tatsuo Ui

Stock Listing: First Section, Tokyo Stock Exchange

Stock Code: 8140

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Notice of Revision of Earnings Forecasts and Projected Dividend

Ryosan Co., Ltd. hereby serves notice that at a meeting of the Board of Directors today it revised its earnings forecasts for the fiscal year ended March 31, 2006 (April 1, 2005 to March 31, 2006). The Board also resolved to revise earlier forecasts for cash dividends per share for the year ended March 31, 2006.

1. Revisions to Earnings Forecasts

(1) Revised Consolidated Earnings Forecast for the Year Ended March 31, 2006 (April 1, 2005 to March 31, 2006)

(¥ million, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast (A) (Nov. 18, 2005)	330,000	10,100	10,200	6,300
Revised forecast (B)	326,000	10,700	10,700	6,600
Change (B-A)	(4,000)	600	500	300
Change (%)	(1.2)	5.9	4.9	4.8
Results for year ended March 31, 2005	317,095	9,816	10,541	5,867

(2) Revised Non-consolidated Earnings Forecast for the Year Ended March 31, 2006 (April 1, 2005 to March 31, 2006)

(¥ million, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast (A) (Nov. 18, 2005)	237,000	6,300	7,800	4,400
Revised forecast (B)	236,000	7,000	8,400	4,800
Change (B-A)	(1,000)	700	600	400
Change (%)	(0.4)	11.1	7.7	9.1
Results for year ended March 31, 2005	239,647	7,195	9,097	4,885

(3) Reasons for Revisions

Ryosan has slightly lowered its forecast for net sales from the projected figure announced on November 18, 2005. In addition, the company has raised its forecasts for both consolidated and non-consolidated earnings, mainly due to a strong performance by the core Semiconductor Business.

Note: The above forecasts are based on information currently available. Actual results may differ materially from these forecasts due to a variety of factors.

2. Revision of Projected Dividend

(1) Reason for Revision of Projected Dividend

Ryosan sees returning profits to shareholders as one of its most important management policies. Accordingly, the company works to increase the consolidated net income per share and maintain consistent growth of dividend payments. The details of the company's policy on this topic are stated in each mid-term management plan.

The sixth mid-term management plan, covering the period between fiscal 2004 and fiscal 2006, calls for proactive profit returns to shareholders through a balanced allocation of consolidated net income in three ways: growth strategy investment, shareholder dividends, and company stock buybacks. The plan calls for advanced financial strategies for improved

corporate value.

Based on this policy, Ryosan initially planned to pay a year-end dividend of ¥30 per share. However, Ryosan has decided to increase this payment to ¥40 per share and the full-year dividend to ¥70 per share, due to favorable operating results.

A proposal to this effect will be submitted for shareholder approval at the Company's 50th annual Ordinary General Meeting of Shareholders to be held in late June 2006.

(2) Revised Forecast for Cash Dividends per Share for the Year Ending March 31, 2006

(Yen)

	Interim Dividend per Share	Year-end Dividend per Share	Full-Year Dividend per Share
Previous Forecast (May 19, 2005)	30	30	60
Revised Forecast	30	40	70
(Reference) Cash Dividend per Share for the Year Ended March 31, 2005	20	40	60