

June 14, 2011

To all related parties:

Company name Ryosan Company, Limited
 Representative Naoto Mimatsu, President
 (Securities code 8140)
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Notice Concerning Earnings and Dividends Forecasts for the Fiscal Year Ending March 31, 2012

When the “Earnings Report for Fiscal 2010, Ended March 31, 2011[Japanese Standards] (Consolidated)” was released on May 12, 2011, the earnings and dividends forecasts for the fiscal year ending March 31, 2012 were undecided. However, this is to notify you of the following decision taken on June 14, 2011 according to the resolution of Companies Act ,article 370 (Written resolution alternating an act of board meeting).

●Revisions of Earnings Forecasts

Revised consolidated earnings forecasts for the first half (Cumulative) of the fiscal year ending March 31, 2012 (April 1, 2011 to September 30, 2011)

	Net sales	Operating income	Ordinary income	Quarterly net income	Net income per share
Previously announced forecasts (A)	Million yen —	Million yen —	Million yen —	Million yen —	yen —
Revised forecast (B)	105,000	1,100	1,500	800	23.21
Change (B-A)	—	—	—	—	
Rate of change (%)	—	—	—	—	
(Reference) Actual results for the first half of the previous fiscal year (First half of the fiscal year ending March 31, 2011)	106,543	3,567	3,970	2,541	73.74

Revised consolidated earnings forecasts for the fiscal year ending March 31, 2012 (April 1, 2011 to March 31, 2012)

	Net sales	Operating income	Ordinary income	Quarterly net income	Net income per share
Previously announced forecasts (A)	Million yen —	Million yen —	Million yen —	Million yen —	yen —
Revised forecast (B)	230,000	3,500	4,200	2,500	72.54
Change (B-A)	—	—	—	—	
Rate of change (%)	—	—	—	—	
(Reference) Actual results for the previous fiscal year (the fiscal year ended March 31, 2011)	216,154	6,078	6,883	4,130	119.85

Reasons for the revision

In terms of performance for the fiscal year ending March 31, 2012, we could not make predictions because the affects on the Group related to the Great East Japan Earthquake were not clear. Nevertheless, we are notifying you of our predicted performance, as shown above, in view of recent trends.

(Note) The above estimates were made based on the information available as of the date of this release. Actual results could significantly differ from the above estimates due to a variety of factors.

●Revisions of Dividends Forecasts

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total
Previously announced forecasts (Announced May 12, 2011)	— yen	— yen	— yen	— yen	— yen
Revised forecast	—	20.00	—	40.00	60.00
Actual results for this fiscal year	—	—	—		
Actual results for the previous fiscal year (the fiscal year ended March 31, 2011)	—	40.00	—	40.00	80.00

Reasons for the revision

Ryosan recognizes that the return of profits to shareholders is an important business priority. At the same time, the Company is working to increase consolidated basic net income per share. Accordingly, Ryosan's fundamental policy is to continue high dividend payout in profits returned to shareholders. Furthermore, the Company is targeting a consolidated dividend payout ratio of 50% or more.

With regard to the estimated dividends of the fiscal year ending March 31, 2012, they are as outlined above, in view of our estimated performance.