RHJ INTERNATIONAL

PRESS RELEASE

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RHJ INTERNATIONAL REPORTS CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR ITS FIRST FULL FISCAL YEAR ENDED MARCH 31, 2006

Brussels, June 30, 2006 – RHJ International (the "Company") today published its Condensed Consolidated Financial Statements for the fiscal year ended March 31, 2006. Audited Consolidated Financial Statements of the Company will be disclosed in the Annual Report of the Company that will be issued in connection with the Annual Meeting of Shareholders to be held in Brussels on September 19, 2006. The Company's Annual Report for its fiscal year ended March 31, 2006, will be available no later than September 4, 2006.

The Company is a diversified holding company focused on creating long-term value for its shareholders by acquiring and operating businesses in Japan and elsewhere. It seeks to create sustainable competitive advantage by acting as a catalyst in industries that have a positive long-term outlook and that are undergoing fundamental changes. The Company generally acquires businesses that are under-managed but possess key strengths and strong growth potential, and adds management with global experience which it sources from its network of industrial executives. Given this strategy, the performance and market issues currently being faced by the Company's respective businesses are in various stages of turnaround.

The Company has several controlling and non-controlling interests, seven of which were contributed to it on March 31, 2005, in connection with a private placement and a global offering of its ordinary shares on Euronext Brussels in March 2005. The Company has controlling interests in six businesses, which it actively manages. Five of these businesses are headquartered in Japan and one business is headquartered in Belgium. These businesses operate in the automotive components, consumer electronics, consumer products, hospitality and media and entertainment industries (see Appendix A).

For comparison purposes to its Condensed Consolidated Income Statement for its fiscal year ended March 31, 2006 presented below, the Company has used the Unaudited Pro Forma Consolidated Income Statement presented in its Annual Report for the fiscal year ended March 31, 2005. Because the consolidated results of operations are primarily an aggregation of the results of operations of its six businesses, the Company is also presenting Condensed Income Statements for each of these businesses.

The Company's Condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The reporting currency is the Japanese Yen ("JPY"). Exchange rates at March 31, 2006 relative to the Euro and US dollar were 141.983 and 117.588, respectively. The Company's Condensed Consolidated Financial Statements presented in section 2, have been translated for convenience to Euro using the exchange rate prevailing at March 31, 2006 and 2005, respectively (Euro/JPY = 141.983 and 138.352).

1. Significant events during the fiscal year ended March 31, 2006

Consistent with its goal of becoming a leading global holding company that aims to maximize value for its shareholders by operating diverse businesses, a number of events occurred during the year that have affected the Company's consolidated results for the fiscal year ended March 31, 2006.

Global Offering

The Company generally seeks to have sufficient cash resources to execute its strategy. On March 15, 2006, the Company, through a global follow-on offering and private placement, has issued 7,700,000 new shares at EUR 19.50 per share. Gross proceeds amounted to JPY 21,044 million and related expenses were JPY 2,047 million. Additionally, certain selling shareholders sold 5,300,000 shares.

Acquisitions

During its first full year of operations, the Company began to execute on its strategies of building existing consolidated businesses and improving their respective performance, expanding into new industries and acquiring both controlling and non-controlling interests, including through co-investments with other parties. Acquisitions during the fiscal year ended March 31, 2006 deployed cash of JPY 25,352 million on a consolidated basis.

- In August 2005, D&M Holdings, Inc. ("D&M") acquired Boston Acoustics, a manufacturer of high performance speaker systems, for JPY 8,509 million.

- In February 2006, the Company acquired a 3.2% stake in the Commercial International Bank of Egypt ("CIB") for JPY 4,887 million, as part of an investor group which acquired an 18.7% interest in CIB.

- Asahi Tec Corporation ("Asahi Tec") acquired 66% of Mitsubishi Fuso Techno-Metal ("MFTM") in February 2006 for an equity investment of JPY 3,000 million and the assumption of approximately JPY 5,700 million of debt. Asahi Tec has committed to acquire by February 28, 2009, the remaining 34% for approximately JPY 1,600 million in cash or an equivalent number of shares of Asahi Tec.

- In March 2006, the Company announced it would acquire approximately 20% of U-Shin, a manufacturer of electrical components for automobiles, for JPY

8,000 million. The acquisition was completed on April 13, 2006, subsequent to the fiscal year-end.

Divestitures

- In June 2005, Honsel International Technologies ("HIT") sold Norcast, a non-core Canadian business in the mining industry, for net proceeds of JPY 7,498 million.

The Company's first year of operations resulted in a financial position at March 31, 2006 that reflected consolidated cash amounting to JPY 119,339 and interest-bearing debt of 139,567 million compared to JPY 118,449 million and JPY 132,089 million at March 31, 2005, respectively. Cash available at RHJ International S.A., the parent company, amounted to JPY 101,615 million at March 31, 2006 compared to JPY 104,196 million at March 31, 2005. The cash decrease at the parent company level mainly resulted from cash deployed for direct acquisitions (JPY 15,313 million), additional equity funding of subsidiaries (JPY 4,549 million), follow-on offering related expenses paid (JPY 6,052 million) and net operating expenses (JPY 2,927 million) offset by the proceeds of the follow-on offering (JPY 21,044 million), the income on cash investments (JPY 1,550 million) and the effects of exchange rate fluctuations (JPY 3,660 million).

2. Condensed Consolidated Financial Statements for the fiscal year ended March 31, 2006 (unaudited)

Beginning April 1, 2005, the Company adopted IFRS 2 (Share-based Payment) and IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations). In accordance with IFRS 3 (Business Combinations), the Company has allocated goodwill arising from the contribution on March 31, 2005 of the businesses to the fair value of the assets acquired and the liabilities assumed. The goodwill had been provisionally allocated in the Company's Condensed Consolidated Financial Statements for the six months ended September 30, 2005 and is now presented in its final form. The purchase price allocation has been undertaken for all contributed businesses. It is based on an independent appraiser's opinion on the fair values of tangible and identifiable intangible assets and liabilities at March 31, 2005. Acquired inventories of finished goods and work-in-process have been fair-valued at their net realizable value less disposal costs and a reasonable profit allowance for the selling effort. The Company's Consolidated Balance Sheet at March 31, 2005 has been restated to reflect the effects of the purchase price allocation. These effects are reflected solely in the Company's Consolidated Financial Statements and will not be recorded in the financial statements of the individual companies, and accordingly are not reflected in their respective Condensed Income Statements presented in section 3.

RHJI – Condensed Consolidated Balance Sheets (unaudited) as of March 31,						
	2006	**2005 (a)**	**2005 (b)**	**2006**	**2005 (a)**	**2005 (b)**
	(in JPY million)			(in € million)		
Non-current assets	301,319	287,343	249,507	2,122	2,077	1,803
Current assets	234,682	223,283	219,079	1,653	1,614	1,583
Total assets	**536,001**	**510,626**	**468,586**	**3,775**	**3,691**	**3,386**
Shareholders' equity	201,963	190,078	190,078	1,422	1,374	1,374
Minority interest	36,973	38,933	22,086	260	281	159
Non-current liabilities	173,706	167,481	142,288	1,224	1,211	1,028
Current liabilities	123,359	114,134	114,134	869	825	825
Total equity and liabilities	**536,001**	**510,626**	**468,586**	**3,775**	**3,691**	**3,386**

(a) Restated to reflect the purchase price allocation.
(b) As published in the Company's Annual Report for the Fiscal Year ended March 31, 2005.

RHJI – Condensed Consolidated Income Statements (unaudited) For the Fiscal year Ended March 31,						
	2006	2005 Pro Forma (a)	2005 Actual (b)	2006	2005 Pro Forma (a)	2005 Actual (b)
	(in JPY million)			(in € million)		
Net sales	355,959	360,314	-	2,507	2,604	-
Cost of sales	(287,353)	(291,102)	-	(2,024)	(2,104)	-
Gross profit	68,606	69,212	-	483	500	-
Selling, general and administrative	(77,350)	(79,631)	(997)	(545)	(576)	(7)
Amortization of identifiable intangible assets	(5,779)	-	-	(41)	-	-
Other operating income	9,131	2,649	-	64	20	-
Loss from operations	(5,392)	(7,770)	(997)	(39)	(56)	(7)
Income from associates	440	282	-	3	2	-
Financial income	5,862	1,698	6	41	12	-
Financial expense	(8,873)	(7,896)	(9)	(62)	(57)	-
Loss before tax	(7,963)	(13,686)	(1,000)	(57)	(99)	(7)
Income tax	(901)	(3,559)	(25)	(6)	(26)	-
Loss after tax, before discontinued	(8,864)	(17,245)	(1,025)	(63)	(125)	(7)
Discontinued operations, net of tax	(5,133)	-	-	(36)	-	-
Minority interest	6,366	4,427	-	45	32	-
Net loss	(7,631)	(12,818)	(1,025)	(54)	(93)	(7)
EPS (in JPY and €) (c)	(98)	-	(3,633)	(0.69)	-	(26.26)

(a) Unaudited Pro Forma Consolidated Income Statement as published in note 3b of the Company’s Annual Report for the Fiscal Year ended March 31, 2005 and not restated to reflect the discontinued operations.
(b) Audited Consolidated Income Statement for the Fiscal Year ended March 31, 2005.
(c) EPS presentation is not applicable to the Pro Forma Consolidated Income Statement.

As the contribution of the seven businesses only occurred on the last day of the fiscal year ended March 31, 2005, their results of operations were not reflected in the Consolidated Income Statement as of March 31, 2005. Accordingly, for comparison purposes to the Consolidated Income Statement for the fiscal year ended March 31, 2006, the Company uses the Unaudited Pro Forma Condensed Consolidated Income Statement presented in its Annual Report for the fiscal year ended March 31, 2005.

The consolidated results of operations for the fiscal year ended March 31, 2006 included the impact of (a) the allocation of goodwill arising from the contribution of the seven businesses (six of which are consolidated) to the Company on March 31, 2005, (b) the effects of impairment of certain tangible and intangible assets at HIT, and (c) the adoption of IFRS 2 and IFRS 5, effective April 1, 2005.

The allocation of goodwill resulted in (a) an inventory step-up of JPY 4,204 million at March 31, 2005, all of which has been released to the income statement (increasing cost of sales) during the fiscal year ended March 31, 2006 and in (b) a step-up to fair values of tangible and intangible assets totaling JPY 117,862 million, which resulted in a total charge for depreciation and amortization amounting to JPY 21,387 million (including amortization of identifiable intangibles of JPY 5,779 million) in the fiscal year ended March 31, 2006.

In accordance with IAS 36 (Impairment of Assets), the Company has reviewed the carrying values of its assets at March 31, 2006. As a result the Company has recorded an impairment charge, net of taxes, of JPY 4,202 million related to certain intangible assets of HIT and all assets of HIT's Canadian subsidiary Amcan Castings.

Based on valuations performed for purposes of the impairment test on goodwill and intangible assets with indefinite useful lives, the Company has concluded that the respective fair values at which the businesses have been contributed at March 31, 2005 and consequently, the carrying value of goodwill are not impaired at March 31, 2006.

Starting April 1, 2005, the Company adopted IFRS 2. Certain consolidated businesses have stock option plans for directors and employees. In addition, a significant shareholder of the Company had granted shares to certain members of the Company's management and other employees. In accordance with IFRS 2, the fair values at April 1, 2005 of the stock options and the shares granted as consideration for future services have been determined and amortized over the period in which they will be earned. For the fiscal year ended March 31, 2006, the expense relating to shared-based payment transactions amounted to JPY 1,055 million, and was recorded as part of selling, general and administrative expenses.

The Company has adopted IFRS 5 and has presented the results of the Rio business of D&M, the Norcast subsidiary of HIT and CME's CD/DVD pressing business for the fiscal year ended March 31, 2006, as discontinued operations. Net sales reclassified to discontinued operations amounted to JPY 9,626 million for the fiscal year ended March 31, 2006.

Net sales – After discontinued operations, net sales increased from JPY 337,025 million during the fiscal year ended March 31, 2005 to JPY 355,959 million during the fiscal year ended March 31, 2006, including JPY 7,958 million from newly acquired companies Boston Acoustics and MTFM. With the exception of Niles, all consolidated businesses contributed to the increase.

Gross profit – Consolidated gross profit for the period amounted to JPY 68,606 million and included the effect of higher cost of sales as a result of fair-valuing inventory at March 31, 2005; excluding this impact, gross margin was 20.5%. Gross margins improved at Asahi Tec, D&M and Phoenix Seagaia Resort.

Other operating income – Consolidated other operating income of JPY 9,131 million included (a) a gain from the sale of D&M's current headquarters property in Tokyo (JPY 6,183 million) and (b) the Company's share (JPY 1,115 million) of the termination fee, net of expenses, related to the termination of the acquisition agreement relating to Maytag Corporation.

Net finance cost – Consolidated net finance cost included interest expense of JPY 7,605 million, partially offset by (a) interest income of JPY 1,550 million on cash and cash equivalents held by the parent company and (b) net foreign exchange gains of JPY 3,988 million.

Further comments on the results of operations for each of the consolidated businesses are presented in section 3.

RHJI - Condensed Consolidated Statement of Cash Flow (unaudited)
For the Fiscal Year Ended March 31,

	2006	2005	2006	2005
	(in JPY million)		(in € million)	
Cash flow from operating activities	5,495	(651)	38.7	(4.7)
Cash flow from investing activities	(19,241)	8	(135.5)	0.1
Cash flow from financing activities	10,319	104,838	72.7	757.7
Acquired cash	-	14,254	-	103.0
Net increase (decrease) in cash and cash equivalents	**(3,427)**	**118,449**	**(24.1)**	**856.1**
Cash and cash equivalents at beginning of the period	**118,449**	-	**834.2**	-
Effect of exchange rate fluctuations on cash held	**4,317**	-	**30.4**	-
Cash and cash equivalents at March 31, 2006	**119,339**	**118,449**	**840.5**	**856.1**

Cash flow from operating activities – The Condensed Consolidated Cash Flow Statement for the fiscal year ended March 31, 2005 only included minor corporate expenses associated with headquarter activities as there were no cash flows from the consolidated businesses, which were only contributed on the last day of the fiscal year. During the fiscal year ended March 31, 2006, operating activities of consolidated businesses have generated cash amounting to JPY 6,841 million, partially offset by JPY 1,346 million net cash usage associated with the Company's headquarters' operations.

Cash flow from investing activities – Investing activities during the fiscal year ended March 31, 2006 have used JPY 19,241 million and included the effects of (a) investments in non-controlling interests in various entities (JPY 15,313 million), (b) proceeds from the sale of real estate and certain intangible assets at D&M (JPY 11,845 million) and CME (JPY 5,900 million), (c) proceeds from the sale of Norcast (JPY 7,619 million), (d) D&M's acquisition of Boston Acoustics (JPY 7,280 million, net of cash acquired), (e) Asahi Tec's acquisition of MFTM (JPY 2,759 million, net of cash acquired) and (f) capital expenditures (JPY 20,761 million).

Cash flow from financing activities – On March 15, 2006, the Company raised gross proceeds of JPY 21,044 million, through a follow-on offering of 7,700,000 newly issued shares. Last year's cash flow from financing activities primarily represented the net proceeds of JPY 100 billion from the initial private placement and global offerings, in addition to the cash component of the contribution from private equity funds affiliated to Ripplewood Holdings LLC. Expenses amounting to JPY 6,052 million associated with the initial and follow-on offering were paid in the course of the fiscal year ended March 31, 2006.

During the fiscal year ended March 31, 2006, cash flow from financing activities also reflected the net repayment of debt outstanding by JPY 5,933 million. Despite this repayment, consolidated total indebtedness outstanding at March 31, 2006, increased from JPY 132,089 million at March 31, 2005 to JPY 139,569 million, primarily as a result of assuming debt upon the acquisition of MFTM and the revaluation of HIT's Euro denominated debt into JPY. Details on indebtedness of consolidated businesses are provided in section 3.

At March 31, 2006, consolidated cash was JPY 119,339 million compared to JPY 118,449 million at March 31, 2005. Cash available at RHJ International S.A., the parent company, amounted to JPY 101,615 million at March 31, 2006 compared to JPY 104,196 million at March 31, 2005.

3. Commentary on the Company's consolidated businesses for the Fiscal Year ended March 31, 2006 and 2005

Because the consolidated results of operations are primarily an aggregation of the results of operations of its six consolidated businesses, the Company is presenting below the Condensed Income Statements for these businesses on an individual basis. No separate information is presented for investments in associates, such as Shaklee, and other minority investments, which are accounted for as available-for-sale financial assets. Certain financial information for Shaklee will be provided in the Annual Report.

The results of operations of the businesses for the fiscal years ended March 31, 2006 and 2005 were prepared in accordance with IFRS. For HIT, no comparative information for the fiscal year ended March 31, 2005 is available as HIT was established in connection with the acquisition of Honsel and was only owned for 4 months by the Company.

Asahi Tec

Asahi Tec - Condensed Consolidated Income Statements For the Fiscal Year Ended March 31,		
(In JPY million)	**2006**	**2005**
Net sales	**60,907**	**57,618**
Gross profit	**9,055**	**4,951**
Gross margin in %	**14.9%**	**8.6%**
Selling, general and administrative	**(6,996)**	**(6.798)**
Profit (loss) from operations	**2,370**	**(1,574)**
Net profit (loss)	**796**	**(2,126)**

Results of Operations

Net sales for the fiscal year ended March 31, 2006 included one month of sales from MFTM, acquired on February 28, 2006. Net sales for the fiscal year ended March 31, 2005 included 15 months of sales of Asahi Tec's Thai subsidiaries resulting from a change in fiscal year-end from December to March. Excluding both effects, net sales were up 6.6% from last year and reflected increased and accelerated production of truck parts in Japan in response to the new long-term Exhaust Gas Emission Regulation and sustained growth of the automotive industry in Thailand. Increased sales were experienced across all product categories. Management's plan (a) to terminate the manufacturing of aluminum wheels using the ATREX technology in Japan was accomplished at the end of September 2005, and (b) to transfer production to Thailand using another existing technology was completed at the end of the fiscal year.

Gross margin improvement included the effect of a reversal of JPY 455 million (mainly related to aluminum wheels manufacturing) following review of the Reserve for Loss Contracts. Last year's gross margin was also significantly impacted by impairment charges on Japanese infrastructure following the transfer of wheel production to Thailand. Excluding both effects, gross margin improvement from 11.3% for the fiscal year ended March 31, 2005 to 14.1% for the fiscal year ended March 31, 2006, can be attributed to higher volumes (ductile iron and aluminum casting). The reduction of losses yielded by the relocation of aluminum wheel production was offset by operational problems related to the start-up of the Thai production facility and increased aluminum prices. Increase of net financing costs was primarily caused by the absence of gains from the sale of investment securities (JPY 487 million) realized during the fiscal year ended March 31, 2005.

EBITDA for the fiscal year ended March 31, 2006 amounted to JPY 4,735 million (excluding the effect of a reversal relating to the Reserve for Loss Contracts), as compared to JPY 3,675 million for the fiscal year ended March 31, 2005. Net debt (indebtedness outstanding, net of cash) at March 31, 2006 amounted to JPY 21,456 million compared to JPY 13,177 million at March 31, 2005.

Liquidity and Capital Resources

At March 31, 2006, Asahi Tec had JPY 25,575 million in indebtedness outstanding on a consolidated basis, including JPY 5,214 million classified as short-term (current portion of long term debt amounted to JPY 1,094 million). At March 31, 2005, total indebtedness outstanding was JPY 17,045 million, including JPY 2,663 million classified as short-term.

In connection with the acquisition of MFTM, Asahi Tec refinanced its bank credit facilities with new senior and subordinated facilities from several lenders, maturing in February 2011. Total bank credit facilities available to Asahi Tec amount to JPY 27,000 million, of which JPY 23,093 was outstanding at March 31, 2006.

Effective interest rates on borrowings under Asahi Tec's senior and subordinated credit facilities at March 31, 2006 were 2.8% and 4.13% respectively.

HIT

The Condensed Consolidated Income Statement for the year ended March 31, 2006 is presented below, No comparative information for the fiscal year ended March 31, 2005 is available as HIT was established in connection with the acquisition of Honsel and was only owned for 4 months by the Company. Comparative gross margin % and selling, general and administrative % used below were taken from results for the twelve months ended December 31, 2004, previously published in the Company's Annual Report for the fiscal year ended March 31, 2005.

HIT - Condensed Consolidated Income Statements For the Fiscal Year Ended March 31,	
(In JPY million)	**2006**
Net sales	**120,125**
Gross profit	**10,761**
Gross margin in %	**8.9%**
Selling, general and administrative	**(15,024)**
Amortization of identifiable intangible assets	**(4,230)**
Loss from operations	**(7,661)**
Loss after tax, before discontinued operations	**(10,390)**
Discontinued operations, net of tax	**1,313**
Net loss	**(9,308)**

Results of Operations

Ownership of Norcast, a non-core Canadian business in the mining industry, was divested in June, 2005; results relating to Norcast, including net sales of JPY 1,137 million, profit from operations of JPY 122 million, a net profit of JPY 75 million and a net gain of JPY 1,238 million on the sale, have been reclassified to discontinued operations.

HIT's net sales of JPY 120,125 million were below management's expectations and reflected continued weakness in demand for passenger cars in Europe and trucks / SUVs in North America, partially offset by the effects of new contracts, primarily in Europe. Europe net sales amounted to JPY 102,987 million, with significantly reduced volumes during the first fiscal quarter from a major customer that announced restructuring and management changes. Net sales for the Americas were JPY 17,138 million.

Excluding the results of Norcast in both periods, gross margin of 8.9% for the fiscal year ended March 31, 2006, was comparable to the 8.7% for the twelve months ended December 31, 2004. Gross margins during this period have been adversely affected by the impact of (a) volume declines and (b) operational issues, including high scrap rates and equipment efficiency at two of its operating facilities, in part related to new product launches.

Selling, general and administrative expenses were 7% of net sales for the fiscal year ended March 31, 2006, which compared with 5.8% for the twelve months ended December 31, 2004 (excluding the impact of impairment charges relating to goodwill). The increase mainly resulted from (a) a charge from the initial implementation of IFRS 2, (b) provisions for early retirement and severance costs and (3) costs related to the renegotiation of credit facility terms. Operating loss for the fiscal year ended March 31, 2006 was also significantly impacted by (a) JPY 4,230 million amortization charge of identifiable intangibles, which resulted from the allocation of goodwill arising from the acquisition of HIT and (b) JPY 5,468 million impairment charge (JPY 4,202 million net of taxes) on certain assets of HIT's Canadian subsidiary Amcan Castings in view of poor operating performance and on certain intangible assets of Honsel.

EBITDA for the fiscal year ended March 31, 2006 amounted to JPY 9,790 million. Net debt at March 31, 2006 was JPY 59,556 million compared to JPY 60,491 million at March 31, 2005.

Liquidity and Capital Resources

As of March 31, 2006, HIT had JPY 63,388 million of indebtedness outstanding on a consolidated basis, including JPY 7,036 million classified as short-term. At March 31, 2005, total indebtedness outstanding was JPY 63,124 million, including JPY 5,663 million classified as short-term.

HIT maintains a senior facility of JPY 51,892 million, comprised of term loan tranches and revolving credit, and a mezzanine facility of JPY 16,848 million. Interest rates for these facilities are LIBOR or EURIBOR plus applicable margins (a) ranging from 2.50% to 3.50% for the senior facility and (b) of 11% for the mezzanine facility (of which 5.5% payable in kind). The effective interest rate under these facilities at March 31, 2006 was 8.2%.

Due to the impact of lower volumes and operational issues mentioned above, HIT was in breach of the financial covenants of its Senior and Mezzanine Credit Agreements at June 30, 2005. In November, 2005, certain terms of the Senior and Mezzanine Credit Agreements were amended to resolve covenant defaults. Amendments included (a) replacing the original covenant tests with new minimum EBITDA covenants for the quarters ending December 31, 2005 and March 31, 2006, (b) revising the original covenant thresholds for periods through to December 31, 2007 (after which time the original covenant thresholds will be in effect), (c) margin increase of 0.25% for the senior facilities and 0.25% and 0.50% on the cash and payable in kind elements of the mezzanine facility, respectively, and (d) an up-front fee of 30 basis points on all outstanding balances.

At March 31, 2006, HIT was in compliance with the revised covenants of its credit agreements. Certain terms of the senior credit agreement were further revised subsequent to March 31, 2006 as described below.

Subsequent Events

On June 13, 2006, HIT announced it has reached an agreement with its lenders to amend its debt facilities to address a tightening of its cash position principally due to higher aluminum prices. Under the terms of the agreement, HIT's shareholders have agreed to infuse JPY 1.4 billion (EUR 10 million) of new capital and lenders have consented to increase HIT's receivable securitization limit by JPY 1.4 billion (EUR 10 million) from JPY 4.2 billion (EUR 30 million) to JPY 5.6 billion (EUR 40 million).

<u>Niles</u>

Niles - Condensed Consolidated Income Statements For the Fiscal Year Ended March 31,		
(In JPY million)	**2006**	**2005**
Net sales	**53,457**	**54,775**
Gross profit	**7,770**	**8,724**
Gross margin in %	**14.5%**	**15.9%**
Selling, general and administrative	**(7,381)**	**(7,207)**
Profit (loss) from operations	**(668)**	**2,226**
Net profit	**134**	**1,694**

Results of Operations

Net sales for the fiscal year ended March 31, 2006 were 2.4% below the same period last year and reflected lower volumes and the continued impact of pricing pressures from major customers. Sales in Japan of JPY 32,583 million were 5.5% lower than last fiscal year with sales to Nissan down 9.2%. Weak demand from General Motors has driven North American sales down by 2.6%. Aside from Niles' two largest customers, activity continued to grow with orders for future models from new customers Daihatsu and Mazda and for additional models from Honda and Suzuki.

Loss from operations of JPY 668 million compared to a profit of JPY 2,226 million last fiscal year, mainly as a result from the decrease in gross margin from 15.9% for the fiscal year ended March 31, 2005 to 14.5% for the fiscal year ended March 31, 2006. Gross margin was negatively affected by (a) reduced volumes, (b) pricing pressure and increased material cost and (c) higher shipping costs resulting from logistics problems related to the launch of a new ERP system, only partially offset by cost savings yielded by (a) accelerated expansion of manufacturing capacity in Thailand, (b) centralized purchasing activities, (c) investment in equipment and (d) improved operating performance at the manufacturing facility in Georgia (United States).

As a percentage of sales, selling, general and administrative expenses increased from 13.2% to 13.8% mainly due to (a) research and development activities (including rain sensor development), (b) sales and marketing spending by the European office, (c) expenses related to the implementation of a new SAP ERP system, and (d) JPY 210 million of impairment charges related to certain real estate assets.

EBITDA for the fiscal year ended March 31, 2006 amounted to JPY 4,130 million compared to JPY 5,122 million for the fiscal year ended March 31, 2005. Net debt at March 31, 2006 amounted to JPY 23,844 million compared to JPY 18,999 million at March 31, 2005.

Liquidity and Capital Resources

As of March 31, 2006, Niles had a total of JPY 26,720 million in indebtedness outstanding on a consolidated basis, including JPY 12,491 million classified as short-term (current portion of long term debt amounted to JPY 1,995 million). As of March 31, 2005, the total indebtedness outstanding was JPY 22,319 million, including JPY 8,009 million classified as short-term. Effective interest rate on outstanding borrowings at March 31, 2006 was 3.17%

Subsequent Events

On June 20, 2006, Niles has reached an agreement to acquire Fuji Electronics Industries from Sumitomo Metal Mining, for cash consideration of approximately JPY 1,500 million and JPY 1,124 million of assumed debt. Fuji Electronics specializes in precision stamping, insert molding and assembly of electronic components primarily for the automotive and telecommunications industry. The Company has agreed to provide equity funding to finance cash consideration.

D&M

D&M - Condensed Consolidated Income Statements For the Fiscal Year Ended March 31,		
(In JPY million)	**2006**	**2005 (a)**
Net sales	**86,765**	**77,137**
Gross profit	**33,727**	**29,169**
Gross margin in %	**38.9%**	**37.8%**
Selling, general and administrative	**(31,144)**	**(28,527)**
Profit from operations	**10,152**	**1,737**
Profit after tax, before discontinued operations	**6,009**	**771**
Discontinued operations, net of tax	**(3,818)**	**(817)**
Net profit (loss)	**2,153**	**(69)**

(a) Restated to reflect the presentation of discontinued operations

Results of Operations

D&M acquired Boston Acoustics, a manufacturer of high-performance speaker systems in the United States on August 26, 2005. Excluding Boston Acoustics, net sales increased by 5.9% compared to the fiscal year ended March 31, 2005. The Premium Audio-Visual Segment reported net sales of JPY 79,406, excluding Boston Acoustics, 5% higher than last year with significant market share gains in the largest category of receivers and amplifiers sold in audio-visual specialty stores, despite a significant global industry decline in this category. All brands participated in the sales growth with new high-end products successfully launched by Denon, Marantz and McIntosh.

Gross margin improved to 38.9% from 37.8% last year mainly due to (a) reduced costs for certain component parts which adversely affected gross margins during the last fiscal year and (b) higher gross margins from Boston Acoustics and ReplayTV.

Profit from operations for the fiscal year ended March 31, 2006 increased by JPY 8,415 million to JPY 10,152 million and included a gain of JPY 7,189 million from the sale of the Company's current headquarters property in Tokyo. Excluding this gain, profit from operations of JPY 2,963 million was higher than the JPY 1,737 million reported for the prior fiscal year as a result of improving gross profit. Selling, general and administrative expenses increased from JPY 28,527 million last year to JPY 31,144 million and reflected (a) the addition of Boston Acoustics and (b) a JPY 179 million charge for stock based compensation following the implementation of IFRS 2, partially offset by (c) certain licensing fees for prior periods recognized during last fiscal year. Other operating income for the fiscal year ended March 31, 2005, included certain real estate gains of JPY 900 million.

D&M exited the Rio business as of September 30, 2005. D&M's decision followed management's determination that the mass-market portable digital audio player business did not have a sufficiently strong strategic fit with its core and profitable premium consumer electronics brands to warrant additional investment. The results of Rio (including sales of JPY 4,228 million, operating loss of JPY 5,969 million and net loss of JPY 3,818 million), along with costs and write-offs related to the shutdown, have been presented as discontinued operations in the Condensed Consolidated Income Statements of D&M shown above.

Excluding the gain from the sale of the headquarters property, EBITDA for the fiscal year ended March 31, 2006, amounted to JPY 5,001 million, compared to JPY 2,425 million (excluding pension related gains) for the fiscal year ended march 31, 2005. Net debt at March 31, 2006 was JPY 9,776 million compared to JPY 10,021 million a year earlier.

Liquidity and Capital Resources

At March 31, 2006, D&M had JPY 11,070 million in indebtedness outstanding on a consolidated basis, including JPY 1,733 million classified as short-term (JPY 600 million representing current portion of long term debt). At March 31, 2005, total indebtedness outstanding amounted to JPY 11,272 million, of which JPY 5,822 million were classified as short-term.

D&M has a senior credit facility of JPY 18,500 million, comprising a term loan of JPY 7,500 million and a revolving loan facility of JPY 11,000 million. As of March 31, 2006, JPY 8,236 million of borrowings were outstanding under these facilities including a term loan of JPY 7,500 million. The term loan is due serially through 2010. D&M also had outstanding unsecured indebtedness of JPY 2,131 million under a loan that from an unaffiliated third party that is due in May 2008.

In August, 2005, D&M used the proceeds from the sale of the headquarters property in Tokyo to pay down debt, including a term loan of JPY 4,000 million which was outstanding at March 31, 2005, offset by the new term loan which was used to finance the acquisition of Boston Acoustics.

Interest rate on the senior credit facility is based on TIBOR plus the applicable margin ranging from 1% to 2.25%. At March 31, 2006, the effective interest rate on outstanding loans under both the senior term loan and the revolving facility was 2.2%.

Phoenix Seagaia Resort

Phoenix Seagaia Resort - Condensed Income Statements For the Fiscal Year Ended March 31,		
(In JPY million)	**2006**	**2005**
Net sales	**14,215**	**14,015**
Gross profit	**1,970**	**1,698**
Gross margin in %	**13.9%**	**12.1%**
Selling, general and administrative	**(2,659)**	**(3,839)**
Loss from operations	**(596)**	**(2,097)**
Net loss	**(1,175)**	**(2,593)**

Results of Operations

Net sales for the fiscal year ended March 31, 2006 improved 1.4% from last fiscal year. Phoenix Seagaia Resort's hotel occupancy rate of 47.1% increased from 46.6% during the previous year. Average daily room rate was 6.3 % better than last year and reflected a higher proportion of leisure retail customers versus group tours. Number of golf rounds also increased by 2.2%, while the average golf revenue per round was slightly lower than last year.

The improved performance of the hotel and golf division was the main driver for the gross margin improvement from 12.1% last year to 13.9% for the fiscal year ended March 31, 2006.

Loss from operations of JPY 596 million significantly improved from JPY 2,097 million last year. The fiscal year ended March 31, 2005 included costs related to the implementation of a defined benefit pension plan. As a percentage of sales, selling, general and administrative expenses were 18.7% compared to 27.4% last year and reflected a continuous effort to improve profitability through headcount reductions, better control over overtime expenses and food costs, and reduced outsourcing. Phoenix Seagaia Resort has revised the arrangement (relating to certain hotel facilities) with the Starwood Group from a management to a franchise contract, yielding cost savings of JPY 95 million compared to last year.

EBITDA for the fiscal year ended March 31, 2006 amounted to JPY 169 million, as compared to a loss of JPY 1,338 million for the same period last year. Net financial debt at March 31, 2006 was JPY 9,585 million, JPY 1,120 million lower than the prior year.

Liquidity and Capital Resources

At March 31, 2006, Phoenix Seagaia Resort had JPY 12,657 million in indebtedness outstanding, including JPY 4,071 million classified as short-term (current portion of long term debt amounted to JPY 2,148 million). At March 31, 2005, total indebtedness outstanding amounted to JPY 13,389 million, including JPY 784 million classified as short term.

Phoenix Seagaia Resort has a senior credit facility of JPY 10,787 million, all of which was outstanding as of March 31, 2006. As of March 31, 2006, the Company had guaranteed the payment of principal and interest totaling JPY 2,944 million of Phoenix Seagaia Resort's outstanding debt. The effective interest rates under this facility, after reflecting the impact of interest rate swap contracts, was 4.5% at March 31, 2006.

Vendor financing related to the acquisition and construction of property and equipment (Phase II development program) amounted to JPY 1,923 million,

In June, 2005, Phoenix Seagaia Resort received equity funding of JPY 500 million from the Company, which was followed by an additional JPY 700 million in November, 2005.

Subsequent Events

In June 2006, Phoenix Seagaia Resort has received equity funding of JPY 1,700 million from the Company to enable the resort to make scheduled repayments of its senior debt.

CME

CME - Condensed Consolidated Income Statements For the Fiscal Year Ended March 31,		
(In JPY million)	**2006**	**2005 (a)**
Net sales	**20,489**	**19,472**
Gross profit	**10,206**	**9,989**
Gross margin in %	**49.8%**	**51.3%**
Selling, general and administrative	**(9,542)**	**(8,497)**
Profit from operations	**713**	**1,946**
Profit after tax, before discontinued operations	**692**	**1,806**
Discontinued operations, net of tax	**2,585**	**33**
Net profit	**3,277**	**1,839**

(a) Restated to reflect the presentation of discontinued operations

Results of Operations

Net sales for the fiscal year ended March 31, 2006 increased by 5.3% to JPY 20,489 million compared to the fiscal year ended March 31, 2005. During the fiscal year ended March 31, 2006, CME divested the non-core pressing business in Japan and discontinued the same business in the US with a view on a potential sale. CD/DVD pressing sales have been reclassified to discontinued operations for both years. The Music Entertainment segment recorded a growth of 5.2%, with increased sales of in-house produced titles. Within Artist & Repertoire (A&R), sales of J-Pop and J-Rock were below expectations, although the sales of new hit artists are developing favorably. Although still modest, sales from the digital distribution business continued to grow rapidly.

Profit from operations was JPY 1,241 million lower as gross margin for the fiscal year ended March 31, 2006 slightly decreased from 51.2% last year to 49.8%, mainly due to decreasing fee rates in the Press & Distribution segment. Selling, general & administrative expenses increased by JPY 988 million from JPY 8,554 million for the fiscal year ended March 31, 2005 as a result of (a) increased marketing expenditure in A&R, (b) loss on disposal of inventory and non-recoverable advances and (c) increased rent following head office relocation.

The results of the CD/DVD pressing business have been reclassified to discontinued operations and included net sales of JPY 4,261 million, an operating loss of JPY 1,743 million and a net loss of JPY 1,857 million. The divestment of the CD/DVD business in Japan resulted in a profit of JPY 4,442 million, due to the gain on the sale of the property on which the factory was located (JPY 5,541 million), partly offset by the loss (JPY 1,099 million) on the sale of the business.

EBITDA of continuing operations for the fiscal year ended March 31, 2006 amounted to JPY 1,077 million, as compared to JPY 2,460 million in the prior fiscal year. Net cash position at March 31, 2006 of JPY 2,682 million compared with net financial debt of JPY 2,293 million at March 31, 2005.

Liquidity and Capital Resources

CME had JPY 928 million of non-bank debt outstanding at March 31, 2006, of which JPY 211 million was classified as short-term. At March 31, 2005, indebtedness outstanding was JPY 4,630 million, all of which were short-term. All bank debt was paid down with the proceeds from the real estate sale.

Since December 9, 2005, CME has a new two-year revolving credit facility of JPY 5,000 million, bearing interest at TIBOR plus a margin ranging from 1.05% to 2%. The facility is unsecured unless CME would report an operating loss or fail to maintain a specified level of shareholders' equity, after which it will become secured by accounts and notes receivable.

Subsequent Events

At March 31, 2006, CME failed to meet the covenant relating to its revolving credit facility requiring it to maintain a specified level of shareholders' equity. CME has obtained a waiver of the breach of covenant from its lenders provided that the equity shortfall of JPY 735 million will be cured by March 31, 2007. Until such cure, the commitment fee and the interest rate will increase by 10 and 25 basis points, respectively.

4. Expected developments for the fiscal year ending March 31, 2007

During the current fiscal year, the Company will continue to focus on creating long-term value for its shareholders by operating and managing the Company's existing businesses with long-term considerations in mind, by pursuing global expansion opportunities for these businesses, and by seeking to acquire controlling or minority ownership interests in industries that present attractive acquisition opportunities. The Company continually reviews and considers acquisition opportunities that may or may not mature in the current fiscal year. The timing, availability and terms of acquisition transactions are therefore not predictable and are subject to competitive market conditions.

Statement of the Auditors

The financial information included in this press release has not been verified by the statutory auditor, KPMG. The statutory audit work for such financial information is currently underway and will be completed in connection with the publication of the Annual Report for the fiscal year ended March 31, 2006, which is expected on or before September 4, 2006.

About RHJ International:

RHJ International (Euronext: RHJI) is a limited liability company organized under the laws of Belgium, having its registered office at Avenue Louise 326, 1050 Brussels, Belgium. It is a diversified holding company focused on creating long-term value for its shareholders by acquiring and operating businesses in Japan and elsewhere. For further information visit: www.rhji.com.

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Appendix A: Ownership Interests in Consolidated Businesses

This press release contains certain forward-looking statements concerning the Company's operations, economic performance and financial condition. Such forward-looking statements are based on management's current expectations, estimates and projections and are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause such differences include, but are not limited to, those discussed in the Certain Information Document (and its Supplement No. 1) dated March 13, 2006. Investors are cautioned not to place undue reliance on these forward-looking statements. The Company has no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release.

Appendix A: Ownership Interests in Consolidated Businesses

Name	Ticker	Industry	Ownership / Voting rights**
Asahi Tec Corporation	TSE*: 5606	Automotive Components, Cast Auto Parts Segment	62.8% / 64.8%
Honsel International Technologies S.A.	Private	Automotive Components, Cast Auto Parts Segment	56.6% / 89.1%
Niles Co., Ltd.	Private	Automotive Components, Electronic Components Segment	96.2% / 96.2%
D&M Holdings Inc.	TSE: 6735	Consumer Electronics, Audio-Visual/Home Theater-Related Segment	51.3% / 51.3%
Phoenix Resort K.K.	Private	Hospitality Segment	100% / 100%
Columbia Music Entertainment, Inc.	TSE: 6791	Media and Entertainment, Music Entertainment Segment	25.5% / 49.6%

* *TSE =Tokyo Stock Exchange*

** *As of March 31, 2006*