

QUARTERLY REPORT

First Quarter ended June 30, 2015

(Results for the Period from April 1, 2015 to June 30, 2015)

Performance Outline (Consolidated)

	Three months ended June 30, 2014 Results	Three months ended June 30, 2015 Results	Change	(Billions of yen)	
				Year ending March 31, 2016 Forecast	Change
Domestic sales	185.5	179.8	-3.1%	800.0	5.3%
Overseas sales	321.0	359.2	11.9%	1,520.0	9.2%
Sales	506.5	539.1	6.4%	2,320.0	7.8%
Gross profit	219.3	224.8	2.5%	973.0	7.3%
Operating profit	27.1	20.6	-23.9%	140.0	20.9%
Profit before income tax expenses	25.8	19.4	-24.6%	135.0	20.2%
Profit attributable to owners of the parent	15.0	12.9	-13.9%	83.0	21.1%
Exchange rate (Yen/US\$)	102.15	121.31	19.16	120.33	10.44
Exchange rate (Yen/EURO)	140.13	134.22	-5.91	127.31	-11.54
Earnings per share attributable to owners of the parent-basic (yen)	20.80	17.91	-2.89	114.50	19.92
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	-	-
Cash flows from operating activities	20.1	0.3	-19.7	-	-
Cash flows from investing activities	-27.3	-30.5	-3.2	-	-
Cash flows from financing activities	-12.7	39.1	51.8	-	-
Cash and cash equivalents at end of period	118.5	149.7	31.1	-	-
Capital expenditures	18.2	20.5	2.3	90.0	14.0
Depreciation	17.4	17.3	-0.1	74.0	3.0
R&D expenditures	27.9	27.0	-0.8	128.0	9.2
	March 31, 2014	June 30, 2015	Change		
Total assets	2,730.2	2,806.4	76.2		
Equity attributable to owners of the parent	1,084.1	1,111.0	26.8		
Interest-bearing debt	790.5	844.1	53.5		
Equity attributable to owners of the parent ratio (%)	39.7	39.6	-0.1		
Equity per share attributable to owners of the parent (yen)	1,495.61	1,532.66	37.05		

Ricoh Company, Ltd.

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at to date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. For the assumptions for forecast and other related information, please refer to "3. Qualitative Information on Forecasted Consolidated Financial Results" on page 5.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the First Quarter Ended June 30, 2015

[Prepared on the basis of International Financial Reporting Standards]

1. Results for the Period from April 1, 2015 to June 30, 2015

(1) Operating Results

	(Millions of yen)	
	Three months ended June 30, 2014	Three months ended June 30, 2015
Sales	506,566	539,175
(% change from the previous corresponding period)	2.8	6.4
Operating profit	27,169	20,673
(% change from the previous corresponding period)	22.2	-23.9
Profit before income tax expenses	25,811	19,452
(% change from the previous corresponding period)	24.1	-24.6
Profit for the period	16,479	14,360
(% change from the previous corresponding period)	26.0	-12.9
Profit attributable to owners of the parent	15,081	12,986
(% change from the previous corresponding period)	28.8	-13.9
Comprehensive income	6,553	40,522
(% change from the previous corresponding period)	-81.5	518.4
Earnings per share attributable to owners of the parent-basic (yen)	20.80	17.91
Earnings per share attributable to owners of the parent-diluted (yen)	-	-

Notes: Earnings per share attributable to owners of the parent (basic and diluted) are based on Profit attributable to owners of the parent.

(2) Financial Position

	(Millions of yen)	
	March 31, 2015	June 30, 2015
Total assets	2,730,207	2,806,450
Total equity	1,154,312	1,182,088
Equity attributable to owners of the parent	1,084,167	1,111,025
Equity attributable to owners of the parent ratio (%)	39.7	39.6

2. Dividend Information

	Year ended March 31, 2015 (Actual)	Year ending March 31, 2016 (Forecast)
Cash dividends, applicable to the year (yen)	34.00	35.00
Interim (yen)	17.00	17.50
Year-end (yen)	17.00	17.50

Notes: Revision of expected dividends during this period: No

3. Forecast of Operating Results from April 1, 2015 to March 31, 2016

	(Millions of yen)	
	Half year ending September 30, 2015	Year ending March 31, 2016
Sales	1,110,000	2,320,000
(% change from the previous corresponding period)	7.5	7.8
Operating profit	63,000	140,000
(% change from the previous corresponding period)	12.8	20.9
Profit before income tax expenses	61,000	135,000
(% change from the previous corresponding period)	9.7	20.2
Profit attributable to owners of the parent	37,000	83,000
(% change from the previous corresponding period)	8.9	21.1
Earnings per share attributable to owners of the parent-basic (yen)	51.04	114.50

Notes: Revision of forecast of consolidated operating results during this period: Yes

4. Others

- (1) Changes in significant subsidiaries: No
- (2) Changes in accounting policies and accounting estimate
 - (i) Changes in accounting policies required by IFRS: Yes
 - (ii) Other changes: No
 - (iii) Changes in accounting estimate: No

* For details, please refer to "4.Others" on page 5.
- (3) Number of common stock outstanding (including treasury stock):
As of June 30, 2015 : 744,912,078 shares ; As of March 31, 2015 : 744,912,078 shares
- (4) Number of treasury stock:
As of June 30, 2015 : 20,014,269 shares ; As of March 31, 2015 : 20,011,200 shares
- (5) Average number of common stock:
Three months ended June 30, 2015 : 724,899,049 shares ; Three months ended June 30, 2014 : 724,914,023 shares

Qualitative Information on Consolidated Financial Results for the Quarter under Review

1. Qualitative Information on Consolidated Business Results

*** Overview of the First Quarter of Fiscal 2015 (April 1 – June 30, 2015)**

Ricoh's sales for the first quarter increased by 6.4% as compared to the previous corresponding period, to ¥539.1 billion, mainly due to the increase in sales in both the Imaging & Solutions and the Industrial Products segment.

During this period, the average exchange rates of Japanese yen against U.S. dollar and Euro were ¥121.31 (down ¥19.16 from previous year) and ¥134.22 (up ¥5.91 from previous year) respectively. Sales would have increased by 1.2% as compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuation.

The Japanese economy continued to maintain its gradual recovery with continuity high stock prices achieved through improvement in corporate profits and recovery on investment in capital expenditures. Under such market conditions, sales in the Industrial Products segment increased but was offset by the sales decrease in the Imaging & Solutions segment derived from the rebound from the special demand for personal computers and so on. As a result, the sales in the domestic market decreased by 3.1% as compared to the previous corresponding period.

As for the overseas market, the U.S. economy continued to show a solid recovery, but the European economy remains uncertain with the debt crisis of Greece. In the emerging markets, China and other developing countries in Asia are showing signs of an economic slowdown. Even under such market conditions, the significant increase in sales of Production Printing and Network System Solutions along with the weakening trend of the yen during the quarter contributed to the overall increase in sales overseas. As for overseas sales by region, sales in the Americas increased by 18.3% (a decrease of 0.4% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa increased by 1.3% (an increase of 5.7% excluding foreign currency exchange fluctuation) and sales in Other region, which includes China, South East Asia and Oceania, increased by 21.2% (an increase of 10.8%, excluding foreign currency exchange fluctuation).

As a result, sales in the overseas market increased by 11.9% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have increased by 3.7% as compared to the previous corresponding period.

Gross profit increased by 2.5% as compared to the previous corresponding period, to ¥224.8 billion, due to increase in sales and the weakening of the yen.

Although group-wide activities to streamline costs have contributed in controlling selling, general and administrative expenses, these expenses have increased by 6.3% as compared to the previous corresponding period, to ¥204.1 billion, due to the weakening of the yen and acquisitions.

As a result, operating profit decreased by 23.9% as compared to the previous corresponding period, to ¥20.6 billion.

As for finance income and costs, foreign exchange loss decreased as compared to the previous corresponding period.

Profit before income tax expenses decreased by 24.6% as compared to the previous corresponding period, to ¥19.4 billion.

As a result, profit attributable to owners of the parent decreased by 13.9% as compared to the previous corresponding period, to ¥12.9 billion.

Although profit decreased, comprehensive income increased significantly as compared to the previous corresponding period, to ¥40.5 billion due to increase in cumulative translation adjustments.

*** Review by Business Segment**

Imaging & Solutions

Office Imaging

Sales in this category increased by 5.3% to ¥361.3 billion. On top of the impact of the weakening of the yen, the sales of color MFP models and related parts & supplies for printer were favorable in the domestic market as well as overseas. As a result, sales in this category increased as compared to the previous corresponding period.

Production Printing

Sales in this category increased by 20.8% to ¥50.7 billion. The increase was achieved through increase in sales of color cut sheet printers, along with the increase in sales of related parts & supplies and services in both the domestic and overseas market especially in Europe.

Network System Solutions

Sales in this category increased by 6.0% to ¥69.4 billion. For domestic market, the sales decreased due to the rebound from the special demand for personal computers. However, for overseas market, the synergy effect from business acquisition in Europe region and participation in the project digitizing operations of the India's postal services and financial services had contributed to overall sales increase.

As a result of the above, overall sales in the Imaging & Solutions segment increased by 6.9% as compared to the previous corresponding period, to ¥481.4 billion. Operating profit decreased by 19.4% as compared to the previous corresponding period, to ¥31.9 billion mainly due to increase in selling, general and administrative expenses as a result of weakening of yen and business acquisition, which offset increase in sales.

Industrial Products

Sales in the Industrial Products segment increased by 13.5% to ¥31.0 billion due to increase in sales in the Thermal and Inkjet business. As a result, operating profit in the Industrial Product segment increased by 145.6% as compared to the previous corresponding period, to ¥2.9 billion.

Other

Sales in the Other segment decreased by 6.9% as compared to the previous corresponding period, to ¥26.6 billion. As a result of activities to streamline costs, operating profit in the Other segment was ¥0.4 billion (operating loss of ¥1.1 billion was incurred for the previous corresponding period).

2. Analysis of Consolidated Financial Position

***Assets, Liabilities and Equity**

Total assets increased by ¥76.2 billion as compared to the previous corresponding period, to ¥2,806.4 billion, mainly due to the increase in "cash and cash equivalents" and "other financial assets" derived from depreciation of the yen.

Total liabilities increased by ¥48.4 billion as compared to the previous corresponding period, to ¥1,624.3 billion, mainly due to the increase in "bonds and borrowings".

Total Equity increased by ¥27.7 billion as compared to the previous corresponding period, to ¥1,182.0 billion, mainly due to the increase in "other components of equity".

***Cash Flows (Three months from April 1, 2015 to June 30, 2015)**

Net cash provided by operating activities decreased by ¥19.7 billion as compared to the previous corresponding period, to ¥0.3 billion, mainly due to the decrease in profit for the period, the decrease in collections on trade receivables and the increase in lease receivables.

Net cash used in investing activities increased by ¥3.2 billion as compared to the previous corresponding period, to ¥30.5 billion, mainly due to the increase in capital expenditures.

Net cash provided by financing activities increased by ¥51.8 billion as compared to the previous corresponding period, to ¥39.1 billion, mainly due to the increase in debt.

As a result, the balance of cash and cash equivalent at the end of period increased by ¥12.0 billion as compared to the previous corresponding period, to ¥149.7 billion.

3. Qualitative Information on Forecasted Consolidated Financial Results

The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Based upon the changes, Ricoh will revise its forecast downwards for sales from those previously announced in April. No changes have been made to the forecasted gross profit, operating profit, profit before income tax expenses and profit attributable to owners of the parent.

Ricoh will maintain the assumed exchange rates set forth in April of ¥120.00 against U.S. dollar and of ¥125.00 against Euro in and after the second quarter, and has incorporated the actual exchange rates during the first quarter in the annual exchange rates assumption.

Prior year comparative figures have also been adjusted to conform to the current year presentation.

Our performance forecast for fiscal year ending March 31, 2016 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2016

US\$ 1 = ¥120.33 (¥109.89 in previous fiscal year)

EURO 1 = ¥127.31 (¥138.85 in previous fiscal year)

(Billions of yen)				
	Half year ending September 30, 2015 (Forecast)	Year ended March 31, 2015 (A)	Year ending March 31, 2016 (Forecast) (B)	Change (B-A)/A
Domestic sales	376.0	759.5	800.0	5.3%
Overseas sales	734.0	1,391.8	1,520.0	9.2%
Sales	1,110.0	2,151.4	2,320.0	7.8%
Gross profit	466.0	906.9	973.0	7.3%
Operating profit	63.0	115.7	140.0	20.9%
Profit before income tax expenses	61.0	112.2	135.0	20.2%
Profit attributable to owners of the parent	37.0	68.5	83.0	21.1%

* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at to date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas where Ricoh conducts business, including Japan, the Americas, Europe, Middle East, Africa, China and Asia, market environment, and currency exchange rates.

4. Others

(1) Changes in significant subsidiaries

Not applicable

(2) Changes in accounting policies

Ricoh did not change the significant accounting policies from the previous fiscal year, with the exception of the following.

The adoption of the following IFRSs has no material impact on Ricoh's condensed consolidated financial statements.

IFRSs	Title	Summaries of new IFRSs/amendments
IFRS 13	Fair Value Measurement	Clarifying a scope exception for measuring the fair value of a portfolio
IAS 19	Employee Benefits	Clarifying accounting treatment for contributions from employees or third parties as required in the terms of defined benefit plans

5. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

Assets

	(Millions of yen)		
	March 31, 2015	June 30, 2015	Change
Current Assets			
Cash and cash equivalents	137,722	149,727	12,005
Time deposits	927	845	-82
Trade and other receivables	553,534	562,204	8,670
Other financial assets	260,056	268,643	8,587
Inventories	224,481	232,360	7,879
Other current assets	39,662	50,077	10,415
Total Current Assets	1,216,382	1,263,856	47,474
Non-current assets			
Property, plant and equipment	276,617	280,405	3,788
Goodwill and intangible assets	435,752	441,720	5,968
Other financial assets	601,797	616,956	15,159
Investments accounted for using the equity method	450	829	379
Other investments	58,237	62,386	4,149
Other non-current assets	44,119	41,874	-2,245
Deferred tax assets	96,853	98,424	1,571
Total Non-current Assets	1,513,825	1,542,594	28,769
Total Assets	2,730,207	2,806,450	76,243

Liabilities and Equity

	(Millions of yen)		
	March 31, 2015	June 30, 2015	Change
Current Liabilities			
Bonds and borrowings	222,065	229,638	7,573
Trade and other payables	276,986	255,535	-21,451
Other financial liabilities	1,800	1,825	25
Income tax payables	13,683	12,605	-1,078
Other current liabilities	257,605	273,634	16,029
Total Current Liabilities	772,139	773,237	1,098
Non-current Liabilities			
Bonds and borrowings	568,515	614,513	45,998
Other financial liabilities	1,537	1,545	8
Accrued pension and retirement benefits	144,153	143,926	-227
Other non-current liabilities	84,721	86,164	1,443
Deferred tax liabilities	4,830	4,977	147
Total Non-current Liabilities	803,756	851,125	47,369
Total Liabilities	1,575,895	1,624,362	48,467
Equity			
Common stock	135,364	135,364	-
Additional paid-in capital	186,083	186,083	-
Treasury stock	-37,295	-37,299	-4
Other components of equity	153,547	179,746	26,199
Retained earnings	646,468	647,131	663
Equity attributable to owners of the parent	1,084,167	1,111,025	26,858
Non-controlling interests	70,145	71,063	918
Total Equity	1,154,312	1,182,088	27,776
Total Liabilities and Equity	2,730,207	2,806,450	76,243

(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Profit or Loss

	(Millions of yen)			
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
Sales	506,566	539,175	32,609	6.4
Cost of sales	287,251	314,337	27,086	9.4
Percentage of sales (%)	56.7	58.3		
Gross profit	219,315	224,838	5,523	2.5
Percentage of sales (%)	43.3	41.7		
Selling, general and administrative expenses	192,146	204,165	12,019	6.3
Percentage of sales (%)	37.9	37.9		
Operating profit	27,169	20,673	-6,496	-23.9
Percentage of sales (%)	5.4	3.8		
Finance income	785	646	-139	-17.7
Percentage of sales (%)	0.2	0.1		
Finance costs	2,110	1,879	-231	-10.9
Percentage of sales (%)	0.4	0.3		
Share of profit (loss) of investments accounted for using the equity method	-33	12	45	-
Percentage of sales (%)	-0.0	0.0		
Profit before income tax expenses	25,811	19,452	-6,359	-24.6
Percentage of sales (%)	5.1	3.6		
Income tax expenses	9,332	5,092	-4,240	-45.4
Percentage of sales (%)	1.8	0.9		
Profit for the period	16,479	14,360	-2,119	-12.9
Percentage of sales (%)	3.3	2.7		
Profit attributable to:				
Owners of the parent	15,081	12,986	-2,095	-13.9
Percentage of sales (%)	3.0	2.4		
Non-controlling interests	1,398	1,374	-24	-1.7
Percentage of sales (%)	0.3	0.3		

	Three months ended June 30, 2014	Three months ended June 30, 2015	Change
Earnings per share attributable to owners of the parent-basic (yen)	20.80	17.91	-2.89
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

Condensed Consolidated Statement of Comprehensive Income

	(Millions of yen)		
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change
Profit for the period	16,479	14,360	-2,119
Other comprehensive income:			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-	-	-
Total components that will not be reclassified subsequently to profit or loss	-	-	-
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	-280	2,985	3,265
Net gain (loss) on fair value of cash flow hedges	-257	198	455
Exchange differences on translation of foreign operations	-9,389	22,979	32,368
Total components that will be reclassified subsequently to profit or loss	-9,926	26,162	36,088
Total other comprehensive income (loss)	-9,926	26,162	36,088
Comprehensive income	6,553	40,522	33,969
Comprehensive income attributable to:			
Owners of the parent	5,402	39,185	33,783
Non-controlling interests	1,151	1,337	186

Consolidated Sales by Product Category

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
<Imaging & Solutions>				
Office Imaging	343,082	361,326	18,244	5.3
Percentage of sales (%)	67.7	67.0		
Production Printing	41,990	50,717	8,727	20.8
Percentage of sales (%)	8.3	9.4		
Network System Solutions	65,524	69,430	3,906	6.0
Percentage of sales (%)	13.0	12.9		
Imaging & Solutions Total	450,596	481,473	30,877	6.9
Percentage of sales (%)	89.0	89.3		
<Industrial Products>				
Industrial Products	27,397	31,089	3,692	13.5
Percentage of sales (%)	5.4	5.8		
<Other>				
Other	28,573	26,613	-1,960	-6.9
Percentage of sales (%)	5.6	4.9		
Grand Total	506,566	539,175	32,609	6.4
Percentage of sales (%)	100.0	100.0		

* Each category includes the following product line:

Office Imaging	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software
Production Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Network System Solutions	Personal computers, servers, network equipment, related services, support and software
Industrial Products	Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head
Other	Digital cameras

Consolidated Sales by Geographic Area

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
<Domestic>				
Percentage of sales (%)	185,555	179,877	-5,678	-3.1
	36.6	33.4		
<Overseas>				
Percentage of sales (%)	321,011	359,298	38,287	11.9
	63.4	66.6		
The Americas	147,324	174,239	26,915	18.3
Percentage of sales (%)	29.1	32.3		
Europe, Middle East and Africa	128,095	129,812	1,717	1.3
Percentage of sales (%)	25.3	24.1		
Other	45,592	55,247	9,655	21.2
Percentage of sales (%)	9.0	10.2		
Grand Total	506,566	539,175	32,609	6.4
Percentage of sales (%)	100.0	100.0		

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

(3) Condensed Consolidated Statement of Changes in Equity

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain (loss) on fair value of available-for-sale financial assets	Net gain (loss) on fair value of cash flow hedges
Balance as of April 1, 2014	135,364	186,083	-37,278	-	11,848	-221
Profit for the period						
Other comprehensive income (loss)					-287	-151
Comprehensive income	-	-	-	-	-287	-151
Net change in treasury stock			-6			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Total transactions with owners	-	-	-6	-	-	-
Balance as of June 30, 2014	135,364	186,083	-37,284	-	11,561	-372

	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2014	108,277	119,904	625,340	1,029,413	64,983	1,094,396
Profit for the period			15,081	15,081	1,398	16,479
Other comprehensive income (loss)	-9,241	-9,679		-9,679	-247	-9,926
Comprehensive income	-9,241	-9,679	15,081	5,402	1,151	6,553
Net change in treasury stock				-6		-6
Dividends declared and approved to owners			-11,961	-11,961	-358	-12,319
Transfer from other components of equity to retained earnings				-		-
Total transactions with owners	-	-	-11,961	-11,967	-358	-12,325
Balance as of June 30, 2014	99,036	110,225	628,460	1,022,848	65,776	1,088,624

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain (loss) on fair value of available-for-sale financial assets	Net gain (loss) on fair value of cash flow hedges
Balance as of April 1, 2015	135,364	186,083	-37,295	-	17,082	803
Profit for the period						
Other comprehensive income (loss)					3,032	113
Comprehensive income	-	-	-	-	3,032	113
Net change in treasury stock			-4			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Total transactions with owners	-	-	-4	-	-	-
Balance as of June 30, 2015	135,364	186,083	-37,299	-	20,114	916

	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2015	135,662	153,547	646,468	1,084,167	70,145	1,154,312
Profit for the period			12,986	12,986	1,374	14,360
Other comprehensive income (loss)	23,054	26,199		26,199	-37	26,162
Comprehensive income	23,054	26,199	12,986	39,185	1,337	40,522
Net change in treasury stock				-4		-4
Dividends declared and approved to owners			-12,323	-12,323	-419	-12,742
Transfer from other components of equity to retained earnings				-		-
Total transactions with owners	-	-	-12,323	-12,327	-419	-12,746
Balance as of June 30, 2015	158,716	179,746	647,131	1,111,025	71,063	1,182,088

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
I. Cash Flows from Operating Activities:		
Profit for the period	16,479	14,360
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	26,611	26,460
Share of loss (profit) of investments accounted for using the equity method	33	-12
Finance income and costs	1,325	1,233
Income tax expenses	9,332	5,092
Decrease in trade and other receivables	22,849	2,238
Increase in inventories	-11,629	-4,105
Increase in lease receivables	-5,867	-13,743
Decrease in trade and other payables	-33,201	-23,459
Decrease in accrued pension and retirement benefits	-4,279	-2,784
Other, net	11,754	4,936
Interest and dividends received	575	601
Interest paid	-1,439	-1,543
Income taxes paid	-12,349	-8,879
Net cash provided by operating activities	20,194	395
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	179	80
Expenditures for property, plant and equipment	-18,251	-20,596
Expenditures for intangible assets	-6,773	-5,716
Payments for purchases of available-for-sale securities	-79	-95
Proceeds from sales of available-for-sale securities	87	57
Decrease in time deposits	891	101
Purchase of business, net of cash acquired	-2,530	-371
Other, net	-866	-4,025
Net cash used in investing activities	-27,342	-30,565
III. Cash Flows from Financing Activities:		
Net proceeds of short-term debt	33,611	41,339
Proceeds from long-term debt	31,532	87,105
Repayments of long-term debt	-30,549	-16,592
Repayments of bonds	-35,000	-60,000
Dividends paid	-11,961	-12,323
Payments for purchase of treasury stock	-6	-4
Other, net	-358	-419
Net cash provided by (used in) financing activities	-12,731	39,106
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	-1,573	3,069
V. Net Increase (decrease) in Cash and Cash Equivalents	-21,452	12,005
VI. Cash and Cash Equivalents at Beginning of Year	140,047	137,722
VII. Cash and Cash Equivalents at End of Period	118,595	149,727

(5) Notes on premise going concern

Not applicable

(6) Segment Information

(a) Operating Segment Information

(Millions of yen)				
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
Imaging & Solutions:				
Sales:				
Unaffiliated customers	450,596	481,473	30,877	6.9
Intersegment	-	-	-	-
Total	450,596	481,473	30,877	6.9
Operating expenses	410,899	449,475	38,576	9.4
Operating profit	39,697	31,998	-7,699	-19.4
Operating profit on sales in Imaging & Solutions (%)	8.8	6.6		
Industrial Products:				
Sales:				
Unaffiliated customers	27,397	31,089	3,692	13.5
Intersegment	3,243	2,832	-411	-12.7
Total	30,640	33,921	3,281	10.7
Operating expenses	29,448	30,994	1,546	5.2
Operating profit	1,192	2,927	1,735	145.6
Operating profit on sales in Industrial Products (%)	3.9	8.6		
Other:				
Sales:				
Unaffiliated customers	28,573	26,613	-1,960	-6.9
Intersegment	-	-	-	-
Total	28,573	26,613	-1,960	-6.9
Operating expenses	29,717	26,207	-3,510	-11.8
Operating profit (loss)	-1,144	406	1,550	-
Operating profit (loss) on sales in Other (%)	-4.0	1.5		
Corporate and Eliminations:				
Sales:				
Intersegment	-3,243	-2,832	411	-
Total	-3,243	-2,832	411	-
Operating expenses:				
Intersegment	-3,243	-2,832	411	-
Corporate	12,576	14,658	2,082	-
Total	9,333	11,826	2,493	-
Operating loss	-12,576	-14,658	-2,082	-
Consolidated:				
Sales:				
Unaffiliated customers	506,566	539,175	32,609	6.4
Intersegment	-	-	-	-
Total	506,566	539,175	32,609	6.4
Operating expenses	479,397	518,502	39,105	8.2
Operating profit	27,169	20,673	-6,496	-23.9
Operating profit on consolidated sales (%)	5.4	3.8		

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

(Supplemental information)

Finance business included in the above is as follows:

(Millions of yen)				
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
Sales	32,303	33,030	727	2.3
Operating expenses	25,491	25,686	195	0.8
Operating profit	6,812	7,344	532	7.8
Operating profit on sales in Finance Business (%)	21.1	22.2		

(b) Geographic Segment Information

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%
Japan:				
Sales:				
Unaffiliated customers	192,357	187,619	-4,738	-2.5
Intersegment	108,592	115,853	7,261	6.7
Total	300,949	303,472	2,523	0.8
Operating expenses	285,271	298,264	12,993	4.6
Operating profit	15,678	5,208	-10,470	-66.8
Operating profit on sales in Japan (%)	5.2	1.7		
The Americas:				
Sales:				
Unaffiliated customers	147,275	174,172	26,897	18.3
Intersegment	1,683	1,505	-178	-10.6
Total	148,958	175,677	26,719	17.9
Operating expenses	144,124	171,197	27,073	18.8
Operating profit	4,834	4,480	-354	-7.3
Operating profit on sales in the Americas (%)	3.2	2.6		
Europe, Middle East and Africa:				
Sales:				
Unaffiliated customers	127,210	128,626	1,416	1.1
Intersegment	228	228	-	-
Total	127,438	128,854	1,416	1.1
Operating expenses	122,835	125,126	2,291	1.9
Operating profit	4,603	3,728	-875	-19.0
Operating profit on sales in Europe, Middle East and Africa (%)	3.6	2.9		
Other:				
Sales:				
Unaffiliated customers	39,724	48,758	9,034	22.7
Intersegment	57,090	67,404	10,314	18.1
Total	96,814	116,162	19,348	20.0
Operating expenses	93,565	110,222	16,657	17.8
Operating profit	3,249	5,940	2,691	82.8
Operating profit on sales in Other (%)	3.4	5.1		
Corporate and Eliminations:				
Sales:				
Intersegment	-167,593	-184,990	-17,397	-
Total	-167,593	-184,990	-17,397	-
Operating expenses	-166,398	-186,307	-19,909	-
Operating profit (loss)	-1,195	1,317	2,512	-
Consolidated:				
Sales:				
Unaffiliated customers	506,566	539,175	32,609	6.4
Intersegment	-	-	-	-
Total	506,566	539,175	32,609	6.4
Operating expenses	479,397	518,502	39,105	8.2
Operating profit	27,169	20,673	-6,496	-23.9
Operating profit on consolidated sales (%)	5.4	3.8		

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

-APPENDIX- (Three months ended June 30, 2015)

1. Consolidated Sales by Product Category

	(Millions of yen)					
	Three months ended June 30, 2014	Three months ended June 30, 2015	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	343,082	361,326	18,244	5.3	-1,712	-0.5
Percentage of sales (%)	67.7	67.0				
Domestic	96,812	97,222	410	0.4	410	0.4
Overseas	246,270	264,104	17,834	7.2	-2,122	-0.9
Production Printing	41,990	50,717	8,727	20.8	4,971	11.8
Percentage of sales (%)	8.3	9.4				
Domestic	7,307	7,489	182	2.5	182	2.5
Overseas	34,683	43,228	8,545	24.6	4,789	13.8
Network System Solutions	65,524	69,430	3,906	6.0	2,733	4.2
Percentage of sales (%)	13.0	12.9				
Domestic	47,796	42,889	-4,907	-10.3	-4,907	-10.3
Overseas	17,728	26,541	8,813	49.7	7,640	43.1
Imaging & Solutions Total	450,596	481,473	30,877	6.9	5,992	1.3
Percentage of sales (%)	89.0	89.3				
Domestic	151,915	147,600	-4,315	-2.8	-4,315	-2.8
Overseas	298,681	333,873	35,192	11.8	10,307	3.5
The Americas	141,453	166,702	25,249	17.8	-1,077	-0.8
Europe, Middle East and Africa	121,771	123,061	1,290	1.1	6,689	5.5
Other	35,457	44,110	8,653	24.4	4,695	13.2
<Industrial Products>						
Industrial Products	27,397	31,089	3,692	13.5	2,209	8.1
Percentage of sales (%)	5.4	5.8				
Domestic	9,165	9,626	461	5.0	461	5.0
Overseas	18,232	21,463	3,231	17.7	1,748	9.6
The Americas	4,792	6,547	1,755	36.6	727	15.2
Europe, Middle East and Africa	4,699	5,283	584	12.4	766	16.3
Other	8,741	9,633	892	10.2	255	2.9
<Other>						
Other	28,573	26,613	-1,960	-6.9	-2,159	-7.6
Percentage of sales (%)	5.6	4.9				
Domestic	24,475	22,651	-1,824	-7.5	-1,824	-7.5
Overseas	4,098	3,962	-136	-3.3	-335	-8.2
The Americas	1,079	990	-89	-8.2	-222	-20.6
Europe, Middle East and Africa	1,625	1,468	-157	-9.7	-93	-5.7
Other	1,394	1,504	110	7.9	-20	-1.4
Grand Total	506,566	539,175	32,609	6.4	6,042	1.2
Percentage of sales (%)	100.0	100.0				
Domestic	185,555	179,877	-5,678	-3.1	-5,678	-3.1
Percentage of sales (%)	36.6	33.4				
Overseas	321,011	359,298	38,287	11.9	11,720	3.7
Percentage of sales (%)	63.4	66.6				
The Americas	147,324	174,239	26,915	18.3	-572	-0.4
Percentage of sales (%)	29.1	32.3				
Europe, Middle East and Africa	128,095	129,812	1,717	1.3	7,362	5.7
Percentage of sales (%)	25.3	24.1				
Other	45,592	55,247	9,655	21.2	4,930	10.8
Percentage of sales (%)	9.0	10.2				

* Each category includes the following product line:

Office Imaging	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software
Production Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Network System Solutions	Personal computers, servers, network equipment, related services, support and software
Industrial Products	Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head
Other	Digital cameras

* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

2. Forecast of Consolidated Performance

(Billions of yen)

	Three months ended June 30, 2015		Three months ending Sept. 30, 2015		Half year ending Sept. 30, 2015		Year ending March 31, 2016	
	Results	Change %	Forecast	Change %	Forecast	Change %	Forecast	Change %
Sales	539.1	6.4	570.8	8.5	1,110.0	7.5	2,320.0	7.8
Gross profit	224.8	2.5	241.1	6.2	466.0	4.4	973.0	7.3
Operating profit	20.6	-23.9	42.3	47.5	63.0	12.8	140.0	20.9
Profit before income tax expenses	19.4	-24.6	41.5	39.5	61.0	9.7	135.0	20.2
Profit attributable to owners of the parent	12.9	-13.9	24.0	27.1	37.0	8.9	83.0	21.1
Earnings per share attributable to owners of the parent-basic (yen)	17.91	-	33.13	-	51.04	-	114.50	-
Earnings per share attributable to owners of the parent- diluted (yen)	-	-	-	-	-	-	-	-
Capital expenditures	20.5		23.5		44.0		90.0	
Depreciation	17.3		18.7		36.0		74.0	
R&D expenditures	27.0		35.0		62.0		128.0	
Exchange rate (Yen/US\$)	121.31		120.00		120.66		120.33	
Exchange rate (Yen/EURO)	134.22		125.00		129.61		127.31	

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2015	Half year ending September 30, 2015		Year ending March 31, 2016			
	Results	Forecast	Forecast (Note)	Forecast	Change %	Forecast (Note)	Change %
<Imaging & Solutions>							
Office Imaging	1,439.7	729.9	691.8	1,519.2	5.5	1,486.4	3.2
Domestic	396.1	191.1	191.1	404.1	2.0	404.1	2.0
Overseas	1,043.5	538.8	500.6	1,115.1	6.9	1,082.3	3.7
Production Printing	191.9	105.4	97.4	221.4	15.3	213.4	11.2
Domestic	31.1	15.8	15.8	35.3	13.4	35.3	13.4
Overseas	160.8	89.6	81.6	186.1	15.7	178.1	10.7
Network System Solutions	284.9	153.0	150.8	333.7	17.1	332.3	16.6
Domestic	194.7	101.8	101.8	223.9	15.0	223.9	15.0
Overseas	90.1	51.1	48.9	109.7	21.7	108.4	20.2
Imaging & Solutions Total	1,916.6	988.4	940.1	2,074.3	8.2	2,032.2	6.0
Domestic	622.0	308.8	308.8	663.4	6.7	663.4	6.7
Overseas	1,294.6	679.5	631.3	1,410.9	9.0	1,368.8	5.7
The Americas	621.6	338.9	289.4	691.5	11.2	632.6	1.8
Europe, Middle East and Africa	505.7	242.0	254.5	514.1	1.7	544.9	7.8
Other	167.2	98.6	87.3	205.3	22.7	191.2	14.3
<Industrial Products>							
Industrial Products	117.7	65.6	61.8	131.5	11.7	127.5	8.3
Domestic	37.9	20.1	20.1	41.4	9.3	41.4	9.3
Overseas	79.8	45.5	41.7	90.0	12.8	86.0	7.9
The Americas	22.2	12.6	10.8	26.2	17.8	24.0	8.1
Europe, Middle East and Africa	19.8	9.9	10.3	20.5	3.8	21.6	9.2
Other	37.7	22.9	20.5	43.2	14.6	40.3	7.0
<Other>							
Other	116.9	55.9	55.3	114.0	-2.5	113.6	-2.8
Domestic	99.5	47.0	47.0	95.1	-4.5	95.1	-4.5
Overseas	17.3	8.8	8.3	18.9	9.2	18.5	6.7
The Americas	4.6	2.2	1.9	4.9	7.9	4.5	-1.4
Europe, Middle East and Africa	6.8	3.5	3.7	7.4	9.5	7.9	16.3
Other	5.9	3.0	2.6	6.5	9.9	6.0	1.9
Grand Total	2,151.4	1,110.0	1,057.4	2,320.0	7.8	2,273.4	5.7
Domestic	759.5	376.0	376.0	800.0	5.3	800.0	5.3
Overseas	1,391.8	734.0	681.4	1,520.0	9.2	1,473.4	5.9
The Americas	648.5	353.8	302.2	722.7	11.4	661.2	2.0
Europe, Middle East and Africa	532.3	255.6	268.6	542.2	1.8	574.5	7.9
Other	210.9	124.5	110.5	255.0	20.9	237.6	12.7

(Note) Excluding foreign exchange impact