

# **Consolidated Results for the 3 months ended June 30, 2002**

**August 2, 2002  
Ricoh Company, Ltd.**

**\* The Company bases the estimates in this presentation on information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.**

## **I. FY2002 Q1 Results**

## FY2002 Q1 Performance Highlights (1)

< Comparison with latest forecast (May, 2002) >

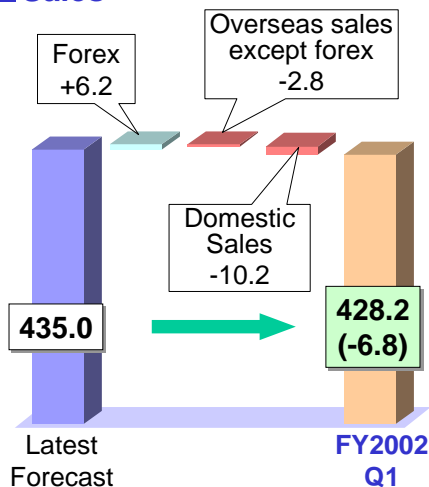
| (Billions of Yen)        | Latest Forecast | FY2002 Q1    | Change      | Change (%)    |
|--------------------------|-----------------|--------------|-------------|---------------|
| <b>Net sales</b>         |                 |              |             |               |
| (Japan)                  | 235.0           | 224.8        | -10.2       | -4.3%         |
| (Overseas)               | 200.0           | 203.4        | +3.4        | +1.7%         |
| <b>Total</b>             | <b>435.0</b>    | <b>428.2</b> | <b>-6.8</b> | <b>-1.6%</b>  |
| <b>Gross profit</b>      | <b>184.0</b>    | <b>186.4</b> | <b>+2.4</b> | <b>+1.3%</b>  |
| Percentage of net sales  | 42.3%           | 43.5%        | —           | —             |
| <b>Operating income</b>  | <b>32.5</b>     | <b>35.9</b>  | <b>+3.4</b> | <b>+10.5%</b> |
| Percentage of net sales  | 7.5%            | 8.4%         | —           | —             |
| <b>Income before tax</b> | <b>28.5</b>     | <b>32.2</b>  | <b>+3.7</b> | <b>+13.0%</b> |
| Percentage of net sales  | 6.6%            | 7.5%         | —           | —             |
| <b>Net income</b>        | <b>16.0</b>     | <b>19.5</b>  | <b>+3.5</b> | <b>+21.9%</b> |
| Percentage of net sales  | 3.7%            | 4.6%         | —           | —             |
| Exchange rate            |                 |              |             |               |
| US \$1                   | 125.00          | 127.01       | +2.01       | +1.6%         |
| (Yen) Euro 1             | 110.00          | 116.56       | +6.56       | +6.0%         |

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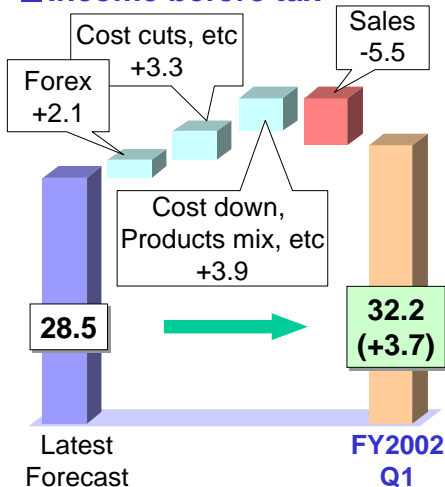
## FY2002 Q1 Performance Highlights (2)

< Comparison with latest forecast (May, 2002) > (Billions of Yen)

### ■ Sales



### ■ Income before tax



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## FY2002 Q1 Performance Highlights (3)

< Comparison with FY2001 >

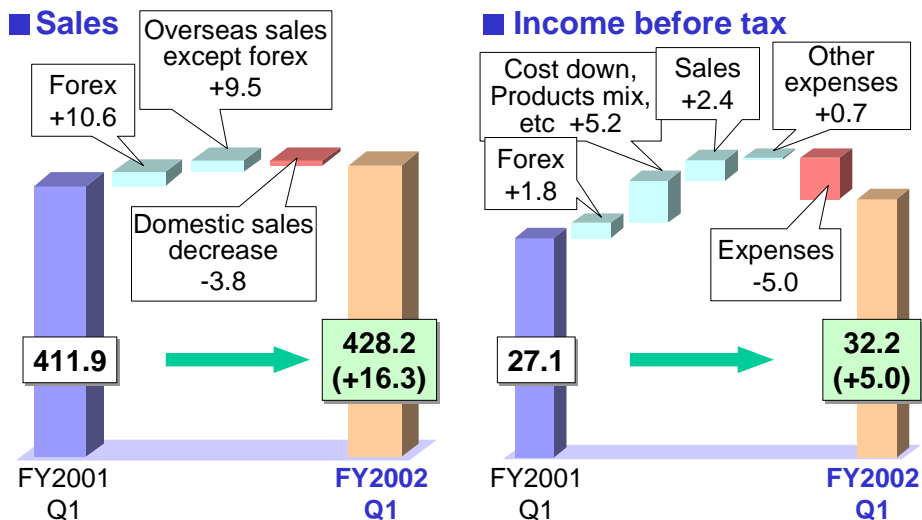
| (Billions of Yen)        | FY2001 Q1    | FY2002 Q1    | Change       | Change (%)    |
|--------------------------|--------------|--------------|--------------|---------------|
| <b>Net sales</b>         |              |              |              |               |
| (Japan)                  | 228.7        | 224.8        | -3.8         | -1.7%         |
| (Overseas)               | 183.2        | 203.4        | +20.2        | +11.0%        |
| <b>Total</b>             | <b>411.9</b> | <b>428.2</b> | <b>+16.3</b> | <b>+4.0%</b>  |
| <b>Gross profit</b>      | <b>174.0</b> | <b>186.4</b> | <b>+12.4</b> | <b>+7.2%</b>  |
| Percentage of net sales  | 42.2%        | 43.5%        | —            | —             |
| <b>Operating income</b>  | <b>31.6</b>  | <b>35.9</b>  | <b>+4.3</b>  | <b>+13.6%</b> |
| Percentage of net sales  | 7.7%         | 8.4%         | —            | —             |
| <b>Income before tax</b> | <b>27.1</b>  | <b>32.2</b>  | <b>+5.0</b>  | <b>+18.7%</b> |
| Percentage of net sales  | 6.6%         | 7.5%         | —            | —             |
| <b>Net income</b>        | <b>14.8</b>  | <b>19.5</b>  | <b>+4.6</b>  | <b>+31.2%</b> |
| Percentage of net sales  | 3.6%         | 4.6%         | —            | —             |
| Exchange rate            |              |              |              |               |
| US \$1                   | 122.60       | 127.01       | +4.41        | +3.6%         |
| (Yen) Euro 1             | 107.25       | 116.56       | +9.31        | +8.7%         |

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## FY2002 Q1 Performance Highlights (4)

< Comparison with FY2001 >

(Billions of Yen)






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## FY2002 Q1 Performance Highlights (5)

### < Topics of FY2002 Q1 >

#### ■ New Products

- imagio Neo C320/C240 (Japan) 
- IPSiO Color 7100 (Japan) 
- IPSiO Color 6500/6000 (Japan) 
- Ridoc Document Server Pro ver.2 (Japan)
- Ridoc Web Navigator (Japan)

▼ imagio Neo C320



▼ IPSiO Color 6500



#### ■ Others

- No.1 of J.D.Power Customer Satisfaction Study (to Lanier Worldwide)
- U.S. Digital Copy Manufacturer of the year (6th consecutive year)
- RICOH Printer Driver API opened to the public on Web
- Top ranked for 'Corporate Social Responsibility' survey by Oekom Research

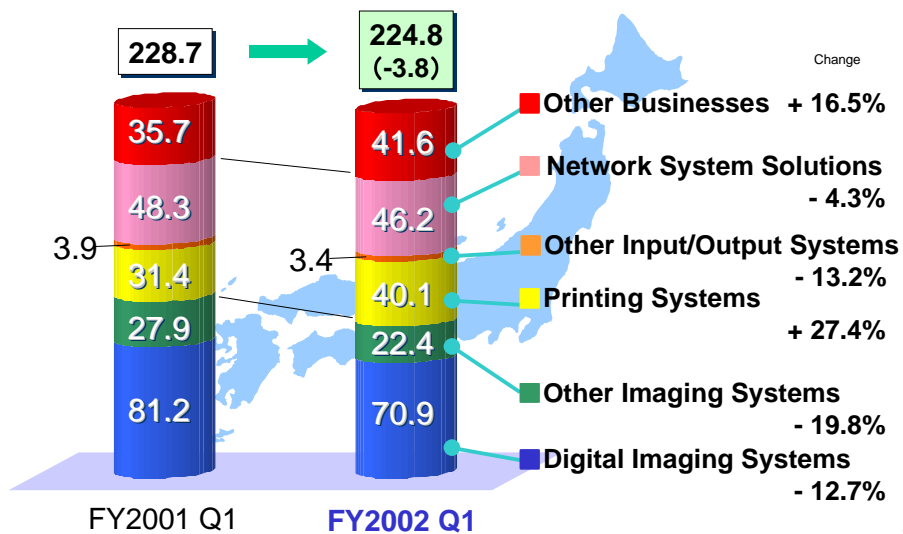


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## FY2002 Q1 Sales by Category

### < Japan >

(Billions of Yen)

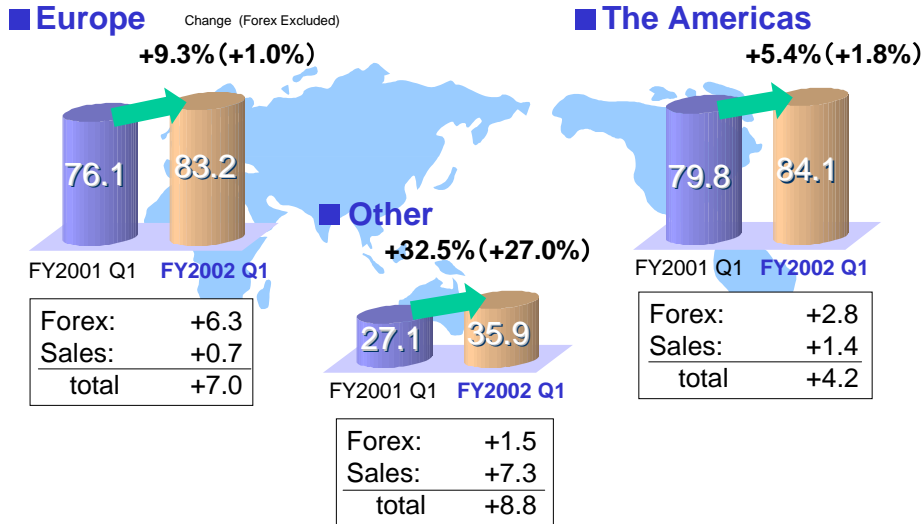


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## FY2002 Q1 Sales by Geographic Area

< Overseas >

(Billions of Yen)

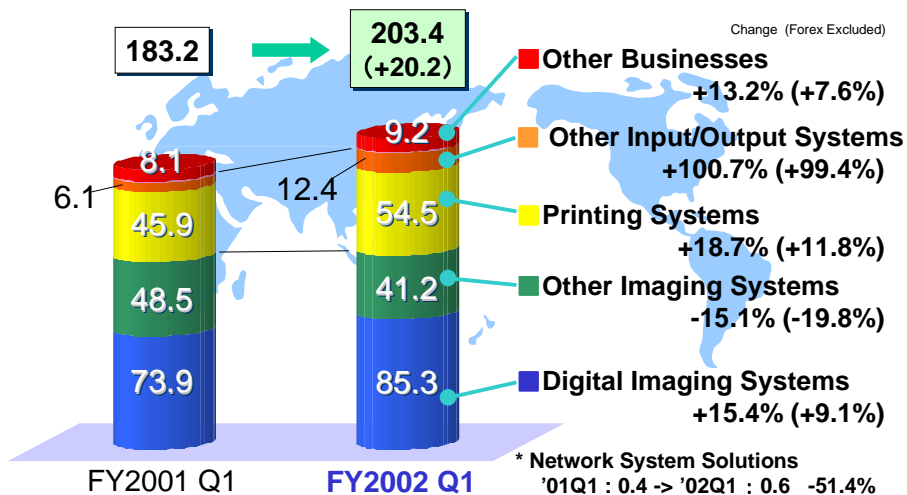


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## FY2002 Q1 Sales by Category

< Overseas >

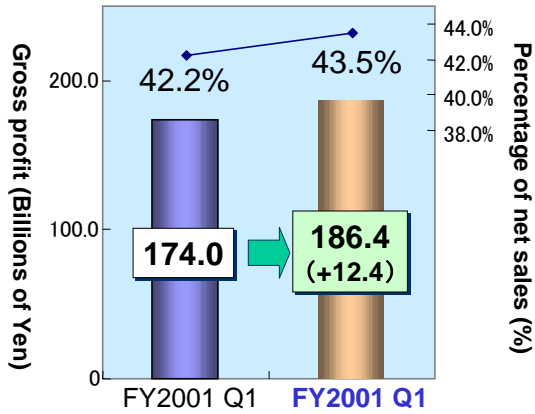
(Billions of Yen)



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## FY2002 Q1 Statement of Income (1)

### < Gross Profit >



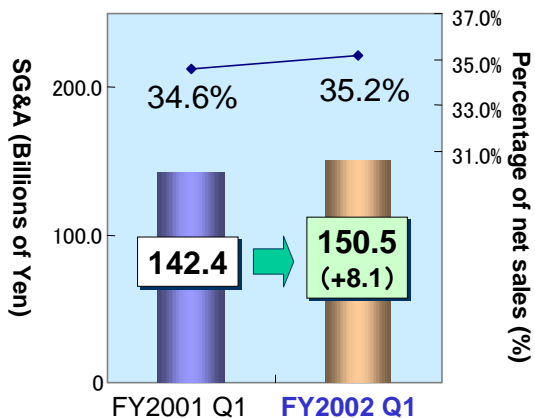
### - Changes

|                                 | (Billions of Yen) |
|---------------------------------|-------------------|
| Sales                           | + 2.4             |
| Forex                           | + 4.8             |
| Cost down,<br>Products mix, etc | + 5.2             |
| <b>total</b>                    | <b>+ 12.4</b>     |

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## FY2002 Q1 Statement of Income (2)

### < SG&A >



### - Changes

|              | (Billions of Yen) |
|--------------|-------------------|
| Forex        | + 3.1             |
| R&D          | + 0.6             |
| Others       | + 4.4             |
| <b>total</b> | <b>+ 8.1</b>      |

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## FY2002 Q1 Statement of Income (3)

< Other (income) expenses >

(Billions of Yen)

|                              | FY2000 | FY2001 | change |
|------------------------------|--------|--------|--------|
| Interest and dividend income | 1.1    | 0.9    | -0.1   |
| Interest expenses            | 2.4    | 1.7    | -0.6   |
| Other, net                   | 3.1    | 2.8    | -0.2   |
| Other (income) expenses      | -4.4   | -3.6   | +0.7   |

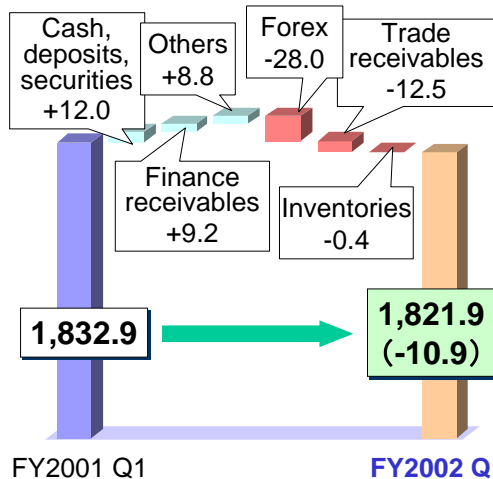
Details of Other, net

|                   | FY2000 | FY2001 |
|-------------------|--------|--------|
| Forex loss (gain) | 2.6    | 1.7    |
| Others            | 0.5    | 1.1    |

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## FY2002 Q1 Balance Sheet

< Total Assets > (Billions of Yen)



- Financial Indexes

|                                   | FY2001    | FY2002 Q1  |
|-----------------------------------|-----------|------------|
| Inventories / cost of sales       | 2.0months | 1.95months |
| D/E ratio                         | 0.89      | 0.86       |
| Income before tax on total assets | 6.4%      | 1.8%       |
| ROE                               | 10.4%     | 3.0%       |

\* Excluding Forex impact on major assets and liabilities

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## FY2002 Q1 Statement of Cash Flow

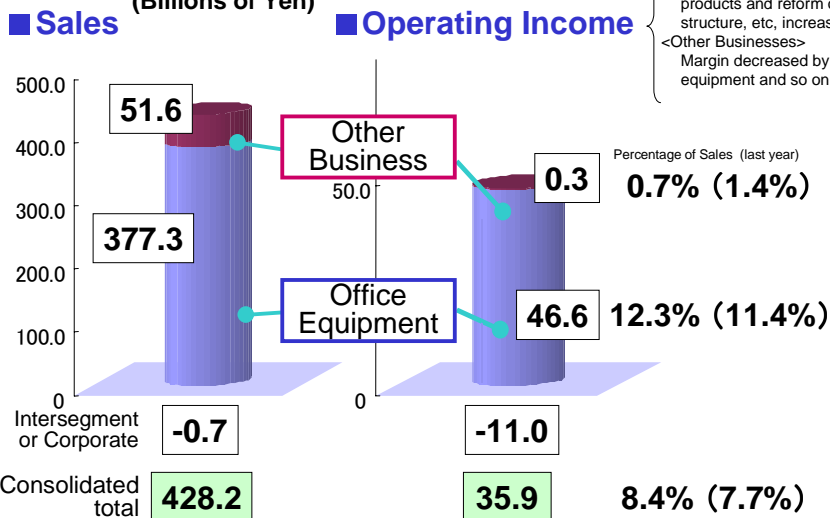
< Comparison with FY2001 > (Billions of Yen)

|   | FY2001 Q1    | FY2002 Q1    |
|---|--------------|--------------|
| Net income                                  | 14.8         | 19.5         |
| Depreciation and amortization               | 15.1         | 19.1         |
| Other operating activities                  | -13.4        | 15.7         |
| <b>Net cash by operating activities</b>     | <b>16.5</b>  | <b>54.3</b>  |
| Plant and equipment                         | -17.6        | -17.5        |
| Other investing activities                  | -4.2         | 2.1          |
| <b>Net cash by investing activities</b>     | <b>-21.8</b> | <b>-15.4</b> |
| <b>Net cash by financing activities</b>     | <b>-3.1</b>  | <b>-3.7</b>  |
| Effect of exchange rate                     | 0.3          | -2.2         |
| <b>Net increase in Cash and Equivalents</b> | <b>-8.0</b>  | <b>32.8</b>  |

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## FY2002 Q1 Segment Information (1)

< Business Segment >  
(Billions of Yen)

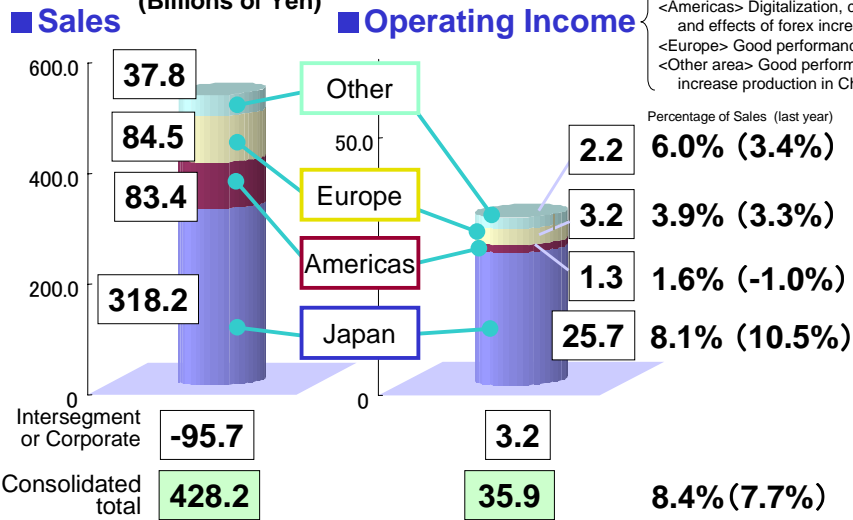


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## FY2002 Q1 Segment Information (2)

### < Geographic Segment > (Billions of Yen)



<Japan> Reform of profitability structure and effects of forex increase margin.  
 <Americas> Digitalization, colorization and effects of forex increase margin.  
 <Europe> Good performance and forex  
 <Other area> Good performance and increase production in China.

## II. FY2002 Forecast (Revised)

## FY2002 Performance Forecast (1)

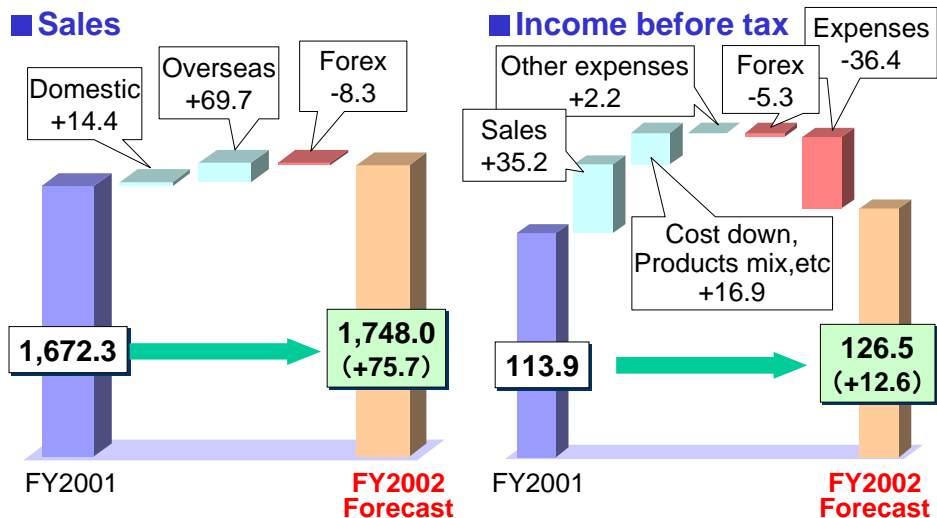
< Comparison with FY2001 >

| (Billions of Yen)        | FY2001         | FY2002<br>Old Forecast | FY2002<br>Forecast | Change       | Change<br>(%) |
|--------------------------|----------------|------------------------|--------------------|--------------|---------------|
| <b>Net sales</b>         |                |                        |                    |              |               |
| (Japan)                  | 902.6          | 945.0                  | 917.0              | +14.4        | +1.6%         |
| (Overseas)               | 769.6          | 828.0                  | 831.0              | +61.4        | +8.0%         |
| <b>Total</b>             | <b>1,672.3</b> | <b>1,773.0</b>         | <b>1,748.0</b>     | <b>+75.7</b> | <b>+4.5%</b>  |
| <b>Gross profit</b>      | <b>699.9</b>   | <b>743.2</b>           | <b>741.8</b>       | <b>+41.9</b> | <b>+6.0%</b>  |
| Percentage of net sales  | 41.9%          | 41.9%                  | 42.4%              | -            | -             |
| <b>Operating income</b>  | <b>129.6</b>   | <b>136.0</b>           | <b>140.0</b>       | <b>+10.4</b> | <b>+7.9%</b>  |
| Percentage of net sales  | 7.8%           | 7.7%                   | 8.0%               | -            | -             |
| <b>Income before tax</b> | <b>113.9</b>   | <b>122.0</b>           | <b>126.5</b>       | <b>+12.6</b> | <b>+11.0%</b> |
| Percentage of net sales  | 6.8%           | 6.9%                   | 7.2%               | -            | -             |
| <b>Net income</b>        | <b>61.6</b>    | <b>67.5</b>            | <b>72.5</b>        | <b>+10.9</b> | <b>+17.7%</b> |
| Percentage of net sales  | 3.7%           | 3.8%                   | 4.1%               | -            | -             |
| Exchange rate            |                |                        |                    |              |               |
| US \$1                   | 125.10         | 125.00                 | 118.00             | -7.10        | -5.7%         |
| (Yen) Euro 1             | 110.60         | 110.00                 | 115.39             | +4.79        | +4.3%         |

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## FY2002 Performance Forecast (2)

< Comparison with FY2001: Revised > (Billions of Yen)

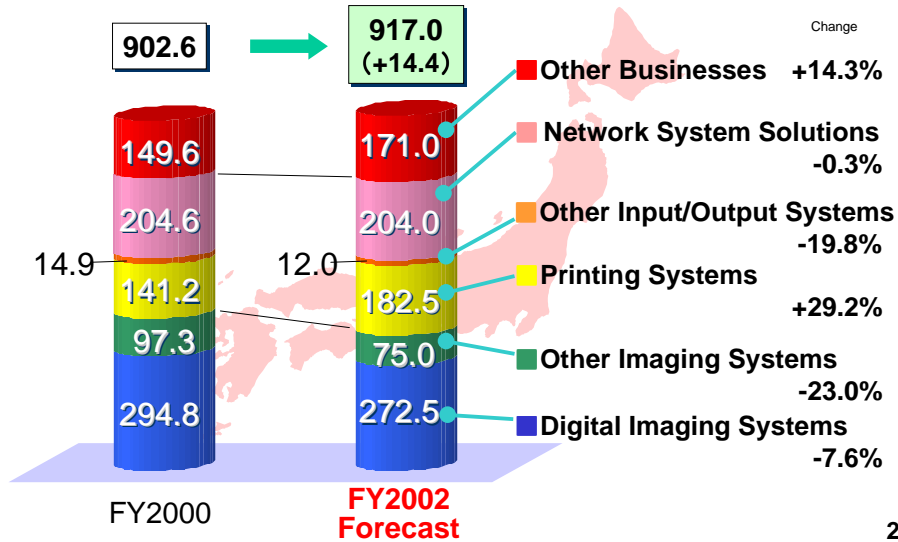


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## FY2002 Sales by Category

< Japan : Revised >

(Billions of Yen)

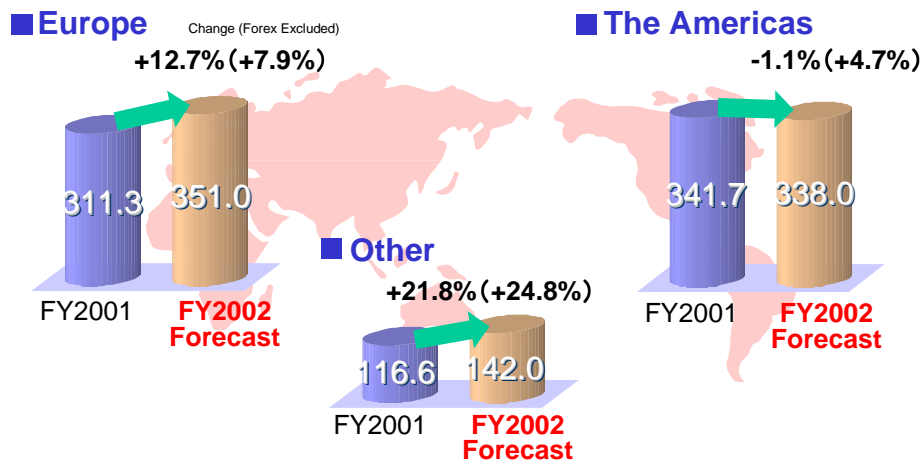


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## FY2002 Sales by Geographic Area

< Overseas : Revised >

(Billions of Yen)

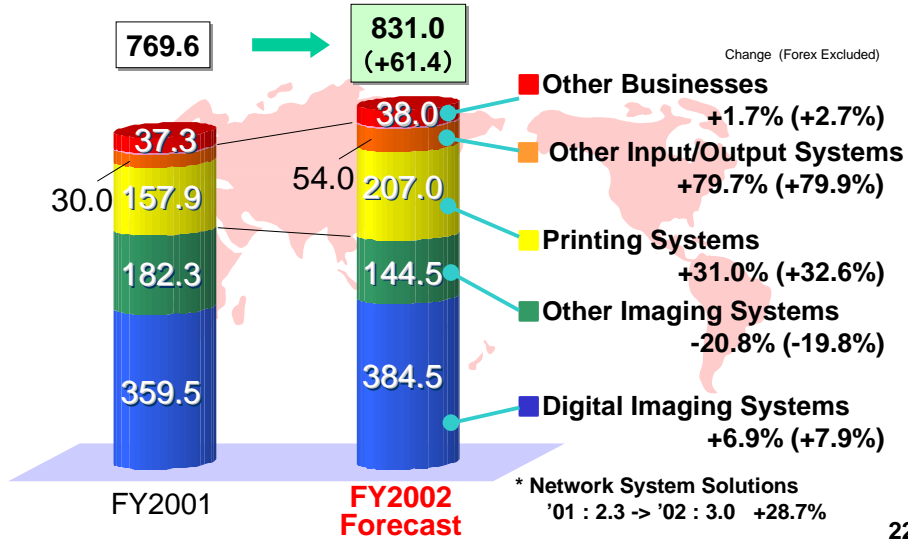


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## FY2002 Sales by Category

< Overseas : Revised >

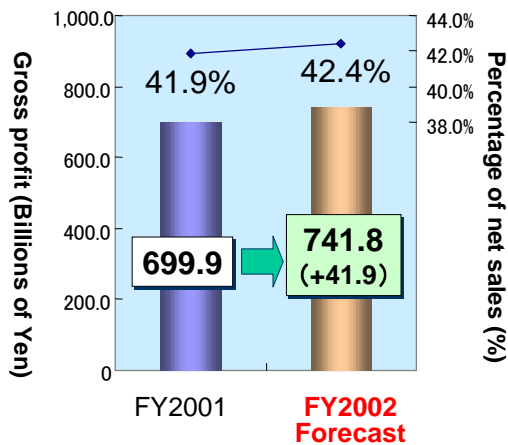
(Billions of Yen)



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## FY2002 Statement of Income (1)

< Gross Profit >



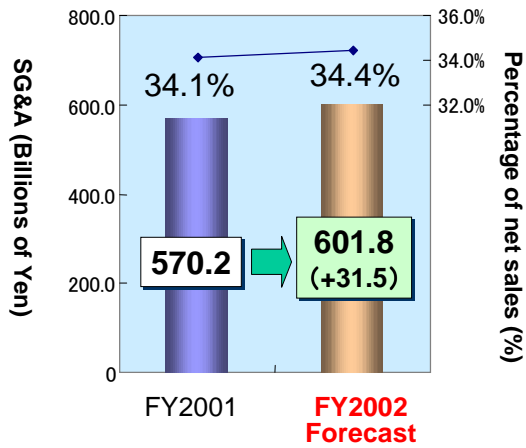
- Changes

|                                 | (Billions of Yen) |
|---------------------------------|-------------------|
| Forex                           | - 10.2            |
| Sales                           | + 35.2            |
| Cost down,<br>Products mix, etc | + 16.9            |
| <b>total</b>                    | <b>+ 41.9</b>     |

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## FY2002 Statement of Income (2)

### < SG&A >



### - Changes

|              | (Billions of Yen) |
|--------------|-------------------|
| Forex        | - 4.9             |
| R&D          | + 2.3             |
| Others       | + 34.1            |
| <b>total</b> | <b>+ 31.5</b>     |

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## FY2001 Statement of Income (3)

### < Other (income) expenses >

(Billions of Yen)

|                              | FY2001 Q1 | FY2002 Q1 | change |
|------------------------------|-----------|-----------|--------|
| Interest and dividend income | 4.7       | 4.6       | -0.1   |
| Interest expenses            | 8.2       | 7.9       | -0.3   |
| Other, net                   | 12.2      | 10.2      | -2.0   |
| Other (income) expenses      | -15.7     | -13.5     | +2.2   |

#### Details of Other, net

|                             | FY2001 Q1 | FY2002 Q1 |
|-----------------------------|-----------|-----------|
| Forex loss (gain)           | 5.8       | 5.5       |
| Impairment loss of goodwill | 2.9       | 1.5       |
| Others                      | 3.6       | 3.2       |

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## FY2002 Q2 Performance Forecast

### < Comparison with Q2 of FY2001 >

| (Billions of Yen)        |                         | FY2001 Q2    | FY2002 Q2<br>Old Forecast | FY2002 Q2<br>Forecast | Change       | Change<br>(%) |
|--------------------------|-------------------------|--------------|---------------------------|-----------------------|--------------|---------------|
| <b>Net sales</b>         | (Japan)                 | 223.9        | 236.0                     | 226.2                 | +2.3         | +1.0%         |
|                          | (Overseas)              | 184.1        | 204.0                     | 200.5                 | +16.4        | +8.9%         |
|                          | <b>Total</b>            | <b>408.1</b> | <b>440.0</b>              | <b>426.7</b>          | <b>+18.6</b> | <b>+4.6%</b>  |
| <b>Gross profit</b>      |                         | <b>167.8</b> | <b>180.7</b>              | <b>179.3</b>          | <b>+11.5</b> | <b>+6.8%</b>  |
|                          | Percentage of net sales | 41.1%        | 41.1%                     | 42.0%                 | -            | -             |
| <b>Operating income</b>  |                         | <b>28.2</b>  | <b>29.5</b>               | <b>30.1</b>           | <b>+1.9</b>  | <b>+6.3%</b>  |
|                          | Percentage of net sales | 6.9%         | 6.7%                      | 7.1%                  | -            | -             |
| <b>Income before tax</b> |                         | <b>25.3</b>  | <b>26.5</b>               | <b>27.2</b>           | <b>+1.9</b>  | <b>+7.4%</b>  |
|                          | Percentage of net sales | 6.2%         | 6.0%                      | 6.4%                  | -            | -             |
| <b>Net income</b>        |                         | <b>13.5</b>  | <b>14.5</b>               | <b>15.5</b>           | <b>+2.0</b>  | <b>+14.4%</b> |
|                          | Percentage of net sales | 3.3%         | 3.3%                      | 3.6%                  | -            | -             |
| Exchange rate            | US \$1                  | 121.72       | 125.00                    | 115.00                | -6.72        | -5.5%         |
|                          | (Yen) Euro 1            | 108.32       | 110.00                    | 115.00                | +6.68        | +6.2%         |

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## FY2002 1H Performance Forecast

### < Comparison with 1H of FY2001 >

| (Billions of Yen)        |                         | FY2001 1H    | FY2002 1H<br>Old Forecast | FY2002 1H<br>Forecast | Change       | Change<br>(%) |
|--------------------------|-------------------------|--------------|---------------------------|-----------------------|--------------|---------------|
| <b>Net sales</b>         | (Japan)                 | 452.7        | 471.0                     | 451.0                 | -1.7         | -0.4%         |
|                          | (Overseas)              | 367.3        | 404.0                     | 404.0                 | +36.7        | +10.0%        |
|                          | <b>Total</b>            | <b>820.0</b> | <b>875.0</b>              | <b>855.0</b>          | <b>+35.0</b> | <b>+4.3%</b>  |
| <b>Gross profit</b>      |                         | <b>341.8</b> | <b>364.7</b>              | <b>365.8</b>          | <b>+24.0</b> | <b>+7.0%</b>  |
|                          | Percentage of net sales | 41.7%        | 41.7%                     | 42.8%                 | -            | -             |
| <b>Operating income</b>  |                         | <b>59.9</b>  | <b>62.0</b>               | <b>66.0</b>           | <b>+6.1</b>  | <b>+10.2%</b> |
|                          | Percentage of net sales | 7.3%         | 7.1%                      | 7.7%                  | -            | -             |
| <b>Income before tax</b> |                         | <b>52.5</b>  | <b>55.0</b>               | <b>59.5</b>           | <b>+7.0</b>  | <b>+13.3%</b> |
|                          | Percentage of net sales | 6.4%         | 6.3%                      | 7.0%                  | -            | -             |
| <b>Net income</b>        |                         | <b>28.4</b>  | <b>30.5</b>               | <b>35.0</b>           | <b>+6.6</b>  | <b>+23.2%</b> |
|                          | Percentage of net sales | 3.5%         | 3.5%                      | 4.1%                  | -            | -             |
| Exchange rate            | US \$1                  | 122.16       | 125.00                    | 121.01                | -1.15        | -0.9%         |
|                          | (Yen) Euro 1            | 107.79       | 110.00                    | 115.78                | +7.99        | +7.4%         |

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