

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

**October 31, 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 Q2 Results**

## FY2002 Q2 Performance Highlights (1)

< Comparison with FY01 Q2 >

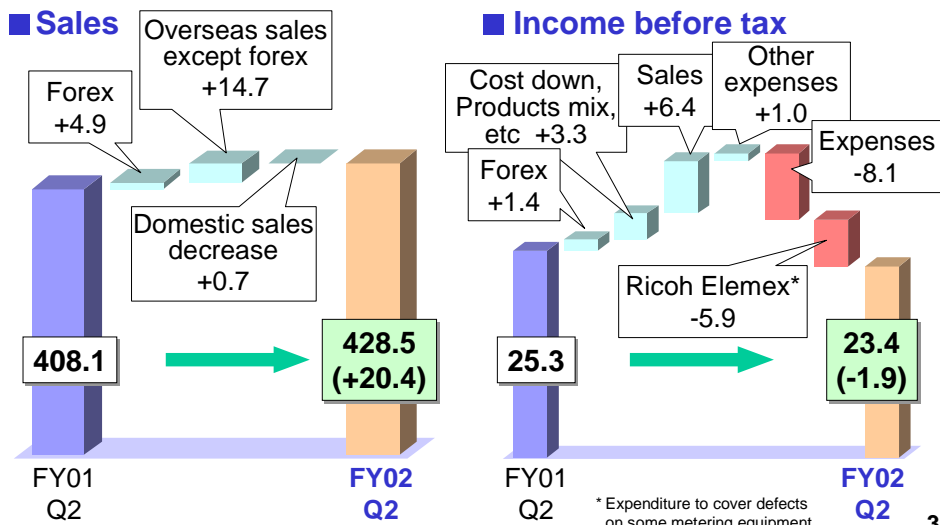
(Billions of Yen)	FY01 Q2	FY02 Q2	Change	Change (%)
<b>Net sales</b>				
(Japan)	223.9	224.7	+0.7	+0.3%
(Overseas)	184.1	203.8	+19.6	+10.7%
<b>Total</b>	<b>408.1</b>	<b>428.5</b>	<b>+20.4</b>	<b>+5.0%</b>
<b>Gross profit</b>	<b>167.8</b>	<b>174.1</b>	<b>+6.2</b>	<b>+3.7%</b>
Percentage of net sales	41.1%	40.6%	—	—
<b>Operating income</b>	<b>28.2</b>	<b>25.4</b>	<b>-2.8</b>	<b>-10.2%</b>
Percentage of net sales	6.9%	5.9%	—	—
<b>Income before tax</b>	<b>25.3</b>	<b>23.4</b>	<b>-1.9</b>	<b>-7.7%</b>
Percentage of net sales	6.2%	5.5%	—	—
<b>Net income</b>	<b>13.5</b>	<b>14.0</b>	<b>+0.4</b>	<b>+3.5%</b>
Percentage of net sales	3.3%	3.3%	—	—
Exchange rate				
US \$1	121.72	119.19	-2.53	-2.1%
(Yen) Euro 1	108.32	117.34	+9.02	+8.3%

2

## FY2002 Q2 Performance Highlights (2)

< Comparison with FY01 Q2 >

(Billions of Yen)



3

## FY2002 Q2 Performance Highlights (3)

### < Topics of FY02 Q2 >

#### ■ New Products

- Aficio 1075/1060 (US / EU)
- imagio Color 5105it V3 (Japan) 
- Caplio RR30 (JPN / US / EU)
- MP7400A (Japan)



▲ Aficio 1075



▲ Caplio RR30

#### ■ Others

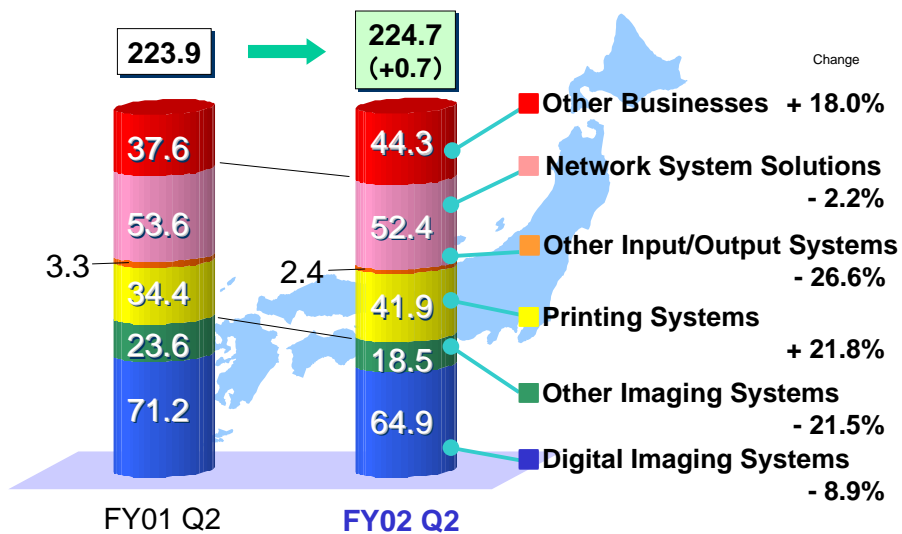
- Aficio 1075/1060 received 5 star rating from BERTL
- Provided world's 1st image contents based engine (for YAHOO Japan auction)
- Ricoh Group Sustainability Report 2002 issued

4

## FY2002 Q2 Sales by Category

< Japan >

(Billions of Yen)

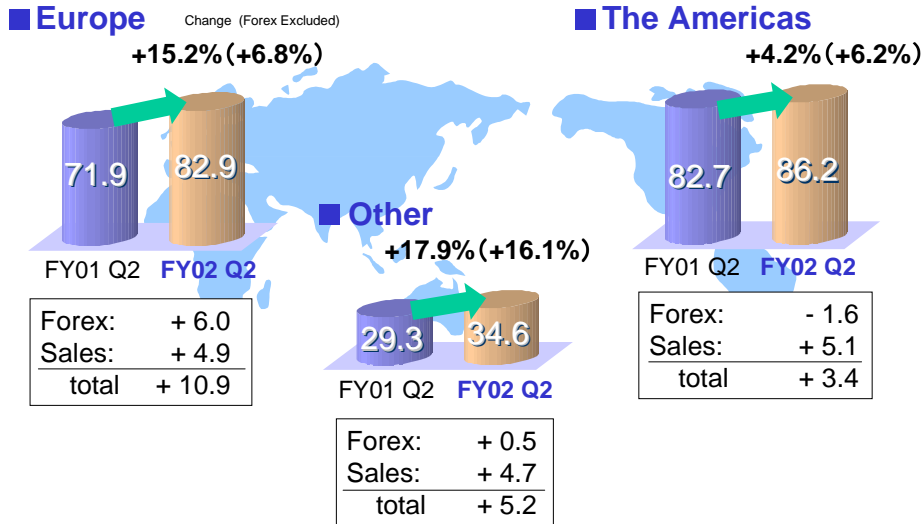


5

## FY2002 Q2 Sales by Geographic Area

< Overseas >

(Billions of Yen)

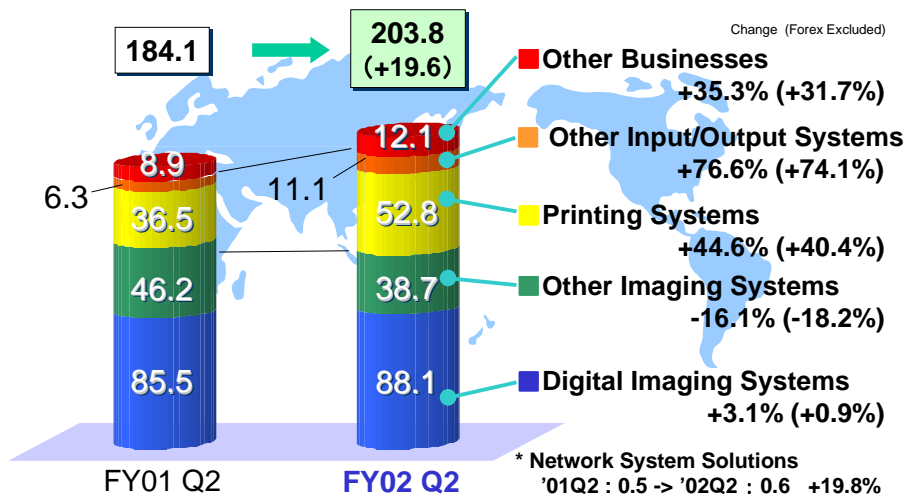


6

## FY2002 Q2 Sales by Category

< Overseas >

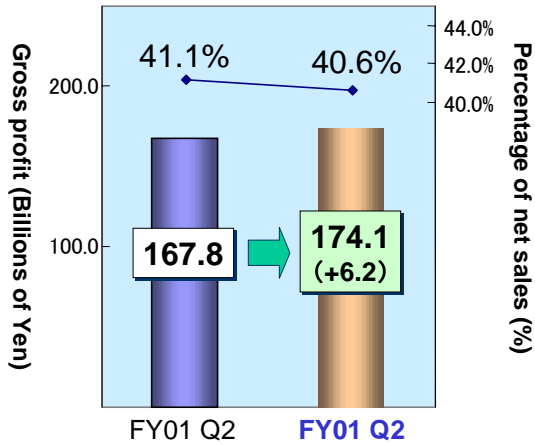
(Billions of Yen)



7

## FY2002 Q2 Statement of Income (1)

### < Gross Profit >



### - Changes

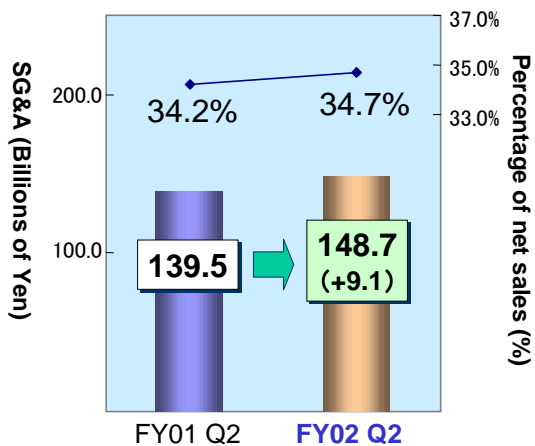
	(Billions of Yen)
Sales	+ 6.4
Forex	+ 2.4
Cost down, Products mix, etc	+ 3.3
Ricoh Elemex *	- 5.9
<b>total</b>	<b>+ 6.2</b>

\* Expenditure to cover defects on some metering equipment

8

## FY2002 Q2 Statement of Income (2)

### < SG&A >



### - Changes

	(Billions of Yen)
Forex	+ 1.0
R&D	- 0.3
Others	+ 8.4
<b>total</b>	<b>+ 9.1</b>

9

## FY2002 Q2 Statement of Income (3)

< Other (income) expenses > (Billions of Yen)

	FY01 Q2	FY02 Q2	change
Interest and dividend income	1.7	1.0	-0.6
Interest expenses	2.1	2.2	-0.1
Other, net	2.5	0.7	-1.7
Other (income) expenses	-2.9	-1.9	+1.2

Details of Other, net

	FY01 Q2	FY02 Q2
Forex loss (gain)	1.9	-2.0
Others	0.6	2.7

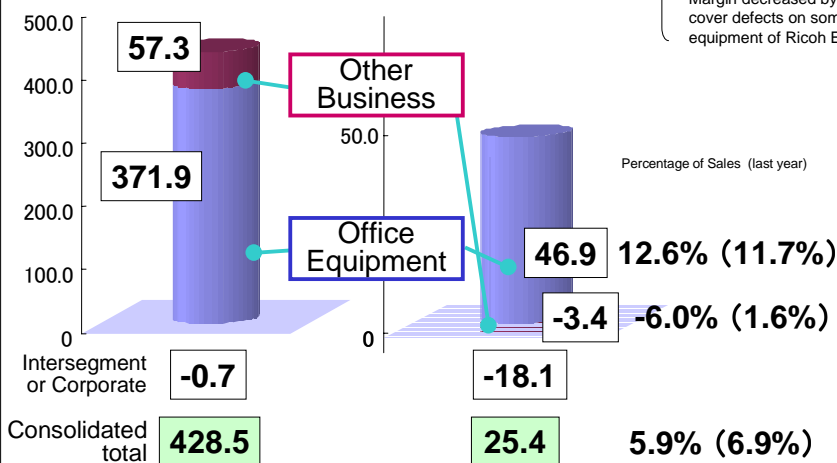
10

## FY2002 Q2 Segment Information (1)

< Business Segment >  
(Billions of Yen)

■ Sales

■ Operating Income

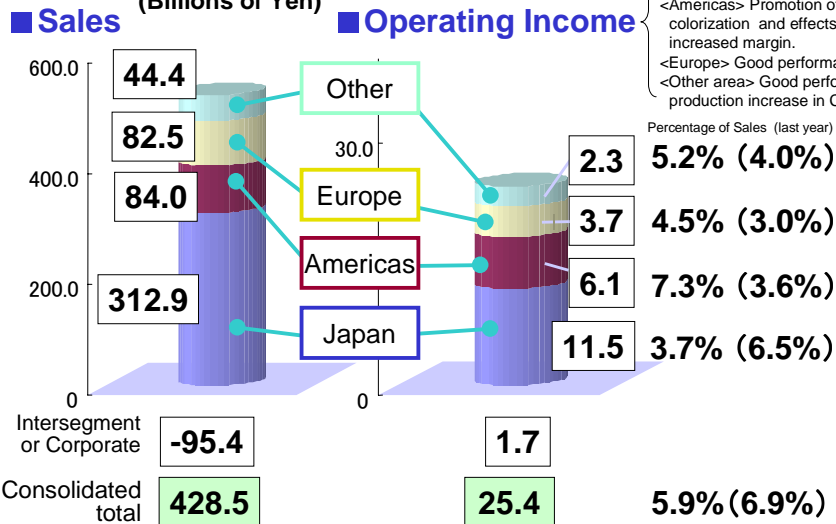


<Office Equipment>  
Expansion of high value-added products and reform of profitability structure, etc, increased margin.  
<Other Businesses>  
Margin decreased by expenditure to cover defects on some metering equipment of Ricoh Elemex.

11

## FY2002 Q2 Segment Information (2)

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



<Japan> Margin decreased by expenditure to cover defects on some metering equipment of Ricoh Elemex.  
 <Americas> Promotion of MFPs, colorization and effects of forex increased margin.  
 <Europe> Good performance and forex  
 <Other area> Good performance and production increase in China.

Percentage of Sales (last year)

12

## FY2002 1H Performance Highlights (1)

### < Comparison with FY01 1H >

(Billions of Yen)	FY01 1H	FY02 1H	Change	Change (%)
<b>Net sales</b>				
(Japan)	452.7	449.5	-3.1	-0.7%
(Overseas)	367.3	407.2	+39.8	+10.9%
<b>Total</b>	<b>820.0</b>	<b>856.8</b>	<b>+36.7</b>	<b>+4.5%</b>
<b>Gross profit</b>	<b>341.8</b>	<b>360.6</b>	<b>+18.7</b>	<b>+5.5%</b>
Percentage of net sales	41.7%	42.1%	—	—
<b>Operating income</b>	<b>59.9</b>	<b>61.3</b>	<b>+1.4</b>	<b>+2.4%</b>
Percentage of net sales	7.3%	7.2%	—	—
<b>Income before tax</b>	<b>52.5</b>	<b>55.6</b>	<b>+3.1</b>	<b>+6.0%</b>
Percentage of net sales	6.4%	6.5%	—	—
<b>Net income</b>	<b>28.4</b>	<b>33.5</b>	<b>+5.1</b>	<b>+18.0%</b>
Percentage of net sales	3.5%	3.9%	—	—
Exchange rate				
US \$1	122.16	123.08	+0.92	+0.8%
(Yen) Euro 1	107.79	116.95	+9.16	+8.5%

13

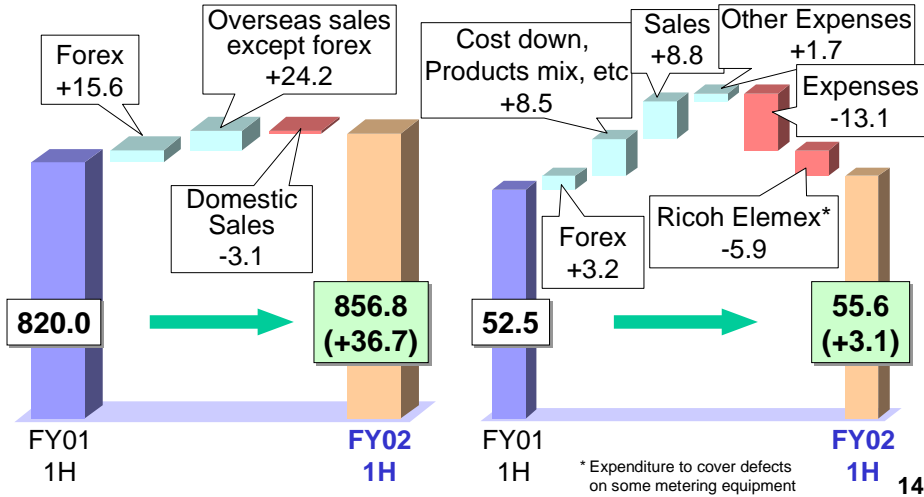
## FY2002 1H Performance Highlights (2)

< Comparison with FY01 1H >

(Billions of Yen)

■ Sales

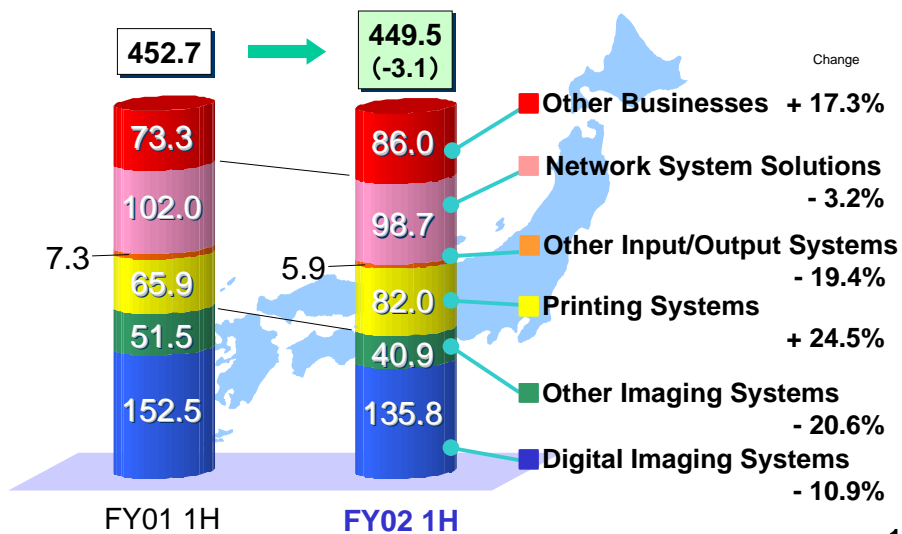
■ Income before tax



## FY2002 1H Sales by Category

< Japan >

(Billions of Yen)

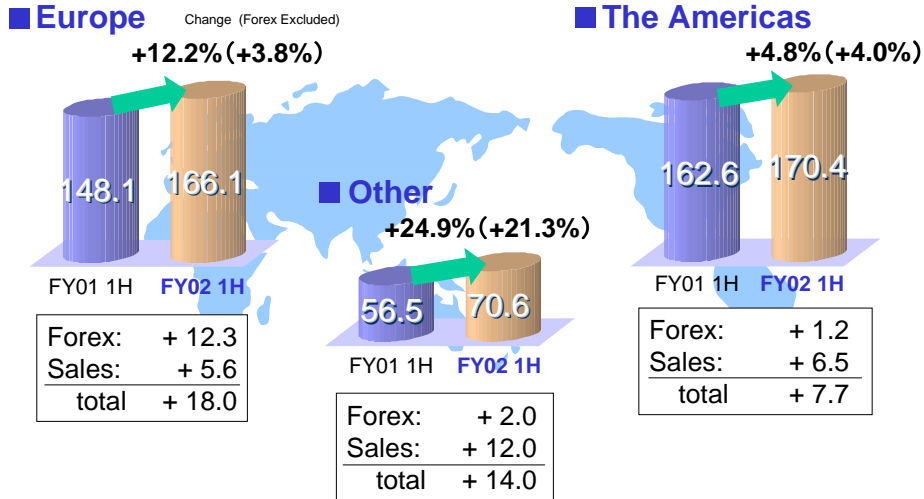




## FY2002 1H Sales by Geographic Area

< Overseas >

(Billions of Yen)

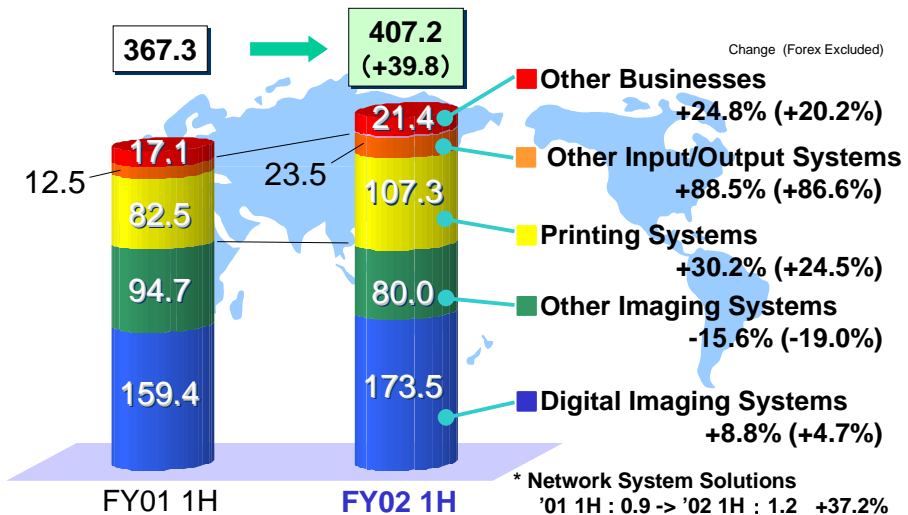


16

## FY2002 1H Sales by Category

< Overseas >

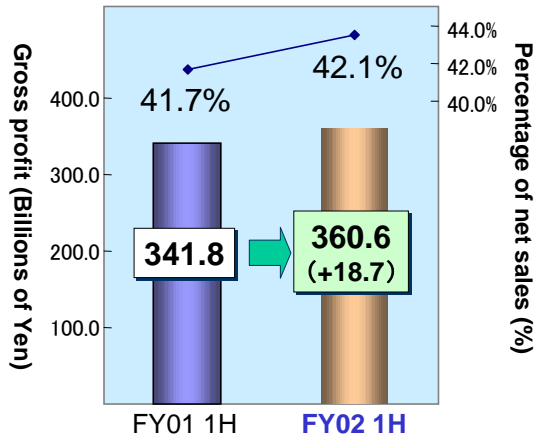
(Billions of Yen)



17

## FY2002 1H Statement of Income (1)

### < Gross Profit >



### - Changes

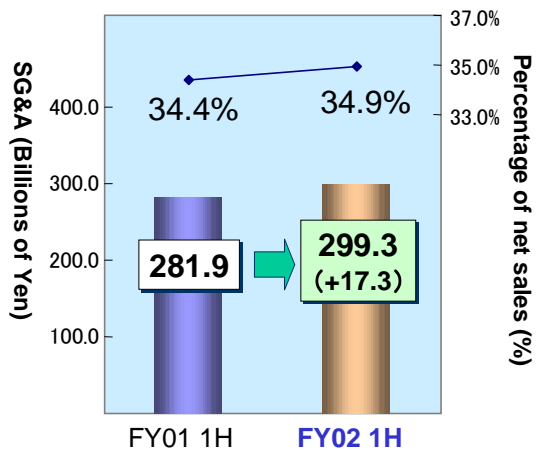
	(Billions of Yen)
Sales	+ 8.8
Forex	+ 7.3
Cost down, Products mix, etc	+ 8.5
Ricoh Elemex *	- 5.9
<b>total</b>	<b>+ 18.7</b>

\* Expenditure to cover defects on some metering equipment

18

## FY2002 1H Statement of Income (2)

### < SG&A >



### - Changes

	(Billions of Yen)
Forex	+ 4.1
R&D	+ 0.3
Others	+ 12.8
<b>total</b>	<b>+ 17.3</b>

19

## FY2002 1H Statement of Income (3)

### < Other (income) expenses >

(Billions of Yen)

	FY01 1H	FY02 1H	change
Interest and dividend income	2.8	2.0	-0.8
Interest expenses	4.5	4.0	-0.5
Other, net	5.7	3.6	-2.0
Other (income) expenses	-7.3	-5.6	+1.7

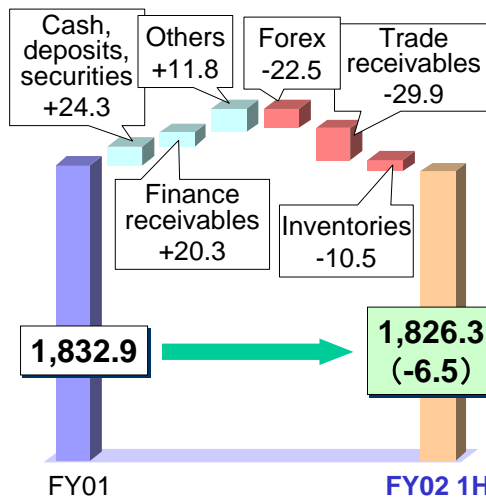
#### Details of Other, net

	FY01 1H	FY02 1H
Forex loss (gain)	4.5	-0.3
Others	1.2	3.9

20

## FY2002 1H Balance Sheet

### < Total Assets > (Billions of Yen)



### - Financial Indexes

	FY2001	FY02 1H
Inventories / cost of sales	2.0months	1.8months
D/E ratio	0.89	0.82
Income before tax on total assets	6.4%	3.0%
ROE	10.4%	5.2%

\* Excluding Forex impact on major assets and liabilities

21

## FY2002 1H Statement of Cash Flow

< Comparison with FY01 1H > (Billions of Yen)

	FY01 1H	FY02 1H
Net income	28.4	33.5
Depreciation and amortization	33.1	36.7
Other operating activities	-16.6	28.9
<b>Net cash by operating activities</b>	<b>44.9</b>	<b>99.1</b>
Plant and equipment	-39.1	-36.4
Other investing activities	-10.7	3.1
<b>Net cash by investing activities</b>	<b>-49.8</b>	<b>-33.3</b>
<b>Net cash by financing activities</b>	<b>6.0</b>	<b>-16.5</b>
Effect of exchange rate	0.7	-1.9
<b>Net increase in cash and equivalents</b>	<b>1.9</b>	<b>47.2</b>

22

## II. FY2002 Forecast (Revised)

23

## FY2002 Performance Forecast (1)

### < Comparison with FY01: Revised >

(Billions of Yen)	FY01	FY02 Previous Forecast *	FY02 Forecast	Change	Change (%)
<b>Net sales</b>					
(Japan)	902.6	917.0	909.0	+6.3	+0.7%
(Overseas)	769.6	831.0	841.0	+71.3	+9.3%
<b>Total</b>	<b>1,672.3</b>	<b>1,748.0</b>	<b>1,750.0</b>	<b>+77.6</b>	<b>+4.6%</b>
<b>Gross profit</b>	<b>699.9</b>	<b>741.8</b>	<b>738.5</b>	<b>+38.5</b>	<b>+5.5%</b>
Percentage of net sales	41.9%	42.4%	42.2%	-	-
<b>Operating income</b>	<b>129.6</b>	<b>140.0</b>	<b>134.0</b>	<b>+4.3</b>	<b>+3.3%</b>
Percentage of net sales	7.8%	8.0%	7.7%	-	-
<b>Income before tax</b>	<b>113.9</b>	<b>126.5</b>	<b>121.5</b>	<b>+7.5</b>	<b>+6.6%</b>
Percentage of net sales	6.8%	7.2%	6.9%	-	-
<b>Net income</b>	<b>61.6</b>	<b>72.5</b>	<b>71.0</b>	<b>+9.3</b>	<b>+15.2%</b>
Percentage of net sales	3.7%	4.1%	4.1%	-	-
Exchange rate					
US \$1	125.10	118.00	121.54	-3.56	-2.8%
(Yen) Euro 1	110.60	115.39	115.98	+5.38	+4.9%

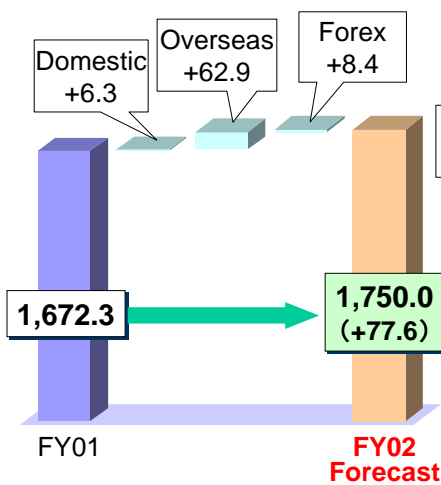
\* As of August 2002

24

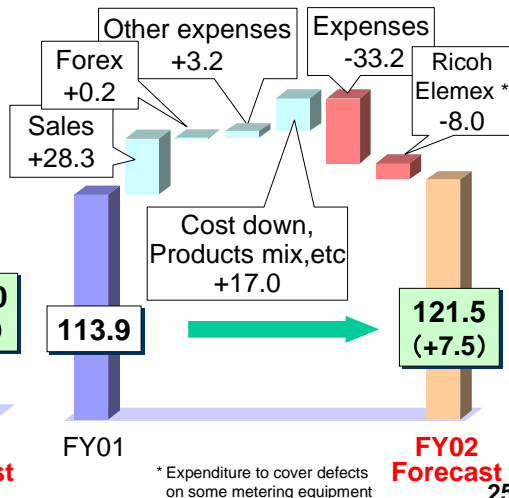
## FY2002 Performance Forecast (2)

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

#### ■ Sales



#### ■ Income before tax

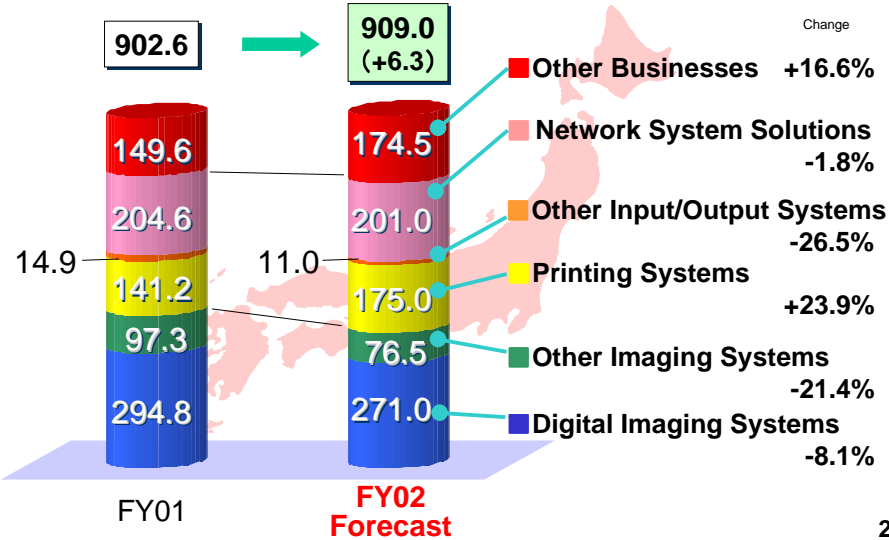


25

## FY2002 Sales by Category

< Japan : Revised >

(Billions of Yen)

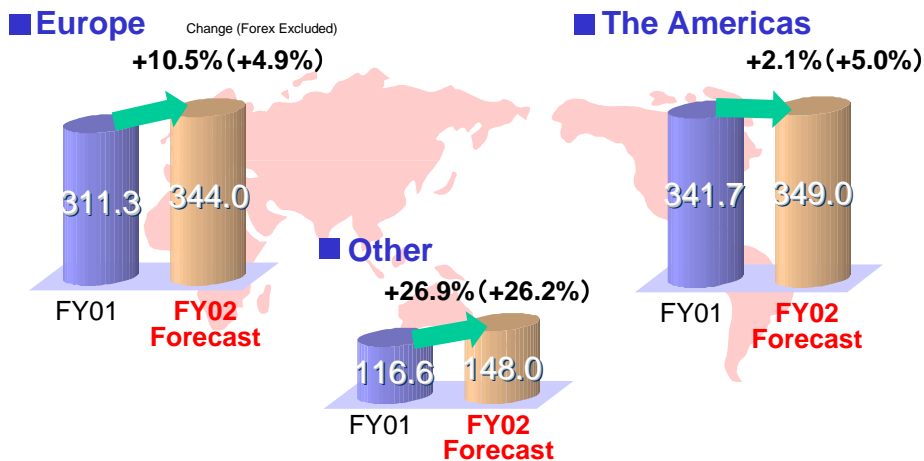


26

## FY2002 Sales by Geographic Area

< Overseas : Revised >

(Billions of Yen)

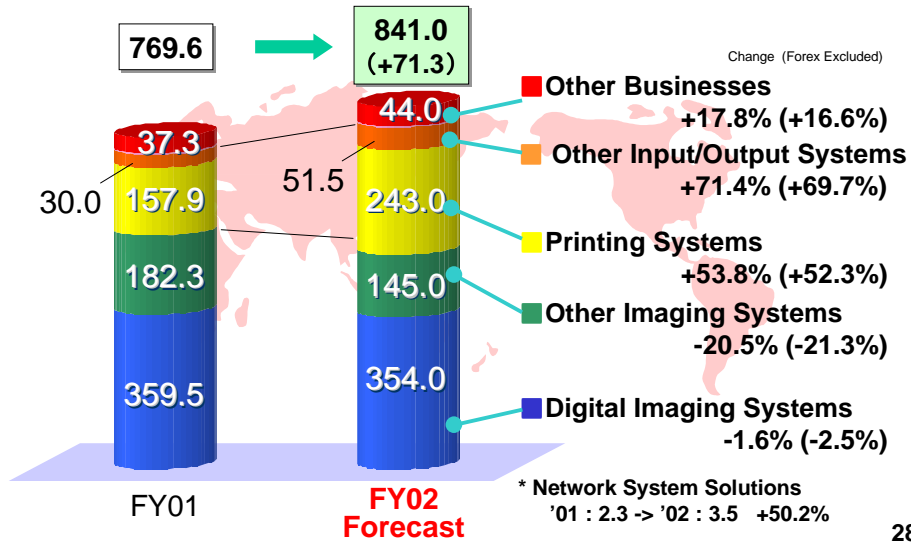


27

## FY2002 Sales by Category

< Overseas : Revised >

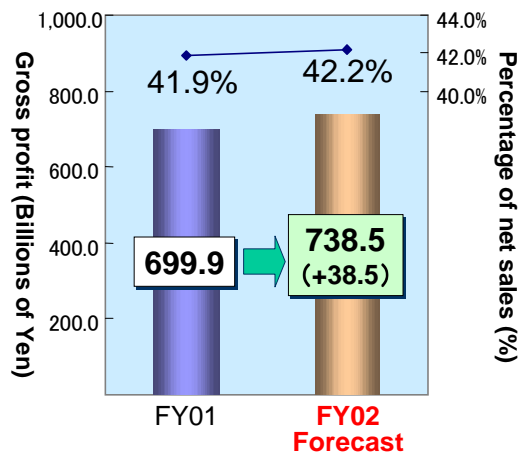
(Billions of Yen)



28

## FY2002 Statement of Income (1)

< Gross Profit >



- Changes

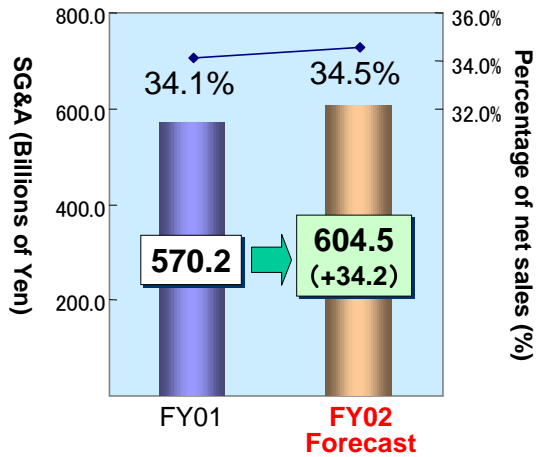
(Billions of Yen)	
Forex	+ 1.2
Sales	+ 28.3
Cost down, Products mix, etc	+ 17.0
Ricoh Elemex *	- 8.0
<b>total</b>	<b>+ 38.5</b>

\* Expenditure to cover defects on some metering equipment

29

## FY2002 Statement of Income (2)

### < SG&A >



### - Changes

	(Billions of Yen)
Forex	+ 1.0
R&D	+ 2.3
Others	+ 30.9
<b>total</b>	<b>+ 34.2</b>

30

## FY2002 Statement of Income (3)

### < Other (income) expenses >

(Billions of Yen)

	FY2001	FY2002	change
Interest and dividend income	4.7	3.8	-0.9
Interest expenses	8.2	8.0	-0.2
Other, net	12.2	8.3	-3.9
Other (income) expenses	-15.7	-12.5	+3.2

#### Details of Other, net

	FY2001	FY2002
Forex loss (gain)	5.8	0.7
Impairment loss of goodwill	2.9	1.5
Others	3.6	6.1

31



## FY2002 Q3 Performance Forecast

### < Comparison with FY01 Q3 >

(Billions of Yen)		FY01 Q3	FY02Q3 Forecast	Change	Change (%)
<b>Net sales</b>	(Japan)	211.7	218.0	+6.2	+2.9%
	(Overseas)	189.5	212.0	+22.4	+11.8%
	<b>Total</b>	<b>401.3</b>	<b>430.0</b>	<b>+28.6</b>	<b>+7.1%</b>
<b>Gross profit</b>		<b>173.6</b>	<b>185.1</b>	<b>+11.4</b>	<b>+6.6%</b>
	Percentage of net sales	43.3%	43.0%	-	-
<b>Operating income</b>		<b>29.7</b>	<b>31.5</b>	<b>+1.7</b>	<b>+6.0%</b>
	Percentage of net sales	7.4%	7.3%	-	-
<b>Income before tax</b>		<b>25.8</b>	<b>27.5</b>	<b>+1.6</b>	<b>+6.3%</b>
	Percentage of net sales	6.4%	6.4%	-	-
<b>Net income</b>		<b>14.8</b>	<b>16.1</b>	<b>+1.2</b>	<b>+8.1%</b>
	Percentage of net sales	3.7%	3.7%	-	-
Exchange rate	US \$1	123.70	120.00	-3.70	-3.0%
	(Yen) Euro 1	110.74	115.00	+4.26	+3.8%

32

## FY2002 2H Performance Forecast

### < Comparison with FY01 2H >

(Billions of Yen)		FY01 2H	FY02 2H Forecast	Change	Change (%)
<b>Net sales</b>	(Japan)	449.9	459.4	+9.4	+2.1%
	(Overseas)	402.3	433.7	+31.4	+7.8%
	<b>Total</b>	<b>852.2</b>	<b>893.1</b>	<b>+40.9</b>	<b>+4.8%</b>
<b>Gross profit</b>		<b>358.0</b>	<b>377.8</b>	<b>+19.8</b>	<b>+5.5%</b>
	Percentage of net sales	42.0%	42.3%	-	-
<b>Operating income</b>		<b>69.7</b>	<b>72.6</b>	<b>+2.8</b>	<b>+4.1%</b>
	Percentage of net sales	8.2%	8.1%	-	-
<b>Income before tax</b>		<b>61.4</b>	<b>65.8</b>	<b>+4.4</b>	<b>+7.2%</b>
	Percentage of net sales	7.2%	7.4%	-	-
<b>Net income</b>		<b>33.2</b>	<b>37.4</b>	<b>+4.2</b>	<b>+12.9%</b>
	Percentage of net sales	3.9%	4.2%	-	-
Exchange rate	US \$1	128.06	120.00	-8.06	-6.3%
	(Yen) Euro 1	113.42	115.00	+1.58	+1.4%

33

