

# Consolidated Results for the year ended March 31, 2004

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**April 28, 2004**  
**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.**

# Ricoh Company, Ltd. and Consolidated Subsidiaries

## FLASH REPORT (Consolidated. Year ended March 31, 2004)

Date of approval for the financial results for the year ended March 31, 2004,  
at the Board of Directors' meeting: April 28, 2004

### 1. Results for the period from April 1, 2003 to March 31, 2004

(1) Operating Results	(Millions of yen)	
	Year ended March 31, 2004	Year ended March 31, 2003
Net sales	(1) 1,780,245	1,738,358
(% change from the previous fiscal year)	2.4	3.9
Operating income	150,006	133,654
(% change from the previous fiscal year)	12.2	3.1
Income before income taxes	143,063	123,470
(% change from the previous fiscal year)	15.9	8.4
Net income	(2) 91,766	72,513
(% change from the previous fiscal year)	26.6	17.7
Net income per share-basic (yen)	123.63	99.79
Net income per share-diluted (yen)	-	96.81
Return on equity (%)	12.6	11.2
Income before income taxes on total assets (%)	7.7	6.6
Income before income taxes on net sales (%)	8.0	7.1

#### Notes:

- Equity in income of affiliates: ¥2,065 million (¥2,403 million in previous fiscal year)
- Some changes in accounting method have been made.
- Average number of shares outstanding (consolidated): 742,292,806 shares (726,659,698 shares in previous fiscal year)
- Net income per share is calculated as required by SFAS No. 128.

(2) Financial Position	(Millions of yen)	
	March 31, 2004	March 31, 2003
Total assets	1,852,793	1,884,922
Shareholders' equity	795,131	657,514
Equity ratio (%)	42.9	34.9
Equity per share (yen)	1,076.11	885.41

Note: Number of shares outstanding as of March 31, 2004: 738,894,891 shares (742,608,635 shares as of March 31, 2003)

(3) Cash Flow	(Millions of yen)	
	Year ended March 31, 2004	Year ended March 31, 2003
Cash flows from operating activities	(3) 154,911	185,742
Cash flows from investing activities	-63,383	-98,199
Cash flows from financing activities	-74,835	-67,143
Cash and cash equivalents at end of period	203,039	189,243

#### (4) Items relating to the scale of consolidation and the application of the equity method:

Number of consolidated subsidiaries: 321; nonconsolidated subsidiaries: 39; affiliated companies: 21

#### (5) Changes relating to the scale of consolidation and the application of the equity method:

Consolidated subsidiaries: 1 addition; 14 removals

Companies accounted for by the equity method: 2 additions; 3 removals

#### Notes:

Consolidated financial statements of the Company and its consolidated subsidiaries have been prepared in conformity with accounting principles generally accepted in the United States of America.

2. Forecast of operating results from April 1, 2004 to March 31, 2005	(Millions of yen)	
	Half year ended September 30, 2004	Year ended March 31, 2005
Net sales	895,000	1,810,000
Operating income	78,000	175,000
Income before income taxes	74,500	165,000
Net income	43,800	95,000

Note: Net income per share (Consolidated) 128.57 yen

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 2005. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties.

- (1) The increase of printing systems in both Japan and overseas covered the impact of the decrease of optical disc drives and analog camera business. Net sales grew +2.4% (excluding forex: +1.8%).
- (2) Net income continued double digit growth by 26.6%. Achieved 12th consecutive rise.
- (3) Free cash flow generated continuously.

## ◆ Comparison with FY03/3 Q3 and latest forecast of FY04/3 Q3

(billions of yen)

	FY03/3	Latest('04/2) Forecast	FY04/3 Results	Comparison with latest forecast	Comparison with last FY		(Forex excluded growth rate)
					Change	Change(%)	
<b>Net sales</b>							
(Japan)	896.0	900.0	914.0	+14.0	+18.0	+2.0%	+2.0%
(Overseas)	842.3	877.0	866.1	-10.9	+23.8	+2.8%	+1.5%
<b>Total</b>	<b>1,738.3</b>	<b>1,777.0</b>	<b>1,780.2</b>	<b>+3.2</b>	<b>+41.8</b>	<b>+2.4%</b>	<b>+1.8%</b>
<b>Gross profit</b>	<b>745.3</b>	<b>778.0</b>	<b>765.6</b>	<b>-12.4</b>	<b>+20.2</b>	<b>+2.7%</b>	
Percentage of net sales	42.9%	43.8%	43.0%	-	-	-	
<b>Operating income</b>	<b>133.6</b>	<b>153.0</b>	<b>150.0</b>	<b>-3.0</b>	<b>+16.3</b>	<b>+12.2%</b>	
Percentage of net sales	7.7%	8.6%	8.4%	-	-	-	
<b>Income before tax</b>	<b>123.4</b>	<b>144.0</b>	<b>143.0</b>	<b>-1.0</b>	<b>+19.5</b>	<b>+15.9%</b>	
Percentage of net sales	7.1%	8.1%	8.0%	-	-	-	
<b>Net income</b>	<b>72.5</b>	<b>85.0</b>	<b>91.7</b>	<b>+6.7</b>	<b>+19.2</b>	<b>+26.6%</b>	
Percentage of net sales	4.2%	4.8%	5.2%	-	-	-	
Exchange rate							
US \$1	121.96	113.26	113.09	-0.17	-8.87	-7.3%	
(Yen)							
Euro 1	121.00	131.13	132.65	+1.52	+11.65	+9.6%	
EPS (Yen)	<b>99.79</b>	<b>114.89</b>	<b>123.63</b>	+8.74	+23.84		
Return on equity (ROE)	<b>11.2%</b>	<b>12.2%</b>	<b>12.6%</b>	-	+1.4%		
Income before income taxes on total assets	<b>6.6%</b>	<b>7.5%</b>	<b>7.7%</b>	-	+1.1%		
Total assets	<b>1,884.9</b>	-	<b>1,852.7</b>	-	-32.1		
Shareholders' equity	<b>657.5</b>	-	<b>795.1</b>	-	+137.6		
Debt	<b>484.6</b>	-	<b>432.7</b>	-	-51.8		
Shareholders' equity ratio	<b>34.9%</b>	-	<b>42.9%</b>	-	+8.0%		
Operating cash flow	<b>185.7</b>	-	<b>154.9</b>	-	-30.8		
Investment cash flow	<b>-98.1</b>	-	<b>-63.3</b>	-	+34.8		
Financial cash flow	<b>-67.1</b>	-	<b>-74.8</b>	-	-7.6		
Cash and equivalents at end of period	<b>189.2</b>	-	<b>203.0</b>	-	+13.7		
Free cash flow *	<b>87.5</b>	-	<b>91.5</b>	-	+4.0		
Expenditure for plant and equipment	<b>73.9</b>	<b>71.0</b>	<b>75.5</b>	+4.5	+1.5		
Depreciation for tangible fixed assets	<b>69.5</b>	<b>68.0</b>	<b>67.6</b>	-0.4	-1.8		
R&D	<b>83.5</b>	<b>94.0</b>	<b>92.5</b>	-1.5	+8.9		

\* operating cash flow + investing cash flow

## Consolidated Performance

## 1. Consolidated Statements of Income

(Three months ended March 31, 2004 and 2003)

(Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
Net sales	471,252	460,798	10,454	2.3
Cost of sales	279,512	261,031	18,481	7.1
<i>Percentage of net sales (%)</i>	59.3	56.6		
Gross Profit	191,740	199,767	-8,027	-4.0
<i>Percentage of net sales (%)</i>	40.7	43.4		
Selling, general and administrative expenses	155,203	160,835	-5,632	-3.5
<i>Percentage of net sales (%)</i>	32.9	35.0		
Operating income	36,537	38,932	-2,395	-6.2
<i>Percentage of net sales (%)</i>	7.8	8.4		
Other (income) expense				
Interest and dividend income	178	1,134	-956	-84.3
<i>Percentage of net sales (%)</i>	0.0	0.2		
Interest expense	1,090	1,525	-435	-28.5
<i>Percentage of net sales (%)</i>	0.2	0.3		
Other, net	-2,756	731	-3,487	-
<i>Percentage of net sales (%)</i>	-0.5	0.1		
Income before income taxes, equity income and minority interests	38,381	37,810	571	1.5
<i>Percentage of net sales (%)</i>	8.1	8.2		
Provision for income taxes	14,744	15,235	-491	-3.2
<i>Percentage of net sales (%)</i>	3.1	3.3		
Minority interests in earnings of subsidiaries	1,334	1,724	-390	-22.6
<i>Percentage of net sales (%)</i>	0.2	0.4		
Equity in earnings of affiliates	161	336	-175	-52.1
<i>Percentage of net sales (%)</i>	0.0	0.1		
Income before cumulative effect of accounting changes	22,464	21,187	1,277	6.0
<i>Percentage of net sales (%)</i>	4.8	4.6		
Cumulative effect of accounting change, net of tax	7,373	-	7,373	-
<i>Percentage of net sales (%)</i>	1.5	-		
Net income	29,837	21,187	8,650	40.8
<i>Percentage of net sales (%)</i>	6.3	4.6		
Reference : Exchange rate				
US\$ 1	¥107.31	¥119.04		
EURO 1	¥134.10	¥127.63		

(Year ended March 31, 2004 and 2003)

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
Net sales	1,780,245	1,738,358	(1) 41,887	2.4
Cost of sales	1,014,619	993,009	21,610	2.2
<i>Percentage of net sales (%)</i>	57.0	57.1		
Gross Profit	765,626	745,349	(2) 20,277	2.7
<i>Percentage of net sales (%)</i>	43.0	42.9		
Selling, general and administrative expenses	615,620	611,695	(3) 3,925	0.6
<i>Percentage of net sales (%)</i>	34.6	35.2		
Operating income	150,006	133,654	16,352	12.2
<i>Percentage of net sales (%)</i>	8.4	7.7		
Other (income) expense				
Interest and dividend income	1,925	3,772	-1,847	-49.0
<i>Percentage of net sales (%)</i>	0.1	0.2		
Interest expense	5,290	6,853	-1,563	-22.8
<i>Percentage of net sales (%)</i>	0.3	0.4		
Other, net	(5) 3,578	7,103	-3,525	-49.6
<i>Percentage of net sales (%)</i>	0.2	0.4		
Income before income taxes, equity income and minority interests	143,063	123,470	(4) 19,593	15.9
<i>Percentage of net sales (%)</i>	8.0	7.1		
Provision for income taxes	56,641	51,984	4,657	9.0
<i>Percentage of net sales (%)</i>	3.2	3.0		
Minority interests in earnings of subsidiaries	4,094	1,376	2,718	197.5
<i>Percentage of net sales (%)</i>	0.2	0.0		
Equity in earnings of affiliates	2,065	2,403	-338	-14.1
<i>Percentage of net sales (%)</i>	0.1	0.1		
Income before cumulative effect of accounting changes	84,393	72,513	11,880	16.4
<i>Percentage of net sales (%)</i>	4.7	4.2		
Cumulative effect of accounting change, net of tax	(5) 7,373	-	7,373	-
<i>Percentage of net sales (%)</i>	0.5	-		
Net income	91,766	72,513	19,253	26.6
<i>Percentage of net sales (%)</i>	5.2	4.2		
Reference : Exchange rate				
US\$ 1	¥113.09	¥121.96		
EURO 1	¥132.65	¥121.00		

Increase of value-added products such as color products and multi-function printers and cost down increased operating income by 12.2%.

◆ Comparison with FY03/3

(1) Sales

< by Product Category >

	(billions of yen)				
	FY03/3	FY04/3	change (%)	change* (%)	forex impact
Office Equipment	1,520.5	<b>1,557.6</b>	+2.4%	+1.8%	+9.3
Imaging Solutions	859.7	<b>803.5</b>	-6.5%	-6.9%	+2.9
Network I/O Systems	463.3	<b>558.2</b>	+20.5%	+19.1%	+6.4
Network System Solutions	197.4	<b>195.8</b>	-0.8%	-0.9%	+0.0
Other Businesses	217.7	<b>222.6</b>	+2.2%	+1.4%	+1.7
<b>Total</b>	<b>1,738.3</b>	<b>1,780.2</b>	<b>+2.4%</b>	<b>+1.8%</b>	<b>+11.1</b>

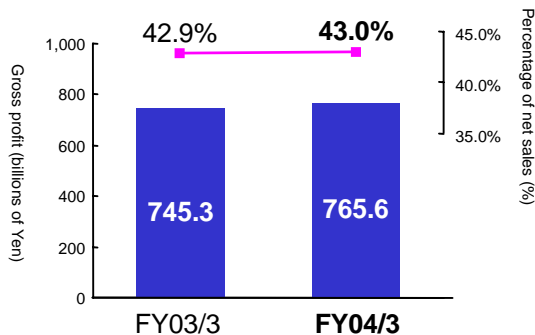
\*change excluding forex impact

< by Geographic Area >

	(billions of yen)				
	FY03/3	FY04/3	change (%)	change* (%)	forex impact
Japan	896.0	<b>914.0</b>	+2.0%	+2.0%	+0.0
Overseas	842.3	<b>866.1</b>	+2.8%	+1.5%	+11.1
Americas	343.9	<b>326.3</b>	-5.1%	+2.1%	-24.7
Europe	354.4	<b>402.3</b>	+13.5%	+4.0%	+33.8
Others	143.9	<b>137.4</b>	-4.5%	-5.9%	+2.0
<b>Total</b>	<b>1,738.3</b>	<b>1,780.2</b>	<b>+2.4%</b>	<b>+1.8%</b>	<b>+11.1</b>

\*change excluding forex impact

(2) Gross profit

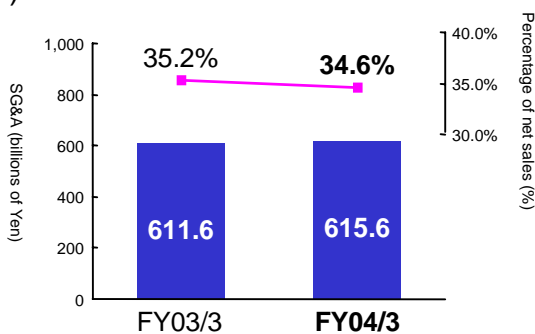


-Changes

	(billions of Yen)	(impact)
Sales	+13.1	( - )
Forex	+0.1	(-0.2point)
Cost down, etc	+14.0	(+0.7point)
Ricoh Elemex*	+8.1	(+0.4point)
Optical Drives	-10.0	(-0.5point)
Others	-5.1	(-0.3point)
<b>Total</b>	<b>+20.2</b>	<b>(+0.1point)</b>

\*Expenditure to cover defects on some metering equipment

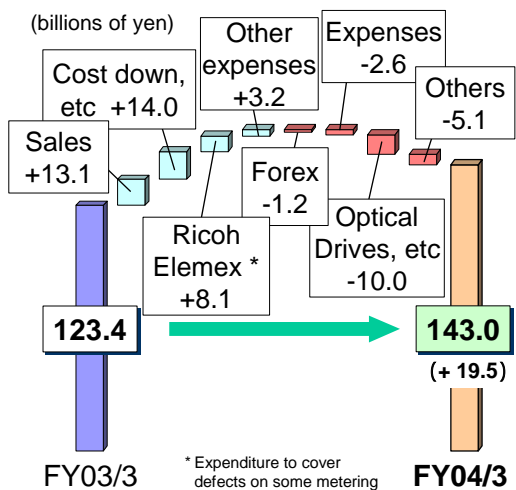
(3) SG&A



-Changes

	(billions of Yen)
Forex	+1.3
R&D	+9.0
Pensions	<b>(5) +5.0</b>
Others	-11.4
<b>Total</b>	<b>+3.9</b>

(4) Income before income taxes



\* Expenditure to cover defects on some metering equipment last year

(5) Pension related information

	(billions of yen)	
	FY04/3 actual	Latest('04/2) Forecast
<b>a. SG&amp;A</b>		
Change of discount rate, etc	+ 7.3	+ 7.3
Daiko-henjyo	- 8.3	0
Settlement of tax qualified pension plan	+ 5.9	+ 7.1
<b>Total</b>	<b>+ 5.0</b>	<b>+ 14.5</b>
<b>b. Other expenses</b>		
The amendment of the domestic pension system and transfer of the substituted portion	+ 2.7	(gain)
<b>c. The cumulative effects of the change in accounting</b>		
Marketable securities transferred to pension trust in a previous year	+ 7.3	(gain)

## 2. Consolidated Sales by Product Category

			(Millions of yen)			
	Year ended March 31, 2004	Year ended March 31, 2003	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	606,270	626,967	-20,697	-3.3	-21,034	-3.4
<i>Percentage of net sales (%)</i>	34.1	36.1				
Domestic	253,830	265,654	-11,824	-4.5	-11,824	-4.5
Overseas	352,440	361,313	-8,873	-2.5	-9,210	-2.5
Other Imaging Systems	197,304	232,746	-35,442	-15.2	-38,022	-16.3
<i>Percentage of net sales (%)</i>	11.0	13.4				
Domestic	70,762	80,520	-9,758	-12.1	-9,758	-12.1
Overseas	126,542	152,226	-25,684	-16.9	-28,264	-18.6
Total Imaging Solutions	803,574	859,713	-56,139	-6.5	-59,056	-6.9
<i>Percentage of net sales (%)</i>	45.1	49.5				
Domestic	324,592	346,174	-21,582	-6.2	-21,582	-6.2
Overseas	478,982	513,539	-34,557	-6.7	-37,474	-7.3
Network Input/Output Systems:						
Printing Systems	509,212	408,830	100,382	24.6	94,874	23.2
<i>Percentage of net sales (%)</i>	28.6	23.5				
Domestic	218,165	177,510	40,655	22.9	40,655	22.9
Overseas	291,047	231,320	59,727	25.8	54,219	23.4
Other Input/Output Systems	49,025	54,549	-5,524	-10.1	-6,459	-11.8
<i>Percentage of net sales (%)</i>	2.8	3.2				
Domestic	4,981	10,100	-5,119	-50.7	-5,119	-50.7
Overseas	44,044	44,449	-405	-0.9	-1,340	-3.0
Total Network Input/Output Systems	558,237	463,379	94,858	20.5	88,415	19.1
<i>Percentage of net sales (%)</i>	31.4	26.7				
Domestic	223,146	187,610	35,536	18.9	35,536	18.9
Overseas	335,091	275,769	59,322	21.5	52,879	19.2
Network System Solutions	195,822	197,482	-1,660	-0.8	-1,680	-0.9
<i>Percentage of net sales (%)</i>	11.0	11.3				
Domestic	191,302	194,873	-3,571	-1.8	-3,571	-1.8
Overseas	4,520	2,609	1,911	73.2	1,891	72.5
Office Equipment Total	1,557,633	1,520,574	37,059	2.4	27,679	1.8
<i>Percentage of net sales (%)</i>	87.5	87.5				
Domestic	739,040	728,657	10,383	1.4	10,383	1.4
Overseas	818,593	791,917	26,676	3.4	17,296	2.2
The Americas	325,106	342,568	-17,462	-5.1	7,186	2.1
Europe	398,109	349,577	48,532	13.9	15,008	4.3
Other	95,378	99,772	-4,394	-4.4	-4,898	-4.9
< Other Businesses >						
Other Businesses	222,612	217,784	4,828	2.2	3,067	1.4
<i>Percentage of net sales (%)</i>	12.5	12.5				
Domestic	175,020	167,365	7,655	4.6	7,655	4.6
Overseas	47,592	50,419	-2,827	-5.6	-4,588	-9.1
The Americas	1,274	1,372	-98	-7.1	-1	-0.1
Europe	4,283	4,900	-617	-12.6	-943	-19.2
Other	42,035	44,147	-2,112	-4.8	-3,644	-8.3
Grand Total	1,780,245	1,738,358	41,887	2.4	30,746	1.8
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	914,060	896,022	18,038	2.0	18,038	2.0
<i>Percentage of net sales (%)</i>	51.3	51.5				
Overseas	866,185	842,336	23,849	2.8	12,708	1.5
<i>Percentage of net sales (%)</i>	48.7	48.5				
The Americas	326,380	343,940	-17,560	-5.1	7,185	2.1
<i>Percentage of net sales (%)</i>	18.3	19.8				
Europe	402,392	354,477	47,915	13.5	14,065	4.0
<i>Percentage of net sales (%)</i>	22.6	20.4				
Other	137,413	143,919	-6,506	-4.5	-8,542	-5.9
<i>Percentage of net sales (%)</i>	7.8	8.3				
Reference: Exchange rate						
US\$ 1	¥113.09	¥121.96	¥8.87			
EURO 1	¥132.65	¥121.00	¥11.65			

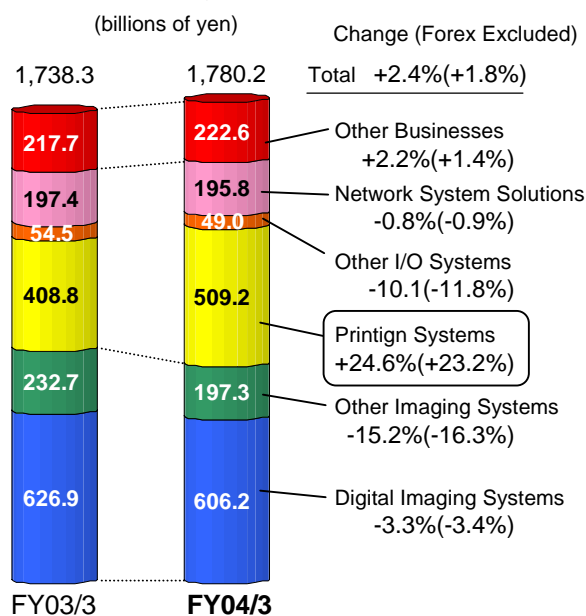
Each category includes the following product line:

Digital Imaging Systems	Digital PPCs, color PPCs, digital duplicators and facsimile machines
Other Imaging Systems	Analog PPCs, diazo copiers, and thermal paper
Printing Systems	MFPs(multifunctional printers), laser printers and software
Other Input/Output Systems	Optical discs and system scanners
Network System Solutions	Personal computers, PC servers, network systems and network related software
Other Businesses	Optical equipments, metering equipments and semiconductors

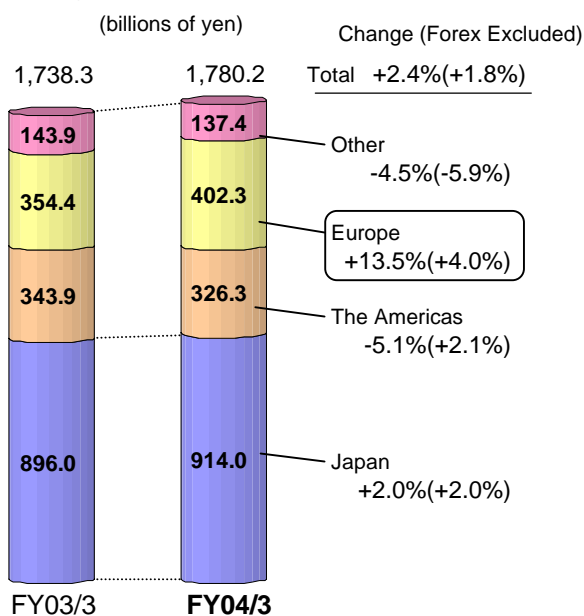
- (1) Sales of printing systems, especially color products, increased in both Japan and overseas.
- (2) Europe increased by 13.5%.
- (3) The decrease of optical disc drive business affected net sales growth.

◆ Comparison with FY03/3

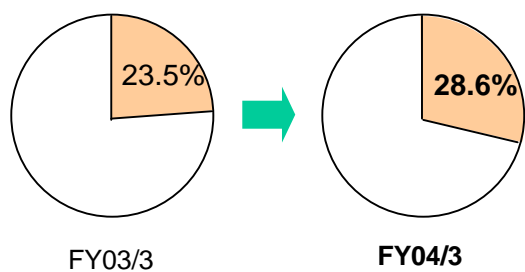
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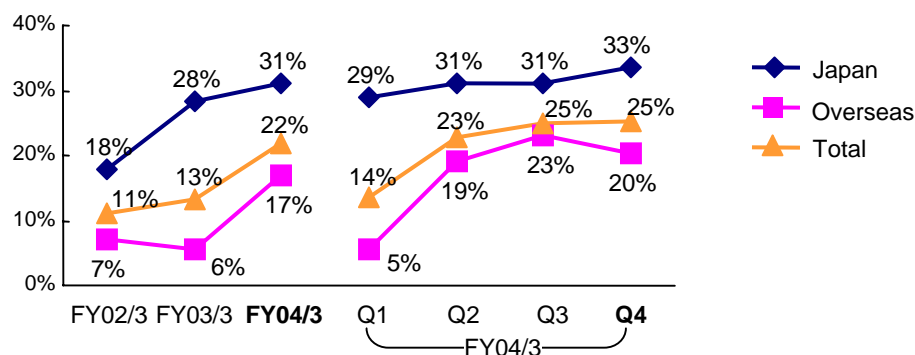
< by Geographic Area >



- Ratio of Printing Systems for total sales



\*Color ratio (by sales for machines of copier and multifunctional copiers)



**3. Consolidated Balance Sheets**

(March 31, 2004 and 2003)

Assets	(Millions of yen)		
	March 31, 2004	March 31, 2003	Change
<b>Current Assets</b>			
Cash and time deposits	204,001	200,330	3,671
Trade receivables	422,244	417,942	4,302
Marketable securities	(3) 45,124	107	45,017
Inventories	145,369	146,051	-682
Other current assets	55,079	58,083	-3,004
<b>Total Current Assets</b>	<b>871,817</b>	<b>822,513</b>	<b>49,304</b>
<b>Fixed Assets</b>			
Tangible fixed assets	238,712	248,752	-10,040
Finance receivable	514,047	476,293	37,754
Other Investments	228,217	337,364	-109,147
<b>Total Fixed Assets</b>	<b>980,976</b>	<b>1,062,409</b>	<b>-81,433</b>
<b>Total Assets</b>	<b>1,852,793</b>	<b>1,884,922</b>	<b>-32,129</b>

Note:

Contents of cash and time deposits:

Cash and cash equivalents	203,039	189,243
Time deposits	962	11,087

Liabilities and Shareholders' Investment	(Millions of yen)		
	March 31, 2004	March 31, 2003	Change
<b>Current Liabilities</b>			
Trade payables	(4) 297,672	280,798	16,874
Short-term borrowings	151,162	138,713	12,449
Other current liabilities	158,594	169,072	-10,478
<b>Total Current Liabilities</b>	<b>607,428</b>	<b>588,583</b>	<b>18,845</b>
<b>Fixed Liabilities</b>			
Long-term indebtedness	(4) 281,570	345,902	(2) -64,332
Retirement benefit obligation	83,492	209,011	-125,519
Other fixed liabilities	36,295	30,653	5,642
<b>Total Fixed Liabilities</b>	<b>401,357</b>	<b>585,566</b>	<b>-184,209</b>
<b>Total Liabilities</b>	<b>1,008,785</b>	<b>1,174,149</b>	<b>-165,364</b>
<b>Minority Interest</b>	<b>48,877</b>	<b>53,259</b>	<b>-4,382</b>
<b>Shareholders' Investment</b>			
Common stock	135,364	135,364	-
Additional paid-in capital	186,599	186,521	78
Retained earnings	515,372	434,748	(2) 80,624
Accumulated other comprehensive income (loss)	-30,272	-94,733	64,461
Treasury stock	-11,932	-4,386	-7,546
<b>Total Shareholders' Investment</b>	<b>795,131</b>	<b>657,514</b>	<b>137,617</b>
<b>Total Liabilities and Shareholders' Investment</b>	<b>1,852,793</b>	<b>1,884,922</b>	<b>-32,129</b>

Note: Other comprehensive income;

Net unrealized holding gains on available-for-sale securities	4,026	8,582	(2) -4,556
Pension liability adjustments	-14,863	-89,119	74,256
Net unrealized gains (losses) on derivative instruments	-24	-178	154
Cumulative translation adjustments	-19,411	-14,018	-5,393

Reference: Exchange rate

US\$ 1  
EURO 1

March 31, 2004

¥105.69  
¥128.88

March 31, 2003

¥120.20  
¥129.83**4. Retained Earnings**

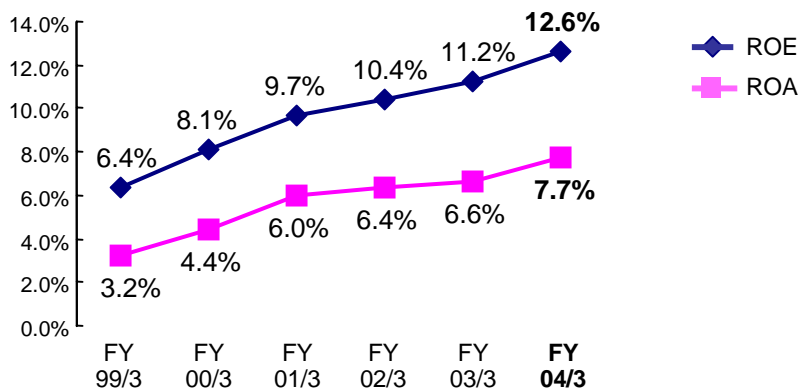
(Year ended March 31, 2004 and 2003)

	(Millions of yen)	
	Year ended March 31, 2004	Year ended March 31, 2003
Retained earnings (beginning balance)	434,748	385,741
Net income	91,766	72,513
Cash dividends	11,142	10,178
Retirement of treasury stock	-	13,328
<b>Retained earnings (ending balance)</b>	<b>515,372</b>	<b>434,748</b>

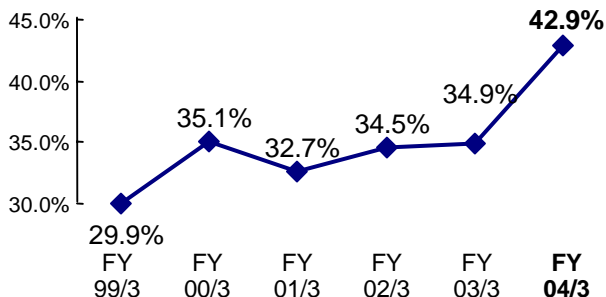


- ROE and ROA rise
- Shareholder's equity ratio improved drastically
- Inventories and Dept / Equity ratio improved

(1) Return on equity (ROE) and Income before income taxes on total assets (ROA)

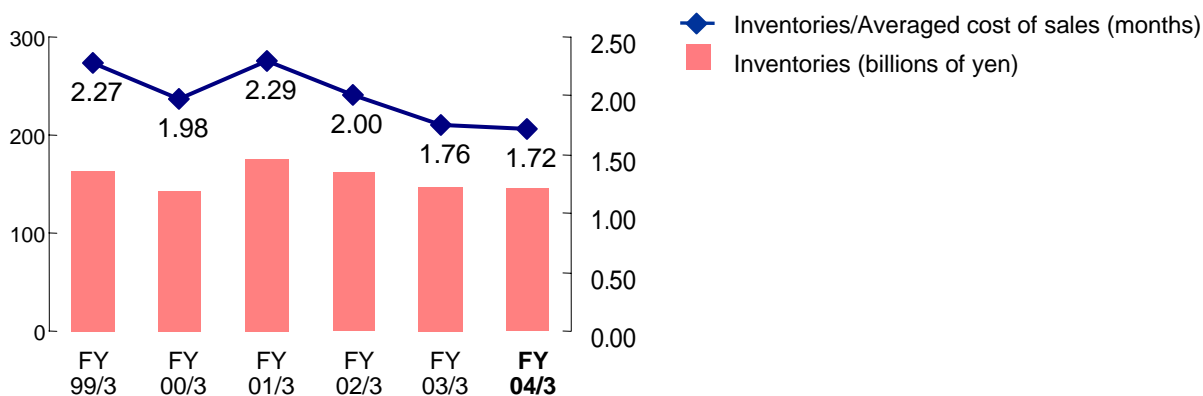


(2) Shareholders' equity ratio

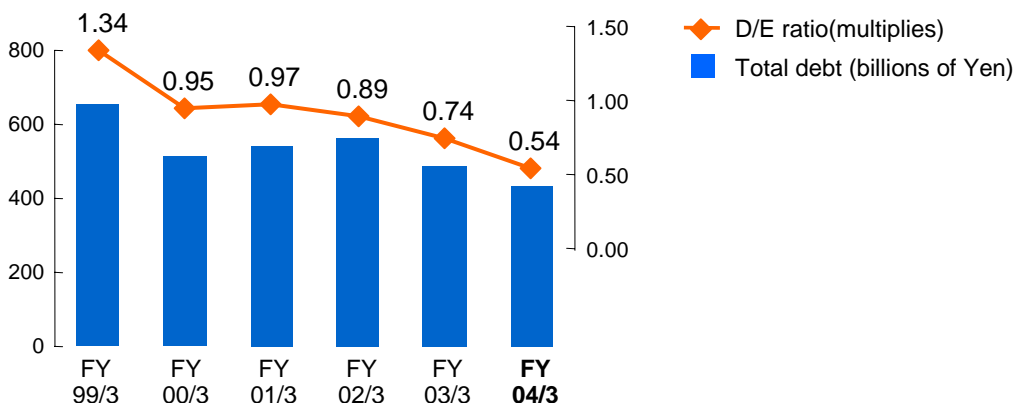


- Retained earnings increased by the increase of net income
- Daiko-henjyo and pension system change decreased the retirement pension obligation and the minus of pension liability adjustments.

(3) Inventories/Averaged cost of sales



(4) Debt/Equity ratio



**5. Consolidated Statements of Cash Flow**

(Year ended March 31, 2004 and 2003)

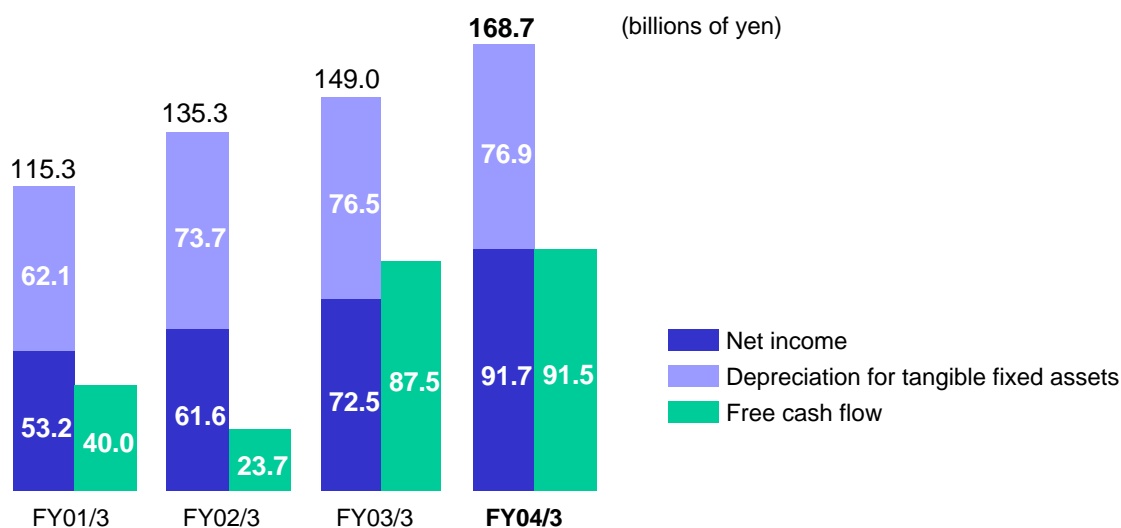
(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
<b>I. Cash Flows from Operating Activities:</b>		
1. Net income	(1) 91,766	72,513
2. Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	76,968	76,551
Equity in earnings of affiliates, net of dividends received	-1,001	-1,167
Deferred income taxes	3,338	-9,289
Loss on disposal and sales of tangible fixed assets	2,035	1,975
Cumulative effect of accounting change	-7,373	-
Changes in assets and liabilities—		
(Increase) decrease in trade receivables	-11,367	22,176
(Increase) decrease in inventories	-4,317	14,983
Increase in finance receivables	-32,650	-33,109
Increase in trade payables	21,316	5,632
(Decrease) increase in accrued income taxes and accrued expenses and other	-5,913	11,173
Retirement benefit obligation, net	-609	7,806
Other, net	(2) 22,718	16,498
<b>Net cash provided by operating activities</b>	(154,911)	185,742
<b>II. Cash Flows from Investing Activities:</b>		
1. Proceeds from sales of property, plant and equipment	190	245
2. Expenditures for tangible fixed assets	-75,432	-71,984
3. Payments for purchases of available-for-sale securities	-35,518	-52,219
4. Proceeds from sales of available-for-sale securities	45,464	24,513
5. Decrease in time deposits	9,915	944
6. Other, net	(2) -8,002	302
<b>Net cash used in investing activities</b>	(63,383)	-98,199
<b>III. Cash Flows from Financing Activities:</b>		
1. Proceeds from long-term indebtedness	13,349	58,194
2. Repayment of long-term indebtedness	-31,509	-23,133
3. Decrease in short-term borrowings, net	-10,728	-73,393
4. Proceeds from issuance of long-term debt securities	1,000	11,000
5. Repayment of long-term debt securities	-23,910	-11,723
6. Cash dividends paid	-11,136	-10,176
7. Purchase of treasury stocks	-11,411	-17,281
8. Other, net	-490	-631
<b>Net cash used in financing activities</b>	-74,835	-67,143
<b>IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	-2,897	-1,329
<b>V. Net Increase in Cash and Cash Equivalents</b>	13,796	19,071
<b>VI. Cash and Cash Equivalents at Beginning of Year</b>	189,243	170,172
<b>VII. Cash and Cash Equivalents at End of Period</b>	203,039	189,243

(1) Cash profit (net income + depreciation and amortization)  
increased continuously  
(168.7 billion yen, y-o-y +19.7 billion yen)

(2) Free cash flow increased steadily  
(91.5 billion yen, y-o-y +4.0 billion yen)

◆ Cash profit (net income + depreciation and amortization)  
Free cash flow (net cash provided by operating activities + net cash used in investing activities)



< Appendix > Cash flow statement for 3 month ended March 31, 2004 (calculated)

(billions of yen)

	FY03/3 Q4	FY04/3 Q4
Net income	21.1	29.8
Depreciation and amortization	20.0	20.5
[ Cash profit (net income + Depreciation and amortization) ]	[ 41.2 ]	[ 50.4 ]
Other operating activities	32.4	22.9
<b>Net cash by operating activities</b>	<b>73.5</b>	<b>73.2</b>
Plant and equipment	-18.6	-23.5
Other investing activities	-2.9	0.6
<b>Net cash by investing activities</b>	<b>-21.5</b>	<b>-22.9</b>
[ Free cash flow ( operating net cash - investing net cash ) ]	[ 52.0 ]	[ 50.2 ]
<b>Net cash by financing activities</b>	<b>-40.9</b>	<b>-84.0</b>
Effect of exchange rate	0.5	-1.5
<b>Net increase in cash and equivalents</b>	<b>11.6</b>	<b>-35.3</b>
<b>Cash and equivalents at end of period</b>	<b>189.2</b>	<b>203.0</b>

**6. Segment Information**

## (1) Industry Segment Information

(Year ended March 31, 2004 and 2003)

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
<b>Office Equipment:</b>				
Net sales:				
Unaffiliated customers	1,557,633	1,520,574	37,059	2.4
Intersegment	-	-	-	-
Total	1,557,633	1,520,574	37,059	2.4
Operating expenses	1,353,304	1,329,776	23,528	1.8
Operating income	204,329	190,798	(1) 13,531	7.1
<i>Operating income on office equipment sales(%)</i>	13.1	12.5		
<b>Other Businesses:</b>				
Net sales:				
Unaffiliated customers	222,612	217,784	4,828	2.2
Intersegment	2,462	2,755	-293	-10.6
Total	225,074	220,539	4,535	2.1
Operating expenses	220,391	222,772	-2,381	-1.1
Operating income	4,683	-2,233	(2) 6,916	-
<i>Operating income on sales in other businesses (%)</i>	2.1	-1.0		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-2,462	-2,755	293	-
Total	-2,462	-2,755	293	-
Operating expenses:				
Intersegment	-2,494	-2,726	232	-
Corporate	59,038	54,882	4,156	-
Total	56,544	52,156	4,388	-
Operating income	-59,006	-54,911	-4,095	-
<b>Consolidated:</b>				
Net sales:				
Unaffiliated customers	1,780,245	1,738,358	41,887	2.4
Intersegment	-	-	-	-
Total	1,780,245	1,738,358	41,887	2.4
Operating expenses	1,630,239	1,604,704	25,535	1.6
Operating income	150,006	133,654	16,352	12.2
<i>Operating income on consolidated net sales(%)</i>	8.4	7.7		

Identifiable assets: (Millions of yen)

	March 31, 2004	March 31, 2003	Change	%
Office Equipment	1,220,747	1,198,706	22,041	1.8
Other Businesses	182,532	176,296	6,236	3.5
Elimination	-8,047	-6,908	-1,139	16.5
Corporate assets	457,561	516,828	-59,267	-11.5
Total	1,852,793	1,884,922	-32,129	-1.7

Capital expenditure: (Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
Office Equipment	65,366	65,720	-354	-0.5
Other Businesses	8,712	7,213	1,499	20.8
Corporate	1,429	1,023	406	39.7
Total	75,507	73,956	1,551	2.1

Depreciation: (Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
Office Equipment	57,956	60,687	-2,731	-4.5
Other Businesses	7,774	6,917	857	12.4
Corporate	1,954	1,954	-	-
Total	67,684	69,558	-1,874	-2.7

(1) Office Equipment

Increase of value-added products such as color products and multi-function printers in Japan and overseas covers the decrease of optical disc drives. Operating profit increased in total.

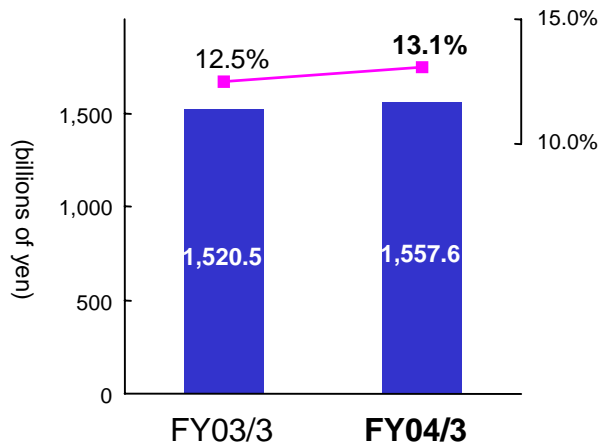
(2) Other Businesses

Other business such as leasing achieved steady gains. Operating profit recovered by the impact of expenditure to cover defects on some metering equipment on last year (8.1 billion yen).

◆ Comparison with FY03/3

■ Sales (left)  
 ■ Operating income percentage by sales (right)

< Office Equipment >



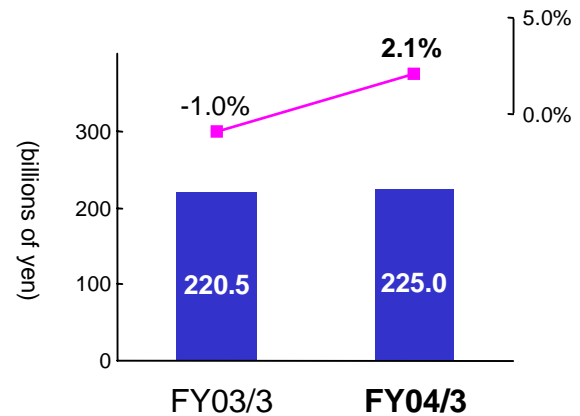
- Sales growth rate by area ( y-o-y, excluding forex)

Japan	+ 1.4%	
The Americas	+ 2.1%	
Europe	+ 4.2%	
Others	- 4.9%	← By the decrease of optical disc drive.
<b>Total</b>	<b>+ 1.8%</b>	← Excluding optical disc drive, +4.0%

- Operating margin: 13.1% (y-o-y: +7.1%)

Excluding the optical disc drives business, operating margin estimates 14.4% (y-o-y: +12.2%)

< Other Businesses >



- Sales growth rate by area (y-o-y, excluding forex)

Japan	+ 4.6%	← Photographic equipment and leasing business increased
The Americas	- 0.1%	} ← Business scale is small
Europe	- 19.2%	
Others	- 8.3%	← Photographic equipment decreased, including the sell of Taiwan Ricoh Co.
<b>Total</b>	<b>+ 1.4%</b>	

## (2) Geographic Segment Information

(Year ended March 31, 2004 and 2003)

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
<b>Japan:</b>				
Net sales:				
External customers	962,127	954,310	7,817	0.8
Intersegment	351,070	320,596	30,474	9.5
Total	1,313,197	1,274,906	38,291	3.0
Operating expenses	1,215,875	1,188,760	27,115	2.3
Operating income	97,322	86,146	11,176	13.0
<i>Operating income on sales in Japan(%)</i>	7.4	6.8		
<b>The Americas:</b>				
Net sales:				
External customers	315,504	333,935	-18,431	-5.5
Intersegment	5,249	5,620	-371	-6.6
Total	320,753	339,555	-18,802	-5.5
Operating expenses	305,284	325,228	-19,944	-6.1
Operating income	15,469	14,327	1,142	8.0
<i>Operating income on sales in the Americas(%)</i>	4.8	4.2		
<b>Europe:</b>				
Net sales:				
External customers	400,646	352,943	47,703	13.5
Intersegment	3,770	3,019	751	24.9
Total	404,416	355,962	48,454	13.6
Operating expenses	382,383	337,693	44,690	13.2
Operating income	22,033	18,269	3,764	20.6
<i>Operating income on sales in Europe(%)</i>	5.4	5.1		
<b>Other:</b>				
Net sales:				
External customers	101,968	97,170	4,798	4.9
Intersegment	91,373	72,664	18,709	25.7
Total	193,341	169,834	23,507	13.8
Operating expenses	182,870	159,864	23,006	14.4
Operating income	10,471	9,970	501	5.0
<i>Operating income on sales in other(%)</i>	5.4	5.9		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-451,462	-401,899	-49,563	-
Total	-451,462	-401,899	-49,563	-
Operating expenses:	-456,173	-406,841	-49,332	-
Operating income	4,711	4,942	-231	-
<b>Consolidated:</b>				
Net sales:				
External customers	1,780,245	1,738,358	41,887	2.4
Intersegment	-	-	-	-
Total	1,780,245	1,738,358	41,887	2.4
Operating expenses	1,630,239	1,604,704	25,535	1.6
Operating income	150,006	133,654	16,352	12.2
<i>Operating income on consolidated net sales(%)</i>	8.4	7.7		

## Identifiable assets:

(Millions of yen)

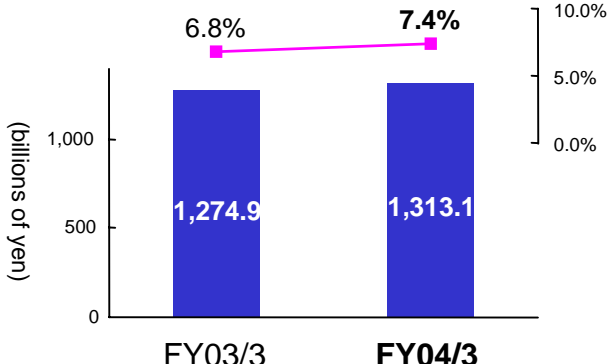
	March 31, 2004	March 31, 2003	Change	%
Japan	1,071,297	1,064,857	6,440	0.6
The Americas	188,644	201,359	-12,715	-6.3
Europe	188,184	174,541	13,643	7.8
Other	63,701	70,458	-6,757	-9.6
Elimination	-116,594	-143,121	26,527	-18.5
Corporate assets	457,561	516,828	-59,267	-11.5
Total	1,852,793	1,884,922	-32,129	-1.7

Operating profit increased by growth of value-added products, especially color products in all areas.

◆ Comparison with FY03/3

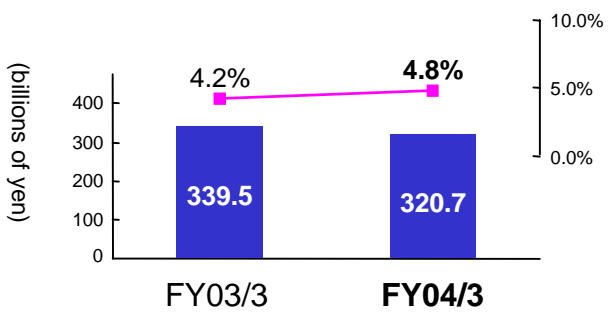
■ Sales (left)  
 ■ Operating income percentage by sales (right)

< Japan >



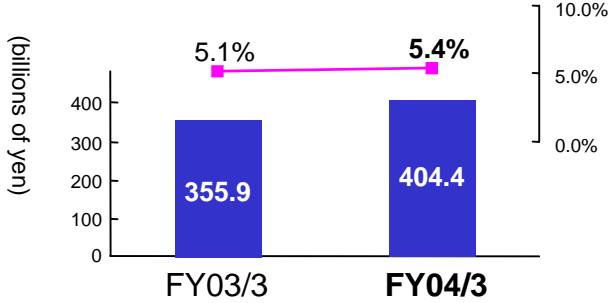
- Sales growth rate (y-o-y): +3.0%  
 Both domestic sales and export increased. Positive impact of Euro exceeded negative impact of US\$.
- Operating margin: 7.4% (y-o-y: +13.0%)  
 Excluding the optical disc drives business, operating margin estimated 8.4% (y-o-y: +23.9%)
- Total assets (y-o-y): +0.6%

< The Americas >



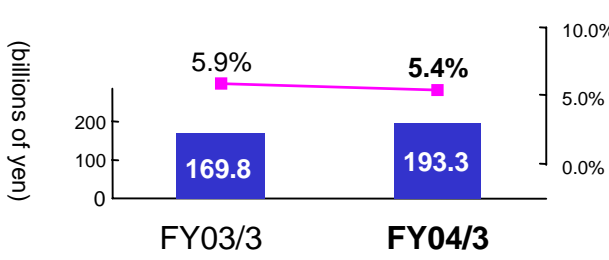
- Sales growth rate (y-o-y): -5.5%  
 Negative impact of US\$ (\$1=¥121.96 to \$1=¥113.09) decreased sales by -7.3%. Excluding forex: +1.5%
- The increase of value added products covered the negative impact of US\$, operating profit increased by +8.0%.
- Total assets (y-o-y): -6.3%  
 Negative impact of US\$ (\$1=¥120.20 to \$1=¥105.69) decreased total assets by -12.1%. Excluding forex: +5.8%

< Europe >



- Sales growth rate (y-o-y): + 13.6%  
 Positive impact of Euro (Euro 1=¥121.00 to Euro 1=¥132.65) increased sales by +9.6%. Excluding forex: +4.0%
- The increase of value added products and positive impact of Euro, operating profit increased by +20.6%.
- Total assets (y-o-y): +7.8%  
 Small forex impact (Euro 1=¥129.83 to Euro 1=¥128.88): -0.7%

< Other >



- Sales growth rate (y-o-y): +13.8%  
 MFP and color products expanded. And sales of production site increased.
- The increase of value added products and the sales of production site increased operating profit.
- Total assets (y-o-y): -9.6%  
 Decreased by the sell of Taiwan Ricoh Co. and others.

# FLASH REPORT

Year ended March 31, 2004

(Results for the Period from April 1, 2003 to March 31, 2004)

Three months ended March 31, 2004

(Results for the Period from January 1, 2004 to March 31, 2004)

## Performance Outline (Consolidated)

(1) Year ended March 31, 2004, 2003 and 2005 (Forecast)

	Year ended		Change	(Billions of yen)	
	March 31, 2004 (Results)	March 31, 2003 (Results)		Year ended March 31, 2005 (Forecast)	Change
Domestic sales	914.0	896.0	2.0%	935.0	2.3%
Overseas sales	866.1	842.3	2.8%	875.0	1.0%
Net sales	1,780.2	1,738.3	2.4%	1,810.0	1.7%
Gross profit	765.6	745.3	2.7%	785.0	2.5%
Operating income	150.0	133.6	12.2%	175.0	16.7%
Income before income taxes	143.0	123.4	15.9%	165.0	15.3%
Net income	91.7	72.5	26.6%	95.0	3.5%
Exchange rate (Yen/US\$)	113.09	121.96	-8.87	105.00	-8.09
Exchange rate (Yen/EURO)	132.65	121.00	11.65	130.00	-2.65
Net income per share (yen)	123.63	99.79	23.84	128.57	4.94
Return on equity (%)	12.6	11.2	1.4	-	-
Income before income taxes on total assets (%)	7.7	6.6	1.1	-	-
Income before income taxes on net sales (%)	8.0	7.1	0.9	9.1	1.1
Total assets	1,852.7	1,884.9	-32.1	-	-
Shareholders' equity	795.1	657.5	137.6	-	-
Interest-bearing debt	432.7	484.6	-51.8	-	-
Equity ratio (%)	42.9	34.9	8.0	-	-
Shareholder's equity per share (yen)	1,076.11	885.41	190.7	-	-
Cash flows from operating activities	154.9	185.7	-30.8	-	-
Cash flows from investing activities	-63.3	-98.1	34.8	-	-
Cash flows from financing activities	-74.8	-67.1	-7.6	-	-
Cash and cash equivalents at end of period	203.0	189.2	13.7	-	-
Capital expenditures	75.5	73.9	1.5	74.5	-1.0
Depreciation for tangible fixed assets	67.6	69.5	-1.8	69.0	1.3
R&D expenditures	92.5	83.5	8.9	100.0	7.4
Number of employees (Japan) (thousand people)	38.8	39.5	-0.7	-	-
Number of employees (Overseas) (thousand people)	34.4	35.1	-0.8	-	-

## Ricoh Company, Ltd.

\* The Company bases the forecast estimates for March 31, 2005 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.



◆ Comparison with FY04/3

(billions of yen)

	FY04/3	FY05/3 Forecast	Comparison with last year	
			Change	Change(%)
<b>Net sales</b>				
(Japan)	914.0	935.0	+21.0	+2.3%
(Overseas)	866.1	875.0	+8.9	+1.0%
<b>Total</b>	<b>1,780.2</b>	<b>1,810.0</b>	<b>+29.8</b>	<b>+1.7%</b>
<b>Gross profit</b>	<b>765.6</b>	<b>785.0</b>	<b>+19.4</b>	<b>+2.5%</b>
Percentage of net sales	43.0%	43.4%	-	-
<b>Operating income</b>	<b>150.0</b>	<b>175.0</b>	<b>+25.0</b>	<b>+16.7%</b>
Percentage of net sales	8.4%	9.7%	-	-
<b>Income before income taxes</b>	<b>143.0</b>	<b>165.0</b>	<b>+22.0</b>	<b>+15.3%</b>
Percentage of net sales	8.0%	9.1%	-	-
<b>Net income</b>	<b>91.7</b>	<b>95.0</b>	<b>+3.3</b>	<b>+3.5%</b>
Percentage of net sales	5.2%	5.2%	-	-
Exchange rate				
US \$1	113.09	105.00	-8.09	-7.2%
(Yen)				
Euro 1	132.65	130.00	-2.65	-2.0%

(Forex excluded growth rate)  
 +2.3%  
 +5.0%  
 +3.6%

→ Sales increase by the increase of value added products in all areas.

→ Profit increase by sales increase and cost down, etc.

→ FY04/3 net income included the cumulative effects of the change in accounting. Excluding impact: +12.6% y-o-y.

◆ Comparison with FY04/3

(1) Sales

< by product category >

	FY04/3	FY05/3 (forecast)	change (%)	change* (%)	forex impact
Office Equipment	1,557.6	<b>1,589.9</b>	+2.1%	+4.2%	-33.9
Imaging Solutions	803.5	<b>700.9</b>	-12.8%	-10.7%	-16.5
Network I/O Systems	558.2	<b>685.5</b>	+22.8%	+25.9%	-17.0
Network System Solutions	195.8	<b>203.4</b>	+3.9%	+4.0%	-0.2
Other Businesses	222.6	<b>220.0</b>	-1.1%	-1.0%	-0.3
<b>Total</b>	<b>1,780.2</b>	<b>1,810.0</b>	<b>+1.7%</b>	<b>+3.6%</b>	<b>-34.1</b>

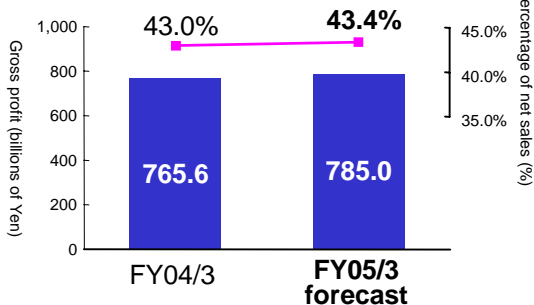
\*change excluding forex impact

< by Geographic area >

	FY04/3	FY05/3 (forecast)	change (%)	change* (%)	forex impact
Japan	914.0	<b>935.0</b>	+2.3%	+2.3%	+0.0
Overseas	866.1	<b>875.0</b>	+1.0%	+5.0%	-34.1
Americas	326.3	<b>319.4</b>	-2.1%	+5.4%	-24.6
Europe	402.3	<b>416.8</b>	+3.6%	+5.7%	-8.4
Others	137.4	<b>138.7</b>	+0.9%	+1.7%	-1.0
<b>Total</b>	<b>1,780.2</b>	<b>1,810.0</b>	<b>+1.7%</b>	<b>+3.6%</b>	<b>-34.1</b>

\*change excluding forex impact

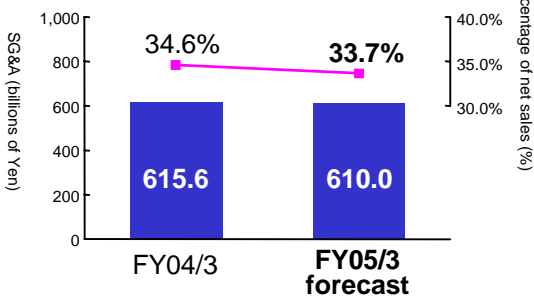
(2) Gross profit



- Changes

	(billions of Yen)
Sales	+12.7
Forex	-18.8
Cost down, etc	+18.0
Optical Disc Drives	+7.5
<b>Total</b>	<b>+19.4</b>

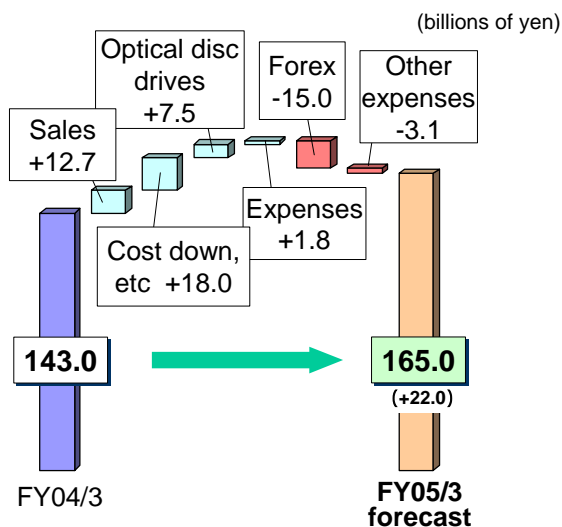
(3) SG&A



-Changes

	(billions of Yen)
Forex	-3.8
R&D	+7.5
Pensions	-13.0
Others	+3.7
<b>Total</b>	<b>-5.6</b>

(4) Income before income taxes



## 3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended Mar.31,'04	Year ended March 31, 2005				Half year ended September 30, 2004			
		Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Equipment>									
Imaging Solutions:									
Digital Imaging Systems	606.2	543.3	-10.4	556.0	-8.3	281.6	-8.9	291.6	-5.7
Domestic	253.8	230.0	-9.4	230.0	-9.4	119.1	-4.5	119.1	-4.5
Overseas	352.4	313.3	-11.1	326.0	-7.5	162.5	-11.9	172.5	-6.4
Other Imaging Systems	197.3	157.5	-20.1	161.5	-18.1	83.9	-20.7	87.2	-17.7
Domestic	70.7	60.5	-14.5	60.5	-14.5	31.2	-14.5	31.2	-14.5
Overseas	126.5	97.0	-23.3	101.0	-20.2	52.7	-24.0	56.0	-19.4
Total Imaging Solutions	803.5	700.9	-12.8	717.5	-10.7	365.5	-11.9	378.8	-8.7
Domestic	324.5	290.5	-10.5	290.5	-10.5	150.3	-6.8	150.3	-6.8
Overseas	478.9	410.4	-14.3	427.0	-10.9	215.2	-15.2	228.5	-10.0
Network Input/Output Systems:									
Printing Systems	509.2	(1) 636.5	25.0	651.5	27.9	293.2	25.6	303.6	30.0
Domestic	218.1	265.8	21.8	265.8	21.8	124.6	24.2	124.6	24.2
Overseas	291.0	370.7	27.4	385.7	32.5	168.6	26.7	179.0	34.5
Other Input/Output Systems	49.0	48.9	-0.2	51.1	4.2	22.9	-22.8	24.1	-18.9
Domestic	4.9	2.7	-45.8	2.7	-45.8	1.0	-63.5	1.0	-63.5
Overseas	44.0	46.2	5.0	48.4	9.9	21.9	-18.6	23.1	-14.4
Total Network Input/Output Systems	558.2	685.5	22.8	702.6	25.9	316.1	20.1	327.7	24.5
Domestic	223.1	268.5	20.3	268.5	20.3	125.6	21.8	125.6	21.8
Overseas	335.0	417.0	24.5	434.1	29.5	190.5	19.0	202.1	26.2
Network System Solutions									
Domestic	195.8	203.4	3.9	203.7	4.0	100.8	3.7	101.0	3.9
Overseas	191.3	196.0	2.5	196.0	2.5	97.6	2.5	97.6	2.5
Overseas	4.5	(2) 7.4	63.8	7.7	70.4	3.2	62.4	3.4	72.4
Office Equipment Total	1,557.6	(1) 1,589.9	2.1	1,623.8	4.2	782.5	0.9	807.5	4.1
Domestic	739.0	755.0	2.2	755.0	2.2	373.5	3.9	373.5	3.9
Overseas	818.5	834.9	2.0	868.8	6.1	409.0	-1.6	434.0	4.4
The Americas	325.1	318.2	-2.1	342.8	5.4	154.6	-7.3	173.9	4.3
Europe	398.1	410.1	3.0	418.5	5.1	199.2	2.4	204.6	5.1
Other	95.3	106.5	11.7	107.5	12.7	55.1	1.3	55.5	2.1
< Other Businesses >									
Other Businesses	222.6	(3) 220.0	-1.1	220.4	-1.0	112.5	-0.1	112.7	0.1
Domestic	175.0	180.0	2.8	180.0	2.8	92.5	3.9	92.5	3.9
Overseas	47.5	40.0	-15.8	40.4	-15.1	20.0	-15.1	20.2	-14.3
The Americas	1.2	1.2	-5.3	1.3	2.0	0.8	-7.4	0.9	4.2
Europe	4.2	(3) 6.6	55.6	6.8	58.8	3.5	55.8	3.6	59.9
Other	42.0	(3) 32.2	-23.4	32.3	-23.2	15.7	-23.2	15.7	-23.2
Grand Total	1,780.2	1,810.0	1.7	1,844.2	3.6	895.0	0.8	920.2	3.6
Domestic	914.0	935.0	2.3	935.0	2.3	466.0	3.9	466.0	3.9
Overseas	866.1	875.0	1.0	909.2	5.0	429.0	-2.4	454.2	3.4
The Americas	326.3	319.4	-2.1	344.1	5.4	155.4	-7.3	174.8	4.3
Europe	402.3	416.8	3.6	425.3	5.7	202.7	3.0	208.2	5.7
Other	137.4	138.7	0.9	139.8	1.7	70.8	-5.4	71.2	-4.9

\* Excluding foreign exchange impact

Reference:	Year ended Mar. 31, '04	Year ended Mar. 31, '05	Half year ended Sept. 30, '04
Exchange rate	(Results)	(Forecast)	(Forecast)
US\$ 1	¥113.09	¥105.00	¥105.00
EURO 1	¥132.65	¥130.00	¥130.00

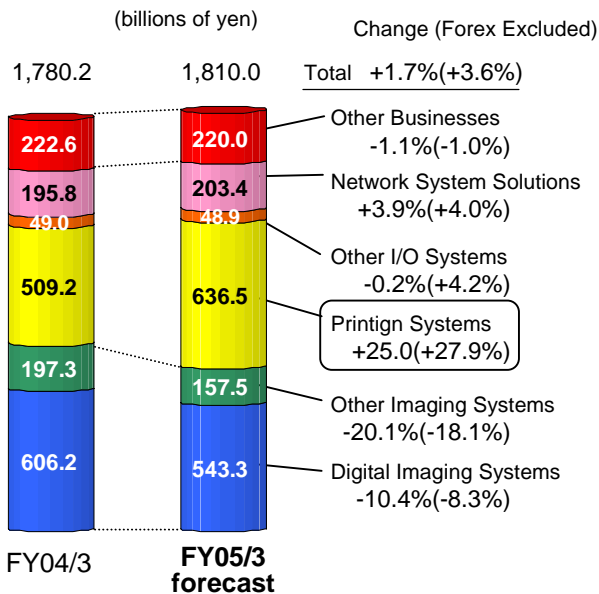
Each category includes the following product line:

Digital Imaging Systems	Digital PPCs, color PPCs, digital duplicators and facsimile machines
Other Imaging Systems	Analog PPCs, diazo copiers, and thermal paper
Printing Systems	MFPs(multifunctional printers), laser printers and software
Other Input/Output Systems	Optical discs and system scanners
Network System Solutions	Personal computers, PC servers, network systems and network related software
Other Businesses	Optical equipments, measuring equipments and semiconductors

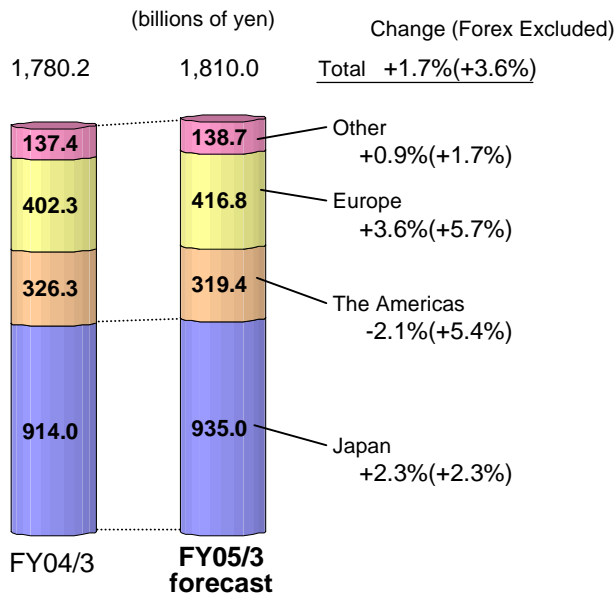
- (1) Sales of printing systems, especially color products, increased in both Japan and overseas.
- (2) Business equipment grows steady in all areas.
- (3) Other business, especially in other area, decrease drastically by the sell of Taiwan Ricoh Co.('03/12) and Hanimex Co.('04/4).

◆ Comparison with FY04/3 (sales category)

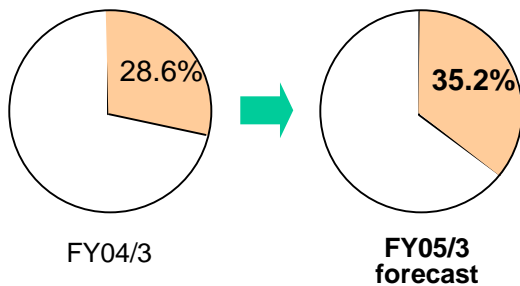
< by Product category >



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- Ratio of Printing Systems for total sales



## Flash Report P.2

(2) Three months ended March 31, 2004 and 2003

	(Billions of yen)		
	Three months ended March 31, 2004	Three months ended March 31, 2003	Change
Domestic sales	252.5	236.2	6.9%
Overseas sales	218.7	224.5	-2.6%
Net sales	471.2	460.7	2.3%
Gross profit	191.7	199.7	-4.0%
Operating income	36.5	38.9	-6.2%
Income before income taxes	38.3	37.8	1.5%
Net income	29.8	21.1	40.8%
Exchange rate (Yen/US\$)	107.31	119.04	-11.73
Exchange rate (Yen/EURO)	134.10	127.63	6.47
Net income per share (yen)	40.31	29.17	11.14
Return on equity (%)	4.0	3.2	0.8
Income before income taxes on total assets (%)	2.0	2.0	0.0
Income before income taxes on net sales (%)	8.1	8.2	-0.1
Capital expenditures	23.6	18.8	4.8
Depreciation for tangible fixed assets	18.2	18.1	0.1
R&D expenditures	24.0	22.4	1.5

(3) Three months ended June 30, 2004 (Forecast) and 2003

	(Billions of yen)		
	Three months ended June 30, 2004 (Forecast)	Three months ended June 30, 2003 (Results)	Change
Domestic sales	233.0	224.3	3.9%
Overseas sales	208.0	213.1	-2.4%
Net sales	441.0	437.4	0.8%
Gross profit	192.3	192.7	-0.2%
Operating income	39.0	38.4	1.3%
Income before income taxes	37.5	37.3	0.5%
Net income	22.5	22.3	0.6%
Exchange rate (Yen/US\$)	105.00	118.52	-13.52
Exchange rate (Yen/EURO)	130.00	134.67	-4.67
Capital expenditures	18.0	18.6	-0.6
Depreciation for tangible fixed assets	17.0	17.0	0.0
R&D expenditures	22.0	19.3	2.6

(4) Half year ended September 30, 2004 (Forecast) and 2003

	(Billions of yen)		
	Half year ended September 30, 2004 (Forecast)	Half year ended September 30, 2003 (Results)	Change
Domestic sales	466.0	448.6	3.9%
Overseas sales	429.0	439.4	-2.4%
Net sales	895.0	888.0	0.8%
Gross profit	386.8	388.1	-0.3%
Operating income	78.0	77.2	1.0%
Income before income taxes	74.5	71.4	4.3%
Net income	43.8	42.2	3.6%
Exchange rate (Yen/US\$)	105.00	118.06	-13.06
Exchange rate (Yen/EURO)	130.00	133.47	-3.47
Capital expenditures	37.0	36.3	0.6
Depreciation for tangible fixed assets	34.0	33.6	0.3
R&D expenditures	50.0	44.2	5.7

◆ Impact of foreign exchange rates

		On Sales	On Income before income taxes
Impact of foreign exchange rates per yen	US\$	3.2 billion yen / year	1.0 billion yen / year
	EURO	3.0 billion yen / year	1.2 billion yen / year

◆ Overseas production ratio (by units)

	FY03/3	FY04/3
Copier+MFP	65%	<b>70%</b>
LP	45%	<b>65%</b>

◆ Color ratio (by sales of machine)

		FY03/3	FY04/3
Copier+MFP	Japan	28%	<b>31%</b>
	Overseas	6%	<b>17%</b>
	Total	13%	<b>22%</b>
LP	Japan	32%	<b>23%</b>
	Overseas	72%	<b>68%</b>
	Total	53%	<b>45%</b>

◆ Calculation information where the equity method is applied to Ricoh's leasing subsidiary

- Consolidated Statement of Income ( year ended March 31, 2004)

	Consolidated	Equity Method	(billions of yen)
Net sales	1,780.2	1,663.8	
Gross profit	765.6	751.3	
Operating income	150.0	138.2	
Income before income taxes	143.0	132.7	
Net income	91.7	91.7	

- Consolidated Balance Sheet (at the end of March 31, 2004)

(billions of yen)

	Consolidated	Equity Method		Consolidated	Equity Method
Cash and cash equivalents	204.0	281.8	Short-term borrowings	151.1	77.1
Other current assets	667.8	671.9	Other current liabilities	456.2	435.2
Current assets	871.8	953.7	Current liabilities	607.4	512.3
Finance receivable	514.0	75.3	Long term-borrowings	281.5	116.6
Other fixed assets	466.9	530.3	Other fixed liabilities	119.7	119.6
Fixed assets	980.9	605.6	Fixed liabilities	401.3	236.3
			Minority interest	48.8	15.5
			Shareholders' investment	795.1	795.1
Total Assets	1,852.7	1,559.4	Total Liabilities and Shareholders' investment	1,852.7	1,559.4

- Key financial Ratios (year ended March 31, 2004)

(billions of yen)

	Consolidated	Chage from previous period	Equity Method	Chage from previous period
Return on assets	7.7%	+ 1.0%	8.3%	+ 1.6%
Return on equity	12.6%	+ 1.4%	12.6%	+ 1.4%
Equity ratio	42.9%	+ 8.0%	51.0%	+ 10.6%
Debt/Total assets	23.4%	- 2.4%	12.4%	+ 0.3%
Debt/Equity	54.4%	- 19.3%	24.4%	- 5.8%
Total assets turnover	0.95	-	1.04	-

## Consolidated Performance

## 1. Consolidated Statements of Income

(Three months ended March 31, 2004 and 2003)

(Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
Net sales	471,252	460,798	(1) 10,454	2.3
Cost of sales	279,512	261,031	18,481	7.1
<i>Percentage of net sales (%)</i>	59.3	56.6		
Gross Profit	191,740	199,767	(2) -8,027	-4.0
<i>Percentage of net sales (%)</i>	40.7	43.4		
Selling, general and administrative expenses	155,203	160,835	(3) -5,632	-3.5
<i>Percentage of net sales (%)</i>	32.9	35.0		
Operating income	36,537	38,932	-2,395	-6.2
<i>Percentage of net sales (%)</i>	7.8	8.4		
Other (income) expense				
Interest and dividend income	178	1,134	-956	-84.3
<i>Percentage of net sales (%)</i>	0.0	0.2		
Interest expense	1,090	1,525	-435	-28.5
<i>Percentage of net sales (%)</i>	0.2	0.3		
Other, net	-2,756	731	-3,487	-
<i>Percentage of net sales (%)</i>	-0.5	0.1		
Income before income taxes, equity income and minority interests	38,381	37,810	(4) 571	1.5
<i>Percentage of net sales (%)</i>	8.1	8.2		
Provision for income taxes	14,744	15,235	-491	-3.2
<i>Percentage of net sales (%)</i>	3.1	3.3		
Minority interests in earnings of subsidiaries	1,334	1,724	-390	-22.6
<i>Percentage of net sales (%)</i>	0.2	0.4		
Equity in earnings of affiliates	161	336	-175	-52.1
<i>Percentage of net sales (%)</i>	0.0	0.1		
Income before cumulative effect of accounting changes	22,464	21,187	1,277	6.0
<i>Percentage of net sales (%)</i>	4.8	4.6		
Cumulative effect of accounting change, net of tax	7,373	-	7,373	-
<i>Percentage of net sales (%)</i>	1.5	-		
Net income	29,837	21,187	8,650	40.8
<i>Percentage of net sales (%)</i>	6.3	4.6		
Reference : Exchange rate				
US\$ 1	¥107.31	¥119.04		
EURO 1	¥134.10	¥127.63		

(Year ended March 31, 2004 and 2003)

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003	Change	%
Net sales	1,780,245	1,738,358	41,887	2.4
Cost of sales	1,014,619	993,009	21,610	2.2
<i>Percentage of net sales (%)</i>	57.0	57.1		
Gross Profit	765,626	745,349	20,277	2.7
<i>Percentage of net sales (%)</i>	43.0	42.9		
Selling, general and administrative expenses	615,620	611,695	3,925	0.6
<i>Percentage of net sales (%)</i>	34.6	35.2		
Operating income	150,006	133,654	16,352	12.2
<i>Percentage of net sales (%)</i>	8.4	7.7		
Other (income) expense				
Interest and dividend income	1,925	3,772	-1,847	-49.0
<i>Percentage of net sales (%)</i>	0.1	0.2		
Interest expense	5,290	6,853	-1,563	-22.8
<i>Percentage of net sales (%)</i>	0.3	0.4		
Other, net	3,578	7,103	-3,525	-49.6
<i>Percentage of net sales (%)</i>	0.2	0.4		
Income before income taxes, equity income and minority interests	143,063	123,470	19,593	15.9
<i>Percentage of net sales (%)</i>	8.0	7.1		
Provision for income taxes	56,641	51,984	4,657	9.0
<i>Percentage of net sales (%)</i>	3.2	3.0		
Minority interests in earnings of subsidiaries	4,094	1,376	2,718	197.5
<i>Percentage of net sales (%)</i>	0.2	0.0		
Equity in earnings of affiliates	2,065	2,403	-338	-14.1
<i>Percentage of net sales (%)</i>	0.1	0.1		
Income before cumulative effect of accounting changes	84,393	72,513	11,880	16.4
<i>Percentage of net sales (%)</i>	4.7	4.2		
Cumulative effect of accounting change, net of tax	7,373	-	7,373	-
<i>Percentage of net sales (%)</i>	0.5	-		
Net income	91,766	72,513	19,253	26.6
<i>Percentage of net sales (%)</i>	5.2	4.2		
Reference : Exchange rate				
US\$ 1	¥113.09	¥121.96		
EURO 1	¥132.65	¥121.00		

Despite of the increase of value-added products such as color products and multi-function printers, the decrease of optical disc drive and negative impact of forex decreased operating profit by -6.2% y-o-y.

◆ Comparison with FY03/3 Q4

(1) Sales

< by Product Category >

	(billions of yen)				
	FY03/3 Q4	FY04/3 Q4	change (%)	change* (%)	forex impact
Office Equipment	405.4	<b>413.5</b>	+2.0%	+2.9%	-3.7
Imaging Solutions	221.0	<b>199.4</b>	-9.8%	-8.3%	-3.3
Network I/O Systems	127.0	<b>157.1</b>	+23.7%	+24.0%	-0.3
Network System Solutions	57.3	<b>56.9</b>	-0.7%	-0.6%	-0.1
Other Businesses	55.3	<b>57.7</b>	+4.2%	+3.4%	+0.4
<b>Total</b>	<b>460.7</b>	<b>471.2</b>	<b>+2.3%</b>	<b>+3.0%</b>	<b>-3.2</b>

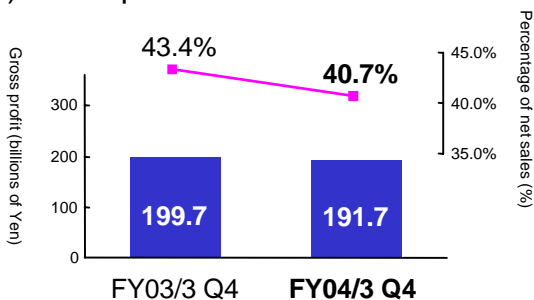
< by Geographic Area >

	(billions of yen)				
	FY03/3 Q4	FY04/3 Q4	change (%)	change* (%)	forex impact
Japan	236.2	<b>252.5</b>	+6.9%	+6.9%	+0.0
Overseas	224.5	<b>218.7</b>	-2.6%	-1.1%	-3.2
Americas	89.3	<b>82.7</b>	-7.3%	+2.3%	-8.6
Europe	99.9	<b>106.0</b>	+6.1%	+0.9%	+5.1
Others	35.2	<b>29.9</b>	-15.2%	-15.7%	+0.1
<b>Total</b>	<b>460.7</b>	<b>471.2</b>	<b>+2.3%</b>	<b>+3.0%</b>	<b>-3.2</b>

\*change excluding forex impact

\*change excluding forex impact

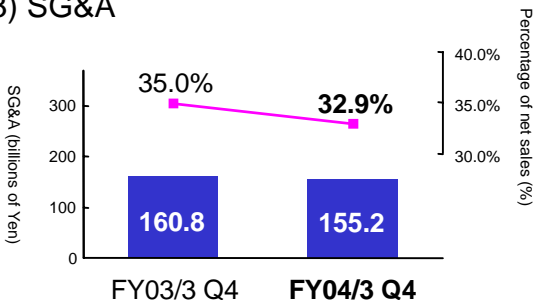
(2) Gross profit



- Changes

	(billions of Yen)
Sales	+6.0
Forex	-5.7
Cost down, etc	+3.3
Optical Disc Drives	-7.5
Others	-4.0
<b>Total</b>	<b>-8.0</b>

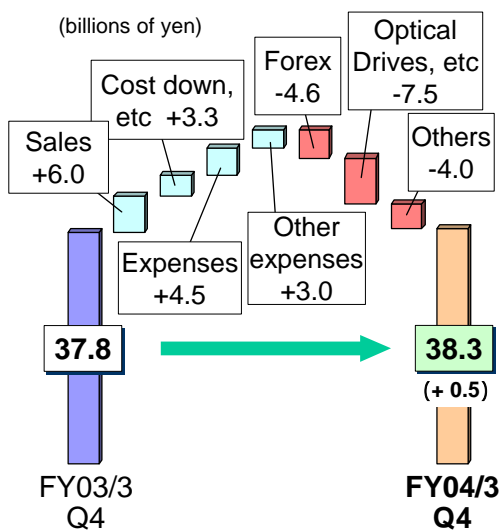
(3) SG&A



-Changes

	(billions of Yen)
Forex	-1.1
R&D	+1.5
Pensions	-0.1
Others	-6.0
<b>Total</b>	<b>-5.6</b>

(4) Income before income taxes



## 2. Consolidated Sales by Product Category

(Three months ended March 31, 2004 and 2003)

(Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	153,230	166,111	-12,881	-7.8	-9,957	-6.0
<i>Percentage of net sales (%)</i>	32.5	36.0				
Domestic	69,041	66,170	2,871	4.3	2,871	4.3
Overseas	84,189	99,941	-15,752	-15.8	-12,828	-12.8
Other Imaging Systems	46,217	54,917	-8,700	-15.8	-8,305	-15.1
<i>Percentage of net sales (%)</i>	9.8	12.0				
Domestic	16,974	18,822	-1,848	-9.8	-1,848	-9.8
Overseas	29,243	36,095	-6,852	-19.0	-6,457	-17.9
Total Imaging Solutions	199,447	221,028	-21,581	-9.8	-18,262	-8.3
<i>Percentage of net sales (%)</i>	42.3	48.0				
Domestic	86,015	84,992	1,023	1.2	1,023	1.2
Overseas	113,432	136,036	-22,604	-16.6	-19,285	-14.2
Network Input/Output Systems:						
Printing Systems	151,191	116,450	34,741 <sup>(1)</sup>	29.8	35,131	30.2
<i>Percentage of net sales (%)</i>	32.1	25.3				
Domestic	64,255	51,043	13,212	25.9	13,212	25.9
Overseas	86,936	65,407	21,529	32.9	21,919	33.5
Other Input/Output Systems	5,928	10,565	-4,637	-43.9	-4,681	-44.3
<i>Percentage of net sales (%)</i>	1.2	2.3				
Domestic	1,186	1,868	-682	-36.5	-682	-36.5
Overseas	4,742	8,697	-3,955	-45.5	-3,999	-46.0
Total Network Input/Output Systems	157,119	127,015	30,104	23.7	30,450	24.0
<i>Percentage of net sales (%)</i>	33.3	27.6				
Domestic	65,441	52,911	12,530	23.7	12,530	23.7
Overseas	91,678	74,104	17,574	23.7	17,920	24.2
Network System Solutions	56,967	57,357	-390	-0.7	-335	-0.6
<i>Percentage of net sales (%)</i>	12.2	12.4				
Domestic	55,502	56,795	-1,293	-2.3	-1,293	-2.3
Overseas	1,465	562	903	160.7	958	170.5
Office Equipment Total	413,533	405,400	8,133	2.0	11,853	2.9
<i>Percentage of net sales (%)</i>	87.8	88.0				
Domestic	206,958	194,698	12,260	6.3	12,260	6.3
Overseas	206,575	210,702	-4,127	-2.0	-407	-0.2
The Americas	82,663	88,937	-6,274	-7.1	2,316	2.6
Europe	104,981	98,309	6,672	6.8	1,560	1.6
Other	18,931	23,456	-4,525	-19.3	-4,283	-18.3
< Other Businesses >						
Other Businesses	57,719	55,398	2,321	4.2	1,879	3.4
<i>Percentage of net sales (%)</i>	12.2	12.0				
Domestic	45,558	41,552	4,006	9.6	4,006	9.6
Overseas	12,161	13,846	-1,685	-12.2	-2,127	-15.4
The Americas	120	393	-273	-69.5	-254	-64.6
Europe	1,038	1,618	-580	-35.8	-624	-38.6
Other	11,003	11,835	-832	-7.0	-1,249	-10.6
Grand Total	471,252	460,798	10,454	2.3	13,732	3.0
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	252,516	236,250	16,266 <sup>(2)</sup>	6.9	16,266	6.9
<i>Percentage of net sales (%)</i>	53.6	51.3				
Overseas	218,736	224,548	-5,812	-2.6	-2,534	-1.1
<i>Percentage of net sales (%)</i>	46.4	48.7				
The Americas	82,783	89,330	-6,547	-7.3	2,062	2.3
<i>Percentage of net sales (%)</i>	17.6	19.4				
Europe	106,019	99,927	6,092	6.1	936	0.9
<i>Percentage of net sales (%)</i>	22.5	21.7				
Other	29,934	35,291	-5,357 <sup>(3)</sup>	-15.2	-5,532	-15.7
<i>Percentage of net sales (%)</i>	6.3	7.6				
Reference: Exchange rate						
US\$ 1	¥107.31	¥119.04	¥-11.73			
EURO 1	¥134.10	¥127.63	¥6.47			

Each category includes the following product line:

Digital Imaging Systems	Digital PPCs, color PPCs, digital duplicators and facsimile machines
Other Imaging Systems	Analog PPCs, diazo copiers, and thermal paper
Printing Systems	MFPs(multifunctional printers), laser printers and software
Other Input/Output Systems	Optical discs and system scanners
Network System Solutions	Personal computers, PC servers, network systems and network related software
Other Businesses	Optical equipments, metering equipments and semiconductors

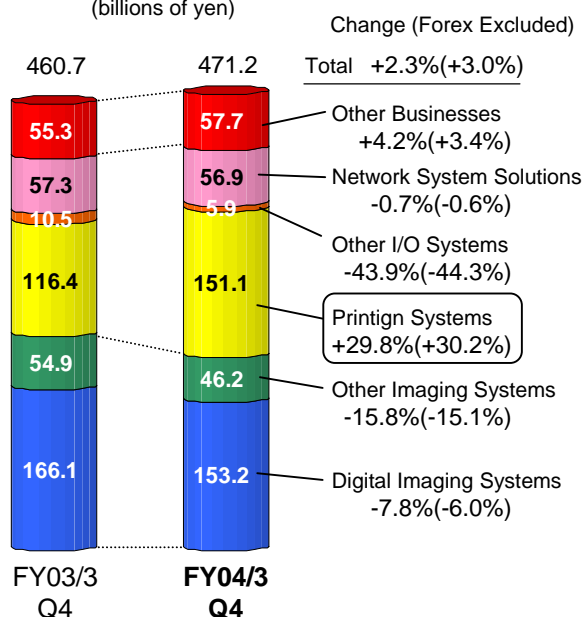


- (1) Sales of printing systems increased in both Japan and overseas.
- (2) Japan increased by +6.9%.
- (3) Other area decreased by the decrease of optical disc drives and the impact of selling Taiwan Ricoh co.

◆ Comparison with FY03/3 Q4

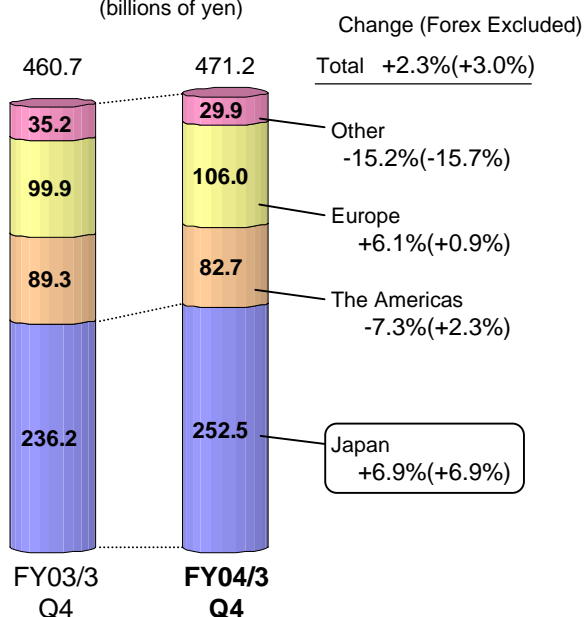
< by Product category >

(billions of yen)

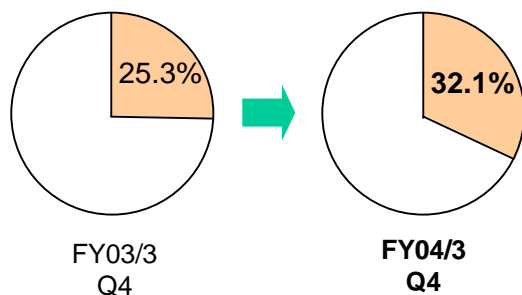


< by Geographic area >

(billions of yen)



\*Ratio of Printing Systems for total sales



**6. Segment Information**

(1) Industry Segment Information

(Three months ended March 31, 2004 and 2003)

(Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
<b>Office Equipment:</b>				
Net sales:				
Unaffiliated customers	413,533	405,400	8,133	2.0
Intersegment	-	-	-	-
Total	413,533	405,400	8,133	2.0
Operating expenses	361,866	352,578	9,288	2.6
Operating income	51,667	52,822	(1) -1,155	-2.2
<i>Operating income on office equipment sales(%)</i>	12.5	13.0		
<b>Other Businesses:</b>				
Net sales:				
Unaffiliated customers	57,719	55,398	2,321	4.2
Intersegment	722	606	116	19.1
Total	58,441	56,004	2,437	4.4
Operating expenses	57,752	56,300	1,452	2.6
Operating income	689	-296	(2) 985	-
<i>Operating income on sales in other businesses (%)</i>	1.2	-0.5		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-722	-606	-116	-
Total	-722	-606	-116	-
Operating expenses:				
Intersegment	-730	-573	-157	-
Corporate	15,827	13,561	2,266	-
Total	15,097	12,988	2,109	-
Operating income	-15,819	-13,594	-2,225	-
<b>Consolidated:</b>				
Net sales:				
Unaffiliated customers	471,252	460,798	10,454	2.3
Intersegment	-	-	-	-
Total	471,252	460,798	10,454	2.3
Operating expenses	434,715	421,866	12,849	3.0
Operating income	36,537	38,932	-2,395	-6.2
<i>Operating income on consolidated net sales(%)</i>	7.8	8.4		

Identifiable assets: (Millions of yen)

	March 31, 2004	March 31, 2003	Change	%
Office Equipment	1,220,747	1,198,706	22,041	1.8
Other Businesses	182,532	176,296	6,236	3.5
Elimination	-8,047	-6,908	-1,139	16.5
Corporate assets	457,561	516,828	-59,267	-11.5
Total	1,852,793	1,884,922	-32,129	-1.7

Capital expenditure: (Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
Office Equipment	20,423	15,845	4,578	28.9
Other Businesses	2,444	2,913	-469	-16.1
Corporate	752	52	700	1,346.2
Total	23,619	18,810	4,809	25.6

Depreciation: (Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
Office Equipment	14,497	15,389	-892	-5.8
Other Businesses	2,250	2,262	-12	-0.5
Corporate	535	452	83	18.4
Total	17,282	18,103	-821	-4.5

(1) Office Equipment

Despite of the increase of value-added products such as color products and multi-function printers in Japan and overseas, the decrease of optical disc drive decreased total operating profit by -2.2% y-o-y.

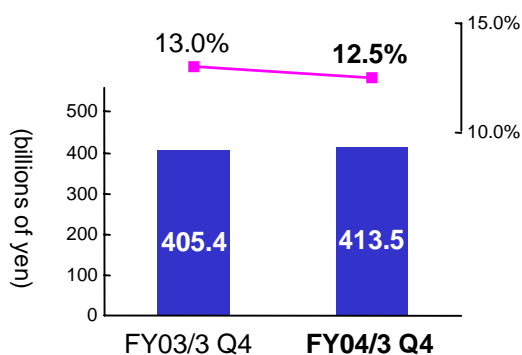
(2) Other Businesses

Sales decreased by the impact of analog camera business and meter equipments. Other business such as leasing achieved steady gains.

◆ Comparison with FY03/3 Q4

■ Sales (left)  
 ■ Operating income percentage by sales (right)

< Office Equipment >



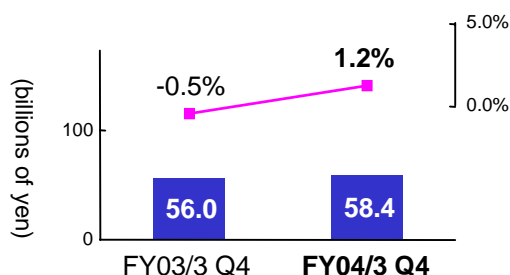
- Sales growth rate by area (y-o-y, excluding forex)

Japan	+ 6.3%	
The Americas	+ 2.6%	
Europe	+ 1.6%	
Others	- 18.3%	← By the decrease of optical disc drive.
<b>Total</b>	<b>+ 2.9%</b>	← Excluding optical disc drive, +2.7%

- Operating margin: 12.5% (y-o-y: -2.2%)

Excluding the optical disc drives business, operating margin estimates 14.9% (y-o-y +11.7%)

< Other Businesses >



- Sales growth rate by area (y-o-y, excluding forex)

Japan	+ 9.6%	← Leasing business increased
The Americas	- 64.6%	} ← Business scale is small
Europe	- 38.6%	
Others	- 10.6%	← Photographic equipment decreased, including the sell of Taiwan Ricoh Co.
<b>Total</b>	<b>- 15.4%</b>	

- Leasing business and other business increased operating profit.

## (2) Geographic Segment Information

(Three months ended March 31, 2004 and 2003)

(Millions of yen)

	Three months ended March 31, 2004	Three months ended March 31, 2003	Change	%
<b>Japan:</b>				
Net sales:				
External customers	258,807	249,405	9,402	3.8
Intersegment	83,638	83,382	256	0.3
Total	342,445	332,787	9,658	2.9
Operating expenses	322,424	310,014	12,410	4.0
Operating income	(1) 20,021	22,773	-2,752	-12.1
<i>Operating income on sales in Japan(%)</i>	5.8	6.8		
<b>The Americas:</b>				
Net sales:				
External customers	81,216	86,937	-5,721	-6.6
Intersegment	1,385	1,810	-425	-23.5
Total	82,601	88,747	-6,146	-6.9
Operating expenses	74,417	83,754	-9,337	-11.1
Operating income	(2) 8,184	4,993	3,191	63.9
<i>Operating income on sales in the Americas(%)</i>	9.9	5.6		
<b>Europe:</b>				
Net sales:				
External customers	105,222	99,704	5,518	5.5
Intersegment	963	936	27	2.9
Total	106,185	100,640	5,545	5.5
Operating expenses	99,566	93,879	5,687	6.1
Operating income	6,619	6,761	-142	-2.1
<i>Operating income on sales in Europe(%)</i>	6.2	6.7		
<b>Other:</b>				
Net sales:				
External customers	26,007	24,752	1,255	5.1
Intersegment	21,921	18,489	3,432	18.6
Total	47,928	43,241	4,687	10.8
Operating expenses	44,645	40,897	3,748	9.2
Operating income	3,283	2,344	939	40.1
<i>Operating income on sales in other(%)</i>	6.8	5.4		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-107,907	-104,617	-3,290	-
Total	-107,907	-104,617	-3,290	-
Operating expenses:	-106,337	-106,678	341	-
Operating income	-1,570	2,061	-3,631	-
<b>Consolidated:</b>				
Net sales:				
External customers	471,252	460,798	10,454	2.3
Intersegment	-	-	-	-
Total	471,252	460,798	10,454	2.3
Operating expenses	434,715	421,866	12,849	3.0
Operating income	36,537	38,932	-2,395	-6.2
<i>Operating income on consolidated net sales(%)</i>	7.8	8.4		

## Identifiable assets:

(Millions of yen)

	March 31, 2004	March 31, 2003	Change	%
Japan	1,071,297	1,064,857	6,440	0.6
The Americas	188,644	201,359	-12,715	-6.3
Europe	188,184	174,541	13,643	7.8
Other	63,701	70,458	-6,757	-9.6
Elimination	-116,594	-143,121	26,527	-18.5
Corporate assets	457,561	516,828	-59,267	-11.5
Total	1,852,793	1,884,922	-32,129	-1.7

(1) Japan

Sales increased by the growth of value-added products .  
 Operating profit decreased by the decrease of the optical disc drives.

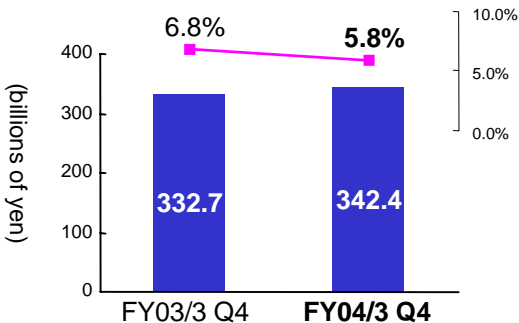
(2) Overseas

Margin increased by growth of value-added products in the Americas.

◆ Comparison with FY03/3 Q4

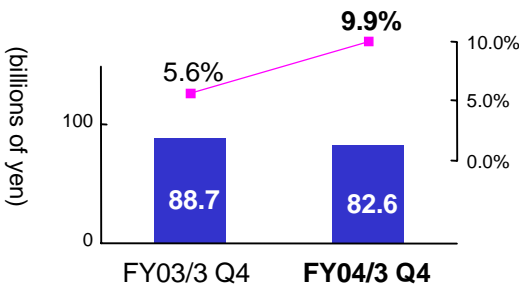
■ Sales (left)  
 ■ Operating income percentage by sales (right)

< Japan >



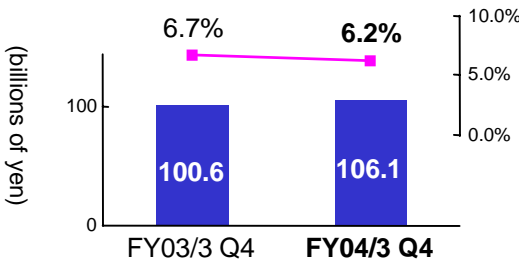
- Sales growth rate (y-o-y): +2.9%  
 Japan sales increased by +6.9%. Export decreased by the negative impact of US\$ exceeded the positive impact of Euro.  
 - Operating margin: 5.8% (y-o-y: -12.1%)  
 Excluding the optical disc drives business, operating margin estimated 8.5% (y-o-y +19.6%)

< The Americas >



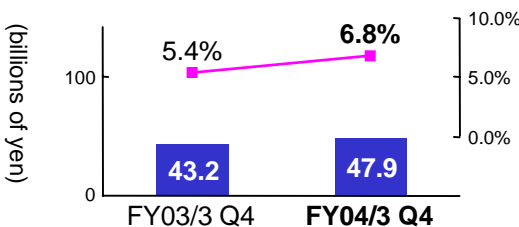
- Sales growth rate (y-o-y): -6.9%  
 Negative impact of US\$(\$1=¥119.04 to \$1=¥107.31) decreased sales by -9.9%. Excluding forex: +3.0%  
 \*Sales for the Americas(excluding forex): +2.3%  
 - The increase of value added products covered the negative impact of US\$, operating profit increased by +63.9%.

< Europe >



- Sales growth rate (y-o-y): +5.5%  
 Positive impact of Euro (Euro 1=¥127.63 to Euro 1=¥134.10) increased sales by +5.1%. Excluding forex: +0.4%  
 \*Sales for the Europe (excluding forex): +0.9%  
 - Operating profit slightly down.

< Other >



- Sales growth rate (y-o-y): +10.8%  
 The business equipment sales, excluding optical disc drives, increased +2.7%. And the increase of sales of production site increased operating profit.  
 - The increase of the sales of production site increased operating profit by +40.1%.

**RICOH**