

# Consolidated Results for the 3 months ended December 31, 2005

January 30, 2006  
Ricoh Company, Ltd.

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\* 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. FY06/3 Q3 Results

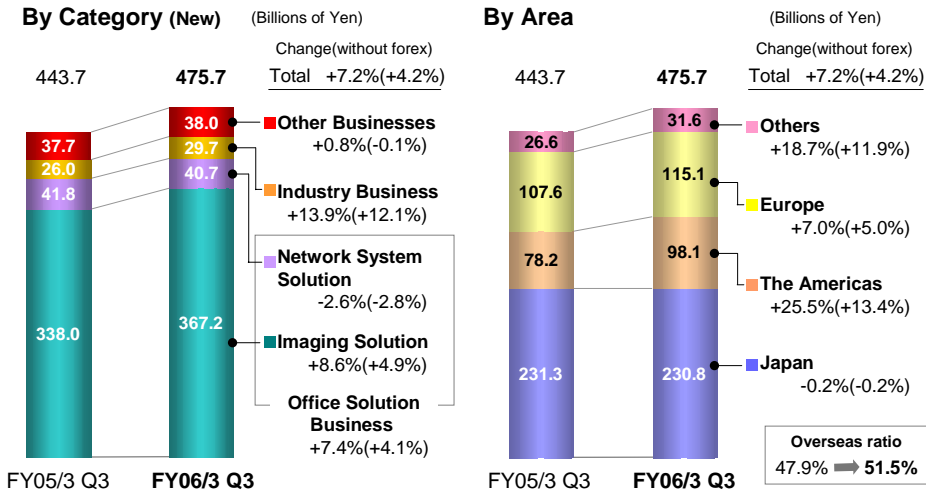
### FY06/3 Q3 P/L : Comparison with FY05/3 Q3

Increase of Color MFP & LBP increased sales and profit.

(billions of Yen)	FY05/3 Q3	FY06/3 Q3 Latest('05/10) Forecast	FY06/3 Q3 Results	Comparison with latest forecast	Comparison with last year		Excluding Forex impact
					Change	Change(%)	
Net sales							
(Japan)	231.3	240.0	<b>230.8</b>	-9.1	-0.4	-0.2%	-0.2%
(Overseas)	212.4	225.0	<b>244.8</b>	+19.8	+32.4	+15.3%	+9.0%
Total	443.7	465.0	<b>475.7</b>	+10.7	+31.9	+7.2%	+4.2%
Gross profit	192.1	201.0	<b>201.1</b>	+0.1	+9.0	+4.7%	
Percentage of net sales	43.3%	43.2%	<b>42.3%</b>	-	-	-	
Operating income	38.7	38.0	<b>37.0</b>	-0.9	-1.6	-4.2%	
Percentage of net sales	8.7%	8.2%	<b>7.8%</b>	-	-	-	
Income before income taxes	34.6	37.7	<b>38.7</b>	+1.0	+4.0	+11.7%	
Percentage of net sales	7.8%	8.1%	<b>8.1%</b>	-	-	-	
Net income	22.2	22.3	<b>23.0</b>	+0.7	+0.7	+3.5%	
Percentage of net sales	5.0%	4.8%	<b>4.8%</b>	-	-	-	
EPS (Yen)	30.08	30.36	<b>31.34</b>	+0.98	+1.26		
Exchange rate							
US \$1	106.01	110.00	<b>117.24</b>	+7.24	+11.23		
Euro 1	137.16	135.00	<b>139.41</b>	+4.41	+2.25		

## FY06/3 Q3 Sales : Comparison with FY05/3 Q3

Color MFP grew at all areas. Americas & Others boost sales.



Sales category have been changed since FY06/3. Please see #17 of this material for old category's results and details of change.

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## FY06/3 Q3 Strategy Executions

Released new products and executed company structure reform based on 15th MTP

### <Office >

- Renewal of Color MFP Line-up
  - > New 30ppm & 25ppm Color MFP released in Japan
- Enter High-end Production Printing Business
  - > New 135ppm MFP, 156ppm LBP released in Japan
- Low-end Products Strengthening
  - > 6ppm Color MFP released in Japan



imagio MP C1500

imagio MP C3000



imagio MP1350

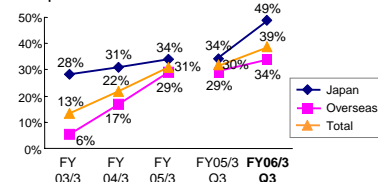
### <Industry>

- Positive Investment for Growth Areas
  - > Established Thermal media sub in China

### <Management>

- > Reorganization of domestic bases, Integration of group companies in Japan and overseas, Building of core operating system

### - Copier's Color ratio



\*by sales for machines of copier and multifunctional copiers

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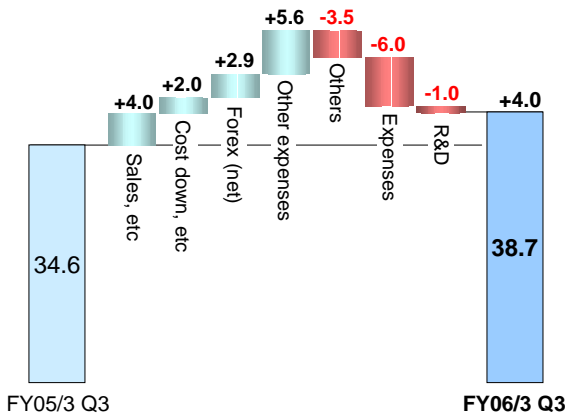
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## Comparison with FY05/3 Q3

Increase of value-added product and cost down activities increased profit.

### Income before income tax

(Billions of Yen)



### - Changes of Gross Profit

(Billions of Yen)

Sales, etc	+ 4.0
Cost down, etc	+ 2.0
Others	- 3.5
Sub Total	+ 2.5
Forex	+ 6.5
Total	+ 9.0

### - Changes of SG&A

(Billions of Yen)

R&D	+ 1.0
Others (Expenses)	+ 6.0
Forex	+ 3.6
Total	+ 10.6

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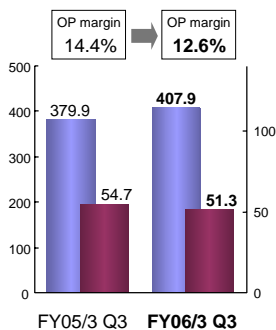
## FY06/3 Q3 Business Segment

Office Solution : Increase of strategic expenses decreased profit.

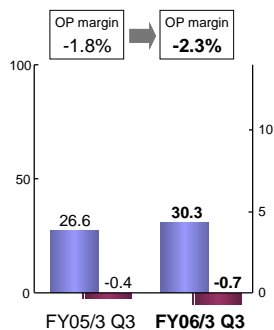
Industry : Measuring equipment & Optical unit business decreased profit.

Other : Going steady and increased profit.

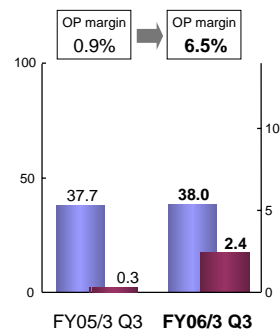
### Office Solution Business



### Industry Business



### Other Businesses



■ Left bar: Sales (billions of yen) ■ Right bar: Operating income (billions of yen)

Business segment have been changed since FY06/3. Please see #17 of this material for details.

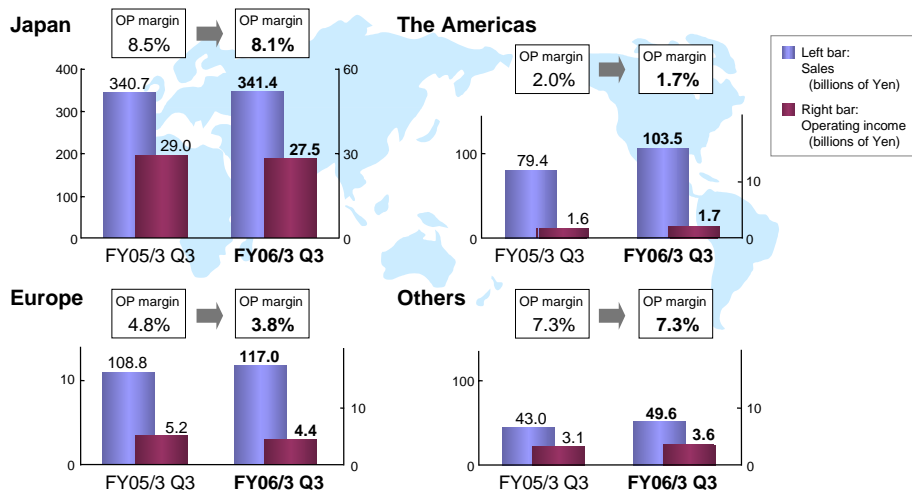
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## FY06/3 Q3 Geographic Segment

Japan : Measuring equipment & Optical unit business decreased margin.  
 Americas and Others : Value-added products increased margin.  
 Europe : Increase of strategic expenses decreased margin.



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## Balance Sheet <as of December 31, 2005>

### Assets

	As of Dec 31, 2005	Dif. from Mar 31, '05
Current Assets	1,007.6	-22.1
Cash & time deposits	156.5	-31.7
Trade receivables	622.6	+2.0
Marketable securities	0.1	+0.0
Inventories	171.7	+4.3
Other current assets	56.5	+3.1
Fixed Assets	983.2	+59.2
Tangible fixed assets	264.1	+16.7
Finance receivable	415.0	+23.1
Other investments	303.9	+19.3
<b>Total Assets</b>	<b>1,990.8</b>	<b>+37.1</b>

### Liabilities and Shareholders' Investment

	As of Dec 31, 2005	Dif. from Mar 31, '05
Current Liabilities	625.5	-45.9
Trade payables	311.9	-24.5
Short-term borrowings	158.7	-24.8
Other current liabilities	154.8	+3.3
Fixed Liabilities	383.0	+15.0
Long-term indebtedness	238.7	+12.1
Retirement benefit obligation	95.5	+2.8
Other fixed liabilities	48.7	+0.0
<b>Total Liabilities</b>	<b>1,008.5</b>	<b>-30.9</b>
Minority Interest	52.7	+1.5
Total Shareholders' Investment	929.5	+66.5
<b>Total liabilities and shareholders' Investment</b>	<b>1,990.8</b>	<b>+37.1</b>
<b>Total debt</b>	<b>397.4</b>	<b>-12.6</b>

Exchange rate as of December 31, 2005 :  
 US\$ 1 = ¥ 118.07 (+ 10.68)  
 EURO 1 = ¥ 139.83 (+ 0.96)

(billions of Yen)

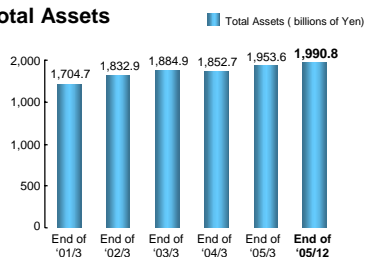
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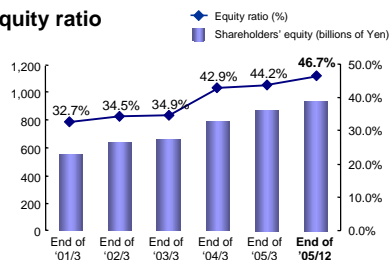
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## Balance Sheet : Indexes <as of December 31, 2005>

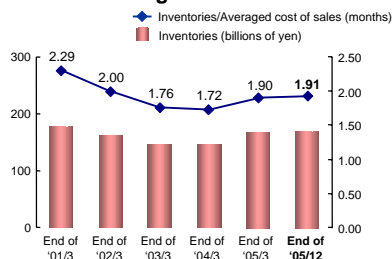
### Total Assets



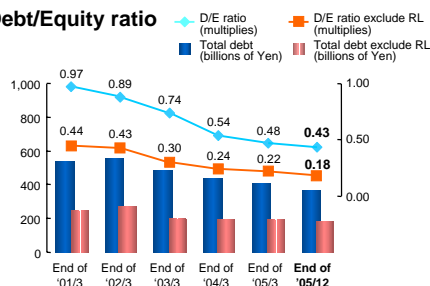
### Equity ratio



### Inventories/Averaged cost of sales



### Debt/Equity ratio



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## FY06/3 Q3 Statement of Cash Flow < 9 months >

(Billions of Yen)	2004/4-12	FY05/3	2005/4-12
Net income	58.0	83.1	<b>65.8</b>
Depreciation and amortization	57.4	78.2	<b>62.2</b>
[ Cash profit (Net income + Depreciation and amortization) ]	[ 115.5 ]	[ 161.3 ]	[ 128.1 ]
Other operating activities	-41.1	-28.6	<b>-34.5</b>
Net cash by operating activities	74.3	132.7	<b>93.5</b>
Plant and equipment	-56.6	-83.3	<b>-78.9</b>
Other investing activities	-33.9	-12.8	<b>-12.3</b>
Net cash by investing activities	-90.5	-96.1	<b>-91.2</b>
[ Free cash flow ( operating net cash + investing net cash ) ]	[ -16.2 ]	[ 36.5 ]	[ 2.2 ]
Net cash by financing activities	-22.9	-56.4	<b>-32.0</b>
Effect of exchange rate	1.8	1.2	<b>-2.2</b>
Net increase in cash and equivalents	-37.3	-18.6	<b>-32.0</b>
Cash and equivalents at end of period	168.1	186.8	<b>154.8</b>

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## II. FY06/3 Forecast

### FY06/3 Performance Forecast

Increase of value-added product increase profit.

(billions of Yen)	FY05/3	FY06/3 Latest('05/10) Forecast	FY06/3 Forecast	Comparison with latest forecast	Comparison with last year		Excluding Forex impact
					Change	Change(%)	
Net sales							
(Japan)	972.9	999.7	<b>990.0</b>	-9.7	+17.0	+1.7%	+1.7%
(Overseas)	841.1	900.3	<b>920.0</b>	+19.7	+78.8	+9.4%	+7.1%
Total	1,814.1	1,900.0	<b>1,910.0</b>	+10.0	+95.8	+5.3%	+4.2%
Gross profit	754.5	804.0	<b>802.0</b>	-2.0	+47.4	+6.3%	
Percentage of net sales	41.6%	42.3%	<b>42.0%</b>	-	-	-	
Operating income	135.5	160.0	<b>153.0</b>	-7.0	+17.4	+12.9%	
Percentage of net sales	7.5%	8.4%	<b>8.0%</b>	-	-	-	
Income before income taxes	135.3	160.0	<b>157.5</b>	-2.5	+22.1	+16.3%	
Percentage of net sales	7.5%	8.4%	<b>8.2%</b>	-	-	-	
Net income	83.1	97.0	<b>97.0</b>	+0.0	+13.8	+16.7%	
Percentage of net sales	4.6%	5.1%	<b>5.1%</b>	-	-	-	
EPS (Yen)	112.64	132.07	<b>132.10</b>	+0.03	+19.46		
Exchange rate							
US \$1	107.58	109.71	<b>111.52</b>	+1.81	+3.94		
(Yen) Euro 1	135.25	135.34	<b>136.44</b>	+1.10	+1.19		

## FY06/3 Sales forecast

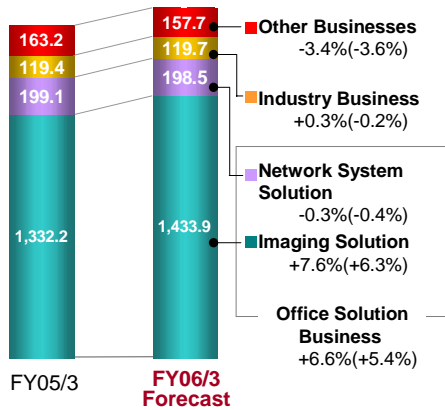
MFP & LBP expansion leads the growth in all areas.

### By Category (New)

(Billions of Yen)

Change(without forex)

1,814.1      1,910.0      Total +5.3%(+4.2%)

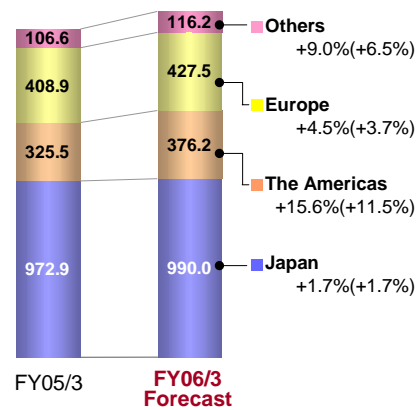


### By Area

(Billions of Yen)

Change(without forex)

1,814.1      1,910.0      Total +5.3%(+4.2%)



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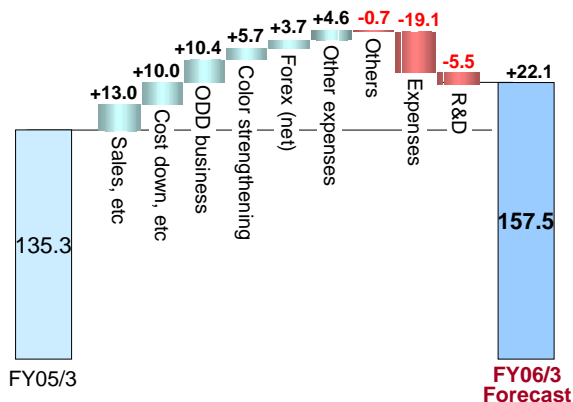
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## Comparison with FY05/3

Value-added product increase boost up profit.

### Income before income tax

(Billions of Yen)



### - Changes of Gross Profit

(Billions of Yen)

Sales, etc	+ 13.0
Cost down, etc	+ 10.0
ODD business	+ 10.4
Color strengthening	+ 5.7
Others	- 0.7
<b>Sub Total</b>	<b>+ 38.4</b>
Forex	+ 9.0
<b>Total</b>	<b>+ 49.4</b>

### - Changes of SG&A

(Billions of Yen)

R&D	+ 5.5
Others	+ 19.1
Forex	+ 5.3
<b>Total</b>	<b>+ 29.9</b>

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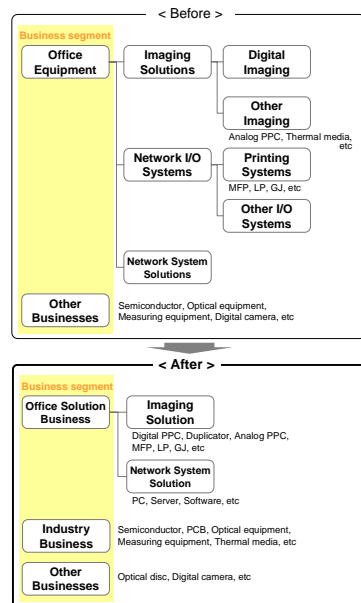
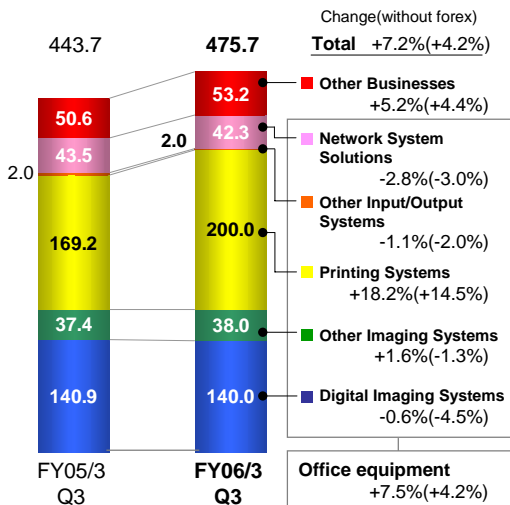
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# III. Appendix

## < Appendix > FY06/3 Q3 Sales by Old Category

Sales (Billions of Yen)



## Appendix of FY06/3 Q3 Results

### 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)

	FY05/3 Q3	FY06/3 Q3
Copier+MFP	75%	70%
LP	55%	75%

### Color ratio (by sales of machine)

		FY05/3 Q3	FY06/3 Q3
Copier +MFP	Japan	34%	49%
	Overseas	29%	34%
	Total	30%	39%
LP	Japan	19%	31%
	Overseas	54%	58%
	Total	30%	41%

### CAPEX, Depreciation & Amortization, R&D

(Billions of Yen)

	FY05/3 Q3	FY06/3 Q3
CAPEX	20.5	21.2
Depreciation & Amortization	16.9	17.6
R&D	26.1	27.2

	FY05/3 Result	FY06/3 (forecast)
CAPEX	84.7	110.0
Depreciation & Amortization	66.7	67.0
R&D	110.4	116.0

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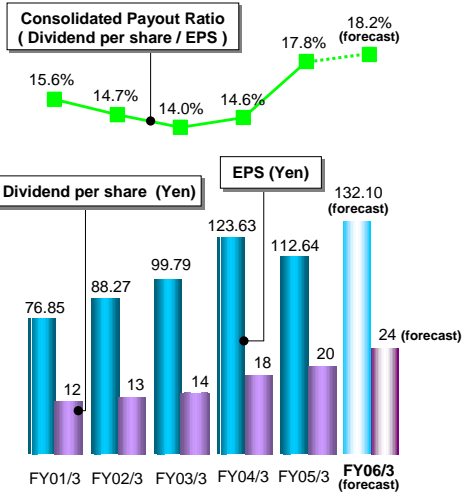
## < Appendix > FY06/3 Q4 Performance Forecast

(billions of Yen)		FY05/3 4Q	FY06/3 4Q Latest('05/10) Forecast	FY05/3 4Q Forecast	Comparison with latest forecast	Comparison with last year		Excluding Forex impact
						Change	Change(%)	
Net sales	(Japan)	272.4	278.7	278.1	-0.6	+5.7	+2.1%	+2.1%
	(Overseas)	221.8	233.1	233.0	-0.1	+11.1	+5.0%	+3.9%
	Total	494.3	511.9	511.2	-0.7	+16.9	+3.4%	+2.9%
Gross profit		198.5	214.7	212.5	-2.2	+13.9	+7.0%	
	Percentage of net sales	40.2%	41.9%	41.6%	-	-	-	
Operating income		39.0	55.0	49.0	-6.0	+9.9	+25.5%	
	Percentage of net sales	7.9%	10.8%	9.6%	-	-	-	
Income before income taxes		40.6	52.8	49.3	-3.5	+8.7	+21.5%	
	Percentage of net sales	8.2%	10.3%	9.7%	-	-	-	
Net income		25.0	31.8	31.1	-0.7	+6.1	+24.0%	
	Percentage of net sales	5.1%	6.2%	6.1%	-	-	-	
EPS (Yen)		34.08	43.31	42.36	-0.95	+8.28		
Exchange rate	US \$1	104.60	110.00	110.00	+0.00	+5.40		
	(Yen) Euro 1	137.26	135.00	135.00	+0.00	-2.26		

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Dividend



Financial Indexes

