

Ricoh Company, Ltd. and Consolidated Subsidiaries

FLASH REPORT (Consolidated. Year ended March 31, 2000) –Translation–

Date of approval for the financial results for the year ended March 31, 2000,
at the Board of Directors' meeting: May 11, 2000

1. Results for the period from April 1, 1999 to March 31, 2000

(1) Operating Results

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99
Net sales.....	1,447,157	1,425,999
(% change from previous period).....	1.5	1.6
Operating income.....	88,921	73,547
(% change from previous period).....	20.9	-18.0
Income before income taxes.....	70,393	53,054
(% change from previous period).....	32.7	-22.5
Net income.....	41,928	30,655
(% change from previous period).....	36.8	1.7
Net income per share-basic (yen).....	60.61	44.33
Net income per share-diluted (yen).....	56.06	40.94
Return on equity (%).....	8.1	6.4
Income before income taxes on total assets (%).....	4.4	3.2
Income before income taxes on net sales (%).....	4.9	3.7

Note: i. Equity in income (loss) of affiliates: ¥2,497 million (¥4,095 million in previous period)
ii. Difference between fair value of available-for-sale securities and cost amount: ¥15,643 million
iii. The difference between derivative transaction estimated fair value and carrying amount: ¥2,520 million.
iv. Changes in accounting method, etc.: no change

(2) Financial Position

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99
Total assets.....	1,543,320	1,628,017
Shareholders' equity.....	541,506	487,459
Equity ratio (%).....	35.1	29.9
Equity per share (yen).....	782.43	704.83

(3) Cash Flows

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99
Cash flows from operating activities.....	135,640	106,708
Cash flows from investing activities.....	-28,490	-89,235
Cash flows from financing activities.....	-121,249	-25,437
Cash and cash equivalents at End of Year.....	111,838	130,655

(4) Items relating to the scale of consolidation and the application of the equity method:
Number of consolidated subsidiaries: 258; nonconsolidated subsidiaries: 45; affiliated companies: 24

(5) Changes in accounting method, etc.:

Consolidated subsidiaries: 18 additions; 6 removals

Companies accounted for by the equity method: 3 additions; 16 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.
Net income per share is calculated based on Statement of Financial Accounting Standards(SFAS) No.128.

2. Forecast of operating results from April 1, 2000 to March 31, 2001

(Millions of yen)

	Half year ended September 30, 2000	Year ended March 31, 2001
Net sales.....	730,000	1,500,000
Operating income.....	48,000	100,000
Income before income taxes.....	41,000	85,000
Net income.....	23,500	48,000

Notes: Net income per share (Consolidated) 69.36 yen

Group Position

The Ricoh Group comprises 327 companies. Their development, manufacturing, sales, and service activities center on office equipment (copiers and related supplies and communications and information systems), optical equipment, and other devices.

The parent company heads development. The parent company and subsidiaries and affiliates maintain an integrated domestic and international manufacturing structure. Below, we have listed our main product areas and the positions of key subsidiaries and affiliates.

<Office Equipment>

In this business category, the Company provides products and systems that help enhance the office productivity of customers. Major products include:

Digital/analog copiers, laser printers, facsimile machines, stencil duplicators, optical disks.

Ricoh also provides solution systems including personal computers and servers, utilizing its information technology.

The Company also provides support, service, and related supplies, as well as use ware including IT environment setup, network administration, and user support.

[Main Subsidiaries and Affiliates]

Production

Japan...Tohoku Ricoh Co., Ltd.; Ricoh Elemex Corporation, Ricoh Unitechno Co., Ltd.,

Hasama Ricoh Inc., Ricoh Microelectronics Co., Ltd., Ricoh Keiki Co., Ltd.

The Americas...Ricoh Electronics, Inc.

Europe...Ricoh UK Products Ltd. and Ricoh Industrie France S.A.

Other regions...Ricoh Asia Industry (Shenzhen) Ltd., Sindo Ricoh Co., Ltd., Shanghai Ricoh Facsimile Co., Ltd.

Sales and Service

Japan ...Tokyo Ricoh Co., Ltd. Osaka Ricoh Co., Ltd. and 44 other sales companies nationwide,

Ricoh Technosystems Co., Ltd.; NBS Ricoh Co., Ltd.

The Americas...Ricoh Corporation Savin Corporation

Europe...Ricoh Europe B.V., Ricoh Deutschland GmbH, Ricoh UK Ltd., Ricoh France S.A.,

Ricoh Espana S.A., Ricoh Italia S.p.A., Gestetner Holdings PLC

Other regions...Ricoh Hong Kong Ltd., Ricoh Asia Pacific Pte. Ltd., Ricoh Australia Pty, Ltd.,

Ricoh New Zealand Ltd.

<Other Businesses>

Manufacturing and marketing analog cameras and optical lenses, semiconductor devices, and measuring equipment, and providing leasing and logistics services

[Main Subsidiaries and Affiliates]

Production

Japan...Ricoh Optical Industries Co., Ltd., Ricoh Elemex Corporation

Overseas...Taiwan Ricoh Co., Ltd., Dong Guan Tailien Optical Co., Ltd.

Sales

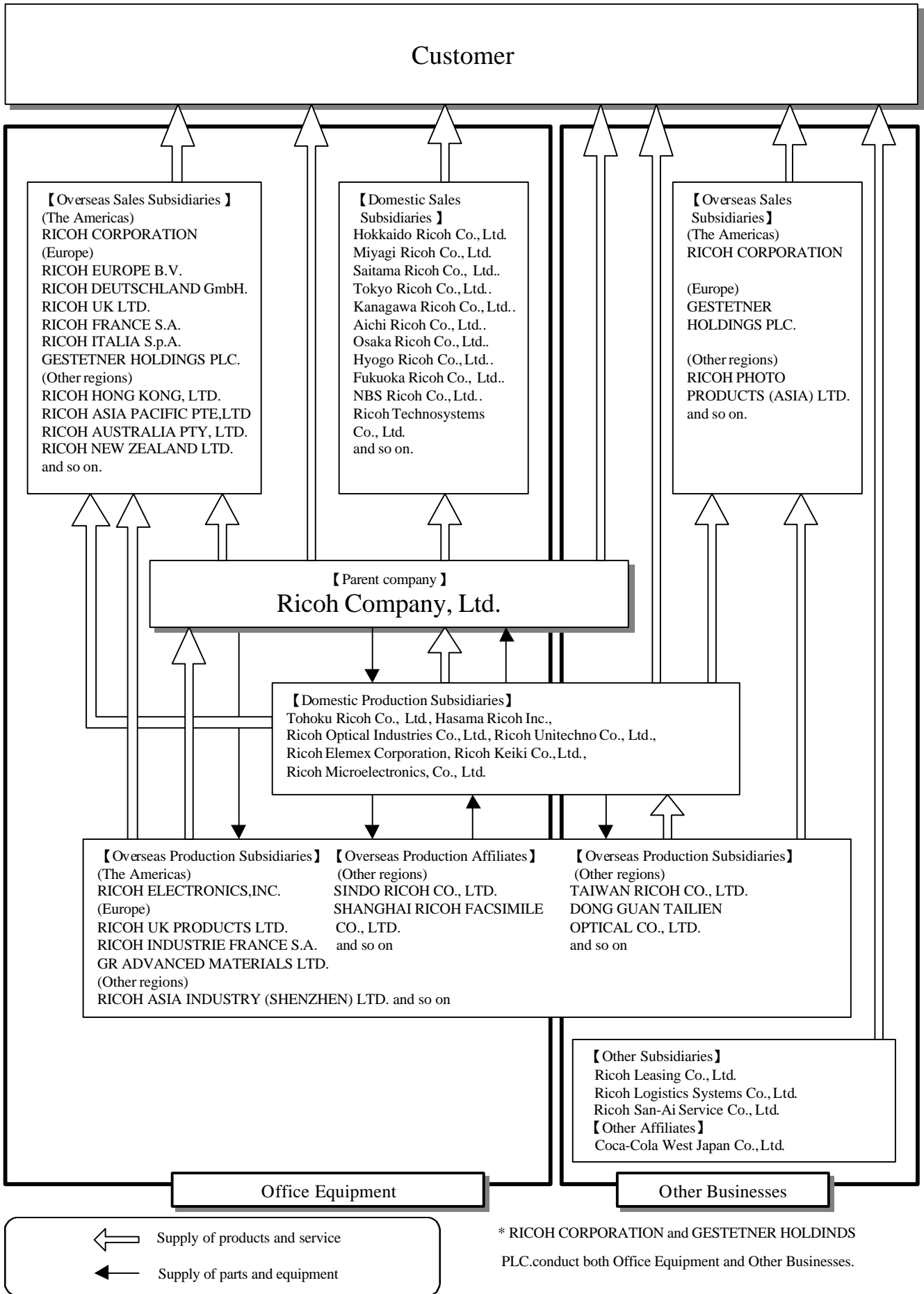
Ricoh Corporation, Ricoh Photo Products (Asia) Ltd.

Other areas

Ricoh Leasing Company, Ltd., Ricoh Logistics System Co., Ltd.

<Business System Chart>

This group position can be shown by the following chart.



Sales by Product Line (Consolidated)

For the years ended March 31, 2000 and 1999.

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change(%)
Copiers and Related Supplies:			
Domestic	453,600	450,797	+2,803 (0.6)
Overseas	416,691	456,111	-39,420 (-8.6)
Total.....	870,291	906,908	-36,617 (-4.0)
<i>Percentage of net sales (%)</i>	60.1	63.6	
Communications and Information Systems:			
Domestic	262,186	237,389	+24,797 (10.4)
Overseas	120,593	106,641	+13,952 (13.1)
Total.....	382,779	344,030	+38,749 (11.3)
<i>Percentage of net sales (%)</i>	26.5	24.1	
Other Businesses:			
Domestic	157,384	132,789	+24,595 (18.5)
Overseas	36,703	42,272	-5,569(-13.2)
Total.....	194,087	175,061	+19,026 (10.9)
<i>Percentage of net sales (%)</i>	13.4	12.3	
Total:			
Domestic	873,170	820,975	+52,195 (6.4)
<i>Percentage of net sales (%)</i>	60.3	57.6	
Overseas	573,987	605,024	-31,037 (-5.1)
<i>Percentage of net sales (%)</i>	39.7	42.4	
The Americas	231,181	239,623	-8,442 (-3.5)
<i>Percentage of net sales (%)</i>	16.0	16.8	
Europe	258,515	283,373	-24,858 (-8.8)
<i>Percentage of net sales (%)</i>	17.9	19.9	
Other	84,291	82,028	+2,263 (2.8)
<i>Percentage of net sales (%)</i>	5.8	5.8	
Total.....	1,447,157	1,425,999	+21,158 (1.5)
<i>Percentage of net sales (%)</i>	100.0	100.0	

Note:

From the period under review, Ricoh moved optical disc products from Other Businesses to the Communications and Information Systems category.

In accordance with it, optical disc products business in the fiscal year 1999, ended March 31, is included in the Communications and Information Systems category.

Fiscal year ended March 31, 1999: Domestic ¥3,316 million; Overseas ¥13,171 million;

Total ¥16,487 million

(Reference) Consolidated Sales by Category
(Office equipment; other businesses)

For the years ended March 31, 2000 and 1999.

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change(%)
<Office Equipment>			
Imaging Solutions:			
Digital Imaging Systems	546,206	486,310	+59,896 (12.3)
<i>Percentage of net sales (%)</i>	37.7	34.1	
Domestic	299,709	266,640	+33,069 (12.4)
Overseas	246,497	219,670	+26,827 (12.2)
Other Imaging Systems	351,817	467,996	-116,179(-24.8)
<i>Percentage of net sales (%)</i>	24.3	32.8	
Domestic	149,221	191,432	-42,211(-22.1)
Overseas	202,596	276,564	-73,968(-26.7)
Total Imaging Solutions	898,023	954,306	-56,283 (-5.9)
<i>Percentage of net sales (%)</i>	62.1	66.9	
Domestic	448,930	458,072	-9,142 (-2.0)
Overseas	449,093	496,234	-47,141 (-9.5)
Networking input/output systems:			
Printing Systems	141,098	108,902	+32,196 (29.6)
<i>Percentage of net sales (%)</i>	9.8	7.6	
Domestic	77,649	58,744	+18,905 (32.2)
Overseas	63,449	50,158	+13,291 (26.5)
Other Input/Output Systems	32,010	19,454	+12,556 (64.5)
<i>Percentage of net sales (%)</i>	2.2	1.4	
Domestic	9,521	3,610	+5,911(163.7)
Overseas	22,489	15,844	+6,645 (41.9)
Total Networking input/output systems.....	173,108	128,356	+44,752 (34.9)
<i>Percentage of net sales (%)</i>	12.0	9.0	
Domestic.....	87,170	62,354	+24,816 (39.8)
Overseas	85,938	66,002	+19,936 (30.2)
Network system solutions	181,939	168,276	+13,663 (8.1)
<i>Percentage of net sales (%)</i>	12.6	11.8	
Domestic	179,686	167,760	+11,926 (7.1)
Overseas	2,253	516	+1,737(336.6)
Office Equipment Total	1,253,070	1,250,938	+2,132 (0.2)
<i>Percentage of net sales (%)</i>	86.6	87.7	
Domestic	715,786	688,186	+27,600 (4.0)
Overseas	537,284	562,752	+25,468 (-4.5)

(Reference) Consolidated Sales by Category
(Office equipment; other businesses)(Continued)

For the years ended March 31, 2000 and 1999.

	(Millions of yen)		
	Year ended March 31, 2000	Year ended March 31, '99	Change(%)
< Other Businesses >			
Other Businesses.....	194,087	175,061	+19,026 (10.9)
<i>Percentage of net sales (%)</i>	<i>13.4</i>	<i>12.3</i>	
Domestic	157,384	132,789	+24,595 (18.5)
Overseas	36,703	42,272	-5,569(-13.2)
Grand Total.....	1,447,157	1,425,999	+21,158 (1.5)
<i>Percentage of net sales (%)</i>	<i>100.0</i>	<i>100.0</i>	
Domestic	873,170	820,975	+52,195 (6.4)
<i>Percentage of net sales (%)</i>	<i>60.3</i>	<i>57.6</i>	
Overseas	573,987	605,024	-31,037 (-5.1)
<i>Percentage of net sales (%)</i>	<i>39.7</i>	<i>42.4</i>	
The Americas	231,181	239,623	-8,442 (-3.5)
<i>Percentage of net sales (%)</i>	<i>16.0</i>	<i>16.8</i>	
Europe	258,515	283,373	-24,858 (-8.8)
<i>Percentage of net sales (%)</i>	<i>17.9</i>	<i>19.9</i>	
Other	84,291	82,028	+2,263 (2.8)
<i>Percentage of net sales (%)</i>	<i>5.8</i>	<i>5.8</i>	

Each category includes the following products:

Digital Imaging Systems	Digital PPCs, color PPCs, stencil duplicators, facsimile machines, related supplies and services
Other Imaging Systems	Analog PPCs, diazo copiers, and related supplies including thermal paper, and services
Printing Systems	Multifunctional printers(MFPs), laser printers, related supplies, services and software
Other Input/Output Systems	Optical discs and system scanners
Network System Solutions.....	Personal computers, PC servers, network systems, network related software, And service/support
Other Businesses	Digital cameras, analog cameras, semiconductors

II. Statements of Income (Consolidated)

For the years ended March 31, 2000 and 1999

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change (%)
Net sales	1,447,157	1,425,999	+21,158 (1.5)
Cost of sales	867,148	857,423	+9,725 (1.1)
<i>Percentage of net sales (%)</i>	59.9	60.1	
Gross profit	580,009	568,576	+11,433 (2.0)
<i>Percentage of net sales (%)</i>	40.1	39.9	
Selling, general and administrative expenses.....	491,088	495,029	-3,941 (-0.8)
<i>Percentage of net sales (%)</i>	33.9	34.7	
Operating income	88,921	73,547	+15,374 (20.9)
<i>Percentage of net sales (%)</i>	6.1	5.2	
Other (income) expenses			
Interest and dividend income	5,997	5,933	+64 (1.1)
<i>Percentage of net sales (%)</i>	0.4	0.4	
Interest expense	10,181	11,661	-1,480(-12.7)
<i>Percentage of net sales (%)</i>	0.7	0.8	
Other, net.....	14,344	14,765	-421 (-2.9)
<i>Percentage of net sales (%)</i>	1.0	1.0	
Income before income taxes, minority interests and equity in earnings of affiliates.....	70,393	53,054	+17,339 (32.7)
<i>Percentage of net sales (%)</i>	4.9	3.7	
Provision for income taxes.....	28,363	24,555	+3,808 (15.5)
<i>Percentage of net sales (%)</i>	2.0	1.7	
Minority interests.....	2,599	1,939	+660 (34.0)
<i>Percentage of net sales (%)</i>	0.2	0.1	
Equity in earnings of affiliates.....	2,497	4,095	-1,598(-39.0)
<i>Percentage of net sales (%)</i>	0.2	0.3	
Net income.....	41,928	30,655	+11,273 (36.8)
<i>Percentage of net sales (%)</i>	2.9	2.1	

III. Net Income Per Share (Consolidated)

For the years ended March 31, 2000 and 1999

(Yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change
Net income per share-basic (yen)	60.61	44.33	+16.28
Net income per share- diluted (yen).....	56.06	40.94	+15.12

IV. Balance Sheets (Consolidated)

March 31, 2000 and 1999

(1) Assets (Millions of yen)

	March 31, 2000	March 31, '99	Change
Current Assets			
Cash and cash equivalents.....	128,914	147,132	-18,218
Trade receivables	341,246	347,134	-5,888
Marketable securities	128,768	98,246	+30,522
Inventories	143,161	162,298	-19,137
Other current assets	37,658	82,557	-44,899
Total Current Assets.....	779,747	837,367	-57,620
Fixed Assets			
Tangible fixed assets.....	243,514	264,917	-21,403
Finance receivable	372,861	350,384	+22,477
Other Investments and other assets.....	147,198	175,349	-28,151
Total Fixed Assets.....	763,573	790,650	-27,077
Total Assets.....	1,543,320	1,628,017	-84,697

(2) Liabilities and Minority Interest (Millions of yen)

	March 31, 2000	March 31, '99	Change
Current Liabilities			
Trade payable.....	261,100	249,159	+11,941
Short-term borrowings	207,162	308,716	-101,554
Other current liabilities	123,932	103,331	+20,601
Total Current Liabilities	592,194	661,206	-69,012
Fixed Liabilities			
Long-term indebtedness.....	307,962	344,580	-36,618
Estimated retirement allowances.....	37,837	82,283	-44,446
Other fixed liabilities.....	17,463	14,831	+2,632
Total Fixed Liabilities.....	363,262	441,694	-78,432
Total Liabilities	955,456	1,102,900	-147,444
Minority Interest.....	46,358	37,658	+8,700

(3) Shareholders' Investment (Millions of yen)

	March 31, 2000	March 31, '99	Change
Shareholders' Investment			
Common stock	103,112	102,849	+263
Additional paid-in capital	154,314	154,055	+259
Retained earnings	287,182	252,863	+34,319
Accumulated other comprehensive income.....	-3,102	-22,308	+19,206
Total Shareholders' Investment.....	541,506	487,459	+54,047
Total Liabilities and Shareholders' Investment	1,543,320	1,628,017	-84,697

Note: Accumulated other comprehensive income;

Net unrealized holding gains on available-for-sale securities	18,299	8,944	+9,355
Minimum pension liability adjustments.....	-1,600	-18,845	+17,245
Cumulative translation adjustments.....	-19,801	-12,407	-7,394

V. Retained Earnings

For the years ended March 31, 2000 and 1999

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99
Retained earnings (beginning balance)	252,863	229,817
Net income.....	41,928	30,655
Cash dividends	7,609	7,609
Retained earnings (ending balance)	287,182	252,863

VI. Statements of Cash Flow (Consolidated)

For the years ended March 31, 2000 and 1999

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99
I. Cash Flows from Operating Activities:		
1. Net income	41,928	30,655
2. Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	61,946	67,456
Equity in earnings of affiliates, net of dividends received	(846)	(2,936)
Estimated retirement allowances, net	8,618	7,198
Deferred income taxes.....	(18,053)	(3,497)
Loss on disposal and sales of plant and equipment	207	2,285
Changes in assets and liabilities, net of effects from acquisition—		
Decrease (increase) in trade receivables.....	(7,794)	5,818
Decrease in inventories	8,502	22,038
Decrease (increase) in finance receivables	(22,914)	16,921
(Decrease) increase in trade payables.....	23,852	(29,961)
(Decrease) increase in accrued income taxes and accrued expenses and other	27,620	(14,433)
Other, net.....	12,574	5,164
Net cash provided by operating activities	135,640	106,708
II. Cash Flows from Investing Activities:		
1. Proceeds from sales of plant and equipment	2,989	486
2. Expenditures for plant and equipment.....	(56,930)	(68,990)
3. Payments for purchases of available-for-sale securities	(54,194)	(60,883)
4. Proceeds from sales of available-for-sale securities	24,534	54,777
5. (Increase) decrease in investments in and advances to affiliates..	4,254	(2,258)
6. Decrease (increase) in time deposits.....	(1,571)	3,794
7. Decrease (Increase) in cash deposits for assignment of debt securities	50,000	(25,376)
8. Other, net.....	2,428	9,215
Net cash used in investing activities	(28,490)	(89,235)
III. Cash Flows from Financing Activities:		
1. Proceeds from long-term indebtedness	8,362	129,816
2. Repayment of long-term indebtedness	(36,699)	(128,917)
3. (Decrease) increase in short-term borrowings, net	(56,529)	(58,727)
4. Proceeds from issuance of long-term debt securities	35,000	40,000
5. Repayment of long-term debt securities	(66,620)	-
6. Cash dividends paid.....	(7,595)	(7,609)
7. Other, net.....	2,832	-
Net cash provided by (used in) financing activities	(121,249)	(25,437)
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents.	(4,718)	(2,715)
V. Net Increase (Decrease) in Cash and Cash Equivalents	(18,817)	(10,679)
VI. Cash and Cash Equivalents at Beginning of Year	130,655	141,334
VII. Cash and Cash Equivalents at End of Year.....	111,838	130,655
Supplemental Disclosures of Cash Flow Information:		
Cash Paid during the Year for—		
Interest	17,305	17,970
Income taxes	26,546	34,618

Note: Our cash flow for the year included additional deposits of ¥50.0 billion based on corporate bond underwriting contracts.

Significant Accounting Policies (Consolidated)

1. Items relating to the scale of consolidation and the application of the equity method

Consolidated subsidiaries:

18 additions including INRG Hog Kong Ltd.(from equity method)

6 removals including Ricoh Parts and Components Ltd.(liquidation)

Companies accounted for by the equity method:

3 additions including Foto Island (NSW) Pty, Ltd.(from consolidated subsidiaries)

16 removals including Rios Systems Co., Ltd.(liquidation)

2. Consolidated Accounting Policies

(1) Principles of Consolidation

The consolidated financial statements include the accounts of Ricoh. All significant intercompany balances and transactions have been eliminated in consolidation. Investments in affiliated companies are accounted for on the equity basis.

(2) Securities

Ricoh conforms with SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities," which requires certain investments in debt and equity securities to be classified as either held-to-maturity, trading, or available-for-sale securities. Available-for-sale are reported at fair value with unrealized gains and losses, net of related taxes, excluded from earnings and reported in accumulated other comprehensive income (loss).

The cost of the securities sold was computed based on the average cost of each security held at the time of sale.

(3) Inventories

Inventories are stated at the lower of average cost or market. Inventory costs include raw materials, labor and manufacturing overheads.

(4) Plant and Equipment

Depreciation of plant and equipment is computed principally by using the declining-balance method over the estimated useful lives. Most of the foreign subsidiaries have adopted the straight-line method for computing depreciation.

Certain leased buildings, machinery and equipment are accounted for as capital leases in conformity with SFAS No. 13, "Accounting for Leases."

(5) Goodwill

Ricoh has classified as goodwill the cost in excess of fair value of the net assets of major companies acquired in purchase transactions. Goodwill is being amortized on a straight-line method over the estimated periods benefited, not to exceed 20 years.

(6) Use of Estimates

Management of the Company has made a number of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities, to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

VII. Segment Information

1. Industry Segment Information

For the years ended March 31, 2000 and 1999

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change (%)
Net sales:			
Office Equipment.....	1,253,070	1,250,938	+2,132 (0.2)
Other Businesses.....	197,490	179,084	+18,406 (10.3)
Intersegment.....	-3,403	-4,023	+620(-15.4)
Total	1,447,157	1,425,999	+21,158 (1.5)
Operating expenses:			
Office Equipment.....	1,124,675	1,139,690	-15,015 (-1.3)
Other Businesses.....	191,447	175,239	+16,208 (9.2)
Intersegment.....	-3,410	-4,049	+639(-15.8)
Corporate and eliminations.....	45,524	41,572	+3,952 (9.5)
Total	1,358,236	1,352,452	+5,784 (0.4)
Operating income:			
Office Equipment.....	128,395	111,248	+17,147 (15.4)
Other Businesses.....	6,043	3,845	+2,198 (57.2)
Intersegment.....	7	26	-19(-73.1)
Corporate and eliminations.....	-45,524	-41,572	-3,952 (9.5)
Consolidated operating income.....	88,921	73,547	+15,374 (20.9)
Other income(expenses)	-18,528	-20,493	+1,965 (-9.6)
Consolidated pretax profit	70,393	53,054	+17,339 (32.7)
Identifiable assets:			
Office Equipment.....	965,316	1,023,556	-58,240 (-5.7)
Other Businesses.....	161,017	187,757	-26,740(-14.2)
Intersegment.....	-7,509	-7,690	+181 (-2.4)
Corporate and eliminations.....	424,496	424,394	+102 (0.0)
Total	1,543,320	1,628,017	-84,697 (-5.2)
Capital expenditure:			
Office Equipment.....	51,817	61,626	-9,809(-15.9)
Other Businesses.....	5,561	7,370	-1,809(-24.5)
Corporate.....	978	1,473	-495(-33.6)
Total	58,356	70,469	-12,113(-17.2)
Depreciation and Amortization:			
Office Equipment.....	54,046	57,033	-2,987 (-5.2)
Other Businesses.....	6,838	8,887	-2,049(-23.1)
Corporate.....	1,062	1,536	-474(-30.9)
Total	61,946	67,456	-5,510 (-8.2)

Note: From the period under review, Ricoh moved optical disc products from Other Businesses to the Office Equipment category. This change increased sales in the latter category by ¥16,487 million, while decreasing sales in the former category by the same amount. In operating income, Office Equipment category decreased by ¥2,649 million, while Other Businesses increased by the same amount. And in the Office Equipment category, identifiable assets increased by ¥22,337 million, capital expenditure increased by ¥2,157 million, depreciation and amortization increased by ¥2,482 million, while in the Other Business Category, the corresponding items decreased by the same amount respectively.

2. Geographic Segment Information

For the years ended March 31, 2000 and 1999

(Millions of yen)

	Year ended March 31, 2000	Year ended March 31, '99	Change (%)
Net sales:			
Japan			
Unaffiliated Customers.....	885,998	830,731	+55,267 (6.7)
Intersegment.....	259,792	240,352	+19,440 (8.1)
Total	1,145,790	1,071,083	+74,707 (7.0)
The Americas			
Unaffiliated Customers.....	230,496	237,420	-6,924 (-2.9)
Intersegment.....	5,988	8,019	-2,031(-25.3)
Total	236,484	245,439	-8,955 (-3.6)
Europe			
Unaffiliated Customers.....	265,621	290,159	-24,538 (-8.5)
Intersegment.....	3,355	6,032	-2,677(-44.4)
Total	268,976	296,191	-27,215 (-9.2)
Other			
Unaffiliated Customers.....	65,042	67,689	-2,647 (-3.9)
Intersegment.....	36,026	39,218	-3,192 (-8.1)
Total	101,068	106,907	-5,839 (-5.5)
Intersegment.....	-305,161	-293,621	-11,540 (3.9)
Total	1,447,157	1,425,999	+21,158 (1.5)
Operating expenses:			
Japan	1,083,227	1,020,515	+62,712 (6.1)
The Americas.....	226,210	233,292	-7,082 (-3.0)
Euro	255,698	283,816	-28,118 (-9.9)
Other	95,802	103,701	-7,899 (-7.6)
Corporate and eliminations	-302,701	-288,872	-13,829 (4.8)
Total	1,358,236	1,352,452	+5,784 (0.4)
Operating income:			
Japan	62,563	50,568	+11,995 (23.7)
The Americas.....	10,274	12,147	-1,873(-15.4)
Euro	13,278	12,375	+903 (7.3)
Other	5,266	3,206	+2,060 (64.3)
Corporate and eliminations	-2,460	-4,749	+2,289(-48.2)
Consolidated operating income.....	88,921	73,547	+15,374 (20.9)
Other income(expenses)	-18,528	-20,493	+1,965 (-9.6)
Consolidated pretax profit	70,393	53,054	+17,339 (32.7)
Identifiable assets:			
Japan	956,670	1,008,764	-52,094 (-5.2)
The Americas.....	93,191	111,768	-18,577(-16.6)
Euro	120,587	138,697	-18,110(-13.1)
Other	52,791	53,715	-924 (-1.7)
Corporate and eliminations	-104,415	-109,321	+4,906 (-4.5)
Corporate.....	424,496	424,394	+102 (0.0)
Consolidated	1,543,320	1,628,017	-84,697 (-5.2)

VIII. Notes to Consolidated Financial Statements

(1) Fair Market Value of Marketable Securities

The non-marketable securities as of March 31, 2000 and 1999 primarily relate to less than 20%-owned companies and are stated at cost.

The securities and the respective cost, gross unrealized holding gains, gross unrealized holding losses and fair value as of March 31, 2000 and 1999 are as follows:

	Year ended March 31, 2000			(Millions of yen)
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Equity securities	2,993	199	441	2,751
Japanese and foreign governmental bond securities.....	1,012	43	2	1,053
Corporate debt securities.....	33,640	592	-	34,232
Bank debt securities.....	158	-	5	153
Other.....	90,508	71	-	90,579
	128,311	905	448	128,768
Noncurrent:				
Equity securities	6,791	15,290	70	22,011
Corporate debt securities.....	4,147	-	34	4,113
Other.....	40	-	-	40
Non-marketable securities.....	2,621	-	-	2,621
	13,599	15,290	104	28,785

	Year ended March 31, 1999			(Millions of yen)
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Equity securities	2,740	55	385	2,410
Japanese and foreign governmental bond securities.....	1,021	74	2	1,093
Corporate debt securities.....	26,825	236	-	27,061
Bank debt securities.....	2,837	-	38	2,799
Other.....	64,988	-	105	64,883
	98,411	365	530	98,246
Noncurrent:				
Equity securities	14,327	18,107	223	32,211
Corporate debt securities.....	7,927	-	355	7,572
Other.....	16	-	-	16
Non-marketable securities.....	5,203	-	-	5,203
	27,473	18,107	578	45,002

Other includes money management funds of 25,633 million yen and 38,868 million yen as of March 31, 1999 and 2000, respectively, and investment trusts consisting of investments in marketable debt and equity securities.

(2) Derivative

The Company and certain of its subsidiaries enter into various financial instrument contracts in the normal course of business and in connection with the management of its assets and liabilities.

The Company and certain of its subsidiaries enter into foreign currency contracts to hedge assets and liabilities denominated in foreign currencies.

The contracted amounts outstanding as of March 31, 1999 and 2000 were 105,022 million yen and 91,627 million yen, respectively.

Gains or losses on those contracts used to hedge existing assets and liabilities are recognized in income currently.

In connection with short-term borrowings and long-term indebtedness, the Company and certain of its subsidiaries have used interest rate swap agreements as a means of managing its interest exposure; at March 31, 1999 and 2000, they had 351,893 million yen and 378,010 million yen of contractual amounts under interest rate swap agreements.

Interest rate swap transactions generally involve the exchange of floating rate for fixed rate interest payment obligations without an exchange of underlying principal amounts. The differentials to be paid or received under the interest rate swap agreements are accrued.

The counterparties to the above financial instrument contracts are major financial institutions and, therefore, the Company and certain of its subsidiaries are exposed to credit risk in the event of nonperformance by counterparties. However, the Company does not anticipate nonperformance by them.

The carrying amount and estimated fair value of derivative financial instruments as of March 31, 1999 and 2000 are as follows:

	Year ended March 31, 2000		(Millions of yen)
	Carrying amount	Estimated Fair value	Profit/loss
Interest rate swap agreements, net	-47	2,685	2,732
Foreign currency contracts-net credit.....	2,314	2,102	-212
Total	2,267	4,787	2,520

	Year ended March 31, 1999		(Millions of yen)
	Carrying amount	Estimated Fair value	Profit/loss
Interest rate swap agreements, net	12	2,018	2,006
Foreign currency contracts-net credit.....	-1,462	-2,276	-814
Total	-1,450	-258	1,192

(3) Transactions of Ricoh with affiliates

	(Millions of yen)	
	March 31, 2000	March 31, '99
Account balances:		
Receivables	4,406	10,861
Payables	3,030	2,171

	(Millions of yen)	
	Year ended March 31, 2000	Year ended March 31, '99
Transactions:		
Sales	23,231	32,057
Purchases.....	13,412	34,992
Dividend income.....	1,651	1,168