

Ricoh Company, Ltd.

INTERIM REPORT (Non consolidated. Half year ended September 30, 2000)

*Date of approval for the financial results for the half year ended September 30, 2000, at the Board of Directors' meeting: **November 8, 2000**

*Start of cash dividends payment: **December 8, 2000**

1. Results for the Period from April 1 to September 30, 2000 (Nonconsolidated)

(1) Operating Results (Millions of yen)

	Half Year ended September 30, 2000	Half Year ended September 30, 1999	Year ended March 31, 2000
Net sales.....	413,889	381,020	777,501
(% change from the previous corresponding period)....	8.6	7.3	7.9
Operating income.....	30,251	30,029	58,220
(% change from the previous corresponding period)....	0.7	44.9	35.9
Ordinary income.....	27,952	24,086	50,113
(% change from the previous corresponding period)....	16.0	22.7	39.1
Interim (net) income.....	12,161	14,073	22,613
(% change from the previous corresponding period)....	-13.6	55.5	19.2
Net income per share (yen).....	17.56	20.35	32.69

Notes: i. Average number of shares outstanding:
 Half year ended September 30, 2000 692,517,126 shares
 Half year ended September 30, 1999 691,650,395 shares
 Year ended March 31, 2000 691,744,901 shares
 ii. No changes in accounting and reporting policies.

(2) Dividend Information (Yen)

	Half Year ended September 30, 2000	Half Year ended September 30, 1999	Year ended March 31, 2000
Cash dividends, applicable to the half year.....	6.00	5.50	-
Cash dividends, applicable to the year.....	-	-	11.00

(3) Financial Position (Millions of yen)

	September 30, 2000	September 30, 1999	March 31, 2000
Total assets.....	784,279	787,710	763,078
Shareholders' equity.....	471,689	452,807	457,960
Equity ratio (%).....	60.1	57.5	60.0
Equity per share (yen).....	680.93	654.61	661.71

Notes: Number of shares issued:
 Half year ended September 30, 2000 692,710,117 shares
 Half year ended September 30, 1999 691,717,985 shares
 Year ended March 31, 2000 692,082,959 shares

4. Forecast of operating results from April 1, 2000 to March 31, 2001 (Nonconsolidated) (Millions of yen)

Net sales	830,000
Operating income	61,000
Ordinary income.....	57,000
Net income	29,000
Cash dividends, applicable to the year (yen).....	12.00

Note: Net income per share ¥41.87

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 2001. 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.

9. Nonconsolidated Performance
(1) Balance Sheets (Nonconsolidated)

September 30, 2000 and March 31, 2000

Assets

(Millions of yen)

	September 30, 2000	March 31, 2000	Change
Current Assets			
Cash on hand and in banks.....	40,604	36,389	+4,215
Notes receivable-trade.....	16,437	12,223	+4,214
Accounts receivable-trade	146,751	148,035	-1,284
Marketable securities.....	66,391	129,322	-62,931
Inventories	46,845	42,668	+4,177
Accounts receivable-other.....	118,961	114,687	+4,274
Other current assets.....	19,176	16,637	+2,539
Allowance for doubtful accounts.....	-1,031	-1,456	+425
Total Current Assets	454,137	498,509	-44,372
Fixed Assets			
Tangible Fixed Assets			
Buildings.....	47,124	46,021	+1,103
Machinery and equipment.....	19,344	17,914	+1,430
Land.....	24,618	24,497	+121
Other fixes assets.....	24,031	22,823	+1,208
Total Tangible Fixed Assets.....	115,118	111,256	3,862
Total Intangible Fixed Assets.....	12,887	3,405	+9,482
Investments and Other Assets			
Investment securities	157,852	117,408	+40,444
Other investments.....	46,361	34,098	+12,263
Allowance for doubtful accounts.....	-2,079	-1,601	-478
Total Investments and Other Assets	202,135	149,906	+52,229
Total Fixed Assets.....	330,141	264,569	+65,572
Total Assets.....	784,279	763,078	+21,201

September 30, 2000 and March 31, 2000

Liabilities (Millions of yen)

	September 30, 2000	March 31, 2000	Change
Current Liabilities			
Notes payable-trade	9,195	7,238	+1,957
Accounts payable-trade.....	95,605	92,560	+3,045
Accounts payable-other.....	12,619	5,877	+6,742
Accrued corporate tax.....	13,923	21,050	-7,127
Accrued expenses.....	29,117	25,903	+3,214
Accrued bonuses.....	15,650	14,159	+1,491
Warranty reserve	599	590	+9
Other current Liabilities.....	4,271	4,692	-421
Total Current Liabilities	180,983	172,072	+8,911
Fixed Liabilities			
Bonds.....	40,000	40,000	-
Convertible bonds.....	63,991	64,595	-604
Estimated retirement allowances.....	-	28,450	-28,450
Retirement benefit obligation.....	27,615	-	+27,615
Total Fixed Liabilities.....	131,606	133,045	-1,439
Total Liabilities	312,589	305,118	+7,471

Shareholders' Equity (Millions of yen)

	September 30, 2000	March 31, 2000	Change
Common Stock	103,413	103,111	+302
Additional paid-in-capital.....	144,215	143,913	+302
Legal reserve.....	14,107	13,711	+396
Retained earnings	205,022	197,224	+7,798
Voluntary reserves.....	188,153	158,075	+30,078
Unappropriated retained earnings.....	16,869	39,148	-22,279
Unrealized holding gains on available-for-sale securities .	4,929	-	+4,929
Total Shareholders' Equity.....	471,689	457,960	+13,729
Total Liabilities and Shareholders' Equity.....	784,279	763,078	+21,201

Reference:

Exchange rate

	Half year ended September 30, '00	Year ended March 31, '00
US\$ 1.....	¥108.00	¥106.15
EURO 1.....	¥95.03	¥102.14

(2) Statement of Income (Nonconsolidated)

For the half years ended September 30, 1999 and 2000, and year ended March 31, 2000 (Millions of yen)

	Half year ended September 30, '00	Half Year ended September 30, '99	Change(%)	Year ended March 31, '00
Net sales	413,889	381,020	+32,869 (8.6)	777,501
Cost of sales	293,178	267,895	+25,283 (9.4)	549,253
<i>Percentage of net sales (%).....</i>	70.8	70.3		70.6
Gross profit.....	120,710	113,124	+7,586 (6.7)	228,247
<i>Percentage of net sales (%).....</i>	29.2	29.7		29.4
Selling, general and administrative expenses	90,459	83,094	+7,365 (8.9)	170,027
<i>Percentage of net sales (%).....</i>	21.9	21.8		21.9
Operating income	30,251	30,029	+222 (0.7)	58,220
<i>Percentage of net sales (%).....</i>	7.3	7.9		7.5
Non-operating income	7,242	5,052	+2,190 (43.4)	10,102
<i>Percentage of net sales (%).....</i>	1.8	1.3		1.3
Non-operating expenses.....	9,541	10,995	-1,454 (-13.2)	18,208
<i>Percentage of net sales (%).....</i>	2.3	2.9		2.3
Ordinary income.....	27,952	24,086	+3,866 (16.0)	50,113
<i>Percentage of net sales (%).....</i>	6.8	6.3		6.4
Extraordinary income.....	13,959	-	+13,959 (-)	1,055
<i>Percentage of net sales (%).....</i>	3.3	-		0.1
Extraordinary expenses.....	20,813	-	+20,813 (-)	12,741
<i>Percentage of net sales (%).....</i>	5.0	-		1.6
Income before income taxes.....	21,097	24,086	-2,989 (-12.4)	38,428
<i>Percentage of net sales (%).....</i>	5.1	6.3		4.9
Provision for income taxes	14,800	15,500	-700 (-4.5)	25,600
<i>Percentage of net sales (%).....</i>	3.6	4.0		3.3
Corporate and other tax adjustments	-5,864	-5,487	-377 (6.9)	-9,785
<i>Percentage of net sales (%).....</i>	-1.4	-1.4		-1.3
Interim (net) income	12,161	14,073	-1,912 (-13.6)	22,613
<i>Percentage of net sales (%).....</i>	2.9	3.7		2.9
Retained earnings at beginning of year				
Beginning balance.....	4,668	4,466	+202 (4.5)	4,466
Reversal of reserve for social contribution	38	8	+30(375.0)	51
Tax effect accounting adjustment for previous term	-	15,067	-15,067	15,067
Reversal provision for application of				
tax effect accounting.....	-	1,134	-1,134	1,134
Interim dividends.....	-	-		3,804
Transfer to legal reserve.....	-	-		380
Retained earnings at end of half year (year)	16,869	34,750	-17,881	39,148

Reference:

Exchange rate

	Half year ended September 30, '00	Half Year ended September 30, '99	Year ended March 31, '00
US\$ 1.....	¥107.27	¥118.29	¥112.00
EURO 1.....	¥98.68	¥123.43	¥113.86

Standard Accounting Policies For Preparing Financial Statements

1. Accounting policy for assets

(1) Inventories are stated at the lower of average cost or market.

(2) Securities

i. Securities of subsidiaries and affiliates are stated at moving average cost.

ii. Other securities:

Marketable securities are marked to market based on the market price at the close of the first half of the term and other factors (accounting for all valuation differences with the full capital injection method; the cost of securities sold is based on moving average cost).

Nonmarketable securities are stated at cost based on the moving average method.

(3) Derivatives are stated at market value.

2. Depreciation of fixed assets

(1) Tangible fixed assets

Tangible fixed assets are depreciated using the declining balance method.

For buildings (excluding fixtures) secured after April 1, 1998, however, Ricoh uses straight-line depreciation as governed by corporate tax law.

(2) Intangible Fixed Assets

Ricoh uses straight-line depreciation for intangible fixed assets.

With software for sale in the marketplace, however, the Company records the larger of depreciation based on projected sales profits or a uniform depreciation based on a projected effective sales period for the balance. The initially projected effective sale term is three years. With software for internal use, the Company uses straight-line depreciation based on a usable period of five years.

3. Basis for provision of reserves

(1) Allowance for Doubtful Accounts

The allowance for doubtful accounts is provided to cover possible losses from bad debts and represents possible individual doubtful accounts based on historical default rates and the potential for irrecoverableness.

(2) Reserve for Accrued Bonuses

The reserve for accrued bonuses is provided by estimating the amount of bonuses payable to employees for the current financial year under our corporate rules for calculating such bonus payment.

(3) Reserve for Retirement Benefit Obligations

Ricoh maintains reserves for employees and director retirement benefit obligations.

To cover projected employee benefits, the Company records the estimated obligations at the end of the first half of the current fiscal year based on projected year-end benefit obligations and plan assets.

In the first half of fiscal 2001, the Company expensed cost arising from a change in accounting standards.

To cover future director retirement obligations, the Company provided for payments required at the end of the first half of the year, based on internal standards.

4. Translation of foreign assets and liabilities

Foreign currency receivables and payables are translated at the exchange rates in effect at the end of the first half of the year and the transaction gains or losses are recognized in income.

5. Leasing

Finance leases for which ownership does not transfer to lessees are accounted for as operating leases.

6. Hedge accounting

(1) Hedge accounting

The Company records foreign currency denominated loans based on a currency swap rate, if the Company is able to adopt some hedging activities.

(2) Principal hedging instruments: Currency swaps

Principal hedged counterparts: Foreign currency denominated loans

(3) Hedging policies

In keeping with its internal Market Risk Management Rules, Ricoh uses derivatives to manage the exposure of its assets and liabilities to market fluctuations.

7. Consumption taxes

Consumption taxes are excluded from revenues and expenses. The refundable consumption tax at the end of the first half of the year is included in "Others" in the balance sheets.

Additional Information

1. Retirement benefit

In the first half of fiscal 2001, Ricoh adopted the Opinion on Establishing Retirement Benefit Accounting Standards, issued by the Business Accounting Deliberative Council on June 16, 1998. As a result of this change, ordinary income was ¥1,493 million higher than under the previous accounting policy. Income before income taxes in the first half of the term was ¥5,360 million lower.

2. Financial instruments

In the first half of fiscal 2001, Ricoh adopted the Opinion on Establishing Financial Instrument Accounting Standards, issued by the Business Accounting Deliberative Council on January 22, 1999. As a result of this change, ordinary income and income before income taxes were ¥40 million higher than under the previous accounting policy.

At the start of the term, the Company reviewed its marketable securities holdings. In the other securities category, it decided to record bonds due in less than one year and other instruments deemed to be equivalent to deposits as marketable securities, recording other instruments as investment securities. As a result, marketable securities included in current assets decreased ¥35,105 million, while investment securities were equivalently higher.

3. Accounting standards for foreign currency transactions

In the first half of fiscal 2001, the Company adopted the Opinion on Revising Foreign Currency Denominated Transaction Accounting Standards, issued by the Business Accounting Deliberative Council on October 22, 1999. This change had no material effect in the Company's financial statements.

Notes

(Balance Sheets Information)

	<u>September 30, 2000</u>	<u>March 31, 2000</u>
1. Accumulated depreciation on tangible fixed assets (millions of yen)	302,406	299,518
2. Trade notes receivable, discounted with banks (millions of yen)	174	195
3. Treasury stock (number of shares)	10,369	24,641
4. Guarantee obligations (millions of yen)	14,141	14,550
5. Issuance of new shares during the term Conversion of convertible bonds(number of shares) [Amount transferred to common stock(millions of yen)]	627,158[302]	

6. Accounting for notes matured at end of term

The Company settled notes due at the end of the term as of the date of exchange. The last day of the term was a banking holiday, so the term-end balance includes notes due at the end of the next term.

Trade notes receivable ¥2,755 million

(Statement of Income Information)

	<u>Half year ended September 30, 2000</u>	<u>Half year ended September 30, 1999</u>
1. Material components of other income:		
Interest income (millions of yen)	2,573	1,687
Dividend income (millions of yen)	2,627	1,715
2. Material components of other expenses:		
Interest on bonds (millions of yen)	725	894
Foreign currency exchange losses (millions of yen)	972	4,093
Loss on disposal of fixed assets (millions of yen)	1,114	994
Losses on securities holdings (millions of yen)	3,591	-
3. Details of extraordinary gains		
Gains on establishment of employee retirement benefit fund (millions of yen)	13,959	-
4. Details of extraordinary losses		
Lump-sum charge to cover changes in Accounting standards for employee retirement benefits (millions of yen)	20,813	-
5. Depreciation		
Tangible fixed assets (millions of yen)	9,493	10,249
Intangible fixed assets (millions of yen)	330	70

(Lease Transactions)

Finance lease transactions outside those for which the transfer of ownership of leases to lessees is recognized.

1. Lease acquisition cost, accumulated depreciation, and year-end balance

(Millions of yen)

	Half Year ended September 30, 2000			Half Year ended September 30, 1999			Year ended March 31, 2000		
	lease acquisition cost	accumulate d depreciation	year-end balance	lease acquisition cost	accumulate d depreciation	year-end balance	lease acquisition cost	accumulate d depreciation	year-end balance
Machinery & equipment	8,227	6,813	1,414	10,584	6,570	4,014	10,231	7,568	2,663
Others	4,255	2,163	2,091	4,039	2,157	1,882	3,900	2,113	1,786
Total	12,483	8,977	3,506	14,624	8,727	5,896	14,131	9,681	4,450

2. Year-end balance of current leasing charges

(Millions of yen)

	Half Year ended September 30, 2000	Half Year ended September 30, 1999	Year ended March 31, 2000
Less than one year	2,067	3,472	2,811
More than one year	1,600	2,704	1,869
Total	3,885	6,177	4,680

3. Lease payment charges, depreciation, and interest paid

(Millions of yen)

	Half Year ended September 30, 2000	Half Year ended September 30, 1999	Year ended March 31, 2000
Lease payment charges	1,910	2,503	4,184
Depreciation	1,731	2,272	3,673
Interest paid	105	179	283

4. Depreciation calculation method

The lease period is the number of durable years; straight line depreciation is used so that the remaining value is zero.

5. Interest calculation method

Interest is the difference between the overall cost of a lease charge and the value of a leased item. Allocation for each period is based on the interest method.

(Securities)

Market values of subsidiaries and affiliates

(millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	7,421	42,584	35,162
Securities of affiliated companies	6,932	61,572	54,640