



QUARTERLY REPORT

1st Quarter ended June 30, 2002

(Results for the Period from April 1, 2002 to June 30, 2002)

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Ricoh Company, Ltd.

* The Company bases the estimates above on information currently available to management, which involves risks and uncertainties that would cause actual results to differ materially from those projected.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights (1st Quarter ended June 30, 2002)

1. Results for the period from April 1, 2002 to June 30, 2002

(1) Operating Results

	(Millions of yen)	
	Three months ended June 30, 2002	Three months ended June 30, 2001
Net sales	428,271	411,963
<i>(% change from previous period)</i>	4.0	12.2
Operating income	35,927	31,612
<i>(% change from previous period)</i>	13.6	20.6
Income before income taxes	32,270	27,181
<i>(% change from previous period)</i>	18.7	17.3
Net income	19,521	14,879
<i>(% change from previous period)</i>	31.2	17.9
Net income per share-basic (yen)	26.85	21.47
Net income per share-diluted (yen)	26.01	19.84
Return on equity (%)	3.0	2.6
Income before income taxes on total assets (%).....	1.8	1.6
Income before income taxes on net sales (%).....	7.5	6.6

- Notes: i. Equity in earnings of affiliates: ¥831 million (¥382 million in previous period)
 ii. Some changes have been made in accounting method
 iii. Average number of shares outstanding: 727,067,931 shares (693,073,668 shares in previous period)

(2) Financial Position

	(Millions of yen)	
	June 30, 2002	March 31, 2002
Total assets	1,821,949	1,832,928
Shareholders' equity	648,343	633,020
Equity ratio (%).....	35.6	34.5
Equity per share (yen)	891.78	870.63

Note: Number of shares outstanding as of June 30, 2002: 727,024,532 shares (727,086,738 shares as of March 31, 2002)

(3) Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2002	Three months ended June 30, 2001
Cash flows from operating activities	54,359	16,548
Cash flows from investing activities	-15,417	-21,865
Cash flows from financing activities	-3,791	-3,123
Cash and cash equivalents at end of period	203,062	99,668

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

Number of consolidated subsidiaries: 328; non-consolidated subsidiaries: 46; affiliated companies: 27

(5) Changes in accounting method, etc.: Consolidated subsidiaries: 2 additions; 5 removals
 Companies accounted for by the equity method: no change

- Notes: i. 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.
 ii. Net income per share is calculated based on Statement of Financial Accounting Standards (SFAS) No.128.
 iii. Ricoh's first quarter financial statements are unaudited.

2. Forecast of operating results from April 1, 2002 to March 31, 2003

	(Millions of yen)	
	Half year ended September 30, 2002	Year ended March 31, 2003
Net sales	855,000	1,748,000
Operating income	66,000	140,000
Income before income taxes	59,500	126,500
Net income	35,000	72,500

Note: Net income per share (Consolidated) 99.72 yen

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the half year ended September 30, 2002 and year ended March 31, 2003. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of information currently available to management and subject risks and uncertainties.

Performance

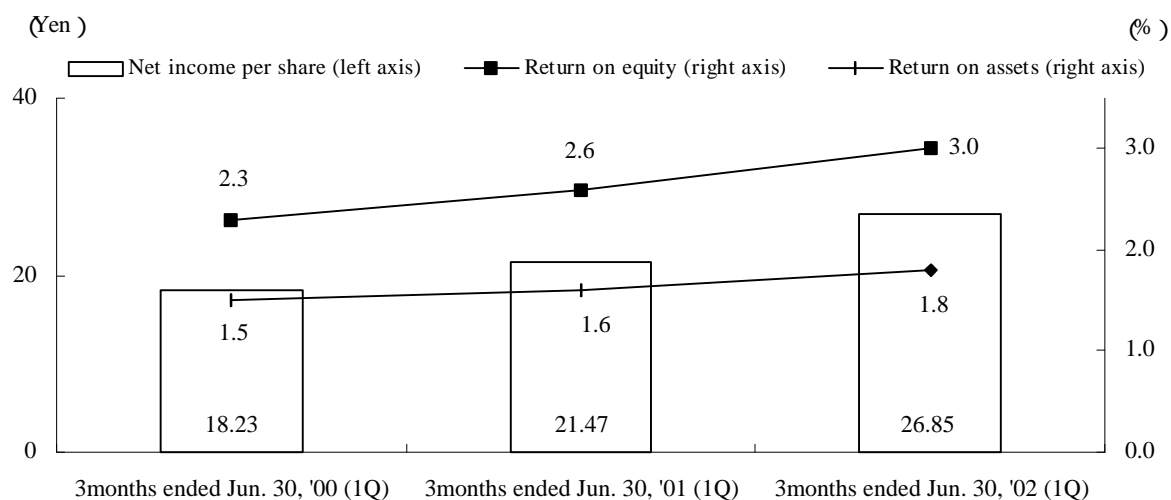
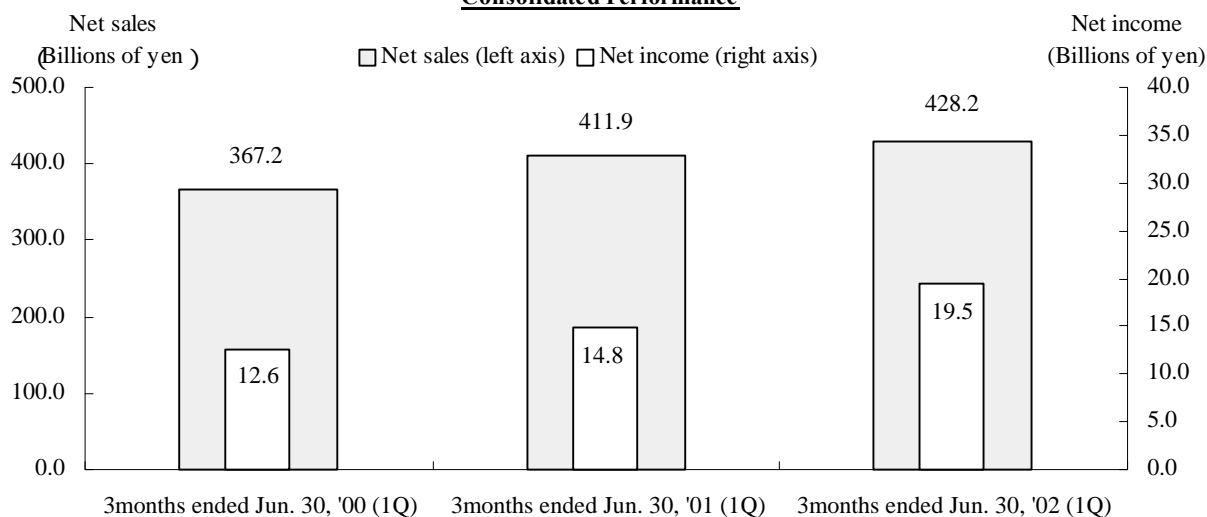
(1) Overview

(Three months ended June 30, 2002 and 2001)

(Billions of yen)

	Three months ended June 30, 2002	Three months ended June 30, 2001	Change
Domestic sales	224.8	228.7	-1.7%
Overseas sales	203.4	183.2	11.0%
Net sales	428.2	411.9	4.0%
Gross profit	186.4	174.0	7.2%
Operating income	35.9	31.6	13.6%
Income before income taxes	32.2	27.1	18.7%
Net income	19.5	14.8	31.2%
Net income per share-basic (yen)	26.85	21.47	+5.38
Net income per share-diluted (yen)	26.01	19.84	+6.17
Return on equity (%)	3.0	2.6	+0.4% point
Income before income taxes on total assets (%)	1.8	1.6	+0.2% point
Income before income taxes on net sales (%)	7.5	6.6	+0.9% point
Exchange rate (Yen/US\$)	127.01	122.60	+4.41
Exchange rate (Yen/EURO)	116.56	107.25	+9.31
Expenditure for plant and equipment	17.6	17.9	-0.3
Depreciation for tangible fixed assets	16.9	15.1	+1.8
R&D Expenditure	18.4	17.8	+0.6

Consolidated Performance



*Overview

- In the first quarter of fiscal 2003, ended June 30, 2002, Ricoh increased consolidated net sales 4.0%, to ¥428.2 billion. The rise would have been 1.4% without the foreign exchange impact.

- Domestic sales declined 1.7%. This was despite a 27.4% increase in sales of printing systems and reflected sluggish economic conditions in Japan and constrained investment in information technology, which hampered other categories.

In contrast, overseas sales increased 11.0%, as demand for core digital imaging and printing systems remained solid, and contribution from the lower yen. Overseas sales would have been up 5.2% excluding the foreign exchange effect.

- Operating income increased 13.6%. The prime factors here were increased sales of high-value-added core products, notably digital plain-paper copiers (PPCs), multifunctional printers (MFPs), and color printers. Also contributing to this gain were new offerings, the benefits of ongoing cost-cutting efforts, and a weaker yen. On the other income and expenses, the Company suffered a drop in interest and dividend income owing to adverse financial markets, but endeavored to reduce interest expenses. As a result of these factors, income before income taxes, minority interests and equity in earnings of affiliates increased 18.7%.

- Net income therefore increased 31.2%.

*Financial Position

- Management places top priority on ongoing efforts to increase free cash flow and strengthen the Company's financial position.

- At the end of the first quarter, net cash provided by operating activities was ¥54.3 billion, up ¥37.8 billion from the previous corresponding period. This was due mainly to the net income rise and trade receivables' collection.

- Net cash used in investing activities was ¥15.4 billion, reflecting expenditures to upgrade production lines for new models and step up product development.

- As a result of the above factors, free cash flow totaled ¥38.9 billion.

- During the period under review, Ricoh endeavored to replace short-term loans with long-term indebtedness while reducing interest-bearing debt. Net cash used in financing activities, including cash dividends paid, was ¥3.7 billion.

- Cash and cash equivalents at term-end were therefore ¥32.8 billion higher than at the close of the previous year-end, at ¥203.0 billion.

- From the first quarter of the year, short-term investment securities, which are available-for-sale at any time, such as Money Management Funds, are included in cash equivalents. The effect of this change was as follows:

	1Q fiscal 2003	1Q fiscal 2002	(Millions of yen) Fiscal 2002
Cash and cash equivalents at term-end			
Under previous accounting policy	112,949	72,886	142,508
Under new accounting policy	203,062	99,668	170,172
Change	90,113	26,782	27,664

*Consolidated Sales by Category

Imaging Solutions (sales down 5.1%, to ¥219.9 billion)

*Digital Imaging Solutions (sales up 0.7%, to ¥156.2 billion)

In core digital PPCs, the Company reinforced in its lineup from low-end models to high-speed machines. Domestic sales were down owing to lackluster economic conditions, but overseas sales increased on the popularity of digital PPCs.

*Other Imaging Solutions (sales down 16.8%, to ¥63.6 billion)

Lower sales reflected the ongoing trend away from analog PPCs to digital models and MFPs.

Network Input/Output Systems (sales up 26.1%, to ¥110.5 billion)

*Printing Systems (sales up 22.2%, to ¥94.6 billion)

In Japan and abroad, Ricoh kept introducing new products, strengthening sales of printing equipment and printing solutions in response to customer demand for fast, networkable, and color systems. The Company greatly increased sales of MFPs and color printers during the term.

*Other Input/Output Systems (sales up 56.0%, to ¥15.8 billion)

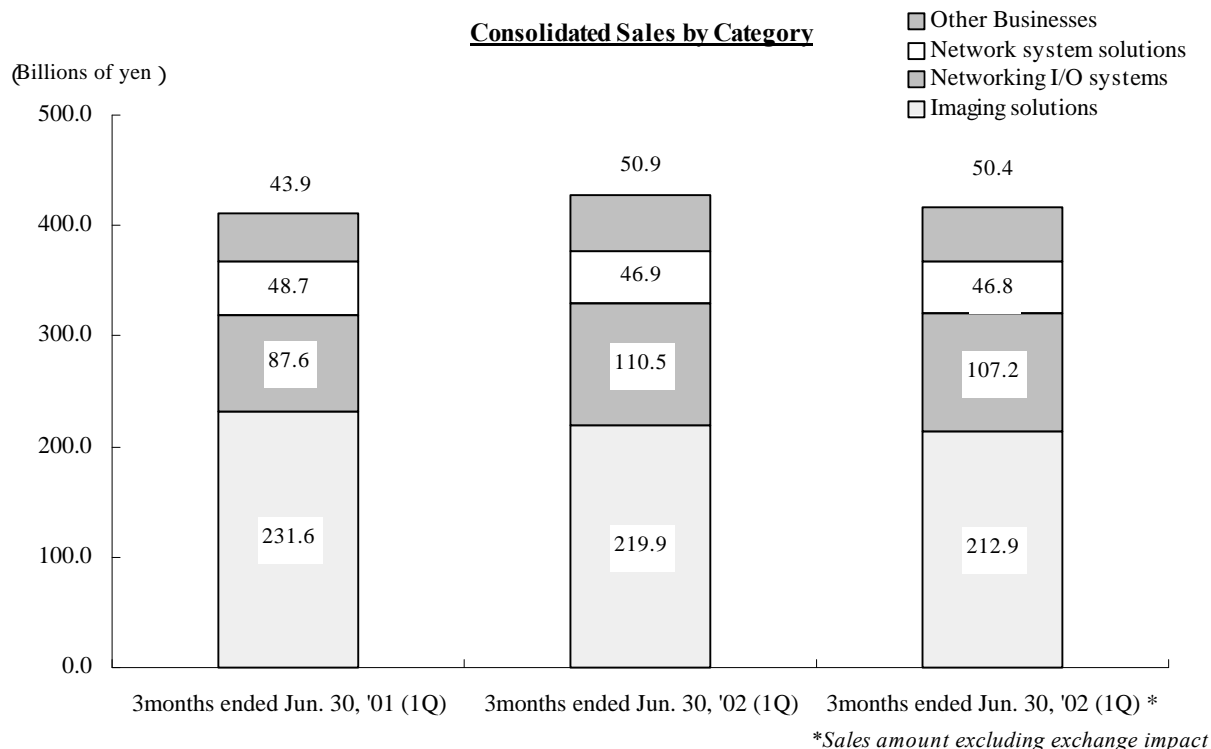
This business benefited from strong shipments in Japan and internationally of new standards DVD drives and media.

Network System Solutions (sales down 3.8%, to ¥46.9 billion)

Ricoh continued to strengthen its useware, document management, and other solutions businesses in response to shifting customer demand away from standalone machines toward networked hardware, software, and services. The sales decline stemmed from reduced purchases of personal computers and servers owing to corporate constraints on information technology spending.

Other Businesses (sales up 15.9%, to ¥50.9 billion)

The higher sales in this category reflected recoveries in the semiconductor and metering equipment businesses, as well as expansion in leasing and other operations.



*Consolidated Sales by Geographic Area

Japan (sales down 1.7%, to ¥224.8 billion)

The domestic economy remained stagnant throughout the term. Nonetheless, Ricoh introduced more products and strengthened marketing to maintain solid sales of MFPs, printers, and other printing solutions, and improved solution business like useware. In contrast, adverse economic conditions dampened sales of analog PPCs, fax machines, personal computers and servers.

The Americas (sales up 5.4%, to ¥84.1 billion)

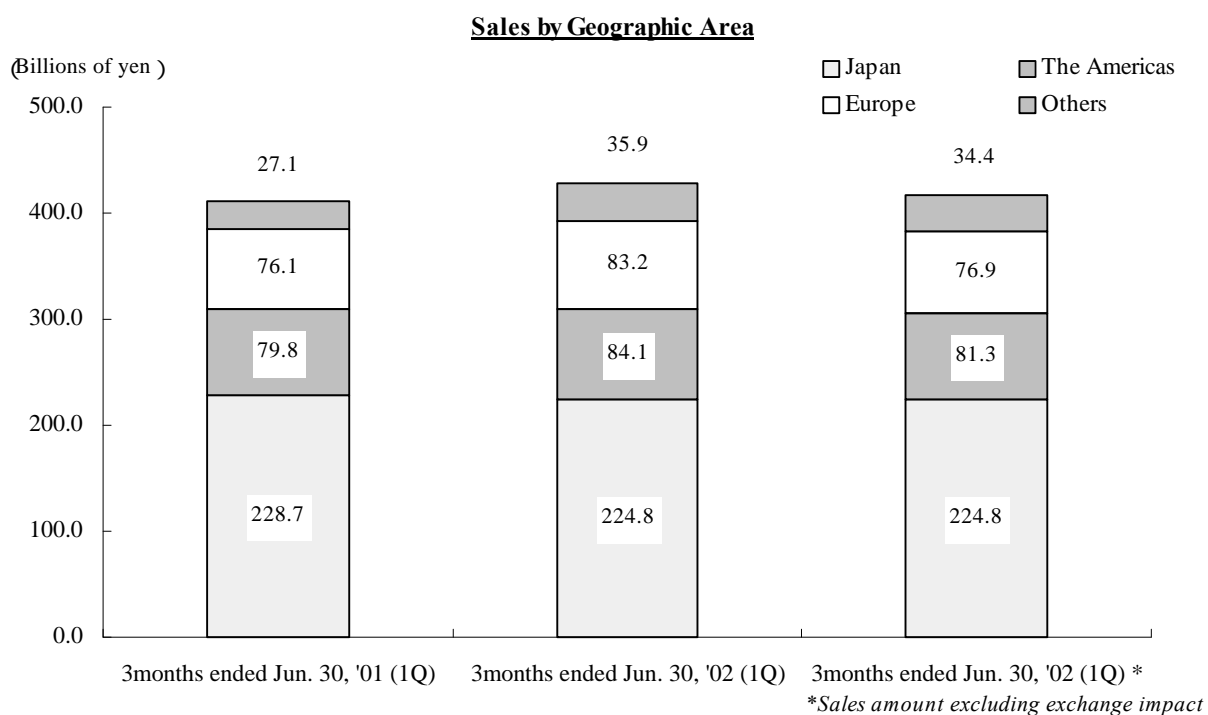
In increasingly uncertain economic conditions in the United States, the Company improved its sales network, particularly in North America, while endeavoring to increase sales of core digital PPCs, MFPs, and printers.

Europe (sales up 9.3%, to ¥83.2 billion)

With regional economies remaining stable, Ricoh continued to do well with core digital PPCs and MFPs, in which it maintains top market shares of PPCs. Printer sales were also up.

Others (sales up 32.5%, to ¥35.9 billion)

Sales improved significantly on the strength of the trend toward digitally networked offices.



*Segment Information

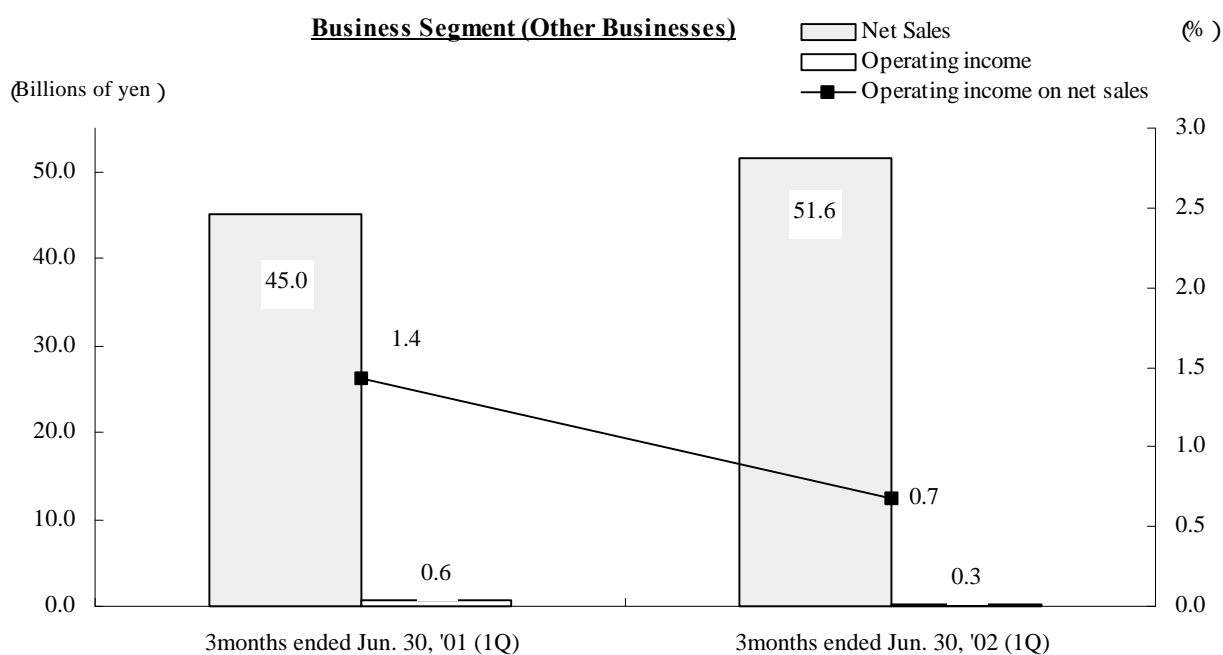
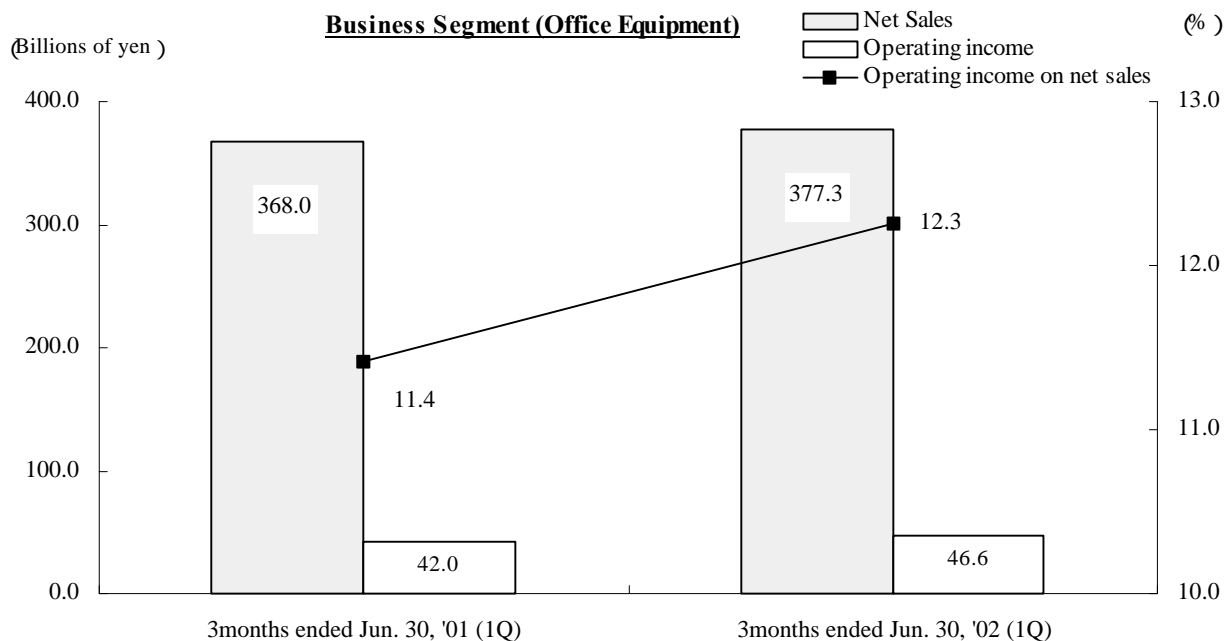
Business Segments

Office Equipment

Ricoh continued to deliver solid sales of core, high-value-added digital PPCs, MFPs, and printers, with demand soaring overseas. Both sales and operating income increased, partly because of the foreign exchange impact.

Other Businesses

These businesses performed well, reflecting recoveries in demand for semiconductors and metering equipment and growth in such areas as leasing and other operations.



Geographic Segments

Japan

Overall sales were up, owing to increased exports in the office equipment business, which offset another decline in domestic office equipment sales.

The Americas

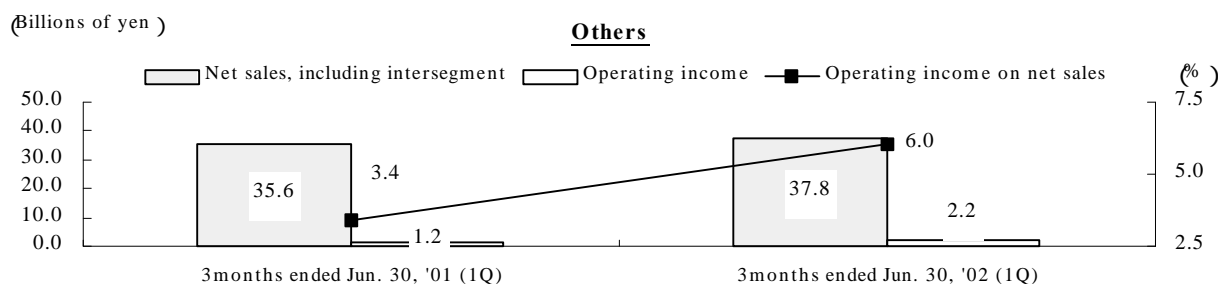
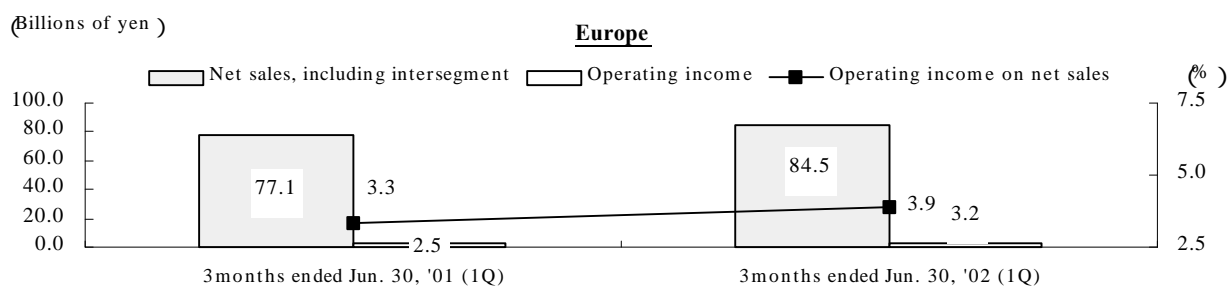
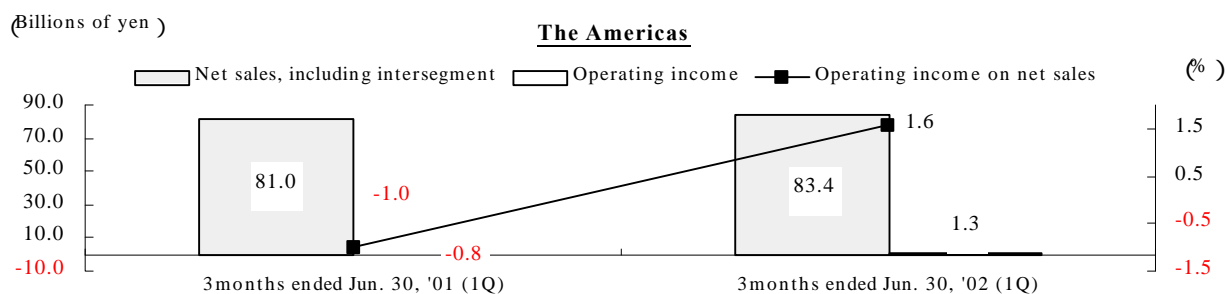
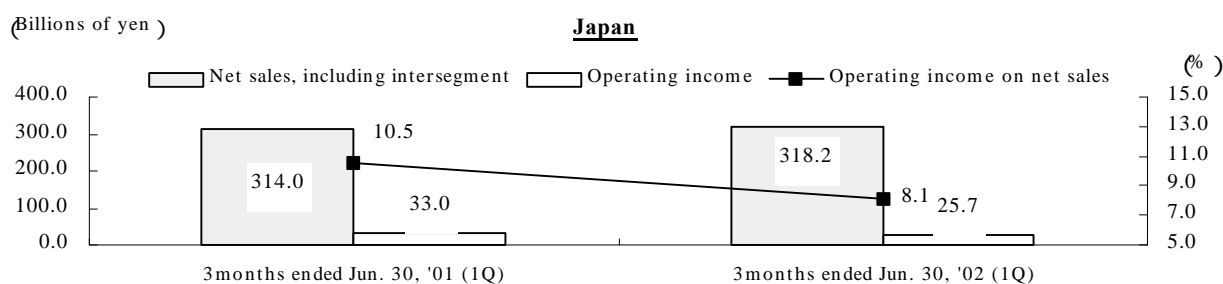
With the U.S. economic situation unclear and competition intensifying, Ricoh expanded sales of digital systems and strategically reinforced major account sales. These efforts increased overall regional sales.

Europe

The Company continued to do well, particularly in digital PPCs and MFPs, leading to a rise in regional sales.

Others

Sales were solid in China and elsewhere in Asia and in Oceania. Ricoh maintained high productivity at its Chinese manufacturing bases. These factors increased regional sales.



(2) Outlook

A sluggish domestic economy and the yen's recent appreciation has prompted management to lower the fiscal 2003 net sales projections it announced in May 2002, from ¥1,773.0 billion, to ¥1,748.0 billion. That said, first-quarter earnings were beyond management's forecasts. Profitability should continue to improve throughout the year. Consequently, management has raised its operating income estimate for fiscal 2003 from ¥136.0 billion, to ¥140.0 billion. It has increased its projection for income before income taxes, minority interests and equity in earnings of affiliates from ¥122.0 billion, to ¥126.5 billion, while raising the net income forecast from ¥67.5 billion, to ¥72.5 billion.

Exchange Rate Assumptions for fiscal 2003

US\$1 = ¥118.00 (¥125.10 in previous fiscal year)

Euro1 = ¥115.39 (¥110.60 in previous fiscal year)

	(Billions of yen)		
	Year ended March 31, 2003 (Forecast)	Year ended March 31, 2002	Change
Domestic sales	917.0	902.6	1.6%
Overseas sales	831.0	769.6	8.0%
Net sales	1,748.0	1,672.3	4.5% (*1)
Gross profit	741.8	699.9	6.0%
Operating income	140.0	129.6	7.9%
Income before income taxes	126.5	113.9	11.0%
Net income	72.5	61.6	17.7% (*2)

Notes:

*1...Net sales would be ninth consecutive year of growth.

*2...Net income would be eleventh consecutive year of growth and ninth consecutive year of record high.

* Ricoh bases the estimates above on information currently available to management, which involves risks and uncertainties that would cause actual results to differ materially from those projected.

1.Consolidated Statements of Income

(Three months ended June 30, 2002 and 2001)

(Millions of yen)

	Three months ended June 30, 2002	Three months ended June 30, 2001	Change (%)	
Net sales	428,271	411,963	+16,308	(4.0)
Cost of sales	241,774	237,946	+3,828	(1.6)
<i>Percentage of net sales (%)</i>	56.5	57.8		
Gross profit	186,497	174,017	+12,480	(7.2)
<i>Percentage of net sales (%)</i>	43.5	42.2		
Selling, general and administrative expenses	150,570	142,405	+8,165	(5.7)
<i>Percentage of net sales (%)</i>	35.1	34.5		
Operating income	35,927	31,612	+4,315	(13.6)
<i>Percentage of net sales (%)</i>	8.4	7.7		
Other (income) expenses:				
Interest and dividend income.....	963	1,138	-175	(-15.4)
<i>Percentage of net sales (%)</i>	0.2	0.3		
Interest expense.....	1,739	2,415	-676	(-28.0)
<i>Percentage of net sales (%)</i>	0.4	0.6		
Other, net.....	2,881	3,154	-273	(-8.7)
<i>Percentage of net sales (%)</i>	0.7	0.8		
Income before income taxes, minority interests and equity in earnings of affiliates	32,270	27,181	+5,089	(18.7)
<i>Percentage of net sales (%)</i>	7.5	6.6		
Provision for income taxes	13,001	12,109	+892	(7.4)
<i>Percentage of net sales (%)</i>	3.0	2.9		
Minority interests in earnings of subsidiaries	579	575	+4	(0.7)
<i>Percentage of net sales (%)</i>	0.1	0.1		
Equity in earnings of affiliates.....	831	382	+449	(117.5)
<i>Percentage of net sales (%)</i>	0.2	0.0		
Net income	19,521	14,879	+4,642	(31.2)
<i>Percentage of net sales (%)</i>	4.6	3.6		

Reference: Exchange rate (average rate for the corresponding periods)

	Three months ended June 30, 2002	Three months ended June 30, 2001
US\$ 1	¥127.01	¥122.60
EURO 1	¥116.56	¥107.25

2.Consolidated Sales by Category

	(Three months ended June 30, 2002 and 2001)		(Millions of yen)			
	Three months ended June 30, 2002	Three months ended June 30, 2001	Change (%)		Excluding foreign exchange impact(%)	
Imaging Solutions:						
Digital Imaging Systems.....	156,289	155,181	+1,108	(0.7)	-3,541	(-2.3)
<i>Percentage of net sales (%)</i>	36.5	37.7				
Domestic.....	70,950	81,244	-10,294	(-12.7)	-10,294	(-12.7)
Overseas.....	85,339	73,937	+11,402	(15.4)	+6,753	(9.1)
Other Imaging Systems.....	63,632	76,483	-12,851	(-16.8)	-15,146	(-19.8)
<i>Percentage of net sales (%)</i>	14.8	18.5				
Domestic.....	22,406	27,937	-5,531	(-19.8)	-5,531	(-19.8)
Overseas.....	41,226	48,546	-7,320	(-15.1)	-9,615	(-19.8)
Total Imaging Solutions.....	219,921	231,664	-11,743	(-5.1)	-18,687	(-8.1)
<i>Percentage of net sales (%)</i>	51.3	56.2				
Domestic.....	93,356	109,181	-15,825	(-14.5)	-15,825	(-14.5)
Overseas.....	126,565	122,483	+4,082	(3.3)	-2,862	(-2.3)
Networking input/output systems:						
Printing Systems.....	94,653	77,451	+17,202	(22.2)	+14,037	(18.1)
<i>Percentage of net sales (%)</i>	22.1	18.8				
Domestic.....	40,108	31,483	+8,625	(27.4)	+8,625	(27.4)
Overseas.....	54,545	45,968	+8,577	(18.7)	+5,412	(11.8)
Other Input/Output Systems.....	15,863	10,167	+5,696	(56.0)	+5,615	(55.2)
<i>Percentage of net sales (%)</i>	3.7	2.5				
Domestic.....	3,463	3,989	-526	(-13.2)	-526	(-13.2)
Overseas.....	12,400	6,178	+6,222	(100.7)	+6,141	(99.4)
Total Networking input/output systems..	110,516	87,618	+22,898	(26.1)	+19,652	(22.4)
<i>Percentage of net sales (%)</i>	25.8	21.3				
Domestic.....	43,571	35,472	+8,099	(22.8)	+8,099	(22.8)
Overseas.....	66,945	52,146	+14,799	(28.4)	+11,553	(22.2)
Network system solutions.....	46,930	48,766	-1,836	(-3.8)	-1,881	(-3.9)
<i>Percentage of net sales (%)</i>	11.0	11.8				
Domestic.....	46,285	48,365	-2,080	(-4.3)	-2,080	(-4.3)
Overseas.....	645	401	+244	(60.8)	+199	(49.6)
<Office Equipment Total>.....	377,367	368,048	+9,319	(2.5)	-916	(-0.2)
<i>Percentage of net sales (%)</i>	88.1	89.3				
Domestic.....	183,212	193,018	-9,806	(-5.1)	-9,806	(-5.1)
Overseas.....	194,155	175,030	+19,125	(10.9)	+8,890	(5.1)
< Other Businesses >.....	50,904	43,915	+6,989	(15.9)	+6,534	(14.9)
<i>Percentage of net sales (%)</i>	11.9	10.7				
Domestic.....	41,632	35,723	+5,909	(16.5)	+5,909	(16.5)
Overseas.....	9,272	8,192	+1,080	(13.2)	+625	(7.6)
Grand Total.....	428,271	411,963	+16,308	(4.0)	+5,618	(1.4)
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic.....	224,844	228,741	-3,897	(-1.7)	-3,897	(-1.7)
<i>Percentage of net sales (%)</i>	52.5	55.5				
Overseas.....	203,427	183,222	+20,205	(11.0)	+9,515	(5.2)
<i>Percentage of net sales (%)</i>	47.5	44.5				
The Americas.....	84,171	79,890	+4,281	(5.4)	+1,426	(1.8)
<i>Percentage of net sales (%)</i>	19.7	19.4				
Europe.....	83,260	76,169	+7,091	(9.3)	+754	(1.0)
<i>Percentage of net sales (%)</i>	19.4	18.5				
Other.....	35,996	27,163	+8,833	(32.5)	+7,335	(27.0)
<i>Percentage of net sales (%)</i>	8.4	6.6				

Each category includes the following products:

Digital Imaging Systems.....	Digital PPCs, color PPCs, digital 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, systems and scanners
Network System Solutions....	Personal computers, PC servers, network systems, network related software, and service/support
Other Businesses.....	Digital cameras, analog cameras, semiconductors

Reference: Exchange rate (average rate for the corresponding periods)

	Three months ended June 30, 2002	Three months ended June 30, 2001
US\$ 1.....	¥127.01	¥122.60
EURO 1.....	¥116.56	¥107.25

3.Consolidated Balance Sheets

June 30, 2002 and March 31, 2002

Assets (Millions of yen)

	June 30, 2002	March 31, 2002	Change
Current Assets	848,055	863,668	-15,613
Cash and cash equivalents (*)	207,666	182,650	+25,016
Trade receivables	423,299	442,399	-19,100
Marketable securities.....	7,662	22,935	-15,273
Inventories.....	157,146	162,176	-5,030
Other current assets	52,282	53,508	-1,226
Fixed Assets	973,894	969,260	+4,634
Tangible fixed assets	250,122	259,380	-9,258
Finance receivable	451,974	447,829	+4,145
Other Investments and other assets.....	271,798	262,051	+9,747
Total Assets.....	1,821,949	1,832,928	-10,979
Notes:			
Contents of cash and deposits	<u>June 30, 2002</u>	<u>March 31, 2002</u>	
Cash and cash equivalents (*)	203,062	170,172	
Time deposits	4,604	12,478	

*...Effective from April 1, 2002, Ricoh changed its policy for definition of cash and cash equivalents on its consolidated balance sheets and consolidated statements of cash flow. Results for prior years are restated. (See 6. Significant Accounting Policies (Consolidated) (6))

Liabilities and Minority Interest (Millions of yen)

	June 30, 2002	March 31, 2002	Change
Current Liabilities	627,297	665,701	-38,404
Trade payable	264,296	277,753	-13,457
Short-term borrowings.....	199,831	228,408	-28,577
Other current liabilities.....	163,170	159,540	+3,630
Fixed Liabilities.....	495,040	483,159	+11,881
Long-term indebtedness	355,005	332,995	+22,010
Retirement benefit obligation	113,491	119,572	-6,081
Other fixed liabilities.....	26,544	30,592	-4,048
Total Liabilities	1,122,337	1,148,860	-26,523
Minority Interest.....	51,269	51,048	+221

Shareholders' Investment (Millions of yen)

	June 30, 2002	March 31, 2002	Change
Shareholders' Investment	648,343	633,020	+15,323
Common stock.....	120,465	120,461	+4
Additional paid-in capital	171,632	171,628	+4
Retained earnings	400,172	385,741	+14,431
Accumulated other comprehensive income	-43,333	-44,376	+1,043
Treasury stock at cost	-593	-434	-159
Total Liabilities and Shareholders' Investment.....	1,821,949	1,832,928	-10,979
Notes:			
Accumulated other comprehensive income (losses);	<u>June 30, 2002</u>	<u>March 31, 2002</u>	<u>Change</u>
Net unrealized holding gains on available-for-sale securities	9,991	10,566	-575
Minimum pension liability adjustments	-35,287	-39,710	+4,423
Net unrealized gains (losses) on derivative instruments.....	-172	-207	+35
Cumulative translation adjustments	-17,865	-15,025	-2,840

Exchange rate (end of term)

	<u>June 30, 2002</u>	<u>March 31, 2002</u>
US\$ 1.....	¥119.50	¥133.25
EURO 1.....	¥118.13	¥116.14

4.Consolidated Statements of Cash Flow

For three months ended June 30, 2002 and 2001

(Millions of yen)

	Three months ended June 30, 2002	Three months ended June 30, 2001	Year ended March 31,2002
I. Cash Flows from Operating Activities:			
1. Net income	19,521	14,879	61,614
2. Adjustments to reconcile net income to net cash provided by operating activities;			
Depreciation and amortization	19,148	15,149	73,782
Equity in earnings of affiliates, net of dividends received.....	-191	143	-1,260
Deferred income taxes.....	-1,679	-3,586	-1,218
Loss on disposal and sales of plant and equipment	83	114	1,665
Changes in assets and liabilities;			
Decrease (increase) in trade receivables	12,259	-7,017	-20,006
Decrease in inventories	295	941	21,194
Increase in finance receivables.....	-9,743	-11,379	-13,620
Decrease in trade payables	-9,830	-4,111	-19,535
(Decrease) increase in accrued income taxes and accrued expenses and other.....	7,839	6,364	-13,592
Retirement benefit obligation, net	2,515	2,625	8,374
Other, net.....	14,142	2,426	7,740
Net cash provided by operating activities.....	54,359	16,548	105,138
II. Cash Flows from Investing Activities:			
1. Proceeds from sales of plant and equipment	34	273	756
2. Expenditures for plant and equipment.....	-17,609	-17,954	-75,231
3. Payments for purchases of available-for-sale securities	-20,002	-5,890	-10,025
4. Proceeds from sales of available-for-sale securities	16,960	2,831	24,568
5. Decrease (increase) in investments in and advances to affiliates	-516	-	5
6. Decrease (increase) in time deposits	7,370	-144	-477
7. Other, net.....	-1,654	-981	-21,017
Net cash used in investing activities.....	-15,417	-21,865	-81,421
III. Cash Flows from Financing Activities:			
1. Proceeds from long-term indebtedness.....	29,551	7,805	71,075
2. Repayment of long-term indebtedness	-5,601	-8,758	-79,640
3. Decrease in short-term borrowings, net.....	-32,249	-7,789	-39,414
4. Proceeds from issuance of long-term debt securities.....	10,000	10,000	103,500
5. Repayment of long-term debt securities	-	-	-10,000
6. Cash dividends paid	-5,087	-4,154	-8,322
7. Other, net.....	-405	-227	-964
Net cash provided by (used in) financing activities.....	-3,791	-3,123	36,235
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents ...	-2,261	362	2,474
V. Net Increase (Decrease) in Cash and Cash Equivalents.....	32,890	-8,078	62,426
VI. Cash and Cash Equivalents at Beginning of Year	170,172	107,746	107,746
VII. Cash and Cash Equivalents at End of Period	203,062	99,668	170,172

Note:

Effective from April 1, 2002, Ricoh changed its policy for definition of cash and cash equivalents on its consolidated balance sheets and consolidated statements of cash flow. Results for prior years are restated. (See 6. Significant Accounting Policies (Consolidated) (6))

5. Segment Information

(1) Business Segment Information

(Three months ended June 30, 2002 and 2001)		(Millions of yen)	
	Three months ended June 30, 2002	Three months ended June 30, 2001	Change (%)
Net sales:			
Office Equipment	377,367	368,048	+9,319 (2.5)
Other Businesses	51,642	45,066	+6,576 (14.6)
Intersegment	-738	-1,151	+413 (-35.9)
Total	428,271	411,963	+16,308 (4.0)
Operating expenses:			
Office Equipment	330,766	326,030	+4,736 (1.5)
Other Businesses	51,281	44,445	+6,836 (15.4)
Intersegment	-751	-1,151	+400 (-34.8)
Corporate	11,048	11,027	+21 (0.2)
Total	392,344	380,351	+11,993 (3.2)
Operating income:			
Office Equipment	46,601	42,018	+4,583 (10.9)
<i>Operating income on office equipment sales (%)</i>	<i>12.3</i>	<i>11.4</i>	<i>0.9</i>
Other Businesses	361	621	-260 (-41.9)
<i>Operating income on other business sales (%)</i>	<i>0.7</i>	<i>1.4</i>	<i>-0.7</i>
Intersegment	13	0	+13 (-)
Corporate	-11,048	-11,027	-21 (0.2)
Consolidated operating income	35,927	31,612	+4,315 (13.6)
Other income (expenses)	-3,657	-4,431	+774 (-17.5)
Income before income taxes	32,270	27,181	+5,089 (18.7)

(2) Geographic Segment Information

	(Three months ended June 30, 2002 and 2001)		(Millions of yen)	
	Three months ended June 30, 2002	Three months ended June 30, 2001	Change (%)	
Net sales:				
Japan				
Unaffiliated Customers.....	240,204	235,115	+5,089	(2.2)
Intersegment	78,012	78,923	-911	(-1.2)
Total	318,216	314,038	+4,178	(1.3)
The Americas				
Unaffiliated Customers.....	82,206	79,527	+2,679	(3.4)
Intersegment	1,259	1,492	-233	(-15.6)
Total	83,465	81,019	+2,446	(3.0)
Europe				
Unaffiliated Customers.....	83,622	76,206	+7,416	(9.7)
Intersegment	897	936	-39	(-4.2)
Total	84,519	77,142	+7,377	(9.6)
Other				
Unaffiliated Customers.....	22,239	21,115	+1,124	(5.3)
Intersegment	15,576	14,513	+1,063	(7.3)
Total	37,815	35,628	+2,187	(6.1)
Intersegment	-95,744	-95,864	+120	(-0.1)
Total	428,271	411,963	+16,308	(4.0)
Operating expenses:				
Japan.....	292,493	280,952	+11,541	(4.1)
The Americas	82,091	81,869	+222	(0.3)
Europe	81,226	74,602	+6,624	(8.9)
Other.....	35,557	34,419	+1,138	(3.3)
Corporate and eliminations.....	-99,023	-91,491	-7,532	(8.2)
Total	392,344	380,351	+11,993	(3.2)
Operating income:				
Japan.....	25,723	33,086	-7,363	(-22.3)
Operating income on sales in Japan (%)	8.1	10.5	-2.4	
The Americas	1,374	-850	+2,224	(-)
Operating income on sales in the Americas (%)	1.6	-1.0	2.6	
Europe	3,293	2,540	+753	(29.6)
Operating income on sales in Europe (%)	3.9	3.3	0.6	
Other.....	2,258	1,209	+1,049	(86.8)
Operating income on sales in other regions (%)	6.0	3.4	2.6	
Corporate and eliminations.....	3,279	-4,373	+7,652	(-)
Consolidated operating income	35,927	31,612	+4,315	(13.6)
Other income (expenses)	-3,657	-4,431	+774	(-17.5)
Income before income taxes	32,270	27,181	+5,089	(18.7)

6. Significant Accounting Policies (Consolidated)

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

Consolidated subsidiaries:

2 additions including Ricoh Software Technology (Shanghai) Co., Ltd.

5 removals including INRG Hong Kong Ltd.

Companies accounted for by the equity method: (No change)

2. Consolidated Accounting Policies (Summary)

(1) Principles of Consolidation

The consolidated financial statements include the accounts of Ricoh. Investments in 20% to 50% owned companies are accounted for on the equity basis. All significant inter-company balances and transactions have been eliminated in consolidation.

The accounts of certain consolidated subsidiaries have been included on the basis of fiscal periods ended three months or less prior to March 31, and significant transactions after then are appropriately adjusted in consolidation.

(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 mainly 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 and Other Intangible Assets

In conformity with SFAS No.142, "Goodwill and Other Intangible Assets." goodwill and certain other intangible assets that are determined to have indefinite life are not amortized. SFAS No. 142 requires to test for impairment at least annually.

(6) Cash and Cash Equivalents

Effective from April 1, 2002, Ricoh changed its policy for definition of cash and cash equivalents on its consolidated balance sheets and consolidated statements of cash flow. Cash and cash equivalents formerly included cash, negotiable certificates of deposit, time deposits with a maturity of three months or less at the date of purchase and so on. In addition to the above, Ricoh decided to include short-term investment securities into cash equivalents which are available-for-sale at any time and present insignificant risk of changes in value, such as Money Management Funds, Free Financial Funds and Medium-term Government Securities Funds. Ricoh believes this change to disclose a financial status more preferable, since such short-term investment securities increase in fund operation of Ricoh.

Accompanied by this change, Ricoh restated consolidated balance sheet and consolidated statements of cash flow for prior years. The effect of this change was to increase cash and cash equivalents increased by ¥26,782 million and ¥27,664 million and to decrease equivalently Marketable securities on balance sheet as of June 30, 2001 and March 31, 2002, respectively, and net cash used in investing activities by ¥16,507 million and ¥15,629 million in consolidated statements of cash flow for the three months ended June 30, 2001 and year ended March 31, 2002.

(7) 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, including impairment losses of long-lived assets and the disclosures of fair value of financial instruments and contingent assets and liabilities, to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

3. Note

New Accounting Standards

From fiscal 2003, Ricoh has adopted SFAS No. 141, " Business Combinations, " and SFAS No. 142, " Goodwill and Other Intangible Assets. " SFAS No. 141 requires the use of only the purchase method of accounting for business combinations and prohibits the use of the pooling of interests method.

SFAS No. 142 eliminates the amortization of goodwill, requires annual impairment testing of goodwill.

Ricoh is currently in the process of completing the first step of the transitional impairment test for goodwill and will complete this assessment before the second quarter ending September 30, 2002 as required by SFAS No. 142. Until this assessment is completed, Ricoh has not determined whether there is any impairment of its existing goodwill.

Appendix

Consolidated Performance Forecast

	(1) Forecast of Performance Outline (Consolidated)			(billions of yen)	
	Half year ended September 30, '02 (Forecast)	Change (%)	Year ended March 31, '03 (Forecast)	Change (%)	Year ended March 31, '02
Net sales	855.0	4.3	1,748.0	4.5	1,672.3
Gross profit	365.8	7.0	741.8	6.0	699.9
Operating income	66.0	10.2	140.0	7.9	129.6
Income before income taxes	59.5	13.3	126.5	11.0	113.9
Net income	35.0	23.2	72.5	17.7	61.6
Net income per share (yen)	48.14	+7.17	99.72	+11.45	88.27
Capital expenditure	40.0	+0.2	82.0	+6.3	75.6
Depreciation for tangible fixed assets	34.0	+0.9	75.0	+1.2	73.7
R&D expenditure	41.0	+1.0	83.0	+2.2	80.7
Interest income (expenses) net	-1.4	+0.3	-3.3	+0.2	-3.4
Exchange rate (Yen/US\$)	121.01	-1.15	118.00	-7.10	125.10
Exchange rate (Yen/EURO)	115.78	+7.99	115.39	+4.79	110.60

Exchange rate

	Half year ended Sept. 30, '01 (Actual)	Year ended Mar. 31, '02 (Actual)	3 months ended Sept. 30, '02 (Forecast)	Half year ended Sept. 30, '02 (Forecast)	2 nd half year ended Mar. 31, '03 (Forecast)	Year ended Mar. 31, '03 (Forecast)
US\$ 1	¥122.16	¥125.10	¥115.00	¥121.01	¥115.00	¥118.00
EURO 1	¥107.79	¥110.60	¥115.00	¥115.78	¥115.00	¥115.39

(2) Forecast of Sales by Product Category (Consolidated)

(billions of yen)

	Half year ended September 30, 2002				Year ended March 31, 2003				Year ended
	Forecast		Change		Forecast(*)		Change		Mar. 31,
		(%)		(%)		(%)		(%)	2002
	Forecast	Change (%)	Forecast(*)	Change (%)	Forecast	Change (%)	Forecast(*)	Change (%)	Actual
Imaging Solutions:									
Digital Imaging Systems.....	313.2	(0.4)	308.8	(-1.0)	657.0	(0.4)	660.6	(0.9)	654.4
Domestic.....	137.0	(-10.2)	137.0	(-10.2)	272.5	(-7.6)	272.5	(-7.6)	294.8
Overseas	176.2	(10.5)	171.8	(7.8)	384.5	(6.9)	388.1	(7.9)	359.5
Other Imaging Systems	117.0	(-20.1)	114.8	(-21.5)	219.5	(-21.5)	221.2	(-20.9)	297.7
Domestic.....	39.5	(-23.4)	39.5	(-23.4)	75.0	(-23.0)	75.0	(-23.0)	97.3
Overseas	77.5	(-18.2)	75.3	(-20.5)	144.5	(-20.8)	146.2	(-19.8)	182.3
Total Imaging Solutions	430.2	(-6.1)	423.7	(-7.6)	876.5	(-6.2)	881.8	(-5.6)	934.1
Domestic.....	176.5	(-13.5)	176.5	(-13.5)	347.5	(-11.4)	347.5	(-11.4)	392.1
Overseas	253.7	(-0.2)	247.2	(-2.8)	529.0	(-2.4)	534.3	(-1.4)	541.9
Networking input/output systems:									
Printing Systems	190.5	(28.4)	187.5	(26.4)	389.5	(30.2)	391.9	(31.0)	299.2
Domestic.....	84.5	(28.2)	84.5	(28.2)	182.5	(29.2)	182.5	(29.2)	141.2
Overseas	106.0	(28.5)	103.0	(24.9)	207.0	(31.0)	209.4	(32.6)	157.9
Other Input/Output Systems	30.0	(50.8)	29.9	(50.4)	66.0	(46.6)	66.0	(46.8)	45.0
Domestic.....	6.0	(-18.8)	6.0	(-18.8)	12.0	(-19.8)	12.0	(-19.8)	14.9
Overseas	24.0	(91.9)	23.9	(91.3)	54.0	(79.7)	54.0	(79.9)	30.0
Total Networking input/output systems.	220.5	(31.0)	217.4	(29.2)	455.5	(32.3)	458.0	(33.1)	344.2
Domestic.....	90.5	(23.5)	90.5	(23.5)	194.5	(24.5)	194.5	(24.5)	156.2
Overseas	130.0	(36.8)	126.9	(33.6)	261.0	(38.8)	263.5	(40.2)	188.0
Network system solutions.....	100.3	(-2.6)	100.2	(-2.6)	207.0	(0.0)	207.0	(0.0)	206.9
Domestic.....	99.0	(-2.9)	99.0	(-2.9)	204.0	(-0.3)	204.0	(-0.3)	204.6
Overseas	1.3	(37.4)	1.2	(33.0)	3.0	(28.7)	3.0	(30.2)	2.3
<Office Equipment Total>	751.0	(2.9)	741.4	(1.6)	1,539.0	(3.6)	1,546.9	(4.1)	1,485.3
Domestic.....	366.0	(-3.5)	366.0	(-3.5)	746.0	(-0.9)	746.0	(-0.9)	753.0
Overseas	385.0	(9.9)	375.4	(7.2)	793.0	(8.3)	800.9	(9.4)	732.3
< Other Businesses >.....	104.0	(14.9)	103.5	(14.4)	209.0	(11.8)	209.3	(12.0)	186.9
Domestic.....	85.0	(15.9)	85.0	(15.9)	171.0	(14.3)	171.0	(14.3)	149.6
Overseas	19.0	(10.5)	18.5	(8.1)	38.0	(1.7)	38.3	(2.7)	37.3
Grand Total	855.0	(4.3)	845.0	(3.0)	1,748.0	(4.5)	1,756.3	(5.0)	1,672.3
Domestic.....	451.0	(-0.4)	451.0	(-0.4)	917.0	(1.6)	917.0	(1.6)	902.6
Overseas	404.0	(10.0)	394.0	(7.3)	831.0	(8.0)	839.3	(9.0)	769.6
The Americas.....	167.0	(2.7)	168.6	(3.6)	338.0	(-1.1)	357.7	(4.7)	341.7
Europe.....	168.0	(13.4)	156.0	(5.3)	351.0	(12.7)	336.0	(7.9)	311.3
Other.....	69.0	(22.0)	69.4	(22.7)	142.0	(21.8)	145.6	(24.8)	116.6

* ... Excluding foreign exchange impact

Each category includes the following products:

Digital Imaging Systems	Digital PPCs, color PPCs, digital 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, systems and scanners
Network System Solutions	Personal computers, PC servers, network systems, network related software, and service/support
Other Businesses	Digital cameras, analog cameras, semiconductors

Exchange rate

	Half year ended Sept. 30, '01 (Actual)	Year ended Mar. 31, '02 (Actual)	3 months ended Sept. 30, '02 (Forecast)	Half year ended Sept. 30, '02 (Forecast)	2 nd half year ended Mar. 31, '03 (Forecast)	Year ended Mar. 31, '03 (Forecast)
US\$ 1	¥122.16	¥125.10	¥115.00	¥121.01	¥115.00	¥118.00
EURO 1	¥107.79	¥110.60	¥115.00	¥115.78	¥115.00	¥115.39