



FLASH REPORT

Year ended March 31, 2003

(Results for the Period from April 1, 2002 to March 31, 2003)

Three months ended March 31, 2003

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

Performance Outline (Consolidated)

(1) Year ended March 31, 2003, 2002 and 2004 (Forecast)

				(Billions of yen)	
	Year ended March 31, 2003 (Results)	Year ended March 31, 2002 (Results)	Change	Year ended March 31, 2004 (Forecast)	Change
Domestic sales	896.0	902.6	-0.7%	912.0	1.8%
Overseas sales	842.3	769.6	9.4%	893.0	6.0%
Net sales	1,738.3	1,672.3	3.9%	1,805.0	3.8%
Gross profit	745.3	699.9	6.5%	786.0	5.5%
Operating income	133.6	129.6	3.1%	147.0	10.0%
Income before income taxes	123.4	113.9	8.4%	137.0	11.0%
Net income	72.5	61.6	17.7%	79.0	8.9%
Exchange rate (Yen/US\$)	121.96	125.10	-3.14	120.00	-1.96
Exchange rate (Yen/EURO)	121.00	110.60	10.40	120.00	-1.00
Net income per share (yen)	99.79	88.27	11.52	106.38	6.59
Net income per share-diluted (yen)	96.81	82.46	14.35	-	-
Return on equity (%)	11.2	10.4	0.8	-	-
Income before income taxes on total assets (%)	6.6	6.4	0.2	-	-
Income before income taxes on net sales (%)	7.1	6.8	0.3	7.6	0.5
Total assets	1,884.9	1,832.9	51.9	-	-
Shareholders' equity	657.5	633.0	24.4	-	-
Interest-bearing debt	484.6	561.4	-76.7	-	-
Equity ratio (%)	34.9	34.5	0.4	-	-
Shareholder's equity per share (yen)	885.41	870.63	14.78	-	-
Cash flows from operating activities	185.7	105.1	80.6	-	-
Cash flows from investing activities	-98.1	-81.4	-16.7	-	-
Cash flows from financing activities	-67.1	36.2	-103.3	-	-
Cash and cash equivalents at end of period	189.2	170.1	19.0	-	-
Capital expenditures	73.9	75.6	-1.7	75.0	1.0
Depreciation for tangible fixed assets	69.5	73.7	-4.2	70.0	0.4
R&D expenditures	83.5	80.7	2.7	85.0	1.4
Number of employees (Japan) (thousand people)	39.5	40.0	-0.5	-	-
Number of employees (Overseas) (thousand people)	35.1	34.2	0.9	-	-

Ricoh Company, Ltd.

* The Company bases the forecast estimates for March 31, 2004 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

(2) Three months ended March 31, 2003 and 2002

(Billions of yen)			
	Three months ended March 31, 2003	Three months ended March 31, 2002	Change
Domestic sales	236.2	238.1	-0.8%
Overseas sales	224.5	212.7	5.5%
Net sales	460.7	450.9	2.2%
Gross profit	199.7	184.4	8.3%
Operating income	38.9	40.0	-2.8%
Income before income taxes	37.8	35.5	6.3%
Net income	21.1	18.3	15.7%
Exchange rate (Yen/US\$)	119.04	132.50	-13.46
Exchange rate (Yen/EURO)	127.63	116.21	11.42
Net income per share (yen)	29.17	25.89	3.28
Net income per share-diluted (yen)	28.39	24.22	4.17
Return on equity (%)	3.2	3.0	0.2
Income before income taxes on total assets (%)	2.0	2.0	0.0
Income before income taxes on net sales (%)	8.2	7.9	0.3
Capital expenditures	18.8	19.0	-0.1
Depreciation for tangible fixed assets	18.1	20.3	-2.2
R&D expenditures	22.4	22.1	0.2

(3) Three months ended June 30, 2003 (Forecast) and 2002

(Billions of yen)			
	Three months ended June 30, 2003 (Forecast)	Three months ended June 30, 2002 (Results)	Change
Domestic sales	228.5	224.8	1.6%
Overseas sales	213.5	203.4	5.0%
Net sales	442.0	428.2	3.2%
Gross profit	194.5	186.4	4.3%
Operating income	37.0	35.9	3.0%
Income before income taxes	34.5	32.2	6.9%
Net income	20.0	19.5	2.5%
Exchange rate (Yen/US\$)	120.00	127.01	-7.01
Exchange rate (Yen/EURO)	120.00	116.56	3.44
Capital expenditures	17.5	17.6	-0.1
Depreciation for tangible fixed assets	17.0	16.9	0.0
R&D expenditures	20.0	18.4	1.5

(4) Half year ended September 30, 2003 (Forecast) and 2002

(Billions of yen)			
	Half year ended September 30, 2003 (Forecast)	Half year ended September 30, 2002 (Results)	Change
Domestic sales	459.0	449.5	2.1%
Overseas sales	436.0	407.2	7.1%
Net sales	895.0	856.8	4.5%
Gross profit	385.5	360.6	6.9%
Operating income	70.0	61.3	14.1%
Income before income taxes	66.0	55.6	18.5%
Net income	37.0	33.5	10.4%
Exchange rate (Yen/US\$)	120.00	123.08	-3.08
Exchange rate (Yen/EURO)	120.00	116.95	3.05
Capital expenditures	37.5	38.4	-0.9
Depreciation for tangible fixed assets	34.0	33.8	0.1
R&D expenditures	41.0	40.2	0.7

Index

	Page
Ricoh Company, Ltd. and Consolidated Subsidiaries	
• Performance Outline	1
• Ricoh Company, Ltd. and Consolidated Subsidiaries -Flash Report	4
• Group Position	5
• Policies	7
• Performance	10
• Consolidated Performance	
1. Consolidated Statements of Income	19
2. Consolidated Sales by Category	20
3. Consolidated Balance Sheets	22
4. Retained Earnings	22
5. Consolidated Statements of Cash Flow	23
6. Segment Information	24
7. Significant Accounting Policies (Consolidated)	28
8. Notes to Consolidated Financial Statements	29
Ricoh Company, Ltd.	
9. Nonconsolidated Financial Statement	31
Appendix	
1. Consolidated Quarterly Performance Outline	A1
2. Consolidated Sales by Product Category	A2
3. Forecast of Consolidated Sales by Product Category	A4
4. Calculation Information Where the Equity Method Is Applied to Ricoh's Leasing Subsidiary	A5

Ricoh Company, Ltd. and Consolidated Subsidiaries

FLASH REPORT (Consolidated. Year ended March 31, 2003)

Date of approval for the financial results for the year ended March 31, 2003,
at the Board of Directors' meeting: May 1, 2003

1. Results for the period from April 1, 2002 to March 31, 2003

(1) Operating Results	(Millions of yen)	
	Year ended March 31, 2003	Year ended March 31, 2002
Net sales	1,738,358	1,672,340
(<i>% change from the previous fiscal year</i>)	3.9	8.7
Operating income	133,654	129,695
(<i>% change from the previous fiscal year</i>)	3.1	23.4
Income before income taxes	123,470	113,950
(<i>% change from the previous fiscal year</i>)	8.4	16.6
Net income	72,513	61,614
(<i>% change from the previous fiscal year</i>)	17.7	15.8
Net income per share-basic (yen)	99.79	88.27
Net income per share-diluted (yen)	96.81	82.46
Return on equity (%)	11.2	10.4
Income before income taxes on total assets (%)	6.6	6.4
Income before income taxes on net sales (%)	7.1	6.8

Notes:

- i. Equity in income of affiliates: ¥2,403 million (¥1,891 million in previous fiscal year)
- ii. Some changes in accounting method have been made.
- iii. Average number of shares outstanding (consolidated): 726,659,698 shares; 698,025,167 shares (previous previous fiscal year)
- iv. Percentage changes in net sales, operating income, income before income taxes, and net income based on the previous fiscal year.
- v. Net income per share is calculated as required by SFAS No. 128.

(2) Financial Position	(Millions of yen)	
	March 31, 2003	March 31, 2002
Total assets	1,884,922	1,832,928
Shareholders' equity	657,514	633,020
Equity ratio (%)	34.9	34.5
Equity per share (yen)	885.41	870.63

Note: Number of shares outstanding as of March 31, 2003: 742,608,635 shares (727,086,738 shares as of March 31, 2002)

(3) Cash Flow	(Millions of yen)	
	Year ended March 31, 2003	Year ended March 31, 2002
Cash flows from operating activities	185,742	105,138
Cash flows from investing activities	-98,199	-81,421
Cash flows from financing activities	-67,143	36,235
Cash and cash equivalents at end of period	189,243	170,172

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

Number of consolidated subsidiaries: 334; nonconsolidated subsidiaries: 37; affiliated companies: 24

(5) Changes in accounting method, etc.:

Consolidated subsidiaries: 13 additions; 10 removals

Companies accounted for by the equity method: 4 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.

2. Forecast of operating results from April 1, 2003 to March 31, 2004	(Millions of yen)	
	Half year ended September 30,	Year ended March 31, 2004
Net sales	895,000	1,805,000
Operating income	70,000	147,000
Income before income taxes	66,000	137,000
Net income	37,000	79,000

Note: Net income per share (Consolidated) 106.38 yen

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 2004. 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.

Group Position

The Ricoh Group comprises 371 subsidiaries and 24 affiliates.

Their development, manufacturing, sales, and service activities center on office equipment business and other businesses (optical equipments, semiconductors and measuring equipments).

Ricoh Company, Ltd., a parent company, heads development. The parent company and subsidiaries or 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 Business>

In this business category, Ricoh provides products and systems that support the enhancement of the office productivity of customers. Major products include:

Digital/analog copiers, MFPs (multifunctional printers), laser printers, facsimile machines, digital duplicators, optical disks.

Ricoh also provides solution systems including personal computers and servers, utilizing its information technology. Another business Ricoh also provides are support, service, and related supplies, as well as useware including IT environment setup and network administration.

[Main Subsidiaries and Affiliates]

Production

Japan...Tohoku Ricoh Co., Ltd., Ricoh Elemex Corporation, Ricoh Unitechno Co., Ltd., Hasama Ricoh Inc., Ricoh Microelectronics Co., Ltd., and Ricoh Keiki Co., Ltd.

The Americas...Ricoh Electronics, Inc.

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

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

Sales and Service

Japan ...Ricoh Tohoku Co., Ltd., Ricoh Chubu Co., Ltd., Ricoh Kansai Co., Ltd., Ricoh Chugoku Co., Ltd., Ricoh Kyushu Co., Ltd., Tokyo Ricoh Co., Ltd., Osaka Ricoh Co., Ltd. and 43 other sales companies nationwide, Ricoh Technosystems Co., Ltd., NBS Ricoh Co., Ltd., Ricoh Leasing Co., Ltd., and Ricoh Logistics System Co., Ltd.

The Americas...Ricoh Corporation, Savin Corporation, and Lanier Worldwide, Inc.

Europe...Ricoh Europe B.V., Ricoh Deutschland GmbH, Ricoh UK Ltd., Ricoh France S.A., Ricoh Espana S.A., Ricoh Italia S.p.A., and NRG Group PLC

Other regions...Ricoh China Co., Ltd., Ricoh Hong Kong Ltd., Ricoh Asia Pacific Pte, Ltd., Ricoh Australia Pty, Ltd., and Ricoh New Zealand Ltd.

<Other Businesses>

Manufacturing and marketing optical equipment, semiconductors 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.

Sales

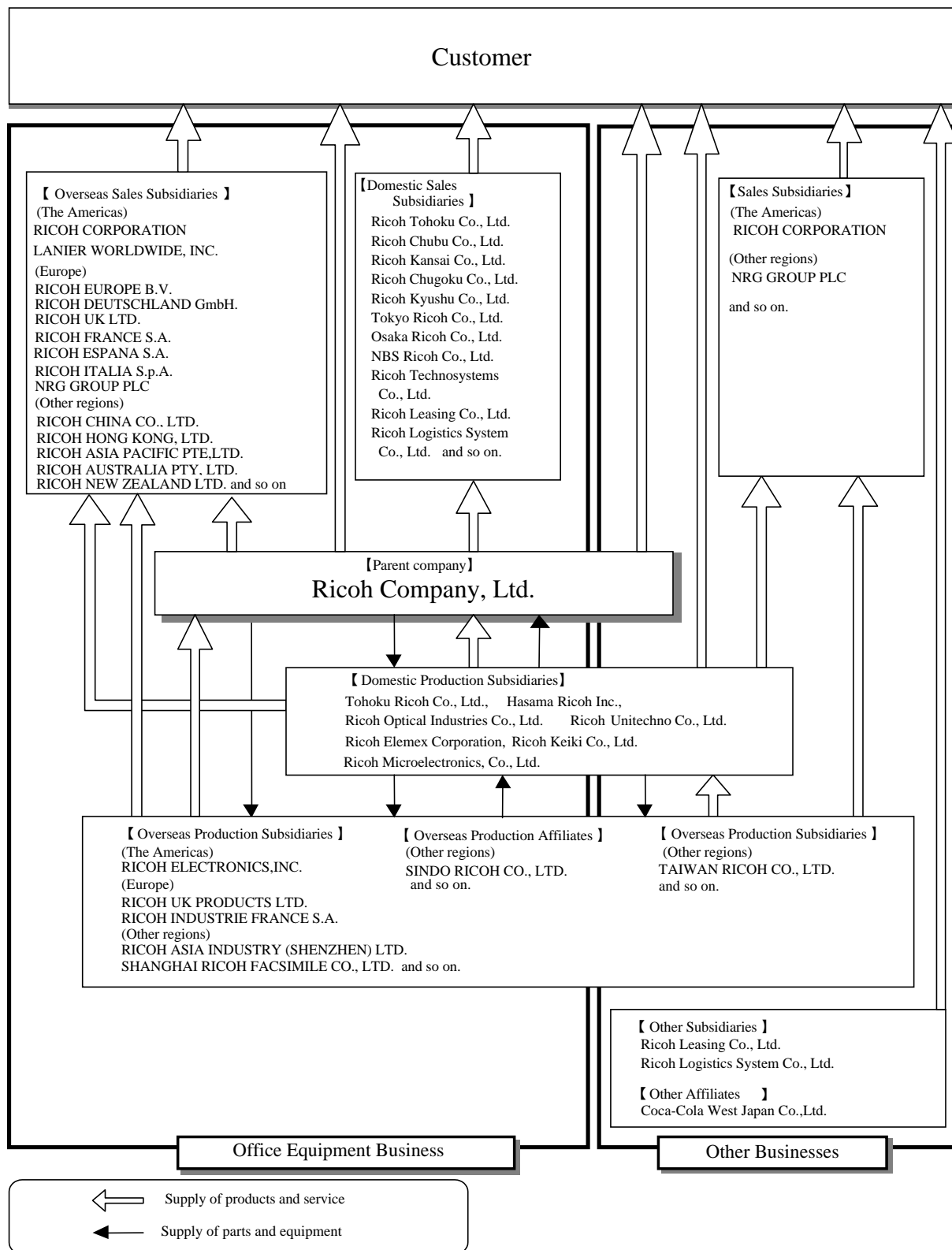
Ricoh Corporation, NRG Group PLC

Other

Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd., and Coca-Cola West Japan Co., Ltd. (affiliated company)

<Chart of Business System>

The following chart is showing the group positions.



Policies

(1) Basic Management

The Ricoh Group's vision is to be a winner in the 21st century. Under that banner, we aim to continue to provide high reliability and build new value so that we can contribute to productivity improvement and knowledge creation for individuals working anytime, anywhere, providing high reliability and new value creation.

Our proactive approach covers not only products and services for traditional office setups but also customers working at any time and place in a broadband environment.

Our three-year 14th medium-term management plan, which ends in March 2005, has five basic objectives:

- i. Realize a "vital and motivated culture"
- ii. Strengthen technologies to become the World No.1 product manufacturing company
- iii. Build "Customer-Friendly" and "Environmentally-Friendly" company
- iv. Strengthen each business unit and revolutionize group business structures
- v. Strengthen management constitution for competitive advantage

(2) Medium-Term Management Strategies

We are meeting the challenges of digital networking in our core competence of office equipment. We have accordingly endeavored since our 13th medium-term management plan to not only manufacture such equipment as copiers and printers but also overhaul our operational structure so we can help our customers improve or enhance productivity through our offerings.

In the years ahead, demand should continue to rise for productivity enhancement. At the same time, further advances in digital networking will generate greater reliance on color-based documents and expand the amount of information, making it increasingly critical for customers to more efficiently manage their TDV (Total Document Volume) from copiers and printers.

Our 14th medium-term management plan thus focuses on building total document volume (which includes increasing added value per page) and thereby broadening our revenues and earnings base. Our basic strategy has three goals:

- i. Replacing monochrome products with color models
Provide a full lineup of compact color machines at prices comparable to those of monochrome models, thus securing new markets by meeting new demand for color.
- ii. Expanding sales of high-speed models
Attract more customers through fast machines providing competitive advantages in terms of purchase price, maintenance charges, and reliability.
- iii. Deploy printing solutions
Suggest ways for customers to optimize the total output costs of their copiers and printers, thus expanding equipment sales and building total document volume.

Following are Ricoh's major basic strategic achievements in fiscal 2003.

In terms of replacing monochrome products with color models, the Company continued to win top marks in Japan and abroad for its IPSiO Color 8000 series (Aficio AP 3800C overseas) of fast color laser printers, which deliver color performance at monochrome speed and price. During the term, we released the Imagio Neo C240/C320 series of multifunctional printers (MFPs) for regular offices, which helped expand our share of the domestic color copier market. We also started selling this series overseas as the Aficio 1224C/1232C.

In high-speed models, the imagio MF105Pro (Aficio 1050 overseas) digital copier was very well received domestically and abroad for its affordable pricing maintenance fees and reliability. This machine attracted more customers seeking high-volume copying and output.

We continued to make progress in printing solutions. In the European and U.S. markets in particular, we drew on a global service and support structure that optimizes total printing costs for copiers and printers to steadily increase the number of major accounts worldwide.

During the term, we established Ricoh China Co., Ltd., as a holding company to broaden our operations in the highly promising Chinese market. Ricoh has already achieved impressive results to date in China, and the new subsidiary is strategically expanding our business by integrating sales, production, and development.

Ricoh is striving to bolster its technological capabilities so it can become the world No. 1 product manufacturing company, providing the most competitive products and services. Specific focuses include technologies to develop next-generation, high-speed color imaging equipment and designing and developing hardware and software that allow users to freely and simply connect and operate various office machines. We are also pursuing the creation of environmentally friendly offerings. In the year under review, we set up four research centers within the Research and Development Division to support the development of basic technologies, including one specializing in photonics and another concentrating on environmental technologies. We also established operations within the Software Research and Development Division.

During the term, we decided to make Tohoku Ricoh Co., Ltd., a wholly owned subsidiary. This was in line with our goal of reinforcing Group development and design capabilities to ensure an integrated strategic approach while delivering cost-competitive offerings.

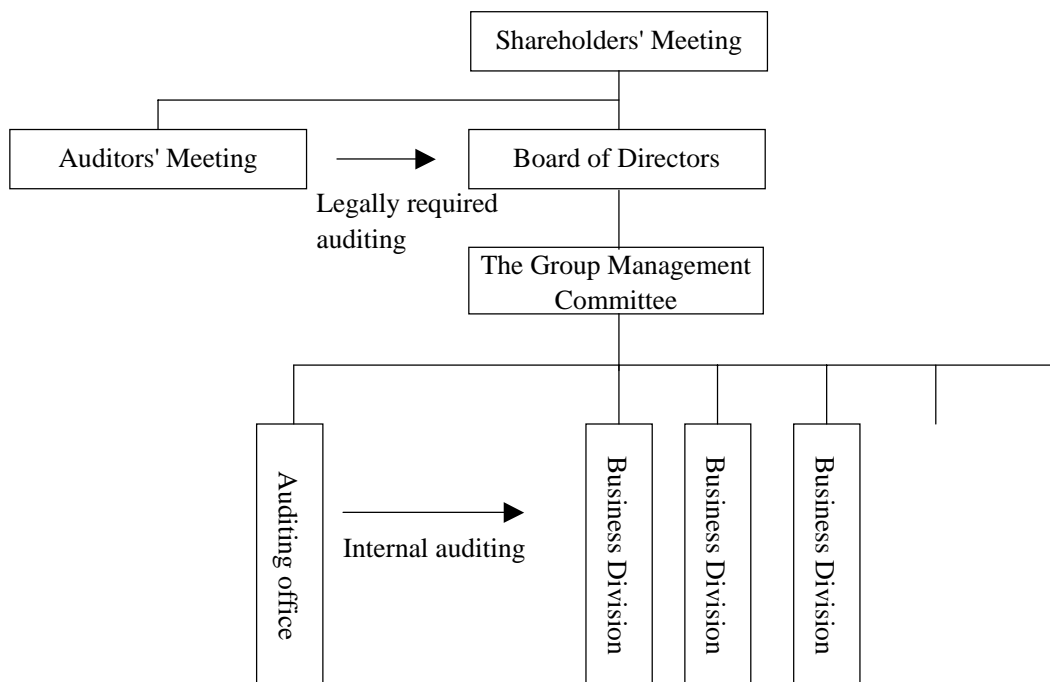
(3) Basic Stance and Policies on Corporate Governance

In driving to boost competitiveness, Ricoh is committed to management transparency based on its corporate philosophy and ethics.

We have taken the following steps to maintain good corporate governance:

i. Management organization and other corporate governance structures related to decision-making, execution, and auditing

- Adopting an auditor system
- Introducing an executive officer system, transferring authority to divisions to clarify their roles
- Maintaining a board of 13 directors, including two external officials, to handle major decisions on Group management
- Strengthening auditing of individual divisions and establishing The group Management Committee to formulate and implement optimal strategies for the entire Group
- Maintaining legally required auditing through four auditors, including two external ones, and instituting independent internal auditing through the auditing office
- Having accounts auditors conduct assessments at appropriate times



ii. Conflicts of interest among external directors and auditors

None

iii. Corporate governance initiatives implemented in past year

Ricoh established a Corporate Social Responsibility Office to help the Company serve communities even better.

(4) Challenges

Economic prospects remain unclear in the United States, which drives the global economy. At the same time, the Japanese equity markets remain in the doldrums, and we estimate that the global economy will continue to suffer low growth. On top of that, competition is very intense in the color and digital networking fields.

The Ricoh Group's prime priorities in continuing to achieve growth in such a tough operating environment are to create new customer value while further improving management efficiency, thereby bolstering corporate competitiveness.

It is critical for us to become the world No. 1 product manufacturing company so we can identify new needs and provide superior value. To that end, we will redouble efforts to provide new value through out customer satisfaction-oriented management while solidifying our technological clout so we can deliver new value through our products and services.

In building and providing such value, Ricoh aims to meet its goals of being people-friendly and environmentally-friendly. In other words, we are pursuing ease of use so customers can take full advantage of products and services that are becoming increasingly complex as digital networking progresses. We are also endeavoring to reinforce our environmental management as part of our mission without compromising profitability.

We are making steady progress in streamlining efficiency through process reforms in all Group fields as part of a drive to improve capital efficiency and earnings. In addition, we aim to slash costs and thereby raise price competitiveness, thus realizing a low-cost management structure that can provide high efficiency in deflationary environments.

It is also most important management challenge to prevent the sorts of scandals that have occurred in Japan and abroad recently that have shaken community trust.

The Group is addressing this issue in line with its commitment to its responsibilities as a member of society, striving to serve the interests of its customers and other stakeholders while strengthening its management organization.

(5) Dividend Policy

Ricoh endeavors to ensure stable dividends by improving profitability while increasing retained earnings to reinforce its corporate structure and cultivate new businesses. Ricoh uses those retained earnings to strengthen core businesses and invest in new fields from medium- and long-term perspectives.

(6) Thinking and Policies on Reducing Minimal Investment Lots

Ricoh plans to keep close tabs on investment patterns and its shareholder composition, and will consider taking steps to alter the minimum lot requirement if need be. Ricoh believes that reducing the minimum number of shares required to invest in Ricoh could help attract a broader range of investors to the equity markets while enhancing the liquidity of its shares. However, many investors already trade in Ricoh's shares, so management has concluded that there is no immediate need to reduce the minimum investment lot.

Performance

*Overview

In fiscal 2003, ended March 31, 2003, consolidated net sales increased 3.9%, to ¥1,738.3 billion. This was the ninth consecutive revenue growth. The average exchange rates prevailing during the term were ¥121.96 to the dollar (up ¥3.14) and ¥121.00 to the euro (down ¥10.40). The sales increase would have been 2.7% without the impact of foreign exchange.

Domestic sales were down 0.7%, to ¥896.0 billion. On the positive side sales increased for printing systems such as MFPs (multifunctional printers) and laser printers. Sales were also favorable for useware, document management, and other areas of the solutions business. In contrast, sales of standalone analog equipment fell amid the shift toward MFPs, while sales were off for personal computer and servers due primarily to the sluggish domestic information technology demand. Sales declined for measuring equipment as a result of slow demand cycle. Domestic sales accounted for 51.5% of net sales, down 2.5 percentage points.

Overseas sales increased 9.4%, to ¥842.3 billion. Sales were steady despite an economic slowdown in the United States and the turmoil in the Middle East. The Company continued to perform well in Europe, where the economic environment stabilized, and in other areas. In terms of sales by product lines, sales of core digital equipment increased solidly, while sales of strategic focused printing systems increased significantly in Europe and the United States. Optical disc and semiconductors operations enjoyed favorable sales. Without the foreign exchange effect, overseas sales would have gained 6.8%. These sales represented 48.5% of net sales, up 2.5 percentage points.

Gross profit increased 6.5%, to ¥745.3 billion. In both Japan and abroad, sales were up for high-margin, high-value-added products, notably MFPs and laser printers. The Company contributed to reduce costs continuously, while operations were affected by the yen's depreciation against the euro. The Company incurred additional costs owing to cover quality problems on some metering equipment.

Selling, general and administrative expenses increased 7.3%, to ¥611.6 billion, reflecting strategic spending on research and development and on basic systems development.

As other cost and expense item, the company increased accrued expenses due to the introduction of a total compensation system for social insurance premiums. The Company has valued long-lived assets appropriately, adapting the expected present value current value approach of future cash flow.

As a result of the above factors, operating income increased 3.1%, to ¥133.6 billion.

Interest and dividend income decreased due primarily to sluggish financial markets. On the other hand, foreign exchange losses reduced, while the Company constrained interest-bearing debt by reinforcing cash management systems in Japan, the United States, and Europe. Ricoh has valued its holding marketable securities appropriately in accordance with generally accepted accounting principle. As the result, income before income taxes, minority interests and equity in earnings of affiliates increased 8.4%, to ¥123.4 billion.

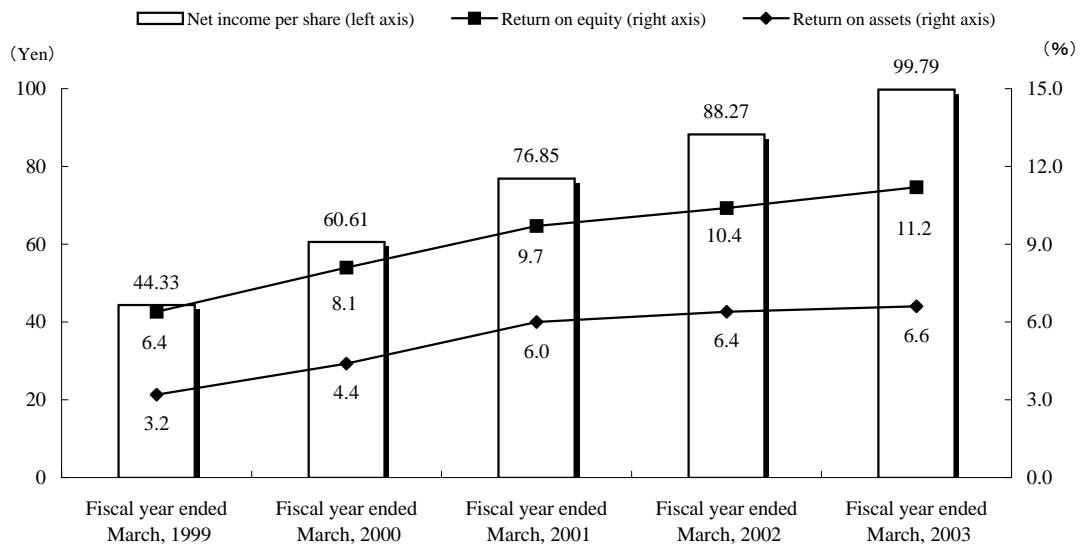
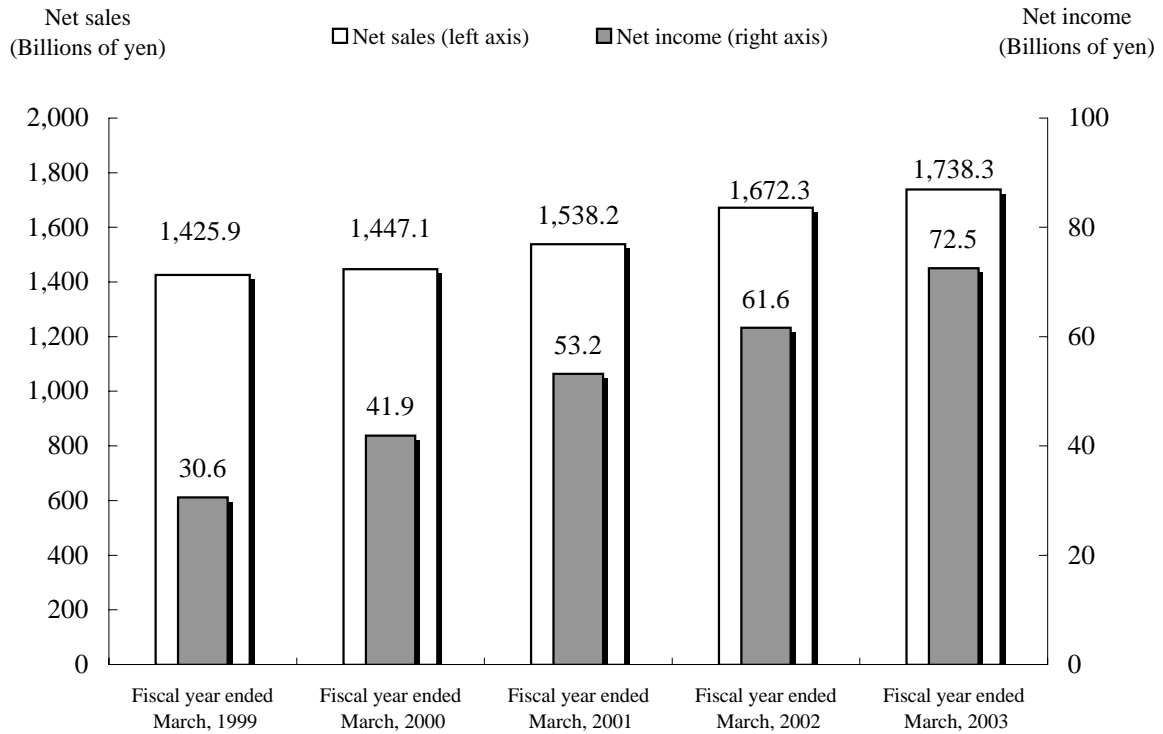
The Company remeasured its deferred tax assets and liabilities in response to the introduction of a corporate enterprise tax system and other change in tax laws. Ricoh posted losses on minority holdings in measuring equipment affiliates. The profit impact from the transfer of the substituted portion of Employees' Pension Fund to the Japanese Government will be recognized when the actual transfer could be made later in this year.

Net income surged 17.7% for the year, to ¥72.5 billion, the 11th consecutive increased and the ninth consecutive record high.

In terms of the business segment, operating income increased due primarily to increase in sales of high-margin, high-value-added products and export increase to overseas. In other businesses, Ricoh posted a decline in its measuring equipment business due to spending to cover quality problems, while a recovery in revenues and earnings from semiconductor operations. In terms of the geographic segment, operating income decreased in Japan due to increase of overseas production under its policy of optimally locating manufacturing operations closer to customer markets and domestic sales decrease. However net sales and operating income increased internationally as sales expanded for digital equipment and networkable systems and strategy of locating production mentioned above.

Year-end cash dividends per share are proposed ¥7.00 per share. Combined with interim dividends of the same amount, total dividends for fiscal 2003 will be ¥14.00.

Consolidated performance



*Consolidated Sales by Product Line

Office Equipment (sales up 2.4%, to ¥1,520.5 billion)

To support customers more efficiently manage their TDV(total document volume), the Ricoh Group offers its solution proposal for these customers optimize their total printing costs. To realize this business target, the Ricoh is progressing digitalization, networking, colorization and high speeding, shifting away from standalone analog equipments. As a result of these efforts, Ricoh greatly expanded sales of printing systems such as MFPs and laser printers, while increasing revenues from useware, software, and other solutions businesses. In Japan, sales of personal computer and servers declined due primarily to poor economic conditions and sluggish information technology demand. Overseas sales increased, particularly in Europe and other regions. Demand was slow in the United States due primarily to the economic slowdown and the turmoil in the Middle East, while the yen's rise against the dollar also affected operations. Nonetheless, the Company performed solidly as a result of its strengthened sales networks in the United States. Sales of office equipment thus advanced 2.4%, to ¥1,520.5 billion.

Imaging Solutions (sales down 8.0%, to ¥859.7 billion)

In the digital imaging systems, the Company strengthened its lineup with new offering in digital plain-paper copier (PPC) lineup, which covers from the low-end model such as Imagio MF 1340/1540 series (Aficio 1013/1015 overseas) to the high-speed model such as Imagio MF 105 Pro (Aficio 1050 overseas). Domestically, sales of digital imaging systems decreased due to the depressed economy and the shift toward printing systems. Overseas, sales of fax machines and other decreased, although digital PPC sales increased in Europe and other regions. As a result of these factors, overall sales of digital imaging systems decreased 4.2%. In other imaging systems, sales fell 16.8%, reflecting the trend away from analog type equipments to digital type equipment and MFPs.

In the imaging solutions field, its sales decreased 8.0%, to ¥859.7 billion, reflecting Ricoh's strategies. Imaging solutions accounted for 49.5% of consolidated net sales, down 6.3 %.

Networking Input/Output Systems (sales up 34.6%, to ¥463.3 billion)

In the printing systems, Ricoh released high speed, more networkable and color offerings and further expanded sales of printing equipments to meet customer needs. In MFPs, the sales of the Imagio Neo 750/600 series (Aficio 1075/1060 overseas), the Imagio Neo 105 Pro (Aficio 1050 overseas) contributed to the sales growth. In laser printers, the IPSiO Color 6000/7100 (in Japan) and AP 3800C (in overseas) increased its sales volume. Overall sales of printing systems thus increased 36.6%.

Sales of other input/output systems increased 21.2%. Although up a year earlier, domestic sales of CD-R/RW decreased due to a shift toward new standard DVD. In contrast, sales of DVD in the United States and CD-R/RW shipments to other regions increased favorably.

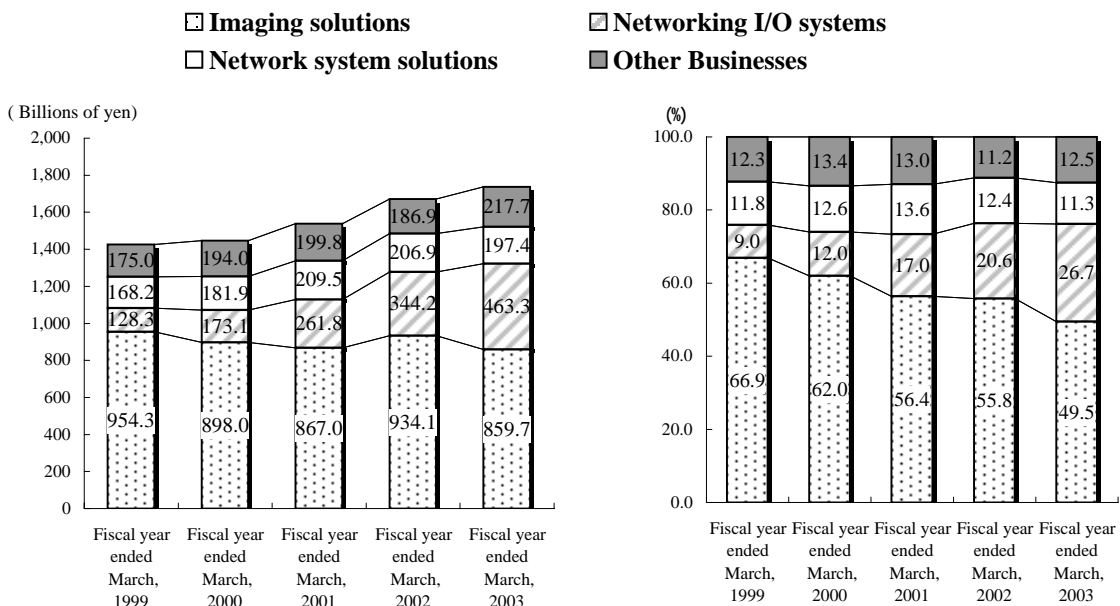
As a result of above, sales in networking input/ output systems increased 34.6%, to ¥463.3 billion. Networking input/output systems accounted for 26.7% of net sales, up 6.1 %.

Network System Solutions (sales down 4.6%, to ¥197.4 billion)

Ricoh has strengthened its solution business, such as useware, document management and software. These areas allow the Company to help customers optimize their total printing costs. Sales in Japan and overseas increased well. In contrast, sales of personal computers and servers continued to decline in Japan, reflecting sluggish information technology spending.

Other Businesses (sales up 16.5%, to ¥217.7 billion)

Sales in other business increased 16.5%, to ¥217.7 billion. This improvement reflected a recovery in the domestic semiconductor business, as well as solid results in Europe and other regions. On top of that, the Company enjoyed steady gains in leasing and other operations. In contrast, sales decreased for measuring equipments due to stagnant demand cycle.



* Consolidated Sales by Geographic Area

Japan (sales down 0.7%, to ¥896.0 billion)

Although the domestic economy remains very unfavorable, Ricoh responded to the customer needs, by pursuing product and sales strategies of products, which led to gains in sales of printing systems such as MFPs and printers. In the solutions business, which encompasses useware and document management, the Company's proposals for improving customers' total cost performance were well received, leading to higher sales in this area. At the same time, sales of standalone analog equipments fell amid the shift toward MFPs and color models, while personal computers and servers sales also decreased. In other businesses, sales of measuring equipments decreased due to poor demand cycle, although demand in semiconductor operations began to recover. As the results, sales in Japan decreased 0.7%, to ¥896.0 billion. Domestic operations accounted for 51.5% of net sales, down 2.5 percentage points.

The Americas (sales up 0.6%, to ¥343.9 billion)

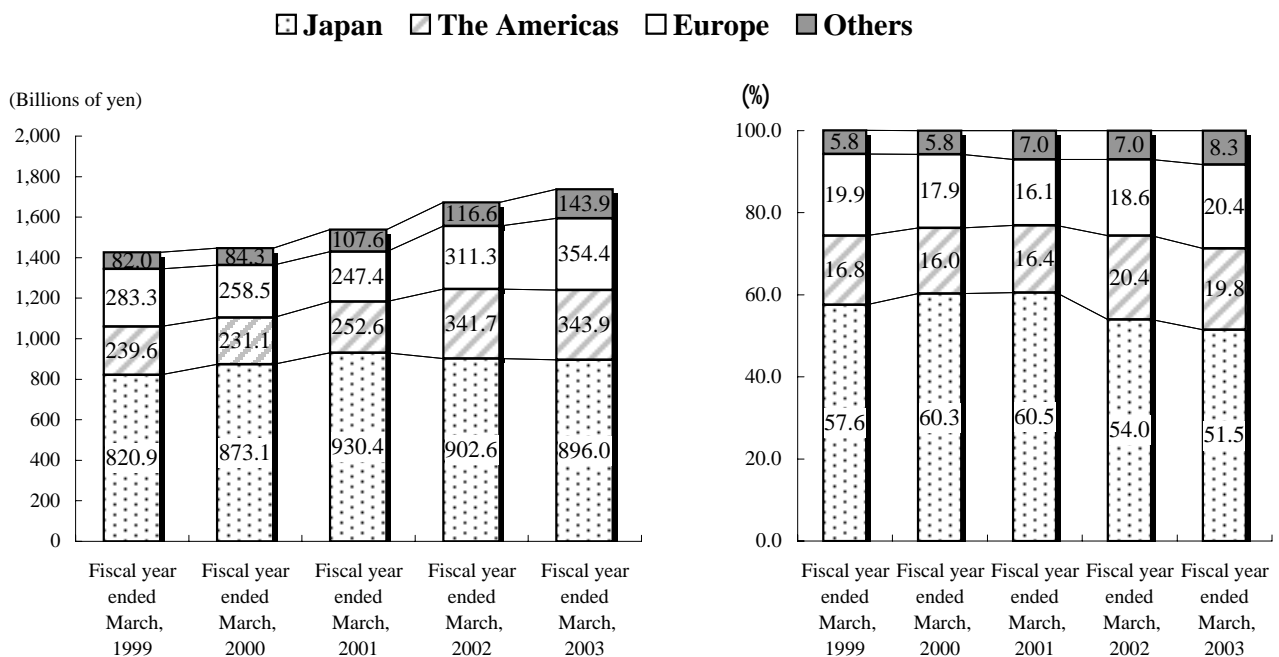
Ricoh further broadened and reinforced its sales network, especially in North America, against a background of a slower U.S. economy, the turmoil in the Middle East and severe competition. The Company stepped up sales of new printing systems that matched a customer demand shift away from analog offerings toward networked digital PPCs and color models, and strove to expand sales to major accounts. Sales were solid for new standards DVD. Sales in the Americas increased 0.6%, to ¥343.9 billion. After factoring out the yen's appreciation against the dollar, it gained 3.2%.

Europe (sales up 13.9%, to ¥354.4 billion)

With European economies remaining relatively stable, sales of digital PPCs and printing systems increased. Ricoh strengthened its sales network continuously reinforced its brand clout. These efforts helped the Company to maintain its top share of the European market for copiers and MFPs. The yen's depreciation against the euro also contributed to higher sales. As the results, sales in Europe increased 13.9%, to ¥354.4 billion.

Others (sales up 23.4%, to ¥143.9 billion)

In China and other Asian markets, a full-fledged shift in business equipment to digital networked and color models led to an increase in sales of digital PPCs and printing systems. Demand for optical discs also continued to improve, while semiconductor sales remained solid. Sales in Others increased 23.4%, to ¥143.9 billion. During the term, Ricoh established a new regional headquarter in Shanghai to reinforce its operations in the promising Chinese market. Ricoh aims to further integrate its production, sales, and services while focusing even more on customer needs to strengthen its revenues and earnings in China.



*Segment Information

Business Segment

Office Equipment

In core imaging solutions and printing systems, Ricoh released low-end through fast models with high value added offerings that manage everything from document input / to output to document sharing and administration. Sales thus increased steadily. The laser printers also increased its sale in Japan and abroad, particularly for color models. Sales of useware, software, and other solutions business areas increased match to customer needs. Optical disc sales were favorable, particularly in the Americas and other areas. As the results, sales of business equipment therefore advanced 2.4%, to ¥1,520.5 billion.

Ricoh spent strategic expenditures to research and development and basic systems development. On the other hand, increase in sales of high-value-added products, ongoing cost reductions in production and administrative areas, and the yen's depreciation were favorably effected to the profitability. Operating income 5.2%, to ¥190.7 billion, the operating margin rose 0.3 percentage point, to 12.5%.

Capital expenditures decreased from the previous fiscal year, despite higher spending on new production lines and investment on research and development.

Total assets decreased due primarily to the decrease in tangible fixed assets, collection of account receivables and inventories reduction.

Other Businesses

In the semiconductor business, the Company enjoyed a recovery in domestic demand and buoyant sales overseas. Leasing and other businesses performed steadily. As a result, sales of other businesses increased 15.6%, to ¥220.5 billion. At the same time, Ricoh posted operating losses of ¥2.2 billion, mainly to cover extraordinary expenses in the metering equipment business.

	(Billions of yen)		
	Year ended March 31, 2003	Year ended March 31, 2002	Change
Office Equipment:			
Net sales	1,520.5	1,485.3	2.4%
Operating income	190.7	181.3	5.2%
<i>Operating income on sales(%)</i>	<i>12.5</i>	<i>12.2</i>	<i>0.3%</i>
Identifiable assets	1,198.7	1,219.7	-1.7%
Capital expenditures	65.7	68.5	-4.1%
Depreciation and Amortization	60.6	64.4	-5.8%
Other Businesses:			
Net sales	220.5	190.8	15.6%
Operating income	-2.2	3.3	-
<i>Operating income on sales(%)</i>	<i>-1.0</i>	<i>1.8</i>	<i>-2.8%</i>
Identifiable assets	176.2	185.1	-4.8%
Capital expenditures	7.2	5.6	28.0%
Depreciation and Amortization	6.9	7.4	-7.1%

Geographic Segment

Japan

In the office equipment business, sales increased for printing systems in Japan, where the Company is pursuing an aggressive marketing strategy. Useware and other solutions businesses also did well. These factors and higher exports and the yen's depreciation increased Japan segment sales 2.1%, to ¥1,274.9 billion. Ricoh shifted toward high-value-added products, pursued cost improvement strategies, and maintained its policy of optimally locating manufacturing operations closer to customer markets. These endeavors failed to offset the impact of extraordinary expenses for the metering business, with operating income declining 18.9%, to ¥86.1 billion.

The Americas

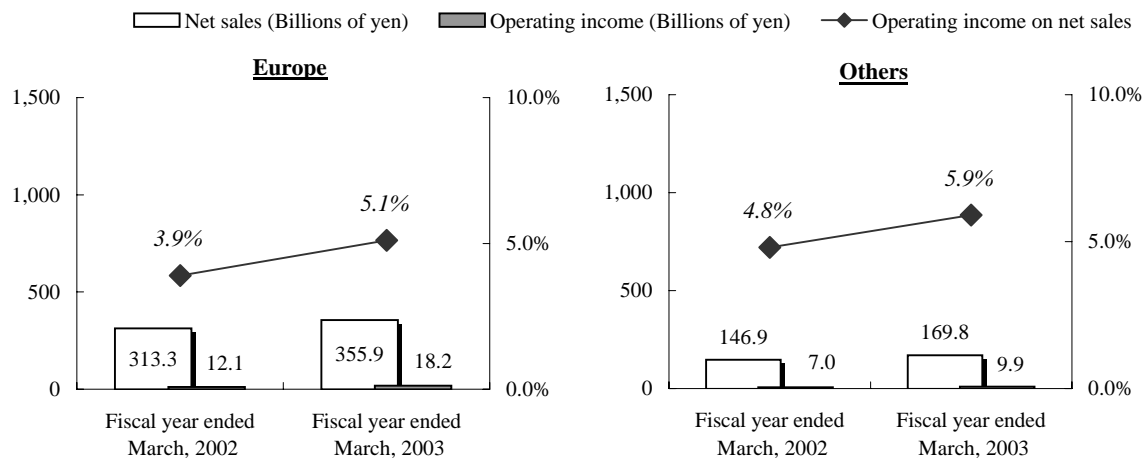
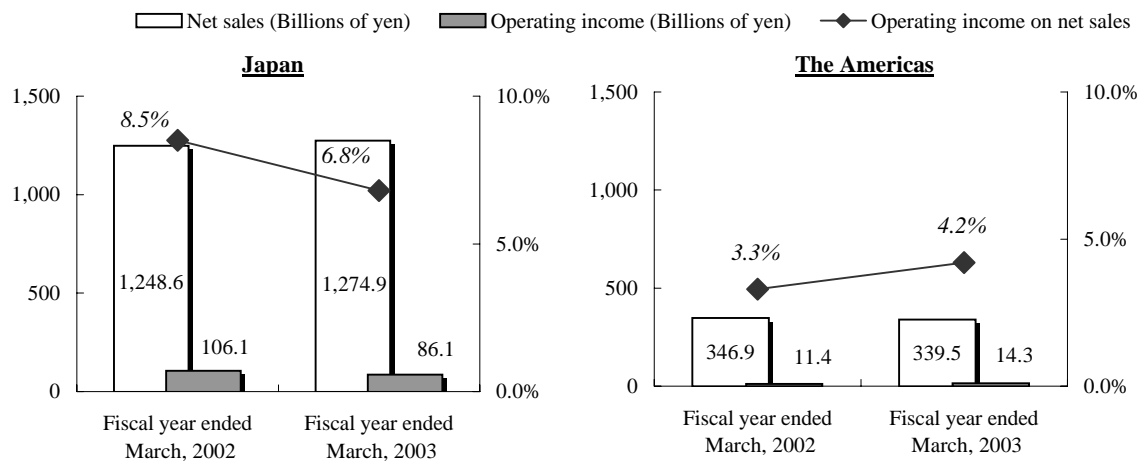
Ricoh's existing sales channels continued to perform well despite a slower U.S. economy, the turmoil in the Middle East, and intensifying competition. The Company expanded sales of printing systems and strengthened sales approaches to major accounts. In MFPs and color laser printers, sales increased, centered on new offerings. On the other hand, the yen rose against the dollar causing sales in the Americas decreased 2.1%, to ¥339.5 billion. Operating income increased 25.3%, to ¥14.3 billion, on the strength of cost-cutting.

Europe

All operations in Europe were able to increase sales in all regional markets, centered on PPCs and printing systems, allowing Ricoh to maintain its top share of the European copier and MFPs market. European sales increased 13.6%, to ¥355.9 billion. Operating income increased 49.8%, to ¥18.2 billion, reflecting higher production nearer customers and the yen's depreciation against the euro.

Others

The demand shift to digital, networkable, and color business equipment has been strong in China and elsewhere in Asia and Oceania, while the Company maintained high production rates along with demand increase to the world. Segment sales thus increased 15.6%, to ¥169.8 billion. Operating income increased 41.0%, to ¥9.9 billion, reflecting higher sales and production. To help expand operations in the promising Chinese market, the newly established regional headquarter will focus on integrating manufacturing, sales, and services, to support strategic growth.



*Financial Position

(1) Assets, Liabilities, and Shareholders' Equity at Year-End

	(Billions of yen)		
	March 31, 2003	March 31, 2002	Change
Total Assets	1,884.9	1,832.9	51.9
Shareholders' Equity	657.5	633.0	24.4
Equity Ratio	34.9%	34.5%	0.4%

In Assets, cash and time deposits increased ¥17.6 billion, to ¥200.3 billion, in line with marketable securities repayment / maturity. Trade receivables decreased ¥24.4 billion, to ¥417.9 billion, reflecting increased collections in Japan and the United States. Inventories reduced ¥16.1 billion, to ¥146.0 billion, due to the impact of supply chain management and other initiatives. Fixed assets decreased ¥10.6 billion, to ¥248.7 billion, as the Company kept capital expenditures at less than depreciation. Finance receivables increased ¥28.4 billion, to ¥476.2 billion, mainly in Japan, while other investments increased ¥75.3 billion, to ¥337.3 billion, reflecting purchases of marketable securities and an increase in deferred income taxes. As the results, total assets increased ¥51.9 billion from the last fiscal year end, at ¥1,884.9 billion.

In Liabilities, trade payables increased ¥3.0 billion from a year earlier, at ¥280.7 billion. Interest-bearing debt decreased ¥76.7 billion, to ¥484.6 billion, due to redemptions and conversions of convertible bonds and efforts to reduce borrowings. Other current liabilities increased ¥9.5 billion, to ¥169.0 billion, while retirement benefit obligations increased ¥89.4 billion, to ¥209.0 billion. As the results, total liabilities increased ¥25.2 billion, to ¥1,174.1 billion.

In Shareholder's equity, common stock and additional paid-in capital increased ¥14.9 billion, to ¥135.3 billion and ¥186.5 billion, respectively, as a result of convertible bond conversions. Retained earnings increased ¥49.0 billion, to ¥434.7 billion. Accumulated other comprehensive income declined ¥50.3 billion, due primarily to pension liability adjustments. Total shareholders' equity increased ¥24.4 billion, to ¥657.5 billion.

(2) Cash Flows

	(Billions of yen)		
	Year ended March 31, 2003	Year ended March 31, 2002	Change
Cash flows from operating activities	185.7	105.1	80.6
Cash flows from investing activities	-98.1	-81.4	-16.7
Cash flows from financing activities	-67.1	36.2	-103.3
Cash and Cash Equivalents at End of Period	189.2	170.1	19.0

Net cash provided by operating activities increased ¥80.6 billion, to ¥185.7 billion. This reflected higher net income and depreciation and amortization, as well as decreases in trade receivables and inventories, which offset a rise in finance receivables.

Net cash used in investing activities increased ¥16.7 billion, to ¥98.1 billion. This was due to capital expenditures spending for new production lines and increased fund investments.

As a result of the above factors, free cash flow generated by operating and investing activities increased ¥63.8 billion, to ¥87.5 billion.

Although net cash provided by financing activities was ¥36.2 billion in the previous fiscal year, net cash used in such activities was ¥67.1 billion in this fiscal year. This reflected a shift from short-term to long-term borrowings and reductions in interest-bearing debt to harness Group funds more efficiently. Outlays included dividend payments of ¥10.1 billion and expenses of ¥17.2 billion to secure treasury stock.

As a result of these factors, cash and cash equivalents at the close of the term increased ¥19.0 billion from a year earlier, to ¥189.2 billion.

At the start of the year, Ricoh included short-term investment securities, which are always available-for-sale, such as money management funds, in cash equivalents. The effects of this change were as follows:

	(Billions of yen)	
	March 31, 2003	March 31, 2002
Cash and cash equivalents at term-end		
Under previous accounting policy	108.1	142.5
Under new accounting policy	189.2	170.1
Change	81.1	27.6

(3) Cash Flow Indices

	Year ended March 31, 1999	Year ended March 31, 2000	Year ended March 31, 2001	Year ended March 31, 2002	Year ended March 31, 2003
Shareholders' equity / Total assets	29.9%	35.1%	32.7%	34.5%	34.9%
Market capitalization / Total assets	52.5%	98.7%	92.2%	95.6%	73.0%
Interest bearing debt / Operating cash flow	6.1	3.8	5.2	5.3	2.6
Operating cash flow / Interest expense	9.2	13.3	13.2	12.8	27.1

Notes:

- i. All indices are calculated based on consolidated data.
- ii. Market capitalization equals the stock price at the end of fiscal year multiples by the number of shares outstanding at the end of fiscal year.
- iii. Operating cash flow is shown in consolidated statement of cash flow. Interest bearing debt equals all debt in consolidated balance sheets.

*Expectations

* Economic projections and Ricoh Group's strategies for fiscal 2004

There are increasing concerns about the outlook for fiscal 2004 because of the depressed domestic equity market, high unemployment, and the uncertain income environment. In management's view, it will take time for the Japanese economy to recover from its structural deflation. Conditions should remain difficult because of the possibility that the U.S. economy may stagnate, the aftereffects of the war in Iraq, and the impact on the global economy if severe acute respiratory syndrome (SARS) spreads.

Under this situation, the Ricoh Group has centered its 14th medium-term management plan, started in April 2002, on expanding its profit base by expanding total document volume. The basic strategy entails:

- Responding to greater demand for color documents among office users
- Expanding sales of high-speed machines
- Deploying printing solutions

The crucial challenges for our customers will be to improve work flow and enhance productivity by better managing total document volumes. We will support such efforts by continuing to formulate proposals to optimize customer's total printing costs and offer products and services that meet more sophisticated needs for color and faster office document production. In addition, we plan to expand operations by integrating production, sales, and service through a management base in the highly promising Chinese market, to complement similar organizations Japan, the United States, and Europe.

Ricoh will pursue efficiencies through process reform in each business domain to ensure sustainable earnings growth and cash flows, as part of which it is working on a low-cost management structure that can withstand deflationary environments by further reinforcing price competitiveness.

Our performance forecasts for fiscal 2004 are as follows:

Exchange Rate Assumptions for the full year ended March 31, 2004

US\$ 1 = ¥120.00 (¥121.96 in previous fiscal year)

EURO 1 = ¥120.00 (¥121.00 in previous fiscal year)

	Year ended March 31, 2004 (Forecast)	Year ended March 31, 2003	(Billions of yen) Change
Domestic sales	912.0	896.0	1.8%
Overseas sales	893.0	842.3	6.0%
Net sales	1,805.0	1,738.3	3.8% (*1)
Gross profit	786.0	745.3	5.5%
Operating income	147.0	133.6	10.0%
Income before income taxes	137.0	123.4	11.0%
Net income	79.0	72.5	8.9% (*2)

Notes:

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

*2...Net income would be twelfth consecutive year of growth and tenth consecutive year of record high.

* Ricoh bases the forecast estimates for March 31, 2004 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

Consolidated Performance

1. Consolidated Statements of Income

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended		Change	%
	March 31, 2003	March 31, 2002		
Net sales	460,798	450,922	9,876	2.2
Cost of sales	261,031	266,503	-5,472	-2.1
<i>Percentage of net sales (%)</i>	56.6	59.1		
Gross Profit	199,767	184,419	15,348	8.3
<i>Percentage of net sales (%)</i>	43.4	40.9		
Selling, general and administrative expenses	160,835	144,357	16,478	11.4
<i>Percentage of net sales (%)</i>	35.0	32.0		
Operating income	38,932	40,062	-1,130	-2.8
<i>Percentage of net sales (%)</i>	8.4	8.9		
Other (income) expense				
Interest and dividend income	1,134	698	436	62.5
<i>Percentage of net sales (%)</i>	0.2	0.2		
Interest expense	1,525	1,670	-145	-8.7
<i>Percentage of net sales (%)</i>	0.3	0.4		
Other, net	731	3,536	-2,805	-79.3
<i>Percentage of net sales (%)</i>	0.1	0.8		
Income before income taxes,				
equity income and minority interests	37,810	35,554	2,256	6.3
<i>Percentage of net sales (%)</i>	8.2	7.9		
Provision for income taxes	15,235	16,659	-1,424	-8.5
<i>Percentage of net sales (%)</i>	3.3	3.7		
Minority interests in earnings of subsidiaries	1,724	931	793	85.2
<i>Percentage of net sales (%)</i>	0.4	0.2		
Equity in earnings of affiliates	336	351	-15	-4.3
<i>Percentage of net sales (%)</i>	0.1	0.1		
Net income	21,187	18,315	2,872	15.7
<i>Percentage of net sales (%)</i>	4.6	4.1		
Reference : Exchange rate				
US\$ 1	¥119.04	¥132.50		
EURO 1	¥127.63	¥116.21		

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended		Change	%
	March 31, 2003	March 31, 2002		
Net sales	1,738,358	1,672,340	66,018	3.9
Cost of sales	993,009	972,394	20,615	2.1
<i>Percentage of net sales (%)</i>	57.1	58.1		
Gross Profit	745,349	699,946	45,403	6.5
<i>Percentage of net sales (%)</i>	42.9	41.9		
Selling, general and administrative expenses	611,695	570,251	41,444	7.3
<i>Percentage of net sales (%)</i>	35.2	34.1		
Operating income	133,654	129,695	3,959	3.1
<i>Percentage of net sales (%)</i>	7.7	7.8		
Other (income) expense				
Interest and dividend income	3,772	4,753	-981	-20.6
<i>Percentage of net sales (%)</i>	0.2	0.3		
Interest expense	6,853	8,233	-1,380	-16.8
<i>Percentage of net sales (%)</i>	0.4	0.5		
Other, net	7,103	12,265	-5,162	-42.1
<i>Percentage of net sales (%)</i>	0.4	0.8		
Income before income taxes,				
equity income and minority interests	123,470	113,950	9,520	8.4
<i>Percentage of net sales (%)</i>	7.1	6.8		
Provision for income taxes	51,984	51,147	837	1.6
<i>Percentage of net sales (%)</i>	3.0	3.0		
Minority interests in earnings of subsidiaries	1,376	3,080	-1,704	-55.3
<i>Percentage of net sales (%)</i>	0.0	0.2		
Equity in earnings of affiliates	2,403	1,891	512	27.1
<i>Percentage of net sales (%)</i>	0.1	0.1		
Net income	72,513	61,614	10,899	17.7
<i>Percentage of net sales (%)</i>	4.2	3.7		
Reference : Exchange rate				
US\$ 1	¥121.96	¥125.10		
EURO 1	¥121.00	¥110.60		

2-1. Consolidated Sales by Product Category

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
<Office Equipment>				
Imaging Solutions:				
Digital Imaging Systems	166,111	180,519	-14,408	-8.0
<i>Percentage of net sales (%)</i>	36.0	40.0		
Other Imaging Systems	54,917	66,107	-11,190	-16.9
<i>Percentage of net sales (%)</i>	12.0	14.7		
Total Imaging Solutions	221,028	246,626	-25,598	-10.4
<i>Percentage of net sales (%)</i>	48.0	54.7		
Networking input/output systems:				
Printing Systems	116,450	80,228	36,222	45.1
<i>Percentage of net sales (%)</i>	25.3	17.8		
Other Input/Output Systems	10,565	12,484	-1,919	-15.4
<i>Percentage of net sales (%)</i>	2.3	2.7		
Total Networking input/output systems	127,015	92,712	34,303	37.0
<i>Percentage of net sales (%)</i>	27.6	20.5		
Network system solutions	57,357	58,958	-1,601	-2.7
<i>Percentage of net sales (%)</i>	12.4	13.1		
Office Equipment Total	405,400	398,296	7,104	1.8
<i>Percentage of net sales (%)</i>	88.0	88.3		
< Other Businesses >				
Other Businesses	55,398	52,626	2,772	5.3
<i>Percentage of net sales (%)</i>	12.0	11.7		
Grand Total	460,798	450,922	9,876	2.2
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥119.04	¥132.50		
EURO 1	¥127.63	¥116.21		

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
<Office Equipment>				
Imaging Solutions:				
Digital Imaging Systems	626,967	654,425	-27,458	-4.2
<i>Percentage of net sales (%)</i>	36.1	39.1		
Other Imaging Systems	232,746	279,755	-47,009	-16.8
<i>Percentage of net sales (%)</i>	13.4	16.7		
Total Imaging Solutions	859,713	934,180	-74,467	-8.0
<i>Percentage of net sales (%)</i>	49.5	55.8		
Networking input/output systems:				
Printing Systems	408,830	299,231	109,599	36.6
<i>Percentage of net sales (%)</i>	23.5	17.9		
Other Input/Output Systems	54,549	45,016	9,533	21.2
<i>Percentage of net sales (%)</i>	3.2	2.7		
Total Networking input/output systems	463,379	344,247	119,132	34.6
<i>Percentage of net sales (%)</i>	26.7	20.6		
Network system solutions	197,482	206,962	-9,480	-4.6
<i>Percentage of net sales (%)</i>	11.3	12.4		
Office Equipment Total	1,520,574	1,485,389	35,185	2.4
<i>Percentage of net sales (%)</i>	87.5	88.8		
< Other Businesses >				
Other Businesses	217,784	186,951	30,833	16.5
<i>Percentage of net sales (%)</i>	12.5	11.2		
Grand Total	1,738,358	1,672,340	66,018	3.9
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥121.96	¥125.10		
EURO 1	¥121.00	¥110.60		

Each category includes the following product line:

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

2-2. Consolidated Sales by Geographic Area

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
<Domestic>	236,250	238,144	-1,894	-0.8
<i>Percentage of net sales (%)</i>	51.3	52.8		
<Overseas>	224,548	212,778	11,770	5.5
<i>Percentage of net sales (%)</i>	48.7	47.2		
The Americas	89,330	96,506	-7,176	-7.4
<i>Percentage of net sales (%)</i>	19.4	21.4		
Europe	99,927	85,328	14,599	17.1
<i>Percentage of net sales (%)</i>	21.7	18.9		
Other	35,291	30,944	4,347	14.0
<i>Percentage of net sales (%)</i>	7.6	6.9		
Grand Total	460,798	450,922	9,876	2.2
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥119.04	¥132.50		
EURO 1	¥127.63	¥116.21		

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
<Domestic>	896,022	902,655	-6,633	-0.7
<i>Percentage of net sales (%)</i>	51.5	54.0		
<Overseas>	842,336	769,685	72,651	9.4
<i>Percentage of net sales (%)</i>	48.5	46.0		
The Americas	343,940	341,747	2,193	0.6
<i>Percentage of net sales (%)</i>	19.8	20.4		
Europe	354,477	311,312	43,165	13.9
<i>Percentage of net sales (%)</i>	20.4	18.6		
Other	143,919	116,626	27,293	23.4
<i>Percentage of net sales (%)</i>	8.3	7.0		
Grand Total	1,738,358	1,672,340	66,018	3.9
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥121.96	¥125.10		
EURO 1	¥121.00	¥110.60		

3. Consolidated Balance Sheets

March 31, 2003 and March 31, 2002

Assets	(Millions of yen)		
	March 31, 2003	March 31, 2002	Change
Current Assets			
Cash and time deposits	200,330	182,650	17,680
Trade receivables	417,942	442,399	-24,457
Marketable securities	107	22,935	-22,828
Inventories	146,051	162,176	-16,125
Other current assets	58,083	53,508	4,575
Total Current Assets	822,513	863,668	-41,155
Fixed Assets			
Tangible fixed assets	248,752	259,380	-10,628
Finance receivable	476,293	447,829	28,464
Other Investments	337,364	262,051	75,313
Total Fixed Assets	1,062,409	969,260	93,149
Total Assets	1,884,922	1,832,928	51,994

Note:

Contents of cash and time deposits:

Cash and cash equivalents (*)	189,243	170,172
Time deposits	11,087	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 7. Significant Accounting Policies (Consolidated) (6))

Liabilities and Shareholders' Investment	(Millions of yen)		
	March 31, 2003	March 31, 2002	Change
Current Liabilities			
Trade payables	280,798	277,753	3,045
Short-term borrowings	138,713	228,408	-89,695
Other current liabilities	169,072	159,540	9,532
Total Current Liabilities	588,583	665,701	-77,118
Fixed Liabilities			
Long-term indebtedness	345,902	332,995	12,907
Retirement benefit obligation	209,011	119,572	89,439
Other fixed liabilities	30,653	30,592	61
Total Fixed Liabilities	585,566	483,159	102,407
Total Liabilities	1,174,149	1,148,860	25,289
Minority Interest	53,259	51,048	2,211
Shareholders' Investment			
Common stock	135,364	120,461	14,903
Additional paid-in capital	186,521	171,628	14,893
Retained earnings	434,748	385,741	49,007
Accumulated other comprehensive income (loss)	-94,733	-44,376	-50,357
Treasury stock	-4,386	-434	-3,952
Total Shareholders' Investment	657,514	633,020	24,494
Total Liabilities and Shareholders' Investment	1,884,922	1,832,928	51,994

Note: Other comprehensive income;

Net unrealized holding gains on available-for-sale securities	8,582	10,566	-1,984
Pension liability adjustments	-89,119	-39,710	-49,409
Net unrealized gains (losses) on derivative instruments	-178	-207	29
Cumulative translation adjustments	-14,018	-15,025	1,007

Reference: Exchange rate	March 31, 2003	March 31, 2002
US\$ 1	¥120.20	¥133.25
EURO 1	¥129.83	¥116.14

4. Retained Earnings

For the year ended March 31, 2003 and year ended March 31, 2002

	(Millions of yen)	
	Year ended March 31, 2003	Year ended March 31, 2002
Retained earnings (beginning balance)	385,741	332,447
Net income	72,513	61,614
Cash dividends	10,178	8,320
Retirement of treasury stock	13,328	-
Retained earnings (ending balance)	434,748	385,741

5. Consolidated Statements of Cash Flow

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002
I. Cash Flows from Operating Activities:		
1. Net income	72,513	61,614
2. Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	76,551	73,782
Equity in earnings of affiliates, net of dividends received	-1,167	-1,260
Deferred income taxes	-9,289	-1,218
Loss on disposal and sales of tangible fixed assets	1,975	1,665
Changes in assets and liabilities—		
Decrease (increase) in trade receivables	22,176	-20,006
Decrease in inventories	14,983	21,194
Increase in finance receivables	-33,109	-13,620
Increase (decrease) in trade payables	5,632	-19,535
Increase (decrease) in accrued income taxes and accrued expenses and other	11,173	-13,592
Retirement benefit obligation, net	7,806	8,374
Other, net	16,498	7,740
Net cash provided by operating activities	185,742	105,138
II. Cash Flows from Investing Activities:		
1. Proceeds from sales of plant and equipment	245	756
2. Expenditures for tangible fixed assets	-71,984	-75,231
3. Payments for purchases of available-for-sale securities	-52,219	-10,025
4. Proceeds from sales of available-for-sale securities	24,513	24,568
5. (Increase) decrease in investments in and advances to affiliates	-448	5
6. Decrease (increase) in time deposits	944	-477
7. Other, net	750	-21,017
Net cash used in investing activities	-98,199	-81,421
III. Cash Flows from Financing Activities:		
1. Proceeds from long-term indebtedness	58,194	71,075
2. Repayment of long-term indebtedness	-23,133	-79,640
3. Decrease in short-term borrowings, net	-73,393	-39,414
4. Proceeds from issuance of long-term debt securities	11,000	103,500
5. Repayment of long-term debt securities	-11,723	-10,000
6. Cash dividends paid	-10,176	-8,322
7. Purchase of treasury stocks	-17,281	-1,054
8. Other, net	-631	90
Net cash provided by (used in) financing activities	-67,143	36,235
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	-1,329	2,474
V. Net Increase in Cash and Cash Equivalents	19,071	62,426
VI. Cash and Cash Equivalents at Beginning of Year	170,172	107,746
VII. Cash and Cash Equivalents at End of Period	189,243	170,172

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 7. Significant Accounting Policies (Consolidated) (6))

6. Segment Information

(1) Industry Segment Information

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
Office Equipment:				
Net sales:				
Unaffiliated customers	405,400	398,296	7,104	1.8
Intersegment	-	-	-	-
Total	405,400	398,296	7,104	1.8
Operating expenses	352,578	343,831	8,747	2.5
Operating income	52,822	54,465	-1,643	-3.0
<i>Operating income on office equipment sales(%)</i>	13.0	13.7		
Other Businesses:				
Net sales:				
Unaffiliated customers	55,398	52,626	2,772	5.3
Intersegment	606	827	-221	-26.7
Total	56,004	53,453	2,551	4.8
Operating expenses	56,300	51,385	4,915	9.6
Operating income	-296	2,068	-2,364	-
<i>Operating income on sales in other businesses (%)</i>	-0.5	3.9		
Corporate and Eliminations:				
Net sales:				
Intersegment	-606	-827	221	-
Total	-606	-827	221	-
Operating expenses:				
Intersegment	-573	-830	257	-
Corporate	13,561	16,474	-2,913	-
Total	12,988	15,644	-2,656	-
Operating income	-13,594	-16,471	2,877	-
Consolidated:				
Net sales:				
Unaffiliated customers	460,798	450,922	9,876	2.2
Intersegment	-	-	0	-
Total	460,798	450,922	9,876	2.2
Operating expenses	421,866	410,860	11,006	2.7
Operating income	38,932	40,062	-1,130	-2.8
<i>Operating income on consolidated net sales(%)</i>	8.4	8.9		

Identifiable assets: (Millions of yen)

	March 31, 2003	March 31, 2002	Change	%
Office Equipment	1,198,706	1,219,723	-21,017	-1.7
Other Businesses	176,296	185,158	-8,862	-4.8
Elimination	-6,908	-6,991	83	-1.2
Corporate assets	516,828	435,038	81,790	18.8
Total	1,884,922	1,832,928	51,994	2.8

Capital expenditure: (Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
Office Equipment	15,845	18,212	-2,367	-13.0
Other Businesses	2,913	589	2,324	394.6
Corporate	52	203	-151	-74.4
Total	18,810	19,004	-194	-1.0

Depreciation and Amortization: (Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
Office Equipment	15,389	17,736	-2,347	-13.2
Other Businesses	2,262	2,016	246	12.2
Corporate	452	634	-182	-28.7
Total	18,103	20,386	-2,283	-11.2

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
Office Equipment:				
Net sales:				
Unaffiliated customers	1,520,574	1,485,389	35,185	2.4
Intersegment	-	-	-	-
Total	1,520,574	1,485,389	35,185	2.4
Operating expenses	1,329,776	1,304,079	25,697	2.0
Operating income	190,798	181,310	9,488	5.2
<i>Operating income on office equipment sales(%)</i>	<i>12.5</i>	<i>12.2</i>		

Other Businesses:

Net sales:				
Unaffiliated customers	217,784	186,951	30,833	16.5
Intersegment	2,755	3,864	-1,109	-28.7
Total	220,539	190,815	29,724	15.6
Operating expenses	222,772	187,424	35,348	18.9
Operating income	-2,233	3,391	-5,624	-
<i>Operating income on sales in other businesses (%)</i>	<i>-1.0</i>	<i>1.8</i>		

Corporate and Eliminations:

Net sales:				
Intersegment	-2,755	-3,864	1,109	-
Total	-2,755	-3,864	1,109	-
Operating expenses:				
Intersegment	-2,726	-3,893	1,167	-
Corporate	54,882	55,035	-153	-
Total	52,156	51,142	1,014	-
Operating income	-54,911	-55,006	95	-

Consolidated:

Net sales:				
Unaffiliated customers	1,738,358	1,672,340	66,018	3.9
Intersegment	-	-	-	-
Total	1,738,358	1,672,340	66,018	3.9
Operating expenses	1,604,704	1,542,645	62,059	4.0
Operating income	133,654	129,695	3,959	3.1
<i>Operating income on consolidated net sales(%)</i>	<i>7.7</i>	<i>7.8</i>		

Identifiable assets:

(Millions of yen)

	March 31, 2003	March 31, 2002	Change	%
Office Equipment	1,198,706	1,219,723	-21,017	-1.7
Other Businesses	176,296	185,158	-8,862	-4.8
Elimination	-6,908	-6,991	83	-1.2
Corporate assets	516,828	435,038	81,790	18.8
Total	1,884,922	1,832,928	51,994	2.8

Capital expenditure:

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
Office Equipment	65,720	68,513	-2,793	-4.1
Other Businesses	7,213	5,633	1,580	28.0
Corporate	1,023	1,530	-507	-33.1
Total	73,956	75,676	-1,720	-2.3

Depreciation and Amortization:

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
Office Equipment	60,687	64,426	-3,739	-5.8
Other Businesses	6,917	7,448	-531	-7.1
Corporate	1,954	1,908	46	2.4
Total	69,558	73,782	-4,224	-5.7

(2) Geographic Segment Information

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended March 31, 2003	Three months ended March 31, 2002	Change	%
Japan:				
Net sales:				
External customers	249,405	249,481	-76	0.0
Intersegment	83,382	78,886	4,496	5.7
Total	332,787	328,367	4,420	1.3
Operating expenses	310,014	301,329	8,685	2.9
Operating income	22,773	27,038	-4,265	-15.8
<i>Operating income on sales in Japan(%)</i>	6.8	8.2		
The Americas:				
Net sales:				
External customers	86,937	94,489	-7,552	-8.0
Intersegment	1,810	3,110	-1,300	-41.8
Total	88,747	97,599	-8,852	-9.1
Operating expenses	83,754	89,089	-5,335	-6.0
Operating income	4,993	8,510	-3,517	-41.3
<i>Operating income on sales in the Americas(%)</i>	5.6	8.7		
Europe:				
Net sales:				
External customers	99,704	84,293	15,411	18.3
Intersegment	936	875	61	7.0
Total	100,640	85,168	15,472	18.2
Operating expenses	93,879	81,759	12,120	14.8
Operating income	6,761	3,409	3,352	98.3
<i>Operating income on sales in Europe(%)</i>	6.7	4.0		
Other:				
Net sales:				
External customers	24,752	22,659	2,093	9.2
Intersegment	18,489	15,889	2,600	16.4
Total	43,241	38,548	4,693	12.2
Operating expenses	40,897	36,015	4,882	13.6
Operating income	2,344	2,533	-189	-7.5
<i>Operating income on sales in other(%)</i>	5.4	6.6		
Corporate and Eliminations:				
Net sales:				
Intersegment	-104,617	-98,760	-5,857	-
Total	-104,617	-98,760	-5,857	-
Operating expenses:	-106,678	-97,332	-9,346	-
Operating income	2,061	-1,428	3,489	-
Consolidated:				
Net sales:				
External customers	460,798	450,922	9,876	2.2
Intersegment	-	-	-	-
Total	460,798	450,922	9,876	2.2
Operating expenses	421,866	410,860	11,006	2.7
Operating income	38,932	40,062	-1,130	-2.8
<i>Operating income on consolidated net sales(%)</i>	8.4	8.9		

Identifiable assets:

(Millions of yen)

	March 31, 2003	March 31, 2002	Change	%
Japan	1,064,857	1,084,387	-19,530	-1.8
The Americas	201,359	228,743	-27,384	-12.0
Europe	174,541	172,408	2,133	1.2
Other	70,458	61,549	8,909	14.5
Elimination	-143,121	-149,197	6,076	-4.1
Corporate assets	516,828	435,038	81,790	18.8
Total	1,884,922	1,832,928	51,994	2.8

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change	%
Japan:				
Net sales:				
External customers	954,310	938,946	15,364	1.6
Intersegment	320,596	309,745	10,851	3.5
Total	1,274,906	1,248,691	26,215	2.1
Operating expenses	1,188,760	1,142,522	46,238	4.0
Operating income	86,146	106,169	-20,023	-18.9
<i>Operating income on sales in Japan(%)</i>	6.8	8.5		
The Americas:				
Net sales:				
External customers	333,935	338,016	-4,081	-1.2
Intersegment	5,620	8,937	-3,317	-37.1
Total	339,555	346,953	-7,398	-2.1
Operating expenses	325,228	335,521	-10,293	-3.1
Operating income	14,327	11,432	2,895	25.3
<i>Operating income on sales in the Americas(%)</i>	4.2	3.3		
Europe:				
Net sales:				
External customers	352,943	309,086	43,857	14.2
Intersegment	3,019	4,265	-1,246	-29.2
Total	355,962	313,351	42,611	13.6
Operating expenses	337,693	301,152	36,541	12.1
Operating income	18,269	12,199	6,070	49.8
<i>Operating income on sales in Europe(%)</i>	5.1	3.9		
Other:				
Net sales:				
External customers	97,170	86,292	10,878	12.6
Intersegment	72,664	60,655	12,009	19.8
Total	169,834	146,947	22,887	15.6
Operating expenses	159,864	139,874	19,990	14.3
Operating income	9,970	7,073	2,897	41.0
<i>Operating income on sales in other(%)</i>	5.9	4.8		
Corporate and Eliminations:				
Net sales:				
Intersegment	-401,899	-383,602	-18,297	-
Total	-401,899	-383,602	-18,297	-
Operating expenses:	-406,841	-376,424	-30,417	-
Operating income	4,942	-7,178	12,120	-
Consolidated:				
Net sales:				
External customers	1,738,358	1,672,340	66,018	3.9
Intersegment	-	-	-	-
Total	1,738,358	1,672,340	66,018	3.9
Operating expenses	1,604,704	1,542,645	62,059	4.0
Operating income	133,654	129,695	3,959	3.1
<i>Operating income on consolidated net sales(%)</i>	7.7	7.8		

Identifiable assets:

(Millions of yen)

	March 31, 2003	March 31, 2002	Change	%
Japan	1,064,857	1,084,387	-19,530	-1.8
The Americas	201,359	228,743	-27,384	-12.0
Europe	174,541	172,408	2,133	1.2
Other	70,458	61,549	8,909	14.5
Elimination	-143,121	-149,197	6,076	-4.1
Corporate assets	516,828	435,038	81,790	18.8
Total	1,884,922	1,832,928	51,994	2.8

7. Significant Accounting Policies (Consolidated)

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

Consolidated subsidiaries:

13 additions including Ricoh China Co., Ltd. and Shanghai Ricoh Facsimile Co., Ltd.

10 removals including INRG Hong Kong Ltd.

Companies accounted for by the equity method:

4 additions including Tohoku Ricoh Hong Kong Co., Ltd.

16 removals including Ricoh San-ai Tourist Co., Ltd.

2. Consolidated Accounting Policies (Summary)

(1) Principles of Consolidation

The consolidated financial statements include the accounts of Ricoh and its consolidated subsidiaries. Investments in 20% to 50% owned companies when the company has the ability to exercise significant influence are accounted for on the equity basis. All significant inter-company balances and transactions have been eliminated 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 securities 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 is 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 is 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. In addition to the above, Ricoh decided to include short-term investment securities in cash equivalents which are available-for-sale at any time, present insignificant risk of changes in value as they are readily convertible into cash and have an original maturity of three months or less, such as Money Management Funds and Free Financial Funds. Ricoh believes this change is preferable, since as the Company expects to utilize such short-term investment securities more significantly in its operating cash management activities.

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 by ¥27,664 million and to decrease equivalently Marketable securities on balance sheet as of March 31, 2002, and net cash used in investing activities increased by ¥15,629 million, in consolidated statements of cash flow for the 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.

8. Notes to Consolidated Financial Statements

(1) Fair Value of Marketable Securities

The securities and the respective cost, gross unrealized holding gains, gross unrealized holding losses and fair value as of March 31, 2003 and March 31, 2002 are as follows:

(Millions of yen)				
Year ended March 31, 2003				
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Corporate debt securities	107	-	-	107
Other	-	-	-	-
	107	-	-	107
Noncurrent:				
Equity securities	6,328	5,148	519	10,957
Corporate debt securities	45,020	5	195	44,830
Other	9,459	10	654	8,815
Nonmarketable securities (at cost)	7,371	-	-	7,371
	68,178	5,163	1,368	71,973

(Millions of yen)				
Year ended March 31, 2002				
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Corporate debt securities	21,338	1,205	12	22,531
Other	404	-	-	404
	21,742	1,205	12	22,935
Noncurrent:				
Equity securities	7,457	6,025	469	13,013
Corporate debt securities	20	6	-	26
Other	10,612	205	519	10,298
Nonmarketable securities (at cost)	5,549	-	-	5,549
	23,638	6,236	988	28,886

*...Effective from April 1, 2002, short-term investment securities, which are available-for-sale at any time, such as Money Management Funds, are included in cash equivalents. Result for prior years are restated. (See 7. Significant Accounting Policies (Consolidated) (6))

(2) Pension and Retirement Allowances Plans

The Company and certain of its subsidiaries have various employees pension fund ("EPF") plans covering substantially all of their employees. The discount rates and the expected long-term rate of return on plan assets of the pension plans for the years ended March 31, 2003, and March 31, 2002 are as follows:

	Year ended March 31, 2003	Year ended March 31, 2002
Actuarial assumptions:		
Discount rate (%)	2.20 ~ 6.50	2.80 ~ 7.25
Expected long-term rate of return on plan assets (%)	1.00 ~ 8.75	1.50 ~ 9.00

(3) 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 their assets and liabilities. The outstanding agreements, carrying amount and estimated fair value of derivative financial instruments as of March 31, 2003, and March 31, 2002 are as follows:

(Millions of yen)		
Year ended March 31, 2003		
	Carrying amount	Estimated Fair value
Interest rate swap agreements, net	3,985	3,985
Foreign currency contracts-net credit	-594	-594
Currency options-net credit	-466	-466
Total	2,925	2,925
(Millions of yen)		
Year ended March 31, 2002		
	Carrying amount	Estimated Fair value
Interest rate swap agreements, net	4,081	4,081
Foreign currency contracts-net credit	-8,304	-8,304
Currency options	-314	-314
Total	-4,537	-4,537

(4) Transactions of Ricoh with affiliates	(Millions of yen)	
	March 31, 2003	March 31, 2002
Account balances:		
Receivables	6,434	8,513
Payables	1,604	2,858
	(Millions of yen)	
	Year ended	Year ended
	March 31, 2003	March 31, 2002
Transactions:		
Sales	26,510	25,413
Purchases	19,808	15,584
Dividend income	1,236	1,133

(5) Goodwill and Other Intangible Assets

Ricoh has adopted SFAS No. 142, "Goodwill and Other Intangible Assets" effective on April 1, 2002.

Under SFAS No. 142, goodwill is no longer amortized but required to be reviewed for impairment annually or more frequently if necessary. The Company completed the impairment test for goodwill upon adoption of SFAS No.142 and at the end of its fiscal year and determined no impairment had occurred.

Reconciliation of reported net income and basic and diluted net income per share (EPS) to the amounts adjusted for the exclusion of goodwill amortization for the years ended March 31,2003, and March 31, 2002 are as follows:

	(Millions of yen)	
	Year ended	Year ended
	March 31, 2003	March 31, 2002
<u>Net income:</u>		
Basic net income, as reported	72,513	61,614
Add back: goodwill amortization	-	2,514
Adjusted basic net income	72,513	64,128
Diluted net income, as reported	72,599	62,001
Add back: goodwill amortization	-	2,514
Adjusted diluted net income	72,599	64,515
<u>Net income per share (EPS):</u>		
Basic EPS, as reported	99.79	88.27
Add back: goodwill amortization	-	3.60
Adjusted basic EPS	99.79	91.87
Diluted EPS, as reported	96.81	82.46
Add back: goodwill amortization	-	3.34
Adjusted diluted EPS	96.81	85.80

(6) Subsequent events

Wholly owned share of TOHOKU RICOH CO., LTD.

The Company and Tohoku Ricoh Co., Ltd. (Tohoku Ricoh) agreed at their respective boards of directors held on December 17, 2002, the Company making Tohoku Ricoh a wholly owned subsidiary through share exchange, and its share exchange contracts were executed.

The share exchange was made in accordance with the provision of Paragraph 1 of Article 358 (Simplified Share Exchange) of the Commercial Code of Japan, effective on April 1, 2003. The allocation ratio was 0.345 shares of Ricoh stock per share of Tohoku Ricoh stock. Ricoh's treasury stock purchased prior to this transaction was used for the shares to be allocated for this share exchange, in accordance with Article 210 of the Commercial Code of Japan.

Tohoku Ricoh, the Company's consolidated subsidiary already, is a manufacturing and sales company of Ricoh's office equipments and related supplies. The purpose of this share exchange is to enhance competitiveness in their industry, through the integration of both companies' development, design and production functions under the standardized strategies.

No significant material effects to Ricoh's consolidated financial position and performance is expected by this execution of the share exchange.

Ricoh Company, Ltd.

FLASH REPORT (Non-consolidated. Year ended March 31, 2003)

*Date of approval for the financial results for the year ended March 31, 2003,

at the Board of Directors' meeting: May 1, 2003

*Date of shareholders' annual meeting: Jun 26, 2003

1. Results for the Period from April 1, 2002 to March 31, 2003 (Non-consolidated)

(1) Operating Results (Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002
Net sales	855,024	860,149
(% Change from the previous corresponding period)	-0.6	0.5
Operating income	71,856	69,911
(% Change from the previous corresponding period)	2.8	15.3
Ordinary income	68,898	67,688
(% Change from the previous corresponding period)	1.8	2.6
Net income	42,880	40,085
(% Change from the previous corresponding period)	7.0	16.5
Net income per share-basic (yen)	58.76	57.43
Net income per share-diluted (yen)	56.98	53.70
Return on equity (%)	7.5	7.7
Ordinary income on total assets (%)	7.5	7.8
Ordinary income on net sales (%)	8.1	7.9

Notes: Average number of shares outstanding:

Year ended March 31, 2003 726,659,698 shares Year ended March 31, 2002 698,025,167 shares

No changes in accounting and reporting policies

(2) Dividend Information

	Year ended March 31, 2003	Year ended March 31, 2002
Cash dividends, applicable to the year (yen)	14.00	13.00
Half year (yen)	7.00	6.00
Year-end (yen)	7.00	7.00
Total annual dividends (millions of yen)	10,286	9,252
Payout Ratio (%)	24.0	23.1
Dividends on shareholders' equity (%)	1.7	1.7

(3) Financial Position

(Millions of yen)

	March 31, 2003	March 31, 2002
Total assets	933,341	908,009
Shareholders' equity	596,694	553,693
Equity ratio (%)	63.9	61.0
Equity per share (yen)	803.26	761.52

Notes: Number of shares issued:

As of March 31, 2003 742,608,635 shares As of March 31, 2002 727,086,738 shares

Number of Treasury stocks:

As of March 31, 2003 2,303,443 shares As of March 31, 2002 191,518 shares

(4) Forecast of operating results from April 1, 2003 to March 31, 2004 (Non-consolidated)

	Half year ended September 30, 2003	Year ended March 31, 2004
Net sales (Millions of yen)	427,500	884,100
Ordinary income (Millions of yen)	34,500	72,000
Net income (Millions of yen)	22,500	47,000
Cash dividends, applicable to the year (yen)	-	14.00
Half year (yen)	7.00	-
Year-end (yen)	-	7.00

Note: Net income per share ¥ 63.29

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the half year ended September 30, 2003 and year ended March 31, 2004. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of information currently available to management and subject to significant risks and uncertainties.

9. Non-consolidated Performance

(1) Statement of Income (Non-consolidated)

For the years ended March 31, 2003 and 2002.

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change (%)	
Net sales	855,024	860,149	-5,125	(-0.6)
Cost of sales	584,539	593,837	-9,298	(-1.6)
<i>Percentage of net sales (%)</i>	68.4	69.0		
Gross profit	270,485	266,311	4,174	(1.6)
<i>Percentage of net sales (%)</i>	31.6	31.0		
Selling, general and administrative expenses	198,628	196,400	2,228	(1.1)
<i>Percentage of net sales (%)</i>	23.2	22.9		
Selling expenses	56,767	63,935	-7,168	
General and administrative expenses	141,861	132,464	9,397	
Operating income	71,856	69,911	1,945	(2.8)
<i>Percentage of net sales (%)</i>	8.4	8.1		
Non-operating income	11,361	14,676	-3,315	(-22.6)
<i>Percentage of net sales (%)</i>	1.3	1.7		
Interest	3,078	4,955	-1,877	
Interest on securities	372	815	-443	
Dividends	3,800	3,226	574	
Exchange gain	256	-	256	
Miscellaneous income	3,853	5,678	-1,825	
Non-operating expenses	14,319	16,898	-2,579	(-15.3)
<i>Percentage of net sales (%)</i>	1.6	1.9		
Interest	3	4	-1	
Interest on bonds	1,523	1,228	295	
Bond issuance cost	-	279	-279	
Allowance for bankruptcy	4,957	-	4,957	
Exchange loss	-	3,875	-3,875	
Loss on disposition of fixed assets	1,273	1,162	111	
Miscellaneous expenses	6,562	10,348	-3,786	
Ordinary income	68,898	67,688	1,210	(1.8)
<i>Percentage of net sales (%)</i>	8.1	7.9		
Income before income taxes	68,898	67,688	1,210	(1.8)
<i>Percentage of net sales (%)</i>	8.1	7.9		
Provision for income taxes	33,880	31,100	2,780	(8.9)
<i>Percentage of net sales (%)</i>	4.0	3.6		
Corporate and other tax adjustments	-7,862	-3,497	-4,365	(124.8)
<i>Percentage of net sales (%)</i>	-0.9	-0.4		
Net income	42,880	40,085	2,795	(7.0)
<i>Percentage of net sales (%)</i>	5.0	4.7		
Retained earnings at beginning of year	5,703	4,809	894	
Reversal of reserve for social contribution	81	59	22	
Retirement of Treasury stocks	13,328	-	13,328	
Interim dividends	5,088	4,163	925	
Retained earnings at end of year	30,248	40,790	-10,542	

Reference:

Exchange rate

	Year ended March 31, 2003	Year ended March 31, 2002
US\$ 1	121.83	125.03
EURO 1	121.21	110.68

(2) Balance Sheets (Nonconsolidated)

March 31, 2003 and 2002

Assets	(Millions of yen)		
	March 31, 2003	March 31, 2002	Change
Current Assets	498,155	552,898	-54,743
Cash on hand and in banks	8,951	5,976	2,975
Notes receivable-trade	6,287	8,805	-2,518
Accounts receivable-trade	170,349	178,421	-8,072
Marketable securities	132,096	170,847	-38,751
Finished goods	20,711	23,530	-2,819
Raw materials	3,397	3,446	-49
Work-in-process	5,572	7,115	-1,543
Supplies	5,680	6,156	-476
Advances	257	318	-61
Prepaid expenses	1,726	2,212	-486
Deferred tax assets	19,417	15,646	3,771
Accounts receivable-other	119,481	127,412	-7,931
Short-term loans receivable	3,323	3,286	37
Other current assets	1,951	1,316	635
Allowance for doubtful accounts	-1,049	-1,594	545
Fixed Assets	435,186	355,111	80,075
Tangible Fixed Assets	107,183	109,445	-2,262
Buildings	41,408	43,872	-2,464
Structures	1,797	1,937	-140
Machinery and equipment	18,914	19,713	-799
Vehicles	17	20	-3
Tools	17,898	18,748	-850
Land	24,478	24,476	2
Construction in progress	2,669	676	1,993
Intangible Fixed Assets	21,346	18,572	2,774
Patent rights	691	647	44
Leased property rights	8,479	8,479	-
Software	11,907	9,179	2,728
Other intangible fixed assets	267	265	2
Investments and Other Assets	306,655	227,092	79,563
Investment securities	69,176	25,641	43,535
Affiliates' securities	133,589	132,306	1,283
Investment in affiliates	18,199	14,442	3,757
Long-term loans receivable	27	25	2
Long-term loans to affiliates	55,454	29,541	25,913
Bankruptcy and rehabilitation debts	235	31	204
Deferred tax assets	23,721	18,086	5,635
Lease deposit	5,709	5,749	-40
Other investments	3,318	3,720	-402
Allowance for doubtful accounts	-2,777	-2,451	-326
Total Assets	933,341	908,009	25,332
Reference:			
Exchange rate			
	March 31,2003	March 31,2002	
US\$ 1	120.20	133.25	
EURO 1	129.83	116.14	

March 31, 2003 and 2002

Liabilities (Millions of yen)

	March 31, 2003	March 31, 2002	Change
Current Liabilities	201,259	225,489	-24,230
Notes payable-trade	6,822	6,944	-122
Accounts payable-trade	100,348	97,242	3,106
Convertible bonds maturing within one year	-	29,886	-29,886
Accounts payable-other	7,791	5,648	2,143
Accrued expenses	44,789	44,622	167
Accrued corporate tax	19,375	14,658	4,717
Advances by customers	285	602	-317
Deposits payable	3,440	4,126	-686
Accrued bonus	15,838	17,131	-1,293
Warranty reserve	202	333	-131
Derivative liabilities, at fair value	879	4,293	-3,414
Other current liabilities	1,484	-	1,484
Fixed Liabilities	135,387	128,826	6,561
Bonds	100,000	100,000	-
Retirement benefit obligation	34,507	28,068	6,439
Reserve for directors' retirement allowances	879	758	121
Total Liabilities	336,646	354,315	-17,669

Shareholders' Equity (Millions of yen)

	March 31, 2003	March 31, 2002	Change
Common Stock	135,364	120,461	14,903
Additional paid-in-capital	176,131	161,227	14,904
Retained earnings	288,027	268,822	19,205
Legal reserve	14,955	14,955	-
Voluntary reserves	242,824	213,076	29,748
Reserve for deferral of capital gain on property	613	681	-68
Reserve for special depreciation	486	650	-164
Reserve for warranty on computer programs	255	254	1
Reserve for social contribution	119	140	-21
General reserve	241,350	211,350	30,000
Unappropriated retained earnings	30,248	40,790	-10,542
Net unrealized holding gains on securities	1,556	3,615	-2,059
Treasury stock	-4,386	-433	-3,953
Total Shareholders' Equity	596,694	553,693	43,001
Total Liabilities and Shareholders' Equity	933,341	908,009	25,332

Reference:

Exchange rate

	March 31, 2003	March 31, 2002
US\$ 1	120.20	133.25
EURO 1	129.83	116.14

(3) Proposed Appropriation of Retained Earnings

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change
Unappropriated retained earnings at end of year	30,248	40,790	-10,542
Reversal of reserve for deferral of capital gain on property	27	67	-40
Reversal of reserve for special depreciation	104	183	-79
Reversal of reserve for warranty on computer programs	91	135	-44
Total	30,472	41,177	-10,705

To be appropriated as follows:

(Millions of yen)

	Year ended March 31, 2003	Year ended March 31, 2002	Change
Cash dividends	5,198	5,089	109
Dividends per share (yen)	7.00	7.00	
Director bonuses	183	170	13
Reserve for deferral of capital gain on property	14	-	14
Reserve for special depreciation	118	18	100
Reserve for warranty on computer programs	141	136	5
Reserve for social contribution	81	59	22
General reserve	19,000	30,000	-11,000
Retained earnings brought forward to the next year	5,736	5,703	33

Notes:

On December 2, 2002, the Company made interim cash dividends of ¥7.00 per share totaling ¥5,088,433,770.

Significant Accounting Policies (Non-consolidated)

1. Accounting policy for assets

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

(2) Securities

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

Other securities:

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

Non-marketable 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 on and after April 1, 1998, however, Ricoh uses straight-line depreciation.

(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 a 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 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) Warranty reserve

To cover product after-sales service expenses, the Company calculates the product warranty reserve based on projected service costs during warranty terms.

(4) Reserve for Retirement Benefit Obligations

To cover projected employee benefits, the Company records the estimated obligations at the end of current fiscal year based on projected year-end benefit obligations and plan assets. The company uses straight-line depreciation for actuarial gains or losses and for prior service costs over averaged remaining employment term. (15years)

(Additional information)

On January 1, 2003, the Company obtained an approval for the exemption from the future benefit obligation of the Japanese government of the substitute portion in accordance with new law concerning the defined benefit plan.

The Company has not adopted transitional measure as set forth in the "Practice Guideline Concerning Retirement Benefit Accounting (Interim Report)" (Report of the Accounting Standards Committee of The Japanese Institute of Certified Public Accountants No.13), Item 47-2. The effect of the transitional measure as set forth in this Practice Guideline, Item 47-2 is expected to increase extra ordinary gain by 13,146 million yen.

(5) Reserve for Directors' Retirement Allowances

At year-end, Ricoh calculates the amounts required under internal rules to pay directors retirement allowances.

4. Leasing

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

5. Hedge accounting

(1) Hedge Accounting Methods

Ricoh accounts for hedges at market value. With currency swaps, however, the Company hedges by assigning transactions that meet assignment requirements.

(2) Hedging Instruments and Targets

There is no Hedging Instrument or Hedging Target at the end of current fiscal year.

(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.

(4) Hedge Effectiveness

Ricoh assesses the effectiveness of hedges by analyzing the ratios of the total market fluctuations of hedged targets and instruments.

6. Others

(1) Consumption taxes

Consumption taxes are excluded from revenues and expenses. The refundable consumption tax at the end of the year is included in "Other current assets", after offsetting suspense payments and receipt of consumption taxes and etc.

(2) Accounting standard regarding treasury stock and reduction of regal reserve

The company adopted "Accounting standard regarding treasury stock and reduction of regal reserve"(Accounting Standard No.1) from this fiscal year. The new standard had immaterial effect on results of operations.

(3) Earning per share

The company adopted "Accounting standard for earning per share"(Accounting Standard No.2) and "Application guideline for accounting standard for earning per share"(Application guideline for accounting standard No.4) from this fiscal year.

Notes to Non-consolidated Financial Statements

(Balance Sheets)

	(Millions of yen)	
	March 31, 2003	March 31, 2002
1. Accumulated depreciation on tangible fixed assets	319,767	326,074
2. Trade notes receivable discounted with banks	47	98
3. Guarantee obligations	1,115	6,945
4. Issuance of new shares during the term		
Conversion of convertible bonds (number of shares)	24,633,822	
[Amount transferred to common stock (millions of yen)]	14,903	
Retirement of Treasury stocks (number of shares)	7,000,000	
[Amount of historical cost (millions of yen)]	13,328	

(Securities)

Fair values of subsidiaries and affiliates

1. Year ended March 31, 2002

(Millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	9,259	40,603	31,344
Securities of affiliated companies	6,935	48,255	41,319
Total	16,194	88,858	72,663

2. Year ended March 31, 2003

(Millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	6,966	26,552	19,586
Securities of affiliated companies	6,935	43,295	36,359
Total	13,901	69,848	55,946

(Tax Effect Accounting)

1. The prime components of deferred tax assets and liabilities are as follows:

	(Millions of yen)	
	March 31, 2003	March 31, 2002
Deferred tax assets:		
Retirement benefit obligation	21,251	18,258
Accrued bonus	5,397	4,681
Inventory revaluation	2,239	2,695
Depreciation and amortization	1,958	2,056
Accrued enterprise tax	1,883	1,323
Other	18,266	14,138
Total deferred tax assets	50,994	43,151

	(Millions of yen)	
	March 31, 2003	March 31, 2002
Deferred tax liabilities:		
Retirement benefit trust establishment	-5,842	-5,842
Net unrealized holding gains on securities	-1,060	-2,603
Reserve for deferral of capital gain on property	-408	-441
Reserve for special depreciation	-339	-350
Reserve for warranty on computer programs	-207	-183
Total deferred tax liabilities	-7,856	-9,419

	(Millions of yen)	
	March 31, 2003	March 31, 2002
Net deferred tax assets	43,138	33,732
Included in current assets	19,417	15,646
Included in investment and other assets	23,721	18,086

2. Difference in normal effective statutory tax rate and effective tax rate after applying tax effective accounting

Normal effective statutory tax rate (Reconciliation)	41.87 %
Permanently non-deductible expenses	0.27
Permanently non-taxable income	-0.65
Tax credit for foreign taxes	-0.73
Per capita inhabitant tax	0.11
Effect of change in enacted tax rate	1.20
Tax credit for increased research and development expenses	-1.77
Other tax credit	-2.31
Other	-0.23
Effective tax rate	37.76 %

Local Tax Law has amended and enacted and pro forma standard taxation will be effective from April 1, 2004. Statutory tax rate used for the calculation of current deferred tax assets and liabilities, which is based on temporary difference dissolved within March 31, 2003, was rate before the amendment, and for long-term deferred tax assets and liabilities dissolved after April 1, 2004 was rate after the amendment. Due to the change in tax rate, deferred tax assets amounts (net of deferred tax liabilities) decreased by 838 million yen and deferred tax increased 838 million yen.

Subsequent events

(Conversion of TOHOKU RICOH CO., LTD. Into a wholly owned subsidiary through exchange of stock)

The Company and Tohoku Ricoh Co., Ltd. (Tohoku Ricoh) agreed at their respective boards of directors held on December 17, 2002, the Company making Tohoku Ricoh a wholly owned subsidiary through share exchange, and its share exchange contracts were executed.

The share exchange was made in accordance with the provision of Paragraph 1 of Article 358 (Simplified Share Exchange) of the Commercial Code of Japan, and its effective date was April 1, 2003. The allocation ratio was 0.345 shares of Ricoh stock per share of Tohoku Ricoh stock. Ricoh's treasury stock purchased prior to this transaction was used for the shares to be allocated for this share exchange, in accordance with Article 210 of the Commercial Code of Japan.

This transaction decreased Treasury stock by 4,264 million yen out of the ending balance of 4,386 million yen in shareholders' investment and increased Affiliates' securities by 7,655 million yen, Additional paid-in-capital by 3,391 million yen.

-APPENDIX- (Year ended March 31, 2003)

1. Consolidated Quarterly Performance Outline

	(Billions of yen)							
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)	4Q	Change(%)
Net sales	428.2	4.0	428.5	5.0	420.7	4.8	460.7	2.2
Gross profit	186.4	7.2	174.1	3.7	184.9	6.5	199.7	8.3
Operating income	35.9	13.6	25.4	-10.2	33.3	12.3	38.9	-2.8
Income before income taxes	32.2	18.7	23.4	-7.7	29.9	15.9	37.8	6.3
Net income	19.5	31.2	14.0	3.5	17.8	19.5	21.1	15.7
Net income per share (yen)	26.85	-	19.26	-	24.51	-	29.17	-
Net income per share-diluted (yen)	26.01	-	18.67	-	23.74	-	28.39	-
Total assets	1,821.9	-	1,826.3	-	1,807.2	-	1,884.9	-
Shareholders' equity	648.3	-	663.6	-	671.1	-	657.5	-
Shareholders' equity per share (yen)	891.78	-	912.98	-	925.98	-	885.41	-
Cash flows from operating activities	54.3	-	44.7	-	13.0	-	73.5	-
Cash flows from investing activities	-15.4	-	-17.9	-	-43.3	-	-21.5	-
Cash flows from financing activities	-3.7	-	-12.7	-	-9.6	-	-40.9	-
Cash and cash equivalents at end of period	203.0	-	217.4	-	177.5	-	189.2	-

(2) Capital expenditures and Depreciation

	(Billions of yen)			
	1Q	2Q	3Q	4Q
Capital expenditures	17.6	20.8	16.7	18.8
Depreciation for tangible fixed assets	16.9	16.9	17.5	18.1

(3) R&D Expenditures

	(Billions of yen)			
	1Q	2Q	3Q	4Q
R&D expenditures	18.4	21.7	20.8	22.4
R&D expenditures / Total Sales (%)	4.3	5.1	5.0	4.9

(4) Interest income (expenses) net

	(Billions of yen)			
	1Q	2Q	3Q	4Q
Interest income (expenses) net	-0.7	-1.2	-0.6	-0.3

(5) Exchange Rate

	1Q	2Q	3Q	4Q
Exchange rate (Yen/US\$)	127.01	119.19	122.59	119.04
Exchange rate (Yen/EURO)	116.56	117.34	122.59	127.63

2. Consolidated Sales by Product Category

(Three months ended March 31, 2003 and 2002)

(Millions of yen)

	Three months ended March 31, '03	Three months ended March 31, '02	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	166,111	180,519	-14,408	-8.0	-12,581	-7.0
<i>Percentage of net sales (%)</i>	36.0	40.0				
Domestic	66,170	72,674	-6,504	-8.9	-6,504	-8.9
Overseas	99,941	107,845	-7,904	-7.3	-6,077	-5.6
Other Imaging Systems	54,917	66,107	-11,190	-16.9	-10,673	-16.1
<i>Percentage of net sales (%)</i>	12.0	14.7				
Domestic	18,822	21,328	-2,506	-11.7	-2,506	-11.7
Overseas	36,095	44,779	-8,684	-19.4	-8,167	-18.2
Total Imaging Solutions	221,028	246,626	-25,598	-10.4	-23,254	-9.4
<i>Percentage of net sales (%)</i>	48.0	54.7				
Domestic	84,992	94,002	-9,010	-9.6	-9,010	-9.6
Overseas	136,036	152,624	-16,588	-10.9	-14,244	-9.3
Networking input/output systems:						
Printing Systems	116,450	80,228	36,222	45.1	36,194	45.1
<i>Percentage of net sales (%)</i>	25.3	17.8				
Domestic	51,043	40,087	10,956	27.3	10,956	27.3
Overseas	65,407	40,141	25,266	62.9	25,238	62.9
Other Input/Output Systems	10,565	12,484	-1,919	-15.4	-1,985	-15.9
<i>Percentage of net sales (%)</i>	2.3	2.7				
Domestic	1,868	3,641	-1,773	-48.7	-1,773	-48.7
Overseas	8,697	8,843	-146	-1.7	-212	-2.4
Total Networking input/output systems	127,015	92,712	34,303	37.0	34,209	36.9
<i>Percentage of net sales (%)</i>	27.6	20.5				
Domestic	52,911	43,728	9,183	21.0	9,183	21.0
Overseas	74,104	48,984	25,120	51.3	25,026	51.1
Network system solutions	57,357	58,958	-1,601	-2.7	-1,580	-2.7
<i>Percentage of net sales (%)</i>	12.4	13.1				
Domestic	56,795	58,296	-1,501	-2.6	-1,501	-2.6
Overseas	562	662	-100	-15.1	-79	-11.9
Office Equipment Total	405,400	398,296	7,104	1.8	9,375	2.4
<i>Percentage of net sales (%)</i>	88.0	88.3				
Domestic	194,698	196,026	-1,328	-0.7	-1,328	-0.7
Overseas	210,702	202,270	8,432	4.2	10,703	5.3
The Americas	88,937	96,137	-7,200	-7.5	1,863	1.9
Europe	98,309	84,908	13,401	15.8	5,842	6.9
Other	23,456	21,225	2,231	10.5	2,998	14.1
< Other Businesses >						
Other Businesses	55,398	52,626	2,772	5.3	2,620	5.0
<i>Percentage of net sales (%)</i>	12.0	11.7				
Domestic	41,552	42,118	-566	-1.3	-566	-1.3
Overseas	13,846	10,508	3,338	31.8	3,186	30.3
The Americas	393	369	24	6.5	60	16.3
Europe	1,618	420	1,198	285.2	1,066	253.8
Other	11,835	9,719	2,116	21.8	2,060	21.2
Grand Total	460,798	450,922	9,876	2.2	11,995	2.7
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	236,250	238,144	-1,894	-0.8	-1,894	-0.8
<i>Percentage of net sales (%)</i>	51.3	52.8				
Overseas	224,548	212,778	11,770	5.5	13,889	6.5
<i>Percentage of net sales (%)</i>	48.7	47.2				
The Americas	89,330	96,506	-7,176	-7.4	1,923	2.0
<i>Percentage of net sales (%)</i>	19.4	21.4				
Europe	99,927	85,328	14,599	17.1	6,908	8.1
<i>Percentage of net sales (%)</i>	21.7	18.9				
Other	35,291	30,944	4,347	14.0	5,058	16.3
<i>Percentage of net sales (%)</i>	7.6	6.9				

Each category includes the following product line:

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

Reference:	Three months ended	Three months ended	Change
Exchange rate	March 31, 2003	March 31, 2002	
US\$ 1	¥119.04	¥132.50	¥-13.46
EURO 1	¥127.63	¥116.21	¥11.42

(Full year ended March 31, 2003 and 2002)

(Millions of yen)

	Year ended March 31, '03	Year ended March 31, '02	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	626,967	654,425	-27,458	-4.2	-34,787	-5.3
<i>Percentage of net sales (%)</i>	36.1	39.1				
Domestic	265,654	294,827	-29,173	-9.9	-29,173	-9.9
Overseas	361,313	359,598	1,715	0.5	-5,614	-1.6
Other Imaging Systems	232,746	279,755	-47,009	-16.8	-51,083	-18.3
<i>Percentage of net sales (%)</i>	13.4	16.7				
Domestic	80,520	97,356	-16,836	-17.3	-16,836	-17.3
Overseas	152,226	182,399	-30,173	-16.5	-34,247	-18.8
Total Imaging Solutions	859,713	934,180	-74,467	-8.0	-85,870	-9.2
<i>Percentage of net sales (%)</i>	49.5	55.8				
Domestic	346,174	392,183	-46,009	-11.7	-46,009	-11.7
Overseas	513,539	541,997	-28,458	-5.3	-39,861	-7.4
Networking input/output systems:						
Printing Systems	408,830	299,231	109,599	36.6	102,441	34.2
<i>Percentage of net sales (%)</i>	23.5	17.9				
Domestic	177,510	141,273	36,237	25.7	36,237	25.7
Overseas	231,320	157,958	73,362	46.4	66,204	41.9
Other Input/Output Systems	54,549	45,016	9,533	21.2	9,077	20.2
<i>Percentage of net sales (%)</i>	3.2	2.7				
Domestic	10,100	14,966	-4,866	-32.5	-4,866	-32.5
Overseas	44,449	30,050	14,399	47.9	13,943	46.4
Total Networking input/output systems	463,379	344,247	119,132	34.6	111,518	32.4
<i>Percentage of net sales (%)</i>	26.7	20.6				
Domestic	187,610	156,239	31,371	20.1	31,371	20.1
Overseas	275,769	188,008	87,761	46.7	80,147	42.6
Network system solutions	197,482	206,962	-9,480	-4.6	-9,552	-4.6
<i>Percentage of net sales (%)</i>	11.3	12.4				
Domestic	194,873	204,631	-9,758	-4.8	-9,758	-4.8
Overseas	2,609	2,331	278	11.9	206	8.8
Office Equipment Total	1,520,574	1,485,389	35,185	2.4	16,096	1.1
<i>Percentage of net sales (%)</i>	87.5	88.8				
Domestic	728,657	753,053	-24,396	-3.2	-24,396	-3.2
Overseas	791,917	732,336	59,581	8.1	40,492	5.5
The Americas	342,568	340,260	2,308	0.7	10,873	3.2
Europe	349,577	308,450	41,127	13.3	14,450	4.7
Other	99,772	83,626	16,146	19.3	15,169	18.1
< Other Businesses >						
Other Businesses	217,784	186,951	30,833	16.5	29,508	15.8
<i>Percentage of net sales (%)</i>	12.5	11.2				
Domestic	167,365	149,602	17,763	11.9	17,763	11.9
Overseas	50,419	37,349	13,070	35.0	11,745	31.4
The Americas	1,372	1,487	-115	-7.7	-81	-5.4
Europe	4,900	2,862	2,038	71.2	1,700	59.4
Other	44,147	33,000	11,147	33.8	10,126	30.7
Grand Total	1,738,358	1,672,340	66,018	3.9	45,604	2.7
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	896,022	902,655	-6,633	-0.7	-6,633	-0.7
<i>Percentage of net sales (%)</i>	51.5	54.0				
Overseas	842,336	769,685	72,651	9.4	52,237	6.8
<i>Percentage of net sales (%)</i>	48.5	46.0				
The Americas	343,940	341,747	2,193	0.6	10,792	3.2
<i>Percentage of net sales (%)</i>	19.8	20.4				
Europe	354,477	311,312	43,165	13.9	16,150	5.2
<i>Percentage of net sales (%)</i>	20.4	18.6				
Other	143,919	116,626	27,293	23.4	25,295	21.7
<i>Percentage of net sales (%)</i>	8.3	7.0				

Each category includes the following product line:

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

Reference:	Year ended	Year ended	Change
Exchange rate	March 31, 2003	March 31, 2002	
US\$ 1	¥121.96	¥125.10	¥-3.14
EURO 1	¥121.00	¥110.60	¥10.40

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended Mar.31,'03	Year ended March 31,2004				Half year ended September 30,2003			
		Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Equipment>									
Imaging Solutions:									
Digital Imaging Systems	626.9	569.5	-9.2	573.5	-8.5	286.0	-7.6	287.0	-7.2
Domestic	265.6	240.0	-9.7	240.0	-9.7	125.0	-8.0	125.0	-8.0
Overseas	361.3	329.5	-8.8	333.5	-7.7	161.0	-7.2	162.0	-6.6
Other Imaging Systems	232.7	191.0	-17.9	192.5	-17.3	99.5	-17.8	100.0	-17.3
Domestic	80.5	68.0	-15.5	68.0	-15.5	34.0	-17.0	34.0	-17.0
Overseas	152.2	123.0	-19.2	124.5	-18.2	65.5	-18.1	66.0	-17.5
Total Imaging Solutions	859.7	760.5	-11.5	766.0	-10.9	385.5	-10.4	387.0	-10.1
Domestic	346.1	308.0	-11.0	308.0	-11.0	159.0	-10.1	159.0	-10.1
Overseas	513.5	452.5	-11.9	458.0	-10.8	226.5	-10.7	228.0	-10.1
Networking input/output systems:									
Printing Systems	408.8	555.0	35.8	559.0	36.7	261.0	37.8	261.6	38.1
Domestic	177.5	232.0	30.7	232.0	30.7	109.0	32.9	109.0	32.9
Overseas	231.3	323.0	39.6	327.0	41.4	152.0	41.5	152.6	42.1
Other Input/Output Systems	54.5	69.5	27.4	70.5	29.2	38.0	28.7	38.2	29.3
Domestic	10.1	12.0	18.8	12.0	18.8	7.0	17.5	7.0	17.5
Overseas	44.4	57.5	29.4	58.5	31.6	31.0	31.5	31.2	32.3
Total Networking input/output systems	463.3	624.5	34.8	629.5	35.8	299.0	36.6	299.8	36.9
Domestic	187.6	244.0	30.1	244.0	30.1	116.0	31.9	116.0	31.9
Overseas	275.7	380.5	38.0	385.5	39.8	183.0	39.7	183.8	40.3
Network system solutions	197.4	195.0	-1.3	195.0	-1.3	98.5	-1.6	98.5	-1.6
Domestic	194.8	192.0	-1.5	192.0	-1.5	97.0	-1.8	97.0	-1.8
Overseas	2.6	3.0	15.0	3.0	15.0	1.5	15.6	1.5	15.6
Office Equipment Total	1,520.5	1,580.0	3.9	1,590.5	4.6	783.0	4.5	785.3	4.8
Domestic	728.6	744.0	2.1	744.0	2.1	372.0	2.3	372.0	2.3
Overseas	791.9	836.0	5.6	846.5	6.9	411.0	6.5	413.3	7.1
The Americas	342.5	346.7	1.2	352.5	2.9	170.6	0.4	175.0	3.0
Europe	349.5	369.0	5.6	372.5	6.6	181.1	10.1	176.5	7.3
Other	99.7	120.3	20.6	121.5	21.8	59.3	15.3	61.8	20.1
< Other Businesses >									
Other Businesses	217.7	225.0	3.3	226.0	3.8	112.0	4.2	112.1	4.3
Domestic	167.3	168.0	0.4	168.0	0.4	87.0	1.1	87.0	1.1
Overseas	50.4	57.0	13.1	58.0	15.0	25.0	16.6	25.1	17.0
The Americas	1.3	1.3	-5.2	1.5	9.3	0.4	-20.9	0.5	-1.2
Europe	4.9	8.0	63.3	7.5	53.1	2.9	66.9	2.9	66.9
Other	44.1	47.7	8.0	49.0	11.0	21.7	13.0	21.7	13.0
Grand Total	1,738.3	1,805.0	3.8	1,816.5	4.5	895.0	4.5	897.4	4.7
Domestic	896.0	912.0	1.8	912.0	1.8	459.0	2.1	459.0	2.1
Overseas	842.3	893.0	6.0	904.5	7.4	436.0	7.1	438.4	7.6
The Americas	343.9	348.0	1.2	354.0	2.9	171.0	0.3	175.5	3.0
Europe	354.4	377.0	6.4	380.0	7.2	184.0	10.7	179.4	8.0
Other	143.9	168.0	16.7	170.5	18.5	81.0	14.7	83.5	18.2

* Excluding foreign exchange impact

Each category includes the following product line:

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

Reference:	Year ended Mar. 31, '03	Year ended Mar. 31, '04	Half year ended Sept. 30, '03
Exchange rate		(Forecast)	(Forecast)
US\$ 1	¥121.96	¥120.00	¥120.00
EURO 1	¥121.00	¥120.00	¥120.00

4. Calculation Information Where the Equity Method Is Applied to Ricoh's Leasing Subsidiary

The statements of income and the balance sheets below reflect the application of the equity method where Ricoh Leasing Company, Ltd., is excluded from the consolidated accounts.

Statements of Income (Year ended March 31, 2003) (Billions of yen)

	Consolidated	Equity Method
Net sales	1,738.3	1,626.5
Gross profit	745.3	726.3
Operating income	133.6	117.2
Income before income taxes	123.4	107.4
Net income	72.5	72.5

Balance Sheets (March 31, 2003) (Billions of yen)

	Consolidated	Equity Method		Consolidated	Equity Method
Cash and cash equivalents	200.3	199.0	Short-term borrowings	138.7	67.7
Other current assets	622.1	758.0	Other current liabilities	449.8	512.0
Current assets	822.5	957.1	Current liabilities	588.5	579.7
Finance receivable	476.2	61.7	Long-term borrowings	345.9	130.5
Other fixed assets	586.1	610.3	Other fixed liabilities	239.6	238.5
Fixed assets	1,062.4	672.0	Fixed liabilities	585.5	369.0
			Minority interest	53.2	22.8
			Shareholders' investment	657.5	657.5
Total Assets	1,884.9	1,629.1	Total Liabilities and shareholders' investment	1,884.9	1,629.1

Key Financial Ratios (Year ended March 31, 2003)

	Consolidated	Change from previous period	Equity Method	Change from previous period
Return on assets	6.6%	0.2%	6.7%	-0.2%
Return on equity	11.2%	0.8%	11.2%	0.8%
Equity ratio	34.9%	0.4%	40.4%	0.3%
Debt/Total assets	25.7%	-4.9%	11.2%	-6.0%
Debt/Equity	73.7%	-15.0%	30.1%	-12.7%
Total assets turnover	0.94	-	1.01	-