



FLASH REPORT

Year ended March 31, 2006

(Results for the Period from April 1, 2005 to March 31, 2006)

Three months ended March 31, 2006

(Results for the Period from January 1, 2006 to March 31, 2006)

Performance Outline (Consolidated)

(1) Year ended March 31, 2006, 2005 and Year ending March 31, 2007 (Forecast)

				(Billions of yen)	
	Year ended March 31, 2006 (Results)	Year ended March 31, 2005 (Results)	Change	Year ending March 31, 2007 (Forecast)	Change
Domestic sales	972.0	972.9	-0.1%	1,000.0	2.9%
Overseas sales	943.0	841.1	12.1%	1,050.0	11.3%
Net sales	1,915.0	1,814.1	5.6%	2,050.0	7.0%
Gross profit	799.6	754.5	6.0%	850.0	6.3%
Operating income	152.0	135.5	12.2%	170.0	11.8%
Income before income taxes	156.1	135.3	15.4%	168.0	7.6%
Net income	97.0	83.1	16.7%	106.0	9.2%
Exchange rate (Yen/US\$)	113.26	107.58	5.68	115.00	1.74
Exchange rate (Yen/EURO)	137.86	135.25	2.61	140.00	2.14
Net income per share (yen)	132.33	112.64	19.69	145.29	12.96
Return on equity (%)	10.6	10.0	0.6	-	-
Income before income taxes on total assets (%)	7.8	7.1	0.7	-	-
Income before income taxes on net sales (%)	8.2	7.5	0.7	8.2	0.0
Total assets	2,041.1	1,953.6	87.5	-	-
Shareholders' equity	960.2	862.9	97.2	-	-
Interest-bearing debt	381.2	410.0	-28.8	-	-
Equity ratio (%)	47.0	44.2	2.8	-	-
Shareholders' equity per share (yen)	1,316.21	1,175.67	140.54	-	-
Cash flows from operating activities	176.8	132.7	44.0	-	-
Cash flows from investing activities	-120.0	-96.1	-23.8	-	-
Cash flows from financing activities	-59.9	-56.4	-3.5	-	-
Cash and cash equivalents at end of period	187.0	186.8	0.1	-	-
Capital expenditures	102.0	84.7	17.3	90.0	-12.0
Depreciation for tangible fixed assets	67.4	66.7	0.6	69.0	1.5
R&D expenditures	110.3	110.4	-0.0	120.0	9.6
Number of employees (Japan) (thousand people)	39.9	40.1	-0.2	-	-
Number of employees (Overseas) (thousand people)	36.2	35.0	1.2	-	-

Ricoh Company, Ltd.

* The Company bases the forecast estimates for March 31, 2007 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, 2006 and 2005

	(Billions of yen)		
	Three months ended March 31, 2006	Three months ended March 31, 2005	Change
Domestic sales	260.2	272.4	-4.5%
Overseas sales	256.0	221.8	15.4%
Net sales	516.3	494.3	4.4%
Gross profit	210.2	198.5	5.8%
Operating income	48.0	39.0	23.0%
Income before income taxes	48.0	40.6	18.3%
Net income	31.1	25.0	24.3%
Exchange rate (Yen/US\$)	117.01	104.60	12.41
Exchange rate (Yen/EURO)	140.72	137.26	3.46
Net income per share (yen)	42.59	34.08	8.51
Return on equity (%)	3.3	2.9	0.4
Income before income taxes on total assets (%)	2.4	2.1	0.3
Income before income taxes on net sales (%)	9.3	8.2	1.1
Capital expenditures	22.6	25.9	-3.3
Depreciation for tangible fixed assets	18.7	18.7	-0.0
R&D expenditures	28.2	30.8	-2.6

(3) Three months ending June 30, 2006 (Forecast) and Three months ended June 30, 2005

	(Billions of yen)		
	Three months ending June 30, 2006 (Forecast)	Three months ended June 30, 2005 (Results)	Change
Domestic sales	237.0	233.9	1.3%
Overseas sales	236.0	218.9	7.8%
Net sales	473.0	452.9	4.4%
Gross profit	203.5	194.7	4.5%
Operating income	39.5	37.2	5.9%
Income before income taxes	39.0	38.0	2.4%
Net income	28.3	23.7	19.3%
Exchange rate (Yen/US\$)	115.00	107.60	7.40
Exchange rate (Yen/EURO)	140.00	135.55	4.45
Capital expenditures	21.0	34.7	-13.7
Depreciation for tangible fixed assets	16.0	15.6	0.3
R&D expenditures	26.5	25.5	0.9

(4) Half year ending September 30, 2006 (Forecast) and Half year ended September 30, 2005

	(Billions of yen)		
	Half year ending September 30, 2006 (Forecast)	Half year ended September 30, 2005 (Results)	Change
Domestic sales	487.0	480.9	1.3%
Overseas sales	490.0	442.1	10.8%
Net sales	977.0	923.0	5.8%
Gross profit	411.0	388.2	5.9%
Operating income	73.0	66.9	9.1%
Income before income taxes	72.0	69.4	3.7%
Net income	47.8	42.8	11.5%
Exchange rate (Yen/US\$)	115.00	109.42	5.58
Exchange rate (Yen/EURO)	140.00	135.67	4.33
Capital expenditures	43.0	58.1	-15.1
Depreciation for tangible fixed assets	32.0	31.1	0.8
R&D expenditures	58.0	54.9	3.0

Ricoh Company, Ltd. and Consolidated Subsidiaries

FLASH REPORT (Consolidated Results for the Year Ended March 31, 2006)

Date of approval for the financial results for the year ended March 31, 2006,
at the Board of Directors' meeting: April 26, 2006

1. Results for the period from April 1, 2005 to March 31, 2006

	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2005
(1) Operating Results		
Net sales	1,915,090	1,814,108
<i>(% change from the previous fiscal year)</i>	<i>5.6</i>	<i>1.9</i>
Operating income	152,014	135,506
<i>(% change from the previous fiscal year)</i>	<i>12.2</i>	<i>-9.7</i>
Income before income taxes	156,199	135,383
<i>(% change from the previous fiscal year)</i>	<i>15.4</i>	<i>-5.4</i>
Net income	97,057	83,143
<i>(% change from the previous fiscal year)</i>	<i>16.7</i>	<i>-9.4</i>
Net income per share-basic (yen)	132.33	112.64
Net income per share-diluted (yen)	-	-

Notes:

- i. Equity in income of affiliates: ¥2,606 million (¥3,120 million in previous fiscal year)
- ii. No change in accounting method have been made.
- iii. Average number of shares outstanding (consolidated): 733,434,414 shares (738,160,042 shares in previous fiscal year)
- iv. Percentage changes in net sales, operating income, income before income taxes, and net income based on the previous corresponding periods.
- v. Net income per share is calculated as required by SFAS No. 128.

(2) Financial Position	(Millions of yen)	
	March 31, 2006	March 31, 2005
Total assets	2,041,183	1,953,669
Shareholders' equity	960,245	862,998
Equity ratio (%)	47.0	44.2
Equity per share (yen)	1,316.21	1,175.67

Note: Number of shares outstanding as of March 31, 2006: 729,552,274 shares (734,045,879 shares as of March 31, 2005)

(3) Cash Flows	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2005
Cash flows from operating activities	176,869	132,780
Cash flows from investing activities	-120,065	-96,198
Cash flows from financing activities	-59,989	-56,439
Cash and cash equivalents at end of period	187,055	186,857

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

Number of consolidated subsidiaries: 259; nonconsolidated subsidiaries: 39; affiliated companies: 20

(5) Changes relating to the scale of consolidation and the application of the equity method:

Consolidated subsidiaries: 6 additions; 32 removals

Companies accounted for by the equity method: 3 removals

Note:

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, 2006 to March 31, 2007	(Millions of yen)	
	Half year ending September 30, 2006	Year ending March 31, 2007
Net sales	977,000	2,050,000
Operating income	73,000	170,000
Income before income taxes	72,000	168,000
Net income	47,800	106,000

Note: Net income per share (Consolidated) 145.29 yen

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 31, 2007. 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 298 subsidiaries and 20 affiliates.

Their development, manufacturing, sales, and service activities center on Office Solution Business, Industry Business, and Other Business.

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 Solution 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, and digital duplicators. 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 support and service 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., Ricoh Keiki Co., Ltd., and Ricoh Printing Systems, Ltd.
The Americas...Ricoh Electronics, Inc.
Europe...Ricoh UK Products Ltd., Ricoh Industrie France S.A.S.
Other regions...Ricoh Asia Industry (Shenzhen) Ltd., Shanghai Ricoh Facsimile Co., Ltd., and Sindo Ricoh Co., Ltd. (affiliated company)

Sales and Service

Japan ...Hokkaido Ricoh Co., Ltd., Ricoh Tohoku Co., Ltd., Ricoh Sales Co., Ltd. Ricoh Chubu Co., Ltd., Ricoh Kansai Co., Ltd., Ricoh Chugoku Co., Ltd., Ricoh Kyushu Co., Ltd., and 32 other sales companies nationwide, Ricoh Technosystems Co., Ltd., Ricoh Leasing Co., Ltd., and Ricoh Logistics System Co., Ltd.
The Americas...Ricoh Corporation, 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.

<Industry Business>

Manufacturing and marketing thermal media, optical equipments, semiconductors, electronic component and measuring equipments

[Main Subsidiaries and Affiliates]

Production and Sales

Japan...Ricoh Optical Industries Co., Ltd., Ricoh Elemex Corporation, and Ricoh Microelectronics Co., Ltd.
The Americas...Ricoh Electronics, Inc.
Europe...Ricoh Industrie France S.A.S.

<Other Business>

Supplying optical discs and digital camera, and providing leasing and logistics services

[Main Subsidiaries and Affiliates]

Sales

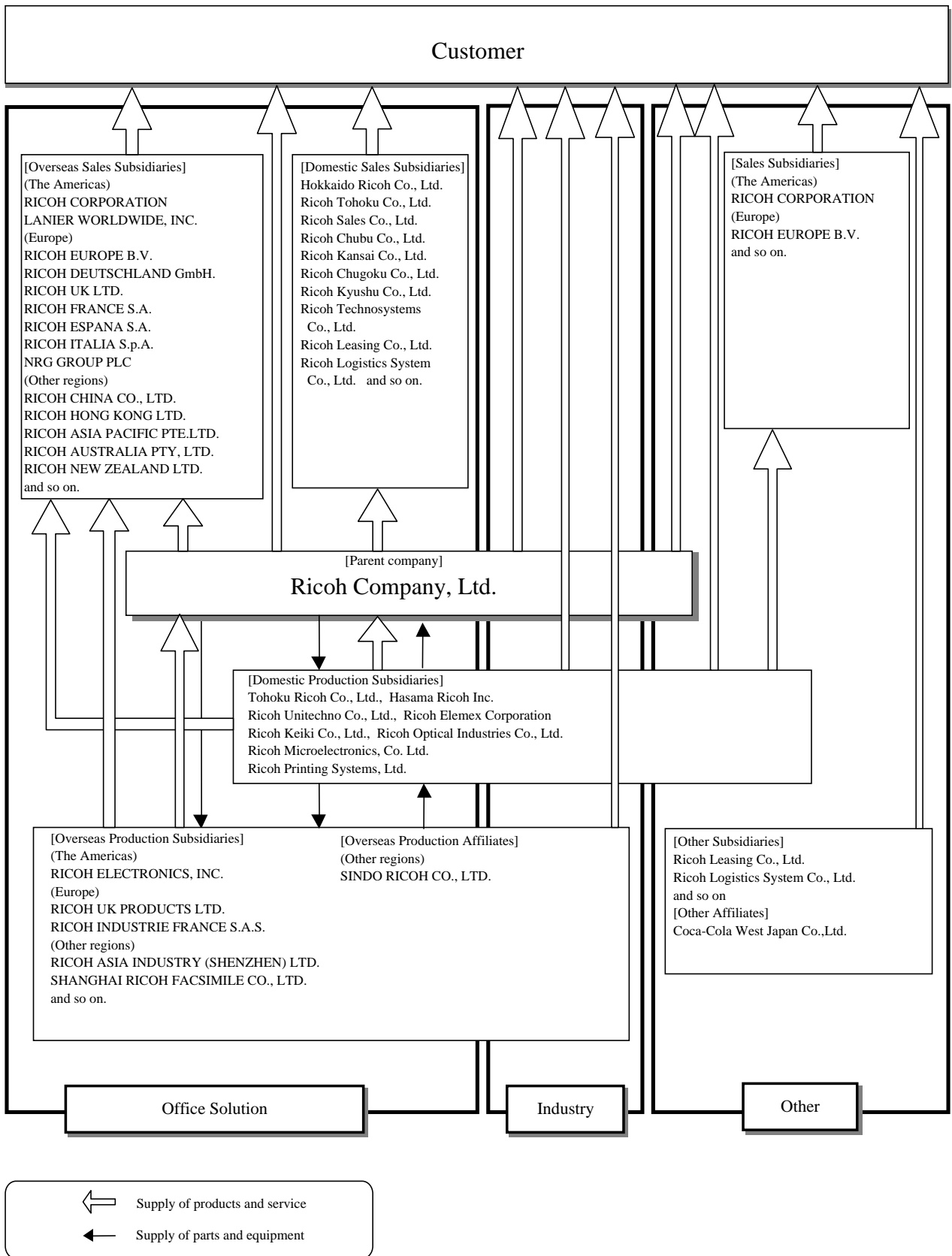
Ricoh Corporation, Ricoh Europe B.V.

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.



Note: Following subsidiaries are listed on domestic stock exchange.

Ricoh Leasing Co., Ltd.: Tokyo Stock Exchange

Ricoh Elemex Corporation: Tokyo Stock Exchange, Nagoya Stock Exchange

Policies

1. Basic Management

The Ricoh Group intends to be the company that gains most from the 21st century. Based on this group vision, we will continue to contribute both to productivity improvement and also to knowledge creation for individuals working anytime, anywhere. This approach will enable us to gain the utmost trust of our customers and continue to grow and develop our business. Accordingly, our proactive approach encompasses not only products and services for traditional office setups, but also customers working in a broadband environment. Our 15th medium-term management plan - which extends from April 2005 to March 2008 - features the following five basic management policies:

1. Foster a "Vital and motivated culture" with high objectives and achieve them;
2. Aim at "World No.1 manufacturer" through unique, competitive technology with leading-edge technologies;
3. Provide customers with "Sensitivity to people's needs", "Sensitivity to the earth" and "Simplify knowledge creation";
4. Invest smartly in growth areas and expand business foundation; and
5. Innovate group management and maximize capital efficiency.

2. Medium-Term Management Strategies

In terms of Office Solution business – our core competence – we in the Ricoh Group have made every possible effort since the inception of our 13th medium-term management plan to move beyond the manufacture and retail of equipment such as copiers and printers so that we may overhaul our operational structure, thus enabling us to support our customers in their efforts to improve or enhance productivity through our offering.

In the 14th medium-term management plan, we defined our principal strategy as "the realization of TDV, thereby broadening our revenue and earning framework," as we recognize that efficient and effective Input/Output(I/O), storage, and searching of TDV (i.e., total document volume), which includes printed material in addition to photocopies, will become a pressing issue for our customers.

While there are no changes to the direction of business structure reform and principal strategy of the Ricoh Group in the 15th medium-term management plan, we will aim to increase our corporate value by more than ever addressing issues from the customer's standpoint and continuing to provide values that meet customers' expectations.

In Office Solution Business, in particular, we are confident that we can further solidify our business foundation by taking utmost advantage of the abilities and strengths of the Ricoh Group, such as the comprehensive product line, customer rapport through sales and service, ability to provide solutions, global operations, image processing technology, and image processing and merging technology, to respond to the diverse needs of even greater range of customers.

In Office Solution Business, we have identified "printing" as an area that presents an outstanding opportunity for growth. Consequently, we will shift a higher portion of our business resources to this area. Namely, we will continue to advance such printing solutions as BC (black-color) conversion and TCO (total cost of ownership) reduction solutions in the office, enter the high-end production printing market, boost low-end color laser printers and expand gel jet printers to expand the business domain and size. Furthermore, we will revamp our sales system solutions and solutions platform in order to promote document solution, which enables improved document workflow, and to capture a greater share of major customers, particularly major global accounts.

On the other hand, we will allocate greater business resources to promising businesses in the Industry Business. In addition, we will seek for greater business shares of both Office Solutions and Industry Business in emerging markets. As technological differentiation is the key to realizing customer value in each business and increasing profitability, we will continue our aggressive R&D activities to boost our technical power.

The following shows our achievements in the basic policies during this term.

In Office Solution Business, we have continuously introduced new multifunctional color printers and color laser printers in order to provide more comprehensive product line. During this term, we have increased our market share by launching various products: "imaggio Neo C600Pro (sold overseas as Aficio Color 5560)", which is a new generation of multifunctional color printer and high-speed copy or print at 55 ppm(pages per minute); "imaggio MP C3000/2500 series", which enable to produce higher images with better quality by utilizing Color PxP toner with Ricoh's own polymerization method and features high security functions such as protection to prevent unauthorized copying, which is the fastest in the industry of color printers; "imaggio MP C1500", which targets low-end business printer market employing the Gel Jet technology.

Through these measures, the Ricoh Group obtained high market share in the major color copier markets in Japan, the Americas and Europe.

In the high-end production printing market, we have released new 4 models including “IPSiO SP 9500Pro (sold overseas as EMP156)”, which is a printer for main systems and actualizes high-speed printing at 156 ppm with high durability. This allowed us to have more comprehensive product line from center printers, which perform centralized printing of documents, to desktop printers, which perform distributed printing at each location. By combining those printers, we will provide efficient printing environment.

In the low-end business printer market, we have “IPSiO G series (sold overseas as Aficio G series)”, which is a printer with Gel Jet technology aimed to replace other companies’ black and white laser printers or inkjet printers. Because of its high speed output, high quality image with plain paper and low running cost, it received great reviews as a business printer, and we will continue to promote creating such products of high value-added in the future.

As for the promoting our printing solution, we have developed business on a global scale by proposing TCO reduction solutions utilizing copiers and printers together and earning high reputation for our worldwide support and services. In addition, in developing document solution in order to improve workflow, we have provided software tools to link multifunctional printers with host systems, improved the support structure of technology centers to propose the optimum environment and support the introduction for those systems in Japan, the Americas and Europe, and strengthened the sales structures for solutions.

On the other hand, we have promoted allocation of management resources on promising markets and businesses in the area of industry. The example for this is the establishment of a thermal paper production and sales company in China. Furthermore, we have continued priority investment during this term to achieve growth strategies and to improve revenue base.

In sales and services, we have integrated the maintenance service department of domestic sales companies to Ricoh Technosystems Co., Ltd. in order to improve the system to enhance contacts with customers and to strengthen abilities to provide solutions.

As for development, Ebina Technology Center was established to consolidate all the functions of forefront color products from the development of elemental technology, to designing, to preparing the production and to evaluation of the products. This center allows us to enhance the cross-functional development structure and to further improve the development efficiency.

3. Challenges

As customers’ needs become ever more diverse, customers are no longer satisfied with purchasing products or receiving ordinary service. The competition has also intensified in the transition to color and in solutions marketing. In order for the Ricoh Group to achieve growth and development with a focus on these growth areas, it is essential that we boost our corporate competitiveness by creating new values for customers and improving managerial efficiency.

In creating customer value, it is important that we forecast customer needs and improve our products and services to meet these needs. To this end, we will increase the scope of CS (Customer Satisfaction) management, in which we aggressively cultivate new values by more than ever placing ourselves in the shoes of our customers. We will also continue to boost our technical ability to materialize products and services that provide new values.

Our effort will also continue in improving the efficiency of management to enhance our profitability. Structural reform will streamline operational processes and improve the earnings from each project. Furthermore, we will more carefully select projects and concentrate resources to the selected projects to improve managerial efficiency. In addition, we will make sure that our priority investment for the group’s growth up to now contributes to the company’s earnings and will work towards strengthening business foundation further.

The profit generated from such activities will be aggressively allocated to investments in growth areas and technologies to further increase profits and raise corporate value.

4. Dividend Policy

Ricoh endeavors to ensure that policies are regularly updated to take the dividend payout ratio into consideration in the payment of dividends, while at the same time increasing retained earnings for the enhancement of corporate structure and the new business generation. Furthermore, these retained earnings will be used both in the reinforcement of core businesses and for investment in new fields with both medium-term and long-term perspectives.

5. Concept and Policy of Reducing the Trading Unit

Ricoh plans to keep investment patterns and shareholder composition under close scrutiny, and we will consider taking the appropriate steps to alter the minimum investment lot if so required. By reducing the minimum number of shares required to invest in the company, Ricoh believes that a broader range of investors can be attracted to equity markets, while at the same time, the liquidity of this company's shares may be enhanced. Nevertheless, many investors already trade in Ricoh's shares, and for this reason, management has concluded that there is no immediate need for reduction of the minimum investment lots.

Furthermore, we intend to pay attention to the condition of business partners and of shareholder makeup as we carefully study both the necessity and the timing of implementation of these measures.

6. Parent Information

Description is omitted since there is no parent company.

Performance

*Overview

The Ricoh Group's consolidated net sales for the fiscal 2006 (extending from April 1, 2005 to March 31, 2006) increased 5.6% from the previous corresponding period to ¥1,915.0 billion. This marks the twelfth consecutive year of year-on-year revenue growth. During this period, the average yen exchange rates were at ¥113.26 against the U.S. dollar (down ¥5.68) and ¥137.86 against the euro (down ¥2.61). Accordingly, the sales would have increased by 3.8% excluding the effects of such foreign currency fluctuations.

As for sales, domestic sales of Imaging Solution increased by 3.8% from the previous corresponding period. This was primarily due to the continuous increase in sales of digital PPCs (pain paper copiers), MFPs (multifunctional printers) and laser printers - especially color products. On the other hand, sales of personal computers and PC servers, optical equipments, which were in sluggish demand, and some of Other Business decreased. As a result, domestic sales decreased by 0.1% from the previous corresponding period to ¥972.0 billion.

Overseas sales of Imaging Solution increased. Influenced by the depreciation of the yen, the sales of Imaging Solution increased by 12.1% from the previous corresponding period. In the Americas, the increase in sales was largely driven by sales of digital PPCs, color PPCs, MFPs and laser printers had good result. In Europe and Other, the sales of these products also increased. The increase in sales of the Industry Business was due to the recovery of demand for semiconductor, which was offset by a decrease in the optical discs business as we withdrew from a part of the business during the previous fiscal year. As a result, overseas net sales increased by 12.1% from the previous corresponding period to ¥943.0 billion. Excluding effects of foreign currency fluctuations, net sales in overseas would have increased by 8.2% from the previous corresponding period.

Gross profit increased by 6.0% from the previous corresponding period to ¥799.6 billion. This increase was primarily due to the effect of new launched products, increased sales of value-added high-margin products such as MFPs and laser printers, a completed cost management system from the product development stage and successful implementation of effective cost-cutting activities for logistics, manufacturing and so on.

Selling, general and administrative expenses increased by 4.6% from the previous corresponding period to ¥647.5 billion.

This consisted of strategic expenses as follows: R&D expenses (¥110.3 billion, 5.8% compared to the sales) including new product developments, increased sales expenses accompanying the increased sales; integration of headquarters operations and domestic R&D bases; enhanced sales and marketing structure overseas; expenses on Information Technologies for the core operating system development in Japan, overseas and so on.

As a result, operating income increased by 12.2% from the previous corresponding period to ¥152.0 billion.

In the other (income) expenses, we had financial improvement and an increase in gain from foreign exchange. As a result, income before income taxes increased 15.4% from the previous corresponding period to ¥156.1 billion.

Income taxes were affected by tax exemption of R&D expenses and expenditures for Information Technologies.

As a result, net income for the period increased by 16.7% to ¥97.0 billion, recording the best net income.

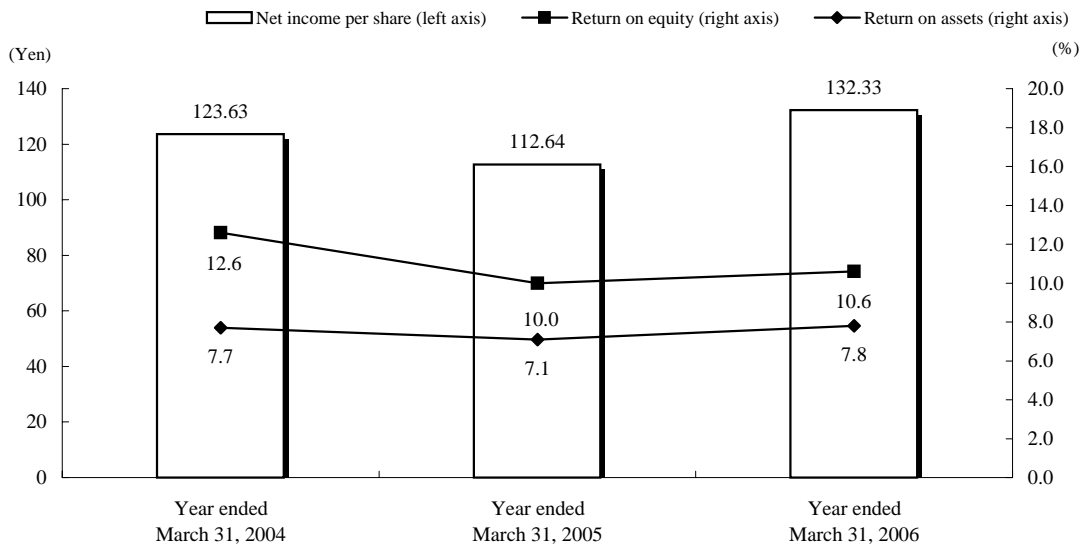
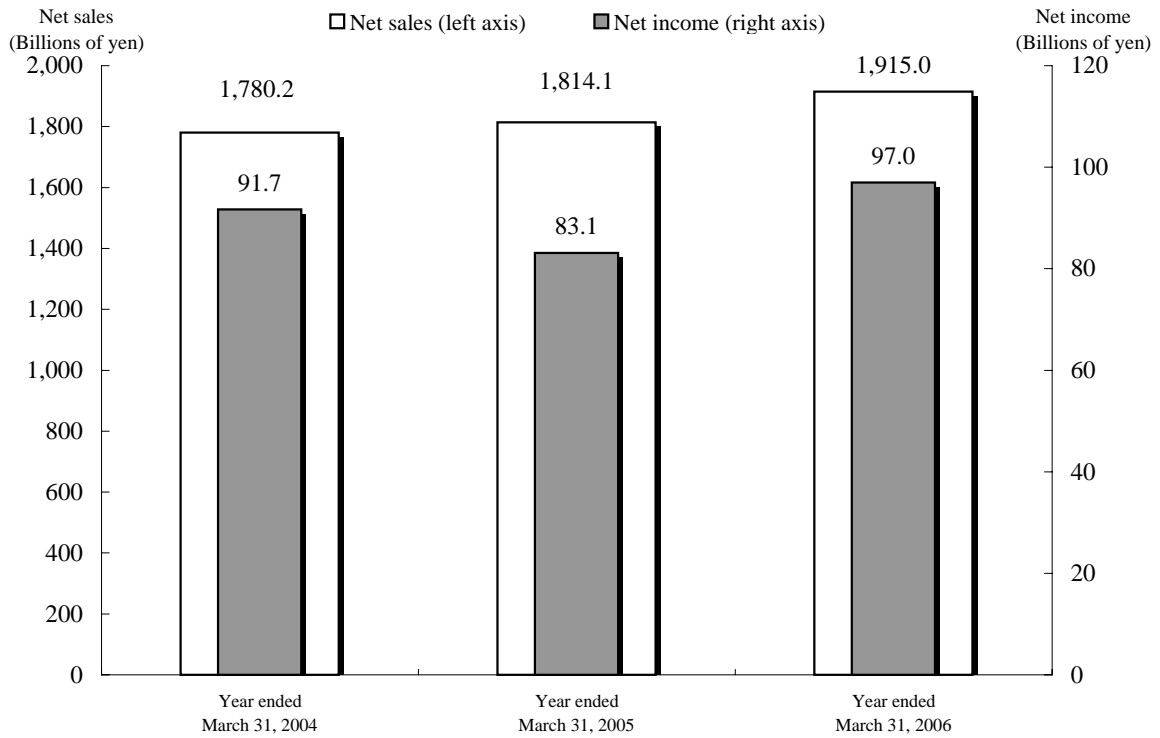
The operating results of business segments are as follows. For Office Solution Business, the operating income increased from the previous corresponding period. This is due to the increased net sales of the Imaging Solution, which is our core business, the effects of new launched products, and the cost reducing activities, covering the strategic expenses mentioned above. For Industry Business, the semiconductor business seems to be recovering; however, the operating income decreased due to the decrease in demand of optical equipment business and countermeasures taken for quality improvement in the measuring equipments business. In Other Business, the financing business performed well. The optical discs business, which has withdrawn from a part of the business during the previous corresponding period, improved performance, and consequently the operating income increased from the previous corresponding period.

With regard to the states of geographic segments, the operating profit in Europe decreased due to the realignment and enhancement of its sales structure. However, because the sales increased due to the effect of new products mentioned above and improved productivity, the strategic expenses were covered and the operating income in Japan, the Americas and Other increased.

In terms of assets, the increase in finance receivables and increase in tangible fixed assets in Japan resulted in the increase of total assets by ¥87.5 billion from the end of the previous corresponding period to ¥2,041.1 billion. The interest-bearing liabilities decreased due to the enhancement of cash management in each area: Japan, the Americas and Europe. The shareholders' equity increased by ¥97.2 billion from the end of the previous corresponding period to ¥960.2 billion. The equity ratio improved 2.8 points to 47.0% compared to the previous corresponding period.

Year-end cash dividend are proposed ¥12.00 per share, and which combined with the interim dividend of ¥12.00, total dividend for the current fiscal year 2006 will be ¥24.00.

Consolidated performance



*Conditions by Product Line

Office Solution Business (Sales up 6.9% to ¥1,637.2 billion)

The sales of color PPCs, MFPs and laser printers in Japan and overseas increased. We responded to our customers needs to improve or upgrade the technology used in their business, which are accompanied by the advancement of digitalized and networked and computerized information, coloration and massive quantities. In order to support the efficient and effective management of customers' TDV (total document volume), the Ricoh Group is promoting the optimization of the customers' total printing cost. Although the sales of personal computers and PC servers decreased, net sales in the Office Solution Business increased by 6.9% from the previous corresponding period to ¥1,637.2 billion.

Imaging Solution (Sales up 8.6% to ¥1,446.6 billion)

Although domestic sales of digital PPCs decreased due primarily to a shift in customers needs to MFPs from stand-alone products, overseas sales of digital PPCs continued performing well. The sales of color PPCs increased in Japan and overseas by our effort to continuous offer of new product lineups.

As for MFPs, the following new product lineups were offered in response to customers needs for high speed, networking and coloration, resulting in the continuous sales increase.

MFPs: Imagio Neo 353/453 series, Imagio MP6000/7500 series in Japan
Aficio 3035/3045 series, Aficio 2016/2020 series overseas

Color MFPs: Imagio Neo C355it/C455it series, Imagio MPC2500/3000 in Japan
Aficio 3235C/3245C series, Aficio 3260C overseas

The sales of laser printers continued to increase in Japan and overseas. As a result, sales in this category increased by 8.6%.

Network System Solution (Sales down 4.3% to ¥190.5 billion)

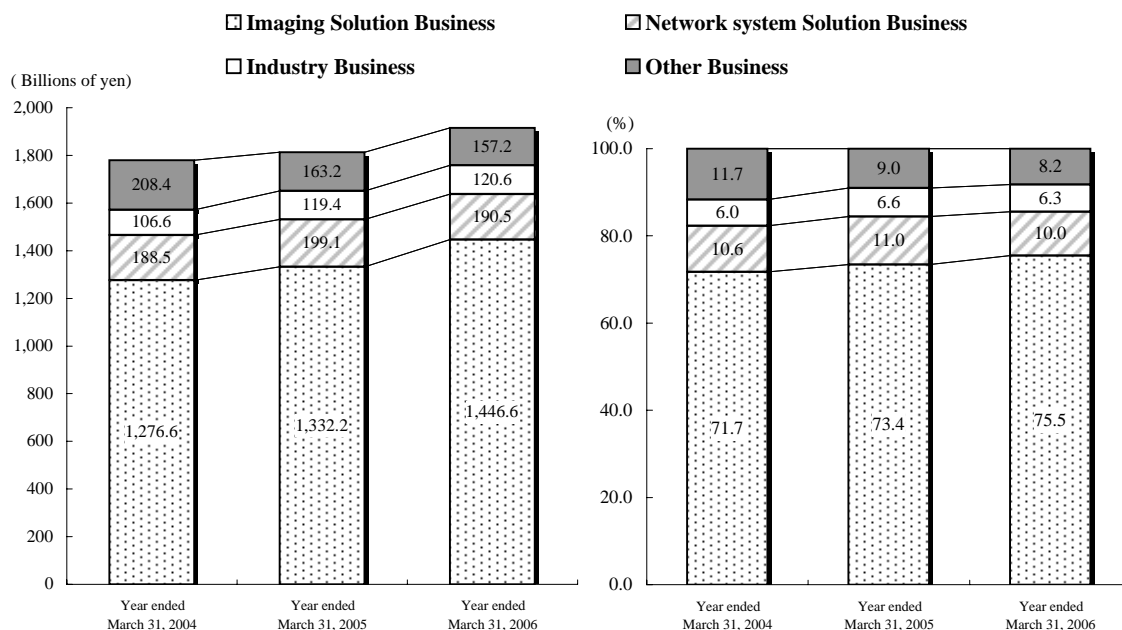
The sales of Solution Business such as support and service continue to increase both in Japan and overseas due to our successful promotion of optimizing the customers' total printing cost. However, the sales of personal computers and PC servers continue to decrease in Japan. As a result, the sales in this category decreased by 4.3% from the previous corresponding period to ¥190.5 billion.

Industry Business (Sales up 1.0% to ¥120.6 billion)

Net sales in the Industry Business increased by 1.0%, as compared to the previous corresponding period to ¥120.6 billion. The sales of thermal business and electric component business increased and the demand for semiconductor products is recovering; however, the sales of optical equipment business decreased due to a sluggish demand.

Other Business (Sales down 3.7% to ¥157.2 billion)

The digital camera business performed well. During the previous corresponding period, the withdrawal from the self-developed drive business and its key-module/parts business in optical discs business was executed; therefore, its sales for this period decreased especially overseas. There was a sale of non-core business subsidiary in Japan. As a result, sales in this segment decreased by 3.7% from the previous corresponding period to ¥157.2 billion.



* Consolidated Sales by Geographic Area

Japan (Sales down 0.1% to ¥972.0 billion)

As for the economy in Japan, the stock market, capital investment and corporate performance show a recovery; however, it was affected by the escalating prices of materials and crude oil and overall demand in the market was below our expectations. In Office Solution Business, the sales of Imaging Solution, including color PPCs, MFPs and laser printers, and solution business, such as support and service, increased due to the implementation of the product and sales strategies to meet our customers needs. This increase in sales was offset by the decreased sales of the stand-alone products due to the transition to MFPs and color products and personal computers and PC servers. The sales in the Office Solution Business increased by 1.3% from the previous corresponding period.

The sales of Industry Business decreased from the previous corresponding period due to the lower demand in optical equipment business and the sale of non-core business subsidiary. As a result, the sales in Japan decreased by 0.1% from the previous corresponding period to ¥972.0 billion.

The Americas (Sales up 19.0% to ¥387.4 billion)

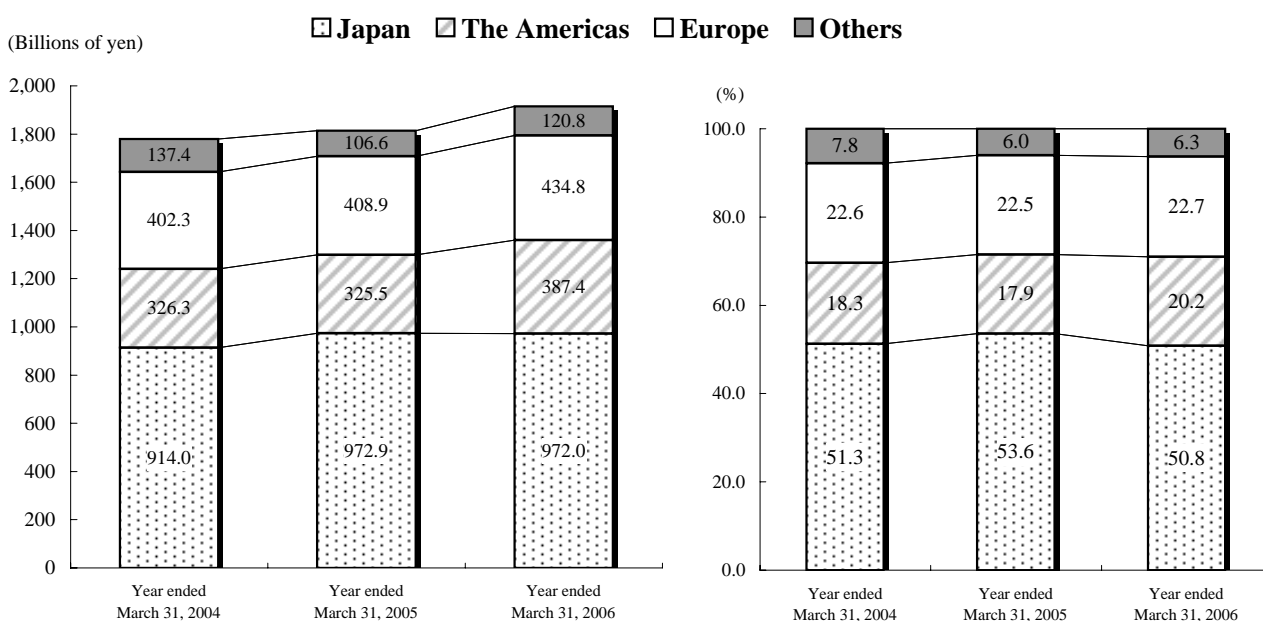
The economy in the Americas continues good condition even though they were repeatedly affected by hurricanes. However, the competition in the market is becoming more intense. In such conditions, we focused on expanding our sales of MFPs and laser printers, which meet the change of customers needs for color PPCs, networked, coloration and high speed, utilizing the improved and enhanced sales to major accounts. As a result, the sales in the Americas increased by 19.0% from the previous corresponding period to ¥387.4 billion. Excluding the effects of the depreciation of the yen to dollar, the sales in the Americas would have increased by 13.0% from the previous corresponding period.

Europe (Sales up 6.3% to ¥434.8 billion)

The economy in Europe was relatively stable, however, the competition in each country's market is intensifying. Under such circumstance, our sales of MFPs and laser printers increased and we maintain the first place in terms of market share in the sales of office machines in Europe. Influenced by the effects of the depreciation of the yen to euro, the sales in Europe would have increased by 6.3% from the previous corresponding period to ¥434.8 billion.

Others (Sales up 13.3% to ¥120.8 billion)

In other regions including China and Asian countries, the need for coloration and MFPs for office equipment are accelerating. Our MFPs and laser printers, which meet such customers needs, increased their sales. Additionally, the demand for semiconductor recovered. As a result, the sales in Others increased by 13.3% to from the previous corresponding period ¥120.8 billion.



*Segment Information

Business Segment

Office Solution Business

As measures to realize Ricoh Group's core strategies, namely, (1) BC conversion, replacing monochrome products with color models, (2) Increase sales of high-speed models, and (3) Provision of printing solutions, we have enhanced the sales structure in Japan and overseas, released a series of high value-added products with document functionality ranging from input/output to sharing and management, and endeavored to expand their sales. Accordingly, sales of color PPCs and MFPs and laser printers increased both in Japan and overseas. As a result, sale of the Office Solution Business increased by 6.9% from the previous corresponding period to ¥1,637.2 billion.

In terms of operating expenses, there was strategic spending such as investment in research and development on main products, IT investment of core operating system development, enhancement of overseas sales and marketing structure, and improvement of systems at headquarters and domestic R&D bases. On the other hand, complete cost management system from the product development stage and successful implementation of effective cost-cutting activities for logistics, manufacturing resulted in the increase in operating income by 3.4% to ¥202.9 billion from the previous corresponding period.

Capital investment increased from the previous corresponding period due primarily to investment in R&D facilities such as the Technology Center in Ebina, Kanagawa Prefecture, in order to improve MFPs and printers, integration and transferring of operations at headquarters, new plant for producing high quality, heavy-duty and eco-friendly toner, and reinforcing production line for new products.

Total assets increased from the previous corresponding period due primarily to an increase in fixed assets for above-mentioned capital expenditures and lease receivables from the sales increase.

Industry Business

Sales of semiconductor business were flagging from the effect of demand cycle; however, its demand is recovering and the sales of thermal business and electronic component business showed steady increase. Sales decreased in the optical equipments due to the sluggish demand. As a result, total sales of Industry Business increased by 1.1% from the previous corresponding period to ¥123.2 billion.

Operating income decreased from the previous corresponding period due to decline in productivity of the optical equipment business and countermeasures taken for quality improvements in the measuring equipment business.

Other Business

The digital camera business performed well. During the previous corresponding period, the withdrawal from the self-developed drive business and its key-module/parts business in the optical discs business was executed; therefore, its sales for this period decreased. There were sales of non-core business subsidiary in Japan. As a result, sales in this segment decreased by 3.7% from the previous corresponding period to ¥157.2 billion.

Operating income increased from the previous corresponding period due to almost completion of the above-mentioned withdrawal. Total assets decreased from the previous corresponding period.

	(Billions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2005	Change (%)
Office Solution Business:			
Net sales	1,637.2	1,531.4	6.9
Operating income	202.9	196.3	3.4
<i>Operating income on sales(%)</i>	<i>12.4</i>	<i>12.8</i>	<i>-0.4point</i>
Identifiable assets	1,426.6	1,358.1	5.0
Capital expenditures	90.3	70.6	28.0
Depreciation	57.3	53.4	7.3
Industry Business:			
Net sales	123.2	121.9	1.1
Operating income	-0.9	0.0	-
<i>Operating income on sales(%)</i>	<i>-0.7</i>	<i>0.0</i>	<i>-0.7point</i>
Identifiable assets	84.5	72.4	16.8
Capital expenditures	7.4	8.5	-12.4
Depreciation	6.6	7.4	-11.0
Other Business:			
Net sales	157.2	163.2	-3.7
Operating income	6.1	-4.1	-
<i>Operating income on sales(%)</i>	<i>3.9</i>	<i>-2.5</i>	<i>6.4points</i>
Identifiable assets	114.9	125.2	-8.3
Capital expenditures	2.3	3.4	-31.4
Depreciation	2.3	2.6	-10.6

Geographic Segment

Japan

In the Office Solution Business, the overall demand fell below our expectations which made the competition even more severe. Under such circumstances, we have pursued the aggressive marketing strategies and the BC (black-color) conversion strategies, and succeeded in increasing the sales of MFPs and laser printers in Japan and exports to overseas markets. As a result, sales in Japan increased 1.8% from the previous corresponding period to ¥1,411.8 billion. In addition to the effect of the increased sales, we implemented the transition to high value-added products and cost-cutting activities such as SCM (supply chain management), which compensated the following strategic expenses: R&D expenses for the future, realignment of the domestic headquarters and the R&D bases operations and IT investments, mainly for development of the mission-critical system. As a result, the operating income increased by 12.7% from the previous corresponding period to ¥99.2 billion.

The Americas

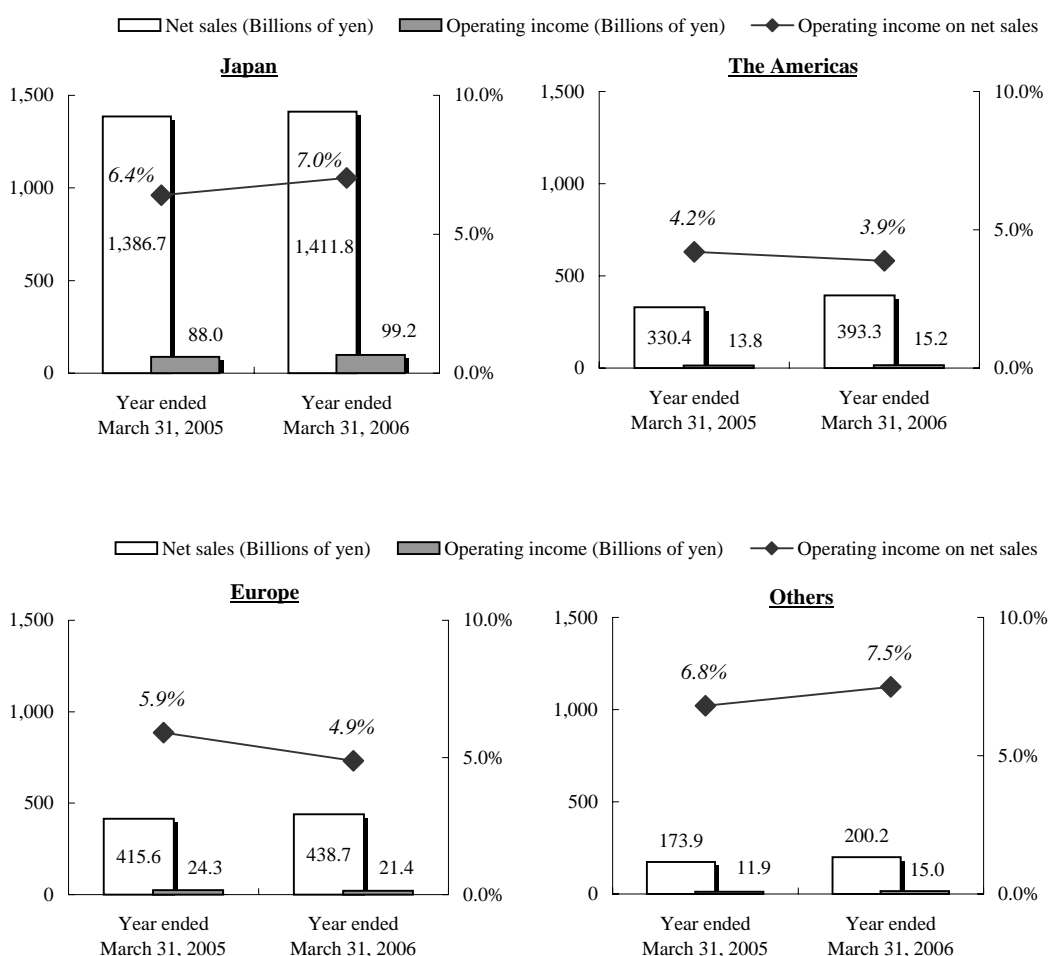
We saw effects of the strategies deployed to increase the sales of digital PPCs, color PPCs, MFPs and laser printers, and to step up sales to major accounts through the sales channels that we have improved and reinforced over the years. Sales in the Americas increased by 19.0% from the previous corresponding period to ¥393.3 billion. Operating income increased by 10.6% from the previous corresponding period to ¥15.2 billion as a result of the increased sales of those high value-added products and the yen's depreciation against the US dollar.

Europe

The sales of Imaging Solution Business, which is our main business, grew in every country and company in Europe. We continue to hold the first place in terms of market share in the sales of office machines in Europe. As a result, sales in Europe increased by 5.6% from the previous corresponding period to ¥438.7 billion. Operating income decreased by 12.1% from the previous corresponding period to ¥21.4 billion due to the nonrecurring expenses for redevelopment of the bought-out sales channels for the future.

Other

The accelerated demand shift of office equipment to coloration and network in China, other part of Asia and Oceania, the sales of imaging solution equipment increased. The export from the manufacturing base in China keeps increasing. As a result, sales in the Other increased by 15.1% from the previous corresponding period to ¥200.2 billion. As we have maintained high productivity to accommodate the need for increased supply around the world, operating income increased by 26.0% from the previous corresponding period to ¥15.0 billion.



*Financial Position

(1) Assets, Liabilities, and Shareholders' Equity at Year-End	(Billions of yen)		
	March 31, 2006	March 31, 2005	Change
Total Assets	2,041.1	1,953.6	87.5
Shareholders' Equity	960.2	862.9	97.2
Equity Ratio	47.0%	44.2%	2.8 points

Assets, trade receivables and inventories increased along with the sales growth, primarily overseas, ¥9.9 billion to ¥630.5 billion and ¥1.8 billion to ¥169.2 billion, respectively, from the end of the previous period. Tangible fixed assets increased ¥20.8 billion to ¥268.2 billion, while finance receivables increased ¥23.4 billion to ¥415.4 billion, due to increase of domestic sales. Other investments increased ¥29.3 billion to ¥313.9 billion as a result of recognizing intangible fixed assets. Consequently, total assets increased ¥87.5 billion to ¥2,041.1 billion.

As for Liabilities, trade payables increased ¥2.6 billion to ¥339.1 billion. Interest-bearing debt decreased ¥28.8 billion to ¥381.2 billion as a result of effective cash management in Ricoh group. In addition, other current liabilities increased ¥7.7 billion to ¥159.2 billion as a result of increased tax reserve. Accrued pension and severance costs increased ¥4.3 billion to ¥97.0 billion. As a result, total liabilities decreased ¥11.4 billion to ¥1,028.0 billion.

In Shareholders' Investment, there was no major change in common stock or additional paid-in capital. Retained earnings increased ¥80.8 billion to ¥665.3. Accumulated other comprehensive income increased ¥26.0 billion and treasury stock increased ¥9.5 billion. As a result, total shareholders' equity increased by ¥97.2 billion to ¥960.2 billion.

(2) Cash Flows	(Billions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2005	Change
Cash flows from operating activities	176.8	132.7	44.0
Cash flows from investing activities	-120.0	-96.1	-23.8
Cash flows from financing activities	-59.9	-56.4	-3.5
Cash and Cash Equivalents at end of period	187.0	186.8	0.1

Net cash provided by operating activities increased by ¥44.0 billion from the end of the previous corresponding period, to ¥176.8 billion. It was a result of the fact that net income and depreciation increased and the fact that the decrease of trade receivables and inventories compensated for the increase of finance receivables due to the sales growth.

Net cash used in investing activities increased by ¥23.8 billion from the end of the previous corresponding period, to ¥120.0 billion, due primarily to capital investments to reinforce production lines for new products and to redevelop the headquarters operations and the R&D bases.

As a result, free cash flow generated by operating activities and investment activities increased ¥20.2 billion from the previous corresponding period to ¥56.8 billion.

Outgoing cash flow was incurred for reducing interest-bearing debt by encouraging financing between group companies, ¥16.1 billion for payment of dividends, and ¥10.6 billion for acquisition of treasury stock. As a result, the net cash used in financing activities amounted to ¥59.9 billion.

As a result of the above, the ending balance of cash and cash equivalents increased ¥0.1 billion from the end of the previous corresponding period to ¥187.0 billion.

(3) Cash Flow Indices	Year ended	Year ended	Year ended	Year ended	Year ended
	March 31, 2002	March 31, 2003	March 31, 2004	March 31, 2005	March 31, 2006
Shareholders' equity / Total assets	34.5%	34.9%	42.9%	44.2%	47.0%
Market capitalization / Total assets	95.6%	73.0%	85.3%	69.1%	82.2%
Interest bearing debt / Operating cash flow	5.3	2.6	2.8	3.1	2.2
Operating cash flow / Interest expense	12.8	27.1	29.3	28.3	33.7

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 flows is shown in consolidated statement of cash flow. Interest bearing debt equals all debt in consolidated balance sheets.

*Forecast for the entire fiscal year

Economic projections and Ricoh Group's strategies for fiscal year 2007

To see the domestic aspects of the fiscal year 2007 (extending from April 1, 2006 to March 31, 2007), we see recovery in the stock market, corporate performance and capital investment. In consideration of such circumstances, we can say Japan has entered a stage for full-fledged economic recovery. The overseas economic situation, on the other hand, is stable at the moment, but there are political and economic concerns in some countries.

In the market environment surrounding Ricoh Group, our customers needs have become increasingly diversified, and we cannot satisfy them all merely by providing particular products and services. Additionally, the competition for colorization and other solutions is severe. Recognizing such drastic changes in the market environment, we consider such market conditions as a great opportunity to increase profits, and will give full play to our ability and strength to cope with such changes, setting our target areas and creating new value, and provide products and services that satisfy customers needs ahead of other competitors.

Based on such consideration, we chose three target areas to contribute to our growth in the 15th Medium-term management plan begun in fiscal year 2006; printing, the emerging markets, and the industrial area. The Ricoh Group must strengthen its competitive edge by creating new value and developing highly efficient management if it is to grow and develop in those areas.

We aim to increase profitability of each business area by raising process efficiency through structural reforms and improve our management efficiency by selecting and focusing our businesses. We will aggressively invest profits for our future growth and technology enhancement in order to enhance the sales and profits and further increase our corporate value.

To lead such approaches to actual business results, we have continued investments in the research and development as well as in the redevelopment of bases and systems. We believe such investments will enable us to provide the market with cost-effective products and customers usability more than ever, and to develop various activities that ensure contribution to our profit.

Our performance forecast for fiscal year 2007 is as follows:

Exchange Rate Assumptions for the full year ended March 31, 2007

US\$ 1 = ¥115.00 (¥113.26 in previous fiscal year)

EURO 1 = ¥140.00 (¥137.86 in previous fiscal year)

	Year ending March 31, 2007 (Forecast)	Year ended March 31, 2006 (Results)	Change
Domestic sales	1,000.0	972.0	2.9%
Overseas sales	1,050.0	943.0	11.3%
Net sales	2,050.0	1,915.0	7.0% (*1)
Gross profit	850.0	799.6	6.3%
Operating income	170.0	152.0	11.8%
Income before income taxes	168.0	156.1	7.6%
Net income	106.0	97.0	9.2% (*2)

Notes:

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

*2...Net income would reach record high.

* Ricoh bases the forecast estimates for the year ending March 31, 2007 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, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
Net sales	516,300	494,306	21,994	4.4
Cost of sales	306,096	295,712	10,384	3.5
<i>Percentage of net sales (%)</i>	59.3	59.8		
Gross Profit	210,204	198,594	11,610	5.8
<i>Percentage of net sales (%)</i>	40.7	40.2		
Selling, general and administrative expenses	162,183	159,555	2,628	1.6
<i>Percentage of net sales (%)</i>	31.4	32.3		
Operating income	48,021	39,039	8,982	23.0
<i>Percentage of net sales (%)</i>	9.3	7.9		
Other (income) expense				
Interest and dividend income	626	809	-183	-22.6
<i>Percentage of net sales (%)</i>	0.1	0.2		
Interest expense	1,597	1,092	505	46.2
<i>Percentage of net sales (%)</i>	0.3	0.2		
Other, net	-1,035	-1,902	867	-
<i>Percentage of net sales (%)</i>	-0.2	-0.3		
Income before income taxes.				
equity income and minority interests	48,085	40,658	7,427	18.3
<i>Percentage of net sales (%)</i>	9.3	8.2		
Provision for income taxes	17,308	14,355	2,953	20.6
<i>Percentage of net sales (%)</i>	3.4	2.9		
Minority interests in earnings of subsidiaries	496	1,358	-862	-63.5
<i>Percentage of net sales (%)</i>	0.0	0.2		
Equity in earnings of affiliates	909	154	755	490.3
<i>Percentage of net sales (%)</i>	0.1	0.0		
Net income	31,190	25,099	6,091	24.3
<i>Percentage of net sales (%)</i>	6.0	5.1		
Reference : Exchange rate				
US\$ 1	¥117.01	¥104.60		
EURO 1	¥140.72	¥137.26		

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
Net sales	1,915,090	1,814,108	100,982	5.6
Cost of sales	1,115,479	1,059,531	55,948	5.3
<i>Percentage of net sales (%)</i>	58.2	58.4		
Gross Profit	799,611	754,577	45,034	6.0
<i>Percentage of net sales (%)</i>	41.8	41.6		
Selling, general and administrative expenses	647,597	619,071	28,526	4.6
<i>Percentage of net sales (%)</i>	33.9	34.1		
Operating income	152,014	135,506	16,508	12.2
<i>Percentage of net sales (%)</i>	7.9	7.5		
Other (income) expense				
Interest and dividend income	2,896	2,240	656	29.3
<i>Percentage of net sales (%)</i>	0.2	0.1		
Interest expense	5,242	4,684	558	11.9
<i>Percentage of net sales (%)</i>	0.3	0.3		
Other, net	-6,531	-2,321	-4,210	-
<i>Percentage of net sales (%)</i>	-0.4	-0.2		
Income before income taxes.				
equity income and minority interests	156,199	135,383	20,816	15.4
<i>Percentage of net sales (%)</i>	8.2	7.5		
Provision for income taxes	57,563	50,634	6,929	13.7
<i>Percentage of net sales (%)</i>	3.0	2.8		
Minority interests in earnings of subsidiaries	4,185	4,726	-541	-11.4
<i>Percentage of net sales (%)</i>	0.2	0.3		
Equity in earnings of affiliates	2,606	3,120	-514	-16.5
<i>Percentage of net sales (%)</i>	0.1	0.2		
Net income	97,057	83,143	13,914	16.7
<i>Percentage of net sales (%)</i>	5.1	4.6		
Reference : Exchange rate				
US\$ 1	¥113.26	¥107.58		
EURO 1	¥137.86	¥135.25		

2-1. Consolidated Sales by Product Category

(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
<Office Solution Business>				
Imaging Solution Business	386,298	355,169	31,129	8.8
<i>Percentage of net sales (%)</i>	<i>74.8</i>	<i>71.9</i>		
Network System Solution Business	56,663	61,671	-5,008	-8.1
<i>Percentage of net sales (%)</i>	<i>11.0</i>	<i>12.4</i>		
Total Office Solution Business	442,961	416,840	26,121	6.3
<i>Percentage of net sales (%)</i>	<i>85.8</i>	<i>84.3</i>		
<Industry Business>				
Industry Business	32,462	34,557	-2,095	-6.1
<i>Percentage of net sales (%)</i>	<i>6.3</i>	<i>7.0</i>		
<Other Business>				
Other Business	40,877	42,909	-2,032	-4.7
<i>Percentage of net sales (%)</i>	<i>7.9</i>	<i>8.7</i>		
Grand Total	516,300	494,306	21,994	4.4
<i>Percentage of net sales (%)</i>	<i>100.0</i>	<i>100.0</i>		
Reference : Exchange rate				
US\$ 1	¥117.01	¥104.60		
EURO 1	¥140.72	¥137.26		

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
<Office Solution Business>				
Imaging Solution Business	1,446,635	1,332,299	114,336	8.6
<i>Percentage of net sales (%)</i>	<i>75.5</i>	<i>73.4</i>		
Network System Solution Business	190,593	199,129	-8,536	-4.3
<i>Percentage of net sales (%)</i>	<i>10.0</i>	<i>11.0</i>		
Total Office Solution Business	1,637,228	1,531,428	105,800	6.9
<i>Percentage of net sales (%)</i>	<i>85.5</i>	<i>84.4</i>		
<Industry Business>				
Industry Business	120,636	119,408	1,228	1.0
<i>Percentage of net sales (%)</i>	<i>6.3</i>	<i>6.6</i>		
<Other Business>				
Other Business	157,226	163,272	-6,046	-3.7
<i>Percentage of net sales (%)</i>	<i>8.2</i>	<i>9.0</i>		
Grand Total	1,915,090	1,814,108	100,982	5.6
<i>Percentage of net sales (%)</i>	<i>100.0</i>	<i>100.0</i>		
Reference : Exchange rate				
US\$ 1	¥113.26	¥107.58		
EURO 1	¥137.86	¥135.25		

Note: Effective from this financial period, our business segments are reclassified into three categories, "Office Solution", "Industry" and "Other". Accordingly, information for the previous corresponding period has been reclassified to conform with the current classification.

Each category includes the following product line:

Imaging Solution Business	Digital PPCs, color PPCs, digital duplicators, facsimile machines, analog PPCs, diazo copiers, scanners, MFPS(multifunctional printers), laser printers and software
Network System Solution Business	Personal computers, PC servers, network systems and network related software
Industry Business	Thermal media, optical equipments, semiconductors, electronic component and measuring equipments
Other Business	Optical discs and digital camera

2-2. Consolidated Sales by Geographic Area

(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
<Domestic>	260,274	272,478	-12,204	-4.5
<i>Percentage of net sales (%)</i>	50.4	55.1		
<Overseas>	256,026	221,828	34,198	15.4
<i>Percentage of net sales (%)</i>	49.6	44.9		
The Americas	105,321	86,021	19,300	22.4
<i>Percentage of net sales (%)</i>	20.4	17.4		
Europe	118,292	108,309	9,983	9.2
<i>Percentage of net sales (%)</i>	22.9	21.9		
Other	32,413	27,498	4,915	17.9
<i>Percentage of net sales (%)</i>	6.3	5.6		
Grand Total	516,300	494,306	21,994	4.4
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.01	¥104.60		
EURO 1	¥140.72	¥137.26		

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
<Domestic>	972,076	972,975	-899	-0.1
<i>Percentage of net sales (%)</i>	50.8	53.6		
<Overseas>	943,014	841,133	101,881	12.1
<i>Percentage of net sales (%)</i>	49.2	46.4		
The Americas	387,412	325,597	61,815	19.0
<i>Percentage of net sales (%)</i>	20.2	17.9		
Europe	434,800	408,906	25,894	6.3
<i>Percentage of net sales (%)</i>	22.7	22.5		
Other	120,802	106,630	14,172	13.3
<i>Percentage of net sales (%)</i>	6.3	6.0		
Grand Total	1,915,090	1,814,108	100,982	5.6
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥113.26	¥107.58		
EURO 1	¥137.86	¥135.25		

3. Consolidated Balance Sheets

(March 31, 2006 and 2005)

Assets	(Millions of yen)		
	March 31, 2006	March 31, 2005	Change
Current Assets			
Cash and time deposits	188,525	188,311	214
Trade receivables	630,501	620,568	9,933
Marketable securities	162	138	24
Inventories	169,245	167,365	1,880
Other current assets	55,110	53,365	1,745
Total Current Assets	1,043,543	1,029,747	13,796
Fixed Assets			
Tangible fixed assets	268,243	247,410	20,833
Finance receivables	415,435	391,947	23,488
Other investments	313,962	284,565	29,397
Total Fixed Assets	997,640	923,922	73,718
Total Assets	2,041,183	1,953,669	87,514
Note:			
Contents of cash and time deposits:			
Cash and cash equivalents	187,055	186,857	
Time deposits	1,470	1,454	

Liabilities and Shareholders' Investment	(Millions of yen)		
	March 31, 2006	March 31, 2005	Change
Current Liabilities			
Trade payables	339,152	336,499	2,653
Short-term borrowings	185,651	183,518	2,133
Other current liabilities	159,225	151,497	7,728
Total Current Liabilities	684,028	671,514	12,514
Fixed Liabilities			
Long-term indebtedness	195,626	226,567	-30,941
Accrued pension and severance costs	97,020	92,672	4,348
Other fixed liabilities	51,374	48,767	2,607
Total Fixed Liabilities	344,020	368,006	-23,986
Total Liabilities	1,028,048	1,039,520	-11,472
Minority Interest	52,890	51,151	1,739
Shareholders' Investment			
Common stock	135,364	135,364	-
Additional paid-in capital	186,450	186,551	-101
Retained earnings	665,394	584,515	80,879
Accumulated other comprehensive income (loss)	4,099	-21,963	26,062
Treasury stock	-31,062	-21,469	-9,593
Total Shareholders' Investment	960,245	862,998	97,247
Total Liabilities and Shareholders' Investment	2,041,183	1,953,669	87,514

Note: Other comprehensive income;			
Net unrealized holding gains on available-for-sale securities	8,928	4,791	4,137
Pension liability adjustments	-7,643	-14,652	7,009
Net unrealized gains (losses) on derivative instruments	157	117	40
Cumulative translation adjustments	2,657	-12,219	14,876

Reference: Exchange rate	March 31, 2006	March 31, 2005
US\$ 1	¥117.47	¥107.39
EURO 1	¥142.81	¥138.87

4. Retained Earnings

(Year ended March 31, 2006 and 2005)

	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2005
Retained earnings (beginning balance)	584,515	515,372
Adjustment for change of fiscal period on consolidated subsidiaries	-	777
Net income	97,057	83,143
Cash dividends	16,178	14,777
Retained earnings (ending balance)	665,394	584,515

5. Consolidated Statements of Cash Flows

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005
I. Cash Flows from Operating Activities:		
1. Net income	97,057	83,143
2. Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	84,460	78,201
Equity in earnings of affiliates, net of dividends received	-1,431	-1,966
Deferred income taxes	-3,294	11,353
Loss on disposal and sales of tangible fixed assets	920	4,056
Pension and severance costs, less payments	3,342	4,307
Changes in assets and liabilities—		
(Increase)Decrease in trade receivables	13,429	-26,429
(Increase)Decrease in inventories	3,726	-12,885
Increase in finance receivables	-30,029	-30,294
(Decrease)Increase in trade payables	-4,495	27,276
(Decrease)Increase in accrued income taxes and accrued expenses and other	2,497	-13,719
Other, net	10,687	9,737
Net cash provided by operating activities	176,869	132,780
II. Cash Flows from Investing Activities:		
1. Proceeds from sales of property, plant and equipment	3,085	721
2. Expenditures for tangible fixed assets	-101,793	-84,076
3. Payments for purchases of available-for-sale securities	-138,607	-79,431
4. Proceeds from sales of available-for-sale securities	141,620	118,120
5. (Increase) decrease in time deposits, net	61	-511
6. Acquisition of new subsidiaries, net of cash acquired	-	-43,214
7. Other, net	-24,431	-7,807
Net cash used in investing activities	-120,065	-96,198
III. Cash Flows from Financing Activities:		
1. Proceeds from long-term indebtedness	63,751	72,206
2. Repayment of long-term indebtedness	-93,752	-60,613
3. (Decrease)Increase in short-term borrowings, net	39,618	-38,052
4. Proceeds from issuance of long-term debt securities	10,000	18,000
5. Repayment of long-term debt securities	-52,000	-22,000
6. Dividends paid	-16,178	-14,793
7. Payment for purchase of treasury stock	-10,653	-10,624
8. Other, net	-775	-563
Net cash used in financing activities	-59,989	-56,439
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	3,383	1,200
V. Net Increase (Decrease) in Cash and Cash Equivalents	198	-18,657
VI. Cash and Cash Equivalents at Beginning of Year	186,857	203,039
VII. Adjustment for Change of Fiscal Period on Consolidated Subsidiaries	-	2,475
VIII. Cash and Cash Equivalents at End of Period	187,055	186,857

6. Segment Information

(1) Industry Segment Information

(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
Office Solution Business:				
Net sales:				
Unaffiliated customers	442,961	416,840	26,121	6.3
Intersegment	-	-	-	-
Total	442,961	416,840	26,121	6.3
Operating expenses	381,817	359,156	22,661	6.3
Operating income	61,144	57,684	3,460	6.0
<i>Operating income on sales in Office Solution Business (%)</i>	<i>13.8</i>	<i>13.8</i>		
Industry Business:				
Net sales:				
Unaffiliated customers	32,462	34,557	-2,095	-6.1
Intersegment	662	644	18	2.8
Total	33,124	35,201	-2,077	-5.9
Operating expenses	33,160	35,448	-2,288	-6.5
Operating income	-36	-247	211	-
<i>Operating income on sales in Industry Business (%)</i>	<i>-0.1</i>	<i>-0.7</i>		
Other Business:				
Net sales:				
Unaffiliated customers	40,877	42,909	-2,032	-4.7
Intersegment	-	-	-	-
Total	40,877	42,909	-2,032	-4.7
Operating expenses	39,375	46,177	-6,802	-14.7
Operating income	1,502	-3,268	4,770	-
<i>Operating income on sales in Other Business (%)</i>	<i>3.7</i>	<i>-7.6</i>		
Corporate and Eliminations:				
Net sales:				
Intersegment	-662	-644	-18	-
Total	-662	-644	-18	-
Operating expenses:				
Intersegment	-653	-615	-38	-
Corporate	14,580	15,101	-521	-
Total	13,927	14,486	-559	-
Operating income	-14,589	-15,130	541	-
Consolidated:				
Net sales:				
Unaffiliated customers	516,300	494,306	21,994	4.4
Intersegment	-	-	-	-
Total	516,300	494,306	21,994	4.4
Operating expenses	468,279	455,267	13,012	2.9
Operating income	48,021	39,039	8,982	23.0
<i>Operating income on consolidated net sales (%)</i>	<i>9.3</i>	<i>7.9</i>		

Identifiable assets:	(Millions of yen)			
	March 31, 2006	March 31, 2005	Change	%
Office Solution Business	1,426,635	1,358,136	68,499	5.0
Industry Business	84,595	72,406	12,189	16.8
Other Business	114,925	125,278	-10,353	-8.3
Elimination	-2,088	-10,174	8,086	-
Corporate assets	417,116	408,023	9,093	2.2
Total	2,041,183	1,953,669	87,514	4.5

Capital expenditures:	(Millions of yen)			
	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
Office Solution Business	18,797	20,475	-1,678	-8.2
Industry Business	2,258	3,015	-757	-25.1
Other Business	666	1,734	-1,068	-61.6
Corporate	903	740	163	22.0
Total	22,624	25,964	-3,340	-12.9

Depreciation:	(Millions of yen)			
	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
Office Solution Business	16,023	13,864	2,159	15.6
Industry Business	1,732	3,021	-1,289	-42.7
Other Business	640	837	-197	-23.5
Corporate	332	1,050	-718	-68.4
Total	18,727	18,772	-45	-0.2

Note: Effective from this financial period, our business segments are reclassified into three categories, "Office Solution", "Industry" and "Other". Accordingly, information for the previous corresponding period has been reclassified to conform with the current classification.

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
Office Solution Business:				
Net sales:				
Unaffiliated customers	1,637,228	1,531,428	105,800	6.9
Intersegment	-	-	-	-
Total	1,637,228	1,531,428	105,800	6.9
Operating expenses	1,434,279	1,335,059	99,220	7.4
Operating income	202,949	196,369	6,580	3.4
<i>Operating income on sales in Office Solution Business (%)</i>	12.4	12.8		
Industry Business:				
Net sales:				
Unaffiliated customers	120,636	119,408	1,228	1.0
Intersegment	2,564	2,506	58	2.3
Total	123,200	121,914	1,286	1.1
Operating expenses	124,108	121,872	2,236	1.8
Operating income	-908	42	-950	-
<i>Operating income on sales in Industry Business (%)</i>	-0.7	0.0		
Other Business:				
Net sales:				
Unaffiliated customers	157,226	163,272	-6,046	-3.7
Intersegment	-	-	-	-
Total	157,226	163,272	-6,046	-3.7
Operating expenses	151,114	167,431	-16,317	-9.7
Operating income	6,112	-4,159	10,271	-
<i>Operating income on sales in Other Business (%)</i>	3.9	-2.5		
Corporate and Eliminations:				
Net sales:				
Intersegment	-2,564	-2,506	-58	-
Total	-2,564	-2,506	-58	-
Operating expenses:				
Intersegment	-2,594	-2,475	-119	-
Corporate	56,169	56,715	-546	-
Total	53,575	54,240	-665	-
Operating income	-56,139	-56,746	607	-
Consolidated:				
Net sales:				
Unaffiliated customers	1,915,090	1,814,108	100,982	5.6
Intersegment	-	-	-	-
Total	1,915,090	1,814,108	100,982	5.6
Operating expenses	1,763,076	1,678,602	84,474	5.0
Operating income	152,014	135,506	16,508	12.2
<i>Operating income on consolidated net sales (%)</i>	7.9	7.5		

Identifiable assets: (Millions of yen)

	March 31, 2006	March 31, 2005	Change	%
Office Solution Business	1,426,635	1,358,136	68,499	5.0
Industry Business	84,595	72,406	12,189	16.8
Other Business	114,925	125,278	-10,353	-8.3
Elimination	-2,088	-10,174	8,086	-
Corporate assets	417,116	408,023	9,093	2.2
Total	2,041,183	1,953,669	87,514	4.5

Capital expenditures: (Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
Office Solution Business	90,383	70,638	19,745	28.0
Industry Business	7,451	8,509	-1,058	-12.4
Other Business	2,366	3,451	-1,085	-31.4
Corporate	1,854	2,103	-249	-11.8
Total	102,054	84,701	17,353	20.5

Depreciation: (Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
Office Solution Business	57,326	53,439	3,887	7.3
Industry Business	6,631	7,450	-819	-11.0
Other Business	2,355	2,635	-280	-10.6
Corporate	1,156	3,272	-2,116	-64.7
Total	67,468	66,796	672	1.0

Note: Effective from this financial period, our business segments are reclassified into three categories, "Office Solution", "Industry" and "Other". Accordingly, information for the previous corresponding period has been reclassified to conform with the current classification.

(2) Geographic Segment Information
(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%
Japan:				
Net sales:				
External customers	266,036	277,023	-10,987	-4.0
Intersegment	104,444	97,677	6,767	6.9
Total	370,480	374,700	-4,220	-1.1
Operating expenses	346,014	355,371	-9,357	-2.6
Operating income	24,466	19,329	5,137	26.6
<i>Operating income on sales in Japan(%)</i>	6.6	5.2		
The Americas:				
Net sales:				
External customers	105,305	85,645	19,660	23.0
Intersegment	472	1,345	-873	-64.9
Total	105,777	86,990	18,787	21.6
Operating expenses	98,773	80,940	17,833	22.0
Operating income	7,004	6,050	954	15.8
<i>Operating income on sales in the Americas(%)</i>	6.6	7.0		
Europe:				
Net sales:				
External customers	118,557	110,307	8,250	7.5
Intersegment	1,134	774	360	46.5
Total	119,691	111,081	8,610	7.8
Operating expenses	112,681	102,883	9,798	9.5
Operating income	7,010	8,198	-1,188	-14.5
<i>Operating income on sales in Europe(%)</i>	5.9	7.4		
Other:				
Net sales:				
External customers	26,402	21,331	5,071	23.8
Intersegment	30,691	24,328	6,363	26.2
Total	57,093	45,659	11,434	25.0
Operating expenses	52,320	42,329	9,991	23.6
Operating income	4,773	3,330	1,443	43.3
<i>Operating income on sales in Other(%)</i>	8.4	7.3		
Corporate and Eliminations:				
Net sales:				
Intersegment	-136,741	-124,124	-12,617	-
Total	-136,741	-124,124	-12,617	-
Operating expenses:	-141,509	-126,256	-15,253	-
Operating income	4,768	2,132	2,636	-
Consolidated:				
Net sales:				
External customers	516,300	494,306	21,994	4.4
Intersegment	-	-	-	-
Total	516,300	494,306	21,994	4.4
Operating expenses	468,279	455,267	13,012	2.9
Operating income	48,021	39,039	8,982	23.0
<i>Operating income on consolidated net sales(%)</i>	9.3	7.9		

Identifiable assets:

(Millions of yen)

	March 31, 2006	March 31, 2005	Change	%
Japan	1,220,780	1,187,190	33,590	2.8
The Americas	240,726	206,979	33,747	16.3
Europe	235,897	228,568	7,329	3.2
Other	79,102	66,319	12,783	19.3
Elimination	-152,438	-143,410	-9,028	-
Corporate assets	417,116	408,023	9,093	2.2
Total	2,041,183	1,953,669	87,514	4.5

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%
Japan:				
Net sales:				
External customers	998,797	994,499	4,298	0.4
Intersegment	413,087	392,216	20,871	5.3
Total	1,411,884	1,386,715	25,169	1.8
Operating expenses	1,312,655	1,298,640	14,015	1.1
Operating income	99,229	88,075	11,154	12.7
<i>Operating income on sales in Japan(%)</i>	7.0	6.4		
The Americas:				
Net sales:				
External customers	385,746	322,975	62,771	19.4
Intersegment	7,630	7,486	144	1.9
Total	393,376	330,461	62,915	19.0
Operating expenses	378,108	316,651	61,457	19.4
Operating income	15,268	13,810	1,458	10.6
<i>Operating income on sales in the Americas(%)</i>	3.9	4.2		
Europe:				
Net sales:				
External customers	434,304	412,333	21,971	5.3
Intersegment	4,449	3,310	1,139	34.4
Total	438,753	415,643	23,110	5.6
Operating expenses	417,341	391,271	26,070	6.7
Operating income	21,412	24,372	-2,960	-12.1
<i>Operating income on sales in Europe(%)</i>	4.9	5.9		
Other:				
Net sales:				
External customers	96,243	84,301	11,942	14.2
Intersegment	104,045	89,647	14,398	16.1
Total	200,288	173,948	26,340	15.1
Operating expenses	185,283	162,042	23,241	14.3
Operating income	15,005	11,906	3,099	26.0
<i>Operating income on sales in Other(%)</i>	7.5	6.8		
Corporate and Eliminations:				
Net sales:				
Intersegment	-529,211	-492,659	-36,552	-
Total	-529,211	-492,659	-36,552	-
Operating expenses:	-530,311	-490,002	-40,309	-
Operating income	1,100	-2,657	3,757	-
Consolidated:				
Net sales:				
External customers	1,915,090	1,814,108	100,982	5.6
Intersegment	-	-	-	-
Total	1,915,090	1,814,108	100,982	5.6
Operating expenses	1,763,076	1,678,602	84,474	5.0
Operating income	152,014	135,506	16,508	12.2
<i>Operating income on consolidated net sales(%)</i>	7.9	7.5		
Identifiable assets:				
	March 31, 2006	March 31, 2005	Change	%
Japan	1,220,780	1,187,190	33,590	2.8
The Americas	240,726	206,979	33,747	16.3
Europe	235,897	228,568	7,329	3.2
Other	79,102	66,319	12,783	19.3
Elimination	-152,438	-143,410	-9,028	-
Corporate assets	417,116	408,023	9,093	2.2
Total	2,041,183	1,953,669	87,514	4.5

7. Significant Accounting Policies (Consolidated)

1. Change relating to the scale of consolidation and the application of the equity method from April 1, 2005 to March 31, 2006.

Consolidated subsidiaries:

- 6 Additions
- 32 Removals

Companies accounted for by the equity method:

- 3 Removals

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

In conformity with SFAS No.115, securities are mainly classified as 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 and intangible asset determined to have an indefinite useful life are not amortized. SFAS No. 142 requires annual impairment testing thereof.

(6) Pension and Retirement Allowances Plans

The measurement of pension costs and liabilities is determined in accordance with SFAS No.87, "Employers' Accounting for Pensions." Under SFAS 87, changes in the amount of either the projected benefit obligation or plan assets resulting from actual results different from that assumed and from changes in assumptions can result in gains and losses not yet recognized in the consolidated financial statements. Amortization of an unrecognized net gain or loss is included as a component of the net periodic benefit plan cost for a year if, as of the beginning of the year, that unrecognized net gain or loss exceeds 10 percent of the greater of (1) the projected benefit obligation or (2) the fair value of that plan's assets. In such case, the amount of amortization recognized is the resulting excess divided by the average remaining service period of active employees expected to receive benefits under the plan. The expected long-term rate of return on plan assets used for pension accounting is determined based on the historical long-term rate of return on plan assets. The discount rate is determined based on the rates of return of high-quality fixed-income investments currently available and expected to be available during the period to maturity of the pension benefits.

(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 accounting principles generally accepted in the United States of America. 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, 2006 and March 31, 2005 are as follows:

(Millions of yen)				
March 31, 2006				
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Corporate debt securities	161	-	-	161
Other	1	-	-	1
	162	-	-	162
Noncurrent:				
Equity securities	8,034	15,716	37	23,713
Corporate debt securities	6,000	50	-	6,050
Other	171	-	-	171
Nonmarketable securities (at cost)	6,485	-	-	6,485
	20,690	15,766	37	36,419

(Millions of yen)				
March 31, 2005				
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Corporate debt securities	137	-	-	137
Other	1	-	-	1
	138	-	-	138
Noncurrent:				
Equity securities	7,479	9,021	49	16,451
Corporate debt securities	6,000	45	-	6,045
Other	1,229	480	-	1,709
Nonmarketable securities (at cost)	6,949	-	-	6,949
	21,657	9,546	49	31,154

(2) Derivatives

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, 2006 and March 31, 2005 are as follows:

(Millions of yen)		
March 31, 2006		
	Carrying amount	Estimated Fair value
Interest rate swap agreements, net	1,175	1,175
Foreign currency contracts-net credit	-1,147	-1,147
Currency options-net credit	-270	-270
Total	-242	-242

(Millions of yen)		
March 31, 2005		
	Carrying amount	Estimated Fair value
Interest rate swap agreements, net	1,683	1,683
Foreign currency contracts-net credit	181	181
Currency options	-813	-813
Total	1,051	1,051

(3) Transactions of Ricoh with affiliates

(Millions of yen)		
	March 31, 2006	March 31, 2005
Account balances:		
Receivables	3,493	3,416
Payables	2,706	2,964
(Millions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2005
Transactions:		
Sales	20,205	19,365
Purchases	25,617	27,286
Dividend income	1,175	1,154

(4) Subsequent events

Sales of content distribution business

On April 3, 2006, the board of directors of our subsidiary, San-Ai Co., Ltd. approved the plan to sell the content distribution business currently under the control of Giga Networks Company, a division of San-Ai, to Mobile Alliance Co., Ltd., a subsidiary of Faith, Inc. Consummation of the sale is scheduled to occur on May 31, 2006. The sale price is ¥12.0 billion. The gain on the sale is to be reported in our forecasted consolidated business results is expected to be approximately ¥5.0 billion, net of income tax effect.

The decision to sell the content distribution business was made based on Ricoh Group's judgment that it would be best for San-Ai Co., Ltd. and Ricoh Group as a whole if such business is able to grow and develop by meeting the expectation of customers and business partners by becoming a part of the Faith group's business and further improving the quality of services.

Ricoh Company, Ltd.

FLASH REPORT (Non-consolidated. Year ended March 31, 2006)

*Date of approval for the financial results for the year ended March 31, 2006,
at the Board of Directors' meeting: April 26, 2006

*Date of shareholders' annual meeting: Jun 28, 2006

1. Results for the Period from April 1, 2005 to March 31, 2006 (Non-consolidated)

(1) Operating Results (Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005
Net sales	934,354	897,217
<i>(% Change from the previous fiscal year)</i>	4.1	2.4
Operating income	69,712	56,861
<i>(% Change from the previous fiscal year)</i>	22.6	-8.5
Ordinary income	82,441	62,733
<i>(% Change from the previous fiscal year)</i>	31.4	0.4
Net income	55,087	41,983
<i>(% Change from the previous fiscal year)</i>	31.2	-28.4
Net income per share-basic (yen)	74.81	56.64
Net income per share-diluted (yen)	-	-
Return on equity (%)	8.1	6.4
Ordinary income on total assets (%)	8.5	6.6
Ordinary income on net sales (%)	8.8	7.0

Notes: i Average number of shares outstanding:

Year ended March 31, 2006 734,542,253 shares Year ended March 31, 2005 738,514,615 shares

ii No change in accounting and reporting policies

(2) Dividend Information

	Year ended March 31, 2006	Year ended March 31, 2005
Cash dividends, applicable to the year (yen)	24.00	20.00
Half year (yen)	12.00	10.00
Year-end (yen)	12.00	10.00
Total annual dividends (millions of yen)	17,594	14,735
Payout Ratio (%)	31.9	35.1
Dividends on shareholders' equity (%)	2.5	2.2

(3) Financial Position (Millions of yen)

	March 31, 2006	March 31, 2005
Total assets	982,551	949,547
Shareholders' equity	694,752	659,975
Equity ratio (%)	70.7	69.5
Equity per share (yen)	951.10	897.96

Notes: i Number of shares issued:

As of March 31, 2006 730,332,556 shares As of March 31, 2005 734,795,844 shares

ii Number of Treasury stocks:

As of March 31, 2006 14,579,522 shares As of March 31, 2005 10,116,234 shares

(4) Forecast of operating results from April 1, 2006 to March 31, 2007 (Non-consolidated)

	Half year ending September 30, 2006	Year ending March 31, 2007
Net sales (Millions of yen)	475,000	1,000,000
Ordinary income (Millions of yen)	41,500	93,500
Net income (Millions of yen)	27,500	62,000
Cash dividends, applicable to the year (yen)	-	28.00
Half year (yen)	13.00	-
Year-end (yen)	-	15.00

Note: Net income per share ¥ 84.89

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the half year ending September 30, 2006 and year ending March 31, 2007. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties.

9. Non-consolidated Performance

(1) Statement of Income (Non-consolidated)

For the years ended March 31, 2006 and 2005.

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change(%)	
Net sales	934,354	897,217	37,137	(4.1)
Cost of sales	645,496	619,968	25,528	(4.1)
<i>Percentage of net sales (%)</i>	69.1	69.1		
Gross profit	288,857	277,249	11,608	(4.2)
<i>Percentage of net sales (%)</i>	30.9	30.9		
Selling, general and administrative expenses	219,144	220,387	-1,243	(-0.6)
<i>Percentage of net sales (%)</i>	23.5	24.6		
Selling expenses	47,413	47,656	-243	
General and administrative expenses	171,730	172,731	-1,001	
Operating income	69,712	56,861	12,851	(22.6)
<i>Percentage of net sales (%)</i>	7.5	6.3		
Non-operating income	15,728	11,824	3,904	(33.0)
<i>Percentage of net sales (%)</i>	1.7	1.3		
Interest	2,991	2,324	667	
Interest on securities	63	113	-50	
Dividends	4,940	4,187	753	
Exchange gain	2,874	1,731	1,143	
Miscellaneous income	4,858	3,467	1,391	
Non-operating expenses	3,000	5,952	-2,952	(-49.6)
<i>Percentage of net sales (%)</i>	0.3	0.7		
Interest	10	5	5	
Interest on bonds	699	1,469	-770	
Loss on disposition of fixed assets	1,934	3,445	-1,511	
Miscellaneous expenses	356	1,032	-676	
Ordinary income	82,441	62,733	19,708	(31.4)
<i>Percentage of net sales (%)</i>	8.8	7.0		
Extraordinary income	1,662	-	1,662	
<i>Percentage of net sales (%)</i>	0.2	-	-	
Gain on sales of fixed assets	1,662	-	1,662	
Income before income taxes	84,103	62,733	21,370	(34.1)
<i>Percentage of net sales (%)</i>	9.0	7.0		
Provision for income taxes	27,400	11,500	15,900	(138.3)
<i>Percentage of net sales (%)</i>	2.9	1.3		
Corporate and other tax adjustments	1,616	9,250	-7,634	(-82.5)
<i>Percentage of net sales (%)</i>	0.2	1.0		
Net income	55,087	41,983	13,104	(31.2)
<i>Percentage of net sales (%)</i>	5.9	4.7		
Retained earnings at beginning of year	9,404	9,630	-226	
Reversal of reserve for social contribution	83	88	-5	
Loss on disposal of Treasury stock	4	1,922	-1,918	
Interim dividends	8,830	7,387	1,443	
Retained earnings at end of year	55,740	42,392	13,348	

Reference:

Exchange rate

	Year ended March 31, 2006	Year ended March 31, 2005
US\$ 1	112.95	107.64
EURO 1	138.02	135.29

(2) Balance Sheets (Non-consolidated)

March 31, 2006 and 2005

Assets (Millions of yen)

	March 31, 2006	March 31, 2005	Change
Current Assets	481,056	485,067	-4,011
Cash on hand and in banks	8,689	10,148	-1,459
Notes receivable-trade	7,540	7,983	-443
Accounts receivable-trade	235,393	213,503	21,890
Marketable securities	50,985	128,186	-77,201
Finished goods	26,352	29,336	-2,984
Raw materials	3,405	3,665	-260
Work-in-process	6,806	6,348	458
Supplies	7,820	6,924	896
Prepaid expenses	3,624	3,037	587
Deferred tax assets	12,703	11,706	997
Accounts receivable-other	14,510	29,510	-15,000
Short-term loans receivable	102,411	33,753	68,658
Other current assets	2,394	2,455	-61
Allowance for doubtful accounts	-1,582	-1,492	-90
Fixed Assets	501,494	464,480	37,014
Tangible Fixed Assets	130,374	108,949	21,425
Buildings	48,532	40,423	8,109
Structures	1,894	1,783	111
Machinery and equipment	19,391	18,422	969
Vehicles	19	12	7
Tools	21,997	17,521	4,476
Land	29,261	25,980	3,281
Construction in progress	9,277	4,806	4,471
Intangible Fixed Assets	31,359	30,945	414
Patent rights	319	442	-123
Leased property rights	8,479	8,479	-
Software	22,190	21,741	449
Other intangible fixed assets	370	282	88
Investments and Other Assets	339,761	324,584	15,177
Investment securities	33,217	28,058	5,159
Affiliates' securities	191,797	184,437	7,360
Investment in affiliates	25,974	28,440	-2,466
Long-term loans receivable	14	24	-10
Long-term loans to affiliates	80,799	70,145	10,654
Bankruptcy and rehabilitation debts	216	18	198
Deferred tax assets	1,620	7,073	-5,453
Lease deposit	7,009	6,515	494
Other investments	2,072	2,564	-492
Allowance for doubtful accounts	-2,962	-2,693	-269
Total Assets	982,551	949,547	33,004

Reference:

Exchange rate

	March 31,2006	March 31,2005
US\$ 1	117.47	107.39
EURO 1	142.81	138.87

March 31, 2006 and 2005

Liabilities (Millions of yen)

	March 31, 2006	March 31, 2005	Change
Current Liabilities	261,871	225,887	35,984
Notes payable-trade	4,641	6,033	-1,392
Accounts payable-trade	133,036	109,598	23,438
Bonds maturing within one year	35,000	40,000	-5,000
Accounts payable-other	17,112	13,650	3,462
Accrued expenses	33,153	34,872	-1,719
Accrued corporate tax	21,308	3,061	18,247
Advances by customers	380	378	2
Deposits payable	3,148	3,517	-369
Accrued bonuses	11,872	11,855	17
Warranty reserve	418	389	29
Derivative liabilities, at fair value	297	1,066	-769
Other current liabilities	1,503	1,465	38
Fixed Liabilities	25,927	63,683	-37,756
Bonds	25,000	60,000	-35,000
Long-term Accounts payable-other	-	2,810	-2,810
Retirement benefit obligation	417	352	65
Reserve for directors' retirement allowances	510	519	-9
Total Liabilities	287,799	289,571	-1,772

Shareholders' Equity (Millions of yen)

	March 31, 2006	March 31, 2005	Change
Common Stock	135,364	135,364	-
Additional paid-in-capital	180,804	179,522	1,282
Legal capital reserve	180,804	179,522	1,282
Retained earnings	399,153	360,404	38,749
Legal reserve	14,955	14,955	-
Voluntary reserves	328,457	303,057	25,400
Reserve for deferral of capital gain on property	550	574	-24
Reserve for special depreciation	1,272	802	470
Reserve for warranty on computer programs	167	218	-51
Reserve for social contribution	117	112	5
General reserve	326,350	301,350	25,000
Unappropriated retained earnings	55,740	42,392	13,348
Net unrealized holding gains on securities	8,769	4,598	4,171
Treasury stock	-29,339	-19,914	-9,425
Total Shareholders' Equity	694,752	659,975	34,777
Total Liabilities and Shareholders' Equity	982,551	949,547	33,004

Reference:

Exchange rate

	March 31, 2006	March 31, 2005
US\$ 1	117.47	107.39
EURO 1	142.81	138.87

(3) Proposed Appropriation of Retained Earnings

	(Millions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2005	Change
Unappropriated retained earnings at end of year	55,740	42,392	13,348
Reversal of reserve for deferral of capital gain on property	22	24	-2
Reversal of reserve for special depreciation	393	186	207
Reversal of reserve for warranty on computer programs	28	50	-22
Total	56,185	42,653	13,532

To be appropriated as follows:

	(Millions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2005	Change
Cash dividends	8,763	7,347	1,416
Dividends per share (yen)	12.00	10.00	
Director bonuses	135	155	-20
Reserve for special depreciation	736	657	79
Reserve for social contribution	83	88	-5
General reserve	36,000	25,000	11,000
Retained earnings brought forward to the next year	10,465	9,404	1,061

Notes:

On December 1, 2005, the Company made interim cash dividends of ¥12.00 per share totaling ¥8,830,471,500.

Significant Accounting Policies (Non-consolidated)

1. Accounting policy for assets

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

(2) Securities

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

 ii Other securities:

 Marketable securities are marked to market based on the market price at the 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)

(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

With currency swaps, 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

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.

(Impairment of fixed assets)

Effective April 1,2005, Ricoh Adopted "Accounting Standard for Impairment of Fixed Assets" issued by the Business Accounting Council on August 9,2002 and Financial Accounting Standard Implementation Guidance No.6,"Implementation Guidance for Accounting Standard for Impairment of Fixed Assets"issued by the Accounting Standards Board of Japan on October 31,2003.

There is no effect on profit(loss) for the current year or total shareholder's equity as of March 31,2006 attributable to this change.

Notes to Non-consolidated Financial Statements

(Balance Sheets)

(Millions of yen)

	March 31, 2006	March 31, 2005
1. Accumulated depreciation on tangible fixed assets	347,019	335,627
2. Trade notes receivable discounted with banks	48	46
3. Guarantee obligations	117	168

(Lease Transaction)

Ricoh left note for lease transaction out because the Company discloses financial statements on the electronic disclosure system, regulated in paragraph 30-6 of the Securities and Exchange Law No. 27.

(Securities)

Fair values of subsidiaries and affiliates

1. Year ended March 31, 2005

(Millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	7,253	50,996	43,743
Securities of affiliated companies	6,935	55,447	48,512
Total	14,189	106,444	92,255

2. Year ended March 31, 2006

(Millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	7,229	67,244	60,015
Securities of affiliated companies	6,935	57,577	50,641
Total	14,165	124,821	110,656

(Tax Effect Accounting)

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

(Millions of yen)

	March 31, 2006	March 31, 2005
Deferred tax assets:		
Retirement benefit obligation	9,896	9,846
Accrued bonuses	4,809	4,802
Loss on valuation of securities	2,143	3,138
Accrued enterprise tax	2,118	1,094
Depreciation and amortization	1,142	1,343
Inventory revaluation	971	1,085
Other	7,515	8,691
Total deferred tax assets	28,594	29,999

	March 31, 2006	March 31, 2005
Deferred tax liabilities:		
Retirement benefit trust establishment	-6,745	-6,745
Net unrealized holding gains on securities	-5,972	-3,132
Reserve for special depreciation	-1,100	-854
Reserve for deferral of capital gain on property	-359	-375
Reserve for warranty on computer programs	-95	-114
Total deferred tax liabilities	-14,271	-11,220

	March 31, 2006	March 31, 2005
Net deferred tax assets	14,323	18,779
Included in current assets	12,703	11,706
Included in investment and other assets	1,620	7,073

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

Normal effective statutory tax rate	40.5 %
(Reconciliation)	
Permanently non-deductible expenses	0.2
Permanently non-taxable income	-1.2
Tax credit for foreign taxes	-0.4
Tax credit for research and development expenses	-5.3
Other	0.7
Effective tax rate	34.5 %

-APPENDIX- (Year ended March 31, 2006)

1. Consolidated Quarterly Performance Outline

(1) Financial Statements Summary (Quarterly) (Billions of yen)

	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)	4Q	Change(%)
Net sales	452.9	3.8	470.0	7.0	475.7	7.2	516.3	4.4
Gross profit	194.7	2.9	193.5	10.8	201.1	4.7	210.2	5.8
Operating income	37.2	-5.3	29.6	61.3	37.0	-4.2	48.0	23.0
Income before income taxes	38.0	-7.8	31.3	67.0	38.7	11.7	48.0	18.3
Net income	23.7	-4.7	19.1	75.2	23.0	3.5	31.1	24.3
Net income per share (yen)	32.32	-	26.08	-	31.34	-	42.59	-
Total assets	1,899.9	-	1,948.5	-	1,990.8	-	2,041.1	-
Shareholders' equity	879.6	-	905.6	-	929.5	-	960.2	-
Shareholders' equity per share (yen)	1,198.48	-	1,233.08	-	1,265.83	-	1,316.21	-
Cash flows from operating activities	48.3	-	25.0	-	20.1	-	83.3	-
Cash flows from investing activities	-36.0	-	-25.8	-	-29.3	-	-28.8	-
Cash flows from financing activities	-52.4	-	2.6	-	17.7	-	-27.9	-
Cash and cash equivalents at end of period	144.6	-	148.0	-	154.8	-	187.0	-

(2) Capital expenditures and Depreciation (Billions of yen)

	1Q	2Q	3Q	4Q
Capital expenditures	34.7	23.4	21.2	22.6
Depreciation for tangible fixed assets	15.6	15.4	17.6	18.7

(3) R&D Expenditures (Billions of yen)

	1Q	2Q	3Q	4Q
R&D expenditures	25.5	29.4	27.2	28.2
R&D expenditures / Total Sales (%)	5.6	6.3	5.7	5.5

(4) Interest income (expenses) net (Billions of yen)

	1Q	2Q	3Q	4Q
Interest income (expenses) net	-0.3	-0.4	-0.5	-0.9

(5) Exchange Rate

	1Q	2Q	3Q	4Q
Exchange rate (Yen/US\$)	107.60	111.22	117.24	117.01
Exchange rate (Yen/EURO)	135.55	135.79	139.41	140.72

2. Consolidated Sales by Product Category

(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%	Change excluding exchange impact	%
<Office Solution Business>						
Imaging Solution Business	386,298	355,169	31,129	8.8	16,433	4.6
<i>Percentage of net sales (%)</i>	74.8	71.9				
Domestic	152,818	153,134	-316	-0.2	-316	-0.2
Overseas	233,480	202,035	31,445	15.6	16,749	8.3
Network System Solution Business	56,663	61,671	-5,008	-8.1	-5,134	-8.3
<i>Percentage of net sales (%)</i>	11.0	12.4				
Domestic	53,769	59,476	-5,707	-9.6	-5,707	-9.6
Overseas	2,894	2,195	699	31.8	573	26.1
Office Solution Business Total	442,961	416,840	26,121	6.3	11,299	2.7
<i>Percentage of net sales (%)</i>	85.8	84.3				
Domestic	206,587	212,610	-6,023	-2.8	-6,023	-2.8
Overseas	236,374	204,230	32,144	15.7	17,322	8.5
The Americas	99,842	82,901	16,941	20.4	6,852	8.3
Europe	112,186	101,998	10,188	10.0	7,326	7.2
Other	24,346	19,331	5,015	25.9	3,144	16.3
<Industry Business>						
Industry Business	32,462	34,557	-2,095	-6.1	-2,762	-8.0
<i>Percentage of net sales (%)</i>	6.3	7.0				
Domestic	18,639	24,404	-5,765	-23.6	-5,765	-23.6
Overseas	13,823	10,153	3,670	36.1	3,003	29.6
The Americas	5,249	2,587	2,662	102.9	2,168	83.8
Europe	4,503	4,251	252	5.9	156	3.7
Other	4,071	3,315	756	22.8	679	20.5
<Other Business>						
Other Business	40,877	42,909	-2,032	-4.7	-2,353	-5.5
<i>Percentage of net sales (%)</i>	7.9	8.7				
Domestic	35,048	35,464	-416	-1.2	-416	-1.2
Overseas	5,829	7,445	-1,616	-21.7	-1,937	-26.0
The Americas	230	533	-303	-56.8	-326	-61.2
Europe	1,603	2,060	-457	-22.2	-495	-24.0
Other	3,996	4,852	-856	-17.6	-1,116	-23.0
Grand Total	516,300	494,306	21,994	4.4	6,184	1.3
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	260,274	272,478	-12,204	-4.5	-12,204	-4.5
<i>Percentage of net sales (%)</i>	50.4	55.1				
Overseas	256,026	221,828	34,198	15.4	18,388	8.3
<i>Percentage of net sales (%)</i>	49.6	44.9				
The Americas	105,321	86,021	19,300	22.4	8,694	10.1
<i>Percentage of net sales (%)</i>	20.4	17.4				
Europe	118,292	108,309	9,983	9.2	6,987	6.5
<i>Percentage of net sales (%)</i>	22.9	21.9				
Other	32,413	27,498	4,915	17.9	2,707	9.8
<i>Percentage of net sales (%)</i>	6.3	5.6				
Reference: Exchange rate						
US\$ 1	¥117.01	¥104.60	¥12.41			
EURO 1	¥140.72	¥137.26	¥3.46			

Each category includes the following product line:

Imaging Solution Business	Digital PPCs, color PPCs, digital duplicators, facsimile machines, analog PPCs, diazo copiers, scanners, MFPs(multifunctional printers), laser printers and software
Network System Solution Business	Personal computers, PC servers, network systems and network related software
Industry Business	Thermal media, optical equipments, semiconductors, electronic component and measuring equipments
Other Business	Optical discs and digital camera

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%	Change excluding exchange impact	%
<Office Solution Business>						
Imaging Solution Business	1,446,635	1,332,299	114,336	8.6	83,873	6.3
<i>Percentage of net sales (%)</i>	75.5	73.4				
Domestic	585,363	564,163	21,200	3.8	21,200	3.8
Overseas	861,272	768,136	93,136	12.1	62,673	8.2
Network System Solution Business	190,593	199,129	-8,536	-4.3	-8,800	-4.4
<i>Percentage of net sales (%)</i>	10.0	11.0				
Domestic	181,149	192,304	-11,155	-5.8	-11,155	-5.8
Overseas	9,444	6,825	2,619	38.4	2,355	34.5
Office Solution Business Total	1,637,228	1,531,428	105,800	6.9	75,073	4.9
<i>Percentage of net sales (%)</i>	85.5	84.4				
Domestic	766,512	756,467	10,045	1.3	10,045	1.3
Overseas	870,716	774,961	95,755	12.4	65,028	8.4
The Americas	368,184	312,188	55,996	17.9	37,566	12.0
Europe	412,550	385,689	26,861	7.0	18,775	4.9
Other	89,982	77,084	12,898	16.7	8,687	11.3
<Industry Business>						
Industry Business	120,636	119,408	1,228	1.0	10	0.0
<i>Percentage of net sales (%)</i>	6.3	6.6				
Domestic	72,379	80,833	-8,454	-10.5	-8,454	-10.5
Overseas	48,257	38,575	9,682	25.1	8,464	21.9
The Americas	17,391	10,112	7,279	72.0	6,408	63.4
Europe	16,049	15,338	711	4.6	435	2.8
Other	14,817	13,125	1,692	12.9	1,621	12.4
<Other Business>						
Other Business	157,226	163,272	-6,046	-3.7	-6,775	-4.1
<i>Percentage of net sales (%)</i>	8.2	9.0				
Domestic	133,185	135,675	-2,490	-1.8	-2,490	-1.8
Overseas	24,041	27,597	-3,556	-12.9	-4,285	-15.5
The Americas	1,837	3,297	-1,460	-44.3	-1,504	-45.6
Europe	6,201	7,879	-1,678	-21.3	-1,783	-22.6
Other	16,003	16,421	-418	-2.5	-998	-6.1
Grand Total	1,915,090	1,814,108	100,982	5.6	68,308	3.8
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	972,076	972,975	-899	-0.1	-899	-0.1
<i>Percentage of net sales (%)</i>	50.8	53.6				
Overseas	943,014	841,133	101,881	12.1	69,207	8.2
<i>Percentage of net sales (%)</i>	49.2	46.4				
The Americas	387,412	325,597	61,815	19.0	42,470	13.0
<i>Percentage of net sales (%)</i>	20.2	17.9				
Europe	434,800	408,906	25,894	6.3	17,427	4.3
<i>Percentage of net sales (%)</i>	22.7	22.5				
Other	120,802	106,630	14,172	13.3	9,310	8.7
<i>Percentage of net sales (%)</i>	6.3	6.0				
Reference: Exchange rate						
US\$ 1	¥113.26	¥107.58	¥5.68			
EURO 1	¥137.86	¥135.25	¥2.61			

Each category includes the following product line:

Imaging Solution Business	Digital PPCs, color PPCs, digital duplicators, facsimile machines, analog PPCs, diazo copiers, scanners, MFPs(multifunctional printers), laser printers and software
Network System Solution Business	Personal computers, PC servers, network systems and network related software
Industry Business	Thermal media, optical equipments, semiconductors, electronic component and measuring equipments
Other Business	Optical discs and digital camera

3. Consolidated Sales by Previous Product Category

(Three months ended March 31, 2006 and 2005)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2005	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	141,860	142,583	-723	-0.5	-6,968	-4.9
<i>Percentage of net sales (%)</i>	27.5	28.8				
Domestic	56,223	60,962	-4,739	-7.8	-4,739	-7.8
Overseas	85,637	81,621	4,016	4.9	-2,229	-2.7
Other Imaging Systems	37,765	37,592	173	0.5	-1,209	-3.2
<i>Percentage of net sales (%)</i>	7.3	7.7				
Domestic	12,532	12,989	-457	-3.5	-457	-3.5
Overseas	25,233	24,603	630	2.6	-752	-3.1
Total Imaging Solutions	179,625	180,175	-550	-0.3	-8,177	-4.5
<i>Percentage of net sales (%)</i>	34.8	36.5				
Domestic	68,755	73,951	-5,196	-7.0	-5,196	-7.0
Overseas	110,870	106,224	4,646	4.4	-2,981	-2.8
Network Input/Output Systems:						
Printing Systems	217,034	184,704	32,330	17.5	24,784	13.4
<i>Percentage of net sales (%)</i>	42.0	37.4				
Domestic	85,994	81,243	4,751	5.8	4,751	5.8
Overseas	131,040	103,461	27,579	26.7	20,033	19.4
Other Input/Output Systems	2,079	4,486	-2,407	-53.7	-2,427	-54.1
<i>Percentage of net sales (%)</i>	0.4	0.9				
Domestic	938	1,326	-388	-29.3	-388	-29.3
Overseas	1,141	3,160	-2,019	-63.9	-2,039	-64.5
Total Network Input/Output Systems	219,113	189,190	29,923	15.8	22,357	11.8
<i>Percentage of net sales (%)</i>	42.4	38.3				
Domestic	86,932	82,569	4,363	5.3	4,363	5.3
Overseas	132,181	106,621	25,560	24.0	17,994	16.9
Network System Solutions	58,177	63,326	-5,149	-8.1	-5,275	-8.3
<i>Percentage of net sales (%)</i>	11.3	12.7				
Domestic	55,283	61,131	-5,848	-9.6	-5,848	-9.6
Overseas	2,894	2,195	699	31.8	573	26.1
Office Equipment Total	456,915	432,691	24,224	5.6	8,905	2.1
<i>Percentage of net sales (%)</i>	88.5	87.5				
Domestic	210,970	217,651	-6,681	-3.1	-6,681	-3.1
Overseas	245,945	215,040	30,905	14.4	15,586	7.2
The Americas	102,809	85,853	16,956	19.8	6,547	7.6
Europe	116,600	106,523	10,077	9.5	7,115	6.7
Other	26,536	22,664	3,872	17.1	1,924	8.5
< Other Businesses >						
Other Businesses	59,385	61,615	-2,230	-3.6	-2,721	-4.4
<i>Percentage of net sales (%)</i>	11.5	12.5				
Domestic	49,304	54,827	-5,523	-10.1	-5,523	-10.1
Overseas	10,081	6,788	3,293	48.5	2,802	41.3
The Americas	2,512	168	2,344	1,395.2	2,147	1,278.0
Europe	1,692	1,786	-94	-5.3	-128	-7.2
Other	5,877	4,834	1,043	21.6	783	16.2
Grand Total	516,300	494,306	21,994	4.4	6,184	1.3
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	260,274	272,478	-12,204	-4.5	-12,204	-4.5
<i>Percentage of net sales (%)</i>	50.4	55.1				
Overseas	256,026	221,828	34,198	15.4	18,388	8.3
<i>Percentage of net sales (%)</i>	49.6	44.9				
The Americas	105,321	86,021	19,300	22.4	8,694	10.1
<i>Percentage of net sales (%)</i>	20.4	17.4				
Europe	118,292	108,309	9,983	9.2	6,987	6.5
<i>Percentage of net sales (%)</i>	22.9	21.9				
Other	32,413	27,498	4,915	17.9	2,707	9.8
<i>Percentage of net sales (%)</i>	6.3	5.6				
Reference: Exchange rate						
US\$ 1	¥117.01	¥104.60	¥12.41			
EURO 1	¥140.72	¥137.26	¥3.46			

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, metering equipments and semiconductors

(Year ended March 31, 2006 and 2005)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2005	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	558,149	559,023	-874	-0.2	-13,428	-2.4
<i>Percentage of net sales (%)</i>	29.1	30.8				
Domestic	222,421	231,526	-9,105	-3.9	-9,105	-3.9
Overseas	335,728	327,497	8,231	2.5	-4,323	-1.3
Other Imaging Systems	151,338	156,074	-4,736	-3.0	-7,596	-4.9
<i>Percentage of net sales (%)</i>	7.9	8.6				
Domestic	57,966	59,371	-1,405	-2.4	-1,405	-2.4
Overseas	93,372	96,703	-3,331	-3.4	-6,191	-6.4
Total Imaging Solutions	709,487	715,097	-5,610	-0.8	-21,024	-2.9
<i>Percentage of net sales (%)</i>	37.0	39.4				
Domestic	280,387	290,897	-10,510	-3.6	-10,510	-3.6
Overseas	429,100	424,200	4,900	1.2	-10,514	-2.5
Network Input/Output Systems:						
Printing Systems	778,845	655,328	123,517	18.8	107,561	16.4
<i>Percentage of net sales (%)</i>	40.7	36.1				
Domestic	315,169	283,141	32,028	11.3	32,028	11.3
Overseas	463,676	372,187	91,489	24.6	75,533	20.3
Other Input/Output Systems	9,941	15,508	-5,567	-35.9	-5,618	-36.2
<i>Percentage of net sales (%)</i>	0.5	0.9				
Domestic	3,048	3,247	-199	-6.1	-199	-6.1
Overseas	6,893	12,261	-5,368	-43.8	-5,419	-44.2
Total Network Input/Output Systems	788,786	670,836	117,950	17.6	101,943	15.2
<i>Percentage of net sales (%)</i>	41.2	37.0				
Domestic	318,217	286,388	31,829	11.1	31,829	11.1
Overseas	470,569	384,448	86,121	22.4	70,114	18.2
Network System Solutions						
<i>Percentage of net sales (%)</i>	196,833	205,895	-9,062	-4.4	-9,326	-4.5
Domestic	187,389	199,070	-11,681	-5.9	-11,681	-5.9
Overseas	9,444	6,825	2,619	38.4	2,355	34.5
Office Equipment Total						
<i>Percentage of net sales (%)</i>	1,695,106	1,591,828	103,278	6.5	71,593	4.5
Domestic	785,993	776,355	9,638	1.2	9,638	1.2
Overseas	909,113	815,473	93,640	11.5	61,955	7.6
The Americas	381,109	324,853	56,256	17.3	37,226	11.5
Europe	428,933	403,574	25,359	6.3	16,986	4.2
Other	99,071	87,046	12,025	13.8	7,743	8.9
< Other Businesses >						
Other Businesses	219,984	222,280	-2,296	-1.0	-3,285	-1.5
<i>Percentage of net sales (%)</i>	11.5	12.3				
Domestic	186,083	196,620	-10,537	-5.4	-10,537	-5.4
Overseas	33,901	25,660	8,241	32.1	7,252	28.3
The Americas	6,303	744	5,559	747.2	5,244	704.8
Europe	5,867	5,332	535	10.0	441	8.3
Other	21,731	19,584	2,147	11.0	1,567	8.0
Grand Total						
<i>Percentage of net sales (%)</i>	1,915,090	1,814,108	100,982	5.6	68,308	3.8
Domestic	972,076	972,975	-899	-0.1	-899	-0.1
<i>Percentage of net sales (%)</i>	50.8	53.6				
Overseas	943,014	841,133	101,881	12.1	69,207	8.2
<i>Percentage of net sales (%)</i>	49.2	46.4				
The Americas	387,412	325,597	61,815	19.0	42,470	13.0
<i>Percentage of net sales (%)</i>	20.2	17.9				
Europe	434,800	408,906	25,894	6.3	17,427	4.3
<i>Percentage of net sales (%)</i>	22.7	22.5				
Other	120,802	106,630	14,172	13.3	9,310	8.7
<i>Percentage of net sales (%)</i>	6.3	6.0				

Reference: Exchange rate

US\$ 1	¥113.26	¥107.58	¥5.68
EURO 1	¥137.86	¥135.25	¥2.61

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, metering equipments and semiconductors

4. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended Mar.31,'06	Year ending March 31, 2007				Half year ending September 30, 2006			
		Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Solution Business>									
Imaging Solution Business	1,446.6	1,564.5	8.1	1,553.1	7.4	739.8	6.7	724.1	4.5
Domestic	585.3	608.5	4.0	608.5	4.0	293.9	1.6	293.9	1.6
Overseas	861.2	956.0	11.0	944.6	9.7	445.9	10.4	430.2	6.5
Network system Solution Business	190.5	202.1	6.0	202.1	6.0	98.3	5.5	98.3	5.5
Domestic	181.1	190.4	5.1	190.4	5.1	93.0	4.5	93.0	4.5
Overseas	9.4	11.7	23.9	11.7	23.9	5.3	27.2	5.3	27.2
Office Solution Business Total	1,637.2	1,766.6	7.9	1,755.2	7.2	838.1	6.6	822.4	4.6
Domestic	766.5	798.9	4.2	798.9	4.2	386.9	2.3	386.9	2.3
Overseas	870.7	967.7	11.1	956.3	9.8	451.2	10.6	435.5	6.7
The Americas	368.1	409.0	11.1	404.0	9.7	191.5	9.8	182.4	4.6
Europe	412.5	456.5	10.7	450.2	9.1	211.1	10.5	204.7	7.1
Other	89.9	102.2	13.6	102.1	13.5	48.6	14.0	48.4	13.6
<Industry Business>									
Industry Business	120.6	129.0	6.9	128.7	6.7	61.9	5.9	61.3	4.9
Domestic	72.3	73.4	1.4	73.4	1.4	36.2	0.3	36.2	0.3
Overseas	48.2	55.6	15.2	55.3	14.6	25.7	14.8	25.1	12.1
The Americas	17.3	21.3	22.5	21.2	21.9	9.1	10.7	8.7	5.8
Europe	16.0	17.3	7.8	17.1	6.5	8.6	15.1	8.4	12.4
Other	14.8	17.0	14.7	17.0	14.7	8.0	19.6	8.0	19.6
<Other Business>									
Other Business	157.2	154.4	-1.8	154.4	-1.8	77.0	-1.6	77.0	-1.6
Domestic	133.1	127.7	-4.1	127.7	-4.1	63.9	-4.1	63.9	-4.1
Overseas	24.0	26.7	11.1	26.7	11.1	13.1	12.3	13.1	12.3
The Americas	1.8	3.2	74.2	3.2	74.2	1.7	28.7	1.7	28.7
Europe	6.2	6.6	6.4	6.6	6.4	3.7	29.3	3.7	29.3
Other	16.0	16.9	5.6	16.9	5.6	7.7	2.9	7.7	2.9
Grand Total	1,915.0	2,050.0	7.0	2,038.3	6.4	977.0	5.8	960.7	4.1
Domestic	972.0	1,000.0	2.9	1,000.0	2.9	487.0	1.3	487.0	1.3
Overseas	943.0	1,050.0	11.3	1,038.3	10.1	490.0	10.8	473.7	7.1
The Americas	387.4	433.5	11.9	428.4	10.6	202.3	10.0	192.8	4.8
Europe	434.8	480.4	10.5	473.9	9.0	223.4	10.9	216.8	7.6
Other	120.8	136.1	12.7	136.0	12.6	64.3	13.2	64.1	12.9

* Excluding foreign exchange impact

Reference:	Year ended Mar. 31, '06	Year ending Mar. 31, '07	Half year ending Sept. 30, '06
Exchange rate	(Results)	(Forecast)	(Forecast)
US\$ 1	¥113.26	¥115.00	¥115.00
EURO 1	¥137.86	¥140.00	¥140.00

Each category includes the following product line:

Imaging Solution Business

Digital PPCs, color PPCs, digital duplicators, facsimile machines, analog PPCs, diazo copiers, scanners, MFPs(multifunctional printers), laser printers and software

Network System Solution Business

Personal computers, PC servers, network systems and network related software

Industry Business

Thermal media, optical equipments, semiconductors, electronic component and measuring equipments

Other Business

Optical discs and digital camera