

## QUARTERLY REPORT

Third Quarter Ended December 31, 2005

(Results for the Period from October 1, 2005 to December 31, 2005)

### Performance Outline (Consolidated)

(1) Three Months Ended December 31, 2005 and 2004

	(Billions of yen)		
	Three months ended December 31, 2005	Three months ended December 31, 2004	Change
Domestic sales	230.8	231.3	-0.2%
Overseas sales	244.8	212.4	15.3%
Net sales	475.7	443.7	7.2%
Gross profit	201.1	192.1	4.7%
Operating income	37.0	38.7	-4.2%
Income before income taxes	38.7	34.6	11.7%
Net income	23.0	22.2	3.5%
Exchange rate (Yen/US\$)	117.24	106.01	11.23
Exchange rate (Yen/EURO)	139.41	137.16	2.25
Net income per share (yen)	31.34	30.08	1.26
Capital expenditures	21.2	20.5	0.7
Depreciation for tangible fixed assets	17.6	16.9	0.6
R&D expenditures	27.2	26.1	1.0

(2) Nine Months Ended December 31, 2005, 2004 and Year Ending March 31, 2006

				(Billions of yen)	
	Nine months ended December 31, 2005 (Results)	Nine months ended December 31, 2004 (Results)	Change	Year ending March 31, 2006 (Forecast)	Change
Domestic sales	711.8	700.4	1.6%	990.0	1.7%
Overseas sales	686.9	619.3	10.9%	920.0	9.4%
Net sales	1,398.7	1,319.8	6.0%	1,910.0	5.3%
Gross profit	589.4	555.9	6.0%	802.0	6.3%
Operating income	103.9	96.4	7.8%	153.0	12.9%
Income before income taxes	108.1	94.7	14.1%	157.5	16.3%
Net income	65.8	58.0	13.5%	97.0	16.7%
Exchange rate (Yen/US\$)	112.04	108.55	3.49	111.52	3.94
Exchange rate (Yen/EURO)	136.92	134.60	2.32	136.44	1.19
Net income per share (yen)	89.74	78.56	11.18	132.10	19.46
Total assets	1,990.8	1,899.8	90.9	-	-
Shareholders' equity	929.5	841.9	87.5	-	-
Interest-bearing debt	397.4	446.4	-49.0	-	-
Equity ratio (%)	46.7	44.3	2.4	-	-
Shareholders' equity per share (yen)	1,265.83	1,139.87	125.96	-	-
Cash flows from operating activities	93.5	74.3	19.2	-	-
Cash flows from investing activities	-91.2	-90.5	-0.6	-	-
Cash flows from financing activities	-32.0	-22.9	-9.1	-	-
Cash and cash equivalents at end of period	154.8	168.1	-13.3	-	-
Capital expenditures	79.4	58.7	20.6	110.0	25.2
Depreciation for tangible fixed assets	48.7	48.0	0.7	67.0	0.2
R&D expenditures	82.1	79.6	2.5	116.0	5.5

### Ricoh Company, Ltd.

\* Ricoh bases the forecast estimates for the year ending March 31, 2006 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

## Performance

### \*Overview

The Ricoh groups' consolidated net sales for the third quarter of fiscal 2006 (the three months period from October 1 to December 31, 2005) increased by 7.2% as compared to the previous corresponding period, to ¥475.7 billion. During this quarter, the average yen exchange rates were ¥117.24 against the U.S. dollar (down ¥11.23) and ¥139.41 against the Euro (down ¥2.25). Net sales would increase by 4.2% excluding impact of such foreign currency exchange fluctuations.

As for Japan, net sales of product categories such as PPCs (plain paper copiers), MFPs (multifunctional printers) and laser printers and net sales of solution business such as support service increased. Moreover, Industry Business and Other Business achieved steady sales growth. On the other hand, net sales of stand-alone products, and personal computers and PC servers decreased. As a result, domestic sales decreased by 0.2% as compared to the previous corresponding period.

As for overseas, net sales of digital PPCs increased in the Americas and China. Net sales of MFPs and laser printers increased in each region. Net sales increased by 25.5% (13.4% excluding exchange fluctuation impact) in the Americas, 7.0% (5.0%) in Europe and 18.7% (11.9%) in Other area such as China and Asia. As a result for overseas, net sales increased by 15.3% as compared to the previous corresponding period and would increase by 9.0%, excluding impact of currency exchange fluctuations.

Gross profit increased by 4.7% due primarily to increased sales in the Imaging Solution as our core business such as digital PPCs, MFPs and laser printers.

As for operating income, it decreased by 4.2% as compared to the previous corresponding period, to ¥37.0 billion due primarily to an increase of selling, general and administrative expenses that consists of R&D expenses (increased ¥1.0 billion, 5.7% of net sales), the reorganization of domestic bases and integration of group companies in Japan and overseas.

A gain from foreign currency exchange was included in the other (income) expenses. As a result, income before income taxes increased by 11.7% as compared to the previous corresponding period, to ¥38.7 billion.

As for provision for income taxes, effective tax rate during this quarter raised temporarily due to the recognition of deferred income tax accompanied with integration of group companies. A decrease in minority interests in earnings of subsidiaries and equity in earnings of affiliates were due to decreased income of subsidiaries and affiliates.

As a result, net income increased by 3.5% as compared to the previous corresponding period, to ¥23.0 billion.

\*Conditions by Product Line

Office Solution Business (Sales up 7.4% to ¥407.9 billion)

Net sales in the Imaging Solution as our core business increased as compared to the previous corresponding period due primarily to a continuously sales increase of color PPCs, MFPs and laser printers in Japan and overseas. On the other hand, net sales in the Network System Solution decreased due primarily to a decrease in sales of personal computers and PC servers. As a result, net sales in the Office Solution Business increased by 7.4% to ¥407.9 billion.

Imaging Solution (Sales up 8.6% to ¥367.2 billion)

- Although domestic sales of digital PPCs decreased due primarily to a shift in customer demands to MFPs from stand-alone products, overseas sales of digital PPCs continued performing well.
- Color PPCs increased by introducing a new series of products to the market in responding to an increase of customer demands.
- In response to customer demands for high speed, networking and coloration, sales of MFPs continued to increase by offering new product lineups in Japan and overseas.
  - MFPs: Imagio Neo 250, Imagio Neo 453 in Japan  
Aficio 2020/2020D series overseas
  - Color MFPs: Imagio Neo C246 in Japan  
Aficio 3260C overseas
- Sales of laser printers continued to increase.
- As a result, sales in this category increased by 8.6%.

Network System Solution (Sales down 2.6% to ¥40.7 billion)

- Net sales in this category decreased due primarily to a decline in sales of personal computers and PC servers as compared to the previous corresponding period, although net sales of solution business such as support service increased.

Operating income in this segment decreased by 6.2% as compared to the previous corresponding period, to ¥51.3 billion. Despite the profit effect of increased sales and new product offering, it was offset by R&D expenses and costs incurred by the reorganization of domestic bases and integration of group companies.

Industry Business (Sales up 13.9% to ¥29.7 billion)

Net sales in the Industry Business increased by 13.9% as compared to the previous corresponding period, to ¥29.7 billion. Despite a decrease in demand of optical equipments business, sales in thermal business and electronic component business increased, and semiconductor business also increased its sales as compared to the previous corresponding period. However, the Industry Business resulted losses of ¥0.7 billion in operating income due primarily to countermeasures to the market of measuring equipments business.

Other Business (Sales up 0.8% to ¥38.0 billion)

Net sales in the Other Business increased by 0.8% as compared to the previous corresponding period, to ¥38.0 billion. Despite decreased sales of optical discs business in overseas and sales of non-core business subsidiary, financing and logistics businesses performed well and contributed in profits.

As a result, operating income in this segment increased to ¥2.4 billion.

Note: Effective from the year ending March 31, 2006, our business segment is changed into three categories such as "Office Solution", "Industry" and "Other".

\*Cash Flows (Nine months ended December 31, 2005)

Net cash provided by operating activities increased ¥19.2 billion as compared to the previous corresponding period, to ¥93.5 billion. It was due mainly to the fact that net income and depreciation increased and trade receivables were collected, despite a decrease in trade payables and increase in finance receivables.

Net cash used in investing activities increased ¥0.6 billion to ¥91.2 billion, due to capital expenditure on research and development facilities and new plants.

As a result, free cash flows generated by operating and investing activities increased ¥18.5 billion as compared to the previous corresponding period, to ¥2.2 billion.

Net cash used in financing activities amounted to ¥32.0 billion due primarily to the repayment of interest-bearing debt and dividend payments.

As a result, cash and cash equivalents at the end of this third quarter decreased by ¥32.0 billion as compared to the end of the preceding fiscal year, to ¥154.8 billion.

\*Forecast for the entire fiscal year

As for consolidated operating results forecast for the fiscal year ending March 31, 2006, we have revised our sales forecast as announced in October 2005, up to ¥1,910.0 billion in view of increased sales for nine months ended December 31, 2005. Assumed foreign exchange rates for the fourth quarter of ¥110.00 to the U.S. dollar and ¥135.00 to the Euro have been unchanged.

As for income, we revised downward our forecast to operating income of ¥153.0 billion and income before income taxes of ¥157.5 billion, from ¥160.0 billion and ¥160.0 billion of which we announced in October 2005, respectively. It is due primarily to the activities of which include production and sales promotion for new core products in the Imaging Solutions in the second half of this fiscal year, additional spending for the integration of domestic bases and group companies, and building of core operating system.

Net income forecast of ¥97.0 billion has been unchanged.

Our performance forecasts for fiscal 2006 are as follows:

Exchange rate assumptions for the fiscal year ending March 31, 2006

US\$ 1 = ¥111.52 (¥107.58 in previous fiscal year)

EURO 1 = ¥136.44 (¥135.25 in previous fiscal year)

(Billions of yen)

	Year ending March 31, 2006 (Forecast)	Year ended March 31, 2005 (Results)	Change
Domestic sales	990.0	972.9	1.7%
Overseas sales	920.0	841.1	9.4%
Net sales	1,910.0	1,814.1	5.3%
Gross profit	802.0	754.5	6.3%
Operating income	153.0	135.5	12.9%
Income before income taxes	157.5	135.3	16.3%
Net income	97.0	83.1	16.7%

\* Ricoh bases the forecast estimates for the year ending March 31, 2006 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

# Ricoh Company, Ltd. and Consolidated Subsidiaries

## Financial Highlights for the Third Quarter Ended December 31, 2005 (U.S. GAAP Financial Information)

### 1. Items Relating to Third Quarter Financial Statements

- (1) No change in accounting method has been made.  
 (2) Change relating to the scale of consolidation and the application of the equity method:  
     Consolidated subsidiaries: 2 additions; 13 removals  
     Companies accounted for by the equity method: No change

### 2. Results for the Period from October 1, 2005 to December 31, 2005

#### (1) Operating Results

	(Millions of yen)		
	Three months ended December 31, 2005	Three months ended December 31, 2004	Year ended March 31, 2005
Net sales	475,770	443,799	1,814,108
<i>(% change from the previous corresponding period)</i>	<i>7.2</i>	<i>5.4</i>	<i>1.9</i>
Operating income	37,086	38,709	135,506
<i>(% change from the previous corresponding period)</i>	<i>-4.2</i>	<i>6.9</i>	<i>-9.7</i>
Income before income taxes	38,707	34,661	135,383
<i>(% change from the previous corresponding period)</i>	<i>11.7</i>	<i>4.2</i>	<i>-5.4</i>
Net income	23,000	22,223	83,143
<i>(% change from the previous corresponding period)</i>	<i>3.5</i>	<i>13.0</i>	<i>-9.4</i>
Net income per share-basic (yen)	31.34	30.08	112.64
Net income per share-diluted (yen)	-	-	-

Note: Equity in earnings of affiliates: ¥762 million (¥1,532 million in previous corresponding period)

#### (2) Financial Position

	(Millions of yen)		
	December 31, 2005	December 31, 2004	March 31, 2005
Total assets	1,990,802	1,899,898	1,953,669
Shareholders' equity	929,508	841,998	862,998
Equity ratio (%)	46.7	44.3	44.2
Equity per share (yen)	1,265.83	1,139.87	1,175.67

#### Cash Flows

	(Millions of yen)		
	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Year ended March 31, 2005
Cash flows from operating activities	93,524	74,318	132,780
Cash flows from investing activities	-91,252	-90,576	-96,198
Cash flows from financing activities	-32,063	-22,949	-56,439
Cash and cash equivalents at end of period	154,840	168,173	186,857

### 3. Forecast of Operating Results from April 1, 2005 to March 31, 2006

	(Millions of yen)	
Net sales	1,910,000	
Operating income	153,000	
Income before income taxes	157,500	
Net income	97,000	

Note: Net income per share (Consolidated) ¥132.10

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 31, 2006. 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.

## Consolidated Performance

### 1. Consolidated Statements of Income

(Three months ended December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%
Net sales	475,770	443,799	31,971	7.2
Cost of sales	274,616	251,696	22,920	9.1
<i>Percentage of net sales (%)</i>	57.7	56.7		
Gross Profit	201,154	192,103	9,051	4.7
<i>Percentage of net sales (%)</i>	42.3	43.3		
Selling, general and administrative expenses	164,068	153,394	10,674	7.0
<i>Percentage of net sales (%)</i>	34.5	34.6		
Operating income	37,086	38,709	-1,623	-4.2
<i>Percentage of net sales (%)</i>	7.8	8.7		
Other (income) expense				
Interest and dividend income	886	358	528	147.5
<i>Percentage of net sales (%)</i>	0.2	0.1		
Interest expense	1,450	1,276	174	13.6
<i>Percentage of net sales (%)</i>	0.3	0.3		
Other, net	-2,185	3,130	-5,315	-
<i>Percentage of net sales (%)</i>	-0.4	0.7		
Income before income taxes, equity income and minority interests	38,707	34,661	4,046	11.7
<i>Percentage of net sales (%)</i>	8.1	7.8		
Provision for income taxes	15,470	12,500	2,970	23.8
<i>Percentage of net sales (%)</i>	3.3	2.8		
Minority interests in earnings of subsidiaries	999	1,470	-471	-32.0
<i>Percentage of net sales (%)</i>	0.2	0.3		
Equity in earnings of affiliates	762	1,532	-770	-50.3
<i>Percentage of net sales (%)</i>	0.2	0.3		
Net income	23,000	22,223	777	3.5
<i>Percentage of net sales (%)</i>	4.8	5.0		
Reference : Exchange rate				
US\$ 1	¥117.24	¥106.01		
EURO 1	¥139.41	¥137.16		

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Year ended March 31, 2005
Net sales	1,398,790	1,319,802	78,988	6.0	1,814,108
Cost of sales	809,383	763,819	45,564	6.0	1,059,531
<i>Percentage of net sales (%)</i>	57.9	57.9			58.4
Gross Profit	589,407	555,983	33,424	6.0	754,577
<i>Percentage of net sales (%)</i>	42.1	42.1			41.6
Selling, general and administrative expenses	485,414	459,516	25,898	5.6	619,071
<i>Percentage of net sales (%)</i>	34.7	34.8			34.1
Operating income	103,993	96,467	7,526	7.8	135,506
<i>Percentage of net sales (%)</i>	7.4	7.3			7.5
Other (income) expense					
Interest and dividend income	2,270	1,431	839	58.6	2,240
<i>Percentage of net sales (%)</i>	0.2	0.1			0.1
Interest expense	3,645	3,592	53	1.5	4,684
<i>Percentage of net sales (%)</i>	0.3	0.3			0.3
Other, net	-5,496	-419	-5,077	-	-2,321
<i>Percentage of net sales (%)</i>	-0.4	-0.1			-0.2
Income before income taxes, equity income and minority interests	108,114	94,725	13,389	14.1	135,383
<i>Percentage of net sales (%)</i>	7.7	7.2			7.5
Provision for income taxes	40,255	36,279	3,976	11.0	50,634
<i>Percentage of net sales (%)</i>	2.8	2.7			2.8
Minority interests in earnings of subsidiaries	3,689	3,368	321	9.5	4,726
<i>Percentage of net sales (%)</i>	0.3	0.3			0.3
Equity in earnings of affiliates	1,697	2,966	-1,269	-42.8	3,120
<i>Percentage of net sales (%)</i>	0.1	0.2			0.2
Net income	65,867	58,044	7,823	13.5	83,143
<i>Percentage of net sales (%)</i>	4.7	4.4			4.6
Reference : Exchange rate					
US\$ 1	¥112.04	¥108.55			¥107.58
EURO 1	¥136.92	¥134.60			¥135.25

## 2-1. Consolidated Sales by Product Category

(Three months ended December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%
<Office Solution Business>				
Imaging Solution Business	367,207	338,074	29,133	8.6
<i>Percentage of net sales (%)</i>	77.2	76.2		
Network System Solution Business	40,779	41,852	-1,073	-2.6
<i>Percentage of net sales (%)</i>	8.6	9.4		
Total Office Solution Business	407,986	379,926	28,060	7.4
<i>Percentage of net sales (%)</i>	85.8	85.6		
<Industry Business>				
Industry Business	29,715	26,091	3,624	13.9
<i>Percentage of net sales (%)</i>	6.2	5.9		
<Other Business>				
Other Business	38,069	37,782	287	0.8
<i>Percentage of net sales (%)</i>	8.0	8.5		
Grand Total	475,770	443,799	31,971	7.2
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.24	¥106.01		
EURO 1	¥139.41	¥137.16		

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Year ended March 31, 2005
<Office Solution Business>					
Imaging Solution Business	1,060,337	977,130	83,207	8.5	1,332,299
<i>Percentage of net sales (%)</i>	75.8	74.0			73.4
Network System Solution Business	133,930	137,458	-3,528	-2.6	199,129
<i>Percentage of net sales (%)</i>	9.6	10.5			11.0
Total Office Solution Business	1,194,267	1,114,588	79,679	7.1	1,531,428
<i>Percentage of net sales (%)</i>	85.4	84.5			84.4
<Industry Business>					
Industry Business	88,174	84,851	3,323	3.9	119,408
<i>Percentage of net sales (%)</i>	6.3	6.4			6.6
<Other Business>					
Other Business	116,349	120,363	-4,014	-3.3	163,272
<i>Percentage of net sales (%)</i>	8.3	9.1			9.0
Grand Total	1,398,790	1,319,802	78,988	6.0	1,814,108
<i>Percentage of net sales (%)</i>	100.0	100.0			100.0
Reference : Exchange rate					
US\$ 1	¥112.04	¥108.55			¥107.58
EURO 1	¥136.92	¥134.60			¥135.25

Note: Effective from the year ending March 31, 2006, our business segment is changed into three categories such as "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 December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%
<Domestic>	230,885	231,321	-436	-0.2
<i>Percentage of net sales (%)</i>	48.5	52.1		
<Overseas>	244,885	212,478	32,407	15.3
<i>Percentage of net sales (%)</i>	51.5	47.9		
The Americas	98,176	78,246	19,930	25.5
<i>Percentage of net sales (%)</i>	20.6	17.6		
Europe	115,109	107,610	7,499	7.0
<i>Percentage of net sales (%)</i>	24.2	24.2		
Other	31,600	26,622	4,978	18.7
<i>Percentage of net sales (%)</i>	6.7	6.1		
Grand Total	475,770	443,799	31,971	7.2
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.24	¥106.01		
EURO 1	¥139.41	¥137.16		

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Year ended March 31, 2005
<Domestic>	711,802	700,497	11,305	1.6	972,975
<i>Percentage of net sales (%)</i>	50.9	53.1			53.6
<Overseas>	686,988	619,305	67,683	10.9	841,133
<i>Percentage of net sales (%)</i>	49.1	46.9			46.4
The Americas	282,091	239,576	42,515	17.7	325,597
<i>Percentage of net sales (%)</i>	20.2	18.2			17.9
Europe	316,508	300,597	15,911	5.3	408,906
<i>Percentage of net sales (%)</i>	22.6	22.8			22.5
Other	88,389	79,132	9,257	11.7	106,630
<i>Percentage of net sales (%)</i>	6.3	5.9			6.0
Grand Total	1,398,790	1,319,802	78,988	6.0	1,814,108
<i>Percentage of net sales (%)</i>	100.0	100.0			100.0
Reference : Exchange rate					
US\$ 1	¥112.04	¥108.55			¥107.58
EURO 1	¥136.92	¥134.60			¥135.25



### 3. Consolidated Balance Sheets

(December 31, 2005 and March 31, 2005)

Assets	(Millions of yen)		
	December 31, 2005	March 31, 2005	Change
<b>Current Assets</b>			
Cash and time deposits	156,552	188,311	-31,759
Trade receivables	622,651	620,568	2,083
Marketable securities	159	138	21
Inventories	171,703	167,365	4,338
Other current assets	56,536	53,365	3,171
<b>Total Current Assets</b>	<b>1,007,601</b>	<b>1,029,747</b>	<b>-22,146</b>
<b>Fixed Assets</b>			
Tangible fixed assets	264,192	247,410	16,782
Finance receivables	415,063	391,947	23,116
Other Investments	303,946	284,565	19,381
<b>Total Fixed Assets</b>	<b>983,201</b>	<b>923,922</b>	<b>59,279</b>
<b>Total Assets</b>	<b>1,990,802</b>	<b>1,953,669</b>	<b>37,133</b>

Note:

Contents of cash and time deposits:

Cash and cash equivalents	154,840	186,857
Time deposits	1,712	1,454

Liabilities and Shareholders' Investment	(Millions of yen)		
	December 31, 2005	March 31, 2005	Change
<b>Current Liabilities</b>			
Trade payables	311,927	336,499	-24,572
Short-term borrowings	158,703	183,518	-24,815
Other current liabilities	154,892	151,497	3,395
<b>Total Current Liabilities</b>	<b>625,522</b>	<b>671,514</b>	<b>-45,992</b>
<b>Fixed Liabilities</b>			
Long-term indebtedness	238,745	226,567	12,178
Accrued pension and severance costs	95,503	92,672	2,831
Other fixed liabilities	48,776	48,767	9
<b>Total Fixed Liabilities</b>	<b>383,024</b>	<b>368,006</b>	<b>15,018</b>
<b>Total Liabilities</b>	<b>1,008,546</b>	<b>1,039,520</b>	<b>-30,974</b>
<b>Minority Interest</b>	<b>52,748</b>	<b>51,151</b>	<b>1,597</b>
<b>Shareholders' Investment</b>			
Common stock	135,364	135,364	-
Additional paid-in capital	186,450	186,551	-101
Retained earnings	634,204	584,515	49,689
Accumulated other comprehensive income (loss)	-5,616	-21,963	16,347
Treasury stock	-20,894	-21,469	575
<b>Total Shareholders' Investment</b>	<b>929,508</b>	<b>862,998</b>	<b>66,510</b>
<b>Total Liabilities and Shareholders' Investment</b>	<b>1,990,802</b>	<b>1,953,669</b>	<b>37,133</b>

Note: Other comprehensive income;

Net unrealized holding gains on available-for-sale securities	7,855	4,791	3,064
Pension liability adjustments	-13,953	-14,652	699
Net unrealized gains (losses) on derivative instruments	67	117	-50
Cumulative translation adjustments	415	-12,219	12,634

Reference: Exchange rate	December 31, 2005	March 31, 2005
US\$ 1	¥118.07	¥107.39
EURO 1	¥139.83	¥138.87

#### 4. Consolidated Statements of Cash Flows

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Year ended March 31, 2005
<b>I. Cash Flows from Operating Activities:</b>			
1. Net income	65,867	58,044	83,143
2. Adjustments to reconcile net income to net cash provided by operating activities—			
Depreciation and amortization	62,275	57,498	78,201
Equity in earnings of affiliates, net of dividends received	-872	-2,163	-1,966
Deferred income taxes	-3,149	5,731	11,353
Losses on disposal and sales of tangible fixed assets	1,794	1,600	4,056
Changes in assets and liabilities, net of effects from acquisition—			
(Increase) decrease in trade receivables	20,194	23,847	-26,429
(Increase) decrease in inventories	913	-14,111	-12,885
Increase in finance receivables	-25,204	-19,659	-30,294
(Decrease) increase in trade payables	-31,404	-23,282	27,276
Decrease in accrued income taxes and accrued expenses and other	-2,758	-24,387	-13,719
Increase in accrued pension and severance costs	2,222	2,454	4,307
Other, net	3,646	8,746	9,737
Net cash provided by operating activities	93,524	74,318	132,780
<b>II. Cash Flows from Investing Activities:</b>			
1. Proceeds from sales of property, plant and equipment	331	1,631	721
2. Expenditures for tangible fixed assets	-79,267	-58,253	-84,076
3. Payments for purchases of available-for-sale securities	-114,519	-27,161	-79,431
4. Proceeds from sales of available-for-sale securities	117,417	39,024	118,120
5. (Increase) decrease in time deposits, net	-155	108	-511
6. Acquisition of new subsidiaries, net of cash acquired	-	-41,673	-43,214
7. Other, net	-15,059	-4,252	-7,807
Net cash used in investing activities	-91,252	-90,576	-96,198
<b>III. Cash Flows from Financing Activities:</b>			
1. Proceeds from long-term indebtedness	61,160	45,053	72,206
2. Repayment of long-term indebtedness	-67,833	-37,522	-60,613
3. (Decrease) increase in short-term borrowings, net	43,887	-1,628	-38,052
4. Proceeds from issuance of long-term debt securities	-	9,000	18,000
5. Repayment of long-term debt securities	-52,000	-22,000	-22,000
6. Dividends paid	-16,178	-14,793	-14,793
7. Payment for purchase of treasury stock	-487	-480	-10,624
8. Other, net	-612	-579	-563
Net cash used in financing activities	-32,063	-22,949	-56,439
<b>IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	-2,226	1,866	1,200
<b>V. Net Decrease in Cash and Cash Equivalents</b>	-32,017	-37,341	-18,657
<b>VI. Cash and Cash Equivalents at Beginning of Year</b>	186,857	203,039	203,039
<b>VII. Adjustment for Change of Fiscal Period on Consolidated Subsidiaries</b>	-	2,475	2,475
<b>VIII. Cash and Cash Equivalents at End of Period</b>	154,840	168,173	186,857

## 5. Segment Information

### (1) Industry Segment Information

(Three months ended December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%
<b>Office Solution Business:</b>				
Net sales:				
Unaffiliated customers	407,986	379,926	28,060	7.4
Intersegment	-	-	-	-
Total	407,986	379,926	28,060	7.4
Operating expenses	356,613	325,162	31,451	9.7
Operating income	51,373	54,764	-3,391	-6.2
<i>Operating income on sales in Office Solution Business (%)</i>	12.6	14.4		
<b>Industry Business:</b>				
Net sales:				
Unaffiliated customers	29,715	26,091	3,624	13.9
Intersegment	658	596	62	10.4
Total	30,373	26,687	3,686	13.8
Operating expenses	31,074	27,179	3,895	14.3
Operating income	-701	-492	-209	-
<i>Operating income on sales in Industry Business (%)</i>	-2.3	-1.8		
<b>Other Business:</b>				
Net sales:				
Unaffiliated customers	38,069	37,782	287	0.8
Intersegment	-	-	-	-
Total	38,069	37,782	287	0.8
Operating expenses	35,587	37,434	-1,847	-4.9
Operating income	2,482	348	2,134	613.2
<i>Operating income on sales in Other Business (%)</i>	6.5	0.9		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-658	-596	-62	-
Total	-658	-596	-62	-
Operating expenses:				
Intersegment	-662	-592	-70	-
Corporate	16,072	15,907	165	-
Total	15,410	15,315	95	-
Operating income	-16,068	-15,911	-157	-
<b>Consolidated:</b>				
Net sales:				
Unaffiliated customers	475,770	443,799	31,971	7.2
Intersegment	-	-	-	-
Total	475,770	443,799	31,971	7.2
Operating expenses	438,684	405,090	33,594	8.3
Operating income	37,086	38,709	-1,623	-4.2
<i>Operating income on consolidated net sales (%)</i>	7.8	8.7		

Note: Effective from the year ending March 31, 2006, our business segment is changed into three categories such as "Office Solution", "Industry" and "Other". Accordingly, information for the previous corresponding period has been reclassified to conform with the current classification.

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Year ended March 31, 2005
<b>Office Solution Business:</b>					
Net sales:					
Unaffiliated customers	1,194,267	1,114,588	79,679	7.1	1,531,428
Intersegment	-	-	-	-	-
Total	1,194,267	1,114,588	79,679	7.1	1,531,428
Operating expenses	1,052,462	975,903	76,559	7.8	1,335,059
Operating income	141,805	138,685	3,120	2.2	196,369
<i>Operating income on sales in Office Solution Business (%)</i>	<i>11.9</i>	<i>12.4</i>			<i>12.8</i>
<b>Industry Business:</b>					
Net sales:					
Unaffiliated customers	88,174	84,851	3,323	3.9	119,408
Intersegment	1,902	1,862	40	2.1	2,506
Total	90,076	86,713	3,363	3.9	121,914
Operating expenses	90,948	86,424	4,524	5.2	121,872
Operating income	-872	289	-1,161	-	42
<i>Operating income on sales in Industry Business (%)</i>	<i>-1.0</i>	<i>0.3</i>			<i>0.0</i>
<b>Other Business:</b>					
Net sales:					
Unaffiliated customers	116,349	120,363	-4,014	-3.3	163,272
Intersegment	-	-	-	-	-
Total	116,349	120,363	-4,014	-3.3	163,272
Operating expenses	111,739	121,254	-9,515	-7.8	167,431
Operating income	4,610	-891	5,501	-	-4,159
<i>Operating income on sales in Other Business (%)</i>	<i>4.0</i>	<i>-0.7</i>			<i>-2.5</i>
<b>Corporate and Eliminations:</b>					
Net sales:					
Intersegment	-1,902	-1,862	-40	-	-2,506
Total	-1,902	-1,862	-40	-	-2,506
Operating expenses:					
Intersegment	-1,941	-1,860	-81	-	-2,475
Corporate	41,589	41,614	-25	-	56,715
Total	39,648	39,754	-106	-	54,240
Operating income	-41,550	-41,616	66	-	-56,746
<b>Consolidated:</b>					
Net sales:					
Unaffiliated customers	1,398,790	1,319,802	78,988	6.0	1,814,108
Intersegment	-	-	-	-	-
Total	1,398,790	1,319,802	78,988	6.0	1,814,108
Operating expenses	1,294,797	1,223,335	71,462	5.8	1,678,602
Operating income	103,993	96,467	7,526	7.8	135,506
<i>Operating income on consolidated net sales (%)</i>	<i>7.4</i>	<i>7.3</i>			<i>7.5</i>

Note: Effective from the year ending March 31, 2006, our business segment is changed into three categories such as "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 December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%
<b>Japan:</b>				
Net sales:				
External customers	237,143	236,003	1,140	0.5
Intersegment	104,330	104,719	-389	-0.4
Total	341,473	340,722	751	0.2
Operating expenses	313,960	311,668	2,292	0.7
Operating income	27,513	29,054	-1,541	-5.3
<i>Operating income on sales in Japan(%)</i>	8.1	8.5		
<b>The Americas:</b>				
Net sales:				
External customers	98,122	78,146	19,976	25.6
Intersegment	5,405	1,327	4,078	307.3
Total	103,527	79,473	24,054	30.3
Operating expenses	101,728	77,846	23,882	30.7
Operating income	1,799	1,627	172	10.6
<i>Operating income on sales in the Americas(%)</i>	1.7	2.0		
<b>Europe:</b>				
Net sales:				
External customers	116,178	108,085	8,093	7.5
Intersegment	869	747	122	16.3
Total	117,047	108,832	8,215	7.5
Operating expenses	112,612	103,620	8,992	8.7
Operating income	4,435	5,212	-777	-14.9
<i>Operating income on sales in Europe(%)</i>	3.8	4.8		
<b>Other:</b>				
Net sales:				
External customers	24,327	21,565	2,762	12.8
Intersegment	25,335	21,501	3,834	17.8
Total	49,662	43,066	6,596	15.3
Operating expenses	46,029	39,925	6,104	15.3
Operating income	3,633	3,141	492	15.7
<i>Operating income on sales in Other(%)</i>	7.3	7.3		
<b>Corporate and Eliminations:</b>				
Net sales:				
Intersegment	-135,939	-128,294	-7,645	-
Total	-135,939	-128,294	-7,645	-
Operating expenses	-135,645	-127,969	-7,676	-
Operating income	-294	-325	31	-
<b>Consolidated:</b>				
Net sales:				
External customers	475,770	443,799	31,971	7.2
Intersegment	-	-	-	-
Total	475,770	443,799	31,971	7.2
Operating expenses	438,684	405,090	33,594	8.3
Operating income	37,086	38,709	-1,623	-4.2
<i>Operating income on consolidated net sales(%)</i>	7.8	8.7		

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Year ended March 31, 2005
<b>Japan:</b>					
Net sales:					
External customers	732,761	717,476	15,285	2.1	994,499
Intersegment	308,643	294,539	14,104	4.8	392,216
Total	1,041,404	1,012,015	29,389	2.9	1,386,715
Operating expenses	966,641	943,269	23,372	2.5	1,298,640
Operating income	74,763	68,746	6,017	8.8	88,075
<i>Operating income on sales in Japan(%)</i>	7.2	6.8			6.4
<b>The Americas:</b>					
Net sales:					
External customers	280,441	237,330	43,111	18.2	322,975
Intersegment	7,158	6,141	1,017	16.6	7,486
Total	287,599	243,471	44,128	18.1	330,461
Operating expenses	279,335	235,711	43,624	18.5	316,651
Operating income	8,264	7,760	504	6.5	13,810
<i>Operating income on sales in the Americas(%)</i>	2.9	3.2			4.2
<b>Europe:</b>					
Net sales:					
External customers	315,747	302,026	13,721	4.5	412,333
Intersegment	3,315	2,536	779	30.7	3,310
Total	319,062	304,562	14,500	4.8	415,643
Operating expenses	304,660	288,388	16,272	5.6	391,271
Operating income	14,402	16,174	-1,772	-11.0	24,372
<i>Operating income on sales in Europe(%)</i>	4.5	5.3			5.9
<b>Other:</b>					
Net sales:					
External customers	69,841	62,970	6,871	10.9	84,301
Intersegment	73,354	65,319	8,035	12.3	89,647
Total	143,195	128,289	14,906	11.6	173,948
Operating expenses	132,963	119,713	13,250	11.1	162,042
Operating income	10,232	8,576	1,656	19.3	11,906
<i>Operating income on sales in Other(%)</i>	7.1	6.7			6.8
<b>Corporate and Eliminations:</b>					
Net sales:					
Intersegment	-392,470	-368,535	-23,935	-	-492,659
Total	-392,470	-368,535	-23,935	-	-492,659
Operating expenses	-388,802	-363,746	-25,056	-	-490,002
Operating income	-3,668	-4,789	1,121	-	-2,657
<b>Consolidated:</b>					
Net sales:					
External customers	1,398,790	1,319,802	78,988	6.0	1,814,108
Intersegment	-	-	-	-	-
Total	1,398,790	1,319,802	78,988	6.0	1,814,108
Operating expenses	1,294,797	1,223,335	71,462	5.8	1,678,602
Operating income	103,993	96,467	7,526	7.8	135,506
<i>Operating income on consolidated net sales(%)</i>	7.4	7.3			7.5

**-APPENDIX-** (Third Quarter Ended December 31, 2005)

**1. Consolidated Quarterly Performance Outline**

Fiscal 2006	(Millions of yen)					
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)
Net sales	452,982	3.8	470,038	7.0	475,770	7.2
Gross profit	194,722	2.9	193,531	10.8	201,154	4.7
Operating income	37,282	-5.3	29,625	61.3	37,086	-4.2
Income before income taxes	38,095	-7.8	31,312	67.0	38,707	11.7
Net income	23,723	-4.7	19,144	75.2	23,000	3.5
Net income per share (yen)	32.32	-	26.08	-	31.34	-
Total assets	1,899,986	-	1,948,587	-	1,990,802	-
Shareholders' equity	879,665	-	905,674	-	929,508	-
Shareholders' equity per share (yen)	1,198.48	-	1,233.08	-	1,265.83	-

Fiscal 2005	(Millions of yen)							
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)	4Q	Change(%)
Net sales	436,550	-0.2	439,453	-2.5	443,799	5.4	494,306	4.9
Gross profit	189,171	-1.9	174,709	-10.6	192,103	3.4	198,594	3.6
Operating income	39,387	2.3	18,371	-52.6	38,709	6.9	39,039	6.8
Income before income taxes	41,319	10.7	18,745	-45.0	34,661	4.2	40,658	5.9
Net income	24,894	11.4	10,927	-45.1	22,223	13.0	25,099	-15.9
Net income per share (yen)	33.69	-	14.79	-	30.08	-	34.08	-
Total assets	1,855,745	-	1,877,455	-	1,899,898	-	1,953,669	-
Shareholders' equity	812,915	-	830,280	-	841,998	-	862,998	-
Shareholders' equity per share (yen)	1,100.24	-	1,123.84	-	1,139.87	-	1,175.67	-

Note: Fiscal year refers to Ricoh's fiscal year ended March 31.

## 2. Consolidated Sales by Product Category

(Three months ended December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%	Change excluding exchange impact	%
<Office Solution Business>						
Imaging Solution Business	367,207	338,074	29,133	8.6	16,659	4.9
<i>Percentage of net sales (%)</i>	77.2	76.2				
Domestic	143,304	143,259	45	0.0	45	0.0
Overseas	223,903	194,815	29,088	14.9	16,614	8.5
Network System Solution Business	40,779	41,852	-1,073	-2.6	-1,168	-2.8
<i>Percentage of net sales (%)</i>	8.6	9.4				
Domestic	38,396	40,145	-1,749	-4.4	-1,749	-4.4
Overseas	2,383	1,707	676	39.6	581	34.0
Office Solution Business Total	407,986	379,926	28,060	7.4	15,491	4.1
<i>Percentage of net sales (%)</i>	85.8	85.6				
Domestic	181,700	183,404	-1,704	-0.9	-1,704	-0.9
Overseas	226,286	196,522	29,764	15.1	17,195	8.7
The Americas	93,969	75,560	18,409	24.4	9,420	12.5
Europe	109,300	102,215	7,085	6.9	5,030	4.9
Other	23,017	18,747	4,270	22.8	2,745	14.6
<Industry Business>						
Industry Business	29,715	26,091	3,624	13.9	3,147	12.1
<i>Percentage of net sales (%)</i>	6.2	5.9				
Domestic	17,662	16,725	937	5.6	937	5.6
Overseas	12,053	9,366	2,687	28.7	2,210	23.6
The Americas	3,921	2,409	1,512	62.8	1,104	45.8
Europe	4,073	3,873	200	5.2	143	3.7
Other	4,059	3,084	975	31.6	963	31.2
<Other Business>						
Other Business	38,069	37,782	287	0.8	-36	-0.1
<i>Percentage of net sales (%)</i>	8.0	8.5				
Domestic	31,523	31,192	331	1.1	331	1.1
Overseas	6,546	6,590	-44	-0.7	-367	-5.6
The Americas	286	277	9	3.1	-13	-4.6
Europe	1,736	1,522	214	14.1	187	12.3
Other	4,524	4,791	-267	-5.6	-541	-11.3
Grand Total	475,770	443,799	31,971	7.2	18,602	4.2
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	230,885	231,321	-436	-0.2	-436	-0.2
<i>Percentage of net sales (%)</i>	48.5	52.1				
Overseas	244,885	212,478	32,407	15.3	19,038	9.0
<i>Percentage of net sales (%)</i>	51.5	47.9				
The Americas	98,176	78,246	19,930	25.5	10,511	13.4
<i>Percentage of net sales (%)</i>	20.6	17.6				
Europe	115,109	107,610	7,499	7.0	5,360	5.0
<i>Percentage of net sales (%)</i>	24.2	24.2				
Other	31,600	26,622	4,978	18.7	3,167	11.9
<i>Percentage of net sales (%)</i>	6.7	6.1				
Reference: Exchange rate						
US\$ 1	¥117.24	¥106.01	¥11.23			
EURO 1	¥139.41	¥137.16	¥2.25			

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



(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Change excluding exchange impact	%	Year ended March 31, 2005
<b>&lt;Office Solution Business&gt;</b>							
Imaging Solution Business	1,060,337	977,130	83,207	8.5	67,440	6.9	1,332,299
<i>Percentage of net sales (%)</i>	75.8	74.0					73.4
Domestic	432,545	411,029	21,516	5.2	21,516	5.2	564,163
Overseas	627,792	566,101	61,691	10.9	45,924	8.1	768,136
Network System Solution Business	133,930	137,458	-3,528	-2.6	-3,666	-2.7	199,129
<i>Percentage of net sales (%)</i>	9.6	10.5					11.0
Domestic	127,380	132,828	-5,448	-4.1	-5,448	-4.1	192,304
Overseas	6,550	4,630	1,920	41.5	1,782	38.5	6,825
Office Solution Business Total	1,194,267	1,114,588	79,679	7.1	63,774	5.7	1,531,428
<i>Percentage of net sales (%)</i>	85.4	84.5					84.4
Domestic	559,925	543,857	16,068	3.0	16,068	3.0	756,467
Overseas	634,342	570,731	63,611	11.1	47,706	8.4	774,961
The Americas	268,342	229,287	39,055	17.0	30,714	13.4	312,188
Europe	300,364	283,691	16,673	5.9	11,449	4.0	385,689
Other	65,636	57,753	7,883	13.6	5,543	9.6	77,084
<b>&lt;Industry Business&gt;</b>							
Industry Business	88,174	84,851	3,323	3.9	2,772	3.3	119,408
<i>Percentage of net sales (%)</i>	6.3	6.4					6.6
Domestic	53,740	56,429	-2,689	-4.8	-2,689	-4.8	80,833
Overseas	34,434	28,422	6,012	21.2	5,461	19.2	38,575
The Americas	12,142	7,525	4,617	61.4	4,240	56.3	10,112
Europe	11,546	11,087	459	4.1	279	2.5	15,338
Other	10,746	9,810	936	9.5	942	9.6	13,125
<b>&lt;Other Business&gt;</b>							
Other Business	116,349	120,363	-4,014	-3.3	-4,422	-3.7	163,272
<i>Percentage of net sales (%)</i>	8.3	9.1					9.0
Domestic	98,137	100,211	-2,074	-2.1	-2,074	-2.1	135,675
Overseas	18,212	20,152	-1,940	-9.6	-2,348	-11.7	27,597
The Americas	1,607	2,764	-1,157	-41.9	-1,178	-42.6	3,297
Europe	4,598	5,819	-1,221	-21.0	-1,288	-22.1	7,879
Other	12,007	11,569	438	3.8	118	1.0	16,421
Grand Total	1,398,790	1,319,802	78,988	6.0	62,124	4.7	1,814,108
<i>Percentage of net sales (%)</i>	100.0	100.0					100.0
Domestic	711,802	700,497	11,305	1.6	11,305	1.6	972,975
<i>Percentage of net sales (%)</i>	50.9	53.1					53.6
Overseas	686,988	619,305	67,683	10.9	50,819	8.2	841,133
<i>Percentage of net sales (%)</i>	49.1	46.9					46.4
The Americas	282,091	239,576	42,515	17.7	33,776	14.1	325,597
<i>Percentage of net sales (%)</i>	20.2	18.2					17.9
Europe	316,508	300,597	15,911	5.3	10,440	3.5	408,906
<i>Percentage of net sales (%)</i>	22.6	22.8					22.5
Other	88,389	79,132	9,257	11.7	6,603	8.3	106,630
<i>Percentage of net sales (%)</i>	6.3	5.9					6.0
Reference: Exchange rate							
US\$ 1	¥112.04	¥108.55	¥3.49				¥107.58
EURO 1	¥136.92	¥134.60	¥2.32				¥135.25

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 (for reference)

(Three months ended December 31, 2005 and 2004)

(Millions of yen)

	Three months ended December 31, 2005	Three months ended December 31, 2004	Change	%	Change excluding exchange impact	%
<Office Equipment>						
Imaging Solutions:						
Digital Imaging Systems	140,060	140,909	-849	-0.6	-6,291	-4.5
<i>Percentage of net sales (%)</i>	29.4	31.8				
Domestic	54,789	56,640	-1,851	-3.3	-1,851	-3.3
Overseas	85,271	84,269	1,002	1.2	-4,440	-5.3
Other Imaging Systems	38,019	37,408	611	1.6	-469	-1.3
<i>Percentage of net sales (%)</i>	8.0	8.4				
Domestic	15,277	15,470	-193	-1.2	-193	-1.2
Overseas	22,742	21,938	804	3.7	-276	-1.3
Total Imaging Solutions	178,079	178,317	-238	-0.1	-6,760	-3.8
<i>Percentage of net sales (%)</i>	37.4	40.2				
Domestic	70,066	72,110	-2,044	-2.8	-2,044	-2.8
Overseas	108,013	106,207	1,806	1.7	-4,716	-4.4
Network Input/Output Systems:						
Printing Systems	200,082	169,281	30,801	18.2	24,494	14.5
<i>Percentage of net sales (%)</i>	42.1	38.1				
Domestic	76,198	73,923	2,275	3.1	2,275	3.1
Overseas	123,884	95,358	28,526	29.9	22,219	23.3
Other Input/Output Systems	2,020	2,043	-23	-1.1	-41	-2.0
<i>Percentage of net sales (%)</i>	0.4	0.5				
Domestic	768	431	337	78.2	337	78.2
Overseas	1,252	1,612	-360	-22.3	-378	-23.4
Total Network Input/Output Systems	202,102	171,324	30,778	18.0	24,453	14.3
<i>Percentage of net sales (%)</i>	42.5	38.6				
Domestic	76,966	74,354	2,612	3.5	2,612	3.5
Overseas	125,136	96,970	28,166	29.0	21,841	22.5
Network System Solutions						
<i>Percentage of net sales (%)</i>	42,305	43,531	-1,226	-2.8	-1,321	-3.0
Domestic	8.9	9.8				
Domestic	39,922	41,824	-1,902	-4.5	-1,902	-4.5
Overseas	2,383	1,707	676	39.6	581	34.0
Office Equipment Total						
<i>Percentage of net sales (%)</i>	422,486	393,172	29,314	7.5	16,372	4.2
Domestic	88.8	88.6				
Domestic	186,954	188,288	-1,334	-0.7	-1,334	-0.7
Overseas	235,532	204,884	30,648	15.0	17,706	8.6
The Americas	97,074	78,056	19,018	24.4	9,727	12.5
Europe	113,323	105,862	7,461	7.0	5,346	5.0
Other	25,135	20,966	4,169	19.9	2,633	12.6
< Other Businesses >						
Other Businesses	53,284	50,627	2,657	5.2	2,230	4.4
<i>Percentage of net sales (%)</i>	11.2	11.4				
Domestic	43,931	43,033	898	2.1	898	2.1
Overseas	9,353	7,594	1,759	23.2	1,332	17.5
The Americas	1,102	190	912	480.0	784	412.6
Europe	1,786	1,748	38	2.2	14	0.8
Other	6,465	5,656	809	14.3	534	9.4
Grand Total						
<i>Percentage of net sales (%)</i>	475,770	443,799	31,971	7.2	18,602	4.2
Domestic	230,885	231,321	-436	-0.2	-436	-0.2
<i>Percentage of net sales (%)</i>	48.5	52.1				
Overseas	244,885	212,478	32,407	15.3	19,038	9.0
<i>Percentage of net sales (%)</i>	51.5	47.9				
The Americas	98,176	78,246	19,930	25.5	10,511	13.4
<i>Percentage of net sales (%)</i>	20.6	17.6				
Europe	115,109	107,610	7,499	7.0	5,360	5.0
<i>Percentage of net sales (%)</i>	24.2	24.2				
Other	31,600	26,622	4,978	18.7	3,167	11.9
<i>Percentage of net sales (%)</i>	6.7	6.1				
Reference: Exchange rate						
US\$ 1	¥117.24	¥106.01	¥11.23			
EURO 1	¥139.41	¥137.16	¥2.25			

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

(Nine months ended December 31, 2005 and 2004 and Year ended March 31, 2005)

(Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2004	Change	%	Change excluding exchange impact	%	Year ended March 31, 2005
<b>&lt;Office Equipment&gt;</b>							
<b>Imaging Solutions:</b>							
Digital Imaging Systems	416,289	416,440	-151	-0.0	-6,460	-1.6	559,023
<i>Percentage of net sales (%)</i>	29.8	31.6					30.8
Domestic	166,198	170,564	-4,366	-2.6	-4,366	-2.6	231,526
Overseas	250,091	245,876	4,215	1.7	-2,094	-0.9	327,497
Other Imaging Systems	113,573	118,482	-4,909	-4.1	-6,387	-5.4	156,074
<i>Percentage of net sales (%)</i>	8.1	8.9					8.6
Domestic	45,434	46,382	-948	-2.0	-948	-2.0	59,371
Overseas	68,139	72,100	-3,961	-5.5	-5,439	-7.5	96,703
Total Imaging Solutions	529,862	534,922	-5,060	-0.9	-12,847	-2.4	715,097
<i>Percentage of net sales (%)</i>	37.9	40.5					39.4
Domestic	211,632	216,946	-5,314	-2.4	-5,314	-2.4	290,897
Overseas	318,230	317,976	254	0.1	-7,533	-2.4	424,200
<b>Network Input/Output Systems:</b>							
Printing Systems	561,811	470,624	91,187	19.4	82,777	17.6	655,328
<i>Percentage of net sales (%)</i>	40.2	35.7					36.1
Domestic	229,175	201,898	27,277	13.5	27,277	13.5	283,141
Overseas	332,636	268,726	63,910	23.8	55,500	20.7	372,187
Other Input/Output Systems	7,862	11,022	-3,160	-28.7	-3,191	-29.0	15,508
<i>Percentage of net sales (%)</i>	0.5	0.8					0.9
Domestic	2,110	1,921	189	9.8	189	9.8	3,247
Overseas	5,752	9,101	-3,349	-36.8	-3,380	-37.1	12,261
Total Network Input/Output Systems	569,673	481,646	88,027	18.3	79,586	16.5	670,836
<i>Percentage of net sales (%)</i>	40.7	36.5					37.0
Domestic	231,285	203,819	27,466	13.5	27,466	13.5	286,388
Overseas	338,388	277,827	60,561	21.8	52,120	18.8	384,448
Network System Solutions	138,656	142,569	-3,913	-2.7	-4,051	-2.8	205,895
<i>Percentage of net sales (%)</i>	9.9	10.8					11.3
Domestic	132,106	137,939	-5,833	-4.2	-5,833	-4.2	199,070
Overseas	6,550	4,630	1,920	41.5	1,782	38.5	6,825
Office Equipment Total	1,238,191	1,159,137	79,054	6.8	62,688	5.4	1,591,828
<i>Percentage of net sales (%)</i>	88.5	87.8					87.7
Domestic	575,023	558,704	16,319	2.9	16,319	2.9	776,355
Overseas	663,168	600,433	62,735	10.4	46,369	7.7	815,473
The Americas	278,300	239,000	39,300	16.4	30,679	12.8	324,853
Europe	312,333	297,051	15,282	5.1	9,871	3.3	403,574
Other	72,535	64,382	8,153	12.7	5,819	9.0	87,046
<b>&lt; Other Businesses &gt;</b>							
Other Businesses	160,599	160,665	-66	-0.0	-564	-0.4	222,280
<i>Percentage of net sales (%)</i>	11.5	12.2					12.3
Domestic	136,779	141,793	-5,014	-3.5	-5,014	-3.5	196,620
Overseas	23,820	18,872	4,948	26.2	4,450	23.6	25,660
The Americas	3,791	576	3,215	558.2	3,097	537.7	744
Europe	4,175	3,546	629	17.7	569	16.0	5,332
Other	15,854	14,750	1,104	7.5	784	5.3	19,584
Grand Total	1,398,790	1,319,802	78,988	6.0	62,124	4.7	1,814,108
<i>Percentage of net sales (%)</i>	100.0	100.0					100.0
Domestic	711,802	700,497	11,305	1.6	11,305	1.6	972,975
<i>Percentage of net sales (%)</i>	50.9	53.1					53.6
Overseas	686,988	619,305	67,683	10.9	50,819	8.2	841,133
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<i>Percentage of net sales (%)</i>	6.3	5.9					6.0
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EURO 1	¥136.92	¥134.60	¥2.32				¥135.25

Each category includes the following product line:

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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 Performance

(Billions of yen)

	Half year ended		Three months ended		Three months ending		Year ending	
	Sept. 30, 2005	Change	Dec. 31, 2005	Change	Mar. 31, 2006	Change	Mar. 31, 2006	Change
	Results	%	Results	%	Forecast	%	Forecast	%
Net sales	923.0	5.4	475.7	7.2	511.2	3.4	1,910.0	5.3
Gross profit	388.2	6.7	201.1	4.7	212.5	7.0	802.0	6.3
Operating income	66.9	15.8	37.0	-4.2	49.0	25.5	153.0	12.9
Income before income taxes	69.4	15.6	38.7	11.7	49.3	21.5	157.5	16.3
Net income	42.8	19.7	23.0	3.5	31.1	24.0	97.0	16.7
Net income per share (yen)	58.40	-	31.34	-	42.36	-	132.10	-
Capital expenditure	58.1	-	21.2	-	30.5	-	110.0	-
Depreciation for tangible fixed assets	31.1	-	17.6	-	18.2	-	67.0	-
R&D expenditure	54.9	-	27.2	-	33.8	-	116.0	-
Exchange rate (Yen/US\$)	109.42	-	117.24	-	110.00	-	111.52	-
Exchange rate (Yen/EURO)	135.67	-	139.41	-	135.00	-	136.44	-

#### 5. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Three months ending March 31, 2006				Year ending March 31, 2006			
	Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Solution Business>								
Imaging Solution Business	373.6	5.2	371.1	4.5	1,433.9	7.6	1,415.6	6.3
Domestic	162.2	5.9	162.2	5.9	594.7	5.4	594.7	5.4
Overseas	211.3	4.6	208.8	3.4	839.1	9.2	820.9	6.9
Network System Solution Business	64.6	4.7	64.6	4.7	198.5	-0.3	198.3	-0.4
Domestic	62.2	4.6	62.2	4.6	189.5	-1.4	189.5	-1.4
Overseas	2.4	9.3	2.4	9.3	8.9	31.1	8.8	29.1
Office Solution Business Total	438.2	5.1	435.7	4.5	1,632.4	6.6	1,614.0	5.4
Domestic	224.4	5.6	224.4	5.6	784.3	3.7	784.3	3.7
Overseas	213.7	4.7	211.2	3.5	848.1	9.4	829.7	7.1
The Americas	90.1	8.7	85.8	3.5	358.4	14.8	345.8	10.8
Europe	103.4	1.4	105.2	3.1	403.7	4.7	400.3	3.8
Other	20.2	5.0	20.2	5.0	85.9	11.5	83.5	8.4
<Industry Business>								
Industry Business	31.6	-8.6	31.5	-8.8	119.7	0.3	119.1	-0.2
Domestic	19.0	-22.1	19.0	-22.1	72.7	-10.0	72.7	-10.0
Overseas	12.6	24.1	12.5	23.1	47.0	21.9	46.3	20.2
The Americas	4.0	54.6	3.8	46.9	16.1	59.6	15.5	53.9
Europe	4.5	5.9	4.6	8.2	16.0	4.6	15.9	4.1
Other	4.1	23.7	4.1	23.7	14.8	13.1	14.8	13.2
<Other Business>								
Other Business	41.4	-3.5	41.3	-3.6	157.7	-3.4	157.3	-3.6
Domestic	34.7	-1.9	34.7	-1.9	132.9	-2.0	132.9	-2.0
Overseas	6.6	-11.1	6.6	-11.3	24.8	-10.0	24.4	-11.6
The Americas	0.1	-81.2	0.1	-81.2	1.7	-48.2	1.6	-48.9
Europe	3.1	50.5	3.1	50.5	7.6	-2.3	7.6	-3.1
Other	3.4	-29.5	3.4	-29.9	15.4	-6.1	15.0	-8.1
Grand Total	511.2	3.4	508.5	2.9	1,910.0	5.3	1,890.5	4.2
Domestic	278.1	2.1	278.1	2.1	990.0	1.7	990.0	1.7
Overseas	233.0	5.0	230.3	3.9	920.0	9.4	900.5	7.1
The Americas	94.2	9.5	89.7	4.3	376.2	15.6	363.0	11.5
Europe	111.0	2.5	112.9	4.2	427.5	4.5	423.9	3.7
Other	27.8	1.2	27.7	1.1	116.2	9.0	113.5	6.5

\* Excluding foreign exchange impact