

FLASH REPORT

Year ended March 31, 2007

(Results for the Period from April 1, 2006 to March 31, 2007)

Three months ended March 31, 2007

(Results for the Period from January 1, 2007 to March 31, 2007)

Performance Outline (Consolidated)

(1) Year ended March 31, 2006, 2007 and Year ending March 31, 2008 (Forecast)

	Year ended		Change	(Billions of yen)	
	March 31, 2006 (Results)	March 31, 2007 (Results)		Year ending March 31, 2008 (Forecast)	Change
Domestic sales	966.2	1,002.2	3.7%	1,040.0	3.8%
Overseas sales	943.0	1,066.6	13.1%	1,210.0	13.4%
Net sales	1,909.2	2,068.9	8.4%	2,250.0	8.8%
Gross profit	795.0	862.4	8.5%	940.0	9.0%
Operating income	148.5	174.3	17.4%	195.0	11.8%
Income from continuing operations before income taxes	152.7	174.5	14.2%	192.0	10.0%
Net income	97.0	111.7	15.1%	117.0	4.7%
Exchange rate (Yen/US\$)	113.26	117.02	3.76	115.00	-2.02
Exchange rate (Yen/EURO)	137.86	150.08	12.22	155.00	4.92
Net income per share (yen)	132.33	153.10	20.77	160.28	7.18
Net income per share-diluted (yen)	-	151.89	-	156.01	4.12
Return on equity (%)	10.6	11.0	0.4	-	-
Income from continuing operations before income taxes on total assets (%)	7.6	8.1	0.5	-	-
Operating income on net sales (%)	7.8	8.4	0.6	8.7	0.3
Total assets	2,041.1	2,243.4	202.2	-	-
Shareholders' equity	960.2	1,070.9	110.6	-	-
Interest-bearing debt	381.2	415.6	34.3	-	-
Equity ratio (%)	47.0	47.7	0.7	-	-
Shareholders' equity per share (yen)	1,316.21	1,467.03	150.82	-	-
Cash flows from operating activities	173.4	167.2	-6.1	-	-
Cash flows from investing activities	-120.0	-115.4	4.6	-	-
Cash flows from financing activities	-59.9	9.2	69.2	-	-
Cash and cash equivalents at end of period	187.0	255.7	68.6	-	-
Capital expenditures	102.0	85.8	-16.2	90.0	4.2
Depreciation for tangible fixed assets	67.4	72.4	4.9	76.0	3.5
R&D expenditures	110.3	114.9	4.5	128.0	13.0
Number of employees (Japan) (thousand people)	39.9	40.3	0.4	-	-
Number of employees (Overseas) (thousand people)	36.2	41.6	5.4	-	-

Ricoh Company, Ltd.

* As a result of the sale of a business, the operating results and cash flows from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

* Ricoh has no dilutive securities outstanding as of March 31, 2006 and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted for the year ended March 31, 2006 are omitted.

* Ricoh bases the forecast estimates for March 31, 2008 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 2007

	(Billions of yen)		
	Three months ended March 31, 2006	Three months ended March 31, 2007	Change
Domestic sales	258.8	272.9	5.4%
Overseas sales	256.0	303.3	18.5%
Net sales	514.8	576.2	11.9%
Gross profit	209.1	235.1	12.4%
Operating income	47.1	52.5	11.4%
Income from continuing operations before income taxes	47.2	51.4	8.9%
Net income	31.1	28.4	-8.9%
Exchange rate (Yen/US\$)	117.01	119.48	2.47
Exchange rate (Yen/EURO)	140.72	156.52	15.80
Net income per share (yen)	42.59	38.92	-3.67
Net income per share-diluted (yen)	-	37.88	-
Return on equity (%)	3.3	2.7	-0.6
Income from continuing operations before income taxes on total assets (%)	2.4	2.3	-0.1
Operating income on net sales (%)	9.2	8.9	-0.3
Capital expenditures	22.6	28.9	6.3
Depreciation for tangible fixed assets	18.7	20.4	1.6
R&D expenditures	28.2	30.5	2.3

(3) Three months ended June 30, 2006 and Three months ending June 30, 2007 (Forecast)

	(Billions of yen)		
	Three months ended June 30, 2006 (Results)	Three months ending June 30, 2007 (Forecast)	Change
Domestic sales	240.4	250.0	4.0%
Overseas sales	244.1	264.8	8.5%
Net sales	484.5	514.8	6.2%
Gross profit	202.5	214.4	5.8%
Operating income	40.6	42.0	3.3%
Income from continuing operations before income taxes	38.7	41.3	6.7%
Net income	29.1	25.1	-13.8%
Exchange rate (Yen/US\$)	114.53	115.00	0.47
Exchange rate (Yen/EURO)	143.78	155.00	11.22
Capital expenditures	15.9	17.0	1.0
Depreciation for tangible fixed assets	15.9	17.0	1.0
R&D expenditures	25.3	28.0	2.6

(4) Half year ended September 30, 2006 and Half year ending September 30, 2007 (Forecast)

	(Billions of yen)		
	Half year ended September 30, 2006 (Results)	Half year ending September 30, 2007 (Forecast)	Change
Domestic sales	492.4	510.0	3.6%
Overseas sales	494.4	542.4	9.7%
Net sales	986.9	1,052.4	6.6%
Gross profit	407.9	436.8	7.1%
Operating income	73.1	78.5	7.3%
Income from continuing operations before income taxes	74.2	77.0	3.7%
Net income	52.0	46.7	-10.3%
Exchange rate (Yen/US\$)	115.40	115.00	-0.40
Exchange rate (Yen/EURO)	145.98	155.00	9.02
Capital expenditures	39.1	40.0	0.8
Depreciation for tangible fixed assets	33.7	36.0	2.2
R&D expenditures	56.5	61.0	4.4

Ricoh Company, Ltd. and Consolidated Subsidiaries

FLASH REPORT (Consolidated Results for the Year Ended March 31, 2007)

1. Results for the period from April 1, 2006 to March 31, 2007

(1) Operating Results	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2007
Net sales	1,909,238	2,068,925
<i>(% change from the previous fiscal year)</i>	<i>5.6</i>	<i>8.4</i>
Operating income	148,584	174,380
<i>(% change from the previous fiscal year)</i>	<i>13.3</i>	<i>17.4</i>
Income from continuing operations before income taxes	152,766	174,519
<i>(% change from the previous fiscal year)</i>	<i>16.6</i>	<i>14.2</i>
Net income	97,057	111,724
<i>(% change from the previous fiscal year)</i>	<i>16.7</i>	<i>15.1</i>
Net income per share-basic (yen)	132.33	153.10
Net income per share-diluted (yen)	-	151.89
Return on equity (%)	10.6	11.0
Income from continuing operations before income taxes on total assets (%)	7.6	8.1
Operating income on net sales (%)	7.8	8.4

Notes:

- i. Equity in income of affiliates: ¥1,539 million (¥2,606 million in previous fiscal year)
- ii. Ricoh has no dilutive securities outstanding as of March 31, 2006 and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted for the year ended March 31, 2006 are omitted.

(2) Financial Position	(Millions of yen)	
	March 31, 2006	March 31, 2007
Total assets	2,041,183	2,243,406
Shareholders' equity	960,245	1,070,913
Equity ratio (%)	47.0	47.7
Equity per share (yen)	1,316.21	1,467.03

(3) Cash Flows	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2007
Cash flows from operating activities	173,479	167,297
Cash flows from investing activities	-120,051	-115,432
Cash flows from financing activities	-59,989	9,282
Cash and cash equivalents at end of period	187,055	255,737

2. Dividend information	(Millions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2007	Year ending March 31, 2008
Cash dividends, applicable to the year (yen)	24.00	28.00	33.00
Half year (yen)	12.00	13.00	16.00
Year-end (yen)	12.00	15.00	17.00
Total annual dividends (millions of yen)	17,594	20,442	-
Payout Ratio (%)	18.1	18.3	20.6
Dividends on shareholders' equity (%)	1.9	2.0	-

3. Forecast of operating results from April 1, 2007 to March 31, 2008	(Millions of yen)	
	Half year ending September 30, 2007	Year ending March 31, 2008
Net sales	1,052,400	2,250,000
Operating income	78,500	195,000
Income before income taxes	77,000	192,000
Net income	46,700	117,000
Net income per share-basic (yen)	63.97	160.28

* As a result of the sale of a business, the operating results and cash flows from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

* In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 31, 2008. 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.

4. Others

(1) No change in significant subsidiaries has been made.

(2) Change in accounting method has been made.

(3) Number of common stock outstanding (including treasury stock):

As of March 31, 2007 744,912,078 shares As of March 31, 2006 744,912,078 shares

(4) Number of treasury stock:

As of March 31, 2007 14,924,405 shares As of March 31, 2006 15,359,804 shares

(Reference) Non-consolidated information

1. Results for the period from April 1, 2006 to March 31, 2007

(1) Operating Results	(Millions of yen)	
	Year ended March 31, 2006	Year ended March 31, 2007
Net sales	934,354	1,033,302
<i>(% change from the previous fiscal year)</i>	<i>4.1</i>	<i>10.6</i>
Operating income	69,712	86,974
<i>(% change from the previous fiscal year)</i>	<i>22.6</i>	<i>24.8</i>
Ordinary income	82,441	105,231
<i>(% change from the previous fiscal year)</i>	<i>31.4</i>	<i>27.6</i>
Net income	55,087	71,908
<i>(% change from the previous fiscal year)</i>	<i>31.2</i>	<i>30.5</i>
Net income per share-basic (yen)	74.81	98.48
Net income per share-diluted (yen)	-	97.69

Note:

Ricoh has no dilutive securities outstanding as of March 31, 2006 and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted for the year ended March 31, 2006 are omitted.

(2) Financial Position	(Millions of yen)	
	March 31, 2006	March 31, 2007
Total assets	982,551	1,076,290
Net assets	694,752	744,815
Equity ratio (%)	70.7	69.2
Net assets per share (yen)	951.10	1,020.29

2. Forecast of operating results from April 1, 2007 to March 31, 2008

	(Millions of yen)	
	Half year ending September 30, 2007	Year ending March 31, 2008
Net sales	522,000	1,080,000
Operating income	45,000	97,000
Ordinary income	50,000	106,000
Net income	33,000	70,000
Net income per share-basic (yen)	45.21	95.89

In accordance with Japanese regulations, Ricoh has issued forecast for its financial results for the fiscal year ending March 31, 2008. 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.

1. Performance

(1) Operating results

*Overview

Consolidated net sales of Ricoh Group for fiscal year 2007 (April 1, 2006 to March 31, 2007) increased by 8.4% to ¥2,068.9 billion from the previous corresponding period. This marks the thirteenth consecutive year-on-year revenue increase and the first time the Group achieved sales exceeding ¥2 trillion. During this period, the average yen exchange rates were ¥117.02 against the U.S. dollar (down ¥3.76) and ¥150.08 against the euro (down ¥12.22). Sales would have increased by 5.2% if not for the effects of foreign currency fluctuations.

Sales in all the segments such as the Office Solutions, Industrial Products and Other increased. The increase in sales in the Office Solutions was due mainly to continuous growth in sales of digital plain paper copiers (PPCs), multifunctional printers (MFPs) and printers, mainly for color products. Sales of IT services also increased resulting from the expansion of the solutions business. As for Industrial Products, sales in semiconductors, electronic components and thermal media businesses increased. Other areas experiencing increased its sales of financing business as well as digital cameras. As a result, domestic sales increased by 3.7% from the previous corresponding period, to ¥1,002.2 billion. Overseas sales also increased by 13.1% from the previous corresponding period, to ¥1,066.6 billion. Both domestic and overseas sales exceeded ¥1 trillion for the first time ever.

Gross profit increased by 8.5% from the previous corresponding period, to ¥862.4 billion. This increase was primarily due to the increased sales of value-added high-margin products such as MFPs in addition to ongoing cost management controls. Foreign currency fluctuations also served as a factor behind the profit increase.

Selling, general and administrative expenses increased by 6.4% from the previous corresponding period, to ¥688.0 billion. R&D expenses remain high level due to its focus on developing new products and the development of core operating systems. Additionally due to our accelerated efforts in implementing measures for enhancing our capabilities to provide solutions and expanding business spheres, expenses increased. Ricoh did start to see the positive effect of its structural reform initiatives such as enhancing the efficiency of the core operations. Consequently, the percentage of general and administrative expenses against total sales decreased by 0.5 percentage points from the previous corresponding period, to 33.3%. R&D expenses increased by ¥4.5 billion from the previous corresponding period, to ¥114.9 billion (5.6% of total sales).

As a result, operating income increased by 17.4% from the previous corresponding period, to ¥174.3 billion.

In the other (income) expense, both interest expenses and income increased as a result of higher market interest rates compared with the previous correspond period. The foreign exchange gains in the previous correspond period was higher relatively. Consequently, the other (income) expenses decreased.

As a result income from continuing operations before income taxes increased by 14.2% from the previous corresponding period, to ¥174.5 billion.

The effective tax rate was the same level as previous corresponding period, 36.9% due to a tax credit resulting from R&D expenses.

Income from discontinued operations was ¥5.5 billion, net of tax. Income from discontinued operations consisted of gain on the sale of the content delivery service operation and income from operations from the beginning of this fiscal year to the sale. The sale amount of its content delivery service was ¥12.0 billion.

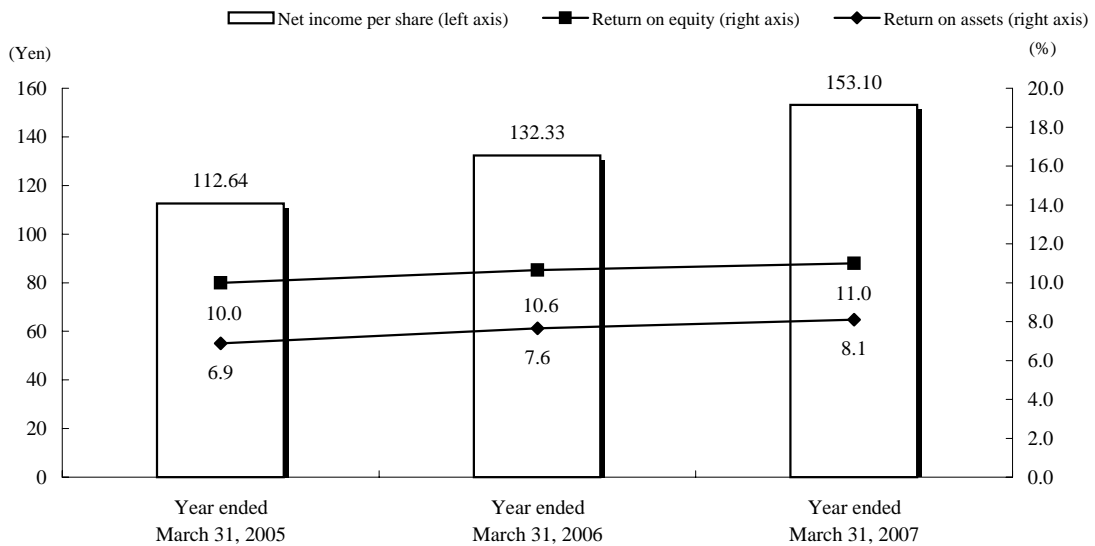
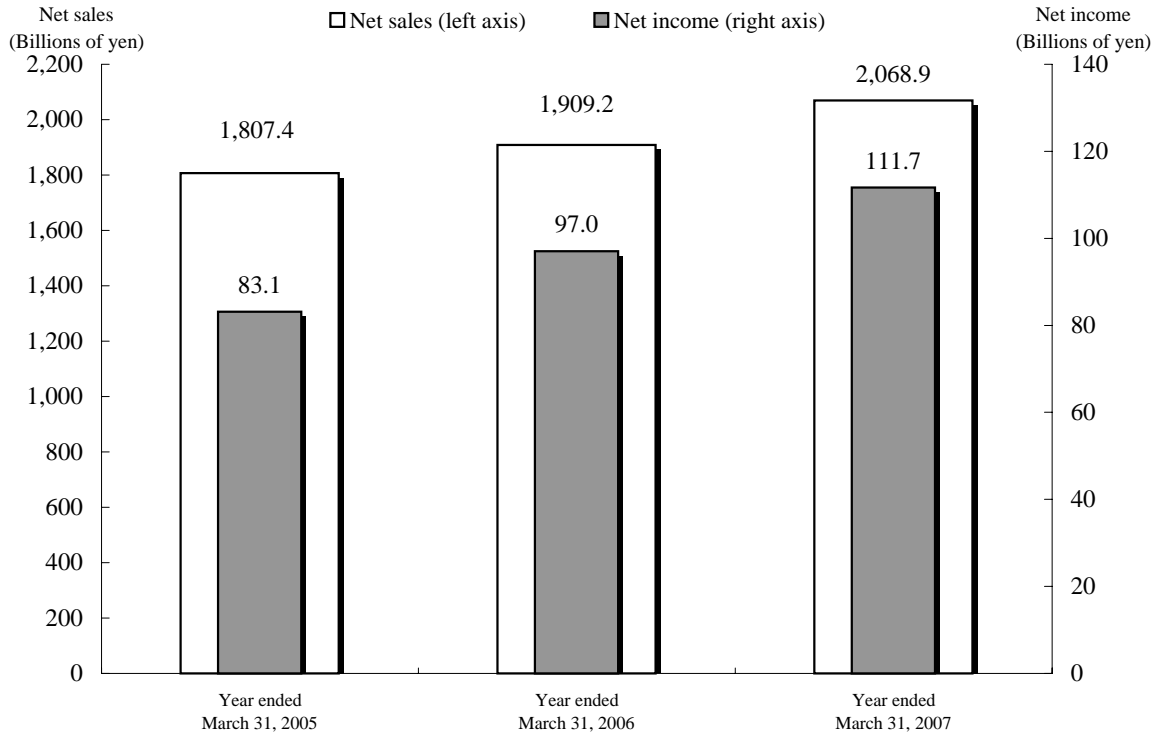
As a result, net income from continuing was increased by 11.8% from the previous corresponding period, to ¥106.2 billion. Net income for all business operations including discontinued business operations increased by 15.1% from the previous corresponding period, to ¥111.7 billion. This marks the highest net income achieved for two consecutive years and the amount exceeded ¥100.0 billion for the first time in the Ricoh's history.

As for assets, the increases in trade receivables, finance receivables as well as inventory assets resulting from business expansion, along with cash and marketable securities temporarily increased at a high level at the end of this period in preparation for the joint venture to be established with IBM (scheduled to be launched by June 2007), resulting in a total asset increase by ¥202.2 billion from the end of the previous corresponding period, to ¥2,243.4 billion. Despite our effort to reduce interest-bearing debt through the enhancement of cash management in Japan, the Americas and Europe, the total amount increased by ¥34.3 billion from the previous corresponding period, to ¥415.6 billion due to the financing activities for business investments. The shareholders' equity increased by ¥110.6 billion from the end of the previous corresponding period, to ¥1,070.9 billion. The equity ratio improved by 0.7 percentage point from the previous corresponding period, to 47.7% .

The performance of the European office equipment sales and services operations acquired from Danka Business Systems PLC as of January 31, 2007 was included in Ricoh Group's financial statements for this fiscal year.

A year-end cash dividend of ¥15.00 per share is proposed. Combined with the interim dividend of ¥13.00 per share, the total dividend for the fiscal year ended March 31, 2007 will be ¥28.00 per share.

Consolidated performance



*Consolidated Sales by Product Line

Office Solutions (Sales up 8.4% to ¥1,774.4 billion)

Net sales in the Office Solutions segment which consists of image solutions and network system solutions increased by 8.4% from the previous corresponding period, to ¥1,774.4 billion despite stiff competition against other manufacturers regarding the color equipment and solution business.

The breakdown of sales for Imaging Solutions and Network System Solutions is as shown below.

The sales would have increased by 4.9% excluding the effects of foreign currency fluctuations.

Imaging Solutions (Sales up 9.2% to ¥1,580.1 billion)

Sales of PPCs, MFPs and printers, mainly color equipment, increased both in Japan and overseas due to its expanding product lines and enhanced solution sales structures. The new color MFP products launched as a standard new-generation color model played a large role in this sales increase. Overall sales increased by 9.2% from the previous corresponding period, to ¥1,580.1 billion.

The sales would have increased by 5.3% excluding the effects of foreign currency fluctuations.

Network System Solutions (Sales down 2.0% to ¥194.3 billion)

The increase in sales of IT services was due to the expansion of solution business. The sales of personal computers and PC servers increased slightly in the domestic market. As a result, sales in this category increased by 2.0% from the previous corresponding period, to ¥194.3 billion.

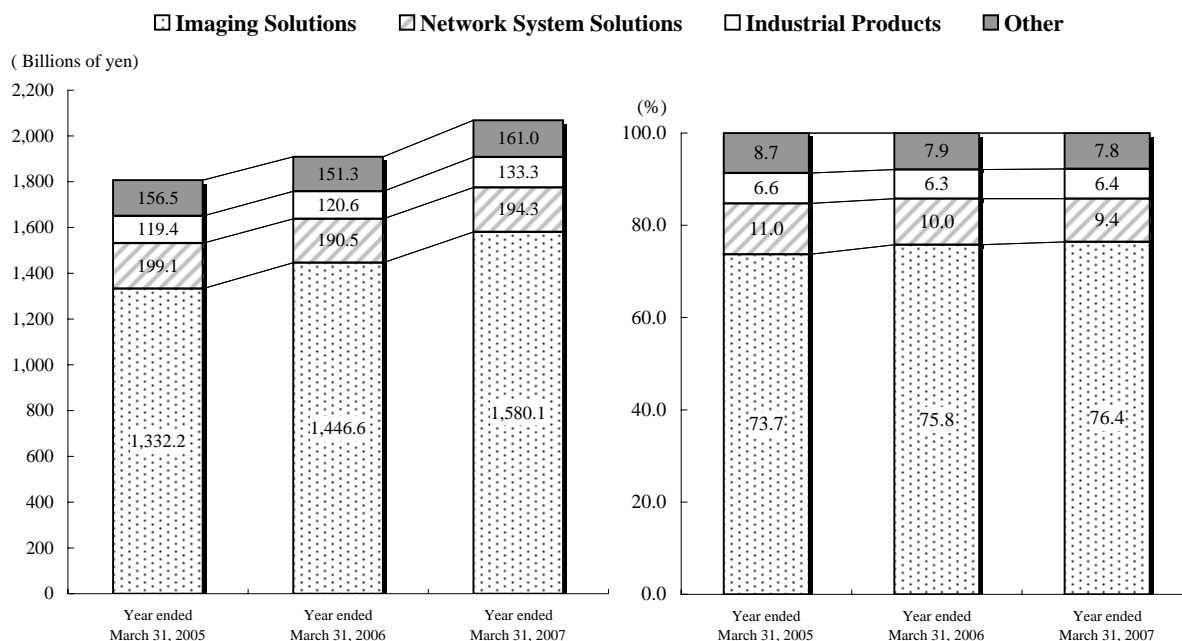
Industrial Products (Sales up 10.6% to ¥133.3 billion)

Net sales in the Industrial Products segment increased by 10.6% from the previous corresponding period, to ¥133.3 billion.

Sales in semiconductors, thermal media, electric components as well as measuring instruments increased.

Other (Sales up 6.4% to ¥161.0 billion)

Net sales in this category increased by 6.4% from the previous corresponding period, to ¥161.0 billion. Sales of digital cameras in both the Japanese and overseas markets increased in addition to good performance of the financing services in Japan.



* Consolidated Sales by Geographic Area

Japan (Sales up 3.7% to ¥1,002.2 billion)

While the Japanese economy was on the upswing, consumer spending remained flat. In this market circumstances, Ricoh launched its new products and offered a wide range of solutions in an effort to cultivate a growing customers' needs for solutions and color products in the office solutions market. This effort resulted in a significant sales increase in color MFPs and color printers and increase in sales of IT services with the previous correspond business. In the Industrial Products, sales in thermal media, semiconductors, electronic components and measuring instruments increased. Sales in the Other increased due to the favorable performance of financing business as well as digital cameras. Overall sales in Japan increased by 3.7% from the previous corresponding period.

The Americas (Sales up 10.1% to ¥426.4 billion)

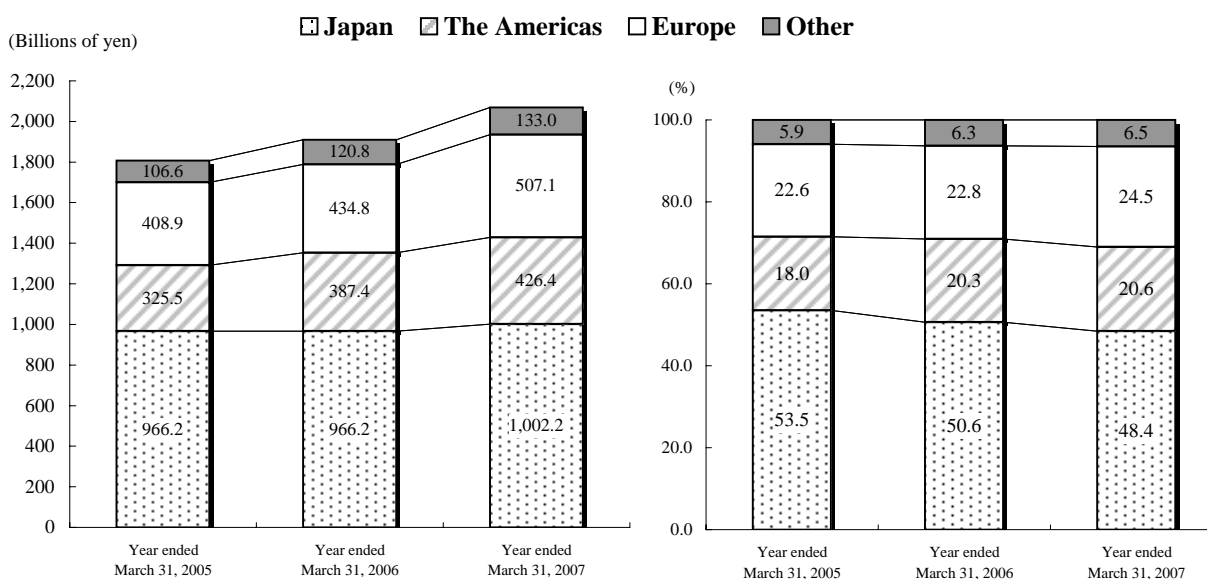
The slump in the US housing market has precipitated a decline in the economy. Its Office Solutions segment focused on strengthening sales structures and expanding product lines in order to provide the best solutions to meet the diverse range of customer needs for color, networking and high-speed products. As a result sales of PPCs, MFPs and printers exceeded the last fiscal year's level in both color and black/white product categories, bringing overall sales in the Office Solutions segment up 10.1% over sales for the previous corresponding period. Sales in the Industrial Products segment also increased due to the favorable performance of the electronic component business. These factors combined resulted in a 10.1% increase in the sales in the Americas. The increase in sales in this area would have increased by 6.5% excluding the effects of foreign currency fluctuations.

Europe (Sales up 16.6% to ¥507.1 billion)

As the European economy remaining on a steady footing, its Office Solutions segment proceeded with strengthening sales structures and expanding product lines in order to provide the best solutions to meet a diverse range of customer needs. As a result, sales of PPCs, MFPs and printers exceeded last year's level in both color and black/white product categories, bringing overall sales in Office Solutions segment up 16.3% over the previous corresponding period. Sales in the industrial Products also increased due to the favorable performance of the thermal media business. These factors all resulted in a 16.6% increase in sales in Europe. The increase in sales in this area would have increased by 7.2% excluding the effects of foreign currency fluctuations.

Other (Sales up 10.1% to ¥133.0 billion)

Other including China, other Asian countries and Oceania generally experienced economic evolution, with the Chinese economic continuous rapid growth despite a slight slowdown in some areas. Against this backdrop, its Office Solutions segment achieved higher sales of PPCs, MFPs and printers, largely for color products, in comparison with the previous corresponding period due to the increasing demand for color products. Sales in the Industrial Products segment also increased due to the favorable performance of the semiconductor business. These factors all resulted in a 10.1% increase in overall sales in this area. The sales increase in this area would have increased by 5.0% excluding the effects of foreign currency fluctuations.



*Segment Information

Business Segment

Office Solutions

Ricoh expanded product lines in the office equipment market as well as in the production printing and low-end markets. Ricoh also strengthened its solution sales structures. This resulted in increased sales of PPCs, MFPs and printers, mainly for color products, both in Japan and overseas in addition to increased sales in service and support including IT services. Consequently, overall sales in this segment increased by 8.4% from the previous corresponding period, to ¥1,774.4 billion.

In terms of operating expenses, R&D expenses remain high level due to its focus on developing new products and the development of core operating systems. Additionally due to its accelerated efforts in implementing measures for enhancing our capabilities to provide solutions and expanding business spheres, expenses increased. Ricoh did start to see the positive effect of its structural reform initiatives such as enhancing the efficiency of the core operations. As a result, operating income increased by 11.0% to ¥225.3 billion from the previous corresponding period.

Capital investments decreased as compared to the previous corresponding period. After making large-scale investments in the previous corresponding period, including the integration of R&D facilities at the Ricoh Technology Center, the construction of new toner production facility and consolidation of operations at headquarters, the focus for this period was on ordinary investments such as purchase of molds.

Total assets increased from the previous corresponding period due to increases in its accounts receivables and inventory assets resulted from the sales increase as well as the business acquisition.

Industrial Products

Sales in semiconductors and thermal media remained steady. Sales in measuring instruments increased since Ricoh entered the high-demand period. Despite some ups and downs in the number of orders received for electronic components, sales increased from the previous period. Sales in optical components decreased from the previous period's level since the demand continued to drop. As a result, overall sales in the Industrial Products segment increased by 12.1% to ¥138.1 billion.

Operating income increased from the previous corresponding period due to an increase in its sales volume. Net assets increased from the previous period as a result of increased sales as well as construction of a new thermal media production facility in China.

Other

The sales in the financing service and digital camera businesses increased. However, this increase in sales did not have a significant effect on the overall profit. While net sales in Other segment increased by 6.4%, operating income decreased.

	(Billions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2007	Change (%)
Office Solutions:			
Net sales	1,637.2	1,774.4	8.4
Operating income	202.9	225.3	11.0
<i>Operating income on sales(%)</i>	<i>12.4</i>	<i>12.7</i>	<i>0.3point</i>
Identifiable assets	1,426.6	1,570.7	10.1
Capital expenditures	90.3	72.4	-19.8
Depreciation	57.3	62.8	9.7
Industrial Products:			
Net sales	123.2	138.1	12.1
Operating income	-0.9	2.9	-
<i>Operating income on sales(%)</i>	<i>-0.7</i>	<i>2.1</i>	<i>2.8point</i>
Identifiable assets	84.5	93.3	10.3
Capital expenditures	7.4	8.5	15.2
Depreciation	6.6	6.0	-8.0
Other:			
Net sales	151.3	161.0	6.4
Operating income	2.6	2.2	-17.9
<i>Operating income on sales(%)</i>	<i>1.8</i>	<i>1.4</i>	<i>-0.4point</i>
Identifiable assets	114.9	112.2	-2.3
Capital expenditures	2.3	2.6	11.4
Depreciation	2.3	2.0	-11.9

Geographic Segment

Japan

Sales in the Japan increased in the Office Solutions segment, Industrial Products and Other. Additionally exports, mainly consisting of color MFPs and high-speed MFPs increased. Due to these factors as well as the effect of the appreciation of both the U.S. Dollar and the Euro in relation to the Japanese Yen, overall sales in Japan increased by 8.2% from the previous corresponding period, to ¥1,521.9 billion. Operating expenses increased by 7.7% due to an increase in the net sales as well as increases in R&D and depreciation expenses. Consequently operating income increased by 15.2% to ¥110.3 billion and operating income on net sales increased by 0.4 percentage point to 7.2%.

The Americas

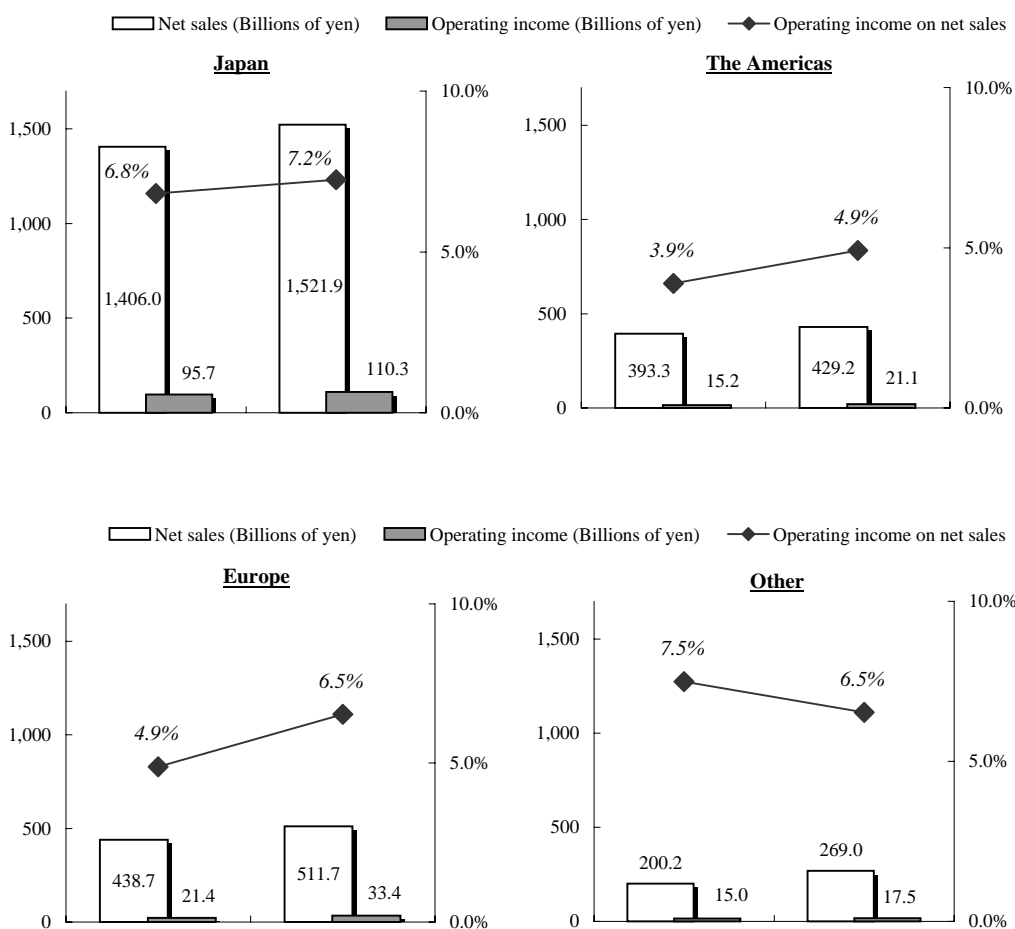
Sales of PPCs, MFPs and printers increased from the previous corresponding period, both for color and black/white products. Net sales in the Americas increased by 9.1% to ¥429.2 billion. Operating income increased by 38.3% to ¥21.1 billion due to an increase in sales of value-added high-margin products such as color products as well as the effect of its structural reform. Operating income as a percentage of net sales increased by 1.0 percentage point to 4.9%.

Europe

Sales significantly increased for both color and black/white PPCs and MFPs compared with the previous corresponding period. As a result net sales in Europe increased by 16.6% to ¥511.7 billion. Operating income increased by 56.1% from the previous corresponding period, to ¥33.4 billion. Operating income as a percentage of net sales also increased 1.6 percentage points from the previous corresponding period, to 6.5%. The operations acquired from Danka Business Systems PLC, which are included in this segment, only had a slight effect on this period's performance.

Other

Sales in the Chinese, Asian and Oceania markets increased from the previous corresponding period, mainly for color PPCs, MFPs and printers. A large number of products primarily including color MFPs manufactured in its Chinese production base were supplied on a global basis, significantly boosting the value of exports in China. Consequently, net sales in these areas were up 34.3% to ¥269.0 billion on a year-on-year basis. Operating income rose 17.0% to ¥17.5 billion due to increased production volume in these markets. The ratio of operating income to net sales also decreased by 1.0 percentage point compared with the previous corresponding period, to 6.5%.



*Forecast for the entire fiscal year

Economic projections and Ricoh Group's strategies for fiscal year 2008

The global economy is expected to continue its gradual expansion although remain sluggish in some countries. The US economy is likely to remain stagnant due to the deterioration in the housing market while the economy in Europe and Asian countries other than China will slow down. The Chinese economy is expected to continue growing at a fast rate. The Japanese economy is likely to continue expanding at a gradual pace although consumer spending trends cannot be accurately predicted.

Customer needs will become increasingly diversified in the Ricoh Group's markets. Competition is expected to heat up in the area of office solutions, especially the area of color products and solution business. Competition is expected to be fierce in both the Industrial Products and Other segments as companies try to respond to ever-diversifying customer needs.

Working against this backdrop, the Ricoh Group aims to enhance its competitive edge by creating new value and developing a highly efficient management that will promote grow and further development. We will launch new products and services throughout fiscal year 2008 with an aim to creating new value. We will also step up our efforts to implement structural reforms and strengthening our business foundation in order to further enhance our operational efficiency.

The joint venture with IBM (51% equity share initially owned by Ricoh, to become Ricoh's wholly-owned subsidiary in three years), which was announced on January 25, 2007, will be established by the end of June 2007 as scheduled.

Our performance forecast for fiscal year 2008 includes the forecast for the joint venture after its establishment.

Our performance forecast for fiscal year 2008 is as follows:

Exchange Rate Assumptions for the full year ended March 31, 2008

US\$ 1 = ¥115.00 (¥117.02 in previous fiscal year)

EURO 1 = ¥155.00 (¥150.08 in previous fiscal year)

(Billions of yen)

	Year ended March 31, 2007 (Results)	Year ending March 31, 2008 (Forecast)	Change
Domestic sales	1,002.2	1,040.0	3.8%
Overseas sales	1,066.6	1,210.0	13.4%
Net sales	2,068.9	2,250.0	8.8% (*1)
Gross profit	862.4	940.0	9.0%
Operating income	174.3	195.0	11.8%
Income before income taxes	174.5	192.0	10.0%
Net income	111.7	117.0	4.7% (*2)

Notes:

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

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

* Ricoh bases the forecast estimates for the year ending March 31, 2008 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

(2) Financial Position

A) Assets, Liabilities, and Shareholders' Equity at Year-End	(Billions of yen)		
	March 31, 2006	March 31, 2007	Change
Total Assets	2,041.1	2,243.4	202.2
Shareholders' Equity	960.2	1,070.9	110.6
Equity Ratio	47.0%	47.7%	0.7 point

In assets, trade receivables, inventories and financial receivables increased along with the expansion of business from the end of the previous period. Cash and marketable securities temporarily increased at a high level at the end of this period in preparation for the joint venture to be established with IBM (scheduled to be launched by June 2007). Other investments increased due to the increase in goodwill resulted from the acquisition of European operations acquired from Danka Business Systems PLC. As a result, total assets increased by ¥202.2 billion to ¥2,243.4 billion.

As for Liabilities, trade payables and other current liabilities increased from the end of the previous period. Despite our effort to reduce interest-bearing debt through the enhancement of cash management in Japan, the Americas and Europe, the financing for business investments exceeded the reduction. As a result, total liabilities increased by ¥87.5 billion to ¥1,115.6 billion.

In Shareholders' Investment, there was no major change in common stock or additional paid-in capital. Accumulated other comprehensive income increased due to the increase in cumulative translation adjustments. As a result, total Shareholders' Investment increased by ¥110.6 billion to ¥1,070.9 billion due to the increase in retained earnings resulting from earning profit.

B) Cash Flows	(Billions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2007	Change
Cash flows from operating activities	173.4	167.2	-6.1
Cash flows from investing activities	-120.0	-115.4	4.6
Cash flows from financing activities	-59.9	9.2	69.2
Cash and Cash Equivalents at end of period	187.0	255.7	68.6

Net cash provided by operating activities decreased by ¥6.1 billion from the previous corresponding period, to ¥167.2 billion. While net income and depreciation increased, trade receivables and financial receivables increased due to the business expansion.

Net cash used in investing activities decreased by ¥4.6 billion from the previous corresponding period, to ¥115.4 billion, due primarily to decrease in capital investments. Net cash used in investing activities included the acquisition of new subsidiaries from Danka Business Systems PLC as well as the proceeds from the sales of discontinued operations.

As a result, free cash flow generated by operating activities and investment activities decreased by ¥1.5 billion from the previous corresponding period, to ¥51.8 billion.

While net cash used in financing activities was ¥59.9 billion in the previous corresponding period, net cash provided from financing activities was ¥9.2 billion. The increase in net cash was due mainly to the proceeds from issuance of convertible bonds (¥55.2 billion, issued on December 7, 2006).

As a result of the above, the ending balance of cash and cash equivalents increased by ¥68.6 billion from the end of the previous corresponding period, to ¥255.7 billion.

C) Cash Flow Indices

	Year ended March 31, 2003	Year ended March 31, 2004	Year ended March 31, 2005	Year ended March 31, 2006	Year ended March 31, 2007
Shareholders' equity / Total assets	34.9%	42.9%	44.2%	47.0%	47.7%
Market capitalization / Total assets	73.0%	85.3%	69.1%	82.2%	86.4%
Interest bearing debt / Operating cash flow	2.6	2.8	3.1	2.2	2.5
Operating cash flow / Interest expense	27.1	29.3	28.3	33.7	22.8

Notes:

- i. All indices are calculated based on consolidated data.
- ii. Market capitalization equals the stock price at the end of fiscal year multiplies 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.

(3) 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.

The total dividend per share for the fiscal year ended March 31, 2007 and March 31, 2008 will be ¥28.00 (increase by ¥4.00 compared with the dividend for fiscal year ended March 31, 2006) and ¥33.00 respectively.

(4) Risk Factors

Ricoh is exposed to various risks which include the risks listed below. Although certain risks that may affect Ricoh's businesses are listed in this section, this list is not exhaustive. Ricoh's business may in the future also be affected by other risks that are currently unknown or that are not currently considered significant or material.

- Ability to respond to rapid technological changes in the document imaging and management industry
- Highly competitive markets
- The risks of international operations and the risks of overseas expansion
- Economic trends in Ricoh's major markets
- Foreign exchange fluctuations
- Crude oil price fluctuations
- Government regulation that can limit its activities or increase its cost of operations
- Internal control evaluations and attestation over financial reporting under section 404 of the Sarbanes-Oxley Act of 2002
- Dependence on protecting its intellectual property rights
- Dependence on securing and retaining specially skilled personnel
- Adverse affection by its employee benefit obligations
- Environmental laws and regulations
- Risks associated with Ricoh's equipment financing business
- Product liability claims that could significantly affect its financial condition
- Alliances with other entities
- Catastrophic disaster, information technology problems or infectious diseases

2. Group Position

The Ricoh Group comprises 307 subsidiaries and 15 affiliates.

Their development, manufacturing, sales, and service activities center on Office Solutions, Industrial Products, and Other. 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 Solutions>

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...Rico Electronics, Inc.
Europe...Rico UK Products Ltd., Ricoh Industrie France S.A.S.
Other regions...Rico 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...Rico Corporation, Lanier Worldwide, Inc.
Europe...Rico Europe B.V., Ricoh Deutschland GmbH, Ricoh UK Ltd., Ricoh France S.A., Ricoh Espana S.A., Ricoh Italia S.p.A., NRG Group PLC and INFOTEC EUROPE B.V.
Other regions...Rico China Co., Ltd., Ricoh Hong Kong Ltd., Ricoh Asia Pacific Pte. Ltd., Ricoh Australia Pty, Ltd., and Ricoh New Zealand Ltd.

<Industrial Products>

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

[Main Subsidiaries and Affiliates]

Production and Sales

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

<Other>

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

[Main Subsidiaries and Affiliates]

Sales

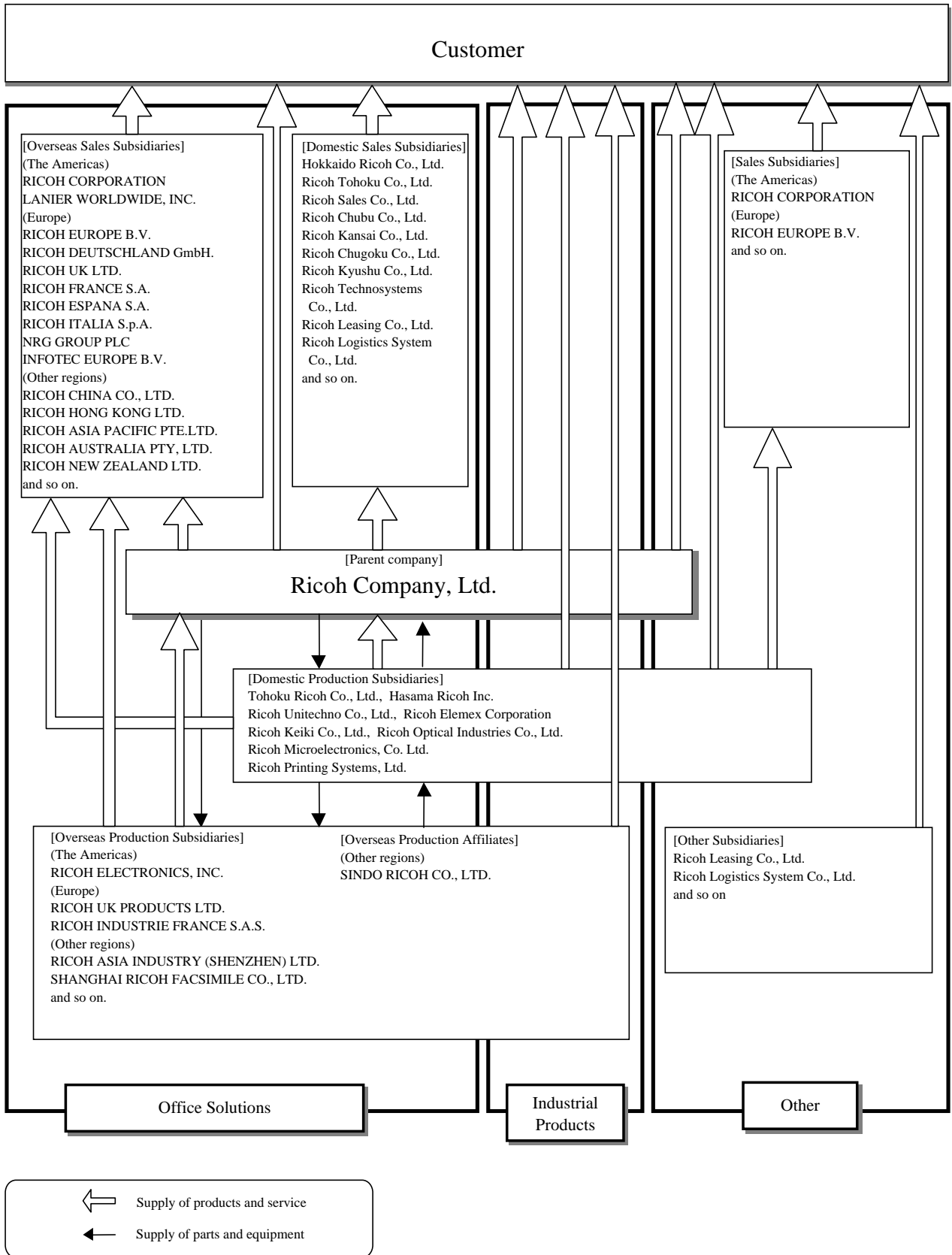
Rico Corporation, Rico Europe B.V.

Other

Rico Leasing Co., Ltd., Rico Logistics System Co., Ltd

<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

3. 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 the Office Solutions segment, 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 addition, 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 Industrial Products segment. In addition, we will seek for greater business shares of both the Office Solutions and Industrial Products segment 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 the Office Solutions segment, we have continuously introduced new multifunctional color printers and color laser printers in order to provide more comprehensive product line. We launched the imagio MP C4500/C3500 Series (sold overseas as Aficio MP C4500/C3500) as part of our multifunctional color printer line. This new printer cuts total energy consumption by approximately 50% compared with conventional models thanks to our unique energy-saving technology, Color QSU. We also launched the IPSiO SP C811 Series (sold overseas as Aficio SP C811DN), a color laser printer for high-speed color printing (A4, horizontal input tray) at 40 pages per minute (ppm) that boasts superior productivity and environmental performance. We have also launched the imagio MP C3000/C2500 Series (sold overseas as Aficio MP C3000/C2500) and the imagio MP C1500 (sold overseas as Aficio MP C615C), both popular models in the domestic market, on the international market. Launching these next-generation color copiers and printers has strengthened our product lines and gained us a large share of the color copier/multifunctional printer markets both in Japan and overseas.

We further enhanced our product lines in the production printing market with the release of the IPSiO SP 9100Pro-HG/IPSiO SP 8100-HG Series, a mainframe system printer. Employing our newly developed printing protocol, the Ricoh Host Print Protocol, it offers superior reliability to meet open system environment as well as distributed printing requirements. We forged an agreement with IBM Corporation in January 2007 that will enable us to expand our operations in this market through a joint venture known as InfoPrint Solutions Company (to become Ricoh's wholly-owned subsidiary in three years). This new company will combine Ricoh's superior hardware and software production and development capabilities with IBM's service, software and IT solution capabilities to provide our customers with higher value products.

In the low-end business printer market, we released the IPSiO SP C411 Series (sold overseas as Aficio SP C411DN). It is a high-speed, color laser printer with versatile paper handling capabilities that can meet various business needs. We also launched the IPSiO GX Series (sold overseas as Aficio GX), a printer that incorporates Ricoh's advanced Gel Jet technology for higher resolution and faster printing. These new models enable us to continue opening up new low-end business printer markets.

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.

We have been allocating our management resources in the area of Industrial products to potential growth markets and businesses. Our semiconductor business alone has significantly expanded its operational base of sales, design and development in Asia.

We have also continued strengthening our operational foundation during this term in line with our growth strategy. In sales and services, we acquired the European operations of Danka Business Systems PLC for office equipment sales and services. We continue to enhance our sales and service networks both in Japan and overseas.

In the area of research and development, we continue to enhance designing and development processes at the Ricoh Technology Center which was established to consolidate designing and development functions under the cross-functional development structure. This has allowed us to achieve significant improvement in 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. We also continue to promote our three core values of simplifying knowledge creation, creating solutions that fit and harmonizing with the environment to realize unmatched value for our customers. In other words we are committed to doing everything it takes to create a better work environment for our customers with revolutionary, easy-to-use, as well as environmentally sustainable products and services.

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. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(March 31, 2006 and 2007)

Assets	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Current Assets			
Cash and time deposits	188,525	257,154	68,629
Trade receivables	630,501	693,237	62,736
Marketable securities	162	177	15
Inventories	169,245	184,354	15,109
Other current assets	55,110	65,170	10,060
Total Current Assets	1,043,543	1,200,092	156,549
Fixed Assets			
Tangible fixed assets	268,243	264,668	-3,575
Finance receivables	415,435	435,874	20,439
Other investments	313,962	342,772	28,810
Total Fixed Assets	997,640	1,043,314	45,674
Total Assets	2,041,183	2,243,406	202,223

Note:

Contents of cash and time deposits:

Cash and cash equivalents	187,055	255,737
Time deposits	1,470	1,417

Liabilities and Shareholders' Investment	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Current Liabilities			
Trade payables	339,152	367,211	28,059
Short-term borrowings	185,651	178,847	-6,804
Other current liabilities	159,225	189,554	30,329
Total Current Liabilities	684,028	735,612	51,584
Fixed Liabilities			
Long-term indebtedness	195,626	236,801	41,175
Accrued pension and severance costs	97,020	99,028	2,008
Other fixed liabilities	51,374	44,183	-7,191
Total Fixed Liabilities	344,020	380,012	35,992
Total Liabilities	1,028,048	1,115,624	87,576
Minority Interest	52,890	56,869	3,979
Shareholders' Investment			
Common stock	135,364	135,364	-
Additional paid-in capital	186,450	186,454	4
Retained earnings	665,394	752,398	87,004
Accumulated other comprehensive income (loss)	4,099	26,998	22,899
Treasury stock	-31,062	-30,301	761
Total Shareholders' Investment	960,245	1,070,913	110,668
Total Liabilities and Shareholders' Investment	2,041,183	2,243,406	202,223

Note: Other comprehensive income;

Net unrealized holding gains on available-for-sale securities	8,928	9,001	73
Pension liability adjustments (including adjustment to initially apply to FASB statement No. 158, net of tax)	-7,643	-9,406	-1,763
Net unrealized gains (losses) on derivative instruments	157	-28	-185
Cumulative translation adjustments	2,657	27,431	24,774

Reference: Exchange rate	March 31, 2006	March 31, 2007
US\$ 1	¥117.47	¥118.05
EURO 1	¥142.81	¥157.33

(2) Consolidated Statements of Income

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
Net sales	514,890	576,291	61,401	11.9
Cost of sales	305,783	341,169	35,386	11.6
<i>Percentage of net sales (%)</i>	59.4	59.2		
Gross Profit	209,107	235,122	26,015	12.4
<i>Percentage of net sales (%)</i>	40.6	40.8		
Selling, general and administrative expenses	161,934	182,557	20,623	12.7
<i>Percentage of net sales (%)</i>	31.4	31.7		
Operating income	47,173	52,565	5,392	11.4
<i>Percentage of net sales (%)</i>	9.2	9.1		
Other (income) expense				
Interest and dividend income	625	2,055	1,430	228.8
<i>Percentage of net sales (%)</i>	0.1	0.4		
Interest expense	1,598	2,227	629	39.4
<i>Percentage of net sales (%)</i>	0.3	0.4		
Other, net	-1,037	933	1,970	-
<i>Percentage of net sales (%)</i>	-0.2	0.2		
Income from continuing operations before income taxes, equity income and minority interests	47,237	51,460	4,223	8.9
<i>Percentage of net sales (%)</i>	9.2	8.9		
Provision for income taxes	16,963	21,342	4,379	25.8
<i>Percentage of net sales (%)</i>	3.3	3.7		
Minority interests in earnings of subsidiaries	496	1,282	786	158.5
<i>Percentage of net sales (%)</i>	0.0	0.2		
Equity in earnings of affiliates	909	-409	-1,318	-
<i>Percentage of net sales (%)</i>	0.1	-0.1		
Income from continuing operations	30,687	28,427	-2,260	-7.4
<i>Percentage of net sales (%)</i>	6.0	4.9		
Income from discontinued operations, net of tax	503	-	-503	-
<i>Percentage of net sales (%)</i>	0.1	-		
Net income	31,190	28,427	-2,763	-8.9
<i>Percentage of net sales (%)</i>	6.1	4.9		
Reference : Exchange rate				
US\$ 1	¥117.01	¥119.48		
EURO 1	¥140.72	¥156.52		

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
Net sales	1,909,238	2,068,925	159,687	8.4
Cost of sales	1,114,238	1,206,519	92,281	8.3
<i>Percentage of net sales (%)</i>	58.4	58.3		
Gross Profit	795,000	862,406	67,406	8.5
<i>Percentage of net sales (%)</i>	41.6	41.7		
Selling, general and administrative expenses	646,416	688,026	41,610	6.4
<i>Percentage of net sales (%)</i>	33.8	33.3		
Operating income	148,584	174,380	25,796	17.4
<i>Percentage of net sales (%)</i>	7.8	8.4		
Other (income) expense				
Interest and dividend income	2,896	5,501	2,605	90.0
<i>Percentage of net sales (%)</i>	0.2	0.3		
Interest expense	5,244	7,350	2,106	40.2
<i>Percentage of net sales (%)</i>	0.3	0.4		
Other, net	-6,530	-1,988	4,542	-
<i>Percentage of net sales (%)</i>	-0.3	-0.1		
Income from continuing operations before income taxes, equity income and minority interests	152,766	174,519	21,753	14.2
<i>Percentage of net sales (%)</i>	8.0	8.4		
Provision for income taxes	56,165	64,326	8,161	14.5
<i>Percentage of net sales (%)</i>	2.9	3.1		
Minority interests in earnings of subsidiaries	4,185	5,508	1,323	31.6
<i>Percentage of net sales (%)</i>	0.2	0.3		
Equity in earnings of affiliates	2,606	1,539	-1,067	-40.9
<i>Percentage of net sales (%)</i>	0.1	0.1		
Income from continuing operations	95,022	106,224	11,202	11.8
<i>Percentage of net sales (%)</i>	5.0	5.1		
Income from discontinued operations, net of tax	2,035	5,500	3,465	170.3
<i>Percentage of net sales (%)</i>	0.1	0.3		
Net income	97,057	111,724	14,667	15.1
<i>Percentage of net sales (%)</i>	5.1	5.4		
Reference : Exchange rate				
US\$ 1	¥113.26	¥117.02		
EURO 1	¥137.86	¥150.08		

* As a result of the sale of a business, the operating results from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

(3)-1. Consolidated Sales by Product Category

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
<Office Solutions>				
Imaging Solutions	386,298	442,138	55,840	14.5
<i>Percentage of net sales (%)</i>	75.0	76.7		
Network System Solutions	56,663	58,924	2,261	4.0
<i>Percentage of net sales (%)</i>	11.0	10.2		
Total Office Solutions	442,961	501,062	58,101	13.1
<i>Percentage of net sales (%)</i>	86.0	86.9		
<Industrial Products>				
Industrial Products	32,462	34,561	2,099	6.5
<i>Percentage of net sales (%)</i>	6.3	6.0		
<Other>				
Other	39,467	40,668	1,201	3.0
<i>Percentage of net sales (%)</i>	7.7	7.1		
Grand Total	514,890	576,291	61,401	11.9
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.01	¥119.48		
EURO 1	¥140.72	¥156.52		

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
<Office Solutions>				
Imaging Solutions	1,446,635	1,580,155	133,520	9.2
<i>Percentage of net sales (%)</i>	75.8	76.4		
Network System Solutions	190,593	194,312	3,719	2.0
<i>Percentage of net sales (%)</i>	10.0	9.4		
Total Office Solutions	1,637,228	1,774,467	137,239	8.4
<i>Percentage of net sales (%)</i>	85.8	85.8		
<Industrial Products>				
Industrial Products	120,636	133,387	12,751	10.6
<i>Percentage of net sales (%)</i>	6.3	6.4		
<Other>				
Other	151,374	161,071	9,697	6.4
<i>Percentage of net sales (%)</i>	7.9	7.8		
Grand Total	1,909,238	2,068,925	159,687	8.4
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥113.26	¥117.02		
EURO 1	¥137.86	¥150.08		

* As a result of the sale of a business, the operating results from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

* Each category includes the following product line:

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

(3)-2. Consolidated Sales by Geographic Area

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
<Domestic>	258,864	272,943	14,079	5.4
<i>Percentage of net sales (%)</i>	50.3	47.4		
<Overseas>	256,026	303,348	47,322	18.5
<i>Percentage of net sales (%)</i>	49.7	52.6		
The Americas	105,321	117,084	11,763	11.2
<i>Percentage of net sales (%)</i>	20.5	20.3		
Europe	118,292	150,856	32,564	27.5
<i>Percentage of net sales (%)</i>	23.0	26.2		
Other	32,413	35,408	2,995	9.2
<i>Percentage of net sales (%)</i>	6.2	6.1		
Grand Total	514,890	576,291	61,401	11.9
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.01	¥119.48		
EURO 1	¥140.72	¥156.52		

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
<Domestic>	966,224	1,002,251	36,027	3.7
<i>Percentage of net sales (%)</i>	50.6	48.4		
<Overseas>	943,014	1,066,674	123,660	13.1
<i>Percentage of net sales (%)</i>	49.4	51.6		
The Americas	387,412	426,453	39,041	10.1
<i>Percentage of net sales (%)</i>	20.3	20.6		
Europe	434,800	507,158	72,358	16.6
<i>Percentage of net sales (%)</i>	22.8	24.5		
Other	120,802	133,063	12,261	10.1
<i>Percentage of net sales (%)</i>	6.3	6.5		
Grand Total	1,909,238	2,068,925	159,687	8.4
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥113.26	¥117.02		
EURO 1	¥137.86	¥150.08		

* As a result of the sale of a business, the operating results from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

(4) Consolidated Statements of Shareholders' Investment

Year ended March 31, 2006

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total Shareholders' Investment
Beginning balance	135,364	186,551	584,515	-21,963	-21,469	862,998
Gain (Loss) on disposal of treasury stock		-101				-101
Dividends declared and approved			-16,178			-16,178
Comprehensive income						
Net income			97,057			97,057
Net unrealized holding losses on available-for-sale securities				4,137		4,137
Pension liability adjustment				7,009		7,009
Net unrealized losses on derivative instruments				40		40
Cumulative translation adjustments				14,876		14,876
Total comprehensive income						123,119
Purchase of treasury stocks, net					-9,593	-9,593
Ending balance	135,364	186,450	665,394	4,099	-31,062	960,245

Year ended March 31, 2007

(Millions of yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total Shareholders' Investment
Beginning balance	135,364	186,450	665,394	4,099	-31,062	960,245
Cumulative effect of adjustment resulted from applying SAB No.108	-	-	-6,464	-	-	-6,464
Beginning balance (after adjustment)	135,364	186,450	658,930	4,099	-31,062	953,781
Gain (Loss) on disposal of treasury stock		4				4
Dividends declared and approved			-18,256			-18,256
Comprehensive income						
Net income			111,724			111,724
Net unrealized holding gains on available-for-sale securities				73		73
Pension liability adjustment (including adjustment to initially apply to SFAS No.158, net of tax)				-1,763		-1,763
Net unrealized gains on derivative instruments				-185		-185
Cumulative translation adjustments				24,774		24,774
Total comprehensive income						134,623
Purchase of treasury stocks, net					761	761
Ending balance	135,364	186,454	752,398	26,998	-30,301	1,070,913

(5) Consolidated Statements of Cash Flows

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007
I. Cash Flows from Operating Activities:		
Net income	97,057	111,724
Income from discontinued operations, net of tax	-2,035	-5,500
Income from continuing operations	95,022	106,224
Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	84,089	89,632
Equity in earnings of affiliates, net of dividends received	-1,431	-711
Deferred income taxes	-4,692	-2,197
Loss on disposal and sales of tangible fixed assets	920	3,722
Pension and severance costs, less payments	3,340	-773
Changes in assets and liabilities—		
(Increase)Decrease in trade receivables	13,411	-15,919
(Increase)Decrease in inventories	3,726	-1,494
Increase in finance receivables	-30,029	-28,047
(Decrease)Increase in trade payables	-4,442	2,199
Increase in accrued income taxes and accrued expenses and other	2,505	11,175
Other, net	11,060	3,486
Net cash provided by operating activities	173,479	167,297
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	3,085	463
Expenditures for tangible fixed assets	-101,788	-85,747
Payments for purchases of available-for-sale securities	-138,607	-97,158
Proceeds from sales of available-for-sale securities	141,620	96,087
(Increase) Decrease in time deposits, net	-136	64
Proceeds from sales of discontinued operation	-	12,000
Acquisition of new subsidiaries, net of cash acquired	-	-23,200
Other, net	-24,225	-17,941
Net cash used in investing activities	-120,051	-115,432
III. Cash Flows from Financing Activities:		
Proceeds from long-term indebtedness	63,751	60,157
Repayment of long-term indebtedness	-93,752	-49,115
Increase in short-term borrowings, net	39,618	8,362
Proceeds from issuance of long-term debt securities	10,000	65,274
Repayment of long-term debt securities	-52,000	-55,000
Dividend paid	-16,178	-18,240
Payment for purchase of treasury stock	-10,653	-799
Other, net	-775	-1,357
Net cash provided by (used in) financing activities	-59,989	9,282
IV. Net Increase in Cash and Cash Equivalents from discontinued operations	3,376	825
V. Effect of Exchange Rate Changes on Cash and Cash Equivalents	3,383	6,710
VI. Net Increase in Cash and Cash Equivalents	198	68,682
VII. Cash and Cash Equivalents at Beginning of Year	186,857	187,055
VIII. Cash and Cash Equivalents at End of Period	187,055	255,737

* As a result of the sale of a business, cash flows from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

(6) Significant Accounting Policies (Consolidated)

A) Changes in the scale of consolidation and the application of the equity method from April 1, 2006 to March 31,

Consolidated subsidiaries:

- 29 Additions
- 20 Removals

Companies accounted for by the equity method:

- 1 Addition
- 6 Removals

B) Consolidated Accounting Policies (Summary)

a. 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.

b. 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.

c. Inventories

Inventories are mainly stated at the lower of average cost or market. Inventory costs include raw materials, labor and manufacturing overheads.

d. 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."

e. 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.

f. Pension and Retirement Allowances Plans

The measurement of pension costs and liabilities is determined in accordance with SFAS No.87, "Employers' Accounting for Pensions" and SFAS No.158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."

g. 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.

(7) Changes in Significant Accounting Policies (Consolidated)

On March 31, 2007, Ricoh adopted the recognition and disclosure provisions of SFAS No.158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, for the measurement of pension costs and liabilities. Under SFAS No.158, Ricoh recognized the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension fund plans in the 31 March, 2007 consolidated balance sheets, with a corresponding adjustment in initially applying SFAS No.158 to accumulated other comprehensive income (loss), net of tax. The adjustment to accumulated other comprehensive income (loss) at adoption represents the unrecognized net actuarial loss, unrecognized prior service cost, and unrecognized transition obligation, all of which were previously netted against the plans' funded status in the consolidated balance sheets pursuant to the provisions of SFAS No.87.

(8) Notes to Consolidated Financial Statements

A) Segment Information

a. Operating Segment Information

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
Office Solutions:				
Net sales:				
Unaffiliated customers	442,961	501,062	58,101	13.1
Intersegment	-	-	-	-
Total	442,961	501,062	58,101	13.1
Operating expenses	381,817	436,247	54,430	14.3
Operating income	61,144	64,815	3,671	6.0
<i>Operating income on sales in Office Solution Business (%)</i>	<i>13.8</i>	<i>12.9</i>		
Industrial Products:				
Net sales:				
Unaffiliated customers	32,462	34,561	2,099	6.5
Intersegment	662	1,087	425	64.2
Total	33,124	35,648	2,524	7.6
Operating expenses	33,160	34,215	1,055	3.2
Operating income	-36	1,433	1,469	-
<i>Operating income on sales in Industry Business (%)</i>	<i>-0.1</i>	<i>4.0</i>		
Other:				
Net sales:				
Unaffiliated customers	39,467	40,668	1,201	3.0
Intersegment	-	-	-	-
Total	39,467	40,668	1,201	3.0
Operating expenses	38,813	40,620	1,807	4.7
Operating income	654	48	-606	-92.7
<i>Operating income on sales in Other Business (%)</i>	<i>1.7</i>	<i>0.1</i>		
Corporate and Eliminations:				
Net sales:				
Intersegment	-662	-1,087	-425	-
Total	-662	-1,087	-425	-
Operating expenses:				
Intersegment	-653	-1,089	-436	-
Corporate	14,580	13,733	-847	-
Total	13,927	12,644	-1,283	-
Operating income	-14,589	-13,731	858	-
Consolidated:				
Net sales:				
Unaffiliated customers	514,890	576,291	61,401	11.9
Intersegment	-	-	-	-
Total	514,890	576,291	61,401	11.9
Operating expenses	467,717	523,726	56,009	12.0
Operating income	47,173	52,565	5,392	11.4
<i>Operating income on consolidated net sales (%)</i>	<i>9.2</i>	<i>9.1</i>		

Capital expenditures: (Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
Office Solutions	18,797	23,315	4,518	24.0
Industrial Products	2,258	3,842	1,584	70.2
Other	665	904	239	35.9
Corporate	903	927	24	2.7
Total	22,623	28,988	6,365	28.1

Depreciation: (Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
Office Solutions	16,023	17,502	1,479	9.2
Industrial Products	1,732	1,886	154	8.9
Other	639	585	-54	-8.5
Corporate	332	430	98	29.5
Total	18,726	20,403	1,677	9.0

* As a result of the sale of a business, cash flows from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

Identifiable assets: (Millions of yen)

	March 31, 2006	March 31, 2007	Change	%
Office Solutions	1,426,635	1,570,757	144,122	10.1
Industrial Products	84,595	93,346	8,751	10.3
Other	114,925	112,255	-2,670	-2.3
Eliminations	-2,088	-1,327	761	-
Corporate assets	417,116	468,375	51,259	12.3
Total	2,041,183	2,243,406	202,223	9.9

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
Office Solutions:				
Net sales:				
Unaffiliated customers	1,637,228	1,774,467	137,239	8.4
Intersegment	-	-	-	-
Total	1,637,228	1,774,467	137,239	8.4
Operating expenses	1,434,279	1,549,156	114,877	8.0
Operating income	202,949	225,311	22,362	11.0
<i>Operating income on sales in Office Solution Business (%)</i>	<i>12.4</i>	<i>12.7</i>		
Industrial Products:				
Net sales:				
Unaffiliated customers	120,636	133,387	12,751	10.6
Intersegment	2,564	4,725	2,161	84.3
Total	123,200	138,112	14,912	12.1
Operating expenses	124,108	135,164	11,056	8.9
Operating income	-908	2,948	3,856	-
<i>Operating income on sales in Industry Business (%)</i>	<i>-0.7</i>	<i>2.1</i>		
Other:				
Net sales:				
Unaffiliated customers	151,374	161,071	9,697	6.4
Intersegment	-	-	-	-
Total	151,374	161,071	9,697	6.4
Operating expenses	148,692	158,868	10,176	6.8
Operating income	2,682	2,203	-479	-17.9
<i>Operating income on sales in Other Business (%)</i>	<i>1.8</i>	<i>1.4</i>		
Corporate and Eliminations:				
Net sales:				
Intersegment	-2,564	-4,725	-2,161	-
Total	-2,564	-4,725	-2,161	-
Operating expenses:				
Intersegment	-2,594	-4,727	-2,133	-
Corporate	56,169	56,084	-85	-
Total	53,575	51,357	-2,218	-
Operating income	-56,139	-56,082	57	-
Consolidated:				
Net sales:				
Unaffiliated customers	1,909,238	2,068,925	159,687	8.4
Intersegment	-	-	-	-
Total	1,909,238	2,068,925	159,687	8.4
Operating expenses	1,760,654	1,894,545	133,891	7.6
Operating income	148,584	174,380	25,796	17.4
<i>Operating income on consolidated net sales (%)</i>	<i>7.8</i>	<i>8.4</i>		

Capital expenditures:

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
Office Solutions	90,383	72,465	-17,918	-19.8
Industrial Products	7,451	8,580	1,129	15.2
Other	2,361	2,630	269	11.4
Corporate	1,854	2,125	271	14.6
Total	102,049	85,800	-16,249	-15.9

Depreciation:

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
Office Solutions	57,326	62,862	5,536	9.7
Industrial Products	6,631	6,099	-532	-8.0
Other	2,352	2,072	-280	-11.9
Corporate	1,156	1,399	243	21.0
Total	67,465	72,432	4,967	7.4

* As a result of the sale of a business, cash flows from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

Identifiable assets:

(Millions of yen)

	March 31, 2006	March 31, 2007	Change	%
Office Solutions	1,426,635	1,570,757	144,122	10.1
Industrial Products	84,595	93,346	8,751	10.3
Other	114,925	112,255	-2,670	-2.3
Eliminations	-2,088	-1,327	761	-
Corporate assets	417,116	468,375	51,259	12.3
Total	2,041,183	2,243,406	202,223	9.9

b. Geographic Segment Information

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%
Japan:				
Net sales:				
External customers	264,626	278,995	14,369	5.4
Intersegment	104,444	116,642	12,198	11.7
Total	369,070	395,637	26,567	7.2
Operating expenses	345,452	369,936	24,484	7.1
Operating income	23,618	25,701	2,083	8.8
<i>Operating income on sales in Japan(%)</i>	6.4	6.5		
The Americas:				
Net sales:				
External customers	105,305	116,831	11,526	10.9
Intersegment	472	727	255	54.0
Total	105,777	117,558	11,781	11.1
Operating expenses	98,773	108,975	10,202	10.3
Operating income	7,004	8,583	1,579	22.5
<i>Operating income on sales in the Americas(%)</i>	6.6	7.3		
Europe:				
Net sales:				
External customers	118,557	151,335	32,778	27.6
Intersegment	1,134	489	-645	-56.9
Total	119,691	151,824	32,133	26.8
Operating expenses	112,681	136,822	24,141	21.4
Operating income	7,010	15,002	7,992	114.0
<i>Operating income on sales in Europe(%)</i>	5.9	9.9		
Other:				
Net sales:				
External customers	26,402	29,130	2,728	10.3
Intersegment	30,691	45,745	15,054	49.1
Total	57,093	74,875	17,782	31.1
Operating expenses	52,320	71,099	18,779	35.9
Operating income	4,773	3,776	-997	-20.9
<i>Operating income on sales in Other(%)</i>	8.4	5.0		
Corporate and Eliminations:				
Net sales:				
Intersegment	-136,741	-163,603	-26,862	-
Total	-136,741	-163,603	-26,862	-
Operating expenses:	-141,509	-163,106	-21,597	-
Operating income	4,768	-497	-5,265	-
Consolidated:				
Net sales:				
External customers	514,890	576,291	61,401	11.9
Intersegment	-	-	-	-
Total	514,890	576,291	61,401	11.9
Operating expenses	467,717	523,726	56,009	12.0
Operating income	47,173	52,565	5,392	11.4
<i>Operating income on consolidated net sales(%)</i>	9.2	9.1		

* As a result of the sale of a business, the operating results from the discontinued operation have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

Identifiable assets:

(Millions of yen)

	March 31, 2006	March 31, 2007	Change	%
Japan	1,220,780	1,282,085	61,305	5.0
The Americas	240,726	256,049	15,323	6.4
Europe	235,897	314,815	78,918	33.5
Other	79,102	101,550	22,448	28.4
Eliminations	-152,438	-179,468	-27,030	-
Corporate assets	417,116	468,375	51,259	12.3
Total	2,041,183	2,243,406	202,223	9.9

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%
Japan:				
Net sales:				
External customers	992,945	1,026,663	33,718	3.4
Intersegment	413,087	495,304	82,217	19.9
Total	1,406,032	1,521,967	115,935	8.2
Operating expenses	1,310,233	1,411,653	101,420	7.7
Operating income	95,799	110,314	14,515	15.2
<i>Operating income on sales in Japan(%)</i>	6.8	7.2		
The Americas:				
Net sales:				
External customers	385,746	426,009	40,263	10.4
Intersegment	7,630	3,253	-4,377	-57.4
Total	393,376	429,262	35,886	9.1
Operating expenses	378,108	408,150	30,042	7.9
Operating income	15,268	21,112	5,844	38.3
<i>Operating income on sales in the Americas(%)</i>	3.9	4.9		
Europe:				
Net sales:				
External customers	434,304	508,200	73,896	17.0
Intersegment	4,449	3,595	-854	-19.2
Total	438,753	511,795	73,042	16.6
Operating expenses	417,341	478,380	61,039	14.6
Operating income	21,412	33,415	12,003	56.1
<i>Operating income on sales in Europe(%)</i>	4.9	6.5		
Other:				
Net sales:				
External customers	96,243	108,053	11,810	12.3
Intersegment	104,045	160,990	56,945	54.7
Total	200,288	269,043	68,755	34.3
Operating expenses	185,283	251,486	66,203	35.7
Operating income	15,005	17,557	2,552	17.0
<i>Operating income on sales in Other(%)</i>	7.5	6.5		
Corporate and Eliminations:				
Net sales:				
Intersegment	-529,211	-663,142	-133,931	-
Total	-529,211	-663,142	-133,931	-
Operating expenses:	-530,311	-655,124	-124,813	-
Operating income	1,100	-8,018	-9,118	-
Consolidated:				
Net sales:				
External customers	1,909,238	2,068,925	159,687	8.4
Intersegment	-	-	-	-
Total	1,909,238	2,068,925	159,687	8.4
Operating expenses	1,760,654	1,894,545	133,891	7.6
Operating income	148,584	174,380	25,796	17.4
<i>Operating income on consolidated net sales(%)</i>	7.8	8.4		

* As a result of the sale of a business, the operating results from the discontinued operation have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets".

Identifiable assets:

(Millions of yen)

	March 31, 2006	March 31, 2007	Change	%
Japan	1,220,780	1,282,085	61,305	5.0
The Americas	240,726	256,049	15,323	6.4
Europe	235,897	314,815	78,918	33.5
Other	79,102	101,550	22,448	28.4
Eliminations	-152,438	-179,468	-27,030	-
Corporate assets	417,116	468,375	51,259	12.3
Total	2,041,183	2,243,406	202,223	9.9

B) 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, 2007 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, 2007				
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:				
Corporate debt securities	176	-	-	176
Other	1	-	-	1
	177	-	-	177
Noncurrent:				
Equity securities	49,261	14,991	142	64,110
Corporate debt securities	6,000	10	-	6,010
Other	242	-	-	242
Nonmarketable securities (at cost)	4,474	-	-	4,474
	59,977	15,001	142	74,836

C) 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, 2007 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, 2007		
	Carrying amount	Estimated Fair value
Interest rate swap agreements, net	751	751
Foreign currency contracts-net credit	633	633
Currency options	-2	-2
Total	1,382	1,382

D) Transactions of Ricoh with affiliates

(Millions of yen)		
	March 31, 2006	March 31, 2007
Account balances:		
Receivables	3,416	3,541
Payables	2,964	2,611
(Millions of yen)		
	Year ended March 31, 2006	Year ended March 31, 2007
Transactions:		
Sales	19,365	16,158
Purchases	27,286	28,993
Dividend income	1,154	828

E) Per Share Data

	(Yen)	
	March 31, 2006	March 31, 2007
Shareholders' equity per share	1,316.21	1,467.03
Net income per share	132.33	153.10
Net income per share-diluted	-	151.89

* Ricoh has no dilutive securities outstanding as of March 31, 2006 and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted for year ended March 31, 2006 are omitted.

A reconciliation of the numerator and the denominators of the basic and diluted per share computations for income is as follows:

	(Millions of yen)	
	March 31, 2006	March 31, 2007
Net income	97,057	111,724
Effect of dilutive securities	-	-8
Diluted net income	-	111,716

	(Shares)	
	March 31, 2006	March 31, 2007
Weight average common shares outstanding	733,434,414	729,744,656
Effect of dilutive securities	-	5,757,813
Diluted common shares outstanding	-	735,502,469

5. Non-consolidated Performance
(1) Balance Sheets (Non-consolidated)

March 31, 2006 and 2007

Assets	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Current Assets	481,056	548,362	67,306
Cash on hand and in banks	8,689	23,602	14,913
Notes receivable-trade	7,540	7,221	-319
Accounts receivable-trade	235,393	244,754	9,361
Marketable securities	50,985	118,046	67,061
Finished goods	26,352	24,026	-2,326
Raw materials	3,405	3,146	-259
Work-in-process	6,806	7,578	772
Supplies	7,820	7,248	-572
Prepaid expenses	3,624	3,417	-207
Deferred tax assets	12,703	16,206	3,503
Accounts receivable-other	14,510	16,678	2,168
Short-term loans receivable	102,411	74,131	-28,280
Other current assets	2,394	2,542	148
Allowance for doubtful accounts	-1,582	-239	1,343
Fixed Assets	501,494	527,927	26,433
Tangible Fixed Assets	130,374	132,457	2,083
Buildings	48,532	50,073	1,541
Structures	1,894	2,600	706
Machinery and equipment	19,391	24,721	5,330
Vehicles	19	13	-6
Tools	21,997	20,689	-1,308
Land	29,261	29,274	13
Construction in progress	9,277	5,085	-4,192
Intangible Fixed Assets	31,359	31,764	405
Patent rights	319	3,078	2,759
Leased property rights	8,479	7,810	-669
Software	22,190	20,484	-1,706
Other intangible fixed assets	370	390	20
Investments and Other Assets	339,761	363,705	23,944
Investment securities	33,217	26,995	-6,222
Affiliates' securities	191,797	189,463	-2,334
Investment in affiliates	25,974	27,488	1,514
Long-term loans receivable	14	20	6
Long-term loans to affiliates	80,799	106,838	26,039
Bankruptcy and rehabilitation debts	216	158	-58
Deferred tax assets	1,620	1,788	168
Lease deposit	7,009	6,811	-198
Other investments	2,072	4,641	2,569
Allowance for doubtful accounts	-2,962	-501	2,461
Total Assets	982,551	1,076,290	93,739

Reference:

Exchange rate

	March 31,2006	March 31,2007
US\$ 1	117.47	118.05
EURO 1	142.81	157.33

March 31, 2006 and 2007

Liabilities	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Current Liabilities	261,871	250,134	-11,737
Notes payable-trade	4,641	5,017	376
Accounts payable-trade	133,036	146,776	13,740
Bonds maturing within one year	35,000	-	-35,000
Accounts payable-other	17,112	17,331	219
Accrued expenses	33,153	35,954	2,801
Accrued corporate tax	21,308	24,939	3,631
Advances by customers	380	527	147
Deposits payable	3,148	2,816	-332
Accrued bonuses	11,872	14,154	2,282
Accrued directors' bonuses	-	185	185
Warranty reserve	418	612	194
Derivative liabilities, at fair value	297	52	-245
Other current liabilities	1,503	1,767	264
Fixed Liabilities	25,927	81,339	55,412
Bonds	25,000	25,000	-
Convertible Bond	-	55,256	55,256
Retirement benefit obligation	417	616	199
Reserve for directors' retirement allowances	510	466	-44
Total Liabilities	287,799	331,474	43,675

Shareholders' Equity	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Common Stock	135,364	-	-135,364
Additional paid-in-capital	180,804	-	-180,804
Legal capital reserve	180,804	-	-180,804
Retained earnings	399,153	-	-399,153
Legal reserve	14,955	-	-14,955
Voluntary reserves	328,457	-	-328,457
Reserve for deferral of capital gain on property	550	-	-550
Reserve for special depreciation	1,272	-	-1,272
Reserve for warranty on computer programs	167	-	-167
Reserve for social contribution	117	-	-117
General reserve	326,350	-	-326,350
Unappropriated retained earnings	55,740	-	-55,740
Net unrealized holding gains on securities	8,769	-	-8,769
Treasury stock	-29,339	-	29,339
		-	-
Total Shareholders' Equity	694,752	-	-694,752
Total Liabilities and Shareholders' Equity	982,551	-	-982,551

Net assets	(Millions of yen)		
	March 31, 2006	March 31, 2007	Change
Stockholders' equity	-	738,727	738,727
Common Stock	-	135,364	135,364
Additional paid-in-capital	-	180,808	180,808
Legal capital reserve	-	180,804	180,804
Other additional paid-in-capital	-	3	3
Retained earnings	-	452,669	452,669
Legal reserve	-	14,955	14,955
Other retained earnings	-	437,714	437,714
Reserve for deferral of capital gain on property	-	506	506
Reserve for special depreciation	-	1,147	1,147
Reserve for warranty on computer programs	-	124	124
Reserve for social contribution	-	104	104
General reserve	-	362,350	362,350
Retained earnings brought forward	-	73,482	73,482
Treasury stock	-	-30,114	-30,114
Difference of appreciation and conversion	-	6,088	6,088
Net unrealized holding gains on securities	-	6,088	6,088
Total Net assets	-	744,815	744,815
Total Liabilities and Net assets	-	1,076,290	1,076,290

(2) Statement of Income (Non-consolidated)

For the years ended March 31, 2006 and 2007.

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change (%)	
Net sales	934,354	1,033,302	98,948	(10.6)
Cost of sales	645,496	712,757	67,261	(10.4)
<i>Percentage of net sales (%)</i>	69.1	69.0		
Gross profit	288,857	320,545	31,688	(11.0)
<i>Percentage of net sales (%)</i>	30.9	31.0		
Selling, general and administrative expenses	219,144	233,571	14,427	(6.6)
<i>Percentage of net sales (%)</i>	23.5	22.6		
Selling expenses	47,413	51,372	3,959	
General and administrative expenses	171,730	182,198	10,468	
Operating income	69,712	86,974	17,262	(24.8)
<i>Percentage of net sales (%)</i>	7.5	8.4		
Non-operating income	15,728	24,707	8,979	(57.1)
<i>Percentage of net sales (%)</i>	1.7	2.4		
Interest	2,991	4,970	1,979	
Interest on securities	63	309	246	
Dividends	4,940	14,893	9,953	
Exchange gain	2,874	-	-2,874	
Miscellaneous income	4,858	4,534	-324	
Non-operating expenses	3,000	6,450	3,450	(115.0)
<i>Percentage of net sales (%)</i>	0.3	0.6		
Interest	10	16	6	
Interest on bonds	699	619	-80	
Exchange loss	-	1,550	1,550	
Loss on disposition of fixed assets	1,934	2,904	970	
Miscellaneous expenses	356	1,358	1,002	
Ordinary income	82,441	105,231	22,790	(27.6)
<i>Percentage of net sales (%)</i>	8.8	10.2		
Extraordinary income	1,662	3,632	1,970	(118.5)
<i>Percentage of net sales (%)</i>	0.2	0.4		
Reversal of allowance for doubtful accounts	-	3,632	3,632	
Gain on settlement of qualified pension plan	1,662	-	-1,662	
Income before income taxes	84,103	108,864	24,761	(29.4)
<i>Percentage of net sales (%)</i>	9.0	10.5		
Provision for income taxes	27,400	38,800	11,400	(41.6)
<i>Percentage of net sales (%)</i>	2.9	3.8		
Corporate and other tax adjustments	1,616	-1,844	-3,460	(-214.1)
<i>Percentage of net sales (%)</i>	0.2	-0.2		
Net income	55,087	71,908	16,821	(30.5)
<i>Percentage of net sales (%)</i>	5.9	7.0		
Retained earnings at beginning of year	9,404	-	-9,404	
Reversal of reserve for social contribution	83	-	-83	
Loss on disposal of Treasury stock	4	-	-4	
Interim dividends	8,830	-	-8,830	
Retained earnings at end of year	55,740	-	-55,740	

Reference:

Exchange rate

	Year ended	Year ended
US\$ 1	112.95	117.08
EURO 1	138.02	150.12

(3) Statements of Changes in Stockholders' equity (Non-consolidated)

Results for the Period from April 1, 2006 to March 31, 2007

(Millions of yen)

	Stockholders' equity							Difference of appreciation and conversion	Total Net assets
	Common stock	Additional paid-in-capital		Retained earnings		Treasury stock	Total stockholders' equity	Net unrealized holding gains on securities	
		Legal capital reserve	Other additional paid-in-capital	Legal reserve	Other retained earnings (*1)				
Balance of March 31,2006	135,364	180,804	-	14,955	384,198	-29,339	685,982	8,769	694,752
Changes in the term									
Dividends from surplus(*2)					-8,763		-8,763		-8,763
Dividends from surplus					-9,492		-9,492		-9,492
Bonus of directors(*2)					-135		-135		-135
Net income					71,908		71,908		71,908
Purchase of treasury stock						-798	-798		-798
Disposal of treasury stock			3			23	27		27
Net change of items other than stockholders' equity								-2,681	-2,681
Total changes in the term	-	-	3	-	53,516	-775	52,744	-2,681	50,063
Balance of March 31,2007	135,364	180,804	3	14,955	437,714	-30,114	738,727	6,088	744,815

(*1) Other retained earnings

(Millions of yen)

	Reserve for deferral of capital gain on property	Reserve for special depreciation	Reserve for warranty on computer programs	Reserve for social contribution	General reserve	Retained earnings brought forward	Total Other retained earnings
Balance of March 31,2006	550	1,272	167	117	326,350	55,740	384,198
Changes in the term							
Dividends from surplus(*2)						-8,763	-8,763
Dividends from surplus						-9,492	-9,492
Reversal of reserve for deferral of capital gain on property(*2)	-22					22	-
Reversal of reserve for deferral of capital gain on property	-21					21	-
Transfer to reserve for special depreciation(*2)		736				-736	-
Reversal of reserve for special depreciation(*2)		-393				393	-
Transfer to reserve for special depreciation		52				-52	-
Reversal of reserve for special depreciation		-521				521	-
Reversal of reserve for warranty on computer programs(*2)			-28			28	-
Reversal of reserve for warranty on computer programs			-14			14	-
Transfer to reserve for social contribution(*2)				83		-83	-
Reversal of reserve for social contribution				-95		95	-
Transfer to general reserve(*2)					36,000	-36,000	-
Bonus of directors (*2)						-135	-135
Net income						71,908	71,908
Total changes in the term	-44	-125	-43	-12	36,000	17,741	53,516
Balance of March 31,2007	506	1,147	124	104	362,350	73,482	437,714

(*2) Earnings appropriation items from Ordinary General Meeting of Shareholders in June 2006.

Significant Accounting Policies (Non-consolidated)

1. Accounting policy for assets

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

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

Other securities:

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

Non-marketable securities are stated at cost based on the moving average method.

- (3) Derivatives are stated at market value.

2. Depreciation of fixed assets

- (1) Tangible fixed assets

Tangible fixed assets are depreciated using the declining balance method.

For buildings (excluding fixtures) secured on and after April 1, 1998, however, Ricoh uses straight-line depreciation.

- (2) Intangible fixed assets

Ricoh uses straight-line depreciation for intangible fixed assets.

With software for sale in the marketplace, however, the Company records the larger of a depreciation based on projected sales profits or a uniform depreciation based on a projected effective sales period for the balance. The initially projected effective

sale term is three years. With software for internal use, the company uses straight-line depreciation on a usable period of five years.

3. Accounting for deferred assets

Expenses of new stock issued are accounted for as the full amount at the time of the expenditure.

Expenses of new stock issued at the end of the year is included in "Miscellaneous expenses".

Discounts on bond issues are deferred and amortized uniformly over a period(5years) up to the maturity of the relevant bond.

4. Basis for provision of reserves

- (1) Allowance for Doubtful Accounts

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

- (2) Reserve for Accrued Bonuses

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

- (3) Reserve for Accrued Directors' Bonuses

The reserve for accrued bonuses is provided by estimating the amount of bonuses payable to Directors for the current of financial year .

- (4) Warranty reserve

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

- (5) 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)

- (6) Reserve for Directors' Retirement Allowances

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

5. Leasing

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

6. 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.

7. 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.

Revision on Accounting Settlement

(Accounting Standard for Directors' Bonuses)

Effective April 1, 2006, Ricoh adopted ASBJ statement No.4 "Accounting Standard for Directors' Bonuses" issued by the Accounting Standards Board of Japan on November 29, 2005. The effect of change was to decrease operating income, ordinary profit and interim net income before income taxes by ¥185 million, respectively, for the year ended March 31, 2007 compared with what would have been recorded under the previous method.

(Statement of Changes in Net Assets)

Effective April 1, 2006, Ricoh adopted ASBJ Statement No.5 "Accounting Standards for Presentation of Net Assets in Balance Sheet" and its Implementation Guidance - ASBJ Guidance No.8, "Guidance on Accounting Standards for Presentation of Net Assets in Balance Sheet" issued by the Accounting Standards Board of Japan on December 9, 2005. Amount corresponding to conventional "Total Shareholders' Equity" in the balance sheet is ¥744,815 million. "Net Assets" in the balance sheet for the interim accounting period is presented according to the revision of "Regulations Concerning the Terminology, Forms and Preparation Methods of Interim Financial Statement".

Notes to Non-consolidated Financial Statements

(Balance Sheets)

	March 31, 2006	March 31, 2007
1. Accumulated depreciation on tangible fixed assets	347,019	363,469
2. Trade notes receivable discounted with banks	48	2
3. Guarantee obligations	117	85

(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, 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

2. Year ended March 31, 2007

(Millions of yen)	Balance Sheets	Fair value	Difference
Securities of consolidated companies	7,229	58,406	51,177
Securities of affiliated companies	6,935	55,898	48,962
Total	14,165	114,304	100,139

(Statements of Changes in Stockholders' equity)

Treasury stock

Class of shares	Number of shares held at March 31, 2006	Increase	Decrease	Number of shares held at March 31, 2007
Common shares (shares)	14,579,522	336,711	11,838	14,904,395

Reason for the Changes

Increase: Purchase of odd lot shares of common stock 336,711 shares

Decrease: Release of treasury stock to allow shareholders with less than a full lot to complete their holdings 11,838 shares

(Tax Effect Accounting)

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

(Millions of yen)

	March 31, 2006	March 31, 2007
Deferred tax assets:		
Retirement benefit obligation	9,896	8,957
Accrued bonuses	4,809	5,733
Accrued enterprise tax	2,118	4,150
Loss on valuation of securities	2,143	2,093
Depreciation and amortization	1,142	2,016
Inventory revaluation	971	1,225
Other	7,515	5,919
Total deferred tax assets	28,594	30,093
Deferred tax liabilities:		
Retirement benefit trust establishment	-6,745	-6,745
Net unrealized holding gains on securities	-5,972	-4,144
Reserve for special depreciation	-1,100	-781
Reserve for deferral of capital gain on property	-359	-345
Reserve for warranty on computer programs	-95	-84
Total deferred tax liabilities	-14,271	-12,099
	March 31, 2006	March 31, 2007
Net deferred tax assets	14,323	17,994
Included in current assets	12,703	16,206
Included in investment and other assets	1,620	1,788

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	-1.9
Tax credit for foreign taxes	-0.4
Tax credit for research and development expenses	-5.7
Other	1.2
Effective tax rate	33.9 %

-APPENDIX- Year ended March 31, 2007)

1. Consolidated Quarterly Performance Outline

(1) Financial Statements Summary (Quarterly)									(Billions of yen)
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)	4Q	Change(%)	
Net sales	484.5	7.3	502.3	7.2	505.7	6.6	576.2	11.9	
Gross profit	202.5	4.7	205.3	6.8	219.3	9.6	235.1	12.4	
Operating income	40.6	11.7	32.5	13.6	48.6	33.7	52.5	11.4	
Income from continuing operations before income taxes	38.7	4.0	35.5	17.3	48.7	28.3	51.4	8.9	
Net income	29.1	22.8	22.9	19.7	31.2	35.9	28.4	-8.9	
Net income per share (yen)	39.92	-	31.43	-	42.83	-	38.92	-	
Net income per share-diluted (yen)	-	-	-	-	42.66	-	37.88	-	
Total assets	2,055.1	-	2,097.7	-	2,205.5	-	2,243.4	-	
Shareholders' equity	980.2	-	1,008.4	-	1,036.1	-	1,070.9	-	
Shareholders' equity per share (yen)	1,343.70	-	1,382.14	-	1,420.31	-	1,467.03	-	
Cash flows from operating activities	26.3	-	25.2	-	21.9	-	93.7	-	
Cash flows from investing activities	-5.0	-	-34.1	-	-21.3	-	-54.8	-	
Cash flows from financing activities	-17.4	-	18.5	-	62.5	-	-54.3	-	
Cash and cash equivalents at end of period	189.1	-	203.8	-	269.3	-	255.7	-	

(2) Capital expenditures and Depreciation					(Billions of yen)
	1Q	2Q	3Q	4Q	
Capital expenditures	15.9	23.2	17.6	28.9	
Depreciation for tangible fixed assets	15.9	17.7	18.2	20.4	

(3) R&D Expenditures					(Billions of yen)
	1Q	2Q	3Q	4Q	
R&D expenditures	25.3	31.1	27.9	30.5	
R&D expenditures / Total Sales (%)	5.2	6.2	5.5	5.3	

(4) Interest income (expenses) net					(Billions of yen)
	1Q	2Q	3Q	4Q	
Interest income (expenses) net	-0.4	-0.7	-0.4	-0.1	

(5) Exchange Rate				
	1Q	2Q	3Q	4Q
Exchange rate (Yen/US\$)	114.53	116.26	117.82	119.48
Exchange rate (Yen/EURO)	143.78	148.16	151.92	156.52

2. Consolidated Sales by Product Category

(Three months ended March 31, 2006 and 2007)

(Millions of yen)

	Three months ended March 31, 2006	Three months ended March 31, 2007	Change	%	Change excluding exchange impact	%
<Office Solutions>						
Imaging Solutions	386,298	442,138	55,840	14.5	37,958	9.8
<i>Percentage of net sales (%)</i>	75.0	76.7				
Domestic	152,818	162,197	9,379	6.1	9,379	6.1
Overseas	233,480	279,941	46,461	19.9	28,579	12.2
Network System Solutions	56,663	58,924	2,261	4.0	1,987	3.5
<i>Percentage of net sales (%)</i>	11.0	10.2				
Domestic	53,769	56,344	2,575	4.8	2,575	4.8
Overseas	2,894	2,580	-314	-10.9	-588	-20.3
Office Solutions Total	442,961	501,062	58,101	13.1	39,945	9.0
<i>Percentage of net sales (%)</i>	86.0	86.9				
Domestic	206,587	218,541	11,954	5.8	11,954	5.8
Overseas	236,374	282,521	46,147	19.5	27,991	11.8
The Americas	99,842	112,411	12,569	12.6	10,064	10.1
Europe	112,186	142,930	30,744	27.4	16,852	15.0
Other	24,346	27,180	2,834	11.6	1,075	4.4
<Industrial Products>						
Industrial Products	32,462	34,561	2,099	6.5	1,505	4.6
<i>Percentage of net sales (%)</i>	6.3	6.0				
Domestic	18,639	20,218	1,579	8.5	1,579	8.5
Overseas	13,823	14,343	520	3.8	-74	-0.5
The Americas	5,249	4,160	-1,089	-20.7	-1,165	-22.2
Europe	4,503	5,347	844	18.7	386	8.6
Other	4,071	4,836	765	18.8	705	17.3
<Other>						
Other	39,467	40,668	1,201	3.0	874	2.2
<i>Percentage of net sales (%)</i>	7.7	7.1				
Domestic	33,638	34,184	546	1.6	546	1.6
Overseas	5,829	6,484	655	11.2	328	5.6
The Americas	230	513	283	122.6	278	120.4
Europe	1,603	2,579	976	60.9	733	45.7
Other	3,996	3,392	-604	-15.1	-683	-17.1
Grand Total	514,890	576,291	61,401	11.9	42,324	8.2
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	258,864	272,943	14,079	5.4	14,079	5.4
<i>Percentage of net sales (%)</i>	50.3	47.4				
Overseas	256,026	303,348	47,322	18.5	28,245	11.0
<i>Percentage of net sales (%)</i>	49.7	52.6				
The Americas	105,321	117,084	11,763	11.2	9,177	8.7
<i>Percentage of net sales (%)</i>	20.5	20.3				
Europe	118,292	150,856	32,564	27.5	17,971	15.2
<i>Percentage of net sales (%)</i>	23.0	26.2				
Other	32,413	35,408	2,995	9.2	1,097	3.4
<i>Percentage of net sales (%)</i>	6.3	6.1				
Reference: Exchange rate						
US\$ 1	¥117.01	¥119.48	¥2.47			
EURO 1	¥140.72	¥156.52	¥15.80			

Each category includes the following product line:

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

(Year ended March 31, 2006 and 2007)

(Millions of yen)

	Year ended March 31, 2006	Year ended March 31, 2007	Change	%	Change excluding exchange impact	%
<Office Solutions>						
Imaging Solution Business	1,446,635	1,580,155	133,520	9.2	76,842	5.3
<i>Percentage of net sales (%)</i>	75.8	76.4				
Domestic	585,363	604,059	18,696	3.2	18,696	3.2
Overseas	861,272	976,096	114,824	13.3	58,146	6.8
Network System Solution Business	190,593	194,312	3,719	2.0	2,903	1.5
<i>Percentage of net sales (%)</i>	10.0	9.4				
Domestic	181,149	184,672	3,523	1.9	3,523	1.9
Overseas	9,444	9,640	196	2.1	-620	-6.6
Office Solution Business Total	1,637,228	1,774,467	137,239	8.4	79,745	4.9
<i>Percentage of net sales (%)</i>	85.8	85.8				
Domestic	766,512	788,731	22,219	2.9	22,219	2.9
Overseas	870,716	985,736	115,020	13.2	57,526	6.6
The Americas	368,184	405,457	37,273	10.1	24,251	6.6
Europe	412,550	479,859	67,309	16.3	28,387	6.9
Other	89,982	100,420	10,438	11.6	4,888	5.4
<Industrial Products>						
Industry Business	120,636	133,387	12,751	10.6	10,442	8.7
<i>Percentage of net sales (%)</i>	6.3	6.4				
Domestic	72,379	76,202	3,823	5.3	3,823	5.3
Overseas	48,257	57,185	8,928	18.5	6,619	13.7
The Americas	17,391	19,388	1,997	11.5	1,375	7.9
Europe	16,049	19,378	3,329	20.7	1,945	12.1
Other	14,817	18,419	3,602	24.3	3,299	22.3
<Other>						
Other Business	151,374	161,071	9,697	6.4	8,636	5.7
<i>Percentage of net sales (%)</i>	7.9	7.8				
Domestic	127,333	137,318	9,985	7.8	9,985	7.8
Overseas	24,041	23,753	-288	-1.2	-1,349	-5.6
The Americas	1,837	1,608	-229	-12.5	-267	-14.5
Europe	6,201	7,921	1,720	27.7	1,083	17.5
Other	16,003	14,224	-1,779	-11.1	-2,165	-13.5
Grand Total	1,909,238	2,068,925	159,687	8.4	98,823	5.2
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	966,224	1,002,251	36,027	3.7	36,027	3.7
<i>Percentage of net sales (%)</i>	50.6	48.4				
Overseas	943,014	1,066,674	123,660	13.1	62,796	6.7
<i>Percentage of net sales (%)</i>	49.4	51.6				
The Americas	387,412	426,453	39,041	10.1	25,359	6.5
<i>Percentage of net sales (%)</i>	20.3	20.6				
Europe	434,800	507,158	72,358	16.6	31,415	7.2
<i>Percentage of net sales (%)</i>	22.8	24.5				
Other	120,802	133,063	12,261	10.1	6,022	5.0
<i>Percentage of net sales (%)</i>	6.2	6.5				
Reference: Exchange rate						
US\$ 1	¥113.26	¥117.02	¥3.76			
EURO 1	¥137.86	¥150.08	¥12.22			

Each category includes the following product line:

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

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ending March 31, 2008				Half year ending September 30, 2007			
	Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Solutions>								
Imaging Solutions	1,737.3	9.9	1,731.2	9.6	798.0	7.3	784.6	5.5
Domestic	622.5	3.1	622.5	3.1	301.5	2.4	301.5	2.4
Overseas	1,114.8	14.2	1,108.7	13.6	496.5	10.5	483.1	7.5
Network System Solutions	201.0	3.4	200.8	3.3	98.6	4.4	98.4	4.2
Domestic	191.0	3.4	191.0	3.4	93.6	4.4	93.6	4.4
Overseas	10.0	3.7	9.8	1.7	5.0	3.8	4.8	-0.4
Office Solutions Total	1,938.3	9.2	1,932.0	8.9	896.6	7.0	883.0	5.4
Domestic	813.5	3.1	813.5	3.1	395.1	2.9	395.1	2.9
Overseas	1,124.8	14.1	1,118.5	13.5	501.5	10.5	487.9	7.5
The Americas	469.8	15.9	479.1	18.2	202.8	6.2	203.7	6.7
Europe	548.7	14.3	533.1	11.1	246.6	15.1	232.1	8.4
Other	106.3	5.9	106.3	5.9	52.1	6.4	52.1	6.4
<Industrial Products>								
Industrial Products	143.3	7.4	142.7	7.0	72.7	6.5	72.0	5.5
Domestic	87.3	14.6	87.3	14.6	46.1	19.7	46.1	19.7
Overseas	56.0	-2.1	55.4	-3.1	26.6	-10.6	25.9	-13.0
The Americas	15.0	-22.6	15.2	-21.6	7.6	-37.1	7.6	-37.1
Europe	19.5	0.6	18.7	-3.5	10.1	7.7	9.4	0.2
Other	21.5	16.7	21.5	16.7	8.9	7.4	8.9	7.4
<Other>								
Other	168.4	4.6	168.2	4.5	83.1	3.1	82.8	2.8
Domestic	139.2	1.4	139.2	1.4	68.8	-1.7	68.8	-1.7
Overseas	29.2	22.9	29.0	22.3	14.3	34.6	14.0	31.8
The Americas	2.2	36.8	2.3	46.1	1.1	95.4	1.1	95.4
Europe	10.5	32.6	10.2	28.8	5.5	86.4	5.2	76.3
Other	16.5	16.0	16.5	16.0	7.7	8.3	7.7	8.3
Grand Total	2,250.0	8.8	2,242.9	8.4	1,052.4	6.6	1,037.8	5.2
Domestic	1,040.0	3.8	1,040.0	3.8	510.0	3.6	510.0	3.6
Overseas	1,210.0	13.4	1,202.9	12.8	542.4	9.7	527.8	6.7
The Americas	487.0	14.2	496.6	16.5	211.5	3.9	212.4	4.3
Europe	578.7	14.1	562.0	10.8	262.2	15.8	246.7	8.9
Other	144.3	8.4	144.3	8.4	68.7	6.8	68.7	6.8

* Excluding foreign exchange impact

Reference:	Year ending Mar. 31, '08	Half year ending Sept. 30, '07
Exchange rate	(Forecast)	(Forecast)
US\$ 1	¥115.00	¥115.00
EURO 1	¥155.00	¥155.00

Each category includes the following product line:

Imaging Solutions	Digital PPCs, color PPCs, digital duplicators, facsimile machines, analog PPCs, diazo copiers, scanners, MFPs(multifunctional printers), laser printers and software
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Other	Optical discs and digital camera