

QUARTERLY REPORT

Third Quarter Ended December 31, 2006
(Results for the Period from October 1, 2006 to December 31, 2006)

Performance Outline (Consolidated)

(1) Three Months Ended December 31, 2006 and 2005

	(Billions of yen)		
	Three months ended December 31, 2006	Three months ended December 31, 2005	Change
Domestic sales	236.8	229.5	3.1%
Overseas sales	268.8	244.8	9.8%
Net sales	505.7	474.4	6.6%
Gross profit	219.3	200.1	9.6%
Operating income	48.6	36.3	33.7%
Income from continuing operations before income taxes	48.7	38.0	28.3%
Net income	31.2	23.0	35.9%
Exchange rate (Yen/US\$)	117.82	117.24	0.58
Exchange rate (Yen/EURO)	151.92	139.41	12.51
Net income per share (yen)	42.83	31.34	11.49
Net income per share-diluted (yen)	42.66	-	-
Capital expenditures	17.6	21.2	-3.6
Depreciation for tangible fixed assets	18.2	17.6	0.6
R&D expenditures	27.9	27.2	0.7

(2) Nine Months Ended December 31, 2006, 2005 and Year Ending March 31, 2007

	(Billions of yen)			(Billions of yen)	
	Nine months ended December 31, 2006 (Results)	Nine months ended December 31, 2005 (Results)	Change	Year ending March 31, 2007 (Forecast)	Change
Domestic sales	729.3	707.3	3.1%	1,002.0	3.7%
Overseas sales	763.3	686.9	11.1%	1,065.0	12.9%
Net sales	1,492.6	1,394.3	7.0%	2,067.0	8.3%
Gross profit	627.2	585.8	7.1%	858.3	8.0%
Operating income	121.8	101.4	20.1%	172.0	15.8%
Income from continuing operations before income taxes	123.0	105.5	16.6%	170.0	11.3%
Net income	83.2	65.8	26.5%	107.5	10.8%
Exchange rate (Yen/US\$)	116.21	112.04	4.17	115.91	2.65
Exchange rate (Yen/EURO)	147.97	136.92	11.05	147.22	9.36
Net income per share (yen)	114.18	89.74	24.44	147.36	15.03
Net income per share-diluted (yen)	114.01	-	-	146.20	-
Total assets	2,205.5	1,990.8	214.7	-	-
Shareholders' equity	1,036.1	929.5	106.6	-	-
Interest-bearing debt	468.0	397.4	70.5	-	-
Equity ratio (%)	47.0	46.7	0.3	-	-
Shareholders' equity per share (yen)	1,420.31	1,265.83	154.48	-	-
Cash flows from operating activities	73.5	90.9	-17.3	-	-
Cash flows from investing activities	-60.6	-91.2	30.6	-	-
Cash flows from financing activities	63.6	-32.0	95.7	-	-
Cash and cash equivalents at end of period	269.3	154.8	114.5	-	-
Capital expenditures	56.8	79.4	-22.6	82.0	-20.0
Depreciation for tangible fixed assets	52.0	48.7	3.2	72.0	4.5
R&D expenditures	84.4	82.1	2.2	120.0	9.6

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 December 31, 2005 and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted for the three months and nine months ended December 31, 2005 are omitted.

* Ricoh bases the forecast estimates for the year ending March 31, 2007 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

Performance

*Overview

Consolidated net sales of Ricoh group for the third quarter of fiscal year 2007 (the three months period from October 1 to December 31, 2006) increased by 6.6% as compared to the previous corresponding period, to ¥505.7 billion. During this quarter, the average yen exchange rates were ¥117.82 against the U.S. dollar (down ¥0.58) and ¥151.92 against the Euro (down ¥12.51). Net sales would have increased by 4.0% excluding impact of such foreign currency exchange fluctuations.

As for Japan, sales of color PPCs (plain paper copiers), color MFPs (multifunctional printers) and laser printers increased. Sales of support and service related to solution business continued to perform well. Meanwhile, sales of monochrome PPCs and MFPs decreased as compared to the previous corresponding period due to a shift in customer demand to color products. Sales in Industrial Products were almost the same as the previous corresponding period. Sales in Other, including digital cameras increased. As a result, domestic net sales increased by 3.1% as compared to the previous corresponding period.

As for overseas, the increase in sales of PPCs, MFPs, and laser printers, especially color products contributed to the favorite performance in each geographic area. As a result, net sales in overseas increased by 9.8% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, net sales in overseas would have increased by 4.8% as compared to the previous corresponding period.

Gross profit increased by 9.6% as compared the previous corresponding period. Gross profit as percentage of net sales increased as compared the previous corresponding period to 43.4%. This increase in gross profit primarily reflects increase in sales of value-added high-margin products such as new color products in each geographic area. Ricoh incurred large amount of strategic expenses related to (1) research and development activities, (2) enhancement of its sales and marketing organization structure and (3) investments in information technologies in connection with development of its core operating systems. Although selling, general and administrative expenses (SGA) increased by 4.2% as compared to the previous corresponding period, SGA as percentage of net sales decreased as compared to the previous corresponding period to 33.8%. As a result, operating income increased by 33.7% as compared to the previous corresponding period, to ¥48.6 billion.

As for other (income) expenses, both interest income and expenses increased due to rise in interest rate. Net effect of interest income and expenses on profit was the almost same as the previous corresponding period. Other (income) expenses decreased, since the foreign currency exchange gain and other, net in the previous corresponding period was higher relatively. As a result, income from continuing operations before income taxes increased by 28.3% as compared to the previous corresponding period, to ¥48.7 billion.

As for provision for income taxes, effective tax rate in this quarter decreased as compared to the previous corresponding period, due to the temporal recognition of deferred income tax accompanied with integration of group companies in the previous corresponding period. An increase in minority interests in earnings of subsidiaries and equity in earnings of affiliates were due to increase in income of subsidiaries and affiliates. As a result, net income from continuing operations increased by 38.3% as compared to the previous corresponding period, to ¥31.2 billion and net income increased by 35.9% as compared to the previous corresponding period, to ¥31.2 billion.

*Conditions by Product Line

Office Solutions (Sales up 6.7% to ¥435.3 billion)

Net sales in the Imaging Solutions as our core business increased as compared to the previous corresponding period due primarily to increase in sales of color PPCs, color MFPs and laser printers in Japan and overseas. Net sales in Network System Solutions are almost the same as the previous corresponding period due to the increase in sales of support and services mainly in Japan. As a result, net sales in the Office Solutions increased by 6.7% as compared to the previous corresponding period, to ¥435.3 billion.

Imaging Solutions (Sales up 7.4% to ¥394.3 billion)

- Sales of color PPCs and color MFPs increased due primarily to introduction of new products in all geographic regions such as Japan, the Americas, Europe and Other.
- In Japan, the decrease in monochrome PPCs and monochrome MFPs was sufficiently offset by the increase in sales of color products due to a shift in customer demand to color products. In overseas, the increase in sales of monochrome PPCs and monochrome MFPs contributed to the increase in overall sales of PPCs and MFPs.
- While the growth of sales of color and monochrome products differed from region to region, overall sales of laser printers increased.

Network System Solutions (Sales up 0.4% to ¥40.9 billion)

- Net sales in Network System Solutions are almost the same as the previous corresponding period due to the increase in sales of support and services mainly in Japan and almost the same as the PC and servers.

On the whole, operating income in this segment increased by 20.2% as compared to the previous corresponding period, to ¥61.7 billion, since the increase in sales and introduction of new products offset the large amount of strategic expenses. Operating income as a percentage of net sales increased by 1.6 percentage points as compared to the previous corresponding period to 14.2%.

Industrial Products (Sales up 2.9% to ¥30.5 billion)

Net sales in the Industrial Products increased by 2.9% as compared to the previous corresponding period, to ¥30.5 billion. While sales in the optical equipment business decreased as compared to the previous corresponding period due primarily to sluggish demand, such decrease in sales in optical equipment business was sufficiently offset by the increase in sales in thermal media, electric component, semiconductor and measuring equipment businesses. As a result, operating income in this segment was improved to ¥0.6 billion from the operating loss ¥0.7 billion in the previous corresponding period.

Other (Sales up 8.3% to ¥39.8 billion)

Net sales in the Other increased by 8.3% as compared to the previous corresponding period, to ¥39.8 billion due mainly to the favorable performance of lease business. The operating income in this segment decreased to ¥0.2 billion. This decrease was due to the sale of non-core business in the previous corresponding period.

*Cash Flows (Nine months ended December 31, 2006)

Net cash provided by operating activities decreased by ¥17.3 billion as compared to the previous corresponding period, to ¥73.5 billion. Although the total of net income and depreciation increased and the balance of trade receivables slightly decreased as compared to the end of the preceding fiscal year, the balance of inventories increased as compared to the end of the preceding fiscal year.

Net cash used in investing activities decreased by ¥30.6 billion to ¥60.6 billion, due to the decrease in capital investment. In the previous corresponding period Ricoh made large capital investments to the key R&D facilities. Ricoh received the cash inflows from the sale of the content delivery service business.

As a result, free cash flows generated by operating and investing activities increased by ¥13.2 billion as compared to the previous corresponding period, to ¥12.9 billion.

Net cash provided by financing activities was ¥63.6 billion due primarily to the proceeds from issuance of the convertible bonds (¥55.2 billion, issued on December 7, 2006).

As a result, cash and cash equivalents at the end of this third quarter increased by ¥82.3 billion as compared to the end of the preceding fiscal year, to ¥269.3 billion.

*Forecast for the entire fiscal year

Net sales for fiscal year 2007 is forecasted same as announced in October 2006, which results from net of its decreasing domestic sales and its increasing overseas sales, and gross profit operating income, income from continuing operations and net income are revised upward, based on the result of the third quarter's performance, the latest competition and currency rate. Exchange rate of ¥115.00 against the U.S. dollar and of ¥145.00 in the fourth quarter are assumed.

Almost all necessary procedures for the acquisition of European business from Danka Business Systems PLC (announced on October 12, 2006) have been taken. In near future, this acquisition will be completed.

Influence of the formation (planned in the next April to June) of a joint venture with IBM Corporation on the Ricoh's performance for fiscal year 2007 will be immaterial, as announced on January 25, 2007.

Our performance forecasts for fiscal 2007 are as follows:

Exchange rate assumptions for the fiscal year ending March 31, 2007

US\$ 1 = ¥115.91 (¥113.26 in previous fiscal year)

EURO 1 = ¥147.22 (¥137.86 in previous fiscal year)

	(Billions of yen)		
	Year ending March 31, 2007 (Forecast)	Year ended March 31, 2006 (Results)	Change
Domestic sales	1,002.0	966.2	3.7%
Overseas sales	1,065.0	943.0	12.9%
Net sales	2,067.0	1,909.2	8.3%
Gross profit	858.3	795.0	8.0%
Operating income	172.0	148.5	15.8%
Income from continuing operations before income taxes	170.0	152.7	11.3%
Net income	107.5	97.0	10.8%

* 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, 2007. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the Third Quarter Ended December 31, 2006 (U.S. GAAP Financial Information)

1. Items Relating to Third Quarter Financial Statements

- (1) No change in accounting method has been made.
 (2) Change relating to the scale of consolidation and the application of the equity method:
 Consolidated subsidiaries: 5 additions; 2 removals
 Companies accounted for by the equity method: 2 removals

2. Results for the Period from October 1, 2006 to December 31, 2006

(1) Operating Results	(Millions of yen)		
	Three months ended December 31, 2006	Three months ended December 31, 2005	Year ended March 31, 2006
Net sales	505,712	474,479	1,909,238
<i>(% change from the previous corresponding period)</i>	6.6	7.3	5.6
Operating income	48,652	36,399	148,584
<i>(% change from the previous corresponding period)</i>	33.7	-3.7	13.3
Income from continuing operations before income taxes	48,791	38,020	152,766
<i>(% change from the previous corresponding period)</i>	28.3	12.6	16.6
Net income	31,252	23,000	97,057
<i>(% change from the previous corresponding period)</i>	35.9	3.5	16.7
Net income per share-basic (yen)	42.83	31.34	132.33
Net income per share-diluted (yen)	42.66	-	-

Note: Equity in earnings of affiliates: ¥910 million (¥762 million in previous corresponding period)

(2) Financial Position	(Millions of yen)		
	December 31, 2006	December 31, 2005	March 31, 2006
Total assets	2,205,546	1,990,802	2,041,183
Shareholders' equity	1,036,129	929,508	960,245
Equity ratio (%)	47.0	46.7	47.0
Equity per share (yen)	1,420.31	1,265.83	1,316.21

Cash Flows	(Millions of yen)		
	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Year ended March 31, 2006
Cash flows from operating activities	73,548	90,940	173,479
Cash flows from investing activities	-60,610	-91,247	-120,051
Cash flows from financing activities	63,675	-32,063	-59,989
Cash and cash equivalents at end of period	269,361	154,840	187,055

3. Forecast of Operating Results from April 1, 2006 to March 31, 2007	(Millions of yen)
Net sales	2,067,000
Operating income	172,000
Income before income taxes	170,000
Net income	107,500

Note: Net income per share (Consolidated) ¥147.36

Notes:

* 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, 2007. These forecast are forward-looking statements based on a number of assumptions and beliefs in light of the information currently available to management and subject to significant risks and uncertainties.

Consolidated Performance

1. Consolidated Statements of Income

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%
Net sales	505,712	474,479	31,233	6.6
Cost of sales	286,344	274,312	12,032	4.4
<i>Percentage of net sales (%)</i>	56.6	57.8		
Gross Profit	219,368	200,167	19,201	9.6
<i>Percentage of net sales (%)</i>	43.4	42.2		
Selling, general and administrative expenses	170,716	163,768	6,948	4.2
<i>Percentage of net sales (%)</i>	33.8	34.5		
Operating income	48,652	36,399	12,253	33.7
<i>Percentage of net sales (%)</i>	9.6	7.7		
Other (income) expense				
Interest and dividend income	1,465	887	578	65.2
<i>Percentage of net sales (%)</i>	0.3	0.2		
Interest expense	1,885	1,450	435	30.0
<i>Percentage of net sales (%)</i>	0.4	0.3		
Other, net	-559	-2,184	1,625	-
<i>Percentage of net sales (%)</i>	-0.1	-0.4		
Income from continuing operations before income taxes				
equity income and minority interests	48,791	38,020	10,771	28.3
<i>Percentage of net sales (%)</i>	9.6	8.0		
Provision for income taxes	17,104	15,190	1,914	12.6
<i>Percentage of net sales (%)</i>	3.3	3.2		
Minority interests in earnings of subsidiaries	1,345	999	346	34.6
<i>Percentage of net sales (%)</i>	0.3	0.2		
Equity in earnings of affiliates	910	762	148	19.4
<i>Percentage of net sales (%)</i>	0.2	0.2		
Income from continuing operations	31,252	22,593	8,659	38.3
<i>Percentage of net sales (%)</i>	6.2	4.8		
Income from discontinued operations, net of tax	-	407	-407	-
<i>Percentage of net sales (%)</i>	-	0.0		
Net income	31,252	23,000	8,252	35.9
<i>Percentage of net sales (%)</i>	6.2	4.8		
Reference : Exchange rate				
US\$ 1	¥117.82	¥117.24		
EURO 1	¥151.92	¥139.41		

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Year ended March 31, 2006
Net sales	1,492,634	1,394,348	98,286	7.0	1,909,238
Cost of sales	865,350	808,455	56,895	7.0	1,114,238
<i>Percentage of net sales (%)</i>	58.0	58.0			58.4
Gross Profit	627,284	585,893	41,391	7.1	795,000
<i>Percentage of net sales (%)</i>	42.0	42.0			41.6
Selling, general and administrative expenses	505,469	484,482	20,987	4.3	646,416
<i>Percentage of net sales (%)</i>	33.8	34.7			33.8
Operating income	121,815	101,411	20,404	20.1	148,584
<i>Percentage of net sales (%)</i>	8.2	7.3			7.8
Other (income) expense					
Interest and dividend income	3,446	2,271	1,175	51.7	2,896
<i>Percentage of net sales (%)</i>	0.2	0.2			0.2
Interest expense	5,123	3,646	1,477	40.5	5,244
<i>Percentage of net sales (%)</i>	0.3	0.3			0.3
Other, net	-2,921	-5,493	2,572	-	-6,530
<i>Percentage of net sales (%)</i>	-0.1	-0.4			-0.3
Income from continuing operations before income taxes					
equity income and minority interests	123,059	105,529	17,530	16.6	152,766
<i>Percentage of net sales (%)</i>	8.2	7.6			8.0
Provision for income taxes	42,984	39,202	3,782	9.6	56,165
<i>Percentage of net sales (%)</i>	2.8	2.8			2.9
Minority interests in earnings of subsidiaries	4,226	3,689	537	14.6	4,185
<i>Percentage of net sales (%)</i>	0.3	0.3			0.2
Equity in earnings of affiliates	1,948	1,697	251	14.8	2,606
<i>Percentage of net sales (%)</i>	0.1	0.1			0.1
Income from continuing operations	77,797	64,335	13,462	20.9	95,022
<i>Percentage of net sales (%)</i>	5.2	4.6			5.0
Income from discontinued operations, net of tax	5,500	1,532	3,968	259.0	2,035
<i>Percentage of net sales (%)</i>	0.4	0.1			0.1
Net income	83,297	65,867	17,430	26.5	97,057
<i>Percentage of net sales (%)</i>	5.6	4.7			5.1
Reference : Exchange rate					
US\$ 1	¥116.21	¥112.04			¥113.26
EURO 1	¥147.97	¥136.92			¥137.86

Note:

* 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".

2-1. Consolidated Sales by Product Category

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%
<Office Solutions>				
Imaging Solutions	394,391	367,207	27,184	7.4
<i>Percentage of net sales (%)</i>	<i>78.0</i>	<i>77.4</i>		
Network System Solutions	40,924	40,779	145	0.4
<i>Percentage of net sales (%)</i>	<i>8.1</i>	<i>8.6</i>		
Total Office Solutions	435,315	407,986	27,329	6.7
<i>Percentage of net sales (%)</i>	<i>86.1</i>	<i>86.0</i>		
<Industrial Products>				
Industrial Products	30,570	29,715	855	2.9
<i>Percentage of net sales (%)</i>	<i>6.0</i>	<i>6.3</i>		
<Other>				
Other	39,827	36,778	3,049	8.3
<i>Percentage of net sales (%)</i>	<i>7.9</i>	<i>7.7</i>		
Grand Total	505,712	474,479	31,233	6.6
<i>Percentage of net sales (%)</i>	<i>100.0</i>	<i>100.0</i>		
Reference : Exchange rate				
US\$ 1	¥117.82	¥117.24		
EURO 1	¥151.92	¥139.41		

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Year ended March 31, 2006
<Office Solutions>					
Imaging Solutions	1,138,017	1,060,337	77,680	7.3	1,446,635
<i>Percentage of net sales (%)</i>	<i>76.2</i>	<i>76.0</i>			<i>75.8</i>
Network System Solutions	135,388	133,930	1,458	1.1	190,593
<i>Percentage of net sales (%)</i>	<i>9.1</i>	<i>9.7</i>			<i>10.0</i>
Total Office Solutions	1,273,405	1,194,267	79,138	6.6	1,637,228
<i>Percentage of net sales (%)</i>	<i>85.3</i>	<i>85.7</i>			<i>85.8</i>
<Industrial Products>					
Industrial Products	98,826	88,174	10,652	12.1	120,636
<i>Percentage of net sales (%)</i>	<i>6.6</i>	<i>6.3</i>			<i>6.3</i>
<Other>					
Other	120,403	111,907	8,496	7.6	151,374
<i>Percentage of net sales (%)</i>	<i>8.1</i>	<i>8.0</i>			<i>7.9</i>
Grand Total	1,492,634	1,394,348	98,286	7.0	1,909,238
<i>Percentage of net sales (%)</i>	<i>100.0</i>	<i>100.0</i>			<i>100.0</i>
Reference : Exchange rate					
US\$ 1	¥116.21	¥112.04			¥113.26
EURO 1	¥147.97	¥136.92			¥137.86

Notes:

* 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, servers, network systems and network related software
Industrial Products	Thermal media, optical equipment, semiconductor devices, electronic components and measuring equipment
Other	Optical discs and digital cameras

2-2. Consolidated Sales by Geographic Area

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%
<Domestic>	236,817	229,594	7,223	3.1
<i>Percentage of net sales (%)</i>	46.8	48.4		
<Overseas>	268,895	244,885	24,010	9.8
<i>Percentage of net sales (%)</i>	53.2	51.6		
The Americas	105,785	98,176	7,609	7.8
<i>Percentage of net sales (%)</i>	20.9	20.7		
Europe	129,798	115,109	14,689	12.8
<i>Percentage of net sales (%)</i>	25.7	24.3		
Other	33,312	31,600	1,712	5.4
<i>Percentage of net sales (%)</i>	6.6	6.6		
Grand Total	505,712	474,479	31,233	6.6
<i>Percentage of net sales (%)</i>	100.0	100.0		
Reference : Exchange rate				
US\$ 1	¥117.82	¥117.24		
EURO 1	¥151.92	¥139.41		

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Year ended March 31, 2006
<Domestic>	729,308	707,360	21,948	3.1	966,224
<i>Percentage of net sales (%)</i>	48.9	50.7			50.6
<Overseas>	763,326	686,988	76,338	11.1	943,014
<i>Percentage of net sales (%)</i>	51.1	49.3			49.4
The Americas	309,369	282,091	27,278	9.7	387,412
<i>Percentage of net sales (%)</i>	20.7	20.2			20.3
Europe	356,302	316,508	39,794	12.6	434,800
<i>Percentage of net sales (%)</i>	23.9	22.7			22.8
Other	97,655	88,389	9,266	10.5	120,802
<i>Percentage of net sales (%)</i>	6.5	6.4			6.3
Grand Total	1,492,634	1,394,348	98,286	7.0	1,909,238
<i>Percentage of net sales (%)</i>	100.0	100.0			100.0
Reference : Exchange rate					
US\$ 1	¥116.21	¥112.04			¥113.26
EURO 1	¥147.97	¥136.92			¥137.86

Note:

* 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. Consolidated Balance Sheets

(December 31, 2006 and March 31, 2006)

Assets	(Millions of yen)		
	December 31, 2006	March 31, 2006	Change
Current Assets			
Cash and time deposits	270,821	188,525	82,296
Trade receivables	655,105	630,501	24,604
Marketable securities	179	162	17
Inventories	207,369	169,245	38,124
Other current assets	60,451	55,110	5,341
Total Current Assets	1,193,925	1,043,543	150,382
Fixed Assets			
Tangible fixed assets	268,572	268,243	329
Finance receivables	429,401	415,435	13,966
Other Investments	313,648	313,962	-314
Total Fixed Assets	1,011,621	997,640	13,981
Total Assets	2,205,546	2,041,183	164,363

Note:

Contents of cash and time deposits:

Cash and cash equivalents	269,361	187,055
Time deposits	1,460	1,470

Liabilities and Shareholders' Investment	(Millions of yen)		
	December 31, 2006	March 31, 2006	Change
Current Liabilities			
Trade payables	329,575	339,152	-9,577
Short-term borrowings	221,210	185,651	35,559
Other current liabilities	161,056	159,225	1,831
Total Current Liabilities	711,841	684,028	27,813
Fixed Liabilities			
Long-term indebtedness	246,836	195,626	51,210
Accrued pension and severance costs	97,678	97,020	658
Other fixed liabilities	56,558	51,374	5,184
Total Fixed Liabilities	401,072	344,020	57,052
Total Liabilities	1,112,913	1,028,048	84,865
Minority Interest	56,504	52,890	3,614
Shareholders' Investment			
Common stock	135,364	135,364	-
Additional paid-in capital	186,452	186,450	2
Retained earnings	730,435	665,394	65,041
Accumulated other comprehensive income (loss)	15,106	4,099	11,007
Treasury stock	-31,228	-31,062	-166
Total Shareholders' Investment	1,036,129	960,245	75,884
Total Liabilities and Shareholders' Investment	2,205,546	2,041,183	164,363

Note: Other comprehensive income;

Net unrealized holding gains (losses) on available-for-sale securities	6,235	8,928	-2,693
Pension liability adjustments	-6,579	-7,643	1,064
Net unrealized gains (losses) on derivative instruments	-36	157	-193
Cumulative translation adjustments	15,486	2,657	12,829

Reference: Exchange rate

US\$ 1
EURO 1

December 31, 2006	March 31, 2006
¥119.11	¥117.47
¥156.50	¥142.81

4. Consolidated Statements of Shareholders' Investment

Nine months ended December 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	186,450	665,394	4,099	-31,062	960,245
Gain on disposal of treasury stock		2				2
Dividends declared and approved			-18,256			-18,256
Comprehensive income (loss)						
Net income			83,297			83,297
Net unrealized holding losses on available-for-sale securities				-2,693		-2,693
Pension liability adjustments				1,064		1,064
Net unrealized losses on derivative instruments				-193		-193
Cumulative translation adjustments				12,829		12,829
Total comprehensive income (loss)						94,304
Purchase of treasury stock, net					-166	-166
Ending balance	135,364	186,452	730,435	15,106	-31,228	1,036,129

Nine months ended December 31, 2005

(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
Loss on disposal of treasury stock		-101				-101
Dividends declared and approved			-16,178			-16,178
Comprehensive income (loss)						
Net income			65,867			65,867
Net unrealized holding gains on available-for-sale securities				3,064		3,064
Pension liability adjustments				699		699
Net unrealized losses on derivative instruments				-50		-50
Cumulative translation adjustments				12,634		12,634
Total comprehensive income (loss)						82,214
Purchase of treasury stock, net					575	575
Ending balance	135,364	186,450	634,204	-5,616	-20,894	929,508

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
Loss on disposal of treasury stock		-101				-101
Dividends declared and approved			-16,178			-16,178
Comprehensive income (loss)						
Net income			97,057			97,057
Net unrealized holding gains on available-for-sale securities				4,137		4,137
Pension liability adjustments				7,009		7,009
Net unrealized gains on derivative instruments				40		40
Cumulative translation adjustments				14,876		14,876
Total comprehensive income (loss)						123,119
Purchase of treasury stock, net					-9,593	-9,593
Ending balance	135,364	186,450	665,394	4,099	-31,062	960,245

5. Consolidated Statements of Cash Flows

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Year ended March 31, 2006
I. Cash Flows from Operating Activities:			
Net income	83,297	65,867	97,057
Income from discontinued operations, net of tax	-5,500	-1,532	-2,035
Income from continuing operations	77,797	64,335	95,022
Adjustments to reconcile net income to net cash provided by operating activities—			
Depreciation and amortization	65,280	61,997	84,089
Equity in earnings of affiliates, net of dividends received	-1,106	-872	-1,431
Deferred income taxes	-1,540	-4,202	-4,692
Loss on disposal and sales of tangible fixed assets	2,775	1,794	920
Pension and severance costs, less payments	-1,138	2,220	3,340
Changes in assets and liabilities—			
Decrease in trade receivables	2,332	20,232	13,411
(Increase) decrease in inventories	-30,761	913	3,726
Increase in finance receivables	-15,705	-25,204	-30,029
Decrease in trade payables	-13,571	-31,436	-4,442
(Decrease) increase in accrued income taxes and accrued expenses and other	-3,634	-2,745	2,505
Other, net	-7,181	3,908	11,060
Net cash provided by operating activities	73,548	90,940	173,479
II. Cash Flows from Investing Activities:			
Proceeds from sales of property, plant and equipment	404	331	3,085
Expenditures for tangible fixed assets	-56,760	-79,263	-101,788
Payments for purchases of available-for-sale securities	-73,155	-114,519	-138,607
Proceeds from sales of available-for-sale securities	72,205	117,417	141,620
(Increase) decrease in time deposits, net	26	-331	-136
Proceeds from sales of discontinued operation	12,000	-	-
Other, net	-15,330	-14,882	-24,225
Net cash used in investing activities	-60,610	-91,247	-120,051
III. Cash Flows from Financing Activities:			
Proceeds from long-term indebtedness	54,782	61,160	63,751
Repayment of long-term indebtedness	-25,958	-67,833	-93,752
Increase in short-term borrowings, net	7,064	43,887	39,618
Proceeds from issuance of long-term debt securities	65,274	-	10,000
Repayment of long-term debt securities	-18,000	-52,000	-52,000
Dividend paid	-18,256	-16,178	-16,178
Payment for purchase of treasury stock	-593	-487	-10,653
Other, net	-638	-612	-775
Net cash provided by (used in) financing activities	63,675	-32,063	-59,989
IV. Net Increase in Cash and Cash Equivalents from discontinued operations	825	2,579	3,376
V. Effect of Exchange Rate Changes on Cash and Cash Equivalents	4,868	-2,226	3,383
VI. Net Increase (Decrease) in Cash and Cash Equivalents	82,306	-32,017	198
VII. Cash and Cash Equivalents at Beginning of Year	187,055	186,857	186,857
VIII. Cash and Cash Equivalents at End of Period	269,361	154,840	187,055

Note:

* 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".

6. Segment Information

(1) Industry Segment Information

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%
Office Solutions:				
Net sales:				
Unaffiliated customers	435,315	407,986	27,329	6.7
Intersegment	-	-	-	-
Total	435,315	407,986	27,329	6.7
Operating expenses	373,589	356,613	16,976	4.8
Operating income	61,726	51,373	10,353	20.2
<i>Operating income on sales in Office Solutions (%)</i>	<i>14.2</i>	<i>12.6</i>		
Industrial Products:				
Net sales:				
Unaffiliated customers	30,570	29,715	855	2.9
Intersegment	1,313	658	655	99.5
Total	31,883	30,373	1,510	5.0
Operating expenses	31,262	31,074	188	0.6
Operating income	621	-701	1,322	-
<i>Operating income on sales in Industrial Products (%)</i>	<i>1.9</i>	<i>-2.3</i>		
Other:				
Net sales:				
Unaffiliated customers	39,827	36,778	3,049	8.3
Intersegment	-	-	-	-
Total	39,827	36,778	3,049	8.3
Operating expenses	39,570	34,983	4,587	13.1
Operating income	257	1,795	-1,538	-85.7
<i>Operating income on sales in Other (%)</i>	<i>0.6</i>	<i>4.9</i>		
Corporate and Eliminations:				
Net sales:				
Intersegment	-1,313	-658	-655	-
Total	-1,313	-658	-655	-
Operating expenses:				
Intersegment	-1,268	-662	-606	-
Corporate	13,907	16,072	-2,165	-
Total	12,639	15,410	-2,771	-
Operating income	-13,952	-16,068	2,116	-
Consolidated:				
Net sales:				
Unaffiliated customers	505,712	474,479	31,233	6.6
Intersegment	-	-	-	-
Total	505,712	474,479	31,233	6.6
Operating expenses	457,060	438,080	18,980	4.3
Operating income	48,652	36,399	12,253	33.7
<i>Operating income on consolidated net sales (%)</i>	<i>9.6</i>	<i>7.7</i>		

Note:

* 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".

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Year ended March 31, 2006
Office Solutions:					
Net sales:					
Unaffiliated customers	1,273,405	1,194,267	79,138	6.6	1,637,228
Intersegment	-	-	-	-	-
Total	1,273,405	1,194,267	79,138	6.6	1,637,228
Operating expenses	1,112,909	1,052,462	60,447	5.7	1,434,279
Operating income	160,496	141,805	18,691	13.2	202,949
<i>Operating income on sales in Office Solutions (%)</i>	<i>12.6</i>	<i>11.9</i>			<i>12.4</i>
Industrial Products:					
Net sales:					
Unaffiliated customers	98,826	88,174	10,652	12.1	120,636
Intersegment	3,638	1,902	1,736	91.3	2,564
Total	102,464	90,076	12,388	13.8	123,200
Operating expenses	100,949	90,948	10,001	11.0	124,108
Operating income	1,515	-872	2,387	-	-908
<i>Operating income on sales in Industrial Products (%)</i>	<i>1.5</i>	<i>-1.0</i>			<i>-0.7</i>
Other:					
Net sales:					
Unaffiliated customers	120,403	111,907	8,496	7.6	151,374
Intersegment	-	-	-	-	-
Total	120,403	111,907	8,496	7.6	151,374
Operating expenses	118,248	109,879	8,369	7.6	148,692
Operating income	2,155	2,028	127	6.3	2,682
<i>Operating income on sales in Other (%)</i>	<i>1.8</i>	<i>1.8</i>			<i>1.8</i>
Corporate and Eliminations:					
Net sales:					
Intersegment	-3,638	-1,902	-1,736	-	-2,564
Total	-3,638	-1,902	-1,736	-	-2,564
Operating expenses:					
Intersegment	-3,638	-1,941	-1,697	-	-2,594
Corporate	42,351	41,589	762	-	56,169
Total	38,713	39,648	-935	-	53,575
Operating income	-42,351	-41,550	-801	-	-56,139
Consolidated:					
Net sales:					
Unaffiliated customers	1,492,634	1,394,348	98,286	7.0	1,909,238
Intersegment	-	-	-	-	-
Total	1,492,634	1,394,348	98,286	7.0	1,909,238
Operating expenses	1,370,819	1,292,937	77,882	6.0	1,760,654
Operating income	121,815	101,411	20,404	20.1	148,584
<i>Operating income on consolidated net sales (%)</i>	<i>8.2</i>	<i>7.3</i>			<i>7.8</i>

Note:

* 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".

(2) Geographic Segment Information

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%
Japan:				
Net sales:				
External customers	243,239	235,852	7,387	3.1
Intersegment	132,630	104,330	28,300	27.1
Total	375,869	340,182	35,687	10.5
Operating expenses	342,864	313,356	29,508	9.4
Operating income	33,005	26,826	6,179	23.0
<i>Operating income on sales in Japan(%)</i>	8.8	7.9		
The Americas:				
Net sales:				
External customers	105,618	98,122	7,496	7.6
Intersegment	795	5,405	-4,610	-85.3
Total	106,413	103,527	2,886	2.8
Operating expenses	102,834	101,728	1,106	1.1
Operating income	3,579	1,799	1,780	98.9
<i>Operating income on sales in the Americas(%)</i>	3.4	1.7		
Europe:				
Net sales:				
External customers	130,042	116,178	13,864	11.9
Intersegment	1,366	869	497	57.2
Total	131,408	117,047	14,361	12.3
Operating expenses	122,581	112,612	9,969	8.9
Operating income	8,827	4,435	4,392	99.0
<i>Operating income on sales in Europe(%)</i>	6.7	3.8		
Other:				
Net sales:				
External customers	26,813	24,327	2,486	10.2
Intersegment	42,843	25,335	17,508	69.1
Total	69,656	49,662	19,994	40.3
Operating expenses	64,700	46,029	18,671	40.6
Operating income	4,956	3,633	1,323	36.4
<i>Operating income on sales in Other(%)</i>	7.1	7.3		
Corporate and Eliminations:				
Net sales:				
Intersegment	-177,634	-135,939	-41,695	-
Total	-177,634	-135,939	-41,695	-
Operating expenses	-175,919	-135,645	-40,274	-
Operating income	-1,715	-294	-1,421	-
Consolidated:				
Net sales:				
External customers	505,712	474,479	31,233	6.6
Intersegment	-	-	-	-
Total	505,712	474,479	31,233	6.6
Operating expenses	457,060	438,080	18,980	4.3
Operating income	48,652	36,399	12,253	33.7
<i>Operating income on consolidated net sales(%)</i>	9.6	7.7		

Note:

* 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".

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Year ended March 31, 2006
Japan:					
Net sales:					
External customers	747,668	728,319	19,349	2.7	992,945
Intersegment	378,662	308,643	70,019	22.7	413,087
Total	1,126,330	1,036,962	89,368	8.6	1,406,032
Operating expenses	1,041,717	964,781	76,936	8.0	1,310,233
Operating income	84,613	72,181	12,432	17.2	95,799
<i>Operating income on sales in Japan(%)</i>	7.5	7.0			6.8
The Americas:					
Net sales:					
External customers	309,178	280,441	28,737	10.2	385,746
Intersegment	2,526	7,158	-4,632	-64.7	7,630
Total	311,704	287,599	24,105	8.4	393,376
Operating expenses	299,175	279,335	19,840	7.1	378,108
Operating income	12,529	8,264	4,265	51.6	15,268
<i>Operating income on sales in the Americas(%)</i>	4.0	2.9			3.9
Europe:					
Net sales:					
External customers	356,865	315,747	41,118	13.0	434,304
Intersegment	3,106	3,315	-209	-6.3	4,449
Total	359,971	319,062	40,909	12.8	438,753
Operating expenses	341,558	304,660	36,898	12.1	417,341
Operating income	18,413	14,402	4,011	27.9	21,412
<i>Operating income on sales in Europe(%)</i>	5.1	4.5			4.9
Other:					
Net sales:					
External customers	78,923	69,841	9,082	13.0	96,243
Intersegment	115,245	73,354	41,891	57.1	104,045
Total	194,168	143,195	50,973	35.6	200,288
Operating expenses	180,387	132,963	47,424	35.7	185,283
Operating income	13,781	10,232	3,549	34.7	15,005
<i>Operating income on sales in Other(%)</i>	7.1	7.1			7.5
Corporate and Eliminations:					
Net sales:					
Intersegment	-499,539	-392,470	-107,069	-	-529,211
Total	-499,539	-392,470	-107,069	-	-529,211
Operating expenses	-492,018	-388,802	-103,216	-	-530,311
Operating income	-7,521	-3,668	-3,853	-	1,100
Consolidated:					
Net sales:					
External customers	1,492,634	1,394,348	98,286	7.0	1,909,238
Intersegment	-	-	-	-	-
Total	1,492,634	1,394,348	98,286	7.0	1,909,238
Operating expenses	1,370,819	1,292,937	77,882	6.0	1,760,654
Operating income	121,815	101,411	20,404	20.1	148,584
<i>Operating income on consolidated net sales(%)</i>	8.2	7.3			7.8

Note:

* 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".

-APPENDIX- (Third Quarter Ended December 31, 2006)

1. Consolidated Quarterly Performance Outline

Fiscal 2007							(Millions of yen)	
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)		
Net sales	484,576	7.3	502,346	7.2	505,712	6.6		
Gross profit	202,565	4.7	205,351	6.8	219,368	9.6		
Operating income	40,647	11.7	32,516	13.6	48,652	33.7		
Income from continuing operations								
before income taxes	38,704	4.0	35,564	17.3	48,791	28.3		
Net income	29,125	22.8	22,920	19.7	31,252	35.9		
Net income per share (yen)	39.92	-	31.43	-	42.83	-		
Net income per share-diluted (yen)	-	-	-	-	42.66	-		
Total assets	2,055,138	-	2,097,763	-	2,205,546	-		
Shareholders' equity	980,225	-	1,008,412	-	1,036,129	-		
Shareholders' equity per share (yen)	1,343.70	-	1,382.14	-	1,420.31	-		

Fiscal 2006							(Millions of yen)		
	1Q	Change(%)	2Q	Change(%)	3Q	Change(%)	4Q	Change(%)	
Net sales	451,465	3.8	468,404	7.0	474,479	7.3	514,890	4.6	
Gross profit	193,517	3.0	192,209	10.9	200,167	4.8	209,107	6.1	
Operating income	36,389	-5.0	28,623	66.3	36,399	-3.7	47,173	24.7	
Income from continuing operations									
before income taxes	37,198	-7.5	30,311	72.4	38,020	12.6	47,237	19.8	
Net income	23,723	-4.7	19,144	75.2	23,000	3.5	31,190	24.3	
Net income per share (yen)	32.32	-	26.08	-	31.34	-	42.59	-	
Net income per share-diluted (yen)	-	-	-	-	-	-	-	-	
Total assets	1,899,986	-	1,948,587	-	1,990,802	-	2,041,183	-	
Shareholders' equity	879,665	-	905,674	-	929,508	-	960,245	-	
Shareholders' equity per share (yen)	1,198.48	-	1,233.08	-	1,265.83	-	1,316.21	-	

Note:

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

* 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 in fiscal 2006 and in the first half of fiscal 2007, and there is no difference between bases and diluted net income per share. Therefore net income per share-diluted except for third quarter of fiscal 2007 are omitted.

2. Consolidated Sales by Product Category

(Three months ended December 31, 2006 and 2005)

(Millions of yen)

	Three months ended December 31, 2006	Three months ended December 31, 2005	Change	%	Change excluding exchange impact	%
<Office Solutions>						
Imaging Solutions	394,391	367,207	27,184	7.4	15,753	4.3
<i>Percentage of net sales (%)</i>	78.0	77.4				
Domestic	147,470	143,304	4,166	2.9	4,166	2.9
Overseas	246,921	223,903	23,018	10.3	11,587	5.2
Network System Solutions	40,924	40,779	145	0.4	-26	-0.1
<i>Percentage of net sales (%)</i>	8.1	8.6				
Domestic	38,681	38,396	285	0.7	285	0.7
Overseas	2,243	2,383	-140	-5.9	-311	-13.1
Office Solutions Total	435,315	407,986	27,329	6.7	15,727	3.9
<i>Percentage of net sales (%)</i>	86.1	86.0				
Domestic	186,151	181,700	4,451	2.4	4,451	2.4
Overseas	249,164	226,286	22,878	10.1	11,276	5.0
The Americas	102,116	93,969	8,147	8.7	7,526	8.0
Europe	122,756	109,300	13,456	12.3	3,478	3.2
Other	24,292	23,017	1,275	5.5	272	1.2
<Industrial Products>						
Industrial Products	30,570	29,715	855	2.9	527	1.8
<i>Percentage of net sales (%)</i>	6.0	6.3				
Domestic	17,487	17,662	-175	-1.0	-175	-1.0
Overseas	13,083	12,053	1,030	8.5	702	5.8
The Americas	3,137	3,921	-784	-20.0	-704	-18.0
Europe	4,650	4,073	577	14.2	236	5.8
Other	5,296	4,059	1,237	30.5	1,170	28.8
<Other>						
Other	39,827	36,778	3,049	8.3	2,824	7.7
<i>Percentage of net sales (%)</i>	7.9	7.7				
Domestic	33,179	30,232	2,947	9.7	2,947	9.7
Overseas	6,648	6,546	102	1.6	-123	-1.9
The Americas	532	286	246	86.0	241	84.3
Europe	2,392	1,736	656	37.8	466	26.8
Other	3,724	4,524	-800	-17.7	-830	-18.3
Grand Total	505,712	474,479	31,233	6.6	19,078	4.0
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	236,817	229,594	7,223	3.1	7,223	3.1
<i>Percentage of net sales (%)</i>	46.8	48.4				
Overseas	268,895	244,885	24,010	9.8	11,855	4.8
<i>Percentage of net sales (%)</i>	53.2	51.6				
The Americas	105,785	98,176	7,609	7.8	7,063	7.2
<i>Percentage of net sales (%)</i>	20.9	20.7				
Europe	129,798	115,109	14,689	12.8	4,180	3.6
<i>Percentage of net sales (%)</i>	25.7	24.3				
Other	33,312	31,600	1,712	5.4	612	1.9
<i>Percentage of net sales (%)</i>	6.6	6.6				
Reference: Exchange rate						
US\$ 1	¥117.82	¥117.24	¥0.58			
EURO 1	¥151.92	¥139.41	¥12.51			

Notes:

* 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".

* 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

(Nine months ended December 31, 2006 and 2005 and Year ended March 31, 2006)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Change	%	Change excluding exchange impact	%	Year ended March 31, 2006
<Office Solutions>							
Imaging Solutions	1,138,017	1,060,337	77,680	7.3	38,884	3.7	1,446,635
<i>Percentage of net sales (%)</i>	76.2	76.0					75.8
Domestic	441,862	432,545	9,317	2.2	9,317	2.2	585,363
Overseas	696,155	627,792	68,363	10.9	29,567	4.7	861,272
Network System Solutions	135,388	133,930	1,458	1.1	916	0.7	190,593
<i>Percentage of net sales (%)</i>	9.1	9.7					10.0
Domestic	128,328	127,380	948	0.7	948	0.7	181,149
Overseas	7,060	6,550	510	7.8	-32	-0.5	9,444
Office Solutions Total	1,273,405	1,194,267	79,138	6.6	39,800	3.3	1,637,228
<i>Percentage of net sales (%)</i>	85.3	85.7					85.8
Domestic	570,190	559,925	10,265	1.8	10,265	1.8	766,512
Overseas	703,215	634,342	68,873	10.9	29,535	4.7	870,716
The Americas	293,046	268,342	24,704	9.2	14,187	5.3	368,184
Europe	336,929	300,364	36,565	12.2	11,535	3.8	412,550
Other	73,240	65,636	7,604	11.6	3,813	5.8	89,982
<Industrial Products>							
Industrial Products	98,826	88,174	10,652	12.1	8,937	10.1	120,636
<i>Percentage of net sales (%)</i>	6.6	6.3					6.3
Domestic	55,984	53,740	2,244	4.2	2,244	4.2	72,379
Overseas	42,842	34,434	8,408	24.4	6,693	19.4	48,257
The Americas	15,228	12,142	3,086	25.4	2,540	20.9	17,391
Europe	14,031	11,546	2,485	21.5	1,559	13.5	16,049
Other	13,583	10,746	2,837	26.4	2,594	24.1	14,817
<Other>							
Other	120,403	111,907	8,496	7.6	7,762	6.9	151,374
<i>Percentage of net sales (%)</i>	8.1	8.0					7.9
Domestic	103,134	93,695	9,439	10.1	9,439	10.1	127,333
Overseas	17,269	18,212	-943	-5.2	-1,677	-9.2	24,041
The Americas	1,095	1,607	-512	-31.9	-545	-33.9	1,837
Europe	5,342	4,598	744	16.2	350	7.6	6,201
Other	10,832	12,007	-1,175	-9.8	-1,482	-12.3	16,003
Grand Total	1,492,634	1,394,348	98,286	7.0	56,499	4.1	1,909,238
<i>Percentage of net sales (%)</i>	100.0	100.0					100.0
Domestic	729,308	707,360	21,948	3.1	21,948	3.1	966,224
<i>Percentage of net sales (%)</i>	48.9	50.7					50.6
Overseas	763,326	686,988	76,338	11.1	34,551	5.0	943,014
<i>Percentage of net sales (%)</i>	51.1	49.3					49.4
The Americas	309,369	282,091	27,278	9.7	16,182	5.7	387,412
<i>Percentage of net sales (%)</i>	20.7	20.2					20.3
Europe	356,302	316,508	39,794	12.6	13,444	4.2	434,800
<i>Percentage of net sales (%)</i>	23.9	22.7					22.8
Other	97,655	88,389	9,266	10.5	4,925	5.6	120,802
<i>Percentage of net sales (%)</i>	6.5	6.4					6.3
Reference: Exchange rate							
US\$ 1	¥116.21	¥112.04	¥4.17				¥113.26
EURO 1	¥147.97	¥136.92	¥11.05				¥137.86

Notes:

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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 Performance

(Billions of yen)

	Half year ended		Three months ended		Three months ending		Year ending	
	Sept. 30, 2006	Change	Dec. 31, 2006	Change	Mar. 31, 2007	Change	Mar. 31, 2007	Change
	Results	%	Results	%	Forecast	%	Forecast	%
Net sales	986.9	7.3	505.7	6.6	574.3	11.6	2,067.0	8.3
Gross profit	407.9	5.8	219.3	9.6	231.0	10.5	858.3	8.0
Operating income	73.1	12.5	48.6	33.7	50.1	6.4	172.0	15.8
Income from continuing operations								
before income taxes	74.2	10.0	48.7	28.3	46.9	-0.6	170.0	11.3
Net income	52.0	21.4	31.2	35.9	24.2	-22.4	107.5	10.8
Net income per share (yen)	71.35	-	42.83	-	33.18	-	147.36	-
Net income per share-diluted (yen)	-	-	42.66	-	32.19	-	146.20	-
Capital expenditures	39.1	-	17.6	-	25.1	-	82.0	-
Depreciation for tangible fixed assets	33.7	-	18.2	-	19.9	-	72.0	-
R&D expenditures	56.5	-	27.9	-	35.5	-	120.0	-
Exchange rate (Yen/US\$)	115.40	-	117.82	-	115.00	-	115.91	-
Exchange rate (Yen/EURO)	145.98	-	151.92	-	145.00	-	147.22	-

4. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Three months ending March 31, 2007				Year ending March 31, 2007			
	Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Office Solutions>								
Imaging Solutions	447.4	15.8	445.0	15.2	1,585.4	9.6	1,544.2	6.8
Domestic	166.1	8.8	166.1	8.8	608.0	3.9	608.0	3.9
Overseas	281.2	20.5	278.8	19.4	977.4	13.5	936.2	8.7
Network System Solutions	57.7	1.8	57.6	1.7	193.0	1.3	192.4	1.0
Domestic	54.7	1.7	54.7	1.7	183.0	1.0	183.0	1.0
Overseas	3.0	3.7	2.9	0.2	10.0	6.5	9.4	-0.3
Office Solutions Total	505.1	14.0	502.6	13.5	1,778.5	8.6	1,736.7	6.1
Domestic	220.8	6.9	220.8	6.9	791.0	3.2	791.0	3.2
Overseas	284.2	20.3	281.7	19.2	987.4	13.4	945.6	8.6
The Americas	117.2	17.4	119.3	19.5	410.2	11.4	401.8	9.1
Europe	139.9	24.7	135.8	21.0	476.8	15.6	447.6	8.5
Other	27.1	11.6	26.6	9.6	100.4	11.6	96.1	6.8
<Industrial Products>								
Industrial Products	30.6	-5.7	30.6	-5.7	129.4	7.3	127.7	5.9
Domestic	18.2	-2.4	18.2	-2.4	74.1	2.5	74.1	2.5
Overseas	12.4	-10.3	12.4	-10.3	55.2	14.5	53.5	10.9
The Americas	3.8	-27.6	3.9	-25.7	19.0	9.4	18.5	6.8
Europe	4.4	-2.3	4.3	-4.5	18.4	14.8	17.4	8.4
Other	4.2	3.2	4.2	3.2	17.7	20.0	17.5	18.4
<Other>								
Other	38.6	-2.2	38.5	-2.5	159.0	5.0	158.1	4.5
Domestic	33.6	-0.1	33.6	-0.1	136.7	7.4	136.7	7.4
Overseas	5.0	-14.2	4.9	-15.9	22.2	-7.4	21.4	-10.8
The Americas	0.3	30.2	0.3	30.2	1.3	-24.1	1.3	-25.9
Europe	1.3	-18.9	1.3	-18.9	6.6	7.1	6.2	0.8
Other	3.4	-14.9	3.3	-17.4	14.2	-11.1	13.8	-13.6
Grand Total	574.3	11.6	571.7	11.0	2,067.0	8.3	2,022.6	5.9
Domestic	272.6	5.3	272.6	5.3	1,002.0	3.7	1,002.0	3.7
Overseas	301.6	17.8	299.0	16.8	1,065.0	12.9	1,020.6	8.2
The Americas	121.3	15.2	123.5	17.3	430.6	11.2	421.7	8.9
Europe	145.6	23.1	141.4	19.5	501.9	15.4	471.3	8.4
Other	34.7	7.3	34.1	5.4	132.4	9.6	127.4	5.5

* Excluding foreign exchange impact