

QUARTERLY REPORT

First Quarter ended June 30, 2008
(Results for the Period from April 1, 2008 to June 30, 2008)

Performance Outline (Consolidated)

				(Billions of yen)	
	Three months ended June 30, 2008 Results	Three months ended June 30, 2007 Results	Change	Year ending March 31, 2009 Forecast	Change
Domestic sales	233.8	244.7	-4.4%	1,038.0	2.2%
Overseas sales	287.7	285.3	0.8%	1,222.0	1.5%
Net sales	521.5	530.1	-1.6%	2,260.0	1.8%
Gross profit	228.3	228.7	-0.2%	932.0	0.5%
Operating income	39.7	46.6	-14.7%	180.0	-0.8%
Income before income taxes	43.7	53.2	-17.9%	176.0	0.8%
Net income	25.7	33.8	-24.0%	108.0	1.4%
Exchange rate (Yen/US\$)	104.66	120.77	-16.11	101.17	-13.23
Exchange rate (Yen/EURO)	163.48	162.72	0.76	160.87	-0.82
Net income per share-basic (yen)	35.71	46.38	-10.67	149.81	3.77
Net income per share-diluted (yen)	34.75	45.15	-10.40	145.78	3.63
Cash flows from operating activities	10.2	21.4	-11.1	-	-
Cash flows from investing activities	-30.7	-107.2	76.5	-	-
Cash flows from financing activities	18.0	-2.8	20.9	-	-
Cash and cash equivalents at end of period	174.2	171.6	2.6	-	-
Capital expenditures	20.4	17.1	3.3	90.0	4.7
Depreciation for tangible fixed assets	17.7	16.8	0.8	75.0	2.2
R&D expenditures	31.7	27.2	4.5	130.0	3.9
	June 30, 2008	March 31, 2008	Change		
Total assets	2,304.7	2,214.3	90.4		
Shareholders' investment	1,123.4	1,080.1	43.2		
Interest-bearing debt	420.1	384.3	35.8		
Equity ratio (%)	48.7	48.8	-0.1		
Shareholders' investment per share (yen)	1,558.37	1,498.29	60.08		

Ricoh Company, Ltd.

* The Company bases the forecast estimates for the fiscal year ending March 31, 2009 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the First Quarter Ended June 30, 2008 (U.S. GAAP Financial Information)

1. Results for the Period from April 1, 2008 to June 30, 2008

(1) Operating Results	(Millions of yen)	
	Three months ended June 30, 2008	Three months ended June 30, 2007
Net sales	521,574	530,113
<i>(% change from the previous corresponding period)</i>	-	9.4
Operating income	39,750	46,616
<i>(% change from the previous corresponding period)</i>	-	14.7
Income before income taxes	43,735	53,264
<i>(% change from the previous corresponding period)</i>	-	37.6
Net income	25,743	33,855
<i>(% change from the previous corresponding period)</i>	-	16.2
Net income per share-basic (yen)	35.71	46.38
Net income per share-diluted (yen)	34.75	45.15

(2) Financial Position	(Millions of yen)	
	June 30, 2008	March 31, 2008
Total assets	2,304,769	2,214,368
Shareholders' Investment	1,123,460	1,080,196
Equity ratio (%)	48.7	48.8
Shareholders' investment per share (yen)	1,558.37	1,498.29

2. Dividend information

	Year ended March 31, 2008	Year ending March 31, 2009
	(Results)	(Forecast)
Cash dividends, applicable to the year (yen)	33.00	37.00
Interim (yen)	16.00	18.00
Year-end (yen)	17.00	19.00

Notes: Revision of expected dividends during this period: No

3. Forecast of Operating Results from April 1, 2008 to March 31, 2009

	(Millions of yen)	
	Half year ending September 30, 2008	Year ending March 31, 2009
Net sales	1,088,000	2,260,000
Operating income	72,500	180,000
Income before income taxes	72,000	176,000
Net income	42,800	108,000
Net income per share (yen)	59.37	149.81

Notes: Revision of forecast of consolidated operating results during this period: Yes

4. Others

(1) Changes in significant subsidiaries: No

(2) Changes in accounting method: Yes

* For details see "4.Others" on page 5.

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

As of June 30, 2008 744,912,078 shares As of March 31, 2008 744,912,078 shares

(4) Number of treasury stock:

As of June 30, 2008 23,991,766 shares As of March 31, 2008 23,960,828 shares

(5) Average number of common stock:

As of June 30, 2008 720,931,645 shares As of March 31, 2008 729,953,364 shares

Consolidated Performance

1. Operating results

*Overview

Consolidated net sales of Ricoh Group for the first quarter of fiscal year 2009 (the three months period from April 1, 2008 to June 30, 2008) decreased by 1.6% as compared to the previous corresponding period, to ¥521.5 billion. During this quarter, the average yen exchange rates were ¥104.66 against the U.S. dollar (up ¥16.11) and ¥163.48 against the Euro (down ¥0.76). Net sales would have increased by 1.9% excluding impact of such foreign currency exchange fluctuation.

As for Japan, while sales of PPCs (plain paper copiers), MFPs (multifunctional printers) and laser printers, especially color models, increased, sales of black & white PPCs and MFPs as well as sales in Industrial Products and Other segments decreased. Consequently, overall domestic sales decreased by 4.4% as compared to the previous corresponding period.

As for overseas, despite the appreciation of the Yen against the U.S. dollar, the increase in sales of color MFPs and color laser printers contributed to the favorable performance in each geographic area to strengthen its sales structures and expand printer business operations. Although sales in the Americas decreased by 1.5% (+13.6%, excluding foreign currency exchange fluctuation) due mainly to economic downturns and the appreciation of the Yen against the U.S. dollar, sales in Europe increased by 1.2% (+1.5%, excluding foreign currency exchange fluctuation) and sales in Other, comprised of China, South East Asia and Oceania, increased by 5.7% (+12.6%, excluding foreign currency exchange fluctuation). As a result, sales in the overseas market increased by 0.8% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, net sales in overseas would have increased by 7.3% as compared to the previous corresponding period.

Although gross profit decreased by 0.2% as compared to the previous corresponding period, to ¥228.3 billion due mainly to decrease in sales, the appreciation of the Yen, gross profit as a percentage of net sales increased by 0.6 percentage point as compared to the previous corresponding period, to 43.8%. This increase primarily reflects the increase in sales derived from the value-added high-margin products and cost reduction.

Selling, general and administrative expenses increased by 3.6% as compared to the previous corresponding period, to ¥188.6 billion due to the increase of expenses relating to expanding printer business operations and R&D activity.

As a result, operating income decreased by 14.7% as compared to the previous corresponding period, to ¥39.7 billion.

Other (income) expenses, foreign exchange gain decreased as compared to the previous corresponding period. As a result, income before income taxes decreased by 17.9% as compared to the previous corresponding period, to ¥43.7 billion.

As a result, net income decreased by 24.0% as compared to the previous corresponding period, to ¥25.7 billion.

*Conditions by Product Line

Imaging & Solutions (Sales up 0.5% to ¥455.2 billion)

Imaging Solutions (Sales down 0.5% to ¥410.1 billion)

As for PPCs and MFPs, while sales of color products remained steady, sales of monochrome products decreased significantly as compared to the previous corresponding period.

As for printers, sales increased both in Japan and overseas, reflecting Ricoh's continuing effort to strengthen its sales structures and expand printer business operations.

Excluding effects of foreign currency fluctuations, net sales in this category would have increased by 3.6% as compared to the previous corresponding period.

Network System Solutions (Sales up 11.0% to ¥45.1 billion)

Sales in this category increased by 11.0% as compared to the previous corresponding period, to ¥45.1 billion. Excluding effects of foreign currency fluctuations, net sales in this category would have increased as compared to the previous corresponding period, to ¥5.0 billion.

Overseas IT service business was changed from Imaging Solutions to Network System Solutions in this period. The effect of the change was ¥4.6 billion.

As a result, sales in the Imaging & Solutions segment increased by 0.5% as compared to the previous corresponding period, to ¥455.2 billion. Operating income decreased by 8.8% as compared to the previous corresponding period, to ¥55.4 billion due to the increase of expenses relating to the R&D activity and the expansion of its business operations as well as the appreciation of the Yen against U.S. dollar.

Industrial Products (Sales down 6.9% to ¥33.0 billion)

Sales in the Industrial Products segment decreased by 6.9% as compared to the previous corresponding period, to ¥33.0 billion. Sales of electronic components in Japan decreased.

As a result, operating income in the Industrial Products segment was ¥1.0 billion (¥1.1 billion for the previous corresponding period).

Other (Sales down 20.4% to ¥33.2 billion)

Net sales in the Other segment decreased by 20.4% as compared to the previous corresponding period, to ¥33.2 billion. Sales of financing business decreased in Japan and sales of digital cameras decreased both in Japan and overseas.

As a result operating income in the Other segment was ¥0.5 billion (¥0.8 billion for the previous corresponding period).

2. Financial Position

*Assets, Liabilities and Shareholders' Investment

For Assets, inventories increased from the end of the previous period. Assets denominated in foreign currency increased due primarily to the foreign currency exchange fluctuations from the end of the previous period. As a result, total assets increased by ¥90.4 billion, to ¥2,304.7 billion.

For Liabilities, short-term borrowings increased. As a result, total liabilities increased by ¥46.1 billion, to ¥1,122.0 billion.

Shareholders' investment increased by ¥43.2 billion, to ¥1,123.4 billion due primarily to the fact that the decrease by dividends payment was sufficiently offset by the increase by earning profit, and an increase in cumulative translation adjustments for foreign currency exchange fluctuations.

*Cash Flows (Three months from April 1, 2008 to June 30, 2008)

Net cash provided by operating activities in this period decreased by ¥11.1 billion as compared to the previous corresponding period, to ¥10.2 billion. Net income decreased and inventories increased as compared to the previous corresponding period.

Net cash used in investing activities in this period decreased by ¥76.5 billion as compared to the previous corresponding period, to ¥30.7 billion. Net cash used in investing activities in the previous corresponding period consisted primarily of a payment in connection with the establishment and commencement of a joint venture company with IBM Corporation.

As a result, free cash flows generated by operating and investing activities decreased by ¥65.3 billion as compared to the previous corresponding period, to cash outflows of ¥20.4 billion.

Net cash used in financing activities amounted to ¥18.0 billion due primarily to an increase in short-term borrowings.

As a result, cash and cash equivalents at the end of this first quarter increased by ¥3.6 billion as compared to the end of the preceding fiscal year, to ¥174.2 billion.

3. Forecast for the entire fiscal year

As for the forecast of business results for the first half of fiscal year ending March 31, 2009, we have revised downward our forecast of sales and upward our forecast of income before income taxes from announced in April 2008. This revision reflects the first quarter result and so on.

Ricoh has not changed its fiscal forecast for the year ending March 31, 2009 that previously announced in April 2008 although the exchange rate fluctuations would effect its financial statements as with this first quarter results.

Ricoh assumes that exchange rates of ¥100.00 against the U.S. dollar and of ¥160.00 against the Euro in and after the second quarter, which were the same forecast that announced in April 2008. The actual exchange rates during the first quarter were incorporated in annual exchange rates assumption.

Our performance forecast for fiscal year 2009 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2009

US\$ 1 = ¥101.17 (¥114.40 in previous fiscal year)

EURO 1 = ¥160.87 (¥161.69 in previous fiscal year)

	Year ending March 31, 2009 (Forecast)	Year ended March 31, 2008 (Results)	Change
Domestic sales	1,038.0	1,016.0	2.2%
Overseas sales	1,222.0	1,203.9	1.5%
Net sales	2,260.0	2,219.9	1.8%
Gross profit	932.0	927.7	0.5%
Operating income	180.0	181.5	-0.8%
Income before income taxes	176.0	174.6	0.8%
Net income	108.0	106.4	1.4%

* Ricoh bases the forecast estimates for the year ending March 31, 2009 above upon information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

4. Others

(1) Changes in significant subsidiaries:

Not applicable

(2) Changes in accounting method:

Adoption of new accounting standards:

i. In September 2006, the FASB issued SFAS No.157, "Fair Value Measurements". The effect that adoption of SFAS 157 has on its consolidated results of operations and financial condition was not material.

ii. In September 2006, the FASB issued SFAS 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". The effect that adoption of SFAS 158 has on its consolidated results of operations and financial condition was not material.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Assets	(Millions of yen)		
	June 30, 2008	March 31, 2008	Change
Current Assets			
Cash and time deposits	176,237	172,138	4,099
Trade receivables	718,115	699,043	19,072
Inventories	218,752	192,023	26,729
Other current assets	62,663	60,936	1,727
Total Current Assets	1,175,767	1,124,140	51,627
Fixed Assets			
Tangible fixed assets	257,307	254,633	2,674
Finance receivables	461,764	445,436	16,328
Other investments	409,931	390,159	19,772
Total Fixed Assets	1,129,002	1,090,228	38,774
Total Assets	2,304,769	2,214,368	90,401

Note:

Contents of cash and time deposits;

Cash and cash equivalents	174,259	170,607
Time deposits	1,978	1,531

Liabilities and Shareholders' Investment	(Millions of yen)		
	June 30, 2008	March 31, 2008	Change
Current Liabilities			
Trade payables	352,009	360,569	-8,560
Short-term borrowings	201,724	158,442	43,282
Other current liabilities	211,061	194,745	16,316
Total Current Liabilities	764,794	713,756	51,038
Fixed Liabilities			
Long-term indebtedness	218,449	225,930	-7,481
Accrued pension and severance costs	99,109	99,830	-721
Other fixed liabilities	39,729	36,373	3,356
Total Fixed Liabilities	357,287	362,133	-4,846
Total Liabilities	1,122,081	1,075,889	46,192
Minority Interest	59,228	58,283	945
Shareholders' Investment			
Common stock	135,364	135,364	-
Additional paid-in capital	186,447	186,448	-1
Retained earnings	848,725	835,238	13,487
Accumulated other comprehensive income (loss)	-1,188	-31,005	29,817
Treasury stock	-45,888	-45,849	-39
Total Shareholders' Investment	1,123,460	1,080,196	43,264
Total Liabilities and Shareholders' Investment	2,304,769	2,214,368	90,401

Note:

Other comprehensive income;

Net unrealized holding gains on available-for-sale securities	3,619	1,316	2,303
Pension liability adjustments	-19,132	-20,788	1,656
Net unrealized gains (losses) on derivative instruments	-27	-408	381
Cumulative translation adjustments	14,352	-11,125	25,477

Reference: Exchange rate

	June 30, 2008	March 31, 2008
US\$ 1	¥106.42	¥100.19
EURO 1	¥168.07	¥158.19

(2) Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%
Net sales	521,574	530,113	-8,539	-1.6
Cost of sales	293,177	301,343	-8,166	-2.7
<i>Percentage of net sales (%)</i>	56.2	56.8		
Gross Profit	228,397	228,770	-373	-0.2
<i>Percentage of net sales (%)</i>	43.8	43.2		
Selling, general and administrative expenses	188,647	182,154	6,493	3.6
<i>Percentage of net sales (%)</i>	36.2	34.4		
Operating income	39,750	46,616	-6,866	-14.7
<i>Percentage of net sales (%)</i>	7.6	8.8		
Other (income) expenses				
Interest and dividend income	1,288	1,305	-17	-1.3
<i>Percentage of net sales (%)</i>	0.2	0.2		
Interest expense	1,069	1,149	-80	-7.0
<i>Percentage of net sales (%)</i>	0.2	0.2		
Other, net	-3,766	-6,492	2,726	-
<i>Percentage of net sales (%)</i>	-0.7	-1.2		
Income before income taxes, equity income and minority interests	43,735	53,264	-9,529	-17.9
<i>Percentage of net sales (%)</i>	8.4	10.0		
Provision for income taxes	16,825	18,192	-1,367	-7.5
<i>Percentage of net sales (%)</i>	3.2	3.4		
Minority interests in earnings of subsidiaries	1,174	1,622	-448	-27.6
<i>Percentage of net sales (%)</i>	0.2	0.3		
Equity in earnings of affiliates	7	405	-398	-98.3
<i>Percentage of net sales (%)</i>	0.0	0.1		
Net Income	25,743	33,855	-8,112	-24.0
<i>Percentage of net sales (%)</i>	4.9	6.4		

Reference : Exchange rate

US\$ 1	¥104.66	¥120.77
EURO 1	¥163.48	¥162.72

Consolidated Sales by Product Category

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%
<Imaging & Solutions>				
Imaging Solutions	410,118	412,183	-2,065	-0.5
<i>Percentage of net sales (%)</i>	78.6	77.8		
Network System Solutions	45,140	40,655	4,485	11.0
<i>Percentage of net sales (%)</i>	8.7	7.6		
Imaging & Solutions Total	455,258	452,838	2,420	0.5
<i>Percentage of net sales (%)</i>	87.3	85.4		
<Industrial Products>				
Industrial Products	33,095	35,536	-2,441	-6.9
<i>Percentage of net sales (%)</i>	6.3	6.7		
<Other>				
Other	33,221	41,739	-8,518	-20.4
<i>Percentage of net sales (%)</i>	6.4	7.9		
Grand Total	521,574	530,113	-8,539	-1.6
<i>Percentage of net sales (%)</i>	100.0	100.0		

* Overseas IT service business was changed from Imaging Solutions to Network System Solutions in this period. The effect of the change was ¥4,692 million.

Consolidated Sales by Geographic Area

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%
<Domestic>	233,869	244,734	-10,865	-4.4
<i>Percentage of net sales (%)</i>	44.8	46.2		
<Overseas>	287,705	285,379	2,326	0.8
<i>Percentage of net sales (%)</i>	55.2	53.8		
The Americas	101,664	103,174	-1,510	-1.5
<i>Percentage of net sales (%)</i>	19.5	19.5		
Europe	148,671	146,849	1,822	1.2
<i>Percentage of net sales (%)</i>	28.5	27.7		
Other	37,370	35,356	2,014	5.7
<i>Percentage of net sales (%)</i>	7.2	6.6		
Grand Total	521,574	530,113	-8,539	-1.6
<i>Percentage of net sales (%)</i>	100.0	100.0		

(3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2008	Three months ended June 30, 2007
I. Cash Flows from Operating Activities:		
Net income	25,743	33,855
Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation and amortization	24,312	21,652
Equity in earnings of affiliates, net of dividends received	-7	170
Deferred income taxes	-2,654	1,236
Loss on disposals and sales of tangible fixed assets	348	126
Pension and severance costs, less payments	695	-3,074
Changes in assets and liabilities—		
Decrease in trade receivables	238	4,886
Increase in inventories	-18,258	-14,148
Increase in finance receivables	-11,369	-4,068
Decrease in trade payables	-16,658	-13,989
Increase (Decrease) in accrued income taxes and accrued expenses and other	9,427	-32
Other, net	-1,552	-5,189
Net cash provided by operating activities	10,265	21,425
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	0	56
Expenditures for property, plant and equipment	-20,414	-17,104
Payments for purchases of available-for-sale securities	-504	-24,261
Proceeds from sales of available-for-sale securities	224	24,421
Increase in time deposits	-377	-131
Other, net	-9,631	-90,223
Net cash used in investing activities	-30,702	-107,242
III. Cash Flows from Financing Activities:		
Proceeds from long-term indebtedness	13,777	9,683
Repayment of long-term indebtedness	-17,515	-22,562
Increase in short-term borrowings, net	34,484	31,441
Repayment of long-term debt securities	-	-10,000
Dividends paid	-12,256	-10,950
Payment for purchase of treasury stock	-54	-186
Other, net	-387	-308
Net cash used in financing activities	18,049	-2,882
. Effect of Exchange Rate Changes on Cash and Cash Equivalents	6,040	4,564
V. Net Increase (Decrease) in Cash and Cash Equivalents	3,652	-84,135
VI. Cash and Cash Equivalents at Beginning of Year	170,607	255,737
VII. Cash and Cash Equivalents at End of Period	174,259	171,602

(4) Notes on premise going concern

Not applicable

(5) Segment Information

(a) Operating Segments Information

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%
Imaging & Solutions:				
Net sales:				
Unaffiliated customers	455,258	452,838	2,420	0.5
Intersegment	-	-	-	-
Total	455,258	452,838	2,420	0.5
Operating expenses	399,840	392,081	7,759	2.0
Operating income	55,418	60,757	-5,339	-8.8
<i>Operating income on sales in Imaging & Solutions (%)</i>	12.2	13.4		
Industrial Products:				
Net sales:				
Unaffiliated customers	33,095	35,536	-2,441	-6.9
Intersegment	1,158	1,119	39	3.5
Total	34,253	36,655	-2,402	-6.6
Operating expenses	33,247	35,554	-2,307	-6.5
Operating income	1,006	1,101	-95	-8.6
<i>Operating income on sales in Industrial Products (%)</i>	2.9	3.0		
Other:				
Net sales:				
Unaffiliated customers	33,221	41,739	-8,518	-20.4
Intersegment	-	-	-	-
Total	33,221	41,739	-8,518	-20.4
Operating expenses	32,708	40,897	-8,189	-20.0
Operating income	513	842	-329	-39.1
<i>Operating income on sales in Other (%)</i>	1.5	2.0		
Corporate and Eliminations:				
Net sales:				
Intersegment	-1,158	-1,119	-39	-
Total	-1,158	-1,119	-39	-
Operating expenses:				
Intersegment	-1,157	-1,117	-40	-
Corporate	17,186	16,082	1,104	-
Total	16,029	14,965	1,064	-
Operating income	-17,187	-16,084	-1,103	-
Consolidated:				
Net sales:				
Unaffiliated customers	521,574	530,113	-8,539	-1.6
Intersegment	-	-	-	-
Total	521,574	530,113	-8,539	-1.6
Operating expenses	481,824	483,497	-1,673	-0.3
Operating income	39,750	46,616	-6,866	-14.7
<i>Operating income on consolidated net sales (%)</i>	7.6	8.8		

(b) Geographic Segments Information

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%
Japan:				
Net sales:				
External customers	241,120	252,126	-11,006	-4.4
Intersegment	123,371	141,627	-18,256	-12.9
Total	364,491	393,753	-29,262	-7.4
Operating expenses	338,415	358,680	-20,265	-5.6
Operating income	26,076	35,073	-8,997	-25.7
<i>Operating income on sales in Japan (%)</i>	7.2	8.9		
The Americas:				
Net sales:				
External customers	101,285	102,511	-1,226	-1.2
Intersegment	1,224	829	395	47.6
Total	102,509	103,340	-831	-0.8
Operating expenses	103,722	101,504	2,218	2.2
Operating income	-1,213	1,836	-3,049	-
<i>Operating income on sales in the Americas (%)</i>	-1.2	1.8		
Europe:				
Net sales:				
External customers	148,256	146,618	1,638	1.1
Intersegment	723	1,210	-487	-40.2
Total	148,979	147,828	1,151	0.8
Operating expenses	137,310	141,063	-3,753	-2.7
Operating income	11,669	6,765	4,904	72.5
<i>Operating income on sales in Europe (%)</i>	7.8	4.6		
Other:				
Net sales:				
External customers	30,913	28,858	2,055	7.1
Intersegment	43,927	47,426	-3,499	-7.4
Total	74,840	76,284	-1,444	-1.9
Operating expenses	70,273	70,614	-341	-0.5
Operating income	4,567	5,670	-1,103	-19.5
<i>Operating income on sales in Other (%)</i>	6.1	7.4		
Corporate and Eliminations:				
Net sales:				
Intersegment	-169,245	-191,092	21,847	-
Total	-169,245	-191,092	21,847	-
Operating expenses	-167,896	-188,364	20,468	-
Operating income	-1,349	-2,728	1,379	-
Consolidated:				
Net sales:				
External customers	521,574	530,113	-8,539	-1.6
Intersegment	-	-	-	-
Total	521,574	530,113	-8,539	-1.6
Operating expenses	481,824	483,497	-1,673	-0.3
Operating income	39,750	46,616	-6,866	-14.7
<i>Operating income on consolidated net sales (%)</i>	7.6	8.8		

(6) Notes on significant changes in shareholders' investment

Not applicable

-APPENDIX- (Three months ended June 30, 2008)

1. Consolidated Sales by Product Category

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2007	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Imaging Solutions	410,118	412,183	-2,065	-0.5	14,884	3.6
<i>Percentage of net sales (%)</i>	78.6	77.8				
Domestic	148,069	151,673	-3,604	-2.4	-3,604	-2.4
Overseas	262,049	260,510	1,539	0.6	18,488	7.1
Network System Solutions	45,140	40,655	4,485	11.0	5,009	12.3
<i>Percentage of net sales (%)</i>	8.7	7.6				
Domestic	37,337	38,038	-701	-1.8	-701	-1.8
Overseas	7,803	2,617	5,186	198.2	5,710	218.2
Imaging & Solutions Total	455,258	452,838	2,420	0.5	19,893	4.4
<i>Percentage of net sales (%)</i>	87.3	85.4				
Domestic	185,406	189,711	-4,305	-2.3	-4,305	-2.3
Overseas	269,852	263,127	6,725	2.6	24,198	9.2
The Americas	97,360	98,657	-1,297	-1.3	13,668	13.9
Europe	141,904	138,259	3,645	2.6	4,037	2.9
Other	30,588	26,211	4,377	16.7	6,493	24.8
<Industrial Products>						
Industrial Products	33,095	35,536	-2,441	-6.9	-1,846	-5.2
<i>Percentage of net sales (%)</i>	6.3	6.7				
Domestic	18,518	20,660	-2,142	-10.4	-2,142	-10.4
Overseas	14,577	14,876	-299	-2.0	296	2.0
The Americas	3,879	3,494	385	11.0	946	27.1
Europe	5,755	5,968	-213	-3.6	-234	-3.9
Other	4,943	5,414	-471	-8.7	-416	-7.7
<Other>						
Other	33,221	41,739	-8,518	-20.4	-8,177	-19.6
<i>Percentage of net sales (%)</i>	6.4	7.9				
Domestic	29,945	34,363	-4,418	-12.9	-4,418	-12.9
Overseas	3,276	7,376	-4,100	-55.6	-3,759	-51.0
The Americas	425	1,023	-598	-58.5	-537	-52.5
Europe	1,012	2,622	-1,610	-61.4	-1,610	-61.4
Other	1,839	3,731	-1,892	-50.7	-1,612	-43.2
Grand Total	521,574	530,113	-8,539	-1.6	9,870	1.9
<i>Percentage of net sales (%)</i>	100.0	100.0				
Domestic	233,869	244,734	-10,865	-4.4	-10,865	-4.4
<i>Percentage of net sales (%)</i>	44.8	46.2				
Overseas	287,705	285,379	2,326	0.8	20,735	7.3
<i>Percentage of net sales (%)</i>	55.2	53.8				
The Americas	101,664	103,174	-1,510	-1.5	14,077	13.6
<i>Percentage of net sales (%)</i>	19.5	19.5				
Europe	148,671	146,849	1,822	1.2	2,193	1.5
<i>Percentage of net sales (%)</i>	28.5	27.7				
Other	37,370	35,356	2,014	5.7	4,465	12.6
<i>Percentage of net sales (%)</i>	7.2	6.6				
Reference: Exchange rate						
US\$ 1	¥104.66	¥120.77	¥-16.11			
EURO 1	¥163.48	¥162.72	¥0.76			

*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

* Overseas IT service business was changed from Imaging Solutions to Network System Solutions in this period. The effect of the change was ¥4,692 million.

2. Forecast of Consolidated Performance

(Billions of yen)

	Three months ended		Three months ending		Half year ending		Year ending	
	June 30, 2008	Change	Sept. 30, 2008	Change	Sept. 30, 2008	Change	March 31, 2009	Change
	Results	%	Forecast	%	Forecast	%	Forecast	%
Net sales	521.5	-1.6	566.4	1.5	1,088.0	-0.0	2,260.0	1.8
Gross profit	228.3	-0.2	221.1	-0.6	449.5	-0.4	932.0	0.5
Operating income	39.7	-14.7	32.7	-13.7	72.5	-14.3	180.0	-0.8
Income before income taxes	43.7	-17.9	28.2	-11.1	72.0	-15.3	176.0	0.8
Net income	25.7	-24.0	17.0	-11.6	42.8	-19.5	108.0	1.4
Net income per share-basic (yen)	35.71	-	23.66	-	59.37	-	149.81	-
Net income per share-diluted (yen)	34.75	-	23.02	-	57.77	-	145.78	-
Capital expenditures	20.4	-	25.0	-	45.5	-	90.0	-
Depreciation for tangible fixed assets	17.7	-	18.7	-	36.5	-	75.0	-
R&D expenditures	31.7	-	32.2	-	64.0	-	130.0	-
Exchange rate (Yen/US\$)	104.66	-	100.00	-	102.33	-	101.17	-
Exchange rate (Yen/EURO)	163.48	-	160.00	-	161.74	-	160.87	-

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Half year ending September 30, 2008				Year ending March 31, 2009			
	Forecast	Change %	Forecast(*)	Change %	Forecast	Change %	Forecast(*)	Change %
<Imaging & Solutions>								
Imaging Solutions	839.5	1.5	875.8	5.9	1,748.5	2.3	1,804.6	5.6
Domestic	305.3	2.9	305.3	2.9	636.7	4.6	636.7	4.6
Overseas	534.1	0.6	570.4	7.5	1,111.7	1.0	1,167.8	6.1
Network System Solutions	108.3	11.4	109.5	12.7	228.3	14.1	230.1	15.0
Domestic	93.1	1.7	93.1	1.7	195.9	4.2	195.9	4.2
Overseas	15.1	171.2	16.4	193.0	32.3	171.3	34.2	186.6
Imaging & Solutions Total	947.8	2.5	985.4	6.6	1,976.8	3.5	2,034.8	6.6
Domestic	398.5	2.6	398.5	2.6	832.7	4.5	832.7	4.5
Overseas	549.3	2.4	586.9	9.4	1,144.1	2.8	1,202.1	8.1
The Americas	198.2	-3.9	231.4	12.2	400.4	-3.8	452.2	8.6
Europe	284.3	4.7	286.5	5.5	603.5	5.6	607.5	6.3
Other	66.7	14.3	68.8	17.9	140.1	12.5	142.2	14.2
<Industrial Products>								
Industrial Products	67.1	-13.3	68.4	-11.6	137.0	-5.0	139.0	-3.6
Domestic	37.7	-14.8	37.7	-14.8	76.1	-2.7	76.1	-2.7
Overseas	29.4	-11.3	30.7	-7.4	60.9	-7.8	62.9	-4.8
The Americas	7.6	-4.2	8.8	10.3	14.9	-7.3	16.8	4.2
Europe	10.8	-5.8	10.9	-5.1	21.3	-4.8	21.4	-4.4
Other	10.9	-20.0	10.9	-19.6	24.6	-10.5	24.6	-10.3
<Other>								
Other	72.9	-15.5	73.2	-15.1	146.0	-12.1	146.3	-11.9
Domestic	64.7	-10.0	64.7	-10.0	129.1	-8.3	129.1	-8.3
Overseas	8.1	-43.1	8.5	-40.7	16.8	-33.3	17.2	-32.0
The Americas	0.8	-40.9	0.8	-36.5	1.6	-25.9	1.6	-23.2
Europe	3.1	-48.0	3.1	-48.0	6.8	-26.9	6.8	-26.9
Other	4.2	-39.3	4.5	-35.3	8.4	-38.9	8.7	-36.8
Grand Total	1,088.0	-0.0	1,127.2	3.6	2,260.0	1.8	2,320.3	4.5
Domestic	501.0	-0.7	501.0	-0.7	1,038.0	2.2	1,038.0	2.2
Overseas	587.0	0.5	626.2	7.2	1,222.0	1.5	1,282.3	6.5
The Americas	206.7	-4.1	241.1	11.8	417.0	-4.1	470.7	8.3
Europe	298.2	3.2	300.6	4.0	631.6	4.7	635.8	5.4
Other	81.9	3.6	84.4	6.7	173.2	4.4	175.7	5.9

* Excluding foreign exchange impact