

QUARTERLY REPORT

Third Quarter ended December 31, 2014

(Results for the Period from April 1, 2014 to December 31, 2014)

Performance Outline (Consolidated)

(1) Nine months ended December 31, 2013, 2014 (Actual result) and Year ending March 31, 2015 (Forecast)

(Billions of yen)

	Nine months ended		Change	Year ending	
	December 31, 2013 Results	December 31, 2014 Results		March 31, 2015 Forecast	Change
Domestic sales	636.7	610.9	-4.1%	875.0	-3.3%
Overseas sales	945.3	1,018.9	7.8%	1,385.0	7.3%
Sales	1,582.0	1,629.8	3.0%	2,260.0	2.9%
Gross profit	640.7	679.1	6.0%	936.0	7.2%
Operating profit	78.4	86.0	9.8%	140.0	16.3%
Profit before income tax expenses	75.9	84.8	11.8%	135.0	14.3%
Profit attributable to owners of the parent	43.4	52.3	20.6%	80.0	9.9%
Exchange rate (Yen/US\$)	99.42	106.84	7.42	105.13	4.84
Exchange rate (Yen/EURO)	132.31	140.26	7.95	140.19	5.72
Earnings per share attributable to owners of the parent-basic (yen)	59.88	72.22	12.34	110.35	9.91
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	-	-
Cash flows from operating activities	47.1	35.6	-11.5	-	-
Cash flows from investing activities	-73.9	-110.6	-36.6	-	-
Cash flows from financing activities	43.6	59.5	15.9	-	-
Cash and cash equivalents at end of period	144.1	136.5	-7.5	-	-
Capital expenditures	51.3	54.9	3.5	78.0	5.0
Depreciation	46.8	53.3	6.4	72.0	8.6
R&D expenditures	85.9	86.8	0.8	121.0	4.7
	March 31, 2014	December 31, 2014	Change		
Total assets	2,596.6	2,748.8	152.2		
Equity attributable to owners of the parent	1,029.4	1,109.3	79.8		
Interest-bearing debt	724.1	819.8	95.7		
Equity attributable to owners of the parent ratio (%)	39.6	40.4	0.8		
Equity per share attributable to owners of the parent (yen)	1,420.04	1,530.28	110.24		

(2) Three months ended December 31, 2013 and 2014

(Billions of yen)

	Three months ended		Change
	December 31, 2013 Results	December 31, 2014 Results	
Domestic sales	215.7	196.0	-9.2%
Overseas sales	327.0	361.0	10.4%
Sales	542.8	557.0	2.6%
Gross profit	220.7	232.7	5.4%
Operating profit	26.4	30.2	14.2%
Profit before income tax expenses	25.7	29.2	13.8%
Profit attributable to owners of the parent	15.3	18.3	19.9%
Exchange rate (Yen/US\$)	100.46	114.37	13.91
Exchange rate (Yen/EURO)	136.70	142.87	6.17
Earnings per share attributable to owners of the parent-basic (yen)	21.14	25.34	4.20
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-
Capital expenditures	15.8	16.2	0.4
Depreciation	16.3	17.5	1.2
R&D expenditures	28.3	28.6	0.3

Ricoh Company, Ltd.

* Above forecasted results are based on information available to the Company as at to date which are likely subject to risks and uncertainties that may cause the actual results to differ materially from the forecasted results.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the nine months Ended December 31, 2014

[Prepared on the basis of International Financial Reporting Standards]

1. Results for the Period from April 1, 2014 to December 31, 2014

(1) Operating Results

	(Millions of yen)	
	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Sales	1,582,097	1,629,815
(% change from the previous corresponding period)	-	3.0
Operating profit	78,401	86,089
(% change from the previous corresponding period)	-	9.8
Profit before income tax expenses	75,908	84,882
(% change from the previous corresponding period)	-	11.8
Profit for the period	47,537	56,890
(% change from the previous corresponding period)	-	19.7
Profit attributable to owners of the parent	43,415	52,351
(% change from the previous corresponding period)	-	20.6
Comprehensive income	129,687	109,282
(% change from the previous corresponding period)	-	-15.7
Earnings per share attributable to owners of the parent-basic (yen)	59.88	72.22
Earnings per share attributable to owners of the parent-diluted (yen)	-	-

Notes: Earnings per share attributable to owners of the parent (basic and diluted) are based on Profit attributable to owners of the parent.

(2) Financial Position

	(Millions of yen)	
	March 31, 2014	December 31, 2014
Total assets	2,596,618	2,748,843
Total equity	1,094,396	1,178,655
Equity attributable to owners of the parent	1,029,413	1,109,306
Equity attributable to owners of the parent ratio (%)	39.6	40.4

2. Dividend Information

	Year ended March 31, 2014 (Actual)	Year ending March 31, 2015 (Forecast)
Cash dividends, applicable to the year (yen)	33.00	34.00
Interim (yen)	16.50	17.00
Year-end (yen)	16.50	17.00

Notes: Revision of expected dividends during this period: No

3. Forecast of Operating Results from April 1, 2014 to March 31, 2015

	(Millions of yen)
	Year ending March 31, 2015
Sales	2,260,000
(% change from the previous corresponding period)	2.9
Operating profit	140,000
(% change from the previous corresponding period)	16.3
Profit before income tax expenses	135,000
(% change from the previous corresponding period)	14.3
Profit attributable to owners of the parent	80,000
(% change from the previous corresponding period)	9.9
Earnings per share attributable to owners of the parent-basic (yen)	110.35

Notes: Revision of forecast of consolidated operating results during this period: No

4. Others

- (1) Changes in significant subsidiaries: No
- (2) Changes in accounting policies and accounting estimate
 - (i) Changes in accounting policies required by IFRS: Yes
 - (ii) Other changes: No
 - (iii) Changes in accounting estimate: No

* For details see "4.Others" on page 5.
- (3) Number of common stock outstanding (including treasury stock):
As of December 31, 2014 : 744,912,078 shares ; As of March 31, 2014 : 744,912,078 shares
- (4) Number of treasury stock:
As of December 31, 2014 : 20,008,302 shares ; As of March 31, 2014 : 19,995,714 shares
- (5) Average number of common stock:
Nine months ended December 31, 2014 : 724,909,960 shares ; Nine months ended December 31, 2013 : 725,000,489 shares

Qualitative Information on Consolidated Financial Results for the Period under Review

1. Qualitative Information on Consolidated Business Results

* Overview of the nine months of Fiscal 2014 (April 1 – December 31, 2014)

Ricoh's consolidated sales for the nine months increased by 3.0% to ¥1,629.8 billion compared to the previous corresponding period, due mainly by the increase in sales in both the Imaging & Solutions and the Industrial Products segment.

During this period, the average exchange rates of the Japanese yen against the U.S. dollar and the euro were ¥106.84 (down ¥7.42 from previous year) and ¥140.26 (down ¥7.95 from previous year) respectively. Consolidated sales would have decreased by 0.9% compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuation.

The Japanese economy, even though corporate earnings have been improving due to the monetary-easing policies implemented by the government, overall consumer spending remains sluggish as consumer prices have increased with the increase in consumption tax and the weak yen.

Under such market conditions, sales in the Industrial Products increased along with increase in sales of color MFP models, but the decline in demand for personal computers affected overall sales, resulting in the sales decrease in the Imaging & Solutions segment. As a result, the sales in the domestic market decreased by 4.1% compared to the previous corresponding period.

As for the overseas market, the U.S. economy continued to show signs of a solid recovery, but the outlook of the overall global economy remains uncertain with the continuous decline in oil prices and the slowdown in the growth of the emerging markets. Even under such market conditions, the weak yen during the nine months has contributed to the overall increase in Ricoh's overseas sales.

As for overseas sales by region, sales in the Americas increased by 9.5% (an increase of 1.9% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa increased by 3.9% (a decrease of 1.9% excluding foreign currency exchange fluctuation) and sales in Other region, which includes China, South East Asia and Oceania, increased by 13.0% (an increase of 7.7%, excluding foreign currency exchange fluctuation).

As a result, sales in the overseas market increased by 7.8% compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have increased by 1.2% compared to the previous corresponding period.

Gross profit increased by 6.0% to ¥679.1 billion, due to increase in sales and the weakening of the yen.

Although group-wide activities to streamline costs have contributed in controlling selling, general and administrative expenses, these expenses have increased by 5.5% to ¥593.0 billion, due to the weakening of the yen and acquisitions.

As a result, operating profit increased by 9.8% to ¥86.0 billion compared to the previous corresponding period.

Finance income increased compared to the previous corresponding period, mainly due to foreign exchange gains.

Profit before income tax expenses increased by 11.8% to ¥84.8 billion compared to the previous corresponding period.

As a result, profit attributable to owners of the parent increased by 20.6% to ¥52.3 billion.

Although profit increased compared to the previous corresponding period, comprehensive income decreased significantly to ¥109.2 billion due to remeasurement of defined benefit plan and the decrease in cumulative translation adjustments.

*** Review by Business Segment**

Imaging & Solutions (Sales up 3.0% to ¥1,452.4 billion)

Office Imaging (Sales up 2.8% to ¥1,105.7 billion)

Sales in this category increased by 2.8% to ¥1,105.7 billion, due to the weakening of the yen and the increase in sales in both the domestic and overseas market of color MFP models introduced in the previous year.

Production Printing (Sales up 6.6% to ¥137.9 billion)

Sales in this category increased by 6.6% to ¥137.9 billion. This was achieved through the increase in sales of related parts & supplies and services in both the domestic and overseas market.

Network System Solutions (Sales up 1.9% to ¥208.7 billion)

Sales in this category increased by 1.9% to ¥208.7 billion. Although the decline in demand for personal computers affected the overall sales in the domestic market, the acquisition of mindSHIFT Technologies in U.S. and the increase in sales in the Indian market offset this decline, resulting in an overall sales increase in this category.

As a result of the above, sales in the Imaging & Solutions segment increased by 3.0% to ¥1,452.4 billion. Even though strong sales were achieved through the sustained depreciation of the yen, operating profit decreased by 0.4% to ¥125.7 billion due to the increase in operating expenses.

Industrial Products (Sales up 6.8% to ¥87.9 billion)

Sales in the Industrial Products segment increased by 6.8% to ¥87.9 billion due to increase in sales in the Thermal business. As a result, operating profit in the Industrial Product segment increased by 41.2% to ¥4.4 billion.

Other (Sales down 0.7% to ¥89.4 billion)

Sales in the Other segment decreased by 0.7% to ¥89.4 billion. Even though sales decreased in the digital camera business compared to the previous corresponding period, the Company earned ¥1 million operating profit in this segment due to reduction in investment in new businesses (Operating loss in the previous corresponding period was ¥0.3 billion).

2. Analysis of Consolidated Financial Position

***Assets, Liabilities and Equity**

Total assets increased by ¥152.2 billion to ¥2,748.8 billion, mainly due to depreciation of the yen, increase in inventories and other financial assets.

Total liabilities increased by ¥67.9 billion to ¥1,570.1 billion, mainly due to the increase in bonds and borrowings to meet working capital demand relating to payables and payment of bonuses.

Total equity increased by ¥84.2 billion to ¥1,178.6 billion, mainly due to increase in other components of equity.

***Cash Flows (Nine months ended December 31, 2014)**

Even though profit for the period increased compared to the previous corresponding period, net cash provided by operating activities decreased by ¥11.5 billion to ¥35.6 billion, mainly due to decrease in trade and other payables.

Net cash used in investing activities increased by ¥36.6 billion to ¥110.6 billion, mainly due to decrease in proceeds from sales of available-for-sale securities.

Net cash provided by financing activities increased by ¥15.9 billion to ¥59.5 billion, mainly due to the increase in proceeds from long term debt.

As a result, the balance of cash and cash equivalent at the end of the period decreased by ¥3.5 billion to ¥136.5 billion.

3. Qualitative Information on Forecasted Consolidated Financial Results

Since the nine months business results and other changes in the business environment such as exchange rate fluctuations were within the scope of our assumption, no changes have been made to the forecast of sales, gross profit, operating profit, profit before income tax expenses and profit attributable to owners of the parent announced in October.

Ricoh will maintain the assumed exchange rates set forth in October of ¥100.00 against the U.S. dollar and of ¥140.00 against the euro in the three months ending March 31, 2015, and has incorporated the actual exchange rates during the nine months ended December 31, 2014 in the annual exchange rates assumption.

Our performance forecast for fiscal year ending March 31, 2015 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2015

US\$ 1 = ¥105.13 (¥100.29 in previous fiscal year)

EURO 1 = ¥140.19 (¥134.47 in previous fiscal year)

(Billions of yen)			
	Year ended March 31, 2014 (A)	Year ending March 31, 2015 (Forecast) (B)	Change (B-A)/A
Domestic sales	905.1	875.0	-3.3%
Overseas sales	1,290.5	1,385.0	7.3%
Sales	2,195.6	2,260.0	2.9%
Gross profit	873.2	936.0	7.2%
Operating profit	120.3	140.0	16.3%
Profit before income tax expenses	118.0	135.0	14.3%
Profit attributable to owners of the parent	72.8	80.0	9.9%

* Above forecasted results are based on information available to the Company as at to date which are likely subject to risks and uncertainties that may cause the actual results to differ materially from the forecasted results.

4. Others

(1) Changes in significant subsidiaries

Not applicable

(2) Changes in accounting policies

Ricoh did not change the significant accounting policies from the previous fiscal year, with the exception of the following.

The adoption of the following IFRSs has no material impact on Ricoh's condensed consolidated financial statements.

Some of the comparative information on Ricoh's condensed consolidated financial statements has been adjusted retrospectively to apply the change in accounting policy.

IFRSs	Title	Summaries of new IFRSs/amendments
IAS 32	Financial Instruments: Presentation	Presentation of offsets of financial assets and financial liabilities
IAS 36	Impairment of Assets	Disclosure of recoverable amounts for non-financial assets
IAS 39	Financial Instruments: Effectiveness testing	Continuing hedge accounting after derivative novations
IFRIC 21	Levies	Recognition of liabilities related to levies
IFRS 10	Consolidated Financial Statements	Regulations of control as single basis for consolidation
IFRS 12	Disclosure of Interests in Other Entities	Disclosure requirements for forms of interests in other entities, including subsidiaries, joint control arrangements, associates and unconsolidated structured entities

5. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

Assets

	(Millions of yen)		
	March 31, 2014	December 31, 2014	Change
Current Assets			
Cash and cash equivalents	140,047	136,529	-3,518
Time deposits	4,057	3,696	-361
Trade and other receivables	544,725	555,512	10,787
Other financial assets	249,682	256,200	6,518
Inventories	194,171	240,512	46,341
Other current assets	34,317	41,562	7,245
Total Current Assets	1,166,999	1,234,011	67,012
Non-current assets			
Property, plant and equipment	270,702	277,778	7,076
Goodwill and intangible assets	399,354	444,668	45,314
Other financial assets	560,892	588,888	27,996
Investments accounted for using the equity method	1,074	483	-591
Other investments	50,724	51,068	344
Other non-current assets	40,420	44,923	4,503
Deferred tax assets	106,453	107,024	571
Total Non-current Assets	1,429,619	1,514,832	85,213
Total Assets	2,596,618	2,748,843	152,225

Liabilities and Equity

	(Millions of yen)		
	March 31, 2014	December 31, 2014	Change
Current Liabilities			
Bonds and borrowings	271,768	307,965	36,197
Trade and other payables	281,957	249,256	-32,701
Other financial liabilities	18,140	4,945	-13,195
Income tax payables	14,435	12,026	-2,409
Other current liabilities	249,391	256,606	7,215
Total Current Liabilities	835,691	830,798	-4,893
Non-current Liabilities			
Bonds and borrowings	452,396	511,932	59,536
Other financial liabilities	1,014	1,457	443
Accrued pension and retirement benefits	124,554	134,668	10,114
Other non-current liabilities	74,614	82,369	7,755
Deferred tax liabilities	13,953	8,964	-4,989
Total Non-current Liabilities	666,531	739,390	72,859
Total Liabilities	1,502,222	1,570,188	67,966
Equity			
Common stock	135,364	135,364	-
Additional paid-in capital	186,083	186,083	-
Treasury stock	-37,278	-37,291	-13
Other components of equity	119,904	182,223	62,319
Retained earnings	625,340	642,927	17,587
Equity attributable to owners of the parent	1,029,413	1,109,306	79,893
Non-controlling interests	64,983	69,349	4,366
Total Equity	1,094,396	1,178,655	84,259
Total Liabilities and Equity	2,596,618	2,748,843	152,225

(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Profit or Loss

Nine months ended December 31, 2013 and 2014

	(Millions of yen)			
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%
Sales	1,582,097	1,629,815	47,718	3.0
Cost of sales	941,331	950,632	9,301	1.0
Percentage of sales (%)	59.5	58.3		
Gross profit	640,766	679,183	38,417	6.0
Percentage of sales (%)	40.5	41.7		
Selling, general and administrative expenses	562,365	593,094	30,729	5.5
Percentage of sales (%)	35.5	36.4		
Operating profit	78,401	86,089	7,688	9.8
Percentage of sales (%)	5.0	5.3		
Finance income	4,313	4,492	179	4.2
Percentage of sales (%)	0.3	0.3		
Finance costs	6,777	5,630	-1,147	-16.9
Percentage of sales (%)	0.4	0.3		
Share of loss of investments accounted for using the equity method	-29	-69	-40	-
Percentage of sales (%)	-0.0	-0.0		
Profit before income tax expenses	75,908	84,882	8,974	11.8
Percentage of sales (%)	4.8	5.2		
Income tax expenses	28,371	27,992	-379	-1.3
Percentage of sales (%)	1.8	1.7		
Profit for the period	47,537	56,890	9,353	19.7
Percentage of sales (%)	3.0	3.5		
Profit attributable to:				
Owners of the parent	43,415	52,351	8,936	20.6
Percentage of sales (%)	2.7	3.2		
Non-controlling interests	4,122	4,539	417	10.1
Percentage of sales (%)	0.3	0.3		

	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change
Earnings per share attributable to owners of the parent-basic (yen)	59.88	72.22	12.34
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

Three months ended December 31, 2013 and 2014

	(Millions of yen)			
	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%
Sales	542,852	557,027	14,175	2.6
Cost of sales	322,148	324,300	2,152	0.7
Percentage of sales (%)	59.3	58.2		
Gross profit	220,704	232,727	12,023	5.4
Percentage of sales (%)	40.7	41.8		
Selling, general and administrative expenses	194,236	202,506	8,270	4.3
Percentage of sales (%)	35.8	36.4		
Operating profit	26,468	30,221	3,753	14.2
Percentage of sales (%)	4.9	5.4		
Finance income	451	1,015	564	125.1
Percentage of sales (%)	0.1	0.2		
Finance costs	1,174	1,906	732	62.4
Percentage of sales (%)	0.2	0.3		
Share of profit (loss) of investments accounted for using the equity method	6	-37	-43	-
Percentage of sales (%)	0.0	-0.0		
Profit before income tax expenses	25,751	29,293	3,542	13.8
Percentage of sales (%)	4.7	5.3		
Income tax expenses	9,114	9,245	131	1.4
Percentage of sales (%)	1.7	1.7		
Profit for the period	16,637	20,048	3,411	20.5
Percentage of sales (%)	3.1	3.6		
Profit attributable to:				
Owners of the parent	15,323	18,372	3,049	19.9
Percentage of sales (%)	2.8	3.3		
Non-controlling interests	1,314	1,676	362	27.5
Percentage of sales (%)	0.2	0.3		

	Three months ended December 31, 2013	Three months ended December 31, 2014	Change
Earnings per share attributable to owners of the parent-basic (yen)	21.14	25.34	4.20
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

Condensed Consolidated Statement of Comprehensive Income

Nine months ended December 31, 2013 and 2014

	(Millions of yen)		
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change
Profit for the period	47,537	56,890	9,353
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	4,355	-10,478	-14,833
Total components that will not be reclassified subsequently to profit or loss	4,355	-10,478	-14,833
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	7,260	-64	-7,324
Net gain on fair value of cash flow hedges	889	1,595	706
Exchange differences on translation of foreign operations	69,646	61,339	-8,307
Total components that will be reclassified subsequently to profit or loss	77,795	62,870	-14,925
Total other comprehensive income	82,150	52,392	-29,758
Comprehensive income	129,687	109,282	-20,405
Comprehensive income attributable to:			
Owners of the parent	125,484	104,192	-21,292
Non-controlling interests	4,203	5,090	887

Three months ended December 31, 2013 and 2014

	(Millions of yen)		
	Three months ended December 31, 2013	Three months ended December 31, 2014	Change
Profit for the period	16,637	20,048	3,411
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	1,055	-10,478	-11,533
Total components that will not be reclassified subsequently to profit or loss	1,055	-10,478	-11,533
Components that will be reclassified subsequently to profit or loss:			
Net gain on fair value of available-for-sale financial assets	4,491	1,149	-3,342
Net gain on fair value of cash flow hedges	384	939	555
Exchange differences on translation of foreign operations	43,097	47,709	4,612
Total components that will be reclassified subsequently to profit or loss	47,972	49,797	1,825
Total other comprehensive income	49,027	39,319	-9,708
Comprehensive income	65,664	59,367	-6,297
Comprehensive income attributable to:			
Owners of the parent	64,110	57,224	-6,886
Non-controlling interests	1,554	2,143	589

Consolidated Sales by Product Category

Nine months ended December 31, 2013 and 2014

(Millions of yen)				
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%
<Imaging & Solutions>				
Office Imaging	1,075,448	1,105,726	30,278	2.8
Percentage of sales (%)	68.0	67.8		
Production Printing	129,345	137,909	8,564	6.6
Percentage of sales (%)	8.2	8.5		
Network System Solutions	204,829	208,782	3,953	1.9
Percentage of sales (%)	12.9	12.8		
Imaging & Solutions Total	1,409,622	1,452,417	42,795	3.0
Percentage of sales (%)	89.1	89.1		
<Industrial Products>				
Industrial Products	82,369	87,958	5,589	6.8
Percentage of sales (%)	5.2	5.4		
<Other>				
Other	90,106	89,440	-666	-0.7
Percentage of sales (%)	5.7	5.5		
Grand Total	1,582,097	1,629,815	47,718	3.0
Percentage of sales (%)	100.0	100.0		

Three months ended December 31, 2013 and 2014

(Millions of yen)				
	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%
<Imaging & Solutions>				
Office Imaging	367,595	383,723	16,128	4.4
Percentage of sales (%)	67.7	68.9		
Production Printing	46,402	48,995	2,593	5.6
Percentage of sales (%)	8.6	8.8		
Network System Solutions	71,593	64,601	-6,992	-9.8
Percentage of sales (%)	13.2	11.6		
Imaging & Solutions Total	485,590	497,319	11,729	2.4
Percentage of sales (%)	89.5	89.3		
<Industrial Products>				
Industrial Products	28,443	30,884	2,441	8.6
Percentage of sales (%)	5.2	5.5		
<Other>				
Other	28,819	28,824	5	0.0
Percentage of sales (%)	5.3	5.2		
Grand Total	542,852	557,027	14,175	2.6
Percentage of sales (%)	100.0	100.0		

*Each category includes the following product line:

Office Imaging	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software
Production Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Network System Solutions	Personal computers, servers, network equipment, related services, support and software
Industrial Products	Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head
Other	Digital cameras

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

Consolidated Sales by Geographic Area

Nine months ended December 31, 2013 and 2014

	(Millions of yen)			
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%
<Domestic>	636,766	610,910	-25,856	-4.1
Percentage of sales (%)	40.2	37.5		
<Overseas>	945,331	1,018,905	73,574	7.8
Percentage of sales (%)	59.8	62.5		
The Americas	432,157	473,306	41,149	9.5
Percentage of sales (%)	27.3	29.0		
Europe, Middle East and Africa	376,689	391,428	14,739	3.9
Percentage of sales (%)	23.8	24.0		
Other	136,485	154,171	17,686	13.0
Percentage of sales (%)	8.7	9.5		
Grand Total	1,582,097	1,629,815	47,718	3.0
Percentage of sales (%)	100.0	100.0		

Three months ended December 31, 2013 and 2014

	(Millions of yen)			
	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%
<Domestic>	215,761	196,007	-19,754	-9.2
Percentage of sales (%)	39.7	35.2		
<Overseas>	327,091	361,020	33,929	10.4
Percentage of sales (%)	60.3	64.8		
The Americas	146,588	169,073	22,485	15.3
Percentage of sales (%)	27.0	30.4		
Europe, Middle East and Africa	134,988	136,981	1,993	1.5
Percentage of sales (%)	24.9	24.6		
Other	45,515	54,966	9,451	20.8
Percentage of sales (%)	8.4	9.8		
Grand Total	542,852	557,027	14,175	2.6
Percentage of sales (%)	100.0	100.0		

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

(3) Condensed Consolidated Statement of Changes in Equity

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain(loss) on fair value of available-for-sale financial assets	Net gain(loss) on fair value of cash flow hedges
Balance as of April 1, 2013	135,364	186,083	-37,146	-	9,989	-861
Profit for the period						
Other comprehensive income (loss)				4,447	7,210	586
Comprehensive income:	-	-	-	4,447	7,210	586
Net change in treasury stock			-120			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				-4,447		
Total transactions with owners	-	-	-120	-4,447	-	-
Balance as of December 31, 2013	135,364	186,083	-37,266	-	17,199	-275

	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2013	49,486	58,614	570,790	913,705	60,297	974,002
Profit for the period			43,415	43,415	4,122	47,537
Other comprehensive income (loss)	69,826	82,069		82,069	81	82,150
Comprehensive income:	69,826	82,069	43,415	125,484	4,203	129,687
Net change in treasury stock			-3	-123		-123
Dividends declared and approved to owners			-23,925	-23,925	-674	-24,599
Transfer from other components of equity to retained earnings		-4,447	4,447	-		-
Total transactions with owners	-	-4,447	-19,481	-24,048	-674	-24,722
Balance as of December 31, 2013	119,312	136,236	594,724	1,015,141	63,826	1,078,967

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain(loss) on fair value of available-for-sale financial assets	Net gain(loss) on fair value of cash flow hedges
Balance as of April 1, 2014	135,364	186,083	-37,278	-	11,848	-221
Profit for the period						
Other comprehensive income (loss)				-10,478	-64	889
Comprehensive income:	-	-	-	-10,478	-64	889
Net change in treasury stock			-13			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				10,478		
Total transactions with owners	-	-	-13	10,478	-	-
Balance as of December 31, 2014	135,364	186,083	-37,291	-	11,784	668

	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2014	108,277	119,904	625,340	1,029,413	64,983	1,094,396
Profit for the period			52,351	52,351	4,539	56,890
Other comprehensive income (loss)	61,494	51,841		51,841	551	52,392
Comprehensive income:	61,494	51,841	52,351	104,192	5,090	109,282
Net change in treasury stock			-1	-14		-14
Dividends declared and approved to owners			-24,285	-24,285	-724	-25,009
Transfer from other components of equity to retained earnings		10,478	-10,478	-		-
Total transactions with owners	-	10,478	-34,764	-24,299	-724	-25,023
Balance as of December 31, 2014	169,771	182,223	642,927	1,109,306	69,349	1,178,655

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
I. Cash Flows from Operating Activities:		
Profit for the period	47,537	56,890
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	79,956	80,877
Share of loss of investments accounted for using the equity method	29	69
Finance income and costs	2,464	1,138
Income tax expenses	28,371	27,992
Decrease (increase) in trade and other receivables	-7,822	15,914
Increase in inventories	-14,592	-29,208
Increase in lease receivables	-35,323	-18,699
Decrease in trade and other payables	-7,025	-41,768
Decrease in accrued pension and retirement benefits	-31,085	-13,821
Other, net	7,045	-16,781
Interest and dividends received	1,548	1,877
Interest paid	-4,511	-4,977
Income taxes paid	-19,402	-23,818
Net cash provided by operating activities	47,190	35,685
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	530	1,208
Expenditures for property, plant and equipment	-51,385	-54,938
Expenditures for intangible assets	-25,384	-25,716
Payments for purchases of available-for-sale securities	-62	-93
Proceeds from sales of available-for-sale securities	7,153	158
Decrease in time deposits	34	990
Purchase of business, net of cash acquired	-566	-8,499
Other, net	-4,262	-23,720
Net cash used in investing activities	-73,942	-110,610
III. Cash Flows from Financing Activities:		
Net proceeds (repayments) of short-term debt	24,815	1,480
Proceeds from long-term debt	103,645	185,438
Repayments of long-term debt	-78,327	-87,396
Proceeds from issuance of bonds	20,000	20,000
Repayments of bonds	-1,826	-35,000
Dividends paid	-23,925	-24,285
Payments for purchase of treasury stock	-109	-15
Other, net	-671	-701
Net cash provided by financing activities	43,602	59,521
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	10,225	11,886
V. Net Increase (decrease) in Cash and Cash Equivalents	27,075	-3,518
VI. Cash and Cash Equivalents at Beginning of Year	117,051	140,047
VII. Cash and Cash Equivalents at End of Period	144,126	136,529

(5) Notes on premise going concern

Not applicable

(6) Segment Information

(a) Operating Segment Information

Nine months ended December 31, 2013 and 2014

	(Millions of yen)			
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%
Imaging & Solutions:				
Sales:				
Unaffiliated customers	1,409,622	1,452,417	42,795	3.0
Intersegment	-	-	-	
Total	1,409,622	1,452,417	42,795	3.0
Operating expenses	1,283,343	1,326,700	43,357	3.4
Operating profit	126,279	125,717	-562	-0.4
Operating profit on sales in Imaging & Solutions (%)	9.0	8.7		
Industrial Products:				
Sales:				
Unaffiliated customers	82,369	87,958	5,589	6.8
Intersegment	8,786	10,042	1,256	14.3
Total	91,155	98,000	6,845	7.5
Operating expenses	88,019	93,572	5,553	6.3
Operating profit	3,136	4,428	1,292	41.2
Operating profit on sales in Industrial Products (%)	3.4	4.5		
Other:				
Sales:				
Unaffiliated customers	90,106	89,440	-666	-0.7
Intersegment	-	-	-	
Total	90,106	89,440	-666	-0.7
Operating expenses	90,470	89,439	-1,031	-1.1
Operating profit (loss)	-364	1	365	-
Operating profit (loss) on sales in Other (%)	-0.4	0.0		
Corporate and Eliminations:				
Sales:				
Intersegment	-8,786	-10,042	-1,256	
Total	-8,786	-10,042	-1,256	-
Operating expenses:				
Intersegment	-8,786	-10,042	-1,256	
Corporate	50,650	44,057	-6,593	
Total	41,864	34,015	-7,849	-
Operating loss	-50,650	-44,057	6,593	-
Consolidated:				
Sales:				
Unaffiliated customers	1,582,097	1,629,815	47,718	3.0
Intersegment	-	-	-	
Total	1,582,097	1,629,815	47,718	3.0
Operating expenses	1,503,696	1,543,726	40,030	2.7
Operating profit	78,401	86,089	7,688	9.8
Operating profit on consolidated sales (%)	5.0	5.3		

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Imaging & Solutions to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

* The compilation method has been changed from this quarter such as reorganization of Industrial Products segment. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

Three months ended December 31, 2013 and 2014

(Millions of yen)

	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%
Imaging & Solutions:				
Sales:				
Unaffiliated customers	485,590	497,319	11,729	2.4
Intersegment	-	-	-	-
Total	485,590	497,319	11,729	2.4
Operating expenses	444,686	453,216	8,530	1.9
Operating profit	40,904	44,103	3,199	7.8
Operating profit on sales in Imaging & Solutions (%)	8.4	8.9		
Industrial Products:				
Sales:				
Unaffiliated customers	28,443	30,884	2,441	8.6
Intersegment	2,880	3,629	749	26.0
Total	31,323	34,513	3,190	10.2
Operating expenses	30,068	32,142	2,074	6.9
Operating profit	1,255	2,371	1,116	88.9
Operating profit on sales in Industrial Products (%)	4.0	6.9		
Other:				
Sales:				
Unaffiliated customers	28,819	28,824	5	0.0
Intersegment	-	-	-	-
Total	28,819	28,824	5	0.0
Operating expenses	28,667	28,991	324	1.1
Operating profit (loss)	152	-167	-319	-
Operating profit (loss) on sales in Other (%)	0.5	-0.6		
Corporate and Eliminations:				
Sales:				
Intersegment	-2,880	-3,629	-749	-
Total	-2,880	-3,629	-749	-
Operating expenses:				
Intersegment	-2,880	-3,629	-749	-
Corporate	15,843	16,086	243	-
Total	12,963	12,457	-506	-
Operating loss	-15,843	-16,086	-243	-
Consolidated:				
Sales:				
Unaffiliated customers	542,852	557,027	14,175	2.6
Intersegment	-	-	-	-
Total	542,852	557,027	14,175	2.6
Operating expenses	516,384	526,806	10,422	2.0
Operating profit	26,468	30,221	3,753	14.2
Operating profit on consolidated sales (%)	4.9	5.4		

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Imaging & Solutions to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

* The compilation method has been changed from this quarter such as reorganization of Industrial Products segment. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

(b) Geographic Segment Information

Nine months ended December 31, 2013 and 2014

	(Millions of yen)			
	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%
Japan:				
Sales:				
Unaffiliated customers	660,264	634,551	-25,713	-3.9
Intersegment	333,102	365,566	32,464	9.7
Total	993,366	1,000,117	6,751	0.7
Operating expenses	948,992	952,771	3,779	0.4
Operating profit	44,374	47,346	2,972	6.7
Operating profit on sales in Japan (%)	4.5	4.7		
The Americas:				
Sales:				
Unaffiliated customers	431,536	473,218	41,682	9.7
Intersegment	6,669	5,960	-709	-10.6
Total	438,205	479,178	40,973	9.4
Operating expenses	426,943	462,813	35,870	8.4
Operating profit	11,262	16,365	5,103	45.3
Operating profit on sales in the Americas (%)	2.6	3.4		
Europe, Middle East and Africa:				
Sales:				
Unaffiliated customers	372,800	388,401	15,601	4.2
Intersegment	605	910	305	50.4
Total	373,405	389,311	15,906	4.3
Operating expenses	357,960	374,643	16,683	4.7
Operating profit	15,445	14,668	-777	-5.0
Operating profit on sales in Europe, Middle East and Africa (%)	4.1	3.8		
Other:				
Sales:				
Unaffiliated customers	117,497	133,645	16,148	13.7
Intersegment	175,740	198,573	22,833	13.0
Total	293,237	332,218	38,981	13.3
Operating expenses	280,197	313,993	33,796	12.1
Operating profit	13,040	18,225	5,185	39.8
Operating profit on sales in Other (%)	4.4	5.5		
Corporate and Eliminations:				
Sales:				
Intersegment	-516,116	-571,009	-54,893	
Total	-516,116	-571,009	-54,893	-
Operating expenses	-510,396	-560,494	-50,098	-
Operating loss	-5,720	-10,515	-4,795	-
Consolidated:				
Sales:				
Unaffiliated customers	1,582,097	1,629,815	47,718	3.0
Intersegment	-	-	-	
Total	1,582,097	1,629,815	47,718	3.0
Operating expenses	1,503,696	1,543,726	40,030	2.7
Operating profit	78,401	86,089	7,688	9.8
Operating profit on consolidated sales (%)	5.0	5.3		

Three months ended December 31, 2013 and 2014

(Millions of yen)

	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%
Japan:				
Sales:				
Unaffiliated customers	224,029	203,956	-20,073	-9.0
Intersegment	113,380	141,084	27,704	24.4
Total	337,409	345,040	7,631	2.3
Operating expenses	327,116	327,679	563	0.2
Operating profit	10,293	17,361	7,068	68.7
Operating profit on sales in Japan (%)	3.1	5.0		
The Americas:				
Sales:				
Unaffiliated customers	146,272	168,804	22,532	15.4
Intersegment	2,617	1,771	-846	-32.3
Total	148,889	170,575	21,686	14.6
Operating expenses	144,376	163,441	19,065	13.2
Operating profit	4,513	7,134	2,621	58.1
Operating profit on sales in the Americas (%)	3.0	4.2		
Europe, Middle East and Africa:				
Sales:				
Unaffiliated customers	133,828	135,822	1,994	1.5
Intersegment	207	367	160	77.3
Total	134,035	136,189	2,154	1.6
Operating expenses	126,399	131,400	5,001	4.0
Operating profit	7,636	4,789	-2,847	-37.3
Operating profit on sales in Europe, Middle East and Africa (%)	5.7	3.5		
Other:				
Sales:				
Unaffiliated customers	38,723	48,445	9,722	25.1
Intersegment	63,719	76,569	12,850	20.2
Total	102,442	125,014	22,572	22.0
Operating expenses	97,899	116,116	18,217	18.6
Operating profit	4,543	8,898	4,355	95.9
Operating profit on sales in Other (%)	4.4	7.1		
Corporate and Eliminations:				
Sales:				
Intersegment	-179,923	-219,791	-39,868	-
Total	-179,923	-219,791	-39,868	-
Operating expenses	-179,406	-211,830	-32,424	-
Operating loss	-517	-7,961	-7,444	-
Consolidated:				
Sales:				
Unaffiliated customers	542,852	557,027	14,175	2.6
Intersegment	-	-	-	-
Total	542,852	557,027	14,175	2.6
Operating expenses	516,384	526,806	10,422	2.0
Operating profit	26,468	30,221	3,753	14.2
Operating profit on consolidated sales (%)	4.9	5.4		

-APPENDIX-

1. Consolidated Sales by Product Category

Nine months ended December 31, 2013 and 2014

(Millions of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	1,075,448	1,105,726	30,278	2.8	-17,113	-1.6
Percentage of sales (%)	68.0	67.8				
Domestic	345,901	337,879	-8,022	-2.3	-8,022	-2.3
Overseas	729,547	767,847	38,300	5.2	-9,091	-1.2
Production Printing	129,345	137,909	8,564	6.6	1,104	0.9
Percentage of sales (%)	8.2	8.5				
Domestic	23,271	22,448	-823	-3.5	-823	-3.5
Overseas	106,074	115,461	9,387	8.8	1,927	1.8
Network System Solutions	204,829	208,782	3,953	1.9	350	0.2
Percentage of sales (%)	12.9	12.8				
Domestic	165,380	146,773	-18,607	-11.3	-18,607	-11.3
Overseas	39,449	62,009	22,560	57.2	18,957	48.1
Imaging & Solutions Total	1,409,622	1,452,417	42,795	3.0	-15,659	-1.1
Percentage of sales (%)	89.1	89.1				
Domestic	534,552	507,100	-27,452	-5.1	-27,452	-5.1
Overseas	875,070	945,317	70,247	8.0	11,793	1.3
The Americas	414,021	453,841	39,820	9.6	8,305	2.0
Europe, Middle East and Africa	358,437	371,239	12,802	3.6	-8,216	-2.3
Other	102,612	120,237	17,625	17.2	11,704	11.4
<Industrial Products>						
Industrial Products	82,369	87,958	5,589	6.8	2,702	3.3
Percentage of sales (%)	5.2	5.4				
Domestic	27,011	28,130	1,119	4.1	1,119	4.1
Overseas	55,358	59,828	4,470	8.1	1,583	2.9
The Americas	14,094	15,768	1,674	11.9	582	4.1
Europe, Middle East and Africa	12,261	14,737	2,476	20.2	1,788	14.6
Other	29,003	29,323	320	1.1	-787	-2.7
<Other>						
Other	90,106	89,440	-666	-0.7	-1,319	-1.5
Percentage of sales (%)	5.7	5.5				
Domestic	75,203	75,680	477	0.6	477	0.6
Overseas	14,903	13,760	-1,143	-7.7	-1,796	-12.1
The Americas	4,042	3,697	-345	-8.5	-563	-13.9
Europe, Middle East and Africa	5,991	5,452	-539	-9.0	-848	-14.2
Other	4,870	4,611	-259	-5.3	-385	-7.9
Grand Total	1,582,097	1,629,815	47,718	3.0	-14,276	-0.9
Percentage of sales (%)	100.0	100.0				
Domestic	636,766	610,910	-25,856	-4.1	-25,856	-4.1
Percentage of sales (%)	40.2	37.5				
Overseas	945,331	1,018,905	73,574	7.8	11,580	1.2
Percentage of sales (%)	59.8	62.5				
The Americas	432,157	473,306	41,149	9.5	8,324	1.9
Percentage of sales (%)	27.3	29.0				
Europe, Middle East and Africa	376,689	391,428	14,739	3.9	-7,276	-1.9
Percentage of sales (%)	23.8	24.0				
Other	136,485	154,171	17,686	13.0	10,532	7.7
Percentage of sales (%)	8.7	9.5				

*Each category includes the following product line:

Office Imaging	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software
Production Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Network System Solutions	Personal computers, servers, network equipment, related services, support and software
Industrial Products	Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head
Other	Digital cameras

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

Three months ended December 31, 2013 and 2014

(Millions of yen)

	Three months ended December 31, 2013	Three months ended December 31, 2014	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	367,595	383,723	16,128	4.4	-7,273	-2.0
Percentage of sales (%)	67.7	68.9				
Domestic	117,501	114,580	-2,921	-2.5	-2,921	-2.5
Overseas	250,094	269,143	19,049	7.6	-4,352	-1.7
Production Printing	46,402	48,995	2,593	5.6	-1,403	-3.0
Percentage of sales (%)	8.6	8.8				
Domestic	8,237	7,278	-959	-11.6	-959	-11.6
Overseas	38,165	41,717	3,552	9.3	-444	-1.2
Network System Solutions	71,593	64,601	-6,992	-9.8	-8,849	-12.4
Percentage of sales (%)	13.2	11.6				
Domestic	57,933	40,861	-17,072	-29.5	-17,072	-29.5
Overseas	13,660	23,740	10,080	73.8	8,223	60.2
Imaging & Solutions Total	485,590	497,319	11,729	2.4	-17,525	-3.6
Percentage of sales (%)	89.5	89.3				
Domestic	183,671	162,719	-20,952	-11.4	-20,952	-11.4
Overseas	301,919	334,600	32,681	10.8	3,427	1.1
The Americas	140,073	161,698	21,625	15.4	1,888	1.3
Europe, Middle East and Africa	128,353	129,727	1,374	1.1	-4,296	-3.3
Other	33,493	43,175	9,682	28.9	5,835	17.4
<Industrial Products>						
Industrial Products	28,443	30,884	2,441	8.6	950	3.3
Percentage of sales (%)	5.2	5.5				
Domestic	8,941	9,647	706	7.9	706	7.9
Overseas	19,502	21,237	1,735	8.9	244	1.3
The Americas	4,823	5,717	894	18.5	206	4.3
Europe, Middle East and Africa	4,067	5,144	1,077	26.5	897	22.1
Other	10,612	10,376	-236	-2.2	-859	-8.1
<Other>						
Other	28,819	28,824	5	0.0	-328	-1.1
Percentage of sales (%)	5.3	5.2				
Domestic	23,149	23,641	492	2.1	492	2.1
Overseas	5,670	5,183	-487	-8.6	-820	-14.5
The Americas	1,692	1,658	-34	-2.0	-183	-10.8
Europe, Middle East and Africa	2,568	2,110	-458	-17.8	-554	-21.6
Other	1,410	1,415	5	0.4	-83	-5.9
Grand Total	542,852	557,027	14,175	2.6	-16,903	-3.1
Percentage of sales (%)	100.0	100.0				
Domestic	215,761	196,007	-19,754	-9.2	-19,754	-9.2
Percentage of sales (%)	39.7	35.2				
Overseas	327,091	361,020	33,929	10.4	2,851	0.9
Percentage of sales (%)	60.3	64.8				
The Americas	146,588	169,073	22,485	15.3	1,911	1.3
Percentage of sales (%)	27.0	30.4				
Europe, Middle East and Africa	134,988	136,981	1,993	1.5	-3,953	-2.9
Percentage of sales (%)	24.9	24.6				
Other	45,515	54,966	9,451	20.8	4,893	10.8
Percentage of sales (%)	8.4	9.8				

*Each category includes the following product line:

Office Imaging	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software
Production Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Network System Solutions	Personal computers, servers, network equipment, related services, support and software
Industrial Products	Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head
Other	Digital cameras

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

2. Forecast of Consolidated Performance

(Billions of yen)

	Nine months ended Dec. 31,		Three months ending March 31,		Year ending March 31, 2015	
	2014 Results	Change %	2015 Forecast	Change %	Forecast	Change %
Sales	1,629.8	3.0	630.1	2.7	2,260.0	2.9
Gross profit	679.1	6.0	256.8	10.5	936.0	7.2
Operating profit	86.0	9.8	53.9	28.5	140.0	16.3
Profit before income tax expenses	84.8	11.8	50.1	18.9	135.0	14.3
Profit attributable to owners of the parent	52.3	20.6	27.6	-6.0	80.0	9.9
Earnings per share attributable to owners of the parent-basic (yen)	72.22	-	38.13	-	110.35	-
Earnings per share attributable to owners of the parent- diluted (yen)	-	-	-	-	-	-
Capital expenditures	54.9		23.1		78.0	
Depreciation	53.3		18.7		72.0	
R&D expenditures	86.8		34.2		121.0	
Exchange rate (Yen/US\$)	106.84		100.00		105.13	
Exchange rate (Yen/EURO)	140.26		140.00		140.19	

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2014	Three months ending March 31, 2015		Year ending March 31, 2015			
	Results	Forecast	Forecast (Note)	Forecast	Change %	Forecast (Note)	Change %
<Imaging & Solutions>							
Office Imaging	1,476.7	410.1	415.5	1,515.8	2.6	1,473.8	-0.2
Domestic	484.7	142.6	142.6	480.5	-0.9	480.5	-0.9
Overseas	992.0	267.5	272.9	1,035.3	4.4	993.3	0.1
Production Printing	180.0	57.0	58.0	194.9	8.2	188.4	4.7
Domestic	32.2	11.1	11.1	33.5	4.2	33.5	4.2
Overseas	147.8	45.9	46.8	161.3	9.1	154.9	4.8
Network System Solutions	308.0	97.7	98.2	306.5	-0.5	303.4	-1.5
Domestic	250.1	70.2	70.2	217.0	-13.3	217.0	-13.3
Overseas	57.8	27.5	28.0	89.5	54.8	86.4	49.5
Imaging & Solutions Total	1,964.8	564.9	571.8	2,017.3	2.7	1,965.8	0.0
Domestic	767.1	224.0	224.0	731.1	-4.7	731.1	-4.7
Overseas	1,197.7	340.9	347.8	1,286.2	7.4	1,234.6	3.1
The Americas	565.0	143.8	148.1	597.6	5.8	570.4	1.0
Europe, Middle East and Africa	494.4	146.8	147.9	518.0	4.8	498.1	0.7
Other	138.2	50.3	51.7	170.5	23.3	166.0	20.1
<Industrial Products>							
Industrial Products	110.0	31.9	32.3	119.9	9.0	117.3	6.7
Domestic	36.0	10.8	10.8	38.9	8.3	38.9	8.3
Overseas	73.9	21.1	21.4	80.9	9.4	78.4	6.0
The Americas	19.1	5.4	5.5	21.1	10.6	20.2	5.6
Europe, Middle East and Africa	16.9	5.7	5.7	20.4	20.7	19.7	16.7
Other	37.9	10.0	10.2	39.3	3.7	38.4	1.4
<Other>							
Other	120.8	33.3	33.3	122.7	1.6	122.1	1.1
Domestic	102.0	29.2	29.2	104.9	2.8	104.9	2.8
Overseas	18.7	4.1	4.1	17.8	-4.7	17.2	-8.2
The Americas	4.9	1.3	1.3	4.9	0.3	4.7	-4.1
Europe, Middle East and Africa	7.7	1.6	1.6	7.0	-8.5	6.7	-12.5
Other	6.0	1.2	1.2	5.8	-4.0	5.6	-6.1
Grand Total	2,195.6	630.1	637.4	2,260.0	2.9	2,205.3	0.4
Domestic	905.1	264.0	264.0	875.0	-3.3	875.0	-3.3
Overseas	1,290.5	366.1	373.3	1,385.0	7.3	1,330.3	3.1
The Americas	589.1	150.5	155.0	623.8	5.9	595.4	1.1
Europe, Middle East and Africa	519.1	154.1	155.2	545.5	5.1	524.6	1.1
Other	182.2	61.5	63.1	215.6	18.3	210.1	15.3

(Note) Excluding foreign exchange impact

* The compilation method has been changed from this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.