

## QUARTERLY REPORT

First Quarter ended June 30, 2017

(Results for the Period from April 1, 2017 to June 30, 2017)

### Performance Outline (Consolidated)

	Three months ended June 30, 2016 Results	Three months ended June 30, 2017 Results	Change	(Billions of yen)	
				Year ending March 31, 2018 Forecast	Change
Domestic sales	179.1	186.7	4.3%	787.0	2.5%
Overseas sales	308.6	305.8	-0.9%	1,213.0	-3.8%
Sales	487.7	492.5	1.0%	2,000.0	-1.4%
Gross profit	198.8	199.9	0.6%	750.0	-4.9%
Operating profit	10.8	18.9	74.1%	18.0	-46.9%
Profit before income tax expenses	10.3	16.8	61.7%	13.0	-56.6%
Profit attributable to owners of the parent	4.7	10.7	126.3%	3.0	-14.0%
Exchange rate (Yen/US\$)	108.08	111.16	3.08	106.54	-1.85
Exchange rate (Yen/EURO)	121.97	122.11	0.14	116.78	-2.04
Earnings per share attributable to owners of the parent-basic (yen).	6.58	14.89	8.31	4.14	-0.67
Earnings per share attributable to owners of the parent-diluted (yen).	-	-	-	-	-
Cash flows from operating activities	27.6	5.0	-22.6	-	-
Cash flows from investing activities	-25.9	1.7	27.7	-	-
Cash flows from financing activities	28.8	5.4	-23.3	-	-
Cash and cash equivalents at end of period	186.9	140.1	-46.7	-	-
Capital expenditures	16.0	13.5	-2.4	76.0	0.5
Depreciation	16.3	16.9	0.6	66.0	-2.0
R&D expenditures	26.8	25.5	-1.3	117.0	2.6
	March 31, 2017	June 30, 2017	Change		
Total assets	2,759.2	2,780.8	21.5		
Equity attributable to owners of the parent	1,042.1	1,058.4	16.3		
Interest-bearing debt	859.7	877.0	17.3		
Equity attributable to owners of the parent ratio (%)	37.8	38.1	0.3		
Equity per share attributable to owners of the parent (yen)	1,437.62	1,460.15	22.53		

### Ricoh Company, Ltd.

\* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at to date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. For the assumptions for forecast and other related information, please refer to "3. Qualitative Information on Forecasted Consolidated Financial Results" on page 5.

# Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the First Quarter Ended June 30, 2017

[Prepared on the basis of International Financial Reporting Standards]

## 1. Results for the Period from April 1, 2017 to June 30, 2017

### (1) Operating Results

	(Millions of yen)	
	Three months ended June 30, 2016	Three months ended June 30, 2017
Sales	487,706	492,540
(% change from the previous corresponding period)	-9.5	1.0
Operating profit	10,870	18,930
(% change from the previous corresponding period)	-47.4	74.1
Profit before income tax expenses	10,397	16,814
(% change from the previous corresponding period)	-46.6	61.7
Profit for the period	6,387	12,218
(% change from the previous corresponding period)	-55.5	91.3
Profit attributable to owners of the parent	4,771	10,796
(% change from the previous corresponding period)	-63.3	126.3
Comprehensive income	-64,885	26,822
(% change from the previous corresponding period)	-	-
Earnings per share attributable to owners of the parent-basic (yen)	6.58	14.89
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, 2017	June 30, 2017
Total assets	2,759,287	2,780,837
Total equity	1,116,877	1,134,197
Equity attributable to owners of the parent	1,042,106	1,058,435
Equity attributable to owners of the parent ratio (%)	37.8	38.1

## 2. Dividend Information

	Year ended March 31, 2017 (Actual)	Year ending March 31, 2018 (Forecast)
Cash dividends, applicable to the year (yen)	35.00	15.00
Interim (yen)	22.50	7.50
Year-end (yen)	12.50	7.50

Notes: Revision of expected dividends during this period: No

Notes: Cash dividends for the year ended March 31, 2017 (Actual) are included ordinary dividends of ¥25.00 and 80 th anniversary dividends of ¥10.00.

## 3. Forecast of Operating Results from April 1, 2017 to March 31, 2018

	(Millions of yen)
	Year ending March 31, 2018
Sales	2,000,000
(% change from the previous corresponding period)	-1.4
Operating profit	18,000
(% change from the previous corresponding period)	-46.9
Profit before income tax expenses	13,000
(% change from the previous corresponding period)	-56.6
Profit attributable to owners of the parent	3,000
(% change from the previous corresponding period)	-14.0
Earnings per share attributable to owners of the parent-basic (yen)	4.14

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, please refer to "4. Condensed Consolidated Financial Statements (7) Changes in accounting policies" on page 11.
- (3) Number of common stock outstanding (including treasury stock):  
As of June 30, 2017 : 744,912,078 shares ; As of March 31, 2017 : 744,912,078 shares
- (4) Number of treasury stock:  
As of June 30, 2017 : 20,032,123 shares ; As of March 31, 2017 : 20,030,468 shares
- (5) Average number of common stock:  
Three months ended June 30, 2017 : 724,880,835 shares ; Three months ended June 30, 2016 : 724,888,116 shares

## Qualitative Information on Consolidated Financial Results for the Quarter under Review

### 1. Qualitative Information on Consolidated Business Results

#### \* Overview of the First Quarter of Fiscal 2017 (April 1 – June 30, 2017)

Ricoh's sales for the first quarter increased by 1.0% as compared to the previous corresponding period, to ¥492.5 billion. Sales in all segments excluding the Office Printing segment increased.

During this period, the average exchange rates of Japanese yen against U.S. dollar and Euro were ¥111.16 (down ¥3.08 from previous year) and ¥122.11 (down ¥0.14 from previous year) respectively. Sales remained flat as compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuation.

The Japanese economy continued to show some signs of a gradual recovery. Under such market conditions, sales in all segments excluding the Office Printing segment increased. As a result, the sales in the domestic market increased by 4.3% as compared to the previous corresponding period.

As for the overseas market, though the U.S. economy continued to show a gradual recovery, the European economy remains uncertain with the Brexit. China and other developing countries in Asia are showing gradual recovery. Under such market conditions, the Commercial Printing segment mainly increased but the sales in the Office Printing segment and the Other segment decreased. As for overseas sales by region, sales in the Americas increased by 0.4% (a decrease of 2.4% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa decreased by 4.8% (a decrease of 4.9% excluding foreign currency exchange fluctuation) and sales in Other region, which includes China, South East Asia and Oceania, increased by 4.9% (a increase of 3.1% excluding foreign currency exchange fluctuation).

As a result, sales in the overseas market decreased by 0.9% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have decreased by 2.5% as compared to the previous corresponding period.

Gross profit increased by 0.6% as compared to the previous corresponding period, to ¥199.9 billion, mainly due to the increase in sales.

Selling, general and administrative expenses decreased by 0.2% as compared to the previous corresponding period, to ¥188.2 billion. Though there was an increase of cost relating structural reforms for future business growth, the effects of continuous group-wide activities to reduce costs have contributed in controlling these expenses.

Other income increased as compared to the previous corresponding period due to gain sales of contracts by transferring customers who are provided direct sales and service from Ricoh group to each region's distributors in the Americas as a part of optimization of direct and indirect sales channel.

As a result, operating profit increased by 74.1% as compared to the previous corresponding period, to ¥18.9 billion.

As for finance income and costs, foreign exchange loss increased as compared to the previous corresponding period.

Profit before income tax expenses increased by 61.7% as compared to the previous corresponding period, to ¥16.8 billion.

As a result, profit attributable to owners of the parent increased by 126.3% as compared to the previous corresponding period, to ¥10.7 billion.

Comprehensive income increased significantly as compared to the previous corresponding period, to ¥26.8 billion due to the increase in cumulative translation adjustments and profit. (Comprehensive income (loss) of the previous corresponding period is ¥64.8 billion (loss).)

## **\* Review by Business Segment**

### Office Printing

Sales in the Office Printing segment decreased by 2.8% to ¥284.6 billion as compared to the previous corresponding period. Due to adjustment of price which focus on profitability, the amount of MFP sales decreased in domestic and overseas market, but the operating expense decreased by the improvement of profitability and effect of structural reform. As a result, operating profit in the Office Printing segment increased by 10.9% as compared to the previous corresponding period, to ¥31.3 billion.

### Office Service

Sales in the Office Service segment increased by 5.9% to ¥98.4 billion as compared to the previous corresponding period. IT products increased in domestic market. As a result, operating loss in the Office Service segment decreased by ¥0.1 billion as compared to the previous corresponding period to ¥0.4 billion of loss. (Operating profit (loss) of the previous corresponding period is ¥0.6 billion (loss).)

### Commercial Printing

Sales in the Commercial Printing segment increased by 6.9% to ¥45.6 billion as compared to the previous corresponding period, due to the increase in sales of color cut sheet printers and related parts & supplies in both domestic and overseas. As a result, operating profit in the Commercial Printing segment increased by 280.9% as compared to the previous corresponding period, to ¥7.1 billion.

### Industrial Printing

Sales in the Industrial Printing segment increased by 78.4% to ¥4.3 billion as compared to the previous corresponding period. Sales of Inkjet heads were good in shape and as a result, operating loss in the Industrial Printing segment decreased by ¥0.5 billion as compared to the previous corresponding period, to ¥0.1 billion of loss. (Operating profit (loss) of the previous corresponding period is ¥0.6 billion (loss).)

### Thermal Media

Sales in the Thermal Media segment increased by 5.0% to ¥14.5 billion as compared to the previous corresponding period. Sales in both domestic and overseas were good in shape. As a result, operating profit in the Thermal Media segment increased by 9.1% as compared to the previous corresponding period, to ¥1.7 billion.

### Other

Sales in the Other segment increased by 5.0% to ¥44.9 billion as compared to the previous corresponding period. Though income and profit in optical equipment business mainly increased, it was offset by the decrease in income and profit in the camera business due to the decrease in amounts of sales of digital cameras. As a result, operating profit in the Other segment decreased by ¥2.5 billion as compared to the previous corresponding period to ¥20.0 million of loss.

\*Ricoh redefined business region from April 1, 2017 which 19th Mid-term Management Plan starts. Based on this redefinition, Ricoh has changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Please refer to "(8) Segment Information" on page 12 for the details of the change.

## **2. Analysis of Consolidated Financial Position**

### **\*Assets, Liabilities and Equity**

Total assets increased by ¥21.5 billion as compared to the previous corresponding period, to ¥2,780.8 billion, mainly due to the increase in "Cash and cash equivalents" and "Other financial assets".

Total liabilities increased by ¥4.2 billion as compared to the previous corresponding period, to ¥1,646.6 billion, mainly due to the increase in "Bonds and borrowings".

Total Equity increased by ¥17.3 billion as compared to the previous corresponding period, to ¥1,134.1 billion, mainly due to the increase in "Other components of equity".

### **\*Cash Flows (Three months from April 1, 2017 to June 30, 2017)**

Net cash provided by operating activities decreased by ¥22.6 billion as compared to the previous corresponding period, to ¥5.0 billion, mainly due to the increase in income taxes paid.

Net cash provided by investing activities increased by ¥27.7 billion as compared to the previous corresponding period, to ¥1.7 billion, mainly due to the decrease in time deposits. (Net cash used in investing activities of the previous corresponding period is ¥25.9 billion.)

Net cash provided by financing activities decreased by ¥23.3 billion as compared to the previous corresponding period, to ¥5.4 billion, mainly due to repayments of bonds.

As a result, the balance of cash and cash equivalent at the end of period increased by ¥13.7 billion as compared to the end of previous year, to ¥140.1 billion.

### 3. Qualitative Information on Forecasted Consolidated Financial Results

Based upon the business results in the first quarter and the changes in the business environment, Ricoh revised its forecast of domestic and overseas sales from those previously announced in April.

Ricoh will maintain the assumed exchange rates set forth in April of ¥105.00 against the U.S. dollar and of ¥115.00 against the euro in and after the second quarter, and has incorporated the actual exchange rates during the first quarter in the annual exchange rates assumption.

Our performance forecast for fiscal year ending March 31, 2018 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2018

US\$ 1 = ¥106.54 (¥108.39 in previous fiscal year)

EURO 1 = ¥116.78 (¥118.82 in previous fiscal year)

	(Billions of yen)				
	Year ending March 31, 2018 (Previous forecast)	Year ending March 31, 2018 (Revised forecast)	Change (B-A)	Year ended March 31, 2017 (Actual)	Change (B-C)/C
	(A)	(B)		(C)	
Domestic sales	770.0	787.0	17.0	767.5	2.5%
Overseas sales	1,230.0	1,213.0	-17.0	1,261.3	-3.8%
Sales	2,000.0	2,000.0	-	2,028.8	-1.4%
Gross profit	750.0	750.0	-	788.6	-4.9%
Operating profit	18.0	18.0	-	33.8	-46.9%
Profit before income tax expenses	13.0	13.0	-	29.9	-56.6%
Profit attributable to owners of the parent	3.0	3.0	-	3.4	-14.0%

\* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at to date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas where Ricoh conducts business, including Japan, the Americas, Europe, Middle East, Africa, China and Asia, market environment, and currency exchange rates.

## 4. Condensed Consolidated Financial Statements

### (1) Condensed Consolidated Statement of Financial Position

#### Assets

	(Millions of yen)		
	March 31, 2017	June 30, 2017	Change
<b>Current Assets</b>			
Cash and cash equivalents	126,429	140,182	13,753
Time deposits	8,662	642	-8,020
Trade and other receivables	566,315	562,278	-4,037
Other financial assets	276,575	281,311	4,736
Inventories	202,551	213,601	11,050
Other current assets	58,682	65,015	6,333
<b>Total Current Assets</b>	<b>1,239,214</b>	<b>1,263,029</b>	<b>23,815</b>
<b>Non-current assets</b>			
Property, plant and equipment	271,257	264,442	-6,815
Goodwill and intangible assets	388,177	389,076	899
Other financial assets	655,600	665,812	10,212
Investments accounted for using the equity method	563	587	24
Other investments	81,579	76,896	-4,683
Other non-current assets	39,210	40,146	936
Deferred tax assets	83,687	80,849	-2,838
<b>Total Non-current Assets</b>	<b>1,520,073</b>	<b>1,517,808</b>	<b>-2,265</b>
<b>Total Assets</b>	<b>2,759,287</b>	<b>2,780,837</b>	<b>21,550</b>

#### Liabilities and Equity

	(Millions of yen)		
	March 31, 2017	June 30, 2017	Change
<b>Current Liabilities</b>			
Bonds and borrowings	229,944	223,723	-6,221
Trade and other payables	295,788	278,223	-17,565
Other financial liabilities	2,227	1,718	-509
Income tax payables	15,149	21,287	6,138
Other current liabilities	263,816	253,164	-10,652
<b>Total Current Liabilities</b>	<b>806,924</b>	<b>778,115</b>	<b>-28,809</b>
<b>Non-current Liabilities</b>			
Bonds and borrowings	629,799	653,328	23,529
Other financial liabilities	2,178	2,850	672
Accrued pension and retirement benefits	120,725	121,176	451
Other non-current liabilities	72,670	84,611	11,941
Deferred tax liabilities	10,114	6,560	-3,554
<b>Total Non-current Liabilities</b>	<b>835,486</b>	<b>868,525</b>	<b>33,039</b>
<b>Total Liabilities</b>	<b>1,642,410</b>	<b>1,646,640</b>	<b>4,230</b>
<b>Equity</b>			
Common stock	135,364	135,364	-
Additional paid-in capital	186,423	186,423	-
Treasury stock	-37,318	-37,319	-1
Other components of equity	100,194	114,789	14,595
Retained earnings	657,443	659,178	1,735
Equity attributable to owners of the parent	1,042,106	1,058,435	16,329
Non-controlling interests	74,771	75,762	991
<b>Total Equity</b>	<b>1,116,877</b>	<b>1,134,197</b>	<b>17,320</b>
<b>Total Liabilities and Equity</b>	<b>2,759,287</b>	<b>2,780,837</b>	<b>21,550</b>

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

## Condensed Consolidated Statement of Profit or Loss

	(Millions of yen)			
	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%
Sales	487,706	492,540	4,834	1.0
Cost of sales	288,868	292,544	3,676	1.3
Percentage of sales (%)	59.2	59.4		
Gross profit	198,838	199,996	1,158	0.6
Percentage of sales (%)	40.8	40.6		
Selling, general and administrative expenses	188,671	188,202	-469	-0.2
Percentage of sales (%)	38.7	38.2		
Other Income	703	7,136	6,433	915.1
Percentage of sales (%)	0.1	1.4		
Operating profit	10,870	18,930	8,060	74.1
Percentage of sales (%)	2.2	3.8		
Finance income	1,805	802	-1,003	-55.6
Percentage of sales (%)	0.4	0.2		
Finance costs	2,281	2,942	661	29.0
Percentage of sales (%)	0.5	0.6		
Share of profit (loss) of investments accounted for using the equity method	3	24	21	700.0
Percentage of sales (%)	0.0	0.0		
Profit before income tax expenses	10,397	16,814	6,417	61.7
Percentage of sales (%)	2.1	3.4		
Income tax expenses	4,010	4,596	586	14.6
Percentage of sales (%)	0.8	0.9		
Profit for the period	6,387	12,218	5,831	91.3
Percentage of sales (%)	1.3	2.5		
Profit attributable to:				
Owners of the parent	4,771	10,796	6,025	126.3
Percentage of sales (%)	1.0	2.2		
Non-controlling interests	1,616	1,422	-194	-12.0
Percentage of sales (%)	0.3	0.3		

	Three months ended June 30, 2016	Three months ended June 30, 2017	Change
Earnings per share attributable to owners of the parent-basic (yen)	6.58	14.89	8.31
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

\* Gain on sales of intangible assets and others are included in "other income".

## Condensed Consolidated Statement of Comprehensive Income

	(Millions of yen)		
	Three months ended June 30, 2016	Three months ended June 30, 2017	Change
Profit for the period	6,387	12,218	5,831
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-	-	-
Total components that will not be reclassified subsequently to profit or loss	-	-	-
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	4	-3,242	-3,246
Net gain (loss) on fair value of cash flow hedges	-1,123	53	1,176
Exchange differences on translation of foreign operations	-70,153	17,793	87,946
Total components that will be reclassified subsequently to profit or loss	-71,272	14,604	85,876
Total other comprehensive income (loss)	-71,272	14,604	85,876
Comprehensive income (loss)	-64,885	26,822	91,707
Comprehensive income (loss) attributable to:			
Owners of the parent	-65,873	25,391	91,264
Non-controlling interests	988	1,431	443

Consolidated Sales by Product Category

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%
<Office Printing>	292,961	284,632	-8,329	-2.8
Percentage of sales (%)	60.1	57.8		
<Office Service>	92,938	98,445	5,507	5.9
Percentage of sales (%)	19.0	20.0		
<Commercial Printing>	42,765	45,698	2,933	6.9
Percentage of sales (%)	8.8	9.3		
<Industrial Printing>	2,424	4,325	1,901	78.4
Percentage of sales (%)	0.5	0.9		
<Thermal Media>	13,818	14,513	695	5.0
Percentage of sales (%)	2.8	2.9		
<Other>	42,800	44,927	2,127	5.0
Percentage of sales (%)	8.8	9.1		
Grand Total	487,706	492,540	4,834	1.0
Percentage of sales (%)	100.0	100.0		

\* Each category includes the following product line:

Office Printing	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, wide format, facsimile, scanners, related parts & supplies, services, support and software
Office Service	Personal computers, servers, network equipment, related services, support, software and service & solutions related to document
Commercial Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Industrial printing	Inkjet head, imaging systems and industrial printers
Thermal Media	Thermal media
Other	Optical equipment, electronic components, semiconductor devices, digital cameras, industrial cameras, 3D printing, environment and healthcare

\* Ricoh redefined business region from April 1, 2017 which 19<sup>th</sup> Mid-term Management Plan starts. Based on this redefinition, Ricoh has changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Please refer to "(8) Segment Information" on page 12 for the details of the change.

Consolidated Sales by Geographic Area

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%
<Domestic>	179,101	186,714	7,613	4.3
Percentage of sales (%)	36.7	37.9		
<Overseas>	308,605	305,826	-2,779	-0.9
Percentage of sales (%)	63.3	62.1		
The Americas	145,609	146,162	553	0.4
Percentage of sales (%)	29.9	29.7		
Europe, Middle East and Africa	116,538	110,917	-5,621	-4.8
Percentage of sales (%)	23.9	22.5		
Other	46,458	48,747	2,289	4.9
Percentage of sales (%)	9.5	9.9		
Grand Total	487,706	492,540	4,834	1.0
Percentage of sales (%)	100.0	100.0		

## (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, 2016	135,364	186,423	-37,312	-	23,617	-267
Profit for the period						
Other comprehensive income (loss)					42	-599
Comprehensive income	-	-	-	-	42	-599
Net change in treasury stock			-1			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Total transactions with owners	-	-	-1	-	-	-
Balance as of June 30, 2016	135,364	186,423	-37,313	-	23,659	-866

	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, 2016	91,564	114,914	678,424	1,077,813	69,951	1,147,764
Profit for the period						
Other comprehensive income (loss)	-70,087	-70,644	4,771	4,771	1,616	6,387
Comprehensive income	-70,087	-70,644	4,771	-65,873	988	-64,885
Net change in treasury stock				-1		-1
Dividends declared and approved to owners			-12,686	-12,686	-403	-13,089
Transfer from other components of equity to retained earnings				-		-
Total transactions with owners	-	-	-12,686	-12,687	-403	-13,090
Balance as of June 30, 2016	21,477	44,270	670,509	999,253	70,536	1,069,789

(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, 2017	135,364	186,423	-37,318	-	34,330	73
Profit for the period						
Other comprehensive income (loss)					-3,234	10
Comprehensive income	-	-	-	-	-3,234	10
Net change in treasury stock			-1			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Total transactions with owners	-	-	-1	-	-	-
Balance as of June 30, 2017	135,364	186,423	-37,319	-	31,096	83

	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, 2017	65,791	100,194	657,443	1,042,106	74,771	1,116,877
Profit for the period			10,796	10,796	1,422	12,218
Other comprehensive income (loss)	17,819	14,595		14,595	9	14,604
Comprehensive income	17,819	14,595	10,796	25,391	1,431	26,822
Net change in treasury stock				-1		-1
Dividends declared and approved to owners			-9,061	-9,061	-440	-9,501
Transfer from other components of equity to retained earnings				-		-
Total transactions with owners	-	-	-9,061	-9,062	-440	-9,502
Balance as of June 30, 2017	83,610	114,789	659,178	1,058,435	75,762	1,134,197

## (4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
<b>I. Cash Flows from Operating Activities:</b>		
Profit for the period	6,387	12,218
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	25,846	26,633
Other Income	-703	-7,136
Share of profit (loss) of investments accounted for using the equity method	-3	-24
Finance income and costs	476	2,140
Income tax expenses	4,010	4,596
Decrease in trade and other receivables	26,628	15,708
Increase in inventories	-11,696	-8,620
Increase in lease receivables	-4,682	-6,463
Decrease in trade and other payables	-13,099	-19,333
Decrease in accrued pension and retirement benefits	-2,825	-1,364
Other, net	6,470	15,827
Interest and dividends received	1,032	791
Interest paid	-1,728	-1,647
Income taxes paid	-8,451	-28,313
<b>Net cash provided by operating activities</b>	<b>27,662</b>	<b>5,013</b>
<b>II. Cash Flows from Investing Activities:</b>		
Proceeds from sales of property, plant and equipment	1,036	12,158
Expenditures for property, plant and equipment	-16,056	-13,579
Proceeds from sales of intangible assets	-	1,876
Expenditures for intangible assets	-5,279	-7,172
Payments for purchases of available-for-sale securities	-100	-231
Proceeds from sales of available-for-sale securities	436	32
Decrease (increase) in time deposits	-3,588	7,966
Purchases of business, net of cash acquired	-287	-
Other, net	-2,108	711
<b>Net cash provided by (used in) investing activities</b>	<b>-25,946</b>	<b>1,761</b>
<b>III. Cash Flows from Financing Activities:</b>		
Net proceeds of short-term debt	19,819	28,659
Proceeds from long-term debt	48,707	23,972
Repayments of long-term debt	-26,600	-17,674
Repayments of bonds	-	-20,000
Dividends paid	-12,686	-9,061
Payments for purchase of treasury stock	-1	-1
Other, net	-403	-440
<b>Net cash provided by financing activities</b>	<b>28,836</b>	<b>5,455</b>
<b>IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>-11,142</b>	<b>1,524</b>
<b>V. Net Increase in Cash and Cash Equivalents</b>	<b>19,410</b>	<b>13,753</b>
<b>VI. Cash and Cash Equivalents at Beginning of Year</b>	<b>167,547</b>	<b>126,429</b>
<b>VII. Cash and Cash Equivalents at End of Period</b>	<b>186,957</b>	<b>140,182</b>

## (5) Notes on premise going concern

Not applicable

## (6) Changes in significant subsidiaries

Not applicable

## (7) Changes in accounting policies

Significant accounting policies which apply in Condensed Consolidated Statement of Financial Position are same as previous fiscal year excepting the table below. There is no material impact on Ricoh's condensed consolidated financial statements.

IFRSs	Title	Summaries of new IFRSs/amendments
IAS 7	Statement of Cash Flow	Requirement for disclosure of changes in liabilities arising from financing activities

## (8) Segment Information

## Operating Segment Information

	(Millions of yen)			
	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%
<b>Office Printing:</b>				
Sales:				
Unaffiliated customers	292,961	284,632	-8,329	-2.8
Intersegment	-	-	-	
Total	292,961	284,632	-8,329	-2.8
Operating expenses	264,636	253,233	-11,403	-4.3
Operating profit	28,325	31,399	3,074	10.9
Operating profit on sales in Office Printing (%)	9.7	11.0		
<b>Office Service:</b>				
Sales:				
Unaffiliated customers	92,938	98,445	5,507	5.9
Intersegment	-	-	-	
Total	92,938	98,445	5,507	5.9
Operating expenses	93,564	98,873	5,309	5.7
Operating loss	-626	-428	198	-
Operating loss on sales in Office Service (%)	-0.7	-0.4		
<b>Commercial Printing:</b>				
Sales:				
Unaffiliated customers	42,765	45,698	2,933	6.9
Intersegment	-	-	-	
Total	42,765	45,698	2,933	6.9
Operating expenses	40,884	38,533	-2,351	-5.8
Operating profit	1,881	7,165	5,284	280.9
Operating profit on sales in Commercial Printing (%)	4.4	15.7		
<b>Industrial Printing:</b>				
Sales:				
Unaffiliated customers	2,424	4,325	1,901	78.4
Intersegment	-	-	-	
Total	2,424	4,325	1,901	78.4
Operating expenses	3,076	4,448	1,372	44.6
Operating loss	-652	-123	529	-
Operating loss on sales in Industrial Printing (%)	-26.9	-2.8		
<b>Thermal Media:</b>				
Sales:				
Unaffiliated customers	13,818	14,513	695	5.0
Intersegment	-	-	-	
Total	13,818	14,513	695	5.0
Operating expenses	12,213	12,762	549	4.5
Operating profit	1,605	1,751	146	9.1
Operating profit on sales in Thermal Media (%)	11.6	12.1		
<b>Other:</b>				
Sales:				
Unaffiliated customers	42,800	44,927	2,127	5.0
Intersegment	17,927	16,658	-1,269	-7.1
Total	60,727	61,585	858	1.4
Operating expenses	58,216	61,605	3,389	5.8
Operating profit (loss)	2,511	-20	-2,531	-
Operating profit (loss) on sales in Other (%)	4.1	-0.0		
<b>Corporate and Eliminations:</b>				
Sales:				
Intersegment	-17,927	-16,658	1,269	
Total	-17,927	-16,658	1,269	-
Operating expenses:				
Intersegment	-17,927	-16,658	1,269	
Corporate	22,174	20,814	-1,360	
Total	4,247	4,156	-91	-
Operating loss	-22,174	-20,814	1,360	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	487,706	492,540	4,834	1.0
Intersegment	-	-	-	
Total	487,706	492,540	4,834	1.0
Operating expenses	476,836	473,610	-3,226	-0.7
Operating profit	10,870	18,930	8,060	74.1
Operating profit on consolidated sales (%)	2.2	3.8		

(Supplemental information)

Finance business included in the above is as follows:

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%
Sales	34,327	34,705	378	1.1
Operating expenses	26,318	27,379	1,061	4.0
Operating profit	8,009	7,326	-683	-8.5
Operating profit on sales in Finance Business (%)	23.3	21.1		

\* Ricoh redefined business region from April 1, 2017 which 19th Mid-term Management Plan starts. Based on this redefinition, Ricoh has changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Intersegment transactions increased due to subdivision of segment information. This is mainly for Office Printing.

The content of changes in Operating Segment Information is as follows;

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

New Segment	Products & Services
Office Printing	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, wide format, facsimile, scanners, related parts & supplies, services, support and software
Office Service	Personal computers, servers, network equipment, related services, support, software and service & solutions related to document
Commercial Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Industrial Printing	Inkjet head, imaging systems and industrial printers
Thermal Media	Thermal media
Other	Optical equipment, electronic components, semiconductor devices, digital cameras, industrial cameras, 3D printing, environment and healthcare

#### Abolition of Geographic Segment Information

Although Ricoh used to disclose Geographic Segment Information as well as Operating Segment Information, its low usability has been pointed out because the profit of geographic segment had been changed by particular reason. In addition, it was similar to geographic information which disclose sales based on the location of customers separately. As a result, Ricoh abolished this information from this first quarter in order to avoid such information confused and make disclosure information in brief and clear. Please refer to “(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income - Consolidated Sales by Geographic Area” on page 8 for geographic information based on the location of customers.

-APPENDIX- (Three months ended June 30, 2017)

1. Consolidated Sales by Product Category

	(Millions of yen)					
	Three months ended June 30, 2016	Three months ended June 30, 2017	Change	%	Change excluding exchange impact	%
<Office Printing>						
Office Printing	292,961	284,632	-8,329	-2.8	-11,540	-3.9
Percentage of sales (%)	60.1	57.8				
Domestic	91,282	89,706	-1,576	-1.7	-1,576	-1.7
Overseas	201,679	194,926	-6,753	-3.3	-9,964	-4.9
The Americas	92,265	90,650	-1,615	-1.8	-4,129	-4.5
Europe, Middle East and Africa	80,703	74,900	-5,803	-7.2	-5,887	-7.3
Other	28,711	29,376	665	2.3	52	0.2
<Office Service>						
Office Service	92,938	98,445	5,507	5.9	4,592	4.9
Percentage of sales (%)	19.0	20.0				
Domestic	46,775	51,584	4,809	10.3	4,809	10.3
Overseas	46,163	46,861	698	1.5	-217	-0.5
The Americas	23,991	24,746	755	3.1	68	0.3
Europe, Middle East and Africa	17,394	17,182	-212	-1.2	-230	-1.3
Other	4,778	4,933	155	3.2	-55	-1.2
<Commercial Printing>						
Commercial Printing	42,765	45,698	2,933	6.9	2,192	5.1
Percentage of sales (%)	8.8	9.3				
Domestic	5,526	6,267	741	13.4	741	13.4
Overseas	37,239	39,431	2,192	5.9	1,451	3.9
The Americas	22,884	24,397	1,513	6.6	843	3.7
Europe, Middle East and Africa	11,758	12,228	470	4.0	457	3.9
Other	2,597	2,806	209	8.0	151	5.8
<Industrial Printing>						
Industrial Printing	2,424	4,325	1,901	78.4	1,862	76.8
Percentage of sales (%)	0.5	0.9				
Domestic	622	771	149	24.0	149	24.0
Overseas	1,802	3,554	1,752	97.2	1,713	95.1
The Americas	751	1,044	293	39.0	254	33.8
Europe, Middle East and Africa	451	818	367	81.4	367	81.4
Other	600	1,692	1,092	182.0	1,092	182.0
<Thermal Media>						
Thermal Media	13,818	14,513	695	5.0	607	4.4
Percentage of sales (%)	2.8	2.9				
Domestic	3,017	3,147	130	4.3	130	4.3
Overseas	10,801	11,366	565	5.2	477	4.4
The Americas	3,859	4,515	656	17.0	531	13.8
Europe, Middle East and Africa	3,639	3,919	280	7.7	276	7.6
Other	3,303	2,932	-371	-11.2	-330	-10.0
<Other>						
Other	42,800	44,927	2,127	5.0	2,095	4.9
Percentage of sales (%)	8.8	9.1				
Domestic	31,879	35,239	3,360	10.5	3,360	10.5
Overseas	10,921	9,688	-1,233	-11.3	-1,265	-11.6
The Americas	1,859	810	-1,049	-56.4	-1,064	-57.2
Europe, Middle East and Africa	2,593	1,870	-723	-27.9	-724	-27.9
Other	6,469	7,008	539	8.3	523	8.1
Grand Total	487,706	492,540	4,834	1.0	-192	-0.0
Percentage of sales (%)	100.0	100.0				
Domestic	179,101	186,714	7,613	4.3	7,613	4.3
Percentage of sales (%)	36.7	37.9				
Overseas	308,605	305,826	-2,779	-0.9	-7,805	-2.5
Percentage of sales (%)	63.3	62.1				
The Americas	145,609	146,162	553	0.4	-3,497	-2.4
Percentage of sales (%)	29.9	29.7				
Europe, Middle East and Africa	116,538	110,917	-5,621	-4.8	-5,741	-4.9
Percentage of sales (%)	23.9	22.5				
Other	46,458	48,747	2,289	4.9	1,433	3.1
Percentage of sales (%)	9.5	9.9				

\* Each category includes the following product line:

Office Printing	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, wide format, facsimile, scanners, related parts & supplies, services, support and software
Office Service	Personal computers, servers, network equipment, related services, support, software and service & solutions related to document
Commercial Printing	Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software
Industrial printing	Inkjet head, imaging systems and industrial printers
Thermal Media	Thermal media
Other	Optical equipment, electronic components, semiconductor devices, digital cameras, industrial cameras, 3D printing, environment and healthcare

\* Ricoh redefined business region from April 1, 2017 which 19<sup>th</sup> Mid-term Management Plan starts. Based on this redefinition, Ricoh has changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Please refer to "(8) Segment Information" on page 12 for the details of the change.

## 2. Forecast of Consolidated Performance

(Billions of yen)

	Three months ended June 30, 2017		Change %	Year ending March 31, 2018		Change %
	Results			Forecast		
Sales	492.5		1.0	2,000.0		-1.4
Gross profit	199.9		0.6	750.0		-4.9
Operating profit	18.9		74.1	18.0		-46.9
Profit before income tax expenses	16.8		61.7	13.0		-56.6
Profit attributable to owners of the parent	10.7		126.3	3.0		-14.0
Earnings per share attributable to owners of the parent-basic (yen)	14.89		-	4.14		-
Earnings per share attributable to owners of the parent- diluted (yen)	-		-	-		-
Capital expenditures	13.5			76.0		
Depreciation	16.9			66.0		
R&D expenditures	25.5			117.0		
Exchange rate (Yen/US\$)	111.16			106.54		
Exchange rate (Yen/EURO)	122.11			116.78		

## 3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2017		Year ending March 31, 2018		
	Results	Forecast	Change %	Forecast (Note)	Change %
	<Office Printing>	1,165.9	1,096.2	-6.0	1,109.5
Domestic	353.3	343.5	-2.8	343.5	-2.8
Overseas	812.6	752.7	-7.4	766.0	-5.7
The Americas	384.7	354.9	-7.8	361.1	-6.2
Europe, Middle East and Africa	312.3	284.0	-9.1	289.1	-7.4
Other	115.5	113.8	-1.5	115.8	0.3
<Office Service>	425.6	430.8	1.2	434.5	2.1
Domestic	230.8	239.7	3.8	239.7	3.8
Overseas	194.7	191.1	-1.9	194.8	0.0
The Americas	97.6	96.1	-1.6	97.8	0.2
Europe, Middle East and Africa	70.3	68.8	-2.1	70.1	-0.3
Other	26.7	26.2	-2.2	26.9	0.5
<Commercial Printing>	186.1	190.7	2.5	193.8	4.1
Domestic	25.2	27.0	7.0	27.0	7.0
Overseas	160.8	163.7	1.8	166.8	3.7
The Americas	100.5	102.1	1.5	104.1	3.5
Europe, Middle East and Africa	48.9	49.9	2.0	50.8	3.8
Other	11.3	11.7	2.8	11.9	4.5
<Industrial Printing>	11.8	22.3	87.7	22.5	89.3
Domestic	2.7	3.9	39.9	3.9	39.9
Overseas	9.0	18.4	102.3	18.6	104.5
The Americas	3.0	5.1	65.9	5.2	69.2
Europe, Middle East and Africa	2.8	4.8	70.9	4.9	74.4
Other	3.2	8.5	164.6	8.5	164.6
<Thermal Media>	57.2	61.6	7.5	62.5	9.1
Domestic	12.4	13.2	6.2	13.2	6.2
Overseas	44.8	48.4	7.9	49.3	9.9
The Americas	17.0	19.0	11.2	19.4	13.5
Europe, Middle East and Africa	14.0	15.5	10.1	15.8	12.2
Other	13.6	13.9	1.6	14.1	3.0
<Other>	182.0	198.4	9.0	198.9	9.3
Domestic	142.8	159.7	11.8	159.7	11.8
Overseas	39.1	38.7	-1.2	39.2	0.1
The Americas	5.9	4.3	-27.6	4.3	-27.6
Europe, Middle East and Africa	7.9	8.7	9.1	8.9	11.6
Other	25.2	25.7	1.8	26.0	3.0
Grand Total	2,028.8	2,000.0	-1.4	2,021.7	-0.4
Domestic	767.5	787.0	2.5	787.0	2.5
Overseas	1,261.3	1,213.0	-3.8	1,234.7	-2.1
The Americas	609.0	581.5	-4.5	591.9	-2.8
Europe, Middle East and Africa	456.4	431.7	-5.4	439.6	-3.7
Other	195.8	199.8	2.0	203.2	3.8

(Note) Excluding foreign exchange impact

\* Ricoh redefined business region from April 1, 2017 which 19<sup>th</sup> Mid-term Management Plan starts. Based on this redefinition, Ricoh has changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Please refer to "(8) Segment Information" on page 12 for the details of the change.