

<Note>

This document is prepared for reference purposes for investors. It represents the essence of a presentation of consolidated results for FY2014/03.

It is not a verbatim record.

P2 FY2014/03 results overview

- Net sales for the year ended March 31st, 2014, was 2,236.9 billion yen, a 16.2% increase y-o-y.
- Operating income was 120.3 billion yen, a 89.8% increase y-o-y.
- Net income was 72.8 billion yen, a 124.3% increase.
- Increased new MFP, Production Printing products, expanded IT services and MDS business sales for the end of FY 2014/03, as well as structural reform contributed to a sharp increase in profit.
- Forecast for FY 2015/03:
Net sales 2,300.0 billion yen (a 2.8% increase y-o-y)
Operating income 140.0 billion yen (a 16.3% increase y-o-y)
Net income 80.0 billion yen (a 10.3% increase)
An annual dividend of 34yen (a 1yen increase)
- NOTE: The dividend for the 2nd half is estimated at half of 33 yen, or, 16.5 yen, and contingent on approval at the Shareholders meeting.

P3 FY2014/03 income statement

- We surpassed forecast on January.
However, as the forecast had been revised downward from the original figures announced a year ago, it is hard to be fully satisfied.
- As of FY 2014/03, all the business segments and all the geographic areas posted a rise in both net sales and profits, and none posted a loss.

P4 FY2014/03 operating income y-o-y comparison

This chart shows how we brought operating income up to 120.3 billion yen for the year from the last corresponding period where we were minus 63.4 billion yen.

<Restructuring Charges, net>

- Restructuring measures are going ahead as planned, with an increase in expenses of 16.6 billion yen the previous fiscal year, and a decrease in expenses of 11 billion

yen this fiscal year, benefit of this fiscal year as 27.8 billion yen, with net restructuring charges totaling 33.4 billion yen plus.

<Sales>

- Sales in 4Q showed an increase.
- New products were launched in June, were showing profitability in 4Q results.

<Product Cost Down>

- Product Cost Reduction is going according to plan.

<Forex, net>

- Foreign Exchange impact came to 46.1 billion yen, which is smaller than the previous forecast.
- We are shifting to a global procurement system, thus reducing sensitivity to foreign exchange fluctuation.
- We had estimated a difference of 1 yen to the US dollar will cause a fluctuation of 1.3 billion yen previously. However, this has been revised down to 800 million yen. Similarly, the impact of the euro has been revised down from 1.5 billion yen to 1.4 billion yen, showing a lower foreign exchange sensitivity.
- We achieved an operating income increase of 56.9 billion yen for the year ended March, 2014.

P5 Progress of structural reform (CRGP)

- At the end of March, 2014, benefit came to 27.8 billion yen and the cost was at 11 billion yen. Total cumulative benefit came to 68.2 billion yen in comparison with the end of March, 2011.
- The total number of human resources decreased by the structural reform program was 11,000 persons.

On the other hand, with M&As, and strengthening new businesses the number of employees actually increased.

The total number of employees at the end of March, 2014 was 108,195 persons, 800 less than at the end of March, 2010.

P6 FY2014/3 results supplement

<OP/OP margin>

- Operating Profit for 4Q was 42.1 billion yen.
The last time Operating Profit surpassed the 40 billion mark in actual terms was in 4Q of FY2008/03.
This result reflects a solid recovery.
 - Operating Profit margin in 4Q is 6.7%.
- <SG&A>
- SG&A ratio was 31.2%, and structural reform is contributing well.

P7 Imaging & Solutions (1)

- Net sales was 1,970.4 billion yen, a 16.9% increase y-o-y (4.0% increase excluding forex)
- MFP and Production Printing were strong. Irregular high demand from expiration of Windows XP support in March and surge in demand ahead of the consumption tax hike in April, contributed to a boost in sales, especially in 4Q, up 8.8% y-o-y.
- Operating Profit was 184.6 billion yen, OP margin increased by 9.4% from the previous year
- OP margin reached two digits, to 10.7%.

P8 Imaging & Solutions (2)

- New products started to make a contribution in 3Q, resulting in strong Hardware growth.
- This hardware growth, is expected to drive Non-hardware growth at FY 2015/03.

P9 OP by geographic segment

<Japan>

The aforementioned demand contributed strongly in 4Q, with sales growth of 22.6%, y-o-y.

Special demand from expiration of Windows XP support in March and surge in demand ahead of the consumption tax hike in April, contributed to a boost in sales, especially in the 4Q.

<The Americas>

Since the top line is not strong. Operating profit is continuing to show growth.

P10 OP by geographic segment

<EMEA>

Structural reform is ongoing and although sales have not yet fully recovered, Operating Profit continues its upward trend.

<AP & China>

Sales is showing double digits growth, and operating profit is making a huge contribution.

P11 Industrial Products

<Industrial Products>

- OP margin posted a 4.9% increase from the previous year.
Net sales was a 12.8% increase y-o-y (3.7% increase excluding forex)
- Operating profit has pulled completely out of the loss.

P12 Other

<Other>

- Sales of camera and financial business have expanded, and we have achieved profitability from a loss of the previous year.
- We have returned to profit in all business segments and geographic areas.

P13 Balance Sheet as of March 31, 2014

- Trade Receivables and Finance Receivables increased with strong sales from 3Q to 4Q.
- To improve efficiency, Inventories/Averaged cost of sales decreased to 1.74.
- The result: Total assets were up 196.2 billion yen, and total assets turnover has improved to 0.91.

P14 Balance Sheet as of March 31, 2014

- Net debt was 580.3 billion yen
Compared to the end of December, it is 50 billion yen less, due to the redemption of bonds.
- Excluding leasing subsidiary in Japan, net debt will come to 4.5 billion yen, taking us closer to a net cash position.

P15 FY2014/03 statement of cash flow

- Free cash flow came to 24.7 billion yen.
- We are making efforts to expand the overseas finance solution business, together with the Japan leasing business.
- If we exclude the increase in cash from the leasing business, free cash flow comes to 94.2 billion yen, taking us closer to the 100 billion mark we had originally set as target.

P16 FY2015/03 income statement forecast

- Forecast for FY 2015/03:
Net sales 2,300.0 billion yen. (a 2.8% increase y-o-y)
Operating income 140.0 billion yen. (a 16.3% increase y-o-y)
Net income 80.0 billion yen. (a 9.8% increase)
- The exchange rate is set at 100 yen to the US dollar and 140 yen to the Euro.
- As for investment, R&D expenditure will be increased and CAPEX will also increase because of new business.

P17 FY2015/03 operating income y-o-y comparison

<Restructuring Charges, net>

As for restructuring, they will not be significant, showing only benefit.

<Expenses>

- Other expenses include increases in pay and bonuses, investment in new businesses.

P18 Dividend and ROE

- Full year dividend is set at 33 yen, as planned.
- The forecast is 34 yen dividend for the end of March, 2015. (Full-year dividend payout ratio of 30.8%)
- ROE to be kept at more than 8%.