

## QUARTERLY REPORT

Third Quarter ended December 31, 2018

(Results for the Period from April 1, 2018 to December 31, 2018)

### Performance Outline (Consolidated)

(1) Nine months ended December 31, 2017 and 2018(Actual result) and Year ending March 31, 2019 (Forecast)

	Nine months ended December 31, 2017 Results	Nine months ended December 31, 2018 Results	Change	(Billions of yen)	
				Year ending March 31, 2019 Forecast	Change
Domestic sales	579.2	587.7	1.5%	820.0	2.5%
Overseas sales	936.9	901.7	- 3.8%	1,220.0	- 3.4%
Sales	1,516.2	1,489.4	- 1.8%	2,040.0	- 1.1%
Gross profit	593.9	575.0	- 3.2%	783.0	- 1.0%
Operating profit	48.0	79.1	64.8%	85.0	-
Profit before income tax expenses	43.1	76.8	78.1%	82.0	-
Profit attributable to owners of the parent	17.3	50.6	192.1%	54.0	-
Exchange rate (Yen/US\$)	111.72	111.19	- 0.53	109.64	- 1.27
Exchange rate (Yen/EURO)	128.50	129.54	1.04	128.41	- 1.26
Earnings per share attributable to owners of the parent-basic (yen).	23.91	69.85	45.94	74.50	-
Earnings per share attributable to owners of the parent-diluted (yen).	-	-	-	-	-
Cash flows from operating activities	40.3	36.6	-3.6	-	-
Cash flows from investing activities	-40.6	-5.8	34.8	-	-
Cash flows from financing activities	32.0	9.6	-22.4	-	-
Cash and cash equivalents at end of period	161.5	201.2	39.7	-	-
Capital expenditures	46.1	50.4	4.3	78.0	5.7
Depreciation	51.5	49.5	-1.9	66.5	-1.9
R&D expenditures	80.4	80.3	-0.0	110.0	-1.0
	March 31, 2018	December 31, 2018	Change		
Total assets	2,641.0	2,662.0	21.0		
Equity attributable to owners of the parent	909.5	944.0	34.4		
Interest-bearing debt	881.9	902.0	20.0		
Equity attributable to owners of the parent ratio (%)	34.4%	35.5%	1.1		
Equity per share attributable to owners of the parent (yen)	1,254.79	1,302.33	47.54		

## (2) Three months ended December 31, 2017 and 2018

(Billions of yen)

	Three months ended December 31, 2017 Results	Three months ended December 31, 2018 Results	Change
Domestic sales	194.0	192.6	- 0.8%
Overseas sales	323.2	308.5	- 4.5%
Sales	517.3	501.1	- 3.1%
Gross profit	203.5	191.1	- 6.1%
Operating profit	26.0	27.1	4.4%
Profit before income tax expenses	25.3	26.8	5.6%
Profit attributable to owners of the parent	12.8	14.5	13.9%
Exchange rate (Yen/US\$)	112.97	112.87	- 0.10
Exchange rate (Yen/EURO)	133.02	128.82	- 4.20
Earnings per share attributable to owners of the parent-basic (yen).	17.67	20.13	2.46
Earnings per share attributable to owners of the parent-diluted (yen).	-	-	-
Capital expenditures	17.7	14.8	-2.8
Depreciation	16.7	15.4	-1.2
R&D expenditures	26.0	25.0	-0.9

**Ricoh Company, Ltd.**

\* The result forecasts and forward-looking statements included in this document are based on information available to the Company as at the date of submission of this quarterly report and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its result 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 6.

# Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the Third Quarter Ended December 31, 2018

[Prepared on the basis of International Financial Reporting Standards]

## 1. Results for the Period from April 1, 2018 to December 31, 2018

### (1) Operating Results

	(Millions of yen)	
	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Sales	1,516,200	1,489,451
(% change from the previous corresponding period)	3.2	-1.8
Operating profit	48,034	79,179
(% change from the previous corresponding period)	68.1	64.8
Profit before income tax expenses	43,165	76,897
(% change from the previous corresponding period)	65.0	78.1
Profit for the period	21,798	55,008
(% change from the previous corresponding period)	152.8	152.4
Profit attributable to owners of the parent	17,335	50,633
(% change from the previous corresponding period)	321.4	192.1
Comprehensive income	67,610	46,014
(% change from the previous corresponding period)	461.6	-31.9
Earnings per share attributable to owners of the parent-basic (yen)	23.91	69.85
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, 2018	December 31, 2018
Total assets	2,641,030	2,662,032
Total equity	988,755	1,028,905
Equity attributable to owners of the parent	909,565	944,016
Equity attributable to owners of the parent ratio (%)	34.4	35.5

## 2. Dividend Information

	Year ended March 31, 2018 (Actual)	Year ending March 31, 2019 (Forecast)
Cash dividends, applicable to the year (yen)	15.00	20.00
Interim (yen)	7.50	10.00
Year-end (yen)	7.50	10.00

Notes: Revision of expected dividends during this period: No

## 3. Forecast of Operating Results from April 1, 2018 to March 31, 2019

	(Millions of yen)
	Year ending March 31, 2019
Sales	2,040,000
(% change from the previous corresponding period)	-1.1
Operating profit	85,000
(% change from the previous corresponding period)	-
Profit before income tax expenses	82,000
(% change from the previous corresponding period)	-
Profit attributable to owners of the parent	54,000
(% change from the previous corresponding period)	-
Earnings per share attributable to owners of the parent-basic (yen)	74.50

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 16.
- (3) Number of common stock outstanding (including treasury stock):  
As of December 31, 2018: 744,912,078 shares; As of March 31, 2018: 744,912,078 shares
- (4) Number of treasury stock:  
As of December 31, 2018: 20,047,046 shares; As of March 31, 2018: 20,040,659 shares
- (5) Average number of common stock:  
Nine months ended December 31, 2018: 724,868,405 shares; Nine months ended December 31, 2017: 724,878,605 shares

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

## 1. Qualitative Information on Consolidated Business Results

### \* Overview of the Third Quarter of Fiscal 2018 (April 1 – December 31, 2018)

The fiscal year ending March 31, 2019 is the second year of 19th Mid-Term Management Plan in which we make significant progress in our “RICOH Ignite” growth strategy. We will improve the earning power of our Office Printing segment and expand growth areas which can serve as the pillars of new business. In addition, all employees will work as one to further implement thorough work process reforms and business selection, continuing to carry out and enhance our measures for building a solid company’s essential character.

During the third quarter, sales in the Office Service segment placed as growth areas continued to increase gradually. On the other hand, sales in the Office Printing segment decreased due to refining of business meetings based on the profit-oriented marketing strategy and inventory adjustment before launching new products. In addition, sales also decreased in accordance with the change of past consolidated subsidiaries related to semiconductor and logistic to equity affiliates and exclusion of Ricoh India Limited from the scope of consolidation. As a result, sales for the third quarter decreased by 1.8%, as compared to the previous corresponding period, to ¥1,489.4 billion.

During this period, the average exchange rates of Japanese yen against U.S. dollar and Euro were ¥111.19 (down ¥0.53 from previous year) and ¥129.54 (up ¥1.04 from previous year) respectively. Sales increased by 0.7% as compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuations, the change of past consolidated subsidiaries related to semiconductor and logistic to equity affiliates and exclusion of Ricoh India Limited from the scope of consolidation.

The Japanese economy continued to show some signs of a gradual recovery. Under such market conditions, sales mainly in the Office Service segment remained solid due to sales expansion of IT equipment such as PCs and servers and business process solutions & services with expansion of demand for IT equipment caused by promotion of reforms in the way of working and migration to Windows 10. As a result, sales in the domestic market increased by 1.5% as compared to the previous corresponding period.

As for the overseas market, while the U.S. economy continued to show a gradual recovery, the European economy’s uncertainty increased with respect to the Brexit or concerns about major political bureaus and financial risk in major countries. While there was a concern in China in relation to the trade friction issues with the U.S., there were some signs of an economic recovery in other developing countries.

Under such market conditions, in the Americas, Europe, Middle East and Africa, sales in the Office Service segment increased due to sales expansion of service related to document and IT services. In addition, sales in the Industrial Printing segment placed as growth areas and Thermal Media segment increased. On the other hand, sales in the Office Printing segment decreased due to refining of business meetings based on the profit-oriented marketing strategy and inventory adjustment before launching new products. As a result, sales in Americas decreased by 2.7% (a decrease of 2.2% excluding foreign currency exchange fluctuations) and sales in Europe, Middle East and Africa decreased by 2.1% (a decrease of 2.9% excluding foreign currency exchange fluctuations).

In Other regions, which includes China, South East Asia and Oceania, sales in the Office Printing segment decreased due to inventory adjustment before launching new products and sales in the Office Service segment decreased due to exclusion of Ricoh India Limited from the scope of consolidation. As a result, sales in Other regions, which includes China, South East Asia and Oceania, decreased by 10.4% (a decrease of 9.7% excluding foreign currency exchange fluctuations.)

As a result, sales in the overseas market decreased by 3.8% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have decreased by 3.7% as compared to the previous corresponding period.

Gross profit decreased by 3.2%, as compared to the previous corresponding period, to ¥575.0 billion, mainly due to a sales decrease in the Office Printing segment and the change of past consolidated subsidiaries related to semiconductor and logistic to equity affiliates and exclusion of Ricoh India Limited from the scope of consolidation.

Selling, general and administrative expenses decreased by 7.0%, as compared to the previous corresponding period, to ¥518.9 billion mainly due to the result of structural reforms conducted with the concerted efforts of all group employees, despite the investment for growth business.

Other income increased as compared to the previous corresponding period mainly due to gain on sales of shares of Ricoh Logistics System Co., Ltd.

As for operating profit, profit expansion of growth business and decrease of cost of sales and selling, general and administrative expenses due to the result of structural reforms exceeded decrease of Sales and Gross profit due to refining of business meetings based on the profit-oriented marketing strategy, the change of past consolidated subsidiaries related to semiconductor and logistic to equity affiliates and exclusion of Ricoh India Limited from the scope of consolidation. As a result, operating profit increased by 64.8% as compared to the previous corresponding period, to ¥79.1 billion.

As for finance income and costs, losses decreased as compared to the previous corresponding period due to decrease of interest expenses and foreign exchange.

Profit before income tax expenses increased by 78.1% as compared to the previous corresponding period, to ¥76.8 billion.

As a result, profit attributable to owners of the parent increased by 192.1% as compared to the previous corresponding period, to ¥50.6 billion.

Comprehensive income decreased by 31.9%, as compared to the previous corresponding period, to ¥46.0 billion due to a decrease of exchange differences on translation of foreign operations.

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

### Office Printing

Sales in the Office Printing segment decreased by 4.7%, as compared to the previous corresponding period, to ¥809.2 billion. Sales in the overseas market decreased mainly in hardware and related supplies due to refining of business meetings based on the profit-oriented marketing strategy in accordance with 19th Mid-Term Management Plan. Gross profit decreased accordingly. Selling, general and administrative expenses decreased significantly due to the effect of structural reforms. As a result, operating profit in the Office Printing segment increased by 1.9%, as compared to the previous corresponding period, to ¥90.2 billion.

### Office Service

Sales in the Office Service segment increased by 9.8%, as compared to the previous corresponding period, to ¥348.8 billion. Sales of business process solutions and IT services increased mainly in the domestic market and Americas. As a result, operating profit in the Office Service segment was ¥9.4 billion. (Operating profit (loss) of the previous corresponding period was ¥3.0 billion (loss).)

### Commercial Printing

Sales in the Commercial Printing segment decreased by 1.9%, as compared to the previous corresponding period, to ¥135.1 billion. Sales decreased in hardware mainly because the current period was in the drop-off period of the product life cycle. With profitability improvement, as a result of hardware sales increase from this quarter by sales progress of new product launched in the end of last fiscal year, operating profit in the Commercial Printing segment increased by 1.2%, as compared to the previous corresponding period, to ¥20.2 billion.

### Industrial Printing

Sales in the Industrial Printing segment increased by 16.3%, as compared to the previous corresponding period, to ¥15.6 billion. Sales of Inkjet heads turned sluggish in China by the trade friction issues with the U.S. and expenses increased due to initial investment. As a result, operating loss in the Industrial Printing segment was ¥2.9 billion of loss. (Operating profit (loss) of the previous corresponding period was ¥1.7 billion (loss).)

### Thermal Media

Sales in the Thermal Media segment increased by 9.3%, as compared to the previous corresponding period, to ¥50.6 billion. Sales in both the domestic market and the overseas market remained solid, while operating expenses increased mainly due to the sharp rise in the prices of raw materials. As a result, operating profit in the Thermal Media segment decreased by 43.1%, as compared to the previous corresponding period, to ¥2.6 billion.

### Other

Sales in the Other segment decreased by 14.4%, as compared to the previous corresponding period, to ¥130.0 billion. Sales decreased in accordance with the change of past consolidated subsidiaries related to semiconductor and logistic to equity affiliates. Gain on sales of shares of Ricoh Logistics System Co., Ltd was recognized, therefore operating profit in the Other segment increased by 199.1%, as compared to the previous corresponding period, to ¥17.0 billion.

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

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

As for assets, Other investment decreased due to the sell-off of shares of Coca-Cola Bottlers Japan Holdings Inc., while Cash and cash equivalents and Inventories increased. As a result, total assets increased by ¥21.0 billion as compared to the previous corresponding period, to ¥2,662.0 billion.

As for liabilities, Bonds and borrowings increased while Trade and other payables decreased. As a result, total liabilities decreased by ¥19.1 billion as compared to the previous corresponding period, to ¥1,633.1 billion.

As for equity, Retained earnings increased due to the cumulative effect of changes in accounting policies or profit for the period. As a result, total Equity increased by ¥40.1 billion as compared to the previous corresponding period, to ¥1,028.9 billion.

### **\*Cash Flows (Nine months from April 1, 2018 to December 31, 2018)**

Net cash provided by operating activities decreased by ¥3.6 billion as compared to the previous corresponding period, to ¥36.6 billion, mainly due to an increase in inventories.

Net cash provided by investing activities decreased by ¥34.8 billion as compared to the previous corresponding period, to ¥5.8 billion, mainly due to proceeds from sales of securities.

Net cash provided by financing activities decreased by ¥22.4 billion as compared to the previous corresponding period, to ¥9.6 billion, mainly due to a decrease in proceeds from debts.

As a result, the balance of cash and cash equivalent at the end of period increased by ¥40.7 billion as compared to the end of previous year, to ¥201.2 billion.

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

In consideration of the business results and business environment during this period, we have revised the forecast of domestic and overseas sales from those previously announced in October, 2018.

Ricoh maintains the assumed exchange rates set forth in October of ¥105.00 against the U.S. dollar and revises its rate of ¥125.00 against the euro from fourth quarter while the actual exchange rates during the third quarter have been incorporated into exchange rate assumptions for the full year.

Exchange Rate Assumptions for the full year ending March 31, 2019

US\$ 1 = ¥109.64 (¥110.91 in previous fiscal year)

EURO 1 = ¥128.41 (¥129.67 in previous fiscal year)

	(Billions of yen)				
	Year ending March 31, 2019 (Previous forecast) (A)	Year ending March 31, 2019 (Revised forecast) (B)	Change (B-A)	Year ended March 31, 2018 (Actual) (C)	Change (B-C)/C
Domestic sales	807.0	820.0	13.0	799.9	2.5%
Overseas sales	1,233.0	1,220.0	-13.0	1,263.4	-3.4%
Sales	2,040.0	2,040.0	-	2,063.3	-1.1%
Gross profit	783.0	783.0	-	791.0	-1.0%
Operating profit	85.0	85.0	-	-115.6	-
Profit before income tax expenses	82.0	82.0	-	-124.1	-
Profit attributable to owners of the parent	54.0	54.0	-	-135.3	-

\* The result forecasts and forward-looking statements included in this document are based on information available to the Company as at the date of submission of this quarterly report and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its result 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, 2018	December 31, 2018	Change
Current Assets			
Cash and cash equivalents	160,568	201,290	40,722
Time deposits	68	106	38
Trade and other receivables	589,741	584,977	-4,764
Other financial assets	291,144	296,458	5,314
Inventories	180,484	218,236	37,752
Other investment	55,921	-	-55,921
Other current assets	50,052	41,965	-8,087
Total Current Assets	1,327,978	1,343,032	15,054
Non-current assets			
Property, plant and equipment	250,005	245,073	-4,932
Goodwill and intangible assets	217,130	217,912	782
Other financial assets	689,629	687,967	-1,662
Investments accounted for using the equity method	3,703	12,625	8,922
Other investments	26,985	25,116	-1,869
Other non-current assets	36,806	40,582	3,776
Deferred tax assets	88,794	89,725	931
Total Non-current Assets	1,313,052	1,319,000	5,948
Total Assets	2,641,030	2,662,032	21,002

#### Liabilities and Equity

	(Millions of yen)		
	March 31, 2018	December 31, 2018	Change
Current Liabilities			
Bonds and borrowings	223,194	303,241	80,047
Trade and other payables	300,724	283,237	-17,487
Other financial liabilities	453	419	-34
Income tax payables	17,871	11,155	-6,716
Provisions	12,235	15,170	2,935
Other current liabilities	234,045	227,512	-6,533
Total Current Liabilities	788,522	840,734	52,212
Non-current Liabilities			
Bonds and borrowings	658,707	598,759	-59,948
Other financial liabilities	3,788	4,452	664
Accrued pension and retirement benefits	104,998	98,746	-6,252
Provisions	12,709	6,740	-5,969
Other non-current liabilities	80,174	78,705	-1,469
Deferred tax liabilities	3,377	4,991	1,614
Total Non-current Liabilities	863,753	792,393	-71,360
Total Liabilities	1,652,275	1,633,127	-19,148
Equity			
Common stock	135,364	135,364	-
Additional paid-in capital	186,463	186,122	-341
Treasury stock	-37,329	-37,391	-62
Other components of equity	114,954	77,553	-37,401
Retained earnings	510,113	582,368	72,255
Equity attributable to owners of the parent	909,565	944,016	34,451
Non-controlling interests	79,190	84,889	5,699
Total Equity	988,755	1,028,905	40,150
Total Liabilities and Equity	2,641,030	2,662,032	21,002

## (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, 2017 and 2018

	(Millions of yen)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%
Sales	1,516,200	1,489,451	-26,749	-1.8
Cost of sales	922,256	914,382	-7,874	-0.9
Percentage of sales (%)	60.8	61.4		
Gross profit	593,944	575,069	-18,875	-3.2
Percentage of sales (%)	39.2	38.6		
Selling, general and administrative expenses	558,184	518,954	-39,230	-7.0
Percentage of sales (%)	36.8	34.8		
Other Income	12,274	23,064	10,790	87.9
Percentage of sales (%)	0.8	1.5		
Operating profit	48,034	79,179	31,145	64.8
Percentage of sales (%)	3.2	5.3		
Finance income	2,866	2,346	-520	-18.1
Percentage of sales (%)	0.1	0.2		
Finance costs	7,786	5,135	-2,651	-34.0
Percentage of sales (%)	0.5	0.3		
Share of profit of investments accounted for using the equity method	51	507	456	894.1
Percentage of sales (%)	0.0	0.0		
Profit before income tax expenses	43,165	76,897	33,732	78.1
Percentage of sales (%)	2.8	5.2		
Income tax expenses	21,367	21,889	522	2.4
Percentage of sales (%)	1.4	1.5		
Profit for the period	21,798	55,008	33,210	152.4
Percentage of sales (%)	1.4	3.7		
Profit attributable to:				
Owners of the parent	17,335	50,633	33,298	192.1
Percentage of sales (%)	1.1	3.4		
Non-controlling interests	4,463	4,375	-88	-2.0
Percentage of sales (%)	0.3	0.3		
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	
Earnings per share attributable to owners of the parent-basic (yen)	23.91	69.85	45.94	
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	

\* Gain on sales of non-current assets and shares of Ricoh Logistics System Co., Ltd were included in "other income".



Three months ended December 31, 2017 and 2018

	(Millions of yen)			
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%
Sales	517,363	501,195	-16,168	-3.1
Cost of sales	313,847	310,019	-3,828	-1.2
Percentage of sales (%)	60.7	61.9		
Gross profit	203,516	191,176	-12,340	-6.1
Percentage of sales (%)	39.3	38.1		
Selling, general and administrative expenses	181,425	164,669	-16,756	-9.2
Percentage of sales (%)	35.1	32.9		
Other Income	3,928	664	-3,264	-83.1
Percentage of sales (%)	0.8	0.1		
Operating profit	26,019	27,171	1,152	4.4
Percentage of sales (%)	5.0	5.4		
Finance income	963	365	-598	-62.1
Percentage of sales (%)	0.2	0.1		
Finance costs	1,606	993	-613	-38.2
Percentage of sales (%)	0.3	0.2		
Share of profit of investments accounted for using the equity method	17	277	260	-
Percentage of sales (%)	0.0	0.1		
Profit before income tax expenses	25,393	26,820	1,427	5.6
Percentage of sales (%)	4.9	5.4		
Income tax expenses	10,971	10,592	-379	-3.5
Percentage of sales (%)	2.1	2.1		
Profit for the period (loss)	14,422	16,228	1,806	12.5
Percentage of sales (%)	2.8	3.2		
Profit attributable to:				
Owners of the parent	12,808	14,588	1,780	13.9
Percentage of sales (%)	2.5	2.9		
Non-controlling interests	1,614	1,640	26	1.6
Percentage of sales (%)	0.3	0.3		
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	
Earnings per share attributable to owners of the parent-basic (yen)	17.67	20.13	2.46	
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	

\* Gain on sales of non-current assets and others were included in "other income".

Condensed Consolidated Statement of Comprehensive Income

Nine months ended December 31, 2017 and 2018

	(Millions of yen)		
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change
Profit for the period	21,798	55,008	33,210
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-3,344	-	3,344
Net change in fair value of financial assets measured through other comprehensive income	10,396	-3,067	-13,463
Total components that will not be reclassified subsequently to profit or loss	7,052	-3,067	-10,119
Components that will be reclassified subsequently to profit or loss:			
Net gain on fair value of cash flow hedges	225	52	-173
Exchange differences on translation of foreign operations	38,535	-5,979	-44,514
Total components that will be reclassified subsequently to profit or loss	38,760	-5,927	-44,687
Total other comprehensive income	45,812	-8,994	-54,806
Comprehensive income	67,610	46,014	-21,596
Comprehensive income attributable to:			
Owners of the parent	62,969	41,704	-21,265
Non-controlling interests	4,641	4,310	-331

Three months ended December 31, 2017 and 2018

	(Millions of yen)		
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change
Profit for the period (loss)	14,422	16,228	1,806
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-3,344	-	3,344
Net change in fair value of financial assets measured through other comprehensive income	7,940	-3,121	-11,061
Total components that will not be reclassified subsequently to profit or loss	4,596	-3,121	-7,717
Components that will be reclassified subsequently to profit or loss:			
Net gain on fair value of cash flow hedges	89	-215	-304
Exchange differences on translation of foreign operations	5,433	-22,426	-27,859
Total components that will be reclassified subsequently to profit or loss	5,522	-22,641	-28,163
Total other comprehensive income	10,118	-25,762	-35,880
Comprehensive income	24,540	-9,534	-34,074
Comprehensive income attributable to:			
Owners of the parent	22,754	-11,021	-33,775
Non-controlling interests	1,786	1,487	-299

# Consolidated Sales by Product Category

Nine months ended December 31, 2017 and 2018

	(Millions of yen)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%
<Office Printing>	849,247	809,213	-40,034	-4.7
Percentage of sales (%)	56.0	54.3		
<Office Service>	317,583	348,835	31,252	9.8
Percentage of sales (%)	20.9	23.4		
<Commercial Printing>	137,797	135,147	-2,650	-1.9
Percentage of sales (%)	9.1	9.1		
<Industrial Printing>	13,429	15,614	2,185	16.3
Percentage of sales (%)	0.9	1.1		
<Thermal Media>	46,292	50,608	4,316	9.3
Percentage of sales (%)	3.1	3.4		
<Other>	151,852	130,034	-21,818	-14.4
Percentage of sales (%)	10.0	8.7		
Grand Total	1,516,200	1,489,451	-26,749	-1.8
Percentage of sales (%)	100.0	100.0		

Three months ended December 31, 2017 and 2018

	(Millions of yen)			
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%
<Office Printing>	289,877	270,636	-19,241	-6.6
Percentage of sales (%)	56.0	54.0		
<Office Service>	105,506	117,468	11,962	11.3
Percentage of sales (%)	20.4	23.4		
<Commercial Printing>	47,213	48,634	1,421	3.0
Percentage of sales (%)	9.1	9.7		
<Industrial Printing>	4,534	5,828	1,294	28.5
Percentage of sales (%)	0.9	1.2		
<Thermal Media>	16,874	17,538	664	3.9
Percentage of sales (%)	3.3	3.5		
<Other>	53,359	41,091	-12,268	-23.0
Percentage of sales (%)	10.3	8.2		
Grand Total	517,363	501,195	-16,168	-3.1
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	Industrial optical component/module, electronic components, precision mechanical component, digital cameras, 3D printing, ECO, Healthcare, financial services

# Consolidated Sales by Geographic Area

Nine months ended December 31, 2017 and 2018

	(Millions of yen)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%
<Domestic>	579,205	587,705	8,500	1.5
Percentage of sales (%)	38.2	39.5		
<Overseas>	936,995	901,746	-35,249	-3.8
Percentage of sales (%)	61.8	60.5		
The Americas	431,905	420,364	-11,541	-2.7
Percentage of sales (%)	28.5	28.2		
Europe, Middle East and Africa	348,024	340,727	-7,297	-2.1
Percentage of sales (%)	23.0	22.9		
Other	157,066	140,655	-16,411	-10.4
Percentage of sales (%)	10.3	9.4		
Grand Total	1,516,200	1,489,451	-26,749	-1.8
Percentage of sales (%)	100.0	100		

Three months ended December 31, 2017 and 2018

	(Millions of yen)			
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%
<Domestic>	194,089	192,610	-1,479	-0.8
Percentage of sales (%)	37.5	38.4		
<Overseas>	323,274	308,585	-14,689	-4.5
Percentage of sales (%)	62.5	61.6		
The Americas	143,843	141,879	-1,964	-1.4
Percentage of sales (%)	27.8	28.3		
Europe, Middle East and Africa	123,866	117,374	-6,492	-5.2
Percentage of sales (%)	23.9	23.4		
Other	55,565	49,332	-6,233	-11.2
Percentage of sales (%)	10.8	9.9		
Grand Total	517,363	501,195	-16,168	-3.1
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 changes in fair value of financial assets measured through other comprehensive income	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				-3,344	10,190	156
Other comprehensive income (loss)						
Comprehensive income	-	-	-	-3,344	10,190	156
Net change in treasury stock			-7			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				3,344		
Equity transactions with non-controlling shareholders		40				
Total transactions with owners	-	40	-7	3,344	-	-
Balance as of December 31, 2017	135,364	186,463	-37,325	-	44,520	229

	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			17,335	17,335	4,463	21,798
Other comprehensive income	38,632	45,634		45,634	178	45,812
Comprehensive income	38,632	45,634	17,335	62,969	4,641	67,610
Net change in treasury stock				-7		-7
Dividends declared and approved to owners			-14,498	-14,498	-954	-15,452
Transfer from other components of equity to retained earnings		3,344	-3,344	-		-
Equity Transactions with non-controlling shareholders				40	-216	-176
Total transactions with owners	-	3,344	-17,842	-14,465	-1,170	-15,635
Balance as of December 31, 2017	104,423	149,172	656,936	1,090,610	78,242	1,168,852

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net changes in fair value of financial assets measured through other comprehensive income	Net gain (loss) on fair value of cash flow hedges
Balance as of April 1, 2018	135,364	186,463	-37,329	-	51,581	-13,261
Cumulative effects of changes in accounting policy					-41,149	13,293
Opening Balance reflecting changes in accounting policy	135,364	186,463	-37,329	-	10,432	32
Profit for the period						
Other comprehensive income				-	-2,969	29
Comprehensive income	-	-	-	-	-2,969	29
Net change in treasury stock			-7			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings					-616	
Equity Transactions with non-controlling shareholders		-341				
Other			-55			
Total transactions with owners	-	-341	-62	-	-616	-
Balance as of December 31, 2018	135,364	186,122	-37,391	-	6,847	61

	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, 2018	76,634	114,954	510,113	909,565	79,190	988,755
Cumulative effects of changes in accounting policy		-27,856	33,691	5,835		5,835
Opening Balance reflecting changes in accounting policy	76,634	87,098	543,804	915,400	79,190	994,590
Profit for the period						
Other comprehensive Income	-5,989	-8,929	50,633	50,633	4,375	55,008
Comprehensive income	-5,989	-8,929	50,633	-8,929	-65	-8,994
Net change in treasury stock				41,704	4,310	46,014
Dividends declared and approved to owners			-7	-7		-7
Transfer from other components of equity to retained earnings			-12,685	-12,685	-1,101	-13,786
Equity Transactions with non-controlling shareholders		-616	616	-		-
Other				-341	2,490	2,149
Total transactions with owners	-	-616	-55	-13,088	1,389	-11,699
Balance as of December 31, 2018	70,645	77,553	582,368	944,016	84,889	1,028,905

## (4) Condensed Consolidated Statement of Cash Flows

	(Millions of yen)	
	Nine months ended December 31, 2017	Nine months ended December 31, 2018
I. Cash Flows from Operating Activities:		
Profit for the period	21,798	55,008
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	81,520	71,333
Other income	-12,274	-23,064
Share of profit of investments accounted for using the equity method	-51	-507
Finance income and costs	4,920	2,789
Income tax expenses	21,367	21,889
Decrease in trade and other receivables	9,038	15,136
Increase in inventories	-5,079	-40,744
Increase in lease receivables	-11,645	-1,665
Decrease in trade and other payables	-27,212	-12,908
Decrease in accrued pension and retirement benefits	-5,349	-4,691
Other, net	10,596	-18,634
Interest and dividends received	2,705	1,957
Interest paid	-4,957	-3,698
Income taxes paid	-45,067	-25,567
Net cash provided by operating activities	40,310	36,634
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	18,136	9,329
Expenditures for property, plant and equipment	-46,137	-50,472
Proceeds from sales of intangible assets	5,652	919
Expenditures for intangible assets	-21,564	-19,736
Payments for purchases of available-for-sale securities	-1,005	-7,914
Proceeds from sales of available-for-sale securities	186	63,154
Net proceeds of time deposits	8,564	448
Purchase of business, net of cash acquired	-458	-5,080
Decrease due to loss of control of subsidiaries	-	10,223
Other, net	-3,989	-6,686
Net cash provided by investing activities	-40,615	-5,815
III. Cash Flows from Financing Activities:		
Net proceeds of short-term debt	42,428	-12,112
Proceeds from long-term debt	97,681	62,627
Repayments of long-term debt	-85,722	-59,254
Proceeds from issuance of bonds	43,285	40,000
Repayments of bonds	-50,000	-10,000
Dividends paid	-14,498	-12,685
Payments for purchase of treasury stock	-7	-7
Proceeds from sales of shares of subsidiaries which does not involve changes in the scope of consolidation	-	3,006
Other, net	-1,130	-1,958
Net cash provided by financing activities	32,037	9,617
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	3,386	286
V. Net Increase in Cash and Cash Equivalents	35,118	40,722
VI. Cash and Cash Equivalents at Beginning of Year	126,429	160,568
VII. Cash and Cash Equivalents at End of Period	161,547	201,290

(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.

IFRSs	Title	Summaries of new IFRSs/amendments
IFRS 9	Financial instruments	Classification of financial instruments, revisions concerning the measurement and recognition and adoption of provisions with regard to impairment loss based on the expected credit loss model.
IFRS 15	Revenue from contracts with customers	Presentation of a unified framework applied to accounting treatment related to revenue recognition

1. Adoption of IFRS 9 'Financial Instruments'

Ricoh implemented IFRS 9 'Financial Instruments' as of April 1, 2018. Ricoh applied this standard in compliance with the transitional provisions, thereby recognizing the cumulative effects of adoption of this standard as an adjustment to the opening balance of retained earnings as at the beginning of the current fiscal year.

Ricoh made an irrevocable election at initial recognition to present subsequent changes in fair value with regards to equity instruments previously classified as available for sale under the prior standard in other comprehensive income in principle, while part of equity instruments previously classified as available for sale under the prior standard were classified as equity instruments measured at fair value through profit and loss. As a result, ¥27,856 million was reclassified from other components of equity to retained earnings as at the beginning of the current fiscal year. Accordingly, the changes caused a decrease by ¥27,856 million in profit for the period as compared to the case where the prior standard would be applied.

In respect of equity instruments measured at fair value through other comprehensive income, changes in fair value are recognized as other comprehensive income. When the fair value significantly declines or the equity instruments are derecognized, accumulated other comprehensive income are reclassified to retained earnings.

Impairment losses are recognized with respect to the financial assets based on the expected credit loss model.

As a result, retained earnings increased by ¥661 million as at the beginning of the current fiscal year. There was no material impact on profit and loss of the third quarter of the current fiscal year from the changes.

2. Adoption of IFRS 15 'Revenue from contracts with customers'

Ricoh implemented IFRS 15 'Revenue from contracts with customers' as of April 1, 2018. Ricoh applied this standard in compliance with the transitional provisions, thereby recognizing the cumulative effects of adoption of this standard as an adjustment to the opening balance of retained earnings as at the beginning of the current fiscal year.

Ricoh recognizes the incremental costs of obtaining a contract with a customer as an asset and amortizes subsequently in accordance with recognition of revenue. As a result, retained earnings increased by ¥5,174 million respectively as at the beginning of the current fiscal year in comparison with the case where the prior standard would be applied. There was no material impact on profit and loss of the third quarter of the current fiscal year from the changes.



## (8) Segment Information

## Operating Segment Information

Nine months ended December 31, 2017 and 2018

	(Millions of yen)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%
<b>Office Printing:</b>				
Sales:				
Unaffiliated customers	849,247	809,213	-40,034	-4.7
Intersegment	-	-	-	-
Total	849,247	809,213	-40,034	-4.7
Operating expenses	760,666	718,965	-41,701	-5.5
Operating profit	88,581	90,248	1,667	1.9
Operating profit on sales in Office Printing (%)	10.4	11.2		
<b>Office Service:</b>				
Sales:				
Unaffiliated customers	317,583	348,835	31,252	9.8
Intersegment	-	-	-	-
Total	317,583	348,835	31,252	9.8
Operating expenses	320,590	339,423	18,833	5.9
Operating profit (loss)	-3,007	9,412	12,419	-
Operating profit (loss) on sales in Office Service (%)	-0.9	2.7		
<b>Commercial Printing:</b>				
Sales:				
Unaffiliated customers	137,797	135,147	-2,650	-1.9
Intersegment	-	-	-	-
Total	137,797	135,147	-2,650	-1.9
Operating expenses	117,799	114,911	-2,888	-2.5
Operating profit	19,998	20,236	238	1.2
Operating profit on sales in Commercial Printing (%)	14.5	15.0		
<b>Industrial Printing:</b>				
Sales:				
Unaffiliated customers	13,429	15,614	2,185	16.3
Intersegment	-	-	-	-
Total	13,429	15,614	2,185	16.3
Operating expenses	15,207	18,613	3,406	22.4
Operating loss	-1,778	-2,999	-1,221	-
Operating loss on sales in Industrial Printing (%)	-13.2	-19.2		
<b>Thermal Media:</b>				
Sales:				
Unaffiliated customers	46,292	50,608	4,316	9.3
Intersegment	-	-	-	-
Total	46,292	50,608	4,316	9.3
Operating expenses	41,652	47,970	6,318	15.2
Operating profit	4,640	2,638	-2,002	-43.1
Operating profit on sales in Thermal Media (%)	10.0	5.2		
<b>Other:</b>				
Sales:				
Unaffiliated customers	151,852	130,034	-21,818	-14.4
Intersegment	51,717	35,136	-16,581	-32.1
Total	203,569	165,170	-38,399	-18.9
Operating expenses	197,864	148,107	-49,757	-25.1
Operating profit	5,705	17,063	11,358	199.1
Operating profit on sales in Other (%)	2.8	10.3		
<b>Eliminations and Corporate:</b>				
Sales:				
Intersegment	-51,717	-35,136	16,581	
Total	-51,717	-35,136	16,581	-
Operating expenses:				
Intersegment	-51,717	-35,136	16,581	
Corporate	66,105	57,419	-8,686	
Total	14,388	22,283	7,895	-
Operating loss	-66,105	-57,419	8,686	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	1,516,200	1,489,451	-26,749	-1.8
Intersegment	-	-	-	-
Total	1,516,200	1,489,451	-26,749	-1.8
Operating expenses	1,468,166	1,410,272	-57,894	-3.9
Operating profit	48,034	79,179	31,145	64.8
Operating profit on consolidated sales (%)	3.2	5.3		

(Supplemental information)

Finance business included in the above is as follows:

	(Millions of yen)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%
Sales	109,234	115,402	6,168	5.6
Operating expenses	85,845	91,335	5,490	6.4
Operating profit	23,389	24,067	678	2.9
Operating profit on sales in Finance Business (%)	21.4	20.9		

	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%
<b>Office Printing:</b>				
Sales:				
Unaffiliated customers	289,877	270,636	-19,241	-6.6
Intersegment	-	-	-	-
Total	289,877	270,636	-19,241	-6.6
Operating expenses	252,016	237,627	-14,389	-5.7
Operating profit	37,861	33,009	-4,852	-12.8
Operating profit on sales in Office Printing (%)	13.1	12.2		
<b>Office Service:</b>				
Sales:				
Unaffiliated customers	105,506	117,468	11,962	11.3
Intersegment	-	-	-	-
Total	105,506	117,468	11,962	11.3
Operating expenses	105,973	114,279	8,306	7.8
Operating profit (loss)	-467	3,189	3,656	-
Operating profit (loss) on sales in Office Service (%)	-0.4	2.7		
<b>Commercial Printing:</b>				
Sales:				
Unaffiliated customers	47,213	48,634	1,421	3.0
Intersegment	-	-	-	-
Total	47,213	48,634	1,421	3.0
Operating expenses	38,664	39,588	924	2.4
Operating profit	8,549	9,046	497	5.8
Operating profit on sales in Commercial Printing (%)	18.1	18.6		
<b>Industrial Printing:</b>				
Sales:				
Unaffiliated customers	4,534	5,828	1,294	28.5
Intersegment	-	-	-	-
Total	4,534	5,828	1,294	28.5
Operating expenses	5,329	6,807	1,478	27.7
Operating loss	-795	-979	-184	-
Operating loss on sales in Industrial Printing (%)	-17.5	-16.8		
<b>Thermal Media:</b>				
Sales:				
Unaffiliated customers	16,874	17,538	664	3.9
Intersegment	-	-	-	-
Total	16,874	17,538	664	3.9
Operating expenses	15,115	16,653	1,538	10.2
Operating profit	1,759	885	-874	-49.7
Operating profit on sales in Thermal Media (%)	10.4	5.0		
<b>Other:</b>				
Sales:				
Unaffiliated customers	53,359	41,091	-12,268	-23.0
Intersegment	17,319	6,994	-10,325	-59.6
Total	70,678	48,085	-22,593	-32.0
Operating expenses	67,078	46,817	-20,261	-30.2
Operating profit	3,600	1,268	-2,332	-64.8
Operating profit on sales in Other (%)	5.1	2.6		
<b>Eliminations and Corporate:</b>				
Sales:				
Intersegment	-17,319	-6,994	10,325	
Total	-17,319	-6,994	10,325	-
Operating expenses:				
Intersegment	-17,319	-6,994	10,325	
Corporate	24,488	19,247	-5,241	
Total	7,169	12,253	5,084	-
Operating loss	-24,488	-19,247	5,241	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	517,363	501,195	-16,168	-3.1
Intersegment	-	-	-	-
Total	517,363	501,195	-16,168	-3.1
Operating expenses	491,344	474,024	-17,320	-3.5
Operating profit	26,019	27,171	1,152	4.4
Operating profit on consolidated sales (%)	5.0	5.4		

(Supplemental information)

Finance business included in the above is as follows:

	(Millions of yen)			
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%
Sales	35,763	37,533	1,770	4.9
Operating expenses	27,658	28,879	1,221	4.4
Operating profit	8,105	8,654	549	6.8
Operating profit on sales in Finance Business (%)	22.7	23.1		

\* Each category includes the following product line:

Office Printing	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, wide format printers, facsimile machine, scanners, related parts and supplies, services, support and software
Office Service	Personal computers, servers, network equipment, related services, support, software and service solutions related to documents.
Commercial Printing	Cut sheet printers, continuous feed printers, related parts & supplies, services, support and software
Industrial printing	Inkjet heads, imaging systems and industrial printers
Thermal Media	Thermal media
Other	Industrial optical component/module, electronic components, precision mechanical component, digital cameras, 3D printing, ECO, Healthcare, financial services

-APPENDIX- (Nine months ended December 31, 2018)

1. Consolidated Sales by Product Category

Nine months ended December 31, 2017 and 2018

	(Millions of yen)					
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Change	%	Change excluding exchange impact	%
<Office Printing>						
Office Printing	849,247	809,213	-40,034	-4.7	-39,647	-4.7
Percentage of sales (%)	56.0	54.3				
Domestic	262,055	255,679	-6,376	-2.4	-6,376	-2.4
Overseas	587,192	553,534	-33,658	-5.7	-33,271	-5.7
The Americas	260,671	245,167	-15,504	-5.9	-14,340	-5.5
Europe, Middle East and Africa	233,682	222,956	-10,726	-4.6	-12,510	-5.4
Other	92,839	85,411	-7,428	-8.0	-6,421	-6.9
<Office Service>						
Office Service	317,583	348,835	31,252	9.8	31,262	9.8
Percentage of sales (%)	20.9	23.4				
Domestic	166,520	192,076	25,556	15.3	25,556	15.3
Overseas	151,063	156,759	5,696	3.8	5,706	3.8
The Americas	78,164	83,655	5,491	7.0	5,891	7.5
Europe, Middle East and Africa	56,130	59,465	3,335	5.9	2,858	5.1
Other	16,769	13,639	-3,130	-18.7	-3,043	-18.1
<Commercial Printing>						
Commercial Printing	137,797	135,147	-2,650	-1.9	-2,465	-1.8
Percentage of sales (%)	9.1	9.1				
Domestic	18,076	19,462	1,386	7.7	1,386	7.7
Overseas	119,721	115,685	-4,036	-3.4	-3,851	-3.2
The Americas	72,592	70,052	-2,540	-3.5	-2,199	-3.0
Europe, Middle East and Africa	37,703	36,627	-1,076	-2.9	-1,367	-3.6
Other	9,426	9,006	-420	-4.5	-285	-3.0
<Industrial Printing>						
Industrial Printing	13,429	15,614	2,185	16.3	2,200	16.4
Percentage of sales (%)	0.9	1.1				
Domestic	2,104	2,023	Δ81	Δ3.8	Δ81	Δ3.8
Overseas	11,325	13,591	2,266	20.0	2,281	20.1
The Americas	3,799	4,539	740	19.5	768	20.2
Europe, Middle East and Africa	2,630	4,014	1,384	52.6	1,371	52.1
Other	4,896	5,038	142	2.9	142	2.9
<Thermal Media>						
Thermal Media	46,292	50,608	4,316	9.3	4,335	9.4
Percentage of sales (%)	3.1	3.4				
Domestic	10,028	10,492	464	4.6	464	4.6
Overseas	36,264	40,116	3,852	10.6	3,871	10.7
The Americas	13,934	14,713	779	5.6	850	6.1
Europe, Middle East and Africa	12,116	13,296	1,180	9.7	1,074	8.9
Other	10,214	12,107	1,893	18.5	1,947	19.1
<Other>						
Other	151,852	130,034	-21,818	-14.4	-21,871	-14.4
Percentage of sales (%)	10.0	8.7				
Domestic	120,422	107,973	-12,449	-10.3	-12,449	-10.3
Overseas	31,430	22,061	-9,369	-29.8	-9,422	-30.0
The Americas	2,745	2,238	-507	-18.5	-496	-18.1
Europe, Middle East and Africa	5,763	4,369	-1,394	-24.2	-1,421	-24.7
Other	22,922	15,454	-7,468	-32.6	-7,505	-32.7
Grand Total	1,516,200	1,489,451	-26,749	-1.8	-26,186	-1.7
Percentage of sales (%)	100.0	100.0				
Domestic	579,205	587,705	8,500	1.5	8,500	1.5
Percentage of sales (%)	38.2	39.5				
Overseas	936,995	901,746	-35,249	-3.8	-34,686	-3.7
Percentage of sales (%)	61.8	60.5				
The Americas	431,905	420,364	-11,541	-2.7	-9,526	-2.2
Percentage of sales (%)	28.5	28.2				
Europe, Middle East and Africa	348,024	340,727	-7,297	-2.1	-9,995	-2.9
Percentage of sales (%)	23.0	22.9				
Other	157,066	140,655	-16,411	-10.4	-15,165	-9.7
Percentage of sales (%)	10.3	9.4				

## 2. Three months ended December 31, 2017 and 2018

	(Millions of yen)					
	Three months ended December 31, 2017	Three months ended December 31, 2018	Change	%	Change excluding exchange impact	%
<Office Printing>						
Office Printing	289,877	270,636	-19,241	-6.6	-15,973	-5.5
Percentage of sales (%)	56.0	54.0				
Domestic	89,706	85,605	-4,101	-4.6	-4,101	-4.6
Overseas	200,171	185,031	-15,140	-7.6	-11,872	-5.9
The Americas	85,474	80,730	-4,744	-5.6	-4,685	-5.5
Europe, Middle East and Africa	83,219	75,677	-7,542	-9.1	-5,164	-6.2
Other	31,478	28,624	-2,854	-9.1	-2,023	-6.4
<Office Service>						
Office Service	105,506	117,468	11,962	11.3	12,672	12.0
Percentage of sales (%)	20.4	23.4				
Domestic	51,307	62,497	11,190	21.8	11,190	21.8
Overseas	54,199	54,971	772	1.4	1,482	2.7
The Americas	26,961	28,303	1,342	5.0	1,368	5.1
Europe, Middle East and Africa	20,380	21,555	1,175	5.8	1,770	8.7
Other	6,858	5,113	-1,745	-25.4	-1,656	-24.1
<Commercial Printing>						
Commercial Printing	47,213	48,634	1,421	3.0	1,949	4.1
Percentage of sales (%)	9.1	9.7				
Domestic	6,003	6,644	641	10.7	641	10.7
Overseas	41,210	41,990	780	1.9	1,308	3.2
The Americas	24,553	25,571	1,018	4.1	1,060	4.3
Europe, Middle East and Africa	13,208	12,957	-251	-1.9	128	1.0
Other	3,449	3,462	13	0.4	120	3.5
<Industrial Printing>						
Industrial Printing	4,534	5,828	1,294	28.5	1,308	28.8
Percentage of sales (%)	0.9	1.2				
Domestic	638	452	-186	-29.2	-186	-29.2
Overseas	3,896	5,376	1,480	38.0	1,494	38.3
The Americas	1,240	1,652	412	33.2	413	33.3
Europe, Middle East and Africa	878	1,279	401	45.7	414	47.2
Other	1,778	2,445	667	37.5	667	37.5
<Thermal Media>						
Thermal Media	16,874	17,538	664	3.9	995	5.9
Percentage of sales (%)	3.3	3.5				
Domestic	3,677	3,814	137	3.7	137	3.7
Overseas	13,197	13,724	527	4.0	858	6.5
The Americas	4,598	4,933	335	7.3	340	7.4
Europe, Middle East and Africa	4,239	4,434	195	4.6	340	8.0
Other	4,360	4,357	-3	-0.1	178	4.1
<Other>						
Other	53,359	41,091	-12,268	-23.0	-12,213	-22.9
Percentage of sales (%)	10.3	8.2				
Domestic	42,758	33,598	-9,160	-21.4	-9,160	-21.4
Overseas	10,601	7,493	-3,108	-29.3	-3,053	-28.8
The Americas	1,017	690	-327	-32.2	-324	-31.9
Europe, Middle East and Africa	1,942	1,472	-470	-24.2	-437	-22.5
Other	7,642	5,331	-2,311	-30.2	-2,292	-30.0
Grand Total	517,363	501,195	-16,168	-3.1	-11,262	-2.2
Percentage of sales (%)	100.0	100.0				
Domestic	194,089	192,610	-1,479	-0.8	-1,479	-0.8
Percentage of sales (%)	37.5	38.4				
Overseas	323,274	308,585	-14,689	-4.5	-9,783	-3.0
Percentage of sales (%)	62.5	61.6				
The Americas	143,843	141,879	-1,964	-1.4	-1,828	-1.3
Percentage of sales (%)	27.8	28.3				
Europe, Middle East and Africa	123,866	117,374	-6,492	-5.2	-2,949	-2.4
Percentage of sales (%)	23.9	23.4				
Other	55,565	49,332	-6,233	-11.2	-5,006	-9.0
Percentage of sales (%)	10.8	9.9				

\* Each category includes the following product line:

Office Printing	MFPs (multifunctional printers), copiers, laser printers, digital duplicators, wide format printers, facsimile machine, scanners, related parts and supplies, services, support and software
Office Service	Personal computers, servers, network equipment, related services, support, software and service solutions related to documents.
Commercial Printing	Cut sheet printers, continuous feed printers, related parts & supplies, services, support and software
Industrial printing	Inkjet heads, imaging systems and industrial printers
Thermal Media	Thermal media
Other	Industrial optical component/module, electronic components, precision mechanical component, digital cameras, 3D printing, ECO, Healthcare, financial services

### 3. Forecast of Consolidated Performance

(Billions of yen)

	Nine months ended December 31, 2018 Results	Change %	Three months ending March 31, 2019 Forecast	Change %	Year ending March 31, 2019 Forecast	Change %
Sales	1,489.4	-1.8	550.6	0.6	2,040.0	-1.1
Gross profit	575.0	-3.2	208.0	5.5	783.0	-1.0
Operating profit	79.1	64.8	5.9	-	85.0	-
Profit before income tax expenses	76.8	78.1	5.2	-	82.0	-
Profit attributable to owners of the parent	50.6	192.1	3.4	-	54.0	-
Earnings per share attributable to owners of the parent-basic (yen)	69.85	-	4.65	-	74.50	-
Earnings per share attributable to owners of the parent- diluted (yen)	-	-	-	-	-	-
Capital expenditures	50.4		27.6		78.0	
Depreciation	49.5		17.0		66.5	
R&D expenditures	80.3		29.7		110.0	
Exchange rate (Yen/US\$)	111.19		105.00		109.64	
Exchange rate (Yen/EURO)	129.54		125.00		128.41	

### 4. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2018 Results	Three months ending March 31, 2019 Forecast	Forecast (Note)	Forecast	Change %	Forecast (Note)	Change %
<Office Printing>	1,144.0	284.8	292.7	1,094.0	-4.4	1,102.3	-3.6
Domestic	351.9	93.6	93.6	349.3	-0.7	349.3	-0.7
Overseas	792.1	191.1	199.1	744.7	-6.0	753.0	-4.9
The Americas	348.6	83.7	86.4	328.9	-5.7	332.7	-4.6
Europe, Middle East and Africa	321.4	78.8	84.0	301.7	-6.1	305.2	-5.0
Other	122.0	28.5	28.6	113.9	-6.6	115.0	-5.7
<Office Service>	447.9	144.7	147.3	493.5	10.2	496.1	10.8
Domestic	243.0	90.2	90.2	282.2	16.1	282.2	16.1
Overseas	204.9	54.5	57.1	211.2	3.1	213.8	4.4
The Americas	104.5	26.9	27.8	110.6	5.8	111.9	7.1
Europe, Middle East and Africa	77.0	22.7	24.3	82.2	6.7	83.3	8.2
Other	23.3	4.7	4.8	18.4	-21.1	18.6	-20.2
<Commercial Printing>	185.9	51.1	52.9	186.3	0.2	188.2	1.3
Domestic	24.5	7.3	7.3	26.8	9.3	26.8	9.3
Overseas	161.3	43.8	45.5	159.4	-1.2	161.4	0.0
The Americas	97.3	26.1	26.9	96.1	-1.2	97.3	0.1
Europe, Middle East and Africa	51.4	14.2	15.1	50.8	-1.1	51.5	0.1
Other	12.6	3.4	3.4	12.4	-1.7	12.5	-0.6
<Industrial Printing>	19.2	5.4	5.6	21.0	9.8	21.2	10.9
Domestic	2.7	0.9	0.9	2.9	7.1	2.9	7.1
Overseas	16.4	4.5	4.7	18.1	10.3	18.3	11.5
The Americas	5.2	1.4	1.5	5.9	14.5	6.1	16.9
Europe, Middle East and Africa	3.7	1.3	1.4	5.3	41.4	5.4	43.3
Other	7.4	1.7	1.7	6.7	-8.5	6.7	-8.5
<Thermal Media>	61.4	17.9	18.4	68.5	11.6	69.0	12.4
Domestic	13.0	3.3	3.3	13.8	6.7	13.8	6.7
Overseas	48.4	14.5	15.0	54.6	12.9	55.1	13.9
The Americas	18.3	5.4	5.6	20.1	9.9	20.4	11.3
Europe, Middle East and Africa	16.3	4.7	5.1	18.0	10.5	18.3	12.1
Other	13.7	4.3	4.2	16.4	19.7	16.4	19.5
<Other>	204.7	46.4	46.7	176.4	-13.8	176.7	-13.7
Domestic	164.5	36.8	36.8	144.7	-12.0	144.7	-12.0
Overseas	40.1	9.6	9.9	31.6	-21.1	31.9	-20.4
The Americas	3.4	1.1	1.1	3.3	-2.6	3.3	-2.4
Europe, Middle East and Africa	7.5	2.0	2.1	6.3	-15.4	6.5	-13.5
Other	29.1	6.4	6.6	21.9	-24.8	22.0	-24.3
Grand Total	2,063.3	550.6	563.8	2,040.0	-1.1	2,053.9	-0.5
Domestic	799.9	232.3	232.3	820.0	2.5	820.0	2.5
Overseas	1,263.4	318.2	331.5	1,220.0	-3.4	1,233.8	-2.3
The Americas	577.5	144.9	149.5	565.3	-2.1	571.9	-1.0
Europe, Middle East and Africa	477.5	123.9	132.2	464.7	-2.7	470.3	-1.5
Other	208.3	49.3	49.6	190.0	-8.8	191.5	-8.1

(Note) Excluding foreign exchange impact