

FLASH REPORT

Year ended March 31, 2017

(Results for the Period from April 1, 2016 to March 31, 2017)

Performance Outline (Consolidated)

(1) Year ended March 31, 2016 and 2017 (Actual result) and Year ending March 31, 2018 (Forecast)

				(Billions of yen)	
	Year ended March 31, 2016 Results	Year ended March 31, 2017 Results	Change	Year ending March 31, 2018 Forecast	Change
Domestic sales	761.5	767.5	0.8%	770.0	0.3%
Overseas sales	1,447.4	1,261.3	-12.9%	1,230.0	-2.5%
Sales	2,209.0	2,028.8	-8.2%	2,000.0	-1.4%
Gross profit	881.9	788.6	-10.6%	750.0	-4.9%
Operating profit	102.2	33.8	-66.9%	18.0	-46.9%
Profit before income tax expenses	95.6	29.9	-68.7%	13.0	-56.6%
Profit attributable to owners of the parent	62.9	3.4	-94.5%	3.0	-14.0%
Exchange rate (Yen/US\$)	120.12	108.39	-11.73	105.00	-3.39
Exchange rate (Yen/EURO)	132.68	118.82	-13.86	115.00	-3.82
Earnings per share attributable to owners of the parent-basic (yen)	86.87	4.81	-82.06	4.14	-0.67
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	-	-
Profit on equity attributable to owners of the parent (%)	5.8	0.3	-5.5	-	-
Profit before income tax expenses on total assets (%)	3.5	1.1	-2.4	-	-
Operating profit on sales (%)	4.6	1.7	-2.9	0.9	-0.8
Cash flows from operating activities	99.8	88.2	-11.5	-	-
Cash flows from investing activities	-104.1	-106.7	-2.5	-	-
Cash flows from financing activities	42.6	-19.9	-62.5	-	-
Cash and cash equivalents at end of year	167.5	126.4	-41.1	-	-
Capital expenditures	83.7	75.4	-8.3	76.0	0.5
Depreciation	68.7	68.0	-0.7	66.0	-2.0
R&D expenditures	118.5	114.3	-4.1	117.0	2.6
Number of employee (Japan) (thousand people)	35.8	35.4	-0.3	-	-
Number of employee (Overseas) (thousand people)	73.6	70.1	-3.4	-	-
	March 31, 2016	March 31, 2017	Change		
Total assets	2,776.4	2,759.2	-17.1		
Equity attributable to owners of the parent	1,077.8	1,042.1	-35.7		
Interest-bearing debt	852.8	859.7	6.9		
Equity attributable to owners of the parent ratio (%)	38.8	37.8	-1.0		
Equity per share attributable to owners of the parent (yen)	1,486.87	1,437.62	-49.25		

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 "Forecast for the coming fiscal year" on page 9.

(2) Three months ended March 31, 2016 and 2017

(Billions of yen)

	Three months ended March 31, 2016 Results	Three months ended March 31, 2017 Results	Change
Domestic sales	212.4	220.5	3.8%
Overseas sales	352.7	338.9	-3.9%
Sales	565.1	559.4	-1.0%
Gross profit	209.2	203.1	-2.9%
Operating profit	16.8	5.3	-68.5%
Profit before income tax expenses	14.5	3.7	-73.8%
Profit attributable to owners of the parent	11.5	-0.6	-
Exchange rate (Yen/US\$)	115.44	113.82	-1.62
Exchange rate (Yen/EURO)	127.40	121.23	-6.17
Earnings per share attributable to owners of the parent-basic (yen)	15.95	-0.86	-16.81
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-
Profit on equity attributable to owners of the parent (%)	1.1	-0.1	-1.2
Profit before income tax expenses on total assets (%)	0.5	0.1	-0.4
Operating profit on sales (%)	3.0	0.9	-2.1
Capital expenditures	22.1	22.3	0.2
Depreciation	16.2	17.8	1.6
R&D expenditures	32.0	30.6	-1.4

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the Year Ended March 31, 2017

[Prepared on the basis of International Financial Reporting Standards]

1. Results for the Period from April 1, 2016 to March 31, 2017

(1) Operating Results

	(Millions of yen)	
	Year ended March 31, 2016	Year ended March 31, 2017
Sales	2,209,028	2,028,899
(% change from the previous corresponding period)	2.7	-8.2
Operating profit	102,295	33,880
(% change from the previous corresponding period)	-11.6	-66.9
Profit before income tax expenses	95,684	29,955
(% change from the previous corresponding period)	-14.8	-68.7
Profit	67,306	9,437
(% change from the previous corresponding period)	-8.7	-86.0
Profit attributable to owners of the parent	62,975	3,489
(% change from the previous corresponding period)	-8.1	-94.5
Comprehensive income	21,628	-1,014
(% change from the previous corresponding period)	-74.5	-
Earnings per share attributable to owners of the parent-basic (yen)	86.87	4.81
Earnings per share attributable to owners of the parent-diluted (yen)	-	-
Profit on equity attributable to owners of the parent (%)	5.8	0.3
Profit before income tax expenses on total assets (%)	3.5	1.1
Operating profit on sales (%)	4.6	1.7

Notes:

- i. Share of profit (loss) of investments accounted for using the equity method: ¥ 31 million (¥ 55 million in previous fiscal year)
- ii. 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, 2016	March 31, 2017
Total assets	2,776,461	2,759,287
Total equity	1,147,764	1,116,877
Equity attributable to owners of the parent	1,077,813	1,042,106
Equity attributable to owners of the parent ratio (%)	38.8	37.8
Equity per share attributable to owners of the parent (yen)	1,486.87	1,437.62

(3) Cash Flows

	(Millions of yen)	
	Year ended March 31, 2016	Year ended March 31, 2017
Cash flows from operating activities	99,858	88,299
Cash flows from investing activities	-104,138	-106,715
Cash flows from financing activities	42,669	-19,921
Cash and cash equivalents at end of year	167,547	126,429

2. Dividend Information

	Year ended March 31, 2016 (Actual)	Year ended March 31, 2017 (Actual)	Year ending March 31, 2018 (Forecast)
Cash dividends, applicable to the year (yen)	35.00	35.00	15.00
Interim (yen)	17.50	22.50	7.50
Year-end (yen)	17.50	12.50	7.50
Total annual dividends (millions of yen)	25,371	25,371	-
Payout Ratio (%)	40.3	727.7	362.3
Dividends on equity attributable to owners of the parent (%)	2.3	2.4	-

Notes: The annual dividends for the year ended March 31, 2017 include 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

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
- (3) Number of common stock outstanding (including treasury stock):
As of March 31, 2017: 744,912,078 shares; As of March 31, 2016: 744,912,078 shares
- (4) Number of treasury stock:
As of March 31, 2017: 20,030,468 shares; As of March 31, 2016: 20,023,429 shares
- (5) Average number of common stock:
Year ended March 31, 2017: 724,885,875 shares; Year ended March 31, 2016: 724,894,027 shares

(Reference) Non-consolidated information

Results for the period from April 1, 2016 to March 31, 2017

(1) Operating Results

	(Millions of yen)	
	Year ended March 31, 2016	Year ended March 31, 2017
Sales	903,016	859,760
(% change from the previous corresponding period)	-2.2	-4.8
Operating profit	-12,464	-4,686
(% change from the previous corresponding period)	-	-
Profit from ordinary operations	-1,681	33,130
(% change from the previous corresponding period)	-	-
Profit	7,105	2,797
(% change from the previous corresponding period)	-82.2	-60.6
Profit per share-basic (yen)	9.80	3.86
Profit per share-diluted (yen)	-	-

(2) Financial Position

	(Millions of yen)	
	March 31, 2016	March 31, 2017
Total assets	1,087,064	1,071,239
Total equity	572,562	547,360
Equity ratio (%)	52.7	51.1
Equity per share (yen)	789.86	755.10

*Equity capital March 31, 2017: ¥547,360 million March 31, 2016: ¥ 572,562 million

1. Performance

(1) Qualitative Information on Consolidated Business Results

* Overview of the Year of Fiscal 2016 (April 1, 2016 – March 31, 2017)

Ricoh's consolidated sales for the Year decreased by 8.2% as compared to the previous corresponding period, to ¥2,028.8 billion. During this period, the average exchange rates of the Japanese yen against the U.S. dollar and the Euro were ¥108.39 (up ¥11.73 from previous year) and ¥118.82 (up ¥13.86 from previous year) respectively. Consolidated sales would have decreased by 1.8% as compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuation.

While the Japanese economy showed some signs of a gradual recovery, the future of the Japanese economy has been unpredictable caused by increasing geopolitical risk. Under such market conditions, the sales in the Imaging & Solutions segment decreased, but sales in the Industrial Products segment and the Other segment increased. As a result, the sales in the domestic market increased by 0.8% as compared to the previous corresponding period.

As for the overseas market, though the U.S. economy has an expectation to economic expansion after the president election, European economy remains uncertain with the Brexit. China and other developing countries in Asia are showing stop of economic slowdown and their gradual recovery. Under such market conditions, sales in the Imaging & Solutions segment decreased mainly. As for overseas sales by region, sales in the Americas decreased by 12.2% (a decrease of 2.7% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa decreased by 14.0% (a decrease of 4.1% as above) and sales in Other region, which includes China, South East Asia and Oceania, decreased by 12.1% (a decrease of 2.8% as above). As a result, sales in the overseas market decreased by 12.9% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have decreased by 3.2% as compared to the previous corresponding period.

Gross profit decreased by 10.6% as compared to the previous corresponding period, to ¥788.6 billion, mainly due to the decrease in sales and impairment of property, plant and equipment and intangible assets at camera business (¥1.7 billion of loss).

Selling, general and administrative expenses decreased by 5.5% as compared to the previous corresponding period, to ¥755.3 billion. Though there was an increase of cost relating structural reforms for future business growth and impairment of property, plant and equipment and intangible assets at camera business (¥3.7 billion of loss), the effects of foreign currency fluctuations and continuous group-wide activities to reduce costs have contributed in controlling these expenses.

Other income decreased significantly as compared to the previous corresponding period. Impairment of goodwill (¥3.9 billion of loss) is included in Other expense.

As a result, operating profit decreased by 66.9% as compared to the previous corresponding period, to ¥33.8 billion.

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

Profit before income tax expenses decreased by 68.7% as compared to the previous corresponding period, to ¥29.9 billion.

The income tax expense by which mutual discussion about Advance Pricing Arrangement (APA) had been contracted between Japan and American tax authorities is included in income tax expenses. This agreement eliminates double tax implement risk of transfer pricing taxation.

As a result, profit attributable to owners of the parent decreased by 94.5% as compared to the previous corresponding period, to ¥3.4 billion.

Comprehensive income decreased significantly as compared to the previous corresponding period, to ¥1.0 billion of loss due to decrease in profit. (Comprehensive income of the previous corresponding period is ¥21.6 billion.)

In this corresponding period, Ricoh recorded a loss of ¥6.9 billion, including the loss that was recorded by our subsidiary listed in India, whose disclosure was delayed, in the financial closing for the year ended March 31, 2016.

***Consolidated Sales by Product Line**

Imaging & Solutions

Sales in the Imaging & Solutions segment which is comprised of the Office Imaging, Production Printing and Network System Solutions decreased by 9.2% as compared to the previous corresponding period, to ¥1,792.0 billion.

Office Imaging

Sales in this category decreased by 11.0% as compared to the previous corresponding period, to ¥1,274.8 billion. Sales in Other region increased, but was offset by the impact of the strengthening of the yen and decrease in sales in the Americas and in Europe, Middle East and Africa.

Production Printing

Sales in this category decreased by 7.9% as compared to the previous corresponding period, to ¥206.2 billion. Sales of color cut sheet printers increased in the domestic market and related parts & supplies and services of that increased in both domestic and overseas, but was offset by the impact of the strengthening of the yen and the decrease in sales volume in Europe, Middle East and Africa.

Network System Solutions

Sales in this category decreased by 2.4% as compared to the previous corresponding period, to ¥310.9 billion. In the domestic market, sales of IT products increased. In the overseas market, sales of IT services increased in the Americas and Europe, Middle East and Africa, but was offset by the sales decrease in Other region such as India.

Industrial Products

Sales in the Industrial Products segment decreased by 0.5% as compared to the previous corresponding period, to ¥124.8 billion. Sales in optical equipment and electronic components increased in domestic market, but was offset by the impact of the strengthening of the yen at overseas.

Other

Sales in the Other segment increased by 2.7% as compared to the previous corresponding period, to ¥111.9 billion. Sales in the Leasing business in the domestic market and Camera business in overseas increased, but was offset by the impact of the strengthening of the yen.

*** Consolidated Sales by Geographic Area**

Japan

While the Japanese economy showed some signs of a gradual recovery, the future of the Japanese economy has been unpredictable caused by increasing geopolitical risk.

Under such market conditions, though the sales in the Office Imaging decreased, sales of solution product in the Network System Solutions and color cut sheet printers in the Production Printing business increased. Also, sales in the Industrial Products segment and the Other segment increased. As a result, the sales in the overall domestic market increased by 0.8% as compared to the previous corresponding period, to ¥767.5 billion.

The Americas

In the Americas, the economy expanding gradually with an expectation to economic expansion after the president election.

Under such economic conditions, sales in Office Imaging decreased mainly due to the strengthening of the yen.

As a result, the overall sales in Americas decreased by 12.2% as compared to the previous corresponding period, to ¥609.0 billion. Sales in the Americas would have decreased by 2.7% as compared to the previous corresponding period, excluding the effects of foreign currency fluctuations.

Europe, Middle East and Africa

As for sales in Europe, Middle East and Africa, the European economy, which contributes most of the sales in this geographic area, remains uncertain with the Brexit and so on.

Under such economic conditions, though sales in the Other segment and color cut sheet printers and after-sales service revenue in the Production Printing business increased, but was offset by the strengthening of the Yen.

As a result, the overall sales in Europe, Middle East and Africa decreased by 14.0% as compared to the previous corresponding period, to ¥456.4 billion. Sales in Europe, Middle East and Africa would have decreased by 4.1% as compared to the previous corresponding period, excluding the effects of foreign currency fluctuations.

Other

The Other geographic area includes China, South East Asia and Oceania. The economy of the emerging markets including China showing stop of economic slowdown and their gradual recovery. Under such economic conditions, sales of related parts & supplies and services in the Office Imaging and the Production Printing increased, but was offset by the sales decrease in the Network System Solutions mainly in India and the impact of the strengthening of the yen.

As a result, overall sales in Other decreased by 12.1% as compared to the previous corresponding period, to ¥195.8 billion. The sales in this area would have decreased by 2.8% as compared to the previous corresponding period, excluding the effects of foreign currency fluctuations.

***Segment Information**

Operating Segment

Imaging & Solutions

In Imaging & Solutions, sales in the Network System Solutions at domestic market increased, but was offset by the decrease of A3 MFP monochrome machines and the impact of the strengthening of the yen. As a result, sales in this segment decreased by 9.2% as compared to the previous corresponding period, to ¥1,792.0 billion.

Operating profit decreased by 44.0% as compared to the previous corresponding period, to ¥82.7 billion due to the increased group-wide activities to streamline costs, sluggish business environment and intensifying competition.

Industrial Products

Sales in the Industrial Products segment decreased by 0.5% as compared to the previous corresponding period, to ¥124.8 billion. Sales in optical equipment and electronic components increased in domestic market, but was offset by the impact of the strengthening of the yen at overseas.

Operating profit decreased by 10.6% as compared to the previous corresponding period, to ¥9.8 billion, mainly due to the impact of the strengthening of the yen.

Other

Sales in the Other segment increased by 2.7%, as compared to the previous corresponding period, to ¥111.9 billion. Income and profit increased at Leasing business.

However, operating profit decreased significantly, to ¥6.0 billion of loss due to ¥9.4 billion of impairment of property, plant and equipment and intangible assets at camera business. (Operating profit of the previous corresponding period is ¥1.4 billion.)

Geographic Segment

Japan

Even though sales in the Network System Solutions increased, sales in the domestic segment decreased by 2.8% as compared to the previous corresponding period, to ¥1,223.7 billion due to the decrease of export sales by fiercer competition.

Operating profit decreased significantly as compared to the previous corresponding period, to ¥3.7 billion of loss due to the decrease in other income and impairment of goodwill, property, plant and equipment and intangible asset. (Operating profit of the previous corresponding period is ¥31.0 billion.)

The Americas

The strengthening of the Yen against U.S. dollar, declining unit price due to intensifying competition have affected the decrease in sales in the Americas segment by 12.1 % as compared to the previous corresponding period, to ¥615.5 billion.

Operating profit decreased by 39.5% as compared to the previous corresponding period, to ¥11.1 billion due to the decrease in sales.

Europe, Middle East and Africa

Sales in the Europe, Middle East and Africa segment decreased by 13.7% as compared to the previous corresponding period, to ¥454.9 billion due to the strengthening of the Yen against Euro and the decrease of A3 MFP monochrome machines.

Operating profit decreased by 42.3% as compared to the previous corresponding period, to ¥13.9 billion due to the effect of cost relating structural reforms and the decrease in sales.

Other

Sales in the Network System Solutions mainly in India has affected to decrease in the Other segment by 13.2% as compared to the previous corresponding period, to ¥408.8 billion.

Operating profit decreased by 50.3% as compared to the previous corresponding period, to ¥14.2 billion due to the incurring costs related to recovery of business in India.

(2) Financial Position

Assets, Liabilities, and Equity at Year-End

	(Billions of yen)		
	March 31, 2016	March 31, 2017	Change
Total assets	2,776.4	2,759.2	-17.1
Total equity	1,147.7	1,116.8	-30.8
Equity attributable to owners of the parent	1,077.8	1,042.1	-35.7
Equity attributable to owners of the parent ratio (%)	38.8	37.8	-1.0 points

In Assets, impact of the strengthening of the yen affected to decrease and also “Cash and cash equivalents” and “Goodwill and intangible assets” decreased as compared to the previous corresponding period. As a result, Total assets decreased by ¥17.1 billion as compared to the previous corresponding period, to ¥2,759.2 billion.

In Liabilities, “Other current liabilities” increased as compared to the previous corresponding period. As a result, Total liabilities increased by ¥13.7 billion as compared to the previous corresponding period, to ¥1,642.4 billion.

In Equity, “Exchange difference on translation of foreign operations” decreased as compared to the previous corresponding period due to the impact of the strengthening of the yen and also payment of dividend affected to decrease. As a result, Total equity decreased by ¥30.8 billion as compared to the previous corresponding period, to ¥1,116.8 billion.

(3) Cash flows

	(Billions of yen)		
	March 31, 2016	March 31, 2017	Change
Cash flows from operating activities	99.8	88.2	-11.5
Cash flows from investing activities	-104.1	-106.7	-2.5
Cash flows from financing activities	42.6	-19.9	-62.5
Cash and cash equivalents at end of year	167.5	126.4	-41.1

Net cash provided by operating activities decreased by ¥11.5 billion as compared to the previous corresponding period, to ¥88.2 billion, mainly due to the decrease in “profit”.

Net cash used in investing activities increased by ¥2.5 billion as compared to the previous corresponding period, to ¥106.7 billion, mainly due to the increase in “Time deposits”.

Net cash used in financing activities increased by ¥62.5 billion as compared to the previous corresponding period, to ¥19.9 billion, mainly due to the increase in “Repayments of long-term debt”.

As a result, the balance of cash and cash equivalent at the end of year decreased by ¥41.1 billion as compared to the end of previous year, to ¥126.4 billion.

(Reference) Cash Flow Indices

	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2017
Equity attributable to owners of the parent / Total assets	39.6%	39.7%	38.8%	37.8%
Market capitalization / Total assets	33.2%	34.7%	29.9%	24.1%
Interest bearing debt / Operating cash flow	4.9	7.7	8.5	9.7
Operating cash flow / Interest expense	19.7	14.4	15.7	12.8

Notes:

i. All indices are calculated based on consolidated data.

ii. Operating cash flows is shown in consolidated statement of cash flow. Interest bearing debt includes all debt in which a fee is charged for the liability.

(4)Forecast for the coming fiscal year

Economic projections and Ricoh's strategies for year ending March 31, 2018

While the U.S. economy expanding gradually, the global outlook remains unpredictable with the uncertainty in the European economy and the continuous slowdown in the growth of the emerging markets including China

Under such economic conditions, Ricoh holds up "RICOH Resurgent" at 19th Mid-Term Management Plan which launched from April 2017, and switch strategy from scale focus such as an expansion of market share and machine in field to reinforce profitability of products and service in the office domain as a top priority. At the same time, Ricoh invests to accelerate growth business which could expand the market share using Ricoh group's strength for the future.

In the year ending March 31 of 2018, Ricoh implements cost relating structural reforms, operation process reforms, determination of our growth business under the significant change of management environment.

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 = ¥105.00 (¥108.39 in previous fiscal year)

EURO 1 = ¥115.00 (¥118.82 in previous fiscal year)

	Year ended March 31, 2017	Year ending March 31, 2018 (Forecast)	Change
Domestic sales	767.5	770.0	0.3%
Overseas sales	1,261.3	1,230.0	-2.5%
Sales	2,028.8	2,000.0	-1.4%
Gross profit	788.6	750.0	-4.9%
Operating profit	33.8	18.0	-46.9%
Profit before income tax expenses	29.9	13.0	-56.6%
Profit attributable to owners of the parent	3.4	3.0	-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.

(5) Dividend Policy

Ricoh endeavors for stable dividend taking a medium-term profit prospect, investment, cashflow, and financial standing into consideration.

Retained earnings will be utilized for the enhancement of basic business and for concentrated investment in field of growth business at medium and long term vision.

The total dividend per share for the fiscal year ended March 31, 2017 will be ¥35.00. (Ordinary dividends of ¥25.00 and 80 th anniversary dividends of ¥10.00)

Taking consideration of forecast for the coming fiscal year and stable dividend, the total dividend per share for the fiscal year ending March 31, 2018 will be ¥15.00, decreased by ¥20.00 as compared to previous corresponding period. (Ordinary dividend will decrease by ¥10.00.)

(6) Risk Factors

Risks that may affect Ricoh's financial results and financial position are listed below, but are not limited to them. Ricoh's business may in the future also be affected by other risks that are currently unknown or that are not currently considered significant or material.

- Ability to respond to rapid technological changes
- Highly competitive markets
- Global business operations
- Economic outlooks in major markets
- Foreign exchange rate fluctuations
- Procurement of parts and materials
- Government regulations
- Protection of intellectual property rights
- Securing and retaining skilled personnel
- Employee benefit obligations
- Environmental laws and regulations
- Financing business
- Product Liability
- Alliances with other entities, joint ventures and strategic investment
- Information security
- Influence of disasters or other unpredictable events

2. Group Position

Ricoh comprises 218 subsidiaries and 8 affiliates as of March 31, 2017.

Their development, manufacturing, sales, and service activities center on Imaging & Solutions, Industrial Products, and Other.

Ricoh Company, Ltd., a parent company, heads development. The parent company and subsidiaries or affiliates maintain an integrated domestic and international manufacturing structure. Below, Ricoh has listed its main product areas and the positions of key subsidiaries and affiliates.

<Imaging & Solutions>

In this business category, Ricoh provides products and systems that support the enhancement of the office productivity of customers. Major products include:

MFPs (multifunctional printers), copiers, laser printers, and production printers. Ricoh also provides solution systems including personal computers and servers, utilizing its information technology. Another business Ricoh also provides are support, service, and related supplies, as well as support and service including IT environment setup and network administration.

[Main Subsidiaries and Affiliates]

Manufacturing

Japan... Hasama Ricoh Inc., Ricoh Industry Co., Ltd. and Ricoh Elemex Corporation

The Americas... Ricoh Electronics, Inc.

Europe... Ricoh UK Products Ltd., Ricoh Industrie France S.A.S.

Other regions... Shanghai Ricoh Digital Equipment Co., Ltd., Ricoh Asia Industry (Shenzhen) Ltd., Ricoh Components & Products (Shenzhen) Ltd. and Ricoh Manufacturing (Thailand) Ltd.

Sales and Service

Japan ... Ricoh Japan Corporation, Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd. and Ricoh IT Solutions Co., Ltd.,

The Americas... Ricoh Americas Holding, Inc., Ricoh Canada Inc., Ricoh USA, Inc. and mindSHIFT Technologies, Inc.

Europe... Ricoh Europe Holdings PLC, Ricoh Sverige AB, Ricoh UK Ltd., Ricoh Deutschland GmbH, Ricoh Nederland B.V., Ricoh

Europe SCM B.V., Ricoh Belgium NV, Ricoh France S.A.S., Ricoh Schweiz AG, Ricoh Italia Srl. and Ricoh Espana S.L.U.

Other regions... Ricoh China Co., Ltd., Ricoh Asia Industry Ltd., Ricoh Asia Pacific Operations Ltd., Ricoh Hong Kong Ltd., Ricoh India Ltd., Ricoh Thailand, Ltd., Ricoh Asia Pacific Pte Ltd. and Ricoh Australia Pty, Ltd.

<Industrial Products>

Manufacturing and marketing thermal media, optical equipments, semiconductors, electronic component and Inkjet head.

[Main Subsidiaries and Affiliates]

Manufacturing and Sales

Japan... Ricoh Industrial Solutions Co., Ltd. and Ricoh Electronic Devices Co., Ltd.

The Americas... Ricoh Electronics, Inc., Ricoh Printing Systems America, Inc.

Europe... Ricoh Industrie France S.A.S.

Other regions... Ricoh Thermal Media (WUXI) Co., Ltd.

<Other>

Supplying digital camera, and providing leasing and logistics services

[Main Subsidiaries and Affiliates]

Manufacturing

Ricoh Imaging Products (Philippines) Corporation

Sales

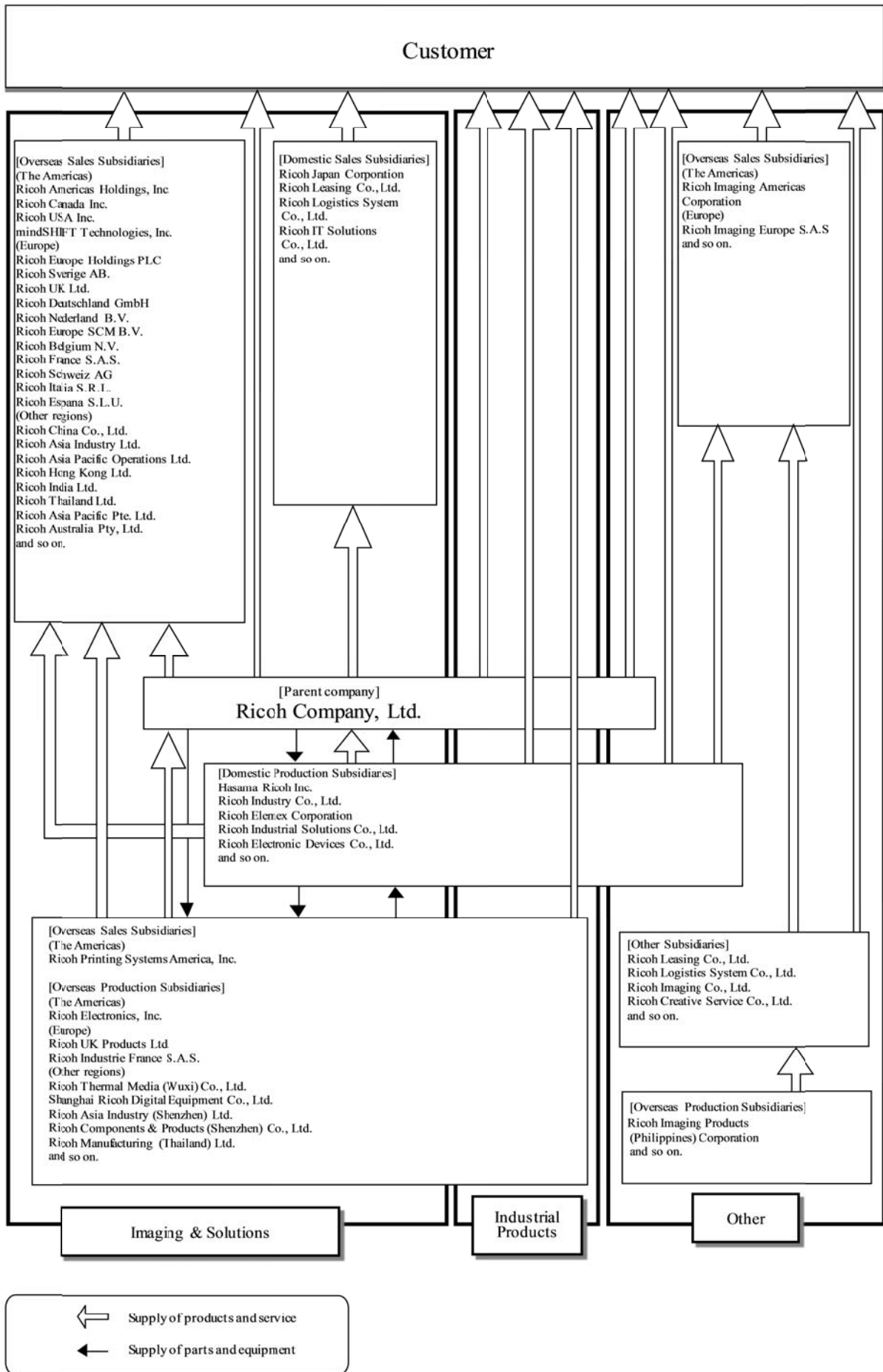
Ricoh Imaging Americas Corporation and Ricoh Imaging Europe S.A.S

Other

Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd., Ricoh Imaging Co., Ltd. and Ricoh Creative Service Co., Ltd.

<Chart of Business System>

The following chart is showing the group positions.



Note: Following subsidiaries are listed on domestic stock exchange.

Ricoh Leasing Co., Ltd.: Tokyo Stock Exchange

3. Management Policy

(1) Basic policies

Aiming to be the most trusted brand with irresistible appeal in the global market, Ricoh Group is charged with its mission "At the Ricoh Group, we are committed to providing excellence to improve the quality of living and to drive sustainability".

For this to be possible, we hold and implement our Values Statement "To be one global company, we must care about people, our profession, our society, and our planet. We must dedicate our winning spirit, innovation and teamwork to sharpen our customer centric focus, and we also must commit to the highest standards of ethics and integrity". Accordingly we strive to provide innovative products and services.

(2) Medium- to long-term management strategies

We understand that our Imaging & Solutions business, which stands at the center of Ricoh Group businesses, has reached its turning point. To respond to changes in the business environment and continue to provide new values perpetually, we formulated the 18th Mid-Term Management Plan effective from April 2014 to March 2017, in which our goal was specified as "an environmentally friendly company that makes customers feel "confident, comfortable, and convenient" while exceeding their expectations and to support lifestyle transformation" by envisioning the year of 2020 and the future beyond. Also, the 18th Mid-Term Management Plan was defined as a period of realizing our goal and as "three years to ensure Ricoh Group's long-term growth". Accordingly we are committed to the three fundamental initiatives, namely, "actionable strategies", "management systems", and "transformation".

Especially for "actionable strategies" we have specified two basic strategies of "Reinforce and develop earnings power for core businesses (Office Imaging)" and "Achieve growth by creating new profit generators". For "Reinforce and develop earnings power for core businesses (Office Imaging)", we have identified an action plan of "reinforcing earnings power in developed countries" and "creating new profit generators in emerging markets, services, and VC businesses".

For "Achieve growth by creating new profit generators", we have identified an action plan of "creating profit generators in commercial printing, industrial, and consumer businesses" and of "creating new businesses by leveraging Ricoh Group's core assets".

Business strategy 1: Reinforce and develop earnings power for office imaging business

We launched 14 models in six series of digital color multifunctional printers (MFPs) and another 14 models in eight series of digital monochrome MFPs.

All these offerings employed the 10.1-inch full-color MultiLink-Panel. As with smart devices, users can run applications with the panel by flicking their fingers intuitively. They can directly access a special site from the panel to download an array of applications or quickly use extended features that help make office work more efficient. Customers can use their MFPs as cloud service input and output terminals according to their business needs.

We collaborated with Concur Japan, Ltd., to supply MFP-linked cloud solutions that streamline expense settlements and management. Just by scanning a receipt into an MFP, a user imports data into Concur's travel and expense cloud system, which supports a global corporate standard, making expense management much more efficient.

We also introduced two recycled digital full-color MFPs that the RICOH Eco Business Development Center produced at the Gotemba in Shizuoka Prefecture. We set up that facility as part of our commitment to creating and expanding environmentally friendly businesses. Our lineup of 17 recycled models in 9 series can output 28 or 40 color pages per minute and between 25 and 75 monochrome pages per minute, catering to the diverse needs of customers that are particularly keen to safeguard the environment.

In the services arena, we developed to deploy, operate, and maintain network environments for customers finding it hard to secure in-house IT engineers. This helps them constrain initial deployment investments and run their networks for years without having to concern themselves about replacement purchases. We introduced NET Begin BB Pack Next, this offering was a successor to NET Begin BB Pack Select, which more than 100,000 customers began using after its launch in May 2005. Customer engineers handling MFP and printer repairs offer one-stop support for network environments.

We continued to expand our communication support services to enable customers to work anytime, anywhere as communications and work practices changed in their offices. As well as supplying such visual communication products as projectors, Interactive White Boards, and teleconferencing systems, we provide expertise and solutions to streamline customer workflows.

We introduced the RICOH PJ WXC1110, a compact, ultra-short-throw projector that can be set up in meeting room corners, small meeting rooms, and other tight locations. It employs a LED light source with 600 lumens. The unit is ideal for sales representatives looking to deliver presentations on the road.

We also brought out the RICOH Interactive Whiteboard D8400. This 84-inch 4K-compatible information board is ideal for large meeting rooms, corporate reception areas, public facilities, and event venues.

In addition, we rolled out the RICOH Multilingual Interpretation Service, which leverages the RICOH Unified Communication System teleconferencing platform to link Japanese users through a user-friendly smart device app to native-level interpreters of seven languages (English, Chinese, Korea, Thai, Spanish, Portuguese, and Russian). In most cases, the service is available at any time of day throughout the year.

Business strategy 2: Achieve growth by creating new profit generators

In production printing, we have started to offer value for marketing as well as production workflows. Customers increasingly look to us to broaden upstream and downstream solutions, not just for Ricoh brand printers. Therefore, we acquired Avanti Computer Systems Limited, a leading management information systems vendor based in Toronto, Canada. We aim to expand production workflow value for customers in the production printing market, globally deploying our support to enhance management efficiency and productivity. We responded to such expectations by purchasing PTI Marketing Technologies in December 2014, expanding value by supplying Web-to-print and variable print solutions. The acquisition of Avanti Computer Systems enabled us to deliver whole production workflow systems, including for print management information systems, for our product groups.

We opened the RICOH Customer Experience Center TOKYO in Heiwajima, Ota Ward, so customers could immerse themselves in commercial printing workflows, from ordering to editing, printing, post-processing, packaging, and shipping. We have also set up such centers in the United Kingdom, the United States, and Thailand to expand our production printing business as a growth driver. We can thereby present proposals to customers in each of our four global operating regions.

Ricoh has cultivated proprietary inkjet technologies over more than 30 years, with businesses in this area ranging from inkjet heads to ink sales and technical support, for applications that include signage, textiles, and 3D modeling. We capitalized on opportunities in the expanding industrial printing market by developing industrial inkjet heads used in labels, packages, sign graphics and other printing systems.

In New business, we enhanced our THETA lineup by developing the RICOH R DEVELOPMENT KIT, a 24-hour spherical live streaming camera. It stitches footage within the camera in real time to fit the standard Equirectangular Projection Format. It uses an AC adapter and can record video on a microSD card. The RICOH R Development Kit employs our proprietary spherical imaging technology by using our API, it can be utilized not only entertainment but also such as Telexistence and Computer vision area.

Under the 18th Mid-Term Management Plan ended March 31, 2017, we deployed the above business strategies and continued to implement structural reforms. For various reasons, however, we failed to reach our financial targets. These factors included unanticipated changes in the business environment, growing economic uncertainty in Europe, economic slowdowns in emerging nations, and exchange rate fluctuations. We formulated the 19th Mid-Term Management Plan launched from fiscal 2017 after evaluating our results.

(3) Issues to be resolved

The theme of the 19th Mid-Term Management Plan we embarked on from fiscal 2017 is RICOH Resurgent. It is under that banner that we are reviewing our scale-oriented strategies to date of expanding market share and the number of machines in field. Management is making it a top priority to reform our cost structure and reinforce the profitability of our products and services in the office domain. At the same time, we will focus on allocating investments in growth businesses in which we can leverage our strengths to generate market expansion. We will also set about improving our management systems, strengthening implementation, and delegating more authority.

1. Structural reform

Our expansion over the years in the office imaging field resulted in a high-cost structure and processes because we made it a top priority to avoid missing out on revenue opportunities, and we therefore vertically integrated sales companies.

We need to undertake reforms, however, in keeping with the current business climate, characterized by falling prices and intensifying competition. We will review strategies predicated on in-house manufacturing and reinforcing direct sales and services, focusing on profits instead of market share and machine in field expansion.

2. Growth businesses

We will determine the thrust of our growth businesses by considering and leveraging our customer base and printing technology strengths. In terms of our customer base, we will draw on our MFP-based cloud services to support customer workflows and our Interactive White Board to provide automated interpreting, minutes preparation, and other artificial intelligence applications in teleconferencing support services. We will deliver advanced printing technologies that incorporate our capabilities in optics, mechatronics, chemicals, and controls. We will draw on these core technologies to broaden printing's potential and cater to customer needs, including in commercial and industrial printing, as well as in thermal in-line printing and in bio printers that create layers of living cells.

3. Management system

We will review our management systems to reinforce implementation and further delegate authority. We will accelerate decision making and implementation to increase business speed by appointing business leaders in the office services and commercial and industrial printing domains to oversee these businesses in the Americas and Europe. Our management team aims to drive and complete the implementation of structural reforms during the first half of our new mid-term management plan.

We will maintain the positive aspects of Ricoh's management and corporate culture based on the Spirit of three Loves, conducting reviews that cast aside the traditions and precedents that hamper growth. We will endeavor to produce steady results even in the most dramatic changes in the business climate.

4. Basic policies in selecting accounting policies

Ricoh has decided on voluntary adoption of IFRS from fiscal year ended on March 31, 2014 as Ricoh concluded that an implementation of IFRS as a global standard and unifying accounting standards across the group will enable Ricoh to enhance accuracy for the management of the entire group.

5. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

Assets

	(Millions of yen)		
	March 31, 2016	March 31, 2017	Change
Current Assets			
Cash and cash equivalents	167,547	126,429	-41,118
Time deposits	973	8,662	7,689
Trade and other receivables	564,204	566,315	2,111
Other financial assets	272,347	276,575	4,228
Inventories	207,092	202,551	-4,541
Other current assets	61,032	58,682	-2,350
Total Current Assets	1,273,195	1,239,214	-33,981
Non-current assets			
Property, plant and equipment	276,551	271,257	-5,294
Goodwill and intangible assets	413,836	388,177	-25,659
Other financial assets	620,171	655,600	35,429
Investments accounted for using the equity method	935	563	-372
Other investments	67,084	81,579	14,495
Other non-current assets	38,905	39,210	305
Deferred tax assets	85,784	83,687	-2,097
Total Non-current Assets	1,503,266	1,520,073	16,807
Total Assets	2,776,461	2,759,287	-17,174

Liabilities and Equity

	(Millions of yen)		
	March 31, 2016	March 31, 2017	Change
Current Liabilities			
Bonds and borrowings	260,755	229,944	-30,811
Trade and other payables	286,123	295,788	9,665
Other financial liabilities	1,820	2,227	407
Income tax payables	15,220	15,149	-71
Other current liabilities	242,950	263,816	20,866
Total Current Liabilities	806,868	806,924	56
Non-current Liabilities			
Bonds and borrowings	592,045	629,799	37,754
Other financial liabilities	3,745	2,178	-1,567
Accrued pension and retirement benefits	139,049	120,725	-18,324
Other non-current liabilities	82,392	72,670	-9,722
Deferred tax liabilities	4,598	10,114	5,516
Total Non-current Liabilities	821,829	835,486	13,657
Total Liabilities	1,628,697	1,642,410	13,713
Equity			
Common stock	135,364	135,364	-
Additional paid-in capital	186,423	186,423	-
Treasury stock	-37,312	-37,318	-6
Other components of equity	114,914	100,194	-14,720
Retained earnings	678,424	657,443	-20,981
Equity attributable to owners of the parent	1,077,813	1,042,106	-35,707
Non-controlling interests	69,951	74,771	4,820
Total Equity	1,147,764	1,116,877	-30,887
Total Liabilities and Equity	2,776,461	2,759,287	-17,174

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

Consolidated Statement of Profit or Loss

Year ended March 31, 2016 and 2017

	(Millions of yen)			
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
Sales	2,209,028	2,028,899	-180,129	-8.2
Cost of sales	1,327,064	1,240,271	-86,793	-6.5
Percentage of sales (%)	60.1	61.1		
Gross profit	881,964	788,628	-93,336	-10.6
Percentage of sales (%)	39.9	38.9		
Selling, general and administrative expenses	799,406	755,393	-44,013	-5.5
Percentage of sales (%)	36.2	37.2		
Other income	19,737	4,590	-15,147	-76.7
Percentage of sales (%)	0.9	0.2		
Other expense	-	3,945	3,945	-
Percentage of sales (%)	-	0.2		
Operating profit	102,295	33,880	-68,415	-66.9
Percentage of sales (%)	4.6	1.7		
Finance income	5,091	4,600	-491	-9.6
Percentage of sales (%)	0.2	0.2		
Finance costs	11,757	8,556	-3,201	-27.2
Percentage of sales (%)	0.5	0.4		
Share of profit (loss) of investments accounted for using the equity method	55	31	-24	-43.6
Percentage of sales (%)	0.0	0.0		
Profit before income tax expenses	95,684	29,955	-65,729	-68.7
Percentage of sales (%)	4.3	1.5		
Income tax expenses	28,378	20,518	-7,860	-27.7
Percentage of sales (%)	1.3	1.0		
Profit	67,306	9,437	-57,869	-86.0
Percentage of sales (%)	3.0	0.5		
Profit attributable to:				
Owners of the parent	62,975	3,489	-59,486	-94.5
Percentage of sales (%)	2.8	0.2		
Non-controlling interests	4,331	5,948	1,617	37.3
Percentage of sales (%)	0.2	0.3		

	Year ended March 31, 2016	Year ended March 31, 2017	Change
Earnings per share attributable to owners of the parent-basic (yen)	86.87	4.81	-82.06
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

* Gain on sales of property, plant and equipment and others are included in "other income".

* Impairment of goodwill is included in "other expense".

Three months ended March 31, 2016 and 2017

(Millions of yen)

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
Sales	565,172	559,473	-5,699	-1.0
Cost of sales	355,951	356,353	402	0.1
Percentage of sales (%)	63.0	63.7		
Gross profit	209,221	203,120	-6,101	-2.9
Percentage of sales (%)	37.0	36.3		
Selling, general and administrative expenses	194,175	196,255	2,080	1.1
Percentage of sales (%)	34.3	35.1		
Other income	1,789	2,385	596	33.3
Percentage of sales (%)	0.3	0.4		
Other expense	-	3,945	3,945	-
Percentage of sales (%)	-	0.7		
Operating profit	16,835	5,305	-11,530	-68.5
Percentage of sales (%)	3.0	0.9		
Finance income	1,307	1,001	-306	-23.4
Percentage of sales (%)	0.2	0.2		
Finance costs	3,630	2,511	-1,119	-30.8
Percentage of sales (%)	0.6	0.4		
Share of profit (loss) of investments accounted for using the equity method	-11	-2	9	-
Percentage of sales (%)	-0.0	-0.0		
Profit before income tax expenses	14,501	3,793	-10,708	-73.8
Percentage of sales (%)	2.6	0.7		
Income tax expenses	2,660	2,979	319	12.0
Percentage of sales (%)	0.5	0.6		
Profit for the period	11,841	814	-11,027	-93.1
Percentage of sales (%)	2.1	0.1		
Profit attributable to:				
Owners of the parent	11,560	-625	-12,185	-
Percentage of sales (%)	2.0	-0.1		
Non-controlling interests	281	1,439	1,158	412.1
Percentage of sales (%)	0.1	0.2		

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change
Earnings per share attributable to owners of the parent-basic (yen)	15.95	-0.86	-16.81
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-

* Gain on sales of property, plant and equipment and others are included in "other income".

* Impairment of goodwill is included in "other expense".

Consolidated Statement of Comprehensive Income

Year ended March 31, 2016 and 2017

	(Millions of yen)		
	Year ended March 31, 2016	Year ended March 31, 2017	Change
Profit	67,306	9,437	-57,869
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-6,039	4,555	10,594
Total components that will not be reclassified subsequently to profit or loss	-6,039	4,555	10,594
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	6,457	10,746	4,289
Net gain (loss) on fair value of cash flow hedges	-1,916	222	2,138
Exchange differences on translation of foreign operations	-44,180	-25,974	18,206
Total components that will be reclassified subsequently to profit or loss	-39,639	-15,006	24,633
Total other comprehensive income (loss)	-45,678	-10,451	35,227
Comprehensive income (loss)	21,628	-1,014	-22,642
Comprehensive income (loss) attributable to:			
Owners of the parent	18,332	-6,705	-25,037
Non-controlling interests	3,296	5,691	2,395

Three months ended March 31, 2016 and 2017

	(Millions of yen)		
	Three months ended March 31, 2016	Three months ended March 31, 2017	Change
Profit for the period	11,841	814	-11,027
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-7,544	4,709	12,253
Total components that will not be reclassified subsequently to profit or loss	-7,544	4,709	12,253
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	2,410	2,227	-183
Net gain (loss) on fair value of cash flow hedges	-1,759	-176	1,583
Exchange differences on translation of foreign operations	-36,970	-20,626	16,344
Total components that will be reclassified subsequently to profit or loss	-36,319	-18,575	17,744
Total other comprehensive income (loss)	-43,863	-13,866	29,997
Comprehensive income (loss)	-32,022	-13,052	18,970
Comprehensive income (loss) attributable to:			
Owners of the parent	-31,679	-14,361	17,318
Non-controlling interests	-343	1,309	1,652

Consolidated Sales by Product Category

Year ended March 31, 2016 and 2017

(Millions of yen)				
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
<Imaging & Solutions>				
Office Imaging	1,432,065	1,274,888	-157,177	-11.0
Percentage of sales (%)	<i>64.8</i>	<i>62.8</i>		
Production Printing	223,815	206,202	-17,613	-7.9
Percentage of sales (%)	<i>10.1</i>	<i>10.2</i>		
Network System Solutions	318,630	310,974	-7,656	-2.4
Percentage of sales (%)	<i>14.4</i>	<i>15.3</i>		
Imaging & Solutions Total	1,974,510	1,792,064	-182,446	-9.2
Percentage of sales (%)	<i>89.3</i>	<i>88.3</i>		
<Industrial Products>				
Industrial Products	125,465	124,886	-579	-0.5
Percentage of sales (%)	<i>5.7</i>	<i>6.2</i>		
<Other>				
Other	109,053	111,949	2,896	2.7
Percentage of sales (%)	<i>5.0</i>	<i>5.5</i>		
Grand Total	2,209,028	2,028,899	-180,129	-8.2
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

Three months ended March 31, 2016 and 2017

(Millions of yen)				
	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
<Imaging & Solutions>				
Office Imaging	363,723	345,834	-17,889	-4.9
Percentage of sales (%)	<i>64.4</i>	<i>61.8</i>		
Production Printing	58,340	58,291	-49	-0.1
Percentage of sales (%)	<i>10.3</i>	<i>10.4</i>		
Network System Solutions	84,372	93,461	9,089	10.8
Percentage of sales (%)	<i>14.9</i>	<i>16.7</i>		
Imaging & Solutions Total	506,435	497,586	-8,849	-1.7
Percentage of sales (%)	<i>89.6</i>	<i>88.9</i>		
<Industrial Products>				
Industrial Products	30,791	33,554	2,763	9.0
Percentage of sales (%)	<i>5.4</i>	<i>6.0</i>		
<Other>				
Other	27,946	28,333	387	1.4
Percentage of sales (%)	<i>5.0</i>	<i>5.1</i>		
Grand Total	565,172	559,473	-5,699	-1.0
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

* Each category includes the following product line:

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

Consolidated Sales by Geographic Area

Year ended March 31, 2016 and 2017

	(Millions of yen)			
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
<Domestic>	761,590	767,522	5,932	0.8
Percentage of sales (%)	34.5	37.8		
<Overseas>	1,447,438	1,261,377	-186,061	-12.9
Percentage of sales (%)	65.5	62.2		
The Americas	693,786	609,098	-84,688	-12.2
Percentage of sales (%)	31.4	30.0		
Europe, Middle East and Africa	531,002	456,471	-74,531	-14.0
Percentage of sales (%)	24.0	22.5		
Other	222,650	195,808	-26,842	-12.1
Percentage of sales (%)	10.1	9.7		
Grand Total	2,209,028	2,028,899	-180,129	-8.2
Percentage of sales (%)	100.0	100.0		

Three months ended March 31, 2016 and 2017

	(Millions of yen)			
	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
<Domestic>	212,444	220,526	8,082	3.8
Percentage of sales (%)	37.6	39.4		
<Overseas>	352,728	338,947	-13,781	-3.9
Percentage of sales (%)	62.4	60.6		
The Americas	169,028	165,394	-3,634	-2.1
Percentage of sales (%)	29.9	29.6		
Europe, Middle East and Africa	133,672	121,817	-11,855	-8.9
Percentage of sales (%)	23.7	21.8		
Other	50,028	51,736	1,708	3.4
Percentage of sales (%)	8.8	9.2		
Grand Total	565,172	559,473	-5,699	-1.0
Percentage of sales (%)	100.0	100.0		

(3) 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, 2015	135,364	186,083	-37,295	-	17,082	803
Profit						
Other comprehensive income (loss)				-6,010	6,535	-1,070
Comprehensive income	-	-	-	-6,010	6,535	-1,070
Net change in treasury stock			-17			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				6,010		
Acquisition of non-controlling interests		340				
Total transactions with owners	-	340	-17	6,010	-	-
Balance as of March 31, 2016	135,364	186,423	-37,312	-	23,617	-267

	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, 2015	135,662	153,547	646,468	1,084,167	70,145	1,154,312
Profit			62,975	62,975	4,331	67,306
Other comprehensive income (loss)	-44,098	-44,643		-44,643	-1,035	-45,678
Comprehensive income	-44,098	-44,643	62,975	18,332	3,296	21,628
Net change in treasury stock				-17		-17
Dividends declared and approved to owners			-25,009	-25,009	-882	-25,891
Transfer from other components of equity to retained earnings		6,010	-6,010	-		-
Acquisition of non-controlling interests				340	-2,608	-2,268
Total transactions with owners	-	6,010	-31,019	-24,686	-3,490	-28,176
Balance as of March 31, 2016	91,564	114,914	678,424	1,077,813	69,951	1,147,764

(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						
Other comprehensive income (loss)				4,526	10,713	340
Comprehensive income	-	-	-	4,526	10,713	340
Net change in treasury stock			-6			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				-4,526		
Acquisition of non-controlling interests						
Total transactions with owners	-	-	-6	-4,526	-	-
Balance as of March 31, 2017	135,364	186,423	-37,318	-	34,330	73

	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			3,489	3,489	5,948	9,437
Other comprehensive income (loss)	-25,773	-10,194		-10,194	-257	-10,451
Comprehensive income	-25,773	-10,194	3,489	-6,705	5,691	-1,014
Net change in treasury stock				-6		-6
Dividends declared and approved to owners			-28,996	-28,996	-871	-29,867
Transfer from other components of equity to retained earnings		-4,526	4,526	-		-
Acquisition of non-controlling interests				-		-
Total transactions with owners	-	-4,526	-24,470	-29,002	-871	-29,873
Balance as of March 31, 2017	65,791	100,194	657,443	1,042,106	74,771	1,116,877

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
I. Cash Flows from Operating Activities:		
Profit	67,306	9,437
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	107,366	106,890
Impairment of property, plant and equipment and intangible assets	-	5,552
Impairment of goodwill	-	3,945
Other income	-19,737	-4,590
Share of profit (loss) of investments accounted for using the equity method	-55	-31
Finance income and costs	6,666	3,956
Income tax expenses	28,378	20,518
Increase in trade and other receivables	-23,376	-12,763
Decrease in inventories	9,595	1,176
Increase in lease receivables	-35,683	-37,741
Increase in trade and other payables	11,992	11,992
Decrease in accrued pension and retirement benefits	-9,107	-9,094
Other, net	-14,323	21,099
Interest and dividends received	2,350	2,947
Interest paid	-6,916	-8,406
Income taxes paid	-24,598	-26,588
Net cash provided by operating activities	99,858	88,299
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	20,997	14,893
Expenditures for property, plant and equipment	-83,778	-75,447
Expenditures for intangible assets	-28,968	-26,793
Payments for purchases of available-for-sale securities	-799	-464
Proceeds from sales of available-for-sale securities	3,244	824
Increase in time deposits	-163	-7,519
Purchase of business, net of cash acquired	-5,687	-1,429
Other, net	-8,984	-10,780
Net cash used in investing activities	-104,138	-106,715
III. Cash Flows from Financing Activities:		
Net repayments of short-term debt	-3,620	-35,246
Proceeds from long-term debt	198,895	303,100
Repayments of long-term debt	-84,432	-289,452
Proceeds from issuance of bonds	20,000	51,567
Repayments of bonds	-60,000	-20,000
Dividends paid	-25,009	-28,996
Payments for purchase of treasury stock	-16	-7
Other, net	-3,149	-887
Net cash used in (provided by) financing activities	42,669	-19,921
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	-8,564	-2,781
V. Net Decrease (increase) in Cash and Cash Equivalents	29,825	-41,118
VI. Cash and Cash Equivalents at Beginning of Year	137,722	167,547
VII. Cash and Cash Equivalents at End of Year	167,547	126,429

(5) Notes on premise going concern

Not applicable

(6) Changes in accounting policies

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

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

IFRSs	Title	Summaries of new IFRSs/amendments
IFRS 7	Financial Instruments: Disclosures	Clarifying the criteria on whether a servicing contract is continuing involvement in a transferred financial asset Clarifying the applicability of the offset disclosure of financial assets and financial liabilities to condensed interim financial statements
IAS 1	Presentation of Financial Statements	Clarifying disclosure requirement regarding materiality considerations
IAS 19	Employee Benefits	Clarifying the method to determine the discount rate for post-employment benefit obligations
IAS 34	Interim Financial Reporting	Clarifying disclosure requirement for information "elsewhere in the interim financial report"
IAS 16 IAS 38	Property, Plant and Equipment Intangible Assets	Clarifying that a revenue-based method is not considered to be an acceptable method of depreciation and amortization in principle

(7) Segment Information

(a) Operating Segment Information

Year ended March 31, 2016 and 2017

	(Millions of yen)			
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
Imaging & Solutions:				
Sales:				
Unaffiliated customers	1,974,510	1,792,064	-182,446	-9.2
Intersegment	-	-	-	-
Total	1,974,510	1,792,064	-182,446	-9.2
Operating expenses	1,826,782	1,709,271	-117,511	-6.4
Operating profit	147,728	82,793	-64,935	-44.0
Operating profit on sales in Imaging & Solutions (%)	7.5	4.6		
Industrial Products:				
Sales:				
Unaffiliated customers	125,465	124,886	-579	-0.5
Intersegment	12,561	11,392	-1,169	-9.3
Total	138,026	136,278	-1,748	-1.3
Operating expenses	127,009	126,431	-578	-0.5
Operating profit	11,017	9,847	-1,170	-10.6
Operating profit on sales in Industrial Products (%)	8.0	7.2		
Other:				
Sales:				
Unaffiliated customers	109,053	111,949	2,896	2.7
Intersegment	-	-	-	-
Total	109,053	111,949	2,896	2.7
Operating expenses	107,642	118,018	10,376	9.6
Operating profit (loss)	1,411	-6,069	-7,480	-
Operating profit (loss) on sales in Other (%)	1.3	-5.4		
Corporate and Eliminations:				
Sales:				
Intersegment	-12,561	-11,392	1,169	
Total	-12,561	-11,392	1,169	-
Operating expenses:				
Intersegment	-12,561	-11,392	1,169	
Corporate	57,861	52,691	-5,170	
Total	45,300	41,299	-4,001	-
Operating loss	-57,861	-52,691	5,170	-
Consolidated:				
Sales:				
Unaffiliated customers	2,209,028	2,028,899	-180,129	-8.2
Intersegment	-	-	-	-
Total	2,209,028	2,028,899	-180,129	-8.2
Operating expenses	2,106,733	1,995,019	-111,714	-5.3
Operating profit	102,295	33,880	-68,415	-66.9
Operating profit on consolidated sales (%)	4.6	1.7		

(Supplemental information)

Finance business included in the above is as follows:

	(Millions of yen)			
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
Sales	143,120	143,532	412	0.3
Operating expenses	111,891	111,647	-244	-0.2
Operating profit	31,229	31,885	656	2.1
Operating profit on sales in Finance Business (%)	21.8	22.2		

Three months ended March 31, 2016 and 2017

(Millions of yen)

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
Imaging & Solutions:				
Sales:				
Unaffiliated customers	506,435	497,586	-8,849	-1.7
Intersegment	-	-	-	-
Total	506,435	497,586	-8,849	-1.7
Operating expenses	478,162	474,358	-3,804	-0.8
Operating profit	28,273	23,228	-5,045	-17.8
Operating profit on sales in Imaging & Solutions (%)	5.6	4.7		
Industrial Products:				
Sales:				
Unaffiliated customers	30,791	33,554	2,763	9.0
Intersegment	3,282	2,749	-533	-16.2
Total	34,073	36,303	2,230	6.5
Operating expenses	31,488	33,613	2,125	6.7
Operating profit	2,585	2,690	105	4.1
Operating profit on sales in Industrial Products (%)	7.6	7.4		
Other:				
Sales:				
Unaffiliated customers	27,946	28,333	387	1.4
Intersegment	-	-	-	-
Total	27,946	28,333	387	1.4
Operating expenses	28,620	37,597	8,977	31.4
Operating loss	-674	-9,264	-8,590	-
Operating loss on sales in Other (%)	-2.4	-32.7		
Corporate and Eliminations:				
Sales:				
Intersegment	-3,282	-2,749	533	-
Total	-3,282	-2,749	533	-
Operating expenses:				
Intersegment	-3,282	-2,749	533	-
Corporate	13,349	11,349	-2,000	-
Total	10,067	8,600	-1,467	-
Operating loss	-13,349	-11,349	2,000	-
Consolidated:				
Sales:				
Unaffiliated customers	565,172	559,473	-5,699	-1.0
Intersegment	-	-	-	-
Total	565,172	559,473	-5,699	-1.0
Operating expenses	548,337	554,168	5,831	1.1
Operating profit	16,835	5,305	-11,530	-68.5
Operating profit on consolidated sales (%)	3.0	0.9		

(Supplemental information)

Finance business included in the above is as follows:

(Millions of yen)

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
Sales	38,223	40,273	2,050	5.4
Operating expenses	30,156	31,565	1,409	4.7
Operating profit	8,067	8,708	641	7.9
Operating profit on sales in Finance Business (%)	21.1	21.6		

(b) Geographic Segment Information

Year ended March 31, 2016 and 2017

	(Millions of yen)			
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%
Japan:				
Sales:				
Unaffiliated customers	793,473	797,074	3,601	0.5
Intersegment	465,443	426,724	-38,719	-8.3
Total	1,258,916	1,223,798	-35,118	-2.8
Operating expenses	1,227,824	1,227,528	-296	-0.0
Operating profit (loss)	31,092	-3,730	-34,822	-
Operating profit (loss) on sales in Japan (%)	2.5	-0.3		
The Americas:				
Sales:				
Unaffiliated customers	693,666	608,769	-84,897	-12.2
Intersegment	6,273	6,779	506	8.1
Total	699,939	615,548	-84,391	-12.1
Operating expenses	681,485	604,390	-77,095	-11.3
Operating profit	18,454	11,158	-7,296	-39.5
Operating profit on sales in the Americas (%)	2.6	1.8		
Europe, Middle East and Africa:				
Sales:				
Unaffiliated customers	526,181	453,431	-72,750	-13.8
Intersegment	1,079	1,491	412	38.2
Total	527,260	454,922	-72,338	-13.7
Operating expenses	503,025	440,946	-62,079	-12.3
Operating profit	24,235	13,976	-10,259	-42.3
Operating profit on sales in Europe, Middle East and Africa (%)	4.6	3.1		
Other:				
Sales:				
Unaffiliated customers	195,708	169,625	-26,083	-13.3
Intersegment	275,610	239,245	-36,365	-13.2
Total	471,318	408,870	-62,448	-13.2
Operating expenses	442,679	394,641	-48,038	-10.9
Operating profit	28,639	14,229	-14,410	-50.3
Operating profit on sales in Other (%)	6.1	3.5		
Corporate and Eliminations:				
Sales:				
Intersegment	-748,405	-674,239	74,166	
Total	-748,405	-674,239	74,166	-
Operating expenses	-748,280	-672,486	75,794	-
Operating loss	-125	-1,753	-1,628	-
Consolidated:				
Sales:				
Unaffiliated customers	2,209,028	2,028,899	-180,129	-8.2
Intersegment	-	-	-	
Total	2,209,028	2,028,899	-180,129	-8.2
Operating expenses	2,106,733	1,995,019	-111,714	-5.3
Operating profit	102,295	33,380	-68,415	-66.9
Operating profit on consolidated sales (%)	4.6	1.7		

Three months ended March 31, 2016 and 2017

(Millions of yen)

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%
Japan:				
Sales:				
Unaffiliated customers	219,460	227,397	7,937	3.6
Intersegment	107,913	98,121	-9,792	-9.1
Total	327,373	325,518	-1,855	-0.6
Operating expenses	328,160	332,863	4,703	1.4
Operating loss	-787	-7,345	-6,558	-
Operating loss on sales in Japan (%)	-0.2	-2.3		
The Americas:				
Sales:				
Unaffiliated customers	169,020	165,305	-3,715	-2.2
Intersegment	1,507	2,084	577	38.3
Total	170,527	167,389	-3,138	-1.8
Operating expenses	167,520	164,534	-2,986	-1.8
Operating profit	3,007	2,855	-152	-5.1
Operating profit on sales in the Americas (%)	1.8	1.7		
Europe, Middle East and Africa:				
Sales:				
Unaffiliated customers	132,531	121,232	-,11,299	-8.5
Intersegment	296	775	479	161.8
Total	132,827	122,007	-10,820	-8.1
Operating expenses	124,619	119,318	-5,301	-4.3
Operating profit	8,208	2,689	-5,519	-67.2
Operating profit on sales in Europe, Middle East and Africa (%)	6.2	2.2		
Other:				
Sales:				
Unaffiliated customers	44,161	45,539	1,378	3.1
Intersegment	67,857	56,378	-11,479	-16.9
Total	112,018	101,917	-10,101	-9.0
Operating expenses	107,559	100,042	-7,517	-7.0
Operating profit	4,459	1,875	-2,584	-58.0
Operating profit on sales in Other (%)	4.0	1.8		
Corporate and Eliminations:				
Sales:				
Intersegment	-177,573	-157,358	20,215	-
Total	-177,573	-157,358	20,215	-
Operating expenses	-179,521	-162,589	16,932	-
Operating profit	1,948	5,231	3,283	-
Consolidated:				
Sales:				
Unaffiliated customers	565,172	559,473	-5,699	-1.0
Intersegment	-	-	-	-
Total	565,172	559,473	-5,699	-1.0
Operating expenses	548,337	554,168	5,831	1.1
Operating profit	16,835	5,305	-11,530	-68.5
Operating profit on consolidated sales (%)	3.0	0.9		

(c) Per share data

	(Yen)	
	Year ended March 31, 2016	Year ended March 31, 2017
Equity per share attributable to owners of the parent	1,486.87	1,437.62
Earnings per share attributable to owners of the parent-basic	86.87	4.81
Earnings per share attributable to owners of the parent-diluted	-	-

A reconciliation of the numerator and the denominators of the basic and diluted per share computations for profit is as follows:

	(Millions of yen)	
	Year ended March 31, 2016	Year ended March 31, 2017
Profit attributable to owners of the parent	62,975	3,489
Effect of dilutive securities	-	-
Diluted profit attributable to owners of the parent	62,975	3,489

	(Shares)	
	Year ended March 31, 2016	Year ended March 31, 2017
Weighted average common shares outstanding	724,894,027	724,885,875
Effect of dilutive securities	-	-
Diluted common shares outstanding	724,894,027	724,885,875

(d) Subsequent events

Not applicable.

-APPENDIX- Year ended March 31, 2017

1. Consolidated Quarterly Performance Outline

(1) Financial Statements Summary (Quarterly)

	(Billions of yen)				
	Q1	Q2	Q3	Q4	Change (%)
Sales	487.7	483.7	497.9	559.4	-1.0
Gross profit	198.8	188.3	198.2	203.1	-2.9
Operating profit	10.8	5.6	12.0	5.3	-68.5
Profit before income tax expenses	10.3	4.8	10.8	3.7	-73.8
Profit attributable to Owners of the parent	4.7	0.2	-0.8	-0.6	-
Earnings per share attributable to owners of the parent-basic (yen).	6.58	0.32	-1.23	-0.86	-
Earnings per share attributable to owners of the parent-diluted (yen).	-	-	-	-	-
Total assets	2,682.1	2,678.4	2,834.9	2,759.2	-
Equity attributable to owners of the parent	999.2	988.3	1,056.4	1,042.1	-
Equity attributable to owners of the parent per share (yen)	1,378.49	1,363.45	1,457.43	1,437.62	-
Cash flows from operating activities	27.6	-0.3	-3.1	64.1	-
Cash flows from investing activities	-25.9	-26.8	-10.3	-43.5	-
Cash flows from financing activities	28.8	24.6	8.0	-81.4	-
Cash and cash equivalents at end of period	186.9	184.2	193.1	126.4	-

(2) Capital expenditures and Depreciation

	(Billions of yen)			
	Q1	Q2	Q3	Q4
Capital expenditures	16.0	19.8	17.1	22.3
Depreciation	16.3	16.7	17.0	17.8

(3) R&D Expenditures

	(Billions of yen)			
	Q1	Q2	Q3	Q4
R&D expenditures	26.8	30.2	26.6	30.6
R&D expenditures/ Total Sales (%)	5.5	6.3	5.4	5.5

(4) Exchange Rate

	Q1	Q2	Q3	Q4
Exchange rate (Yen/US\$)	108.08	102.45	109.33	113.82
Exchange rate (Yen/EURO)	121.97	114.35	117.81	121.23

2. Consolidated Sales by Product Category

Year ended March 31, 2016 and 2017

	(Millions of yen)					
	Year ended March 31, 2016	Year ended March 31, 2017	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	1,432,065	1,274,888	-157,177	-11.0	-56,492	-3.9
Percentage of sales (%)	64.8	62.8				
Domestic	391,205	375,425	-15,780	-4.0	-15,780	-4.0
Overseas	1,040,860	899,463	-141,397	-13.6	-40,712	-3.9
Production Printing	223,815	206,202	-17,613	-7.9	1,865	0.8
Percentage of sales (%)	10.1	10.2				
Domestic	31,102	32,681	1,579	5.1	1,579	5.1
Overseas	192,713	173,521	-19,192	-10.0	286	0.1
Network System Solutions	318,630	310,974	-7,656	-2.4	3,566	1.1
Percentage of sales (%)	14.4	15.3				
Domestic	203,771	214,721	10,950	5.4	10,950	5.4
Overseas	114,859	96,253	-18,606	-16.2	-7,384	-6.4
Imaging & Solutions Total	1,974,510	1,792,064	-182,446	-9.2	-51,061	-2.6
Percentage of sales (%)	89.3	88.3				
Domestic	626,078	622,827	-3,251	-0.5	-3,251	-0.5
Overseas	1,348,432	1,169,237	-179,195	-13.3	-47,810	-3.5
The Americas	665,044	583,480	-81,564	-12.3	-18,409	-2.8
Europe, Middle East and Africa	505,427	431,924	-73,503	-14.5	-23,045	-4.6
Other	177,961	153,833	-24,128	-13.6	-6,356	-3.6
<Industrial Products>						
Industrial Products	125,465	124,886	-579	-0.5	6,058	4.8
Percentage of sales (%)	5.7	6.2				
Domestic	41,486	47,755	6,269	15.1	6,269	15.1
Overseas	83,979	77,131	-6,848	-8.2	-211	-0.3
The Americas	24,897	22,041	-2,856	-11.5	-506	-2.0
Europe, Middle East and Africa	20,318	18,632	-1,686	-8.3	182	0.9
Other	38,764	36,458	-2,306	-5.9	113	0.3
<Other>						
Other	109,053	111,949	2,896	2.7	4,430	4.1
Percentage of sales (%)	5.0	5.5				
Domestic	94,026	96,940	2,914	3.1	2,914	3.1
Overseas	15,027	15,009	-18	-0.1	1,516	10.1
The Americas	3,845	3,577	-268	-7.0	122	3.2
Europe, Middle East and Africa	5,257	5,915	658	12.5	1,348	25.6
Other	5,925	5,517	-408	-6.9	46	0.8
Grand Total	2,209,028	2,028,899	-180,129	-8.2	-40,573	-1.8
Percentage of sales (%)	100.0	100.0				
Domestic	761,590	767,522	5,932	0.8	5,932	0.8
Percentage of sales (%)	34.5	37.8				
Overseas	1,447,438	1,261,377	-186,061	-12.9	-46,505	-3.2
Percentage of sales (%)	65.5	62.2				
The Americas	693,786	609,098	-84,688	-12.2	-18,793	-2.7
Percentage of sales (%)	31.4	30.0				
Europe, Middle East and Africa	531,002	456,471	-74,531	-14.0	-21,515	-4.1
Percentage of sales (%)	24.0	22.5				
Other	222,650	195,808	-26,842	-12.1	-6,197	-2.8
Percentage of sales (%)	10.1	9.7				

* Each category includes the following product line:

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

Three months ended March 31, 2016 and 2017

(Millions of yen)

	Three months ended March 31, 2016	Three months ended March 31, 2017	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	363,723	345,834	-17,889	-4.9	-10,519	-2.9
Percentage of sales (%)	64.4	61.8				
Domestic	108,739	104,764	-3,975	-3.7	-3,975	-3.7
Overseas	254,984	241,070	-13,914	-5.5	-6,544	-2.6
Production Printing	58,340	58,291	-49	-0.1	1,701	2.9
Percentage of sales (%)	10.3	10.4				
Domestic	8,771	9,526	755	8.6	755	8.6
Overseas	49,569	48,765	-804	-1.6	946	1.9
Network System Solutions	84,372	93,461	9,089	10.8	10,230	12.1
Percentage of sales (%)	14.9	16.7				
Domestic	58,765	66,862	8,097	13.8	8,097	13.8
Overseas	25,607	26,599	992	3.9	2,133	8.3
Imaging & Solutions Total	506,435	497,586	-8,849	-1.7	1,412	0.3
Percentage of sales (%)	89.6	88.9				
Domestic	176,275	181,152	4,877	2.8	4,877	2.8
Overseas	330,160	316,434	-13,726	-4.2	-3,465	-1.0
The Americas	162,181	158,642	-3,539	-2.2	-390	-0.2
Europe, Middle East and Africa	127,622	115,951	-11,671	-9.1	-5,132	-4.0
Other	40,357	41,841	1,484	3.7	2,057	5.1
<Industrial Products>						
Industrial Products	30,791	33,554	2,763	9.0	3,235	10.5
Percentage of sales (%)	5.4	6.0				
Domestic	11,865	13,819	1,954	16.5	1,954	16.5
Overseas	18,926	19,735	809	4.3	1,281	6.8
The Americas	5,970	6,093	123	2.1	255	4.3
Europe, Middle East and Africa	4,902	4,843	-59	-1.2	179	3.7
Other	8,054	8,799	745	9.3	847	10.5
<Other>						
Other	27,946	28,333	387	1.4	393	1.4
Percentage of sales (%)	5.0	5.1				
Domestic	24,304	25,555	1,251	5.1	1,251	5.1
Overseas	3,642	2,778	-864	-23.7	-858	-23.6
The Americas	877	659	-218	-24.9	-249	-28.4
Europe, Middle East and Africa	1,148	1,023	-125	-10.9	-114	-9.9
Other	1,617	1,096	-521	-32.2	-495	-30.6
Grand Total	565,172	559,473	-5,699	-1.0	5,040	0.9
Percentage of sales (%)	100.0	100.0				
Domestic	212,444	220,526	8,082	3.8	8,082	3.8
Percentage of sales (%)	37.6	39.4				
Overseas	352,728	338,947	-13,781	-3.9	-3,042	-0.9
Percentage of sales (%)	62.4	60.6				
The Americas	169,028	165,394	-3,634	-2.1	-384	-0.2
Percentage of sales (%)	29.9	29.6				
Europe, Middle East and Africa	133,672	121,817	-11,855	-8.9	-5,067	-3.8
Percentage of sales (%)	23.7	21.8				
Other	50,028	51,736	1,708	3.4	2,409	4.8
Percentage of sales (%)	8.8	9.2				

* Each category includes the following product line:

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

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 %
<Imaging & Solutions>					
Office Imaging	1,274.8	1,225.8	-3.9	1,255.1	-1.6
Domestic	375.4	368.7	-1.8	368.7	-1.8
Overseas	899.4	857.1	-4.7	886.4	-1.5
Production Printing	206.2	213.0	3.3	219.3	6.4
Domestic	32.6	33.7	3.1	33.7	3.1
Overseas	173.5	179.3	3.3	185.6	7.0
Network System Solutions	310.9	314.9	1.3	318.4	2.4
Domestic	214.7	215.5	0.4	215.5	0.4
Overseas	96.2	99.4	3.3	102.9	6.9
Imaging & Solutions Total	1,792.0	1,753.7	-2.1	1,792.8	0.0
Domestic	622.8	617.9	-0.8	617.9	-0.8
Overseas	1,169.2	1,135.8	-2.9	1,174.9	0.5
The Americas	583.4	556.7	-4.6	574.8	-1.5
Europe, Middle East and Africa	431.9	424.2	-1.8	438.2	1.5
Other	153.8	154.9	0.7	161.9	5.2
<Industrial Products>	124.8	135.9	8.8	138.9	11.2
Industrial Products					
Domestic	47.7	55.8	16.8	55.8	16.8
Overseas	77.1	80.1	3.8	83.1	7.7
The Americas	22.0	23.7	7.5	24.5	11.2
Europe, Middle East and Africa	18.6	19.6	5.2	20.2	8.4
Other	36.4	36.8	0.9	38.4	5.3
<Other>	111.9	110.4	-1.4	110.9	-0.9
Other					
Domestic	96.9	96.3	-0.7	96.3	-0.7
Overseas	15.0	14.1	-6.1	14.6	-2.7
The Americas	3.5	3.2	-10.5	3.3	-7.7
Europe, Middle East and Africa	5.9	5.6	-5.3	5.8	-1.9
Other	5.5	5.3	-3.9	5.5	-0.3
Grand Total	2,028.8	2,000.0	-1.4	2,042.6	0.7
Domestic	767.5	770.0	0.3	770.0	0.3
Overseas	1,261.3	1,230.0	-2.5	1,272.6	0.9
The Americas	609.0	583.6	-4.2	602.6	-1.1
Europe, Middle East and Africa	456.4	449.4	-1.5	464.2	1.7
Other	195.8	197.0	0.6	205.8	5.1

(Note) Excluding foreign exchange impact

Reference: Exchange rate	Year ended March 31, 2017	Year ending March 31, 2018
US\$ 1	¥108.39	¥105.00
EURO 1	¥118.82	¥115.00