

QUARTERLY REPORT

First Quarter ended June 30, 2021

(Results for the Period from April 1, 2021 to June 30, 2021)

Performance Outline (Consolidated)

	Three months ended June 30, 2020 Results	Three months ended June 30, 2021 Results	Change	(Billions of yen)	
				Year ending March 31, 2022 Forecast	Change
Domestic sales	159.3	171.3	7.5%	790.0	4.9%
Overseas sales	193.0	253.4	31.3%	1,120.0	20.6%
Sales	352.3	424.8	20.6%	1,910.0	13.6%
Gross profit	122.0	152.3	24.8%	661.4	15.6%
Operating profit (loss)	(21.2)	5.6	-	50.0	-
Profit (loss) before income tax expenses	(22.6)	7.6	-	54.3	-
Profit (loss) attributable to owners of the parent	(18.6)	4.7	-	35.4	-
Exchange rate (Yen/US\$)	107.60	109.50	1.90	106.13	0.08
Exchange rate (Yen/EURO)	118.47	131.92	13.45	126.73	3.03
Earnings per share attributable to owners of the parent-basic (yen)	(25.76)	6.77	32.53	52.52	97.72
Earnings per share attributable to owners of the parent-diluted (yen)	(25.76)	6.77	32.53	52.52	97.72
Cash flows from operating activities	27.3	47.8	20.5	-	-
Cash flows from investing activities	(11.4)	(14.0)	(2.6)	-	-
Cash flows from financing activities	40.4	(43.0)	(83.4)	-	-
Cash and cash equivalents at end of period *1	320.0	321.6	1.6	-	-
Capital expenditures *2	12.0	7.5	(4.4)	43.0	0.8
Depreciation *2	11.3	10.4	(0.8)	44.0	(1.3)
R&D expenditures	21.6	22.9	1.2	90.0	(0.3)
	March 31, 2021	June 30, 2021	Change		
Total assets	1,887.8	1,835.3	(52.5)		
Equity attributable to owners of the parent	920.2	899.3	(20.9)		
Interest-bearing debt *3	222.4	222.2	(0.1)		
Equity attributable to owners of the parent ratio (%)	48.7	49.0	0.3		
Equity per share attributable to owners of the parent (yen)	1,281.29	1,288.94	7.65		

*1 The amounts shown as "cash and cash equivalents at end of the period" are shown on the condensed consolidated statement of cash flows.

*2 The amounts presented in capital expenditures and depreciation are for property, plant and equipment.

*3 The amounts are shown bonds and borrowings.

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 5.

Ricoh Company, Ltd. and its Consolidated Subsidiaries

Financial Highlights for the First Quarter Ended June 30, 2021

[Prepared on the basis of International Financial Reporting Standards]

1. Results for the Period from April 1, 2021 to June 30, 2021

(1) Operating Results

	(Millions of yen)	
	Three months ended June 30, 2020	Three months ended June 30, 2021
Sales	352,325	424,804
(% change from the previous corresponding period)	(26.2)	20.6
Operating profit (loss)	(21,272)	5,666
(% change from the previous corresponding period)	-	-
Profit (loss) before income tax expenses	(22,612)	7,682
(% change from the previous corresponding period)	-	-
Profit (loss) for the period	(18,663)	4,836
(% change from the previous corresponding period)	-	-
Profit (loss) attributable to owners of the parent	(18,659)	4,787
(% change from the previous corresponding period)	-	-
Comprehensive income (loss)	(14,362)	9,752
(% change from the previous corresponding period)	-	-
Earnings per share attributable to owners of the parent-basic (yen)	(25.76)	6.77
Earnings per share attributable to owners of the parent-diluted (yen)	(25.76)	6.77

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

(2) Financial Position

	(Millions of yen)	
	March 31, 2021	June 30, 2021
Total assets	1,887,868	1,835,368
Total equity	923,852	902,949
Equity attributable to owners of the parent	920,246	899,309
Equity attributable to owners of the parent ratio (%)	48.7	49.0

2. Dividend Information

	Year ended March 31, 2021 (Actual)	Year ending March 31, 2022 (Forecast)
Cash dividends, applicable to the year (yen)	15.00	26.00
Interim (yen)	7.50	13.00
Year-end (yen)	7.50	13.00

Notes: Revision of expected dividends during this period: No

3. Forecast of Operating Results from April 1, 2021 to March 31, 2022

	(Millions of yen)
	Year ending March 31, 2022
Sales	1,910,000
(% change from the previous corresponding period)	13.6
Operating profit	50,000
(% change from the previous corresponding period)	-
Profit before income tax expenses	54,300
(% change from the previous corresponding period)	-
Profit for the period	35,500
(% change from the previous corresponding period)	-
Profit attributable to owners of the parent	35,430
(% change from the previous corresponding period)	-
Earnings per share attributable to owners of the parent-basic (yen)	52.52

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: No
 - (ii) Other changes: No
 - (iii) Changes in accounting estimate: No
- (3) Number of common stock outstanding (including treasury stock):
As of June 30, 2021: 744,912,078 shares; As of March 31, 2021: 744,912,078 shares
- (4) Number of treasury stock:
As of June 30, 2021: 47,198,933 shares; As of March 31, 2021: 26,692,132 shares
- (5) Average number of common stock:
Three months ended June 30, 2021: 706,901,957 shares; Three months ended June 30, 2020: 724,433,326 shares

Notes: The Company has established the Board Incentive Plan trust in which beneficiaries include Directors and Executive Officers. The shares owned by the trust account relating to this trust are accounted for as treasury shares. (As of June 30, 2021: 411,200 shares; As of March 31, 2021: 415,800 shares)

Qualitative Information on Consolidated Financial Results for the Quarter under Review

1. Qualitative Information on Consolidated Business Results

* Overview of the First Quarter of Fiscal 2021 (April 1 – June 30, 2021)

Ricoh aims to become a digital service company that is a work productivity innovator over the two years of the 20th Mid-Term Management Plan, which started in the fiscal 2021.

In addition to recovering from the business impact of office printing and commercial printing caused by COVID-19, we further strengthen our business structure by optimizing our development, production, and service provide systems. Ricoh also takes the lead in achieving our targets for the 20th Mid-Term Management Plan and aims to increase corporate value by achieving growth in digital services centered on office services business and improving capital profitability.

The global economy continues to be hampered by COVID-19 pandemic. In addition, the economic outlook remains uncertain due to prolonged U.S.-China trade frictions, shortage of semiconductors and other supplies, and stagnation of shipping and other distribution networks.

In Japan, the economic recovery was sluggish due to factors such as the declaration of emergency to prevent the resurgence of infection, although there were signs of improvement in capital investment by companies. In the U.S., the economy continues to recover in line with the spread of vaccines and financial support measures. In Europe, although there are signs of recovery due to the progress of vaccination, economic recovery has slowed due to the resurgence of COVID-19 pandemic. In other regions, while economic recovery is progressing in China, economic activity has stagnated in some emerging countries due to the resurgence of infection with a new variant of COVID-19.

During this period, the average exchange rates of Japanese yen against U.S. dollar and Euro were ¥109.50 (up ¥1.90 from the previous corresponding period) and ¥131.92 (up ¥13.45 from the previous corresponding period) respectively.

Sales for the first quarter increased by 20.6% as compared to the previous corresponding period, when the spread of COVID-19 led to a sharp decline in global economic activity, to ¥424.8 billion. In the office printing business, the recovery in non-hardware sales was slow due to the slow recovery in the percentage of employees attending office by the resurgence of infection with COVID-19. However, sales of edge devices such as multifunctional printers and laser printers significantly exceeded the previous corresponding period, when sales plummeted.

In the office services business, sales have grown steadily, due to the acceptance of our proposals for resolving customer issues such as remote work promotion and digital transformation.

In addition, our business activities have recovered in a number of other business, including the commercial printing business and the industrial printing business. In line with the introduction of the business unit structure, the new business segment adopted in the fiscal 2021, namely Digital Services, Digital Products, Graphic Communications, and Industrial Solutions, posted a significant increase in revenues.

In Japan, sales increased by 7.5% as compared to the previous corresponding period. Although the sales recovery in the office printing business slowed due to the declaration of emergency in major cities by the resurgence of infection and priority measures to prevent the spread of the COVID-19, the package sales in the office service business continued to be strong.

Sales in the Americas increased by 24.1% (an increase of 21.9% excluding foreign currency exchange fluctuations) as compared to the previous corresponding period. The sales recovered in the office printing business and commercial printing business while economic activity was recovering due to the spread of vaccination.

Sales in the Europe, the Middle East, and Africa increased by 43.2% (an increase of 28.6% excluding foreign currency exchange fluctuations) as compared to the previous corresponding period. Although the recovery in the office printing was moderated by the resurgence of COVID-19, sales of office services increased due to accelerating sales of office services packages and continued acquisitions of IT service companies. Sales in other regions increased by 23.4% (an increase of 13.4% excluding foreign currency exchange fluctuations) as compared to the previous corresponding period mainly due to the sales recovery in the office printing business.

As a result, sales in the overseas market increased by 31.3% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have increased by 23.0% as compared to the previous corresponding period.

Gross profit increased by 24.8% as compared to the previous corresponding period, to ¥152.3 billion due to an increase in sales in each business segment.

Selling, general and administrative expenses increased by 3.7% as compared to the previous corresponding period, to ¥150.3 billion.

Other income increased compared to the previous corresponding period primarily due to gain on the sale of U.S. manufacturing subsidiary land in the first quarter period.

Operating profit increased by ¥26.9 billion compared to the previous corresponding period, to ¥5.6 billion. Excluding the foreign exchange impact, operating profit increased by ¥24.0 billion compared to the previous corresponding period.

Net finance income and costs increased as compared to the previous corresponding period due to an increase in foreign exchange gains.

Profit before income tax expenses increased by ¥30.2 billion as compared to the previous corresponding period, to ¥7.6 billion.

Income tax expenses increased by ¥6.7 billion as compared to the previous corresponding period mainly due to a significant increase in profit before income tax expenses.

As a result, profit attributable to owners of the parent increased by ¥23.4 billion as compared to the previous corresponding period, to ¥4.7 billion.

Comprehensive income was ¥9.7 billion due to an increase in profit for the period.

* Review by Business Segment

Digital Services

Digital Services sales were ¥346.3 billion and increased by 22.1% as compared to the previous corresponding period. In the office services business, sales increased as a result of the continued acquisition of IT service companies in Europe and accelerating sales of office services packages in Japan and Europe. In the office printing business, although there has been a recovery in office activities due to the widespread use of vaccination, the recovery in the attendance rate has slowed due to the resurgence of COVID-19 pandemic, and the recovery of the print volume has lagged behind expectations. However, sales of edge devices, such as MFPs (multifunctional printers) and laser printers, have recovered. As a result, sales of Digital Services increased significantly compared to the previous corresponding period. Operating profit was squeezed by shortages of semiconductors and other parts and by rising shipping costs. However, we are generating operating profit by increasing gross profit due to the increase in sales, strengthening our maintenance and service structure, and steadily improving profitability in the printing center business in the U.S.

As a result, Digital Services operating profit was ¥1.3 billion and increased by ¥8.6 billion as compared to the previous corresponding period.

Digital Products

Digital Products sales were ¥3.3 billion and increased by 13.9% (Sales including intersegment sales were ¥89.4 billion and increased by 12.6%) as compared to the previous corresponding period. Sales of edge devices and consumables increased due to a recovery in economic activity in spite of a shortage of semiconductors and other components and a stagnant distribution network. Despite the impact of rising shipping costs and other factors, in addition to an increase in gross profit due to increased sales, we are making steady progress in improving operating profit through cost-cutting measures to strengthen our business structure, such as streamlining development and consolidating production bases.

As a result, Digital Products operating profit was ¥9.0 billion and increased by ¥10.7 billion as compared to the previous corresponding period.

Graphic Communications

Graphic Communications sales were ¥42.5 billion and increased by 32.3% as compared to the previous corresponding period. The resumption of economic activity resulted in an increase of sales in the commercial printing business due to a recovery in investment motivation. In the industrial printing business, sales increased due to a recovery in demand for inkjet heads and an increase in demand for industrial printers. We are also making steady progress in efforts to reduce costs through the digitization of development and production and the streamlining of service activities.

As a result, Graphic Communications operating profit was ¥1.0 billion and increased by ¥9.9 billion as compared to the previous corresponding period.

Industrial Solutions

Industrial Solutions sales were ¥26.9 billion and increased by 12.3% as compared to the previous corresponding period due to increased sales in both the thermal media and industrial products business. In the thermal media business, sales of Silicone-top Linerless Label are steadily increasing and demand for tickets in the U.S. and demand in the logistics industry are expanding. On the other hand, upfront investments to increase production capacity and higher raw material prices are putting pressure on operating profit. In addition, in the industrial products business, sales increased due to a recovery in demand in the automotive industry. As a result, Industrial Solutions operating profit (loss) was ¥0.9 billion (loss) and increased by ¥0.8 billion as compared to the previous corresponding period.

Other

Other segment sales were ¥5.5 billion and decreased by 41.4% as compared to the previous corresponding period. A prime factor was the adoption of equity method accounting for Ricoh Leasing Co., Ltd. (hereinafter, Ricoh Leasing). On the other hand, in the camera business, sales of new products were favorable and returned to profitability. As a result, Other segment operating profit (loss) was ¥3.2 billion (loss). Excluding the impact of the adoption of equity method accounting for Ricoh Leasing, both sales and operation profit increased.

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

2. Analysis of Consolidated Financial Position

*Assets, Liabilities and Equity

Total assets decreased by ¥52.5 billion as compared to the end of the previous fiscal year, to ¥1,835.3 billion. "Trade and other receivables" decreased by ¥49.9 billion from the end of the previous fiscal year, mainly due to the collection of receivables recorded at the end of the previous fiscal year.

Total liabilities decreased by ¥31.5 billion as compared to the end of previous year, to ¥932.4 billion. "Trade and other payables" decreased by ¥34.9 billion, mainly due to the payment of payables recorded at the end of the previous fiscal year.

Total equity decreased by ¥20.9 billion as compared to the end of previous fiscal year, to ¥902.9 billion. "Treasury stock" increased by ¥25.2 billion because of share repurchase to increase shareholder returns.

Equity attributable to owners of the parent therefore decreased by ¥20.9 billion, to ¥899.3 billion. The equity attributable to owners of the parent ratio remained stable, at 49.0%.

* Cash Flows (Three months from April 1, 2021 to June 30, 2021)

Net cash provided by operating activities increased by ¥20.5 billion as compared to the previous corresponding period, to ¥47.8 billion. The proceeds increased due to significant improvement in profit for the period.

Net cash used in investing activities increased by ¥2.6 billion as compared to the previous corresponding period, to ¥14.0 billion. During the previous corresponding period, there was an increase in expenditure for property, plant and equipment due to Ricoh Leasing being a consolidated subsidiary and a temporary cash income due to partial transfer of shares of Ricoh Leasing. During the first quarter of this fiscal year, cash income increased due to the sale of land at a manufacturing subsidiary in U.S., while expenditures increased due to the acquisition of an IT service company in Europe and the acquisition of intangible assets. As a result, cash expenditures increased compared to the previous corresponding period.

Free cash flow (net cash provided by operating activities plus net cash used in investing activities) totaled ¥33.7 billion, up by ¥17.8 billion.

Net cash provided by (used in) financing activities decreased by ¥83.4 billion as compared to the previous corresponding period, to ¥43.0 billion in expenditure. During the previous corresponding period, Ricoh procured in preparation for the risk of business environment deterioration because of COVID-19. On the other hand, during the first quarter of this fiscal year, the Company acquired ¥25.2 billion of treasury stock and increased expenditures.

As a result, the balance of cash and cash equivalent at the end of period decreased by ¥8.6 billion as compared to the end of previous fiscal year, to ¥321.6 billion.

3. Qualitative Information on Forecasted Consolidated Financial Results

Since the business results and the business environment including foreign currency fluctuations in the first quarter were within expectation, there was no change on the forecast of sales, gross profit, operating profit, profit before income tax expenses and profit attributable to owners of the parent from those previously announced in May this year.

Ricoh maintains the assumed exchange rates set forth in May of ¥105 against the U.S. dollar and of ¥125 against the euro in and after the second quarter while the actual exchange rates during the first quarter have been incorporated into exchange rate assumptions for the full year.

Exchange Rate Assumptions for the full year ending March 31, 2022

US\$ 1 = ¥106.13 (¥106.05 in previous fiscal year)

EURO 1 = ¥126.73 (¥123.70 in previous fiscal year)

	(Billions of yen)		
	Year ended March 31, 2021	Year ending March 31, 2022 (Forecast)	Change
Domestic sales	753.0	790.0	4.9%
Overseas sales	929.0	1,120.0	20.6%
Sales	1,682.0	1,910.0	13.6%
Gross profit	572.3	661.4	15.6%
Operating profit (loss)	(45.4)	50.0	-
Profit (loss) before income tax expenses	(41.0)	54.3	-
Profit (loss) attributable to owners of the parent	(32.7)	35.4	-

* 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, 2021	June 30, 2021	Change
Current Assets			
Cash and cash equivalents	334,810	328,670	(6,140)
Time deposits	238	275	37
Trade and other receivables	392,132	342,205	(49,927)
Other financial assets	92,823	91,514	(1,309)
Inventories	192,016	193,809	1,793
Other current assets	46,725	51,465	4,740
Total Current Assets	1,058,744	1,007,938	(50,806)
Non-current assets			
Property, plant and equipment	191,963	188,116	(3,847)
Right-of-use assets	63,653	61,502	(2,151)
Goodwill and intangible assets	225,510	231,283	5,773
Other financial assets	136,093	132,391	(3,702)
Investments accounted for using the equity method	79,504	80,783	1,279
Other investments	18,504	18,735	231
Other non-current assets	29,773	29,533	(240)
Deferred tax assets	84,124	85,087	963
Total Non-current Assets	829,124	827,430	(1,694)
Total Assets	1,887,868	1,835,368	(52,500)

Liabilities and Equity

	(Millions of yen)		
	March 31, 2021	June 30, 2021	Change
Current Liabilities			
Bonds and borrowings	82,731	101,834	19,103
Trade and other payables	287,160	252,210	(34,950)
Lease liabilities	25,475	23,568	(1,907)
Other financial liabilities	1,669	2,257	588
Income tax payables	7,213	7,180	(33)
Provisions	12,946	12,066	(880)
Other current liabilities	240,322	249,556	9,234
Total Current Liabilities	657,516	648,671	(8,845)
Non-current Liabilities			
Bonds and borrowings	139,676	120,389	(19,287)
Lease liabilities	46,737	45,796	(941)
Accrued pension and retirement benefits	70,463	68,229	(2,234)
Provisions	11,413	10,074	(1,339)
Other non-current liabilities	34,469	35,592	1,123
Deferred tax liabilities	3,742	3,668	(74)
Total Non-current Liabilities	306,500	283,748	(22,752)
Total Liabilities	964,016	932,419	(31,597)
Equity			
Common stock	135,364	135,364	-
Additional paid-in capital	186,231	186,242	11
Treasury stock	(45,024)	(70,280)	(25,256)
Other components of equity	82,097	86,084	3,987
Retained earnings	561,578	561,899	321
Equity attributable to owners of the parent	920,246	899,309	(20,937)
Non-controlling interests	3,606	3,640	34
Total Equity	923,852	902,949	(20,903)
Total Liabilities and Equity	1,887,868	1,835,368	(52,500)

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

Condensed Consolidated Statement of Profit or Loss

(Millions of yen)				
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change	%
Sales	352,325	424,804	72,479	20.6
Cost of sales	230,252	272,441	42,189	18.3
Percentage of sales (%)	65.4	64.1		
Gross profit	122,073	152,363	30,290	24.8
Percentage of sales (%)	34.6	35.9		
Selling, general and administrative expenses	144,918	150,344	5,426	3.7
Percentage of sales (%)	41.1	35.4		
Other Income	1,573	3,647	2,074	131.8
Percentage of sales (%)	0.4	0.9		
Operating profit (loss)	(21,272)	5,666	26,938	-
Percentage of sales (%)	(6.0)	1.3		
Finance income	838	1,071	233	27.8
Percentage of sales (%)	0.2	0.3		
Finance costs	2,668	882	(1,786)	(66.9)
Percentage of sales (%)	0.8	0.2		
Share of profit (loss) of investments accounted for using the equity method	490	1,827	1,337	272.9
Percentage of sales (%)	0.1	0.4		
Profit (loss) before income tax expenses	(22,612)	7,682	30,294	-
Percentage of sales (%)	(6.4)	1.8		
Income tax expenses	(3,949)	2,846	6,795	-
Percentage of sales (%)	(1.1)	0.7		
Profit (loss) for the period	(18,663)	4,836	23,499	-
Percentage of sales (%)	(5.3)	1.1		
Profit (loss) attributable to:				
Owners of the parent	(18,659)	4,787	23,446	-
Percentage of sales (%)	(5.3)	1.1		
Non-controlling interests	(4)	49	53	-
Percentage of sales (%)	(0.0)	0.0		

	Three months ended June 30, 2020	Three months ended June 30, 2021	Change
Earnings per share attributable to owners of the parent-basic (yen)	(25.76)	6.77	32.53
Earnings per share attributable to owners of the parent-diluted (yen)	(25.76)	6.77	32.53

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

Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)			
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change
Profit (loss) for the period	(18,663)	4,836	23,499
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-	981	981
Net changes in fair value of financial assets measured through other comprehensive income	615	207	(408)
Share of other comprehensive income of investments accounted for using equity method	19	114	95
Total components that will not be reclassified subsequently to profit or loss	634	1,302	668
Components that will be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedges	214	(128)	(342)
Exchange differences on translation of foreign operations	3,429	3,810	381
Share of other comprehensive income of investments accounted for using equity method	24	(68)	(92)
Total components that will be reclassified subsequently to profit or loss	3,667	3,614	(53)
Total other comprehensive income (loss)	4,301	4,916	615
Comprehensive income (loss)	(14,362)	9,752	24,114
Comprehensive income (loss) attributable to:			
Owners of the parent	(14,403)	9,695	24,098
Non-controlling interests	41	57	16

Consolidated Sales by Product Category

	(Millions of yen)			
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change	%
<Digital Services>	283,745	346,395	62,650	22.1
Percentage of sales (%)	<i>80.5</i>	<i>81.5</i>		
<Digital Products>	2,982	3,397	415	13.9
Percentage of sales (%)	<i>0.9</i>	<i>0.8</i>		
<Graphic Communications>	32,169	42,550	10,381	32.3
Percentage of sales (%)	<i>9.1</i>	<i>10.0</i>		
<Industrial Solutions>	23,977	26,926	2,949	12.3
Percentage of sales (%)	<i>6.8</i>	<i>6.4</i>		
<Other>	9,452	5,536	(3,916)	(41.4)
Percentage of sales (%)	<i>2.7</i>	<i>1.3</i>		
Grand Total	352,325	424,804	72,479	20.6
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. For the product line of each category, please refer to "(7) Segment Information" on page 13.

Consolidated Sales by Geographic Area

	(Millions of yen)			
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change	%
<Domestic>	159,305	171,317	12,012	7.5
Percentage of sales (%)	<i>45.2</i>	<i>40.3</i>		
<Overseas>	193,020	253,487	60,467	31.3
Percentage of sales (%)	<i>54.8</i>	<i>59.7</i>		
The Americas	85,750	106,416	20,666	24.1
Percentage of sales (%)	<i>24.3</i>	<i>25.1</i>		
Europe, Middle East and Africa	74,232	106,310	32,078	43.2
Percentage of sales (%)	<i>21.1</i>	<i>25.0</i>		
Other	33,038	40,761	7,723	23.4
Percentage of sales (%)	<i>9.4</i>	<i>9.6</i>		
Grand Total	352,325	424,804	72,479	20.6
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

(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 changes in fair value of cash flow hedges
Balance as of April 1, 2020	135,364	186,173	(37,795)	-	5,191	409
Profit (loss) for the period						
Other comprehensive income (loss)					527	147
Comprehensive income (loss)	-	-	-	-	527	147
Net change in treasury stock			(1)			
Dividends declared and approved to owners		16				
Share-based payment transactions						
Share-based payment transactions of subsidiaries						
Loss of control of subsidiaries						
Transfer from other components of equity to retained earnings						
Other			(49)			
Total transactions with owners	-	16	(50)	-	-	-
Balance as of June 30, 2020	135,364	186,189	(37,845)	-	5,718	556

	Other components of equity		Other comprehensive income related to disposal groups held for sale	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, 2020	36,168	41,768	130	594,731	920,371	88,156	1,008,527
Profit (loss) for the period				(18,659)	(18,659)	(4)	(18,663)
Other comprehensive income (loss)	3,430	4,104	152		4,256	45	4,301
Comprehensive income (loss)	3,430	4,104	152	(18,659)	(14,403)	41	(14,362)
Net change in treasury stock					(1)		(1)
Dividends declared and approved to owners				(9,418)	(9,418)	(26)	(9,444)
Share-based payment transactions					16		16
Share-based payment transactions of subsidiaries					-	4	4
Loss of control of subsidiaries					-	(84,676)	(84,676)
Transfer from other components of equity to retained earnings			(282)	282	-		-
Other					(49)		(49)
Total transactions with owners	-	-	(282)	(9,136)	(9,452)	(84,698)	(94,150)
Balance as of June 30, 2020	39,598	45,872	-	566,936	896,516	3,499	900,015

(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 changes in fair value of cash flow hedges
Balance as of April 1, 2021	135,364	186,231	(45,024)	-	7,807	(430)
Profit (loss) for the period						
Other comprehensive income (loss)				981	321	(197)
Comprehensive income (loss)	-	-	-	981	321	(197)
Net change in treasury stock			(25,260)			
Dividends declared and approved to owners						
Share-based payment transactions		11	4			
Transfer from other components of equity to retained earnings				(981)	60	
Total transactions with owners	-	11	(25,256)	(981)	60	-
Balance as of June 30, 2021	135,364	186,242	(70,280)	-	8,188	(627)

	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, 2021	74,720	82,097	561,578	920,246	3,606	923,852
Profit (loss) for the period			4,787	4,787	49	4,836
Other comprehensive income (loss)	3,803	4,908		4,908	8	4,916
Comprehensive income (loss)	3,803	4,908	4,787	9,695	57	9,752
Net change in treasury stock				(25,260)		(25,260)
Dividends declared and approved to owners			(5,387)	(5,387)	(23)	(5,410)
Share-based payment transactions				15		15
Transfer from other components of equity to retained earnings		(921)	921	-		-
Total transactions with owners	-	(921)	(4,466)	(30,632)	(23)	(30,655)
Balance as of June 30, 2021	78,523	86,084	561,899	899,309	3,640	902,949

(4) Condensed Consolidated Statement of Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2020	Three months ended June 30, 2021
I. Cash Flows from Operating Activities:		
Profit (loss) for the period	(18,663)	4,836
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	26,502	23,477
Other income	(14)	(2,712)
Share of (profit) loss of investments accounted for using the equity method	(490)	(1,827)
Finance income and costs	1,830	(189)
Income tax expenses	(3,949)	2,846
(Increase) decrease in trade and other receivables	80,692	51,714
(Increase) decrease in inventories	(11,165)	(1,199)
(Increase) decrease in lease receivables	9,832	5,976
Increase (decrease) in trade and other payables	(47,798)	(35,187)
Increase (decrease) in accrued pension and retirement benefits	(1,885)	(2,833)
Other, net	(1,823)	7,463
Interest and dividends received	1,562	1,011
Interest paid	(900)	(845)
Income taxes paid	(6,373)	(4,664)
Net cash provided by (used in) operating activities	27,358	47,867
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	44	3,329
Expenditures for property, plant and equipment	(12,000)	(7,584)
Proceeds from sales of intangible assets	54	-
Expenditures for intangible assets	(4,913)	(7,349)
Payments for purchases of investment securities	(591)	(169)
Proceeds from sales of investment securities	17	13
Net (increase) decrease of time deposits	(12)	(36)
Purchase of business, net of cash acquired	(1,476)	(2,292)
Net increase (decrease) due to loss of control of subsidiaries	7,846	-
Other, net	(428)	-
Net cash provided by (used in) investing activities	(11,459)	(14,088)
III. Cash Flows from Financing Activities:		
Net increase (decrease) of short-term debt	(20,616)	(3,661)
Proceeds from long-term debt	88,776	1,134
Repayments of long-term debt	(10,488)	(927)
Repayments of lease liabilities	(7,763)	(8,906)
Dividends paid	(9,418)	(5,387)
Payments for purchase of treasury stock	(1)	(25,260)
Other, net	(26)	(23)
Net cash provided by (used in) financing activities	40,464	(43,030)
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	(36)	604
V. Net Increase (decrease) in Cash and Cash Equivalents	56,327	(8,647)
VI. Cash and Cash Equivalents at Beginning of Year	263,688	330,344
VII. Cash and Cash Equivalents at End of Period	320,015	321,697

Notes: The difference in the amount of “cash and cash equivalents” between condensed consolidated statement of financial position and condensed consolidated statement of cash flows represents bank overdrafts.

(5) Notes on premise going concern

Not applicable

(6) Changes in accounting policies

Significant accounting policies which apply in the Condensed Consolidated Financial Statements are the same as those in the previous fiscal year.

(7) Segment Information

Operating Segment Information

	(Millions of yen)			
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change	%
Digital Services:				
Sales:				
Unaffiliated customers	283,745	346,395	62,650	22.1
Intersegment	-	-	-	-
Total	283,745	346,395	62,650	22.1
Operating expenses	291,056	345,064	54,008	18.6
Operating profit (loss)	(7,311)	1,331	8,642	-
Operating profit (loss) on sales in Digital Services (%)	(2.6)	0.4		
Digital Products:				
Sales:				
Unaffiliated customers	2,982	3,397	415	13.9
Intersegment	76,517	86,086	9,569	12.5
Total	79,499	89,483	9,984	12.6
Operating expenses	81,226	80,460	(766)	(0.9)
Operating profit (loss)	(1,727)	9,023	10,750	-
Operating profit (loss) on sales in Digital Products (%)	(2.2)	10.1		
Graphic Communications:				
Sales:				
Unaffiliated customers	32,169	42,550	10,381	32.3
Intersegment	-	-	-	-
Total	32,169	42,550	10,381	32.3
Operating expenses	41,106	41,502	396	1.0
Operating profit (loss)	(8,937)	1,048	9,985	-
Operating profit (loss) on sales in Graphic Communications (%)	(27.8)	2.5		
Industrial Solutions:				
Sales:				
Unaffiliated customers	23,977	26,926	2,949	12.3
Intersegment	1,625	1,752	127	7.8
Total	25,602	28,678	3,076	12.0
Operating expenses	27,407	29,651	2,244	8.2
Operating profit (loss)	(1,805)	(973)	832	-
Operating profit (loss) on sales in Industrial Solutions (%)	(7.1)	(3.4)		
Other:				
Sales:				
Unaffiliated customers	9,452	5,536	(3,916)	(41.4)
Intersegment	2,971	2,916	(55)	(1.9)
Total	12,423	8,452	(3,971)	(32.0)
Operating expenses	15,590	11,716	(3,874)	(24.8)
Operating profit (loss)	(3,167)	(3,264)	(97)	-
Operating profit (loss) on sales in Other (%)	(25.5)	(38.6)		
Eliminations and Corporate:				
Sales:				
Intersegment	(81,113)	(90,754)	(9,641)	
Total	(81,113)	(90,754)	(9,641)	-
Operating expenses:				
Intersegment	(81,113)	(90,754)	(9,641)	
Corporate	(1,675)	1,499	3,174	
Total	(82,788)	(89,255)	(6,467)	-
Operating profit (loss)	1,675	(1,499)	(3,174)	-
Consolidated:				
Sales:				
Unaffiliated customers	352,325	424,804	72,479	20.6
Intersegment	-	-	-	-
Total	352,325	424,804	72,479	20.6
Operating expenses	373,597	419,138	45,541	12.2
Operating profit (loss)	(21,272)	5,666	26,938	-
Operating profit (loss) on consolidated sales (%)	(6.0)	1.3		

* Each category includes the following product line:

Digital Services	Sale of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, personal computers, servers, network equipment, related parts & supplies, services, support, software and service & solutions related to documents
Digital Products	Production and OEM of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, network equipment, and related parts & supplies
Graphic Communications	Production and sales of cut sheet printers, continuous feed printers, inkjet heads, imaging systems, industrial printers, related parts & supplies, services, support and software
Industrial Solutions	Production and sales of thermal paper and thermal media, industrial optical component/module, electronic components and precision mechanical component
Other	Digital cameras, 360°cameras, environment, healthcare

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Intersegment sales are primarily for Digital Services.

(8) Subsequent events

(Share Repurchase)

At the meeting of the Board of Directors of the Company held on March 3, 2021, the Company resolved a share repurchase. The status of share repurchase after June 30, 2021 is as follows.

The status of share repurchase

(1) Share category	Common stock
(2) Number of shares	10,710,600 shares
(3) Repurchase cost	¥12,856,937,100
(4) Period	July 1, 2021, through August 3, 2021
(5) Method	Open market purchase on Tokyo Stock Exchange

(Reference)

1. The matters for resolution at the Board of Directors meeting held on March 3, 2021

(1) Share category	Common stock
(2) Number of shares	Up to 145,000,000 shares (representing 20.02% of issued and outstanding shares excluding treasury shares)
(3) Repurchase ceiling	¥100 billion
(4) Period	March 4, 2021, through March 3, 2022
(5) Method	Open market purchase on Tokyo Stock Exchange

2. Total number of shares repurchase (as of August 3, 2021)

(1) Total number of shares repurchase	37,433,300 shares
(2) Total repurchase cost	¥45,405,296,600

-APPENDIX- (Three months ended June 30, 2021)

1. Consolidated Sales by Product Category

	(Millions of yen)					
	Three months ended June 30, 2020	Three months ended June 30, 2021	Change	%	Change excluding exchange impact	%
<Digital Services>	283,745	346,395	62,650	22.1	49,581	17.5
Percentage of sales (%)	80.5	81.5				
Domestic	133,639	148,219	14,580	10.9	14,580	10.9
Overseas	150,106	198,176	48,070	32.0	35,001	23.3
The Americas	65,228	80,727	15,499	23.8	14,100	21.6
Europe, Middle East and Africa	63,059	90,420	27,361	43.4	18,143	28.8
Other	21,819	27,029	5,210	23.9	2,758	12.6
<Digital Products>	2,982	3,397	415	13.9	260	8.7
Percentage of sales (%)	0.9	0.8				
Domestic	1,558	1,527	(31)	(2.0)	(31)	(2.0)
Overseas	1,424	1,870	446	31.3	291	20.4
The Americas	188	170	(18)	(9.6)	(21)	(11.2)
Europe, Middle East and Africa	-	-	-	-	-	-
Other	1,236	1,700	464	37.5	312	25.2
<Graphic Communications>	32,169	42,550	10,381	32.3	8,622	26.8
Percentage of sales (%)	9.1	10.0				
Domestic	6,126	6,638	512	8.4	512	8.4
Overseas	26,043	35,912	9,869	37.9	8,110	31.1
The Americas	15,132	19,569	4,437	29.3	4,084	27.0
Europe, Middle East and Africa	7,093	10,705	3,612	50.9	2,543	35.9
Other	3,818	5,638	1,820	47.7	1,483	38.8
<Industrial Solutions>	23,977	26,926	2,949	12.3	2,127	8.9
Percentage of sales (%)	6.8	6.4				
Domestic	10,938	12,260	1,322	12.1	1,322	12.1
Overseas	13,039	14,666	1,627	12.5	805	6.2
The Americas	4,422	4,726	304	6.9	222	5.0
Europe, Middle East and Africa	3,503	4,164	661	18.9	241	6.9
Other	5,114	5,776	662	12.9	342	6.7
<Other>	9,452	5,536	(3,916)	(41.4)	(4,095)	(43.3)
Percentage of sales (%)	2.7	1.3				
Domestic	7,044	2,673	(4,371)	(62.1)	(4,371)	(62.1)
Overseas	2,408	2,863	455	18.9	276	11.5
The Americas	780	1,224	444	56.9	407	52.2
Europe, Middle East and Africa	577	1,021	444	76.9	339	58.8
Other	1,051	618	(433)	(41.2)	(470)	(44.7)
Total	352,325	424,804	72,479	20.6	56,495	16.0
Percentage of sales (%)	100.0	100.0				
Domestic	159,305	171,317	12,012	7.5	12,012	7.5
Percentage of sales (%)	45.2	40.3				
Overseas	193,020	253,487	60,467	31.3	44,483	23.0
Percentage of sales (%)	54.8	59.7				
The Americas	85,750	106,416	20,666	24.1	18,792	21.9
Percentage of sales (%)	24.3	25.1				
Europe, Middle East and Africa	74,232	106,310	32,078	43.2	21,266	28.6
Percentage of sales (%)	21.1	25.0				
Other	33,038	40,761	7,723	23.4	4,425	13.4
Percentage of sales (%)	9.4	9.6				

* Each category includes the following product line:

Digital Services	Sale of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, personal computers, servers, network equipment, related parts & supplies, services, support, software and service & solutions related to documents
Digital Products	Production and OEM of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, network equipment, and related parts & supplies
Graphic Communications	Production and sales of cut sheet printers, continuous feed printers, inkjet heads, imaging systems, industrial printers, related parts & supplies, services, support and software
Industrial Solutions	Production and sales of thermal paper and thermal media, industrial optical component/module, electronic components and precision mechanical component
Other	Digital cameras, 360°cameras, environment, healthcare

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

2. Forecast of Consolidated Performance

(Billions of yen)

	Three months ended June 30, 2021	Change	Year ending March 31, 2022	Change
	Results	%	Forecast	%
Sales	424.8	20.6	1,910.0	13.6%
Gross profit	152.3	24.8	661.4	15.6%
Operating profit	5.6	-	50.0	-
Profit before income tax expenses	7.6	-	54.3	-
Profit attributable to owners of the parent	4.7	-	35.4	-
Earnings per share attributable to owners of the parent-basic (yen)	6.77	32.53	52.52	97.72
Earnings per share attributable to owners of the parent- diluted (yen)	6.77	32.53	52.52	97.72
Capital expenditures	7.5		43.0	
Depreciation	10.4		44.0	
R&D expenditures	22.9		90.0	
Exchange rate (Yen/US\$)	109.50		106.13	
Exchange rate (Yen/EURO)	131.92		126.73	

3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2021		Year ending March 31, 2022		
	Results	Forecast	Change %	Forecast excluding exchange impact	Change %
<Digital Services>	1,376.6	1,542.0	12.0	1,533.0	11.4
Domestic	651.1	678.4	4.2	678.4	4.2
Overseas	725.4	863.6	19.0	854.6	17.8
The Americas	293.8	336.5	14.5	336.3	14.5
Europe, Middle East and Africa	335.1	424.2	26.6	415.5	24.0
Other	96.5	102.9	6.6	102.8	6.5
<Digital Products>	12.1	13.0	7.3	13.0	7.3
Domestic	5.9	6.0	1.4	6.0	1.4
Overseas	6.1	7.0	13.0	7.0	13.0
The Americas	0.4	0.9	97.4	0.9	97.4
Europe, Middle East and Africa	-	-	-	-	-
Other	5.7	6.1	6.3	6.1	6.3
<Graphic Communications>	159.9	196.0	22.6	194.9	21.9
Domestic	26.6	28.8	7.9	28.8	7.9
Overseas	133.2	167.2	25.5	166.1	24.7
The Americas	72.1	86.2	19.4	86.2	19.4
Europe, Middle East and Africa	40.0	57.8	44.2	56.7	41.4
Other	20.9	23.2	10.9	23.2	10.9
<Industrial Solutions>	108.8	140.0	28.6	139.6	28.2
Domestic	55.6	69.5	24.8	69.5	24.8
Overseas	53.2	70.5	32.5	70.1	31.8
The Americas	17.2	22.1	28.1	22.1	28.1
Europe, Middle East and Africa	15.0	18.8	25.3	18.4	22.6
Other	20.9	29.6	41.3	29.6	41.3
<Other>	24.5	19.0	(22.6)	18.9	(23.0)
Domestic	13.6	7.3	(46.5)	7.3	(46.5)
Overseas	10.9	11.7	7.1	11.6	6.2
The Americas	2.8	3.2	10.5	3.2	10.5
Europe, Middle East and Africa	3.1	3.5	10.8	3.4	7.6
Other	4.8	5.0	2.7	5.0	2.7
Total	1,682.0	1,910.0	13.6	1,899.4	12.9
Domestic	753.0	790.0	4.9	790.0	4.9
Overseas	929.0	1,120.0	20.6	1,109.4	19.4
The Americas	386.6	448.9	16.1	448.7	16.1
Europe, Middle East and Africa	393.4	504.3	28.2	494.0	25.6
Other	149.0	166.8	11.9	166.7	11.9

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation.