

## QUARTERLY REPORT

Half year ended September 30, 2015

(Results for the Period from April 1, 2015 to September 30, 2015)

### Performance Outline (Consolidated)

(1) Half year ended September 30, 2014 and 2015 (Actual result) and Year ending March 31, 2016 (Forecast)

	Half year ended		Change	(Billions of yen)	
	September 30, 2014 Results	September 30, 2015 Results		Year ending March 31, 2016 Forecast	Change
Domestic sales	374.7	367.0	-2.1%	770.0	1.4%
Overseas sales	657.8	728.1	10.7%	1,530.0	9.9%
Sales	1,032.6	1,095.1	6.1%	2,300.0	6.9%
Gross profit	446.4	446.7	0.1%	927.0	2.2%
Operating profit	55.8	56.1	0.4%	116.0	0.2%
Profit before income tax expenses	55.5	53.5	-3.6%	111.0	-1.2%
Profit attributable to owners of the parent	33.9	34.5	1.7%	71.0	3.6%
Exchange rate (Yen/US\$)	103.05	121.80	18.75	120.90	11.01
Exchange rate (Yen/EURO)	138.94	135.13	-3.81	132.57	-6.28
Earnings per share attributable to owners of the parent-basic (yen)	46.87	47.65	0.78	97.94	3.36
Earnings per share attributable to owners of the parent-diluted (yen)	-	-	-	-	-
Cash flows from operating activities	19.1	55.6	36.4	-	-
Cash flows from investing activities	-62.4	-46.0	16.3	-	-
Cash flows from financing activities	33.0	33.4	0.3	-	-
Cash and cash equivalents at end of period	133.5	180.1	46.6	-	-
Capital expenditures	38.6	40.9	2.2	85.0	9.0
Depreciation	35.7	34.5	-1.2	70.0	-0.9
R&D expenditures	58.1	57.7	-0.4	123.0	4.2
	March 31, 2015	September 30, 2015	Change		
Total assets	2,730.2	2,815.3	85.1		
Equity attributable to owners of the parent	1,084.1	1,107.2	23.0		
Interest-bearing debt	790.5	837.1	46.5		
Equity attributable to owners of the parent ratio (%)	39.7	39.3	-0.4		
Equity per share attributable to owners of the parent (yen)	1,495.61	1,527.40	31.79		

## (2) Three months ended September 30, 2014 and 2015

(Billions of yen)

	Three months ended September 30, 2014 Results	Three months ended September 30, 2015 Results	Change
Domestic sales	189.1	187.1	-1.1%
Overseas sales	336.8	368.8	9.5%
Sales	526.0	556.0	5.7%
Gross profit	227.1	221.8	-2.3%
Operating profit	28.6	35.4	23.5%
Profit before income tax expenses	29.7	34.1	14.5%
Profit attributable to owners of the parent	18.8	21.5	14.1%
Exchange rate (Yen/US\$)	103.95	122.29	18.34
Exchange rate (Yen/EURO)	137.77	136.03	-1.74
Earnings per share attributable to owners of the parent-basic (yen).	26.07	29.74	3.67
Earnings per share attributable to owners of the parent-diluted (yen).	-	-	-
Capital expenditures	20.4	20.3	-0.0
Depreciation	18.3	17.2	-1.1
R&D expenditures	30.2	30.6	0.4

**Ricoh Company, Ltd.**

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

\* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at to date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. For the assumptions for forecast and other related information, please refer to "3. Qualitative Information on Forecasted Consolidated Financial Results" on page 6.

# Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the Second Quarter ended September 30, 2015  
 [Prepared on the basis of International Financial Reporting Standards]

## 1. Results for the Period from April 1, 2015 to September 30, 2015

### (1) Operating Results

	(Millions of yen)	
	Half year ended September 30, 2014	Half year ended September 30, 2015
Sales	1,032,613	1,095,178
(% change from the previous corresponding period)	3.4	6.1
Operating profit	55,868	56,118
(% change from the previous corresponding period)	7.6	0.4
Profit before income tax expenses	55,589	53,562
(% change from the previous corresponding period)	10.8	-3.6
Profit for the period	36,842	37,377
(% change from the previous corresponding period)	19.2	1.5
Profit attributable to owners of the parent	33,979	34,543
(% change from the previous corresponding period)	21.0	1.7
Comprehensive income	49,915	37,506
(% change from the previous corresponding period)	-22.0	-24.9
Earnings per share attributable to owners of the parent-basic (yen)	46.87	47.65
Earnings per share attributable to owners of the parent-diluted (yen)	-	-

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

### (2) Financial Position

	(Millions of yen)	
	March 31, 2015	September 30, 2015
Total assets	2,730,207	2,815,395
Total equity	1,154,312	1,176,754
Equity attributable to owners of the parent	1,084,167	1,107,204
Equity attributable to owners of the parent ratio (%)	39.7	39.3

## 2. Dividend Information

	Year ended March 31, 2015 (Actual)	Year ending March 31, 2016 (Forecast)
Cash dividends, applicable to the year (yen)	34.00	35.00
Interim (yen)	17.00	17.50
Year-end (yen)	17.00	17.50

Notes: Revision of expected dividends during this period: No

## 3. Forecast of Operating Results from April 1, 2015 to March 31, 2016

	(Millions of yen)	
		Year ending March 31, 2016
Sales		2,300,000
(% change from the previous corresponding period)		6.9
Operating profit		116,000
(% change from the previous corresponding period)		0.2
Profit before income tax expenses		111,000
(% change from the previous corresponding period)		-1.2
Profit attributable to owners of the parent		71,000
(% change from the previous corresponding period)		3.6
Earnings per share attributable to owners of the parent-basic (yen)		97.94

Notes: Revision of forecast of consolidated operating results during this period: Yes

## 4. Others

- (1) Changes in significant subsidiaries: No
- (2) Changes in accounting policies and accounting estimate
  - (i) Changes in accounting policies required by IFRS: Yes
  - (ii) Other changes: No
  - (iii) Changes in accounting estimate: No

\* For details, please refer to "4.Others" on page 6.
- (3) Number of common stock outstanding (including treasury stock):  
 As of September 30, 2015 : 744,912,078 shares ; As of March 31, 2015 : 744,912,078 shares
- (4) Number of treasury stock:  
 As of September 30, 2015 : 20,018,266 shares ; As of March 31, 2015 : 20,011,200 shares
- (5) Average number of common stock:  
 Half year ended September 30, 2015 : 724,897,308 shares ; Half year ended September 30, 2014 : 724,911,814 shares

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

### **1. Qualitative Information on Consolidated Business Results**

#### **\* Overview of the First Half of Fiscal 2015 (April 1 – September 30, 2015)**

Ricoh's sales for the first half increased by 6.1% as compared to the previous corresponding period, to ¥1,095.1 billion, mainly due to the increase in sales in both the Imaging & Solutions and the Industrial Products segment. During this period, the average exchange rates of Japanese yen against U.S. dollar and Euro were ¥121.80 (down ¥18.75 from previous year) and ¥135.13 (up ¥3.81 from previous year) respectively. Sales would have increased by 0.8% as compared to the previous corresponding period when excluding the impact of such foreign currency exchange fluctuation.

The Japanese economy continued to maintain its gradual recovery largely fueled by the improvement in corporate profits along with the recovery in the labor market achieved through improvement in corporate profits and recovery on investment in capital expenditures. Under such market conditions, sales in the Industrial Products segment and color MFPs increased, but was offset by the sales decrease in the Imaging & Solutions segment derived from monochrome MFPs and so on. As a result, the sales in the domestic market decreased by 2.1% as compared to the previous corresponding period.

As for the overseas market, the U.S. economy continued to show a solid recovery, and the European economy are showing the current recovery. In the emerging markets, China and other developing countries in Asia are showing signs of an economic slowdown. Even under such market conditions, the significant increase in sales of Production Printing and Network System Solutions along with the weakening trend of the yen against U.S. dollar during the quarter contributed to the overall increase in sales overseas. As for overseas sales by region, sales in the Americas increased by 16.0% (a decrease of 1.8% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa increased by 2.2% (an increase of 5.0% excluding foreign currency exchange fluctuation) and sales in Other region, which includes China, South East Asia and Oceania, increased by 16.2% (an increase of 8.8%, excluding foreign currency exchange fluctuation). As a result, sales in the overseas market increased by 10.7% as compared to the previous corresponding period. Excluding effects of foreign currency fluctuations, sales in overseas would have increased by 2.4% as compared to the previous corresponding period.

Gross profit increased by 0.1% as compared to the previous corresponding period, to ¥446.7 billion, due to increase in sales and the weakening of the yen.

Selling, general and administrative expenses have increased by 4.0% as compared to the previous corresponding period, to ¥408.1 billion, due primarily to the weakening of the yen against U.S. dollar and business acquisitions.

Other income includes gains on sales of idle places and offices as a result of group-wide activities to streamline costs such as reorganization and integration of domestic sales bases in addition to other revenue.

As a result, operating profit increased by 0.4% as compared to the previous corresponding period, to ¥56.1 billion.

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

Profit before income tax expenses decreased by 3.6% as compared to the previous corresponding period, to ¥53.5 billion.

As a result, profit attributable to owners of the parent increased by 1.7% as compared to the previous corresponding period, to ¥34.5 billion.

Although profit increased, comprehensive income decreased significantly as compared to the previous corresponding period, to ¥37.5 billion due to decrease in cumulative translation adjustments.

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

### Imaging & Solutions

#### Office Imaging

Sales in this category increased by 3.4% as compared to the previous corresponding period, to ¥711.3 billion. On top of the impact of the weakening of the yen, the sales of color MFP models were favorable in the domestic market as well as overseas.

#### Production Printing

Sales in this category increased by 21.6% as compared to the previous corresponding period, to ¥108.1 billion. The increase was achieved through increase in sales of color cut sheet printers, along with the increase in sales of related parts & supplies and services in both the domestic and overseas market especially in Europe.

#### Network System Solutions

Sales in this category increased by 14.6% as compared to the previous corresponding period, to ¥158.5 billion. For domestic market, even though the sales decreased due to the rebound from the special demand for personal computers, sales in security products increased. For overseas market, the synergy effect from business acquisition and IT services in India had contributed to overall sales increase.

As a result of the above, overall sales in the Imaging & Solutions segment increased by 6.9% as compared to the previous corresponding period, to ¥978.0 billion. Operating profit decreased by 3.6% as compared to the previous corresponding period, to ¥78.6 billion mainly due to increase in selling, general and administrative expenses as a result of weakening of yen, which offset increase in sales.

### Industrial Products

Sales in the Industrial Products segment increased by 11.1% as compared to the previous corresponding period, to ¥63.4 billion due to increase in sales in the Thermal and Inkjet business. As a result, operating profit in the Industrial Product segment increased significantly as compared to the previous corresponding period, to ¥6.1 billion.

### Other

Sales in the Other segment decreased by 11.4% as compared to the previous corresponding period, to ¥53.7 billion due to sale of clothing business and so on. As a result of increased lease profit and so on, operating profit in the Other segment increased significantly as compared to the previous corresponding period, to ¥1.3 billion.

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

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

Total assets increased by ¥85.1 billion as compared to the previous corresponding period, to ¥2,815.3 billion, mainly due to the increase in "cash and cash equivalents" as a result of temporary increase in deposits received in finance subsidiary, in addition to the increase in lease receivables.

Total liabilities increased by ¥62.7 billion as compared to the previous corresponding period, to ¥1,638.6 billion, mainly due to the increase in "other current liabilities" as a result of the temporary increase in deposits received.

Total Equity increased by ¥22.4 billion as compared to the previous corresponding period, to ¥1,176.7 billion, mainly due to the increase in "retained earnings".

### **\*Cash Flows (Half year ended September 30, 2015)**

Net cash provided by operating activities increased by ¥36.4 billion as compared to the previous corresponding period, to ¥55.6 billion, mainly due to the increase in profit for the period and other, net was derived from the temporary increase in deposits received.

Net cash used in investing activities decreased by ¥16.3 billion as compared to the previous corresponding period, to ¥46.0 billion, mainly due to the increase in proceeds from sales of property, plant and equipment.

Net cash provided by financing activities increased by ¥0.3 billion as compared to the previous corresponding period, to ¥33.4 billion, mainly due to the increase in debt.

As a result, the balance of cash and cash equivalent at the end of period increased by ¥42.4 billion as compared to the end of previous year, to ¥180.1 billion.

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

Based upon the changes in the half year business results and other changes in the business environment such as exchange rate fluctuations, Ricoh will revise its 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 August.

Ricoh will maintain the assumed exchange rates set forth in August of ¥120.00 against U.S. dollar and revise its of ¥130.00 against Euro in and after the third quarter, and has incorporated the actual exchange rates during the first half in the annual exchange rates assumption.

Our performance forecast for fiscal year ending March 31, 2016 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2016

US\$ 1 = ¥120.90 (¥109.89 in previous fiscal year)

EURO 1 = ¥132.57 (¥138.85 in previous fiscal year)

(Billions of yen)						
	Year ended March 31, 2015 (A)	Year ending March 31, 2016 (Previous forecast) (B)	Year ending March 31, 2016 (Revised forecast) (C)	Change (C-B)	Change (C-A)/A	
Domestic sales	759.5	800.0	770.0	-30.0	1.4%	
Overseas sales	1,391.8	1,520.0	1,530.0	10.0	9.9%	
Sales	2,151.4	2,320.0	2,300.0	-20.0	6.9%	
Gross profit	906.9	973.0	927.0	-46.0	2.2%	
Operating profit	115.7	140.0	116.0	-24.0	0.2%	
Profit before income tax expenses	112.2	135.0	110.0	-24.0	-1.2%	
Profit attributable to owners of the parent	68.5	83.0	71.0	-12.0	3.6%	

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

### 4. Others

(1) Changes in significant subsidiaries

Not applicable

(2) Changes in accounting policies

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

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 13	Fair Value Measurement	Clarifying a scope exception for measuring the fair value of a portfolio
IAS 19	Employee Benefits	Clarifying accounting treatment for contributions from employees or third parties as required in the terms of defined benefit plans

## 5. Condensed Consolidated Financial Statements

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

#### Assets

	(Millions of yen)		
	March 31, 2015	September 30, 2015	Change
<b>Current Assets</b>			
Cash and cash equivalents	137,722	180,196	42,474
Time deposits	927	768	-159
Trade and other receivables	553,534	552,885	-649
Other financial assets	260,056	271,238	11,182
Inventories	224,481	227,513	3,032
Other current assets	39,662	46,160	6,498
<b>Total Current Assets</b>	<b>1,216,382</b>	<b>1,278,760</b>	<b>62,378</b>
<b>Non-current assets</b>			
Property, plant and equipment	276,617	278,171	1,554
Goodwill and intangible assets	435,752	434,506	-1,246
Other financial assets	601,797	623,984	22,187
Investments accounted for using the equity method	450	856	406
Other investments	58,237	59,975	1,738
Other non-current assets	44,119	42,303	-1,816
Deferred tax assets	96,853	96,840	-13
<b>Total Non-current Assets</b>	<b>1,513,825</b>	<b>1,536,635</b>	<b>22,810</b>
<b>Total Assets</b>	<b>2,730,207</b>	<b>2,815,395</b>	<b>85,188</b>

#### Liabilities and Equity

	(Millions of yen)		
	March 31, 2015	September 30, 2015	Change
<b>Current Liabilities</b>			
Bonds and borrowings	222,065	222,069	4
Trade and other payables	276,986	255,582	-21,404
Other financial liabilities	1,800	548	-1,252
Income tax payables	13,683	14,921	1,238
Other current liabilities	257,605	301,353	43,748
<b>Total Current Liabilities</b>	<b>772,139</b>	<b>794,473</b>	<b>22,334</b>
<b>Non-current Liabilities</b>			
Bonds and borrowings	568,515	615,072	46,557
Other financial liabilities	1,537	2,766	1,229
Accrued pension and retirement benefits	144,153	136,584	-7,569
Other non-current liabilities	84,721	84,998	277
Deferred tax liabilities	4,830	4,748	-82
<b>Total Non-current Liabilities</b>	<b>803,756</b>	<b>844,168</b>	<b>40,412</b>
<b>Total Liabilities</b>	<b>1,575,895</b>	<b>1,638,641</b>	<b>62,746</b>
<b>Equity</b>			
Common stock	135,364	135,364	-
Additional paid-in capital	186,083	186,423	340
Treasury stock	-37,295	-37,304	-9
Other components of equity	153,547	154,033	486
Retained earnings	646,468	668,688	22,220
Equity attributable to owners of the parent	1,084,167	1,107,204	23,037
Non-controlling interests	70,145	69,550	-595
<b>Total Equity</b>	<b>1,154,312</b>	<b>1,176,754</b>	<b>22,442</b>
<b>Total Liabilities and Equity</b>	<b>2,730,207</b>	<b>2,815,395</b>	<b>85,188</b>

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

## Condensed Consolidated Statement of Profit or Loss

Half year ended September 30, 2014 and 2015

(Millions of yen)

	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
Sales	1,032,613	1,095,178	62,565	6.1
Cost of sales	586,157	648,442	62,285	10.6
Percentage of sales (%)	56.8	59.2		
Gross profit	446,456	446,736	280	0.1
Percentage of sales (%)	43.2	40.8		
Selling, general and administrative expenses	392,433	408,161	15,728	4.0
Percentage of sales (%)	38.0	37.3		
Other income	1,845	17,543	15,698	850.8
Percentage of sales (%)	0.2	1.6		
Operating profit	55,868	56,118	250	0.4
Percentage of sales (%)	5.4	5.1		
Finance income	3,477	3,431	-46	-1.3
Percentage of sales (%)	0.3	0.3		
Finance costs	3,724	6,035	2,311	62.1
Percentage of sales (%)	0.4	0.6		
Share of profit (loss) of investments accounted for using the equity method	-32	48	80	-
Percentage of sales (%)	-0.0	0.0		
Profit before income tax expenses	55,589	53,562	-2,027	-3.6
Percentage of sales (%)	5.4	4.9		
Income tax expenses	18,747	16,185	-2,562	-13.7
Percentage of sales (%)	1.8	1.5		
Profit for the period	36,842	37,377	535	1.5
Percentage of sales (%)	3.6	3.4		
Profit attributable to:				
Owners of the parent	33,979	34,543	564	1.7
Percentage of sales (%)	3.3	3.2		
Non-controlling interests	2,863	2,834	-29	-1.0
Percentage of sales (%)	0.3	0.2		

	Half year ended September 30, 2014	Half year ended September 30, 2015	Change
Earnings per share attributable to owners of the parent-basic (yen)	46.87	47.65	0.78
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". Prior year comparative figures have also been adjusted to conform to the current year presentation.

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.



Three months ended September 30, 2014 and 2015

(Millions of yen)

	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%
Sales	526,047	556,003	29,956	5.7
Cost of sales	298,906	334,105	35,199	11.8
Percentage of sales (%)	56.8	60.1		
Gross profit	227,141	221,898	-5,243	-2.3
Percentage of sales (%)	43.2	39.9		
Selling, general and administrative expenses	198,498	203,377	4,879	2.5
Percentage of sales (%)	37.7	36.6		
Other income	56	16,924	16,868	-
Percentage of sales (%)	0.0	3.0		
Operating profit	28,699	35,455	6,746	23.5
Percentage of sales (%)	5.5	6.4		
Finance income	2,692	2,785	93	3.5
Percentage of sales (%)	0.5	0.5		
Finance costs	1,614	4,156	2,542	157.5
Percentage of sales (%)	0.3	0.7		
Share of profit of investments accounted for using the equity method	1	36	35	-
Percentage of sales (%)	0.0	0.0		
Profit before income tax expenses	29,778	34,110	4,332	14.5
Percentage of sales (%)	5.7	6.1		
Income tax expenses	9,415	11,093	1,678	17.8
Percentage of sales (%)	1.8	2.0		
Profit for the period	20,363	23,017	2,654	13.0
Percentage of sales (%)	3.9	4.1		
Profit attributable to:				
Owners of the parent	18,898	21,557	2,659	14.1
Percentage of sales (%)	3.6	3.9		
Non-controlling interests	1,465	1,460	-5	-0.3
Percentage of sales (%)	0.3	0.2		

	Three months ended September 30, 2014	Three months ended September 30, 2015	Change
Earnings per share attributable to owners of the parent-basic (yen)	26.07	29.74	3.67
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". Prior year comparative figures have also been adjusted to conform to the current year presentation.

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

Condensed Consolidated Statement of Comprehensive Income

Half year ended September 30, 2014 and 2015

	(Millions of yen)		
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change
Profit for the period	36,842	37,377	535
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-	-	-
Total components that will not be reclassified subsequently to profit or loss	-	-	-
Components that will be reclassified subsequently to profit or loss:			
Net gain (loss) on fair value of available-for-sale financial assets	-1,213	1,742	2,955
Net gain (loss) on fair value of cash flow hedges	656	-301	-957
Exchange differences on translation of foreign operations	13,630	-1,312	-14,942
Total components that will be reclassified subsequently to profit or loss	13,073	129	-12,944
Total other comprehensive income	13,073	129	-12,944
Comprehensive income	49,915	37,506	-12,409
Comprehensive income attributable to:			
Owners of the parent	46,968	35,029	-11,939
Non-controlling interests	2,947	2,477	-470

Three months ended September 30, 2014 and 2015

	(Millions of yen)		
	Three months ended September 30, 2014	Three months ended September 30, 2015	Change
Profit for the period	20,363	23,017	2,654
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	-	-	-
Total components that will not be reclassified subsequently to profit or loss	-	-	-
Components that will be reclassified subsequently to profit or loss:			
Net loss on fair value of available-for-sale financial assets	-933	-1,243	-310
Net gain (loss) on fair value of cash flow hedges	913	-499	-1,412
Exchange differences on translation of foreign operations	23,019	-24,291	-47,310
Total components that will be reclassified subsequently to profit or loss	22,999	-26,033	-49,032
Total other comprehensive income (loss)	22,999	-26,033	-49,032
Comprehensive income	43,362	-3,016	-46,378
Comprehensive income attributable to:			
Owners of the parent	41,566	-4,156	-45,722
Non-controlling interests	1,796	1,140	-656

Consolidated Sales by Product Category

Half year ended September 30, 2014 and 2015

	(Millions of yen)			
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
<Imaging & Solutions>				
Office Imaging	687,634	711,330	23,696	3.4
Percentage of sales (%)	66.6	65.0		
Production Printing	88,914	108,137	19,223	21.6
Percentage of sales (%)	8.6	9.9		
Network System Solutions	138,375	158,587	20,212	14.6
Percentage of sales (%)	13.4	14.5		
Imaging & Solutions Total	914,923	978,054	63,131	6.9
Percentage of sales (%)	88.6	89.4		
<Industrial Products>				
Industrial Products	57,074	63,420	6,346	11.1
Percentage of sales (%)	5.5	5.8		
<Other>				
Other	60,616	53,704	-6,912	-11.4
Percentage of sales (%)	5.9	4.8		
Grand Total	1,032,613	1,095,178	62,565	6.1
Percentage of sales (%)	100.0	100.0		

Three months ended September 30, 2014 and 2015

	(Millions of yen)			
	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%
<Imaging & Solutions>				
Office Imaging	344,552	350,004	5,452	1.6
Percentage of sales (%)	65.5	63.0		
Production Printing	46,924	57,420	10,496	22.4
Percentage of sales (%)	8.9	10.3		
Network System Solutions	72,851	89,157	16,306	22.4
Percentage of sales (%)	13.8	16.0		
Imaging & Solutions Total	464,327	496,581	32,254	6.9
Percentage of sales (%)	88.2	89.3		
<Industrial Products>				
Industrial Products	29,677	32,331	2,654	8.9
Percentage of sales (%)	5.6	5.8		
<Other>				
Other	32,043	27,091	-4,952	-15.5
Percentage of sales (%)	6.2	4.9		
Grand Total	526,047	556,003	29,956	5.7
Percentage of sales (%)	100.0	100.0		

\* 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

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

Consolidated Sales by Geographic Area

Half year ended September 30, 2014 and 2015

	(Millions of yen)			
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
<Domestic>	374,728	367,021	-7,707	-2.1
Percentage of sales (%)	36.3	33.5		
<Overseas>	657,885	728,157	70,272	10.7
Percentage of sales (%)	63.7	66.5		
The Americas	304,233	352,870	48,637	16.0
Percentage of sales (%)	29.5	32.2		
Europe, Middle East and Africa	254,447	259,984	5,537	2.2
Percentage of sales (%)	24.6	23.7		
Other	99,205	115,303	16,098	16.2
Percentage of sales (%)	9.6	10.6		
Grand Total	1,032,613	1,095,178	62,565	6.1
Percentage of sales (%)	100.0	100.0		

Three months ended September 30, 2014 and 2015

	(Millions of yen)			
	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%
<Domestic>	189,173	187,144	-2,029	-1.1
Percentage of sales (%)	36.0	33.7		
<Overseas>	336,874	368,859	31,985	9.5
Percentage of sales (%)	64.0	66.3		
The Americas	156,909	178,631	21,722	13.8
Percentage of sales (%)	29.8	32.1		
Europe, Middle East and Africa	126,352	130,172	3,820	3.0
Percentage of sales (%)	24.0	23.4		
Other	53,613	60,056	6,443	12.0
Percentage of sales (%)	10.2	10.8		
Grand Total	526,047	556,003	29,956	5.7
Percentage of sales (%)	100.0	100.0		

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

## (3) Condensed Consolidated Statement of Changes in Equity

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain (loss) on fair value of available-for-sale financial assets	Net gain (loss) on fair value of cash flow hedges
Balance as of April 1, 2014	135,364	186,083	-37,278	-	11,848	-221
Profit for the period						
Other comprehensive income (loss)					-1,240	417
Comprehensive income	-	-	-	-	-1,240	417
Net change in treasury stock			-9			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Acquisition of the non-controlling interest						
Total transactions with owners	-	-	-9	-	-	-
Balance as of September 30, 2014	135,364	186,083	-37,287	-	10,608	196

	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, 2014	108,277	119,904	625,340	1,029,413	64,983	1,094,396
Profit for the period			33,979	33,979	2,863	36,842
Other comprehensive income (loss)	13,812	12,989		12,989	84	13,073
Comprehensive income	13,812	12,989	33,979	46,968	2,947	49,915
Net change in treasury stock			-1	-10		-10
Dividends declared and approved to owners			-11,961	-11,961	-364	-12,325
Transfer from other components of equity to retained earnings				-		-
Acquisition of the non-controlling interest				-		-
Total transactions with owners	-	-	-11,962	-11,971	-364	-12,335
Balance as of September 30, 2014	122,089	132,893	647,357	1,064,410	67,566	1,131,976

(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 for the period						
Other comprehensive income (loss)					1,823	-201
Comprehensive income	-	-	-	-	1,823	-201
Net change in treasury stock			-9			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings						
Acquisition of the non-controlling interest		340				
Total transactions with owners	-	340	-9	-	-	-
Balance as of September 30, 2015	135,364	186,423	-37,304	-	18,905	602

	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 for the period						
Other comprehensive income (loss)	-1,136	486	34,543	34,543	2,834	37,377
Comprehensive income	-1,136	486	34,543	35,029	2,477	37,506
Net change in treasury stock				-9		-9
Dividends declared and approved to owners			-12,323	-12,323	-464	-12,787
Transfer from other components of equity to retained earnings				-		-
Acquisition of the non-controlling interest				340	-2,608	-2,268
Total transactions with owners	-	-	-12,323	-11,992	-3,072	-15,064
Balance as of September 30, 2015	134,526	154,033	668,688	1,107,204	69,550	1,176,754

## (4) Condensed Consolidated Statement of Cash Flows

	(Millions of yen)	
	Half year ended September 30, 2014	Half year ended September 30, 2015
<b>I. Cash Flows from Operating Activities:</b>		
Profit for the period	36,842	37,377
Adjustments to reconcile profit for the period to net cash provided by operating activities—		
Depreciation and amortization	53,951	53,124
Other income	-1,845	-17,543
Share of loss (profit) of investments accounted for using the equity method	32	-48
Finance income and costs	247	2,604
Income tax expenses	18,747	16,185
Decrease in trade and other receivables	15,809	6,841
Increase in inventories	-11,604	-3,261
Increase in lease receivables	-13,181	-27,474
Decrease in trade and other payables	-39,254	-21,967
Decrease in accrued pension and retirement benefits	-10,115	-8,546
Other, net	-13,241	35,515
Interest and dividends received	1,347	1,389
Interest paid	-3,333	-3,422
Income taxes paid	-15,284	-15,168
<b>Net cash provided by operating activities</b>	<b>19,118</b>	<b>55,606</b>
<b>II. Cash Flows from Investing Activities:</b>		
Proceeds from sales of property, plant and equipment	316	17,933
Expenditures for property, plant and equipment	-38,655	-40,921
Expenditures for intangible assets	-17,132	-13,052
Payments for purchases of available-for-sale securities	-87	-204
Proceeds from sales of available-for-sale securities	158	2,399
Decrease in time deposits	76	145
Purchase of business, net of cash acquired	-4,535	-4,724
Other, net	-2,600	-7,643
<b>Net cash used in investing activities</b>	<b>-62,459</b>	<b>-46,067</b>
<b>III. Cash Flows from Financing Activities:</b>		
Net proceeds of short-term debt	10,479	18,901
Proceeds from long-term debt	105,743	104,247
Repayments of long-term debt	-55,801	-34,654
Proceeds from issuance of bonds	20,000	20,000
Repayments of bonds	-35,000	-60,000
Dividends paid	-11,961	-12,323
Payments for purchase of treasury stock	-11	-9
Other, net	-364	-2,732
<b>Net cash provided by financing activities</b>	<b>33,085</b>	<b>33,430</b>
<b>IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>3,799</b>	<b>-495</b>
<b>V. Net Increase (decrease) in Cash and Cash Equivalents</b>	<b>-6,457</b>	<b>42,474</b>
<b>VI. Cash and Cash Equivalents at Beginning of Year</b>	<b>140,047</b>	<b>137,722</b>
<b>VII. Cash and Cash Equivalents at End of Period</b>	<b>133,590</b>	<b>180,196</b>

## (5) Notes on premise going concern

Not applicable

## (6) Segment Information

## (a) Operating Segment Information

Half year ended September 30, 2014 and 2015

	(Millions of yen)			
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
<b>Imaging &amp; Solutions:</b>				
Sales:				
Unaffiliated customers	914,923	978,054	63,131	6.9
Intersegment	-	-	-	-
Total	914,923	978,054	63,131	6.9
Operating expenses	833,309	899,358	66,049	7.9
Operating profit	81,614	78,696	-2,918	-3.6
Operating profit on sales in Imaging & Solutions (%)	8.9	8.0		
<b>Industrial Products:</b>				
Sales:				
Unaffiliated customers	57,074	63,420	6,346	11.1
Intersegment	6,413	5,997	-416	-6.5
Total	63,487	69,417	5,930	9.3
Operating expenses	61,430	63,314	1,884	3.1
Operating profit	2,057	6,103	4,046	196.7
Operating profit on sales in Industrial Products (%)	3.2	8.8		
<b>Other:</b>				
Sales:				
Unaffiliated customers	60,616	53,704	-6,912	-11.4
Intersegment	-	-	-	-
Total	60,616	53,704	-6,912	-11.4
Operating expenses	60,448	52,383	-8,065	-13.3
Operating profit	168	1,321	1,153	686.3
Operating profit on sales in Other (%)	0.3	2.5		
<b>Corporate and Eliminations:</b>				
Sales:				
Intersegment	-6,413	-5,997	416	-
Total	-6,413	-5,997	416	-
Operating expenses:				
Intersegment	-6,413	-5,997	416	-
Corporate	27,971	30,002	2,031	-
Total	21,558	24,005	2,447	-
Operating loss	-27,971	-30,002	-2,031	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	1,032,613	1,095,178	62,565	6.1
Intersegment	-	-	-	-
Total	1,032,613	1,095,178	62,565	6.1
Operating expenses	976,745	1,039,060	62,315	6.4
Operating profit	55,868	56,118	250	0.4
Operating profit on consolidated sales (%)	5.4	5.1		

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

(Supplemental information)

Finance business included in the above is as follows:

	(Millions of yen)			
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
Sales	67,815	69,954	2,139	3.2
Operating expenses	52,881	54,375	1,494	2.8
Operating profit	14,934	15,579	645	4.3
Operating profit on sales in Finance Business (%)	22.0	22.3		



Three months ended September 30, 2014 and 2015

(Millions of yen)					
	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%	
<b>Imaging &amp; Solutions:</b>					
Sales:					
Unaffiliated customers	464,327	496,581	32,254	6.9	
Intersegment	-	-	-		
Total	464,327	496,581	32,254	6.9	
Operating expenses	422,410	449,883	27,473	6.5	
Operating profit	41,917	46,698	4,781	11.4	
Operating profit on sales in Imaging & Solutions (%)	9.0	9.4			
<b>Industrial Products:</b>					
Sales:					
Unaffiliated customers	29,677	32,331	2,654	8.9	
Intersegment	3,170	3,165	-5	-0.2	
Total	32,847	35,496	2,649	8.1	
Operating expenses	31,982	32,320	338	1.1	
Operating profit	865	3,176	2,311	267.2	
Operating profit on sales in Industrial Products (%)	2.6	8.9			
<b>Other:</b>					
Sales:					
Unaffiliated customers	32,043	27,091	-4,952	-15.5	
Intersegment	-	-	-		
Total	32,043	27,091	-4,952	-15.5	
Operating expenses	30,731	26,176	-4,555	-14.8	
Operating profit	1,312	915	-397	-30.3	
Operating profit on sales in Other (%)	4.1	3.4			
<b>Corporate and Eliminations:</b>					
Sales:					
Intersegment	-3,170	-3,165	5		
Total	-3,170	-3,165	5		
Operating expenses:					
Intersegment	-3,170	-3,165	5		
Corporate	15,395	15,344	-51		
Total	12,225	12,179	-46		
Operating profit (loss)	-15,395	-15,344	51		
<b>Consolidated:</b>					
Sales:					
Unaffiliated customers	526,047	556,003	29,956	5.7	
Intersegment	-	-	-		
Total	526,047	556,003	29,956	5.7	
Operating expenses	497,348	520,558	23,210	4.7	
Operating profit	28,699	35,445	6,746	23.5	
Operating profit on consolidated sales (%)	5.5	6.4			

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

(Supplemental information)

Finance business included in the above is as follows:

(Millions of yen)					
	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%	
Sales	35,512	36,924	1,412	4.0	
Operating expenses	27,390	28,689	1,299	4.7	
Operating profit	8,122	8,235	113	1.4	
Operating profit on sales in Finance Business (%)	22.9	22.3			

## (b) Geographic Segment Information

Half year ended September 30, 2014 and 2015

	(Millions of yen)			
	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%
<b>Japan:</b>				
Sales:				
Unaffiliated customers	390,420	383,456	-6,964	-1.8
Intersegment	224,482	239,090	14,608	6.5
Total	614,902	622,546	7,644	1.2
Operating expenses	584,917	599,757	14,840	2.5
Operating profit	29,985	22,789	-7,196	-24.0
Operating profit on sales in Japan (%)	4.9	3.7		
<b>The Americas:</b>				
Sales:				
Unaffiliated customers	304,414	352,772	48,358	15.9
Intersegment	4,189	3,021	-1,168	-27.9
Total	308,603	355,793	47,190	15.3
Operating expenses	299,372	346,393	47,021	15.7
Operating profit	9,231	9,400	169	1.8
Operating profit on sales in the Americas (%)	3.0	2.6		
<b>Europe, Middle East and Africa:</b>				
Sales:				
Unaffiliated customers	252,579	257,570	4,991	2.0
Intersegment	543	450	-93	-17.1
Total	253,122	258,020	4,898	1.9
Operating expenses	243,243	248,730	5,487	2.3
Operating profit	9,879	9,290	-589	-6.0
Operating profit on sales in Europe, Middle East and Africa (%)	3.9	3.6		
<b>Other:</b>				
Sales:				
Unaffiliated customers	85,200	101,380	16,180	19.0
Intersegment	122,004	137,408	15,404	12.6
Total	207,204	238,788	31,584	15.2
Operating expenses	197,877	223,540	25,663	13.0
Operating profit	9,327	15,248	5,921	63.5
Operating profit on sales in Other (%)	4.5	6.4		
<b>Corporate and Eliminations:</b>				
Sales:				
Intersegment	-351,218	-379,969	-28,751	
Total	-351,218	-379,969	-28,751	-
Operating expenses	-348,664	-379,360	-30,696	-
Operating profit (loss)	-2,554	-609	1,945	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	1,032,613	1,095,178	62,565	6.1
Intersegment	-	-	-	-
Total	1,032,613	1,095,178	62,565	6.1
Operating expenses	976,745	1,039,060	62,315	6.4
Operating profit	55,868	56,118	250	0.4
Operating profit on consolidated sales (%)	5.4	5.1		

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

Three months ended September 30, 2014 and 2015

(Millions of yen)

	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%
<b>Japan:</b>				
Sales:				
Unaffiliated customers	198,063	195,837	-2,226	-1.1
Intersegment	115,890	123,237	7,347	6.3
Total	313,953	319,074	5,121	1.6
Operating expenses	299,646	301,493	1,847	0.6
Operating profit	14,307	17,581	3,274	22.9
Operating profit on sales in Japan (%)	4.6	5.5		
<b>The Americas:</b>				
Sales:				
Unaffiliated customers	157,139	178,600	21,461	13.7
Intersegment	2,506	1,516	-990	-39.5
Total	159,645	180,116	20,471	12.8
Operating expenses	155,248	175,196	19,948	12.8
Operating profit	4,397	4,920	523	11.9
Operating profit on sales in the Americas (%)	2.8	2.7		
<b>Europe, Middle East and Africa:</b>				
Sales:				
Unaffiliated customers	125,369	128,944	3,575	2.9
Intersegment	315	222	-93	-29.5
Total	125,684	129,166	3,482	2.8
Operating expenses	120,408	123,604	3,196	2.7
Operating profit	5,276	5,562	286	5.4
Operating profit on sales in Europe, Middle East and Africa (%)	4.2	4.3		
<b>Other:</b>				
Sales:				
Unaffiliated customers	45,476	52,622	7,146	15.7
Intersegment	64,914	70,004	5,090	7.8
Total	110,390	122,626	12,236	11.1
Operating expenses	104,312	113,318	9,006	8.6
Operating profit	6,078	9,308	3,230	53.1
Operating profit on sales in Other (%)	5.5	7.6		
<b>Corporate and Eliminations:</b>				
Sales:				
Intersegment	-183,625	-194,979	-11,354	-
Total	-183,625	-194,979	-11,354	-
Operating expenses	-182,266	-193,053	-10,787	-
Operating loss	-1,359	-1,926	-567	-
<b>Consolidated:</b>				
Sales:				
Unaffiliated customers	526,047	556,003	29,956	5.7
Intersegment	-	-	-	-
Total	526,047	556,003	29,956	5.7
Operating expenses	497,348	520,558	23,210	4.7
Operating profit	28,699	35,445	6,746	23.5
Operating profit on consolidated sales (%)	5.5	6.4		

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

-APPENDIX-

1. Consolidated Sales by Product Category

Half year ended September 30, 2014 and 2015

	Half year ended September 30, 2014	Half year ended September 30, 2015	Change	%	Change excluding exchange impact	%
(Millions of yen)						
<b>&lt;Imaging &amp; Solutions&gt;</b>						
Office Imaging	687,634	711,330	23,696	3.4	-16,906	-2.5
Percentage of sales (%)	66.6	65.0				
Domestic	188,930	185,647	-3,283	-1.7	-3,283	-1.7
Overseas	498,704	525,683	26,979	5.4	-13,623	-2.7
Production Printing	88,914	108,137	19,223	21.6	11,311	12.7
Percentage of sales (%)	8.6	9.9				
Domestic	15,170	15,148	-22	-0.1	-22	-0.1
Overseas	73,744	92,989	19,245	26.1	11,333	15.4
Network System Solutions	138,375	158,587	20,212	14.6	17,306	12.5
Percentage of sales (%)	13.4	14.5				
Domestic	100,106	100,295	189	0.2	189	0.2
Overseas	38,269	58,292	20,023	52.3	17,117	44.7
Imaging & Solutions Total	914,923	978,054	63,131	6.9	11,711	1.3
Percentage of sales (%)	88.6	89.4				
Domestic	304,206	301,090	-3,116	-1.0	-3,116	-1.0
Overseas	610,717	676,964	66,247	10.8	14,827	2.4
The Americas	292,143	337,835	45,692	15.6	-6,304	-2.2
Europe, Middle East and Africa	241,512	246,956	5,444	2.3	12,388	5.1
Other	77,062	92,173	15,111	19.6	8,743	11.3
<b>&lt;Industrial Products&gt;</b>						
Industrial Products	57,074	63,420	6,346	11.1	3,723	6.5
Percentage of sales (%)	5.5	5.8				
Domestic	18,483	19,616	1,133	6.1	1,133	6.1
Overseas	38,591	43,804	5,213	13.5	2,590	6.7
The Americas	10,051	13,318	3,267	32.5	1,228	12.2
Europe, Middle East and Africa	9,593	10,299	706	7.4	934	9.7
Other	18,947	20,187	1,240	6.5	428	2.3
<b>&lt;Other&gt;</b>						
Other	60,616	53,704	-6,912	-11.4	-7,272	-12.0
Percentage of sales (%)	5.9	4.8				
Domestic	52,039	46,315	-5,724	-11.0	-5,724	-11.0
Overseas	8,577	7,389	-1,188	-13.9	-1,548	-18.0
The Americas	2,039	1,717	-322	-15.8	-537	-26.3
Europe, Middle East and Africa	3,342	2,729	-613	-18.3	-536	-16.0
Other	3,196	2,943	-253	-7.9	-475	-14.9
Grand Total	1,032,613	1,095,178	62,565	6.1	8,162	0.8
Percentage of sales (%)	100.0	100.0				
Domestic	374,728	367,021	-7,707	-2.1	-7,707	-2.1
Percentage of sales (%)	36.3	33.5				
Overseas	657,885	728,157	70,272	10.7	15,869	2.4
Percentage of sales (%)	63.7	66.5				
The Americas	304,233	352,870	48,637	16.0	-5,613	-1.8
Percentage of sales (%)	29.5	32.2				
Europe, Middle East and Africa	254,447	259,984	5,537	2.2	12,789	5.0
Percentage of sales (%)	24.6	23.7				
Other	99,205	115,303	16,098	16.2	8,696	8.8
Percentage of sales (%)	9.6	10.6				

\* 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

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

Three months ended September 30, 2014 and 2015

(Millions of yen)

	Three months ended September 30, 2014	Three months ended September 30, 2015	Change	%	Change excluding exchange impact	%
<Imaging & Solutions>						
Office Imaging	344,552	350,004	5,452	1.6	-15,194	-4.4
Percentage of sales (%)	65.5	63.0				
Domestic	92,118	88,425	-3,693	-4.0	-3,693	-4.0
Overseas	252,434	261,579	9,145	3.6	-11,501	-4.6
Production Printing	46,924	57,420	10,496	22.4	6,340	13.5
Percentage of sales (%)	8.9	10.3				
Domestic	7,863	7,659	-204	-2.6	-204	-2.6
Overseas	39,061	49,761	10,700	27.4	6,544	16.8
Network System Solutions	72,851	89,157	16,306	22.4	14,573	20.0
Percentage of sales (%)	13.8	16.0				
Domestic	52,310	57,406	5,096	9.7	5,096	9.7
Overseas	20,541	31,751	11,210	54.6	9,477	46.1
Imaging & Solutions Total	464,327	496,581	32,254	6.9	5,719	1.2
Percentage of sales (%)	88.2	89.3				
Domestic	152,291	153,490	1,199	0.8	1,199	0.8
Overseas	312,036	343,091	31,055	10.0	4,520	1.4
The Americas	150,690	171,133	20,443	13.6	-5,227	-3.5
Europe, Middle East and Africa	119,741	123,895	4,154	3.5	5,699	4.8
Other	41,605	48,063	6,458	15.5	4,048	9.7
<Industrial Products>						
Industrial Products	29,677	32,331	2,654	8.9	1,514	5.1
Percentage of sales (%)	5.6	5.8				
Domestic	9,318	9,990	672	7.2	672	7.2
Overseas	20,359	22,341	1,982	9.7	842	4.1
The Americas	5,259	6,771	1,512	28.8	501	9.5
Europe, Middle East and Africa	4,894	5,016	122	2.5	168	3.4
Other	10,206	10,554	348	3.4	173	1.7
<Other>						
Other	32,043	27,091	-4,952	-15.5	-5,113	-16.0
Percentage of sales (%)	6.2	4.9				
Domestic	27,564	23,664	-3,900	-14.1	-3,900	-14.1
Overseas	4,479	3,427	-1,052	-23.5	-1,213	-27.1
The Americas	960	727	-233	-24.3	-315	-32.8
Europe, Middle East and Africa	1,717	1,261	-456	-26.6	-443	-25.8
Other	1,802	1,439	-363	-20.1	-455	-25.2
Grand Total	526,047	556,003	29,956	5.7	2,120	0.4
Percentage of sales (%)	100.0	100.0				
Domestic	189,173	187,144	-2,029	-1.1	-2,029	-1.1
Percentage of sales (%)	36.0	33.7				
Overseas	336,874	368,859	31,985	9.5	4,149	1.2
Percentage of sales (%)	64.0	66.3				
The Americas	156,909	178,631	21,722	13.8	-5,041	-3.2
Percentage of sales (%)	29.8	32.1				
Europe, Middle East and Africa	126,352	130,172	3,820	3.0	5,424	4.3
Percentage of sales (%)	24.0	23.4				
Other	53,613	60,056	6,443	12.0	3,766	7.0
Percentage of sales (%)	10.2	10.8				

\* 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

\* The compilation method has been changed from this fiscal year such as part of the lease transactions are shown in net basis instead of gross basis. Prior year comparative figures have also been adjusted to conform to the current year presentation.

## 2. Forecast of Consolidated Performance

(Billions of yen)

	Half year ended	Change %	Half year	Change %	Year ending	Change %
	Sept. 30, 2015 Results		ending March 31, 2016 Forecast		March 31, 2016 Forecast	
Sales	1,095.1	6.1	1,204.8	7.7	2,300.0	6.9
Gross profit	446.7	0.1	480.2	4.3	927.0	2.2
Operating profit	56.1	0.4	59.8	-0.0	116.0	0.2
Profit before income tax expenses	53.5	-3.6	57.4	1.3	111.0	-1.2
Profit attributable to owners of the parent	34.5	1.7	36.4	5.4	71.0	3.6
Earnings per share attributable to owners of the parent-basic (yen)	47.65	-	50.29	-	97.94	-
Earnings per share attributable to owners of the parent- diluted (yen)	-	-	-	-	-	-
Capital expenditures	40.9		44.1		85.0	
Depreciation	34.5		35.5		70.0	
R&D expenditures	57.7		65.3		123.0	
Exchange rate (Yen/US\$)	121.80		120.00		120.90	
Exchange rate (Yen/EURO)	135.13		130.00		132.57	

## 3. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended	Half year ending March		Year ending March 31, 2016			
	March 31, 2015 Results	Forecast	Forecast (Note)	Forecast	Change %	Forecast (Note)	Change %
<Imaging & Solutions>							
Office Imaging	1,439.7	789.7	794.6	1,501.1	4.3	1,465.3	1.8
Domestic	396.1	213.2	213.2	398.9	0.7	398.9	0.7
Overseas	1,043.5	576.5	581.3	1,102.1	5.6	1,066.4	2.2
Production Printing	191.9	119.0	119.0	227.1	18.3	219.2	14.2
Domestic	31.1	19.1	19.1	34.2	10.1	34.2	10.1
Overseas	160.8	99.9	99.9	192.8	19.9	184.9	15.0
Network System Solutions	284.9	176.0	176.7	334.5	17.4	332.3	16.6
Domestic	194.7	102.6	102.6	202.8	4.2	202.8	4.2
Overseas	90.1	73.4	74.1	131.6	46.0	129.4	43.6
Imaging & Solutions Total	1,916.6	1,084.7	1,090.3	2,062.8	7.6	2,016.9	5.2
Domestic	622.0	334.9	334.9	636.0	2.3	636.0	2.3
Overseas	1,294.6	749.8	755.3	1,426.7	10.2	1,380.8	6.7
The Americas	621.6	359.5	349.8	697.3	12.2	635.6	2.3
Europe, Middle East and Africa	505.7	272.1	290.4	519.0	2.6	544.3	7.6
Other	167.2	118.2	115.0	210.3	25.8	200.9	20.1
<Industrial Products>							
Industrial Products	117.7	65.3	64.9	128.7	9.3	125.7	6.8
Domestic	37.9	20.7	20.7	40.3	6.4	40.3	6.4
Overseas	79.8	44.6	44.2	88.4	10.8	85.4	7.0
The Americas	22.2	14.1	13.6	27.4	23.1	24.9	11.9
Europe, Middle East and Africa	19.8	10.5	11.1	20.7	4.9	21.6	9.0
Other	37.7	20.0	19.4	40.1	6.6	38.8	3.0
<Other>							
Other	116.9	54.7	54.7	108.4	-7.3	108.1	-7.5
Domestic	99.5	47.3	47.3	93.6	-6.0	93.6	-6.0
Overseas	17.3	7.4	7.4	14.7	-14.8	14.5	-16.4
The Americas	4.6	1.8	1.8	3.5	-23.9	3.3	-28.5
Europe, Middle East and Africa	6.8	2.7	2.9	5.4	-20.4	5.7	-16.3
Other	5.9	2.9	2.7	5.8	-1.3	5.5	-6.9
Grand Total	2,151.4	1,204.8	1,210.0	2,300.0	6.9	2,250.8	4.6
Domestic	759.5	403.0	403.0	770.0	1.4	770.0	1.4
Overseas	1,391.8	801.8	807.0	1,530.0	9.9	1,480.8	6.4
The Americas	648.5	375.4	365.2	728.2	12.3	663.9	2.4
Europe, Middle East and Africa	532.3	285.3	304.4	545.3	2.4	571.6	7.4
Other	210.9	141.1	137.3	256.4	21.6	245.2	16.3

(Note) Excluding foreign exchange impact