November 21, 2006

RICOH COMPANY, LTD.
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**Announcement on Issuance of Euro Yen Zero Coupon Convertible Bonds Due 2011**

Ricoh Company, Ltd. (hereinafter referred to as "Ricoh") hereby notifies the following issuance of Euro Yen Zero Coupon Convertible Bonds due 2011 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*, hereinafter referred to as the "Bonds") resolved at the meeting of the Board of Directors held on November 21, 2006.

Ricoh has decided on the issuance of the Bonds as it views further enhancement of its financial liquidity and support for business development for future growth will lead to further reinforcement of its business foundation.

**Use of Proceeds**

The net proceeds of the issue of the Bonds are estimated to be approximately ¥50,160 million (or ¥55,185 million if the Option referred to below is exercised in full) and will be used primarily for repayment of a portion of the Company's outstanding corporate bonds, as well as for capital investments for implementing Ricoh's growth strategy, such as for measures aimed at strengthening Ricoh's office solutions business (including towards the payment of a portion of the purchase moneys in respect of the Company's purchase of the shares of the European sales subsidiaries of Danka Business Systems PLC) as well as other measures.

**Overview of the Convertible Bonds**

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| Name of the Convertible Bonds: | ¥50,000,000,000 Zero Coupon Convertible Bonds due 2011 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) (the "Bonds", which term shall, unless the context requires otherwise, include Stock Acquisition Rights (as defined below) incorporated in the Bonds) of Ricoh Company, Ltd. (the "Company"). |
| Option: | The managers have been granted an option, exercisable at any time up to and including December 4, 2006 (London time), to subscribe for, under certain circumstances, up to a further ¥5,000,000,000 in aggregate principal amount of the Bonds. |
| Issue Price: | 100.5%. |
| Coupon: | Zero. |
| Exercise of Stock Acquisition Rights: | The Bonds will each be issued in the denomination of ¥1,000,000 each with a stock acquisition right (*shinkabu yoyakuken*) (the "Stock Acquisition Right" and collectively the "Stock Acquisition Rights") |

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| | exercisable on and after December 21, 2006 up to, and including, November 23, 2011 (unless the Bonds have been previously redeemed or purchased and cancelled or become due and repayable), and entitling the holder to acquire fully-paid and non-assessable shares of common stock of the Company (the "Shares") at the Conversion Price to be notified later, subject to adjustment in certain events. However, prior to December 8, 2010, the Stock Acquisition Rights may be exercised by the holder of a Bond during any particular calendar quarter (or, in respect of the calendar quarter commencing on October 1, 2010, until December 7, 2010) only if the closing price of the Shares on the Tokyo Stock Exchange for any 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is more than 120 per cent. of the Conversion Price on the last trading day of such immediately preceding calendar quarter. On any date on or after December 8, 2010, the holder of a Bond may exercise Stock Acquisition Rights at any time after the closing price of the Shares on the Tokyo Stock Exchange on any trading day falling on or after December 8, 2010 is more than 120 per cent. of the Conversion Price in effect on such trading day. Such condition to the exercise of the Stock Acquisition Rights shall not be applicable (1) if the Bonds are called for redemption or (2) if specified corporate transactions occur with respect to the Company or (3) during any period in which any rating assigned by specified rating agencies to the Company's long-term senior debt or the Bonds (if rated) is below a specified level or certain other ratings events occur. |
| Early redemption at the holder's option: | The holder of any Bond is entitled, at its option, unless notice of redemption of such Bond by the Company has been given on or prior to the date of deposit, to require the Company to redeem such Bonds on December 7, 2010 at 100 per cent. of their principal amount. |
| Early redemption at the Company's option: | If at any time prior to the date of the giving of the notice of redemption, the outstanding principal amount of the Bonds is less than 10 per cent. of the aggregate principal amount of the Bonds as at the date of issue thereof, the Bonds may be redeemed at 100 per cent. of their principal amount, at the option of the Company. In addition, if Japanese withholding taxes are imposed on payments in respect of the Bonds, the Company may, at any time, redeem all the Bonds at 100 per cent. of their principal amount. The Bonds may also be redeemed by the company in certain circumstances if certain events occur. |

**Note: This announcement is intended as general information regarding Ricoh Company, Ltd.'s issuance of convertible bonds.This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The bonds and the underlying shares of common stock mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act"). They may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act.**