

# Consolidated Results for the half year ended September 30, 2009

October 27, 2009

Zenji Miura

Corporate Executive Vice President, CFO

Ricoh Company, Ltd.

# **RICOH**

## Forward-looking statements

The plans, prospects, strategies and other statements, except for the historical events, mentioned in this material are forward-looking statements with respect to future events and business results. Those statements were made based on the judgment of RICOH's Directors from the information that is now obtainable. Actual results may differ materially from those projected or implied in such forward-looking statements and from any historical trends. Please refrain from judging only from these forward-looking statements with respect to future events and business results. The following important factors, without limiting the generality of the foregoing, could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements:

- a. General economic conditions and business trend, particularly consumption trend
- b. Exchange rates and their fluctuations
- c. Rapid technological innovation
- d. Uncertainty as to RICOH's ability to continue to design, develop, produce and market products and services that achieve market acceptance in hot competitive market

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# FY2010/3 1H Income Statement

(billions of yen)		FY09/3 1H result	FY10/3 1H forecast (on Jul '09)	FY10/3 1H result	Y-o-Y Comparison		
					Change	Change(%)	Change(%) without Forex
Net sales	(Japan)	483.8	430.0	421.6	-62.1	-12.8%	-12.8%
	(Overseas)	582.1	575.0	567.1	-15.0	-2.6%	+12.8%
	Total	1,065.9	1,005.0	988.7	-77.1	-7.2%	+1.2%
Gross profit		443.3	410.0	398.2	-45.1	-10.2%	
	net sales %	41.6%	40.8%	40.3%	—	—	
Operating income		65.0	11.0	13.9	-51.0	-78.5%	
	net sales %	6.1%	1.1%	1.4%	—	—	
Income before income taxes		58.8	6.0	6.7	-52.1	-88.5%	
	net sales %	5.5%	0.6%	0.7%	—	—	
Net income attribute to Ricoh Co.		34.3	1.0	1.8	-32.5	-94.7%	
	net sales %	3.2%	0.1%	0.2%	—	—	
EPS (Yen)		47.56	1.38	2.49	-45.07		
Exchange rate	US \$1	106.15	93.76	95.56	-10.59		
	(Yen) Euro 1	162.69	131.35	133.24	-29.45		

	Investment	
(billions of yen)	FY09/3 1H	FY10/3 1H
R&D	63.2	55.9
(% on sales)	5.9%	5.7%
CAPEX	46.9	38.4
Depreciation (tangible fixed assets)	35.3	33.9

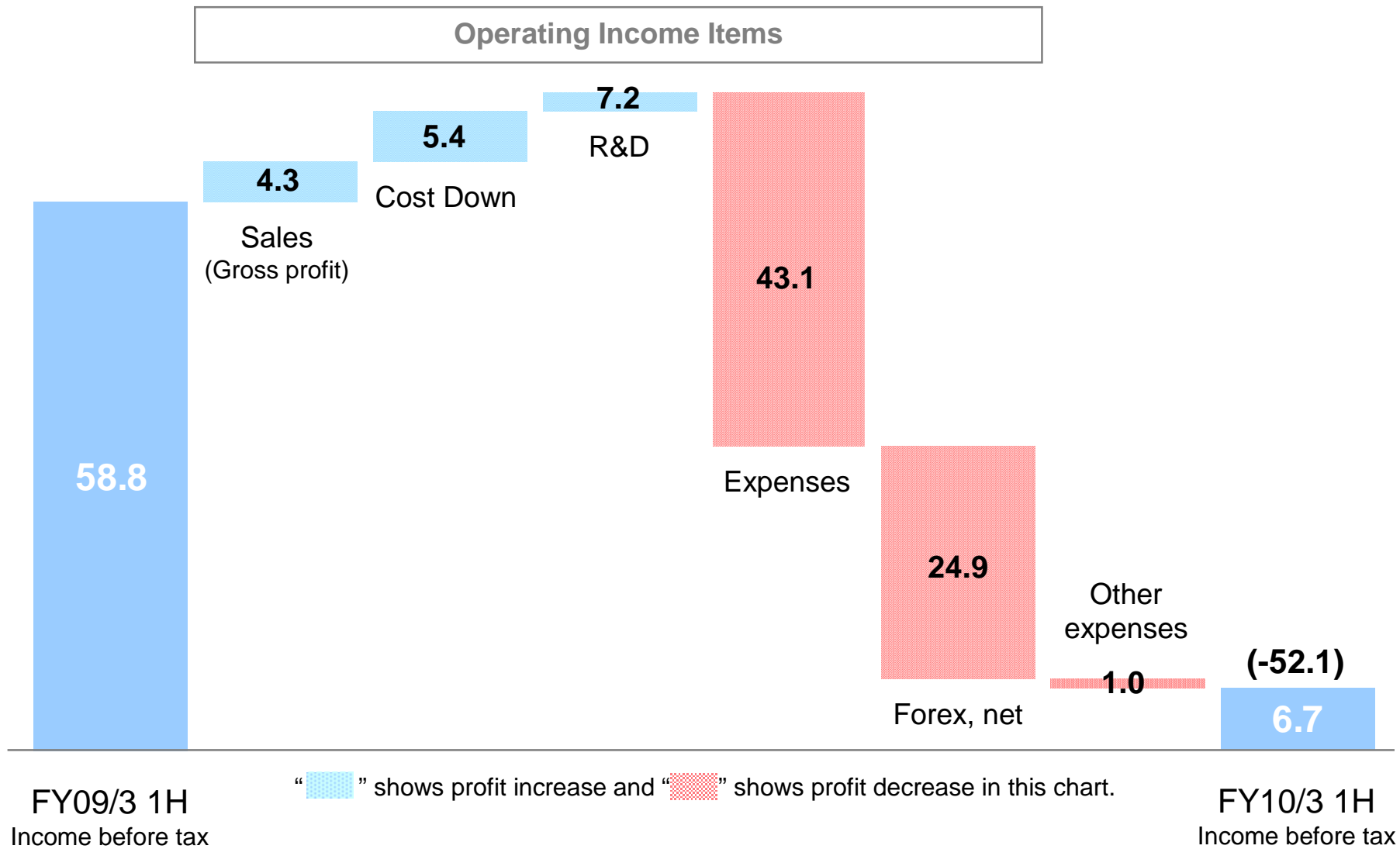
  

\*FY10/3 1H Investment forecast on Jul'09

	(billions of yen)
R&D	57.0
CAPEX	50.0
Depreciation	36.0

# FY2010/3 1H Income before tax y-o-y comparison

(billions of yen)



# FY2010/3 1H Sales

## By Category

(billions of Yen)

## By Area

(billions of Yen)

1,065.9

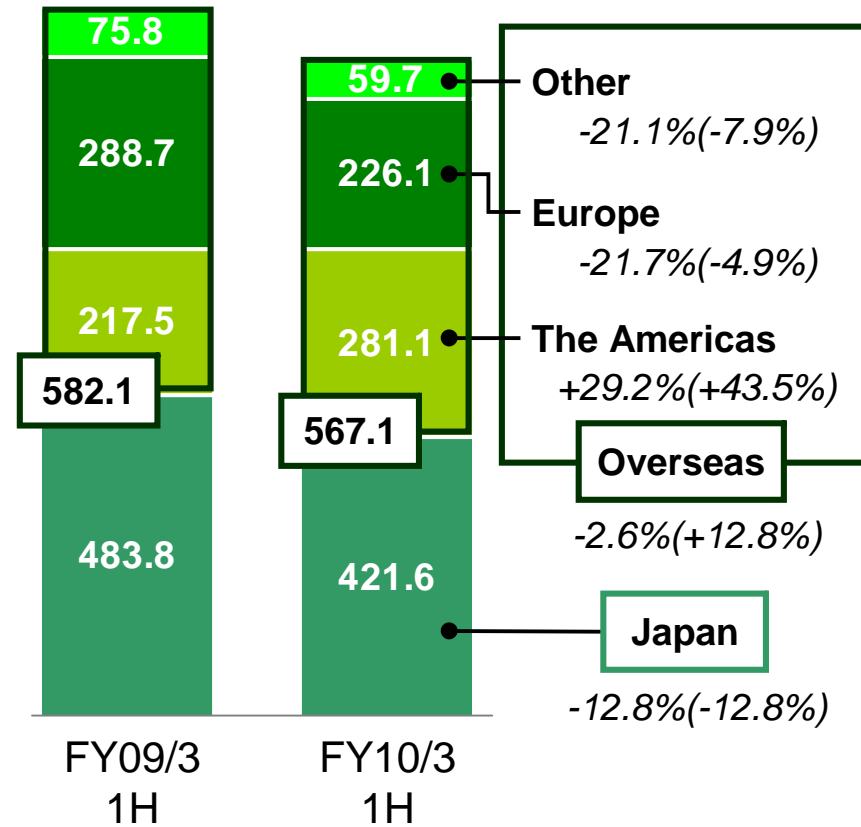
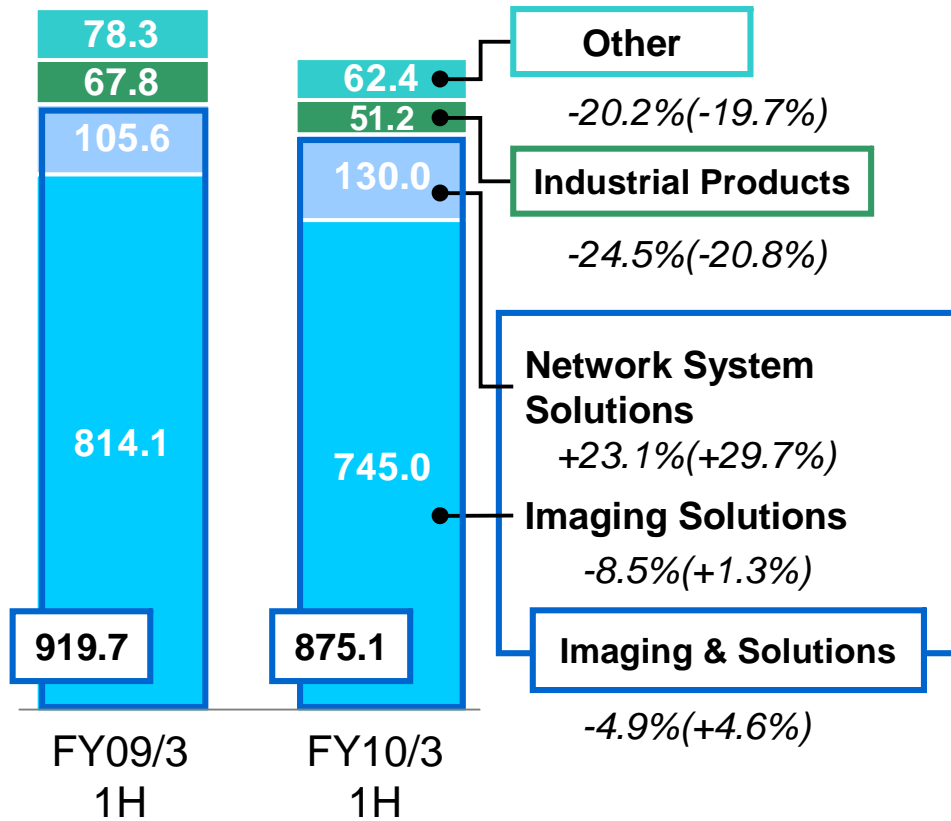
988.7

Change(without forex)  
-7.2%(+1.2%)

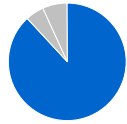
1,065.9

988.7

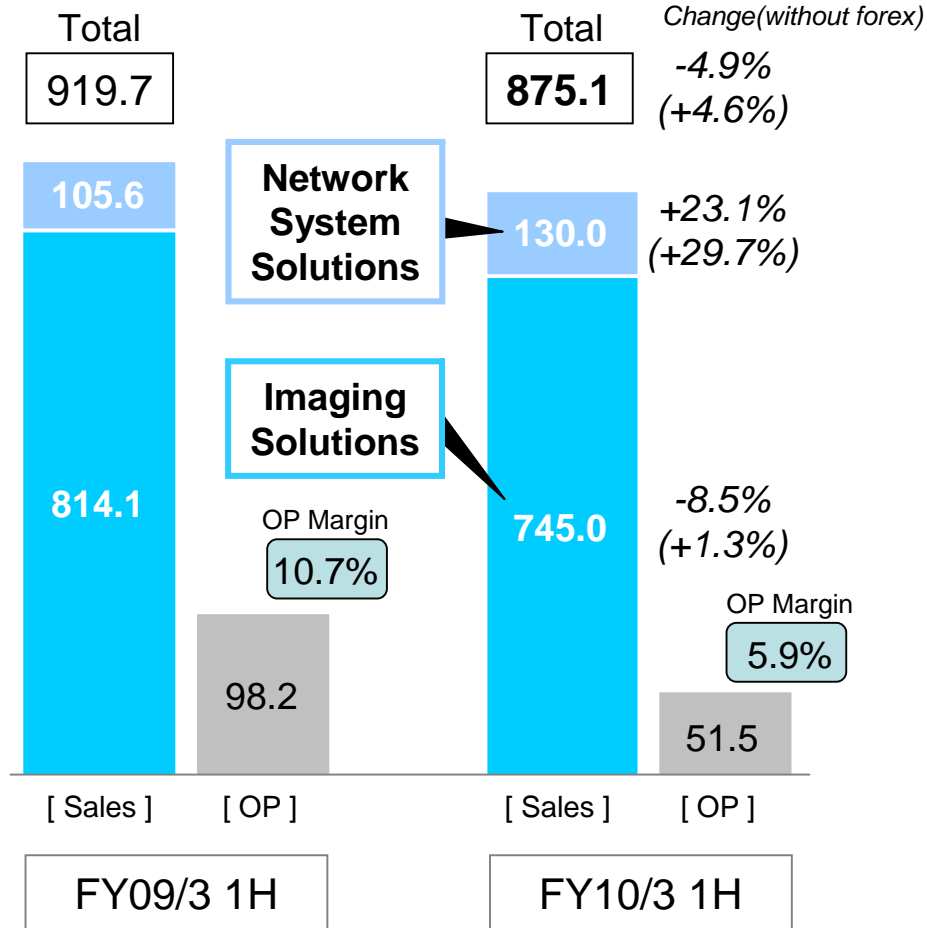
Change(without forex)  
-7.2%(+1.2%)



# FY2010/3 1H Business Segment

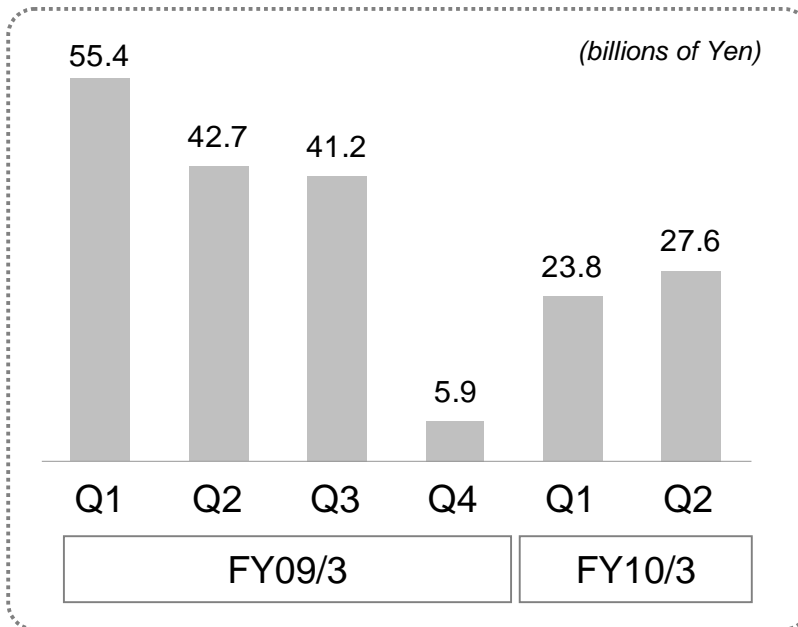


## Imaging & Solutions



- MFP growth (total): +2% (by value, LC base)
- MFP hard: -8% (by value, LC base)
- MFP non-hard: +11% (by value, LC base)
- Printer growth (total): -3% (by value, LC base)
- Printer hard: -6% (by value, LC base)
- Printer non-hard: -2% (by value, LC base)
- Color ratio (by value, for machine only)
- MFP: 55%, Printer: 27%

### [ Appendix ] OP by quarterly



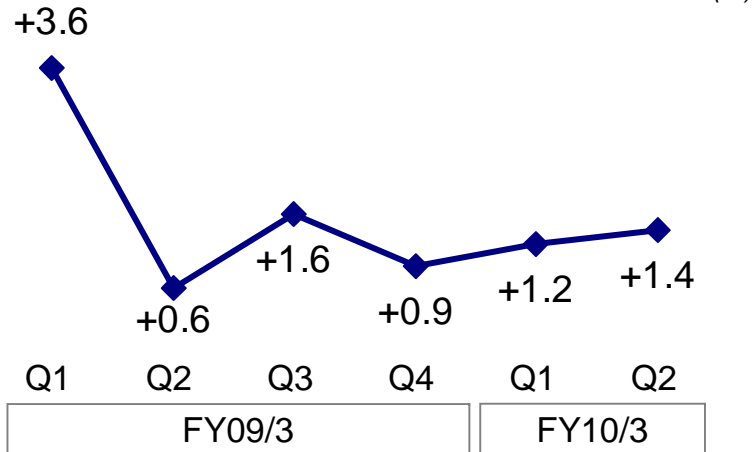
\* Excluding "Corporate and Eliminations"

(billions of Yen)

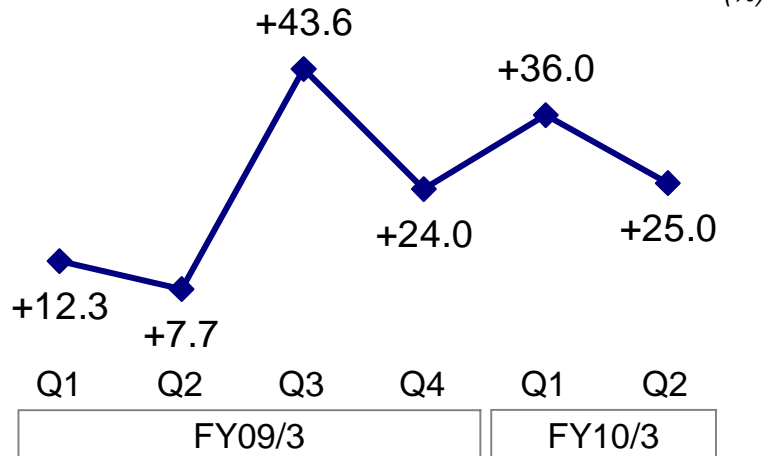
# Trends in Imaging & Solutions

\* LC based y-o-y growth ratio

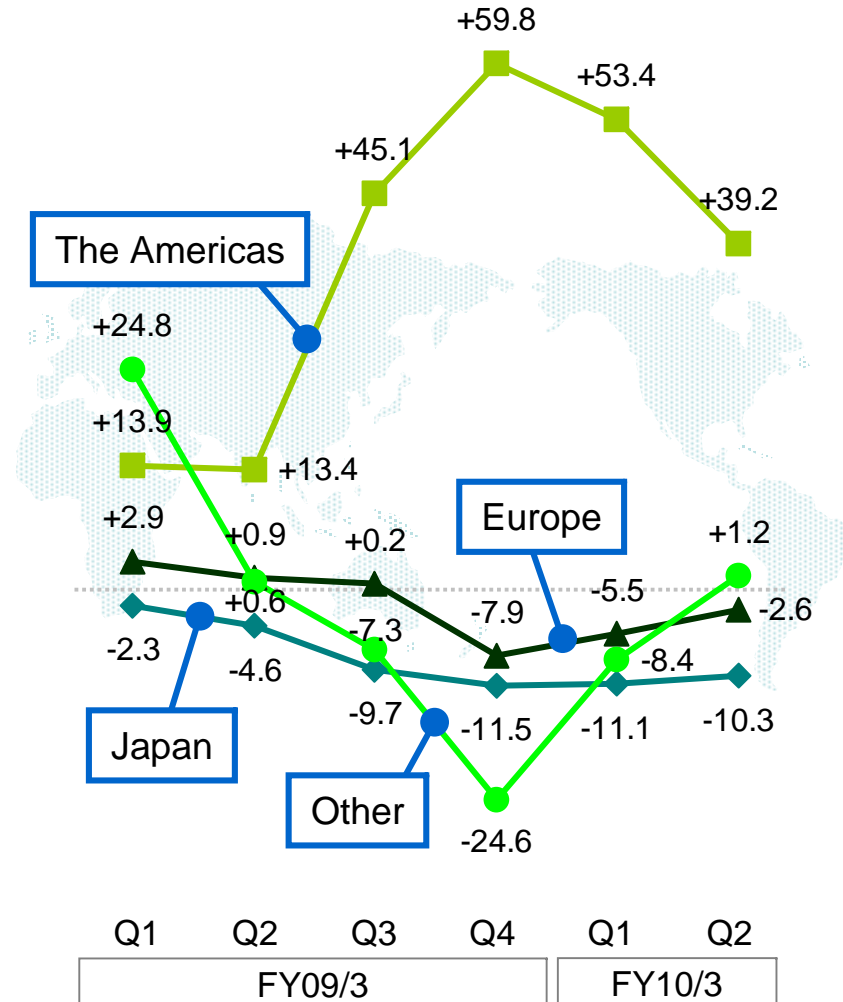
## Imaging Solutions



## Network System Solutions



## Imaging & Solutions (by Area)



# Topics for Imaging & Solutions

## Q2 new products

MFP

(Japan) MP C2500RC, MP C3500RC

Printer

(Japan) SP 3410S, SP 3410SF  
(Overseas) SP 1100S, SP 1100SF

Production  
Printing

(Japan) Pro 1107, Pro 1357  
(Overseas) Pro 907, Pro 1107, Pro 1357



MP C3500RC



SP 3410SF



Pro 1357



SP 1100SF

## Topics

- Ricoh Manufacturing (Thailand) starts operation
- MPS contract with large accounts in Europe
- "Ridoc GlobalScan" offering worldwide
- Cloud computing collaboration with IBM® Japan



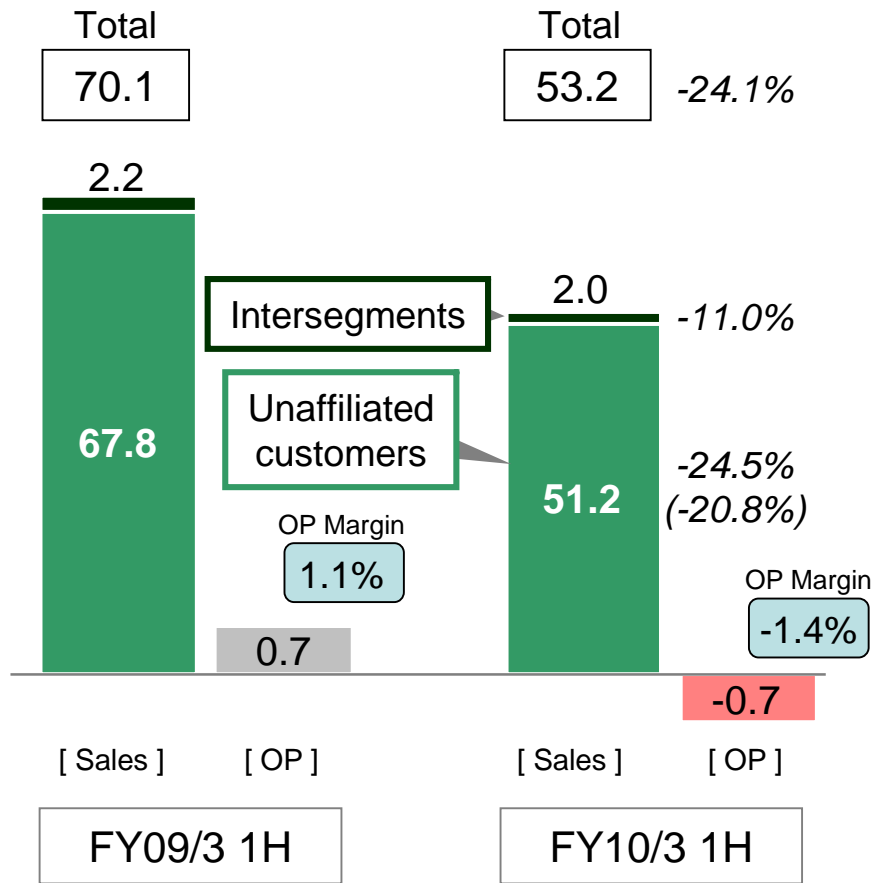
Ricoh Manufacturing (Thailand) Ltd.



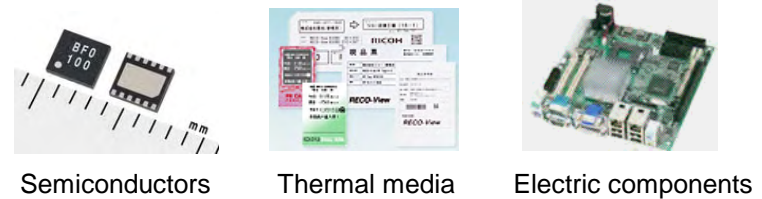
# FY2010/3 1H Business Segment

## Industrial Products

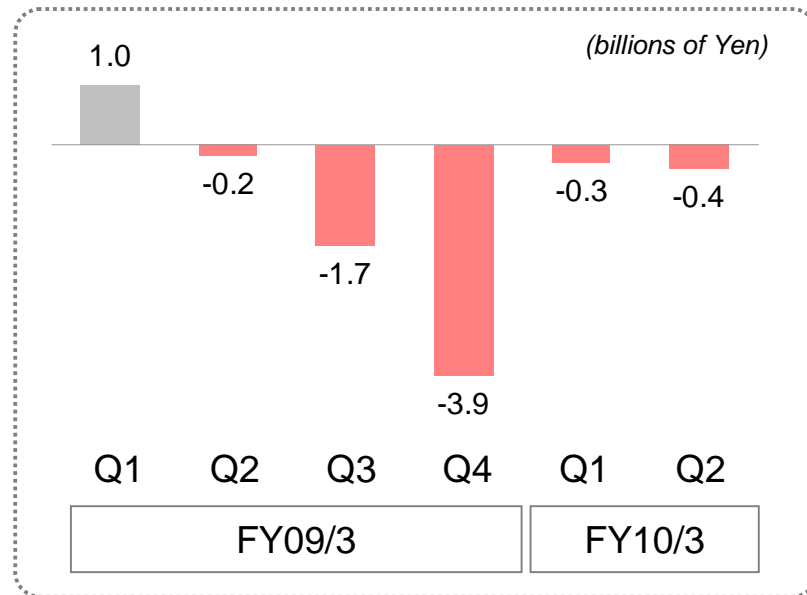
- Business almost on track
- Start to recover



[ Example of products ]



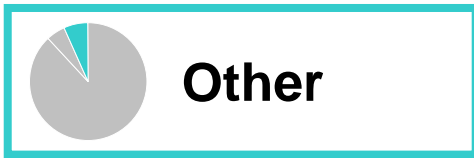
[ Appendix ] OP by quarterly



\* Excluding "Corporate and Eliminations"

(billions of Yen)

# FY2010/3 1H Business Segment



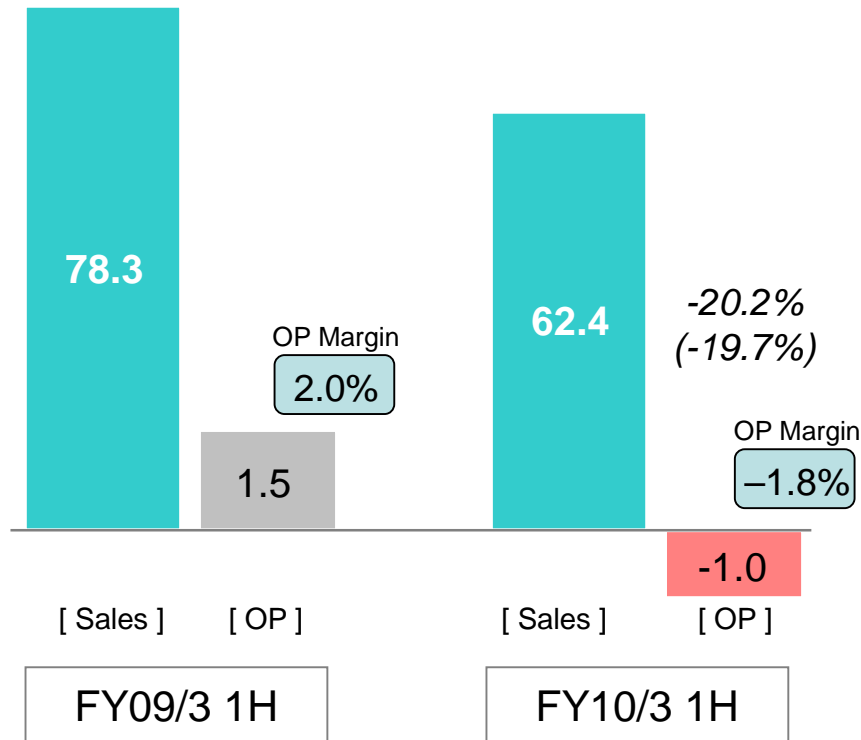
- Business almost on track
  - DC business
- Expanding lineup



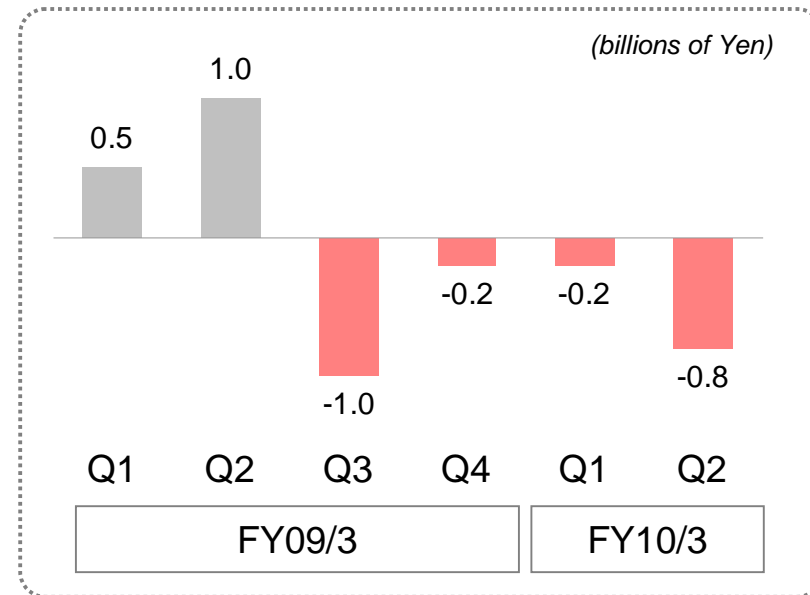
GR Digital III



CX2



[ Appendix ] OP by quarterly



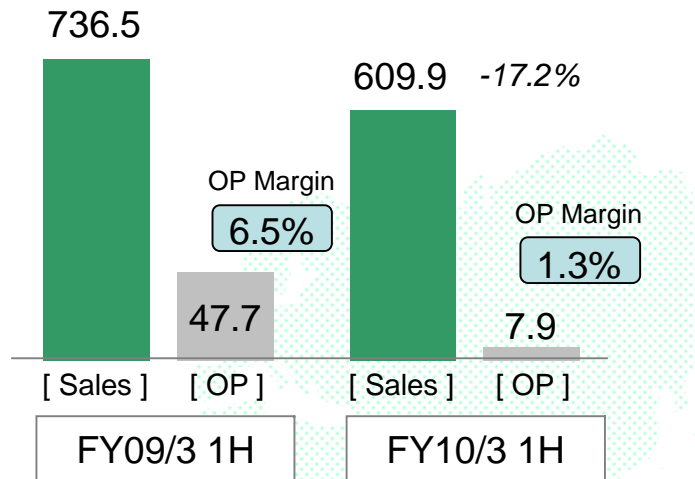
\* Excluding "Corporate and Eliminations"

*(billions of Yen)*

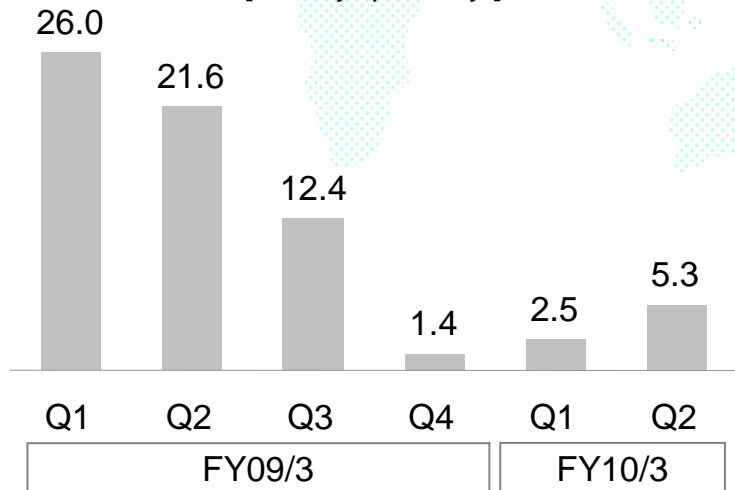
# FY2010/3 1H Geographic Segment

## Japan

(billions of Yen)



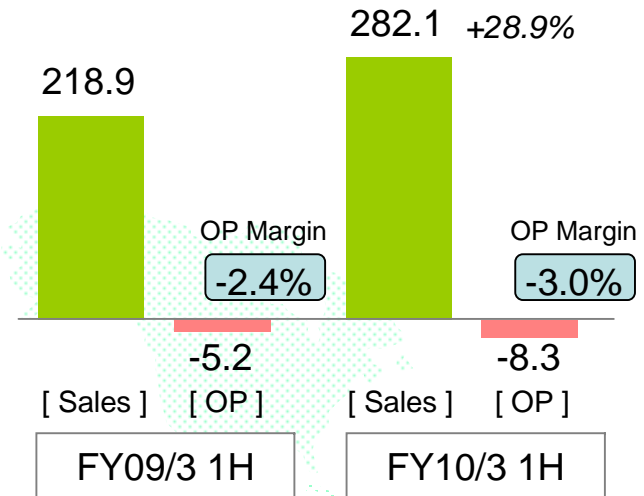
[ OP by quarterly ]



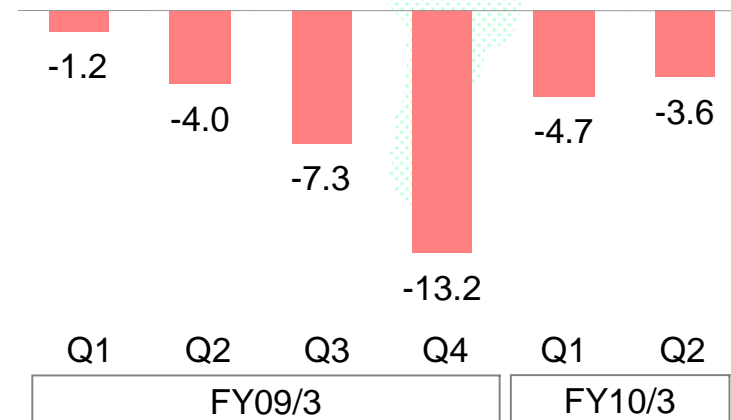
## The Americas

\* Excluding "Corporate and Eliminations"

(billions of Yen)



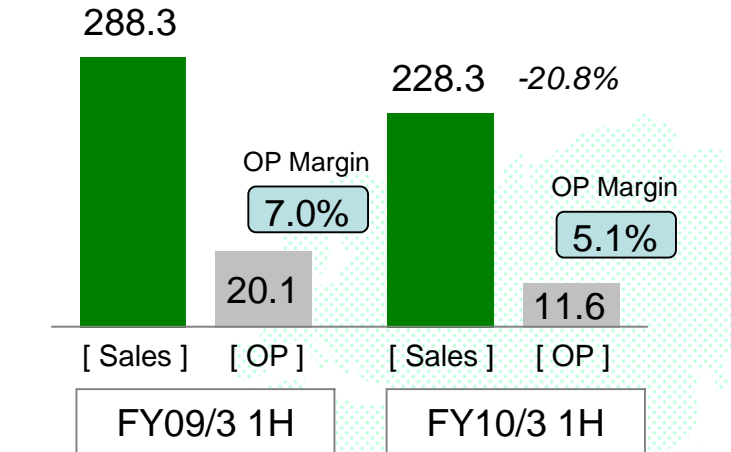
[ OP by quarterly ]



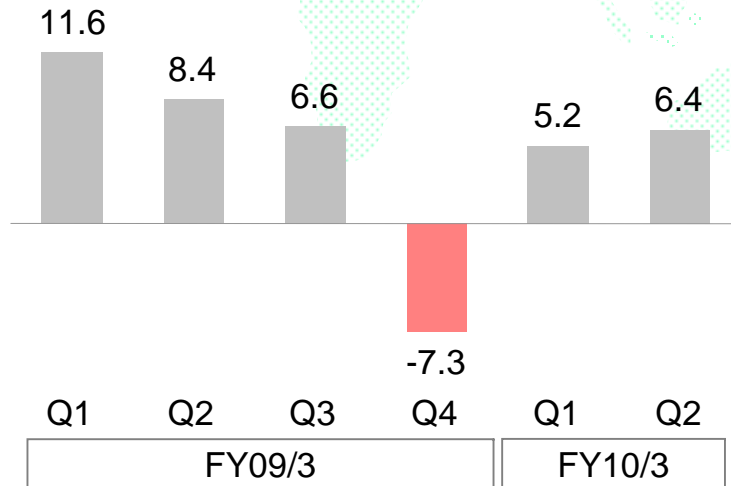
# FY2010/3 1H Geographic Segment

## Europe

(billions of Yen)



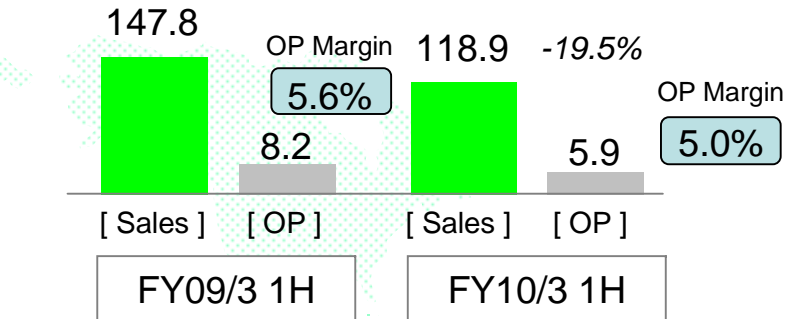
[ OP by quarterly ]



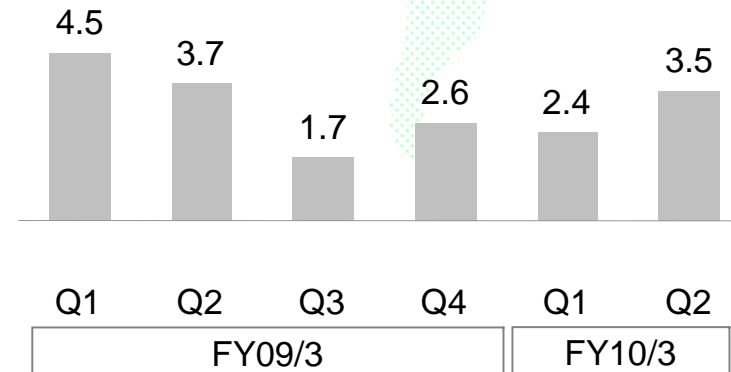
\* Excluding "Corporate and Eliminations"

## Other

(billions of Yen)



[ OP by quarterly ]



# Balance Sheet as of September 30, 2009

<b>Assets</b>		
<i>(billions of yen)</i>	<b>As of Sep 30, 2009</b>	<i>Dif. from Mar 31, '09</i>
<b>Current Assets</b>	<b>1,102.8</b>	<b>-108.9</b>
Cash & time deposits	226.4	-34.1
Trade receivables	630.7	-49.6
Inventories	177.7	-13.8
Other current assets	67.9	-11.4
<b>Fixed Assets</b>	<b>1,274.0</b>	<b>-27.5</b>
Tangible fixed assets	269.2	-0.0
Finance receivable	455.7	-9.5
Other investments	549.0	-17.9
<b>Total Assets</b>	<b>2,376.9</b>	<b>-136.5</b>

<b>Liabilities and Equity</b>		
<i>(billions of yen)</i>	<b>As of Sep 30, 2009</b>	<i>Dif. from Mar 31, '09</i>
<b>Current Liabilities</b>	<b>657.4</b>	<b>-116.0</b>
Trade payables	243.7	-41.6
Short-term borrowings	206.7	-63.0
Other current liabilities	206.9	-11.3
<b>Fixed Liabilities</b>	<b>714.1</b>	<b>-1.5</b>
Long-term indebtedness	517.5	+8.1
Accrued pension & severance costs	152.9	-3.7
Other fixed liabilities	43.6	-5.9
<b>Total Liabilities</b>	<b>1,371.5</b>	<b>-117.6</b>
Total Shareholders' Investment	955.6	-19.7
Noncontrolling Interest	49.7	+0.8
<b>Total Equity</b>	<b>1,005.4</b>	<b>-18.9</b>
<b>Total liabilities and Equity</b>	<b>2,376.9</b>	<b>-136.5</b>
<b>Total debt</b>	<b>724.2</b>	<b>-54.8</b>

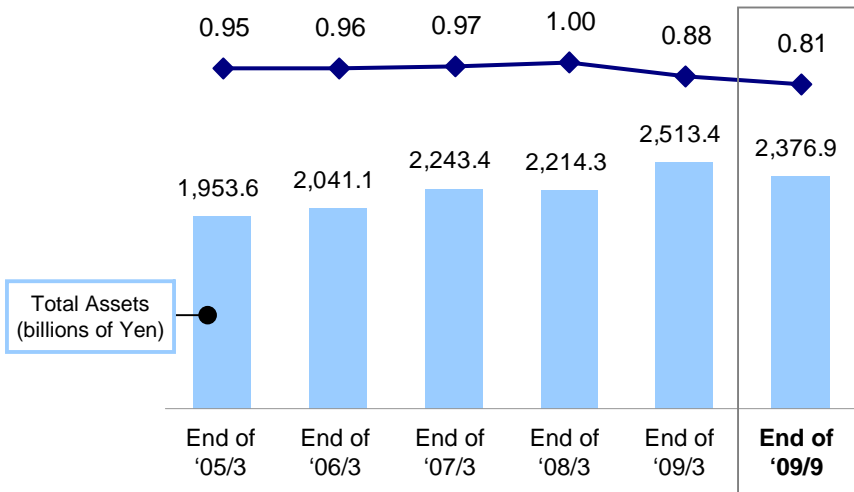
Exchange rate as of September 30, 2009 :

US\$ 1 = ¥ 90.21 (- 8.02)

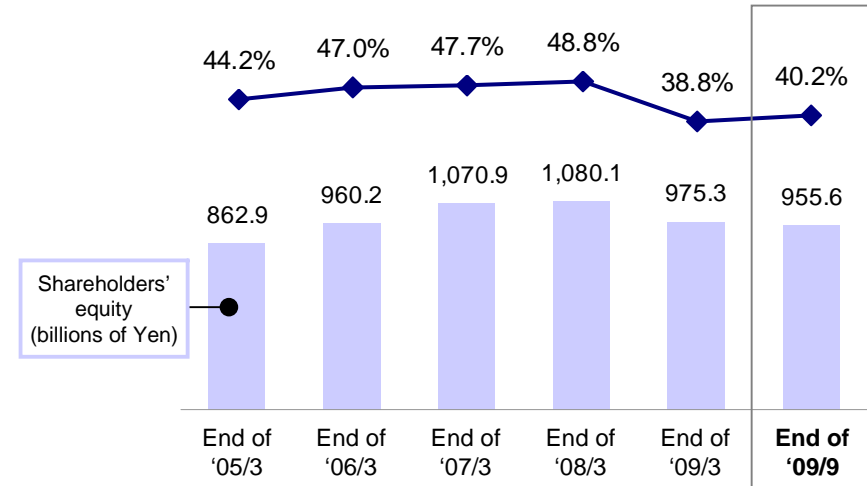
EURO 1 = ¥ 131.72 (+1.88)

# Balance Sheet Indexes

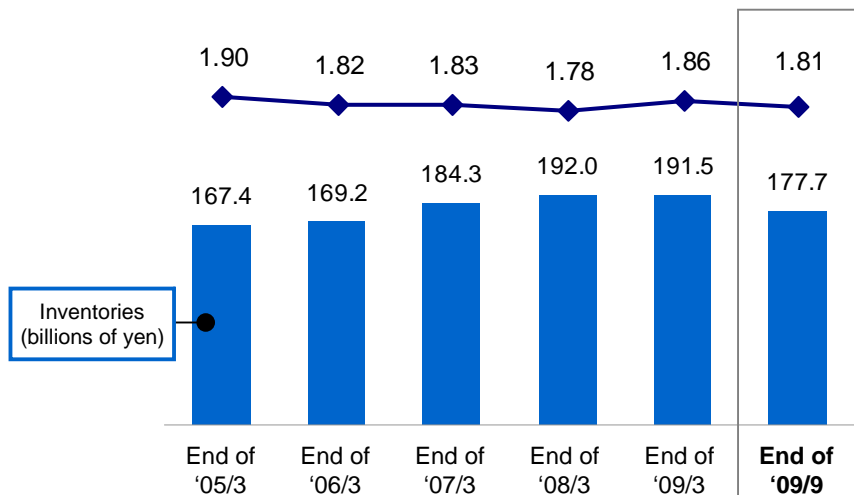
### Total assets turn over (per month)



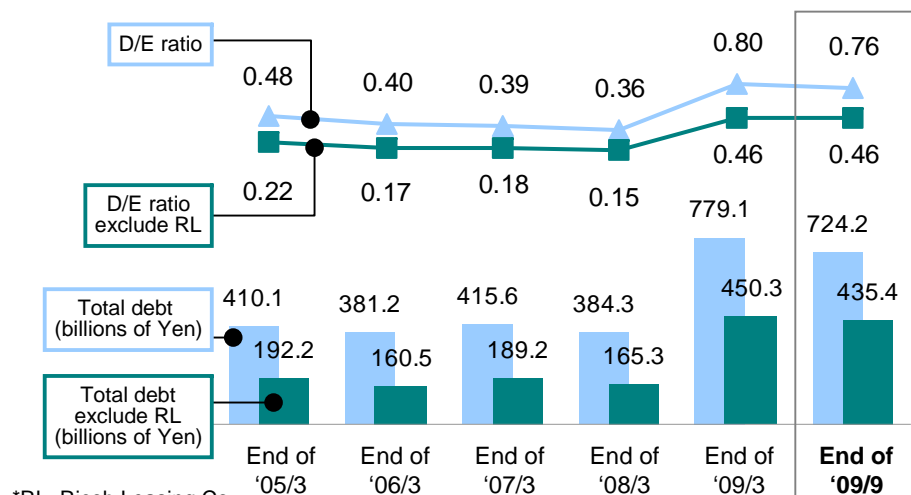
### Equity ratio



### Inventories/Averaged cost of sales (month)



### Debt/Equity ratio (multiplies)

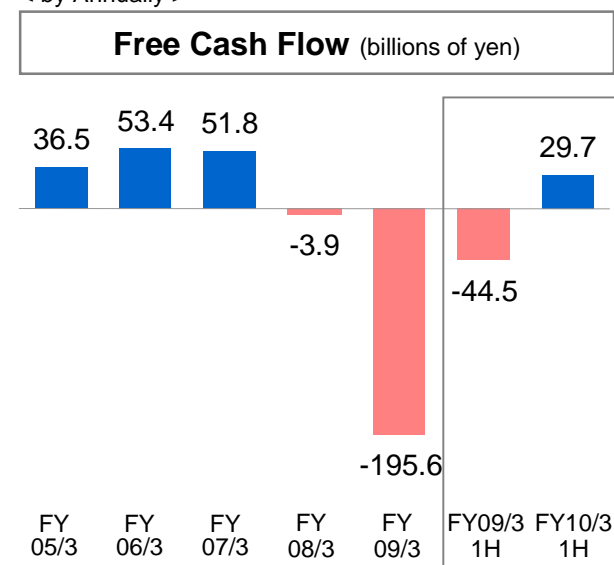


\*RL=Ricoh Leasing Co.

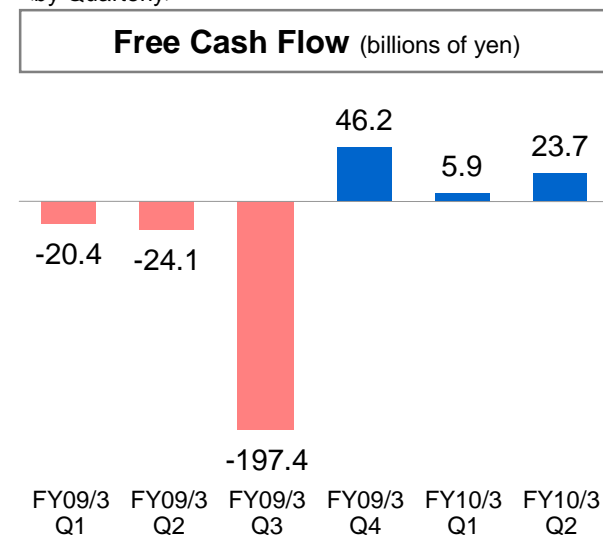
# FY2010/3 1H Statement of Cash Flow < 6 months >

<i>(billions of yen)</i>	FY09/3 1H	FY10/3 1H
<i>Consolidated net income</i>	36.3	2.9
<i>Depreciation and amortization</i>	48.7	48.8
<i>[ Net income + Depreciation and amortization ]</i>	[ 85.0 ]	[ 51.7 ]
<i>Other operating activities</i>	-63.9	31.4
<i>Net cash by operating activities</i>	21.1	83.2
<i>Plant and equipment</i>	-46.8	-37.7
<i>Purchase of business</i>	-4.7	-4.7
<i>Other investing activities</i>	-14.0	-11.0
<i>Net cash by investing activities</i>	-65.6	-53.4
<i>[ Free cash flow ( operating + investing net cash ) ]</i>	[ -44.5 ]	[ 29.7 ]
<i>Net cash by financing activities</i>	34.1	-61.6
<i>Effect of exchange rate</i>	-0.5	-2.3
<i>Net increase in cash and equivalents</i>	-10.9	-34.2
<i>Cash and equivalents at end of period</i>	159.6	224.2

< by Annually >



< by Quarterly >

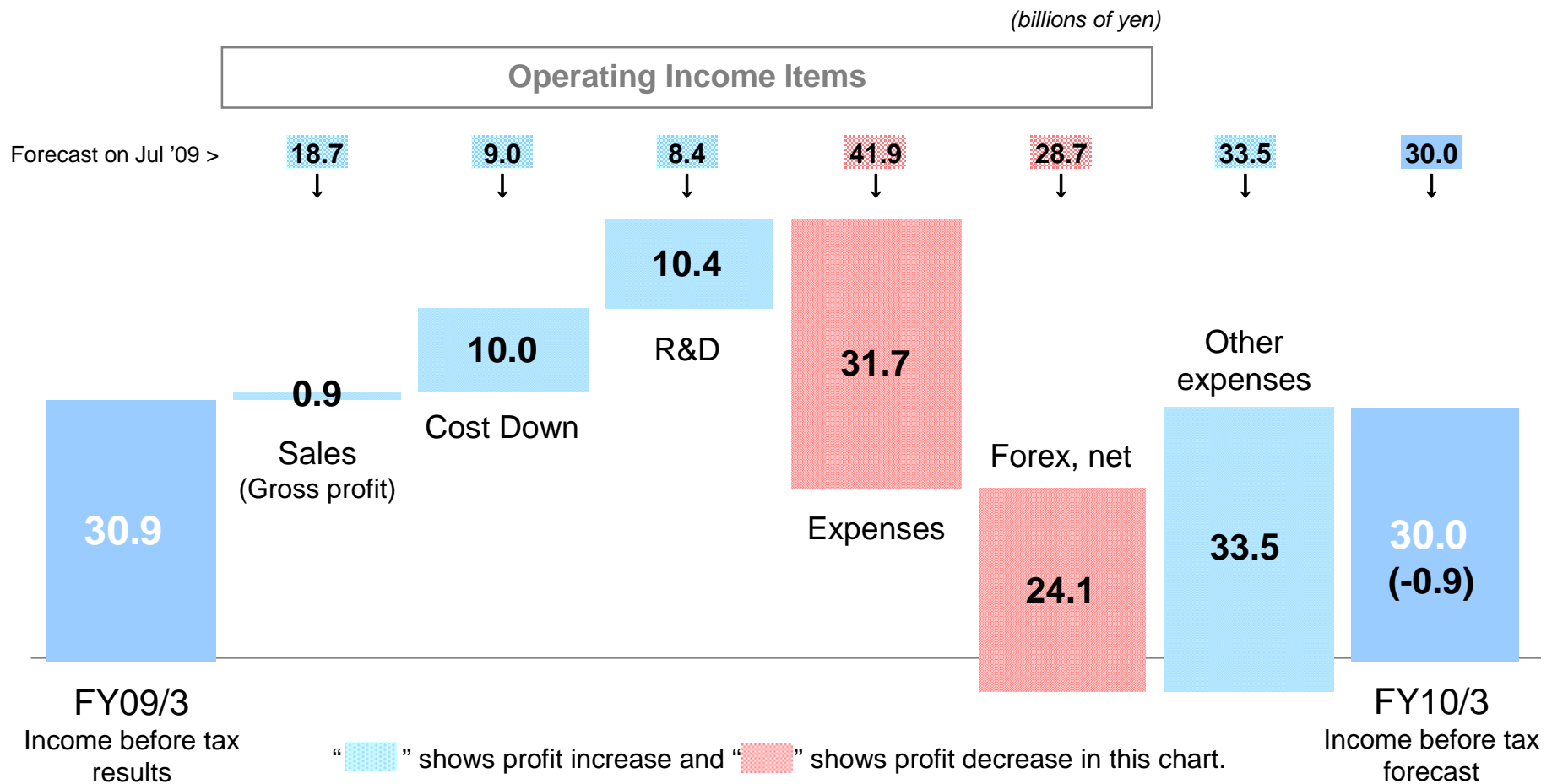


# FY2010/3 forecast

(billions of yen)		FY09/3 Results	FY10/3 forecast (on Jul '09)	FY10/3 Forecast	Y-o-Y comparison with new forecast															
					Change	Change(%)	Change(%) without Forex													
Net sales	(Japan)	938.3	895.0	865.0	-73.3	-7.8%	-7.8%	Q3-Q4 forex 1US\$ ¥90.00 1EURO ¥130.00												
	(Overseas)	1,153.3	1,170.0	1,200.0	+46.6	+4.0%	+12.3%													
	Total	2,091.6	2,065.0	2,065.0	-26.6	-1.3%	+3.3%													
Gross profit		854.3	825.0	810.0	-44.3	-5.2%		OP by business segment												
net sales %		40.8%	40.0%	39.2%	—	—														
Operating income		74.5	40.0	40.0	-34.5	-46.3%		<table border="1"> <thead> <tr> <th>(billions of yen)</th> <th>FY09/3 result</th> <th>FY10/3 forecast</th> </tr> </thead> <tbody> <tr> <td>Imaging&amp;Solutions (OP margin)</td> <td>145.3 7.9%</td> <td>100.0 5.5%</td> </tr> <tr> <td>Industrial Products (OP margin)</td> <td>-4.9 -4.1%</td> <td>0.0 0.0%</td> </tr> <tr> <td>Other (OP margin)</td> <td>0.3 0.3%</td> <td>1.0 0.7%</td> </tr> </tbody> </table>	(billions of yen)	FY09/3 result	FY10/3 forecast	Imaging&Solutions (OP margin)	145.3 7.9%	100.0 5.5%	Industrial Products (OP margin)	-4.9 -4.1%	0.0 0.0%	Other (OP margin)	0.3 0.3%	1.0 0.7%
(billions of yen)	FY09/3 result	FY10/3 forecast																		
Imaging&Solutions (OP margin)	145.3 7.9%	100.0 5.5%																		
Industrial Products (OP margin)	-4.9 -4.1%	0.0 0.0%																		
Other (OP margin)	0.3 0.3%	1.0 0.7%																		
net sales %		3.6%	1.9%	1.9%	—	—														
Income before income taxes		30.9	30.0	30.0	-0.9	-3.0%														
net sales %		1.5%	1.5%	1.5%	—	—														
Net income attribute to Ricoh Co.		6.5	10.0	10.0	+3.4	+53.1%		* Excluding "Corporate and Eliminations"												
net sales %		0.3%	0.5%	0.5%	—	—		Investment												
EPS (Yen)		9.02	13.78	13.78	+4.76			<table border="1"> <thead> <tr> <th>(billions of yen)</th> <th>FY09/3 result</th> <th>FY10/3 forecast</th> </tr> </thead> <tbody> <tr> <td>R&amp;D (% on sales)</td> <td>124.4 5.9%</td> <td>114.0 5.5%</td> </tr> <tr> <td>CAPEX</td> <td>96.9</td> <td>82.0</td> </tr> <tr> <td>Depreciation (tangible fixed assets)</td> <td>74.8</td> <td>72.0</td> </tr> </tbody> </table>	(billions of yen)	FY09/3 result	FY10/3 forecast	R&D (% on sales)	124.4 5.9%	114.0 5.5%	CAPEX	96.9	82.0	Depreciation (tangible fixed assets)	74.8	72.0
(billions of yen)	FY09/3 result	FY10/3 forecast																		
R&D (% on sales)	124.4 5.9%	114.0 5.5%																		
CAPEX	96.9	82.0																		
Depreciation (tangible fixed assets)	74.8	72.0																		
Exchange rate	US \$1	100.55	91.88	92.78	-7.77															
	(Yen) Euro 1	143.74	130.68	131.62	-12.12															



# FY2010/3 Income before tax forecast y-o-y comparison



## Forex assumptions

(yen)	FY09/3 result	FY10/3 forecast	difference
US\$	100.55	92.78	-7.77
EURO	143.74	131.62	-12.12

## Forex impacts

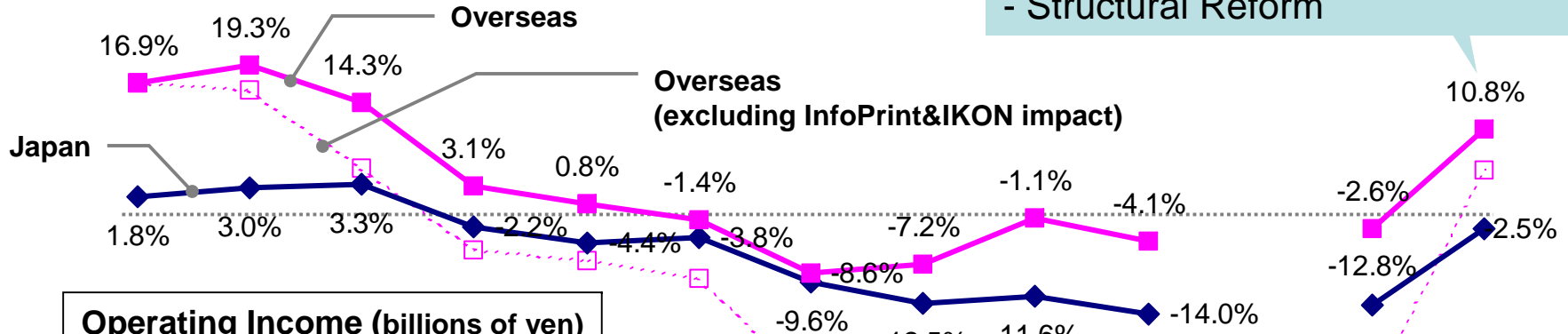
Impacts of forex per yen annually	(billions of yen)	
	Sales	Pre-tax profit
US\$	6.5	1.3
EURO	3.5	1.5

# FY2010/3 direction

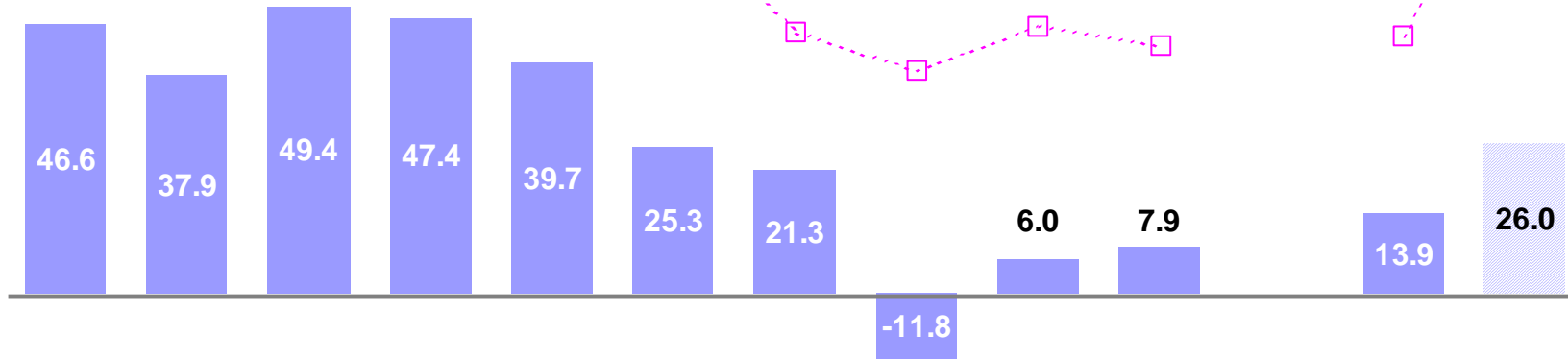
- Production Printing business
- IT service & Solutions business
- IKON
- Structural Reform

**Sales y-o-y (%)**

\*Including forex impact for Overseas



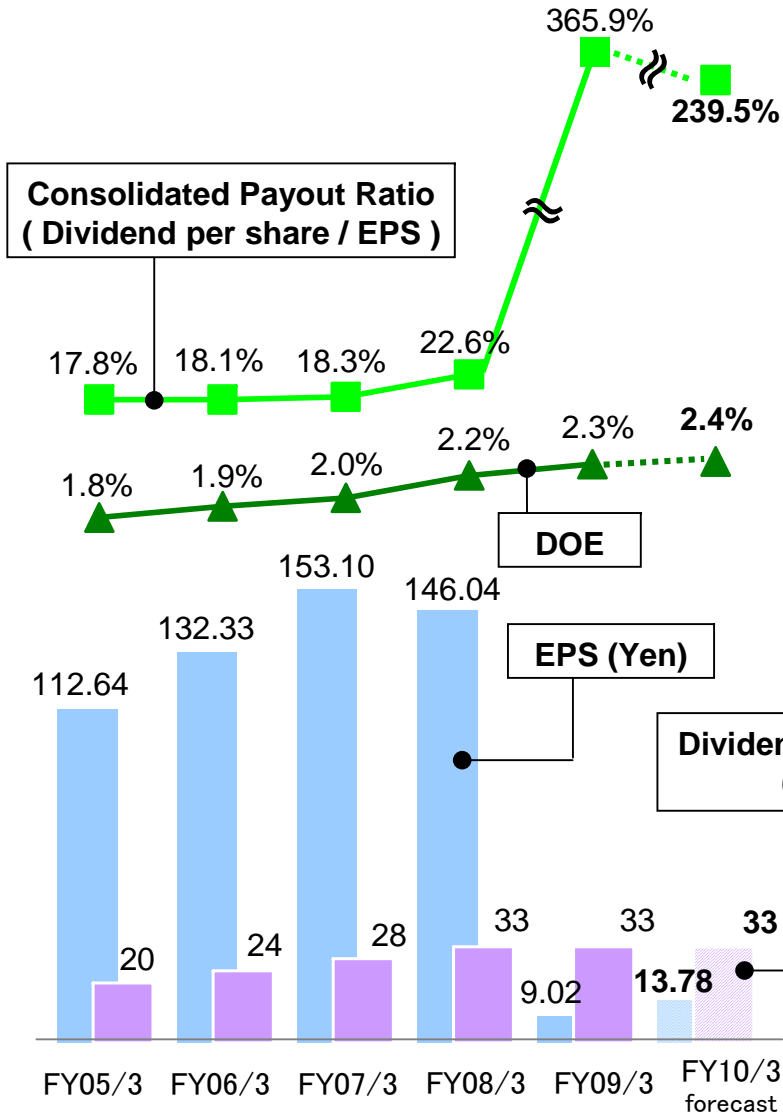
**Operating Income (billions of yen)**



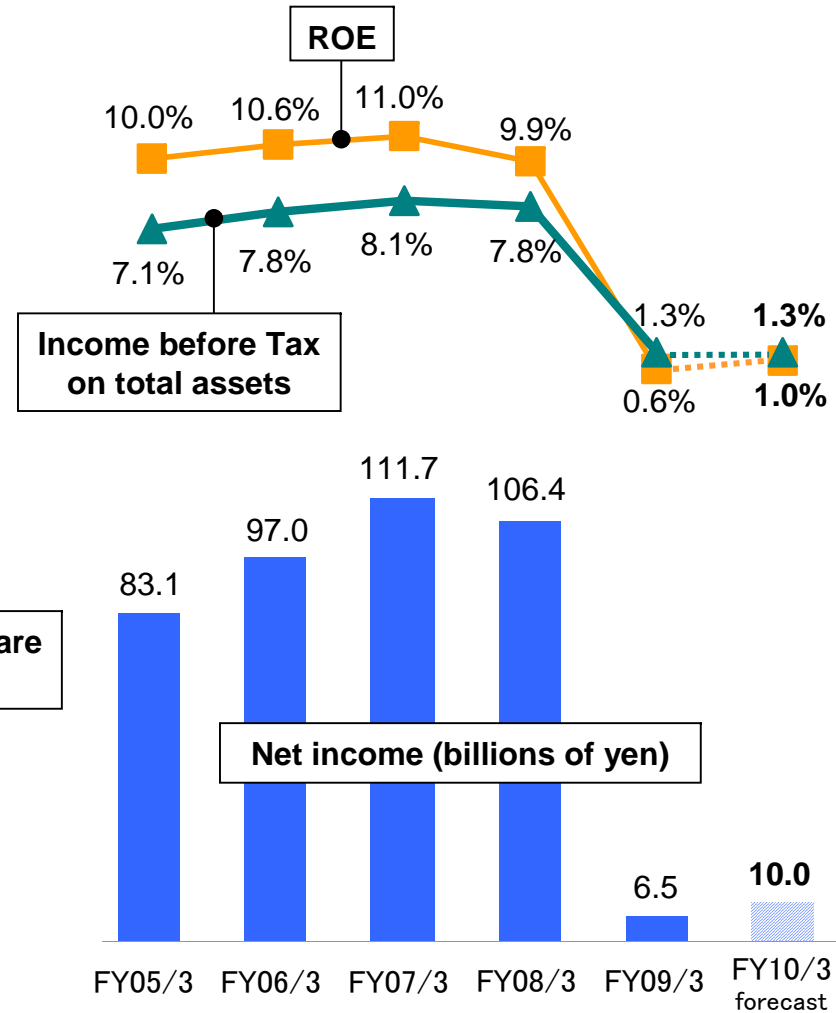
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	1H	2H forecast
FY08/3				FY09/3				FY10/3			

# Annual Financial Indexes

## Dividend



## Financial Indexes



# <Appendix> FY2010/3 Q2 Income Statement

(billions of yen)		FY09/3 Q2 result	FY10/3 Q2 forecast (on Jul '09)	FY10/3 Q2 result	Y-o-Y Comparison		
					Change	Change(%)	Change(%) without Forex
Net sales	(Japan)	249.9	223.2	214.9	-34.9	-14.0%	-14.0%
	(Overseas)	294.4	290.3	282.4	-11.9	-4.1%	+12.5%
	Total	544.3	513.6	497.4	-46.9	-8.6%	+0.4%
Gross profit		214.9	209.6	197.8	-17.0	-7.9%	
	net sales %	39.5%	40.8%	39.8%	—	—	
Operating income		25.3	4.9	7.9	-17.4	-68.7%	
	net sales %	4.7%	1.0%	1.6%	—	—	
Income before income taxes		15.1	2.5	3.3	-11.7	-77.9%	
	net sales %	2.8%	0.5%	0.7%	—	—	
Net income attribute to Ricoh Co.		8.6	0.0	0.9	-7.6	-89.5%	
	net sales %	1.6%	0.0%	0.2%	—	—	
EPS (Yen)		11.85	0.14	1.25	-10.60		
Exchange rate	US \$1	107.63	90.00	93.64	-13.99		
	(Yen) Euro 1	161.92	130.00	133.79	-28.13		

## Investment

(billions of yen)	FY09/3 Q2	FY10/3 Q2
R&D	31.4	28.7
(% on sales)	5.8%	5.8%
CAPEX	26.5	21.0
Depreciation (tangible fixed assets)	17.6	17.3

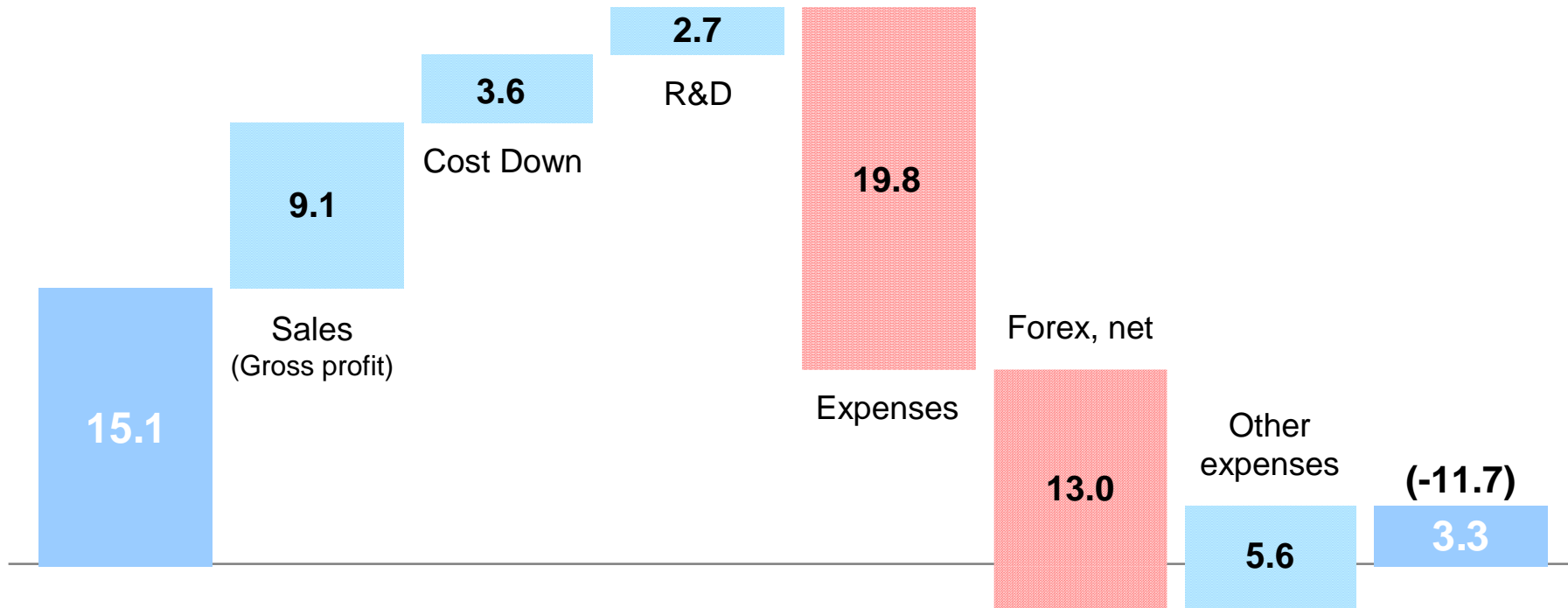
\*FY10/3 Q2 Investment forecast on Jul'09

(billions of yen)	
R&D	29.7
CAPEX	32.6
Depreciation	19.3

# FY2010/3 Q2 Income before tax y-o-y comparison

(billions of yen)

## Operating Income Items



FY09/3 Q2  
Income before tax

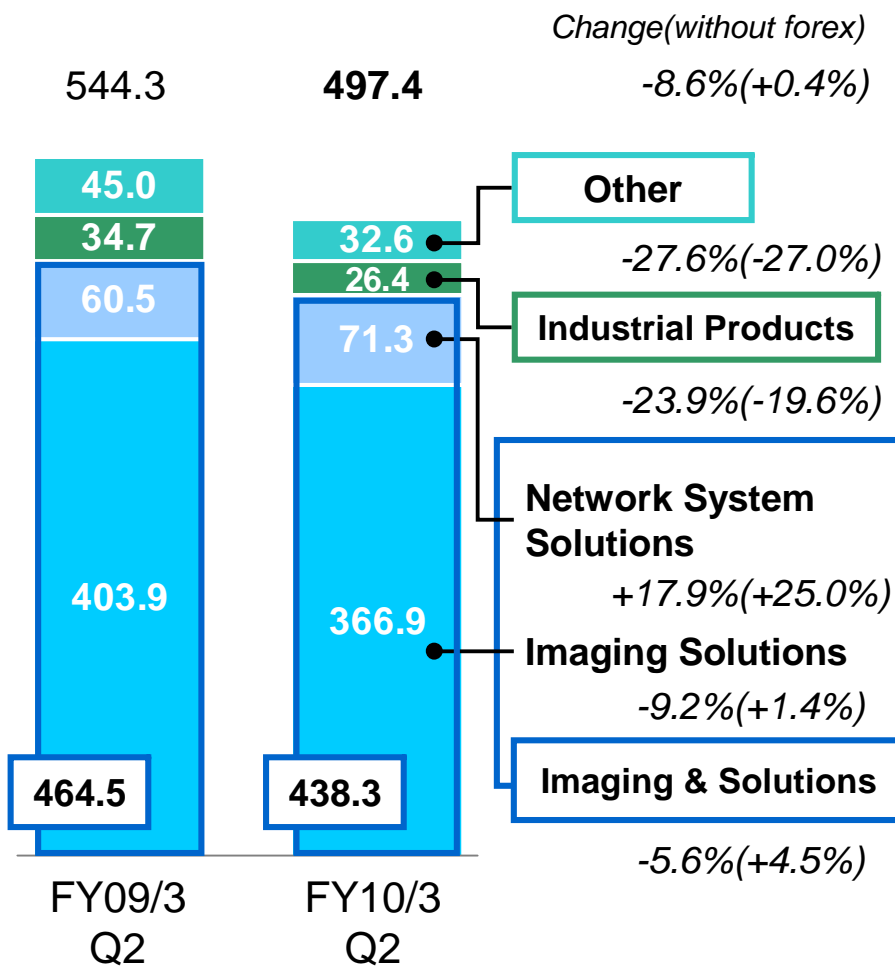
“” shows profit increase and “” shows profit decrease in this chart.

FY10/3 Q2  
Income before tax

# <Appendix> FY2010/3 Q2 Sales

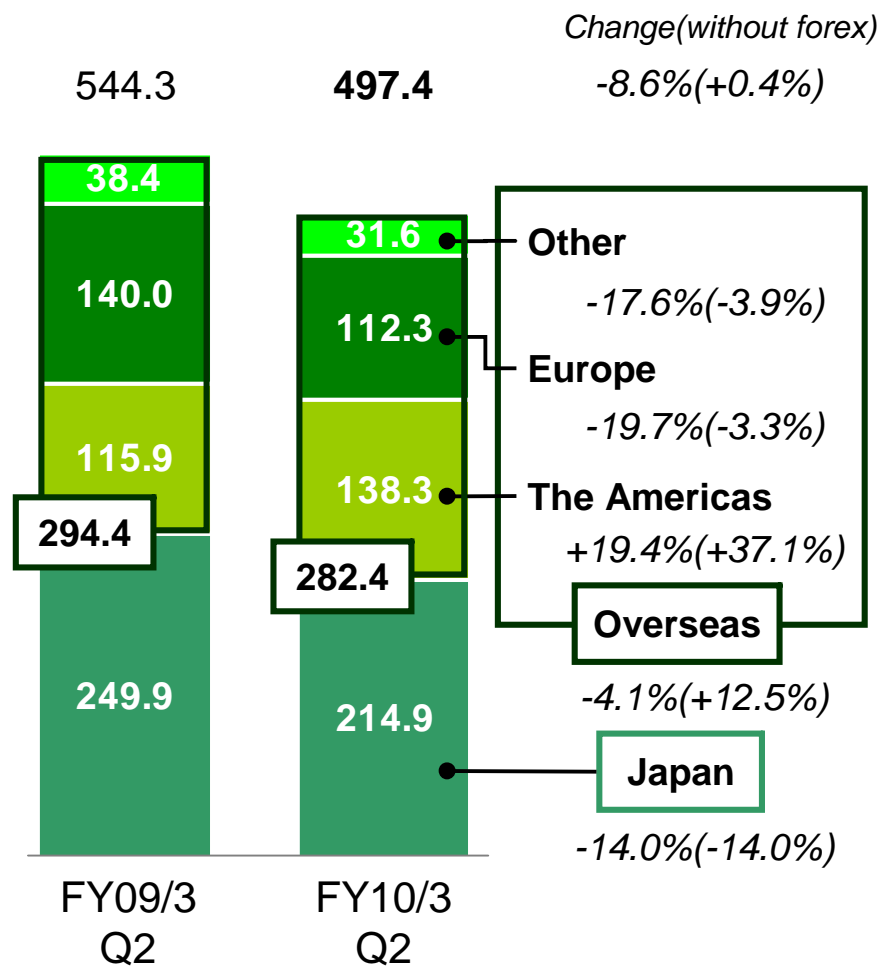
## By Category

(billions of Yen)



## By Area

(billions of Yen)



## <Appendix> Calculation information where the equity method applied to Ricoh's leasing subsidiary

### Consolidated Statement of Income

	FY09/3 1H	FY10/3 1H	(diff.)
Net sales	994.5	924.2	-70.3
Gross profit	434.7	389.7	-45.0
Operating income	57.9	9.8	-48.1
Income before income taxes	52.5	2.9	-49.6
Net income	34.3	1.8	-32.5

(billions of yen)

### Key financial Ratios

	FY09/3 1H	FY10/3 1H	(diff.)
Return on assets	2.8%	0.2%	- 2.6pt
Return on equity	3.1%	0.2%	- 3.0pt
Equity ratio	58.8%	47.6%	-11.2pt
Debt/Total assets	8.9%	21.7%	+12.8pt
Debt/Equity	15.2%	45.7%	+30.5pt
Total assets turnover	0.53	0.47	

### Consolidated Balance Sheet

	As of Mar. 31, 09	As of Sep. 30, 09	(diff.)		As of Mar. 31, 09	As of Sep. 30, 09	(diff.)
Cash and cash equivalents	242.6	225.9	-16.7	Short-term borrowings	82.6	75.3	-7.3
Other current assets	828.9	788.0	-40.9	Other current liabilities	473.7	417.8	-55.9
Current assets	1,071.6	1,013.9	-57.7	Current liabilities	556.3	493.2	-63.1
Finance receivable	81.4	75.8	-5.6	Long term-borrowings	362.9	360	-2.9
Other fixed assets	947.4	913.4	-34.0	Other fixed liabilities	204.9	195.4	-9.5
Fixed assets	1,028.9	989.3	-39.6	Fixed liabilities	567.9	555.4	-12.5
				Minority interest	0.8	0.8	+0.0
				Shareholders' investment	975.3	953.7	-21.6
Total Assets	2,100.5	2,003.3	-97.2	Total Liabilities and Shareholders' investment	2,100.5	2,003.3	-97.2
				Total debt	450.3	435.4	-14.9

(billions of yen)