

# Consolidated Results for the half year ended September 30, 2010

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October 28, 2010

Zenji Miura, Corporate Executive Vice President, CFO

Ricoh Company, Ltd.

**RICOH**

- *+592% y-o-y growth for net income and +171% for operating income. Exceeded our plan.*
- *Profit increased thanks to solid growth in the solution business with resulting gross margin improvement, and decreased expenses through ongoing structural reform.*
- *MFP & Printer market recovering gradually.*
- *Production printing and solution business keep growing.*
- *Generated ¥17.8bil free cash flow by improving working capital management.*
- *FY2011/03 Operating, Pre-tax and Net profit forecast unchanged despite revision of forex. Forex impact will be covered by the growth of new business and on-going structural reform activities.*
- *¥33 per share dividend forecast for FY2011/03 also unchanged.*

# FY2011/03 1H Income Statement

# RICOH

(billions of yen)		FY2010/03 1H result	FY2011/3 1H forecast (on Aug '10)	FY2011/03 1H result	Y-o-Y Comparison		
					Change	Change(%)	Change(%) without Forex
Net sales	(Japan)	421.6	438.0	439.0	+17.3	+4.1%	+4.1%
	(Overseas)	567.1	546.0	531.7	-35.3	-6.2%	+3.4%
	Total	988.7	984.0	970.8	-17.9	-1.8%	+3.7%
Gross profit		398.2	405.0	402.9	+4.7	+1.2%	
	net sales %	40.3%	41.2%	41.5%	—	—	
SG&A		384.2	370.0	364.9	-19.3	-5.0%	
	net sales %	38.9%	37.6%	37.6%	—	—	
Operating income		13.9	35.0	38.0	+24.0	+171.6%	
	net sales %	1.4%	3.6%	3.9%	—	—	
Income before income taxes		6.7	28.0	28.0	+21.2	+314.8%	
	net sales %	0.7%	2.8%	2.9%	—	—	
Net income attribute to Ricoh Co.		1.8	12.5	12.5	+10.7	+592.0%	
	net sales %	0.2%	1.3%	1.3%	—	—	
EPS (Yen)		2.49	16.78	17.24	+14.75		
Exchange rate	US \$1	95.56	91.07	89.03	-6.53		
	(Yen) Euro 1	133.24	113.76	114.14	-19.10		

Change from Aug 2010 forecast	
(billions of yen)	
Net sales	-13.1
Operating income	+3.0
Income before tax	+0.0
Net income	+0.0

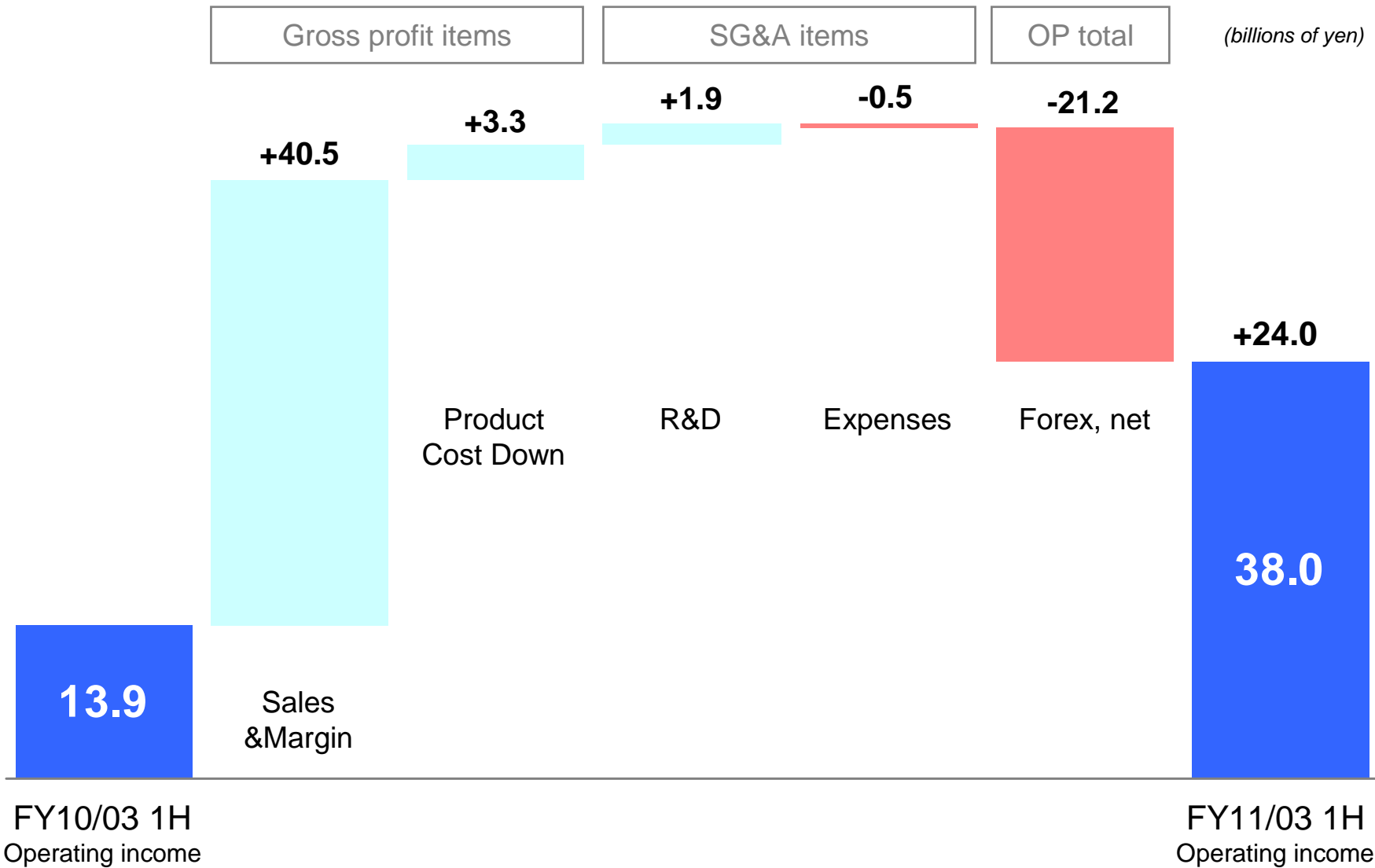
  

Investment		
(billions of yen)	FY10/03 1H	FY11/03 1H
R&D	55.9	53.9
(% on sales)	5.7%	5.6%
CAPEX	38.4	39.5
Depreciation (tangible fixed assets)	33.9	33.4

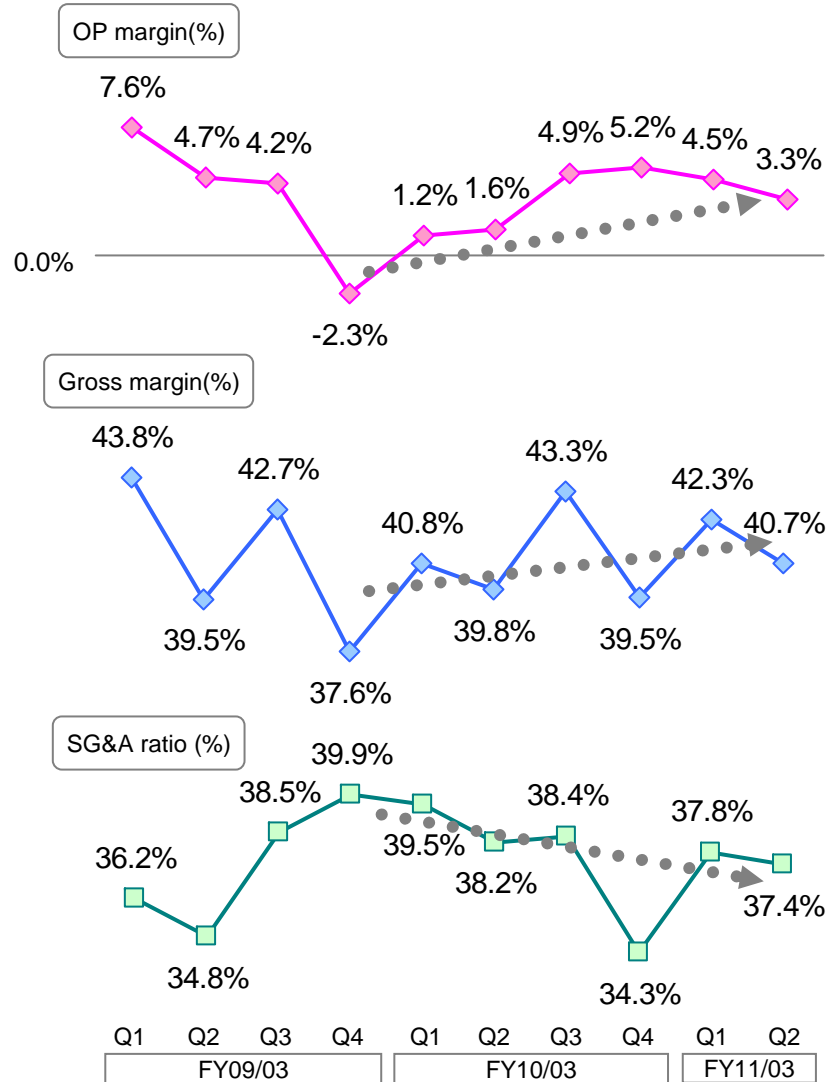
  

Q2 forex planed	
1US\$ =	90.00JPY
1Euro =	110.00JPY

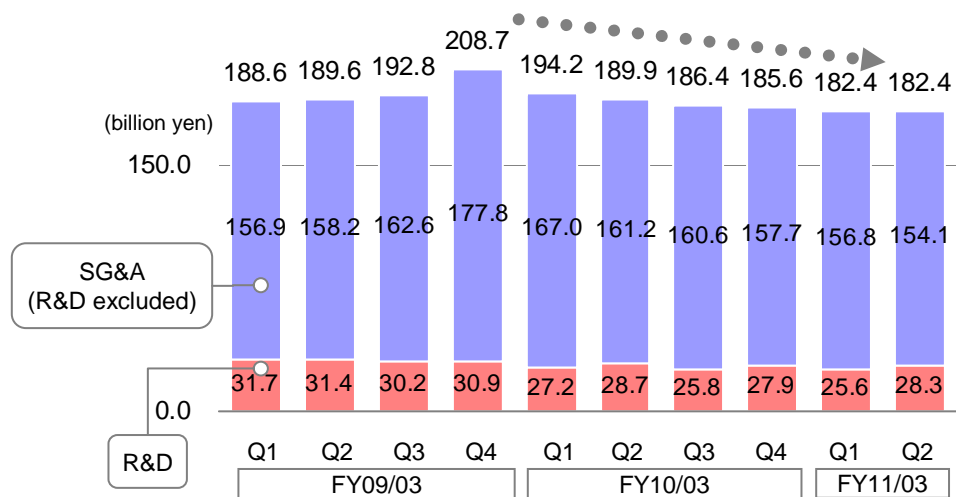
# FY2011/03 1H Operating income y-o-y comparison



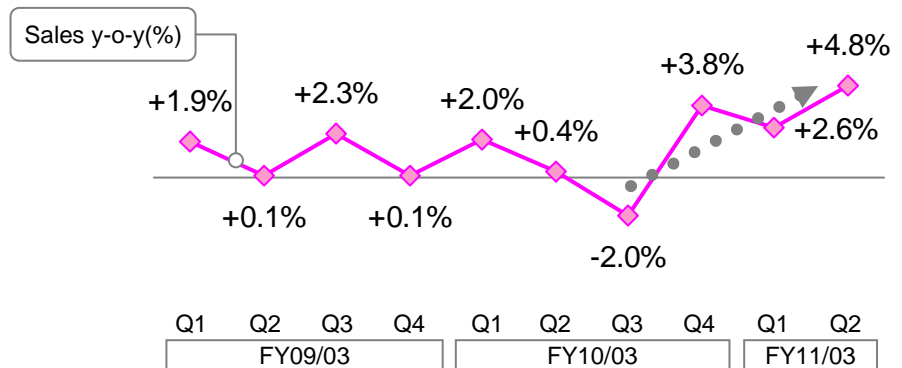
OP margin / Gross margin / SG&A ratio



SG&A



Sales y-o-y excluding forex



## By Category

(billions of Yen)

## By Area

(billions of Yen)

988.7

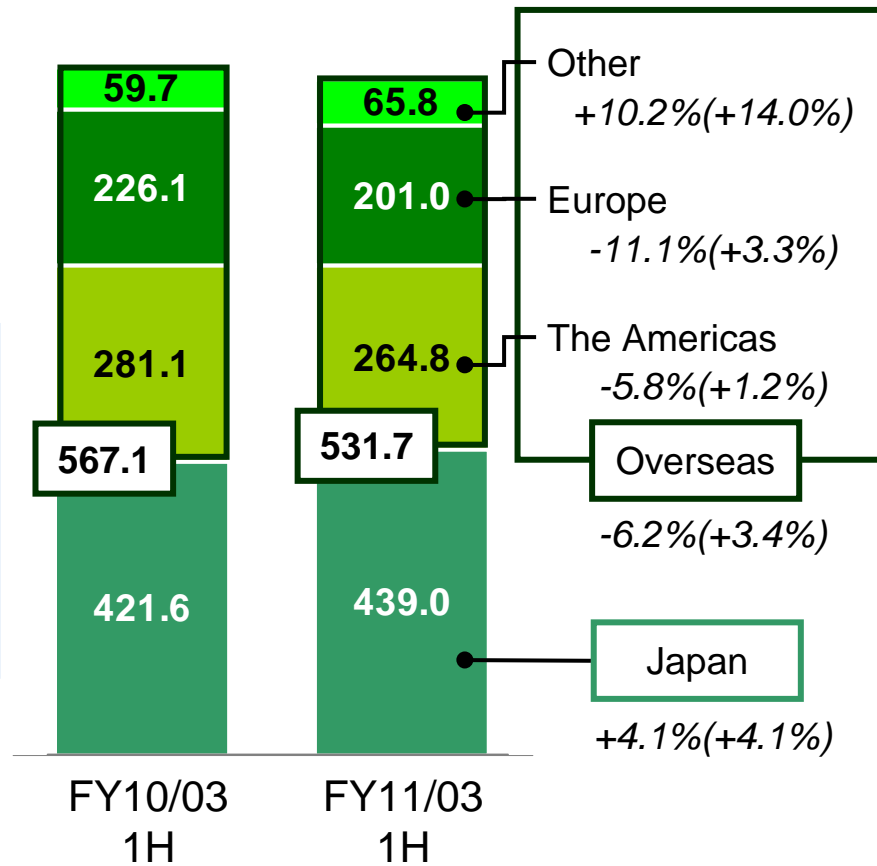
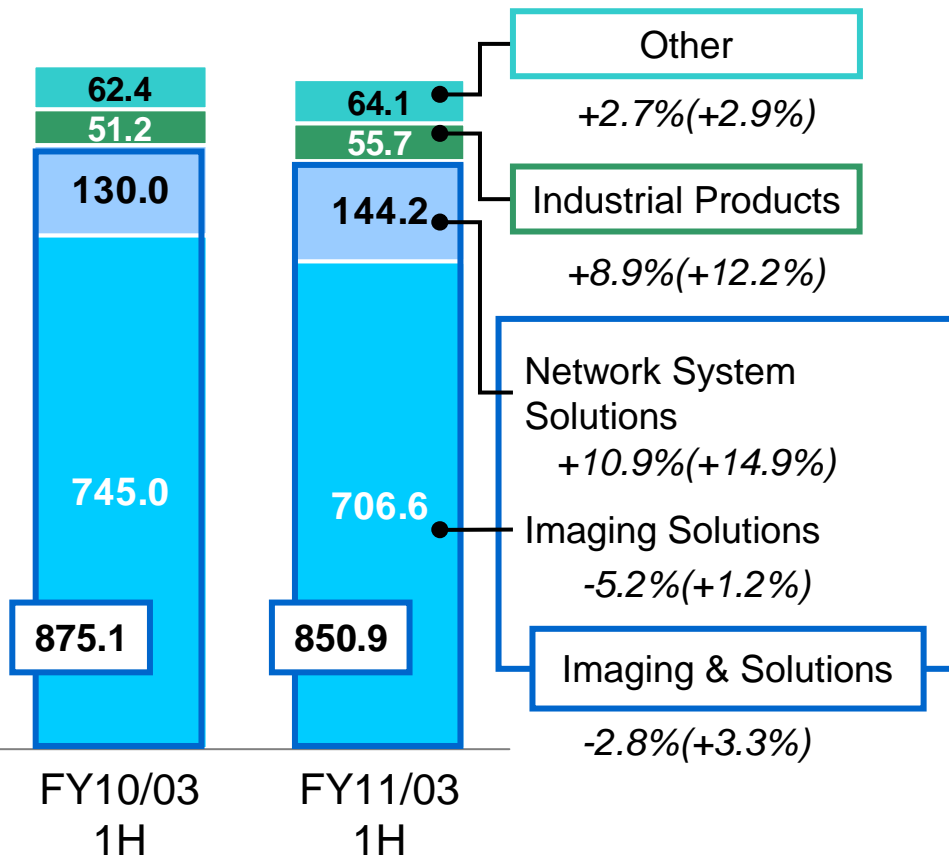
970.8

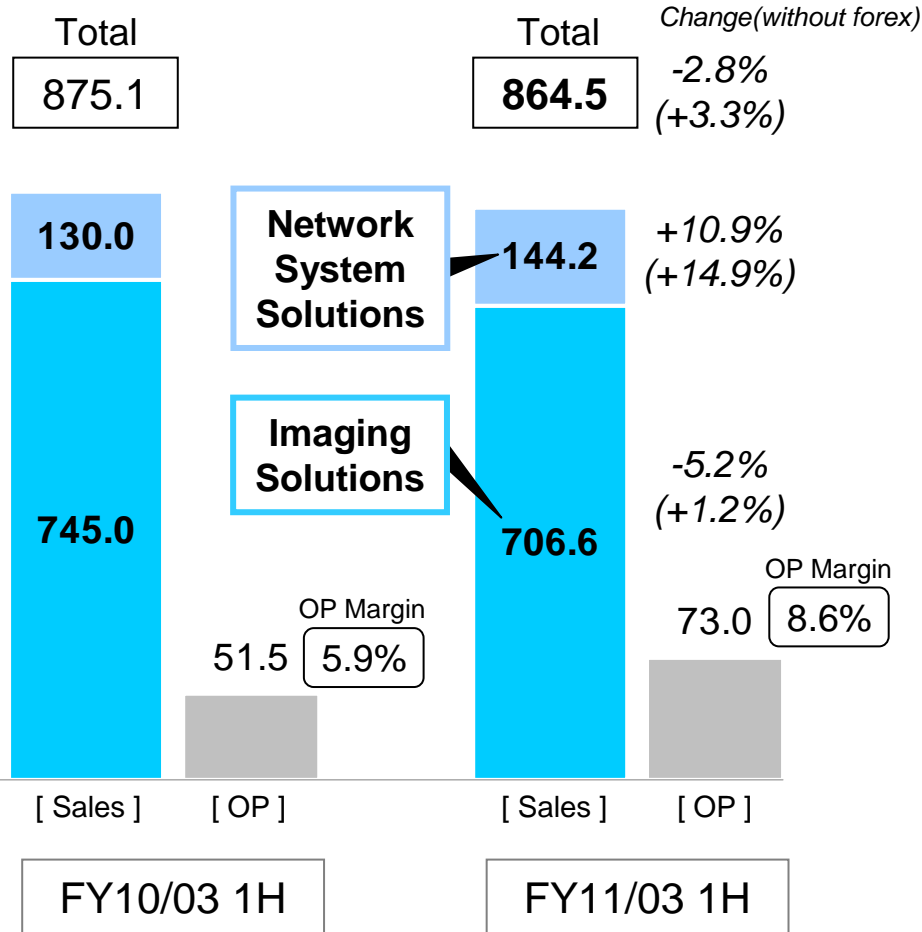
Change(without forex)  
-1.8%(+3.7%)

988.7

970.8

Change(without forex)  
-1.8%(+3.7%)





\* Excluding "Corporate and Eliminations"

(billions of Yen)

- Generated profit by increasing solution business and structural reform

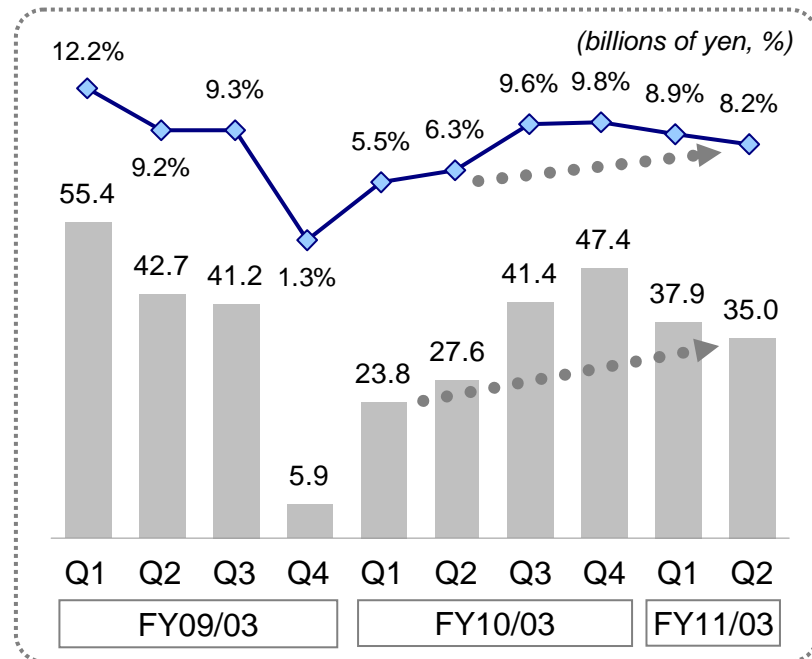
[ Appendix ] MFP, Printer y-o-y growth

(by value, LC base) Hardware Non-hard

	Hardware	Non-hard
MFP&Printer combiner	+4%	+2%
MFP(Copier)	+2%	-1%
Printer	+11%	+9%

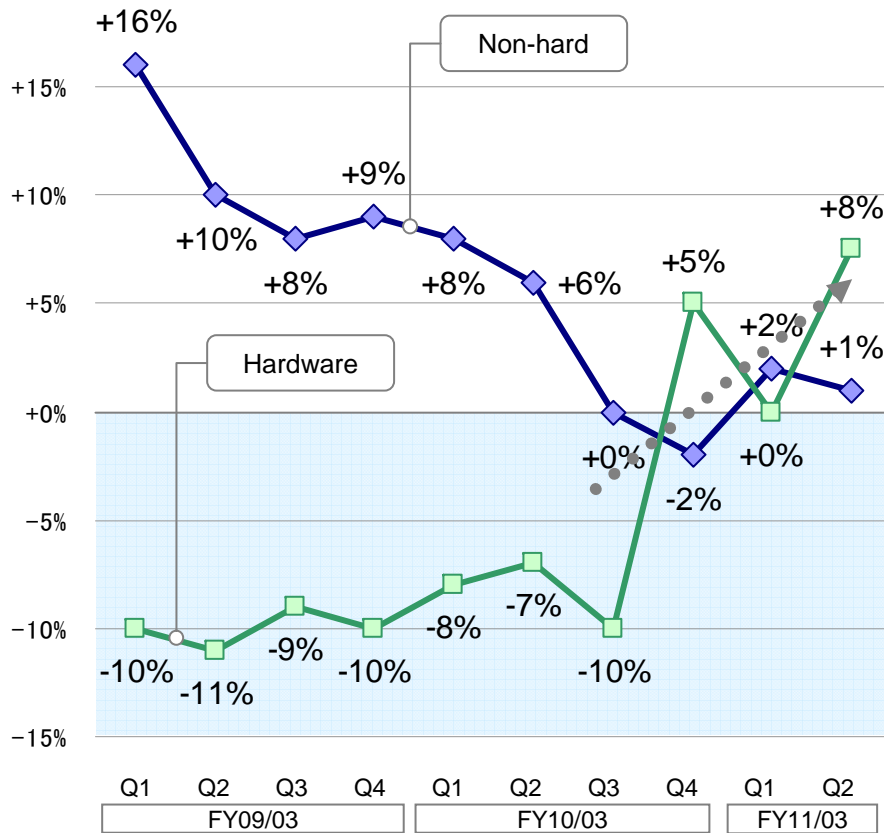
➔ See page 25-26 for more data

[ Appendix ] OP&OP margin by quarterly



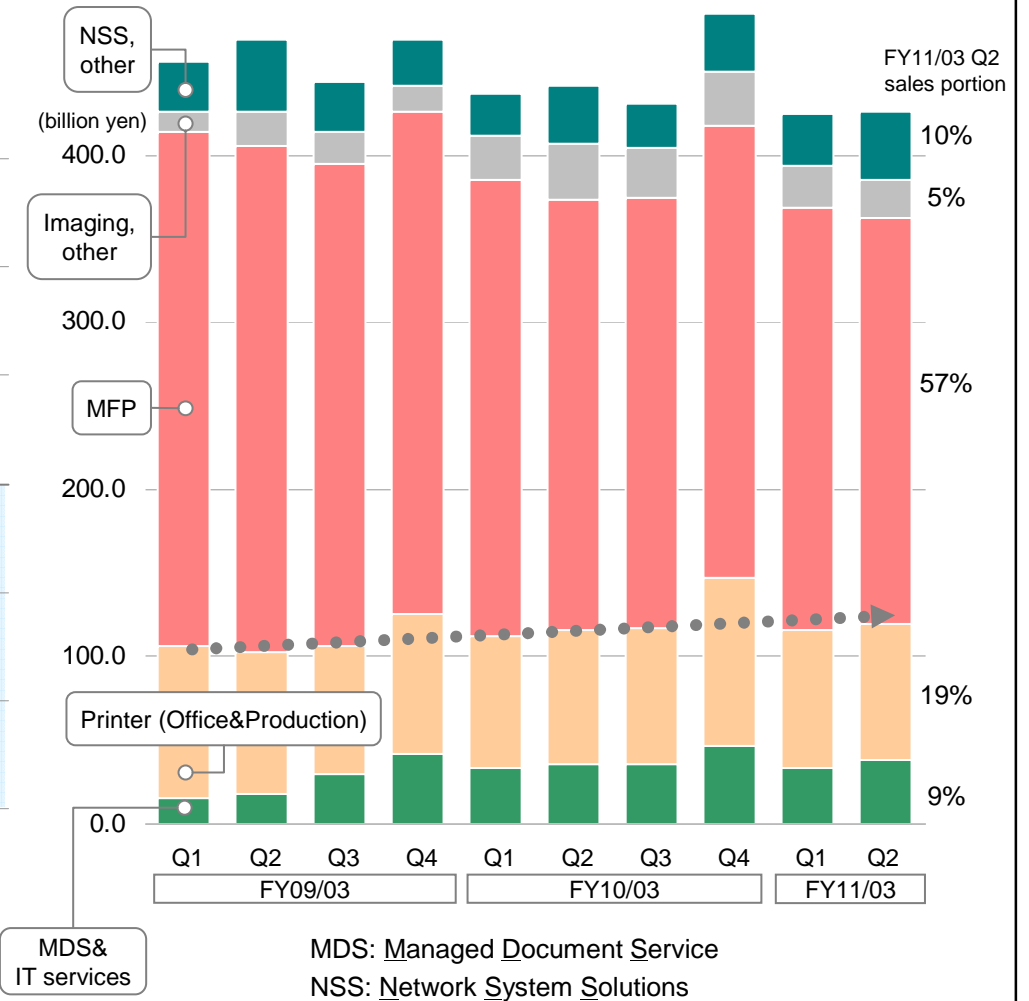
### MFP & Printer combined y-o-y

\*Sales growth by value excluding forex impact



### Imaging & Solutions sales by products

\*Percentage of sales



➔ See page 24 for more data



\* Released by October 28, 2010

**Printer**



GX e7700



GX e2600N



SP C431DN



SP C430DN

**MFP**



MP W3601



MP W2401

**Projection**



PJ X3240N



PJ X3130

**Production**



Pro C901s



Pro 1357AFP



Pro 1107AFP

**Solution**

&

**Service**

- Managed IT Life-cycle services
- Enterprise Managed Services
- @Remote Office
- HotSpot printing for smartphone
- HotSpot MFP
- DocumentMall 9.3
- HotSpot printing
- Streamline NX

- JP
- JP
- US
- US
- US
- US
- US
- EU
- EU

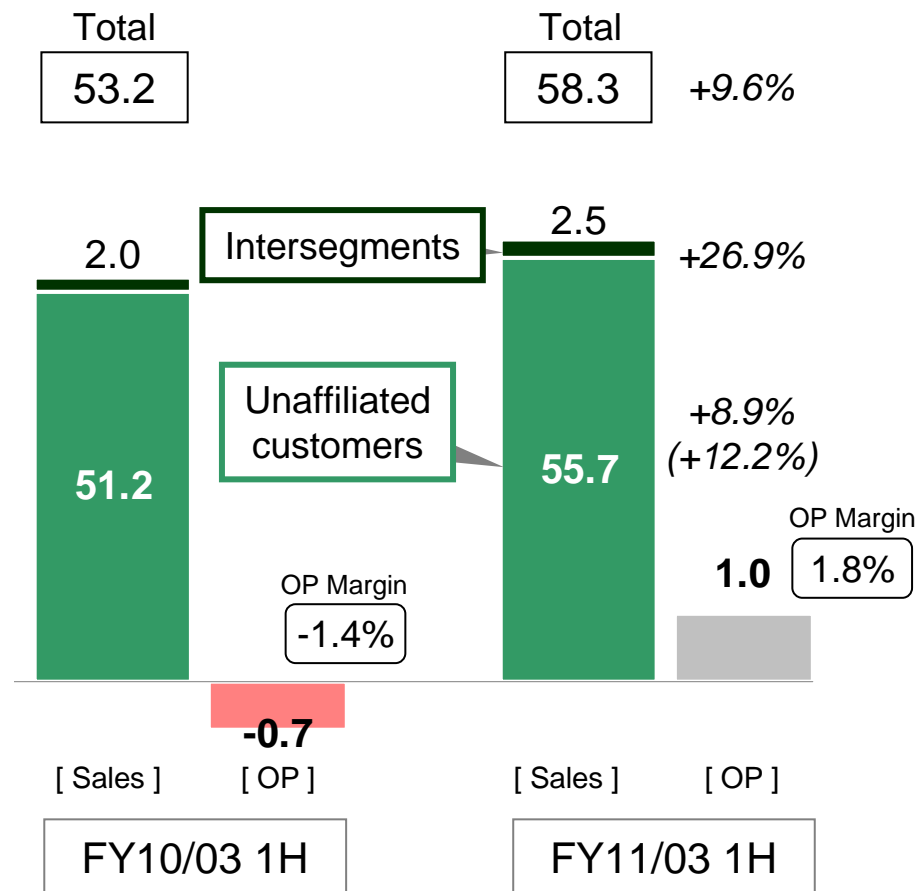
**Camera**



CX4



G700SE

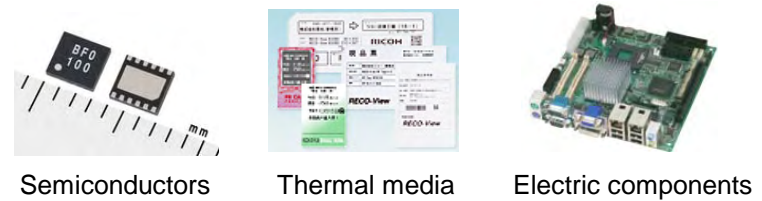


\* Excluding "Corporate and Eliminations"

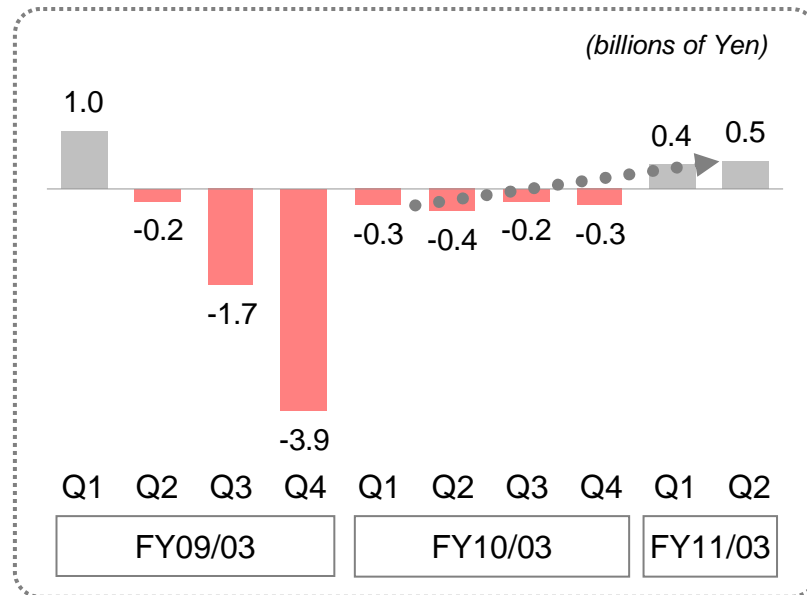
(billions of Yen)

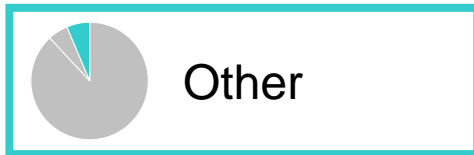
- Emerging profit trend thanks to improving business and structural reform

[ Products and services ]



[ Appendix ] OP by quarterly





- Turned y-o-y sales growth
- Profit improved by improving business and structural reform

[ Products and services ]



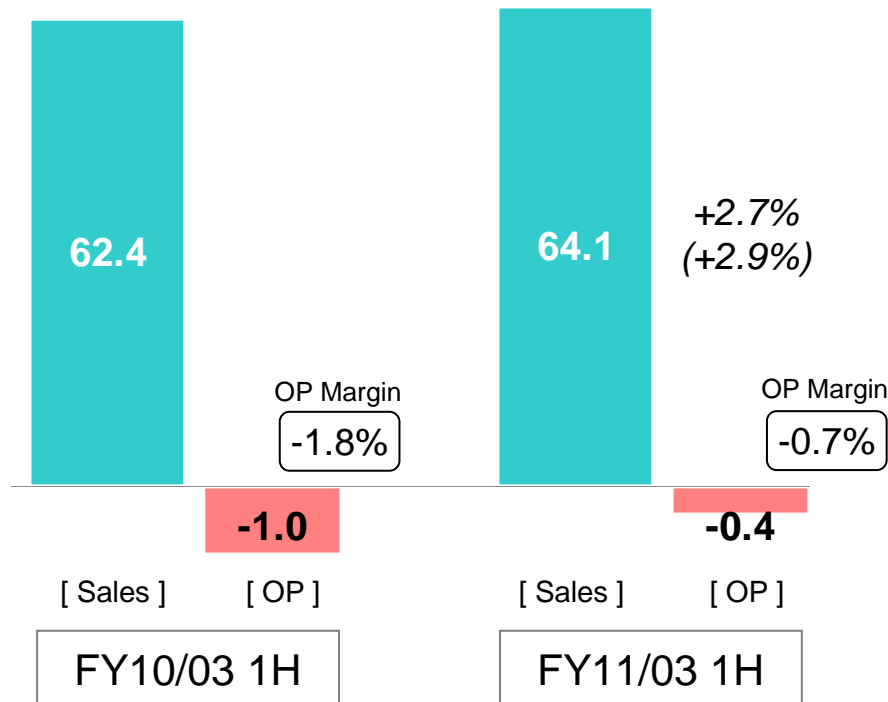
Finance



Digital camera



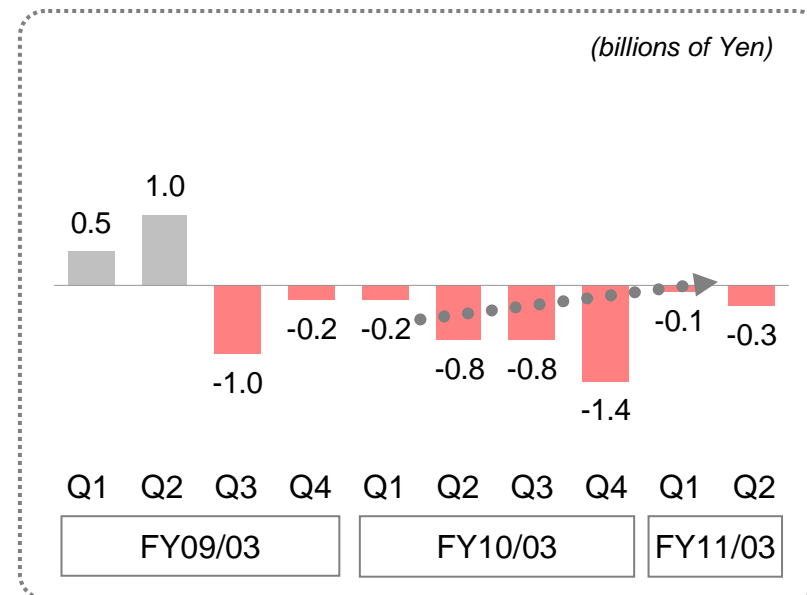
Logistics



\* Excluding "Corporate and Eliminations"

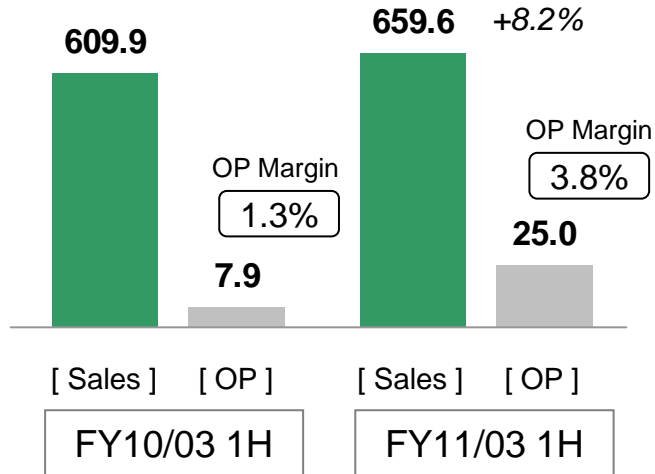
(billions of Yen)

[ Appendix ] OP by quarterly

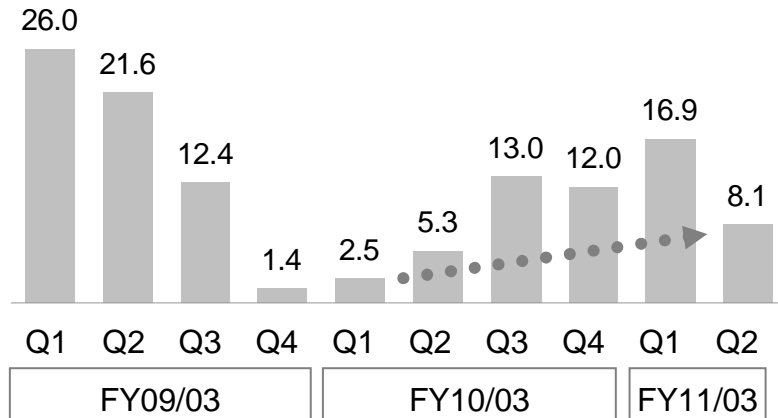


## Japan

(billions of Yen)



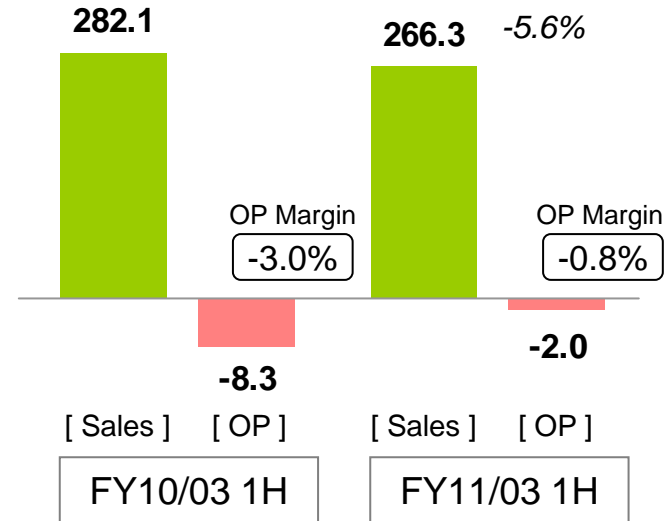
[ OP by quarterly ]



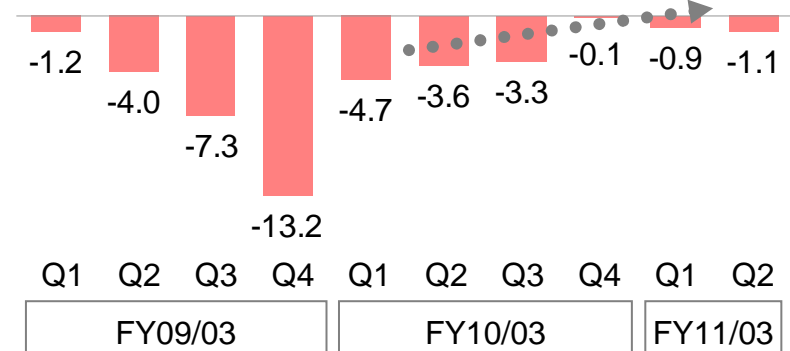
## The Americas

\* Excluding "Corporate and Eliminations"

(billions of Yen)

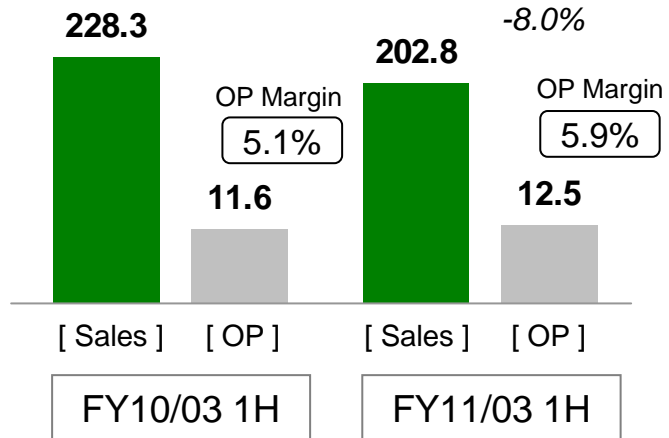


[ OP by quarterly ]

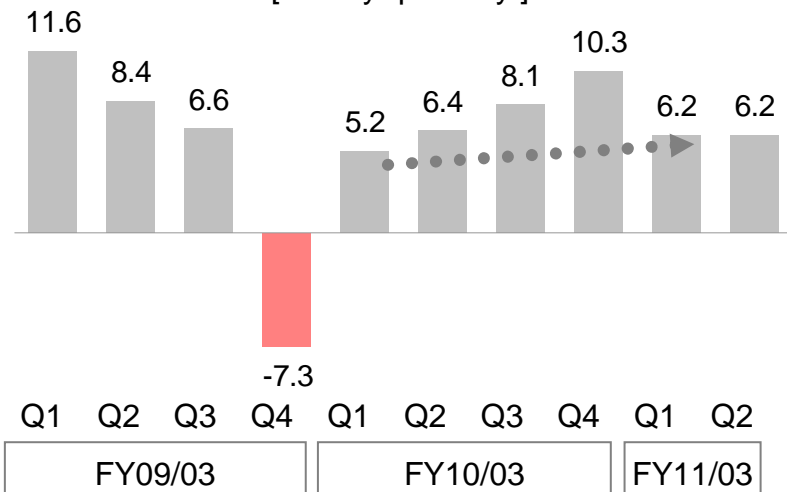


## Europe

(billions of Yen)



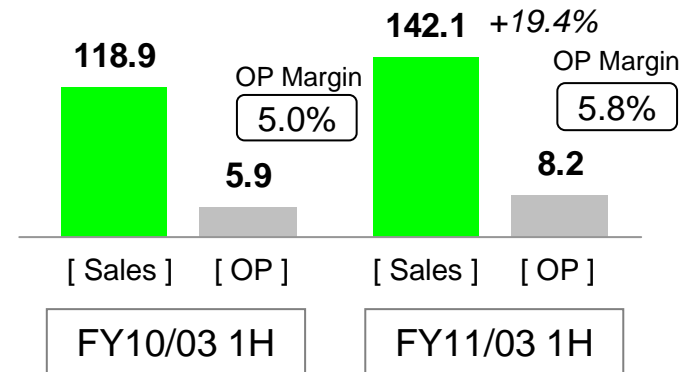
[ OP by quarterly ]



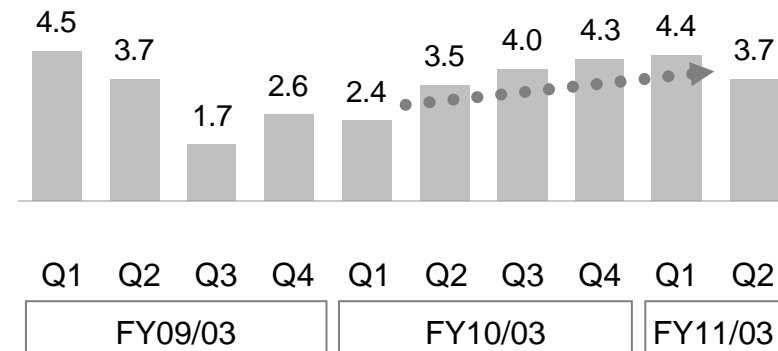
## Other

\* Excluding "Corporate and Eliminations"

(billions of Yen)



[ OP by quarterly ]



# Balance Sheet as of September 30, 2010

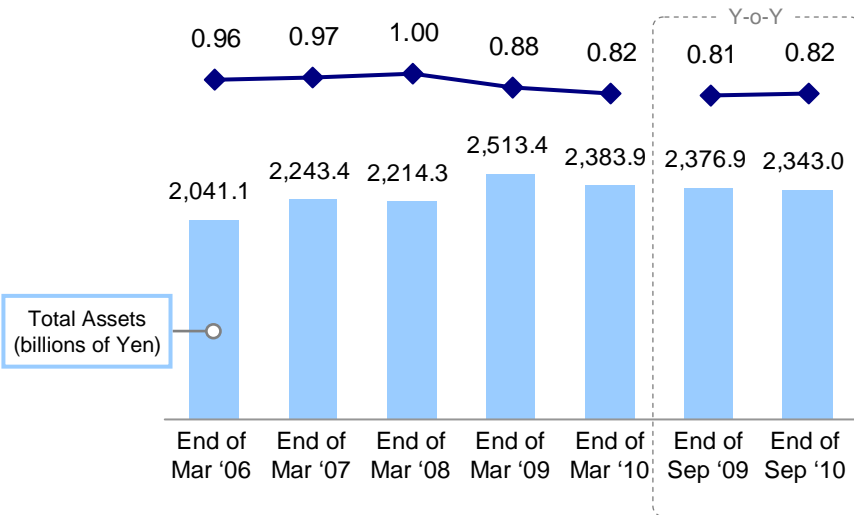
**RICOH**

Assets		
(billions of yen)	As of Sep 30, 2010	Dif f. from Mar 31, '10
<b>Current Assets</b>	<b>1,155.7</b>	+11.1
Cash & time deposits	275.7	+31.8
Trade receivables	636.2	-31.3
Inventories	182.4	+13.1
Other current assets	61.3	-2.5
<b>Fixed Assets</b>	<b>1,187.3</b>	-52.0
Tangible fixed assets	262.8	-0.1
Finance receivable	447.3	+1.4
Other investments	477.1	-53.2
<b>Total Assets</b>	<b>2,343.0</b>	-40.8

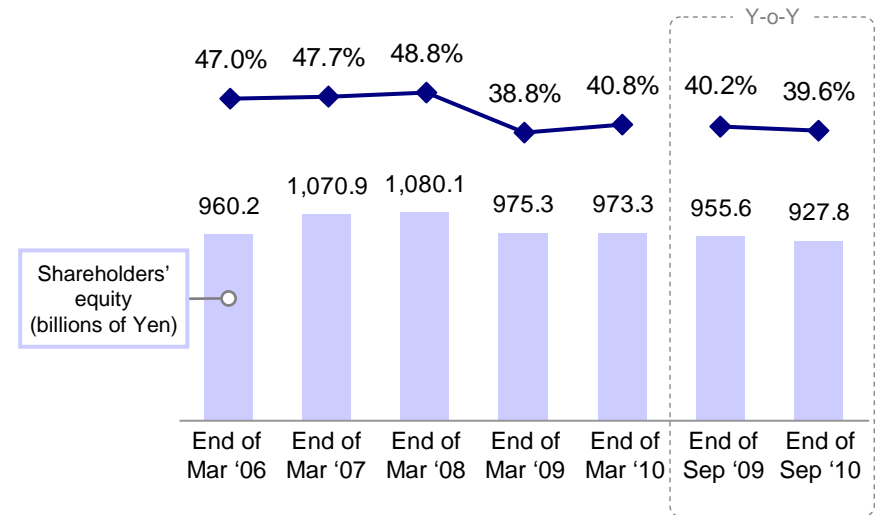
Liabilities and Equity		
(billions of yen)	As of Sep 30, 2010	Dif f. from Mar 31, '10
<b>Current Liabilities</b>	<b>586.4</b>	-73.9
Trade payables	245.7	-27.6
Short-term borrowings	133.7	-35.9
Other current liabilities	207.0	-10.2
<b>Fixed Liabilities</b>	<b>776.6</b>	+76.9
Long-term indebtedness	597.8	+83.1
Accrued pension&severance costs	139.9	-0.4
Other fixed liabilities	38.8	-5.6
<b>Total Liabilities</b>	<b>1,363.1</b>	+3.0
Total Shareholders' Investment	927.8	-45.4
Noncontrolling Interest	52.0	+1.5
<b>Total Equity</b>	<b>979.9</b>	-43.9
<b>Total liabilities and Equity</b>	<b>2,343.0</b>	-40.8
<b>Total debt</b>	<b>731.6</b>	+47.1

Exchange rate as of September 30, 2010 :  
 US\$ 1 = ¥ 83.82 (- 9.22)  
 EURO 1 = ¥ 114.24 (-10.68)

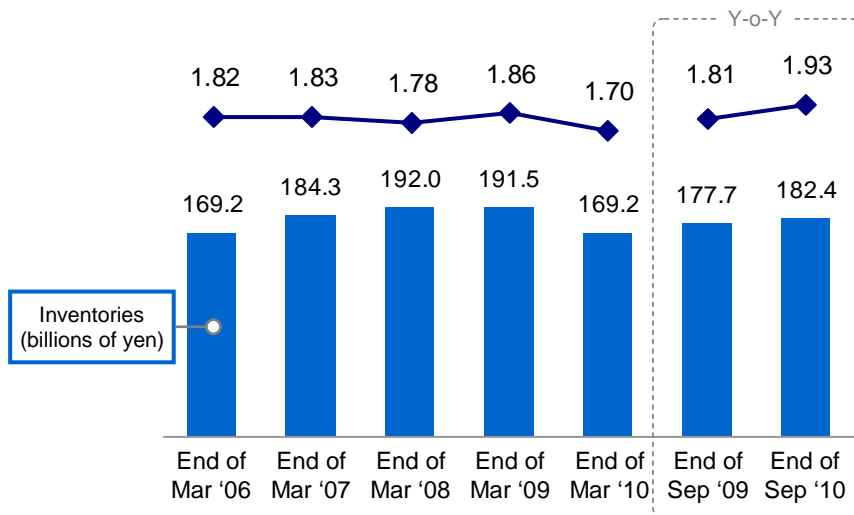
### Total assets turn over (per month)



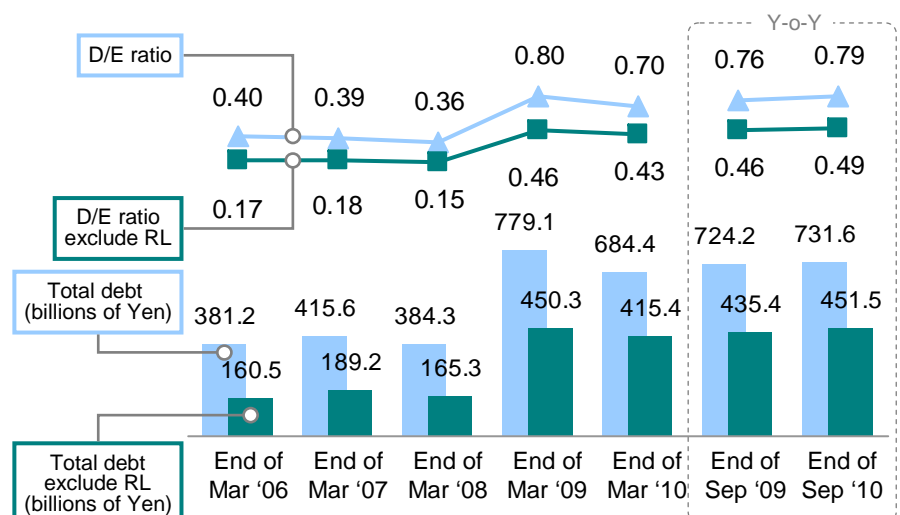
### Equity ratio



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



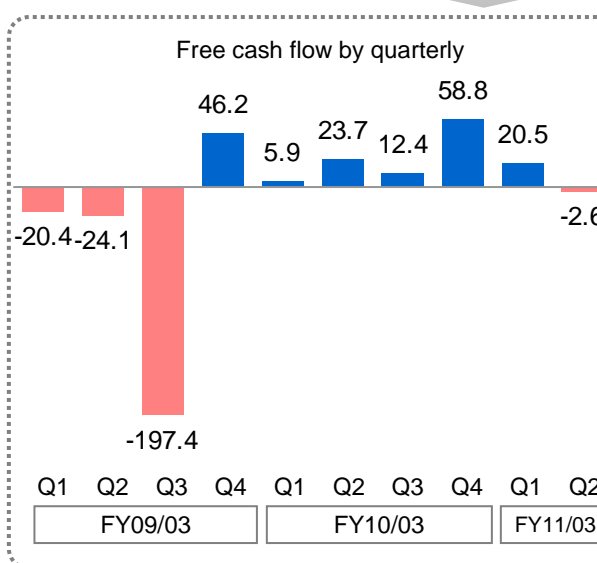
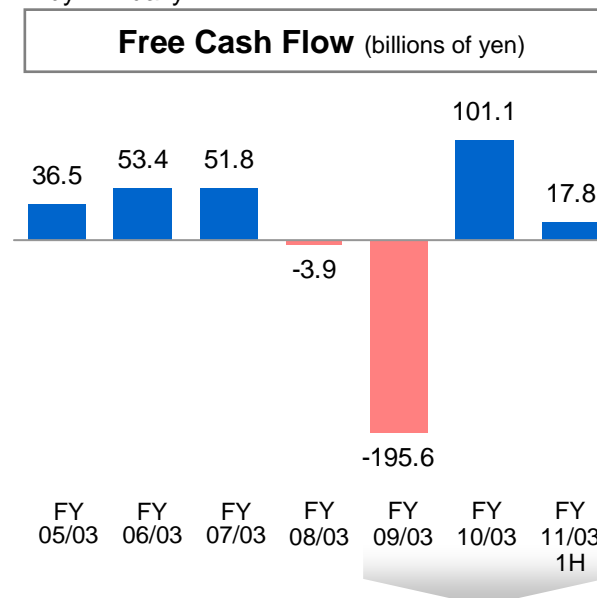
### Debt/Equity ratio (multiplies)



# FY2011/03 1H Statement of Cash Flow

(billions of yen)	FY2010/03 1H	FY2011/03 1H
Consolidated net income	2.9	<b>14.4</b>
Depreciation and amortization	48.8	<b>46.7</b>
[ Net income + Depreciation and amortization ]	[ 51.7 ]	[ 61.1 ]
Other operating activities	31.4	<b>6.3</b>
Net cash by operating activities	83.2	<b>67.5</b>
Plant and equipment	-37.7	<b>-39.1</b>
Purchase of business	-4.7	<b>---</b>
Other investing activities	-11.0	<b>-10.5</b>
Net cash by investing activities	-53.4	<b>-49.6</b>
Free cash flow ( Operating + Investing net cash	29.7	<b>17.8</b>
Increase (Decrease) of debt	-50.4	<b>35.6</b>
Dividend paid	-10.8	<b>-11.9</b>
Other financing activities	-0.3	<b>-0.3</b>
Net cash by financing activities	-61.6	<b>23.3</b>
Effect of exchange rate	-2.3	<b>-9.2</b>
Net increase in cash and equivalents	-34.2	<b>31.8</b>
Cash and equivalents at end of period	224.2	<b>274.0</b>

< by Annually >





# FY2011/03 forecast

# RICOH

(billions of yen)	FY2010/03 Results	FY2011/03 forecast (on Aug '10)	FY2011/03 Forecast	Y-o-Y comparison				
				Change	Change(%)	Change(%) without Forex		
Net sales	(Japan)	876.5	914.0	920.0	+43.4	+5.0%	+5.0%	2H forex assumption 1US\$ = 80.00JPY 1Euro = 110.00JPY
	(Overseas)	1,139.7	1,136.0	1,100.0	-39.7	-3.5%	+8.5%	
	Total	2,016.3	2,050.0	2,020.0	+3.6	+0.2%	+6.9%	
Gross profit		822.3	835.0	825.0	+2.6	+0.3%		
	net sales %	40.8%	40.7%	40.8%				
SG&A		756.3	750.0	740.0	-16.3	-2.2%		
	net sales %	37.5%	36.6%	36.6%				
Operating income		65.9	85.0	85.0	+19.0	+28.8%		
	net sales %	3.3%	4.1%	4.2%				
Income before income taxes		57.5	75.0	75.0	+17.4	+30.4%		
	net sales %	2.9%	3.7%	3.7%				
Net income attribute to shareholder		27.8	35.0	35.0	+7.1	+25.6%		
	net sales %	1.4%	1.7%	1.7%				
EPS (Yen)		38.41	48.24	48.24	+9.83			
Exchange rate	US \$1	92.91	90.53	84.52	-8.39			
	(Yen) Euro 1	131.21	111.88	112.07	-19.14			

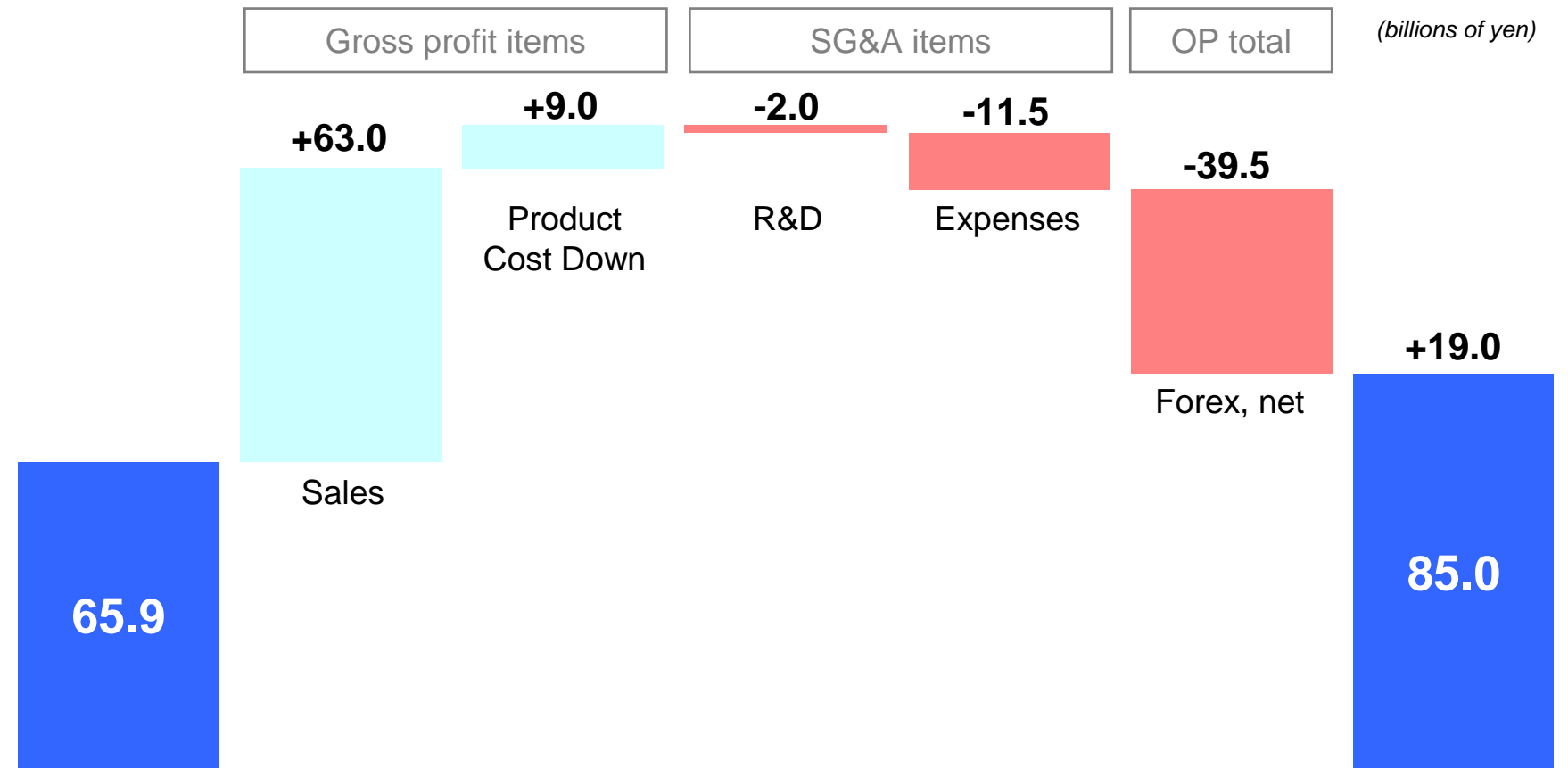
(billions of yen)	FY10/03 result	FY11/03 forecast
Imaging&Solutions (OP margin)	140.4 7.8%	150.0 8.3%
Industrial Products (OP margin)	-1.4 -1.4%	2.0 1.9%
Other (OP margin)	-2.2 -1.8%	0.0 0.0%

\* Excluding "Corporate and Eliminations"

(billions of yen)	FY10/03 result	FY11/03 forecast
R&D (% on sales)	109.8 5.4%	112.0 5.5%
CAPEX	66.9	72.0
Depreciation (tangible fixed assets)	70.3	67.0

# FY2011/03 Operating income forecast y-o-y comparison



FY10/03  
Operating income  
results

FY11/03  
Operating income  
forecast

Forex assumptions

(yen)	FY10/03 result	FY11/03 forecast	difference
US\$	92.91	84.52	-8.39
EURO	131.21	112.07	-19.13

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

# FY2011/3 Sales forecast

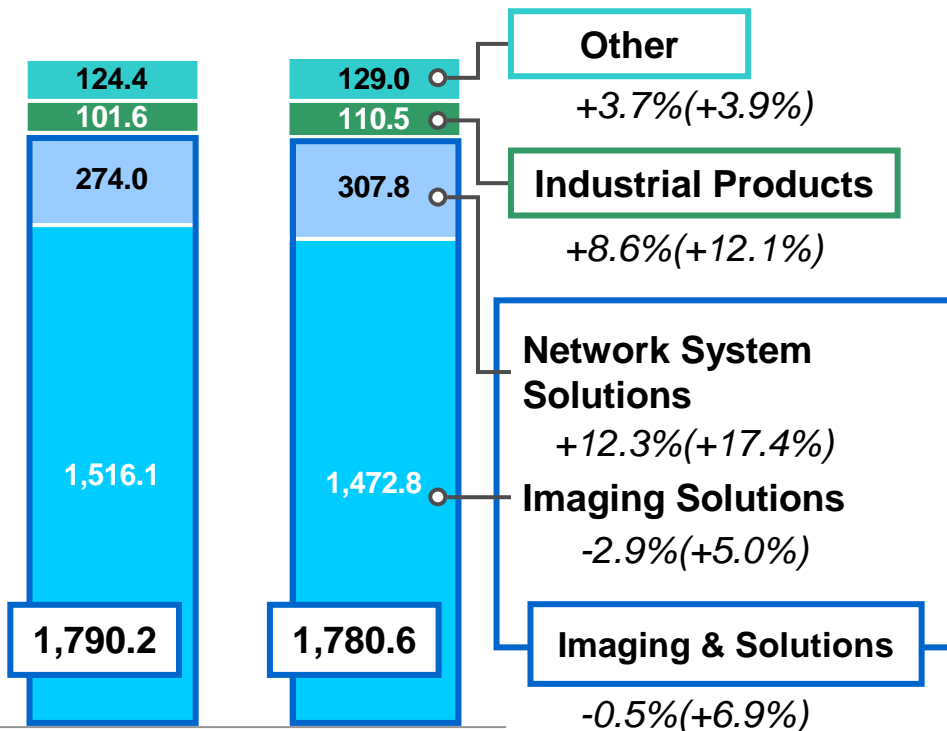
## By Category

(billions of Yen)

2,016.3

2,020.0

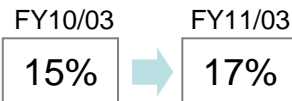
Change(without forex)  
+0.2%(+6.9%)



FY10/03  
results

FY11/03  
forecast

New business\* ratio



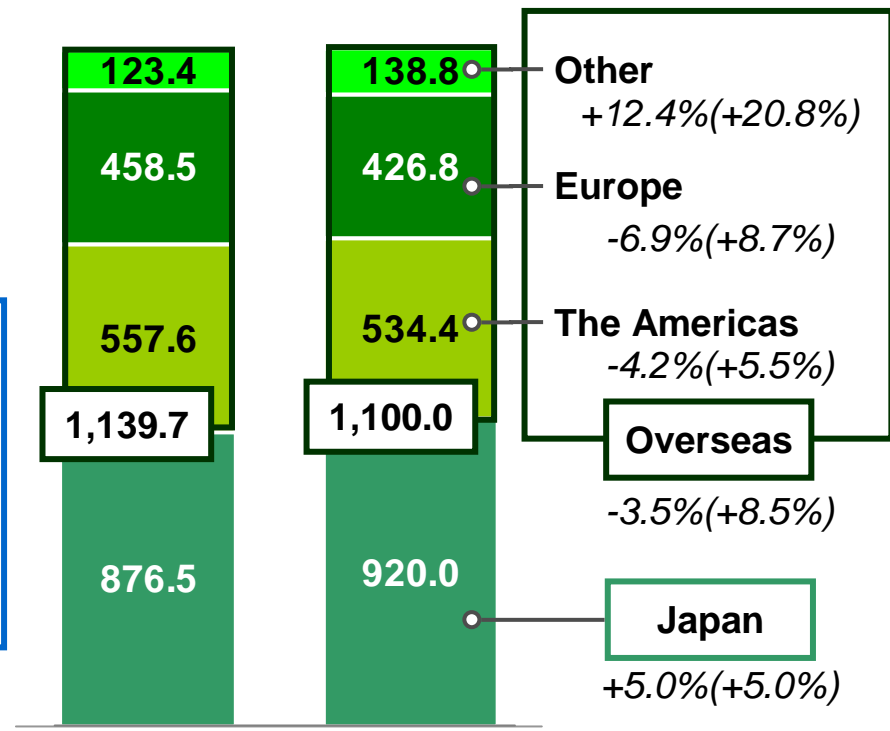
## By Area

(billions of Yen)

2,016.3

2,020.0

Change(without forex)  
+0.2%(+6.9%)

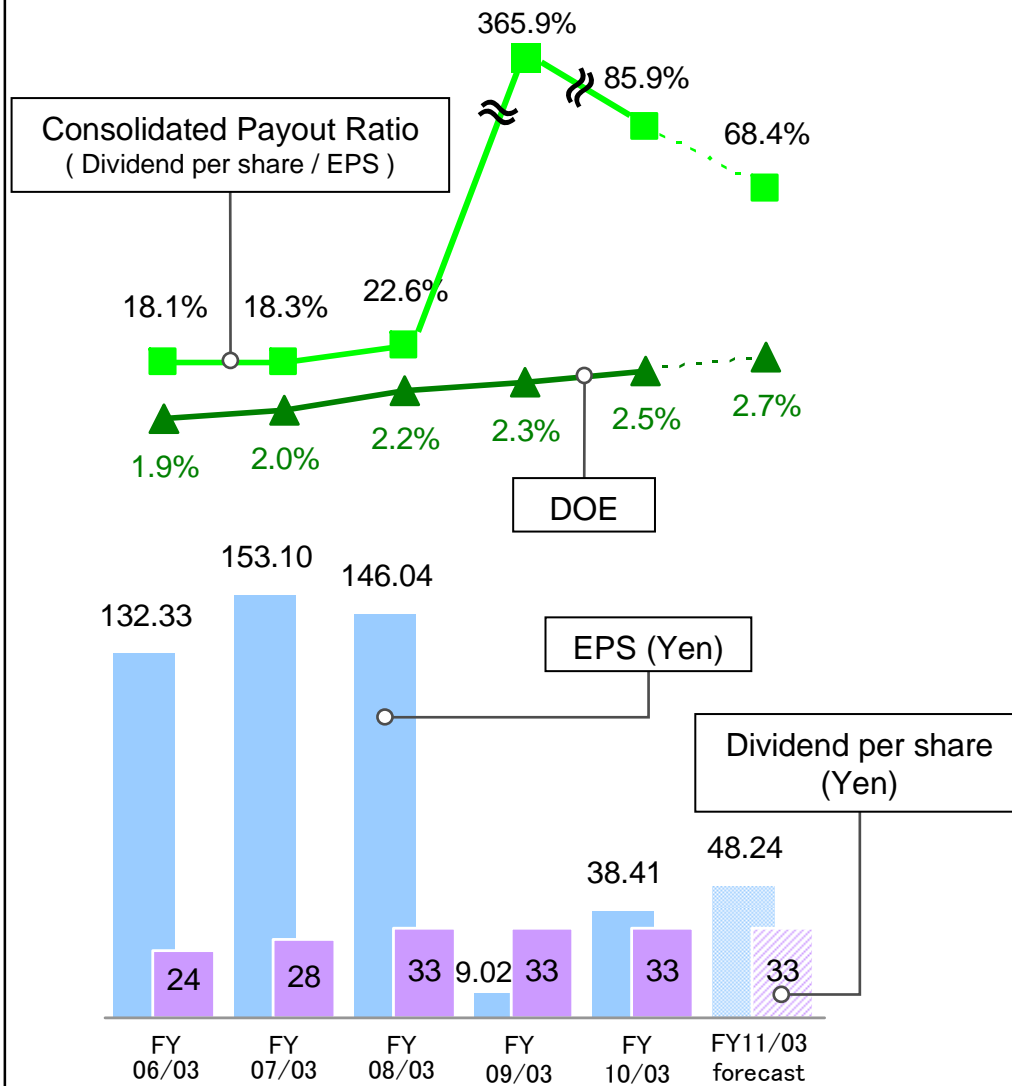


FY10/03  
results

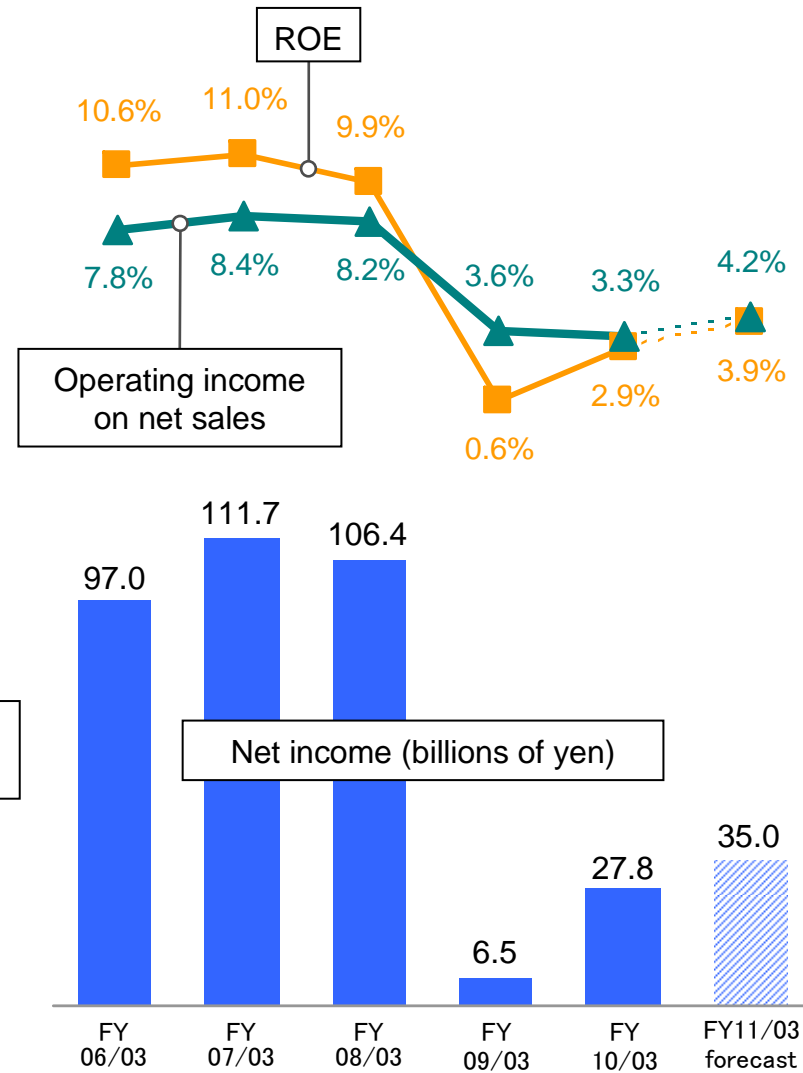
FY11/03  
forecast

\*New business: Production printing, MDS & IT Service and Projection system business

## Dividend



## Financial Indexes



# FY2011/03 Q2 Income Statement

# RICOH

(billions of yen)		FY2010/03 Q2 result	FY2011/03 Q2 result	Y-o-Y Comparison		
				Change	Change(%)	Change(%) without Forex
Net sales	(Japan)	214.9	226.1	+11.1	+5.2%	+5.2%
	(Overseas)	282.4	261.7	-20.6	-7.3%	+4.4%
	Total	497.4	487.9	-9.5	-1.9%	+4.8%
Gross profit		197.8	198.6	+0.7	+0.4%	
	net sales %	39.8%	40.7%	—	—	
SG&A		189.9	182.4	-7.5	-4.0%	
	net sales %	38.2%	37.4%	—	—	
Operating income		7.9	16.1	+8.2	+104.1%	
	net sales %	1.6%	3.3%	—	—	
Income before income taxes		3.3	12.5	+9.2	+275.2%	
	net sales %	0.7%	2.6%	—	—	
Net income attribute to shareholder		0.9	5.1	+4.2	+472.3%	
	net sales %	0.2%	1.1%	—	—	
EPS (Yen)		1.25	7.13	+5.88		
Exchange rate	US \$1	93.64	85.95	-7.69		
	(Yen)	Euro 1	133.79	110.80	-22.99	

### Investment

(billions of yen)	FY10/03 Q2	FY11/03 Q2
R&D	28.7	28.3
(% on sales)	5.8%	5.8%
CAPEX	21.0	23.7
Depreciation (tangible fixed assets)	17.3	17.3

### Q2 forex planed

1US\$ =	90.00JPY
1Euro =	110.00JPY

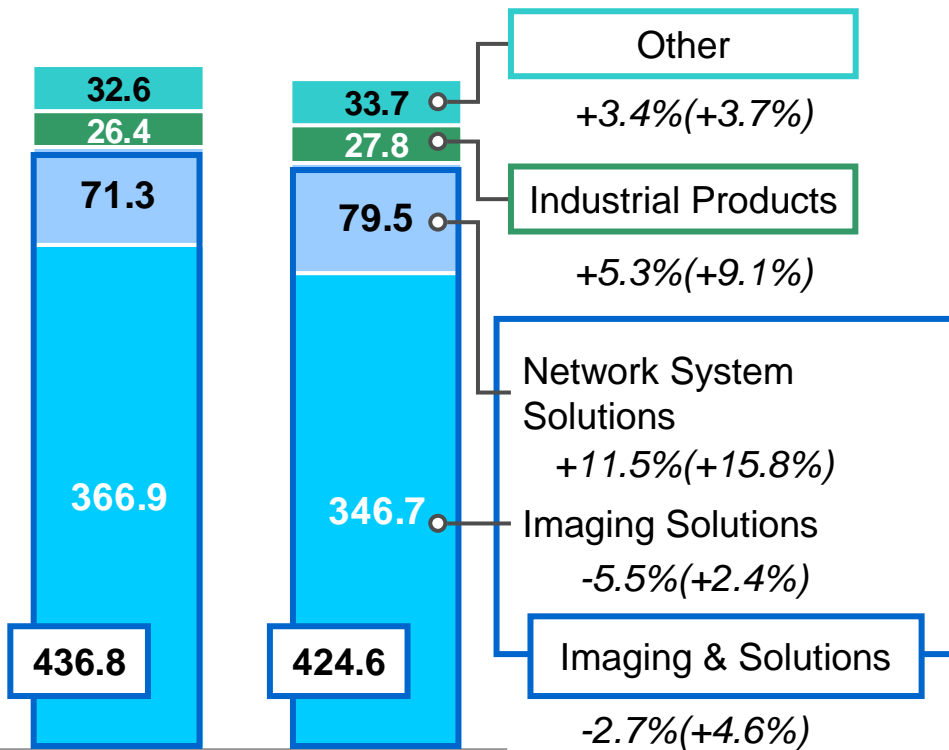
## By Category

(billions of Yen)

497.4

487.9

Change(without forex)  
-1.9%(+4.8%)



FY10/03  
Q2

FY11/03  
Q2

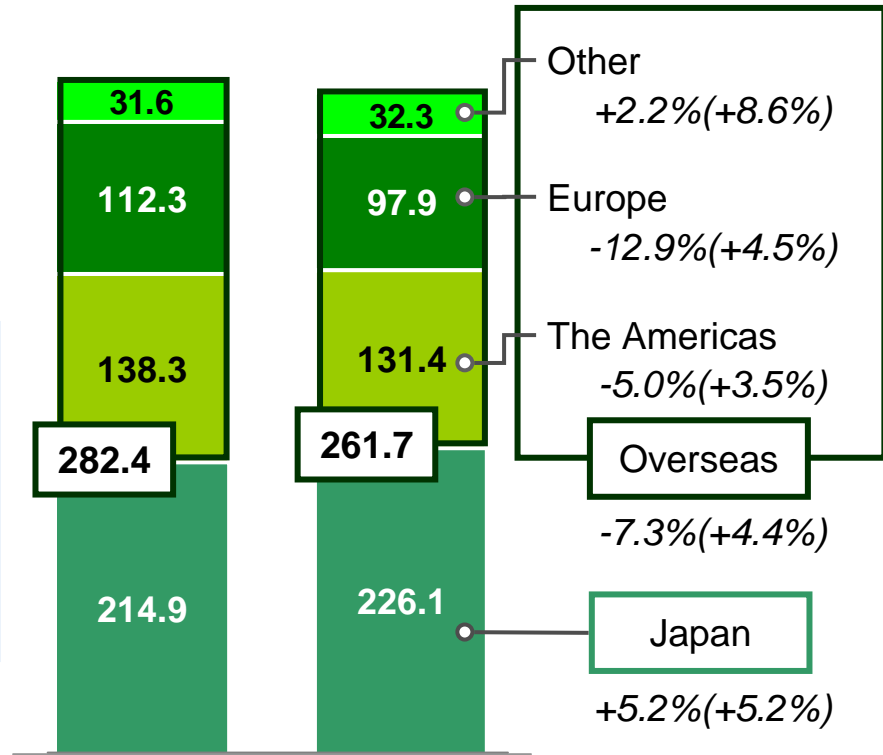
## By Area

(billions of Yen)

497.4

487.9

Change(without forex)  
-1.9%(+4.8%)



FY10/03  
Q2

FY11/03  
Q2

## Imaging & Solutions sales by products

\*Percentage of sales

	FY2009/03				FY2010/03				FY2011/03		FY09/03	FY10/03	FY11/03
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	1H	1H	1H
MFP	68%	65%	65%	64%	62%	59%	60%	56%	59%	57%	66%	60%	58%
Printer	20%	18%	17%	18%	18%	18%	19%	21%	19%	19%	19%	18%	19%
Office									12%	11%			12%
Production									8%	8%			8%
Imaging Solutions, other	3%	4%	4%	3%	6%	8%	7%	7%	6%	5%	4%	7%	6%
MDS&IT Services	3%	4%	7%	9%	8%	8%	8%	10%	8%	9%	4%	8%	8%
Network System Solutions, other	6%	9%	7%	6%	6%	8%	6%	7%	7%	10%	8%	7%	9%

## MFP, Printer Non-hard ratio

\*Value based ratio including forex

	FY2009/03				FY2010/03				FY2011/03		FY09/03	FY10/03	FY11/03
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	1H	1H	1H
MFP													
Japan	63%	58%	64%	68%	61%	63%	64%	51%	62%	61%	60%	62%	61%
Overseas	49%	49%	51%	54%	53%	52%	54%	51%	53%	50%	49%	53%	52%
Total	54%	52%	55%	59%	56%	56%	57%	51%	56%	54%	53%	56%	55%
Printer													
Japan	63%	64%	68%	68%	82%	80%	82%	81%	82%	79%	63%	81%	81%
Overseas	70%	70%	68%	64%	71%	67%	68%	64%	70%	67%	70%	69%	68%
Total	67%	68%	68%	66%	75%	71%	73%	70%	74%	71%	68%	73%	73%

## MFP, Printer y-o-y

\*By value

< Hardware >		FY2009/03				FY2010/03				FY2011/03		FY09/03	FY10/03	FY11/03
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	1H	1H	1H
MFP&Printer	Japan	-14%	-10%	-24%	-28%	-21%	-17%	-13%	+12%	-4%	+4%	-12%	-19%	+0%
	Overseas	-14%	-16%	-20%	-18%	-16%	-18%	-10%	+1%	-6%	-4%	-15%	-17%	-5%
	(Forex excluded)	-9%	-11%	-2%	-2%	-3%	-3%	-8%	+1%	+1%	+9%	-10%	-3%	+5%
	Total	-14%	-14%	-22%	-21%	-17%	-17%	-11%	+4%	-5%	-2%	-14%	-17%	-4%
	(Forex excluded)	-10%	-11%	-9%	-10%	-8%	-7%	-10%	+5%	+0%	+8%	-11%	-8%	+4%
MFP	Japan	-15%	-10%	-20%	-31%	-21%	-17%	-11%	+18%	-4%	+4%	-12%	-19%	+0%
	Overseas	-19%	-21%	-21%	-21%	-15%	-18%	-12%	-3%	-9%	-4%	-20%	-17%	-7%
	(Forex excluded)	-14%	-17%	-3%	-5%	-2%	-4%	-11%	-3%	-2%	+9%	-15%	-3%	+3%
	Total	-18%	-18%	-21%	-24%	-17%	-18%	-12%	+4%	-8%	-2%	-18%	-18%	-5%
	(Forex excluded)	-14%	-15%	-8%	-13%	-8%	-7%	-11%	+4%	-3%	+7%	-15%	-8%	+2%
Printer	Japan	-11%	-6%	-36%	-18%	-16%	-15%	-20%	-22%	+2%	+1%	-9%	-16%	+2%
	Overseas	+45%	+39%	-17%	+0%	-17%	-14%	+5%	+19%	+15%	-1%	+42%	-15%	+6%
	(Forex excluded)	+59%	+48%	+0%	+18%	-6%	+1%	+10%	+23%	+20%	+11%	+53%	-2%	+15%
	Total	+13%	+18%	-25%	-8%	-16%	-14%	-3%	+7%	+11%	-1%	+15%	-15%	+5%
	(Forex excluded)	+19%	+22%	-16%	+2%	-8%	-3%	+1%	+9%	+15%	+8%	+20%	-6%	+11%



## MFP, Printer y-o-y

\*By value

< Non-hard >		FY2009/03				FY2010/03				FY2011/03		FY09/03	FY10/03	FY11/03
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	1H	1H	1H
MFP&Printer	Japan	+6%	+0%	-2%	+5%	-5%	-7%	-6%	-2%	-1%	-2%	+3%	-6%	-2%
	Overseas	+15%	+10%	-8%	-8%	+1%	-3%	+1%	-3%	-3%	-8%	+12%	-1%	-6%
	(Forex excluded)	+23%	+16%	+14%	+11%	+16%	+14%	+3%	-2%	+3%	+4%	+19%	+15%	+4%
	Total	+11%	+6%	-5%	-3%	-1%	-4%	-2%	-2%	-3%	-6%	+8%	-3%	-4%
	(Forex excluded)	+16%	+10%	+8%	+9%	+8%	+6%	+0%	-2%	+2%	+1%	+13%	+7%	+2%
MFP	Japan	+2%	-4%	-2%	-3%	-7%	-5%	-7%	-8%	-2%	-3%	-1%	-6%	-3%
	Overseas	+4%	+1%	-3%	+0%	+8%	+1%	+2%	-6%	-9%	-11%	+2%	+5%	-10%
	(Forex excluded)	+10%	+6%	+20%	+20%	+25%	+20%	+3%	-6%	-1%	+1%	+8%	+22%	+0%
	Total	+3%	-1%	-3%	-1%	+2%	-1%	-2%	-7%	-6%	-8%	+1%	+0%	-7%
	(Forex excluded)	+6%	+2%	+11%	+11%	+12%	+10%	-1%	-7%	-2%	-1%	+4%	+11%	-1%
Printer	Japan	+23%	+17%	+2%	+35%	-1%	-11%	-4%	+13%	+1%	+0%	+20%	-6%	+1%
	Overseas	+102%	+70%	-10%	-18%	-14%	-12%	+1%	+4%	+12%	-1%	+83%	-13%	+5%
	(Forex excluded)	+123%	+80%	+8%	-3%	-3%	+3%	+5%	+8%	+17%	+11%	+98%	+0%	+14%
	Total	+63%	+48%	-6%	-1%	-9%	-12%	-1%	+8%	+8%	-1%	+55%	-10%	+4%
	(Forex excluded)	+73%	+55%	+6%	+9%	-2%	-3%	+1%	+10%	+10%	+7%	+63%	-2%	+9%