

Consolidated
Results for
Nine Months
Ended
December 31,
2015

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February 1, 2016
Ricoh Company, Ltd.



The mPower mP10i direct-to-garment printer from new Ricoh Group member AnaJet, Inc.



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
- 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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We have adopted a net basis for reporting a portion of lease transactions from this fiscal year in place of gross basis. Past sales figures and related indicators have also been adjusted retroactively to conform to the current year.



FY2016/03 Apr-Dec Results Overview

- ✓ Sales: ¥1,643.8 billion, up 4.6% from a year earlier, on the strength of growth in Imaging & Solutions and Industrial Products
- ✓ Operating profit was ¥85.4 billion, a 0.7% decrease that reflected an adverse business climate and the impact of foreign exchange fluctuations, which overshadowed greater-than-anticipated cost reductions from progress in restructuring
- ✓ Net profit was ¥51.4 billion, down 1.8%
- ✓ Management is lowering its full-year net sales forecast while maintaining its earnings projection in view of cost-cutting progress in companywide restructuring efforts and enhanced contributions in non-hardware performance from growth in number of machines in field
- ✓ Year-end dividend plans unchanged

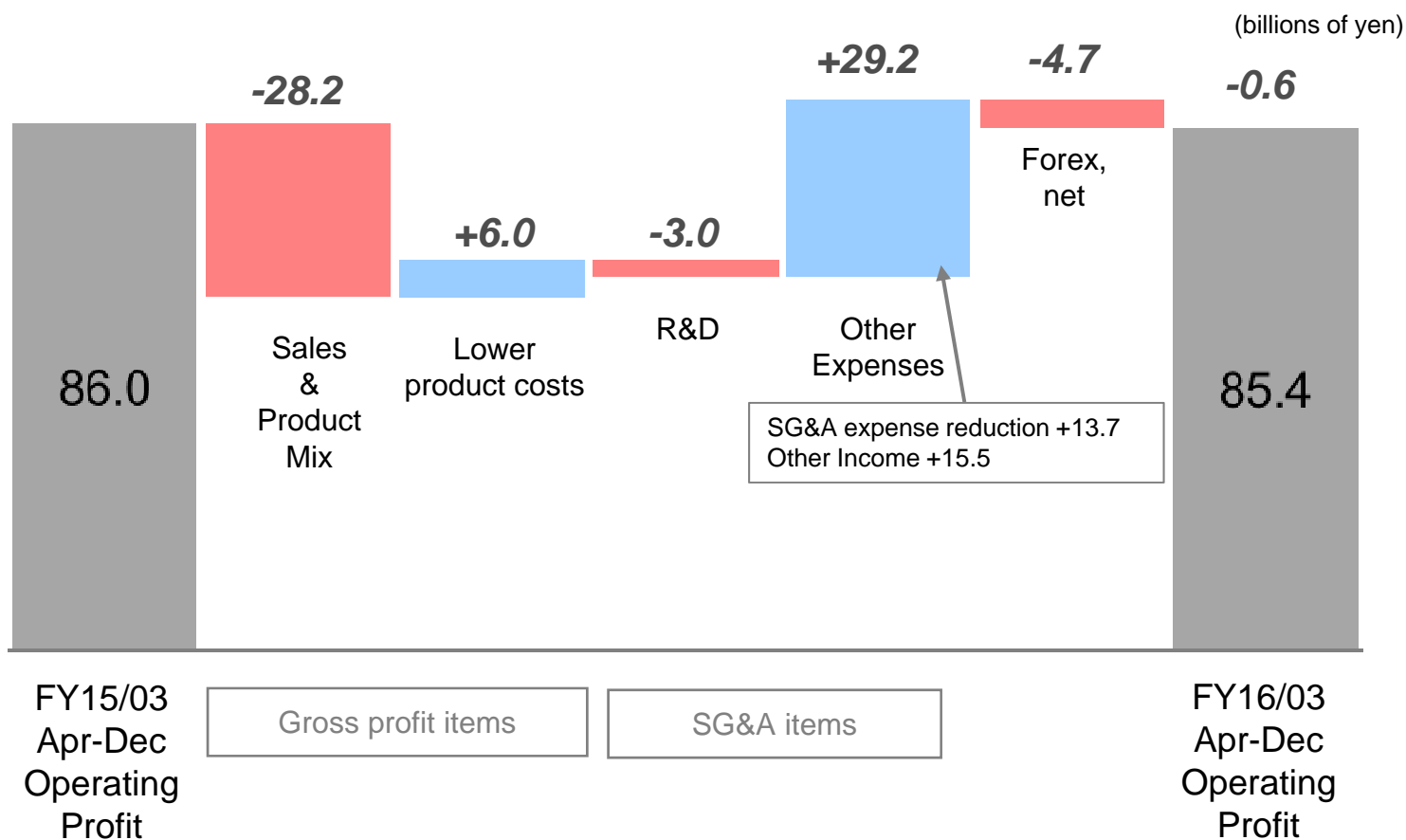
Key Indicators

	FY16/03 Apr-Dec	Change	
Sales	1,643.8 bil. yen	+4.6%	
Operating profit	85.4 bil. yen	-0.7%	Sales Changes Excl. Forex
Operating margin	5.2%	-0.3 pt	Japan -0.6%
Profit attributable to owners of the parent	51.4 bil. yen	-1.8%	The Americas -2.6%
EPS	70.93 yen	-1.29 yen	EMEA +5.9%
FCEF*	6.9 bil. yen	+38.2 bil. yen	Other +8.0%
R&D expenditures	86.5 bil. yen	-0.3 bil. yen	Consolidated +1.2%
Capital expenditures	61.6 bil. yen	+6.6 bil. yen	
Depreciation	52.5 bil. yen	-0.7 bil. yen	
Exchange rate Yen/US\$	121.67 yen	+14.83 yen	
Yen/Euro	134.42 yen	- 5.84 yen	

* FCEF : Free cash flow excluding finance business

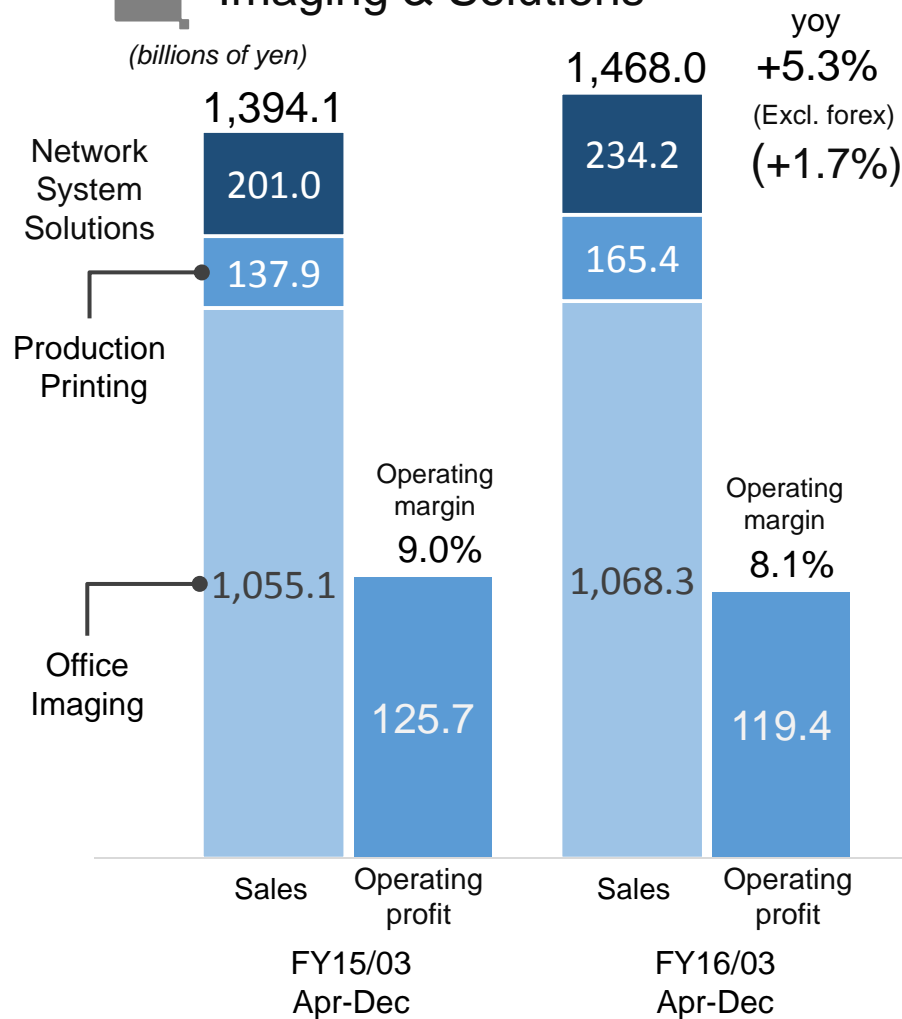
FY2016/03 Apr-Dec Operating Profit Comparisons

- Earnings declined amid efforts to step up sales, intensifying competition, foreign exchange fluctuations, and other factors
- Produced greater than anticipated savings from groupwide restructuring initiatives



Business Segments (1)

Imaging & Solutions



Note: Excluding corporate and eliminations.

Highlights

Office Imaging yoy (Excl. forex) +1.3% (-2.5%)

- Expanded A4 MFP lineup with SP 3610SF, MP C306, and MP 305+
- Reinforced Eastern European sales structure by acquiring Czech and Slovakian operations of Impromat



MP 305+

Production Printing +20.0% (+13.8%)

- Expanded in commercial printing market: RICOH Pro C7100/C9100 remained popular RICOH Pro VC60000 sales grew

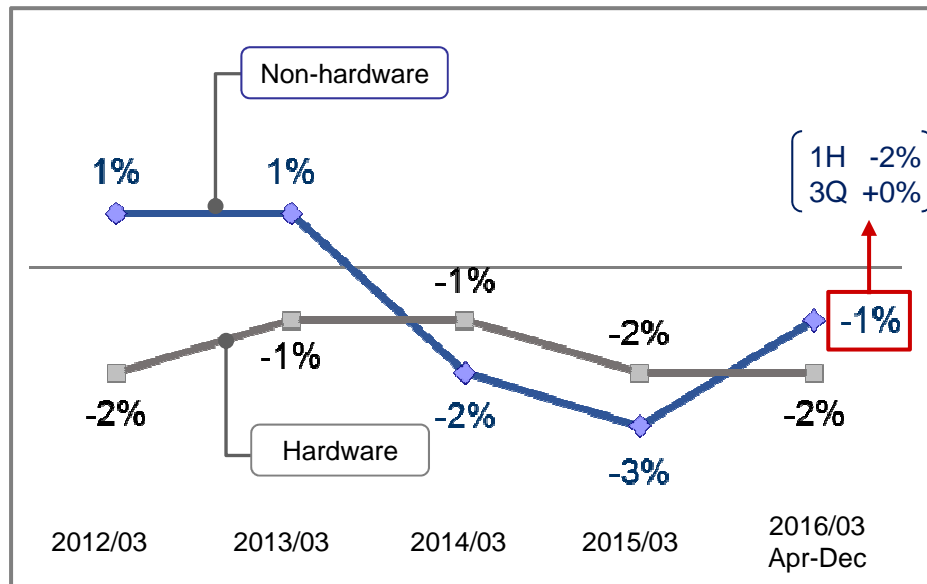
Network System Solutions +16.5% (+15.5%)

- Overseas IT services expanded on solid performance of Indian operations
- Kept investing to reinforce IT services structure Acquired Ridgian (UK), Graycon (Canada), Nassion (Malaysia), Capa 4 (Mexico) and Upfront (Belgium)
- Steadily expanded visual communications business overseas

Supplement: Imaging & Solutions Hardware and Non-Hardware Sales

- Experienced non-hardware recovery as machines in field increased for production printing and multifunctional printers
- Non-hardware sales growth rate unchanged in Q3

Yoy changes for MFPs, Printers, and Production Printing combined
(Value, excl. forex)



	Unit	Hardware		Non-hardware	
		Value → Q3	Value → Q3	Value → Q3	Value → Q3
MFP	+1%	-5%	-8%	-3%	-1%
Printer	+11%	+2%	+8%	-1%	-3%
PP	+8%	+20%	+31%	+9%	+11%
Total		-2%	-2%	-1%	+0%

(Value, excl. Forex)

	FY16/03 Apr-Dec	
	Hardware	Non-hardware
Japan	0%	-3%
The Americas	-10%	0%
EMEA	+8%	-1%
Other	-1%	+4%
Total	-2%	-1%

(Value, excl. forex)

Overview of FY16/03 Apr-Dec

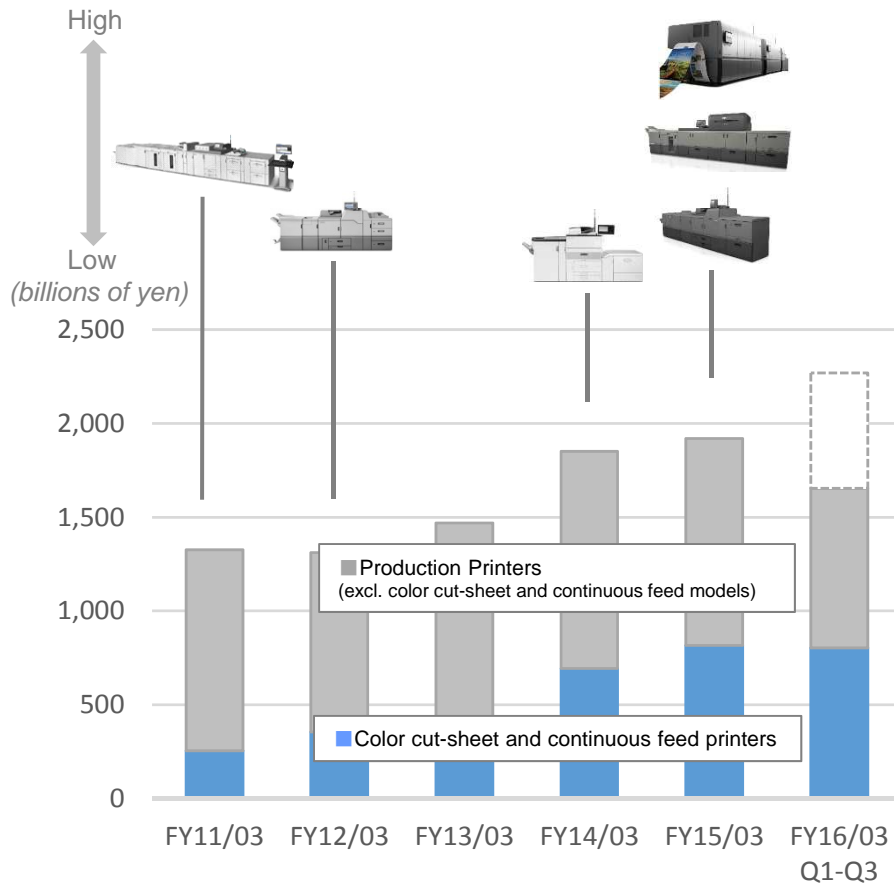
- Expanded unit sales of A3 color MFPs and A4 MFPs and increased number of MFPs in field
- In production printing, generated strong gains in cut sheet color models; non-hardware growth continued
- Non-hardware recovery reflecting production printing contributions in Americas and hardware expansion in Europe
- In Asia-Pacific & China, non-hardware sales grew solidly

Note: See Appendix for details of quarterly trends.



Supplement: Imaging & Solutions Growth Areas

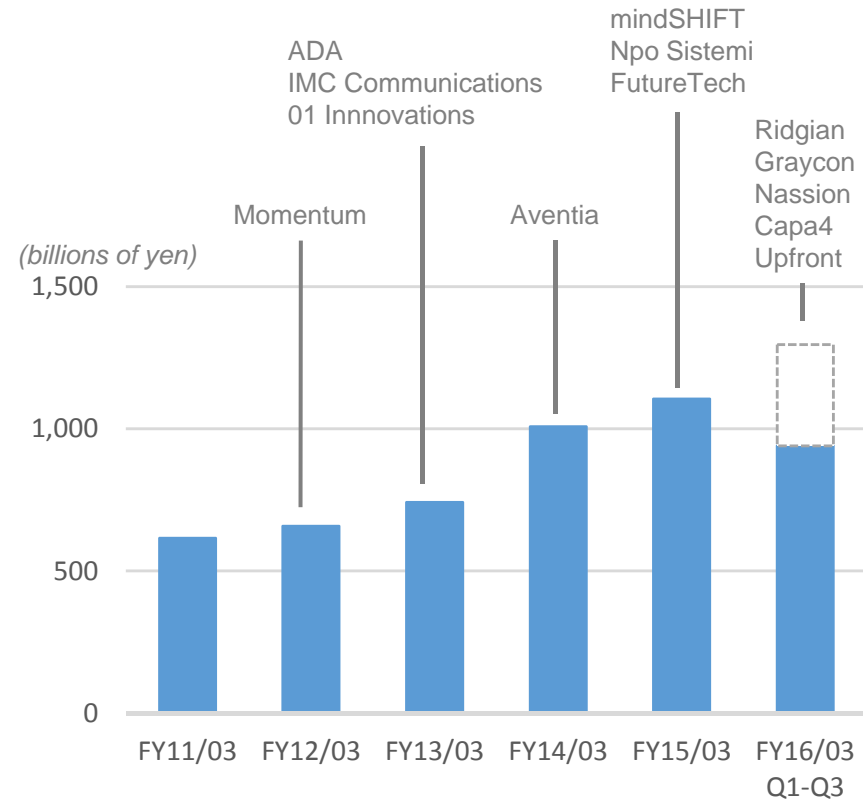
Production printing sales



- Maintained sales growth in color cut-sheet and continuous feed models with sales over nine months reaching levels for entire previous year
- Steadily expanded in commercial printing

IT services and visual communications sales*

*Including network solutions

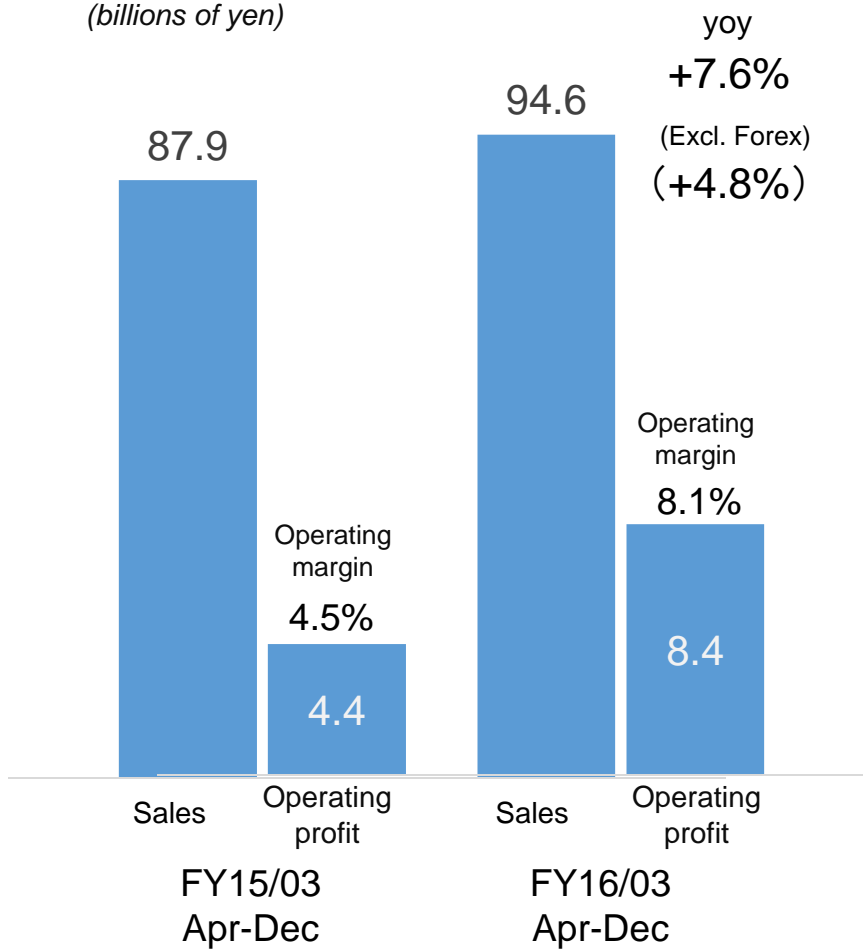


- Grew IT services worldwide through strategic investments
- Expanded new value proposition through imaging, IT and visual communications

Business Segments (2)

Industrial Products

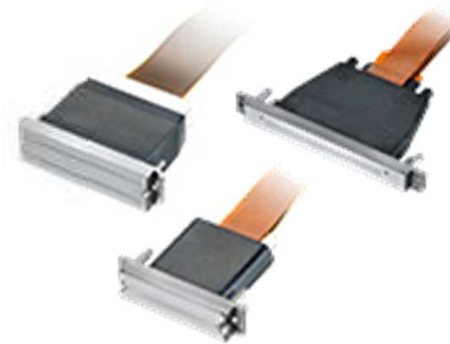
(billions of yen)



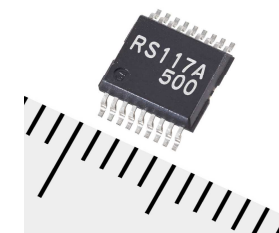
Note: Excluding corporate and eliminations.

Highlights

- Expanded thermal media business in Indonesia, setting up a company to process and market thermal ribbons
- Expanded industrial inkjet business in industrial printing and 3D printer areas
- Acquired AnaJet
- Increased optical module sales
- Rolled out automotive power management semiconductors and set up European sales units



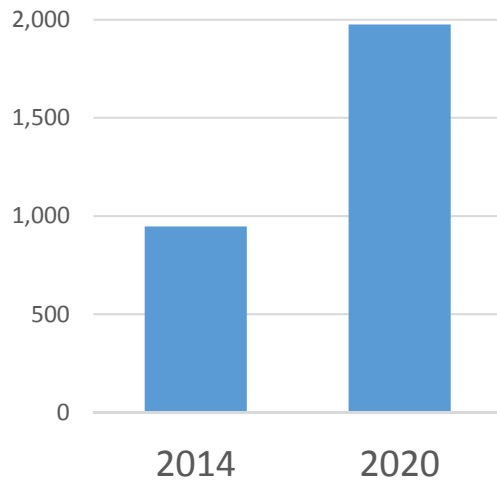
RICOH MH/GH series of industrial inkjet heads



R1272S series automotive semiconductor

Expanding Industrial Products Business through AnaJet Acquisition in January 2016

Digital industrial printing market forecast
(billions of yen) *Ricoh research



Industrial printing growth areas

Textiles	Labels and packaging
Ornamentation and decorating	3D printing

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- World-class industrial inkjet heads
- Proprietary UV-curable inks
- Global sales and service structure

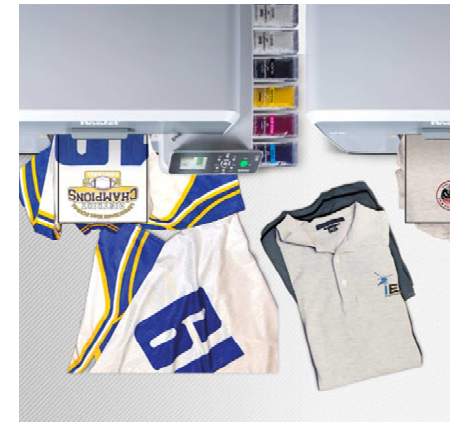


AnaJet®
A RICOH Company

- Leading U.S. producer and seller of direct-to-garment printers
- Strong customer base in printing and apparel industries
- Around 50 employees



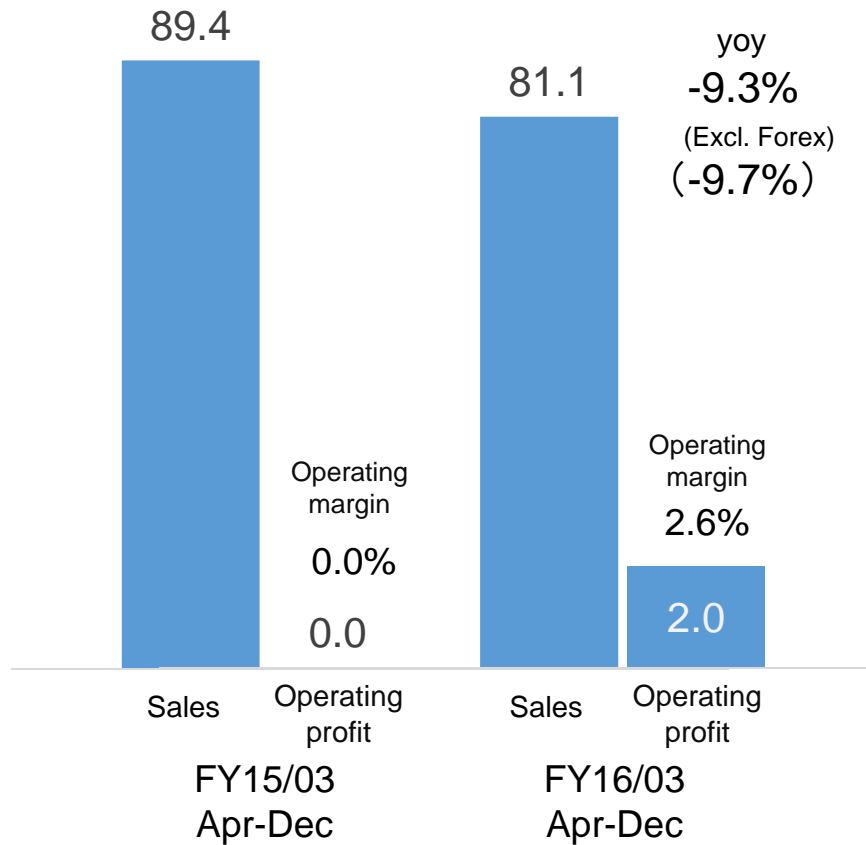
mPower mP10i direct-to-garment printer employs a Ricoh inkjet head



Business Segments (3)

Other

(billions of yen)



Note: Excluding corporate and eliminations.

Highlights

- Lower sales owing to divestment of apparel business
- Strengthened camera lineup with high-end GR11 compact model and water- and impact-resistant RICOH WG-40W
- In camera business, expanded spherical imaging solutions by enhancing image processing and resolution of THETA S and bolstered business-to-business solutions in real estate and other areas



RICOH WG-40W



RICOH THETA

Statement of Financial Position as of December 31, 2015

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Assets

<i>(billions of yen)</i>	As of Dec 31, 2015	<i>Change from Mar 31, '15</i>
Current Assets	1,263.9	+47.5
<i>Cash & time deposits</i>	163.1	+24.5
<i>Trade and other receivables</i>	549.1	-4.3
<i>Other financial assets</i>	269.0	+9.0
<i>Inventories</i>	234.8	+10.3
<i>Other current assets</i>	47.7	+8.0
Non-current assets	1,530.0	+16.2
<i>Property, plant and equipment</i>	279.5	+2.9
<i>Goodwill and intangible assets</i>	432.3	-3.4
<i>Other financial assets</i>	625.1	+23.3
<i>Other non-current assets</i>	193.0	-6.6
Total Assets	2,794.0	+63.8

Exchange rate as of Dec 31, '15 : (Change from Mar 31, 2015)

US\$ 1 = ¥120.61 (+0.44)

1 euro = ¥131.77 (+1.45)

Highlights

The temporary cash rise of the second quarter was no longer a factor in cash & time deposits

Among other financial assets (current and non-current), lease assets expanded on financial business growth

Inventories stemming from the previous year's U.S. port strikes declined, while inventories increased for large orders

Inventory turns increased 0.2 point, to 2.18

Total assets were up ¥63.8 billion from end-March, reflecting lease asset increases

Statement of Financial Position as of December 31, 2015

Liabilities and Equity

<i>(billions of yen)</i>	As of Dec 31, 2015	<i>Change from Mar 31, '15</i>
<i>Current Liabilities</i>	778.4	+6.3
<i>Bonds and borrowings</i>	272.5	+50.4
<i>Trade and other payables</i>	245.9	-31.0
<i>Other current liabilities</i>	259.9	-13.0
<i>Non-current Liabilities</i>	835.8	+32.0
<i>Bonds and borrowings</i>	612.9	+44.4
<i>Accrued pension&retirement benefits</i>	132.5	-11.5
<i>Other non-current liabilities</i>	90.2	-0.8
Total Liabilities	1,614.2	+38.3
Total Liabilities and Equity	2,794.0	+63.8
Total Debt	885.4	+94.8

Exchange rate as of Dec 31, '15 : (Change from Mar 31, 2015)

US\$ 1 = ¥120.61 (+0.44)

1 euro = ¥131.77 (+1.45)

Highlights

Total interest-bearing debt increased ¥94.8 billion from end-March 2015 in line with finance business expansion

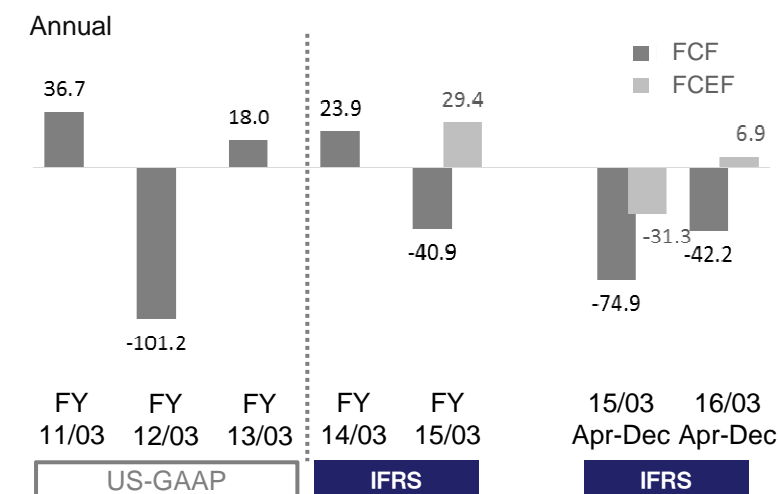
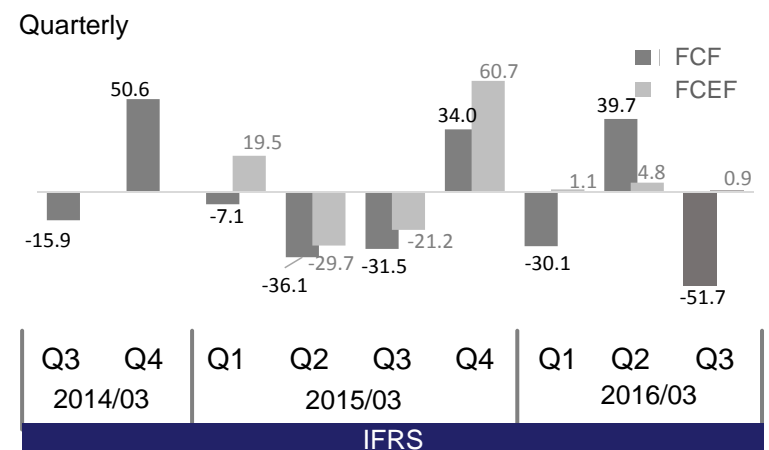
The ratio of equity attributable to owners of the parent remained unchanged, at 39.7%

FY2016/03 Apr-Dec Statement of Cash Flows

FCEF improved ¥38.2 billion on factors such as enhanced working capital and asset revisions

(billions of yen)	FY2015/03 Apr-Dec	FY2016/03 Apr-Dec
Profit	56.8	55.4
Depreciation and amortization	80.8	81.2
[Net profit + Depreciation and amortization]	[137.7]	[136.6]
Other operating activities	-102.0	-103.5
Net cash by operating activities	35.6	33.1
Plant and equipment	-53.7	-43.6
Purchase of business	-8.4	-4.8
Other investing activities	-48.3	-26.9
Net cash by investing activities	-110.6	-75.3
Increase (Decrease) of debt	84.5	96.5
Dividend paid	-24.2	-25.0
Other financing activities	-0.7	-3.1
Net cash by financing activities	59.5	68.3
Effect of exchange rate	11.8	-1.1
Net increase in cash and equivalents	-3.5	24.9
Cash and equivalents at end of period	136.5	162.6
Free cash flow (Operating + Investing net cash)	-74.9	-42.2
FCEF (Free cash flow excluding finance business)	-31.3	6.9

Free cash flow (billions of yen)



* FCEF : Free cash flow excluding finance business

FY2016/03 Profit Statement Forecast

(billions of yen)		FY2015/03 Results	FY2016/03 forecast (on Oct '15)	FY2016/03 Forecast	Y-o-Y comparison		
					Change	Change(%)	Change(%) without Forex
Sales	(Japan)	759.5	770.0	765.0	+5.4	+0.7%	+0.7%
	(Overseas)	1,391.8	1,530.0	1,485.0	+93.1	+6.7%	+3.1%
	Total	2,151.4	2,300.0	2,250.0	+98.5	+4.6%	+2.2%
Gross profit		906.9	927.0	907.0	+0.0	+0.0%	
	sales %	42.2%	40.3%	40.3%			
SG&A		791.1	811.0	791.0	-0.1	-0.0%	
	sales %	36.8%	35.3%	35.2%			
Operating profit		115.7	116.0	116.0	+0.2	+0.2%	
	sales %	5.4%	5.0%	5.2%			
Profit before income tax expenses		112.2	111.0	111.0	-1.2	-1.2%	
	sales %	5.2%	4.8%	4.9%			
Profit attribute to owners of the parent		68.5	71.0	71.0	+2.4	+3.6%	
	sales %	3.2%	3.1%	3.2%			
EPS (Yen)		94.58	97.94	97.94	+3.36		
Exchange rate	US \$1	109.89	120.90	121.26	+11.37		
	(Yen) Euro 1	138.85	132.57	133.32	-5.53		

Investment		
(billions of yen)	FY15/03 result	FY16/03 forecast
R&D	118.7	123.0
% of sales	5.5%	5.5%
CAPEX	75.9	80.0
Depreciation (tangible fixed assets)	70.9	70.0

FY2016/03 forex assumptions		
	Q4	Full year
US\$1	¥120.00	¥121.26
1 euro	¥130.00	¥133.32

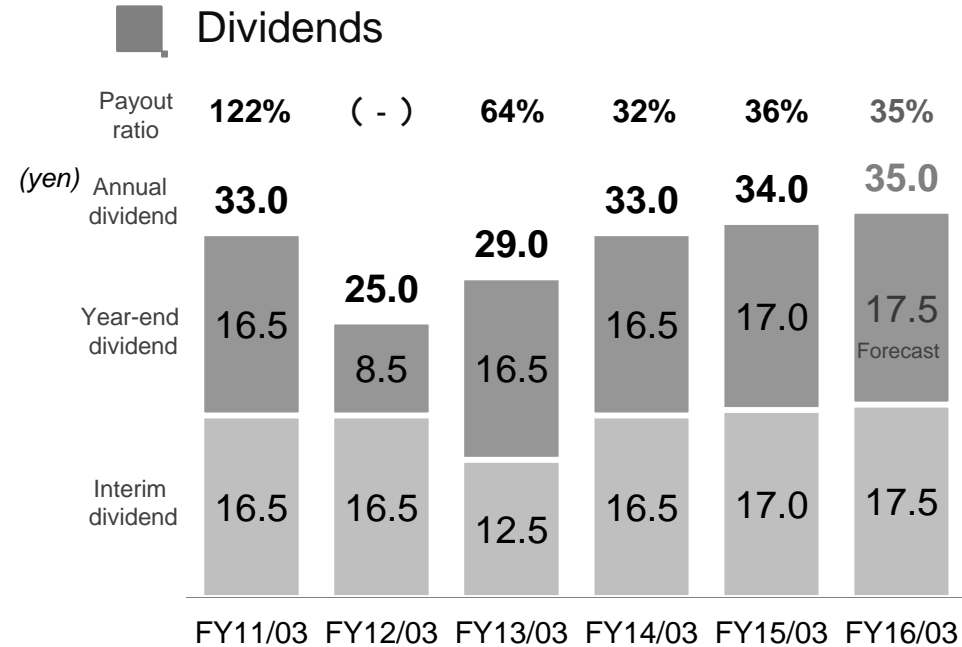
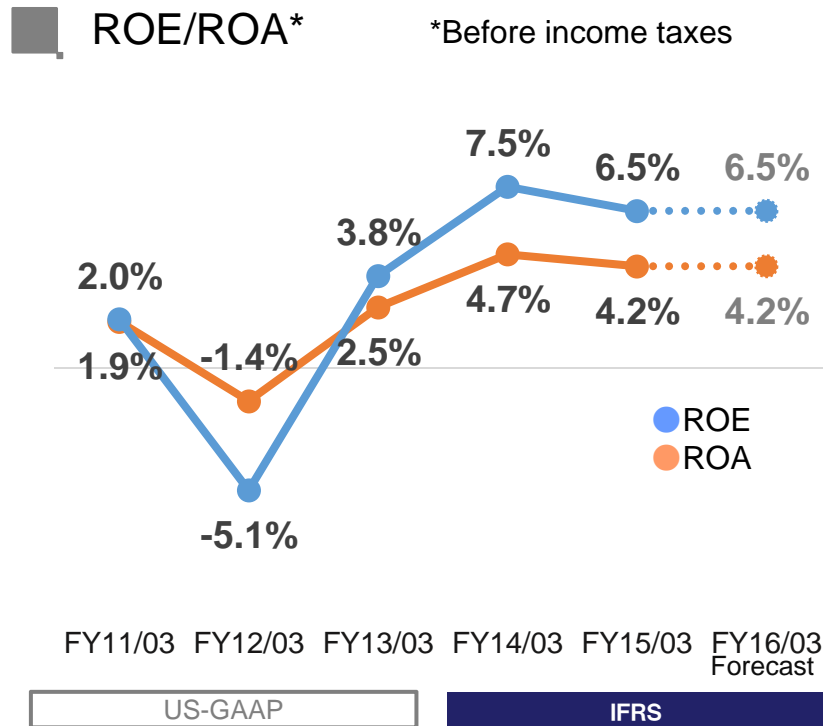


Full-Year Operating Profit Comparisons

Previous forecast	+18.8	+10.0	-8.0	+27.8	-10.7	(billions of yen)
New forecast	-26.7	+10.0	-8.0	+35.7	-10.7	
	(H1 -22.2) (Q3 - 6.0) (Q4 + 1.5)	(H1 +3.5) (Q3 +2.5) (Q4 +4.0)	(H1 -3.1) (Q3 0.0) (Q4 -4.9)	(H1 +23.1) (Q3 + 6.1) (Q4 + 6.5)	(H1 -1.0) (Q3 -3.7) (Q4 -6.0)	



Supplement: Management Indices





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