



# Ricoh's Medium-Term Management Strategy

March 15, 2005

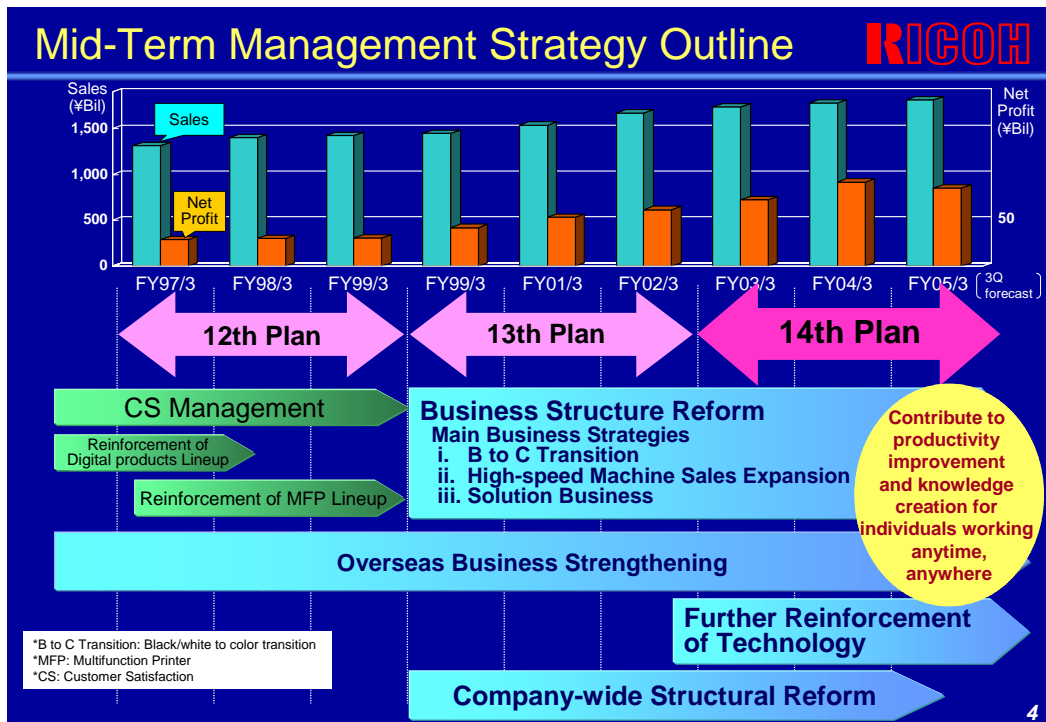
**Masamitsu Sakurai**

President and CEO  
Ricoh Company, Ltd.

## Agenda

- 14th Mid-Term Plan Review
- 15th Mid-Term Plan Outline

# 14th Mid-Term Plan Review



# Business Structure Reform



## Review of Main Strategies

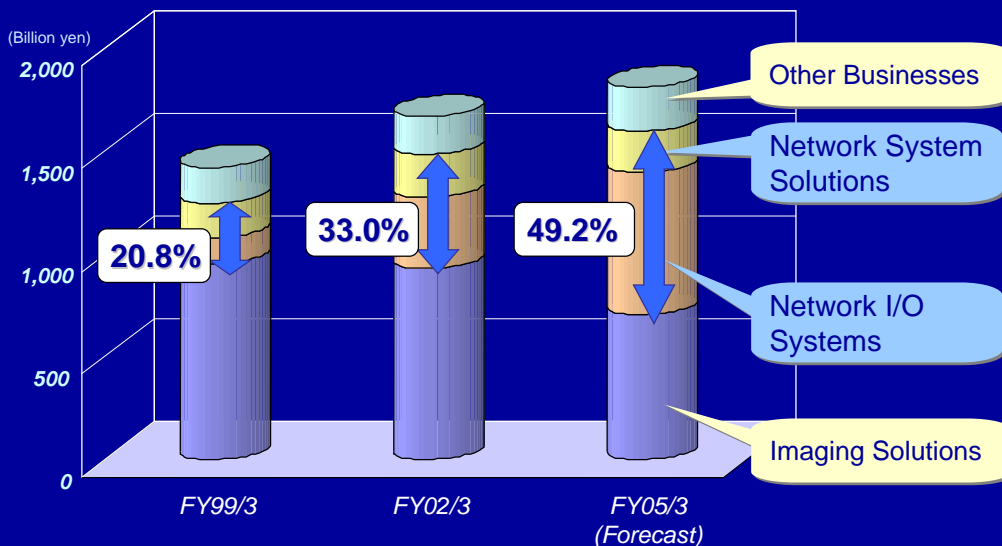
Strategy	Deployment	Results
B to C Transition	<ul style="list-style-type: none"> <li>- Color Line-up Strengthening</li> <li>- Strong Engine Launch</li> </ul>	Color ratio increased (FY02/3) (FY05/3 Q3) Japan 18% ➡ 34% Overseas 7% ➡ 29%
High-speed Machine Expansion	<ul style="list-style-type: none"> <li>- Ricoh Printing Systems Consolidation</li> <li>- Sales Strengthening</li> </ul>	High-speed machine share gained
Solution Business	<ul style="list-style-type: none"> <li>- Solution Platform Offering</li> <li>- Customizing Ability Strengthening</li> <li>- One stop, Total solution</li> </ul>	Major account deal expanding

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# Business Structure Reform



## Sales Category Portion Change



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# 15th Mid-Term Plan Outline (FY06/3 – FY08/3)

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## Group Vision



### Winner in the 21st Century

- Carry out all our activities based on “Customer driven” and highly appreciated by the customers.
- Provide new value with the customers continuously, and establish rock steady relationship, and as a result we are continuing our growth and development.
- Ricoh-like values should be clearly recognized by stakeholders, and the Ricoh brand globally established.

- |             |  |
|-------------|--|
| Customer    | 1. World No.1 Product                        |
| Customer    | 2. Solid Relationship with Customers         |
| Employee    | 3. Vital and Motivated Culture               |
| Shareholder | 4. Performance Excellence                    |
| Society     | 5. Responsible Action as a Corporate Citizen |

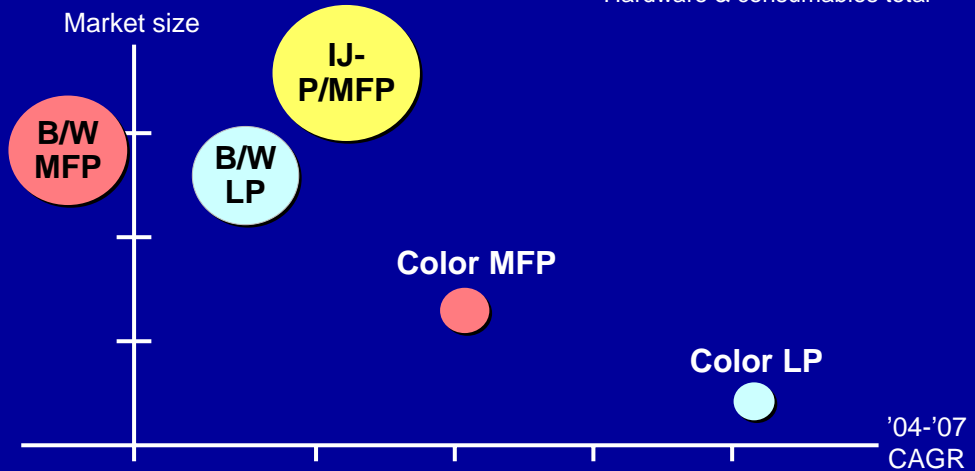


Corporate Value  
Increasing

8

(2004-2007)

\*Hardware & consumables total



- B/W market is matured, but market is huge and steady
- Color market has a great opportunity to grow

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## Customer Needs

- One Stop Service, Total Solution
- IT System Downsizing
- Colorization
- Available anytime, anywhere

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## Tough Competition

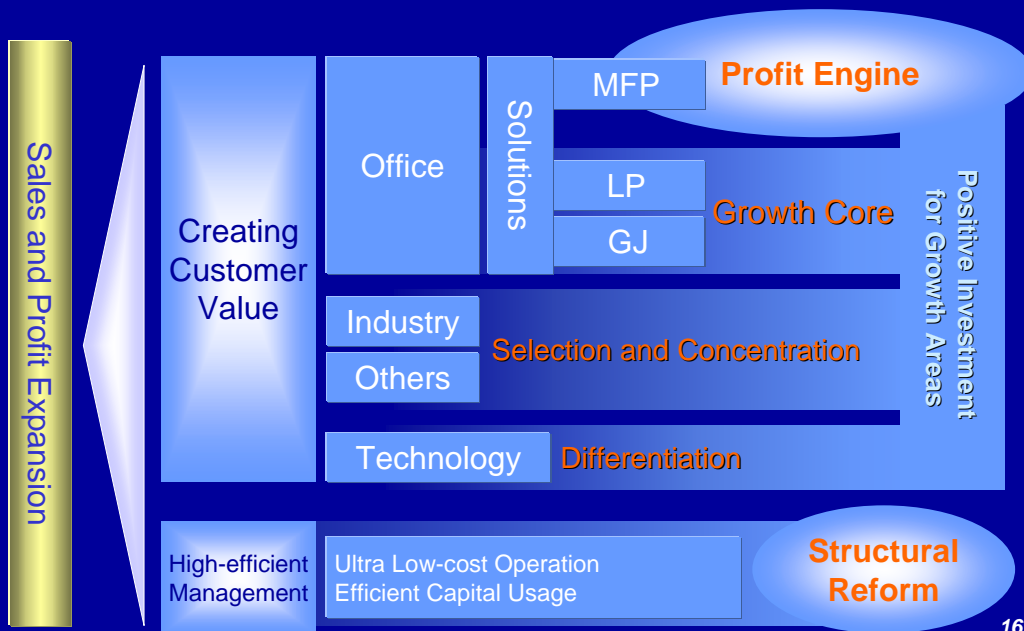
- Colorization Strengthening
- Focusing Market
- Low Pricing
- Solution Offerings





(Billion Yen)	FY02/3 (Result)	FY05/3 (Forecast)	FY08/3 (Target)
<b>Sales</b>	<b>1,672.3</b>	<b>1,815.0</b>	<b>2,300.0</b>
<b>OP</b>	<b>129.6</b>	<b>147.0</b>	<b>235.0</b>
<b>Net Profit</b>	<b>61.6</b>	<b>85.0</b>	<b>137.0</b>
<b>EPS</b>	<b>88.27 yen</b>	<b>105.07 yen</b>	<b>186.41 yen</b>
<b>ROA</b>	<b>6.4%</b>	<b>7.4%</b>	<b>11.0%</b>

## Printing





## Office

### MFP

- Renewal of Color Line-up
- Improving Profitability by Solution Business

### LP&GJ

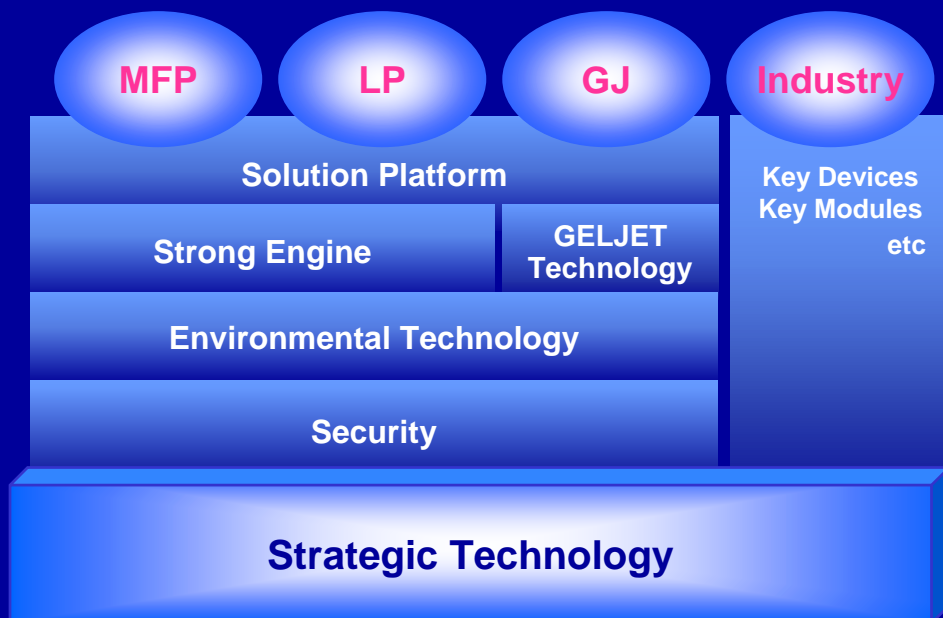
- Enter High-end Production Printing Business
- Low-end Products Strengthening

## Industry

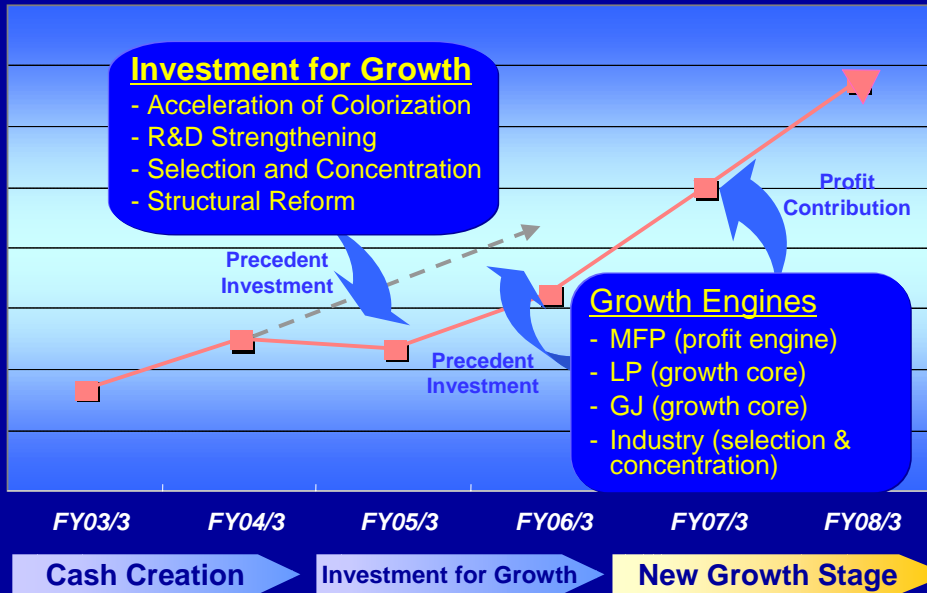
- Selection and Concentration
- Positive Investment for Growth Areas

## Management

- Core Process Reform (e.g. SCM)
- R&D Site Optimization



# Toward New Growth Stage



# At the End

## FY08/3 Target

Sales 2,300.0 Billion Yen

Net Profit 137.0 Billion Yen

Corporate Value Increasing

**The Company bases the estimates above on information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.**