

Ricoh Mid-Term Management Strategy

March 12, 2010

Shiro Kondo

President, CEO

Ricoh Company, Ltd.

RICOH

*16th Mid-Term Plan and changes
in business environment*

Current strategy deployment
(review of FY2010/03 and going forward)

Mid-term management targets

The background is a solid blue gradient. Overlaid on this is a pattern of small, light blue dots. These dots are arranged in a grid that is slightly offset and fades out towards the right side of the image, creating a sense of depth and movement.

16th Mid-Term Plan and changes in business environment

Our Business domain

Faced with today's information-based society, we will provide innovative products and services that are built around Ricoh values

[RICOH values]

Harmonize with the environment

Simplify your life & work

Simplify knowledge creation

Our Goal

To be a leader in the 21st century (**build a strong global RICOH brand**)

- | | |
|--------------|--|
| Customers | 1. Provide world class products and services |
| Customers | 2. Develop rock-solid customer relationships |
| Employees | 3. Promote an attractive and vibrant corporate culture |
| Shareholders | 4. Achieve outstanding financial results |
| Society | 5. Be an admired corporate citizen |

Increasing
Corporate
Value

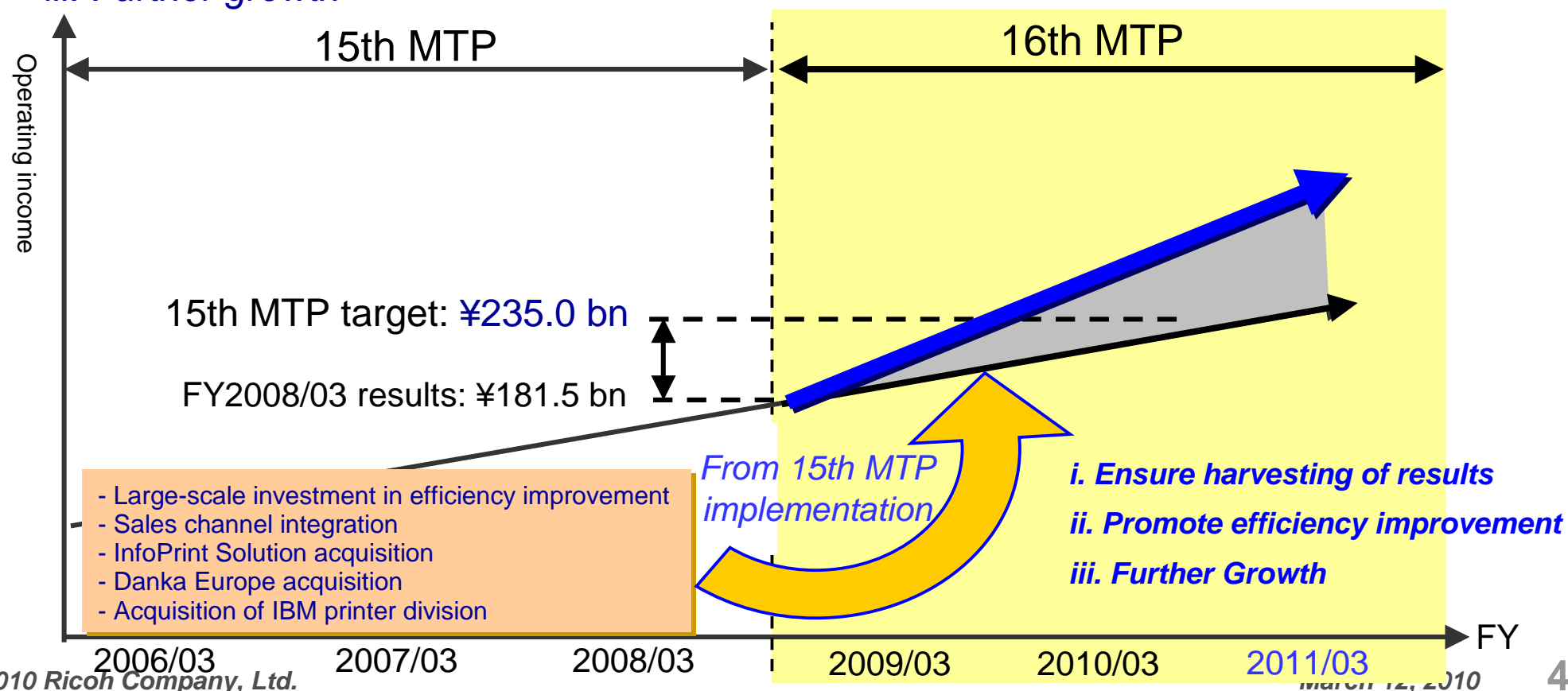
Basic Concept of the 16th MTP

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In the 15th MTP we invested actively to harvest results from our “new customer value creation” and “efficiency improvement” targets

The 16th MTP objectives include:

- i. Harvesting of results from the 15th MTP targets*
- ii. Improvement of efficiency*
- iii. Further growth*

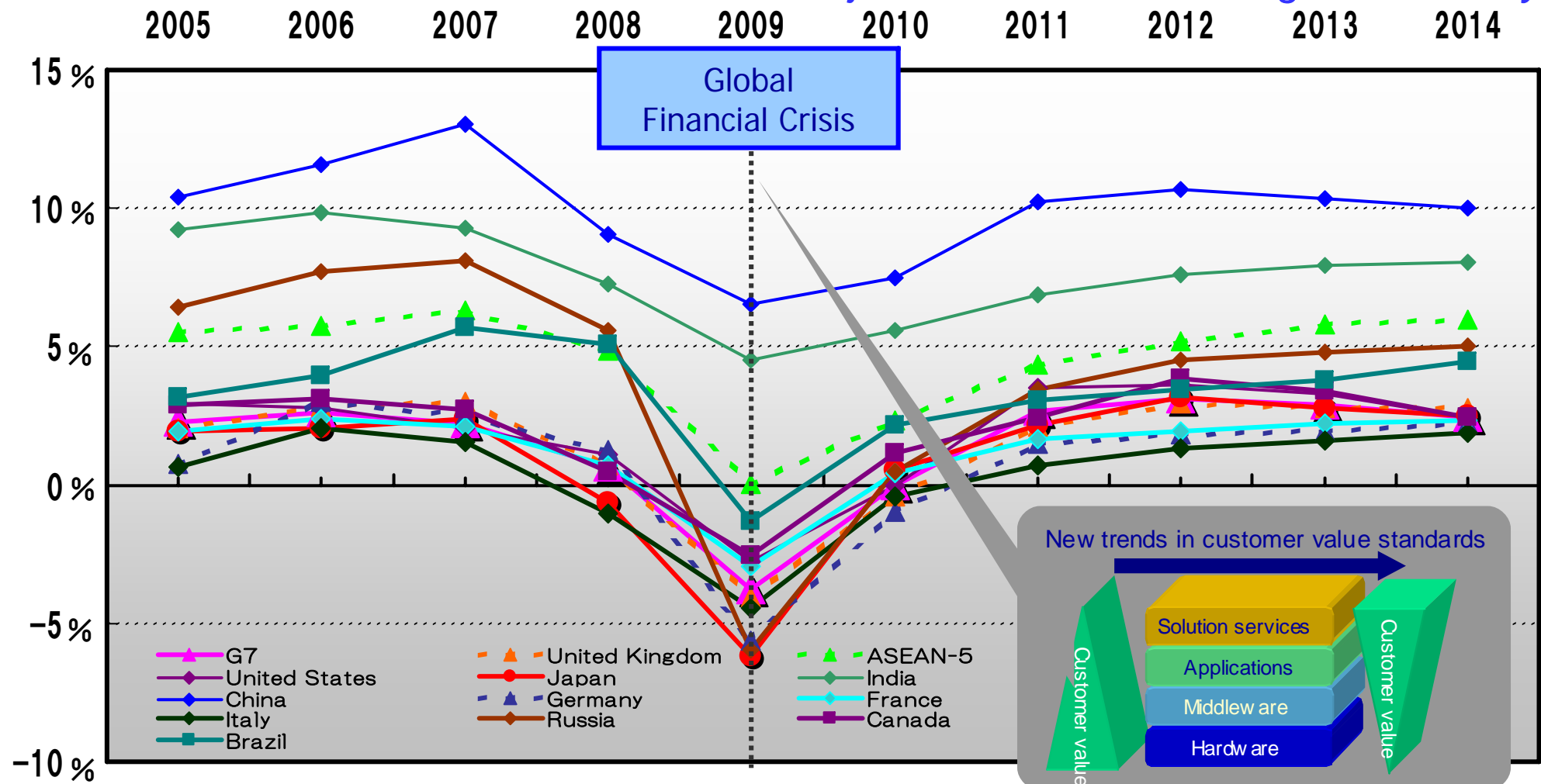


GDP Growth Forecast

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(Real) GDP growth forecast by IMF (International Monetary Fund)

After the global financial crisis that occurred in September 2008, markets and customer value standards in major countries have changed drastically



16th MTP and Changes in Business Environment

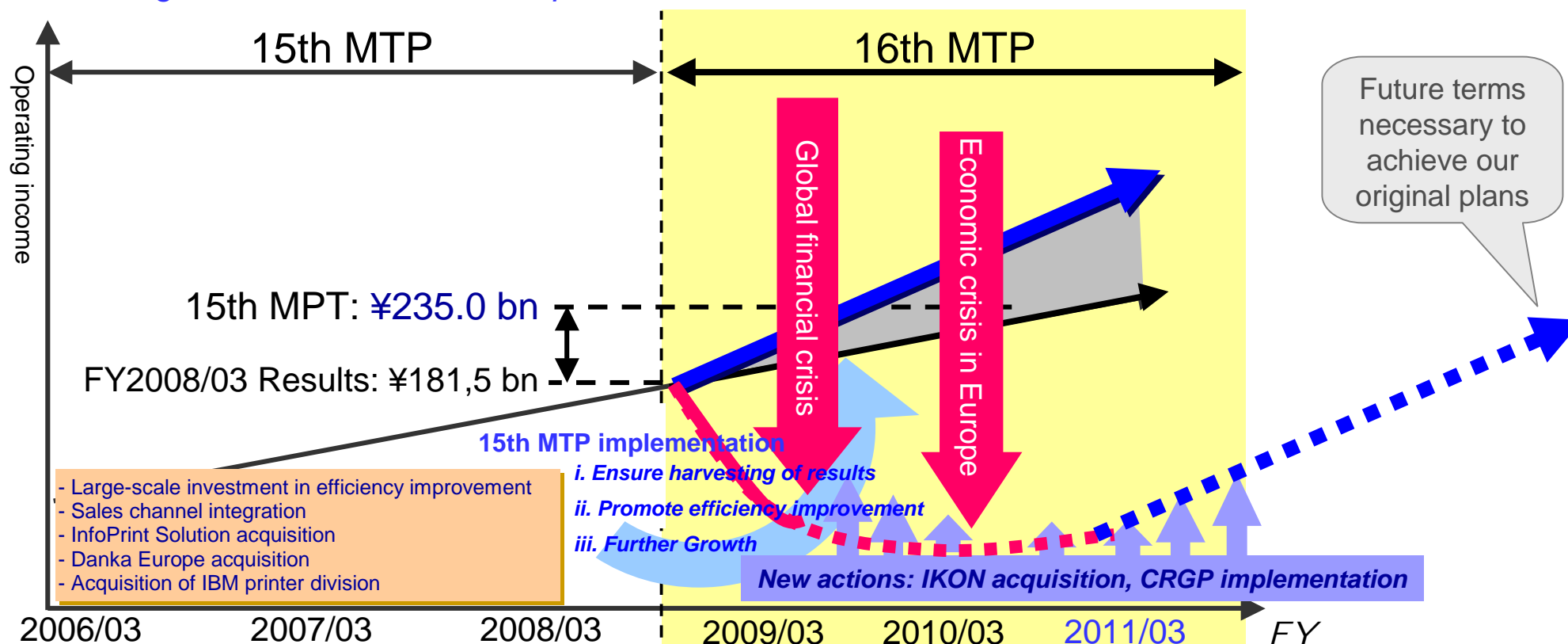
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Changes in business environment

Worldwide recession, appreciation of the yen, and falling stock prices triggered by the global financial crisis of September 2008



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Current strategy deployment

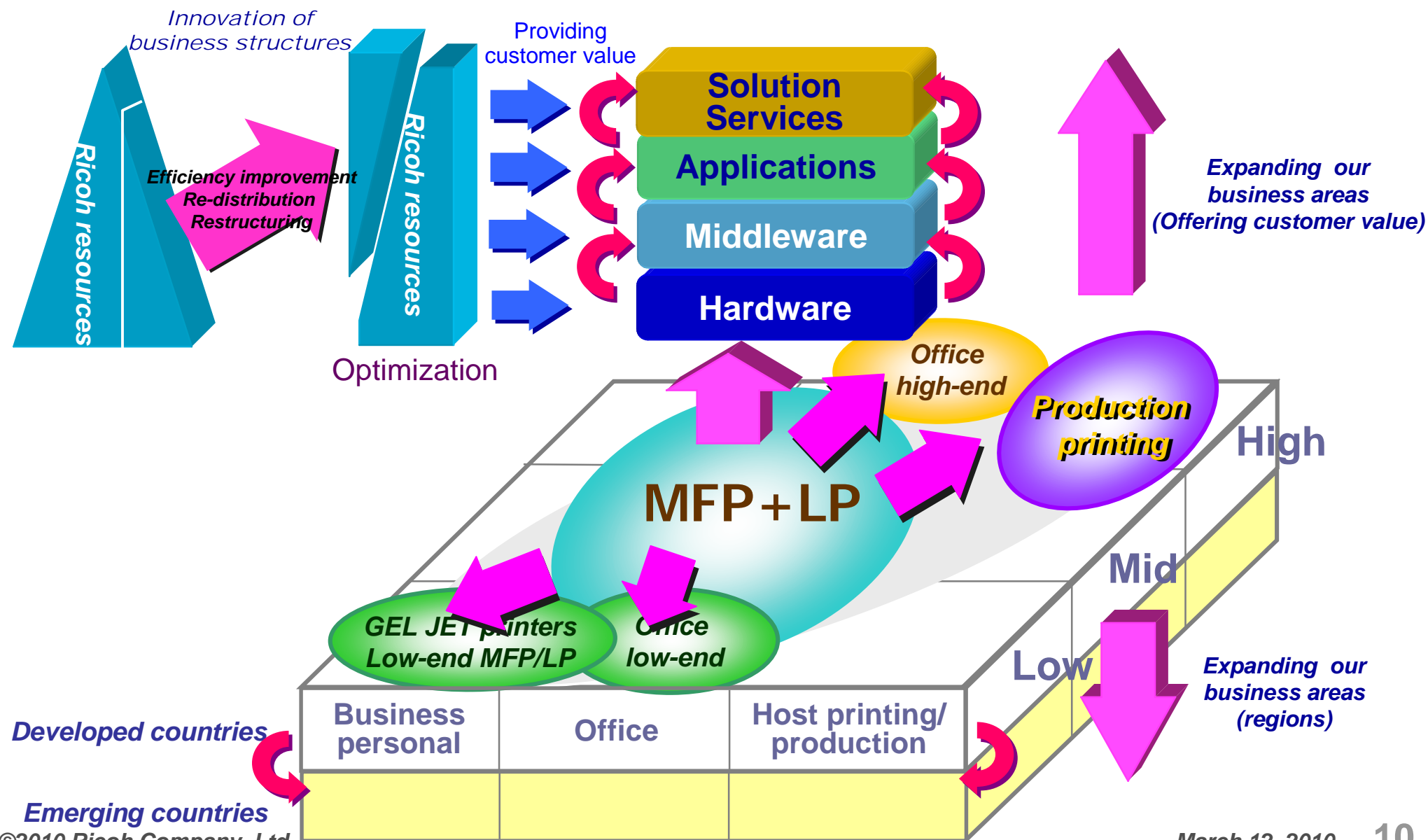
(review of FY2010/03 and going forward)

- 1** *Become No.1 in target business areas*
- 2** *Intensify and accelerate environmental management*
- 3** *Promote Ricoh Quality*
- 4** *Create new business lines*
- 5** *Build a strong global RICOH brand*

Become No.1 in target business areas

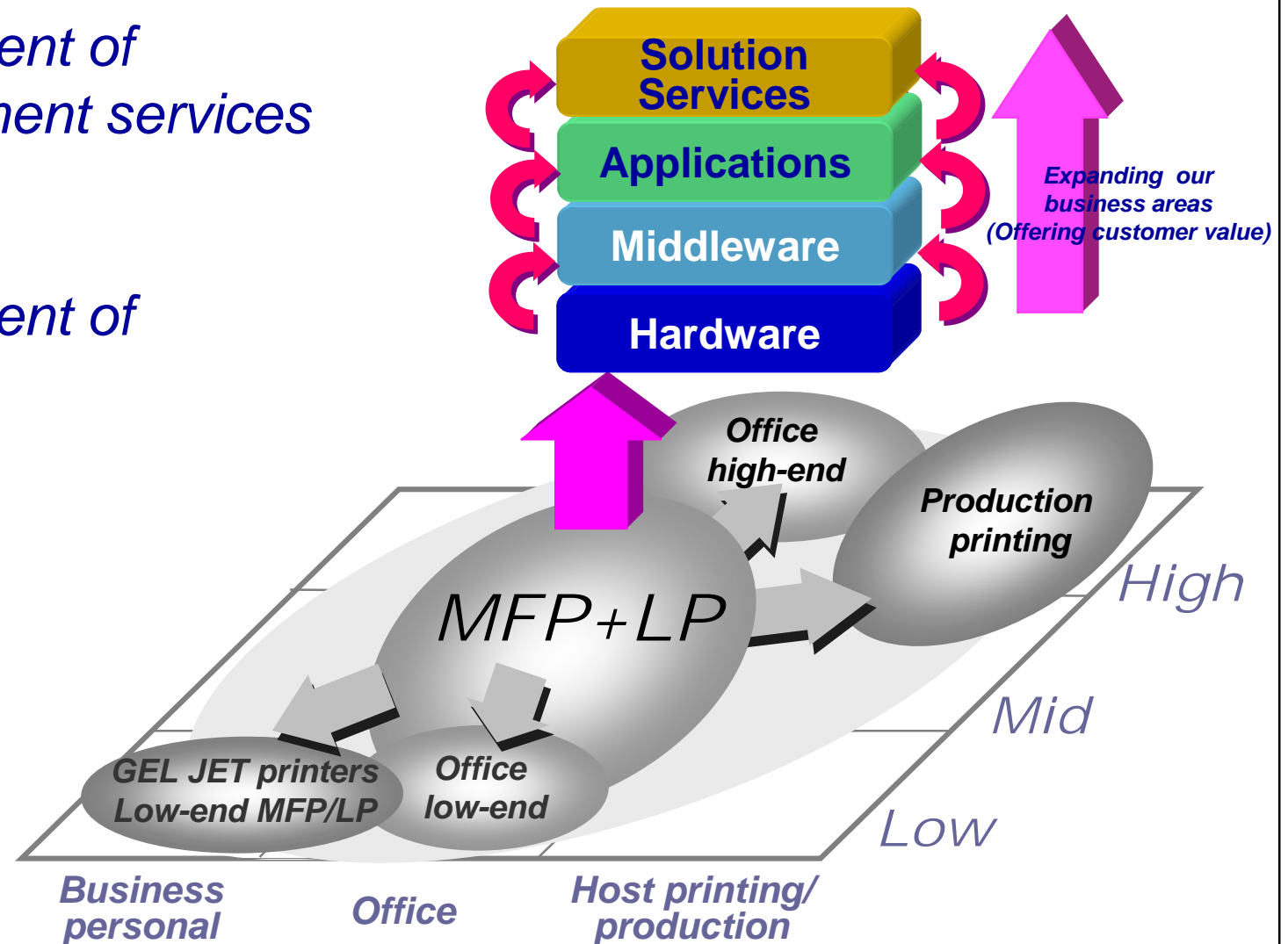
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Accelerate innovations to achieve the No.1 position in Imaging and Solutions



Increasing market share in Office Business

- > Global development of Managed document services (MDS)
- > Global development of IT services



Become No.1 in target business areas

OFFICE

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Global development of Managed document services

Europe
Approx. 200 sites
provide services

RICOH JAPAN

Americas
Approx. 2,000 sites
provide services

*RICOH
EUROPE*

*RICOH
AMERICAS*

*RICOH
GLOBAL
HEADQUARTERS*

RICOH CHINA

*RICOH
ASIA PACIFIC*

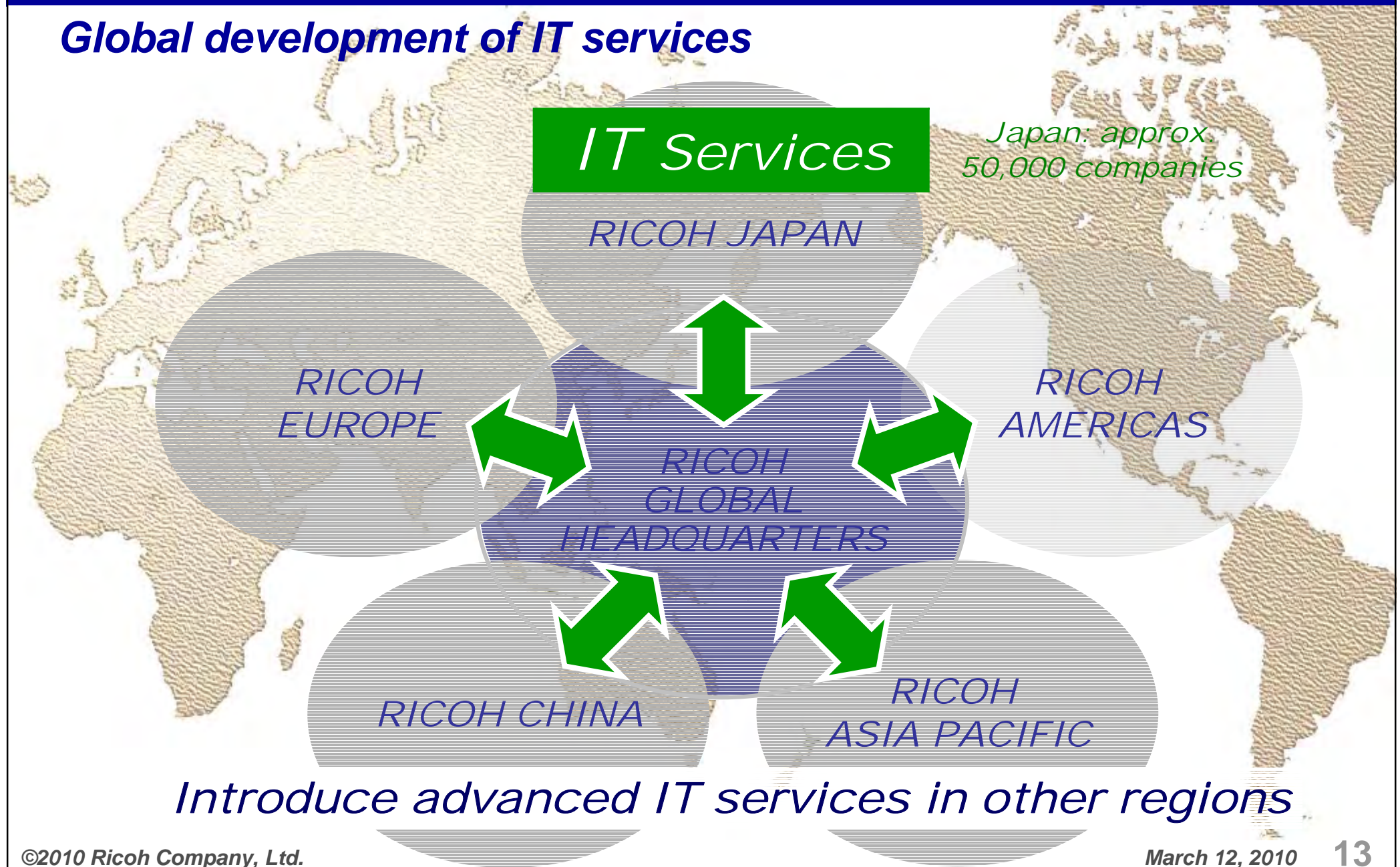
Introduce advanced MDS in other regions

Become No.1 in target business areas

OFFICE

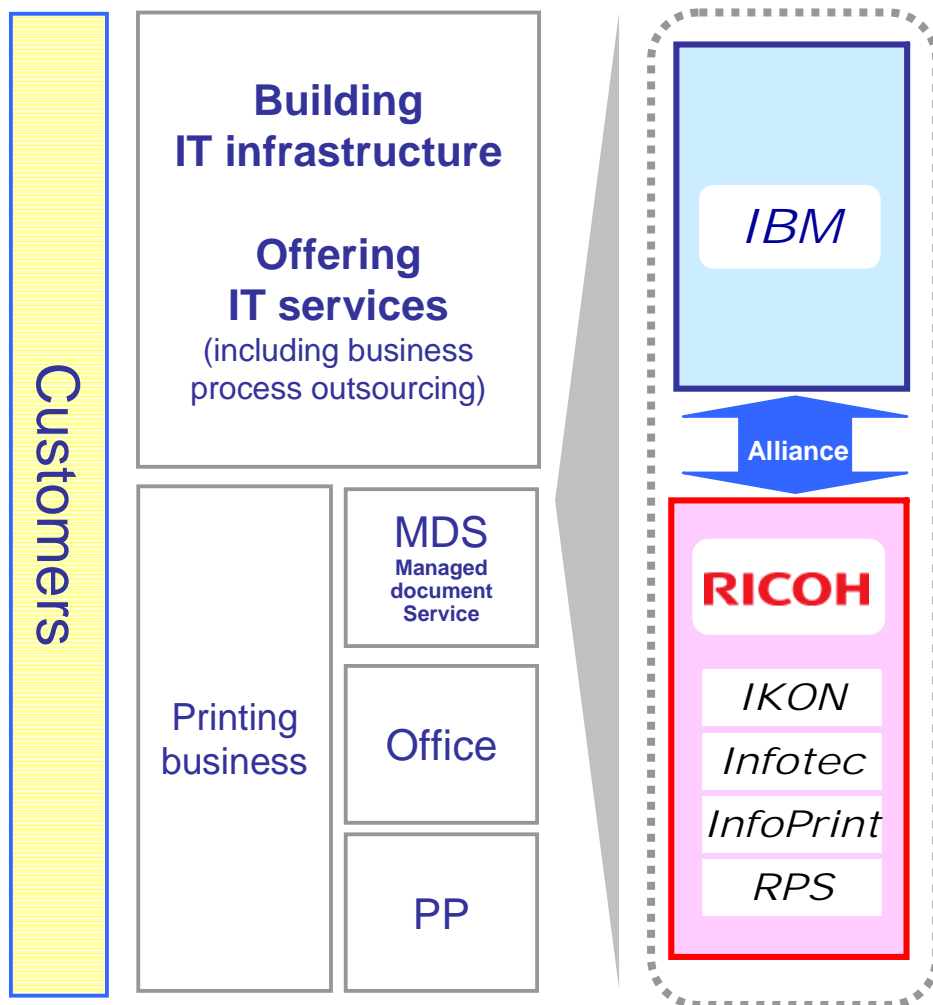
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Global development of IT services



IT business alliance with IBM

Customer bases and shared values of IBM and Ricoh will be mutually enhanced



> Combine the technologies and know-how of both companies, “visualize” the business challenges of their SME and large-scale customers, and provide solutions to solve their problems

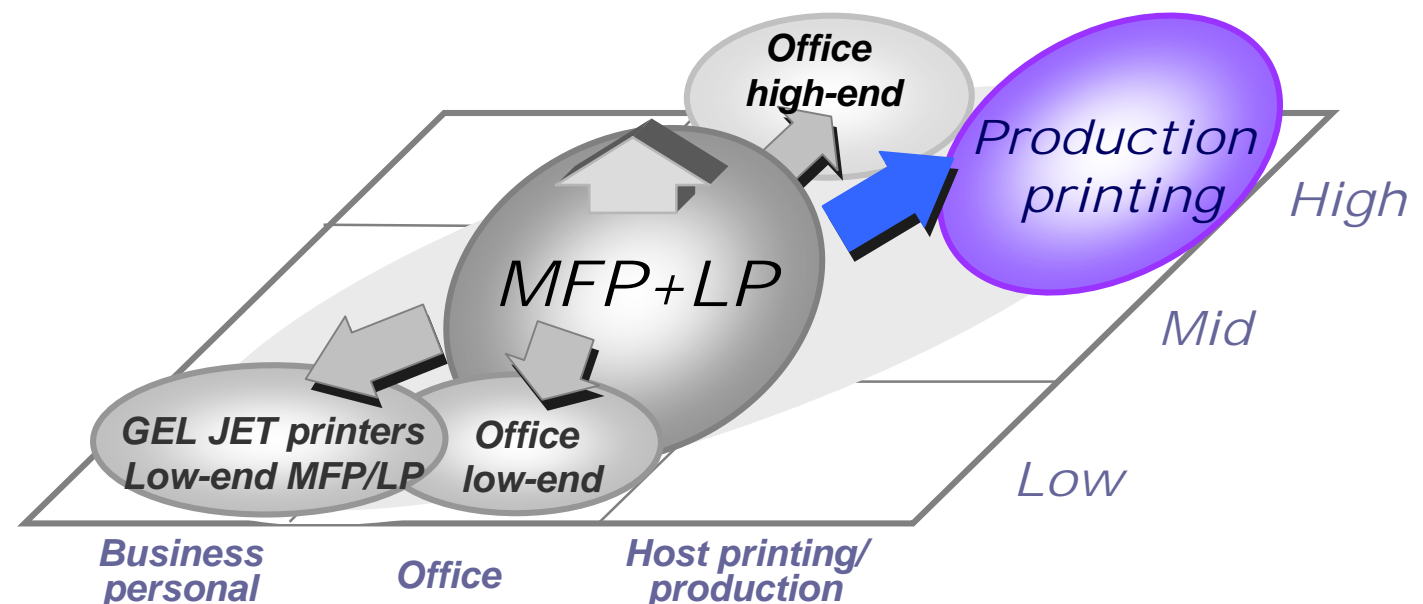
> Mutual development of DSMS
Security and compliance
Improved efficiency of document workflow
(DSMS: Document Security and Management Service)

> Realization of TCO and environmental impact reduction
(TCO: total cost of ownership)

※Provision of services that combine IBM's Tivoli® software with Ricoh MFPs

Expansion of Production Printing Business

- > Strive for consistent expansion in this new business area
- > Business infrastructures for target customers have been established
- > Accelerating synergies of InfoPrint, IKON and etc with Ricoh
- > Further strive to expand BPO and printing services
(BPO: business process outsourcing)



Become No.1 in target business areas

PP

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Business infrastructures for target customers have been established

(Ex. Pro C900 sales infrastructure in North America and Europe)

Customers

Data Centers



Replacing spot color or B&W high-speed printers

CRDs

(Integrated copy centers)



- Batch printing of mixed originals that contain B&W and color documents
- In-house printing

PFPs

(print shops)



Printing on thick or large cards

Commercial Printers
(commercial printing)



- Shifting from offset to digital printing
- On-demand digital book printing
- Variable data printing

Direct mail printers



InfoPrint

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Production sales

Office sales

IKON

Production sales

Office sales

Dealers

Back Office (Ricoh Group)

Marketing

Showrooms

Test centers

Maintenance services

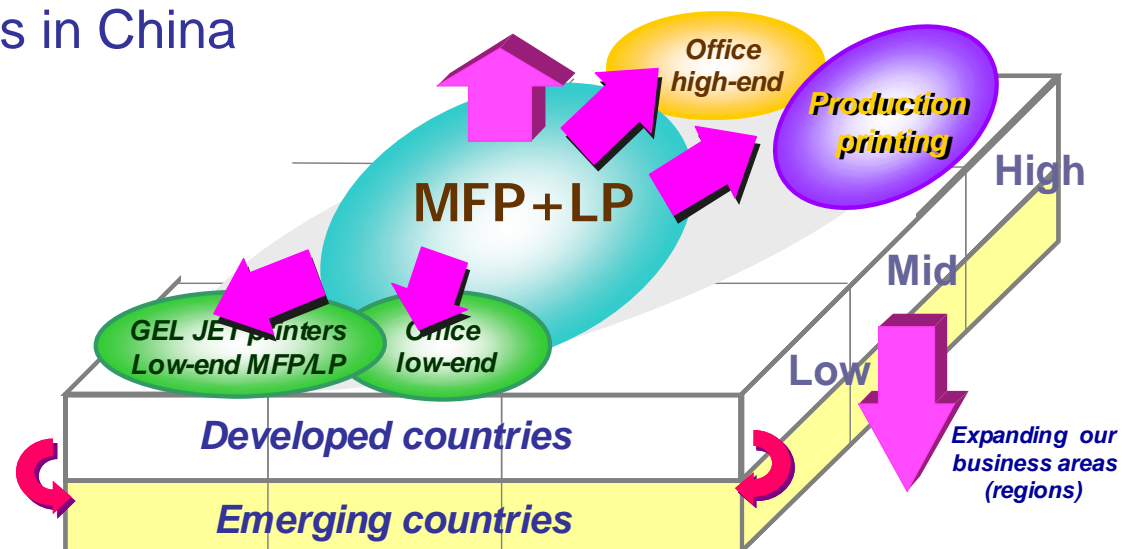
Business expansion in emerging markets

Expand business in emerging markets through increase in MIF

- > Establishment of a new factory in Thailand (2009)
- > Strengthening of sales companies in China, Asia-Pacific, Russia, and India
- > Expansion of low-end product line-up

Intensify business activity in the China and Asia-Pacific markets

- > Establishment of PIC* in Shanghai (*PIC: Printing Innovation Center)
- > The current position of R&D sites in China will be strengthened



Become No.1 in target business areas

Emerging
market

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Ricoh has established its production sites in 5 regions

[Ricoh global production sites]

■ Ricoh UK Products Ltd.



■ Shanghai Ricoh Digital Equipment Co., Ltd.



■ Ricoh Asia Industry (Shenzhen), Ltd.



■ Ricoh Electronics, Inc. in CA & GA



UK
France

■ Ricoh Components Asia(Shenzhen) Co., Ltd.



China Japan

Thailand

■ Ricoh Industrie France S.A.S



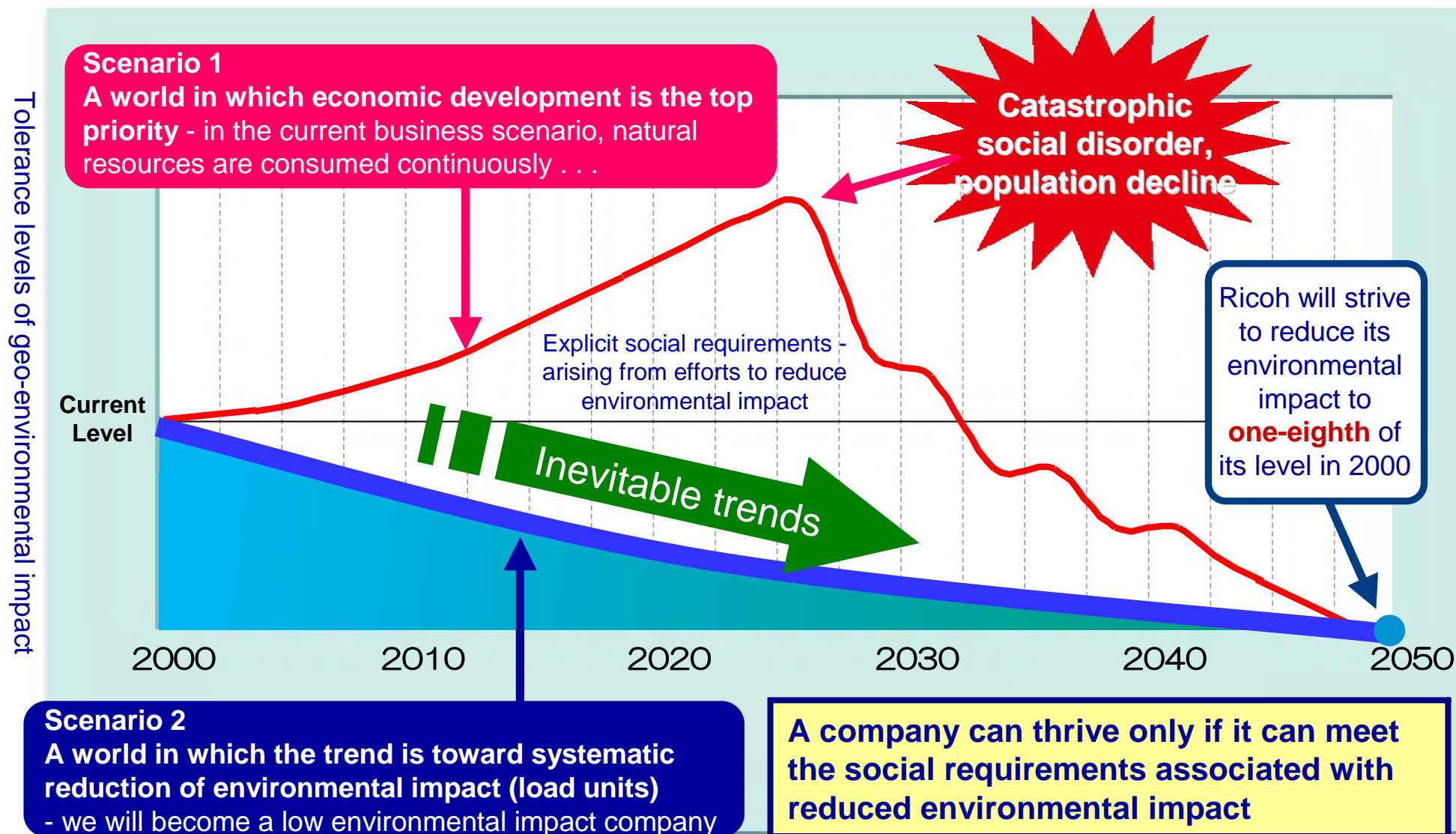
■ Ricoh Manufacturing (Thailand), Ltd.



U.S.

- 1 *Become No.1 in target business areas*
- 2 *Intensify and accelerate environmental management*
- 3 *Promote Ricoh Quality*
- 4 *Create new business lines*
- 5 *Build a strong global RICOH brand*

Social changes and requirements



Reducing environmental impact by

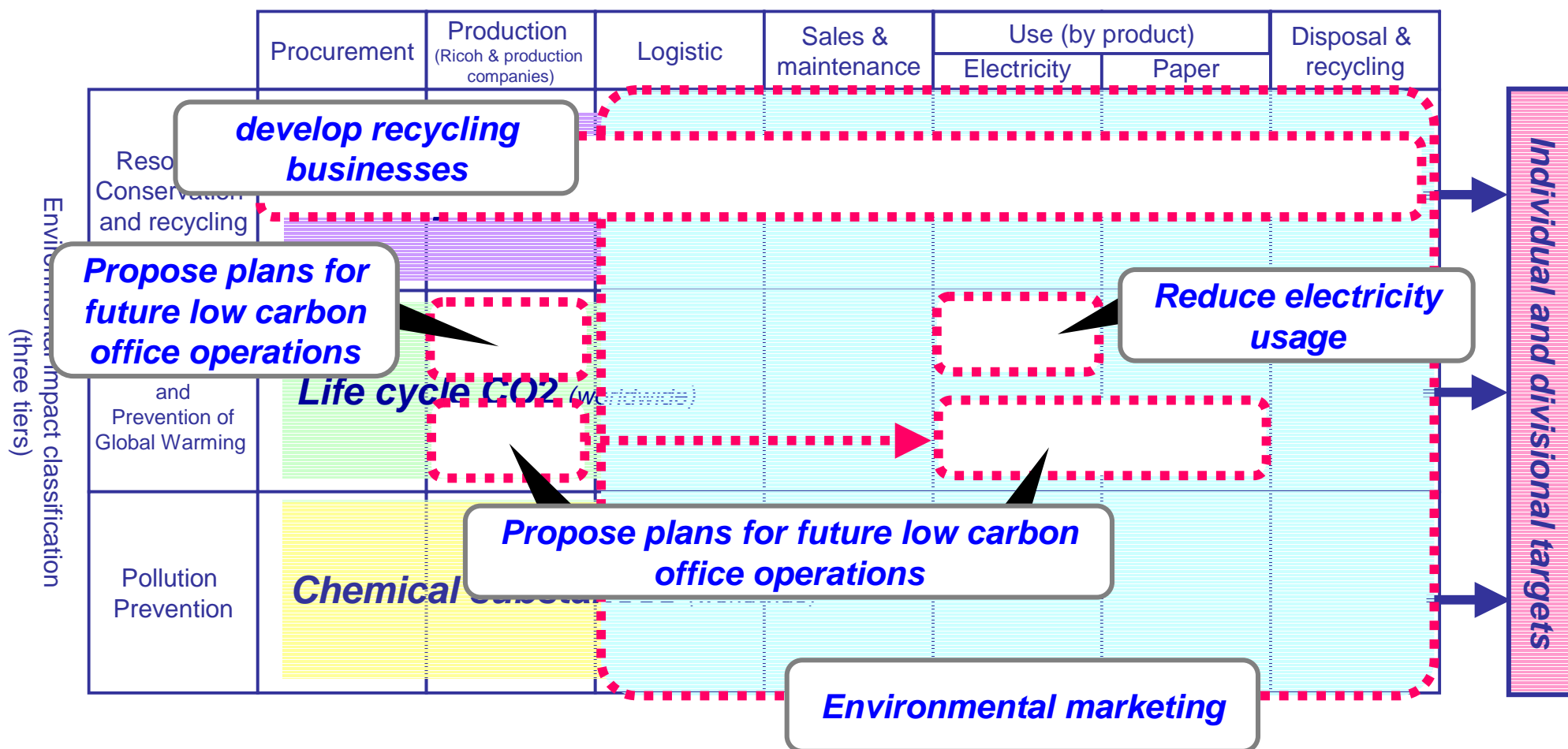
“All employees activities” and “Eco-technologies”

To reduce by 2050 the environmental impact of Ricoh Group business activity to 1/8 of its level in FY2000

| Environmental impact classification (three tiers) | Procurement | Production (Ricoh & production companies) | Logistic | Sales & maintenance | Use (by product) | | Disposal & recycling | |
|--|--|--|----------|---------------------|--|----------|----------------------|--|
| | | | | | Electricity | Paper | | |
| | New input resources (worldwide) | | | | 2050 | 1/8 | (-87.5%) | |
| | | | | | 2020 | -25.0% | | |
| | | | | | *Find and adopt alternative materials for natural resources before their supply dwindles | | | |
| | Resource Conservation and recycling | | | | | | | |
| | Life cycle CO2 (worldwide) | | | | 2050 | 1/8 | (-87.5%) | |
| | | | | | 2020 | -30.0% | | |
| | | | | | | | | |
| | Energy Conservation and Prevention of Global Warming | | | | | | | |
| Chemical substances (worldwide) | | | | 2050 | 1/8 | (-87.5%) | | |
| | | | | 2020 | -30.0% | | | |
| | | | | | | | | |
| Pollution Prevention | | | | | | | | |
| Individual and divisional targets | | | | | | | | |

To reduce by 2050 the environmental impact (in load units) of Ricoh Group to **1/8** of its level in FY2000

Major strategies to achieve reduction of environmental impact (load units)



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Ricoh Group provides customers with quality products that are “consistently delighting”



Ranked highest in color copier customer satisfaction for both large and small/medium-sized businesses (three consecutive years)

Source: J. D. Power Asia Pacific, “2009 Japan Color Copier Customer Satisfaction Study (SM)”

Ranked highest in satisfying business customers with color printers in 2009

Source: J. D. Power Asia Pacific, “2009 Japan Color Printer Customer Satisfaction Study (SM)”

RICOH Quality

Ricoh quality is a process that combines a feeling of customer satisfaction and reliability with products that continue to impress and services that provide value.

Consistently delighting and inspiring our customers

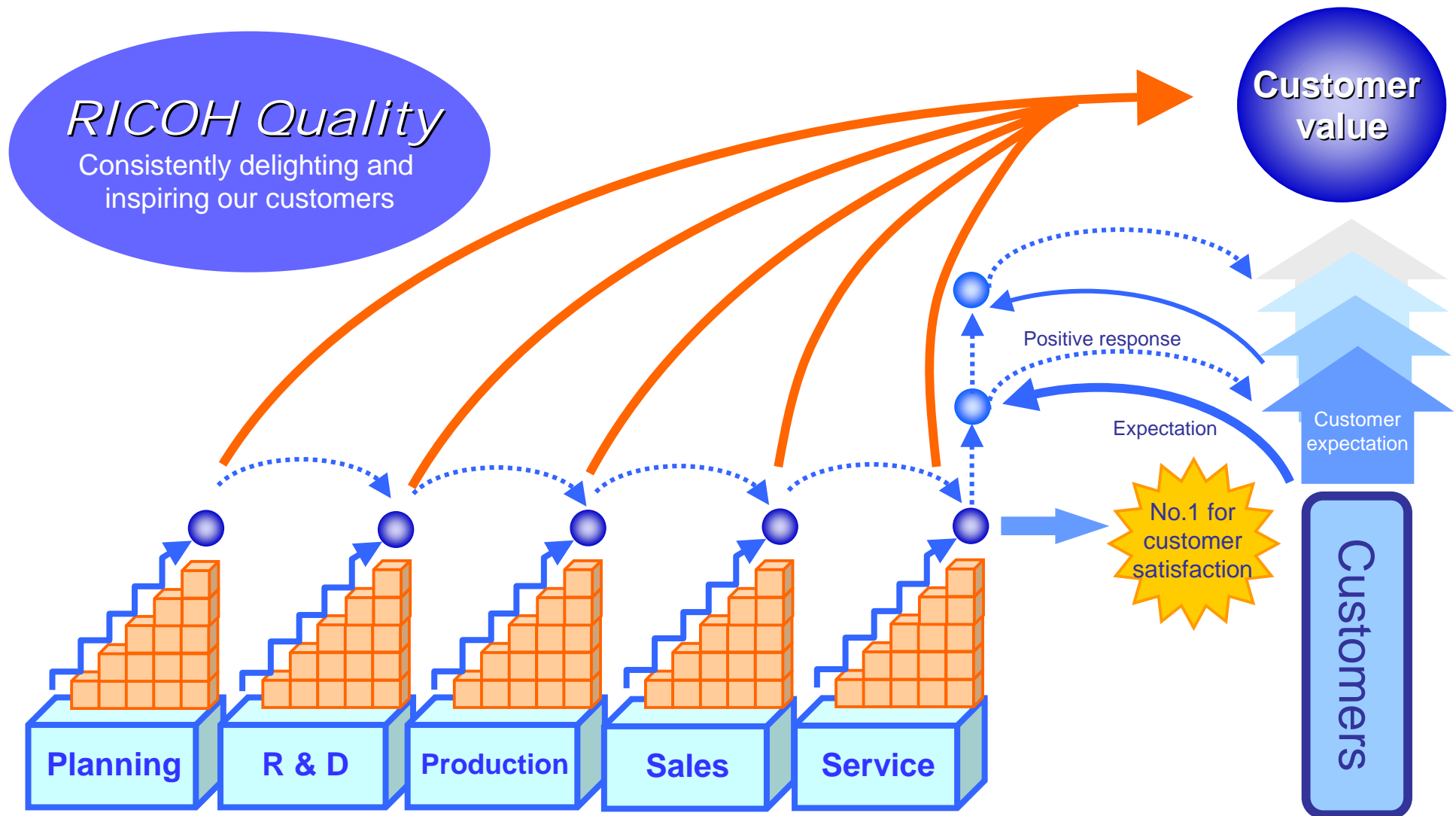
The RICOH Quality Statement

We will always remain trustworthy and attractive for customers, consistently delighting and inspiring them by innovating while partnering with them to create valuable products and solutions.

Promote Ricoh Quality

RICOH

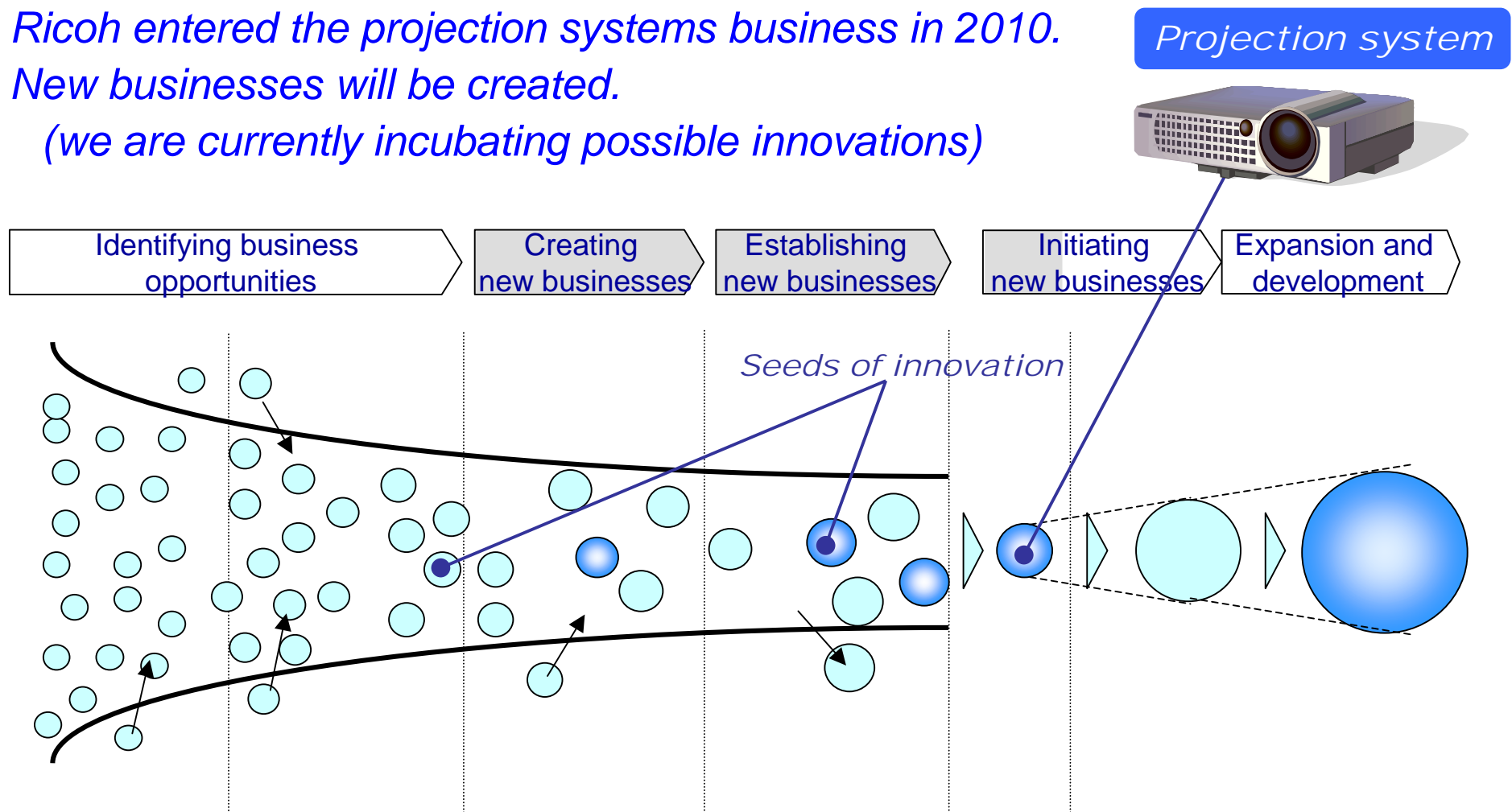
Ricoh Group will strive for RICOH Quality to become a company that can be trustworthy and attractive for customers, providing valuable products and solutions



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Promote and develop new businesses through pipeline management

*Ricoh entered the projection systems business in 2010.
New businesses will be created.
(we are currently incubating possible innovations)*

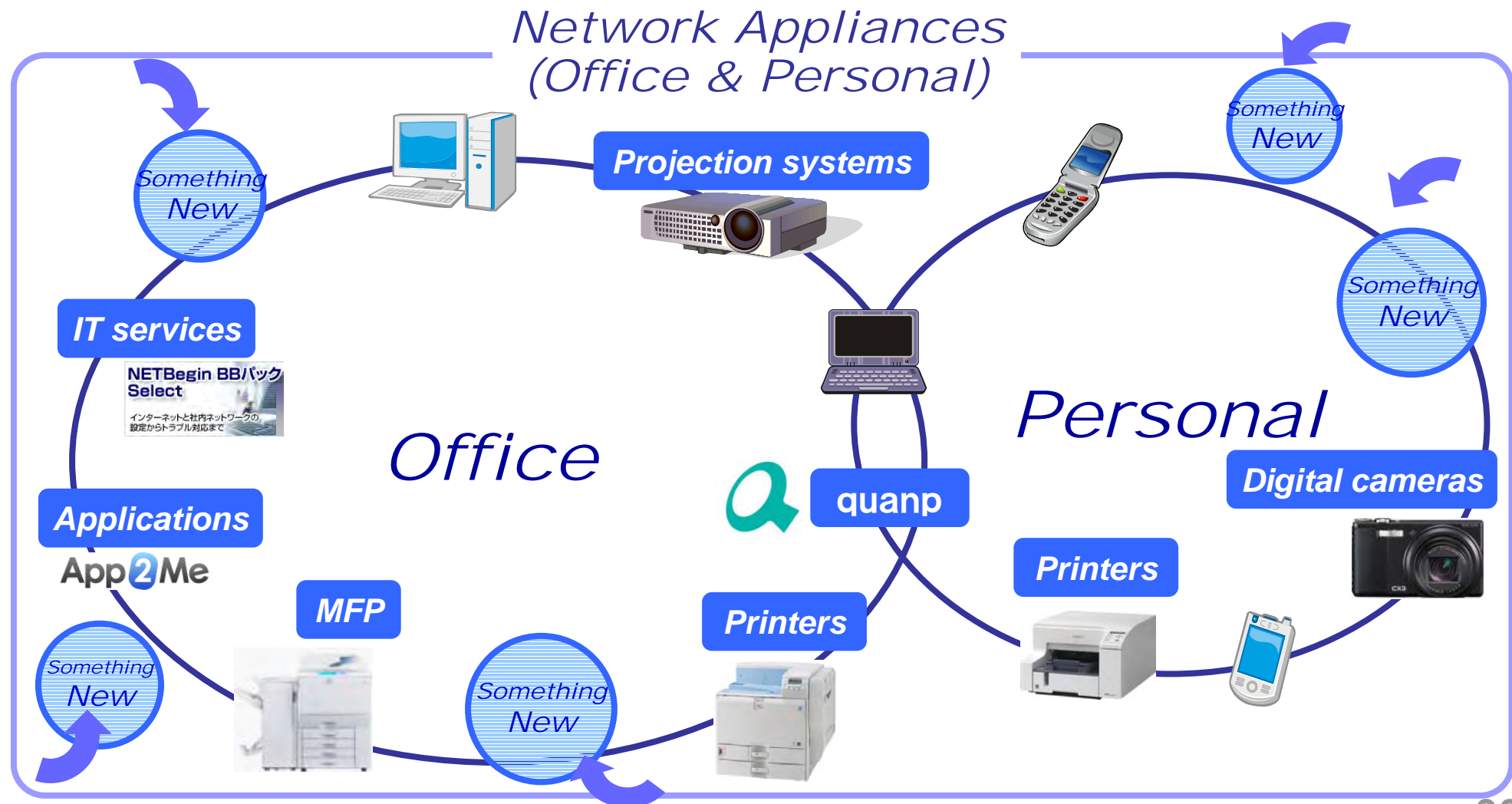


Create New Business Lines

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Continue to provide new products and services

Networked products and services will generate new customer values

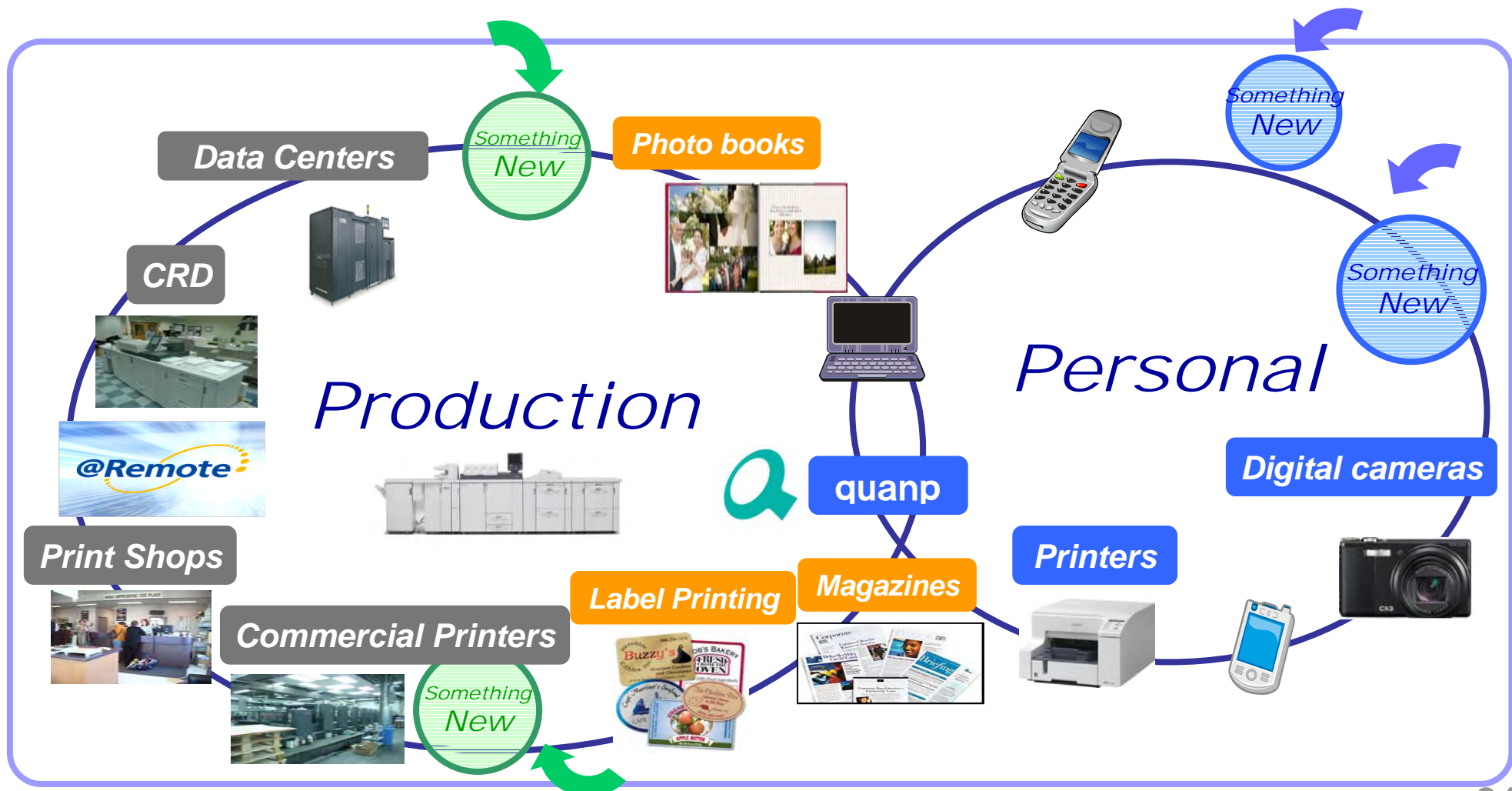


Create New Business Lines

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Continue to provide new products and services

Networked products and services will generate new customer values also in PP business



- 1 *Become No.1
in target business areas*
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environmental management*
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Global
Customers

Promise

Expectation



Keep satisfying our
customers



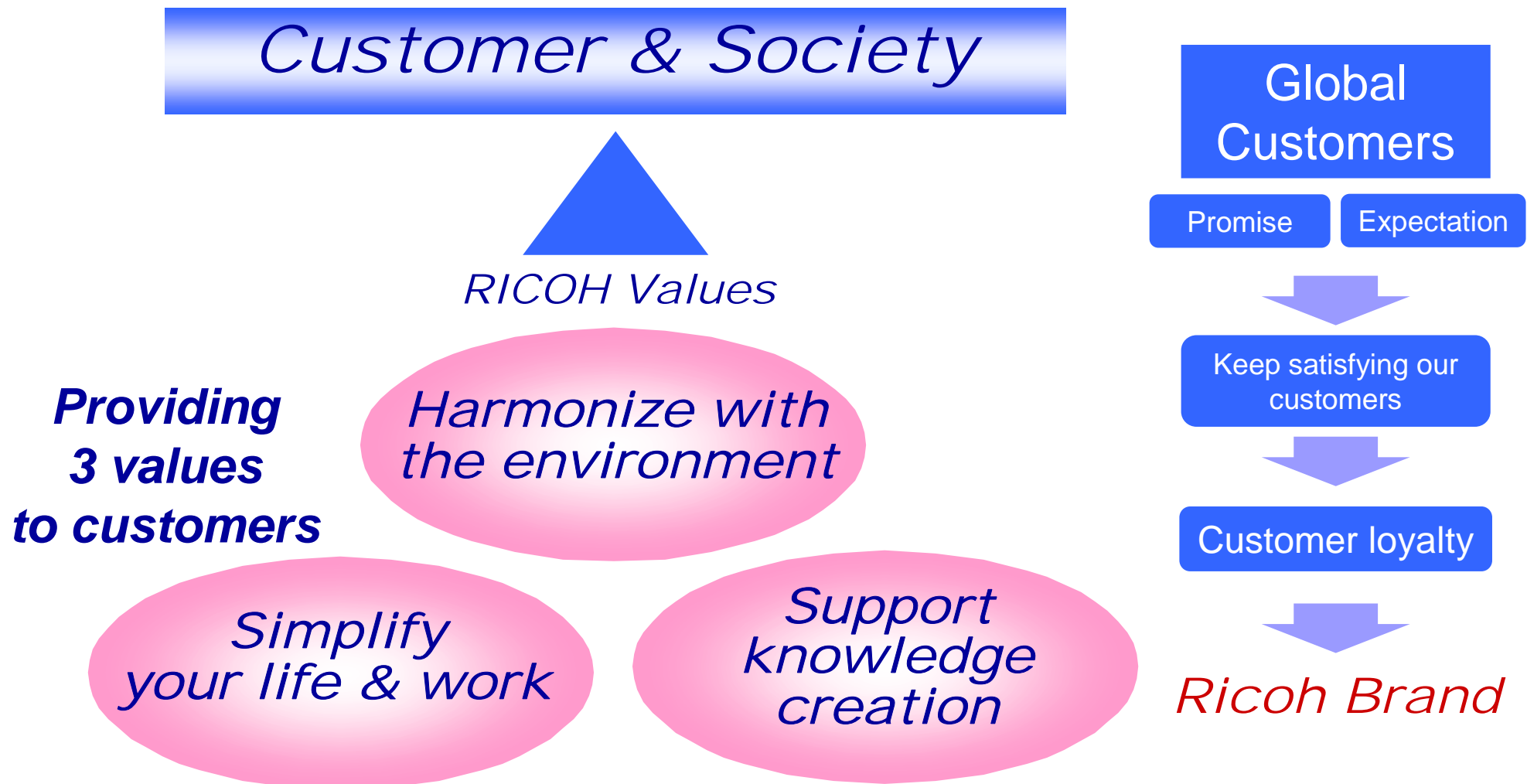
Customer loyalty



Build a strong global RICOH brand

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*Keep satisfying our customers by providing
RICOH Values based on the global point of view*



Build a strong global RICOH brand

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“To become a higher performing company” as an excellent global company

> Continue to implement CRGP activities (CRGP: Corporate Restructuring & Growth Project)

Resource optimization and reorganization

**Group-wide promotion
of CRGP activities**

Reorganization and integration of sites

Ricoh Group activities for further growth

**Expansion of PP business and
solution business**

**Establishment of Global Marketing Headquarters
and a Global Strategy Planning Office**

*During FY2010/03,
cost reduction had priority
(Phase 1)*

Expected total reduction

¥50bn

[FY2010/03 3Q
term-end estimates]



*From FY2011/3, we will start
to harvest results from our
current site integration
schemes and create profits
from new growth business
areas (Phase 2)*

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Mid-term management targets

*Our targets for achievement
within the next 5 years:*

Operating margin : 10%

ROE : 12%

Payout ratio : 30%

New business ratio : 25%
(by sales)

*Strive for a global brand,
'Never give up
until you win. '*

Challenge!!

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