

(Translation)

(Securities Code: 7752)

June 7, 2006

**NOTICE OF
106TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholder,

The Company would hereby like to inform you that the 106th ordinary general meeting of shareholders will be held as follows, and would be grateful if you could attend the meeting.

Those who will not be able to attend the meeting on the day are kindly requested to consider appended "Reference Material for Exercising Voting Rights" and indicate on the voting form enclosed herewith your approval or disapproval of the matters to be resolved, and return the form bearing your registered seal or signature to us. Your voting right can also be exercised via the Internet (<http://www.web54.net>). Please submit your voting right no later than Tuesday, June 27, 2006.

Yours faithfully,

Masamitsu Sakurai,

*Chairman of the Board and Representative Director,
President and Chief Executive Officer*

Ricoh Company, Ltd.

1-3-6 Nakamagome, Ohta-ku, Tokyo

- 1. Date and Time:** Wednesday, June 28, 2006, from 10:00 a.m.
- 2. Venue:** Ricoh's registered head office: 1-3-6 Nakamagome, Ohta-ku, Tokyo
- 3. Meeting Agenda:**
- Items to be reported:***
1. The Business Report, Consolidated Balance Sheets and Consolidated Statements of Income as well as the results of auditing consolidated financial statements by account auditors and the Board of Corporate Auditors for the fiscal year ended March 31, 2006 (from April 1, 2005 to March 31, 2006).
 2. The Non-Consolidated Balance Sheets and Non-Consolidated Statements of Income for the fiscal year ended March 31, 2006, and the acquisition of treasury shares by resolution of the Board of Directors in accordance with the authorization provided in the Company's Articles of Incorporation.
- Items to be resolved:***
- Agenda 1: Approval of the proposed appropriation of retained earnings for the fiscal year
- Agenda 2: Partial amendment to the Articles of Incorporation
Please see appended "Reference Material for Exercising Voting Rights" (pages 35 to 48).
- Agenda 3: Election of eleven (11) directors

- Agenda 4: Election of one (1) corporate auditor
- Agenda 5: Election of one (1) substitute corporate auditor
- Agenda 6: Granting of retirement allowances to retiring directors and a corporate auditor

Shareholders are requested to fill out and submit the appended voting form at the reception desk on the above-mentioned date.

This English translation is an abridged version of the original notice in Japanese. In the event of any discrepancy, the Japanese version shall prevail.

To Our Shareholders

I would like to take this opportunity to express our sincere appreciation for our shareholders' continuous support to us in delivering our business report for 106th business term.

Under the 15th Medium-term Business Plan, started in the fiscal year ended March 31, 2006, the Ricoh Group strove to achieve a further growth and development by reinforcing its corporate competitiveness through "creation of new customer values" and "highly efficient business operations." By doing this, we aim to meet the expectations of our shareholders.

Against the backdrop, consolidated net sales rose 5.6% year on year to 1,915.0 billion yen in the fiscal year ended March 31, 2006. The increase is attributable mainly to strong sales of color copiers, color multifunction printers (MFPs) and laser printers, at home and abroad. Net income increased sharply 16.7% to 97.0 billion yen, due chiefly to a rise in high-value added products and effects of continuous cost reductions.

With regard to dividends, an interim dividend of 12 yen per share is already disbursed and a dividend of 12 yen per share, up 2 yen from a year earlier, at the end of the term will be proposed (total of 24.0 yen for the fiscal year) at the 106th Ordinary General Meeting of Shareholders.

It is true that there are various uncertain factors such as economic trends and foreign exchange fluctuations, but the Ricoh Group is determined to do the utmost efforts to achieve consolidated net sales of 2.05 trillion yen and net income of 106 billion yen in the fiscal year ending March 31, 2007.

We look forward to your continuous support and encouragement to the Company from now on.

Sincerely,

June 2006

Masamitsu Sakurai,
*Chairman of the Board and
Representative Director, President
and Chief Executive Officer*

Business Report for 106th Business Term

(April 1, 2005 to March 31, 2006)

(The following is an unofficial English translation of the Reports for the 106th Fiscal Year of the Company. The Company provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise.)

1. Operating Conditions

(1) Operating progress and results of the Ricoh Group

■ Overview

In the fiscal year under review, the Japanese economy continued to be steady in general, because of an increase in capital investment driven by improved corporate earnings and a recovery in consumer spending. In the U.S., the economy remained stable helped by strong personal consumption and capital expenditure, despite some unfavorable factors such as higher oil prices and interest rates. The European economy continued making a moderate recovery on the back of robust exports and an improvement in capital investment. In Asia, Chinese and Indian economies continued to expand.

Under such circumstances, the Ricoh Group intends to be the company that gains most from the 21st century. Based on this group vision, we will continue to contribute both to productivity improvement and also to knowledge creation for individuals working anytime, anywhere. This approach will enable us to gain the utmost trust of our customers and continue to grow and develop our business. Accordingly, our proactive approach encompasses not only products and services for traditional office setups, but also customers working in a broadband environment.

In terms of Office Solution business – our core competence – we in the Ricoh Group have made every possible effort since the inception of our 13th medium-term management plan to move beyond the manufacture and retail of equipment such as copiers and printers so that we may overhaul our operational structure, thus enabling us to support our customers in their efforts to improve or enhance productivity through our offering.

In the 14th medium-term management plan, we defined our principal strategy as “the realization of TDV, thereby broadening our revenue and earning framework,” as we recognize that efficient and effective Input/Output (I/O), storage, and searching of TDV (i.e., total document volume), which includes printed material in addition to photocopies, will become a pressing issue for our customers.

While there are no changes to the direction of business structure reform and principal strategy of the Ricoh Group in the 15th medium-term management plan, we will aim to increase our corporate value by more than ever addressing issues from the customer's standpoint and continuing to provide values that meet customers' expectations.

In Office Solution Business, in particular, we are confident that we can further solidify

our business foundation by taking utmost advantage of the abilities and strengths of the Ricoh Group, such as the comprehensive product line, customer rapport through sales and service, ability to provide solutions, global operations, image processing technology, and image processing and merging technology, to respond to the diverse needs of even greater range of customers.

In Office Solution Business, we have identified “printing” as an area that presents an outstanding opportunity for growth. Consequently, we will shift a higher portion of our business resources to this area. Namely, we will continue to advance such printing solutions as BC (black-color) conversion and TCO (total cost of ownership) reduction solutions in the office, enter the high-end production printing market, boost low-end color laser printers and expand gel jet printers to expand the business domain and size. Furthermore, we will revamp our sales system solutions and solutions platform in order to promote document solution, which enables improved document workflow, and to capture a greater share of major customers, particularly major global accounts.

On the other hand, we will allocate greater business resources to promising businesses in the Industry Business. In addition, we will seek for greater business shares of both Office Solutions and Industry Business in emerging markets.

As technological differentiation is the key to realizing customer value in each business and increasing profitability, we will continue our aggressive R&D activities to boost our technical power.

The following shows our achievements in the basic policies during this term.

In Office Solution Business, we have continuously introduced new multifunctional color printers and color laser printers in order to provide more comprehensive product line. During this term, we have increased our market share by launching various products: “imaggio Neo C600Pro (sold overseas as Aficio Color 5560),” which is a new generation of multifunctional color printer and high-speed copy or print at 55 ppm (pages per minute); “imaggio MP C3000/2500 series,” which enable to produce higher images with better quality by utilizing Color P&P toner with Ricoh’s own polymerization method and features high security functions such as protection to prevent unauthorized copying, which is the fastest in the industry of color printers; “imaggio MP C1500,” which targets low-end business printer market employing the Gel Jet technology.

Through these measures, the Ricoh Group obtained high market share in the major color copier markets in Japan, the Americas and Europe.

In the high-end production printing market, we have released new 4 models including “IPSiO SP 9500Pro (sold overseas as EMP156),” which is a printer for main systems and actualizes high-speed printing at 156 ppm with high durability. This allowed us to have more comprehensive product line from center printers, which perform centralized printing of documents, to desktop printers, which perform distributed printing at each location. By combining those printers, we will provide efficient printing environment.

In the low-end business printer market, we have “IPSiO G series (sold overseas as Aficio G series),” which is a printer with Gel Jet technology aimed to replace other companies’ black and white laser printers or inkjet printers. Because of its high speed output, high quality image with plain paper and low running cost, it received great reviews as a business printer, and we

will continue to promote creating such products of high value-added in the future.

As for the promoting our printing solution, we have developed business on a global scale by proposing TCO reduction solutions utilizing copiers and printers together and earning high reputation for our worldwide support and services. In addition, in developing document solution in order to improve workflow, we have provided software tools to link multifunctional printers with host systems, improved the support structure of technology centers to propose the optimum environment and support the introduction for those systems in Japan, the Americas and Europe, and strengthened the sales structures for solutions.

On the other hand, we have promoted allocation of management resources on promising markets and businesses in the area of industry. The example for this is the establishment of a thermal paper production and sales company in China.

Furthermore, we have continued priority investment during this term to achieve growth strategies and to improve revenue base.

In sales and services, we have integrated the maintenance service department of domestic sales companies to Ricoh Technosystems Co., Ltd. in order to improve the system to enhance contacts with customers and to strengthen abilities to provide solutions.

As for development, Ricoh Technology Center (Kanagawa Pref.) was established to consolidate all the functions of forefront color products from the development of elemental technology, to designing, to preparing the production and to evaluation of the products. This center allows us to enhance the cross-functional development structure and to further improve the development efficiency.

In the fiscal year under review, consolidated net sales rose 5.6% year on year to 1,915.0 billion yen. Operating income also increased 12.2% to 152.0 billion yen primarily due to a increased sales of value-added high-margin product, and the effect of continuous cost-cutting activities. Income before income taxes was 156.1 billion yen, up 15.4%. As a result, net income increased 16.7% to 97.0 billion yen.

■ **Consolidated sales by category (consolidated basis)**

Category	Sales (billion yen)	Percentage of total	Change (%)
Imaging Solutions	1,446.6	75.5	8.6
Network System Solutions	190.5	10.0	-4.3
Office Solution Business	1,637.2	85.5	6.9
Industry Business	120.6	6.3	1.0
Other Businesses	157.2	8.2	-3.7
Total	1,915.0	100.0	5.6
Japan	972.0	50.8	-0.1
Overseas	943.0	49.2	12.1
The Americas	387.4	20.2	19.0
Europe	434.8	22.7	6.3
Others	120.8	6.3	13.3

Office Solutions (up 6.9% year on year to ¥1,637.2 billion)

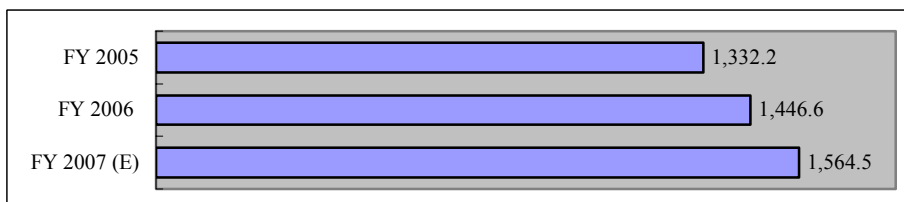
Sales of color copiers, multi-function printers (MFPs) and laser printers were strong. These products support the customers to efficiently and effectively manage the input/output, storage and retrieval of TDV (total document volume), comprising not only copying but also printing functions. Though sales of personal computers and servers

decreased, sales at overall office solution business were up 6.9% year on year to 1,637.2 billion yen.

Imaging Solutions (up 8.6 % year on year to 1,446.6 billion yen)

Trends in consolidated net sales

(Unit: in billions of yen)



Imaging Solution: Digital copiers, color copiers, analog copiers, printers, facsimile machines, diazo copiers, scanners, multi-functional printers (MFP), printers, other equipment, and ancillary supplies and services, etc.

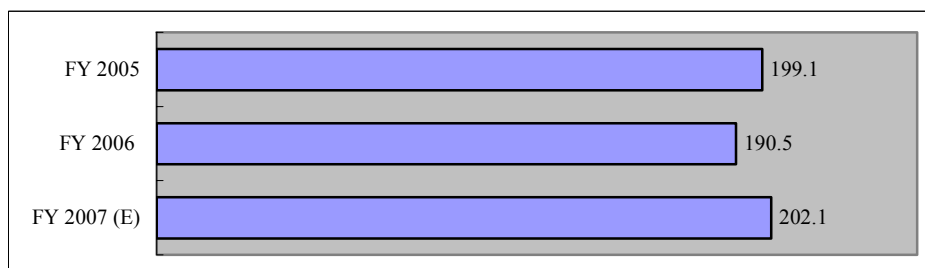
While sales of digital copiers decreased as single-function printers are increasingly upgraded to multi-function printers domestically, sales continued to be firm overseas.

On the other hand, sales of multi-function printers were favorable, since the Company continues to launch new products that can respond to customer requests, such as adding color function or network convertibility. Furthermore, sales of laser printers were strong domestically and overseas. As a result, sales from this category increased 8.6% from the preceding year to 1,446.6 billion yen.

Network System Solutions (down 4.3% year on year to ¥190.5 billion)

Trends in consolidated net sales

(Unit: in billions of yen)



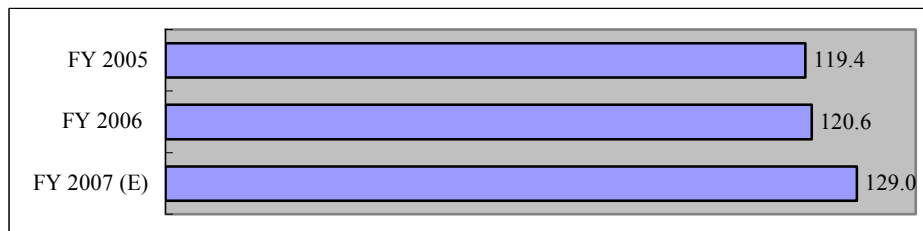
Network System Solution: Personal computers, servers, networking equipment, network-related software, application software, services and support, etc.

This business is responsible for providing customer services and support. As the Company's proposals to decrease total printing costs were highly regarded, sales continued to increase in Japan and overseas. However, sales of personal computers and servers in Japan were down. As a result, sales of this business decreased 4.3% to 190.5 billion yen.

Industry Business (up 1.0% year on year to ¥120.6 billion)

Trends in consolidated net sales

(Unit: in billions of yen)



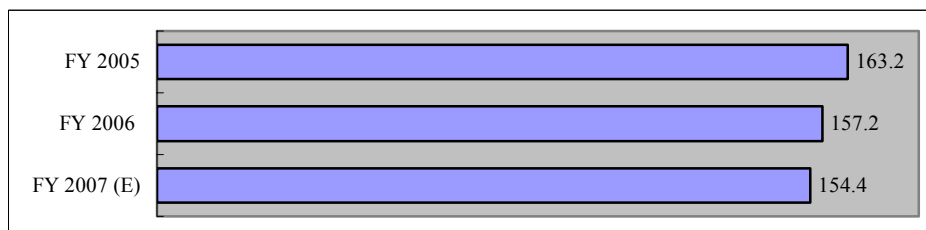
Industry Business: Thermal media, optical equipment, semiconductors, electric units, measuring equipment, etc.

Sales at thermal business and electric device business increased, and demand recovered in the semiconductor business. Meanwhile, in the optical unit business, sales decreased owing to sluggish demand. As a result, sales in this business were 120.6 billion yen, up 1.0% from the previous year.

Other Businesses (down 3.7% year on year to ¥157.2 billion)

Trends in consolidated net sales

(Unit: in billions of yen)



Other Business: Optical-disc products, digital cameras, etc.

Though sales of digital cameras continued to be favorable, revenue of the optical disc business decreased especially overseas, as it scaled down in previous year key module operations, such as independently developed drives and components/units (excluding media). As a result, sales in this business decreased 3.7% year on year to 157.2 billion yen.

(2) Plant and equipment investment and funding of the Ricoh Group

In the fiscal period under review, the Ricoh Group invested a total of 102.0 billion yen (including an investment of 44.6 billion yen by the Company) in plant and equipment, mainly comprising the following.

Funds necessary for the plant and equipment investments above are procured by funds at own hands and borrowings.

(a) Major equipment and facility expansions completed during the fiscal year:

- Electronic components plant (Yashiro Plant)
- Equipment-related supplies plant (Numazu Plant)
- Technology center (Ricoch Technology Center)

(b) Major equipment and facility expansions in progress in the fiscal year:

- Equipment-related supplies plant (Numazu Plant)

(3) Transition of operating results and assets of the Ricoh Group and the Company

■ Transition of operating results and assets of the Ricoh Group

Items	Fiscal year ended March 2003	Fiscal year ended March 2004	Fiscal year ended March 2005	Fiscal year ended March 2006
Net sales (billions of yen)	1,738.3	1,780.2	1,814.1	1,915.0
Profits before tax (billions of yen)	123.4	143.0	135.3	156.1
Net income (billions of yen)	72.5	91.7	83.1	97.0
Net income per share (yen)	99.79	123.63	112.64	132.33
Total assets (billions of yen)	1,884.9	1,852.7	1,953.6	2041.1
Net assets (billions of yen)	657.5	795.1	862.9	960.2

Notes:

1. The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the U.S.
2. Net income per share is calculated based on the average number of shares outstanding during the fiscal year.

■ Transition of operating results and assets of the Company

Items	Fiscal year ended March 2003	Fiscal year ended March 2004	Fiscal year ended March 2005	Fiscal year ended March 2006
Net sales (billions of yen)	855.0	876.3	897.2	934.3
Ordinary income (billions of yen)	68.8	62.5	62.7	82.4
Net income (billions of yen)	42.8	58.5	41.9	55.0
Net income per share (yen)	58.75	79.18	56.64	74.81
Total assets (billions of yen)	933.3	937.3	949.5	982.5
Net assets (billions of yen)	596.6	642.4	659.9	694.7

Note:

Net income per share is calculated based on the average number of shares outstanding during the fiscal year, from which the number of shares of treasury stock is deducted.

(4) Issues the Ricoh Group faces

Now that customers' needs have increasingly diversified, it seems that they are not satisfied with only buying products or receiving specific services. The business climate is also uneasy as the competition in the field of colorization of documents and solutions is increasingly intensifying.

In order for the Ricoh Group to achieve growth and development amid the drastically changing market environment, it is essential to boost our corporate competitiveness through "creation of new for values customer" and "highly efficient management structures."

In creating customer values, it is important that we forecast customer needs and improve our products and services to meet these needs. To this end, we will increase the scope of "customer satisfaction (CS) operation," in which we aggressively cultivate new values by more than ever placing ourselves in the shoes of our customers. We will also continue to enhance our technical ability to materialize products and services that provide new values.

Our effort will also continue on making management more efficient to raise our profitability. To raise profitability, we will streamline operational processes at each business

through structural reform. In addition, to improve managerial efficiency, we will concentrate resources on more carefully selected businesses. Furthermore, we will strive to reinforce the business structure by linking the results of prior investment, which has been made continuously for corporate growth, to profits.

The Ricoh Group will proactively invest resultant profits in growth fields and the enhancement of technical power, aiming to increase sales and profits while further raising corporate value.

2. Corporate Profile (as of March 31, 2006)

(1) Main business of the Ricoh Group

Office Solution Business	Imaging Solutions
	Digital copiers, color copiers, analog copiers, printers, facsimile machines, diazo copiers, scanners, multi-functional printers (MFP), printers, other equipment, and ancillary supplies and services, etc.
	Network System Solutions
	Personal computers, servers, networking equipment, network-related software, application software, services and support, etc.
Industry Business	Thermal media, optical equipment, semiconductors, electric units, measuring equipment, etc.
Other businesses	Optical-disc products, digital cameras, etc.

(2) Principal offices and plants of the Ricoh Group

■ Major domestic offices and plants

The Company (location)	Subsidiaries, etc. (location)
Head Office (Tokyo)	Ricoh Optical Industries Co., Ltd. (Iwate Pref.)
Omori Office (Tokyo)	Tohoku Ricoh Co., Ltd. (Miyagi Pref.)
Software Research Center (Kanagawa Pref.)	Ricoh Elemex Corporation (Aichi Pref.)
Shin-Yokohama Office (Kanagawa Pref.)	Ricoh Printing Systems, Ltd. (Tokyo)
Ricoh Technology Center (Kanagawa Pref.)	Ricoh Tohoku Co., Ltd. (Miyagi Pref.)
Central Laboratory (Kanagawa Pref.)	Ricoh Sales Co., Ltd. (Tokyo)
Atsugi Plant (Kanagawa Pref.)	Ricoh Chubu Co., Ltd. (Aichi Pref.)
Hatano Plant (Kanagawa Pref.)	Ricoh Kansai Co., Ltd. (Osaka Pref.)
Gotemba Plant (Shizuoka Pref.)	Ricoh Chugoku Co., Ltd. (Hiroshima Pref.)
Numazu Plant (Shizuoka Pref.)	Ricoh Kyushu Co., Ltd. (Fukuoka Pref.)
Fukui Plant (Fukui Pref.)	Ricoh Technosystems Co., Ltd. (Tokyo)
Ikeda Plant (Osaka Pref.)	Ricoh Leasing Co., Ltd. (Tokyo)
Yashiro Plant (Hyogo Pref.)	

■ Major overseas offices

Subsidiaries, etc. (location)	Subsidiaries, etc. (location)
RICOH CORPORATION (U.S.A)	RICOH ELECTROICS, INC. (U.S.A)
LANIER WORLDWIDE, INC. (U.S.A)	RICOH UK PRODUCTS LTD. (U.K)
RICOH EUROPE B.V. (Netherlands)	RICOH INDUSTRIE FRANCE S.A.S. (France)
NRG GROUP PLC (U.K)	RICOH ASIA INDUSTRY (SHENZHEN) LTD. (China)
RICOH CHINA CO., LTD. (China)	SHANGHAI RICOH FACSIMILE CO., LTD. (China)
RICOH ASIA PACIFIC PTE. LTD. (Singapore)	

(3) Shareholders' equity

■ Total number of shares

Authorized: 1,500,000,000

Issued: 744,912,078

Total number of shares authorized increased 507 million shares following the resolution at the 105th Ordinary General Meeting of Shareholders held on June 28, 2005.

■ Number of shareholders at year-end: 45,276

■ Major shareholders

Name	The shareholders' stake in the Company		The Company's stake in the shareholders	
	Thousands of shares	Investment ratio (%)	Thousands of shares	Investment ratio (%)
Master Trust Bank of Japan, Ltd. (Trust Account)	66,722	8.96	-	-
Japan Trustee Services Bank, Ltd. (Trust Account)	44,460	5.97	-	-
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	36,203	4.86	-	-
Nippon Life Insurance Company	31,306	4.20	-	-
Nipponkoa Insurance Co., Ltd.	18,193	2.44	55	0.01
The New Technology Development Foundation	15,839	2.13	-	-
State Street Bank and Trust Company 505103	15,009	2.01	-	-
State Street Bank and Trust Company	14,325	1.92	-	-
The Chase Manhattan Bank N.A. London	14,006	1.88	-	-
The National Mutual Insurance Federation of Agricultural Cooperatives	11,947	1.60	-	-

Notes:

1. The number of treasury stocks (14,579 thousands of shares) is not included in the chart above.
2. In addition to the above, stakes in the Company include 1,000 thousands of shares (0.13%) that Nipponkoa Insurance Co., Ltd. owns and has entrusted with Master Trust Bank of Japan, Ltd. These shares are registered in the name of Masters Trust Bank of Japan, Ltd. as the owner, but Nipponkoa Insurance Co., Ltd. reserves the right to instruct on exercising voting rights on these shares.

■ Breakdown of shareholders

Category	Thousands of shares held	Number of shareholders	Investment ratio (%)
Financial institutions	334,688	227	44.93
Securities companies	12,836	47	1.72
Other domestic companies	32,871	745	4.41
Foreign companies	291,237	652	39.10
Individual investors and others	58,699	43,604	7.88
Treasury stock	14,579	1	1.96
Total	744,912	45,276	100.00

(4) Acquisition, disposal and ownership of shares of treasury stock

(i) Acquired shares:

Common shares	5,681,448 shares
Total acquisition cost	11,820 million yen

Of the above, shares were purchased by resolution of the 105th Ordinary Meeting of Shareholders based on authorization of the Articles of Incorporation.

The reason for the purchase: in order to realize a flexible capital strategy to comply with changes in the business environment as follows:

Common shares	4,678,000 shares
Total amount of acquisition	9,993 million yen

(ii) Disposed shares:

Common shares	1,218,160 shares
Total disposal cost	2,395 million yen

(iii) Shareholdings at year-end:

Common shares	14,579,522 shares
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(5) Employees of the Ricoh Group and the Company

■ Employees of the Ricoh Group

Classification	Office solution business	Industry business	Other businesses	Common businesses in the group	Total
Number of employees	68,685	3,045	3,401	1,019	76,150

■ Employees of the Company

Number of employees	Change from previous fiscal year	Average age	Average length of service
11,340	48 (Decrease)	41.0	18.2

(6) Status of consolidation

■ Major consolidated subsidiaries

Name	Paid-in capital	Investment ratio	Principle business
Tohoku Ricoh Co., Ltd.	2,272 million JPY	100.0%	Manufacture of office equipment
Ricoh Printing Systems, Ltd.	5,000 million JPY	100.0	Manufacture and sales of office equipment
Ricoh Elemex Corporation	3,456 million JPY	55.9	Manufacture of office equipment
Ricoh Sales Co., Ltd.	622 million JPY	100.0	Sales of office equipment
Ricoh Kansai Co., Ltd.	700 million JPY	100.0	Maintenance service and sales of office equipment
Ricoh Technosystems Co., Ltd.	2,128 million JPY	100.0	Sales of office equipment
Ricoh Leasing Co., Ltd.	7,896 million JPY	51.1	General leasing
RICOH ELECTRONICS, INC.	27 million USD	100.0	Manufacture of office equipment and consumable supplies
RICOH CORPORATION	286 million USD	100.0	Sales of office equipment

LANIER WORLDWIDE, INC.	256 million USD	100.0	Sales of office equipment
RICOH EUROPE B.V.	17 million EUR	100.0	Sales of office equipment
NRG GROUP PLC	49 million GBP	100.0	Sales of office equipment

Note:

The respective percentage of total investment ratio for Ricoh Elemex Corporation, Ricoh Leasing Co., Ltd., Ricoh Electronics, Inc. and Lanier Worldwide, Inc. include voting rights of those shares held by subsidiaries.

■ Consolidations

There were no changes that should be disclosed.

■ Result of consolidation

As of the end of fiscal year under review, the Ricoh Group had 259 consolidated subsidiaries and 59 affiliates accounted for under the equity method. Results of consolidation were as stated in “1. Operating Conditions, (3) Transition of operating results and assets of the Ricoh Group and the Company, ■ Transition of operating results and assets of the Ricoh Group.”

(7) Directors and corporate auditors

	Position or principal duty	Name
President and Representative Director:	CEO	Masamitsu Sakurai
Director:	Management reform, information and office business; Head of Business Management Promotion Office	Koichi Endo
Director:	Domestic marketing; General Manager of Corporate Social Responsibility Division	Masayuki Matsumoto
Director:	Overseas marketing; General Manager of Overseas Division; Head of Sales Control Center	Katsumi Yoshida
Director:	Personnel, production, and legal affairs and intellectual property	Takashi Nakamura
Director:	Image engine/solutions development; General Manager of MFP Division and Head of Design Center	Shiro Kondoh
Director:	General Manger of Marketing Group	Kazunori Azuma
Director:	Finance and IR; General Manager of Finance and Accounting Division	Zenji Miura
Director:	Managing Partner of IGNITE GROUP	Nobuo Mii
Director:	Co-director of Mitsui Life Financial Research Center, University of Michigan Ross School of Business Director and General Manager, Japan Corporate Governance Research Institute, Inc. Professor, Faculty of Business Administration, Tokyo Keizai University	Takaaki Wakasugi
Corporate Auditor:	Full-time	Hisaaki Koga
Corporate Auditor:	Full-time	Koji Tomizawa
Corporate Auditor:	President of Matsuishi Law Office	Kenji Matsuishi
Corporate Auditor:	President and Representative Director of Sanai-oil Co., Ltd.	Takehiko Wada

Notes:

1. Changes of directors took place in the fiscal year under review as follows:
 - June 2005: Takaaki Wakasugi was appointed as Director.
 - June 2005: Makoto Hashimoto retired from Managing Director.
 - June 2005: Kiyoshi Sakai retired from Managing Director.
 - June 2005: Kazuo Togashi retired from Managing Director.
 - June 2005: Yuji Inoue retired from Managing Director.
 - June 2005: Hideyuki Takamatsu retired from Corporate Auditor.
 - March 2006: Tatsuo Hirayama retired from Representative Director.
2. Directors Nobuo Mii and Takaaki Wakasugi are external directors appointed under Article 188 Paragraph 2 Item 7-2 of the Commercial Code.
3. Corporate Auditors Kenji Matsuishi and Takehiko Wada are external corporate auditors as stipulated in Article 18 Paragraph 1 of the Law for Special Exceptions to the Commercial Code concerning Audit, etc. of Corporation.

(8) Remuneration, etc. to be paid to accounting auditors

Remuneration, etc. to be paid to the accounting auditor KPMG AZSA & Co. by the Company and its subsidiaries are as follows:

- (i) Total sum of remuneration, etc. to be paid to the accounting auditor by the Company and its subsidiaries, etc.: 213 million yen
- (ii) Of the amount of (i) above, total sum of remuneration, etc. to be paid for the audit certificate services provided in Article 2 Paragraph 1 of the Certified Public Accountants Law: 183 million yen
- (iii) Of the amount of (ii) above, total sum of remuneration, etc. to be paid by the Company to the accounting auditor: 76 million yen

Note:

In the audit contract signed between the Company and the accounting auditor, there is no classification between remuneration for audit services pursuant to the Law for Special Exceptions to the Commercial Code concerning Audit, etc. of Corporation and that in accordance with the Securities and Exchange Law. Accordingly, the amount of (iii) above represents the sum of these remunerations.

3. Subsequent Events

■ Sales of some operations of a subsidiary

At its Board of Directors' Meeting held on April 3, 2006, San-Ai Co., Ltd., a subsidiary of the Company, decided to sell the content distribution business currently under control of Giga Networks Company, a division of San-Ai, to Mobile Alliance Co., Ltd., a subsidiary of Faith, Inc.

The decision to sell the content distribution business was made based on the Ricoh Group's judgment that it would be the best for San-Ai and the Ricoh Group as a whole if such business is able to grow and develop while meeting the expectation of customers and business partners by becoming a part of the Faith group's business and further improving the quality of services.

Consummation of the 12.0-billion-yen sale is scheduled to occur on May 31, 2006. The gain on the sale is expected to be about 5.0 billion yen on the basis of net income.

Consolidated Balance Sheets (as of March 31, 2006)

	Millions of yen	
	As of March 31,	
	2006	2005
ASSETS		
Current Assets:		
Cash and cash equivalents	187,055	186,857
Time deposits	1,470	1,454
Marketable securities	162	138
Trade receivables:		
Notes	75,678	75,233
Accounts	391,972	396,150
Less-Allowance for doubtful receivables	(16,031)	(17,451)
Total trade receivables	451,619	453,932
Short-term lease receivables, etc.	178,882	166,636
Inventories:		
Finished goods	104,218	109,224
Work in progress and raw materials	65,027	58,141
Total inventories	169,245	167,365
Deferred tax, etc.	55,110	53,365
Total Current Assets	1,043,543	1,029,747
Fixed Assets:		
Tangible fixed assets:		
Land	46,721	43,077
Buildings and structures	217,302	203,537
Machinery, instruments and fixtures	622,038	643,386
Construction in progress	11,541	18,720
Less-Accumulated depreciation	(629,359)	(661,310)
Total	268,243	247,410
Investment and other assets:		
Finance receivable	415,435	391,947
Investment securities	36,419	31,154
Investment in and advances to affiliates	52,028	49,316
Goodwill	51,934	47,502
Other intangible assets	79,175	69,414
Lease deposit investment and other	94,406	87,179
Total investment and other assets	729,397	676,512
Total Fixed Assets:	997,640	923,922
Total Assets	2,041,183	1,953,669

Consolidated Balance Sheets (as of March 31, 2006)

	Millions of yen	
	As of March 31,	
	2006	2005
LIABILITIES		
Current Liabilities:		
Short-term borrowings	82,520	38,710
Current maturities of Long-term indebtedness trade payables	103,131	144,808
Notes	25,591	29,686
Accounts	313,561	306,813
Total purchase indebtedness	339,152	336,499
Accrued income tax	40,936	24,074
Accrued expenses, etc.	118,289	127,423
Total Current Liabilities	684,028	671,514
Long-term Liabilities:		
Long-term indebtedness	195,626	226,567
Accrued pension benefit obligation	97,020	92,672
Long-term deferred tax	51,374	48,767
Total Long-term Liabilities:	344,020	368,006
Total Liabilities	1,028,048	1,039,520
Minority Interests	52,890	51,151
Common stock	135,364	135,364
Additional paid - in Capital	186,450	186,551
Retained earnings	665,394	584,515
Accumulated other comprehensive income (loss)	4,099	(21,963)
Treasury stock	(31,062)	(21,469)
Total shareholders' equity	960,245	862,998
Total Liabilities, Minority Interests and Shareholders' Equity	2,041,183	1,953,669

Notes to Consolidated Balance Sheets

1. Allowance for doubtful accounts related to short-term lease receivables and lease receivables: 16,394 million yen
2. Other accumulated comprehensive income (loss) includes accumulated foreign currency translation adjustments, unrealized gain (loss) on securities, unrealized gain (loss) on derivatives, and pension liability adjustments.
3. Pledged assets: 3,167 million yen
4. Guarantee obligation: 1,193 million yen
5. The amounts below one million yen are rounded off.

Consolidated Statements of Income (from April 1, 2005 to March 31, 2006)

	Millions of yen	
	For the year ended March 31,	
	2006	2005
Net sales	1,915,090	1,814,108
Cost of sales	1,115,479	1,059,531
Gross profit	799,611	754,577
Selling, general and administrative expenses	647,597	619,071
Operating income	152,014	135,506
Other (income) expenses	4,185	(123)
Interest and dividend income	2,896	2,240
Interest expenses	(5,242)	(4,684)
Foreign exchange gain and loss, net	3,748	1,547
Others, net	2,783	774
Income before income taxes, minority interests and equity in earnings of affiliates	156,199	135,383
Provision for income taxes:		
Current	60,857	39,281
Deferred	(3,294)	11,353
Total income taxes	57,563	50,634
Minority interests	(4,185)	(4,726)
Equity in earnings of affiliates	2,606	3,120
Net income	97,057	83,143

Notes to Consolidated Statements of Income

1. Net income per share: 132.33 yen
2. The amounts below 1 million yen are rounded off.

Accounting Policies Regarding the Preparation of Consolidated Financial Statements

Scope of Consolidation

1. Items Related to Scope of Consolidation

(1) Number of consolidated subsidiaries: 259 companies

The name of major consolidated subsidiaries can be found in 2. Corporate Profile, (6) Status of consolidation.

(2) Major non-consolidated subsidiaries

Edisys Co., Ltd., others

Non-consolidated subsidiaries are all small-scale entities with net sales, net income/loss and retained earnings insignificant for the Company. As such, their non-inclusion in scope of consolidation does not significantly affect the Company's consolidated financial statements.

2. Application of the Equity Method

(1) Number of non-consolidated subsidiaries and affiliates to which the equity method is applied: 59 companies

Name of major non-consolidated subsidiaries and affiliates to which the equity method is applied: Coca-Cola West Japan Co., Ltd., others

(2) There are no non-consolidated subsidiaries or affiliates to which the equity method is not applied.

Significant Accounting Policies

1. Basis for Preparing Consolidated Financial Statements

The consolidated statutory report including consolidated balance sheets and consolidated statements of income has been prepared on the basis of accounting principles generally accepted in the United States of America ("U.S.GAAP"), in compliance with Article 179, Section 1 of the Commercial Code Enforcement Regulations. However, in compliance with the article, certain disclosure that is required on the basis of U.S.GAAP is omitted.

2. Accounting policy for Securities

The Company's evaluation for securities is in conformity with Statement No.115, "Accounting for Certain Investments in Debt and Equity Securities," of the U.S. Financial Accounting Standards Board (FASB). Securities held by the Company and its consolidated subsidiaries are classified mainly as available-for-sale securities.

Those available –for –sale securities are reported at fair value with unrealized gains and

losses, net of related taxes, excluded from earnings and reported in accumulated other comprehensive income (loss).

3. Accounting policy for Inventories:

Inventories are stated principally at the lower of cost or market using the gross average method.

4. Depreciation and Amortization of Property, Plant and Equipment:

Depreciated principally by using the declining-balance method. Meanwhile, most of overseas subsidiaries use the straight-line method.

5. Goodwill and Other Intangible Fixed Assets:

Goodwill and intangible assets that have indefinite useful lives are not amortized but tested at least annually for impairment, in accordance with the FASB Statement No. 142, "Goodwill and Other Intangible Assets." Other intangible fixed assets that have definite useful lives are depreciated by using the straight-line method.

6. Basis for Provision of Reserves

(1) Allowance for doubtful accounts:

To prepare for losses incurred by bad debts, potential loss is calculated by taking historical loss ratio and recoverability of loans to and receivables from a certain customer. The estimated allowance for doubtful accounts is calculated based on the past loan losses in consideration of current economic conditions. For receivables in arrears, special estimated allowance for doubtful accounts is set aside.

(2) Reserve for retirement allowances:

The measurement of pension costs and liabilities is determined in accordance with SFAS No.87, "Employers' Accounting for Pensions." Under SFAS 87, changes in the amount of either the projected benefit obligation or plan assets resulting from actual results different from that assumed and from changes in assumptions can result in gains and losses not yet recognized in the consolidated financial statements. Amortization of an unrecognized net gain or loss is included as a component of the net periodic benefit plan cost for a year if, as of the beginning of the year, that unrecognized net gain or loss exceeds 10 percent of the greater of (1) the projected benefit obligation or (2) the fair value of that plan's assets. In such case, the amount of amortization recognized is the resulting excess divided by the average remaining service period of active employees expected to receive benefits under the plan.

7. The consumption tax and the local consumption tax are excluded from profits and losses.

Independent Auditors Report

May 15, 2006

The Board of Directors
Ricoh Company, Limited

KPMG AZSA & Co.
Tetsuzo Hamajima (seal),
Designated and Engagement Partner
Certified Public Accountant

Mikihiro Himeno (seal),
Designated and Engagement Partner
Certified Public Accountant

We have audited the consolidated statutory report, that is the consolidated balance sheet and the consolidated statements of income of Ricoh Company, Limited for the 106th business year (from April 1, 2005 to March 31, 2006) in accordance with Article 19-2(3) of the "Law for Special Exceptions to the Commercial Code Concerning Audits, etc., of Kabushiki Kaisha." The consolidated statutory report is the responsibility of the Company's management. Our responsibility is to express our independent opinion on the consolidated statutory report based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the consolidated statutory report is free of material misstatement. An audit is conducted based on a test basis, and includes assessing accounting principles used, the method of their application and estimates made by management as well as evaluating the overall presentation of the consolidated statutory report. We believe that our audit provides reasonable bases for our opinion. Our audit procedures also include those considered necessary for the Company's majority-owned subsidiaries.

As a result of the audit, in our opinion, the consolidated statutory report referred to above presents fairly the consolidated results of their operations in conformity with related laws and regulations and the Articles of Incorporation of the Company.

No conflict of interest as defined by the Accounting Law exists between Ricoh Company, Ltd. Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Transcript of Corporate Auditor's Report on Consolidated Financial Statements (originally issued in Japanese)

Corporate Auditor's Report on Consolidated Financial Statements

The Board of Corporate Auditors discussed with each Corporate Auditor concerning the consolidated financial statements (the consolidated balance sheets and the consolidated statements of income) of Ricoh Company, Limited for the 106th business year (from April 1, 2005 to March 31, 2006). Upon discussion, the board prepared this audit report as follows.

1. Outline of Corporate Auditors' audit methods

In accordance with an audit policy prescribed by the Board of Corporate Auditors, each corporate Auditor received reports on the consolidated financial statements from the Directors, internal audit division, other administrative divisions and Account Auditors, and audited the operational and financial conditions of consolidated and non-consolidated subsidiaries as well when necessary.

2. Audit results

We regard that the audit methods and results by KPMG AZSA & Co. are appropriate.

May 15, 2006

The Board of Corporate Auditors, Ricoh Company Limited

Full-time corporate auditors:
Hisaaki Koga (seal), Koji Tomizawa (seal)

Corporate auditors:
Kenji Matsuishi (seal), Takehiko Wada (seal)

Note: Corporate auditors Kenji Matsuishi and Takehiko Wada are external auditors in accordance with Article 18 Item 1 of the Law for Special Exceptions to the Commercial Code Concerning Audits, etc., of Corporation.

Non-consolidated Balance Sheets (as of March 31, 2006)

	Millions of yen	
	As of March 31,	
	2006	2005
ASSETS		
Current Assets:		
Cash on hand and in bank	8,689	10,148
Notes receivable – trade	7,540	7,983
Accounts receivable – trade	235,393	213,503
Marketable securities	50,985	128,186
Finished goods	26,352	29,336
Raw materials	3,405	3,665
Work in progress	6,806	6,348
Supplies	7,820	6,924
Short-term loans receivable	102,411	33,753
Deferred tax assets	12,703	11,706
Accounts receivable – other	14,510	29,510
Other current assets	6,019	5,493
Allowance for doubtful accounts	(1,582)	(1,492)
Total Current Assets	481,056	485,067
Fixed Assets:		
Tangible fixed assets:		
Buildings	48,532	40,423
Structures	1,894	1,783
Machinery and equipment	19,391	18,422
Vehicles	19	12
Tools	21,997	17,521
Land	29,261	25,980
Construction in progress	9,277	4,806
Total tangible fixed assets	130,374	108,949
Intangible fixed assets:		
Leasehold right and others	9,169	9,203
Software	22,190	21,741
Total Intangible fixed assets	31,359	30,945
Investments and Other Assets:		
Investment securities	33,217	28,058
Investment securities in subsidiaries and affiliates	191,797	184,437
Investment in affiliates	25,974	28,440
Long-term loans receivable	80,814	70,170
Deferred tax assets	1,620	7,073
Lease deposit	7,009	6,515
Other investments	2,289	2,582
Allowance for doubtful accounts	(2,962)	(2,693)
Total investments and other assets	339,761	324,584
Total Fixed Assets	501,494	464,480
Total Assets	982,551	949,547

Non-consolidated Balance Sheets (as of March 31, 2006)

	Millions of yen	
	As of March 31,	
	2006	2005
LIABILITIES		
Current Liabilities:		
Notes payable – trade	4,641	6,033
Accounts payable – trade	133,036	109,598
Bonds due within one year	35,000	40,000
Accounts payable – other	17,112	13,650
Accrued expenses	33,153	34,872
Income tax payable, etc.	21,308	3,061
Reserve for bonuses	11,872	11,855
Warranty reserve	418	389
Other current liabilities	5,329	6,427
Total Current Liabilities	261,871	225,887
Long-term Liabilities:		
Bonds	25,000	60,000
Long-term accounts payable – other	-	2,810
Reserve for retirement allowances	417	352
Reserve for directors' retirement bonuses	510	519
Total Long-term Liabilities	25,927	63,683
Total Liabilities	287,799	289,571
 (Shareholders' Equity)		
Common Stock	135,364	135,364
Capital Surplus:		
Additional paid-in capital	180,804	179,522
Total Capital Surplus	180,804	179,522
Retained Earnings		
Legal reserve	14,955	14,955
Reserve for deferral of capital gain on property	550	574
Reserve for special depreciation	1,272	802
Reserve for warranty on computer programs	167	218
Reserve for social promotion	117	112
General reserve	326,350	301,350
Unappropriated retained earnings	55,740	42,392
Total Retained Earnings	399,153	360,404
Unrealized gain on valuation of stocks, etc.	8,769	4,598
Treasury stock	(29,339)	(19,914)
Total Shareholders' Equity	694,752	659,975
Total Liabilities and Shareholders' Equity	982,551	949,547

Notes to Non-consolidated Balance Sheets

- Short-term receivable due from affiliates: ¥319,437 million
Long-term receivable due from affiliates: ¥81,192 million
- Short-term payable due to affiliates: ¥79,679 million
- Accumulated depreciation on tangible fixed assets: ¥347,019 million
- Guarantee obligation: ¥117 million
- Trade notes receivable discounted with banks: ¥48 million
- In addition to the fixed assets stated in Balance Sheets, the Company uses computers and electronic component manufacturing facilities under lease agreements.
- Net assets pursuant to Article 124-3 of the Enforcement Regulation of the Commercial Code: ¥8,769 million
- The amounts less than one million yen are omitted.

Non-consolidated Statements of Income (from April 1, 2005 to March 31, 2006)

	Millions of yen	
	For the year ended March 31,	
	2006	2005
Ordinary Income and Loss		
Operating income and expenses		
Operating income:	934,354	897,217
Net sales	934,354	897,217
Operating expenses:	864,641	840,355
Cost of sales	645,496	619,968
Selling, general and administrative expenses	219,144	220,387
Total operating income	69,712	56,861
Non-operating income and expenses		
Non-operating income:		
Interest and dividend income	7,995	6,625
Other revenue	7,732	5,199
Total non-operating revenue	15,728	11,824
Non-operating expenses:		
Interest expenses	709	1,474
Other expenses	2,290	4,477
Total non-operating expenses	3,000	5,952
Ordinary income	82,441	62,733
Extraordinary Income and Loss		
Extraordinary income:		
Gains on sales of fixed assets	1,662	-
Total extraordinary income	1,662	-
Net income before taxes	84,103	62,733
Corporate, inhabitant and enterprise taxes	27,400	11,500
Corporate and other tax adjustments	1,616	9,250
Net income	55,087	41,983
Profit carried over	9,404	9,630
Reversal of reserve for social contribution	83	88
Disposal of treasury stocks	4	1,922
Interim cash dividends	8,830	7,387
Unappropriated retained earnings for the year	55,740	42,392

Notes to Non-consolidated Statements of Income

1. Sales to affiliates: ¥832,571 million
2. Purchase from affiliates: ¥342,565 million
3. Non-operating transactions with affiliates: ¥25,738 million
4. Net income per share: ¥74.81
5. The amounts less than one million yen are omitted.

Significant Accounting Policies

1. Accounting policy for Securities

(1) Securities of subsidiaries and affiliates

Securities of subsidiaries and affiliates are stated at cost based on the moving average method.

(2) Other securities

Marketable securities: Marked to market based on the market price at the end of the term and other factors (accounting for all valuation differences with the full capital injection method; the cost of securities sold is valued at moving average cost).

Non-marketable securities: Stated at cost based on the moving average method.

2. Accounting policy for Derivatives

Derivatives are stated at market value.

3. Accounting policy for Inventories

Inventories are stated principally at the lower of cost or market using the gross average method.

4. Depreciation and Amortization

(1) Tangible fixed assets:

Depreciated by using the declining-balance method.

Buildings (excluding fixtures) acquired after April 1, 1998 are depreciated using the straight-line method.

Major useful life:

Buildings: 5-50 years

Machinery and equipment: 2-12 years

(2) Intangible fixed assets:

Depreciated by using the straight-line method.

With software for sale in the market, however, the Company records the larger of an amortization based on projected sales profits or a uniform amortization based on a projected effective sales period for the balance. The initially projected effective sales term is three years. With software for internal use, the Company uses the straight-line method based on a usable period of five years.

5. Basis for Provision of Reserves

(1) Allowance for doubtful accounts:

To prepare for losses incurred by accounts receivables and loans, potential loss is calculated by taking historical loss ratio in case of non-classified loans/receivables. Potential loss for

classified loans/receivables is individually assessed.

(2) Reserve for bonuses:

Reserve for bonuses is provided by estimating the amount of bonuses payable to employees for the fiscal year under review based on corporate rules for calculating bonus payment.

(3) Warranty reserve:

To cover product after-sales service expenses, the Company calculates the product warranty reserve based on projected service costs during warrantee terms.

(4) Reserve for retirement allowances:

To prepare for projected retirement allowances, the Company records the estimated obligations at the end of the fiscal year under review based on projected year-end benefit obligations and plan assets. Actuarial gain or loss is amortized using the straight-line method over periods (15 years) which are less than the average remaining years of service of the employees, and the amortization will be stated in the year following the year in which the gain or loss is recognized. Underfunded pension obligations are amortized using the straight-line method over periods (15 years) which are less than the average remaining years of service of the employees.

(5) Reserve for directors' retirement bonuses:

The Company calculates the necessary amount of directors' retirement bonuses at the end of the fiscal year based on internal rules, in compliance with the provision in Article 43 of the Enforcement Regulation of the Commercial Code.

6. Consumption Taxes

The consumption tax and the local consumption tax are excluded from profits and losses.

7. Leasing

Finance leases where ownership does not transfer to the lessees are accounted for in the same manner as operating leases.

8. Hedge Accounting

(1) Hedge accounting methods:

The Company uses the allocation methods for currency swaps that meet the requirements for the method.

(2) Hedge instruments and targets:

There is no hedging instrument or hedged item at the end of the fiscal year under review.

(3) Hedging policies:

In accordance with its internal Market Risk Management Rules, the Company uses derivatives to manage the exposure of its assets and liabilities to market fluctuations, within the range of the hedged assets and liabilities.

(4) Hedge effectiveness:

Effectiveness is assessed by rate analysis of the sum total of price fluctuation involving hedged transactions and the sum total of price fluctuation involving hedge methods. However, evaluation of hedge effectiveness is omitted for currency swaps conducted through assigning transactions.

[Change in accounting policy]

■ Accounting standards for impairment of fixed assets

The Company adopted “Accounting Standards for Impairment of Fixed Assets (“Opinion Concerning Establishment of Accounting Standards for Impairment of Fixed Assets” issued by the Business Accounting Deliberation Council on August 9, 2002) and “Implementation Guidance for Accounting Standards for Impairment of Fixed Assets (Financial Accounting Standard Implementation Guidance No. 6 issued by the Accounting Standards Board of Japan on October 31, 2003) in the fiscal year under review.

The above adoption has little effect on profits and losses.

Proposal for Appropriation of Retained Earnings

	Yen	
	For the year ended March 31,	
	2006	2005
Unappropriated retained earnings at year-end	55,740,342,101	42,392,066,985
Reversal of reserve for deferral of capital gain on fixed assets	22,732,462	24,290,071
Reversal of reserve for special depreciation	393,585,677	186,560,715
Reversal of reserve for warranty on computer program	28,886,758	50,684,928
Total	56,185,546,998	42,653,602,699
To be appropriated as follows:		
Cash dividends	8,763,990,672	7,347,958,440
(Per share)	(12.00)	(10.00)
Directors' bonuses	135,700,000	155,700,000
Reserve for special depreciation	736,870,895	657,002,782
Reserve for social contribution	83,000,000	88,000,000
General reserve	36,000,000,000	25,000,000,000
Retained earnings brought forward to the next fiscal year	<u>10,465,985,431</u>	<u>9,404,941,477</u>

Note: On December 1, 2005, the Company paid interim cash dividends of 12.0 yen per share, totaling 8,830,471,500 yen.

Independent Auditors' Report

May 15, 2006

The Board of Directors
Ricoh Company, Limited

KPMG AZSA & Co.
Tetsuzo Hamajima (seal),
Designated and Engagement Partner
Certified Public Accountant

Mikihiro Himeno (seal),
Designated and Engagement Partner
Certified Public Accountant

We have audited the statutory report, that is the balance sheet, the statement of income, the business report (limited to accounting matters), and the proposal for appropriation of retained earnings, and its supporting schedules (limited to accounting matters) of Ricoh Company, Ltd. for the 106th business year from April 1, 2005 to March 31, 2006 in accordance with Article 2(1) of the "Law for Special Exceptions to the Commercial Code Concerning Audits, etc. of Kabushiki Kaisha." With respect to the aforementioned business report and supporting schedules, our audit was limited to those matters derived from the accounting books and records of the Company and its subsidiaries. The statutory report and supporting schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on the statutory report and supporting schedules based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the statutory report and supporting schedules are free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the statutory report and supporting schedules. We believe that our audit provides a reasonable basis for our opinion. Our audit procedures also include those considered necessary for the Company's subsidiary.

As a result of the audit, our opinion is as follows:

- (1) The balance sheet and the statement of income fairly present the financial position and the results of operations of the Company in conformity with related laws and regulations and the Articles of Incorporation of the Company.
- (2) The business report (limited to accounting matters) fairly presents the status of the Company in conformity with related laws and regulations and the Articles of Incorporation of the Company.
- (3) The proposal for appropriation of retained earnings has been prepared in conformity with related laws and regulations and the Articles of Incorporation of the Company.
- (4) With respect to the supporting schedules (limited to accounting matters), there are no items to be noted that are not in conformity with the provisions of the Commercial Code.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accounts Law of Japan.

Corporate Auditor's Report

The Board of Corporate Auditors received each corporate auditor's report on audit methods and results concerning the execution of duties of each director for the 106th business year from April 1, 2005 to March 31, 2006. Upon discussion, the board prepared this audit report as follows.

1. Outline of corporate auditors' audit methods

Each of the corporate auditors, in accordance with the policy and work shares prescribed by the Board of Corporate Auditors, attended the meetings of the Board of Directors and other important meetings of the Company, received reports on business operations from the Directors, etc., inspected important written approvals, etc., examined the status of activities and assets (including laws, etc. governing corporate structure as well as the internal corporate management system for risk management, etc.) of the head office and principal places of business, and had the subsidiaries of the Company submit reports on their business operations whenever necessary. The board also received reports and briefings from the independent auditors, and examined the statutory reports and supporting schedules of the Company.

With respect to any transactions by the Directors, transactions between the Directors and the Company involving conflict of interests, gratuitous provision of profits by the Company and any other transactions not customary in nature between the Company and its subsidiaries or shareholders, or related to acquisition and disposal of treasury stock, we, in addition to the above mentioned auditing, asked the Directors, etc. to submit reports, whenever necessary, and examined these transactions in detail.

2. Audit results

- (1) We hereby state that the audit method and results of KPMG AZSA & Co., independent auditors, are appropriate.
- (2) We hereby state that the business report fairly presents the Company's situation in accordance with the law and the Articles of Incorporation.
- (3) There is no matter that should be specially indicated for the proposal for appropriation of retained earnings, considering the state of the Company's asset and other circumstances.
- (4) Supporting schedules fairly present matters to be disclosed, and there is no item that should be indicated.
- (5) There is no important fact that represents an unfair act, or violates the law or the Articles of Incorporation, with respect to the execution of directors' duties including those for the subsidiary. Also, we found no violations of duties by directors with respect to any transactions by the Directors, no transaction between the Directors and the Company involving conflict of interests, no gratuitous provision of profits by the Company nor any other transactions not customary in nature between the Company and its subsidiaries or shareholders, or related to acquisition and disposal of treasury stock.

May 15, 2006

The Board of Corporate Auditors, Ricoh Company, Limited
Full-time corporate auditors:
Hisaaki Koga (seal), Koji Tomizawa
Corporate auditors:
Kenji Matsuishi (seal), Takehiko Wada (seal)

Note: Corporate auditors Kenji Matsuishi and Takehiko Wada are external auditors in accordance with Article 18 Item 1 of the Law for Special Exceptions to the Commercial Code Concerning Audits, etc., of Kabushiki Kaisha.

Consolidated Statements of Cash Flow (Unaudited)

	Millions of yen	
	For the year ended March 31,	
	2006	2005
1. Cash flows from operating activities		
Net income	97,057	83,143
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	84,460	78,201
Decrease in trade receivables (increase)	13,429	(26,429)
Decrease in inventories (increase)	3,726	(12,885)
Increase in trade payables (decrease)	(4,495)	27,276
Other, net	(17,308)	(16,526)
Net cash provided by operating activities	176,869	132,780
2. Cash flows from investing activities		
Expenditures for property, plant and equipment, net	(98,708)	(83,355)
Process from sales of available-for-sale securities, net	3,013	38,689
Other, net	(24,370)	(51,532)
Net cash used in investing activities	(120,065)	(96,198)
3. Cash flows from financing activities		
Decrease of borrowings, indebtedness and debt securities, net	(32,383)	(30,459)
Dividend payments	(16,178)	(14,793)
Payment for purchase of treasury stock	(10,653)	(10,624)
Other, net	(775)	(563)
Net cash used in financing activities	(59,989)	(56,439)
4. Effect of exchange rate changes on cash and cash equivalents	3,383	1,200
5. Net increase (decrease) in cash and cash equivalents	198	(18,657)
6. Cash and cash equivalents at beginning of year	186,857	203,039
7. Adjustment for change of fiscal period on consolidated subsidiaries	-	2,475
8. Cash and cash equivalents at year-end	187,055	186,857

Reference: Resolutions regarding basic policy on internal control systems

The Company made the following resolutions at the Board of Directors' Meeting held on May 17, 2006 regarding basic policy on construction of internal control systems.

1. System to ensure the efficient implementation of directors' duties and compliance with laws and Articles of Incorporation

The Company promotes a sense of alertness in execution of management and execution of business, and in addition uses the following management structures in order to further improve its quality and speediness.

- (1) Management transparency and fairness of decision-making are strengthened by the presence of outside directors.
- (2) As part of the strengthening of management oversight functions by the Board of Directors, the "Nomination and Compensation Committee," a permanent organization composed of outside directors and designated internal directors, makes propositions and resolutions concerning the regulation of the nomination, dismissal and compensation of directors and executive officers, etc.
- (3) The executive officer system, its division of duties clarified, is speeding up the decision-making process through the attribution of authority to each business division.
- (4) The "Group Management Committee" (GMC) is a decision-making organization delegated by the Board of Directors, and composed of executive officers who meet certain qualifications. The GMC operates so as to accelerate consideration and decision-making from the perspective of the optimum management of the entire Group, concerning proposals on the most appropriate strategies for direction of each business division and the entire Group, within the limits granted to it.
- (5) The "Disclosure Committee" is an independent organization that assures the accuracy, timeliness and comprehensiveness of disclosure of corporate information, and it performs checks on the process for the production of disclosed information.

2. Systems related to the retention and management of information related to the implementation of directors' duties

Records and proposals related to decisions by directors in the course of their duties are collated retained and managed in compliance with applicable laws, regulations and internal rules. Documents are kept so that they can be retrieved and produced in response to a request from directors and corporate auditors.

3. Regulations and other structures regarding risk management for losses

- (1) The occurrence of losses shall be proactively prevented based on regulations for risk management.
- (2) Should losses nevertheless arise, efforts shall be made to minimize damage (loss) based on standards for initial reaction.
- (3) In order to manage losses as a Group, comprehensively and in a unified fashion, a

division responsible for integrated management will be created that will thoroughly cover all aspects globally.

4. Systems to ensure appropriate compliance with laws, and Articles of Incorporation concerning the performance of employee's duties

(1) In order to thoroughly implement the "Ricoh Group CSR Charter" which sets forth the principles of corporate behavior with regard to CSR including compliance, and the "Ricoh Group Code of Conduct" which shows the general rules of conduct for Ricoh Group employees, the CSR Committee is in the process of setting up a "Hot Line" for reporting incidents and seeking advice, worldwide, and provides training. Every effort is being made to enhance compliance domestically and overseas.

(2) Strengthening and enhancing internal controls

Efforts are being made to improve business processes and construct a framework for standardized internal control throughout the entire Ricoh Group, with the goal of "complying with laws, norms and internal rules," "improvement of business effectiveness and efficiency" and "maintaining high reliability of financial reporting," including compliance to the section 404 of the Sarbanes-Oxley Act of 2002, and other relevant laws and regulations.

(3) Internal auditing

An internal auditing department shall perform fair and objective examination and evaluation of how each division is executing its business based on legal compliance and rational criteria, and provide advice or recommendation for improvement. .

5. Systems to ensure correct business standards in the Ricoh group composed of the company and its affiliates

Ricoh and each affiliate in the Ricoh Group shall devise a system that will ensure the adherence to correct business standards to improve business performance and enhance the prosperity of each Group company, while keeping mutual respect for their independence, as follows:

(1) The Company's Board of Directors and the "Group Management Committee" (GMC) make decisions and perform management oversight for the Ricoh Group as a whole. To ensure the efficacy of such efforts, they establish management regulations concerning affiliate companies, and set up relevant administrative organizations in order to manage the Group.

(2) The "Ricoh Group Standard" (RGS) represents a set of common rules to be followed by the entire Group.

6. Matters regarding employees whom auditors request to assist them in the performance of their duties

A system shall be established to assist work duties through directives from auditors, and to select employees who shall assist the auditors in their work.

7. Matters related to the independence of auditors' staff from directors described in No.

6 above

When an employee (as in No. 6 above) assists auditors in their work, he or she shall not be subject to orders given by directors. In addition, decisions concerning personnel assessments or personnel changes regarding said employees shall be made only after hearing the opinions of the auditors.

8. Systems to enable directors or employees to report to auditors, and other systems related to reporting to auditors

Directors or employees shall report to auditors matters concerning laws and regulations, as well as “important matters decided by directors which affect the entire company,” “the results of internal audits,” “the status of reporting via the internal reporting system,” and “matters which auditors have sought reports about.”

9. Systems established to ensure the efficacious performance of auditing responsibilities by auditors

Auditors shall perform audits thoroughly by attending the board of directors meetings and management meetings, receiving reports on exercise of function from the directors and executive officers, reviewing important resolution documents, and investigating the status of operations of divisions and group companies.

Reference Material for Exercising Voting Rights

1. Number of voting rights of all shareholders: 723,955

2. Agenda and Information:

Agenda 1: Approval of the proposed appropriation of retained earnings for the fiscal year (April 1, 2005 to March 31, 2006)

The proposal for appropriation of retained earnings is described in the attached 106th Report (see page 28).

Year-end cash dividends to shareholders for the current term will be paid at the rate of ¥12.00 per share, up 2 yen from a year earlier, in consideration of our business results for the term, the strengthening of our corporate structure and the expansion of business in the future.

Including interim cash dividends for the current term, shareholders will earn a total of ¥24.00 per share in cash dividends.

With regard to directors' bonuses for the period under review, we would like to pay bonuses amounting to a total of ¥135.7 million to the eleven (11) directors as of the year-end, considering the Company's business performance and other factors.

Agenda 2: Partial amendment to the Articles of Incorporation

(1) Reasons for Change

The "Corporation Law" (2005 Law No. 86) and the "Law Concerning the Development of Laws Related to the Enforcement of the Corporation Law" (Law No. 87, 2005) will come into force on May 1, 2006, and accordingly we shall make the following amendments with respect to the matters that will be allowed under the provisions of the Articles of Incorporation.

- (1) Article 10 of the Proposed Amendments (Rights Concerning Less-Than-One-Unit Shares):

This Article sets forth the rights which the shareholders may exercise with respect to shares of less than one unit.

- (2) Article 18 of the Proposed Amendments (Disclosure and Deemed Provision of Reference Materials for General Meeting of Shareholders via the Internet):

This Article enables the Company, in calling the general meeting of shareholders, to disclose the reference materials for the general meeting of shareholders and other documents by using the Internet, to make it more convenient for our shareholders to obtain information.

- (3) Article 28 of the Proposed Amendments (Omission of Resolution of Board of Directors):

This Article enables so-called written resolution of the Board of Directors provided for in Article 370 of the "Corporation Law" to increase the responsiveness and efficiency of the management of the Board of Directors.

- (4) Articles 30 (Exemption of Liability of Outside Directors) and 39 (Exemption of Liability of Outside Corporate Auditors) of the Proposed Amendments:

These Articles are enable the Company to enter into an agreement regarding limitation of

liability with outside directors and outside corporate auditors so that the Company can continue to invite highly independent and skilled people who are suitable for the position of an outside director and outside corporate auditor. All members of the Board of Auditors have already approved the proposed amendment in Article 30.

- (5) Articles 4 (Organizations) and 7 (Issue of Share Certificates) of the Proposed Amendments are newly established with respect to the matters for which new provisions must be made in the Articles of Incorporation pursuant to the provision of the Corporation Law.
- (6) Necessary amendments are made to use the clauses quoted from the Corporation Law and the terms amended under the Corporation Law, in addition to partial amendments of expression, correction of phrases and adjusting article numbers with addition and subtraction of articles.

(2) Details of Amendments to the Articles of Incorporation:

The details of amendments are as follows:

(Underlined portions indicate the changes.)

Current Articles of Incorporation	Proposed provisions after amendment
<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Trade Name) Article 1. The name of the Company is Kabushiki Kaisha Ricoh and is <u>written</u> RICOH COMPANY, LTD. in English.</p> <p><u>(Location of Head Office)</u> Article 2. The head office of the Company is to be located in Ohta-ku, Tokyo.</p> <p><u>(Objectives)</u> Article 3. The objectives of the Company are to engage in the following businesses: 1. – 9. (Omitted)</p> <p>(Newly established)</p> <p>(Public Notices) Article 4. Public notices of the Company shall appear in the Nihon Keizai Shimbun <u>published in Tokyo.</u></p>	<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Trade Name) Article 1. The name of the Company is Kabushiki Kaisha Ricoh and is <u>expressed</u> RICOH COMPANY, LTD. in English.</p> <p>(Unchanged)</p> <p>(Unchanged)</p> <p><u>(Organizations)</u> <u>Article 4. In addition to the general meeting of shareholders and directors, the Company shall establish the following organizations:</u> i) <u>Board of Directors;</u> ii) <u>Corporate Auditors;</u> iii) <u>Board of Corporate Auditors; and</u> iv) <u>Accounting Auditors.</u></p> <p><u>(Method of Public Notices)</u> Article 5. Public notices of the Company shall appear in the Nihon Keizai Shimbun.</p>
<p style="text-align: center;">Chapter II. Shares</p> <p>(Total Number of <u>Shares to be Issued and Types of Share Certificates</u>) Article 5. The total number of <u>shares to be issued</u> by the Company is one billion and five hundred million (1,500,000,000) shares. <u>If any shares are cancelled, the number of shares so cancelled shall be deducted from the total number of shares to be issued.</u></p>	<p style="text-align: center;">Chapter II. Shares</p> <p>(Total Number of <u>Issuable shares</u>) Article 6. The total number of <u>issuable shares</u> by the Company is one billion and five hundred million (1,500,000,000) shares. (Deleted)</p>

Current Articles of Incorporation	Proposed provisions after amendment
<p data-bbox="226 353 783 448"><u>2. The types of share certificates to be issued by the Company shall be subject to the Share Handling Regulations established by the Board of Directors.</u></p> <p data-bbox="226 488 421 515">(Newly established)</p> <p data-bbox="226 622 517 649">(Purchase of Treasury Stocks)</p> <p data-bbox="226 658 778 784">Article <u>6.</u> The Company may <u>purchase</u> the shares of its own stocks by a resolution of the Board of Directors pursuant to <u>Paragraph 1, Item 2 of Article 211-3 of the Commercial Code.</u></p> <p data-bbox="226 824 775 887">(Number of Shares Constituting One Unit and Non-Issuance of Certificates for Less-Than-One-Unit Shares)</p> <p data-bbox="226 896 783 990">Article <u>7.</u> The number of shares constituting one unit of shares of the Company shall be one thousand (1,000) shares.</p> <p data-bbox="226 1025 767 1191">2. The Company shall not issue any certificates for <u>shares constituting less than one unit of shares (hereinafter referred to as “less-than-one-unit shares”)</u>, unless otherwise provided for in the Share Handling Regulations.</p> <p data-bbox="226 1232 421 1258">(Newly established)</p>	<p data-bbox="880 353 975 380">(Deleted)</p> <p data-bbox="810 488 1114 515"><u>(Issuance of Share Certificates)</u></p> <p data-bbox="810 524 1294 586"><u>Article 7. The Company shall issue share certificates for the shares.</u></p> <p data-bbox="810 622 1101 649">(Purchase of Treasury Stocks)</p> <p data-bbox="810 658 1358 784">Article <u>8.</u> The Company may <u>acquire</u> the shares of its own stocks by a resolution of the Board of Directors pursuant to <u>Paragraph 2, Article 165 of the Corporation Law.</u></p> <p data-bbox="810 824 1358 887">(Number of Shares Constituting One Unit and Non-Issuance of Certificates for Less-Than-One-Unit Shares)</p> <p data-bbox="880 896 970 922">Article <u>9.</u></p> <p data-bbox="810 931 1366 1025"><u>1.</u> The number of shares constituting one unit of shares of the Company shall be one thousand (1,000) shares. (Small change in Japanese)</p> <p data-bbox="810 1034 1342 1160">2. <u>Notwithstanding the provisions of Article 7,</u> the Company shall not issue any certificates for <u>less-than-one-unit shares,</u> unless otherwise provided for in the Share Handling Regulations.</p> <p data-bbox="810 1232 1289 1258"><u>(Rights Concerning Less-Than-One-Unit Shares)</u></p> <p data-bbox="810 1267 1358 1429"><u>Article 10. A shareholder (including the beneficial shareholder; the same applies hereinafter) of the Company shall not exercise any rights other than those described below with respect to the less-than-one-unit shares held by it.</u></p> <p data-bbox="880 1438 1358 1496">i) <u>Right described in each Item of Paragraph 2, Article 189 of the Corporation Law.</u></p> <p data-bbox="880 1505 1358 1599">ii) <u>Right to make a request under the provision of Paragraph 1, Article 166 of the Corporation Law.</u></p> <p data-bbox="880 1608 1358 1733">iii) <u>Right to receive allocation of offered shares and allocation of offered stock purchase warrants in accordance with the number of shares held by the shareholder.</u></p> <p data-bbox="880 1742 1358 1800">iv) <u>Right to make a request provided for in the following Article.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
<p>(Sale of Shares Constituting Less-Than-One-Unit Shares to Constitute One Unit)</p> <p>Article 8. A shareholder <u>(including the beneficial shareholder; the same applies hereinafter)</u> who <u>holds less-than-one-unit shares</u> of the Company, may request that the Company sell such number of shares as may, together with <u>such</u> number of less-than-one-unit shares, constitute one unit of shares, in accordance with the Share Handling Regulations.</p> <p><u>(Transfer Agent)</u></p> <p>Article 9. The Company shall have a <u>transfer agent</u> for its shares.</p> <p>2. <u>The transfer agent</u> and its business office shall be determined by resolution of the Board of Directors and public notice shall be given thereof.</p> <p>3. The register of shareholders (including the register of beneficial shareholders; the same applies hereinafter) and the register of the lost share certificates of the Company shall be <u>kept at the business office of the transfer agent. All business pertaining to the shares of the Company, such as the registration of a transfer of shares and the purchase and sale of less-than-one-unit shares, shall be handled by the transfer agent</u> and not by the Company.</p> <p><u>(Share Handling Regulations)</u></p> <p>Article 10. <u>The registration of a transfer of shares, the registration of the lost share certificates, the purchase and sale of less-than-one-unit shares by the Company, and other business</u> pertaining to the shares of the Company shall be subject to the Share Handling Regulations established by the Board of Directors.</p>	<p>(Sale of Shares Constituting Less-Than-One-Unit Shares to Constitute One Unit)</p> <p>Article 11. A shareholder of the Company may request that the Company sell such number of shares as may, together with <u>the</u> number of less-than-one-unit shares <u>held by the shareholder</u>, constitute one unit of shares, in accordance with the Share Handling Regulations.</p> <p><u>(Custodian of Register of Shareholders)</u></p> <p>Article 12.</p> <p>1. The Company shall have a <u>custodian of the register of shareholders.</u></p> <p>2. <u>The custodian of the register of shareholders</u> and its business office shall be determined by resolution of the Board of Directors and public notice shall be given thereof.</p> <p>3. The register of shareholders (including the register of beneficial shareholders; the same applies hereinafter), <u>the register of stock purchase warrants</u> and the register of the lost share certificates of the Company shall be <u>prepared and kept, and all other business pertaining to the register of shareholders, the register of stock purchase warrants and the register of the lost share certificates shall be handled by the custodian of the register of shareholders</u> and not by the Company.</p> <p><u>(Share Handling Regulations)</u></p> <p>Article 13. <u>The business and the service changes</u> pertaining to the shares of the Company shall be subject to <u>laws, ordinances or these Articles of Incorporation</u> and the Share Handling Regulations established by the Board of Directors.</p>

Current Articles of Incorporation	Proposed provisions after amendment
<p><u>(Record Date)</u> <u>Article 11. The Company shall deem the shareholders (including the beneficial shareholders; the same applies hereinafter) appearing or recorded in the final register of shareholders as of the accounts closing date for each business year to be the shareholders entitled to exercise the shareholders' rights at the ordinary general meeting of shareholders concerning such business year.</u> <u>2. In addition to the preceding paragraph, whenever necessary, upon giving prior public notice in accordance with the resolution of the Board of Directors, the Company may deem the shareholders or registered pledgees appearing or recorded in the register of shareholders as of a certain fixed date to be the shareholders or registered pledgees entitled to exercise their rights.</u></p> <p>Chapter III. General Meeting of Shareholders</p> <p><u>(Calling of Meeting)</u> Article 12. The ordinary general meeting of shareholders shall be called in June each year and an extraordinary general meeting of shareholders shall be called as the necessity arises. <u>2. A general meeting of shareholders shall be called by a Representative Director previously appointed by the resolution of the Board of Directors.</u> <u>3. In the event that the Representative Director as appointed above is unable to act, one of the other directors shall call such meeting in the order determined in advance by resolution of the Board of Directors.</u></p> <p><u>(Newly established)</u></p>	<p><u>(Deleted)</u></p> <p>Chapter III. General Meeting of Shareholders</p> <p><u>(Calling of Meeting)</u> Article 14. (Unchanged)</p> <p><u>(Deleted)</u></p> <p><u>(Deleted)</u></p> <p><u>(Record Date of General Meeting of Shareholders)</u> Article 15. <u>The record date of voting rights for the Company's general meeting of shareholders shall be March 31 every year.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
<p>(Exercise of Voting Rights by Proxy)</p> <p>Article <u>13</u>. A shareholder may exercise his voting rights by proxy who shall be another shareholder of the Company <u>entitled to vote</u>.</p> <p>2. Such shareholder or proxy shall submit a power of attorney to the Company.</p> <p>(Chairman)</p> <p><u>Article 14. A Representative Director previously appointed by resolution of the Board of Directors shall preside over a general meeting of shareholders. In the event that the Representative Director is unable to act, one of the other directors shall act in his place in the order determined in advance by resolution of the Board of Directors.</u></p> <p>(Newly established)</p> <p>(Method of Adopting Resolutions)</p> <p>Article <u>15</u>. Except as otherwise provided for in laws, ordinances or these Articles of Incorporation, resolutions at a general meeting of shareholders shall be adopted by a majority of the votes of the shareholders present thereat.</p> <p>2. <u>Special</u> resolutions provided for in <u>Article 343 of the Commercial Code</u> shall be adopted by the vote of the shareholders not less than two-thirds (2/3) of those present at the meeting whereby one-third (1/3) of voting rights of <u>all</u> the shareholders shall constitute a quorum.</p>	<p>(Exercise of Voting Rights by Proxy)</p> <p>Article <u>16</u>.</p> <p><u>1</u>. A shareholder may exercise his voting rights by proxy who shall be another shareholder of the Company <u>that has voting rights</u>.</p> <p>2. Such shareholder or proxy shall submit a <u>document certifying the power of attorney to the Company for each general meeting of shareholders</u>.</p> <p><u>(Person with the Right to Call the Meeting and Chairman)</u></p> <p><u>Article 17.</u></p> <p><u>1. A meeting of the shareholders shall be called and presided over by a Representative Director previously appointed by the Board of Directors.</u></p> <p><u>2. In case the Representative Director is unable to act, one of the other directors shall call and preside over the meeting of the shareholders in accordance with the order determined in advance by resolution of the Board of Directors.</u></p> <p><u>(Disclosure and Deemed Provision of Reference Materials for General Meeting of Shareholders via the Internet)</u></p> <p><u>Article 18. In calling the general meeting of shareholders, the Company may deem that the information regarding the matters which should be described or shown in the reference materials for the general meeting of shareholders, business reports, financial documents and consolidated financial documents have been provided to the shareholders by disclosing them via the Internet in accordance with the Ministerial Ordinance of the Ministry of Justice.</u></p> <p>(Method of Adopting Resolutions)</p> <p>Article <u>19</u>.</p> <p><u>1</u>. Except as otherwise provided for in laws, ordinances or these Articles of Incorporation, resolutions at a general meeting of shareholders shall be adopted by a majority of the votes of the shareholders present thereat <u>who are entitled to vote</u>.</p> <p>2. Resolutions provided for in <u>Paragraph 2, Article 309 of the Corporation Law</u> shall be adopted by the vote of the shareholders not less than two-thirds (2/3) of those present at the meeting whereby <u>not less than</u> one-third (1/3) of voting rights of the shareholders <u>entitled to exercise voting rights</u> shall constitute a quorum.</p>

Current Articles of Incorporation	Proposed provisions after amendment
<p>(Minutes)</p> <p>Article <u>16</u>. The proceedings in outline and the resultant actions taken at a general meeting of shareholders shall be entered in the minutes, which shall bear the names and seals of the chairman of the meeting and the directors present and shall be kept by the Company.</p>	<p>(Minutes)</p> <p>Article <u>20</u>. The proceedings in outline, <u>the resultant actions taken and other matters subject to laws and ordinances</u> at a general meeting of shareholders shall be entered in the minutes, which shall bear the names and seals of the chairman of the meeting and the directors present and shall be kept by the Company.</p>
<p>Chapter IV. Directors and Board of Directors</p>	<p>Chapter IV. Directors and Board of Directors</p>
<p>(Number)</p> <p>Article <u>17</u>. The Company shall have not more than fifteen (15) directors.</p>	<p>(Number)</p> <p>Article <u>21</u>. The Company shall have not more than fifteen (15) directors. (Small change in Japanese)</p>
<p>(Election)</p> <p>Article <u>18</u>. Directors shall be elected at a general meeting of shareholders.</p> <p>2. Resolutions for the election <u>under the preceding paragraph</u> shall be adopted by a majority of the votes of the shareholders present who hold not less than one-third (1/3) of the voting rights of <u>all</u> the shareholders.</p> <p>3. Cumulative voting shall not be used for the adoption of resolutions for the election of directors.</p>	<p>(Election)</p> <p>Article <u>22</u>.</p> <p><u>1. (Unchanged)</u></p> <p>2. Resolutions for the election <u>of directors</u> shall be adopted by a majority of the votes of the shareholders present who hold not less than one-third (1/3) of the voting rights of the shareholders <u>entitled to exercise voting rights</u>.</p> <p>3. (Unchanged)</p>
<p>(Term of Office)</p> <p>Article <u>19</u>. The term of office of directors shall be until the close of the ordinary general meeting of shareholders relating to the last <u>accounts closing date occurring</u> within two (2) years after their <u>assumption of office; provided, however, that the term of office of a director elected to fill a vacancy or by reason of an increase in the number of directors shall be for the remaining balance of the term of office of the other directors currently in office.</u></p>	<p>(Term of Office)</p> <p>Article <u>23</u>.</p> <p><u>1. The term of office of directors shall be until the close of the ordinary general meeting of shareholders relating to the last fiscal year ending</u> within two (2) years after their <u>election</u>.</p> <p><u>2. The term of office of a director elected to fill a vacancy of a director who has resigned before the completion of his/her term, or elected to increase the number of directors, shall be for the remaining balance of the term of office of the other directors currently in office.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
<p><u>(Filling of Vacancy)</u></p> <p><u>Article 20. In the event of any vacancy occurring in the office of directors, no election to fill such vacancy may be held, if the number of the remaining directors is not short of the statutory number.</u></p> <p>(Representative Directors)</p> <p>Article 21. <u>One (1) or more</u> representative directors shall be <u>appointed</u> by resolution of the Board of Directors.</p> <p><u>(Calling of Meetings of Board of Directors; Chairman; Resolutions)</u></p> <p>Article 22. <u>The Board of Directors shall decide important matters concerning the execution of business and affairs of the Company as well as such matters as are provided for in laws and ordinances.</u></p> <p>2. <u>A meeting of the Board of Directors shall be called and presided over by a Director previously appointed by the Board of Directors.</u> In case the Director is unable to act, one of the other directors shall <u>act in his place in</u> the order determined in advance by resolution of the Board of Directors.</p> <p>3. <u>Notice of a meeting of the Board of Directors shall be dispatched to each director and each corporate auditor three (3) days before the date of the meeting; provided, however, that such meeting may be held without going through the procedure for calling if so agreed by all the directors and the corporate auditors.</u></p> <p>4. <u>Resolutions at a meeting of the Board of Directors shall be adopted by a majority of the directors present who shall constitute a majority of the total number of directors.</u></p>	<p>(Deleted)</p> <p>(Representative Directors)</p> <p>Article 24. Representative Directors shall be <u>elected</u> by resolution of the Board of Directors.</p> <p><u>(Person with the Right to Call the Meeting of Board of Directors and Chairman)</u></p> <p>Article 25.</p> <p>(Deleted)</p> <p>1. <u>A meeting of the Board of Directors shall be called and presided over by a Director previously appointed by the Board of Directors.</u></p> <p>2. In case the Director is unable to act, one of the other directors shall <u>call and preside over the meeting of the Board of Directors in accordance with the order determined in advance by resolution of the Board of Directors.</u></p> <p>(Deleted)</p> <p>(Deleted)</p>
<p>(Newly established)</p>	<p><u>(Calling Meetings of Board of Directors)</u></p> <p>Article 26.</p> <p>1. <u>Notice of a meeting of the Board of Directors shall be dispatched to each director and each corporate auditor three (3) days before the date of the meeting; provided, however, that such period may be shortened in case of emergency.</u></p> <p>2. <u>A meeting of the Board of Directors may be held without going through the procedure for calling, if so agreed by all the directors and the corporate auditors.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
(Newly established)	<p><u>(Resolutions of Meetings of Board of Directors)</u></p> <p><u>Article 27.</u></p> <p><u>1. The Board of Directors shall decide important matters concerning the execution of business and affairs of the Company as well as such matters as are provided for in laws and ordinances.</u></p> <p><u>2. Resolutions at a meeting of the Board of Directors shall be adopted by a majority of the directors present who shall constitute a majority of the total number of directors.</u></p>
(Newly established)	<p><u>(Omission of Resolution of Board of Directors)</u></p> <p><u>Article 28. The Company shall deem that the resolution of the Board of Directors has been adopted if the requirements under Article 370 of the Corporation Law are satisfied.</u></p>
(Remuneration) Article 23. Remuneration <u>of directors</u> shall be determined by resolution at a general meeting of shareholders.	<p><u>(Remuneration and other interests)</u></p> <p><u>Article 29. Remuneration and bonus of directors and other property interests received by the directors from the Company in consideration of the performance of their duties (hereinafter referred to as the “Remuneration”) shall be determined by resolution at a general meeting of shareholders.</u></p>
(Newly established)	<p><u>(Exemption of Liability of Outside Directors)</u></p> <p><u>Article 30. The Company may enter into an agreement with outside directors under which their liability for damages due to the failure in performing their duties shall be limited in accordance with the provisions of Paragraph 1, Article 427 of the Corporation Law; provided, however, that the limit of liability under such agreement shall be the higher of the predetermined amount of not less than ten million (10,000,000) yen, or the amount provided for under the laws and ordinances.</u></p>
Chapter V. Corporate Auditors and Board of Corporate Auditors	Chapter V. Corporate Auditors and Board of Corporate Auditors
(Number) Article 24. The Company shall have not more than five (5) corporate auditors.	(Number) Article 31. The Company shall have not more than five (5) corporate auditors. (Small change in Japanese)

Current Articles of Incorporation	Proposed provisions after amendment
<p>(Election)</p> <p>Article <u>25</u>. Corporate auditors shall be elected at a general meeting of shareholders.</p> <p>2. Resolutions for the election <u>under the preceding paragraph</u> shall be adopted by a majority of the votes of the shareholders present who hold not less than one-third (1/3) of the voting rights of <u>all</u> the shareholders.</p> <p>(Term of Office)</p> <p>Article <u>26</u>. The term of office of corporate auditors shall be until the close of the ordinary general meeting of shareholders relating to the last <u>accounts closing date occurring</u> within four (4) years after their assumption of office; <u>provided, however, that the term of office of a corporate auditor elected to fill a vacancy shall be for the remaining balance of the term of office of the retired corporate auditor.</u></p> <p>(Filling of Vacancy)</p> <p><u>Article 27. In the event of any vacancy occurring in the office of corporate auditors, no election to fill such vacancy may be held, if the number of the remaining corporate auditors is not short of the statutory number.</u></p>	<p>(Election)</p> <p>Article <u>32</u>.</p> <p><u>1. (Unchanged)</u></p> <p>2. Resolutions for the election <u>of corporate auditors</u> shall be adopted by a majority of the votes of the shareholders present who hold not less than one-third (1/3) of the voting rights of the shareholders <u>entitled to exercise voting rights.</u></p> <p>(Term of Office)</p> <p>Article <u>33</u>.</p> <p><u>1. The term of office of corporate auditors shall be until the close of the ordinary general meeting of shareholders relating to the last fiscal year ending</u> within four (4) years after their assumption of office.</p> <p><u>2. The term of office of a corporate auditor elected to fill a vacancy of an auditor resigned before the completion of the term shall be for the remaining balance of the term of office of the retired corporate auditor.</u></p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed provisions after amendment
<p><u>(Calling of Meetings of Board of Corporate Auditors; Resolutions)</u></p> <p>Article 28. <u>The Board of Corporate Auditors shall decide matters concerning the audit policy, the methods for investigating the state of the business and property and the execution of other duties of corporate auditors as well as such matters as are provided for in laws and ordinances.</u></p> <p>2. <u>A meeting of the Board of Corporate Auditors shall be called by each corporate auditor.</u></p> <p>3. <u>Notice of a meeting of the Board of Corporate Auditors shall be dispatched to each corporate auditor three (3) days before the date of the meeting; provided, however, that such meeting may be held without going through the procedure for calling if so agreed by all the corporate auditors.</u></p> <p>4. <u>Except as otherwise provided for in laws or ordinances, resolutions at a meeting of the Board of Corporate Auditors shall be adopted by a majority of the corporate auditors.</u></p>	<p><u>(Person with the Right to Call the Meeting of Board of Corporate Auditors)</u></p> <p>Article 34. (Deleted)</p> <p>A meeting of the Board of Corporate Auditors shall be called by each corporate auditor. (Deleted)</p> <p>(Deleted)</p>
<p>(Newly established)</p>	<p><u>(Calling Meetings of Board of Corporate Auditors)</u></p> <p>Article 35.</p> <p>1. <u>Notice of a meeting of the Board of Corporate Auditors shall be dispatched to each corporate auditor three (3) days before the date of the meeting; provided, however, that such period may be shortened in case of emergency.</u></p> <p>2. <u>A meeting of the Board of Corporate Auditors may be held without going through the procedure for calling, if so agreed by all the corporate auditors.</u></p>
<p>(Newly established)</p>	<p><u>(Resolutions of Meetings of Board of Corporate Auditors)</u></p> <p>Article 36.</p> <p>1. <u>The Board of Corporate Auditors shall decide matters concerning the audit policy, the methods for investigating the state of the business and property and the execution of other duties of corporate auditors as well as such matters as are provided for in laws and ordinances.</u></p> <p>2. <u>Except as otherwise provided for in laws or ordinances, resolutions at a meeting of the Board of Corporate Auditors shall be adopted by a majority of the corporate auditors.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
<p>(Full-Time Corporate Auditor) <u>Article 29. The corporate auditors shall appoint a full-time corporate auditor or auditors from among their number.</u></p> <p>(Remuneration) Article 30. Remuneration of corporate auditors shall be determined by resolution at a general meeting of shareholders.</p> <p>(Newly established)</p>	<p>(Full-Time Corporate Auditor) <u>Article 37. A full-time corporate auditor or auditors shall be elected by resolution of the Board of Corporate Auditors.</u></p> <p>(Remuneration and other interests) Article 38. Remuneration and other interests of corporate auditors shall be determined by resolution at a general meeting of shareholders.</p> <p><u>(Exemption of Liability of Outside Corporate Auditors)</u> <u>Article 39. The Company may enter into an agreement with outside corporate auditors under which their liability for damages due to the failure in performing their duties shall be limited in accordance with the provisions of Paragraph 1, Article 427 of the Corporation Law; provided, however, that the limit of liability under such agreement shall be the higher of the predetermined amount not less than five million (5,000,000) yen, or the amount provided for under the laws or regulations.</u></p>
Chapter VI. Accounts	Chapter VI. Accounts
<p><u>(Business Year; Accounts Closing Date)</u> Article 31. The <u>business</u> year of the Company shall be from April 1 of each year to March 31 of the following year <u>and the last day of each business year shall be the accounts closing date.</u></p> <p><u>(Dividends)</u> Article 32. <u>Dividends shall be paid to the shareholders and registered pledgees appearing or recorded in the final register of shareholders as of</u> March 31 of each year.</p> <p>(Interim Dividends) Article 33. The Company may, by resolution of the Board of Directors, <u>make cash distribution as provided for in Article 293-5 of the Commercial Code of Japan ("interim dividends") to the shareholders or registered pledgees appearing or recorded in the final register of shareholders as of</u> September 30 of each year.</p>	<p><u>(Fiscal Year)</u> Article 40. The <u>fiscal</u> year of the Company shall be <u>one year</u> from April 1 of each year to March 31 of the following year.</p> <p><u>(Record Date for Dividends at Fiscal Year End)</u> Article 41. <u>The record date for the dividends to be paid by the Company at the end of fiscal year shall be</u> March 31 of each year.</p> <p>(Interim Dividends) Article 42. The Company may, by resolution of the Board of Directors, <u>pay interim dividends by regarding</u> September 30 of each year <u>as the record date.</u></p>

Current Articles of Incorporation	Proposed provisions after amendment
<p data-bbox="225 309 451 336">(Period of Limitations)</p> <p data-bbox="225 342 778 506">Article <u>34</u>. The Company shall be relieved from the obligation to pay any <u>dividend or interim dividend</u> if such <u>any dividend or interim dividend</u> remains unreceived after the lapse of three (3) full years from the date on which the same became due and payable.</p>	<p data-bbox="809 309 1174 336">(Period of Limitations <u>for Dividends</u>)</p> <p data-bbox="809 342 1362 539">Article <u>43</u>. The Company shall be relieved from the obligation to pay any <u>property available for distribution</u> if such <u>property available for distribution is cash and still</u> remains unreceived after the lapse of three (3) full years from the date on which the same became due and payable.</p>

Agenda 3: Election of eleven (11) directors

As the tenure of office of ten (10) directors will expire at the end of this General Meeting of Shareholders, the Company proposes the appointment of eleven (11) directors at this meeting.

The candidates for directors are as follows:

No.	Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company, with an asterisk)	Number of the Company's shares held
1	Masamitsu Sakurai (January 8, 1942)	Apr. 1966 Joined the Company May 1984 President, Ricoh UK Products Ltd. Jun. 1992 Director of the Company Apr. 1993 President, Ricoh Europe B.V. Jun. 1994 Managing Director of the Company Apr. 1996 President and Representative Director of the Company Mar. 2005 * Chairman, Coca-Cola West Japan Co., Ltd. (to date) Jun. 2005 Representative Director of the Company (to date) President of the Company (to date) Chairman of the Board of the Company (to date) CEO (Chief Executive Officer) (to date)	9,000
2	Koichi Endo (February 16, 1944)	Apr. 1966 Joined the Company Apr. 1987 President, Ricoh Electronics, Inc. Jun. 1992 Director of the Company Jun. 1997 Managing Director of the Company Jun. 2000 Executive Managing Director of the Company Executive Vice President of the Company Apr. 2004 General Manager, Fact Base Management Innovation Office (to date) Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date) CINO (Chief Innovation Officer) (to date) Apr. 2006 CSO (Chief Strategy Officer) (to date)	13,747
3	Masayuki Matsumoto (December 10, 1944)	Apr. 1970 Joined the Company Jul. 1993 Manager, Tokyo Branch, Imaging Equipment Marketing Division, Marketing Group Jun. 1994 Director of the Company Jan. 1996 Deputy General Manager, Marketing Division Oct. 1998 Managing Director of the Company General Manager, Marketing Group Jun. 2000 Executive Vice President of the Company Jun. 2002 Executive Managing Director of the Company Apr. 2005 General Manager, Corporate Social Responsibility Division (to date) Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date) CMO (Chief Marketing Officer) (Japan) (to date)	4,000

No.	Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company, with an asterisk)	Number of the Company's shares held
4	Katsumi Yoshida (August 20, 1944)	Apr. 1967 Joined the Company Oct. 1990 President, Ricoh Electronics, Inc. Feb. 1996 Vice Chairman, Ricoh Corporation Apr. 2000 President, Ricoh Corporation Apr. 2001 Executive Vice President of the Company Jun. 2002 Managing Director of the Company Oct. 2003 General Manager, International Marketing Group * Chairman, Ricoh China Co., Ltd. (to date) Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date) CMO (Chief Marketing Officer) (overseas) (to date) Apr. 2006 In charge of Office Business Strategic Planning (to date)	5,100
5	Takashi Nakamura (September 2, 1946)	Apr. 1972 Joined the Company Apr. 1990 President, Ricoh UK Products Ltd. Jan. 1995 President, Ricoh Europe B.V. Jun. 1998 Director of the Company Jun. 2000 Senior Vice President of the Company Jun. 2002 President, Ricoh Elemex Corporation Jun. 2004 Managing Director of the Company Jun. 2005 Director of the Company (to date) In charge of Legal Affairs and Intellectual Property (to date) Jan. 2006 Corporate Executive Vice President of the Company (to date) CHO (Chief Human Resource Officer) (to date) CPO (Chief Production Officer) (to date)	6,693
6	Shiro Kondoh (October 7, 1949)	Apr. 1973 Joined the Company Jul. 1999 Deputy General Manager, Imaging System Business Group Jun. 2000 Senior Vice President of the Company Oct. 2000 General Manager, Imaging System Business Group Jun. 2002 Executive Vice President of the Company Jun. 2003 Managing Director of the Company Oct. 2004 In charge of Imaging Engine Solution Development (to date) General Manager, MFP Business Group (to date) Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date)	5,000

No.	Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company, with an asterisk)	Number of the Company's shares held
7	Kazunori Azuma (February 11, 1949)	Apr. 1971 Joined the Company Oct. 2000 President, Ricoh Technosystems Co., Ltd. Jun. 2003 Managing Director of the Company Executive Vice President of the Company In charge of Domestic Sales Planning Oct. 2003 Chairman, Ricoh Technosystems Co., Ltd. Nov. 2003 General Manager, Marketing Group (to date) Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date)	6,000
8	Zenji Miura (January 5, 1950)	Apr. 1976 Joined the Company Jan. 1993 President, Ricoh France S.A. Oct. 2000 Senior Vice President of the Company General Manager, Finance and Accounting Division Jun. 2003 Executive Vice President of the Company Jun. 2004 Managing Director of the Company Jun. 2005 Director of the Company (to date) Corporate Executive Vice President of the Company (to date) CFO (Chief Financial Officer) (to date) In charge of IR (to date) Apr. 2006 CIO (Chief Information Officer) (to date) In charge of Corporate Communication and Management of Group Companies (to date) General Manager, Corporate Planning Division (to date)	6,000
9	Kiyoshi Sakai (December 25, 1945)	Apr. 1970 Joined the Company Apr. 1994 General Manager, IPS Business Division, Imaging System Business Group Jan. 1996 General Manager, Corporate Planning Division Jun. 1996 Director of the Company Apr. 1999 General Manager, Research & Development Group Jun. 2000 Senior Vice President of the Company Jun. 2002 Managing Director of the Company Executive Vice President of the Company Jun. 2005 Corporate Senior Vice President of the Company (to date) Apr. 2006 In charge of Research & Development and Corporate Environment (to date)	5,000

No.	Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company, with an asterisk)	Number of the Company's shares held
10	Takaaki Wakasugi (March 11, 1943)	<p>Mar. 1968 Graduated from Graduate School of Economics, the University of Tokyo</p> <p>Jun. 1985 Professor, Faculty of Economics, the University of Tokyo</p> <p>Sep. 1990 Co-director, Mitsui Life Financial Research Center, University of Michigan Ross School of Business (to date)</p> <p>Apr. 2003 * Director and General Manager, Japan Corporate Governance Research Institute, Inc. (to date)</p> <p>Apr. 2004 Professor, Faculty of Business Administration, Tokyo Keizai University (to date)</p> <p>Jun. 2004 Professor Emeritus, the University of Tokyo</p> <p>Jun. 2005 Director of the Company (to date)</p>	3,000
11	Takuya Goto (August 19, 1940)	<p>Apr. 1964 Joined Kao Soap Company (renamed Kao Corporation in 1985)</p> <p>May 1987 General Manager, Tochigi Plant, Kao Corporation</p> <p>May 1990 General Manager, Chemical Business Division, Kao Corporation</p> <p>Jun. 1990 Director of Kao Corporation</p> <p>Jul. 1991 Managing Director of Kao Corporation</p> <p>Jun. 1996 Executive Managing Director of Kao Corporation</p> <p>Jun. 1997 President, Kao Corporation</p> <p>Jun. 2004 Chairman, Kao Corporation (to date)</p>	0

Notes:

1. There is no conflict of interests between the candidates and the Company.
2. Messrs. Takaaki Wakasugi and Takuya Goto are the candidates for outside directors.

Agenda 4: Election of one (1) corporate auditor

As the tenure of office of a corporate auditor Mr. Hisaaki Koga will expire at the end of this General Meeting of Shareholders, the Company proposes the appointment of one (1) corporate auditor at this meeting.

The Board of Corporate Auditors has given its consent to this nomination.

The candidate for the corporate auditor is as follows:

Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company; with an asterisk)	Number of the Company's shares held
Shigekazu Iijima (July 7, 1948)	Apr. 1972 Joined the Company Oct. 1990 General Manager, Accounting Department, Finance and Accounting Division Apr. 1993 General Manager, Administration Department, Electronic Device Division Jun. 1996 Leader, Corporate Planning Group, Corporate Planning Division Jun. 1999 Director, Ricoh Elemex Corporation Apr. 2004 General Manager, Business Planning Department, International Business Group Jul. 2005 General Manager, Business Strategy & Planning Center, International Business Group (to date)	1,000

Note: There is no conflict of interests between the candidate and the Company.

Agenda 5: Election of one (1) substitute corporate auditor

The Corporation Law stipulates that a company may elect a substitute corporate auditor. Hence, the Company proposes to appoint Mr. Satoshi Ito as a substitute outside corporate auditor for outside corporate auditors Mr. Kenji Matsuishi and Mr. Takehiko Wada so that audit operations can be carried out continuously even in a case where the number of corporate auditors falls below the number required by law.

The above appointment may be nullified only before the candidate assumes as outside corporate auditors, by resolution of the Board of Directors and with approval of the Board of Corporate Auditors.

The Board of Corporate Auditors has given its consent to this nomination.

The candidate for the substitute outside corporate auditor is as follows:

Name (Date of birth)	Brief personal profile (the other company's name and position thereof when the candidate is a representative director of other company; with an asterisk)	Number of the Company's shares held
Satoshi Ito (July 25, 1942)	Jan. 1967 Joined Japan Office, Arthur Anderson Mar. 1967 Finished Master's Course, Graduate School of Commerce, Chuo University Dec. 1970 Registered as Certified Public Accountant Aug. 1975 Served at London Office, Arthur Anderson Sep. 1978 Partner, Arthur Anderson Sep. 1993 Representative Partner of Asahi & Co. Aug. 2001 Retired from Arthur Anderson and Asahi & Co. Apr. 2002 Professor, Graduate School of International Accounting, Specialty Graduate School (presently Professional Graduate School), Chuo University (to date)	0

Note: There is no conflict of interests between the candidate and the Company.

Agenda 6: Granting of retirement allowances to retiring directors and a corporate auditor

The Company proposes to pay retirement allowances in appropriate amounts with the set limits, according to the standards prescribed by the Company, to Messrs. Tatsuo Hirakawa, who retired as director on March 31, 2006, and Nobuo Mii, who will retire as director at the end of this meeting, and Hisaaki Koga, who will retire as corporate auditor at the end of this meeting, in order to reward their services. The Company requests that the details such as the amount, timing and manner of payment shall be left to the decision of the Board of Directors regarding the directors and to the Board of Corporate Auditors regarding the corporate auditor.

Brief personal profiles of the retired and retiring directors and a corporate auditor are as follows:

Name	Brief personal profile	
Tatsuo Hirakawa	Jun. 1983	Director of the Company
	Jun. 1990	Managing Director of the Company
	Jun. 1994	Executive Managing Director of the Company
	Oct. 2001	Deputy President and Representative Director of the Company
	Jun. 2005	Representative Director of the Company
	Mar. 2006	Deputy President of the Company Retired as Representative Director Retired as Deputy President
Nobuo Mii	Jun. 2000	Director of the Company (to date)
Hisaaki Koga	Jun. 1998	Corporate Auditor of the Company (full-time) (to date)