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This document is prepared for reference purposes for investors. It represents the essence of a presentation of consolidated results for the first half of FY2011, It isn't a verbatim record.

**P2 「FY2011/03 1H Results Overview」**

- Net income attributed to Ricoh Co. increased by about 7 times on a year-on-year basis. Operating income also increased by about 2.7 times.
- Despite the drastic appreciation of the yen, especially against the Euro since August this year, operating income increased thanks to solid growth in the solutions and production printing business with resulting gross margin improvement, and decreased expenses through ongoing structural reform.
- Our core business is doing well, especially in Asia Pacific, and demand is also steadily recovering in Japan, the Americas and Europe as well.
- Our new businesses, such as production printing and solutions, are also growing by over 10%. We believe our strategies are paying off.
- As for free cash flow, in addition to the increase in net income, we have continued to control working capital management as well as investment, and were able to generate a 17.8 billion yen cash flow.
- We revised our assumption of the exchanged rate against the U.S. dollar from 90 yen to 80 yen for the second half, whereas it's the same 110 yen to the Euro. Considering this, we also revised down the forecast for sales, although the forecast for profit remains the same. We believe that the profit forecast will be achieved through steady growth in our new businesses, new products in our core business which will be released from this November, and keeping costs and expenses under control through structural reform.
- The dividend for the first half is 16.5 yen per share, as we announced today, and the forecast for the whole FY 2011 remains the same at 33 yen.

**P3 「FY2011/03 1H Income Statement」**

- Net sales came to 970.8 billion yen. Growth was minus 1.8%. However, it was plus 3.7% not including the forex impact. We feel the market is recovering, because growth not including the forex impact in the 1st quarter was 2.6%, and in the 2nd quarter, it went up to 4.8%.
- Gross profit increased and the margin also improved, thanks to the increase in sales in high-value added businesses, such as color MFPs and production printing, MDS, managed document service,

and solutions businesses including IT services.

- Operating income exceeded our forecast by 3 billion yen to 38 billion yen, which was a 2.7 times increase on a year-on-year basis, thanks to the improvement in gross margin and the control of costs and expenses through ongoing structural reform.
- Income before income taxes was 4.1 times greater, and net income was 7 times greater compared to the corresponding period of the previous year.

#### **P4 「FY2011/03 1H Operating income y-o-y comparison」**

- Increase in gross profit through “Sales and Margin” was 40.5 billion yen.
- Increase in gross profit through “Product Cost Down” was 3.3 billion yen.
- Increase in operating income through the control of “R&D expenses” was 1.9 billion yen.
- Decrease in operating income by the increase in “other Expenses” was 0.5 billion yen.
- Decrease in profit by “Forex, net” was 21.2 billion yen.

#### **P5 「FY2011/03 1H results supplement」**

- Operating income margin hit bottom in the 4th quarter of FY 2009, and has been gradually rising since then. We are aiming at a return to 10% operating margin, and doing everything to make it happen.
- Gross margin is subject to seasonal fluctuations, so it has been going up and down, but it also hit bottom in the 4th quarter of FY 2009 and since then, it has been gradually recovering.
- SG&A ratio hit a peak in the 4th quarter of FY 2009, and has been shrinking gradually since then.
- We have been trying to optimize the efficiency of research and development as a process of structural reform, while maintaining our cutting edge.
- Sales hit bottom and started to recover around the 3rd quarter of FY 2010 and thereafter. In the 2nd half this year, we will try to bring this even higher, by launching new products, as well as expanding our solutions business.

#### **P6 「FY2011/03 1H Sales」**

(By Category)

Sales by category will be explained later in the Business Segment.

(By Area)

- Japan saw a 4.1% increase in sales. Demand for hardware is coming back. However, non-hardware is

taking some time to catch up, since most clients are holding off on color printing and so on. We can expect non-hardware were to start recovering fairly soon.

- In the Americas, we keep receiving inquiries, so we think that the market is definitely recovering there. IKON started to contribute to our profit increase. In particular, their MDS and production printing sales have increased markedly..
- Europe is quite diverse depending on the country. Germany is recovering, mainly in exports, since their GDP and economic indexes are recovering, and their total demand in MFPs is also steady. We are receiving more and more requests in the market there from large scale corporations.
- Asia Pacific and China have continued to do well.

#### **P7 「FY2011/03 1H Business Segment : Imaging & Solutions」**

- Imaging & Solutions sales increased by 3.3% without the forex impact. Operating margin increased by 2.7% up to 8.6%.
- MFPs and printers are showing a steady recovery in both hardware and non-hardware sales.
- Operating income has been increasing at a good rate.

#### **P8 「Imaging & Solutions supplement」**

(MFP & Printer combined y-o-y)

- Both hardware and non-hardware have been doing quite well recently.

(Imaging & Solutions sales by products)

- On the bottom of the chart, further growth of printers in yellow and MDS & IT services in green reflects our strategy. These two segments are growing steadily, so our strategy is working.

#### **P9 「FY2011/03 new products launched」**

- “New” refers to the new products that we released between July and October. We will be releasing more new MFP products from this November on.
- With the projection business, we offer projectors and services as a system, instead of projectors alone. We are receiving quite a few inquiries, so this should be a solid business segment for us in the future.
- As shown on the bottom left hand side, we have begun a variety of new solutions and services in all regions. This is another area that we expect to expand much further in the future.

**P10 「FY2011/03 1H Business Segment : Industrial Products」**

- Last year, the first half recorded a 0.7 billion yen loss, however, this year it recovered with a 1 billion yen gain. So income and profits are recovering here too.
- Semiconductors, thermal media and electronic components all increased in sales, thanks to market recovery.

**P11 「FY2011/03 1H Business Segment : Other」**

- Other recorded a loss, but from the second half of this year, we believe it will become profitable.

**P12 「FY2011/03 1H Geographic Segment : Japan and the Americas」**

- Japan: Sales increased by 8.2%. Operating income was 25.0 billion yen, which is a 17 billion yen increase compared to the 1st half of last year, and has been doing better and better since the 4th quarter of FY 2009.
- The Americas
  - : They're also doing better since the 4th quarter of FY 2009. FY 2010 shows a substantial loss, but that is solely due to the expenses related to the acquisition of IKON. However from the 2nd half of FY 2010, the Americas were already recording a gain, if we discount the cost for acquisition. Moreover, in the 2nd half of this year, the region will become profitable even if we factor in the cost for acquisition.

**P13 「FY2011/03 1H Geographic Segment : Europe and Other」**

- Europe: Sales decreased a little bit this half due to the forex impact, however, our business is going well.
- Other : Other areas are going well too. We were able to see a 2.3 billion yen increase in operating income thanks to sales increase and the decrease in the manufacturers' cost for production.

**P14 「Balance Sheet as of September 30, 2010」**

- Total assets decreased by 40.8 billion yen, compared to the end of March this year.
- We issued 60 billion yen worth of straight bonds in June 2010, which accounts for the 47.1 billion yen increase in total debt.

#### **P15 「Balance Sheet Indexes」**

- Total assets turnover shows a slight recovery at 0.82.
- Inventories/Averaged cost of sales slightly declined to 1.93 months due to manufacturing and stocking new products.
- Equity ratio and Debt/Equity ratio slightly decreased because this includes the bonds that we issued in June 2010. However we think it's temporary and we will recover quickly after the upcoming advanced redemption of the convertible bonds which we issued in 2006.

#### **P16 「FY2011/03 1H Statement of Cash Flow」**

- Free cash flow was 17.8 billion yen, which was a slight decrease from the first quarter, however we are generating good cash overall.

#### **P18 「FY2011/03 forecast」**

- Taking into consideration the recent movement of the U.S. dollar, we revised the forex rate to 80 yen to the dollar. Due to this, our forecast for net sales is revised down by 30 billion yen to 2 trillion and 20 billion yen. However, we will still strive to record an increase. Although we revised down net sales by 30 billion yen, we only revised gross profit by 10 billion yen.
- We did not revise the forecast for operating income, income before income taxes and net income, because of offsetting the forex impact with improving gross margin which derives from recovery in demand, new products launching, growth in new businesses and product cost down, and reducing SG&A expense.

#### **P19 「FY2011/03 Operating income forecast y-o-y comparison」**

- Increase in gross profit through "Sales" is 63 billion yen. (Last forecast: 60.5 billion yen)
- Increase in gross profit through "Product Cost Down" is 9.0 billion yen. (Last forecast: 5.0 billion yen)
- Decrease in operating income by the increase in "R&D expenses" is 2.0 billion yen. (Unchanged)
- Decrease in operating income by the increase in "other Expenses" is 11.5 billion yen. (Last forecast: 12.6 billion yen)
- Decrease in profit by "Forex, net" is 39.5 billion yen. (Last forecast: 31.8 billion yen)

**P20 「FY2011/3 Sales forecast」**

- There are no major changes here without forex impact.

**P21 「Annual Financial Indexes」**

- The forecast for dividend will remain at 33 yen per share for FY 2011.
- The economy is still not stable enough yet, and the forex fluctuations continue to affect our business. However, based on our past advance investment and structural reform, we intend to live up to the expectations of our shareholders.