<Note>

This document is prepared for reference purposes for investors. It represents the essence of a presentation of consolidated results for the first quarter FY2013/03.
It is not a verbatim record.

P2 FY2013/03 Q1results overview

- Operating income grew by 26% y-o-y, and EPS increased by 33% y-o-y.
- Net Sales decreased y-o-y; however, if you exclude the impact of strong yen, it grew 2% y-o-y.
- Sales in Europe declined due to the macro economic issues there. Our Imaging & Solutions business in Europe dipped by 0.8%. However this drop in Europe has been offset by new products, such as A3MFP and A4MFP which were launched from the latter part of last year to this year, and also by the growth of our businesses including MDS and IT services, which led to steady growth of our business globally.
- We are carrying on with our structural reform activities, resulting in a 8.6billion yen profit contribution.
- Even though FCF is still negative, it improved by 5 billion yen compared to FY2012/03 Q1.
- Taking these points into account we have not changed the FY2013/03 forecast, although we changed our assumptions for forex.
- And if you look at the recent foreign exchange rates, the euro is weak, so we changed the assumed rate from 105yen to the euro to 100yen from Q2 and afterwards. The yen-dollar assumption has not changed, holding at 75yen to the dollar.
- The impact of forex will be covered by the recovery of US business and by the growth of IT service business.

P3 FY2013/03 Q1 income statement

- Net Sales in the first quarter was 459.3 billion yen, down 1.7%y-o-y, however, there was 1.9% growth y-o-y, if you exclude the forex impact.
- Operating Income was up 26.1% to 14.2billion yen.
  Income before income taxes was up 32.2% to 12.2 billion yen.Net Income came to 6.5 billion yen, up 32.5% y-o-y.
- Profits increased y-o-y in all business segments.

–Our strategic products, services and businesses are enjoying steady growth.

– Office printers were robust, production printing is growing strongly and MFP in total is picking up in both supplies and services.

–We are in a process of structural reform, and on July 31st, we announced the reorganization of Domestic Design and Manufacturing Functions to reinforce these further by setting up new companies and eliminating overlapping functions.

P4 FY2013/03 Q1 operating income y–o–y comparison

–Q1 Operating income was 14.2 billion yen up 2.9 billion yen compared to 11.3 billion yen in Q1 of last year, FY2012/03.

＜Increase in sales＞

2.8 billion yen of increased profit from sales increase and also including consolidation impact of PENTAX.

＜Reduction in production costs＞

We are cutting costs based on our annual Cost Down target of 5 billion yen.

＜R&D＞

R&D cost decreased 1billion yen inspite of the new A4MFP launched. This year R&D cost is smaller than that of last year.

＜Other factors＞

An increase of 5.2 billion yen in Expenses hit profits. This includes the impact from consolidating PENTAX, and air freight cost to solve back orders due to the flood in Thailand last year which were not solved until the middle of the first quarter.

＜Forex, net＞

Negative impact on profit from Foreign exchange was 6.6 billion yen. It had negatively hit the gross profit by 11.8billion yen, but positively affected Expenses by 5.2 billion yen. So, 11.8 minus 5.2 billion resulted in negative impact of 6.6 billion yen from Foreign exchange on a net basis.

＜Flood impact last year＞

We incurred additional costs in Q1 of last year due to the earthquake, but not this year, so 1 billion yen in favor this year.

＜Net restructuring charge＞

Net 8.6 billion yen of profit contribution from structural reform.

P5 FY2013/03 Q1 results supplement

＜Operating income＞

Last year, we booked the Restructuring cost at the end of September, and impairment cost at the end of December. We started to recover from the fourth quarter and progressed nicely through the first quarter of this year.

＜SG&A＞

Regarding SG&A, the first quarter of this year increased a little because of special factors. However, if you exclude those special factors, the level of SG&A is declining.

P6 FY2013/3 Q1 business segment

-We changed the category this year. Imaging and Solutions is now divided into three subsets. It used to have 2 subsets, Imaging Solutions and Network System Solutions. But this year, we divided Imaging Solutions into two; Office Imaging and Production Printing.

＜Imaging & Solutions＞

Compared to the significant growth we achieved in the first quarter of last fiscal year for the domestic business after the earthquake, the growth in this quarter was not that significant. However, other regions grew quite strongly even though the macro-economy was weak.

＜Industrial Products＞

Industrial Products has been heavily affected by the worsening economic environment.

＜Other＞

Sales in Other increased due to the consolidation of PENTAX.

P7 Imaging & Solutions

-Operating Income increased by absorbing negative impact from the foreign exchange from 28 to 30.7 billion yen this quarter.

-MFP and Printer achieved growth for both Hardware and Non-Hardware, 2% and 3% y-o-y growth respectively.

-In parallel with Hardware grew, Non-Hardware is expected to grow steadily after the second quarter.

＜MFP＞

Black & White declined by 5%, but Color grew 4%, so in total Sales increased y-o-y. Hardware saw flat growth, but Non-hardware grew 1%.

＜Office Printer＞

Hardware keeps growing overseas, achieving 10% growth. Because of the growth in installment volumes. Non-hardware is also enjoying growth.

＜Production Printing＞

As a whole, Hardware grew by 27%, and Non-hardware grew 10%. Color Cut Sheet type in particular is growing more than 50% for both Hardware and Non-hardware.

＜MDS, IT Services＞

MDS(Managed Document Service) and IT services are maintaining growth in double digits.

P8 Imaging & Solutions Topics

＜Japan＞

Net sales decreased due to knock-on effect from Q1 of FY3/2012 after the earthquake. Since then, the business improved steadily including positive growth in non-hardware sales. And also profitability is improving steadily thanks to structural reform efforts made.

＜The Americas＞

We over achieved net sales with sales recovery in MFP and Production Printing is keep growing strongly driven especially by the cut-sheet type. Thus the turn-around process is on course including structural reform efforts.

＜Europe＞

Net sales decreased due to the weak macro situation. 0.8% decline on a local currency basis. However, sales are not weak in local markets and different by country. Color MFP, MDS and IT services business are maintaining their high growth. OPM is also improving.

＜Asia-Pacific and China＞

There is a concern about economic slowdown in China, however we see steady growth from Asia Pacific(AP). AP keeps growing at double digit this year.

P9 Industrial Products/Other

＜Industrial Products＞

-Industrial Products made a loss of 0.4 billion yen in the first quarter.

-We are making effort to improve the electronic device business. And starting new businesses like Thermal Rewritable media with RFID, Factory automation camera series, which are cameras for B to B.

＜Other＞

Cameras for B to C are included in Other.This new PENTAX K-30 has been enjoying good sales since its launch at the end of June. I will work hard to boost the sales and profits for PENTAX business.

P10 Balance Sheet as of June 30, 2012

-Total Assets decreased by 46.2 billion yen to 2,243.1 billion yen partly due to the strong yen. However, inventories increased due to slow movement in inventories after solving back order issues from Flood in Thailand, manufacturing and stocking up new products and some other consumables in preparation for expanding production capacity.

P11 Balance Sheet as of June 30, 2012

-Net debt was standing at 606 billion yen at the end of June. Excluding liabilities of RICOH Leasing Company, the amount was 93.3 billion yen at the end of June, improving 4 billion yen compared to end of March this year.

P12 FY2013/03 Q1 statement of cash flow

-Free cash Flow is negative 15.3 billion yen. By generating profits more and improving the inventory situation, we intend to turn it to positive cash flow as soon as possible.

P14 FY2013/03 income statement forecast

-No changes were made between the forecast made in April and this time except the exchange rate assumptions. The negative impact will be around 5.5 billion yen due to our forex assumption from Q2 to Q4 is 75yen to the dollar and 100yen to the euro. We are determined to achieve 70 billion yen of Operating Income by absorbing this negative forex impact.

-Our businesses are developing successfully based on the strategy. Looking at the regions, The Americas are improving, Asia-Pacific is strong, and Europe is holding steady.

-Product-wise, Our A4 MFP product line up has been enhanced by both new A3 MFP launched at the end of last year and the contribution made by Color. We also expect Production Printing to contribute

-We started sales of the Unified Communication Systems, the internet-based conference system and new ultra shot throw projection system in overseas from this first quarter.

P15 FY2013/03 operating income y-o-y comparison

-We achieved this year's target of 70 billion yen, up 88 billion yen from last fiscal year's minus 18 billion yen.

-An increase in sales growth and reduction in expenses will cover the decrease due to the change of assumption against the euro.

-We didn't change the forecast for restructuring expenses and benefits.

P16 FY2013/03 sales forecast

-No basic change, only repositioning Production Printing as a separate business.

P17 Dividend and ROE

-If possible we would like to resume dividend payments back to previous levels and generate positive cash flow.