

<Note>

This document is prepared for reference purposes for investors. It represents the essence of a presentation of consolidated results for FY2015/03 Q1.

It is not a verbatim record.

P2 FY2015/03 Q1 results overview

- Q1 net sales was ¥526.4 bil., a 2.3% increase y-o-y.
- Q1 OP was ¥27.1 bil., a 22.2% increase y-o-y.
- Q1 net profit was ¥15.0 bil., a 28.8% increase y-o-y.
- Expanding the service business and industrial products business, structural reforms and forex contributed to an increased profit.
- The forecast for first half FY and FY remains unchanged.

P3 FY2015/03 Q1 profit statement

- Q1 performance was pretty much in line with the company's plan.

<Sales>

- Net sales was ¥526.4 bil., a 2.3% increase y-o-y, or -0.6% decrease excluding forex.
- The shortfall was mainly caused by overseas Office Imaging sales not achieving the target. In Japan, there were concerns over the resulting sales drop after the consumption tax hike, but the decline was not as severe as anticipated.
- Actual sales was just slightly short against the company's plan, but mostly progressing as planned.

<Profit>

- OP was ¥27.1 bil., a 22.2% increase y-o-y, making a steady progress toward the 1H target of ¥55 bil..
- Gross profit margin improved slightly, on the back of sales of color MFPs and better product mix. Also, Structural reforms and forex contributed to increased profit.
- As a consequence, we were able to achieve Profit attribute to owners of the parent of ¥15 bil., a growth of approximately 30%.

Furthermore, after results for FY2015/03, we will be disclosing the corresponding quarter's figures from last fiscal year in IFRS.

P4 FY2015/03 OP y-o-y comparison

<Restructuring Charges, net>

- The effects of structural reforms came to ¥9.1 bil. as planned.
The breakdown: last year the expenses of ¥6.8 bil. plus an effect of ¥2.3 bil.

<Sales>

- Decline in sales resulted in a slightly lower Gross profit. Sales in 4Q showed an increase.
- The shortfall was mainly caused by Office Imaging sales not achieving the target.
- The sales drop post tax hike was not as bad as initially thought. Last year, we had some issues with the stable supply of new products, which had some lingering effect leading up to the early part of Q1.

As a result, sales for MFPs declined.

- In addition, sales not achieving the target, was affected by the slow recovery of the macro-economy in Europe.

<Product Cost Down>

- Product Cost Down has created a profit of ¥500 mil.

<R&D>

- Product Cost Reduction is going according to plan.
- R&D expenses has increased ¥1 bil. compared to the previous year., but is going according to plan. This was spent to prepare ourselves for new product launches from 2H onward.

<Other Expenses>

- Other Expense has increased ¥46 bil. compared to the previous year., but is with in focus.
- Other Expenses include expenses for IT service business expansion and so on.

<Forex, net>

- The positive Foreign Exchange impact came to ¥48 bil..

As a result, OP was ¥27.1 bil., a 22.2% increase y-o-y.

P5 FY2015/03 Q1 results supplement

- OP and OP margin are continuing to improve compared to the previous year.
- SG&A ratio improved by 0.2% compared y-o-y.

P6 Imaging & Solutions (1)

- Sales was ¥470.4 bil., a 2.1% increase y-o-y (0.9% decrease excluding forex)

<Office Imaging>

- Sales was ¥359.7 bil., a 4.2% decrease y-o-y excluding forex.
- This was partially due to not being able to completely break away from cautious sales activities stemming from concern over the stability of product supplies, thus caused the delay in non-hardware sales for color MFPs. The revenue was slightly weak because of that, and also lack of volume growth due to slow improvement in the European economy.
- However, in Japan, sales for both color and black & white MFPs have recovered coming into June. In Europe and the Americas, sales for color MFPs is recovering also.

<Production Printing>

- Production Printing enjoyed robust performance with cut sheet type globally showing strong growth both for black & white and color.

<Network System Solutions>

- Sales in the services business has expanded well globally.
- In Japan, the special demand driven by Windows XP migration continued from April to May. Looking at overseas, sales of IT services expanded.

P7 Imaging & Solutions (2)

- Hardware sales was down by 3% y-o-y, and the non-hardware sales down by 4%.
- For Production Printing (cut sheet type), sales of both hardware and non-hardware enjoyed steady increase.

P8 OP by geographic segment

<Japan>

- Sales went down by 0.4% y-o-y, OP was down on an IFRS basis.
- The migration to IFRS, changed the timing of booking the R&D expenses in Q1, so OP for Q1 last year increased. In that sense, OP for Q1 this year in effect was flat y-o-y.

<The Americas>

- Sales was down by 0.4% y-o-y, but sales is trending in line with the target.
- The effect of the structural reform caused a profits increase, laying the ground for obtaining steady profit.

P9 OP by geographic segment

<EMEA>

- Sales dropped by 3.4% y-o-y. However, the OPM improved to 3.6%.
- In Q1 of last year, we had restructuring cost of ¥5.8 bil. in Europe. Excluding this, profit declined y-o-y.

<AP & China>

- Both sales and OP increased steadily.
- We were able to sustain the same level of OP from last year, whilst making frontloaded investments into new channels and new businesses.

P10 Industrial Products

<Industrial Products>

- Sales was ¥27.3 bil., a 7.4% increase y-o-y (4.9% increase excluding forex). Both OP and OPM moved up steadily.
- We stick to growth expectations for the Industrial Products segment down the road, and as announced last month, we will set up new companies for the Industrial Products business, to further accelerate growth.

P11 Other

- Sales and operating profit in this field both decreased slightly y-o-y.
- The main factors for the decrease in profit were costs for new business, and decrease of profit in the financial business.
- Sales in the digital camera business decreased, but operating profit increased y-o-y.
- The new medium format SLR, 645Z has received strong accept from the market, and is expected to contribute to profits from 2Q and beyond onward.

P12 Statement of Financial Position as of June 30, 2014

- Total Assets stood at ¥2,556.2 bil., a reduction of ¥40.0 bil., compared to March 2014.
- Although trade and other receivables increased due to expansion of sales at the end of the previous fiscal year, it decreased by recovery of credits in the 1Q.
- Inventories increased by ¥9.4 bil., compared to March 2014, and decreased compared to June last year.
- Inventories/Averaged costs of sales was 1.99 month, showing a slight improvement.
- It increased slightly by comparison with the end of March, depending on the season. (peculiar to the end of a term)

P13 Statement of Financial Position as of June 30, 2014

- Total debt was ¥723.2 bil., a decline of ¥0.8 bil., from March 2014 so it was almost at the same level.
- Net D/E ratio was ¥601.5 bil., a small increase y-o-y. However, Net debt excluding Ricoh Leasing came to ¥4.8 bil., for 1Q, a big reduction from ¥58bil.,
- Cash position is solid, and stability is increasing compared to March 2014,

P14 FY2015/03 Q1 Statement of cash flow

- <Net cash by operating activities>
- Net profit and depreciation and amortization, was ¥43 bil., a rise of almost ¥5 bil., y-o-y.
- <Other operating activities>
- Corporate tax payment increased by about ¥5 bil., compared to last fiscal year due to increase in profit.
 - Excluding the increase in corporate tax payment, we generate more cash flow y-o-y.
- <Net cash by investing activities>
- The expense of funding the acquisition of distribution channels in Turkey was included.
 - Free cash flow was minus of ¥71 bil.,(minus or ¥44 bil.,)
 - Cash generation is getting smaller than the previous year (a little less than ¥3 bil.,)
 - Excluding corporate tax payments, the expense of funding the acquisition, our company's capacity to generate cash is definitely improving y-o-y.

P15 FY2015/03 profit statement forecast

※Forecast of net sales ¥2,260.0 bil., announced in April is transposed to the IFRS base.

- <Forecast for 2015/03>
- Net sales ¥2,260.0 bil., (a 2.8% increase y-o-y)
- Operating profit ¥140.0 bil., (a 16.3% increase y-o-y)
- Profit attributed to owners of the parent ¥80.0 bil., (a 9.8% increase)
- We are maintaining our FY2015/03 profit statement forecast as previously announced.