



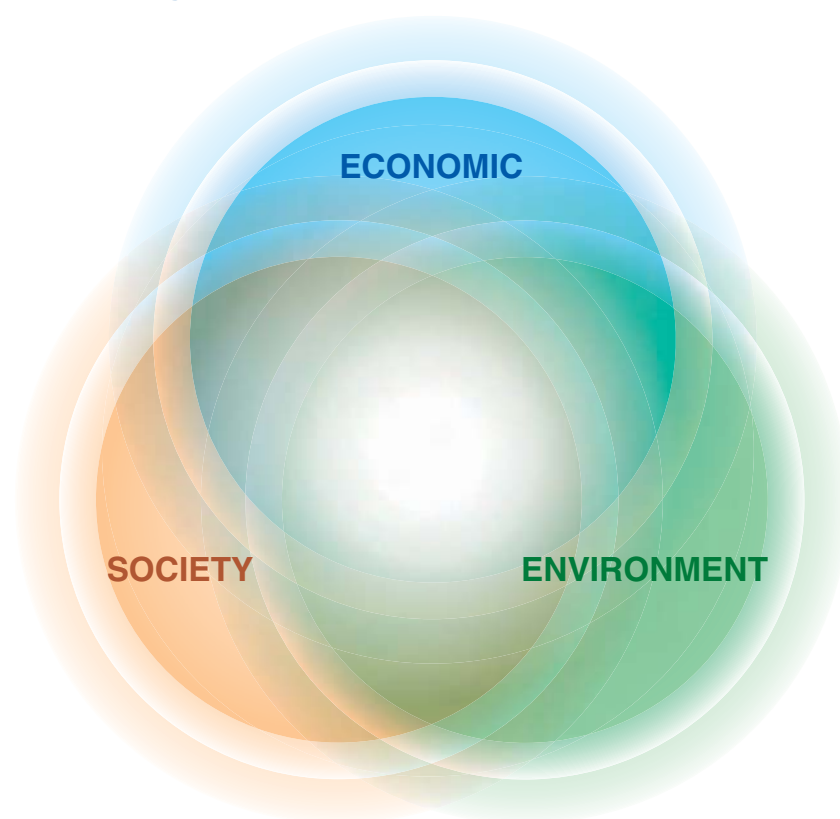
RICOH

RICOH GROUP
ANNUAL
REPORT
2011

R I C O H G R O U P
S U S T A I N A B I L I T Y
R E P O R T (E C O N O M I C)

As a good corporate citizen, the Ricoh Group continues to increase its corporate value with a three-pronged focus on economy, environment, and society.

Based on the belief that economic, environmental, and social objectives are not incompatible, the Ricoh Group is committed to making meaningful contributions to the creation of a sustainable society. In the course of business activities undertaken toward this end, we communicate with our stakeholders and seek their understanding and support through appropriate and timely disclosure of information on what we do and how we do it. We also listen carefully to stakeholders and incorporate their voices into our efforts to improve our business and build greater corporate value. As part of these efforts, we publish this report for the purpose of providing information on the Ricoh Group's management policy along with its operational results and financial position for the year ended March 2011.



RICOH 2011 (CORPORATE PROFILE)

<http://www.ricoh.com/about/>



• Corporate profile

Sustainability Report (Economic) 2011

<http://www.ricoh.com/IR/>



• Management policy
• Management results
• Financial status

Sustainability Report (Environment) 2011

<http://www.ricoh.com/environment/>



• Concept of sustainable environmental management
• Improving our products
• Improvements made at business sites
• Basis for sustainable environmental management
• Environmental communication/Conservation of biodiversity

Sustainability Report (Corporate Social Responsibility) 2011

<http://www.ricoh.com/csr/>



• Concept of CSR
• Integrity in corporate activities
• Harmony with the environment
• Respect for people
• Harmony with society

For information related to this report, please also visit

● Information security <http://www.ricoh.com/about/security/index.html>

■ Reporting guidelines

In compiling this report, we have referred to GRI's Sustainability Reporting Guidelines (version 3.0) to confirm what items should be reported on, and tried to disclose as much information as possible.

■ Major reference materials for shareholders and investors



Corporate Profile

Ricoh Company, Ltd., is a global leader in sophisticated office solutions. Our products includes copiers, multifunctional and other printers, facsimiles, duplicators and related consumables and services, as well as digital cameras and advanced electronic devices. We are rapidly building a solid presence worldwide as a provider of comprehensive solutions that help customers enhance their office productivity and revolutionize their workflow.

The Ricoh Group includes Ricoh Company, Ltd. and 234 subsidiaries and affiliates—63 companies in Japan and 171 overseas, together employing 109,014 people.

● Forward-looking statements

The plans, prospects, strategies and other statements, except for the historical events, mentioned in this material are forward-looking statements with respect to future events and business results. Those statements were made based on the judge of RICOH's Directors from the information that is now obtainable. Actual results may differ materially from those projected or implied in such forward-looking statements and from any historical trends. Please refrain from judging only from these forward-looking statements with respect to future events and business results. The following important factors, without limiting the generality of the foregoing, could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements:

- General economic conditions and business trend
- Exchange rates and their fluctuations
- Rapid technological innovation
- Uncertainty as to RICOH's ability to continue to design, develop, produce and market products and services that achieve market acceptance in hot competitive market

No company's name and/or organization's name used, quoted and/or referenced in this material shall be interpreted as a recommendation and/or endorsement by RICOH.

This material is not an offer or a solicitation to make investments. Please do not rely on this material as your sole source of information for your actual investments, and be aware that decisions regarding investments are the responsibility of themselves.

* For detailed risk information, please refer to the separate Annual Report 2011 Financial Section.

● Exchange rates referred to in this report

The translation of Japanese yen amounts into U.S. dollar equivalents as of and for the year ended March 31, 2011 is included solely for the convenience of readers outside Japan and has been made using the exchange rate of ¥83 to US\$1, the approximate rate of exchange prevailing at the Federal Reserve Board on March 31, 2011.

Financial Highlights

Ricoh Company, Ltd., and consolidated subsidiaries for fiscal 2011 and fiscal 2010

	Millions of yen		Thousands of U.S. dollars	% change
	2010	2011	2011	2011/2010
For the year:				
Net sales	¥2,016,337	¥1,942,013	\$23,397,747	-3.7%
Japan	¥876,578	¥875,859	\$10,552,518	-0.1%
Overseas	¥1,139,759	¥1,066,154	\$12,845,229	-6.5%
Operating income	¥65,997	¥60,196	\$725,253	-8.8%
Net income attributable to Ricoh Company, Ltd.	¥27,873	¥19,650	\$236,747	-29.5%
At year-end:				
Total assets	¥2,383,943	¥2,262,396	\$27,257,783	
Shareholders' equity	¥973,341	¥929,877	\$11,203,337	
Per share data (in yen and dollars):				
Net income (Basic)	¥38.41	¥27.08	\$0.33	
Dividends declared	¥33.00	¥33.00	\$0.40	
Return on equity (ROE)	2.9%	2.1%	2.1%	

Contents

Editorial Policy	1
Corporate Profile	2
Financial Highlights	2
To Our Shareholders and Customers	3
Fiscal 2011 Results	5
Results of the 16th MTP. Overviews of the 17th MTP.	9
Creating Customer Value	17
Corporate Governance	27
Sustainability	29
RICOH Milestones	35

■ Composition of Ricoh Group Annual Report 2011

We have divided the annual report into two parts for the first time.

For Ricoh's corporate activities in general, please refer to this brochure (Annual Report 2011) and for detailed financial information, please refer to the Financial Section (in PDF format).



Annual Report 2011 Financial Section (Only in PDF format)

* For more details, please refer to Financial Results and SEC Filings (FORM 20-F).

◆ You can download the PDF versions of the reports from Ricoh's IR website:
<http://www.ricoh.com/IR/>

◆ If you need a hardcopy version, please visit the following website and follow the instructions:
<http://www.ricoh.com/about/request/>

To Our Shareholders and Customers

The Ricoh Group aims to earn even greater trust and confidence from its customers as a reliable partner for productivity improvement and knowledge management. We deliver innovative products and services that reflect Ricoh's three core values—i.e., “Harmonize with the environment,” “Simplify your life & work,” and “Support knowledge management”—to all customers who handle information.

On March 31, 2011, an unprecedented catastrophe struck Japan. We were deeply moved by the plight of the victims of the Great East Japan Earthquake. Our heart goes out to the survivors and evacuees, who are still facing many difficulties even now.

At the Ricoh Group, four of our production sites in the affected area were severely damaged, and R&D, sales and service and other functions in the region were also disrupted. However, these facilities were restored to close to their pre-disaster status by the middle of April 2011, as a result of our combined efforts. Together, Ricoh Group members took an agile and flexible response to the disaster, following our Business Continuity Plan.

The year ended March 2011 (“fiscal 2011”) was a challenging year for the Ricoh Group. The March 11 earthquake, the strong yen and other adverse elements weighed significantly on our earnings. That said, during that year, we were also able to make targeted progress in terms of new business launches and making the necessary structural changes to become a services and solutions provider. While the latest global economic trends indicate that the current tough business climate is likely to continue, we expect to see further progress and achievements during the 17th Mid-Term Management Plan period, in the three years from 2012. To make that happen, we will expand new businesses and thereby achieve further growth and improve operational efficiencies even further.

Today's corporations are expected to make positive contributions to the sustainability of humanity and the global environment. It is virtually a prerequisite for a corporation's long-term survival. We are on course to achieve our Mid- and Long-Term Environmental Impact Reduction Goals and will provide even more support for customers in their efforts to achieve low-carbon office operations, based on sustainable environmental management.

As we move forward, we will continue to meet the growing expectations of our shareholders, investors and other stakeholders, thereby increasing the corporate value of the Ricoh Group.

August 2011



Shiro Kondo
President and Chief Executive Officer

Masamitsu Sakurai
Chairman

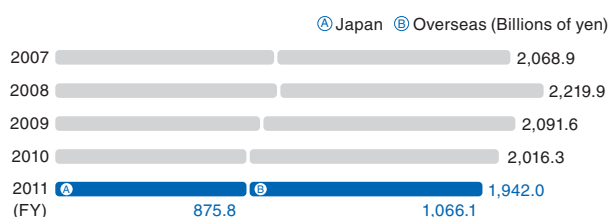
Fiscal 2011 Results

Affected by the impact of the earthquake and tsunami in Japan as well as the yen's appreciation, net sales of the Ricoh Group for fiscal 2011 showed a decline both in and outside of Japan. Operating income also decreased during the year because the stronger yen had a significant impact on our business, offsetting the positive impact of sales growth in value-added products and services and the continuous progress of our structural reform efforts.



¥1,942 billion

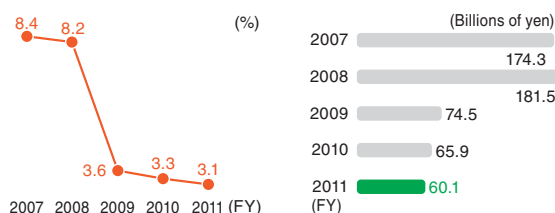
Net sales



Net sales declined 0.1 % in Japan and 6.5% outside of Japan from the year before. Total net sales showed a 3.7% decline from the previous fiscal year. Excluding the effects of currency rate fluctuations, net sales grew 1.9%.

3.1%
¥60.1 billion

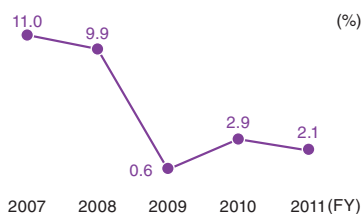
**Operating margin
Operating income**



As the yen's appreciation put pressure on earnings, operating margin was reduced by 0.2 percentage point from the previous fiscal year. Operating income declined 8.8% to 60.1 billion yen.

2.1%

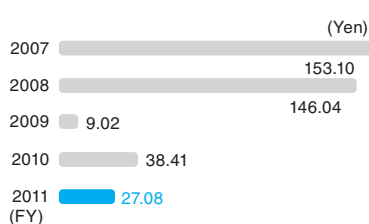
Return on equity (ROE)



ROE recorded a 0.8 percentage point decrease to 2.1% from 2.9% in fiscal 2010.

¥27.08

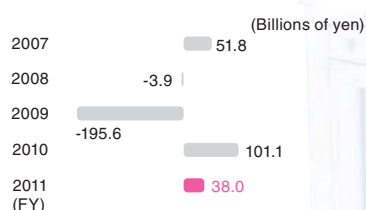
Net income per share



Net income per share posted a decline of 11.33 yen to 27.08 yen, compared to 38.41 yen in the previous fiscal year.

¥38 billion

Free cash flow



Free cash flow, generated by operating activities and investment activities, was a positive 38 billion yen, a decrease of 63 billion yen from the previous year.

* For more details, please refer to the addendum, "Financial Section."

Operating income for fiscal 2011 reflects the negative impact of approx. ¥9.4 billion associated with the facilities damage, sales and shipments decrease, and other ramifications of the Great East Japan Earthquake.

Sales by Product Category



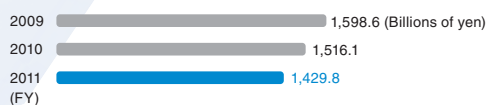
Imaging & Solutions

● Imaging Solutions



Net sales **¥1,429.8 billion**

Net sales decreased 5.7% to 1,429.8 billion yen, primarily due to the decline in sales of monochrome copiers. Color MFPs showed steady performance and sales of color production printers grew. Excluding the effects of currency rate fluctuations, net sales grew 0.8%.

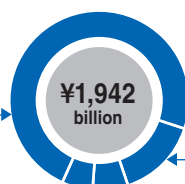


● Network System Solutions



Net sales **¥283.4 billion**

Net sales posted a 3.4% increase to 283.4 billion yen, mainly attributable to global expansion of Managed Document Services (MDS), IT services, and other businesses.



Industrial Products



Net sales **¥106.8 billion**

Net sales rose 5.1% from the previous fiscal year to 106.8 billion yen, reflecting the increased sales of the semiconductor, optical units, and electric component businesses.



Other



Net sales **¥121.8 billion**

Net sales of this category fell 2.0% to 121.8 billion yen, mainly due to the decline of overseas sales of digital cameras and other products.



Sales by Geographic Area

Japan

Net sales **¥875.8 billion**



Net sales in Japan decreased 0.1% from the previous fiscal year to 875.8 billion yen, affected by the continued harsh business environment, as typified as corporations' cutting their capital expenditures.



The Americas

Net sales **¥521.9 billion**



Due to the continuously challenging and unpredictable business climate and the sharp appreciation of the yen, net sales in the Americas market fell 6.4% to 521.9 billion yen. Excluding the effects of currency rate fluctuations, net sales grew 1.5% from the previous fiscal year.



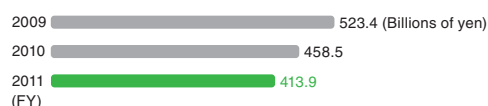
¥1,942 billion

Europe

Net sales **¥413.9 billion**



Affected by continuing uncertainty about the economic outlook in the region and the sharp depreciation of the euro, net sales showed a 9.7% decrease to 413.9 billion yen. Excluding the effects of currency rate fluctuations, net sales grew 4.2% from the year earlier.



Other

Net sales **¥130.2 billion**



As a result of the efforts to beef up our sales network, particularly in emerging markets, net sales increased 5.5 % to 130.2 billion yen. Excluding the effects of currency rate fluctuations, net sales grew 9.8% from the year earlier.



Results of the 16th MTP. Overview of the 17th MTP.



Shiro Kondo

President and
Chief Executive Officer





Results of the 16th MTP and Future Challenges



Please outline the results of the 16th Mid-Term Management Plan completed in March 2011.

In the fiscal year ended March 2011, we were unfortunately unable to achieve the expected business results.

In the three years since the launch of the 16th Mid-Term Management Plan (16th MTP) in April 2008, we have faced a range of business difficulties due to drastic changes in the external environment, including the world economic downturn triggered by the world financial crisis in 2008, the economic crisis in Europe in

2009 and the Great East Japan Earthquake that took place in 2011. Moreover, we were badly affected by substantial adverse changes in foreign exchange rates.

Amid these hardships, the Ricoh Group has embarked on structural reforms to drastically streamline our organizational structure and operational processes, while pressing forward with strategic investments for future growth.



Specifically what achievements have you accomplished in the 16th MTP?

In the 16th MTP, we worked to reform our business structure based on the following five key strategies: 1) becoming No. 1 in the target business areas, 2) reinforcing and accelerating sustainable environmental management, 3) promoting RICOH Quality, 4) creating new growth areas, and 5) building a strong global brand.

In particular for “becoming No. 1 in the target business areas,” we have maintained the largest share* in the Japanese, American, and European markets for color and monochrome MFPs. Also for the RICOH Pro C900/C901 series, which we released in the production printer market as a strategic model, we won the world's No. 1 share, capturing up to 49%* of the middle segment. This

achievement in the production printer market provides proof that we have established a strong base for this business, and one might say it is our major achievement during the three years.

As for “creating new growth areas,” we are taking steps toward full-scale global growth in the new service business, including Managed Document Services (MDS) and IT services. In addition, we were able to launch new businesses to provide new value to customers, such as the projection system business, the unified communication system business, and the eco solution business.

* Ricoh figures



What issues have emerged from the 16th MTP?

We recognized the need to increase Ricoh group synergy, improve efficiency in existing business, concentrate on new growth areas, and make a commitment to innovation as the new challenges that we should meet toward the future. These challenges indeed provide

Ricoh with new opportunities to achieve further growth. We will miss none of these opportunities, in order to achieve further growth under the 17th Mid-Term Management Plan (17th MTP) we started in April 2011.

Outline and Key Strategies of the 17th MTP

Q4

What are the underlying ideas for the 17th MTP?

In the 17th MTP, we are focusing on simultaneously achieving “growth” and “restructuring.” For further growth, we need to execute drastic restructuring far beyond conventional structural

reforms. Under the new MTP, we will transform our organization into one that can create new value for customers in every aspect of our business activities.

Q5

What are the basic strategies for the 17th MTP?

In the new MTP, we have highlighted “business creation and integration” and “establishment of highly efficient management” as the two basic strategies.

For “business creation and integration,” aiming for “regeneration,” we will implement measures to achieve the following five targets: “to maintain the top market share while streamlining operations in existing business,” “to achieve profit contribution in

the production printing business,” “to accelerate business structure transformation to service business in developed countries,” “to realize business growth in emerging markets,” and “to expand new businesses.”

With regard to the “establishment of highly efficient management,” we will foster “restructuring” to build a robust corporate structure.

Q6

Specifically, what do you mean by “maintaining top market share while streamlining operations in existing business”?

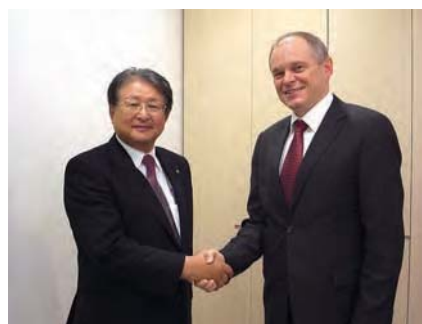
In the printing business, we will keep the top share in the Japanese, American, and European markets for MFPs, printers, etc., by providing customers with more value through the combination of products and related services, while streamlining operations to

conduct business more efficiently by reducing the use of resources. Through these measures we will improve our profitability and shift more resources to the service business and also to new business.

Q7

What do you mean by “achieving profit contribution in the production printing business”?

In the production printing business, we will continue to restructure and strengthen the sales and service system and enhance our product lineup to make the business more profitable. In February 2011, we concluded a cooperation agreement with Heidelberg Druckmaschinen AG, a leading printing company in Germany. I expect that we will be able to expand the business on a global scale in cooperation with this powerful partner.



Ricoh has concluded a strategic cooperation agreement with Heidelberg Druckmaschinen AG.

<Accelerating transformation to service business>



Please describe the background to accelerating transformation to service business in developed countries.

Customers, in particular those in developed countries attribute more importance to the quality of service than ownership of equipment. Recently customers have been required to reduce their total cost of ownership (TCO), and their needs for workflow improvement have been increasing. This means more business

opportunities for us.

The Ricoh Group has a full lineup of products, including MFPs, laser printers, and production printers. We will increase our market share by providing more services to customers, making full use of our highly competitive global sales and service network.



What measures will you implement and what targets will you pursue to expand the services business?

Specifically, we will expand MDS and IT services on a global scale. In the fiscal year ended March 2011, total sales of MDS and IT services increased by 15% year on year (in local currency) and we will continue to achieve a two-digit sales increase in this rapidly growing business field. By the fiscal year ending March 2014, we

want to triple sales of the MDS business to 300 billion yen. Also for IT services, we have been expanding business size mainly through the sales of a packaged product named “BB pack” in Japan and are starting the global expansion of the business.



How will you go about strengthening the services business?

We acquired IKON in 2008, which has greatly contributed to the expansion of our global MDS business. In order to further enhance our global MDS system, we will invest a total of 26 billion yen in infrastructure improvements over the next three years while introducing successful examples across the board and strengthening the technological base. Moreover we will continue to enhance the structure for the expansion of the service business, including the IT services business, by such measures as acquiring external resources.



<Realizing business growth in emerging markets>

Q11

What measures have you implemented to “realize business growth in emerging markets”?

The Ricoh Group enjoyed the No. 1 share in the Chinese and Asia-Pacific MFP markets in 2010, winning a 15%* share and a 20%* share, respectively. Total sales in these markets also increased 10% year on year (in local currency) in the fiscal year ended March 2011,

and we are also expecting a high growth rate (17%) in the markets for the fiscal year ending March 2012.

* Ricoh figures

Q12

What measures will you take to achieve growth in emerging markets?

We established a factory in Thailand in 2009, in order to build a local production and consumption system in the Asia-Pacific region.

In line with the 17th MTP, we will enhance our product lineup for emerging markets, including A4 MFPs. We are planning to release at least 10 models in the markets over the next three years. We will further increase the efficiency of our development and production activities for cost reduction, by such measures as the local

development of products.

We will enhance our sales system, mainly targeting China and India, to increase our shares in the local markets. Through these measures, we plan to increase sales in the Chinese and Asia-Pacific markets from 7% of total in the fiscal year ended March 2011 to 17% by the end of the fiscal year ending March 2014.



<New businesses>

Q13

What is the background to and the targets for “expanding new businesses”?

The working styles of our customers have been changing, with the emergence of smartphones, tablet PCs and cloud computing. Amid this trend, which will further increase the flexibility of information sharing and working styles, Ricoh wants to lead customers in a constant manner. To this end, we will develop products, software

and services that foster communications and will provide customers with new value through our highly competitive services and support capabilities.

In the 17th MTP, we aim to increase sales of new business to about 25% of total.

Q14

What do you expect from new businesses?

In the projection system business, we have begun to market projectors and services, which are well received by customers. For the Unified Communication System business, which we have recently announced, we will start providing cloud-based communication products and services in the first half of the year ending March 2012. We will build a new world of communication through the linkage of business networks across different business fields.



Q15

What is the new “eco solution business”?

In response to a rapid increase in the environmental awareness of our customers, we have launched the eco solution business. The Ricoh Group is focused on the need to save energy at offices, and we make proposals to reduce the total environmental impact of offices, not limited to energy conservation solutions for imaging devices. As an initial product, we launched a straight tube LED lamp for office use in July 2011. We will also expand the Energy Service Company (ESCO) business (comprehensive services to achieve energy savings in offices) and recycling business.



<Restructuring>



What do you mean by “restructuring for the establishment of highly efficient management”?

Restructuring for us is closer to reengineering. The Ricoh Group has been conducting structural reforms under the Corporate Restructuring and Growth Project (CRGP) since October 2008. The initial purpose of the project was to reduce costs as part of emergency measures against the world financial crisis and later in the project we also began changing our organizational structure and shifting resources to new business fields while continuing cost reduction measures.

In the 17th MTP, we will review our operational processes to eliminate the duplication of operations and redesign the processes to achieve more drastic restructuring. We have also been reforming the Group’s personnel system for several years. Based on the achievements, we will substantially improve the use of human resources, including reallocation, which I believe will help the Ricoh Group become a more robust organization.



Specific measures for CRGP

● What are the specific measures for CRGP?

In line with the 17th MTP, we will review our sales bases and increase the efficiency of our sales system to create more synergies from M&A; consolidate the production bases after examining their roles; review unprofitable business; foster the reengineering of operations by reviewing operational processes and eliminating the duplication of operations; enhance the use of human resources based on continuous reform of the personnel evaluation system and optimized human resource allocation; promote global purchasing to reduce costs through the enhancement of purchasing power; and review development processes to increase low-cost development capabilities.

● What achievements do you plan to accomplish through CRGP?

By implementing the aforementioned measures, we will achieve growth and restructuring at the same time to accelerate the growth of our Group, thereby increasing operating income by 140 billion yen from the level of the fiscal year ended March 2011 in the fiscal year ending March 2014 (the final year of the MTP).

Numerical Targets for the 17th MTP



What numerical targets have you set for the 17th MTP?

Under the 17th MTP, we aim to achieve the largest net sales and operating income in the fiscal year ending March 2014, which is the final year of the 17th MTP. We aim to achieve net sales of at least 2,400 billion yen not only by keeping the top share in the existing business, but also by expanding the production printing business and service business, enhancing business in emerging markets, and expanding new business areas. Of that amount, about 200 billion yen will be gained from the expansion of new business areas. As for operating income, we will earn at least 210 billion yen by implementing measures for restructuring and also realize an operating margin of at least 8.8%. Moreover by achieving record-high results, we will increase ROE to 10% or higher.

■ The 17th Mid-Term Management Plan (MTP) Targets (FY2013, Group consolidated)

Net sales	2.4 trillion (or more)
Operating income	210 billion (or more)
Operating income ratio	8.8% (or more)
ROE	10.0% (or more)
FCF (free cash flow)	+ 200 billion yen (total of FY 2011 through FY 2013)
Total return ratio (dividends & stock buy-back)	around 30%

*exchange rate set based on the 17th MTP; \$=¥85.00: euro=¥120.00



Lastly, what is your message to shareholders and investors?

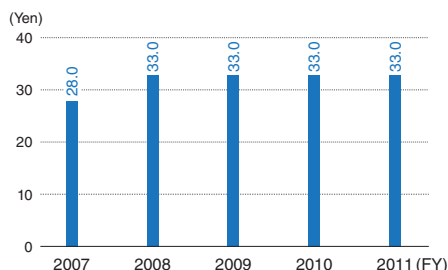
By implementing the 17th MTP, the Ricoh Group will transform itself into an organization that has muscle to thrive in the midst of global competition.

We have been paying dividends steadily to shareholders despite the difficulties, and during the 17th MTP period we plan to increase the amount of payment and also to purchase treasury stocks as

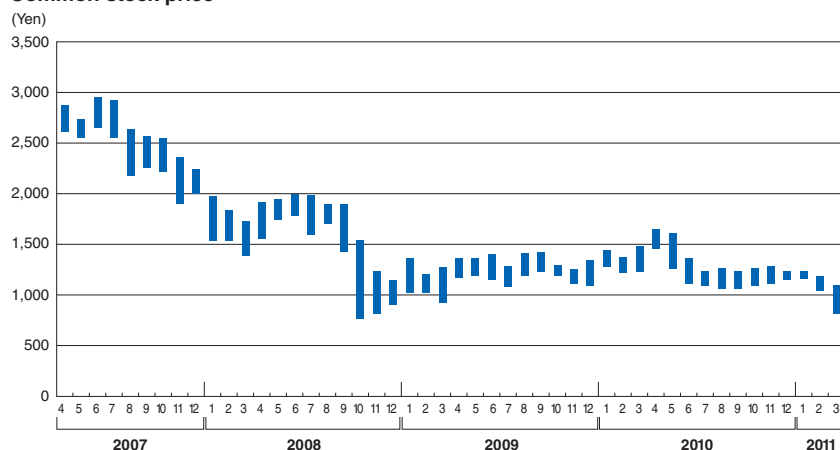
appropriate, in order to increase our corporate value by achieving further growth.

Finally, I want to introduce the slogan that I have been privately upholding as a manager: "Never give up until you win." I ask for your continued support for the Ricoh Group.

■ Dividend per share (declared)

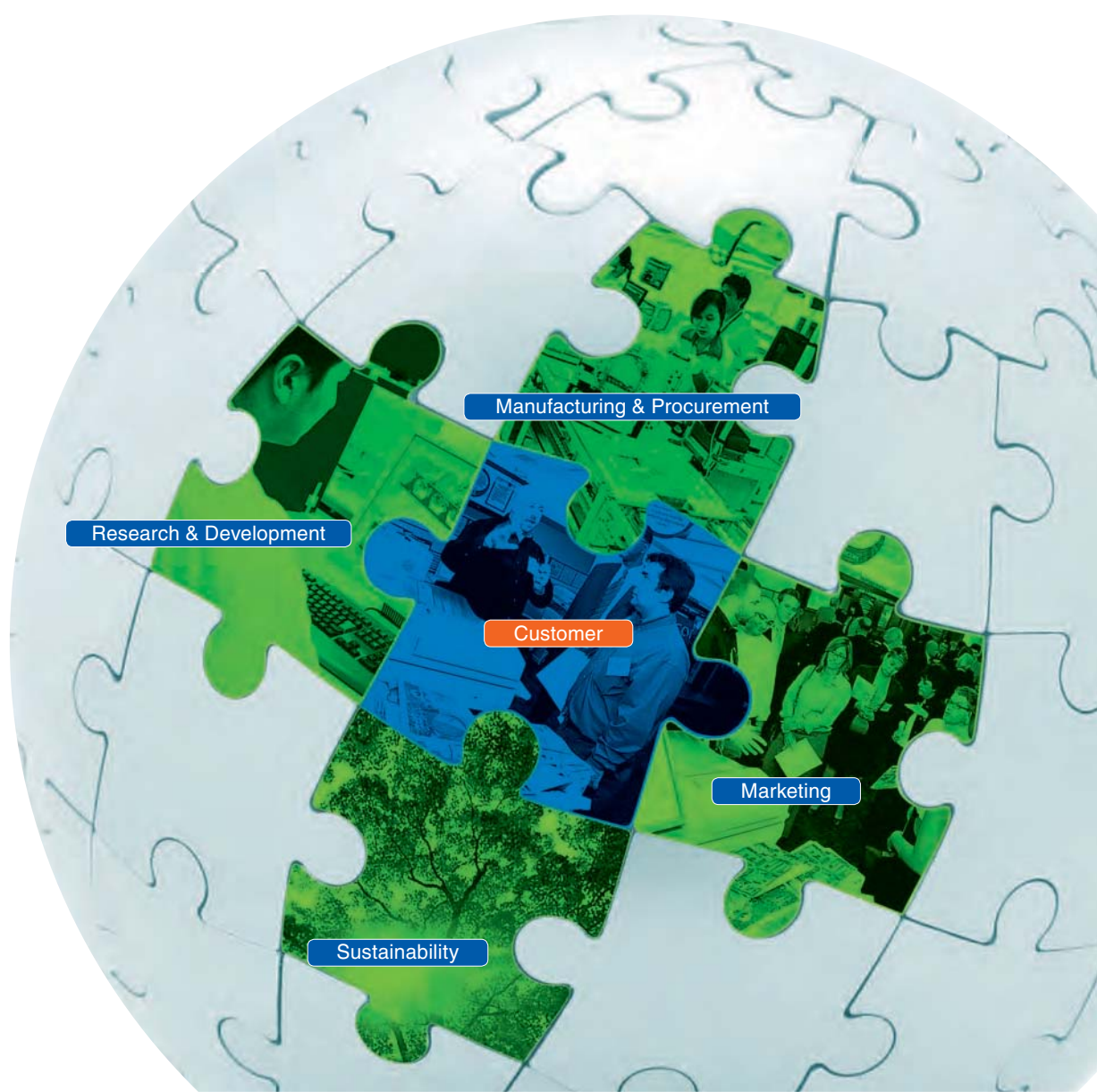


Common stock price



Creating Customer Value

The Ricoh Group has focused relentlessly on customer-centric innovation and evolution. Everything we do—from research and development, to procurement and production, and to sales and service—is geared to deliver unparalleled value to our customers.



Value 1

Global & Local

Ricoh offers globally consistent products and services to customers wherever they are around the globe in an individually customized manner that best suits their respective office environments.

Value 2

Solution

Ricoh supports customers' problem solving and continuous improvement by visualizing their business issues, including even those customers themselves are unaware of.

Value 3

Sustainability

Ricoh helps customers reduce their environmental impact and thereby improve the sustainability of their operations.

Value 4

Work Style

Ricoh proposes new work style ideas for enhancing business processes and operational efficiencies.

Value 1

Global & Local

Ricoh offers globally consistent products and services to customers wherever they are around the globe in an individually customized manner that best suits their respective office environments.

Sales and support services in more than 180 countries and regions around the world

Ricoh serves customers in more than 180 countries and regions worldwide through its sales subsidiaries and agents. With our five regional headquarters in Japan, the Americas, Europe, China, and Asia-Pacific, we offer globally consistent high-quality service to customers wherever they are, while conducting carefully designed marketing activities attuned to local and customer-specific characteristics.



Achieving local production for local consumption by establishing manufacturing bases in five major regions worldwide

Ricoh's global manufacturing system is designed to achieve two simultaneous objectives: (i) consolidating manufacturing capacities to achieve greater efficiency and (ii) offering timely and relevant service to customers from locations close to them.

Expanding research and development network globally

Centered in Japan, Ricoh's R&D functions are located worldwide, including in the Americas, Europe and China. Leveraging outstanding talent and technological assets around the globe, we are striving for technological breakthroughs. These R&D units collaborate, drawing upon their respective local capabilities, to swiftly reflect customer requirements in our products and services.



The Ricoh Group's global network: 235 companies and 109,014 employees worldwide



Ricoh Group main brands

The Ricoh Group provides products and services under the following brand names:





Offering a full-range of models to meet a wide variety of customer needs

From office-use MFPs and printers to production printers, Ricoh offers a full-range of products and services to meet diversified customer needs. In response to evolving customer work styles, we have also continually expanded our product and service portfolio to include projection systems, unified communication systems, Web services, and other cloud-enabled communications.



Showrooms: A place to experience Ricoh's collaborative solutions

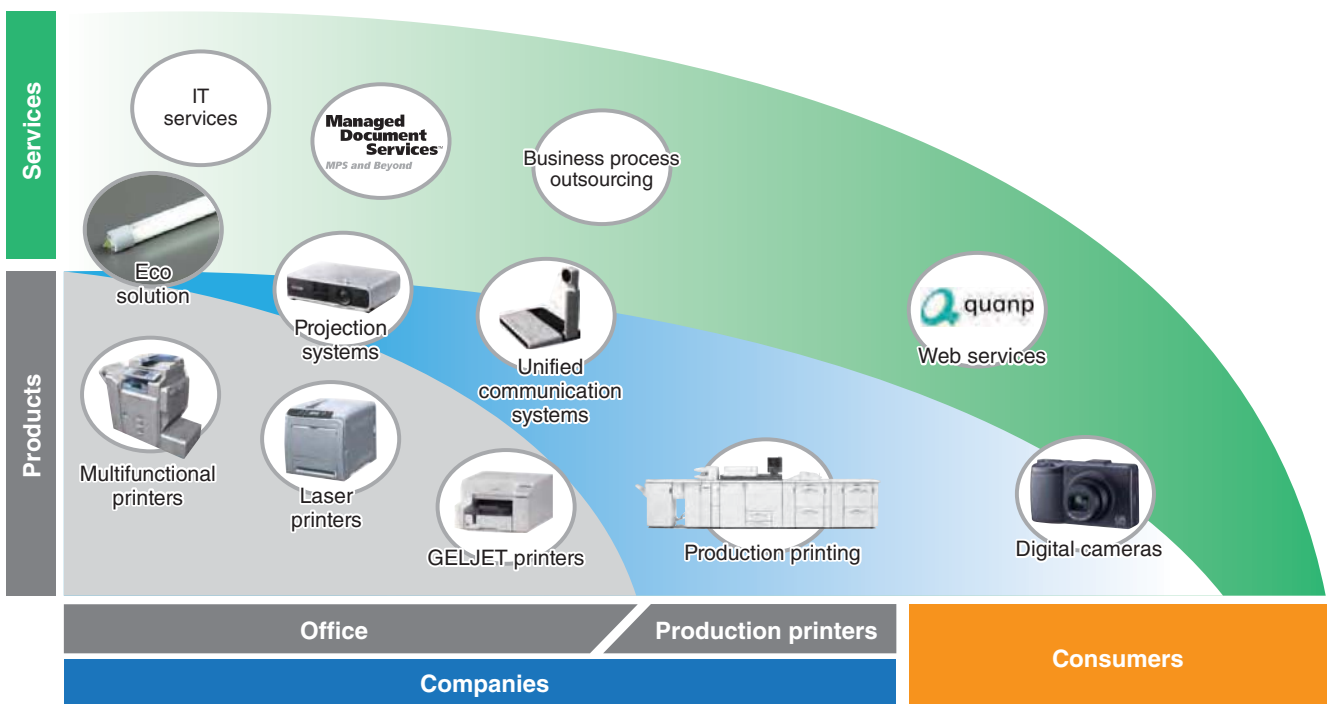
In Ricoh's showrooms around the world, such as Technology Portal and Printing Innovation Center (PIC), visitors can not only learn about our products and services, they can also experience how Ricoh works with customers to overcome their business challenges.

Plant kitting: Delivering fully customized products

Plant kitting is a service where products are pre-configured and fully customized with options ordered by customers at a plant nearby before being delivered directly to them.



Product and service lineup



Value 2

Solution

Ricoh supports customers' problem solving and continuous improvement by visualizing their business issues, including even those customers themselves are unaware of.

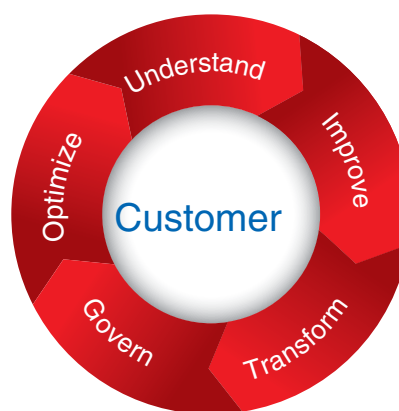


MDS: Improving document-related workflow

Ricoh's Management Document Services (MDS) relieve customers from the burden of managing their printing, copying and other document-related tasks, allowing them to reduce costs and improve productivity. In addition, we also help customers solve problems by analyzing and visualizing their document management issues, including hidden ones, and continuously offering improvement proposals.

Ricoh's MDS is delivered through an adaptive, customer-centric, five-phased approach, as depicted on the right.

**Managed
Document
Services™**
MPS and Beyond



Globally consistent service offerings

We seamlessly deliver globally consistent high-quality services to customers' operational sites, wherever they are located.

Optimal layouts for efficient document workflow tailored to your business

Based on our extensive lineup of imaging products, ranging from low-end to high-end, we can propose optimal output device layouts for customers of any size and in any industry.

Unparalleled support service enabled by our global service team

Ricoh boasts one of the largest service networks in the industry. Drawing upon global expertise developed through actual operations, our roughly 30,000 service team members around the globe deliver high-quality MDS to our customers.

Managing and operating output devices on behalf of customers using cloud-based MDS support tools

For customers who choose this service, Ricoh manages their output devices, including non-Ricoh products, on a real-time basis. In addition to device maintenance, supplies management, and asset management, customers can receive periodic reports by using the various reporting functions incorporated into our support tools. These reports enable customers to understand cost reduction levels, other improvements achieved, the history of support services received, and other data, providing insight for further improvement.

Success story

Christelle Afouda,
International Purchasing Manager at Air France

Christelle Afouda, International Purchasing Manager at Air France, says the relationship with Ricoh has proved advantageous: "Since establishing the global supply arrangement with Ricoh, we have gained control over our print infrastructure and are making significant savings in our global expenditure on print and reprographics."

Total Cost of Ownership (TCO)

Security

Environment

Workflow

Compliance

Ricoh will deliver even greater value to customers, focusing on their key business concerns. Based on our assessment and analysis of customers' current situations, we visualize all related costs and problems, including hidden ones, to propose optimal service solutions to the identified problems. After introducing the proposed devices/systems, we will support customers in operating and managing them, aiming to achieve continuous improvement.

Marketing

IT services: Realizing an optimal IT environment across the entire workplace

From system design and building to operation, management and maintenance, Ricoh offers a range of support to create an optimal IT environment for customers of any size. In this service, Ricoh offers customers a one-stop source for IT support and services, including those related to non-Ricoh devices, which eliminates the inconvenience of engaging different vendors for different devices.

Teknoforce (the Americas)

In the Americas market, Ricoh supports customers' IT performance with its "Teknoforce" service, offering 24/7 remote monitoring, helpdesk service, IT system implementation and management support, engineers' on-site services, and more.



Net Begin BB Pack Select (Japan)

In Japan, we offer Net Begin BB Pack Select, a comprehensive IT support service including the development of an Internet network and on-site trouble shooting service, for small and mid-sized companies which cannot afford full-time IT staff.

Marketing

Live Offices: demonstrating how Ricoh's office improvement ideas are applied in its own office

Ricoh's Live Offices are open to customers. Visitors can get a better feel of how Ricoh's offerings help solve their operational issues by witnessing how we ourselves have achieved reduced TCO of document output devices, smaller environmental footprint, enhanced workflow and many other improvements in our own workplace.



Research & Development

Ricoh's security solutions

The world's first IEEE Std. 2600.1TM-2009 certified product

In March 2010, Ricoh's imagio MP 5000 SP/4000 SP digital MFP became the world's first product to achieve ISO/IEC 15408 Common Criteria certification conforming to the IEEE Std. 2600.1TM-2009 international standard on information security.

Erasing all data residing on hard disk drive

Featuring a function that overwrites the user data and residual data left on the hard disk drive of an output device.

IC-card user authentication system

Ricoh's IC card-based user authentication system prevents unauthorized access to the devices and information leakage.

Value 3

Sustainability

Ricoh helps customers reduce their environmental impact and thereby improve the sustainability of their operations.

Customers' reliable partner in reducing environmental footprint.



Total Green Office Solution (TGOS): Creating an environmentally friendly office

Ricoh's TGOS provides continuous support for customers' efforts to reduce environmental impact through the entire lifecycle of their office products. Drawing on its abundant know-how, Ricoh proposes appropriate solutions for each customer activity, i.e., purchasing, use and returning for recycling.

Examples of TGOS

"Resource-recirculating eco packaging": No need to use cardboard boxes

To reduce packaging materials usage, Ricoh copiers and other products are shipped in reusable resin-based packaging.



Latest environmental technologies

Aiming to help reduce customers' environmental impact, Ricoh has developed various technologies, such as Quick Start-Up (enabling copiers to recover quickly from energy-saving mode), color PxP toner (achieving higher image quality and lower energy consumption through lower fusing temperatures), "Scan-to-Folder" (eliminating unnecessary output), paperless fax, and many others.

Using environmentally friendly biomass-based materials

Biomass resins have been receiving growing attention because they are renewable. Ricoh has adopted biomass components (50% biomass content) in its copiers. In 2009, Ricoh was also a pioneer in launching the world's first biomass toners on the market.

Recirculating resources through the recycling of components and the sale of recycled copiers

Since early 1990s, Ricoh has collected used copiers, printers, toner cartridges from the market and returned them to the market by reusing and recycling components and remanufacturing recycled copiers.



imagio MP C3500RC

Success story

Kraft Foods Inc.

Working with Ricoh, Kraft Foods has reduced its print costs by some 30% by consolidating and centrally managing its output devices. In addition, the company's printing-related environmental impact has been slashed substantially. Such great achievements were brought about by the change in not only their output fleet but also employees' environmental consciousness.

Eco solutions business: Making proposals for saving energy across office operations

Ricoh launched its eco solutions business with the sales of light-emitting diode (LED) illumination products in July 2011. Through the new business, we will help customers reduce the environmental impact of their entire office operations, not limited to imaging devices but including IT infrastructure, lighting, and many others.



Toward building a sustainable society

Cart production line: Substantially reduced electricity consumption

By introducing our unique cart production line system, our manufacturing sites require minimal electricity consumption for their operations and can flexibly accommodate changes in production volume and customers' needs.

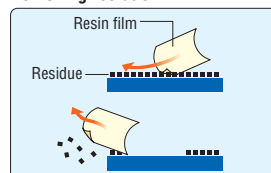


Cart production line

Dry washing technology: Removing residue without using a single drop of water

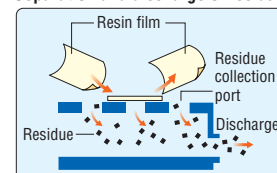
Ricoh has developed an original dry washing technology, which cleans components without using water, by blasting them with tiny sheets of resin film. This technology is used in the recovery process for toner cartridges and other electronic components of imaging devices.

Removing residue



Using airflow to blast thin resin films onto the object to be cleaned to remove the residue with their impact and contact.

Separation and discharge of residue



Only residue is removed and discharged, while the resin films are used repeatedly through continuous circulation.

Nano-bubble technology: Achieving full recycling of industrial wastewater

Ricoh developed the next generation wastewater treatment technology by using its ozone micro/nano-bubble technology, which recycles industrial water used in production processes. The technology allows us to significantly reduce the amount of water drawn from underground sources as well as wastewater discharged from factories after purification, thereby further reducing environmental impact.



Enhancing the environmental management system across the Ricoh Group worldwide

Starting with the receipt of the certification by the Ricoh Gotemba Plant in 1995, all major Ricoh production sites worldwide had received the ISO 14001 certification by 2000. Subsequently, in 2001, the sales group in Japan as a whole gained ISO 14001 certification. Sales subsidiaries outside of Japan are also working hard to establish the environmental management system.

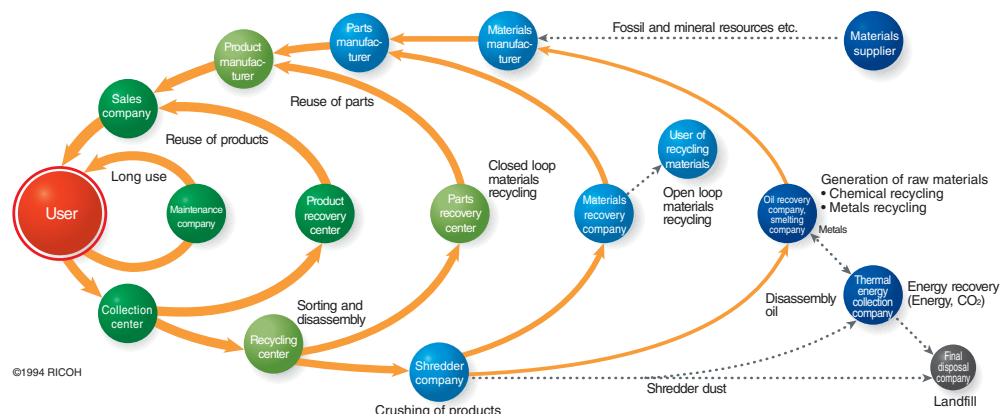
Working for greener logistics by modal shifts and direct delivery

The Ricoh Group is working toward optimal logistics operations to enhance their efficiency and reduce environmental impact. To that end, we are promoting modal shifts, direct delivery to customers, and the visualization of our logistics-related CO₂ emissions worldwide.



Concept of a sustainable society: The Comet Circle™

The Comet Circle represents how Ricoh aims to reduce environmental impact across the entire lifecycle of its products. Ricoh is promoting an economically sound recycling system, which gives a higher priority to the reuse of products and components that have less environmental impact than others, and thereby minimizes the necessary energy consumption and costs associated with recovering and recycling processes.



Value 4

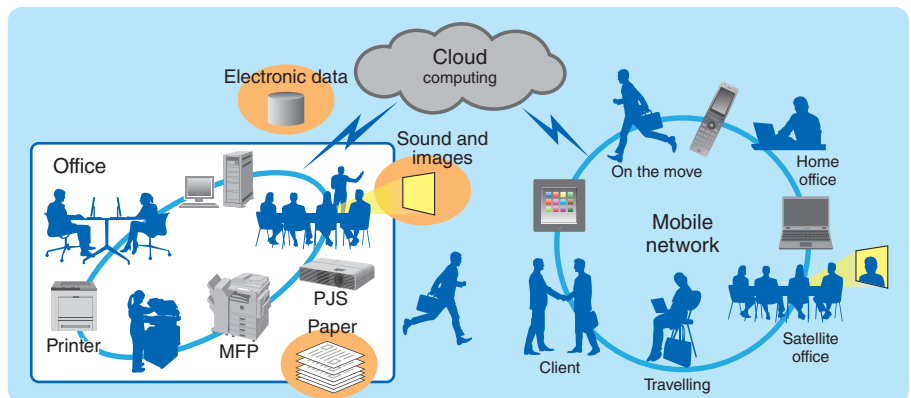
Work Style

Ricoh proposes new work style ideas for enhancing business processes and operational efficiencies.



Bringing innovations even to mobile and cloud-enabled work styles

Today's working styles have been changing dramatically with the increasing uptake of cloud computing in offices as well as the widespread use of mobile devices such as laptops, tablet PCs and smartphones. Ricoh creates and delivers customer value by proposing new working styles in such emerging office environments.



New businesses for creating new customer value

Projection systems

In addition to offering projector units that showcase Ricoh's excellent optical technology, we provide customers with solution proposals, service support and sales capabilities to improve their visual communications and workflow.

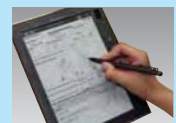


Unified communication systems

The new business will provide an optimal system and cloud services which unify various data such as video, voice, documents, text and handwritten input.

eWriter Solution

By replacing handwritten documentation processes with digital solutions, while maintaining the ease of use and the reliability of handwriting input, the eWriter Solution will help improve customers' operational efficiency.



Services for cloud-enabled office environments

App2Me: Allowing easy access to MFPs from PCs and smartphones

By simply downloading a special widget from the website, customers can easily access the MFP in their office to print and scan from their PC or smartphone. In addition, scanned data can be easily uploaded into Evernote, Google Docs and other accounts by using other widgets.



Cloud-based services

Ricoh offers a range of cloud-based services, such as "documentmall," a browser-based document management system that enables document registration, distribution and output in an easy yet highly secure manner; Hotspot Printer, which allows customers to order printout jobs easily even when they are in an airport lounge, hotel or other location by using their laptop PC or smartphone; and @Remote, a network-based remote device management system.

Ricoh's R&D in leading-edge technologies: Striving to meet future customer needs



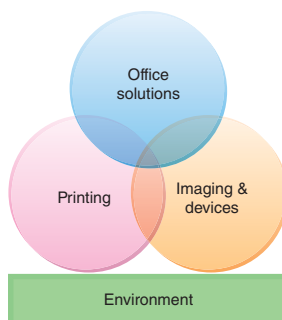
imagio MP C5000it

Catalyst for change in customers' work styles at all times

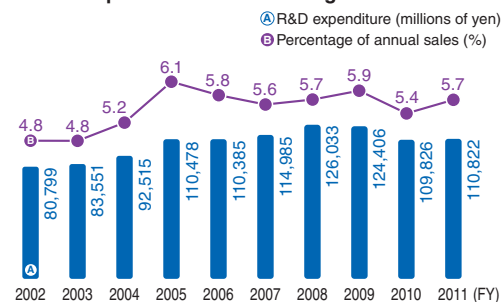
Since its founding in 1936, Ricoh has been bringing innovations to customers' work styles. Centering on imaging equipment, we create and deliver new and greater value to customers through our products, such as Ricopy 101, an office-use copier launched in 1955 that could be easily used by anyone; RIFAX 600 S, introduced in 1974, which became the world's first high-speed office facsimile machine; and imagio MF 200, a digital copier released in 1996 fueled the widespread use of digital models.

Continuous investment in R&D toward new value creation

Ricoh's R&D activities focus on four priority areas: environment, printing, office solutions and imaging & devices. We have consistently invested five to six percent of annual sales in R&D in order to create new customer value and increase our competitiveness.



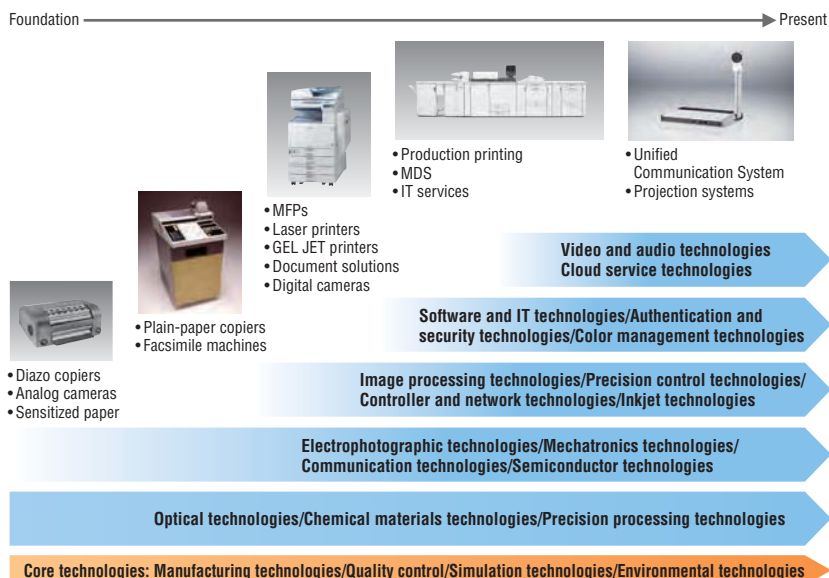
R&D Expenditure and Percentage of Annual Sales



Open innovation utilizing a wide range of technological resources

Ricoh's copiers and MFPs, our flagship products, represent the culmination of technologies we have developed in various fields, such as electronic photography, image processing, chemistry, optics, electricity, networking and software. By integrating newly developed technologies into these technological foundations that we have built over many years, we will continue to create new value through our products. To compete and excel in today's rapidly changing marketplace, Ricoh is promoting "open innovation." Rather than limiting the technological resources we tap into to our internal ones, we actively collaborate with external organizations and research institutes, and use open technologies.

Genealogy of Ricoh technologies



Corporate Governance

The Ricoh Group's corporate governance system is designed to facilitate sustainable growth and increase corporate value across the Group.

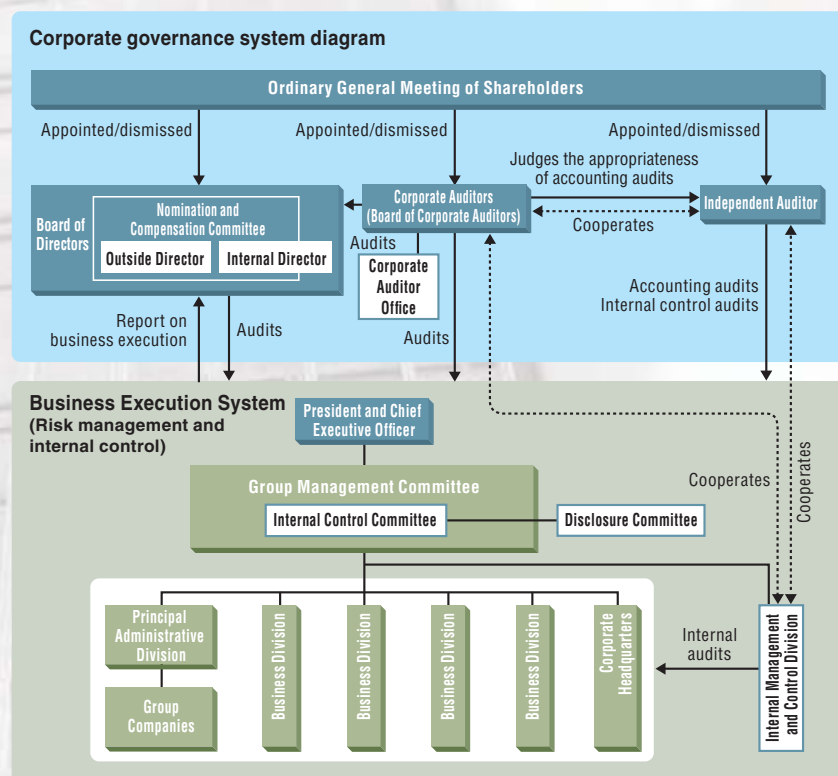
Corporate governance system

ISO 26000: Organizational government

The Ricoh Group has established the “RICOH Way” ^{See page 29}, a set of guiding principles and values that inform its business activities. In accordance with these principles, we continue to improve our corporate governance system to ensure the maintenance of an appropriate level of transparency, as required by corporate ethics and legal compliance, with which we ultimately aim to further enhance our competitiveness.

Based on the principle of autonomous corporate governance, the Ricoh Group promotes a corporate culture that values both a sense of duty to meet the various expectations of stakeholders and high ethics suited to good social conscience. At the same time, we strive to create a sense of alertness in management and business execution, and further enhance the quality and speediness of such functions. To this end, the Ricoh Group adopts the management structure shown to the right. The key features include:

- A corporate auditor system is in place.
- The Board of Directors provides management oversight and makes decisions on important issues concerning the management of the Ricoh Group. Management transparency and fairness of decision-making are strengthened by the presence of Outside Directors. The Board of Directors is comprised of 12 Directors, including two Outside Directors.
- The Board of Corporate Auditors is comprised of four Corporate Auditors, including two Outside Corporate Auditors. It provides a management oversight function by discussing and determining audit policy and assignment of duties.
- Under the executive officer system, executive actions are delegated to each relevant business division, enabling clear segregation of duties and timely decision-making.
- The Group Management Committee (GMC) is a decision-making organization delegated by the Board of Directors, and composed



Outline of the corporate governance system (as of June 2011)

Organizational form	Corporation with corporate auditors
Number of Directors	12 (maximum number under the articles of incorporation: 15)
No. of Outside Directors	2
Chair of the Board of Directors	Chairman
Number of Corporate Auditors	4 (maximum number under the articles of incorporation: 5)
No. of Outside Corporate Auditors	2

of executive officers who meet specific criteria. The GMC operates so as to accelerate deliberation and decision-making from the perspective of the optimum management of the entire Group.

- Unique to the Ricoh Group, the Nomination and Compensation Committee, a permanent organization composed of Outside Directors and designated internal Directors, makes proposals and resolutions concerning the regulation of the nomination, dismissal and compensation of Directors and executive officers, etc.
- The Corporate Auditor office is established, where exclusively assigned employees assist the auditors in performing their duties.

- The Internal Management and Control Division, the Ricoh Group's internal auditing division, reviews and assesses, in a fair and objective manner, the status of each business operation department to ensure the legal compliance and adequacy of business operations executed, and, in addition, offer advice and recommendations for improvement.
- In response to growing calls for greater independence of the Independent Auditor, the Ricoh Group has formulated a set of guidelines called the Policy and Procedures for Prior Approval concerning Audit and Non-Audit Services. Accordingly, finalization of the details of and fee for audit engagement requires the prior approval of the Board of Corporate Auditors.
- To establish and improve the internal control system of the Ricoh Group, an Internal Control Committee is instituted within the GMC. It is expected to convene regularly to deliberate and decide on relevant matters.

■ Basic policy on executive compensation

At the Ricoh Group, executive compensation is employed as an effective incentive for achieving the sustainable increase of corporate earnings and, in turn, shareholder value over the middle and long term. The base salary of a Director consists of: remuneration pertaining to his/her management oversight

role, remuneration reflecting the importance of management roles and responsibilities, remuneration for the purpose of purchasing treasury stock (except for Outside Directors), and variable remuneration linked to stock price performance during the relevant fiscal year. The amount of bonuses paid to Directors is determined based on the achievement of key performance indicators (sales, operating income, and ROA) pertaining to shareholder value and the competitiveness of the Group. Proposed executive bonuses are brought before the Ordinary General Meeting of Shareholders for approval.

The compensation of Corporate Auditors is comprised solely of remuneration for their auditing duties.

Executive compensation (for the year from April 1, 2010 to March 31, 2011)

(¥million)	No. (People)	Base salary (¥million)	Bonus (¥million)	Total (¥million)
Directors	16	346	82	429
Outside Directors	4	21	—	21
Corporate Auditors	5	74	—	74
Outside Corporate Auditors	3	14	—	14
Total	21	421	82	504
Outside executives	7	35	—	35

* The figures above include those for five Directors and one Corporate Auditor who retired following the 110th Ordinary General Meeting of Shareholders held on June 25, 2010.

Risk management and compliance

The Ricoh Group maintains the appropriateness of its operations and legal and regulatory compliance in its business execution through the following measures:

- Ricoh's Board of Directors and the 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.
- The Group set a basic disclosure policy to assure the accuracy, timeliness and comprehensiveness of disclosure of corporate information, and established the Disclosure Committee, an independent organization, to verify the process of disclosure.
- The application of the Ricoh Group Standard (RGS), a set of common rules to be followed by the entire Group.
- In order to thoroughly implement the Ricoh Group Corporate Social Responsibility (CSR) Charter, which sets forth the

principles of corporate behavior including compliance, and the Ricoh Group Code of Conduct, which articulates the general rules of conduct for Ricoh Group employees, the Specialty Committee and a hotline for reporting incidents and seeking advice have been established. Also various training programs are set up to enhance compliance domestically and overseas.

- The Ricoh Group has built and is operating a system for Total Risk Management (TRM), the primary purpose of which is to achieve effective and efficient integrated risk management by identifying, organizing, and addressing risks surrounding the Group, and ultimately to achieve consistent and sustainable prosperity and greater corporate value of the Group.

In addition, the Group has also formulated Business Continuity Plans (BCP) to help minimize damage and achieve prompt recovery and continuity of business in the event of an earthquake or other natural disaster or outbreaks of new types of flu or other infectious disease.

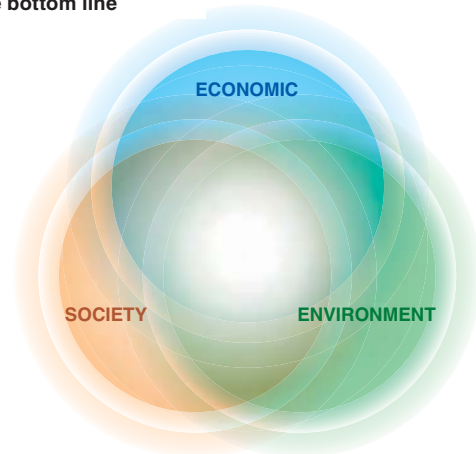
Sustainability

Increasing corporate value with a three-pronged focus on society, environment, and economy, the Ricoh Group actively pursues sustainability in its business operations.

Contributing to the sustainability of human society and the global environment

As a good corporate citizen, the Ricoh Group is committed to making meaningful contributions to the creation of a sustainable society based on the belief that environmental, social, and economic objectives are not incompatible. We aspire to go beyond simply responding to changing societal needs in a timely and appropriate fashion to becoming part of the solution of a wide range of urgent issues, such as global warming, overpopulation, economic inequality, poverty, food and water shortages, and scarcity of energy and other resources, just to name a few. To this end, the Ricoh Group is working to develop innovative technologies and new business models that can meet social needs and help create a better society. We are engaged in these initiatives together with our stakeholders, including our customers, business partners, and shareholders and other investors, in the hope that our corporate-level activities will serve as a catalyst for broader innovations across society.

Triple bottom line



Integrity in corporate activities ISO 26000: Fair operating practices

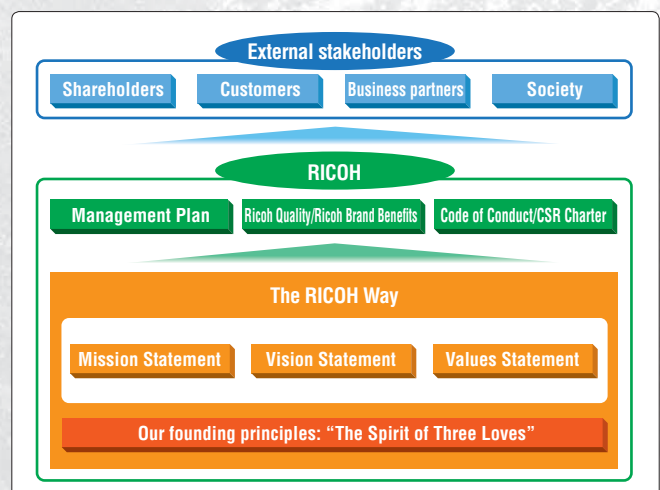
The RICOH Way—the foundation of every aspect of our business

The RICOH Way, which comprises our founding principles (“Love your neighbor, Love your country, and Love your work”) and Management Philosophy (Mission Statement, Vision Statement and Values Statement), is the foundation of the Ricoh Group’s management policy and strategy.

The Ricoh Group is striving to address the needs of various stakeholders by undertaking global corporate activities in a responsible and ethical manner. Keenly aware that our corporate culture provides the disciplining framework for individual actions, we will continue to maintain and enhance our culture by taking appropriate actions based on the RICOH Way.

CSR Charter; Code of Conduct; Supplier Code of Conduct

The Ricoh Group established the Ricoh Group CSR Charter and the Ricoh Group Code of Conduct in 2003 to ensure the Group fulfills its responsibility to society through every aspect of its operations. In addition, the Ricoh Group Supplier Code of Conduct, which the Group’s suppliers are expected to comply with and monitor their performance against, was formulated in 2006.



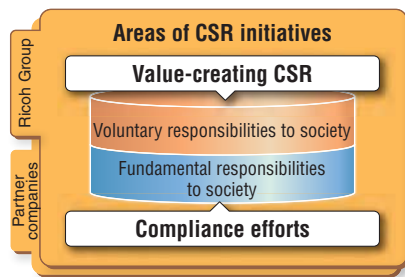
Examples of products and services that make a difference in society

- (1) Products and services that follow Color Universal Design (CUD) principles to ensure the easy and differentiated perception of color by all people
- (2) Wheelchair-accessible MFPs with a detachable scanner and/or an angle-adjustable operating panel
- (3) Voice-activated MFPs

CSR activities at the Ricoh Group

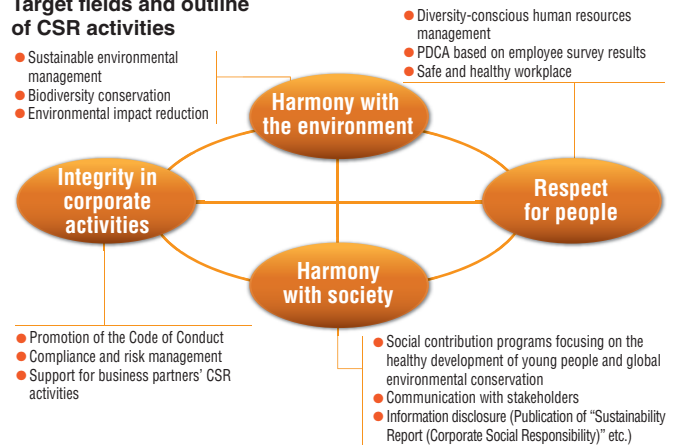
The Ricoh Group's CSR activities have a two-tier structure: first-tier CSR signifies fundamental responsibilities to society while second-tier CSR involves voluntary responsibilities to society. We promote a wide range of activities, mainly in the four areas specified in the Ricoh Group CSR Charter. We are stepping up our efforts regarding the second-tier or "value-creating" CSR activities, which are intended to help solve various social issues through the application of the Ricoh Group's technologies, products and services, and human and other resources.

Areas of CSR initiatives



Aiming at aggressive and effective implementation, we develop specific action plans based on the four objectives specified by the Ricoh Group CSR Charter.

Target fields and outline of CSR activities



Harmony with society ISO 26000: Community involvement and development

Support for Japan's disaster restoration and reconstruction efforts

The Ricoh Group made a pledge to contribute a total of 300 million yen to support relief and recovery efforts following the Great East Japan Earthquake. Accordingly, we donated 200 million yen to local governments in the affected areas and related NPOs, made digital cameras and printers available to local governments and utilities companies, leased out copiers to local governments free of charge, and provided relief supplies. We also launched our own Quake Restoration Support Office in June 2011. Under the leadership of the newly established office, the Ricoh Group will utilize its resources to support the affected areas. For instance, we will visit communities in affected areas offering printing services.



Expressing Ricoh's support for Japan's disaster recovery efforts on our eco-billboard in New York's Times Square

Framework for supporting social contribution activities

- (1) A social contribution reserve system, under which the company saves a portion of its profits for use in social contribution activities, upon the approval of shareholders at annual general meetings
- (2) FreeWill, Ricoh employees' social contribution club, which collects a portion of its members' salaries to donate to and support NPOs, NGOs and other organizations selected
- (3) Volunteer service leave program

Social contribution programs

Reserve funds for social contribution are allocated to the Ichimura Nature School Kanto, the Ricoh Science Caravan, Forest ecosystem conservation projects and other activities that benefit society.



Ricoh Science Caravan

Commitment to society

- Becomes a signatory of the UN Global Compact (GC) in April 2002
- Participates in the Japan Business Initiative for Conservation and Sustainable Use of Biodiversity (JBIB) as one of the founding players in April 2008
- Signs the Leadership Declaration on the "Business and Biodiversity Initiative" in May 2008
- Participates in the Japan Climate Leaders' Partnership (Japan-CLP) as one of the founding members in July 2009
- Signs the Cancun Communiqué on Climate Change in December 2010
- Signs the Guidelines on Women's Empowerment in February 2011

Evaluation by society

- Chosen as one of the Global 100 Most Sustainable Corporations for seven years in a row (by Corporate Knights, Inc., Canada)
- Selected as one of the World's Most Ethical Companies for the third consecutive year (by Ethisphere Institute, an American think tank)
- Included in leading SRI indices



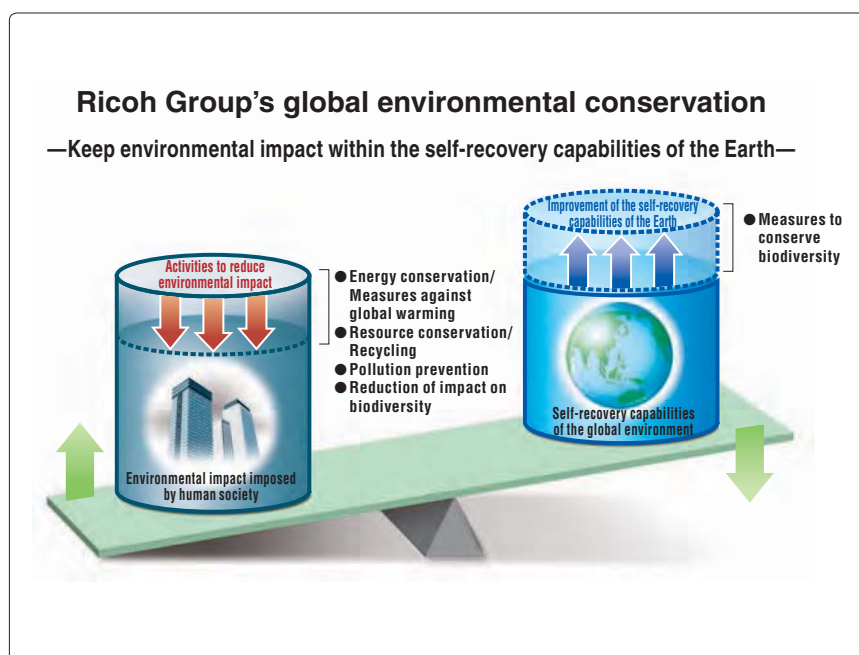
Harmony with the environment ISO 26000: Environment

Based on Ricoh's Environmental Principles introduced in 1992, the Ricoh Group is engaged in sustainable environmental management, aiming at the simultaneous achievement of environmental conservation and business growth. With a goal of developing a more farsighted approach to environmental activities, we have also presented our 2050 Extra-Long-Term Environmental Vision. In March 2009, the Group issued its Mid- to Long-term Environmental Impact Reduction Targets announcing specific steps to be taken to achieve the vision. With 2020 and 2050 designated key years, numerical targets have been set in three different areas: energy saving and global warming prevention, resource conservation and recycling, and pollution prevention. Various highly effective activities are being implemented to achieve the targets in each area.

Conservation of the global environment requires measures not only to reduce the impact of our business operations and products on the environment but also to maintain and improve the self-recovery capabilities of the global environment. Recognizing that our businesses depend on the global ecosystem and that biodiversity plays an indispensable role in the health of the ecosystem, the Ricoh Group laid down the Ricoh Group Biodiversity Policy. This policy requires that we take biodiversity considerations into account when deciding how to best operate our business, building upon the substantial efforts we have already made to conserve biodiversity through our environment-conscious social contribution activities.

Business models for a resource-recirculating society

The Comet Circle See page 24, established in 1994, illustrates a scheme to reduce our environmental impact across the entire lifecycle of our products. In other words, it represents our ideas on how to create a sustainable society. Under the resource-recirculating society business model, used products are treated not as waste but as valuable resources. The Ricoh Group operates a recycled copier business by establishing a system for the collection of used products from the market, recycling their materials and parts and re-launching them onto the market in a new form. In addition, we have established a system to reuse parts repeatedly in production by making use of an upgraded design. In partnership with recycling companies, we have also been working



Ricoh Group's Mid- to Long-term Environmental Impact Reduction Targets

Mid- and Long-Term Goals	
Energy Conservation and Prevention of Global Warming	<p>Reduce the total lifecycle CO₂ emissions by the Ricoh Group (including emissions of the "five gases" converted into CO₂) by 30% by 2020 and by 87.5% by 2050 from the fiscal 2000 level.</p> <p><small>* Equal to 34% reduction from the fiscal 1990 level (for domestic CO₂).</small></p>
Resource Conservation and Recycling	<p>(1) Reduce the new input of resources by 25% by 2020 and by 87.5% by 2050 from the fiscal 2007 level.</p> <p>(2) Reduce the use of or prepare alternatives for major product materials that are at high risk of depletion (e.g., crude oil, copper and chromium) by 2050.</p>
Pollution Prevention	<p>Reduce the impact of chemical substances on the environment by 30% by 2020 and 87.5% by 2050 from the fiscal 2000 level.</p>

* Targets are set based on the business areas and market share for fiscal 2000.

on quality improvement of recycled resources and minimization of energy used and costs needed for reuse and recycling. This way, we are promoting a more economically rational recycling system that has a smaller impact on the environment.

Given the possibility that some mineral resources may be depleted in the near future, manufacturing styles cannot be said to be sustainable if they require large amounts of resources. The Ricoh Group will accelerate our shift to the new style of manufacturing, whereby the value of resources is maximized through recycling and use of new resources in production is greatly reduced.

* Please refer to Ricoh's initiatives to reducing its environmental impact in its business activities.

The Ricoh Group's sustainable environmental management incorporated into study materials at HBS

Sustainable environmental management at the Ricoh Group has been incorporated into case study materials for the Advanced Management Program at Harvard Business School (HBS) in Boston in the United States. The Advanced Management Program is a corporate leadership course that covers the latest issues in business administration using examples of best-practice management at global corporations. Ricoh's sustainable environmental management was selected to be the first case study when HBS decided to incorporate sustainability and management.



Vie & Couleurs project in factory premises

Ricoh Industrie France S.A.S. (RIF), our European manufacturing subsidiary, is promoting the Vie & Couleurs ("Life & Colors") project with the aim of increasing biodiversity at its 120,000-m² premises. Under the project, RIF has created a biotope pond, a pasture, and a field of some 1,400 m² planted with various flowers that provide year-round color. They have also installed birdhouses and developed an inventory list of on-site flora and bird species. During fiscal 2010, project participants created hedgerows, planted fruit trees, and conducted a feasibility study to determine the potential for sustainable beekeeping at the site.



A 100% clean-energy-powered electronic billboard in London

On June 28, 2011, a billboard powered only by natural energy was installed in the United Kingdom on the highway connecting London to Heathrow Airport. This eco-powered signage, the second of its kind following the 100% solar-powered billboard erected in New York's Times Square in 2009, is a symbol of Ricoh's commitment to promoting natural energy use as part of its sustainable environmental management. To best accommodate climatic conditions in London, a solar and wind power hybrid provides the electricity used to illuminate the billboard.



Eco-powered billboard in London

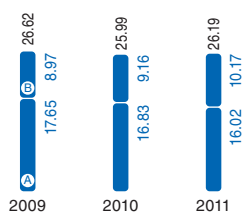
Eco-powered billboard in New York



Environmental data

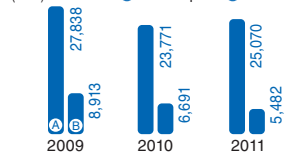
Energy consumption (CO₂-equivalent) <The Ricoh Group (production)>

(10 thousand tons-CO₂) A Japan B Overseas



Environmentally sensitive substances consumption and emissions <The Ricoh Group (production)>

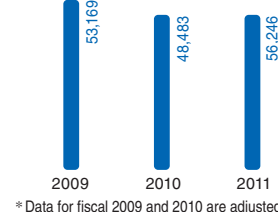
(tons) A Consumption B Emissions



* Data for the substances specified in the environmental action plan, which consist mainly of the substances covered by the PRTR Law and includes other chemical substances used by the Group in large quantities

Total amount of waste generated <The Ricoh Group (production)>

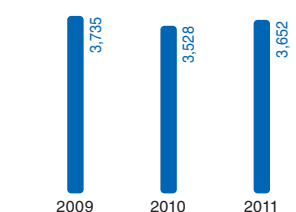
(tons)



* Data for fiscal 2009 and 2010 are adjusted

Volume of industrial water used <The Ricoh Group (production)>

(thousand tons)



* For details, please read the Ricoh Group Sustainability Report (Environment) 2011.

Respect for people ISO 26000: Human rights/Labor practices

Business activities deeply imbued with respect for human rights

At the Ricoh Group, two thirds of our employees are non-Japanese and we operate in many countries around the world, each of which has its own unique cultural values and customs. It is, therefore, imperative that as well as upholding fundamental human rights, we respect local cultures and customs in each country and region in which we do business. Based on this recognition, we have clearly declared our principles of respect for fundamental human rights—a prerequisite for mutual understanding—and the elimination of discrimination on the basis of race, religious faith, gender, social position, citizenship, sickness, handicap, etc. in our Code of Conduct. We have accordingly developed related policies and tools and provided employee education according to job class (from new entrants to managers) as well as e-learning programs. As the next step, we are working on new initiatives to reaffirm the importance of human rights, examples of which include a meeting for stakeholder dialogue on the theme of human rights in March 2011.

● **Human rights-related provisions of the Ricoh Group Code of Conduct (excerpt)**

[Respect for human rights]

- The Ricoh Group does not discriminate on the basis of race, religious faith, gender, social position, citizenship, sickness, handicaps, etc. (Basic Policy)
- Officers and employees must respect all fundamental human rights, and must not engage in any actions that ignore human rights such as discriminatory language, violence, sexual harassment, power harassment, etc. (Actions)
- Officers and employees must not make improper demands for labor. Again, they must not employ children under the legal working age of the country or region concerned. (Actions)

Building a diversity-friendly culture

At the Ricoh Group, we have been making continuous efforts to provide opportunities for employees to take on loftier goals and thereby realize their own professional growth and self-actualization. In addition to our ongoing efforts to further improve our human resources management system, we have developed easily accessible employee education programs and constructed mechanisms and a culture that facilitate the development of our employees' capabilities. Toward the successful implementation of our growth strategy, we are also working to achieve optimal employee training and optimal use of our human resources to accelerate our global expansion and aggressively attract and retain high-caliber talent for our newly launched and rapidly growing businesses.

The Ricoh Group is promoting workplace diversity together with work-life balance. This is because we fully recognize the growing importance of the creation of a diversity-friendly workplace, where employees can realize their full potential regardless their nationality or gender, or in other words developing an effective diversity management system, as our business has expanded globally and thereby we need to have an even deeper understanding of different culture and personal values.

● **Human resources-related programs**

[Human resources development]

- Human resources development programs designed for seven HR categories
- Goal evaluation system
- Career development support programs
- Job type-based certification programs on specialized fields
- Early development programs for prospective managers
- Global Executive Summit

[Promotion of diversity and work-life management]

- Employee survey on work-life balance management
- Study group for female managers
- Mentoring program
- Career development forum
- The Ricoh Group Diversity Promotion Forum
- Childcare leave
- Reemployment of former employees who resigned for parenting or family care reasons
- Nursing care leave for employees with sick or aged family members
- Volunteer leave and more

The Ricoh Group Diversity Promotion Forum

The seventh Ricoh Group Diversity Promotion Forum was held on February 8, 2011. The invited speaker, Ms. Sandy Smith, Senior Vice President of Human Resources & Education at InfoPrint Solutions, talked about how her company is promoting the "Diversity and Inclusion" program, taking diversity initiatives one step further to welcome minority employees into the workplace, learn about how their backgrounds inform their perspectives and ways of thinking, and incorporate such understandings into day-to-day decision-making and practices. InfoPrint, a joint venture between IBM and Ricoh, is known for its advanced employee diversity

programs, which are part of the DNA passed down from IBM. The company is headquartered in the United States, a country that is no stranger to issues relating to minorities, whether they be ethnic groups, transgendered people or war veterans. The speech was followed by a lively discussion among the 60 or so Ricoh Group employees participating in the forum.



Ms. Sandy Smith
SVP,
Human Resources & Education,
InfoPrint Solutions Company

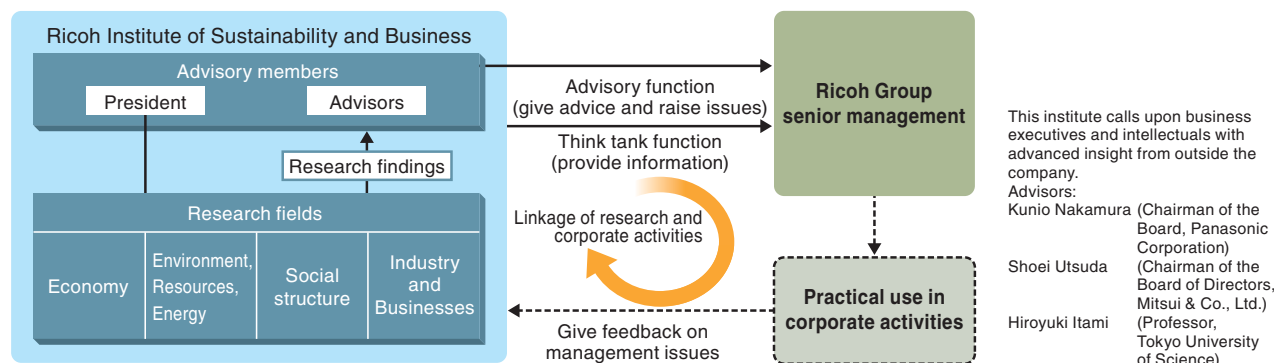
Establishment of the Ricoh Institute of Sustainability and Business

We established the Ricoh Institute of Sustainability and Business as an in-house organization on April 1, 2010, with the goal of achieving business growth through corporate activities, and contributing to the realization of a sustainable society.

The Institute will serve dual functions: a think-tank function to research the impact the economy and society will have on future trends and business management, and an advisory function whereby, based on the fruits of its research, the Institute will give advice to and raise issues with Ricoh senior management. In order to ensure that research findings are linked to real corporate activities—as a research institute of a globally active company—the advisory members consisting of the Institute's president and advisors will give advice to and raise issues with Ricoh senior management, and contribute to the realization of a prosperous and sustainable society.

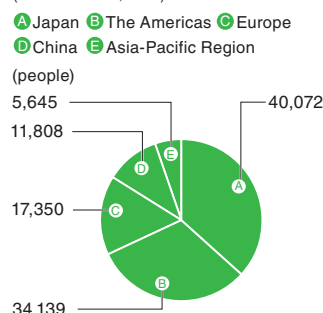
Exploiting the Institute's functions, Ricoh will gain an accurate understanding of the structural changes taking place in society against a backdrop of growing change in the business environment. At the same time, we will conduct penetrating independent analyses in light of Ricoh's own business conditions. We will seek a new growth model for the direction of corporate activities, based on solving global issues such as global warming and the depletion of resources. We will also look at the role of business in global competition. By reflecting these findings in our medium- to long-term management strategies, we plan to enhance our competitiveness as a company and at the same time "earn the trust of the international community."

The Institute's structure and concept



CSR related data

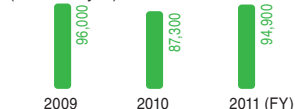
Consolidated number of employees by region (as of March 31, 2011)



Consolidated number of employees (people)



Social contributions (disbursement managed by Ricoh's social contribution reserve system) (thousand yen)



Rate of employees with disabilities <Ricoh Company, Ltd.> (%)



Percentage of female employees <Ricoh Company, Ltd.> (%)



Percentage of female managers <Ricoh Company, Ltd.> (%)

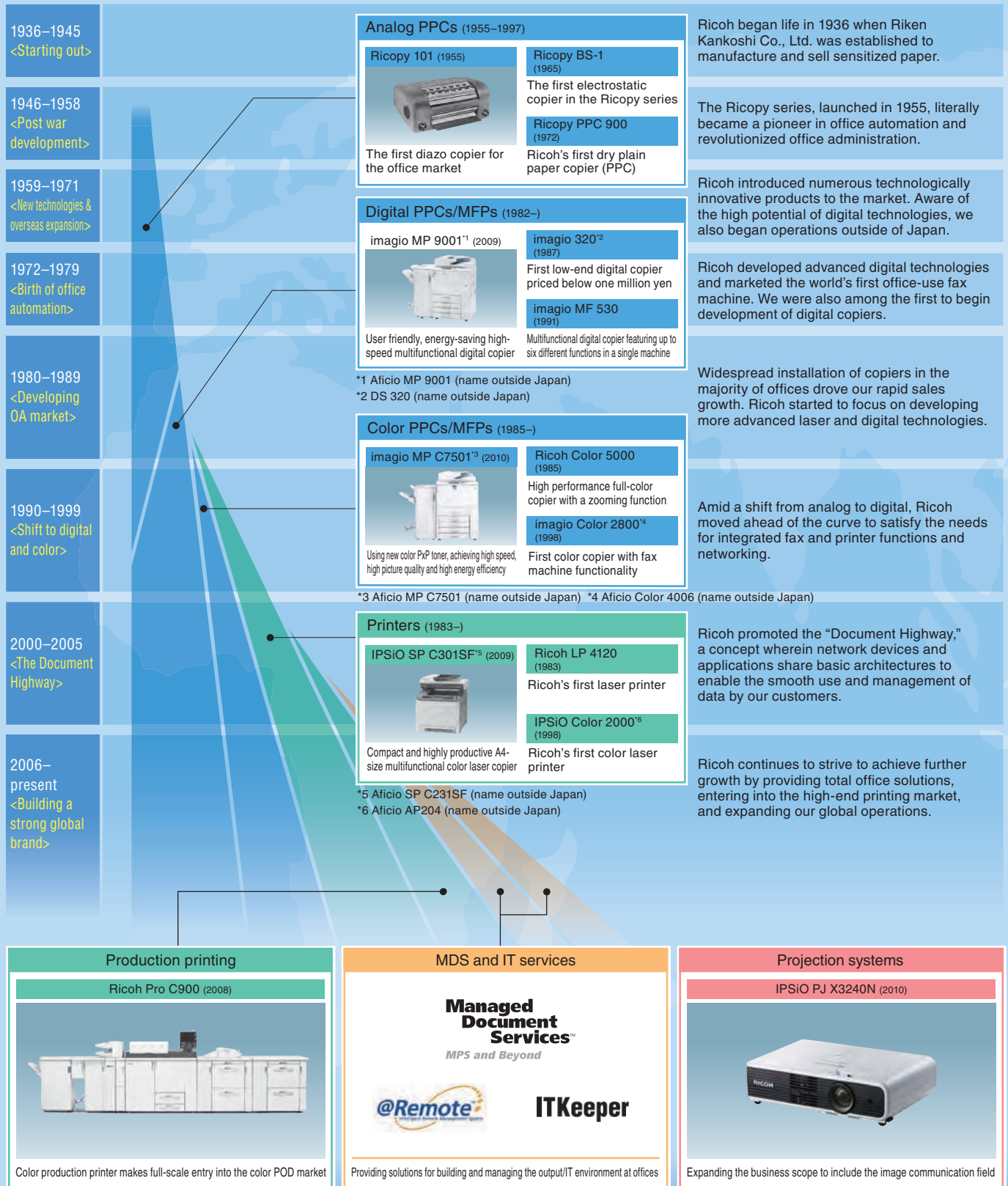


* For details, please read the Ricoh Group Sustainability Report (Corporate Social Responsibility) 2011.

RICOH Milestones

The Ricoh Group, staying true to its original heritage, has been engaged in the business of providing innovative office solutions to a global customer base. In the 21st century, we are intent on maintaining our winning position. Please see the timeline below for major milestones in our main business:

Imaging & Solutions



* The Ricopy, imagio, Ricodoc Document System, ITeKeeper brand names are used only in Japan.

Global

1936 Establishes Riken Kankoshi Co., Ltd. (renamed Riken Optical Co., Ltd. in 1938)

1954 Establishes Ohmori Plant in Japan

1962 Establishes a sales subsidiary in the U.S., named Ricoh Industries, U.S.A., Inc. (presently Ricoh Americas Corporation)

1963 Renames the company Ricoh Company, Ltd.

1971 Establishes Atsugi Plant in Japan

1971 Establishes a sales subsidiary in the Netherlands, named Ricoh Nederland B.V. (presently Ricoh Europe PLC)

1973 Establishes a manufacturing subsidiary in the U.S., named Ricoh Electronics, Inc.

1978 Establishes Asia/Oceania-based sales company Ricoh Business Machines Ltd. (presently Ricoh Hong Kong Ltd.)

1981 Begins marketing Ricoh brand dry PPCs in Europe and North America

1983 Establishes a manufacturing subsidiary in the U.K., named Ricoh UK Products Ltd.

1985 Establishes Gotemba Plant in Japan

1986 Establishes Ricoh Research and Development Center in Yokohama, Japan

1987 Establishes a manufacturing subsidiary in France, named Ricoh Industrie France S.A. (presently Ricoh Industrie France S.A.S.)

1991 Establishes a manufacturing subsidiary in China, named Ricoh Asia Industry (Shenzhen) Ltd.

1995 Ricoh Corporation (presently Ricoh Americas Corporation) acquires U.S.-based sales company Savin Corporation as its subsidiary

1995 Acquires U.K.-based sales company Gestetner Holdings PLC as its subsidiary (presently NRG Group PLC)

2001 Acquires U.S.-based sales company Lanier Worldwide, Inc. as its subsidiary

2003 Establishes its Chinese regional headquarters in Shanghai, named Ricoh China Co., Ltd.

2004 Acquires Japan-based Hitachi Printing Solutions, Ltd. (presently Ricoh Printing Systems, Ltd.)

2004 Establishes a manufacturing subsidiary in Shanghai, China, named Shanghai Ricoh Digital Equipment Co., Ltd.

2005 Establishes the Technology Center in Ebina, Japan

2006 Establishes facilities to mass produce polymerized toner "PxP Toner" at Numazu Plant, Japan

2006 Establishes Infotec Europe B.V. as a result of acquiring European operations of U.S.-based Danka Business Systems PLC

2007 Begin operation of a joint venture, InfoPrint Solutions Company, LLC, with International Business Machines (IBM) Corp.

2008 Establishes a manufacturing subsidiary in Thailand, named Ricoh Manufacturing (Thailand) Ltd. (begins operations in September 2009)

2008 Starts construction of a new building within the Technology Center in Ebina, Japan (scheduled to be completed in 2010)

2008 Acquires U.S.-based sales company IKON Office Solutions, Inc. as a subsidiary

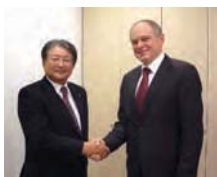
2010 Establishes facilities to produce "PxP Toner" at Tohoku Ricoh Co. Ltd., Japan

2011 Concludes a strategic cooperation agreement with Heidelberg Druckmaschinen AG

■ Sales (FY 1971–FY 2011)
 (A) Overseas (B) Japan

2 trillion 1 trillion (Yen)

Enhancement of sales networks



Ricoh concludes a strategic cooperation agreement with Heidelberg Druckmaschinen AG (2011).



Ricoh Technology Portal in New York (reopening in 2007)



Ricoh Printing Innovation Center on the second floor of Tokyo Headquarters (opened in September 2008)

Expansion of R&D capabilities



Establishment of a manufacturing plant in Thailand (begins operations in September 2009)

Construction of a new building within the Technology Center in Ebina, Japan (completed in August 2010)

● **Ricoh Americas Corporation**

5 Dedrick Place, West Caldwell, New Jersey 07006, U.S.A.
Phone: +1-973-882-2000 Facsimile: +1-973-882-2506
<http://www.ricoh-usa.com/>

● **Ricoh Europe PLC**

20 Triton Street, London NW1 3BF, United Kingdom
Phone: +44-20-7465-1000 Facsimile: +44-20-7224-5740
<http://www.ricoh-europe.com/>

● **Ricoh Asia Pacific Pte Ltd.**

103 Penang Road #08-01/07, VISIONCREST Commercial, Singapore, 238467
Phone: +65-6830-5888 Facsimile: +65-6830-5830
<http://www.ricoh-ap.com/>

● **Ricoh China Co., Ltd.**

20F, Lansheng Building, No2-.8, Huaihai Zhong Road,
Shanghai, China P.C 200021
Phone: +86-21-5238-0222 Facsimile: +86-21-5238-2070
<http://www.ricoh.com.cn/>

● **Ricoh Company, Ltd.**

IR Department, Corporate Communication Center
Ricoh Building, 8-13-1 Ginza, Chuo-ku, Tokyo 104-8222 Japan
Phone: +81-3-6278-5254 Facsimile: +81-3-3543-9329
e-mail ricoh-ir@ricoh.co.jp
<http://www.ricoh.com/>