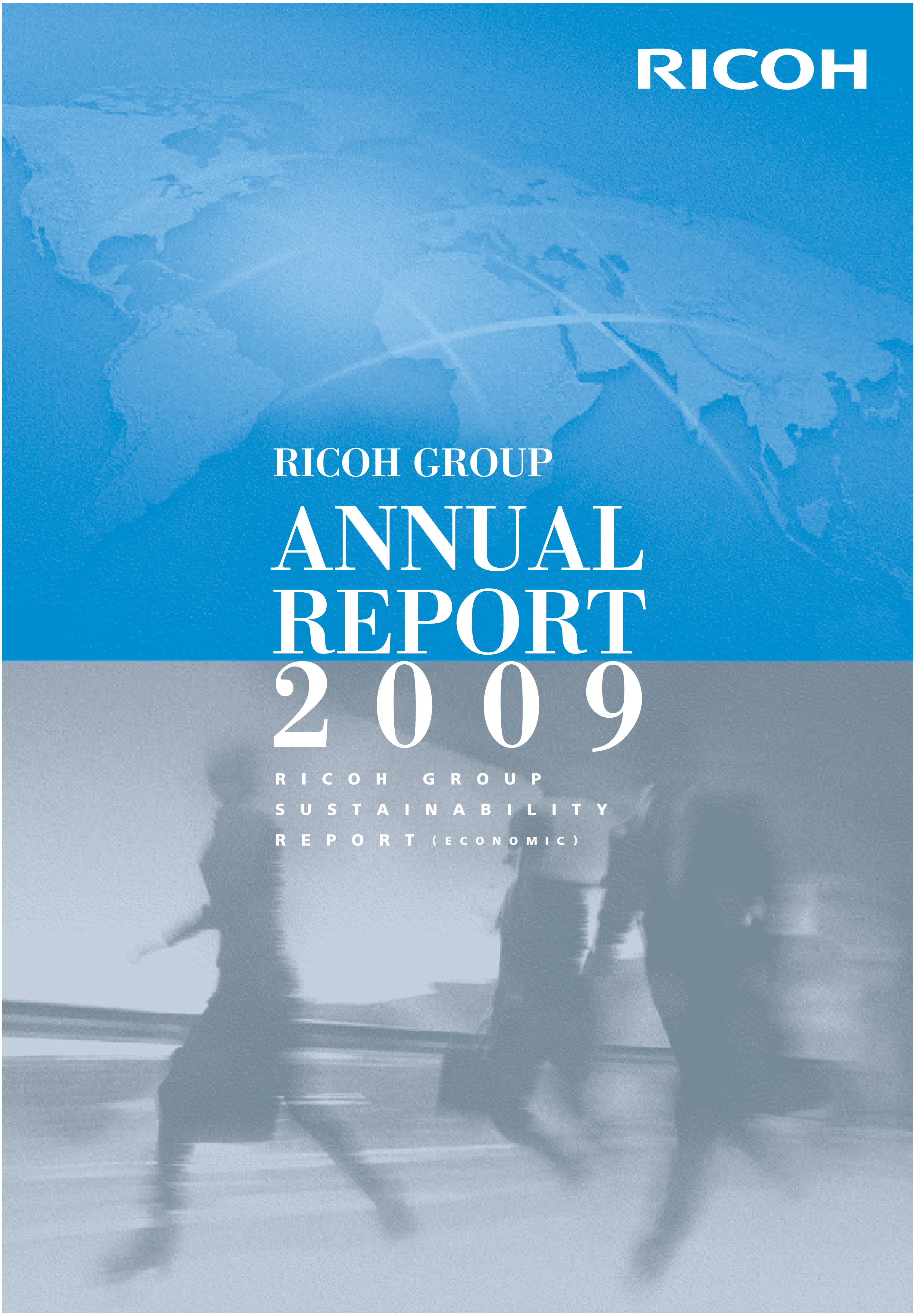


RICOH

RICOH GROUP ANNUAL REPORT 2009

RICOH GROUP SUSTAINABILITY REPORT (ECONOMIC)

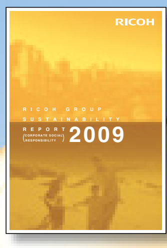
Earning the public's trust
Activity reports from 3 perspectives: "Economic," "Environment," and "Corporate social responsibility"

Being a good corporate citizen means striving to be a valued and respected member of society by contributing to its sustainable development. To this end, the Ricoh Group believes in being outstanding in all areas of the economy, the environment, and corporate social responsibility as well as openly communicating its activities. The Ricoh Group publishes information on its activities in reports written from three different perspectives: the economy, the environment, and corporate social responsibility.

This report provides our shareholders, customers, and other stakeholders with information on our management policies, business performance in fiscal 2009, to facilitate a better understanding of what we do and how we work.

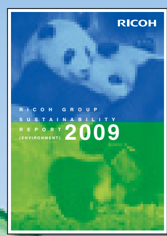
Sustainability Report (Corporate Social Responsibility)

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



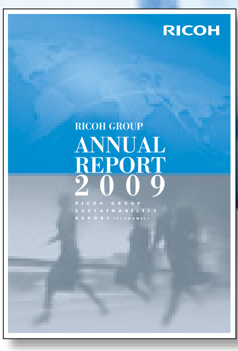
Sustainability Report (Environment)

- 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 (Economic)

- Management policy
- Management results
- Financial status



■ 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.

■ For information related to this report, visit the websites listed below.

- IR (Investor Relations)
  http://www.ricoh.com/IR/
- Sustainable environment management
  http://www.ricoh.com/environment/index.html
- Corporate social responsibility
  http://www.ricoh.com/csr/
- Social contribution
  http://www.ricoh.com/about/csr/soc_harmony/index.html
- Information security
  http://www.ricoh.com/about/security/index.html

Ricoh Group Main Brands

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

RICOH, savin, LANIER, nashuatec, Rex-Rotary, Gestetner, infotec, RICOH | IBM InfoPrint Solutions Company, IKON Document Efficiency At Work.

Corporate Profile

Ricoh Company, Ltd., is a leading global manufacturer of office automation equipment. Our lineup includes copiers, multifunctional and other printers, facsimiles, personal computers, and related supplies and services, as well as digital cameras and advanced electronic devices. We are rapidly building a solid presence worldwide as a provider of comprehensive document solutions that help customers streamline their businesses and cut operating costs.

The Ricoh Group includes Ricoh Company, Ltd. and 311 subsidiaries and affiliates – 77 companies in Japan and 234 overseas, together employing around 108,500 people.

● **Cautionary Statement**

Ricoh bases the estimates in this annual report on information currently available to management, which involves risks and uncertainties that could cause actual results to differ materially from those projected.

Financial Highlights

Ricoh Company, Ltd., and consolidated subsidiaries for fiscal 2009 and fiscal 2008

	Millions of yen		Thousands of U.S. dollars	% change
	2008	2009	2009	2009/2008
For the year: Net sales	¥2,219,989	¥2,091,696	$21,128,242	–5.8%
Japan	¥1,016,034	¥938,331	$9,478,091	–7.6%
Overseas	¥1,203,955	¥1,153,365	$11,650,152	–4.2%
Net income	¥106,463	¥6,530	$65,960	–93.9%
Per share data (in yen and dollars): Net income Basic	¥146.04	¥9.02	$0.09	–93.8%
Diluted	¥142.15	¥8.75	$0.09	–93.8%
Cash dividends declared	¥33.00	¥33.00	$0.33	—
At year-end: Total assets	¥2,214,368	¥2,513,495	$25,388,838	13.5%
Shareholders' equity	¥1,080,196	¥975,373	$9,852,253	–9.7%

* As a result of the sale of business, the operating results from the discontinued business have been reclassified since last year from fiscal 2003 to 2006 in this report.

To Our Shareholders and Customers

Lower sales and earnings amid recession and a stronger yen

In the year ended March 31, 2009 (fiscal 2009), consolidated net sales of the Ricoh Group declined 5.8% over the previous fiscal year to 2,091.6 billion yen (US$21,127 million), with sales decreasing in all segments including Imaging and Solutions, Industrial Products and Other.

Excluding the effects of currency rate fluctuations, however, the Ricoh Group's consolidated net sales grew 1.1% over the previous fiscal year; The dollar-yen and the euro-yen average rates for fiscal 2009 were 100.55 yen to the dollar (up 13.85 yen year on year) and 143.74 yen to the euro (up 17.95 yen), respectively.

Looking at performance by business segment, the economic recession and the yen's appreciation, among other things, also took a severe toll on the overall sales performance of Imaging and Solutions, although printer sales grew, driven by enhanced sales networks and expanded printer business operations. The Industrial Products and the Other segments also posted slower sales in tougher economic conditions. Geographically, the Group's sales in Japan declined 7.6% from the previous fiscal year to 938.3 billion yen (US$9,478 million). Sales in markets overseas also declined 4.2% to 1,153.3 billion yen (US$11,649 million), an increase of 8.5% from the previous fiscal year excluding the effects of currency fluctuations.

Gross profit declined 7.9% from the previous fiscal year to 854.3 billion yen (US$8,629 million), mainly due to slower sales and the yen's rise. Gross profit as a percentage of net sales also showed a 1.0 percentage point decrease from the previous fiscal year to 40.8%. Although the Group made good progress in its cost reduction efforts, the effects were not sufficient to offset the adverse impact of the stronger yen and other factors.

Selling, general, and administrative (SG&A) expenses increased 4.5% from the previous fiscal year to 779.8 billion yen (US$7,877 million). While the Group implemented cost reduction activities throughout the organization, its focus on developing enhanced sales networks, expanding the printer business operations, and implementing structural changes in the business led to the rise of SG&A. Meanwhile, research and development (R&D) expenses decreased by 1.6 billion yen from the previous year to 124.4 billion yen (US$1,257 million) (5.9% of net sales).

As a result, operating income decreased 58.9% from the previous fiscal year to 74.5 billion yen (US$753 million).

The Group's net income for fiscal 2009 fell 93.9% from the previous fiscal year to 6.5 billion yen (US$65.7 million), attributable to a lower operating income and decreased non-operating profit, including foreign currency losses in the latter half of the year and a loss on revaluation of securities.

The Group's net income per share was 9.02 yen (US$0.09) and return on equity was 0.6%. We announced an annual dividend per share of 33.00 yen (US$0.33) for fiscal 2009.

Continuing aggressive investment in areas of future growth

Free cash flow generated by operating and investing activities during fiscal 2009 was a negative 195.6 billion yen (US$1,976 million), reflecting reduced cash generated due to the lower net income, and the cash disbursement for the acquisition of IKON Office Solutions, Inc. (IKON). Cash flow from financing activities was a positive 295.9 billion yen (US$2,989 million), primarily due to bond issuance, borrowings and others.

As a result, cash and cash equivalents posted an increase of 87.8 billion yen from the previous fiscal year to 258.4 billion yen (US$2,610 million).

Total assets increased by 299.1 billion yen from the previous fiscal year to 2,513.4 billion yen (US$25,388 million). Interest-bearing liabilities increased by 394.8 billion yen from the previous fiscal year to 779.1 billion yen (US$7,870 million), mainly due to the financing for the acquisition of IKON.

Shareholders' equity declined by 104.8 billion yen from the previous fiscal year to 975.3 billion yen (US$9,852 million). Equity ratio decreased by 10.0 percentage points from the previous fiscal year to 38.8%.

Achievements under the 16th Mid-Term Management Plan

The Ricoh Group aims to help customers improve their business processes and productivity through its core Imaging and Solutions business. To this end, we have been working to change the business structure of our Imaging and Solutions whereby we will not merely manufacture and sell copiers, printers, and other equipment but offer optimal document management systems supported by digitized and networked imaging equipment.

Under its 16th Mid-Term Management Plan (from April 2008 to March 2011), the Group has been focusing on leveraging its excellence in customer contact, solutions, and image processing technologies, as well as global coverage and the breadth and depth of our product mix. We believe this approach will allow the Group to be well positioned to meet increasingly diversified demands from a greater number of customers and ultimately make this segment a more powerful mainstay of the Group's business.

With this belief, the Group launched a number of new models of multifunctional color copiers in fiscal 2009 to achieve a fuller lineup. Notable examples of these new products include the imagio MP C5000 and imagio MP C2200 multifunctional digital color copiers for office use. The former enables consecutive color printing jobs producing 50 sheets per minute. The latter is suitable for small offices. The introduction of these new products helped the Group achieve a significant market share in the color copier and multifunctional color copier markets in Japan and elsewhere in the world.

Expansion of our business portfolio in the printing market is another focus. To this end, we have been working to enhance low-end categories by making our color laser printers and other related products even more attractive to customers and by building and developing the production printing segment as early as practicably possible. In line with these policies, we released the IPSiO SP C310, a color laser printer with high productivity and compact size onto the market during fiscal 2009. When it comes to the production printing business, the Group's achievements during the year include the launch of the RICOH Pro C900 with high print speed both in color and monochrome, high-quality image production, and stable and reliable operation. With the enhanced product lineup, the Group can better satisfy customers' needs for color print-on-demand (POD), which allows corporate customers to obtain the necessary number of sheets printed anytime at low cost for commercial printing and in-house printing purposes.

To achieve further growth of the Imaging and Solutions business, Ricoh acquired IKON Office Solutions, Inc. in November 2008. IKON, a U.S.-based independent channel for document management systems and services, has a strong network of office and production printing systems and services primarily in the U.S. and Western European markets, long-standing relationships with many leading clients, and printing and other outsourcing business structures and expertise. We expect that combining IKON's strengths and Ricoh's product development and solutions provision capabilities will drive our Group's business to expand even further.

Going forward, the Group is planning to create a new, differentiated service business called Business Process Outsourcing by drawing on Ricoh's resources and expertise. To make it happen, the Group intends to develop solutions platforms and enhance its solutions sales networks.

In the Industrial Products segment, our resource allocation policy is to prioritize business areas that have a high growth potential. We will also intensify collaboration with other technological and business areas to create new businesses by using a multidisciplinary approach. Achievements in this segment during fiscal 2009 include the start of a new device and module business, enabled by collaboration between the planning, development and production, and sales units of semiconductors, electric components, optical equipment, and other related products.

In both the Imaging and Solutions and the Industrial Products segments, the Ricoh Group will strive to grow even further in emerging markets.

We recognize that technology-driven competitiveness is the key to generating and increasing customer value and improving the profitability of each segment. To these ends, the

Ricoh Group will continue to do its utmost to further enhance its technological capabilities.

Reaping investment benefits because of, rather than despite, the severe business environment

Customers today have increasingly diversifying needs. Customer satisfaction, therefore, is no longer achievable only by pricing, product function, and reliable after-sales services. Moreover, competition on various fronts, such as the shift to color and solutions services, has also intensified.

In such a rapidly changing business environment, the Ricoh Group is determined to continue to grow for many years to come and thus establish and strengthen its position as a leading global brand. We believe that whether we can achieve this goal is dependent on our efforts to increase our competitiveness by creating customer value and improving management efficiency.

To deliver greater value to our customers, we will place more emphasis on Ricoh's customer satisfaction-oriented approach in our business operations and will accordingly seek and deliver new value. We will also continue translating Ricoh's three core values—i.e., "Harmonize with the environment," "Simplify your life & work," and "Support knowledge management"—into our products and services.

In addition, the Ricoh Group will continue to improve business efficiency to beef up the earnings strength of the Group as a whole as well as individual business segments. We will continue our structural reform of R&D, manufacturing, marketing and other necessary functions, select and focus on strategically important businesses, and further improve our business processes. We will work diligently to ensure that the investments we have made for future growth bear fruit in generating profit.

Then we will reinvest the generated profits in business areas with a high growth potential and in developing our technological capabilities. By doing so, the Ricoh Group will pursue both top-line and bottom-line growth and greater enterprise value.

With its group vision "A Winner in the 21st Century" (building a strong global RICOH brand), the Ricoh Group has been operating its business aggressively as a leader in office equipment evolution in our advancing information society and as a reliable supporter of productivity improvement and knowledge creation for our customers. Going forward, we will remain committed to creating customer-centric value based on our sophisticated technologies. We will also aim to earn even greater trust from customers and stakeholders, and grow further as a leading global corporation.

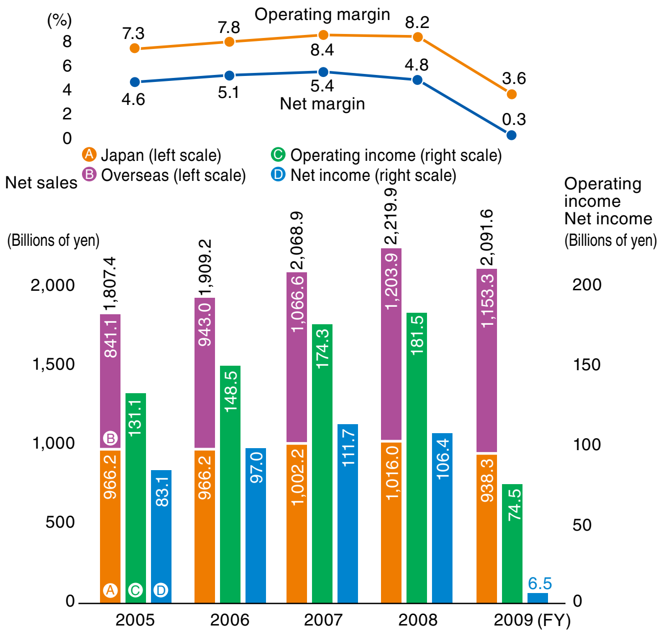
June 2009

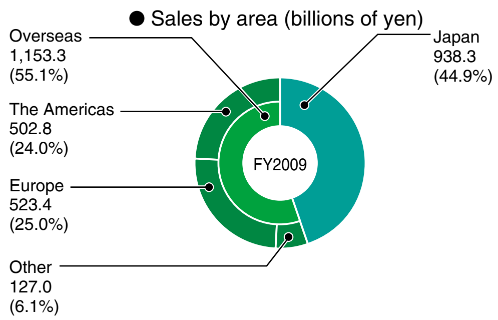
Masamitsu Sakurai
Chairman

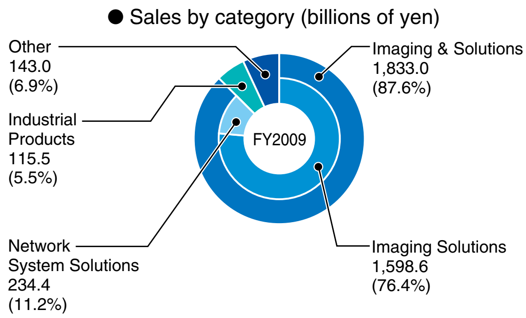
Shiro Kondo
President and Chief Executive Officer

Net sales, operating income, net income, operating margin, and net income margin

The Ricoh Group saw a sales decline in all business segments, including Imaging and Solutions, affected significantly by economic recession and the yen's appreciation. Overall sales fell 5.8% from the previous year to 2,091.6 billion yen. Sales in Japan declined 7.6% to 938.3 billion yen and sales in the rest of the world declined 4.2% to 1,153.3 billion yen. Operating income dropped 58.9% from a year earlier to 74.5 billion yen, attributable to lower sales and increased costs associated with strengthening the sales network, expansion of the printer business, structural changes, and other initiatives. Net income fell 93.9% from a year earlier to 6.5 billion yen, partly due to lower operating income and decreased non-operating profit, which is mainly attributable to foreign currency losses and the loss on the revaluation of securities.

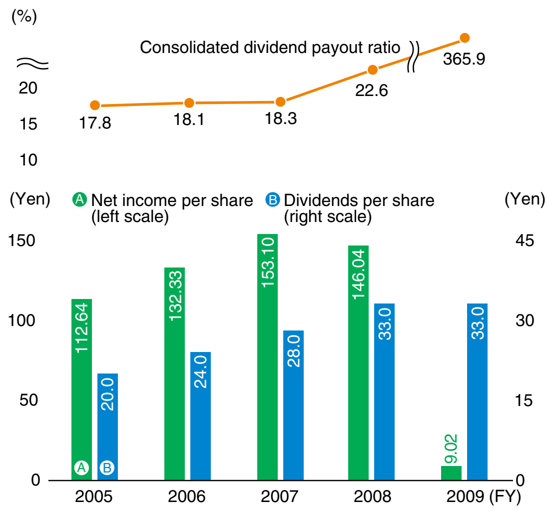






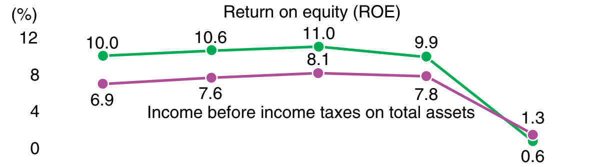
Net income per share, dividends, and consolidated dividend payout ratio

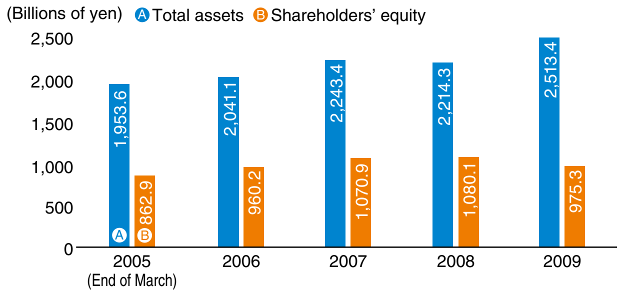
Ricoh announced an annual dividend declared of 33.0 yen per share, maintaining the same dividend level as the previous year.

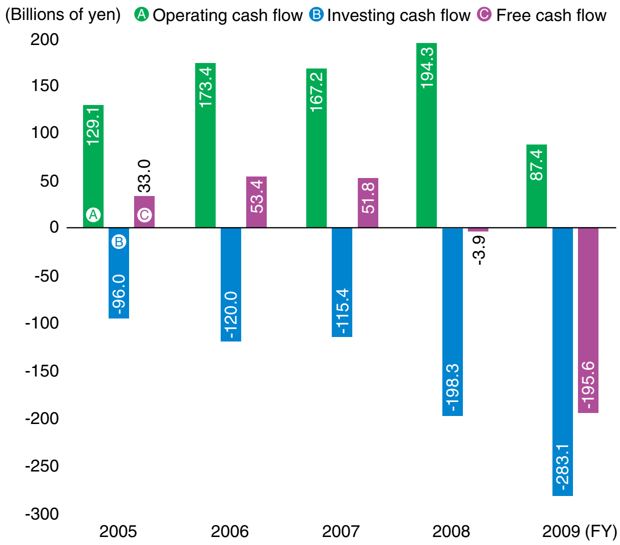


Total assets, shareholders' equity, income before income taxes on total assets, and return on equity (ROE)

Reflecting a sharp fall in net income, ROE plunged to 0.6%, compared with 9.9% in fiscal 2008. Total assets showed an increase of 299.1 billion yen from a year earlier to 2,513.4 billion yen, due to the increase in cash and cash equivalents and the effect of the acquisition of IKON, among other things. Interest-bearing liabilities rose by 394.8 billion yen to 779.1 billion yen, mainly resulting from the financing of the acquisition. Shareholders' equity declined by 104.8 billion yen to 975.3 billion yen.



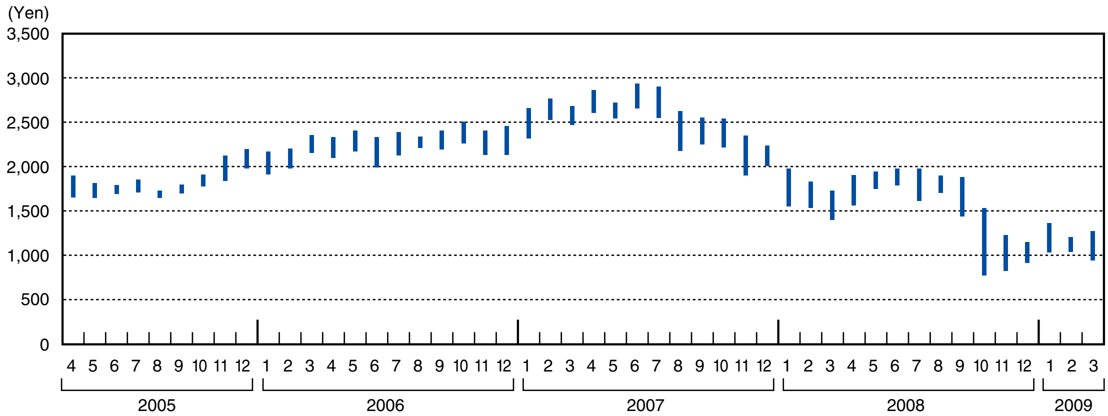




Operating cash flow, investing cash flow, and free cash flow

Negative free cash flow generated by operating and investing activities increased by 191.7 billion yen from the previous year to 195.6 billion yen, mainly due to lower net income and the cash disbursement for the acquisition of IKON.

Common stock price



Fiscal 2009 Highlights by Product Line

Imaging and Solutions

Color MFPs

Laser printers

GELJET printers

Color production printers

Network System Solutions

ITKeeper

● **Main products**

Imaging Solutions: digital copiers, color copiers, multifunctional printers (MFPs), printers, analog copiers, digital duplicators, facsimiles, diazo copiers, scanners, other equipment, supplies, maintenance services, software, etc.

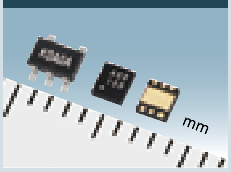
Network System Solutions: personal computers, servers, network devices, network software, application software, customer support and service, etc.

Business Outline

Our Imaging and Solutions, comprising Imaging Solutions and Network System Solutions, allow our customers to improve their office productivity with a range of offerings from office equipment and information-processing equipment to maintenance services and supplies, as well as IT infrastructure development, network environment operation, user support, and other services. Areas of focus in this segment include printing solutions—which assist customers in transitioning from black/white to color, total cost of ownership (TCO) management—and document solutions which help customers improve their document workflow. We are also taking a variety of steps to expand our printing business in both high-end and low-end markets.

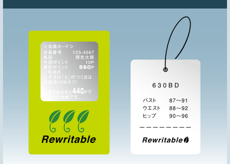
Industrial Products

Semiconductors



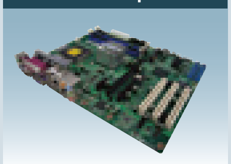
Power IC, etc.

Thermal media



Loyalty cards and clothing hangtags, etc.

Electric components



Built-in motherboards, etc.

● **Main products** Thermal media, optical equipment, semiconductors, electric components, measuring equipment, etc.

Business Outline

In Industrial Products, we manufacture and market thermal media, optical equipment, semiconductors, electric components, and measuring equipment, while focusing our resources on high-potential businesses.

Other

Digital cameras

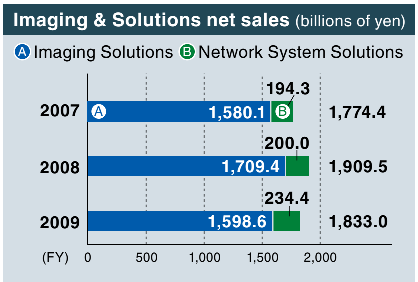
● **Main products** Digital cameras, etc.

Business Outline

Our Other operations include our digital camera business as well as financial and logistic services respectively offered by our leasing and logistics subsidiaries.

Fiscal 2009 Overview

During the year, Ricoh focused on expanding its new-generation color MFP lineup and bolstering the solutions sales networks. Enhanced printer sales networks and expanded business areas led to the steady growth of printer sales. Nevertheless, overall sales of the Imaging and Solutions segment declined 4.0% from the previous year to 1,833.0 billion yen, significantly affected by the economic recession and the stronger yen, among other things. Excluding the effects of currency rate fluctuations, total sales of this segment grew 3.7% from a year earlier.



Net sales in Imaging Solutions fell 6.5% from the previous year to 1,598.6 billion yen, while excluding the effects of currency rate fluctuations, they grew 1.7% over the previous year. Meanwhile, net sales in Network System Solutions rose 17.2% to 234.4 billion yen. From the current reporting, sales in IT services overseas are counted as a component of Network System Solutions sales, although they were included in Imaging Solutions in previous reporting. The effect of this reclassification was 17.7 billion yen.

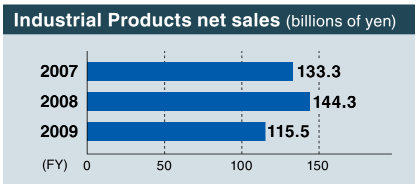
Launch of color production printer

In fiscal 2009, we introduced a string of new models in the RICOH Pro Series into markets worldwide. The RICOH Pro C900, in particular, has been well received in the commercial printing and corporate printing markets because of its high print speed of 90 pages per minute (A4 size) both in color and monochrome, as well as excellent print quality, and stable, reliable operation, which are required features for production printing.

Press conference for the RICOH Pro C900 launch

Fiscal 2009 Overview

Net sales in the Industrial Products segment declined 19.9% from the previous year to 115.5 billion yen, reflecting weaker sales in semiconductors, thermal media, and electric components in a tougher economic environment.

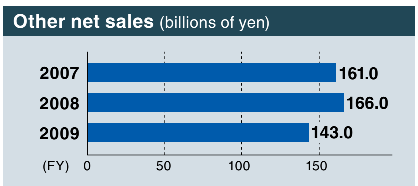


RECO-View RF Tag Sheet slashing paper consumption in the distribution and healthcare sectors

RECO-View RF Tag Sheet, an application of Ricoh's rewritable technology to rewrite printed cards and sheets, was developed by combining RF tags and RECO-View Rewritable Sheet. This innovative product has been adopted by many customers in the distribution and healthcare sectors.

Fiscal 2009 Overview

Net sales in the Other segment fell 13.9% from the previous year to 143.0 billion yen, as digital camera and other sales were affected by the worsening economic surroundings and declined within Japan and overseas.



GR DIGITAL II wins Good Design Gold Award

GR DIGITAL II, Ricoh's vaunted digital camera, received the Gold Award in recognition of its long-life product design suitable for advanced non-professional users as well as its excellent performance aiming for greater product longevity.

Building a strong global brand by creating new customer value

Becoming a partner in creating a more efficient office environment, with our innovative products and services representing Ricoh Value

Never be afraid of change. Aggressive implementation of our own business reforms. Ricoh's customer offerings are backed by our own efforts grow and to provide effective business solutions.

Q1 What do you make of the current economic and market climate?

Reaping investment benefits in earnest in the second half of fiscal 2010 despite adverse market conditions

Our business in fiscal 2009 was severely affected by the economic crisis that emerged in the middle of 2008, the magnitude and scope of which were far greater than expected. In addition, the yen appreciated rapidly during the year. We thus had to lower our earnings estimates twice during the year, and finished fiscal 2009 by missing the revised estimates. These results were partly due to non-business factors, such as the additional costs of ongoing structural reform and a loss on revaluation of securities. That said, it is a disappointment that our financial performance caused great concern to our shareholders and investors. We anticipate market conditions will remain very difficult in fiscal 2010. However, we also expect that the benefits of the large-scale investments and structural reforms we have made to date will begin to bear fruit in a tangible way.

Shiro Kondo
President and
Chief Executive Officer

Q2 During fiscal 2009, how did each of the strategies under the 16th MTP make progress?

We set five key strategies to reach our targets under the 16th MTP from April 2008. I would like to explain how each strategy progressed.

1) Becoming the No. 1 in target business areas

Purchase decision drivers in the office equipment markets of advanced nations have been changing at an accelerated pace. While the value of hardware used to be overridingly important, today's customers place more importance on the equipment's capabilities to improve or overhaul workflow and business processes toward higher productivity and efficiency. To address this shift, the Ricoh Group has expanded its business from the sale of hardware and supplies to office process outsourcing services. Let me use the analogy of the automobile business to describe this change in our business model: We used to sell cars and gasoline. Then we started to provide an advisory service for efficient driving patterns and vehicle rotation optimization, and eventually we started driving on behalf of our customers.

One of the specific examples of this new business is a service we designed for small and medium-sized enterprises, where we provide one-stop solutions for the installation, operation, and maintenance of Internet infrastructure. Since its launch in Japan two years ago, the service has received a great response from customers. This new service is actually based on our experience in developing more efficient IT systems in our sales and service networks worldwide so as to improve our workflow. Through this type of service and other activities, we were able to gain a solid foothold in the business solutions area during fiscal 2009. As a next step, we are also planning to offer this service in global markets in fiscal 2010.

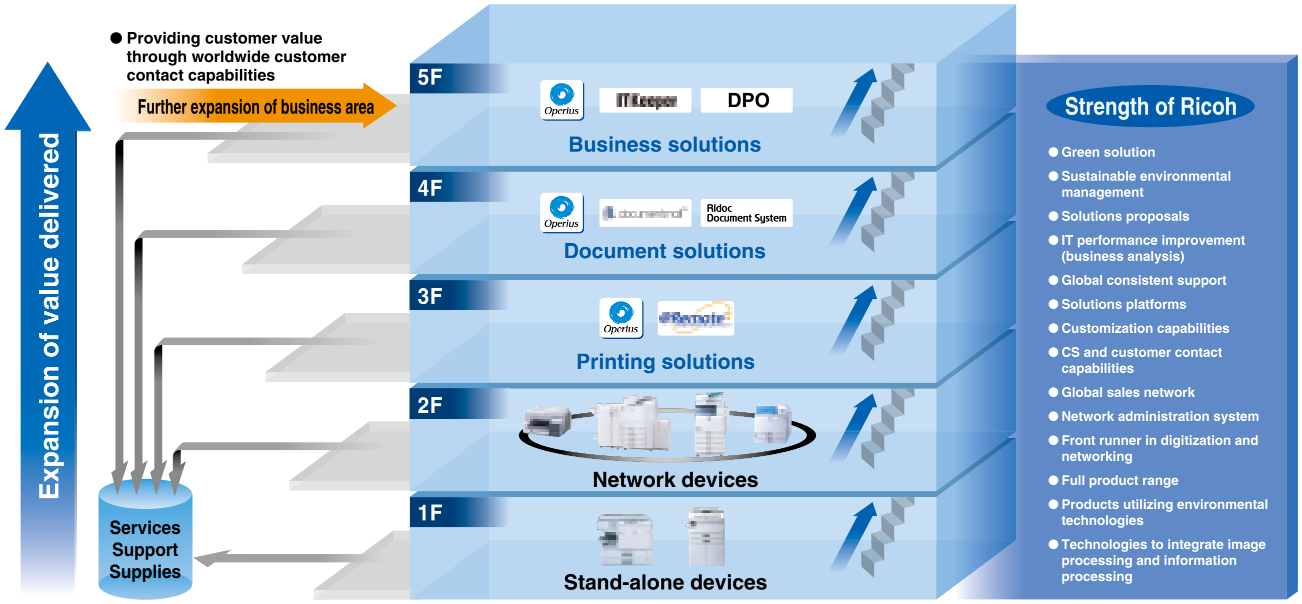
For the past several years, we have also made large-scale investments on a global scale, including the establishment of Infotec Europe and the acquisition of IKON in the U.S., to beef up our customer contact capabilities. As a result, our solutions capabilities have been sufficiently enhanced to serve a wide range of customers, whether multinational, national, or local companies.

In the production printing business, another key component of new growth, we introduced the Ricoh Pro C900 to the market in 2008. The product has been very well received. In addition, InfoPrint Solutions, a joint venture with IBM Corporation, has finally started full-scale operations. InfoPrint Solutions' offerings include consulting and professional services in the "Transpromo" market. Its color inkjet continuous forms printer, InfoPrint 5000, has gained leading market share in global markets.

Other achievements in production printing during fiscal 2009 include the opening of our "Printing Innovation Center" showrooms in Japan, Europe, the U.S., China and Asia Pacific. Visitors can see and verify Ricoh's strength in production printing through hands-on experience. Based on our success in marketing these competitive products, we believe that this new segment is well positioned to capture significant opportunities once the economy recovers, as we have steadily expanded its sales and service networks.

See "Creating New Customer Value" on page 17.

■ Creation of new customer value based on existing businesses



2) Accelerating sustainable environmental management

The Ricoh Group has long been an environmental corporate leader. Our green efforts date back to the 1970s and sustainable environmental management was officially launched in the 1990s. Now that the societal and economic impact of climate change has become more apparent, environmental aspects have a significant impact on, and hold the key to, the future of society. Sustainable environmental management has already become a significant corporate value driver for the Ricoh Group, and it will become even more so in the future.

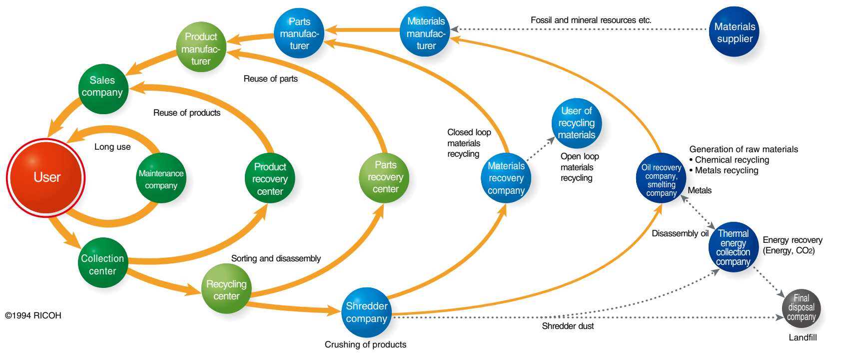
The extensive core technologies that the Ricoh Group has developed over the years, mainly through the imaging equipment business, are applicable to developing environmental technologies, meaning the potential for greater and broader contributions to society. Consequently, we have intensified our efforts to develop green technologies in light of wider application potential during the 16th MTP.

Meanwhile, we have continued our long-standing efforts to assess and reduce our products' environmental impact through lifecycle management. We use the "Comet Circle" as the guiding concept for this purpose. Operations within the inner loops of the Circle involve more resource- and energy-efficient recycling, helping minimize the negative impact that our products impose on the environment. We are working to ensure that the recycling of our products takes place in an as inner a loop as possible, by shifting to a resource-recirculating manufacturing model, including the development of longer usage life products and parts and the promotion of reuse of end-of-life products.

As our business areas have expanded from hardware to solutions services, we would like to support our customers' resource-efficient operations with a smooth and comfortable workflow. In doing so, we can draw on the various efforts we have been making in our offices worldwide in order to achieve both cost reductions and less environmental impact, including activities for paperless operations, Zero-Waste-to-Landfill, and greater energy conservation. Offering our sustainable environmental management expertise accumulated over years to our customers, the Ricoh Group would like to make positive contributions to society.

See "Sustainable Environmental Management" on page 21.

Concept of a Sustainable Society: The Comet Circle™



For more information, please visit http://www.ricoh.com/environment/management/concept.html

Sustainable Environmental Management

imagio MP C7500SP/C6000SP receive the Energy Conservation Center Chairman's Prize at the 19th Energy-Saving Awards

Our multifunctional digital color copiers imagio MP C7500SP/C6000SP were honored to receive the prize in recognition of the products' simultaneous achievement of high productivity and environmental friendliness. The award-winning models achieve both excellent energy-saving performance and a much shorter warm-up time by adopting new color PxP toners that enable low-temperature fusing and high picture quality, and by improving the heat conductivity of the fusing unit.

Recycled copiers imagio Neo 753RC/603RC receive the Good Design Sustainable Design Award

The Japan Industrial Design Organization presented our recycled copiers imagio Neo 753RC/603RC with its Good Design Sustainable Design Award 2008, a newly-created award category within the Good Design Award program from that year, citing Ricoh's commitment to recycling products collected from the market as being outstanding among its peers and highly commendable.

3) Promoting Ricoh Quality

To become a reliable and attractive global brand, the Ricoh Group is promoting "Ricoh Quality" as a quality standard for our products and services. To deliver to our customers excellent value that will be appreciated by long-time users, we pursue such quality as expressed in our motto: "a reassuring choice for purchasers, satisfaction for users, and an impressive experience for long-standing users."

Ricoh ranked highest in customer satisfaction with digital color multifunctional printers for the second consecutive year in the 2008 Japan Copier/Multifunction Product Customer Satisfaction Study by J.D. Power Asia Pacific. Also, the result of a survey of compact digital camera customer satisfaction by the Japan-based ASCII Media Works in March 2009 may exemplify what Ricoh Quality is. In the survey, our digital camera "GR Digital" was ranked in first place by a wide margin. Equally or even more importantly, the respondents' post-purchase scores were higher than their at-the-time-of-purchase scores. I think this kind of recognition will help build an image of unwavering Ricoh Quality.

4) Creating new growth areas

The IT services and solutions business is another new growth area in our Imaging and Solutions segment, together with the production printing business. We provide comprehensive IT-related support to customers, ranging from connecting MFPs and printers to networks to the development, operation and maintenance of IT infrastructures.

In January 2009, Ricoh announced a strategic alliance with IBM, which has extensive experience in mission critical systems. Leveraging the combined strengths of Ricoh and IBM, the alliance intends to provide new solutions services to customers. The two companies will start their collaboration by launching Document Security and Management Services (DSMS), which help customers improve their document workflow (i.e., higher productivity), security and compliance, while reducing the total cost of ownership (TCO) of office equipment and advancing environmental sustainability practices. Putting the technologies and expertise of Ricoh and IBM together, we will provide wide-ranging services to support customers across the world, where we not only develop IT infrastructure but also make customers' problems more visible, and propose, develop, operate, and maintain IT systems to address these identified problems.

We are also planning to create new businesses outside of the Imaging and Solutions segment by leveraging our cross-sectional capabilities across the Group. For this purpose, we intend to combine Ricoh's rich advanced technologies that we already employ in electronic devices, electronic components, and optical equipment, among other things.

In the thermal media business, we have been promoting new solutions that combine Ricoh's original rewritable thermal paper called RECO-View RF and the RFID system. The solutions are expected to be introduced in many business fields, including distribution management.

Another new business is our consumer online storage service "quanp" launched in Japan in May 2008. This new business is aligned with a key element of Ricoh's core value: "Support knowledge management." The Ricoh Group will continue to explore new areas of opportunities to help customers' knowledge management.

5) Building a strong global brand

With the joining of IKON, the Ricoh Group now has approximately 110,000 employees worldwide. While we have achieved rapid expansion of our human capital base, some opportunities for improvement still remain in our organization in terms of efficiency and optimization. We will continue ongoing structural reform so as to become an even leaner enterprise. Moreover, we intend to make such efforts visible to our customers, which also should form an important building block of the Ricoh brand. All Ricoh Group companies and employees, collectively and individually, will strive to build Ricoh as a strong global brand.

As part of these communication efforts, we installed a billboard powered solely by natural energy in Times Square, New York. Going forward, we will continue working to communicate who we are and what we do through various occasions and opportunities.

See "RICOH Milestones" on page 19.

Q3 What were the objectives behind the acquisition of IKON?

Becoming No. 1 in each of our target businesses has come within reach

The acquisition of IKON is a great milestone for the Ricoh Group, and was actually beyond our expectations. We are now in a good position to achieve the leading market share in the U.S. and European markets. In this sense, the execution of such a transaction in the first year of the 16th MTP has significant implications for the future of the Ricoh Group.

Ricoh had long built a strong trusting relationship with IKON through the supply of digital MFPs and other products. The transaction was made possible when the two companies found that they shared the recognition that the ability to meet expectations from large accounts, especially global service capabilities and globally integrated quality, is becoming ever more important. We are convinced that the addition of IKON into the Ricoh Group has enhanced our all-around capabilities, giving us a more competitive edge to win in global markets.

FOCUS

Acquisition of IKON leads a stronger global sales and service network

In August 2008, the U.S.-based leading office equipment distributor IKON Office Solutions, Inc. agreed to be acquired by Ricoh, and became a consolidated subsidiary in November 2008. This 1,632-million-dollar (approximately 163.2 billion yen) deal is the largest transaction in Ricoh's history.

IKON, a leading independent distributor of office equipment, has a strong sales and service network primarily in the Americas and European markets. In the U.S. market, in particular, the company maintains strong relationships with many Fortune 500 companies and is a powerful player in printing and other outsourcing services and production printing business markets.

Benefits from the acquisition are expected to take shape in many areas, including considerable market share growth as IKON customers shift to Ricoh products, which will make our target of becoming No. 1 in our target business areas even more likely. In addition, the sales channels of the Ricoh Group have been strengthened by combining IKON's sales and service network with more than 400 locations mainly in Canada and the U.S. We also envision more streamlined internal systems and processes, including supply chain and back office systems, in the future.

Furthermore, IKON's strong sales infrastructure, experience, and expertise in printing and other outsourcing services, as well as sales and services of production printing, are expected to contribute powerfully to Ricoh's growth.

Q4 Please describe the revised 16th MTP targets.

No step backward in targets except for currency fluctuation effects

Our targets for the 16th MTP period ending fiscal 2011 were revised in view of the effect of the IKON acquisition, the global recession, and so on. However, excluding the effects of currency exchange rate assumptions, we have not lowered our targets in any substantive sense. We will continue working to expand our business areas, improve profitability and efficiency, and ultimately achieve an operating margin of 10%, although we may need a slightly longer time to achieve the target than initially expected.

■ 16th MTP targets (by the end of fiscal 2011)

Net sales:	¥2,300 billion	(previous: ¥2,500 billion)
Operating income:	¥170 billion	(previous: ¥250 billion)
Operating margin:	7.4%	(previous: 10.0%)
Forex assumptions:	$1=¥90	(previous: $1=¥105)
	€1=¥120	(previous: €1=¥155)

Q5 Last, but not least, is there a message you would like to deliver to the shareholders and investors of the Ricoh Group?

Our unchanging motto is: "Never give up until you win."

We strive for continuous growth. This is our responsibility to our shareholders and investors. The key to achieving this is tireless efforts until you succeed—in other words, "Never give up until you win."

We at the Ricoh Group are dedicated to supporting our customers steadily and faithfully over years, based on our strong customer contact capabilities. This is the core nature of our business. Accordingly, our management team intends to lead the Group based on long-term perspectives toward long-term goals and interests.

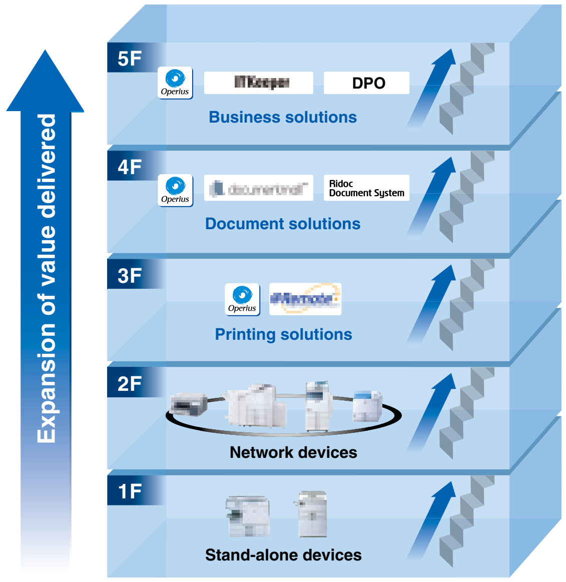
While economic factors affect our earnings on a temporary basis, our policy to pay dividends as consistently as possible remains the same. Once the economy recovers, we will resume our efforts to achieve our mid- and long-term target payout ratio of 30%. We look forward to your continued support for many years to come.

Creating New Customer Value

From document solutions to business solutions. Our products and solutions representing Ricoh Value bring transformational innovation to customers' business.

Through its products and services, the Ricoh Group offers new customer value that brings innovation to customers' organizations, and our offerings have been evolving with customer needs. Since the 1990s, such evolution has been accelerating and our value proposition has expanded its scope to include digitization and networking of office equipment, and even document solutions that are leveraged by our strength in image processing technologies and customer contact capabilities. Ricoh has now embarked on a new frontier of business solutions to deliver further value to customers. We help customers address the challenges of today's office environment—such as information sharing and processing, IT system development and operation, data security, internal control, corporate social responsibility (CSR), and business continuity (BC)—which in turn helps increase their corporate value.

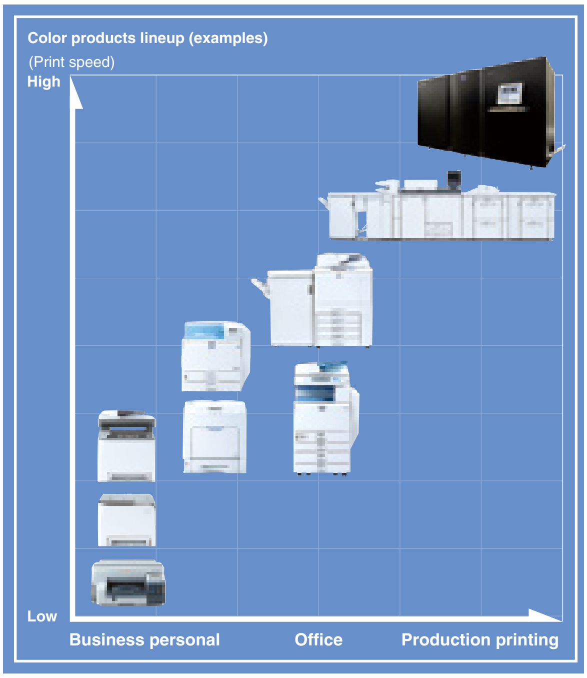
Five-tiered solutions structure



1F/2F

From stand-alone to network devices

We offer a full range of MFP and printer products, ranging from low- to high-end models, as well as global sales and support service networks sustaining these products.

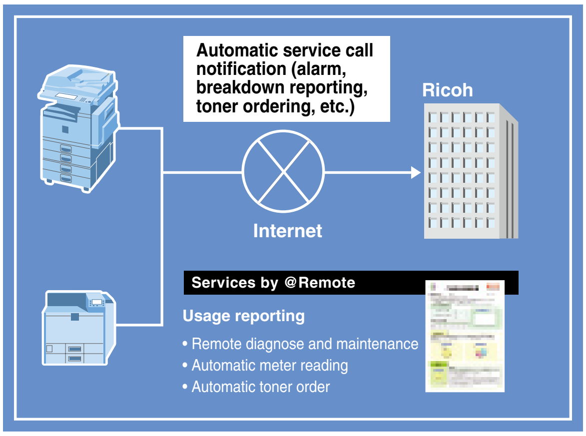


3F

TCO reduction with our printing solutions

As part of our printing solutions service, we provide software and solutions that make it much easier for customers to manage output devices and monitor output jobs effectively. And our remote management system called @Remote enables assessment of the printing equipment's uptime and usage history without creating extra work for system administrators. Based on such software/system-based analyses, we propose the optimal output equipment arrangement to customers, aiming for TCO reduction and productivity improvement.

● Example
@Remote for Web-based output device management



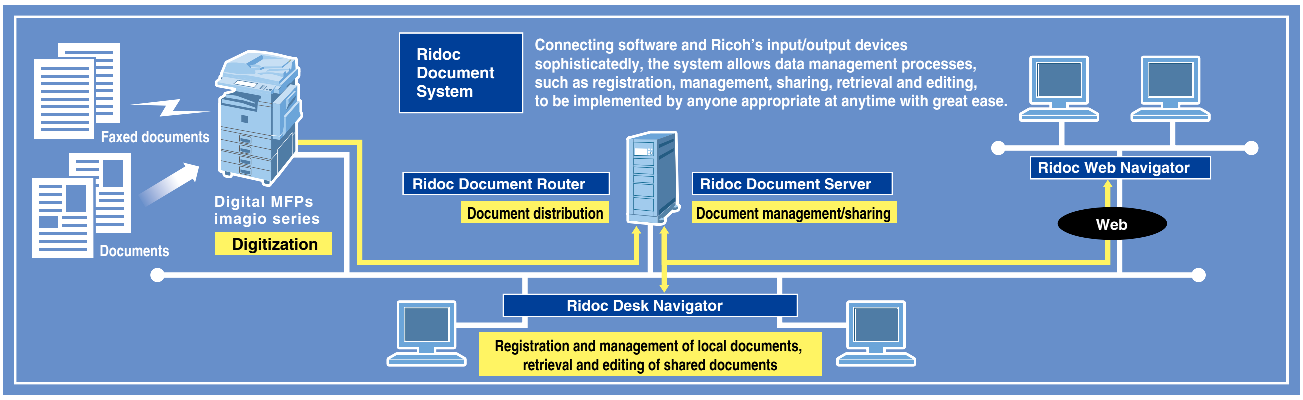
4F

Document solutions for workflow innovation

Our document solutions integrate paper and electronic documents in close collaboration with clients and their core operating systems. We provide customers with comprehensive document management systems that enable information sharing, centralized data storage, retrieval and output. As a result, customers will benefit from improved workflow and dramatically higher productivity. In addition to a reduction in total document-related costs, other benefits, such as improvement of data security and reduction of environmental impact, can also be expected.

● Example
Ridoc Document System for document management

This document management system interfacing with Ricoh's input/output devices in a sophisticated manner enables comprehensive management of document-related processes, covering document creation, digitization, collection, sharing and distribution.



* Ridoc Document System is available in Japan only.

5F

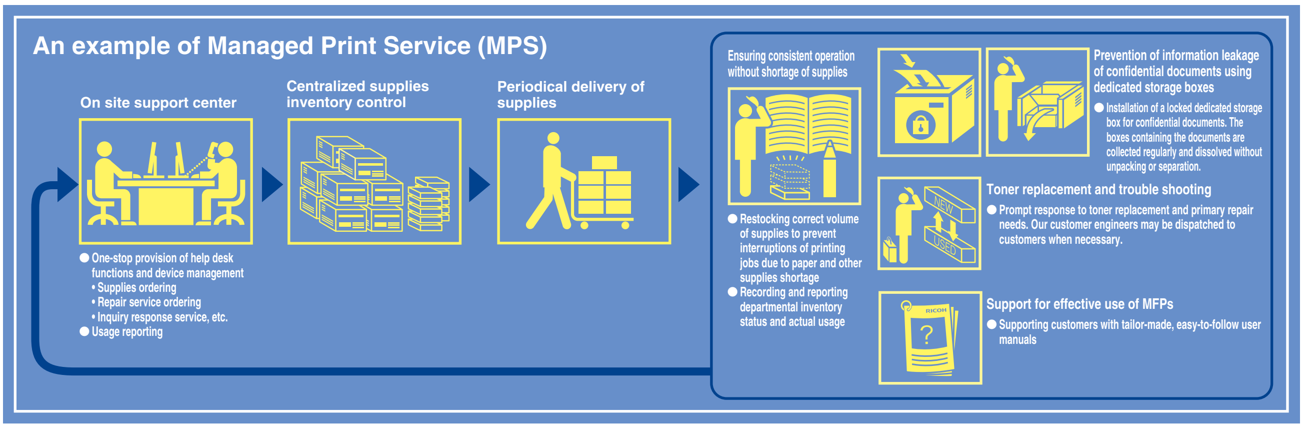
Business solutions for highly efficient operations

Ricoh's business solutions help customers achieve transformational improvements in their office-based work. We provide a package of outsourcing services for IT management, as well as document/data management and output, which covers tasks from infrastructure development to system operations. Examples of services include ITKeeper,* our one-stop solution that covers everything from design and development to operation and maintenance of the optimal IT environment; Document Process Outsourcing (DPO) services, including the Managed Print Service (MPS), where Ricoh, based on its internal efforts and experience, supports customers' efforts to achieve efficient document-related operations; and the Document Processing Service (DPS) for efficient high-volume printing. These solutions services enable customers to increase the efficiency of management operations and reduce back-office workloads and related labor costs, which, in turn, helps them structure their organizations to focus more on core competencies and allocate human resources accordingly.

* Currently, ITKeeper is available in Japan only.

● Example
Managed Print Service for output device operation and management

With this outsourcing service that integrates all output devices across the organization and visualizing the TCO, Ricoh will free up customers by creating, operating and managing output environments on their behalf at optimal costs.



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 and Solutions

1936–1945 <Starting out>

Ricoh began life in 1936 when Riken Kankoshi Co., Ltd. was established to manufacture and sell sensitized paper.

1946–1958 <Post war development>

The Ricopy series, launched in 1955, literally became a pioneer in office automation and revolutionized office administration.

1959–1971 <New technologies & overseas expansion>

Ricoh introduced numerous technologically innovative products to the market. Aware of the high potential of digital technologies, we also began operations outside of Japan.

1972–1979 <Birth of office automation>

Ricoh developed advanced digital technologies and marketed the world's first office-use fax machine. We were also among the first to begin development of digital copiers.

1980–1989 <Developing OA market>

Widespread installation of copiers in the majority of offices drove our rapid sales growth. Ricoh started to focus on developing more advanced laser and digital technologies.

1990–1999 <Shift to digital and color>

Amid a shift from analog to digital, Ricoh moved ahead of the curve to satisfy the needs for integrated fax and printer functions and networking.

2000–2005 <The Document Highway>

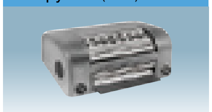
Ricoh promoted the "Document Highway," a concept wherein network devices and applications share basic architectures to enable the smooth use and management of data by our customers.

2006–present <Building a strong global brand>

Ricoh continues to strive to achieve further growth by providing total office solutions, entering into the high-end printing market, and expanding our global operations.

Analog PPCs (1955–1997)

Ricopy 101 (1955)



The first diazo copier for the office market

Ricopy BS-1 (1965)

The first electrostatic copier in the Ricopy series

Ricopy PPC 900 (1972)

Ricoh's first dry plain paper copier (PPC)

Digital PPCs/MFPs (1982–)

imagio MP 7501 (2009)

User friendly, energy-saving high-speed multifunctional digital copier

imagio 320[*1] (1987)

First low-end digital copier priced below one million yen

imagio MF 530 (1991)

Multifunctional digital copier featuring up to six different functions in a single machine

*1 DS 320 (name outside Japan)

Color PPCs/MFPs (1985–)

imagio MP C5000[*2] (2008)

Using new color PxP toner, achieving high picture quality and high energy efficiency

Ricoh Color 5000 (1985)

High performance full-color copier with a zooming function

imagio Color 2800[*3] (1998)

First color copier with fax machine functionality

*2 Aficio MP C5000 (name outside Japan) *3 Aficio Color 4006 (name outside Japan)

Printers (1983–)

IPSiO SP C301SF[*4] (2009)

Compact and highly productive A4-size multifunctional color laser copier

Ricoh LP 4120 (1983)

Ricoh's first laser printer

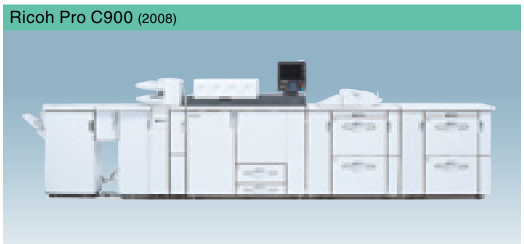
IPSiO Color 2000[*5] (1998)

Ricoh's first color laser printer

*4 Aficio SP C231SF (name outside Japan)
*5 Aficio AP204 (name outside Japan)

Production printing

Ricoh Pro C900 (2008)



Color production printer makes full-scale entry into the color POD market

Printing solutions

Solutions for optimal allocation of output equipment and equipment management

@Remote

Document solutions

Solutions for workflow improvement integrating paper and electronic data

Ridoc Document System

documentmall

Business solutions

Solutions in the forms of IT services, business process outsourcing, and so on

ITKeeper

Operius

Management of Ricoh's new solutions brand, Operius, to provide seamless office solutions

* The Ricopy, imagio, Ridoc Document System, ITKeeper brand names are used only in Japan.

Building a strong

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)

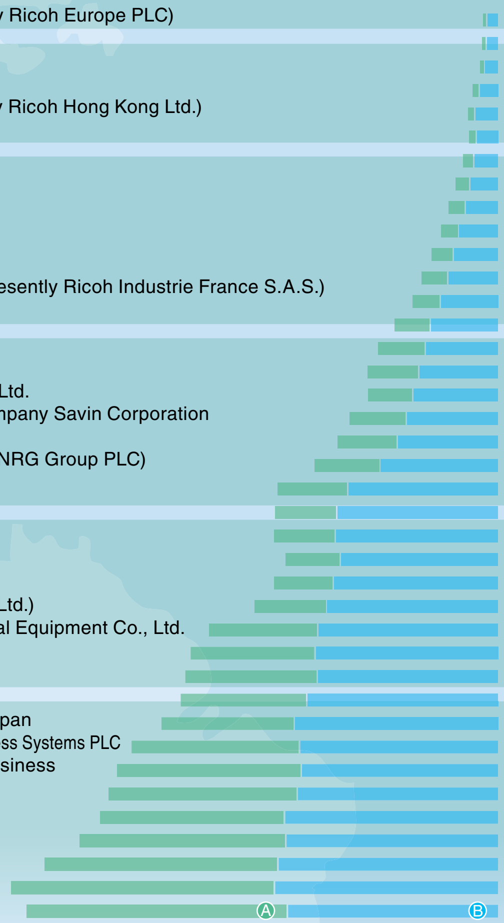
1973 Establishes a manufacturing subsidiary in the U.S., named Ricoh Electronics, Inc.
1978 Establishes Asia/Oceania-based sales company Ricoh Business Machines Ltd. (presently Ricoh Hong Kong Ltd.)

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)

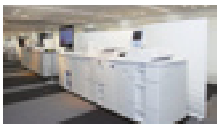
2001 Acquires U.S.-based sales company Lanier Worldwide, Inc. as its subsidiary
2003 Establishes its Chinese regional headquarters in Shanghai, named Ricoh China Co., Ltd.
2004 Acquires Japan-based Hitachi Printing Solutions, Ltd. (presently Ricoh Printing Systems, Ltd.)
2004 Establishes a manufacturing 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 (scheduled to begin 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



Enhancement of sales networks


Acquisition of IKON Office Solutions, Inc., a U.S.-based sales company


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


Ricoh Technology Portal in New York (reopening in 2007)

Expansion of R&D capabilities


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


Establishment of a manufacturing plant in Thailand (scheduled to begin operations in September 2009)

To Our Shareholders and Customers
Fiscal 2009 Highlights
Progress of the 16th MTP
Creating New Customer Value
RICOH Milestones
Sustainable Environmental Management
Corporate Social Responsibility
Financial Section

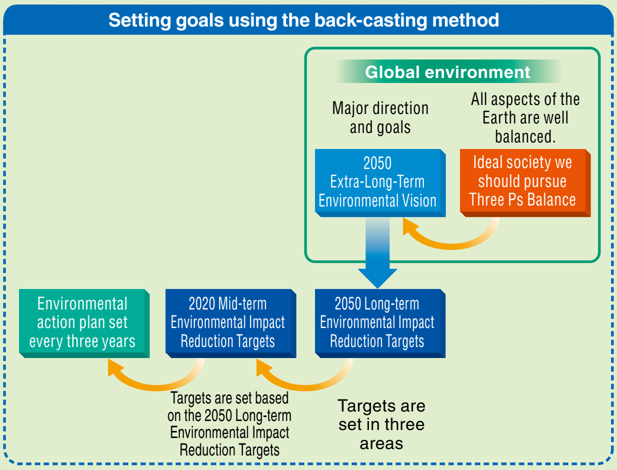
Setting targets for 2050 to reduce environmental impact in energy saving and global warming prevention, resource conservation and recycling, and pollution prevention

The Ricoh Group first developed a sustainable environmental management system that allows simultaneous achievement in environmental conservation and profit creation in the 1990s. Under this scheme, every single Group employee has been working on activities to reduce environmental impacts and develop technologies for environmental protection. To further enhance our corporate value, we will continue to strengthen the measures already taken and accelerate their implementation while generating a new business model that better suits a sustainable society.

As part of such a sustainable business model and with a goal of developing a more farsighted approach to environmental activities, the Ricoh Group presented its 2050 Extra-Long-Term Environmental Vision in 2005 that urges developed countries to decrease their total environmental impact to 12.5% of the current level by 2050. 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 being key years, the targets are set in three different areas—energy saving and global warming prevention, resource conservation and recycling, and pollution prevention—making them the first of their kind in the world.

The major focal points for each of the three areas are "reduction of CO_2 emission through lifecycles," "promotion of resource conservation that counters the trend of resource depletion," and "management and reduction of chemical substances to minimize environmental risks." The numerical targets are incorporated into the Environmental Action Plan formulated every three years, and highly effective activities have been developed to achieve the targets in each area.

Setting Environmental Targets



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

		2020	2050
Energy saving and global warming prevention	Reduction of CO_2 emissions (including five gases calculated as CO_2 equivalent) throughout lifecycles	Reduce 30.0% from fiscal 2001	Reduce 87.5% from fiscal 2001
Resource conservation and recycling	Reduction of use of new resources in products	Reduce 25.0% from fiscal 2008	Reduce 87.5% from fiscal 2008
Pollution prevention	Reduction of chemical substances to minimize environmental risks	Reduce 30.0% from fiscal 2001	Reduce 87.5% from fiscal 2001

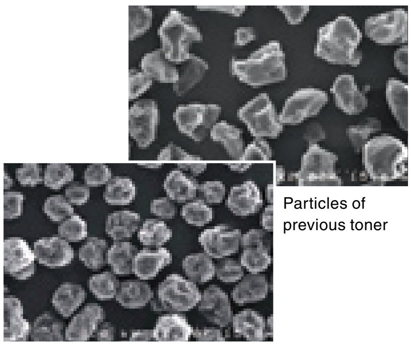
* Targets specified above are set based on Ricoh's business areas and market share in fiscal 2001. (For more detailed information, see the press release at http://www.ricoh.co.jp/release/by_field/environment/2009/0422.html)

Approach through Products (Environmental Technology Development)

New color PxP toner

Lower fusing temperature for smaller environmental impact

Ricoh seeks opportunities for environmental impact reduction through the whole life cycle of their products. The new color PxP toner (a polymerized toner), made from newly developed polyester resin, is designed to fuse at a lower temperature than its predecessor by 20°C while achieving higher picture quality with fine and uniform particles. A breakthrough feature of this next-generation toner is a lower fusing temperature that realizes both energy efficiency and reductions in environmental impact concurrently. In the production process, the new model generates waste water and solvents easier to recycle compared with previous types, thus allowing resource savings as well.

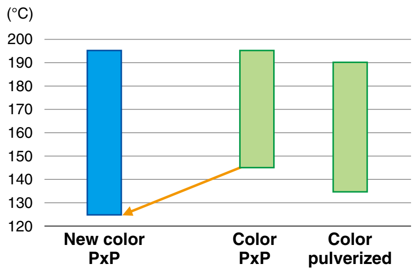


Particles of previous toner

Particles of new color PxP toner

Achieved higher picture quality with fine and uniform particles of new color PxP toner

Toner fusing temperature (compared to other Ricoh products)



Approach through Products (Resource Conservation and Recycling)

Innovative manufacturing leads to resource recirculation

The Ricoh Group pursues an approach to manufacturing that reduces the waste of resources and energy consumption throughout the lifecycle of our products. Since 1993, we have been generating our unique design methods with a policy that considers recycling conditions in the designing phase. Particularly, we focus on designs that accommodate reconditioned machines, are easily dismantled and sorted, allow us to reuse valuable parts, recycle high quality materials, allow for closed loop recycling, and result in strong products that can withstand the rigors of recovery and recycling. More recently, we have been concentrating our efforts on making our products smaller in size, lighter and more durable. imagio MP C2200, launched in October 2008, is more compact than conventional models. This new multifunctional color copier features a smaller body than black-and-white units*1 and is lighter in weight (by 20%) compared to preceding color units.

In order to reduce environmental impact and improve economic efficiency we recover and recondition used products at the end of their product life and send them back to market with added value. Through an established network, products are recovered and thoroughly inspected, dismantled, cleaned and reassembled with new parts, resulting in a product with the same level of quality as a new product. Since the first series of reconditioned units of imagio MF6550RC was returned to the market in 2001, more models have been added to the lineup of reconditioned copiers.

*1 Compared to imagio MP 2550, when equipped with duplex copying unit, manual paper feeder (not in use) and inner finisher.
*2 Compared to imagio MP 2500, when not equipped with an ADF.

imagio MP C2200: multifunctional color copier with a smaller and lighter body

Measures in Business Operation

Ricoh's manufacturing process innovation

The Ricoh Group has been carrying out innovations in the manufacturing process in its efforts to reduce its environmental impact. Focusing on innovations in manufacturing processes saves energy and space on streamlined production lines and has a spillover effect on associated equipment, such as air conditioners and air compressors. In addition, the equipment costs and line start-up time will be greatly reduced. To date, trimmed production lines for organic photoconductors used in copiers have been put in operation, while the size of toner filling devices has been dramatically reduced. In addition, innovative processes have been realized, including changes in the toner crush lines and thermal sheet painting methods. These measures have also been applied to production lines in other countries whenever possible. The simultaneous achievement of reducing environmental impact and improving manufacturing efficiency has enforced the competitive edge of the Ricoh Group in the way only good environmental management can.

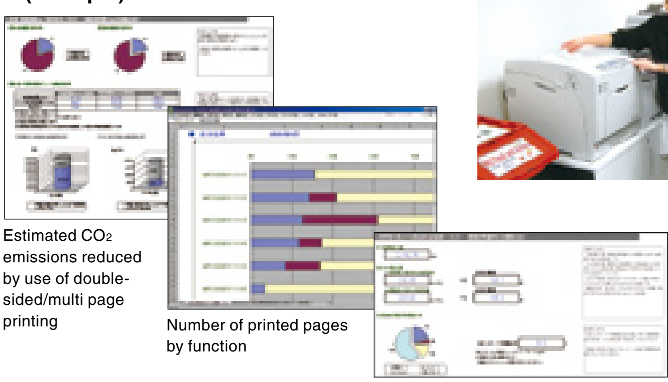
Measures for Customers

Helping customers reduce environmental impact by visualizing CO_2 emission levels

The Ricoh Group passes on the know-how of environmental impact reduction that we have been using in our office operations to our customers. In this service in Japan, we provide customers with a graphic representation of CO_2 emission they produce while using office equipment. To do this, we collect data on the electricity and paper consumption of the copiers and laser printers at customers' offices through remote monitoring software, called "@Remote." Based on the collected data, we estimate CO_2 equivalent from the amount of electricity and paper consumed, and inform the customer of the results.

The Ricoh Group promotes paperless offices and stricter compliance with sorting and recycling to create environmentally-friendly offices. We provide customers with the know-how that we have gained from such practices by opening our offices to the public as "live offices." Starting in Japan, live offices now operate in more than 70 locations including those outside the country. One example is Ricoh Asia Pacific Pte. Ltd., which is a regional headquarter subsidiary in the Asia region; it has been supporting an increasing number of customers in creating environmentally-friendly offices. The Ricoh Group's sustainable environment management activities are expanding within its community.

■ **Report on office equipment usage (example)**



Estimated CO_2 emissions reduced by use of double-sided/multi page printing

Number of printed pages by function

Amount of electricity consumed and its estimated CO_2 emissions equivalent

* Functions installed and function settings may vary depending on models.

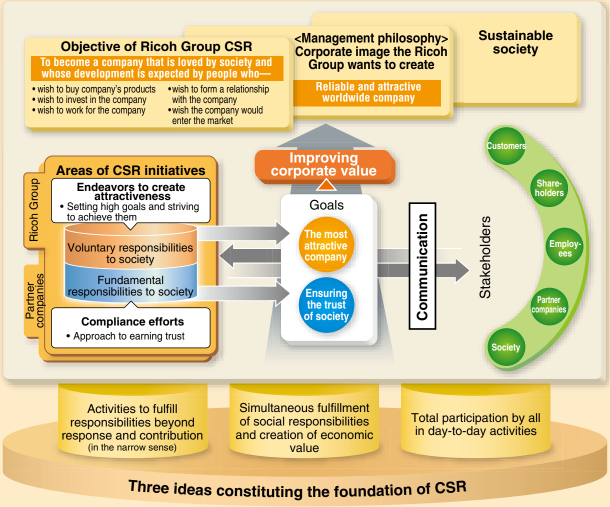
Live office in Singapore

* For details, please read the Ricoh Group Sustainability Report (Environment) 2009.

Corporate Social Responsibility (CSR)

Developing compliance and earning trust

The approach the Ricoh Group takes to its corporate social responsibility (CSR) activities is shaped by its aim to be and remain "a respected company whose development is supported by the public." These activities to promote compliance and earn the public trust are undertaken in connection with the two areas of "fundamental responsibilities to society" and "voluntary responsibilities to society" within the four fields of "Integrity in Corporate Activities," "Harmony with the Environment," "Respect for People," and "Harmony with Society," specified in the Corporate Social Responsibility Charter. While intensifying its existing efforts, as of fiscal 2009, Ricoh has pursued the achievement of its CSR activities by placing its primary focus on (1) strengthening total risk management, (2) collaborating with partners, (3) contributing to the solution of social issues through our business activities, and (4) creating a vibrant culture with a dynamic and motivated workforce.



[Corporate Governance]

Framework for the Ricoh Group's corporate governance

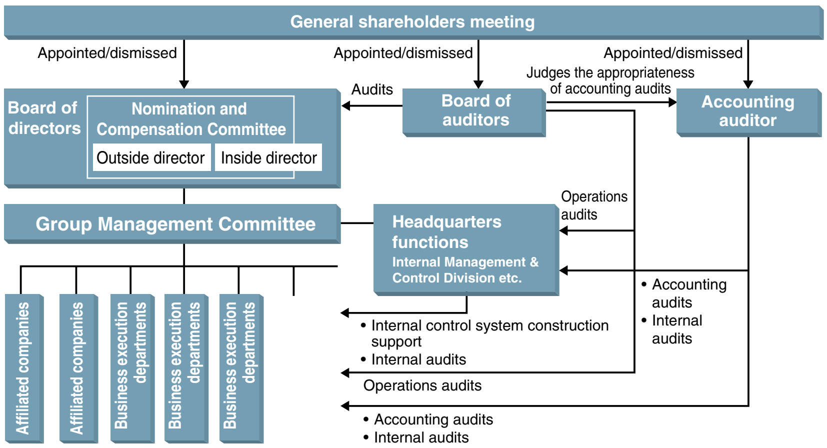
The Ricoh Group's corporate governance system is designed to ensure transparent management underpinned by strong business ethics and legal compliance; to increase competitiveness in the market; and ultimately to achieve sustainable growth and increased group-wide enterprise value. We have identified four key stakeholder groups—customers, shareholders, employees, and society—and defined respective policies to address each of these groups. We have a corporate auditor system in place to strengthen our board of directors, and an executive officer system, to intensify our management oversight and business execution. By appointing some of our directors from outside the company, we maintain transparent management and fair, well-balanced decision-making.

Corporate governance system

(1) Board of directors

To ensure mutual oversight among board members and further improve management transparency, the board of directors consists of outside directors and inside directors holding same level positions. Appointments and compensation of directors and executive officers are reviewed and verified by the Nomination and Compensation Committee, a unique permanent organ consisting of the outside directors and some inside directors. The board of directors comprises 11 members (as of June 2009), including two external directors.

Corporate governance and internal control system diagram



(2) Executive function for group-wide management

To ensure that the best possible decisions on group-wide management are made and reviewed from a holistic viewpoint and in a timely manner, the Group Management Committee (GMC), consisting of executive officers with special qualifications, was established as a decision-making body empowered by the board of directors to undertake the management of the group. The authority to execute business has been provided to the respective business execution departments in order to expedite decision-making and clarify the role of each department.

(3) Auditing and internal control

In cooperation with the Internal Management & Control Division—Ricoh's internal auditing division—and other organizations within the company, our auditors review and assess, in a fair and objective manner, the status of each business execution department and subsidiary to ensure the legal compliance and adequacy of business operations executed, and, in addition, offer advice and recommendations for improvement. The Board of Auditors currently consists of four members (as of June 2009), including two outside auditors.

To further strengthen internal control, an Internal Control Committee has been organized within the GMC. In addition, the Internal Management & Control Division, an organization that reports directly to the President, takes charge of administering and promoting compliance, risk management, and internal audits, as well as supervising internal control.

[Fundamental Responsibilities to Society]

Thorough risk management and compliance

<Risk management>

● The Ricoh Group Total Risk Management (TRM) Basic Regulation, provides a framework for TRM for the entire group, and the Crisis Management Policy, ensures full and complete reporting to management and seeks to prevent the escalation of risks as they arise.

● Business Continuity Plans (BCP) for providing maintenance services and supplies in the event of an earthquake either centered on Tokyo or affecting the greater Tokai region have been formulated. We have also created a basic plan for dealing with outbreaks of new types of flu and are currently in the process of identifying areas of business that must be maintained should such a new flu spread, and formulating BCPs for doing so.

<Compliance>

● The Ricoh Group Code of Conduct was established in fiscal 2004 to make clear Ricoh's basic stance regarding the issue of compliance with laws, regulations and corporate ethics.

● To deepen employees' understanding of the code of conduct, localized education is provided via e-learning programs, the Intranet, and handbooks to employees in Japan and each overseas region on an ongoing basis. The extent of employee understanding of the code is measured as part of internal audits conducted across the Group.

● As part of Ricoh's whistle-blowing system, a "Hot Line" system was established as a contact point for employees wishing to seek counsel.

[Voluntary Responsibilities to Society]

Exploring social issues and examining the influence of Ricoh's business activities on social issues

To further develop and upgrade its CSR activities, the Ricoh Group—based on its Management Philosophy and Business Plan—explores social issues from various angles, ensures that all its business activities meet the standards set by the Group's CSR Charter, and examines what impacts its activities have on the resolution of social issues. As for social issues related to the company's area of business, Ricoh works hard to play its part in solving social issues through its technologies, products and services. Ricoh is also promoting a variety of social contribution activities regarding other social issues.

The Ricoh Group's social contribution activities are conducted for the purpose of, maintaining close communication with society and helping to create a better, richer society. Toward this end, we promote social contribution activities by placing particular focus on two priority areas—"global environment conservation" and the "sound development of our youth" —under the slogan "Foster attitudes and actions that value human beings and the Earth."

<Framework for supporting social contribution activities>

Ricoh has also built a framework for supporting social contribution activities through close cooperation between the company, employees and shareholders.

● A social contribution reserve system, under which the company saves a certain amount of its profits for use in social contribution activities, upon the approval of shareholders at annual general meetings

● Free Will, a social contribution support organization initiated by employees to collect employee donations

● The matching gift program, which requires the company to match donations from employees

<Examples of Ricoh's efforts to solve social issues through business operations>

● Products and services, designed with consideration for diverse perceptions of colors, which have received color universal design (CUD) certification

● Multifunction printers (MFPs) that are easy for wheelchair users to use, being equipped with a detachable scanner or an angle-variable control panel

● Voice-controllable MFPs

Wheelchair user friendly equipment

<Examples of social contribution activities>

● Ichimura Nature School (Kanto region)

● Ricoh Science Caravan

● Forest ecosystem conservation programs

Farming activities at Ichimura Nature School

Topic: CSR in Procurement

Supplier CSR assessment program now ready for full-scale roll-out

In May 2009, we began extending invitations to our more than 220 suppliers in all of Japan's five regions to attend meetings held for the purpose of explaining the Ricoh Group's CSR activities. These meetings are part of our efforts to fulfill the aims of one of the priority issues specified in our 16th Mid-Term Management Plan—"Work together with partners to promote their CSR"—and thereby realize CSR in our procurement*. Suppliers will soon be expected to self-assess their own CSR activities, and, based on the results, we will fully support the upgrading of their CSR activities by conducting interviews with them and providing feedback.

CSR explanatory meeting for Ricoh's suppliers

* CSR in procurement: Procurement only from suppliers working to address CSR

[Respect for People]

Realizing a corporate culture where the unique characteristics and capabilities of a diverse range of people can be fully utilized through the PDCA cycle and continuous improvement

To become a truly global brand, Ricoh is working hard to establish human resources management that focuses on and values diversity. We regularly conduct awareness surveys for employees in Japan, Europe, the Americas, China and Asia Pacific, and, based on these results, make continuous efforts to realize and improve working environments where the diverse backgrounds of employees are respected and all employees have the chance to demonstrate their full potential and at the same time achieve a fulfilling work-life balance.

<Creating an environment that encourages involvement of women in business: Japan>

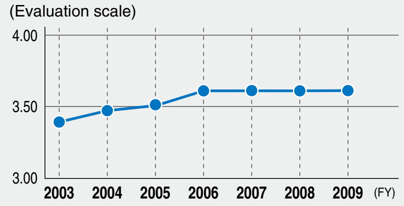
The importance of the female workforce is receiving increased recognition, particularly in Japanese society, which is confronted with the problems of a rapidly aging population and low birth rate. As one of its priorities, Ricoh is promoting the creation of a framework and environment that will facilitate women's more active involvement in business.

Ricoh has revised its human resources system in various ways since the 1990s to better support female employees. Furthermore, as a result of an awareness survey conducted across the company, we launched a variety of activities in 2001 aimed at creating workplaces where ability and performance are valued above gender, with a particular focus placed on career development support, the creation of a framework to support work-life balance and flexibility in work, and the renewal of awareness. We also introduced a career recovery program to support women returning to work.

Thanks to these efforts, the percentage of women promoted to managerial positions at Ricoh increased fourfold. We also launched a new Career Support Program in fiscal 2009 to improve our career support system and make it even more effective.

Employee awareness survey

Does your workplace evaluate employees fairly regardless of gender?



[Recognition from Third Parties]

■ Ricoh listed as one of "The Global 100: Most Sustainable Corporations in the World"

Ricoh was named one of the "Most Sustainable Corporations in the World" by Canadian-based company Corporate Knights Inc. for the fifth consecutive year. This listing is the result of Ricoh's active commitment to environmental conservation based on a long-term environmental vision.

■ Ricoh named among the "World's 99 Most Ethical Companies" for the first time

Ricoh was selected as one of the 2009 World's 99 Most Ethical Companies by U.S. think tank Ethisphere Institute.

■ Ricoh ranked No.1 in the world in a corporate social responsibility survey by Oekom Research in Germany

In March 2009, Ricoh received an overall ranking of B+ in the corporate responsibility survey conducted by Oekom Research AG, a German CSR rating firm, placing us first in the world in the IT/Electronics sector.

■ Ricoh signatory to United Nations Global Compact

Ricoh signed the United Nations Global Compact in April 2002, becoming only the second Japanese company to join this global initiative. Ricoh Europe Plc., Ricoh's subsidiary in Europe, also separately signed the compact in December 2008.

■ The Ricoh Group received Toyo Keizai's Environmental and Sustainability Report Awards in three categories

In April 2009, the Ricoh Group was presented with three awards in three different categories at the 12th Environmental and Sustainability Report Awards (sponsored by Toyo Keizai, Inc. and the Green Reporting Forum). In the environmental report category, we won the Excellence Award for our "Sustainability Report (Environment) 2008" and were also awarded the Achievement Award for our "Sustainability Report (Corporate Social Responsibility) 2008" in the sustainability report category. Ricoh's Gotemba Plant also picked the Environmental Site Report Prize. It was the first time in the history of the awards that one company had received awards in three categories in the same year.

■ Ricoh stocks incorporated in leading SRI indexes

Ricoh's stocks are incorporated in many eco funds and social responsibility investment (SRI) funds/indexes. In Japan, the Morningstar Socially Responsible Investment Index has included Ricoh since its establishment in 2003. In addition, Ricoh has been a constituent member of the Dow Jones Sustainability Indexes (DJSI) provided by Dow Jones & Company (U.S.A.) and the SAM Group (Switzerland), for seven consecutive years. Ricoh has also been included in the FTSE4 Good Global Index, which is published by the FTSE Group, a joint venture between The Financial Times (U.K.) and the London Stock Exchange, for six years in a row.

* For details, please read the Ricoh Group Sustainability Report (Corporate Social Responsibility) 2009.

Financial Section

Management's Discussion and Analysis of Fiscal 2009 Results

Sales

Consolidated net sales of Ricoh Group for fiscal year 2009 (April 1, 2008 to March 31, 2009) decreased by 5.8% from the previous corresponding period, to ¥2,091.6 billion($21,127 million). During this period, the average yen exchange rates were ¥100.55 against the U.S. dollar (up ¥13.85) and ¥143.74 against the euro (up ¥17.95). Sales would have increased by 1.1% excluding the effects of foreign currency exchange fluctuations.
Sales in all the segments such as the Imaging & Solutions, Industrial Products and Other decreased. As for the Imaging & Solutions, while the sales of laser printers increased due to the effort to enhance its sales structures and expand printer business operations, the appreciation of the Yen had a negative effect significantly. Sales in Industrial Products and Other, decreased. As a result, domestic sales decreased by 7.6% from the previous corresponding period, to ¥938.3 billion($9,478 million). Overseas sales also decreased by 4.2% from the previous corresponding period, to ¥1,153.3 billion($11,649 million). Overseas sales would have increased by 8.5% from the previous corresponding period, excluding the effects of foreign currency fluctuations.

Operating Income

Gross profit decreased by 7.9% from the previous corresponding period, to ¥854.3 billion($8,629million). Gross profit as a percentage of net sales also decreased by 1.0 percentage point as compared to the previous corresponding period, to 40.8% because the advantage derived from cost reduction was not enough to offset the negative effect of the appreciation of the Yen.
While group-wide cost reduction efforts contributed to a decline in selling, general and administrative expenses, Ricoh incurred the expenses relating to enhancement of its sales structures, expansion of printer business operations, and structural change. Consequently, selling, general and administrative expenses increased by 4.5% as compared to the previous corresponding ¥779.8 billion($7,877 million). R&D expenses decreased by ¥1.6 billion from the previous corresponding period, to ¥124.4 billion ($1,257million, 5.9% of total sales).
As a result, operating income decreased by 58.9% from the previous corresponding period, to ¥74.5 billion($753 million).

Income before Income Taxes

The other (income) expense was due to the appreciation of the Yen in the latter half of this year, as well as the loss on revaluation of securities. As a result, income before income taxes decreased by 82.3% from the previous corresponding period, to ¥30.9 billion($312 million).

Net Income

Net income decreased by 93.9% from the previous corresponding period, to ¥6.5 billion($66 million).
A year-end cash dividend of ¥15.00 per share is proposed. Combined with the interim dividend of ¥18.00 per share, the total dividend for the fiscal year ended March 31, 2009 will be ¥33.00 ($0.33) per share.

Segment Information

CONSOLIDATED SALES BY PRODUCT LINE

1. Imaging & Solutions

Net sales in the Imaging & Solutions segment which consists of Imaging Solutions and Network System Solutions decreased by 4.0% from the previous corresponding period, to ¥1,833.0 billion($18,515 million). The breakdown of sales for Imaging Solutions and Network System Solutions is as shown below. The sales would have increased by 3.7% excluding the effects of foreign currency fluctuations.

Imaging Solutions

Sales of printers remained steady due mainly to enhancing its sales structures and expand printer business operations. But the economic slowdawn and the appreciation of the Yen negatively affect. As a result, sales decreased by 6.5% from the previous corresponding period, to ¥1,598.6 billion($16,147 million). The sales would have increased by 1.7% excluding the effects of foreign currency fluctuations.

Network System Solutions

Sales in this category increased by 17.2% as compared to the previous corresponding period, to ¥234.4 billion($2,368 million). Overseas IT service business was changed from Imaging Solutions to Network System Solutions from this fiscal year. The effect of the change was ¥17.7 billion($179 million).

2. Industrial Products

Net sales in the Industrial Products segment decreased by 19.9% from the previous corresponding period, to ¥115.5 billion($1,167 million). Sales of thermal media, semiconductor devices and electronic components decreased.

3. Other

Net sales in this category decreased by 13.9% from the previous corresponding period, to ¥143.0 billion($1,444 million). Sales of digital cameras decreased.

SALES BY PRODUCT LINE

	2008		2009		
	Millions of Yen	Percentage of net sales	Millions of yen	Percentage of net sales	Thousands of U.S.dollars
Imaging & Solution Business					
Imaging Solutions Business	¥ 1,709,491	77.0%	**¥ 1,598,614**	**76.4%**	**$16,147,616**
Network System Solution Business	200,082	9.0	**234,484**	**11.2**	**2,368,525**
Industry Business	144,340	6.5	**115,550**	**5.5**	**1,167,172**
Other Business	166,076	7.5	**143,048**	**6.9**	**1,444,929**
Total	¥2,219,989	100.0%	**¥2,091,696**	**100.0%**	**$21,128,242**

CONSOLIDATED SALES BY GEOGRAPHIC AREA

1. Japan

The Japanese economy was increasingly slowing due to the decline in the corporate sector's performance and the decline in the personal consumption derived from the world economic slowdown, the decline in stock market prices, the appreciation of the Yen, and so on. In the severe business environment, sales in the Imaging & Solutions segment as well as sales in Industrial Products and Other segments all decreased from the previous corresponding period. Overall sales in Japan decreased by 7.6% from the previous corresponding period, to ¥938.3 billion($9,478 million).

2. The Americas

In the U.S., economy worsened markedly due to the financial crisis, the deteriorating employment conditions, the decline in the personal consumption and so on, triggered by the subprime loan crisis. In such situation, managerial environment for Ricoh's businesses also became severe. Ricoh strengthen its sales structures in order to provide the best solutions to meet the diverse range of customer needs for color, networking and high-speed products. As a result sales of color MFPs and printers exceeded the last fiscal year's level. As a result, overall sales in the Americas increased by 15.7% from the previous corresponding period, to ¥502.8 billion($5,079 million). The sales in this area would have increased by 31.6% excluding the effects of foreign currency fluctuations.

3. Europe

In Europe, economy worsened due to the financial crisis and so on. And about exchange rate, the appreciation of the yen against the Euro continued. In the severe business environment, sales in the Imaging & Solutions segment as well as sales in Industrial Products and Other segments all decreased from the previous corresponding period. As a result, overall sales in Europe decreased by 13.2% from the previous corresponding period, to ¥523.4 billion($5,287 million). The sales in this area would have decreased by 2.4% excluding the effects of foreign currency fluctuations.

4. Other

The Other segment includes China, other Asian countries and Oceania. Due mainly to the appreciation of the yen, sales in the Imaging & Solutions segment as well as sales in Industrial Products and Other segments all decreased from the previous corresponding period. As a result, overall sales in Other decreased by 23.4% from the previous corresponding period, to ¥127.0 billion($1,283 million). The sales in this area would have decreased by 12.4% excluding the effects of foreign currency fluctuations.

SALES BY GEOGRAPHIC AREA

	2008		2009		
	Millions of Yen	Percentage of net sales	Millions of Yen	Percentage of net sales	Thousands of U.S.dollars
Japan	¥ 1,016,034	45.8%	**¥ 938,331**	**44.9%**	**$9,478,091**
The Americas	434,799	19.6	**502,862**	**24.0**	**5,079,414**
Europe	603,219	27.2	**523,407**	**25.0**	**5,286,939**
Other	165,937	7.4	**127,096**	**6.1**	**1,283,798**
Total	¥2,219,989	100.0%	**¥2,091,696**	**100.0%**	**$21,128,242**

Financial Position

For Assets, cash and cash equivalents increased from the end of the previous corresponding period. In addition, other investments including goodwill increased due to the acquisition of IKON, Inc. that was an American-based independent company dealing office equipment. As a result, total assets increased by ¥299.1 billion to ¥2,513.4 billion($25,388 million).

For Liabilities, interest-bearing debt increased from the end of the previous corresponding period due mainly to the financing for the acquisition of IKON, Inc. As a result, total liabilities increased by ¥413.2 billion to ¥1,489.1 billion($15,041 million).

For the shareholders' equity, accumulated other comprehensive income increased due mainly to the increase of cumulative translation adjustments reflecting currency exchange, and the increase of pension liability adjustments derived from the decrease of pension assets reflecting the decline of the stock market. Total Shareholders' Investment decreased by ¥104.8 billion from the end of the previous corresponding period, to 975.3 billion($9,852 million).

Cash Flows

Net cash provided by operating activities decreased by ¥106.8 billion from the previous corresponding period, to ¥87.4 billion($883 million) as net income decreased.

Net cash used in investing activities increased by ¥84.8 billion from the previous corresponding period, to ¥283.1 billion($2,860 million), because a payment for the formation of the acquisition of IKON, Inc. exceed a payment for the formation of a joint venture company with IBM Corporation.

As a result, negative free cash flow generated by operating activities and investment activities increased by ¥191.7 billion from the previous corresponding period, to ¥195.6 billion($1,976 million).

Net cash used in financing activities amounted to ¥295.9 billion($2,989 million) due primarily to the issuance of bond and the financing by borrowing, while net cash used in financing activities was ¥72.1 billion in the previous corresponding period.

As a result of the above, cash and cash equivalents as of the end of this fiscal year increased by ¥87.8 billion from the end of the previous corresponding period, to ¥258.4 billion($2,610 million).

Capital Expenditures

Ricoh's capital investments for fiscal years 2007, 2008 and 2009 were ¥85.8 billion, ¥85.2 billion and ¥96.9 billion($979 million), respectively. Ricoh directed a significant portion of its capital investments for fiscal years 2007, 2008 and 2009 towards digital and networking equipment, such as digital PPCs/MFPs, laser printers and production printing products, and manufacturing facilities to maintain or enhance its competitiveness in the industry.

Ricoh projects that for fiscal year 2010, its capital investments will amount to approximately ¥95.0 billion($960 million), which will principally be used for investments in manufacturing facilities of digital and networking equipment with new engines, toners, semiconductors and thermal media. For example, during fiscal year 2010, Ricoh plans to complete the construction of a manufacturing plant in Thailand for MFPs and laser printers to reinforce its manufacturing network in Asia. Ricoh intends to finance the construction of this new plant with internally generated funds. This new manufacturing plant will allow the Company to improve its production capabilities and to hedge against the risk of over-dependence on its manufacturing plants located in China.

In addition, one of Ricoh's subsidiaries, Tohoku Ricoh Co., Ltd is expected to establish a manufacturing plant in Japan during fiscal year 2010 for PxP toners, which are toners that are capable of producing higher quality images. The construction of this plant is expected to be financed with internally generated funds.

LONG-TERM INDEBTEDNESS

(Excluding Capital Lease Obligations and SFAS No. 133 fair value adjustment)

		Year ended March 31, 2008 Millions of Yen	Expected maturity date						
	Average pay rate	Total	2009	2010	2011	2012	2013	Thereafter	Fair Value
Bonds	1.43%	**¥ 54,999**	¥25,000	¥20,000	¥ 9,999	¥ -	¥ -	¥ -	¥ 54,577
Convertible Bonds	-	**55,202**	-	-	-	55,202	-	-	51,865
Loans	1.66	**196,818**	57,377	56,690	57,072	24,643	1,033	3	196,438
TOTAL		**¥ 307,019**	¥82,377	¥76,690	¥67,071	¥79,845	¥ 1,033	¥ 3	¥302,880

		Year ended March 31, 2009 Millions of Yen	Expected maturity date						
	Average pay rate	Total	2010	2011	2012	2013	2014	Thereafter	Fair Value
Bonds	2.71%	**¥149,206**	¥20,000	¥ 9,999	¥ 20,000	¥ -	¥ 50,000	¥49,207	¥146,211
Convertible Bonds	-	**55,147**	-	-	55,147	-	-	-	52,747
Loans	1.42	**388,661**	64,652	88,442	70,691	56,700	108,172	4	385,427
TOTAL		**¥593,014**	¥84,652	¥98,441	¥145,838	¥56,700	¥158,172	¥49,211	¥584,385

		Year ended March 31,2009 Thousand of U.S. dollars	Expected maturity date						
	Average pay rate	Total	2010	2011	2012	2013	2014	Thereafter	Fair Value
Bonds	2.71%	**$1,507,131**	$202,020	$101,000	$202,020	$ -	$505,050	$497,040	$1,476,879
Convertible Bonds	-	**557,040**	-	-	557,040	-	-	-	532,798
Loans	1.42	**3,925,869**	653,051	893,354	714,051	572,727	1,092,646	40	3,893,202
Total		**$5,990,040**	$855,071	$994,354	$1,473,111	$572,727	$1,597,697	$497,081	$5,902,879

INTEREST RATE SWAPS

				Year ended March 31, 2008 Millions of Yen	Expected maturity date						
Notional amounts (Millions)	Type of swap	Average receive rate	Average pay rate	Total	2009	2010	2011	2012	2013	Thereafter	Fair Value
¥ 130,000	Receive floating/Pay fixed	1.04%	0.96%	**¥ 130,000**	¥ 45,000	¥15,000	¥ 54,000	¥ 16,000	¥ -	¥ -	¥ (368)
18,000	Receive fixed/Pay floating	2.04	1.08	**18,000**	-	10,000	8,000	-	-	-	392
US$ 190	Receive floating/Pay fixed	3.00%	4.64%	**¥ 19,036**	¥ -	¥19,036	¥ -	¥ -	¥ -	¥ -	¥ (380)
4	Receive fixed/Pay fixed	6.00	5.92	**366**	366	-	-	-	-	-	(238)

				Year ended March 31, 2009 Millions of Yen	Expected maturity date						
Notional amounts (Millions)	Type of swap	Average receive rate	Average pay rate	Total	2010	2011	2012	2013	2014	Thereafte	Fair Value
¥ 267,800	Receive floating /Pay fixed	1.13%	1.23%	**¥ 267,800**	¥ 15,000	¥ 54,000	¥ 52,300	¥ 25,000	¥ 58,000	¥63,500	¥ 73
18,000	Receive fixed /Pay floating	2.04	1.09	**18,000**	10,000	8,000	-	-	-	-	392
US$ -	Receive floating /Pay fixed	-%	-%	**¥ -**	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -
1	Receive fixed /Pay fixed	6.00	6.00	**98**	98	-	-	-	-	-	(39)

Notional amounts (Millions)	Type of swap	Average receive rate	Average pay rate	Year ended March 31,2009 Thousand of U.S. dollars Total	Expected maturity date 2010	2011	2012	2013	2014	Thereafter	Fair Value
¥ 267,800	Receive floating/Pay fixed	1.13%	1.23%	**$2,705,051**	$151,515	$545,455	$528,283	$252,525	$585,859	$641,414	$ 737
18,000	Receive fixed/Pay floating	2.04	1.09	**181,818**	101,010	80,808	-	-	-	-	3,960
US$ -	Receive floating/Pay fixed	- %	- %	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1	Receive fixed/Pay fixed	6.00	6.00	**990**	990	-	-	-	-	-	(394)

Key Financial Ratios

We have provided the following ratios to facilitate analysis of the Company's operations for fiscal 2007, 2008, and 2009.

	Fiscal 2007	Fiscal 2008	**Fiscal 2009**
Return on sales	5.4%	4.8%	**0.3%**
Return on shareholders' investment	11.0%	9.9%	**0.6%**
Current ratio	1.63	1.57	**1.57**
Debt-to-equity ratio (interest-bearing debt to shareholders' investment)	0.39	0.36	**0.80**
Interest coverage	24.5	38.9	**13.6**

Market Risk

MARKET RISK EXPOSURE

Ricoh is exposed to market risks primarily from changes in foreign currency exchange rates and interest rates, which affect outstanding debt and certain assets and liabilities denominated in foreign currencies. To a lesser extent, Ricoh is also exposed to equity price risk. In order to manage these risks that arise in the normal course of business, Ricoh enters into various hedging transactions pursuant to its policies and procedures covering such areas as counterparty exposure and hedging practices. Ricoh does not hold or issue derivative financial instruments for trading purposes or to generate income.

Ricoh regularly assesses these market risks based on the policies and procedures established to protect against adverse effects of these risks and other potential exposures, primarily by reference to the market value of the financial instruments. As a result of the latest assessment, Ricoh does not anticipate any material losses in these areas for the fiscal year 2009 and there are no material quantitative changes in market risk exposure at March 31, 2009 when compared to March 31, 2008. In the normal course of business, Ricoh also faces risks that are either non-financial or nonquantifiable. Such risks principally include credit risk and legal risk, and are not represented in the following tables.

FOREIGN CURRENCY RISK

In the ordinary course of business, Ricoh uses foreign exchange forward contracts to manage the effects of foreign currency exchange risk on monetary assets and liabilities denominated in foreign currencies. The contracts with respect to the operating activities generally have maturities of less than six months, while the contracts with respect to the financing activities have the same maturities as the underlying assets and liabilities.

The table below provides information about Ricoh's material derivative financial instruments that are sensitive to foreign currency exchange rates. The table below relating to foreign exchange forward contracts presents the notional amounts, weighted average exchange rates and estimated fair value. These notional amounts generally are used to calculate the contractual payments to be exchanged under the contracts.

INTEREST RATE RISK

In the ordinary course of business, Ricoh enters into interest rate swap agreements to reduce interest rate risk and to modify the interest rate characteristics of its outstanding debt. These agreements primarily involve the exchange of fixed and floating rate interest payments over the life of the agreement without the exchange of the underlying principal amounts.

The table above provides information about Ricoh's major derivative and other financial instruments that are sensitive to changes in interest rates, including interest rate swaps and debt obligations. For debt obligations, the table presents principal cash flows by expected maturity date, related weighted average interest rates and estimated fair value. For interest rate swaps, the table presents notional amounts by expected maturity date, weighted average interest rates. Notional amounts are generally used to calculate the contractual payments to be exchanged under the contract.

FOREIGN EXCHANGE FORWARD CONTRACTS

	Year Ended March 31,							
	2008			2009				
	Millions of Yen			Millions of Yen			Thousand of U.S. Dollars	
	Average contractual rates	Contract amounts	Estimated fair value	Average contractual rates	Contract amounts	Estimated fair value	Contract amounts	Estimated fair value
US$/¥	109.74	¥ (295)	¥ (135)	92.25	¥ 15,959	¥ (1,023)	$161,202	$(10,333)
EUR/¥	163.20	(3,418)	(120)	127.25	17,576	(347)	177,535	(3,505)
US$/EUR	0.67	1,581	(93)	-	-	-	-	-

CREDIT RISK

Ricoh is also exposed to credit-related losses in the event of nonperformance by counterparties to the financial instrument; however, credit risk arising from the nonperformance of counterparties to meet the terms of financial instrument contracts is generally limited to the amounts by which the counterparties' obligations exceed the obligations of Ricoh. It is Ricoh's policy to only enter into financial instrument contracts with a diversified group of financial institutions having credit ratings satisfactory to Ricoh to minimize the concentration of credit risk. Therefore, Ricoh does not expect to incur material credit losses on its financial instruments.

EQUITY PRICE RISK

Ricoh has a relatively small portion of marketable securities which are subject to equity price risk arising from changes in their market prices. Marketable securities consist of a diversified pool of Japanese equity securities. Ricoh's overall investment policy is to invest in highly-liquid, low risk investments.

The table below provides information about contractual maturities for available-for-sale securities and the fair values for market risk sensitive.

	Year Ended March 31,					
	2008		2009			
	Millions of Yen		Millions of Yen		Thousand of U.S. Dollars	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Debt Securities						
Due within one year	¥ -	¥ -	¥ -	¥ -	$ -	$ -
Due after one year through five years	6,000	5,246	1,279	1,279	12,919	12,919
Equity Securities	62,208	64,716	43,002	45,062	434,364	455,172
Other	0	0	-	-	-	-
TOTAL	¥68,208	¥69,962	¥44,281	¥46,341	$447,283	$468,091

Selected Financial Data

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31

	2000	2001	2002
For the Year:			
Net sales	¥1,447,157	¥1,538,262	¥1,672,340
Cost of sales	867,148	924,893	972,394
Selling, general and administrative expenses	491,088	508,264	570,251
Income from continuing operations before income taxes, minority interests and equity in earnings of affiliates	70,393	97,765	113,950
Provision for income taxes	28,363	43,512	51,147
Income from continuing operations	41,928	53,228	61,614
Income from discontinued operations, net of tax	-	-	-
Net income	41,928	53,228	61,614
Capital expenditures	58,356	73,329	75,676
Depreciation and amortization	61,946	62,142	73,782
Per Share Data (in yen and dollars):			
Net income			
Basic	¥ 60.61	¥ 76.85	¥ 88.27
Diluted	56.06	71.02	82.46
Cash dividends paid	11.00	11.50	12.00
At Year-End:			
Total assets	¥1,543,320	¥1,704,791	¥1,832,928
Long-term indebtedness	307,962	217,743	332,995
Shareholders' investment	541,506	556,728	633,020
Working capital	297,502	121,446	323,168
Return on sales	2.9%	3.5%	3.7%
Return on shareholders' investment	8.1	9.7	10.4
Common Stock Price Range (in yen and dollars):			
High	¥ 2,525	¥ 2,495	¥ 2,735
Low	1,078	1,627	1,563

* As a result of the sale of a business, the operating results from the discontinued operations have been reclassified in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" from fiscal year 2003 to 2006.

	Millions of Yen						Thousands of U.S. Dollars
2003	2004	2005	2006	2007	2008	**2009**	**2009**
¥1,732,012	¥1,773,306	¥1,807,406	¥1,909,238	¥2,068,925	¥2,219,989	**¥2,091,696**	**$21,128,242**
991,911	1,013,249	1,058,232	1,114,238	1,206,519	1,292,262	**1,237,310**	**12,498,081**
610,380	614,652	618,065	646,416	688,026	746,221	**779,850**	**7,877,273**
119,708	138,472	130,983	152,766	174,519	174,669	**30,939**	**312,515**
49,089	54,768	48,840	56,165	64,326	63,396	**22,158**	**223,818**
71,648	89,049	80,537	95,022	106,224	106,463	**6,530**	**65,960**
865	2,717	2,606	2,035	5,500	-	**-**	**-**
72,513	91,766	83,143	97,057	111,724	106,463	**6,530**	**65,960**
73,948	75,504	84,699	102,049	85,800	85,215	**96,958**	**979,374**
76,476	76,897	78,120	84,089	89,632	95,788	**101,817**	**1,028,455**
¥ 99.79	¥ 123.63	¥ 112.64	¥ 132.33	¥ 153.10	¥ 146.04	**¥ 9.02**	**$ 0.09**
96.81	123.63	112.64	132.33	151.89	142.15	**8.75**	**0.09**
14.00	15.00	20.00	22.00	25.00	31.00	**35.00**	**0.35**
¥1,884,922	¥1,852,793	¥1,953,669	¥2,041,183	¥2,243,406	¥2,214,368	**¥2,513,495**	**$25,388,838**
345,902	281,570	226,567	195,626	236,801	225,930	**509,403**	**5,145,485**
657,514	795,131	862,998	960,245	1,070,913	1,080,196	**975,373**	**9,852,252**
372,770	418,511	358,233	359,515	464,480	410,384	**438,375**	**4,428,030**
4.2%	5.2%	4.6%	5.1%	5.4%	4.8%	**0.3%**	**-**
11.2	12.6	10.0	10.6	11.0	9.9	**0.6**	**-**
¥ 2,470	¥ 2,365	¥ 2,345	¥ 2,360	¥ 2,775	¥ 2,950	**¥ 1,986**	**$ 20.06**
1,637	1,607	1,782	1,646	1,991	1,395	**770**	**7.78**

Consolidated Balance Sheets

Ricoh Company, Ltd. and Consolidated Subsidiaries
March 31, 2008 and 2009

ASSETS	Millions of Yen 2008	Millions of Yen 2009	Thousands of U.S. Dollars 2009
Current assets:			
Cash and cash equivalents	¥ 170,607	¥ **258,484**	$ **2,610,949**
Time deposits	1,531	**2,043**	**20,636**
Trade receivables:			
Notes	57,068	**45,781**	**462,434**
Accounts	463,999	**460,519**	**4,651,707**
Less- Allowance for doubtful receivables	(16,666)	**(21,533)**	**(217,505)**
Current maturities of long-term finance receivables, net	194,642	**195,617**	**1,975,929**
Inventories:			
Finished goods	117,658	**123,798**	**1,250,485**
Work in process and raw materials	74,365	**67,772**	**684,566**
Deferred income taxes and other	60,936	**79,385**	**801,869**
Total current assets	1,124,140	**1,211,866**	**12,241,070**
Property, plant and equipment, at cost:			
Land	46,681	**45,693**	**461,545**
Buildings	235,106	**235,905**	**2,382,879**
Machinery and equipment	587,956	**613,879**	**6,200,798**
Construction in progress	12,884	**23,459**	**236,960**
Total	882,627	**918,936**	**9,282,182**
Less- accumulated depreciation	(627,994)	**(649,600)**	**(6,561,616)**
Net property, plant and equipment	254,633	**269,336**	**2,720,566**
Investments and other assets:			
Long-term finance receivables, net	445,436	**465,262**	**4,699,616**
Investment securities	71,244	**47,815**	**482,980**
Investments in and advances to affiliates	1,977	**1,248**	**12,606**
Goodwill	112,538	**250,330**	**2,528,586**
Other intangible assets	114,402	**165,126**	**1,667,939**
Lease deposits and other	89,998	**102,512**	**1,035,475**
Total investments and other assets	835,595	**1,032,293**	**10,427,202**
Total	¥2,214,368	**¥2,513,495**	**$ 25,388,838**

The accompanying notes to consolidated financial statements are an integral part of these balance sheets.

LIABILITIES AND SHAREHOLDERS' INVESTMENT	Millions of Yen		Thousands of U.S. Dollars
	2008	2009	2009
Current liabilities:			
Short-term borrowings	¥ 75,784	¥ 184,210	$ 1,860,707
Current maturities of long-term indebtedness	82,658	85,582	864,465
Trade payables:			
Notes	18,942	12,914	130,444
Accounts	341,627	272,499	2,752,515
Accrued income taxes	28,909	10,317	104,212
Accrued expenses and other	165,836	207,969	2,100,697
Total current liabilities	713,756	773,491	7,813,040
Long-term liabilities:			
Long-term indebtedness	225,930	509,403	5,145,485
Accrued pension and severance costs	99,830	156,625	1,582,071
Deferred income taxes and other	36,373	49,626	501,273
Total long-term liabilities	362,133	715,654	7,228,829
Minority interests	58,283	48,977	494,717
Commitments and contingent liabilities (Note 17)			
Shareholders' investment:			
Common stock;			
Authorized - 1,500,000,000 shares in 2008 and 2009			
Issued and outstanding – 744,912,078 shares and 720,951,250 shares in 2008 and 744,912,078 shares and 725,679,726 shares in 2009	135,364	135,364	1,367,313
Additional paid-in capital	186,448	186,083	1,879,626
Retained earnings	835,238	815,725	8,239,646
Accumulated other comprehensive loss	(31,005)	(125,121)	(1,263,848)
Treasury stock at cost; 23,960,828 shares in 2008 and 19,232,352 shares in 2009	(45,849)	(36,678)	(370,485)
Total shareholders' investment	1,080,196	975,373	9,852,252
Total	¥2,214,368	¥2,513,495	$ 25,388,838

Consolidated Statements of Income

Ricoh Company, Ltd. and Consolidated Subsidiaries For the Years Ended March 31, 2007, 2008 and 2009	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Net sales:				
Products	¥1,189,548	¥1,292,228	**¥1,027,694**	**$10,380,747**
Post sales and rentals	768,965	817,230	**955,490**	**9,651,414**
Other revenue	110,412	110,531	**108,512**	**1,096,081**
Total	2,068,925	2,219,989	**2,091,696**	**21,128,242**
Cost of sales:				
Products	783,681	855,852	**710,892**	**7,180,727**
Post sales and rentals	335,444	346,945	**440,510**	**4,449,596**
Other revenue	87,394	89,465	**85,908**	**867,758**
Total	1,206,519	1,292,262	**1,237,310**	**12,498,081**
Gross profit	862,406	927,727	**854,386**	**8,630,162**
Selling, general and administrative expenses	688,026	746,221	**779,850**	**7,877,273**
Operating income	174,380	181,506	**74,536**	**752,889**
Other (income) expenses:				
Interest and dividend income	(5,501)	(6,341)	**(5,227)**	**(52,798)**
Interest expense	7,350	4,835	**5,863**	**59,222**
Foreign currency exchange loss, net	1,199	10,901	**15,575**	**157,323**
Losses on impairment of securities	270	142	**26,837**	**271,081**
Other, net	(3,457)	(2,700)	**549**	**5,546**
Total	(139)	6,837	**43,597**	**440,374**
Income from continuing operations before income taxes, minority interests and equity in earnings of affiliates	174,519	174,669	**30,939**	**312,515**
Provision for income taxes :				
Current	66,523	58,426	**27,321**	**275,970**
Deferred	(2,197)	4,970	**(5,163)**	**(52,152)**
Total	64,326	63,396	**22,158**	**223,818**
Income from continuing operations before minority interests and equity in earnings of affiliates	110,193	111,273	**8,781**	**88,697**
Minority interests	5,508	6,057	**2,322**	**23,454**
Equity in earnings of affiliates	1,539	1,247	**71**	**717**
Income from continuing operations	106,224	106,463	**6,530**	**65,960**
Income from discontinued operations, net of tax	5,500	–	**–**	**–**
Net income	¥ 111,724	¥ 106,463	**¥ 6,530**	**$ 65,960**

	Yen			U.S. Dollars
Per share of common stock:	2007	2008	**2009**	**2009**
Basic:				
Income from continuing operations	¥145.56	¥ 146.04	**¥ 9.02**	**$ 0.09**
Income from discontinued operations, net of tax	7.54	–	**–**	**–**
Net income	153.10	146.04	**9.02**	**0.09**
Diluted:				
Income from continuing operations	¥144.41	¥ 142.15	**¥ 8.75**	**$ 0.09**
Income from discontinued operations, net of tax	7.48	–	**–**	**–**
Net income	151.89	142.15	**8.75**	**0.09**
Cash dividends paid per share	¥ 25.00	¥ 31.00	**¥ 35.00**	**$ 0.35**
Per American Depositary Share, each representing 5 shares of common stock:				
Basic:				
Income from continuing operations	¥ 727.80	¥ 730.20	**¥ 45.10**	**$ 0.46**
Income from discontinued operations, net of tax	37.70	–	**–**	**–**
Net income	765.50	730.20	**45.10**	**0.46**
Diluted:				
Income from continuing operations	¥ 722.05	¥ 710.75	**¥ 43.75**	**$ 0.44**
Income from discontinued operations, net of tax	37.40	–	**–**	**–**
Net income	759.45	710.75	**43.75**	**0.44**
Cash dividends paid per share	¥ 125.00	¥ 155.00	**¥ 175.00**	**$ 1.77**

The accompanying notes to consolidated financial statements are an integral part of these statements.

Consolidated Statements of Shareholders' Investment

Millions of Yen

Ricoh Company, Ltd. and Consolidated Subsidiaries For the Years Ended March 31, 2007, 2008 and 2009	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total shareholders' investments
Balance at March 31, 2006	¥135,364	¥186,450	¥665,394	¥ 4,099	¥(31,062)	¥ 960,245
Cumulative effect of adjustment from applying SAB 108, net of tax	–	–	(6,464)	–	–	(6,464)
Balance at April 1, 2006, as adjusted	135,364	186,450	658,930	4,099	(31,062)	953,781
Gain (loss) on disposal of treasury stock		4				4
Dividends declared and approved			(18,256)			(18,256)
Comprehensive income (loss)						
Net income			111,724			111,724
Net unrealized holding gains (losses) on available-for-sale securities				73		73
Minimum pension liability adjustments				970		970
Net unrealized gains (losses) on derivative instruments				(185)		(185)
Cumulative translation adjustments				24,774		24,774
Total comprehensive income (loss)						137,356
Adjustment to initially apply SFAS 158				(2,733)		(2,733)
Net changes in treasury stock					761	761
Balance at March 31, 2007	¥135,364	¥186,454	¥752,398	¥ 26,998	¥(30,301)	¥1,070,913
Cumulative effect of adjustment from applying EITF 06-2, net of tax	–	–	(995)	–	–	(995)
Balance at April 1, 2007, as adjusted	135,364	186,454	751,403	26,998	(30,301)	1,069,918
Gain (loss) on disposal of treasury stock		(6)				(6)
Dividends declared and approved			(22,628)			(22,628)
Comprehensive income (loss)						
Net income			106,463			106,463
Net unrealized holding gains (losses) on available-for-sale securities				(7,685)		(7,685)
Pension liability adjustments				(11,382)		(11,382)
Net unrealized gains (losses) on derivative instruments				(380)		(380)
Cumulative translation adjustments				(38,556)		(38,556)
Total comprehensive income (loss)						48,460
Net changes in treasury stock					(15,548)	(15,548)
Balance at March 31, 2008	**¥135,364**	**¥186,448**	**¥835,238**	**¥(31,005)**	**¥(45,849)**	**¥1,080,196**
Cumulative effect of adjustment from applying SFAS No.158, net of tax	**–**	**–**	**(643)**	**(6)**	**–**	**(649)**
Balance at April 1, 2008, as adjusted	**135,364**	**186,448**	**834,595**	**(31,011)**	**(45,849)**	**1,079,547**
Gain (loss) on disposal of treasury stock		**(365)**	**(80)**			**(445)**
Dividends declared and approved			**(25,320)**			**(25,320)**
Comprehensive income (loss)						
Net income			**6,530**			**6,530**
Net unrealized holding gains (losses) on available-for-sale securities				**532**		**532**
Pension liability adjustments				**(33,507)**		**(33,507)**
Net unrealized gains (losses) on derivative instruments				**35**		**35**
Cumulative translation adjustments				**(61,170)**		**(61,170)**
Total comprehensive income (loss)						**(87,580)**
Net changes in treasury stock					**9,171**	**9,171**
Balance at March 31, 2009	**¥135,364**	**¥186,083**	**¥815,725**	**¥(125,121)**	**¥(36,678)**	**¥975,373**

Thousands of U.S. Dollars

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total shareholders' investments
Balance at March 31, 2008	**$1,367,313**	**$1,883,313**	**$8,436,748**	**$(313,182)**	**$(463,121)**	**$10,911,071**
Cumulative effect of adjustment from applying SFAS No.158, net of tax	**–**	**–**	**(6,495)**	**(61)**	**–**	**(6,556)**
Balance at April 1, 2008, as adjusted	**1,367,313**	**1,883,313**	**8,430,253**	**(313,243)**	**(463,121)**	**10,904,515**
Gain (loss) on disposal of treasury stock		**(3,687)**	**(808)**			**(4,495)**
Dividends declared and approved			**(255,758)**			**(255,758)**
Comprehensive income (loss)						
Net income			**65,960**			**65,960**
Net unrealized holding gains (losses) on available-for-sale securities				**5,374**		**5,374**
Pension liability adjustments				**(338,455)**		**(338,455)**
Net unrealized gains (losses) on derivative instruments				**354**		**354**
Cumulative translation adjustments				**(617,879)**		**(617,879)**
Total comprehensive income (loss)						**(884,646)**
Net changes in treasury stock					**92,636**	**92,636**
Balance at March 31, 2009	**$1,367,313**	**$1,879,626**	**$8,239,646**	**$(1,263,848)**	**$(370,485)**	**$9,852,252**

The accompanying notes to consolidated financial statements are an integral part of these statements.

Consolidated Statements of Cash Flows

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31, 2007, 2008 and 2009

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	¥111,724	¥106,463	**¥ 6,530**	**$ 65,960**
Income from discontinued operations, net of tax	(5,500)	–	**–**	**–**
Income from continuing operations	106,224	106,463	**6,530**	**65,960**
Adjustments to reconcile net income to net cash provided by operating activities-				
Depreciation and amortization	89,632	95,788	**101,817**	**1,028,455**
Equity in earnings of affiliates, net of dividends received	(711)	(622)	**117**	**1,182**
Deferred income taxes	(2,197)	4,970	**(5,163)**	**(52,152)**
Losses on disposals and sales of property, plant and equipment	3,722	2,174	**1,885**	**19,040**
Losses on impairment of securities	270	142	**26,837**	**271,081**
Pension and severance costs, less payments	(773)	(320)	**2,031**	**20,515**
Changes in assets and liabilities, net of effects from acquisition-				
(Increase) decrease in trade receivables	(15,919)	(16,567)	**37,913**	**382,960**
(Increase) decrease in inventories	(1,494)	129	**2,836**	**28,646**
Increase in finance receivables	(28,047)	(17,183)	**(3,050)**	**(30,808)**
(Decrease) increase in trade payables	2,199	(7,491)	**(97,372)**	**(983,556)**
(Decrease)Increase in accrued income taxes and accrued expenses and other	11,175	5,216	**(14,094)**	**(142,364)**
Other, net	3,216	21,664	**27,201**	**274,758**
Net cash provided by operating activities	167,297	194,363	**87,488**	**883,717**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales of property, plant and equipment	463	1,194	**454**	**4,586**
Expenditures for property, plant and equipment	(85,747)	(85,205)	**(96,945)**	**(979,242)**
Payments for purchases of available-for-sale securities	(97,158)	(97,958)	**(1,781)**	**(17,990)**
Proceeds from sales of available-for-sale securities	96,087	100,025	**243**	**2,455**
(Increase) decrease in time deposits	64	(240)	**(615)**	**(6,212)**
Proceeds from sales of discontinued operations	12,000	–	**–**	**–**
Purchase of business, net of cash acquired	(23,200)	(96,796)	**(157,404)**	**(1,589,939)**
Other, net	(17,941)	(19,370)	**(27,124)**	**(273,981)**
Net cash used in investing activities	(115,432)	(198,350)	**(283,172)**	**(2,860,323)**
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from long-term indebtedness	60,157	67,166	**237,116**	**2,395,111**
Repayment of long-term indebtedness	(49,115)	(75,716)	**(59,500)**	**(601,010)**
(Decrease) increase in short-term borrowings, net	8,362	(14,598)	**110,211**	**1,113,242**
Proceeds from issuance of long-term debt securities	65,274	–	**85,000**	**858,586**
Repayment of long-term debt securities	(55,000)	(10,000)	**(50,539)**	**(510,495)**
Dividends paid	(18,240)	(22,628)	**(25,320)**	**(255,758)**
Payment for purchase of treasury stock	(799)	(15,770)	**(644)**	**(6,505)**
Other, net	(1,357)	(639)	**(410)**	**(4,141)**
Net cash provided by (used in) financing activities	9,282	(72,185)	**295,914**	**2,989,030**
CASH FLOWS OF DISCONTINUED OPERATIONS:				
Net, operating cash flows	838	–	**–**	**–**
Net, investing cash flows	(13)	–	**–**	**–**
Net, financing cash flows	–	–	**–**	**–**
Effect of exchange rate change on cash and cash equivalents from discontinued operations	–	–	**–**	**–**
Net increase in cash and cash equivalents from discontinued operations	825	–	**–**	**–**
EFFECT OF EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS	6,710	(8,958)	**(12,353)**	**(124,778)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	68,682	(85,130)	**87,877**	**(887,646)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	187,055	255,737	**170,607**	**1,723,303**
CASH AND CASH EQUIVALENTS AT END OF YEAR	¥255,737	¥170,607	**¥258,484**	**$2,610,949**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:				
CASH PAID DURING THE YEAR FOR-				
Interest	¥ 8,222	¥ 8,619	**¥ 9,352**	**$ 94,465**
Income taxes	66,603	76,220	**56,764**	**573,374**

The accompanying notes to consolidated financial statements are an integral part of these statements.

Notes to Consolidated Financial Statements

Ricoh Company, Ltd. and Consolidated Subsidiaries

1. NATURE OF OPERATIONS

Ricoh Company, Ltd. (the "Company") was established in 1936 and is headquartered in Tokyo, Japan. The Company and its consolidated subsidiaries ("Ricoh" as a consolidated group) is a world-wide supplier of office automation equipment, including copiers, facsimile machines, data processing systems, printers and related supplies. Ricoh is also well known for its state-of-the-art electronic devices, digital photographic equipment and other products. Ricoh distributes its products primarily through domestic (Japanese) and foreign sales subsidiaries. Overseas, Ricoh owns and distributes not only Ricoh brand products but also other brands, such as Lanier, Savin and Infotec.

Ricoh manufactures its products primarily in 16 plants in Japan and 9 plants overseas, which are located in the United States, United Kingdom, France and China.

2. SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The accompanying consolidated financial statements of Ricoh have been prepared in conformity with U.S. generally accepted accounting principles. Significant accounting and reporting policies are summarized below:

(a) Basis of Presentation

The accompanying consolidated financial statements for each of the years in the three year period ended March 31, 2009 are presented in Japanese yen, the functional currency of the Company and its domestic subsidiaries. The translation of Japanese yen amounts into U.S. Dollar equivalents as of and for the year ended March 31, 2009 is included solely for the convenience of readers outside Japan and has been made using the exchange rate of ¥99 to US$1, the approximate rate of exchange prevailing at the Federal Reserve Board on March 31, 2009.

The books of the Company and its domestic subsidiaries are maintained in conformity with Japanese accounting principles and practices, while foreign subsidiaries maintain their books in conformity with the standards of their country of domicile.

The accompanying consolidated financial statements reflect necessary adjustments, not recorded in the books, to present them in conformity with U.S. generally accepted accounting principles.

(b) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and all majority-owned subsidiaries. The accounts of variable interest entities as defined by the FASB Interpretation ("FIN") No. 46 (revised December 2003), "Consolidated of Variable Interest Entities" are included in the consolidated financial statements, if applicable. Investments in entities in which Ricoh has the ability to exercise significant influence over the entities' operating and financial policies, but not control (generally 20 to 50 % ownership) are accounted for on an equity basis. All significant intercompany balances and transactions have been eliminated in consolidation. The accounts of certain consolidated subsidiaries have been included on the basis of fiscal periods ended within three months prior to March 31.

(c) Revenue Recognition

Ricoh generates revenue principally through the sale of equipment, supplies and related services under separate contractual arrangements for each. Ricoh recognizes revenue when (1) it has a firm contract, (2) the product has been shipped to and accepted by the customer or the service has been provided, (3) the sales price is fixed or determinable and (4) amounts are reasonably assured of collection.

Product sales are recognized at the time of delivery and installation at the customer location. Equipment revenues are based on established prices by product type and model and are net of discounts. A sales return is accepted only when the equipment is defective and does not meet Ricoh's product performance specifications. Other than installation, there are no customer acceptance clauses in the sales contract.

Post sales and rentals result primarily from maintenance contracts that are normally entered into at the time the equipment is sold. Standard service fee prices are established depending on equipment classification and include a cost value for the estimated services to be performed based on historical experience plus a profit margin thereon. As a matter of policy, Ricoh does not discount such prices. On a monthly basis, maintenance service revenues are earned and recognized by Ricoh and billed to the customer in accordance with the contract and include a fixed monthly fee plus a variable amount based on usage. The length of the contract ranges up to five-years, however, most contracts are cancelable at any time by the customer upon a short notice period. Leases not qualifying as sales-type leases or direct financing leases are accounted for as operating leases and related revenue is recognized over the lease term.

Ricoh also enters into arrangements with multiple elements, which may include any combination of products, equipment, installation and maintenance. Ricoh allocates revenue to each element based on its relative fair value if such element meets the criteria for treatment as a separate unit of accounting as prescribed in Emerging Issues Task Force ("EITF") Issue No. 00-21, "Revenue Arrangements with Multiple Deliverables." Pursuant to EITF 00-21, the delivered item in a multiple element arrangement should be considered a separate unit of accounting if all of the following criteria are met: (1) a delivered item has value to customers on a stand-alone basis, (2) there is objective and reliable evidence of fair value of an undelivered item, and (3) the delivery of the undelivered item must be probable and controlled by Ricoh if the arrangement includes the right of return. The price charged when the element is sold separately generally determines fair value. Otherwise, revenue is deferred until the undelivered elements are fulfilled as a single unit of accounting.

Revenue from the sale of equipment under sales-type leases is recognized as product sales at the inception of the lease. Other revenue consists primarily of interest income on sales-type leases and direct-financing leases, which are recognized as Other revenue over the life of each respective lease using the interest method.

(d) Foreign Currency Translation

For foreign operations with functional currencies other than the Japanese yen, assets and liabilities are translated at the exchange rates in effect at each fiscal year-end, and income and expenses are translated at the average rates of exchange prevailing during each fiscal year. The resulting translation adjustments are included as a part of accumulated other comprehensive income (loss) in

shareholders' investment.
All foreign currency transaction gains and losses are included in other income and expenses in the period incurred.

(e) Cash Equivalents

Cash and cash equivalents include highly liquid investments with maturities of three months or less at the date of purchase such as time deposits and short-term investment securities which are available-for sale at any time, present insignificant risk of changes in value due to being readily convertible into cash and have an original maturity of three months or less, such as money management funds and free financial funds.

(f) Derivative Financial Instruments and Hedging Activities

As discussed further in Note 16, Ricoh manages its exposure to certain market risks, primarily foreign currency and interest rate risks, through the use of derivative instruments. As a matter of policy, Ricoh does not enter into derivative contracts for trading or speculative purposes.
In accordance with Statement of Financial Accounting Standards ("SFAS") No.133, as amended, Ricoh recognizes all derivative instruments as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value.
When Ricoh enters into a derivative contract, it makes a determination as to whether or not for accounting purposes the derivative is part of a hedging relationship. In general, a derivative may be designated as either (1) a hedge of the fair value of a recognized asset or liability or an unrecognized firm commitment ("fair value hedge"), (2) a hedge of the variability of the expected cash flows associated with an existing asset or liability or a forecasted transaction ("cash flow hedge"), or (3) a foreign currency fair value or cash flow hedge ("foreign currency hedge").
Ricoh formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value, cash flow, or foreign currency hedges to specific assets and liabilities on the consolidated balance sheets or to specific firm commitments or forecasted transactions.
For derivative contracts that are designated and qualify as fair value hedges including foreign currency fair value hedges, the derivative instrument is marked-to-market with gains and losses recognized in current period earnings to offset the respective losses and gains recognized on the change in fair value of the hedged item. For derivative contracts that are designated and qualify as cash flow hedges including foreign currency cash flow hedges, the effective portion of gains and losses on these contracts is reported as a component of accumulated other comprehensive income (loss) and reclassified into earnings in the same period the hedged item or transaction affects earnings. Any hedge ineffectiveness on cash flow hedges is immediately recognized in earnings. For all derivative instruments that are not designated as part of a hedging relationship and for designated derivative instruments that do not qualify for hedge accounting, the contracts are recorded at fair value with the gain or loss recognized in current period earnings.

(g) Allowance for Doubtful Trade Receivables and Finance Receivables

Ricoh records allowances for doubtful receivables that are based upon historical experience and specific customer collection issues. The estimated amount of probable credit losses in its existing receivables is determined from write-off history adjusted to reflect current economic conditions and specific allowances for receivables including nonperforming leases, impaired loans or other accounts for which Ricoh has concluded it will be unable to collect all amounts due according to original terms of the lease or loan agreement. Account balances net of expected recovery from available collateral are charged-off against the allowances when collection is considered remote.

(h) Securities

Ricoh applies SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities" which requires all investments in debt and marketable equity securities to be classified as either held-to-maturity, trading, or available-for-sale securities. As of March 31, 2008 and 2009, Ricoh's investments in debt and marketable equity securities are classified as trading or available-for-sale securities. Trading securities are reported at fair value with gains and losses recognized in current earnings. Available-for-sale securities are reported at fair value with unrealized gains and losses, net of related taxes, reported in accumulated other comprehensive income (loss). Available-for-sale securities, which mature or are expected to be sold in one year, are classified as current assets.
Individual securities classified as available-for-sale securities are reduced to fair market value by a charge to income for other than temporary declines in value. Factors considered in assessing whether an indication of other than temporary impairment exists with respect to available-for-sale securities include: length of time and extent of decline, financial condition and near term prospects of issuer and intent and ability of Ricoh to retain its investments for a period of time sufficient to allow for any anticipated recovery in market value.
The cost of the securities sold is computed based on the average cost of each security held at the time of sale.
Investments in affiliated companies over which Ricoh has the ability to exercise significant influence, but does not hold a controlling financial interest, are accounted for by the equity method.
Non-marketable equity securities owned by Ricoh primarily relate to less than 20% owned companies and are stated at cost unless indication of impairment exist, which require the investment to be written down to its estimated fair value.

(i) Inventories

Inventories are mainly stated at the lower of average cost or net realizable values. Inventory costs include raw materials, labor and manufacturing overheads.

(j) Property, Plant and Equipment

For the Company and its domestic subsidiaries, depreciation of property, plant and equipment is computed principally by using the declining-balance method over the estimated useful lives. Most of the foreign subsidiaries have adopted the straight-line method for computing depreciation, which currently accounts for approximately 33% of the consolidated depreciation expense. The depreciation period generally ranges from 5 years to 50 years for buildings and 2 years to 12 years for machinery and equipment.
Effective rates of depreciation for the years ended March 31, 2007, 2008 and 2009 are summarized below:

	2007	2008	**2009**
Buildings	9.8%	10.1%	**10.7%**
Machinery and equipment	40.8	43.1	**44.4**

Effective rates of depreciation increased for the year ended March 31, 2009 mainly due to the commencement of the new manufacturing facilities of the Company.
Certain leased buildings, machinery and equipment are accounted for as capital leases in conformity with SFAS No.13, "Accounting for Leases." The aggregate cost included in property, plant and equipment and related accumulated depreciation as of March 31, 2008 and 2009 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Aggregate cost	¥7,269	**¥6,003**	**$60,636**
Accumulated depreciation	6,072	**5,161**	**52,131**

The related future minimum lease payments and the present value of the net minimum lease payments as of March 31, 2009 were ¥1,815 million ($18,333 thousand) and ¥1,758 million ($17,758 thousand), respectively.
Ordinary maintenance and repairs are charged to expense as incurred. Major replacements and improvements are capitalized. When properties are retired or otherwise disposed of, the property and related accumulated depreciation accounts are relieved of the applicable amounts, and any differences are included in earnings.

(k) Capitalized Software Costs

In accordance with Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use," Ricoh capitalizes qualifying cost of computer software. Costs incurred during the application development stage as well as upgrades and enhancements that results in additional functionality are capitalized. The capitalized software is amortized on a straight line basis generally from 3 years to 5 years.

(l) Goodwill and Other Intangible Assets

SFAS No.141, "Business Combinations" requires the use of the purchase method of accounting for business combinations and refines the definition of intangible assets acquired in a purchase business combination. SFAS No.142, "Goodwill and Other Intangible Assets" eliminates the amortization of goodwill and instead requires goodwill to be tested at least annually for impairment. SFAS 142 also requires acquired intangible assets with a definite useful life to be amortized over their respective estimated useful lives and reviewed for impairment when an indication of impairment is identified in accordance with SFAS No.144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Other intangible assets with definite useful lives, consisting primarily of software, patents, customer relationships and trademarks are amortized on a straight line basis over 1 year to 20 years. Any acquired intangible assets determined to have an indefinite useful life are not amortized, but instead are tested annually for impairment based on its fair value until its life would be determined to no longer be indefinite. In performing the test, Ricoh utilizes the two-step approach prescribed under SFAS 142. The first step requires a comparison of the carrying value of the reporting units to the fair value of these units. If the carrying value of a reporting unit exceeds its fair value, Ricoh will perform the second step of the goodwill impairment test to measure the amount of impairment loss, if any.
Pursuant to the adoption of SFAS 142 on April 1, 2002, Ricoh selected an annual goodwill impairment date of September 30. In the fourth quarter of fiscal year 2009, Ricoh changed its annual impairment measurement date to December 31. The change was made to better align the impairment test date with Ricoh' acquisition of IKON Office Solutions, Inc. on October 31, 2008, which had a significant impact on Ricoh's financial statements. This change to the date of Ricoh's annual goodwill impairment test constitutes a change in the method of applying an accounting principle, as discussed in SFAS No.154, "Accounting Changes and Error Corrections" (SFAS 154). Ricoh believes that this change in accounting principle is preferable.
SFAS 154 requires reporting a change in accounting principle through retrospective application of the new accounting principle to all periods, unless it is impractical to do so. However, the change in the impairment measurement date had no impact on Ricoh's prior period financial statements, as no goodwill impairment changes had been recorded in any prior period financial statements nor did the change in annual impairment test date cause any impairments. Furthermore, there were no impairment charges that resulted from the December 31, 2008 impairment test, and no event indicating an impairment has occurred subsequent to December 31, 2008.
Ricoh completed its annual impairment assessment of indefinite-lived intangible assets for the years ended March 31, 2007, 2008 and 2009 and determined that no impairment charge was necessary.

(m) Pension and Retirement Allowances Plans

The measurement of pension costs and liabilities is determined in accordance with SFAS No.87, "Employers' Accounting for Pensions" as amended by SFAS No.158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". Under SFAS 158 which was adopted effective March 31, 2007 Ricoh recognizes the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension fund plans as of the end of fiscal year, with a corresponding adjustment to accumulated other comprehensive income (loss), net of tax, and a charge to other comprehensive income for periods subsequent to adoption. The expected long-term rate of return on plan assets used for pension accounting is determined based on the historical long-term rate of return on plan assets. The discount rate is determined based on the rates of return of high-quality fixed-income investments currently available and expected to be available during the period to maturity of the pension benefits.
For periods prior to the year ended March 31, 2009, Ricoh used a December 31 measurement date for determining benefit obligations and fair value of plan assets. Ricoh adopted the measurement date provisions of SFAS No. 158 as of March 31, 2009.

(n) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences and carryforwards are expected to be realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.
On April 1, 2007, Ricoh adopted FIN 48, "Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109", which requires a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. Ricoh recognizes interest and penalties related to unrecognized tax benefits in provision for

income taxes in the consolidated statements of income.

(o) Research and Development Expenses and Advertising Costs

Research and development expenses and advertising costs are expensed as incurred.

(p) Shipping and Handling Costs

Shipping and handling costs, which mainly include transportation to customers, are included in selling, general and administrative expenses in the consolidated statements of income.

(q) Impairment or Disposal of Long-Lived Assets

Long-lived assets and acquired intangible assets with a definite life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. Recoverability of assets to be held and used is assessed by comparing the carrying amount of an asset or group of assets to the expected future undiscounted net cash flows of the asset or group of assets. If an asset or group of assets is considered to be impaired, the impairment charge to be recognized is measured as the amount by which the carrying amount of the asset or group of assets exceeds fair value. Long-lived assets meeting the criteria to be considered as held for sale are reported at the lower of their carrying amount or fair value less costs to sell.

(r) Earnings Per Share

Basic net income per share of common stock is calculated by dividing net income by the weighted-average number of shares of common stock outstanding during the period. The calculation of diluted net income per share of common stock is similar to the calculation of basic net income per share, except that the weighted-average number of shares outstanding includes the additional dilution from potential common stock equivalents such as convertible bonds.

(s) Non-cash Transactions

There were no significant non-cash transactions for the years ended March 31, 2007 or 2008.
The following non-cash transactions have been excluded from the consolidated statements of cash flows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Debt assumed in connection with business acquisition	-	-	**¥81,737**	**$825,626**
Issuance of treasury stock in exchange for subsidiary's stock	-	-	**¥9,138**	**$92,303**

(t) Use of Estimates

Management of Ricoh has made a number of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, including impairment losses of long-lived assets and the disclosures of fair value of financial instruments and contingent assets and liabilities, to prepare these financial statements in conformity with U.S. generally accepted accounting principles. Actual results could differ from those estimates.
Ricoh has identified seven areas where it believes assumptions and estimates are particularly critical to the consolidated financial statements. These are determination of the allowance for doubtful receivables, impairment of securities, impairment of long-lived assets including goodwill, uncertain tax positions, realizability of deferred tax assets, the valuation of assets and liabilities in purchase business combinations and pension accounting.

(u) Discontinued Operations

On May 31, 2006, the Company's subsidiary San-Ai Co., Ltd. sold its digital content distribution business to Giga Networks Co., Ltd. (former Mobile Alliance Co., Ltd.). Because Ricoh has no significant continuing involvement in the operation sold, the operating result of the business units sold were reclassified to a discontinued operation pursuant to the requirement of SFAS 144.

(v) Adoption of SAB 108

The Securities and Exchange Commission of the U.S. issued Staff Accounting Bulletin ("SAB") No.108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements" in September 2006. SAB 108 requires companies to quantify misstatements using both the balance sheet approach and the income statement approach ("dual" method), and to evaluate the importance of misstatements taking into account relevant quantitative and qualitative factors. Historically, Ricoh used the income statement ("rollover") approach to quantify misstatements. Upon adoption, Ricoh recorded adjustment for the cumulative effect of misstatements that were previously considered immaterial under the rollover method that were considered material under the dual method. Ricoh adopted SAB 108 in the fourth quarter of the fiscal year ended March 31, 2007.
The Company and some of its domestic consolidated subsidiaries previously set the residual value of tangible fixed assets at 5% of acquisition cost in principle using the standards provided in the Corporate Tax Law. However, based on an evaluation of residual values realized from disposition of property, plant and equipment, Ricoh concluded that the residual value of substantially all long lived assets is negligible at the end of useful life. This misstatement had been considered immaterial to Ricoh's historical consolidated financial statements using the income statement approach prior to the adoption of SAB 108.
Accordingly, upon adoption of SAB 108, Ricoh recorded an increase in accumulated depreciation of ¥11,464 million and an increase in deferred tax assets (included in "Lease deposits and other") of ¥4,675 million as of April 1, 2006 with a net reduction of the beginning balance of retained earnings of ¥6,464 million.

(w) Recently Adopted New Accounting Standards

In September 2006, the FASB issued SFAS No.157, "Fair Value Measurements," which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements, where fair value is the relevant measurement attribute. SFAS 157 does not require any new fair value measurements. In February 2008, the FASB issued Staff Positions ("FSP") No. FAS 157-2, "Effective Date of FASB Statement No. 157," which delays the effective date of SFAS 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually) and remove certain leasing transactions from its scope. SFAS 157 is effective for fiscal years beginning after November 15,

2007, and was adopted by Ricoh in fiscal year beginning April 1, 2008. The adoption of SFAS 157 did not have a material effect on Ricoh's consolidated financial position or results of operations.
In September 2006, the FASB issued SFAS 158. SFAS 158 requires companies to recognize an asset or liability for the overfunded or underfunded status of their benefit plans in their financial statements and to recognize changes in that funded status in comprehensive income (loss) in the year in which the changes occur. SFAS 158 also requires the measurement date for plan assets and liabilities to coincide with the sponsor's year-end. The standard provides two transition alternatives related to the change in measurement date provisions. The recognition of an asset and liability related to the funded status provision is effective for fiscal years ending after December 15, 2006. Ricoh adopted the recognition and disclosure provisions and the measurement date provisions of SFAS 158 as of March 31,2007 and 2009, respectively. The change in measurement date provisions is effective for fiscal years ending after December 15, 2008. The adoption of the measurement date provisions resulted in adjustments to decrease retained earnings by ¥ 643 million, and increase other comprehensive loss by ¥ 6 million as of April 1, 2008.
In March 2008, the FASB issued SFAS No.161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133". SFAS 161 requires disclosures of how and why an entity uses derivative instruments, how derivative instruments and related hedged items are accounted for and how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. SFAS 161 is effective for fiscal years and interim periods beginning after November 15, 2008, with early adoption permitted. Ricoh adopted SFAS161 as of January 1, 2009.

(x) New Accounting Standards Not Yet Adopted

In December 2007, the FASB issued SFAS No.141 (revised 2007), "Business Combinations " ("SFAS 141R"). SFAS 141R establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired. SFAS 141R also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. SFAS 141R is effective for fiscal years beginning on or after December 15, 2008 and is required to be adopted by Ricoh in the first quarter beginning April 1, 2009. Ricoh will apply prospectively to all business combinations subsequent to the effective date.
In December 2007, the FASB issued SFAS No.160, "Noncontrolling Interests in Consolidated Financial Statements - an amendment of ARB No. 51." This Statement requires that the noncontrolling interest in the equity of a subsidiary be accounted for and reported as equity, provides revised guidance on the treatment of net income and losses attributable to the noncontrolling interest and changes in ownership interests in a subsidiary and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also requires additional disclosures that identify and distinguish between the interests of the controlling and noncontrolling owners. Pursuant to the transition provisions of SFAS 160, Ricoh will adopt SFAS 160 in fiscal year 2010 via retrospective application of the presentation and disclosure requirements. Ricoh is currently evaluating the effect the adoption of SFAS 160 will have on its consolidated results of operations and financial condition.
In May 2009, the FASB issued SFAS No.165, "Subsequent Events." SFAS 165 is intended to establish general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date -- that is, whether that date represents the date the financial statements were issued or were available to be issued. SFAS 165 is effective for fiscal years beginning after June 15, 2009, and interim periods within those fiscal years. SFAS 165 will be adopted by Ricoh in the second quarter beginning July 1, 2009.
In June 2009, the FASB issued SFAS No.166, "Accounting for Transfers of Financial Assets-an amendment of FASB Statement No. 140." This statement eliminates the concept of a qualifying special-purpose entity ("QSPE"), establishes conditions for reporting a transfer of a portion of a financial asset as a sale, clarifies the financial-asset derecognition criteria, revises how interests retained by the transferor in a sale of financial assets initially are measured, removes the guaranteed mortgage securitization recharacterization provisions and requires additional disclosures. SFAS 166 is effective for fiscal years beginning after November 15, 2009 and for subsequent interim and annual reporting periods. SFAS 166 will be adopted by Ricoh in the first quarter beginning April 1, 2010. Ricoh is currently evaluating the effect that the adoption of SFAS 166 will have on its consolidated results of operations and financial condition.
In June 2009, the FASB issued SFAS No.167, "Amendments to FASB Interpretation No. 46(R). " This statement requires reporting entities to evaluate former QSPEs for consolidation, changes the approach to determining a VIE's primary beneficiary from a mainly quantitative assessment to an exclusively qualitative assessment designed to identify a controlling financial interest, and increases the frequency of required reassessments to determine whether a company is the primary beneficiary of a VIE. SFAS 167 is effective for fiscal years beginning after November 15, 2009 and for subsequent interim and annual reporting periods. Earlier application is prohibited. SFAS 167 will be adopted by Ricoh in the first quarter beginning April 1, 2010. Ricoh is currently evaluating the effect that the adoption of SFAS 167 will have on its consolidated results of operations and financial condition.
In April 2008, the FASB finalized FSP 142-3, "Determination of the Useful Life of Intangible Assets". The position amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS 142. The position applies to intangible assets that are acquired individually or with a group of other assets and both intangible assets acquired in business combinations and asset acquisitions. FSP 142-3 is effective for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. FSP142-3 will be adopted by Ricoh in the first quarter beginning April 1, 2009. Ricoh is currently evaluating the effect that the adoption of FSP 142-3 will have on its consolidated results of operations and financial condition.
In December 2008, the FASB issued FSP No. FAS 132(R)-1, "Employer's Disclosures about Postretirement Benefit Plan Assets." FSP FAS 132(R)-1 requires additional disclosures about assets held in an employer's defined benefit pension or other postretirement plan. FSP FAS 132(R)-1 is effective for fiscal years ending after December 15, 2009 and will be adopted by Ricoh in the first quarter beginning April 1, 2010. Ricoh will present the required disclosures

in the prescribed format on a prospective basis upon adoption. The principal impact from FSP FAS 132(R)-1 will be to require Ricoh to expand disclosures regarding benefit plan assets

(y) Reclassifications

Certain reclassifications have been made to the prior years' financial statements to conform with the current year's presentation.

3. ACQUISITION

In October 2008, Ricoh acquired IKON Office Solutions, Inc. ("IKON") through the Company's wholly owned U.S. distribution subsidiary, Ricoh Americas Corporation ("RAC") for total cash consideration of ¥170,310 million ($1,720,303 thousand), including transaction costs. This acquisition was financed with bank loans. IKON supplies and services a wide range of office equipment, such as MFPs, fax machines and printers, in the North America and the Western European markets. With this acquisition, Ricoh aims to strengthen and broaden its business opportunities and infrastructure in the North America and Europe by capitalizing on IKON's broad sales and service network and gaining access to IKON's customer relationships, which includes large private corporations as well as government and public sector entities/organizations.

Ricoh applied the purchase method of accounting to account for the acquisition and, accordingly, the purchase price has been allocated to the tangible and intangible net assets of IKON based on the estimated fair value of such net assets. The amount of consideration paid in excess of the estimated fair value of the net identifiable assets acquired of ¥143,278 million ($1,447,253 thousand) was recorded as goodwill that is not tax deductible. Ricoh reflected certain preliminary estimates with respect to the value of the underlying net assets of IKON in determining amounts of the goodwill. Therefore, the amount of intangible assets and goodwill could possibly be adjusted upon the completion of the purchase price allocation. Assets, liabilities and operations of IKON has been included in the accompanying consolidated financial statements since the acquisition date.

In connection with the acquisition of IKON, Ricoh recorded certain liabilities in accordance with EITF 95-3 "Recognition of Liabilities in Connection with a Purchase Business Combination." These liabilities included those for workforce reductions and facilities consolidation, intended to align the company's capacity and infrastructure, and promote synergies within the business to provide more effective services to customers. The liabilities include mainly accrual for severance of ¥2,029 million ($20,495 thousand), and property exit cost ¥1,008 million ($10,182 thousand) associated with the acquisition of IKON.

The following table reflects the October 31, 2008 condensed balance sheet of IKON, as adjusted to give effect to the purchase method accounting adjustments:

	Millions of Yen	Thousands of U.S. Dollars
Receivables and other assets	¥ 138,532	$ 1,399,313
Property and equipment	18,798	189,879
Identifiable intangible assets	55,566	561,273
Goodwill	143,278	1,447,253
Liabilities	(185,864)	(1,877,415)
Total cash consideration	¥ 170,310	$ 1,720,303

Identifiable intangible assets of IKON included a trademark of ¥1,968 million ($19,879 thousand) which was estimated to have remaining useful life of 3 years, customer relationships of ¥53,136 million ($536,727 thousand) which were estimated to have remaining useful life of 10 years to 20 years, and other intangible assets of ¥462 million ($4,667 thousand). Goodwill arising from the acquisition of IKON has been allocated to the Imaging & Solutions segment. The primary items that generated the goodwill are the value of the synergies between IKON and Ricoh and the acquired assembled workforce, neither of which qualify as an (amortizable) intangible asset.

Supplemental unaudited pro forma information, as if the IKON acquisition were consummated at the beginning of fiscal years 2008 and 2009, is as follows:

	Millions of Yen	
	2008	**2009**
Net sales	2,640,126	**2,301,087**
Net income	112,218	**3,326**

	Yen	
	2008	**2009**
Earnings per share:		
Basic	153.93	**4.59**
Diluted	149.84	**4.44**

The supplemental unaudited pro forma information is based on estimates and assumptions, which Ricoh believes are reasonable; it is not necessarily indicative of the consolidated financial position or results for future periods or the results that actually would have been realized had IKON has been a combined company as of the beginning of the periods presented. The unaudited pro forma results for all periods presented include amortization charges for acquired intangible assets, eliminations of intercompany transactions, adjustments to interest expenses and related tax effects.

Furthermore, Ricoh acquired other immaterial entities during the year ended March 31, 2009 for a consideration of ¥4,777 million ($48,253 thousand), net of cash acquired.

In June 2007, Ricoh and International Business Machines Corporation ("IBM") completed formation of a joint venture company (now known as InfoPrint Solutions Company, LLC) which was spun-out from IBM's Printing Systems Division to provide output solutions for production printing area. InfoPrint Solutions Company, LLC has benefited from access to IBM's powerful worldwide distribution and sales network, as well as extensive printer development capabilities. The consideration was paid in a form of cash for the initial 51% acquisition of InfoPrint Solutions

Company, LLC by Ricoh as well as a prepayment for the remaining 49% to be acquired and certain royalties and services to be provided by IBM to InfoPrint Solutions Company, LLC. Ricoh has progressively acquired the remaining 49% over the next three years since the acquisition, approximately 4% per each quarter, as InfoPrint Solutions Company, LLC becomes a wholly owned subsidiary. Ricoh had an approximately 80% equity in InfoPrint Solutions Company, LLC as of March 31, 2009. Ricoh applied the purchase method of accounting to account for the acquisition.
Final consideration for this transaction will be determined at the end of the three-year period based upon the participation in the profits and losses recorded by the equity partners. Therefore, the amount of goodwill may be adjusted at the determination of final consideration. Assets, liabilities and operations of InfoPrint Solutions Company, LLC have been included in the accompanying consolidated financial statements since the acquisition date.
The following table reflects the condensed balance sheet of InfoPrint Solutions Company, LLC, as adjusted to give effect to the purchase method accounting adjustments:

	Millions of Yen
Receivables and other assets	¥ 18,121
Property and equipment	2,214
Identifiable intangible assets	38,091
Goodwill	50,301
Liabilities	(15,772)
Total cash consideration	¥ 92,955

Identifiable intangible assets of InfoPrint Solutions Company, LLC primarily included trademarks of ¥16,852 million which were estimated to have remaining useful lives of 5 years to 7 years, existing maintenance contracts of ¥8,289 million which were estimated to have remaining useful life of 9 years, outsourcing agreement of ¥5,162 million which were estimated to have remaining useful lives of 1 year to 6 years, and other intangible assets of ¥7,788 million. Goodwill arising from the acquisition of InfoPrint Solutions Company, LLC has been allocated to the Imaging & Solutions segment, and deductible for tax purposes.

Furthermore, Ricoh acquired other immaterial entities during the year ended March 31, 2008 for a consideration of ¥3,840 million, net of cash acquired.
In January 2007, Ricoh Europe B.V., a wholly-owned subsidiary of the Company, acquired the European operations of Danka Business Systems PLC ("Danka's European operations") for total cash consideration of ¥27,132 million including direct acquisition costs. Ricoh made the acquisition to strengthen its sales and service network in major countries in Europe.
Ricoh applied the purchase method of accounting to account for the acquisition and, accordingly, the purchase price has been allocated to the tangible and intangible net assets of Danka's European operations based on the estimated fair value of such net assets. The amount of consideration paid in excess of the estimated fair value of the net assets acquired of ¥18,658 million was recorded as goodwill which is not tax deductible. A part of this acquisition cost was financed with Euro Yen Zero Coupon Conversion Bonds issued in December 2006. Assets, liabilities and operations of Danka's European operations have been included in the accompanying consolidated financial statements since the acquisition date.

	Millions of Yen
Cash and cash equivalents	¥ 3,839
Receivables and other assets	22,385
Property and equipment	1,434
Identifiable intangible assets	4,883
Goodwill	18,658
Liabilities	(24,067)
Total cash consideration	¥ 27,132

Identifiable intangible assets of Danka's European operations primarily comprised customer relationships of ¥4,700 million, which were estimated to have a remaining useful life of 10 years to 18 years. Goodwill arising from the acquisition of Danka's European operations has been allocated to the Imaging & Solutions segment.

4. DISCONTINUED OPERATIONS

Summarized selected financial information for the years ended March 31, 2007 for the discontinued operations is as follows:

	Millions of Yen
	2007
Net sales	¥1,487
Income from discontinued operations before gain on disposal of discontinued operations and provision for income taxes	866
Gain on disposal of discontinued operations	8,830
Provision for income taxes	4,196
Income from discontinued operations, net of tax	¥5,500

5. FINANCE RECEIVABLES

Finance receivables as of March 31, 2008 and 2009 are comprised primarily of lease receivables and installment loans.
Ricoh's products are leased to domestic customers primarily through Ricoh Leasing Company, Ltd., a majority-owned domestic subsidiary, and to overseas customers primarily through certain overseas subsidiaries. These leases are accounted for as sales-type leases in conformity with SFAS 13. Sales revenue from sales-type leases is recognized at the inception of the leases.
Information pertaining to Ricoh's lease receivables as of March 31, 2008 and 2009 is as follows:

	Millions of Yen		Thousands of U.S.Dullars
	2008	**2009**	**2009**
Minimum lease payments receivable	¥ 645,198	**¥ 645,890**	**$ 6,524,141**
Estimated non-guaranteed residual value	6,358	**8,303**	**83,869**
Unearned income	(56,408)	**(43,701)**	**(441,424)**
Allowance for doubtful receivables	(9,935)	**(10,394)**	**(104,990)**
Lease receivables, net	585,213	**600,098**	**6,061,596**
Less - Current portion of lease receivable, net	(193,497)	**(194,348)**	**(1,963,111)**
Amounts due after one year, net	¥ 391,716	**¥ 405,750**	**$ 4,098,485**

As of March 31, 2009, the minimum lease payments receivable due in each of the next five years and thereafter are as follows:

Years ending March 31	Millions of Yen	Thousands of U.S. Dollars
2010	¥219,536	$2,217,535
2011	180,968	1,827,960
2012	130,530	1,318,485
2013	76,480	772,525
2014	30,017	303,202
2015 and thereafter	8,359	84,434
Total	¥645,890	$6,524,141

Ricoh Leasing Company, Ltd. has also extended certain other types of loans as part of its business activity, which are primarily residential housing loans to current or former employees and private individuals in Japan secured by the underlying real estate properties. Loan terms range from 15 years to 30 years with monthly repayments. The total balance of these loans, net of allowance for doubtful receivables, as of March 31, 2008 and 2009 was ¥54,863 million and ¥60,781 million ($613,949 thousand), respectively. The current portion of loans receivable was ¥1,145 million and ¥1,269 million ($12,818 thousand), respectively, as of March 31, 2008 and 2009, and was included in short-term finance receivables, net in the accompanying consolidated balance sheets. Loan activity for the years ended March 31, 2007, 2008 and 2009 is as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Extension of new loans	¥11,883	¥14,356	**¥15,324**	**$154,788**
Repayment of outstanding loans	11,621	12,319	**9,670**	**97,677**

Ricoh sold certain finance lease receivables in prior years through revolving securitization transactions, which were structured as special purpose entities ("SPE"). The value assigned to undivided interests retained in these transactions was based on the fair value of retained interests as of a transfer of these receivables and was reflected in its consolidated balance sheets. Ricoh expects certain unrecoverable amount for lease receivables and reflects such unrecoverable amount in measuring fair value of retained interest. Ricoh's retained interests are subordinate to the investors' interests. Their value is subject to credit, prepayment and interest rate risk on the sold financial assets. The investors and SPE that hold the lease receivables have limited recourse to Ricoh's retained interest in such receivables for failure of debtors to pay. Ricoh determines the fair value of the retained interests by discounting the future cash flows. Those cash flows are estimated based on credit losses and other information as available and are discounted at a rate which Ricoh believes is commensurate with the risk free rate plus a risk premium. Servicing assets or liabilities related to securitization transactions initiated were not recorded, because the servicing fees adequately compensate Ricoh. The amount of lease receivable transferred, net of retained interest, for the year ended March 31, 2007, 2008 and 2009 was ¥19,381 million, ¥13,937 million and ¥9,143 million ($92,354 thousand), respectively.

Key economic assumptions used in measuring the fair value of retained interests related to securitization transactions completed during the years ended March 31, 2008 and 2009 are as follows:

	2008	**2009**
Expected credit losses	0.70% –0.95%	**1.23% –1.26%**
Discount rate	2.00% –3.00%	**2.00% –3.00%**
Annual prepayment rate	4.01% –5.37%	**4.35% –8.76%**

The impacts of 10% and 20% adverse changes to the key economic assumptions on the fair value of retained interests as of March 31, 2009 are presented below.

	Millions of Yen	Thousands of U.S.Dullars
	2009	**2009**
Carrying value of retained interests (included in lease deposits and other in the consolidated balance sheet)	**¥4,293**	**$43,364**
Expected credit losses:		
+10%	**(55)**	**(556)**
+20%	**(111)**	**(1,121)**
Discount rate:		
+10%	**(14)**	**(141)**
+20%	**(29)**	**(293)**
Annual prepayment rate:		
+10%	**(209)**	**(2,111)**
+20%	**(419)**	**(4,232)**

The hypothetical scenario does not reflect expected market conditions and should not be used as a prediction of future performance. As the figures indicate, changes in fair value may not be linear. Also, in the above table, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated without changing any other assumption; in reality, changes in one factor may result in changes in another, which might magnify or counteract the sensitivities.

The following table summarizes certain cash flows received from and paid to the SPE for all securitization activity for the years ended March 31, 2007, 2008 and 2009:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Servicing fees received	¥ 21	¥ 20	**¥ 13**	**$ 131**
Repurchases of delinquent or ineligible assets	2,776	2,527	**2,037**	**20,576**
Repurchases of terminated securitization of assets	–	–	**10,000**	**101,010**
Payments by terminating revolving securitization of assets	–	2,779	**3,608**	**36,444**

The components of all receivables managed and securitized, amounts of delinquencies and the components of net credit losses as of March 31, 2008 and 2009, and for the years then ended, are as follows:

	Millions of Yen					
	2008			**2009**		
	Total principal amount of receivables	Principal amount of receivable 4 months or more past due	Net credit losses	Total principal amount of receivables	Principal amount of receivable 4 months or more past due	Net credit losses
Principal amount outstanding	¥635,095	¥1,977	¥3,383	**¥635,965**	**¥2,710**	**¥4,048**
Less - Receivables securitized	(40,442)			**(25,473)**		
Receivables held in portfolio	¥594,653			**¥610,492**		

	Thousands of U.S. Dollars		
	2009		
	Total principal amount of receivables	Principal amount of receivable 4 months or more past due	Net credit losses
Principal amount outstanding	**$6,423,889**	**$27,374**	**$40,889**
Less - Receivables securitized	**(257,303)**		
Receivables held in portfolio	**$6,166,586**		

6. SECURITIES

Securities as of March 31, 2008 and 2009 consist of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2008	2009	2009
Current:			
Trading securities	¥ –	¥ 725	$ 7,323
Available-for-sale securities	0	–	–
Non-current:			
Available-for-sale securities	¥69,962	¥46,341	$468,091
Non-marketable equity securities	1,282	1,474	14,889
	¥71,244	¥47,815	$482,980

All of available-for-sale securities as of March 31, 2009 are classified as non-current securities.

The current and noncurrent security types of available-for-sale securities, and the respective cost, gross unrealized holding gains, gross unrealized holding losses and fair value as of March 31, 2008 and 2009 are as follows:

	Millions of Yen								Thousands of U.S. Dollars			
	2008				2009				2009			
	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value	Cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Current:												
Other	¥ 0	¥ –	¥ –	¥ 0	¥ –	¥ –	¥ –	¥ –	$ –	$ –	$ –	$ –
Non-current:												
Equity securities	¥62,208	¥6,231	¥3,723	¥64,716	¥43,002	¥2,650	¥590	¥45,062	$434,364	$26,768	$5,960	$455,172
Corporate debt securities	6,000	–	754	5,246	1,279	0	–	1,279	12,919	0	–	12,919
	¥68,208	¥6,231	¥4,477	¥69,962	¥44,281	¥2,650	¥590	¥46,341	$447,283	$26,768	$5,960	$468,091

Gross unrealized holding losses and the fair value of available-for-sale securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at March 31, 2009 are as follows:

	Millions of Yen					
	Less than 12 months		12 months or longer		Total	
	Fair value	Gross unrealized holding losses	Fair value	Gross unrealized holding losses	Fair value	Gross unrealized holding losses
2009:						
Noncurrent:						
Available-for-sale:						
Equity securities	¥1,753	¥481	¥492	¥109	¥2,244	¥590

	Thousands of U.S. Dollars					
	Less than 12 months		12 months or longer		Total	
	Fair value	Gross unrealized holding losses	Fair value	Gross unrealized holding losses	Fair value	Gross unrealized holding losses
2009:						
Noncurrent:						
Available-for-sale:						
Equity securities	$17,707	$4,859	$4,970	$1,101	$22,667	$5,960

Ricoh judged the decline in fair value of investment securities at yearend to be temporary, with considering such factors as financial and operating conditions of issuer, the industry in which the issuer operates and other relevant factors.

The contractual maturities of debt securities classified as available-for-sale as of March 31, 2009, regardless of their balance sheet classification, are as follows:

	Millions of Yen		Thousands of U.S. Dollars	
	Cost	Fair value	Cost	Fair value
Due after one year through five years	**¥269**	**¥269**	**$2,717**	**$2,717**
Over five years	**1,010**	**1,010**	**10,202**	**10,202**
	¥1,279	**¥1,279**	**$12,919**	**$12,919**

Proceeds from the sales of available-for-sale securities were ¥96,087 million, ¥100,025 million and ¥243 million ($2,455 thousand) for the years ended March 31, 2007, 2008 and 2009, respectively.
There were no significant realized gains and losses from the sales of available-for-sale securities for the years ended March 31, 2007, 2008 or 2009.
There were no significant realized gains and losses on valuation of available-for-sale securities for the years ended March 31, 2007 and 2008. The losses on impairment of available-for-sale securities for the years ended March 31, 2009 were ¥26,543 million ($268,111 thousand).
As for unrealized gains (losses) on securities in accumulated other comprehensive income (loss) and related reclassification adjustments for (gains) losses realized in net income for the years ended March 31, 2008 and 2009, refer to note 14 other comprehensive income (loss).

7. INVESTMENTS IN AND ADVANCES TO AFFILIATES

The investments in and advances to affiliates primarily relate to 20% to 50% owned companies. Ricoh's equity in the underlying net book values of the companies is approximately equal to their individual carrying values of ¥1,977 million and ¥1,248 million ($12,606 thousand) at March 31, 2008 and 2009, respectively.
On July 1, 2006, Coca-Cola West Japan Co., Ltd. (former affiliate company) and Kinki Coca-Cola Bottling Co., Ltd. (former unrelated company) established a joint holding company Coca-Cola West Holdings Co., Ltd. by means of an exchange of shares. As a result, proportion of ownership interest of Coca-Cola West Holdings Co., Ltd. by Ricoh decreased under 20% and Ricoh no longer has significant influence, and according to Accounting Principles Board ("APB") Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock," Ricoh excluded these companies from affiliate companies on October 1, 2006.
On November 30, 2007, Ricoh sold the part of shares of common stock of Sindoh Co., Ltd. The gain on sale of the shares was not material. As a result, proportion of ownership interest Sindoh Co., Ltd. by Ricoh decreased under 20% and Ricoh no longer has significant influence, and according to Accounting Principles Board ("APB") Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock," Ricoh excluded these companies from affiliate companies on February 29, 2008.
Those securities are classified into available for sale security and accounted in accordance with SFAS 115 and presented in Investment securities in the balance sheet on March 31, 2008 and 2009.

Summarized financial information for all affiliates as of March 31, 2008 and 2009 and for the years ended March 31, 2007, 2008 and 2009 is as follows (some operation data for entities reflect only the period the current affiliates and former affiliates were affiliates of Ricoh and its subsidiaries' affiliates):

	Millions of Yen		Thousands of U.S. Dollars
Financial Position	2008	**2009**	**2009**
Assets:			
Current assets	¥4,088	**¥375**	**$3,788**
Other assets	1,581	**99**	**1,000**
	¥5,669	**¥474**	**$4,788**
Liabilities and shareholders' investment:			
Current liabilities	¥3,489	**¥273**	**$2,757**
Other liabilities	581	**6**	**61**
Shareholders' investment	1,599	**195**	**1,970**
	¥5,669	**¥474**	**$4,788**

	Millions of Yen			Thousands of U.S. Dollars
Operations	2007	2008	**2009**	**2009**
Sales	¥193,753	¥68,662	**¥4,617**	**$46,636**
Costs and expenses	186,199	64,013	**4,785**	**48,333**
Net income	¥ 7,554	¥ 4,648	**¥ (168)**	**$ (1,697)**

The significant transactions of Ricoh with these affiliates for the years ended March 31, 2007, 2008 and 2009, and the related account balances at March 31, 2008 and 2009 are summarized as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Transactions:				
Sales	¥16,158	¥20,184	**¥6,677**	**$67,444**
Purchases	28,993	21,274	**1,773**	**17,909**
Dividend income	828	625	**188**	**1,899**

Unrealized profits regarding the above transactions were eliminated in the consolidated financial statements.

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Account balances:			
Receivables	¥3,080	**¥422**	**$4,263**
Payables	1,930	**32**	**323**

As of March 31, 2009, consolidated retained earnings included undistributed earnings of 20% to 50% owned companies accounted for by the equity method in the amount of ¥26,610 million ($268,788 thousand). This amount included undistributed earnings of ¥22,241 million ($224,657 thousand) million of Coca-Cola West Holdings Co., Ltd. and of ¥4,428 million ($44,727 thousand) of Sindoh Co., Ltd. as of the date that Ricoh ceased applying the equity method.

8. GOODWILL AND OTHER INTANGIBLE ASSETS

The information for intangible assets subject to amortization and for intangible assets not subject to amortization as of March 31, 2008 and 2009 is as follows:

	Millions of Yen					
	2008			**2009**		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets subject to amortization:						
Software	¥113,072	¥(61,383)	¥ 51,689	**¥128,142**	**¥(68,774)**	**¥ 59,368**
Trademarks and customer relationships	56,201	(20,385)	35,816	**110,867**	**(29,793)**	**81,074**
Other	36,360	(10,750)	25,610	**31,973**	**(8,501)**	**23,472**
Total	205,633	(92,518)	113,115	**270,982**	**(107,068)**	**163,914**
Other intangible assets not subject to amortization			1,287			**1,212**
Total other intangible assets			¥114,402			**¥165,126**

	Thousands of U.S. Dollars		
	2009		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets subject to amortization:			
Software	**$1,294,364**	**$(694,687)**	**$ 599,677**
Trademarks and customer relationships	**1,119,869**	**(300,939)**	**818,929**
Other	**322,959**	**(85,869)**	**237,091**
Total	**2,737,192**	**(1,081,495)**	**1,655,697**
Other intangible assets not subject to amortization			**12,242**
Total other intangible assets			**$1,667,939**

Gross carrying amount of trademarks and customer relationships increased during the year ended March 31, 2009 mainly due to the acquisition of IKON Office Solutions, Inc.

The aggregate amortization expense of other intangible assets subject to amortization for the years ended March 31, 2007, 2008 and 2009 was ¥17,200 million, ¥23,026 million and ¥26,931 million ($272,030 thousand), respectively. The future amortization expense for each of the next five years relating to existing intangible assets is estimated to be the following at March 31, 2009:

Years ending March 31t	Millions of Yen	Thousands of U.S. Dollars
2010	¥27,391	$276,677
2011	25,120	253,737
2012	23,183	234,172
2013	18,236	184,202
2014	14,497	146,434

The changes in the carrying amounts of goodwill for the years ended March 31, 2008 and 2009, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Balance at beginning of year	¥ 72,048	**¥112,538**	**$1,136,747**
Goodwill acquired during the year	53,971	**145,625**	**1,470,960**
Foreign exchange impact	(13,481)	**(7,833)**	**(79,121)**
Balance at end of year	¥112,538	**¥250,330**	**$2,528,586**

As of March 31, 2009, all of the carrying value of goodwill was allocated to the Imaging & Solutions segment.

9. INCOME TAXES

Income (loss) from continuing operations before income taxes, minority interests and equity in earnings of affiliates and provision for income taxes for the years ended March 31, 2007, 2008 and 2009 are as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Income from continuing operations before income taxes, minority interests and equity in earnings of affiliates:				
Domestic	¥107,749	¥110,986	**¥31,861**	**$321,828**
Foreign	66,770	63,683	**(922)**	**(9,313)**
	¥174,519	¥174,669	**¥30,939**	**$312,515**
Provision for income taxes:				
Current:				
Domestic	¥ 47,530	¥ 38,199	**¥20,077**	**$202,798**
Foreign	18,993	20,227	**7,244**	**73,172**
	¥ 66,523	¥ 58,426	**¥27,321**	**$275,970**
Deferred:				
Domestic	¥ (741)	¥ 6,694	**¥ (4,473)**	**$ (45,182)**
Foreign	(1,456)	(1,724)	**(690)**	**(6,970)**
	¥ (2,197)	¥ 4,970	**¥ (5,163)**	**$ (52,152)**
Consolidated provision for income taxes	¥ 64,326	¥ 63,396	**¥22,158**	**$223,818**

Total income taxes are allocated as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Provision for income taxes relating to continuing operations	¥64,326	¥ 63,396	**¥ 22,158**	**$ 223,818**
Provision for income taxes relating to discontinued operations	4,196	–	**–**	**–**
Shareholders' investment:				
Foreign currency translation adjustments	(50)	78	**(19)**	**(192)**
Unrealized gains (losses) on securities	25	(4,879)	**366**	**3,697**
Unrealized gains (losses) on derivatives	(128)	(259)	**(4)**	**(40)**
Minimum pension liability adjustments	693	–	**–**	**–**
Adjustment to initially apply SFAS 158	1,066	–	**–**	**–**
Pension liability adjustments	–	(10,014)	**(22,879)**	**(231,101)**
	¥70,128	¥ 48,322	**¥ (378)**	**$ (3,818)**

The Company and its domestic subsidiaries are subject to a National Corporate tax of 30%, an inhabitant tax of approximately 6% and a deductible Enterprise tax approximately 8%, which in the aggregate resulted in the normal statutory tax rate of approximately 41%. The normal statutory tax rate differs from the effective tax rate for the years ended March 31, 2007, 2008 and 2009 as a result of the following:

	2007	2008	**2009**
Normal statutory tax rate	41%	41%	**41%**
Nondeductible expenses and tax-exempt income	0	1	**1**
Tax benefits not recognized on operating losses of certain consolidated subsidiaries	1	2	**45**
Utilization of net operating loss carryforward not previously recognized	(1)	(3)	**(8)**
Tax credit for increased research and development expense	(3)	(4)	**(3)**
Unrecognized tax benefits	–	3	**13**
Taxes on undistributed earnings of overseas subsidiaries	1	(1)	**(8)**
Prior period tax accrual adjustment	0	0	**(5)**
Other, net	(2)	(3)	**(4)**
Effective tax rate	37%	36%	**72%**

Nondeductible expenses include directors' bonuses and entertainment expenses.

The tax effects of temporary differences and carryforwards giving rise to the consolidated deferred tax assets and liabilities as of March 31, 2008 and 2009 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Deferred tax assets:			
Accrued expenses	¥ 24,263	**¥ 23,830**	**$ 240,707**
Property, plant and equipment	3,858	**2,892**	**29,212**
Accrued pension and severance costs	40,341	**61,632**	**622,545**
Net operating loss carryforwards	12,684	**26,308**	**265,737**
Other	23,193	**23,713**	**239,525**
	¥104,339	**¥138,375**	**$1,397,727**
Less - Valuation allowance	(10,661)	**(24,172)**	**(244,161)**
Total deferred tax assets	¥ 93,678	**¥114,203**	**$1,153,566**

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Deferred tax liabilities:			
Sales-type leases	¥ (6,555)	**¥ (5,657)**	**$ (57,141)**
Undistributed earnings of foreign subsidiaries and affiliates	(20,664)	**(11,574)**	**(116,909)**
Net unrealized holding gains on available for-sale securities	(333)	**(278)**	**(2,808)**
Basis difference of acquired intangible assets	(10,498)	**(24,194)**	**(244,384)**
Other	(7,673)	**(7,151)**	**(72,233)**
Total deferred tax liabilities	¥(45,723)	**¥(48,854)**	**$(493,475)**
Net deferred tax assets	¥ 47,955	**¥ 65,349**	**$ 660,091**

Net deferred tax assets as of March 31, 2008 and 2009 are included in the consolidated balance sheets as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Deferred income taxes and other (Current Assets)	¥ 41,581	**¥ 43,774**	**$ 442,162**
Lease deposits and other (Non-current Assets)	43,528	**53,740**	**542,828**
Accrued expenses and other (Current Liabilities)	(781)	**(1,701)**	**(17,182)**
Deferred income taxes (Long-Term Liabilities)	(36,373)	**(30,464)**	**(307,717)**
	¥ 47,955	**¥ 65,349**	**$ 660,091**

The net changes in the total valuation allowance for the years ended March 31, 2007, 2008 and 2009 were an increase of ¥4,202 million, a decrease of ¥1,738 million and an increase of ¥13,511 million ($136,475 thousand), respectively. The valuation allowance primarily relates to deferred tax assets of the consolidated subsidiaries with net operating loss carryforwards for tax purposes that are not expected to be realized.

In assessing the realizability of deferred tax assets, Ricoh considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible and whether loss carryforwards are utilizable. Ricoh considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, Ricoh believes it is more likely than not that the benefits of these deductible differences, net of the existing valuation allowance will be realized. The amount of the deferred tax asset considered realizable, however, would be reduced if estimates of future taxable income during the carryforward period are reduced.

As of March 31, 2009, certain subsidiaries had net operating losses carried forward for income tax purposes of approximately ¥98,028 million ($990,182 thousand) which were available to reduce future taxable income, if any. Approximately ¥1,576 million ($15,919 thousand) of the operating losses will expire within 3 years, ¥12,151 million ($122,737 thousand) will expire within 4 years to 7 years and ¥63,060 million ($636,970 thousand) will expire over 7 years. The remainder have indefinite carryforward period.

Ricoh has not recognized a deferred tax liability for certain portion of the undistributed earnings of its foreign subsidiaries of ¥167,769 million ($1,694,636 thousand) as of March 31, 2009 because Ricoh considers these earnings to be indefinitely reinvested. The calculation of related unrecognized deferred tax liability is not practicable.

Ricoh adopted FIN48 effective April 1, 2007. Total unrecognized tax benefits as of the date of adoption were ¥8,508 million, and a cumulative-effect adjustment was not required as a result of the adoption of FIN 48.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Beginning balance	¥ 8,508	**¥ 5,623**	**$ 56,798**
Additions due to acquisition	-	**1,917**	**19,364**
Additions for tax positions of current year	2,972	**4,350**	**43,939**
Additions for tax positions of prior years	2,456	**1,538**	**15,535**
Reductions for tax positions of prior years	(1,768)	**(546)**	**(5,515)**
Settlements	(5,662)	**(721)**	**(7,283)**
Other	(883)	**(345)**	**(3,484)**
Ending balance	¥ 5,623	**¥ 11,816**	**$ 119,354**

Total amount of unrecognized tax benefits as of March 31, 2008 and 2009 that would reduce the effective tax rate, if recognized, are ¥4,503 and ¥11,071 million ($111,828 thousand), respectively.

Although Ricoh believes its estimates and assumptions of unrecognized tax benefits are reasonable, uncertainty regarding the final determination of tax audit settlements and any related litigation could affect the effective tax rate in the future periods. Based on each of the items of which Ricoh is aware as of March 31, 2009, no significant changes to the unrecognized tax benefits are expected within the next twelve months.

Ricoh recognizes interest and penalties related to unrecognized tax benefits in provision for income taxes in the consolidated statements of income. Both interest and penalties accrued as of March 31, 2008 and 2009 and interest and penalties included in provision for income taxes for the years ended March 31, 2008 and 2009 are not material.

Ricoh files income tax returns in Japan and various foreign tax jurisdictions. In Japan, Ricoh is no longer subject to regular income tax examinations by the tax authority for fiscal years before 2007. While there has been no specific indication by the tax authority that Ricoh will be subject to a transfer pricing examination in the near future, the tax authority could conduct a transfer pricing examination for fiscal years after 2003. In other major foreign tax jurisdictions, including the United States and United Kingdom, Ricoh is no longer subject to income tax examinations by tax authorities for fiscal years before 2006 with few exceptions.

10. SHORT-TERM BORROWINGS

Short-term borrowings as of March 31, 2008 and 2009 consist of the following:

	Weighted average interest rate		Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	2008	**2009**	**2009**
Borrowings, principally from banks	1.3%	**1.0%**	¥ 5,599	**¥ 63,127**	**$ 637,646**
Commercial paper	2.3	**0.5**	67,070	**121,083**	**1,223,061**
Medium-Term Notes	3.5	**–**	3,114	**–**	**–**
			¥75,784	**¥184,210**	**$1,860,707**

These short-term borrowings included borrowings, principally from banks, commercial paper and medium-term notes denominated in foreign currencies amounting to ¥41,413 million and ¥63,474 million ($641,152 thousand) as of March 31, 2008 and 2009, respectively.

The Company and certain of its subsidiaries enter into the contracts with financial institutions regarding lines of credit and overdrawing. Those same financial institutions hold the issuing programs of commercial paper and medium-term notes. Ricoh had aggregate lines of credit of ¥784,645 million and ¥664,314 million ($6,710,242 thousand) as of March 31, 2008 and 2009, respectively. Unused lines of credit amounted to ¥675,959 million and ¥483,901 million ($4,887,889 thousand) as of March 31, 2008 and 2009, respectively, of which ¥232,023 million and ¥158,386 million ($1,599,859 thousand) related to commercial paper and ¥101,957 million and ¥98,230 million ($992,222 thousand) related to medium-term notes programs at prevailing interest rates and the unused portion is available for immediate borrowings.

11. LONG-TERM INDEBTEDNESS

Long-term indebtedness as of March 31, 2008 and 2009 consists of the followings:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Bonds:			
1.34%, straight bonds, payable in yen, due March 2009	¥ 25,000	**¥ –**	**$ –**
1.10%, straight bonds, payable in yen, due March 2012	–	**20,000**	**202,020**
1.39%, straight bonds, payable in yen, due March 2014	–	**50,000**	**505,051**
2.08%, straight bonds, payable in yen, due March 2019	–	**15,000**	**151,515**
2.10%, straight bonds, payable in yen, due October 2009 issued by a consolidated subsidiary	10,000	**10,000**	**101,010**
1.10%, straight bonds, payable in yen, due March 2010 issued by a consolidated subsidiary	10,000	**10,000**	**101,010**
1.30%, straight bonds, payable in yen, due December 2010 issued by a consolidated subsidiary	9,999	**9,999**	**101,000**
6.75%, straight bonds, payable in yen, due December 2025 issued by a consolidated subsidiary	–	**25,149**	**254,030**
7.30%, straight bonds, payable in yen, due November 2027 issued by a consolidated subsidiary	–	**9,058**	**91,495**
Euro Yen Zero Coupon Convertible Bonds, due December 2011	55,202	**55,147**	**557,040**
Total bonds	110,201	**204,353**	**2,064,171**
Unsecured loans-			
Banks and insurance companies, 1.30% weighted average, due through 2017	196,353	**375,494**	**3,792,869**
Secured loans-			
Banks, insurance companies and other financial institution, 4.73% weighted average, due through 2013	465	**13,167**	**133,000**
Capital lease obligations (see Note 2(j))	1,177	**1,758**	**17,758**
Total	308,196	**594,772**	**6,007,798**
SFAS 133 fair value adjustment	392	**213**	**2,152**
Less - Current maturities included in current liabilities	(82,658)	**(85,582)**	**(864,465)**
	¥225,930	**¥509,403**	**$5,145,485**

Secured loans are collateralized by land, buildings and lease receivables with a book value of ¥14,664 million ($148,121 thousand) as of March 31, 2009.
All bonds outstanding as of March 31, 2009 are redeemable at the option of Ricoh at 100% of the principal amounts under certain conditions as provided in the applicable agreements.
Bonds are subject to certain covenants such as restrictions on certain additional secured indebtedness, as defined in the agreements. Ricoh was in compliance with such covenants as of March 31, 2009.
The Company issued Euro Yen Zero Coupon Convertible Bonds of ¥55,275 million in December 2006. Bondholders are able to convert their holdings into common stock under certain circumstances. As of March 31, 2009, the conversion price was ¥2,800 per share and 19,741 thousand shares would have been issued on conversion of all convertible debt. The conversion price shall be adjusted for certain events such as a stock split, consolidation of stock or issuance of stock at less than the current market price of the shares.
As is customary in Japan, substantially all of the bank borrowings are subject to general agreements with each bank which provide, among other things, that the banks may request additional security for these loans if there is reasonable and probable cause and may treat any security furnished to the banks as well as cash deposited as security for all present and future indebtedness. Ricoh has never been requested to submit such additional security with respect to any material borrowings.

The aggregate annual maturities of long-term indebtedness subsequent to March 31, 2009 are as follows:

Years ending March 31	Millions of Yen	Thousands of U.S. Dollars
2010	¥ 85,505	$ 863,687
2011	98,556	995,515
2012	146,242	1,477,192
2013	56,933	575,081
2014	158,304	1,599,030
2015 and thereafter	49,232	497,293
Total	¥594,772	$6,007,798

12. PENSION AND RETIREMENT ALLOWANCE PLANS

The Company and certain of its subsidiaries have various contributory and noncontributory employees' pension fund plans in trust covering substantially all of their employees. Under the plans, employees are entitled to lump-sum payments at the time of termination or retirement, or to pension payments.
Contributions to these plans have been made to provide future pension payments in conformity with an actuarial calculation determined by the current basic rate of pay.
On March 31, 2007, Ricoh adopted the recognition and disclosure provisions of SFAS No.158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," for the measurement of pension liabilities. Upon adoption, Ricoh recognized the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension fund plans in the consolidated balance sheets as of March 31, 2007, with a corresponding adjustment in initially applying SFAS 158 to accumulated other comprehensive income, net of tax. The adjustment to accumulated other comprehensive income at adoption represents the unrecognized net actuarial loss, unrecognized prior service cost, and unrecognized transition obligations, all of which were previously netted against the plans' funded status in the consolidated balance sheets pursuant to the provisions of SFAS 87. These amounts will be subsequently recognized as net periodic benefit cost pursuant to Ricoh's historical accounting policy for amortizing such amounts. Furthermore, actuarial gains and losses that arise in subsequent periods and are not recognized as net periodic benefit cost in the same periods will be recognized as a component of other comprehensive income (loss). Those amounts will be subsequently recognized as a component of total net periodic benefit cost on the same basis as the amounts recognized in accumulated other comprehensive income (loss) at adoption of SFAS 158.
For periods prior to the year ended March 31, 2009, Ricoh used a December 31 measurement date for determining benefit obligations and fair value of plan assets. Ricoh adopted the measurement date provisions of SFAS No. 158 as of March 31, 2009. The adoption of the measurement date provisions resulted in adjustments to decrease retained earnings by ¥ 643 million, and increase other comprehensive loss by ¥ 6 million as of April 1, 2008.

The changes in the benefit obligations and plan assets of the pension plans for the years ended March 31, 2008 and 2009 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Change in benefit obligations:			
Benefit obligations at beginning of year	¥397,971	**¥ 388,404**	**$ 3,923,273**
Adjustment to apply measurement date provisions of SFAS No.158	-	**2,030**	**20,505**
Service cost	15,592	**14,700**	**148,485**
Interest cost	12,335	**13,427**	**135,626**
Plan participants' contributions	780	**683**	**6,899**
Actuarial loss	(7,394)	**(4,814)**	**(48,626)**
Settlement	(23)	**(217)**	**(2,192)**
Benefits paid	(19,512)	**(22,267)**	**(224,919)**
Foreign exchange impact	(13,563)	**(20,892)**	**(211,030)**
Benefit obligations assumed in connection with business acquisition	2,218	**51,767**	**522,898**
Benefit obligations at end of year	¥388,404	**¥ 422,821**	**$ 4,270,919**
Change in plan assets:			
Fair value of plan assets at beginning of year	¥320,580	**¥ 291,425**	**$ 2,943,687**
Actual return on plan assets	(20,781)	**(53,592)**	**(541,333)**
Employer contribution	14,505	**14,753**	**149,020**
Plan participants' contributions	780	**683**	**6,899**
Partial withdrawal of plan assets	-	**(759)**	**(7,667)**
Settlement	(9)	**-**	**-**
Benefits paid	(12,447)	**(14,864)**	**(150,141)**
Foreign exchange impact	(13,081)	**(19,759)**	**(199,586)**
Plan assets acquired in connection with business acquisition	1,878	**51,662**	**521,838**
Fair value of plan assets at end of year	¥291,425	**¥ 269,549**	**$ 2,722,717**
Funded status	¥ (96,979)	**¥(153,272)**	**$(1,548,202)**

Net amounts recognized in the consolidated balance sheet as of March 31, 2008 and 2009 consist of:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Lease deposits and other	¥ 9,085	**¥ 10,152**	**$ 102,545**
Accrued expenses and other	(7,441)	**(8,311)**	**(83,949)**
Accrued pension and severance costs	(98,623)	**(155,113)**	**(1,566,798)**
Net amount recognized	¥(96,979)	**¥(153,272)**	**$(1,548,202)**

Net amounts recognized in accumulated other comprehensive loss as of March 31, 2008 and 2009 consist of:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Net actuarial loss	¥ 82,328	**¥ 133,922**	**$ 1,352,747**
Prior service credit	(46,895)	**(42,103)**	**(425,283)**
Net amount recognized	¥ 35,433	**¥ 91,819**	**$ 927,465**

The accumulated benefit obligations are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Accumulated benefit obligations	¥371,460	**¥414,537**	**$ 4,187,242**

Weighted-average assumptions used to determine benefit obligations as of March 31, 2008 and 2009 are as follows:

	Domestic plans		Foreign plans	
	2008	**2009**	2008	**2009**
Discount rate	2.2%	**1.9%**	5.1%	**6.9%**
Rate of compensation increase	6.5%	**6.5%**	3.7%	**3.9%**

Weighted-average assumptions used to determine the net periodic benefit cost for the years ended March 31, 2007, 2008 and 2009 are as follows:

	Domestic plans			Foreign plans		
	2007	2008	**2009**	2007	2008	**2009**
Discount rate	2.2%	2.2%	**2.2%**	4.3%	4.8%	**5.7%**
Rate of compensation increase	6.5%	6.5%	**6.5%**	3.5%	3.7%	**3.8%**
Expected long-term return on plan assets	1.7%	1.6%	**1.4%**	6.6%	6.2%	**6.0%**

The net periodic benefit costs of the pension plans for the years ended March 31, 2007, 2008 and 2009 consist of the following components:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Service cost	¥15,687	¥ 15,592	**¥ 14,700**	**$ 148,485**
Interest cost	11,121	12,335	**13,427**	**135,626**
Expected return on plan assets	(9,186)	(10,234)	**(10,158)**	**(102,606)**
Net amortization	(1,420)	(982)	**1,015**	**10,253**
Settlement benefit	(18)	-	**(87)**	**(879)**
Total net periodic pension cost	¥16,184	¥ 16,711	**¥ 18,897**	**$ 190,879**

The projected benefit obligations and the fair value of plan assets for the pension plans with projected benefit obligations in excess of plan assets, and the accumulated benefit obligations and the fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2008	**2009**	**2009**
Plans with projected benefit obligations in excess of plan assets:			
Projected benefit obligations	¥379,662	**¥418,332**	**$4,225,576**
Fair value of plan assets	284,268	**265,816**	**2,685,010**
Plans with accumulated benefit obligations in excess of plan assets:			
Accumulated benefit obligations	¥362,827	**¥408,348**	**$4,124,727**
Fair value of plan assets	279,585	**262,501**	**2,651,525**

Ricoh's benefit plan asset allocation as of March 31, 2008 and 2009 are as follows:

	2008	2009
Equity securities	45.7%	**33.6%**
Debt securities	20.9%	**40.4%**
Life insurance company general accounts	15.1%	**17.5%**
Other	18.3%	**8.5%**
Total	100.0%	**100.0%**

Common stock and bonds of the Company and certain of its domestic subsidiaries included in plan assets were immaterial at March 31, 2008 and 2009.
Ricoh's investment policies and strategies for the pension benefits do not use target allocations for the individual asset categories. Ricoh's investment goals are to maximize returns subject to specific risk management policies. Its risk management policies permit investments in mutual funds and debt and equity securities and prohibit speculative investment in derivative financial instruments. Ricoh addresses diversification by the use of mutual fund investments whose underlying investments are in domestic and international fixed income securities and domestic and international equity securities. These mutual funds are readily marketable and can be sold to fund benefit payment obligations as they become payable.

Ricoh expects to contribute ¥15,760 million to its pension plans for the year ending March 31, 2010. The estimated net actuarial loss and prior service credit for Ricoh's pension fund plans that will be amortized from accumulated other comprehensive income (loss) into net periodic pension cost over the next year ending March, 2010 are ¥9,732 million and ¥(4,078) million, respectively.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Years ending March 31	Millions of Yen	Thousands of U.S. Dollars
2010	¥ 23,803	$ 240,434
2011	21,518	217,354
2012	21,866	220,869
2013	23,255	234,899
2014	21,837	220,576
2015– 2019	127,939	1,292,313

Ricoh and certain subsidiaries have defined contribution plans. The cost of defined contribution plans for the years ended March 31, 2007, 2008 and 2009 were ¥3,795 million, ¥5,108 million and ¥6,768 million ($68,364 thousand), respectively.

13. SHAREHOLDERS' INVESTMENT

The Corporation Law of Japan provides that an amount equal to 10% of cash dividends and other distributions from retained earnings paid by the Company and its domestic subsidiaries be appropriated as additional paid-in capital or legal reserve. No further appropriation is required when the total amount of the additional paid-in capital and legal reserve equals to 25% of common stock. Certain foreign subsidiaries are also required to appropriate their earnings to legal reserves under the laws of the respective countries. Legal reserves included in retained earnings as of March 31, 2008 and 2009 were ¥17,462 million and ¥18,345 million ($185,303 thousand), respectively, and are restricted from being used as dividends.
The Corporation Law of Japan requires a company to obtain the approval of shareholders for transferring on amount between common stock and additional paid-in capital. The Law also permits a company to transfer an amount of common stock or additional paid-in capital to retained earnings in principle upon approval of shareholders.
Cash dividends are approved by the shareholders after the end of each fiscal period or are declared by the Board of Directors after the end of each interim six-month period. Such dividends are payable to shareholders of record at the end of each such fiscal or interim six-month period. At the Ordinary General Meeting of Shareholders held on June 25, 2009, the shareholders approved the declaration of a cash dividend (¥15 per share) on the common stock totaling ¥10,885 million ($109,949 thousand), which would be paid to shareholders of record as of March 31, 2009. The declaration of this dividend has not been reflected in the consolidated financial statements as of March 31, 2009.
The amount of retained earnings legally available for dividend distribution is that recorded in the Company's non-consolidated books and amounted to ¥430,717 million ($4,350,677 thousand) as of March 31, 2009.

14. OTHER COMPREHENSIVE INCOME (LOSS)

Tax effects allocated to each component of other comprehensive income (loss) are as follows:

	Millions of Yen		
	Before-tax amount	Tax expense	Net-of-tax amount
2007:			
Foreign currency translation adjustments	¥ 24,724	¥ 50	¥ 24,774
Unrealized gains (losses) on securities:			
Unrealized holding gains (losses) arising during the year	197	(65)	132
Less - Reclassification adjustment for (gains) losses realized in net income	(99)	40	(59)
Net unrealized gains (losses)	98	(25)	73
Unrealized gains (losses) on derivatives:			
Unrealized holding gains (losses) arising during the year	(749)	307	(442)
Less- Reclassification adjustment for (gains) losses realized in net income	436	(179)	257
Net unrealized gains (losses)	(313)	128	(185)
Minimum pension liability adjustments	1,663	(693)	970
Other comprehensive income (loss)	¥ 26,172	¥ (540)	¥ 25,632
2008:			
Foreign currency translation adjustments	¥(38,478)	¥ (78)	¥(38,556)
Unrealized gains (losses) on securities:			
Unrealized holding gains (losses) arising during the year	(12,147)	4,709	(7,438)
Less - Reclassification adjustment for (gains) losses realized in net income	(417)	170	(247)
Net unrealized gains (losses)	(12,564)	4,879	(7,685)
Unrealized gains (losses) on derivatives:			
Unrealized holding gains (losses) arising during the year	(767)	311	(456)
Less- Reclassification adjustment for (gains) losses realized in net income	128	(52)	76
Net unrealized gains (losses)	(639)	259	(380)
Pension liability adjustments:			
Unrealized holding gains (losses) arising during the year	(20,361)	9,556	(10,805)
Less- Reclassification adjustment for (gains) losses realized in net income	(1,035)	458	(577)
Net unrealized gains (losses)	(21,396)	10,014	(11,382)
Other comprehensive income (loss)	¥(73,077)	¥15,074	¥(58,003)
2009:			
Foreign currency translation adjustments	**¥(61,189)**	**¥ 19**	**¥(61,170)**
Unrealized gains (losses) on securities:			
Unrealized holding gains (losses) arising during the year	**(25,601)**	**10,440**	**(15,161)**
Less - Reclassification adjustment for (gains) losses realized in net income	**26,499**	**(10,806)**	**15,693**
Net unrealized gains (losses)	**898**	**(366)**	**532**
Unrealized gains (losses) on derivatives:			
Unrealized holding gains (losses) arising during the year	**(655)**	**250**	**(405)**
Less- Reclassification adjustment for (gains) losses realized in net income	**686**	**(246)**	**440**
Net unrealized gains (losses)	**31**	**4**	**35**
Pension liability adjustments:			
Unrealized holding gains (losses) arising during the year	**(57,401)**	**23,293**	**(34,108)**
Less- Reclassification adjustment for (gains) losses realized in net income	**1,015**	**(414)**	**601**
Net unrealized gains (losses)	**(56,386)**	**22,879**	**(33,507)**
Other comprehensive income (loss)	**¥(116,646)**	**¥22,536**	**¥(94,110)**

	Thousands of U.S. Dollars		
	Before-tax amount	Tax expense	Net-of-tax amount
2009:			
Foreign currency translation adjustments	**$(618,071)**	**$ 192**	**$(617,879)**
Unrealized gains (losses) on securities:			
Unrealized holding gains (losses) arising during the year	**(258,596)**	**105,455**	**(153,141)**
Less - Reclassification adjustment for (gains) losses realized in net income	**267,667**	**(109,152)**	**158,515**
Net unrealized gains (losses)	**9,071**	**(3,697)**	**5,374**
Unrealized gains (losses) on derivatives:			
Unrealized holding gains (losses) arising during the year	**(6,616)**	**2,525**	**(4,091)**
Less- Reclassification adjustment for (gains) losses realized in net income	**6,929**	**(2,485)**	**4,444**
Net unrealized gains (losses)	**313**	**40**	**353**
Pension liability adjustments:			
Unrealized holding gains (losses) arising during the year	**(579,808)**	**235,283**	**(344,525)**
Less- Reclassification adjustment for (gains) losses realized in net income	**10,253**	**(4,182)**	**6,071**
Net unrealized gains (losses)	**(569,555)**	**231,101**	**(338,454)**
Other comprehensive income (loss)	**$(1,178,242)**	**$227,636**	**$(950,606)**

For fiscal year 2009, pension liability adjustments included ¥(57,401) million ($(579,808) thousand) of gains (losses) arising during the year, ¥(5,807) million ($(58,657) thousand) of amortization of gains (losses) and ¥4,792 million ($48,404 thousand) of amortization of prior service cost – net of deferred taxes of ¥23,293 million ($235,283 thousand), ¥2,367 million ($23,909 thousand) and ¥(1,953) million ($(19,727) thousand), respectively.

Changes in accumulated other comprehensive income (loss) are as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Foreign currency translation adjustments:				
Beginning balance	¥ 2,657	¥ 27,431	**¥(11,125)**	**$ (112,374)**
Change during the year	24,774	(38,556)	**(61,170)**	**(617,879)**
Ending balance	¥27,431	¥(11,125)	**¥(72,295)**	**$ (730,253)**
Unrealized gains (losses) on securities:				
Beginning balance	¥ 8,928	¥ 9,001	**¥ 1,316**	**$ 13,293**
Change during the year	73	(7,685)	**532**	**5,374**
Ending balance	¥ 9,001	¥ 1,316	**¥ 1,848**	**$ 18,667**
Unrealized gains (losses) on derivatives:				
Beginning balance	¥ 157	¥ (28)	**¥ (408)**	**$ (4,121)**
Change during the year	(185)	(380)	**35**	**354**
Ending balance	¥ (28)	¥ (408)	**¥ (373)**	**$ (3,767)**
Minimum pension liability adjustments:				
Beginning balance	¥ (7,643)	¥ –	**¥ –**	**$ –**
Change during the year	970	–	**–**	**–**
Adjustment to initially apply SFAS 158	6,673	–	**–**	**–**
Ending balance	¥ –	¥ –	**¥ –**	**$ –**
Pension liability adjustments:				
Beginning balance	¥ –	¥ (9,406)	**¥ (20,788)**	**$ (209,980)**
Adjustment to apply measurement date provisions of SAFS No.158	–	–	**(6)**	**(61)**
Adjusted beginning balance	–	(9,406)	**(20,794)**	**(210,041)**
Change during the year	–	(11,382)	**(33,507)**	**(338,455)**
Adjustment to initially apply SFAS 158	(9,406)	–	**–**	**–**
Ending balance	¥ (9,406)	¥(20,788)	**¥ (54,301)**	**$ (548,496)**
Total accumulated other comprehensive income (loss)				
Beginning balance	¥ 4,099	¥ 26,998	**¥ (31,005)**	**$ (313,182)**
Adjustment to apply measurement date provisions of SAFS No.158	–	–	**(6)**	**(61)**
Adjusted beginning balance	4,099	26,998	**(31,011)**	**(313,243)**
Change during the year	25,632	(58,003)	**(94,110)**	**(950,606)**
Adjustment to initially apply SFAS 158	(2,733)	–	**–**	**–**
Ending balance	¥26,998	¥(31,005)	**¥(125,121)**	**$(1,263,849)**

15. PER SHARE DATA

Dividends per share shown in the consolidated statements of income are computed based on dividends paid for the year.

A reconciliation of the numerator and the denominators of the basic and diluted per share computations for net income are as follows:

	Thousands of shares		
	2007	2008	**2009**
Weighted average number of shares of common stock outstanding	729,745	729,010	**723,925**
Effect of dilutive securities:			
Euro Yen Zero Coupon Convertible Bonds -Due December 2011	5,758	19,741	**19,741**
Diluted shares of common stock outstanding	735,503	748,752	**743,666**

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Income from continuing operations	¥106,224	¥106,463	**¥6,530**	**$65,960**
Income from discontinued operations, net of tax	5,500	–	**–**	**–**
Net income	111,724	106,463	**6,530**	**65,960**
Effect of dilutive securities:				
Euro Yen Zero Coupon Convertible Bonds -Due December 2011	(8)	(25)	**(25)**	**(253)**
Diluted net income	¥111,716	¥106,438	**¥6,505**	**$65,707**

	Yen			U.S. Dollars
	2007	2008	**2009**	**2009**
Earnings per share:				
Basic:				
Income from continuing operations	¥145.56	¥146.04	**¥9.02**	**$0.09**
Income from discontinued operations, net of tax	7.54	–	**–**	**–**
Net income	153.10	146.04	**9.02**	**0.09**
Diluted:				
Income from continuing operations	¥144.41	¥142.15	**¥8.75**	**$0.09**
Income from discontinued operations, net of tax	7.48	–	**–**	**–**
Net income	151.89	142.15	**8.75**	**0.09**

16. DERIVATIVE FINANCIAL INSTRUMENTS

Risk Management Policy

Ricoh enters into various derivative financial instrument contracts in the normal course of business in connection with the management of its assets and liabilities.
Ricoh uses derivative instruments to reduce risk and protect market value of assets and liabilities in conformity with Ricoh's policy. Ricoh does not use derivative financial instruments for trading or speculative purposes, nor is it a party to leveraged derivatives.
All derivative instruments are exposed to credit risk arising from the inability of counterparties to meet the terms of the derivative contracts. However, Ricoh does not expect any counterparties to fail to meet their obligations because these counterparties are financial institutions with satisfactory credit ratings. Ricoh utilizes a number of counterparties to minimize the concentration of credit risk.

Foreign Exchange Risk Management

Ricoh conducts business on a global basis and holds assets and liabilities denominated in foreign currencies. Ricoh enters into foreign exchange contracts and foreign currency options to hedge against the potentially adverse impacts of foreign currency fluctuations on those assets and liabilities denominated in foreign currencies.

Interest Rate Risk Management

Ricoh enters into interest rate swap agreements to hedge against the potential adverse impacts of changes in fair value or cash flow fluctuations on interest of its outstanding debt.

Fair Value Hedge

Changes in the fair value of derivative instruments and the related hedged items designated and qualifying as fair value hedges are included in other (income) expenses on the consolidated statements of income. There is no hedging ineffectiveness nor are net gains or losses excluded from the assessment of hedge effectiveness for the years ended March 31, 2007, 2008 and 2009 as the critical terms of the interest rate swap match the terms of the hedged debt obligations.

Cash Flow Hedge

Changes in the fair value of derivative instruments designated and qualifying as cash flow hedges are included in accumulated other comprehensive income (loss) on the consolidated balance sheets. These amounts are reclassified into earnings as interest on the hedged loans is paid. There is no hedging ineffectiveness nor are net gains or losses excluded from the assessment of hedge effectiveness for the years ended March 31, 2007, 2008 and 2009 as the critical terms of the interest rate swap match the terms of the hedged debt obligations. Ricoh expects that it will reclassify into earnings through other expenses during the next 12 months approximately ¥116 million ($1,172 thousand) of the balance of accumulated other comprehensive income as of March 31, 2009.

Undesignated Derivative Instruments

Derivative instruments not designated as hedging instruments are held to reduce the risk relating to the variability in exchange rates on assets and liabilities denominated in foreign currencies. Changes in the fair value of these instruments are included in other (income) expenses on the consolidated statements of income.

Contract amounts of derivative instruments at March 31, 2009 are shown in the following tables:

March 31, 2009	Millions of Yen	Thousands of U.S. Dollars
Interest rate swap agreements	**¥298,665**	**$3,016,818**
Foreign currency contracts	**110,196**	**1,113,091**
Foreign currency options	**30,744**	**310,545**

The location and fair value amounts of derivatives in consolidated balance sheet are shown in the following tables:

Derivatives designated as hedging instruments under SFAS No. 133

	Millions of Yen		Thousands of U.S. Dollars	Millions of Yen		Thousands of U.S. Dollars
	Current			Long-term		
	Balance Sheet Location	Fair Value	Fair Value	Balance Sheet Location	Fair Value	Fair Value
Asset Derivatives Interest rate swap agreements	Deferred income taxes and other	**¥ 77**	**$ 778**	Lease deposits and other	**¥ 139**	**$ 1,404**
Liability Derivatives Interest rate swap agreements	Accrued expenses and other	**¥ 19**	**$ 192**	Deferred income taxes and other	**¥ 795**	**$ 8,030**

Derivatives not designated as hedging instruments under SFAS No. 133

	Millions of Yen		Thousands of U.S. Dollars	Millions of Yen		Thousands of U.S. Dollars
	Current			Long-term		
	Balance Sheet Location	Fair Value	Fair Value	Balance Sheet Location	Fair Value	Fair Value
Asset Derivatives						
Interest rate swap agreements	Deferred income taxes and other	**¥ 16**	**$ 162**	Lease deposits and other	**¥ –**	**$ –**
Foreign currency contracts		**1,102**	**11,131**		**–**	**–**
Foreign currency options		**25**	**253**		**–**	**–**
Total		**¥ 1,143**	**$11,546**		**¥ –**	**$ –**
Liability Derivatives						
Interest rate swap agreements	Accrued expenses and other	**¥ 54**	**$ 545**	Deferred income taxes and other	**¥ 395**	**$ 3,990**
Foreign currency contracts		**1,826**	**18,444**		**2,270**	**22,929**
Foreign currency options		**1,468**	**14,828**		**–**	**–**
Total		**¥ 3,348**	**$33,817**		**¥ 2,665**	**$26,919**

	Millions of Yen	Thousands of U.S. Dollars
	Fair Value	Fair Value
Total Asset Derivatives	**¥ 1,359**	**$13,727**
Total Liability Derivatives	**¥ 6,827**	**$68,960**

The location and amount of gains and losses related to derivatives reported in the consolidated statement of income for the 4th quarter of fiscal year 2009 are shown in the following tables:

Derivatives designated as hedging instruments under SFAS No. 133

	Millions of Yen				
	Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)	Gain or (Loss) Reclassified from Accumulated OCI Into Income (Effective Portion)		Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion)	
	Amount	Location	Amount	Location	Amount
Cash flow hedge					
Interest rate swap agreement	¥ (165)	Interest expense	¥ (13)	–	¥ –

	Thousands of U.S. Dollars				
	Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)	Gain or (Loss) Reclassified from Accumulated OCI Into Income (Effective Portion)		Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion)	
	Amount	Location	Amount	Location	Amount
Cash flow hedge					
Interest rate swap agreement	$ (1,667)	Interest expense	$ (131)	–	$ –

	Millions of Yen			
	Gain or (Loss) Recognized in Income on Derivative		Gain or (Loss) on Hedged Item Recognized in Income	
	Location	Amount	Location	Amount
Fair value hedge				
Interest rate swap agreements	Interest income	¥ 44	Interest expense	¥ (92)

	Thousands of U.S. Dollars			
	Gain or (Loss) Recognized in Income on Derivative		Gain or (Loss) on Hedged Item Recognized in Income	
	Location	Amount	Location	Amount
Fair value hedge				
Interest rate swap agreements	Interest expense	$ 444	–	$ (929)

Derivatives not designated as hedging instruments under SFAS No. 133

	Millions of Yen		Thousands of U.S. Dollars
	Location	Amount	Amount
Interest rate swap agreements	Other income	¥ 291	$ 2,939
Foreign currency contracts	Other expenses	(3,072)	(31,030)
Foreign currency options	Other expenses	(570)	(5,758)
Total		¥ (3,351)	$ (33,849)

17. COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2009, Ricoh had outstanding contractual commitments for acquisition or construction of property, plant and equipment and other assets aggregating ¥36,485 million ($368,535 thousand).
As of March 31, 2009, Ricoh was also contingently liable for certain guarantees including employees housing loans of ¥318 million ($3,212 thousand).
Ricoh made rental payments totaling ¥40,722 million, ¥45,379 million and ¥54,347 million ($548,960 thousand) for the years ended March 31, 2007, 2008 and 2009, respectively, under cancelable and non-cancelable operating lease agreements for office space and machinery and equipment.

The minimum rental payments required under operating lease that have lease terms in excess of one year as of March 31, 2009 are as follows:

Years ending March 31	Millions of Yen	Thousands of U.S. Dollars
2010	¥24,208	$244,525
2011	20,894	211,051
2012	17,010	171,818
2013	13,916	140,566
2014	10,016	101,172
2015 and thereafter	13,399	135,343
Total	¥99,443	$1,004,475

As of March 31, 2009, the Company and certain of its subsidiaries were parties to litigation involving routine matters, such as patent rights. In the opinion of management, the ultimate liability, if any, resulting from such litigation will not materially affect the consolidated financial position or the results of operations of Ricoh.

18. DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Cash and cash equivalents, Time deposits, Trade receivables, Short-term borrowings, Current maturities of long-term indebtedness, Trade payables and Accrued expenses

The carrying amounts approximate fair values because of the short maturities of these instruments.

(b) Marketable securities and Investment securities

The fair value of the marketable securities and investment securities is principally based on quoted market price.

(c) Installment loans

The fair value of installment loans is based on the present value of future cash flows using the current interest rate for similar instruments of comparable maturity.

(d) Long-term indebtedness

The fair value of each of the long-term indebtedness instruments is based on the present value of future cash flows associated with each instrument discounted using the current borrowing rate for similar instruments of comparable maturity.

(e) Interest rate swap agreements

The fair value of interest rate swap agreements is estimated by obtaining quotes from brokers.

(f) Foreign currency contracts and Foreign currency options

The fair value of foreign currency contracts and foreign currency options is estimated by obtaining quotes from brokers.

The estimated fair value of the financial instruments as of March 31, 2008 and 2009 is summarized as follows:

	Millions of Yen				Thousands of U.S. Dollars	
	2008		**2009**		**2009**	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Marketable securities and Investment securities	¥ 71,244	¥ 71,244	**¥ 48,540**	**¥ 48,540**	**$ 490,303**	**$ 490,303**
Installment loans	54,863	54,852	**60,781**	**60,754**	**613,949**	**613,677**
Long-term indebtedness	(225,930)	(221,792)	**(509,403)**	**(500,774)**	**(5,145,485)**	**(5,058,323)**
Interest rate swap agreements, net	(594)	(594)	**(1,031)**	**(1,031)**	**(10,414)**	**(10,414)**
Foreign currency contracts, net	1,349	1,349	**(2,994)**	**(2,994)**	**(30,242)**	**(30,242)**
Foreign currency options, net	100	100	**(1,443)**	**(1,443)**	**(14,576)**	**(14,576)**

Limitations:

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

19. FAIR VALUE MEASUREMENTS

In September 2006, the FASB issued SFAS 157, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements, where fair value is the relevant measurement attribute. SFAS 157 does not require any new fair value measurements. SFAS 157 is effective for fiscal years beginning after November 15, 2007, and was adopted by Ricoh in the fiscal year beginning April 1, 2008. Pursuant to the provisions of FSP 157-2, Ricoh have decided to defer adoption of SFAS 157 for one year for nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis.

SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

Level 1	-	Inputs are quoted prices in active markets for identical assets or liabilities.
Level 2	-	Inputs are quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs which are derived principally from or corroborated by observable market data.
Level 3	-	Inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable.

The following table presents the fair-value hierarchy levels of Ricoh's assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2009.

	Millions of Yen			
	March 31, 2009			
	Level 1	Level 2	Level 3	Total
Assets:				
Trading and Available-for-sale securities	**45,761**	**-**	**-**	**45,761**
Derivative instruments	**-**	**1,359**	**-**	**1,359**
Other investments	**-**	**-**	**4,293**	**4,293**
Total assets	**45,761**	**1,359**	**4,293**	**51,413**
Liabilities:				
Derivatives instruments	**-**	**6,827**	**-**	**6,827**
Total liabilities	**-**	**6,827**	**-**	**6,827**

	Thousands of Dollars			
	March 31, 2009			
	Level 1	Level 2	Level 3	Total
Assets:				
Trading and Available-for-sale securities	**462,232**	**-**	**-**	**462,232**
Derivative instruments	**-**	**13,727**	**-**	**13,727**
Other investments	**-**	**-**	**43,364**	**43,364**
Total assets	**462,232**	**13,727**	**43,364**	**519,323**
Liabilities:				
Derivatives instruments	**-**	**68,960**	**-**	**68,960**
Total liabilities	**-**	**68,960**	**-**	**68,960**

Trading and Available-for-sale securities
Trading and Available-for-sale securities classified Level 1 in the fair value hierarchy contains marketable securities and bonds. Marketable securities and bonds are valued using a market approach based on the quoted market prices of identical instruments in active markets.

Derivative instruments
Ricoh uses foreign exchange contracts, foreign currency options and interest rate swap agreements to manage exposure to the variability of cash flow. These derivative instruments are classified as Level 2 in the fair value hierarchy, since they are valued using observable market data such as LIBOR-based yield curves.

Other investments
Other investments classified as Level 3 in the fair value hierarchy represent the retained interests in securitizations of finance lease receivables in which Ricoh valued using cash flows discounted by an estimated interest rate reflecting underlying risks. The following table presents a reconciliation of activity for such retained interests on a net basis.

	Millions of Yen	Thousands of U.S. Dollars
Other investments	**2009**	**2009**
Balance at beginning of period	**5,887**	**59,465**
Total gains or losses (realized and unrealized)		
Included in net income	**-**	**-**
Included in other comprehensive income (loss)	**-**	**-**
Sales, collections and repurchases, net	**(1,594)**	**(16,101)**
Balance at end of period	**4,293**	**43,364**

20. SEGMENT INFORMATION

The operating segments presented below are the segments of Ricoh for which separate financial information is available and for which a measure of profit or loss is evaluated regularly by Ricoh's management in deciding how to allocate resources and in assessing performance. The accounting policies of the segments are substantially the same as those described in the summary of significant accounting policies, as discussed in Note 2.
Ricoh's operating segments are comprised of Imaging & Solutions, including copiers and related supplies, communications and information systems, Industrial Products, including thermal media and semiconductors, and Other, including digital cameras, and so on.
The following tables present certain information regarding Ricoh's operating segments and operations by geographic areas for the years ended March 31, 2007, 2008 and 2009. During the year ended March 31, 2007, a subsidiary of the Company sold its content distribution business. As a result of such sale, sales and operating income of such business were reclassified as a discontinued operation and was excluded from the segment data for the years ended March 31, 2007.

(a) Operating Segment Information

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Sales:				
Imaging & Solutions	¥1,774,467	¥1,909,573	**¥1,833,098**	**$18,516,141**
Industrial Products	138,112	148,883	**119,671**	**1,208,798**
Other	161,071	166,076	**143,048**	**1,444,929**
Intersegment transaction	(4,725)	(4,543)	**(4,121)**	**(41,626)**
Consolidated	¥2,068,925	¥2,219,989	**¥2,091,696**	**$21,128,242**
Operating expenses:				
Imaging & Solutions	¥1,549,156	¥1,674,940	**¥1,687,732**	**$17,047,798**
Industrial Products	135,164	144,708	**124,597**	**1,258,555**
Other	158,868	163,529	**142,690**	**1,441,313**
Intersegment transaction	(4,727)	(4,545)	**(4,128)**	**(41,697)**
Unallocated expense	56,084	59,851	**66,269**	**669,384**
Consolidated	¥1,894,545	¥2,038,483	**¥2,017,160**	**$20,375,353**
Operating income:				
Imaging & Solutions	¥ 225,311	¥ 234,633	**¥ 145,366**	**$ 1,468,343**
Industrial Products	2,948	4,175	**(4,926)**	**(49,757)**
Other	2,203	2,547	**358**	**3,616**
Elimination and unallocated expense	(56,082)	(59,849)	**(66,262)**	**(669,313)**
Consolidated	¥ 174,380	¥ 181,506	**¥ 74,536**	**$ 752,889**
Other income (expenses)	¥ 139	¥ (6,837)	**¥ (43,597)**	**$ (440,374)**
Income from continuing operations before income taxes, minority interests and equity in earnings of affiliates	¥ 174,519	¥ 174,669	**¥ 30,939**	**$ 312,515**

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Total assets:				
Imaging & Solutions	¥1,570,757	¥1,643,500	**¥1,870,110**	**$18,890,000**
Industrial Products	93,346	91,635	**83,411**	**842,535**
Other	112,255	106,233	**97,092**	**980,727**
Elimination	(1,327)	(1,063)	**(612)**	**(6,182)**
Corporate assets	468,375	374,063	**463,494**	**4,681,758**
Consolidated	¥2,243,406	¥2,214,368	**¥2,513,495**	**$25,388,838**
Expenditure for segment assets:				
Imaging & Solutions	¥ 72,465	¥ 74,758	**¥ 87,658**	**$ 885,434**
Industrial Products	8,580	6,503	**4,581**	**46,273**
Other	2,630	2,140	**2,776**	**28,040**
Corporate assets	2,125	1,814	**1,943**	**19,626**
Consolidated	¥ 85,800	¥ 85,215	**¥ 96,958**	**$ 979,373**

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Depreciation:				
Imaging & Solutions	¥62,862	¥63,162	**¥64,356**	**$650,060**
Industrial Products	6,099	5,820	**6,131**	**61,929**
Other	2,072	2,128	**2,442**	**24,667**
Corporate assets	1,399	1,652	**1,957**	**19,768**
Consolidated	¥72,432	¥72,762	**¥74,886**	**$756,424**

Unallocated expense represents expenses for corporate headquarters.
Intersegment sales are not separated by operating segment because they are immaterial.
Corporate assets consist primarily of cash and cash equivalents and marketable securities maintained for general corporate purposes.

(b) Geographic Information

Sales which are attributed to countries based on location of customers and long-lived assets by location for the years ended March 31, 2007, 2008 and 2009 are as follows:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Sales:				
Japan	¥1,002,251	¥1,016,034	**¥ 938,331**	**$ 9,478,091**
The Americas	426,453	434,799	**502,862**	**5,079,414**
Europe	507,158	603,219	**523,407**	**5,286,939**
Other	133,063	165,937	**127,096**	**1,283,798**
Consolidated	¥2,068,925	¥2,219,989	**¥2,091,696**	**$21,128,242**
Property, plant and equipment:				
Japan	¥ 199,308	¥ 197,290	**¥ 204,761**	**$ 2,068,293**
The Americas	18,102	17,552	**27,115**	**273,889**
Europe	28,345	20,505	**16,830**	**170,000**
Other	18,913	19,286	**20,630**	**208,384**
Consolidated	¥ 264,668	¥ 254,633	**¥ 269,336**	**$ 2,720,566**

(c) Additional Information

The following information shows net sales and operating income recognized by geographic origin for the years ended March 31, 2007, 2008 and 2009. In addition to the disclosure requirements under SFAS No. 131, "Disclosure about Segments of an Enterprise and Related Information," Ricoh discloses this information as supplemental information in light of the disclosure requirements of the Japanese Financial Instrument and Exchange Law, which a Japanese public company is subject to.

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Sales:				
Japan				
External customers	¥1,026,663	¥1,050,923	**¥960,658**	**$9,703,616**
Intersegment	495,304	484,590	**432,538**	**4,369,071**
Total	1,521,967	1,535,513	**1,393,196**	**14,072,687**
The Americas				
External customers	426,009	432,287	**502,338**	**5,074,121**
Intersegment	3,253	3,496	**4,451**	**44,959**
Total	429,262	435,783	**506,789**	**5,119,080**
Europe				
External customers	508,200	602,224	**521,062**	**5,263,253**
Intersegment	3,595	2,585	**2,477**	**25,020**
Total	511,795	604,809	**523,539**	**5,288,273**
Other				
External customers	108,053	134,555	**107,638**	**1,087,253**
Intersegment	160,990	183,043	**158,006**	**1,596,020**
Total	269,043	317,598	**265,644**	**2,683,273**
Elimination of intersegment sales	(663,142)	(673,714)	**(597,472)**	**(6,035,071)**
Consolidated	¥2,068,925	¥2,219,989	**¥2,091,696**	**$21,128,242**
Operating expenses:				
Japan	¥1,411,653	¥1,427,575	**¥1,331,638**	**$13,450,889**
The Americas	408,150	433,429	**532,734**	**5,381,151**
Europe	478,380	565,736	**504,116**	**5,092,081**
Other	251,486	291,141	**252,951**	**2,555,061**
Elimination of intersegment sales	(655,124)	(679,398)	**(604,279)**	**(6,103,828)**
Consolidated	¥1,894,545	¥2,038,483	**¥2,017,160**	**$20,375,354**
Operating income:				
Japan	¥ 110,314	¥ 107,938	**¥ 61,558**	**$ 621,798**
The Americas	21,112	2,354	**(25,945)**	**(262,071)**
Europe	33,415	39,073	**19,423**	**196,192**
Other	17,557	26,457	**12,693**	**128,212**
Elimination of intersegment profit	(8,018)	5,684	**6,807**	**68,758**
Consolidated	¥ 174,380	¥ 181,506	**¥ 74,536**	**$ 752,889**
Other expenses income (expenses)	¥ 139	¥ (6,837)	**¥ (43,597)**	**$ (440,374)**
Income from continuing operations before income taxes, Iminority interests and equity in earnings of affiliates	¥ 174,519	¥ 174,669	**¥ 30,939**	**$ 312,515**
Total assets:				
Japan	¥1,282,085	¥1,272,110	**¥1,240,775**	**$12,533,081**
The Americas	256,049	310,028	**524,511**	**5,298,091**
Europe	314,815	326,824	**318,032**	**3,212,444**
Other	101,550	102,451	**91,875**	**928,030**
Elimination	(179,468)	(171,108)	**(125,192)**	**(1,264,566)**
Corporate assets	468,375	374,063	**463,494**	**4,681,758**
Consolidated	¥2,243,406	¥2,214,368	**¥2,513,495**	**$25,388,838**

Intersegment sales between geographic areas are made at cost plus profit. Operating income by geographic area is sales less expense related to the area's operating revenue.

No single customer accounted for 10% or more of the total revenues for the periods ended as of March 31, 2007, 2008 and 2009.

21. SUPPLEMENTARY INFORMATION TO THE STATEMENT OF INCOME

The following amounts are charged to selling, general and administrative expenses for the years ended March 31, 2007, 2008 and 2009:

	Millions of Yen			Thousands of U.S. Dollars
	2007	2008	**2009**	**2009**
Research and development costs	¥114,985	¥126,033	**¥124,406**	**$1,256,626**
Advertising costs	14,456	16,700	**13,453**	**135,889**
Shipping and handling costs	19,280	23,970	**19,914**	**201,152**

22. SIGNIFICANT SUBSEQUENT EVENTS

Subsidiary of the Company, Ricoh Leasing Company, Ltd. issued unsecured straight bonds on April 22, 2009 based on the resolution passed at its Board of Directors' meeting held on March 27, 2009 to issue corporate bonds.

Unsecured Bonds No. 11 (with Limited Inter-Bond Pari Passu Clause)

(i) Issue amount:	¥35.0 billion
(ii) Issue price: Full price:	¥100 per ¥100 bond
(iii) Payment date:	April 22, 2009
(iv) Redemption date:	April 22, 2014
(v) Interest rate:	1.473% per annum
(vi) Appropriation of proceeds:	To redeem CP (commercial paper)

Management's Report on Internal Control Over Financial Reporting

Ricoh's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) and Rule 15d-15(f) of the Securities Exchange Act of 1934, as amended. Ricoh's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Ricoh; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of Ricoh are being made only in accordance with authorizations of management and directors of Ricoh; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Ricoh's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with internal control policies or procedures may deteriorate.

Ricoh's management excluded from its assessment of the effectiveness of Ricoh's internal control over financial reporting as of March 31, 2009 an assessment of internal control over financial reporting of IKON Office Solutions, Inc. (a company that Ricoh acquired on October 31, 2008). IKON Office Solutions, Inc. had total assets of Yen 319,651 million and total sales of Yen 141,941 million that were reflected in the consolidated financial statements of the Company as of and for the year ended March 31, 2009.

Ricoh's management assessed the effectiveness of Ricoh's internal control over financial reporting as of March 31, 2009. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. Management's assessment included evaluating the design of Ricoh's internal control over financial reporting and testing of the operational effectiveness of Ricoh's internal control over financial reporting.

Based on such assessment, management concluded that, as of March 31, 2009, Ricoh's internal control over financial reporting was effective based on the criteria set forth by COSO.

Ricoh's independent registered accounting firm, KPMG AZSA & Co., has issued an audit report on the effectiveness of Ricoh's internal control over financial reporting as of March 31, 2009.

Shiroh Kondo

Shiro Kondo
President and Chief Executive Officer

Zenji Miura
Corporate Executive Vice President and Chief Financial Officer

June 26, 2009

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Ricoh Company, Ltd.:

We have audited the accompanying consolidated balance sheets of Ricoh Company, Ltd. (a Japanese corporation) and subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, shareholders' investment, and cash flows for each of the years in the three-year period ended March 31, 2009, expressed in yen. We also have audited Ricoh Company, Ltd.'s internal control over financial reporting as of March 31, 2009, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Ricoh Company, Ltd.'s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on these consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ricoh Company, Ltd. and subsidiaries as of March 31, 2009 and 2008, and the results of its operations and its cash flows for each of the years in the three-year period ended March 31, 2009, in conformity with U.S. generally accepted accounting principles. Also in our opinion, Ricoh Company, Ltd. maintained, in all material respects, effective internal control over financial reporting as of March 31, 2009, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Ricoh Company, Ltd. acquired IKON Office Solutions, Inc. during the year ended March 31, 2009, and management excluded from its assessment of the effectiveness of Ricoh Company, Ltd.'s internal control over financial reporting as of March 31, 2009, IKON Office Solutions, Inc.'s internal control over financial reporting associated with total assets of Yen 319,651 million and total revenues of Yen 141,941 million included in the consolidated financial statements of Ricoh Company, Ltd. and subsidiaries as of and for the year ended March 31, 2009. Our audit of internal control over financial reporting of Ricoh Company, Ltd. also excluded an evaluation of the internal control over financial reporting of IKON Office Solutions, Inc.

The accompanying consolidated financial statements as of and for the year ended March 31, 2009 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, the consolidated financial statements, expressed in yen, have been translated into dollars on the basis set forth in Note 2 to the consolidated financial statements.

KPMG AZSA & Co.

Tokyo, Japan
June 26, 2009

Corporate Philosophy/Management Philosophy/Ricoh General Principles on the Environment

The Ricoh Group's corporate philosophy was established by its founder, Kiyoshi Ichimura. He explained the philosophy as follows: Everyone starts by loving himself/herself. As time passes, however, this feeling grows and expands to include all people, plants, and animals in the world. This philosophy drives the Ricoh Group toward better sustainable management.

Corporate Philosophy

Love your neighbor
Love your country
Love your work

–The Spirit of Three Loves–

Ricoh's management philosophy was formally introduced in 1986 based on the Company's corporate philosophy in order to establish and nurture the corporate culture and system so that survival in a time filled with increasing change, information-oriented societies, diverse values, and more intense competition could be ensured.

Management Philosophy

Our Purpose

To constantly create new value
for the world at the interface of people
and information

Our Goal

To be a good global corporate citizen
with reliability and appeal

Our Principles

To think as an entrepreneur
To put ourselves in the other
person's place
To find personal value in our work

Ricoh introduced the Ricoh General Principles on the Environment, which are based on its management philosophy, in 1992 and revised them in 1998 , 2004 and 2008 These principles show Ricoh's commitment to sustainable management and are widely disclosed to the public through various media, including websites. Based on these principles, Ricoh Group companies have independently established and managed their own rules regarding the environment according to their business type.

Ricoh Group Environmental Principles

Basic Policy

As a global citizen, Ricoh group is obligation-conscious of environmental conservation. In addition, we strive to honor our environmental responsibilities and concentrate company-wide efforts in environmental conservation activities, implementation of which we believe to be as significant as our business operations.

Action Guidelines

1. Achieve superior targets
   Complying with laws and regulations as a matter of course, we dutifully fulfill our environmental responsibilities, setting targets that go ahead of those that society currently requires, and by achieving these, create economic values.

2. Develop innovative environmental technologies
   We will take steps to develop and promote innovative environmental technologies that will give increased value to our customers and can be utilized by various people.

3. Encourage all employees to participate in environmental activities
   In all our business activities, we strive for awareness of environmental impact, thereby involving all Ricoh employees in implementing continuous improvements to prevent pollution, use energy and natural resources more efficiently.

4. Be attentive to product lifecycle
   To provide our products and services, we spare no effort to reduce environmental effects in all stages of product lifecycle, from procurement, manufacturing, sale, and logistics, to usage, recycling, and disposal.

5. Improve employees' environmental awareness
   We at Ricoh wish each employee to be attentive to a broader range of social issues and mindful of enhancing environmental awareness through proactive learning processes, designed to commit the employee to environmental conservation activities according to his or her responsibility.

6. Contribute to society
   By participating in and supporting environmental conservation activities, we will contribute to creating a sustainable society.

7. Optimize communication with stakeholders
   Ricoh Group will expand its environmental conservation activities with stakeholders. In addition, we will fully communicate and proactively cooperate with our stakeholders to reassure communities of our dependability and commitment to the environment.

Established in February,1992; revised in February, 2008.

The Ricoh Group CSR Charter

As the Ricoh Group's role and influence as a global citizen and a member of society increases, so too does its social responsibilities. As a result of the enhanced globalization and group management of its corporate activities, the Ricoh Group now covers many countries around the world and is made up of people with various values. The Ricoh Group CSR Charter, which enshrines the Group's corporate activity principles, was established on January 1, 2004 in response to the need for common values and activity principles that can be shared globally across the Group.

To grow as a respected enterprise, the Ricoh Group must fully discharge its corporate social responsibility (CSR) from a consistent global perspective and throughout every aspect of its operations. To ensure this, the following principles are to be observed, with the proper social awareness and understanding, compliant with both the letter and the spirit of national laws and the rules of international conduct.

● Integrity in Corporate Activities

1. Every company in the Ricoh Group will develop and provide useful products and services, with high quality, safety, reliability and ease of use, while maintaining security of information and giving proper consideration to the environment.
2. Every company in the Ricoh Group will compete fairly, openly and freely, maintaining normal and healthy relationships with political institutions, government administration, citizens and organizations.
3. Every company in the Ricoh Group will take responsibility for managing and safeguarding its own information and that of its customers.

● Harmony with the Environment

4. Every company in the Ricoh Group will take responsibility, as a citizen of the world, working voluntarily and actively to preserve the environment.
5. Every company in the Ricoh Group, and all employees of each company, will seek to implement technological innovations that reflect environmental concerns and will participate in ongoing activities to preserve the environment.

● Respect for People

6. Every company in the Ricoh Group will, quite apart from corporate group activities, maintain a working environment that is safe and that makes it easier for its staff to do perform their duties, respecting their richly individual characteristics and encouraging their autonomy and creativity.
7. Every company in the Ricoh Group will respect the rights of all those connected with it, and will seek to create a cheerful working environment, free of discrimination.
8. No company in the Ricoh Group will permit forced labor or child labor, and none will tolerate the infringement of human rights.

● Harmony with Society

9. Every company in the Ricoh Group will, as a good corporate citizen, actively engage in activities that contribute to society.
10. Every company in the Ricoh Group will respect the culture and customs of its country or region, and will operate so as to contribute to their development.
11. Every company in the Ricoh Group will engage in the fullest possible communications with society, seeking actively to provide the proper and unbiased disclosure of corporate information.

Ricoh Group Code of Conduct

Ricoh established the Ricoh Group Code of Conduct by revising the Ricoh Business Code of Conduct to reflect more responsible corporate activities that achieve harmony with society and the global environment together with the establishment of the Ricoh Group CSR Charter. Please refer to Ricoh's Web site for details.

Ricoh's Global Network

As of March 31, 2009

Japan

Production

Tohoku Ricoh Co., Ltd.
Hasama Ricoh, Inc.
Ricoh Optical Industries Co., Ltd.
Ricoh Unitechno Co., Ltd.
Ricoh Elemex Corporation
Ricoh Keiki Co., Ltd.
Ricoh Microelectronics Co., Ltd.
Ricoh Printing Systems Ltd.

Sales and Other

Ricoh Hokkaido Co., Ltd.
Ricoh Tohoku Co., Ltd.
Ricoh Sales Co., Ltd.
Ricoh Chubu Co., Ltd.
Ricoh Kansai Co., Ltd.
Ricoh Chugoku Co., Ltd.
Ricoh Kyushu Co., Ltd.
Ricoh Technosystems Co., Ltd.
Ricoh Software Inc.
Ricoh Leasing Company, Ltd.
Ricoh Logistics System Co., Ltd.

The Americas

Production

Mexico
Ricoh Industrial de Mexico, S.A. de C.V.

United States
Ricoh Electronics, Inc.

Sales and Other

Argentina
Ricoh Argentina S.A.

Brasil
Gestetner do Brasil S.A.

Canada
Ricoh Canada Inc.

Chile
Ricoh Chile, S.A.

Colombia
Ricoh Colombia S.A.

Costa Rica
Ricoh Costa Rica, S.A.

Dominican Republic
Ricoh Dominicana, S.A.

El Salvador
Ricoh El Salvador, S.A. de C.V.

Guatemala
Ricoh Guatemala, S.A.

Mexico
Ricoh Mexicana, S.A. de C.V.

Panama
Ricoh Panama, S.A.

Puerto Rico
Ricoh Puerto Rico, Inc.

United States
Ricoh Americas Corporation
Ricoh Finance Corporation
Ricoh Innovations, Inc.
Ricoh Latin America, Inc.
InfoPrint Solutions Company, LLC
Ricoh Printing Systems America, Inc.
IKON Office Solutions, Inc.

Uruguay
Gestetner Limitada
Ricoh South America Distribution Center S.A.

Europe, Africa, and the Middle East

Production

France
Ricoh Industrie France S.A.S.

United Kingdom
Ricoh UK Products Ltd.
GR Advanced Materials Ltd.

Sales and Other

Austria
Ricoh Austria GmbH

Belgium
Ricoh Belgium NV
Infotec Belgium NV

Denmark
NRG Scandinavia A/S

Finland
Ricoh Finland Oy

France
Ricoh France S.A.S.
Rex-Rotary S.A.S.
Infotec France S.A.

Germany
Ricoh Deutschland GmbH
Infotec Deutschland GmbH

Guernsey
NRG International Limited

Hungary
Ricoh Hungary Kft.

Ireland
Ricoh Ireland Limited

Italy
Ricoh Italia Srl
Infotec Italia S.p.A.

Netherlands
Ricoh Europe (Netherlands) B.V.
Ricoh Nederland B.V.
Ricoh International B.V.
Ricoh Europe SCM B.V.
Infotec Nederland B.V.

Norway
Ricoh Norge A.S.

Poland
Ricoh Polska Sp.zo.o.

Portugal
Ricoh Portugal, Unipessoal, Lda

Russia
Ricoh CIS, Ltd. (as of May 7, 2009)

South Africa
NRG Gestetner South Africa (Pty) Ltd.

Spain
Ricoh España S.L.U.
Infotec Digital Solutions S.A.U.

Sweden
NRG Scandinavia AB

Switzerland
Ricoh Schweiz AG

United Kingdom
Ricoh UK Ltd.
Ricoh Europe PLC
Infotec UK Ltd.
Infotec Europe

Asia and Oceania

Production and Related Business

China
Ricoh Asia Industry (Shenzhen) Ltd.
Ricoh Components Asia (Shenzhen) Co., Ltd.
Ricoh International (Shanghai) Co., Ltd.
Shanghai Ricoh Facsimile Co., Ltd.
Shanghai Ricoh Office Equipment Co., Ltd.
Shanghai Ricoh Digital Equipment Co., Ltd.
Ricoh Thermal Media (Wuxi) Co., Ltd.
Ricoh Elemex (Shenzhen) Co., Ltd.
Tohoku Ricoh (Fuzhou) Printing Products Co., Ltd.
Ricoh Asia Industry (Hong Kong) Ltd.
Ricoh Components Asia (Hong Kong) Co., Ltd.

Sales and Other

Australia
Ricoh Australia Pty. Ltd.
Lanier (Australia) Pty. Ltd.

China
Ricoh China Co., Ltd.
Ricoh Thermal Media (Beijing) Co., Ltd.
Ricoh Imaging Technology (Shanghai) Co., Ltd.
Ricoh Electronic Devices Shanghai Co., Ltd.
Ricoh Software Research Center (Beijing)
Ricoh Printing Systems Shanghai Co., Ltd.
Ricoh Electronic Technology (China) Co;Ltd.
Ricoh Express (Shenzhen) Warehouse Co;Ltd.
Ricoh International Freight Forwarding (Shenzhen) Co;Ltd.

Hong Kong
Ricoh Hong Kong Ltd.
Ricoh Asia Pacific Operations Ltd.
Ricoh International Logistics (H.K.) Ltd.

India
Ricoh India Limited

Malaysia
Ricoh (Malaysia) Sdn. Bhd.

New Zealand
Ricoh New Zealand Limited

Philippines
Ricoh (Philippines), Inc.

Singapore
Ricoh Asia Pacific Pte Ltd.
Ricoh Printing Systems Singapore Pte Ltd.
Ricoh Singapore Pte. Ltd.

Thailand
Ricoh (Thailand) Ltd.

Taiwan
Ricoh Taiwan Co., Ltd.

Senior Management

As of June 25,2009

Board of Directors

Representative Directors

Masamitsu Sakurai
(Chairman of the board)
Shiro Kondo

Directors

Koichi Endo
Katsumi Yoshida
Masayuki Matsumoto
Takashi Nakamura
Kazunori Azuma
Zenji Miura
Kiyoshi Sakai
Takaaki Wakasugi
Takuya Goto

Corporate Auditors

Shigekazu Iijima
Yuji Inoue
Kenji Matsuishi
Takao Yuhara

Executive Officers

Chairman

Masamitsu Sakurai

President and CEO

Shiro Kondo

Deputy Presidents

Koichi Endo
Katsumi Yoshida

Corporate Executive Vice Presidents

Masayuki Matsumoto
Takashi Nakamura
Kazunori Azuma
Zenji Miura
Kiyoshi Sakai

Corporate Senior Vice Presidents

Terumoto Nonaka
Kenji Hatanaka
Hiroshi Kobayashi
Yoshimasa Matsuura
Norio Tanaka
Hiroshi Adachi
Kenichi Kanemaru
Hisashi Takata

Corporate Vice Presidents

Kiyoto Nagasawa
Yutaka Ebi
Norihisa Goto
Mitsuhiko Ikuno
Kenichi Matsubayashi
Soichi Nagamatsu
Kazuhiro Yuasa
Yohzoh Matsuura

Group Executive Officers

Kazuo Togashi
Shiroh Sasaki
Sadahiro Arikawa
Hiroshi Tsuruga
Kohji Sawa
Yoshihiro Niimura
Michel De Bosschere
Daisuke Segawa
Nobuaki Majima

Corporate Data

Ricoh Company, Ltd.

Consolidated Financial Statements and Schedule
For the years ended March 31, 2007, 2008 and 2009
With Reports of Independent Registered Public Accounting Firm Thereon

Corporate Headquarters
Ricoh Building, 8-13-1 Ginza, Chuo-ku, Tokyo 104-8222 Japan
Tel: +81-3-6278-2111
Fax: +81-3-6278-2997

Date of Establishment
February 6, 1936

Number of Shares Authorized
1,500,000,000 shares

Number of Shares Issued (as of March 31, 2009)
744,912,078 shares

Stock Listings
Tokyo, Osaka, Nagoya, Fukuoka, Sapporo, Euronext Paris

Independent Public Accountants
KPMG AZSA & Co.

Shareholders Register Agent
The Chuo Mitsui Trust and Banking Co., Ltd. 33-1, Shiba 2-chome,
Minato-ku, Tokyo 105-8574, Japan

Depositary for American Depositary Receipts
The Bank of New York Mellon
101 Barclay Street, New York, NY 10286, U.S.A.
Tel: 201-680-6825
US toll free: 1-888-269-2377 (1-888-bny-adrs)
Website: http://www.adrbnymellon.com

● 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
66 Chiltern Street, London W1U 4AG, 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.
17F., Huamin Empire Plaza, No.728 Yan An West Road,
Shanghai, China
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/ir/

COLOR UNIVERSAL DESIGN

NPO Color Universal Design Organization has certified this report as a color universal design due to its easy-to-see features based on careful color selection.

We'd like to hear your comments and thoughts about Ricoh Group's Annual Report

As a company that values the trust that society places in it, the Ricoh Group is committed to providing its stakeholders with corporate information that is appropriate, accurate and delivered in a timely manner.
Your comments and thoughts will help us produce even better and easier to understand Annual Reports. Please answer the questions on the other side of this page and fax it to us at the number below.

IR Department, Ricoh Co., Ltd.

Fax: +81-3-3543-9329

Ricoh Bldg., 8-13-1 Ginza, Chuo-ku, Tokyo 104-8222, Japan

RICOH GROUP ANNUAL REPORT 2009

Questionnaire

Please return the completed questionnaire to the IR Department, Ricoh Co., Ltd. Fax No.: +81-3-3543-9329

We value your opinion and comments and may use them in the preparation of our next report.

Q1. Have you ever read a previous year's Ricoh Group Annual Report?

1. Yes 2. No

Q2. Are you a shareholder of Ricoh?

1. Yes 2. No

Q3. Why did you read this report?

1. For analysis and evaluation purposes related to making investment decisions
2. For reasons related to work and/or study
3. To collect information about a potential employer
4. Out of interest in the Ricoh Group
5. Out of interest in Ricoh Group products
6. Other

Q4. Which sections of the report particularly interested or impressed you? (Please check all that apply.)

1. To our shareholders and customers (message from the management)
2. Financial highlights
3. Highlights by product line
4. Progress of the 16th Mid-Term Management Plan (interview with the management)
5. Creating new customer value
6. RICOH milestones
7. Sustainable environmental management
8. Corporate social responsibility
9. Financial section

Q5. Are there any topics on which you would like to obtain further information? If yes, please specify:

Q6. How would you rate this report?

A. Readability

1. Excellent 2. Average 3. Poor

B. Amount of information contained

1. Satisfactory 2. Neutral 3. Unsatisfactory

C. Design (e.g., layout, color, reader-friendliness)

1. Excellent 2. Average 3. Poor

D.Preferred language

1. English 2. Japanese 3. Chinese
4. Other (Please specify:)

Q7. If you have any comments regarding this report or the Ricoh Group, please make them here:

Q8. Which of the following best describes you?

1. Institutional investor
2. Analyst
3. Individual investor
4. Consultant
5. Customer of the Ricoh Group
6. Business person
7. Corporate IR staff
8. Business partner of the Ricoh Group
9. Media representative
10. Government/public administration
11. Employee of the Ricoh Group or family member of employee
12. Student
13. University staff/educator
14. Other

Thank you for your time and cooperation.

If you wish to receive other Ricoh Group publications including corporate informations, you can request a printed version and/or download an electronic (PDF) version from our website.

http://www.ricoh.com/brochure/

■ **Printed version**

- Sustainability Report (Corporate Social Responsibility) (Highlights) (Japanese)
- Annual Report* (English/Japanese)
- Company Information* (English/Japanese)

* An electronic (PDF) version is also available

■ **Electronic (PDF) version only**

- Sustainability Report (Corporate Social Responsibility) (Chinese/English/Japanese)
- Sustainability Report (Environment) (Chinese/English/Japanese)
- Fact Book (English/Japanese)