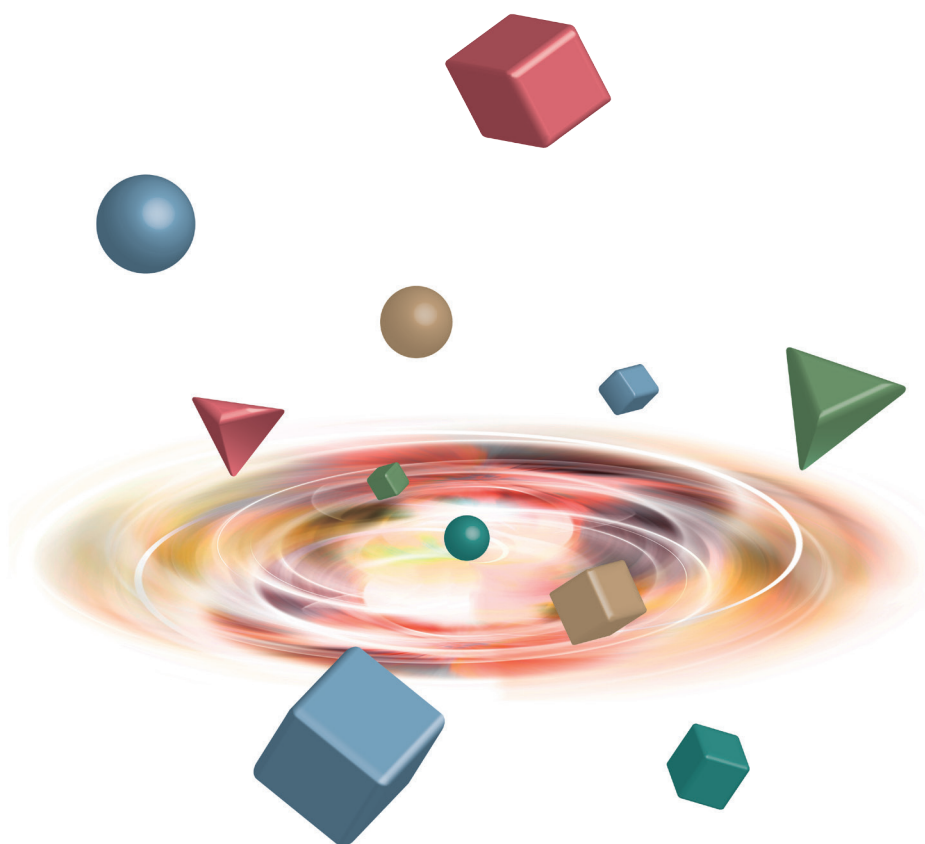


Creating Value

Financial
Social
Environmental

RICOH
imagine. change.



Ricoh Group Sustainability Report 2016
(Integrated Report)

The RICOH Way constitutes the basis of all corporate activities of the Ricoh Group, and comprises its Founding Principles and its Mission, Vision, and Values.

Founding Principles

The Spirit of Three Loves

**Love your neighbor,
Love your country,
Love your work**

Mission, Vision, and Values

Mission Statement

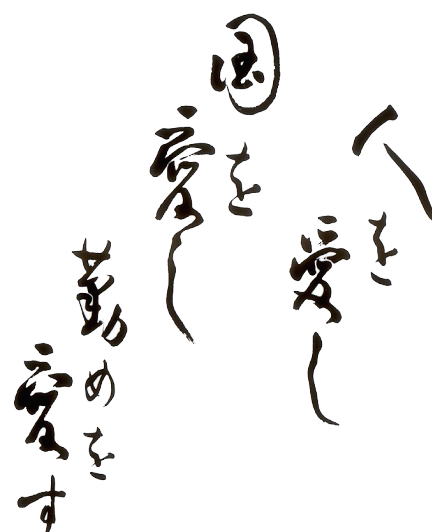
At the Ricoh Group, we are committed to providing excellence to improve the quality of living and to drive sustainability.

Vision Statement

To be the most trusted brand with irresistible appeal in the global market.

Values Statement

To be a global company, we must care about people, our profession, our society, and our planet. We must dedicate our winning spirit, innovation and teamwork to sharpen our customer-centric focus, and we also must commit to the highest standards of ethics and integrity.



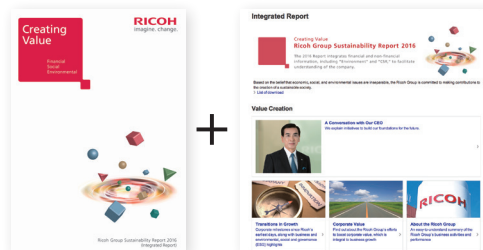
Ricoh founder Kiyoshi Ichimura formulated The Spirit of Three Loves in 1946. These principles represent how we do business, encouraging us to constantly improve so that we may contribute to the well-being of all our stakeholders. The principles embody Mr. Ichimura's dedication by championing mutual respect, contributing to society by cherishing the planet, and encouraging our people to find meaning in work and passionately take on new challenges.

Policy on information disclosure

We take a proactive and fair approach to providing society with timely information and ensure that as many people as possible understand what the Ricoh Group is all about.

The purpose of the Sustainability Report is to enable stakeholders to fully understand activities undertaken by the Ricoh Group to raise corporate value over the long term through a concise mixture of financial information, such as business performance and numerical results, and non-financial information, such as policies, strategies and underlying concepts.

The booklet version (printed and PDF*) of the Sustainability Report briefly presents stories and measures about efforts to boost corporate value. The online version features specific initiatives to attain objectives and associated results. > p. 67



Booklet version (printed and PDF*)

Concise presentation of stories and measures aimed at boosting corporate value

Online version

Details on activities and results, categorized by theme

* Adobe PDF is a trademark or a registered trademark of Adobe Systems Incorporated in the United States and other countries.

Target readership

Current and future stakeholders of the Ricoh Group

Scope of coverage

Ricoh Co., Ltd. and its consolidated subsidiaries

Reporting period

This report covers the fiscal year from April 1, 2015 to March 31, 2016; however, some activities from the fiscal year ending March 31, 2017 are also included.

Guidelines

The following guidelines have been used for reference to ensure topics are appropriately selected and organized:

- GRI Sustainability Reporting Guidelines (G3.1)/(G4) > 1
- The Japanese Ministry of the Environment's Environmental Reporting Guidelines 2007
- United Nations Global Compact Communication on Progress Policy
- IIRC International <IR> Framework

This version of the Sustainability Report reflects the opinions of experts, including investors and think tanks, who offered their thoughts on how the previous report could be improved. > 2

Major organizational changes

• Ricoh Middle East FTZ commenced operations

(April 1, 2015)

Full-scale operations have commenced in Dubai as part of Ricoh's growth strategy for emerging markets, and the new company is extending Ricoh's ability to provide value-added products and services matched to the needs of customers in the Middle East and to offer new office solutions to the local market.

• P.T. Ricoh Thermal Media East Asia Pacific established and commenced operations

(July 1, 2015)

We set up this subsidiary to develop, manufacture, and market thermal transfer ribbons in Indonesia, which is poised to become Southeast Asia's biggest consumer of thermal products. We are drawing on this company to cultivate our business in Indonesia and around Southeast Asia.

• Two Impromat subsidiaries acquired in Eastern Europe

(July 7, 2015)

We acquired Impromat-CZ spol. s r.o. and Impromat Slov spol. s r.o., which offer maintenance and after-sales service for office equipment in the Czech Republic and Slovakia. The two subsidiaries enable Ricoh to provide high-quality, high-value-added services to customers in the two nations by enhancing its ability to combine local expertise with its products and services.

• AnaJet LLC of the United States acquired

(January 8, 2016)

AnaJet develops, manufactures, sells, and services direct-to-garment printers. The acquisition of this company enabled Ricoh to enter the promising market for such equipment and reinforce its industrial inkjet business.

Forward-looking statements

The plans, prospects, strategies and other statements, except for the historical events, mentioned in this report are forward-looking statements with respect to future events and business results. These statements were made based on the judgment of Ricoh directors from the information that was obtainable at the time. Actual results may differ materially from those projected or implied. No assumptions concerning future events and business results should be made based on these forward-looking statements. The following important factors, without limiting the generality of the foregoing, could cause actual results to differ materially from those expressed in the forward-looking statements:

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

No company's name and/or organization's name used, quoted and/or referenced in this material shall be interpreted as a recommendation and/or endorsement by Ricoh. This material is not an offer or a solicitation to make investments. Please do not rely on this material as your sole source of information for your actual investments, and be aware that you yourself are responsible for decisions regarding investments.

Exchange rates referred to in this report

The translation of Japanese yen amounts into U.S. dollar equivalents as of and for the year ended March 31, 2016 is included solely for the convenience of readers outside Japan and has been made using the exchange rate of ¥112 to US\$1, the approximate rate of exchange prevailing at the Federal Reserve Board on March 31, 2016.

Refer to our website

- 1 GRI Guidelines www.ricoh.com/sustainability/report/gr_guideline/
- 2 Dialogue with Experts www.ricoh.com/csr/vision/concept.html

To Our Stakeholders

Established in 1936, the Ricoh Group has spent the last 80 years leveraging innovative technologies, including optical and imaging equipment, to create new value. We now provide products, services, and solutions in offices and other environments in over 200 countries around the world. The ongoing support of all of our stakeholders, including customers, shareholders, investors, business partners, employees and communities, has enabled us to achieve such growth.

Recent years have seen rising demand for social sustainability from solutions which positively impact climate change, poverty, human rights, and other issues. This demand has arisen due to economic globalization and the growth of emerging nations. At Ricoh, we believe that tackling such challenges in the course of business is vital for us to capitalize on new opportunities, reduce operational risks and thereby enhance corporate value.

In April 2014, we designed the Mid-term Management Plan to ensure the Group's long-term progress. Since then, we have worked tirelessly to implement the two fundamental strategies of this initiative, which are to reinforce and develop the earnings power of core businesses and achieve growth by creating new profit generators. In fiscal 2016, we reformed the sales and services structures of our core businesses. At the same time, we are cultivating future core areas by reinforcing our inkjet businesses in the industrial printing market, entering the healthcare arena, and strengthening our environmental businesses.

We are leveraging the collective talents of our people in keeping with our corporate tagline of "imagine. change." in pursuit of our mission, which is to improve the quality of living and to drive sustainability. We will continue striving toward better tomorrows for our customers and the communities we serve by constantly creating new value that goes beyond their expectations and those of our other stakeholders.

November 2016



Shiro Kondo
Chairman

Zenji Miura
President and CEO

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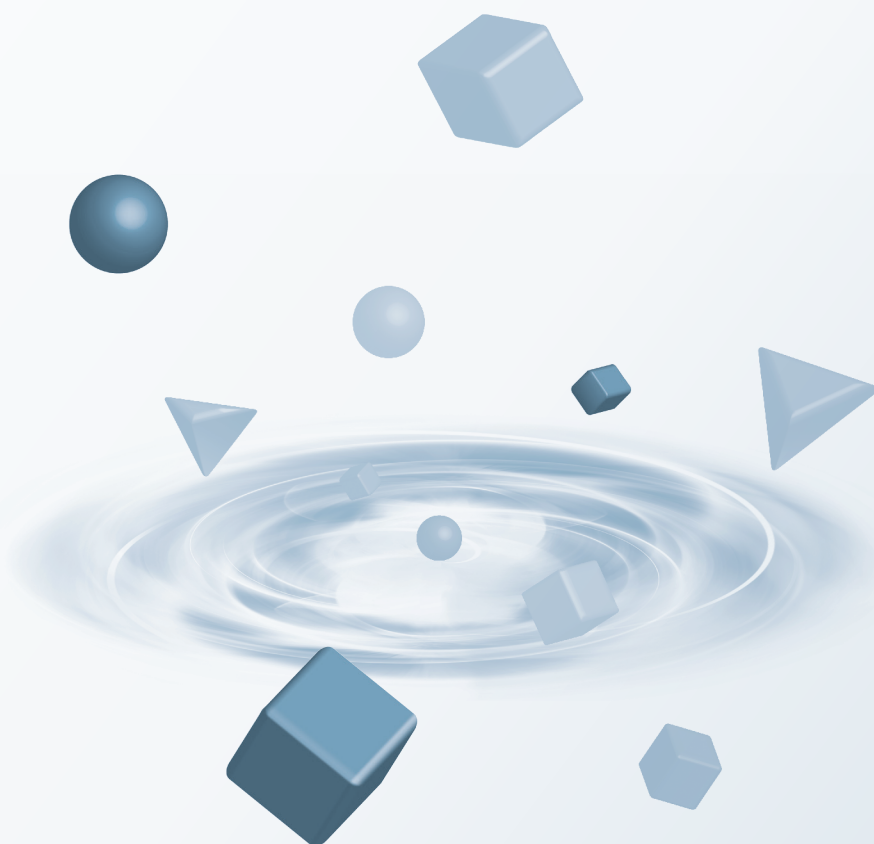
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VALUE CREATION

An overview of our history, value creation model, medium- and long-term vision, and existing operations, as well as efforts to enhance corporate value.

- 07 **Transitions in Growth**
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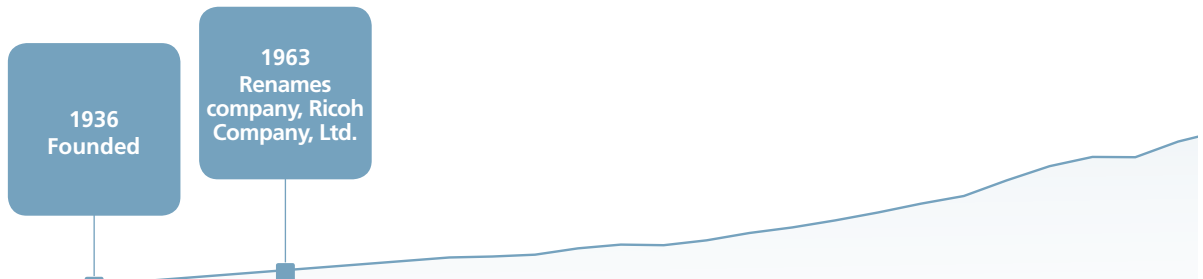
1936–
The early years

Started out in the sensitized paper business and then branched out into the camera business, creating the first mass production structure for cameras in Japan and driving widespread interest in cameras among consumers. Entered the business machine field as well.

1970–
OA pioneer

Industry debut of office automation (OA). Launched various machines, including plain paper copiers (PPC), to support enhanced office productivity.

Always delivering new value to meet the expectations of our customers and society



Founder, Kiyoshi Ichimura (1900–1968)

Ricoh founder, Kiyoshi Ichimura, oversaw the business based on the principles of “love your neighbor, love your country, love your work”—The Spirit of Three Loves.

- Business
- Environmental, social and governance issues

- 1936 ● Establishes Riken Kankoshi Co., Ltd. (the Ricoh Group commences operations).
- 1938 ● Renames company, Riken Optical Co., Ltd.
- 1950 ● Launches the Ricohflex III camera, which spurs the popularization of cameras.
- 1955 ● Enters the office copier field with the Ricopy 101, its first diazo model.
- 1962 ● Launches the Ricoh Auto Half, a half-frame camera that proves a massive hit.
 - Establishes Ricoh Industries, U.S.A., Inc., a sales subsidiary.
- 1965 ● Introduces the Ricopy BS-1, its first electrostatic copier.
- 1967 ● Launches the Ricomac 201 electric calculator.
- 1971 ● Introduces the Ricom 8, its first office computer.
- 1972 ● Launches the Ricoh PPC 900, its first dry-electrostatic-transfer plain paper copier.
- 1973 ● Establishes Ricoh Electronics, Inc., a manufacturing subsidiary in the U.S.
- 1974 ● Launches the Rifax 600S, the world's first high-speed office facsimile machine.
- 1976 ● Establishes the Environmental Promotion Section.
- 1977 ● Coins the acronym OA for “office automation.”
- 1979 ● Establishes Ricoh Systems, Inc. in the U.S. to carry out R&D.
- 1980 ● Introduces Ricoh Thermal Paper Type 110LA for a food POS system.
- 1983 ● Launches the RICOH LP4120 laser printer.



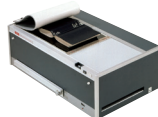
Ricohflex III



Rifax 600S



Ricopy 101



Ricopy BS-1



Ricom 8



RICOH LP4120

1986– The digital revolution

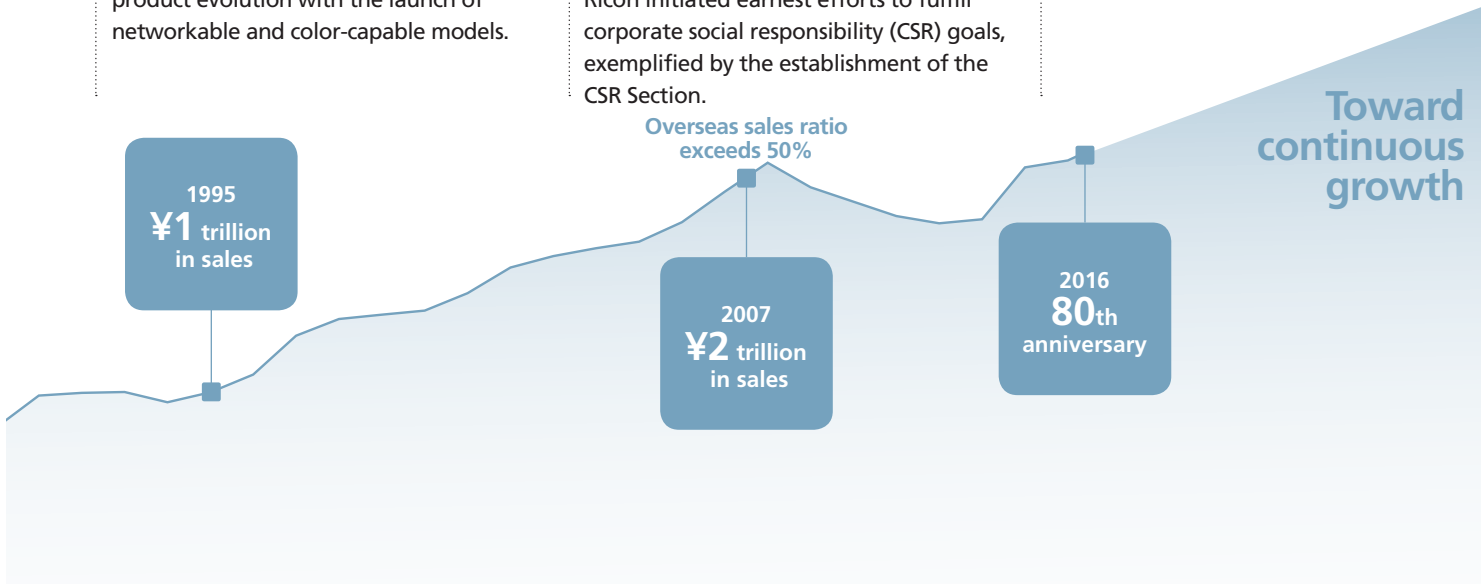
Shifted from analog to digital in the multi-function printer (MFP) domain, helping to popularize digital models. Continued product evolution with the launch of networkable and color-capable models.

2001– A global company

Introduced a global sales structure and achieved an overseas sales ratio exceeding 50%. Concurrently, as a global company, Ricoh initiated earnest efforts to fulfill corporate social responsibility (CSR) goals, exemplified by the establishment of the CSR Section.

2010– Creating new customer value

The range of value provided by Ricoh to customers expanded significantly with rapid evolution in customer workstyles.



- 1987 ● Launches the IMAGIO 320 digital copier.
- 1990 ● Introduces the Artage 8000 digital color PPC.
- 1991 ● Establishes Ricoh Asia Industry (Shenzhen) Ltd., a manufacturing subsidiary, in China.
- 1992 ● Implements the Ricoh General Principles on the Environment, obtains ISO 9002 certification.
- 1995 ● Gotemba Plant obtains the first ISO/DIS 14001 certification from Japan Quality Assurance Organization.
- 1995 ● Acquires Savin Corporation (U.S.) and Gestetner Corporation (U.K.).
- Launches the DC-1, its first digital camera.
- 1996 ● Launches the world's first CD-Rewritable disc.
- 1999 ● Receives Japan Quality Award.
- 2000 ● Appoints an outside director, introduces the executive officer system.

- 2001 ● Introduces the world's first JPEG 2000-compliant LSI, which is capable of processing a moving image.
- 2002 ● Signs the United Nations Global Compact.
- 2003 ● Establishes the CSR Section.
- Establishes the Ricoh Group CSR Charter.
- Establishes the Ricoh Group Code of Conduct.
- The Ricoh Group receives a Gold Medal from the World Environment Center (WEC).
- 2004 ● Acquires Hitachi Printing Solutions, Ltd.
- 2006 ● Establishes 2050 Long-Term Environmental Vision.
- 2007 ● InfoPrint Solutions Company, a Ricoh-IBM joint venture, commences operations.
- 2008 ● Introduces the RICOH Pro C900 color production printer.
- Acquires IKON Office Solutions, Inc. (U.S.).
- 2009 ● Establishes the Ricoh Group Biodiversity Policy.

- 2011 ● Establishes PENTAX Ricoh Imaging Company, Ltd. (currently RICOH IMAGING COMPANY, LTD.)
- Introduces the RICOH PJ WX4130N ultra-short-throw projector.
- Launches the RICOH Unified Communication System P3000 videoconferencing system.
- 2013 ● Releases the RICOH Interactive Whiteboard D5500.
- Launches the RICOH THETA 360° spherical camera.
- 2014 ● Enters the additive manufacturing business.
- 2015 ● Opens RICOH Eco Business Development Center.
- Opens RICOH Future House.
- 2016 ● Enters the healthcare solutions field.



Artage 8000



WEC Gold Medal



RICOH PJ WX4130N



IMAGIO 320

DC-1

CD-RW discs



RICOH Pro C900



JPEG 2000-compliant LSI



RICOH Unified Communication System P3000



PENTAX 645Z



RICOH Interactive Whiteboard D5500



RICOH THETA

Mobilizing our strengths to build
foundations for a strong future



Zenji Miura
President and CEO

Q1 What roles do companies play in changing times?

The operating climate is changing constantly. The world is overpopulating and suffering more natural disasters as a result of climate change. There are water and food shortages. Biodiversity is impacted. Economic growth and globalization have fueled inequality, poverty, human rights issues, an aging population, and other social problems. Humankind must urgently improve social sustainability to tackle these challenges.

We face rising expectations regarding our role as corporate citizens. Organizations like ours must draw on their financial might, diverse human resources, strengths in technological innovation, and global business development capabilities to take more responsibility in delivering concrete solutions to these social issues.

Q2 What is your approach to improving corporate value?

We naturally want the Ricoh Group to help resolve social issues in the course of business. It should also engage extensively in environmental protection and social contribution initiatives as a good corporate citizen. We seek to increase corporate value by transforming our business model into one that enhances social sustainability.

We believe it is important for a company to be recognized by society as an important company to keep in business. The Ricoh Group must therefore strive to improve corporate value so it can keep operating well into the future.

Corporate value derives from meeting the expectations of diverse stakeholders and endeavoring to comprehensively boost value for customers, shareholders, employees, and society.

We therefore formulated The RICOH Way **>1** for Group employees around the world. The RICOH Way encompasses the principles, mission, vision, and values that underpin our corporate activities. It is the cornerstone for making decisions and tackling the complex issues that we face as an enterprise. By putting The RICOH Way into practice, all of our employees can generate and continue to deliver new value that benefits the world and contributes to improvements in quality of living and social sustainability.



1 The RICOH Way

Mission Statement

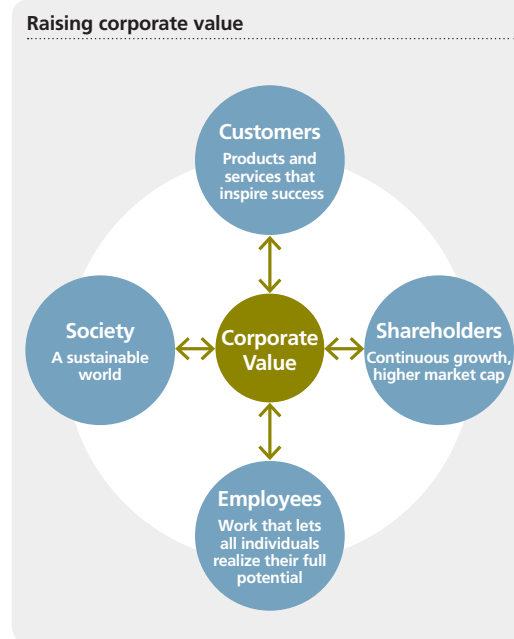
At the Ricoh Group, we are committed to providing excellence to improve the quality of living and to drive sustainability.

Vision Statement

To be the most trusted brand with irresistible appeal in the global market.

Values Statement

To be a global company, we must care about people, our profession, our society, and our planet. We must dedicate our winning spirit, innovation and teamwork to sharpen our customer-centric focus, and we also must commit to the highest standards of ethics and integrity.



Refer to these pages

1 Office
P.21-24

Q3 What are the Group's aspirations?

When we announced the 18th Mid-term Management Plan (18th MTP) (April 2014 through March 2017), we declared that we would drive toward and beyond 2020 by becoming "an environment-friendly company that makes customers feel 'confident, comfortable and convenient,' while exceeding their expectations and to support lifestyle transformation." We will remain an enterprise that serves a real purpose in the world by constantly creating new customer value for society.

Society will likely change dramatically in the years ahead as values and lifestyles diversify. It is our task as a business to determine how best to address such change. We will draw upon our technological strengths and customer connections to realize our aspirations in view of the megatrends that transform the operating climate.

The Ricoh Group in 2020 and beyond

An environment-friendly company
that makes customers feel
"confident, comfortable and convenient,"
while exceeding their expectations
and to support lifestyle transformation

Q4 What have you done thus far to transform your aspirations into reality?

We positioned the three years of the 18th MTP as a period for ensuring long-term growth and steadily enhancing corporate value. The two strategic fundamentals of that initiative are to reinforce and develop the profitability of core businesses and achieve growth by creating new profit generators.

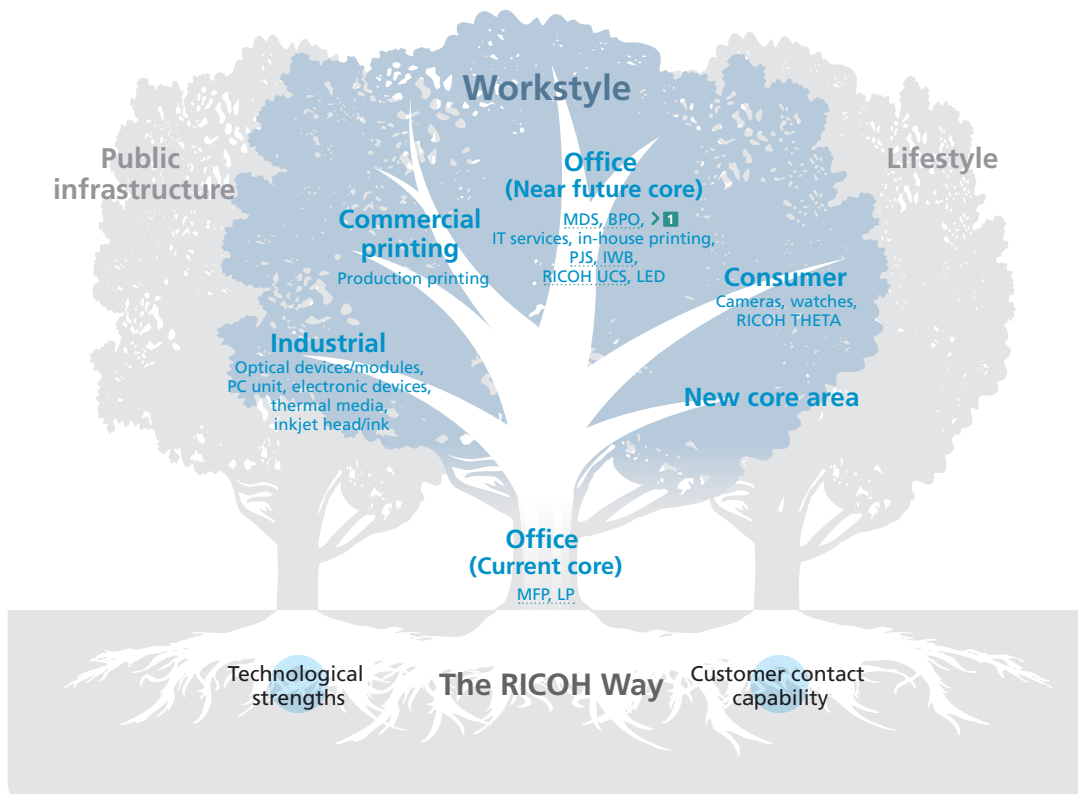
The first fundamental entails solidifying our operations by delivering value not just through standalone products but solutions that combine our products and services that draw on our close ties with customers, thereby bolstering our competitiveness. That is why we offer Managed Document Services and Information Technology services that propose ways for customers to transform work practices by using document digitization. We also aim to maximize customer value through one-stop solutions that combine Visual Communications products with Information Technology services. Visual communications solutions may incorporate our RICOH Unified Communications Systems, which facilitate remote any-time, anywhere communication, our RICOH Interactive Whiteboards, which support global video-conferencing, and our projection systems. > 1

We organized our industry-specific sales and service structure to reinforce profitability globally by providing products and services that draw on our strengths. We can provide solutions that increase customers' sales and satisfaction by thoroughly understanding their concerns and business processes. For our production structure, we reviewed roles and consolidated operations for each business region. In R&D, we are drawing on the overall resources of the Ricoh Group to streamline development so we can strengthen our sales and service structure and increase customer value.

Our second strategic fundamental encompasses drawing on our technological strengths and close customer ties to build new key businesses and accelerate growth.

Ricoh's direction for 2020 and beyond

Confident, Comfortable and Convenient


1
MDS

Managed document services

BPO

Business process outsourcing

PJS

Projection system

IWB

Interactive whiteboard

RICOH UCS

RICOH unified communication system

MFP

Multifunction printer

LP

Laser printer

A good example of this is our Production Printing business, where we leveraged the strengths in core business. There, we expanded our lineup with new products launched in 2015 to achieve steady growth. We expanded our Production Printing business from in-house printing to commercial printing, a new growth area. >2

Another growth area is the Industrial Products business, where we are concentrating investments. In industrial inkjet business, we are combining our inkjet head and ink materials technologies to accelerate growth strategies that center on technologies for printing on media other than paper. We are also delivering value by integrating our image processing,

optical, and other technologies to offer automotive, security, factory automation, and other applications. >3

On the new business front, we entered the health-care arena by acquiring the magnetoencephalography (MEG) business of Yokogawa Electric Corporation. In April 2016, we opened the RICOH Eco Business Development Center in Gotemba, Shizuoka Prefecture, to evolve our environmental management in lockstep with our customers. >4

Also that month, we reviewed and rolled out a new governance structure to put in place a framework that positions management for new challenges over the next several decades. >5

Refer to these pages
2 Commercial printing
 P.25–26

3 Industrial
 P.27–29

4 New core area
 P.30–31

5 Revision to corporate governance structure
 P.47

Refer to these pages

1 Ricoh Group Consolidated Financial Results for Fiscal 2016
P.54-62

2 Responding to incidents and accidents
P.52

Q5 How did you perform in fiscal 2016 and what are your targets for fiscal 2017?

The global economy experienced some difficulties in recovery during the year. Slowdowns in China and other emerging markets affected developed nations. The outlook for Japan's economy became unclear in view of the yen's rise at the start of the term and falling share prices. It was against this backdrop that while our consolidated total sales rose, profit attributable to owners of the parent declined. While operating profit benefited from structural reforms, it nonetheless declined 11.6% from a year earlier owing to a deteriorating business climate, intensifying competition, and foreign exchange fluctuations. >■

To prepare for fiscal 2017, we brought forward structural reforms to accommodate a strong yen and further changes in the business climate. We also adjusted the forecast taking into consideration financial irregularities in Ricoh India.

Consolidated targets for fiscal 2017

Announced on October 27, 2016

Sales (JPY billion)	2,010.0
Operating profit (JPY billion)	40.0
Operating margin	2.0%
ROE	1.7%

* Exchange rate: ¥105.13=US\$1, ¥116.57=€1

An independent auditor that Ricoh India appointed in 2015 raised concerns regarding reporting, and delayed the publication of the results until the matter could be concluded. Ricoh India's audit committee, together with its accountants and lawyers in India, undertook an internal investigation which revealed that some employees had falsified accounts. Ricoh India announced its fiscal 2016 results on November 18, 2016. The company incurred a net loss for that year of 11.2 billion Indian rupees (¥17.5 billion). Ricoh looks to lower its post-tax earnings forecast by about ¥6.9 billion for fiscal 2017, largely to reflect expenditures to turn around its Indian operations.

Ricoh offers its sincere apologies for the inconvenience and concerns that this incident has caused to shareholders. Management takes the above matter seriously, and will reflect external expert assessments concerning the effectiveness of governance and internal controls at overseas subsidiaries in formulating and deploying measures to reinforce internal administration and audits at those subsidiaries and prevent similar incidents from recurring. >■

Q6 What are the Group's challenges and how will it tackle them?

The outlook for the global economy remains unclear given downside factors such as falling share prices and record low interest rates in developed nations, as well as declining prices for oil and other resources. It is also important to note that technological innovations and progress with networking have transformed the printing needs of customers in recent years. I therefore believe it is vital for the Ricoh Group to craft new approaches to continue to grow in unpredictable business climates.

We are accordingly undertaking the following three key initiatives.

The first is to reinforce the profitability of core businesses. In Office Imaging, we will continue to roll out advanced multifunction printers and other new offerings that help customers enhance their business efficiency. We will also endeavor to optimize the value chain for the sales and maintenance services that we provide to customers and strengthen our services to match customers' business requirements. In Network System Solutions, we will standardize global infrastructure and make it more nimble to boost profitability.

The second initiative is to accelerate the growth of new businesses. In Production Printing, our product lineup can cater to the needs of commercial printing customers. We aim to enhance the productivity of commercial printing by providing end-to-end support for printing processes. We will concentrate management resources on the industrial printing business, making our inkjet technologies central in catering to demand for printing on media other than paper.

Finally, our third initiative is to step up and bring forward ongoing Companywide structural reforms. We will swiftly create a structure that delivers new customer satisfaction and build firm business foundations that withstand swings in the external climate and ensure that our operational management delivers high integrity standards by embracing transparency and effectiveness.

It is in undertaking measures to tackle these challenges that the Ricoh Group aims to remain healthy in the years ahead.

Q7 What are you doing to boost shareholder value?

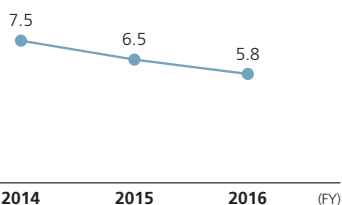
We believe that achieving sustainable growth will help us to expand corporate value and increase shareholder value. We will therefore generate solid results by undertaking the following measures to improve earnings. We will reinforce our sales structure for specific customer industries as part of efforts to lift the profitability of core businesses while investing heavily to foster fields that could ultimately become key businesses. We will draw on the Group's collective strengths to restructure all functions, including those of headquarters, to establish robust operational foundations.

We have revised our shareholder returns policy, which previously pursued a total consolidated payout ratio of around 30%. We now look to invest in generating sustainable growth over the medium and long terms while endeavoring to stably increase dividends to maintain a consolidated dividend payout ratio of 30% to 50%.

We are also endeavoring to increase our asset efficiency, including reviewing our portfolio. Our October 2015 sale of a property in Ginza, Tokyo, was in keeping with that effort.

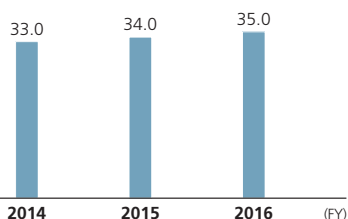
ROE

(%)



Cash dividends per share

(JPY)



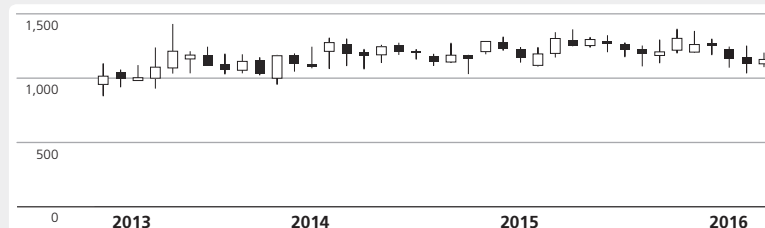
Q8 Where will the Ricoh Group head in the years ahead?

We marked our 80th anniversary in February 2016. We celebrated our achievements over the years in providing product and service solutions to customers. We were determined more than ever to become an enterprise that keeps delivering new value while building brighter tomorrows with all of our stakeholders.

The Ricoh Group will continue to embrace the challenges of enhancing corporate value toward and well beyond our centennial in 2036.

Stock price

(JPY)



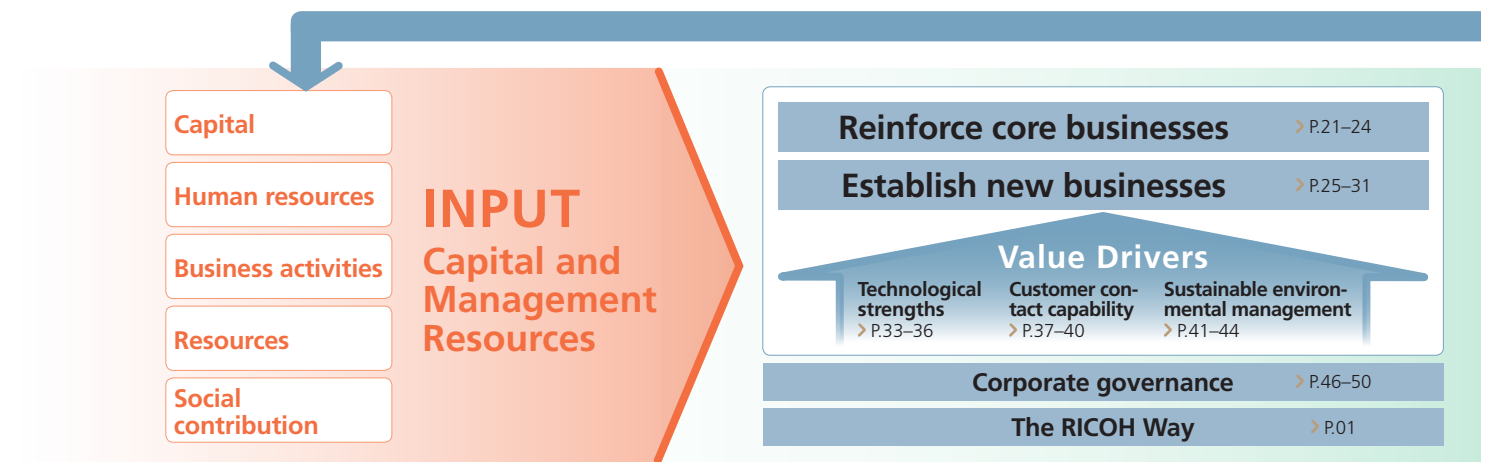
Corporate value integral to business growth

The Ricoh Group is always working to provide new value to stakeholders through corporate activities and to be a constructive part of solutions to issues that concern customers and society as a whole. As a group, we will strive to achieve continuous business growth and raise corporate value ever higher.

Cycle of improvement for corporate value

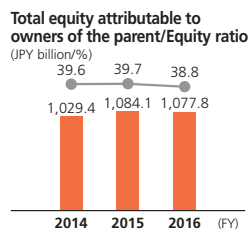
Companies invest copious amounts of capital and management resources to run their businesses and generate all sorts of value.

To us, at Ricoh, corporate value means responding to the various expectations of stakeholders and delivering value that extends to all stakeholders, including customers, shareholders, employees and society at large, and by raising value for each stakeholder we ultimately raise corporate value as well.



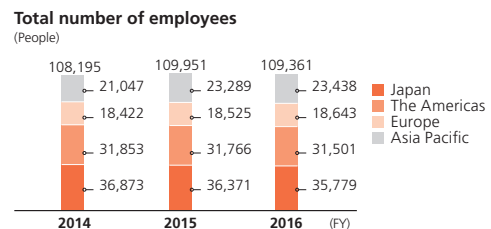
INPUT Capital and Management Resources

Capital



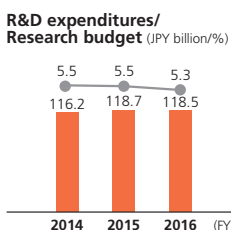
We secured funds to generate sustainable growth and increase corporate value. > P.54

Human resources



Employee numbers declined in Japan and the Americas. We increased numbers in the Asia Pacific, where we expanded operations in emerging nations.

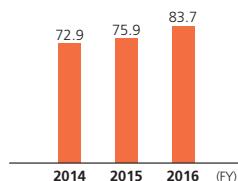
Business activities



We have targeted research and development investments equivalent to around 5% or 6% of sales to drive ongoing innovations. > P.34

Capital expenditures*1

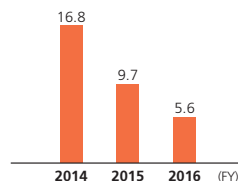
(JPY billion)



We bolstered production facilities and rationalized investments to cultivate new and existing businesses.

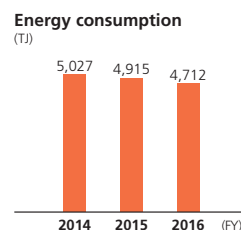
Business acquisitions*2

(JPY billion)



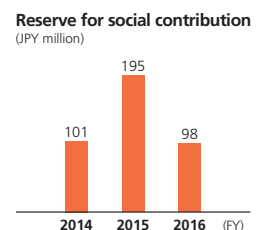
We acquired businesses to secure the resources we need for building new and growth businesses.

Resources



We continued to expand our businesses while constraining energy usage. > P.1

Social contribution



Every year, we undertake social contribution activities funded with earnings we allocate following approval at the Ordinary General Meeting of Shareholders.

Refer to our website

Environmental performance data: Energy Conservation www.ricoh.com/environment/data/pfm_energy.html#energy

*1 Expenditures for property, plant and equipment

*2 Amount recorded under Cash Flows from Investing Activities in the Consolidated Statements of Cash Flows

To boost corporate value, we undertake activities in accordance with management strategies based on core value perceptions and structures. A key element in the equation is The RICOH Way, which establishes the value perceptions that form the foundation for all we do. Corporate governance, with The RICOH Way as a cornerstone feature, accords us the ability to ensure that business activities are being properly executed, and it underpins sound and highly transparent management practices. Then there are our three value drivers—technological

strengths, customer contact capability and sustainable environmental management—that fuel our business growth, and we will apply these drivers in promoting activities to realize the two basic business strategies of the 18th MTP, which are to reinforce and develop earnings power for core businesses and achieve growth by creating new profit generators.

By reinvesting surplus capital and management resources derived through these efforts, we perpetuate the cycle that constantly drives corporate value higher.

OUTPUT
Value
Creation

Engaging stakeholders	
Value to customers > P.21–31, P.37–40	Customers <ul style="list-style-type: none"> • Increase customer value through products and services • Offer safe and reliable products and services Business partners <ul style="list-style-type: none"> • Build partnerships based on mutual trust and fair trade • Promote socially responsible activities across the value chain
Value to shareholders > P.17	Shareholders and investors <ul style="list-style-type: none"> • Increase corporate value by achieving sustained business growth • Provide timely and appropriate information disclosure and communication
Value to employees > P.17	Employees <ul style="list-style-type: none"> • Provide workplaces that motivate our diverse employees • Maintain a culture that fosters personal development and fair treatment
Value to society > P.18	Society <ul style="list-style-type: none"> • Contribute to solving social issues through social contribution and business activities • Respect the cultures and customs of the countries and regions in which we operate, and contribute to their development Global environment <ul style="list-style-type: none"> • Conduct business activities in an environmentally friendly manner and contribute to the reduction of environmental impact • Contribute to the maintenance and restoration of the Earth's self-recovery capabilities

OUTPUT
Value
Creation

Value to customers

Sales (JPY billion)

FY	2014	2015	2016
Value	2,108.4	2,151.4	2,209.0

A Conversation with Our CEO > P.13
Ricoh Group Consolidated Financial Results for Fiscal 2016 > P.54

Number of patents acquired worldwide (Number of patents)

FY	2014	2015	2016
Value	48,446	48,312	49,044

We continued to obtain patents, increasing the number acquired. We relinquished unnecessary patents, replacing them with new ones. > P.34

Value to shareholders

Profit attributable to owners of the parent (JPY billion)

FY	2014	2015	2016
Value	72.8	68.5	62.9

A Conversation with Our CEO > P.13
Ricoh Group Consolidated Financial Results for Fiscal 2016 > P.54

ROE (%)

FY	2014	2015	2016
Value	7.5	6.5	5.8

A Conversation with Our CEO > P.14
Measures to boost ROE > P.17

Value to employees

Average years of service (Ricoh Co., Ltd.) (Years)

FY	2014	2015	2016
Value	17.1	17.6	18.0

The average number of years of service increased.

Value to society

Number of industrial accidents (Ricoh Group (Japan)) (Number of accidents)

FY	2014	2015	2016
Value	107	108	130

Although the number of minor occupational accidents was up, no severe incidents occurred as a result of addressing close calls, undertaking hazard prediction activities, and conducting risk assessments as part of analytical and recurrence prevention efforts.

Total contributions to society > 2 (JPY million)

FY	2014	2015	2016
Value	504	430	363

Contributions were down amid declining employee participation in regional activities and goods donations.

CO2 emissions during product use (Scope 3) (kt)

FY	2014	2015	2016
Value	606.0	612.5	563.8

The expanded use of energy-efficient products contributed to a decrease in emissions.

Value to society/customers

CO2 reduction contribution > 3 (CO2(kt))

FY	2014	2015	2016
Value	395	374	453

Our products and solutions helped cut overall carbon dioxide emissions by society, with the reductions exceeding emissions from all of the Ricoh Group's plants.

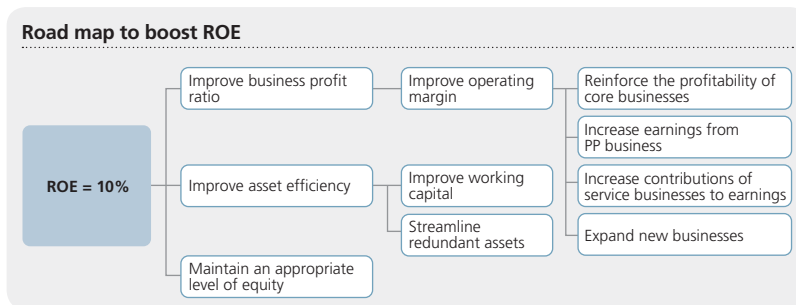
Refer to our website

- 2 Social contribution activities www.ricoh.com/csr/community/performance.html
- 3 Evaluation of contribution www.ricoh.com/environment/management/reduction.html

Shareholder value creation

Measures to boost ROE

We aim to enhance shareholder value by using shareholders' equity efficiently and becoming very profitable. We therefore formulated a roadmap to boost return on equity (ROE). We are accordingly



striving to enhance profitability and asset efficiency while maintaining suitable capital levels to deliver proper shareholder returns.

In fiscal 2016, ROE declined 0.7 percentage point, to 5.8%. The principal factor was lower earnings because of adverse market conditions from intensified competition and the impact of foreign exchange fluctuations, which offset gains from asset reviews.

Thoughts on return to shareholders

We will bolster our financial reserves to solidify our financial position and cultivate new businesses. At the same time, we look to steadily lift our consolidated dividend payout ratio from around 30%, to about 50%, to return more earnings to shareholders. >1

Employee value creation

Fostering our people worldwide through "The RICOH Way"

We endeavor to ensure that all of the Ricoh Group's 110,000 employees worldwide embrace "The RICOH Way," which is fundamental to consistently delivering the same value proposition to customers worldwide. Sharing values empowers our diverse people to demonstrate their individuality and respect each other in their efforts, contributing to a corporate culture that fosters flexible ideas and innovation. Ensuring that all of our employees have real purposes in life and can reach their potential is vital for Ricoh to continue growing sustainably. We aim to tackle the challenges of social change and intensifying competition by materializing the true value of our people, further enhancing our corporate value. >2

Fostering a caring, appreciative corporate culture through The RICOH Way Recognition Program

Once a year we recognize outstanding efforts among Group employees in keeping with the spirit of The RICOH Way. We have three prize programs. These are The RICOH Way Award, The Star Supporter Award, and The Giving Back Award. Prizes honor those whose activities conspicuously contribute to new customer value or innovation in keeping with the values statement of The RICOH Way. The program thus seeks to lift employee morale and foster a caring, appreciative corporate culture. Another goal with these awards is to share success stories from The RICOH Way that everyone in the Group can learn from.



Fiscal 2016, The RICOH Way Excellence Top Award

Refer to our website

- 1 Dividends per share/Dividend payout ratio www.ricoh.com/IR/financial_data/financial_indicators/data7.html
- 2 Diversity and work-life management www.ricoh.com/csr/labor/diversity.html

Social value creation

CSV > 1 initiatives

The Ricoh Group has positioned CSV as a growth strategy for resolving social issues by delivering new value through business. We will seek solutions to social issues that are focuses of Sustainable Development Goals > 2 through technology, products and services, personnel and other Groupwide resources. We look for our efforts to also lead us to new markets and new customers and contribute to innovation-oriented businesses. > 3

CSV initiatives

- Sustainable environmental management (since 1998) > 1
- BOP (Base of the Pyramid) project in India (since 2010)
- Educational support in India (since 2011)
- Exploring business opportunities to contribute to food security and efficiency business in Indonesia (since 2015)



Educational support in India
Class using projector

Social contribution activities undertaken with commitment and responsibility

Within the Ricoh Group, we implement social contribution activities with commitment and responsibility > 4 in focus areas—raising the next generation, global environmental conservation and community development—to address social issues with global impact. In addition, we have set up a social contribution reserve system to ensure a stable source of funds for activities; and with the approval of shareholders, we have set aside an amount equal to 1% (up to ¥200 million) of consolidated profit after dividends for social contribution activities.

Activities funded by the social contribution reserve

- Donations to the New Technology Development Foundation (since 1999)
- Forest ecosystem conservation projects (since 1999)
- Ricoh Science Caravan (since 2007)
- Ichimura Nature School Kanto (since 2002)
- Forest conservation project in Ena, Gifu Prefecture (since 2014)



Ena-no-Mori (Ena Forest) project
Nature class for young children as part of Ena forest conservation project



1 CSV

CSV stands for “creating shared value,” a business concept introduced by Harvard professor Michael E. Porter, a leading authority on competitive strategy, and Mark Kramer in a *Harvard Business Review* article. The core concept of CSV is that the competitive strength of a company and the health of communities around it are inter-reliant. So by addressing social needs and challenges, corporations can create value for their businesses as well as society.

2 Sustainable Development Goals

The 17 Sustainable Development Goals and 169 targets of the United Nations' 2030 Agenda for Sustainable Development include ending poverty and starvation, enhancing education opportunities, and tackling energy and climate change issues.

Refer to these pages

- 1 Sustainable environmental management P.41–44

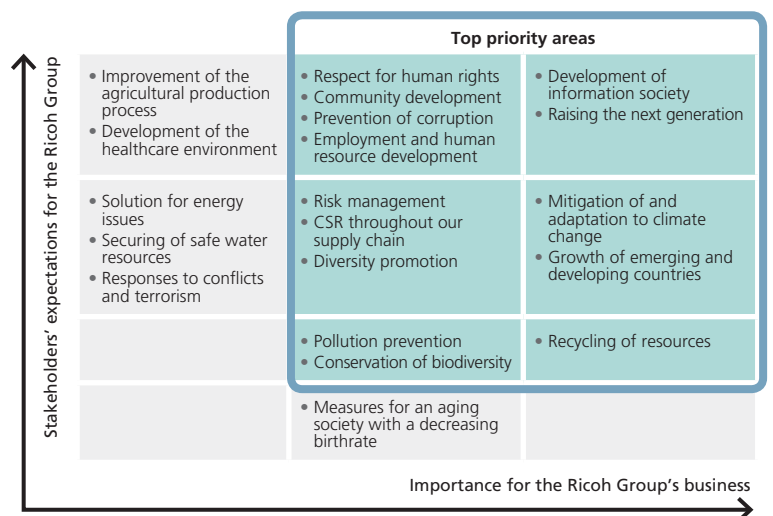
Clarification of issues of materiality for mid- and long-term action

We seek to grow the businesses under the Ricoh Group umbrella while contributing to the sustainable development of the environment and society. Toward this end, we have clarified issues of materiality—key social issues > 5—in line with stakeholder expectations and reflect these issues in our sustainable CSR and environment-oriented activities.

In identifying issues of materiality, we evaluate themes inherent in the creation of a sustainable society in terms of their importance to the business activities of the Ricoh Group and the expectations that stakeholders have for us. The results of our analysis are used for mapping purposes.

CSR measures laid out in the 18th MTP are based on these issues of materiality. Going forward, we will set key performance indicators for each issue and run through a PDCA cycle that includes reviews at our overseas bases, and thereby improve our performance even further.

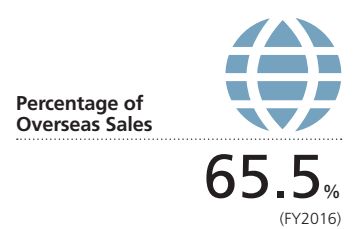
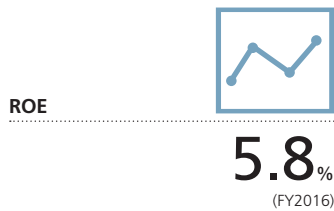
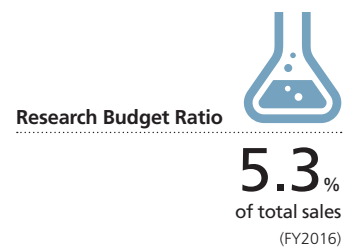
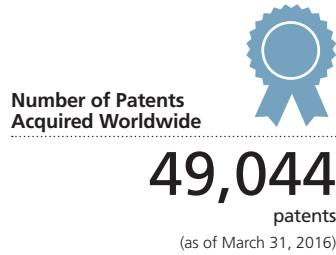
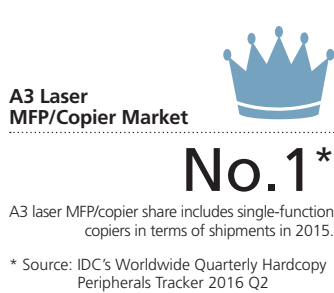
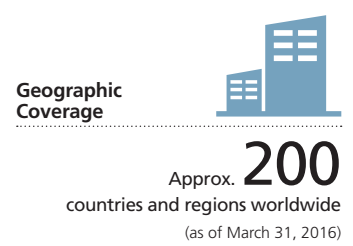
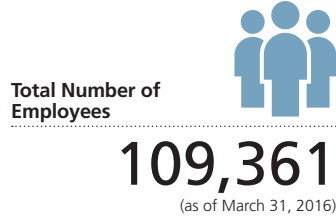
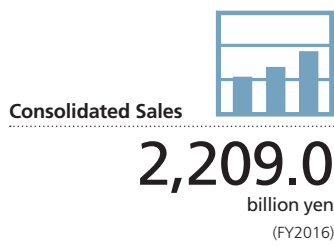
Materiality matrix



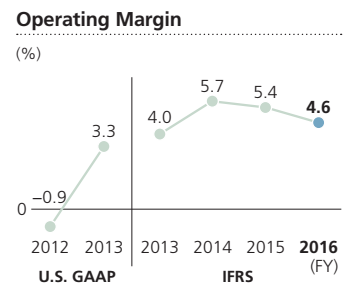
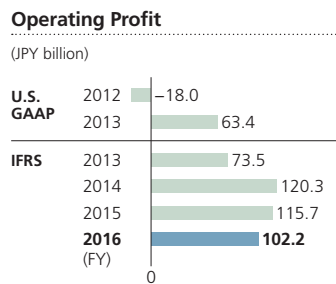
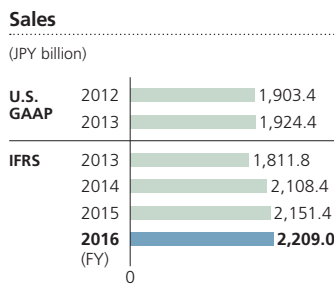
Refer to our website

- 3 CSV initiatives www.ricoh.com/csr/community/value.html
- 4 Commitment to social contribution www.ricoh.com/csr/community/will.html
- 5 Materiality for the Ricoh Group www.ricoh.com/csr/strategy/materiality.html

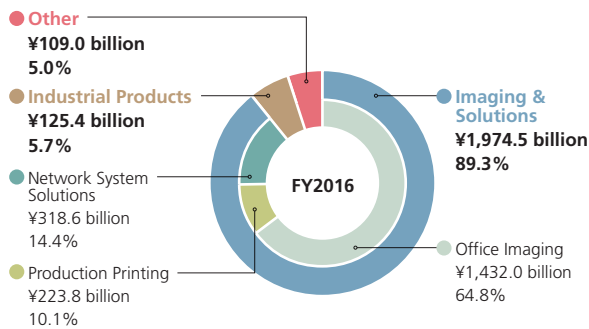
About the Ricoh Group



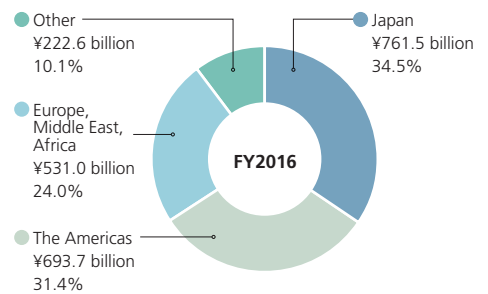
FY2016 Highlights



Sales by Product Category



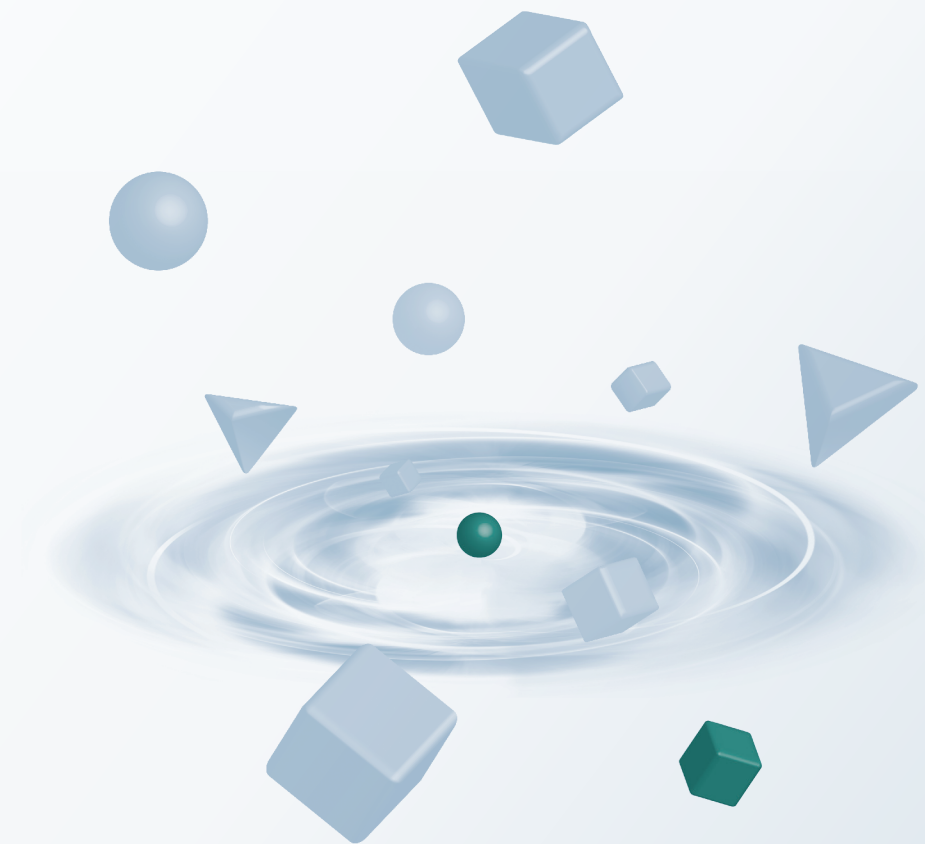
Sales by Geographic Area



BUSINESS STRATEGY

Our businesses anticipate social trends and needs and constantly change as they continue to grow. This section showcases key business goals and noteworthy products and case studies.

- 21 **Office**
- 25 **Commercial Printing**
- 27 **Industrial**
- 30 **New Core Area**



Reinforcing the creation of customer value



Topics

Strengthening our industry-specific sales and marketing structure to maintain our leading share of the global A3 laser MFP market >1

We aim to tackle the challenges of maturing printing markets and intensifying competition in developed nations. We will draw on our global customer base, ties with regional customers, and our worldwide sales and maintenance services network to reinforce our core businesses. We will endeavor to enhance productivity in customer offices through MFPs, printers, and other imaging equipment. We will also supply products and services that drive business success for customers in various industries.

Yoshinori Yamashita
Director, Deputy President and General Manager, Business Solutions Group, Ricoh Co., Ltd.



1 Captures No.1 share worldwide in A3 laser MFP market

IDC's Worldwide Quarterly Hardcopy Peripherals Tracker 2016 Q2; A3 laser MFP/copier share includes single-function copiers in terms of shipments in 2015.

Refer to these pages

- 1 Technological Strengths**
P.33-36
- 2 Customer Contact Capability**
P.37-40
- 3 New Core Area**
P.30-31
- 4 Customer Contact Capability**
P.39



- 2 PP**
Production printing
- 3 VC**
Visual communication

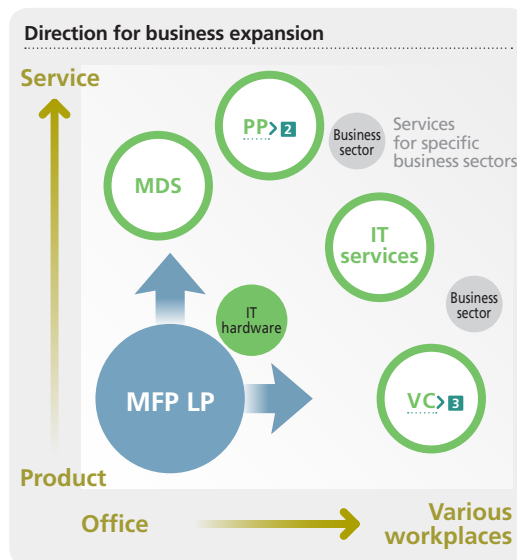
Turning diverse workplace transformations into business opportunities

Workstyles are evolving, driven by increased globalization, growth of emerging economies and a wider embrace of network technologies, and the perceived issues that accompany new workstyles are becoming more diverse. In this environment, the value that customers seek is shifting from "ownership of products" to "use of services," presenting us with untraveled trails to extend our market presence beyond products to new businesses derived from services and solutions.

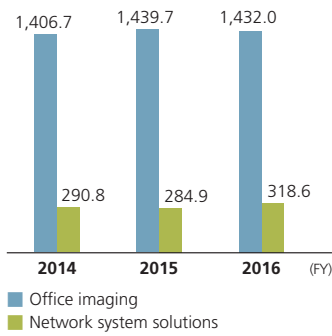
This period of transformation is, from our perspective, a tremendous business opportunity, and new pursuits not bound by existing methods for providing products and services are sure to translate into future growth. The Ricoh Group will draw on strengths cultivated to date, namely, technological strengths >1 and customer contact capability >2, to generate new value from a customer point of view.

Office imaging and network system solutions comprise about 80% of sales on a consolidated basis. With a basic strategy to reinforce and develop earnings power, we are prioritizing approaches to raise market share in developed nations and expand our presence along new business avenues through IT services and communications as well as enhance profitability in emerging nations.

We seek to increase our shares in the mature markets of developed nations by reinforcing our product strength. We strengthened our sales and marketing structure in 2015 for specific fields, including healthcare >3, education >4, finance, and manufacturing. We reviewed basic business processes for customers' core businesses, bolstering support services to enhance sales and customer satisfaction. In healthcare, for example, we proposed automated sorting for prescription and other forms, linking patient photographic and electronic records, and support for regional medical care alliances that use videoconferencing.



**Sales of office imaging/
network system solutions**
(JPY billion)



MTP target

Office imaging
Sales CAGR*

1%

Network system solutions
Sales CAGR*

10%

* CAGR: Compound annual growth rate

SWOT analysis

<ul style="list-style-type: none"> MFP/LP > 4 product group Global customer base Global/local sales/maintenance service network Document-related solution proposal capability 	<ul style="list-style-type: none"> Business scale in emerging markets is small
<ul style="list-style-type: none"> Increasing demand in emerging nations Higher demand due to business expansion drawing on different products/services paralleling changes in workstyle 	<ul style="list-style-type: none"> Markets in developed nations are more mature and competition is fiercer Shrinking investment demand due to cuts in indirect business expenditures

We are deploying products and services from the Innovation Center > 5 to cater to the unique needs of emerging nations. We aim to provide comprehensive solutions linked with designs based on a long-term vision that identifies specific local needs, laws, and other elements. We are striving to deliver new value by supplying managed document services (MDS) > 1 in developed and emerging nations. One example is running a one-stop information technology infrastructure business that plans, builds, and operates information and communications infrastructures for offices. Another example is offering services to make visual communication > 2 more convenient for offices and educational institutions.

Increasing value in imaging equipment

Our strengths include our ability to supply products and services that cater to the globalization of customer operations and a sales and support structure that accommodates market characteristics.

MFPs > 6 launched in 2016 incorporate large full-color touch panels that enhance operability. The panels make it easy to download an array of cloud applications, helping to improve customers' business efficiency.

To provide even more added value, we have taken @Remote > 3, a remote device management service, worldwide. @Remote uses Internet connections to track equipment status and collect information about machine performance to prevent malfunctions, shorten or eliminate downtime, and expedite automated ordering of consumable supplies, all without waiting for a customer to call for assistance. We support all document-related workflows, not only printing, and assume operation and management tasks as well so that customers can boost productivity and cut administrative costs.

To ensure that customers have ready access to the information they need when they need it, we continue to offer proposals for improvement, from business-related information infrastructure layout to optimized design of workflows, from document preparation to output and management, and further to implementation and operation of the systems.



4 LP
Laser printer

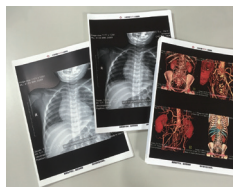
5 Innovation Center
Located in Japan, Dubai, China, India and Mexico; to be opened in ASEAN region

6 Large touch panel on MFP



Case study 1

Chinese law requires hospitals to provide X-ray, computed tomography scans, magnetic resonance imaging, and other medical diagnostic films to patients. We develop and provide customized MFPs that can print images from medical systems.



Case study 2

In view of a requirement to use labeling meeting international standards with chemical products, we evaluated the label paper used in China and developed and commercialized a printer that minimizes paper jams.



Refer to our website

- 1 Managed document services services.rioh.com/services/managed-document-services/
- 2 Visual communication services.rioh.com/services/communication-services/
- 3 @Remote www.rioh.com/remote/

IT services that optimize office infrastructure

To expand sales and raise profitability, customers are keen to concentrate their human resources into core operations. For this to happen, customers need to maintain the efficiency of indirect operations and then boost the level higher. The Ricoh Group applies IT and network know-how accumulated in the course of MFP and printer sales and after-sales support over many years to offer one-stop solutions fine-tuned to customer requirements for everything from IT environment layout to high-level services and support to meet both objectives.

We have reinforced our IT services structure, including through mergers and acquisitions ¹, and have significantly expanded our operations overseas. We look to improve our profitability by supplying high-value-added services that link documents, communications, and business-specific solutions. ¹

Refer to this page

¹ Customer Contact Capability
P.37

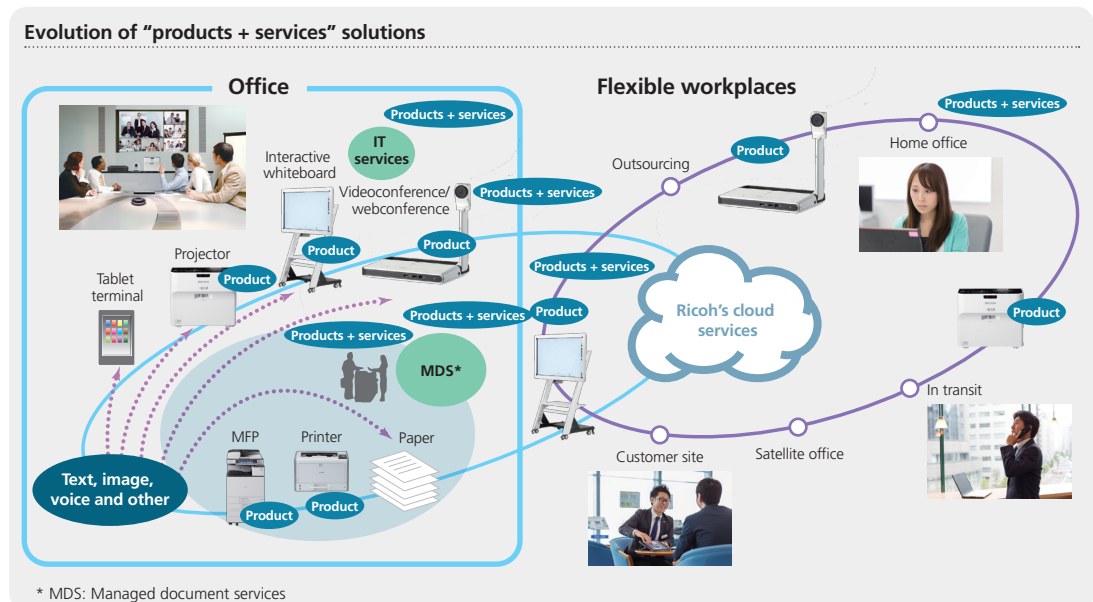
Visual communication business making the flow of diverse communication smooth

As office communication and workstyles change, we will expand services that support communication whenever and wherever people are working.

Our “products”—visual communication equipment—include ultra-short-throw projectors, interactive whiteboards and videoconferencing systems. To these we add “services,” such as know-how and solutions that utilize the “products,” to make tasks more efficient. Basically, we offer “products + services” value that contributes to enhance productivity for customers by extending total support for office work environments.

Workplaces and workstyles are also changing, with many people opting to work from home or in satellite offices. To address the needs of this market, we provide “products + services” support, using visual communication devices and cloud services. By enabling people to communicate face-to-face, even from remote locations, and share materials as they speak, business activities at customer sites move along more smoothly. ² ³

The Ricoh Group will continue to help customers across different business sectors save time and money in their office communication processes and will propose new workstyles that allow employees to demonstrate their creativity.



Refer to our website

- ¹ IT infrastructure services services.ricoh.com/services/it-infrastructure-services/
- ² Visual communication services.ricoh.com/services/communication-services/
- ³ Ricoh's full range of services services.ricoh.com/

Case study on visual communication

Delivering Total Solutions that Transform Work Styles



Rapid developments in information and communication technologies in recent years have made it easy to access information at any time and place. Ricoh helps customers improve work styles in this way through a range of products that support knowledge creation. They include interactive whiteboards (IWBs), the Unified Communication System, and projectors.

A good example of how this works comes from a leading European chemical manufacturer, which wanted to transform work styles when relocating its headquarters. Ricoh participated in the relocation project. We proposed setting up a highly productive and efficient work environment that champions anytime, anywhere collaboration. We offered document management solutions through

multifunctional printers and printers that employ robust integrated circuit card authorization. We also developed specialty software and built a remote videoconferencing system in collaboration with a vendor enterprise. We installed PC-connective IWBs in all 70 meeting rooms of the new headquarters. The IWBs enable face-to-face discussions between participants in different locations so people can share knowledge and create ideas together. Our specifications enabled connectivity with the remote telecommunication services of other companies. We accelerated the customer's operational efficiencies, creating an interactive office environment by suggesting combinations of our diverse products with the services of other companies, one example being four-projector video screens. Such setups helped the customer reduce the costs and time otherwise spent on business trips and transportation.

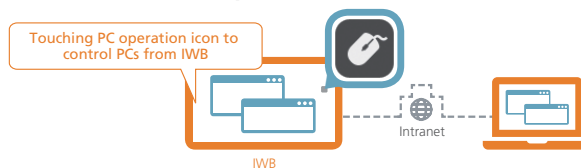
The customer is looking to roll out our solutions at its other business sites. We will continue working with customers to provide solutions that exceed expectations, drawing on Group technologies and global proposal and support capabilities to generate one-stop solution proposals extending from pre-deployment support to after service.

Incredibly user-friendly IWB >2

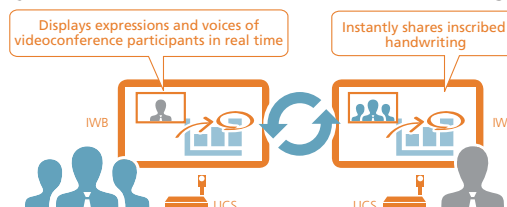


RICOH Interactive Whiteboard D8400

● The IWB can be computer-controlled



● Other systems can be linked for videoconferencing



Delivering total printing solutions



Topics

Creating an unparalleled product lineup Offering solutions that include marketing elements

In fiscal 2016, we increased our in-house printing department market share and continued to expand our presence in the commercial printing business domain. Strategic acquisitions and alliances began to bear fruit. We thus had in place a structure to provide business support for customers through total printing solutions encompassing everything from market-ing consulting through shipping. We will continue pursuing new chal-lenges to generate steady growth.

Tadashi Furushima

Corporate Vice President, Production Printing, Deputy General Manager, Business Solutions Group, Ricoh Co., Ltd.

■ Building a structure to provide one-stop support for a sequence of processes

Picking up on changing needs in the printing market, Ricoh made a full-scale entry into production printing (PP) in 2007, and has enriched its lineup of products and services to meet diverse market needs, with a focus on central reprographics department printing and transaction printing as well as on-demand printing for commercial applications.

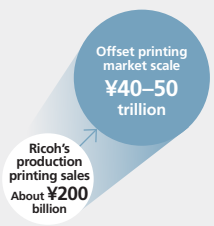
In-house printing is an area where we are seeing demand for printing processes with greater flexibility, including the shifting of in-house production of media previously outsourced to print service providers and variable data printing for such applications as one-to-one marketing.

We are expanding our commercial printing business, where our customer base centers on print providers for advertising, publicity, publishing, and other fields.

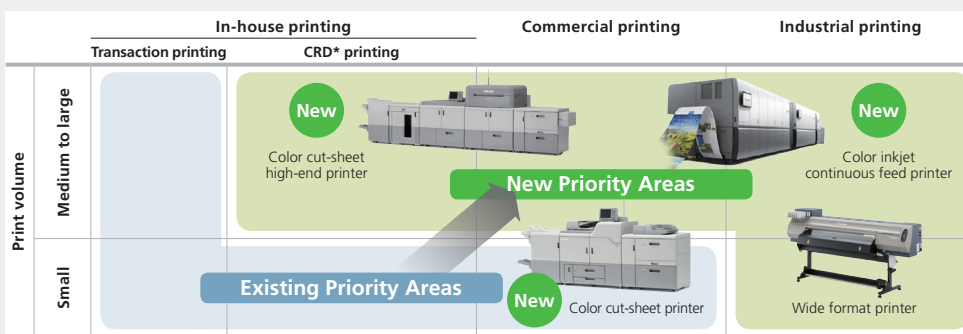
Needs are diverse in the global offset printing market, which is worth ¥40–50 trillion and has massive growth potential. Another consideration is that customers are seeking more than just conventional offset printing. Particular focuses are on high-value-added variable and on-demand printing, with the latter featuring short, small runs.

In fiscal 2016, Ricoh drew on acquisitions and alliances to establish a one-stop structure that can support everything from sales promotion planning through advertising media and promotional tools production. Thereby we were able to secure new work, including commemorative campaigns for hotels and promotional tools for retailers. This enabled us to expand our non-hardware revenues and earnings and steadily grow our business.

Growth potential of Production Printing business



Domain expansion in production printing



Competitive advantages in new areas

- Downsizing to take on products by competitors
- Workflow connectivity to offset printing
- New business creation for customers in the printing service business

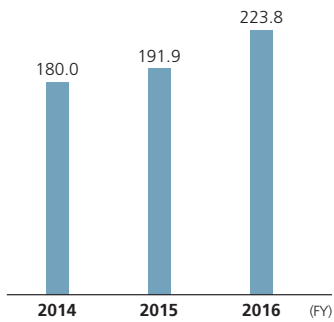
Competitive advantages in current areas

- High hardware performance (High image quality, paper feed capability)
- Low-cost solution
- Complete sales and service network

*CRD: Central Reprographics Department

Sales in the Production Printing business

(JPY billion)



MTP target

Sales CAGR*

9%

* CAGR: Compound annual growth rate

SWOT analysis

<ul style="list-style-type: none"> Imaging technology, such as electrophotography and inkjet technology Global business platform cultivated through the provision of office products and services (in-house printing) 	<ul style="list-style-type: none"> Sales channels into commercial printing
Strengths	Weaknesses
Opportunities	Threats
<ul style="list-style-type: none"> Offset printing→Digital printing (Rising demand for print media with personalized touch and on-demand printing) 	<ul style="list-style-type: none"> Entry of competitors into office domain

Supporting marketing solutions

Since 2011, Ricoh has maintained a strategic alliance with Heidelberg Printing Machines AG covering more than 30 countries. This partnership has enabled us to boost recognition for our equipment in print markets while allowing us to harness Heidelberg's global sales channels.

We fully entered the direct marketing business by drawing on the expertise of InterConnect, Inc., with which we concluded a capital partnership in April 2015. We set up two direct marketing teams to provide customer support that ranges from strategic proposals through implementation to resolve their issues, thus reinforcing our ties with these customers.

A product lineup that delivers new value

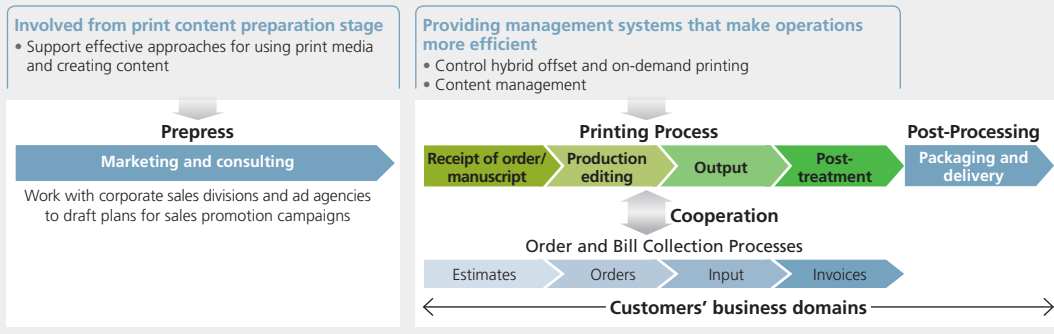
The RICOH Pro C7100 color production printer ¹ can use white and clear toners, and is used extensively for publications requiring higher-value-added design.

In 2015, we launched continuous feed inkjet models that can print on coated stock. One such offering is the RICOH Pro VC60000, which delivers fast, high-quality results for a wide range of paper. This system provides new value to print firms as an alternative to offset setups that necessitate large runs.



Publications printed with white and clear toners

Total solutions to help print service providers expand operations



Refer to our website

¹ Production printing services.ricoh.com/services/production-printing-services/

Leveraging our technological strengths to provide new value



Topics

Expanding partnerships and strategic investments

We aim to draw on the Group's customer contact capability to better understand customers and markets while employing technological capabilities amassed over many years to cultivate new markets. We will identify business expansion potential and invest effectively to swiftly build new core operations for the Group. Prospects are particularly promising in industrial printing, which we have positioned as a key domain that can leverage inkjet head and ink technologies that are Group strengths.

Kunihiko Satoh

Director, Corporate Executive Vice President and General Manager of New Business Development Division, Ricoh Co., Ltd.

Seeking to create more customer value in growth domains

The Ricoh Group's printing, optical, and image processing technologies serve in various industrial fields.

Recent years have seen markets expand significantly for industrial inkjet technology applications. We have supplied inkjet heads, ink, and other industrial products employing proprietary technology over the years. We are expanding our industrial printing businesses to cater to customer demand for printing on various media with diverse applications.

In the industrial products domain, we support factory automation and other areas with special cameras that can pinpoint subject positions, perceive color tones, and acquire information that is invisible to the human eye. We have reinforced our additive manufacturing business to step up support for customers looking to broaden their horizons through 3D modeling. We also offer thermal media for producing images and for thermal labels and other applications and semiconductors for embedding in diverse equipment.

Key businesses in industrial products domain

We are focusing on the following businesses in the industrial products domain

Key businesses	Principal products and services	Summary
Industrial printing > 1	<ul style="list-style-type: none"> Printing on furniture, wallpaper, vehicle exteriors, and signage 	Our technology combines inkjet heads and ink. Expand output applications to diverse media
Industrial products	<ul style="list-style-type: none"> FA cameras Embedded units Super telephoto/fog reduction cameras Sensors 	Develop special cameras that support factory automation by pinpointing subject positions, perceiving color tones, and acquiring information that is invisible to the human eye
Additive manufacturing	<ul style="list-style-type: none"> 3D printer sales/3D output services and consultation > 1 	Draw on accumulated 3D design technology to support innovation at customer manufacturing sites
Thermal media > 2	<ul style="list-style-type: none"> Thermal sheets for POS devices Thermal transfer ribbons 	Establish thermal transfer ribbon production and sales sites in emerging nations
Semiconductors > 3	<ul style="list-style-type: none"> Power supply ICs 	Expand scope of applications with smartphone penetration and sell ICs for automotive devices

Refer to this page

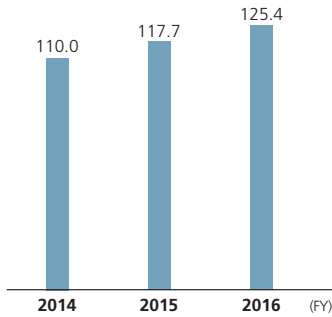
1 3D printer sales/3D output services and consultation P.29

Refer to our website

- 1 Industrial inkjet industry.ricoh.com/en/industrialinkjet/
- 2 Thermal media industry.ricoh.com/en/thermal/
- 3 Electronic devices industry.ricoh.com/en/lsi/

Sales in the industrial products domain

(JPY billion)



MTP target

Sales CAGR*

12%

* CAGR: Compound annual growth rate

SWOT analysis

<ul style="list-style-type: none"> • Technology, particularly optics, printing and image-processing technologies • Global sales and service platform for office business • Production/service know-how acquired as a manufacturer 	<ul style="list-style-type: none"> • Underdeveloped global customer base
Strengths	Weaknesses
<ul style="list-style-type: none"> • Production automation demand (increasing use of robots), spread of IoT (Internet of Things) 	<ul style="list-style-type: none"> • More competitors
Opportunities	Threats

Leveraging decades of expertise in industrial printing to drive new growth

The Ricoh Group drew on its strengths in industrial inkjet heads and ink to enter the industrial printing field. The global market for printing on media other than paper is massive, and has great potential. Media include furniture, wallpaper, vehicle exteriors, furnishing fabrics, PET bottle labels, and signage. We are expanding collaboration with various enterprises and investing strategically to secure the resources we need. We collaborate with Hitachi High-Tech Fine

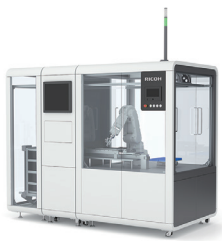
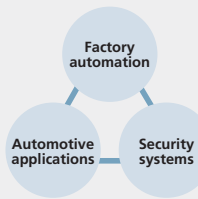
Systems Corporation in decorative fields. We solidified our business foundations by acquiring AnaJet, a leader in direct-to-garment printers.

The Ricoh Group expects the industrial printing market to continue growing in the years ahead. We will pursue further growth, seeking to boost these sales to ¥100 billion by 2020.

Expanding profit contributions from new businesses in industrial printing



Three main areas in industrial business domain



RICOH RL Series picking systems

Delivering value by combining proprietary technologies

Our optical and industrial technologies have broad application scopes and are very useful for providing diverse products and services that help enhance the productivity of manufacturing customers and cater to their automation needs.

We supply solutions that combine proprietary core modules and manufacturing process engineering, which flexibly accommodates production changes that we have amassed in MFP manufacturing, and our quality control and other expertise. Our core modules include specialty cameras and sensors that can identify object positions and color information and rewritable laser systems that can automatically relabel mailing addresses. They also include radio frequency identification solutions that provide and manage assembly work instructions and automated picking systems that handle everything from parts picking to assembly. We bring together our capabilities in these areas to provide factory automation equipment.

Our technologies are being employed in the cameras of such automotive devices as rear view monitors, collision avoidance systems, and head-up displays. We have entered the security camera field, leveraging our optical and image processing technologies for surveillance in scenes that are not visible to the human eye. >1

Additive manufacturing that integrates expertise and innovative technologies

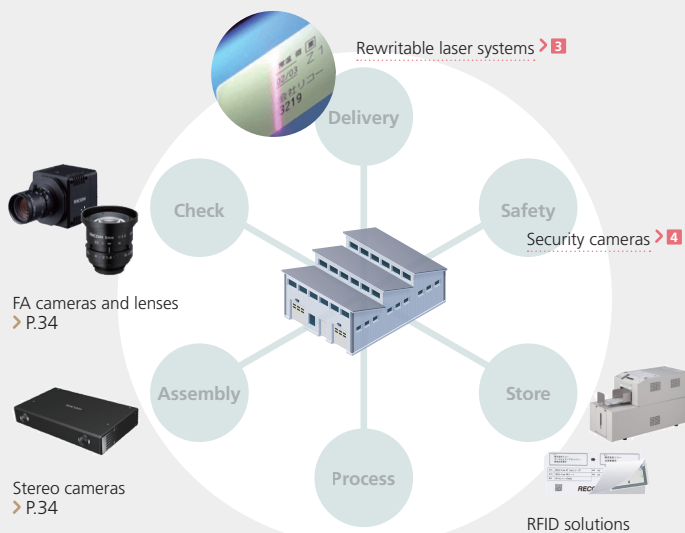
In September 2014, we embarked on an additive manufacturing business centered on 3D printers. To date, we have provided comprehensive services that encompass everything from 3D printer purchasing and sales to consulting, 3D data design, and modeling.

In April 2015, we launched RICOH Advanced Direct Manufacturing Services, which uses 3D printers to produce product parts and the jigs, molds, and other tools utilized at customer plants. RICOH Rapid Fab in Atsugi, Kanagawa Prefecture, has engineers and a range of 3D printers to handle parts employing specialty materials and small-lot production.

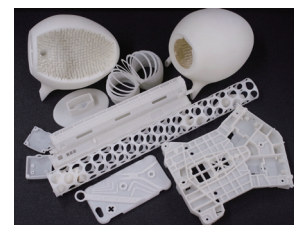
We commercialized our first branded 3D printer, the RICOH AM S5500P, in October 2015. This offering can handle high-performance materials. It can fabricate automobile parts for functional tests and parts for end products. With a large modeling area, the printer can fabricate different parts at the same time and mold large parts all at once. >2

We will step up efforts to provide robust support for customer manufacturing innovations through our activities, products, and services.

Products and solutions that support factory automation



RICOH Rapid Fab (Atsugi, Kanagawa Prefecture)



Objects fabricated with 3D printer



RICOH AM S5500P

Refer to our website

- 1 Industrial solutions www.ricoh.com/technology/tech/industry.html
- 2 3D printer www.ricoh.com/release/2015/1027_1.html
- 3 Rewritable laser system www.ricoh.com/technology/tech/062_laserrewritable.html
- 4 Security lens industry.ricoh.com/en/securitylens/

Expanding and accelerating in new business domains

Healthcare business

Population aging in advanced nations, particularly in Japan, has created major social issues. These include surging healthcare costs and widening gaps in regional medical standards. The Ricoh Group entered the healthcare field >1 to help overcome these challenges by drawing on its technological prowess.

Here, our three key focuses are the medical imaging, healthcare information technology, and biomedical domains.

In medical imaging, we will develop diagnostic systems and services. They include measurement instruments that show the neural activity of the spinal cord and brain. In healthcare information technology, we will leverage information and communication technology, including telemedicine systems that employ videoconferencing systems, to support hospital management and medical practice. In the biomedical domain, we will develop and commercialize bio-specimen and laboratory testing and peripheral systems with cell laminating 3D printers and other equipment.



Magnetoencephalograph showing the neural activity of the brain

Eco business

We aim to achieve around ¥100 billion in sales by fiscal 2021 by strengthening our environmental management and contributing to social sustainability through our businesses.

We opened the RICOH Eco Business Development Center >1 >2 in Gotemba, Shizuoka Prefecture, as part of that effort.

As well as experimenting with eco technologies and rebuilding equipment, the RICOH Eco Business Development Center also publicizes information about environmental activities. It aims to create and expand eco businesses to materialize environmental management that evolves with customers.



MFP resource recycling exhibit

Refer to these pages

1 Technological Strengths P.36

2 Sustainable Environmental Management P.43

Community building

Ricoh leverages its technological strengths and customer contact capability to deliver solutions and services that contribute to the development and growth of communities by enhancing security, comfort, and convenience. The summer 2015 opening of the RICOH Future House communication complex in Ebina, Kanagawa Prefecture, was part of that approach.

By helping build communities, Ricoh will offer ideas for comfortable living and provide operational support, thereby extending its new business model to other areas and expanding the scope of its pursuits.



RICOH Future House



Science classroom

Refer to our website

1 RICOH Eco Business Development Center www.ricoh.com/environment/eco_business_center

Camera business

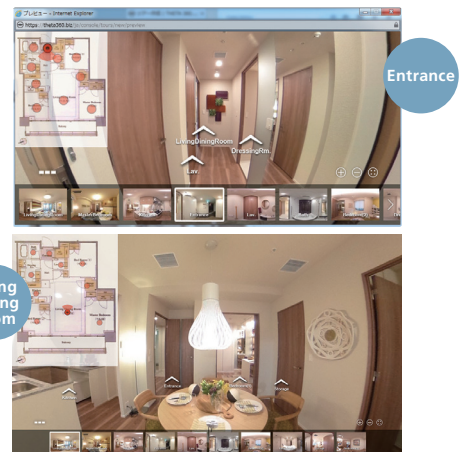
This business leverages the Ricoh Group's optical technologies to offer a diverse range of cameras that excite and inspire by transforming the ordinary into the extraordinary.

RICOH THETA >1, a spherical camera that combines optical technology and image processing technology to enable users to capture 360° images of surroundings with just one touch. The enhanced models feature video recording and offers higher resolution than the previous models. The camera has attracted considerable attention among businesses for providing an entirely new imaging experience, and its applications are expanding in a range of fields. Realtors, for example, have begun using the camera to present 360° views of rooms and facilities on property search websites. Software developers use it in platforms for innovating applications.

Our digital camera lineup >2 provides something for everyone. It extends from professional single lens reflex models to light and compact, high-performance offerings and action cameras that deliver outstanding water, dust, and shock resistance.



RICOH THETA



Images captured on RICOH THETA for a property search site

● PENTAX 645Z

This SLR model employs a large CMOS sensor in a dust-proof and weather-resistant body to deliver high resolution with approximately 51.4 effective megapixel. It meets the needs of a wide range of professional photographers with its easy-to-operate and reliable exchangeable lenses.



● PENTAX K-1

This top-of-the-line model is the first 35mm full-frame format camera in the K-mount SLR series to please professional and serious amateur photographers alike. The K-1 offers outstanding image quality and resolution with an approximately 36.4 effective megapixel CMOS image sensor.



● RICOH WG-M2


This compact and light-weight action camera is incredibly advanced. It is waterproof and shockproof and employs an ultrawide approximately 204° lens that captures stunning 4K video.



● GR II

This high-end compact camera is the first in our lineup to support both Wi-Fi and Near Field Communication to simplify image transfers to smartphones and other devices. It delivers even better image quality through a reprogrammed algorithm, which has enhanced Auto White Balance control precision, and a fine-tuned compensation program to prevent high-sensitivity noise.



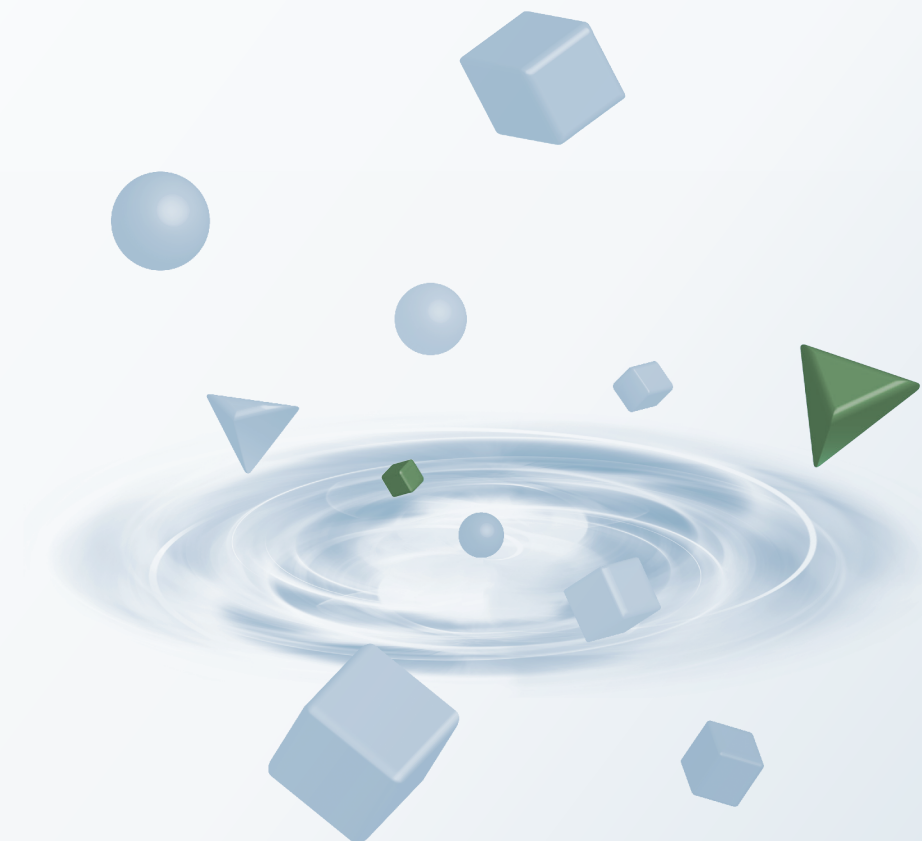
 Refer to our website

- 1 RICOH THETA theta360.com/en/
- 2 Digital cameras www.ricoh-imaging.co.jp/english/products/index.html

VALUE DRIVERS

Our technological strengths, close customer contacts, and environmental management drive our efforts to create value. We are leveraging those strengths and will further enhance corporate value.

- 33 **Technological Strengths**
- 37 **Customer Contact Capability**
- 41 **Sustainable Environmental Management**



Innovating to drive social sustainability

We will continue to leverage innovations in creating technologies and products that help resolve social issues.

Broadening our core technologies to deliver new value for societies

We have constantly proposed workstyles that deliver new value for customers ever since entering the business machines field in the 1950s. We supply new equipment and solutions that streamline communications at any time and place for people and processes in offices. We continue to innovate technologies that transform the nature of work for our customers.

We are drawing on image processing, optical, chemicals, networking, software and other core technologies accumulated over the years to combine new ideas and techniques in pursuing innovations that contribute to social sustainability. >1

Creating value in new domains

We are fully leveraging our strengths in manufacturing technologies in undertaking research and development in our priority areas of industrial inkjet products, factory automation, healthcare, and the environmental field. >1

In the inkjet field, for example, we are broadening our scope of applications to encompass industrial printing, 3D printing, and 3D bioprinters (cell laminating technology) for healthcare.

The RICOH THETA, a fusion of our unique optics and image processing technologies, captures fully

spherical shots with a single shutter click. The RICOH THETA ushered customers into a new world of images documenting life.

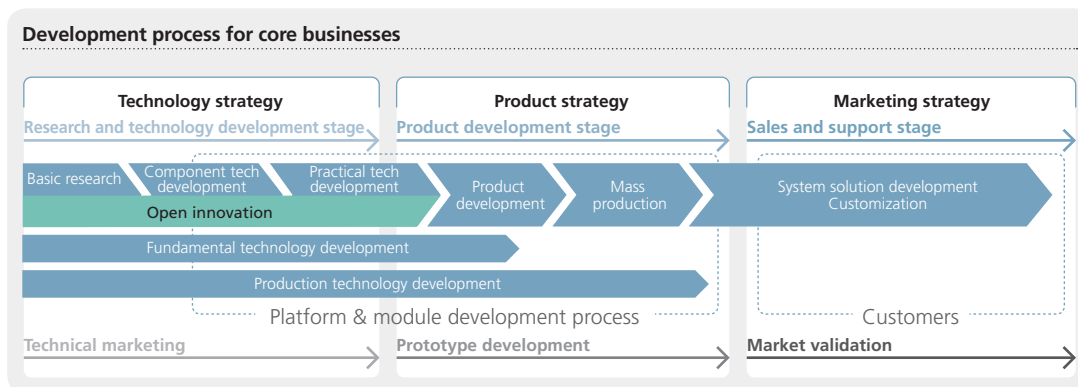
R&D fueling innovation

The Ricoh Group has R&D sites in Japan, the United States, India and China. >2 Each site explores market needs and conducts research and technology development attuned to regional characteristics while deepening cooperative connections among global sites. Our corporate map also includes technology centers and printing innovation centers, and we launch value-creating activities involving our customers through a framework for gathering feedback on market needs ascertained directly through customer support activities to enhance future product development.

Ricoh's technology development process >3 for core businesses is broken down into three stages—research and technology development, product development, and sales and support. We emphasize system solutions development and customized development to fuel more robust responses, from the development of key technologies based on technology strategy through efficient product development without relying on prototypes, >4 and then to customer needs.

Refer to these pages

1 New Core Area
P.30–31



Refer to our website

- 1 Technology www.ricoh.com/technology/
- 2 Global R&D www.ricoh.com/technology/rd/global.html
- 3 Technology development process www.ricoh.com/technology/rd/development.html
- 4 Development process innovation www.ricoh.com/technology/rd/manufacture.html

Engaging in open innovation

We are drawing on open innovation with universities, research institutions, and enterprises to accelerate efforts to help resolve social issues, streamlining the development of advanced technologies. We are applying our inkjet, optical sensing, image processing, and other technologies in diverse initiatives. They include the Japanese government-supported Funding Program for World-Leading Innovative R&D on Science and Technology and joint R&D with universities and independent administrative corporations. We are reinforcing relationships with venture enterprises to accelerate the creation of new businesses.

● Open innovation case study

3D bioprinters > P. 36

We are participating in a national project led by the Japan Agency for Medical Research and Development, which is undertaking joint research with Osaka University.

Biomagnetic measuring systems > P. 36

We acquired the magnetoencephalography (MEG) business of Yokogawa Electric Corporation, setting up a medical business unit in Kanazawa City. We are conducting joint R&D into magnetospinographic devices with the Kanazawa Institute of Technology and the Tokyo Medical and Dental University.


Drones (small unmanned aerial vehicle) > P. 35

We are engaging in joint development in this area with the University of Tokyo and Blue Innovation Co., Ltd.

We consider it vital to support the creation of tech ventures and undertake social initiatives to foster the development of new industries. In March 2016, we received limited partnership investments from the Innovation Network Corporation of Japan and the Sumitomo Mitsui Banking Corporation to establish a tech venture fund with OMRON Corporation and SMBC Venture Capital. As well as providing capital, the fund helps to launch and commercialize technology businesses. It thereby seeks to create tech ventures that can compete in the global market and contribute to industrial progress.

R&D investments and intellectual property initiatives

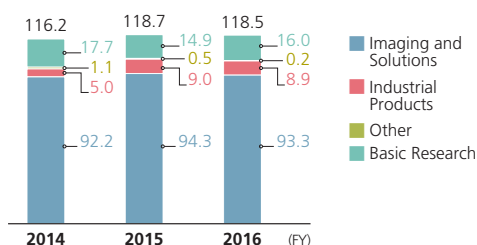
The Ricoh Group consistently earmarks 5% to 6% of consolidated sales for R&D to ensure a steady stream of innovation. In fiscal 2016, R&D expenses reached ¥118.5 billion, or about 5.3% of sales. Of this amount, 13.5%, or ¥16.0 billion, went into basic research.

Intellectual property > , the fruit of our R&D efforts, is vital to our competitiveness. We therefore encourage efforts that yield valuable intellectual property and seek to acquire and use intellectual property that protects and grows our businesses.

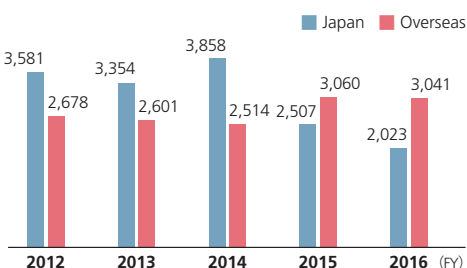
We have deployed business and technological strategies to reinforcing core businesses, globalizing by cultivating operations in emerging nations, and launching new businesses to expand our domains. We accordingly continue to acquire patents actively in Japan and abroad. Thereby the number of registered patents overseas has significantly increased since fiscal 2015. We are conducting a review of maintained patent rights by assessing future market and business conditions and determining whether to abandon any unnecessary patent rights.


Changes in R&D investment

(JPY billion)



Number of registered patents world wide



 Refer to our website

 Initiatives in intellectual property www.ricoh.com/technology/rd/ip.html

Technologies underpinning industrial inkjet products for diverse applications

We are combining our strengths in inkjet head and ink materials technologies to enable printing on an array of media apart from paper.

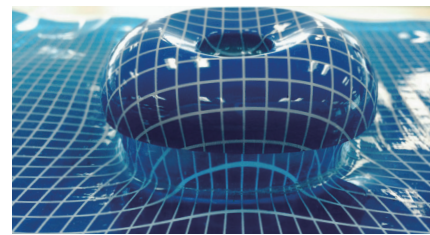
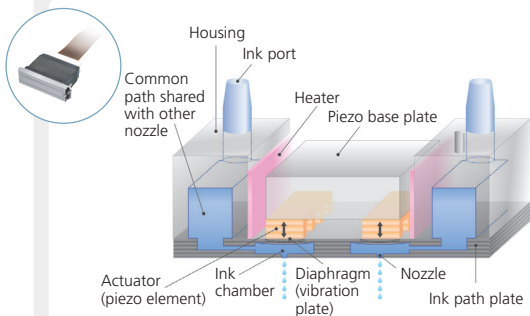
Industrial inkjet heads

The heads use piezoelectric elements to jet ink through nozzles. The nozzles and housings are made of stainless steel. They thus offer outstanding durability and long service lives, as they are strong and resist corrosion from ink. Built-in heaters can discharge high-viscosity ink, so they have been employed in many 3D printers recent years. There is considerable flexibility for setting waveforms to drive the piezoelectric elements according to ink attributes, allowing them to accommodate inks for an array of applications, for printing on various media.

Ink materials

We have developed functional inks for a range of applications. They include photo (UV)-curable inks and latex inks that fix pigments thermally. A feature of stretchable photo-curable inks is that they maintain strong adhesion to substrate, while the cured film stretches. Because the ink can flex after printing, 3D decoration is possible, and it has potential in diverse applications. They include automobiles, electrical equipment, construction materials, and 3D painting reproductions.

Structure of Ricoh's inkjet heads



Stretchable inks make it possible to create concavity and convexity on print surfaces

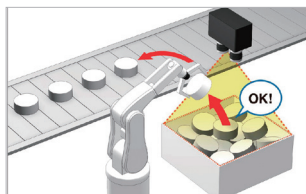
Cultivating the future of machine vision > with optical sensing

We have promoted in-house development of automated production facilities since the late 1970s. Through such approaches as the installation of sensor modules at the inspection stage, we have refined machine vision technology, which instantly tracks and assesses information in areas within and beyond human detection capabilities.

We have employed our optical and image processing technologies in cameras with diverse high-precision capabilities. We are now developing intelligent solution services that support automation and rapidly assess the situation to take appropriate action without human involvement, based on 2D and 3D information, and the locations, shapes and natures of subjects, which are obtained from these cameras.

Robot eyes in factory automation

This stereo camera uses parallax information to capture 3D data on subject positions in real time, and is used as a sensor in pick and place robots. > 2



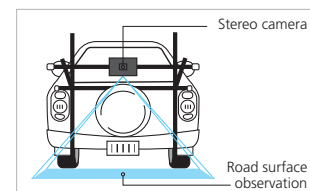
Drone eyes

This system uses a super-wide-angle stereo camera to estimate its position and obtain information on obstacles inside warehouses and other large facilities that cannot receive GPS signals, and enables stable automatic flight. > 3



Eyes in public infrastructure inspection systems

To inspect roads and other public infrastructure while traveling, we are developing technologies for systems that measure cracks and ruts on roads by stereo cameras that can measure distances very precisely. > 2



Refer to our website

- 1 Machine vision (white paper) www.ricoh.com/technology/whitepaper/pdf/wp_mv.pdf
- 2 Stereo cameras www.ricoh.com/technology/tech/045_stereocamera.html
- 3 Drones www.ricoh.com/technology/institute/research/tech_flight_by_3d_vision.html

Leveraging core technologies to deliver new value in healthcare

We acquired the magnetoencephalography business of Yokogawa Electric Corporation in April 2016. We will combine the medical equipment development and business knowhow we secured through that acquisition with the imaging technology, systems design capabilities, and production expertise of our core operations to help prevent and swiftly identify and treat illnesses, helping resolve social issues through such value.

● Biomagnetic measurement system

We began R&D into magnetospinographic measuring devices in 2014. It was difficult to obtain images of spinal cord neural activity transfers with magnetic resonance imaging and other bio-observation equipment. Accordingly, we used ultrahigh-sensitivity sensors to detect weak magnetic fields from spinal cords accompanying neural activity. Then, we performed image processing on measurement results to visualize neural activity transfers. >4



Spinal cord neural activity

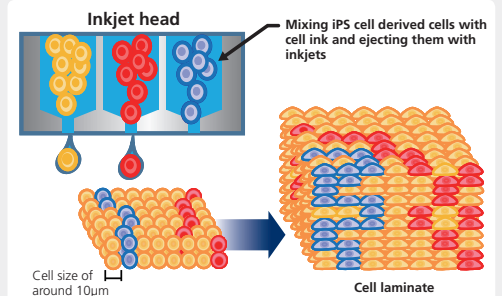
● 3D bioprinters >5

Induced pluripotent stem (iPS) cells differentiate into many different cell types, offering considerable potential. This includes regenerative medicine, identifying the causes of diseases, and testing drug and cosmetic safety and toxicity.

It is necessary to arrange different cell types in arbitrary locations and assemble them three-dimensionally to reproduce biological tissue structures that closely approximate those of living bodies. We thus harnessed our inkjet head and ink materials technologies to mix cells with cell ink and disperse them, and stably eject cells without crushing them.

With the use of cell laminate ejected from the 3D bioprinter and cultivated, human function can be reproduced in vitro. It could ultimately support tissue engineering such as the creation of artificial organs and drug development such as drug efficacy study and toxicity evaluation.

3D bioprinter



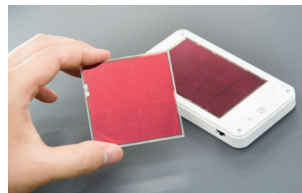
Developing technology in environmental field

In the IoT society of the near future, all sorts of things will have sensors, heightening the need for stand-alone power source technology to enable communication even in places where power may be hard to come by. Consequently, interest has been piqued by the prospect of technology to generate power from the environment—energy harvesting—which draws a tiny amount of energy within the local environment, such as sunlight and illumination or vibration and heat, and converts it to power to run devices.

Ricoh actively pursues new technology development as a key to unlocking the future of energy harvesting.

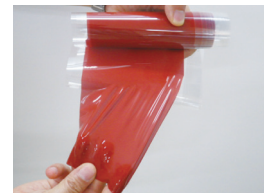
Solid-state dye-sensitized solar cell >6

Ricoh successfully developed a complete solid-state dye-sensitized solar cell that can effectively generate power even under a weak light source, such as LED lighting. Based on organic photoconductor technology accumulated in the development of imaging equipment, the solar cell consists only of easy-to-handle solid-state material and boasts more than twice the electric output of existing amorphous silicon solar cells.



Energy-generating rubber >7

Ricoh successfully developed a new material—an energy-generating rubber—that demonstrates polymer's advantage of flexibility and output as high as that of ceramics through pressure and vibration. Efforts are moving forward on various applications, including sensors.



Refer to our website

- 4 Visualization of neural activity of the spine www.ricoh.com/technology/institute/research/tech_neuro_trans.html
 5 3D bioprinter www.ricoh.com/technology/institute/research/tech_3d_bio_printer.html
 6 Complete solid-state dye-sensitized solar cell www.ricoh.com/technology/tech/066_dssc.html
 7 "Energy-generating rubber" combines flexibility and high-output www.ricoh.com/release/2015/0518_1.html

Growing with our customers

The Ricoh Group always takes a customer perspective, seeking to discover customer needs even before the customers realize themselves. From the development of products through manufacturing, sales, and after-sales services and support, our overriding objective is to create new value for our customers through ingenuity and solutions not available from any other company.

Identifying customers' potential needs and innovating

Today's socio-economic environment is vastly different from what it used to be and the transformation process continues, driven by increased globalization, growth of emerging economies and a wider embrace of network technologies.

Customers' business environments and needs are changing, with management focusing on everything from transforming workflows and cutting the total costs of ownership to ensuring compliance with laws and ordinances.

Customer needs, however, are not always clearly defined. We have to perceive feelings and expectations not yet expressed in words and proactively shape solutions from a customer standpoint.

To pinpoint customer changes and expectations, we bring together all the capabilities of "One Global Ricoh" and draw closer to customers while reshaping our own business model.

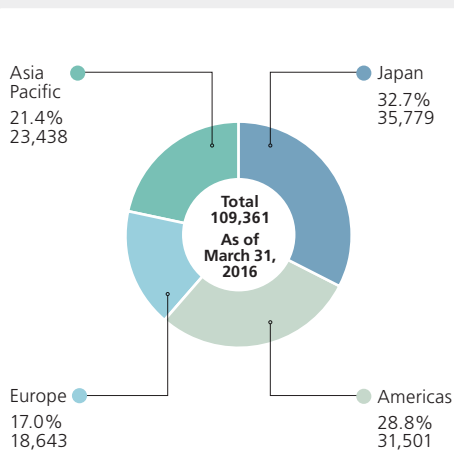
Operating globally and building our supply chain

In sales and services, we have built a global network stretching across some 200 countries and maintain a four-point regional headquarters structure—Japan, the Americas, Europe and Asia Pacific. In addition, we constantly work to expand the service business and strengthen the structure through M&As while taking steps to foster local harmony and consistency in our global strategies.

To ensure that we are able to provide leading-edge technologies to customers around the world, we have set up R&D hubs in Japan, the United States, China and India, and pursue development of technologies attuned to local market characteristics and globally strategic technologies.

In delivering products and services to customers, we utilize four global production hubs and maintain an optimum production structure emphasizing the most favorable location for maximum efficiency. This approach combines two production formats: "intensive production," which outputs core modules common to many products as economically and efficiently as possible, and "local production for local

Composition of workforce by region



Structure-strengthening M&As (January 2014–June 2016)

2014	January	Saral Buro Pazarlama Limited Sirketi, Merkezi	Turkey
	February	mindSHIFT Technologies, Inc.	United States
		Ofisteknik A.S.	Turkey
2015	June	Ofisteknik LTD.	Turkey
	July	Commonwealth Legal Inc.	Canada
		FutureTech Ltd.	South Korea
2016	October	FutureWare Ltd.	South Korea
	December	Npo Sistemi S.r.l.	Italy
		PTI Marketing Technologies, Inc.	United States
2015	May	Ridgian Limited	United Kingdom
	June	Graycon Group Inc.	Canada
	July	NASSION Systems	Malaysia
2016	December	Capa 4	Mexico
		Impromat CZ spol. s.r.o.	Czech Republic
		Impromat Slov spol. s.r.o.	Slovakia
2016	January	Upfront SPRL	Belgium
	June	AnaJet LLC.	United States
		Eye-Fi Inc.	United States

consumption,” which swiftly addresses the needs of customers close to the point of production.

Meanwhile, we have worked to achieve a supply chain that remains uninterrupted even in a disaster or other emergency situations so that customers will never have to halt operations. Within the Ricoh Group, we ask suppliers to reinforce business continuity capabilities through redundant production bases and parts procurement channels and larger material and component inventories, and we encourage them to be socially responsible and take a rigorous stance on CSR procurement and issues of child labor and conflict minerals.

These efforts underpin our commitment to customer satisfaction through supply chain management **>1** implemented from a customer perspective while simultaneously pursuing profit opportunities.

Products that consistently delight and inspire customers

The Ricoh Group believes it is important to provide products and services that customers can use with confidence and that deliver a sense of value that exceeds expectations. This ideal is captured in the RICOH Quality **>2** declarations with the words “consistently delight and inspire our customers,” and we strive to ensure quality, particularly the aspects of safety and reliability.

Standards/Frameworks to ensure confidence and safety

- Basic Policy for Product Safety Activities
- Action Policy for Product Safety Activities
- Multifaceted market quality information management
- Quality management system

Constant improvements in pursuit of customer satisfaction **>3**

Sales companies in each country have opportunities for direct contact with customers. It is these companies which operate and maintain customer relationship management (CRM) databases and track customer equipment information and maintenance histories. Customer contact sites utilize CRM databases, repeatedly survey and analyze customer needs, pinpoint issues, and suggest products and solutions based on future predicted customer needs in mind. Our support continues after delivery, as well, through the 24-hour @Remote **>4** on-site maintenance and remote monitoring system, which executes automatic diagnostics and enables quick servicing for worry-free equipment use with little to no downtime for customers.

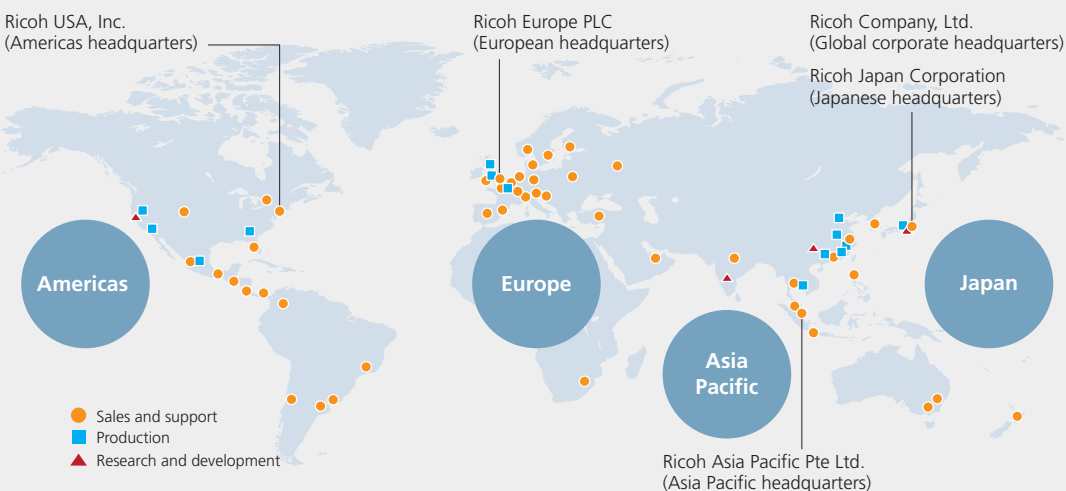
With @Remote, we can verify the operating status of equipment and provide continuous improvements and suggestions fine-tuned to each customer based on captured status data, which contributes to greater management efficiency at customer sites.

In addition, we have established and utilize systems to apply feedback gleaned from customer satisfaction surveys conducted periodically on a global basis to measure how well we have achieved RICOH Quality, and then apply the feedback to make products and services even better.

Systems for collecting and applying customer feedback

- CRM databases
- @Remote
- Customer satisfaction surveys
- Call centers
- Customer centers
- Technology centers

Global network



Refer to our website

- 1 Supply chain management** www.ricoh.com/sustainability/report/action/supplychain.html
- 2 RICOH Quality** www.ricoh.com/about/commitment/quality/
- 3 Customer satisfaction** www.ricoh.com/csr/consumer/
- 4 @Remote** www.ricoh.com/remote/

More extensive, in-depth responses to customer needs

The Ricoh Group's Global Value Proposition Conference takes place once a year to refine value proposition capabilities. Here, excellent customer case studies selected from operations worldwide are presented and evaluated by participants. The goals are to share knowledge, boost morale and link our efforts to higher sales throughout the Group.

We conduct Technical Advisory Conferences for the IT managers of corporate customers in Europe and the Americas. Participants engage in group discussions, exchange information, and identify common issues. Our objective is to visualize latent customer needs and reflect comments in future products and services.

Through these opportunities to reinforce customer contact, we will meet customer needs while growing our businesses.

Broadening the potential of production printing with our customers

The Ricoh Customer Experience Centre of Ricoh UK Products Ltd. maintains its own production printing environment to deepen understanding of customers' businesses, feed back information in development, planning, and manufacturing processes, and provide customers with innovative solutions.

The facility proposes ways for customers to enhance business processes by drawing on expertise from years of production at Ricoh and offering operational consultation services. This effort is reinforcing Ricoh's trust and presence in the commercial printing market.

Customer Experience Centre initiatives

- Conducting demonstrations and verifying business flows
- Validating printing paper
- Producing print samples
- Business process improvement and environmental solutions consulting services
- Conducting technical assessments and supporting sales activities
- Education and training



Ricoh Customer Experience Centre (Ricoh UK Products Ltd.)

New Initiatives in Education

Ricoh Campus Service

The Ricoh Campus Service offers convenient and useful solutions as the fruit of our track record in streamlining university administrative processes.

The service sets up on-campus lounges that offer print services using Ricoh equipment, collaborative areas for students, shops, and other facilities.



Ricoh Campus Service

We developed the *my print* app for mobile devices that enables students to output anything they need at any time through machines within lounges and everywhere else on campuses.

We offer the service at universities in the Netherlands, Italy, Belgium, Spain, and France, and look to extend it to Japan.

We aim to expand our business and earnings from this area, providing new solutions that enhance campus experiences for students.

Success Story

Ricoh delivers next generation Managed Print Services to Unilever across Europe

Unilever extended the scope of its Managed Print Services Agreement with Ricoh from five in 2004 to 48 countries in 2016. Ricoh provides efficient and cost-effective solutions for Unilever's office and home working employees that increase investment return.



Flexible and Cost Effective

The Next Generation Print Project includes solutions and services from Ricoh that match Unilever's requirements. The project aims to implement a flexible and cost-effective document management solution that focuses on Unilever's Green IT strategy. Ricoh and Unilever are thus collaborating to:

- Further optimize the print infrastructure beyond their initial focus on Europe
- Meet the latest Energy Star requirements
- Introduce a Global Print Policy to enhance awareness of print costs and environmental impact
- Reduce paper waste and power consumption
- Offer greater functionality on new products
- Introduce IC card-based personal authentication management
- Reduce the number of MFP and printer models through a Global Product Basket

Katy Cory, Global IT Service Manager at Unilever, says, "I am pleased that we have extended our focus and success beyond Europe to other territories with Ricoh. We are now working together to streamline our fleet by implementing a new Managed Print Transformation Service and print policy we call MPS 2.0. The Next Generation Print Project will enable us to improve our environmental performance and monitoring and further reduce direct and indirect costs."

Revealing Hidden Costs

The service scope of Ricoh's two-tier MPS varies according to the size and requirements of each Unilever site.

The service assesses the current document output including security and document bottlenecks. It reveals hidden costs and optimizes devices while reducing energy consumption and carbon dioxide emissions.

Reducing Environmental Impact

Ricoh reports at site, country and regional level through its @Remote Enterprise-Pro management

tool. This increases Unilever's visibility of energy consumption, print volumes, emissions and toner recycling. This environmental reporting is also incorporated into Unilever's overall Green IT metrics.

Moreover, a bespoke print policy is helping Unilever achieve its cost and environmental objectives.

Ricoh has been the primary supplier to Unilever for general office print solutions since 2004. Unilever retained Ricoh as a business partner for its customer-driven approach, ability to offer flexible MPS and extensive European footprint for service and support for all of Unilever's European sites. Unilever's recognition of Ricoh's approach to sustainability also contributed to their continued partnership.

Maurice Beelen, General Manager of Ricoh Global Services Europe, says that, "Unilever continues to manage documents strategically and innovatively. It will thus benefit from greater transparency, efficiency, and reduced cost and environmental impact. With Ricoh expanding support to other territories, Unilever can focus on driving forward and achieving its business objectives."

About the Customer

One of the world's leading suppliers of consumer goods, Unilever meets the everyday needs of people around the world for nutrition, hygiene and personal care. Its portfolio includes some of the world's best known brands, including Knorr, Hellmann's, Lipton, Dove, Axe, Omo, Cif and Vaseline. Unilever employs 174,000 people globally in almost 100 countries.



Unilever office

Combining environmental conservation and business growth

We are pushing ahead with business model reforms from long-term perspectives to help improve social sustainability.

Objectives and processes toward realization

To underpin our efforts for a better tomorrow, we formulated our slogan, “Driving Sustainability for Our Future.”

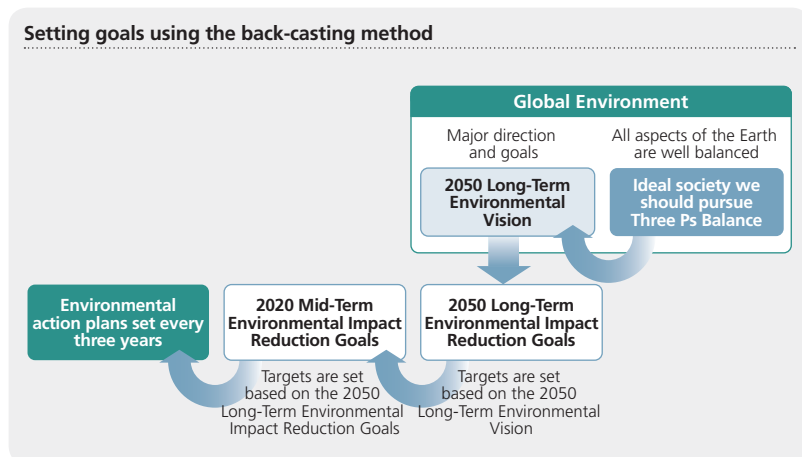
This slogan incorporates a robust determination to contribute to the realization of a sustainable society by providing new value created through business.

To the Ricoh Group, a sustainable society is one that pursues a Three Ps Balance >1—Planet (environment), People (society) and Profit (economic activities)—and reduces the environmental impact of society to a level that the Earth’s self-recovery capabilities can manage.

This future ideal requires high targets, viewed from the long term, and consistent efforts to reach stated goals.

In setting environmental goals, we apply the back-casting method, through which our ultimate goals are envisioned first and target values are then determined as mileposts along the journey to these goals.

We announced our 2050 Long-Term Environmental Vision >2 in 2006 in line with our commitment to balance the planet, people, and profit. We then established mid- and long-term environmental impact reduction goals >3 and three-year environmental action plans.



Ricoh Group Mid- and Long-Term Environmental Impact Reduction Goals

Energy conservation and prevention of global warming	Reduce the Ricoh Group’s total lifecycle CO ₂ emissions by 30% by 2020 and by 87.5% by 2050 from the 2000 base level
Resource conservation and recycling	<ol style="list-style-type: none"> 1. Reduce the new input of resources by 25% by 2020 and by 87.5% by 2050 from the 2007 level 2. Reduce the use of or replace the major materials of products that are at high risk of depletion (e.g., crude oil, copper and chromium) by 2050
Pollution prevention	Minimize risks of chemical substances throughout the product lifecycle by 2020 in compliance with the Strategic Approach to International Chemicals Management (SAICM) *Revised in March 2012; set only 2020 goal

Our environmental management approach

The Ricoh Group’s environmental conservation efforts have progressed through three stages: passive, proactive, and now responsible. >4

After adhering to environmental requirements during the passive stage and safeguarding the environment during the proactive stage, we entered the

responsible stage in 1998, pioneering environmental management in a commitment to generating profits while engaging in conservation. It is through ongoing environmental conservation activities that we believe we can contribute significantly to ecological progress.

Refer to our website

- 1 Three Ps Balance www.ricoh.com/environment/management/earth.html
- 2 Long-Term Environmental Vision and Goals www.ricoh.com/environment/management/vision.html
- 3 Mid- and long-term environmental impact reduction goals www.ricoh.com/environment/strategy/target.html
- 4 Three stages in environmental conservation activities www.ricoh.com/environment/vision/3steps.html

Three stages in environmental conservation activities (from the passive, to proactive to responsible stage)



Measures to mitigate climate change

Tackling climate change is a top management priority, and accordingly we endeavor to reduce carbon dioxide emissions from product lifecycles. In procurement, we seek to reduce input of new resources through product-oriented 3R—reduce, reuse, recycle—activities and limit greenhouse gases that accompany the mining and processing of raw materials. In manufacturing, we apply innovations in production processes, and in sales and logistics, we practice eco-friendly driving and are implementing more efficient distribution methods during product use. We also develop and provide high-performance, energy-efficient products that address heightened energy-saving requirements from customers and satisfy increasingly tougher standards and regulations, and we create solutions, such as paperless conferences, and present new workstyles that translate into new and reduced environmental impact.

Ricoh was an official partner of the 21st Conference of Parties of the United Nations Framework Convention on Climate Change in December 2015. There, representatives of 196 parties from developed and emerging nations and territories all consented to a

landmark global agreement on safeguarding the planet. Our task was to provide comprehensive document management solutions that were ecologically friendly and secure. The mandate was testament to our long engagement in environmental protection initiatives.

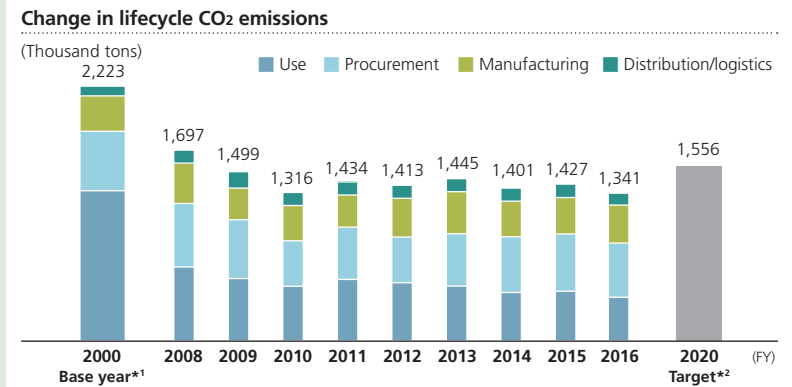
Moreover, we encourage external endeavors. For example, coinciding with the UN Climate Summit, in September 2014 we endorsed the Initiative to Support the World Bank Group’s Carbon Pricing and The Trillion Tonne Communiqué, which the Corporate Leaders’ Group on Climate Change, a British corporate group, has spearheaded.



Mid-Term Environmental Impact Reduction Goals: Energy conservation and prevention of global warming

We are undertaking activities to reduce total lifecycle carbon dioxide emissions by 30% by 2020 from the 2000 base level. In fiscal 2016, our emissions were down 6.0% from a year earlier and 39.7% below those of 2000, reflecting a decrease in emissions during product use as a result of the development of energy-saving products. We will continue initiatives to keep emissions below target levels while expanding our businesses.

*1 Fiscal 2001 results
*2 Equivalent to fiscal 2021 results



Environmental action plan

Under the 18th Environmental Action Plan ¹ (April 2014 to March 2017), we have set out measures and goals in five areas, comprising four pillars, to reduce environmental impact—1) energy conservation and prevention of global warming, 2) resource conservation and recycling, 3) pollution prevention and 4) biodiversity conservation to boost the Earth’s self-recovery capability—built upon a basis for

environmental management that underpins efficient and effective execution of various activities. Strategic priorities under the 18th Environmental Action Plan are to reduce environmental impact exerted by our customers, enhance cooperation with stakeholders, and expand environmental businesses. Progress made in fiscal 2016 is highlighted below.

Progress on strategic priorities under the 18th Environmental Action Plan

Reduce environmental impact exerted by our customers	<ul style="list-style-type: none"> • Excellent energy-saving performance recognized with winning the annual award for energy-saving features of color MFPs for the second straight year since 2014 • Reduced CO₂ emissions by 453,000 tons (equivalent to approximately 1.4 times the total amount of CO₂ emitted from Ricoh Group factories around the world) through the provision of videoconferencing systems, paperless solutions, and other products/services
Enhance cooperation with stakeholders	<ul style="list-style-type: none"> • Provided remanufactured machines and solutions (personal authentication, on-demand printing, and equipment management) as an official partner of the 21st Conference of Parties of the United Nations Framework Convention on Climate Change (COP21) • Participated in COP21 as a member of the Japan Climate Leaders’ Partnership, exchanging views with businesses, governments, and policymakers • Participated in We Mean Business, a network of more than 500 global companies, encouraging policymakers to undertake environmental action
Expand environmental businesses	<ul style="list-style-type: none"> • Advised customers to try carbon offset printing services, paperless solutions and other environmentally conscious options • Acquired “Gold Rating” in supplier sustainability survey conducted by EcoVadis, ² thereby meeting customer request for performance assessment validation • Reused 6,398 tons of materials in remanufactured equipment as part of efforts to globally optimize reuse/recycling businesses

1 EcoVadis
A sustainability rating company for global supply chains, based in France, EcoVadis assesses suppliers from 110 countries and across 150 business sectors on corporate policies, initiatives and achievements in CSR management and provides customers with its findings.

Case study on expanding environmental business

Cultivating New Potential through the RICOH Eco Business Development Center ²

We established this facility in Gotemba, Shizuoka Prefecture, in April 2016 as part of efforts to commemorate our 80th anniversary. The center’s role is to evolve our environmental management approach in creating and expanding eco businesses in and well beyond our existing operational domains. The center participates in the Gotemba Eco City Plan and the Model Forest Venture to preserve afforested areas of Gotemba, and has started to engage in joint eco business development with local entities.



RICOH Eco Business Development Center

Three components of RICOH Eco Business Development Center

● Environmental technology verification
The center harnesses open innovation between industry, academia, and government in collaborating with partners to accelerate the creation of eco businesses. The center verifies technologies that help conserve energy and other resources. They include technologies for producing energy from

waste plastics, thinned wood, and other untapped resources and for generating electricity from small streams.

● Reuse and Recycling Center
We consolidated our reuse and recycling sites around Japan to enhance efficiency. This operation debuted in May 2015 as our principal location for rebuilding around 20,000 MFPs annually.

● Publicizing environmental activities information
The center informs about our environmental activities, eco-friendly products and services, and new eco technologies. It also contributes to the community by educating about the environment.

Refer to our website

- ¹ 18th Environmental Action Plan www.ricoh.com/environment/plan/plan18th.html
- ² RICOH Eco Business Development Center www.ricoh.com/environment/eco_business_center/

Case study on reducing environmental impact for customers

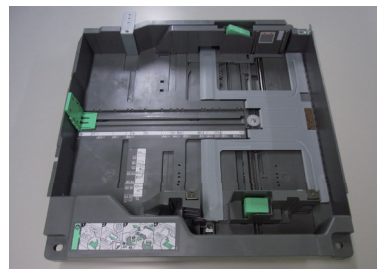
Incorporating commercially recovered plastics in MFPs

We plan to reduce new resource inputs from the 2007 level by 25% by 2020 and by 87.5% by 2050. We have done much in terms of conserving and recycling resources to reach our mid- and long-term environmental impact reduction goals. Our efforts have included employing biomass materials and developing recycled plastics that increase the content of materials recovered from used MFPs.

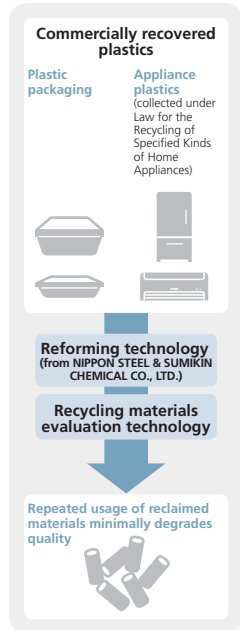
We expanded our recycling efforts in 2016 by launching multifunction printers that incorporate plastics developed from commercially recovered materials. Repeated usage of these materials minimally degrades quality.

Robust, incombustible plastics are essential for MFPs, which has made it difficult to date to use commercially recovered materials. Our reclaimed material incorporates post-consumer plastic packaging containers collected by a voluntary collection system and plastics gathered in keeping with the Law for the Recycling of Specified Kinds of Home Appliances. We jointly developed the materials by drawing on reforming technology from NIPPON STEEL & SUMIKIN CHEMICAL CO., LTD., and our recycling materials evaluation technology.

Such reclaimed materials usage should help cut the extraction of crude oil. We started using the reclaimed material in paper trays, and plan to employ it in other parts.



Paper tray incorporating reclaimed materials



Case study on reducing environmental impact for customers

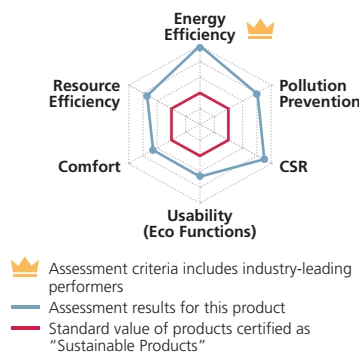
Ricoh Sustainable Products Program for assessing environmental performance and usability of products

We launched this initiative in April 2016 to evaluate products based on strict proprietary standards. The program assesses our offerings in two prime respects. The first is environmental friendliness, its criteria being energy and other resource efficiency and pollution prevention. The second is user friendliness, encompassing comfort, usability, and CSR. We classify offerings that satisfy all six assessment criteria as "Sustainable Products." The rating for industry-leading performers is "Sustainable Products-Premium."

We have worked hard over the years to secure environmental performance certifications around the world. We have also continued to ensure that our products are easy and comfortable for all office workers to use, including the elderly and individuals with disabilities. We developed the Ricoh Sustainable Products Program because to this date, there was no external setup that was assessable for both environmental performance as well as usability and comfort. This initiative is in keeping with our commitment to improving quality of life for customers and driving sustainability through our products.

As well as finished offerings, this program also applies to product development processes and roadmaps. As of May 2016, 84 products, principally MFPs, complied with our sustainability criteria. These represented more than 70% of our products. We look for 100% of our products to satisfy our criteria by 2020.

Sample assessment results



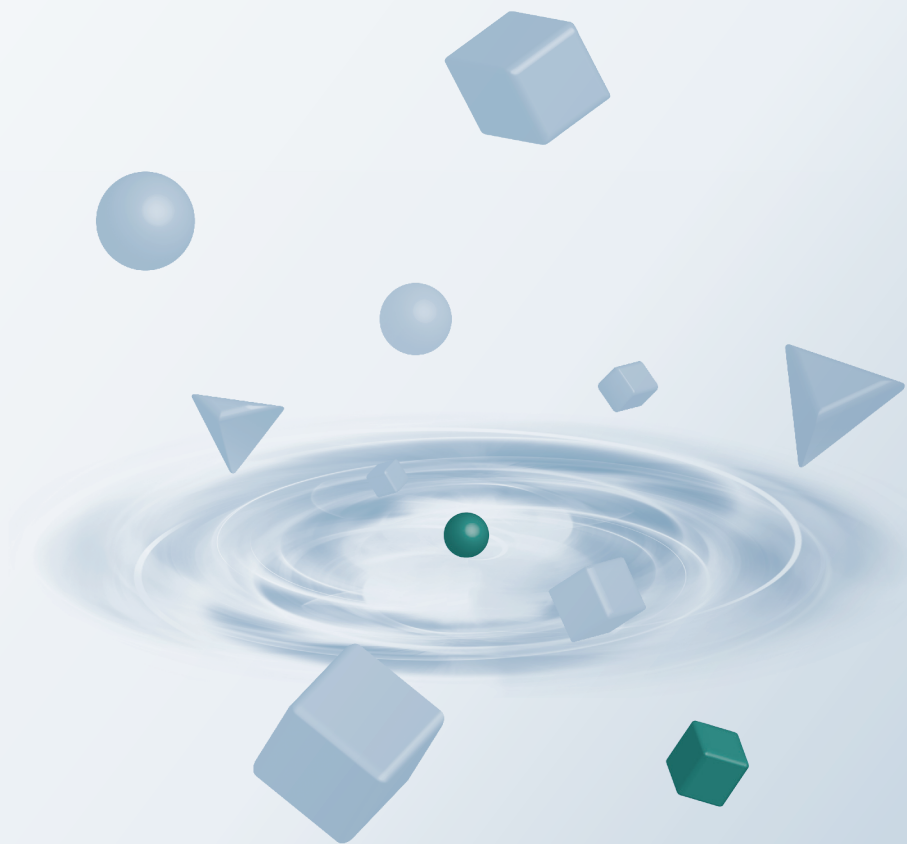
Refer to our website

Ricoh Sustainable Products Program (RSPP) www.ricoh.com/environment/product/sustainable/

GOVERNANCE

Robust foundations are pivotal to continuing to build value and grow as a corporate group. This section presents our stance on the construction of our governance structure and overviews its components.

46	Corporate Governance
49	Executives
51	Internal Controls
51	Compliance
52	Risk Management



Maintaining Ricoh's corporate value on behalf of all stakeholders

The Ricoh Group established The RICOH Way as a set of guiding principles and values that serves as the foundation for all our business activities. Abiding by these principles in corporate ethics and compliance and maintaining transparency in management, we continuously strive to improve our governance, and in doing so ultimately enhance our corporate value.

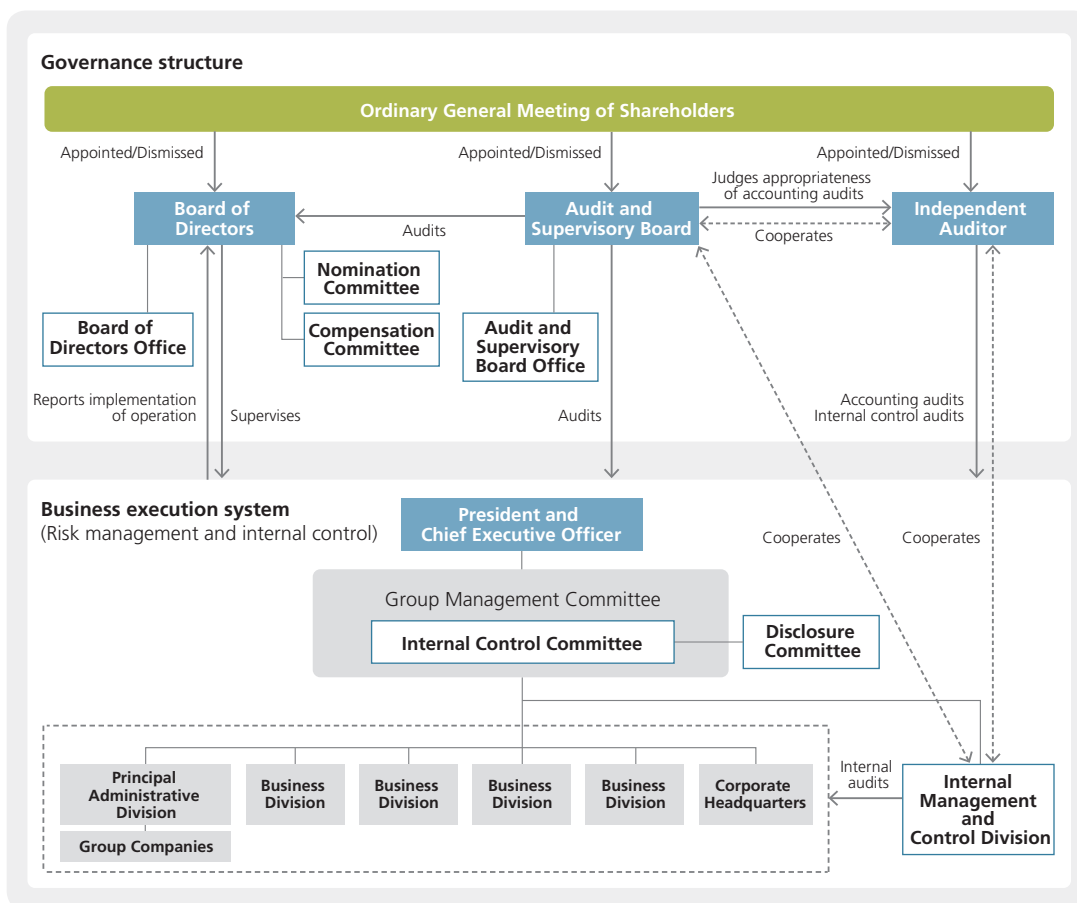
■ Corporate governance

We strongly believe that responsible global citizenship calls for a corporate culture that embraces a sense of mission to meet the expectations of diverse stakeholders—a culture that is committed to operating under the highest ethical standards in line with the expectations of society as a whole.

Based on this belief, we advance the operations of the entire Group under The RICOH Way, strengthening our governance and ceaselessly promoting a culture of integrity while working toward sustainable corporate growth.

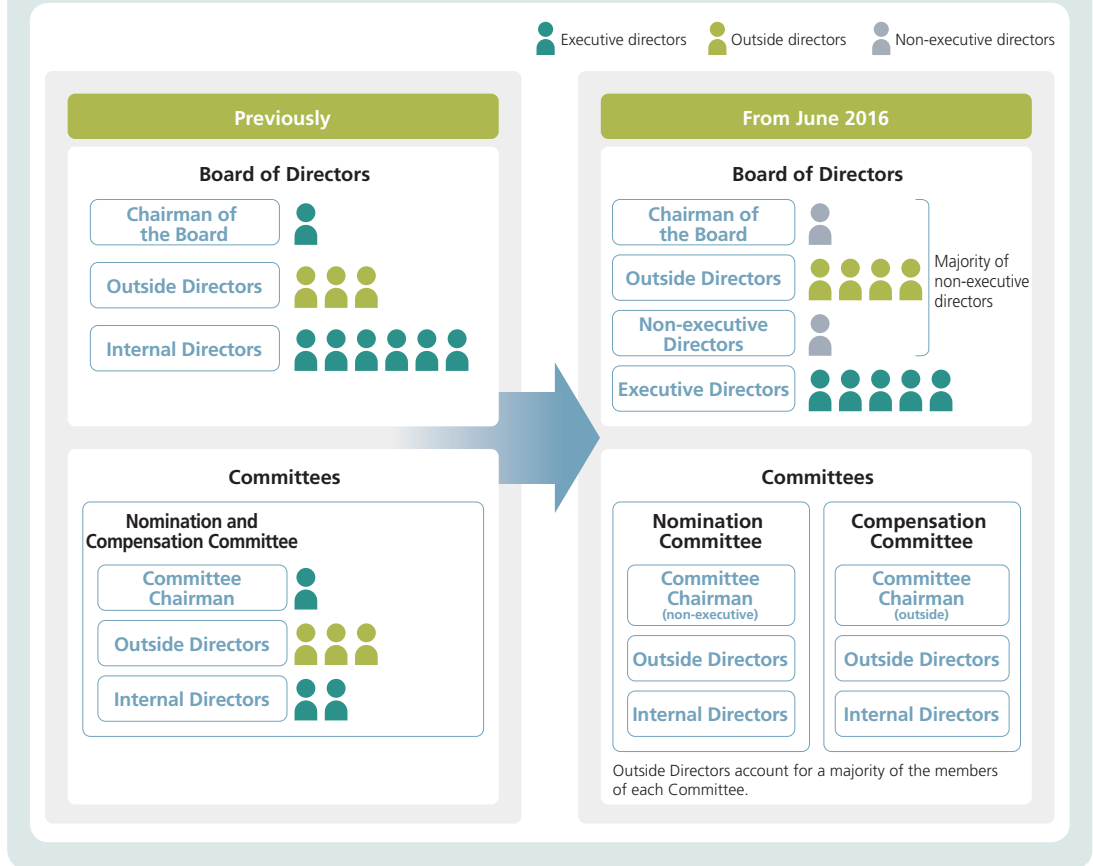
We implemented a revised corporate governance structure in April 2016 to ensure sustainable growth and bolster our corporate activities.

The Group has also implemented an integrated risk management system for both business opportunities and business execution, and it follows internal control procedures to achieve the success of our corporate strategies and business targets.



Revisions to corporate governance structure

We fostered new growth challenges by encouraging outside, non-executive, and executive directors to draw on their expertise and experience in deliberating extensively on important matters. We also built a structure to supervise management from the perspectives of shareholders and diverse other stakeholders.



Board of Directors and Audit and Supervisory Board

Board of Directors
 Maximum number of directors: 15
 Current number of executives: 11 (including 4 outside directors)
 Term: 2 years

Audit and Supervisory Board
 Maximum number of Audit and Supervisory Board members: 5
 Current number of executives: 5 (including 3 outside Audit and Supervisory Board members)
 Term: 4 years

(As of June 17, 2016)

Governance structure

- The Ricoh Group has introduced a corporate audit system.
- The Board of Directors is responsible for management oversight and important decision making concerning Group management. By appointing highly independent outside directors, the Group ensures greater transparency in its management and decision making.

- Four of the Board's 11 directors are outside directors—part of an effort to incorporate various views and opinions and to eliminate arbitrary decision making in management.
- The Board of Directors Office was established to foster resolute decision making and help maintain highly transparent management supervision.
- Audit and Supervisory Board members hold discussions to determine audit and supervising policies and the assignment of duties, and they monitor corporate management.

Refer to our website

Stock information www.ricoh.com/IR/settlement.html
Securities reports www.ricoh.com/IR/financial_data/securities_report/

- Audit and Supervisory Board members attend all important meetings, including but not limited to Board meetings, and exchange information regularly with the representative directors.
- The Audit and Supervisory Board Members Office, with designated support staff, has been established to ensure that the Audit and Supervisory Board members can work effectively.
- Under the executive officer system, the authority to carry out business has been assigned to respective functional departments so as to expedite decision making and clarify the roles of each department.

Nomination and Compensation Committees

As part of efforts to reinforce management supervision and decision making by the Board of Directors, we set up the Nomination Committee, whose three outside directors comprise its majority of members. The Committee is chaired by an outside director. We also established the Compensation Committee, whose four outside directors similarly constitute its majority of members. These bodies ensure transparency and objectivity in appointments and dismissals and compensation for directors and executive officers.

Group Management Committee

The Group Management Committee (GMC) consists of executive officers and is a decision-making body empowered by the Board of Directors. The GMC facilitates deliberations and renders decisions on the Group's overall management from the perspective of total optimization.

Internal auditing

The Internal Management and Control Division, which is in charge of internal auditing, objectively reviews and assesses the status of business execution by respective business divisions according to clearly defined rules to ensure legal compliance and adequacy of execution practices. It also provides advice and recommendations for improvement. The results are regularly reported to the GMC's Internal Control Committee.

External auditing

Ricoh has formulated a set of guidelines called the "Policy and Procedures for Prior Approvals for Audit and Non-audit Services." In accordance with these guidelines, advance approval must be obtained from the Audit and Supervisory Board members concerning the details of and fees for auditing contracts.

Assessing effectiveness of Board of Directors

Under a new structure deployed in 2016, the Board of Directors and the Audit and Supervisory Board assess their own effectiveness. The goal is to ensure that the Board of Directors fulfills its roles and duties through autonomous improvements.

Executive compensation

In its pursuit of increased shareholder value, the Ricoh Group employs executive compensation as an effective incentive to achieve sustainable increases in corporate earnings over the medium and long term.

The base salary of directors consists of remuneration related to management oversight, remuneration reflecting the importance of individual roles and responsibilities, remuneration for the purpose of purchasing treasury stocks (except for outside directors), and variable remuneration linked to stock price performance during the relevant fiscal year. The Ricoh Group has been strengthening incentives for executives to increase shareholder value over the long term by allocating a portion of remuneration for stock repurchase so that executives will have a common interest with shareholders.

The amount of bonuses paid to directors is based on the attainment of key performance indicators—such as sales, operating income and ROA—that pertain to shareholder value and the Company's competitiveness. Proposed bonuses for directors are brought before the general meeting of shareholders for approval.

Compensation paid to the Audit and Supervisory Board members is composed solely of remuneration for their auditing duties.

Executive compensation for fiscal 2016

Category	Number	¥ million		
		Total	Total remuneration, etc. by category	
			Base salary	Bonus
Directors (excluding Outside Directors)	7	479	356	122
Audit and Supervisory Board Members (excluding Outside Audit and Supervisory Board Members)	2	52	52	—
Outside Directors and Audit and Supervisory Board Members	5	59	59	—
Outside Directors	3	43	43	—
Outside Audit and Supervisory Board Members	2	16	16	—
Total	14	591	468	122

Executives

As of June 17, 2016

Board of Directors



Shiro Kondo

Representative Director and Chairman of the Board
 • Chairman of Nomination Committee
 • Member of Compensation Committee

Date of birth: October 7, 1949
 Joined the Company: 1973

Currently

Chairman, Ricoh Co., Ltd.

Formerly

General Manager, Imaging System Business Group and General Manager, MFP Business Group, Ricoh Co., Ltd.



Zenji Miura

Representative Director and CEO
 • Member of Nomination and Compensation Committees

Date of birth: January 5, 1950
 Joined the Company: 1976

Currently

President and CEO, Ricoh Co., Ltd.

Formerly

President, Ricoh France S. A. S.; General Manager, Finance and Accounting Division and General Manager, Corporate Planning, Ricoh Co., Ltd.



Yoshinori Yamashita

Director

Date of birth: August 22, 1957
 Joined the Company: 1980

Currently

Deputy President and General Manager, Business Solutions Group, Ricoh Co., Ltd.

Formerly

President, Ricoh Electronics, Inc.; General Manager, Corporate Planning, Ricoh Co., Ltd.



Nobuo Inaba

Director

Date of birth: November 11, 1950
 Joined the Company: 2008

Currently

Director, Ricoh Co., Ltd.

Formerly

Executive Director, Bank of Japan; President, Ricoh Institute of Sustainability and Business



Yohzoh Matsuura

Director

Date of birth: April 15, 1956
 Joined the Company: 1980

Currently

Corporate Executive Vice President, In charge of R&D and General Manager, Intellectual Property Division, Ricoh Co., Ltd.

Formerly

General Manager, Imaging System Development Division and General Manager, Ricoh Institute of Technology, Ricoh Co., Ltd.



Kunihiko Satoh

Director

Date of birth: October 21, 1956
 Joined the Company: 1979

Currently

Corporate Executive Vice President, In charge of optical-related business, In charge of global new business promotion and General Manager, New Business Development Division, Ricoh Co., Ltd.; Director, Ricoh Leasing Co., Ltd.

Formerly

General Manager, Japan Marketing Group, Ricoh Co., Ltd.; Representative Director, President and CEO, Ricoh Japan Corporation



Akira Oyama

Director

• Member of Compensation Committee

Date of birth: January 6, 1961
 Joined the Company: 1986

Currently

Corporate Executive Vice President, Corporate Human Resource Executive and General Manager, Corporate Division, Ricoh Co., Ltd.; President, Ricoh Americas Holdings, Inc.

Formerly

General Manager, Europe Marketing Group, Ricoh Co., Ltd.; CEO, Ricoh Europe Plc



Kunio Noji

Director (outside)

• Member of Nomination Committee
 • Chairman of Compensation Committee

* Since June 2012

Date of birth: November 17, 1946

Currently

Chairman of the Board, Komatsu Ltd.; Outside Director, NEC Corporation



Makoto Azuma

Director (outside)

• Member of Nomination and Compensation Committees

* Since June 2014

Date of birth: May 25, 1945

Currently

Member, Science Council of Japan; Advisory Professor, Tsing Hua University (China); Advisor, TDK Corporation; Councillor, TOSHIBA INTERNATIONAL FOUNDATION



Masami Iijima

Director (outside)

• Member of Nomination and Compensation Committees

* Since June 2016

Date of birth: September 23, 1950

Currently

Representative Director, Chairman of the Board of Directors, MITSUI & CO., LTD.



Mutsuko Hatano

Director (outside)

• Member of Compensation Committee

* Since June 2016

Date of birth: October 1, 1960

Currently

Professor, Department of Electrical and Electronic Engineering, School of Engineering, Tokyo Institute of Technology; Council Member, Science Council of Japan

Audit and Supervisory Board



Kunihito Minakawa

Audit and Supervisory Board Member

Date of birth: August 15, 1954
 Joined the Company: 1978

Formerly

General Manager, Finance and Accounting Division, Ricoh Co., Ltd.



Katsumi Kurihara

Audit and Supervisory Board Member

* Since June 2016

Date of birth: March 24, 1956
 Joined the Company: 1978

Formerly

Corporate Senior Vice President and General Manager, Manufacturing Quality Assurance Center, Manufacturing Division, Ricoh Co., Ltd.



Kimitoshi Yabuki

Outside Audit and Supervisory Board Member

* Since June 2013

Date of birth: August 22, 1956

Currently

Yabuki Law Office
 Outside Director, Sumitomo Life Insurance Company

Contributions

Attended 9 of the 11 board meetings held in the term ended March 2016 (attendance rate: 82%).
 Attended 9 of the 11 auditors' meetings held during the same period (attendance rate: 82%)



Takashi Narusawa

Outside Audit and Supervisory Board Member

* Since June 2016

Date of birth: December 8, 1949

Currently

Outside Director, The Nishin Oillio Group, Ltd.; Advisor, Starts Corporation Inc., Outside Director, Hirata Corporation



Shigeru Nishiyama

Outside Audit and Supervisory Board Member

* Since June 2016

Date of birth: October 27, 1961

Currently

Outside Director (Audit and Supervisory Committee Members), UNIPRES CORPORATION; Professor, Waseda Business School (Graduate School of Business and Finance), Outside Audit & Supervisory Board Members, Pigeon Corporation

Comments from Outside Directors

Accommodate change by making safety, the environment, and compliance top priorities



Kunio Noji

Currently

Chairman of the Board, Komatsu Ltd.; Outside Director, NEC Corporation

Reason for appointment

Mr. Noji was president and CEO of Komatsu Ltd. He has abundant experience and expertise as a member of top management of one of the leading companies in Japan. We believe that his wealth of experience and knowledge will greatly benefit our decision-making process, and Mr. Noji will be able to offer us useful advice and counsel from an independent perspective.

Activity status

He attended 11 out of 11 Board meetings held in fiscal 2016.

Japanese companies continue to experience unstable operating climates, notably because of the emergence of China as an economic and political power and a high Japanese yen. Global social changes are also having a great impact on operations, an example being the United Kingdom's decision to leave the European Union. On top of that, accelerating technological change in the Internet of Things, artificial intelligence, and other areas are transforming the offices that are central to Ricoh's operations and the nature of business itself.

I am thus convinced that the Ricoh Group can generate sustainable growth only by flexibly tackling the challenges of change. It must particularly concentrate its business resources, formulate regional strategies, engage in open innovation, and build new business models. I will draw on my understanding of Ricoh's strengths in sharing my insight with other members of the Board of Directors

As it addresses change, I believe that it will be important for Ricoh to keep constructing a corporate culture that makes safety, the environment, and compliance its top priorities. I will keep endeavoring as an outside director to help enhance its corporate culture.

Create a corporate culture that promotes self-reliance



Makoto Azuma

Currently

Member, Science Council of Japan; Advisory Professor, Tsing Hua University (China); Advisor, TDK Corporation; Councillor, TOSHIBA INTERNATIONAL FOUNDATION

Reason for appointment

Mr. Azuma was executive vice president and CTO (chief technology officer) of Toshiba Corporation and is currently a professor at Tokyo University of Science Graduate School of Innovation Studies. His wealth of knowledge regarding technology strategy and managerial expertise will help shape and integrate our decision making and guide our efforts from an objective, expert perspective.

Activity status

He attended 11 out of 11 Board meetings held in fiscal 2016.

Companies can expose themselves to problems of their own doing when they become too big. While shifts away from founding stances in view of changing political, economic, and social landscapes can lead to corporate malaises, I think the fundamental cause is that people tend to function more mechanically as organizations grow.

Ricoh started out 80 years ago by marketing sensitized paper. It has since grown into an organization with net sales exceeding ¥2 trillion by constantly pioneering innovations. Examples include the mass production of cameras, the office automation concept, and digital technology applications. Today, Ricoh derives 65% of its revenues from office imaging. Left unchecked, this situation could lead to internal complacency, which is symptomatic of corporate malaises. So as an outside director, I wish to contribute to the Board of Directors by fostering a culture of self-reliance among Ricoh employees. In that regard, I particularly wish to assist its engineers to make it easier for them to craft new technologies and business ideas.

New Outside Directors

Masami Iijima



Currently

Representative Director, Chairman of the Board of Directors, MITSUI & CO., LTD.

Reason for appointment

Mr. Iijima accumulated a wealth of experience as an executive at MITSUI & CO., LTD. He should contribute significantly to decision making at Ricoh through his independent oversight and advice.

Ricoh filed to appoint Mr. Iijima as an outside director on the basis that he is an independent officer without conflicts of interest with the Company or its shareholders, as set forth in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

Mutsuko Hatano



Currently

Professor, Department of Electrical and Electronic Engineering, School of Engineering, Tokyo Institute of Technology; Council Member, Science Council of Japan

Reason for appointment

Ms. Hatano is a professor in the electrical and electronics fields at the Tokyo Institute of Technology, and has served on numerous committees for government institutions. She should contribute significantly to decision making at Ricoh through her independent oversight and advice.

Ricoh filed to appoint Ms. Hatano as an outside director on the basis that she is an independent officer without conflicts of interest with the Company or its shareholders, as set forth in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

Internal controls

The Ricoh Group aims for continuous improvement based on the values embodied in The RICOH Way. This includes operating an internal control system designed to strengthen competitiveness while maintaining transparency based on principles of corporate ethics and legal compliance. Ricoh has established the Ricoh Group Corporate Management Principles as a set of guidelines for corporate activities, and follows the Internal Control Principles included therein.

- The Group Management Committee (GMC) was established to oversee the Group's overall business operations and to enable quick analysis and decision making to ensure the best result for the Group as a whole.
- The Internal Control Committee was established within the GMC to determine action policies, report incidents, and evaluate and correct the control system regarding internal controls, risk management and compliance, in particular.
- Corporate Management Regulations for Ricoh Affiliates stipulate the establishment of a supervising organization to oversee risk at all Ricoh Group companies.
- The Ricoh Group Standards (RGS) have been established as a set of common rules for all Ricoh Group employees to follow, and adherence to these rules across the Group is ensured.
- A basic disclosure policy has been established to ensure that corporate information released by the Group is accurate, timely and comprehensive. Also the Disclosure Committee has been set up as an independent body charged with verifying the preparing process of the information to be disclosed.
- Integrated internal audits (J-SOX audit, financial audit, operational audit, etc.) are conducted to ensure the reliability of our financial reports, improve operational efficiency, confirm compliance with laws and regulations, and confirm that risk management measures are being implemented properly.
- The Fraud Risk Management (FRM) program of the Ricoh Group has been deployed to prevent fraud risk. The FRM utilizes a check sheet and tools to detect anomalies within large volumes of data in the integrated internal audit.



Business partners

refer to organizations and individuals outside the Ricoh Group which perform services that contribute to the profits of any Ricoh Group company or that represent any Ricoh Group company.

Compliance

We believe that it is important for every employee to adhere strictly to laws, company regulations and corporate ethics in their daily activities.

All Ricoh Group executives and employees in Japan receive annual training via e-learning on the Ricoh Group Code of Conduct, which provides principles of conduct in daily activities. Equivalent training is given to all overseas Ricoh Group companies.

An integrated internal audit checks the status of compliance in every organization.

Anti-corruption initiatives

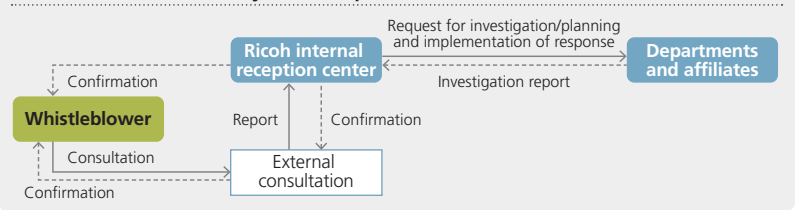
The Ricoh Group stipulates its basic anti-corruption policy in the Ricoh Group Code of Conduct and promotes it across the Group through Code of Conduct education. In 2013, the Ricoh Group Standard for Bribery Prevention became a part of the RGS to help ensure total compliance with laws and regulations that prevent illegal transactions, such as the Foreign Corrupt Practices Act of the United States and the Bribery Act (2010) of the United Kingdom. In addition, the Ricoh Group Bribery Prevention Guidelines for Third Parties has been enacted as a means to prevent corruption among Ricoh Group business partners. >1

Hotline system

The Ricoh Group Hotline has been in operation since April 2003 in Japan as a contact point for all directors and employees wishing to report incidents or seek advice. Independent contact points have also been established externally as the first point of contact. To make the Hotline easier for employees to use, we continuously review its hours of operation and procedures. In addition, major Group companies worldwide have established and operate reporting and advice contacts.

Whistleblowers are protected from retaliation by rules prohibiting discriminatory acts against those who have contacted the Hotline.

Basic flow of the Hotline system in Japan



Refer to our website

Compliance www.ricoh.com/governance/compliance.html

Risk management >2

Total risk management (TRM) system

Based on the Risk Management Principles stipulated in the Ricoh Group Corporate Management Principles, the GMC/Internal Control Committee has established a risk management area of responsibility for each business risk and implemented thorough risk management in daily execution and business operations. In addition, the Group has established a division supporting risk management, which provides comprehensive support for executives, risk management areas, and all divisions within the Group.

Managerial Risk and Sectoral Risk

In order to secure an effective and efficient risk management operation, risks are categorized and specified as Managerial Risks that threaten human life, greatly impact society, or greatly damage in value in the event they occur; or cause Sectoral Risks which are controlled by each business unit/ Group company. The PDCA (Plan, Do, Check and Act) cycle of risk management is then carried out depending on the importance of each risk.

Determining and reviewing managerial risks

The Group assigns a risk value based on frequency and degree of impact for external risks such as world trends, incidents and accidents, as well as for internal risks such as changes in the business structure, and creates a two-dimensional risk map to define managerial risks. This is reviewed annually at the time the business plan is being created.

Major risks

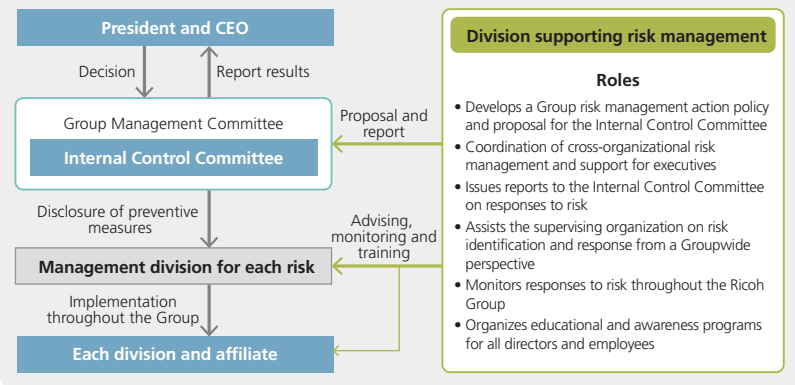
The Ricoh Group pays particular attention to the following types of risk to prevent incidents that may have a major negative impact on corporate business activities, and to minimize the damage in the event they occur.

- Natural disasters • Serious accidents • Exchange rate fluctuations
- Serious quality problems • Difficulty in acquiring raw materials
- Leaks of personal information and corporate secrets • Bribery
- Insider trading • Violation of environmental regulations
- Violation of import/export regulations • Human rights issues
- Fraud in relation to business operations, etc.

Responding to incidents and accidents

To respond quickly and appropriately in the event of an incident, we clarify areas of management responsibility and reporting levels according to the nature of the incident. At the same time, we propose the implementation sequence of emergency response procedures and reports to the president and relevant executives based on the president's policies as applied to the RGS.

Risk management process



During the fiscal year ended March 31, 2016, a major accounting violation occurred in India, requiring disclosures to external organizations.

Financial irregularities at Ricoh India

An independent auditor that Ricoh India appointed in 2015 raised concerns regarding reporting, and delayed the publication of the results until the matter could be concluded. Ricoh India's audit committee, together with its accountants and lawyers in India, undertook an internal investigation which revealed that some employees had falsified accounts. Ricoh India announced its fiscal 2016 results on November 18, 2016.

Timeline

- Ricoh India bolstered corporate governance by changing its independent auditor after filing its results for the first quarter ended June 30, 2015.
- In the second quarter of that year, the new independent auditor raised concerns toward Ricoh India's management and audit committee regarding financial irregularities on the part of some employees.
- Ricoh India's audit committee appointed external experts and undertook an internal investigation, which heightened concerns that accounting violations had occurred, with the company filing a report with the Bombay Stock Exchange on April 20, 2016.
- On July 19, Ricoh India continued its probe into financial irregularities by some employees, announcing that it projected losses for the year ended March 31, 2016, to reflect corrected results.
- On November 18, Ricoh India announced its results for the year ended March 31, 2016.

Note: We will leverage our website and other vehicles to promptly share any information that should be disclosed regarding Ricoh India.

Ricoh takes the above matter seriously, and will fully cooperate with any continuing oversight by India regulators and courts. Concerning its global systems, it will reflect external expert assessments of the effectiveness of governance and internal controls at overseas subsidiaries in formulating and deploying measures to reinforce internal audits at those subsidiaries and prevent similar incidents from recurring.

Business continuity plan

The Ricoh Group has created a business continuity plan (BCP) to enable the business to quickly recover and continue and to minimize the degree of damage in the event of an unanticipated disaster or accident. In addition to the BCP itself, measures are in place throughout the Ricoh Group to facilitate responses within the scope of business continuity management (BCM), covering implementation, application, education, training, correction and revision of prevailing BCPs, which include the current BCP implemented throughout the Group to ensure a common response to new strains of influenza and widespread natural disasters in Japan.

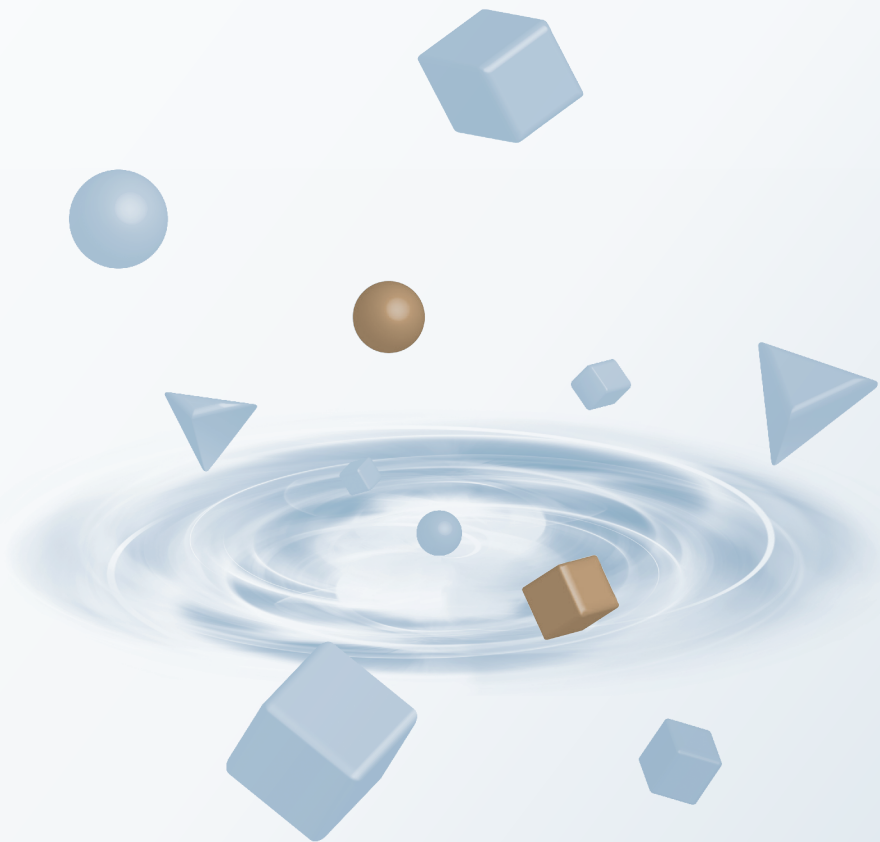
Refer to our website

2 Risk management www.ricoh.com/governance/risk.html

DATA & PROFILE

The information in this section enhances understanding of what we do.

- 54 **Ricoh Group Consolidated Financial Results for Fiscal 2016**
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Operating Results

Ricoh's consolidated sales for fiscal 2016 (April 1, 2015 to March 31, 2016) increased 2.7% compared with the previous fiscal year, to ¥2,209.0 billion. During this period, the average exchange rates of the Japanese yen against the U.S. dollar and the euro were ¥120.12 (down ¥10.23 from the previous fiscal year) and ¥132.68 (up ¥6.17), respectively.

The Japanese economy continued to maintain its gradual recovery by the improvement in corporate profits and labor market, but the unpredictable economy has been caused by strengthening of the yen and low stock price from the beginning of this year. Under such market conditions, as for the sales in the domestic market, sales in the Imaging & Solutions and the Industrial Products segment increased through the increase in sales of Network System Solutions and so on, but was offset by the sales decrease in the Other segment derived from sale of San-ai apparel business and so on. As a result, the sales in the overall domestic market increased by 0.3% as compared to the previous corresponding period.

As for the overseas market, the U.S. economy continued to show a solid recovery, but the outlook of the overall global economy remains uncertain with the increasing European geopolitical risk and the continuous slowdown in the growth of the emerging markets including China. Even under such market conditions, in addition to the increase in the sales of color MFP models, the weak yen against U.S. dollar and the acquisition have contributed to the overall increase in Ricoh's overseas sales.

As for overseas sales by region, sales in the Americas increased by 7.0% (a decrease of 2.1% excluding foreign currency exchange fluctuation), sales in Europe, Middle East and Africa decreased by 0.3% (an increase of 4.3% excluding foreign currency exchange fluctuation) and sales in Other region, which includes China, South East Asia and Oceania, increased by 5.6% (an increase of 5.1% excluding foreign currency exchange fluctuation).

Owing to these factors, sales in overseas markets increased 4.0% (an increase of 1.4% excluding foreign currency exchange fluctuations) compared with the previous fiscal year.

Although sales increased, gross profit decreased by 2.8% as compared to the previous corresponding period, to ¥881.9 billion, due to unit price declines caused by the deteriorated market conditions and the intensification of market competition. Although group-wide activities to streamline costs have contributed in controlling selling, general and administrative expenses, these expenses have increased by 0.7% as compared to the previous corresponding period, to ¥799.4 billion, due mainly to the weakening of the yen against U.S.

dollar and acquisitions.

As a result, operating profit decreased 11.6% compared with the previous fiscal year, to ¥102.2 billion.

As for finance income and costs, foreign exchange loss increased as compared to the previous corresponding period.

Profit before income tax expenses decreased by 14.8% as compared to the previous corresponding period, to ¥95.6 billion.

As a result, profit attributable to owners of the parent decreased by 8.1% as compared to the previous corresponding period, to ¥62.9 billion.

Financial Position

Assets, Liabilities, and Equity at Year-End

Total assets increased by ¥46.2 billion as compared to the previous corresponding period, to ¥2,776.4 billion, mainly due to the increase in "other financial assets" including "lease receivables."

Total liabilities increased by ¥52.8 billion as compared to the previous corresponding period, to ¥1,628.6 billion, mainly due to the increase in "bonds and borrowings" to meet the demand for working capital along with the increase of lease receivables.

Total equity decreased by ¥6.5 billion as compared to the previous corresponding period, to ¥1,147.7 billion, mainly due to the decrease in "other components of equity."

Cash Flows

Net cash provided by operating activities decreased by ¥2.6 billion, to ¥99.8 billion, primarily due to decrease in profit by unit price declines caused by the deteriorated market conditions and the intensification of market competition.

Net cash used in investing activities decreased by ¥39.3 billion, to ¥104.1 billion, primarily due to gains on sales of idle places and offices as a result of group-wide activities to streamline costs such as reorganization. Net cash used in investing activities consisted mainly of ¥83.7 billion of expenditures for property, plant and equipment, ¥28.9 billion of expenditures for intangible fixed assets and ¥5.6 billion for business acquisitions. Expenditures for property, plant and equipment consisted primarily of increases in the production capacity and improvement of the production efficiency for office equipment, network system and purchase of rental assets.

Net cash provided by financing activities is ¥42.6 billion. Net cash provided by financing activities consisted primarily of ¥84.4 billion to repay long-term debt and ¥25.0 billion to pay dividends, which were partially offset by ¥20.0 billion of proceeds received from the issuance of bonds and ¥198.8 billion of proceeds received from the issuance of long-term indebtedness.

Refer to our website

Investor relations www.ricoh.com/IR/

Securities report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/securities_report/pdf/AnnualSecuritiesReport_116th.pdf

Flash report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/financial_result/data/28/q4_report.pdf

Consolidated Statements of Profit or Loss

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31, 2015 and 2016

	Millions of Yen		Thousands of U.S. Dollars
	2015	2016	2016
Sales:			
Products	990,908	1,018,979	9,098,027
Post sales and rentals	1,068,678	1,092,245	9,752,188
Other revenue	91,818	97,804	873,250
Total sales	2,151,404	2,209,028	19,723,465
Cost of sales:			
Products	704,036	768,209	6,859,009
Post sales and rentals	485,957	504,375	4,503,348
Other revenue	54,493	54,480	486,429
Total cost of sales	1,244,486	1,327,064	11,848,786
Gross profit	906,918	881,964	7,874,679
Selling, general and administrative expenses	794,014	799,406	7,137,554
Other income	2,861	19,737	176,223
Operating profit	115,765	102,295	913,348
Finance income	3,963	5,091	45,455
Finance costs	7,381	11,757	104,973
Share of profit (loss) of investments accounted for using the equity method	(50)	55	491
Profit before income tax expenses	112,297	95,684	854,321
Income tax expenses	38,598	28,378	253,375
Profit	73,699	67,306	600,946
Profit attributable to:			
Owners of the parent	68,562	62,975	562,277
Non-controlling interests	5,137	4,331	38,669
Per share of common stock:	Yen		U.S. Dollars
	2015	2016	2016
Earnings per share attributable to owners of the parent:			
Basic	94.58	86.87	0.78
Diluted	—	—	—
Cash dividends, applicable to the year	34.00	35.00	0.31
Per American Depositary Share, each representing 1 share of common stock:	Yen		U.S. Dollars
	2015	2016	2016
Earnings per ADR share attributable to owners of the parent:			
Basic	94.58	86.87	0.78
Diluted	—	—	—
Cash dividends, paid	34.00	35.00	0.31

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014.

Figures for fiscal 2015 have been adjusted due to the partial change in presentation of lease transactions from a gross basis to a net basis.

To see Critical Accounting Policies and Notes to Consolidated Financial Statements, refer to the URL www.ricoh.com/IR/financial_data/securities_report/

Refer to our website

Investor relations www.ricoh.com/IR/

Securities report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/securities_report/pdf/AnnualSecuritiesReport_116th.pdf

Flash report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/financial_result/data/28/q4_report.pdf

Financial data www.ricoh.com/IR/financial_data/financial_indicators/data5.html

Per share data www.ricoh.com/IR/financial_data/financial_indicators/data7.html

Consolidated Statements of Comprehensive Income

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31, 2015 and 2016

	Millions of Yen		Thousands of U.S. Dollars
	2015	2016	2016
Profit	73,699	67,306	600,946
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	(23,135)	(6,039)	(53,920)
Components that will be reclassified subsequently to profit or loss:			
Net gain on fair value of available-for-sale financial assets	5,316	6,457	57,652
Net gain on fair value of cash flow hedges	1,838	(1,916)	(17,107)
Exchange differences on translation of foreign operations	27,224	(44,180)	(394,464)
Total other comprehensive income	11,243	(45,678)	(407,839)
Comprehensive income	84,942	21,628	193,107
Comprehensive income attributable to:			
Owners of the parent	79,056	18,332	163,679
Non-controlling interests	5,886	3,296	29,428

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014. Figures for fiscal 2015 have been adjusted due to the partial change in presentation of lease transactions from a gross basis to a net basis. To see Critical Accounting Policies and Notes to Consolidated Financial Statements, refer to the URL www.ricoh.com/IR/financial_data/securities_report/

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Financial data www.ricoh.com/IR/financial_data/financial_indicators/data5.html
Per share data www.ricoh.com/IR/financial_data/financial_indicators/data7.html

Consolidated Statements of Financial Position

Ricoh Company, Ltd. and Consolidated Subsidiaries
March 31, 2015 and 2016

	Millions of Yen		Thousands of U.S. Dollars
	2015	2016	2016
Assets			
Current assets:			
Cash and cash equivalents	137,722	167,547	1,495,955
Time deposits	927	973	8,688
Trade and other receivables	553,534	564,204	5,037,534
Other financial assets	260,056	272,347	2,431,670
Inventories	224,481	207,092	1,849,036
Other current assets	39,662	61,032	544,929
Total current assets	1,216,382	1,273,195	11,367,812
Non-current assets:			
Property, plant and equipment	276,617	276,551	2,469,206
Goodwill and intangible assets	435,752	413,836	3,694,964
Other financial assets	601,797	620,171	5,537,241
Investments accounted for using the equity method	450	935	8,348
Other investments	58,237	67,084	598,964
Other non-current assets	44,119	38,905	347,366
Deferred tax assets	96,853	85,784	765,929
Total non-current assets	1,513,825	1,503,266	13,422,018
Total assets	2,730,207	2,776,461	24,789,830

	Millions of Yen		Thousands of U.S. Dollars
	2015	2016	2016
Liabilities and Equity			
Current liabilities:			
Bonds and borrowings	222,065	260,755	2,328,170
Trade and other payables	276,986	286,123	2,554,670
Other financial liabilities	1,800	1,820	16,250
Income tax payables	13,683	15,220	135,893
Other current liabilities	257,605	242,950	2,169,196
Total current liabilities	772,139	806,868	7,204,179
Non-current liabilities:			
Bonds and borrowings	568,515	592,045	5,286,115
Other financial liabilities	1,537	3,745	33,438
Accrued pension and retirement benefits	144,153	139,049	1,241,509
Other non-current liabilities	84,721	82,392	735,643
Deferred tax liabilities	4,830	4,598	41,054
Total non-current liabilities	803,756	821,829	7,337,759
Total liabilities	1,575,895	1,628,697	14,541,938
Equity:			
Common stock	135,364	135,364	1,208,607
Authorized — 1,500,000,000 shares as of March 31, 2015 and 1,500,000,000 shares as of March 31, 2016 Issued and outstanding — 744,912,078 shares and 724,900,878 shares as of March 31, 2015 and 744,912,078 shares and 724,888,649 shares as of March 31, 2016			
Additional paid-in capital	186,083	186,423	1,664,491
Treasury stock	(37,295)	(37,312)	(333,143)
Other components of equity	153,547	114,914	1,026,018
Retained earnings	646,468	678,424	6,057,357
Total equity attributable to owners of the parent	1,084,167	1,077,813	9,623,330
Non-controlling interests	70,145	69,951	624,562
Total equity	1,154,312	1,147,764	10,247,892
Total liabilities and equity	2,730,207	2,776,461	24,789,830

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014. To see Critical Accounting Policies and Notes to Consolidated Financial Statements, refer to the URL www.ricoh.com/IR/financial_data/securities_report/

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Flash report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/financial_result/data/28/q4_report.pdf

Consolidated Statements of Changes in Equity

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31, 2015 and 2016

	Millions of Yen					
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain on fair value of available-for-sale financial assets	Net gain (loss) on fair value of cash flow hedges
Balance at April 1, 2014	135,364	186,083	(37,278)	—	11,848	(221)
Profit						
Other comprehensive income (loss)				(23,149)	5,234	1,024
Comprehensive income	—	—	—	(23,149)	5,234	1,024
Net change in treasury stock			(17)			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				23,149		
Acquisition of non-controlling interests		—				
Total transactions with owners	—	—	(17)	23,149	—	—
Balance at March 31, 2015	135,364	186,083	(37,295)	—	17,082	803
Profit						
Other comprehensive income (loss)				(6,010)	6,535	(1,070)
Comprehensive income	—	—	—	(6,010)	6,535	(1,070)
Net change in treasury stock			(17)			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				6,010		
Acquisition of non-controlling interests		340				
Total transactions with owners	—	340	(17)	6,010	—	—
Balance at March 31, 2016	135,364	186,423	(37,312)	—	23,617	(267)

	Thousands of U.S. Dollars					
	Common stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net gain on fair value of available-for-sale financial assets	Net gain (loss) on fair value of cash flow hedges
Balance at March 31, 2015	1,208,607	1,661,455	(332,991)	—	152,518	7,170
Profit						
Other comprehensive income (loss)				(53,661)	58,348	(9,554)
Comprehensive income	—	—	—	(53,661)	58,348	(9,554)
Net change in treasury stock			(152)			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				53,661		
Acquisition of non-controlling interests		3,036				
Total transactions with owners	—	3,036	(152)	53,661	—	—
Balance at March 31, 2016	1,208,607	1,664,491	(333,143)	—	210,866	(2,384)

	Millions of Yen					
	Exchange differences on translation of foreign operations	Total other components of equity	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2014	108,277	119,904	625,340	1,029,413	64,983	1,094,396
Profit			68,562	68,562	5,137	73,699
Other comprehensive income (loss)	27,385	10,494		10,494	749	11,243
Comprehensive income	27,385	10,494	68,562	79,056	5,886	84,942
Net change in treasury stock				(17)		(17)
Dividends declared and approved to owners			(24,285)	(24,285)	(724)	(25,009)
Transfer from other components of equity to retained earnings		23,149	(23,149)	—	—	—
Acquisition of non-controlling interests		—	—	—	—	—
Total transactions with owners	—	23,149	(47,434)	(24,302)	(724)	(25,026)
Balance at March 31, 2015	135,662	153,547	646,468	1,084,167	70,145	1,154,312
Profit			62,975	62,975	4,331	67,306
Other comprehensive income (loss)	(44,098)	(44,643)		(44,643)	(1,035)	(45,678)
Comprehensive income	(44,098)	(44,643)	62,975	18,332	3,296	21,628
Net change in treasury stock				(17)		(17)
Dividends declared and approved to owners			(25,009)	(25,009)	(882)	(25,891)
Transfer from other components of equity to retained earnings		6,010	(6,010)	—	—	—
Acquisition of non-controlling interests		—	—	340	(2,608)	(2,268)
Total transactions with owners	—	6,010	(31,019)	(24,686)	(3,490)	(28,176)
Balance at March 31, 2016	91,564	114,914	678,424	1,077,813	69,951	1,147,764

	Thousands of U.S. Dollars					
	Exchange differences on translation of foreign operations	Total other components of equity	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at March 31, 2015	1,211,267	1,370,955	5,772,036	9,680,062	626,295	10,306,357
Profit			562,277	562,277	38,669	600,946
Other comprehensive income (loss)	(393,731)	(398,598)		(398,598)	(9,241)	(407,839)
Comprehensive income	(393,731)	(398,598)	562,277	163,679	29,428	193,107
Net change in treasury stock				(152)		(152)
Dividends declared and approved to owners			(223,295)	(223,295)	(7,875)	(231,170)
Transfer from other components of equity to retained earnings		53,661	(53,661)	—	—	—
Acquisition of non-controlling interests		—	—	3,036	(23,286)	(20,250)
Total transactions with owners	—	53,661	(276,956)	(220,411)	(31,161)	(251,572)
Balance at March 31, 2016	817,536	1,026,018	6,057,357	9,623,330	624,562	10,247,892

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014. To see Critical Accounting Policies and Notes to Consolidated Financial Statements, refer to the URL www.ricoh.com/IR/financial_data/securities_report/

 Refer to our website

Investor relations www.ricoh.com/IR/
 Securities report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/securities_report/pdf/AnnualSecuritiesReport_116th.pdf
 Flash report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/financial_result/data/28/q4_report.pdf

Consolidated Statements of Cash Flows

Ricoh Company, Ltd. and Consolidated Subsidiaries
For the Years Ended March 31, 2015 and 2016

	Millions of Yen		Thousands of U.S. Dollars
	2015	2016	2016
Cash Flows from Operating Activities:			
Profit	73,699	67,306	600,946
Adjustments to reconcile profit to net cash provided by operating activities			
Depreciation and amortization	107,836	107,366	958,625
Other income	(2,861)	(19,737)	(176,223)
Share of profit (loss) of investments accounted for using the equity method	50	(55)	(491)
Finance income and costs	3,418	6,666	59,518
Income tax expenses	38,598	28,378	253,375
Increase in trade and other receivables	(2,574)	(23,376)	(208,714)
(Increase) decrease in inventories	(18,562)	9,595	85,670
Increase in lease receivables	(42,886)	(35,683)	(318,598)
Decrease (increase) in trade and other payables	(11,177)	11,992	107,071
Decrease in accrued pension and retirement benefits	(17,146)	(9,107)	(81,313)
Other, net	7,344	(14,323)	(127,884)
Interest and dividends received	2,724	2,350	20,982
Interest paid	(7,518)	(6,916)	(61,750)
Income taxes paid	(28,401)	(24,598)	(219,625)
Net cash provided by operating activities	102,544	99,858	891,589
Cash Flows from Investing Activities:			
Proceeds from sales of property, plant and equipment	3,018	20,997	187,473
Expenditures for property, plant and equipment	(75,976)	(83,778)	(748,018)
Expenditures for intangible assets	(36,008)	(28,968)	(258,643)
Payments for purchases of available-for-sale securities	(546)	(799)	(7,134)
Proceeds from sales of available-for-sale securities	158	3,244	28,964
Decrease (increase) in time deposits	3,573	(163)	(1,455)
Purchase of business, net of cash acquired	(9,772)	(5,687)	(50,777)
Others, net	(27,904)	(8,984)	(80,214)
Net cash used in investing activities	(143,457)	(104,138)	(929,804)
Cash Flows from Financing Activities:			
Net proceeds of short-term debt	880	(3,620)	(32,321)
Proceeds from long-term debt	272,587	198,895	1,775,848
Repayments of long-term debt	(203,527)	(84,432)	(753,857)
Proceeds from issuance of bonds	20,000	20,000	178,571
Repayments of bonds	(35,000)	(60,000)	(535,714)
Dividends paid	(24,285)	(25,009)	(223,295)
Payments for purchase of treasury stock	(19)	(16)	(143)
Others, net	(700)	(3,149)	(28,116)
Net cash provided by financing activities	29,936	42,669	380,973
Effect of Exchange Rate Change on Cash and Cash Equivalents	8,652	(8,564)	(76,464)
Net Decrease (Increase) in Cash and Cash Equivalents	(2,325)	29,825	266,294
Cash and Cash Equivalents at Beginning of Year	140,047	137,722	1,229,661
Cash and Cash Equivalents at End of Year	137,722	167,547	1,495,955

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014. To see Critical Accounting Policies and Notes to Consolidated Financial Statements, refer to the URL www.ricoh.com/IR/financial_data/securities_report/

Refer to our website

Investor relations www.ricoh.com/IR/
 Securities report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/securities_report/pdf/AnnualSecuritiesReport_116th.pdf
 Flash report for the fiscal year ended March 31, 2016 www.ricoh.com/IR/financial_data/financial_result/data/28/q4_report.pdf
 Financial data www.ricoh.com/IR/financial_statement/financial.html

Selected Financial Data

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

U.S. GAAP		Millions of Yen						
		2007	2008	2009	2010	2011	2012	
Related Consolidated Profit and Loss	Sales	2,068,925	2,219,989	2,091,696	2,015,811	1,941,336	1,903,477	
	Cost of sales	1,206,519	1,292,262	1,237,310	1,194,272	1,152,395	1,150,855	
	Gross profit	862,406	927,727	854,386	821,539	788,941	752,622	
	Selling, general and administrative expenses	688,026	746,221	779,850	755,638	730,870	770,690	
	Operating income (loss)	174,380	181,506	74,536	65,901	58,071	(18,068)	
	Income (loss) before income taxes	174,519	174,669	30,939	57,082	44,169	(31,937)	
	Provision for income taxes	64,326	63,396	22,158	28,065	22,410	8,223	
	Net income (loss) attributable to Ricoh Company, Ltd.	111,724	106,463	6,530	27,044	18,630	(44,560)	
	Net income (loss) attributable to Ricoh Company, Ltd. shareholders per share [in yen]							
		Basic	153.10	146.04	9.02	37.27	25.68	(61.42)
		Diluted	151.89	142.15	8.75	36.25	25.15	(61.42)
		R&D expenditure	114,985	126,033	124,406	109,346	110,553	119,027
		Depreciation for tangible fixed assets	72,432	72,762	74,886	70,394	67,231	64,984
		Capital investments	85,800	85,215	96,958	66,886	66,875	73,271
		Free cash flow	51,865	(3,987)	(195,684)	97,765	36,730	(101,237)
	Debt (Short-term borrowings and Long-term indebtedness)	415,648	384,372	779,195	684,454	629,624	741,867	
	Total assets	2,243,406	2,214,368	2,513,495	2,377,983	2,255,564	2,289,358	
	Shareholders' equity	1,070,913	1,080,196	975,373	969,358	925,243	822,704	
	Exchange rate [yen/US\$]	117.02	114.40	100.55	92.91	85.77	79.08	
	[yen/euro]	150.08	161.69	143.74	131.21	113.28	109.05	

Sales by Category		Millions of Yen					
		2007	2008	2009	2010	2011	2012
Sales by Category	Imaging & Solutions	1,774,467	1,909,573	1,833,098	1,789,717	1,712,630	1,671,100
	Office Imaging	1,580,155	1,709,491	1,598,614	1,614,347	1,381,175	1,323,263
	Production Printing					150,044	148,564
	Network System Solutions	194,312	200,082	234,484	175,370	181,411	199,273
	Industrial Products	133,387	144,340	115,550	101,692	107,032	98,052
	Other	161,071	166,076	143,048	124,402	121,674	134,325

Sales by Geographic Area		Millions of Yen					
		2007	2008	2009	2010	2011	2012
Sales by Geographic Area	Japan	1,002,251	1,016,034	938,331	876,498	875,819	886,425
	Overseas	1,066,674	1,203,955	1,153,365	1,139,313	1,065,517	1,017,052
	The Americas	426,453	434,799	502,862	558,942	520,000	468,728
	Europe	507,158	603,219	523,407	456,563	428,519	421,373
	Other	133,063	165,937	127,096	123,808	116,998	126,951

We have restated the consolidated financial statements due to changing the fiscal year-ends of our subsidiaries from fiscal 2012. We also recalculated the figures for fiscal 2010 and fiscal 2011 for reference purposes.

Product lines included in the product categories were changed from fiscal 2013. We also recalculated the figures for fiscal 2011 and fiscal 2012 for reference purposes.

Middle East and Africa sales have shifted from Other to Europe as of fiscal 2013. We also recalculated the figures for fiscal 2011 and fiscal 2012 for reference purposes.

The compilation method has been changed from fiscal 2015, such as the reclassification of certain products, e.g., from Production Printing to Industrial Products. We also recalculated the figures for fiscal 2014 for reference purposes.

We have retroactively adjusted the IFRS-based data from fiscal 2013 due to the change in reporting of some lease transactions from a gross basis to a net basis as of fiscal 2016.

Refer to our website

Investor relations www.ricoh.com/IR/

Key financial figures www.ricoh.com/IR/financial_data/financial_indicators/data5.html

Per share data www.ricoh.com/IR/financial_data/financial_indicators/data7.html

Sales by product category and area www.ricoh.com/IR/financial_data/financial_indicators/data6.html

International Financial Reporting Standards (IFRS)

2013		Millions of Yen				Thousands of U.S. Dollars	
		2013	2014	2015	2016	2016	
1,924,497	Related Consolidated Profit and Loss	Sales	1,811,814	2,108,475	2,151,404	2,209,028	19,723,465
1,155,896		Cost of sales	1,062,204	1,235,250	1,244,486	1,327,064	11,848,786
768,601		Gross profit	749,610	873,225	906,918	881,964	7,874,679
705,167		Selling, general and administrative expenses	676,055	752,880	794,014	799,406	7,137,554
63,434		Operating profit	73,555	120,345	115,765	102,295	913,348
58,173		Profit before income tax expenses	68,082	118,063	112,297	95,684	854,321
20,838		Income tax expenses	24,264	39,611	38,598	28,378	253,375
32,467		Profit attributable to owners of the parent	38,915	72,818	68,562	62,975	562,277
		Earnings per share attributable to owners of the parent [in yen and US\$]					
44.78		Basic	53.67	100.44	94.58	86.87	0.78
—		Diluted	—	—	—	—	—
112,006		R&D expenditures	112,006	116,222	118,782	118,583	1,058,777
60,471		Depreciation for tangible fixed assets	54,376	63,305	70,924	68,740	613,750
86,569		Capital expenditures	79,287	72,993	75,976	83,778	748,018
18,059		Free cash flow	15,575	23,956	(40,913)	(4,280)	(38,215)
702,780		Interest-bearing debt	702,335	724,164	790,580	852,800	7,614,285
2,360,697		Total assets	2,391,163	2,596,618	2,730,207	2,776,461	24,789,830
897,996		Total equity attributable to owners of the parent	913,705	1,029,413	1,084,167	1,077,813	9,623,330
83.06		Exchange rate [yen/US\$]	83.06	100.29	109.89	120.12	—
107.08		[yen/euro]	107.08	134.47	138.85	132.68	—

2013		Millions of Yen				Thousands of U.S. Dollars	
		2013	2014	2015	2016	2016	
1,685,391	Sales by Category	Imaging & Solutions	1,611,210	1,877,668	1,916,676	1,974,510	17,629,554
1,329,608		Office Imaging	1,264,286	1,406,736	1,439,723	1,432,065	12,786,295
147,040		Production Printing	147,040	180,092	191,991	223,815	1,998,348
208,743		Network System Solutions	199,884	290,840	284,962	318,630	2,844,911
93,094		Industrial Products	93,094	110,007	117,772	125,465	1,120,223
146,012		Other	110,893	120,800	116,956	109,053	973,688

2013		Millions of Yen				Thousands of U.S. Dollars	
		2013	2014	2015	2016	2016	
870,397	Sales by Geographic Area	Japan	760,885	817,964	759,580	761,590	6,799,911
1,054,100		Overseas	1,050,929	1,290,511	1,391,824	1,447,438	12,923,554
496,605		The Americas	496,857	589,160	648,545	693,786	6,194,519
421,740		Europe, Middle East and Africa	418,418	519,103	532,375	531,002	4,741,089
135,755		Other	135,654	182,248	210,904	222,650	1,987,946

Our Performance Against Major CSR Indicators

Indicator	Scope of Survey	Performance			Items Relating to Major Initiatives*1	Note
		Year ended Mar. 31, 2014	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016		

Governance

1	Number of outside directors (total number of directors)	Ricoh Co., Ltd.	2 (10)	3 (9)	3 (10)	GRI: 38 ISO26000: 6.2 SDGs: 16	
2	Response rate for CSR self-assessments by suppliers (%) () indicates number of suppliers asked to respond	Japan	—	—	100 (13)	GRI: HR10, HR11 GC: 1, 2, 4-8 ISO26000: 6.3, 6.4, 6.5, 6.6, 6.7, 6.8	Implemented for new suppliers in FY2016
		China	—	100 (560)	—		
		Thailand	100 (67)	—	—		
3	Cases of serious accidents involving products*2	Ricoh Group	0	0	0	GRI: PR1, PR2 ISO26000: 6.7 SDGs: 16	Number of serious accidents involving products which jeopardize the life or physical health of consumers (which may result in death, serious injury, residual disorder, or cause carbon monoxide poisoning or fires, etc.) For more details: www.ricoh.com/csr/consumer/
4	Number of serious incidents and accidents involving information security	Ricoh Group	1	0	2	GRI: PR8 ISO26000: 6.7 SDGs: 16	Number of serious violations of law or incidents and accidents that must be made public 2013: Website falsification 2015: Laptop computer theft and service issues owing to system failure
5	Number of serious violations of law or incidents and accidents*2	Ricoh Group	0	0	1	GRI: SO5, SO7, SO8 GC: 1, 2, 4-8, 10 ISO26000: 6.3, 6.4, 6.5, 6.6, 6.7 SDGs: 16	Number of serious violations of law or incidents and accidents that must be made public Number excludes any serious product accidents noted in 3 above, and any serious information security accidents or incidents noted in 4 above For more details: www.ricoh.com/governance/risk.html 2016: Fraudulent accounting at Ricoh India

Environment

6	Energy consumption	Total calories (TJ)	Ricoh Group	5,027	4,915	4,712	GRI: EN3 GC: 7, 8 ISO26000: 6.5 SDGs: 7, 8, 12, 13	Third-party inspection ratio*3: 83%			
7	GHG emissions	Scope1	CO ₂ (kt)	158.4	153.6	147.5	GRI: EN15 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 12, 13, 15	Third-party inspection ratio*3: 68%			
			5 gases (kt)	29.0	31.7	30.7			GRI: EN15 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 12, 13, 15	Third-party inspection ratio*3: 100%	
		Scope2	CO ₂ (kt)	307.5	337.5	320.1	GRI: EN16 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 12, 13, 15	Third-party inspection ratio*3: 93%			
			Total (kt)	491.0	518.5	498.3			GRI: EN15,16 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 12, 13, 15	Third-party inspection ratio*3: 86%	
8	CO ₂ emissions during product use	Scope3	CO ₂ (kt)	Ricoh Group	606.0	612.5	563.8	GRI: EN17 GC: 7, 8, 9 ISO26000: 6.5, 6.7 SDGs: 3, 12, 13, 15			Third-party inspection ratio*3: 95% CO ₂ emissions based on lifecycle estimations of equipment sold in each year (Subject products: imaging equipment, projectors, videoconferencing/webconferencing systems, LED lighting)
9	CO ₂ reduction contribution	CO ₂ (kt)	Global	395	374	453	GRI: EN27 GC: 7, 8, 9 ISO26000: 6.5, 6.7 SDGs: 6, 8, 12, 13, 15	Reduction of CO ₂ emissions due to the use of Ricoh products and/or solutions			
10	Water use	Total (km ³)	Ricoh Group	4,087	4,252	4,475	GRI: EN8 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 6, 12	Third-party inspection ratio*3: 100%			
11	Wastes	Total amount (t)		Ricoh Co., Ltd. and manufacturing subsidiaries	64,949	61,555	61,357	GRI: EN23 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 6, 8, 12	Third-party inspection ratio*3: 100%		
		Final disposal amount (t)			390	356	375			GRI: EN23 GC: 7, 8 ISO26000: 6.5 SDGs: 3, 6, 8, 12	Third-party inspection ratio*3: 100%
		Resource recovery rate (%)			98.6	98.3	98.5				

*1 Major initiatives GRI: Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4), GC: Global Compact, SDGs: Sustainable Development Goals, ISO 26000: International standards for SR

*2 Third-party inspections conducted during FY2016 by SGS Japan Inc.

For more details > WEB: www.ricoh.com/environment/data/third.html

*3 Third-party inspections conducted during FY2016 by SGS Japan Inc.

For more details > WEB: www.ricoh.com/environment/data/third.html

(The ratios listed in the "Note" column are for FY2016.)

 For more information about environmental data > WEB: www.ricoh.com/environment/data/

Indicator	Scope of Survey	Performance			Items Relating to Major Initiatives*1	Note
		Year ended Mar. 31, 2014	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016		

Society *4

12	Number of regular employees	Ricoh Group	108,195	109,951	109,361	GRI: 9	Item 12 is the total number of employees at 231 companies in the Ricoh Group	
13	Gender ratio (male:female)	Ricoh Group (Domestic)	85:15	84:16	84:16	GRI: 10 GC: 6 ISO26000: 6.4 SDGs: 5, 8	Numbers differ from those disclosed in the previous fiscal year, reflecting a change in the scope of data in items 13, 16, 17, and 22 for domestic Ricoh Group businesses	
14	Average years of service	Ricoh Co., Ltd.	Male	17.1	17.6	17.9	GRI: N/A GC: 6 ISO26000: 6.4 SDGs: 5, 8	Numbers differ from those disclosed in the previous fiscal year, reflecting a change in the scope of data in item 21 for major Ricoh Group businesses (31 companies)
			Female	17.1	17.7	18.3		
15	Average age	Ricoh Co., Ltd.	Male	42.4	42.7	43.0	GRI: LA10 GC: 6 ISO26000: 6.4 SDGs: 5, 8	Item 23 changed to an implementation rate for general surveys conducted by the Ricoh Group every three years It applies to 69 Ricoh Group companies, with about 85,000 employees
			Female	39.7	40.3	41.0		
16	Percentage of female workers in management positions*5	Ricoh Group (Domestic)	3.0	3.2	3.6	GRI: LA12 GC: 6 ISO26000: 6.4 SDGs: 5, 8		
17	Percentage of female workers in executive management positions*5	Ricoh Group (Domestic)	1.3	1.6	1.8	GRI: LA12 GC: 6 ISO26000: 6.4 SDGs: 5, 8		
18	Employee turnover ratio	Ricoh Co., Ltd.	2.1	1.9	1.9	GRI: LA1 ISO26000: 6.4 SDGs: 5, 8		
19	Number of people taking childcare leave	Ricoh Co., Ltd.	120	146	144	GRI: LA3 ISO26000: 6.4 GC: 1 SDGs: 5, 8		
20	Number of people taking nursing care leave	Ricoh Co., Ltd.	6	6	8	GRI: N/A ISO26000: 6.4 GC: 1 SDGs: 8		
21	Percentage of locally hired presidents	Overseas subsidiaries (Major subsidiaries)	51.4	57.1	61.3	GRI: LA12 GC: 6 ISO26000: 6.4 SDGs: 8		
22	Number of industrial accidents	Ricoh Group (Domestic)	107	108	130	GRI: LA6 GC: 1 ISO26000: 6.4 SDGs: 3, 8		
23	Implementation rate of employee awareness surveys	Ricoh Group	—	87.4	—	GRI: N/A ISO26000: N/A SDGs: 8		
24	Amount of charitable donations*5 (JPY million)	Ricoh Group	207	166	170		<ul style="list-style-type: none"> Collected amounts at 54 Ricoh Group companies Amounts are based on exchange rates for each fiscal year as determined in-house 	
25	Hours spent for social contribution activities	Ricoh Group	45,465	36,081	28,159	GRI: SO1 ISO26000: 6.8 SDGs: 1-17		
26	Total contributions to society (JPY million)	Ricoh Group	504	430	363			

*4 For a breakdown on the item "Society," for Ricoh Company, Ltd., domestic subsidiaries and overseas subsidiaries > WEB: www.ricoh.com/csr/data.html

*5 Third-party inspections conducted during FY2015 by SGS Japan Inc.

For more details > WEB: www.ricoh.com/environment/data/third.html

Commitment and Recognition

■ Commitment to Society > 1

A signatory to international agreements and policy guidelines, the Ricoh Group is fully committed to achieving a sustainable society.



April	2002	Becomes the second Japanese company to sign the UN Global Compact
June	2007	Signs Caring for Climate: The Business Leadership Platform of the UN Global Compact
May	2008	Signs the Japan Business Initiative for Biodiversity
December	2008	Signs the CEO Statement for the 60th Anniversary of the Universal Declaration of Human Rights by the UN
July	2009	Participates in the Japan Climate Leaders' Partnership as a founding member
December	2010	Announces its support for The Cancun Communiqué on Climate Change
February	2011	Signs a statement of support for the Women's Empowerment Principles by the UN Global Compact
November	2012	Announces its support for The Carbon Price Communiqué to counter climate change
September	2014	Announces its endorsement of the Initiative to Support the World Bank Group's Carbon Pricing
September	2014	Announces its support for The Trillion Tonne Communiqué, a call to keep cumulative CO ₂ emissions below a trillion tonnes

■ Major Awards and Recognition

Many international awards attest to the excellence of Ricoh Group products and business operations.

January	2013	Ricoh's CSR activities are given the 10th Corporate Philanthropy Award
March	2013	Included in the Ministry of Economy, Trade and Industry's Diversity Management Selection 100
July	2013	Designated a Leader in Worldwide Managed Print Services by IDC MarketScape Analysis for the third straight year
January	2014	Receives Bronze Award in RobecoSAM's survey of corporate sustainability
January	2014	Selected as one of the Global 100 Most Sustainable Corporations for the 10th consecutive year
May	2014	Selected for inclusion in the FTSE4Good Global Index > 2, a leading stock index for sustainability investment, for 11 years in a row
October	2014	Receives Singapore Sustainability Award
November	2014	Named to "2014 Top 100 Global Innovators" list
December	2014	Ricoh Asia Pacific Pte Ltd. recognized at Singapore Sustainability Awards 2014
December	2014	Awarded 2014 Environment Minister's Award for Global Warming Prevention Activity
December	2014	Becomes a constituent of the FTSE4Good Index Series
January	2015	Receives the Chairman's Prize of ECCJ in the Energy Conservation Grand Prize for excellent energy conservation equipment
January	2015	Recognized as "Prime" on the oekom > 3 sustainability rating
April	2015	Receives the Prize for Science and Technology in the Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology
September	2015	Becomes a component of the Dow Jones Sustainability World Indices for socially responsible investment for the third year in a row
November	2015	Recognized by CDP as a leading company in Climate Change Disclosure for the second straight year
January	2016	Awarded the top "Gold Rating" in EcoVadis supplier survey for the second straight year Selected for the Silver Class in RobecoSAM sustainability ratings for the second consecutive year
March	2016	Named as one of the "2016 World's Most Ethical Companies" by Ethisphere Institute for the seventh time

■ Sponsorships to Develop Future Leaders

The Ricoh Group is a leading sponsor of student technology competitions.



Intel* International Science & Engineering Fair > 4
[U.S.]

*Intel:
Intel is a trademark of Intel Corporation in the United States and other countries.

■ Refer to our website

- 1 **Commitment to society** www.ricoh.com/csr/vision/concept.html
- 2 **FTSE4Good** www.ftse.com/products/indices/FTSE4Good
- 3 **oekom** www.oekom-research.com
- 4 **Intel International Science & Engineering Fair** www.ricoh.com/environment/communication/stakeholders/05_01.html

Company Name	Ricoh Company, Ltd.
Date of Establishment	February 6, 1936
Head Office	8-13-1 Ginza, Chuo-ku, Tokyo 104-8222, Japan Phone: +81-3-6278-2111
Representative Directors	Shiro Kondo Chairman Zenji Miura President and CEO
Capitalization	135.3 billion yen (as of March 31, 2016)
Consolidated Sales	2,209.0 billion yen (year ended March 31, 2016)
Number of Consolidated Companies	230 companies (as of March 31, 2016)
Main Business	<p>Imaging and Solutions</p> <ul style="list-style-type: none"> • Office Imaging MFPs (multifunction printers), copiers, laser printers, digital duplicators, facsimiles, scanners, related parts and supplies, services, support and software • Production Printing Cut sheet printer, continuous feed printer, related parts and supplies, services, support and software • Network System Solutions Personal computers, servers, network equipment, related services, support and software <p>Industrial Products Thermal media, optical equipment, electronic components, semiconductor devices and inkjet head</p> <p>Other Digital cameras</p>
Number of Employees	109,361 (as of March 31, 2016)
Stock Listings	Tokyo, Nagoya, Fukuoka, Sapporo
Independent Public Accountant	KPMG AZSA LLC
Shareholders' Register Agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Depository for American Depository Receipts	The Bank of New York Mellon 101 Barclay Street, New York, NY 10286, U.S.A. Phone: +1-201-680-6825 U.S. toll free: +1-888-269-2377 (1-888-bny-adrs) Website: http://www.adrbnymellon.com

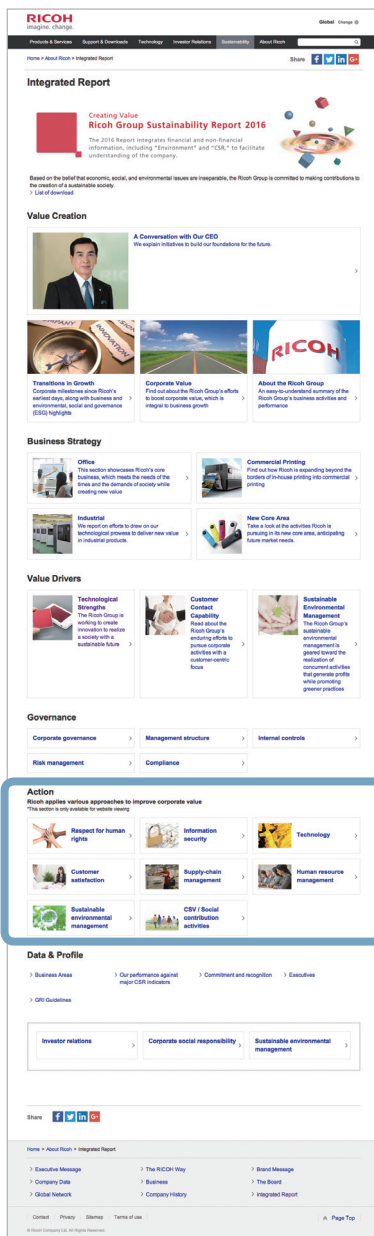
Featured Information in Online Version of Sustainability Report

Beginning in 2015, the Ricoh Group Sustainability Report is available in a booklet version (printed and PDF*), which offers a concise account of stories and measures aimed at boosting corporate value, with specific activities and systems for realizing these objectives as well as associated results described in the online version.

Our objective is to provide readers with effective access to information and enable them to gain cross-sectional insight into the financial and non-financial activities of the Ricoh Group.

* Adobe PDF is a trademark or a registered trademark of Adobe Systems Incorporated in the United States and other countries.

 www.ricoh.com/sustainability/report/



Sections only available in the online version



- For comments and inquiries concerning this report, please contact us at the address below.

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