Annual Securities Report

(The 115th Business Term)
From April 1, 2014 to March 31, 2015

13-1, Ginza 8-chome, Chuo-ku, Tokyo
Ricoh Company, Ltd.

[Cover]

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This is an English translation of the Annual Securities Report filed with the Director of the Kanto Local Finance Bureau via Electronic Disclosure for Investors' NETwork ("EDINET") pursuant to the Financial Instruments and Exchange Act of Japan.

Certain information is only included in this English translation of the Annual Securities Report for ADR holders and not included in the original report.

The translation of the Independent Auditors' Report is included at the end of this document.

In this document, the term "Ricoh" refers to Ricoh Company, Ltd. and our consolidated subsidiaries or as the context may require, and the term "the Company" refers to Ricoh Company, Ltd. on a non-consolidated basis.

References in this document to the "Financial Instruments and Exchange Act" are to the Financial Instruments and Exchange Act of Japan and other laws and regulations amending and/or supplementing the Financial Instruments and Exchange Act of Japan.

References in this document to the "Companies Act" are to the Companies Act of Japan and other laws and regulations amending and/or supplementing the Companies Act of Japan.

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I. OVERVIEW OF THE COMPANY

1. KEY FINANCIAL DATA

Consolidated financial data, etc.

(Millions of Yen, unless otherwise stated)

Fiscal year	IFRSs			
	Transition to IFRSs	113th business term	114th business term	115th business term
Year end	April 1, 2012	March 2013	March 2014	March 2015
Sales	-	1,885,995	2,195,696	2,231,942
Profit before income tax expenses	-	68,082	118,063	112,297
Profit attributable to owners of the parent	-	38,915	72,818	68,562
Comprehensive income attributable to owners of the parent	-	91,647	139,771	79,056
Equity attributable to owners of the parent	837,320	913,705	1,029,413	1,084,167
Total assets	2,309,971	2,391,163	2,596,618	2,730,207
Equity per share attributable to owners of the parent (yen)	1,154.80	1,260.22	1,420.04	1,495.61
Earnings per share attributable to owners of the parent , basic (yen)	-	53.67	100.44	94.58
Earnings per ADR share attributable to owners of the parent , basic (yen)	-	268.35	502.20	94.58
Earnings per share attributable to owners of the parent , diluted (yen)	-	-	-	-
Earnings per ADR share attributable to owners of the parent company, diluted (yen)	-	-	-	-
Equity attributable to owners of the parent ratio (%)	36.25	38.21	39.64	39.71
Profit ratio to equity attributable to owners of the parent (%)	-	4.44	7.49	6.49
Price earnings ratio (times)	-	18.71	11.85	13.83
Net cash provided by operating activities	-	137,318	146,894	102,544
Net cash used in investing activities	-	(121,743)	(122,938)	(143,457)
Net cash provided by (used in) financing activities	-	(61,837)	(9,236)	29,936
Cash and cash equivalents at end of year	156,210	117,051	140,047	137,722
Number of employees	109,241	107,431	108,195	109,951

(Note) 1. Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") from the 114th Business Term. The consolidated financial data for the 113th Business Term and the transition date to IFRSs are noted in accordance with IFRSs as well.

2. Sales do not include the consumption tax, etc.

3. No diluted shares noted for the year 2013, 2014 and 2015.

4. The Company changed a ratio of its ADR on January 13, 2015.
   - The ratio before the change: 1 ADR = 5 underlying shares
   - The ratio after the change: 1 ADR = 1 underlying share

(Millions of Yen, unless otherwise stated)

Fiscal year	U.S. GAAP 111th business term	112th business term	113th business term	114th business term
Year end	March 2011	March 2012	March 2013	March 2014
Net sales	1,941,336	1,903,477	1,924,497	2,236,913
Income (loss) before income taxes	44,169	(31,937)	58,173	117,204
Net income (loss) attributable to owners of the parent company	18,630	(44,560)	32,467	72,828
Comprehensive income (loss) attributable to the owners of the parent company	(16,311)	(74,059)	95,599	149,416
Equity attributable to owners of the parent company	978,130	879,018	958,658	1,083,337
Total assets	2,255,564	2,289,358	2,360,697	2,556,960
Equity per share attributable to owners of the parent company (yen)	1,275.31	1,134.64	1,238.55	1,404.17
Net income (loss) per share attributable to owners of the parent company, basic (yen)	25.68	(61.42)	44.78	100.46
Net income (loss) per ADR share attributable to owners of the parent company, basic (yen)	128.40	(307.10)	223.90	502.30
Net income (loss) per share attributable to owners of the parent company, diluted (yen)	25.15	(61.42)	-	-
Net income (loss) per ADR share attributable to owners of the parent company, diluted (yen)	125.75	(307.10)	-	-
Equity attributable to owners of the parent ratio (%)	41.02	35.94	38.04	39.81
Profit ratio to equity attributable to owners of the parent (%)	1.97	(5.10)	3.77	7.60
Price earnings ratio (times)	36.04	-	22.42	11.85
Net cash provided by operating activities	128,636	11,206	124,526	131,593
Net cash used in investing activities	(91,906)	(112,443)	(106,467)	(106,844)
Net cash provided by (used in) financing activities	(92,963)	87,823	(64,321)	(10,029)
Cash and cash equivalents at end of year	172,221	156,210	117,051	140,047
Number of employees	109,014	109,241	107,431	108,195

(Notes) 1. Net sales do not include the consumption tax, etc.
2. No diluted shares noted for the year 2013 and 2014.

3. During the 112th Business Term, Ricoh eliminated the previously existing three months difference between the reporting periods of the Company and certain subsidiaries. The consolidated financial data for the 111th Business Term have been retrospectively adjusted to reflect the elimination of the lag period.
4. The 114th Business Term consolidated financial statements under U.S. GAAP have not been audited by the audit firm pursuant to the provisions of Article 193-2, Section 1 of the Financial Instruments and Exchange Act.

2. HISTORY

February 1936	Riken Kankoshi Co., Ltd. is formed in Kita-kyushu to manufacture and market sensitized paper.
March 1938	The Company's name is changed to Riken Optical Co., Ltd., and starts manufacturing and selling optical devices and equipment.
May 1949	The Company lists its securities on the Tokyo and Osaka Stock Exchanges.
April 1954	The Company establishes an optical device and equipment plant in Ohmori, Ohta-ku, Tokyo (now known as the Ohmori plant).
May 1955	The Company begins manufacturing and selling desktop copiers.
May 1961	The Company establishes a sensitized paper plant in Ikeda, Osaka (now known as the Ikeda plant).
October 1961	The Company lists its securities on the First Section of each of the Tokyo and Osaka Stock Exchanges.
June 1962	The Company starts operations of a paper plant in Numazu, Shizuoka, which featured a fully-integrated sensitized paper production system (now known as the Numazu plant).
December 1962	The Company establishes Ricoh of America, Inc. (a subsidiary, later known as Ricoh Corporation and now known as Ricoh Americas Corporation).
April 1963	The Company changes its corporate name to Ricoh Company, Ltd.
July 1967	The Company establishes Tohoku Ricoh Co., Ltd. in Shibata-gun, Miyagi.
May 1971	The Company completes its manufacturing facility in Atsugi, Kanagawa (now known as the Atsugi plant), to which it transfers some of its office equipment production from the Ohmori plant.
June 1971	The Company establishes Ricoh Nederland B.V. (a subsidiary, later known as Ricoh Europe B.V. and now known as Ricoh Europe Holdings B.V.) in the Netherlands.
January 1973	The Company establishes Ricoh Electronics, Inc. (a subsidiary) in the United States.
December 1976	The Company forms Ricoh Credit Co., Ltd. (a subsidiary, now known as Ricoh Leasing Co., Ltd.).
December 1978	The Company establishes Ricoh Business Machines, Ltd. (a subsidiary, now known as Ricoh Hong Kong Ltd.).
March 1981	The Company builds the Ricoh Electronics Development Center at the Ikeda plant to develop and manufacture electronic devices.
May 1982	The Company establishes sensitized paper production facilities in Sakai, Fukui (now known as the Fukui plant).
December 1983	The Company establishes Ricoh UK Products Ltd. (a subsidiary).
October 1985	The Company builds a copier manufacturing plant in Gotenba, Shizuoka which takes over some of production from Atsugi plant.
April 1986	The Company opens a research and development ("R&D") facility in Yokohama, Kanagawa (now known as the Ricoh Research and Development Center) in commemoration of the Company's 50th anniversary, to which it transfers some of its R&D operations from the Ohmori plant.

April 1987	The Company establishes Ricoh Industrie France S.A. (a subsidiary, now known as Ricoh Industrie France S.A.S.).
April 1989	The Company sets up an electronic devices facility in Kato, Hyogo (now known as the Yashiro plant at Ricoh Electronic Devices Company, Ltd.).
January 1991	The Company establishes Ricoh Asia Industry (Shenzhen) Ltd. (a subsidiary) in China.
March 1995	Ricoh Corporation acquires Savin Corporation, an American office equipment sales company.
September 1995	The Company acquires Gestetner Holdings PLC (now known as Ricoh Europe PLC), a British office equipment sales company.
January 1996	Ricoh Leasing Co., Ltd. lists its securities on the Second Section of the Tokyo Stock Exchange (currently listed on the First Section of the Tokyo Stock Exchange).
December 1996	The Company establishes Ricoh Asia Pacific Pte Ltd (a subsidiary) in Singapore.
March 1997	The Company establishes Ricoh Silicon Valley, Inc. (a subsidiary, now known as Ricoh Innovations Corporation) in the United States.
August 1999	Ricoh Hong Kong Ltd. acquires Inchcape NRG Ltd., a Hong Kong-based office equipment sales company.
January 2001	Ricoh Corporation acquires Lanier Worldwide, Inc., an American office equipment sales company.
October 2002	The Company establishes Ricoh China Co., Ltd. (a subsidiary).
April 2003	Tohoku Ricoh Co., Ltd. becomes a wholly-owned subsidiary of the Company.
October 2004	The Company acquires Hitachi Printing Solutions, Ltd. in Japan.
August 2005	The Company opens Ricoh Technology Center in Ebina, Kanagawa to integrate its domestic development facilities and offices.
November 2005	The Company relocates its headquarters to Chuo-ku, Tokyo.
January 2007	Ricoh Europe B.V. acquires the European operations of Danka Business Systems PLC.
June 2007	Info Print Solutions Company, LLC, a joint venture company of Ricoh and International Business Machines Corporation ("IBM"), commences its operations.
May 2008	The Company establishes Ricoh Manufacturing (Thailand) Ltd. (a subsidiary) in Thailand.
August 2008	Ricoh Elemex Corporation becomes a wholly-owned subsidiary of the Company.
October 2008	Ricoh Americas Corporation acquires all of the outstanding shares of IKON Office Solutions, Inc. ("IKON", now known as Ricoh USA, Inc.), an American office equipment sales and service company.
July 2010	Seven domestic sales subsidiaries and the marketing group of the Company are merged into one domestic sales subsidiary named Ricoh Japan Corporation.
August 2010	The Company completes the construction of a new building that expands the Ricoh Technology Center, which is located in Ebina, Kanagawa.
October 2011	The Company acquires the PENTAX imaging systems business from HOYA

	Corporation (now known as Ricoh Imaging Co., Ltd.).
April 2013	The Company transfers part of its engineering functions and operations previously performed by the Company and its manufacturing subsidiaries in Japan to Ricoh Technologies Company, Ltd.
April 2013	The Company transfers part of its production functions and operations previously performed by the Company and its manufacturing subsidiaries in Japan to Ricoh Industry Company, Ltd.
July 2014	Domestic sales and service subsidiaries are merged into Ricoh Japan Corporation.
October 2014	The Company transfers its direct sales of optical equipment and electronic components divisions previously performed by the Company and its manufacturing subsidiaries in Japan to Ricoh Industrial Solutions Inc.
October 2014	The Company transfers its Electronic Devices Division to Ricoh Electronic Devices Company, Ltd.

3. DESCRIPTION OF BUSINESS

Ricoh is comprised of 220 subsidiaries and 9 affiliates as of March 31, 2015.

Ricoh's development, manufacturing, sales, and service activities center on the three business segments of Imaging & Solutions, Industrial Products and Other.

Ricoh Company, Ltd., the parent company of Ricoh, heads development. The Company and its respective subsidiaries and affiliates maintain an integrated domestic and overseas manufacturing structure.

Ricoh is represented in roughly 200 countries and run its sales and service activities out of four regional headquarters located in the geographic areas of 1) Japan, 2) the Americas, 3) Europe, Middle East and Africa and 4) Other, which includes China, South East Asia and Oceana.

Below, we have listed our main product areas and the positions of key subsidiaries and affiliates.

<Imaging & Solutions>

Products and systems that support the enhancement for the office productivity of customers are included in this business segment. Major products include:

MFPs (multifunction printers), copiers, laser printers, cut sheet printers and IT solution products including personal computers and servers. In addition to providing maintenance service and related supplies, Ricoh also provides support and services such as IT environment setup and network administration.

[Main Subsidiaries and Affiliates]

Manufacturing

Japan... Hasama Ricoh Inc., Ricoh Industry Co., Ltd. and Ricoh Elemex Corporation

The Americas...Ricoh Electronics, Inc.

Europe...Ricoh UK Products Ltd. and Ricoh Industrie France S.A.S.

Other region...Shanghai Ricoh Digital Equipment Co., Ltd., Ricoh Asia Industry (Shenzhen) Ltd., Ricoh Components & Products (Shenzhen) Co., Ltd. and Ricoh Manufacturing (Thailand) Ltd.

Sales, Service and Support

Japan ...Ricoh Japan Corporation, Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd. and Ricoh IT Solutions Co.,Ltd.

The Americas...Ricoh Americas Holdings, Inc., Ricoh Americas Corporation, Ricoh Canada Inc., Ricoh USA Inc. and mindSHIFT Technologies, Inc.

Europe...Ricoh Europe Holdings PLC, Ricoh Sverige AB., Ricoh UK Ltd., Ricoh Deutschland GmbH, Ricoh Nederland B.V., Ricoh Europe SCM B.V., Ricoh Belgium N.V., Ricoh France S.A.S., Ricoh Schweiz AG, Ricoh Italia S.R.L., and Ricoh Espana S.L.U.

Other region…Ricoh China Co., Ltd., Ricoh Asia Industry Ltd., Ricoh Asia Pacific Operations Ltd., Ricoh Hong Kong Ltd., Ricoh India Ltd., Ricoh Thailand Ltd., Ricoh Asia Pacific Pte. Ltd. and Ricoh Australia Pty, Ltd.

<Industrial Products>

The manufacturing and sales of thermal media, optical equipment, semiconductors, electronic component and Inkjet head are included in this business segment.

[Main Subsidiaries and Affiliates]

Manufacturing and Sales

Japan... Ricoh Industrial Solutions Co., Ltd. and Ricoh Electronic Devices Co., Ltd.

The Americas...Ricoh Electronics, Inc. and Ricoh Printing Systems America, Inc.

Europe...Ricoh Industrie France S.A.S.

Other region…Ricoh Thermal Media (Wuxi) Co., Ltd.

<Other>

The manufacturing and sales of digital cameras, financing business and logistics services provided through the Company's subsidiaries are included in this business segment.

[Main Subsidiaries and Affiliates]

Manufacturing

Ricoh Imaging Products (Philippines) Corporation

Sales

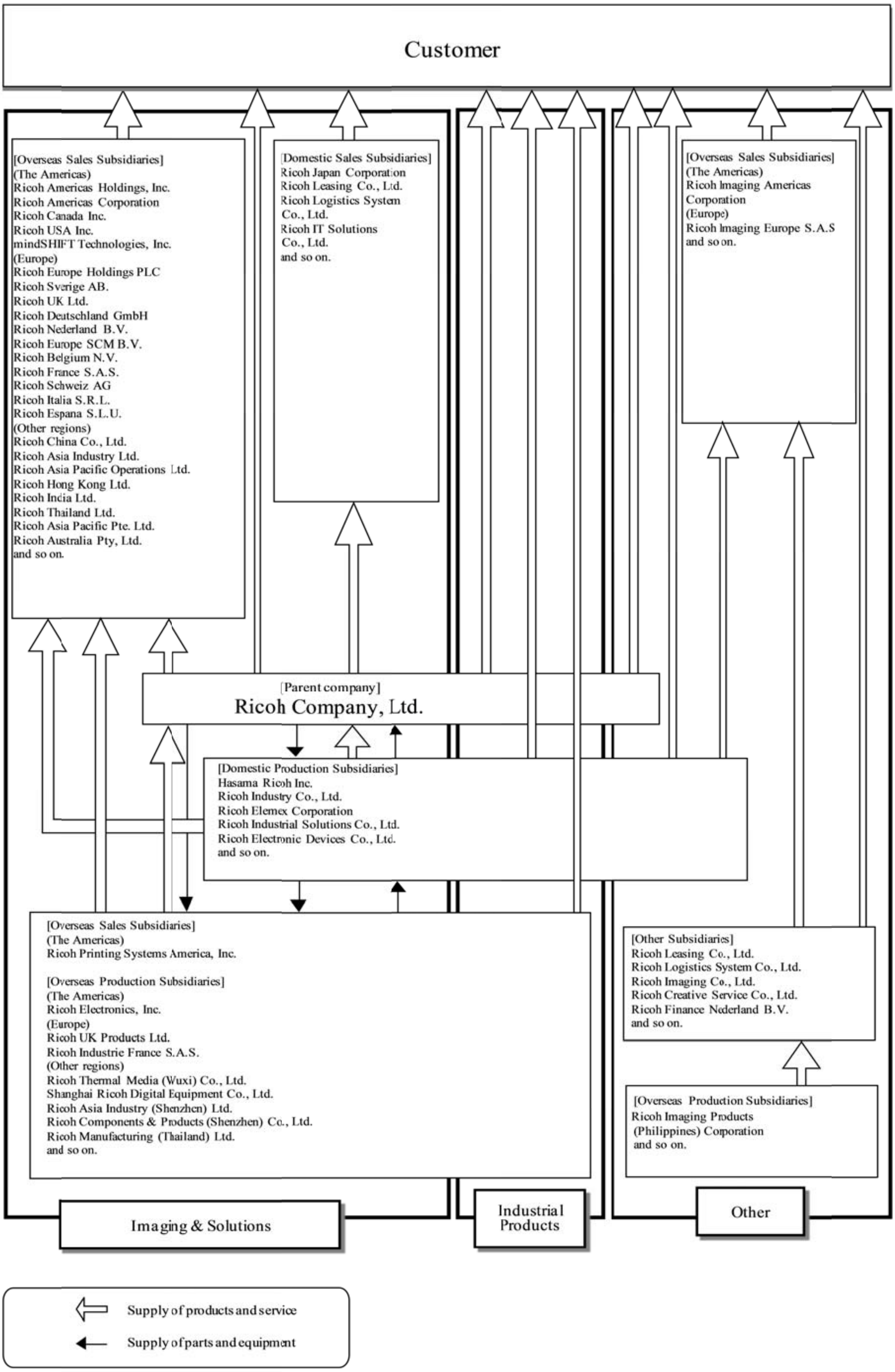
Ricoh Imaging Americas Corporation and Ricoh Imaging Europe S.A.S

Other

Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd., Ricoh Imaging Co., Ltd., Ricoh Creative Service Co., Ltd. and Ricoh Finance Nederland B.V.

<Chart of Operational Flow>

The following chart shows the group's positions.



4. INFORMATION ON AFFILIATES

(As of March 31, 2015)

Company Name	Location	Principal Businesses	Ownership percentage of voting rights (%)
(Subsidiaries)			
Hasama Ricoh, Inc.	Japan	Manufacturing parts for office equipment	100.0 (50.0)
Ricoh Industry Co., Ltd.	Japan	Manufacturing office equipment	100.0
Ricoh Elemex Corporation	Japan	Manufacturing and sale of office equipment	100.0
Ricoh Japan Corporation	Japan	Sale, maintenance and service of office equipment	100.0
Ricoh Leasing Co., Ltd.	Japan	General leasing	51.1
Ricoh Logistics System Co., Ltd.	Japan	Logistics services and custom clearances	100.0
Ricoh IT Solutions Co., Ltd.	Japan	Development and construction of network system	100.0
Ricoh Imaging Co., Ltd.	Japan	Manufacturing and sale of digital camera	100.0
Ricoh Creative Service Co., Ltd.	Japan	Management of group facility, advertisement and printing	100.0
Ricoh Industrial Solutions Co., Ltd.	Japan	Manufacturing and sale of optical equipment and electronic components	100.0
Ricoh Technologies Co., Ltd.	Japan	Development and design of office equipment	100.0
Ricoh Electronic Devices Co., Ltd.	Japan	Manufacturing and sale of semiconductor	100.0
Ricoh Electronics, Inc.	U.S.A.	Manufacturing office equipment and related supplies	100.0 (100.0)
Ricoh UK Products Ltd.	U.K.	Manufacturing office equipment	100.0 (100.0)

Company Name	Location	Principal Businesses	Ownership percentage of voting rights (%)
Ricoh Industrie France S.A.S.	France	Manufacturing office equipment and related supplies	100.0
Ricoh Thermal Media (Wuxi) Co., Ltd.	China	Manufacturing and sale of thermal media	99.0 (10.0)
Shanghai Ricoh Digital Equipment Co., Ltd.	China	Manufacturing and sale of office equipment	100.0 (55.3)
Ricoh Asia Industry (Shenzhen) Ltd.	China	Manufacturing office equipment and related supplies	100.0 (100.0)
Ricoh Components & Products (Shenzhen) Co., Ltd.	China	Manufacturing parts for office equipment	100.0 (100.0)
Ricoh Manufacturing (Thailand) Ltd.	Thailand	Manufacturing office equipment	100.0
Ricoh Imaging Products (Philippines) Corporation	Philippines	Manufacturing digital camera	100.0 (100.0)
Ricoh Americas Holdings, Inc.	U.S.A.	Holding company in the U.S.A.	100.0
Ricoh Americas Corporation	U.S.A.	Sale of office equipment	100.0 (100.0)
Ricoh Canada Inc.	Canada	Sale of office equipment	100.0 (100.0)
Ricoh USA, Inc.	U.S.A.	Sale of office equipment	100.0 (100.0)
mindSHIFT Technologies, Inc.	U.S.A.	Provision of IT service	100.0 (100.0)
Ricoh Printing Systems America, Inc.	U.S.A.	Sale of inkjet head	100.0 (4.4)
Ricoh Imaging Americas Corporation	U.S.A.	Sale of digital camera	100.0 (100.0)
Ricoh Europe Holdings PLC	U.K.	Holding company in Europe	100.0
Ricoh Sverige AB.	Sweden	Sale of office equipment	100.0 (100.0)
Ricoh UK Ltd.	U.K.	Sale of office equipment	100.0 (100.0)
Ricoh Deutschland GmbH	Germany	Sale of office equipment	100.0 (100.0)
Ricoh Nederland B.V.	Netherlands	Sale of office equipment	100.0 (100.0)

Company Name	Location	Principal Businesses	Ownership percentage of voting rights (%)
Ricoh Europe SCM B.V.	Netherlands	Sale of office equipment	100.0 (100.0)
Ricoh Belgium N.V.	Belgium	Sale of office equipment	100.0 (100.0)
Ricoh France S.A.S	France	Sale of office equipment	100.0 (100.0)
Ricoh Schweiz AG	Switzerland	Sale of office equipment	100.0 (100.0)
Ricoh Italia S.R.L.	Italy	Sale of office equipment	100.0 (100.0)
Ricoh Espana S.L.U.	Spain	Sale of office equipment	100.0 (100.0)
Ricoh Finance Nederland B.V.	Netherlands	Corporate finance	100.0
Ricoh Imaging Europe S.A.S.	France	Sale of digital camera	100.0 (100.0)
Ricoh China Co., Ltd.	China	Sale of office equipment	100.0
Ricoh Asia Industry Ltd.	Hong Kong, China	Sale of office equipment	100.0
Ricoh Asia Pacific Operations Ltd.	Hong Kong, China	Sale of office equipment	100.0 (100.0)
Ricoh Hong Kong Ltd.	Hong Kong, China	Sale of office equipment	100.0 (100.0)
Ricoh India Ltd.	India	Sale of office equipment	73.6 (27.6)
Ricoh Thailand Ltd.	Thailand	Sale of office equipment	100.0 (100.0)
Ricoh Asia Pacific Pte Ltd	Singapore	Sale of office equipment	100.0
Ricoh Australia Pty, Ltd.	Australia	Sale of office equipment	100.0 (100.0)
And 171 other subsidiaries			

(Affiliates)

9 affiliates (none of which are material affiliates)

(Note) The percentage in the parenthesis under “Ownership percentage of voting rights” indicates the indirect ownership out of the total ownership noted above.

5. EMPLOYEES

(1) Consolidated basis

(As of March 31, 2015)

Segment	Number of employees
Imaging & Solutions	99,722
Industrial Products	3,252
Other	5,712
Headquarters	1,265
Total	109,951

(Note) "Number of employees" represents the number of employed workers, but excludes temporary employees.

(2) The Company

(As of March 31, 2015)

Number of employees	Average age	Average length of service	Average annual salary (Yen)
8,206 (658)	42.7	19.0	8,380,474

Segment	Number of employees
Imaging & Solutions	6,397
Industrial Products	544
Other	-
Headquarters	1,265
Total	8,206

(Note) 1. "Number of employees" represents the number of employed workers and the numbers within brackets indicate the average number of temporary employees over the current fiscal year (converted at 7.5h/day).
2. Temporary employees include contracted staff after retirement and part time employees, but exclude temporary staffs who are contracted through staffing agencies, business consignments and contractors.
3. Average annual salary includes bonuses and extra wages.

(3) Relationship with labor union

A union is organized in the Company and certain subsidiaries. There is no significant labor dispute noted in fiscal year 2014 and the Company believes that it has a good relationship with its employees.

II. **BUSINESS OVERVIEW**

1. SUMMARY OF BUSINESS RESULTS FOR THE FISCAL YEAR 2014

(1) Business results

Ricoh's consolidated sales for the fiscal year ended March 31, 2015 increased by 1.7% as compared to the previous corresponding period, to ¥2,231.9 billion.
During this period, the average exchange rates of the Japanese yen against the U.S. dollar and the Euro were ¥109.89 (down ¥9.60 from previous year) and ¥138.85 (down ¥4.38 from previous year) respectively.
As for the Japanese economy, although it continued the trend towards a moderate recovery seen through improving corporate earnings, employment and income conditions, the overall consumer spending showed a slowdown in demand derived from the increase in consumption tax.
Under such market conditions, for the sales in the domestic market, the sales in the Industrial Products segment increased moreover, the sales in color MFP models also increased. However, the sales in the Network System Solutions decreased significantly with the rebound from the special demand for personal computers at the end of previous corresponding period. As a result, the sales in the overall domestic market decreased by 7.2% as compared to the previous corresponding period.
As for the overseas market, the U.S. economy continued to show a solid recovery and the European economy showed signs of a rally, but the outlook of the overall global economy remains uncertain with the weak oil prices and the slowdown in the growth of the emerging markets including China. Even under such market conditions, the increase in the sales of color MFP models, the weakening of the Yen and the business acquisitions have contributed to the overall increase in Ricoh's overseas sales.
As for overseas sales by region, sales in the Americas increased by 10.1%, sales in Europe, Middle East and Africa increased by 2.6% and sales in Other region, which includes China, South East Asia and Oceania, increased by 15.7%.
As a result, sales in the overseas market increased by 7.9% as compared to the previous corresponding period.
Gross profit increased by 3.9% as compared to the previous corresponding period, to ¥906.9 billion, due to increase in sales and the weakening of the Yen.
Although group-wide activities to streamline costs have contributed in controlling selling, general and administrative expenses, these expenses have increased by 5.1% as compared to the previous corresponding period, to ¥791.1 billion, mainly due to the weakening of the Yen and acquisitions.
As a result, operating profit decreased by 3.8% as compared to the previous corresponding period, to ¥115.7 billion.
As for finance income and costs, as compared to the previous corresponding period, gain on sales of available-for-sale securities decreased though foreign exchange gains increased.
Profit before income tax expenses decreased by 4.9% as compared to the previous corresponding period, to ¥112.2 billion.
As a result, profit attributable to owners of the parent decreased by 5.8% as compared to the previous corresponding period, to ¥68.5 billion.

Operating results by segment are as follows:

a. Imaging & Solutions
Sales in the Imaging & Solutions segment which is comprised of the Office Imaging, Production Printing and Network System Solutions increased by 1.6% as compared to the previous corresponding period, to ¥1,997.2 billion.

(Office Imaging)
Sales in this category increased by 2.2% as compared to the previous corresponding period, to ¥1,509.7 billion, mainly due to the increase in overseas sales as a result of the weakening of the Yen against the U.S. dollar and the Euro.
Besides the RICOH MP C6003/C5503/ C4503/C3503/C3003/ C2503 /C1803 series color MFP were introduced to the market in the previous fiscal year, the RICOH MP 6054/5054/4054/3554/2554 series monochrome MFP were introduced to the market in October 2014. The new model lineups were accepted by a broad range of customers in various industries and had contributed to the strong sales worldwide.

For domestic market, although the sales of new products were favorable, overall sales decreased due to the shift in demand from monochrome to color products had affected the sales of its monochrome products, along with the price reduction implemented on after-sales services to reflect the severe business environment.
For overseas market, despite the impact of the shift in demand and price reduction as noted above, the sales increased due to the weakening of the Yen. The continued investments in its Managed Document Services (MDS) business have also contributed to the increase in sales overseas, particularly in the Americas and Europe.

(Production Printing)
Sales in this category increased by 6.6% to ¥191.9 billion compared to the previous corresponding period.
The after-sales services revenue increased in both the domestic and overseas market due to the strong sales of the RICOH Pro C5110S/C5100S series color production printers.
For domestic market, although the sales of color products and after-sales services revenue were favorable, it was tempered by a sales decline at continuous feed printer and wide format printer.
For overseas market, although the sales of continuous feed printer and wide format printer decreased, the overall sales grew as the sales of color products and after-sales services revenue were favorable.

(Network System Solutions)
Sales in this category decreased by 4.1% as compared to the previous corresponding period, to ¥295.4 billion.
In the domestic market, the sales of personal computer, software license and application as well as related maintenance services and solution offerings decreased significantly due to the rebound from the special demand for personal computers in the previous corresponding period.
In the overseas market, Ricoh acquired NPO Sistemi srl in Italia. Together with the acquisition of mindSHIFT Technologies, Inc. in the U.S.A in the previous year, these acquisitions have contributed to the sales increase in the overseas market.
In Other region, which includes China, South East Asia and Oceania, the sales were strong mainly in hardware due to the participation in the India's governmental project of modernization of Department of Posts.
In addition, other new businesses such as projection systems and unified communication systems also achieved solid growth in both the domestic and overseas market.

As for operating profit, although the sales increased, the operating expenses increased due to the weakening of the Yen. As a result, operating profit decreased by ¥10.8 billion (-5.9%) as compared to the previous corresponding period, to ¥172.2 billion.

b. Industrial Products
Sales in the Industrial Products segment increased by 8.0% to ¥131.2 billion compared to the previous corresponding period. In thermal media business, the sales increased due to higher demand in Europe. The increase in sales of inkjet related technology in inkjet business has contributed to the overall solid sales in the domestic market as well.
The operating income in this segment, mainly through the increase in sales, increased by ¥1.6 billion (+35.9%) as compared to the previous corresponding period, to ¥6.3 billion.

c. Other
Sales in Other segment decreased by 3.2% to ¥116.9 billion compared to the previous corresponding period. The sales in digital camera business decreased in both domestic and overseas market due to the continuous shrinking of the market despite of the launching of premium small single-lens reflex model PENTAX Q-S1, digital single-lens reflex standard model PENTAX K-S1 and compact model PENTAX XG-1.
As a result, operating loss in this segment was ¥3.0 billion (operating profit of ¥0.2 billion was obtained for the previous corresponding period).

(2) Cash flow

Net cash provided by operating activities decreased by ¥44.3 billion as compared to the previous corresponding period, to ¥102.5 billion, mainly due to the decrease in “trade and other payables”.

Net cash used in investing activities increased by ¥20.5 billion as compared to the previous corresponding period, to ¥143.4 billion, mainly due to the decrease in “proceeds from sales of available-for-sale securities”.

Net cash provided by financing activities increased by ¥39.1 billion as compared to the previous corresponding period, to ¥29.9 billion, mainly due to the increase in “proceeds from long term debt”.

As a result, the balance of cash and cash equivalent at the end of year decreased by ¥2.3 billion as compared to the previous corresponding period, to ¥137.7 billion.

2. PRODUCTION, ORDERS RECEIVED AND SALES

(1) Production

Production in each segment for the years ended March 31, 2014 and 2015 are as follows:

	Millions of Yen		
	For the year ended March 31, 2014	For the year ended March 31, 2015	Change
Imaging & Solutions	1,477,487	1,511,533	2.3%
Industrial Products	109,914	131,815	19.9%
Other	152,940	129,428	-15.4%
Total	1,740,341	1,772,776	1.9%

(Note) 1. The amounts are based on the sales price, including inter-segment transactions.
2. The compilation method has been changed in this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.
3. The figures above do not include the consumption tax, etc.

(2) Orders Received

Not applicable as production system adopted is based on estimated orders.

(3) Sales

Sales in each segment for the years ended March 31, 2014 and 2015 are as follows:

	Millions of Yen		
	For the year ended March 31, 2014	For the year ended March 31, 2015	Change
Imaging & Solutions	1,964,889	1,997,214	1.6%
Industrial Products	110,007	117,772	7.1%
Other	120,800	116,956	-3.2%
Total	2,195,696	2,231,942	1.7%

(Note) 1. All inter-segment transactions are eliminated.
2. The compilation method has been changed in this fiscal year such as reclassification of certain products from Production Printing to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.
3. Information of the sales by customers is omitted because no single customer accounted for 10% or more of the total revenues for the years ended March 31, 2014 and 2015.
4. The figures above do not include the consumption tax, etc.

3. ISSUES THAT THE RICOH GROUP FACES

Regarding future business trends in the world, while it can be predicted that the economy of the U.S. among developed countries, India or ASEAN countries among emerging countries will be robust, economic slowdown in Europe and China can also be predicted. Although the Japanese economy continues on a modest recovery trend, this is not expected to develop into a full-fledged recovery. Furthermore, economic policies in various countries and regions are undergoing major changes, as evidenced by the Trans-Pacific Partnership (TPP) and the Asian Infrastructure Investment Bank, and are set to enter a new phase.
Although the market environment surrounding Office Imaging, which is the base of the Ricoh Group, succeeded in recovering from the downturn in demand triggered by the global financial crisis, the environment continues to require caution due to slowing market growth and intensifying competition in developed countries.
Thus far, the Ricoh Group has pursued measures aimed at increasing its earning power, including enhancement of the product lineup and investment in growth fields. Amid the even greater changes in the business environment that lie ahead, we will step up the speed of reform more than ever, and gather all of our strength to take on the challenge of further increase earning power.

(1) Reinforce Office Imaging businesses

- For Office Imaging products, we intend to further enhance product quality and reduce cost thoroughly, and maintain the top global market share in the A3 multifunction printer market. To make this possible, we will revise product development cycles and optimize model lineups, and provide products that surpass those of competitors. Also, we aim to further satisfy our customers by promoting the review of the sales/maintenance service processes and restructuring of supply chain that matches the features of products.
- Steadily capturing growth particularly in emerging markets is a crucial task for our regional strategy, and we will use the five innovation centers established in various regions as bases to promote the development of products and services suited to the distinctive features of each market.
- For service businesses, we will provide comprehensive services specialized for various types of businesses, such as medical and education, through a combination of Office Imaging products. For this, we will organize global team, which gathers specialists in all types of businesses from in and out of Japan, and strengthen the relationships with our customers by solving management and business challenges.
- In the VC business, in addition to adding functions optimized for the education market, we aim to further enhance our product lineup and service menu to meet the “anywhere, anytime” and “real time” communication needs of customers.

We will make maximum use of the Ricoh Group’s global sales and service network and finance solutions (sales financing function) to reliably implement these measures.

(2) Accelerate growth in new businesses

In production printing, we will further expand profits through our enhanced product lineup. We will also leverage the resources and know-how gained through acquisitions to provide total solutions to printing business operators and to significantly expand our commercial printing business.
- In the Industrial Products, we will deepen our customers’ understanding through marketing across multiple businesses and by strengthening technology sales, and develop and provide solutions that leverage the assets of the Ricoh Group. Specifically, we aim to expand our business in markets such as factory automation (FA), vehicle-mounted cameras, industrial ink jet, and security.
- In the camera business, amid a trend towards contraction in the market overall associated with the spread of smartphones and other factors, we will move ahead with development of distinctive products unique to Ricoh in order to offer the enjoyment of new imaging expressions to even more customers.

In addition to the above, we will reliably capture opportunities in growing markets such as community development that is safe and has a low environmental burden, various environment-related solutions, and 3D-printing-related businesses, to create future-oriented businesses based on the customer contact capabilities and technological capabilities which are the strengths of the Ricoh Group.

(3) Strengthen the management structure for further reform

We will firmly establish and reinforce our activities to increase the productivity of all functions, including development, production, and purchasing, with no slackening of momentum in the shift to a stronger management structure that we have been promoting. In addition, we will continue to pursue greater asset efficiency through measures including review of assets held, and promote the creation of a resilient management base that is not susceptible to changes in the external environment.
We will steadily implement these initiatives with even greater speed. We will increase our enterprise value by meeting the expectations of our stakeholders, and actively contribute to “improving the quality of living and creating a sustainable society”.

4. RISK FACTORS

Ricoh is a global manufacturer of office equipment and conducts business on a global scale. Ricoh is exposed to various risks which include the risks listed below. Although certain risks that may affect Ricoh's businesses are listed in this section, this list is not conclusive. Ricoh's business may in the future also be affected by other risks that are currently unknown or that are not currently considered significant or material.

In addition, this section contains forward-looking statements, which are based on our judgments at the date of submission of the securities report.

(1) Ability to respond to rapid technological changes

The document imaging and management industry includes products such as copiers/MFPs, production printing products, printers, and digital duplicators. The technology used in this industry changes rapidly and products in this industry will often require frequent and timely product enhancements or have a short product life cycle. Most of Ricoh's products are a part of this industry and as such Ricoh's success will depend on its ability to respond to such technological changes in the industry. To remain competitive in this industry, Ricoh invests a significant amount of resources and capital every year in research and development activities. Despite this investment, the process of developing new products or technologies is inherently complex and uncertain and there are a number of risks that Ricoh is subject to, including the following:

- No assurances can be made that Ricoh will successfully anticipate whether its products or technologies will satisfy its customers' needs or gain market acceptance;
- No assurances can be made that the introduction of more advanced products that also possess the capabilities of existing products will not adversely affect the sales performance of each such product;
- No assurances can be made that Ricoh will be able to procure raw materials and parts necessary for new products or technologies from its suppliers at competitive prices;
- No assurances can be made that Ricoh will be able to successfully manage the distribution system for its new products to eliminate the risk of loss resulting from a failure to take advantage of market opportunities;
- No assurances can be made that Ricoh will succeed in marketing any newly developed product or technology; and
- No assurances can be given that Ricoh will be able to respond adequately to changes in the industry.

Ricoh's failure to respond to any risks associated with this industry, including those described above, may adversely affect Ricoh's future growth and profitability as well as its financial results and condition.

(2) Highly competitive markets

Ricoh is continually faced with the risk of fierce competition, shift in demand to low-priced products, shorter product life cycle, threat of new entrants and substitute products in the business segments it operates in.

While Ricoh is a leading manufacturer and distributor in the document imaging and management industry and intends to maintain its position, no assurances can be made that it will continue to compete effectively in the future. Pricing pressures or loss of potential customers resulting from Ricoh's failure to compete effectively may adversely affect Ricoh's financial results and condition.

(3) Global business operations

A substantial portion of Ricoh's manufacturing and marketing activity is conducted outside of Japan, including in the United States, Europe, and in Other region, such as China. There are a number of risks inherent in doing business in such overseas markets, including the following:

- unfavorable political or economical factors;
- fluctuations in foreign currency exchange rates;
- potentially adverse tax consequences;

- unexpected legal or regulatory changes;
- lack of sufficient protection for intellectual property rights;
- difficulties in recruiting and retaining personnel, and managing international operations; and
- less developed infrastructure.

Ricoh’s inability to manage successfully the risks inherent in its global business activities could adversely affect its business, financial condition and operating results.

(4) Economic outlooks in major markets

Demand for Ricoh’s products are affected by cyclical changes in the economies of Ricoh’s major markets, including Japan, the Americas, Europe and Other region, such as China. Economic slowdown and decline in consumption in Ricoh’s major markets may adversely affect Ricoh’s financial results and condition.

(5) Foreign exchange rate fluctuations

Local currency-denominated financial results in each of the Company’s subsidiaries around the world are translated into Japanese yen by applying the average market rate during each financial period and recorded on Ricoh’s consolidated statement of profit or loss and consolidated statement of comprehensive Income. Local currency-denominated assets and liabilities are translated into Japanese yen by applying the market rate at the end of each financial period and recorded on Ricoh’s consolidated statement of financial position. Accordingly, the financial results, assets and liabilities are subject to foreign exchange fluctuations.

In addition, operating profits and losses are especially subject to foreign exchange fluctuations. Because of the high volume of Ricoh's production and sales activities in the Americas, Europe and Other region, such as China, Ricoh has the high ratio of profits and losses denominated in foreign currency. Ricoh enters into foreign exchange contracts with financial institutions to hedge against the short-term impacts of foreign currency fluctuations, such as the U.S. dollar, the Euro and the Japanese yen, effectively. However, if the medium and long-term foreign exchange fluctuations will make Ricoh's procurement, production, logistics and sales activities difficult, such events may adversely affect Ricoh's financial position and results of operations.

(6) Procurement of parts and materials

Ricoh relies on externally sourced raw materials in its manufacturing operations, and it does business with a broad range of suppliers to ensure steady supplies of high-quality raw materials at competitive prices. Many of the parts or materials used in manufacturing Ricoh’s products are made from oil. If the price of crude oil rises, the purchase price of such parts or materials may increase as well. Further, unanticipated contingencies among these suppliers or if parts and materials procured by these suppliers suffer from quality problems or are in short supply, Ricoh may be forced to discontinue production. Such events, if occurred, may adversely affect Ricoh's financial position and results of operations.

(7) Government regulations

Ricoh is subject to various governmental regulations and approval procedures in the countries in which it operates. For example, Ricoh may be required to obtain approvals for its business and investment plans, be subject to export regulations and tariffs, as well as rules and regulations relating to commerce, antitrust, patent, consumer and business taxation, exchange control, and environmental and recycling laws. Ricoh has established a CSR organization to heighten awareness of the importance of corporate social responsibility. Through CSR, Ricoh involves its employees in various activities designed to ensure compliance with applicable regulations as part of its overall risk management and compliance program. However, if Ricoh is unable to comply with any of these regulations or fails to obtain the requisite approvals, Ricoh’s activities in such countries may be restricted. In addition, even if Ricoh is able to comply with these regulations, compliance can result in increased costs. In either event, Ricoh’s financial results and condition may be adversely affected.

(8) Protection of intellectual property rights

Ricoh owns or licenses a number of intellectual property rights in the field of office equipment automation and, when Ricoh believes it is necessary or desirable, obtains additional licenses for the use of other parties’ intellectual property rights. If Ricoh fails to protect, maintain or obtain such rights, its performance and ability to compete may be adversely affected. Ricoh has a program in place under which company employees are compensated for any valuable intellectual property rights arising out of any inventions developed by them during the course of their employment with Ricoh. While unlikely, management believes that there could arise instances in the future where Ricoh may become the subject of legal actions or proceedings where claims alleging inadequate compensation are asserted by company employees.

(9) Securing and retaining skilled personnel

Ricoh believes that in order to maintain mid to long term competitiveness, securing and retaining highly skilled personnel at the right time is essential. Ricoh has placed emphasis on securing and retaining such personnel. However, failure by Ricoh to recruit and train qualified personnel or the loss of key employees may adversely affect Ricoh's future growth, financial results and condition.

(10) Employee benefit obligations

With respect to its employee benefit obligations and plan assets, Ricoh accrues the cost of such benefits based on applicable accounting policies and funds such benefits in accordance with governmental regulations. Currently, there is no immediate and significant funding requirement, however, if returns from investment assets continue to decrease and/or turn to be negative due to market conditions, such as the fluctuations in the stock or bond markets, additional funding and accruals may be required. Such additional funding and accruals may adversely affect Ricoh's financial position and results of operations.

(11) Environmental laws and regulations

Ricoh's operations are subject to many environmental laws and regulations governing, among other things, air emissions, wastewater discharges, the use and handling of hazardous substances, waste disposal, product recycling, and soil and ground-water contamination. Ricoh faces risks of environmental liability in our current and historical manufacturing activities. Costs associated with future additional environmental compliance or remediation obligations could adversely affect Ricoh's business, operating results, and financial condition.

(12) Financing business

Ricoh provides financing to some of its customers in connection with its equipment sales and leases. Ricoh evaluates the creditworthiness and the amount of credit extended to a customer prior to the financing arrangement and during the financing term on a regular basis. Depending on such evaluations, Ricoh makes adjustments to such extensions of credit as it deems necessary to minimize any potential risks of concentrating credit risk or non-payment of credit. Despite the application of these monitoring procedures, no assurances can be made that Ricoh will be able to fully collect on such extensions of credit due to unforeseeable defaults by its customers.

In addition, these financing arrangements that Ricoh enters into with its customers result in long-term receivables bearing a fixed rate of interest. Although Ricoh finances these financing arrangements with short-term borrowings subject to a variable interest rate along with borrowings subject to a fixed interest rate whose term are matched with the term of financing arrangements for the purpose of hedging the interest rate risk, Ricoh is not able to fully hedge this interest rate mismatch.

If Ricoh is unable to successfully manage these risks associated with its equipment financing business, Ricoh's financial results and condition may be adversely affected.

(13) Product liability

Ricoh may be held responsible for any defects that occur with respect to its products and services. Based on the defect, Ricoh may be liable for significant damages, which may adversely affect its financial results and condition. Furthermore, as Ricoh increasingly provides products and services utilizing sophisticated and complex technologies, such defects may occur more frequently. Such potential increase in defects, which could result in an increase in Ricoh's liability, may adversely affect its financial results and condition.

In addition, negative publicity concerning these defects could make it more difficult for Ricoh to attract and maintain customers to purchase Ricoh products and services. As a result, Ricoh's financial results and condition may be adversely affected.

(14) Alliances with other entities, joint ventures and strategic investment

Ricoh engages in alliances with other entities to create various products and services to fulfill customer demands. Ricoh believes that alliance is an effective method for timely development of new technology and products using management resources of both parties. However, if Ricoh's interest differs from other parties' interests due to financial or other reasons, Ricoh may be unable to maintain the alliance. Ricoh also makes strategic investments to acquire interests in companies that Ricoh believes would support existing businesses and/or lead to new businesses. Such strategic investments may not necessarily lead to the expected outcome or performance and may result in increased time and expenses being incurred due to the integration of businesses, technologies, products and/or personnel necessitated by such investments. Accordingly, these types of management decisions may have a significant impact on the future performance of Ricoh. Failure to maintain an on-going alliance, establish a necessary alliance or make a strategic investment to acquire an interest in a company may adversely affect Ricoh's future financial position and results of operations.

(15) Information security

Ricoh obtains confidential or sensitive information from various sources, including its customers, in the ordinary course of its business. Ricoh also holds trade secrets regarding its technologies and other confidential or sensitive information relating to marketing. To prevent unauthorized access and/or fraudulent leakage or disclosure of such confidential or sensitive information, Ricoh has implemented an internal management system, which includes measures to improve security and access to its internal database, as well as employee training programs to educate its employees with respect to compliance with applicable regulations relating to information security and data access. Despite Ricoh's efforts, however, confidential or sensitive information may be inadvertently or accidentally leaked or disclosed and any such leakage or disclosure may result in Ricoh incurring damages, which may adversely affect Ricoh's reputation. In addition, Ricoh may incur significant expenses for defending any lawsuits that may arise from such claims. Furthermore, the leakage or disclosure of Ricoh's confidential or sensitive marketing and technological information to a third party may adversely affect Ricoh's financial results and condition.

(16) Influence of disasters or other unpredictable events

Ricoh will do its utmost to ensure the continuation of business activities and fulfill its social responsibilities as a corporate citizen in the event of an earthquake, fire, hurricane, flood, and other natural disasters, pandemic of a new strain of influenza or other unpredictable events. Measures taken to mitigate such risks include periodic inspections of equipment and facilities, conducting disaster drills, implementation of systems to confirm employee safety and formation of a business continuity plan. In spite of these measures, however, in the event of an earthquake on a scale beyond our assumptions or other disasters or events that may temporarily suspend operations could adversely affect Ricoh's financial results and condition.

5. MATERIAL AGREEMENTS, ETC.

The following table lists some of the important patent and licensing agreements which the Company is currently a party to:

Counterparty	Country and Region	Summary of the Contract	Contract Term
International Business Machines Corporation	USA	Comprehensive cross license patent agreement relating to the information processing technology area (reciprocal agreement)	March 28, 2007 to expiration date of the patent subject to the agreement
ADOBE Systems Incorporated	USA	Patent licensing agreements relating to development on printer software and sales (the counterparty as the licensee)	January 1, 1999 to March 31, 2015
Lemelson Medical, Education & Research Foundation Limited Partnership	USA	Patent licensing agreement relating to computer image analysis and other products (the counterparty as the licensee)	March 31, 1993 to expiration date of the patent subject to the agreement
Canon Inc.	Japan	Patent licensing agreement relating to office equipment (reciprocal agreement)	October 1, 1998 to expiration date of the patent subject to the agreement
KYOCERA Document Solutions Inc.	Japan	Patent licensing agreement relating to method of controlling multi function peripheral (the Company as the licensor)	January 1, 2012 to December 31, 2018
KYOCERA Document Solutions Inc.	Japan	Patent licensing agreement relating to facsimile functions (the Company as the licensor)	June 1, 2012 to May 31, 2017
Sony Corporation	Japan	Patent licensing agreements relating to optical disks (the Company as the licensor) and digital cameras (reciprocal agreement)	April 1, 2009 to March 31, 2018
Quantum Storage Inc.	Taiwan	Patent licensing agreement relating to optical disc (the Company as the licensor)	February 22, 2011 to February 22, 2016
Hewlett-Packard Company	USA	Comprehensive cross license patent agreement relating to the document processing system area (reciprocal agreement)	October 31, 2011 to expiration date of the patent subject to the agreement
FUNAI ELECTRIC CO., LTD.	Japan	Patent licensing agreement relating to optical disks (the Company as the licensor)	October 1, 2014 to September 30, 2017

6. RESEARCH AND DEVELOPMENT

Since its formation, Ricoh's basic management philosophy has been to contribute to society by providing innovative and useful products and services with an emphasis on the relationship between people and information. Based on this management philosophy, Ricoh undertakes a variety of R&D activities to develop new technologies to facilitate better communication. Research and Development Center functions as the headquarters of Ricoh's R&D activities, which are conducted at its R&D bases throughout Japan and certain satellite R&D bases overseas. Ricoh conducts a wide range of R&D activities, from technological research to research in elemental technologies, fundamental technologies for product applications, environmental technologies, and manufacturing technologies.

In Japan, Ricoh conducts basic and advanced research in connection with optical technologies, new materials, devices, information electronics, environmental technologies, and software technologies, as well as development for practical applications. In addition, Ricoh has established satellite R&D bases in the United States, China and India through which it conducts R&D activities that focus on developing products that can be marketed globally and that take into consideration the needs of a particular geographic area. All aspects of Ricoh's research efforts are focused on developing imaging and solutions products that are suitable for the new work environment, developing new technologies for IT solutions, and protecting the global environment. Ricoh will pursue the development of innovative technologies and provide innovative value added products and services that delight our customers.

With the adoption of IFRSs, part of the development cost incurred by Ricoh have been capitalized and reported as intangible assets. Ricoh's consolidated R&D expenditures were approximately ¥118.7 billion, including development costs which were treated as intangible assets of ¥20.4 billion.

(1) Imaging & Solutions

Ricoh's R&D activities in the Imaging & Solutions segment include, but not limited to the development of (1) digital electrophotographic technology for MFPs, printers and production printing products, (2) supply technology, (3) precision optical components, (4) imaging data processing technology, (5) inkjet technology, (6) next-generation image producing engines, (7) cutting edge software technology, and (8) applications for the advancement of IT solutions.

Notable achievements of R&D activities in this segment during the fiscal year ended March 31, 2015 are as follows.

<u>MFPs</u>

Ricoh has expanded its lineup of digital monochrome MFPs to increase its competiveness in the market.

a) RICOH MP 6054/5054/4054 series digital monochrome MFPs

Ricoh has introduced these models as successors to the MP 5002/4002 series. The lineup includes models with continuous copying speeds of 50 and 40 ppm (pages per minute, A4, landscape) along with the addition of a new 60 ppm model. These MFPs offer higher productivity with a smaller footprint. The exhaustive energy-saving design of these products equipped with Ricoh's proprietary QSU (Quick Start-up) technology and other innovations has achieved a top class typical energy consumption (TEC) value in the industry, while allowing fast warm-up and quick recovery from sleep mode.

b) RICOH MP 3554/2554 series digital monochrome MFPs

These are the successor models to the RICOH MP 3353/2553 series. The energy-saving design of these new products strikes a balance between exceptional environmental performance and high productivity. Ricoh has also introduced the internal stapleless finisher, offering safety as well as reducing the hassle of separation during disposal.

<u>Production Printers</u>

Ricoh has introduced new color production printers and a high-speed color inkjet printing system for continuous forms to strengthen the lineup of RICOH Pro Series.

a) RICOH Pro C7110S/C7110/C7100S color production printers

These models enable the production of printed material with high added value, in addition to offering high image quality, high productivity and broad paper support for the production printing market. By employing newly developed image processing technologies to support white toner and clear toner, high image quality and high added value was delivered.

b) RICOH Pro VC60000 high-speed inkjet printing system

Achieving even higher image quality than its predecessor and offering excellent paper support, this system respond to a wide range of needs, from printing business-critical documents such as invoices to commercial printing that requires high image quality and product quality such as direct mailing materials. Through its in-house product development and direct sales business, Ricoh has cultivated print head and ink technologies over many years. By employing these technologies, this printing system delivers high quality 1,200×1,200 dpi printing with reliability.

<u>Printers</u>

Ricoh has renewed its lineup of A3 monochrome printers, allowing broad paper support and compatibility with a wide range of security solutions.

a) RICOH SP 6400 series A3 monochrome printers, releasing 7 models across 4 products

Ricoh has introduced the RICOH SP 6400 series as successor models to the SP 6300 series. The new models features excellent productivity, environmental performance and operability with a compact body. While equipped with an automatic duplex printing function as standard, the footprint has been reduced by about 28% compared with their predecessors. Furthermore, with the use of PxP-MC toner created using Ricoh's unique polymerization method, the amount of heat in the fusing unit is controlled. Together with the lower power consumption of the controller, the printers deliver exceptional environmental performance and achieve a top class typical energy consumption (TEC) value in the industry.

<u>Visual Communications</u>

To realize new workstyles, Ricoh utilizes network technologies to activate communication and enhance office productivity.

a) Commercializing a projector to enable wireless projection from a table device

The RICOH PJ WX3351N/WX3351/X3351N/X3351 series models are equipped with short throw lenses and feature front exhaust vents and front connection ports. With the ability to project from the edge of a table to a screen on the wall at the optimum size in various types of meeting rooms. The projectors feature new horizontal keystone correction to further enhance ease of installation. With Miracast®* also supported, it is possible to project the screen display of a smartphone or tablet device wirelessly. (*A standard of communications technology governing wireless video transmission developed by Wi-Fi Alliance™. Miracast and Wi-Fi Alliance are trademarks or registered trademarks of Wi-Fi Alliance.)

b) Release of the RICOH Unified Communication System P3500 remote conferencing system

While preserving the simple operation and portability of its predecessor, the P3500 achieves high resolution image quality thanks to a 125° wide angle HD-compatible camera with zooming features and clear sound quality attributable to the improved performance of the built-in microphone/speaker and a high-performance echo canceller. In addition, with Ricoh's proprietary dynamic media control technology, performance has been reinforced to ensure that meetings can continue even when network bandwidth fluctuates wildly. In recognition of this ease of use, the RICOH Unified Communication System, including the RICOH UCS P3500, received a 2014 Good Design Award from the Japan Institute of Design Promotion.

c) Ricoh Interactive Whiteboard D5510 – a collaborate tool supporting workstyle innovation

This is a new model of the interactive whiteboard that encourages collaboration in various locations. In addition to simple operability that enables users to display PC or tablet materials and start writing or working together immediately and an electronic pen that offers smooth writing, the model features a new OCR function (with support for 14 languages) that converts hand-written characters into text data, as well as a stamp function. Furthermore, the number of units that can be shared across remote sites over a network has been significantly expanded from the previous 4 to 20.

The R&D expenditures in the Imaging & Solutions segment were approximately ¥94.3 billion.

(2) Industrial Products

Industrial products comprise the development of FA cameras and lenses, and the technological development of systems and devices for industrial use such as voltage regulators for automotive applications.
Notable achievements of R&D activities in this segment during the fiscal year ended March 31, 2015 are as follows.

a) RICOH SV-M-S1 industrial stereo camera enabling high-precision and high-speed 3D measurement
This stereo camera enables a 3D object to be measured with high-precision and high-speed. Serving as the eyes of equipment, the RICOH SV-M-S1 enables system automation by performing 3D measurement of target objects. High-precision detection is made possible through Ricoh's proprietary calibration technology, and by performing all processes from capture to image processing and parallax calculations within the camera, data processing speed has been improved. With the ability to smoothly measure objects, the system can be utilized in a wide range of scenes, from robot-picking work to controlling and monitoring devices.

b) RICOH CV-10A 2D color analyzer for display inspection
A 2D color analyzer is a camera that measures shade and tone in the color and light on a subject. The RICOH CV-10A demonstrates its capability particularly well for quality inspections of displays such as TVs and PCs. Since it has a wider shooting range compared to the single point measurement type color analyzers, allowing the inspection of colors across up to 120×90 points in a single shot, inspections can be conducted to a high level of precision in a shorter time. At the same time, this analyzer allows to inspect color uniformity and color differences that are difficult to detect with the naked eye, contributing to inspection efficiency and reducing costs.

c) Enhancing the lineup of RICOH FL series－lenses for image processing data capture respond to FA camera
The existing RICOH FL series consists of manual-iris lenses (with focal lengths of 50mm and 75mm) for image processing supporting image sizes of 1 inch up to 9 megapixels. These lenses can be used for a variety of applications, including precision machined products like electronic substrates and wafers that require high resolution. Ricoh has now added to the lineup with the release of two new lenses with focal lengths of 25mm and 35mm, respectively.

d) R1524 x series voltage regulators, achieving superior transient response characteristics
Ricoh has commercialized the R1524x series of voltage regulators. While these devices boast minimal self current consumption of 2.2μA while unloaded, they exhibit superior transient response characteristics with the ability to handle maximum input voltages of 36V and output 200mA.

The R&D expenditures in the Industrial Products segment were approximately ¥9.0 billion.

(3) Other (consumer segment)

Other consists of development in the area of imaging system technology, which includes but is not limited to image input devices such as the "THETA" 360-degree spherical cameras and digital SLA cameras.
Notable achievements of R&D activities in this segment during the fiscal year ended March 31, 2015 are as follows.

＜360-degree Spherical Cameras＞

a) Release of the new RICOH THETA (m15) model that enables video shooting

The RICOH THETA (m15) features the compact and lightweight design of its predecessor while enabling 360-degree video shooting (up to three minutes). The new model also supports Google's 360-degree video format, allowing recorded videos to be shared as 360-Degree videos on YouTube™. Ricoh has also released an Application Programming Interface (API) and Software Development Kit (SDK, beta version) on the dedicated theta360.com website, allowing users to develop their own dedicated apps. With this, users can now configure the various features of the RICOH THETA and create original apps to control it. (Google and YouTube are trademarks or registered trademarks of Google Inc.)

＜Digital Cameras＞

a) Pentax 645Z medium format digital SLR camera, seeking the pinnacle of image expression

The Pentax 645Z is an interchangeable lens medium format digital SLR camera that employs a large CMOS image sensor to produce supremely high-resolution images made up of around 51.4 million effective pixels. It caters to professional use while combining comfortable operability with high reliability. In addition to a highly acclaimed dust-and-splash-proof construction, the image sensor and image processing engine have been updated in pursuit of greater image quality and improved reliability.

b) RICOH WG-M1 – a compact action camera ideal for outdoor usage

Ricoh has released the RICOH WG-M1 water-proof action camera. The model can be enjoyed underwater or outdoors and offers the ability to capture vivid footage at ultra-wide angles with high-resolution video. This action camera doesn't need any dedicated underwater housing, and features water-proof performance to a depth of 10 meters, shock proof from heights of 2 meters, and freezeproof down to -10°C. In addition to shooting powerful full-HD videos with an ultra-wide-angle lens emphasizing the sense of perspective, high-resolution still images with an effective resolution of approximately 14 megapixels along with high-speed continuous shooting at up to 10 frames / second are also available. These features combine to broaden shooting possibilities across a wide range of sporting and outdoor scenes, making it possible to produce unknown footage and images.

R&D expenditures in the Other segment were approximately ¥0.5 billion.

(4) Fundamental Research

Ricoh continues to engage in the development of its fundamental research fields, which focus on R&D activities that can be applied to various products and that are difficult to categorize into a specific operating segment. Such R&D activities include R&D in nanotechnology, micro electro mechanical systems (MEMS), general technologies in measuring, analysis and simulation, new materials and devices, next-generation image display technologies, manufacturing technology, system solutions, photonics technology for high speed and high quality image processing, environmental technologies, and healthcare technologies.

The R&D expenditures relating to Fundamental Research segment were approximately ¥14.8 billion.

7. ANALYSIS OF CONSOLIDATED FINANCIAL POSITION, OPERATING RESULTS AND CASH FLOWS

The future related matters mentioned on this section is determined on this fiscal year.

(1) Significant Accounting Policies

The consolidated financial statements of Ricoh are prepared in accordance with International Financial Reporting Standards (“IFRSs”), under the provision of Article 93 of the "Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements" issued by the Japanese Financial Services Agency (FSA). Ricoh evaluates its estimates based on historical experience and other assumptions that are believed to be reasonable.

For a summary of the significant accounting policies, refer to “V. Financial Information – Notes to Consolidated Financial Statements – 3. Significant Accounting Policies”.

(2) Business results

Sales

Sales increased by ¥36.2 billion (+1.7%) to ¥2,231.9 billion. Increase in sales was achieved in Imaging & Solutions segment and Industrial Products segment.

Sales in the Imaging & Solutions segment increased due to increase in the sales of color MFP models and in the after-sales of the Production Printing, along with the weakening of the Yen, despite the rebound from the special demand for personal computers at the end of previous corresponding period in the domestic Network System Solutions.

Sales in the Industrial Products segment increased due to increase in overseas sales in thermal media business and increase in domestic sales in inkjet business.

Sales in the Other segment decreased due to decrease in sales of camera business.

Cost of sales

Cost of sales increased by ¥2.5 billion (+0.2%) to ¥1,325.0 billion. This was achieved due to increase in sales and the weakening trend of the yen.

Gross profit

Gross profit increased by ¥33.6 billion (+3.9%) to ¥906.9 billion. This was mainly due to increase in sales, the weakening trend of the yen.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by ¥38.2 billion (+5.1%) to ¥791.1 billion. Although group-wide activities to streamline costs have contributed in controlling selling, general and administrative expenses, these expenses have increased due to the weakening of the yen and business acquisition.

Operating profit

Operating profit decreased by ¥4.5 billion (-3.8%) to ¥115.7 billion due to increase in selling, general and administrative expenses, although sales for the year had increased.

Profit before income tax expenses

Profit before income tax expenses decreased by ¥5.7 billion (-4.9%) to ¥112.2 billion mainly due to decrease in operating profit and, finance income from the sale of securities.

Income tax expenses

Income tax expenses decreased by ¥1.0 billion (-2.6%) to ¥38.5 billion. The effective tax rate during the fiscal year was 34% (Effective tax rate during the previous year was 34%). The difference between the effective tax rate and the normal effective statutory tax rate of 36% is arising from the effective tax rates applied by overseas consolidated subsidiaries and the decrease in unrecognized deferred tax assets.

Profit attributable to owners of the parent

As a result, profit attributable to owners of the parent decreased by ¥4.2 billion (-5.8%) to ¥68.5 billion.

(3) Liquidity and Capital Resources

Cash flows

Operating Cash flows

Net cash provided by operating activities decreased by ¥44.3 billion to ¥102.5 billion primarily due to the rebound from special demand during the end of the previous fiscal year and redefined business terms led to decrease in trade payables.

Investing Cash flows

Net cash used in investing activities increased by ¥20.5 billion to ¥143.4 billion. Net cash used in investing activities consisted mainly of ¥75.9 billion of expenditures for property, plant and equipment, ¥36.0 billion of expenditures for intangible fixed assets and ¥9.7 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.

Financing Cash flows

Net cash provided by financing activities is ¥29.9 billion. Net cash provided by financing activities consisted primarily of ¥203.5 billion to repay long-term debt and ¥24.2 billion to pay dividends, which were partially offset by ¥20.0 billion of proceeds received from the issuance of bonds and ¥272.5 billion of proceeds received from the issuance of long-term indebtedness.

Cash and Asset-Liability Management

Ricoh has in recent years tried to achieve greater efficiencies in the utilization of cash balances held by its subsidiaries pursuant to its policy of ensuring adequate financing and liquidity for its operations and growth, and maintaining the strength of its financial position. One method that Ricoh has implemented to achieve greater efficiency is building up its group cash management system in each region and global. This cash management system functions as an arrangement whereby Ricoh's funds are pooled together and cash resources are lent and borrowed from one group company to another company, with finance companies located in each region coordinating this arrangement.

Ricoh also enters into various derivative financial instrument contracts in the normal course of its business and in connection with the management of its assets and liabilities. Ricoh enters into foreign currency contracts and foreign currency option contracts to hedge against the potentially adverse impacts of foreign exchange fluctuation on local currency-denominated assets and liabilities and interest rate swap agreements to hedge against the potentially adverse impacts of cash flow fluctuations on its outstanding debt interests. Ricoh uses these derivative instruments to reduce its risk and to protect the market value of its assets and liabilities in conformity with Ricoh’s policy. Ricoh does not use derivative financial instruments for trading or speculative purposes, nor is it a party to leveraged derivatives.

Sources of Funding

Ricoh’s principal sources of funding are a combination of cash and cash equivalents on hand, various lines of credit, the issuance of commercial paper and long-term debt securities. In assessing its liquidity and capital resources needs, Ricoh places importance on the balances of cash and cash equivalents in the consolidated statement of financial position and operating cash flows in the consolidated statement of cash flows.

As of March 31, 2015, Ricoh had ¥137.7 billion in cash and cash equivalents and ¥753.8 billion in aggregate borrowing facilities. Of the ¥753.8 billion in aggregate borrowing facilities, ¥646.2 billion was available to be borrowed by Ricoh as of March 31, 2015. The Company has committed credit lines with bank having credit ratings satisfactory to Ricoh in the aggregate amount of ¥50 billion. Also, Ricoh Leasing Co., Ltd. has committed credit lines with bank having credit ratings satisfactory to Ricoh in the aggregate amount of ¥50 billion. These committed credit line amounts of the Company and Ricoh Leasing Co., Ltd. are included in the ¥753.8 billion figure for aggregate borrowing facilities. Ricoh may also borrow up to its borrowing limit from financial institutions under the interest rates of each respective market. The loans offered by these financial institutions are mostly unsecured loans.

The Company and certain subsidiaries raise capital by issuing commercial paper and long-term debt securities in various currencies. Interest rates for commercial paper issued by the Company and its subsidiaries ranged from 0.08% to 0.25%, interest rates for bank loans ranged from 0.09% to 9.75% and interest rates for long-term debt securities ranged from 0.08% to 7.30% during fiscal year ended March 31, 2015. Furthermore, Ricoh utilizes a cash management system in Japan, the United States and Europe and global to effectively reduce its balance of interest-bearing debt.

The Company obtains ratings from the following major rating agencies: Standard & Poor’s Rating Services, a division of McGraw-Hill Companies, Inc. (“S&P”), Moody’s Investors Services (“Moody’s”), and another local rating agency in Japan. As of March 31, 2015, S&P assigned long-term and short-term credit ratings for the Company of A and A-1, respectively, and Moody’s assigned a short-term credit rating for the Company of P-1.

As is customary in Japan, substantially all of the bank loans are subject to general agreements with each lending bank which provide, among other things, that the bank may request additional security for loans if there is reasonable and probable cause for the necessity of such additional security and the bank may treat any security furnished, as well as any cash deposited in such bank, as security for all present and future indebtedness. The Company has never been requested to furnish such additional security.

Cash Requirements and Commitments

Ricoh believes that its cash and cash equivalents and funds expected to be generated from its operations are sufficient to meet its cash requirements at least through fiscal year ending March 31, 2016. Even if there were a decrease in cash flows from operations as a result of fluctuations in customer demands from one year to another due to unexpected changes in global economic conditions, Ricoh believes that current funds on hand along with funds available under existing borrowing facilities would be sufficient to finance its anticipated operations. In addition, Ricoh believes that it is able to secure adequate resources to fund ongoing operating requirements and investments related to the expansion of existing businesses and the development of new projects through its access to the financial and capital markets. While interest rates of such instruments may fluctuate, Ricoh believes that the effect of such fluctuations will not significantly affect Ricoh’s liquidity, mainly due to the adequate amount of Ricoh’s cash and cash equivalents on hand, stable cash flow generated from its operating activities and group-wide cash management system.

Ricoh expects that its capital expenditures for fiscal year ending March 31, 2016 will amount to approximately ¥90.0 billion, which will principally be used for investments in manufacturing facilities and rationalization of production mainly in the Imaging & Solutions segment and the Industrial Products segment. In addition, Ricoh is obligated to repay long-term indebtedness in the aggregate principal amount of ¥126.4 billion during fiscal year ending March 31, 2016, and in the aggregate principal amount of ¥441.5 billion during fiscal years ending March 31, 2017 through 2019.

The Company and certain of its subsidiaries have various employee pension plans covering all of their employees. As described in Note [22] to the Consolidated Financial Statements, the unfunded portion of these employee pension plans amounted to ¥144.8 billion as of March 31, 2015 and was recorded as liability on the Consolidated Statement of Financial Position of Ricoh as of March 31, 2015. The amounts contributed to pension plans for fiscal years ended March 31, 2014 and 2015 were ¥17.8 billion and ¥20.7 billion, respectively.

(4) Medium and Long Term Management Strategy

Ricoh understands that its Imaging & Solutions business, which stands at the center of Ricoh businesses, has reached its turning point. To respond to changes in the business environment and continue to provide new values perpetually, Ricoh has formulated the 18th Mid-Term Management Plan effective from April 2014 to March 2017, in which its vision is specified as "an environmentally friendly company that makes customers feel "confident, comfortable, and convenient" while exceeding their expectations and to support lifestyle transformation" by envisioning the year of 2020 and the future beyond. Also, the 18th Mid-Term Management Plan is defined as a period of realizing its vision and as "three years to ensure Ricoh's long-term growth". Accordingly Ricoh is committed to the three fundamental initiatives, namely, "actionable strategies", "management systems", and "transformation".

Especially for "actionable strategies" Ricoh has specified two basic strategies of "Reinforce and develop earnings power for core businesses (Imaging & Solutions)" and "Achieve growth by creating new profit generators". For "Reinforce and develop earnings power for core businesses (Imaging & Solutions)", Ricoh has identified an action plan of "reinforcing earnings power in developed countries" and "creating new profit generators in emerging markets, services, and VC businesses*".

For "Achieve growth by creating new profit generators", Ricoh has identified an action plan of "creating profit generators in production printing, industrial, and consumer businesses" and of "creating new businesses by leveraging Ricoh's core assets".

*VC (Visual Communication) business:
Through equipment and services such as projectors, video conference systems and interactive whiteboards, Ricoh makes high quality communication possible with "anyone, anywhere and anytime", and realizes a new work style.

The current status of the two basic strategies in the fiscal year ended March 31, 2015 is as follows:

<u>Reinforce and develop earnings power for core businesses (Imaging & Solutions)</u>

To expand the digital monochrome MFP lineup and enhance its competitiveness, RICOH MP 6054/5054/4054 series and RICOH MP 3554/2554 series were released. These products have benefits of space saving and higher productivity and have reduced warm-up time or recovery time from sleep mode. Positioned as Ricoh's flagship middle- to high-speed digital monochrome MFPs in Office business, they maximize their performance in government offices, educational institutions, financial institutions, and various business types or operations.

As for printers, Ricoh's A3 monochrome printer lineup was revamped and, to increase the market share, RICOH SP 6400 series were released, which support a variety of paper types or various security solutions. In addition, RICOH SG 3100KE, a Ricoh's proprietary Geljet printer was released. This printer is equipped with excellent technology of both ink jet systems and laser systems. It is a dedicated model for use in chains or as backyard works in the retail industry or food industry. The robust design, stable performance, and easy-to-use features of this model will help customers in specific businesses with many shops or offices to expand their business.

For emerging markets, Ricoh established a Middle East control company in Dubai so as to reinforce activities to add value to meet customer's needs. Full-scale operations of the company started in April 2015. This company is meant to be an innovation center for research and development or new business creation, provide solutions to meet customers' needs in the Middle East, and expand its business.

Also, Ricoh was selected as a solution provider of ICT solutions for departments of posts administered by India's Ministry of Communication & IT, and are contributing to digitizing operations for postal services at about 129,000 postal offices in India or financial services.

For service businesses, Ricoh acquired FutureTech Ltd. and FutureWare Ltd., which have been engaged in high-value added businesses by providing IT devices and solutions, and maintenance services in Korea. Accordingly Ricoh has reinforced business platforms in its service businesses.

In VC businesses, to reinforce business response in offices to educational sites, Ricoh released new 11 projectors with their 19 models, which respond to demand for wireless projections using tablets or full HD images. Also, as a remote conference system, RICOH Unified Communication System P3500 was released. This product embodies high definition image quality and clear audio quality and enables access to video conference systems provided by other companies. Further, as a new model of our interactive whiteboard, Ricoh Interactive Whiteboard D5510 was placed on the market. This model is equipped with simple usability, smooth writability using an electric pen, OCR features for handwriting, and stamp features. Through the combination of visual communication products, Ricoh proposes new work styles in various businesses and support customer's creative activities.

Achieve growth by creating new profit generators

Releasing RICOH Pro C7110S/C7110/C7100S as new products in the production printing industry, Ricoh has enabled the production of high-value added prints to develop new businesses along with providing support to various types of paper. Meanwhile Ricoh released "RICOH Pro VC60000" to support core business printing such as bill printing and commercial printing such as direct mail printing. As this model is a one-stop solution used for a wide range of operations from bill printing or other core business printing to direct mail printing or other commercial printing to require high resolution or high quality printing, it can be a contribution to customers in the printing industry who intend to expand their business. Also, through the acquisition of PTI Marketing Technologies, a leading US company that specializes in intelligent marketing technology or through strategic investments to companies engaged in direct marketing services, Ricoh intends to provide improved value to meet needs from in-house intensive printing or commercial printing.

In the Industrial business, with the intention of building streamlined management infrastructures appropriate to speedy management decision, management resources scattered in Ricoh were reorganized or spun off as affiliate companies. Among them, two new companies, Ricoh Electronic Devices Co., Ltd. and Ricoh Industrial Solutions Inc., started business operations on October 1, 2014, thereby products to create new value and increase efficiency in industrial businesses will be placed on the market.
In the camera business, Ricoh started to market PENTAX 645Z, PENTAX K-S2, or other digital single-lens reflex cameras while releasing RICOH WG-M1, a water-proof action camera for users to enjoy water or

outdoor activities and film vivid movies at the same time. Also, Ricoh updated RICOH THETA m15, which can shoot spherical images and has received favorable responses from users, so that it can film movies. Accordingly Ricoh continues to provide new enjoyable visual expressions.

Additionally, in September 2014 Ricoh entered the 3D print-related business, which is new to Ricoh. Based on the 3D design technique for more than 20 years, along with marketing 3D printers and providing output services using 3D printers or consultations, Ricoh will help customers innovate their manufacturing scenes. Besides, as its new plan, Ricoh will contribute to local development and growth by providing solution services for urban development to realize safety, comfort, and convenience. Also, while being involved in urban development, Ricoh will create and expand new businesses. As part of this initiative, RICOH Future House will be opened in the area in front of the west exit of Ebina station in Ebina City, Kanagawa Prefecture.

III. PROPERTY, PLANTS AND EQUIPMENT

1. SUMMARY OF CAPITAL INVESTMENTS, ETC.

Capital investment in the fiscal year ended March 31, 2015 was ¥75,976 million. A breakdown of capital investment by segment is as follows:

	Millions of Yen			
	For the year ended March 31, 2014	For the year ended March 31, 2015	Change	Change (%)
Imaging & Solutions	63,123	65,487	2,364	3.75
Industrial Products	3,083	4,867	1,784	57.87
Other	5,510	3,959	(1,551)	(28.15)
Corporate	1,277	1,663	386	30.23
Total	72,993	75,976	2,983	4.09

(Notes)1. These investments were mostly financed with Ricoh's own capital or borrowings.
2. The figures in the above table do not include the consumption tax, etc.
3. A breakdown of capital investment of each segment is as follows:
Imaging & Solutions... ¥20,914 million for increase in the production capacity and improvement of the production efficiency, ¥17,408 million for purchase of rental assets, and so on.
Industrial Products…¥2,005 million for the improvement of the manufacturing facilities of thermal media, ¥1,332 million for the improvement of the manufacturing facilities of optical equipment and electronic components, etc.

2. MAJOR PROPERTY, PLANTS AND EQUIPMENT

(1) The Company

(As of March 31, 2015)

Facility (Main location)	Segment	Details of major facilities and equipment	Book value (Millions of Yen) Buildings	Machinery and equipment	Land (Area in thousands of m^2)	Total	Number of employees
Tohoku plant at Ricoh Industry Co., Ltd. (Miyagi)	Imaging & Solutions	Manufacturing facilities for supplies	1,357	9,150	- (-)	10,507	-
Ohmori Plant (Tokyo)	Corporate and Imaging & Solutions	Development facilities	6,009	275	120 (17)	6,404	769
Head Office (Tokyo)	Corporate and Imaging & Solutions	Other equipment	1,492	217	- (-)	1,709	777
Research & Development Center (Kanagawa)	Corporate	Other equipment	1,153	967	3,200 (17)	5,320	462
System Center (Tokyo)	Corporate	Other equipment	951	265	318 (4)	1,534	96
Ricoh Technology Center (Kanagawa)	Imaging & Solutions	Development facilities	20,262	1,868	4,944 (89)	27,074	3,365
Atsugi Plant (Kanagawa)	Imaging & Solutions	Manufacturing facilities for office equipment	2,364	612	2,011 (98)	4,987	215
Shin-Yokohama office (Kanagawa)	Imaging & Solutions, Industrial products and Other	Other equipment	693	142	- (-)	835	576
Numazu Plant (Shizuoka)	Imaging & Solutions and Industrial products	Manufacturing facilities for supplies	8,839	9,132	1,194 (128)	19,165	919
Ricoh Eco Business Development Center (Shizuoka)	Other	Other equipment	854	10	2,397 (101)	3,261	-
Fukui Plant (Fukui)	Imaging & Solutions and Industrial products	Manufacturing facilities for supplies	1,268	2,557	1,120 (93)	4,945	128

Ikeda Plant (Osaka)	Industrial Products	Manufacturing facilities for semiconductor	1,736	756	98 (19)	2,590	296
Yashiro Plant at Ricoh Electronic Devices Co., Ltd. (Hyogo)	Industrial Products	Manufacturing facilities for semiconductor	1,493	19	2,005 (115)	3,517	-

(2) Domestic subsidiaries

(As of March 31, 2015)

Facility (Main location)	Segment	Details of major facilities and equipment	Book value (Millions of Yen)				Number of employees
			Buildings	Machinery and equipment	Land (Area in thousands of m^2)	Total	
Ricoh Industry Co., Ltd. (Kanagawa)	Imaging & Solutions	Manufacturing facilities for office equipment	9,246	5,073	1,223 (168)	15,542	2,269
Ricoh Elemex Corporation (Aichi)	Imaging & Solutions and Other	Manufacturing facilities for office equipment and others	1,753	3,467	3,246 (546)	8,466	603
Ricoh Japan Corporation (Tokyo)	Imaging & Solutions	Other equipment	5,684	12,208	3,491 (78)	21,383	17,952
Ricoh Leasing Co., Ltd. (Tokyo)	Imaging & Solutions and Other	Other equipment	130	9,260	- (-)	9,390	660
Ricoh Logistics System Co., Ltd (Tokyo)	Imaging & Solutions and Other	Distribution warehouse and vehicles	3,913	2,649	155 (21)	6,717	1,436
Ricoh Imaging Co., Ltd. (Tokyo)	Other	Other equipment	355	926	1,501 (5)	2,782	427
Ricoh Industrial Solutions Co., Ltd. (Kanagawa)	Industrial products	Manufacturing facilities for optical equipment and electronic components	1,787	1,774	331 (40)	3,892	1,224
Ricoh Electronic Devices Co., Ltd. (Osaka)	Industrial products	Manufacturing facilities for semiconductor	197	1,357	- (-)	1,554	570

(3) Overseas subsidiaries

(As of March 31, 2015)

Facility (Main location)	Segment	Details of major facilities and equipment	Book value (Millions of Yen) Buildings	Machinery and equipment	Land (Area in thousands of m²)	Total	Number of employees
Ricoh Electronics, Inc. (U.S.A.)	Imaging & Solutions and Industrial products	Manufacturing facilities for office equipment and supplies	1,872	6,883	2,509 (186)	11,264	818
Ricoh UK Products Ltd. (U.K.)	Imaging & Solutions,	Manufacturing facilities for office equipment	754	1,593	388 (210)	2,735	625
Ricoh Industrie France S.A.S. (France)	Imaging & Solutions and Industrial products	Manufacturing facilities for office equipment and supplies	705	2,928	52 (209)	3,685	829
Ricoh Thermal Media (Wuxi) Co., Ltd. (China)	Industrial products	Manufacturing facilities for thermal media	1,105	1,536	- [41]	2,641	312
Shanghai Ricoh Digital Equipment Co., Ltd. (China)	Imaging & Solutions	Manufacturing facilities for office equipment	1,830	811	- [59]	2,641	1,831
Ricoh Asia Industry (Shenzhen) Ltd. (China)	Imaging & Solutions	Manufacturing facilities for office equipment	789	935	- [48]	1,724	4,363
Ricoh Components & Products (Shenzhen) Co., Ltd. (China)	Imaging & Solutions, Industrial products and Other	Manufacturing facilities for office equipment and others	77	2,320	- (-)	2,397	3,776
Ricoh Manufacturing (Thailand) Ltd. (Thailand)	Imaging & Solutions	Manufacturing facilities for office equipment	2,509	1,212	512 (119)	4,233	2,339
Ricoh Imaging Products(Vietnam) Corporation (Vietnam)	Other	Manufacturing facilities for others	1,004	392	- (-)	1,396	880
Ricoh Americas Corporation and other 47 sales subsidiaries in Americas	Imaging & Solutions, and Other	Other equipment	1,768	15,650	604 (247)	18,022	29,863

Ricoh Europe Holdings PLC and other 60 sales subsidiaries in Europe	Imaging & Solutions	Other equipment	1,231	18,294	- (-)	19,525	16,973
Ricoh Asia Pacific Pte Ltd and other 21 sales subsidiaries in Other area	Imaging & Solutions	Other equipment	748	10,718	91 (49)	11,557	7,305

(Notes)
1. The figures in the above table do not include the consumption tax, etc.
2. The tables above do not include construction in progress.
3. Currently there is no material idle equipment.
4. The facilities of Tohoku plant at Ricoh Industry Co., Ltd. are owned by the Company but the manufacturing is performed under a consignment agreement with Ricoh Industry Co., Ltd. The facilities of Yashiro Plant at Ricoh Electronic Devices Co., Ltd. are owned by the Company but the manufacturing is performed under a consignment agreement with Ricoh Electronic Devices Co., Ltd.
5. The disclosures for Ricoh Leasing Co., Ltd., Ricoh Logistics System Co., Ltd. and Ricoh Electronics, Inc. are based on consolidated figures.
6. The land used by Ricoh Thermal Media (Wuxi) Co., Ltd., Shanghai Ricoh Digital Equipment Co., Ltd. and Ricoh Asia Industry (Shenzhen) Ltd. are leased from third parties and disclosed within the [ ] brackets.

3. PLANS FOR CAPITAL INVESTMENT, DISPOSALS OF PROPERTY, PLANTS AND EQUIPMENT, ETC.

The amount of capital investment for the fiscal year ending March 31, 2016 will be ¥90,000 million, and a breakdown by segment is as follows:

	Millions of Yen For the year ending March 31, 2016	Main purpose of investment
Imaging & Solutions	67,000	Increase production capacity and streamline production of office equipment, etc.
Industrial Products	10,900	Increase production capacity and streamline production of thermal media products , etc.
Other	6,700	Increase production of digital cameras ,etc.
Corporate	5,400	Improve information system, etc.
Total	90,000	

(Notes) 1. These investments will be mostly financed with Ricoh’s own capital or borrowings.

2. The figures in the above table do not include the consumption tax, etc.

3. A breakdown of capital investment of each segment is as follows:

Imaging & Solutions... ¥21,700 million for increase in the production capacity and improvement of the production efficiency, ¥17,300 million for purchase of rental assets, etc.

Industrial Products…¥4,800 million for the improvement of the manufacturing facilities of thermal media, ¥3,400 million for the improvement of the manufacturing facilities of optical equipment and electronic components, etc.

IV. INFORMATION ON THE COMPANY

1. INFORMATION ON THE COMPANY'S STOCK, ETC.

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued (shares)
Common stock	1,500,000,000
Total	1,500,000,000

2) Issued shares

Class	Number of shares issued as of the end of fiscal year (shares) March 31, 2015	Number of shares issued as of the filing date (shares) June 29, 2015	Stock exchange on which the Company is listed	Description
Common stock	744,912,078	744,912,078	Tokyo, Nagoya, Fukuoka, Sapporo	The number of shares per one unit of shares is 100 shares
Total	744,912,078	744,912,078	-	-

3) American Depositary Receipts ("ADRs")
American Depositary Receipts ("ADRs") evidencing American Depositary Shares are issued by The Bank of New York Mellon. The normal trading unit is 1 American Depositary Share. As of March 31, 2015, 925,269 American Depositary Shares were held of record by one institutional registered holder in the United States of America.

(2) Information on the stock acquisition rights, etc.

Not applicable

(3) Information on moving strike convertible bonds, etc.

Not applicable

(4) Information on shareholder right plans

Not applicable

(5) Changes in the total number of issued shares and the amount of common stock and other

Date	Change in the total number of issued shares (shares)	Balance of the total number of issued shares (shares)	Change in common stock (Millions of Yen)	Balance of common stock (Millions of Yen)	Change in capital reserve (Millions of Yen)	Balance of capital reserve (Millions of Yen)
September 1, 2005	-	744,912	-	135,364	1,282	180,804

(Note)
Increase is due to share exchanges for making Ricoh Logistics System Co., Ltd. a wholly owned subsidiary.

(6) Shareholders composition

(As of March 31, 2015)

Class of shareholders	Status of shares (one unit of stock: 100 shares)								Number of shares less than one unit (shares)
	Government and municipality	Financial institution	Financial instruments and business operator	Other institutions	Foreign corporations, etc.		Individuals and others	Total	
					Non-individuals	Individuals			
Number of shareholders	-	149	51	601	598	31	41,293	42,723	-
Share ownership (units)	-	3,054,383	183,949	347,949	2,918,849	324	935,568	7,441,022	809,878
Ownership percentage of shares (%)	-	41.05	2.47	4.68	39.23	0.00	12.57	100.0	-

(Note)

As for 20,011,200 shares of treasury stock, 200,112 units are included in the “Individual and others” column.

(7) Major shareholders

(As of March 31, 2015)

Name	Address	Share Ownership (hundred shares)	Ownership percentage to the total number of issued shares (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsucho 2-chome, Minato-ku, Tokyo	601,483	8.07
Japan Trustee Services Bank, Ltd. (Trust Account)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	457,423	6.14
Nippon Life Insurance Company	6-6, Marunouhi 1-chome, Chiyoda-ku, Tokyo	294,415	3.95
The bank of Tokyo-Mitsubishi UFJ, Ltd.	7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	215,735	2.90
Japan Trustee Services Bank, Ltd. (Trust Account 9)	8-11, Harumi 1-chome, Chuo-ku, Tokyo	202,208	2.71
The New Technology Development Foundation	26-10, Kitamagome 1-chome, Ohta-ku	158,395	2.13
Sompo Japan Nipponkoa Insurance Inc.	26-1, Nishishinjuku1-chome, Shinjuku-ku	133,994	1.80
The Ricoh Employee Shareholding Association	3-6, Nakamagome 1-chome, Ohta-ku	124,372	1.67
BNYML-NON TREATY ACOOUNT (Standing proxy: The bank of Tokyo-Mitsubishi UFJ, Ltd.)	2-4 Rue Eugene Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg (7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo)	111,079	1.49
Sumitomo Mitsui Trust Bank, Limited	4-1, Marunouchi 1-chome, Chiyoda-ku	94,280	1.27
Total	-	2,393,386	32.13

(Notes)1. The number of treasury stocks (200,112 hundreds of shares) is not included in the chart above.

2. In addition to the above, stakes in the Company include 10,000 hundreds of shares (0.13%) that Sompo Japan Nipponkoa Insurance Inc. owns and has entrusted with The Master Trust Bank of Japan, Ltd. These shares are registered in the name of The Masters Trust Bank of Japan, Ltd. as the owner, but Sompo Japan Nipponkoa Insurance Inc. reserves the right to instruct on exercising voting rights on these shares.

(8) Information on voting rights

1) Issued shares

(As of March 31, 2015)

Classification	Number of shares (shares)	Number of voting rights	Description
Shares without voting right	-	-	-
Shares with restricted voting right (treasury stock, etc.)	-	-	-
Shares with restricted voting right (others)	-	-	-
Shares with full voting right (treasury stock, etc.)	Common stock 20,011,200	-	The number of shares per one unit of shares is 100 shares
Shares with full voting right (others)	Common stock 724,091,000	7,240,910	Same as above
Shares less than one unit	Common stock 809,878	-	Shares less than one unit of 100 shares.
Number of issued shares	744,912,078	-	-
Total number of voting rights	-	7,240,910	-

2) Treasury stock, etc.

Name of shareholder	Address	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total shares held (shares)	Ownership percentage to the total number of issued shares (%)
Ricoh Company, Ltd.	3-6, Nakamagome 1-chome, Ohta-ku	20,011,200	-	20,011,200	2.69
Total	-	20,011,200	-	20,011,200	2.69

(9) Details of stock option plans

Not applicable

2. INFORMATION ON ACQUISITION, ETC. OF TREASURY STOCK

Class of shares
Acquisition of common stock under Article 155, Item 7 of the Companies Act

(1) Acquisition of treasury stock resolved at the general meeting of shareholders
Not applicable.

(2) Acquisition of treasury stock resolved at the Board of Directors meetings
Not applicable

(3) Details of acquisition of treasury stock not based on the resolutions of the general meeting of shareholders or the Board of Directors meetings

(As of March 31, 2015)

Classification	Number of shares (shares)	Total amount (Yen)
Treasury stock acquired during the fiscal year ended March 31, 2015	16,822	19,019,358
Treasury stock acquired during the current period	2,578	3,365,277

(Note)
The number of treasury stock acquired due to requests to purchase stock less than one unit shares from June 1, 2015 to filing date is not included.

(4) Status of the disposition and holding of acquired treasury stock

(As of March 31, 2015)

Classification	Fiscal year ended March 31, 2015		Current period (Note)	
	Number of shares (shares)	Total disposition amount (Yen)	Number of shares (shares)	Total disposition amount (Yen)
Acquired treasury stock which was offered to subscribers	-	-	-	-
Acquired treasury stock which was canceled	-	-	-	-
Acquired treasury stock which was transferred due to merger, share exchange or company split	-	-	-	-
Others (Acquired treasury stock which was sold due to requests from shareholders holding shares less than one unit shares to sell additional shares)	1,336	2,478,718	-	-
Total number of treasury stock held	20,011,200	-	20,013,778	-

(Note)
The number of treasury stock acquired due to requests to purchase stock less than one unit shares from June 1, 2015 to filing date is not included.

3. DIVIDEND POLICY

Ricoh endeavors to provide stable dividends to its shareholders by boosting profitability. At the same time, Ricoh undertakes to increase retained earnings to reinforce its corporate structure and to cultivate new businesses. Ricoh uses such retained earnings to strengthen its core businesses and invest in new fields with medium- and long-term perspectives.

The appropriation of surplus will be made to shareholders twice a year, at interim and at year-end. The appropriation of surplus at interim is based upon a resolution of the Board of Directors and the distribution of surplus at year-end is decided upon a resolution at the General Meeting of Shareholders.

The dividend per share distributed at interim was ¥17.00 and the total dividend per share at year-end was ¥17.00, for a total of ¥34.00.

The Company intends to use internal reserve funds intensively for the further development of its core businesses and for investment in growing business areas, with medium to long-term objective of achieving prosperity.

The Company provides in its Articles of Incorporation that appropriation of surplus at interim will be made to shareholders of record as of September 30 of each year by a resolution of the Board of Directors.

The appropriation of surplus for the fiscal year ended March 31, 2015 is as follows:

Date of resolution	Total dividends (Millions of Yen)	Dividend per share (Yen)
Board of Directors Meeting (October 27, 2014)	12,323	17.00
Ordinary General Meeting of Shareholders (June 19, 2015)	12,323	17.00

4. CHANGES IN SHARE PRICES

(1) Highest and lowest share prices in each of the recent five fiscal years

	Year ended March 31,				
	2011	2012	2013	2014	2015
Highest (yen)	1,647	977	1,113	1,422	1,357.5
Lowest (yen)	818	588	486	919	1,032

(Note)
The share prices are market prices on the first section of the Tokyo Stock Exchange.

(2) Highest and lowest share prices in each of the recent six months

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015
Highest (yen)	1,182	1,287	1,320	1,237.5	1,238	1,357.5
Lowest (yen)	1,032	1,185.5	1,217	1,124.5	1,093.5	1,160.5

(Note)
The share prices are market prices on the first section of the Tokyo Stock Exchange.

5. DIRECTORS AND SENIOR MANAGEMENT

Directors and Audit & Supervisory Board Members of the Company as of June 19, 2015 were as follows:

Men: 14 person, Women: 0 person (Ratio of women in the Directors and Audit & Supervisory Board Members: 0%)

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
Shiro Kondo (October 7, 1949)	Chairman of the Board and Representative Director	Apr. 1973	Joined the Company
		June 2000	Senior Vice President
		Oct. 2000	General Manager of Imaging System Business Group
		June 2002	Executive Vice President
		June 2003	Managing Director
		Oct. 2004	General Manager of MFP Business Group
		June 2005	Director
		June 2005	Corporate Executive Vice President
		Apr. 2007	Representative Director (Current)
		Apr. 2007	President
		Apr. 2007	CEO (Chief Executive Officer)
		Apr. 2013	Chairman (Current)
		Apr. 2013	Chairman of the Board (Current)
Zenji Miura (January 5, 1950)	Representative Director	Apr. 1976	Joined the Company
		Jan. 1993	President of Ricoh France S.A.
		Oct. 2000	Senior Vice President
		Oct. 2000	General Manager of Finance and Accounting Division
		June 2003	Executive Vice President
		June 2004	Managing Director
		June 2005	Director
		June 2005	Corporate Executive Vice President
		June 2005	CFO (Chief Financial Officer)
		Apr. 2006	CIO (Chief Information Officer)
		Apr. 2006	General Manager of Corporate Planning Division
		Apr. 2009	CSO (Chief Strategy Officer)
		Apr. 2011	Representative Director (Current)
		Apr. 2011	Deputy President
		Oct. 2011	General Manager of Imaging Systems Business Group
		Apr. 2012	Chairman and CEO (Chief Executive Officer) of Ricoh Americas Holdings, Inc.
		May 2012	General Manager of Americas Marketing Group
		Apr. 2013	President (Current)
		Apr. 2013	CEO (Chief Executive Officer) (Current)
Nobuo Inaba (November 11, 1950)	Director	Apr. 1974	Joined the Bank of Japan
		May 1992	Director, Head of Securities Division, Credit and Market Management Department of the Bank of Japan

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
		May 1994	Director, Head of Planning Division Policy Planning Office of the Bank of Japan
		May 1996	Deputy Director-General, Policy Planning Office of the Bank of Japan
		Apr. 1998	Deputy Director-General (Adviser), Policy Planning Office of the Bank of Japan
		Apr. 2000	Adviser to the Governor Monetary Policy Studies Department, Policy Planning Office of the Bank of Japan
		June 2001	Director-General, Information System Services Department of the Bank of Japan
		June 2002	Director-General, Bank Examination and Surveillance Department of the Bank of Japan
		May 2004	Executive Director, Financial System Stability of the Bank of Japan
		May 2008	Joined the Company
		May 2008	Executive Advisor
		Apr. 2010	President of Ricoh Institute of Sustainability and Business (Current)
		June 2010	Director (Current)
		June 2010	Corporate Executive Vice President (Current)
		June 2012	CIO (Chief Information Officer)
Yohzoh Matsuura (April 15, 1956)	Director	Mar. 1980	Joined the Company
		Oct. 2004	General Manager of Imaging Engine Development Division
		Apr. 2008	Corporate Vice President
		Apr. 2010	Corporate Senior Vice President
		July 2010	General Manager of MFP Business Group
		Apr. 2011	General Manager of Controller Development Division
		June 2012	Director (Current)
		June 2012	Corporate Executive Vice President (Current)
		June 2012	In charge of environmental management
		Apr. 2013	General Manager of Research and Development Group
		Aug. 2013	General Manager of Imaging Systems Development Division
		Apr. 2014	General Manager of Ricoh Institute of Technology
		Feb. 2015	In charge of Research and Development (Current)

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
Yoshinori Yamashita (August 22, 1957)	Director	Mar. 1980	Joined the Company
		Apr. 2008	President of Ricoh Electronics, Inc.
		Apr. 2010	Group Executive Officer, Corporate Vice President
		Apr. 2011	Corporate Senior Vice President
		Apr. 2011	General Manager of Corporate Planning Division
		June 2012	Director (Current)
		June 2012	Corporate Executive Vice President (Current)
		Apr. 2013	In charge of Internal Management and Control
		Apr. 2014	General Manager of Business Solutions Group (Current)
		Apr. 2015	In charge of core business (Current)
Kunihiko Satoh (October 21, 1956)	Director	Mar. 1979	Joined the Company
		June 2005	Corporate Vice President
		Apr. 2007	Group Executive Officer, Corporate Vice President
		Apr. 2009	Representative Director, President of Ricoh Kansai Co., Ltd.
		Oct. 2011	Corporate Senior Vice President
		Oct. 2011	Representative Director, President and CEO (Chief Executive Officer) of Ricoh Japan Corporation (Current)
		Oct. 2011	General Manager of Japan Marketing Group (Current)
		June 2012	Director (Current)
		June 2012	Corporate Executive Vice President (Current)
		Feb. 2014	Representative Director, President of Ricoh Technosystems Co., Ltd.
		Feb. 2014	Representative Director, President of Ricoh Business Expert Co., Ltd.

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
Akira Oyama (January 6, 1961)	Director	July 1986	Joined the Company
		Apr. 2011	President and COO of Ricoh Europe PLC
		Aug. 2012	Group Executive Officer, Corporate Vice President
		Aug. 2012	General Manager of Europe Marketing Group
		Aug. 2012	CEO of Ricoh Europe PLC
		Aug. 2012	Chairman of Ricoh Europe B.V.
		Apr. 2014	Corporate Senior Vice President (Current)
		Apr. 2014	General Manager of Corporate Division (Current)
		Apr. 2015	Corporate Human Resources Executive (Current)
		Apr. 2015	President of Ricoh Americas Holdings, Inc. (Current)
		June 2015	Director (Current)
Mochio Umeda (August 30, 1960)	Outside Director	Jan. 1988	Joined Arthur D. Little (Japan) Inc.
		Oct. 1994	Director of Arthur D. Little, Inc.
		May 1997	Founded MUSE Associates, LLC. (U.S.A)
		May 1997	President of MUSE Associates, LLC. (U.S.A) (Current)
		Aug. 2000	Founded Pacifica Fund I, LP.
		Aug. 2000	Managing Director of Pacifica Fund I, LP. (Current)
		June 2010	Outside Director (Current)
		Mar. 2012	Outside Director of ASATSU-DK INC.
		June 2012	Founded MUSE ASSOCIATES INC.
		June 2012	Representative Director, President of MUSE ASSOCIATES INC. (Current)
		Oct. 2013	Director of B innovation, Co., Ltd. (Current)
Kunio Noji (November 17, 1946)	Outside Director	Apr.1969	Joined KOMATSU LTD.
		June 1997	Director of KOMATSU LTD.
		June 2001	Managing Director and President of Production Division and e-Komatsu Technical Center of KOMATSU LTD.
		Apr. 2003	Director and Senior Executive Officer, President of Construction & Mining Equipment Marketing Division of KOMATSU LTD.
		Apr. 2005	Supervising Construction & Mining Equipment Business and e-Komatsu technical Center of KOMATSU LTD.
		July 2006	General Manager of KOMATSU Way Division of KOMATSU LTD.

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
		June 2007	President and CEO of KOMATSU LTD.
		June 2012	Outside Director (Current)
		Apr. 2013	Chairman of the Board of KOMATSU LTD. (Current)
		June 2013	Outside Director of NEC Corporation (Current)
Makoto Azuma (May 25, 1945)	Outside Director	Apr. 1972	Joined TOSHIBA CORPORATION
		Apr. 1989	Director of Basic Research Laboratory, Research and Development Center of TOSHIBA CORPORATION
		Apr. 1994	Director of Materials and Devices Laboratory, Corporate Research & Development Center of TOSHIBA CORPORATION
		July 1998	Chief Technology Executive of Storage Media Business Group of TOSHIBA CORPORATION
		Apr. 1999	Director of Corporate Research & Development Center of TOSHIBA CORPORATION
		June 2000	Corporate Vice President (Director of Corporate Research & Development Center) of TOSHIBA CORPORATION
		June 2003	Executive Officer, Corporate Senior Vice President (General Executive of Technology) of TOSHIBA CORPORATION
		June 2005	Executive Officer, Corporate Executive Vice President (Chief Technology Officer) of TOSHIBA CORPORATION
		Dec. 2005	Advisory Professor of Tsing Hua University (China) (Current)
		June 2008	Adviser to TOSHIBA CORPORATION
		June 2011	Professor of Graduate School of Innovation Studies, Tokyo University of Science (Current)
		Oct. 2011	Member of Science Council of Japan (Current)
		June 2014	Outside Director (Current)
Kunihito Minakawa (August 15, 1954)	Audit & Supervisory Board Member	Apr. 1978	Joined the Company
		Jan. 2008	General Manager of Business Strategy & Planning Center of International Business Group
		Apr. 2009	General Manager of Finance and Accounting Division
		Apr. 2010	Corporate Vice President
		Apr. 2012	Corporate Senior Vice President

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
		June 2013	Audit & Supervisory Board Member (Current)
Mitsuhiro Shinoda (November 23, 1953)	Audit & Supervisory Board Member	Apr. 1978	Joined the Company
		Oct. 2000	General Manager of Group Management Department of Corporate Planning Division
		Apr. 2001	General Manager of Audit Office
		June 2003	General Manager of Finance Department of Finance and Accounting Division
		Nov. 2004	General Manager of Internal Management & Control Office of Finance and Accounting Division
		Apr. 2007	General Manager of Internal Management & Control Division
		Jan. 2010	Director and General Manager of Corporate Planning Division of Ricoh Chubu Co., Ltd.
		June 2011	Audit & Supervisory Board Member (Current)
Takao Yuhara (June 7, 1946)	Outside Audit & Supervisory Board Member	Apr. 1969	Joined Nippon Chemical Industrial Co., Ltd.
		May 1971	Joined SONY CORPORATION
		June 2003	Corporate Executive Officer and Group CFO (Chief Financial Officer) of SONY CORPORATION
		Dec.2007	Managing Executive Officer of ZENSHO CO., LTD. (now known as ZENSHO HOLDINGS CO., Ltd. since October 2011)
		June 2008	Outside Audit & Supervisory Board Member (Current)
		May 2011	Managing Director and CFO of ZENSHO CO., LTD.
		June 2013	Outside Corporate Auditor of Mofiria Corporation (Current)
		June 2014	Outside Audit & Supervisory Board Member of KAMEDA SEIKA CO., LTD. (Current)
		June 2015	Outside Audit & Supervisory Board Member of Leopalace21 Corporation (Current)
Kimitoshi Yabuki (August 22, 1956)	Outside Audit & Supervisory Board Member	Apr. 1987	Qualified as an attorney-at-law in Japan
		Apr. 1987	Joined Nagashima & Ohno Law Offices
		Sep. 1991	Graduated from Columbia Law School, NY (LLM)

Name (Date of Birth)	Current Position (Function/Business area)	Date	Business Experience
		Sep. 1991	Joined Covington and Burling in Washington DC and Brussels
		May 1996	Joined Yabuki Law Offices (Current)
		Mar. 2000	Outside Audit & Supervisory Board Member of UPS Japan K.K.
		June 2008	Outside Director of the Board of Eisai Co., Ltd.,
		June 2013	Outside Audit & Supervisory Board Member (Current)
Kiyohisa Horie (March 7, 1948)	Substitute Audit & Supervisory Board Member	Apr.1970	Joined Horie Morita Audit Office (now known as Meiji Audit Corporation)
		Apr.1970	Joined Showa Accounting Office
		Aug.1980	Registered as Certified Public Accountant
		Mar.1988	Registered as Tax Accountant
		Apr.1988	Senior Partner of Meiji Audit Corporation (Current)
		May.1988	Representative Director of Showa Accounting Office (Current)
		May.1988	Managing Partner of Meiji Audit Corporation (Current)
		May.1998	Vice-Chairman & Managing Partner of Meiji Audit Corporation (Current)

Directors and Audit & Supervisory Board Members are elected at a general meeting of shareholders for two and four years terms, respectively, and may serve any number of consecutive terms. The Board of Directors appoints from among its members a Chairman and one or more Representative Directors in accordance with the Corporation Law of Japan.

The following table shows the number of Common Stock owned by each Director and Audit & Supervisory Board Member of the Company as of June 19, 2015. None of the Company's Directors or Audit & Supervisory Board Members is a beneficial owner of more than 1% of the Company's Common Stock.

Name	Position	Number of Shares
Shiro Kondo	Chairman of the Board and Representative Director	59,700
Zenji Miura	Representative Director	64,500
Nobuo Inaba	Director	17,800
Yohzoh Matsuura	Director	8,900
Yoshinori Yamashita	Director	12,500
Kunihiko Satoh	Director	14,300
Akira Oyama	Director	9,000
Mochio Umeda	Outside Director	11,900
Kunio Noji	Outside Director	5,800
Makoto Azuma	Outside Director	1,300
Kunihito Minakawa	Audit & Supervisory Board Member	6,500
Mitsuhiro Shinoda	Audit & Supervisory Board Member	3,900
Takao Yuhara	Outside Audit & Supervisory Board Member	-
Kimitoshi Yabuki	Outside Audit & Supervisory Board Member	300
Total		216,400

The Company maintains an executive officer system and under such system there are 34 such officers each with one of the following roles:

- Executive officers: Oversee operations under the authority granted from the president and report to the president.
- Group executive officers: Assist the president with the management of Ricoh.

Executive Officers of the Company as of June 19, 2015 were as follows:

Name	Current Position (Function)	Current Position (Business area)
Shiro Kondo	Chairman	
Zenji Miura	President	Chief Executive Officer
Nobuo Inaba	Corporate Executive Vice President	President of Ricoh Institute of Sustainability and Business
Yohzoh Matsuura	Corporate Executive Vice President	In charge of Research and Development
Yoshinori Yamashita	Corporate Executive Vice President	In charge of core business General Manager of Business Solutions Group General Manager of Transformation 2.0 Center of Business Solutions Group
Kunihiko Satoh	Corporate Executive Vice President	Representative Director, President and CEO (Chief Executive Officer) of Ricoh Japan Corporation General Manager of Japan Marketing Group General Manager of Products Planning Office of Japan Marketing Group
Soichi Nagamatsu	Corporate Senior Vice President	General Manager of Intellectual Property Division
Hidetsugu Nonaka	Corporate Senior Vice President	General Manager of Visual Communication Business Division
Katsumi Kurihara	Corporate Senior Vice President	General Manager of Production Quality Assurance Center of Production Division
Seiji Sakata	Corporate Senior Vice President	General Manager of Imaging Systems Development Division General Manager of Intelligent Work Style Development Division
Daisuke Segawa	Corporate Senior Vice President	Corporate Internal Management and Control Executive Corporate Financial Executive General Manager of Japan Management Division
Masayuki Ishihara	Corporate Senior Vice President	General Manager of Production Division
Katsunori Nakata	Corporate Senior Vice President	General Manager of Industrial Business Division Representative Director, President of Ricoh Industrial Solutions Inc.
Akira Oyama	Corporate Senior Vice President	Corporate Human Resources Executive General Manager of Corporate Division President of Ricoh Americas Holdings, Inc.

Name	Current Position (Function)	Current Position (Business area)
Kazuo Nishinomiya	Corporate Senior Vice President	General Manager of Global Procurement Division
Hisao Murayama	Corporate Senior Vice President	General Manager of Imaging Engine Development Division
Junichi Matsuno	Corporate Vice President	General Manager of Ink Jet Business Division General Manager of Inkjet Engine Development Center of Imaging Engine Development Division
Masahiro Nakamura	Corporate Vice President	General Manager of Quality Management Division
Tadashi Furushima	Corporate Vice President	General Manager of Production Printing Business Division Chairman and CEO of Ricoh Production Print Solutions, LLC
Yasutomo Mori	Corporate Vice President	General Manager of IMS Division Chairman of Ricoh Thermal Media (Beijing) Co., Ltd. Chairman of Ricoh Thermal Media (Wuxi) Co., Ltd. Chairman of Ricoh International (Shanghai) Co., Ltd. Chairman of Ricoh Thermal Media Asia Pacific Private Ltd.
Shigeo Kato	Corporate Vice President	General Manager of Sustainability Management Division General Manager of Trade & Export/Import Control Division
Yoshinori Sakaue	Corporate Vice President	General Manager of Ricoh Institute of Information and Communication Technology General Manager of Management of Technology Center Chairman of Ricoh Software Research Center (Beijing) Co., Ltd.
Hiroyuki Ishino	Corporate Vice President	General Manager of Management Transformation Division
Hidetaka Matsuishi	Group Executive Officer, Corporate Senior Vice President	Representative Director, President of Ricoh Leasing Co., Ltd.
Nobuaki Majima	Group Executive Officer, Corporate Senior Vice President	Chairman of Ricoh Asia Pacific Pte, Ltd. Chairman of Ricoh China Co., Ltd. Chairman and President of Ricoh Electronic Technology Co., Ltd. (China)
Martin Brodigan	Group Executive Officer, Corporate Vice President	Chairman and CEO of Ricoh Americas Corporation Chairman and CEO of Ricoh USA, Inc. General Manager of Americas Marketing Group
Jeffrey Briwick	Group Executive Officer, Corporate Vice President	President and CEO of Ricoh Electronics, Inc.

Name	Current Position (Function)	Current Position (Business area)
David Mills	Group Executive Officer, Corporate Vice President	CEO of Ricoh Europe PLC Chairman of Ricoh Europe (Netherlands) B.V. General Manager of Europe Marketing Group
Haruhisa Sakai	Group Executive Officer, Corporate Vice President	President of Ricoh Korea Co., Ltd.
Eiichi Katoh	Group Executive Officer, Corporate Vice President	Representative Director, President of Ricoh Industry Co., Ltd.
Tetsuya Takano	Group Executive Officer, Corporate Vice President	President of Ricoh Asia Pacific Pte, Ltd. General Manager of Asia Pacific & China Marketing Group Chairman of Ricoh India Limited
Noboru Akahane	Group Executive Officer, Corporate Vice President	Representative Director, President of Ricoh Imaging Company, Ltd.
Satoru Taji	Group Executive Officer, Corporate Vice President	Representative Director, President of Ricoh Electronic Devices Co., Ltd. Chairman of Ricoh Electronic Devices (Shanghai) Co., Ltd.
Masahiro Kumei	Group Executive Officer, Corporate Vice President	President of Ricoh Asia Industry Ltd.

6. CORPORATE GOVERNANCE, ETC.

(1) Corporate Governance

Ricoh has established The Ricoh Way, a set of guiding principles and values that serves as a foundation for its business activities. Abiding by these principles in corporate ethics and legal compliance and maintaining adequate transparency in corporate management, the group strives to continuously improve its corporate governance system, through which it ultimately aims to enhance its competitiveness.
The Ricoh Way, which comprises our founding principles and management philosophy (Mission Statement, Vision Statement and Values Statement), is the foundation of Ricoh's management policy, strategy and internal control system. Inspired by the values incorporated in The Ricoh Way, we are working to establish and implement an internal control system aimed at strengthening competitiveness and continuously improving the system while ensuring transparency based on corporate ethics and legal compliance.
Furthermore, in Ricoh, we strongly believe that in global corporate activities, a corporate culture that embraces both a sense of mission to meet expectations of diverse stakeholders and a lofty sense of ethics that remain in line with common sense values of society provides us with discipline to guide our actions. Based on this belief, we maintain and improve our corporate culture under The Ricoh Way.
According to this concept, Ricoh is committed to enhance and promote the corporate governance system while working hard to achieve sustainable business growth and increase corporate values.

1) Management Structure
a. Outline of Corporate Governance structure
The Company has introduced the corporate audit system. The Company will aim to enhance oversight of executive management and execution of operations through the Board of Directors meeting and the executive officer system. As of the reporting date of this Securities report, three of the Board's ten directors are outside directors.
The Board of Directors is responsible for management oversight and important decision-making concerning the Company's management. By appointing three highly independent outside directors, the Company ensures transparency in management and its decision-making.
Audit & Supervisory Board Members hold discussions to determine Audit & supervising policies and the assignment of duties, and monitor corporate management. The Audit & Supervisory Board Members are comprised of four members of whom two are Outside Audit & Supervisory Board Members.
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.
The Group Management Committee (GMC), on the other hand, consists of executive officers and is a decision-making body empowered by the Board of Directors. The GMC facilitates deliberation and renders decisions on Ricoh's overall management from the perspective of total optimization.
As part of the strengthening of management oversight functions by the Board of Directors, the Nomination and Compensation Committee, a permanent organization composed of outside directors and designated internal directors, plans the appointment/dismissal policy of directors and executive officers as well as their compensation packages.

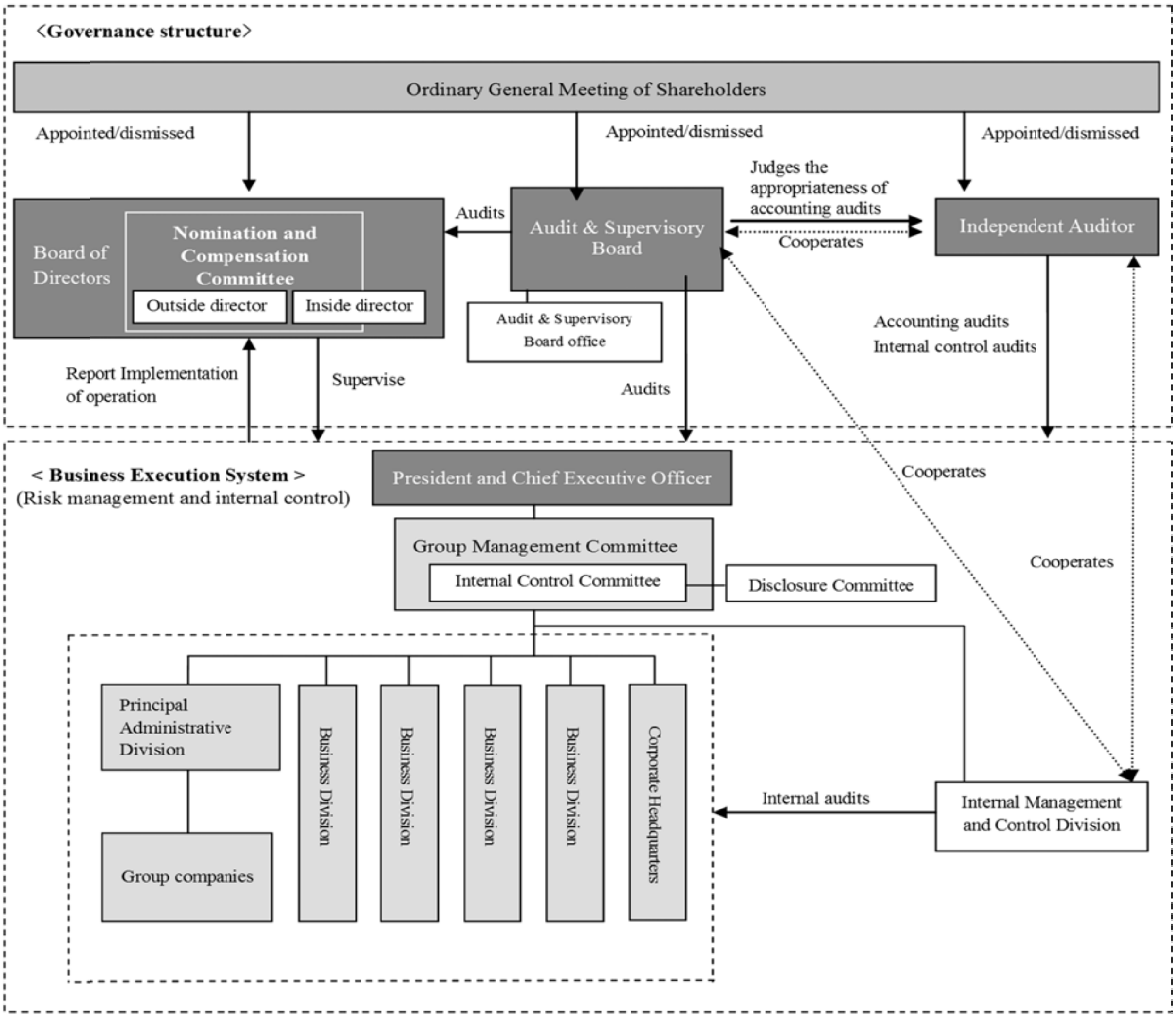
b. Reason for adopting current corporate governance structure
The Company adopted the current corporate governance in order to create a sense of alertness in management and business execution, and further enhance the quality and speediness of such functions.

c. Internal Audit & Supervisory Board Members
The Internal Management & 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 to improve operational effectiveness and efficiency, to ensure reliability of financial reporting, to comply with regulations and Company rules related to corporate activities, and to safeguard of assets. The results are regularly reported to the GMC's Internal Control Committee. The Internal Management & Control Division comprises 16 staff members.
Based upon the Audit & supervising policies and the assignment of duties determined through the Audit & Supervisory Board Members meeting, the Audit & Supervisory Board Members will attend all important meetings, including but not limited to Board meetings, exchange information regularly with the representative directors and oversee and evaluate the operations of the Company's divisions and subsidiaries. Furthermore, the

Audit & Supervisory Board Members will also perform an audit on issues relating to accounting policies and reliability of its financial reporting. Our Audit & Supervisory Board Members, Mr. Kunihito Minakawa and Mr. Mitsuhiro Shinoda have considerable knowledge of finance and accounting due to their long experience in the Company's finance and accounting department as well as Mr. Takao Yuhara, our Outside Audit & Supervisory Board Member, with his abundant experience such as CFO of Sony Corporation. Together they have considerable expertise in finance and accounting. Mr. Kimitoshi Yabuki has engaged in corporate legal matters as a lowyer, and has a high level of expertise and management oversight capability as well as experience as an outside officer. Furthermore, five designated support staff has been assigned to ensure that the Audit & Supervisory Board Members can work effectively.
The Internal Management & Control Division will have periodic meetings with the Audit & Supervisory Board Members to share information and findings from the audits performed. Furthermore, a database has been established between the two parties for sharing key information so that audits by both parties can be implemented effectively.
The Audit & Supervisory Board Members will also maintain close ties with external auditors, proactively exchange opinions and information in order to perform effective audits.
All divisions and subsidiaries are responsible for providing action plans for findings identified during an audit and the process of remediation will be monitored on an ongoing basis to strengthen internal control and quality of management operations.

d. Overview of our corporate governance and internal control framework is as follows (at the date of submission of the securities report):

Corporate governance system



e. Auditing of financial statements

For the year ended March 31, 2015, the certified public accountants (CPAs) who execute audit on the Company's financial statements are: Masahiro Mekada, Katsunori Hanaoka and Shingo Iwamiya, from KPMG Azsa LLC. The numbers of continuous audit years of each member are omitted because they are all not more than seven years. There are total 66 audit assistants involved in the auditing as of March 31, 2015, and are 22 certified public accountants and 44 others. Audit & Supervisory Board is required to pre-approve the audit and non-audit services performed by the Company's independent auditor, KPMG Azsa LLC, in order to assure that KPMG Azsa LLC's provision of such services does not impair its independence.

f. The relationship with outside directors and outside Audit & Supervisory Board Members

The Company has appointed three outside directors and two outside Audit & Supervisory Board Members. When appointing outside directors and outside Audit & Supervisory Board Members, the Company will confirm that they do not apply to any of the following in order to insure independence.

i. A large shareholder or persons having other special interests in Ricoh

ii. Current or former officers or employees of Ricoh

iii. Current or former officers or employees of companies that have direct or indirect material business relationships with Ricoh

iv. Persons receiving significant compensation from Ricoh other than those received as a company director

v. Immediate family and close relatives of those that apply to any of the above i. through iv.

vi. Persons having "inter-directorship" relations with Ricoh

vii. Persons who in the past had been an outside director of Ricoh

Ricoh paid consulting fee to MUSE ASSOCIATES INC., which is a limited liability company wholly owned by the Company's outside director, Mr. Mochio Umeda, who is the representative director as well as president of MUSE Associates, LLC and MUSE ASSOCIATES INC. The consulting agreement was recorded in selling, general and administrative expenses and account for less than 0.01% of total consolidated selling, general and administrative expenses, which is deemed to be immaterial. Furthermore, all transactions with current or former companies to which our outside directors and outside Audit & Supervisory Board Members have been affiliated with are immaterial, thus omitted in this report. Other than those mentioned above, there are no vested interests between the Company and its outside directors and outside Audit & Supervisory Board Members.

Outside directors is appointed in pursuit of their management oversight function with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders and to strengthen the transparency of the Company's management. Outside Audit & Supervisory Board Members will serve to strengthen the governance of Ricoh through their knowledge and experience acquired over the years outside of the Company.

(i) Relationship with outside directors and outside Audit & Supervisory Board Members and reasons for their appointments

Outside Directors

Mochio Umeda

With his advanced knowledge in the area of information technology and his experience in global business, we have judged that Mr. Mochio Umeda is an appropriate person to be a Director of the Company.

Kunio Noji

With his abundant experience as a management member of KOMATSU LTD., we have judged that Mr. Kunio Noji is an appropriate person to be a Director of the Company.

Makoto Azuma

Mr. Makoto Azuma served as Executive Officer, Corporate Executive Vice President and Chief Technical Officer of TOSHIBA CORPORATION, and is a professor of Graduate School of Innovation Studies, Tokyo University of Science. With his experience, we have judged that Mr. Azuma holds sufficient management ability and extensive technical knowledge and experience, and that he is an appropriate person to be a Director of the Company.

Outside Audit & Supervisory Board Members

Takao Yuhara

With his abundant experience as financial officer of SONY CORPORATION and ZENSHO HOLDINGS CO., LTD., we have judged that Mr. Takao Yuhara is an appropriate person to be an Audit & Supervisory Board Member of the Company.

Kimitoshi Yabuki

Mr. Kimitoshi Yabuki has global experience as a legal expert as well as years of experience in corporate management through activities related to corporate legal matters, and as an outside officer, and has high management oversight capabilities. We have judged that he is an appropriate person to be an Audit & Supervisory Board Member of the Company.

(ii) Cooperation among internal audits, audits by Audit & Supervisory Board Members and accounting audits and relations with internal control departments

Outside directors, as member of the Board of Directors, is responsible for management oversight and important decision-making concerning Ricoh's management. Outside Audit & Supervisory Board Members are responsible for auditing the decision-making and operations performed by Executive Officers.

The Internal Management & Control Division, in charge of internal audit, will have periodic meetings with the Audit & Supervisory Board Members to share information and will report on their findings from the audits performed to the Outside Audit & Supervisory Board Members during the Audit & Supervisory Board meeting.

External auditors have the duty to explain to the Audit & Supervisory Board Members, during a meeting in which Outside Audit & Supervisory Board Members participates, on how they maintain independence and quality of their audit. Furthermore, Outside Audit & Supervisory Board Members will also accompany the external auditors when they perform interview to the Company's Executive Officers, thus maintaining an effective working relationship.

Internal Audit & Supervisory Board Members will share with outside Audit & Supervisory Board Members on the information obtained through various meetings and the audit results reported to them.

Through the various communication and information shared, the outside directors and outside Audit & Supervisory Board Members offer expert advice to the Company.

2) Risk Management

In order to ensure the appropriateness of the Company's operations and to ensure that employees perform their duties in compliance with the laws, regulations, the Company's articles of incorporation and other systems, Ricoh has implemented the following basic policies for building and enhancing its risk management system.

In order for Ricoh to achieve continued growth and prosperity and to respect the independence between the Company and its subsidiaries, the following system for ensuring the appropriateness of operations has been established.

1. The “Group Management Committee” (GMC) is a decision-making organization delegated by the Board of Directors, and composed of executive officers who meet specific criteria. The GMC operates so as to accelerate deliberation and decision-making from the perspective of the optimum management of the entire Group, concerning the most appropriate strategies for direction of each business division and the entire Group, within the powers granted to it.

2. Ricoh has developed a basic disclosure policy to ensure that the corporate information it releases is accurate, timely and comprehensive, and set up the “Disclosure Committee”, an independent body charged with verifying the process, to prepare the information to be disclosed.

3. Ricoh has established a set of common rules that must be followed - The Ricoh Group Standards (RGS) - and ensures adherence to these rules across the Group.

4. In order to thoroughly implement the “Ricoh Group Corporate Social Responsibility (CSR) Charter” which sets forth the principles of corporate behavior including compliance, and the “Ricoh Group Code of Conduct” which articulates the general rules of conduct for Ricoh officers and employees, the Specialty Committee and a “Hot Line” for reporting incidents and seeking advice have been established. Also various training programs are set up to enhance compliance domestically and overseas.

5. The Company takes an uncompromising attitude toward antisocial activities and any organizations engaged therein in an effort to eradicate any antisocial activities and will not have any relationship with antisocial entities. This is stipulated in the “Ricoh Group Code of Conduct”, which stipulates correct behaviors for all corporate officers and employees of the Group. Also, the Company has established an internal hotline and has been working closely with outside agencies, such as the police, and relevant organizations as well as making efforts to build trust with such organizations. In the future also, the Company will continue to strengthen its internal system so as to eradicate any antisocial activities or relationships with antisocial entities.

6. Ricoh implements risk management in order to accurately respond to risks that may give serious adverse impact on corporate activities of Ricoh. The basic purpose, when implementing risk management, is to realize effective and efficient total risk management (TRM), by grasping exhaustively and systematically, and organizing and responding to the risks surrounding Ricoh, in order to increase stability, sustainable development and corporate value of Ricoh.

Ricoh has also 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 earthquake, pandemic of a new strain of influenza or other unanticipated disaster or accidents.

7. Efforts are being made to improve business processes and construct a framework for standardized internal control throughout Ricoh, with the goal of “complying with laws, norms and internal rules”, “improvement of business effectiveness and efficiency”, “maintaining high reliability of financial reporting” and “securing of assets”, including compliance to the Financial Instruments and Exchange Law and other relevant laws and regulations.

3) Number of Directors

The number of directors is limited to 15 as set out in the Company's Articles of Incorporation.

4) Conditions for Resolution on Appointments of Directors

The Company's Articles of Incorporation stipulate that a resolution to appoint a director or corporate auditor must be made by the majority vote of attending shareholders holding at least one-third of the voting rights of shareholders who are eligible to exercise voting rights.

5) Acquisition of treasury stock

Pursuant to the provisions of Article 165, paragraph 2 of the Corporation Law of Japan, the Company's Articles of Incorporation stipulate that the Company may acquire treasury stock by resolution of the Board of Directors. The aim is to allow management to swiftly exercise capital policies as deemed appropriate in response to changes in the operating environment, by allowing the Company to acquire treasury stock through market transactions, etc.

6) Requirements for Special Resolution by an Ordinary General Shareholders' Meeting

Pursuant to Article 309, paragraph 2 of the Corporation Law of Japan, the Company's Articles of Incorporation stipulate that special resolutions by an ordinary general shareholders' meeting must be passed by at least a two-thirds majority vote of attending shareholders holding at least one-third of the voting rights of shareholders eligible to exercise voting rights. The aim is to lower the required quorum for a special resolution of an ordinary general shareholders' meeting to facilitate the smooth operations of the meeting.

7) Determination of Interim Dividends

Under the provisions of the Company’s Articles of Incorporation, pursuant to Article 454, Paragraph 5 of the Japanese Corporate Law, the Company may, through the resolution of the Board of Directors, pay an interim dividend with the record date of September 30 each year to allow an expeditious distribution of profits to shareholders.

8) Limitation of liabilities of Outside Directors and Outside Audit & Supervisory Board Members

Pursuant to Paragraph 1, Article 427 of the Company Law, the Company has entered into liability limitation agreements with the outside directors and outside auditors that limit their liabilities for damages when they have acted in good faith and they have committed no material negligence in executing their duties, based on Paragraph 1, Article 425 of the Company Law. Under these agreements, outside directors are subject to the higher of either ¥10 million or the minimum limited amount as specified under Paragraph 1, Article 425 of the Company Law. Outside Audit & Supervisory Board Members are subject to the higher of either ¥5 million or the minimum limited amount set forth under Paragraph 1, Article 425 of the Company Law.

9) Compensation to Directors and Audit & Supervisory Board Members

(i) The amount of compensation to Directors and Audit & Supervisory Board Members for the fiscal year ended March 31, 2015 is as follows:

<table>
<tr><th colspan="2" rowspan="2">Category</th><th rowspan="2">Number of persons</th><th rowspan="2">Total amount of compensation, etc. (Millions of Yen)</th><th colspan="2">Total amount of each type (Millions of Yen)</th></tr>
<tr><th>Basic salary</th><th>Bonus</th></tr>
<tr><td colspan="2">Directors (excluding Outside Directors)</td><td>6</td><td>484</td><td>360</td><td>124</td></tr>
<tr><td colspan="2">Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)</td><td>2</td><td>56</td><td>56</td><td>-</td></tr>
<tr><td rowspan="3">Outside Directors and Audit & Supervisory Board Members</td><td></td><td>5</td><td>55</td><td>55</td><td>-</td></tr>
<tr><td>Outside Directors</td><td>3</td><td>39</td><td>39</td><td>-</td></tr>
<tr><td>Outside Audit & Supervisory Board Members</td><td>2</td><td>15</td><td>15</td><td>-</td></tr>
<tr><td colspan="2">Total</td><td>13</td><td>596</td><td>471</td><td>124</td></tr>
</table>

(Notes)
1. The upper limit on basic salary for directors was set at ¥46 million per month in the 107th Ordinary General Meeting of Shareholders held on June 27, 2007. The upper limit on basic salary for Audit & Supervisory Board Members was set at ¥9 million per month in the 84th Ordinary General Meeting of Shareholders held on June 29, 1984.
2. Total amount of compensation, etc. do not include the portion of employee's salary for directors who concurrently serve as employees.
3. Total amount of compensation, etc. includes ¥124 million that was resolved as total amount of bonus for directors at the 115th Ordinary General Meeting of Shareholders held on June 19, 2015.

(ii) The individual amount of compensation to directors and Audit & Supervisory Board Members

Category	Total amount of compensation, etc. (Millions of Yen)	Category	Company	Total amount of each type (Millions of Yen)	
				Basic salary	Bonus
Shiro Kondo	115	Director	Ricoh Company, Ltd.	87	27
Zenji Miura	121	Director	Ricoh Company, Ltd.	90	31

(Notes) Only members who were awarded with consolidated remuneration of ¥100 million or more in total are stated.

(iii) The portion of employee's salary for directors who concurrently serve as employees

There is no significant amount for the portion of employee's salary for directors who concurrently serve as employees.

(iv) Policy on the determination of compensation to directors and Audit & Supervisory Board Members

The policy on the determination of compensation to directors and Audit & Supervisory Board Members is as follows:

From the fiscal year ended March 31, 2008, the Company has increased the link between the compensation to directors and the share price of the Company as well as the compensation to directors and the performance of the Company in order to build shareholder value so that there will be a common shareholder viewpoint among directors. Specifically, for the directors excluding outside directors, the Company has introduced the share price-linked compensation while the Company links its key performance indicator such as Sales, Operating income and ROA etc. to the individual performance evaluation as for the performance-linked compensation (Bonus to directors).

10) Information on share holdings

1. Equity securities held for purpose other than pure investment

(i) Number of stock names and total amount recorded in Consolidated Statement of Financial Position

Number of stock names: 74 stock names

Total amount recorded in Consolidated Statement of Financial Position: ¥16,797 million

(ii) Classification, stock name, number of shares, amount recorded in Consolidated Statement of Financial Position, and purpose of holding regarding equity securities held for purposes other than pure investment

(Fiscal year ended March 31, 2014)

Specified investment securities

Stock Name	Number of shares (shares)	Consolidated Statement of Financial Position amount as of March 31, 2014 (Millions of Yen)	Purpose of holding
SAN-AI OIL CO.,LTD	5,862,820	3,705	Maintaining comfortable relationships over the long term
Sindoh Co., Ltd	313,748	1,995	Maintaining comfortable relationships over the long term
OMRON Corporation	363,565	1,548	Maintaining comfortable relationships over the long term
OTSUKA CORPORATION.	65,000	876	Maintaining comfortable relationships over the long term
Ushio Inc.	500,429	666	Maintaining comfortable relationships over the long term
MAX Co., Ltd.	500,000	572	Maintaining comfortable relationships over the long term
HISAMITSU PHARMACEUTICAL CO., INC.	118,100	550	Maintaining comfortable relationships over the long term
Sumitomo Mitsui Trust Holdings, Inc.	1,124,098	523	Enhancing relationships with correspondent banks
Central Japan Railway Company	40,000	482	Maintaining comfortable relationships over the long term
MACNICA, Inc.	142,187	434	Maintaining comfortable relationships over the long term
Daiwa Securities Group Inc.	304,924	273	Maintaining comfortable relationships over the long term
Hitachi, Ltd.	336,000	256	Maintaining comfortable relationships over the long term
The Yokohama Rubber Co., Ltd.	241,500	234	Maintaining comfortable relationships over the long term
SEED CO., LTD.	165,000	227	Maintaining comfortable relationships over the long term
Nippon Express Co., Ltd.	412,000	208	Maintaining comfortable relationships over the long term
NIDEC CORPORATION.	30,494	191	Maintaining comfortable relationships over the long term
Nippon Paper Group, Inc.	81,024	157	Maintaining comfortable relationships over the long term
Tokio Marine Holdings, Inc.	34,500	106	Maintaining comfortable relationships over the long term
The Dai-ichi Life Insurance Company, Limited	52,800	79	Maintaining comfortable relationships over the long

			term
Nippon BS Broadcasting Corp.	40,000	73	Maintaining comfortable relationships over the long term
KITAMURA CO., LTD.	110,200	71	Maintaining comfortable relationships over the long term
Japan Pulp & Paper Co., Ltd.	171,852	60	Maintaining comfortable relationships over the long term
CHIYODA Corporation	41,472	55	Maintaining comfortable relationships over the long term
SMK Corporation.	124,091	48	Maintaining comfortable relationships over the long term
BICCAMERA INC.	70,000	43	Maintaining comfortable relationships over the long term
THE BANK OF SAGA LTD.	165,562	37	Maintaining comfortable relationships over the long term
NKSJ Holdings, Inc.	12,403	32	Maintaining comfortable relationships over the long term

Deemed holding securities

Stock Name	Number of shares (shares)	Consolidated Statement of Financial Position amount as of March 31, 2014 (Millions of Yen)	Purpose of holding
Mitsubishi UFJ Financial Group, Inc.	7,790,000	4,463	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
SAN-AI OIL CO.,LTD	5,800,000	3,699	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
STANLEY ELECTRIC CO., LTD.	1,300,000	2,994	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
Ushio Inc.	1,388,000	1,874	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
Mizuho Financial Group, Inc.	5,445,000	1,126	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement

Specified investment securities and deemed holding securities are not combined for disclosure of major shareholders.

(Fiscal year ended March 31, 2015)

Specified investment securities

Stock Name	Number of shares (shares)	Consolidated Statement of Financial Position amount as of March 31, 2015 (Millions of Yen)	Purpose of holding
SAN-AI OIL CO.,LTD	5,962,820	4,645	Maintaining comfortable relationships over the long term
Sindoh Co., Ltd	313,748	2,363	Maintaining comfortable relationships over the long term
OMRON Corporation	363,565	1,970	Maintaining comfortable relationships over the long term
OTSUKA CORPORATION.	195,000	998	Maintaining comfortable relationships over the long term
Central Japan Railway Company	40,000	869	Maintaining comfortable relationships over the long term
Ushio Inc.	500,429	748	Maintaining comfortable relationships over the long term
MAX Co., Ltd.	500,000	707	Maintaining comfortable relationships over the long term
HISAMITSU PHARMACEUTICAL CO., INC.	118,100	582	Maintaining comfortable relationships over the long term
Sumitomo Mitsui Trust Holdings, Inc.	1,124,098	556	Enhancing relationships with correspondent banks
NIDEC CORPORATION.	60,988	487	Maintaining comfortable relationships over the long term
The Yokohama Rubber Co., Ltd.	241,500	299	Maintaining comfortable relationships over the long term
Daiwa Securities Group Inc.	304,924	288	Maintaining comfortable relationships over the long term
Nippon Express Co., Ltd.	412,000	276	Maintaining comfortable relationships over the long term
Hitachi, Ltd.	336,000	276	Maintaining comfortable relationships over the long term
SEED CO., LTD.	165,000	229	Maintaining comfortable relationships over the long term
Tokio Marine Holdings, Inc.	34,500	156	Maintaining comfortable relationships over the long term
Nippon Paper Group, Inc.	81,024	146	Maintaining comfortable relationships over the long term
Nippon BS Broadcasting Corp.	80,000	99	Maintaining comfortable relationships over the long term
The Dai-ichi Life Insurance Company, Limited	52,800	92	Maintaining comfortable relationships over the long

			term
BICCAMERA INC.	70,000	87	Maintaining comfortable relationships over the long term
KITAMURA CO., LTD.	110,200	84	Maintaining comfortable relationships over the long term
SMK Corporation.	124,091	64	Maintaining comfortable relationships over the long term
Japan Pulp & Paper Co., Ltd.	171,852	55	Maintaining comfortable relationships over the long term
THE BANK OF SAGA LTD.	165,562	50	Maintaining comfortable relationships over the long term
NKSJ Holdings, Inc.	12,403	46	Maintaining comfortable relationships over the long term
CHIYODA Corporation	41,472	42	Maintaining comfortable relationships over the long term
HAZAMA ANDO CORPORATION	40,000	27	Maintaining comfortable relationships over the long term

Deemed holding securities

Stock Name	Number of shares (shares)	Consolidated Statement of Financial Position amount as of March 31, 2015 (Millions of Yen)	Purpose of holding
Mitsubishi UFJ Financial Group, Inc.	7,790,000	5,852	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
SAN-AI OIL CO.,LTD	5,800,000	4,564	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
STANLEY ELECTRIC CO., LTD.	1,300,000	3,549	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
Ushio Inc.	1,388,000	2,104	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement
Mizuho Financial Group, Inc.	5,445,000	1,165	Retaining the authority to give instructions on the exercise of voting rights on the retirement benefit trust arrangement

Specified investment securities and deemed holding securities are not combined for disclosure of major shareholders.

2. Equity securities held for pure investment

None.

(2) Audit Fees

1) Fees to certified public accountants

Category	Fiscal year ended March 31, 2014		Fiscal year ended March 31, 2015	
	Fees for audit services (Millions of Yen)	Fees for non-audit services (Millions of Yen)	Fees for audit services (Millions of Yen)	Fees for non-audit services (Millions of Yen)
The Company	270	13	207	-
Consolidated subsidiaries	140	-	155	-
Total	410	13	362	-

2) Other fees

Fiscal year ended March 31, 2014

Fees for audit services and non-audit services paid by the Company and its subsidiary to KPMG, which belongs to the same network as the Company's accounting auditor, were ¥1,145 and ¥56 respectively.

Fiscal year ended March 31, 2015

Fees for audit services and non-audit services paid by the Company and its subsidiary to KPMG, which belongs to the same network as the Company's accounting auditor, were ¥1,294 and ¥174 respectively.

3) Descriptions of non-audit service to the Company

Fiscal year ended March 31, 2014

Non-audit services to the Company were in respect of the implementation of IFRSs.

Fiscal year ended March 31, 2015

Not applicable.

4) Policy on determination of audit fees

For determining the amount of audit fees, the Company has a thorough discussion with the certified public accountants, including the scale and characteristics of businesses.

V. FINANCIAL INFORMATION

Consolidated Financial Statements
For the year ended March 31, 2015
With Independent auditor's report

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Ricoh Company, Ltd. and Consolidated Subsidiaries

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Consolidated Statement of Cash Flows	F-8
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Independent Auditor's Report	Appendix

All schedules not listed have been omitted because they are not applicable, or the required information has been otherwise supplied in the consolidated financial statements or the notes thereto.

Consolidated Statement of Financial Position

Ricoh Company, Ltd. and Consolidated Subsidiaries

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents (Note 7)	140,047	137,722
Time deposits (Note 7)	4,057	927
Trade and other receivables (Note 8)	544,725	553,534
Other financial assets (Note 13 and 14)	249,682	260,056
Inventories (Note 9)	194,171	224,481
Other current assets	34,317	39,662
Total current assets	1,166,999	1,216,382
Non-current assets:		
Property, plant and equipment (Note 10 and 12)	270,702	276,617
Goodwill and intangible assets (Note 11 and 12)	399,354	435,752
Other financial assets (Note 13 and 14)	560,892	601,797
Investments accounted for using the equity method	1,074	450
Other investments (Note 15)	50,724	58,237
Other non-current assets	40,420	44,119
Deferred tax assets (Note 21)	106,453	96,853
Total non-current assets	1,429,619	1,513,825
Total assets (Note 5)	2,596,618	2,730,207

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
LIABILITIES AND EQUITY		
Current liabilities:		
Bonds and borrowings (Note 17)	271,768	222,065
Trade and other payables (Note 16)	281,957	276,986
Other financial liabilities (Note 19)	18,140	1,800
Income tax payables	14,435	13,683
Other current liabilities (Note 18 and 20)	249,391	257,605
Total current liabilities	835,691	772,139
Non-current liabilities:		
Bonds and borrowings (Note 17)	452,396	568,515
Other financial liabilities (Note 19)	1,014	1,537
Accrued pension and retirement benefits (Note 22)	124,554	144,153
Other non-current liabilities (Note 18 and 20)	74,614	84,721
Deferred tax liabilities (Note 21)	13,953	4,830
Total non-current liabilities	666,531	803,756
Total liabilities	1,502,222	1,575,895
Equity:		
Common stock (Note 23)	135,364	135,364
Additional paid-in capital (Note 23)	186,083	186,083
Treasury stock (Note 23)	(37,278)	(37,295)
Other components of equity	119,904	153,547
Retained earnings (Note 23)	625,340	646,468
Total equity attributable to owners of the parent	1,029,413	1,084,167
Non-controlling interests (Note 32)	64,983	70,145
Total equity	1,094,396	1,154,312
Total liabilities and equity	2,596,618	2,730,207

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

Consolidated Statement of Profit or Loss

Ricoh Company, Ltd. and Consolidated Subsidiaries

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Sales: (Note 5)		
Products	1,041,794	1,071,446
Post sales and rentals	1,064,555	1,068,678
Other revenue	89,347	91,818
Total sales	2,195,696	2,231,942
Cost of sales:		
Products	(776,834)	(784,574)
Post sales and rentals	(494,647)	(485,957)
Other revenue	(50,990)	(54,493)
Total cost of sales	(1,322,471)	(1,325,024)
Gross profit	873,225	906,918
Selling, general and administrative expenses (Note 25 and 26)	(752,880)	(791,153)
Operating profit	120,345	115,765
Finance income (Note 27)	6,872	3,963
Finance costs (Note 27)	(9,121)	(7,381)
Share of profit (loss) of investments accounted for using the equity method	(33)	(50)
Profit before income tax expenses	118,063	112,297
Income tax expenses (Note 21)	(39,611)	(38,598)
Profit	78,452	73,699
Profit attributable to:		
Owners of the parent	72,818	68,562
Non-controlling interests	5,634	5,137

	Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Earnings per share (attributable to owners of the parent): (Note 29)		
Basic	100.44	94.58
Diluted	-	-

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

Consolidated Statement of Comprehensive Income

Ricoh Company, Ltd. and Consolidated Subsidiaries

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Profit	78,452	73,699
Other comprehensive income (loss): (Note 28)		
Components that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plan	5,352	(23,135)
Total components that will not be reclassified subsequently to profit or loss	5,352	(23,135)
Components that will be reclassified subsequently to profit or loss:		
Net gain on fair value of available-for-sale financial assets	1,893	5,316
Net gain on fair value of cash flow hedges	854	1,838
Exchange differences on translation of foreign operations	58,580	27,224
Total components that will be reclassified subsequently to profit or loss	61,327	34,378
Total other comprehensive income	66,679	11,243
Comprehensive income	145,131	84,942
Comprehensive income attributable to:		
Owners of the parent	139,771	79,056
Non-controlling interests	5,360	5,886

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

Consolidated Statement of Changes in Equity

Ricoh Company, Ltd. and Consolidated Subsidiaries

	Millions of Yen					
				Other components of equity		
	Common stock	Additional paid-in capital	Treasury stock	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 as of April 1, 2013	135,364	186,083	(37,146)	-	9,989	(861)
Profit						
Other comprehensive income (loss) (Note 28)				5,663	1,859	640
Comprehensive income	-	-	-	5,663	1,859	640
Net change in treasury stock			(132)			
Dividends declared and approved to owners						
Transfer from other components of equity to retained earnings				(5,663)		
Total transactions with owners	-	-	(132)	(5,663)	-	-
Balance as of March 31, 2014	135,364	186,083	(37,278)	-	11,848	(221)
Profit						
Other comprehensive income (loss) (Note 28)				(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		
Total transactions with owners	-	-	(17)	23,149	-	-
Balance as of March 31, 2015	135,364	186,083	(37,295)	-	17,082	803

	Millions of Yen					
	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2013	49,486	58,614	570,790	913,705	60,297	974,002
Profit			72,818	72,818	5,634	78,452
Other comprehensive income (loss) (Note 28)	58,791	66,953	-	66,953	(274)	66,679
Comprehensive income	58,791	66,953	72,818	139,771	5,360	145,131
Net change in treasury stock			(6)	(138)		(138)
Dividends declared and approved to owners (Note 23)			(23,925)	(23,925)	(674)	(24,599)
Transfer from other components of equity to retained earnings		(5,663)	5,663	-		-
Total transactions with owners	-	(5,663)	(18,268)	(24,063)	(674)	(24,737)
Balance as of March 31, 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) (Note 28)	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 (Note 23)			(24,285)	(24,285)	(724)	(25,009)
Transfer from other components of equity to retained earnings		23,149	(23,149)	-		-
Total transactions with owners	-	23,149	(47,434)	(24,302)	(724)	(25,026)
Balance as of March 31, 2015	135,662	153,547	646,468	1,084,167	70,145	1,154,312

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

Consolidated Statement of Cash Flows

Ricoh Company, Ltd. and Consolidated Subsidiaries

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit	78,452	73,699
Adjustments to reconcile profit to net cash provided by operating activities		
Depreciation and amortization (Note5)	106,230	107,836
Share of loss of investments accounted for using the equity method	33	50
Finance income and costs	2,249	3,418
Income tax expenses	39,611	38,598
Increase in trade and other receivables	(31,702)	(2,574)
(Increase) decrease in inventories	15,814	(18,562)
Increase in lease receivables	(67,758)	(42,886)
(Decrease) increase in trade and other payables	54,209	(11,177)
Decrease in accrued pension and retirement benefits	(33,702)	(17,146)
Other, net	9,967	4,483
Interest and dividends received	2,588	2,724
Interest paid	(8,308)	(7,518)
Income taxes paid	(20,789)	(28,401)
Net cash provided by operating activities	146,894	102,544
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of property, plant and equipment	558	3,018
Expenditures for property, plant and equipment	(72,993)	(75,976)
Expenditures for intangible assets	(35,030)	(36,008)
Payments for purchases of available-for-sale securities	(99)	(546)
Proceeds from sales of available-for-sale securities	10,034	158
Decrease (increase) in time deposits	(445)	3,573
Purchase of business, net of cash acquired (Note 6)	(16,850)	(9,772)
Other, net	(8,113)	(27,904)
Net cash used in investing activities	(122,938)	(143,457)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds of short-term debt	12,689	880
Proceeds from long-term debt	149,340	272,587
Repayments of long-term debt	(114,694)	(203,527)
Proceeds from issuance of bonds	40,000	20,000
Repayments of bonds	(71,841)	(35,000)
Dividends paid (Note 23)	(23,925)	(24,285)
Payments for purchase of treasury stock	(143)	(19)
Other, net	(662)	(700)
Net cash provided by (used in) financing activities	(9,236)	29,936
EFFECT OF EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS	8,276	8,652
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	22,996	(2,325)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	117,051	140,047
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	140,047	137,722

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

Notes to Consolidated Financial Statements

Ricoh Company, Ltd. and Consolidated Subsidiaries

1. REPORTING ENTITY

Ricoh Co., Ltd. (the "Company") is a company domiciled in Japan. The consolidated financial statements of the Company as of and for the year ended March 31, 2015 comprise of the Company and its subsidiaries (the "Ricoh" as a consolidated group) and Ricoh's interest in associates. Ricoh's operating segments are composed of Imaging & Solutions, including MFPs & copiers, related parts & supplies, communications & information systems and services & solutions, Industrial Products, including thermal media and semiconductors, and Other, including digital cameras (see Note 5 "Segment Information").

2. BASIS OF PREPARATION

(1) Statements of Compliance

Ricoh's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), based on the stipulations of Article 93 of the "Regulations Concerning Terminology, Form, and Method for Preparing Financial Statements". Ricoh meets all the requirements for a "Regulation Concerning Terminology, Form, and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance of Japan Regulation No. 28, 1976).

(2) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following significant items:

• Derivative financial instruments are measured at fair value.

• Available-for-sale financial assets are measured at fair value.

• Defined benefit pension plan assets and liabilities are measured at the present value of defined benefit plan liabilities less the fair value of the plan assets.

• Loans and receivables are measured at fair value.

• Non-derivative financial liabilities, including borrowings, are measured at fair value.

(3) Functional and Presentation Currency

The consolidated financial statements are presented in Japanese yen, which is also the Company's functional currency. All amounts presented in Japanese yen have been rounded to the nearest million.

(4) Changes in accounting policies

Ricoh did not change the significant accounting policies from the previous fiscal year, with the exception of the following.

Ricoh adopted the following new IFRSs and there was no material impact on Ricoh's consolidated financial statements.

Some of the comparative information on Ricoh's consolidated financial statements had been adjusted retrospectively to apply the change in accounting policy.

IFRSs	Title	Summaries of new IFRSs/amendments
IFRS 10	Consolidated Financial Statements	Regulations of control as single basis for consolidation
IFRS 12	Disclosure of Interests in Other Entities	Disclosure requirements for forms of interests in other entities, including subsidiaries, joint control arrangements, associates

		and unconsolidated structured entities
IAS 32	Financial Instruments: Presentation	Presentation of offsets of financial assets and financial liabilities
IAS 36	Impairment of Assets	Disclosure of recoverable amounts for non-financial assets
IAS 39	Financial Instruments: Effectiveness testing	Continuing hedge accounting after derivative novations
IFRIC 21	Levies	Recognition of liabilities related to levies

(5) Early Adoption of New Standards

Ricoh has no early adoption of new standards.

(6) Use of Estimates and Judgments

The preparation of consolidated financial statements in accordance with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods in which the revision affects.

Judgments and estimates made by management in the application of accounting policies that have a significant effect on the amounts recognized in the consolidated financial statements are as follows:

• Note 21 – Income taxes (Recognition of deferred tax assets)

The following notes include information in respect to uncertainties of judgments and estimates which have a significant risk to cause material adjustments in the next fiscal year.

• Note 12 - Impairment losses (Impairment losses on goodwill and intangible assets)

• Note 21 - Income taxes (Recognition of deferred tax assets)

• Note 22 - Employee benefits (Pension accounting)

• Note 24 - Financial Instruments (Allowance for doubtful receivables)

• Note 24 - Financial Instruments (Impairment of securities)

3. SIGNIFICANT ACCOUNTING POLICIES

(1) Principles of Consolidation

(a) Business Combination

Business combinations are accounted for using the acquisition method. Goodwill is recognized and measured as the excess of the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed over the aggregate of consideration transferred, the amount of any non-controlling interest, and in case of business combinations achieved in stages, the acquisition-date fair value of the previously held equity interest. If the consideration of acquisition is lower than the fair value of the identifiable assets and liabilities, the difference is immediately recognized as profit in the consolidated statement of profit or loss. If the amount of initial accounting for a business combination is not determined by the end of the reporting period in which the combination occurs, the provisional amounts for the items for which the accounting is incomplete are reported and are adjusted during the measurement period, which is one year from the acquisition date. Acquisition related costs incurred are recognized as expenses.

Business combination of entities under common control, or business combinations in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combinations, when that control is not transitory, are accounted for based on carrying amounts.

(b) Subsidiaries

Subsidiaries are entities which are controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date when control is obtained until the date when it is lost. The accounting policies of subsidiaries have been adjusted in order to ensure consistency with the accounting policies adopted by the Company, when necessary. All inter-company balances and transactions have been eliminated in preparing the consolidated financial statements.

On the disposal of interests in subsidiaries, if Ricoh retains control over the subsidiaries, they are accounted for as equity transactions. Any difference between the adjustment to the non-controlling interests and the fair value of the consideration received is recognized directly in equity as Ricoh Company, Ltd. shareholders' equity. Any surplus or deficit arising on the loss of control is recognized in profit or loss.

(c) Associates

Associates are entities over which Ricoh has significant influence but does not have control to govern the financial and operating policies.

Investments in associates are accounted for using the equity method, and are recognized at cost on acquisition. The investments include goodwill recognized on acquisition (net of accumulated impairment losses).

Ricoh's share of the income and expenses of the equity-accounted investees and changes in Ricoh's share in equity are included in the consolidated financial statements from the date when significant influence or joint control is obtained until the date when it is lost. The accounting policies of equity-accounted investees have been adjusted to ensure consistency with those applied by Ricoh.

(2) Foreign Currency

(a) Foreign currency transactions

Foreign currency transactions are translated into functional currencies of Ricoh by applying the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated into functional currencies at the prevailing exchange rates at the reporting date. Non-monetary assets and liabilities measured at fair value that are denominated in foreign currencies are retranslated using the exchange rates at the date when the fair value was determined. Exchange differences arising from retranslation are recognized in profit or loss.

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisitions of foreign operations are translated using the exchange rate at the reporting date. In addition, the income and expenses of foreign operations are translated using the average exchange rate for the year excluding those cases in which exchange rates are fluctuating significantly.

Foreign exchange translation differences are recognized as other comprehensive income. On disposal of the entire interest in foreign operations, and on the partial disposal of the interest involving loss of control, significant influence or joint control, the cumulative amount of the foreign exchange translation differences related to such foreign operation is reclassified to profit or loss at the time of such disposal.

Ricoh has elected to deem the cumulative exchange differences on translation of foreign operations to be zero as of the transition date.

(3) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, bank deposits available for withdrawal on demand, and short-term investments due within 3 months or less and are substantially free from any price fluctuation risk.

(4) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventory includes purchase costs and conversion costs that contain appropriate allocation of fixed and variable overhead expenses. These costs are assigned to inventories by mainly the weighted-average method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(5) Property, Plant and Equipment

(a) Recognition and measurement

Property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses. The cost of items of property, plant and equipment includes costs directly attributable to the acquisition and initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located. When the useful life of each part of an item of property, plant and equipment varies, it is accounted for as a separate item of property, plant and equipment.

(b) Subsequent costs

Ordinary maintenance and repairs are charged to expense as incurred. Major replacements and improvements are capitalized to the extent they enhance the future economic benefit of the asset.

(c) Depreciation

Depreciation of property, plant and equipment is mainly computed under the straight-line method based on the estimated useful life of each item. The depreciation period generally ranges from 2 years to 60 years for buildings and structures, 1 year to 20 years for machinery and vehicles and 1 year to 20 years for tools, equipment and fixtures. Leased assets are depreciated over the shorter of the lease term and their useful lives if there is no reasonable certainty that Ricoh will obtain ownership by the end of the lease term. The depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, and changed when necessary.

(6) Leased Assets

Assets held by Ricoh under lease arrangements that transfer to Ricoh substantially all of the risks and rewards of ownership are classified as finance leases. Leased assets are initially recognized at fair value or, if lower, at the present value of the minimum lease payments. Subsequent to initial recognition, the leased assets are accounted for in accordance with accounting policies applicable to the assets. Assets held under other leases are classified as operating leases and are not recognized in Ricoh's consolidated statement of financial position.

(7) Goodwill and Intangible Assets

Goodwill

Goodwill is recognized and measured as the excess of the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed over the aggregate of consideration transferred, including the recognized amount of any non-controlling interests in the acquiree, which generally is measured at fair value at the acquisition date. Goodwill is measured at cost less any accumulated impairment losses. It is not amortized and is required to be tested at least annually for impairment.

Intangible Assets

Intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(a) Capitalized software costs

Ricoh capitalizes certain internal and external costs incurred to acquire or create internal use software during the application development stage as well as upgrades and enhancements that result in additional functionality. The capitalized software is amortized on a straight line basis generally from 2 years to 10 years.

(b) Development assets

An intangible asset arising from development activities (or from the development phase of an internal project) shall be recognized if, and only if, Ricoh can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset for use or sale;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Amortization of the asset commences on the commercial production date after the completion of an internal project and the asset is amortized on a straight line basis over the estimated useful lives generally ranging from 2 years to 9 years that is the expected periods to generate net cash inflows. Other development expenditure and expenditure on research activities are recognized as an expense as incurred.

(c) Other intangible asset

Intangible asset acquired separately is measured at cost at initial recognition. Intangible asset acquired in a business combination and recognized separately from goodwill are measured at fair value on the acquisition date.

(d) Amortization (other than development assets)

Intangible assets with definite useful lives are amortized over the estimated useful lives and determination is made for existence of impairment indication. The intangible assets consisting primarily of software, customer relationships and trademarks are amortized on a straight line basis over 3 years to 20 years. Intangible assets with indefinite useful lives and intangible assets that are not ready to use are not amortized, but are tested annually for impairment until its life would be determined to no longer be indefinite.

(8) Impairment

(a) Non-derivative financial assets

At each reporting date, the carrying amounts of financial assets other than those to be measured at fair value through profit or loss are assessed to determine whether there is objective evidence of impairment.

Objective evidence that a financial asset or group of assets is impaired is as follows:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets,

A significant or prolonged decline in the fair value of an investment in securities below its cost is also objective evidence of impairment.

(i) Financial assets carried at amortized cost

Ricoh first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant.

The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at original effective interest rate of the financial asset. The carrying amount of the asset is reduced either directly or through use of an allowance account and the amount of impairment loss is recognized in profit or loss.

The impairment loss recorded in prior periods is reversed and recognized in profit or loss if the reversal can be attributed objectively to an event occurring after the impairment loss was recognized.

(ii) Available-for-sale financial assets

The impairment loss on available-for-sale financial assets is recognized by reclassifying from net gain on fair value of available-for-sale financial assets in other component of equity to profit or loss. The impairment loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss recognized previously in profit or loss.

(b) Non-financial assets

At the end of each reporting period, Ricoh assesses whether there is any indication of impairment for non-financial assets, excluding inventories and deferred tax assets. If any such indication exists, the assets are tested for impairment based on the recoverable amount. Goodwill is tested annually for impairment irrespective of whether there is any indication of impairment. A cash generating unit ("CGU") is the smallest group of assets which generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU or group of CGU to which the goodwill is allocated is determined based on the unit by which the goodwill is monitored for internal management purposes, and are not larger than operating segment before aggregation. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to dispose and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the asset that are not considered in estimating future cash flows. Because the corporate assets do not generate independent cash inflows, if there is an indication that corporate assets may be impaired, the assets are tested based on the recoverable amount of CGU which they belong. If the carrying amount of an asset or a CGU exceeds the recoverable amount, an impairment loss is recognized. The impairment loss recognized related to a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit.

At the end of each reporting period, Ricoh assesses whether there is any indication that an impairment loss recognized in prior periods for an asset or a CGU may no longer exist or may have decreased. If any such indication exists in an asset or a CGU, the recoverable amount of the asset or CGU is estimated. In cases that the recoverable amount exceeds the carrying amount of the asset or CGU, impairment loss is reversed. The carrying amount after reversal of impairment loss does not exceed the carrying amount, net of depreciation and amortization, that would have been determined if no impairment loss had been recognized in prior years. An impairment loss recognized for goodwill is not reversed in subsequent periods.

(9) Leases

Ricoh assesses whether an arrangement is, or contains, a lease at the inception of the arrangement. If fulfillment of the arrangement is dependent on the use of a specific asset, it contains a lease. Arrangements convey the right to use the assets when the arrangements convey to Ricoh the right to control the use of the underlying assets. At the inception or on reassessment of an arrangement that contains a lease, Ricoh separates payments and other consideration required by the arrangement into lease and non-lease elements on the basis of their relative fair values. If Ricoh concludes that it is impracticable to separate the payments for finance leases reliably, then assets and liabilities are recognized at the amount equal to the fair value of the underlying assets. Subsequently the liabilities are reduced as payments are made and imputed finance costs incurred on liabilities are recognized using Ricoh's incremental borrowing rate.

Operating lease payments are recognized in profit or loss on a straight-line basis over the lease term. Lease incentives are deemed as inseparable component of the total lease payments and are recognized over the lease term.

Minimum lease payments made under finance leases are allocated to the finance costs and the reduction of the outstanding liabilities. Finance costs are allocated to each period during the lease term so as to produce a constant rate of interest on the remaining balance of liabilities.

(10) Provisions

Provisions are recognized when Ricoh has present obligations (legal or constructive) as a result of past events, when it is probable that outflows of resources embodying economic benefits will be required to settle the obligations, and reliable estimates can be made of the amount of the obligations. Where the time value of money is material, provision is measured based on the present value using a discount rate that reflects the risks specific to the liability.

The estimated costs of obligations for dismantling, removing and restoring of assets, and any other expenditures arising from a contractual obligation are recognized as provisions for asset retirement obligation, which are included in the cost of "property, plant and equipment". The estimated costs and discount rate are reviewed annually, and where Ricoh considers it is necessary to change them, the liability is added to or deducted from the cost of the related asset as a change in accounting estimate.

Warranties provision is recognized based on the estimated service costs during the warranty period to account for the expenditures on after service of goods. The warranty expenses are included in "cost of sales" in the consolidated statement of profit or loss.

(11) Government grants

Government grants are recognized at fair value when there is a reasonable assurance that Ricoh will comply with the terms and conditions attached of the grants. With regard to government grants for purchase of assets, the amount of the grants is credited to deferred income and recognized in the statement of profit over the expected useful life of the relevant assets on a straight line basis.

(12) Employee benefits

(a) Post-employment benefits

Ricoh has defined benefit corporate pension plans and defined contribution plans.

The net obligations for defined benefit plans are recognized at the present value of the amount of future benefit that the employees have earned in the current and prior periods, less the fair value of any plan assets on a plan-by-plan basis. Actuarial gains and losses arising from the defined benefit plan are recognized immediately in other comprehensive income and directly reclassified to retained earnings from other components of equity. Past service costs are recognized in profit or loss.

The contribution to the defined contribution plans are recognized as an expense when the related service is provided by the employee.

(b) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Ricoh has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(13) Financial Instruments

Non-derivative financial assets of Ricoh are classified as loans and receivables, and available-for-sale financial assets. Non-derivative financial liabilities are classified as other financial liabilities.

Recognition and derecognition of non-derivative financial assets and non-derivative financial liabilities

Ricoh initially recognizes loans, receivables and debt securities on the date that they are originated. All other financial assets and liabilities are recognized initially on the trade date, which is the date that Ricoh becomes a party to the contractual provisions of the instrument. Ricoh derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Ricoh derecognizes a financial liability when contractual obligations specified under a contract is discharged, cancelled or expires.

Measurement of non-derivative financial assets

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method.

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as any of the above categories of financial assets. Available-for-sale financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent to initial recognition, these are measured at fair value and the subsequent changes in fair value are recognized as "net gain on fair value of available-for-sale financial assets" in other comprehensive income. When objective evidence of impairment exists individually, the impairment loss is recognized in profit or loss. Dividends from available-sale-securities are included in net income as part of financial income. On derecognition, the cumulative gain or loss recognized in other comprehensive income is reclassified from equity into profit or loss.

Non-derivative financial liabilities

Non-derivative financial liabilities, including borrowings, are initially recognized at fair value less transaction costs that are directly attributable to issue of financial liability. After initial recognition, non-derivative financial liabilities are measured at amortized cost using the effective interest method.

Equity

(a) Ordinary shares

Incremental costs (net of tax) directly attributable to the issue of equity instruments are deducted from equity.

(b) Treasury shares

If the Company purchases own equity instruments (treasury shares), the consideration paid, net of directly attributable transaction costs and tax, is recognized as a deduction from equity. If the Company disposes of treasury shares, any gains or losses arising from the disposal of treasury shares are recognized in equity.

Derivative financial instruments and hedging activities

Ricoh manages its exposure to certain market risks, primarily foreign currency and interest rate risks, through the use of derivative instruments. As a matter of Ricoh's policy, Ricoh does not enter into derivative contracts for trading or speculative purposes.

Ricoh recognizes all derivative instruments as either assets or liabilities in the consolidated statement of financial position and measures those instruments at fair value. When Ricoh enters into a derivative contract, Ricoh makes a determination as to whether or not, the hedging relationship meets the hedge effectiveness requirements. In general, a derivative may be designated as either (1) a hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment ("fair value hedge") or (2) a hedge of the exposure to changes in variability of the expected cash flows associated with an existing asset or liability or a highly probably forecast transaction ("cash flow hedge").

Ricoh formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the consolidated statement of financial position or to specific firm commitments or forecasted transactions.

(a) Fair value hedge

Derivative instruments designated as fair value hedges are measured at fair value. Changes in fair values of derivatives designated as fair value hedges are recognized as gains or losses and are offset by gains or losses resulting from the changes in the fair values of the hedged items.

(b) Cash flow hedge

The effective portion of gains and losses of on hedging instruments in a cash flow hedge are recognized through other comprehensive income. Other comprehensive income is reclassified to profit or loss in the same period during which the hedged expected cash flows affects profit or loss.

Changes in fair values of ineffective portions of cash flow hedges are recognized immediately in profit or loss.

(c) Derivatives not designated as hedging instruments

Changes in the fair value of derivative financial instruments which do not qualify for hedge accounting are recognized in profit or loss.

(14) Revenue Recognition

Revenue is measured at the fair value of the consideration for goods sold and services provided in the ordinary course of business, less sales related taxes.

(a) Products sales

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, there is no continuing management involvement with the goods, recovery of the consideration is probable and the associated costs and amount of revenue can be measured reliably.

(b) Revenue from rendering of maintenance services

Revenue from sales of maintenance services are earned and recognized by Ricoh and billed to the customer in accordance with the contract and include a fixed monthly fee plus a variable amount based on usage.

(c) Multiple-element arrangements

Ricoh enters into arrangements with multiple elements, which may include any combination of products, equipment, installation and maintenance. Consideration in a multiple-element arrangement is allocated at the inception of the arrangement to all deliverables on the basis of the fair value if it meets both of the requirements below:

・The elements have standalone value to the customer.

・The fair value of the elements can be reliably measured.

If these criteria are not met, revenue is deferred until the undelivered elements are fulfilled and accounted for as a single unit of accounting.

(d) Revenue from leases

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Other leases are classified as operating leases. In the circumstances whereby the lessor is a manufacturer or dealer, the profit or loss from finance lease is recognized in accordance with revenue recognition policy. Finance income is recognized over the term of the lease using the effective interest method. In the circumstances whereby the lessor is neither manufacturer nor dealer, finance income is recognized over the term of the lease using the effective interest method.

The interest rate implicit in the lease is the discount rate that, causes the aggregate present value of the minimum lease payments and the unguaranteed residual value to be equaled to the sum of the fair value of the leased asset and any initial direct costs incurred by the lessor.

Revenues from operating leases are recognized on a straight-line basis over the term of the lease.

(15) Finance Income and Finance Costs

Finance income comprises of dividend income, interest income, gain on sales of available-for-sale financial assets and foreign currency exchange gain. Dividend income is recognized on the date when the right to receive payment is established. Interest income is recognized when incurred using the effective interest method.

Finance costs comprises of interest costs, impairment losses from available-for-sale financial assets, loss on sales of available-for-sale financial assets and foreign currency exchange loss. Interest costs are recognized when incurred using the effective interest method.

(16) Income Taxes

Income taxes comprise of current taxes and deferred taxes. These are recognized in profit or loss, except for those taxes which are recognized either in other comprehensive income, directly in equity or arising from business combinations. Current taxes are the expected taxes payables or receivables on the taxable profit, using the tax rates and tax laws enacted or substantially enacted by the end of the reporting period, adjusted by taxes payable or receivable in prior years. Deferred tax assets and liabilities are recognized on temporary differences between the carrying amounts of assets and liabilities for accounting purposes and their tax basis.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction which is not related to a business combination and, at the time of transaction, affects neither book basis or tax basis profits. Deferred tax liabilities are not recognized if the taxable temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and investments accounted for under the equity method. However, if Ricoh is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future, deferred tax liabilities are not recognized. Deferred tax assets arising from deductible temporary differences associated with investments in subsidiaries and equity-accounted investees are recognized only to the extent that it is probable that there will be sufficient taxable profit against which the benefit of temporary differences can be utilized and the temporary differences will reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the temporary differences will reverse, based on tax laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and income taxes are levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously.

Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realized.

(17) Earnings per Share

Basic earnings per share are calculated by dividing profit and loss attributable to ordinary shareholders of the parent company by the weighted-average number of ordinary shares outstanding during the year, adjusted by the number of treasury shares. Diluted earnings per share are calculated by adjusting the effects of dilutive potential ordinary shares.

(18) Operating Segments

Operating segments are components of business activities from which Ricoh may earn revenues and incur expenses, including revenues and expenses relating to transactions with other operating segments. Discrete financial information for operating results of all operating segments is available, and is regularly reviewed by management in order to determine the allocation of resources to the segment and assess its performance.

4. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

New standards and interpretations that have not been effective in the reporting period ended March 31, 2015, and which Ricoh has not yet adopted to the preparation of consolidated financial statements, are as follows. Ricoh is currently evaluating the effect that the new standards and interpretations will have on the consolidated financial statements.

IFRSs	Title	Reporting period on or after which the application is required	Ricoh's applicable reporting period	Summaries of new IFRSs/amendments
IFRS 7	Financial Instruments: Disclosures	January 1, 2016	Period ending on March 2017	Clarifying the criteria on whether a servicing contract is continuing involvement in a transferred financial asset Clarifying the applicability of the offset disclosure of financial assets and

				financial liabilities to condensed interim financial statements
IFRS 9	Financial Instruments	January 1, 2018	To be determined	Changes in qualifying criteria for hedge accounting
IFRS 13	Fair Value Measurement	July 1, 2014	Period ending on March 2016	Clarifying a scope exception for measuring the fair value of a portfolio
IFRS 15	Revenue from Contracts with Customers	January 1, 2017	Period ending on March 31, 2018	Providing clear principles for revenue recognition in a robust framework
IAS 1	Presentation of Financial Statements	January 1, 2016	Period ending on March 2017	Clarifying disclosure requirement regarding materiality considerations
IAS 19	Employee Benefits	July 1, 2014	Period ending on March 2016	Clarifying accounting treatment for contributions from employees or third parties as required in the terms of defined benefit plans
IAS 19	Employee Benefits	January 1, 2016	Period ending on March 2017	Clarifying the method to determine the discount rate for post-employment benefit obligations
IAS 34	Interim Financial Reporting	January 1, 2016	Period ending on March 2017	Clarifying disclosure requirement for information "elsewhere in the interim financial report"
IAS 16 IAS 38	Property, Plant and Equipment Intangible Assets	January 1, 2016	Period ending on March 2017	Clarifying that a revenue-based method is not considered to be an acceptable method of depreciation and amortization in principle

5. OPERATING SEGMENTS

Ricoh's operating segments are comprised of Imaging & Solutions, including MFPs & copiers, related parts & supplies, communications & information systems and services & solutions, Industrial Products, including thermal media and semiconductors, and Other, including digital cameras.

Segment profit (loss) is determined by subtracting "cost of sales" and "selling, general and administrative expenses" from "sales", and is used by Ricoh's chief operating decision maker in deciding how to allocate resources and in assessing performance. Segment profit (loss) excludes certain corporate expenses, such as costs related to human resources, legal relations, investor relations, public relations, corporate planning and environmental activities.

The following tables present certain information regarding Ricoh's operating segments and geographic areas for the years ended March 31, 2014 and 2015. Intersegment sales are made at arm's-length prices. No single customer accounted for 10% or more of the total sales for the years ended as of March 31, 2014 and 2015.

(1) Operating Segment Information

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Segment sales:		
Imaging & Solutions	1,964,889	1,997,214
Industrial Products	121,570	131,273
Other	120,800	116,956
Intersegment sales	(11,563)	(13,501)
Total segment sales	2,195,696	2,231,942
Segment profit (loss):		
Imaging & Solutions	183,068	172,258
Industrial Products	4,709	6,399
Other	211	(3,064)
Total segment profit	187,988	175,593
Reconciling items:		
Corporate expenses and elimination	(67,643)	(59,828)
Finance income	6,872	3,963
Finance costs	(9,121)	(7,381)
Share of profit (loss) of investments accounted for using equity method	(33)	(50)
Profit before income tax expenses	118,063	112,297

Intersegment sales represent sales of Industrial Products segment to Imaging & Solutions segment.

The following table represents significant restructuring activities for the years ended March 31, 2014 and 2015.

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Imaging & Solutions	11,322	1,346
Industrial Products	1,765	-
Total	13,087	1,346

For the year ended March 31, 2014, Ricoh continued its restructuring activities, consisting mainly of relocations in Japan and human resource optimizations overseas.

For the year ended March 31, 2014, Ricoh recognized restructuring charges of ¥2,510 million recorded by the Company and its domestic subsidiaries and ¥10,577 million by the overseas subsidiaries. These charges were included in "cost of sales" of ¥1,765 million and "selling, general and administrative expenses" of ¥11,322 million in the consolidated statement of profit or loss.

For the year ended March 31, 2015, Ricoh continued its restructuring activities, consisting mainly of human resource optimizations in Japan and overseas.

For the year ended March 31, 2015, Ricoh recognized restructuring charges of ¥607 million recorded by the Company and its domestic subsidiaries and ¥739 million by the overseas subsidiaries. These charges were included in "cost of sales" of ¥335 million and "selling, general and administrative expenses" of ¥1,011 million in the consolidated statement of profit or loss.

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Total assets:		
Imaging & Solutions	2,100,136	2,228,058
Industrial Products	72,636	72,349
Other	114,176	133,327
Elimination	(2,420)	(1,506)
Corporate	312,090	297,979
Consolidated	2,596,618	2,730,207

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Capital expenditures:		
Imaging & Solutions	93,550	97,771
Industrial Products	3,201	4,945
Other	7,329	5,304
Corporate	3,943	3,964
Consolidated	108,023	111,984
Depreciation and amortization:		
Imaging & Solutions	92,961	94,958
Industrial Products	3,664	4,555
Other	3,596	3,485
Corporate	6,009	4,838
Consolidated	106,230	107,836

Assets are allocated to the operating segments mainly benefited from the assets. Corporate assets consist primarily of cash and cash equivalents and other financial assets maintained that are not related to specific operating segments.

(2) Sales by Product Category

Information for sales by product category is as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Imaging & Solutions:	1,964,889	1,997,214
Office Imaging	1,476,797	1,509,785
Production Printing	180,092	191,991
Network System Solutions	308,000	295,438
Industrial Products	110,007	117,772
Other	120,800	116,956
Total sales	2,195,696	2,231,942

Each category mainly includes the following product line:

Office Imaging: MFPs, copiers, laser printers, digital duplicators, facsimile, scanners, related parts & supplies, services, support and software

Production Printing: Cut sheet printer, continuous feed printer, related parts & supplies, services, support and software

Network System Solutions: Personal computers, servers, network equipment, related services, support and software

Industrial Products: Thermal media, optical equipment, semiconductor devices, electronic components, and inkjet head

Other: Digital cameras

(3) Geographic Information

Sales based on the location of customers and non-current assets, including property, plant and equipment, goodwill and intangible assets are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Sales:		
Japan	905,185	840,118
The Americas	589,160	648,545
Europe, Middle East and Africa	519,103	532,375
Other	182,248	210,904
Consolidated	2,195,696	2,231,942

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Non-current assets:		
Japan	281,643	296,187
The Americas	246,227	273,037
Europe, Middle East and Africa	109,336	105,742
Other	32,850	37,403
Consolidated	670,056	712,369

* The compilation method has been changed in this fiscal year such as reclassification of certain products from Imaging & Solutions to Industrial Products. Prior year comparative figures have also been reclassified to conform to the current year's presentation.

6. ACQUISITIONS OF SUBSIDIARIES

On February 1, 2014, Ricoh acquired mindSHIFT Technologies, Inc., which operates IT service business, through the Company's wholly owned U.S. holding subsidiary, Ricoh Americas Holdings Inc., for a total cash consideration of ¥16,842 million, including transaction costs.

During the year ended March 31, 2015, the allocation of the acquisition cost to the assets acquired and the liabilities assumed was completed, however, there are no material changes from the provisional allocation on the consolidated financial statements.

7. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Cash and cash equivalents		
Cash and deposit	144,104	138,649
Less time deposit over 3 months	(4,057)	(927)
Total cash and cash equivalents on consolidated statement of financial position	140,047	137,722

The balance of "cash and cash equivalents" in the consolidated statement of financial position as of March 31, 2014 and 2015 agree to the respective balances in the consolidated statement of cash flows.

8. TRADE AND OTHER RECEIVABLES

The components of trade and other receivables are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Notes receivables	36,862	35,137
Accounts receivables	441,855	433,392
Other receivables	85,067	104,138
Less - Allowance for doubtful receivables	(19,059)	(19,133)
Total	544,725	553,534

The amount expected to be recovered or settled after no more or more than 12 months after reporting period are follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
No more than 12 months	505,620	506,121
More than 12 months	39,105	47,413
Total	544,725	553,534

9. INVENTORIES

Details of inventories are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Goods and products	102,731	123,767
Work in progress and raw materials	91,440	100,714
Total	194,171	224,481

The amount of write-down is as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Amount of write-down	5,969	5,519

The amount of write-down was included in "cost of sales" in the consolidated statement of profit or loss.

10. PROPERTY, PLANT AND EQUIPMENT

Cost, accumulated depreciation and impairment losses, and carrying amount of property, plant and equipment are as follows:

Cost

	Millions of Yen					
	Land	Buildings and structures	Machinery and vehicles	Tools, equipment and fixtures	Construction in progress	Total
Balance as of April 1, 2013	39,553	274,232	253,350	404,006	17,891	989,032
Additions	3	4,838	2,920	46,629	18,603	72,993
Acquisitions through business combinations	-	204	1,336	32	-	1,572
Disposals	(590)	(7,604)	(11,942)	(50,703)	(3)	(70,842)
Transfer from construction in progress	-	4,092	11,229	12,531	(27,852)	-
Exchange differences	278	4,140	5,119	13,682	536	23,755
Others	(119)	(1,209)	(4,806)	1,353	(1,380)	(6,161)
Balance as of March 31, 2014	39,125	278,693	257,206	427,530	7,795	1,010,349
Additions	-	3,206	4,280	46,005	22,485	75,976
Acquisitions through business combinations	-	26	185	1,348	-	1,559
Disposals	(324)	(7,457)	(7,673)	(50,359)	(96)	(65,909)
Transfer from construction in progress	-	3,390	8,997	7,041	(19,428)	-
Exchange differences	527	5,127	3,451	13,095	1,105	23,305
Others	213	1,827	(280)	3,085	(1,107)	3,738
Balance as of March 31, 2015	39,541	284,812	266,166	447,745	10,754	1,049,018

Accumulated depreciation and impairment losses

	Millions of Yen				
	Land	Buildings and structures	Machinery and vehicles	Tools, equipment and fixtures	Total
Balance as of April 1, 2013	(1,642)	(184,201)	(209,383)	(327,453)	(722,679)
Depreciation expenses	-	(8,990)	(12,059)	(42,256)	(63,305)
Disposals	34	6,666	11,590	45,727	64,017
Impairment losses	-	-	(111)	(758)	(869)
Exchange differences	-	(3,019)	(3,667)	(9,101)	(15,787)
Others	-	582	3,192	(4,798)	(1,024)
Balance as of March 31, 2014	(1,608)	(188,962)	(210,438)	(338,639)	(739,647)
Depreciation expenses	-	(8,240)	(13,583)	(49,101)	(70,924)
Disposals	-	6,020	7,129	43,170	56,319
Impairment losses	-	-	-	-	-
Exchange differences	-	(3,458)	(2,290)	(8,121)	(13,869)
Others	-	(665)	720	(4,335)	(4,280)
Balance as of March 31, 2015	(1,608)	(195,305)	(218,462)	(357,026)	(772,401)

Carrying amount

	Millions of Yen					
	Land	Buildings and structures	Machinery and vehicles	Tools, equipment and fixtures	Construction in progress	Total
Balance as of April 1, 2013	37,911	90,031	43,967	76,553	17,891	266,353
Balance as of March 31, 2014	37,517	89,731	46,768	88,891	7,795	270,702
Balance as of March 31, 2015	37,933	89,507	47,704	90,719	10,754	276,617

11. GOODWILL AND INTANGIBLE ASSETS

Cost, accumulated amortization and impairment losses, and carrying amount of goodwill and intangible assets are as follows:

Cost

	Millions of Yen					
	Goodwill	Software	Trademarks and customer relationships	Development assets	Others	Total
Balance as of April 1, 2013	253,939	168,897	105,677	66,731	26,504	621,748
Additions	-	13,019	-	-	161	13,180
Acquisitions through business combinations	10,856	-	5,602	-	762	17,220
Increase through internal development activities	-	-	-	21,850	-	21,850
Disposals	-	(3,131)	-	(9,850)	(615)	(13,596)
Exchange differences	25,242	9,370	7,850	-	1,046	43,508
Others	-	(1,024)	-	-	305	(719)
Balance as of March 31, 2014	290,037	187,131	119,129	78,731	28,163	703,191
Additions	-	12,995	923	-	1,593	15,511
Acquisitions through business combinations	6,572	1,634	2,641	-	-	10,847
Increase through internal development activities	-	-	-	20,497	-	20,497
Disposals	-	(36,159)	(37,148)	(24,996)	(3,385)	(101,688)
Exchange differences	30,100	1,865	8,965	-	1,184	42,114
Others	-	(1,097)	-	-	(704)	(1,801)
Balance as of March 31, 2015	326,709	166,369	94,510	74,232	26,851	688,671

Accumulated amortization and impairment losses

	Millions of Yen					
	Goodwill	Software	Trademarks and customer relationships	Development assets	Others	Total
Balance as of April 1, 2013	(32,722)	(115,892)	(67,069)	(22,991)	(21,149)	(259,823)
Amortization expenses	-	(16,296)	(6,754)	(19,457)	(418)	(42,925)
Disposals	-	2,879	-	9,850	344	13,073
Impairment losses	-	-	-	-	-	-
Exchange differences	(3,100)	(5,973)	(4,369)	-	(1,043)	(14,485)
Others	-	577	-	-	(254)	323
Balance as of March 31, 2014	(35,822)	(134,705)	(78,192)	(32,598)	(22,520)	(303,837)
Amortization expenses	-	(13,579)	(7,778)	(13,933)	(1,622)	(36,912)
Disposals	-	35,882	37,148	24,996	3,375	101,401
Impairment losses	-	-	-	-	-	-
Exchange differences	(6,027)	(2,379)	(4,942)	-	(1,034)	(14,382)
Others	-	(519)	-	-	1,330	811
Balance as of March 31, 2015	(41,849)	(115,300)	(53,764)	(21,535)	(20,471)	(252,919)

Carrying amount

	Millions of Yen					
	Goodwill	Software	Trademarks and customer relationships	Development assets	Others	Total
Balance as of April 1, 2013	221,217	53,005	38,608	43,740	5,355	361,925
Balance as of March 31, 2014	254,215	52,426	40,937	46,133	5,643	399,354
Balance as of March 31, 2015	284,860	51,069	40,746	52,697	6,380	435,752

Amortization expenses of development assets and other intangible assets were included in “cost of sales”, and “cost of sales” and “selling, general and administrative expenses” in the consolidated statement of profit or loss respectively.

Goodwill and trademarks and customer relationships are primarily attributable to Imaging & Solutions segment. The carrying amounts of goodwill included in Imaging & Solutions segment as of March 31, 2014 and 2015 were ¥250,448 million and ¥281,107 million, respectively. The carrying amounts of trademarks and customer relationships included in Imaging & Solutions segment as of March 31, 2014 and 2015 were ¥38,830 million and ¥38,923 million, respectively. Goodwill and trademarks and customer relationships in Imaging & Solutions segment are primarily generated from the acquisition of IKON Office Solutions, Inc. (now known as Ricoh USA, Inc.) in 2008.

12. IMPAIRMENT LOSSES

(1) Property, plant and equipment

Ricoh recognized impairment losses of ¥869 million for the year ended March 31, 2014, which were included in “selling, general and administrative expenses” in the consolidated statement of profit or loss.

Impairment losses of ¥658 million were related to equipment and fittings primarily with the business reorganization and recognized because the recoverable amount was less than the carrying amount due primarily to the deterioration in the outlook for performance. The recoverable amount of these assets was determined based on value in use. The value in use is the present value calculated by discounting the estimated cash flows based on the projection approved by the management. The discount rate used is calculated based on a pre-tax weighted average capital cost of respective cash generating unit (“CGU”) (11%). The impairment losses were included in the results of Imaging & Solutions segment.

There were no impairment losses for the year ended March 31, 2015.

(2) Goodwill

Ricoh reviews the carrying value of its goodwill for impairment annually and when a triggering event occurs between annual impairment tests. As a result of goodwill impairment test for the year ended March 31, 2014 and 2015, there was no CGU which goodwill was considered impaired.

The recoverable amount of goodwill was determined based on value in use. The value in use is the present value calculated by discounting the estimated cash flows based on the projection approved by the management and the growth rate. The growth rate used is determined by considering the long term growth rate of the market to which the CGU belongs to (1 to 2%). The discount rate used is calculated based on a pre-tax weighted average capital cost of each CGU (9 to 12%).

Management considers it is not likely that significant impairment losses would be recognized even if key assumptions vary in the range which is reasonably possible.

Goodwill of each CGU is as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Imaging & Solutions excluding Production Printing	250,448	279,384
Other CGU	3,767	5,476
Total	254,215	284,860

13. LEASE

(1) As Lessor

Lease receivables are included in other financial assets.

Ricoh's products are leased to domestic customers primarily through Ricoh Leasing Company, Ltd., a majority-owned domestic subsidiary, and to overseas customers primarily through certain overseas subsidiaries. Most of these leases are accounted for as finance leases. Revenues from finance leases are recognized at the inception of the leases.

Future receivable under finance leases are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Gross investments in finance leases		
Due in 1 year or less	261,814	276,126
Due after 1 year through 5 years	490,488	518,861
Due after 5 years	12,462	19,950
Unguaranteed residual value	(9,675)	(9,082)
Future finance income	(45,472)	(52,360)
Present value of minimum lease payments receivable	709,617	753,495

Present value of future receivable under finance leases are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Due in 1 year or less	249,626	263,542
Due after 1 year through 5 years	448,893	472,318
Due after 5 years	11,098	17,635

Ricoh Leasing Company, Ltd. is involved with structured entities, mainly through securitization of finance lease receivables. These structured entities, which have been designed in a way that voting or similar rights are not the dominating factors in deciding who controls these entities, are consolidated.

Ricoh Leasing Company, Ltd. has the power to direct the activities of the structured entities that most significantly impact the entities' economic performance, and has the right to the profit or the duty to the losses that would be potentially significant to the entities as well. Therefore, the entities are judged to be controlled by Ricoh Leasing Company, Ltd.

In accordance with the contractual arrangements with the structured entities, use of assets and settlement of liabilities of these consolidated structured entities are restricted to the purposes for which they are structured.

The carrying amounts of assets and liabilities of the consolidated structured entities for Ricoh are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Current maturities of finance lease receivables, net	12,482	9,410
Finance lease receivables, net	17,284	15,287
Current maturities of borrowings	10,205	7,755
Borrowings	15,264	12,533

Ricoh Leasing Company, Ltd. transfers a portion of beneficial interests. The transferring of beneficial interests was recorded as financial transactions, since Ricoh Leasing Company, Ltd. retained substantially all the risks and reward of beneficial interests transferred. Lease receivables recognized based on the accounting treatment of consolidation of the structured entities and borrowings, are, in substance, only to be used to settle obligation of the structured entities' liabilities.

The transferred assets which the counterparties have recourse and the associated liabilities are follows:

	Millions of Yen			
	As of March 31, 2014		As of March 31, 2015	
	Carrying amount	Fair value	Carrying amount	Fair Value
Finance lease receivables, net	25,469	26,174	20,288	20,942
Borrowings	25,469	25,322	20,288	20,147

Apart from the transactions mentioned above, some other foreign subsidiaries of the Company transferred lease receivables with recourse. Ricoh recorded these transfers as secured loans, since the risks and economic values are retained. These transactions did not meet the derecognition criteria of financial assets. The assets and liabilities that were accounted for as secured loans are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Current maturities of finance lease receivables, net	3,459	2,312
Finance lease receivables, net	1,432	672
Current maturities of borrowings	3,459	2,312
Borrowings	1,432	672

The transferred assets the counterparties have recourse and the associated liabilities are as follows:

	Millions of Yen			
	As of March 31, 2014		As of March 31, 2015	
	Carrying amount	Fair value	Carrying amount	Fair Value
Finance receivables, net	4,891	5,296	2,984	3,218
Borrowings	4,891	4,938	2,984	2,985

(2) As Lessee

Future minimum lease payments under non-cancellable operating leases are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Due in one year or less	23,009	26,174
Due after one year through five years	46,235	51,461
Due after five years	11,244	10,119

Ricoh made lease payments totaling ¥50,124 million and ¥49,901 million for the years ended March 31, 2014 and 2015, respectively, under cancelable and non-cancelable operating lease agreements for office space, warehouse, machinery and equipment. Some of the agreements contain lease renewal option or escalation clauses.

14. OTHER FINANCIAL ASSETS

The components of other financial assets are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Derivative assets	1,962	4,169
Lease receivables	719,292	762,577
Installment loans	99,292	105,273
Less - Allowance for doubtful receivables	(9,972)	(10,166)
Total	810,574	861,853
Current	249,682	260,056
Non-Current	560,892	601,797

15. OTHER INVESTMENTS

The components of other investments are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Securities	48,856	56,220
Bonds	1,868	2,017
Total	50,724	58,237

16. TRADE AND OTHER PAYABLES

The components of trade and other payables are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Notes payables	23,876	20,184
Accounts payables	190,672	179,213
Other payables	67,409	77,589
Trade and other payables	281,957	276,986

17. LOANS AND BORROWINGS

Long-term borrowings are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Bonds:		
0.57%, straight bonds, payable in yen, due June 2015 issued by the Company	40,000	40,000
0.88%, straight bonds, payable in yen, due June 2017 issued by the Company	20,000	20,000
2.08%, straight bonds, payable in yen, due March 2019 issued by the Company	15,000	15,000
1.47%, straight bonds, payable in yen, due April 2014 issued by a consolidated subsidiary	35,000	-
0.61%, straight bonds, payable in yen, due May 2015 issued by a consolidated subsidiary	20,000	20,000
0.08%, straight bonds, payable in yen, due July 2016 issued by a consolidated subsidiary	10,000	10,000
0.10%, straight bonds, payable in yen, due January 2017 issued by a consolidated subsidiary	10,000	10,000
0.15%, straight bonds, payable in yen, due July 2017 issued by a consolidated subsidiary	-	10,000
0.35%, straight bonds, payable in yen, due November 2017 issued by a consolidated subsidiary	20,000	20,000
0.47%, straight bonds, payable in yen, due July 2018 issued by a consolidated subsidiary	10,000	10,000
0.32%, straight bonds, payable in yen, due January 2019 issued by a consolidated subsidiary	10,000	10,000
0.27%, straight bonds, payable in yen, due July 2019 issued by a consolidated subsidiary	-	10,000
6.75%, straight bonds, payable in yen, due December 2025 issued by a consolidated subsidiary	1,434	1,677
7.30%, straight bonds, payable in yen, due November 2027 issued by a consolidated subsidiary	2,111	2,469
Total bonds	193,545	179,146

Unsecured loans-		
Banks and insurance companies weighted average interest rate	0.67%	0.41%
due 2020	404,181	492,458
Secured loans-		
Banks, insurance companies and other financial weighted average interest rate	0.00%	0.00%
due 2015	99	39
Long-term borrowings from lease transactions (see Note 13)	30,360	23,272
Sub total	628,185	694,915
Less - Current maturities included in "current liabilities"	(175,789)	(126,400)
Total	452,396	568,515

Secured loans collateralized by lease receivables with book values are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Lease receivables	98	39
Total	98	39

All bonds outstanding as of March 31, 2015 are redeemable at the option of Ricoh under certain conditions as provided in the applicable agreements.

Bonds are subject to certain covenants such as restrictions on additional secured borrowings, as defined in the agreements. Ricoh was in compliance with such covenants as of March 31, 2015.

As is customary in Japan, substantially all of the bank borrowings are subject to general agreements with respective banks. Banks may request for additional security for these loans if there is reasonable and probable cause and may treat the additional security, as well as cash deposits, as security for present and future borrowings. Ricoh has never been requested to submit such additional security with respect to any borrowings.

Short-term borrowings consist of the followings:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Borrowings, principally from banks	52,249	37,622
Commercial paper	43,730	58,043
Total	95,979	95,665

	Weighted average interest rate	
	As of March 31, 2014	As of March 31, 2015
Borrowings, principally from banks	1.9%	1.7%
Commercial paper	0.2	0.2

18. PROVISIONS

The changes in provisions are as follows:

	Millions of Yen				
	Asset retirement obligation	Warranties provision	Restructurin g provision	Other provisions	Total
Balance as of April 1, 2014	3,353	1,920	5,145	11,851	22,269
Increase for the year	4,666	2,435	1,810	4,789	13,700
Decrease for the year (applied against provisions)	(128)	(1,158)	(3,822)	(5,304)	(10,412)
Decrease for the year (unused amounts reversed)	(224)	(910)	(464)	(5,975)	(7,573)
Interest expenses for discounting	80	-	-	-	80
Others	197	390	(204)	584	967
Balance as of March 31, 2015	7,944	2,677	2,465	5,945	19,031
Current liabilities	1,087	2,677	2,465	3,052	9,281
Non-current liabilities	6,857	-	-	2,893	9,750

Ricoh recognizes provisions for asset retirement obligation when there is contractual obligation to dismantle, remove or restore assets at the end of lease contracts, or obligation to decontaminate certain fixed assets. Future expected outflows of economic benefits are long-term in nature and may be affected by future business plans.

The warranties provision consists of expenditures on after service of goods and is recognized based on the estimated after service costs during the warranty period. The warranty expenses were included in “post sales and rentals” in “cost of sales”.

The restructuring provision consists of expenditures on restructuring activities such as fixed costs reductions in order to enhance competitiveness. Restructuring provisions are expected to be utilized mainly within the next fiscal year, however, it may be affected by future business plans.

Other provisions mainly consist of litigation provisions. The detailed information of the individual litigation provision is not disclosed as this could be detrimental to Ricoh’s interests.

These provisions were included in “other current liabilities” and “other non-current liabilities” in the consolidated statement of financial position.

19. OTHER FINANCIAL LIABILITIES

The components of other financial liabilities are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Derivative liabilities	17,939	2,484
Lease liabilities	1,215	853
Total	19,154	3,337
Current	18,140	1,800
Non-Current	1,014	1,537

20. GOVERNMENT GRANTS

Government grants, principally arising in Imaging & Solution segment, relate to capital expenditures on R&D base of Ricoh Company, Ltd. and the production facility of a manufacturing subsidiary in Japan. Government grants are recognized in the consolidated statement of profit or loss on a straight-line basis over the period of the grant.

The total balance of government grants, presented as deferred income in "other current liabilities" or "other non-current liabilities" in the consolidated statement of financial position, as of March 31, 2014 and 2015 was ¥6,835 million and ¥6,483 million, respectively.

There are no unfulfilled conditions or contingencies relating to government grants recognized as deferred income.

21. INCOME TAXES

Details of deferred tax assets and liabilities are as follows:

	Millions of Yen				
	As of April 1, 2013	Recognized in profit or loss	Recognized in other comprehensive income	Acquisitions of subsidiaries	As of March 31, 2014
Deferred tax assets:					
Accrued expenses	23,504	152	-	17	23,673
Unrealized profit on inventories	16,700	(739)	-	-	15,961
Depreciation and amortization	13,308	(30)	-	-	13,278
Accrued pension and severance costs	59,811	(13,174)	(3,137)	-	43,500
Net operating loss carryforwards	12,394	(5,355)	-	53	7,092
Other	31,591	9,317	(555)	123	40,476
Total gross deferred tax assets	157,308	(9,829)	(3,692)	193	143,980
Deferred tax liabilities:					
Finance leases	(1,091)	(305)	-	-	(1,396)
Undistributed earnings of foreign subsidiaries and affiliates	(10,513)	2,289	-	-	(8,224)
Net gain (loss) on fair value of available-for-sale financial assets	(6,436)	828	(1,056)	-	(6,664)
Goodwill and intangible assets	(31,397)	1,266	-	(1,961)	(32,092)
Other	(4,552)	1,448	-	-	(3,104)
Total deferred tax liabilities	(53,989)	5,526	(1,056)	(1,961)	(51,480)

Note:
The difference between the amount of "Recognized in profit or loss" recognized in the above and "Deferred tax expenses" is due to foreign exchange fluctuations.

	Millions of Yen				
	As of April 1, 2014	Recognized in profit or loss	Recognized in other comprehensive income	Acquisitions of subsidiaries	As of March 31, 2015
Deferred tax assets:					
Accrued expenses	23,673	(2,477)	-	-	21,196
Unrealized profit on inventories	15,961	2,329	-	-	18,290
Depreciation and amortization	13,278	23	-	-	13,301
Accrued pension and severance costs	43,500	940	8,787	-	53,227
Net operating loss carryforwards	7,092	273	-	-	7,365
Other	40,476	(7,358)	-	-	33,118
Total gross deferred tax assets	143,980	(6,270)	8,787	-	146,497
Deferred tax liabilities:					
Finance leases	(1,396)	434	-	-	(962)
Undistributed earnings of foreign subsidiaries and affiliates	(8,224)	(151)	(61)	-	(8,436)
Net gain (loss) on fair value of available-for-sale financial assets	(6,664)	1,191	(2,596)	-	(8,069)
Goodwill and intangible assets	(32,092)	(1,790)	-	(858)	(34,740)
Other	(3,104)	1,748	(911)	-	(2,267)
Total deferred tax liabilities	(51,480)	1,432	(3,568)	(858)	(54,474)

Note:
The difference between the amount of "Recognized in profit or loss" recognized in the above and "Deferred tax expenses" is due to foreign exchange fluctuations.

Ricoh assesses the probability that a portion of, or all of the future deductible temporary differences or operating loss carry forwards can be utilized against future taxable profits on recognition of deferred tax assets. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible and whether loss carryforwards are utilizable. Ricoh considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, Ricoh believes it is more likely than not that the deferred tax assets of these deductible differences will be realized. The amount of the deferred tax asset considered realizable, however, would be reduced if estimates of future taxable income during the carryforward period are reduced.

Net operating loss carryforwards and deductible temporary differences for which deferred tax assets have not been recognized are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Net operating loss carryforwards	215,948	137,525
Deductible temporary differences	31,093	37,118
Total	247,041	174,643

The expiration date and amounts of tax losses carry forward for which deferred tax assets are not recognized are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Within 4 years	9,411	9,716
After 5 years and thereafter	206,537	127,809
Total	215,948	137,525

Details of current tax expense and deferred tax expense are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Current tax expense:		
Current year	32,856	29,749
Total current tax expense	32,856	29,749
Deferred tax expense:		
Origination and reversal of temporary differences	7,468	7,562
Changes in tax rates	1,665	3,843
Changes of unrecognized deferred tax assets in previous years	(2,378)	(2,556)
Total deferred tax expense	6,755	8,849
Total provision for income taxes	39,611	38,598

The Company and its domestic subsidiaries are subject to a number of income taxes, which, in the aggregate, represent a statutory income tax rate of approximately 38% for the year ended March 31, 2014 and approximately 36% for the year ended March 31, 2015.

The corporate tax rate has been changed due to the new laws enacted by the Japanese government in March 2015. As a result of this change in tax law, the statutory tax rate of calculating deferred tax assets and liabilities that are expected to be settled and realized from the period of April 1, 2015 has been changed from 36% to 33%.

The reconciliation of the statutory income tax (benefit) rate to the effective income tax rate is as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Statutory tax (benefit) rate	38%	36%
Nondeductible expenses	0	0
Changes of unrecognized deferred tax assets in previous years	(2)	(2)
Tax credit for research and development and other	(1)	(1)
Income tax exposures	(2)	1
Taxes on undistributed earnings of foreign subsidiaries	0	0
Difference in statutory tax rates of foreign subsidiaries	(2)	(4)
Change in tax law and rate	1	3
Other, net	2	1
Effective tax rate	34	34

Ricoh does not recognize deferred tax liability on the taxable temporary differences associated with a portion of undistributed retained earnings in foreign subsidiaries because Ricoh is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences would not reverse in the foreseeable future.

The amount of those taxable temporary differences as of March 31, 2014 and 2015 were ¥323,735 million and ¥334,446 million, respectively. The calculation of the amount of unrecognized deferred tax liability related to these earnings is not practicable.

22. EMPLOYEE BENEFITS

(1) Defined benefit plans

Ricoh has defined benefit corporate pension plans and lump-sum payment plans. The benefits on these defined benefit plans are provided based on employees' years of service, compensation level and other terms. Contributions to these plans have been made to provide future pension payments in conformity with an actuarial calculation determined by the current basic rate of salary payment.

The Company and some of its subsidiaries have contract-type corporate pension plan based on pension provision. The Company and some of its subsidiaries have established "Ricoh group corporate pension provision" stipulating the contents of the pension plan such as eligibility requirements, content and way of benefit payments, burden of contributions with the agreement of their employees, and have been approved by the Minister of Health, Labour and Welfare. The Company and some of its subsidiaries maintain the plan by exchanging contracts with trust banks and insurance companies for the payment of contributions, management of accumulated funds. The trust banks maintain and manage the plan assets while they perform actuarial calculation and payments of annual and lump-sum benefit.

The Company and some of its subsidiaries are responsible for executing operations related to the administration and investment of pension reserves for the participants in compliance with laws and regulations, any orders issued by the Minister of Health, Labour and Welfare. Furthermore, the Company and some of its subsidiaries are prohibited from engaging in any actions that could hinder proper administration and investment of the pension reserves for the purpose of furthering their own interests or the interests of third parties other than the participants.

From October 1, 2013 and April 1, 2014, some of subsidiaries in Japan have modified a portion of the existing defined benefit pension plans into defined contribution plan. As a result of this modification, Ricoh recognized past service cost and settlement gain and loss in the consolidated statement of profit or loss for the year ended March 31, 2014 and settlement gain and loss in the consolidated statement of profit or loss for the year ended March 31, 2015.

In December 2014, certain subsidiaries in the United States offered voluntary lump-sum pension payout options to employees and made a lump-sum payment to applicants of this offer. As a result, Ricoh recognized settlement gain and loss in the consolidated statement of profit or loss for the year ended March 31, 2015.

The changes in the defined benefit obligations and plan assets of the pension plans are as follows:

Domestic plans	Millions of Yen For the year ended March 31, 2014	Millions of Yen For the year ended March 31, 2015
Net defined benefit obligations at beginning of year:	112,360	76,628
Change in the present value of defined benefit obligations:		
Defined benefit obligations at beginning of year	276,613	249,495
Current service cost	9,550	8,995
Past service cost	(13,573)	-
Interest cost	3,283	2,412
Actuarial loss (i)	3,432	7,095
Settlements	(18,459)	(3,468)
Benefits paid	(11,351)	(11,703)
Defined benefit obligations at end of year	249,495	252,826
Change in plan assets:		
Fair value of plan assets at beginning of year	164,253	172,867
Interest income	2,193	1,611
Income related to plan assets (ii)	6,888	13,682
Employer contributions	9,165	10,246
Partial withdrawal of plan assets	(340)	(339)
Benefits paid	(9,292)	(11,461)
Fair value of plan assets at end of year	172,867	186,606
Net defined benefit obligations at end of year	76,628	66,220

Foreign plans	Millions of Yen For the year ended March 31, 2014	For the year ended March 31, 2015
Net defined benefit obligations at beginning of year:	54,156	47,880
Change in the present value of defined benefit obligations:		
Defined benefit obligations at beginning of year	237,607	265,716
Current service cost	1,641	1,265
Past service cost	(1,200)	(3,822)
Interest cost	10,646	11,234
Plan participants' contributions	595	313
Actuarial gain and loss (i)	(4,308)	61,550
Settlements	(46)	(48,767)
Benefits paid	(9,638)	(10,125)
Foreign exchange impact and other	30,419	23,735
Defined benefit obligations at end of year	265,716	301,099
Change in plan assets:		
Fair value of plan assets at beginning of year	183,451	217,836
Interest income	8,840	7,673
Income related to plan assets (ii)	725	23,041
Employer contributions	8,669	10,474
Plan participants' contributions	595	313
Partial withdrawal of plan assets	-	(1,069)
Settlements	-	(44,847)
Benefits paid	(9,638)	(10,125)
Foreign exchange impact and other	25,194	19,197
Fair value of plan assets at end of year	217,836	222,493
Net defined benefit obligations at end of year	47,880	78,606

(i) Actuarial gain and loss for the year ended March 31, 2014 mainly arose from changes in financial assumptions. Actuarial loss for the year ended March 31, 2015 arising from changes in demographic assumptions was ¥12,130 million which was mainly recognized in overseas subsidiaries. Other actuarial loss arose from changes in financial assumptions.

(ii) Income related to plan assets excludes interest income.

The weighted-average significant actuarial assumptions used to determine defined benefit obligations are as follows:

	Domestic plans		Foreign plans	
	As of March 31, 2014	As of March 31, 2015	As of March 31, 2014	As of March 31, 2015
Discount rate	1.0%	0.7%	4.4%	3.5%
Rate of compensation increase	2.3%	2.3%	2.5%	2.3%

In situations where the discount rate changes, the effects on the defined benefit obligation as of March 31, 2014 and 2015 are shown below. The sensitivity analysis is based on the assumption that there are no other changes in the actuarial calculations, but, in fact, other changes in assumptions could possibly effect the defined benefit obligation. Ricoh does not expect any changes in the rate of compensation to increase.

	Millions of Yen For the year ended March 31, 2014	For the year ended March 31, 2015
Increase of 0.5 of a percentage point	(33,053)	(36,456)
Decrease of 0.5 of a percentage point	36,438	39,927

The fair value of plan assets as of March 31, 2014, by asset class is as follows:

Domestic plans	Millions of Yen As of March 31, 2014 Assets with quoted market prices in an active market	 Assets without quoted market prices in an active market	 Total
Equity securities:			
Domestic companies	17,132	-	17,132
Pooled funds	-	25,982	25,982
Debt securities:			
Domestic bonds	8,749	-	8,749
Pooled funds	-	76,753	76,753
Life insurance company general accounts	-	25,688	25,688
Other assets	15	18,548	18,563
Total assets	25,896	146,971	172,867

Foreign plans	Millions of Yen As of March 31, 2014 Assets with quoted market prices in an active market	 Assets without quoted market prices in an active market	 Total
Equity securities:			
Foreign companies	10,128	-	10,128
Pooled funds	-	44,645	44,645
Debt securities:			
Foreign bonds	68,264	-	68,264
Pooled funds	16,197	48,389	64,586
Life insurance company general accounts	-	24,230	24,230
Other assets	3,176	2,807	5,983
Total assets	97,765	120,071	217,836

The fair value of plan assets as of March 31, 2015, by asset class is as follows:

Domestic plans	Millions of Yen As of March 31, 2015 Assets with quoted market prices in an active market	Assets without quoted market prices in an active market	Total
Equity securities:			
Domestic companies	21,240	-	21,240
Pooled funds	-	31,895	31,895
Debt securities:			
Domestic bonds	8,655	-	8,655
Pooled funds	-	80,323	80,323
Life insurance company general accounts	-	26,199	26,199
Other assets	13	18,281	18,294
Total assets	29,908	156,698	186,606

Foreign plans	Millions of Yen As of March 31, 2015 Assets with quoted market prices in an active market	Assets without quoted market prices in an active market	Total
Equity securities:			
Foreign companies	6,191	-	6,191
Pooled funds	-	43,774	43,774
Debt securities:			
Foreign bonds	63,051	-	63,051
Pooled funds	18,765	57,049	75,814
Life insurance company general accounts	-	27,721	27,721
Other assets	2,639	3,303	5,942
Total assets	90,646	131,847	222,493

Ricoh's investment objectives are to maximize returns subject to specific risk management policies. Its risk management policies permit investments in mutual funds and debt and equity securities and prohibit speculative investment in derivative financial instruments. Ricoh addresses diversification by the use of mutual fund investments whose underlying investments are in domestic and international fixed income securities and domestic and international equity securities. These mutual funds are readily marketable and can be sold to fund benefit payment obligations as they become payable.

Ricoh's model portfolio for domestic plans consists of three major components: approximately 25% is invested in equity securities, approximately 50% is invested in debt securities and approximately 25% is invested in other investment vehicles, primarily consisting of investments in life insurance company general accounts.

Outside Japan, investment policies vary by country, but the long-term investment objectives and strategies remain consistent. Ricoh's model portfolio for foreign plans has been developed as follows: approximately 25% is invested in equity securities, approximately 60% is invested in debt securities, and approximately 15% is invested in other investment vehicles, primarily consisting of investments in life insurance company general accounts.

Ricoh expects to contribute ¥20,680 million to its pension plans for the year ending March 31, 2016.

The weighted average duration of defined benefit obligations was mainly 14 years as of March 31, 2015.

(2) Defined contribution plans

The Company and certain subsidiaries have defined contribution plans. The cost of defined contribution plans for the years ended March 31, 2014 and 2015 were ¥11,363 million and ¥13,174 million, respectively.

(3) Employee benefit expenses

The employee benefit expenses included in "cost of sales" and "selling, general and administrative expenses" on consolidated statement of profit or loss for the years ended March 31, 2014 and 2015 were ¥687,605 million and ¥729,216 million, respectively.

23. CAPITAL AND RESERVES

(1) Common Stock

The numbers of shares authorized and issued are as follows:

	Number of shares	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Authorized:		
Ordinary shares	1,500,000,000	1,500,000,000
Issued:		
Balance, beginning of year	744,912,078	744,912,078
Adjustment for the year	-	-
Balance, end of year	744,912,078	744,912,078

The number of shares of treasury stock as of March 31, 2014 and 2015 included in the number of shares issued shown above were 19,995,714 shares and 20,011,200 shares, respectively.

(2) Reserves

(a) Additional Paid-in Capital

Under the Company Law of Japan (“the Company Law”), at least 50% of the proceeds of certain issues of common shares shall be credited to Common stock. The remainder of the proceeds shall be credited to Additional paid-in capital. The Company Law permits, upon approval at the general meeting of shareholders, the transfer of amounts from Additional paid-in capital to Common stock.

(b) Retained Earnings

The Company Law provides that a 10% dividend of retained earnings shall be appropriated as additional paid-in capital or as a legal reserve until the aggregate amount of the additional paid-in capital and the legal reserve equals 25% of common stock. The legal reserve may be used to eliminate or reduce a deficit or be transferred to retained earnings upon approval at the general meeting of shareholders.

Retained earnings available for dividends under the Company Law is based on the amount recorded in the Company’s general accounting records maintained in accordance with accounting principles generally accepted in Japan.

The Company Law limits the amount of retained earnings available for dividends. Retained earnings of ¥286,896 million and ¥291,193 million as of March 31, 2014 and 2015, respectively, were not restricted by the limitations under the Company Law.

(3) Dividends

Dividends paid are as follows:

Resolution	Class of shares	Amount of dividends	Dividends per share	Record date	Effective date
		(Millions of Yen)	(Yen)		
Ordinary general meeting of shareholders held on June 21, 2013	Ordinary shares	11,963	16.5	March 31, 2013	June 24, 2013
Board of Directors' meeting held on October 31, 2013	Ordinary shares	11,962	16.5	September 30, 2013	December 2, 2013
Ordinary general meeting of shareholders held on June 20, 2014	Ordinary shares	11,961	16.5	March 31, 2014	June 23, 2014
Board of Directors' meeting held on October 27, 2014	Ordinary shares	12,323	17.0	September 30, 2014	December 1, 2014

Dividends whose record date is in the current fiscal year but whose effective date is in the following fiscal year are as follows:

Resolution	Class of shares	Amount of dividends	Source of dividends	Dividends per share	Record date	Effective date
		(Millions of Yen)		(Yen)		
Ordinary general meeting of shareholders held on June 19, 2015	Ordinary shares	12,323	Retained earnings	17.0	March 31, 2015	June 22, 2015

24. FINANCIAL INSTRUMENTS

(1) Capital management

Ricoh's capital management policy is to maintain a strong financial position, which enables us to procure sufficient funds for business expansion, and to build efficient capital structure, in order to achieve continuous growth and increase corporate value.

Ricoh manages net interest-bearing debt, where cash and cash equivalents are deducted from interest-bearing debt, capital (equity attributable to owners of the parent company) and the debt-to-equity ratio (ratio of interest-bearing debt to equity). The amounts as of each year end are as follows:

In addition, Ricoh manages net interest-bearing debt, excluding debt from sales financing, for managerial purpose.

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Interest-bearing debt	724,164	790,580
Cash and deposit	(144,104)	(138,649)
Net interest-bearing debt	580,060	651,931
Capital (equity attributable to owners of the parent company)	1,029,413	1,084,167
Debt Equity Ratio	0.56	0.60

(2) Market risk management

(a) Foreign currency exchange rate risk

(i) Foreign currency exchange rate risk management

The financial results, assets and liabilities are subject to foreign exchange fluctuations because of the high volume of Ricoh's production and sales activities in the Americas, Europe and Other, such as China.

Ricoh enters into foreign currency contracts and foreign currency options to hedge against the potentially adverse impacts of foreign currency fluctuations on those assets and liabilities denominated in foreign currencies.

(ii) Foreign currency contracts and foreign currency option contracts

Foreign currency contracts and foreign currency option contracts are as follows:

Foreign Currency Contracts

	As of March 31, 2014		
	Average contractual rates (Yen)	Contract amounts (Millions of Yen)	Fair value (Millions of Yen)
U.S. dollar/¥	87.23	121,255	(15,825)
Euro/¥	140.75	36,583	(200)
Other currencies		2,466	(35)
Total		160,304	(16,060)

	As of March 31, 2015		
	Average contractual rates (Yen)	Contract amounts (Millions of Yen)	Fair value (Millions of Yen)
U.S. dollar/¥	119.46	53,370	(216)
Euro/¥	133.92	24,831	354
Other currencies		11,653	(1,352)
Total		89,854	(1,214)

Foreign Currency Option Contracts

	As of March 31, 2014		
	Average contractual rates (Yen)	Contract amounts (Millions of Yen)	Fair value (Millions of Yen)
Options purchased to sell foreign currencies			
U.S. dollar/¥	103.03	1,945	(4)
Euro/¥	142.00	6,927	5
Total		8,872	1
Options written to buy foreign currencies			
U.S. dollar/¥	103.03	1,945	(4)
Euro/¥	142.20	5,510	(7)
Total		7,455	(11)

	As of March 31, 2015		
	Average contractual rates (Yen)	Contract amounts (Millions of Yen)	Fair value (Millions of Yen)
Options purchased to sell foreign currencies			
U.S. dollar/¥	120.53	5,312	(13)
Euro/¥	137.95	20,982	(72)
Total		26,294	(85)
Options written to buy foreign currencies			
U.S. dollar/¥	119.18	5,311	4
Euro/¥	134.30	11,859	415
Total		17,170	419

(iii) Sensitivity analysis for foreign currency

The following table represents Ricoh's sensitivity analysis for foreign currency risk exposures. The analysis shows the hypothetical impact on operating profit in the consolidated statement of profit or loss that would result from a 1 yen appreciation of the Yen against U.S. dollar and Euro for the recurring positions at the end of the year. The analysis is based on the assumption that exchange rate other than U.S. dollar and Euro is constant.

Sensitivity analysis for foreign exchange exposure is as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
U.S. dollar	(812)	(562)
Euro	(1,377)	(1,387)

(b) Interest rate risk

(i) Interest rate risk management

Interest-bearing debt with floating rates is exposed to interest rate fluctuation risk.

Derivative financial contracts that Ricoh enters into are interest rate swap agreements to hedge against the potentially adverse impacts of cash flow fluctuations on its outstanding debt interests. Ricoh uses these financial instruments to reduce its risk in conformity with Ricoh's policy.

(ii) Sensitivity analysis for interest rate

In cases where the interest rate of financial instruments held by Ricoh as of March 31, 2014 and 2015 increase by 1%, the impact on profit before income taxes in the consolidated statement of profit or loss is as follows:

The analysis is subject to financial instruments affected by interest rate fluctuation and based on the assumption that other factors, including the impacts of foreign exchange fluctuation, are constant.

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Profit before income tax expenses	(1,153)	(578)

(3) Credit risk management

Trade and other receivables are exposed to customer credit risk. The management responsible for trade receivables is focused on establishing appropriate credit limits, ongoing credit evaluation and account monitoring procedures. Ricoh adjusts the credit limits based on the result of the monitoring procedures in order to minimize the potential risk such as concentration of credit risk and credit default. In derivative transactions, Ricoh uses only creditworthy financial institutions to reduce credit risks.

The total carrying amount of financial assets represents the maximum amount of exposure to credit risk.

Ricoh continuously monitors overdue trade and other receivables and finance receivables, which Ricoh considers as uncollectible risk receivables. For trade and other receivables and finance receivables with specific customer collection issues, Ricoh individually evaluates their collectability in order to determine the amount of allowance for doubtful receivables. For other receivables, Ricoh categorizes these receivables into groups by their nature and characteristics. Ricoh collectively evaluates the collectability by each group, using its historical experience of write-offs and determines the amount of allowance for doubtful receivables.

Allowance for doubtful receivables is as follows:

	Millions of Yen		
	Trade and other receivables	Finance receivables	Total
As of April 1, 2013	15,424	10,249	25,673
Impairment losses	4,157	1,511	5,668
Charge-off	(1,410)	(2,025)	(3,435)
Translation adjustments	888	237	1,125
As of March 31, 2014	19,059	9,972	29,031
Impairment losses	2,316	2,315	4,631
Charge-off	(2,412)	(2,254)	(4,666)
Translation adjustments	170	133	303
As of March 31, 2015	19,133	10,166	29,299

As of March 31, 2014 and 2015, the total gross amounts of trade and other receivables and finance receivables that were determined to be impaired and subject to write off individually were ¥38,229 million and ¥27,894 million, respectively and the allowance for doubtful receivables recognized as of March 31, 2014 and 2015 were ¥17,076 million and ¥20,023 million, respectively.

The aging of trade and other receivables and finance receivables are past due at the end of reporting period but not impaired is as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Past due in 1-90 days	83,300	81,977
Past due 91 - 365 days	10,723	6,683
Past due 366 days or more	2,395	1,129
Total	96,418	89,789

(4) Liquidity risk management

Ricoh raises funds through borrowings from financial institutions or issuance of bonds. These liabilities are exposed to the liquidity risk that Ricoh would not be able to repay liabilities on the due date due to the deterioration of the financing environment.

The Company and its certain subsidiaries committed lines of credit and overdraft facilities with financial institutions as well as commercial paper programs.

Ricoh has implemented cash management system as a pooling-of-funds arrangement to achieve greater efficiencies in the utilization of liquidity on hand from one group company to another company through finance subsidiaries located in each region.

Ricoh has various funding methods and also has several committed lines of credit with financial institutions in order to reduce the liquidity risk.

An analysis of the contractual maturities of financial liabilities other than guarantee liabilities is as follows:

	Millions of Yen							
	As of March 31, 2014							
	Carrying amount	Contractual cash flows	Due within 1 year or less	Due between 1 year and 2 years	Due between 2 years and 3 years	Due between 3 years and 4 years	Due between 4 years and 5 years	Due after 5 years
Non-derivative financial liabilities								
Trade and other payables	281,957	281,957	281,957	-	-	-	-	-
Short-term borrowings	95,979	95,998	95,998	-	-	-	-	-
long-term borrowings	434,640	438,195	141,897	63,174	120,735	64,963	37,641	9,785
Bonds	193,545	200,089	36,324	61,009	20,912	40,732	35,604	5,508
Subtotal	1,006,121	1,016,239	556,176	124,183	141,647	105,695	73,245	15,293
Derivative financial liabilities								
Interest rate swap agreements	1,451	1,451	605	186	426	173	43	18
Foreign currency contracts	16,478	16,478	16,478	-	-	-	-	-
Foreign currency options	10	10	10	-	-	-	-	-
Subtotal	17,939	17,939	17,093	186	426	173	43	18
Total	1,024,060	1,034,178	573,269	124,369	142,073	105,868	73,288	15,311

	Millions of Yen							
	As of March 31, 2015							
	Carrying amount	Contractual cash flows	Due within 1 year or less	Due between 1 year and 2 years	Due between 2 years and 3 years	Due between 3 years and 4 years	Due between 4 years and 5 years	Due after 5 years
Non-derivative financial liabilities								
Trade and other payables	276,986	276,986	276,986	-	-	-	-	-
Short-term borrowings	95,665	95,686	95,686	-	-	-	-	-
long-term borrowings	515,769	519,398	67,488	125,077	113,340	112,219	70,376	30,898
Bonds	179,146	185,313	61,093	20,996	50,806	35,673	10,302	6,443
Subtotal	1,067,566	1,077,383	501,253	146,073	164,146	147,892	80,678	37,341
Derivative financial liabilities								
Interest rate swap agreements	1,042	1,042	93	291	174	104	330	50
Foreign currency contracts	1,433	1,433	1,421	12	-	-	-	-
Foreign currency options	9	9	9	-	-	-	-	-
Subtotal	2,484	2,484	1,523	303	174	104	330	50
Total	1,070,050	1,079,867	502,776	146,376	164,320	147,996	81,008	37,391

Ricoh enters into overdrafts and lines of credit arrangements with financial institutions. These financial institutions also hold the commercial papers issued by Ricoh.

The total of overdrafts and lines of credits are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Overdrafts		
Used	73,464	49,532
Unused	383,583	418,225
Total	457,047	467,757
Lines of credit		
Used	43,730	58,043
Unused	237,146	228,009
Total	280,876	286,051

(5) Fair value of financial instruments by type

Carrying amounts and fair values of the major financial instruments are as follows:

	Millions of Yen			
	As of March 31, 2014		As of March 31, 2015	
	Carrying amount	Fair value	Carrying amount	Fair Value
Assets:				
Trade receivables	60,244	62,203	71,531	74,214
Lease receivables	710,728	730,730	753,920	777,935
Installment loans	97,884	98,697	103,764	104,600
Derivative assets	1,962	1,962	4,169	4,169
Securities	48,856	48,856	56,220	56,220
Bonds	1,868	1,868	2,017	2,017
Total	921,542	944,316	991,621	1,019,155
Liabilities:				
Derivative liabilities	(17,939)	(17,939)	(2,484)	(2,484)
Loans and borrowings	(452,396)	(450,372)	(568,515)	(564,609)
Lease liabilities	(1,215)	(1,214)	(853)	(853)
Total	(471,550)	(469,525)	(571,852)	(567,946)

Note:

(i) Cash and cash equivalents, time deposits, and trade and other payables

These financial instruments are not included in the table above, as the carrying amounts approximate fair values due to the relatively short term nature.

(ii) Trade and other receivables

The receivables settled in a short period of trade and other receivables are not included in the table above, because the carrying amounts approximate fair values because of the short maturities of these instruments.

Fair value of the receivables expected to be recovered or settled after more than 12 months, per each receivable classified per certain business types, are calculated based on present value of such receivable discounted by the interest rate, which takes into account the period to maturity and the credit risk.

Trade and other receivables using inputs described above are classified as Level 2 under the fair value measurement and disclosure framework.

(iii) Lease receivables and installment loans

Fair value of lease receivables and installment loans, per each receivable classified per certain period, are calculated based on present value of such receivable discounted by the interest rate, which takes into account the period to maturity and the credit risk. Lease receivables and installment loans using inputs described above are classified as Level 2 under the fair value measurement and disclosure framework.

(iv) Derivatives

Derivative instruments consist of foreign currency contracts, foreign currency options and interest rate swap agreements. Fair values of these instruments are mainly measured by obtaining quotes from brokers.

(v) Securities and bonds

Securities and bonds include mainly marketable securities, bonds and unlisted securities. Marketable securities and bonds are held at fair value using quoted prices in an active market. The fair value of unlisted securities is measured using the comparable companies' analysis or other reasonable valuation methods.

(vi) Loans, borrowings and lease liabilities

Loans and borrowings expected to be settled in less than 12 months are not included in the table above, as the carrying amounts approximate fair values due to the short maturities of these instruments.
Fair value of loans, borrowings and lease liabilities are calculated from estimated present value using

year-end borrowing rates derived from future cash flows, on a per-loan basis, as well as calculated based on market prices. Loans, borrowings and lease liabilities using inputs described above are classified as Level 2 under the fair value measurement and disclosure frame.

(6) Fair value hierarchy applied in consolidated statement of financial position

The fair value hierarchy of financial instruments is categorized as follows from Level 1 to Level 3:

Level 1: Quoted prices in active markets with respect to identical assets or liabilities

Level 2: Inputs other than quoted prices that are observable, either directly or indirectly

Level 3: Inputs not based on observable market data

The following tables present the fair-value hierarchy of financial assets and liabilities that are measured at the fair values in the consolidated statement of financial position.

	Millions of Yen			
	As of March 31, 2014			
	Level 1	Level 2	Level 3	Total
Derivative assets	-	1,962	-	1,962
Securities	46,878	-	1,978	48,856
Bonds	1,868	-	-	1,868
Total assets	48,746	1,962	1,978	52,686
Derivative liabilities	-	17,939	-	17,939
Total liabilities	-	17,939	-	17,939

	Millions of Yen			
	As of March 31, 2015			
	Level 1	Level 2	Level 3	Total
Derivative assets	-	4,169	-	4,169
Securities	53,736	-	2,484	56,220
Bonds	2,017	-	-	2,017
Total assets	55,753	4,169	2,484	62,406
Derivative liabilities	-	2,484	-	2,484
Total liabilities	-	2,484	-	2,484

Note:

(i) Derivative instruments consist of foreign currency contracts, foreign currency options and interest rate swap agreements. These derivative instruments are classified as Level 2 in the fair value hierarchy, since they are valued using observable market data such as LIBOR-based yield curves.

(ii) Securities and Bonds are classified as Level 1 in the fair value hierarchy contains marketable equity securities and bonds. Marketable equity securities and bonds are valued using a market approach based on the quoted market prices of identical instruments in active markets. As for unlisted securities, Ricoh determines the fair value based on an approach using observable inputs such as the comparable company's share prices and unobservable inputs, and therefore unlisted securities are classified as Level 3.

Reconciliation of financial assets categorized at Level 3 from beginning balances to ending balances is as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Beginning balance	1,701	1,978
Total gains or losses:	(78)	58
- in profit or loss (i)	(17)	-
- in other comprehensive income (ii)	(61)	58
Purchases	457	673
Sales	(5)	(53)
Others	(97)	(172)
Ending balance	1,978	2,484

Note:

(i) Total gains or losses for the years ended March 31, 2014 and 2015 included in profit or loss relate to available-for-sale financial assets at the end of the reporting period. Related loss of these assets was included in “finance costs” (see Note 27 “Finance Income and Finance Costs”).

(ii) Total gains or losses for the years ended March 31, 2014 and 2015 included in other comprehensive income relate to the shares not traded in the market. Related profit and loss was included in “net gain on fair value of available-for-sale financial assets” (see Note 28 “Other Comprehensive Income”).

(7) Derivative financial instruments and hedging activities

Ricoh manages its exposure to certain market risks, primarily foreign currency and interest rate risks, through the use of derivative instruments. As a matter of Ricoh’s policy, Ricoh does not enter into derivative contracts for trading or speculative purposes.

Ricoh recognizes all derivative instruments as either assets or liabilities in the consolidated statement of financial position and measures those instruments at fair value. When Ricoh enters into a derivative contract, Ricoh makes a determination as to whether or not the hedging relationship meets the hedge effectiveness requirements.

In general, a derivative instrument may be designated as either a hedge of the exposures to changes in fair value of a recognized asset or liability or an unrecognized firm commitment (“fair value hedge”) or a hedge of the exposure to changes in variability of the expected cash flows associated with an existing asset or liability or a forecasted transaction (“cash flow hedge”).

The periods in which the cash flows associated with the cash flow hedge derivatives are expected to occur and the periods in which the cash flows are expected to enter into the determination of profit or loss are from 1 year to 7 years.

Gains and losses resulting from the fair values of derivatives not designated as hedging instruments were ¥3,847 million (gain) and ¥6,970 million (loss) for the years ended March 31, 2014 and 2015, respectively and are included in "finance income" and "finance costs" on consolidated statement of profit or loss. The gains and losses as noted above were mainly due to the impact of foreign exchange.

The fair values of cash flow hedges and fair value hedges are as follows:

	Millions of Yen	
	As of March 31, 2014	As of March 31, 2015
Cash flow hedge	201	2,950
Fair value hedge	49	33
Total	250	2,983

25. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Details of selling, general and administrative expenses are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Personnel expenses	473,026	503,455
Rental payments	40,301	39,584
Depreciation and amortization expenses	37,112	37,300
Shipping and handling costs	26,774	28,786
Advertising costs	11,804	11,195
Restructuring charges	11,322	1,011
Others	152,541	169,822
Total	752,880	791,153

26. RESEARCH AND DEVELOPMENT

Research and development expenses are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Research and development expenses	94,372	98,285

27. FINANCE INCOME AND FINANCE COSTS

Details of finance income and finance costs are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Finance income		
Dividend income		
Available-for-sale financial assets	1,407	1,385
Interest income		
Loans and receivables	1,096	1,256
Available-for-sale financial assets	85	83
Gain on sales		
Available-for-sale financial assets	4,284	30
Foreign currency exchange gain, net	-	795
Other finance income	-	414
Total finance income	6,872	3,963

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Finance costs		
Interest costs		
Interest-bearing debt	7,391	7,031
Provisions	62	80
Impairment losses		
Available-for-sale financial assets	17	-
Loss on sales		
Available-for-sale financial assets	54	142
Foreign currency exchange loss, net	1,597	-
Other finance costs	-	128
Total finance costs	9,121	7,381

28. OTHER COMPREHENSIVE INCOME

The components of other comprehensive income (loss) are as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Remeasurement of defined benefit		
Gains (losses) arising during the year	5,352	(23,135)
Reclassification adjustments to profit or loss for the year	-	-
Total	5,352	(23,135)
Net gain on fair value of available-for-sale financial assets		
Gains (losses) arising during the year	4,598	5,241
Reclassification adjustments to profit or loss for the year	(2,705)	75
Total	1,893	5,316
Net gain on fair value of cash flow hedges		
Gains (losses) arising during the year	748	1,722
Reclassification adjustments to profit or loss for the year	106	116
Total	854	1,838
Exchange differences on translation of foreign operations		
Gains (losses) arising during the year	58,580	27,224
Reclassification adjustments to profit or loss for the year	-	-
Total	58,580	27,224

Tax effects of other comprehensive income (losses) (including those attributable to non-controlling interests) are as follows:

	Millions of Yen					
	For the year ended March 31, 2014			For the year ended March 31, 2015		
	Pretax amount	Tax benefit (expense)	Net-of-tax amount	Pretax amount	Tax benefit (expense)	Net-of-tax amount
Remeasurement of defined benefit	8,489	(3,137)	5,352	(31,922)	8,787	(23,135)
Net gain on fair value of available-for-sale financial assets	2,949	(1,056)	1,893	7,912	(2,596)	5,316
Net gain on fair value of cash flow hedges	1,364	(510)	854	2,749	(911)	1,838
Exchange differences on translation of foreign operations	58,625	(45)	58,580	27,285	(61)	27,224
Total other comprehensive income	71,427	(4,748)	66,679	6,024	5,219	11,243

29. EARNINGS PER SHARE

Earnings per share are as follows:

Diluted net income per share for the years ended March 31, 2014 and 2015 is omitted because the Company did not have potentially dilutive common shares that were outstanding for the year.

	For the year ended March 31, 2014	For the year ended March 31, 2015
Profit attributable to owners of the parent company (millions of yen)	72,818	68,562
Weighted average number of issued and outstanding shares (thousands of shares)	724,981	724,908
Earnings per share (attributable to owners of the parent) (yen)	100.44	94.58

30. RELATED PARTIES

Ricoh had transactions with the following company which is wholly owned by a director of the Company.

		Millions of Yen	
Company name	Transaction	For the year ended March 31, 2014	For the year ended March 31, 2015
MUSE ASSOCIATES, INC.	Consulting fee	37	23

Transactions are priced on an arm's length basis and are conducted under normal market terms and conditions. There are no unpaid account payable balances related to this transaction as at March 31, 2014 and 2015.

Directors' remuneration during the year is as follows:

	Millions of Yen	
	For the year ended March 31, 2014	For the year ended March 31, 2015
Remuneration, including bonuses	550	524

31. CAPITAL COMMITMENTS AND CONTINGENCIES

As of March 31, 2014 and 2015, Ricoh had outstanding contractual commitments for acquisition or construction of property, plant and equipment and other assets aggregating ¥42,699 million and ¥29,314 million.

As of March 31, 2014 and 2015, there were no significant contingent liabilities.

As of March 31, 2015, the Company and certain subsidiaries were parties to litigation involving routine matters, such as patent rights. In the opinion of management, the ultimate liability, if any, resulting from such litigation will not materially affect the consolidated financial position or the results of operations of Ricoh.

32. GROUP ENTITIES

See “4. Information on Affiliates” in “I. Overview of the Company”.

Ricoh Leasing Co., Ltd. has non-controlling interests that are material to the Company. “Total assets” of Ricoh Leasing Co., Ltd. as of March 31, 2014 and 2015 were ¥865,483 million and ¥898,006 million, respectively, and “total liabilities” were ¥736,904 million and ¥759,669 million, respectively. “Profit” for the years ended March 31, 2014 and 2015 was ¥10,477 million and ¥9,515 million, respectively, and “comprehensive income” was ¥10,349 million and ¥11,329 million, respectively.

33. SUBSEQUENT EVENTS

There are no material subsequent events.

34. AUTHORIZATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue by Zenji Miura, Representative Director and President, and Daisuke Segawa, Corporate Senior Vice President and Corporate Financial Executive, on June 26, 2015.

KPMG

Independent Auditor's Report

To the Board of Directors of Ricoh Company, Ltd.:

We have audited the accompanying consolidated financial statements of Ricoh Company, Ltd. and its consolidated subsidiaries, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows and notes to the consolidated financial statements for the financial year from April 1, 2014 to March 31, 2015.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Ricoh Company, Ltd. and its consolidated subsidiaries as at March 31, 2015, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG AZSA LLC

June 26, 2015
Tokyo, Japan