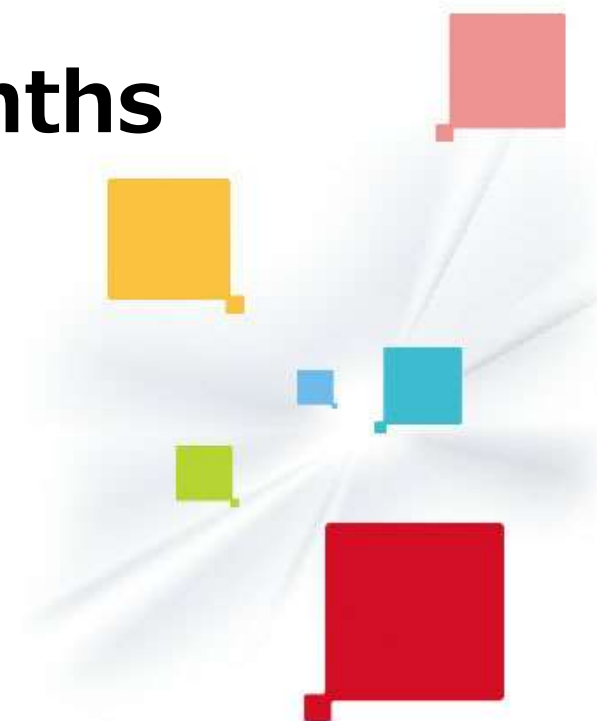


Consolidated Results for Six Months Ended September 30, 2020



November 4, 2020
Ricoh Company, Ltd

Forward-Looking Statements

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

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

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

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

Note: In this document, fiscal years are defined as follows:

FY2020 = Fiscal year ended March 31, 2021, etc.

Business category and other changes

In fiscal 2020, Ricoh shifted some Office Services businesses to the Office Printing and Other categories. We also allocated some headquarters expenses to the relevant departments. We have accordingly retroactively revised numbers for the previous corresponding period.

Overview of FY2020 H1 Results

Key Indicators

RICOH
imagine. change.

Performances recovered moderately in Q2 after bottoming out in Q1 (while Q2 results almost as projected, recovery outlook depends on developments with pandemic)

(billions of yen)	FY2019 H1	FY2020 Q1	FY2020 Q2	FY2020 H1	Year-on-year change	Effective change*
Sales	994.7	352.3	409.6	761.9	-23.4%	-22.9%
Gross profit	367.3	122.0	140.3	262.4	-28.6%	-24.9%
Selling, general and administrative expenses	318.7	143.3	149.6	293.0	-8.1%	-6.5%
Operating profit	48.6	-21.2	-9.3	-30.6	-	-
Operating margin	4.9%	-	-	-	-	-
Profit attributable to owners of the parent	29.2	-18.6	-3.5	-22.1	-	-
ROE	3.2%	-	-	-	-	-
Exchange rate	Yen/US\$ 108.72 Yen/euro 121.48	107.60 118.47	106.21 124.09	106.90 121.29	-1.82 -0.19	
R&D expenditures	51.6	21.6	23.2	44.9	-6.6	
Capital expenditures	38.1	12.0	10.4	22.4	-15.6	
Depreciation	32.4	11.3	11.5	22.9	-9.5	

* YoY change after excluding forex factor, impacts of share transfers and removals from consolidation in previous fiscal year

FY2020 H1 Results

Segment Operating Profit Changes



In Q2, momentum built in all businesses for improvements after results bottomed in Q1

Office Services

- Sales and earnings declined in light of absence of previous year's demand in Japan related to Windows 10 transition and tax hike and US Business Process Services site closures
- Demand solid for service packages for the "new normal", particularly in Japan and Europe

Commercial Printing

- Non-hardware performance recovered moderately with event and business activity restarts in Q2
- Little customer appetite for investing in hardware owing to recession

Thermal

- Demand remained slow for event and travel tickets in Q2
- Despite of higher e-commerce demand, revenues are down due to a trend toward halving label sizes
- Continued to lower costs through process improvements and other initiatives

Office Printing

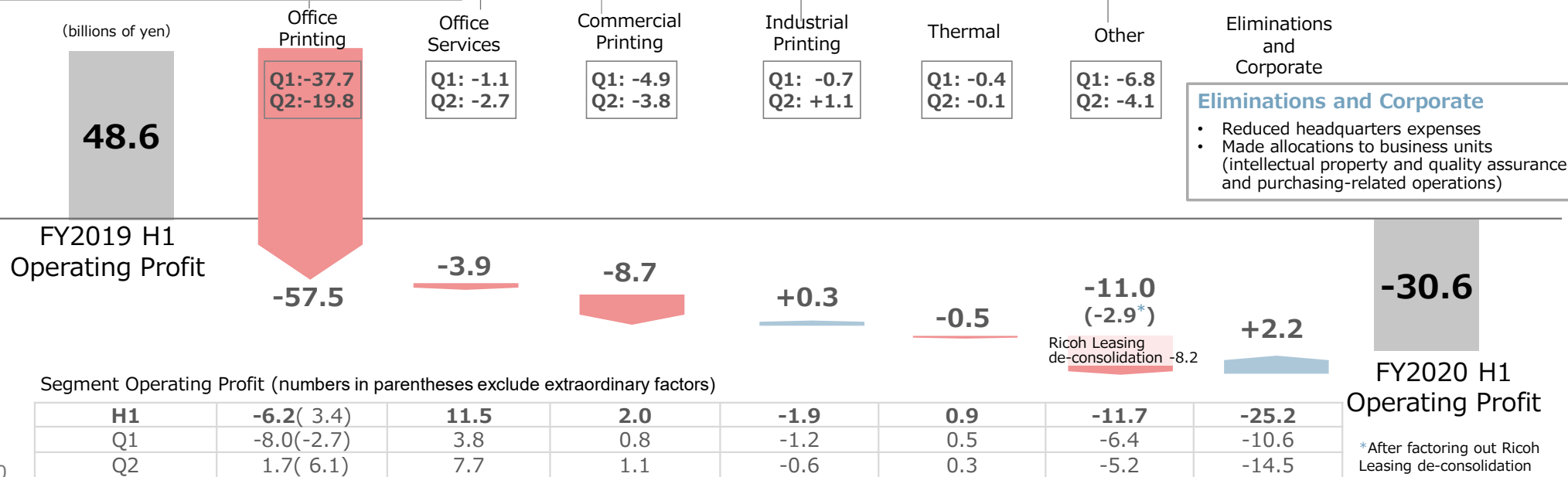
- Returned to profitability in Q2 after bottoming out in Q1
- Office attendance and print volume rate recovers slower than expected, particularly in Europe and United States, so H1 earnings down

Industrial Printing

- Earnings up YoY on recovery in Chinese inkjet head demand
- Business activities gradually resumed among customers in Japanese and European markets

Others

- De-consolidation of leasing business cut earnings by ¥8.2 billion
- In industrial products, domestic automotive market experienced recovery, boosting second quarter earnings
- In SmartVision, demand for THETA camera remained robust

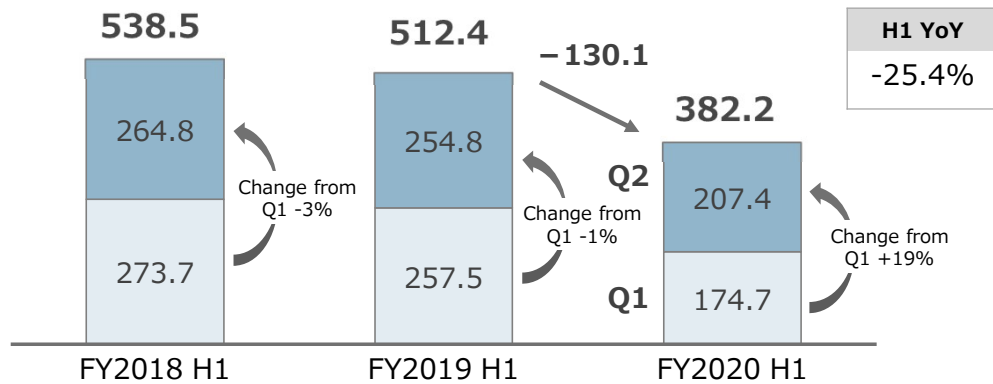


FY2020 H1 Results Office Printing



Performance recovered and returned to profitability in Q2 after bottoming in Q1, While delayed recoveries particularly in Europe and United States drove revenues and earnings down.

Sales (billions of yen)



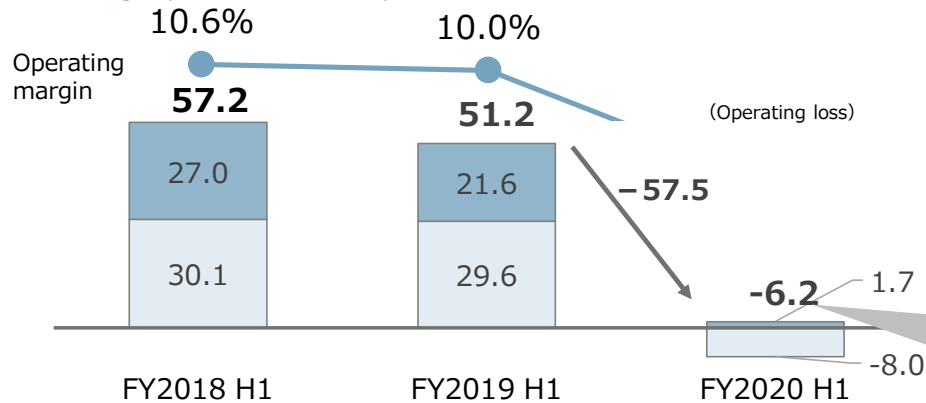
H1 Overview

- Revenues and earnings declined on a 23% drop in hardware sales owing to fewer deal opportunities and a 28% drop in non-hardware sales because of lower office attendance
- Profitable after stripping out extraordinary factors

Q2 Overview

- Revenues declined 18.6% in Q2 after dropping 32.1% in Q1, and we regained profitability
- On improvement track despite fewer business deal opportunities
- Hardware sales dropped 15% (down 31% in Q1)
- Experienced delays in recoveries of office attendance rates and print volumes, principally in Europe and United States
- Non-hardware sales down 23% (down 33% in Q1)

Operating profit (billions of yen) (Excluding corporate and eliminations)



Effective H1 operating profit: ¥3.4 billion
 Note: Extraordinary factors

- Personnel optimization (¥5.5 billion)
- Production structure reorganization (¥4.1 billion)

* Office printing sales – YoY sales change
 * Hardware and non-hardware sales
 - YoY sales change after excluding forex impact

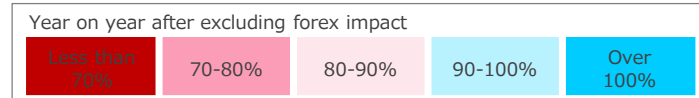
FY2020 H1 Results

Office Printing Results trends by country and region



- **Hardware:** On recovery track, centered on countries and regions relaxing lockdowns and social distancing, although situations adverse in United States and United Kingdom
- **Non-hardware:** Despite hitting bottom in Q1 performances remained sluggish in such markets as United States, United Kingdom, and Australia; in September, sales returned to more than 90% of previous year levels in markets where there were recoveries (5 of 14 countries and regions)

Sales compared with previous year
(by country and region)



Hardware	Mar	Apr	May	Jun	Jul	Aug	Sep
Japan	Over 100%	Less than 70%	70-80%	80-90%	Over 100%	80-90%	70-80%
US	70-80%	Less than 70%	Less than 70%	70-80%	70-80%	Less than 70%	Less than 70%
Canada	Less than 70%	Less than 70%	Less than 70%	70-80%	70-80%	70-80%	70-80%
UK	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%
Germany	Over 100%	70-80%	70-80%	Over 100%	Over 100%	Over 100%	Over 100%
France	Less than 70%	Less than 70%	Less than 70%	90-100%	90-100%	Over 100%	Over 100%
Italy	Less than 70%	Less than 70%	70-80%	80-90%	80-90%	Over 100%	80-90%
Spain	Less than 70%	Less than 70%	Less than 70%	70-80%	80-90%	90-100%	70-80%
Netherlands	80-90%	Less than 70%	70-80%	70-80%	Over 100%	80-90%	80-90%
Australia	80-90%	80-90%	Less than 70%	90-100%	80-90%	70-80%	70-80%
New Zealand	Less than 70%	Less than 70%	Less than 70%	90-100%	Over 100%	Over 100%	70-80%
Thailand	Over 100%	90-100%	80-90%	90-100%	90-100%	80-90%	90-100%
Hong Kong	80-90%	Over 100%	80-90%	80-90%	80-90%	Less than 70%	90-100%
China	Less than 70%	Over 100%	Less than 70%	90-100%	90-100%	Over 100%	90-100%

Non-hardware	Mar	Apr	May	Jun	Jul	Aug	Sep
Japan	90-100%	80-90%	70-80%	80-90%	80-90%	80-90%	80-90%
US	80-90%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%
Canada	80-90%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%
UK	70-80%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%
Germany	90-100%	Less than 70%	70-80%	80-90%	90-100%	80-90%	90-100%
France	80-90%	Less than 70%	Less than 70%	70-80%	70-80%	70-80%	90-100%
Italy	Less than 70%	Less than 70%	Less than 70%	70-80%	80-90%	90-100%	90-100%
Spain	70-80%	Less than 70%	Less than 70%	Less than 70%	70-80%	70-80%	Less than 70%
Netherlands	70-80%	Less than 70%	Less than 70%	Less than 70%	70-80%	70-80%	70-80%
Australia	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%	Less than 70%
New Zealand	Over 100%	Less than 70%	Less than 70%	Less than 70%	70-80%	80-90%	70-80%
Thailand	80-90%	70-80%	70-80%	70-80%	80-90%	80-90%	70-80%
Hong Kong	90-100%	70-80%	80-90%	90-100%	90-100%	70-80%	90-100%
China	90-100%	Over 100%	70-80%	80-90%	Over 100%	Over 100%	Over 100%

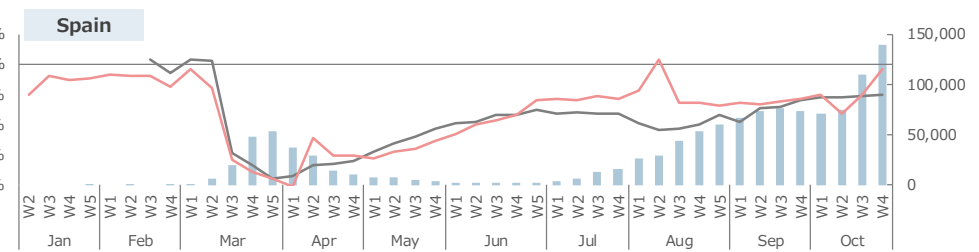
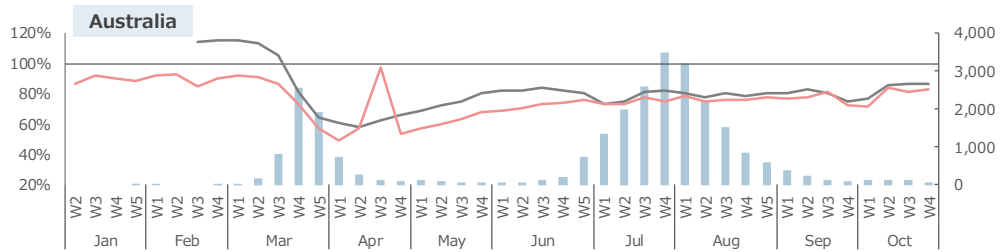
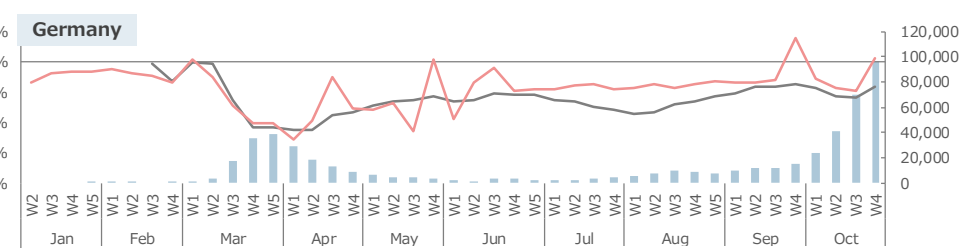
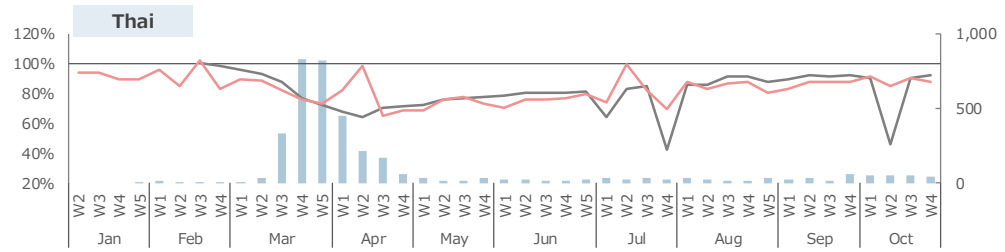
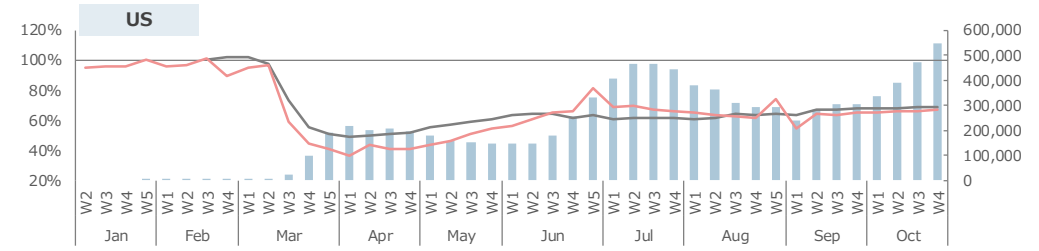
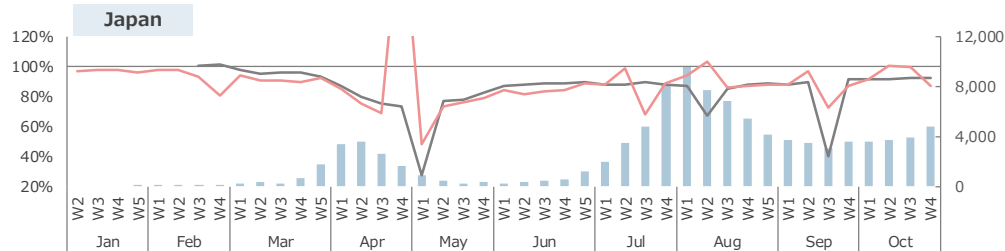
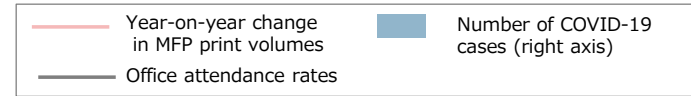
FY2020 H1 Results

Office Printing Impact of Pandemic on MFP Printing Volumes



- Print volumes and office attendance rates correlated
- New infection case numbers and office attendance rates not necessarily proportional (flat at low levels in countries with many new cases)

MFP print volumes and attendance rates at company offices (by country)

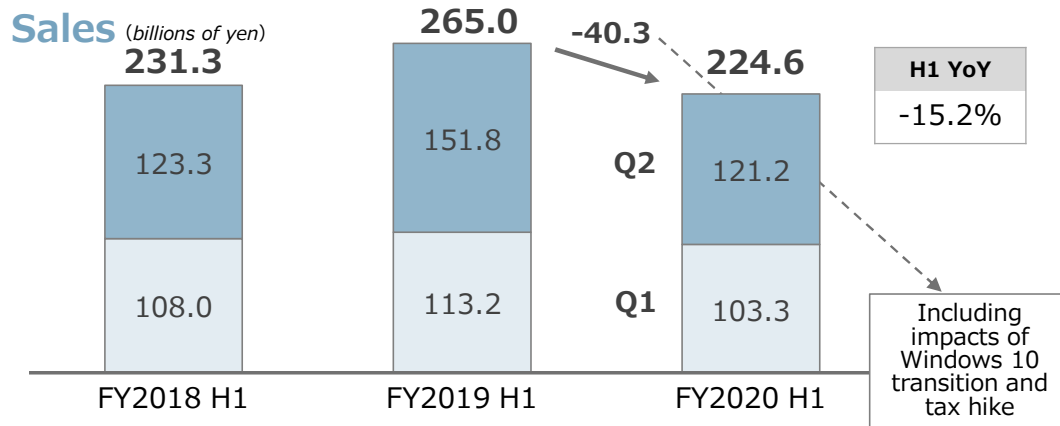


Note: Office attendance rates based on the Google Community Mobility Report, showing rates of change in traffic to workplace since before pandemic. Weekly data published each Tuesday. Print volumes based on Ricoh @Remote data, with change in MFP print volumes from previous corresponding period. Number of COVID-19 cases from Johns Hopkins University-announced figures.

FY2020 H1 Results Office Services

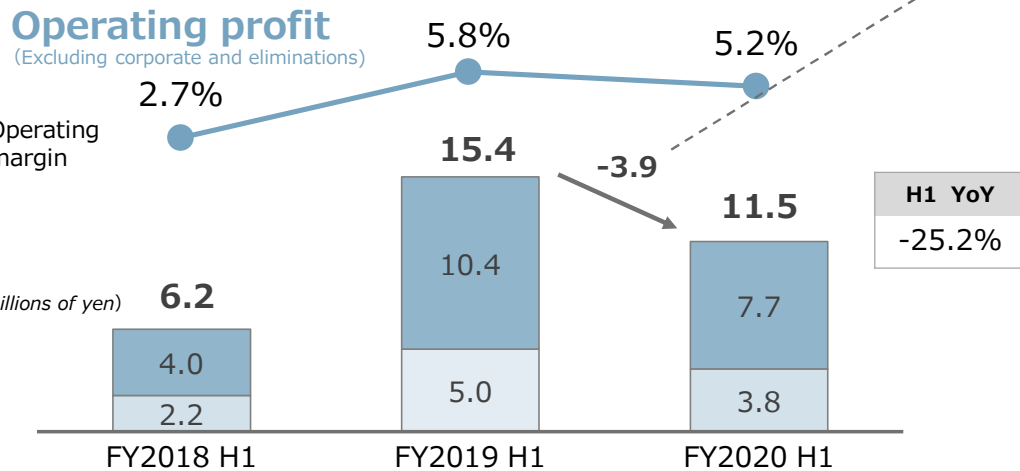


Sales off amid absence of extraordinary demand spikes relating to Windows 10 transition and tax hike and BPS closures. Package demand solid particularly in Japan and Europe



Q2 Overview

- IT Services and Applications
 - Japan : "Scrum Series" sales surged 67% YoY in Q2 on expanded marketing and industry and business demand and online demand
 - Europe : Revenues rose 19%*1 on stronger IT services structure in key countries
- IT infrastructure : Demand was down after Windows 10 transition spike in previous year
 - Anticipating more GIGA school deals in Japan in H2
- Business Process Services:
 - Revenues down from site closures (about 10%*2)



FY20 H1	billions of yen	Sales	YoY change
Office services business			
IT infrastructure (hardware and software)		93.6	-23.1%
IT services (including maintenance and outsourcing)		49.4	-3.6%
Applications (business-specific apps and in-house apps)		33.8	+2.2%
Business Process Services		42.2	-21.4%

FY2020 H1 Results Office Services

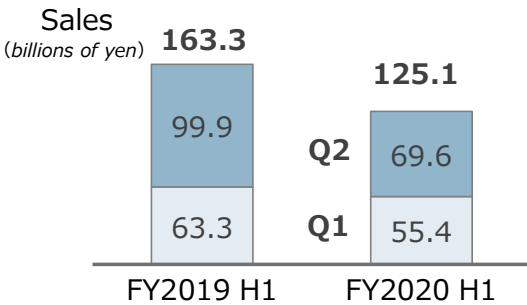
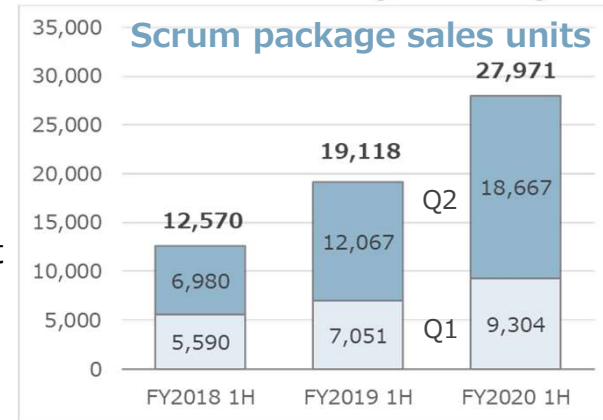
Regional situations



Japan

Despite lower revenues in absence of Windows 10 transition and tax hike, solutions for the “New Normal” sold well

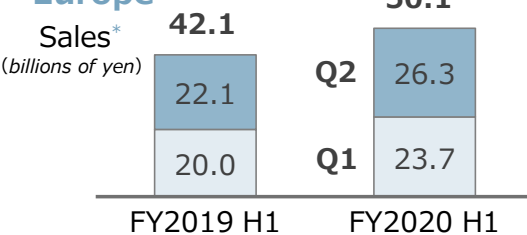
1. Scrum packages for small and medium-sized enterprises
Sales of ¥18.2 billion (H1 up 32% from year earlier, with unit sales jumping 46%)
2. Scrum assets for mid-tier companies
Orders of ¥9.8 billion (H1 up 139%)



Europe

Sales higher on strengthened structures in key countries and package deployments

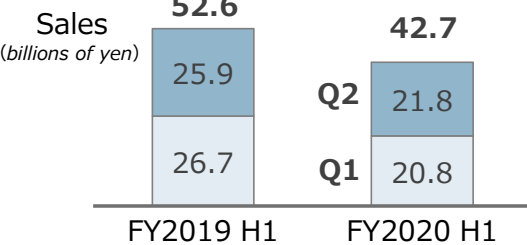
1. Demand solid for Work Together, Anywhere solution package
Orders totaled 1,400 units, worth ¥2.4 billion, with 5,300 units worth ¥16 billion in pipeline (from ¥1.1 billion in orders and ¥8.7 billion in pipeline in Q1)
2. DocuWare demand solid on expanded teleworking (number of cloud contracts surged 40%)
3. Strengthened structure in key countries, acquiring Germany’s Data Vision and Poland’s Simplicity in September and Britain’s mti in October



Americas

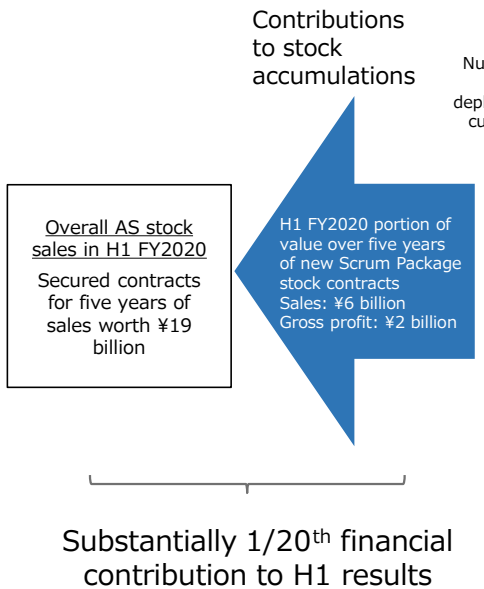
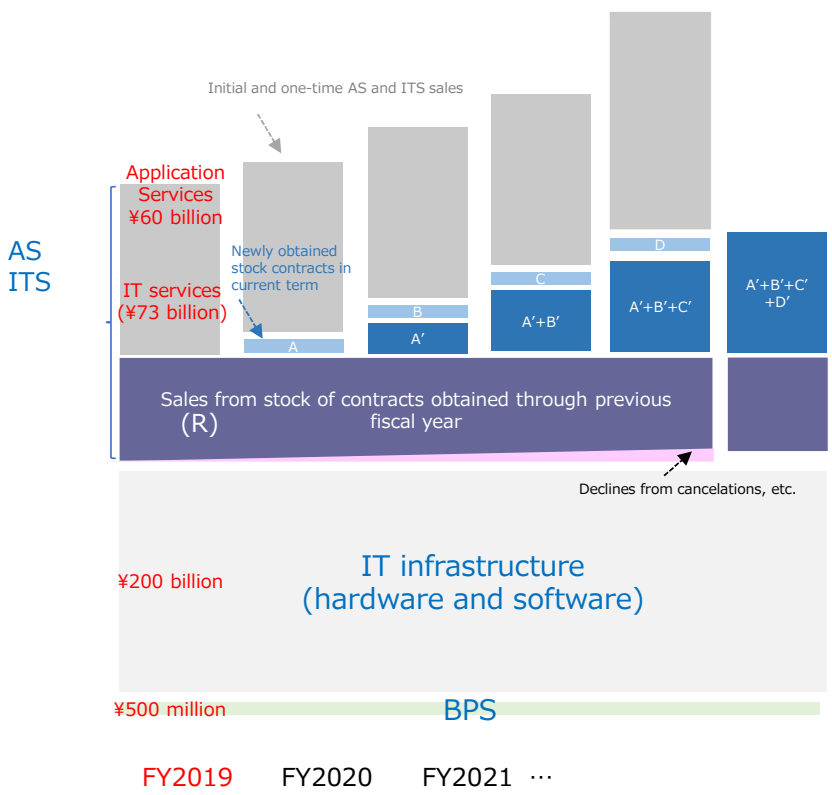
Sales dropped owing to BPS site closures, while business development accelerated to match changing customer needs

1. Accelerated deployment of Business Continuity Package encompassing DocuWare, RSI, and IT Essentials
Changed sales position assessment system, conducted training, and held webinars
2. Rolled out new services for remote work
Fully deployed Digital Mail (a solution for digitizing and distributing mail room postal items)
→ Secured more than 20 new large corporate customers (equivalent to \$500 million in annual sales)

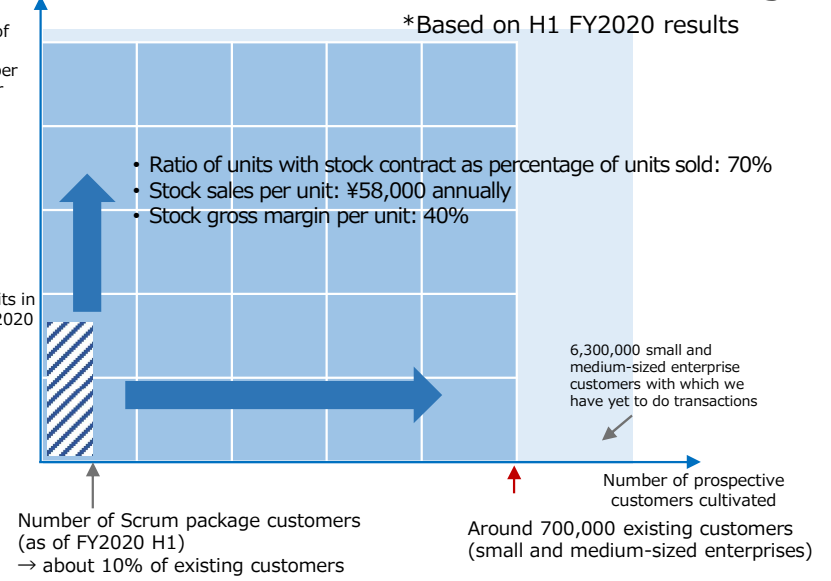


Reference: Stock Growth in Domestic Office Services Field

- Stock rapidly accumulating owing to steady growth in Office Services area
- Cloud-based product and package sales expanded on growth in the expansion of remote work, boosting subscription sales ratio
(Ratio of subscriptions as percentage of stock contracts obtained rising from 24%, to 40%)
(divided into monthly amounts from conventional bulk posting when contracts acquired (annual contracts, etc.))



Basic stock business data for Scrum Packages



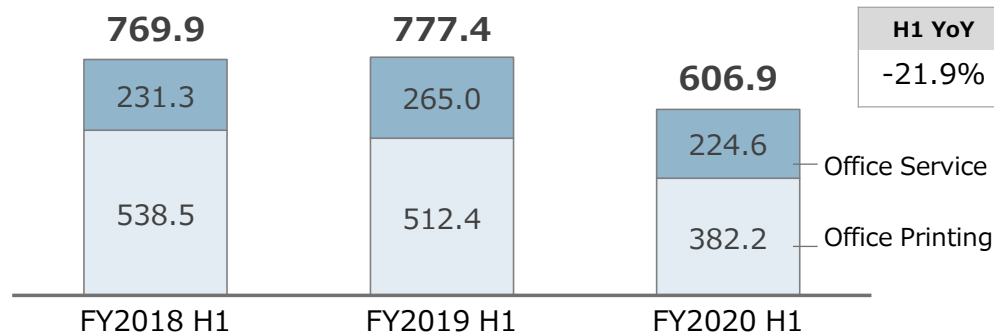
Units sales of Scrum Packages

	FY2019	Q1 FY2020	Q2
New Scrum Package sales	41,560	9,304	18,667
Cumulative sales	72,589	81,893	100,560

FY2020 H1 Results Office Business Total

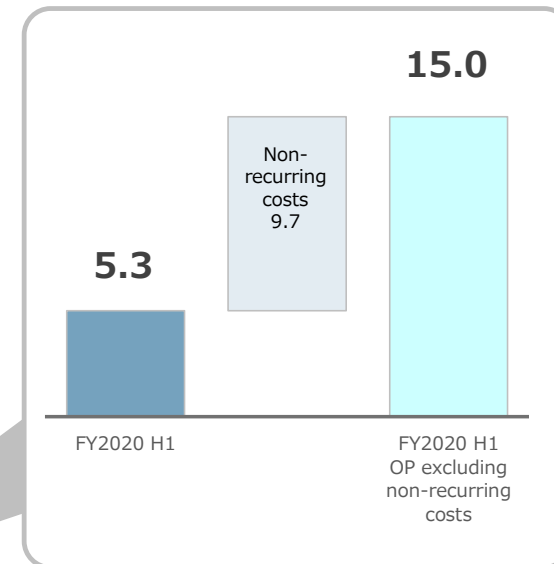
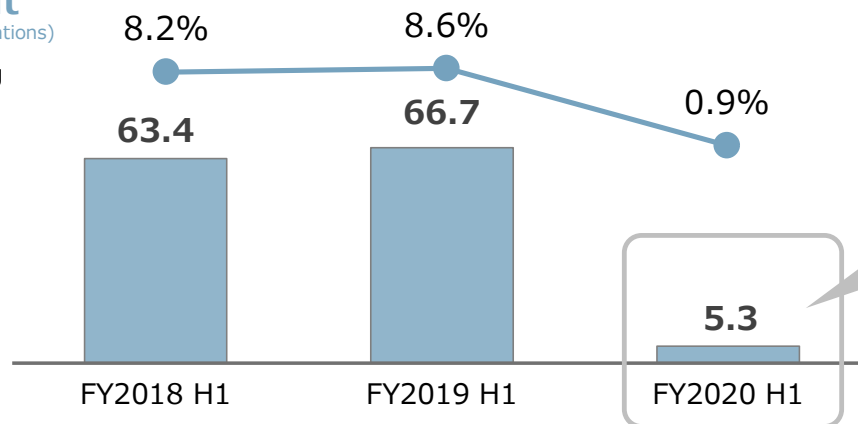
Office Business revenues and earnings down but operating profit still ¥5.3 billion (effectively ¥15 billion)

Sales (billions of yen)



Operating profit (Excluding corporate and eliminations)

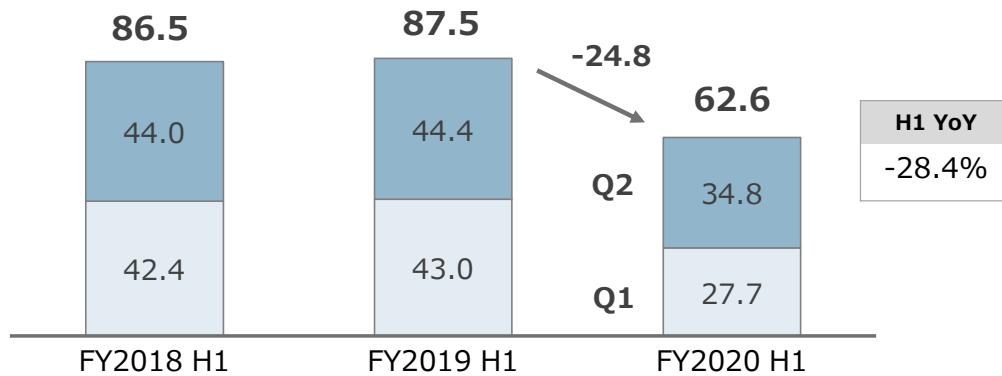
Operating margin
(billions of yen)



FY2020 H1 Results Commercial Printing

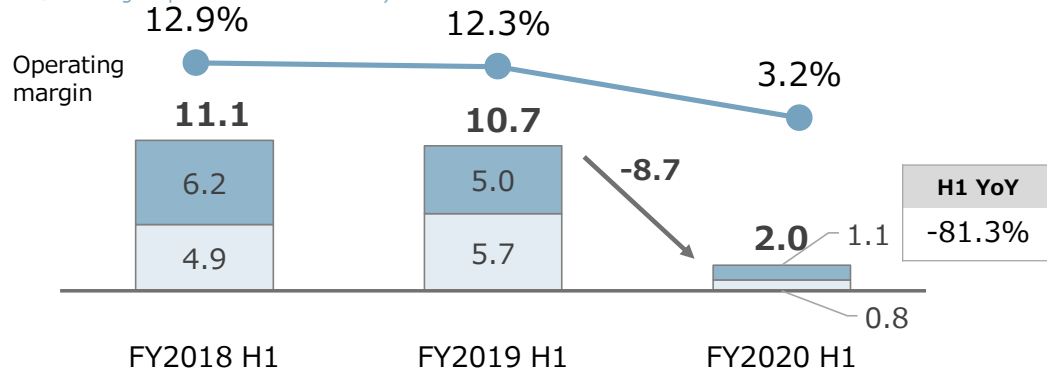
Sales and earnings down. Non-hardware performance recovered moderately, while little customer appetite for investing in hardware.

Sales (billions of yen)



Operating profit (billions of yen)

(Excluding corporate and eliminations)



H1 Overview

YoY sales changes*

Commercial Printing	Q1: -34%	Q2: -22%
Hardware	Q1: -39%	Q2: -28%
Non-hardware	Q1: -34%	Q2: -20%

* After stripping out forex impact

Q2 Overview

- European demand on recovery track but turnarounds delayed in key Americas markets

YoY sales changes*

Americas	Q1: -34%	Q2: -29%
Europe	Q1: -44%	Q2: -22%

- Non-hardware demand on recovery track owing to customer events and business activity resumptions
- ⇒ Secured automation and labor-saving print demand in line with expanded teleworking
- ⇒ Expanded sales of new light production systems and continuous feed printers

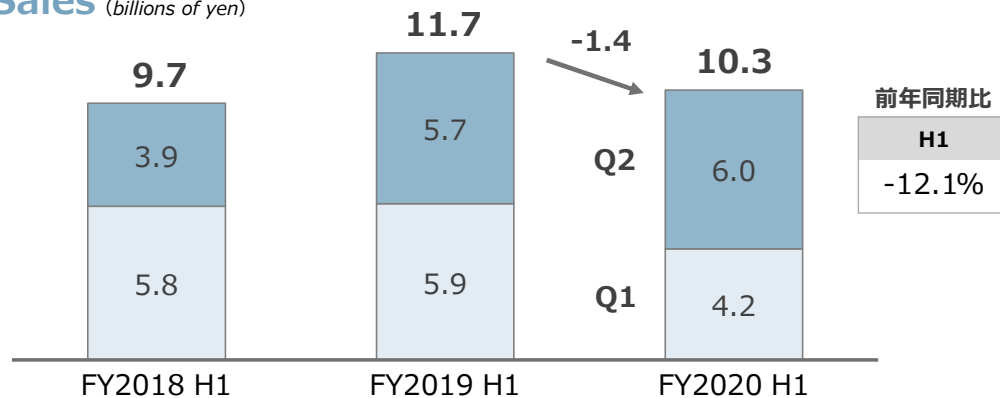


RICOH Pro VC70000 high-speed continuous feed inkjet printing system

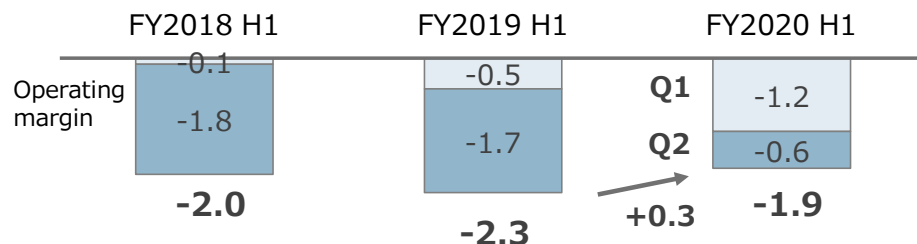
FY2020 H1 Results Industrial Printing

China's domestic inkjet head market recovered, with revenues and earnings improving in Q2

Sales (billions of yen)



Operating profit (billions of yen) (Excluding corporate and eliminations)



H1 Overview

- Profitability improved on Chinese market recovery and expense constraints

Q2 Overview

- Revenues and earnings up on improved inkjet head market conditions and industrial printer demand
- Sales up YoY on inkjet head market recovery
→ Expanded sales of products launched in Q1



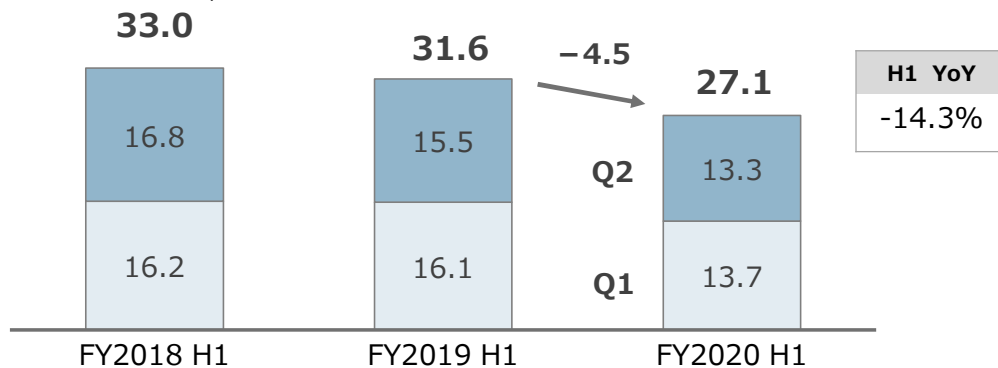
RICOH TH5241
industrial inkjet head

- Industrial printer sales recovered to previous year's levels
Wide format printers: Demand recovered, with own sales robust
Textile printers: Personal demand up

FY2020 H1 Results Thermal

Revenues and earnings dropped on delayed recoveries in European and American markets

Sales (billions of yen)



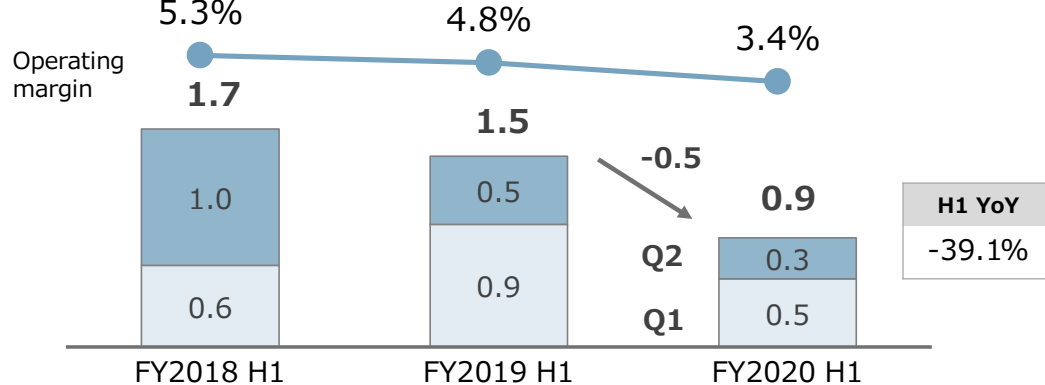
H1 Overview

- Sales and earnings dropped amid sluggish demand for events and travel tickets, with label revenues declining despite higher e-commerce demand because of smaller label areas

Q2 Overview

- While Japanese and Chinese markets recovered steadily, recoveries were delayed in Europe and United States
- Continued to improve costs market and progressed in such measures as securing large customers in American market

Operating profit (billions of yen) (Excluding corporate and eliminations)

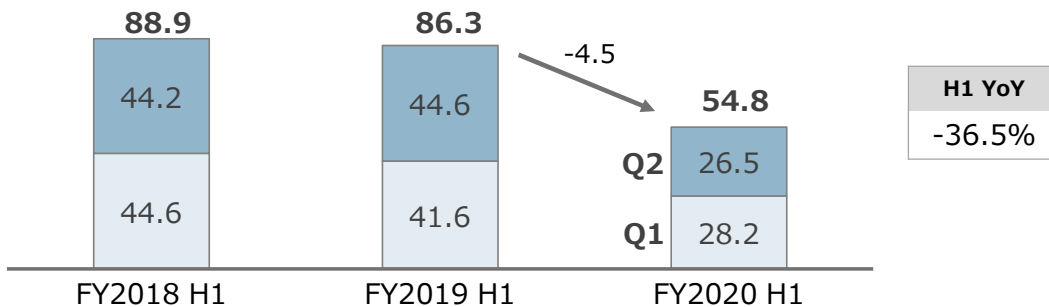


⇒ Globally deploy products that resolve social issues and secure logistics demand in American market

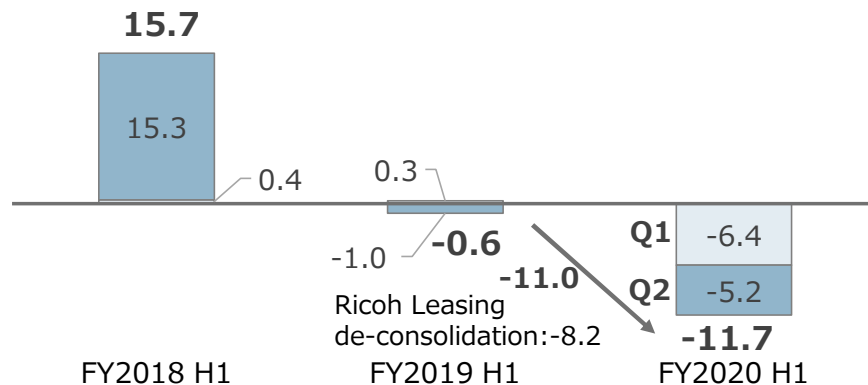
FY2020 H1 Results Others

While existing businesses were on recovery track, revenues and earnings down from de-consolidation of leasing business and investments in growth businesses

Sales (billions of yen)



Operating profit (billions of yen) (Excluding corporate and eliminations)



H1 Overview

- Revenues and earnings dropped owing to de-consolidation of leasing business and downturns in Smart Vision and Industrial Products businesses

Q2 Overview

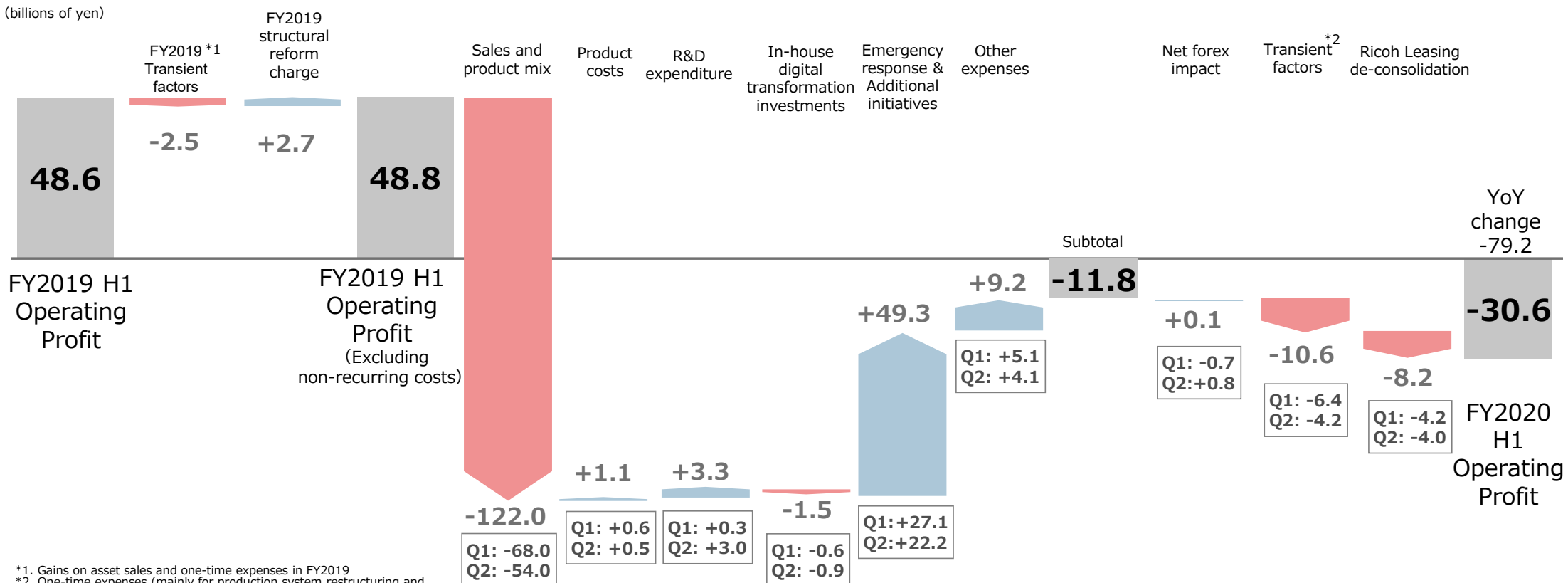
- Sales of existing business sales increased YoY and profit margins improved in Smart Vision business, for steady recovery after bottoming in Q1
- Smart Vision: Solid performances of THETA and related cloud services amid rising demand for 360° cameras
- Industrial Products: Demand on track for recovery among customers making finished products (automobiles and Chinese industrial equipment)

⇒ Near-term signs of improved demand in each market, with sales recoveries and cost constraints driving profit gains

FY2020 H1 Results

Operating Profit Comparisons

Gross profit down significantly owing to pandemic's impact on sales volumes, prompting management to institute emergency cost-cutting measures



*1. Gains on asset sales and one-time expenses in FY2019
 *2. One-time expenses (mainly for production system restructuring and structural reforms) in FY2020

Statement of Financial Position as of September 30, 2020



Total assets dropped ¥1 trillion from Ricoh Leasing de-consolidation, while financial stability improved

Assets

(Billions of yen)	As of Sep 30, 2020	Change from Mar 31, 2020	
Current Assets	1,002.5	-1,103.6	Cash pool balance in Group Impact of balancing
Cash & time deposits	337.1	+74.2	Sales of Ricoh Leasing shares and increases from financing
Trade and other receivables	339.6	-53.0	Decreases in year-end receivables and operating receivables from pandemic impact
Other financial assets	90.3	+3.0	
Inventories	196.7	-4.5	
Other current assets	38.6	+2.2	
Assets classified as held for sale	0.0	-1,125.5	Decrease from Ricoh Leasing de-consolidation
Non-current assets	835.0	+73.5	
Property, plant and equipment	201.5	+0.0	
Right-of-use assets	62.4	+3.0	
Goodwill and intangible assets	235.6	+3.7	
Other financial assets	132.7	-6.4	
Other non-current assets	202.5	+73.1	Ricoh Leasing shares posted as equity method investments
Total Assets	1,837.5	-1,030.0	

Liabilities and Equity

(Billions of yen)	As of Sep 30, 2020	Change from Mar 31, 2020	
Current Liabilities	582.8	-966.0	
Bonds and borrowings	94.2	+42.7	
Trade and other payables	227.3	-18.7	Year-end trade payables down
Lease liabilities	26.3	-0.8	
Other current liabilities	234.9	-20.1	Bonus reserve decrease
Liabilities directly related to assets held for sale	0.0	-969.0	Decrease from Ricoh Leasing de-consolidation
Non-current Liabilities	355.2	+44.9	
Bonds and borrowings	168.3	+40.1	Increased borrowings for pandemic and other measures
Lease liabilities	44.7	+5.9	
Accrued pension & retirement benefits	96.5	-3.2	
Other non-current liabilities	45.6	+2.1	
Total Liabilities	938.0	-921.0	
Total equity attributable to owners of the parent	895.9	-24.4	Decrease from loss
Noncontrolling Interest	3.5	-84.6	Decrease from Ricoh Leasing de-consolidation
Total Equity	899.4	-109.0	
Total Liabilities and Equity	1,835.6	-1,032.0	
Total Debt	262.5	+82.8	

*Transfer of assets held for sale: Transferred related assets and liabilities to assets and liabilities held for sale in line with decision to partially transfer Ricoh Leasing shares

Exchange rate as of Sep 30, 2020: US\$ 1 = ¥ 105.80 (-3.03)
EURO 1 = ¥ 124.17 (+4.62)

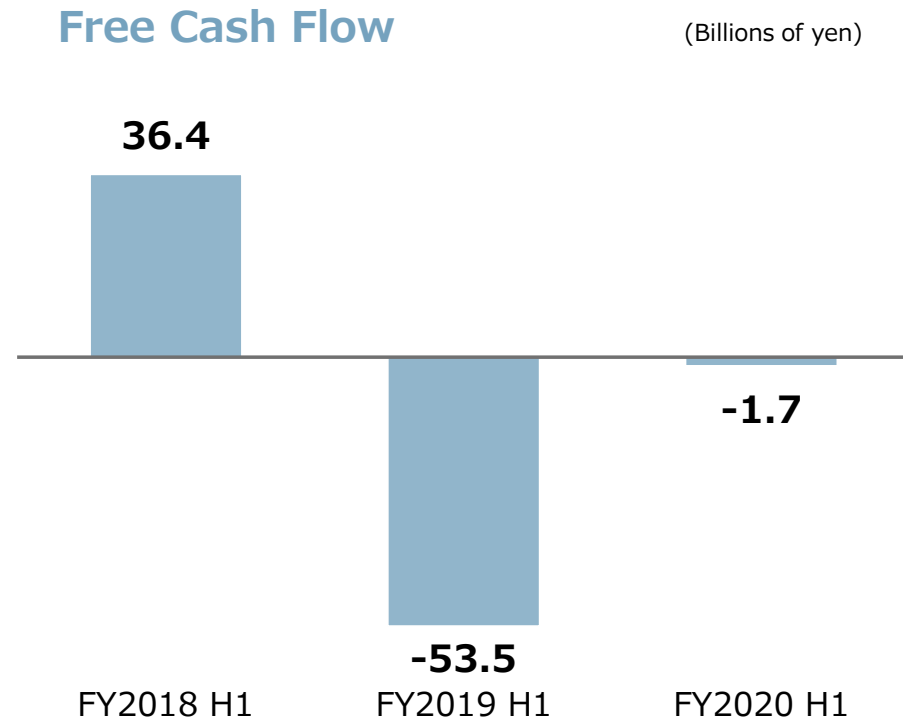
FY2020 H1 Statement of Cash Flows



Free cash flow improved on Ricoh-Leasing de-consolidation and investment constrains amid falling earnings

(Billions of yen)	FY2019 H1	FY2020 H1
Profit	32.2	-22.1
Depreciation and amortization	61.7	53.3
Other operating activities	-63.6	-1.5
Net cash provided by operating activities	30.2	29.5
Plant and equipment	-31.2	-22.3
Purchase of business	-16.1	-4.8
Other investing activities	-36.4	-4.1
Net cash used in investing activities	-83.8	-31.3
Increase (Decrease) of debt	92.2	91.2
Dividend paid	-9.4	-9.4
Other financing activities	-17.5	-16.0
Net cash provided by financing activities	65.2	65.8
Effect of exchange rate changes	-5.8	0.3
Net increase in cash and cash equivalents	5.8	64.3
Cash and cash equivalents at end of period	245.9	328.0
Free cash flow (Operating + Investing net cash)	-53.5	-1.7

Free Cash Flow



*Including ¥55.9 billion in proceeds from sale of Coca-Cola BCBJ shares

*Including ¥7.8 billion from transfer of Ricoh Leasing shares
Net increase by transfer of Ricoh Leasing shares
+¥36.7 billion: total share sales
- ¥28.9 billion: cash in Ricoh Leasing

FY2020 Full-Year Outlook and Actions

FY2020 Positioning

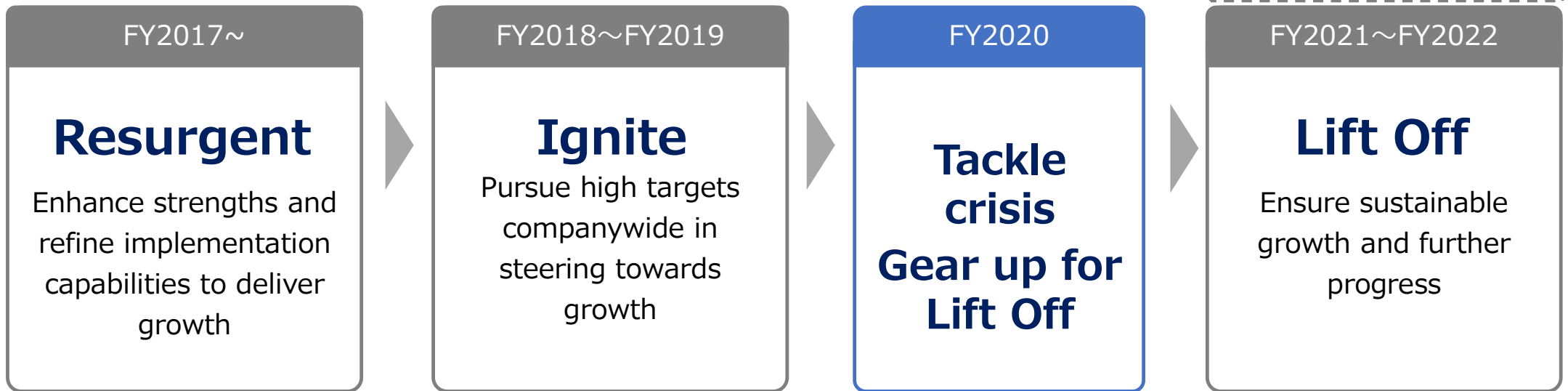
Slide from IR
FY2019
announcement,
May 8th, 2020



A year of “Emergency Response & gearing up” to prepare for “Lift Off”

20th Mid-Term Management Plan

20th Mid-Term Management Plan



3 key focuses

1
Liquidity

2
Financial stability

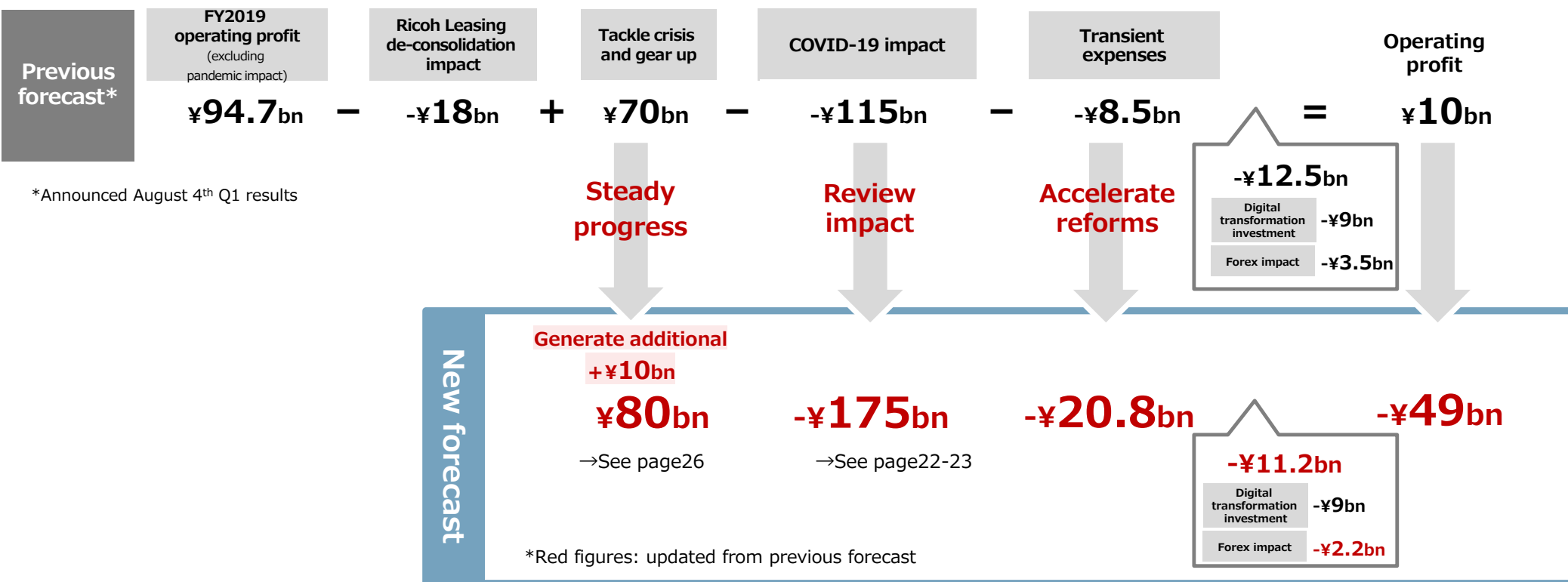
3 Accelerate post-pandemic shift

- Grow out of office equipment manufacturing
- Provide digital services

Update on FY2020 Performance Forecast

Update FY2020 performance forecast assuming greater impact due to expansion of pandemic in H2. Accelerate initiatives for business structural reform

FY2020 performance forecast

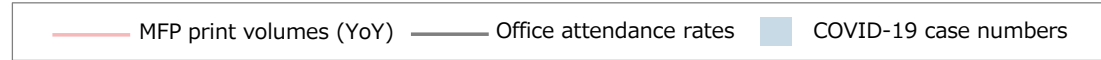


*Announced August 4th Q1 results

MFP Print Volumes Owing to Pandemic and Outlook

Print volume assumptions updated to reflect the risk of increasing case numbers in major European and American countries

Reference : Updated print volume assumptions by country



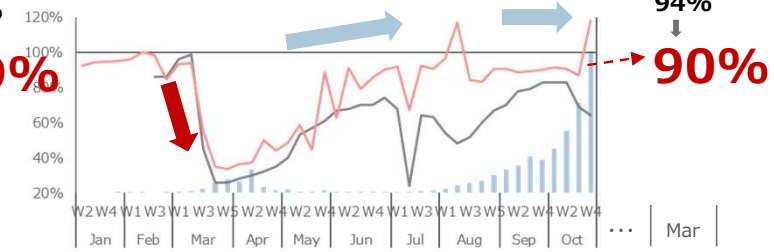
Japan



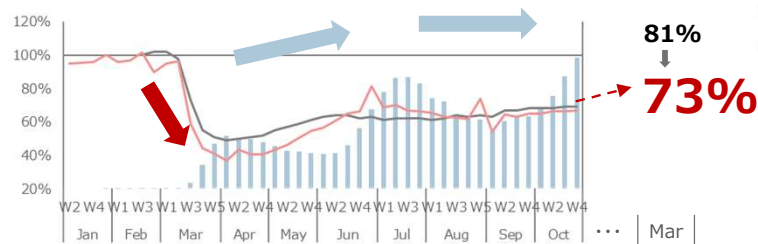
Thailand



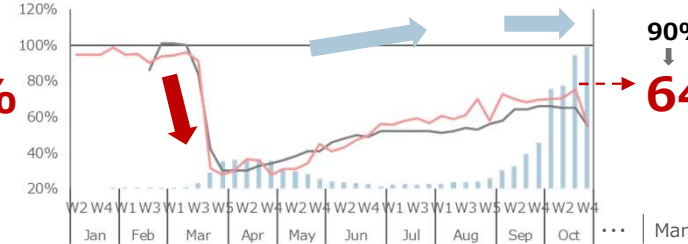
France



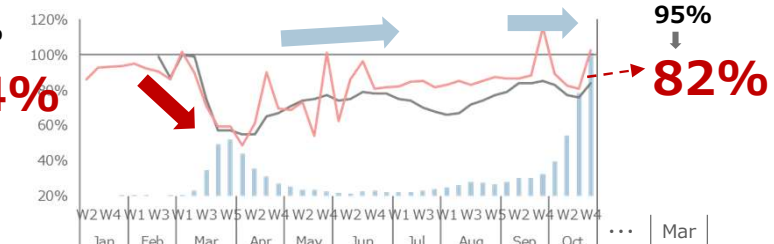
US



UK



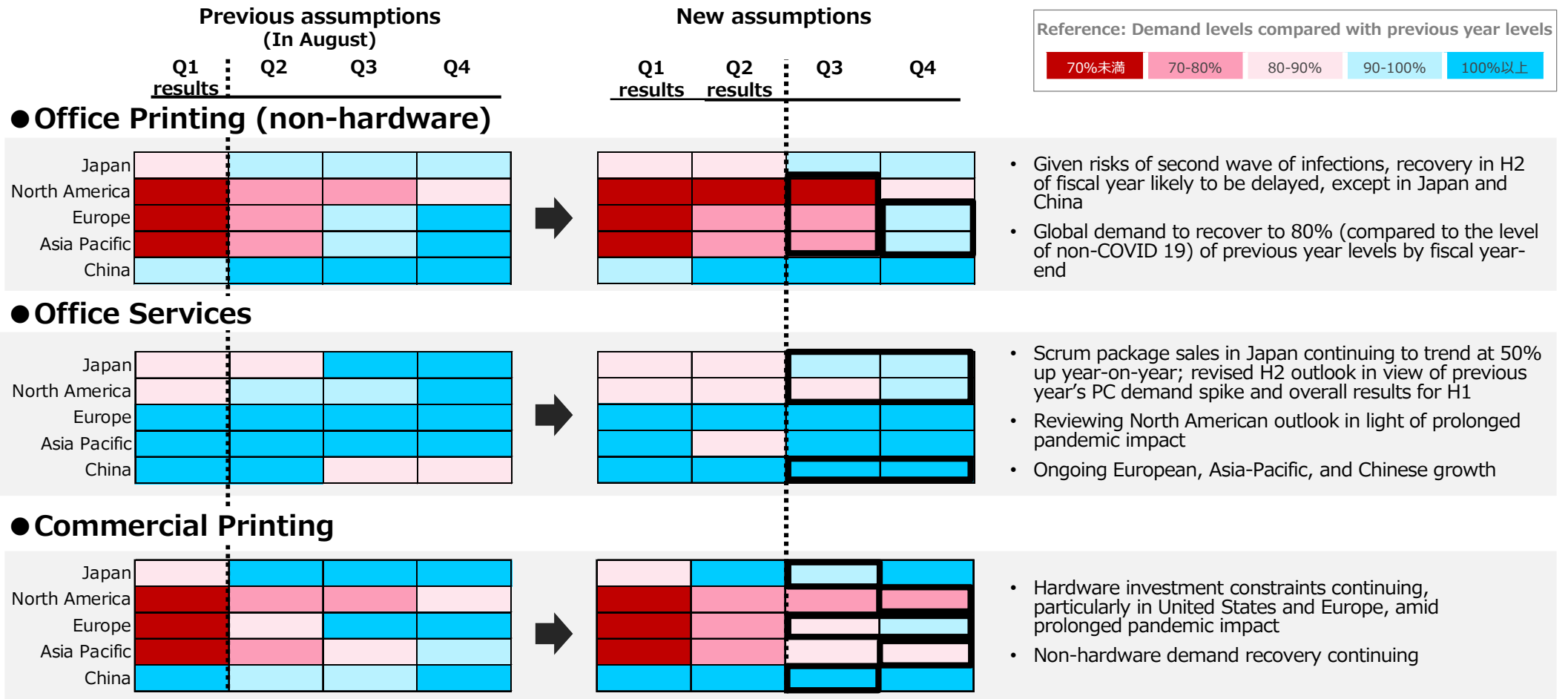
Germany



Note: Office attendance rates based on the Google Community Mobility Report, showing rates of change in traffic to workplace since before pandemic. Weekly data published each Tuesday. Print volumes based on Ricoh @Remote data, with changes in MFP print volumes from previous corresponding period

Pandemic Impact Assumptions by Core Business

Updated each business forecast based on the risk of increasing case numbers.
Recovery speed differs region by region

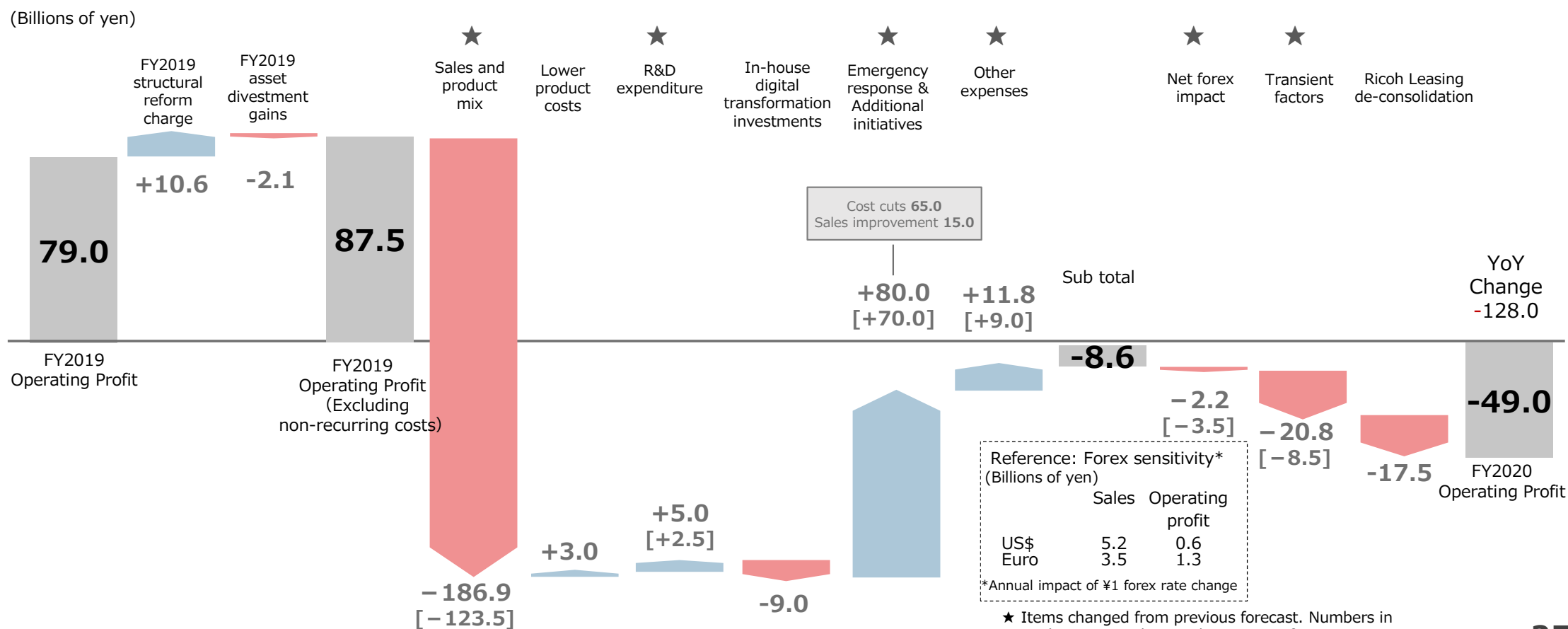


Forecasts for FY2020 - Key Indicators

(billions of yen)	FY2019	Previous FY2020 forecast in August 2020	FY2020 forecast	YoY Change	
Sales	2,008.5	1,780.0	1,664.0	-17.2%	
Gross profit	721.5	600.8	547.6	-24.1%	
Selling, general and administrative expenses	642.5	590.8	596.6	-7.1%	
Operating profit	79.0	10.0	-49.0	—	
Profit attributable to owners of the parent	39.5	3.6	-36.4	—	
ROE	4.3%	0.4%	—	—	
Average exchange rates	Yen/US\$ Yen/euro	108.80 120.90	105.65 119.62	105.95 120.65	-2.85 -0.25
R&D expenditures	102.8	92.5	92.5	-10.2	
Capital expenditures	86.5	48.0	48.0	-38.5	
Depreciation	62.5	46.0	46.0	-16.5	

Forecasts for FY2020 - Operating Profit Comparisons

Reap benefits of urgent measures more swiftly assuming greater impact due to expansion of pandemic in H2.



Progress with Emergency and Permanent Actions

Generate earnings greater than plan by accelerating measure deployments

Categories	Measures	H1 results	Full year	(New)		
	<ul style="list-style-type: none"> ●]... Measures generate additional efforts 	(at Q1 announcement)				
Emergency measures	SG&A expense cuts <ul style="list-style-type: none"> ✓ Trim SG&A expenses ✓ Cut costs through work practice reforms ● Optimize spending in line with activity declines ● Continue structural optimization ● Review benefits and allowances 	¥22.2 bn	¥25 bn	→ +¥6 bn	¥31 bn	
Permanent measures	SG&A expense cuts and structural reductions <ul style="list-style-type: none"> ✓ Review development themes aimed at making Ricoh world's top manufacturer ✓ Digitalize headquarters business processes, etc. 	¥23.8 bn	¥30 bn	→ +¥4 bn	¥34 bn	
	Cost of goods sold reductions <ul style="list-style-type: none"> ✓ Reinforce digital manufacturing ✓ Optimize production sites to being a digital services company ● Enhance service operations productivity ● Accelerate global deployment of failure prediction and remote maintenance 					
	Sales boost efforts <ul style="list-style-type: none"> ✓ Tailor services businesses to local needs ✓ Continue rolling out products and services for new normal 	¥3.3 bn	¥15 bn			
*Operating profit contributions		Total	¥49.3 bn	→ +¥10 bn	¥70 bn	¥80 bn

Preparing for Next Mid-Term Management Plan

Respond to the changing environment and bring forward transformations

< Frontload measures >

● Reinforce competitiveness (restructure business)

- Grow out of office equipment manufacturing
- Transform to being a digital services company
- Reinforce competitiveness and select businesses

● Build digital services company structure

Includes by setting up company structure, investing in digital transformation, recruiting and cultivating digital experts, reforming work practices, and fostering self-motivated employees

● Enhance capital returns

- ROIC management
- Capital policies based on cash flow allocations

● Accelerate earnings structure reforms

Including by reviewing businesses, optimizing assets, clarifying business earnings structure, and reforming supply chain structure, etc.

**Sustainably
increase
corporate value**

Company Structure - Initiative to Date

Overcame challenges to further growth by strengthening businesses and reviewing assets

~FY2016

● Reinforce competitiveness

- Unclear earnings situations of businesses
- Optimized MFP production and sales structure

● Enhance capital returns

- Strategic resource allocations difficult
- Hard to clarify ROIC

FY2017

RICOH Resurgent

- Recategorized businesses and clarified earnings
- Reviewed five major principles to reinforce profitability

- Divested non-core businesses and reviewed assets

FY2018-19 + FY2020

RICOH Ignite

- Expanding Office Services and drive profitability simultaneously
- Transform business structure by progressing with growth strategies

- Strategic investment based on capital allocations
- Explore introduction of ROIC requirements

Issues requiring resolution

- **Allocate management resources**
- **Accelerate growth businesses**
- **Business autonomy**

**Change
Company Structure**

Change Company Structure

Leverage clear asset allocation to accelerate business growth and enhance capital returns enhancement

● Structure goals

- Allocate management resources optimally
- Shift resources to growth areas
- Ensure business autonomy and clarify responsibilities and authority

● Each business unit roles

- Grow through nimble, customer-centric management
- Enhance capital returns through a clear earnings structure
- Leverage external resources to boost competitiveness

To date

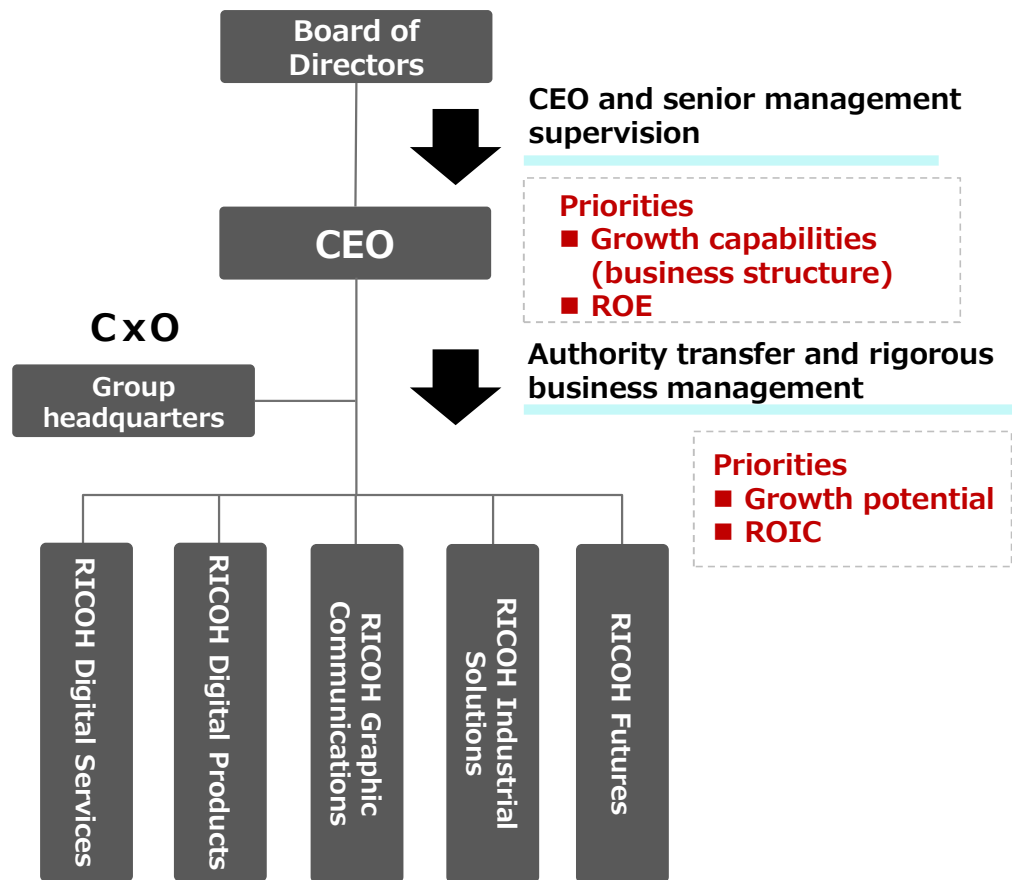


From April 2021



Company Structure Governance

Strengthen governance while delegating authority and continuing to boost corporate value sustainably



● Board of Directors

- Extensively monitor growth capabilities (business structure) and capital returns
- Assess and supervise CEO, CxOs, and president of each business unit

● Group headquarters

- Allocate resources to restructure business portfolio → Become a digital services company
- Manage businesses rigorously in terms of growth potential and capital returns → ROIC exceeding capital costs

● Business Units

- Grow through nimble, customer-centric management
- Enhance capital returns through a clear earnings structure
- Leverage external resources to boost competitiveness

Capital Policies: Cash Flow Allocations

FY2020 cash allocation

(Forecast as of Q2 FY2020)

- Reviewed based on H1 results and results forecast revisions
- Maintain liquidity to overcome prolonged pandemic impact
- Growth investments to being a digital services company
- Deliver stable dividends based on cash flow

Sources*

Operating cash flow	¥45bn
Funding	¥30bn
End-FY2019 cash	¥262.8bn
Asset sales	¥37bn

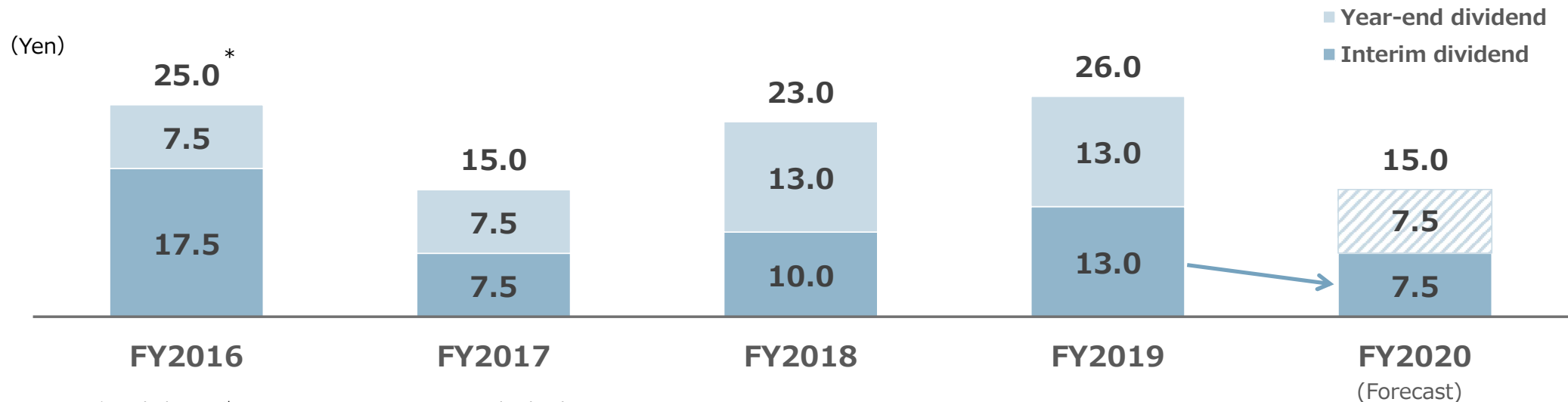
Uses

Investments	Around ¥100bn
Capex	Strategic investment
End-FY2020 cash	¥260~270 bn (including additional ¥100 billion in shareholder returns)
Dividends	¥11bn

* Excluding cash and deposits in Group fund pool

Capital Policies: Shareholder Returns

- Maintain stable dividends notwithstanding projected losses for year, factoring in changes in cash flow generated and working capital changes
- Lowered previous full-year dividend forecasts from ¥26 per share to ¥15 per share, and will pay an interim dividend of ¥7.5 per share
- Continuing to scrutinize changing business conditions and growth investment scales for additional shareholder returns announced on March 27, 2020



Supplementary Information

Summary of FY2020 H1 Results

H1 Results

- Sales dropped 23% owing to pandemic impact → urgently reduced costs
- Posted ¥30.6 billion operating loss (performance bottomed out in April and May and improved in Q2)

H1 business conditions

- **Office Printing**
Returned to profitability in Q2 after resulted bottomed out in Q1; office attendance rate recovery pace slower than expected, and hardware and non-hardware demand both down significantly
- **Office Services**
Package deployments solid in Japan and Europe
In Q2, revenues declined in absence of previous year's demand Windows 10 transition demand and sales spike ahead of tax hike
- **Commercial Printing:**
Print volumes on recovery track after bottoming in Q1, although revenues down owing to lower hardware investment appetite
- **Industrial Printing**
Earnings improved YoY in Q2, reflecting such factors as sales recovery in China for domestic demand

Full-year forecasts

- Forecasts lowered in light of second pandemic wave
- Reap benefits of urgent measures more swiftly

Shareholder returns

- Notwithstanding losses, looking to pay annual dividend of ¥15 per share in view of cash and stable commitment to dividend stability
- Maintaining stance on delivering additional shareholder returns; factoring in pandemic trends, growth investments, and cash

ESG update (FY2020 H1)

ESG action

- Ricoh updated information disclosure based on the TCFD framework



- Ricoh endorses the “Business Ambition for 1.5°C” campaign



- Ricoh's proposal was selected as a verification project for building a resource recycling system for plastics and other materials to support a carbon-free society by the Ministry of the Environment
- Ricoh concluded an agreement of “Sustainability-linked loan”

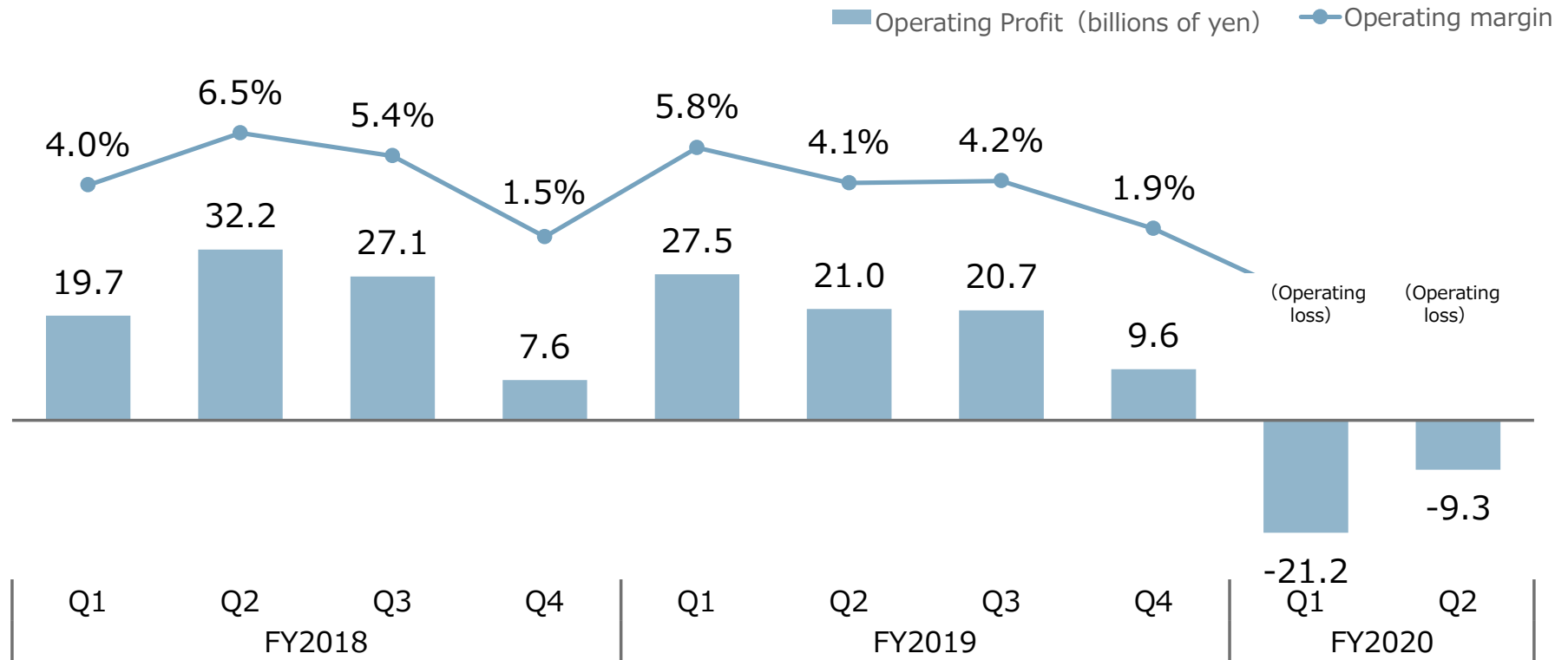
Major Awards and Recognition

- Shortlisted for RE100 Leadership Award
- Continued to be included in the FTSE4 Good Index Series, the FTSE Blossom Japan Index, and the MSCI Japan Empowering Women Index (WIN)

Ricoh publishes the Ricoh Group ESG Data Book 2020 and the Ricoh Group Integrated Report 2020.

Note: The English version of the Integrated Report will be published soon.

Quarterly Operating Profit



Office Printing: Hardware and Non-Hardware Situation

◆ Unit sales growth rates for MFPs and printers

FY2020 YoY unit sales change	Q1	Q2	H1
Japan	-21%	-7%	-14%
Overseas	-32%	-14%	-24%
MFP total	-30%	-13%	-23%
LP total	-26%	-12%	-19%

FY2020 YoY unit sales change	A3 MFP			A4 MFP		
	Q1	Q2	H1	Q1	Q2	H1
Japan	-21%	-6%	-14%	-18%	-19%	-19%
Overseas	-32%	-16%	-24%	-32%	-9%	-20%
MFP total	-30%	-14%	-22%	-31%	-10%	-20%

◆ Sales growth rates for MFP and printer hardware and non-hardware (excluding forex impact)

FY2020 YoY sales change	Hardware			Non-hardware		
	Q1	Q2	H1	Q1	Q2	H1
Japan	-21%	-6%	-14%	-16%	-12%	-14%
Overseas	-31%	-14%	-23%	-44%	-29%	-37%
MFP total	-29%	-13%	-21%	-35%	-23%	-29%
LP total	-45%	-34%	-39%	-25%	-20%	-22%
MFP + Printer total	-31%	-15%	-23%	-33%	-23%	-28%

Note: See Consolidated Financial Figures for information on hardware and non-hardware sales growth and growth rates.

RICOH

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