

Overview of 21st Mid-Term Management Strategy

RICOH
imagine. change.

March 7, 2023

Akira Oyama

Executive Corporate Officer

(President and Chief Executive Officer from April 1)

Ricoh Company, Ltd.

(C)2023 Ricoh Company, Ltd. All Rights Reserved

Yoshinori Yamashita, President and CEO

- Joining me today is Akira Oyama, who will oversee the execution and outcomes of the 21st Mid-Term Management Strategy, which we will launch in fiscal 2023.
- I will be there to help him fulfill his duties as CEO and contribute to the Ricoh Group.
- I would like to thank all of our stakeholders for their support and encouragement for me over the past six years.

Akira Oyama, Executive Corporate Officer

- It is a pleasure to be here today. I look forward to taking the helm on April 1 as president and chief executive officer.
- I will now take you through our 21st Mid-Term Management Strategy on behalf of Mr. Yamashita.

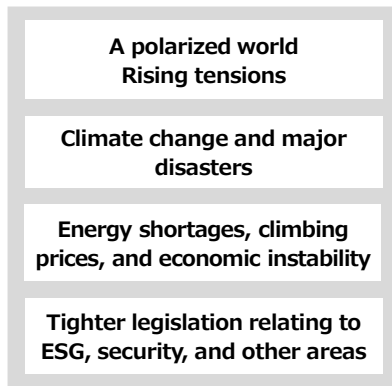


A Changing World and Ricoh's Vision

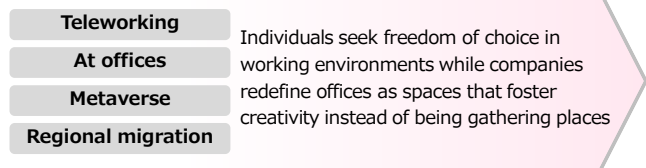


Work environments are transforming in a changing world

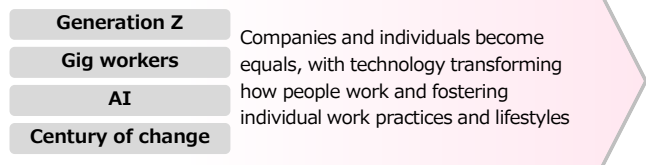
A changing world



Work environments



Workers



- I would like to start by sharing Ricoh's perception of this changing world and its vision in that context.
- As shown on the left, the world is changing rapidly.
- On the right we highlight work environments and workers.
- Teleworking became mainstream as a result of the pandemic. But some American IT companies have begun requiring their people to return to the office three days or so a week.
- People seek freedom of choice about working environments. Companies are redefining offices as spaces that foster creativity instead of simply being gathering places.
- The bottom right of the slide notes that technology is changing how people work and is fostering individual work practices and lifestyles.

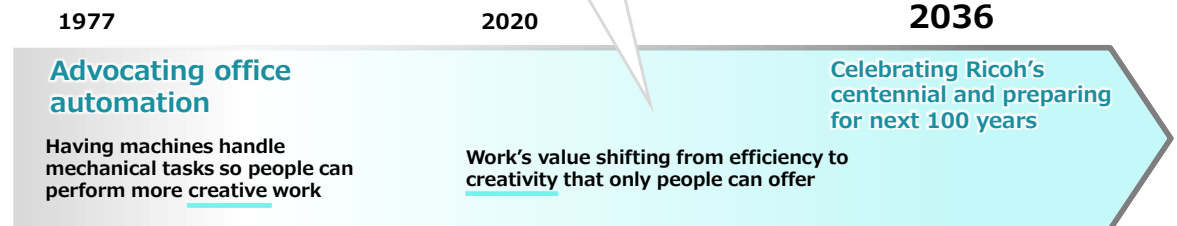
Continuing to support the diverse work needs of customers

Extending engagement to society to materialize vision

- Established 3L to research Fulfillment through Work
- Launched on research of working individuals (Human Digital Twin)
- Set up workplace creativity consortium
- Initiated joint research with universities into Fulfillment through Work
- Updated mission and vision to focus on Fulfillment through Work

2036 Vision Fulfillment through Work

Fulfillment comes from achievement and self-development; we help people find fulfillment through work



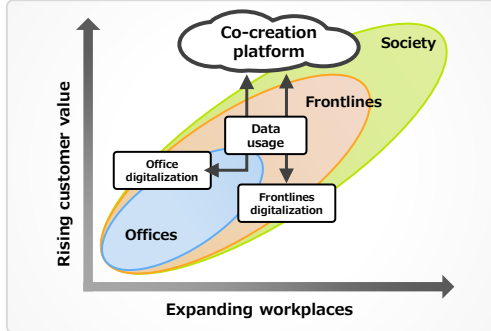
- It is against that backdrop that Ricoh seeks to contribute to Fulfillment through Work. We are continuing to support the diverse work needs of our customers.
- In 1977, we advocated office automation. The idea was to have machines handle mechanical tasks so people can perform more creative work.
- Artificial intelligence, robots, and other technologies have evolved sufficiently for people to shift to jobs that empower them to pursue the creativity that only people can offer.
- People find fulfillment, joy, and a sense of accomplishment by creating something new.
- As a company that helps customers find fulfillment through work, our vision is Fulfillment through Work.



Expanding workplace and customer value by providing value as a digital services company

Becoming a digital services company
A services provider that supports worker creativity and transforms workplaces

Workplace expansion and rising customer value



Work transformation drivers

Ricoh's strengths

- Global sales and services structure
- Proprietary edge devices
- In-house implementation and successes
- Collaboration with partners
- Digital professionals
- RICOH Smart Integration Platform

- Two years ago, Ricoh announced that it would become a digital services company that provides Fulfillment through Work by leveraging digital technology to help customers resolve their issues.
- Ricoh has a range of strengths, as you can see on the right.
- While we have focused on the office domain, we are expanding into manufacturing and logistics.
- We look to broaden our scope to encompass society as we evolve as a company that provides workplace services to customers.



20th Mid-Term Management Plan Review

- Did not reach business growth targets despite taking flexible and timely steps to tackle parts and equipment shortages
- Steadily reinforced management infrastructure
 - Key financial targets

(Billions of yen)

Financial indicators	Initial FY2022 targets	FY2022 forecasts
ROE	More than 9.0%	6.0%
Sales	2,000	2,100
Operating profit/margin	100/5%	85/4%
ROIC	6.5%	More than 5%

- Steps taken to reinforce management infrastructure

- ✓ Adopted business unit structure
- ✓ Initiated business portfolio management
- ✓ Instituted job-based personnel structure
- ✓ Developed and upskilled digital professionals
- ✓ Revamped IT infrastructure
- ✓ Determined R&D direction
- ✓ Invested in growth
- ✓ Steadily implemented capital policy

- Key initiatives

(Operating profit increases from FY2020 in billions of yen)

Key initiatives	Initial FY2022 targets	FY2022 forecasts
Office Services business growth	+27	+18.6
Structural reforms in printing business	+54	+47.1
Printing frontlines digitalization field growth and structural reforms	+17	+16.1

March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

6

- Here, we review the 20th Mid-Term Management Plan.
- It is under that initiative that we look for sales to exceed our initial target of 2 trillion yen.
- But operating profit will probably be less than anticipated. One of factor would be the impact of parts shortages on activities to cut manufacturing costs. Others would be slower growth in the Office Services business because of IT equipment shortages and a non-hardware recovery being slower than expected in the Office Printing business.
- It is in view of that situation that we lowered our operating profit target of 90 billion yen as of the second quarter to 85 billion yen.
- The right side of the slide shows that steps that we have taken to reinforce our management infrastructure are mostly progressing well.
- Moves have included adopting a business unit structure, initiating business portfolio management, and instituting a job-based personnel structure in Japan. We believe that our preparations to become a digital services company are making headway.

On track with future financial targets, which have been well received externally

Future financial targets	Initial targets	FY2022 forecasts	Key external rankings
Top score rate in customer surveys	30%	36.7% in Japan (Currently estimating for other regions)	✓ Maintaining inclusions in Dow Jones Sustainability World and Asia Pacific indices
Number of people to whom we have contributed by improving social infrastructure	10 million	11.68 million	✓ Rated one of Global 100 Most Sustainable Corporations in the world for 11 straight years
Greenhouse gas Scope 1 and 2/Scope 3 reduction rates	30% / 20%	44% / 25%	✓ Winning Grand Prix in Nikkei SDGs Management Grand Prix in 2020 and Environmental Value Award in 2022, obtaining perfect five-star rating for four straight years
Renewable energy utilization ratio	30%	30%	✓ Remaining on CDP CDP climate change A List
Virgin material usage ratio	85% or less	85% or less	✓ Gold Rating in EcoVadis supplier assessment since 2014
Suppliers signing on RICOH Group Supplier Code of Conduct	Completed for key suppliers	Completed	✓ Included in Government Pension Investment Fund of Japan's five major ESG indices for Japanese equities
Increase rate of patent ETR score	20%	20%	
Engagement score	50 th percentile or higher	Percentiles: 54 th in Japan, 45 th in Americas, 38 th in Europe, and 39 th in APAC	Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA



- We are also on track with future financial targets, which have been well received externally.
- In January this year, we were excited to learn that we were rated one of the Global 100 Most Sustainable Corporation for an 11th straight year.
- We earned high marks for efforts to combat climate change, including by offering eco-friendly products, incorporating sustainability indicators in executive compensation, and deploying renewable energy.
- We are not satisfied with standing still and will keep striving to lift our performance.



Having completed run-up to transformation, will deliver growth over next three years by reinforcing the following areas

- **Transform earnings structure and enhance profitability**

Toward a digital services company-based earnings structure
Secure stable revenue sources by amassing recurring revenues earnings

- **Respond better to changing business climate**

Build resilient production and supply structure

- **Cultivate revenue sources from frontlines digitalization**

Stabilize earnings by building the next revenue source

- We have much to reflect on in our 20th Mid-Term Management Plan, the downward revision in our operating profit target being an example. Under the 21st Mid-Term Management Strategy, we intend to reinforce three areas.
- First, we will transform our earnings structure and enhance profitability as a digital services company. We will naturally do more business related to these services. It will be important for us to boost profitability by amassing earnings from recurring revenues in increasing such business.
- Second, we will respond better to a changing business climate. Significant elements in that transformation over the past two years have included parts shortages and other factors that have affected our supply chain management and production structures. We recognize that better tackling these changes is vital to keep performing better.
- Third, we will cultivate revenue sources from frontlines digitalization. As I explained earlier in this presentation, while we have focused on the office business domain, under the 21st Mid-Term Strategy we recognize the importance of improving by building revenue sources in the frontlines and society domains.



21st Mid-Term Management Strategy Strategic Targets



Leverage progress to date to become digital services company

Key initiatives through to 20th Mid-Term Management Plan

- Reviewed five major principles in break from the past
- Formulated long-term vision titled Fulfillment through Work
- Declared commitment to becoming digital services company
- Undertook internal reforms, including to adopt business unit structure, ROIC management, and business portfolio management
- Made growth investments
- Focused on cultivating self-motivated people
- Earned high recognition for ESG leadership

Improvements toward 21st Mid-Term Management Strategy

- Transformed earnings structure and boosted profitability
- Improved ability to tackle business climate changes
- Cultivated frontlines digitalization earnings sources

Key reinforcements under 21st Mid-Term Management Strategy

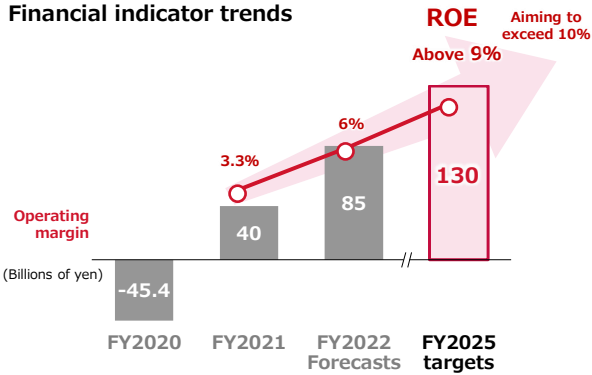
- Improve customer touchpoint value creation capabilities
- Enhance Group and global management
- Step up business model transformation and expand recurring revenues
- Build more change-responsive organizational processes
- Make management more capital efficient
- Keep investing in growth
- Balance corporate growth and employee self-development
- Become global ESG leader by lifting corporate value sustainably

- Here, we present goals and policies under our 21st Mid-Term Management Strategy.
- My role in taking the baton from Mr. Yamashita will be to leverage progress to date to make Ricoh a digital services company.
- The left of the slide shows some of his many achievements. On taking the helm, he broke from the past by reviewing five major principles that had undergirded Ricoh's operations.
- He formulated the long-term vision titled Fulfillment through Work and declared a commitment to Ricoh becoming a digital services company.
- Mr. Yamashita drove significant progress in undertaking reforms, including to adopt a business unit structure, ROIC management, and business portfolio management. He also contributed significantly by making growth investments, focusing on cultivating self-motivated people, and earning Ricoh high recognition for its ESG leadership.
- In taking over from him, I will pursue a range of improvements toward and reinforcements under the 21st Mid-Term Management Strategy.
- The first move under that initiative will be to improve our customer touchpoint value creation capabilities. As a digital services company, we will create new value—new services—with customers. I consider it vital to develop our ability to create new services and innovate with customers so our organization can evolve naturally based on a customer-centric approach.
- Second, I want to enhance Group and global management. While it is very important to build value regionally, we do not want to become a company that is merely the sum of what its regional operations do. To become a premier digital services company, we will pursue synergies in Japan, Europe, the United States, and other developed countries.
- Third, we are committed to expanding recurring revenues. We will transform our business model to that end and improve our profitability every year.
- Fourth, we will build organizational processes that are more responsive to change. Such responsiveness is important for earnings stability. I consider it vital to make Ricoh and its structure flexible by reviewing production processes and making fixed costs variable where possible.
- Fifth, we will make management more capital efficient. As a digital services company, we will offer products and services under diverse business models. I want to embed ROIC management principles in setting assessment priorities.
- Sixth, we will keep investing in growth. We will remain focused on expanding.
- Seventh, we will balance corporate growth and employee self-development. We will have each employee acquire new skills as necessary and shift from mature to growth areas. We will improve employee engagement by aligning the growth interests of our people with those of the company. I believe that this balance is essential to simultaneously generate cash.
- Eighth and finally, I want to maintain our position as a top ESG global company.



Grow as digital services company by pursuing customer-centric innovation and increase corporate value

Financial indicator trends



Basic policies of 21st Mid-Term Management Strategy

1. Reinforce regional strategies and evolve Group management
2. Build revenue sources in frontlines and social domains
3. Leverage global talent

	FY2020	FY2021	FY2022 Forecasts	FY2025 targets
Sales	1,682	1,758.5	2,100	2,350
Operating margin	-	2.3%	4.0%	5.5%

- The financial targets of the 21st Mid-Term Management Strategy are 130 billion yen in operating profit and a return on equity exceeding 9%.
- When we announced the 20th Mid-Term Management Plan, we targeted an operating profit of 150 billion yen and a return on equity exceeding 10% for fiscal 2025.
- But the business climate changed unexpectedly in recent times, prompting us to conclude that a non-hardware recovery in the Office Printing business would not be as expected. So, we pushed back initial targets.
- We will keep striving to deliver a return on equity of over 10%.
- Our three basic policies are to reinforce our regional strategies and evolve Group management, build revenue sources in our frontlines and social domains, and leverage global talent.



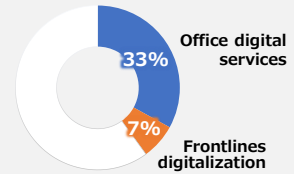
RICOH Digital Services driving growth, with frontlines and social areas becoming key earnings sources

		FY2025 targets		Key businesses
(Billions of yen)		Sales (CAGR)	Operating profit (Changes from FY2022)	
RDS	RICOH Digital Services	1,750 (3.0%)	60 (+33)	Office Services Office Printing Edge Devices
RDP	RICOH Digital Products	420 (-3.0%)	34 (-3.7)	
RGC	RICOH Graphic Communications	280 (5.3%)	18 (+4)	Commercial Printing Industrial Printing
RIS	RICOH Industrial Solutions	160 (8.4%)	12 (+4.9)	Thermal Products Industrial Facilities
RFS	RICOH Futures			PLAIR Biomedical business
	Others + Companywide and eliminations	-260	6	
Group headquarters				
Total		2,350 (3.8%)	130 (+45)	

Changes in digital services sales (excluding Other businesses)

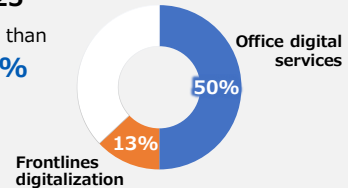
FY2022

40%



FY2025

More than **60%**



- Here, we present our segment sales and operating profit targets.
- We have five business units, and will retain that structure. While the office domain will continue to drive growth, we also seek achieve steady expansion in the frontlines and social areas.
- The figures on the right shows changes in digital services sales. They account for around 40% of revenues. We look to boost them to more than 60% of the total by fiscal 2025.



Reach four indicator targets below to become digital services company

Companywide initiatives	Direction	FY2025 targets for four main key performance indicators*
Reform business portfolio	Shift to digital services growth areas	1. Generate more than 60% of sales from digital services
Transform business model and boost profitability	Increase overall earning from resurring revenue levels and expand in non-Office Printing areas	2. Resurring revenues earnings by 18% 3. Raise non-Office Printing ratio to 54%
Maximize human capital potential	Reallocate human capital to growth areas by reskilling and lifting organizational productivity	4. Increase profitability per employee by 70%

*Target compared with FY2022 projections

- Key performance indicators are very important indicators for companywide efforts to boost profitability.
- The first is to reform our business portfolio. That means shifting to growth areas. The first indicator is to generate more than 60% of our sales from digital services by fiscal 2025, as explained earlier.
- The second indicator is to transform our business model and boost profitability. We will deploy the same sales resources to increase revenues and improve profitability by building recurring revenues each year. We seek to boost earnings from recurring revenues by 18%.
- Third, we will strive to raise our non-Office Printing ratio to 54% of earnings from recurring revenues.
- Fourth, we seek to maximize our human capital potential. While generating cash even in mature areas, we look to increase profitability per employee by 70%.
- We will make sure we reach all four key performance indicator goals.



Basic Policy 1: Reinforce regional strategies and evolve Group management

Key points of this section

Build stable earnings base by amassing highly profitable digital services recurring revenues

- Improve customer touchpoint value creation capabilities
- Demonstrate Group synergies
- Be able to tackle business climate changes

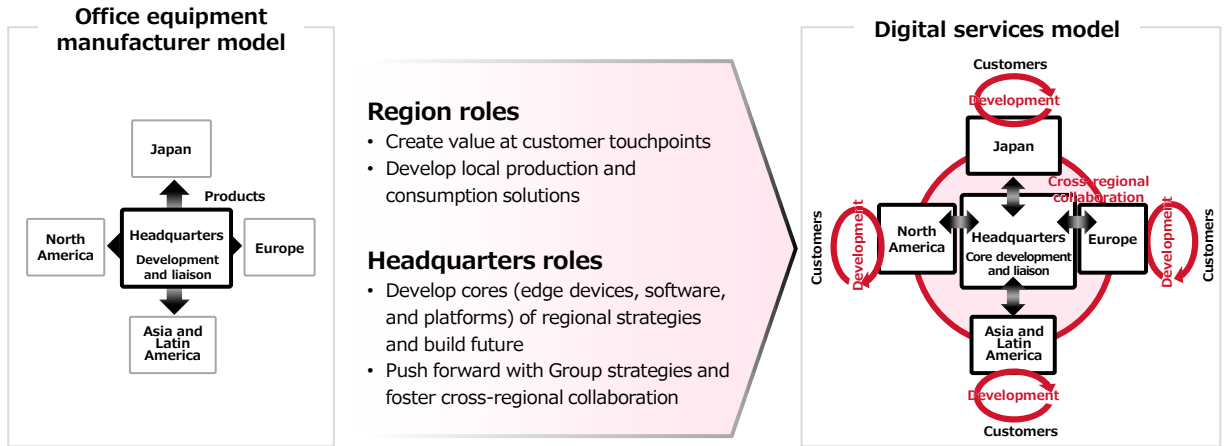
Boost
profitability

Improve corporate
value

- I will explain our three basic policies.
- The key points in Basic Policy 1 are to build a stable earnings base by amassing highly profitable digital services recurring revenues.
- It is accordingly important to do three things. These are to improve our customer touchpoint value creation capabilities, demonstrate Group synergies, and be able to tackle business climate changes to keep enhancing earnings.
- These efforts will improve profitability and our corporate value.



Become digital services company with regional strategy to create value with regional customers



March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

15

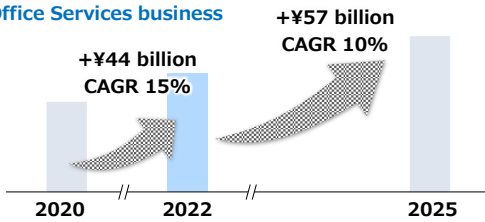
- For a start, the overall approach of building a stable earnings base by amassing highly profitable digital services recurring revenues is to reinforce our ability to create value at customer touchpoints. This will entail transforming our structure and shifting to a digital services business model.
- We used to operate under an office equipment manufacturer model, as shown on the left of the slide. We would create products, add value to them, and provide them to customers, liaising with each region.
- We are working to become a digital services company that provides IT services.
- We create many of our solution services at customer touchpoints. We are transforming our structure to steadily network and generate synergies. We are adopting the digital services model shown on the right. Under that approach, development is closer to customer touchpoints, with each region creating value nearby customers.
- Frontlines operations will evolve with our customers to nimbly develop solutions. This evolution will spread to the entire Group, which will keep transforming into an entity that improves customer value.



Phase to maximize synergies between acquired companies and existing sales subsidiaries

Sales

Office Services business



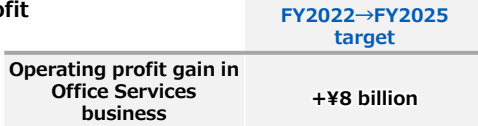
Ricoh's strengths: Europe

- Customer base in more than 60 countries of 180,000 mainly mid-sized and large companies
- Secured ICT and audiovisual capabilities through acquisition strategy and pan-European expansion
- 3,200 direct salespeople, 4,800 field engineers
→ Multiskilling Office Printing and Office Services people

Policy: One Ricoh growth strategy and service recurring revenue expansion



- **Maximize synergies between acquired companies and Ricoh sales subsidiaries**
 - ✓ Strengthen high-value-added services capabilities (Workplace solutions for big corporations; ICT managed services for mid-sized companies)
 - ✓ Steadily enhance competitiveness and grow discontinuously through ongoing acquisitions strategy
- **Develop recurring revenue services and continue to expand business**
 - ✓ Accelerate RICOH Spaces and managed audiovisual service deployments

Operating profit



- I will now discuss efforts to reinforce our regional strategies.
- I will begin with Europe. Most of our customers in Japan are small and medium-sized businesses. In Europe, they are mainly mid-sized and large companies.
- Acquisitions have secured us ICT and audiovisual services capabilities. We have 3,200 direct salespeople and 4,800 field engineers. We are cultivating multi-skilled personnel by reskilling people in growth areas. We have purchased quite a few companies in Europe. Under our One Ricoh strategy across those companies, existing sales subsidiaries, and previously acquired companies, we will strengthen synergies and increase profitability during the 21st Mid-Term Management Strategy.
- The RICOH Spaces IT service provides office management software for seat reservations. It developed this software solution in Europe, where it has been very well received. Leading global corporations are adopting this solution.
- We will use offerings planned at customer touchpoints for local areas as well as around the world. In Europe, we are reinforcing customer touchpoint development capabilities in the form of a digital factory.

Add on digital service of acquired company to Ricoh printing customer base

Customer Profile		The challenge	
<ul style="list-style-type: none"> ● Name : Jungheinrich ● Type of business : Develops and manufactures Logistic systems ● Foundation : 1953 ● Employees : 19,000 ● Location : Germany 		<ul style="list-style-type: none"> ● Introduced hybrid working due to pandemic, but remote meeting environment connecting office and staff working from home was not in place ● Meeting room equipment was not standardized across the company and varied from office to office and meeting room to meeting room, creating inefficiencies 	
New meeting room design <ul style="list-style-type: none"> ● Internal and external communication based on Microsoft Teams Room (MTR) ● Standardized equipment for meeting rooms 		Post Implementation <ul style="list-style-type: none"> ● Seamless communication in a virtual environment between the office and home workers ● Smooth and stable remote meetings from anywhere with a unified environment 	
Reason of selecting Ricoh <ul style="list-style-type: none"> ● Data Vision's high level of experience, analysis and proposal around AV and MTR ● The high satisfaction with the Ricoh printing solution provided since 2011 ● Global sales and service coverage to support future deployments outside Germany 			

March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

1 /

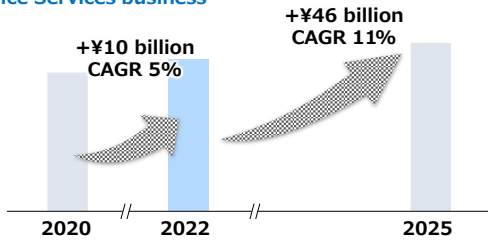
- I will now present a success story of European customer that we started serving by leveraging the printing customer base that is a unique strength, our global reach, and the expertise of an acquired company.
- Jungheinrich is a multinational company headquartered in Germany.
- While it held more online meetings after adopting teleworking in response to the Covid-19 pandemic and less business travel, this meeting environment was underdeveloped. The company used different meeting room designs and communication tools worldwide. It had non-standardized online meeting facilities from different vendors in different locations. Communicating this way was very inefficient.
- Jungheinrich was originally a Ricoh copier customer. We drew on the expertise of DataVision, an audiovisual managed services company that we acquired, to standardize meeting room specifications for Jungheinrich's offices around the globe and streamline communicating. DataVision also makes management services available at any time to support operations.
- This success story encapsulates how we collaborated with communications specialist DataVision, which we acquired in 2020, to provide a new solutions to an MFP customer that would help it operate more creatively.
- This is just one example of what we have done. We also receive numerous other IT solutions requests, including from other multinational customers similarly wanting to integrate their meeting setups around the globe.
- We are drawing on our global customer base to offer new communication, collaboration, and management services.
- Few companies that can match the value we deliver in supporting customer sites around the world. We believe that we don't have rivals in this respect at this stage.



Speed up major client Business Process Services digitalization by focusing on targeted industries

Sales

Office Services business



Ricoh's strengths: North America

- Client base of approximately 1,800 on-site managed service locations, mainly major and very large companies
- High-quality and extensive business outsourcing record and customer reach
- Portfolio and personnel deployment across key financial services, healthcare, and retail sectors
- Secured audiovisual integrator capabilities by acquiring Cenero

Policy: Deploy digital services to robust strong customer base

- **Transition from traditional staff dispatch model to Business Process Services tapping digital technology**
 - ✓ Digitalize Business Process Services to enhance convenience and profitability
 - ✓ Expand digital services portfolio by sector through local planning and development entities
- **Sell new Office Services business add-ons large and very large corporate customer base**
 - ✓ Deploy managed audiovisual services through synergies with Cenero

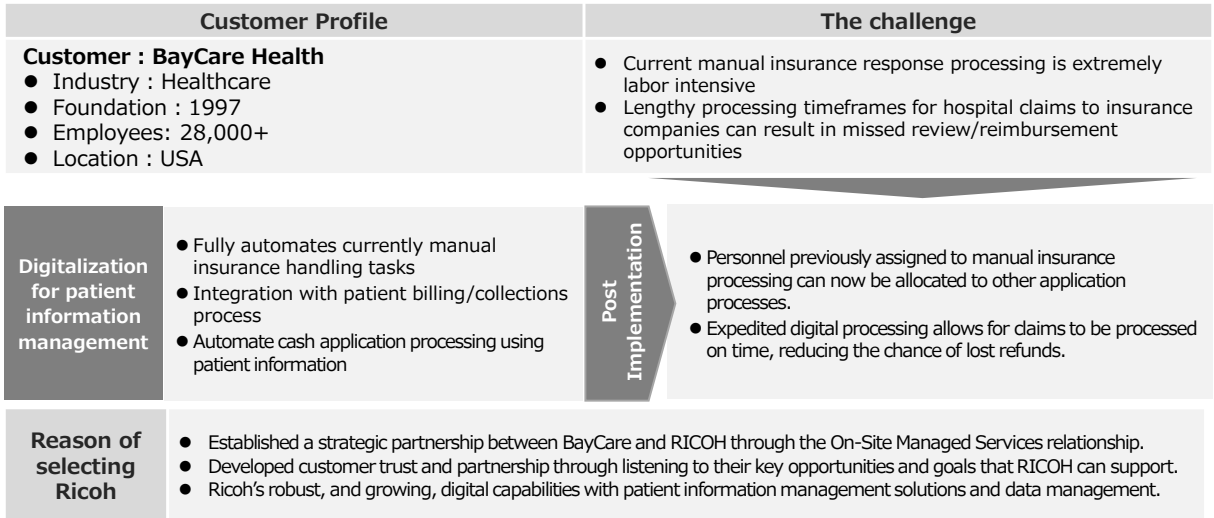
Operating profit



- Next up is our strategy for North America.
- In North America, we have a greater percentage of sales is from major and very large companies. Our services focus is Business Process Services, with which we send staff to customer sites to handle various tasks for them. Business Process Services center on the financial services, healthcare, and retail sectors.
- We are digitalizing services that people previously spearheaded. We are developing solutions with customers to drive this digitalization. In North America, we are reinforcing these capabilities at our digital services centers.
- In North America, we draw on Cenero, which we acquired in fiscal 2022. That subsidiary combines the capabilities of an audiovisual integrator and a managed services company. On securing orders for global initiatives, such as the European one we outlined a little earlier, Cenero will be at the core of our services offerings.



Digitize labor-intensive tasks for a major on-site managed services client.



March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

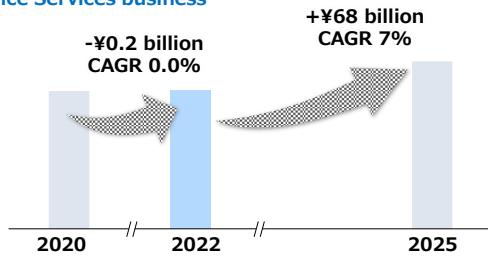
19

- I would now like to share a customer success story from North America.
- This customer is a healthcare provider. It commissioned us to dispatch personnel to its sites to provide a range of services. Here, we cover our proposal for digitalizing labor-intensive tasks.
- The client asked us to resolve that issue by automating insurance claims processing, eliminating lengthy processing timeframes that could result in missed reviews and reimbursements.
- Digitalization will resolve the customer's issues and link with other digital workflows, identifying areas needing further support. We are digitalizing our North American on-site outsourcing business, and will keep pushing ahead with that effort.

Keep cultivating and deepening customer relationships in priority areas, centered on highly profitable Office Services

Sales

Office Services business



Ricoh's strengths: Japan

- Serves around 1 million businesses, primarily small and medium-sized enterprises and mid-sized companies
- Localized, nationwide sales support structure
- Can create and deploy solutions that address issues and capitalize on seasonal market opportunities
- Ranked first for eight consecutive years in J.D. Power's customer satisfaction survey of IT solutions provider and server maintenance services
- Ranked first in number of IT grants for three straight years

Boost profitability by reinforcing digital services that resolve industry and business issues

- Cultivate customers in the vital manufacturing, distribution, construction, healthcare, and municipal government sectors)
- Increase recurring revenues primarily from Scrum series, RICOH kintone plus, and Empowering Digital Workplaces initiatives
- Broaden center and on-site managed services by collaborating with PFU

Operating profit



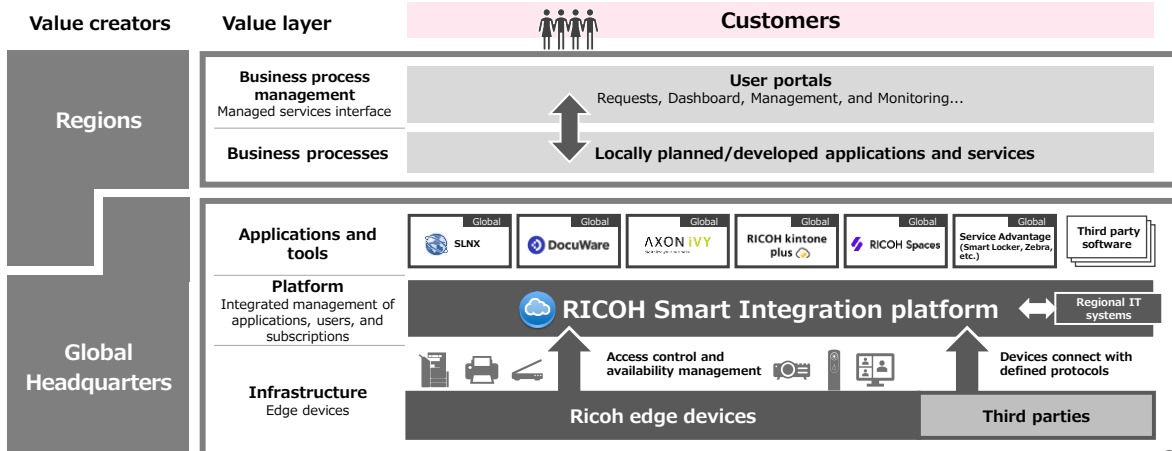
- Finally, I will cover our strategy for Japan.
- Our key strength in this market is customer base of small and medium-sized enterprises and mid-sized companies. We will step up our focus on the latter. We offer solutions in the vital manufacturing, logistics, construction, healthcare, and municipal government sectors. We will expand recurring revenues primarily from Scrum packages and assets, RICOH kintone plus, which we launched last fall, and Empowering Digital Workplaces initiatives.
- We will expand our managed services business in collaboration with the services business of PFU, which recently became part of the Ricoh Group.
- In Japan, we seek to enhance profitability by expanding sales of high-margin in-house packages and other offerings.

Group Management Evolution: Build RSI Ecosystem

Build RSI Ecosystem in which integrated digital services and edge devices expand customer value

Augment MFP peripheral solutions by delivering value through ecosystem linking edge devices with services and software

Add value by visualizing customer work through data from connected edge devices, services, and software



March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

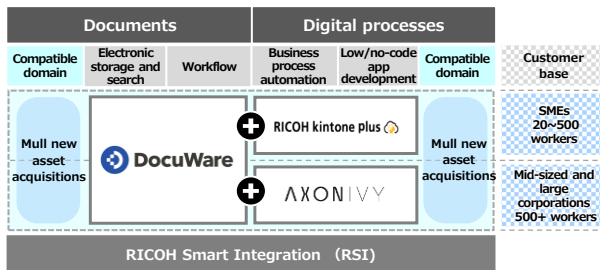
21

- I will explain our Group management evolution in terms of efforts to build our RICOH Smart Integration, or RSI, ecosystem.
- The RSI and service delivery platform are pivotal to accelerating synergies within the Ricoh Group.
- RSI is our business infrastructure platform for providing digital services to customers by integrating edge devices and cloud-based applications. We will create value in each of the areas that our regional operations and headquarters handle.
- To date, RSI has delivered value primarily by connecting MFPs and applications, centering on solutions peripheral to MFPs. We will evolve our approach by connecting MFPs and various edge devices and by incorporating diverse customer workflows to create a new ecosystem and business platform.
- We will cultivate more value by leveraging data from connected edge devices, services, and software.
- We will draw on RSI to globally employ microservice modules created in each region.
- RSI is a powerful platform for improving Group synergies. That is because it enables us to leverage regional services delivery capabilities worldwide.



Thoroughly expand proprietary software sales and broaden business domain by acquiring new assets

Workflow digitalization



20th Mid-Term Management Plan challenge:
Build proprietary in-house software portfolio covering targeted customer segments in document and workflow digitization

- Global deployment after DocuWare acquisition
- Secured low-code development software by acquiring Axon Ivy
- Embarked on strategic alliance with Cybozu to deploy RICOH kintone plus in Japan and United States

21st Mid-Term Management Strategy policy:
Expand proprietary software revenue and strengthen peripheral areas

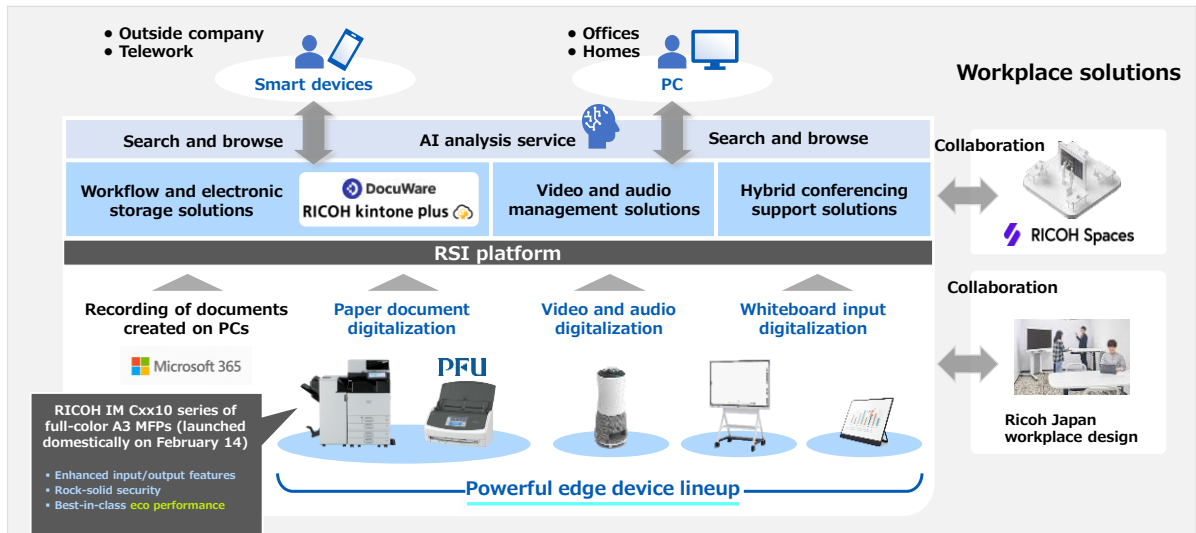
- **DocuWare and Axon Ivy:**
 - ✓ Expand direct sales company salesforces and enhance selling proposal skills
 - ✓ Share customer success stories and create simple sales scenarios
- **RICOH kintone plus:** Expand business and deploy overseas after Japan and United States
- Connect **RSI platform** and proprietary software and develop software as a service offerings
- **Secure new assets (through acquisitions and partnerships)** in areas peripheral to workflow digitalization

Sales growth

	FY2022→FY2025 target
Global software sales CAGR	30~40%

- This section also covers our software deployment.
- DocuWare, which we acquired in 2019, provides services through 46 partners worldwide.
- We expanded workflow digitalization to processes other than these documents by acquiring Axon Ivy in 2022. This is a strong player in digital processes. We rolled out RICOH kintone plus in 2022 through a strategic alliance with Cybozu. This offering is highly compatible with RSI and is available in Japan and the United States.
- Our proprietary software business offers high profit margins and economies of scale work. We will cultivate this software extensively.

Leverage powerful edge device lineup to digitalize seamlessly



- This Group management evolution slide covers the edge devices underpinning our digital services.
- Another headquarters role is to strengthen edge device development. The world of work is changing everywhere. In Japan, legislating changes are driving the digitalization of paper-based orders and invoices. MFPs and scanners are important edge devices for customers as they adopt digital processes.
- PFU is the global leader in the scanner market. As PFU has become a member of the Ricoh Group, our service area has expanded enormously.
- We are developing web conferencing edge devices to customers communicate and collaborate more effectively as meeting approaches diversify.
- One of Ricoh's strengths is its ability to serve as a one-stop shop for MFPs, scanners, and other edge devices for and workflows.



Stabilize results by building production and parts procurement structure that is resilient to operating climate changes

1. Decentralize production sites for priority models and key units

- Maintain decentralized production site policy and manufacture flexibly according to geopolitical risks

2. Secure procurement in view of industrial structure changes

- Roll out component procurement risk analysis method according to market supply-demand balance analysis and ensure stable supplies

3. Utilize reused machines

- Reinforcing production structures for reused machines in consumption regions

4. Collaborate further with other companies

- Explore collaboration with other companies, including to mutually use production sites, jointly purchase parts, and undertake joint product strategies to reinforce supply chain

- A stable supply structure is essential. This slide presents our efforts to build a resilient setup. We believe that we can continue to enhance profitability by better addressing changes in the operating climate.
- That completes my overview of Basic Policy 1.



Basic Policy 2: Build revenue sources in frontlines and social domains

Key points of this section

Draw on accumulated technologies to expand business scale and secure non-office earnings sources

- Harness Ricoh's technologies to improve frontlines productivity, accelerate efforts to tackle business climate, and deliver customer solutions
- Identify growth businesses in frontlines and social domains outside office area

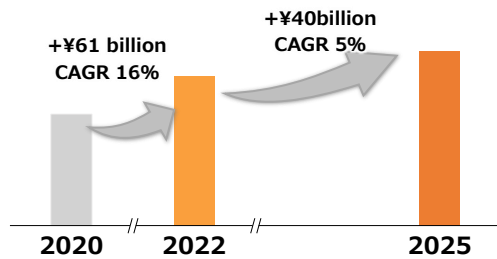
Boost profitability
Improve corporate value

- Basic Policy 2 is to secure recurring revenues in non-office domain while solving social issues based on Ricoh's amassed technologies.
- Analogue processes still predominate in non-office domain. We aim to develop new businesses with our technology. In frontlines and social domains, we can also create businesses that contribute directly to resolving social issues.



Driving printing industry digitalization, capturing brand leadership in frontlines digital transformation and environment terms

Sales



Market opportunities

- While offset printing currently dominates, digital printing market should experience compound annual growth rate of 8.0%
- Emerging customer need for business solutions is accelerating shift to digital printing
 - ✓ Burgeoning raw materials, energy, and labor costs in offset printing
 - ✓ Shift from analog to digital printing with lower environmental impact

Ricoh's strengths

- Cutsheet printer leadership
- Proprietary technology and in-house inkjet printhead development
- Global sales base and commercial printing sales and service specialists

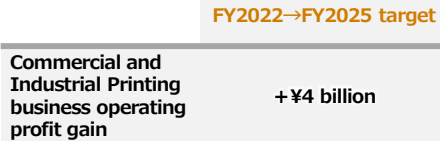
Policy: Digitize printing sector to make it a second business pillar after office businesses

- Rush to launch products to enter new markets and expand market share in existing areas (see *1)
- Strengthen printing site production workflows
- Streamline development, production, and sales and services processes



*1. New inkjet cutsheet model slated for launch in first half of FY2023 that would be world's first B2 automatic duplex model employing water-based inks for high definition and lower total costs of ownership.

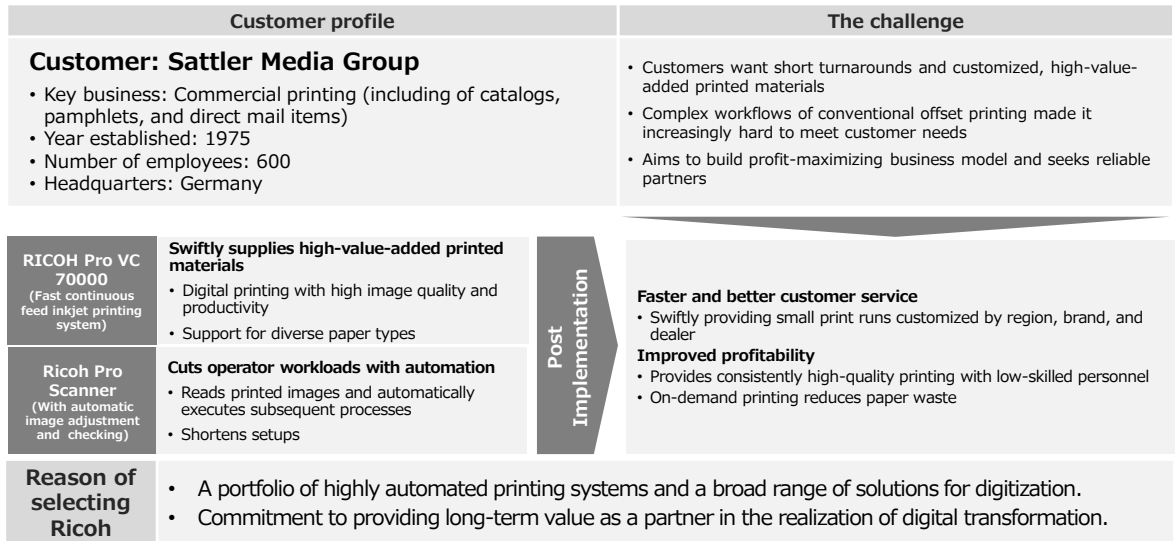
Operating profit



- This slide presents our growth strategies for the commercial and industrial printing businesses.
- The commercial printing business is in the frontlines domain, and we want to make it a second business pillar by digitalizing printing sites. We project a 16% compound annual growth rate in fiscal 2020 through fiscal 2022. Growth remains high despite the COVID-19 pandemic depressing printing demand. This demonstrates that the market values digital printing.
- The backdrop is that commercial printing customers face a range of business challenges. Among them are to offer short turnaround times, deliver printed materials with high added value, or to be eco-friendly by printing only required numbers of copies. Surging energy and labor costs and the rising costs of raw materials for offset printing have also fueled the need for digital printing.
- Our proprietary inkjet printheads and global sales and service network are key strengths in this domain, and we believe that we can contribute to the digitalization of this area. It is a business that can generate recurring revenues. We will pursue steady growth.



Cater to fast growing print site digitalization needs and become trusted partner of customers

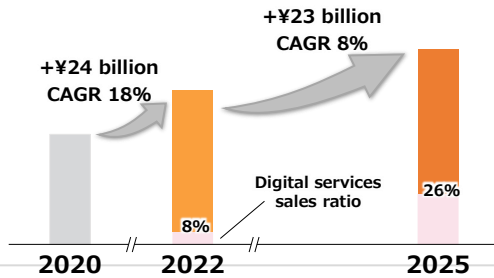


- This is a customer success story in the commercial printing business. We helped Sattler Media Group, a commercial printing company in Germany, to digitalize its print sites.
- Its customers' requirements change daily. A growing need for advanced customization, variable printing with content changing for each page, and other considerations meant that this company's conventional offset presses could no longer to meet the demands of them.
- But shifting to digital services would entail significant capital investments. Sattler Media therefore approached us because it wanted to make sure its business model would be viable in making such outlays.
- We secured an order by suggesting various workflows, including software for image adjustments and inspection required at Sattler Media's printing sites. We did not simply sell it printing equipment. That company greatly appreciated our proposals.
- We look to foster commercial printer digitalization and secure recurring revenues by continuing to propose new workflows.

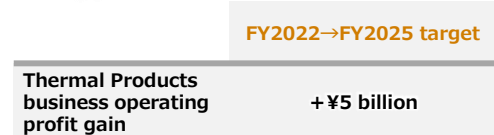


Tap thermal technology to supply digital services to frontline customers in distribution & logistics industries

Thermal Products business sales



Operating profit



Market opportunities

- An expanding thermal media market (projected compound annual growth rates for FY2022 through FY2025 of 3.4% for thermal, paper, 2.5% for thermal transfer ribbons, and 7.0% for variable-print packaging)
- Thermal media market demands higher reliability and speeds owing to customer disclosure requirements and greater process automation

Ricoh's strengths

- Print resolution, image storage, and other media technologies and thermal printing technologies
- Top positions in thermal paper markets of Europe, Americas, and Japan
- Label-less printing and other new media and systems for social needs

Policy: Expand digital services business and make existing businesses very profitable

- Expand finished product customer touchpoints and offer total solutions
- Deliver operational excellence in existing businesses



Step 1: Strengthen alliances with finished product manufacturers and expand end-customer touchpoints

Step 2: Providing total solutions for frontline customers in the distribution and logistics industries.

- This slide shows our growth strategies for the thermal products business.
- We sell thermal transfer paper to distribution and logistics customers. Our sales are expanding with the electronic commerce market.
- The sales ratio of digital services in the thermal business is 8% in fiscal 2022, but we would like to lift it to 26% in fiscal 2025.
- One contributor to that growth would be a business that we are about to launch that would enable a leading convenience store chain to directly print and display product names and ingredients without labels on films for salad packaging and other items. We anticipate growth in this area in view of a tremendous scope for adopting digital technology in coming years.

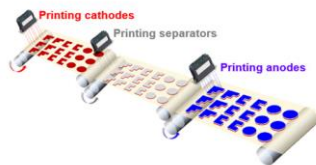


Unique manufacturing digital conversion with applied jetting technology



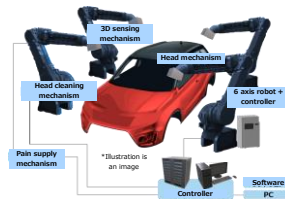
Applying and developing key technologies to digitalize manufacturing processes, generate new customer value, and resolve social issues

Technology for inkjet printing of battery materials



Using inkjet technology to manufacture rechargeable batteries
Batteries can be mounted on objects in any size and shape

Digital coating technology for automotive exterior panels



- 100% efficiency in painting entire bodies
- Minimizing materials and energy waste in painting process

- This slide overviews our jetting technology efforts.
- Our strengths include printing with high-viscosity ink, inkjet head technology for printing on curved surfaces, and technology for converting functional materials into ink.
- The battery material printing technology shown in the lower left-hand corner is a technology that enables the manufacture of rechargeable batteries in various shapes by converting electrode materials into ink and printing them in layers using inkjet printing.
- This should, for example, eliminate design limitations when including batteries in Internet of Things and other devices. It will be possible to create batteries that match device shapes.
- It is also worth noting that the automotive exterior panel digital coating technology shown in the bottom right of the slide delivers almost 100% efficiency in painting entire bodies. This is an environmentally friendly manufacturing approach.

Identifying and scaling new businesses that resolve key social issues

PLAiR

Challenge

Reduce environmental impact by transforming single-use plastics into biomaterials

- Build eco-system using bio-materials and help materialize a circular economy
- Use high foaming agents to conserve raw materials inputs



Scaling

Building ecosystem with partners sharing Ricoh's vision for PLAiR

- Branded and secured market recognition for PLAiR
- Established supply chain

Biomedical business

Challenge

Enhance well-beings by constructing infrastructure to create iPSC-based medicines and diagnostics

- Fast differentiation, high-quality cell, and data-driven induced pluripotent stem cell assay service
- Japan's first mRNA contract development and manufacturing organization able to engage in early, small-scale research stages



Scaling

Co-creating new value with venture companies when Ricoh cannot achieve alone

- Made Elixirgen Scientific a consolidated subsidiary
- Established fund to support venture companies and bolster domestic mRNA drug discovery capabilities

- Here, we highlight businesses that resolve social issues.
- PLAiR is biomaterial. It has a low environmental impact and is based on MFP toner manufacturing technology.
- On the biomedical front, we made Elixirgen Scientific a consolidated subsidiary. That firm is using induced pluripotent stem cells to streamline drug discovery and disease research. We became Japan's first messenger RNA contract development and manufacturing organization able to engage in early, small-scale research stages.
- We aim to reinforce messenger RNA drug discovery capabilities in Japan to contribute to well-beings and the nation's economic security.



Basic Policy 3: Leverage global talent

Key points of this section

Maximize human capital worldwide and shift people to growth areas

- **Balance between employee growth and business growth → Improve profitability**
- **Co-creation of digital services on a global scale**

**Boost
profitability**
**Improve corporate
value**

- The third and final basic policy is to leverage global talent.
- We will increase employee engagement by shifting reskilled personnel from mature to expanding area while enhancing our growth potential. We will also generate cash from being able to tap talent more efficiently by shifting people out of mature areas.
- A key challenge with worldwide competition for digital services is to embed best practices globally into Ricoh.
- We seek to become more profitable and enhance corporate value by achieving our goal.



Building on 20th Mid-Term Plan initiatives in formulating human capital strategy to reinforce business implementation

Key initiatives under 20th Mid-Term Management Plan

- ✓ Encouraged employee self-motivation
- ✓ Introduced Ricoh job-based employment system
- ✓ Developed and reinforced digital talent
- ✓ Reviewed evaluation system
- ✓ Fostered diversity and inclusion
- ✓ Pursued Fulfillment through Work

Human capital strategies

Human capital stance

Digital talent reinforcement

Human resources portfolio management aligned with business strategies

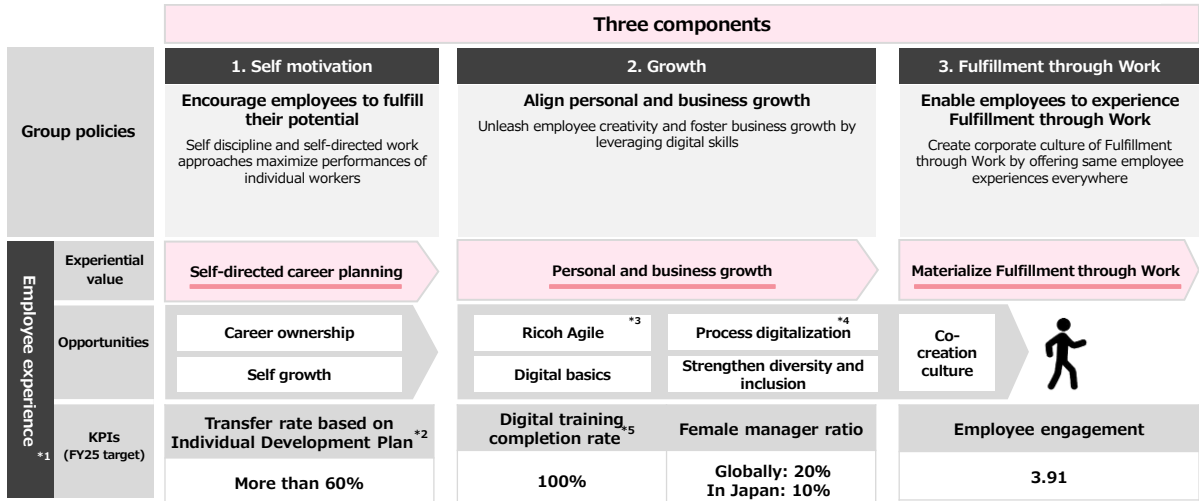
KPIs

- Transfer rate based on Individual Development Plan
 - Digital training completion rate
 - Female manager ratio
 - Employee engagement
-
- Upskill and increase number of such employees
-
- Profitability per employee

- On this slide, we overview our human capital strategies driving business growth.
- Human capital refers to capabilities and skills in which we invest extensively.
- The 20th Mid-Term Management Plan encouraged employee self-motivation, which is now a fundamental desirable attribute for all Ricoh Group employees.
- For a digital services company, it is essential for all employees to proactively explore and create value with customers. We have thus endeavored to strengthen human capital by deploying a Ricoh-style job-based personnel system in Japan while reinforcing digital talent.
- Under the 21st Mid-Term Management Strategy, we will keep bolstering digital talent based on our human capital stance, managing our human resources portfolio in keeping with our business strategies.



Leverage employee experience components to drive personal and business growth



^{*1}. From Ricoh's work ^{*2}. Percentage of transfers and job changes-based plan ^{*3}. In-house design thinking + agility model for organizational management ^{*4}. Redesigning work and processes with digital technology ^{*5}. Generic term for training programs encompassing Ricoh Agile, process digitalization, and digital basics. Undertaking ^{*2} and ^{*5} first primarily at domestic Group companies, thereafter, looking to deploy overseas.

- Our human capital stance has three core components.
- The first is self motivation. This is about encouraging people to fulfill their potential and maximize their performances.
- The second component is growth. This is about fostering personal and business growth by giving employees the digital skills they need and unleashing their creativity.
- The third is to create a corporate culture that provides opportunities for employees to find Fulfillment through Work.
- Ricoh's human capital stance is that self motivation, growth, and Fulfillment through Work are employee experiences and by continuing these experiences employees can find their own Fulfillment through work while helping Ricoh to grow.

Expand digital talent pool based on skills and assign people in line with business strategies

20th Mid-Term Management Plan actions

Identified ITSS-based skills, increased total headcount, and continued to level-up

Number of digital experts	FY2020	FY2022
Certified ITSS Level 3 or above holders	1,459	2,232 Up 53% from FY2020

Opened Ricoh Digital Academy in April 2022

Level	Goals
Professional skills enhancement	Help employees to enhance their digital skills and create Ricoh's digital services
Digital knowledge	Provide diverse courses for all employees to acquire digital technology skills and use data and encourage continuing
Digital literacy	

21st Mid-Term Management Strategy priorities

Expand pool of experts with following skills

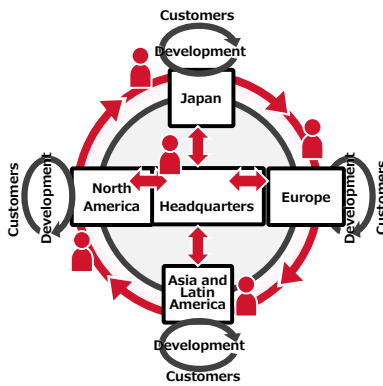
Job categories	Targets
Business producers and designers	500
Cloud architects	1,000
Data scientists	500
Information security personnel	2,000

Expand number worldwide after pilot program in Japan

- While it is important to enhance the overall capabilities of our people, it is also essential to bolster digital skillsets as needed.
- The left of the slide summarizes achievements under the 20th Mid-Term Management Plan.
- By fiscal 2022, the number of employees with ITSS Level 3 certifications or above was 53% higher than in fiscal 2020.
- We will keep cultivating digital talent. Under the 21st Mid-Term Management Strategy, we will expand our pool of experts in areas that will become more important in the years ahead, based on digital skills.



Bolster pipeline of leaders co-creating, collaborating, and creating digital services globally



Expand pool of professionals

Strengthen personnel pipeline for global digital business co-creation and collaboration

- People with specialist skills and content development capabilities
- Those who can identify and model advanced services and deploy them worldwide

Expand management pool

Reinforce pipeline of managers with digital business experience

- Highly skilled people who can lead co-creation globally
- Create career paths integrating frontlines digital experience and management talent and reinforce talent pipeline with early-stage development programs
- Recruit external talent (Abroad→Japan, including foreign students and new graduates)
- Have people swiftly experience multiple projects and assignments worldwide

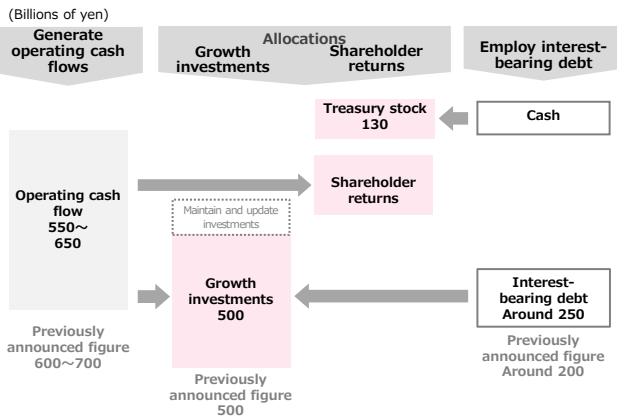
- This slide shows how we are reinforcing digital talent to accelerate business growth.
- We will bolster our pipeline of leaders who co-create, collaborate, and create digital services globally.
- Digital services best practices are global, so we need to exchange talent worldwide.
- We will particularly cultivate people who can identify and model advanced services in certain countries and deploy them in the Ricoh Group.
- We will create career paths for people with digital business expertise to become managers and strengthen our human resources pipeline. The digital business portfolio encompasses diverse business models. The skills for managing them are very important.
- Early-stage development programs for management personnel are also a key component of our human capital strategy.
- That completes my discussion about that strategy.



Capital Policies Supporting Growth

- Maintaining direction after reassessing growth investments and returns policies
- Appropriately allocate cash by using interest-bearing debt

Capital management through cash allocations (FY2021-2025)



Growth investment framework

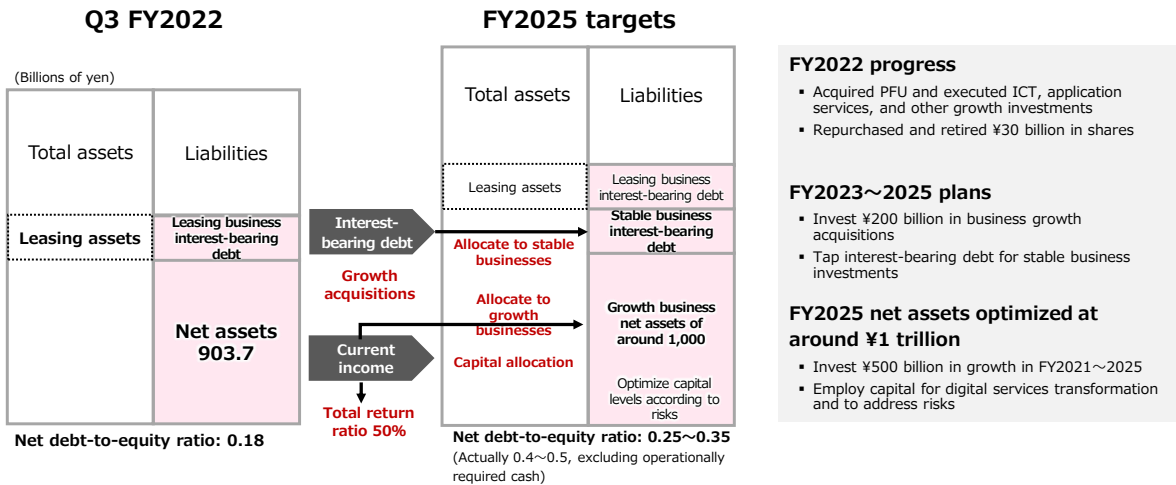
(Billions of yen)

	Initial 5-year growth investment framework plan	20 th Mid-Term Management Plan Forecast (2 years)	21 st Mid-Term Management Strategy target (3 years)	5-year growth investment framework plan	Change
Business growth acquisitions	300	125	200	325	+25
Robust management infrastructure Investments to create new business domains	100	40	50	90	-10
	100	25	60	85	-15
Total	500	190	310	500	±0

- I will now talk about our capital policies to support growth.
- Having reassessed our growth investments and capital returns policy, we have retained the 20th Mid-Term Management Plan’s five-year growth investment framework. We will ensure that our growth investments fuel higher corporate value.
- Having reviewed our cash allocations, we look for operating cash flow to range from 550 billion yen to 650 billion yen from fiscal 2021 through fiscal 2025. We have made no major changes to already disclosed policies, such as how we will make growth investment allocations and use interest-bearing debt.

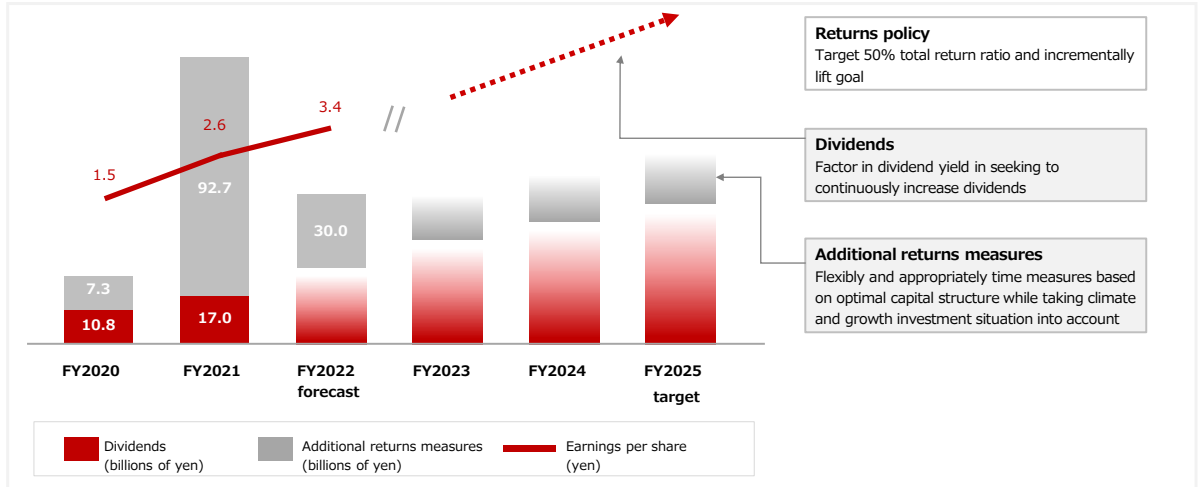


Adjust capital in line with earnings and growth investment progress



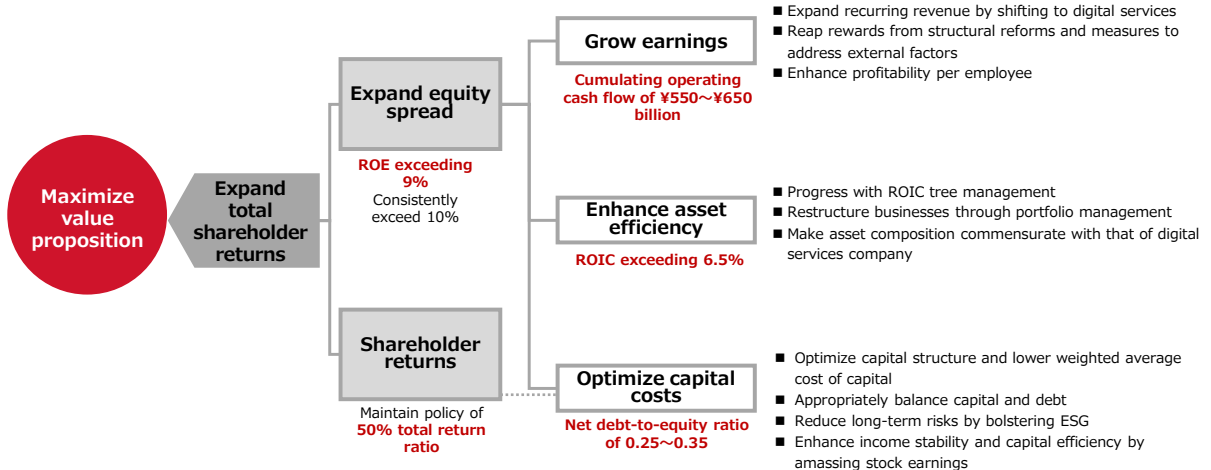
- This slide presents our capital policy progress.
- Net assets in the third quarter of fiscal 2022 were as planned, with capital adjustments from share repurchases and retirements.
- We made investments we needed for growth. The net debt-to-equity ratio was thus 0.18.
- We look to keep investing in growth under our plan for fiscal 2023 through fiscal 2025. This spending will be vital to enhance corporate value. We are retaining our principle of allocating interest-bearing debt to stable businesses and equity to growth businesses. The operating climate remains uncertain, including because of external factors, and we are transitioning to digital services. We will accordingly harness capital to cover related risks.
- We project a net debt-to-equity ratio of 0.25 to 0.35 for fiscal 2025. We aim to adjust capital flexibly in view of earnings and progress with growth investments.

Maintain 50% total return ratio policy and improve total shareholder returns by continuing to increase dividends and while undertaking additional returns measures



- In terms of shareholder returns, we will adhere to the 50% total return ratio policy that we established under the 20th Mid-Term Management Plan.
- We seek to keep increasing dividends, factoring in the dividend yield, targeting a total return ratio of 50%.
- We will also undertake additional return measures flexibly and at the right times based on the concept of optimizing our capital structure while taking into account the operating climate and progress with growth investments to improve total shareholder returns.

Steadily expand total shareholder returns to maximize corporate value



Note: Figures other than shareholder returns are targets for 2025

March 3, 2022

(C)2022 Ricoh Company, Ltd. All Rights Reserved

40

- This slide shows our approach to maximizing corporate value.
- We are retaining our policy of maximizing that value by expanding total shareholder returns. We will resolutely enhance return on equity by pushing ahead with efforts to manage return on invested capital and enhance asset efficiency through our portfolio management.
- We will additionally strive to ensure that our business portfolio changes steadily through digital services growth and that investors recognize and evaluate that we are accumulating recurring revenues from digital services.
- We believe that our efforts will enhance our price-to-earnings ratio and also help us deal with a price-to-book ratio of below one, which the Tokyo Stock Exchange has considered problematic.



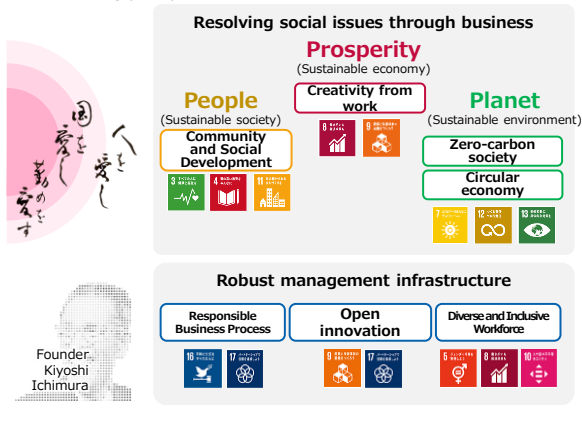
Future Focuses



Keep positioning ESG targets as future financial targets and further align ESG and business growth

Spirit of Three Loves
Ricoh's founding principles

SDGs and seven materialities



	Materiality	ESG targets	FY2025 targets
Resolving social issues through business	Creativity from work	Customer survey scores	29%
	Community and Social Development	Number of people to whom we have contributed by improving social infrastructure	15~20 million
		Greenhouse gas Scope 1 & 2 reduction rate	50%
	Zero-carbon society	Greenhouse gas Scope 3 reduction rate	35%
Renewable energy usage ratio		40%	
Avoided emissions		1.4 million metric tons	
Circular economy	Virgin materials usage ratio	80% or less	
	Responsible Business Process	Corporate Human Rights Benchmark score	ICT sector top
Compliant with NIST SP800-171		80% or more	
Coverage of Company's Core Business Environment		80% or more	
Low-compliance risk companies		80% or more	
Contracted Joint R&D ratio		25%	
Open Innovation	Digital service patent application ratio	60%	
	Diverse and Inclusive Workforce	Ricoh Digital Skills Level 2 or above rated employees (Japan)	4,000 people
Process DX Silver Stage certified employee ratio		40%	
Engagement score*1		Globally: 3.91	
Female-held managerial position ratio		Global: 20% (Japan: 10%)	

Note: Pink areas indicate revised targets

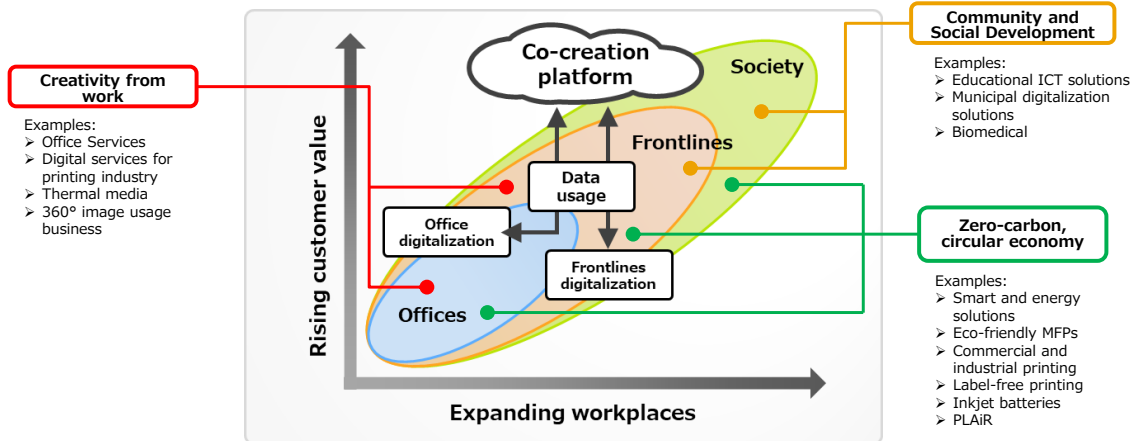
*1...Target by region JPN: 3.69; North America 4.18; Central/South America 4.14; Europe 4.01; APAC: 4.15

March 7, 2023

(C)2023 Ricoh Company, Ltd. All Rights Reserved

- Finally, I want to mention what Ricoh will keep treasuring in years to come.
- As I have already stated, Ricoh has always valued sustainability management based on the Spirit of Three Loves. We look at goals that contribute to sustainability as future financial targets. We are endeavoring to contribute to a sustainable economy by progressing in line with current financial goals.
- For the 21st Mid-Term Management Strategy, we reviewed materialities based on social requirements, customer demands, and our digital services transformation. We established 16 ESG targets linked to our materialities. We will keep work on these areas as management targets.
- We will continue to push forward with sustainability efforts, making the Spirit of Three Loves, our founding principles, the starting point for those efforts.

Businesses tied to materiality will drive growth and expand solutions to resolve social issues through business



- We will strengthen efforts to resolve social issues through business by managing the business and materiality for resolving social issues in the office, frontlines, and social domains.
- We aim to accelerate business growth by cultivating social solutions-oriented businesses, centered on digital services.

Fulfillment through Work

Work can be incredibly fulfilling when you overcome a challenge.

Fulfillment through Work. This core principle is embodied in the “Spirit of Three Loves” that has been at the heart of Ricoh’s business since the company was established in 1936.

We truly understand how people, workplaces, and workflows are interconnected. We transform work to release people from the tedium of repetitive tasks so they can better communicate their thoughts and unleash their creativity and potential.

Ricoh wants to enable people to derive satisfaction and accomplishment through what they can achieve.

The future that lies beyond the transformation is a sustainable society where job satisfaction and economic growth are in harmony.

We will all contribute to a future that achieves our vision of fulfillment through work.



- I would like to conclude by once again presenting our vision of Fulfillment through Work.
- Ricoh will continue to grow and seek to remain a trusted corporate citizen.

RICOH
imagine. change.



The plans, prospects, strategies and other statements, except for historical events mentioned in these materials are forward-looking statements with respect to future events and business results. Those statements were based on the judgment of Ricoh's Directors from available information. Results may differ materially from those projected or implied in such forward-looking statements and from historical trends. Refrain from judgments based only on these 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 cause those results to differ materially from those expressed in the forward-looking statements:

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

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. Do not rely solely on these materials for your investments, decisions on which are your responsibility.

Note: These materials define fiscal years as:
FY2022 (or fiscal 2022) = Fiscal year ended March 31, 2023, etc.