

IR Day
**Office
Services
Business**

Akira Oyama

Director

Executive Corporate Officer

President of Ricoh Digital Services Business Unit

Ricoh Company, Ltd.

December 1, 2021

- 1. Digital Services Business Unit
and Office Services Business**
- 2. 20th Mid-Term Management
Plan Progress**

1. Digital Services Business Unit and Office Services Business

2. 20th Mid-Term Management Plan Progress

Reorganizing into Digital Services Company

- Adopted business unit structure in April 2021 to become a digital services company
- Ricoh Digital Services oversees Office Services and Office Printing sales and service

Organizational Units	Value Proposition	Former Segments and Functions	Digital Service Ratio
Ricoh Digital Services RDS	Resolve challenges for people at offices and working remotely	Office Services Today's briefing	Large
	Resolve challenges for people on frontlines	Sales Services	Small
Ricoh Digital Products RDP	Edge devices connecting people	Office Printing	
	Manufacture products supporting digital services	Development Production OEM	Small
Ricoh Graphic Communications RGC	Resolve challenges for people on frontline printing sites	Commercial Printing	Large
		Industrial Printing	Medium
Ricoh Industrial Solutions RIS	Resolve challenges for people on frontline manufacturing, logistics, and industrial sites	Thermal Media	Small
		Industrial Products	Medium
Ricoh Futures RFS	Create new businesses to resolve social issues	Smart Vision, Healthcare, batteries based on inkjet technology, new materials, social infrastructure, additive manufacturing, and energy harvesting	Large

Strategic Significance of Digital Services Business Unit

Draw on trust and talent accumulated over many years in Office Printing business to integrate edge devices with Office Service business to deliver even more customer value

 Why we oversee both Office Printing and Office Services businesses:
Sources of competitiveness

Customer Base

1.4 million Office Printing customers in **50** countries



Serving businesses efficiently and effectively with **services and add-ons**

Customer Reach

15,000 salespeople and **16,000** customer engineers (including for IT maintenance)



Collaborating with customers to **develop and package new services** that meet the evolving needs for customers and their fields

Edge Devices

4 million cloud-connected MFPs



Converting analog information into digital data to **improve traditionally paper-based tasks**

 Keep contributing to customer business success



Increase customer recurring revenue ratio

1. Digital Services Business Unit and Office
Services Business

2. 20th Mid-Term Management Plan Progress

Progress Toward Goals

	H1 2021	FY2022 Target
Office Services Business Operating Profit Growth (from FY2020)	+7.4 billion yen	+27 billion yen

Value Provision Expansion

	H1 FY2021	2022 Target
Operating Profit	+2.5 billion yen	+11 billion yen

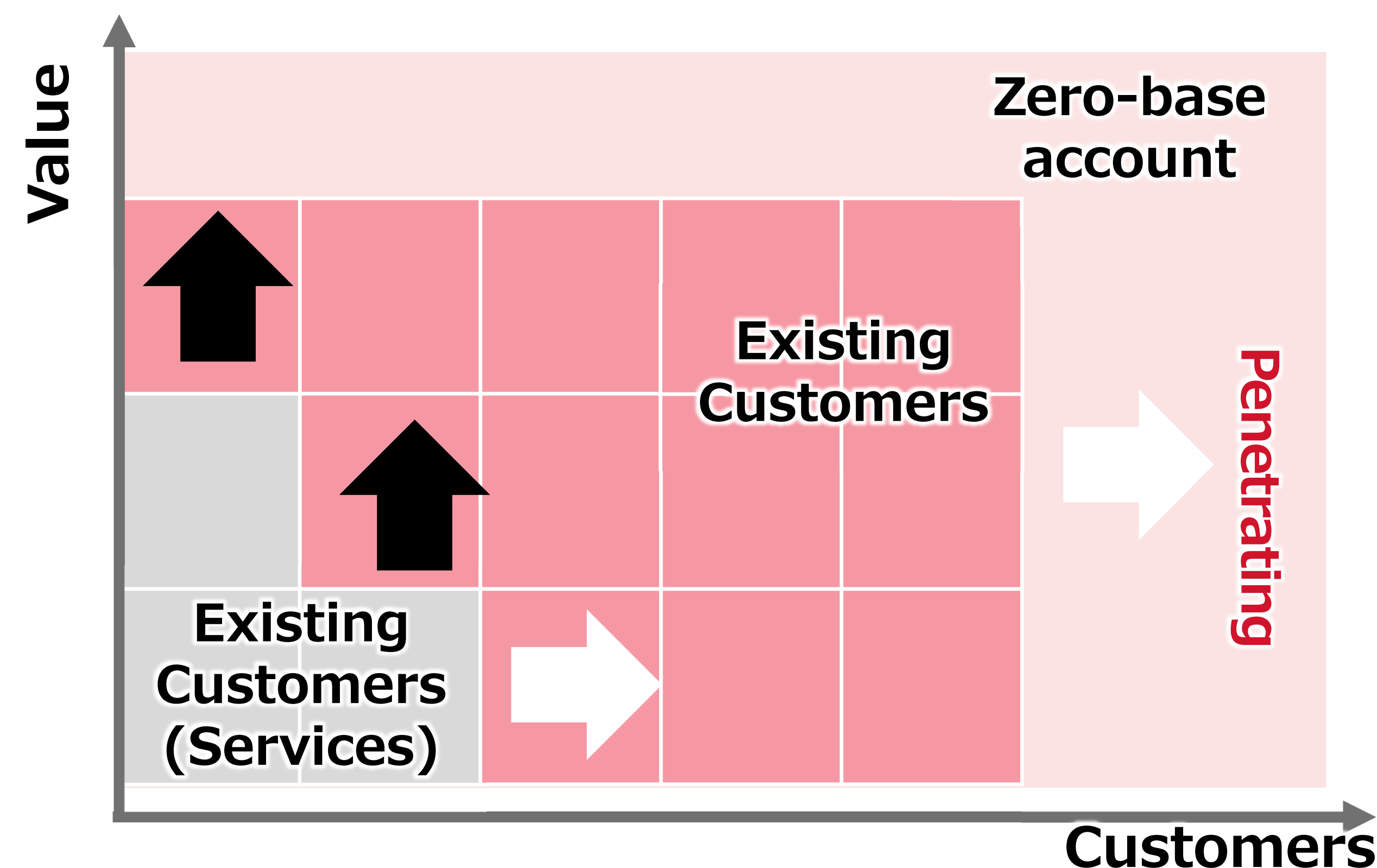
Investing extensively in Japan and Europe to bolster integration capabilities and reinforce software lineup to drive recurring earnings

- Package cross-selling and integration services
- Proprietary software development

Customer Base Expansion

	H1 FY2021	2022 Target
Operating Profit	+4.9 billion yen	+16 billion yen

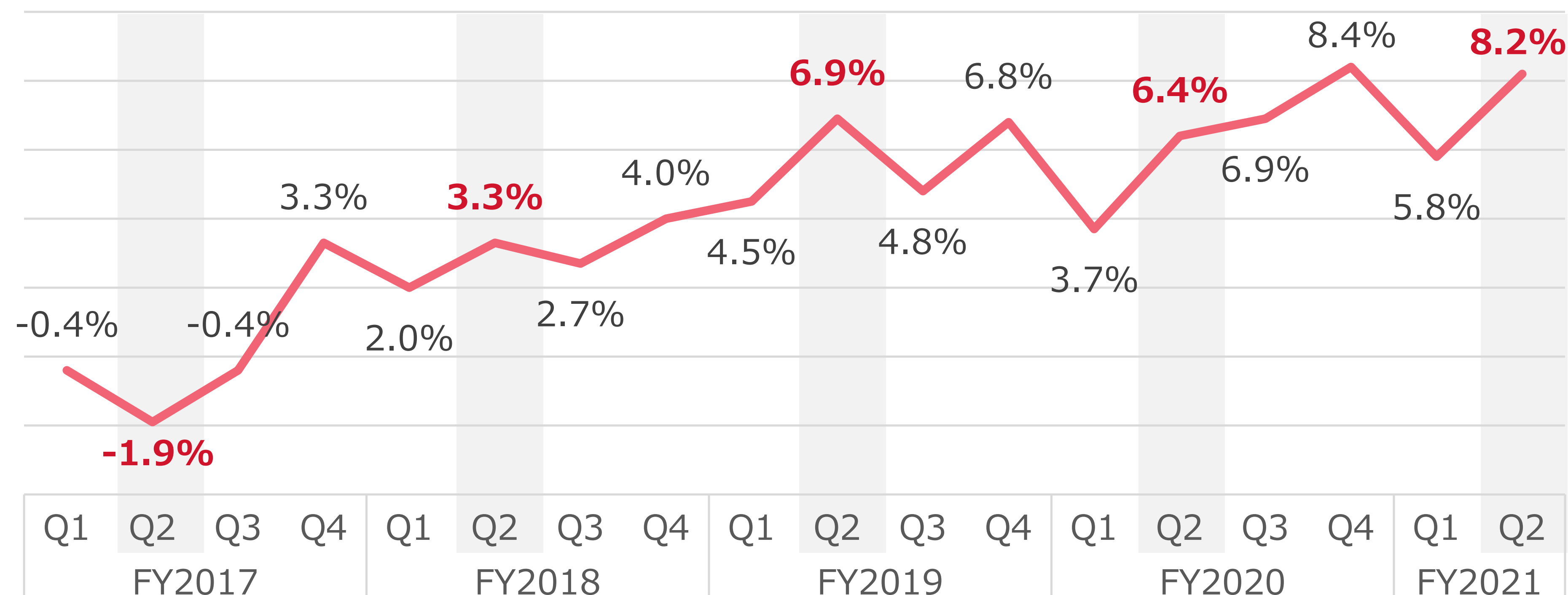
- Developing regionally tailored package services
- Expanding business for large-scale, pan-European companies by leveraging capabilities from acquisitions
- Deploying above business model to Asia and Latin America



Progress Toward Goals

	H1 2021	FY2022 Target
Office Services Business Operating Profit Growth YoY	+7.4 billion yen	+27 billion yen
Office Services recurring revenue ratio	39.5%	45%

Office Services Business Operating Margin (Excluding Transient Factors)



Data from November 4, 2021 Q2 Results Briefing Material (Repost)

Sales (billions of yen)	H1 FY2021	YoY Change
Office Services Business	272.4	+13.6%
IT Infrastructure (hardware and software)	104.2	+6.7%
IT Services (including maintenance and outsourcing)	58.1	+17.8%
Applications (business-specific and in-house apps)	50.8	+22.4%
Business Process Services (including customer output center outsourcing)	47.6	+6.0%

Phase 2 and 3 Focuses for Mid-Term Growth

Bolstered individual strengths, including through acquisitions, under Phase 1 of Mid-Term Growth Scenario, and now prioritizing efforts under Phases 2 and 3

Today's Briefing

	Phase 1	Phase 2	Phase 3
Concepts	<p>Bolster Individual Strengths (reinforce sales and services structures in each operating region)</p> <ul style="list-style-type: none"> ● Launch service models in line with capabilities in each country ● Roll out businesses to MFP customers ● Strengthen expansion into mid-tier market ● Secure new capabilities through acquisitions and other means 	<p>Develop Individual Strengths Within Operating Regions</p> <ul style="list-style-type: none"> ● Locally expand strengths of each sales company and gradually expand regionally ● Build IT center capabilities to support processes ● Reinforce partner alliances at local level <p>Build New Services Model</p> <ul style="list-style-type: none"> ● Focus on core customer SMBs and build digital business models to be new sources of earnings 	<p>Globally Develop Strengths Across Operating Regions</p> <ul style="list-style-type: none"> ● Accumulate assets ● Strengthen ability to handle global projects across operating regions ● Reinforce partner alliances at global level
Future Efforts	<ul style="list-style-type: none"> ● Continue to reinforce European coverage through local acquisitions ● Expand business, including through acquisitions, in areas of Asia and Latin America where Office Service penetration has been slow ● Explore Japanese and U.S. acquisitions 	<ul style="list-style-type: none"> ● Strengthen regional partnerships with large IT enterprises ● Develop workplace management solutions 	<ul style="list-style-type: none"> ● Deploy DocuWare in untapped areas of Asia and Latin America ● Accelerating the Center of Excellence beyond the regions, such as services for realizing new work styles ● Common service provision platform (RSI * 1) ● Strengthen global partner alliances with Microsoft, Cisco Systems, and other companies

*1: Ricoh Smart Integration

Note: Windows and Microsoft are registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. Cisco Systems is a registered trademark or trademark of Cisco Systems, Inc., in the United States and/or other countries.

Phase 3 Global Deployment: DocuWare

Since Ricoh acquired it in 2019, DocuWare has finished building sales and support structures in all regions, launching in 45 countries to accelerate synergies

H1 FY2021 New Order Growth YoY

North America

79%

Europe

96%

Japan

Deployment across
Japan from June 2021

Latin America

Asia

- **Developing proprietary templates for priority sectors and tasks** (including for contract management and order processing)
- **In Japanese market, creating more projects in preparation for the revision of Japan's law on preserving electronic records as of January 1, 2022, to mandate electronic storage for all taxation-related documentation**
- **In October, enhanced features to link with applications of other companies**

Deliver new value by realizing new work practices, deploying workplace communication and collaboration globally as Group strategy, combining in-house and third-party communication products with in-house services



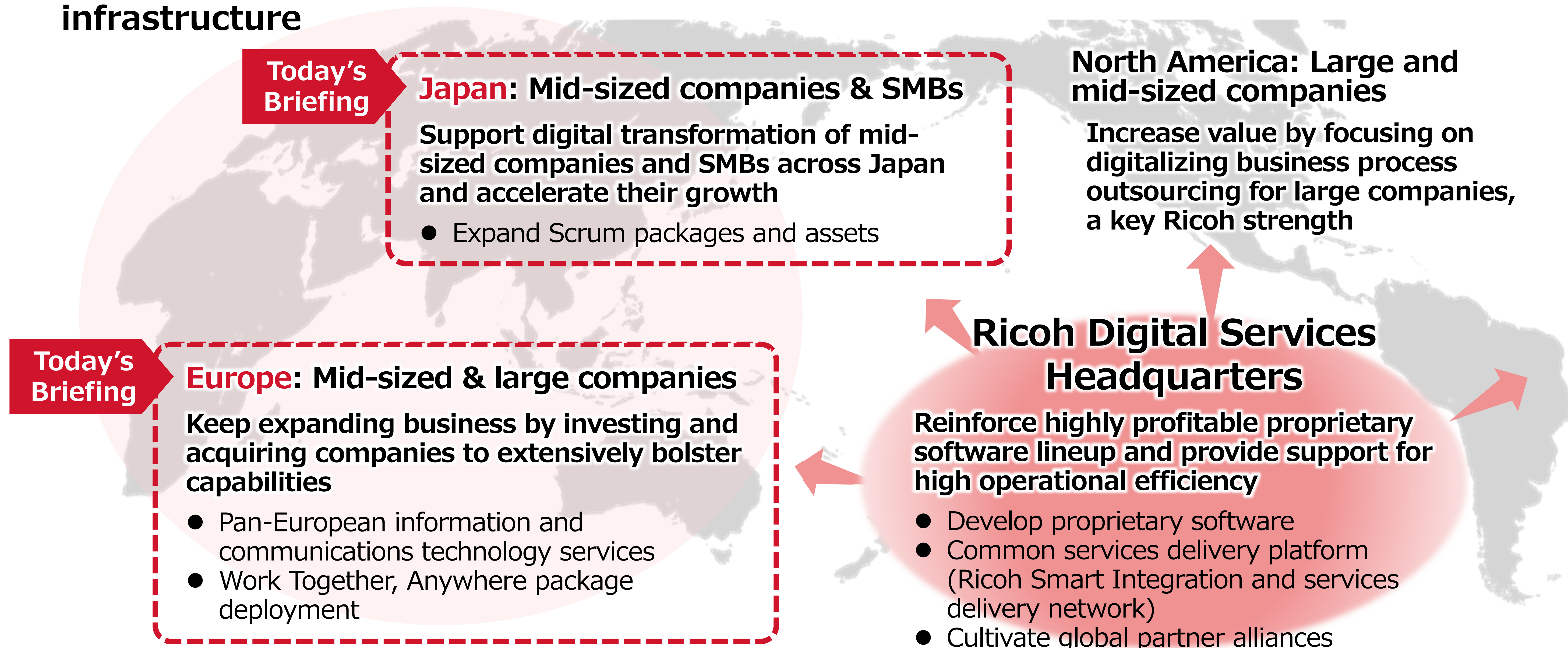
Focusing on Europe in providing design and construction, remote monitoring and operation services for office conference rooms and workplaces by drawing on in-house and third-party audiovisual equipment and such video and collaboration tools as Microsoft Teams, deploying across borders to more than 20 customers worldwide



- Launched Ricoh Spaces, a workplace management solution
- Reflects customer needs for meeting rooms and seating reservations, workplace availability management, track and trace, and other capabilities for new world of work
- Managing 28,000 desks at 60 companies around Europe
- Will deploy worldwide

Regional and Group Strategies Overview

- Drive growth by investing extensively in Japanese and European markets and cultivating services among customers
- Increase stock revenues and enhance profitability by boosting common global infrastructure





Japan and Europe Sections



Forward-Looking Statements

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:
FY2021 (or fiscal 2021) = Fiscal year ended March 31, 2022, etc.

Business category and other changes

From fiscal 2021, Ricoh reclassified the Office Services segment as the Office Printing and Other segments. It also allocated some headquarter expenses to relevant business units. Prior year comparative figures have been retrospectively adjusted to reflect these changes.

RICOH
imagine. change.