FY2026 Initiatives for the Mid-Term Strategy ’26

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• I will explain planned initiatives for fiscal 2026 under Mid-Term Strategy ’26, which we announced on March 25.

Towards Corporate Value Enhancement

Source: Mid-Term Strategy '26 Presentation (March 25, 2026)

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- We will **continue evolving into a digital services company** and **become a leading global integrator, delivering competitive advantage and differentiation for customers** by orchestrating our own and third-party products, services, and software across the workplace.
- ETRIA will **strengthen its engine share** by continuing to be the partner of choice for customers through **environmentally superior technologies**.
- Commercial and industrial printing will **deliver stable profits** while **creating new growth businesses** by applying inkjet technologies to help **customers reduce costs and address environmental challenges** (including low-cost production of perovskite solar cells)

- **By accelerating asset-light transformation, expanding asset-light businesses, and growing recurring earnings, we will enhance ROIC and secure stable profitability.**
- This will allow us to maintain a flexible capital structure (Debt/Equity) and deliver timely and appropriate returns to shareholders.

- **By sustaining ROE above the cost of equity, we will drive enhancements in corporate value and total shareholder return (TSR).**

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- I will start by revisiting efforts to enhance corporate value that I discussed in our Mid-Term Strategy '26 presentation on that day.
- We will continue evolving into a digital services company. We will deliver competitive advantage and differentiation for customers by orchestrating services, software, and artificial intelligence and other advanced technologies that improve productivity across all workplaces, from offices to remote work and frontline sites. "Integrator" best describes our approach of combining proprietary products and services with those of other companies to deliver value to customers.
- While competitors exist in each region, few can execute our model worldwide.
- Our Workplace Services business, which integrates workplaces, is basically an asset-light business. By expanding this business, we will progress companywide toward an asset-light structure and aim to improve our return on invested capital.
- This approach will contribute to recurring revenue, a stable earnings source. Increasing this income should enable us to adopt a more flexible balance sheet structure that allows us to employ more interest-bearing debt. We will also deliver timely and appropriate returns to shareholders, improve return on equity, and expand total shareholder returns. Together, these actions represent our scenario for enhancing corporate value.

Executing Agile Action to Achieve Our ROE Goal

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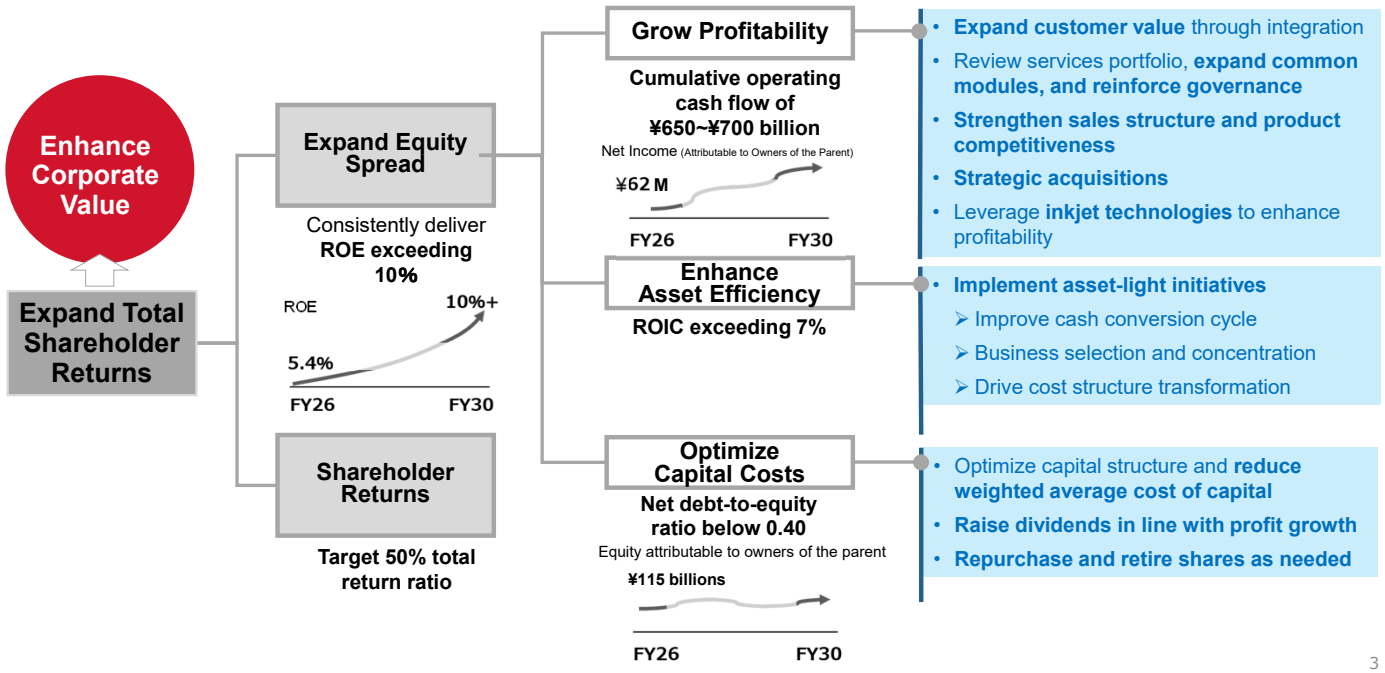

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- I will now explain our scenario for enhancing corporate value.
- We will steadily generate operating cash flow while growing profitability.
- At the same time, we will expand asset-light businesses to increase returns on key assets, improve asset efficiency, and deliver a return on invested capital exceeding 7%.
- As stable recurring revenue increases, we will review our capital structure and optimize our capital costs. Our net debt-to-equity ratio is below 0.30, and we look to keep below 0.40.
- By growing profitability, enhancing asset efficiency, and optimizing capital costs, we will broaden the equity spread and target a return on equity exceeding 10%. We will also expand overall total shareholder returns through timely initiatives in that regard.

Mid-Term Strategy ’26 and FY2026 Targets

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Key performance indicators tracking progress toward Mid-Term Strategy ’26 targets

Key Performance Indicators (KPIs)			FY2025 Results	FY2026	FY2030
ROE			**5.1%**	**5.4%**	**Above 10%**
ROIC			**4.0%**	**4.4%**	**Above 7%**
Recurring Earnings[*1]		YoY change	**+1.8%**	**+2.5%**	**CAGR above +3%**
Regional recurring revenue growth	Japan	YoY change	+4%	+8%	CAGR above +6%
	North America	YoY change	-3%	+2%	CAGR above +2%
	Europe	YoY change	-2%	+2%	CAGR above +2%
Number of SIF (service in field) contracts	Japan		2.24 million	2.64 million	4.67 million
Global Major Accounts sales growth[*2]		YoY change	+7%	+5%	CAGR above +10%
Software business sales growth		YoY change	+10%	+19%	CAGR above +18%
Human Capital ROI			**17%**	**18%**	**25%**
Number of certified frontline employees			15,251	15,500	16,500
Number of employees with Digital Skills Level 2 or above rating[*3]			12,000	13,200	17,000

Further details on the next page

*1. Recurring earnings = Recurring Gross profit
*2. GMA = Global Major Accounts framework integrates value delivery across countries and business units for customers around the world
*3. Digital Skills Level 2 = Employees can apply digital skills in workplaces, combine their domain knowledge with digital technologies, and envision business applications

- As I have repeatedly emphasized, increasing recurring earnings is a top priority. We therefore established a range of key performance indicators. These include the number of service in field contracts and sales growth in Global Major Accounts, which has a significant services business ratio. We also intend to report regularly on key performance indicators relating to our vital human capital.

Recurring Earnings FY2026 Outlook and Future Trends

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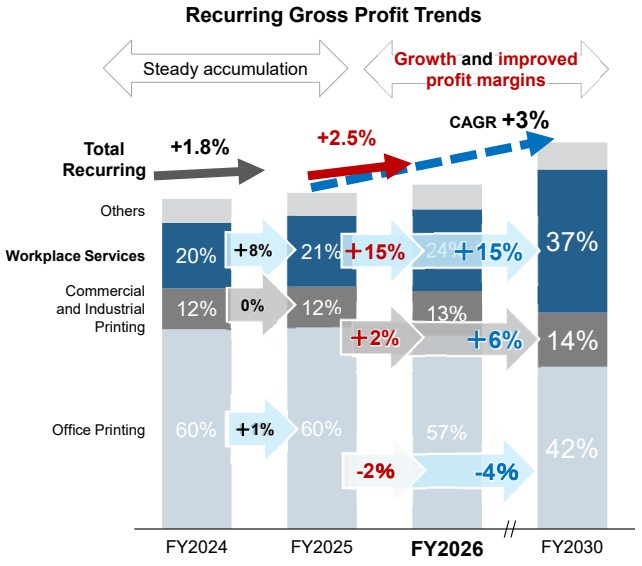
Accelerate Workplace Services recurring earnings growth while minimizing Office Print decline



Priority Areas and Initiatives

		Recurring Revenue Growth	Recurring Earnings Growth
1	Expand Regional Integration Businesses	✓	
2	Standardize Services Portfolio	✓	✓
3	Accelerate Strategic Acquisitions	✓	✓
4	Deliver Competitive Products and Technologies	✓	✓
5	Drive Ongoing Global Cost Structure Transformation		✓

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- We will accelerate recurring earnings growth in Workplace Services while minimizing our Office Printing decline.
- In Office Printing, we aim to increase the market share for engines from ETRIA and maintain recurring earnings as much as possible. Even if Office Printing earnings decline, we seek to expand overall recurring earnings.
- Recurring earnings in Commercial and Industrial Printing was unchanged in fiscal 2024 and 2025 despite revenues rising 2%. This was because U.S. tariff measures and other factors increased costs and constrained earnings growth.
- Workplace Services growth has accelerated on higher revenues and profit margins.
- I will outline several measures to expand recurring revenues and improve profitability.
- To standardize our services portfolio, we will endeavor to improve profitability by meeting local customer needs while standardizing integrated products and services as much as possible worldwide and deploying them on a global platform.
- We will accelerate strategic acquisitions by focusing on deals that generate significant synergies by filling gaps in our portfolio. We will not pursue acquisitions just to expand scale.

FY2026 Measures under Mid-Term Strategy ’26 (1/2)

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Key Strategies		FY2026 Measures	
Enhance Profitability by Growing Recurring Earnings	**Expand customer value by delivering optimal integration tailored to regional requirements**	Japan	• Prioritize **expanding and deepening service contracts** with existing customers through recurring revenue approach • **Enhance offering models** in specific industries and business areas • Deployment of **AI Solutions** to Address Management Challenges
		North America	• Position digital Business Process Services central to growth strategy and expanding **AI-powered business process automation** services • Accelerate high-margin recurring revenue growth through offset-to-digital expansion in Commercial Printing
		Europe	• Accelerate **advanced document workflow automation** with DocuWare and other solutions • **Generate sales synergies** between acquired companies and existing sales companies
	Scale high-margin services portfolio and common modules with stronger governance	Regions and Global Major Accounts	• **Expand global common offerings and strengthen capabilities** (including Managed Services and Digital Workflow of Printing, Meeting Rooms, and IT etc) • Leverage acquisitions to accelerate provision of **global consistent AV integration services** in Asia Pacific
		Software	• Strengthen deployment of **in-house software** • **Expand DocuWare product portfolio**

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- This slide presents fiscal 2026 measures under Mid-Term Strategy ’26.
- I will start with our strategy of expanding customer value by delivering optimal integration tailored to regional requirements.
- In Japan, the number of customers using multiple of our products and services is steadily increasing.
  By expanding the base of customers that trust us and use our products and services, we aim to increase products and services per customer and expand sales. Also, AI-related businesses are expanding.
  In addition to the use of AI itself, demand is growing for data infrastructure that supports AI adoption.
  We will continue to roll out AI solutions.
- In North America, we assign employees to provide business outsourcing services at around 2,000 customer sites. We are pushing forward with initiatives to increase revenues by digitizing these business processes.
- Another strategy is to scale high-margin services and common modules with stronger governance.
  We will step up efforts to boost value and profitability by combining globally shared modules.
  Our ability to provide common global offerings will also help expand our Global Major Accounts business.

FY2026 Measures under Mid-Term Strategy ’26 (2/2)

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Key Strategies		FY2026 Measures
Enhance Profitability by Growing Recurring Earnings	**Strengthen sales structure and launch competitive products via ETRIA (Office Printing)**	• Strengthen MIF management through **new installations and more robust retention** in key regions • **Increase A3 MFP sales** by securing large deals • Build **highly competitive product line-ups** in terms of cost and functionality
Ongoing Cost Structure Optimization	**Optimize global cost structure and pursue asset-light management**	• **Back-Office Operations Transformation** • Global SCM Transformation (streamline operations and warehousing) • **Business Portfolio Optimization** • **Asset Rationalization** & Site Optimization
Energize and Empower our People	**Optimize talent portfolio and maximize individual capabilities**	• Strengthen integration delivery capabilities by promoting **Technical Certification** among frontline employees • **Develop multiple skills** and strengthen learning paths to generate more value

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- A key Office Printing strategy is to enhance profitability while maintaining recurring earnings. We will accordingly deploy a range of measures, including those relating to ETRIA.
- While we concluded the Corporate Value Improvement Project in fiscal 2025, our efforts to reform our cost structure and optimize our business portfolio remain ongoing. We will adapt to a changing operating climate by continuing to implement asset rationalization and other initiatives.
- We remain committed to investing in human capital and will ensure that these outlays generate solid returns by enhancing the skills we need.

Global Major Accounts Market Opportunities

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GMA market, where Ricoh has already established strong trust, continues to offer substantial growth potential.

*The figures above are based on Ricoh's internal estimates

- Ricoh currently serves more than 20% of the total market
- In the GMA market, Ricoh has a strong and achievable winning strategy (see details below).

➞ **Significant potential for Ricoh's Business Growth**

Globally consistent service capabilities and offerings:
- Managed Print Services (MPS)
- Managed AV Services
- Digital Workflow

×

1. Drive growth by capturing untapped global opportunities through a deep understanding of customer needs.

2. Expand share of wallet with existing accounts
   a) Cross-selling (such as Managed Print Services to Workplace Experience and Process Automation)
   b) Deepen regional penetration by expanding from Europe and North America to Asia Pacific and Latin America

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- In our Global Major Accounts business, our ability to provide globally consistent offerings is a key competitive advantage.
- When presenting Mid-Term Strategy '26 in March, we explained that Global Major Accounts represent a significant opportunity and that the solutions we have developed with major global customers can address diverse customer needs, offering potential for further expansion. We have since received many questions about the scale of that potential, so I would like to elaborate.
- We serve more than 700 Global Major Accounts. Opportunities to provide a range of add-on services are expanding significantly, and we will continue to grow this business.
- While the market with strong value creation potential covers around 3,500 companies worldwide, this does not mean rivals are already serving them. This figure simply implies that many companies have yet to fully recognize the benefits of concluding global contracts or remain unaware of them.
- There are significant advantages to integrating workplaces globally and visualizing costs. We will endeavor to expand Global Major Accounts by deepening understanding of these benefits.

Global Major Account Success Cases

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Leverage standardized global operations and regional execution capabilities to progressively expand service domains, leading to long-term partnerships.

Customer* Challenges

- Decentralized Supplier Landscape
- Lack of globally capable, digitally enabled, resilience-driven global partners
- Lack of Enterprise-wide Standards and Governance for Global Collaboration
- End-user Experience & Inconsistent Service Quality
- Sustainability, Security and Compliance expectations

*Global industrial and manufacturing customers with a European footprint

Key Engagements

- Total sales over contract term: **More than US$130 million**
- Global Managed AV Services for **more than 5,000 meeting rooms** (**recurring**)
- Global Managed Print Services for **more than 10,000 devices** (**recurring**)
- Managed Production Print. On- & Off-site Services (**recurring**)
- Standardized Global IT Services

Ricoh's Value Proposition

- **Highly standardized global Managed AV and Managed Print Services**
- **Centralized Design** & Local Delivery of small, medium, large, complex meeting rooms. AV NOC integration / VIP & on-site support
- Enterprise-wide **Governance over Standards** and full **Visibility of Global Expense.**
- **A strong focus on delivering productivity and a seamless end-user experience**

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- Benefits go beyond globally standardized workplace environments and global expense visibility.
- This slide presents a success case for a customer based in Europe. This is different from the story we showcased in our Mid-Term Strategy '26 presentation in March.
- While various solutions are available to customers, in today's climate it is increasingly important to choose a partner that can fulfill its social responsibilities. Companies seek partners that not only deliver global value but also meet ESG-based expectations and responsibilities. Also, working with many suppliers around the world can pose risks and ultimately increase costs.
- It was against that backdrop that this customer wanted to choose a single partner to consolidate its suppliers worldwide and create a unified work environment.
- The customer chose us for our ability to provide standardized managed services globally and ensure global expense visibility. For this one customer, we project total sales of more than US$130 million, or around ¥20 billion, over the contract term. We provide global managed AV services for more than 5,000 meeting rooms, global managed print services for more than 10,000 MFPs and other devices, and standardized global IT services. We look to keep accumulating contracts in coming years.
- So, as you can see, we believe our Global Major Accounts business offers significant potential.

Governance Transformation to Enhance Corporate Values

Source: Mid-Term Strategy '26 Presentation (March 25, 2026)

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Organizational and system transformations to "strengthen the Management Capability Cycle".

Design compensation to begin accruing only once ROE exceeds the cost of capital, thereby directly linking shareholder value with executive incentives.

- **Enhance decision-making and strategy formulation capabilities**
  - Reinforce CxO-led support for the CEO's decisions
  - Establish a Strategic Advisory Board to support CEO strategy
- **Improve execution and speed**
  - Use matrix management to closely align corporate headquarters and business units
  - Strengthen executive officer commitments to areas of responsibility and provide performance-based evaluation and compensation
- **Reinforce management structure**
  - Maintain rigorous performance-based evaluations, appointments, and dismissals
  - Establish corporate secretary position to strengthen shareholder perspectives
- **Adopt shareholder-aligned compensation structure**
  - Employ compensation system prioritizing point at which ROE exceeds capital costs
  - Introduce non-performance-based equity compensation plan for outside directors

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- I will also explain governance transformation efforts to support measures to enhance corporate value. We showed this slide in our Mid-Term Strategy '26 presentation.
- The compensation curve in the red box illustrates one of four initiatives, which is to adopt a shareholder-aligned compensation structure. That setup links total compensation to return on equity levels. Once that return exceeds 8%, surpassing equity costs, the rate of increase in compensation becomes steeper. This curve determines base compensation. Part of total compensation is then the basis for annual bonuses and share-based compensation granted three years later.

Compensation Formulas and KPIs aligned with Shareholder Value

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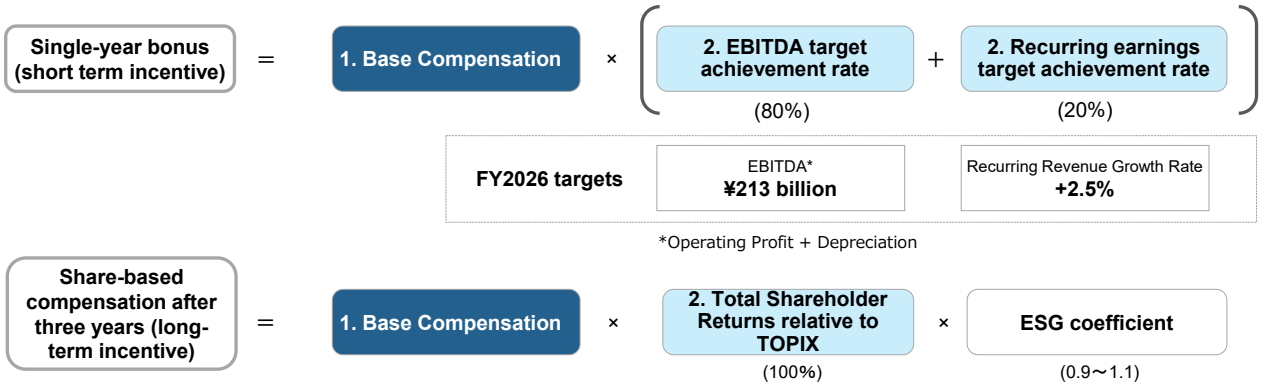
CEO compensation aligned with strong incentives for shareholder value creation

1. **Base compensation: Compensation curve rising after ROE exceeds equity costs (see chart on previous slide)**
2. **Compensation KPIs: Cash generation in terms of EBITDA (financial metric), recurring earnings growth rate (key strategic benchmark) plus total shareholder returns (share price indicator)**



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- I will now explain the formulas for the single-year bonus and share-based compensation after three years.
- Base compensation is determined by progress toward the return on equity target, as I mentioned earlier. The two other key metrics are the single-year bonus and share-based compensation after three years.
- For the single-year bonus, the two factors are the earnings before interest, taxes, depreciation, and amortization achievement rate and the recurring earnings target achievement rate.
- Share-based compensation after three years is a long-term incentive based on the assumption that outcomes from various initiatives ultimately improve total shareholder returns relative to TOPIX.

Closing Commitment

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The business environment remains highly uncertain.

We will maintain agile and flexible responses to these evolving conditions.

By delivering on our FY2026 performance targets, we will lay the foundation for sustainable mid- to long-term growth.

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- In conclusion, the business environment remains highly uncertain owing to such unpredictable elements as the situation in the Middle East, semiconductor memory shortages, and the outlook for U.S. tariff policies.
- On the upside, generative AI is creating new business opportunities. AI is evolving rapidly, and customers need to overcome various challenges to effectively use it. We will provide robust support to help them in that respect. We will also continue to offer this support to global customers.
- While responding flexibly to evolving conditions, we will deliver on our fiscal 2026 performance targets and lay the foundation for sustainable growth over the medium to long term.

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Appendix

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Turning Tacit Knowledge into Value and AI into Outcomes

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Targeting areas beyond reach of general-purpose AI, understanding and applying company-specific contexts to operations, using AI to unlock tacit knowledge in troves of internal documents and delivering tangible workplace outcomes to customers

Technological strengths	**AI services that interpret unstructured data, charts, handwritten text, and other document assets to decipher tacit knowledge** ✓ Offering proprietary large language models (LLMs) that interpret complex documents rather than focusing solely on LLM performances ✓ Collaborating with LLM developers and leverage open-source software ✓ Lineup includes compact, low-cost server-based LLMs that are accessible even for mid-sized companies ✓ Developing large multimodal models that can interpret text and complex charts and images **Differentiating by digitizing paper documents with proprietary MFPs, scanners, and software** ✓ Employing PFU scanners, which offer excellent document handling, and natif.ai's optical character recognition technology for handwritten text
Execution strengths	**Providing customer solutions by optimizing AI for workplaces** **Ongoing support through sales representative and engineers with business acumen and AI and IT expertise** ✓ On-site optimization is a universal value, as business processes vary around the world **Optimally deploying AI for meetings, communications, and on-site operations** ✓ Can deliver practical AI solutions shaped by firsthand experiences of our people • Leveraging Microsoft 365 Copilot for operations and sharing success stories internally • 3,000 employees have built and used 8,000 Ai agents with Dify, a no-code AI app development platform, sharing success stories internally

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Turning Tacit Knowledge into Value and AI into Outcomes

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Integration targets

Providing customer solutions by optimizing AI for workplaces

- ✓ Analyzing internal documents to streamline business processes, meetings, communications, and other workplace operations
- ✓ Compact servers incorporating Ricoh LLMs for on-premises environments (pre-configured for customers)
  - Dify platform for developing apps and AI agents applying LLMs to operations
  - Dify development support

Growth path

Become core growth business by 2030

- ✓ AI market is expanding worldwide
- ✓ Combining documents and AI is a universal challenge that Ricoh is well positioned to resolve
- ✓ With 2025 marking the dawn of AI agents, Ricoh will drive broad AI adoption in business and help democratize AI through such no-code platforms as Dify

Current and potential markets

- ✓ Large companies (manufacturing, services, finance, and healthcare) have yet to fully leverage AI to unlock years of tacit knowledge and improve business processes
- ✓ Mid-sized companies face a shortages of IT talent
  ⇒ With small and medium-sized enterprises still prioritizing digital transformation and limiting AI investments, we see significant potential to support better work practices through general-purpose AI adoption

Rising recurring revenue ratio

- ✓ AI-powered software subscriptions for major and large accounts to become reliable revenue stream
- ✓ Recurring revenue from ongoing support and maintenance to meet customer needs
- ✓ Upsell additional services

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Forward-Looking Statements

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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

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Note: These materials define fiscal years as:
FY2025 (or fiscal 2025) = Fiscal year ended on March 31, 2026, etc.

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