

**Ricoh Digital
Services
Business Meeting**

**RICOH
EUROPE**

RICOH
imagine. change.

Nicola Downing

CEO
RICOH Europe, plc

November 15, 2022

RICOH Digital Services

RICOH Europe Overview

Revenue
in FY21



450

B JPY
(117% YoY)

OS Rev
in FY21



160

B JPY
(120% YoY)
(36% of Rev)

Customer
base



180

K Customers

Coverage



25 **+60**

Operating Companies Countries in operation

Attentive support from



4,800

Ricoh Field Engineers

Deliver customer value from



3,200

Sales

Headquarters
in London and
Amstelveen

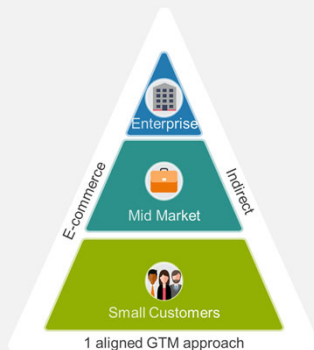


RE Strategic Statements

- Drive growth and efficiency focusing on future proofing RICOH and maximising customer value
- Office Services Business is a key growth driver as a Digital Services Company

Customer First

Go-to-market strategy based on deep understanding of customer needs



New portfolio, New capabilities

Develop, acquire and leverage new Digital capabilities, through Acquisitions and Strategic Alliances



Repositioning RICOH

Reposition Ricoh as a leading Digital Services Company, consistently on all markets

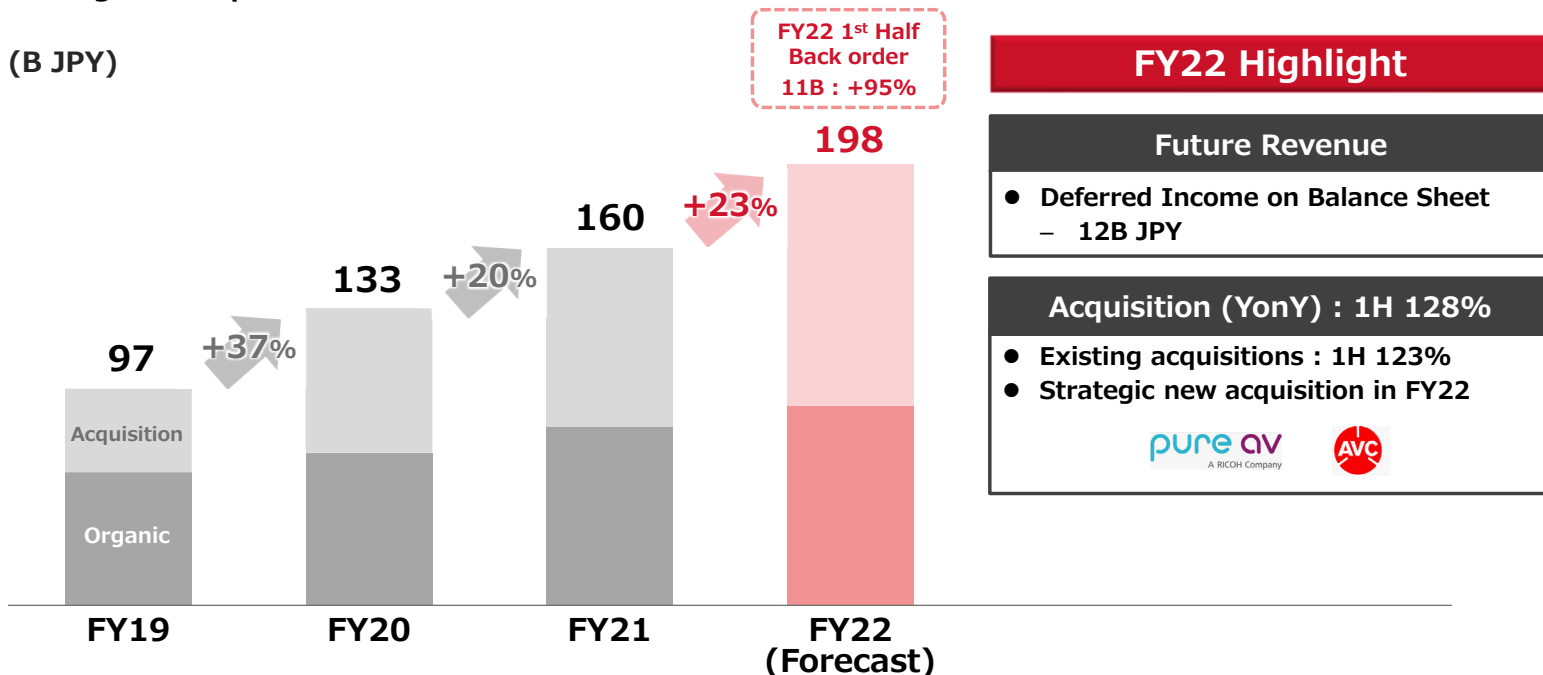


Talent Development toward a Digital Services Company

Office Services Revenue Growth in EMEA

- Keep growing significantly taking advantage of both acquisition and organic growth despite negative impact of stock issues

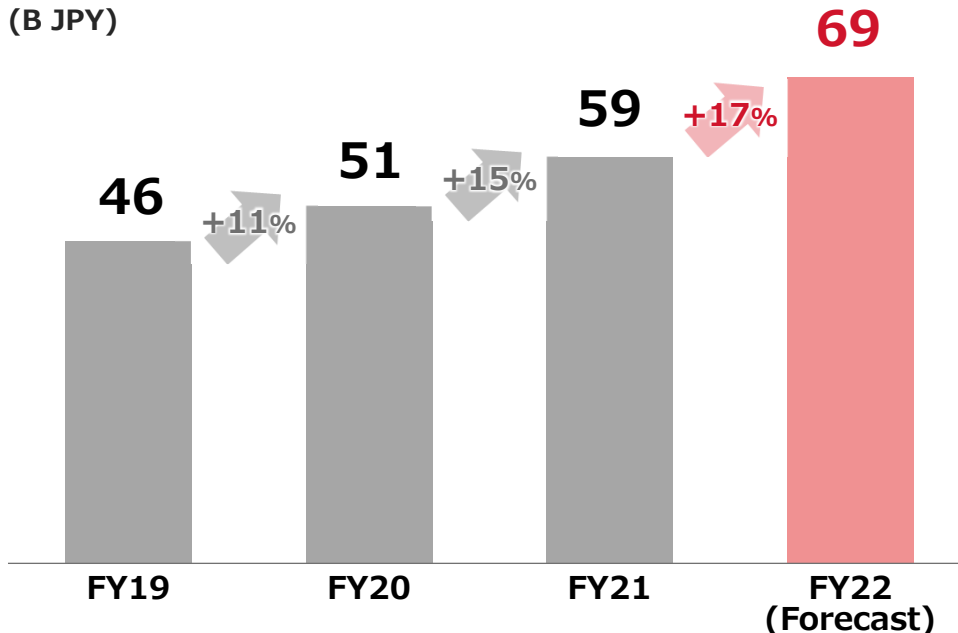
(B JPY)



Office Services Annuity Revenue

- OS Annuity revenue has been successfully increasing, which is a vital basis for our sustainable profitable growth going forward

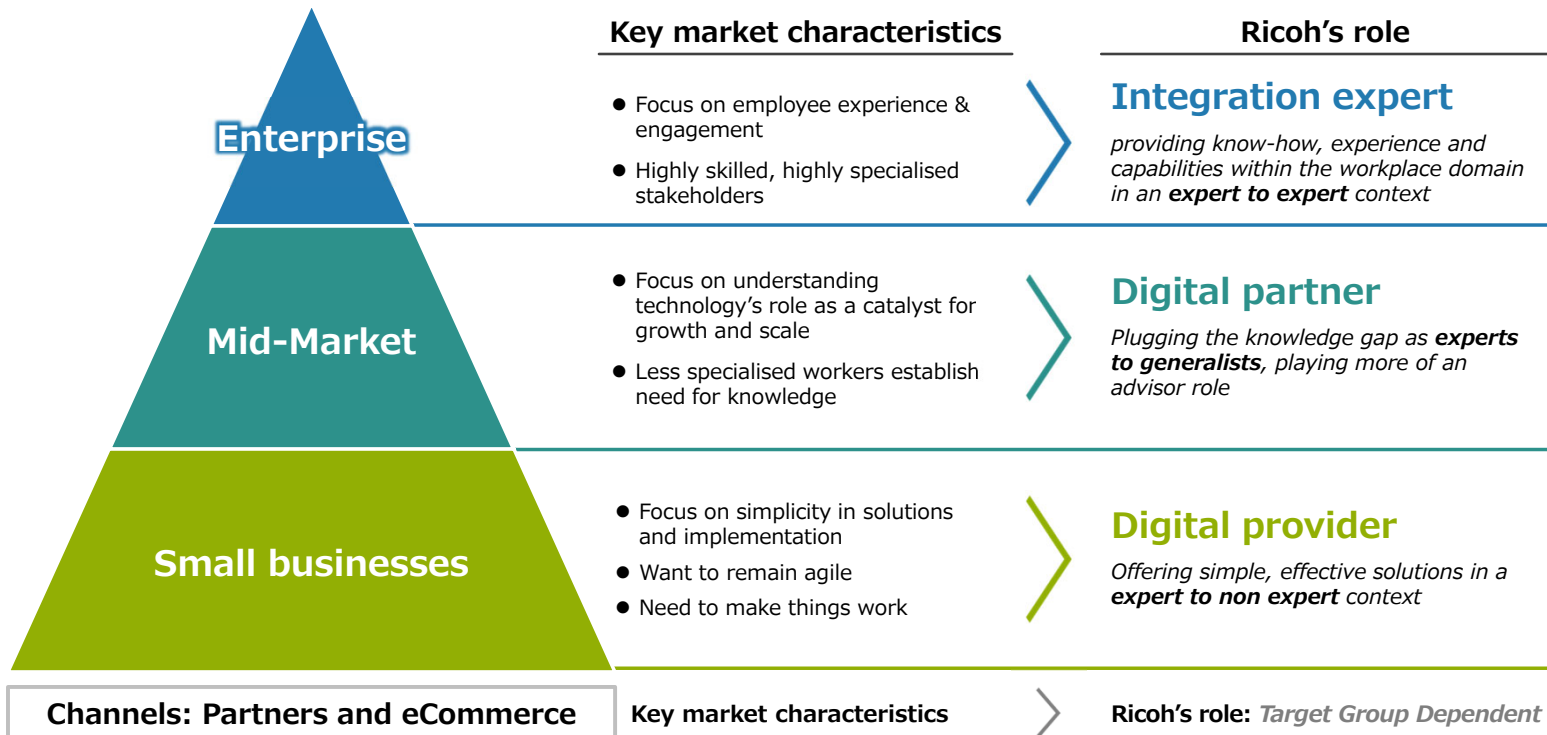
(B JPY)



FY22 Highlight

- OS annuity growth : **YoY 117%**
- Significant growth in CS & AS
 - CS Annuity Rev : **YoY 186%**
 - AS Annuity Rev : **YoY 149%**
- Solid growth in ITS & BPS
 - ITS Annuity Rev : **YoY 110%**
 - BPS Annuity Rev : **YoY 105%**





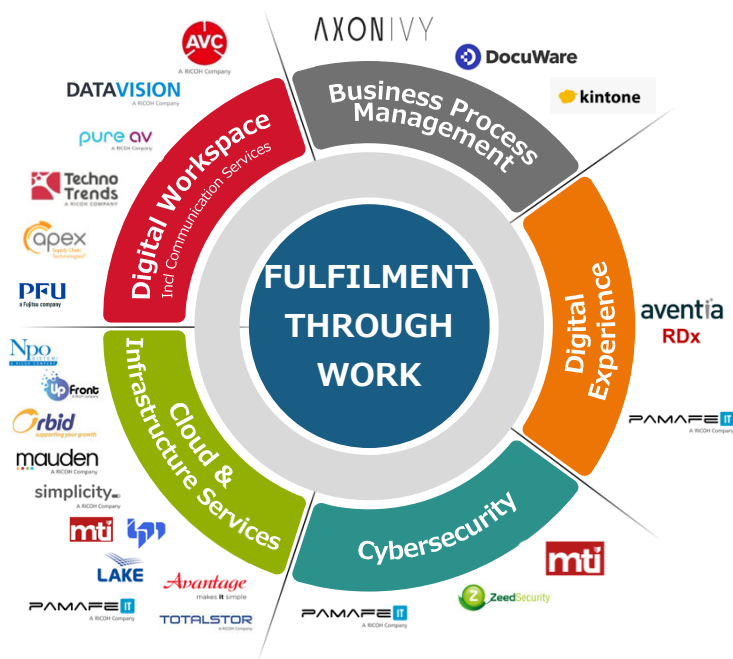
Customer Case – Global Luxury Fashion House



- Successfully build strong and long-term relationship as an **Integration expert**
- RICOH is recognised as their strategic Digital Services Partner

Customer & Challenge	Our Solution	Benefit	Strategic Partnership
<ul style="list-style-type: none">● Customer<ul style="list-style-type: none">– Global luxury fashion house– Looking for global Digital transformation partner● Initial Challenge<ul style="list-style-type: none">– Unreliable and costly IT support on stores equipment– Unorganised multi-vendor environment <p>“How could we improve our customer experience in retail stores and reduce IT cost?”</p>	<ul style="list-style-type: none">● IT Services<ul style="list-style-type: none">– Allow them to regain control on expenditures, improving their customer experience in the stores– Centralised IT HW distribution– Ricoh Service Operation Centre <p>“A common integrated IT Service platform providing uniform services across countries with local nuances.”</p>	<ul style="list-style-type: none">● Customer Success<ul style="list-style-type: none">– Cost reduction– A single accountable global field service provider– Consistent service delivery in all locations– Global governance and SLAs <p>“IT cost optimization to ensure that we deliver excellence for our clients, long-lasting commercial relationship.”</p>	<ul style="list-style-type: none">● Journey with RICOH <pre>graph TD; A[First contract for IT retail support] --> B[Retail Audio Video]; B --> C[Global Print management]; C --> D[End user support]; D --> E[IT Service Desk]; E --> F[Communication Services for retail stores]; F --> G[Customer events support];</pre>

A portfolio that meets our customer needs



Acquisitions and Alliances

Existing Acquisitions strategy to exceed ROI plan

- Maximise 2-way synergies with Ricoh and acquired companies
- Leverage new technologies across shared customer base
- Gain efficiency through common processes and methodologies

New acquisitions strategy to accelerate growth

- Expand and complete geographic coverage
- Acquire New Digital Competences and Intellectual Property
- Acquire European/Global assets and create New Digital Annuity Streams

EMEA Strategic Alliance approach

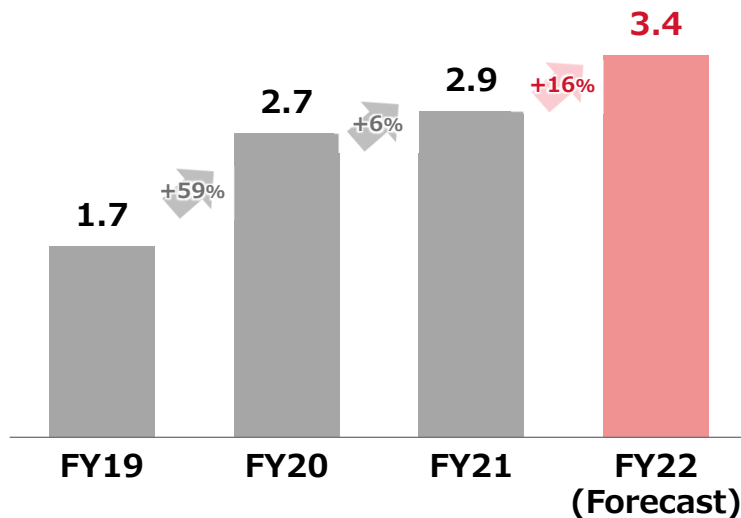
- Drive value from alliances in 'Digital Ecosystem'
- Consolidate alliances and manage at EMEA level
- Develop consistent approach and aligned business model for all Alliance Partners

Contributions and Synergies of Acquisition

Driving Long-term Profit

- Great Trading profit growth
- Strong position on ROI plan : **144%** as of Sep

(B JPY)



Creating Synergy

- Accelerate synergies between RICOH and all acquired companies



- Spanish market-leading company for business digitization and transformation
- #1 Dell partner across Europe
- Acquired in July 2019



Drive joint-sales approach with Ricoh and Partners

Winning across all segments and a broad portfolio

- Pharmaceutical company, Data Center Managed Services (€3.4M in 5 years).
- Large public service company, Data Center Cyber Recovery solution (€1M).
- Bank, Data Center transformation technology (Hyperconvergence; €1M TCV).

- Huge opportunities for further synergies among acquired companies

● Cyber Security Collaboration



● Business Process management Collaboration



OS Revenue Ratio – Organic and Acquisition

- Successfully expand OS business in key countries by driving both organic business and acquisition
- Continue to invest in growth areas to fill in the white spaces and reinforce our capabilities

Key Countries	ICT		AS	OS Revenue Ratio	
	ITS	CS		FY19	FY22
UK/Ireland			Ridgian (FY15)	32%	47%
Germany	ADA (FY13)	MTI (FY20)		26%	30%
France	In regulatory approval			10%	18%
Italy	NPO (FY14)	Mauden (FY19)		41%	52%
Spain/Portugal	IPM (FY19)	Pamafe (FY21)	TechnoTrends (FY15)	39%	50%
Netherlands	Avantage (FY21)			16%	35%
Switzerland	LAKE (FY19)		Pan-European business coverage	34%	39%
Belgium	UpFront (FY15)	Orbid (FY20)		27%	43%
Poland	SimpliciTY (FY20)			11%	55%
Denmark			AVC (FY22.Jun)	27%	38%
			Global Deployment		
			Global Deployment		
				TTL	23%
					36%

LEADING CHANGE AT WORK



New Campaign Concept

“

At Ricoh, we are in the business of leading change. Change that unleashes human potential through the power and opportunity of technology.

Freeing up people to do the things that are both relevant and interesting to them. Making technology truly inclusive. And ultimately bringing out the best in people.

Leading fulfilment. Leading human potential. Leading Change at Work

”

Feedback from the market

Very positive market response from customers, partners and leading Analyst firms

RICOH's view of current trends are bang on with **responding to what the market needs** are right now

VP Analyst ODWS MQ, Gartner

RICOH have done a really good job in explaining what you're doing with **repositioning Ricoh as a digital services company** and how it all fits together. I am impressed

Head of Consulting, IDC

It's been a privilege to learn about your experiences and capabilities as a **strategic partner**. I am sure that next year will bring us a lot of growth and **value generation** for our clients.

GM & President, Microsoft Spain

Packaged Services Progress in FY22

Leading Change at Work campaign (As of Oct.2022)

FY22 Won : 13B JPY

FY22 Opportunities : 30B JPY

FY22 Target : 19B JPY (YoY 129%)

Existing Main Packaged Solution

Process Automation



Won **3B JPY**
Opportunity **8B JPY**

Workplace Management



Won **1B JPY**
Opportunity **2B JPY**

Printing



Won **5B JPY**
Opportunity **6B JPY**

Cyber Security



Won **0.3B JPY**
Opportunity **2B JPY**

Cloud & Infrastructure



Won **1B JPY**
Opportunity **2B JPY**

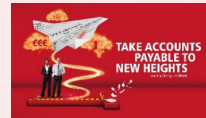
Smart Lockers



Won **0.1B JPY**
Opportunity **1B JPY**

New Packaged Solution launched in FY22

DocuWare Accounts Payable



Apr

DocuWare DM & Archiving



Apr/May

RICOH RansomCare



May

- Continue to train and shift highly experienced workforce to support Office Services
- RICOH engineers' capability is a point of differentiation from our competitors and enable us to be more competitive in the market

RICOH Europe's Digital talent development Initiative



Digital Academy

● Digital Talent Programme

- Develop Digital specialists from the most talented engineers

Digital Business Solution

Hybrid Infrastructure Services

DocuWare

FY21

FY22

70 talents completed
89 talents in progress

160 talents
Completed as of Sep

230 by Mar



Technical Academy

● Cross-Skilling Programme

- Cross-skill all field engineers to be able to provide support across OS business

Digital Workplace Services

Communication Services

FY21

FY22

686 talents in progress

770 talents
completed as of Sep

900 by Mar



Sales Academy

● Selling Value Programme

- Further enhancement of sales' mindset to be a strategic value-adding partner to our customers
- Provide appropriate education of whole integrated offerings to enable our sales to sell value

FY21

FY22

+2K sales been through phase1

2,500 talents
completed as of Sep

launched Phase2

3,000 by Mar

- Service Advantage is our fast-growing business to provide a set of innovative technology services **leveraging our unique and substantial field engineers**

Our Offering

- Huge opportunity to build new Annuity stream with our portfolio

Smart Locker Solutions

22K contracted Lockers
1.5M doors



End-to-End Managed Services Solution



Zebra Solutions

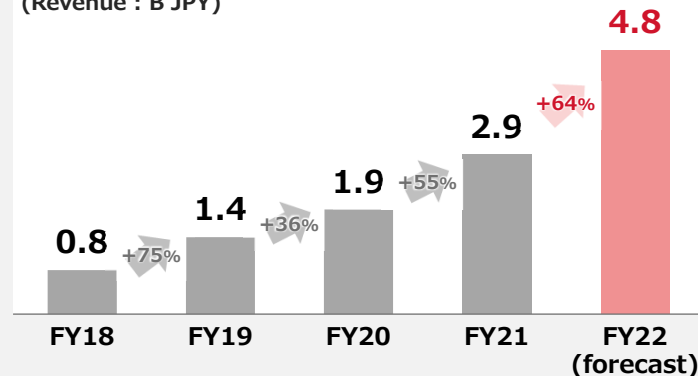


- Success with key customers
 - World leading smart locker providers
 - World leading logistic companies
 - Retails and food distribution industries etc

Business Growth

- Significant Revenue growth with high profitability after launching in FY17

(Revenue : B JPY)



(Profitability : Contribution Margin%)

29%

23%

27%

34%

30%

Our Competitiveness and Winning Scenario

Our Strong Asset	Customer Base	<ul style="list-style-type: none">● Strong loyal customer base<ul style="list-style-type: none">– Existing RICOH OP customers and Acquired company's customers
	Coverage & Resource	<ul style="list-style-type: none">● The widest geographical coverage and customer contacts in EMEA<ul style="list-style-type: none">– 25 Operating Companies + 16 acquired companies cover +60 countries, 3,200 sales & 4,800 engineers– RICOH Europe in a strong position to meet international customers' requirements– Capability to understand customers' needs deeply and provide end to end solution
	Competency	<ul style="list-style-type: none">● Enhanced competences through acquisitions to meet customer requirements<ul style="list-style-type: none">– Cyber security, Hybrid-Cloud, Digital Workplace Solution etc

Reinforce competitiveness by

Customer Value

Continuing to develop new customer value at frontline

Synergy

Maximising synergy with acquired company across EMEA

Business Model

Building Service Annuity and deploying Packaged Services

Investment

Keeping investing in growth area and people for our future

We aim to achieve 60% of Revenue from non print Digital Services toward FY25

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. (See: "Business and Other Risks," <http://jp.ricoh.com/IR/risk.html>)

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:

FY 2022 (or fiscal 2022) = Fiscal year ended March 31, 2023, etc.