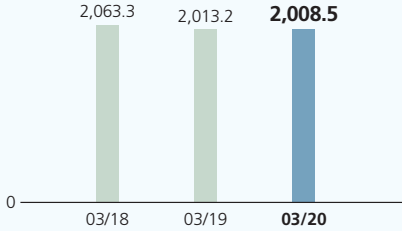


Financial Highlights

Figures comply with International Financial Reporting Standards.

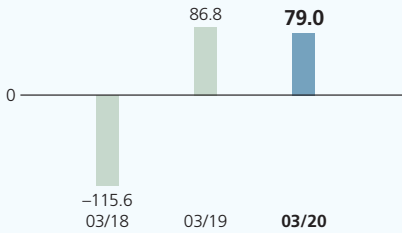
Sales

(JPY billion)



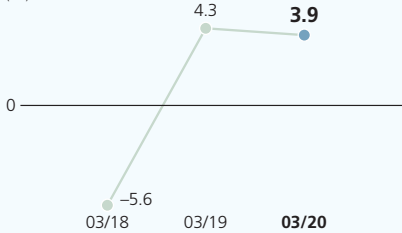
Operating Profit

(JPY billion)

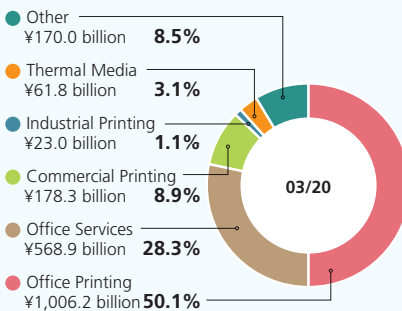


Operating Margin

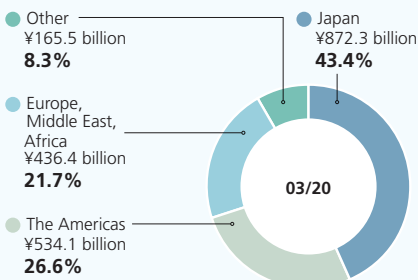
(%)



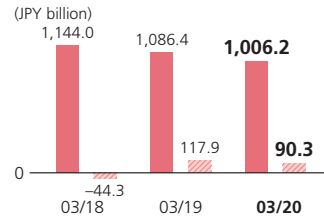
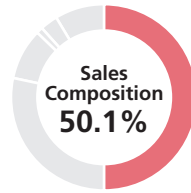
Sales by Product Category



Sales by Geographic Area



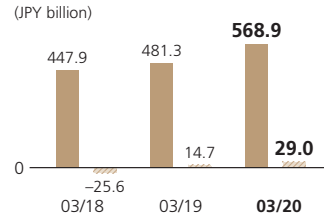
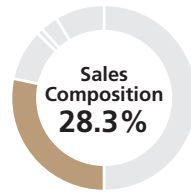
Office Printing



Sales
¥1,006.2 billion
 (Down 7.4% year on year) ↓

Operating Profit
¥90.3 billion
 (Down 23.4% year on year) ↓

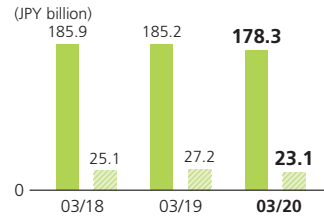
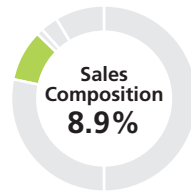
Office Services



Sales
¥568.9 billion
 (Up 18.2% year on year) ↑

Operating Profit
¥29.0 billion
 (Up 97.4% year on year) ↑

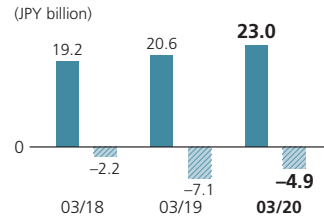
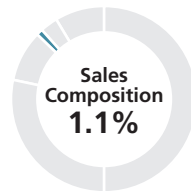
Commercial Printing



Sales
¥178.3 billion
 (Down 3.7% year on year) ↓

Operating Profit
¥23.1 billion
 (Down 15.0% year on year) ↓

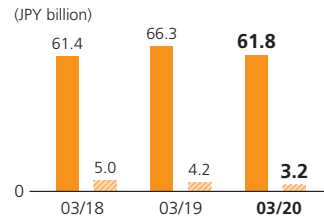
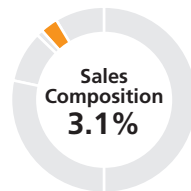
Industrial Printing



Sales
¥23.0 billion
 (Up 11.2% year on year) ↑

Operating Loss
¥4.9 billion
 (— year on year)

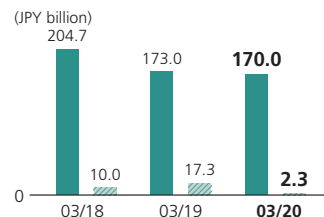
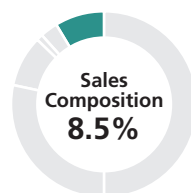
Thermal Media



Sales
¥61.8 billion
 (Down 6.7% year on year) ↓

Operating Profit
¥3.2 billion
 (Down 24.0% year on year) ↓

Other



Sales
¥170.0 billion
 (Down 1.7% year on year) ↓

Operating Profit
¥2.3 billion
 (Down 86.5% year on year) ↓

Business Outline

In this core business, we supply color MFPs and other imaging equipment and related services. Our offerings include color office multifunctional printers, for which we have the top market share worldwide.

We help resolve customer office issues by offering total solutions that combine building IT environments with support for network operations environments and users. For example, we supply products and services that assist with new work practices.

We serve printing industry customers by offering digital printing-related products and services that can handle high-mix, low-volume printing.

We manufacture and sell industrial inkjet heads, inkjet ink, industrial printers, and other offerings for such diverse tasks as printing furniture, wallpaper, automobile exteriors, and apparel fabric.

We manufacture and sell thermal paper for point-of-sale labels for food products, barcode labels, delivery labels, and thermal transfer ribbons for clothing price tags, brand tags, and tickets.

This segment encompasses the Industrial Products, Smart Vision, and Other businesses. We draw on the technological capabilities of the Ricoh Group to provide a wide range of products and services in everything from the industrial to consumer sectors.

Key Products and Services

MFPs, copiers, printers, printing machines, wide format printers, facsimile machines, scanners, and other hardware, as well as related consumables, services, support, and software

Personal computers, servers, network-related equipment, related services, support and software, document-related services, and solutions

Cut-sheet and continuous feed production printers, related supplies, services, and support software

Inkjet heads, inkjet modules, and industrial printers

Thermal paper and thermal media

Industrial Products: Industrial optical components and modules, electrical units, and precision equipment parts

Smart Vision: Digital cameras, 360° cameras, and related services

Other: 3D printing, the environment, healthcare, and financial services

Business Report

Sales in fiscal 2019 declined 7.4%, to ¥1,006.2 billion. Through the third quarter, unit sales of A3 color MFPs rose 3% from the previous term, reflecting the impact of new models. Hardware sales declined in the fourth quarter, however, as the COVID-19 pandemic constrained customer business activities and caused sales of related consumables to fall. Operating profit dropped from ¥117.9 billion, to ¥90.3 billion. This was because the pandemic caused sales and gross profit to decrease, offsetting progress in cutting operating expenses on the strength of structural reforms.

Sales for the term increased 18.2%, to ¥568.9 billion. In Japan, we sold personal computers, deployed IT systems, and offered support solutions in line with demand for transitioning to Windows 10. We also offered industry- and business-specific solutions packages. Toward the end of the year, sales surged from packages that help companies create teleworking frameworks to overcome the impact of the COVID-19 pandemic. Overseas, we expanded sales of IT services and other offerings in Europe, the Middle East, and Africa. Segment operating profit jumped from ¥14.7 billion a year earlier, to ¥29.0 billion, as profitability improved with sales expansion.

Sales dropped 3.7%, to ¥178.3 billion. We enjoyed double-digit growth year on year in sales of hardware through the third quarter on the strength of products introduced during that period, principally in Europe and the United States. Hardware sales declined from the fourth quarter, however, owing to the COVID-19 pandemic. Sales of consumables for transactional printers were also down, reflecting plunging demand for those systems. Operating profit was ¥23.1 billion, down from ¥27.2 billion a year earlier, owing to lower sales of transactional printer consumables and a gross profit decline.

Segment sales for the year increased 11.2%, to ¥23.0 billion. This was because while the COVID-19 pandemic hampered sales activity in the key Chinese market in the fourth quarter, revenues grew on higher demand overseas for new advanced industrial inkjet heads and expanded sales of industrial printers. The operating loss was ¥4.9 billion, down ¥2.1 billion from a year earlier, reflecting higher product development expenses to fuel business growth and such transient factors as new product inventory allocations.

Sales declined 6.7%, to ¥61.8 billion. Prime downside factors were intensifying competition in the Chinese market, customer cost-cutting measures, and the COVID-19 pandemic in the fourth quarter. Segment operating profit was ¥3.2 billion, from ¥4.2 billion a year earlier, as the downside impact of the pandemic overshadowed progress in reducing raw materials costs to stabilize their supplies while improving processes to lower cost rates.

Sales dropped 1.7%, to ¥170.0 billion. This reflected the impact of Ricoh Logistics System transitioning to an equity method affiliate, which offset a steady expansion in the finance business and higher sales of optical modules in the Industrial Products business. Sales would have risen if not for the removal from consolidation of that subsidiary. Operating profit fell from ¥17.3 billion, to ¥2.3 billion, in the absence of the previous year's gain on sales of shares in Ricoh Logistics System. After excluding that factor, operating profit would have been basically unchanged.