

# 21st Mid-Term Management Strategy Overview and Progress

In April 2023, we launched our 21st Mid-Term Management Strategy, a three-year initiative focused on accelerating our transformation from a revenue structure primarily dependent on the Office Printing business to becoming a digital services company.

## Medium- to long-term goals

Become a digital services company that supports worker creativity and provides services that transform workplaces

**Fiscal 2025 financial targets announced in March 2023: Operating profit of ¥130 billion and ROE exceeding 9%**

## Progress with three basic policies

### ① Reinforce regional strategies and evolve Group management

**Transitioning to a highly profitable structure:** Ricoh is expanding revenue streams beyond Office Printing and transitioning to a more profitable business model. To keep improving profitability, we aim to enhance our value creation at customer touchpoints, leverage Group synergies, and better adapt to changing business conditions.

**Transforming the profit structure:** Ricoh has designated Process Automation\*1, Workplace Experience\*2, and IT Services as key focus areas. We are executing a strategy to amass recurring contracts and revenues in these service areas by concentrating resources while factoring in regional characteristics.

### ② Establish key revenue sources in frontlines and social domains

- Expanding the scope of digital services and delivering value to a broader range of customers.
- Establishing key revenue sources in the frontline and social domains, focusing on the Commercial Printing business.
- Using business portfolio management to identify key focus areas and explore appropriate exit strategies for certain operations.

### ③ Leverage global talent

Formulated a human capital strategy that regards employee capabilities as capital, investing extensively in people to transform the business structure and expand global value offerings.

\*1 Process Automation: formerly referred to as Business Process Automation \*2 Workplace Experience: formerly referred to as Communication Services

## Office Services growth

- Business growth and structural reforms centered on Office Services have led to steady performances. Resolved supply constraints on MFPs and ICT products that affected fiscal 2022 results, normalizing sales activities.
- In Japan, services and solutions tailored to legal revisions to the invoice system and other customers performed well.
- Although demand for some ICT products weakened in Europe and the United States, growth continued in the services businesses, particularly among acquired companies.

## Current and targeted digital services sales contributions

(excluding other businesses)

