

**Progress Update
on Medium-to-
Long-Term
Outlook and the
20th Mid-Term
Management Plan**

March 3, 2022

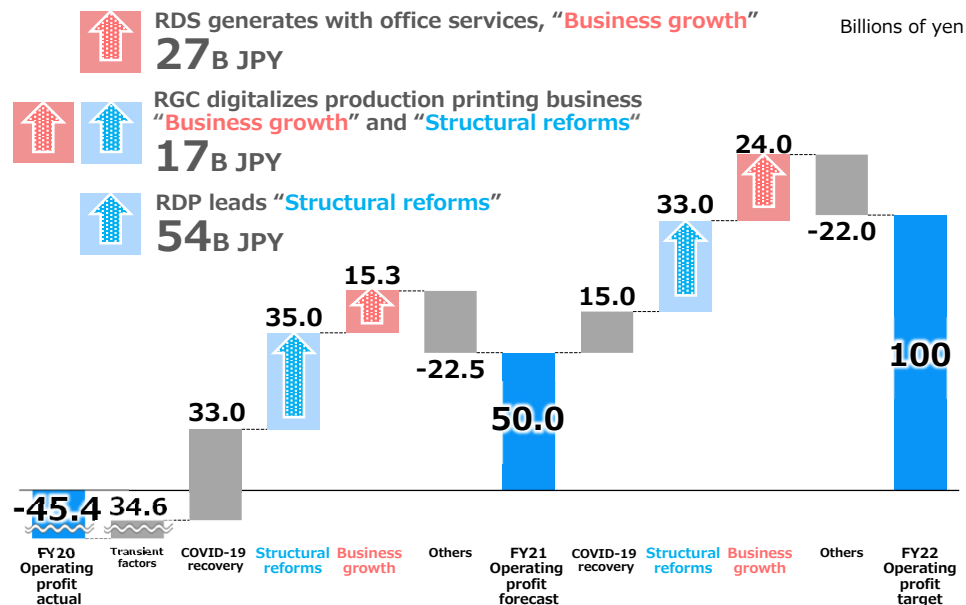
Jake Yamashita

**President and CEO
Ricoh Company, Ltd.**

This year reassured us heading in the right direction of mid-term management plan

Year to date	Ricoh endeavors
<ul style="list-style-type: none">■ Returning to normal<ol style="list-style-type: none">1. Accelerating digitalization in various fields2. Embracing new work practices■ Five pain points<ol style="list-style-type: none">1. Selling activities impeded2. Non-hardware (annuity) downturn3. Production delays and stoppages4. Opportunity losses and higher costs from parts shortages5. Surging logistics costs	<p>Realizing our 2036 vision of Fulfillment through Work by endeavoring to become a digital services company that supports creativity of workers and connects their workplaces</p> <ul style="list-style-type: none">✓ Adopted business unit structure✓ Initiated Ricoh-style business portfolio management✓ Expanded digital services for offices and initiated structural reforms✓ Digitalized frontlines✓ Strengthened business foundation (transformed human capital and reformed infrastructure)✓ Implemented capital policy✓ Led industry in sustainability management

Looking to reach 20th Mid-Term Management Plan goals by steadily transforming into **digital services company**



↑ RDS generates with office services, “**Business growth**”
27B JPY

↑ ↑ RGC digitalizes production printing business
“**Business growth**” and “**Structural reforms**”
17B JPY

↑ RDP leads “**Structural reforms**”
54B JPY

FY22 ■ ROE **9%**
Target ■ Operating profit **100B JPY**

- Complete the measures of each BU in the 20th Mid-Term Management Plan
- COVID-19 recovery in FY22 is approx. **15B JPY**
 - ✓ Office printing non-hardware 86%; Hardware 90% (vs. FY19)
 - ✓ Expect a recovery in commercial printing and expenses return
- Summarized precondition changes based on the current business environment in **Others (-22 B JPY)** :

Positive factors

- ✓ Additional expense controls
- ✓ Transient factors

Negative factors

- ✓ External factors (transportation costs, cost of goods, etc.)
- ✓ Emergency expenses return
- ✓ FY21 Transient factors return (government assistance funding, capital gain, etc.)

We are beginning to see the effects of our goal of BU* autonomy and will continue implementing the PDCA cycle.

*BU: Business Unit

Benefits: Business units tackled five pain points stemming from pandemic, and are overcoming the crisis

Challenges: Reinforcing integrated structures within business units and overhauled headquarters functions through ongoing drive to resolve challenges through PDCA activities

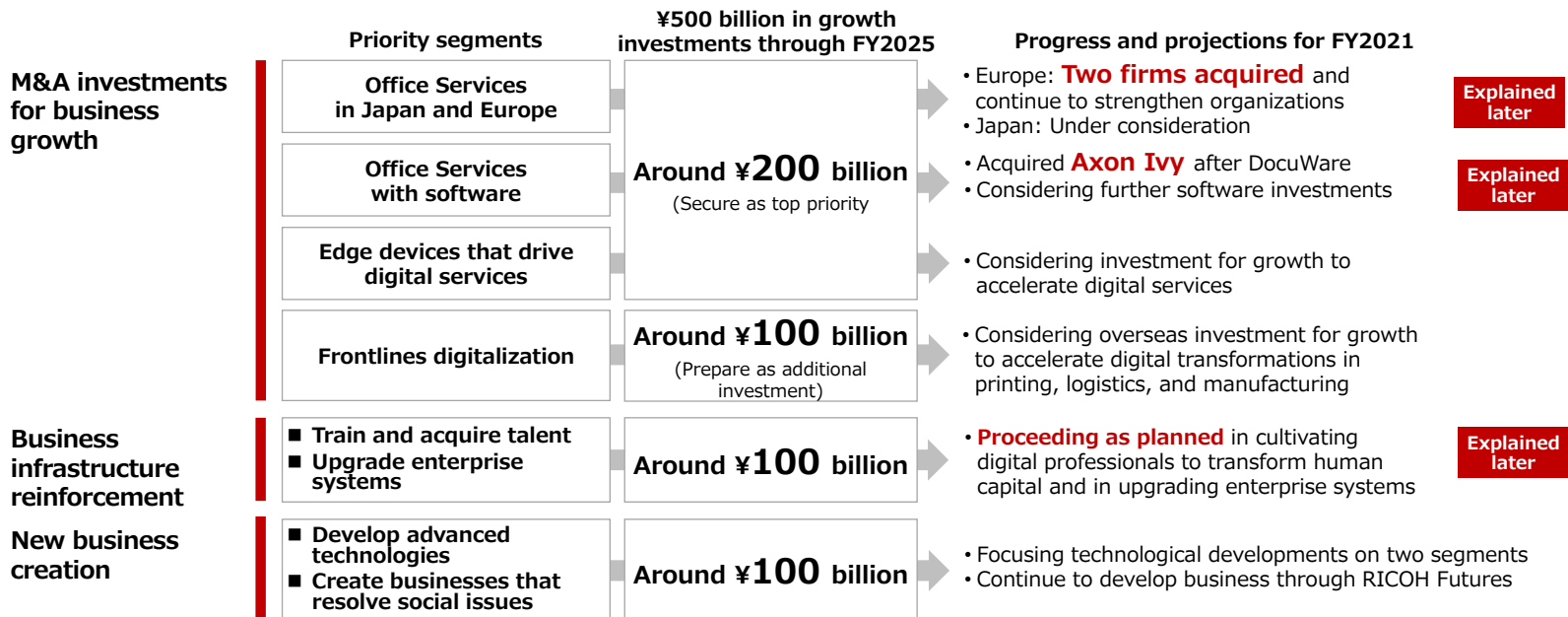
Billions of yen		Sales FY21 forecasts	Operating profit FY21 forecasts	Key achievements during year to date
RDS	RICOH Digital Services	1,542 (+165.4)	34.0 (+36.6)	<ul style="list-style-type: none"> • Expanded Scrum Asset sales in Japan and bolstered capabilities through acquisitions and personnel shifts in Europe • Enhanced global software portfolio and increased sales expansion
RDP	RICOH Digital Products	378 (+20.9)	42.0 (+25.6)	<ul style="list-style-type: none"> • Cultivated operational excellence amid five key challenges, such as by reinforcing manufacturing structure and cutting costs • Pursued collaboration within industry, such as by jointly developing modules and parts
RGC	RICOH Graphic Communications	196 (+36.1)	-3.5 (+43.9)	<ul style="list-style-type: none"> • Brought forward structural reforms, particularly in Commercial Printing • Capitalized on print demand recovery
RIS	RICOH Industrial Solutions	147 (+31.8)	6.5 (+8.1)	<ul style="list-style-type: none"> • Evaluated digital services for Thermal business • Accelerated business selection and concentration
RFS	RICOH Futures	-353	-29	<ul style="list-style-type: none"> • Expanded social infrastructure business by beginning to collaborate with local governments • Improved prospects for commercializing PLAiR biodegradable plastic
Group headquarters	Others + Eliminations and Corporate			<ul style="list-style-type: none"> • Began business portfolio management • Transformed human capital to become job- and digitally-based, switched to cloud computing for IT infrastructure, and overhauled R&D
Total		1,910 (+228)	50.0 (+95.4)	

Objectively evaluate each business in terms of **digital services compatibility**, profitability, and marketability

Four business labels (roles and direction) and key relevant businesses and business units		Profitability (ROIC and earnings)	Marketability (Success scenario and market growth)	Digital services compatibility (Compatibility and contributions)
<p>Growth acceleration Drive Ricoh's growth</p>	Office Services (RDS) Commercial Printing (RGC)	OK	Succeeding Growth	High
<p>Profit maximization Stably generate cash as fund source</p>	Office Printing (RDP and RDS)	OK	Succeeding Low growth	Low
<p>Strategic transformation Maximize value through this shift</p>	Thermal Media (RIS) and Enterprise Printing (RGC)	OK OK	Succeeding Unlikely Low growth	Low High
<p>Business revitalization Explore ways to contribute to value</p>	Industrial Products (RIS) and Cameras (Group headquarters)	OK Low	Unlikely Unlikely	Low Low

※New business will be nurtured, selected and focused separately at RFS.

No changes in policy of aggressive investment for growth in line with business portfolio management



Consider the possibility of further selection and concentration for businesses labeled for business revitalization

Reassessing consumer segments

Relaunching camera business

Become valuable brand by connecting directly with customers through digital communications and workshop approach to production










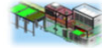

Ending Vecnos business

Stopped selling IQUI 360° camera



Accelerating efforts to pare down business segments

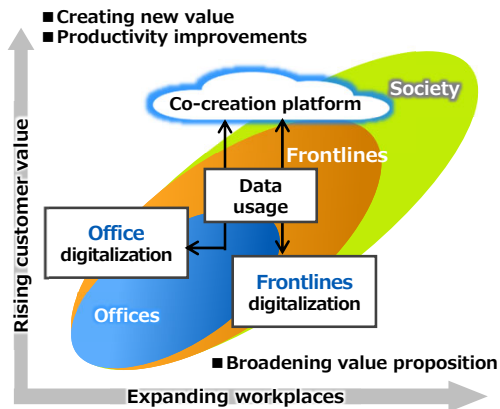
Industrial Products area selection and concentration

Optical and electrical technologies cultivated through MFPs		Precision watch machining technology	Factory management and process automation technologies		
Projector optical units	Onboard stereo cameras	PCs with embedded CPU boards	Engine parts	Process monitoring software	Automation systems
					
Projector optical units	Compact stereo cameras	CPU boards	Precision machined parts for internal combustion engines	Unmanned vehicles	Integration
					
				Automated guide vehicles	Visual inspection systems
					

Each BU tackles the growth of digital services that support our customers' "work" based on digital technology and devices

**EMPOWERING
DIGITAL
WORKPLACES**

Leverage the power of people and digital technology to transform work for customers by connecting workers and workplaces



Businesses contributing to digital services

RDS	RICOH Digital Services	Resolve issues of workers and deliver digital services to connect office and frontline people	Office Services
RDP	RICOH Digital Products	Manufacture products supporting digital services	Office Printing*¹ Edge devices
RGC	RICOH Graphic Communications	Deliver digital solutions for frontline workers on printing sites	Commercial Printing Industrial Printing
RIS	RICOH Industrial Solutions	Provide digital solutions to challenges of frontline workers on logistics, manufacturing and industrial sites	Thermal Products*²
RFS	RICOH Futures	Create new businesses to resolve social issues through digital solutions	Smart Vision Social Infrastructure
Group headquarters		Strengthen business foundation to support digital services	

*1 RICOH Smart Integration encompasses digital services

*2 Shifting to digital services

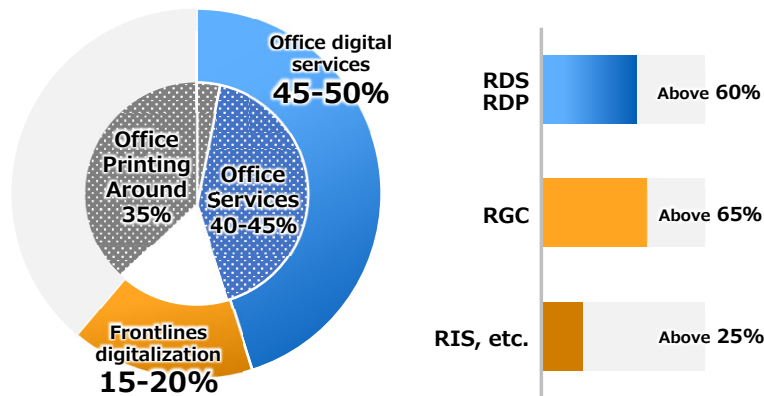
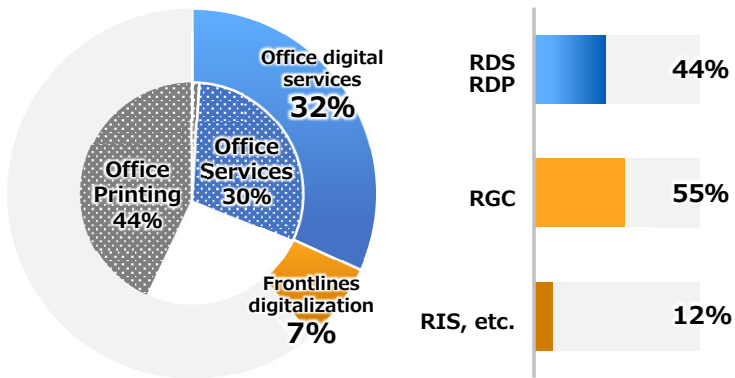
Digital Services Sales Ratio Target

Targeting digital services sales ratio of over 60% by FY2025

End-FY2021 projection	39%
End-FY2025 target	Above 60%

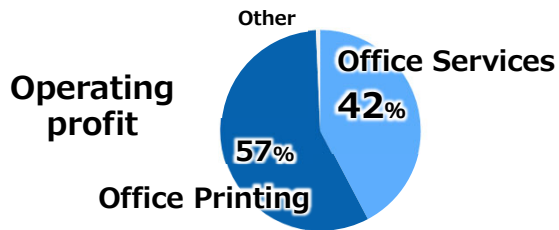


Note: FY2025 figures include impacts of discontinuous growth

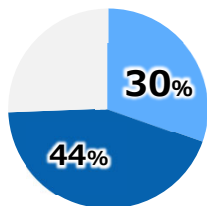


No change in office services forecasts

FY21 forecasts



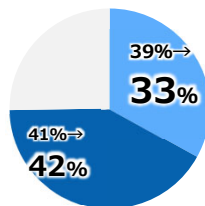
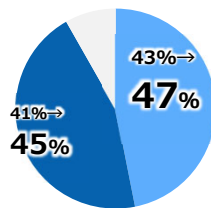
Sales



FY2022 forecasts

Initial → Latest forecasts

Profits
overtakes

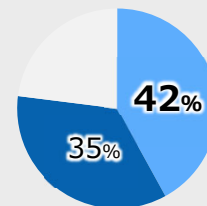
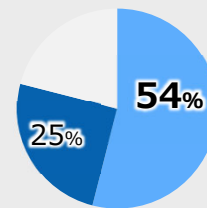


FY2023
Sales
overtakes



FY2025

Majority of
operating profits

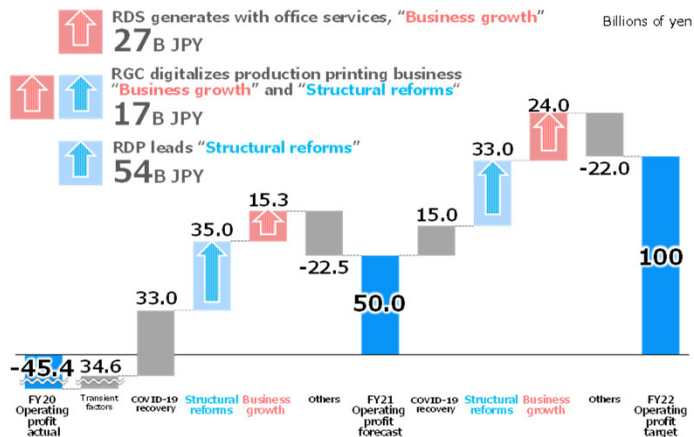


Note: All figures before corporate and eliminations 9



Business Growth and structural reforms in Office and Frontline Segments

In addition to initial business growth and structural reforms, implement additional measures based on the business environment in FY2022



RDS's business growth in office segment

Adding ¥27 billion over two years

1. Invest extensively in Japanese and European markets and develop services business for customer base
2. Reinforce shared global infrastructure

Additional measure: Capitalize on post-pandemic MFP demand recovery and proper price reflections

RDP-led structural reforms

Adding ¥54 billion over two years

1. Keep reducing costs in adverse operating climate
2. Steadily reinforce of manufacturing structure
3. Overhaul services

Additional measure: Build optimal value chain for entire industry beyond corporate framework

RGC accelerates digitalization in printing sites

Adding ¥17 billion over two years

1. Expand and strengthen commercial printing business
2. Accelerate digital services at printing sites

Additional measure: Solution development in cooperation with printing partners

Profitability is steadily improving, although delayed, due to the semiconductor shortage. Aiming to achieve the initial FY2022 target

End-FY2021 forecasts **+¥10.3 billion**
Note: From FY20

End-FY2022 target **+¥27.0 billion**
Note: From FY20

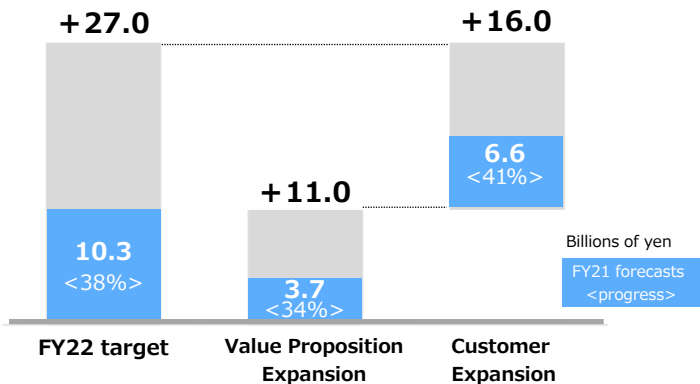
Growth in office segment committed during the 20th Mid-term Management Plan

- Expand services business and value proposition

- Drive growth through investment (Japan, Europe) and Office Services business penetration
- Reinforce globally common business foundation

Operating Income from Office Services Business (vs FY20)

Operating Income from Office Services Business (vs FY20)

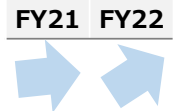


	FY22 target	FY21 forecasts	progress	FY22 revised target
Japan	+14.0	±0	-	+10.0
Europe	+6.0	+7.0	117%	+10.0
others	+7.0	+3.3	47%	No change
total	+27.0	+10.3	38%	No change
Office Services Operating Income Ratio	8.0%	7.7% +1.0point	96%	8.5%

**Profit amount kept as previous year while sales declined.
Scrum Assets sales for mid to large account expands and will be accelerated.**

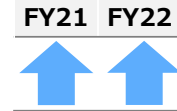
End-FY2021 forecasts Note: From FY20	±¥0 billion
End-FY2022 target Note: From FY20	+¥14.0 billion
	→ +¥10.0 billion

Scrum Packages



- ✗ Negatively impacted by semiconductor shortage as it is packaged with ICT hardware
- ! Packages for remote working struggles while the one for security accelerates
- ✓ Value-added package for specific workflows/industries sell well (construction, nursing-care, manufacturing)

Scrum Assets



- ! Reduce semiconductor impact by using ICT procurable products
- ✓ Sales volume targets significantly achieved
Particularly robust in stock-based ICT solutions and assets such as security and cloud solutions
- ✓ Increase project profitability by expanding SI business using system engineers

		FY20	FY21 forecasts	FY22 Target	FY22 revised Target	FY22 Diff.
Scrum Packages	Cust. ratio	10%	13%	20%	15%	▲5%
	Units sold	65,000	77,000	130,000	100,000	▲30,000
Scrum Assets	Sales	¥21.1B	¥30.0B	¥35.0B	¥45.0B	+¥10.0B

Upward adjustment thanks to steady progress on both acquiring ICT companies and implementing office services business in operating companies

End-FY2021 forecasts Note: From FY20	+¥7 billion
End-FY2022 target Note: From FY20	+¥6.0 billion
	→ +¥10.0 billion

■ Acquisitions strategy

Acquire Avantage (NL) and Pamafe (Portugal) in FY21
 Sales from acquired companies※ : **+17%** vs previous year despite semiconductor shortage

※All companies in the right chart except for DocuWare and Axon Ivy

■ “Work Together Anywhere” campaign

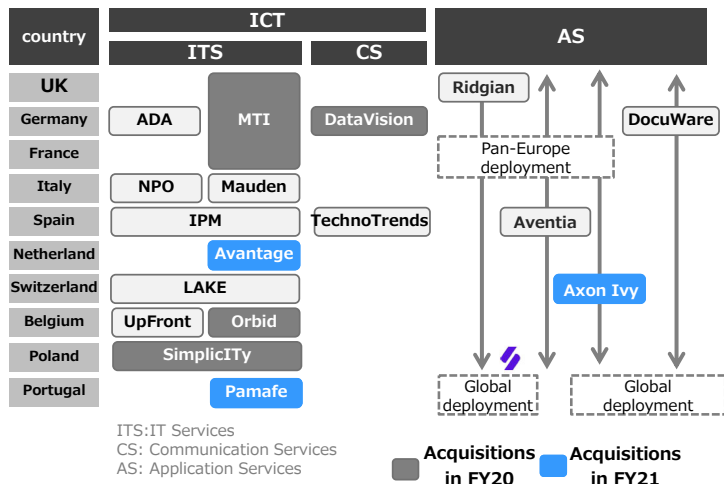
Office services business trending well
 (Order-placed **¥11.1 billion +75%** vs previous year: January year to date)

■ HR shift in office services

Foster system engineers by up-skilling technicians (cumulative target)

FY21	FY22 target
162 engineers	300 engineers

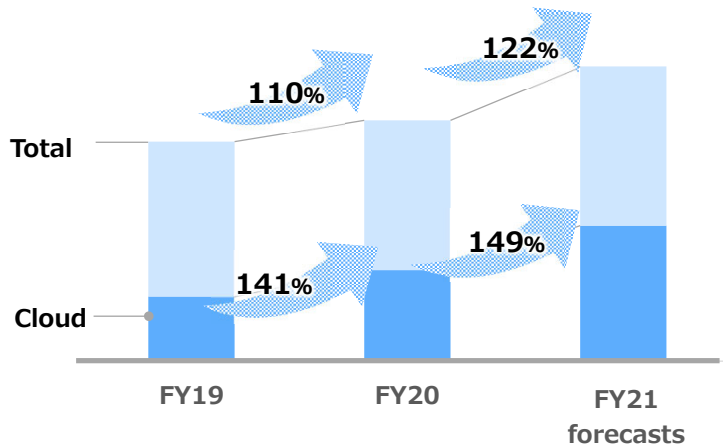
Steadily reinforcement through acquisitions and discontinuous growth



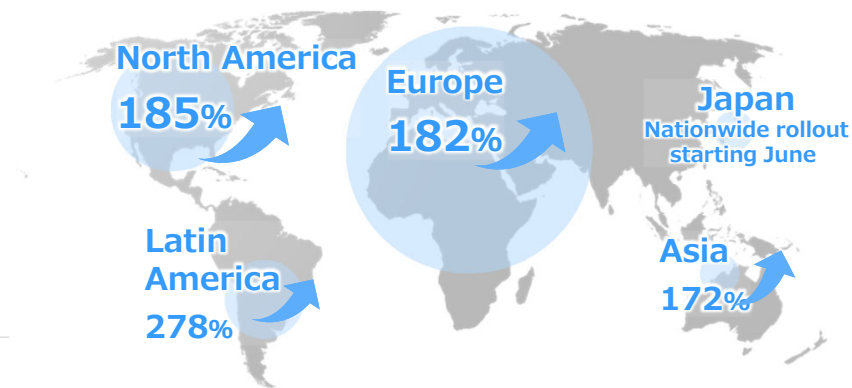


DocuWare has established sales and support systems at 46 operating companies and is performing well

DocuWare Sales Trend



New Orders YoY (January year to date)



Japan: Prospects expanding rapidly due to the need to comply with the [Electronic Bookkeeping Law](#).



Office segment: Growth in Office Services Business (4)

Mid-to-long term perspective

Evolve RICOH Smart Integration as platform for workflow innovation and accelerate business

Ex. Roll out steps in Japan market

Step1. Install Scrum series applications to existing customers' MFPs

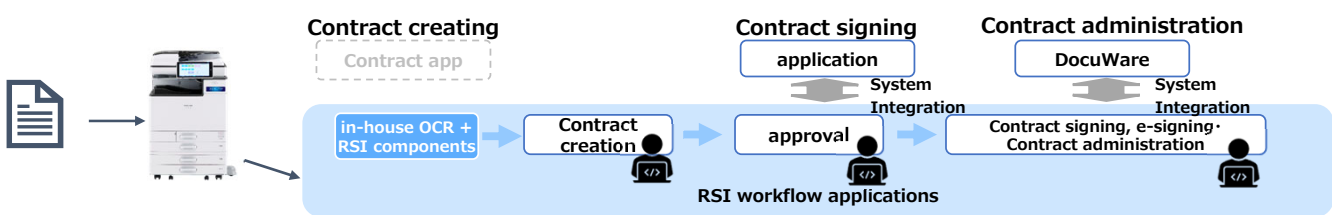
Step2. Automate before/after workflows for Scrum series applications (Reduce paper-based data entry labor.)



Step3. Connect application and automate processes

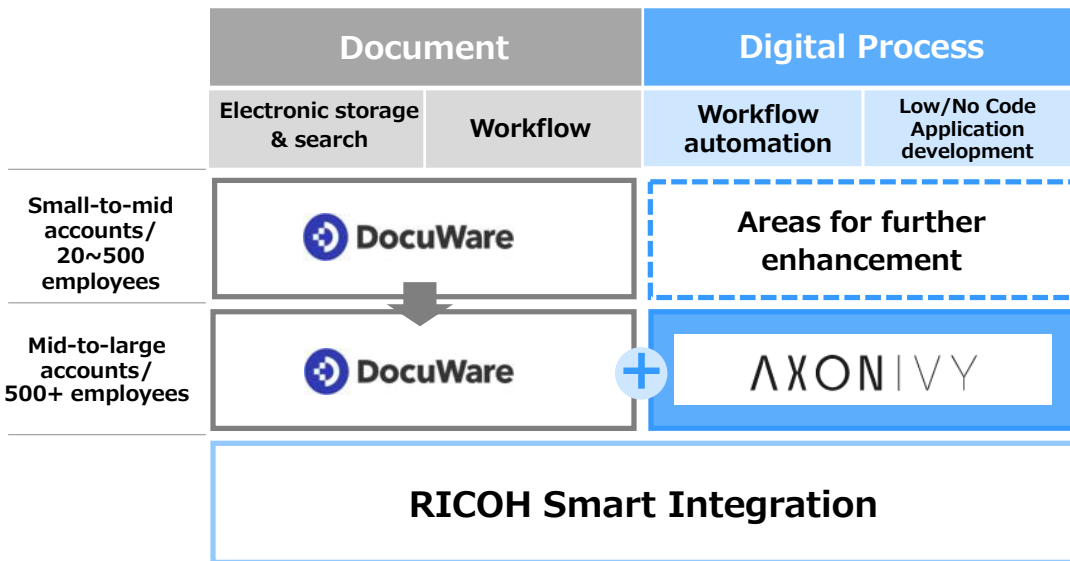


Step4. Enable end-to-end workflow in RSI platform (evolved as workflow innovation platform)





Acquisition of Axon Ivy AG to expand into digital process area for mid-sized and large accounts



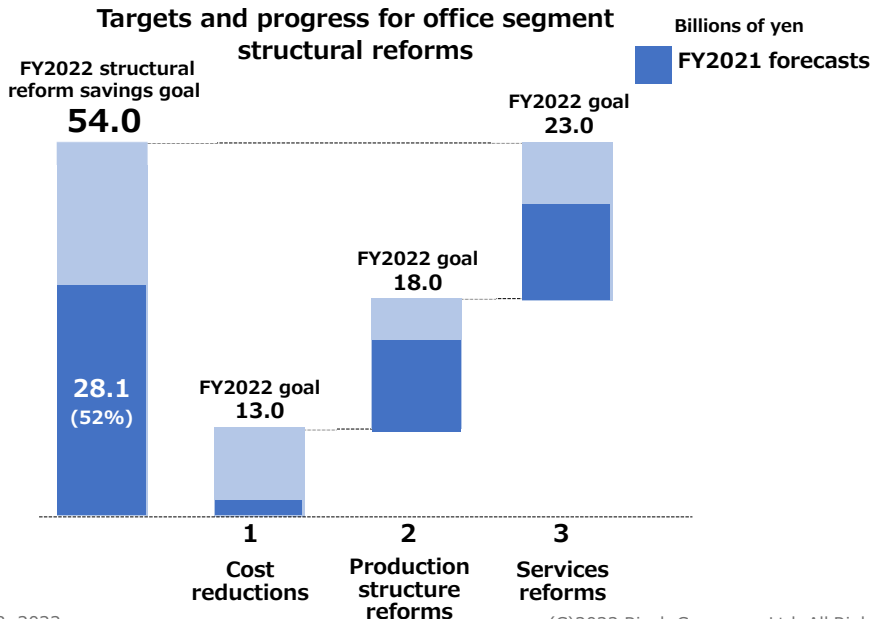
Axon Ivy AG

Name : Axon Ivy AG
 Established : 1993
 Location : Lucerne, Switzerland
 Business :
 Development, sales, and consulting services for software supporting business process automation

Cost reductions through FY2022: ¥54 billion

◆ Structural reforms 52% complete with generating ¥28.1 billion, exceeding planned pace

End-FY2021 projection	+¥28.1 billion
End-FY2022 target Note: From FY2020	+¥54 billion



- 1. Variable cost reductions**
Amount decreased due to soaring material prices
Steady progress in building low-cost structure
- 2. Production structural reforms**
Accelerated activities and progressed better than planned
- 3. Services reforms**
Progressed steadily

+

Build robust and sustainable production structure

Office Segment: Pursue Operational Excellence (1)

Variable cost reductions through FY2022: ¥13 billion

Reduce variable costs

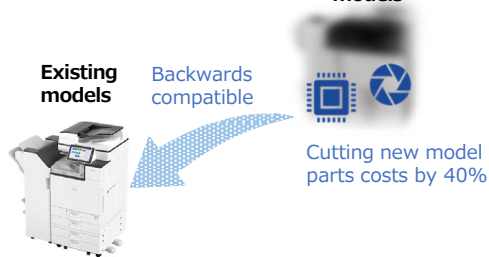
Strengthen production structure

Reform services

Savings (from FY2020)	Principal initiatives	KPIs
<p>¥13.0 billion</p> <p>↳ ¥1.2 billion Forecasted by end-FY2021</p> <p>Effectively ¥5.9 billion after factoring out greater than expected market impact</p>	<ul style="list-style-type: none"> Continue cost reductions of current models by using common parts Direct labor cost reductions through AI-based production automation Significantly reduce expenses for new models by undertaking cost improvements with suppliers 	<p>Current models: -2% or more from FY2020</p> <p>↳ -0.6% annually</p> <p>New models: -15% from FY2020</p> <p>↳ Progressing well</p>

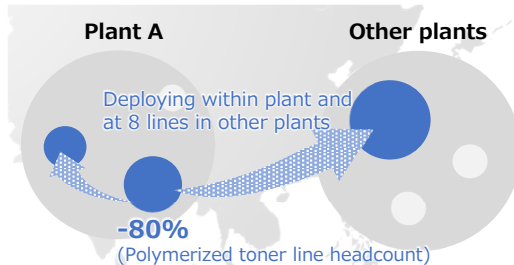
Progress to date

Parts cost reductions in new models applied to existing models

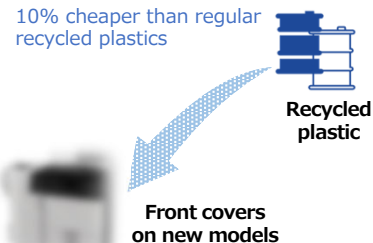


New successes

Deploying AI-based quality prediction and control on polymerized toner line reduces worker headcount by 80% (in FY2020)
→ Will roll out to 8 lines in other plants



Collaborating with materials manufacturers to develop lower-cost recycled plastics



New successes

Office Segment: Pursue Operational Excellence (2)

Structural reform savings through FY2022: ¥18 billion

Reduce variable costs

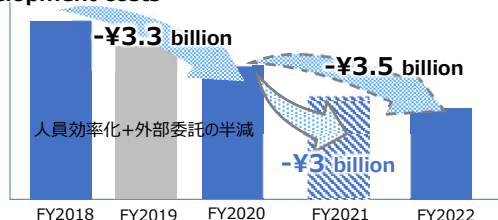
Strengthen production structure

Reform services

Savings (from FY2020)	Principal initiatives		KPIs
¥18 billion ↳ ¥14.9 billion Forecasted by end-FY2021	Development	<ul style="list-style-type: none"> Streamline development by adopting digital design processes ¥3.5 billion Build new development processes by integrating design and production organizations 	Development labor hours per model: -20% from FY2020 ↳ -30%
	Production	<ul style="list-style-type: none"> Cut indirect labor headcount by employing digital manufacturing processes and remote production management ¥14.5 billion Consolidate and reorganize plants according to product characteristics 	Indirect labor headcount reduction: -22% from FY2020 ↳ -20%

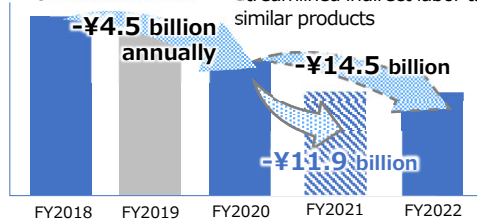
- Progress to date**
- Reduce development time by 30% by automating controller evaluations
 - Halved reworking time by strengthening coordination between design and production units

Development costs



Production

Production costs



- Benefited from Chinese production site consolidations
Shortened product lead times by 27% and reduced production indirect labor headcount by 40%
- Halved issue assessment times with process image analysis
- Streamlined indirect labor tasks by consolidating manufacture of similar products



Office Segment: Pursue Operational Excellence (3)

Savings through FY2022 service reforms: ¥23 billion

Reduce variable costs

Strengthen production structure

Reform services

Savings (from FY2020)	Principal initiatives	KPIs
<p>¥23 billion</p> <p>↳ ¥12 billion</p> <p><small>Projected by end-FY2021</small></p>	<ul style="list-style-type: none"> Enhance maintenance efficiency by lifting MIF penetration for Smart Support-compatible models Train customer engineers to acquire multiple skills 	<p>Smart Support-compatible model penetration above 60%</p> <p>↳ 45%</p> <hr/> <p>Specialist customer engineer reductions -15% from FY2020</p> <p>↳ -10%</p>

Progress to date

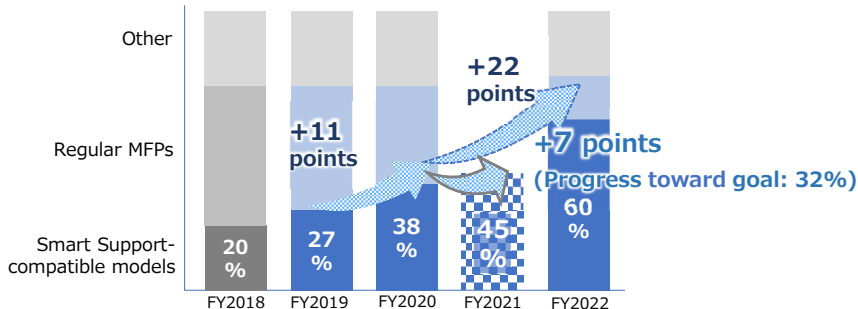
Streamlining maintenance

- Boosted customer engineer maintenance efficiency by 8% by lifting Smart Support-compatible model MIF penetration
- Reduced downtimes by 60% (goal was 50%)

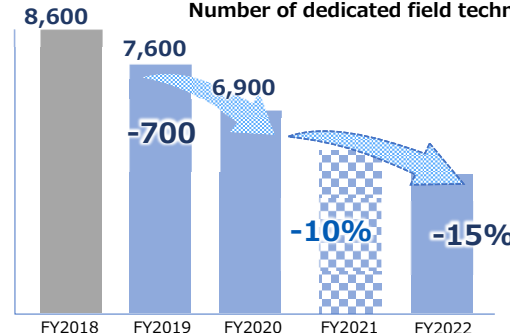
Multi-skill training

- Initiated multi-skill training programs for field technicians
- Shifted workforce to digital services maintenance

Smart Support-compatible MIF penetration



Number of dedicated field technicians



Build robust and sustainable production structure

Development

Key initiatives

■ Multi-replacement designs

- Highly versatile designs for swift responses to sudden parts changes

Rapid responses to sudden parts changes

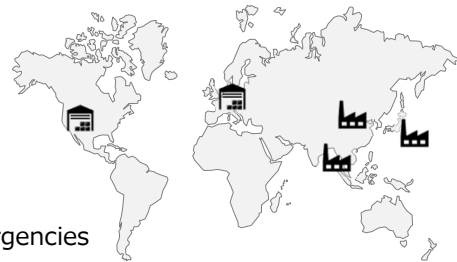


Production

■ Flexible production site structure

- Build structure to enable core model production at multiple sites
- Set up structure to retrofit missing parts

Flexible production site structure



Procurement

■ Safety Inventory Calculation System

- Maintain safety inventory by factoring in lead times and usage deviations

Reuse

■ Emergency reuse process

- Build process for swift collections, reuse, and supply in emergencies

Accelerate structural reforms by expanding to collaborate with other companies



Procurement

- Develop materials with industry peers and suppliers
- Purchase from other companies, including critical components and key modules / Sell to other companies

Development

- Collaborate with other companies to share development of modules and parts

Production

- Optimally leverage in-house and external of production sites

Finished products

- Building efficient lineup through mutual OEM supplies of core units and peripherals

Sales and logistics

- Considering industry collaboration extending beyond forwarding logistics to encompass reverse logistics (JBMIA)

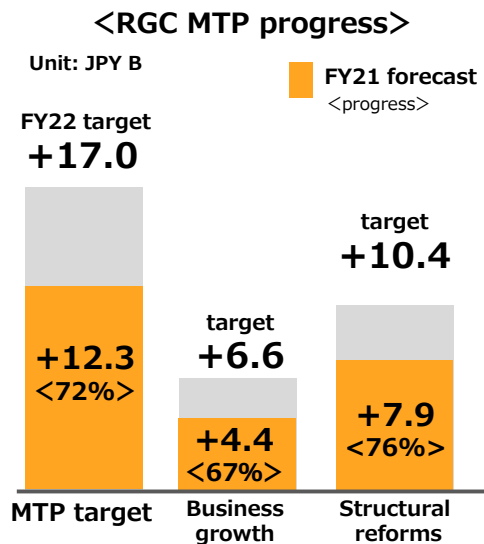
RGC pursues business growth and structural reforms to drive digitalization of frontlines

End-FY2021 projection vs FY20 **+¥12.3 billion**

End-FY2022 target vs FY20 **+¥17.0 billion**

Operating Income impact

Business growth and structural reforms in frontline segment committed during 20MTP



① Business growth

- Accelerate offset to digital
- Workflow solutions at frontlines in printing industry
- Expand industrial printing

② Structural reforms

- Digitalizing designing process
- Reorganizing service workforce

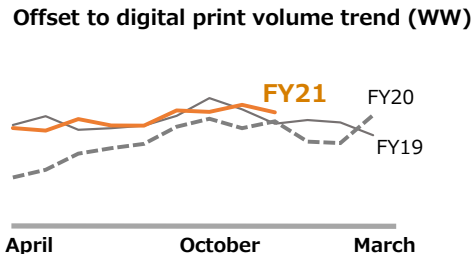
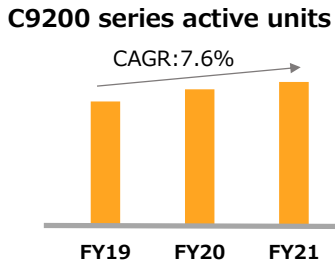
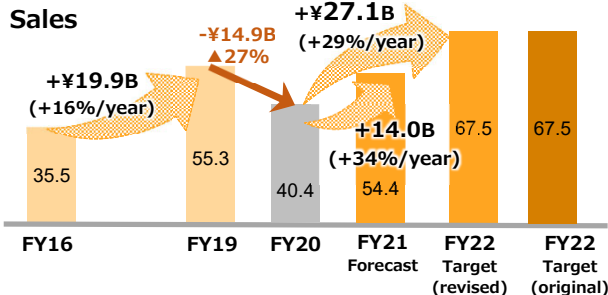
Operating Income : JPY B	FY22 target	FY21 forecast	progress	FY22 target revised
Business Growth	+6.6	+4.4	67%	No change
Structural reforms	+10.4	+7.9	76%	No change
Total	+17.0	+12.3	72%	No change

Recovery from COVID-19 impact forecasted in addition to the actions

Ref.	FY22	FY21
COVID-19 Recovery	+3.3	+5.6

Production Printing (Offset to Digital) Business recovered from COVID-19 recession ➔ Forecasted to exceed FY21 original plan

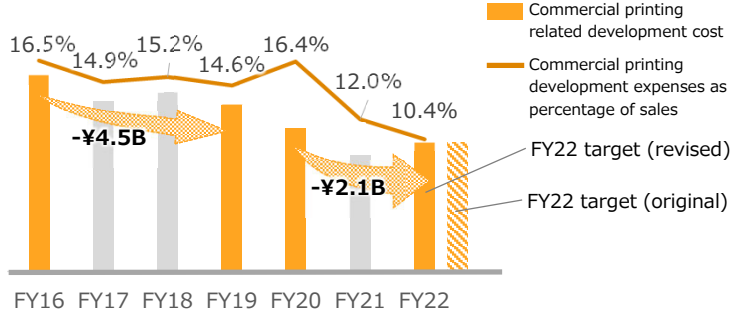
	Direction from FY21	FY21 progress	FY21 projection (vs FY20)	FY22 target (vs FY20)
New product launch	-Secure top share through RICOH Pro Z75 inkjet press, which employs aqueous ink -World's first auto duplex B2 model	To be launched in FY22		
Customer penetration	-Captured new major commercial printing business in Europe and US	Cultivation accelerated. Projection : sales +¥2 billion (+¥1 billion vs plan)	+¥14.0 billion +8.5% vs plan	+¥27.1 billion No change
Non-hardware expansion	-Boost non-hardware sales by expanding active units	Progressed as planned • Recovered to 98% of FY19 through MIF expansion and application sales increase		
COVID-19 recovery	-COVID-19 recovery, mainly in Europe and US -FY21:95%, FY22:100% (vs FY19)			



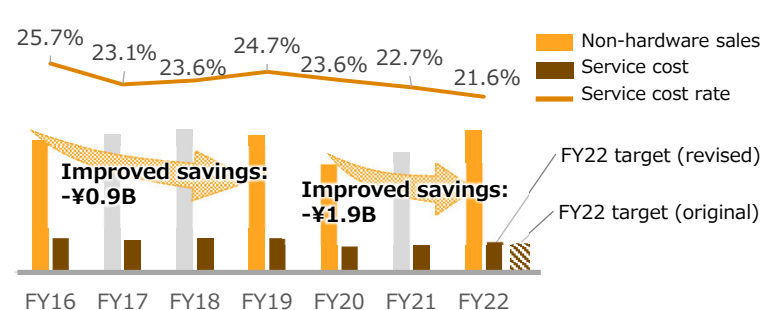
Structural reforms focusing on development/services steadily progresses

	Major initiatives	FY22 target (vs FY20)
Development	<ul style="list-style-type: none"> Coordinate digital manufacturing by integrating production and development Digitalize design work Pare down number of development models 	reduction ¥2.1 billion No change from original plan
	<ul style="list-style-type: none"> Undertake activities to enhance services and sales profitability <ul style="list-style-type: none"> Cut services person-hours by deploying advanced models and replacing active units Continue efforts to enhance active unit profitability Bolster operational efficiency through remote support <ul style="list-style-type: none"> Self-resolution and maintenance facilitated by operators Prevent trouble from occurring by deploying failure prediction technology 	improved savings ¥1.9 billion No change from original plan

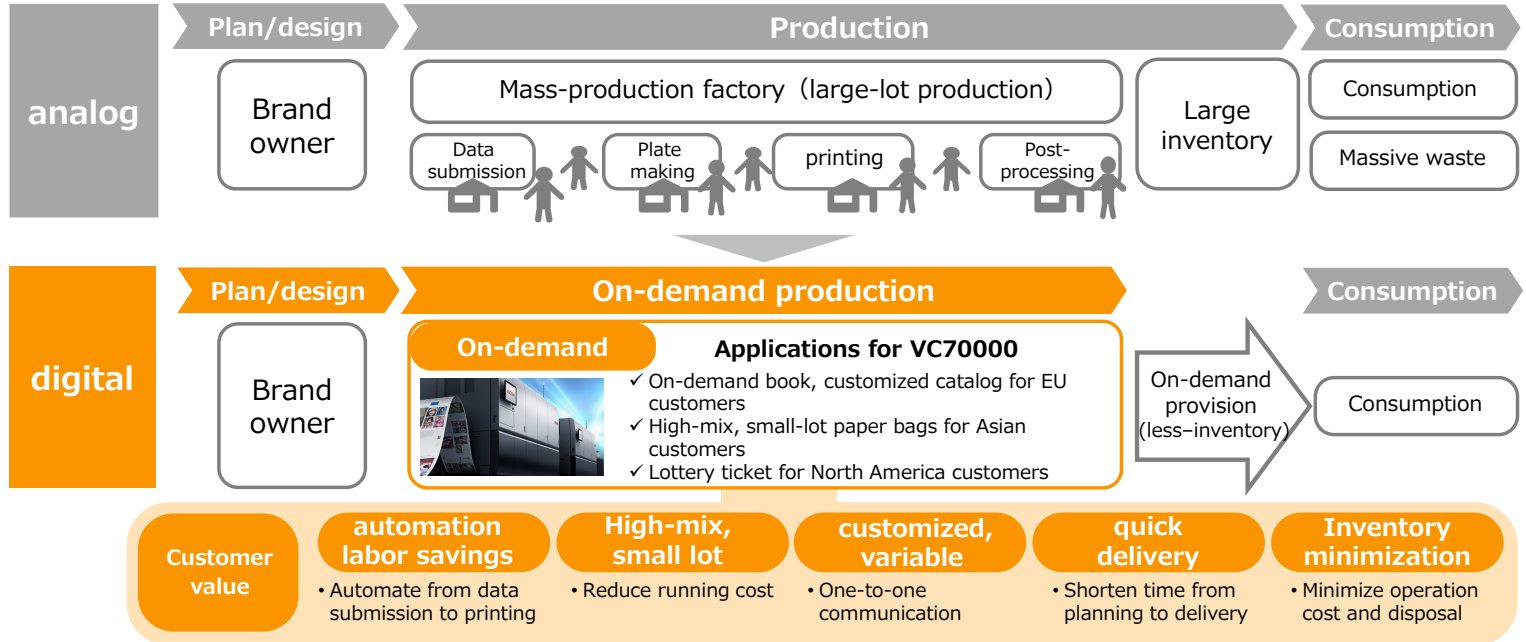
Development costs and development cost to sales ratio



Services cost as percentage of non-hardware sales



As printing becomes more diverse, customized, and on-demand, more customers are embracing the advantages of digital printing solutions over analog.



RICOH Business Booster (RBB) helps commercial printing businesses customers in expanding business and improving management quality

What is RBB?

Value co-creation platform for **boosting customers' business** through knowledge sharing with commercial printing companies and business partners

- Co-creating and sharing new printing applications
- Automation solutions of printing processes
- Go to Market knowledge sharing and support

Active co-creation partners



As of January 2022

Application
downloads
643

Production
guideline/images
downloads
331

Business penetration
information
7,496 views

※2022年1月単月

Pioneering Examples

Photobooks printed only in
needed quantities



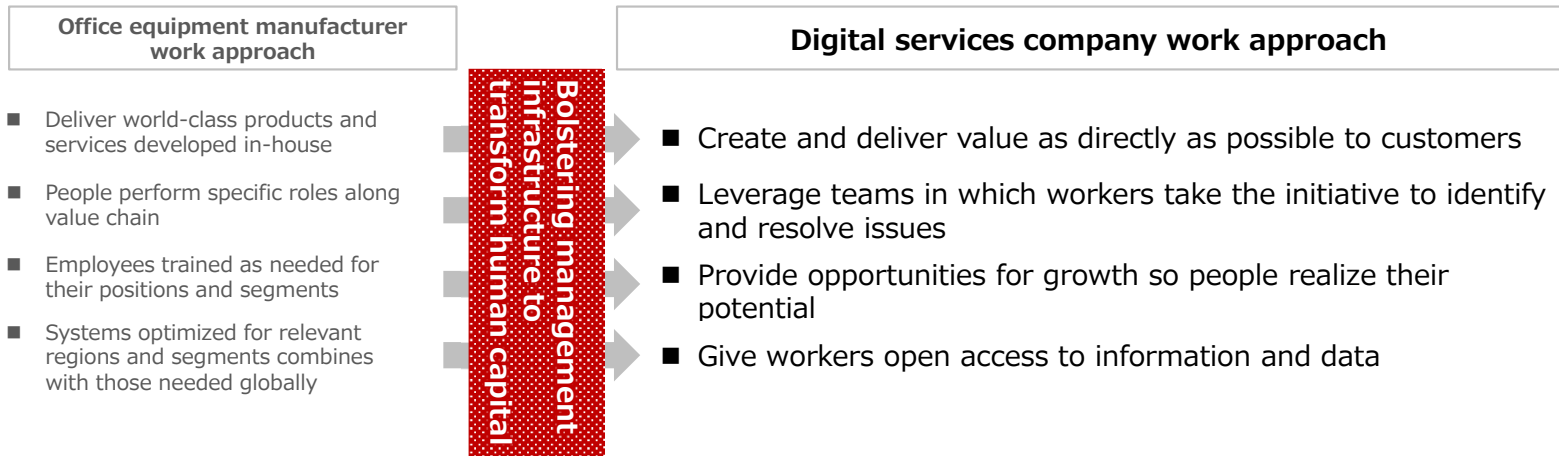
Variable printed lottery tickets



High-mix, small-lot paper bags



Steadily transform human capital through a robust management infrastructure to become a digital services company



- 1. Cultivate and acquire digital professionals**
- 2. Upgrade around 70% of enterprise systems, including migrating 180 systems to cloud**
- 3. Encourage employee initiative by adopting job-based personnel structure**

Will also leverage Talent Palette to visualize employee skills and build business database, internally adopt digital processes, and upskill employees

Progressing steadily toward mid-term management plan targets through defining digital professionals.



KPIs under 20th Mid-Term Management Plan for digital professionals and FY2021 progress

- Skillset shift from field technicians to system engineers (mainly in Europe)
- In April 2022, will launch Ricoh Digital Academy platform to accelerate training (Japan)

1 Business integrators

MTP target: Appoint 100 such people

➔ Analysis of companywide digital transformation aptitude survey identified **around 3,200 prospective business producers**

2 Digital experts

Number of digital experts (certified IPA ITSS or higher)

MTP target: 2,189 (+50% vs FY20)

➔ FY21: **1,878 Ahead of schedule**

3 Process digitalization professionals

MTP target: 300 people rating silver or higher in in-house certification program

➔ Completed program launch, **projecting 170** rated silver or higher **Ahead of schedule**

Cloud migration, including by upgrading legacy systems, and constructing data infrastructure progressing as planned

Upgraded 70% enterprise systems, including migration of 180 systems to the cloud (¥58 billion investment in 5 years) **progress as planned**

Data driven management through defining/organizing master data (¥2 billion investment in 5 years) **progress as planned**

Directions of upgrading

Cloud transformation led by Global headquarters (IaaS)

- ✓ Transformation of **54%** enterprise systems completed
- ✓ Establish **dedicated team** to operate hybrid environment (cloud & on-premises)

Workflow innovation through collaboration of BUs and Global headquarters IT dept. (SaaS/PaaS)

Renew legacy systems running last 10 years or longer (by the end of 2026)

- ✓ Overseas: Shifting existing on-premises ERPs **to cloud package**
- ✓ Japan: Forming **policies to integrate** towards company structure

Initiatives for data driven management

Build global common database

- ✓ Established data lake/date warehouse for real time data alignment
- ✓ Standardize account titles globally and deploy

Standardize/automate handling master data

- ✓ Standardized product data master and GMA customer data master
- ✓ Automate product launch process (to be deployed March, 2022)

Organize information for ROIC management

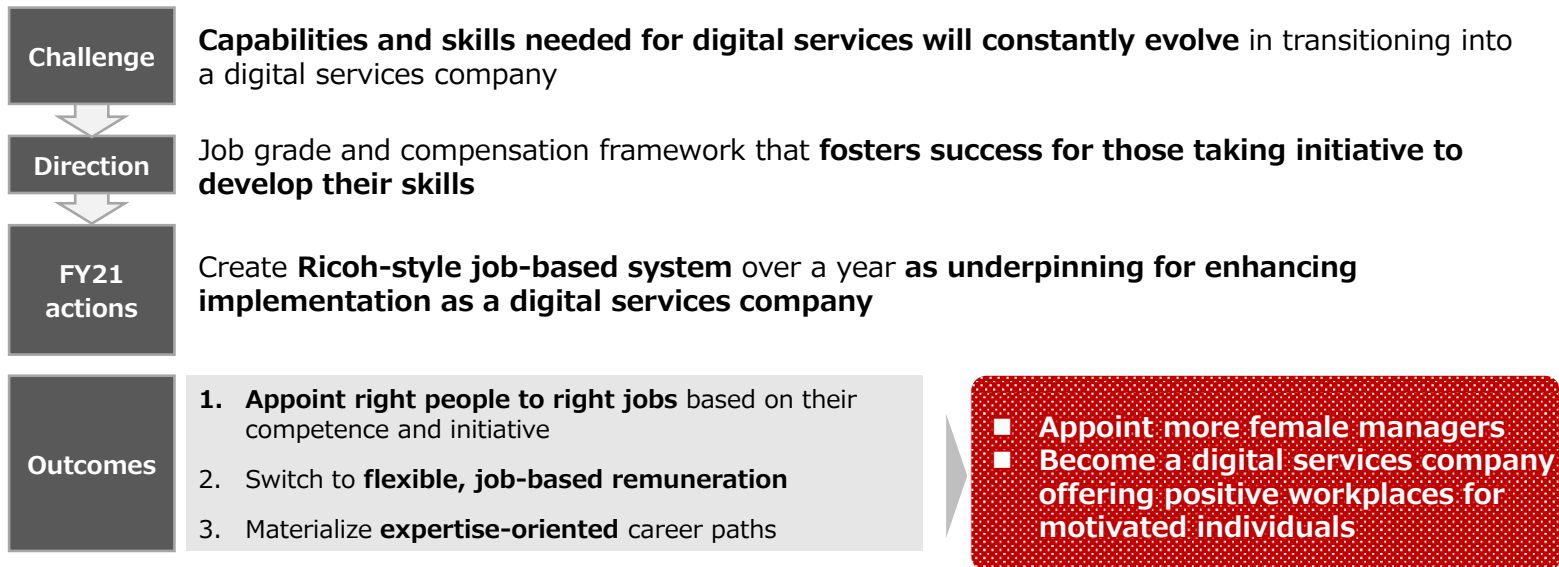
- ✓ Defined 8 financial KPIs and related actionable KPIs

Centralize/leverage customer data for growth

- ✓ Centralize customer data that used to be separately managed
- ✓ Enhance contents and install recommendation function by AI

Set to institute Ricoh-style job-based system in April 2022* → Changing corporate culture and transforming human resources as basis for becoming digital services company

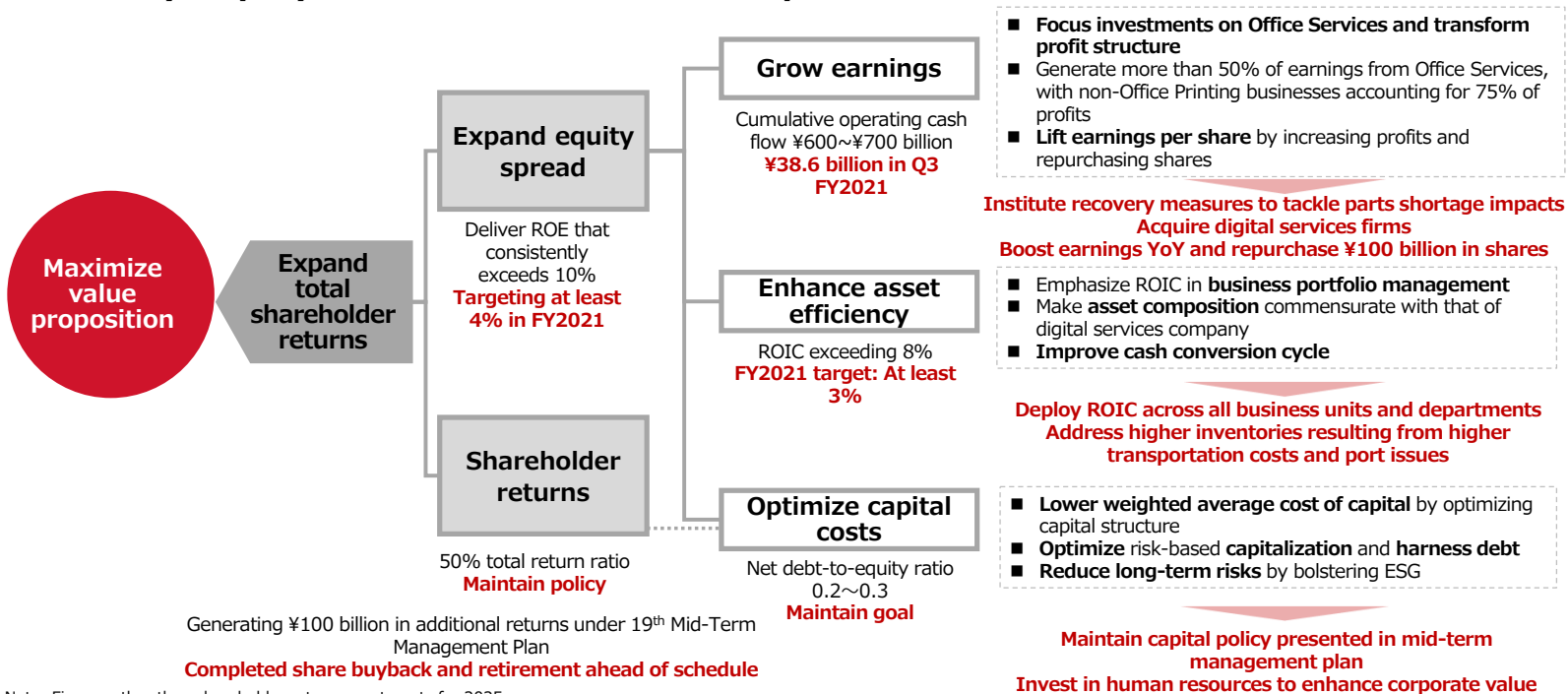
*Initially launching at parent company and gradually rolling out among subsidiaries and affiliates in Japan





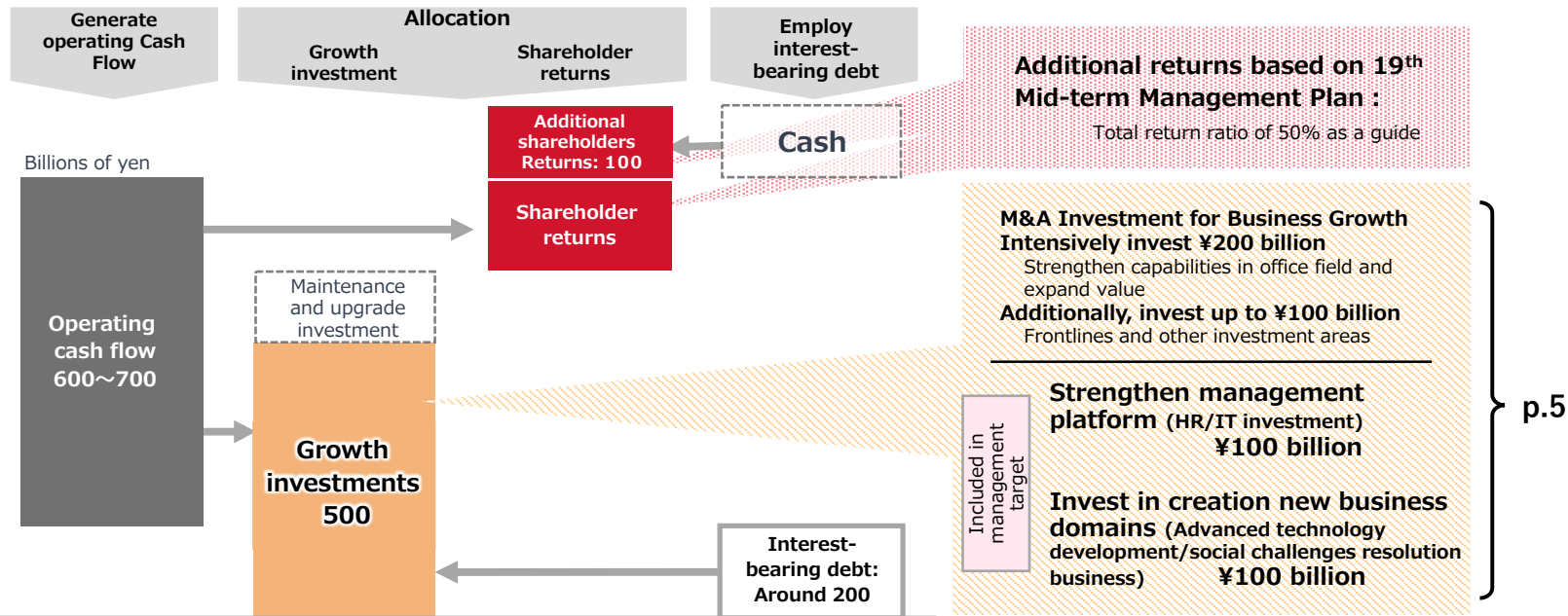
Progress with Capital Policies Supporting Growth

Steadily deploy measures to enhance corporate and shareholder value

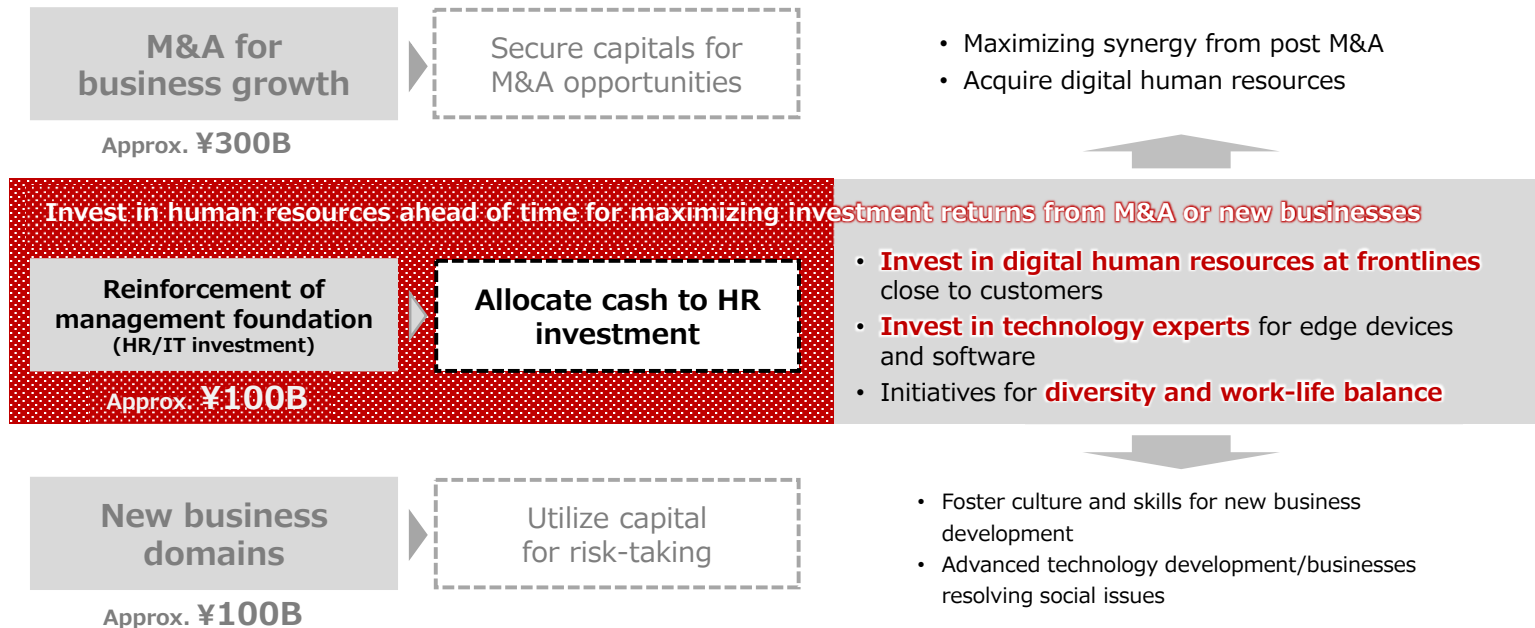


Note: Figures other than shareholder returns are targets for 2025

No change in capital policies. Properly allocating cash while employing interest-bearing debt with partly utilizing capital for growth investment and risk management



Investment in human resources, unlike other expenses, is generating future financial results



Sustainably enhance corporate value by continuously strengthening human capital

- **Invest on digital human resources at frontlines**
close to customers

Business Integrators Business Designers Process DX Experts

- **Invest on technology experts** for edge devices and software

Manufacturing Experts Digital Experts

- Initiatives for **diversity and work-life balance**

Diversity & inclusion

Actively recruit women, people with disabilities and veterans. Promote young and mid-career people

Work-life balance

Support childcare and eldercare, remote-work, 'workation'

Engagement

Enhance work environment, foster job satisfaction, regular engagement survey

Increase cash flow through value-added and productivity enhancements



Corporate value maximization

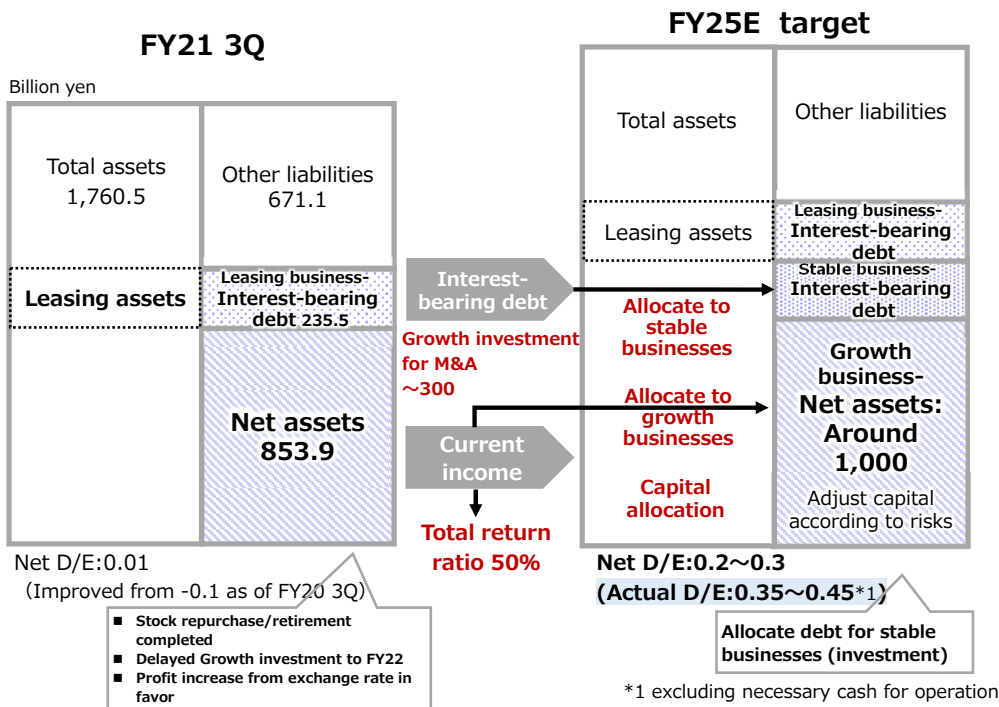
Monitor profitability per employee

(ROIC improvement ⇒ Equity spread expansion)



Reduce capital cost through stabilizing management foundation

Agile capital adjustment in line with profitability and investment for growth



FY21 progress

- M&A execution mainly in Europe, and keep evaluating/researching other opportunities
- Conducted ALM*2 for leasing business with utilizing interest-bearing debt
- ¥100B stock repurchase/retirement completed
- External risk management

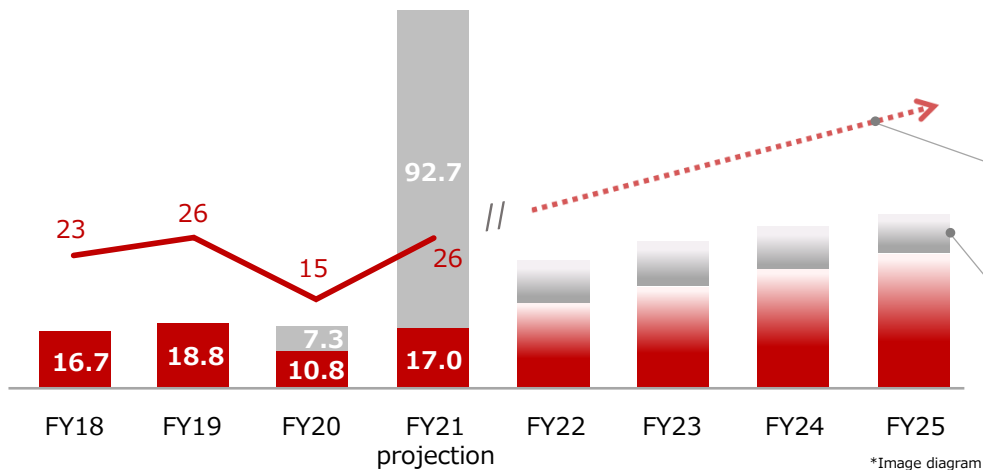
FY22~25 plan

- **No changes in ¥300B investment plan by FY25; considering opportunities of certain scale of investment**
(capital allocation)
- **Utilize interest-bearing debt for stable business investments**
- No major change in cash flow allocation

FY25 Net assets ¥1 trillion

- **Investment on growth businesses**
- Uncertain business environment and digital services transformation period
⇒ Utilize capital for risk

Maintaining 50% total return ratio target while endeavoring to stably and sustainably lift dividends and repurchase shares to boost earnings per share



■ Dividends (B yen) ■ Stock repurchases (B yen) — EPS (yen)

Policy :

Target 50% total return ratio and incrementally lift goal

Dividends :

Factor in dividends per share in stabilizing and **continuously increasing dividends**

Stock repurchases :

Agile and appropriate-timing repurchases, taking business climate and growth investment situation into account and maintaining optimal capital composition



Conclusion

Ricoh's sustainability continue progressing in keeping with the Spirit of Three Loves

Progress with future financial (ESG) targets

Progress with key targets (from 17 ESG goals)	FY2021 forecast (pre-finalized)	FY2022 target
Creativity from work	Top score from customers	33% (Japan) 30% or above
	Digital specialist development	1.28 IPA ITSS L3 1.5 times
QOL enhancement	People benefiting from our social infrastructure	8.4 million 10 million
Zero-carbon society Circular economy	GHG Scope 1 and 2 (vs fiscal 2015) GHG Scope 3 (vs fiscal 2015)	On track -28%
	Electricity from renewable energy sources	25.0%
	New resource content in products	30%
		85% or less
Stakeholder engagement	Key external ESG assessments	See right column Top level
Open innovation	Patent ETR score increase rate (from FY2020)	7% 20%
Diversity and inclusion	Ricoh Family Group engagement score	Japan: On track Overseas: Lagging 50 th percentile or more

Key external recognition examples over past year

Dow Jones Sustainability World Index

- ✓ Achieved **highest score in our industry**
- ✓ Included for second straight year

Third Nikkei SDGs Management Survey

- ✓ Obtained **top-ranking five stars** for third consecutive year

Institutional Shareholder Services ESG Corporate Rating

- ✓ Again awarded **Prime status**

CDP

- ✓ Remained on **A List for climate change leadership**

S&P Global Sustainability Award

- ✓ Received **Gold Class** recognition

Issue Circular Economy Report as the first Japanese company* in March 3rd, 2022

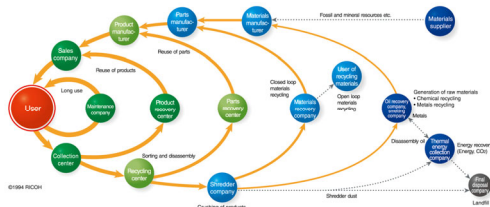
*Source: Ricoh research (a report with Disclosure and Engagement Guidance to Accelerate Sustainable Finance for a Circular Economy, published by Japan's Ministry of Economy, Trade and Industry and Ministry of the Environment)

Circular Economy

The Ricoh Group has **worked toward realizing a circular economy for around three decades**, well before ESG and SDGs emerged.

We have used the world's first governmental guidance on disclosure and dialogue, with its particular focus on a circular economy, as an opportunity to deepen our engagement with stakeholders.

Ricoh's Comet Circle



Our 3Ps Balance concept



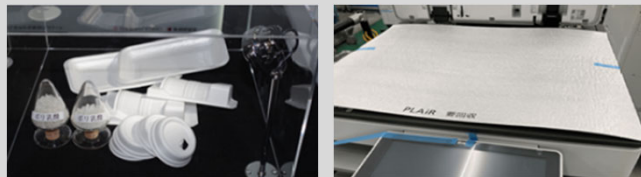
Resolve social issues: Helping realize a circular economy through PLAiR foam polyactic acid (PLA) sheets, label-free printing, and other businesses

Label-less bottle printing using transparent resin laser marking technology



A laser draws directly on the surface of a plastic bottle, eliminating the need for ink and associated impurities to provide the required information **without reducing recyclability**. Adopted by Asahi Soft Drinks Co., Ltd. to trial this technology on bottles of its Asahi Jurokucha blended tea drink.

Foam PLA sheets made with PLAiR, an innovative biomass plastic made from plants and air



PLAiR food trays

MFP cushioning material made with PLAiR

PLAiR was created by foaming PLA from corn and sugar cane starch with our proprietary carbon dioxide microfoaming technology. The resulting PLA sheet is flexible and strong.

Even if PLAiR is incinerated, net atmospheric carbon dioxide levels do not increase. The material degrades into water and carbon dioxide in soil or in compost, resolving waste, pollution, and other social issues.

Fulfillment through Work

Work can be stressful at times.

But also incredibly fulfilling when you overcome a challenge. Fulfillment through Work.

The foundation of this is the Spirit of Three Loves that Ricoh has pursued tirelessly since the company was established in 1936.

We launched office automation in 1977. We wanted to revolutionize work by releasing workers from the tedium of endless repetitive tasks so that they could enjoy that feeling gained from achievement and self-development one gains from completing more engaging tasks.

By 2017, this had developed further to become our value proposition, **EMPOWERING DIGITAL WORKPLACES**, where we empower worker's creativity and improve workplaces.

Ricoh provides services to enable individuals to work wherever and whenever they want.

We want to provide a future where all workers, workplaces, and workflows will be connected and thus contribute to a more sustainable society where people are empowered to innovate.

Ricoh is changing this moment in time by imagining the future, and by providing fulfillment through work, we will enhance the quality of life.

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

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Note: These materials define fiscal years as:
FY2021 (or fiscal 2021) = Fiscal year ended March 31, 2022, etc.

Business category and other changes

Ricoh adopted a business unit structure on April 1, 2021, and accordingly reclassified operating segments from this fiscal year. Prior year comparative figures have been retrospectively adjusted to reflect these changes.