

**RICOH Digital  
Services Briefing**

**EMEA**

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RICOH Digital Services

# Office Services Business Initiatives

1. EMEA Office Services Strategy
2. EMEA Office Services Performance and future value
3. Customer Success Stories
4. Talent Development towards a Digital Services Company





**Revenue  
in FY22**

**3.5**

B Euro  
(110% YoY)



**OS Rev  
in FY22**

**1.3**

B Euro  
(117% YoY)  
(37% of Rev, +3% YoY)



**Customer  
base**

**180**

K Customers



**Deliver customer  
value from**

**3,200**

Sales



**Attentive  
support from**

**4,800**

Ricoh Field  
Engineers



**Coverage**

**25** Operating  
Companies

**18** Acquired  
Companies

**+60** Countries



## RICOH Group Mission & Vision **»» Fulfilment Through Work**

### 21st MTS EMEA Vision

To be known as a **leading Workspace value added integrator**, supporting businesses of all sizes to achieve **unrivalled employee engagement** and **customer success**.



PEOPLE FIRST  
CULTURE



CUSTOMER  
VALUE



DIGITAL  
ECOSYSTEM



CUSTOMER  
GROWTH



CUSTOMER  
EXPERIENCE



OPERATIONAL  
EXCELLENCE

### 21st MTS EMEA Mission

Coming together on the market and internally as **ONE Ricoh** to accelerate **profitable GROWTH** and to ensure more effective and **aligned strategy execution**

Market Execution

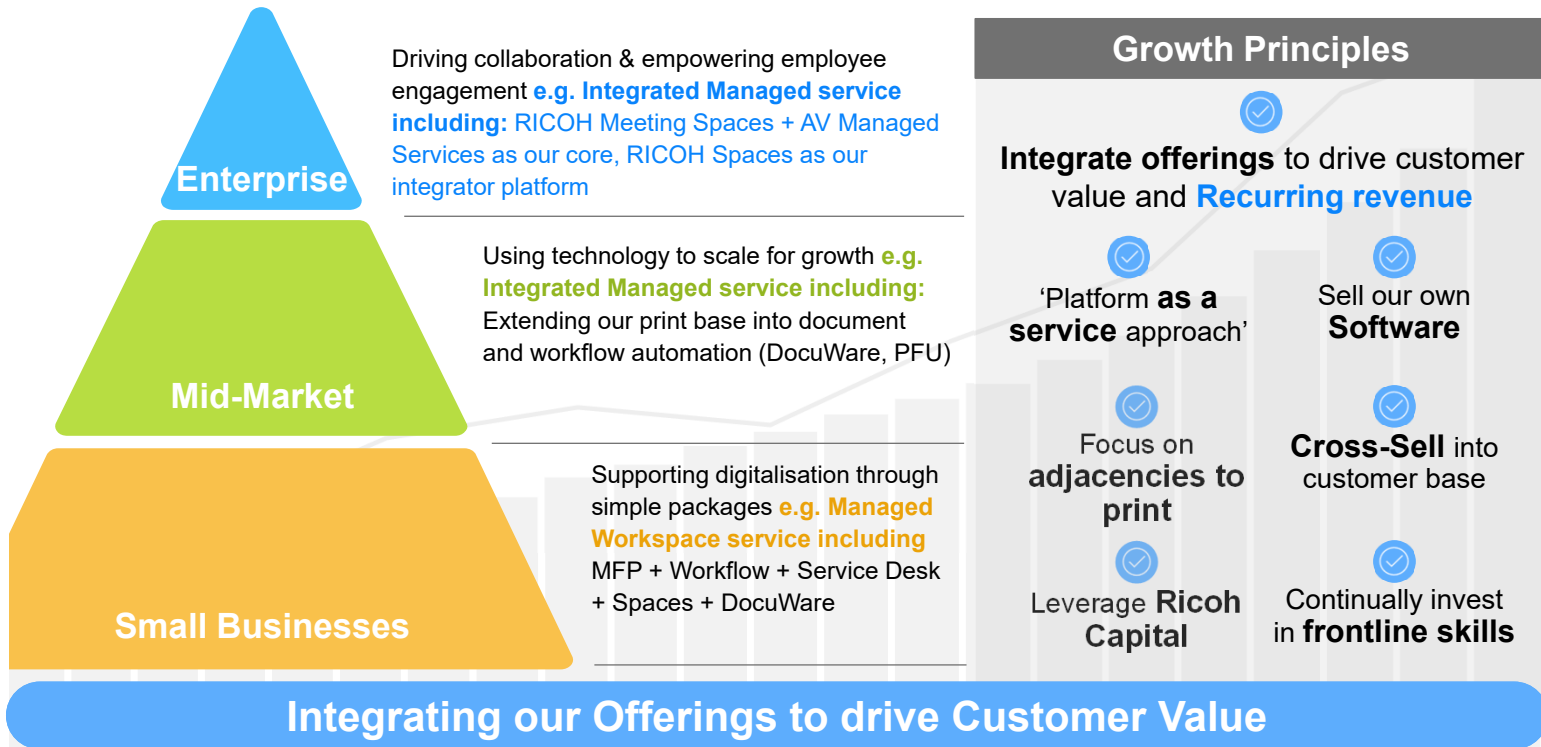
Central Europe

Northern Europe

Southern Europe

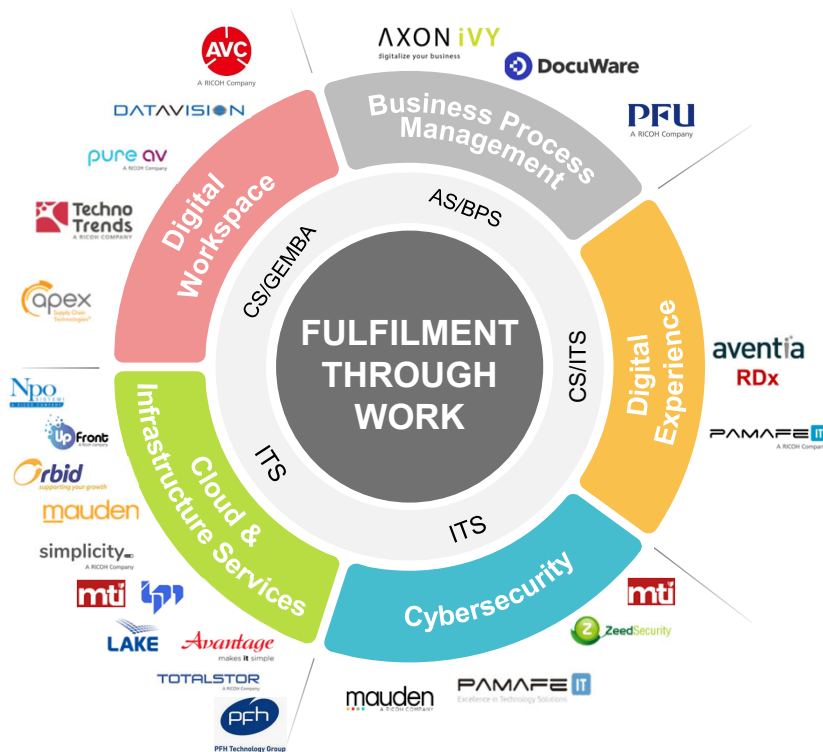
International  
markets

Underpinned by Ricoh's values and **commitment to the global ESG agenda**, maximising value to **employees, customers, society** and the **environment**



## Acquisition Strategy

- Become No1 Leader in Communication Services
- Complete geographical coverage for OS business (capability in each market)
- Acquire Software/Technology
- Acquire Recurring (value added managed services)
- Drive 2-way synergies with Ricoh OpCos
- Scale acquired Software cross border for growth e.g. Ricoh Spaces, DocuWare, Axon Ivy



## Maximising Ricoh's value through strategic alliances

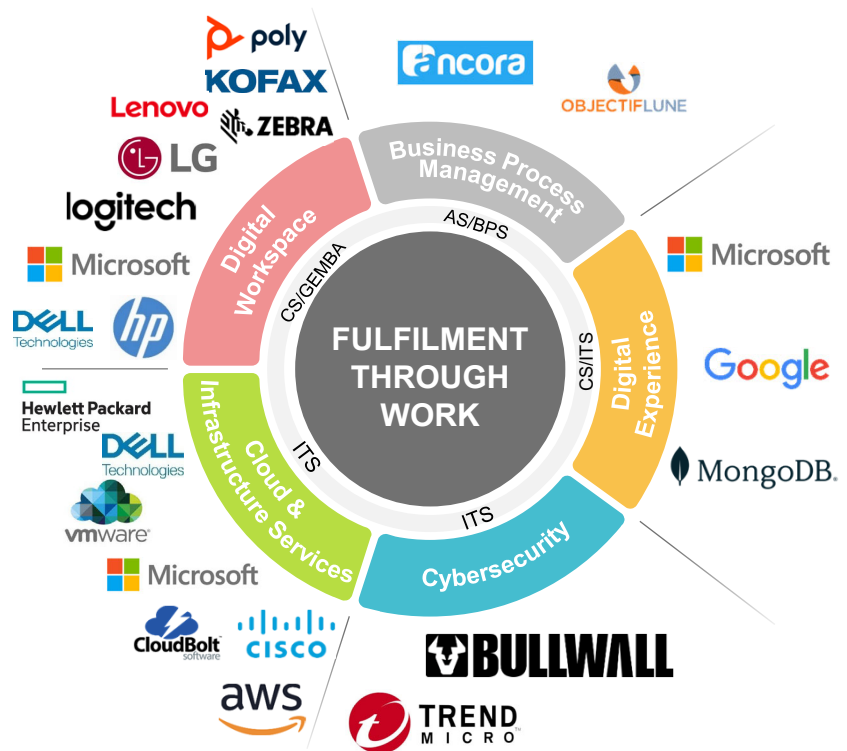
- Enrich our digital services capabilities
- Achieve highest partnership accreditation
- Enhance market reach
- Scale new, complementary technology
- Access to specialised skills & expertise
- Support to win complex projects
- Global partnerships e.g. Zebra

## Example Partner Accreditation

- VMware Pinnacle Status
- Dell Technologies 2023 Partner Of The Year Award – Excellence in Transformation (EMEA)



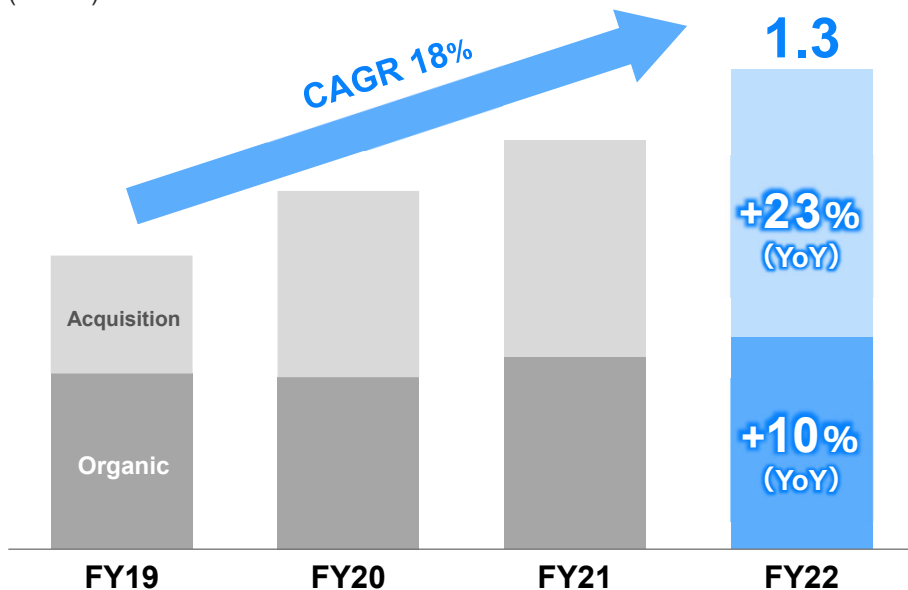
- RICOH Spaces included in Logitech's Tap Scheduler



# Office Services Revenue Growth in EMEA

- Accelerate organic growth through continued diversification, sales transformation and leveraging acquired capabilities

(B Euro)



## FY23 Prospect

### Market Situation

- **Total IT market growth in 2023 : +4%**  
*Gartner 2023Q2*
  - Software 12%, IT Services 9% and Communication Services 4%
  - Devices & end-user compute : -14%

### Ricoh's Performance in FY23 H1

- **Strong growth in FY23 H1 : +14%**
  - AS +25%, IT Services +18%, Communication Services +9%
- **Strategic new acquisition in FY23**
  - No1 IT integrator, PFH (Ireland)

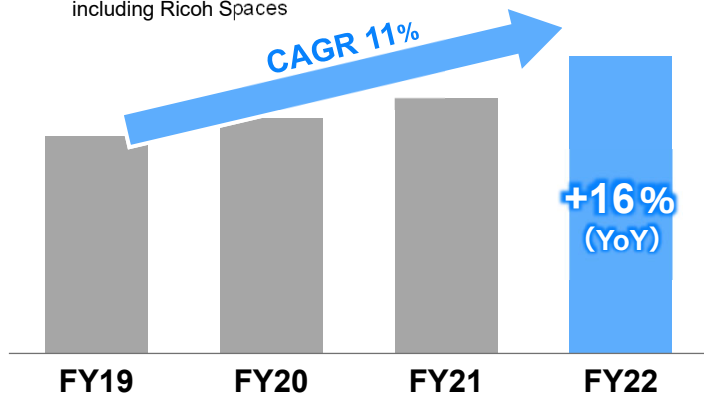




- Focus on building OS recurring and deferred income for sustainable profit into the future

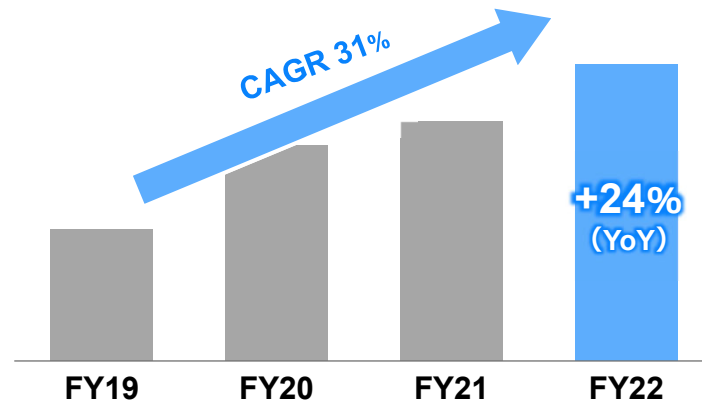
## Office Services Recurring Revenue

- **Significant growth in FY22 especially in ;**
  - **Application Services : +37% YoY**  
Digital Process Automation including DocuWare/Axon ivy
  - **Communication Services : +35% YoY**  
Collaborative meeting rooms and hybrid work environments including Ricoh Spaces



## Deferred Income

- **Future Revenue on Balance Sheet : +24% YoY**



# Customer Case

– Global consumer electronics company

- Ricoh recognised as customer's Global Workspace Services Partner
- Cross-border contribution leveraging Ricoh's unique global fulfilment capability and footprint

Customer & Challenge	Our Solution	Customer Benefit	Strategic Partnership
<p><b>Customer</b></p> <ul style="list-style-type: none"> <li>• Global consumer electronics manufacturer</li> <li>• Pure AV services and CS solutions provided to UK HQ</li> </ul> <p><b>Challenge</b></p> <ul style="list-style-type: none"> <li>• Working with Multiple AV vendors globally</li> <li>• Consolidation required to drive standardisation and improve service levels</li> </ul>	<p><b>CS with managed service</b></p> <ul style="list-style-type: none"> <li>Standardised meeting room solutions developed</li> <li>Consistent service level provided across 250+ meeting rooms</li> <li>Ricoh AV Network Operations Center (AVNOC) supports users globally</li> </ul> <p><b>Benefit to Ricoh</b></p> <ul style="list-style-type: none"> <li>• Recurring revenue from integrated Workspace Service</li> </ul>	<p><b>Ricoh's value add</b></p> <ul style="list-style-type: none"> <li>• Global, consistent, reliable support service achieved</li> <li>• Cost savings delivered through standardised meeting rooms and improved collaboration</li> <li>• Delivery of best practice through leveraging acquired company and Ricoh know-how</li> </ul>	<p><b>Journey with Global Ricoh Group</b></p> <ul style="list-style-type: none"> <li>Trusted relationship with PureAV for CS in UK since 2017</li> <li>Deploy standardised CS solution to <b>EMEA and Americas</b></li> <li><b>Consistent managed service</b> across regions by Ricoh AVNOC</li> <li><b>Further opportunity</b> to extend area and provide Ricoh's broader digital services</li> </ul>

# Customer Case

## - Global Multi-Industry Enterprise

Communication Services

IT Services

Office Printing

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- Ricoh recognised as customer's Global Workspace Services Partner
- Successfully extend existing relationship



Customer & Challenge	Our Solution	Customer Benefit	Strategic Partnership
<p><b>Customer</b></p> <ul style="list-style-type: none"> <li>• Multi-industry enterprise organisation (Germany)</li> <li>• Ricoh managed print services customer (65 countries)</li> </ul> <p><b>Challenge</b></p> <ul style="list-style-type: none"> <li>• Need for global Communication Services (CS) provider</li> <li>• Employee collaboration and communication challenges</li> <li>• No CS global governance</li> </ul>	<p><b>Consultative approach &amp; consolidated CS solutions</b></p> <ul style="list-style-type: none"> <li>• Global standards implemented</li> <li>• Multi-country Microsoft Teams technology roll-out</li> <li>• Meeting Room as a Service (1,500 rooms, 50+ countries)</li> </ul> <p><b>Benefit to Ricoh</b></p> <ul style="list-style-type: none"> <li>• Recurring revenue</li> <li>• Customer open to future cross-sell opportunities</li> </ul>	<p><b>Ricoh's value add</b></p> <ul style="list-style-type: none"> <li>• Consistent global services for CS, managed print and IT services</li> <li>• Improved employee satisfaction</li> <li>• Reduced CS user incidents</li> </ul>	<p><b>Journey with Global Ricoh Group</b></p> <ul style="list-style-type: none"> <li>• Global relationship for managed print service since 2014</li> <li>• CRD (print room) Achieving service</li> <li>• IT Services to support Customer's Healthcare business</li> <li>• 24/7 Software Support</li> <li>• Global Managed CS Services</li> </ul>

- Continue to train and shift highly experienced workforce to support growing Office Services
- Our talent is a point of differentiation enabling us to be more competitive in the market

## Ricoh Europe's Digital talent development Initiative



### Digital Academy

- Develop digital skills to meet future business demand

Trained Talents *as of FY23 H1*

**470 employees**

**Shift upskilled talents into growing areas**

e.g. # of people in new/extended role

**DocuWare : 43**  
Hybrid Infrastructure Services : 27  
**Data Analytics : 23**  
**CS : 10** and more



### Technical Academy

- Cross-skill all field engineers to support across OS business

Trained Talents *as of FY23 H1*

**1K engineers**

**Enhance engineers' capability**

e.g.

**ITS/CS maintenance and Professional Services Rev :**  
**+13% YoY FY23 H1**



### Sales Academy

- Enable sales and partners to sell value with integrated portfolio

Trained Talents *as of FY23 H1*

**+3K sales**  
**870 activated Partners**

**Drive value-added sales via all channel**

e.g.

**DocuWare Rev :**  
**+36% YoY FY23 H1**

# Our Competitiveness and Winning Scenario

<b>Our Strong Asset</b>	<b>Customer Base</b>	<b>Strong, loyal customer base</b> <ul style="list-style-type: none"><li>Existing Ricoh OP customers and acquired companies' customers</li></ul>
	<b>Coverage &amp; Resource</b>	<b>The widest geographical coverage and customer contacts in EMEA</b> <ul style="list-style-type: none"><li>25 Operating Companies + 18 acquired companies covering +60 countries, with 3,200 sales reps &amp; 4,800 engineers</li><li>Strong partner channel across EMEA</li><li>Ricoh Europe in a strong position to meet international customers' requirements</li><li>Capability to deeply understand customers' needs and provide end to end solutions</li></ul>
	<b>Competency</b>	<b>Enhanced competences through acquisitions to meet customer requirements</b> <ul style="list-style-type: none"><li>Hybrid-Cloud, Digital Workspace Solution, Process Automation etc</li></ul>

Reinforce competitiveness by

**Customer Value**

Continue developing new customer value at frontlines

**Synergy**

Maximise synergy with acquired companies across EMEA

**Business Model**

Build Recurring revenue and deploy packaged services

**Investment**

Continue investing in growth areas and people

**On track to meet our target of 60% revenue from non-print Digital Services by FY25**

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:**  
FY2023 (or fiscal 2023) = Fiscal year ended March 31, 2024, etc.

**Note:**

The financial data in this document are figures managed by each regional sales company. The definition is different from the figures of the financial announcement.

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