

**RICOH
Europe**

**Office
Services**

RICOH
imagine. change.

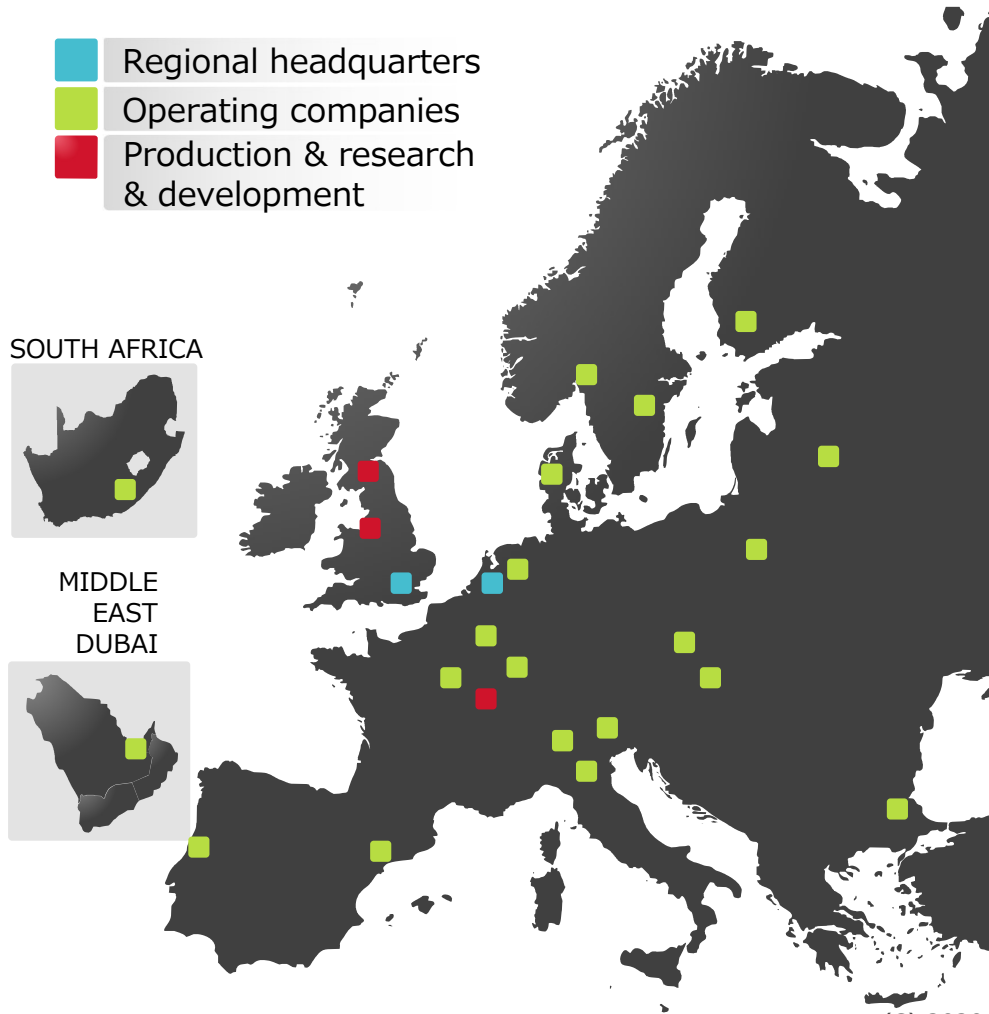
26th November 2020

RICOH Europe, PLC

CEO David Mills

RICOH Europe overview

- Regional headquarters
- Operating companies
- Production & research & development



- **Financial** Rev: 407B JPY in FY19
- **Customer base** 1,400,000 MIF
- **Coverage** 24 Operating Companies
16 Leasing Companies
- **Distributors** 255
- **Employees** 15,000

Sales	3,300
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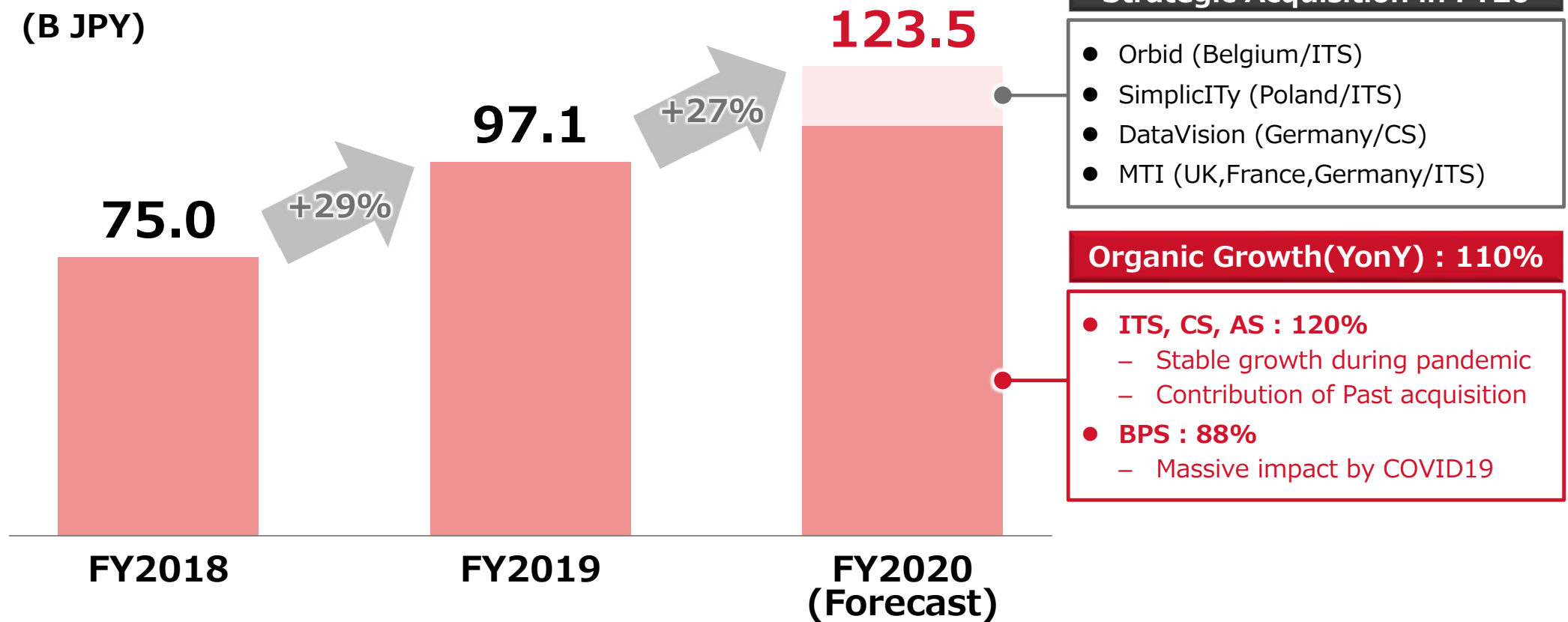
Customer Engineer	4,000
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*as of Sep.2020

Office Services Revenue Growth in EMEA

- Achieve 100B JPY with significant growth from both organic & acquisition

(B JPY)

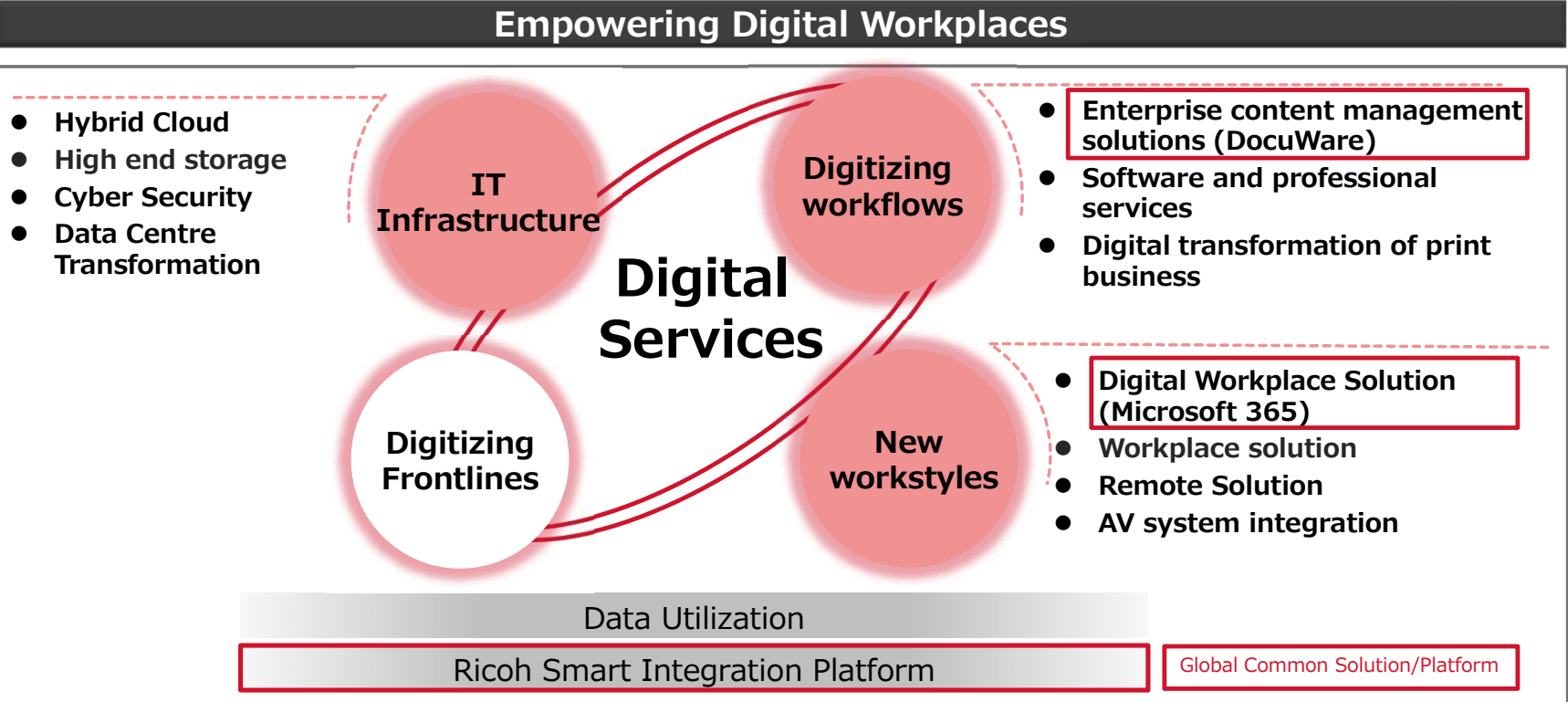


RICOH Europe Office Services Strategy

Basic Direction

- Aim to be No.1 company for customers digital transformation and innovation in EMEA
- OS business to be +50% of revenue in selected countries in EMEA within 20th MTP

Key Value Offerings

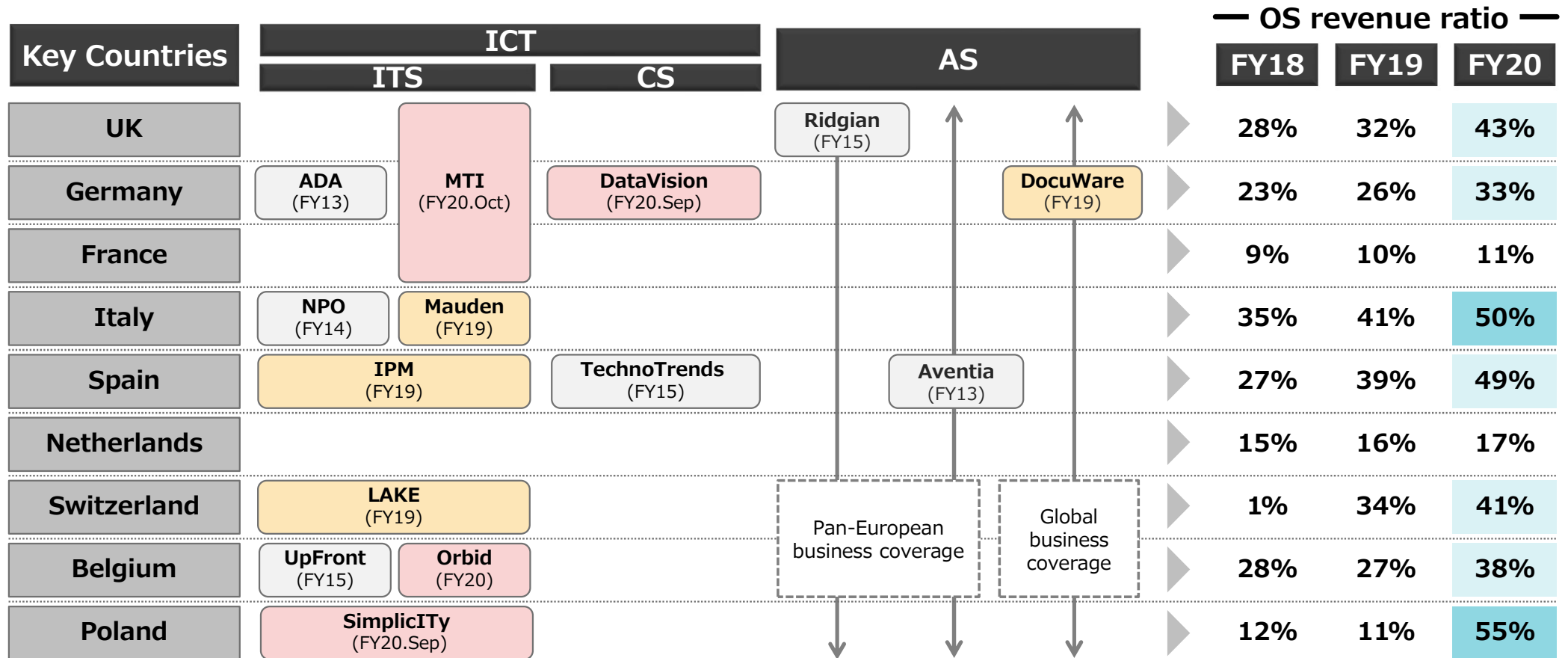


Reinforcing Structure

- Strategic acquisition to expand geographical coverage and enhance competencies
- Training and optimal utilization of OP resources to grow OS business
- Enhance ERP system to support OS business

Reinforcing Digital Service Structure

- Continue to reinforce our structure by acquiring new competencies and expanding coverage +50%
- Transform our business portfolio in key countries toward a Digital Service Company +30%



Shift and utilise OP resources to grow OS business

- Taking advantage of highly experienced OP resources, train and shift them to support Office Services

RICOH Europe's Digital talent development Initiative

- **RICOH's competitive advantage and objective**

- Over 4,000 OP engineers and technicians in EMEA – RICOH's differentiator
- Develop and up-skill them to support our growing OS business with cross-skilling capabilities
- Aim to fulfil customer needs and provide front-line support for our customers and partners

- **Programme to develop digital specialists over 6-9 months along with an industry-recognised accreditation**



Module 1

- Digital Literacy
 - Our OS/ITS business
 - Customers, competitors
 - Digital technologies

Module 2

- Technical Skills Development
 - ITS core
 - Hybrid Infrastructure Services
 - Digital Business Solutions

Module 3

- On the Job Training

← **6-9 months** →

- **Current status and target**

- Launched in November FY20 and over 400 talents from OP and technical area already completed assessment
- Identified 200 talents for first 2 cohorts from across 18 countries
- Started cohort 1 with targeted 80 people

Packaged Services Won deals in FY20

Work Together, Anywhere campaign

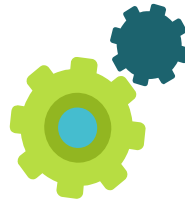
Remote Working Equipment*



*Includes eShop

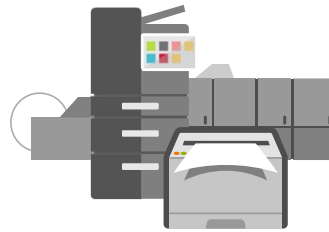
Won
1.3B JPY

Process Automation/ Docuware



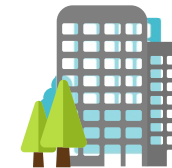
Won
636M JPY

Printing



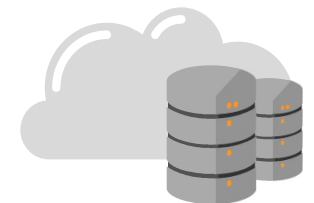
Won
288M JPY

Workplace Management Solutions



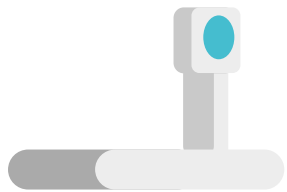
Won
120M JPY

Cloud & Infrastructure



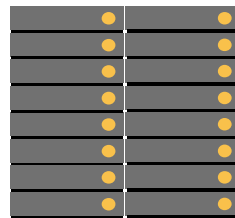
Won
109M JPY

Conferencing/ Collaboration



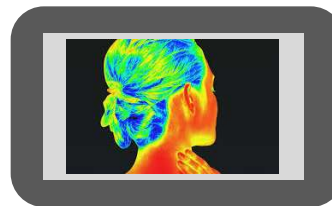
Won
65M JPY

Smart Lockers



Won
44M JPY

Thermal Imaging



Won
37M JPY

Security



Won
36M JPY

TOTAL Won
1,941 orders
2.6B JPY

Packaged Services Further Opportunities

Work Together, Anywhere campaign

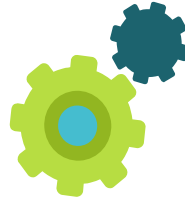
Remote Working Equipment*



*Includes eShop

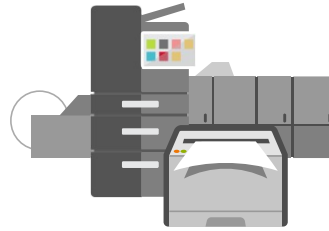
Opportunities
3.0B JPY

Process Automation/ Docuware



Opportunities
5.1B JPY

Printing



Opportunities
1.6B JPY

Workplace Management Solutions



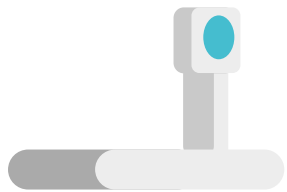
Opportunities
3.8B JPY

Cloud & Infrastructure



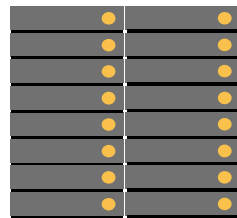
Opportunities
1.7B JPY

Conferencing/ Collaboration



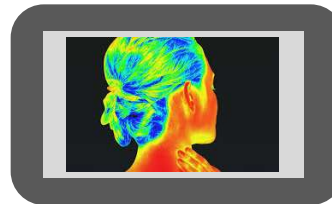
Opportunities
516M JPY

Smart Lockers



Opportunities
276M JPY

Thermal Imaging



Opportunities
1.7B JPY

Security



Opportunities
540B JPY

TOTAL Opportunities
6,603 deals
18.4 B JPY

FY20 Target
6.6B JPY

Customer case of Workplace Management Solution



Customer circumstances

● Basic information

- The largest cloud software provider in Northern Europe
- Offices in 10 countries, 10K+ employees
- 3HQ main offices in Netherlands

● Lockdown in Netherlands

- 16th Mar, 1st Lockdown
 - Work from home
 - Closure of Schools, Universities, hospitalities
- 11th May, Lockdown released

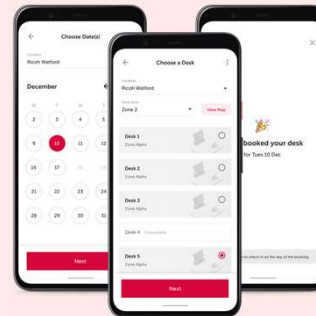
● Customer's Challenges

- A safe return to their offices for their employees and managing it appropriately
- Empowerment for their people and companies to make own decisions
- Easy to use application in line with their environment

RICOH's value proposition

RICOH Spaces

- Enable the customer to manage safe & effective workplace environment quickly and to promote their collaboration at the office
- RUK developed this App based on customer needs, taking advantage of our acquired resources and **strong collaboration with Microsoft**
- FY20 600 desks, 45 rooms and 3 reception area. FY21 expansion in Netherlands and other countries with 55,000 desks and 2,000 rooms



Simple, fast booking

Multiple day booking

Desk Zoning

Check-in & Auto cancelling

Floorplan viewing

Visitor access

Meeting rooms

Analytics

● Customer's feedback – WHY RICOH ?

- Great to be launching partner for RICOH Spaces for our safe, orderly and user-friendly office in a short time
- **Customer focus, flexibility, speed, smooth collaboration with our team**

Synergies of acquisition

- Started increasing synergy cases between RICOH and acquired companies taking advantage of great relationship with customers and our capabilities
- Huge opportunities to duplicate and accelerate those synergies across EMEA

RICOH Italy (RTI) and NPO

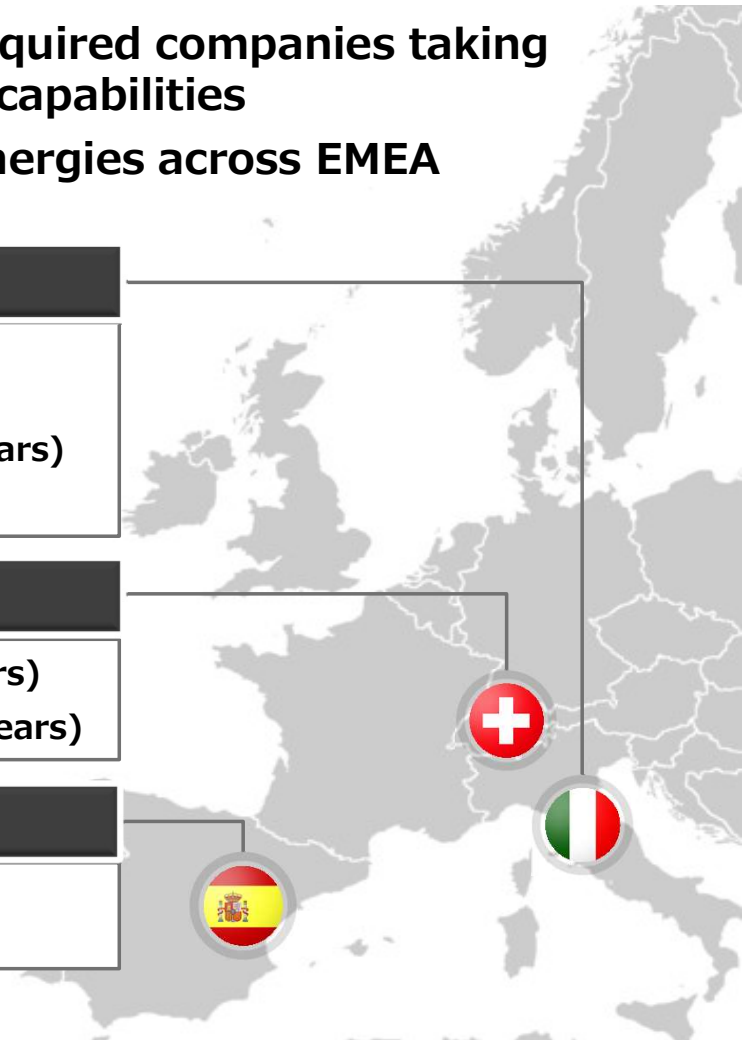
- NPO won **Digital IT infra & Workplace Services** deal with RIT insurance customer in FY18 (€1.3M in 3 years)
- RIT won OP deal with NPO engineering customer in FY19 (€700K in 5 years)
- RIT won OP deal with NPO pharma customer in FY20 (€800K)

RICOH Switzerland (RCH) and Lake

- Lake won ICT deal with existing RCH bank customer (€1M in several years)
- RCH won first **DocuWare project** to Lake customer in FY20 (€250K in 5 years)

RICOH Spain (RES) and Techno Trend

- Techno Trend won **Managed Collaboration Services** deal with RES energy customer in FY19 (€3M in 3 years/Recurring model)



Winning scenario

Strong Points

- **Strong loyal customer base**
 - Existing RICOH OP customers
 - Acquired company's customers
- **The widest geographical coverage**
 - 24 Operating companies across EMEA
 - Only RICOH Europe can meet international customers requirements
- **Value proposition**
 - Empowering Digital Workplaces
- **Competency and resource**
 - Acquired competencies and resources
 - Hybrid-Cloud, Cyber security, Workplace solution etc
 - Great management and highly skilled talents
 - Service Operation Centres (SOC)
 - Experienced OP resources for OS business
- **Market reputation and partnership**
 - Trusted supplier and partner recognised as a Leader in Workplace services by Gartner Magic Quadrant 2019

Winning scenario

- **Develop customer value at frontline**
 - Take advantage of strong customer base, our competences and the widest geographical coverage in EMEA market
- **Maximise synergy with acquired company**
 - Cross selling synergies into existing RICOH customers and vice versa
 - Create synergies across EMEA
- **Go to market strategy by customer segment**
 - MA: Maximise international sales taking advantage of our coverage across EMEA
 - SMB: Drive packaged service and penetrate MSO (Multi Service Offering : 15K contracts)
⇒ **European Scrum Package**
- **Keep investing in growth area for future**
 - Further opportunities for acquisition to expand coverage and enhance competence
 - Train OP resources to be capable for OS business and digital services

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