

FLASH REPORT

Year ended March 31, 2022

(Results for the Period from April 1, 2021 to March 31, 2022)

Performance Outline (Consolidated)

(1) Year ended March 31, 2021 and 2022 (Actual result) and Year ending March 31, 2023 (Forecast)

				(Billions of yen)	
	Year ended March 31, 2021 Results	Year ended March 31, 2022 Results	Change	Year ending March 31, 2023 Forecast	Change
Domestic sales	753.0	705.2	(6.3%)	795.0	12.7%
Overseas sales	929.0	1,053.3	13.4%	1,255.0	19.1%
Sales	1,682.0	1,758.5	4.5%	2,050.0	16.6%
Gross profit	572.3	622.6	8.8%	735.0	18.0%
Operating profit (loss)	(45.4)	40.0	—	90.0	124.7%
Profit (loss) before income tax expenses	(41.0)	44.3	—	94.0	111.8%
Profit (loss) attributable to owners of the parent	(32.7)	30.3	—	63.0	107.4%
Exchange rate (Yen/US\$)	106.05	112.36	6.31	125.00	12.64
Exchange rate (Yen/EURO)	123.70	130.55	6.85	135.00	4.45
Earnings per share attributable to owners of the parent-basic (yen)	(45.20)	45.35	90.55	102.11	56.76
Earnings per share attributable to owners of the parent-diluted (yen)	(45.20)	45.34	90.54	102.09	56.75
Profit (loss) on equity attributable to owners of the parent (%)	(3.6)	3.3	6.9	—	—
Profit (loss) before income tax expenses on total assets (%)	(1.7)	2.4	4.1	—	—
Operating profit (loss) on sales (%)	(2.7)	2.3	5.0	4.4	2.1
Cash flows from operating activities	126.9	82.4	(44.5)	—	—
Cash flows from investing activities	(63.5)	(59.3)	4.2	—	—
Cash flows from financing activities	(4.0)	(131.6)	(127.6)	—	—
Cash and cash equivalents at end of the year (*1)	330.3	234.0	(96.3)	—	—
Capital expenditures (*2)	42.1	37.3	(4.7)	41.0	3.6
Depreciation (*2)	45.3	39.8	(5.5)	42.0	2.1
R&D expenditures	90.3	96.7	6.3	102.0	5.2
Number of employee (Japan) (thousand people)	30.3	29.4	(0.9)	—	—
Number of employee (Overseas) (thousand people)	50.8	48.9	(1.9)	—	—

	March 31, 2021	March 31, 2022	Change
Total assets	1,887.8	1,853.2	(34.6)
Equity attributable to owners of the parent	920.2	902.0	(18.2)
Interest-bearing debt (*3)	222.4	235.4	13.0
Equity attributable to owners of the parent ratio (%)	48.7	48.7	(0.0)
Equity per share attributable to owners of the parent (yen)	1,281.29	1,416.08	134.79

*1 The amounts shown as “cash and cash equivalents at end of the year” are shown on the consolidated statement of cash flows.

*2 The amounts presented in capital expenditures and depreciation are for property, plant and equipment.

*3 The amounts are shown bonds and borrowings.

Ricoh Company, Ltd.

* The forecasted results and forward-looking statements included in this document are based on information available to the Company as of the date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. For the assumptions used in the forecast and other related information, please refer to “Forecast for the coming fiscal year” on page 8.

(2) Three months ended March 31, 2021 and 2022

(Billions of yen)

	Three months ended March 31, 2021 Results	Three months ended March 31, 2022 Results	Change
Domestic sales	236.2	203.1	(14.0%)
Overseas sales	252.7	279.2	10.5%
Sales	488.9	482.3	(1.4%)
Gross profit	156.5	160.8	2.7%
Operating profit (loss)	(15.6)	14.3	—
Profit (loss) before income tax expenses	(15.4)	13.6	—
Profit (loss) attributable to owners of the parent	(10.2)	7.1	—
Exchange rate (Yen/US\$)	105.95	116.22	10.27
Exchange rate (Yen/EURO)	127.78	130.42	2.64
Earnings per share attributable to owners of the parent-basic (yen)	(14.18)	11.28	25.46
Earnings per share attributable to owners of the parent-diluted (yen)	(14.18)	11.28	25.46
Profit (loss) on equity attributable to owners of the parent (%)	(1.1)	0.8	1.9
Profit (loss) before income tax expenses on total assets (%)	(0.8)	0.8	1.6
Operating profit (loss) on sales (%)	(3.2)	3.0	6.2
Capital expenditures (*1)	12.2	14.6	2.4
Depreciation (*1)	11.1	9.5	(1.6)
R&D expenditures	24.2	25.6	1.3

*1 The amounts presented in capital expenditures and depreciation are for property, plant and equipment.

Ricoh Company, Ltd. and Consolidated Subsidiaries

Financial Highlights for the Year Ended March 31, 2022

[Prepared on the basis of International Financial Reporting Standards]

1. Results for the Period from April 1, 2021 to March 31, 2022

(1) Operating Results

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Sales	1,682,069	1,758,587
(% change from the previous corresponding period)	(16.3)	4.5
Operating profit (loss)	(45,429)	40,052
(% change from the previous corresponding period)	—	—
Profit (loss) before income tax expenses	(41,028)	44,388
(% change from the previous corresponding period)	—	—
Profit (loss)	(32,664)	30,625
(% change from the previous corresponding period)	—	—
Profit (loss) attributable to owners of the parent	(32,730)	30,371
(% change from the previous corresponding period)	—	—
Comprehensive income (loss)	22,053	90,940
(% change from the previous corresponding period)	89.9	312.4
Earnings per share attributable to owners of the parent-basic (yen)	(45.20)	45.35
Earnings per share attributable to owners of the parent-diluted (yen)	(45.20)	45.34
Profit (loss) on equity attributable to owners of the parent (%)	(3.6)	3.3
Profit (loss) before income tax expenses on total assets (%)	(1.7)	2.4
Operating profit (loss) on sales (%)	(2.7)	2.3

Notes:

- i. Share of profit of investments accounted for using the equity method: ¥ 5,604 million (¥ 3,645 million in previous corresponding period)
- ii. Earnings per share attributable to owners of the parent (basic and diluted) are based on Profit (loss) attributable to owners of the parent.

(2) Financial Position

	(Millions of yen)	
	March 31, 2021	March 31, 2022
Total assets	1,887,868	1,853,254
Total equity	923,852	905,825
Equity attributable to owners of the parent	920,246	902,042
Equity attributable to owners of the parent ratio (%)	48.7	48.7
Equity per share attributable to owners of the parent (yen)	1,281.29	1,416.08

(3) Cash Flows

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Cash flows from operating activities	126,962	82,462
Cash flows from investing activities	(63,559)	(59,355)
Cash flows from financing activities	(4,085)	(131,685)
Cash and cash equivalents at end of year	330,344	234,020

2. Dividend Information

	Year ended March 31, 2021	Year ended March 31, 2022	Year ending March 31, 2023
	(Actual)	(Actual)	(Forecast)
Cash dividends, applicable to the year (yen)	15.00	26.00	34.00
Interim (yen)	7.50	13.00	17.00
Year-end (yen)	7.50	13.00	17.00
Total annual dividends (millions of yen)	10,826	16,962	—
Payout Ratio (%)	—	57.3	33.3
Dividends on equity attributable to owners of the parent (%)	1.2	1.9	—

3. Forecast of Operating Results from April 1, 2022 to March 31, 2023

	(Millions of yen)
	Year ending March 31, 2023
Sales	2,050,000
(% change from the previous corresponding period)	16.6
Operating profit (loss)	90,000
(% change from the previous corresponding period)	124.7
Profit (loss) before income tax expenses	94,000
(% change from the previous corresponding period)	111.8
Profit (loss)	63,800
(% change from the previous corresponding period)	108.3
Profit (loss) attributable to owners of the parent	63,000
(% change from the previous corresponding period)	107.4
Earnings per share attributable to owners of the parent-basic (yen)	102.11

4. Others

- (1) Changes in significant subsidiaries: No
New: — (Company name: —)
Exclusion: — (Company name: —)
- (2) Changes in accounting policies and accounting estimate
(i) Changes in accounting policies required by IFRS: No
(ii) Other changes: No
(iii) Changes in accounting estimate: No
- (3) Number of common stock outstanding (including treasury stock):
As of March 31, 2022: 637,468,178 shares; As of March 31, 2021: 744,912,078 shares
- (4) Number of treasury stock:
As of March 31, 2022: 468,700 shares; As of March 31, 2021: 26,692,132 shares
- (5) Average number of common stock:
Year ended March 31, 2022: 669,698,640 shares; Year ended March 31, 2021: 724,175,341 shares

Notes: The Company has established the Board Incentive Plan trust in which beneficiaries include Directors and Executive Officers. The shares owned by the trust account relating to this trust are accounted for as treasury shares. (As of March 31, 2022: 398,600 shares; As of March 31, 2021: 415,800 shares)

(Reference) Non-consolidated information

Results for the period from April 1, 2021 to March 31, 2022

(1) Operating Results

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Sales	445,297	483,481
(% change from the previous corresponding period)	—	8.6
Operating profit (loss)	(38,603)	(23,128)
(% change from the previous corresponding period)	—	—
Profit (loss) from ordinary operations	64,025	30,314
(% change from the previous corresponding period)	—	(52.7)
Profit (loss)	88,057	25,368
(% change from the previous corresponding period)	—	(71.2)
Profit (loss) per share-basic (yen)	121.59	37.88
Profit (loss) per share-diluted (yen)	121.59	37.87

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and related standards from the beginning of the year ended March 31, 2022, and the non-consolidated operating results for the period from April 1, 2020, to March 31, 2021, are retrospectively restated. Therefore, the percentage of year-on-year change of sales for the year ended March 31, 2021, is not shown.

(2) Financial Position

	(Millions of yen)	
	March 31, 2021	March 31, 2022
Total assets	967,753	862,653
Total equity	529,551	444,771
Equity ratio (%)	54.7	51.6
Equity per share (yen)	737.31	698.22

*Equity capital March 31, 2022: ¥444,771 million March 31, 2021: ¥529,551 million

1. Performance

(1) Qualitative Information on Consolidated Business Results

* Overview of the Year of Fiscal 2021 (April 1, 2021 – March 31, 2022)

Business Environment

The recovery of the global economy has been slower than expected due to COVID-19 pandemic and its re-expansion by the new variants, although economic activities are resuming in some countries and regions due to the spread of vaccines. In addition, the economic activity has been back and forth, due to shortage of semiconductors and other supplies, stagnation of shipping and other distribution networks, and widespread rise in prices.

Against this backdrop, office attendance rate remained at a low level due to various regulations and requests for economic activities in various countries due to the spread of the new variants of COVID-19, and the recovery of printing demand remained limited. Supply constraints due to material shortages and logistics problems have caused price indices to rise in major countries, increasing uncertainty over the future along with the emergence of geopolitical risks.

The average exchange rate for the yen in fiscal 2021 was ¥112.36 to the U.S. dollar, up ¥6.31 from the previous year, and ¥130.55 to the euro, up ¥6.85.

Results for the Fiscal Year

The Ricoh's goal under the two years of its 20th Mid-Term Management Plan is to become a digital services company that is a work productivity innovator.

Although the office printing and commercial printing businesses continued to be affected by the COVID-19 pandemic that has been ongoing since the year before last, there was a recovery trend, mainly in non-hardware, by the resumption of economic activity in Europe and the U.S. We reinforced our structure by optimizing our development, production, services, and other structures while taking major steps toward growth and reaching our 20th Mid-Term Management Plan goals. We endeavored to enhance corporate value by growing in the office services business and other digital services areas and improving capital returns.

Consolidated sales for the term increased by 4.5% from the previous year, to ¥1,758.5 billion. This was despite various external factors hampering business activities. Among them were lost sales opportunities and production stoppages stemming from a global resurgence in COVID-19 infections, as well as container ship shortages, and limited supplies owing to a lack of components. In the office printing business, non-hardware sales rose everywhere except Japan. This was despite a delay in recovery of sales of edge devices* owing to product supply shortages. The office services business suffered from shortages of MFPs and IT products, which are components of services. Sales were up, however, on solid demand for mainly software-based packages. The commercial printing business sales increased primarily from non-hardware sales owing to a business activities turnaround in the printing industry, a key source of demand. Sales were up in all business segment, Digital Services, Digital Products, Graphic Communications, and Industrial Solutions, all of which are new business segments adopted in the year under review in line with the introduction of a business unit structure.

We experienced domestic sales recovery delays. This reflected intermittent restrictions on activities because of state of emergency declarations in large cities, ongoing measures to stem COVID-19 infections, and supply constraints from parts and materials shortages. These factors and the absence of the previous year's GIGA school deals caused sales in Japan to drop by 6.3% from the previous year. Sales in the Americas increased by 14.8% (an increase of 8.3% excluding foreign currency exchange fluctuations) from the previous year as economic activities resumed in line with vaccination uptakes, offsetting the impacts of product shortages and supply chain disruptions from port issues. In Europe, Middle East, and Africa, sales increased by 14.4% (an increase of 8.4% excluding foreign currency exchange fluctuations) from the previous year. As in the Americas, key factors were the resumption of economic activity from progress with vaccinations and ongoing product supply delays. Contributors included growth in the office services business from acquisitions and package sales deployments. Sales in other regions increased by 7.1% (an increase of 0.2% excluding foreign currency exchange fluctuations), owing largely to the office printing business sales.

Overseas sales accordingly climbed by 13.4%. They were up by 7.1% after factoring out exchange rate fluctuations.

Gross profit increased by 8.8%, to ¥622.6 billion. Profitability was significantly better than the previous year owing to earnings recoveries from higher sales, recoveries in high-margin non-hardware offerings, and more efficient development and production processes. Another contributor was structural reinforcement measures, including to cut product costs and reform services.

Selling, general and administrative expenses decreased by 3.1%, to ¥600.2 billion. In the previous term, we incurred a ¥24.8 billion impairment losses on property, plant, and equipment, intangible assets, and other assets in the commercial printing business and other businesses. We also posted the expenses for structural reinforcement and other expenses. In the year under review, we constrained expenses through structural reinforcements and flexible cost controls, although expenses rose owing to sales recoveries and growth investments.

Other income was up significantly on gains from sales of land and other idle assets at U.S. subsidiaries during the term. Our goodwill impairment loss was significantly lower than the ¥3.7 billion booked in the previous term in the commercial printing and other businesses.

Operating profit (loss) increased by ¥85.4 billion compared to the previous corresponding period, to ¥40.0 billion. (Operating loss in the previous year was ¥45.4 billion)

Net financial expenses were greater than in the previous year, reflecting lower foreign exchange gains. The share of profit of investments accounted for using the equity method was higher, reflecting better performances among equity-method affiliates.

Profit (loss) before income tax expenses increased by ¥85.4 billion compared to the previous corresponding period, to ¥44.3 billion. (Loss before income tax expenses in the previous year was ¥41.0 billion)

Income tax expenses increased by ¥22.1 billion, owing largely to profit before income tax expenses turnaround.

As a result, profit (loss) attributable to owners of the parent increased by ¥63.1 billion compared to the previous corresponding period, to ¥30.3 billion. (Loss attributable to owners of the parent in the previous year was ¥32.7 billion)

Comprehensive income rocketed by 312.4%, to ¥90.9 billion, owing largely to an increase in profit (loss) attributable to owners of the parent and translation adjustments for foreign operations.

* Edge devices: MFPs, cameras and other networked equipment with data processing functions that serve as gateways to and from text, photographs, audio, video and other information.

* Review by Business Segment

Digital Services

We expanded domestic sales of Scrum packages in the year under review. These offerings combine edge devices, software, and cloud services for small- and medium-sized enterprises to digitalize processes unique to their businesses and resolve their issues. For mid-sized companies, we increased sales of Scrum assets. We model these assets on development and implementation projects that our system engineers have undertaken for customers to bring together advanced technologies.

In Europe, we acquired three information and communication technology companies to strengthen and expand our IT services business infrastructure in key countries and reinforce our digital services platform. We increased sales by boosting revenues from teleworking and other packaged solutions. We also promoted the training of systems engineers to further strengthen the office services business. We rolled out software globally from DocuWare, which we acquired in 2019, building sales and support structures at sales companies in 45 countries. Digital Services sales increased by 3.7% from the previous year, to ¥1,428.1 billion. In the office services business, package deployments remained robust in Japan and Europe despite global shortages of such IT products as PCs, servers, and network equipment, which reduced sales opportunities. In the office printing business, materials shortages hampered a recovery in sales of MFPs, printers, and other edge devices. Non-hardware sales nonetheless recovered on returns to offices in line with progress with COVID-19 vaccination uptakes. Operating profit increased to ¥16.2 billion, from an operating loss of ¥2.6 billion the previous year. This turnaround reflected improved profitability and margins in the office services business. Other key contributions were from the office printing business, for which we reinforced our maintenance services setup and undertook other structural reforms and reduced costs.

Digital Products

We are striving to cut costs by lowering variable costs and reinforcing our manufacturing structure. In fiscal 2021, while materials price hikes hampered efforts to reduce variable costs in fiscal 2021, we progressed steadily with efforts to standardize parts and leverage artificial intelligence to automate production. We reinforced our manufacturing structure during the term by extensively digitalizing design tasks. Key production initiatives were to cultivate digital manufacturing and consolidate and reorganize plants.

We collaborated extensively with other companies to cut development costs. One such effort was to jointly develop A3 monochrome printer engines with Oki Electric Industry Co., Ltd.

In digital communication edge devices, we launched the RICOH Interactive Whiteboard A6500-Edu for educational use in March 2022. The standard configuration employs wireless projection from the PCs and tablets of individual students, many of whom have their own devices these days, to enable comparisons of responses through split projection and remote instructions from this whiteboard.

Digital Products sales for the year rose by 2.2%, to ¥364.9 billion. They increased by 8.8%, to ¥13.1 billion, after eliminating intersegment sales. While production suffered greatly from parts and materials shortages and the pandemic's impact near overseas production sites, operating profit increased by ¥25.2 billion, to ¥41.7 billion, owing to several factors including structural reinforcement such as reduction of product costs, improvement of development and production efficiency and a gain on the sale of U.S. subsidiaries' land.

Graphic Communications

We aim to expand the commercial printing business by helping printing industry customers grow, meeting their need for high image quality, productivity, and broad paper support and enabling them to produce high-value-added printed materials that open doors to new opportunities. In the industrial printing business, we aim to capture new markets and customers based on inkjet printheads that are compatible with an array of inks.

In fiscal 2021, the commercial printing business launched RICOH BUSINESS BOOSTER, a value co-creation platform that aims to expand customer businesses by sharing knowledge with them and business partners.

Through RICOH BUSINESS BOOSTER, we seek to become a comprehensive partner for printing business customers by sharing on-demand* book, customized catalog, and other new print applications while providing solutions to automate and labor-saving print processes. Customers can thereby expand and operate more effectively.

In the industrial printing business, following U.S., we rolled out the RICOH Ri 2000 high-speed direct-to-garment printer in Japan as well in September 2021. We look to expand our business in markets for printing directly to T-shirts and other apparel by helping customers in garment and regular printing to become more efficient and grow. In November 2021, we began taking orders globally for the RICOH TH6310F, our flagship industrial inkjet printhead. In March 2022, we broadened our inkjet printhead lineup and business potential by bringing out the RICOH MH5422 series of industrial inkjet printheads.

Graphic Communications sales increased by 17.0% in fiscal 2021, to ¥187.0 billion. Our commercial printing business recovered on resumptums of economic activity in the key U.S. and European markets. Non-hardware sales enjoyed a particularly solid improvement. Growth was significant in the industrial printing business, especially in inkjet heads, that is competitive. We progressed steadily in cutting costs by deploying digital development and production processes while streamlining services activities.

We posted an operating loss ¥0.4 billion, which significantly increased by ¥46.9 billion from the previous year. The loss in the previous term reflected ¥26.5 billion in impairment losses on goodwill and tangible and intangible assets relating to the commercial printing business.

* On-demand: A system that prints a variety of variable information as needed.

Industrial Solutions

In the thermal business, demand has risen solidly on growth in e-commerce, which has driven demand expansion worldwide for shipping labels. It is against this backdrop that we have drawn on the materials technologies that we amassed over the years to steadily expand our business. This is notably by supplying thermal paper, ribbons, and other products that ensure outstanding resistance to heat and abrasion resistance, deliver superior print definition and storage capabilities, and are environmentally friendly. In the industrial products business, we are expanding our customer base by providing stereo cameras and other optical devices to the automotive sector, in which driving safety support systems are increasingly ubiquitous.

In the thermal business, we launched the RICOH FC-LDA Printer 500 in June 2021, a high-speed printing solution for production processes. This system can laser print variable information on films, labels, and other packaging materials at up to 300 meters per minute as they travel along mass production lines. This helps lower environmental impact by streamlining printing in production processes and conserving resources. In the industrial products business, we jointly developed a stereo camera for forklifts with Toyota Industries Corporation. The camera contributes to forklift safety by accurately identifying people and objects three dimensionally from surrounding obstacles at the forklift work site where people and objects are mixed. Industrial Solutions sales increased by 3.5%, to ¥119.2 billion. In the thermal business, sales remained solid for release paper-free labels. Demand expanded for tickets in the Americas and in the logistics sector. The industrial products business was significantly affected by Automotive customer production adjustments. Operating profit increased to ¥1.3 billion from an operating loss of ¥1.6 billion the previous year.

Other

In keeping with our commitment to helping resolve social issues, we are capitalizing on new opportunities by creating business models that leverage digital technology and our expertise in patents and other aspects of intellectual property. We leverage open innovation to create new

value that we could not generate by ourselves. In the smart vision business, Ricoh's strengths in capturing and image processing technologies are utilized to provide 360° cameras and virtual property guidance applications to the real estate industry, which have been well received. We have offered the THETA 360.biz virtual tour service in Japan since 2014. In July 2021, we began domestically offering RICOH 360 Tours, which we previously deployed in overseas markets. Demand for virtual tours is expanding around the world. Thus far, 60,000 customers globally have used our THETA 360.biz and RICOH360 Tours.

In January 2022, we began test sales of PLAiR. This foamed flexible and strong sheet is made of polylactic acid, made from starch derived from corn and sugarcane, and is created using our proprietary carbon dioxide fine foam technology. We will use these test sales to verify PLAiR's potential in various applications and help resolve social problems. These include climate change from global warming and pollution from waste.

Other sales in fiscal 2021 decreased by 11.3%, to ¥35.5 billion, mainly due to the transition of Ricoh Leasing Co., Ltd. (hereinafter referred to as "Ricoch Leasing") to an equity-method affiliate. Excluding this impact, sales of new products in the camera business were strong and increased. We posted a ¥15.5 billion operating loss in this segment from an operating loss of ¥13.8 billion the previous year, which stemmed partly from forward investments in new businesses. After excluding the impact of deconsolidation Ricoh Leasing, operating loss was ¥14.4 billion.

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Digital services as a business segment is mainly limited to the office services business and the office printing sales business. This segment does not include all digital services, which Ricoh aims to transform into "a digital services company" that connects workplaces and support worker's creativity. "Digital Services" provided as "a digital services company" is included in all the business segments as well as Digital Services business segment.

(2) Financial Position

Assets, Liabilities, and Equity at Year-End

	(Billions of yen)		
	March 31, 2021	March 31, 2022	Change
Total assets	1,887.8	1,853.2	(34.6)
Total equity	923.8	905.8	(18.0)
Equity attributable to owners of the parent	920.2	902.0	(18.2)
Equity attributable to owners of the parent ratio (%)	48.7	48.7	(0.0) points

Total assets decreased by ¥34.6 billion from the end of fiscal 2020, to ¥1,853.2 billion. The yen depreciated significantly from the end of the previous term, producing translation differences for foreign assets. After excluding the foreign exchange impact, total assets declined by ¥113.7 billion. The year-end rates for major currencies for the yen at end of fiscal 2021 were ¥122.39 against the U.S. dollar (up ¥11.68 from the previous year) and ¥136.70 against the euro (up ¥6.90).

Inventories rose by ¥40.5 billion on additions to these assets, which had experienced depletions from sales at the end of the previous term. Other key factors were increases in work in process from parts and materials shortages and the impact of ocean transportation and other logistics network slowdowns. Goodwill and intangible assets increased by ¥33.9 billion on services business-related acquisitions in Europe and a rise in development assets. In addition, cash and cash equivalents decreased by ¥94.5 billion due to the repurchase of treasury stock as a shareholder return policy.

Total liabilities were down by ¥16.5 billion, to ¥947.4 billion. After excluding the impact of foreign exchange rate fluctuations, these liabilities were down by ¥49.4 billion. Trade and other payables decreased by ¥18.6 billion owing to shorter payment terms based on a review of these conditions with suppliers. Accrued pension and retirement benefits were down by ¥24.7 billion. This was due largely to higher discount rates from interest rate rises.

Total equity decreased by ¥18.0 billion, to ¥905.8 billion. Equity declined by ¥92.7 billion in line with treasury stock repurchases that the Board of Directors approved on March 3, 2021. We retired ¥137.2 billion in treasury stock on February 28, 2022, comprising these and treasury stock repurchase before March 2021. As a result of the yen's depreciation, exchange differences on translation of foreign operations rose by ¥46.8 billion.

Equity attributable to owners of the parent was down by ¥18.2 billion, to ¥902.0 billion. The equity ratio stayed stable, at 48.7%.

(3) Cash Flows

	(Billions of yen)		
	March 31, 2021	March 31, 2022	Change
Cash flows from operating activities	126.9	82.4	(44.5)
Cash flows from investing activities	(63.5)	(59.3)	4.2
Cash flows from financing activities	(4.0)	(131.6)	(127.6)
Cash and cash equivalents at end of year	330.3	234.0	(96.3)

Net cash provided by operating activities was ¥82.4 billion, down by ¥44.5 billion from the previous year. Although profit increased significantly compared to the previous year, cash inflow decreased. It was because the impairment of property, plant and equipment, intangible assets and goodwill were booked in the previous year, that did not involve expenditure of cash and cash equivalents. In addition, inventories increased, and trade and other payables decreased in the fiscal year under review.

Net cash used in investing activities decreased by ¥4.2 billion, to ¥59.3 billion. This reflected increases in intangible assets for development investments to expand businesses and in expenditure for ongoing acquisitions in IT services and software services firms offset higher cash inflows from sales of property, plant, and equipment, including for the land of the U.S. subsidiaries.

We accordingly posted a free cash flow (net cash provided by operating activities plus net cash used in investing activities) of ¥23.1 billion, down by ¥40.2 billion from the previous year.

Net cash used in financing activities was ¥131.6 billion, increased by ¥127.6 billion from the previous year. In the previous fiscal year, cash inflows increased because of procurements to prepare for risks of a deteriorating business environment as a result of the COVID-19 pandemic, cash outflows rose in the fiscal year under review owing to share repurchases and other measures to enhance shareholder returns. Cash and cash equivalents at the end of fiscal 2021 thus totaled ¥234.0 billion, down by ¥96.3 billion from the previous year.

We will systematically employ operating cash flows from business investments to invest in further growth and bolster shareholder returns. For the detailed contents of capital policies, please refer to “(6) Issues to be Solved, Medium-Term Direction, Financial Perspectives (4) Reinforcing Our Capital Policies” on page 11.

(Reference) Cash Flow Indices

	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022
Equity attributable to owners of the parent / Total assets	34.4%	34.2%	32.1%	48.7%	48.7%
Market capitalization / Total assets	28.8%	30.8%	20.1%	42.8%	36.5%
Interest bearing debt / Operating cash flow	8.0	11.4	9.1	1.8	2.9
Operating cash flow / Interest expense	18.8	17.3	25.5	47.1	26.9

Notes:

i. All indices are calculated based on consolidated data.

ii. Operating cash flow is shown in consolidated statement of cash flow. Interest bearing debt are bonds and borrowings.

(4) Forecast for the coming fiscal year

Under the new business unit structure, which Ricoh shifted to in April 2021, each business unit will operate its business autonomously and accelerate its efforts while responding to changes occurring in their respective markets.

In the current financial year, Ricoh was affected by external factors such as the slow recovery of the global economy due to the global re-expansion of COVID-19 pandemic by the new variants, shortages of parts and materials, and stagnation in distribution networks. Although these external factors will continue to be difficult in the coming year, Ricoh will achieve the business growth and constitutional reinforcement set out in the 20th Mid-term Management Plan with aggressive investments in growth, such as acquisitions, human resources development and the creation of new businesses, and will steadily implement the transformation into a digital services company.

Our performance forecast for the fiscal year ending March 31, 2023 is as follows:

Exchange Rate Assumptions for the full year ending March 31, 2023

US\$ 1 = ¥125.00 (¥112.36 in previous fiscal year)

EURO 1 = ¥135.00 (¥130.55 in previous fiscal year)

	Year ended March 31, 2022	Year ending March 31, 2023 (Forecast)	Change
Domestic sales	705.2	795.0	12.7%
Overseas sales	1,053.3	1,255.0	19.1%
Sales	1,758.5	2,050.0	16.6%
Gross profit	622.6	735.0	18.0%
Operating profit (loss)	40.0	90.0	124.7%
Profit (loss) before income tax expenses	44.3	94.0	111.8%
Profit (loss) attributable to owners of the parent	30.3	63.0	107.4%

* The results forecasts and forward-looking statements included in this document are based on information available to the Company as at the date and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors. Factors which may affect the actual business results include but are not limited to the economic situation in the geographic areas where Ricoh conducts business, including Japan, the Americas, Europe, Middle East, Africa, China and Asia, market environment, and currency exchange rates.

(5) Dividend Policy

With regard to shareholder returns, we believe it is important to increase shareholder returns through sustainable growth that yields medium to long-term stock price increases and stable dividends. We will make effort to raise the total return ratio to 50% gradually. With regard to dividend, we are continuously working to increase stable dividend reflecting improvement of performance. In addition, we will repurchase shares flexibly, with taking various business environment into consideration, by utilizing surplus cash generated from improving capital profitability.

The year-end dividend per share will be ¥13.00, and the total dividend per share for the fiscal year ended March 31, 2022 will be ¥26.00. The total dividend per share for the fiscal year ending March 31, 2023 will be ¥34.00, increased by ¥8.00 as compared to the fiscal year ended March 31, 2022.

We are planning to retire shares after share repurchase to improve shareholder return and capital efficiency.

Share repurchase

(1) Share category	Common stock
(2) Number of shares	Up to 48,000,000 shares (representing 7.5% of issued and outstanding shares excluding treasury shares)
(3) Repurchase ceiling	¥30 billion
(4) Period	May 11, 2022, through September 30, 2022
(5) Method	Open market purchase on Tokyo Stock Exchange

Share retirement

(1) Share category	Common stock
(2) Number of shares	all shares repurchased
(3) Retirement date	October 31, 2022

(6) Issues to be Solved

Unchanging Commitments amid Change

The pandemic has transformed the world. It prevented people from going to offices and forced them to adopt new work practices, accelerating a move to working anytime, anywhere. The situation will not return to normal even after pandemic abates. In this context, we are convinced that the know-how on how to work, which we have developed through our own practice, will be of further help to our customers.

Two commitments will remain unchanged in this new environment.

The first is that we will stay close to our customers. Since championing office automation in 1977, we have done much to help improve the efficiency and productivity of offices. As the value of work shifts away from enhancing efficiency toward harnessing the creativity that only people can deliver, we will keep collaborating with customers to help them attain fulfillment through work.

Our second commitment is to the Spirit of Three Loves. These founding principles of “Love your neighbor, Love your country, Love your work” are in keeping with a central promise of the Sustainable Development Goals* of the United Nations, which is to leave nobody behind. We will improve our corporate value by working on the seven material issues set based on the Spirit of Three Loves; transform work, improve the quality of life, decarbonize the economy, materialize a circular economy, engage with stakeholders, pursue open innovation, and promote diversity and inclusion.

*Sustainable Development Goals

In September 2015, the United Nations Summit adopted 17 Sustainable Development Goals and 169 targets as part of a universal agenda to ensure that nobody is left behind in such the drive to free humanity from poverty and hunger and improve the human condition in areas as health, sanitation, economic development, and the environment by 2030.

Medium-Term Direction

By 2025, we look to become a digital services company that connects workplaces and supports worker creativity. From a future financial (environmental, social, and governance (ESG)) perspective, we will undertake initiatives across the value chain to serve the growing ESG requirements of customers and investors in keeping with a commitment to maintaining a top worldwide reputation for sustainability and ESG. On the financial front, we look for the Office Services business to keep growing and drive our overall performance. We will maintain an operational structure that can deliver a return on equity that achieves 7% by fiscal 2022, the final year of our 20th Mid-Term Management Plan, and surpasses 10% by fiscal 2025.

Future Financial (ESG) Perspectives

We have positioned ESG initiatives as essential for generating future finances. We are undertaking activities after setting future financial targets (ESG targets) linked to our seven material issues. We are setting companywide goals from the perspectives of realizing digital transformation and a decarbonized society and addressing human rights issues as well as in terms of improving our ability to implement management strategies and breaking them down for each business unit.

In responding to DX, we will work to ensure the quantity and quality of digital human resources to transform ourselves into a digital services company and will strive to improve the quality of related patents. For the creation of a decarbonized society, we are promoting steady GHG (greenhouse gas) reductions based on a roadmap for the introduction of electricity derived from renewable energy sources, taking into account regional and business unit characteristics. With regard to the creation of a recycling-oriented society, we are working to utilize recycled materials, strengthen our recycled products and components business, and develop technologies and solutions to support our customers' recycling-oriented business models. In addition, with regard to human rights issues, we are conducting human rights due diligence based on the human rights policy set out in 2021, and are taking action, including with our business partners.

Financial Perspectives

We will reach our goals by (1) deploying Plan-Do-Check-Act cycles subsequent to our business unit adoption, (2) employing Ricoh-style business portfolio management, (3) strengthening our business foundations, and (4) reinforcing our capital policies.

(1) Deploying Plan-Do-Check-Act Cycles Subsequent to Our Business Unit Adoption

We adopted a business unit structure in April 2021. Prime goals of this setup are to streamline capital management by better overseeing our business portfolio while accelerating decision-making by delegating authority. We have five business units (Ricoch Digital Services, Ricoh Digital Products, Ricoh Graphic Communications, Ricoh Industrial Solutions, and Ricoh Futures) and a Group headquarters. Subsequent to adopting a business unit structure, we carefully monitored benefits and challenges. We deployed Plan-Do-Check-Act cycles in our drive to enhance that structure.

Delegating authority to business units empowered them to flexibly and quickly tackle changes in the operating environment and overcome crises. Shifting to an integrated development, production, and sales setup enhanced coordination between functions and enabled units to promptly reflect higher costs in pricing, modify designs to accommodate multiple parts, and liaise with plants.

Key challenges are to streamline business unit structures and refine headquarters functions.

(2) Employing Ricoh-Style Business Portfolio Management

Rigorous portfolio management at global headquarters will enable us to rely less on the office printing business and accelerate our transformation into a digital services company.

In business portfolio management, we have augmented conventional profitability and marketability evaluation perspectives with that of digital services compatibility. These assessments cover four categories. These are growth acceleration, profit maximization, strategic transformation, and business revitalization.

The office services business and the commercial printing business are in the growth acceleration category. They will drive our growth because they are highly profitable, are expanding with winning strategy in their markets, and also are highly compatible with digital services. The office printing business is in the profit maximization category. It aims to keep stably generating cash while remaining a key earnings source.

The strategic transformation category covers the thermal media and enterprise printing businesses. While their circumstances differ, they will endeavor to maximize value through this transformation where market expansion is unlikely or where there is little compatibility with digital services.

The industrial products and cameras businesses are in the business revitalization category. They will explore ways to contribute to value.

Our business portfolio management goal is to boost corporate value by propelling digital services growth. Our digital services will help customers be more productive by digitalizing processes to connect offices and frontlines and transform entire workflows. Our business units will leverage their digital technology and edge device strengths and services aligned with the work of customers to help create new value that exceeds their expectations.

(3) Strengthening Our Business Foundations

We are transforming into a digital services company from an Office Automation manufacturer. The era of mass production and consumption necessitated manufacturing efficiently while retaining consistently high quality. In today's more information-oriented world, decisions are

made on smaller units. This situation makes it particularly important to steadily transform human capital. We must transform traditional work practices. For example, it used to be important for employees to perform specific roles along the value chain. In the years ahead, employees would ideally take the initiative to identify and resolve issues.

For this conversion of human capital, we will promote the autonomy of employees by (A) training and acquisition of digital human resources, (B) renewal of about 70% of core systems including cloud migration of 180 systems, (C) introduction of Ricoh-style job-type personnel system.

(4) Reinforcing Our Capital Policies

We aim to maximize corporate and shareholder value while satisfying stakeholder expectations. We accordingly aim to deliver seek to realize returns that exceed capital costs.

In the year under review, we contributed to earnings growth by completing our acquisition of ¥100 billion in shares of treasury stock to help enhance capital returns, retiring those shares on February 28, 2022. We enhanced asset efficiency by deploying ROIC (Return On Invested Capital) management across all business units. We have become more aware than ever of ROIC benchmarks, and are striving to more swiftly improve operations. We have endeavored to optimize capital costs by making capital amount to be the appropriate volume according to risk and actively utilizing debt, and also investing extensively in human resources that will be pivotal to enhancing corporate value.

From a balance sheet management perspective, the equity ratio increased owing to the April 2020 deconsolidation of Ricoh Leasing. To become a digital services company, we will target an appropriate capital structure based on risk assessments and borrow to fund investments, carefully balancing debt and equity in our operations. We will use debt in such stable businesses as the office printing business while primarily allocating capital to growth businesses that pose relatively high risks.

We will thus systematically use operating cash flows acquired from business investments to fund further growth and shareholder returns. We look to invest around ¥500 billion in growth areas in the drive to become a digital services company. We will also draw strategically on interest-bearing debt to fund investments.

Our shareholder return policy is to pursue a total payout ratio of 50% by continuing to increase dividends and flexibly repurchasing shares to offer attractive dividend yields. We look to steadily lift dividends per share in line with annual profit growth from the fiscal 2021 level. We will buy back shares within the total payout ratio scope, factoring in the business environment and progress with growth investments to lift earnings per share in order to improve EPS (Earnings Per Share).

2. Basic policies in selecting accounting policies

Ricoh has decided on voluntary adoption of IFRS from fiscal year ended on March 31, 2014 as Ricoh concluded that an implementation of IFRS as a global standard and unifying accounting standards across the group will enable Ricoh to enhance accuracy for the management of the entire group.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

Assets

	(Millions of yen)		
	March 31, 2021	March 31, 2022	Change
Current Assets			
Cash and cash equivalents	334,810	240,308	(94,502)
Time deposits	238	81	(157)
Trade and other receivables	392,132	397,148	5,016
Other financial assets	92,823	92,293	(530)
Inventories	192,016	232,558	40,542
Other current assets	46,725	50,034	3,309
Total Current Assets	1,058,744	1,012,422	(46,322)
Non-current assets			
Property, plant and equipment	191,963	188,439	(3,524)
Right-of-use assets	63,653	57,730	(5,923)
Goodwill and intangible assets	225,510	259,482	33,972
Other financial assets	136,093	128,321	(7,772)
Investments accounted for using the equity method	79,504	81,396	1,892
Other investments	18,504	12,329	(6,175)
Other non-current assets	29,773	31,942	2,169
Deferred tax assets	84,124	81,193	(2,931)
Total Non-current Assets	829,124	840,832	11,708
Total Assets	1,887,868	1,853,254	(34,614)

Liabilities and Equity

	(Millions of yen)		
	March 31, 2021	March 31, 2022	Change
Current Liabilities			
Bonds and borrowings	82,731	114,395	31,664
Trade and other payables	287,160	268,534	(18,626)
Lease liabilities	25,475	22,665	(2,810)
Other financial liabilities	1,669	2,079	410
Income tax payables	7,213	11,143	3,930
Provisions	12,946	9,941	(3,005)
Other current liabilities	240,322	264,691	24,369
Total Current Liabilities	657,516	693,448	35,932
Non-current Liabilities			
Bonds and borrowings	139,676	121,042	(18,634)
Lease liabilities	46,737	44,444	(2,293)
Accrued pension and retirement benefits	70,463	45,728	(24,735)
Provisions	11,413	9,607	(1,806)
Other non-current liabilities	34,469	29,029	(5,440)
Deferred tax liabilities	3,742	4,131	389
Total Non-current Liabilities	306,500	253,981	(52,519)
Total Liabilities	964,016	947,429	(16,587)
Equity			
Common stock	135,364	135,364	—
Additional paid-in capital	186,231	180,942	(5,289)
Treasury stock	(45,024)	(460)	44,564
Other components of equity	82,097	126,341	44,244
Retained earnings	561,578	459,855	(101,723)
Equity attributable to owners of the parent	920,246	902,042	(18,204)
Non-controlling interests	3,606	3,783	177
Total Equity	923,852	905,825	(18,027)
Total Liabilities and Equity	1,887,868	1,853,254	(34,614)

(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

Year ended March 31, 2021 and 2022

	(Millions of yen)			
	Year ended March 31, 2021	Year ended March 31, 2022	Change	%
Sales	1,682,069	1,758,587	76,518	4.5
Cost of sales	1,109,762	1,135,920	26,158	2.4
Percentage of sales (%)	66.0	64.6		
Gross profit	572,307	622,667	50,360	8.8
Percentage of sales (%)	34.0	35.4		
Selling, general and administrative expenses	619,740	600,269	(19,471)	(3.1)
Percentage of sales (%)	36.8	34.1		
Other income	5,791	17,960	12,169	210.1
Percentage of sales (%)	0.3	1.0		
Impairment of goodwill	3,787	306	(3,481)	(91.9)
Percentage of sales (%)	0.2	0.0		
Operating profit (loss)	(45,429)	40,052	85,481	—
Percentage of sales (%)	(2.7)	2.3		
Finance income	4,373	2,532	(1,841)	(42.1)
Percentage of sales (%)	0.3	0.1		
Finance costs	3,617	3,800	183	5.1
Percentage of sales (%)	0.2	0.2		
Share of profit (loss) of investments accounted for using the equity method	3,645	5,604	1,959	53.7
Percentage of sales (%)	0.2	0.3		
Profit (loss) before income tax expenses	(41,028)	44,388	85,416	—
Percentage of sales (%)	(2.4)	2.5		
Income tax expenses	(8,364)	13,763	22,127	—
Percentage of sales (%)	(0.5)	0.8		
Profit (loss)	(32,664)	30,625	63,289	—
Percentage of sales (%)	(1.9)	1.7		
Profit (loss) attributable to:				
Owners of the parent	(32,730)	30,371	63,101	—
Percentage of sales (%)	(1.9)	1.7		
Non-controlling interests	66	254	188	284.8
Percentage of sales (%)	0.0	0.0		

	Year ended March 31, 2021	Year ended March 31, 2022	Change
Earnings per share attributable to owners of the parent-basic (yen)	(45.20)	45.35	90.55
Earnings per share attributable to owners of the parent-diluted (yen)	(45.20)	45.34	90.54

* Gain on sales of property, plant and equipment and others were included in "other income".

Three months ended March 31, 2021 and 2022

	(Millions of yen)			
	Three months ended March 31, 2021	Three months ended March 31, 2022	Change	%
Sales	488,998	482,392	(6,606)	(1.4)
Cost of sales	332,408	321,584	(10,824)	(3.3)
Percentage of sales (%)	68.0	66.7		
Gross profit	156,590	160,808	4,218	2.7
Percentage of sales (%)	32.0	33.3		
Selling, general and administrative expenses	172,702	149,547	(23,155)	(13.4)
Percentage of sales (%)	35.3	31.0		
Other income	1,567	3,388	1,821	116.2
Percentage of sales (%)	0.3	0.7		
Impairment of goodwill	1,146	306	(840)	(73.3)
Percentage of sales (%)	0.2	0.1		
Operating profit (loss)	(15,691)	14,343	30,034	-
Percentage of sales (%)	(3.2)	3.0		
Finance income	619	1,205	586	94.7
Percentage of sales (%)	0.1	0.2		
Finance costs	553	1,993	1,440	260.4
Percentage of sales (%)	0.1	0.4		
Share of profit (loss) of investments accounted for using the equity method	211	130	(81)	(38.4)
Percentage of sales (%)	0.0	0.0		
Profit (loss) before income tax expenses	(15,414)	13,685	29,099	-
Percentage of sales (%)	(3.2)	2.8		
Income tax expenses	(5,224)	6,389	11,613	-
Percentage of sales (%)	(1.1)	1.3		
Profit (loss) for the period	(10,190)	7,296	17,486	-
Percentage of sales (%)	(2.1)	1.5		
Profit (loss) attributable to:				
Owners of the parent	(10,259)	7,185	17,444	-
Percentage of sales (%)	(2.1)	1.5		
Non-controlling interests	69	111	42	60.9
Percentage of sales (%)	0.0	0.0		

	Three months ended March 31, 2021	Three months ended March 31, 2022	Change
Earnings per share attributable to owners of the parent-basic (yen)	(14.18)	11.28	25.46
Earnings per share attributable to owners of the parent-diluted (yen)	(14.18)	11.28	25.46

* Gain on sales of property, plant, equipment and others were included in "other income".

Consolidated Statement of Comprehensive Income

Year ended March 31, 2021 and 2022

	(Millions of yen)		
	Year ended March 31, 2021	Year ended March 31, 2022	Change
Profit (loss)	(32,664)	30,625	63,289
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	13,804	14,515	711
Net changes in fair value of financial assets measured through other comprehensive income	2,868	(1,851)	(4,719)
Share of other comprehensive income of investments accounted for using equity method	197	187	(10)
Total components that will not be reclassified subsequently to profit or loss	16,869	12,851	(4,018)
Components that will be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedges	(827)	590	1,417
Exchange differences on translation of foreign operations	38,594	46,775	8,181
Share of other comprehensive income of investments accounted for using equity method	81	99	18
Total components that will be reclassified subsequently to profit or loss	37,848	47,464	9,616
Total other comprehensive income (loss)	54,717	60,315	5,598
Comprehensive income (loss)	22,053	90,940	68,887
Comprehensive income (loss) attributable to:			
Owners of the parent	21,897	90,733	68,836
Non-controlling interests	156	207	51

Three months ended March 31, 2021 and 2022

	(Millions of yen)		
	Three months ended March 31, 2021	Three months ended March 31, 2022	Change
Profit (loss) for the period	(10,190)	7,296	17,486
Other comprehensive income (loss):			
Components that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit plan	13,804	11,903	(1,901)
Net changes in fair value of financial assets measured through other comprehensive income	1,279	(1,749)	(3,028)
Share of other comprehensive income of investments accounted for using equity method	130	(2,137)	(2,267)
Total components that will not be reclassified subsequently to profit or loss	15,213	8,017	(7,196)
Components that will be reclassified subsequently to profit or loss:			
Net changes in fair value of cash flow hedges	(406)	181	587
Exchange differences on translation of foreign operations	25,047	36,344	11,297
Share of other comprehensive income of investments accounted for using equity method	71	81	10
Total components that will be reclassified subsequently to profit or loss	24,712	36,606	11,894
Total other comprehensive income (loss)	39,925	44,623	4,698
Comprehensive income (loss)	29,735	51,919	22,184
Comprehensive income (loss) attributable to:			
Owners of the parent	29,647	51,793	22,146
Non-controlling interests	88	126	38

Consolidated Sales by Product Category

Year ended March 31, 2021 and 2022

	(Millions of yen)			
	Year ended March 31, 2021	Year ended March 31, 2022	Change	%
<Digital Services>	1,376,613	1,428,192	51,579	3.7
Percentage of sales (%)	<i>81.8</i>	<i>81.2</i>		
<Digital Products>	12,111	13,172	1,061	8.8
Percentage of sales (%)	<i>0.7</i>	<i>0.7</i>		
<Graphic Communications>	159,909	187,082	27,173	17.0
Percentage of sales (%)	<i>9.5</i>	<i>10.6</i>		
<Industrial Solutions>	108,878	110,791	1,913	1.8
Percentage of sales (%)	<i>6.5</i>	<i>6.3</i>		
<Other>	24,558	19,350	(5,208)	(21.2)
Percentage of sales (%)	<i>1.5</i>	<i>1.1</i>		
Grand Total	1,682,069	1,758,587	76,518	4.5
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

Three months ended March 31, 2021 and 2022

	(Millions of yen)			
	Three months ended March 31, 2021	Three months ended March 31, 2022	Change	%
<Digital Services>	405,890	391,123	(14,767)	(3.6)
Percentage of sales (%)	<i>83.0</i>	<i>81.1</i>		
<Digital Products>	2,839	2,819	(20)	(0.7)
Percentage of sales (%)	<i>0.6</i>	<i>0.6</i>		
<Graphic Communications>	44,725	51,534	6,809	15.2
Percentage of sales (%)	<i>9.1</i>	<i>10.7</i>		
<Industrial Solutions>	31,392	32,627	1,235	3.9
Percentage of sales (%)	<i>6.4</i>	<i>6.8</i>		
<Other>	4,152	4,289	137	3.3
Percentage of sales (%)	<i>0.8</i>	<i>0.9</i>		
Grand Total	488,998	482,392	(6,606)	(1.4)
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Digital services as a business segment is mainly limited to the office services business and the office printing sales business. This segment does not include all digital services, which Ricoh aims to transform into "a digital services company" that connects workplaces and support worker's creativity. "Digital Services" provided as "a digital services company" is included in all the business segments as well as Digital Services business segment.

For the product line of each category, please refer to "(7) (a) Segment Information" on page 22.

Consolidated Sales by Geographic Area

Year ended March 31, 2021 and 2022

(Millions of yen)				
	Year ended March 31, 2021	Year ended March 31, 2022	Change	%
<Domestic>	753,041	705,242	(47,799)	(6.3)
Percentage of sales (%)	<i>44.8</i>	<i>40.1</i>		
<Overseas>	929,028	1,053,345	124,317	13.4
Percentage of sales (%)	<i>55.2</i>	<i>59.9</i>		
The Americas	386,609	443,647	57,038	14.8
Percentage of sales (%)	<i>23.0</i>	<i>25.2</i>		
Europe, Middle East and Africa	393,409	450,178	56,769	14.4
Percentage of sales (%)	<i>23.4</i>	<i>25.6</i>		
Other	149,010	159,520	10,510	7.1
Percentage of sales (%)	<i>8.8</i>	<i>9.1</i>		
Grand Total	1,682,069	1,758,587	76,518	4.5
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

Three months ended March 31, 2021 and 2022

(Millions of yen)				
	Three months ended March 31, 2021	Three months ended March 31, 2022	Change	%
<Domestic>	236,252	203,132	(33,120)	(14.0)
Percentage of sales (%)	<i>48.3</i>	<i>42.1</i>		
<Overseas>	252,746	279,260	26,514	10.5
Percentage of sales (%)	<i>51.7</i>	<i>57.9</i>		
The Americas	101,934	120,416	18,482	18.1
Percentage of sales (%)	<i>20.9</i>	<i>25.0</i>		
Europe, Middle East and Africa	111,617	121,201	9,584	8.6
Percentage of sales (%)	<i>22.8</i>	<i>25.1</i>		
Other	39,195	37,643	(1,552)	(4.0)
Percentage of sales (%)	<i>8.0</i>	<i>7.8</i>		
Grand Total	488,998	482,392	(6,606)	(1.4)
Percentage of sales (%)	<i>100.0</i>	<i>100.0</i>		

(3) Consolidated Statement of Changes in Equity

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity			
				Remeasurement of defined benefit plan	Net changes in fair value of financial assets measured through other comprehensive income	Net changes in fair value of cash flow hedges	Exchange differences on translation of foreign operations
Balance as of April 1, 2020	135,364	186,173	(37,795)	—	5,191	409	36,168
Profit (loss)							
Other comprehensive income (loss)				13,882	2,880	(839)	38,552
Comprehensive income (loss)	—	—	—	13,882	2,880	(839)	38,552
Purchase of treasury stock			(7,296)				
Dividends declared and approved to owners							
Share-based payment transactions		58	5				
Share-based payment transactions of subsidiaries							
Loss of control of subsidiaries							
Transfer from other components of equity to retained earnings				(13,882)	(264)		
Other			62				
Total transactions with owners	—	58	(7,229)	(13,882)	(264)	—	—
Balance as of March 31, 2021	135,364	186,231	(45,024)	—	7,807	(430)	74,720

	Other components of equity	Other comprehensive income related to disposal group held for sale	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Total other components of equity					
Balance as of April 1, 2020	41,768	130	594,731	920,371	88,156	1,008,527
Profit (loss)			(32,730)	(32,730)	66	(32,664)
Other comprehensive income (loss)	54,475	152		54,627	90	54,717
Comprehensive income (loss)	54,475	152	(32,730)	21,897	156	22,053
Purchase of treasury stock				(7,296)		(7,296)
Dividends declared and approved to owners			(14,851)	(14,851)	(34)	(14,885)
Share-based payment transactions				63		63
Share-based payment transactions of subsidiaries				—	4	4
Loss of control of subsidiaries				—	(84,676)	(84,676)
Transfer from other components of equity to retained earnings	(14,146)	(282)	14,428	—		—
Other				62		62
Total transactions with owners	(14,146)	(282)	(423)	(22,022)	(84,706)	(106,728)
Balance as of March 31, 2021	82,097	—	561,578	920,246	3,606	923,852

(Millions of Yen)

	Common Stock	Additional paid-in capital	Treasury stock	Other components of equity		
				Remeasurement of defined benefit plan	Net changes in fair value of financial assets measured through other comprehensive income	Net changes in fair value of cash flow hedges
Balance as of April 1, 2021	135,364	186,231	(45,024)	—	7,807	(430)
Profit (loss)						
Other comprehensive income (loss)				14,571	(1,720)	676
Comprehensive income (loss)	—	—	—	14,571	(1,720)	676
Purchase of treasury stock		(139)	(92,717)			
Retirement of treasury stock		(5,188)	137,265			
Dividends declared and approved to owners						
Share-based payment transactions		38	16			
Transfer from other components of equity to retained earnings				(14,571)	(1,547)	
Other						
Total transactions with owners	—	(5,289)	44,564	(14,571)	(1,547)	—
Balance as of March 31, 2022	135,364	180,942	(460)	—	4,540	246

	Other components of equity		Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total other components of equity				
Balance as of April 1, 2021	74,720	82,097	561,578	920,246	3,606	923,852
Profit (loss)			30,371	30,371	254	30,625
Other comprehensive income (loss)	46,835	60,362		60,362	(47)	60,315
Comprehensive income (loss)	46,835	60,362	30,371	90,733	207	90,940
Purchase of treasury stock				(92,856)		(92,856)
Retirement of treasury stock			(132,077)	—		—
Dividends declared and approved to owners			(14,058)	(14,058)	(30)	(14,088)
Share-based payment transactions				54		54
Transfer from other components of equity to retained earnings		(16,118)	16,118	—		—
Other			(2,077)	(2,077)		(2,077)
Total transactions with owners	—	(16,118)	(132,094)	(108,937)	(30)	(108,967)
Balance as of March 31, 2022	121,555	126,341	459,855	902,042	3,783	905,825

(4) Consolidated Statement of Cash Flows

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
I. Cash Flows from Operating Activities:		
Profit (loss)	(32,664)	30,625
Adjustments to reconcile profit to net cash provided by operating activities—		
Depreciation and amortization	104,618	90,479
Impairment of property, plant and equipment and intangible assets	24,879	762
Impairment of goodwill	3,787	306
Other income	(1,502)	(13,299)
Share of (profit) loss of investments accounted for using the equity method	(3,645)	(5,604)
Finance income and costs	(756)	1,268
Income tax expenses	(8,364)	13,763
(Increase) decrease in trade and other receivables	29,727	13,448
(Increase) decrease in inventories	16,413	(28,533)
(Increase) decrease in lease receivables	15,572	23,285
Increase (decrease) in trade and other payables	(4,712)	(26,212)
Increase (decrease) in accrued pension and retirement benefits	(12,315)	(9,306)
Other, net	14,056	13,907
Interest and dividends received	3,418	3,457
Interest paid	(3,259)	(3,795)
Income taxes paid	(18,291)	(22,089)
Net cash provided by (used in) operating activities	126,962	82,462
II. Cash Flows from Investing Activities:		
Proceeds from sales of property, plant and equipment	4,823	15,062
Expenditures for property, plant and equipment	(42,155)	(37,359)
Proceeds from sales of intangible assets	60	—
Expenditures for intangible assets	(24,779)	(33,683)
Payments for purchases of investment securities	(1,052)	(442)
Proceeds from sales of investment securities	491	6,327
Net increase (decrease) of time deposits	(168)	162
Purchase of business, net of cash acquired	(8,431)	(9,422)
Net increase (decrease) due to loss of control of subsidiaries	7,846	—
Other, net	(194)	—
Net cash provided by (used in) investment activities	(63,559)	(59,355)
III. Cash Flows from Financing Activities:		
Net increase (decrease) of short-term debt	(19,428)	15,990
Proceeds from long-term debt	98,482	37,140
Repayments of long-term debt	(12,817)	(46,664)
Repayments of bonds	(12,413)	—
Repayments of lease liabilities	(35,728)	(31,146)
Dividends paid	(14,851)	(14,058)
Payments for purchase of treasury stock	(7,296)	(92,717)
Other, net	(34)	(230)
Net cash provided by (used in) financing activities	(4,085)	(131,685)
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	7,338	12,254
V. Net Increase (decrease) in Cash and Cash Equivalents	66,656	(96,324)
VI. Cash and Cash Equivalents at Beginning of Year	263,688	330,344
VII. Cash and Cash Equivalents at End of Year	330,344	234,020

Notes: The difference in the amount of “Cash and cash equivalents” between consolidated statement of financial position and consolidated statement of cash flows represents bank overdrafts.

(5) Notes on premise going concern

Not applicable

(6) Changes in accounting policies

Significant accounting policies which apply in the Consolidated Financial Statements are the same as those in the previous fiscal year.

(7) Notes to Consolidated Financial Statements

(a) Segment Information

Operating Segment Information

Year ended March 31, 2021 and 2022

	(Millions of yen)			
	Year ended March 31, 2021	Year ended March 31, 2022	Change	%
Digital Services:				
Sales:				
Unaffiliated customers	1,376,613	1,428,192	51,579	3.7
Intersegment	—	—	—	—
Total	1,376,613	1,428,192	51,579	3.7
Operating expenses	1,379,244	1,411,983	32,739	2.4
Operating profit (loss)	(2,631)	16,209	18,840	—
Operating profit (loss) on sales in Digital Services (%)	(0.2)	1.1		
Digital Products:				
Sales:				
Unaffiliated customers	12,111	13,172	1,061	8.8
Intersegment	345,055	351,796	6,741	2.0
Total	357,166	364,968	7,802	2.2
Operating expenses	340,715	323,237	(17,478)	(5.1)
Operating profit (loss)	16,451	41,731	25,280	153.7
Operating profit (loss) on sales in Digital Products (%)	4.6	11.4		
Graphic Communications:				
Sales:				
Unaffiliated customers	159,909	187,082	27,173	17.0
Intersegment	—	—	—	—
Total	159,909	187,082	27,173	17.0
Operating expenses	207,360	187,548	(19,812)	(9.6)
Operating profit (loss)	(47,451)	(466)	46,985	—
Operating profit (loss) on sales in Graphic Communications (%)	(29.7)	(0.2)		
Industrial Solutions:				
Sales:				
Unaffiliated customers	108,878	110,791	1,913	1.8
Intersegment	6,396	8,468	2,072	32.4
Total	115,274	119,259	3,985	3.5
Operating expenses	116,908	117,952	1,044	0.9
Operating profit (loss)	(1,634)	1,307	2,941	—
Operating profit (loss) on sales in Industrial Solutions (%)	(1.4)	1.1		
Other:				
Sales:				
Unaffiliated customers	24,558	19,350	(5,208)	(21.2)
Intersegment	15,540	16,204	664	4.3
Total	40,098	35,554	(4,544)	(11.3)
Operating expenses	53,965	51,075	(2,890)	(5.4)
Operating profit (loss)	(13,867)	(15,521)	(1,654)	—
Operating profit (loss) on sales in Other (%)	(34.6)	(43.7)		
Eliminations and Corporate:				
Sales:				
Intersegment	(366,991)	(376,468)	(9,477)	
Total	(366,991)	(376,468)	(9,477)	—
Operating expenses:				
Intersegment	(366,991)	(376,468)	(9,477)	
Corporate	(3,703)	3,208	6,911	
Total	(370,694)	(373,260)	(2,566)	—
Operating profit (loss)	3,703	(3,208)	(6,911)	—
Consolidated:				
Sales:				
Unaffiliated customers	1,682,069	1,758,587	76,518	4.5
Intersegment	—	—	—	—
Total	1,682,069	1,758,587	76,518	4.5
Operating expenses	1,727,498	1,718,535	(8,963)	(0.5)
Operating profit (loss)	(45,429)	40,052	85,481	—
Operating profit (loss) on consolidated sales (%)	(2.7)	2.3		

Three months ended March 31, 2021 and 2022

(Millions of yen)

	Three months ended March 31, 2021	Three months ended March 31, 2022	Change	%
Digital Services:				
Sales:				
Unaffiliated customers	405,890	391,123	(14,767)	(3.6)
Intersegment	—	—	—	—
Total	405,890	391,123	(14,767)	(3.6)
Operating expenses	407,067	383,696	(23,371)	(5.7)
Operating profit (loss)	(1,177)	7,427	8,604	—
Operating profit (loss) on sales in Digital Services (%)	(0.3)	1.9		
Digital Products:				
Sales:				
Unaffiliated customers	2,839	2,819	(20)	(0.7)
Intersegment	98,988	89,099	(9,889)	(10.0)
Total	101,827	91,918	(9,909)	(9.7)
Operating expenses	92,813	83,237	(9,576)	(10.3)
Operating profit (loss)	9,014	8,681	(333)	(3.7)
Operating profit (loss) on sales in Digital Products (%)	8.9	9.4		
Graphic Communications:				
Sales:				
Unaffiliated customers	44,725	51,534	6,809	15.2
Intersegment	—	—	—	—
Total	44,725	51,534	6,809	15.2
Operating expenses	64,351	53,890	(10,461)	(16.3)
Operating profit (loss)	(19,626)	(2,356)	17,270	—
Operating profit (loss) on sales in Graphic Communications (%)	(43.9)	(4.6)		
Industrial Solutions:				
Sales:				
Unaffiliated customers	31,392	32,627	1,235	3.9
Intersegment	1,863	3,137	1,274	68.4
Total	33,255	35,764	2,509	7.5
Operating expenses	32,559	33,455	896	2.8
Operating profit (loss)	696	2,309	1,613	231.8
Operating profit (loss) on sales in Industrial Solutions (%)	2.1	6.5		
Other:				
Sales:				
Unaffiliated customers	4,152	4,289	137	3.3
Intersegment	5,433	6,361	928	17.1
Total	9,585	10,650	1,065	11.1
Operating expenses	14,038	15,054	1,016	7.2
Operating profit (loss)	(4,453)	(4,404)	49	—
Operating profit (loss) on sales in Other (%)	(46.5)	(41.4)		
Eliminations and Corporate:				
Sales:				
Intersegment	(106,284)	(98,597)	7,687	—
Total	(106,284)	(98,597)	7,687	—
Operating expenses:				
Intersegment	(106,284)	(98,597)	7,687	—
Corporate	145	(2,686)	(2,831)	—
Total	(106,139)	(101,283)	4,856	—
Operating profit (loss)	(145)	2,686	2,831	—
Consolidated:				
Sales:				
Unaffiliated customers	488,998	482,392	(6,606)	(1.4)
Intersegment	—	—	—	—
Total	488,998	482,392	(6,606)	(1.4)
Operating expenses	504,689	468,049	(36,640)	(7.3)
Operating profit (loss)	(15,691)	14,343	30,034	—
Operating profit (loss) on consolidated sales (%)	(3.2)	3.0		

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Intersegment sales are primarily for Digital Services. Each category includes the following product line:

Digital Services	Sale of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, personal computers, servers, network equipment, related parts & supplies, services, support, software and service & solutions related to documents
Digital Products	Production and OEM of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, network equipment, and related parts & supplies
Graphic Communications	Production and sales of cut sheet printers, continuous feed printers, inkjet heads, imaging systems, industrial printers, related parts & supplies, services, support and software
Industrial Solutions	Production and sales of thermal paper and thermal media, industrial optical component/module, electronic components and precision mechanical component
Other	Digital cameras, 360° cameras, environment, healthcare

* Digital services as a business segment is mainly limited to the office services business and the office printing sales business. This segment does not include all digital services, which Ricoh aims to transform into "a digital services company" that connects workplaces and support worker's creativity. "Digital Services" provided as "a digital services company" is included in all the business segments as well as Digital Services business segment.

(b) Per share data

	(Yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Equity per share attributable to owners of the parent	1,281.29	1,416.08
Earnings per share attributable to owners of the parent-basic	(45.20)	45.35
Earnings per share attributable to owners of the parent-diluted	(45.20)	45.34

A reconciliation of the numerator and the denominators of the basic and diluted per share computations for profit is as follows:

	(Millions of yen)	
	Year ended March 31, 2021	Year ended March 31, 2022
Profit (loss) attributable to owners of the parent	(32,730)	30,371
Effect of dilutive securities	—	—
Diluted profit (loss) attributable to owners of the parent	(32,730)	30,371

	(Shares)	
	Year ended March 31, 2021	Year ended March 31, 2022
Weighted average common shares outstanding	724,175,341	669,698,640
Effect of dilutive securities	—	100,529
Diluted common shares outstanding	724,175,341	669,799,169

(c) Subsequent events

(Business Combination)

At the meeting of the Board of Directors of the Company held on April 28, 2022, the Company concluded the partial acquisition of common shares in Fujitsu Limited subsidiary, PFU Limited (“PFU”). Ricoh will acquire 80% of the shares of PFU and make it a consolidated subsidiary of the Company.

1. Name and description of acquired business

Name of acquired business : PFU Limited

Description of business : Document scanners, industrial computing products and other hardware; security and document management and other software & services; configuration of IT infrastructure; and multivendor services provided in cooperation with third-party companies

2. Reason for the acquisition of shares

This share acquisition is a part of the growth investments outlined in the medium- to long-term plan through FY2025. PFU has the largest market share globally for professional scanners and is a company that develops cloud services and managed security services in Japan. By making PFU a subsidiary, Ricoh will strengthen new edge devices that support digital services and IT management service capabilities. Ricoh will achieve digital transformation (DX) for customers and expand Ricoh’s office services business. In addition, by fortifying its human capital through acquiring software engineers and digital professionals in the field, close to its customers and edge devices, Ricoh will further strengthen its management structure to become a digital services company.

3. Acquisition date

July 1, 2022 (planned)

4. Contingent consideration

84 billion yen (estimated)

(Note) The actual value of the share acquisition will be adjusted based on the balance sheet of PFU and other factors at the acquisition date and may therefore be subject to change.

(Share Repurchase and Retirement)

At the meeting of the Board of Directors of the Company held on May 10, 2022, the Company resolved some shares in accordance with Article 156 of the Companies Act of Japan and pursuant to Article 165, Paragraph 3, of the Companies Act. The Board also decided to retire treasury shares under Article 178 of the Companies Act.

1. Reason for share repurchase and share retirement

To improve shareholder return and capital efficiency.

2. Share repurchase

- | | |
|------------------------|---|
| (1) Share category | Common stock |
| (2) Number of shares | Up to 48,000,000 shares
(representing 7.5% of issued and outstanding shares excluding treasury shares) |
| (3) Repurchase ceiling | ¥30 billion |
| (4) Period | May 11, 2022, through September 30, 2022 |
| (5) Method | Open market purchase on Tokyo Stock Exchange |

3. Share retirement

- | | |
|----------------------|------------------------|
| (1) Share category | Common stock |
| (2) Number of shares | all shares repurchased |
| (3) Retirement date | October 31, 2022 |

(Reference)

Treasury stock as of March 31, 2022

- | | |
|---|--------------------|
| (1) Number of issued and outstanding shares (excluding treasury shares) | 636,999,478 shares |
| (2) Number of treasury shares | 468,700 shares |

-APPENDIX- Year ended March 31, 2022

1. Consolidated Quarterly Performance Outline

(1) Financial Statements Summary (Quarterly)

	(Billions of yen)				
	Q1	Q2	Q3	Q4	Change (%)
Sales	424.8	418.6	432.7	482.3	(1.4)
Gross profit	152.3	152.5	156.9	160.8	2.7
Operating profit (loss)	5.6	7.4	12.6	14.3	—
Profit (loss) before income tax expenses	7.6	8.2	14.7	13.6	—
Profit (loss) attributable to owners of the parent	4.7	6.3	12.0	7.1	—
Earnings per share attributable to owners of the parent—basic (yen).	6.77	9.34	18.43	11.28	—
Earnings per share attributable to owners of the parent—diluted (yen).	6.77	9.34	18.43	11.28	—
Total assets	1,835.3	1,780.8	1,760.5	1,853.2	—
Equity attributable to owners of the parent	899.3	868.5	850.2	902.0	—
Equity attributable to owners of the parent per share (yen)	1,288.94	1,302.05	1,334.75	1,416.08	—
Cash flows from operating activities	47.8	(7.1)	(2.1)	43.8	—
Cash flows from investing activities	(14.0)	(15.7)	(4.1)	(25.3)	—
Cash flows from financing activities	(43.0)	(30.3)	(50.1)	(8.1)	—
Cash and cash equivalents at end of period	321.6	267.7	214.4	234.0	—

(2) Capital expenditures and Depreciation

	(Billions of yen)			
	Q1	Q2	Q3	Q4
Capital expenditures	7.5	7.6	7.4	14.6
Depreciation	10.4	10.2	9.5	9.5

(3) R&D Expenditures

	(Billions of yen)			
	Q1	Q2	Q3	Q4
R&D expenditures	22.9	24.9	23.1	25.6
R&D expenditures/ Total Sales (%)	5.4	6.0	5.4	5.3

(4) Exchange Rate

	Q1	Q2	Q3	Q4
Exchange rate (Yen/US\$)	109.50	110.08	113.70	116.22
Exchange rate (Yen/EURO)	131.92	129.81	130.07	130.42

2. Consolidated Sales by Product Category

Year ended March 31, 2021 and 2022

	(Millions of yen)					
	Year ended March 31, 2021	Year ended March 31, 2022	Change	%	Change excluding exchange impact	%
<Digital Services>	1,376,613	1,428,192	51,579	3.7	6,232	0.5
Percentage of sales (%)	81.8	81.2				
Domestic	651,116	615,808	(35,308)	(5.4)	(35,308)	(5.4)
Overseas	725,497	812,384	86,887	12.0	41,540	5.7
The Americas	293,814	329,961	36,147	12.3	17,622	6.0
Europe, Middle East and Africa	335,151	380,384	45,233	13.5	25,276	7.5
Other	96,532	102,039	5,507	5.7	(1,358)	(1.4)
<Digital Products>	12,111	13,172	1,061	8.8	329	2.7
Percentage of sales (%)	0.7	0.7				
Domestic	5,917	6,603	686	11.6	686	11.6
Overseas	6,194	6,569	375	6.1	(357)	(5.8)
The Americas	456	639	183	40.1	146	32.0
Europe, Middle East and Africa	—	3	3	—	3	—
Other	5,738	5,927	189	3.3	(506)	(8.8)
<Graphic Communications>	159,909	187,082	27,173	17.0	18,626	11.6
Percentage of sales (%)	9.5	10.6				
Domestic	26,699	26,381	(318)	(1.2)	(318)	(1.2)
Overseas	133,210	160,701	27,491	20.6	18,944	14.2
The Americas	72,188	86,820	14,632	20.3	9,686	13.4
Europe, Middle East and Africa	40,093	48,520	8,427	21.0	5,935	14.8
Other	20,929	25,361	4,432	21.2	3,323	15.9
<Industrial Solutions>	108,878	110,791	1,913	1.8	(1,573)	(1.4)
Percentage of sales (%)	6.5	6.3				
Domestic	55,675	47,779	(7,896)	(14.2)	(7,896)	(14.2)
Overseas	53,203	63,012	9,809	18.4	6,323	11.9
The Americas	17,254	22,145	4,891	28.3	3,653	21.2
Europe, Middle East and Africa	15,006	17,663	2,657	17.7	1,741	11.6
Other	20,943	23,204	2,261	10.8	929	4.4
<Other>	24,558	19,350	(5,208)	(21.2)	(5,851)	(23.8)
Percentage of sales (%)	1.5	1.1				
Domestic	13,634	8,671	(4,963)	(36.4)	(4,963)	(36.4)
Overseas	10,924	10,679	(245)	(2.2)	(888)	(8.1)
The Americas	2,897	4,082	1,185	40.9	940	32.4
Europe, Middle East and Africa	3,159	3,608	449	14.2	259	8.2
Other	4,868	2,989	(1,879)	(38.6)	(2,087)	(42.9)
Total	1,682,069	1,758,587	76,518	4.5	17,763	1.1
Percentage of sales (%)	100.0	100.0				
Domestic	753,041	705,242	(47,799)	(6.3)	(47,799)	(6.3)
Percentage of sales (%)	44.8	40.1				
Overseas	929,028	1,053,345	124,317	13.4	65,562	7.1
Percentage of sales (%)	55.2	59.9				
The Americas	386,609	443,647	57,038	14.8	32,047	8.3
Percentage of sales (%)	23.0	25.2				
Europe, Middle East and Africa	393,409	450,178	56,769	14.4	33,214	8.4
Percentage of sales (%)	23.4	25.6				
Other	149,010	159,520	10,510	7.1	301	0.2
Percentage of sales (%)	8.8	9.1				

* Each category includes the following product line:

Digital Services	Sale of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, personal computers, servers, network equipment, related parts & supplies, services, support, software and service & solutions related to documents
Digital Products	Production and OEM of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, network equipment, and related parts & supplies
Graphic Communications	Production and sales of cut sheet printers, continuous feed printers, inkjet heads, imaging systems, industrial printers, related parts & supplies, services, support and software
Industrial Solutions	Production and sales of thermal paper and thermal media, industrial optical component/module, electronic components and precision mechanical component
Other	Digital cameras, 360°cameras, environment, healthcare

* Ricoh adopted a business unit structure from April 1, 2021. Based on this new business unit structure, Ricoh changed Operating Segment Information from this fiscal year. Prior year comparative figures have also been reclassified to conform to the current year's presentation. Digital services as a business segment is mainly limited to the office services business and the office printing sales business. This segment does not include all digital services, which Ricoh aims to transform into "a digital services company" that connects workplaces and support worker's creativity. "Digital Services" provided as "a digital services company" is included in all the business segments as well as Digital Services business segment.

3. Consolidated Sales by Product Category

Three months ended March 31, 2021 and 2022

	(Millions of yen)					
	Three months ended	Three months ended	Change	%	Change excluding exchange impact	%
	March 31, 2021	March 31, 2022				
<Digital Services>	405,890	391,123	(14,767)	(3.6)	(26,050)	(6.4)
Percentage of sales (%)	83.0	81.1				
Domestic	208,107	176,674	(31,433)	(15.1)	(31,433)	(15.1)
Overseas	197,783	214,449	16,666	8.4	5,383	2.7
The Americas	78,222	88,869	10,647	13.6	3,005	3.8
Europe, Middle East and Africa	94,750	102,259	7,509	7.9	5,081	5.4
Other	24,811	23,321	(1,490)	(6.0)	(2,703)	(10.9)
<Digital Products>	2,839	2,819	(20)	(0.7)	(232)	(8.2)
Percentage of sales (%)	0.6	0.6				
Domestic	1,156	1,474	318	27.5	318	27.5
Overseas	1,683	1,345	(338)	(20.1)	(550)	(32.7)
The Americas	97	111	14	14.4	1	1.0
Europe, Middle East and Africa	—	3	3	—	3	—
Other	1,586	1,231	(355)	(22.4)	(554)	(34.9)
<Graphic Communications>	44,725	51,534	6,809	15.2	4,177	9.3
Percentage of sales (%)	9.1	10.7				
Domestic	7,388	7,080	(308)	(4.2)	(308)	(4.2)
Overseas	37,337	44,454	7,117	19.1	4,485	12.0
The Americas	19,120	24,263	5,143	26.9	3,069	16.1
Europe, Middle East and Africa	11,852	13,223	1,371	11.6	1,056	8.9
Other	6,365	6,968	603	9.5	360	5.7
<Industrial Solutions>	31,392	32,627	1,235	3.9	275	0.9
Percentage of sales (%)	6.4	6.8				
Domestic	17,693	16,306	(1,387)	(7.8)	(1,387)	(7.8)
Overseas	13,699	16,321	2,622	19.1	1,662	12.1
The Americas	3,951	6,257	2,306	58.4	1,782	45.1
Europe, Middle East and Africa	4,151	4,824	673	16.2	557	13.4
Other	5,597	5,240	(357)	(6.4)	(677)	(12.1)
<Other>	4,152	4,289	137	3.3	(28)	(0.7)
Percentage of sales (%)	0.8	0.9				
Domestic	1,908	1,598	(310)	(16.2)	(310)	(16.2)
Overseas	2,244	2,691	447	19.9	282	12.6
The Americas	544	916	372	68.4	290	53.3
Europe, Middle East and Africa	864	892	28	3.2	10	1.2
Other	836	883	47	5.6	(18)	(2.2)
Total	488,998	482,392	(6,606)	(1.4)	(21,858)	(4.5)
Percentage of sales (%)	100.0	100.0				
Domestic	236,252	203,132	(33,120)	(14.0)	(33,120)	(14.0)
Percentage of sales (%)	48.3	42.1				
Overseas	252,746	279,260	26,514	10.5	11,262	4.5
Percentage of sales (%)	51.7	57.9				
The Americas	101,934	120,416	18,482	18.1	8,147	8.0
Percentage of sales (%)	20.9	25.0				
Europe, Middle East and Africa	111,617	121,201	9,584	8.6	6,707	6.0
Percentage of sales (%)	22.8	25.1				
Other	39,195	37,643	(1,552)	(4.0)	(3,592)	(9.2)
Percentage of sales (%)	8.0	7.8				

* Each category includes the following product line:

Digital Services	Sale of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, personal computers, servers, network equipment, related parts & supplies, services, support, software and service & solutions related to documents
Digital Products	Production and OEM of MFPs (multifunctional printers), laser printers, digital duplicators, wide format printers, facsimile machine, scanners, network equipment, and related parts & supplies
Graphic Communications	Production and sales of cut sheet printers, continuous feed printers, inkjet heads, imaging systems, industrial printers, related parts & supplies, services, support and software
Industrial Solutions	Production and sales of thermal paper and thermal media, industrial optical component/module, electronic components and precision mechanical component
Other	Digital cameras, 360° cameras, environment, healthcare

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4. Forecast of Consolidated Sales by Product Category

(Billions of yen)

	Year ended March 31, 2022		Year ending March 31, 2023		
	Results	Forecast	Change %	Forecast (Note)	Change %
<Digital Services>	1,428.1	1,572.0	10.1	1,507.7	5.6
Domestic	615.8	643.3	4.5	643.3	4.5
Overseas	812.3	928.7	14.3	864.4	6.4
The Americas	329.9	378.6	14.7	340.3	3.1
Europe, Middle East and Africa	380.3	434.0	14.1	419.7	10.3
Other	102.0	116.1	13.8	104.4	2.3
<Digital Products>	13.1	15.0	13.9	14.2	7.8
Domestic	6.6	7.4	12.1	7.4	12.1
Overseas	6.5	7.6	15.7	6.8	3.5
The Americas	0.6	0.8	25.2	0.7	9.5
Europe, Middle East and Africa	0.0	—	—	—	—
Other	5.9	6.8	14.7	6.1	2.9
<Graphic Communications>	187.0	234.0	25.1	217.2	16.1
Domestic	26.3	29.9	13.3	29.9	13.3
Overseas	160.7	204.1	27.0	187.3	16.6
The Americas	86.8	113.3	30.5	101.8	17.3
Europe, Middle East and Africa	48.5	57.2	17.9	55.3	14.0
Other	25.3	33.6	32.5	30.2	19.1
<Industrial Solutions>	110.7	130.0	17.3	123.5	11.5
Domestic	47.7	51.8	8.4	51.8	8.4
Overseas	63.0	78.2	24.1	71.7	13.8
The Americas	22.1	26.4	19.2	23.7	7.0
Europe, Middle East and Africa	17.6	20.9	18.3	20.2	14.4
Other	23.2	30.9	33.2	27.8	19.8
<Other>	19.3	99.0	411.6	96.0	396.1
Domestic	8.6	62.6	621.9	62.6	621.9
Overseas	10.6	36.4	240.9	33.4	212.8
The Americas	4.0	19.0	365.5	17.1	318.9
Europe, Middle East and Africa	3.6	9.6	166.1	9.3	157.8
Other	2.9	7.8	161.0	7.0	134.2
Grand Total	1,758.5	2,050.0	16.6	1,958.6	11.4
Domestic	705.2	795.0	12.7	795.0	12.7
Overseas	1,053.3	1,255.0	19.1	1,163.6	10.5
The Americas	443.6	538.1	21.3	483.6	9.0
Europe, Middle East and Africa	450.1	521.7	15.9	504.5	12.1
Other	159.5	195.2	22.4	175.5	10.0

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(Note) Excluding foreign exchange impact

Reference: Exchange rate	Year ended March 31, 2022	Year ending March 31, 2023
US\$ 1	¥112.36	¥125.00
EURO 1	¥130.55	¥135.00