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Company name: Ricoh Company, Ltd.
President and CEO: Akira Oyama
Stock code: 7752 (Prime of Tokyo Stock Exchange)
Contact: Takashi Kawaguchi, Executive Corporate Officer and CFO
Tel. +81-50-3814-2805

Notice regarding implementation of the voluntary retirement program “Second Career Support Program” in Japan

Ricoh Company, Ltd. (President and Chief Executive Officer: Akira Oyama; hereinafter referred to as "the Company") today announced that as part of the Corporate Value Improvement Project, it has decided to implement a voluntary retirement program "Second Career Support Program" in Japan. As a digital services company, Ricoh is aiming to achieve growth and sustainably increase corporate value through this project.

1. Background

To build a business management structure befitting a digital services company, the Company has been working on the Corporate Value Improvement Project since April 2023.The Company has explored challenges from multiple angles to enhance its corporate value. These efforts have included engaging with shareholders, investors, and analysts, and considering capital market perspectives. The Company recognize its biggest challenge is to improve profitability. In transitioning to a digital services company, the Company is overhauling its profit structure to better align with its business model. The project is being driven in four respects: 1) Acceleration of Office Services profit growth 2) Transformation of Headquarters, 3) Acceleration of the strategic selection and concentration of its business areas, and 4) Transformation of the Office Printing business structure.

To further accelerate the transformation, we are strengthening necessary skills and capabilities as a digital services company and optimizing the personnel structure in each region in line with the changes in the business environment. Along with the on-going overseas structural reforms, we newly

implement the "Second Career Support Program" in Japan, to optimize workforce globally.

2. Overview of the program

With this program, we will optimize the headcount of approximately 1,000 people in Japan, within the Company and Japan domestic group companies. As a result, we expect to optimize the headcount of approximately 2,000 people in total globally. These measures are implemented in accordance with the labor laws, rules, and regulations of each region and country.

The details of the program in Japan are as follows.

[Overview of the Second Career Support Program (Calling for Voluntary Retirees)]

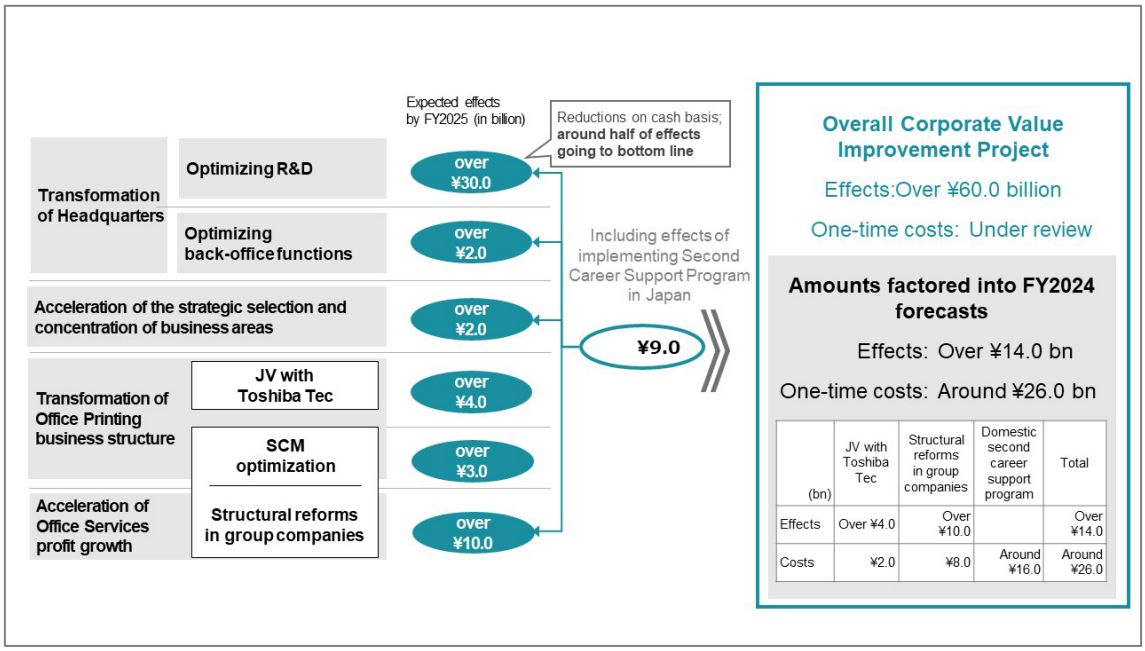
1. Eligible Companies: Ricoh Company, Ltd. and Japan domestic group companies
2. Eligible Employees: Employees who fulfill the conditions such as age, job grade, tenure, etc.
3. Number of Applicants: Approximately 1,000 people
4. Application period: October 1, 2024 to February 28, 2025
5. Retirement date: March 31, 2025 (planned)

3. Future outlook

Ricoh plans to record a one-time cost of approximately 16 billion yen in fiscal 2024 due to the payment of early retirement benefits for the implementation of the Second Career Support Program. The resulting cost reduction effect is expected to be 9 billion yen in fiscal 2025.

The one-time cost to be reflected for fiscal 2024 outlook is currently expected to be approximately 26 billion yen, including the previously announced 10 billion yen during Progress Report of Corporate Value Improvement Project at fiscal 2024 first quarter financial announcement on Aug. 6, 2024. Impact to the business result for the fiscal year ending March 2025, including progress of each initiative (effect amount) of the Corporate Value Improvement Project, will be announced upon careful evaluation of the future status and confirmation.

Corporate Value Improvement Project effects and one-time costs amount:



Reference

Progress Reports on the Corporate Value Improvement Project at financial announcements

1. FY2023 Q2 Financial Announcement (November 8, 2023)
   https://www.ricoh.com/-/Media/Ricoh/Sites/com/IR/data/pre/pdf/r05q2_3.pdf

2. FY2023 Q3 Financial Announcement (February 6, 2024)
   https://www.ricoh.com/-/Media/Ricoh/Sites/com/IR/data/pre/pdf/r05q3_3.pdf

3. FY2023 Financial Announcement (May 7, 2024)
   https://www.ricoh.com/-/Media/Ricoh/Sites/com/IR/data/pre/pdf/r05q4_3.pdf

4. FY2024 Q1 Financial Announcement (August 6, 2024)
   https://www.ricoh.com/-/Media/Ricoh/Sites/com/IR/data/pre/pdf/r06q1_3.pdf