

Ricoh Co., Ltd. was established in Japan on February 6, 1936. The Ricoh Group consists of Ricoh Co., Ltd., 360 subsidiaries, and 21 affiliates*. The Ricoh Group engages in activities on a global scale that include the development, production, marketing, after-sales services, and recycling of office equipment including copiers and printers in five regions around the world (Japan, the Americas, Europe, China, and the Asia-Pacific region). The Group has more than 73,000 employees.

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* The definition of an affiliate follows the U.S. Generally Accepted Accounting Principles (U.S. GAAP), which differ slightly from the definition given in Japan's GAAP.

Ricoh Group Brands

The Ricoh Group markets products under its own brand name "RICOH" as well as the following.

Brand logos

RICOH

SAVIN®

nashuatec

Rex•Rotary

Gestetner

LANIER

Targeted Period/Scope of This Report

This report describes the sustainable environmental management activities of the Ricoh Group in fiscal 2003 (April 1, 2003 to March 31, 2004).

Environmental impact and environmental accounting data: fiscal 2003 data
Descriptions in articles and chronological tables: fiscal 2003 data (in principle)

The environmental impact and environmental accounting data are taken from the Ricoh Group's major business sites in five (5) regions—Japan, the Americas, Europe, China, and the Asia-Pacific region—and as such, may differ from Ricoh Group data presented elsewhere in this report, e.g., in the organization profile and global network. The name Ricoh refers to "Ricoh Co., Ltd.," and not the "Ricoh Group" as a whole.

Important Organizational Changes Made During the Report Period

In December 2003, 85.5% of the total shares of Taiwan Ricoh Co., Ltd. (Taiwan) were transferred to Asia Optical Co., Inc.

In March 2004, a basic agreement for a stock transfer was signed with Hitachi Ltd. All of the shares of Hitachi Printing Solutions Ltd. (sales: approx. 60 billion yen, consolidated number of employees: 2,200), which is a wholly-owned subsidiary of Hitachi Ltd., will be transferred to Ricoh. The agreement will become effective in October 2004.

Penalties and fines related to environmental issues (The Ricoh Group)

	Fiscal 2001	Fiscal 2002	Fiscal 2003
Number of cases	0	0	0
Amount	0	0	0

Past and Future Reports

The Ricoh Group has published annual environmental reports every year since 1997, which covered fiscal 1996. The 2004 Report in Japanese was issued in June 2004. The 2005 Report in Japanese will be issued in June 2005.

● Data Collection

Environmental impact and environmental accounting data are collected from Ricoh's production and non-production sites and Ricoh Group companies that have established their own sustainable management systems.

● Scope of Collection of Environmental Impact and Environmental Accounting Data

Japan

Ricoh production sites:

Atsugi Plant, Hatano Plant, Numazu Plant, Gotemba Plant, Fukui Plant, Ikeda Plant, Yashiro Plant

Ricoh nonproduction sites:

Aoyama Head Office, Ohmori Office, Ohmori Office No. 2, Ginza Office, Ricoh System Center, Shin-Yokohama Office, Ricoh Service Parts Center, Research and Development Center, Software Research Center, Toda Technical Center, Applied Electronics Laboratory

Ricoh Group major manufacturing subsidiaries:

Tohoku Ricoh Co., Ltd.; Hasama Ricoh, Inc.; Ricoh Unitech Co., Ltd.; Ricoh Optical Industries Co., Ltd.; Ricoh Keiki Co., Ltd.; Ricoh Microelectronics Co., Ltd.; Ricoh Elemex Corporation

Ricoh Group major nonmanufacturing subsidiaries:

Ricoh Logistics System Co., Ltd.; Ricoh Techno Systems Co., Ltd.; 50 sales companies; and NBS Ricoh Co., Ltd. Part Component System Co., Ltd.¹ Ricoh Leasing Company, Ltd.²

The Americas

Manufacturing company:

Ricoh Electronics, Inc. (U.S.A.)

Nonmanufacturing companies:

Ricoh Corporation (U.S.A.) and two sales companies

Europe

Manufacturing companies:

Ricoh UK Products Ltd. (U.K.)
Ricoh Industrie France S.A. (France)

Nonmanufacturing companies:

Ricoh Europe B.V. (the Netherlands) and 16 sales companies in the region

China

Manufacturing company:

Ricoh Asia Industry (Shenzhen) Ltd. (China)

Asia-Pacific Region

Manufacturing company:

Taiwan Ricoh Co., Ltd. (Taiwan)³

Nonmanufacturing companies:

Ricoh Asia Pacific Pte. Ltd. (Singapore)
Ricoh Hong Kong Ltd. (Hong Kong)

1. Environmental accounting data only

2. Part of environmental impact data only

3. First half of fiscal 2003 only

■ Principles of the Environmental Reporting

In fiscal 2001, Ricoh established principles of environmental reporting, which comprise requisites for providing information useful to stakeholders when they make their decisions on sustainable environmental management. The environmental reporting is based on corporate accounting principles as no official principles or terminology have been developed for sustainable reporting.

Principles of the Environmental Reporting

1. The environmental reporting must contain true statements about companies' state of sustainable environmental management¹.
2. The environmental reporting must fairly represent the results of all the sustainable environmental management activities².
3. The environmental reporting must clearly represent the facts necessary for stakeholders not to misjudge the environmental impact of companies³ and ⁴.
4. The environmental reporting must continuously reflect the principles and procedures of basic data processing and representation methods every fiscal year and may not change those principles, procedures, and representation methods without good reason⁵.

Notes:

1. "Companies" refer to the Ricoh Group as a whole, Group companies, and/or their business sites, depending on the coverage and level of the report.
2. The avoidance of disclosing negative information shall not be regarded as a fair representation of all information.
3. The state of companies' environmental risk management shall be included in the information stakeholders use in decision making.
4. Significant subsequent events shall be described in the report. Subsequent events refer to events that occur during the period from the day after the reporting period ends to the date the report is completed. Such events may influence the state of companies' sustainable environmental management from the next fiscal year onward.

Examples of significant subsequent events are as follows:

- a) Critical damage caused by environmental pollutants and similar causes
- b) The announcement and implementation of large environment-related investment projects
- c) The assignment and transfer of significant environment-oriented business transactions
- d) Significant, controversial environment-related cases that arose or were solved
- e) The announcement of significant development in environment-oriented technologies

Subsequent events disclosed as notes are useful as supplemental information to determine the state of companies for future sustainable environmental management.

5. Ongoing applications may be cancelled only if there is good reason and it has been determined that environmental reporting would be more rational if it followed procedure or if there were changes in representation. "Good reason" includes significant changes in company management policies, business reorganization, drastic technological innovation, and amendments in and the abolition of relevant laws, regulations, and standards.