Fiscal 2001 Ricoh Group Corporate Environmental Accounting (Reviewed by BVQI [26])

Cost unit: ¥100 million (Exchange rate: $1 = ¥125.1 €1 = ¥110.6)

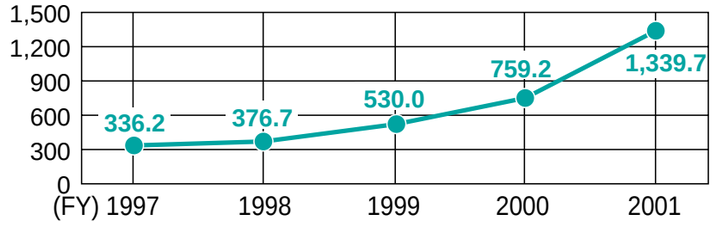
Collected data ● Source: 79 Ricoh Group companies. (See page 2.)
● Collection period: From April 1, 2001, to March 31, 2002 (for costs and total environmental impact)
* Environmental impact reduction shows the difference of the fiscal 2001 performance from the fiscal 2000 performance.

Item	Costs			Economic Benefits			Effect on Environmental Conservation				Environmental Impact	Converted Value of Reduction	Social Costs	Conversion Coefficient
	Environmental Investments	Environmental Costs	Main Costs	Monetary Effects	Category	Item	Environmental Impact Reduction (t)	Reduction Rate	Converted Quantity of Reduction	Social Cost Reduction Values	Total (t)			
Business area costs	5.2	24.1	Pollution prevention cost ..... ¥484 million Global environmental conservation cost ..... ¥374 million Resource circulation cost .... ¥1,557 million	11.8	a	Energy savings and improved waste processing efficiency	Environmental impact reduction at business sites							
				44.4	b	Contribution to value-added production	CO_2 ..... 14,850.5	5.0%	14,851	1.77	CO_2 281,186	281,186	33.59	1.0
				21.7	c	Avoidance of risk in restoring environments and avoidance of lawsuits	NO_x 8.6	4.4%	169	0.02	NO_x 186	3,672	0.44	19.7
Upstream/ Downstream costs	0.0	48.7	Cost of collecting, disassembling, and recycling used products	33.4	a	Sales of recycled products, etc.	SO_x 0.7	2.9%	21	0.00	SO_x 24	712	0.09	30.3
				[21.5]	S	Reduction in society's waste disposal cost	BOD ..... -8.1	-17.1%	-0	-0.00	BOD 56	1	0.00	0.02
Managerial activity costs	0.5	30.8	Cost generated by the division in charge of environmental conservation; cost to establish and maintain an environmental management system	1.8	b	Effects of media coverage and environmental education	Final waste disposal amount 4,310.0	72.5%	448,240	53.54	Final waste disposal amount ... 1,639	170,435	20.36	104.0
Research and development costs	0.0	18.8	Research and development costs for environmental impact reduction	38.1	b	Contribution to gross margin through research and development	PRTR substance emissions		93,707	11.19	PRTR substance emissions	125,236	14.96	(Ricoh standards per substance)
				[8.4]	S	Reduction in user's electricity expenses thanks to an improved energy saving function and product performance	Environmental impact reduction through products CO_2 ..... 13,043.8 (t) NO_x ..... 10.7 (t) SO_x ..... 8.5 (t) Final waste disposal amount ... 26,920.0 (t) Calculation for companies in Japan only							
Social activity costs	0.0	4.5	Costs of preparing environmental reports and advertisements	4.4	b	Publicity from environmental advertisements, etc.								
Environmental damage costs	0.0	1.3	Costs of restoring soil and environment-related reconciliation	—	—	None								
Other costs	0.1	0.9	Other costs for environmental conservation											
Total	5.8	129.1		155.6	Sum of a, b, and c.	a: Substantial effect b: Expected effect c: Incidental effect S: Social effect	1.21 Ratio of eco profit		556,988	66.52		581,242	69.44	
Total capital investment	252.8			【29.9】	Total S's		1.95 Ratio of eco effect		0.0431 Eco-improvement index	0.515 Improvement ratio of social cost		1,204.1 Eco-index	100.8 Ratio of profit to social cost	

■ Fiscal 2001 Environmental Accounting System

Environmental conservation costs generally increased despite a decrease in environmental investments because the scope of environmental costs was extended. It is generally believed that product recycling costs and research and development costs, in particular, increased because product environmental impact was mainly reduced. Economic benefits doubled from the previous year due to an increase in sales of recycled products in overseas market. Social (customer) economic benefits also increased as a result of eco-friendly products well accepted by the market. As for environmental conservation effects, the Ricoh Group reduced CO_2 emissions 4.9%, more than five times that in the previous year, and it was determined that the investments worked well. As for the resource depletion issue, the final waste disposal amount was reduced more than 70% against the previous year, thanks to the global promotion of Zero-Waste-to-Landfill activities. Furthermore, PRTR substances were reduced almost 50%. In fiscal 2001, the Ricoh Group successfully and significantly reduced its overall environmental impact. The Group's corporate added value is also growing, along with a significant improvement in the eco-index. The ratio of eco profit (REP) exceeded 1.0 for all economic benefits, and the ratio revealed that the economic benefits obtained corresponded to environmental conservation costs. The estimated environmental income rate was calculated using the substantial effect and contribution to gross margin, which were believed to have contributed to actual corporate P/L. The estimation was calculated as 0.64, falling short of the original sustainable management goal of 1.0 or higher. By developing measures to achieve this goal, the Ricoh Group aims at further realizing sustainable management.

Changes in the Eco-Index (Ricoh only)



Changes in the Eco-Index (the Ricoh Group)