

We are reducing the environmental impact that a product has during its lifecycle by reducing and strictly managing environmentally-sensitive substances contained in our products.

● Concept

Aiming to reduce the impact on the global environment and enhance end-user comfort levels, the Ricoh Group is tackling important issues, specifically the establishment of a strict management system for environmentally-sensitive substances contained in its products and reduction of ozone, dust, and volatile organic compounds (VOCs)¹ emissions at the end-user stage. Environmentally-sensitive substances contained in products do not affect the environment when the products are in use, but they will affect the environment when the products come to the end of their lifecycle and are improperly disposed of. An eco-balance² assessment shows that reducing the use of these substances will ultimately lessen the environmental impact a product has during its lifecycle and reduce recycling costs to a great extent. The Ricoh Group is making efforts to reduce environmentally-sensitive substances and create a reliable management system that covers the entire manufacturing flow, including suppliers.

1. VOC stands for volatile organic compound.

TVOC stands for total VOC.

2. See page 53.

● Targets for Fiscal 2007

- ◎ Create and enforce a system of managing chemical substances contained in Ricoh Group products (in fiscal 2005).
- ◎ Observe Ricoh standards that cover environmentally-sensitive substances emitted by products. (Observe Ricoh standards that cover such substances as ozone, dust, and VOC.)

<Global>

① Achievement of Standards for Environmentally-sensitive Chemical Substances

| | Models that Achieved the Standards ³ | Ricoh Standards (mg/h) | Blue Angel Standard (mg/h) |
|-------|---|------------------------|----------------------------|
| Ozone | 10 | 2.0 | 2.0 |
| Dust | 10 | 4.0 | 4.0 |
| TVOC | 10 | 10 | 10 |

3. Figures indicate the number of product series, including copiers, multifunctional copiers, and printers, launched in fiscal 2005 that achieve these standards.

● Review of Fiscal 2005

In fiscal 2005, we launched a number of products that comply with the RoHS Directive in Europe. Also, Ricoh established the Ricoh Group's common guidelines for the management of chemical substances contained in products, and the entire Ricoh Group in Japan completed the creation of a system of managing chemical substances contained in products in order to enhance its management system. Concerning emissions of environmentally-sensitive substances generated by products, a range of products, including copiers, multifunctional copiers, printers, and 10 model series, launched in fiscal 2005 have attained Ricoh's standards for ozone, dust, and VOC.

● Future Activities

Combining the Ricoh Group's system of managing chemical substances contained in products with Ricoh's own Chemical Substance Management System (CMS) created by suppliers, we will carry out chemical substance management that encompasses the entire supply chain of the Ricoh Group. We will continue our efforts to further reduce environmentally-sensitive substances of products to cope with the new standards of Germany's Blue Angel, which are scheduled to be revised in January 2007.

Promoting Complete Elimination of Use of Environmentally-sensitive Substances

<Ricoh Group (Global)>

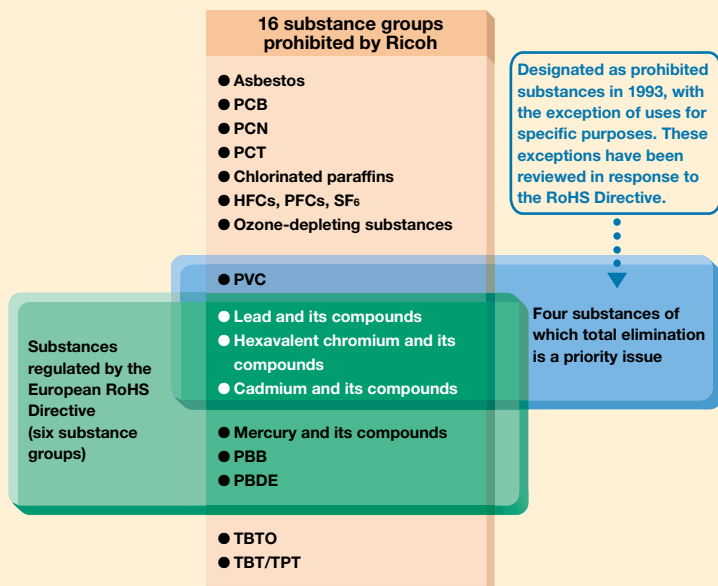
Ricoh set original standards for environmentally-sensitive substances that could be used in its products in 1993 as part of efforts to reduce these substances. In fiscal 2002, it set out a policy to further reduce the use of the remaining 4 prohibited chemical substance groups out of the 14 product groups (currently 16 groups; 2 groups were added in fiscal 2004) prohibited by Ricoh, while all the divisions engaged in production (the design, procurement, and manufacturing divisions) have jointly launched a project to enhance the chemical substance control system. Meanwhile, at the end of March 2006, a system of preventing chemical contamination at suppliers was created on a global basis. At the same time, the chemical substance control system within the Ricoh Group was strengthened, completing management system for chemical substances contained in products within Japan. As for the system outside of Japan, we aim to complete the building of the system by July 2006. To manufacture products that do not contain environmentally-sensitive substances and promptly disclose information to customers, we will continue our efforts to enhance the chemical substance control system that covers the entire production flow, including suppliers.

Marketing Products Pursuant to the RoHS Directive

Ricoh, which has been engaged in reducing environmentally-sensitive substances and enhancing its management system for a long time, has been sequentially launching products complying with the RoHS Directive since fiscal 2004. In fiscal 2005, we marketed the imagio MP C2500/3000 series of color multifunctional copiers. We will promote conformance to the RoHS Directive not only in new products but also in those already on the market.

Relationship among substance groups controlled by Ricoh, substance groups prohibited by Ricoh, and substances restricted by the RoHS Directive

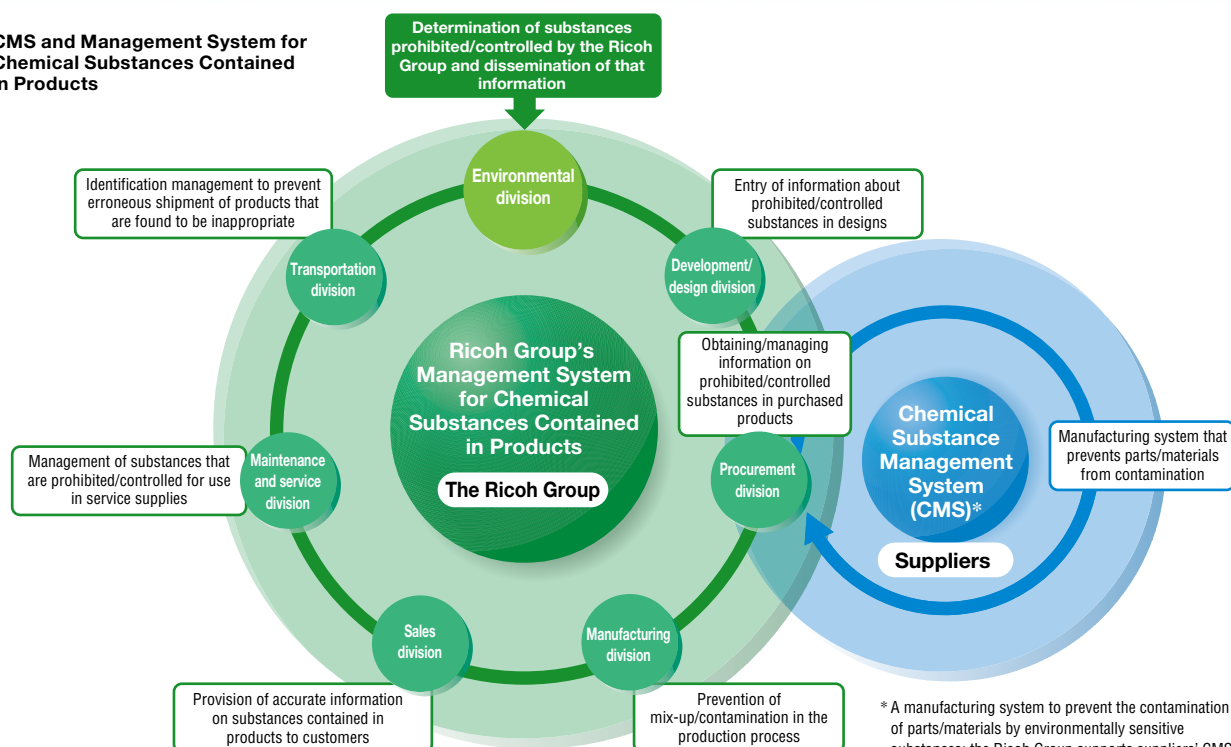
There are 66 substance groups controlled by Ricoh



RoHS Directive and Ricoh's Chemical Substance Control Standards

The RoHS Directive, which stands for the Restriction of Hazardous Substances Directive, is an EU Directive that restricts the use of certain hazardous substances in electrical and electronic equipment. The directive is scheduled to take effect on July 1, 2006. The RoHS Directive sets the levels of six groups of substances contained in products. Cadmium is set at 100 ppm, and the other five groups are set at 1,000 ppm or less. On the other hand, Ricoh sets stricter standards (to be complied with) than those of the RoHS Directive: 100 ppm for the five groups of substances, excluding cadmium, which is 75 ppm or less.

CMS and Management System for Chemical Substances Contained in Products



* A manufacturing system to prevent the contamination of parts/materials by environmentally sensitive substances; the Ricoh Group supports suppliers' CMS by providing relevant information and verifies their CMS.