

THE NEW VALUE FRONTIER



Sustainability Report 2007



Sustainability Report

07

KYOCERA MITA GROUP

Corporate Motto

Respect the Divine and Love People

Preserve the spirit to work fairly and honorably, respecting people, our work, our company and our global community.

Management Rationale

To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.

Management Philosophy

To coexist harmoniously with nature and society.

Harmonious coexistence is the underlying foundation of all our business activities as we work together to create a world of abundance and peace.

Editorial Policy and Duration

This report covers the environmental protection activities conducted at domestic business sites of Kyocera Mita Corporation and its affiliates during fiscal year 2006 (April 2006 to March 2007).

We used the Environmental Reporting Guidelines of the Japanese Ministry of the Environment as a reference in preparing this report. The history of our environmental efforts before fiscal 2006, as well as activities at our overseas plants, are also contained herein.

This year's cover design, like last year's, represents our corporate motto, "Living Together—harmonious coexistence with nature."

Business sites of Kyocera Mita Corporation

Japan: Head Office, Yoga Office, Tamaki Plant, Hirakata Plant
Overseas: Kyocera Mita Shilong Plant (China)
Kyocera Mita South Carolina Plant (USA)
Kyocera Mita Hong Kong

Business sites of affiliates

Japan: Kyocera Mita Japan Corporation
Daiken Co., Ltd.

Corporate Profile

Name:

Kyocera Mita Corporation

Headquarters:

1-2-28 Tamatsukuri, Chuo-ku, Osaka 540-8585

TEL: +81-6-6764-3555 (Main switchboard)

Representative:

President Katsumi Komaguchi

Founded:

November 1934

Incorporated:

July 1948 (Mita Industrial Co., Ltd.)

Renamed Kyocera Mita Corporation on January 18, 2000.

Capital:

JPY 12 billion (Kyocera Co., Ltd. 100%)

Annual sales:

JPY 267.8 billion (consolidated sales of the Kyocera Mita Group reported in March 2007)

Number of employees:

12,125 (as of March 31, 2007 for all companies in the Kyocera Mita Group)

1 sales company in Japan, 24 sales companies in 24 countries, 2 production companies and 1 distribution company

Line of business:

Manufacture and sale of monochrome and color printers, monochrome and color multifunctional devices, wide-format systems, parts and supplies

Business offices in Japan:

Yoga Office

2-14-9 Tamagawadai, Setagaya-ku, Tokyo 158-8610

TEL: +81-3-3708-3851

Plants in Japan:

Tamaki Plant

704-19 Nojino aza matabei, Tamaki-cho, Watarai-gun, Mie 519-0497

TEL: +81-596-58-4111

Hirakata Plant

1-38-12 Tsudakitamachi, Hirakata-shi, Osaka 573-0121

TEL: +81-72-858-1231

Capital and annual sales amounts are rounded to the nearest hundred million.

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(Professor, Department of Environmental & Cultural Studies, Faculty of Humanities, Kobe Yamate University)

Host: Mr. Keiji Itsukushima
(Managing Executive Officer; Senior General Manager, Corporate R&D Division 1, Kyocera Mita Corporation)

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Top Commitment

We will continue environmental management and social contribution with high ethical standards.

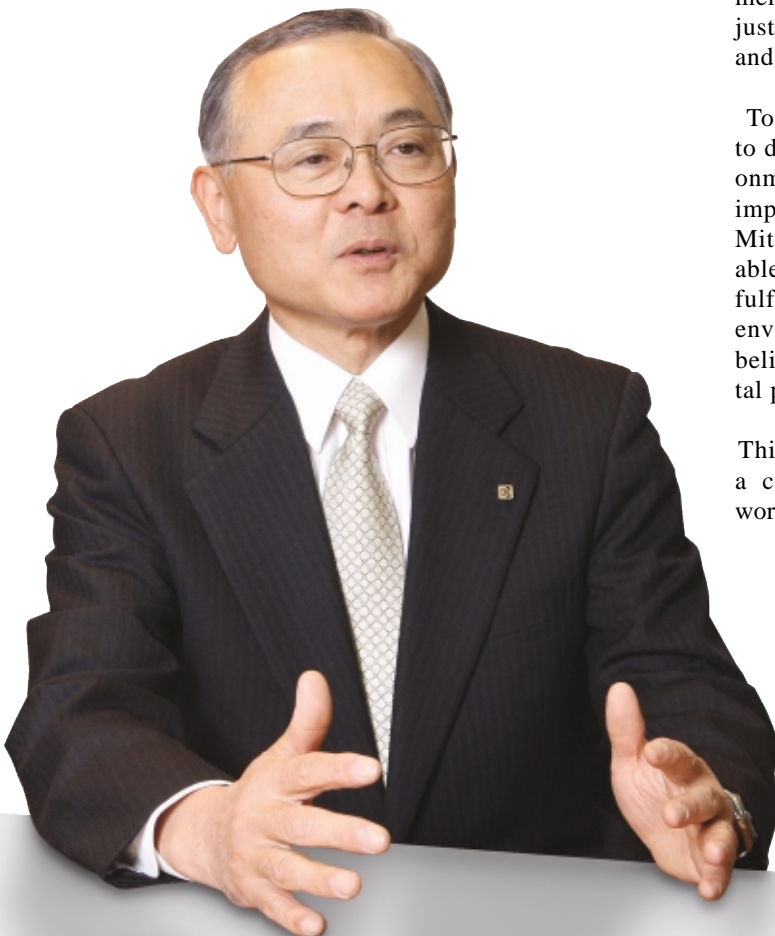
Promoting business activities in a spirit of altruism

As a member company of Kyocera Group, Kyocera Mita adheres to the management rationale: "To provide opportunities for the material and spiritual happiness of all our employees, and through our joint efforts, contribute to the advancement of society and humankind." We have been managing our company based on the Kyocera Philosophy, which upholds "doing what is right as a human being" as the principal criterion for making business decisions.

We have always strived to "serve society and people" in a "spirit of altruism," on the basis of fundamental ethical and moral "values—fairness, equality, justice, industry, courage, philanthropy, humanity and loyalty."

Today, there is increasing demand for companies to demonstrate active social contribution and environmental activities. These are now recognized as important factors in corporate activities. Kyocera Mita has always believed that to achieve sustainable development, it is essential for companies to fulfill their social responsibilities, particularly in environmental management. In keeping with this belief, we have been actively pursuing environmental protection.

This year, Kyocera Mita upholds the aim of "creating a company that is trusted by people around the world." We intend to remain a worthwhile company,



trusted by all stakeholders (customers, suppliers, employees, shareholders, local communities etc.), by offering better products and services, which we consider to be our primary duty as a company.

We will continue our efforts to develop more eco-friendly products and make them available to the public. To become a more trusted company in regard to environmental commitment, we will carry on with vigorous efforts not only to achieve zero emissions at all our plants, but also to reduce the environmental load of products throughout their entire life cycle.

We will also continue our efforts to fulfill our social responsibilities and to pursue highly ethical and transparent business management, so as to be trusted by all stakeholders.

Doing our best to produce eco-friendly products

Kyocera Mita manufactures products based on the ECOSYS concept. It was 15 years ago that the first ECOSYS printer model was released to the market. ECOSYS is a word formed by combining the three words "ecology," "economy" and "system"; the ECOSYS concept aims to combine high environmental and economic benefits into an IT system.

In line with this concept, we are pursuing product development from the earliest planning stage always paying attention to the product's environmental friendliness, resource efficiency and contribution to the values of our customers.

In recent years, greater attention has been paid to life-cycle environmental management. It has become more important to pay attention to environmental impact throughout the entire product life cycle, from selection of materials and parts to procurement and manufacturing activities, distribution and service activities and disposal of consumables and end-of-life products. It is necessary to reduce environmental impact at all stages of the product life cycle, not just one stage. To this end, we have

launched an effort to accurately assess and evaluate, and thereby reduce, the environmental impact of products throughout their life cycle.

We have been expanding environmental protection promotion activities to our business sites throughout the world, with the focus this year on CO₂ emission and waste reduction. The plan is for all sales companies, including overseas companies, to acquire ISO14001 certification by the end of FY2007. Above all, Kyocera gives priority to protection of the health and safety of its employees; in order to vigorously promote occupational health and safety activities, Kyocera Mita introduced the Industrial Safety and Management System (OHSAS18001) at the Hirakata Plant and Tamaki Plant, and acquired OHSAS18001 certification last year. In FY2007, it is planned that Daiken Co., Ltd., a group company, will also acquire OHSAS18001 certification. We plan to expand occupational health and safety activities to include other business sites in addition to plants, thereby to ensure that all our business sites in Japan acquire OHSAS18001 certification by the end of FY2008.

Kyocera Mita will continue effective social and environmental activities to help realize a better future for the global environment and for humanity. To realize this, all our employees are determined to make the most of what they can do.

We hope that readers of this report will gain a better understanding of our vision and activities. To better fulfill our social responsibilities and enhance the quality of our environmental management, we invite your candid comments and opinions about the content and the company, for which I thank you most sincerely in advance.

President
Katsumi Komaguchi

Special Feature

Kyocera Mita's environmental management approach,
embodied in its long-life printers/multifunction machines

What is "manufacturing" with consideration given to the product life cycle?

The ECOSYS printer was developed on the basis of the Kyocera Philosophy, in the course of Kyocera Mita's pursuit of a product differentiation strategy. Kyocera's proprietary technologies, including the amorphous silicon drum, have realized an unprecedentedly long life, which offers two benefits-economic and environmental. ECOSYS printers have achieved significant waste reduction by incorporating long-life components and thereby reducing the number of consumables. Above all, waste reduction capability is the most important environmental feature of ECOSYS, and is highly regarded by users and environmental specialists in Japan and abroad.

ECOSYS printers, which have been awarded several environmental labels in the United States and Europe, including Germany's Blue Angel (which is believed to be the most stringent environmental standard), are highly rated and have been increasing their market share, especially in Europe. ECOSYS printers rank third in market share in Germany, an advanced environmental country.

In this interview, facilitated by Ms. Chiaki Kawahara (researcher at the Institute for Environmental Management Accounting), host Mr. Keiji Itsukushima (Managing Executive Officer/Senior General Manager, Corporate R&D Division 1, Kyocera Mita Corporation) and guest Dr. Karl-Heinz Feuerherd (professor, Department of Environmental & Cultural Studies, Faculty of Humanities, Kobe Yamate University) discussed the background to the birth of ECOSYS products, the ECOSYS concept, characteristics and market evaluation, as well as Kyocera Mita's approach to environmental management as a global company and its future direction in environmental management.



ECOSYS® ECOSYS Printer
LS-6950DN



Guest: Dr. Karl-Heinz Feuerherd

Professor, Department of Environmental & Cultural Studies, Faculty of Humanities, Kobe Yamate University

Born in 1947 in Germany. Degree in chemistry and doctorate in natural sciences at Hanover Technical University, Germany. When finishing his job as university research assistant in 1977 he joined the chemical company BASF as research chemist working in the Central Laboratory. In 1990 he became responsible for BASF's product life cycle projects and was appointed as head of the company's eco-efficiency research group. Experience as active member in the standardization of life cycle assessment procedures by working in committees of ISO (International Standards Organization) and DIN (German Industry Standard). Chairman of the ecobalance working group of APME (Association of Plastics Manufacturers in Europe) until 1999. His current research activity at Kobe Yamate University is focusing on methods to integrate environmental impacts and monetary burdens caused by products and services. He also contributed his experience to several committees in Japan including the Green Chemistry Research Committee and NEDO Chemical Substances/Process Technology Committee.

New Energy and Industrial Technology Development Organization



Mr. Keiji Itsukushima

Managing Executive Officer/Senior General Manager, Corporate R&D Division 1, Kyocera Mita Corporation

Born in 1958. Joined Kyocera Corporation in 1982. He was engaged in developing the electrophotography process for copying machines and laser printers. He participated in developing the first generation ECOSYS printer, introduced in 1992. In March 2000, he was awarded the "Okochi Memorial Prize" for developing the long-life electrophotography process and commercializing an eco-friendly printer. Since 2001, he has been involved in the product development of ECOSYS multifunction machines and printers at the Product Development Department, Kyocera Mita Corporation. Since 2006, he has served as Senior General Manager of Corporate R&D Division 1.

Facilitator: Ms. Chiaki Kawahara

Kyocera's Brand Statement forms the basis of ECOSYS brand product development.

Kawahara: I've heard that Kyocera's Brand Statement forms the basis of developing ECOSYS brand products.

Itsukushima: Yes, that's right. Kyocera's Brand Statement, which is the basis of the Brand Charter, summarizes the fundamental principles on which Kyocera has based its business activities since its founding. Although the Brand Statement was documented in 2001, since it is based on Kyocera's corporate philosophy, the "Kyocera Philosophy," it can be said that the fundamental concept of the Brand Statement has been around since the company's founding. The Kyocera Philosophy is a compilation of messages (philosophies) that the Founder and Chairman Emeritus of Kyocera, Kazuo Inamori, conveyed to the company's employees. We are promoting activities to ensure that all employees understand and share this corporate philosophy.

Feuerherd: What kind of activities do you engage in?

Itsukushima: We conduct training programs. We board members also receive training held in Kyoto each year. Most of the things—principles and values—described in the Kyocera Philosophy are basic, but it's really difficult to practice them. I'm still in the learning stage.

Feuerherd: The Kyocera Philosophy is your company's identity, isn't it?

Itsukushima: Yes. Values expressed in the Kyocera

Philosophy and the Brand Statement form the foundation of the management of Kyocera Group.

ECOSYS products deliver superior economic and environmental benefits, based on Kyocera's proprietary technology.

Kawahara: Please explain the circumstances under which ECOSYS products were developed.

Itsukushima: Although Kyocera had achieved high profit margins since the launch of a printer with a drum cartridge in June 1986, we felt that we should offer products with a unique value that differed from the competition.

Meanwhile, a unique amorphous silicon drum technology had been developed in another area apart from the laser printer business, and amorphous silicon drums had been incorporated in large copying machines. We then came up with the idea to develop a printer equipped with an amorphous silicon drum, instead of an OPC (Organic Photo Conductor) drum. As a result of numerous trials and errors, we came to the conclusion that "long-life" is the primary benefit we should offer to our customers. ECOSYS printers, stemming from this idea, have achieved two key benefits for customers—superior economic and environmental performance.

Feuerherd: I see. You have achieved economic and enviro-



[Brand Statement]

THE NEW VALUE FRONTIER

Being at the frontier is what Kyocera is all about. "Frontier" means the forefront of development; a new area under development. Accordingly, "The New Value Frontier" reflects Kyocera's commitment to continually creating new value at the cutting edge of technology. This powerful statement also provides a focal point for Kyocera in its drive to create value in the form of new technologies, new products and new markets. And it's the horizon where Kyocera invents valuable businesses in the information and communications, environmental preservation, and quality of life industries. By framing its operations within the standard of "The New Value Frontier," Kyocera will be seen as a creative, continually growing enterprise and a valuable, diversified corporation.

[Brand Charter]

- ∞ Kyocera, characterized by originality and high quality, constantly creates new value to facilitate human progress.
- ∞ Kyocera pursues excellence while adhering to universal principles. We develop unique technologies and apply our vision to create valuable products that markets continually seek.
- ∞ In all of its activities, Kyocera is committed to creating value that exceeds customer expectations. The brand promises performance that amazes and delights in the areas of technological strength, superior quality and responsiveness. The Kyocera Brand—"The New Value Frontier"—is worthy of worldwide recognition and global acclaim.



onmental benefits through technological development. Could you elaborate a bit more on these two benefits?

Itsukushima: Around 1983, when laser printers were first introduced to the market, such issues as cost-per-print and waste associated with drum cartridge replacement were not yet receiving much attention. At that time in Japan, the cost-per-print for printers was about five yen. Kyocera considered that too expensive and tried to reduce the cost incurred by the user, while providing significant cost benefits by extending the service life of consumable parts.

Feuerherd: I see. You considered the cost of a printer in terms of total cost of ownership (TCO), which includes the initial purchase price and operating cost, and tried to reduce TCO. By the way, could you explain the other benefit, "environmental performance"?

Itsukushima: In 1990, when the first test model of a new laser printer was completed, we received some advice from Chairman Emeritus Inamori. His advice led to the development of the ECOSYS concept, which focuses on eco-friendliness as the biggest selling point. When we released ECOSYS printers into the German market in 1992, we set the price of the machine relatively higher, our intention being to ask the users to bear the costs of protecting the environment, as well.

Feuerherd: At that time, was the environmental friendliness of ECOSYS understood well by the German people?

Itsukushima: I think the environmental friendliness of ECOSYS printers was understood quite quickly. ECOSYS' low replacement frequency—in other words, the ECOSYS drum and toner container need only be replaced after 300,000 pages and 20,000 pages, respectively—attracted much attention from an environmental protection perspective. In Europe, many public agencies and large companies introduced ECOSYS printers on a

lump-sum basis. Moreover, ECOSYS printers were widely reported in the mass media.

Feuerherd: In Germany, strict environmental regulations came to be imposed on business organizations in the 1990s. In those circumstances, ECOSYS printers captured much of the spotlight. That's quite understandable.

Still, I imagine you encountered a number of difficulties in the course of your attempt to extend the service life of consumable parts, giving consideration to all stages of the product's life cycle.

Itsukushima: Yes. The service life of peripheral parts used to be 10,000 to 50,000 pages, but we set the target service life of many peripheral parts at 300,000 pages, as with the amorphous silicon drum, and that was an extremely high hurdle for our engineers. We also developed a new packaging material, using pulp molds made from recycled paper.

Feuerherd: I can imagine how high the hurdle was, given the situation of the market at that time. Many of the parts comprising a laser printer are consumable items, aren't they? I imagine it was very difficult to extend the service life of all those parts.

Itsukushima: Yes. To achieve the target of extending the service life of all those parts, it was necessary for all engineers to work in the spirit of challenge.

Feuerherd: Your strong desire and motivation to create a unique, innovative product not offered by other manufacturers were the driving force. Did any other companies follow your business model?

Itsukushima: No, we are the only such company in the industry. This is so largely because there are significant technical entry barriers, including the development of an amorphous silicon drum, as well as peripheral parts.

Feuerherd: You have developed an innovative product that incorporates your proprietary technology, and have marketed such products at prices

that can pay for the costs associated with environmental performance. Your products also provide significant benefits to customers in terms of operating costs. I think these are the major characteristics of your approach.

Itsukushima: We feel that environmental performance alone does not have sufficient appeal for customers. We think it is important to provide products that offer compelling performance and economic advantages, as well as low environmental load.

The document-related equipment business will adhere to the ECOSYS concept.

Kawahara: Will the ECOSYS concept be applied in the production of other products?

Itsukushima: Currently, Kyocera Mita is engaged in the document-related equipment business, including multifunction machines. We will stick to the policy of "achieving both environmental and economic benefits," not only in the printer/multifunction machine business, but also in other businesses. In looking at the future of the company, I think it is necessary to improve the environmental performance of products in areas other than by extending the service life of consumable parts. Reducing paper consumption is one example.

Feuerherd: That's a difficult theme. Twenty years ago, it was said that increased information digitization would reduce the amount of printing on paper. But what is the current situation? Information is in digital form when it is processed by computer, but paper is still widely used as a recording medium. It is quite unlikely that paper will be entirely eliminated. But it is absolutely obvious that it



is necessary to consider the reuse and recycling of paper more seriously.

Itsukushima: I think that the scarcity of paper will increase in the future. It is expected that the population using paper will increase due to various factors, including the influence of the countries undergoing dramatic economic growth, such as China.

Feuerherd: But forest resources are limited. I imagine that the time will come when lighthearted printing practices are not allowed.

Itsukushima: But I think we should value printing for worthwhile purposes, such as storing information, publishing and providing information to people. We think we should work on developing and providing new products with high-value added in the printing segment, as well as further reducing the environmental impact of our business activities and products.

We will fulfill our responsibilities toward the global environment and society, while seeking economic profits.

Kawahara: What do you two think about "vision" as regards CSR?

Feuerherd: I think that a clearly defined vision is



important for companies in clearly articulating the direction in which they are heading. Just as your company pays attention to products post-sale, manufacturers should consider environmental protection not only from a manufacturer's perspective, but also from a more comprehensive perspective.

In order for companies to be respected by society while fulfilling their role of "generating value by transferring raw materials into useful products," it is necessary to build a social network for their customers and other stakeholders, which helps enhance corporate value. Companies should always view their products from the customer's perspective.

Itsukushima: Do you think the company's role will be much bigger in the future?

Feuerherd: Yes. In the US and Europe, people's confidence in traditional organizations, such as family and religious and political groups, has been weakened. People are now seeking entities whom they can trust more, and it is expected that companies will be one of those entities. For companies, it is important to function in supporting society by promoting CSR activities. I feel that society is changing that way. Companies are also playing the important role of educating their employees.

Itsukushima: Chairman Emeritus Inamori often says, "Working hard will lead to growth as a person." I agree that companies should assume responsibility toward the global environment, in addition to being an educational organization in the society, while pursuing economic activities.

Kawahara: Another important aspect is communication with stakeholders. What do you think about this aspect?

Itsukushima: In the past, we participated in cleaning activities around our business sites and held meetings to explain our environmental activities to stakeholders. In future, we plan to broaden the scope of our activities and further expand our social contribution activities.

Feuerherd: I worked for a large chemical company in Germany for more than 20 years. That company invited various stakeholders, such as NGOs, politicians, housewife groups, local school-teachers and students, to tour its plants to see the production facilities etc. The plant tour programs were designed to accommodate the interests of each stakeholder group. The tours were planned to finish at around teatime, so that stakeholders and plant staff could talk about various topics over a



cup of tea. If you conduct such activities on a regular basis, even if you don't engage in such special activities as a CSR program, I think it's possible to build a trusting relationship with stakeholders.

Itsukushima: To enhance communication with local residents, Kyocera Mita invites them to take part in plant tours and summer festivals. To further improve relations with local communities, we will continue good programs we have implemented in the past.

Positioning environmental protection as one of the pillars of our business strategy, we are earnestly pursuing environmental activities.

Kawahara: How do you engage in environmental activities?

Itsukushima: We look upon environmental protection as one of the pillars of our business strategy. In FY2005, the "Environmental Management Fundamental Strategy" and "Environmental Action Plan" were established. Accordingly, we are promoting company-wide environmental activities to reduce CO₂ emissions and waste generation, and eliminate toxic chemical substances.

Feuerherd: I've heard that your company acquired the German environmental label quite early.

Itsukushima: In the process of developing and introducing ECOSYS to the market as an eco-friendly product, employee awareness of the environment greatly increased. Acquisition of an environmental label indicates our increased awareness of the environment. I understand that our printer was the first to acquire the Blue Angel mark, among others.

Feuerherd: I imagine that you have experienced significant difficulties in conforming to the EU RoHS Directive.

Itsukushima: Yes, that's because we need to inspect not only the parts manufacturers from whom we purchase parts, but also the manufacturers/suppliers further upstream in the supply chain, so as to confirm that no prohibited substances are used or contained in parts and materials. But I think the most important thing is to establish a mechanism for purchasing reliable parts from reliable suppliers and providing reliable products to customers. It is essential to check whether an internal quality control system is in place and operating effectively at our company and suppliers, instead of just worrying about whether prohibited substances are con-

tained in supplied parts or our production lines.

We will strive to produce products that contribute to environmental conservation.

Kawahara: What do you think are Kyocera Mita's major challenges in the realm of environmental protection?

Itsukushima: It is a matter of course to strive to reduce the environmental impacts of production activities, but we will also do our utmost to produce products that contribute to environmental conservation. These efforts will bring more depth to Kyocera Mita's environmental management.

For example, power saving will become the main theme of product development. We will devote considerable effort to promoting the product reuse and recycling, while strengthening the advantages of our products—long-life and less waste. We are now considering whether it is possible to establish a system that motivates customers to return used toner containers for recycling.

Kawahara: I will keep close watch on your activities, in anticipation.

Feuerherd: I expect Kyocera Mita to promote comprehensive CSR activities by ensuring that all employees understand and practice the Kyocera

Message from a Customer

Japan | Nippon Life Insurance Company

Company outline:

Number of offices: branches: 128; sales offices: 1,704; overseas offices: 4
Number of employees: 66,437 (As of March 31, 2006)

With the aim of passing on the irreplaceable global environment to the next generation, we have been promoting environmental protection activities under our "Environmental Charter." As part of our environmental protection efforts, we have been implementing tree-planting activities, with the aim of compensating for the trees cut down to produce paper consumed in our daily business activities by planting new trees. Over the past 15 years we have planted more than 1,160,000 seedlings. We have also promoting resource/energy saving efforts, and acquired ISO14001 certification in 2001.

In selecting office equipment for use in our operations, we take environmental considerations into account. We introduced Kyocera's laser printers for the first time in 1995. We selected Kyocera printers, because at that time the only printers that did not generate industrial waste were Kyocera printers, which attracted considerable attention for their contribution to cost reduction.

At our sales offices throughout Japan, Total Partners prepare proposals for their customers. Sales activities require the frequent use of printers, but I feel that Kyocera Mita products, which feature long-life technology, offer great durability.

I think another advantage of Kyocera Mita printers is that they are easy to use. Kyocera Mita printers do not require replacement of toner cartridges, so basically users only need to replace toner containers. For their superior user-friendliness, Kyocera Mita printers are highly praised by our staff. Most Kyocera Mita products require less frequent parts replacement and maintenance, and have the merits of energy saving and low running cost.

Since Kyocera Mita's environmentally conscious product concept "ECOSYS" matches our environmental policy, we have continuously used Kyocera Mita products.

System Planning Department Manager: Koji Takegami



Philosophy. Having talked with you today, I understand that your company's efforts toward fulfilling corporate social responsibilities are not superficial; rather, you are working with sincerity and commitment. I am relieved. I hope you will maintain that stance.

Itsukushima: Through today's interview, I've renewed my awareness that it is necessary to view environment issues from broad and various perspectives, for example, the relations between environment and economy, and the significance of the company and its environmental activities. Thank you very much.



After the interview

I was glad to serve as a facilitator for today's interview. Thank you very much for giving me a meaningful and valuable opportunity to listen to the words of Mr. Feuerherd and Mr. Itsukushima, who play leading roles in promoting environmental management from a global perspective.

Through the interview, I was strongly impressed that Kyocera Mita's corporate philosophy, the "Kyocera Philosophy," is embodied in CSR activities and that the Company was making a strong contribution to the global environment and society through its business activities. Yet, without being satisfied with the status quo they are continuing their efforts, aiming for even higher levels. Such an attitude embodies the concept "The New Value Frontier." I greatly expect them to show us new styles of environmental management and CSR management.

Facilitator: Ms. Chiaki Kawahara

Master of Business Administration. Since 2003, she has been a researcher at the Institute for Environmental Management Accounting. Since 2004, she has been in the latter half of the doctoral program (Kokubu Laboratory) in the Faculty of Business Administration at the Graduate School of Business Administration, Kobe University. She has researched the latest trends of environmental accounting in foreign countries, including Europe. She presented her research results in her master's thesis "Comparative Analysis of Environmental Accounting Systems—Centered on Japan and EU Countries" as well as at the Society for Environmental Economics and Policy Studies. She is currently researching sustainability accounting.



Message from a Customer

Overseas | Kulmbach Brewery Corporation
(Germany)

Company outline:

Has 13 branch offices throughout Germany. Number of employees: over 1,000. Major brands: Kulmbacher, EKU, Kapuziner, Mönchshof

With the increase in our branch offices, we planned to develop new IT infrastructure and a centralized document management system. Since we had used the products of various different manufacturers for many years, our IT environment had been very inefficient, incurring unnecessary costs. To improve our IT environment we decided to use the same manufacturer's output system within all given departments.

The most important selection criteria were whether the machines were easy to use for employees, whether it was possible to reduce the number of systems and whether the machines were environmentally friendly.

Kyocera Mita's system printer satisfied all the standards for performance and environmental specifications required by our IT Department. Kyocera Mita has a wide-ranging lineup of products that enable the use of common printer drivers and toner. In the document imaging industry, only Kyocera Mita offers all types of document output systems on the basis of an integrated platform.

We have been promoting company-wide environmental protection activities, and Kyocera Mita's resource-saving and high-durability technologies were in perfect accord with our corporate concept.

For these reasons, the printers of various different manufacturers used in our offices have been replaced with the Kyocera Mita FS-1920, a compact workgroup printer with various functions.

We are fully satisfied with Kyocera Mita's document output management system. The use of Kyocera Mita products enables us to realize the most efficient document output solution and significant cost reduction at the same time.





Environmental Report

Kyocera Mita has been implementing comprehensive environmental protection activities, to help realize a sustainable society in which environmental preservation and economic activities exist in harmony. Kyocera Mita's manufacturing itself, based on the ECOSYS concept, can be viewed as environmental protection and environmental management activities. ECOSYS, a word formed by combining the three words "ecology," "economy" and "system," means a highly ecological and economical system, and is the product brand of Kyocera Mita. ECOSYS brand products provide significant environmental and cost benefits by extending the service life of consumable parts, minimizing the frequency of their replacement. We believe that our greater commitment to business activities in accordance with the ECOSYS concept will help reduce environmental burden and enhance environmental protection. Kyocera Mita is committed to more actively and continuously pursuing improvement activities that will help conserve the global environment.

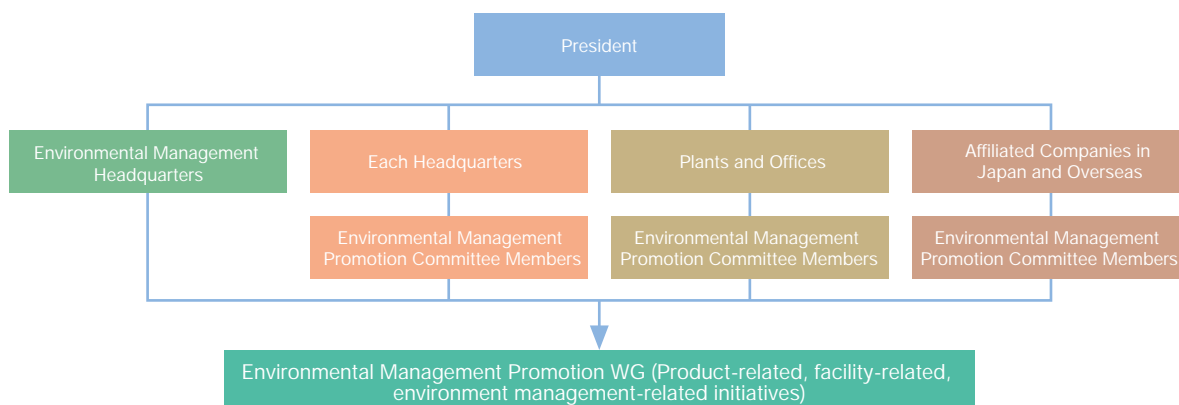
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Environmental Policy and Action Plan

Environmental Management Basic Strategies

- 1 **Promoting business activities that will help build a recycling-oriented society.**
Creating a resource-recycling society through continuous activities to reduce environmental load.
- 2 **Providing superior eco-friendly products**
Developing and providing more evolved (longer life and more energy efficient) eco-friendly products, on the basis of the ECOSYS concept.
- 3 **Establishing environmental management**
Providing environmental education and training to all employees and establishing an environmental index management system to implement continuous and profit-yielding environmental management.
- 4 **Strengthening Corporate Social Responsibility (CSR) activities**
Fulfilling social responsibilities as a business enterprise through information disclosure and social contribution activities. A total of 16 WG (Working Groups) were established within the Kyocera Mita Group to achieve the objectives of the environmental action plans.

Environmental Management Promotion System



Environmental Action Plan

Kyocera Mita Group has developed the Environmental Action Plan, by which to pursue environmental efforts and activities. The Plan establishes clear mid- and long-term goals, as well as single-year goals, for each category of activity. The Group's environmental performance is evaluated each year against the goals identified in the Plan, and the results are reflected in the following year's action plans. Action plans and goals for FY2006 and achievements during that period are as follows.

Kyocera Mita Group Environmental Action Plans

● Attained ▲ Unattained

Category	Goal	Target year	FY2006 results	Evaluation
Promoting business activities that will help build a recycling-oriented society	• Achieve emission reduction targets in the Kyoto Protocol. (1) Reduce absolute CO ₂ emissions by 6% from 1990 level, after FY2008.	2008 2012	• Decreased CO ₂ emissions 21.7% from the 1990 level. (1.3% decrease from last year)	●
	(2) Investigate the amount of CO ₂ emissions from domestic physical distribution and establish an operations-system.	2006	• From May 2007, investigated and established domestic transportation volume (tons × kilometers) guideline, in accordance with the EMS.	●
	• Reduce water consumption by 5% at domestic production sites and by 2% at domestic non-production sites in FY2007, from the 2004 level.	2007	• Decreased water consumption by 16.6% at production sites, and increased by 3.8% at non-production sites.	▲
	• Achieve zero emissions at Kyocera Mita Japan. (Achieve zero emissions at all business sites in Japan.)	2006	• Achieved zero emissions in March 2007.	●

Kyocera Mita Group Environmental Action Plans

Category	Goal	Target year	FY2006 results	Evaluation
Promoting business activities that will help build a recycling-oriented society	• Establish a collection system for used products (printers).	2006	• May 2006: Acquired "wide-area certificate" for collecting and recycling used printers. • August 2006: Commenced collection of used printers.	●
	• Obtain ISO14001 certification at all overseas business sites.	2007	• Four overseas business sites were certified. (Kyocera Mita America, Europe, Australia and Thailand)	●
	• Promote the 3Rs (reduce, reuse, recycle) of used products in Japan (1) Recycling used products: To ensure effective use of resources, collect used products, rebuild copying machines using reusable parts and sell refurbished copying machines.	2007	• Conducted survey to identify market needs for refurbished copying machines. • Selected models to be refurbished, based on market needs survey results. • Conducted product planning for refurbished copying machines.	●
	(2) Collecting used consumables and promoting reuse: To ensure effective use of resources, promote collection and reuse of used toner containers. • Promoting collection of used toner containers. • Promoting reuse of collected toner containers. Reuse rate: 50% or more	2007	• Collection rate of used toner containers: 60% or more • Reuse rate of used toner containers: 35% or more	▲
	(3) Improving the quality of recycling: Collect plastic parts, such as exterior parts of used products, and recycle them as materials, thereby reducing the amount of newly input resources in the production process.	2007	• Conducted investigation of recyclable plastic and projected the amount of recyclable plastic parts collected. • Solved technical problems in cooperation with recycling companies.	▲
	• Promote collection and recycling of used products (machines, consumables) in overseas markets. (1)China: Investigate the effects of environmental regulations (WEEE Directive, WEEP Directive, the national standard for copying machines etc.) on our company's operations. Collect information on collection and recycling issues in the Chinese market and make appropriate preparations.	2006	• Information-gathering on collection/recycling issues is under way in the Chinese market.	●
	(2) EU: Comply with the WEEE Directive (August 2005); research existing laws on collection/recycling of used consumables in each EU member state, and on the WEEE Directive implementation status of each EU member state.	2006	• Responded to the WEEE Directive in countries where, as of March 31, 2007, a national law has been enacted to give effect to the WEEE Directive. For countries where such law has not been enacted (Republic of Malta), investigation is under way.	●
	• Green procurement efforts (1) Review the chemical substance management standards and introduce a chemical substance management support system.	2006	• May 2006: Established supplier certification rules. • October 2006: Commenced implementation of supplier audits and supplier certification. • March 2007: Introduced the Kyocera Mita Green Procurement System (KMGPS).	●
	(2) Review the safety standards of supplied products (toner/developers/drums) and develop implementation rules.	2006	• Developed safety management rules for supplied products to be reflected in process development.	●
	(3) Set the reduction targets for emissions from products (to comply with Blue Angel requirements) and establish an internal evaluation method.	2006	• Developed standards for VOC emissions from products and established an internal evaluation system.	●
• Introducing green purchasing system Introduce and implement "Green Purchasing System" in all business sites in Japan.	2006	• Green purchasing rate: 93.8% (April 2006: Developed green purchasing procedures and commenced their implementation in accordance with EMS.)	●	
Providing superior eco-friendly products	• Develop energy-saving products.	2006	• Promoted compliance with new Energy Star standards.	●
	• Increase number of Eco Mark certified products.		• Eco Mark-certified products: copying machines: 14 models, printers: 3 models	●
	• Promote registration of ECO LEAF Environment Label.		• 3 models of printers registered.	●
Establishing environmental management	• Establish new environmental accounting system.	2009	• A draft plan is under development.	▲
Strengthening CSR activities	• Review and implement social contribution activities.	2007	• The Social Contribution Preparatory Committee was established to form promotion organizations and plan concrete activities.	●
	• Participate in environment-related exhibitions.	2006	• Company products were exhibited at Eco Products 2006.	●
	• Enhance environmental communication activities.	2006	• Held Sustainability Report Meeting at Hirakata Plant and Tamaki Plant.	●
	• Enhance information disclosure. (1) Enhance and publish annual sustainability (CSR) reports.	2006	• English and Chinese versions were also developed.	●
	(2) Establish a shared environment bulletin board on the intranet to increase employees' environmental awareness.	2006	• A bulletin board was posted on the company intranet to disseminate information on environment and safety issues.	●

Overall Picture of Environmental Load

Assessment of Environmental Impact of Business Activities

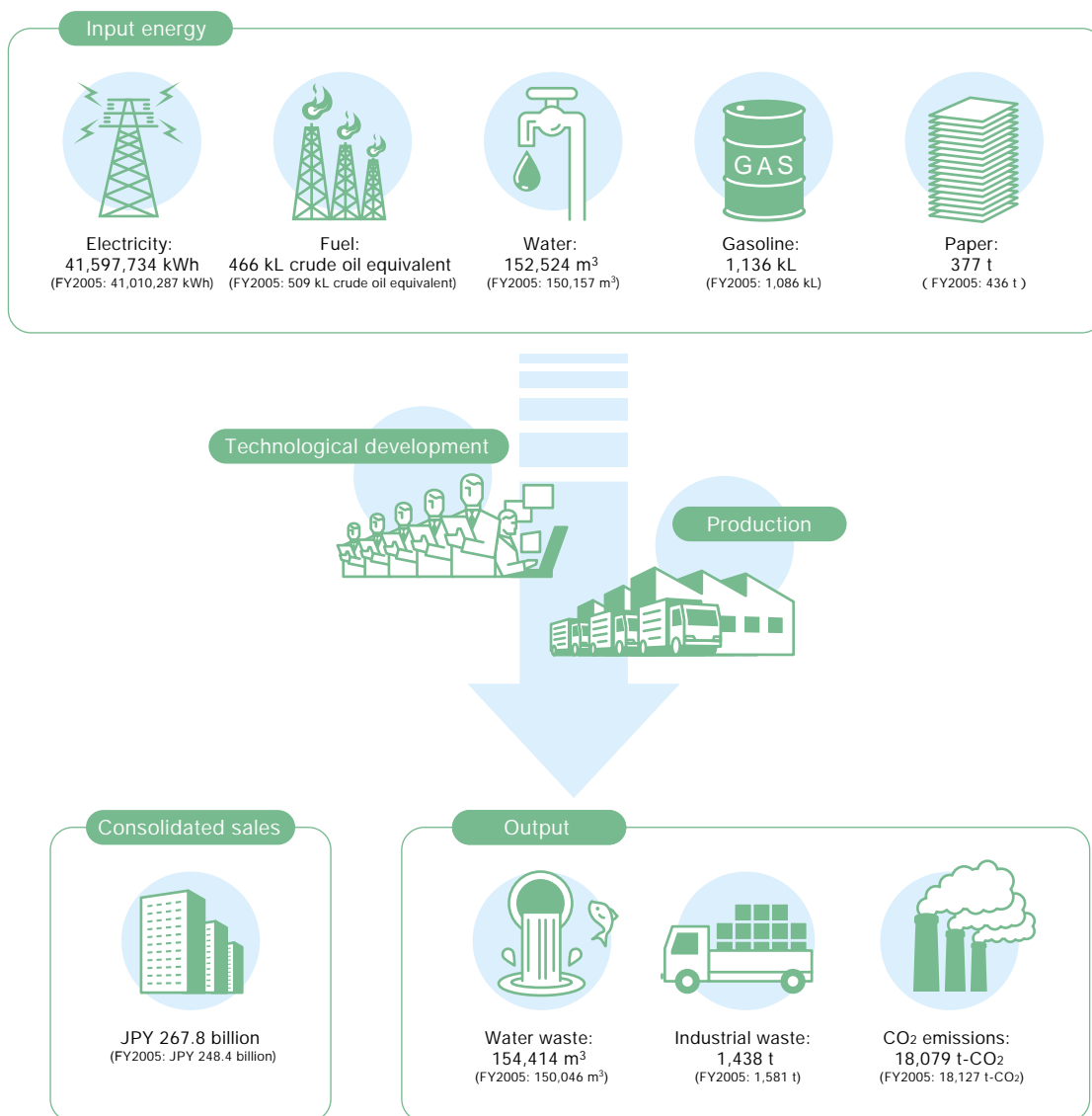
Input (Resources)/Output (Products and Waste) and Environmental Accounting

We assessed the environmental impact of input resources, as well as products and waste generated through our business activities, using the ISO14001 environmental management system, and implemented various measures to reduce environmental load. Given the increased sales in FY2006 from FY2005, resource productivity has increased not only for environmental impact items (fuel and paper) whose consumption was reduced in absolute amounts, but also for items (electricity, water and gasoline) whose consumption increased

due to increased production, despite various resource use reduction efforts.

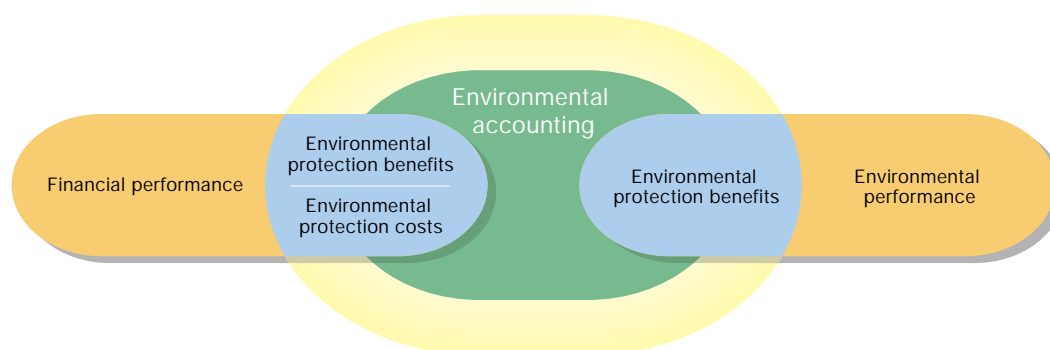
In terms of environmental accounting, although total environmental protection costs decreased in FY2006, investment for management activities increased due to introduction of the electronic system for chemical substances management. As for environmental protection effects, fuel consumption and CO₂ emission reduction targets were achieved owing to conversion of fuel oil boilers to gas boilers in FY2005.

FY2006 Results



Note: Data on input energy and emissions presented are of business sites in Japan.

Constituent elements of environmental accounting are environmental protection costs (expressed in monetary value), environmental protection benefits (expressed in physical units) and economic benefits associated with environmental protection activities (expressed in monetary value).



Reference: Ministry of the Environment "Environmental Accounting Guidelines (2005 edition)"

Environmental Protection Costs

Category	Investment (yen)	Cost (yen)			
		Fixed assets costs	Running costs	Expenses	Total
Pollution prevention cost	0	30,984,751	41,432,186	7,607,894	80,024,832
Global environmental protection cost	55,402,415	19,540,869	21,549,030	9,786,333	50,876,232
Resource recycling cost	0	30,800,780	5,155,763	100,752,460	136,709,003
Upstream/downstream cost	0	1,062,149	190,765	93,779,158	95,032,072
Management activities cost	70,597,469	2,150,075	1,123,672	198,174,919	201,448,665
R&D cost	4,824,069	0	0	78,477,404	78,477,404
Social activities cost	0	0	0	12,171,518	12,171,518
Natural environment restoration costs	0	0	0	0	0
Total	130,823,953	84,538,624	69,451,416	500,749,686	654,739,726

Environmental Protection Benefits and Economic Benefits (Cost Reduction)

Activity	Annual benefits		Monetary benefits (yen)
	Quantity	Unit	
Electricity consumption reduction	806,333	kWh	10,193,788
Fuel consumption reduction	240,102	crude oil equivalent liter	12,151,058
Water consumption reduction	652,250	m ³	116,499,514
Packaging material reduction	51,573	kg	1,155,640
Chemical substances reduction	1,184	kg	963,860
Paper consumption reduction	400	kg	56,000
Waste reduction	1,811,369	kg	57,846,836
Yield improvement	407,888	kg	152,142,299
Increased use of reusable parts	2,095	piece	28,336,303
Total monetary benefits (yen)			379,295,298

CO ₂ emissions reduction	Item	CO ₂ emissions reduction (kg-CO ₂)	Monetary benefits (yen)
	Electricity consumption reduction	297,858	296,667
Fuel consumption reduction	627,383	624,873	
Total monetary benefits (yen)		925,241	921,540

Note: Monetary conversion coefficient of CO₂: 996yen/ton-CO₂ (Price of CO₂: EU emissions trading price as of December 29, 2006 = 6.65 euro/ton-CO₂)

Economic Benefits (Proceeds from Sale of Valuable)

Proceeds from sale of valuable resources (yen)	3,086,231
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Kyocera Mita Business Strategy

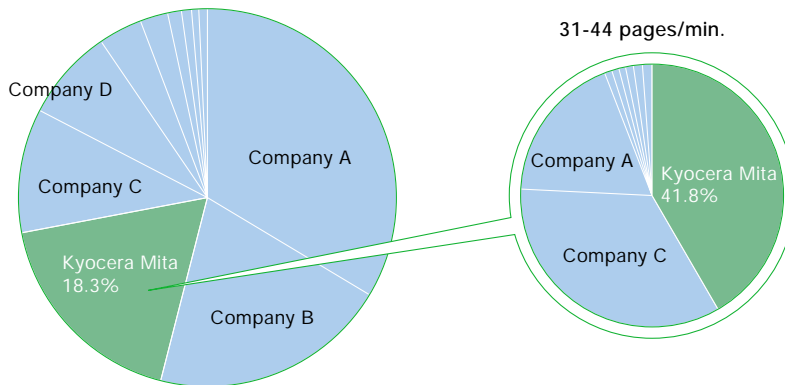
Kyocera Mita, which operates an information equipment business as a core company of the Kyocera Group, conducts business activities-development and sale of products-under its management philosophy of "pursuing employees' material and spiritual happiness, while contributing to the progress and development of mankind and society." In an effort to realize this philosophy, the Kyocera Mita Group manufactures products based on the ECOSYS concept, which aims to deliver superior economic and environmental benefits.

The ECOSYS printer, for example, features long-life components warranted for the life of the product, including a photoconductor drum-the heart of a printer, which makes the toner the only consumable item. This not only keeps consumables costs low for the user, it also goes a long way to minimizing the environmental impact of such waste. In the past, our printers employed a common cartridge system that necessitated replacing the entire cartridge (drum, developer and toner in a single, disposable unit) each time the toner ran out. Kyocera, involved in both laser printer and parts businesses, succeeded in developing a laser printer with an exceptionally long-life drum, by bringing together the technologies and expertise of both those business divisions; the newly developed printer was introduced to the market in 1992, as the first generation ECOSYS printer. Since then, with increasing environmental awareness, ECOSYS products have been gradually recognized and accepted by the world market; in Europe particularly, sales of ECOSYS products have increased significantly.

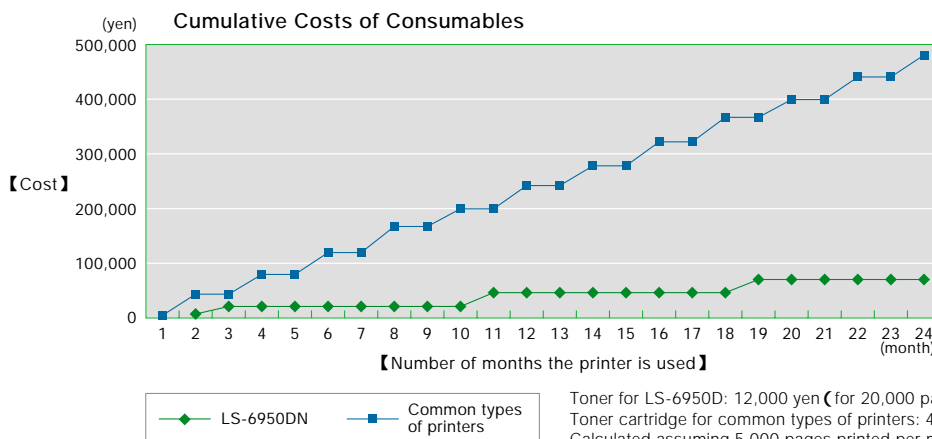
In 2006, Kyocera Mita introduced five models of ECOSYS printers and four models of ECOSYS multifunction machines, all of which are highly regarded for their superior environmental performance, high reliability and low running cost. In the information equipment market, demand for high-speed, and color printing is expected to grow. However, high-speed and color printing will lead to increased use of consumables. It is therefore expected that the advantages of ECOSYS products-longer life and less consumable waste than comparable products-will be more widely appreciated and eagerly sought after. In the future we will continue doing our utmost to develop products that cater to the ever-changing market environment and needs, and to contribute to our customers, society and the global environment through ECOSYS products.

Kyocera Mita's Share of the German Market for Monochrome Printers (in volume terms: OEM excluded)

Note: Data on input energy and emissions presented are of business sites in Japan.



ECOSYS printers enjoy great popularity-especially in Germany, the largest market in Europe, where environmental awareness is very high-commanding an 18.3% share of the German market, in terms of volume, in FY2006. ECOSYS printers offer great advantages, particularly for users of mid- to high-speed models capable of handling high volume printing: in the market for mid- to high-speed printers (from the 31 pages-per-minute model to the 44 pages-per-minute model), Kyocera Mita maintains its lead with a market share of 41.8%.



The printing cost per page of the LS-6950DN, a 32 pages-per-minute monochrome model released in 2006, is 0.6 yen, which is lower than that of other competitive models in its class (4 yen per page), realizing a significant difference in cumulative costs. The advantages of using this model are not only economical, but also environmental, since there is no waste of drum and other components.

Toner for LS-6950D: 12,000 yen (for 20,000 pages) × 2
 Toner cartridge for common types of printers: 40,000 yen (for 10,000 pages)
 Calculated assuming 5,000 pages printed per month.

Development of Eco-friendly Products

Development of 5th Generation ECOSYS Printers

"Human-friendly and earth-friendly" long-life ECOSYS

In FY2006, Kyocera Mita introduced to the market new ECOSYS printer models, which have evolved from 4th generation to 5th generation. These new products achieve higher printing speed through greater refinement of the system design to ensure longer life and greater reliability, advances achieved through the process of conventional ECOSYS printer development. The new ECOSYS printers, developed under the concept "human-friendly, earth-friendly, long-life ECOSYS," also offer even more environmentally friendly features, since they are ozone-free, compact (smallest in their class) and low noise; also, the duplex printing mechanism, which saves on paper consumption, is a standard feature.



LS-6950DN

In comparison with the installation footprint of a conventional model with an automatic duplex printing unit that offers a similar printing speed. (A3 capable printers: 16% decrease compared with conventional machines)

Establishment of long-life electrophotographic process technology

As its photoconductor drum electrification method, Kyocera Mita was first in the world to develop the "positive charging roller method." This new technology was applied to the company's own "amorphous silicon drum system" to further reduce the small amount of ozone (which gives off an odor) produced by the ma-

chine when in operation. Thus a new long-life electrophotographic process technology has been established that supports the next generation of ECOSYS printers. Thanks to this new and innovative technology the LS-3900DN reduces ozone production to a level at which measurement is difficult (under 0.09 mg/h).

Realization of pleasant office environment

The 5th generation ECOSYS printers that feature improved compact design and lower noise are ideal for desk placement.

Comments from developers

Realization of a compact body

We aimed to develop compact printers with built-in duplex printing function, which is strongly demanded by customers. To provide the necessary functions in the smallest space possible, all design engineers on the development team reviewed the structure many times and repeatedly conducted strength simulation studies. After long and strenuous effort, we have developed a printer of compact, space-saving design, which stands up against any printing machine in its class.

Pursuit of low noise solutions

It requires significant effort and energy to reduce

printer operating noise level even by 1 dB. When we were in the developing stage of the 5th generation printer, we reviewed all systems, seeking to achieve a noise level so low that it would not cause annoyance even if the printer were placed beside the desk. Ultimately we made about 30 improvements, including fan air supply and exhaust system, polygon mirror for the LSU, which rotates at high speed and is the drive unit in the main body, and exterior material changes. These improvements resulted in a 4 to 5 dB noise reduction as compared to conventional models.

Abbreviation of Laser Scanner Unit; the LSU, a device for forming a latent image, is used in laser printers.

Eco-friendly packaging, based on the ECOSYS concept

A newly developed, environmentally friendly packaging case is used to package 5th-generation ECOSYS printers. This case is made of a single sheet of corrugated cardboard, with fold lines used to form outer walls as well as interior walls, which also function as spatial dividers and shock absorbers. The environmentally friendly features of this packaging case include: assembly without adhesives; no chemical adhesives are used to bond the cardboard. Another feature is its ease of assembly. With these highly rated features, this packaging system won the Good Packaging Award (Electric Equipment Packaging Category) in the 2006 Japan Packaging Contest.



Foldable, one-sheet packaging box



Development of Color Multifunction Machines

Application of the ECOSYS concept to multifunction machines

Kyocera Mita develops not only printers, but also multifunction machines, based on the ECOSYS concept. The multifunction color model, launched in June 2006, incorporates long-life parts (amorphous silicon drum etc.) and long-life electrophotographic processing technology, providing high durability and high reliability, while enabling significant reduction in the number of parts to be discarded and extending the maintenance cycle up to 300,000 copies.

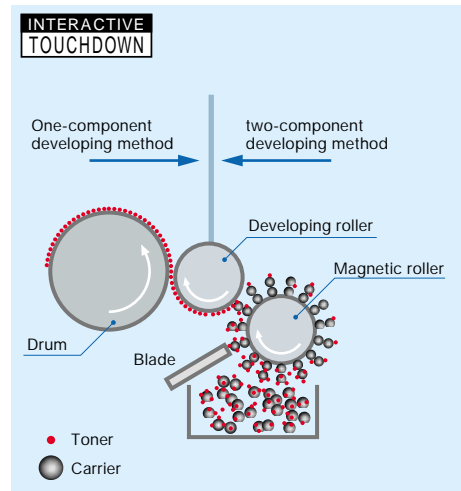


KM-C4035E

"Interactive touchdown developing method"—a technology that supports long service life

Kyocera Mita's color multifunction machines incorporate a unique technology to ensure long service life.

For the developing unit, the "interactive touchdown developing method" is employed; it combines the advantages of both the "two-component developing method" and the "one-component developing method," which is widely used in copiers. Under the interactive touchdown developing method, a two-component developer, comprising toner and carrier, is transported on the magnetic roller (two-component developing process); toner particles alone then adhere to the surface of the developing roller, forming a thin layer. The thin toner layer is then delivered to the photoconductor drum (one-component developing process). The interactive touchdown developing method ensures excellent and long-lasting print quality, by blending the good characteristics of the two methods, i.e., the high-quality, clear image obtained by the one-component method and the superior image stability achieved by the two-component method.



Implementation of Life Cycle Assessment (LCA)

Application of LCA Method

To promote environmentally conscious design, Kyocera Mita uses the Life Cycle Assessment (LCA) approach.

Promoting acquisition of ECO LEAF environmental label

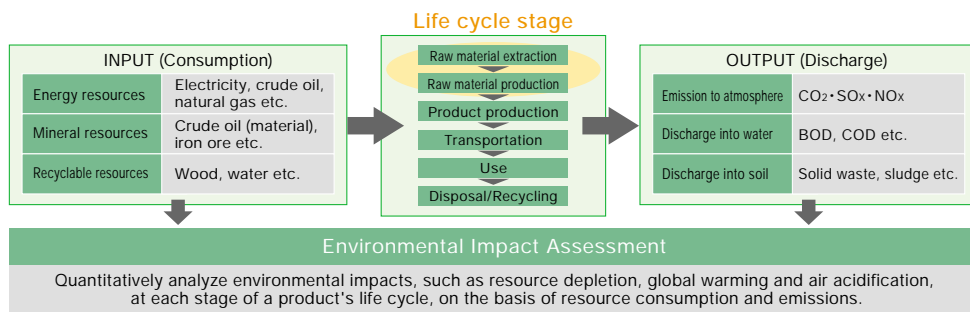
Kyocera Mita performs LCA-based evaluations so as to acquire the ECO LEAF environmental label ¹ for its products, and releases information on approved ECO-LEAF labels to the public. We have also built up an in-

ternal environmental information data collection system for LCA and have acquired "Product Environmental Data Collection System Certification ²."

1: The ECO LEAF environmental label is designed to present quantified information about the environmental impact of a product or service, obtained through LCA-based evaluation and analysis. The ECO LEAF program is an environmental labeling program of the Type III category.

2: This certification program determines whether the company has the type of system necessary for calculating quantitative product environmental data so as to develop an ECO LEAF environmental label and whether the system has been operating appropriately and effectively. The certified company is allowed to register and use the ECO LEAF label only upon verification by internal inspectors.

What is Life Cycle Assessment (LCA)?



Information on Kyocera Mita's products that have received the ECO LEAF label is available on the website of the Japan Environmental Management Association for Industry.



http://www.jemai.or.jp/CACHE/ecoleaf_news.cfm

Case example Environmental impact assessment of the 5th generation ECOSYS printer

On the basis of LCA study findings, Kyocera Mita considers and analyzes measures to improve product development and related systems in the following flow: (1) analysis of the ratio of life cycle stage contribution to total environmental load, (2) factor analysis for results obtained in the previous step (1), and (3) development of improvement measures.

Analysis of the ratio of contribution to environmental load

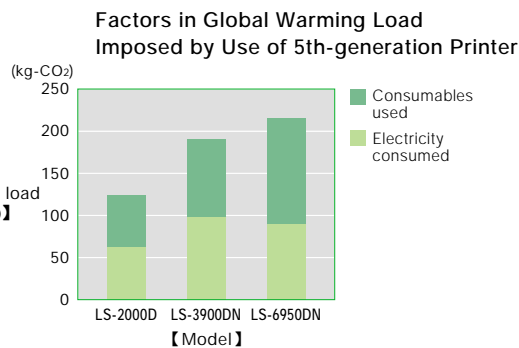
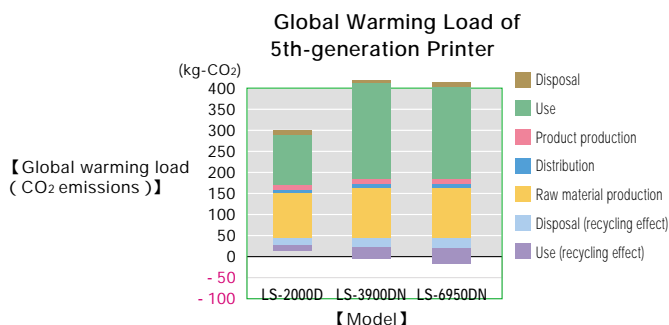
In the life cycle of the 5th-generation printer, the "raw material production" and "use" stages impose the greatest environmental load relating to global warming. This section focuses on the use stage.

Kyocera Mita ECOSYS printers employ the cartridge-

free system, which requires replacement only of the toner, thereby reducing environmental load during use.

Factor analysis

Environmental load factors in the use stage are "electricity consumed" and "amount of consumables used." Therefore, it is possible to reduce the environmental load that causes global warming, by reducing the consumption of electricity and consumables.



Use of analysis results

Analysis results are used to develop more environmentally friendly products.

Activities of Working Groups

Green procurement involves procuring parts, materials and subsidiary materials of minimal environmental impact, thereby eliminating or reducing product-associated environmental risks. As a criterion for green procurement, in December 2003 Kyocera Mita established the "Kyocera Mita Chemical Substance Management Standards" in compliance with applicable laws and regulations and environmental label standards around the world, including the European RoHS Directive. In March 2007 the Standards were revised to reflect the latest requirements regarding chemical substance regulations.

Activities of Green Procurement Promotion Working Group

Revision of the "Kyocera Mita Chemical Substance Management Standards"

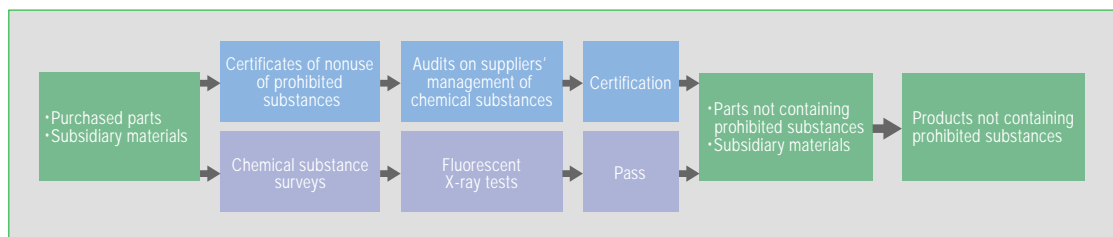
The "Kyocera Mita Chemical Substance Management Standards" comply with applicable laws and regulations and environmental label standards around the world, including the European RoHS Directive. In

March 2007 the Standards were revised. Major revisions made to the Standards are shown in the box at left.

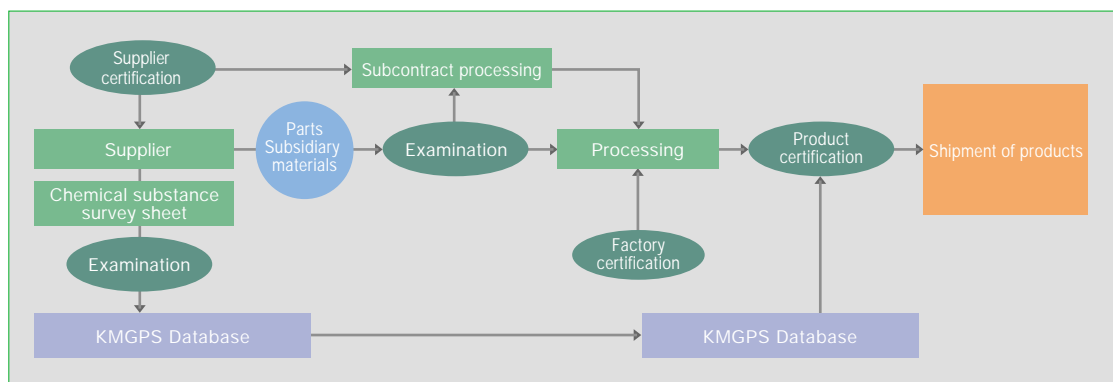
Changes to the standard values of substances prohibited in batteries, following the revision of the EU Battery Directive
 Addition to the Standards of two prohibited substances, which are most likely to be added to the Law Concerning the Examination and Regulation of Manufacture etc. of Chemical Substances
 Inclusion of a list of items excluded from the EU RoHS Directive

In accordance with the Standards, Kyocera Mita conducts surveys and examinations for all procured parts and materials, and accepts only items that meet the Standards. In addition, fluorescent X-ray analysis machines have been installed in all plants to perform screening tests on supplied parts, to confirm that the parts do not contain prohibited substances. Furthermore, we conduct regular audits on our parts suppliers to ensure that they have adequate chemical substance management systems.

Kyocera Mita Green Procurement Efforts



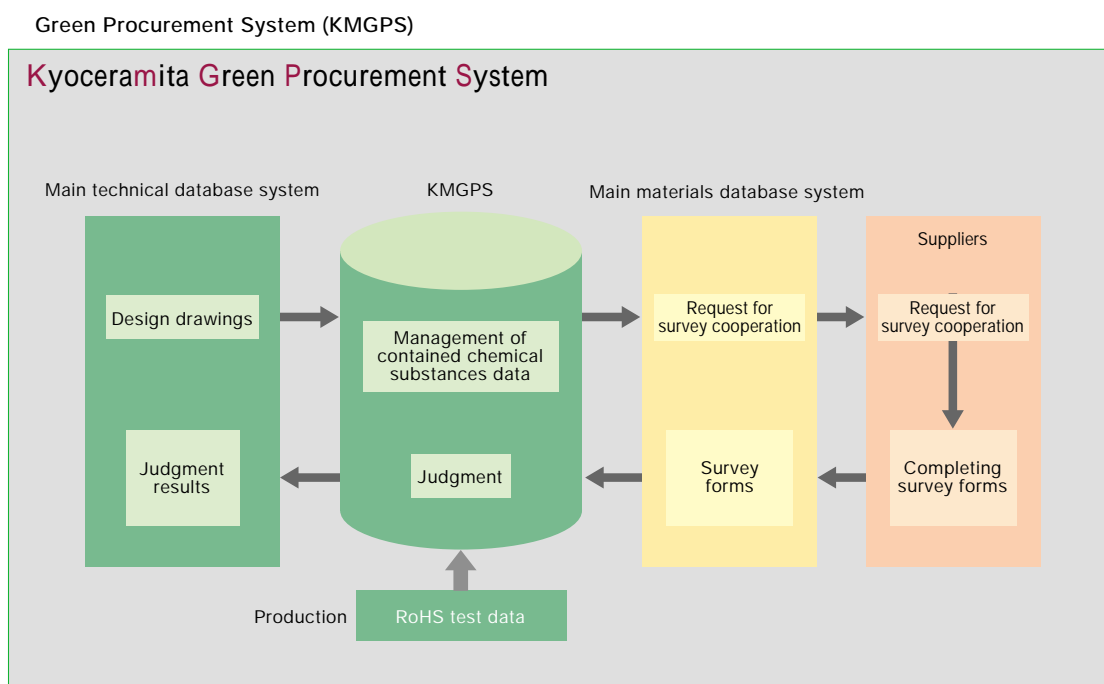
Chemical Substance Management System



Revamping of chemical substance management database

To ensure proper implementation of green procurement initiatives, it is essential to appropriately manage information regarding chemical substances contained in parts and materials. In March 2007 Kyocera Mita revamped its chemical substance management database and established a new chemical substance management system, the "Kyocera Mita Green Procurement System

(KMGPS)." This new system operates in conjunction with the main technical database system and materials database system, enabling efficient management of data for approximately 70,000 items. The future plan is to improve the KMGPS so as to enable response to the EU REACH Directive, due to come into force in June 2007.



Certification of chemical substance management practices performed by suppliers

Since FY2005 Kyocera Mita has conducted audits regarding its suppliers' chemical substance management practices, and has been conducting business transactions only with certified suppliers.

In FY2006, we conducted audits on 261 companies in Japan and abroad and awarded certification to 200 companies. We plan to certify the 61 not-yet-certified companies by the end of May 2007. We will continue regularly auditing suppliers and will strive to maintain and improve a system that ensures appropriate chemical substance management throughout the entire supply chain.



Audit meeting



Chemical substance management system certificate for suppliers

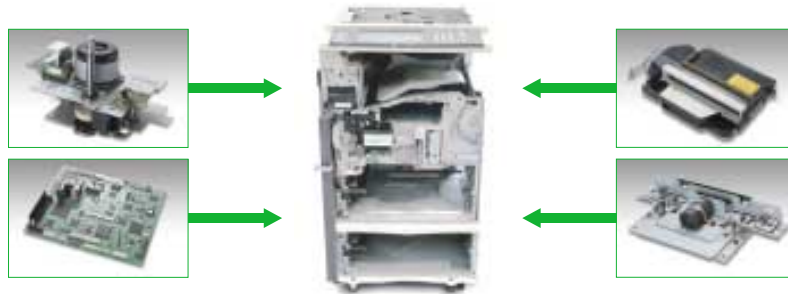
Activities of the RC (Reconditioned Machines) Promotion Workgroup

Kyocera Mita believes that manufacturing and sales companies have the responsibility not only to comply with the Law for Promoting Effective Use of Resources and Green Purchasing, but also to reduce resource consumption and environmental impact. In keeping with this belief, the Company actively promotes 3R (Reduce /Reuse /Recycle), by collecting used products from end-users, reusing reusable parts and recycling non-reusable parts as raw materials.

Kyocera Mita products are environmentally friendly and long-life products, developed in accordance with the ECOSYS concept. This concept is incorporated into re-

cycled products, as well.

In FY2005 Kyocera Mita produced and marketed the KM-6230RM model (re-manufactured model produced using used parts taken from disassembled products, after thorough cleaning and inspection). To further promote the production and sale of remanufactured models and raise the product reuse rate, in January 2006 a working group was formed to plan and prepare for the production of RC (reconditioned) models. Under the leadership of this working group, criteria for selecting machines were defined, and investigations and preparations for production were carried out.



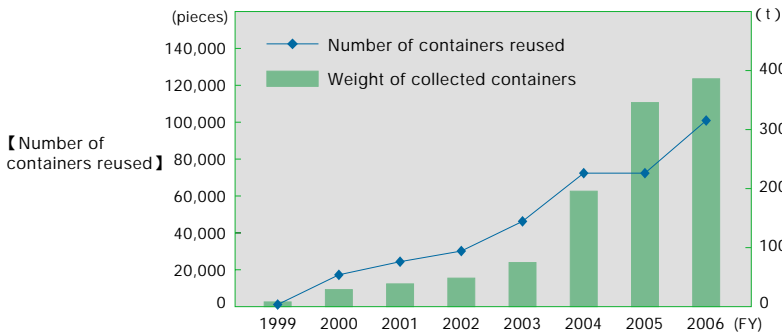
Activities of the Toner Container Reuse/Recycling Promotion Working Group

Kyocera Mita has been promoting the collection and reuse of used toner containers since March 1998.

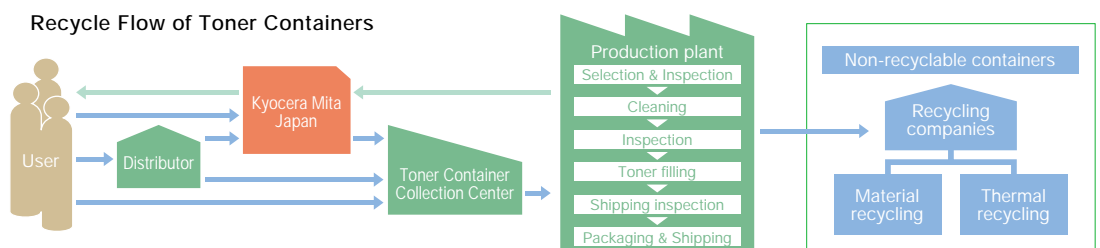
Of collected used toner containers, those that are reusable are sent to the recycling center for cleaning, appearance inspection, air tightness testing etc. All rema-

nufactured toner containers are subject to the same performance tests as new products. Approximately 400 tons of used toner containers were collected from the market and approximately 100,000 used containers were recycled in FY2006.

Reuse of Toner Containers-Number of Containers Reused and Weight of Collected Containers



Recycle Flow of Toner Containers



Activities of the Energy Saving Working Group

In May 2006, two gas absorption coolers/heaters at the head office building, which were the air conditioning heating sources for the building, were replaced with new machines. The old coolers/heaters had an on-off control system, in which on-and-off switching, i.e. 100% power output or zero power output, was repeated to control the temperature, whereas new coolers/heaters have a proportional control system, which is capable of

modulating the power output according to the cooling/heating load.

As a result, not only has electricity used for operating air conditioning systems been reduced, but CO₂ emissions per unit operating hour has also been reduced, by 28.6% compared with conventional equipment.

Before replacement



After replacement



Activities of the Emission Reduction Working Group

To enhance the environment of offices that use such Kyocera Mita products as printers and multifunction machines, the Emission Reduction Working Group is vigorously working to reduce volatile organic compound (VOC) emissions from office equipment. The Working Group has established a system that enables in-house measurement, analysis and evaluation, so as to meet the standards of Germany's Blue Angel, the only environmental label that specifies a measurement method and strict emission standards for VOCs emitted from printers and multifunction machines.

The WG has also developed "Emission Assessment Standards" for VOC measurement and assessment, and has applied the standard to performance evaluation of newly developed products. In future, the WG will strive to promote technical development so as to further reduce VOC emissions, by continuing to gather and analyze performance evaluation results.

An environmental label developed in Germany, an advanced environmental country. The Blue Angel label is awarded to environmentally friendly products that meet specified requirements. Certification and screening criteria are established for each product category.

Activities of the Green Purchasing Working Group

Kyocera Mita Group introduced the "Green Purchasing System" in April 2006. When purchasing office supplies/equipment, air-conditioning/lighting equipment etc., after duly considering not only the necessity but also the product's price, function and quality, as well as its environmental aspects, we purchase products with minimal negative environmental impact.

Prior to System introduction the Green Purchasing

Working Group, comprising persons in charge of materials procurement at each business site, established selection and evaluation standards, and incorporated them in ISO14001 activities for effective implementation. As a result, the green purchasing rate reached almost 100% in FY2006, although it was about 70% before System introduction.

Resource Recycling System

Resource Recycling Activities

Kyocera Mita has established a resource recycling system to promote the collection of used products and the recycling of reusable parts and materials, thereby reducing resource consumption and environmental impact.

Valuable know-how and data on reuse and resource recycling, obtained from customers at the time of used product disassembly, are reflected in the Kyocera Mita Eco-friendly Design Standards. Thus we maximize valuable data obtained from used products to develop and provide more environmentally friendly products.

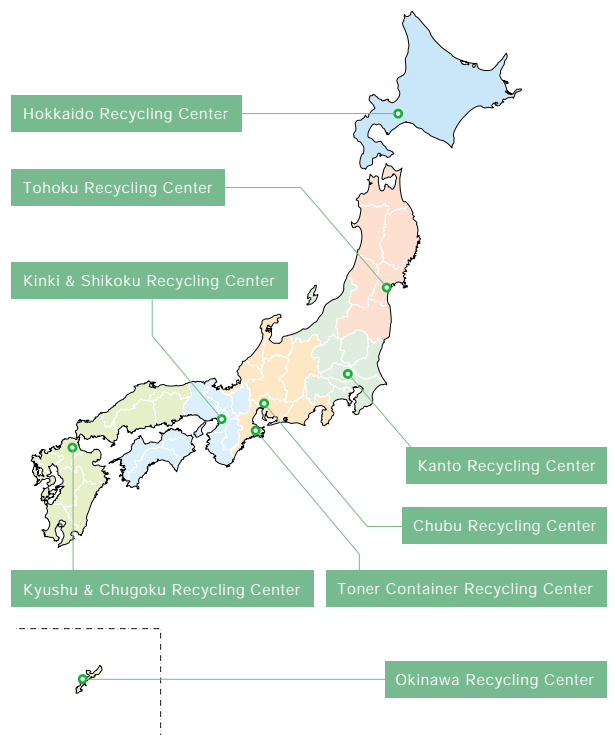
Resource recycling system

We divide Japan into seven regions, in each region establishing a collection center for collecting used products and toner containers returned by customers, and a recycling center for recycling collected products. The aim of this regional-based recycling system is to reduce the environmental load by reducing energy consumption spent on transportation. Used products returned by customers are taken to the nearest collection center for condition and performance evaluation. Evaluation results are then sent to the recycling center, together with the used products.

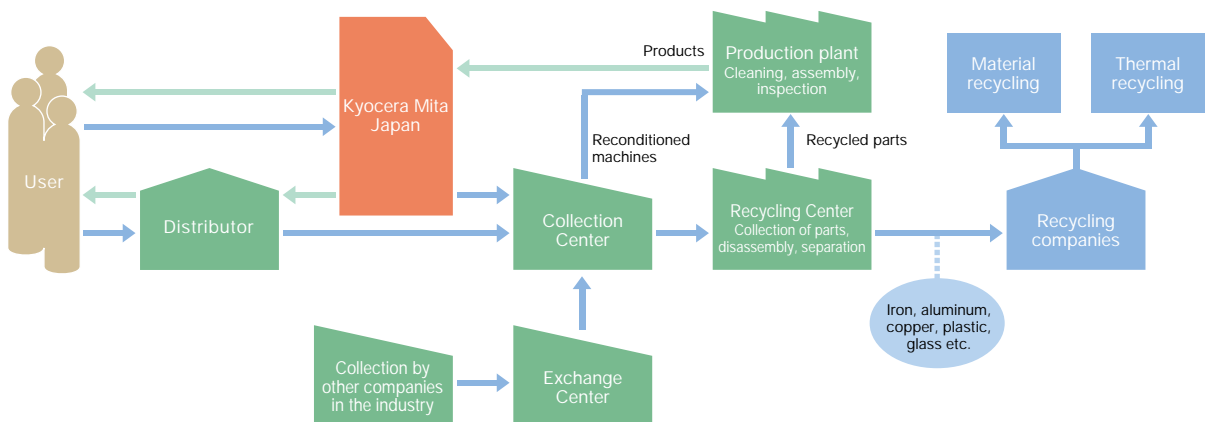
The recycling center places priority on "reuse." At the recycling center, reusable parts are carefully cleaned and inspected for reuse. As for non-usable parts, we are promoting material recycling to promote their use as materials. Parts and consumables not suitable for reuse or material recycling are recycled as an energy source.

As a result of vigorous resource recycling efforts, more than 1,900 tons of used products were collected in FY2006, achieving a high recycling ratio of more than 99%. In FY2007 we will step up our resource recycling efforts toward achieving the target of more than 2,300 tons (recycling ratio: 100%).

Kyocera Mita Recycling Centers



Recycling Flow of Collected Products



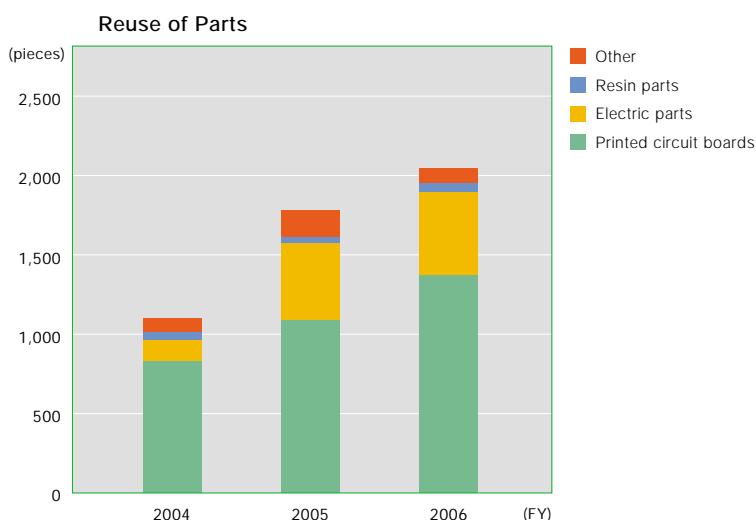
Reuse and recycling of used products

We are actively promoting reuse of used products; we remove reusable parts from collected used products and recondition them.

Used products are collected and sent to the collection center to check their condition, then they are transferred to the recycling center, where reusable parts are selected using information provided by the collection center. Detached parts are thoroughly cleaned and inspected to ensure that they meet the same high quality standards

as new parts. Only parts that have passed our rigorous inspection procedures are shipped as recycled parts. In FY2006, the number of parts reused increased 14%, to 2,042 from the previous year.

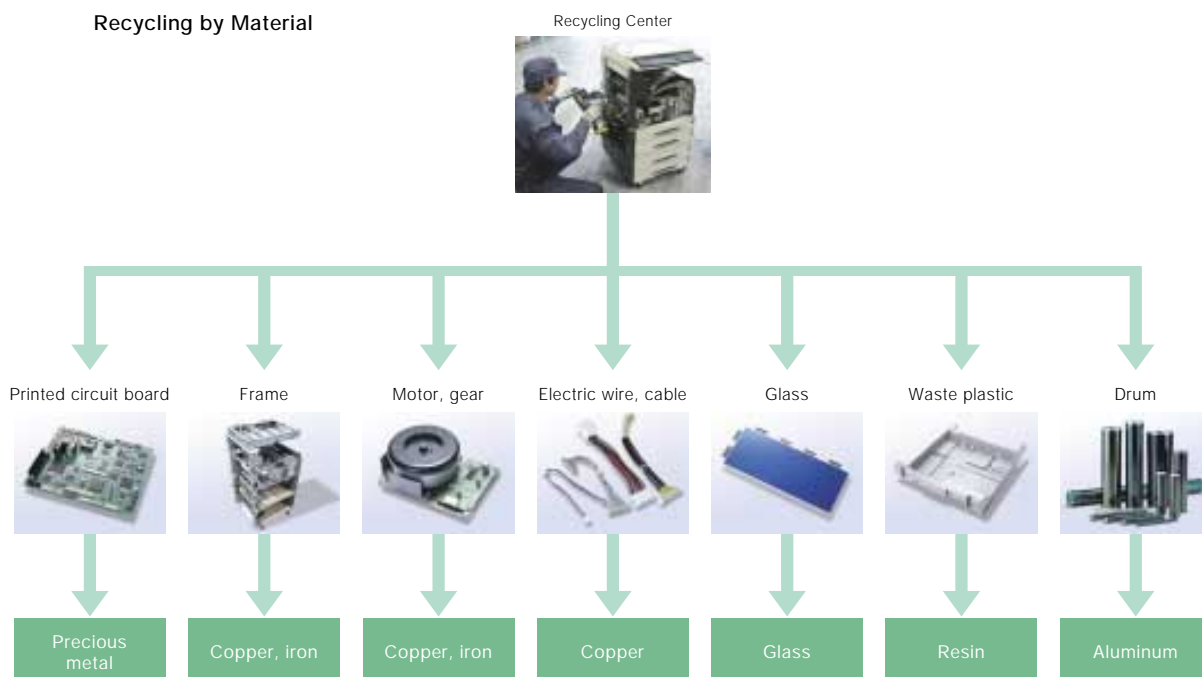
Non-reusable parts are manually disassembled to recover materials such as metals, plastic and glass. Plastic is used as material for bumpers and hangers; metals are also recycled as raw materials. We are vigorously working to reduce landfill waste to as near zero as possible.



Examples of Reused Parts



Recycling by Material



Green Logistics

Reducing Environmental Impact of Transportation

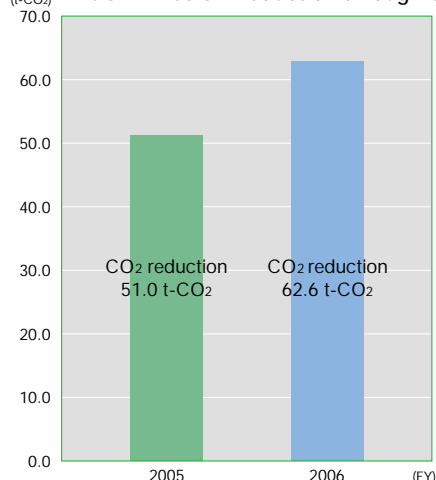
Reducing CO₂ emissions by streamlining distribution routes

In the past, most imported goods were unloaded from arriving vessels at Osaka Port and transported to a logistics base in Osaka; from there they were transported to other logistics bases (Sapporo, Tokyo and Fukuoka) by truck. This route has been reviewed and changed gradually, so that cargoes now are imported directly to

the port nearest the respective logistics base. As a result, transportation between the Osaka logistics base and other logistics bases has been reduced.

In FY2006, by increasing the direct import percentage we reduced CO₂ emissions by 62.6 t-CO₂ as compared with conventional transportation.

CO₂ Emission Reduction through Streamlining of Distribution Routes



Example of CO₂ reduction through streamlining of distribution routes (in the case of Fukuoka)

Before distribution route change

Osaka Port <25.0 km> Osaka Logistics Base <650.0 km>
Fukuoka Logistics Base = 675.0 km (1,167.75 kg-CO₂)

After change

Hakata Port <8.0 km> Fukuoka Logistics Base
= 8.0 km (13.84 kg-CO₂)

Transportation distance

675.0 km - 8.0 km = 667.0 km (98.81% reduction)

CO₂ emission reduction

1,167.75 kg-CO₂ - 13.84 kg-CO₂ = 1,153.91 kg-CO₂

CO₂ emission reduction through modal-shift

Kyocera Mita has continuously been working to reduce CO₂ emissions by changing truck transportation to more environment-friendly railway and ship transporta-

tion. In FY2006, 82% of our transportation from Osaka to Sapporo was by rail; the remainder was by ship.

CO₂ emission reduction through transport efficiency improvements

We reduced CO₂ emissions by increasing transport efficiency through improved loading ratio.

- (1) Loading ratio was increased by selecting optimal transportation means (mixed loading or chartered) for cargo, thereby reducing shipping frequency.
- (2) Shipping frequency was reduced by changing

from sequential shuttle service to scheduled service.

- (3) Improved loading ratio and reduced shipping vehicle numbers were attained through a joint pickup system in which each shipping vehicle visits multiple co-operation companies to pick up parts. (Individual delivery Joint pickup)

Environmental Activities at Plants in Japan

The 2nd Kyocera Mita Sustainability Report Meeting

The sustainability report meeting is held each year at the Hirakata and Tamaki Plants to introduce Kyocera Mita Group's business, social and environmental activities and to hear opinions from representatives of local communities, administrative agencies and suppliers. In FY2006, the second such meeting was held at the Hirakata Plant on October 3 and at the Tamaki Plant on October 27.

The meeting at the Hirakata Plant was attended by 35 people from 28 organizations, including local community leaders and representatives from local junior and senior high schools, the Department of Environment, Agriculture, Forestry and Fisheries of Osaka Prefectural Government, the Kita-Osaka Chamber of Commerce and Industry, Hirakata City Office and suppliers. One of the guests



commented on our activities, saying "I hope that you will continue your efforts to fulfill your accountability as a corporation and to further promote environmental activities."

The sustainability report meeting at the Tamaki Plant had a total of 37 participants, including local community leaders, chairman and members of Tamaki Town Council, mayor and deputy mayor of Tamaki Town, an official of the Ise Public Employment Security Office, a member of the Mie Prefectural Assembly, representatives of the Department of Environment Protection and the Department of Agriculture, Forestry and Fisheries of Mie Prefectural Government and representatives from local suppliers.

In the questionnaire survey conducted after the report meeting, many favorable comments were received regarding the Tamaki Plant's environmental protection activities. The Hirakata and Tamaki Plants are committed to further promoting environmental activities hand in hand with local communities.



Tamaki Plant (Mie Prefecture)

Joining "Company Environment Network Mie"

The Tamaki Plant joined "Company Environment Network Mie" in December 2006. The aim of this Network is to promote information exchange and cooperation among ISO14001-certified companies and companies that are actively pursuing environmental programs in Mie Prefecture, thereby helping to create a society in which sustainable development is possible. The Tamaki Plant actively participates in local environmental activities by making full use in Mie Prefecture of the various types of environmental information available via this network.



Contributing to the beautification of local communities through cleaning activities

Each year, before the cherry blossom festival at the Tamaru Castle Remains, a symbol of Tamaki Town, the Tamaki Plant conducts cleaning activities inside the Remains and around the plant. The FY2006 cleanup event was held on March 24, 2007, with a total of 227 employees participating.



Cooperating with Kids' ISO14000 Program

The aim of the Kids' ISO14000 Program is to stimulate children's awareness and sensitivity regarding the environment and encourage them to develop scientific problem-solving skills and abilities. The Tamaki Plant is cooperating with this program. On November 21, 2006, the Kids' ISO14000 Program was implemented for 49 sixth-graders at Tokida Elementary School in Tamaki Town. The Program was well received by both the children and their parents. The Tamaki Plant intends to continue supporting environmental education programs for children, who will lead the future. As part of such efforts, the Plant plans to increase the number of instructors for the Kids' ISO14000 Program.



Article on the Kids' ISO14000 Program, published in Tamaki Town's public relations magazine "Koho Tamaki"

A field-trip visit by local elementary school children

As a social studies field trip on the theme "National Land Development and Resource Conservation," 45 fifth-graders and four teachers from Tokida Elementary School visited the Tamaki Plant. Children learned about effects on the environment brought about by development activities and environmental protection activities conducted by the Plant.



Hirakata Plant (Osaka Prefecture)

Awarded "Special Prize for Environmental Improvement" by the Kita-Osaka Chamber of Commerce and Industry.

In June 2006, the Hirakata Plant received the "Special Prize for Environmental Improvement" at the environmental symposium organized by the Kita-Osaka Chamber of Commerce and Industry. This prize, awarded in recognition of the Hirakata Plant's active environmental improvement activities, was the second time the Plant was awarded a prize, following the "Environmental Commendation Award" in 2004.



Participated in "Hirakata Eco Forum 2007."

In February 2007, the 1st Hirakata Eco Forum 2007 (hosted by an environmental NPO; co-hosted by Hirakata City) was held on the theme of promoting community-based environmental protection activities in school districts of Hirakata City. The Forum was well attended, attracting many participants including presidents and environmental members of community councils and teachers from local schools. As a manufacturer of printers and multifunction machines, at its exhibition booth the Hirakata Plant introduced its environmental protection activities, mainly the recycling of reused parts.



Participation in cleaning activities of Adopt Program

Since April 2004 the Hirakata Plant has participated in the "Adopt Road Program" and "Adopt River Program," both of which are organized by Osaka Prefecture. The aim of these programs is to promote the beautification of local communities by encouraging local residents and companies to clean predetermined areas on a continuous basis. In FY2006, as in the previous year, the Hirakata Plant workers cleaned the streets from the plant to JR Fujisaka station every month and the left bank trail beside the Hotani River along the plant four times a year.



Environmental Activities at Overseas Subsidiaries

Promoting Acquisition of ISO14001 Certification by Overseas Subsidiaries

With a view to promoting environmental protection activities on a global basis and contributing more to the global environment, Kyocera Mita encourages its overseas subsidiaries to acquire ISO14001 certification. It is expected that all of Kyocera Mita's overseas subsidiaries will acquire ISO14001 certification by the end of

March 2008.

In FY2006, Kyocera Mita Australia was certified in June, followed by Kyocera Thailand in August. In March 2007, Kyocera Mita Europe and Kyocera Mita America were certified. In FY2007, other overseas subsidiaries will work vigorously to acquire certification.

ISO14001-certified Overseas Business Sites



Kyocera Mita Europe



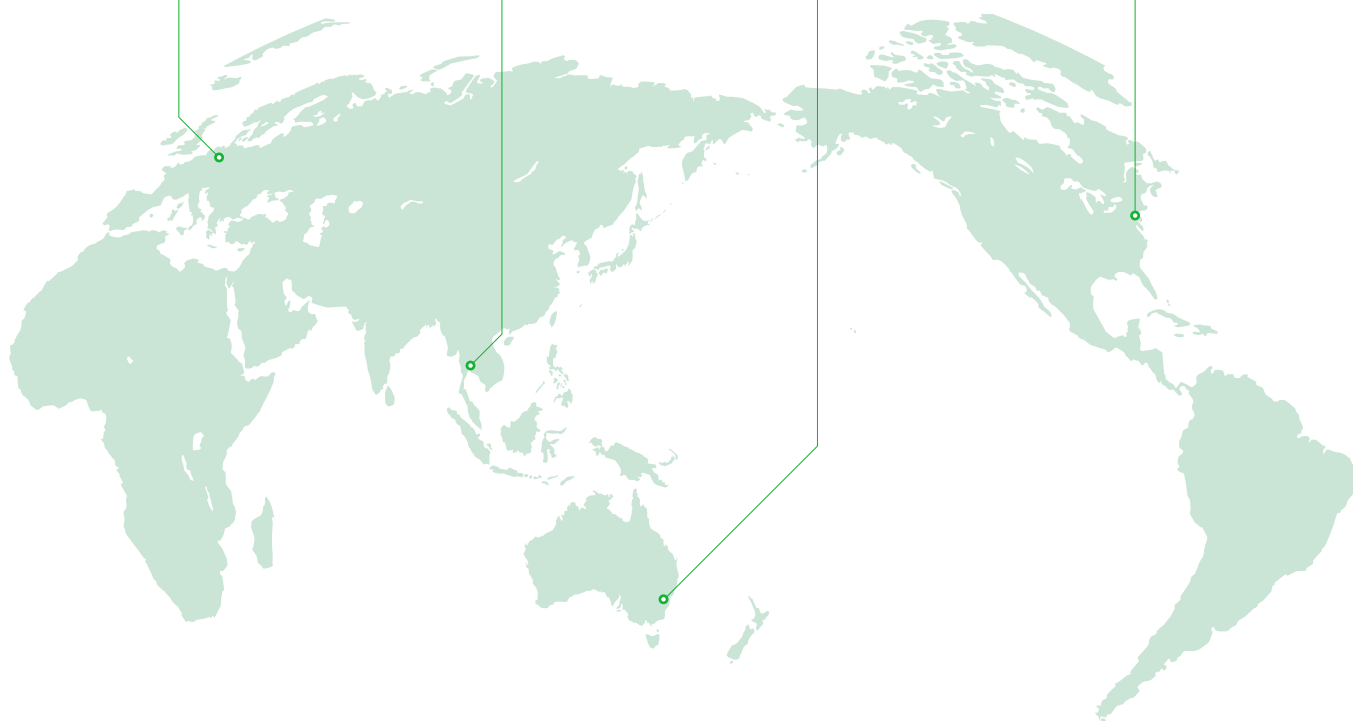
Kyocera Mita Thailand



Kyocera Mita Australia



Kyocera Mita America



Shilong Plant, China

In China, "Management Methods for Controlling Pollution by Electronic Information Products" (China RoHS) went into effect on March 1, 2007. The purpose of this law, like the EU's RoHS Directive, is to control and reduce environmental impact of toxic chemical substances, including lead and mercury, contained in electronic information equipment.

The Law requires that electronic information equipment sold within China carry one of the two marks (green or orange) to indicate whether the restricted substances are contained at levels exceeding the specified maximum concentration limits. When restricted substance levels are below the maximum concentration values, the product carries the Green Mark; when they exceed the maximum, the product carries the Orange Mark. This marking system tells consumers whether the product is environmentally friendly and how long it can be safely used, without risk to their health or the environment due to hazardous materials contained in the product, enabling consumers to purchase or dispose of products in an environmentally responsible manner.

The Shilong Plant, which manufactures information equipment, ensures in cooperation with Kyocera Mita Head Office that all products shipped after March 1, 2007 are appropriately marked in accordance with the Law.

In China, the Management Regulations on the Recycling of Used Household Electronic Products and Electronic Products (China WEEE) is expected to come

into force in the near future. These regulations require information equipment manufacturers to collect used products from end users for remanufacturing or proper disposal. To ensure that used products are collected and disposed of in an environmentally safe manner, the Shilong Plant, in cooperation with sales companies, will establish an effective collection system for used products and will select companies to be entrusted with the collection process.



Green Mark



Orange Mark

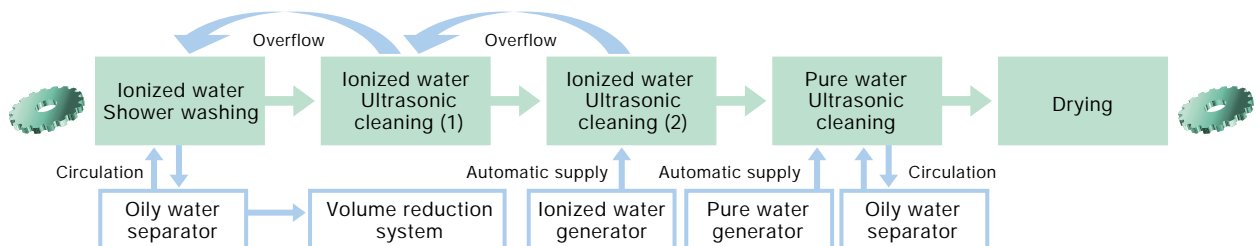
The Daiken Shilong Plant

The Daiken Shilong Plant, which manufactures electromagnetic clutches for use in office automation equipment, performs the polishing operation in the parts manufacturing process.

Although in the past organic solvent was used for cleaning parts after polishing, an "alkaline ionized water cleaning system" has been introduced as an environmentally friendly cleaning method. During the period from October 2006-when the system went into full-scale operation-to March 2007, the amount of organic solvent used in the cleaning process was reduced to 6,900 liters, down 10,300 liters from the same period in the previous year. The plan is to totally eliminate the use of organic solvent by October 2007.



Alkaline Ionized Water Cleaning System



Kyocera Mita Australia

Since 2001 Kyocera Mita Australia, as an official supporter, has cooperated with the "Business Cleanup Day" program, in which enterprises conduct cleanup activities. On Business Cleanup Day held on February 27, 2007, more than 50 Kyocera Mita employees participated in cleaning Pembroke Park in North Ryde. They collected trash, such as paper bags and empty cans and bottles, and helped beautify the Park.



Kyocera Mita Thailand

On February 10, 2007, Kyocera Mita Thailand conducted a cleanup activity called "Big Cleaning Day." This event was initiated in line with Kyocera Mita's environmental policy of minimizing the environmental impact of its business activities. The February 2007 Big Cleaning Day, which is the second occasion, all employees of Kyocera Mita Thailand participated in cleaning streets and parks near its Headquarters. This activity will also be conducted in FY2007.



Kyocera Mita Germany

Since 1987, Kyocera Mita Germany has co-sponsored "Living Lakes," an environmental organization that protects lakes and wetlands around the world. As part of its support activities, the Company has contributed 10 euros per unit to the organization, according to the number of multifunction machines (FS-1016MFP) sold. Thanks to brisk sales of FS-1016MFPs, the Company contributed about 10,000 euros in the two months from May to June 2006.



Kyocera Mita UK

Kyocera Mita UK established the Green Light Awards in FY2006 to recognise individuals and organisations that have been instrumental in identifying and meeting an environmental challenge. In FY2006 the following projects received awards:

Private Sector project: Barclays Bank PLC

The Bank decided to use the roof space at their new headquarters in Central London as a habitat for birds and insects, especially the black redstart, one of the UK's most endangered bird species.

Public Sector project: North Glamorgan National Health Service Trust

North Glamorgan NHS developed and implemented effective and sustainable measures designed to improve the comfort levels of patients and staff, while reducing negative environmental impacts, such as greenhouse gas emissions and landfill waste.

IT and Office Equipment project: Office 2 Office PLC

The company produced an independent and comprehensive product guide which identified environmental credentials, making it that much easier for customers to set an "ethical" purchasing policy.





Social Report



Kyocera Mita's business activities are supported by various stakeholders, including customers, shareholders, suppliers, employees and local communities. Kyocera Mita believes that it is important in all its activities to earn the trust and satisfaction of all these stakeholders.

Seeking to fulfill its responsibilities toward society and to contribute to the well-being of people and society, as well as economic and cultural development, Kyocera Mita carries out diverse, unique social contribution activities.



Commitment to Society

Compliance-oriented Management

Our management policy for FY2006 is to operate our business with emphasis on environmental conservation and compliance. In line with this policy, we have been striving to establish good relations with customers, suppliers and local communities, so as to develop and implement systems that ensure compliance with all relevant laws and regulations, and to fulfill our social responsibilities as a good corporate citizen.

Basic compliance policy

In order for companies to avoid various business risks and continue to carry out sound and appropriate business activities, it is essential to promote compliance.

To enhance its employees' awareness of compliance, Kyocera Mita educates them regarding compliance issues by various means, including seminars on "Kyocera Philosophy," "Kyocera Action Guidelines" and in-house rules, new recruit training sessions and an intranet bulletin board.



Voluntary compliance audit

Compliance with laws and regulations regarding "personal information protection and control" and "export control" has been a challenge for our company. In FY2006, as in FY2005, the Risk Management Department conducted an internal audit to determine compliance status and provide guidance for improvement if necessary. As part of our compliance efforts, in FY2006 we launched a voluntary compliance audit program. The FY2006 voluntary compliance audit evaluated the compliance status of company operations regarding 86 relevant laws and regulations. First, a self-evaluation was conducted by each department to determine its compliance status with laws and regulations applicable to its operations, followed by verification and guidance by the Risk Management Department.

To maintain and enhance compliance awareness of all employees, we will continue these audit programs in FY2007.



Implementation of external audits under the Sarbanes-Oxley Act

Kyocera Mita Group has been subject to the Sarbanes-Oxley Act (U.S. Public Company Accounting Reform and Investor Protection Act) since April 2006. Through internal audit department design evaluations and implementation testing, Kyocera Mita Corporation and its 16 major subsidiaries have been working on improving their internal control systems for accounting and financial reporting risks. In addition, external auditors conducted internal control audits; the final internal control report for the period ending March 2007 was submitted, as planned.

In some countries, including Japan and countries in Europe, there have been movements afoot in recent years to establish their own company reform laws; it will therefore become a major challenge for Kyocera Mita Corporation and its overseas subsidiaries to implement internal control practices and processes compliant with both the

U.S. Sarbanes-Oxley Act and the company reform law of the country in which each company is located. Kyocera Mita will vigorously work on this challenge to build the foundation for becoming a company trusted by society.

The Section 301 of the Sarbanes-Oxley Act requires companies to establish and implement internal control systems, from July 2005 onwards. In compliance with this requirement, Kyocera Mita established the internal control system and put it into operation in November 2005. In FY2006, considerable efforts were made to ensure that the system has taken root in the company.

In FY2007, we will continue providing internal control education sessions at all business sites in Japan and abroad, to increase awareness and understanding of internal controls among employees, including new recruits.

Information Security

Information security measures

Considering information security management one of its most critical tasks, Kyocera Mita established the Information Security Committee in April 2006. Since then, we have developed company-wide information security measures and put them into action one by one.

In August 2006, the "Information Security-related Rules" were established, which specify our company's security policy. The rules regarding the handling of PCs and memory media have been strengthened to prevent information leakage.

Information security measures have already been implemented at overseas business sites, as well. We will further strengthen information security under the globally unified policy.



Information security education

Regarding information security, we have established a portal site to increase each employee's awareness of information security and encourage them to incorporate security procedures into their daily operations. This site provides various types of information regarding information security, including information security rules and regulations, as well as an e-learning program on information security. Site content includes reports on information leak incidents, anti-computer virus measures, configuration of PCs and handling of memory media. Providing information security education through e-learning has increased employees' awareness of the importance of information assets, and of protecting them, and has deepened their understanding of security issues. The future plan is to conduct information security audits to assess the implementation status of information security measures.



Screens of Kyocera Mita Information Security Portal Site

Social Activity TOPICS

Kyocera Mita South Africa

With the aim of helping to narrow the economic gap between races in South Africa, Kyocera Mita South Africa has continued to support "Potters Training Centre", an education/training facility for economically disadvantaged people. Kyocera Mita South Africa has donated Kyocera Mita products and provided financial assistance to instructors at the centre which offers basic technical training of office equipment.

The company also donates its products to care facilities such as: Aids infected children, sanatorium for mentally ill people and the South African Guide Dogs Association for the Blind.



Intellectual Property-Related Activities

Acquisition and management of intellectual property rights

Kyocera Mita offers to the global market a wide range of unique and innovative products, as typified by ECO-SYS products. To protect our proprietary products in the marketplace, we have been active in applying for and obtaining intellectual property rights, including patent rights. The number of our patent applications has been on the increase, particularly in recent years, with increased cooperative efforts to promote invention activities by the Intellectual Property Department and the Engineering Department. The annual number of our patent applications is over 2,000, including both domestic and overseas (mainly the US and China) applications.

We are promoting the following activities, with the aim not only of increasing the number of patents and other intellectual property rights, but also of enhancing the quality of innovations, increasing employee awareness of intellectual property rights, providing fair reward for employees who have made outstanding achievements, increasing the number of environment-related patents obtained and protecting our proprietary products

1. Rewards/compensation system for inventors

Rewards or compensation will be given to employees who have made innovative inventions or whose inventions have contributed to developing/upgrading the company's products or to intellectual property-related licensing.

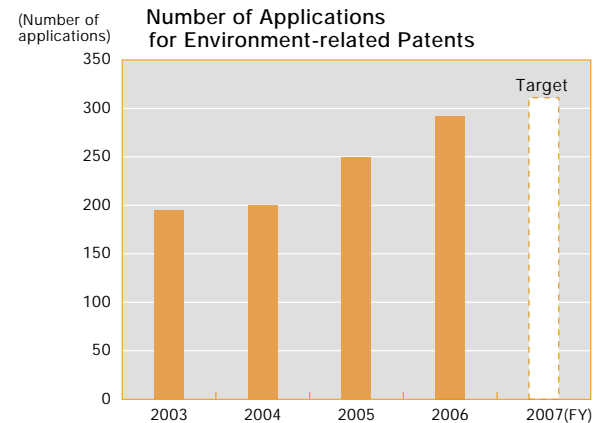
2. Company-wide idea generation program

The Intellectual Property Department implements the company-wide idea generation program, to encourage employees to submit their ideas and suggestions originating from their daily work. For enhancing company

products, the program invites ideas not only from technical personnel, but from non-technical staff as well. The ideas submitted during the program's first year (FY2005) and second year (FY2006) totaled more than 6,000 and 8,000, respectively. Of these submissions, 35 ideas have led to successful product application or patent application.

3. Application for environment-related patents

We actively apply for patents on "long life" or "energy-saving" technologies. Patent applications in these categories have been increasing year after year.



4. Efforts against counterfeits

We are actively promoting activities to eliminate counterfeit products, in cooperation with other companies in the same industry. We are approaching related administrative authorities to handle counterfeit cases as criminal cases.

Social Activity TOPICS

Kyocera Mita Thailand

Extensive flooding that occurred in northern Thailand in August 2006 affected approximately 1.8 million residents. To assist flood victims, Kyocera Mita Thailand and all its employees presented a total of 100,000 bahts to HRH Princess Maha Chakri Sirindhorn's Charity Fund.



Hirakata Plant(support for sale of handmade cookies baked by disabled people)

To support disabled people and contribute to the welfare of local communities, the Hirakata Plant invited mentally disabled people from two nearby facilities to the plant to sell handmade cookies to employees and others. This activity has been conducted since November 2006.



Commitment to Customers

Quality Assurance and Customer Service System

Quality assurance

So as to remain a company that is trusted by its customers, Kyocera Mita conducts product quality improvement activities on a daily basis.

We have an effective system in place by which to gain timely and accurate understanding of customer demands and appropriately reflect those demands in product development. The system ensures that customer feedback collected from phone calls received at the Contact Center and by the sales staff of sales companies in Japan and overseas is carefully analyzed and incorporated into product development. Thus, Kyocera Mita products are developed and continuously upgraded in response to user feedback. We believe that it is only possible to provide complete satisfaction to our customers by supplying high quality products produced in such a manner, that satisfied customers will

develop expectations for our company, and that such expectations will lead to a trusting relationship between our customers and our company.

When information about a product defect is received, the information is reported immediately to the Quality Assurance Headquarters at the Head Office. Upon receipt of the information, the Headquarters, in cooperation with the relevant departments, will analyze the information received to identify the root cause, then determine and take remedial action for the relevant product.

If a discovered defect is expected to have a serious impact on use of the product, detailed information about the defect will be disclosed, including the product name, a detailed description of the defect, emergency countermeasures and contact information.

Customer service system

With the aim of improving customer satisfaction, Kyocera Mita Japan, a domestic sales subsidiary, established the Contact Center in May 2006, by integrating all call centers throughout Japan. An extensive domestic service network of the Contact Center, about 80 service centers and about 600 sales partner companies, enables prompt and accurate service to customers. As another measure to improve customer service, a toll-free number has been established at the Contact Center to facilitate easy access and communication. It is also ensured that service personnel with high technical skills are stationed at service centers, so as to provide fast and efficient one-stop technical support service. We are striving to improve customer satisfaction by strengthening our customer response capabilities.

We hold technical training sessions for in-house and external service technicians. In FY2006, approximately 2,500 people attended the training sessions. The Service Skill Certification System has been established for service technicians of the company, with the aim of improving their maintenance service skills as well as their network and system engineering skills. This System enables us to provide customers with more standardized and higher quality services, from maintenance to system construction. Since January 2007, this System has been applied to service personnel of our sales partner companies as well, so as to enhance product knowledge and service skills of all service technicians who handle Kyocera Mita products.



Contact Center



Detailed technical knowledge of products is taught in the training session.

Commitment to Employees

Personnel Policy

Basic policy

Under the management rationale, "To provide opportunities for the material and spiritual happiness of all our employees, and through our joint efforts, to contribute to the advancement of society and humankind," Kyocera Mita Group aims to ensure that all employees not only achieve financial stability and affluence, but also find the purpose of life and cultivate enriched mind by pursuing self-realization through their work. In an effort to promote this rationale, we implement personnel measures around the three themes: "appropriate response to social environment changes, such as diversification of values and aging population," "appropriate response to work environment changes, such as increasing in mobility in the la-

bor market and globalization of corporate activities" and "establishment of a personnel system capable of appropriately and promptly responding to the characteristics, culture and lifestyles of individual countries."

At Kyocera Mita Group, all personnel systems and measures are designed and implemented in line with the policy of "preserving the spirit to work fairly and honorably," as embodied in the corporate motto "Respect the Divine and Love People, and the corporate principle, 'Coexistence.'" With "revolution and speed" as the motto, we are promoting efficient and effective personnel administration.

Management by objectives (MBO)

We believe that employees can achieve self-realization through their work and improve their potential and personal character by setting high goals and objectives and continuously pursuing them. We also believe that improvement in the performance of individual employees will eventually lead to growth of the company.

In line with these beliefs, to link individual efforts smoothly to organizational objectives we introduced the MBO system in FY2005, and in FY2006 launched a full-scale operation of the system, after making some improvements.

Under this system, all employees set their own objectives and performance is evaluated to determine whether those objectives have been attained by the target date. More

specifically, each employee meets with his/her supervisor at the beginning of the half-term to set their personal objectives, and works toward achieving these objectives within the target period, while receiving appropriate guidance and advice from their supervisor. Performance evaluation results of each individual are linked to the "Merit System," under which the amount of compensation, such as salary and bonus, is determined in accordance with the each employee's actual abilities and contribution to the company's success. The MBO system also plays an important role in facilitating communication between supervisors and staff, and in fostering an open corporate culture that allows employees to freely express their opinions.

Discretionary work system

As a measure to create a comfortable working environment wherein employees can fully display their abilities, we introduced the Discretionary Labor System in FY2004. The discretionary labor system is a "deemed working hour system" that allows more flexible working hour management for certain types of jobs, such as research and

development work, in which employees have considerable discretion in how they go about achieving results. The discretionary labor system enables the realization of a flexible working environment that allows workers to carry out more voluntary and creative work. As of March 2007, this system is applied to approximately 525 employees.

Senior employee system

In response to the rapidly aging society and reform of the public pension system, we introduced the senior employee system (re-employment system) in FY2006 to provide employment opportunities to employees who have reached retirement age of 60 and have a strong

desire to work. This system has twofold merits. From the employee side, employees can use their skills and knowledge, accumulated over long years, to lead a financially stable and meaningful post-retirement life. From the company side, the company can make use of

the talents of retired workers to ensure continual improvement of its performance and continuation of the corporate culture. Under this system, senior employees are classified into three categories according to their

work duties and skills: Senior Expert, Senior Supporter I and II. In future, we will continue implementing this system, making necessary revisions in accordance with changes in relevant laws and regulations.

Labor Management

Employment of disabled persons

Kyocera Mita promotes the employment of disabled persons and the creation of an environment that is easy for such people to work in. Believing that it is important for disabled staff to contribute to society through their

work by maximizing their skills and strengths, we take each individual's aptitude into consideration in assigning work places and providing roles.

Child-care/family-care leave systems

To support employees who are balancing work and family responsibilities, Kyocera Mita introduced the child-care leave system in FY1992 for employees with children younger than one year of age. In April FY2005, some improvements were made to the system; fixed-term employees became eligible for child-care leave, and it became possible to extend the leave up to six months in addition to the specified leave period. In April 2002, the family-care leave system was introduced to al-

low employees who need to care for family members to take leave for a maximum of one year.

In April 2007, the short-time work system was introduced, so that employees during pregnancy and those with children in the third grade or younger can shorten their regular working hours to enable them to ease their commuting difficulties or to take their children to and from school.

Leave systems

Kyocera Mita has established various leave systems to help employees realize well-balanced work and family life by using their leave for purposes of self-education according to their lifetime career plan, health promotion and spiritual fulfillment.

In the past, we had a leave system that allowed employees to take five consecutive days off; in April 2006 this system was improved to enable employees to take

nine consecutive days off. Moreover, new leave systems were introduced, such as refreshing leave and multipurpose leave. As to the nursing leave system for employees who need to care for children below elementary school age, although formerly the leave had to be taken in whole-day increments (up to five days annually), since April 2007 leave can be taken in half-day increments.

Working regulations

The Working Regulations, stipulating employees' working conditions, code of practice etc. are revised in accordance with changes in relevant laws and regulations, as well as changes in the social situation. In April 2007, in response to recent increasing concern about drunk driving, which has become a major social problem, and the increasing necessity to prevent information leakage, revisions were made to include rules that

such acts as drunk-driving and improper use of information apparatuses, including personal computers, are subject to disciplinary punishment. In future we will continue incorporating our corporate attitude and ideas in the Working Regulations, and will make further efforts to promote employee awareness in the ethics and compliance areas.

Employee Education

The Kyocera Philosophy has served as a basis for management of Kyocera Group since its founding. The Kyocera Philosophy is a universal philosophy based on the question "What is the right thing to do as a human being?" As a member company of Kyocera Group, Kyocera Mita considers it important to correctly understand and implement the Kyocera Philosophy.

Philosophy education

Kyocera Mita provides continuous and thorough Philosophy Education to all employees, to ensure that they master the Kyocera Philosophy through accurate and deep understanding and practical application.

In FY2006, Philosophy Education by hierarchical level was conducted. As in FY2006, training sessions by hierarchical level are also planned for FY2007.

<Overseas philosophy training>

Philosophy training seminars by hierarchical level are also held in overseas subsidiaries, to promote permeation of the Kyocera Philosophy among all employees.

Philosophy Education System

- Executive/senior manager training
- Employee training
(Manager and deputy manager training)
- (Non-managerial staff training)
- Overseas philosophy training



Training at Shilong Plant, China

Management education



"Kyocera Management Course" held at Kyocera Mita Head Office

The management education program is conducted with the aim of developing executives with advanced management capabilities. The main course of management education is the "Kyocera Management Course," which covers "amoeba management," "hourly efficiency system" and "Kyocera Accountancy," all of which are management administration techniques based on the Kyocera Philosophy, which has been the driving force for the development of Kyocera.

Engineering and technical education

Kyocera Mita aims to develop human resources with advanced specialized knowledge and skills in all fields of production, engineering, R&D, sales and administra-

tion. We place particular importance on engineering/technical training for engineers. In FY2006, a total of 45 courses were held, with a total of 301 participants.

Basic education

Basic education is provided to new employees and employees with less than three years of service. In FY2006, new employees received 69 days of training before they were assigned to begin their work duties.

This training covered basic manners and attitudes as working adults, basic working knowledge and skills, and practical training at a plant or sales office.

Benefits Package

Basic policy

Basic policies
1. Measures for a healthy life (Health maintenance and promotion, physical strength development)
2. Measures for a stable and affluent life (Housing, property accumulation, daily life support)
3. Measures for a spiritually rich life (Use of leisure time, lifelong learning)
4. Measures for a rich post-retirement life (Life security, medical security, meaningful life)
5. Measures for emergency (Disease, death, disaster, unemployment etc.)

Kyocera Mita offers a comprehensive benefits package to meet the diverse needs of employees, as well as to improve their physical and mental health and vitality and help them achieve a stable and fulfilling life. We implement employee benefits programs in accordance with the following five basic policies and four concepts.

Basic concepts
1. Fair to all employees
2. Realized by employees' own will
3. Suitable for employees
4. Intended to support employees' own hard work

Health maintenance/promotion activities

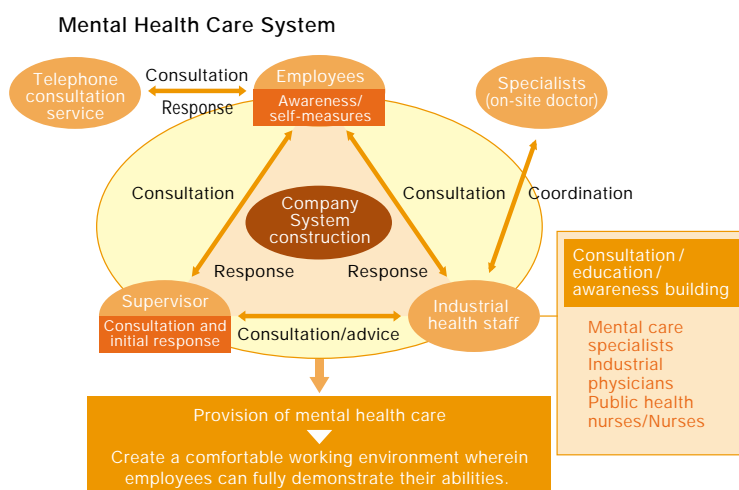
To help employees avoid lifestyle-related diseases, and detect and treat any such diseases at an early stage, individual guidance is provided after health check. When necessary, employees are introduced to medical specialists.

In FY2005, in an effort to promote the health of group company employees, overseas health counseling was conducted by the industrial health and medical staff. From January to February in FY2006, the industrial health and medical staff visited business sites in Japan, from Hokkaido to western Japan, to give health guidance.

As part of our employee wellness promotion efforts, an annual program, called "Healthimpic," is held for all employees in Japan and abroad, under the familiar theme of "walking," to address lack of exercise.

To promote employees' mental and emotional well-being, as well as their physical health, mental care specialists have been assigned to business sites since April 2004. These specialists not only provide counseling service to employees, but also conduct training education on mental health care.

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Promotion of recreational and club activities

With the aim of promoting communication among employees and with local residents, Kyocera Mita organizes various recreation programs every year, including an athletic meet and a summer evening festival. Many employees enjoy various activities at clubs officially recognized by the company, to cultivate friendships, promote health and/or spend fulfilling leisure time.



Sports event
Held each year jointly by Kyocera Mita and Kyocera Group.



Summer evening festival
Employees' families and local community people are invited to enjoy the opportunity to get together and deepen exchanges.



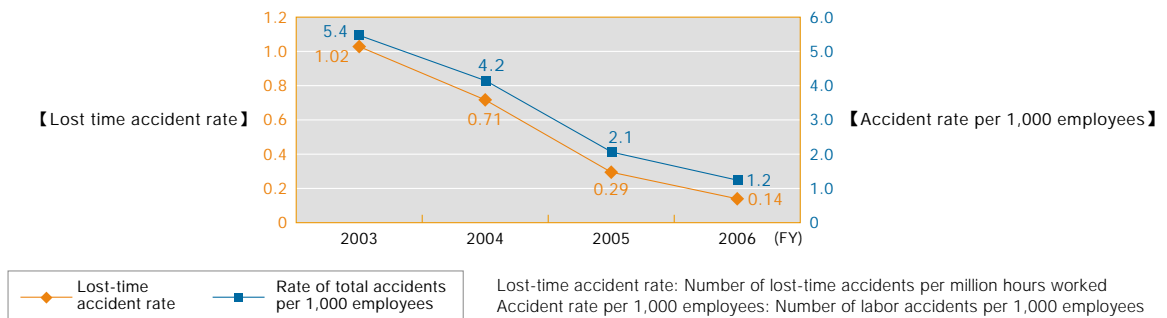
Athletic meet
The athletic meet for all employees was also held in FY2006.

Health and Safety & Disaster Prevention

Labor accident record of Kyocera Mita Group

Regarding the safety results for the Kyocera Mita Group, the lost-time accident frequency rate, which refers to the frequency of serious labor accidents resulting in lost worktime, was 0.14 in FY2006, representing a significant improvement from 0.29 in FY2005.

The accident rate per 1,000 employees, in which all labor accidents, including minor occurrences not resulting in lost worktime, was reduced almost by half in FY2006, following more than 50% reduction from FY2004 to FY2005. Safety performance data are based on calendar year.



Industrial Safety and Health Management System (OHSAS18001)

As part of our efforts to vigorously promote industrial safety and health activities, the Kyocera Mita Group introduced the Industrial Safety and Management System (OHSAS18001) to the Hirakata Plant and Tamaki Plant in April 2006, and acquired OHSAS18001 certification in October 2006.

Since April 2007 Daiken Co., Ltd., a group company of the Kyocera Mita Group has implemented the OHSAS18001 system, with the aim of acquiring the certification in October 2007. In FY2007, it is planned to introduce the OHSAS18001 system to Kyocera Mita Head Office, Yoga Office and Kyocera Mita Japan Corporation (a group company), in addition to the production bases. Implementation is due to commence in April 2008.

OHSAS18001 Standard

This Standard was established by the British Standards Institution (BSI) in 1999 with the purpose of enabling organizations to manage risks relating to the occupational safety and health of employees, prevent hazards and maintain a high level of overall safety. "OHSAS" stands for Occupational Health and Safety Assessment Series.



OHSAS18001 certificate presented to the Tamaki Plant

Perfect 5S Promotion Activities

Kyocera Mita Group is implementing "Perfect 5S Promotion Activities" to ensure that 5S activities (Seiri: orderly arrangement; Seiton: tidy up; Seiso: sweeping; Seiketsu: cleanliness; Shitsuke: discipline) are performed at a perfect level. Perfect 5S Promotion Activities aim not merely to keep the workplace clean, but to cultivate sensitivity that notices even the slightest problem or abnormality, by continuing the pursuit of perfect 5S performance. We believe that employees' efforts to develop and enhance such sensitivity will lead not only

to a safe and comfortable work environment, but also to improved product quality and production efficiency.



Environmental Chronology

Major Global Environment Protection Initiatives

1987	Montreal Protocol adopted.
1988	IPCC (Intergovernmental Panel on Climate Change) established by UN organizations.
1989	The Basel Convention adopted. The Noordwijk Declaration (stabilization of CO ₂ emissions) adopted by 68 countries. The Helsinki Declaration adopted.
1990	The London Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter resolved.
1992	The Basel Convention took effect. The Earth Summit held.
1993	The Sustainable Development Committee established. EMAS established. Basic Environment Law promulgated. The Convention on Biological Diversity Convention on Biological Diversity took effect.
1994	United Nations Framework Convention on Climate Change took effect. BS7750 established. United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification adopted.
1995	Law for Promotion of Sorted Collection and Recycling of Containers and Packaging promulgated.
1996	ISO14000 series established.
1997	The Kyoto Protocol adopted.
1999	PRTR Law established.
2000	Green Purchasing Law established. Law for Promoting Effective Use of Resources established.
2001	Home Electronics Recycling Law enforced.
2002	Law Concerning Special Measures Against PCB Waste enforced.
2003	WEEE Directive came into force. RoHS Directive came into force. Soil Contamination Countermeasures Law enforced. Law for Enhancing Motivation on Environmental Conservation and Promoting Environmental Education promulgated.
2004	End-of-life Vehicle Recycling Law revised.
2005	The Kyoto Protocol ratified.
2006	RoHS Directive enforced.

Activities of Kyocera Mita Group

1988	Launched OPC drum with low ozone emission.
1989	Totally abolished use of chlorofluorocarbon (CFC) chemicals.
1990	Commenced material marking on toner containers.
1992	Copiers awarded Blue Angel Mark. Complied with DSD Mark requirements (packaging waste regulations in Germany).
1993	Commenced material marking for resin parts.
1995	Complied with International Energy Star Mark.
1996	Tamaki Plant acquired ISO14001 certification.
1999	Yoga Office acquired ISO14001 certification.
2000	Head Office, Hirakata Plant, Daiken Co., Ltd., and Kyocera Mita Hong Kong acquired ISO14001 certification.
2001	Kyocera Mita Shilong Plant and South Carolina Plant acquired ISO14001 certification.
2002	Kyocera Mita Japan Head Office acquired ISO14001 certification.
2003	Kyocera Mita Japan sales bases acquired ISO14001 certification. The Green Committee established. Sustainability Report published.
2004	Kyocera Mita Japan's all business offices acquired ISO14001 certification.
2005	Environmental accounting disclosed. Environmental Management Headquarters established.
2005	KM-6230RM (remanufactured copier) introduced.
2006	Kyocera Mita Green Procurement System (KMGPS) established.

Environmental Data of Plant Sites in Japan

Tamaki Plant

Outline

Address : 704-19 Nojino aza matabei, Tamaki-cho, Watarai-gun, Mie Prefecture

Site area : 117,490m²

Number of employees : 465 (male: 332; female: 133) (As of April 2007)

Type 1 designated energy management factory (3,674 kL of crude oil equivalent, FY2006) Drainage volume: 20,040 m³ (FY2006)

Products manufactured

Printers, accessory equipment, toners



Tamaki Plant

Environmental activities

Acquisition of ISO14001 certification (1996)

Energy-saving patrol activities (promotion of Cool Biz/Warm Biz, energy-saving inspection)

Reduction/management of chemical substance use (Class 2 organic solvents listed in the Labor Safety and Health Law have been changed to non-hazardous substances.)

Reduction in volume of industrial waste for disposal (waste reduction by improving productivity of toner production process)

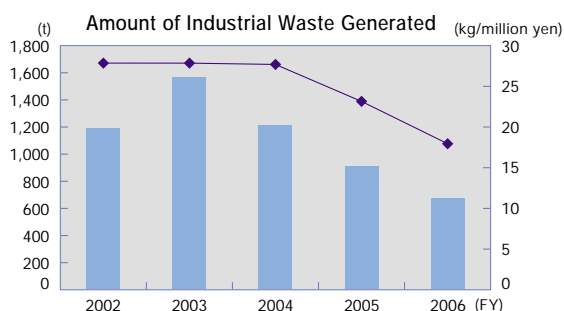
Promotion of green purchasing

Activities for contributing to local communities (Lecturing at seminars; support for environmental education for elementary school students; cleanup activities etc.)

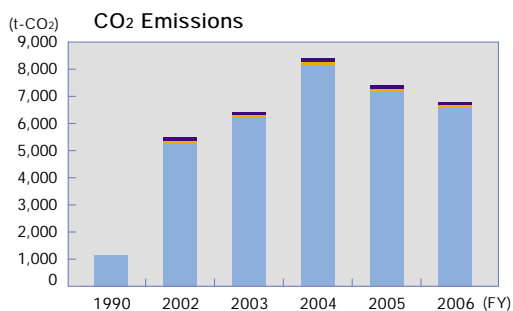


Plant manager: Yoshimitsu Nakabayashi

Environmental load data

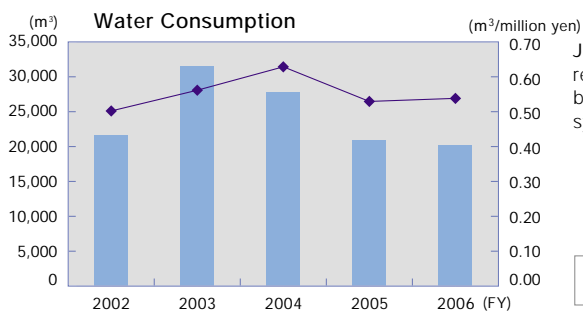


October 2003: Waste generation increased due to commencement of new toner production plant operation.
 June 2004: Waste water discharges from toner production reduced 70% by introducing toner waste water treatment system.
 August 2006: Waste generation reduced due to increased productivity of toner production process.

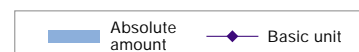


October 2003: Power consumption increased due to commencement of new toner production plant operation.
 January 2005: Power consumption reduced due to increased productivity.

Source of CO₂ emission



June 2004: Water consumption reduced by reusing purified water for cooling, as enabled by introduction of toner waste water treatment system.



Hirakata Plant

Outline

Address: 1-38-12 Tsudakitamachi, Hirakata-shi, Osaka
 Site area: 46,018 m²
 Number of employees: 484 (male: 388; female: 96) (As of April 2007)
 Type 1 designated energy management factory (5,307 kL of crude oil equivalent, FY2006)
 Drainage volume: 92,025 m³ (FY2006)

Products manufactured

Multifunction machines, printers, accessory equipment, drums, toners



Hirakata Plant

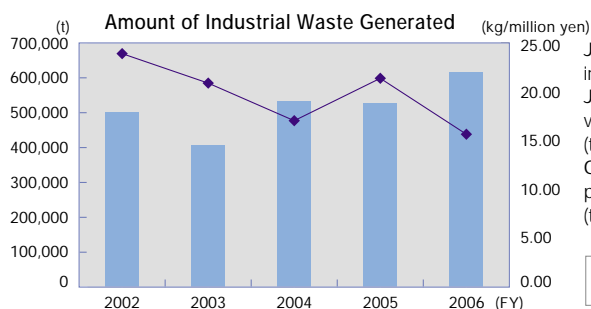
Environmental activities

- Acquisition of ISO14001 certification (2000)
- Energy-saving activities (promotion of Cool Biz/Warm Biz and Eco Drive; introduction of solar photovoltaic power system; introduction of low-emission vehicles)
- Reduction/management of chemical substance use (Class 2 organic solvents listed in Labor Safety and Health Law have been changed to non-hazardous substances.)
- Reduction in volume of industrial waste for disposal (waste reduction by improving productivity)
- Promotion of green purchasing
- Activities for contributing to local communities (Adopt Road Program, Adopt River Program)

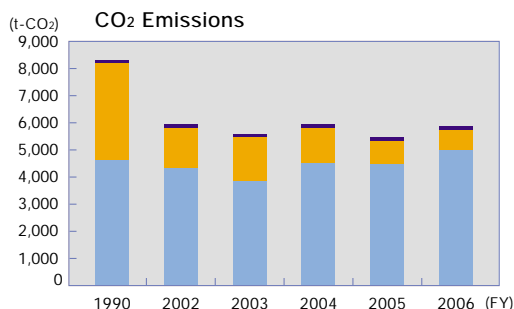
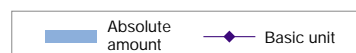


Plant manager: Yasushi Sumida

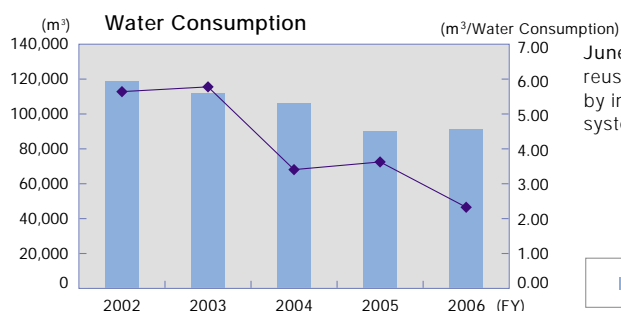
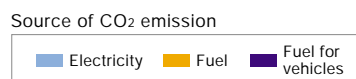
Environmental load data



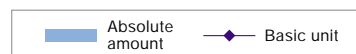
July 2003: Total amount of solvent waste reduced 40% by introducing solvent recovery system in drum production process.
 June 2004: Waste generation increased due to increased production volume of toner and new model multifunction machines (total production volume of plant increased by 32%).
 October 2006: Waste generation increased due to increased production volume of new model color multifunction machines (total production volume of plant increased by 16%).



April 2003: Power consumption reduced as a result of three-month stoppage of operation due to an accident at toner production plant.
 December 2005: Fuel consumption reduced by replacing fuel oil boilers with gas boilers.
 April 2006: Power consumption increased due to increased production volume at new toner production plant.



June 2005: Water consumption reduced by reusing purified water for cooling, as enabled by introduction of toner waste water treatment system.



Round-table Discussion Involving Third Parties Regarding Sustainability Report 2007



On June 7, 2007, we held a round-table discussion at the Kyocera Mita Head Office to hear the opinions of outside specialists regarding Kyocera Mita Group Sustainability Report 2007.

Participants

From the perspective of an environmental information specialist *****



Ms. Eriko Nashioka
Certified public accountant
Member of the Environmental Accounting Technical Committee, Management Advisory Service Research Committee, Japanese Institute of Certified Public Accountants. Part-time lecturer at the Faculty of Commerce, Doshisha University ("Environmental Accounting" and "Environmental Audit"). She also provides consulting services regarding environmental accounting and environmental information disclosure.

From the perspective of a CSR (compliance) specialist *****



Ms. Yoko Hiyama
Lawyer
President of Legal Profession Corporation Ethos Green. Specializing in corporate compliance and corporate social responsibility (CSR).

From the user's perspective *****



Mr. Akitoshi Yamada
Environmental management consultant
While working for a large electrical appliance manufacturer, he was involved in starting up IT and system solution businesses. Currently, he is a senior consultant at the Institute for Environmental Management Accounting.

From Kyocera Mita *****



Yoshihiro Tagawa
Senior Managing Executive Officer; Senior General Manager, Corporate Environmental Management Division, Kyocera Mita Corporation



Keiji Matsuura
General Manager, Environmental Management Department, Corporate Environmental Management Division, Kyocera Mita Corporation

Regarding the cover and special feature

"A special feature section conveys corporate attitude very well."

Nashioka: The theme of the cover design is mentioned in the editorial policy section, so I think the message—"Harmonious coexistence with nature"—will get across to readers very well.



Yamada: I felt close to what was talked about in the interview. By reading a special feature, I understand very well Kyocera Mita's attitude of making environmental and social contributions through its business activities.

Tagawa: As you said, because we want readers to understand that our environmental management is our core business activity, we placed the interview pages in the opening of the report.

Hiyama: I think it would be better to include sales trends over the past few years in the company profile section.

Nashioka: Other pages also don't contain much data. In addition, the message from the top management attaches considerable weight to the environmental aspect.

Regarding the environmental report

"What are the criteria for evaluating the performance results?"

Nashioka: I want to know what the criteria are for self-evaluation of the performance results in the Environmental Action Plan. I also want you to write about what specific measures you are planning to take for items whose goals have been unattained.

Yamada: The points that bothered me are that the goals of "collecting used consumables and promoting reuse" and

"improving the quality of recycling" have not yet been attained. The advantage of ECOSYS products is that they are designed to reduce environmental impact throughout their life cycle. So I expect you to create an effective system and achieve these goals.

Matsuura: We have already achieved a recycling rate of more than 99%. In future we will aim to achieve a higher target by further improving the collection rate and promoting reuse.

Hiyama: "Strengthening corporate social responsibility (CSR) activities" is included in the Environmental Action Plan. I think it would be better to explain social contribution activities in the social report section.

Nashioka: Regarding the environmental accounting section, I think that the data for the previous year should be provided, so as to enable year-to-year comparison, and that the current year's data should be accompanied by explanatory analysis. Another problem I found in the environmental report section is that it contains few concrete figures. I think it would be better to add year-to-year figures for the graphs.

Matsuura: I see. In future reports, we will reinforce text information with concrete figures, to better communicate the information to readers.

Regarding social report and environmental data

"The explanation should be accompanied by concrete figures and facts."

Yamada: My overall impression is that the information contained in the social report section is somewhat shallower or weaker than that contained in the environmental report section.

Hiyama: Also, I think that the information contained in last year's social report was extensive and more detail than this year's.

Matsuura: In addition to reducing the number of pages of this year's report, we placed great importance on improving the environmental report section, so the number of pages in the social report section has been cut significantly.

Hiyama: Your report does not mention corporate governance, which makes it difficult to grasp the "big picture" of the company. Another problem is that there is no concrete description of compliance. Given the situation in recent years, in which many company scandals have been brought to light, I wanted you to mention corporate governance and compliance matters more directly in the report. Although your activities in complying with the Sarbanes-Oxley Act are described in this year's report, I hope that the future reports will mention your activities relating to compliance, the premise of the Sarbanes-Oxley Act.



Tagawa: In our company, all employees view compliance as "a matter of course" and implement compliance activities in their daily operations. So we didn't go out of our way to talk about our compliance activities in the report, since we didn't feel the need to do so. But in communicating outside the company, it is necessary to provide a detailed explanation of our compliance policy and activities. Right?

Nashioka: I think that in addition to the information on your basic compliance policies and activities, you should include the information on the priority activities undertaken during the

relevant fiscal year.

Hiyama: I think one of the reasons we got the impression that the social report section was rather weak is because the section contains no concrete data, such as disabled people's employment rate or medical checkup consultation rate, and the descriptions are nothing more than generalizations.



Tagawa: I see. Regarding the social report, it is important and necessary to collect as much information as possible, isn't it? We will work on incorporating your suggestions into our future reports.

Regarding the report content

"Work on communicating your substantial positive environmental efforts more easily and effectively."

Yamada: However, by reading this report, I could understand very well Kyocera Mita's attitude of trying to convey to their stakeholders the message "To harmoniously coexist with nature and society," by carrying out manufacturing activities based on the corporate motto "Respect the Divine and Love People." I expect that in future you will devise a strategy to more effectively communicate to outside parties your ideas and your attitude regarding environmental and social issues.

Hiyama: The special feature was very interesting. On the whole, I felt the report was easy to read. I think that if you include key points, such as corporate governance and compliance, the report will be much better and easier to understand.

Nashioka: By reading the report, I understand that your company has been vigorously working on environmental protection through manufacturing, which is your core activity. But at the same time, I felt that it was difficult to analyze the report content, because concrete data are lacking. I also felt that ordinary people might find it difficult to understand some portions. To make the report appeal more to readers, I think you should be careful about where to lay stress and how to express your ideas. I also suggest placing photographs and comments of responsible executive officers on the front page.

Message from Kyocera Mita

"We tried to fully express our strong environmental commitment and protection efforts in our Sustainability Report."

Yoshihiro Tagawa

Senior Managing Executive Officer; Senior General Manager, Corporate Environmental Management Division

We edited "Sustainability Report 2007" so as to ensure that readers can clearly understand how Kyocera Mita has fulfilled, and intends to continue fulfilling, its corporate responsibilities toward society. Through this round-table discussion, I have come to realize that some points were not dealt with sufficiently in the report. We will take all opinions.



KYOCERA MITA GROUP Sustainability Report 2007



KYOCERA MITA Corporation

1-2-28 Tamatsukuri, Chuo-ku, Osaka City, 540-8585
TEL: +81-6-6764-3555

Contact: Environment Management Headquarters
TEL: +81-6-6764-3617, FAX: +81-6-6764-3780