

Ricoh and Hitachi Reach Basic Agreement on Ricoh's Acquisition of Hitachi Printing Solutions, Ltd.

Tokyo, March 31, 2004---Ricoh Co., Ltd. (TSE:7752 / 'Ricoh') and Hitachi, Ltd. (NYSE:HIT / TSE:6501 / 'Hitachi') today announced that Ricoh and Hitachi have signed a basic agreement to the effect that Hitachi will transfer all its shares of Hitachi Printing Solutions, Ltd. ('Hitachi PRS'), a 100% owned subsidiary, to Ricoh. Details are as follows.

1. Reasons for the basic agreement

Ricoh is committed to strengthening its printer business, an important pillar of its growth strategy. To this end, Ricoh will strengthen product lines for the office color printer market, printers for mission-critical systems and POD, or print-on-demand, markets, in which Ricoh is yet to participate. In addition, Ricoh will enhance IT sales channels on top of its conventional copier marketing channels. Through these initiatives, Ricoh will optimize "Total Document Volume" as the strategic objective of its imaging solutions business.

In accordance with the basic agreement, Ricoh will acquire Hitachi PRS, which enjoys considerable success with its printers for mission-critical systems, high-speed printers for the POD markets and also low-end color laser printers. Hitachi PRS's participation in the Ricoh group will not only create synergistic effects in the areas of technology, products and human resources for Ricoh printer business but also contribute to increasing Ricoh's corporate value.

Hitachi, for its part, is making every possible effort to ensure that all its businesses win in the global marketplace in accordance with its mid-term business plan: "i.e.HITACHI Plan *II*." This basic agreement was made within the context of this plan. Hitachi sees printers as important products for its information and communication systems business and intends to provide its customers with even higher valued-added solutions, maintaining all the while a strong business partnership with Ricoh.

2. Corporate profile of Hitachi PRS

(1)Name	Hitachi Printing Solutions, Ltd.
(2)President	Toshiaki Katayama President and Chief Executive Officer
(3)Address	15-1, Konan 2-chome, Minato-ku, Tokyo, Japan
(4)Date of incorporation	October, 2002
(5)Business content	Printers and related equipment, software development, product development, design, production and marketing
(6)Fiscal year-end	March 31
(7)Number of employees	820 (Group 2,200) as of December, 2003
(8)Capital stock	5,000 million yen (Number of shares held 100,000)
(9)Net sales	About 60,000 million yen (estimate for fiscal year ended in March 2004)

3. Changes in share holding ratios

Current	Ricoh	0%	Hitachi	100%
After the transfer (plan)	Ricoh	100%	Hitachi	0%

4. Schedule

Scheduled transfer of shares: October 2004

5. Influence on Ricoh and Hitachi consolidated financial figures

None for fiscal 2003 ending on March 31, 2004 is expected.

Influence in fiscal 2004 ending on March 31, 2005 will depend on result of current negotiations.

About Ricoh

A pioneer in digital office equipment, Ricoh offers a broad range of office solutions with world class support and services, including MFPs, printers, fax machines, CD-R and DVD+ReWritable drives and media. With 394 consolidated subsidiaries worldwide, employing approximately 74,000 people, the Ricoh Group posted consolidated total sales of 1,738.4 billion yen (\$14.7 billion) for the fiscal year ended March 31, 2003. A global leader, the Ricoh Group currently enjoys No.1 market share for plain paper copiers in Europe, Japan and No.2 share in the USA. For more information on Ricoh, please visit the company's Web site at <http://www.ricoh.com>.

About Hitachi

Hitachi, Ltd. (TSE: 6501/NYSE:HIT), headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 340,000 employees worldwide. Fiscal 2002 (ended March 31, 2003) consolidated sales totaled 8,191.7 billion yen (\$68.3 billion). The company offers a wide range of systems, products and services in market sectors, including information systems, electronic devices, power and industrial systems, consumer products, materials and financial services. For more information on Hitachi, please visit the company's Web site at <http://www.hitachi.com>.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
