

Controlling industrial wastes

Nitto Denko aims to improve the recycling rate of industrial wastes and to reduce the value of industrial waste ratio. The company will also strive to reduce the total amount of waste generated.

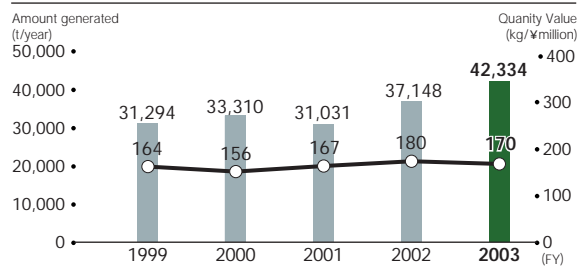
The industrial waste recycling rate of Nitto Denko marked 99.2% in fiscal 2003 (up 2.7 points from the previous year), which achieved the target of 98% or above. The value of industrial waste ratio (the ratio of material cost and processing cost of industrial waste to sales amount), which is Nitto Denko's own index, was 13.8%, representing a 1.8-point improvement from fiscal 2002. The achievement of the target for fiscal 2005 (12%) is almost secured.

However, the total amount of industrial waste generated was the largest ever, marking 42,300 metric tons and a 14% increase from fiscal 2002, due to the increase in production.

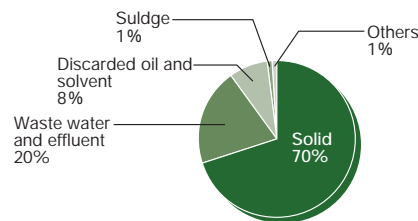
Therefore, in fiscal 2004, we have been studying measures to minimize the generation of industrial waste, including the reduction in the loss identical to

the manufacturing process, in addition to a reduction from the improvement in product yields.

Amount of Industrial waste



Breakdown of Industrial Waste



Recycling industrial wastes

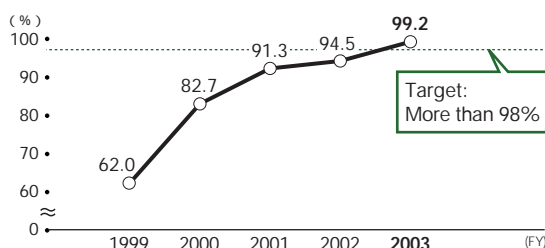
Achieving a 99.2% recycling rate as the whole Nitto Denko Corporation

Geared toward an improved materials recycling rate, all plants thoroughly separate industrial wastes according to their types and utilize them as valuable resources while the remaining waste is properly discarded. Excepting the Toyohashi Plant, the recycling process is outsourced to industrial waste disposal companies*, and the waste goes through a thermal or materials recycling process there. In fiscal 2003, we achieved an average recycling rate of 99.2% for the company as a whole.

With incineration facilities, the Toyohashi Plant utilizes the thermal recycling process within the plant. Also, this plant implements a material recycling, industrial waste is processed for later use in products, at Aichi Nitto Denko where is located in the site of the Toyohashi Plant. The waste that cannot be processed within the plant is sent to the outsourced companies as in the other plants and goes through the thermal or materials recycling process there. Thus, the plant has been achieving a 100% recycling rate since fiscal 2001.

*Before choosing an industrial waste disposal company, Nitto Denko carefully examines the company's capabilities through a thorough on-site investigation. Even after the selection, the company conducts an on-site investigation annually.

Recycling rate



Value of industrial waste ratio (see page 19)

12% (less 5% from fiscal 2000) is set as the company target for fiscal 2005

The value of industrial waste ratio is Nitto Denko's own index. The index regards industrial waste not only as mere material loss but also as loss including processing costs. In other words, it is the "value of industrial waste" and indicates the ratio of the value to total production. We have integrated this idea into the environmental accounting since fiscal 2000.

The company aims to achieve a 12% ratio in fiscal 2005 (was 17% in fiscal 2000) as the Nitto Denko Corporation and promotes the improvement from all aspects including the improvement of yield in business activities, reduction of energy included in the process costs, and change of production processes. In fiscal 2004, our major challenge is to take significant measures against the generation of industrial wastes.

Value of industrial waste ratio

