

Environmental Practice

Reutilizing Industrial Wastes

The Nitto Denko Group manufactures a multitude of products. Through the manufacturing process industrial wastes are generated, such as the snippets from tapes, film edges of punching products, wasters and so on. We promote effective utilization of resources through thermal recycling which utilizes the heat generated through incineration processes as energy. We also actively use material recycling which enables us to reutilize a great deal of industrial waste.

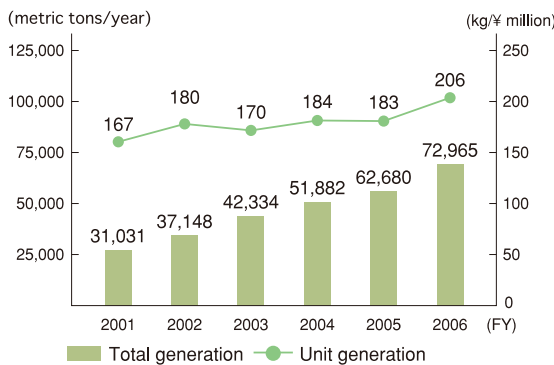
Initial Voluntary Environmental Plan Accomplished by 2005

By 2003, Nitto Denko Corporation (non-consolidated) had achieved 98% of the 2005 recycling rate target as set in the Voluntary Environmental Plan drawn up in 1993 and has managed to maintain this level since. To promote internal material recycling of industrial wastes, we have installed additional processing equipment in the Recycling Promotion Center. Since the center first began operating, we have continued to expand the range of industrial waste we are able to recycle through the creation of eco plastic cores. In the future we will make more effective use of the Interregional Industrial Waste Recycling Manufacturer Appointment System aiming to balance the cost of internal material recycling against outside industrial waste disposal.

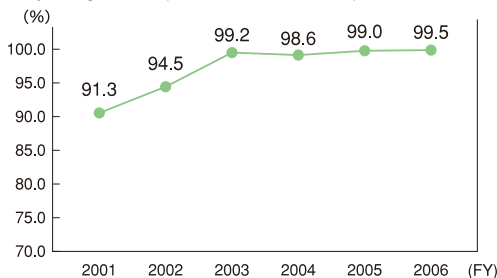
***Interregional Industrial Waste Recycling Manufacturer Appointment System**

The Industrial Waste Recycling Manufacturer Appointment System enables manufacturers to collect and recycle end-of-life products obtained from customers between regions. Such recycling can be carried out without having to obtain a license for handling industrial waste.

Total and Unit Generation of Industrial Waste (non-consolidated)



Recycling Rate (non-consolidated)



Accomplishment in Energy Conservation Activities

Nitto Denko Was Awarded the Gold Prize for Prime ESCO Business and the Director General Prize of Agency of Natural Resources and Energy

At the 2006 National Convention for Successful Cases of Energy Conservation in Factories & Buildings, which is organized every February by the Energy Conservation Center of Japan, both the Onomichi and Toyohashi Plants received awards. The Onomichi Plant received the Gold ESCO Prime Business Prize for the improvements that it had made to its fabrication plant resulting in improved VOC emission treatment.

An Energy Service Company (ESCO) is a business which is recognized for the priority that it places on improving the overall energy conservation of its factories and buildings, minimizing the environmental impact on the physical site and achieves a positive and measurable environmental outcome. The Onomichi Plant was able to achieve a significant result for an ESCO business, improving energy consumption efficiency by 25% from the fiscal 2003 level demonstrating a decrease in its energy consumption to a new level of 8800kl a year in crude oil equivalent.

The Agency of Natural Resources and Energy, Director General Prize was awarded to the Toyohashi Plant in recognition of its successful contribution to energy conservation in a factory and building environment. The plant installed an improved gas emission treatment method able to reduce emissions from the coating machines used in the production of adhesive tapes. The shift from using a direct combustion oxidizer which traditionally consumed large amounts of fuel to the more energy-efficient regenerative thermal oxidizing system has resulted in a considerable reduction in overall energy consumption.



Onomichi Plant being awarded the Gold ESCO Prime Business Prize



Toyohashi Plant being awarded the Agency of Natural Resources and Energy, Director General Prize