

The Nitto Denko Group's Efforts on a Group-wide and Global Scale

Right: Plenary session held on 16 and 17 November
Below: Environment and Safety Sector Global Meeting held on 18 and 19 November



Global Activities

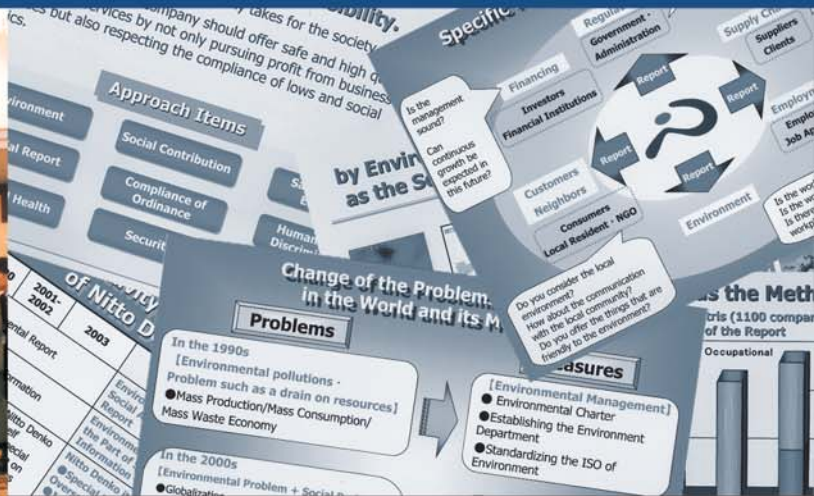
The 1st Global Technology Conference

The first Global Technology Conference was held in Osaka from 16 to 19 November 2004. Under the theme "To be a global excellent company," approximately 350 members assembled from the Nitto Denko Group companies all over the world. The objective of the conference was to share information in response to the globalization of the business and to raise the level of activities at each site. The conference had been held by each sector until last year.

Year 2004, however, became the first year when four sectors convened joint conference: R&D, Environment and Safety, Quality Assurance and Procurement Business.

A plenary session was held the first two days, where candidates for Global Niche Top* products were announced and exhibited, accomplishments were presented by each sector, and posters were displayed. All communication was in English, which was an opportunity to impress upon the participants the globalization of corporate management. Sector meetings were held in the latter two days, where members from the same sector shared issues, problems, and technologies with each other.

The decision was made to have the conference in fiscal 2005 as well, under the theme "To improve quality" and the sub-theme of Corporate brand (CB) and Corporate Social Responsibility (CSR). The conference will be held every year to exchange information and strengthen communication with other companies around the world.



On November 16 and 17, posters were exhibited, and each sector reported its accomplishments.

* Global Niche Top Products: Products based on the basic strategy of selecting growth markets to capture a niche area and with the aim of securing the world's largest share in the area using the group's unique, differentiated competitive edge.

Group companies participating in the global meetings

R&D Sector Global Meeting

Nitto Shinko Corporation
 Nitto Denko CS System Corporation
 Nitoms Inc.
 Permacel Automotive Inc. (U.S.A.)
 Hydranautics (U.S.A.)
 AVEVA Drug Delivery Systems, Inc. (U.S.A.)
 Nitto Denko Technical Corporation (U.S.A.)
 Nitto Europe N.V. (Belgium)
 Nitto Denko Electronics (Malaysia) Sdn. Bhd.
 Nitto Denko Materials (Malaysia) Sdn. Bhd.

Nitto Analytical Techno-Center Co., Ltd.
 Nitto Life-tech Corporation
 Nitto Americas Inc. (U.S.A.)

Total of 13 manufacturing and other companies

Environment and Safety Sector Global Meeting

Nitto Shinko Corporation
 Nitoms Inc.
 Nissho Corporation
 Kyoshin Corporation
 Hydranautics (U.S.A.)
 Nitto Denko (Shanghai Songjiang) Co., Ltd. (China)
 Taiwan Nitto Optical Co., Ltd. (Taiwan)
 Nitto Denko Electronics (Malaysia) Sdn. Bhd.
 Nitto Denko Material (Thailand) Co., Ltd.
 Nitto Denko Matex Corporation
 Nitto Life-tech Corporation

Nitto Electronics Kyushu Co., Ltd.
 Permacel (U.S.A.)
 Nitto Europe N.V. (Belgium)
 Nitto Denko (Taiwan) Corporation

Total of 15 manufacturing and other companies

Quality Assurance Sector Global Meeting

Nitto Shinko Corporation
 Nitto Denko CS System Corporation
 Nitoms Inc.
 Nissho Corporation
 Permacel (U.S.A.)
 Nitto Europe N.V. (Belgium)
 Nitto Denko (Taiwan) Corporation
 Nitto Denko Material (Thailand) Co., Ltd.
 Nitto Denko Electronics (Malaysia) Sdn. Bhd.
 Kyoshin Corporation
 Nitto Denko Matex Corporation

Nitto Life-tech Corporation
 Nitto Electronics Kyushu Co., Ltd.
 Hydranautics (U.S.A.)
 Nitto Denko (Shanghai Songjiang) Co., Ltd. (China)

Total of 15 manufacturing and sales companies

Procurement Business Sector Global Meeting

Nitoms Inc.
 Nitto Lifetec Corporation
 Nitto Logi-Com Co., Ltd.
 Hydranautics (U.S.A.)
 Nitto Denko (China) Investment Co., Ltd.
 Nitto Denko (Taiwan) Corporation
 Korea Nitto Optical Co., Ltd.
 Nitto Denko Electronics (Malaysia) Sdn. Bhd.
 Nitto Denko Material (Thailand) Co., Ltd.
 Nitto Electronics Kyushu Co., Ltd.
 Nitto Analytical Techno-Center Co., Ltd.

Permacel (U.S.A.)
 Nitto Europe N.V. (Belgium)
 Nitto Denko (Shanghai Songjiang) Co., Ltd. (China)
 Taiwan Nitto Optical Co., Ltd.

Total of 15 manufacturing and other companies

R&D Sector Global Meeting

Participants made presentations on products and technology development that use nanotechnology and coating techniques from the Nitto Denko Group. A question-and-answer session was held, and R&D members from all over the world had a constructive discussion.

Through the presentation and the Q&A session, participants shared issues on each nation, leading global technologies, and the status of development in other parts of the world. Such shared information will be utilized for research and development at each site.

Quality Assurance Sector Global Meeting

Under the objective to provide the best quality and service, the theme “recognition of global excellent quality level and the measures to be taken” was discussed in the form of a group discussion. Participants discussed the improvement of customer satisfaction, human resource cultivation and education in terms of quality assurance, compliance with laws and regulations on a global scale, and methods for pursuing quality assurance to avoid the generation of defective products. A variety of issues at each site were identified.

To resolve the issues, a concrete roadmap toward 2007 will be prepared, and quality action plans will be implemented by the whole group in accordance with the map from fiscal 2005.

Environment and Safety Sector Global Meeting

The whole group's indices and target values were set for the periods until fiscal 2007 and 2015. For the environmental aspect, a common environmental management index **→P19** and target values were specified, considering measures to prevent global warming. As for safety, the target to eliminate fatal accidents within the group was set for fiscal 2015, stipulating that the number of fatal accidents per a million hours shall be reduced to 25% of fiscal 2005 (based on the group's unique criteria), and concrete activities for achieving the target were planned for each individual site.

An opportunity for group discussion was provided where participants had a lively discussion in both English and Japanese.

Procurement Business Sector Global Meeting

Current conditions were reported by each site, and group discussions were conducted. Six sites, including three overseas sites, reported the influence of the global issue—soaring oil prices—and measures to address it. In the group discussion, participants discussed the role the procurement departments should play toward the realization of the mid-term management plan under the subjects information sharing, optimization of overseas physical distribution, and the possibility of central purchasing.