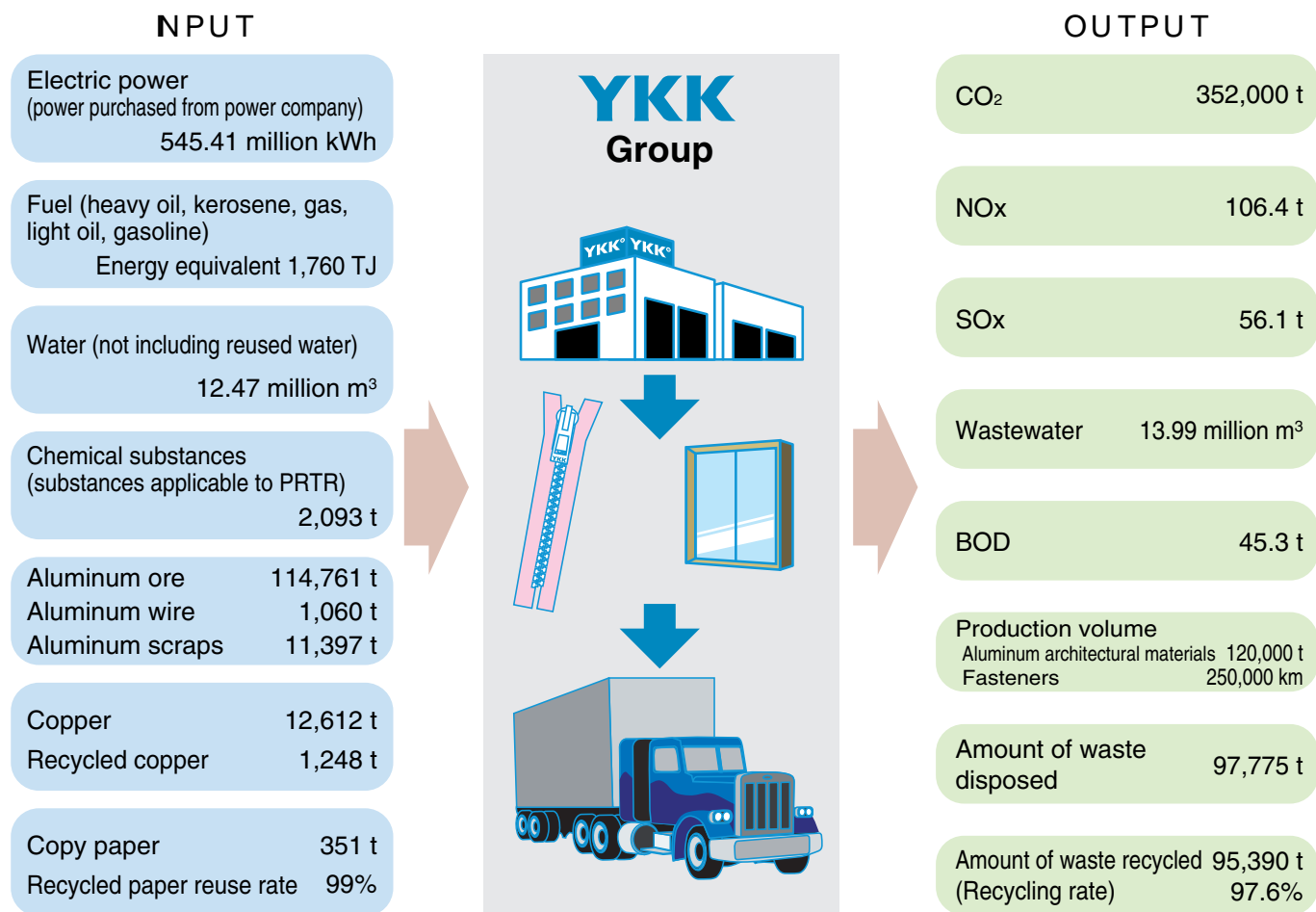


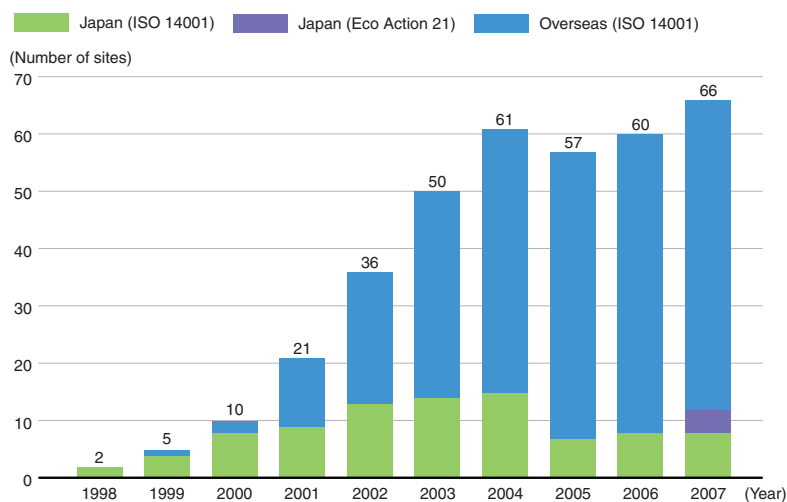
Environmental impact mass-balance of YKK Group domestic plants/offices



Environmental action targets and results

| Basic Policy for Environmental Management | Targets for Environmental Action | | Fiscal 2007 Targets | Fiscal 2007 Results | Assessment of Performance |
|---|--|--|--|---|---------------------------|
| Development and provision of eco products and services | 1) Promotion of green procurement | <ul style="list-style-type: none"> Green Procurement Guidelines Lobbying of suppliers Improvement of green procurement ratio | <ul style="list-style-type: none"> Full-scale operation of chemical substance management system for substances contained in products | <ul style="list-style-type: none"> Begin full-scale operation of chemical substance management system for substances contained in products and investigations of overseas plants | ○ |
| | 2) Utilization of environmental labels | <ul style="list-style-type: none"> Eco Product Standards Improvement of ratio of eco products | <ul style="list-style-type: none"> Improvement of ratio of eco products | <ul style="list-style-type: none"> Increase in number of eco products registered in environmentally friendly product database Introduction of concept of eco-efficiency into new production machines in the machinery and engineering business | ○ |
| | 3) Utilization of product assessments | <ul style="list-style-type: none"> Utilization of product assessments | <ul style="list-style-type: none"> Review of Environmental Product Assessment Guidelines | <ul style="list-style-type: none"> Amendment of evaluation sheet for environmental product assessment | ○ |
| Further integration of environmental impact reduction management | 1) Global warming measures (reduction of greenhouse gas emissions, reduction of total energy consumption, improvement of transport efficiency) | <ul style="list-style-type: none"> On-going reductions of total CO₂ emissions at main production bases Adoption of clean energy technologies Improvement of transport efficiency | <ul style="list-style-type: none"> Reduction of CO₂ emissions by 1% compared to the previous year at main plants in Japan Review of Energy Management Standards | <ul style="list-style-type: none"> Reduction of 5.2% compared to previous year and 19.1% compared to 1990 Amendment of management standards at each energy-consuming facility | ○ |
| | 2) Promotion of the 3 R's (Reduce, Reuse, Recycle) and reconversion of resources between different industries for further recycling of resources | <ul style="list-style-type: none"> Improvement of zero emission record Reduction of total emissions and improvement of resource productivity and cyclical use rate Reduction of packaging materials | <ul style="list-style-type: none"> Implementation of audits on legal compliance with respect to waste Continuation and improvement of zero emission activities | <ul style="list-style-type: none"> Implementation of waste audits and investigations of waste handling by industrial waste management company Implementation of training programs for workers dealing with waste (total of 393 workers) Continuation of zero emission activities (recycling rate: 97.6%) | ○ |
| | 3) Reduction of risks involving chemical substances | <ul style="list-style-type: none"> Disposal of negative assets Promotion of chemical risk management system Reduction of chemical substance emissions | <ul style="list-style-type: none"> Implementation of soil survey (target: 84% completion) Review of voluntary management standards | <ul style="list-style-type: none"> Implementation of soil survey (95% complete) Creation of group rules for voluntary management standards | ○ |
| Development and utilization of global environmental management system | 1) Development of global environmental activities | <ul style="list-style-type: none"> Group global environmental conference Centralized management of global environmental data | <ul style="list-style-type: none"> 5th International Conference on the Environment Implementation of groupwide environmental management audit | <ul style="list-style-type: none"> International environmental conferences for each business (Sept. and Dec. 2007) Implementation of groupwide environmental management audit with assistance of external advisor (Aug. – Nov. 2007) | ○ |
| | 2) Development of environmental management system | <ul style="list-style-type: none"> Development of environmental management systems across the group | <ul style="list-style-type: none"> Development and promotion of environmental management systems across the group | <ul style="list-style-type: none"> Acquisition of ISO 14001 certification at two more overseas bases of operations Acquisition of Eco Action 21 certification by four group companies | ○ |
| Promotion of environmental communication | 1) Bilateral communication concerning environmental information | <ul style="list-style-type: none"> Continued publishing of social and environmental reports Participation in environmental exhibitions | <ul style="list-style-type: none"> Publishing of social and environmental reports Participation in environmental exhibitions | <ul style="list-style-type: none"> Publishing of YKK Group Social and Environmental Report 2007 (Jul. 2007) Participation in Toyama Environmental Fair (Oct. 2007), Eco-Products Tohoku 2007 (Oct. 2007) and Eco-Products 2007 (Dec. 2007) Planning and implementation of program to raise environmental awareness among employees (Apr. 2007 – Mar. 2008) | ○ |
| | 2) Enhancement of Environmental Education Program | <ul style="list-style-type: none"> Organizing of Environmental Education Program | <ul style="list-style-type: none"> Preparation of educational tools | <ul style="list-style-type: none"> Enhancement of educational tools | ○ |
| | 3) Harmony with regional communities | <ul style="list-style-type: none"> Promotion of social activities | <ul style="list-style-type: none"> Promotion of social activities | <ul style="list-style-type: none"> Implementation of volunteer environmental activities in each region Dispatching of lecturers to external environmental seminars and other events | ○ |

Record of ISO 14001 and other environmental management system certifications (total sites certified)



In February 2005, YKK AP unified 10 sites that had been independently certified into one organization, resulting in a reduction in the total site count.

In October 2007 four of the group's subsidiary firms acquired Eco Action 21 certification.

Environmental accounting

◆ Fiscal 2007 environmental conservation costs (total for YKK Group businesses in Japan)

(Unit: ¥1 million/year)

| Item | | Description of main initiatives | Equipment investment | Cost |
|--|--|---|----------------------|--------------|
| Cost within business area | Prevention of pollution | Installation of vacuum cleaning system, VOC disposal system, filtration system, etc. | 215 | 632 |
| | Conservation of the global environment | Energy conservation measures (replacement of material preheating furnace and dust collector, installation of faster dyeing machine, etc.) | 187 | 233 |
| | Recycling of resources | Waste reduction, zero emissions efforts, etc. | 90 | 1,298 |
| Business area internal cost total | | | 492 | 2,163 |
| Upstream/downstream cost | | Creation of recycling system | 0 | 144 |
| Management activities cost | | ISO 14001 maintenance/management cost, environmental exhibitions, environmental reports, environmental analyses, tree planting | 12 | 481 |
| R&D cost | | Development of eco-products | 2 | 2,004 |
| Social activities cost | | Cooperative volunteer activities with local communities | 8 | 55 |
| Environmental damage repair cost | | Treatment of contaminated soil within plant grounds | 0 | 33 |
| Other costs | | Inspection and management of fire extinguishing equipment, replacement of old fire hydrant pipes within the building, etc. | 14 | 32 |
| Total | | | 528 | 4,913 |
| | | | Fiscal 2006 | 263, 4,496 |
| | | | Fiscal 2005 | 412, 3,860 |
| | | | Fiscal 2004 | 848, 3,707 |
| | | | Fiscal 2003 | 540, 3,002 |

| | Environmental equipment investment | | | Environmental costs | | Sales (Unit: ¥100 million) | Total equipment investment (Unit: ¥100 million) |
|-------------|------------------------------------|-----------------|--------------------------------|----------------------|-----------------|----------------------------|---|
| | (Unit: ¥100 million) | Sales ratio (%) | Equipment investment ratio (%) | (Unit: ¥100 million) | Sales ratio (%) | | |
| Fiscal 2007 | 5.3 | 0.1 | 1.9 | 49.1 | 1.3 | 3,919 | 281 |
| Fiscal 2006 | 2.6 | 0.1 | 1.1 | 45.0 | 1.1 | 4,070 | 243 |
| Fiscal 2005 | 4.1 | 0.1 | 1.7 | 38.6 | 1.0 | 3,958 | 236 |
| Fiscal 2004 | 8.5 | 0.2 | 4.1 | 37.1 | 1.0 | 3,880 | 209 |
| Fiscal 2003 | 5.4 | 0.1 | 2.1 | 30.0 | 0.8 | 3,795 | 254 |