

Conserving Energy

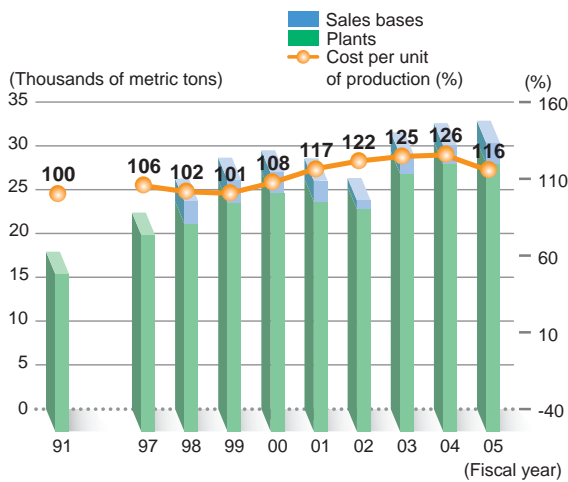
Sanden is forging ahead with measures to conserve energy, working to achieve the goal set out in its Environmental Vision of reducing CO₂ emissions from production activities to 10% below the fiscal 1990 level by fiscal 2010. Our basic stance on energy conservation is rooted in the complete elimination of all forms of waste, and we are focusing in particular on reducing the amount of energy used in manufacturing and testing through such measures as improving productivity and revising testing methods.

Fiscal 2005 Initiatives

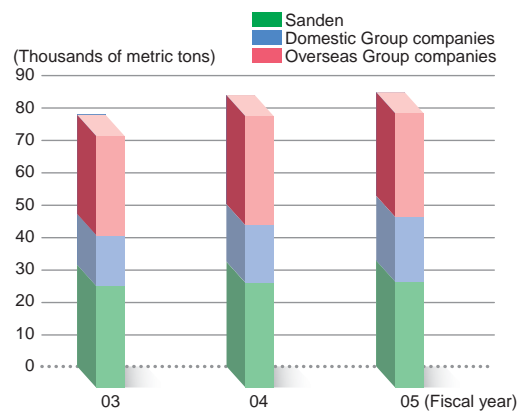
In fiscal 2005, Sanden completed the plant restructuring, bolstering of in-house production, and relocation of subsidiaries to the Akagi Plant, which began in fiscal 2003. Although the Akagi Plant reported a 17% increase in CO₂ emissions from the previous fiscal year, Sanden's total CO₂ emissions rose a mere 1% and we achieved a 7% decline in cost per unit of production primarily as a result of the Yattajima Plant's efforts to reduce emissions.

Going forward, we will continue to strive to curb CO₂ emissions by eliminating energy waste in manufacturing processes and enhancing productivity.

Sanden's CO₂ Emissions



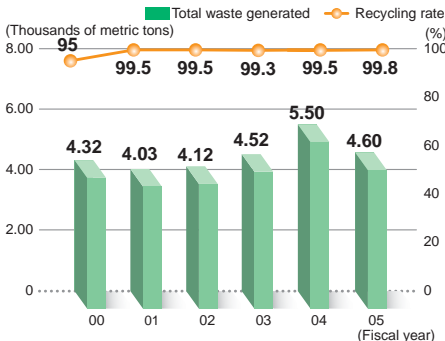
The Sanden Group's CO₂ Emissions



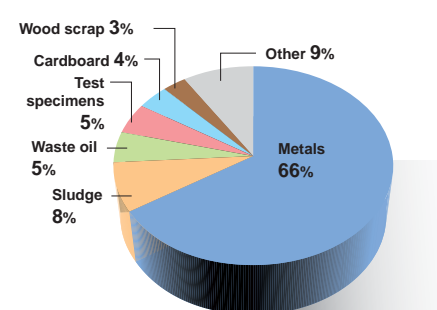
Reducing Waste

Energy conservation, the complete elimination of the use of hazardous substances, resource recycling, and social contribution form the pillars of Sanden's environmental activities. Our resource recycling initiatives include the achievement of zero emissions at all plants in 2000 and subsequent ongoing efforts to reduce waste generation. Specifically, we are working to develop lightweight products and product designs that contribute to reducing waste generation in production processes, cut the amount of finished goods that are defective, reduce the amount of packaging materials that are used, and transform heat recovery waste into recycled materials. In addition, in fiscal 2005, eight affiliates achieved zero emissions (99% recycling rate).

Recycling and Waste Generation at Plants



Breakdown of Waste Generation at Plants in Fiscal 2005



Breakdown of Group Waste Generation in Fiscal 2005

