

Environmentally-Conscious Products and Services

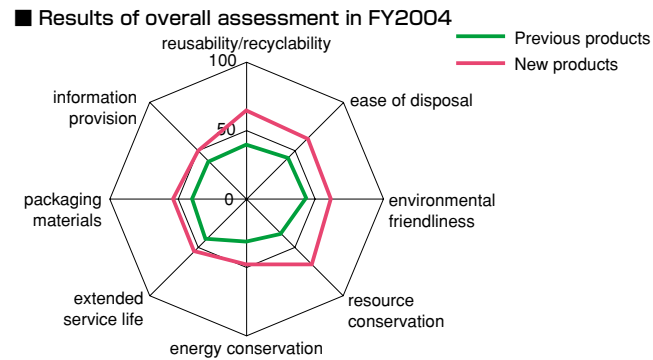
Since establishing its Environmental Design Guideline in 1997, Yamatake has been actively promoting the manufacture of products that are environmentally conscious at every stage of the products' lifecycle; from development and design through to production, application and disposal.

With the strengthening of the EC Directive on Waste Substances in Electrical and Electronic Equipment (WEEE) and Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), in fiscal year 2004 we established new rules for managing chemical substances, materials and parts. They include providing information on harmful chemical substances used in our products, managing material data for developing environmentally-conscious products, and managing parts data, such as for nuts and bolts.

Environmental design assessment

To promote the development of environmentally-conscious products, the Yamatake Group has been assessing product design in eight categories* based on its Environmental Design Guidelines established in 1997. In its assessment in fiscal year 2004, the Group improved resource conservation and ease of disposal by 32.7% and 20.6%, respectively.

*The eight categories are energy conservation, resource conservation, environmental friendliness, extended service life, reusability/recyclability, ease of disposal, packaging materials, and information provision.



Environmental labeling

In April 2001 the Yamatake Group introduced its original environmental labeling system in compliance with ISO14021, and has been disclosing environmental information about its products. We adopted the type II environmental labeling, also called self-declared environmental labeling. Twenty-three products were certified with the environmental labeling in fiscal year 2004. Two of these products are introduced on page 10.

Criteria for Earning the Environmental Label

In implementing an environmental design assessment, the product should meet either one of the following conditions when compared to the previous product model:

- At least a 30% improvement in every category and a positive rating in its overall evaluation.
- At least a 10% improvement in its overall evaluation.

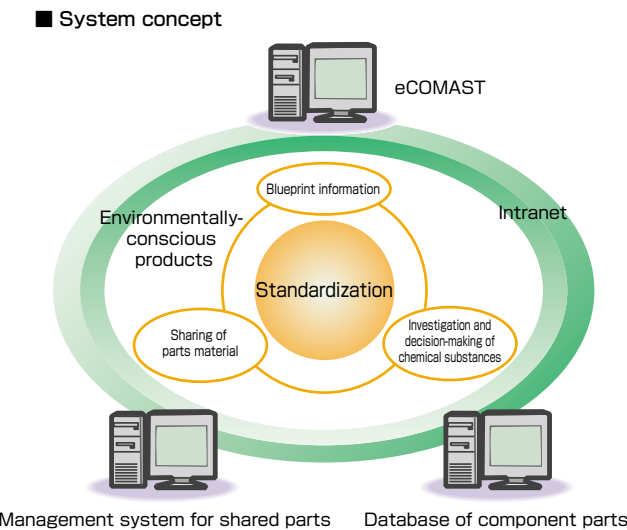


Management and use of harmful chemical substances in our products

In preparation for the EC directive of RoHS to be enforced from July 2006, Yamatake launched a project in May 2004 to make a plan for managing and using harmful chemical substances in our products. We are assigning and registering a management number for each part or material, and creating and managing a database of harmful chemical substances for each registered part or material.

To effectively share chemical substances data via Intranet, we are adjusting our infrastructure and setting up a management system for chemical substances, called eCOMAST, and another system for shared or common materials.

In the future, we will work toward compliance with the RoHS Directive by planning substitutes of harmful substances used in the manufacturing line of each product. For example, our control products business is currently implementing changes and expects full compliance in December 2005. Through a Group-wide project, we are also developing the mounting technology for lead-free solders and formulating a system for its mass production, both of which are progressing on schedule for completion by the end of fiscal year 2005.

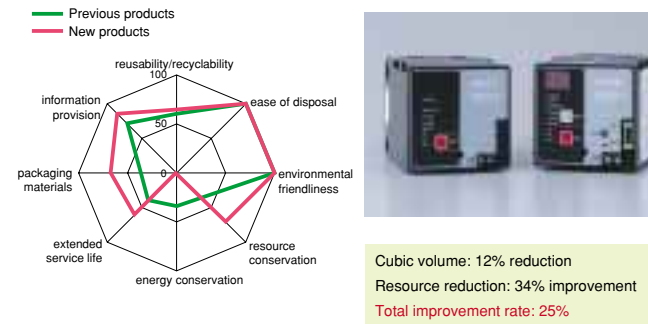


Products Certified with the Environmental Labeling

AUR400/450 Dynamic Self-checking Burner Controller – For safe operation of combustion equipment

This dynamic, self-checking industrial burner controller promotes combustion safety by automatically and safely igniting gas or oil burners in sequence, and monitoring the combustion flame. In case of an alarm signal, it will shut off and lock out the flames. Compared with conventional products, it has upgraded functions as well as a compact, lightweight body for improved resource conservation.

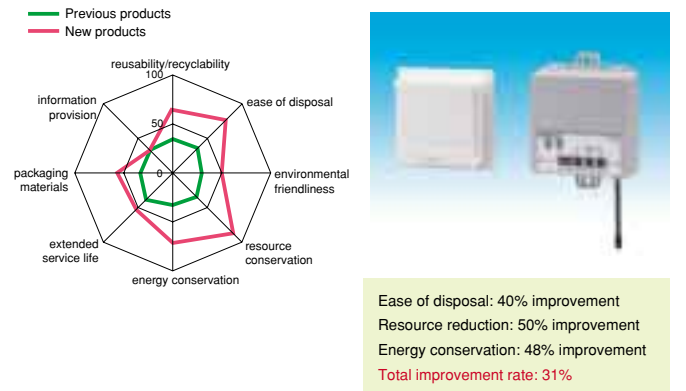
Assessment result



Neosensor Wireless/ Neopanel Wireless – Room temperature & humidity sensor and digital Terminal

Precise measurements of indoor temperature and humidity are necessary for optimum air conditioning control. The wireless Neosensor and Neopanel can be mounted in the most suitable location for precise measurements, thereby realizing resource conservation and energy savings through optimum operation. With a compact, lightweight body designed for low power consumption, it has made a significant improvement in environmental preservation.

Assessment result



Environmental Solutions

ESCO (Energy Service Company)

First ESCO for energy management of aquarium in Japan

Suma Aqualife Park became the first aquarium in Japan to implement energy conservation measures, from April 2004. And helping Suma Aqualife Park to meet its energy conservation goals is Yamatake's original ESCO service, "tems™" Total Energy Management System, for total control from the circulation pump of the water tanks to air conditioning of the entire facility. By adopting low-cost yet effective energy conservation measures, Suma Aqualife realized energy savings of 48.9% and reduced its CO₂ emissions by 400 tons per year.



Harmonas

"Harmonas™" contributes to development of ocean thermal energy conversion system

Saga University's Institute of Ocean Energy is currently running demonstration tests for the development of a hybrid ocean thermal energy conversion system and a desalination plant that uses this energy. To integrate the monitoring and control functions of these advanced equipments, the Harmonas automation system was installed. With a variety of demonstrated operations and a large data-processing capacity, the Harmonas system can respond to changes in experimental objectives and enable the researchers to easily adjust plant operations to meet their specific needs.

