

Management of Chemical Substances

With the strengthening of EU restrictions and other environmental regulations, the management of chemical substances contained in our products is an important issue. In fiscal 2005 we continued with our survey of chemical substances in our products, and developed a database for their management. Going forward, we will respond appropriately to customer inquiries regarding chemical substances used in our products, while strengthening related internal activities.

Management and measures for chemical substances contained in products

• Compliance with RoHS Directive

The RoHS Directive (Restriction of the use of certain Hazardous Substances in electrical and electronic equipment) enforced in July 2006 prohibits the use of lead, mercury, cadmium, hexavalent chromium, PBB and PBDE in all electrical and electronic products sold in the EU. Although this directive does not affect monitoring and control instruments, the Yamatake Group is committed to providing environmentally-conscious products and has therefore been promoting the substitution of the six prohibited substances.

In fiscal 2003 we began developing technologies for lead-free solders as a company-wide project, and have been promoting lead-free solders with our target of complete conversion by the end of fiscal 2005. We are on schedule in terms of the mounting technology for lead-free solders and the system for their mass production. The conversion to lead-free solders for each product is also progressing on schedule. However, to complete the conversion as originally scheduled may be difficult due to the delay in adopting lead-free solders in electronic parts, and inventory management of purchased non-lead-free parts. We are presently revising the schedule and will continue with the conversion to lead-free solders.

Since launching our project for managing chemical substances contained in our products in May 2004, we have been moving forward with making the framework for the management and use of chemical substances. In fiscal 2005 the "eCOMAST" system was adopted to manage chemical substances in our products. We are promoting the survey of chemical substances in products, such as electrical and electronic parts, and mechanical parts and materials, and the development of a database. For example, the use of prohibited chemical substances

in such products and materials is investigated and verified by fluorescent x-ray analysis.

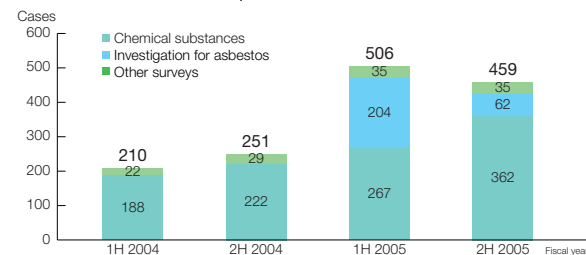
Following the plan by each business line, we have completed the substitution for the six prohibited chemicals so that the products subject to the RoHS Directive now comply with this directive.

• Responding to customers

Owing to the RoHS Directive to take effect shortly, the number of customer inquiries regarding chemical substances in fiscal 2005 totaled 629, a significant increase from the previous year.

In the future, we will prevent adulteration and contamination by prohibited chemical substances contained in our products. To comply with environmental regulations, we plan to launch activities for establishing a system of managing chemical substances for satisfying customer needs, based on the Japan Green Procurement Guidelines. Also, with the China version of the RoHS Directive expected to take effect in March 2007, we are aware that regulations for chemical substances in products will become stricter. Efforts are being made across the Group to respond to tougher regulations.

■ Number of customer inquiries



■ Framework for managing chemical substances contained in our products

