

Environmental Accounting

1. Fiscal 2000 Environmental Accounting Records

In order to pursue activity programs for environmental protection in an effective and efficient manner, Oki Electric has been promoting activities to establish an environmental accounting system since 1999. Oki Electric, and the 22 consolidated affiliated companies, including those overseas, are expected to have the system implemented by the end of FY2001. Results of the FY2000 activities, which were completed for Oki Electric and the 13 consolidated affiliated companies (* shown below), are presented as follows:

- Environment protection costs included a total investment of JY750 million and total expenses of JY3.07 billion.
- Environment protection effects included a reduction in the final industrial waste quantity by 5.8%, when compared to the previous year. The CO₂ emissions were somewhat reduced by 0.6%, when compared to the previous year. This small improvement was due to an increase in production during the fiscal year, but in terms of basic units it was reduced by 7.2%.
- Combining all the economic effects achieved, in connection with the environmental protection measures, the substantial amount totalled JY1.01 billion.

The contents of this report have been changed and laid out according to the contents of the "Guidelines for the Implementation of the Environmental Accounting System (Year 2000 Edition)" (published in March 2000 by the Ministry of the Environment).

■ Environmental Protection Costs

- ◆ Investment: JY750 million (previous year: JY 280 million)
- ◆ Expenses: JY3.07 billion (previous year: JY2.73 billion)

(Unit: JY million)

Environmental protection classification	Details of main activities	Total cost
Operation costs	Maintenance and amortization costs of environment related facilities	2,440
Pre and post operational costs	Collection of used products, recycling costs, etc.	70
Management activity costs	Environmental management operational costs, etc.	490
R&D costs	Research and development for reducing the environmental burden of products and production processes, etc.	40
Social and community activity costs	Environmental improvement costs for greening and community activities, environmental report preparation costs, etc.	30

■ Effects Concerning Environmental Protection Measures

- ◆ Environmental protection effects

Environmental impact index	Details of main activities	Impact (total)	Reduction from previous year
CO ₂ emissions (t-c)	Reduction of energy consumption	71,913	increase by 404
Final waste processing (tons)	Reduction of waste disposal, etc.	912	reduced by 56

- ◆ Actual effect of costs for the environmental protection measures: JY1.01 billion (previous year: JY470 million)

(Unit: JY million)

Actual effect classification	Details of main activities	Effect of costs
Cost reduction effects	Reduction of electrical power, waste disposal costs and resource costs due to recycling	930
Direct income effect	Sale of useful assets	80

[Compilation period] April 1, 2000 to March 31, 2001

[Conditions of accounting]

- (1) The depreciation and amortization costs of invested facilities are calculated using the straight-line method for a period of three years.
The effects resulting from these facilities are calculated for three years only.
- (2) Personnel expenses are calculated by prorating the personnel costs for the amount of time spent on the environmental protection activities.
- (3) Environmental protection effects are calculated by obtaining the environmental impact amounts reduced in the production operation.
- (4) A portion of the accounting includes figures relating to the affiliated companies located within the sites, which have participated in the environmental impact management.

[*Sites of consolidated companies have been included]

Oki Printed Circuits / Miyazaki Oki Electric / Miyagi Oki Electric / Tama Oki Electric / Nagano Oki Electric / Shizuoka Oki Electric / Oki Environmental Technologies / Oki Supply Center / Oki Data / Oki Digital Imaging / Oki (UK) Ltd. / Oki Data Manufacturing (Thailand) / Oki (Thailand)