



Environmental Conservation Activities

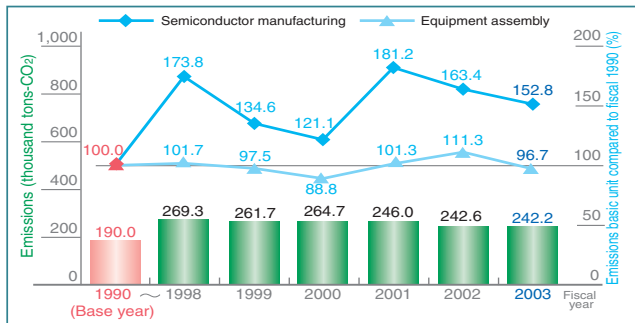
Efforts to Reduce Greenhouse Gas Emissions

The most significant environmental impact from Oki Electric's production plants and offices is the emission of CO₂ and other greenhouse gases. For this reason, we have implemented energy-saving measures, mostly at semiconductor production plants, which use most electric power. We have put up a goal for emissions of CO₂ originating from energy (through the consumption of electric power or fossil fuel) and for emissions of PFC gases used in the semiconductor manufacturing process.

CO₂-Emissions Originating from Energy and Efforts for Reduction

The total quantity of CO₂ emissions originating from energy of the Oki group (including overseas production plants) was 303 thousand tons, which is about the same as the emissions of fiscal 2002. The CO₂ emissions (basic units*) by section at the major production sites improved by 6.4% compared to fiscal 2002 in the semiconductor (electronic devices) sections, and 13.1% in the equipment (information and telecommunications) assembly sections. The improvements were the results of energy-saving activities, improved productivity and a growth in sales. Concrete efforts in fiscal 2003 were as follows. * 1) Basic unit: CO₂ emissions / net sales

● Transition of CO₂ Emissions (Major Production Sites of the Oki Group)



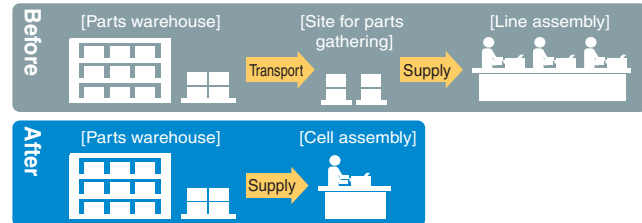
Energy-saving Efforts at Semiconductor Production Plants..... Modularization of Clean Room Air Conditioning Operation

Air conditioning facilities in clean rooms used to be operated for whole floors. With this method, energy is wasted when only part of the production line is relocated. This is where we tried to reduce wasted energy by operating air conditioning facilities in modules for each production line.

Energy-saving Efforts in Equipment Assembly Sections..... Layout Revision at Production Plants

Oki Electric's production plants introduced JIT (Just In Time) production in their manufacturing processes for improved rates of equipment operation, and to save space and energy. In fiscal 2003, JIT was introduced at Oki Data Corporation (Fukushima district), a group company developing and manufacturing printers and facsimile machines.

● "Promotion of Cell Assembly" and "Shift of Work Areas Closer to Parts Warehouses"



PFC-Gas Emissions and Efforts for Reduction

In the manufacturing process for semiconductors, perfluoro compound (PFC), which has an effect on global warming, is used and partly emitted into the air. Because of this, the World Semiconductor Council (WSC) proclaimed the goal to reduce the emissions by 10% (as converted into global warming potential*) by 2010 in comparison with 1995. The Oki group is working to reduce emissions by shifting to gases with a smaller impact on the environment, the installation of waste gas treatment equipment or by improving processes, and first achieved the goal of a 10% reduction compared to 1995 in 2002.

*2) Global warming potential: a numerical indicator that converts the impact on global warming into quantities of CO₂.

Energy-saving at Operational Sites.....

To prepare for situations where the electric power supply cannot meet the demand, the entire Oki group established an Energy Conservation Month in summer 2003, reinforcing efforts for energy-saving activities.



● Energy Conservation Poster

Other Efforts

The following are examples of other energy-saving efforts we worked on up to now.

- ◆ Introduction of a co-generation system
- ◆ Introduction of new air conditioning facilities: Eco-Ice, free cooling (outdoor air cooling)
- ◆ Upgrade to highly efficient equipment: transformer, substation (incoming transfer facility (system))
- ◆ Change to inverters: lighting, fans, pumps
- ◆ Others: automatic switch-off of lighting, switch-off of beverage vending machines during night hours, installation of remote operation panels for air conditioning equipment, insulation of buildings, double roofs for production plants, review of operation conditions for manufacturing and equipment



● Installation of a Co-generation System (Example from Fiscal 2000)



● Installation of "Eco-Ice" (Example from Fiscal 2002)

● Transition of PFC Gas Emissions (Converted into Global Warming Potential)

