



# Environmental Accounting

The OKI group has introduced the environmental accounting since fiscal 1999 to evaluate our efforts to the environmental conservation activities with costs and effects so that we can perform efficient activities to optimize investment effects.

## Achievement of Environmental Accounting in Fiscal 2007

We tallied target sites of environmental accounting in fiscal 2007 by classifying production sites and offices in categories. The target production sites are 27 sites in total including 6 sites in OKI, 13 sites of our group companies in Japan and 8 sites of our group companies in overseas countries. As for offices, two sites were reduced from the number of target office sites in the previous year because the sites were

closed. Consequently, we tallied 17 target office sites including each branch of OKI.

In fiscal 2008, Dong Guan Site of OKI Micro Engineering (HK) and Kunshan Site of OKI Electric Technology (Kunshan) have been newly added to the tally as our group companies in overseas countries.

## Environmental Conservation Costs

### Investment and Cost

(Unit: million yen)

Category	Main Activities	Investment		Costs		
		2007	2006	2007	2006	
Business area cost	Pollution prevention cost	Investment for pollution control facilities, and costs for maintenance and operation	96	208	964	724
	Global environmental conservation cost	Investment for energy-saving facilities, and costs for maintenance and operation of energy-saving facilities	267	356	402	734
	Resource recycling cost	Investments in facilities for internal treatment of organic waste liquids, cost for waste recycling	102	0	748	558
		Sub-total	464	565	2,115	2,016
Upstream/downstream cost	Cost for green procurement (chemical substance surveys), cost for remodeling the aggregation system for chemical substances contained in products	98	68	408	360	
Administration cost	Cost for acquiring certification, and for maintaining and managing the environmental management system	19	0	464	487	
R&D cost	Investments into equipment to shift to lead-free soldering, costs for research and development on lead-free soldering	0	20	62	136	
Social activity cost	Cost for the greening of production plants, cost for activities contributing to the community	0	0	3	2	
Other cost	Cost for reserves to respond to environmental damages	1	0	1	2	
		Total	582	653	3,053	3,002

- The investments were 580 million yen (650 million yen in the previous fiscal year), which is on a decreasing trend. Currently, the OKI group, for investments, applies a procedure to select equipment related to the reduction of environmental impacts in the event of the replacement of factory equipment and introduction of new equipment. The introduction of the collection system for PFC in Miyazaki OKI is a new attempt for the purpose of reducing of environmental impacts on factories. Our group companies in overseas countries have invested for the reduction of environmental impacts including the introduction of air-conditioning control devices and energy-

saving luminaries.

- For the cost, two sites of overseas production sites have been newly added, however, the cost was 3.05 billion yen (3 billion yen in the previous fiscal year), which has remained steady. Each site in the OKI group promotes the optimization of environmental conservation costs to perform efficient activities.

## Benefit Related to Environmental Conservation Cost

### Economic Benefits

(Unit: million yen)

Category	Main Activities	Effect Amount	
		2007	2006
Cost reduction effect	Effect from energy and resource conservation	28	-166
	Effect from reduction of treatment cost	-14	20
Net income effect	Sale of valuable waste generated in business activities	515	241
	Sales of valuable used products	342	295
	Total	872	391

### Environmental Conservation Effects

Environmental Impact Indicator	Impact		Difference Compared to Previous Fiscal Year
	2007	2006	
CO <sub>2</sub> emissions (1,000 tons-CO <sub>2</sub> )	283	299	16
Waste emissions	1078	1112	34
Final waste disposal (tons)			

- The economic benefits were 870 million yen (390 million yen in the previous fiscal year), which achieved drastic increases in profit. This is because the sale value of valuable resource drastically increased compared to the previous year.

- With respect to the environmental conservation effects, 16,000 tons of CO<sub>2</sub> emissions were reduced thanks to various energy and resource-conservation measures. As for final waste disposal, in accordance with the change in the acceptance criteria of a waste material recycling contractor, it is difficult to recycle the wastes as before; therefore, the landfill disposal amount has increased.