

For the Benefit of Society

Cleaning Campaign across the Community

The cleaning campaign implemented in 2007, in accordance with the "World Environment Day", involved a total of 300 participants or more, including employees of the group companies, and cleaning was conducted across the board.

From the Head Office, the President himself participated in this event and helped clean up in the vicinity of the Head Office Building. The volume of waste collected amounted to three truckloads.

The Harima Factory cleaned up in the vicinity of the Sanyo Arai Station. Our activities triggered a ripple effect on neighboring companies, which saw our efforts to devote ourselves to the activity over the scheduled period, prompting the opinion of "a review of approaches made toward social contribution activities".

In the Tokyo Office, we cleaned up in the vicinity of the Nihombashi area. As this district is under development and has a high population density, the waste volume collected was huge. It was a good opportunity to reconsider the "environmental issue", which is the main axis of our business operations, through this across-the-board cleaning campaign.



Across-the-Board Cleaning Campaign conducted by the Head Office



Across-the-Board Cleaning Campaign conducted by the Harima Factory



Across-the-Board Cleaning Campaign conducted by the Tokyo Office

Co-sponsored the "2007 Yokkaichi Cycle Sport Festival"

On November 4, 2007, the "2007 Yokkaichi Cycle Sport Festival" was held in Yokkaichi City, Mie Prefecture, with the aim of promoting their slogan: "Conserving Yokkaichi City blessed with affluent nature through environment-friendly cycling". The Company sympathized with the concept of organizing the festival and co-sponsored the event.



Other Contributions

- Donation to the Kinrakuji Seinenkai for the Summer Festival
- Donation to the Tenmangu Shrine Soudaikai
- Donation to the Kibihiko Shrine for the Autumn Festival
- Donation to the Kotai Shrine for the Autumn Festival
- Donation to the following Universities:
Osaka University, Okayama University, Kansai University, Kyoto University, Hokkaido University and Ritsumeikan University (In order of the Japanese syllabary)

N-EXPO 2007

The 16th N-EXPO 2007 was held from May 22 through 25, 2007 at the entire area of the East Exhibition Hall and Outdoor Exhibition Area at the Tokyo Big Sight complex, under the theme "Let's protect the earth and create a harmonious coexistence society" and welcomed more than 160,000 visitors.

The Company made a presentation, introducing the operating company we sponsor, along with social trends surrounding the new energy and environmental business. Moreover, we also explained our approaches using panels and brochures of industrial waste incineration plants, waste home appliance treatment plants, biomass power generation plants, biogasification plants and deodorization equipment.

Regardless of whether industry, government or academia, a number of visitors, including those from overseas, who were mainly from Asia, came over to our booth and watched the docent providing explanation. Among others, the majority of inquiries received concerned Ichihara New Energy Co.; thus we sensed this new approach had attracted public attention and expectation. We also received many inquiries concerning deodorization equipment, which is in demand with regard

to biomass power generation plants, which still attract considerable attention, biogasification plants and VOC discharge regulations.



ECOMA 2007



The 5th ECOMA 2007 (ECO-Manufacture 2007: Exhibition concerning countermeasures for environmental and energy issues in the manufacturing business) was held from November 6 through 9, 2007 at the Tokyo Big Sight complex and welcomed nearly 90,000 visitors.

The Company participated in the exhibition followed by 2006, a testing device for displaying regenerative deodorization equipment (RTO) as well as a Plasma deodorizer (panels) for VOC countermeasures. Many of the visitors were considering the purchase of VOC countermeasure equipment, thus we were successfully able to make them understand our enforcement in terms of the environment by providing a detailed explanation on deodorizing efficiency, degradation efficiency and energy efficiency, which are the features of the Takuma regenerative deodorization equipment on display at the exhibition.

◆ Dan• Takuma Technologies Inc. participating in the SEMICON Japan 2007

Dan• Takuma Technologies, a Takuma group company, participated in the SEMICON Japan 2007 held at Makuhari Messe from December 5 through 7, 2007. The SEMICON Japan is the world's largest semiconductor industry exhibition; held annually in December, whereby Dan• Takuma Technologies participates in every year. The SEMICON Japan, in the current year, featured more than 1,500 participants and welcomed around 110,000 visitors for three days.

At the exhibition booth, articles featuring the display of real goods, including chemical filters to eliminate chemical pollution within the semiconductor plant and DT analyzers allowing continuous measurements of NH₃, NO_x, SO₂, H₂S and O₃ in the air were shown, while demonstrations were also conducted on an active magnetic field correction system, which controls the variation of the low-frequency magnetic field. In addition, a display by panels which summarized their line of business was shown and

attracted many visitors. There were many people who had been previously unaware of Dan• Takuma products until this exhibition and they enthusiastically listened to the explanation provided by the employees.



◆ Information transmission via the Takuma Technical Review

As part of its social contribution, the Company has issued a technical magazine, the "Takuma Technical Review", which posts articles related to technologies developed in-house on a biannual basis since its inaugural issue in December 1993 and of which a total of 29 issues had been issued by March 2008 to transmit such information to society. The magazine contents mainly introduce environmental and energy-related articles consisting of opening articles, expositions, reports, reports on participation in academic conferences overseas and the introduction of new products, while the latest issue, Vol. 15 No. 2 (published in December 2007), includes articles related to the effective utilization of biomass and waste treatment as follows. In addition, a summary of the articles is available on our website.

Takuma Technical Review Website: URL:<http://www.takuma.co.jp/english/gijutu/gihou.html>

The contents of the Takuma Technical Review Vol. 15 No. 2 (published in December 2007)

- Opening article: Pursuit of recyclability and sustention of biosystem
- Special contribution: The history of waste treatment by illustration (1) - Cases in Germany -
- Exposition: Current Trend and Future Prospect of WTE
- Report:
 - Reduction of Dioxin Emissions by Retrofitting a Municipal Solid Waste Incinerator and its Environmental Impact (2nd Report)
 - Development of Catalytic Reforming of Tar in Biomass Gasification Processes (2nd Report)
 - Monitoring and Controlling System of Waste Incineration Facility using On-Line Simulation
 - Plant Operation Report - Fujisawa City-North Environmental Agency - (PFI at work)
 - Power Generation Plant Burning Industrial Waste from Paper Recycling Process
 - Outline and Start-up Operation of Demonstration Plant of Alkaline Pretreatment Hydrogen-Methane Fermentation of Shochu Distillation Lees (2nd Report)
 - Evaluation of Various Bio-substrate Fermentation Performances in Thermophilic Dry Methane Fermentation
 - Development of Waste-Sorting System Suitable for Dry Methane Fermentation
 - Development of Methanol Synthesis Process from Wood Biomass (2nd Report)

Overseas visit: Participated in the 15th European Biomass Conference & Exhibition
New product: Gas engine exhaust gas boiler



◆ Guidance on Proper Waste Treatment in the International Collaborative Project

The Association for Overseas Technical Scholarship (AOTS) implements the fostering of human resources in various fields that would represent a basis for the establishment of developing nations with the support of the Ministry of Economy, Trade and Industry (METI). As a project for fiscal 2007, the Training Program on Industry & Environment Protection for Vietnam (ENVI) was held for two weeks from February 18, 2008 at the Yokohama Training Center.

Members from METI, the Kanagawa Prefectural authority, universities and the environmental industry were dispatched for this training program as instructors representing Japan and Takahiro Akaishi, a Takuma employee belonging to the Business Development Department, Environmental Division, was engaged in a program, "Introduction to the Industrial Waste Treatment Plan" as a recommended instructor by the Japan Society of Industrial Machinery Manufacturers.

The project is designed with the aim of establishing a proper treatment structure for industrial waste in Vietnam, which has experienced remarkable economic growth in recent years, and providing a training program for the leaders of public administration, waste haulers and waste treatment companies responsible for such tasks, who are sent to Japan and who receive an intensive training course in terms of administrative policies, treatment and management technologies.

Due to the specialization of the manufacturing business by developed nations, Vietnam adopts an aspect dubbed a 'second China', whereby a striking number of foreign companies are relocating and whereby a series of high-tech industrial complexes have been developed, one after another, in urban areas. Such circumstances have caused the waste volume discharged from such industrial activities to expand, hence the proper treatment of the same has become a significant issue from the environmental conservation perspective for the relevant municipalities.

The Introduction to the Industrial Waste Treatment Plan is a program facilitating the learning of a wide range of areas, including treatment systems, from waste discharge to final disposal, structure, environmental impact and

treatment activities plan and the lecture was provided by Akaishi of our company, based on abundant experience accumulated through business operations at Takuma. Following the program, he received favorable feedback from the trainees in terms of his contents and lecture.

In addition, the OJT program for this project was implemented with the cooperation of our group companies - R.B.N. Co., Ltd. and Midac Fujinomiya Co., Ltd. - whereby the trainees had the opportunity to directly learn state-of-the-art treatment technologies, of which both facilities are proud, as well as information on the waste-disposal business.

After completing the training program, each trainee is awarded a diploma from the association and their activities as waste treatment leaders are highly anticipated at municipalities nationwide, people's committees and waste-disposal companies after returning home. At the closing ceremony, Ms. Tran Kim Dung, Vice Head of Training Board, Vietnam Urban Environment, contributed the following message: "The training program provided by METI and Mr. Akaishi was very meaningful for the purpose of establishing the basis of waste treatment in Vietnam. I was satisfied with the training environment as well as the correspondence at the OJT field site. I would like to express my gratitude for the support of METI and the concerned AOTS parties. I would appreciate your continued instruction in terms of Japanese valuable experiences".



Lecture scene

Contribution to NPOs

Purchase of UNICEF Christmas Cards

The Company purchases Christmas cards from UNICEF to be sent overseas every year.

Half the sales proceeds from the UNICEF cards goes to support funds for their activities to help children in more than 150 nations and regions worldwide. The Company has been continuing to purchase the cards for over 20 years and we would like to value our support for UNICEF.



Offering of Calendars at the "Calendar Fair"

In 2008, we offered calendars at the "Calendar Fair", which was organized by the NPO Nippon Volunteer Network Active in Disaster. The proceeds from the fair are used for disaster support activities, such as after earthquakes. This was our first attempt to encourage the collection of calendars within the company, and 194 calendars were collected. Although excess calendars were previously disposed of, participating in this activity has helped us contribute to society, as well as reducing waste.



Participation in the Recycling System Center



The Recycling System Center aims to establish a resource recycling society, setting out the following three business objectives:

1. Efforts toward environmental related technologies
2. Efforts toward the greening of the industry and market
3. Efforts toward the development and progression of environmental related industry

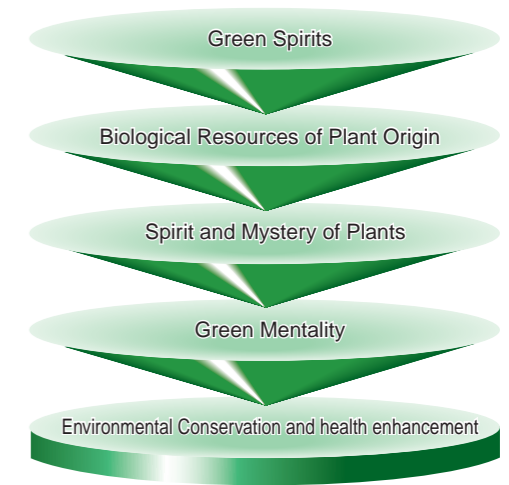
The Company has been supporting the activities of the Center since its establishment and is currently working as a member of its administration officers.

Recycling System Center
URL: <http://www.npo-rsc.org/>

Participation in the NPO Green Spirits Association

The Green Spirits Association is an NPO operating by promoting research study in terms of the utilization of biological resources of plant origin, as well as technological development, while penetrating the green spirits, aiming to contribute to environmental conservation and enhanced health. The Company sympathizes with their concept and supports the activities of the association as a corporate member.

Green Spirits Association
URL: <http://www.soc.nii.ac.jp/gsa2/>



[The Principles of the Green Spirits Association]

Contribution to the UNWFP



The WFP (World Food Programme) is engaged in their mission with the aim of eradicating starvation and poverty through food support activities for more than 70 nations worldwide.

Despite the fact sufficient provisions exist to feed the entire global population, approx. 850 million people still suffer from malnutrition and starvation, with one individual perishing every six seconds.

Funding for their activities comes from the voluntary contribution of governments as well as the donations of corporations, organizations and individuals. The Company agrees with the philosophy of the WFP and provides support as a council member.

In fiscal 2007, we made a donation to the "WFP New Year's monetary gift which provides a child with food, education, health and hygiene - a whole year's supply". Hoping to see those children have a bright new year around the world, this is a project presenting a New Year's monetary gift called hope. It is vital for children, who forge the future of the country, to receive education without going hungry and for poor nations to escape poverty and starvation.

However, due to skyrocketing gasoline and grain prices, the affliction of poverty and the inability to obtain food will spread further globally.

The Company will continue to support the organization via donations and PR activities to ensure our employees gain awareness of the WFP.



Collection Box for the WFP
(installed at the Head Office)

Japan Association for the United Nations
World Food Programme
URL: <http://www.jawfp.org/>
United Nations World Food Programme,
Japan Office
URL: <http://www.wfp.or.jp/>

◆ Co-sponsored DIOXIN 2007

The Company has been promoting efforts to prevent the dioxins generated from waste incineration, as well as decomposing dioxins in waste water and co-sponsored the DIOXIN 2007 (27th International Symposium on Halogenated Persistent Organic Pollutants) held in September 2007 in Tokyo. In this conference, global researchers gathered in a hall and the latest research findings concerning dioxin were presented.



◆ Participation in the Overseas Environmental Cooperation Center, Japan



The Overseas Environmental Cooperation Center, Japan (OECC) is an incorporated association, which was established in 1990 and supported by the Prime Minister, in support of the aim of our country to promote international environmental cooperation for developing nations from a non-governmental standpoint.

As indicated by discussions at the 3rd Session of the Conference of the Parties to the United Nation Framework Convention on Climate Change and its results, the 21st century is one in which the environmental issue must be addressed from an international perspective. Therefore,

during the reorganization process of government ministries as part of administrative reform, the sub-cabinet level Environmental Agency was moved to form the Ministry of the Environment and its administrative structure was enhanced.

The OECC aims to contribute to global environmental conservation in the international interdependent age, via cooperation in terms of overseas environmental conservation as the core and a leading organization of international environmental cooperation in our country through cooperation with local authorities, related bodies, the industrial arena and NGOs.

The Company agrees with the purport of the OECC and supports the Center for the international environmental conservation as a member of the organization.

Overseas Environmental Cooperation Center, Japan
URL: <http://www.oecc.or.jp/>



◆ Social Contribution Activities by Takuma Employees

◆ Playing an active role as an executive board member of the Japanese International School of Berlin

Yutaka Takeuchi Managing Executive Officer, International Operations Division

Mr. Takeuchi, Managing Executive Officer, residing at KAB Takuma GmbH, Germany has been contributing to educational activities since 2005 as an executive board member of a local Japanese school.

"Although I am no longer involved with child-raising as a parent, the potential ability of children has once again amazed me. I pause to realize the significance of education. It is vital for children to grow without losing their identities in the international community. To that end, I would like to contribute to the community in my own way in cooperation with teachers and guardians".



(Photo: Members of the executive board. Mr. Takeuchi is the second from the left in the front row.)

◆ Participation in overseas volunteer activities in Nepal

Miyuki Murai Mechanical Design & Engineering Department

for me. I still keep in touch with people I met through this activity after returning home".

In August 2007, Ms. Murai participated in a support activity for an elementary school in Nepal whereby she helped deliver stationery goods to children and performed some maintenance and repair work on the wall of the school building. (JAM Hyogo supports the activities of the NPO Hirakata-Katano International Volunteer Association and the Takuma Labor Union encouraged employees to participate in this volunteer activity.)

"When interacting with children, I had to communicate with limited Nepalese and body language. I was very happy when I was able to relate to them. I felt there were many problems such as poverty issues that we never know living in Japan. Nepal is no longer a distant country



Nepalese pupils receiving stationery goods

◆ Contributing to blood donation over thirty years

Yoshihito Fukuma Energy Engineering Department

There is a constant lack of donated blood. Mr. Fukuma has been continuing to donate blood three times a year over thirty years and was commended by the Red Cross as a "Gold special employee".

"The trigger for this activity was when I was sort of interested in doing so but it has now become like a pattern. When I go to donate blood, I meet only a few other donors.

It is a shame that people do not care about it too much. I think it is a good way to help people without being aware in particular so I like going to blood donation. I would like to continue as much as I can".



◆ Volunteer activities at the IAAF World Championships in Athletics

Kuniko Konishi Construction Department

During the 11th IAAF World Championships in Athletics, held in August 2007, over 4000 volunteers participated in 14 job sectors to help run the event. Ms. Konishi was responsible for leading buses to arrive/depart and their operational management to ensure people travel smoothly in a crowded area with a number of athletes and media representatives.

"I wanted to participate in volunteer activities if I had a chance and at just the right time, this athletics competition

was organized. Through the experience I came to know the importance of people who are silent forces behind the scenes and the hard work of the steering body. I would like to participate in volunteer activities in my surroundings".



External Commendation

◆ The 51st National Environmental Sanitation Convention Mr. Shizuo Kataoka, Managing Executive Officer won the Minister of the Environment Prize.

Under the slogan: "Let's broaden the circle of the environment, let's broaden the circle of 3Rs", the 51st National Environmental Sanitation Convention was held from October 17 through 18, 2007 at the Sapporo Convention Center, organized by the Japan Environmental Sanitation Center. This convention is held annually; aiming to disseminate and enlighten environmental conservation through presenting awards and the exchange of information, whereby the relevant parties of administration, the industrial arena and members of the community, who are engaged in a variety of activities in the fields of the environment, waste, recycling and life environment, get together.

Mr. Shizuo Kataoka, Managing Executive Officer, won the Minister of the Environment Prize in recognition of his

services in the research and development of waste and wastewater treatment systems for fiscal 2007.



◆ Mr. Shigeo Fujii of the Technology Planning & Administration Department (Tokyo), won the Achievement Prize awarded by the Japan Society of Industrial Machinery Manufacturers.

This time, the Takuma employee, Mr. Shigeo Fujii of the Technology Planning & Administration Department (Tokyo), won the Achievement Prize in recognition of his contribution toward the development of industrial machinery manufacturers.

The award ceremony was held on May 17, 2007 at the Hotel Okura and featured the attendance of many related guests from the Ministry of Economy, Trade and Industry.

An award was presented for the contribution to the development of associations involved in various international cooperative activities, including the high-performance boiler development project initiated by NEDO and the Green Aid Plan, while also serving as a promotion chairman of the International Environment Forum, which is a grant-aided project of the Ministry of Economy, Trade and Industry in the fields of the environment and energy of the Japan Society of Industrial Machinery Manufacturers.



(Mr. Fujii standing to the right)

◆ The compiled book of achievements for the "Takuma Course" in Hokkaido University (Recyclable Resources Assessment) won the Book of the Year Award in terms of Waste Material 2007; presented by the Japan Society of Waste Management Experts.

The memorial issue of the "Takuma Course in Hokkaido University (official name: Recyclable Resources Assessment (Takuma) Laboratory, Graduate School of Engineering, Hokkaido University)", which is a compilation of our five-year project from April 2002 through March 2007, received the Book of the Year Award in terms of Waste Material 2007, which saw the book contents highly acclaimed.

Book title: Basic Knowledge of the Evaluation Method for a Sound Material-Cycle Society.
(Gihodo shuppan Co., Ltd. March 8, 2007)

Authors: Masaru Tanaka, Professor (currently Professor Emeritus) Graduate School of Environmental Science, Okayama University
Toshihiko Matufuji, Professor Graduate School of Engineering, Hokkaido University
Yoshitada Kakuta, Manager Technology Planning & Administration Department (Tokyo)
Kaoru Ishizaka, Assistant Professor (currently with the Research Institute of Solid Waste Management Engineering) Graduate School of Environmental Science, Okayama University

"This book specifies the basic knowledge of various assessment methods required for the creation of a recycle-oriented society. - (snip) -

It describes various means of assessment, indexing and management concisely and in an easy-to-understand manner. These methods help prepare countermeasures that are feasible from social and economic perspectives and provide criteria and measures to assess the results. - (snip) - This book is an introductory guide to create a recycle-oriented society and helps you learn the basics in terms of scientific analytical means of evaluating various environmental impacts, as well as environmental management based on the flow of substances in our society. It is targeted at a wide readership, including students and citizens, NGOs, NPOs and workers at companies who are interested in subjects such as environmental and waste issues and the recycle-oriented society".

(Book review: Waste Management Research Vol. 18 - No. 4)



◆ Biopower Katsuta commended by the Governor of Ibaraki Prefecture as an excellent business institution.

On June 22, 2007, the "Global Environmental Forum" was held at the Ibaraki prefectural office and Biopower Katsuta Co., Ltd. was commended by the governor as an excellent business institution along with Katsutakankyoh Corporation.

Biopower Katsuta was established in 2005, mainly engaged in the woody biomass power generation business.

This commendation was awarded in recognition of the collaborative efforts made by the two to tackle woody biomass power generation, which can also include countermeasures for global warming with a pioneer spirit,

via Biopower Katsuta developing a recycling structure for woody waste, including living trees, by establishing facilities for the exclusive use of woody fuels for incineration with high power generation efficiency in the vicinity, while Katsutakankyoh establishes a treatment line in order to produce fuels by collecting woody waste and facilitating its stable supply.

In addition, Mr. Nishizawa, President of Biopower Katsuta, assumed the post of committee member of the Ibaraki Prefectural Next-generation Energy Park Implementation Project Formulation Committee.

