

Fortifying Risk Management

In addition to fortifying all types of risk management in all phases of our businesses, we strive to strengthen our management of environmental risks.

Strengthening the Implementation and Content of the Group's Environmental Pollution Prevention System

The FDK Group conducts environmental conservation activities to comply with environmental laws preventing the pollution of environmental elements such as soil, underground water and air. The Fourth Environmental Action Plan promotes the deployment of strengthened activities in order to prevent environmental pollution and the violation of environmental laws.

Aim of the Fourth Environmental Action Plan

To strengthen the implementation and content of the environmental pollution prevention system

Strengthening the Environmental Pollution Prevention System

The FDK Group ensures pollution prevention and compliance with laws and regulations by conducting regular internal environmental auditing as a part of our environmental management system. In addition to a detailed reevaluation of our compliance with environmental laws pertaining to pollution prevention in FY2007, we also worked on establishing systems and responsibilities for compliance with environmental laws and pollution control. In order to clearly define the system of pollution control, we have designated a person in charge of pollution control at every site. We plan on reevaluating our system for monitoring/measuring and communicating information from the viewpoint of prevention, and, in addition, we will strengthen our checks for legal compliance and our system of pollution control through internal auditing.

Execution of Emergency Drills

At FDK Group companies, we conduct regular emergency drills at each site to prepare for emergencies, including accidental environmental pollution. Disaster drills implemented at each plant take environmental contamination beyond plant property into consideration.



Drill for a Malfunction of the Disposal Water Treatment Facility at the KOSAI PLANT

Legal Compliance Status

We again found no violation of environmental laws or evidence of accidents threatening environmental conservation during FY2007 throughout the entire FDK Group.

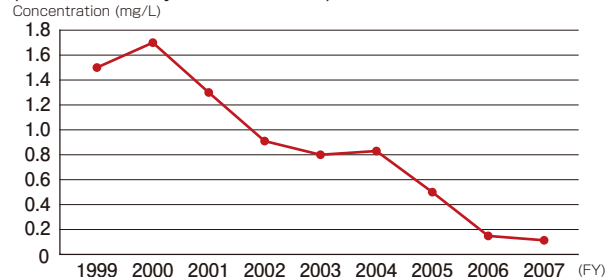
Dealing with Soil and Underground Water Contamination

The FDK Group conducted surveys of soil and underground water contamination with regard to VOC during 1998 and 1999. Upon confirming soil and underground water contamination at four of our plants (the WASHIZU, SANYO, HOSOE and OSUKA PLANTS) in October of 1999, the FDK Group publicly disclosed the status of contamination and has been working on restoring soil and underground water conditions. Conditions were restored at the HOSOE PLANT in 2002. We conducted a follow-up survey of the former OSUKA PLANT property in 2004 for soil contamination according to the law concerning soil contamination measures, and found the condition of the soil to be totally restored. At the two other plants, we have been cleansing soil and underground water utilizing the air stripping method, and conducting regular monitoring to verify the effect of our restoration efforts.

Status of Soil and Underground Water Restoration WASHIZU PLANT

Main Pollutant(s)	Underground Water Concentration at the Beginning of Restoration	Current Underground Water Concentration	Environmental Standards
Tetrachloroethylene	1.5mg/L (October 1999)	0.11mg/L (March 2008)	0.01mg/L

Progress in the Restoration of Soil Conditions at the WASHIZU PLANT (for Tetrachloroethylene Contamination)



SANYO PLANT

Main Pollutant(s)	Underground Water Concentration at the Beginning of Restoration	Current Underground Water Concentration	Environmental Standards
Trichloroethylene	8.1mg/L (October 1999)	0.003mg/L (April 2008)	0.03mg/L

Progress in the Restoration of Soil Conditions at the SANYO PLANT (for Trichloroethylene Contamination)

