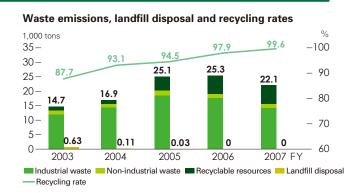
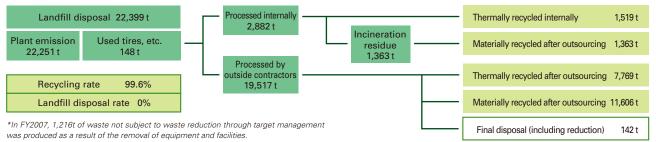
Reduction of Waste

12.8% Less Waste Produced in FY2007 than in FY2006

Waste*1 emissions in FY2007 were reduced by 12.8% from FY2006 to 22,091 tons. In the Tire Group, a dramatic 20% reduction in waste emissions was achieved despite a 2.5% increase in the volume of production. In FY2008, the aim is to reduce emissions by 25% compared with FY2007 in order to achieve the 35% reduction from FY1996 by the end of FY2008 set as a target for Phase I. From Phase II (beginning in FY2009), we plan to commence target management of emission factors as well as management based on total emission targets as at present.



Waste processing flow (FY2007)



Aiming Completely Recycle All Industrial Waste

Yokohama Rubber aims to recycle*2 100% of the industrial waste that it produces by the end of FY2010. The resource recycling rate was further improved from 97.9% in FY2006 to 99.6% in FY2007, exceeding our target of 99.0%. In specific terms, thorough surveys were made of waste processors regarding recycling of semi-solid resin waste, wastewater resulting from metal washes, and sludge, which until now have not been amenable to recycling, and repeated studies have been made of processing methods with respect to constituents, properties, and packaging in order to expand the scope of recyclable materials. In FY2008, visualization of the small quantities of waste that could not be recycled was pursued with the aim of achieving a resource recycling rate of 99.7%.

Launch of Activities to Achieve Zero Emissions at Overseas Production Operations

Zero emissions*3 have been maintained at Yokohama Rubber's eight production operations in Japan since March 2006, and we have now commenced action to progressively achieve zero emissions at our overseas production operations as well, with the aim to start with being to achieve zero emissions (in terms of a landfill disposal rate of less than 1%) as soon as possible.

Auditing of All Waste Disposal Contractors

In order to prevent illegal dumping by outside waste disposal contractors from occurring, audits are conducted in accordance with internal guidelines. In FY2007, a combined total of 98 audits were made at all production operations. In the case of contractors used by more than one plant, auditing work was shared efficiently between the plants concerned. Outsourcing

will continued to be rigorously managed in FY2008 in order to ensure that waste is disposed of in a proper manner.



Yokohama Rubber plant personnel checking the processing process (center left)

State of Processing of PCB Waste

Storage of one container of PCB waste was added in FY2008, completing the early registration of 190 containers of PCB waste containing transistors and condensers throughout the company. This waste will be properly managed and stored in accordance with legislation and internal regulations until processing can commence.

^{*1. &}quot;Waste" is defined as unwanted substances generated in association with normal production activity, and includes all industrial waste, non-industrial waste, and recyclable substances.

^{*2. &}quot;100% resource recycling" is defined as zero final disposal (= direct landfill disposal + incinerated waste produced with effective use).

^{*3. &}quot;Complete zero emission" is defined as zero emission of direct landfill disposal of industrial waste.