

Business Activities and Environmental Impact

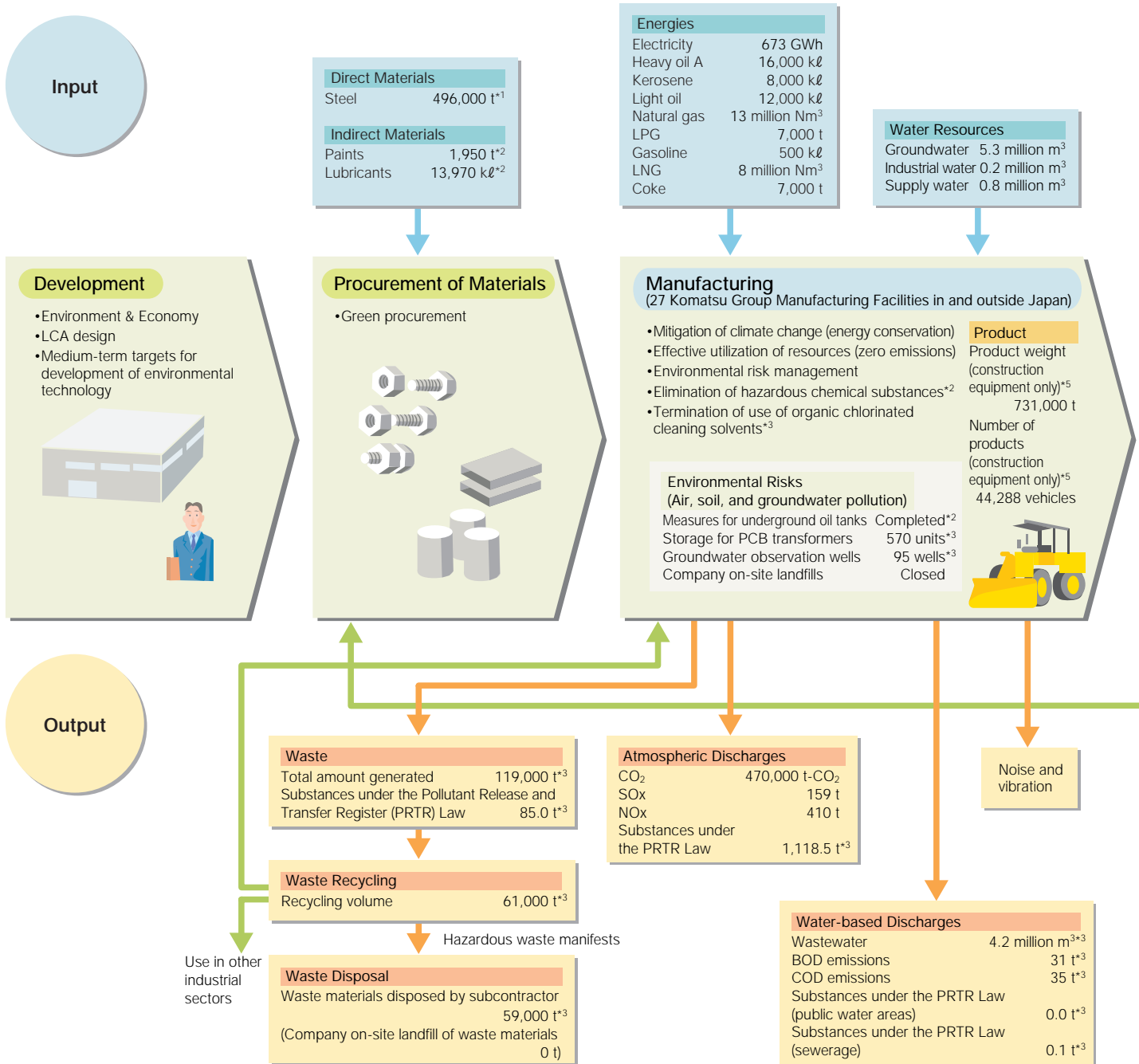
In addition to measuring quantitatively the relationship between business activities and the environment and understanding their environmental impact, Komatsu has formulated medium- and long-term objectives and is implementing measures that will reduce environmental impacts.

Business Activities and Environmental Impact

The Komatsu Group procures various parts and materials and, through the manufacturing process, utilizes natural resources, including raw materials, water, energy, and chemical substances, among others, to provide products to its customers. Such business activities result in environmental impacts at each stage in the process.

The Komatsu Group will continue to provide more highly value-added products and services while at the same time seeking to understand the environmental impacts resulting from its business activities, formulating its medium- and long-term objectives, and implementing measures to reduce such impacts.

Environmental Impact Resulting from Business Activities of Komatsu Group Companies, including Facilities outside Japan (FY2006)



CO₂ emissions:

Calculated by multiplying the amounts of electricity, heavy oil, etc. used (see Energies section of Input column) by the "CO₂ coefficient" in each area. (In Japan, the coefficient for fuel is calculated in keeping with the Law concerning the Rational Use of Energy [Revised] and the Mandatory Greenhouse Gas Accounting and Reporting System that entered into force in April 2006. The coefficient for electricity is calculated in keeping with the guidelines for calculation stipulated by the Ministry of the Environment of Japan in FY1999, which are based on the Act on Promotion of Global Warming Countermeasures.)

SO_x emissions:

Calculated by multiplying the "S content by percentage" (based on element tables of suppliers) by the amounts of heavy oil, kerosene, light oil, and coke used.

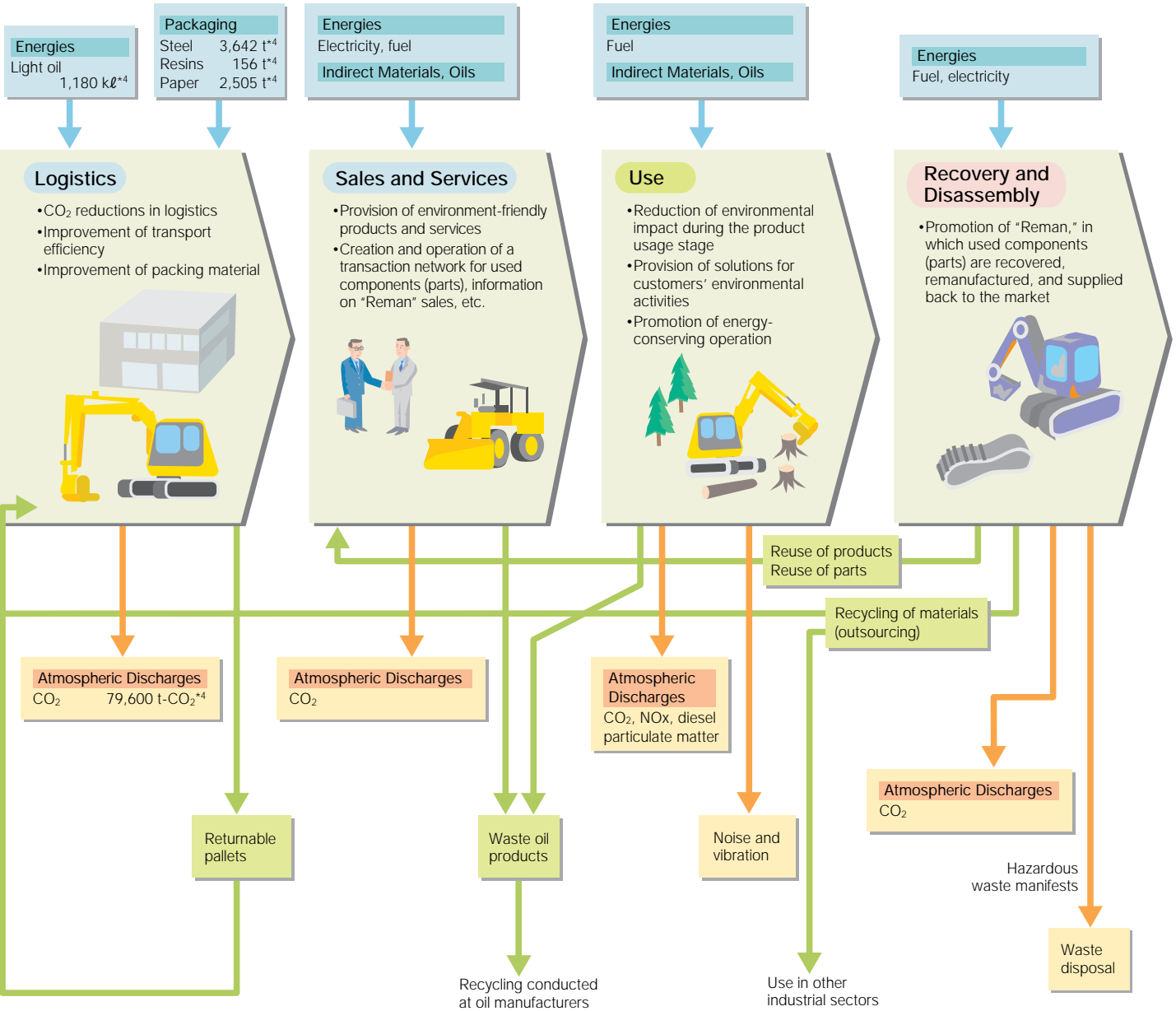
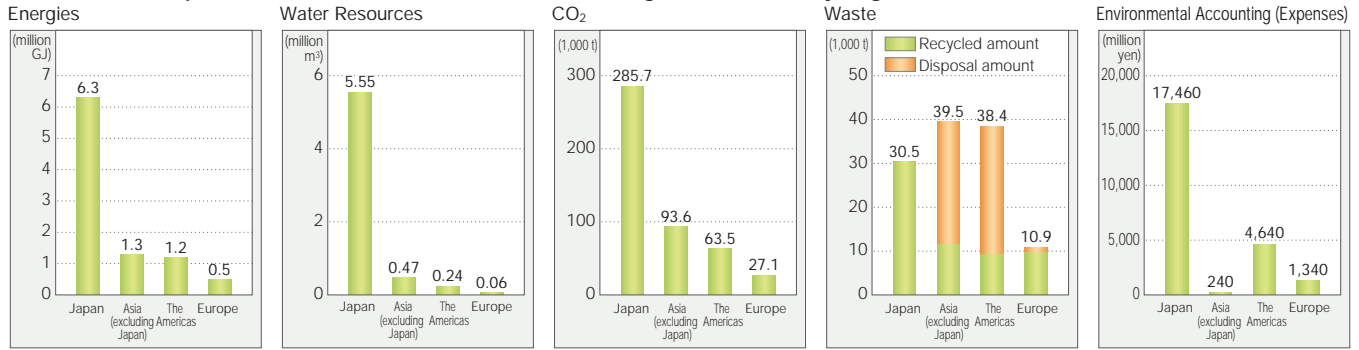
NO_x emissions:

Calculated by multiplying the "nitrogen oxide emissions units" (obtained at each Komatsu facility) by the amounts of heavy oil, kerosene, light oil, natural gas, and LPG used.

Emissions and transfer of substances covered by the PRTR Law:

Calculated by the "content ratio of specific chemical substances" contained in indirect materials multiplied by the "discharge or transfer rate." This calculation is based on the PRTR Law, which was designed to mandate the disclosure of the volume of specific chemical substances released into the environment to promote the management of such substances.

Environmental Impact Indicators and Environmental Accounting, Broken Down by Region



Coverage of Data

- *1 Related to construction machinery in Japan (excluding Komatsu Utility Co., Ltd.)
- *2 Komatsu manufacturing facilities
- *3 Komatsu Group's manufacturing facilities in Japan
- *4 Logistics from procurement to sales related to construction machinery in Japan
- *5 Related to construction machinery manufactured in Japan