

Creating a Recycling Society

Working to realize a recycling society

→ Zero emissions

In fiscal 2007, we achieved zero emissions with a recycle rate of 98.5%

The NTN Group defines zero emissions as putting no more than 2% of our total waste in the landfill, and in fiscal 2006, we achieved this in Japan.

We also achieved this in fiscal 2007. However, one of our ongoing issues is how to raise the recycle rate for the waste sand and slag generated by our casting processes. We will continue to work to maintain our zero-emission status and raise our recycle rate through initiatives such as using waste sand in road paving.

Additionally, we sell our grinding swarf briquetting machine, which helps us greatly in raising our recycle rate, outside the company, and it is helping machine part

manufacturers and automobile manufacturers achieve zero emissions.

A 20% increase in recycle rate at NMT (Thailand)

At NTN MANUFACTURING (THAILAND) CO., LTD. (NMT), we were able to raise the recycle rate from 69.3% in fiscal 2006 to a 92.8% in fiscal 2007. A 20% increase was achieved just by collecting and recycling oily rags and waste plastic that used to go to the landfill.

We will continue to work to increase the recycle rate at NMT.

→ Reducing the use of packaging

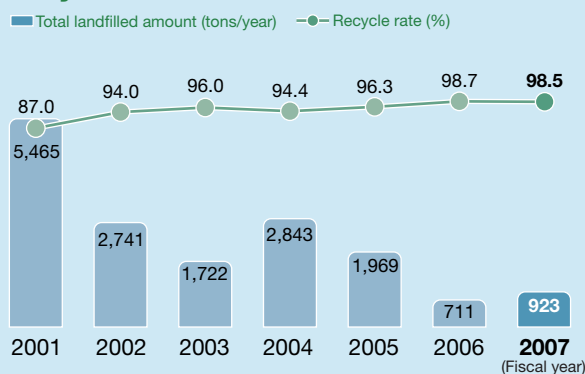
Achieved 99% recovery of product containers from customers

The NTN Group keeps track of the total number of the wooden pallets, steel box pallets, and containers used for transporting and storing products that are shipped to customers, and we work hard to recover all of them.

The container collection rate for fiscal 2007 was 99%, which is a 1% increase from the previous year. We have also been able to decrease the amount of new containers that we purchase.

However, we still have room for improvement when we look at our entire supply chain including secondary and tertiary retail stores, so we will continue working towards 100% recovery with the cooperation of customers and logistics companies.

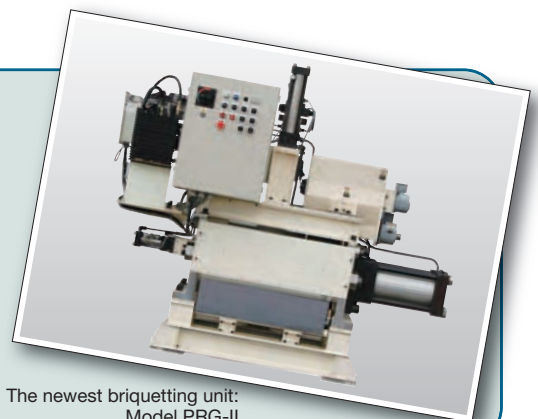
Recycle rate and total landfilled amount



Column Development of the newest model of our grinding swarf briquetting machine

The grinding swarf briquetting machine that we developed currently contributes greatly to recycling both inside and outside the company. This machine works by separating the metal particles in the grinding swarf from the liquid inside, allowing the metal to be recycled as a raw material for steel. The liquid that is squeezed out can be reused on the grinding line. Since we developed it in 2002, we have promoted the use of this machine inside and outside the company, and we have also sold a total of these 76 machines to other companies.

In November 2007, we started production of the new model, which we have designed to be smaller and lower in cost. This product has allowed us to increase our demand base, so we expect it to be used in even more production facilities.



The newest briquetting unit: Model PRG-II