

Environmental Report 2006

DAIFUKU DAIFUKU CO., LTD.
<http://www.daifuku.com/>

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■Preface

This Environmental Report is to introduce Daifuku's performance related to global environmental conservation through Daifuku's line of manufacturing and business operations, for better communication with the customers, shareholders, and all other stakeholders. This report is the fifth version as the whole organization of Daifuku and will be updated once every year.

Daifuku is also providing other various environment-related data and information on the website (<http://www.daifuku.com>). Readers' comments on Daifuku's activities, products, and reports or Web site would be highly appreciated and will be reflected in our improvement efforts.

■Scope of This Report

Period covered: April 2005 - March 2006

Operations: Osaka Headquarters, Tokyo Headquarters,
Shiga Works, Komaki Works, Chubu Tokai Area
(Tokai Branch Office), Kyushu Daifuku, and Contec

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A Message from the President

Gaining Your Trust in Our Business

K. Takeuchi

Katsumi Takeuchi, President and CEO

Social Contributions as an Industry-Leading Company

With prioritized a management philosophy of contributing to the development of industries by supplying optimal material handling systems to the global market, Daifuku Co., Ltd. has been developing its business and improving technologies to meet customer demands since its founding in 1937. Daifuku will continue to intensify efforts to gain credibility from all industries and its customers around the world. By providing solution services in response to the rapidly changing global market, Daifuku will continue to be involved in the development of society as a leading company in comprehensive logistics systems and material handling equipment.

Streamlining and Reinforcing Internal Control Systems

Maintaining standards in corporate behavior is essential in pursuit of unlimited growth. Daifuku places emphasis on enhancing its corporate behavior that aims to gain the full trust of all its stakeholders, including shareholders, investors, customers, employees, suppliers, cooperating companies, financial institutions, and local and global communities.

The Corporation Law came into effect on May 1, 2006. This new law stipulates how corporations are expected to act and stringently requires corporations to establish internal control systems. Daifuku has been developing and improving its internal control systems for several years. These efforts have included implementing measures for the timely and accurate disclosure of information regarding its compliance, risk management, financial soundness, and other aspects of its business. Daifuku will continue its endeavors in this respect, aiming to realize further growth as a company that conducts business in an ethical, fair and transparent manner.

Promoting Environment-Oriented Corporate Activities

Efforts are made on a global scale to tackle environmental issues. At Daifuku as well, it has become indispensable to recognize environmental protection as an important management issue, which involves dealing with environmental issues at its production sites and the environmental impact of its products. Daifuku has implemented its "S.Q.C.D.E. (Safety, Quality, Cost, Delivery and Ecology)" slogan to give a sincere response to safety and environment in all corporate activities. Together with this, Daifuku is proactively fulfilling its responsibilities and reinforcing its company-wide approach to become the world's best material handling company.

With these endeavors, Daifuku will instill confidence in all its stakeholders including shareholders, and maintain its position as a major contributor to the development of industry and society.

The Environmental Report 2006, which describes Daifuku's environmental conservation activities in fiscal 2005, is an introduction to one part of the Company's efforts toward social consciousness. We sincerely ask you to consider the contents and ask for your guidance in our ongoing efforts to fulfill the objectives outlined.

August 2006



Medium-Term Business Environment

The Automotive Factory Automation (AFA) business, which handles conveyor systems for automobile production lines, is anticipated to maintain its constant growth. Japanese automakers are enjoying significant growth, and facility reinforcement will surely continue both in Japan and overseas. Daifuku has been developing for over 40 years in step with automakers. We must not just increase our profit but keep making efforts to respond to customer needs, including cost reduction and environmental responsiveness.

The Factory Automation & Distribution Automation (FA&DA) business handles Automated Storage/Retrieval Systems (AS/RS) and sorting and picking systems for the general manufacturers and distribution industries. In this business, shippers aim to provide low-cost and efficient distribution, while the government announced the *Comprehensive Physical Distribution Policy Outline (2005-2009)*, stipulating the promotion of distribution systems that

will be environmentally friendly as well as support safety and security of people's lives. We will play an increasingly major role as a logistics system equipment maker and system integrator. To this end, we are going to provide not only hardware but also software including warehouse management systems (WMS). We believe this total power is our strength.

In the e-Factory Automation (eFA) business, which handles transport and storage systems for cleanrooms, there has been vigorous capital investment in flat panel display (FPDs) such as liquid crystal and plasma displays, digital information home appliances, as well as next-generation semiconductors. As our customers' factories are attempting to increase productivity while reducing time in hand as much as possible amid severe competition, we will strive to increase orders by giving comprehensive proposals that include software.

Expanding and Strengthening Production Bases Worldwide

As part of the Company's new overseas strategy in the eFA business, Daifuku established a wholly owned subsidiary in Science Park, located in southern Taiwan in August 2005 and commenced operations in March 2006, in order to establish a system for larger-scale displays in response to an increasing demand for flat-screen televisions. We will meet customers' demands for reduced costs and shorter delivery time. As part of efforts relating to its eFA Operations, Daifuku has already established an affiliated company in South Korea, and with the commencement of local production in Taiwan, Daifuku's global business structure has been further reinforced.

In AFA Operations, amid the rising demand attributable to robust capital investment in the Chinese automobile industry, Daifuku established a joint venture in Changshu, Jiangsu, China, in September 2005, in response to customer demands for lower costs and shorter delivery schedules. In January 2006, the joint venture commenced the production of conveyor systems used in automobile production lines. In collaboration with Daifuku's existing sales subsidiaries in Tianjin and Guangzhou, we will proactively strengthen systems that empower us to deliver our products to customers

across China in a timely manner. We will consider the establishment of marketing and service bases in several cities in Brazil, as well as production bases in India where we have established a local sales subsidiary.

In Japan, we transferred a part of production from the Komaki Works (in Komaki, Aichi Prefecture) to the Shiga Works (in Hino, Shiga Prefecture) and commenced operations in April 2006. Owing to the transfer of production functions, the Shiga Works has become one of the world's largest production bases for material handling systems and equipment, with 11 factories on its premises.



Shiga Works' new K and L factory buildings

Human Resource Training

In 2007, a large number of baby-boomers will reach the mandatory retirement age. Daifuku has addressed this common issue earlier than other Japanese companies. With an eye on the future, Daifuku rapidly addressed this issue by establishing three wholly owned subsidiaries in April 2005: Daifuku Business Create Co., Ltd., Daifuku Manufacturing Expert Co., Ltd., and Daifuku Field Engineer Co., Ltd. These subsidiaries were formed with the aim of rehiring retired workers. In June 2005, Daifuku opened the Daifuku Manufacturing and Design System (D-MAND) promotion center, which serves as a training organization for design and manufacturing units, on the site of Shiga Works for the purpose of passing on manufacturing technology and techniques as well as providing young personnel with a chance to be trained by experienced employees. Daifuku is implementing measures to contribute to the Company's sustainable development from the aspect of human resource training promotion.



Training under way at the D-MAND promotion center

R&D Activities

Daifuku has been making steady efforts in R&D and personnel training regardless of the business environment. Daifuku considers that a manufacturing company needs to allocate between 4% and 5% of its net sales for R&D expenses and has been promoting each business based on this viewpoint. Particularly in the past 4 - 5 years, we have focused on the development of cutting-edge technologies that respond to customer needs for larger glass substrate for LCD panels and larger-diameter semiconductor wafers. Daifuku continues to improve its product competitiveness by strengthening the Company's R&D structure.

While placing importance on compliance, Daifuku will leverage individual ability to bring about a free and vigorous corporate culture. In the face of these, we will continue to strengthen our corporate governance and fulfill our obligations as a leading material handling company to contribute to the development of industry.

Comments from Environmental Officers



■ Shiga Works

In its role as the core factory, the Shiga Works has commenced support activities for overseas offices to acquire ISO certification.

Hifumi Katsuragi, Managing Director and General Manager of Shiga Works

In order to fulfill its corporate social responsibility (CSR), Daifuku endeavors to enhance compliance with laws and regulations related to corporate activities in general. The Company is also advancing environmental conservation activities toward becoming a company that is capable of risk communicating with a society in which environmental awareness is ever growing.

Since the Komaki and Shiga Works' acquisition of ISO 14001 environmental management certification in 1999, Daifuku has expanded its ISO 14001-certificated network to include Kyushu Daifuku Corporation. Now the Company is managing its business operations with ISO 14001 certification at six sites: Tokyo, Osaka, Shiga, Komaki, Tokai and Kyushu.

Given the integration of production functions at the Shiga Works, as the core factory of the world's leading material handling company, Daifuku commenced support activities in June 2006 with a view to obtaining ISO 9001 and 14001 certifications at its production bases around the world. Commencing in 2005, Daifuku is also striving to develop the D-MAND promotion center on a worldwide basis, as an organization for personnel training and support in manufacturing field.



■ Komaki Works

Daifuku will implement ongoing environmental conservation activities in pursuit of further reductions in environmental impact.

Takahiro Taniguchi, Managing Director and General Manager of Komaki Works

Daifuku has been considering all aspects of the global environment while aiming for sustainable growth as an enterprise.

Since acquisition of the ISO 14001 certification at the Komaki Works with the Shiga Works in 1999, we have been steadily improving our business operations, particularly in waste and energy reduction, as part of our environmental conservation activities. With regard to our green procurement promotion activity, we have established a Pollutant Control Task Force, a special committee to authorize customers' production processes.

Relocating some of the production facilities from the Komaki Works to the Shiga Works has reduced the former's environmental impact. In addition, we will actively participate in the environmental activities conducted by the government and local communities and cooperate with them in the pursuit of mutual prosperity while complying with various laws and regulations, including the Basic Environment Law.

The Daifuku Group has established a unified structure for addressing environmental measures.

Six business bases, namely the Shiga and Komaki Works, Osaka and Tokyo Headquarters, Chubu Tokai Area (Tokai Branch Office) and Kyushu Daifuku, have acquired ISO 14001 certification. With these bases as leaders, Daifuku is promoting environmental conservation activities. Daifuku is pleased to announce its subsidiary Contec Co., Ltd. (Contec) has also acquired ISO 14001 certification.



Tokyo Headquarters
 Location: 2-14-5 Shiba, Minato-ku Tokyo 105-0014 Japan
 Lot area: 783 sq.m
 Floor area: 3,572 sq.m (Ground to 8th floor)
 Business: Sales, engineering, design of conveyor, storage and logistics systems, and administration



Chubu Tokai Area (Tokai Branch Office)
 Location: 2-48 Fukada-cho, Toyota-shi Aichi 471-0841 Japan
 Lot area: 2,784 sq.m
 Floor area: 2,982 sq.m
 Business: Sales of conveyor systems and other equipment



Shiga Works
 Location: 1225 Nakazaiji, Hino-cho, Gamo-gun, Shiga 529-1692 Japan
 Lot area: 1,160,000 sq.m
 Floor area: 221,400 sq.m
 Business: Engineering, design, and maintenance services of logistics systems and material handling equipment, administration and warehouses
 Production: Approx. 75,000 million yen



Osaka Headquarters
 Location: 3-2-11 Mitejima Nishiyodogawa-ku Osaka 555-0012 Japan
 Lot area: 14,496 sq.m
 Floor area: 17,446 sq.m
 Business: Sales, engineering, design, and maintenance services of logistics systems and material handling equipment, and administration



Kyushu Daifuku Corporation
 Location: 2134-1 Yobaru Bunkyu, Kanda-machi, Miyako-gun, Fukuoka 800-0323 Japan
 Lot area: 25,000 sq.m
 Floor area: 6,800 sq.m
 Business: Engineering and maintenance services of logistics systems and material handling equipment, administration and warehouses



Contec Co., Ltd.
 Location: 3-9-31 Himezato, Nishiyodogawa-ku, Osaka 555-0025 Japan
 Lot area: 4,443 sq.m
 Floor area: 7,339 sq.m
 Business: Development, manufacture, and sales of electronics equipment, such as factory automation PCs, interface boards, LAN-related equipment and remote monitoring/control systems



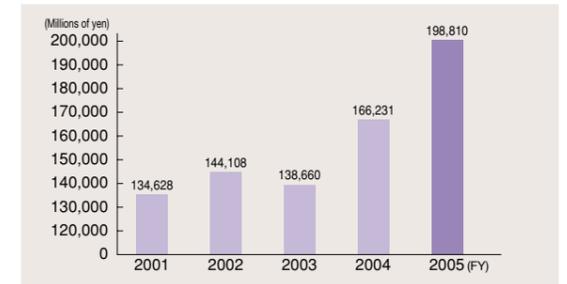
Komaki Works
 Location: 1500 Komakihara-shinden, Komaki-shi, Aichi 485-8653 Japan
 Lot area: 65,000 sq.m
 Floor area: 41,000 sq.m
 Business: Sales, engineering, and design of logistics systems and material handling equipment, and administration
 Production: Approx. 36,000 million yen

Corporate name: Daifuku Co., Ltd.
 Headquarters: Osaka: 3-2-11 Mitejima, Nishiyodogawa-ku, Osaka 555-0012 Japan
 Tokyo: 2-14-5 Shiba, Minato-ku, Tokyo 105-0014 Japan

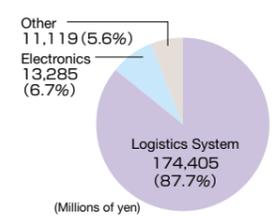
Established: May 20, 1937
 Paid-in capital: 8,023 million yen (As of August 2006)
 Representative: Katsumi Takeuchi, President and CEO
 Number of employees: Approx. 4,100 (Total of Daifuku Group, As of August 2006)
 Net sales: 198,810 million yen (Consolidated, Fiscal 2005)
 Business description: Comprehensive consultation services on logistics systems (material handling systems) and total engineering including design, manufacture, installation, and after-sales services

Products: Conveying/Transport systems, storage systems, sorting and picking systems, control and information systems, material handling equipment, and others (car-washing machines, machines for bowling alleys, and special equipment)

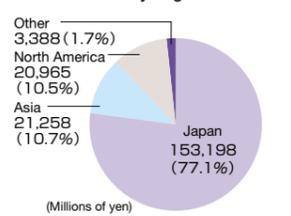
Consolidated Sales Performance



Fiscal 2005 Consolidated Sales Performance by Business



Fiscal 2005 Consolidated Sales Performance by Region



Daifuku Group

- Contec Co., Ltd.
- CONTEC EMS Co., Ltd.
- Kyushu Daifuku Corporation
- Daifuku Unix Corporation
- Daifuku Qubica Ltd.
- Daifuku Logistic Technology Co., Ltd.
- Hiniaratakan Corporation
- APS Inc.
- Daifuku Institute of Technology Inc.
- Daifuku Business Service Corporation
- Daifuku Software Development Co., Ltd.
- Daifuku Business Create Co., Ltd.
- Daifuku Manufacturing Expert Co., Ltd.
- Daifuku Field Engineer Co., Ltd.
- Renace Corporation
- Overseas offices (Mexico, Czech, Philippines, Tianjin, Shanghai)
- Daifuku America Corporation (U.S.)
- American Conveyor and Equipment, Inc. (U.S.)
- Daifuku Canada Inc. (Canada)
- Daifuku Europe Ltd. (U.K.)
- Daifuku India Private Limited (India)
- Daifuku (Thailand) Ltd. (Thailand)
- Daifuku Mechatronics (Singapore) Pte. Ltd. (Singapore)
- Daifuku (Malaysia) Sdn. Bhd. (Malaysia)
- P.T. Daifuku Indonesia (Indonesia)
- Daifuku (Shanghai) Ltd. (China)
- Daifuku Automation (Tianjin) Co., Ltd. (China)
- Daifuku Automation (Guangzhou) Co., Ltd. (China)
- Jiangsu Daifuku Rixin Automation Co., Ltd. (China)
- Daifuku Pioneer Co., Ltd. (Taiwan)
- Taiwan Daifuku Co., Ltd. (Taiwan)
- Clean Factomation, Inc. (South Korea)
- ATS Co., Ltd. (South Korea)
- MIMATS Co., Ltd. (South Korea)
- Daifuku Carwash-Machine (Shanghai) Ltd. (China)
- Daifuku Carwash-Machine Korea Inc. (South Korea)
- Contec Microelectronics U.S.A. Inc. (U.S.)
- Beijing Contec Microelectronics Corporation (China)
- Shanghai Contec Microelectronics Corporation (China)
- Shanghai Contec Digital Equipment Co., Ltd. (China)
- Taiwan Contec Co., Ltd. (Taiwan)

● Affiliated companies with production facilities

■ Overseas subsidiaries

● Overseas affiliated companies with production facilities



Daifuku America Corporation Ohio Plant



Daifuku (Thailand) Ltd. Chonburi Plant



ATS Co., Ltd. No.2 Plant



Clean Factomation, Inc. Asan Plant



Taiwan Daifuku Co., Ltd.

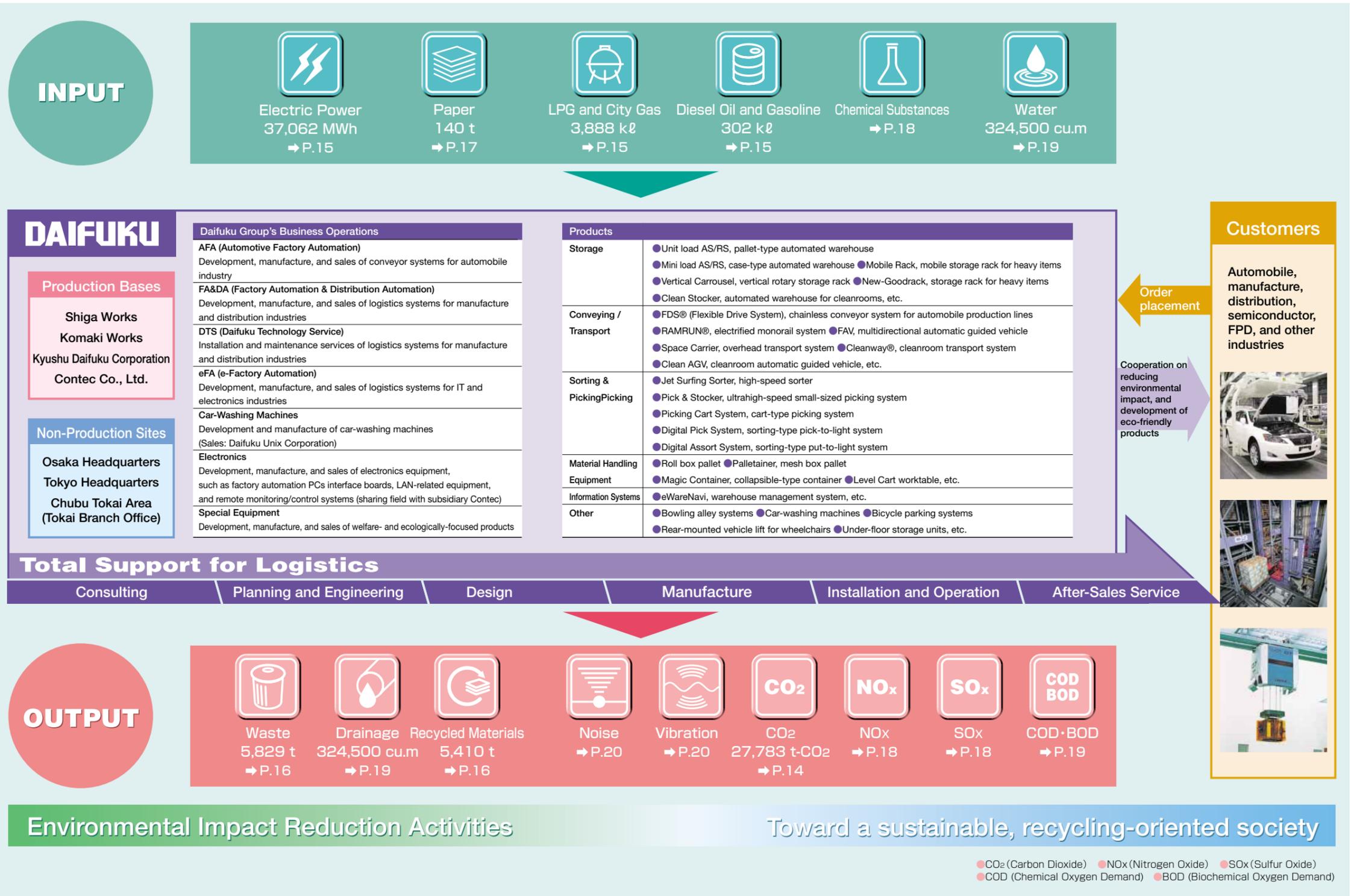
Business Operation Material Balance

Daifuku operates with the aim of combining sound development of the business with environmental solutions, in order to meet our social responsibilities.

Daifuku engages in a wide range of business operations at home and abroad, as a manufacturer of a comprehensive range of logistics systems and material handling equipment.

We use objective numerical measures to identify various types of environmental impact generated by such company activities and plants at all life-cycle levels, in order to minimize any impact through monitoring and analyzing current conditions.

As our Supply Chain Management (SCM) progresses on a global scale, Daifuku is putting comprehensive support into the logistics area, thus reducing the environmental impact on society in general, and contributing to the development of a recycling-oriented society.



Basic Environmental Policy

Daifuku has formulated its fundamental environmental conservation “Principles” and “Policies” as a platform for its global efforts to conserve resources and prevent deterioration of the environment.

In 1999, an environmental policy for the entire Company was formulated, based on Shiga Works and Komaki Works environmental policy. Certain parts of the basic policy were revised in 2002. Contec was included in the scope of environmental conduct, as determined by the policy, in fiscal 2002. This was followed in fiscal 2003 by Osaka Headquarters, Tokyo Headquarters, and Tokai Branch Office, and Kyushu Daifuku, in fiscal 2004. Daifuku strives to instill this policy and make it widely known among all its employees. At the same time, we also inform other stakeholders by such means as posters at the entrances to all sites. Daifuku is working to gain broader social recognition for its activities.

On August 1, 2005, Daifuku revised a portion of its environmental policy pursuant to ISO 14001:2004 guidelines issued in December 2004.

Environmental Policy

Basic Principle

As Daifuku expands its business on a global scale, it recognizes environmental conservation as one of humankind's most important issues, underpinned by compliance with environmental laws. In every facet of its business activities including the development, manufacture, sale, installation, and after-sales service of material handling systems and equipment, Daifuku strives to conserve global resources and prevent worldwide environmental pollution.

Basic Policy

- (1) Daifuku will make further advances in ongoing environmental conservation activities by establishing an environmental management system and organization aiming at ensuring harmonious coexistence between people and the environment, and observing environment-related laws and treaties, with its own standards as a guide.
- (2) Daifuku will promote environmental pollution prevention measures and the continual improvement of its management systems and performance, based on environmental impact assessment and the formulation of environmental objectives and targets.
- (3) In every aspect of its business activities, from product development and planning through manufacture, usage, and disposal, Daifuku will deliver products that give due consideration to energy and resource conservation and the prevention of environmental pollution.
- (4) As a priority, Daifuku will procure and purchase materials, components, and products with the least environmental impact, and will provide guidance and support to suppliers, with the aim of establishing a cooperative supply chain.
- (5) As a member of society, Daifuku will contribute to creating healthy, safe, and comfortable communities, by fulfilling its corporate social responsibility and preventing environmental pollution.
- (6) Daifuku will implement environmental education and training programs that enhance employee awareness and promote individual responsibility.

Daifuku discloses this environmental policy to all of its employees, temporary staff, and outside companies with which Daifuku conducts business, as well as to the general public.

Issued on January 7, 1999
Revised on August 1, 2005

Column Raising Environmental Awareness

Distribution of Environmental Policy Card
To assist its CSR activities from the environmental point of view, Daifuku has produced the “Environmental Policy Card” and distributed copies of it to all Group employees, publicizing the Company's ideas regarding environmental issues.

The card includes the following text:

基本理念
事業をグローバルに展開しているダイフクは、法令遵守のもと、地球環境の保全が人類発展の基盤の一つであることを認識し、マテリアルハンドリングシステムおよび機器の開発・生産・販売・工事・アフターサービスの事業活動のあらゆる側面、資源の保護ならびに地球環境の汚染予防に配慮して行動する。

基本方針
① 職工と人との調和を旨とする環境管理体制・組織を設け、環境保護の法律や協定を遵守し、自主基準を設定して積極的に環境保全活動を推進する。
② 環境影響評価を行い、環境目的および目標を設定して、環境汚染の予防を推進し、環境マネジメントシステムを7つの要素で構成した環境方針を定める。
③ 製品の開発・設計段階から、生産・使用・廃棄に至る企業活動のあらゆる側面で見直しを行い、省資源および環境汚染の予防に配慮した製品を提供する。
④ 必要な資源の調達・購入に際して、より環境負荷の少ない材料・部品・製品を優先的に調達・購入するとともに、サプライヤーへの指導・支援を通じてサプライチェーンの協賛等を図る。
⑤ 地域社会の一員としての環境汚染予防の責任を認め、健全かつ安全で快適な地域社会づくりに貢献する。
⑥ 従業員が環境保護を旨とし、自ら環境保全活動を推進できるように、環境教育・啓発活動を展開する。

◆この環境方針は、全従業員、派遣社員ならびに外注に委託する業務に関する会社に適用するとともに、一般の人々にも開示する。

Environmental Objectives, Targets and Achievements

Daifuku's objectives, targets, and plans in relation to environmental conservation activities, and achievements for fiscal 2005 are presented here.

In fiscal 2005, the second year of our Three-Year Business Plan ending in fiscal 2006, our environmental activities included the expansion of ISO 14001 certification to non-production bases.

The table below identifies the principal fiscal 2005 environmental themes implemented mainly by Daifuku's Shiga and Komaki Works, and a self-evaluation against fiscal 2006 targets. Daifuku's core operating network comprises its Shiga Works, Komaki Works, Osaka Headquarters, Tokyo Headquarters, Tokai Branch Office, and Kyushu Daifuku. Of this network, the Shiga Works and Komaki Works are recognized as generating the most environmental impact.

Fiscal 2005 Environmental Objectives, Targets and Achievements

	Environmental Objectives (FY2004 - FY2006)	FY2005 Environmental Targets	Result in FY2005	Details
Environmental conservation	- Emphasize emissions control	- Prevent water contamination	Achieved	▶P19
		- Prevent air pollution	Achieved	▶P18
		- Prevent soil contamination	Achieved	—
		- Observe the PRTR Law	Achieved	▶P18
	- Observe environmental laws and regulations	- Observe environmental laws and regulations	Achieved	▶P22
Energy consumption reduction	- Reduce energy unit requirements (Electricity and LPG) Reduce 10% from fiscal 2003 level by fiscal 2006	- Save electrical energy	Achieved	▶P15
		- Reduce the energy requirement for lighting Reduce 6% from fiscal 2003 level	Achieved	▶P15
Waste reduction	- Reduce unit wastes (General wastes and industrial wastes) Recycle 95% of total wastes by fiscal 2006 Reduce 20% of total wastes from 2003 level by fiscal 2006	- Reduce 14% of total wastes from fiscal 2003 level	Achieved	▶P16
		- Promote to recycle 95%	Achieved	▶P16
Indirect impact	- Assist and guide green suppliers and cooperating companies	- Reduce steel scrapping (at each production dept).	Achieved	—
		- Reduce paper consumption Reduce 10% from fiscal 2003 level by fiscal 2006	Not Achieved	▶P17
Providing environmentally conscious products	- Promote green procurement (Prohibit the use of hazardous substances)	- Plan and implement assistance and guidance	Achieved	▶P20
		- Promote according to green procurement guidelines	Almost Achieved	▶P20
		- Promote the procurement of materials and parts which contain no hazardous substances	Almost Achieved	▶P20
		- Work on the 3Rs (Reduce, Re-use, Recycle) for products 3R (Reduce, Re-use, Recycle)	Almost Achieved	—
Providing environmentally conscious products	- Promote green procurement (Prohibit the use of hazardous substances)	- Encourage 3Rs activities for products	Almost Achieved	—
		- Reduce the electrical energy requirement of products	Almost Achieved	—
		- Efforts toward Life Cycle Assessment (LCA)	Not Achieved	—
		- Promote and implement LCA	Not Achieved	—
		- Promote according to green procurement guidelines	Almost Achieved	▶P20
		- Promote the procurement of materials and parts which contain no hazardous substances	Almost Achieved	▶P20

Fiscal 2006 Environmental Objectives and Targets

	Environmental Objectives (FY2004 - FY2006)	FY2006 Environmental Targets
Environmental conservation	- Emphasize emissions control	- Prevent water contamination
		- Prevent air pollution
		- Prevent soil contamination
		- Observe the PRTR Law
	- Observe environmental laws and regulations	- Observe environmental laws and regulations
Energy consumption reduction	- Reduce energy unit requirements (Electricity and LPG) Reduce 10% from fiscal 2003 level by fiscal 2006	- Save electrical energy
		- Reduce the energy requirement for lighting Reduce 10% from fiscal 2003 level
Waste reduction	- Reduce unit wastes (General wastes and industrial wastes) Recycle 95% of total wastes by fiscal 2006 Reduce 20% of total wastes from 2003 level by fiscal 2006	- Reduce LPG consumption Reduce 10% from fiscal 2003 level
		- Reduce 20% of total wastes from fiscal 2003 level
Indirect impacts	- Assist and guide green suppliers and cooperating companies	- Promote to recycle 95%
		- Reduce steel scrapping (at each production dept).
Providing environmentally conscious products	- Promote green procurement (Prohibit the use of hazardous substances)	- Reduce 10% of paper consumption from fiscal 2003 level
		- Plan and implement assistance and guidance
		- Promote according to green procurement guidelines
		- Promote the procurement of materials and parts which contain no harmful substances
		- Encourage 3Rs activities for products
		- Reduce the number and capacity of drive motors to be used
		- Plan and implement LCA
		- Promote according to green procurement guidelines
		- Promote the procurement of materials and parts which contain no harmful substances

Environmental Accounting

Fiscal 2005 saw economic achievements in “energy-saving effects”

Daifuku believes that it is important to monitor the Group's investments in and expenses for environmental conservation, and their returns, in order to be able to implement environmental solutions while ensuring ongoing corporate developments.

To that end, Daifuku has been using environmental accounting as a guideline for corporate activities since fiscal 2001.

Environmental accounting has also been used for non-production units since fiscal 2003, and Kyushu Daifuku and Contec since fiscal 2004, in an attempt to enhance our efforts and further improve the results of it.

Concept of Environmental Accounting

Daifuku conducts accounting according to *Environmental Accounting Guidelines in the Machinery Industry*, established by the Ministry of the Environment, in order to quantitatively monitor the cost and results of environmental conservation within overall corporate activities.

Fiscal 2005 Environmental Accounting Osaka HQ, Tokyo HQ, Shiga Works, Komaki Works, Kyushu Daifuku, and Contec April 1, 2005 - March 31, 2006

Costs for Environmental Conservation Activities

Unit: 1,000 yen

Classification	Activities	Amount
Reduction of environmental impact in production activities	- Drainage contamination protection activities (including drainage treatment facilities), renewal of painting facilities	103,568
Implementation of industrial waste measures	- Waste treatment costs, recycling costs for wastes	78,948
Use of materials and equipment fit for environmental conservation	- Promotion of green procurement, fabrication and collection of transportation jigs	14,001
Development of products with less environmental impact	- Development costs for considering energy- and weight-saving and for reduction of number of parts	100,235
Recycling of company products		0
Reduction of environmental impact from transportation	- Improvement of transportation efficiency by jigs	2,020
Emergency preparedness	- Training for emergencies	602
Environmental conservation activities at management offices	- Recycling non-industrial waste, renewal of lighting and air conditioning	38,167
Environmental consideration for overseas operation	- Improvement of packaging methods for overseas shipping products	950
Implementation of environmental management	- ISO promotion group management costs, internal and external audits, environmental education	53,626
Collaboration with communities	- Participation in the Ohmi Eco-Foster activities and the regional environmental improvement projects	1,834
Total		393,951

Economic Effect

Unit: 1,000 yen

Effect from	Activities	Amount
Sale of valuable resources	- Gain on sale of ferrous and non-ferrous scrap materials, and high grade waste paper	61,805
Energy saving	- Effect of cogeneration system (CFA Building air-conditioning in terms of energy) and lighting	111,688
Reuse / Recycle / Resource conservation	- Reuse and recycling of packaging materials	3,692
Returnable container	- Effective use of Palletainer mesh box pallet	1,500
Total		178,685

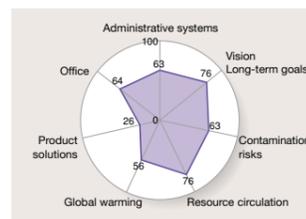
Column Environmental Management Level Survey

Ranked 272nd out of 1,747 manufacturers

In December 2005, Nihon Keizai Shimbun, Inc. announced the results of its ninth “Corporate Environmental Management Level Survey.”

Daifuku was ranked the 272nd out of 1,747 manufacturers. This marked a jump up from last year's 348th place. In 2004, the item “Office” was added to the assessment method, and we received that position based on a comprehensive review of all of Daifuku Group's domestic companies, the environmentally conscious design, and the performance in terms of social responsibilities.

In addition, the Nikkei Excellent Company Ranking for fiscal 2005 was announced in March 2006. Using the Private Sector Multi Evaluation System (PRISM) jointly developed by Nihon Keizai Shimbun, Inc. and Nikkei Research Inc., Daifuku was ranked 213th, up from 378th in the previous fiscal year.



*This survey was conducted among 1,747 leading manufacturing companies (including construction and energy companies) that are listed, over-the-counter, or unlisted. 558 of these companies provided effective responses.

Daifuku's Environmentally Conscious Products

Daifuku works to develop environmentally friendly products and to improve the manufacturing process, thereby producing stable results.

Daifuku works to produce products that help conserve the environment. As a result, we have been developing environmentally conscious products that can help user companies and local communities engage in environmental activities.

In the manufacturing process, too, we have produced results in energy saving by increasing productivity. We have thus been working to protect the environment in many different areas.

We will continue to offer a comprehensive range of products and systems that demonstrate awareness of global environmental concerns.

veyor vehicle in the facilities to automate the compost manufacturing process. This center enables to process up to 108 tons of organic waste per day.



An AS/RS (right) and STV carrying fermentation pallets to inverting equipment for stirring

Automation of Surgical Instruments Transport and Storage System

As a part of the National University Facility Improvement Plan, a new central ward was built on the premises of Nagoya University Hospital. Daifuku delivered an automated transport and storage system for supplying and collecting surgical instruments, integrating a mini load AS/RS, Vertical Carousel (VCR), and Automatic Guided Vehicles (AGVs). These systems promote labor-saving in work operations for item collection and hygienic material control that previously labor-intensive, improve efficiency by making systems that allow nurses on the ward to concentrate on patient care, and contribute to efficiency by reducing the time between surgical operations. In addition, the AGV collects unsanitary items including waste, blood and fluids generated in the operating theater, preventing in-hospital infections.



The VCR combines the function of storing irregularly shaped items of instruments with the ability to transport them between floors

Daifuku Releases Completely Chrome-Free Palletainer

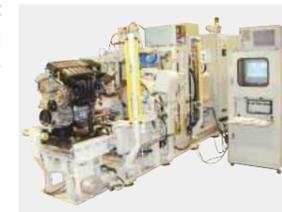
Daifuku developed Palletainer CrFree, a completely chrome-free mesh box pallette that is free of hexavalent and trivalent chromes. It was released to the market in October 2005 as a storage and carrying container that complies with ELV and RoHS Directives.



Environmentally Friendly Engine Test Bench

A motoring test bench tests auto engines, using an external motor drive that turns the engine without fuel.

Compared with conventional firing test benches that test engines by means of fuel ignition, this has improved the working environment, given consideration to the natural environment, reduced auxiliary equipment including for fuel and cooling water, as well as reduced running costs.



Motoring test bench testing auto engines without fuel

Installation of AS/RS in Food Recycling Factory

I'll Clean-Tech Corporation, a general and industrial waste handling company in Saitama Prefecture, established a pallet-type organic resource recycle center in Yorii-machi, Osato, Saitama Prefecture, to compost organic waste such as food leftovers. I'll Clean-Tech installed a unit load AS/RS, pallet-type automated warehouse and a Sorting Transfer Vehicle (STV), high-speed con-

Comment from Environmental Activity Representative

Promotion of Environmentally Conscious Products Initiatives

The Shiga Works plays a central role as a production base. Its production activities are based on the ISO 14001 certification, and the Shiga Works treat such activities as an important issue in liaison with each unit.

Daifuku's continuous efforts in environmental conservation (water quality, air and soil), energy (electricity and LPG) and waste reduction have been yielding results year by year. We also aggressively promote our efforts in environmentally conscious products.

Daifuku strictly complies with all laws and regulations regarding corporate activities. In addition, we contribute to local communities, participating in monthly public cleaning, annual maintenance of sight-seeing spots, and gateball competitions with local residents in Hino-cho three times a year for better communication. We will continue to implement these low-key yet vital activities.



Yoshihiro Goto
Manager
Shiga General Affairs Group
General Affairs Department
Shiga Works

Environmental Management System

In 2004, Daifuku obtained ISO 14001 certification for Osaka Headquarters, the Tokyo Headquarters, Tokai Branch Office, and Kyushu Daifuku.

We further strive to operate the system integrating all Group members, and to foster development of an even better system.

The environmental management system is the basis for environmental conservation. Daifuku monitors and assesses environmental impact and the results of solutions, thereby achieving efficiency.

Being engaged in the logistics system business, Daifuku has developed an environmental management system that covers both production and non-production units.

In fiscal 2004, Kyushu Daifuku also obtained ISO 14001 certification, which further expanded our environmental management system operations.

ISO Certification Acquisition

In 1999, the Shiga Works and Komaki Works both acquired ISO 14001 certification, and in 2002, our subsidiary company Contec obtained certification. In 2004, four locations, namely, Osaka Headquarters, Tokyo Headquarters, the Tokai Branch Office, and subsidiary company Kyushu Daifuku acquired certification. Through these achievements, Daifuku has established a company-wide, ISO-based environmental conservation network throughout Japan.

■ Daifuku Co., Ltd. and Kyushu Daifuku Corporation

■ Contec Co., Ltd.



Environmental Management System

Daifuku has developed a company-wide environmental management system with the president as the top-ranking representative.

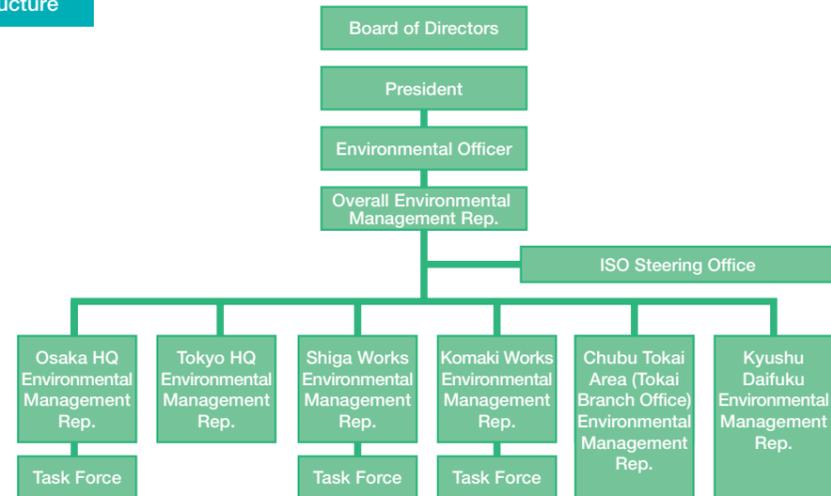
Since fiscal 2005, we have been holding regular meetings of an ISO Steering Committee, which consists of environmental management representatives from each base and environmental task force representatives. In addition, the management review by top management is held biannually (in May and October) to assess the implementation status of the action plans of each unit and task force.

The environmental task forces include Development Design, Waste, Energy, Green Procurement, PRTR, Statistical Survey, and Water Control, thereby providing responses and solutions to various environmental challenges as cross-departmental issues for the divisions.



ISO Certification sign on display at Shiga Works

Promoting Structure



Environmental Auditing System

We periodically commission external audits, wherein a third party (certified agency) ensures that the environmental management system is appropriate, that laws and regulations are being observed, and that the system is functioning effectively.

And, we also conduct internal audits, with in-house monitors examining such factors as how the system is operated, how plans for committee objectives and targets are being implemented and progressed, and how well laws, regulations, and voluntary standards are being observed. Units found to be noncompliant must file correction plans and implement them. Audit results are reported in the management reviews where solutions are presented and follow-ups are conducted.

External Audit Results (Biannual)

Osaka HQ, Tokyo HQ, Shiga Works, Komaki Works, Tokai Branch Office, and Kyushu Daifuku	
First half of FY2005	
Findings	0 item
Observations	6 items
Second half of FY2005	
Findings	0 item
Observations	9 items



A management review in progress

Risk Management System

A risk management system has been established across the Group, including the subsidiary Contec, in order to prevent emergencies and minimize the environmental impact if an emergency

Environmental Education and Training

An intra-unit environmental activity plan is implemented as part of general education for all employees, cooperating companies, and other stakeholders, in order to establish environmental activities and encourage each and every member to participate in the program. In addition, environmental education and designated employee education, along with other programs, are conducted to cater for the technicalities of specific operations, in an effort to ensure observance of relevant laws and regulations.

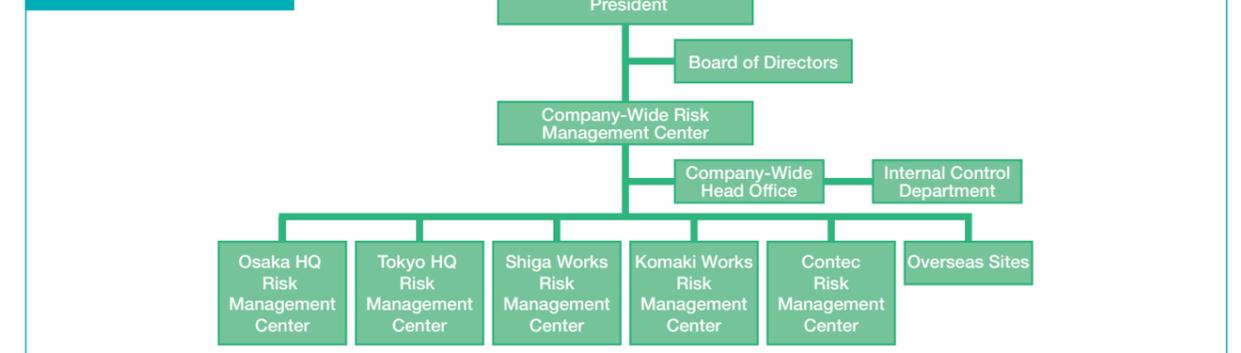
In December 2004, ISO 14001: 2004, an improved version of environmental management system standard, was published. Accordingly, Daifuku acquired the certification for ISO 14001: 2004 in August 2005.

In the area of internal auditor education, the number of internal auditors has been increased to 264 (as of April 2006) in order to allow time for training in sound judgment ability, and improving their skill levels. With regard to activities proposed by smaller groups, the number of proposals covering operational improvements, cost cutting, quality, safety, the environment, and other matters have amounted to 4,395, approximately 1.5 times the target figure. This shows that active operations are under way. At biannual small group activity show-and-tell events, their achievements are reported to top management.



An environmental education seminar held at the D-MAND Promotion Center

Risk Management System



Achieve Environmental Impact Reduction through Daifuku's Ongoing Initiatives

*Since obtaining ISO 14001 certification in February 2004, the Tokyo Headquarters has been engaging in the ongoing reduction of environmental burdens with policies of: (1) steadily reduced power consumption; (2) reduced waste and improved recycling ratios; and (3) reduced environmental impact such as paper consumption. In terms of reduced power consumption, some units participated in the "Energy Conservation Project for Office 2005" operated by a foundation, the Energy Conservation Center Japan. In addition, we

received Outstanding Awards for thorough awareness of air-conditioning from the Kanto Electricity Use Rationalization Committee in fiscal 2005.

Though the above-mentioned target for waste reduction ultimately proved to be unachievable, the Tokyo Headquarters was able to accomplish the energy unit requirements of the other targets. We will continue to be aware of the environment and strive to create environmentally friendly offices while continuously building up small improvements.



Yoshiyuki Nakajima
General Manager
Personnel Department /
Corporate Social
Responsibility Department
Tokyo Headquarters

Energy and Resource Conservation

Energy use is related to the emission of carbon dioxide (CO₂). Such emissions are reported to affect the environment in the form of global warming and other problems.

Daifuku has been working to reduce power and fuel costs and to improve energy efficiency on a company-wide basis, including non-production units. The Shiga Works is a Type 1 Designated (Electricity and Heat) Energy Management Factory, while the Komaki Works is a Type 2 Designated (Electricity) Energy Management Factory. In each case, an appropriate control procedure is used for promoting the activities in accordance with the Law concerning the Rational Use of Energy.

CO₂ Emissions and Reduction Measures

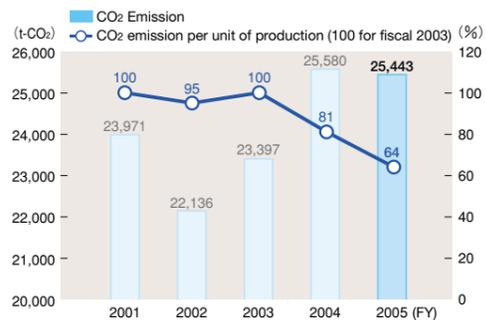
Daifuku works to reduce emissions of carbon dioxide and other greenhouse gases, which contribute to global warming.

In fiscal 2005, though CO₂ emissions at the Shiga and Komaki Works increased 9% compared with fiscal 2003, in terms of unit rate for production the Company was able to reduce emissions by 36% compared with fiscal 2003, due to increased production and energy-saving activities in each unit.

In fiscal 2005, Daifuku controlled the volume of CO₂ generated by the Company, which includes Kyushu Daifuku, Contec, and non-production bases. From this year forward, the Company will establish CO₂ reduction targets based on goals set in the Kyoto Protocol, which came into effect in February 2005.

CO₂ Emission

● Shiga and Komaki Works performance



	FY2004	FY2005
Company-Wide	27,608	27,783
Osaka Headquarters	810	867
Tokyo Headquarters	285	259
Shiga Works	21,961	21,783
Komaki Works	3,619	3,660
Tokai Branch Office	267	284
Kyushu Daifuku	154	307
Contec	512	623

Environmental Impacts from Transportation

Since 2000, the Shiga and Komaki Works have been working to monitor the traffic in product-shipment trucks, while centrally controlling consignment information, improving methods of transportation, and restructuring products, thereby saving cargo space in the trucks, in an effort to improve transport efficiency and, in turn, to reduce CO₂ emissions.

However, CO₂ emissions from this source rose 29% compared with the figure in fiscal 2003, due to increased production in fiscal 2005. Moreover, mileage increased by 29% too.

■ Truck Numbers, Distance Traveled, and CO₂ Emissions

(FY)	2001	2002	2003	2004	2005
CO ₂ emissions (t-CO ₂)	7,574	7,083	6,718	6,513	8,679
Distance traveled (km)	7,172,269	6,707,850	6,361,524	6,166,813	8,219,405
Truck numbers (in 10 tons)	17,578	19,586	17,735	17,375	21,536

(Shiga and Komaki Works performance)



Aiming to Become Environmentally Friendly "New Komaki Works"

The Komaki Works faced a major turning point with the transfer of production function to the Shiga Works. Nevertheless, each Daifuku unit was able to steadily accomplish its fiscal 2005 numerical targets in environmental impact reduction activities in terms of energy consumption and the amount of waste.

The Komaki Works' production site will be significantly scaled down in fiscal 2006, and the No.1 Factory will eventually be dismantled. Accordingly, we need to review our legal compliance-related initiatives for reducing environmental impact. We will heighten employees' awareness and strive to create a new environmentally friendly Komaki Works.



Tetsuya Hirose
 Manager
 Komaki General Affairs Group
 General Affairs Department
 Komaki Works

Reducing Fuel Consumption

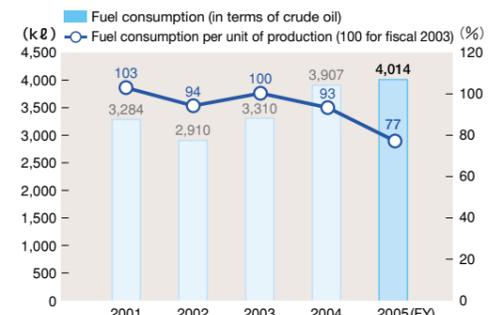
The Shiga Works is a Type 1 Designated Energy Management Factory, and as such is inspected by the Ministry of Economy, Trade and Industry. The Works cleared electricity and heat energy standards. In fiscal 2005, each unit of the Energy Task Force promoted various activities intended to boost energy conservation by measuring and reducing heat energy usage, and reviewing the energy management standards.

At the Komaki Works, air-conditioning is set to energy-saving mode (28°C in summer, 20°C in winter) in an effort to reduce city gas consumption. In addition, the Works began adding hybrid vehicles to its fleet in fiscal 2005 with the aim of reducing greenhouse gas emissions.

Although fuel consumption in fiscal 2005 increased 21% at both Shiga and Komaki Works compared with the fiscal 2003 level, fuel consumption per unit of production dropped 23%, considerably clearing the reduction target of 6% of the fiscal 2003 level.

Fuel Consumption

● Shiga and Komaki Works performance



*Includes LPG, city gas, diesel oil, and gasoline.

	FY2004	FY2005
Company-Wide	4,014	4,190
Osaka Headquarters	42	43
Tokyo Headquarters	—	—
Shiga Works	3,490	3,583
Komaki Works	417	431
Tokai Branch Office	39	45
Kyushu Daifuku	26	35
Contec	—	53

Electricity Conservation

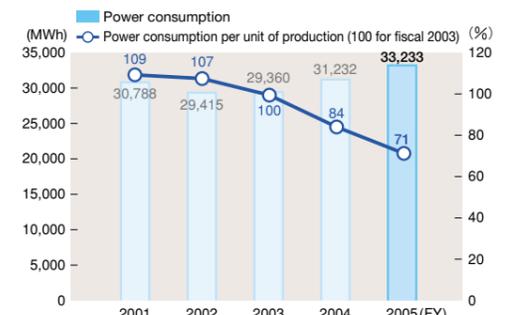
Daifuku is striving to use electricity efficiently in all aspects of its operations.

The Shiga Works is a Type 1 Designated Energy Management Factory for electricity as well as heat energy. In addition to reducing the energy consumption of its manufacturing facilities, Daifuku has installed energy-saving lighting fixtures and sensor-controlled illumination in the Shiga Works' office spaces. The conversion of lighting at the Komaki Works to inverter-controlled fixtures has been underway since the previous fiscal year. In addition, non-production bases at Headquarters and other offices have optimized climate-control temperatures in non-manufacturing spaces and are diligently working to ensure that lights not being used are switched off.

Although electricity consumption in fiscal 2005 increased 13% at both Shiga and Komaki Works compared with the fiscal 2003 level, electricity consumption per unit of production dropped 29%, substantially clearing the reduction target of 6% from the fiscal 2003 level.

Power Consumption

● Shiga and Komaki Works performance

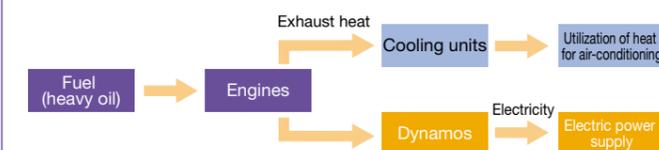


	FY2004	FY2005
Company-Wide	35,090	37,062
Osaka Headquarters	1,394	1,293
Tokyo Headquarters	568	530
Shiga Works	24,224	26,129
Komaki Works	7,008	7,104
Tokai Branch Office	375	361
Kyushu Daifuku	234	364
Contec	1,287	1,281

Column Cogeneration System

Shiga Works Generates 50% of Its Power Consumption

The Shiga Works has the scale of power demand of a Type 1 Designated Energy Management Factory and has engaged in effective utilization of energy by having installed a cogeneration system in 1997. Today, 50% of the overall Works' power demand is generated in-house by the cogeneration system, and its exhaust heat is also effectively utilized as an energy source for cleanroom air-conditioning.



Commenced operations in January 1997

Waste Reduction

A zero-emissions drive is under way with the aim of recycling wastes as a corporate responsibility, in an effort to help establish an environmentally friendly society.

Daifuku contributes to environmental conservation by setting standards for the containers, methods and places for collecting various wastes discharged from each Works. Waste emissions are also centrally controlled to further enhance recyclability.

Waste Reduction

Wastes discharged from the Shiga and Komaki Works are separated and collected to satisfy the following requirements:

- (1) Collect wastes in specialized separate containers.
- (2) Apply labels indicating the type of waste material stored in each container, and only collect predetermined wastes.
- (3) Use empty, sealable cans or similar to collect waste solvents and other dangerous substances that have low flash-points (such as thinners and alcohol). After collection, securely seal the cans and store them in an oils warehouse.
- (4) If any other special waste is generated, designate in advance a separate container, method of collection, storage procedure, as well as other details, and seek the consent of the Waste Task Force before collection.

In fiscal 2005, an Environmental Patrol Campaign was instituted by the Waste Task Force with the cooperation of various divisions. The increase in the volume of production and the scrapping of obsolete equipment reduced waste generation per unit of production by 24% in comparison with the fiscal 2003 level, which achieved the target figure of 14%. Some 75% of the Company's total volume of waste generated is scrap steel, and we will address that in the future through integrated management.

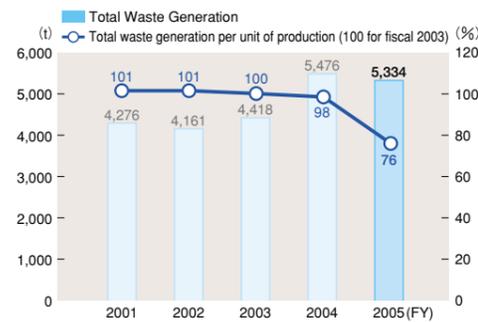
The Company's target for waste recycling is 95%. As a result of vigorous sorting and recycling efforts, the Shiga Works achieved 95% waste recycling, and also the Komaki Works achieved 96% waste recycling, thereby exceeding the Company's target. Kyushu Daifuku, Contec and the non-production bases at Osaka Headquarters, Tokyo Headquarters, and Tokai Branch Office are practicing thorough separation and collection and to reduce consumption are promoting the use of both sides of every sheet of paper various forms of digitization promoted.



Waste control board

Total Waste Generation

Shiga and Komaki Works performance



	FY2004	FY2005
Company-Wide	5,951	5,829
Osaka Headquarters	159	207
Tokyo Headquarters	55	55
Shiga Works	4,747	4,648
Komaki Works	729	686
Tokai Branch Office	16	22
Kyushu Daifuku	153	154
Contec	92	57

Recycling Status

The Company's target is 95% recycling. Komaki achieved 96%; Shiga 95%.

	Shiga Works		Komaki Works		
	Weight (t)	(%)	Weight (t)	(%)	
Volume of valuable resource sold	3,719	80.0	331	48.0	Recycling
Volume of waste sold	0	0.0	—	—	
Volume of materials recycled by Daifuku	20	0.4	—	—	
Volume of consignment recycling	677	14.6	328	48.0	
Volume of materials not recycled	232	5.0	27	4.0	
Total waste generation	4,648	100.0	686	100.0	

Column Sludge Recycling

Recycling Sludge as Cement Materials

In April 2004, the Shiga Works began recycling the sludge from its industrial wastewater, which had formerly been disposed of in landfills, as a raw material for cement.

The Works uses 700 tons of industrial water per day. The bulk of this is used on the painting line. Water containing oil and iron powder is sent to the wastewater treatment plant, and the sludge recovered there is sent to a drying kiln, where it is meticulously crushed into granular form, water content expelled, and reduced to one-tenth its original volume for shipment.

Through the accumulation of this sort of hardworking effort, the Company seeks to reduce waste emissions to zero.

Toward Zero Emissions

Looking toward a sustainable society, Daifuku has moved to meet its corporate responsibility to practice waste recycling. It has set a fiscal 2006 target of reducing the total volume of waste generation and the volume of its waste disposed of in landfills by 20% compared with the fiscal 2003 level, and is advancing toward a final goal of zero emissions (which Daifuku defines as 95% waste recycling).

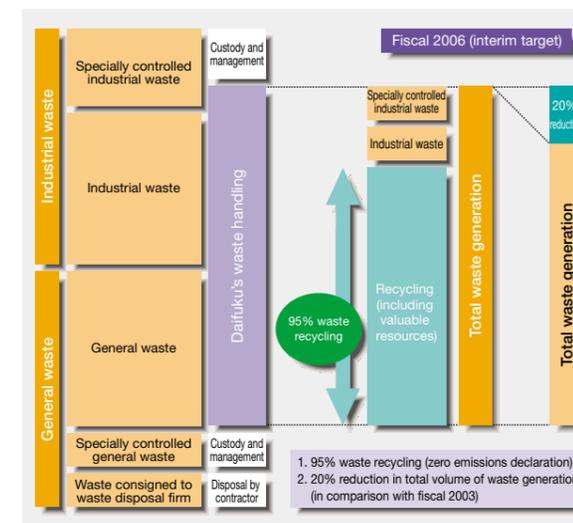
1. Reducing waste consignment to landfills

Daifuku is recycling the sludge from industrial waste water, after treating and grinding in a drying kiln, and the cinders from the incineration of wood scrap and other materials, as raw materials for cement and concrete blocks. In addition, the Company machine-treats wet garbage to produce compost, which it recycles as fertilizer for the shrubbery on plant premises. The Company plans to begin recycling the detritus from painting and coating in the future.

2. Reducing total volume of waste generation

In addition to waste recycling, the Company is working to reduce the volume of the waste it generates by discarding less scrap steel and other materials that have intrinsic value. The Company is not limiting its efforts to reducing the volume of waste generated in the course of its corporate activities, but is also incorporating considerations of eventual recycling into its product development activities to make our products more recyclable.

Definitions of Waste and Reduction Targets



Reducing Paper Consumption and Recycling

Daifuku is moving forward with the reduction of its paper consumption in an effort to conserve forests, which plays an important role in environmental protection.

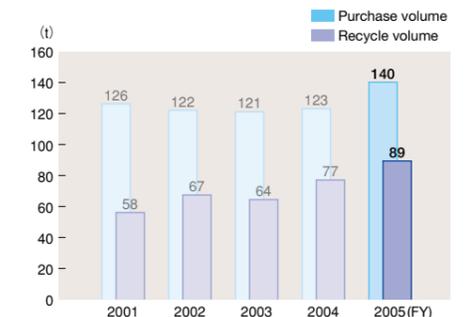
At the Shiga and Komaki Works, high-quality recycled paper is used, and to reduce consumption both sides of each sheet are used and various forms of digitization promoted. These efforts notwithstanding, the volume of paper procurement in fiscal 2005 rose approximately 16% over the fiscal 2003 level, as a result of the increased number of domestic and overseas business communications and the expanded volume of manufacturing, despite our goal of a 6% reduction. We are pushing for a reduction in paper procurement by each unit switching to the use of digital data.

Not only do we use both sides of our paper, we recycle it as high-grade waste paper. In fiscal 2005, Daifuku's paper recycling rate was up 11% over the fiscal 2003 level, and 64% of all paper procured was recycled.

At the Komaki Works, we are strongly encouraging the use of projectors instead of paper handouts for meetings in an effort to drastically reduce copying of paper documents and to slash paper consumption.

Recycling of Waste High-Grade Paper

Shiga and Komaki Works performance



Collection of waste high-grade paper



Daifuku Receives Osaka City Award for Waste Reduction for Second Consecutive Year

The Osaka Headquarters engages in the reduction of power and paper consumption as well as the reduction of waste and is striving to improve its recycle ratio.

Daifuku accomplished its target of reducing power consumption by upgrading old air-conditioning equipment in the new annex and strictly turning lights off in each unit when they are not in use. In terms of waste reduction, we received an award for our excellent waste reduction performance from Osaka City for the second consecutive year in terms of general office waste reduction. We implemented thermal recycling by generating electricity with flammable waste at the

Yodogawa Factory in Osaka. The electric power was sold to a power company, and the steam generated from incineration was distributed to neighboring buildings. These efforts resulted in a recycle ratio of 96%, primarily targeted to 95%.

From fiscal 2006, we will continuously implement the environmental activity promotion plan in relation to each unit's business plan, while maintaining the ongoing campaigns. By doing so, we will aim to create an environmentally friendly workplace that supports to supply the environmentally conscious products.



Toshikatsu Takahashi
Manager
Osaka General Affairs Group
General Affairs Department
Osaka Headquarters

Pollutant Emission Reduction and Control

Efforts are made to thoroughly monitor and control the status of chemical substances used in production activities, air pollutants generated in the process, and other impurities.

In its production activities, Daifuku uses a wide variety of chemical substances, including some that could have a significant environmental impact. As with other substances, environmental contaminants are periodically reviewed and strictly controlled to reduce their use wherever possible. Efforts are also under way to replace such contaminants with safer substances.

Pollutant Release and Transfer Register (PRTR) Control

Daifuku proactively improves its chemical substance control system and complies with the Law Concerning Reporting, etc. of Release of Specific Chemical Substances to the Environment and Promotion of the Improvement of Their Management (PRTR Law) by preventing interference with environmental conservation.

The Komaki and Shiga Works, which handle specified chemical substances, assess their annual emissions and are aggressively substituting them by environmentally friendly chemical raw materials.

In fiscal 2005, Daifuku set a target of avoiding the use of toxic chemicals and reduced the use of hazardous substances, while facilitating the use of environmentally friendly raw materials. However, the consumption of toxic chemical substances increased 39% from the previous fiscal year due to increased production and stagnant promotion of chemical substance impact reduction due to customer demands from overseas.

Daifuku will strive to use low environmental impact chemical materials and provide products that can maintain customer satisfaction.

PRTR Law and Related Chemical Substance Quantity Controls (Fiscal 2005: Shiga and Komaki Works)

Control No.	Chemicals	Transaction volume	Emission to:					Transfer to:		
			Air	Public water	Soil	Land	Total	Product	Misc.	Total
1	Water soluble zinc compounds	355	0	0	0	0	0	280	75	355
29	Bisphenol A	2,365	0	0	0	0	0	1,537	828	2,365
40	Ethyl benzene	5,822	5,822	0	0	0	5,822	0	0	0
43	Ethylene glycol	107	107	0	0	0	107	0	0	0
63	Xylene	47,676	47,676	0	0	0	47,676	0	0	0
69	Hexavalent chromium compounds	517	0	0	0	0	0	461	550 ^{*1}	1,011
224	1,3,5 - trimethyl benzene	499	499	0	0	0	499	0	0	0
227	Toluene	29,393	29,393	0	0	0	29,393	0	0	0
230	Lead and its compounds	948	0	0	0	0	0	675	273	948
309	Poly (Oxyethylene) = Nonyl phenyl ether	1,961	0	0	0	0	0	0	1,961	1,961

*1 Added to "Misc." for the purpose of disposing of dactrotized coating inventories and sludge due to a change of coating as well as sludge disposal.
*2 The chemicals used in a smaller quantities than 100 kg per year were omitted because the negligible amounts involved.

Prevention of Air Pollution

Based on Ordinance No.25, Clause 1, of the Ordinance Concerning the Reduction of Impacts on the Air Environment of Shiga Prefecture, the Shiga Works is designated as a "place of business subject to a plan to reduce its environmental impacts on the air." Because the plant has a built-in cogeneration system, efforts are made to control and reduce smoke-induced air pollutants. With regard to the maintenance and inspection of facilities, all facilities specified under applicable laws and ordinances are naturally periodically inspected, while other non-specified equipment is voluntarily inspected as appropriate.

Result of Air Pollutant Measurements

Shiga Works (according to Hino-cho environmental pollution control agreement)

Material	Facility	Standard value	Measured value
NOx (ppm)	Electric generator	950	877
	Hot water boiler	120	110
SOx (cu.m N/h)	Electric generator	2.3	0.143
	Hot water boiler	0.57	0.023
Dust (g/cu.m N)	Electric generator	0.10	0.008
	Hot water boiler	0.20	0.011

Total Drainage Levels and Reduction Measures

The basic understanding is that water contamination is a serious problem that can affect soil, agricultural products, living environments, and various other areas. Accordingly, efforts are made to control and reduce drainage from works with meticulous care, while, of course, observing relevant laws and regulations.

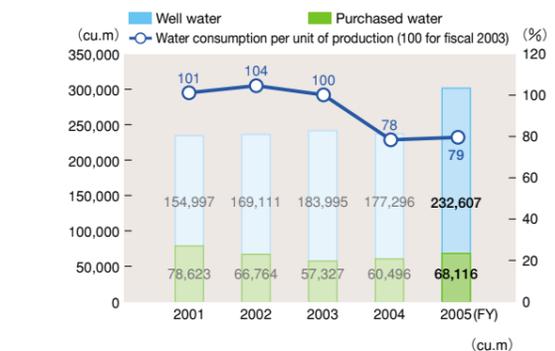
Drainage from production activities at the Shiga Works is processed at comprehensive drainage treatment facilities on the premises, before being discharged into the Sakura River, which is designated as a Class-A river. Drainage from rainwater drains is channeled to a pond that stores water for firefighting. For that reason, the equipment at Works is thoroughly maintained and inspected, while water discharged from the drainage treatment facilities is measured. Living environmental organisms are measured once a month. Meanwhile, hazardous substance items are measured twice a year.

On the other hand, the Komaki Works has three facilities or equipment requiring water contamination control: a car wash, kitchen (canteen), and painting facilities. Water control involves strict management according to both regional treatment standards and voluntary benchmarks, while monthly monitoring measurements are conducted by an external specialist agency.

In fiscal 2005, the Shiga and Komaki Works significantly reduced water consumption per unit of production by 21% compared with fiscal 2003.

Water Consumption

Shiga and Komaki Works performance



	FY2004	FY2005
Company-Wide	261,711	324,500
Osaka Headquarters	11,300	10,855
Tokyo Headquarters	5,256	5,619
Shiga Works	194,592	255,056
Komaki Works	43,200	45,667
Tokai Branch Office	1,927	2,034
Kyushu Daifuku	749	784
Contec	4,687	4,485

Result of Final Effluent Quality Measurement

Shiga Works (in accordance with Clean Water Law, Shiga Prefecture ordinance, and Hino-cho environmental pollution control agreement)

Measurement item	Regulation value	Performance		
		Max	Min	Avg
Amount of drainage (cu.m per day)	—	847	500	646
PH	6.0~8.5	7.8	7.0	7.3
SS (mg/ℓ)	20	7.2	0.8	2.9
COD (mg/ℓ)	20	9.3	4.6	4.8
BOD (mg/ℓ)	20	4.0	1.0	2.3
Total phosphorus (mg/ℓ)	1	0.5	0.1	0.2
Total nitrogen (mg/ℓ)	10	7.5	1.5	3.8

*An average value is the weighted average.

Komaki Works (in accordance with sewerage law and Komaki City waterworks department environmental pollution control agreement)

Measurement item	Regulation value	Performance		
		Max	Min	Avg
Amount of drainage (cu.m per day)	—	—	—	188
PH	5.7 - 8.7	7.3	6.8	7.1
BOD (mg/ℓ)	Less than 300	60	16	35.7
SS (mg/ℓ)	Less than 300	27	7	18.4
n-hexane/mineral oil (mg/ℓ)	5 or less	1	1	1.0
n-hexane/organic oil (mg/ℓ)	30 or less	9.5	1.5	4.1



Column Response to Asbestos

Daifuku Completes All Countermeasure Construction Work
Daifuku established an Asbestos Investigative Committee in 2005. The committee investigated the Company buildings, factories, public health facilities, including dormitories, company housing and recreation facilities for the use of asbestos. Daifuku completed all countermeasure construction work at the facilities concerned by May 2006. Daifuku received and promptly responded to 81 inquiries from customers in fiscal 2005 regarding Daifuku's products that they had installed.



Improving Production Methods to Reduce Energy Consumption and Waste
A year and a half has passed since Kyushu Daifuku Corporation obtained ISO 14001 certification. We have engaged in three key activities: (1) environmental conservation through local ventilation for painting and maintenance of drainage facilities; (2) energy conservation for lighting, air-conditioning and the use of computers; and (3) waste reduction through garbage separation and the use of both sides of copier paper. The employees' environmental awareness has been raised, however, we do not think these efforts are enough. In addition to these activities, Kyushu Daifuku will strive to reduce electricity used at facilities by reviewing production methods and reduce scrap iron by improving material yield methods. Together with these endeavors, we will implement production activities that will lead to further cost reductions and quality improvements.

Green Procurement

Daifuku has established green procurement guidelines and prioritized actions to be taken in order to ensure that we do not incorporate, use, or produce any hazardous substances, and can thereby offer environmentally conscious products.

Daifuku believes that one of its most important environmentally conscious priorities is to reform procurement and purchase activities that may indirectly affect the environment, as well as those that have direct environment impact.

We developed an integrated Environmental Management System that also involves customers and suppliers, and promote green purchasing in-house, in order to be able to offer environmentally conscious products.

Green Procurement Guidelines Formulated

As environmental issues take a more prominent position on the world stage, requests for prohibiting and eliminating the use of hazardous substances that have damaging effects on people and the environment are becoming more ardent.

The European RoHS Directives that regulate the use of hazardous substances such as lead, mercury, cadmium, hexavalent chromium, PBB, and PBE, which are contained in electrical and electronic equipment, are one example of how overseas laws and regulations relating to the environment have become stricter.

Following these regulations, Japan's domestic electric and electronic manufacturers are at the center of the movement toward establishing green procurement guidelines and abolishing the use of products with hazardous substances.

Daifuku also launched a new environmental compliance project team in July 2004, aiming to provide logistics systems and material handling equipment that are free of hazardous substances. Furthermore, the Company issued its Green Procurement Guidelines in November 2005.



Two Excellent Supplier Companies Presented with Supplier Quality Development (S.Q.D.) Awards

At Daifuku, we ask for the cooperation of our business partners to help maintain our green procurement activities.

We set up a supplier assessment system in fiscal 2003 and, based on the assessment results, introduced an "S.Q.D. Award" (Supplier Quality Development Award) to recognize excellent suppliers. In fiscal 2005, the third year since the system's inception, two companies were presented with the S.Q.D. award and three more companies were commended for their efforts, out of 202 cooperating companies including fabrication, installation and service suppliers.

In the future, we plan to progressively include design, engineering and service companies in the scope of assessment. Daifuku's products will undergo checks for the existence of hazardous substances and alternative substances considered for use as part of compliance assessments under the Company's environmental product regulations. In addition, we request the suppli-

ers to undergo testing for hazardous substances and purchase components that are free of such hazardous materials.

Promoting Green Purchasing

Daifuku is actively committed to promoting green purchasing, and conducts internal and external educational activities through that activity. Criteria for green purchasing supplier selection include the database of the Green Purchase Network and the presence of an environmental label.

Daifuku also establishes green purchase guidelines for office equipment, checks each item before purchase, and selects products that have the least environmental impact.



S.Q.D. Award Ceremony

Column Measures to Reduce Noise and Vibrations

Pollution Control Agreement Adherence and Monitoring

Daifuku sees measures to reduce noise and vibrations as an important issue that must be continuously addressed.

Noise is monitored and measured, and efforts are made to observe the Pollution Control Agreement. All periodical measurements fell within the agreement-specified levels. Vibrations did not affect surrounding areas.

■ Noise Levels Measured

● Shiga Works Unit: dB

Classification	Morning	Daytime	Evening	Nighttime
	6 am - 8 am	8 am - 6 pm	6 pm - 10 pm	10 pm - 6 am
Hino-cho limit value	60	65	60	55
Measured	42	46	55	53

● Komaki Works Unit: dB

Classification	Morning	Daytime	Evening	Nighttime
	6 am - 8 am	8 am - 6 pm	6 pm - 10 pm	10 pm - 6 am
Komaki City limit value	60	65	60	50
Measured	55	63	58	47

Environmental Communications

Daifuku, as a good corporate citizen, is actively promoting information disclosure, environment improvement activities and other initiatives.

Daifuku participates in various events and discloses information through various media in order to ensure that our environmental efforts are widely known and appreciated.

We also encourage our employees to engage positively in cleanup activities as a contribution to keeping the environment clean, and to express our gratitude to the citizens of our host communities.

We will continue to effectively communicate with society, as befits a good corporate citizen.

Environmental Seminars at Shiga Works

As a part of the Company's environmental activity, Osaka Prefectural Manufacturing & Industrial Association visited Daifuku in May 2005, and the School of Environmental Science of the University of Shiga Prefecture in August of the same year. On each occasion, a seminar was held at Hini Arata Kan, a comprehensive logistics showroom on the theme of "Daifuku's Initiatives for the Environment." In addition, we provided an opportunity for the participants to find out more about our environmental initiatives by conducting tours of our wastewater treatment facility and cogeneration system.

Member Seminars by the Environmental Conservation Association of Shiga Prefecture

The Environmental Conservation Association of Shiga Prefecture, of which a Shiga Works employee is a director, offers member seminars to encourage learning about environmental conservation and to upgrade members' expertise. In January 2006, Daifuku held a seminar, meeting and factory tour at Hiyoishi Corporation, addressing environmental issues as a member of the local community network.



A "member seminar" tour visits a hazardous substance analysis laboratory

Daifuku Introduces Environmental Activities at Exhibition in Komaki

As one of the local enterprises in Komaki, Daifuku participated in Komaki Industrial Festa 2005 in May 2005 and Komaki Environment Fair in November, both of which were held at Park Arena close to the Komaki Works. Together with a video and panel to introduce Daifuku, we displayed our environmental activities to local residents.



Komaki Industrial Festa 2005

Cooperation with Other Companies Through the Komaki City ISO Network

Komaki City conducts ISO Network activities in which it regularly calls together corporations that hold operating facilities with ISO 14001 certification within the city to exchange information and report on environmental activities. In 2005, the Company held seminars to give impetus to environmental activities through collaboration with local corporations on asbestos countermeasures. We actively take part in these activities as a member of the community. By cooperating with other participating companies in sharing case studies on waste management and energy reduction, we are working together to raise the quality of the overall community environment.

Cooperation with Surveys

During fiscal 2005, Daifuku took part in a total of 49 surveys regarding the Company's environmental and quality assurance activities. The Company places an emphasis on responses to surveys as one form of communication regarding the environment and is committed to responding sincerely, primarily through the ISO and Safety Promotion Department.

■ Breakdown of Fiscal 2005 Surveys (April 1, 2005 - March 31, 2006)

Survey source	Environment-related	(Chemical substances)	Quality, Other	Total
Newspaper/Magazine	3	(0)	1	4 items
Public offices/Associations	4	(1)	3	7 items
Corporations/Incorporated associations	28	(9)	5	33 items
Education-related	4	(0)	0	4 items
NPO and other	1	(0)	0	1 item
Total	40	(10)	9	49 items

Comment from
Environmental
Activity
Representative

Daifuku Continues Company-Wide Activities with a Contributing to Local Communities Theme

As there has been a growing interest in environmental issues on a global scale in recent years, Daifuku has also raised its own awareness toward the environment, facilitating related activities at each unit and site.

At the Tokai Office Branch, we set an immediate goal on the theme of "Anyone can reduce environmental impact and contribute to the local community—anytime, anywhere," continuing our activities in principle with the participation of all employees. Specifically, we engage in the reduction of energy consumption and waste, traffic control duties, and the cleaning of parking spaces. The fruits of these efforts have steadily increased since we started in fiscal 2003 and are taking root. We will set new goals to improve our daily business affairs and contribute to global environment conservation and local communities while continuing these activities.

Hiroyoshi Ushio
General Manager, Tokai Office
Technology-Service Division
Automotive Factory
Automation Operations
Chubu Tokai Area

Observance of Regulations

Daifuku will continue, to observe relevant laws, regulations, and social norms.

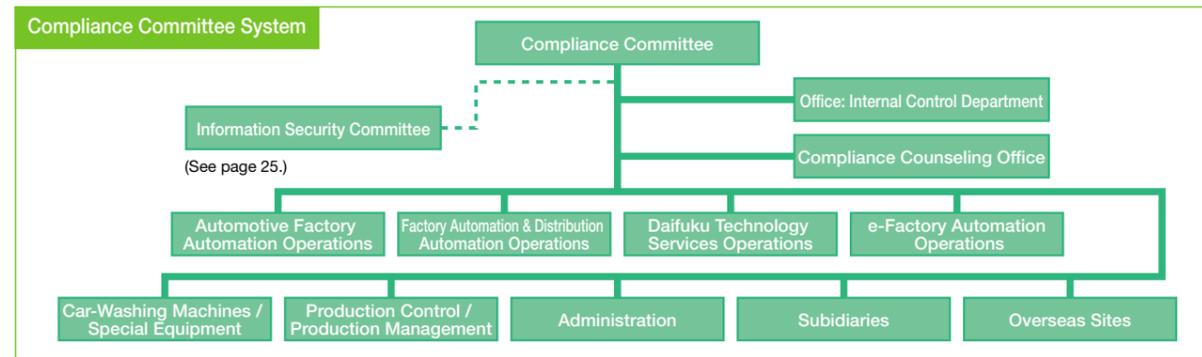
Daifuku will continue to observe not only environmental laws and regulations but also general codes, including laws, internal regulations, and socially accepted thinking.

[Revision of laws and regulations, etc.]
We monitor revisions to laws and other environmental information, and communicate these to other units every September. Laws and regulations are responded to on a Company-wide basis.

Compliance with Environmental Laws and Regulations

[Observance status]
Fiscal 2005 saw no issues in respect of our conformity to relevant laws and regulations. We will continue to monitor the status of each of our units.

Establishment of Compliance Committee
Compliance (observance of laws), including not only the observance of laws and internal regulations but also of socially accepted thinking, common practice, and ethics, has become a major issue. The Company prepared its "Corporate Code of Conduct" and established a Compliance Committee to encourage all employees to obtain a deeper understanding of these issues.



Contributions to Society

Daifuku is committed to both continuing its current activities and engaging in new initiatives, with the aim of being perceived as a valuable corporate contributor to society.

Daifuku is making contributions to society on several fronts, including beautification and cleanup efforts as volunteer work.

Rhododendron hondoense variety that is designated as a natural treasure. The Company will continue to participate after next year as part of our contribution to the local area.

As part of efforts to help accelerate local environmental activities, personnel from the Komaki Works participated in the "Komaki City Litter Prevention Drive" and cleanup activities around the Company's dormitories.

Participation in Local Beautification and Cleanup Activities

Since December 2001, personnel at the Shiga Works have held a post-lunchtime and after-work cleanup called "Ohmi Eco-Foster" once a month along National Route 307 and other areas surrounding the Works.

In addition, we participated in the Hino-cho, Shiga Prefecture "Shakunage-kei (Rhododendron Gorge)" maintenance and cleanup activities. The rhododendrons there are of the rare



Maintenance and cleanup work under way at Shakunage-kei (Rhododendron Gorge)



Cleanup activity on Mt. Komaki

Industrial Safety and Hygiene

Daifuku's basic policy is to "put safety before everything else," and we have established a 5S campaign (Sort, Set in order, Shine, Standardize, and Sustain).

Daifuku implements a voluntary workplace improvement campaign, featuring important action statements— "promote the safety campaign," "eliminate risks of being caught up in a hazardous situation," "promote transport safety campaign," and "for a pleasant workplace environment"— in an attempt to "reduce accidents (resulting in time off from work) to zero for 365 consecutive days."

Daifuku Establishes Occupational Safety and Health Management System (OSHMS)

Daifuku has established an Occupational Safety and Health Management System (OSHMS) that gives consideration to the environment, quality and safety, and applied it to the Shiga Works in April 2006. We plan to promote the system's company-wide cross-sectional development.

An Environmental Safety and Health Message

Once every month, the president delivers a video message relating to environmental protection and safety to all employees in Japan and overseas via the Company's Intranet. Daifuku started to deliver such messages in July 2004. We will continue this effort to increase environment, safety and health awareness.

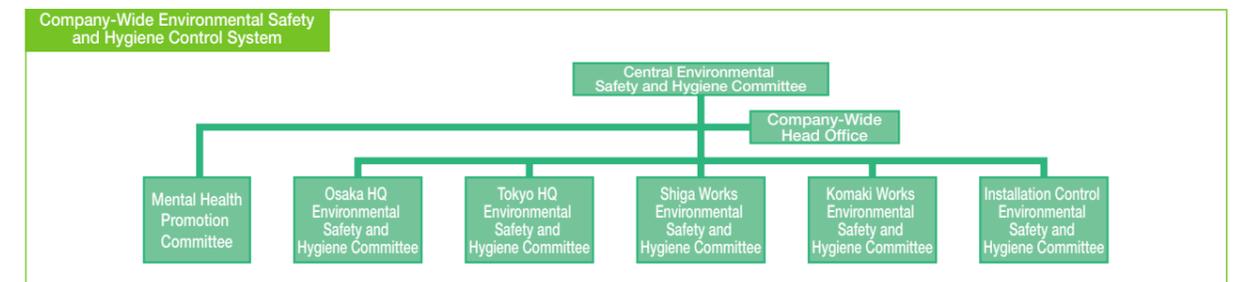
Company-Wide Environmental Safety and Hygiene Control System

Safety measures and safety control issues are given top priority at Daifuku. Since the Company was founded, "safety first, zero accidents" was implemented and Daifuku has pursued this principle with unwavering commitment. The two aims for the establishment of the Company-Wide Environmental Safety and Hygiene Control System were to clarify prompt information communication routes in the event of an accident and to strengthen our domestic and overseas safety and hygiene control systems. Members of the Environmental Safety and Hygiene Committee conduct 5S patrol campaign activities every month at every factory location. We are establishing continuous self-improvement 5S campaign activities and are promoting productivity improvements, workplace invigoration, and the achievement of a "zero accident" workplace. Daifuku established the Installation Control Environmental Safety and Hygiene Committee for personnel working in its factories to establish and pass down a culture of safety across all operations in line with the "zero accidents" objective.

In fiscal 2005, Daifuku established a Mental Health Promotion Committee and held mental health care and dietary seminars in each region.

On-Site Safety Patrol Campaigns

As part of the activities of the Installation Control Environmental Safety and Hygiene Committee, each of Daifuku's divisional general managers conducted a round of safety inspections referred to as the Safety Patrol Campaign. The Safety Patrol Campaign is a trial effort in safety control whereby general managers visit each factory location, participate in safety activities there, and learn from the each factory's strong points. In the future, we will conduct these activities as necessary on an ongoing basis.



President's safety message (in-house Intranet)



Safety patrol campaign



Mental health care seminar

Column Efforts Toward Industrial Safety and Hygiene

Daifuku Receives Certificate for Achieving "Six Months Industrial Accident-Free"

"Aiming to Cut 20% of Work-Related Accidents in Five Years from 2003" — The Labor Department of Shiga Prefecture held the "Six Months Industrial Accident-Free Campaign" from July through December 2005. The Shiga Works participated in the campaign and received a certificate as a company that achieved the goal. Of the 567 participants in the prefecture, 215 offices (38% of the total) attained the goal. Daifuku's Shiga Works achieved the goal and has maintained an accident-free record since December 2004.



Human Rights and Employment

Daifuku respects the rights of the employees and stakeholders and works actively to create a worker-friendly environment.

Part of Daifuku's management philosophy is to "create a lively company culture which respects the personality and individuality of each employee," and we regard this as an important management issue.



Human rights poster

Opening a Personnel Counseling Office

Daifuku introduced a "New Personnel Treatment Program" in fiscal 2003. As part of a company-revitalizing measure within that program, we opened a "Personnel Counseling Office," which serves as an easily accessible contact point for employees who have queries or problems. The office receives inquiries about the New Personnel Treatment Program, assessment and treatment issues, workplace environment, and health control, and can help employees resolve their problems.

The Company also accomplished the opening of communication channels with directors to enable bilateral feedback between management and the Company's employees.

Product Safety

In fiscal 2005, Daifuku implemented risk assessment in each unit as part of corporate responsibility, pursuing "product safety," "factory equipment safety" and "field safety."

Daifuku has implemented the "Machinery Risk Assessment" as required by the ISO's "Safety of Machinery" and "The Guidelines for Comprehensive Safety Standards of Machinery" by the Ministry of Health, Labour and Welfare. Furthermore, we are striving to carry out a risk assessment of production equipment and fields.

design units, has formulated a set of regulations and completed risk assessment for newly developed products and existing models. The Task Force has completed the risk assessment of existing and new products based on the regulations. From fiscal 2006, the Design Task Force, which integrates the environment, safety and quality assurance units, will take over the responsibility of the Product Safety Task Force. Furthermore, Daifuku's production units engage in risk assessment of production facilities conducted by the Work's Environmental Safety and Hygiene Committee. The Company's construction and service units implement risk assessment of installation work sites through ISO task forces.

Conducting Risk Assessment

To ensure product safety, the Product Safety Task Force, which is composed of the engineering, development and

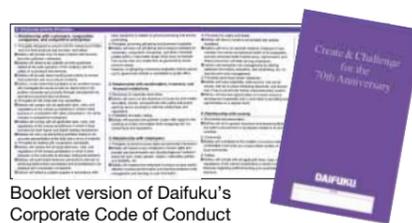
Corporate Code of Conduct

Daifuku observes all applicable laws, regulations, and social norms, both domestic and foreign.

One of the basic management policies is to "Effectuate a management that complies with social rules and principles of each country, together with strengthening risk management."

Strictly Observing the Corporate Code of Conduct

Daifuku has prepared a booklet containing the complete text of the Corporate Code of Conduct and requires all employees to



Booklet version of Daifuku's Corporate Code of Conduct

carry it with them at all times. This is to ensure that they conduct their operations legally and fairly. In addition, Daifuku has summarized the Corporate Code of Conduct-related explanatory notes that were in in-house newsletters and published a booklet in September 2005 as a supplementary volume to the 500th company newsletter to publicize the main points.

Personal Information Protection

Daifuku takes meticulous care in handling any information that we might obtain about individuals and corporate customers.

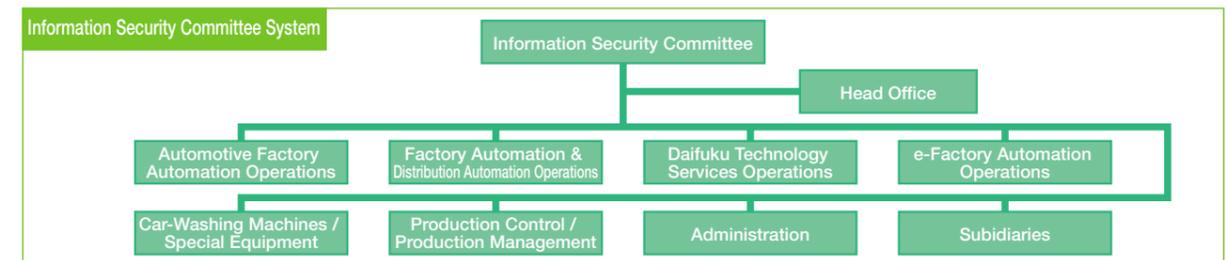
The Corporate Code of Conduct contains provisions regarding protection of personal information.

Information Security Committee

In August 2004, Daifuku established an Information Security Committee in order to standardize company-wide rules and to increase awareness of the Company information management, such as employee, client, technological, and financial information. In March 2005, Daifuku instituted an information security policy with the aim of creating the most secure management system possible for our information resources (information security). Daifuku formulated the relevant regulations based on this basic policy, implementing internal audits by the Committee while enlightening employees through in-house newsletters and Intranet to thoroughly comply with these regulations.

Code Concerning Personal Information

- Daifuku will never abuse the confidential information, which it has obtained in ordinary course of business service, about employees, customers, cooperation companies, dealers, competitors, and other interested parties.
- Daifuku will respect every employee's privacy and pay careful attention to personal information and exercise prudence in the management and handling of such information.
- Daifuku employees will recognize the value of the company's confidential information (technology, know-how, etc.), and strictly manage such information in order to safeguard it.
- Daifuku employees will never abuse or reveal the company's confidential information (technology, know-how, etc.) whether during active service or after retirement.
- Daifuku will never obtain any confidential information about employees, customers, cooperation companies, dealers, competitors, and other interested parties using illegal methods.



Column Hini Arata Kan, the World's Largest Full-Scale Comprehensive Logistics Showroom

Number of visitors exceeds 200,000 in 12th year of operation

Opened on June 1, 1994, within the Shiga Works site, Hini Arata Kan exhibits 300 items of equipment from 100 different types of logistics systems, along with more than 150 items of logistics-related equipment from 40 logistics vendors, including Daifuku. Visitors can view the actual equipment and see state-of-the-art

systems in operation in demonstrations of an automobile assembly line, as well as of storage, conveying, sorting and picking systems.

Hini Arata Kan has welcomed an average of just under 20,000 visitors a year, including Daifuku's customers, elementary and junior high school students, and vari-

ous groups. On August 3, 2005, we welcomed the 200,000th visitor.



Hini Arata Kan



Storage systems section



Hini Arata Kan's 200,000th visitor

Facility Fact

Floor area: 6,049 sq.m
 Building height: 25.1 m
 Floor area: 19,482 sq.m
 Parking space: 5 buses, 50 cars
 Hours open: 9:00 a.m. - 5:00 p.m.
 (Reservation required)

Closed: Sunday, national holidays
 Web site:

<http://www.daifuku.com/daifuku/global/hiniaratakan/index.asp>
 Phone (toll free within Japan): 0120-074-854
 Operated by: Hiniaratakan Corporation
 1225 Nakazaiji, Hino-cho, Gamo-gun, Shiga 529-1692 Japan
 c/o Shiga Works, Daifuku Co., Ltd.