

Resource Saving or Recycling in Production

Resource Conservation Measures

▶ Graph 1 ▶ Graph 2 ▶ Graph 3

Curbing of Waste Generation at the Source and In-House Reuse

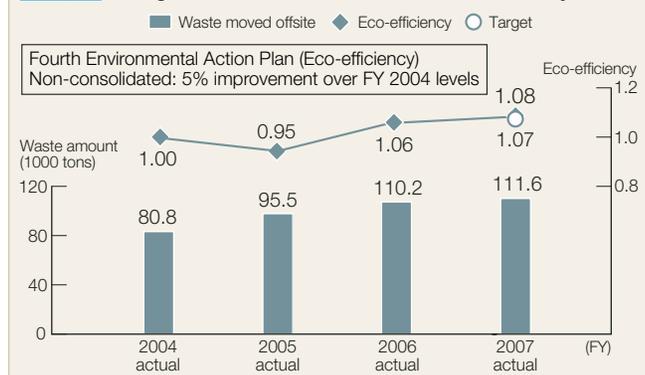
In its Fourth Environmental Action Plan, Toyota Industries has declared a policy of improving resource productivity and achieving a more efficient use of resources. This will be achieved in several ways, including curbing waste generation at the source by increasing yields during production processes, and the in-house reuse of waste that is generated within the company, such as scrap metal.

Efforts to improve eco-efficiency include the reduction of defect ratio in the aluminum casting processes at Higashichita Plant, and increased in-house reuse of scrap metal through the expansion of waste iron separation at the Takahama Plant.

Some divisions, however, have experienced declines in resource efficiency, due to increased levels of waste oil in the aluminum die-casting processes at the Obu Plant and production preparations for the new engine models for example.

In fiscal year 2008, further efforts will be made to increase resource efficiency by further reducing defect ratio and promoting in-house reuse of waste materials. The target for these efforts is a 14% increase in eco-efficiency.

▶ Graph 1 Changes in the Waste Generated and Eco-Efficiency



*With the expansion of the scope of the Environmental Action Plan's policy, the scope of some calculations has been reviewed.

Reducing Landfill Waste to Zero for the Toyota Industries Group

Toyota Industries by itself has already achieved its individual goal of the complete elimination of waste disposed of in landfills and has now set a new goal in the Fourth Environmental Action Plan of zero landfill waste for all group companies in Japan.

To achieve this goal, Japanese group companies launched a variety of measures in fiscal year 2007. These measures will continue to be built upon in fiscal year 2008 and Toyota Industries will continue to support the group companies in their endeavors to reduce their landfill waste.

The target for general waste materials is to maintain the current levels.

▶ Graph 2 Changes of Landfill Waste Generated



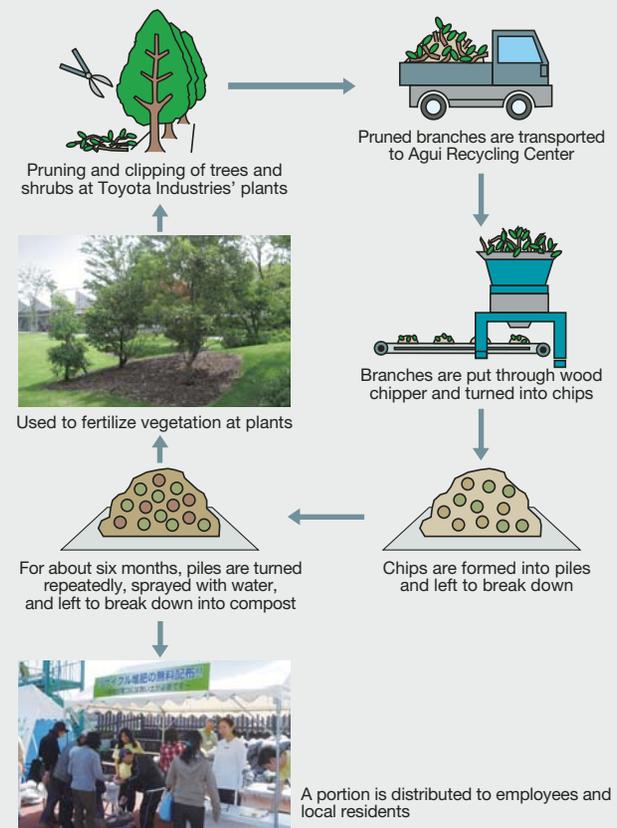
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Case Study

Pruned Branches Converted to Compost at Agui Recycling Center

Toyota Industries, in conjunction with a local landscaping firm, has established the Agui Recycling Center in Agui-cho, Chita-gun, Aichi Prefecture. The Recycling Center recycles branches pruned from trees and shrubs at Toyota Industries' various plants by converting them into compost. In fiscal year 2006, the Center produced approximately 125 tons of compost. The compost produced is returned to the plants to be placed on the vegetation and is also distributed to local residents and employees.

Pruned Branches Converted to Compost



Reducing Timber-Derived Packaging Materials

Toyota Industries continues to pursue reductions in the volume of packaging materials it uses, with an emphasis on timber-derived materials that are used in particularly large quantities.

The textile machinery, compressor, and materials handling equipment businesses are all particularly dependent on timber-derived packaging materials, but they are working to reduce the volume used by re-examining their packaging configurations and materials.

Reducing Water Use by Recycling Wastewater

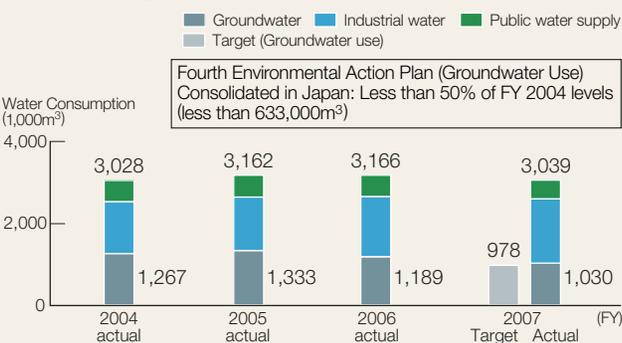
At Toyota Industries, a particular emphasis is being placed on efforts to curtail groundwater use, in consideration of the risks of ground sinkage.

Measures adopted in fiscal year 2007 to reduce groundwater use included the introduction of additional sources of industrial water, a review of existing supply contracts, and the recycling of treated final effluent discharged from wastewater treatment plants and wastewater from plating processes as a means of reducing the overall water consumption. However, production increases and the less-than-expected effectiveness of treated final effluent recycling, among other factors, meant that levels of both overall water use and groundwater use remained unchanged from the previous year and reduction targets were not achieved.

In the future, in addition to increasing the volume of supplied industrial water in an effort to reduce groundwater use, efforts will also be made to reduce overall water use, particularly by those facilities that are the heaviest water users. The goal of these efforts is to lower groundwater consumption levels to less than 50% of fiscal year 2004 levels by fiscal year 2011, the final year of the Fourth Environmental Action Plan.

Also, from the standpoint of securing valuable water resources, Toyota Industries is controlling the volume of water used at all of its facilities. Efforts are being directed towards everyday water conservation, reduction of water in production processes and the recycling of wastewater.

Graph 3 Changes in Total Water Consumption



*With the expansion of the scope of the Environmental Action Plan's policies, the scope of some calculations has been reviewed.

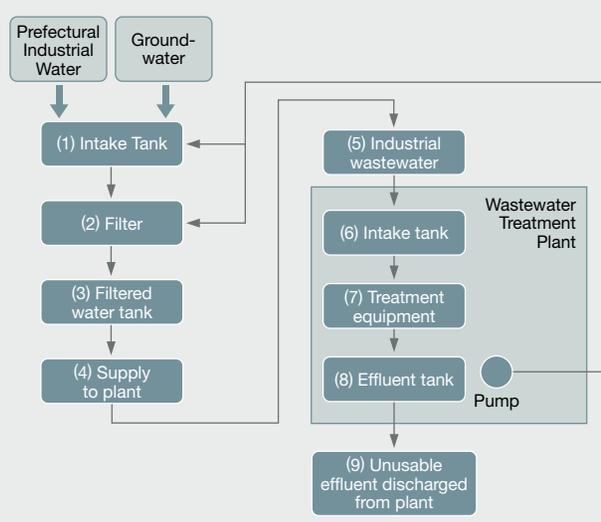
Case Study

Recycling of Treated Wastewater (Kyowa Plant)

Filtered water, which has been treated with filtering equipment to remove metals and other substances at the water treatment plant, is supplied to production processes. This filtering equipment must be periodically cleaned to maintain its filtering performance, and this is a task that has traditionally been performed with filtered water.

In fiscal year 2007, after analysis of the water quality of the final effluent discharged from the water treatment plant, it was found to be suitable for use in cleaning the water filtering equipment. Since then, final effluent has been used for this task. It is also being recycled for use in production processes. This initiative has resulted in a reduction of groundwater consumption of 5,500 m³/month. This initiative was selected for a special award in Toyota Industries' environmental proposals.

The Recycling of Treated Final Effluent at Kyowa Plant



Wastewater Treatment Plant (Kyowa Plant)