

Environmental Accounting

Environmental accounting

(Data for business sites in Japan)

Environmental accounting is employed in order to reflect back into our business activities as much as possible the quantitative comprehension and analysis of the costs of environmental conservation and the effects that are obtained from those activities, and to promote a wider understanding of KUBOTA's participation in environmental conservation activities by disclosing information to internal and external stakeholders.

Environmental conservation costs

Investments in environmental conservation amounted to ¥1.53 billion, which was approximately ¥310 million over the previous year. Environmental costs were ¥7.99 billion, or a decrease of ¥150 million less than the previous year. Research and development costs were ¥4.86 billion or about 61% of all costs.

Environmental conservation cost breakdown (¥ millions)

Classification	Main activities	FY2007		FY2008	
		Investment	Expenses	Investment	Expenses
Within the business area		975	2,320	879	1,590
Local environmental conservation	Prevention of air and water pollution, soil contamination, noise, vibration, etc.	401	775	358	462
Global environmental conservation	Prevention of global warming etc.	494	559	485	155
Resource recycling	Reduction and recycling of waste	80	986	36	973
Upstream and downstream costs	Collection of used products and commercialization of recycled products	0	32	0	31
Management activities	Environmental management personnel, ISO maintenance and implementation, environmental information dissemination	0	1,236	0	1,254
R&D	R&D for reducing of product environmental load and developing environment conservation equipment	249	4,423	597	4,863
Social activities	Local cleanup activities and membership fees and contributions to environmental groups, etc.	0	8	56	36
Environmental remediation	Contributions and assessments, etc.	0	120	0	212
Total		1,224	8,139	1,532	7,987

Total capital investment (including land) for the corresponding period	37,500
Total R&D costs for the corresponding period	24,800

Effects of cost reduction through zero-emission

(Domestic Production Plants and Office)

The reduction, reuse and resource recycling associated with waste contributed to lowered outsourcing fees for waste processing and generated an effect of 52 million yen in cost reductions for the year.

Environmental conservation effect

The level of air pollutant emissions (NOx, SOx, and particulate matter such as soot and dust) decreased greatly due to a drop in the operation time of diesel generators for a portion of our plants and offices, etc. Though the environmental burden was thus lower overall, the amount of the waste delivered to landfills increased due to a deterioration in the rate of recycling.

Economic effects

The economic effects from KUBOTA's environmental conservation activities were ¥1.59 billion.

Environmental conservation effects

Effects	Items	FY2007	FY2008	Increase/Decrease	Ratio to the previous year (%)
Environmental effect related to resources input into business activities	Energy consumption [energy conversion on a calorie-basis; in petajoule (PJ)]	8.68	8.36	- 0.32	96
	Water consumption (million m ³)	4.89	4.90	0.01	100
Environmental effect related to waste of environmental impact originating from business activities	Energy-origin CO ₂ emissions (kilotons)	470	455	- 15	97
	SOx emission (tons)	29.3	8.6	- 20.7	29
	NOx emission (tons)	133.9	80.6	- 53.3	60
	Soot and dust emission (tons)	7.1	3.7	- 3.4	52
	Releases and transfers of PRR-designated substances (tons)	877	787	- 90	90
	Waste discharge (kilotons)	91	86	- 5	95
	Waste to landfills (kilotons)	1.6	3.3	1.7	206

Economic effects

(¥ millions)

Classification	Details	Annual effects
Energy conservation measures	Efficient operation of compressors and the introduction of highly effective equipment at the time of installing and updating equipment, etc.	143
Zero-emission measures	Reduction and resource recycling of industrial waste	90
	Sales of valuable resources	1,353
Total		1,586

