

Energy Conservation

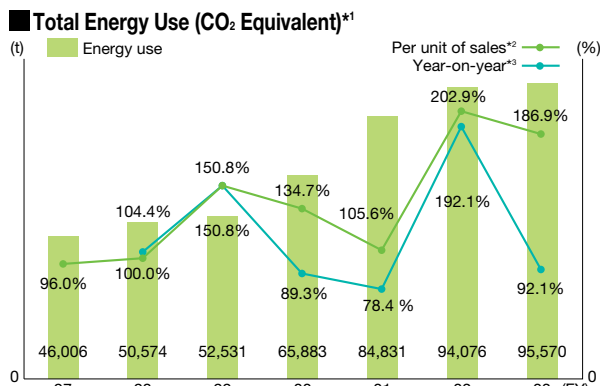
TEL promotes energy conservation at all sites as a way to help prevent global warming. We set energy reduction targets for each site and work systematically to reach them.

Stance on Energy Conservation

Most manufacturing plants in Japan are Type 1 Designated Energy Management Factories under Japan's Law Concerning the Rational Use of Energy. As the law dictates, these factories have established and observed control standards based on certain criteria, appointed an energy manager, and set up institutional controls on energy consumption. Each of our facilities is now implementing energy conservation activities, having set power-saving targets for lighting and office equipment, and controlling air conditioning temperatures. In addition, facilities that are involved in product development and manufacturing are now doing systematic shutdowns during longer holidays and working to increase the efficiency of each type of work procedure.

Energy Usage

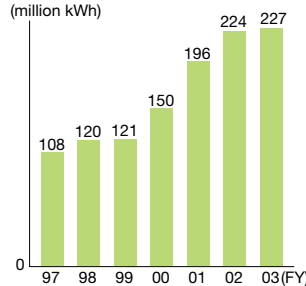
Due to the ongoing economic slowdown, during FY 2003, production and sales volumes increased only slightly compared to the previous year. Because of that, the CO₂ emissions associated with energy consumption increased only slightly. The sudden increase in the amount of natural gas usage was due to the use of new chiller equipment at the Kansai Technology Center. With energy consumption per unit of sales down to 92% from the previous year, we surpass the target of 1% reduction, but this measure exceeds the FY 1998 base year by a wide 87%. We will continue to work for energy conservation in the future.



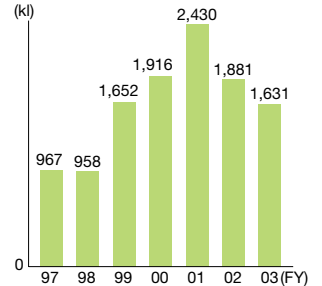
*1 For CO₂ equivalent, see the Ministry of the Environment's "Environmental Activity Evaluation Program."
 *2 Energy consumption divided by sales (FY 1998=100%).
 *3 Current year divided by previous fiscal year.

(All sites in Japan and a portion of sites overseas)

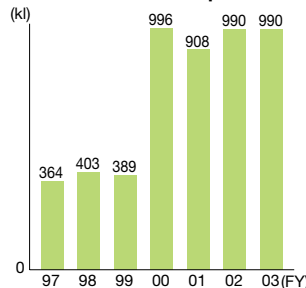
Electrical Consumption



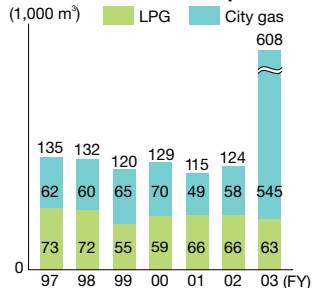
Heavy Fuel Oil Consumption



Kerosene Consumption



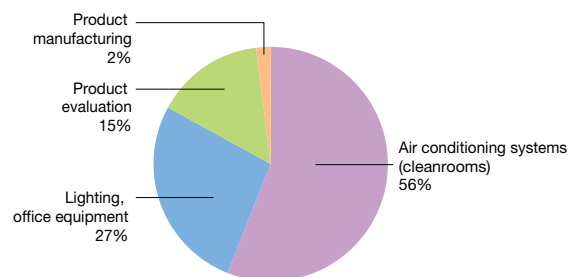
Natural Gas Consumption



(All sites in Japan and a portion of sites overseas)

TOPICS

Share of Power Use at Manufacturing Plants



Calculations and actual measurements reveal the power usage at the Tohoku plant to be as shown in the graph. The greatest amount of power is needed for air conditioning of cleanrooms, etc, followed by lighting and office equipment, and product testing/evaluation. Surprisingly, only 2% of total power consumption is used in the actual manufacture of products.