Effective Utilization of Resources and Reduction of Waste

Citizen is working to reduce waste output not only at factories, but at all locations, including offices and employee cafeterias.

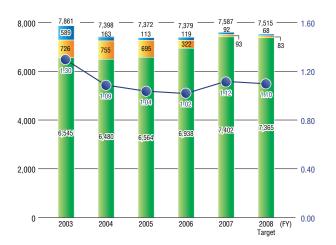
Promoting Waste Reduction Activities

To contribute to the formation of a recycling-based society, we are advancing efforts to completely eliminate garbage before it is discharged as waste. In fiscal 2007, we worked toward the groupwide goals of reducing the amount of waste per unit of sales by 1% compared with fiscal 2006 and achieving a 95% recycling rate. Consequently, the actual recycling rate for fiscal 2007 reached 98%. Moreover, among the Group companies, 14 business sites completely eliminated garbage (recycling rate at least 99%). We aim to realize a groupwide recycling rate of 99% by fiscal 2010.

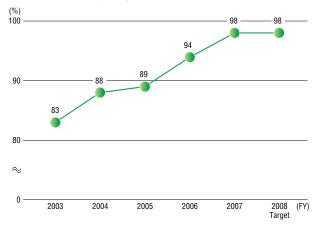
Concerning waste reduction, waste per unit of sales rose 9%. In fiscal 2008, we will continue our efforts to reduce the quantity of waste by 1% per unit of sales across the Group.

Groupwide Waste Production









Example Initiative

Citizen Electronics

Recycling Plastic Scrap

At a factory of a company in China contracted by Citizen Electronics to manufacture plastic parts, the end pieces and malformed molds originating from the process of molding plastic parts had totaled seven to 10 tons per month.

The factory formerly disposed of the plastic scrap, but began to review this practice from the standpoint of

reducing consumption of fossil resources, considering that plastic is a recyclable material, and from fiscal 2007 the factory has sold the plastic scrap to recyclers for reuse.

Example Initiative



Sorted plastic scrap

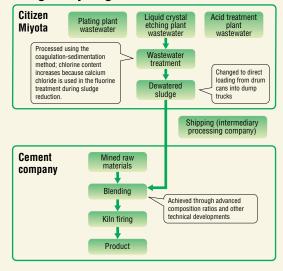
Citizen Miyota

Recycling Dewatered Sludge as Cement Materials

For the past several years, Citizen Miyota has explored recycling options with cement companies to enable the reuse of dewatered sludge in cement materials, but the high fluorine and chlorinated substances content of the sludge had prevented the realization of this goal.

However, reuse in cement materials was made possible in fiscal 2007 by the development of technologies at cement companies to reduce the content of the interfering substances, and by Citizen Miyota's change of discharge method to direct loading from drum cans into dump trucks. The achievement substantially improved the recycling rate to 93.7%, from 75.8% in 2006.

Sludge Recycling Flowchart



Reducing Greenhouse Gasses/Effective Utilization of Resources and

Reduction of Waste