

Environment Preservation

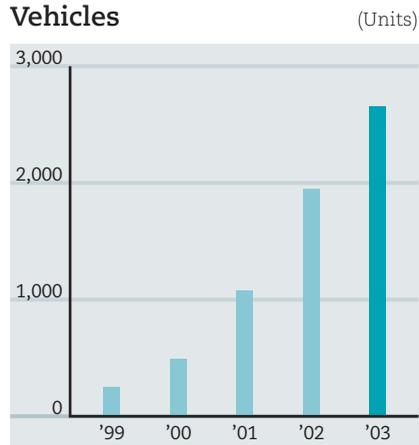
Activities

Since beginning its *Takkyubin* business, Yamato Transport has handled more than 10 billion packages in its mainstay parcel delivery business, always acknowledging that the Company's very existence depends on infrastructure that belongs to society. Aware of its significant social responsibilities, Yamato has formulated and enacted various policies aimed at minimizing the burden its parcel delivery business puts on the global environment and at preserving nature. In this section, we would like to introduce you to some of those activities.

YAMATO AND AIR POLLUTION

There are concerns that emissions from diesel engines pose a threat to the health of people in urban areas. Yamato, a company that must operate a large fleet of vehicles, views consideration for living environments as a serious issue. Yamato bases its selection of vehicles on a comprehensive list of factors, including functionality, durability, cost, fuel consumption, and the availability of fuel. To date, overall consideration of these factors has led us to use diesel-powered vehicles. Although diesel engines are superior to gasoline engines in terms of reducing CO₂ emissions, they still emit atmospheric pollutants such as particulate matter (PM), NO_x and SO_x. As such, Yamato is committed to enacting measures that reduce these emissions.

Introduction of Low-Emission Vehicles



Yamato's Solution: Low-Emission Vehicles

Low-emission vehicles have a lower impact on the environment by emitting less atmospheric pollutants, such as PM, NO_x and CO₂ and less greenhouse gases than conventional diesel and gas vehicles or emit no pollutants at all. Yamato is introducing LPG vehicles as replacements for its diesel vehicles in light of their growing popularity as alternative-fuel vehicles and ease of use. Yamato has put 200 of these vehicles into service each year since 1998 and had planned to have a fleet of 2,400 LPG-powered vehicles by 2010. Yet, we achieved this goal in 2002, eight years ahead of schedule, as a result of more aggressive efforts to enact measures that reduce pollution. Currently, out of a total fleet of 2,657 trucks, 7.0% are low-emission vehicles. Going forward, the Company plans to steadily increase this percentage.



YAMATO AND GLOBAL WARMING

Global warming caused by the greenhouse effect has become a global issue in recent years. Atmospheric levels of CO₂ are on the rise amid the emission of greenhouse gases generated by industrial activity. Because of the great impact that this has on the global environment, reducing emissions of CO₂ has become an important task. Yamato reduces greenhouse gas emissions through specific measures such as operating satellite centers where hand-carts can be used instead of trucks to gather and deliver parcels, requiring drivers to turn off motors when vehicles are stopped, and the use of low-emission vehicles.

Yamato's Solution: Development of Hybrid Vehicles (2-ton delivery vehicles)

In recent years, Yamato has been working with automobile manufacturers to develop hybrid vehicles, which are an extremely effective means of reducing emissions of greenhouse gases and atmospheric pollutants. A prototype vehicle has been completed and several are now undergoing tests. Studies are proceeding rapidly with the goal of making these vehicles part of the Yamato fleet as soon as possible.

