

## Environmental Accounting

Our environmental accounting up to FY2001 covered only the costs of Environmental Facility Investments and Environmental Protection Costs. Beginning with the Environmental Report 2003, not only Environmental Protection Costs, but also Material Balance Effects and Money Effects are included as Environmental Protection Effects in accordance with the Environmental

Coverage: Works and offices in Japan of Kawasaki Heavy Industries, Kawasaki Shipbuilding and Kawasaki Precision Machinery  
 Period: April 1, 2002 to March 31, 2003

### [Environmental Protection Costs]

[Environmental Protection Costs]	(5)Environmental protection cost of social activities (social activity cost)
	(6)Cost for restoring environmental damages (environmental-damage cost)
	•Cleanup of nearby environment •Tree planting at works •Participation in environmental group activities •Issuance of environmental reports  •Decontamination of contaminated ground water •Pollution load levies
	Unit:¥1,000
	Includes depreciation expenses.
	Total investment during the applicable period Total research & development expense during the applicable period

Accounting Guidebook of the Ministry of the Environment.  
 By being able to understand visually Environmental Protection Costs, Material Balance Effects and Money Effects upstream or downstream by production and service activities (upstream/downstream cost)

(3)Environmental protection cost of management activities (management activity cost)

(4)Environmental protection cost of R&D activities (R&D activity cost)

Unit:¥1,000

### [Environmental Protection Effects (Material Balance Effects)]

Environmental impact index	Unit	Total amount	Increase or decrease		Comment
Greenhouse gas emissions	t-CO <sub>2</sub>	272,432	8,178	Decreased	See page 19
Energy consumption	TJ	5,839	151	Increased	See page 19
Water consumption	1,000 m <sup>3</sup>	6,993	121	Increased	See page 19
Waste discharge amount	t	66,960	1,132	Decreased	See page 20
Waste recycling rate	%	84.6	2.4	Improved	See page 20
SOx emissions	kg	22,588	15,496	Decreased	See page 24
NOx emissions	kg	160,571	17,725	Decreased	See page 24
Dust emissions	kg	4,692	521	Decreased	See page 24

### [Economic Effects (Money Effects) Resulting from Environmental Protection Activities] Unit:¥1,000

Income obtained from recycling	
Cost reduction from energy saving	
Reduction in waste disposal expenses	
Reduction in material costs resulting from enhanced resources	
Total	

