

Nurturing a sustainable society

I wish to express my deepest condolence and sympathy to those who have suffered the terrible losses caused by the recent Great East Japan Earthquake, and extend my best wishes for the soonest recovery.

Environmental concerns and issues have been the constant focus of discussions at various international conferences and should be handled and dealt with on a worldwide scale. The recent Great Earthquake and nuclear reactor accident have drawn attention to and raised awareness of energy and environment issues, more than ever. Motorcycles and automobiles are apparently shifting towards using a diversity of energy sources, with the appearance of products such as biodiesel vehicles, natural gas vehicles and ethanol vehicles. The industry is seeking clean emission technology and prompt electric motorization in areas such as hybrid vehicles and electric vehicles.

As a manufacturer who offers and supplies motorcycle and automobile fuel supply systems, electronic control systems and air conditioning systems, we emphasize our commitment to environmental activities as one of our key managerial objectives. We have developed products that have a better fuel economy and cleaner emissions from automobiles and motorcycles. We have also worked on conducting environment-conscious business activities in the course of our value-added manufacturing since our foundation. For its motorcycles in fiscal 2010, the new electronic fuel injection system for small-size motorcycles that Keihin developed achieved further weight-saving, emission reduction and better fuel economy. For automobiles, a number of our products were included in Honda Fit Hybrid. These include electronic control systems for

the motor and battery, fuel supply systems and air-conditioning systems. Keihin fuel supply systems were, for the first time, delivered for and installed in gas-fueled vehicles such as “Alto,” “Eeco,” “WagonR” and “Estilo” of Maruti Suzuki India Limited, India’s largest automobile manufacturer. Keihin also worked on various improvements in its manufacturing and transport segments. For example, we changed the packing style of imported goods to reduce the amount of packaging materials we use.

We set out our new 2020 vision as We will become a truly independent system components manufacturer able to compete with mega-suppliers in products and technologies that contribute to a better global environment. In addition, we placed emphasis on advanced environmental technology aiming at “better readiness to meet a diversity of needs” as one of the key schemes in our medium-term management plan. This vision covers our intention to further evolve our acquired and accumulated technologies and upgrade advanced environmental technologies. Keihin’s employees working at global sites are committed to Keihin’s philosophies of “respect for the individual” and “the five joys” to make a contribution to a sustainable society.

This report summarizes our ideas on and efforts in environmental activities. We would be happy to hear your frank advice and thoughts after reading it.

President & CEO

Isueo Terao

