

- Built a stronger business foundation in Japan
- Entered overseas markets and expanded sales
- Created new product offerings and new businesses



Fiscal 2011 Overview

Orders in fiscal 2011 increased 21.5% compared with the previous fiscal year to 478.8 billion, thanks to an order for a large project in the waste treatment business, while the backlog of orders stood at 442.7 billion at the end of the fiscal year.

Segment sales in fiscal 2011 climbed 2.3% from fiscal 2010 to ± 71.2 billion, and ordinary income rose ± 1.1 billion year on year to ± 4.2 billion.

TOPICS

Survey Conducted on Water and Infrastructure Project on Phu Quoc Island in Kien Giang Province, Vietnam

Kobelco Eco-Solutions Co., Ltd. is conducting a joint survey with Kobe City, Kobe Urban Development Corporation, and Nihon Suido Consultants Co., Ltd. on a water and infrastructure project on Phu Quoc Island in Kien Giang Province, Vietnam.

The project was implemented after a decision was made to adopt the Vietnam Renewable Water, Resource and Energy Model Project Support Services announced by Japan's Ministry of Land, Infrastructure, Transport and Tourism and a preparatory survey conducted in public-private partnership announced by the Japan International Cooperation Agency (JICA).

The survey results will be studied with the aim of not only constructing and operating a water and sewage facility, but also

recycling treated waste water (reclaimed water) and using sludge for energy. A business proposal for a water and infrastructure project will then be made in a public-private partnership.



Aerial view of Phu Quoc Island

Innovative Sewage Technology Demonstration Project Initiated

Kobelco Eco-Solutions, in collaboration with Osaka Gas Co., Ltd., proposed the adoption of the Higashi Nada Treatment Plant Renewable Energy Production and Breakthrough by Dynamic Approach in Sewage High Technology Project, also known as the Kobe Green Sweets Project to the Breakthrough by Dynamic

Approach in Sewage High Technology Project, sponsored by Kobe City and a joint research body and announced by the Ministry of Land, Infrastructure, Transport and Tourism. Based on the proposal, the project was adopted.

The demonstration project involves the intake of processed foods (sweets) and wood-based (green) regional biomass suitable for sewage into a sewage treatment plant, the fermentation

of methane and the mixing of sludge, then verification of the increase in the amount of biomass generated. The goal is to turn the sewage at treatment plants into renewable energy supply bases that produce energy locally for local consumption.



Demonstration facility for Kobe Green Sweets Project (Photo courtesy of Kobe City Construction Bureau)

Order for Waste Treatment Plant in Haga District, Japan

Kobelco Eco-Solutions together with Kobelco Eco-Maintenance Co., Ltd. received an order for a project to develop and operate a wide-area waste treatment plant for the Wide-area Administrative Union of Haga District in Tochigi, Japan.

The project has adopted the method of ordering construction and operation as a single contract, which includes a 20-year period of operations. As a result of a comprehensive evaluation that highly rated safety, stability, resource and energy recoverability, final waste volume reduction effects, CO₂ emissions reduction effects and economic efficiency, Kobelco's fluidized-bed gasification and melting furnace was selected and ordered.

Ever since it constructed the first such commercial plant in Japan in 2000, Kobelco Eco-Solutions has accumulated a impressive record in Japan and abroad and is now one of the leading manufacturers of this type of plant. Kobelco Eco-Solutions seeks to win even more orders in the years ahead.



Illustration of completed facility in Haga