

DOWA News

**Dowa Eco-System to Start Full-Scale Detoxification Treatment Business for Waste Materials  
with Trace Amounts of PCB  
Progressive Expansion Nationwide with Plans to Build Treatment System  
on the Scale of 30,000 Tons Annually**

Dowa Eco-System Co., Ltd. (14-1 Sotokanda 4-Chome, Chiyoda-ku, Tokyo; Capital: ¥1,000 million; President: Yoshito Koga), a subsidiary of Dowa Holdings Co., Ltd. (same location; Capital: ¥36,400 million; President: Masao Yamada), will start a treatment business for waste electrical equipment and other materials contaminated with trace amounts of PCB at its industrial waste treatment base.

Polychlorinated biphenyl ("PCB," hereafter) has excellent insulation properties and has been widely used, mainly in the insulation oil of electrical equipment such as transformers. However, the harmful effects of PCB were identified and its manufacture has been halted since 1972. Regarding the disposal of electrical equipment containing PCB, the Act on Special Measures concerning Promotion of the Proper Treatment of PCB Waste went into effect on July 15, 2001, and since then the treatment of waste materials such as electrical equipment containing high concentrations of PCB has proceeded through the Japan Environmental Safety Corporation, which is fully owned by the government.

Meanwhile, waste materials such as electrical equipment containing insulation oil mixed with only trace amounts of PCB in the order of several milligrams to several dozen milligrams per one kilogram are referred to as "waste electrical equipment, etc. contaminated with trace amounts of PCB" ("trace PCB waste," hereafter). Government-led examination of the proper and early treatment of trace PCB waste has also progressed.

Since 2005, Dowa Eco-System Co., Ltd. has participated in the planning of incineration verification tests for trace PCB waste conducted by the Ministry of the Environment, and as a result of incineration verification tests carried out at each of its treatment bases in Akita and elsewhere, it has confirmed that PCB can be safely broken down and processed. In the future, Dowa Eco-System will progressively lodge applications for certification and licensing for three bases in Akita and Okayama prefectures based on detoxification certification programs established by the government, and commence the receipt and treatment of trace PCB waste.

In Akita Prefecture, the treatment of insulation oil contaminated with trace amounts of PCB will start during 2010, with plans to expand the number of items treated in an incremental manner, towards later treating electrical equipment (such as transformer containers and oil-filled cables) contaminated with insulation oil.

In addition, Dowa Eco-System is planning a trace PCB waste treatment business using a continuous dedicated incinerator in Okayama Prefecture. In commercializing this form of treatment, Dowa Eco-System plans to construct a new incinerator with a treatment capacity of up to 48 tons/day, and is looking to start operation in October 2011.

This form of commercialization is also under consideration for the Kanto Region and elsewhere, with hopes to build a treatment system on the scale of 30,000 tons annually across the Dowa Group. In the future, Dowa Eco-System will continue to press ahead with its environmental management and recycling business by catering to a wide range of needs from society and its customers, as it aims to become the No.1 environmental management and recycling company in Japan and across Asia.