

Message from the President

Looking back on the past year

EBARA presented the second CSR Report. We received comments that it enabled a good understanding of the direction that EBARA was heading in, in terms of CSR from both inside and outside the Company about the first issue. To sum up the CSR activities in 2008, we gave the utmost priority to the building of an internal control system for establishing corporate governance. Specifically, in addition to compliance with laws or ordinances and social norms, we strived to develop an internal control system for compatibility with the Internal Control Reporting System under the Financial Instruments and Exchange Law (so-called J-SOX) to apply in the fiscal year ending March 2009. For compliance with laws or ordinances and social norms, we have advocated the importance of an internal reporting system to allow prompt awareness of and response to any inappropriate or illegal act conducted in the Company. To have the employees understand the importance of the compliance consultation counter and compliance liaison system as a framework to facilitate direct reporting to the management on any inappropriate act, by being the actual witness or victim of the act, we have continuously been sending out the message that "internal reporting helps the company and the company is thankful to the person giving the report."

The 2008 compliance questionnaire answered by employees has shown that the management's attitude toward compliance was appreciated to a certain degree. We intend to continue to take into account the employees' comments on compliance and discuss it at our Corporate Ethics Committee meetings with the participation of all directors, so as to make group-wide efforts in establishing a corporate culture that focuses on compliance.

The picture on the right-hand page shows an EBARA pump used at a pumping station in Asakusa Tamachi, Tokyo for 42 years from 1921 to 1963. The pump, which was a record-setting large pump at the time, was hand-manufactured in a small workshop without even a crane.

(Recognized as an industrial heritage by the Japan Industrial Archaeology Society in 1994)



Contribution to society

Needless to say, making continuous contributions to social development is the purpose of a company. To that end, a company must maintain its own continuity by making profits required for its continued existence. Without making profits, a company will be unable to exist, and thus will fail to achieve the purpose of contributing to society. All employees need to be clearly aware of this point. The reality is that a company is nothing but a group of employees engaging in day-to-day business activities. A company making contributions to society means that all employees, who are members of the company, are making contributions to society. As employees of EBARA, you are performing everyday activities to contribute to society, using the company as a means to do so, and to maintain a means to contribute to society by having the company make profits. If you think of the company's CSR activities as your own Social Responsibility activities, you will gain a deeper understanding of the activities themselves.

EBARA endorsed and declared its support for the UN Global Compact (hereafter GC) in June 2009. We are committed to continued implementation of the 10 principles advocated by the GC.



We will continuously contribute to social development by combining each and every employee's work

Natsunosuke Yago
President and Representative Director,
EBARA CORPORATION



How EBARA contributes to society

EBARA has set as its purpose of business the offering to customers of the best-quality, best-performing products as an industrial machinery manufacturer, and thereby contributing to social development and the improvement of the global environment. Ever since the company's foundation in 1912, our predecessors have worked to accomplish that purpose and we, engaging in operations in the present day, are working with the same mind.

In addition, EBARA has continued to make contributions to society outside the field of business through the cultural and art activities promoted by the Hatakeyama Memorial Museum of Fine Art, support for science and culture through the EBARA Hatakeyama Memorial Fund, the

development of junior tennis players at EBARA SHONAN SPORTS CENTER, which has been turning out Japan's top tennis players, and local sports promotion activities centered on the women's basketball team. EBARA's business and the way EBARA is contributing to society through technology and arts promotion, environmental conservation, sports promotion and interaction with the community have been handed down by our predecessors and are our treasures. We are determined to further develop these treasures, rather than just conserving them, to fulfill our responsibilities so that the next generation can make even more contributions to society.

