

1. To all patrons,

Thank you for using and understanding our company's cableway operations.

Safety and service for the enjoyment of all our patrons is our motto. In regards to our company's operations at Niseko MOIWA ski resort, we strictly obey safety regulations as our first priority so that you can enjoy a safe and pleasant transport experience.

This report is based on the Railway Business Law: it details our initiatives in transportation safety and their current state to inform the reader as much as possible.

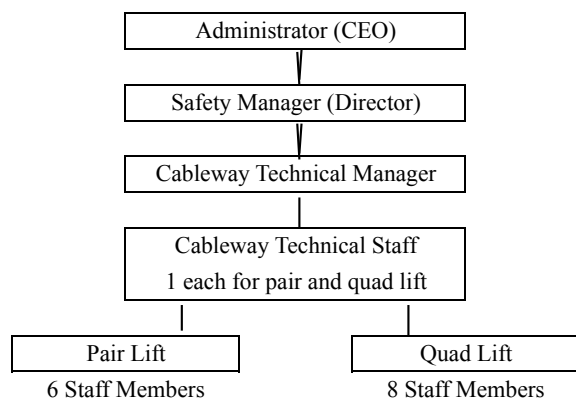
Sapporo Environmental Services Co. Ltd.
 Chief Executive Officer Mitsuo Ebata

2. Fundamental Policies to Ensure Transportation Safety

1. All staff members cooperate with all their ability to ensure safety.
2. Understand, comply, with and diligently work to enforce safety transportation laws and regulations.
3. Promptly and accurately transmit information, ensuring sharing and transparency.
4. Have the presence of mind to handle situations in the safest manner in times of doubt or concern to ensure that there are no oversights.
5. Transmit accurate information via morning assemblies.
6. Go the extra mile, beyond one's own work duties wherever necessary, to ensure safety.
7. Conduct daily inspections and maintenance.

3. Safety Management Organization

We have constructed a safety management system with the administrator (CEO) at the top, and clarified the responsibilities of each role. We also wish for all staff to continue to report confirmation regarding incidents, signs of potential malfunction of the cableway, etc. so as to positively impact our daily operations.



4. Initiatives Towards Safe Transport

Before the winter operations, all Staff Members conduct lifesaving practice, and confirm and understand safety training and their responsibilities. For 2008-2009, we worked our utmost to thoroughly conduct quad lift cable replacement, ring replacement, replacing oil on the speed reduction machinery, inspecting and maintaining the control switchbox, etc.

We also called out to patrons to inform them about safety while riding - "Please let us know if you have any concerns," "It is not permitted to eat or drink aboard the vehicle,"

"Please avoid riding this facility when it's not needed," "Please take care to ensure that your clothing and possessions do not get stuck in the facilities," "Please follow the instructions of the attendant when you reach the ticket booth," etc.

5. In Conclusion

We have made safety our number one ski business priority, based on our safety management regulations, and did our utmost to ensure this. We are deeply grateful for everyone's cooperation and support, and are proud to announce that we were able to operate in 2008 without any accidents. We shall continue to work on facility maintenance and ensuring the safety of our patrons so that you may continue enjoying our services with confidence in the future.

This concludes our safety report for 2008.

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