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About This Environmental Sustainability Report

- This report addresses the environmental activities of the member companies of the Murata Manufacturing Group located both inside and outside Japan; specifically, this includes our basic objectives and main achievements for fiscal 2003 as well as our plans to be addressed in the future.
- In order to meet our responsibility to disclose information as part of our corporate responsibility to society, we have produced this Environmental Sustainability Report by incorporating a social report in the environmental report.
- In preparing this report, we made reference to the Sustainability Reporting Guideline 2002 of the GRI (Global Reporting Initiative); Environmental Reporting Guidelines, 2003 Edition, of the Ministry of the Environment; and Environmental Reporting Guidelines 2001 of the Ministry of Economy, Trade and Industry.
- In this document, the term "Murata Group" refers to the member companies of the Murata Manufacturing Group both inside and outside Japan.
- While we made every effort to include the most up-to-date results among the various statistics presented in this report, this was not always possible due to editing and publishing considerations.

Scope of This Report

Organizational scope: This report encompasses the activities of Murata Manufacturing Co., Ltd. and its subsidiaries and affiliates both within and outside Japan. However, the various environmental data are primarily derived from Murata Manufacturing Co., Ltd., and its manufacturing plants inside and outside Japan as indicated with an asterisk on page 38, except where otherwise noted.

Target period: This document covers the Murata Group's fiscal year 2003 spanning the period April 1, 2003, to March 31, 2004; however, some portions of this document address initiatives and plans extending from before 2002 and beyond 2004.

Message from the President

Corporations have a responsibility to contribute to a prosperous society and healthy environment.

Since its establishment in 1944, the Murata Group has consistently sought to contribute to the prosperity of society through the development and growth of the electronics industry. The insights of our company management have been compiled into the Murata Philosophy, which serves as the starting point for the attitude and conduct of all Murata Group employees. On the occasion of the company's 50th anniversary, we further developed the Murata Group's "Mind Identity," which expresses our corporate ideals through the slogan "Innovator in Electronics."

This initiative reflects our wish to contribute to a richer life for people worldwide through the development of the "electronics-based society." As we transform the Murata Group into a true innovator through this effort, we pledge to remain continuously aware of the need to make products that do not waste energy resources. At the same time, we are implementing production methods that do not harm the environment in all our research, development, production, and other operations. Moreover, we pledge to fully consider the environment in every respect and to work strenuously to maintain harmony with the environment.

For our 2004 fiscal year, we initiated our Third Environmental Action Plan, which looks 10 years into the future. With the foundation laid by this action plan, we will continue to focus on environmental preservation in the interests of achieving a sustainable society.

In order to fulfill our social responsibility as a good corporate citizen, we must implement equitable and forthright management. All members of the Murata Group shall conduct themselves according to the highest ethical standards and comply with all relevant laws, corporate ethical norms, action guidelines, and other essential requirements.

To the greatest extent possible, we have specified the courses of action that can contribute to or detract from achieving the above; these we have summarized as our action guidelines. In this way, we are establishing a system that focuses on the ethics that allow the active participation of all members of the Murata Group to follow action standards.

No business can develop or prosper unless it gives due consideration to the health of the environment and the welfare of society. Therefore, we will continue to focus on achieving our target values while remaining committed to strengthening existing initiatives.

As we pursue these undertakings, we will take steps to ensure that we continue to earn the trust of the public and lead the entire Murata Group to become a true innovator in the electronics-based society.

Yasutaka Murata

President
Statutory Representative Director
Murata Manufacturing Co., Ltd.



MURATA PHILOSOPHY WE PLEDGE...

To Contribute...

To The Continued Worldwide Development Of
Industry And Culture Through
Management Commitment

To Pursue...

Total Quality And Customer Satisfaction, While
Continuously Introducing Innovative Products In
Integrated And Interrelated Technologies Which
Will Allow Our Company, Our Employees,
Customers And Other Partners, And Our Communities

To Grow And Prosper...

With An Appreciative Feeling Of Mutual
Pride And Trust