

Physical Distribution

To minimize the environmental impacts arising during distribution and delivery of Murata products to customers, we have implemented measures to promote modal shift (shifting to more environment-minded transportation) and reduced packaging.

Reduction of Environmental Impacts Arising from Distribution

We are aware that CO₂ emissions due to fuel consumption constitute the largest part of the environmental impacts arising from Murata's distribution activities. To reduce such environmental impacts, we have been implementing various measures, such as improved transportation efficiency, promoting a modal shift, and introducing natural gas vehicles. We are also working to reduce packaging materials used for product shipment.

Measures to Reduce Environmental Impacts During Transportation

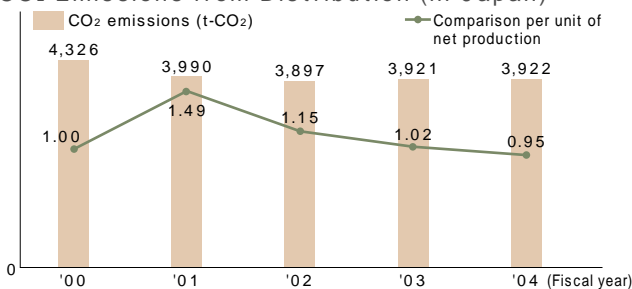
The amount of CO₂ emitted during transportation and delivery of Murata products in Japan during fiscal 2004 was 3,922 metric tons-CO₂, up 1 metric ton-CO₂ from fiscal 2003. Of all CO₂ emissions, 99% were from fuel consumption of trucks. We are therefore working on shifting from trucks to JR freight trains, as our priority task. In fiscal 2004, we added two more transportation routes by rail as well. Through these efforts, we were able to reduce CO₂ emissions by 14 metric tons-CO₂ from fiscal 2003.

Murata has entrusted its distribution completely to outside companies. Therefore, we provide instructions to these outsourced companies to implement energy-efficient driving habits, such as practicing no idling when stopped. We also request them to plan on introducing natural gas vehicles.

For now, we have not yet identified the state of distribution in overseas countries. In the future, however, we will begin by collecting data on overseas distribution, so as to further reduce CO₂ emissions during delivery of our products.

DATA CO₂ emissions from distribution

CO₂ Emissions from Distribution (in Japan)

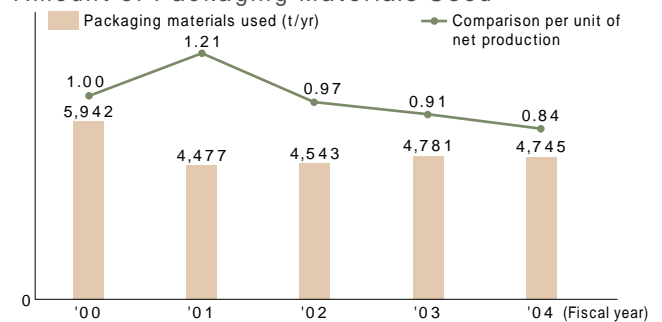


Measures to Reduce Packaging

The amount of packaging materials used in fiscal 2004 was 4,745 metric tons, down 36 metric tons from the previous year. In fiscal 2004, Murata focused its efforts primarily on two initiatives: promoting the use of returnable cardboard boxes for packaging, and increasing the reuse of taping reels. The former initiative is one to switch cardboard boxes used in deliveries between subsidiaries to returnable ones. This year, we have introduced this initiative on a trial basis at two plants. The latter initiative is one to extend the reuse of taping reels, which is a material used in packaging. Also in the past, we reused taping reels by taking back usable ones via reel manufacturers, after delivery of our products to customers. Now we are working to further increase the number of customers from whom we collect tape reels for reuse.

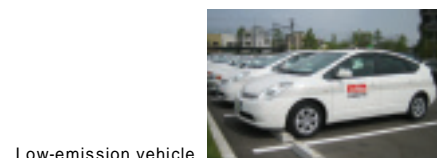
DATA Amount of packaging materials used

Amount of Packaging Materials Used



Introduction of Low-emission Vehicles

Murata has implemented measures to switch vehicles for business use to low-emission vehicles. In fiscal 2004, we introduced 14 hybrid vehicles. We will further promote the changeover to hybrid cars and other types of low-emission vehicles, and are planning to complete this conversion by the end of fiscal 2010.



Low-emission vehicle