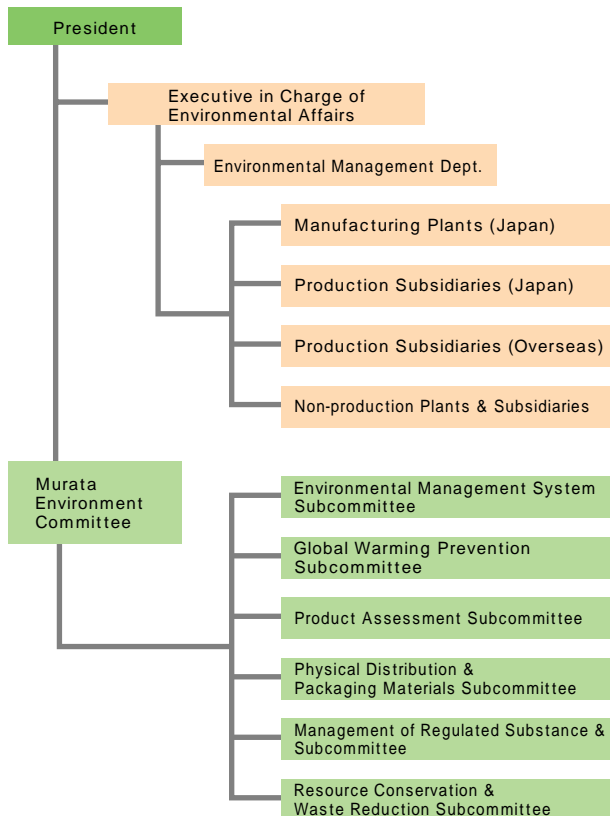


For efficient environmental stewardship, it is important to establish both a proper environmental management system and a system for promoting environmental management. On the basis of its environmental management promotion system, Murata will further increase the number of its plants and offices with ISO 14001 certification, make effective use of environmental accounting, and promote environmental education.

Environmental Management Promotion System

To promote group-wide environmental management, Murata has appointed an executive in charge of environmental affairs, as the person responsible for harmonizing the environmental activities of the entire group. Environmental Management Department staff serve to propel the environmental activities of Murata Group companies in Japan and abroad. As a consultative body to the President, we have established the Murata Environment Committee, to examine and deliberate group-wide environmental initiatives and themes. Furthermore, as subordinate organizations of the Environment Committee, we have set up subcommittees on specific themes. Each of these subcommittees identifies theme-related problems and develops concrete measures to address those problems.

Environmental Management Promotion System



Acquisition of ISO 14001 Certification

All Murata's production sites in Japan and other countries have acquired ISO 14001 certification. In fiscal 2005, the Head Office, Tokyo Branch and domestic sales offices of Murata Manufacturing Co., Ltd. obtained ISO 14001 certification. Consequently, we have completed establishment of environmental management system in Japan.

For fiscal 2006, we plan to link together the environmental management systems of plants, offices and subsidiaries, so as to convert all the individual certifications into a single multi-site ISO 14001 certification.

ISO 14001-registered sites

Environmental Audits

Environmental audits are carried out on a regular basis to make sure environmental management is being properly implemented. We have employed both internal and external audits at each of our production plants and production subsidiaries to ensure balanced, effective environmental management.

Internal Audits
<p>Plant Internal Self-audit</p> <p>We have established a management standard for day-to-day business at each production plant and subsidiary. Based on this standard, operations are monitored so that we can discover and correct noncompliance immediately. In addition, we conduct annual internal audits to check whether the various prescribed rules are being followed correctly.</p>
<p>Functional Staff Audit by the Environmental Management Dept.</p> <p>This audit is conducted on a regular basis in order to complement inspections by the external certification body, and compensate for specialized areas that cannot be covered by the plant's own internal inspection.</p>
<p>Audit by Auditors</p> <p>Auditors study and inspect whether the Company's environmental management system has been established and implemented appropriately, and whether management is being conducted in an overall consistent manner. If necessary, the auditors will make comments.</p>

Environmental Education

To sustain environmentally conscious business operations, it is vital to enhance the environmental awareness of each and every employee. Toward this end, employees should understand the environmental vision and policies set forth by corporate management and the initiatives implemented by the respective divisions. Murata therefore provides its employees with various opportunities to acquire environmental education.

Specifically, we organize level-based environmental education programs, respectively tailored to newly hired employees, rank-and-file employees and management-level employees. In addition, we offer training courses to develop qualified personnel as internal environmental auditors, and individualized education programs for employees engaged in tasks that may have high environmental impact.

DATA Environmental Education and Training, and Persons with Environmental Qualifications



Seminar for training internal environmental auditors (Fukui Murata Manufacturing Co., Ltd.)

Environmental Awareness Raising

In Journal Murata, our company newsletter, we present an annual feature on our environmental activities, in order to enhance environmental awareness among our employees. Through this annual feature, we report on the progress the Company has made in implementing themes for company-wide initiatives, and introduce examples of environmental measures we take.

Also, we have expanded our company award system with our Global Environmental Protection Promotion Award, an achievement award that recognizes employees who have made a significant contribution to environmental preservation.

Global Environmental Protection Promotion Award

Fiscal year	Subject awarded
2003	Development of electrolyte tin plating bath for lead-free soldering
2004	Achievement of zero emissions at plants and subsidiaries in Japan
2005	Waste fluid reduction at Yasu Plant

Environmental Cost Management

In the interest of ensuring more efficient environmental management, Murata identifies and analyzes the effects of its environmental preservation costs and results. To underpin this approach, in 2003 Murata established a unique environmental cost management system and introduced it into our offices, plants and subsidiaries in Japan.

This system has enabled Murata to pinpoint the costs and effects of individual programs of its ISO 14001-compliant environmental management system. The obtained information enables us to continually confirm our progress, modify our plans or review our management approach. We make use of this system to implement efficient measures, promote horizontal business development, and establish and review our environmental objectives and targets in view of greater efficiency.

In fiscal 2006, Murata commenced preparations for introducing environmental cost management systems at overseas subsidiaries. The system will become operational in fiscal 2007.

DATA Environmental Cost Management

Environmental Cost Management System

