

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

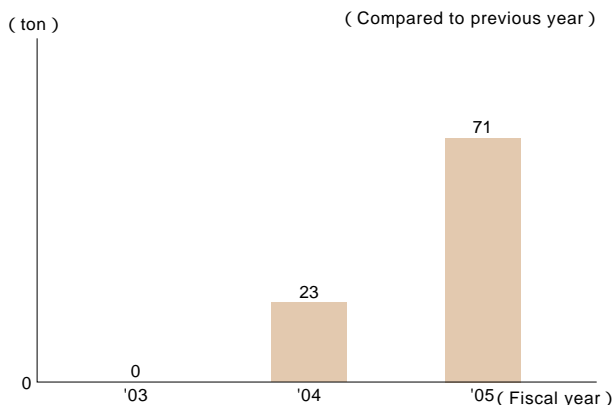
CO₂ emissions due to fuel consumption constitute the largest portion of the environmental impact arising from Murata's distribution activities. To reduce such environmental impact, we implement various measures to improve transportation efficiency, so as to promote a modal shift. We are committed to reducing packaging materials used for product shipment, and have set goals for fiscal 2006 of reducing fuel consumption and shipment packaging materials by 20%, in net sales units, from fiscal 2000 levels.

Measures to Reduce Environmental Impact During Transportation

In fiscal 2005, Murata changed means of transportation from trucks to railroads on three additional transportation routes, and commenced joint delivery on one transportation route. This enabled Murata to reduce CO₂ emissions by 71 metric tons-CO₂ from fiscal 2004. In terms of per unit of net sales, we reduced CO₂ emissions to 82% of fiscal 2000 levels. Murata has thus far encouraged the companies to which we entrust our product delivery to practice energy-saving driving and has promoted a modal shift. To further reduce CO₂ emission, it is necessary to improve load efficiency per truck and augment joint delivery. With this in mind, we began reorganizing our distribution system in Japan in fiscal 2006.

DATA Trends in CO₂ Emissions from Distribution (in Japan)

Reductions in CO₂ Emissions Due to Changes in Transportation Means



Measures to Reduce Packaging

Product downsizing achieved through technological innovation also enables us to reduce the use of packaging materials. For example, the miniaturization of chip monolithic capacitors, Murata's primary products, helped reduce their packaging materials by approximately 22% over the past five years. In fiscal 2005, we reduced packaging material use by 80% per net sales unit compared to fiscal 2000 levels, already surpassing our target for fiscal 2006.

Murata also focuses on promoting the use of returnable cardboard boxes for packaging: returnable boxes are already used for in-house delivery of taping reels at the Company's eight plants, about half of all the boxes used for that purpose. We are continuing our efforts to realize 100% use of returnable boxes for taping reels delivered within the Company, and encourage the use of returnable boxes to deliver products to customers.

DATA Amount of packaging materials used

Reduction in Packaging Materials Due to Product Downsizing

