

CSR Report 2006

Performance Data

Murata Group

Economic Performance

History of Environmental Preservation Activities

Objectives and Targets

Environmental Management

Environmental Performance

Social Management

Social Performance

Comparison with GRI Guidelines



Innovator in Electronics

Financial Data

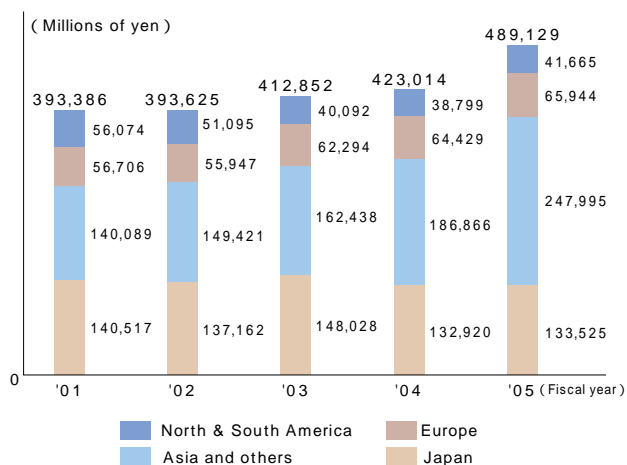
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	FY2001	FY2002	FY2003	FY2004	FY2005
Net Sales (Millions of yen)	394,775	394,955	414,247	424,468	490,784
Operating Income (Millions of yen)	51,001	59,187	74,210	69,515	89,839
Income before Income Taxes (Millions of yen)	52,408	59,094	78,685	72,905	91,680
Net Income (Millions of yen)	34,999	39,467	48,540	46,578	58,448
Total Assets (Millions of yen)	839,372	834,313	844,115	850,748	909,641
Shareholders' Equity (Millions of yen)	726,236	692,090	700,937	712,309	755,394
Shareholders' Equity Ratio (%)	86.5	83.0	83.0	83.7	83.0
Return on Equity (ROE) (%)	4.9	5.6	7.0	6.6	8.0
Shareholders' Equity per Share (Yen)	2,973.22	2,939.41	3,052.25	3,169.82	3,404.09

* Amounts presented on the consolidated statement are rounded off to the nearest million yen.

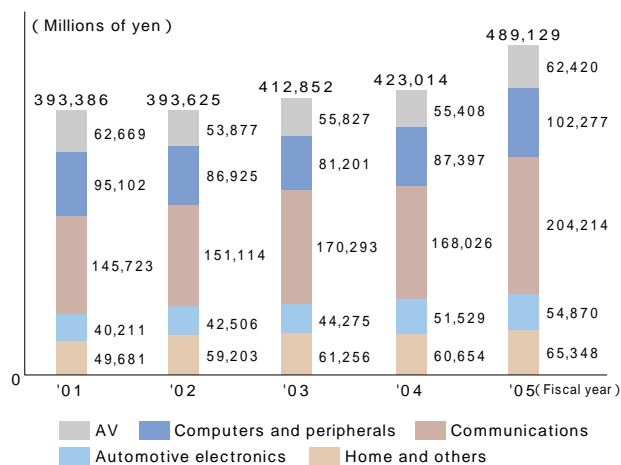
Sales by Area

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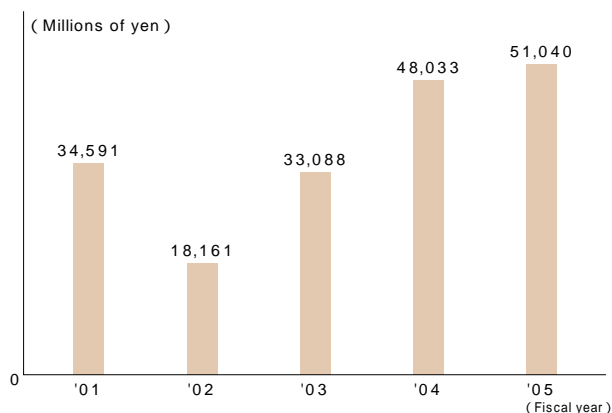
Sales by Application

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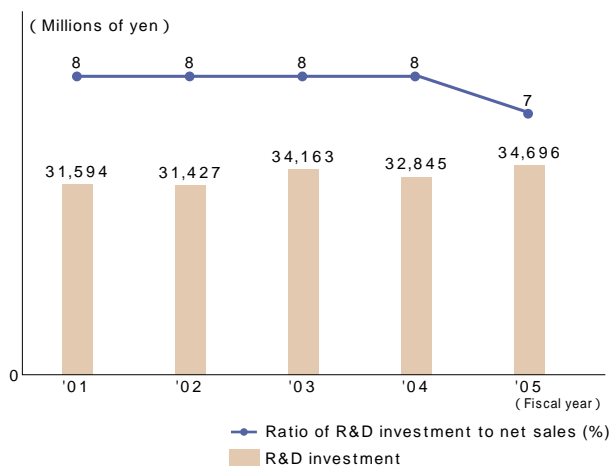
Capital Investment

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R&D Investment

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History of Environmental Preservation Activities

Year	Events
1989	Adopted voluntary policy to eliminate ozone-depleting substances (designated CFCs and 1,1,1-trichloroethane)
	Initiated project to eliminate ozone-depleting substances
1991	Initiated survey of soil and groundwater contamination
1993	Achieved elimination of ozone-depleting substances (1,1,1-trichloroethane and designated CFCs)
	Adopted voluntary policy to eliminate chlorine-based organic solvents (trichloroethylene, tetrachloroethylene and dichloromethane)
1994	Established Murata Environment Committee
1995	Adopted the Murata Environmental Charter (First Environmental Action Plan)
	Established the Environmental Management Department in the Head Office
	Launched Lead-free Solder Project
	Achieved elimination of chlorine-based organic solvents (trichloroethylene and tetrachloroethylene) and hydrochlorofluorocarbons (HCFCs)
1996	Adopted voluntary regulation program to reduce environmentally hazardous substances contained in products
1997	Acquired ISO 14001 certification at Taiwan Murata Electronics Co., Ltd. for the first time in the Murata Group
	Adopted voluntary regulation program to reduce emissions of environmentally hazardous chemical substances from manufacturing processes
	Introduced in-house courses for training internal environmental auditors
1998	Discontinued use of chlorine-based organic solvent (trichloroethylene), thereby achieving the objective of the voluntary policy adopted in 1993
	Achieved recycling of all discarded paper in Japan, enabling discontinuation of waste incinerators
	Published a special feature on Environment Month in the Company journal
1999	Adopted life cycle assessment (LCA) guidelines
	Began operating a cogeneration system at Yasu Plant
	Established soil pollution control standards, and commenced upgrading of existing equipment
	Introduced a chemical substance inspection and registration system
2000	Acquired ISO 14001 certification for all production bases inside and outside Japan
2001	Introduced a composting system for raw food wastes from Company dining facilities in Japan
	Revised the Murata Environmental Charter (Second Environmental Action Plan)
	Issued the Green Procurement Guide and commenced implementing the green procurement policy
2002	Upgraded existing equipment in Japan to meet soil pollution control standards
	Issued Inaugural Environmental Report
2003	Introduced product assessment system
	Introduced environmental cost management (environmental accounting) system
2004	Achieved zero-emissions objective in Japan
	Revised the Murata Environmental Charter (Third Environmental Action Plan)
	Completed the new head office designed in keeping with the eco-friendly office building concept
	Achieved zero-emissions objective in constructing the new head office building
2005	Commenced environmental education programs for elementary and junior high school children
	Obtained ISO 14001 certification for Murata's Head Office, Tokyo Branch and sales branches (all Japanese sites have now obtained certification)

3rd Environmental Action Plan

Theme	Item	Targets for Fiscal 2010
Environmental management	Enhancing environmental management system	Establish the identity and concept of environmental management, and provide environmental management by extending group-wide cooperation in Japan and abroad. Obtain ISO 14001 multi-site certification on a global basis.
Supplying environmentally conscious products	Environmentally conscious designs	Compile a life cycle assessment (LCA) database for each product. Establish the environmental impact of each product with actual numerical values and devise a system for setting out business policies with an environmental perspective.
	Reducing use of environmentally hazardous substances contained in products	Actively promote the adoption of alternative materials or conversion to alternative technologies. Promote and strengthen the reduction and elimination of environmentally hazardous inorganic substances. Eliminate the use of polyvinyl chloride.
	Managing information related to environmentally hazardous substances	Strengthen tie-ups with e-businesses.
	Reducing use of packaging materials and conserving energy consumed in distribution	Reduce the amount of packaging materials used per unit of net production in Japan by more than 30% compared to FY 2000 levels. Reduce CO ₂ emissions from physical distribution per unit of net production in Japan by more than 30% compared to FY2000 levels.
	Green procurement	Continue to investigate the green value of materials in order to comply with laws and regulations of Japan and other countries, so as to maintain a 100% green procurement ratio for materials used in production.
Eco-friendly business operations	Global warming prevention	Reduce CO ₂ emissions per unit of net production in Japan by more than 25% compared to FY 1990 levels.
	Resource conservation and waste reduction, reuse and recycling	Reduce the waste generated per unit of net production in Japan by more than 55% compared to FY 2000 levels. Achieve a material recycling rate as close to 100% as possible. Reduce water consumption per unit of net production in Japan by more than 55% compared to FY 2000 levels.
	Managing and reducing environmentally hazardous substances used in production processes	Reduce the atmospheric release of volatile organic compounds (VOCs), (which generate photochemical oxidant and suspended particulate matter (SPM)) by more than 30% compared to FY 2000 levels. Reduce the atmospheric release of perfluorocompounds (PFCs), which are green house gases, by more than 80% compared to FY 2002 levels.
	Risk management	Remain committed to limiting environmental risks to the greatest extent possible, learning from the past as continuing with the remediation of contaminated soil and groundwater.
Social activities	Environmental communication	Continue to promote information disclosure and undertake business management in close contact with the local communities and societies in which Murata Group companies are located.
	Community/social activities	Continue to contribute to the community and society, provide greenery around plants and offices, and undertake business management in close contact with the local communities and societies in which Murata Group companies are located.

Theme	Item	Targets for Fiscal 2006
Environmental management	Enhancing environmental management system	Obtain ISO 14001 multi-site certification for the entire Murata Group in Japan. Establish internal management techniques for cost-effective environmental management and provide our subsidiaries outside Japan with an environmental cost management system.
Supplying environmentally conscious products	Environmentally conscious designs	Extend product assessments throughout the Company. Devise an arrangement by which we will address environmental conservation when formulating research and development themes. Compile a database in order to increase the efficiency of LCA data calculations.
	Reducing use of environmentally hazardous substances contained in products	Actively promote the adoption of alternative materials or conversion to alternative technologies. Complete the elimination of substances subject to the RoHS (European Union "Restriction of Hazardous Substances") Directive. Curtail the amount of halogenated flame retardants in use by 20% compared to FY 2003 levels.
	Managing information related to environmentally hazardous substances	Compile and adopt a chemical substance management database. FY 2004: Compilation of a database for finished products FY 2005: Compilation and sharing of a database on materials for the purchasing department
	Reducing use of packaging materials and conserving energy consumed in distribution	Reduce the amount of packaging materials used per unit of net production in Japan by more than 20% compared to FY2000 levels. Reduce CO ₂ emissions from physical distribution per unit of net production in Japan by more than 20% compared to FY 2000 levels.
	Green procurement	Promote abroad the domestic system for surveying the green value of materials, so as to establish green procurement practices in overseas subsidiaries. Improve the green purchase ratio for office supplies to nearly 100%, in offices/plants and subsidiaries in Japan. (Make public our track record of green purchase.)
Eco-friendly business operations	Global warming prevention	Reduce CO ₂ emissions per unit of net production in Japan by more than 23% compared to FY 1990 levels.
	Resource conservation and waste reduction, reuse and recycling	Reduce total waste emissions per unit of net production in Japan by more than 35% compared to FY 2000 levels. Achieve a material recycling rate in Japan of 100%. Reduce water consumption per unit of net production in Japan by more than 35% compared to FY 2000 levels. Achieve zero emissions in construction of new buildings in Japan. Promote zero emissions in construction of new buildings outside Japan.
	Managing and reducing environmentally hazardous substances used in production processes	Reduce atmospheric emissions of VOCs, which contribute to the generation of photochemical oxidants, and suspended particulates by more than 3% compared to FY 2000 levels. Reduce atmospheric emissions in Japan of PFCs, which contribute to greenhouse gasses, by more than 50% compared to FY 2002 levels.
	Risk management	Undertake environmental remediation of contaminated soil and groundwater as a countermeasure to address the current method, which requires much time to achieve complete remediation at plants and subsidiaries where soil and groundwater contamination have been confirmed. This will reduce the remediation period by more than 50%.
Social activities	Environmental communication	Continue to issue CSR report and will release additional information more than two times a year via other media. Issue CSR reports on each site.
	Community/social activities	At each plant and subsidiary, implement environmental education programs for elementary and junior high school children, participate in environmental fairs and other events, conduct activities to clean up the surrounding region, and provide support for NGOs/NPOs. Expand our offices' rooftop greenery areas to more than 10% of each rooftop area.

Sites with ISO 14001

 Certification (In registration order) CSR Report P.21

Site	Registration Date
Taiwan Murata Electronics Co., Ltd. (Taiwan)	1997.09.30
Murata Electronics Singapore (Pte.) Ltd.	1997.12.05
Kanazawa Murata Manufacturing Co., Ltd. (incl. Nishikanazawa Plant)	1997.12.22
Murata Electronics (Thailand), Ltd.	1998.10.05
Yokaichi Plant	1998.11.25
Fukui Murata Manufacturing Co., Ltd. (incl. Miyazaki Plant and Shirayama Warehouse)	1998.12.25
Izumo Murata Manufacturing Co., Ltd.	1998.12.25
Toyama Murata Manufacturing Co., Ltd.	1998.12.25
Komatsu Murata Manufacturing Co., Ltd.	1999.02.23
Murata Electronics (Malaysia) Sdn. Bhd.	1999.08.06
Beijing Murata Electronics Co., Ltd. (China)	1999.09.23
Okayama Murata Manufacturing Co., Ltd.	1999.10.27
Tome Murata Manufacturing Co., Ltd.	1999.11.20
Kanazu Murata Manufacturing Co., Ltd. (incl. Natsume Plant)	1999.11.27
Azumi Murata Manufacturing Co., Ltd.	1999.12.01
Himi Murata Manufacturing Co., Ltd.	1999.12.01
Hakui Murata Manufacturing Co., Ltd.	1999.12.02
Iwami Murata Manufacturing Co., Ltd.	1999.12.02
Sabae Murata Manufacturing Co., Ltd.	1999.12.05
Yasu Plant	1999.12.27
Wakura Murata Manufacturing Co., Ltd.	1999.12.27
Anamizu Electronics Industries, Ltd.	1999.12.28
Wuxi Murata Electronics Co., Ltd. (China)	2000.01.21
Suzhou Murata Electronics Co., Ltd. (China)	2004.06.07
Yokohama Technical Center	2005.03.24
Murata Amazonia Industria E Comercio Ltda. (Brazil)	2005.05.10
Ogaki Murata Manufacturing Co., Ltd.	2005.07.04
Hong Kong Murata Electronics Co., Ltd. Murata Electronics Plant, Nanling, Buiji, Longgang Dist., Shenzhen (China)	2005.09.19
Head Office, Tokyo Branch and sales branches of Murata Manufacturing Co., Ltd.	2006.03.20

Environmental Training

 Environmental Education and Training CSR Report P.22

Type		Content
Level-based training	Training for newly hired employees	Lectures for newly hired employees on general knowledge regarding environmental issues and environmental protection
	Training for rank-and-file employees	Lectures on matters regarding the plant environmental management system, which should be widely known to employees
	Training for managers	Lectures on items that managers should understand, in addition to the above things
Function-based training	Training for internal environmental auditors	Specialized training course to develop qualified personnel as internal environmental auditors in our plants
	Specialized training	Training conducted by each plant to keep everyone informed about in-house systems concerning management of environmentally hazardous substances, such as chemical substance-related training and training on wastes
	Emergency simulation drills	Practical training conducted as if an emergency has just occurred in a plant

 Persons with Environmental Qualifications CSR Report P.22

Qualification name	Persons qualified	Persons obtaining qualification in FY2005
Pollution Control Manager (Air)	57	1
Pollution Control Manager (Water quality)	116	0
Pollution Control Manager (Noise)	17	0
Pollution Control Manager (Vibration)	10	0
Pollution Control Manager (Dust)	5	0
Pollution Control Manager (Dioxins)	3	0
Senior Pollution Control Manager	5	0
Energy Manager (Heat)	40	6
Energy Manager (Electricity)	39	2
Qualified Person for Energy Management (Heat)	4	1
Qualified Person for Energy Management (Electricity)	12	0
Manager of Industrial Waste Subject to Special Controls	114	5
Environmental Management System Provisional Auditor	19	5
Internal Environmental Auditor (in-house qualification)	765	66

Environmental Cost Management

Environmental Preservation Costs (Investment vs. Effects)

During fiscal 2005, Murata invested a total of approximately ¥1,610 million in environmental conservation, with an estimated economic benefit from such investment of about ¥2,350 million.

For global environmental conservation, we aggressively invested in introduction of cogeneration systems and turbo freezers. As a result, the estimated reduction of greenhouse gas emissions is about 203,344 metric tons of CO₂.

For recycling, we aggressively invested in such measures as modification of waste liquid treatment equipment to reduce waste liquid volume, and introduction of cooling water circulating systems for vacuum pumps. As a result, the estimated waste reduction and water conservation totals some 22,063 metric tons and 604,662 m³, respectively.

Environmental Preservation Costs (Investment vs. Effects)

CSR Report P.22

Classification		Investment (Millions of yen)	Economic effects (Millions of yen)	Physical effects	
Costs for plant and office areas	Pollutant control	239	-		
	Global environmental conservation	1,178	1,835	Reduction in greenhouse gas emissions (CO ₂ equivalent)	203,344 [t-CO ₂]
	Recycling	190	514	Resource conservation	394 [t]
				Water conservation	604,662 [m ³]
				Waste reduction	22,063 [t]
				-	-
Subtotal	1,607	2,349	-	-	
Cost of upstream/downstream environmental conservation		0	0	-	-
Cost of management		0	0	-	-
Cost of social activities		1	0	-	-
Cost of R&D		129	-	-	-
Cost of environmental damage		0	0	-	-
Total		1,737	2,349		

- (1) The scope of accounting includes plants and offices of Murata Manufacturing and 17 subsidiaries in Japan.
- (2) The accounting term is the 12-month period from April 1, 2005 to March 31, 2006.
- (3) Effects include the materials and costs that are reduced over the five-year period as a result of the investments.
- (4) Proportional accounting is carried out for compounded costs in which the cost of environmental conservation is embedded in other costs.
- (5) Presumptive effects, such as the avoidance of potential risk, are not calculated.
- (6) For the fuel and electric power conversion coefficients for CO₂ emissions, we used the figures in the Report on the Survey of Carbon Dioxide Emissions (1992), Environment Agency.
- (7) Physical effects are calculated as the effective difference between implementation and non-implementation of the countermeasures.
- (8) R&D cost is the total of expenses entailed in research and development intended primarily for environmental considerations.

Environmental Preservation Costs (Costs vs. Effects)

During fiscal 2005, the costs involved in environmental conservation totaled approximately ¥2,150 million; the resulting economic effects are estimated to total some ¥770 million.

For global environmental conservation, we actively implemented such measures as energy-saving in clean rooms, and improved furnace charge rates. As a result, we achieved greenhouse gas emissions reduction of 18,665 metric tons.

For recycling, we actively implemented measures to convert toluene into valuable materials and reduce pumped groundwater consumption by reusing groundwater. As a result, we achieved waste reduction of 7,401 metric tons and water conservation of 686,611 m³.

Environmental Preservation Costs (Costs vs. Effects)

CSR Report P.22

Classification		Amount invested (Millions of yen)	Economic effects (Millions of yen)	Physical effects	
Costs for plant and office areas	Pollutant control	464	-	Number of cases where regulated values are not satisfied	0 [none]
				Reduction in chemical substances emitted	189 [t]
	Global environmental conservation	364	259	Reduction in greenhouse gas emissions (CO ₂ equivalent)	18,665 [t-CO ₂]
	Recycling	1,326	514	Resource conservation	211 [t]
				Water conservation	686,611 [m ³]
				Waste reduction	7,401 [t]
				Increased recycling	101 [t]
	Subtotal	2,154	773		
Cost of upstream/downstream environmental conservation	149	17	-	23 [t]	
Cost of management	429	-	-	-	
Cost of social activities	164	-	-	-	
Cost of R&D	1,468	-	-	-	
Cost of environmental damage	0	-	-	-	
Total	4,364	790			

(1) The scope of accounting includes plants and offices of Murata Manufacturing and 17 subsidiaries in Japan.

(2) The accounting term is the 12-month period from April 1, 2005 to March 31, 2006.

(3) Costs include labor and depreciation.

(4) Proportional accounting is carried out for compounded costs in which the cost of environmental conservation is embedded in other costs.

(5) Presumptive effects, such as the avoidance of potential risk, are not calculated.

(6) For the fuel and electric power conversion coefficients for CO₂ emissions, we used the figures in the Report on the Survey of Carbon Dioxide Emissions (1992), Environment Agency.

(7) Physical effects are calculated as the effective difference between implementation and non-implementation of the countermeasures.

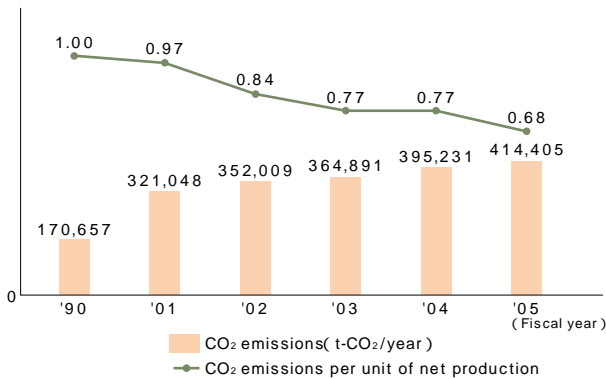
(8) R&D cost is the total of expenses entailed in research and development intended primarily for environmental considerations.

Reduction of CO₂ Emissions (in Japan) CSR Report P.28

Total emissions
 Value in FY2005: 414,405 t-CO₂
 5% increase compared to the previous fiscal year;
 143% increase compared to fiscal 1990 levels

CO₂ emissions per unit of net production
 (base year: FY1990)
 Value in FY2005: 0.68
 12% decrease compared to the previous fiscal year;
 32% decrease compared to fiscal 1990 levels

CO₂ Emissions (in Japan)

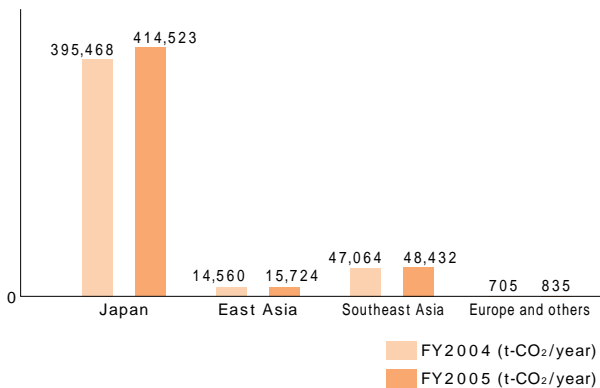


CO₂ Emissions by Area CSR Report P.28

Breakdown
 Japan: 86.4%, East Asia: 3.3%, Southeast Asia: 10.1%,
 Europe and others: 0.2%

Total emissions
 Value in FY2005: 479,514 t-CO₂
 5% increase compared to the previous fiscal year

CO₂ Emissions by area

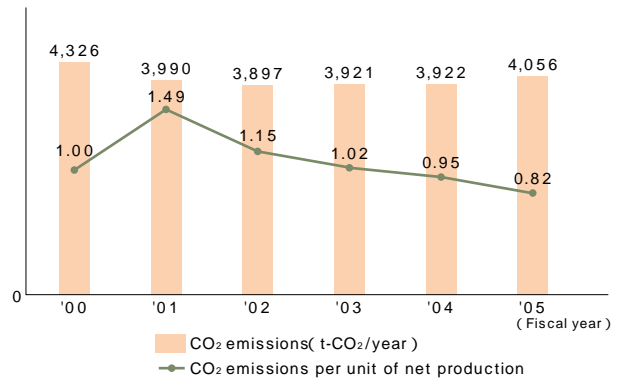


Reduction of CO₂ Emissions from Distribution (in Japan) CSR Report P.33

Total emissions
 Value in FY2005: 4,056 t-CO₂
 3% increase compared to the previous fiscal year;
 6% decrease compared to fiscal 2000 levels

CO₂ emissions per unit of net production
 (base year: FY2000)
 FY2005 value: 0.82
 14% decrease compared to the previous fiscal year;
 18% decrease compared to fiscal 2000 levels

CO₂ Emissions from Distribution (in Japan)

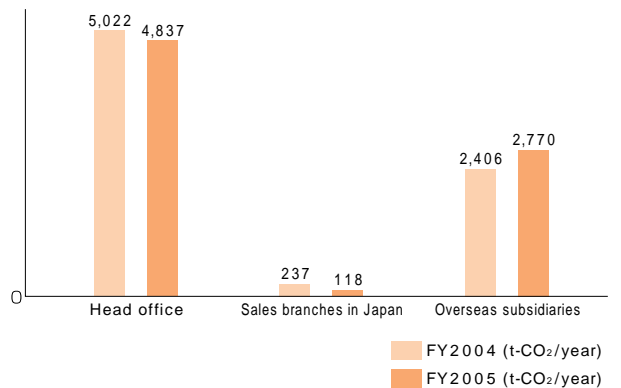


Reduction of CO₂ Emissions in Offices CSR Report P.34

Breakdown
 Head Office: 62.6%, sales branches in Japan: 1.5%,
 overseas sales subsidiaries: 35.9%

Total emissions
 Value in FY2005: 7,725 t-CO₂
 1% increase compared to the previous fiscal year

Reduction of CO₂ Emissions in Offices

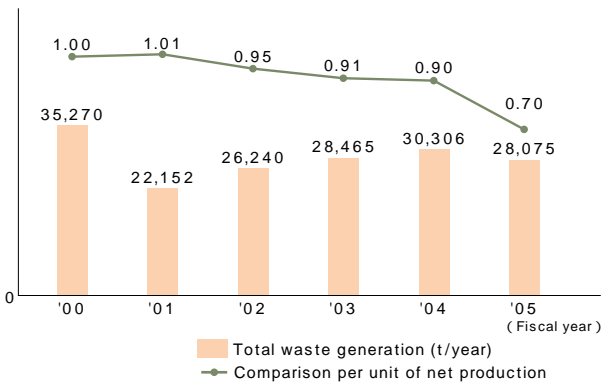


Reduction in Waste Generation (in Japan) CSR Report P.29

Total generation
 Value in FY2005: 28,075 t
 7% decrease compared to the previous fiscal year;
 20% decrease compared to fiscal 2000 levels

Waste generation per unit of net production
 (base year: FY2000)
 Value in FY2005: 0.70
 23% decrease compared to the previous fiscal year;
 30% decrease compared to fiscal 2000 levels

Waste Generation (in Japan)

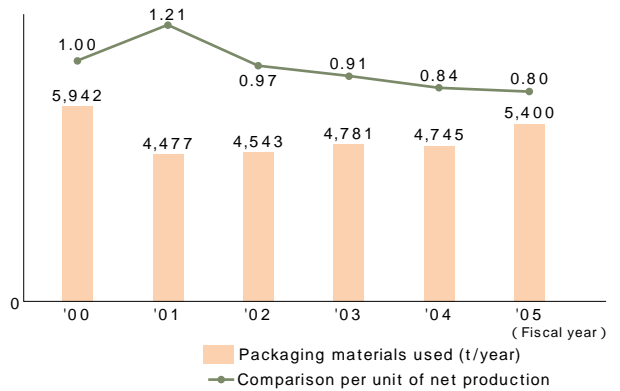


Amount of Packaging Materials Used (in Japan) CSR Report P.33

Total amount of packing materials used
 Value in FY2005: 5,400 t
 14% increase compared to the previous fiscal year;
 9% decrease compared to fiscal 2000 levels

Packing materials used per unit of net production
 (base year: FY2000)
 Value in FY2005: 0.80
 5% decrease compared to the previous fiscal year;
 20% decrease compared to fiscal 2000 levels

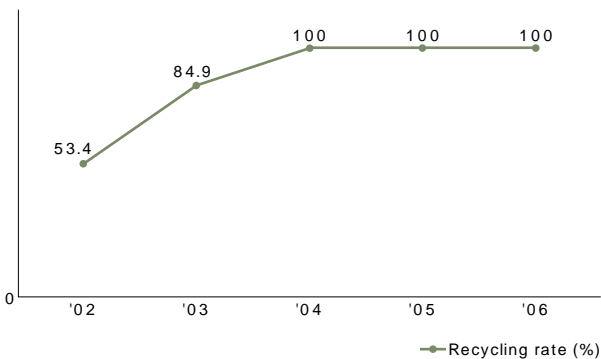
Amount of Packaging Materials Used (in Japan)



Recycling Rate (in Japan) CSR Report P.29

At the end of March 2004, Murata achieved its zero emissions targets (defined as a 100% recycling rate and zero landfilling) at its plants and subsidiaries in Japan. Since then, these plants and subsidiaries have maintained 100% recycling rate.

Recycling Rate (in Japan)

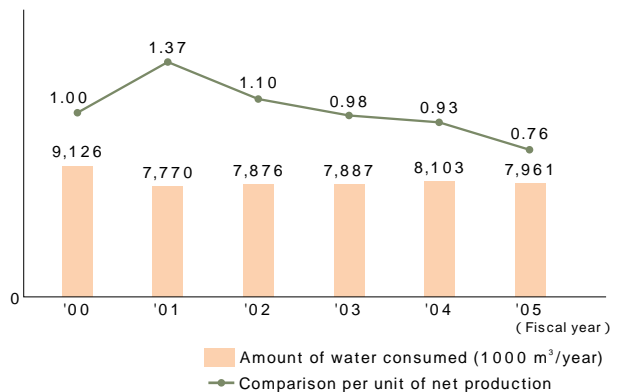


Water Consumption (in Japan) CSR Report P.30

Total amount of water consumed
 Value in FY2005: 7,961 million m³
 2% decrease compared to the previous fiscal year;
 13% decrease compared to fiscal 2000 levels

Water consumption per unit of net production
 (base year: FY2000)
 Value in FY2005: 0.76
 18% decrease compared to the previous fiscal year;
 24% decrease compared to fiscal 2000 levels

Water Consumption (in Japan)



Voluntary Regulation Program for Environmentally Hazardous Substances in Products

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Rank		Substances		
Substances	Inclusion of these substances in products prohibited.	Asbestos Cadmium and its compounds Hexavalent chromium compounds Mercury and its compounds Lead and its compounds (copper alloy with more than 4% lead content, steel content, aluminum with more than 0.4% lead content) PBDEs Beryllium and its compounds Pentachlorophenol (PCP) Polychlorinated biphenyls (PCBs) Organophosphorus compounds	Azo compounds Metal carbonyl Inorganic cyanogen compounds Dioxins and dibenzofuranes Chlorine-based flame retardants (used for ceramics) Polychlorinated terphenyls (PCTs) Formaldehyde Heavy metals in packaging materials (Cd, Cr ⁶⁺ , Hg, Pb)	Short-chained chlorinated paraffin Metallic nickel Acrylonitrile Thallium and its compounds materials with more than 0.35% lead PBBs Arsenic and its compounds (excl. semiconductors) Benzene Polychlorinated naphthalene (with 3 or more chlorine atoms) Organotin compounds Red phosphorus and red-phosphorus fire retardant
Substances to be reduced	Reduced content of these substances in products planned	Lead and its compounds (used in some ceramics, solders, etc.) Polyvinyl chloride (PVC) and its blends Cobalt chloride in packaging materials		
Substances in preparation for reduction	Content of these substances in products controlled, and voluntarily prepared for reduction	Chlorinated paraffin Xylene Selenium and its compounds Lead and its compounds (used in some ceramics, glass, alloys, etc.) Arsenic and its compounds (application limited to semiconductors) Beryllium and its compounds (used for other than ceramics)	Antimony trioxide Cobalt and its compounds Tellurium and its compounds	Ethylene glycolethers and its acetates Bromine-based flame retardants Toluene Organic cyanogen compounds Foam polystyrene for packaging materials

Voluntary Regulation Program for Environmentally Hazardous Substances Used or Emitted in Production Processes

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Rank		Substances		
Prohibited	Any application prohibited	Asbestos Metallic nickel Trichloroethylene CFCs Mercury and its compounds Organic lead Organophosphorus compounds Polychlorinated naphthalene (with 3 or more chlorine atoms) Endrin Heptachlor Methyl bromide Lead and its compounds (copper alloy with more than 4% lead content, steel content, aluminum with more than 0.4% lead content) PBBs	Azo compounds Dioxins Halon HCFCs Arsenic and its compounds (excl. semiconductors) Hexavalent chromium compounds Pentachlorophenol (PCP) Polychlorinated biphenyls (PCBs) Chlordanes Lindane HBFCs PBDEs	Cadmium and its compounds White lead Benzene Acrylonitrile Organotin compounds Polychlorinated terphenyls (PCTs) 1,1,1-Trichloroethane Toxaphene Carbon tetrachloride Red phosphorus and red-phosphorus fire retardant Short-chain chlorinated paraffins
Reduce emissions	Reduced emissions planned	Acetaldehyde Formaldehyde Lead and its compounds (used in some ceramics, solders, etc.) Toluene 2,4,5-T	Chloroform Nickel sulfate Xylene Ethanol	Cyanide compounds PFC n-Heptane
Prepare to reduce emissions	Emissions controlled and voluntarily prepared for reduction	Zinc and its compounds Nickel powder Lead and its compounds (used in some ceramics, glass, alloys, etc.) Arsenic and its compounds (application limited to semiconductors) Propylene glycol monomethyl ether Isobutanol 1-octanol Cyclopentanone Styrene 2-heptanone	Chrome and its compounds Methyl ethyl ketone Propylene glycol monomethyl ether acetate Benzyl alcohol Cumene Mineral spirits 1,3,5-Trimethylbenzene n-Methyl-2-pyrrolidone	Copper and its compounds Ethylene glycol monobutyl ether Ethanol Butyl acetate Ethylbenzene 2-Aminoethanol

Pollutants Released and Transferred Subject to the PRTR Law (Total for Japan)

CSR Report P.30 (Unit: t/year)

Gov't No.	Substance	Amount handled	Released				Transferred		
			To atmosphere	To public bodies of water	To soil	Landfilled	To sewerage	To waste	To recycling
16	Monoethanolamine	10.9	0.0	0.0	0.0	0.0	0.0	0.0	10.6
25	Antimony and its compounds	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.6
30	Bisphenol A liquid epoxy resin	32.9	0.0	0.0	0.0	0.0	0.0	0.0	2.7
40	Ethyl benzene	4.9	0.8	0.0	0.0	0.0	0.0	0.0	1.1
45	Ethylene glycol monomethyl ether	17.1	0.0	0.0	0.0	0.0	0.0	0.0	11.9
58	1-octanol	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.2
63	Xylene	88.8	3.0	0.0	0.0	0.0	0.0	0.0	55.7
64	Silver and its water-soluble compounds	117.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4
68	Chromium and trivalent chromium compounds	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.5
100	Cobalt and its compounds	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.1
177	Styrene	1.0	0.6	0.0	0.0	0.0	0.0	0.0	0.2
202	Tetrahydroxymethyl anhydrous phthalic acid	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
207	Water-soluble copper salts (excl. complex salts)	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
227	Toluene	3206.2	30.7	0.0	0.0	0.0	0.0	0.0	271.7
230	Lead and its compounds	737.5	0.0	0.1	0.0	0.0	0.0	0.0	101.7
231	Nickel	613.8	0.0	0.0	0.0	0.0	0.0	0.0	64.7
232	Nickel compounds	215.3	0.0	0.0	0.0	0.0	0.0	0.0	40.9
253	Hydrazine	464.4	0.0	0.0	0.0	0.0	0.0	0.0	165.3
270	Di-n-butyl phthalane	12.0	0.1	0.0	0.0	0.0	0.0	0.0	4.7
272	Bis-2-ethylhexyl phthalate	62.8	0.0	0.0	0.0	0.0	0.0	0.0	23.9
300	1,2,4-Benzenetricarboxylic anhydride	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.1
304	Boron and its compounds	19.9	0.0	0.0	0.0	0.0	0.0	0.0	16.4
310	Formaldehyde	11.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
311	Manganese and its compounds	30.2	0.0	0.0	0.0	0.0	0.0	0.0	3.6

* As for the amount of substances transferred to waste, all waste has been recycled since fiscal 2004, since we achieved zero emissions targets in fiscal 2003.

Atmospheric Release of Major Substances Subject to PRTR
(toluene and xylene)

CSR Report P.30 (Unit: t)

Substance	FY2000	FY2003	FY2004	FY2005
Toluene	67.4	25.3	26.4	30.7
Xylene	6.4	4.7	3.6	3.0

State of Groundwater Remediation

CSR Report P.32 (Unit:mg/l)

Plants and Subsidiaries	Substance (Environment Standard Value)	Trichloroethylene (0.03 max.)		Cis-1,2-dichloroethylene (0.04 max.)		Remarks
		FY2004	FY2005	FY2004	FY2005	
Murata Manufacturing Co., Ltd., Nagaoka Plant		0.027	0.027	N.D.	0.013	
Fukui Murata Manufacturing Co., Ltd., Takefu Plant		0.010	0.010	-	-	In preparation for completion of remediation
Fukui Murata Manufacturing Co., Ltd., Shirayama Site		1.241	1.224	0.390	0.286	
Fukui Murata Manufacturing Co., Ltd., Miyazaki Plant		0.810	1.071	0.151	0.173	
Asuwa Electronics Industries, Ltd.		0.130	N.D.	1.298	0.024	
Iwami Murata Manufacturing Co., Ltd.		0.223	0.306	1.194	1.237	
Wakura Murata Manufacturing Co., Ltd.		N.D.	N.D.	-	-	In preparation for completion of remediation
Himi Murata Manufacturing Co., Ltd.		N.D.	N.D.	N.D.	N.D.	
Kanazu Murata Manufacturing Co., Ltd.		N.D.	N.D.	-	-	Cleanup completed
Kanazu Murata Manufacturing Co., Ltd., Natsume Plant		0.112	0.080	0.162	0.136	
Hakui Murata Manufacturing Co., Ltd.		N.D.	N.D.	0.105	0.017	
Hakui Murata Manufacturing Co., Ltd., Togi Site		0.146	0.109	0.253	0.188	
Toyama Murata Manufacturing Co., Ltd.		N.D.	N.D.	-	-	Cleanup completed
Murata Electronics North America State College Operation		Trichloroethylene (0.005 max.)		Cis-1,2-dichloroethylene (0.07 max.)		
		0.014	0.008	0.037	0.020	*

(1) Data are average values from April 2004 to March 2005 and from April 2005 to March 2006.

(2) Data show the average values for downstream groundwater in all wells drilled along the border of a site.

(3) We established the apprehended area in order to prevent migration of pollutants beyond the site, and are undertaking remediation efforts.

(4) "N.D. (Not detectable)" means the measured quantity is below the lower limit of detection.

(5) "*" indicates that the site is deemed free from contamination.

* Murata Electronics' North America State College Operation was sold to a company on December 30, 2005.

Responsibility for remediation measures was taken over by said company, following deliberations between the company and Murata. Accordingly, this document does not cover the report on the state of groundwater remediation in fiscal 2006, and onward will not in future.

Costs for Soil and Groundwater Remediation

CSR Report P.32

(Unit: Millions of yen)

	Non-consolidated	Consolidated
Total until FY2005	1,077	7,600
Estimate for FY2006 and after*	571	3,556
Total	1,648	11,156

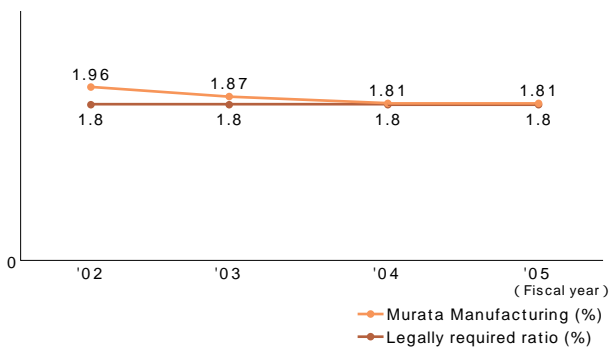
* Note: Amount allocated as reserve credit is result of trial calculation of full cost of remediation measures, up to completion of contamination cleanup.

Sites with ISO 9001, QS 9000 or ISO/TS 16949 Certification

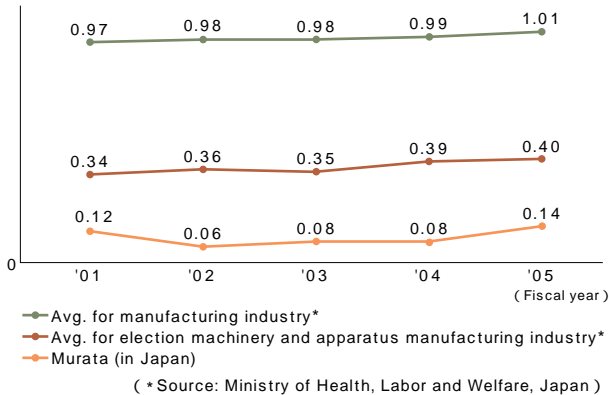
CSR Report P.35

Plant	Target Standard	Date Accredited
Asuwa Electronics Industries, Ltd.	ISO9001	1992.11.25
Komatsu Murata Manufacturing Co., Ltd.	ISO9001	1993.02.03
Wakura Murata Manufacturing Co., Ltd.	ISO9001	1993.04.28
Ogaki Murata Manufacturing Co., Ltd.	ISO9001	1993.12.01
	QS9000	2000.12.15
Murata Manufacturing Co., Ltd., Yasu Plant, Chemical Material Production Dept.	ISO9001	1995.06.19
Anamizu Electronics Industries, Ltd.	ISO9001	1995.07.28
Toyama Murata Manufacturing Co., Ltd.	ISO9001	1996.12.16
	ISO/TS16949	2003.08.12
Fukui Murata Manufacturing Co., Ltd. (incl. Miyazaki Plant)	ISO9001	1997.04.02
Izumo Murata Manufacturing Co., Ltd.	ISO9001	1997.07.25
	QS9000	
Sabae Murata Manufacturing Co., Ltd.	ISO9001	1997.08.14
	ISO/TS16949	2004.08.02
Murata Manufacturing Co., Ltd., Yasu Plant, Components Division 3, Semiconductor Product Dept.	ISO9001	1997.10.21
Azumi Murata Manufacturing Co., Ltd.	ISO9001	1997.11.06
	QS9000	
Himi Murata Manufacturing Co., Ltd.	ISO9001	1997.12.01
	ISO/TS16949	2005.11.08
Murata Manufacturing Co., Ltd., Yokaichi Plant	ISO9001	1998.03.31
	ISO/TS16949	2005.11.08
Kanazawa Murata Manufacturing Co., Ltd. (incl. Nishikanazawa Plant)	ISO9001	1998.04.16
	ISO/TS16949	2006.02.14
Okayama Murata Manufacturing Co., Ltd.	ISO9001	1998.07.01
	QS9000	
Kanazu Murata Manufacturing Co., Ltd. (incl. Natsume Plant)	ISO9001	1998.07.01
Hakui Murata Manufacturing Co., Ltd.	ISO9001	1999.02.11
	ISO/TS16949	2005.11.08
Iwami Murata Electronics Co., Ltd.	ISO9001	1999.03.29
	QS9000	
Tome Murata Electronics Co., Ltd.	ISO9001	2002.06.10
	QS9000	
Fukui Murata Manufacturing Co., Ltd. (incl. Miyazaki Plant)	ISO/TS16949	2003.09.25
Murata Electronics (UK) Ltd.	ISO9001	1992.10.27
Murata Electronics B.V. (Netherlands)	ISO9001	1992.12.01
	QS9000	
Murata Elektronik Handels GmbH (Germany)	ISO9001	1993.04.15
Murata Electronique SAS (France)	ISO9001	1993.04.15
Murata Elettronica S.p.A. (Italy)	ISO9001	1993.04.23
Murata Electronics Switzerland AG	ISO9001	1993.06.15
Murata Amazonia Industria E Comercio Ltda. (Brazil)	ISO9001	1998.07.28
Taiwan Murata Electronics Co., Ltd.	ISO9001	1993.11.26
Murata Electronics (Malaysia) Sdn. Bhd.	ISO9001	1997.02.28
Murata Electronics (Thailand), Ltd.	ISO9001	1998.03.17
	ISO/TS16949	2005.02.17
Murata Electronics North America, Inc. (Smyrna)	ISO9001	1998.09.11
Beijing Murata Electronics Co., Ltd. (China)	ISO9001	1998.12.10
Wuxi Murata Electronics Co., Ltd. (China)	ISO9001	1999.05.12
	ISO/TS16949	2004.12.10
Murata Electronics Singapore (Pte.) Ltd.	ISO9001	1999.11.03
	ISO/TS16949	2003.09.30
Suzhou Murata Electronics Co., Ltd. (China)	ISO9001	2003.08.02

Ratio of Disabled Persons' Employment CSR Report P.37



Frequency Rate of Work-related Injuries and Deaths CSR Report P.40



Employees who Were Re-employed CSR Report P.38
(Unit: Persons)

System name	FY2002	FY2003	FY2004	FY2005
Re-employment system	7	17	13	9

Employees who Took Childcare/family Care Leaves (Murata in Japan) CSR Report P.37 (Unit: Persons,%)

System name	FY2002	FY2003	FY2004	FY2005
Family care leave	4	11	13	14
Leave after childbirth	197	203	171	197
Childcare leave (Figure in parentheses indicates the rate of leave-taking*)	191 (97%)	189 (93%)	162 (95%)	182 (92%)
Employees who left the Company due to childbirth	7	19	12	8

Donations for Disaster Victims CSR Report P.42

Month/Year	Description	Amount
September 2005	Monetary relief for victims of Hurricane Katrina*	¥7.62 million
November 2005	Monetary relief for victims of Northern Pakistan Earthquake	¥0.5 million

* Breakdown of monetary relief for victims of Hurricane Katrina
 Murata Electronics North America Inc.: ¥3.98 million
 Donations by employees of Murata Electronics North America: ¥1.14 million
 Murata Manufacturing Co., Ltd.: ¥2.50 million

Level-based Training

CSR Report P.39

	Name of training	Days or sessions	Course Trainings per year	Trainees
Rank-and-file level	Collective training for new employees when they first join the Company	6	1	145
	Introductory training for new employees (engineers)	1	1	121
	Basic education on electric/electronic components for new employees (clerical staff)	2	1	35
	Follow-up training for new general employees	1	1	40
	Introduction to business-related laws and contracts	1	4	119
	Management simulation training	2	5	136
	Training for employee hired midway through the year	2	1	23
	OJT instructor training	1	4	85
	Career design training for female employees	2	1	8
	Mid-level employee training	2	6	183
	Core leader training	2	9	220
	Training through cross-industrial exchanges	3	4	42
	Newly appointed subsection chief training	2	7	160
Management level	Development and design management training	2	1	14
	Management review training	3	5	126
	Newly appointed admin staff training	4	1	87
	Training on management of workplaces and staff members	2	2	57
	Training for tackling self-imposed challenges	2	23	528
	Follow-up training for newly appointed admin staff	2	3	51
	Business framework training for managerial level	2	1	19
	Newly appointed manager training	2	1	14
Outside dispatch	Training for persons in charge of merit rating	1	9	170
	Overseas local manager training	5	3	40
Outside dispatch	MOT graduate schools and business schools			17

Function-based Training

CSR Report P.39

Classification	Courses	Trainees
Technical training	63	1403
Quality control	42	2114
Product safety	6	833
Environment	2	2187
Production supervision	12	387
Equipment safety	64	1245
Machinery measurement and design	2	248
IE and VE	2	59
Information technology	27	722
Intellectual property	5	479
Safety and sanitation	8	580
Sales and marketing	11	250
Legal affairs and compliance	3	313
International operations	13	277
Personnel affairs	2	16
Others	9	336

Other Training

CSR Report P.39

Classification	Sessions per year	Trainees
Lectures by internal staff (awareness raising program for engineers, et al.)	19	760
Lectures by outside lecturers (on technical trends, marketing, etc.)	34	2464
Training on sexual harassment	1	305
Training on mental health	2	80

Comparison with GRI Guidelines

Guideline Indicator	CSR Report	PD
1 Vision and Strategy		
1.1 Statement of the organization's vision and strategy	P 3-4	
1.2 Statement from the CEO (or equivalent senior manager)	P 3-4	
2 Profile		
Organizational Profile		
2.1 Name of reporting organization	P 5	
2.2 Major products and/or services	P 5	
2.3 Operational structure of the organization	P 5	
2.4 Description of major divisions, subsidiaries, etc.	P 6	
2.5 Countries in which the organization's operations are located	P 5	
2.6 Nature of ownership (legal form)	P 5	
2.7 Nature of markets served	P 5, P 17	
2.8 Scale of the reporting organization	P 5, P 17	
2.9 List of stakeholders, key attributes of each, and relationship to the reporting organization	P 16	
Report Scope		
2.10 Contact person(s) for the report	P 46	
2.11 Reporting period	P 1	
2.13 Boundaries of report	P 1	
Report Profile		
2.18	P 17-18, P 22	P 5-6
2.20	P 1, P 45	
2.22	P 1	
3 Governance Structure and Management Systems		
Structure and Governance		
3.1	P 13	
3.4	P 13	
3.6	P 14, P 21	
3.7	P 14, P 19	
Stakeholder Engagement		
3.9	P 16	
Overarching Policies and Management Systems		
3.13	P 15, P 26, P 31	
3.16	P 27, P 36, P 41	
3.19	P 20	P 3
3.20	P 21, P 35	P 4, P 12
4 GRI Content Index		
4.1		P 14

Guideline Indicator	CSR Report	PD
5 Performance Indicators		
Systemic indicators	P 40	P 12
Cross-cutting indicators	P 28	P 7
Economic Performance Indicators		
Customers	EC 1	P 5, P 17
	EC 2	P 17
Public Sector	EC 10	P 18, P 13
Environmental Performance Indicators		
Materials	EN 1	P 23-24
Energy	EN 3	P 23-24
	EN 17	P 28, P 11-12
	EN 19	P 25, P 33
Water	EN 5	P 23-24
Emissions, Effluents and Waste	EN 8	P 23-24, P 28
	EN 10	P 23-24
Products and Services	EN 14	P 25-26
Transport	EN 34	P 33
Overall	EN 35	P 5-6, P 11
Social Performance Indicators		
Employment	LA 1	P 17
	LA 12	P 37, P 13
Health and Safety	LA 5	P 40, P 13
Training and Education	LA 9	P 13
	LA 16	P 38, P 39
	LA 17	P 38, P 39
Diversity and Opportunity	LA 10	P 37
Strategy and Management	HR 1	P 37
Non-discrimination	HR 4	P 37
Child Labor	HR 6	P 37
Forced and Compulsory Labor	HR 7	P 37
Disciplinary Practices	HR 9	P 14
	HR 10	P 14
Community	SO 1	P 42-44
	SO 4	P 44
Competition and Pricing	SO 7	P 41
Respect for Privacy	PR 3	P 15

The Global Reporting Initiative (GRI) was launched in 1997 as a joint initiative of the U.S. non-governmental organization Coalition for Environmentally Responsible Economies (CERES) and the United Nations Environment Programme (UNEP), with the goal of enhancing the quality, rigor, and utility of sustainability reporting. The GRI guidelines are a framework for reporting on an organization's sustainability performance, which can be applied worldwide, and created by opinions from a variety of stakeholders, including businesses, non-profit advocacy groups, accounting bodies, investor organizations, trade unions, and many more.

「Sustainability Reporting Guidelines 2002」▶ <http://www.globalreporting.org/guidelines/2002/2002Japanese.pdf>

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