

Consolidated Financial Flash Report (September 30, 2007)

Date: October 30, 2007

Company Name : Murata Manufacturing Co., Ltd.

Listing Code : 6981

(URL <http://www.murata.com/>)

Phone : (075) 955-6511

Stock Exchange Listings:

Tokyo Stock Exchange

Osaka Securities Exchange

Stock Exchange of Singapore

1. Financial results for the six months ended September 30, 2007

(1) Operating results

	Net sales		Operating income		Income before income taxes		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2007	304,948	10.0	58,777	8.6	60,727	6.8	37,965	12.2
Six months ended Sep. 30, 2006	277,155	21.1	54,118	42.9	56,884	44.6	33,843	36.5
Year ended Mar. 31, 2007	566,805		113,365		118,003		71,309	

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended Sep. 30, 2007	171.01	170.97
Six months ended Sep. 30, 2006	152.50	152.47
Year ended Mar. 31, 2007	321.29	321.22

*1 Equity in net income of affiliated companies: Yen (0) million for the six months ended September 30, 2006 and Yen (1) million for the year ended March 31, 2007.

*2 Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income are the growth ratios against the previous term.

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2007	1,053,247	849,914	80.7	3,828.28
As of Sep. 30, 2006	952,827	780,799	81.9	3,518.08
As of Mar. 31, 2007	1,014,965	822,893	81.1	3,707.02

(3) Cash flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Six months ended Sep. 30, 2007	54,400	(43,168)	(11,834)	106,048
Six months ended Sep. 30, 2006	52,294	(75,612)	(8,705)	94,741
Year ended Mar. 31, 2007	116,111	(124,842)	(13,777)	106,155

2. Dividends (Year ended March 31, 2007 and the year ending March 31, 2008)

	Cash dividends per share		
	Interim	Year-end	Annual
	Yen	Yen	Yen
2007	40.0	50.0	90.0
2008	50.0	-	100.0
2008 (Projected)	-	50.0	

3. Projected financial results for the year ending March 31, 2008 (Consolidated basis)

	Net sales		Operating income		Income before income taxes		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2008	635,000	12.0	122,000	7.6	127,000	7.6	78,000	9.4	351.34

*Percentages in the fields of Net sales, Operating income, Income before income taxes and Net income are the growth ratio against the previous year.

4. Other

(1) Changes in scope of consolidation : None

(2) Changes in accounting : None

(3) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares as of September 30, 2007, 225,263,592 shares as of September 30, 2006 and 225,263,592 shares as of March 31, 2007.

Number of treasury stock: 3,254,140 shares as of September 30, 2007, 3,324,723 shares as of September 30, 2006 and 3,281,042 shares as of March 31, 2007.

*See "Amounts per Share" for the average common shares outstanding, which is the basis of computation of earnings per share.

[Reference] Financial Results on Parent Company Basis

1. Financial results for the six months ended September 30, 2007

(1) Operating results

	Net sales		Operating income		Income before income taxes and extraordinary item		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2007	260,895	8.1	17,262	(7.0)	28,953	(1.8)	22,341	4.1
Six months ended Sep. 30, 2006	241,436	21.8	18,555	48.0	29,487	44.3	21,459	37.0
Year ended Mar. 31, 2007	490,642		37,966		60,388		44,836	

	Basic earnings per share
	Yen
Six months ended Sep. 30, 2007	100.64
Six months ended Sep. 30, 2006	96.70
Year ended Mar. 31, 2007	202.01

* Percentages in the fields of Net sales, Operating income, Income before income taxes and extraordinary item, and Net income are the growth ratios against the previous term.

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2007	548,998	439,650	80.1	1,980.32
As of Sep. 30, 2006	521,783	414,298	79.4	1,866.73
As of Mar. 31, 2007	535,647	428,931	80.1	1,932.27

* Shareholders' equity : Yen 439,650 million for the six months ended September 30, 2007, Yen 414,298 million for the six months ended September 30, 2006 and Yen 428,931 million for the year ended March 31, 2007.

2. Projected financial results for the year ending March 31, 2008 (Parent Co. basis)

	Net sales		Operating income		Income before income taxes and extraordinary item		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2008	535,000	9.0	36,000	(5.2)	58,500	(3.1)	45,000	0.4	202.69

*Notes to the projected financial results

The above projections were prepared based on estimates using information currently available.

Actual results may differ from the projections. For assumptions and other information regarding the projections, refer to "Business Results and Financial Position".

Business Results and Financial Position

(from April 1, 2007 through September 30, 2007)

(1) Business Results

1. Overall market situation

During the period under review, the global electronic market enjoyed a significant growth in demand for electronic components, due to vibrant developments in the production of major products such as mobile phones, personal computers, and digital AV equipment. The functional sophistication of electronic equipment also contributed to the upward trend.

Looking at the market environment segmented by application, the key mobile phone segment within the communication equipment market marked an increase in demand in advanced countries for sophisticated terminals such as third-generation phones. Demand for mobile phones continued to run strong in China, India, and other emerging economies. In the market for computers and peripheral equipment, demand for notebook computers and peripherals remained strong. In the AV equipment market, sales of flat-panel TVs and game consoles were brisk. The automotive electronics market was highlighted by a growing use of electronics in automobiles.

The Murata Group responded to this market environment by aggressively increasing production capacity for key products to deal with growing demand, while focusing on improving customer service. To cope with falling product prices, we improved profitability and strengthened the business base by further developing cost reduction activities such as productivity improvement, while pushing forward with the commercialization of new, high-value added products.

2. Overall performance

The Group results for the period under review are as follows:

[Net sales]

Net sales increased 10.0% year on year to 304,948 million Yen.

The contribution of electronic components, which represent the Group's core business, amounted to 303,939 million Yen. By region, our business in Asia was highlighted by a dramatic growth in the sales of components for AV equipment, communication equipment and computers and peripheral equipment in China, and a substantial increase in demand for AV equipment, and computers and peripheral equipment in the ASEAN countries. As a result, net sales in the Asia and Others market grew 14.1% year on year to 168,006 million Yen. Net sales in Japan rose 6.9% year on year to 74,487 million Yen, mainly due to the sales growth in components for AV equipment and communication equipment. Sales of components for communication equipment and computers and peripheral equipment increased in the Americas, with net sales from this geographic segment rising 11.6% to 25,380 million Yen. In Europe, sales declined 1.2% to 36,066 million Yen, owing to the drop in sales of components for communication equipment.

[Operating income]

Operating income increased 8.6% year on year to 58,777 million Yen, compared to the 10.0% growth of net sales.

Higher net sales, the ongoing introduction of new products, initiatives to reduce the cost of goods sold through cost cutting activities, and the weakening of the yen against the U.S. dollar—an average depreciation of 3.95 Yen compared to the same period of the previous fiscal year—, were overshadowed by the negative effects of price declines and increase of depreciation expenses due to the increase of capital investment to deal with the rising demand.

[Net income before income taxes and net income]

Income before income taxes increased 6.8% from the previous first half to 60,727 million Yen.

Net income increased 12.2% year on year to 37,965 million Yen.

3. Sales by Product Category

Net sales by product category for the period under review compared with the six months ended September 30, 2006 are as follows:

[Capacitors]

This capacitor category includes monolithic ceramic capacitors, ceramic disc capacitors, and trimmer capacitors.

In the period under review, chip monolithic ceramic capacitors, the main product in this category, showed very strong sales, as large-capacitance products grew sharply in all applications including AV equipment, communication equipment, and computers and peripheral equipment. Small-sized products also marked a significant sales growth in applications for communication equipment. On the other hand, sales of application-specific capacitors for computers and peripheral equipment declined.

As a result, overall net sales increased 21.2% year on year to 124,177 million Yen.

[Piezoelectric Components]

The piezoelectric components category includes SAW (Surface Acoustic Wave) filters, ceramic resonators, piezoelectric sensors, ceramic filters and piezoelectric buzzers.

In the period under review, sales of SAW filters for use in communication equipment grew well above the figures for the previous first half. In piezoelectric sensors, sensors for shock-detection use in HDDs and sales of ultrasonic sensors for car electronics increased. Sales of ceramic resonators for use in computers and peripheral products suffered a decline. Ceramic filters for use in AV equipment and communication equipment also dropped in sales. As a result, overall sales posted a year-on-year growth of 16.2%, to 45,301 million Yen.

[Microwave Devices]

These devices include short-range wireless communication modules (including Bluetooth[®] modules), multilayer ceramic devices, connectors, isolators and dielectric filters.

In the period under review, sales of multilayer ceramic devices, connectors, and isolators for communication equipment increased sharply. In contrast, there was a significant decline in the sales of short-range wireless communication modules for communication equipment.

As a result, overall net sales dropped 15.9% year on year, to 50,409 million Yen.

[Module Products]

This product category includes power supplies and circuit modules.

In the period under review, sales of power supplies grew substantially, primarily in those for AV equipment such as flat-panel TVs and computers and peripheral equipment. In the circuit modules product line, sales of terrestrial digital tuners for mobile phones and modules for communication equipment increased sharply.

As a result, overall net sales increased 18.6% year on year to 33,290 million Yen.

[Other Products]

Other products include EMI suppression filters, coils, sensors, and resistors.

In the period under review, sales of EMI suppression filters for AV equipment increased. Sales of chip coils grew sharply, due to strong demand for communication equipment. Among sensors, gyroscopes for use in AV equipment posted an substantial increase in sales.

As a result, overall net sales posted a 8.4% year on year increase to 50,762 million Yen.

Note: Bluetooth[®] is a registered trademark of Bluetooth SIG, Inc. of the United States.

(2) Financial position

Total assets as of September 30, 2007 increased 38,282 million Yen from March 31, 2007 to 1,053,247 million Yen. Liquidity in hand (cash, time deposits, and marketable securities) declined 31,869 million Yen from the end of the previous fiscal year to 395,588 million Yen. Notes and accounts receivable rose 12,654 million Yen and inventories increased 15,075 million Yen. Property, plant and equipment climbed 36,180 million Yen.

Shareholders' equity increased 27,021 million Yen compared to the end of last year. However, due to the large increase in total assets, the shareholders' equity ratio dropped 0.4 percentage points from March 31, 2007 to 80.7%.

[Net cash provided by operating activities]

Funds provided by operating activities increased 2,106 million Yen from the six months ended September 30, 2006 to 54,400 million Yen.

In the period under review, net income, the major source of cash flow, increased 4,122 million Yen to 37,965 million Yen, while depreciation and amortization also grew, by 6,892 million Yen to 28,763 million Yen. Cash inflow from trade notes and accounts receivables, and accrued expenses increased 13,623 million Yen, and cash outflow from trade notes and accounts payable, and payment of income taxes increased 22,068 million Yen.

[Net cash used in investing activities]

Net cash used in investing activities decreased 32,444 million Yen from the six months ended September 30, 2006 to 43,168 million Yen.

In the period under review, capital expenditures rose 19,729 million Yen to 61,639 million Yen. Investment funds related to marketable securities decreased 48,444 million Yen. The payment for the acquisition of subsidiaries decreased 5,936 million Yen.

[Net cash used in financing activities]

Funds spent on financing activities increased 3,129 million Yen from the six months ended September 30, 2006 to 11,834 million Yen.

In the period under review, dividend payments increased by 2,223 million Yen to 11,099 million Yen.

(3) Projected results for the year ending March 31, 2008

The projected results for the year ending March 31, 2008, as announced in April, 2007, has been revised as per the table below:

[Consolidated Projections for the Year ending March 31, 2008]

	Revised Projections (millions of Yen)	Growth ratio against the previous year (%)	Previous Projections Announced in April, 2007 (millions of Yen)
Net sales	635,000	12.0	615,000
Operating income	122,000	7.6	122,000
Income before Income taxes	127,000	7.6	127,000
Net income	78,000	9.4	78,000

In the year ending March 31, 2008, we expect the demand for electronic components to remain high for applications such as AV equipment, mobile phones, and computers and peripherals. Furthermore, increase of sales is expected due to the acquisition of the Power Electronics Division of C&D Technologies, Inc.(US) —currently operating as the “Murata Power Solutions” group—in August 2007. As a result, we have raised the previous net sales forecast for the year ending March 31, 2008 by 20,000 million Yen.

The projections for the incomes have not been changed from the April projections.

The projections are based on the assumed exchange rates of Yen 113 per US\$ and Yen 160 per Euro for the second half of the year ending March 31, 2008.

As for the capital expenditure, we were previously planning 100,000 million Yen for the year ending March 31, 2008. However, to strengthen our production capacity even more and to promote the development of new products, we are revising our capital expenditure plan to 120,000 million Yen. The major purposes of our capital expenditure are the bolstering of production capacity of new products and products expecting rising demands, construction of production facilities, cost reduction, and research and development.

(4) Basic policy on profit distribution, and dividends for the year ending March 31, 2008

Murata's basic policy of profit distribution to shareholders is to prioritize the sharing of gains through payment of dividends, and to steadily raise them by increasing profit per share, while enhancing Murata's long-term corporate value and strengthening its corporate structure. In accordance with this policy, our dividends are determined after comprehensively considering our business performance and dividend payout ratio on a consolidated basis, as well as the accumulation of internal reserves necessary for reinvestment to ensure future development. We also repurchase our own shares wherever appropriate to improve capital efficiency in

response to changes in our business environment.

In light of the operating results and earnings retention for the six-month period under review, we will follow through with the plans at the beginning of the year to pay an interim dividend of 50 Yen per share.

The year-end dividend per share will be the same as the interim amount. This means that the total annual dividend payment per share will be 100 Yen, an increase of 10 Yen compared with the previous year. These figures reflect our view of the current business environment and our projections for the present term.

[Cautionary Statement on Forward-looking Statements]

This report contains forward-looking statements concerning Murata Manufacturing Co., Ltd. and its Group companies' projections, plans, policies, strategies, schedules, and decisions. These forward-looking statements are not historical facts; rather, they represent the assumptions of the Murata Group based on information currently available and certain assumptions we deem as reasonable. Actual results may differ materially from expectations due to various risks and uncertainties. Readers are therefore requested not to rely on these forward-looking statements as the sole basis for evaluating the Group. The Company has no obligation to revise any of the forward-looking statements as a result of new information, future events or otherwise.

Risks and uncertainties that may affect actual results include, but are not limited to, the following: (1) economic conditions of the Company's business environment, and trends, supply-demand balance, and price fluctuations in the markets for electronic equipment and components; (2) price fluctuations and insufficient supply of raw materials; (3) exchange rate fluctuations; (4) the Group's ability to provide a stable supply of new products that are compatible with the rapid technical innovation of the electronic components market and to continue to design and develop products and services that satisfy customers; (5) changes in the market value of the Group's financial assets; (6) drastic legal, political, and social changes in the Group's business environment; and (7) other uncertainties and contingencies.

Murata Manufacturing Co., Ltd. and Subsidiaries

The main business of Murata Manufacturing Co., Ltd. (the Company) and its subsidiaries (together the Companies) is the development, manufacturing and sales of electronic components and related products, such as capacitors, piezoelectric components, microwave devices and module products.

Net sales, Operating income, and Assets in the main business comprise almost 100% of the corresponding amounts in the Consolidated Financial Statements.

The relationships among the Companies in the segment of "manufacturing and sales of electronic components" as of September 30, 2007 are as follows.

[Manufacturing and sales of electronic components]

Murata Manufacturing Co., Ltd. (the Company)

The Company manufactures semi-finished products for various electronic components and supplies them to its manufacturing subsidiaries in Japan and abroad.

The Company also sells finished products, which are manufactured by the Companies, to customers in Japan and abroad, and to its sales subsidiaries.

Subsidiaries in Japan

The Company's manufacturing subsidiaries in Japan purchase semi-finished products from the Company, complete the manufacturing into finished products, and resell them to the Company, who sells them to its customers.

The Company's sales subsidiary in Japan sells finished products, which are manufactured by the Companies, to customers in Japan with small lot orders.

Overseas subsidiaries

The Company's overseas manufacturing subsidiaries purchase semi-finished products from the Company, complete the manufacturing into finished products and sells the products mainly to overseas customers and overseas sales subsidiaries.

The Company's overseas sales subsidiaries sell finished products, which are manufactured by the Companies.

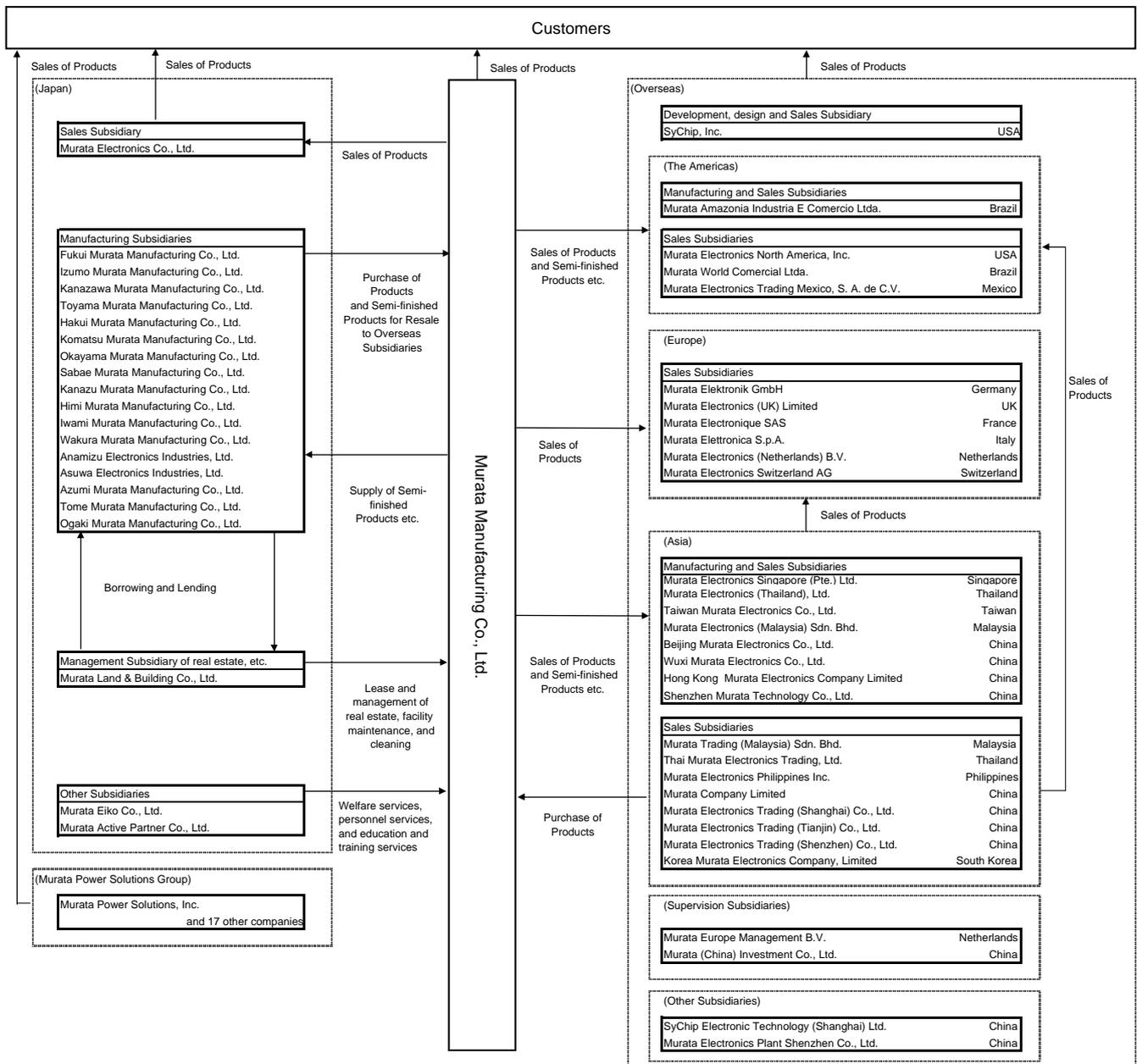
The supervision subsidiaries conduct market research activities in their corresponding areas, and supervises the Company's subsidiaries located in the areas.

In order to cope with the increase in demand for power supplies in South China, Murata Electronics Plant Shenzhen Co., Ltd. was established in August, 2007.

The Companies completed the acquisition of the Power Electronics Division of C&D Technologies, Inc. on August 31, 2007(EDT). The Power Electronics Division is currently operating under the name of "Murata Power Solutions" (hereinafter "MPS"). MPS, which the main company is Murata Power Solutions, Inc. of the United States, develops, manufactures, and sells power supplies including DC/DC converters, AC/DC power supplies, and other transformers.

[Others]

Eight subsidiaries provide the following services: welfare services, personnel services, education and training services, management of funds for the Companies, lease and management of real estate, facility maintenance and cleaning, etc.



* Other than the companies shown above, there are five consolidated subsidiaries.

Murata's Fundamental Management Policy

(1) Murata's fundamental management policy

"New quality electronic equipment begins with new quality components, and new quality components begin with new quality materials." Based upon this fundamental corporate principle, Murata pursues excellence in a broad range of technical disciplines from basic to advanced future technology. In so doing, we develop and supply distinctive and innovative products, with the ultimate goal of contributing toward the advancement in the electronic society. We focus on the research and development of technological elements including electronic materials technology (e.g., ceramic materials), circuit design technology, processing technology (e.g., thin-film and micro-fabrication technology), and development technology for production equipment. By intelligently combining the achievements from these efforts, we create monolithic ceramic capacitors, ceramic piezoelectric products, noise suppression components, microwave devices, circuit modules, and other electronic components. These are indispensable for a range of electronic equipment from communication and information/computer-related devices to game consoles.

(2) Medium- and long-term management strategy

The markets for wireless communication equipment as well as information and computer-related equipment, automotive electronics, and digital AV equipment are expected to grow even further in the future. Defining these markets as its key targets, Murata will intensively funnel its resources into key technologies, such as materials, microwave, circuit design, and processing technology, and will further strengthen its arrangements for the swift development, production, and distribution of new products that accommodate the downsizing and functional sophistication of electronic equipment.

In keeping with the increasing globalization of the electronic industry, we will also avoid relying on business in specific regions. Instead, we will develop and upgrade our distribution network in all major regions. We also aim to establish local production in markets where demand is particularly great.

To cope with the rapid changes taking place globally in the business environment, we will make better use of information technology to ensure even higher business efficiency and faster decision-making.

(3) Challenges facing the company

Many segments of the world's market for electronic equipment are expected to grow further. Reasons for this include the increasing use of third-generation cellular phone services and digital terrestrial broadcasting services in advanced countries, the further growth in demand for mobile phones in emerging economies, the increase in the use of short-range wireless communication systems such as wireless LAN and Bluetooth[®], the functional sophistication of personal computers, the dissemination of LCD TVs, portable media players, game consoles, and other digital AV equipment, and the growing use of electronics in automobiles. The increasing digitalization and functional sophistication of electronic equipment is rapidly increasing demand for electronic components as well.

In keeping with the increase in demand, Murata is aggressively enhancing its production capacity. At the same time, production facilities are under construction at key Japanese locations to cope with the projected growth in demand in the medium- and long- term. Murata is also planning to purchase the land and building in Izumi-ku of Sendai City in Japan, in order to match the growing demand of high-frequency SAW filters. In the fast-growing market of China, Murata is taking steady steps to expand and enhance its production activities of chip monolithic ceramic capacitors and power supplies.

To ensure sustainable growth in the long term, Murata is also striving to expand its business area by continually creating new products and effectively making use of outside resources. We are actively exploiting our technological ability to develop and commercialize new products in anticipation of future customer needs. These products include large-capacitance and small-size chip monolithic ceramic capacitors, as well as microwave filters, sensors, antennas, and short-range wireless communication modules. We are also vigorously promoting the acquisition and partnering with other companies. For example, Murata acquired the Power Electronics Division of C&D Technologies, Inc. in August 2007. We believe the acquisition will greatly contribute to filling out our product line-up and entering new markets for our power supply business. We have also formed a business partnership to start the lithium-ion secondary battery business.

Where corporate social responsibility is concerned, Murata published the “Murata Group CSR Report 2007”. The Report gives environmental, economic, and social perspectives on the activities of the Group both inside and outside Japan, and includes our basic policies, main efforts, achievements, and future plans. We are promoting corporate governance, risk management, and compliance within the Group, and by strengthening the internal control system, we intend to ensure the effectiveness of the company’s operation.

Note: Bluetooth® is a registered trademark of Bluetooth SIG, Inc. of the United States.

Consolidated Balance Sheets (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Consolidated Balance Sheets (Assets)

	Millions of Yen					
	As of Sep. 30, 2006		As of Sep. 30, 2007		As of Mar. 31, 2007	
		%		%		%
Assets	952,827	100.0	1,053,247	100.0	1,014,965	100.0
Current assets	653,393	68.6	669,727	63.6	672,912	66.3
Cash	25,986		34,313		29,133	
Time deposits	68,755		72,895		77,903	
Marketable securities	331,895		288,380		320,421	
Trade notes receivable	8,067		7,086		7,347	
Trade accounts receivable	117,462		134,811		121,896	
Allowance for doubtful notes and accounts	(1,464)		(1,795)		(1,810)	
Inventories	75,803		101,149		86,074	
Deferred income taxes	19,729		23,245		22,889	
Prepaid expenses and other	7,160		9,643		9,059	
Property, plant and equipment	252,624	26.5	320,124	30.4	283,944	28.0
Land	40,909		41,361		41,107	
Buildings	210,418		234,798		225,310	
Machinery and equipment	451,882		510,328		480,449	
Construction in progress	22,077		40,049		25,519	
Accumulated depreciation	(472,662)		(506,412)		(488,441)	
Investments and other assets	46,810	4.9	63,396	6.0	58,109	5.7
Investments	18,193		14,876		17,122	
Deferred income taxes	5,620		6,557		6,442	
Long - term receivables, advances and other	22,997		41,963		34,545	
Total assets	952,827	100.0	1,053,247	100.0	1,014,965	100.0

Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

	Millions of Yen					
	As of Sep. 30, 2006		As of Sep. 30, 2007		As of Mar. 31, 2007	
		%		%		%
Liabilities	172,028	18.1	203,333	19.3	192,072	18.9
Current liabilities	114,064	12.0	140,942	13.4	131,520	12.9
Short-term borrowings	8,900		12,998		13,114	
Trade notes payable	5,452		4,590		4,380	
Trade accounts payable	29,205		33,364		33,723	
Accrued payroll and bonuses	19,930		22,262		20,806	
Income taxes payable	22,242		19,509		29,465	
Accrued expenses and other	28,335		48,219		30,032	
Long-term liabilities	57,964	6.1	62,391	5.9	60,552	6.0
Long-term debt	25		20		24	
Termination and retirement benefits	46,804		41,441		40,390	
Deferred income taxes	10,456		20,301		19,452	
Other	679		629		686	
Shareholders' equity	780,799	81.9	849,914	80.7	822,893	81.1
Common stock	69,377		69,377		69,377	
Capital surplus	102,306		102,401		102,363	
Retained earnings	626,652		682,106		655,240	
Accumulated other comprehensive income (loss) :	972		14,163		14,189	
Unrealized gains on securities	5,552		4,554		5,368	
Minimum pension liability adjustments	(571)		-		-	
Pension liability adjustments	-		7,617		8,466	
Unrealized gains (losses) on derivative instruments	(194)		13		(29)	
Foreign currency translation adjustments	(3,815)		1,979		384	
Treasury stock, at cost	(18,508)		(18,133)		(18,276)	
Total liabilities and shareholders' equity	952,827	100.0	1,053,247	100.0	1,014,965	100.0

Consolidated Statements of Income

	Millions of Yen					
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007		Year ended Mar. 31, 2007	
		%		%		%
Net sales	277,155	100.0	304,948	100.0	566,805	100.0
Cost of sales	164,380	59.3	184,538	60.5	335,869	59.3
Selling, general and administrative	38,348	13.9	42,156	13.8	78,901	13.9
Research and development	20,309	7.3	19,477	6.4	38,670	6.8
Operating income	54,118	19.5	58,777	19.3	113,365	20.0
Interest and dividend income	1,803	0.7	2,457	0.8	3,898	0.7
Interest expense	(130)	(0.0)	(256)	(0.1)	(342)	(0.1)
Foreign currency exchange loss	(320)	(0.1)	(872)	(0.3)	(1,908)	(0.3)
Other - net	1,413	0.4	621	0.2	2,990	0.5
Income before income taxes	56,884	20.5	60,727	19.9	118,003	20.8
Income taxes	23,041	8.3	22,762	7.5	46,694	8.2
<Current>	< 23,840 >		< 21,345 >		< 48,873 >	
<Deferred>	<(799)>		< 1,417 >		<(2,179)>	
Net income	33,843	12.2	37,965	12.4	71,309	12.6

Consolidated Statements of Comprehensive Income

	Millions of Yen		
	Six months ended Sep. 30, 2006	Six months ended Sep. 30, 2007	Year ended Mar. 31, 2007
Net income	33,843	37,965	71,309
Other comprehensive income (loss), net of tax :			
Unrealized losses on securities	(440)	(814)	(624)
Minimum pension liability adjustments	(42)	-	(31)
Pension liability adjustments	-	(849)	-
Unrealized gains (losses) on derivative instruments	(161)	42	4
Foreign currency translation adjustments	834	1,595	5,033
Other comprehensive income (loss)	191	(26)	4,382
Comprehensive income	34,034	37,939	75,691

Consolidated Statements of Shareholders' Equity

(1) Six months ended September 30, 2006

	Number of common shares issued	Millions of Yen				
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance at March 31, 2006	225,263,592	69,377	102,228	601,685	781	(18,677)
Purchases of treasury stock at cost						(19)
Exercise of stock options			25			188
Stock-based compensation expense			53			
Net income				33,843		
Cash dividends, Yen 40.00 per share				(8,876)		
Other comprehensive income, net of tax					191	
Balance at September 30, 2006	225,263,592	69,377	102,306	626,652	972	(18,508)

(2) Six months ended September 30, 2007

	Number of common shares issued	Millions of Yen				
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance at March 31, 2007	225,263,592	69,377	102,363	655,240	14,189	(18,276)
Purchases of treasury stock at cost						(21)
Exercise of stock options			18			164
Stock-based compensation expense			20			
Net income				37,965		
Cash dividends, Yen 50.00 per share				(11,099)		
Other comprehensive loss, net of tax					(26)	
Balance at September 30, 2007	225,263,592	69,377	102,401	682,106	14,163	(18,133)

(3) Year ended March 31, 2007

	Number of common shares issued	Millions of Yen				
		Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance at March 31, 2006	225,263,592	69,377	102,228	601,685	781	(18,677)
Purchases of treasury stock at cost						(53)
Exercise of stock options			54			454
Stock-based compensation expense			81			
Net income				71,309		
Cash dividends, Yen 80.00 per share				(17,754)		
Other comprehensive income, net of tax					4,382	
Adjustment to initially apply FASB Statement No. 158, net of tax					9,026	
Balance at March 31, 2007	225,263,592	69,377	102,363	655,240	14,189	(18,276)

Consolidated Statements of Cash Flows

	Millions of Yen					
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007		Year ended Mar. 31, 2007	
Operating activities:						
Net income		33,843		37,965		71,309
Adjustments to reconcile net income to net cash provided by operating activities:						
Depreciation and amortization	21,871		28,763		49,817	
Losses on sales and disposals of property, plant and equipment	204		296		461	
Impairment losses on long-lived assets	-		-		428	
Gains on sales of securities	(2)		-		(143)	
Provision for termination and retirement benefits, less payments	(575)		(881)		(792)	
Deferred income taxes	(799)		1,417		(2,179)	
Changes in assets and liabilities:						
Increase in trade notes and accounts receivable	(12,235)		(8,460)		(14,186)	
Increase in inventories	(9,021)		(9,960)		(18,584)	
Increase in prepaid expenses and other	(1,287)		(18)		(3,024)	
Increase (decrease) in trade notes and accounts payable	5,343		(2,453)		8,620	
Increase in accrued payroll and bonuses	687		1,123		1,498	
Increase (decrease) in income taxes payable	4,333		(9,939)		11,490	
Increase in accrued expenses and other	6,917		16,765		9,116	
Other-net	3,015	18,451	(218)	16,435	2,280	44,802
Net cash provided by operating activities		52,294		54,400		116,111
Investing activities:						
Capital expenditures		(41,910)		(61,639)		(99,651)
Payment for purchases of investments and other		(2,034)		(3,077)		(4,437)
Net decrease (increase) in marketable securities		(16,499)		31,945		(5,072)
Increase in long-term deposits		-		(2,000)		(1,000)
Proceeds from sales of property, plant and equipment		207		336		374
Proceeds from sales of investments		10		986		1,195
Acquisition of subsidiaries, net of cash acquired		(15,387)		(9,451)		(15,390)
Increase in time deposits		-		(280)		(881)
Other		1		12		20
Net cash used in investing activities		(75,612)		(43,168)		(124,842)
Financing activities:						
Net increase (decrease) in short-term borrowings		478		(892)		4,025
Repayment of long-term debt		(500)		-		(500)
Dividends paid		(8,876)		(11,099)		(17,754)
Payment for purchases of treasury stock		(19)		(21)		(53)
Proceeds from exercise of stock options		213		182		508
Other		(1)		(4)		(3)
Net cash used in financing activities		(8,705)		(11,834)		(13,777)
Effect of exchange rate changes on cash and cash equivalents		381		495		2,280
Net decrease in cash and cash equivalents		(31,642)		(107)		(20,228)
Cash and cash equivalents at beginning of period		126,383		106,155		126,383
Cash and cash equivalents at end of period		94,741		106,048		106,155
Additional cash flow information:						
Interest paid		124		252		331
Income taxes paid		19,497		31,244		37,335
Additional cash and cash equivalents information:						
Cash		25,986		34,313		29,133
Time deposits		68,755		72,895		77,903
Time deposits with the original maturities over three months		-		(1,160)		(881)
Cash and cash equivalents at end of period		94,741		106,048		106,155

	Millions of Yen		
	As of Sep. 30, 2006	As of Sep. 30, 2007	As of Mar. 31, 2007
Cash and cash equivalents at end of period	94,741	106,048	106,155
Time deposits with the original maturities over three months	-	1,160	881
Marketable securities	331,895	288,380	320,421
Liquidity in hand	426,636	395,588	427,457

Notes to Consolidated Financial Statements

1. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries: 75

Major consolidated subsidiaries:

Fukui Murata Manufacturing Co., Ltd.
Izumo Murata Manufacturing Co., Ltd.
Toyama Murata Manufacturing Co., Ltd.
Komatsu Murata Manufacturing Co., Ltd.
Kanazawa Murata Manufacturing Co., Ltd.
Okayama Murata Manufacturing Co., Ltd.
Murata Land & Building Co., Ltd.
Murata Electronics North America, Inc.
Murata Electronics Singapore (Pte.) Ltd.
Murata Company Limited

(2) Number of unconsolidated subsidiaries: None

(3) Number of affiliated companies: None

2. Changes in scope of consolidation and application of the equity method

(Consolidated subsidiaries)

Nineteen companies were newly consolidated.

Murata Electronics Plant Shenzhen Co., Ltd.
Murata Power Solutions, Inc. and 17 other companies.

3. Significant Accounting Policies

(1) Inventories

Inventories are stated at the lower of cost, which is determined principally by the average cost method, or market.

(2) Marketable securities and investments

Under SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities," the Companies classify all debt securities and marketable equity securities as available-for-sale and carry them at fair value with a corresponding recognition of the net unrealized holding gain or loss (net of tax) as a separate component of shareholders' equity. Gains and losses on sales of investments are computed on an average cost basis. Equity securities that do not have a readily determinable fair value are recorded at average cost.

(3) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment has been principally computed using the declining-balance method.

(4) Goodwill and other intangible assets

The Companies account for goodwill and other intangible assets in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets." In accordance with this statement, goodwill is not amortized and is instead tested at least annually for impairment. Intangible assets that have finite useful lives will continue to be amortized over their useful lives.

And also this statement requires that an intangible asset that is determined to have indefinite useful life will not be amortized and will be instead tested at least annually for impairment until its useful life is determined to be no longer indefinite.

(5) Termination and retirement benefits

Termination and retirement benefits, accounted for in accordance with SFAS No.87, "Employers' Accounting for Pensions," and SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R)," are provided at the amount incurred during the interim period, which is based on the estimated present value of the projected benefit obligation less the estimated fair value of plan assets at the end of the period.

The overfunded or underfunded status of defined benefit pension and other postretirement plans are recognized as an asset or liability in the statement of financial position, with an adjustment to accumulated other comprehensive income (loss).

The unrecognized prior service benefit due to certain plan amendments is being amortized on a straight-line basis over the average remaining service period of employees.

The unrecognized actuarial gains and losses in excess of ten percent of the larger of the projected benefit obligation or plan assets are being amortized over five years.

(6) Accounting for consumption taxes

Consumption taxes are separately accounted for, and are excluded from the amounts of the underlying income and expense transactions.

(7) Reclassifications

Certain items in prior periods' financial statements have been reclassified to conform to the presentation for the six months ended September 30, 2007.

Segment Information

(1) Industry Segment Information

The Companies mainly develop, manufacture and sell electronic components. Sales and Operating income (loss) for this segment represent almost 100% of the corresponding amounts in the consolidated financial statements and, therefore, "Industry Segment Information" is not disclosed.

(2) Geographic Segment Information

1) Six months ended September 30, 2006

	Millions of yen						Corporate and eliminations	Consolidated
	Japan	The Americas	Europe	Asia	Total			
Sales to :								
Unaffiliated customers	118,356	22,130	25,804	110,865	277,155	-	277,155	
Intersegment	110,581	4	0	11,612	122,197	(122,197)	-	
Total revenue	228,937	22,134	25,804	122,477	399,352	(122,197)	277,155	
Operating costs and expenses	184,523	23,843	24,722	114,523	347,611	(124,574)	223,037	
<%> *1	<19.4%>	<(7.7%)>	<4.2%>	<6.5%>	<13.0%>		<19.5%>	
Operating income (loss)	44,414	(1,709)	1,082	7,954	51,741	2,377	54,118	

*1 Ratio to total revenue

2) Six months ended September 30, 2007

	Millions of yen						Corporate and eliminations	Consolidated
	Japan	The Americas	Europe	Asia	Total			
Sales to :								
Unaffiliated customers	118,552	24,326	27,363	134,707	304,948	-	304,948	
Intersegment	127,132	8	45	13,826	141,011	(141,011)	-	
Total revenue	245,684	24,334	27,408	148,533	445,959	(141,011)	304,948	
Operating costs and expenses	200,496	22,223	25,101	139,362	387,182	(141,011)	246,171	
<%> *1	<18.4%>	<8.7%>	<8.4%>	<6.2%>	<13.2%>		<19.3%>	
Operating income	45,188	2,111	2,307	9,171	58,777	-	58,777	

*1 Ratio to total revenue

3) Year ended March 31, 2007

	Millions of yen						Corporate and eliminations	Consolidated
	Japan	The Americas	Europe	Asia	Total			
Sales to :								
Unaffiliated customers	233,284	45,858	51,713	235,950	566,805	-	566,805	
Intersegment	233,178	9	2	25,519	258,708	(258,708)	-	
Total revenue	466,462	45,867	51,715	261,469	825,513	(258,708)	566,805	
Operating costs and expenses	376,097	46,991	49,380	244,488	716,956	(263,516)	453,440	
<%> *1	<19.4%>	<(2.5%)>	<4.5%>	<6.5%>	<13.2%>		<20.0%>	
Operating income (loss)	90,365	(1,124)	2,335	16,981	108,557	4,808	113,365	

*1 Ratio to total revenue

Notes : 1. Segments are based on geographic proximity.

2. Major countries and areas included in the segments other than Japan :

(1) The Americas : USA

(2) Europe : Germany, United Kingdom, France, Italy, the Netherlands

(3) Asia : China, Singapore, Thailand

Segment Information (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(3) Overseas sales

1) Six months ended September 30, 2006

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	22,740	36,510	147,298	206,548
2. Consolidated sales				277,155
3. Ratio of overseas sales to consolidated sales	8.2%	13.2%	53.1%	74.5%

2) Six months ended September 30, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	25,380	36,066	168,006	229,452
2. Consolidated sales				304,948
3. Ratio of overseas sales to consolidated sales	8.3%	11.8%	55.1%	75.2%

3) Year ended March 31, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	46,112	70,444	305,675	422,231
2. Consolidated sales				566,805
3. Ratio of overseas sales to consolidated sales	8.2%	12.4%	53.9%	74.5%

- Notes : 1. Segments are based on geographic proximity.
 2. Major countries and areas included in the segments other than Japan :
 (1) The Americas : USA, Mexico
 (2) Europe : Germany, Hungary, Finland, Italy, United Kingdom
 (3) Asia : China, South Korea, Singapore

Marketable Securities and Investments (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Marketable Securities and Investments

The cost, gross unrealized gains, gross unrealized losses and fair value for available-for-sale securities by major security type at September 30, 2007, September 30, 2006 and March 31, 2007 were as follows:

		Millions of yen											
		September 30, 2006				September 30, 2007				March 31, 2007			
		Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	Governmental debt securities	25,539	36	10	25,565	19,814	18	9	19,823	21,617	17	16	21,618
	Private debt securities	306,513	406	589	306,330	268,873	311	627	268,557	299,015	341	553	298,803
	Current	332,052	442	599	331,895	288,687	329	636	288,380	320,632	358	569	320,421
	Equity securities	4,734	9,724	24	14,434	4,634	8,161	16	12,779	4,634	9,439	-	14,073
	Investment trusts	600	3	-	603	600	3	-	603	600	3	-	603
	Non-current	5,334	9,727	24	15,037	5,234	8,164	16	13,382	5,234	9,442	-	14,676
	Total	337,386	10,169	623	346,932	293,921	8,493	652	301,762	325,866	9,800	569	335,097

* The aggregate carrying amounts of the equity securities that do not have a readily determinable fair value at September 30, 2007, September 30, 2006, and March 31, 2007, which were valued at cost, were 1,494 million Yen, 3,156 million Yen and 2,446 million Yen, respectively. They were not included in the above schedule.

Acquisition

The Companies completed the acquisition of the Power Electronics Division of C&D Technologies, Inc.(hereinafter "C&D") on August 31, 2007(EDT). Murata North America, Inc., a wholly-owned subsidiary of the Company, acquired the stocks or the equities of the subsidiaries of C&D, which constitute the Power Electronics Division. The purchase cost was US\$87 million. The Power Electronics Division is currently operating under the name of "Murata Power Solutions" (hereinafter "MPS").

MPS, which the main company is Murata Power Solutions, Inc. of the United States, develops, manufactures, and sells power supplies including DC/DC converters, AC/DC power supplies, and other transformers. MPS commands an especially high market share for DC/DC converters. In addition to having a wide range of standard power supply products that the Company does not currently handle, MPS is strong in overseas markets that our power supply business has not been able to fully penetrate. We believe the acquisition will greatly contribute to filling out our product line-up and entering new markets for our power supply business.

Note: DC/DC converters are circuit modules that transform direct-current power to regulated direct-current voltage output.

Amounts per Share

A reconciliation of the basic and diluted earnings per share computation was as follows :

	Six months ended Sep.30, 2006			Six months ended Sep.30, 2007			Year ended March 31, 2007		
	Net income	Average common shares outstanding	Earnings per share	Net income	Average common shares outstanding	Earnings per share	Net income	Average common shares outstanding	Earnings per share
	Millions of yen	Number of shares	Yen	Millions of yen	Number of shares	Yen	Millions of yen	Number of shares	Yen
Basic	33,843	221,927,434	152.50	37,965	222,002,219	171.01	71,309	221,948,319	321.29
Dilutive effect of stock options	—	42,868		—	48,332		—	46,480	
Diluted	33,843	221,970,302	152.47	37,965	222,050,551	170.97	71,309	221,994,799	321.22

Shareholder's equity per share for the six months ended September 30, 2007, 2006 and the year ended March 31, 2007 were Yen 3,828.28, Yen 3,518.08 and Yen 3,707.02 respectively.

Flash Report (Six months ended September 30, 2007)

Selected Financial Data

Six months ended September 30, 2007 and 2006 / As of September 30, 2007 and 2006

		Consolidated Basis			Parent Co. Basis		
		2006	2007	Growth ratio	2006	2007	Growth ratio
Net sales	Millions of yen	277,155	304,948	10.0	241,436	260,895	8.1
Operating income	Millions of yen	54,118	58,777	8.6	18,555	17,262	(7.0)
Income before income taxes (and extraordinary item) *2	Millions of yen	56,884	60,727	6.8	29,487	28,953	(1.8)
Net income	Millions of yen	33,843	37,965	12.2	21,459	22,341	4.1
Total assets	Millions of yen	952,827	1,053,247	10.5	521,783	548,998	5.2
Shareholders' equity	Millions of yen	780,799	849,914	8.9	414,298	439,650	6.1
Shareholders' equity ratio	%	81.9	80.7	-	79.4	80.1	-
Basic earnings per share	Yen	152.50	171.01	12.1	96.70	100.64	4.1
Diluted earnings per share	Yen	152.47	170.97	12.1	96.68	100.61	4.1
Return on equity (ROE)	%	8.8	9.1	-	10.5	10.3	-
Shareholders' equity per share	Yen	3,518.08	3,828.28	-	1,866.73	1,980.32	-
Capital expenditures	Millions of yen	41,910	61,639	47.1	10,044	14,802	47.4
Depreciation and amortization	Millions of yen	21,871	28,763	31.5	5,143	6,348	23.4
R & D expenses	Millions of yen	20,309	19,477	(4.1)	15,663	16,203	3.4
Number of employees	*5	28,426	32,682	15.0	5,668	6,232	10.0
Average exchange rates							
Yen/US\$	Yen	115.38	119.33	-			
Yen/EURO	Yen	145.97	162.29	-			

*1 The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America.

*2 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*3 Ratio to net sales

*4 Ratio to net sales excluding revenue from services

*5 Figures in parentheses show the number of employees in overseas countries.

Projected Financial Data

The following projections were prepared based on estimates using information currently available.
Actual results may differ from the projections.

Year ending March 31, 2008 and year ended March 31, 2007

		Consolidated Basis			Parent Co. Basis		
		2007 (Actual)	2008 (Projection)	Growth ratio	2007 (Actual)	2008 (Projection)	Growth ratio
Net sales	Millions of yen	566,805	635,000	12.0	490,642	535,000	9.0
Operating income	Millions of yen	113,365	122,000	7.6	37,966	36,000	(5.2)
Income before income taxes (and extraordinary item) *1	Millions of yen	118,003	127,000	7.6	60,388	58,500	(3.1)
Net income	Millions of yen	71,309	78,000	9.4	44,836	45,000	0.4
Basic earnings per share	Yen	321.29	351.34	9.4	202.01	202.69	0.3
Capital expenditures	Millions of yen	99,651	120,000	20.4	18,630	30,000	61.0
Depreciation and amortization	Millions of yen	49,817	65,500	31.5	11,639	14,500	24.6
R & D expenses	Millions of yen	38,670	41,000	6.0	31,406	34,500	9.9

*1 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*2 Ratio to net sales

*3 Ratio to net sales excluding revenue from services

*4 The projections above are based on the assumed average exchange rates of Yen 113 per US\$ and Yen 160 per Euro for October 1, 2007 through March 31, 2008.

Order, Backlog and Sales

(1) Order and Backlog by Product

<Order>

	Millions of Yen						
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007			Year ended Mar. 31, 2007	
		% *1		% *1	% *2		% *1
Capacitors	109,327	38.3	122,032	39.6	11.6	224,434	39.1
Piezoelectric Components	39,692	13.9	44,822	14.5	12.9	81,804	14.3
Microwave Devices	61,255	21.5	54,167	17.6	(11.6)	113,763	19.8
Module Products	27,708	9.7	35,572	11.5	28.4	59,478	10.4
Other Products	47,513	16.6	51,679	16.8	8.8	94,054	16.4
Total	285,495	100.0	308,272	100.0	8.0	573,533	100.0

*1 Component ratio

*2 Growth ratio against the six months ended September 30, 2006

*3 Figures are based on sales prices to customers.

*4 Exclusive of consumption taxes

*5 The tables by product indicate order, backlog, and sales of electronics components and related products.

<Backlog>

	Millions of Yen						
	As of Sep. 30, 2006		As of Sep. 30, 2007			As of Mar. 31, 2007	
		% *1		% *1	% *2		% *1
Capacitors	27,541	45.2	27,693	42.8	0.6	29,838	49.5
Piezoelectric Components	7,997	13.2	7,018	10.9	(12.2)	7,497	12.4
Microwave Devices	7,507	12.3	9,595	14.8	27.8	5,837	9.7
Module Products	7,021	11.5	9,826	15.2	40.0	7,544	12.5
Other Products	10,825	17.8	10,517	16.3	(2.8)	9,600	15.9
Total	60,891	100.0	64,649	100.0	6.2	60,316	100.0

*1 Component ratio

*2 Growth ratio against the figures as of September 30, 2006

*3 Figures are based on sales prices to customers.

*4 Exclusive of consumption taxes

(2) Sales by Product, Application and Area

1. Sales by Product

	Millions of yen						
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007			Year ended Mar. 31, 2007	
		% *1		% *1	% *2		% *1
Capacitors	102,445	37.1	124,177	40.9	21.2	215,255	38.1
Piezoelectric Components	38,973	14.1	45,301	14.9	16.2	81,585	14.4
Microwave Devices	59,930	21.7	50,409	16.6	(15.9)	114,108	20.2
Module Products	28,059	10.2	33,290	10.9	18.6	59,306	10.5
Other Products	46,834	16.9	50,762	16.7	8.4	94,601	16.8
Net sales	276,241	100.0	303,939	100.0	10.0	564,855	100.0

*1 Component ratio

*2 Growth ratio against the six months ended September 30, 2006

*3 Exclusive of consumption taxes

2. Sales by Application (based on the Company's estimate)

	Millions of yen						
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007			Year ended Mar. 31, 2007	
		% *1		% *1	% *2		% *1
AV	35,041	12.7	45,918	15.1	31.0	74,373	13.2
Communication	115,122	41.7	124,064	40.8	7.8	230,615	40.8
Computers and Peripherals	57,054	20.6	63,517	20.9	11.3	117,199	20.7
Automotive Electronics	30,319	11.0	33,065	10.9	9.1	61,453	10.9
Home and Others	38,705	14.0	37,375	12.3	(3.4)	81,215	14.4
Net sales	276,241	100.0	303,939	100.0	10.0	564,855	100.0

*1 Component ratio

*2 Growth ratio against the six months ended September 30, 2006

*3 Exclusive of consumption taxes

3. Sales by Area

	Millions of yen						
	Six months ended Sep. 30, 2006		Six months ended Sep. 30, 2007			Year ended Mar. 31, 2007	
		% *1		% *1	% *2		% *1
The Americas	22,740	8.3	25,380	8.3	11.6	46,112	8.2
Europe	36,510	13.2	36,066	11.9	(1.2)	70,444	12.5
Asia and Others	147,298	53.3	168,006	55.3	14.1	305,675	54.1
Overseas total	206,548	74.8	229,452	75.5	11.1	422,231	74.8
Japan	69,693	25.2	74,487	24.5	6.9	142,624	25.2
Net sales	276,241	100.0	303,939	100.0	10.0	564,855	100.0

*1 Component ratio

*2 Growth ratio against the six months ended September 30, 2006

*3 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended Jun. 30, 2006		Three months ended Sep. 30, 2006		Three months ended Dec. 31, 2006		Three months ended Mar. 31, 2007	
		% *1		% *1		% *1		% *1
Net sales	133,342	100.0	143,813	100.0	145,813	100.0	143,837	100.0
Operating income	25,256	18.9	28,862	20.1	31,352	21.5	27,895	19.4
Income before income taxes	27,382	20.5	29,502	20.5	31,866	21.9	29,253	20.3
Net income	15,794	11.8	18,049	12.6	20,256	13.9	17,210	12.0

	Millions of yen			
	Three months ended Jun. 30, 2007		Three months ended Sep. 30, 2007	
		% *1		% *1
Net sales	148,549	100.0	156,399	100.0
Operating income	29,471	19.8	29,306	18.7
Income before income taxes	29,907	20.1	30,820	19.7
Net income	17,803	12.0	20,162	12.9

*1 Ratio to net sales

*2 Quarterly figures are unaudited.

*3 The figures for each quarter are calculated by subtracting from the aggregated amount of the previous quarter.

(2) Sales by Product

	Millions of yen							
	Three months ended Jun. 30, 2006		Three months ended Sep. 30, 2006		Three months ended Dec. 31, 2006		Three months ended Mar. 31, 2007	
		% *1		% *1		% *1		% *1
Capacitors	48,867	36.8	53,578	37.4	56,540	38.9	56,270	39.3
Piezoelectric Components	18,983	14.3	19,990	13.9	21,212	14.6	21,400	14.9
Microwave Devices	28,595	21.5	31,335	21.9	28,103	19.3	26,075	18.2
Module Products	13,892	10.4	14,167	9.9	15,243	10.5	16,004	11.2
Other Products	22,561	17.0	24,273	16.9	24,189	16.7	23,578	16.4
Net sales	132,898	100.0	143,343	100.0	145,287	100.0	143,327	100.0

	Millions of yen			
	Three months ended Jun. 30, 2007		Three months ended Sep. 30, 2007	
		% *1		% *1
Capacitors	60,095	40.6	64,082	41.1
Piezoelectric Components	22,257	15.0	23,044	14.8
Microwave Devices	25,072	17.0	25,337	16.2
Module Products	16,336	11.0	16,954	10.9
Other Products	24,302	16.4	26,460	17.0
Net sales	148,062	100.0	155,877	100.0

*1 Component ratio

*2 Exclusive of consumption taxes.

*3 The figures for each quarter are calculated by subtracting from the aggregated amount of the previous quarter.