

## Consolidated Financial Flash Report (September 30, 2014)

Date: October 31, 2014

Company Name : Murata Manufacturing Co., Ltd.  
Listing Code : 6981  
(URL <http://www.murata.com/>)  
Phone : (075) 955-6525  
The date of payout of dividends: December 1, 2014

Stock Exchange Listings:  
Tokyo Stock Exchange  
Stock Exchange of Singapore

### 1. Consolidated financial results for the six months ended September 30, 2014

#### (1) Operating results

	Net sales		Operating income		Income before income taxes		Net income attributable to Murata Corporation	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	476,585	15.1	89,150	32.2	95,325	39.5	68,515	43.8
Six months ended September 30, 2013	414,131	31.6	67,419	176.9	68,349	196.9	47,649	215.0

Comprehensive income attributable to Murata Corporation: 80,332 million yen for the year ended September 30, 2014 and 61,246 million yen for the year ended September 30, 2013

	Basic earnings attributable to Murata Corporation per share	Diluted earnings attributable to Murata Corporation per share
	Yen	Yen
Six months ended September 30, 2014	323.63	-
Six months ended September 30, 2013	225.52	-

\* Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income attributable to Murata Corporation are the growth ratios against the same period of the previous fiscal year.

#### (2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2014	1,308,362	1,036,593	78.1	4,823.90
As of March 31, 2014	1,243,687	971,632	76.8	4,514.53

### 2. Dividends (Year ended March 31, 2014 and the year ending March 31, 2015)

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2014	-	60.00	-	70.00	130.00
2015	-	80.00	-	-	-
2015 (Projected)	-	-	-	80.00	160.00

\*No change in the projected dividends during the three months ended September 30, 2014.

### 3. Projected financial results for the year ending March 31, 2015 (Consolidated basis)

	Net sales		Operating income		Income before income taxes		Net income attributable to Murata Corporation		Basic earnings attributable to Murata Corporation per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2015	965,000	14.0	170,000	35.0	175,000	32.2	124,000	33.1	585.71

\*Projected financial results have been revised during the three months ended September 30, 2014.

Percentages for the year ending March 31, 2015 are the growth ratios against the previous year.

### 4. Other

(1) Changes in significant subsidiaries during the three months ended September 30, 2014 (changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Adoption of simplified and specifically applied the accounting method

The Company adopted accounting method specifically applied for quarterly consolidated financial reporting.

(3) Changes in accounting policy

Changes due to adoption of new accounting standard: None

Changes due to reasons other than above: None

(4) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares as of September 30, 2014 and as of March 31, 2013

Number of treasury stock: 13,557,342 shares as of September 30, 2014 and 13,555,870 shares as of March 31, 2013

Average number of shares outstanding: 211,707,114 shares for the six months ended September 30, 2014 and 211,286,766 shares for the six months ended September 30, 2013

\*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, 2014 through September 30, 2014)

### 1. Business Results

In the global economic environment for the period under review, U.S. employment started a recovery trend. On the other hand, growth rates in Europe remained the same due to a low level caused by sluggish growth in domestic consumption. Emerging countries such as China continued to experience slower growth than expected due to a downward swing of exports and a decline in imports of developed countries.

In the electronics market, the smartphone and tablet markets showed significant growth continuously, although the business outlook was uncertain. In particular, the penetration of LTE devices and growing demand for smartphones in China contributed to an increase in the number of components and an expansion of the electronic components markets. Additionally, increased production of vehicles and advanced electrification contributed to an increase in demand for electronic components.

Under these circumstances, the Company's net sales for the period under review increased by 476,585 million yen, up 15.1% from the same period in 2013. This period marked the highest net sales on record for 4 consecutive half-years owing to depreciation of the yen, whose average exchange rate against the U.S. dollar rose by 4.19 yen from the same period in 2013.

Operating income was 89,150 million yen, up 32.2%, income before income taxes was 95,325 million yen, up 39.5%, and net income attributable to Murata Corporation was 68,515 million yen, up 43.8% from the same period in 2013. The primary factors for the profit increase were the increase in capacity utilization, comprehensive cost reductions and depreciation of the yen, while negative factors included price declines and increased fixed costs due to an expansion in production capacity.

	Millions of yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*		%*		%*
Net sales	414,131	100.0	476,585	100.0	62,454	15.1
Operating income	67,419	16.3	89,150	18.7	21,731	32.2
Income before income taxes	68,349	16.5	95,325	20.0	26,976	39.5
Net income attributable to Murata Corporation	47,649	11.5	68,515	14.4	20,866	43.8
Average exchange rates (Yen/U.S. dollar)	98.86	—	103.05	—	4.19	—
Average exchange rates (Yen/EURO)	130.01	—	138.91	—	8.90	—

\*Component ratio as a percentage of net sales

## Sales by Product Category

Net sales by product category for the period under review are as follows:

	Millions of yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*		%*		%
Capacitors	138,424	33.5	153,139	32.2	14,715	10.6
Piezoelectric Components	48,543	11.8	59,198	12.5	10,655	21.9
Other Components	78,307	19.0	103,095	21.7	24,788	31.7
Components Total	265,274	64.3	315,432	66.4	50,158	18.9
Communication Modules	119,714	29.0	132,542	27.9	12,828	10.7
Power Supplies and Other Modules	27,792	6.7	26,910	5.7	(882)	(3.2)
Modules Total	147,506	35.7	159,452	33.6	11,946	8.1
Net sales	412,780	100.0	474,884	100.0	62,104	15.0

\*Component ratio as a percentage of net sales

### <Components>

Sales of Components for the period under review increased by 18.9% year-on-year to 315,432 million yen.

#### [Capacitors]

The Capacitors category includes multilayer ceramic capacitors (MLCCs).

For the period under review, sales of MLCCs, the main product in this category, significantly rose due to an increase in sales of smartphones and tablets. The advanced electrification of automobiles also led to increased demand in this market.

As a result, overall net sales increased by 10.6% year-on-year to 153,139 million yen.

#### [Piezoelectric Components]

The Piezoelectric Components category includes SAW (surface acoustic wave) filters, ceramic resonators, piezoelectric sensors, and ceramic filters.

For the period under review, sales of SAW filters greatly increased thanks to growing production of LTE devices in China. Regarding piezoelectric sensors, sales of shock sensors maintained steady growth as hard disk drives continued to experience steady growth.

As a result, overall net sales increased by 21.9% year-on-year to 59,198 million yen.

#### [Other Components]

Other Components include EMI (electro-magnetic interference) suppression filters, inductors (coils), connectors, thermistors, and sensors.

For the period under review, sales of EMI suppression filters and connectors for smartphones substantially increased. Sales of sensors increased as demand for MEMS (Micro Electro Mechanical Systems) sensors grew in the car electronics market. Sales of inductors (coils)

for smartphones grew significantly and the inductors (coils) from TOKO, INC. were added to our product lineup through the acquisition of TOKO, INC.

As a result, overall net sales increased by 31.7% year-on-year to 103,095 million yen.

#### <Modules>

Sales of Modules for the period under review increased by 8.1% year-on-year to 159,452 million yen.

##### [Communication Modules]

The Communication Modules category includes short-range wireless communication modules, multilayer ceramic devices, and circuit modules.

For the period under review, sales of short-range wireless communication modules for smartphones and tablets increased. Sales of multilayer ceramic devices increased to accommodate increased production of LTE for smartphones.

As a result, overall net sales increased by 10.7% year-on-year to 132,542 million yen.

##### [Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies for automotive electronics decreased.

As a result, overall net sales decreased by 3.2% year-on-year to 26,910 million yen.

## 2. Financial Position

Liquidity on hand (cash, short-term investments, available-for-sale securities (government and private debt securities), and long-term deposits) as of September 30, 2014, increased by 4,232 million yen from the end of the previous fiscal year to 401,999 million yen. Interest-bearing debt (short-term borrowings and long-term debt) decreased by 15,889 million yen from March 31, 2014 to 41,240 million yen. As a result, net cash increased by 20,121 million yen from March 31, 2014, to 360,759 million yen. Total assets as of September 30, 2014, increased by 64,675 million yen from the end of the previous fiscal year to 1,308,362 million yen. The ratio of shareholders' equity to total assets increased by 1.3 percentage points from the end of the previous fiscal year to 78.1% as of September 30, 2014.

Cash flows for the period under review are as follows.

#### <Net Cash Provided by Operating Activities>

For the period under review, net cash provided by operating activities was 85,917 million yen. Of this amount, net income was 68,394 million yen, depreciation and amortization were 38,081 million yen, and income taxes payable increased by 6,916 million yen, while trade notes and accounts receivable increased by 23,865 million yen and inventories increased by 4,458 million yen.

Net cash provided by operating activities increased by 13,034 million yen from the six months ended September 30, 2013.

<Net Cash Provided by Investing Activities>

For the period under review, net cash provided by investing activities was 27,959 million yen. While cash outflows from capital expenditures were 44,658 million yen and payment for purchases of marketable securities, investments and others were 17,814 million yen, cash inflows from maturities and sales of marketable securities were 58,400 million yen and increase in short-term investments was 31,107 million yen.

Net cash provided by investing activities increased by 58,439 million yen as compared to that for the six months ended September 30, 2013.

< Net Cash Used in Financing Activities >

For the period under review, net cash used in financing activities was 32,156 million yen. Of this amount, cash outflows from repayments of short-term borrowings were 15,801 million yen and the payment of dividends was 14,820 million yen.

Net cash used in financing activities decreased by 13,742 million yen as compared to that for the six months ended September 30, 2013.

3. Projected Results for the Year Ending March 31, 2015

The Company has revised its projected results for the year ending March 31, 2015, which were announced on April 30, 2014, as listed below.

Year ending March 31, 2015		Consolidated Basis	
		Previous Projections Announced in April, 2014	Revised Projections
Net sales	Millions of yen	920,000	965,000
	<%>*	<15.7>	<17.6>
Operating income	Millions of yen	144,000	170,000
	<%>*	<16.1>	<18.1>
Income before income taxes	Millions of yen	148,000	175,000
Net income attributable to Murata Corporation	Millions of yen	102,000	124,000
	<%>*		
Capital expenditures	Millions of yen	80,000	80,000
	<%>*	<8.8>	<8.7>
Depreciation and amortization	Millions of yen	81,000	84,000
	<%>*	<6.5>	<6.4>
R & D expenses	Millions of yen	60,000	62,000

\*1 Ratio to net sales

In the electronics market, the demand for electronic devices and components greatly increased

as a result of the significant growth in smartphones and tablets as well as the increased production of vehicles and advanced electrification.

The Company has revised its projected results for the year ending March 31, 2015, as shown above, considering the current outlook for component demand and exchange level. The projections are based on the assumed exchange rates of 105 yen against the U.S. dollar and 135 yen against the Euro for the latter half of this fiscal year.

[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 (the "Group") based on information currently available and certain assumptions we deem as reasonable. Actual results may differ materially from expectations owing 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 devices 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.

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

**(1) Consolidated Balance Sheets (Assets)**

As of March 31, 2014 and September 30, 2014

	Millions of Yen			
	As of March 31, 2014		As of September 30, 2014	
		%		%
Assets	1,243,687	100.0	1,308,362	100.0
Current assets	672,981	54.1	750,127	57.3
Cash	104,467		108,108	
Short-term investments	77,531		128,509	
Marketable securities	100,403		75,285	
Trade notes receivable	775		723	
Trade accounts receivable	188,044		220,650	
Allowance for doubtful notes and accounts	(948)		(960)	
Inventories	170,603		178,458	
Deferred income taxes	22,566		25,530	
Prepaid expenses and other	9,540		13,824	
Property, plant and equipment	346,473	27.9	359,474	27.5
Land	50,153		50,401	
Buildings	308,576		316,689	
Machinery and equipment	727,280		749,463	
Construction in progress	18,251		22,952	
Accumulated depreciation	(757,787)		(780,031)	
Investments and other assets	224,233	18.0	198,761	15.2
Investments	126,600		109,489	
Intangible assets	51,319		48,154	
Goodwill	23,257		23,157	
Deferred income taxes	9,496		9,293	
Other	13,561		8,668	
Total assets	1,243,687	100.0	1,308,362	100.0

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

**Consolidated Balance Sheets (Liabilities and Equity)**

As of March 31, 2014 and September 30, 2014

	Millions of Yen			
	As of March 31, 2014		As of September 30, 2014	
Liabilities	272,055	21.9	271,769	20.8
Current liabilities	173,713	14.0	176,219	13.5
Short-term borrowings	37,885		22,915	
Trade accounts payable	43,387		51,969	
Accrued payroll and bonuses	30,078		31,790	
Income taxes payable	27,909		25,901	
Accrued expenses and other	34,454		43,644	
Long-term liabilities	98,342	7.9	95,550	7.3
Long-term debt	16,312		13,031	
Termination and retirement benefits	70,346		71,398	
Deferred income taxes	9,673		9,402	
Other	2,011		1,719	
Equity	971,632	78.1	1,036,593	79.2
Murata Corporation's Shareholders' equity	955,760	76.8	1,021,249	78.1
Common stock	69,377		69,377	
Capital surplus	103,864		103,864	
Retained earnings	834,419		888,114	
Accumulated other comprehensive income:	8,385		20,202	
Unrealized gains on securities	5,511		6,278	
Pension liability adjustments	(4,688)		(4,893)	
Foreign currency translation adjustments	7,562		18,817	
Treasury stock, at cost	(60,285)		(60,308)	
Noncontrolling interests	15,872	1.3	15,344	1.1
Total liabilities and total equity	1,243,687	100.0	1,308,362	100.0

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

**Consolidated Statements of Income**

Six months ended September 30, 2013 and 2014

	Millions of Yen			
	Six months ended September 30, 2013		Six months ended September 30, 2014	
		%		%
Net sales	414,131	100.0	476,585	100.0
Cost of sales	268,091	64.7	294,705	61.8
Selling, general and administrative	52,088	12.6	63,150	13.3
Research and development	26,533	6.4	29,580	6.2
Operating income	67,419	16.3	89,150	18.7
Interest and dividend income	2,444	0.6	1,919	0.4
Interest expense	(152)	(0.1)	(211)	(0.0)
Foreign currency exchange gain (loss)	(1,018)	(0.2)	4,441	0.9
Other - net	(344)	(0.1)	26	0.0
Income before income taxes	68,349	16.5	95,325	20.0
Income taxes	20,619	5.0	26,931	5.6
<Current income tax>	<25,129>		<30,731>	
<Deferred income tax>	<(4,510)>		<(3,800)>	
Equity in losses of affiliates	(81)	(0.0)	-	-
Net income	47,649	11.5	68,394	14.4
Less: Net loss attributable to noncontrolling interests	-	-	(121)	(0.0)
Net income attributable to Murata Corporation	47,649	11.5	68,515	14.4

**Consolidated Statements of Comprehensive Income**

Six months ended September 30, 2013 and 2014

	Millions of Yen	
	Six months ended September 30, 2013	Six months ended September 30, 2014
Net income	47,649	68,394
Other comprehensive income (loss), net of tax:		
Unrealized gains on securities	1,670	728
Pension liability adjustments	(78)	(205)
Unrealized gains on derivative instruments	165	-
Foreign currency translation adjustments	11,840	10,887
Other comprehensive income	13,597	11,410
Comprehensive income	61,246	79,804
Less: Comprehensive loss attributable to noncontrolling interests	-	(528)
Comprehensive income attributable to Murata Corporation	61,246	80,332

**Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

**Consolidated Statements of Income**

Three months ended September 30, 2013 and 2014

	Millions of Yen			
	Three months ended September 30, 2013		Three months ended September 30, 2014	
Net sales	221,550	100.0	258,597	100.0
Cost of sales	140,420	63.4	156,419	60.5
Selling, general and administrative	25,290	11.4	33,370	12.9
Research and development	13,362	6.0	16,555	6.4
Operating income	42,478	19.2	52,253	20.2
Interest and dividend income	1,145	0.5	900	0.3
Interest expense	(71)	(0.0)	(98)	(0.0)
Foreign currency exchange gain (loss)	(424)	(0.2)	5,083	2.0
Other - net	522	0.2	15	0.0
Income before income taxes	43,650	19.7	58,153	22.5
Income taxes	13,417	6.1	16,739	6.5
<Current income tax>	<17,843>		<21,446>	
<Deferred income tax>	<(4,426)>		<(4,707)>	
Equity in losses of affiliates	(65)	(0.0)	-	-
Net income	30,168	13.6	41,414	16.0
Less: Net loss attributable to noncontrolling interests	-	-	(173)	(0.1)
Net income attributable to Murata Corporation	30,168	13.6	41,587	16.1

**Consolidated Statements of Comprehensive Income**

Three months ended September 30, 2013 and 2014

	Millions of Yen	
	Three months ended September 30, 2013	Three months ended September 30, 2014
Net income	30,168	41,414
Other comprehensive income (loss), net of tax:		
Unrealized gains on securities	1,129	764
Pension liability adjustments	(46)	(142)
Foreign currency translation adjustments	197	15,034
Other comprehensive income	1,280	15,656
Comprehensive income	31,448	57,070
Less: Comprehensive loss attributable to noncontrolling interests	-	(209)
Comprehensive income attributable to Murata Corporation	31,448	57,279

**(3) Consolidated Statements of Cash Flows**

Six months ended September 30, 2013 and 2014

	Millions of Yen			
	Six months ended September 30, 2013		Six months ended September 30, 2014	
Operating activities:				
Net income		47,649		68,394
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	36,338		38,081	
(Gains) losses on sales and disposals of property, plant and equipment	(7)		372	
Provision for termination and retirement benefits, less payments	533		(54)	
Deferred income taxes	(4,510)		(3,800)	
Changes in assets and liabilities:				
Increase in trade notes and accounts receivable	(6,575)		(23,865)	
Increase in inventories	(10,091)		(4,458)	
Increase in prepaid expenses and other	(1,292)		(4,088)	
Increase in trade notes and accounts payable	1,639		6,916	
Increase in accrued payroll and bonuses	2,698		1,650	
Increase (Decrease) in income taxes payable	10,891		(2,233)	
Increase (Decrease) in accrued expenses and other	(3,487)		7,117	
Other-net	(903)	25,234	1,885	17,523
Net cash provided by operating activities		72,883		85,917
Investing activities:				
Capital expenditures		(38,761)		(44,658)
Payment for purchases of marketable securities, investments and other		(21,747)		(17,814)
Maturities and sales of marketable securities, investments and other		26,957		58,400
Decrease (Increase) in short-term investments		(2,837)		31,107
Cash balances of subsidiary acquired through share exchanges		3,316		-
Other		2,592		924
Net cash provided by (used in) investing activities		(30,480)		27,959
Financing activities:				
Net decrease in short-term borrowings		(8,582)		(15,801)
Proceeds from long-term debt		1,489		636
Repayment of long-term debt		(734)		(2,102)
Dividends paid		(10,554)		(14,820)
Other		(33)		(69)
Net cash used in financing activities		(18,414)		(32,156)
Effect of exchange rate changes on cash and cash equivalents		1,071		(2,618)
Net increase in cash and cash equivalents		25,060		79,102
Cash and cash equivalents at beginning of period		90,068		118,884
Cash and cash equivalents at end of period		115,128		197,986
Additional cash and cash equivalents information:				
Cash		73,862		108,108
Short-term investments		78,000		128,509
Short-term investments with original maturities over three months		(36,734)		(38,631)
Cash and cash equivalents at end of period		115,128		197,986
Acquisition of businesses through share exchange		6,331		-

	Millions of Yen	
	As of September 30, 2013	As of September 30, 2014
Cash and cash equivalents at end of period	115,128	197,986
Short-term investments with original maturities over three months	36,734	38,631
Available-for-sale securities (Governmental, Private debt securities and Investment trusts)	194,938	165,382
Long-term deposits	6,000	-
Liquidity in hand	352,800	401,999
Interest bearing liabilities	(51,282)	(41,240)
Net cash	301,518	360,759

#### (4) Assumptions for Going Concern

None

#### (5) Segment Information

##### Operating Segment Information

The Companies mainly develop, manufacture and sell electronic components and related products.

Operating segments of the Companies include Components segment, Modules segment and Others and are primarily based on the nature of the Companies' products.

Six months ended September 30, 2013 and 2014

		Millions of Yen			
		Six months ended September 30, 2013		Six months ended September 30, 2014	
Components	Sales to:		%		%
	Unaffiliated customers	265,274		315,432	
	Intersegment	16,112		20,413	
	Total revenue	281,386	100.0	335,845	100.0
	Segment income	68,297	24.3	88,256	26.3
Modules	Sales to:		%		%
	Unaffiliated customers	147,506		159,452	
	Intersegment	135		34	
	Total revenue	147,641	100.0	159,486	100.0
	Segment income	16,082	10.9	17,756	11.1
Others	Sales to:		%		%
	Unaffiliated customers	1,351		1,701	
	Intersegment	14,661		18,878	
	Total revenue	16,012	100.0	20,579	100.0
	Segment income	1,664	10.4	1,951	9.5
Corporate and eliminations	Sales to:		%		%
	Unaffiliated customers	-		-	
	Intersegment	(30,908)		(39,325)	
	Total revenue	(30,908)	-	(39,325)	-
	Corporate expenses	(18,624)	-	(18,813)	-
Consolidated	Sales to:		%		%
	Unaffiliated customers	414,131		476,585	
	Intersegment	-		-	
	Total revenue	414,131	100.0	476,585	100.0
	Operating income	67,419	16.3	89,150	18.7

Three months ended September 30, 2013 and 2014

		Millions of Yen			
		Three months ended September 30, 2013		Three months ended September 30, 2014	
Components	Sales to:		%		%
	Unaffiliated customers	139,647		170,545	
	Intersegment	8,883		10,553	
	Total revenue	148,530	100.0	181,098	100.0
	Segment income	38,957	26.2	49,761	27.5
Modules	Sales to:		%		%
	Unaffiliated customers	81,220		87,227	
	Intersegment	70		17	
	Total revenue	81,290	100.0	87,244	100.0
	Segment income	11,816	14.5	10,933	12.5
Others	Sales to:		%		%
	Unaffiliated customers	683		825	
	Intersegment	8,283		11,828	
	Total revenue	8,966	100.0	12,653	100.0
	Segment income	833	9.3	1,161	9.2
Corporate and eliminations	Sales to:		%		%
	Unaffiliated customers	-		-	
	Intersegment	(17,236)		(22,398)	
	Total revenue	(17,236)	-	(22,398)	-
	Corporate expenses	(9,128)	-	(9,602)	-
Consolidated	Sales to:		%		%
	Unaffiliated customers	221,550		258,597	
	Intersegment	-		-	
	Total revenue	221,550	100.0	258,597	100.0
	Operating income	42,478	19.2	52,253	20.2

Notes: 1. Major products and businesses included in the operating segments:

- (1) Components: Capacitors, Piezoelectric Components
  - (2) Modules: Communication Modules, Power Supplies
  - (3) Others: Machinery manufacturing, welfare services, personnel services, education and training services, sales of software
2. Intersegment transactions are based on market prices.
  3. Segment income for each operating segment represents net sales, less related costs.  
Corporate expenses represent expenses of headquarters functions and fundamental researches.

## (6) Significant changes in shareholders' equity

None

## (7) Other

October 31, 2014  
Murata Manufacturing Co., Ltd.  
Listing Code : 6981  
(URL <http://www.murata.com/>)

### Flash Report (Six months ended September 30, 2014)

#### Selected Financial Data

Six months ended September 30, 2013 and 2014 / As of September 30, 2013 and 2014

		Consolidated Basis			Parent Co. Basis		
		2013	2014	Growth ratio	2013	2014	Growth ratio
Net sales	Millions of yen	414,131	476,585	15.1	324,535	352,516	8.6
Operating income	<*>5 Millions of yen	<16.3> 67,419	<18.7> 89,150	32.2	<6.7> 21,789	<6.6> 23,308	7.0
Income before income taxes / Income before income taxes and extraordinary items *2	<*>5 Millions of yen	<16.5> 68,349	<20.0> 95,325	39.5	<10.2> 32,949	<14.3> 50,488	53.2
Net income attributable to Murata Corporation / Net income *3	<*>5 Millions of yen	<11.5> 47,649	<14.4> 68,515	43.8	<8.5> 27,712	<12.1> 42,686	54.0
Total assets	Millions of yen	1,154,710	1,308,362	13.3	668,200	764,473	14.4
Shareholders' equity	Millions of yen	915,933	1,021,249	11.5	421,052	459,534	9.1
Shareholders' equity ratio	%	79.3	78.1	-	63.0	60.1	-
Basic earnings attributable to Murata Corporation per share / Basic earnings per share *4	Yen	225.52	323.63	43.5	131.16	201.63	53.7
Shareholders' equity per share	Yen	4,326.36	4,823.90	-	1,988.82	2,170.62	-
Capital expenditures	Millions of yen	38,761	44,658	15.2	4,801	7,053	46.9
Depreciation and amortization	<*> Millions of yen	<8.8> 36,338	<8.0> 38,081	4.8	<2.6> 8,207	<2.3> 7,925	(3.4)
R & D expenses	<*> Millions of yen	<6.4> 26,533	<6.2> 29,580	11.5	<8.6> 26,721	<8.3> 28,164	5.4
Number of employees	*8	<14,610> 37,995	<26,009> 49,738	30.9	7,358	7,445	1.2
Average exchange rates							
Yen/US dollar	Yen	98.86	103.05	-			
Yen/EURO	Yen	130.01	138.91	-			

#### Three months ended September 30, 2013 and 2014

		Consolidated Basis			Parent Co. Basis		
		2013	2014	Growth ratio	2013	2014	Growth ratio
Net sales	Millions of yen	221,550	258,597	16.7	176,577	194,591	10.2
Operating income	<*>5 Millions of yen	<19.2> 42,478	<20.2> 52,253	23.0	<7.0> 12,365	<8.4> 16,404	32.7
Income before income taxes / Income before income taxes and extraordinary items *2	<*>5 Millions of yen	<19.7> 43,650	<22.5> 58,153	33.2	<7.8> 13,749	<10.9> 21,290	54.8
Net income attributable to Murata Corporation / Net income *3	<*>5 Millions of yen	<13.6> 30,168	<16.1> 41,587	37.9	<6.1> 10,806	<8.1> 15,794	46.2
Basic earnings attributable to Murata Corporation per share / Basic earnings per share *4	Yen	142.64	196.44	37.7	51.09	74.61	46.0
Capital expenditures	Millions of yen	18,971	27,047	42.6	2,618	4,350	66.2
Depreciation and amortization	<*> Millions of yen	<8.4> 18,557	<7.6> 19,714	6.2	<2.5> 4,198	<2.2> 4,105	(2.2)
R & D expenses	<*> Millions of yen	<6.0> 13,362	<6.4> 16,555	23.9	<8.0> 13,518	<7.9> 14,654	8.4

\*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 items

\*3 Consolidated Basis: Net income attributable to Murata Corporation, Parent Co. Basis: Net income

\*4 Consolidated Basis: Basic earnings attributable to Murata Corporation per share, Parent Co. Basis: Basic earnings per share

\*5 Ratio to net sales

\*6 The diluted earnings per share is not stated since there were no potential dilutive securities.

\*7 Ratio to net sales excluding revenue from services

\*8 Figures in parentheses show the number of employees in foreign countries.

## Projected Financial Data - Consolidated basis

		Year ending March 31, 2015		
		Previous Projections Announced in April, 2014	Revised Projections	Growth ratio
Net sales	Millions of yen	920,000	965,000	4.9%
Operating income	<%>*1 Millions of yen	<15.7> 144,000	<17.6> 170,000	18.1
Income before income taxes	<%>*1 Millions of yen	<16.1> 148,000	<18.1> 175,000	18.2
Net income attributable to Murata Corporation	<%>*1 Millions of yen	<11.1> 102,000	<12.8> 124,000	21.6
Basic earnings attributable to Murata Corporation per share	Yen	482.28	585.71	21.4
Capital expenditures	Millions of yen	80,000	80,000	0.0
Depreciation and amortization	<%>*1 Millions of yen	<8.8> 81,000	<8.7> 84,000	3.7
R & D expenses	<%>*1 Millions of yen	<6.5> 60,000	<6.4> 62,000	3.3

\*1 Ratio to net sales

\*2 The revised projections are based on the assumed average exchange rates of 105 yen per US dollar and 135 yen per Euro for the six months ending March 31, 2015.

\*3 The projections above 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".

## Orders, Backlog and Sales

### (1) Orders and Backlog by Product

#### <Orders>

##### Six months ended September 30, 2013 and 2014

	Millions of Yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*1		%*1		%
Capacitors	141,609	33.4	158,641	32.0	17,032	12.0
Piezoelectric Components	48,964	11.6	61,199	12.3	12,235	25.0
Other Components	81,096	19.2	105,725	21.3	24,629	30.4
Components Total	271,669	64.2	325,565	65.6	53,896	19.8
Communication Modules	123,961	29.3	144,394	29.1	20,433	16.5
Power Supplies and Other Modules	27,545	6.5	26,225	5.3	(1,320)	(4.8)
Modules Total	151,506	35.8	170,619	34.4	19,113	12.6
Total	423,175	100.0	496,184	100.0	73,009	17.3

##### Three months ended September 30, 2013 and 2014

	Millions of Yen					
	Three months ended September 30, 2013		Three months ended September 30, 2014		Change	
		%*1		%*1		%
Capacitors	73,338	31.5	84,419	30.7	11,081	15.1
Piezoelectric Components	22,985	9.9	27,653	10.1	4,668	20.3
Other Components	45,072	19.4	57,221	20.8	12,149	27.0
Components Total	141,395	60.8	169,293	61.6	27,898	19.7
Communication Modules	77,891	33.5	92,703	33.7	14,812	19.0
Power Supplies and Other Modules	13,407	5.7	12,972	4.7	(435)	(3.2)
Modules Total	91,298	39.2	105,675	38.4	14,377	15.7
Total	232,693	100.0	274,968	100.0	42,275	18.2

\*1 Component ratio

\*2 Figures are based on sales prices to customers.

\*3 Exclusive of consumption taxes

\*4 The tables by product indicate orders, backlog, and sales of electronic components and related products.

\*5 TOKO, INC.'s orders are included in Other Components for the six months ended September 30, 2014.

#### <Backlog>

	Millions of Yen					
	As of March 31, 2014		As of September 30, 2014		Change	
		%*1		%*1		%
Capacitors	29,300	29.8	34,802	29.1	5,502	18.8
Piezoelectric Components	12,083	12.3	14,084	11.8	2,001	16.6
Other Components	18,290	18.6	20,920	17.5	2,630	14.4
Components Total	59,673	60.7	69,806	58.4	10,133	17.0
Communication Modules	32,094	32.6	43,945	36.7	11,851	36.9
Power Supplies and Other Modules	6,563	6.7	5,879	4.9	(684)	(10.4)
Modules Total	38,657	39.3	49,824	41.6	11,167	28.9
Total	98,330	100.0	119,630	100.0	21,300	21.7

\*1 Component ratio

\*2 Figures are based on sales prices to customers.

\*3 Exclusive of consumption taxes

\*4 TOKO, INC.'s backlog is included in Other Components.

## (2) Sales by Product Category, Application and Area

### 1. Sales by Product Category

Six months ended September 30, 2013 and 2014

	Millions of Yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*1		%*1		%
Capacitors	138,424	33.5	153,139	32.2	14,715	10.6
Piezoelectric Components	48,543	11.8	59,198	12.5	10,655	21.9
Other Components	78,307	19.0	103,095	21.7	24,788	31.7
Components Total	265,274	64.3	315,432	66.4	50,158	18.9
Communication Modules	119,714	29.0	132,542	27.9	12,828	10.7
Power Supplies and Other Modules	27,792	6.7	26,910	5.7	(882)	(3.2)
Modules Total	147,506	35.7	159,452	33.6	11,946	8.1
Net sales	412,780	100.0	474,884	100.0	62,104	15.0

Three months ended September 30, 2013 and 2014

	Millions of Yen					
	Three months ended September 30, 2013		Three months ended September 30, 2014		Change	
		%*1		%*1		%
Capacitors	72,320	32.7	83,384	32.4	11,064	15.3
Piezoelectric Components	24,337	11.0	30,633	11.9	6,296	25.9
Other Components	42,990	19.5	56,528	21.9	13,538	31.5
Components Total	139,647	63.2	170,545	66.2	30,898	22.1
Communication Modules	67,705	30.7	74,081	28.7	6,376	9.4
Power Supplies and Other Modules	13,515	6.1	13,146	5.1	(369)	(2.7)
Modules Total	81,220	36.8	87,227	33.8	6,007	7.4
Net sales	220,867	100.0	257,772	100.0	36,905	16.7

\*1 Component ratio

\*2 Exclusive of consumption taxes

\*3 TOKO, INC.'s sales are included in Other Components for the three months ended September 30, 2014

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

Six months ended September 30, 2013 and 2014

	Millions of Yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*1		%*1		%
AV	23,534	5.7	25,663	5.4	2,129	9.0
Communications	210,270	50.9	240,314	50.6	30,044	14.3
Computers and Peripherals	71,629	17.4	82,771	17.4	11,142	15.6
Automotive Electronics	57,776	14.0	69,403	14.6	11,627	20.1
Home and Others	49,571	12.0	56,733	12.0	7,162	14.4
Net sales	412,780	100.0	474,884	100.0	62,104	15.0

Three months ended September 30, 2013 and 2014

	Millions of Yen					
	Three months ended September 30, 2013		Three months ended September 30, 2014		Change	
		%*1		%*1		%
AV	12,628	5.7	14,057	5.4	1,429	11.3
Communications	117,498	53.2	136,068	52.8	18,570	15.8
Computers and Peripherals	36,438	16.5	43,646	16.9	7,208	19.8
Automotive Electronics	29,493	13.4	35,711	13.9	6,218	21.1
Home and Others	24,810	11.2	28,290	11.0	3,480	14.0
Net sales	220,867	100.0	257,772	100.0	36,905	16.7

\*1 Component ratio

\*2 Exclusive of consumption taxes

### 3. Sales by Area

Six months ended September 30, 2013 and 2014

	Millions of Yen					
	Six months ended September 30, 2013		Six months ended September 30, 2014		Change	
		%*1		%*1		%
The Americas	30,593	7.4	38,587	8.1	7,994	26.1
Europe	33,851	8.2	40,691	8.6	6,840	20.2
Greater China	216,992	52.6	260,260	54.8	43,268	19.9
Asia and Others	94,872	23.0	94,950	20.0	78	0.1
Overseas total	376,308	91.2	434,488	91.5	58,180	15.5
Japan	36,472	8.8	40,396	8.5	3,924	10.8
Net sales	412,780	100.0	474,884	100.0	62,104	15.0

Three months ended September 30, 2013 and 2014

	Millions of Yen					
	Three months ended September 30, 2013		Three months ended September 30, 2014		Change	
		%*1		%*1		%
The Americas	15,549	7.1	21,702	8.4	6,153	39.6
Europe	17,052	7.7	20,814	8.1	3,762	22.1
Greater China	120,640	54.6	148,156	57.5	27,516	22.8
Asia and Others	49,058	22.2	47,244	18.3	(1,814)	(3.7)
Overseas total	202,299	91.6	237,916	92.3	35,617	17.6
Japan	18,568	8.4	19,856	7.7	1,288	6.9
Net sales	220,867	100.0	257,772	100.0	36,905	16.7

\*1 Component ratio

\*2 Exclusive of consumption taxes

## Quarterly Consolidated Performance

### (1) Consolidated Financial Results

	Millions of yen							
	Three months ended June 30, 2013		Three months ended September 30, 2013		Three months ended December 31, 2013		Three months ended March 31, 2014	
		% *1		% *1		% *1		% *1
Net sales	192,581	100.0	221,550	100.0	234,831	100.0	197,754	100.0
Operating income	24,941	13.0	42,478	19.2	37,507	16.0	20,965	10.6
Income before income taxes	24,699	12.8	43,650	19.7	37,560	16.0	26,427	13.4
Net income attributable to Murata Corporation	17,481	9.1	30,168	13.6	27,003	11.5	18,539	9.4

	Millions of yen			
	Three months ended June 30, 2014		Three months ended September 30, 2014	
		% *1		% *1
Net sales	217,988	100.0	258,597	100.0
Operating income	36,897	16.9	52,253	20.2
Income before income taxes	37,172	17.1	58,153	22.5
Net income attributable to Murata Corporation	26,928	12.4	41,587	16.1

\*1 Ratio to net sales

### (2) Sales by Product Category

	Millions of yen							
	Three months ended June 30, 2013		Three months ended September 30, 2013		Three months ended December 31, 2013		Three months ended March 31, 2014	
		% *1		% *1		% *1		% *1
Capacitors	66,104	34.5	72,320	32.7	74,159	31.7	63,991	32.5
Piezoelectric Components	24,206	12.6	24,337	11.0	23,481	10.0	24,210	12.3
Other Components	35,317	18.4	42,990	19.5	42,549	18.2	35,713	18.2
Components Total	125,627	65.5	139,647	63.2	140,189	59.9	123,914	63.0
Communication Modules	52,009	27.1	67,705	30.7	79,723	34.0	60,514	30.8
Power Supplies and Other Modules	14,277	7.4	13,515	6.1	14,224	6.1	12,282	6.2
Modules Total	66,286	34.5	81,220	36.8	93,947	40.1	72,796	37.0
Net sales	191,913	100.0	220,867	100.0	234,136	100.0	196,710	100.0

	Millions of yen			
	Three months ended June 30, 2014		Three months ended September 30, 2014	
		% *1		% *1
Capacitors	69,755	32.1	83,384	32.4
Piezoelectric Components	28,565	13.2	30,633	11.9
Other Components	46,567	21.4	56,528	21.9
Components Total	144,887	66.7	170,545	66.2
Communication Modules	58,461	26.9	74,081	28.7
Power Supplies and Other Modules	13,764	6.4	13,146	5.1
Modules Total	72,225	33.3	87,227	33.8
Net sales	217,112	100.0	257,772	100.0

\*1 Component ratio

\*2 Exclusive of consumption taxes