

Earnings Release Conference FY2014 (April 2014 to March 2015)

April 30, 2015

Murata Manufacturing Co., Ltd.



<http://www.murata.com/ir/library/index.html>

Topics of Financial Results for FY2014

- Sales of the fiscal year was over 1000 billion yen, the highest in our history owing to the sales increase in wide range products such as communication modules, capacitors and piezoelectric components for smartphones, tablets and car electronics.
- Operating income of the fiscal year increased by 70% from the previous fiscal year. It was over 200 billion yen, the highest income in our history.
- We planned operating income 250 billion yen as the increase both in sales and profit in the projected finance result for FY2015 due to the additional demand increase of electronic components.
We planned capital expenditures 150 billion yen. It was the highest record in our history.
- We plan to pay an annual dividend of 200 yen per share (comprising interim and year-end dividends of 100 yen per share each) for the fiscal year ending March 31, 2016, a 20 yen increase from the previous fiscal year.

1. Financial Results of FY2014

From April 2014 to March 2015
Consolidated Basis

Financial Results Overview

	FY2013		FY2014		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	846.7	100.0	1043.5	100.0	+196.8	+23.2
Operating income	125.9	14.9	214.5	20.6	+88.6	+70.4
Income before income taxes	132.3	15.6	238.4	22.8	+106.1	+80.1
Net income	93.2	11.0	167.7	16.1	+74.5	+80.0

Sales by Product



	FY2013		FY2014		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Capacitors	276.6	32.8	334.3	32.2	+57.7	+20.9
Piezoelectric Components	96.2	11.4	121.9	11.7	+25.6	+26.6
Other Components	156.6	18.6	222.9	21.4	+66.4	+42.4
Communication Modules	260.0	30.8	308.0	29.6	+48.0	+18.5
Power Supplies and Other Modules	54.3	6.4	53.0	5.1	(1.3)	(2.5)
Net sales	843.6	100.0	1,040.0	100.0	+196.4	+23.3

Sales by Product

<p>Capacitors +20.9%</p>	<p>Multilayer Ceramic Capacitors : Significantly increased due to excellent condition in wide range application mainly communication devices and car electronics.</p>
<p>Piezoelectric Components +26.6%</p>	<p>Saw Filter : Grew strongly due to the increase in the production of smartphones and proceeding multiband in great China etc.</p> <p>Piezoelectric Sensors : Sales of shock sensors grew for HDD because the number of components per HDD device increased.</p>
<p>Other Components +42.4%</p>	<p>Coils : High-frequency wave chip coils significantly increased for smartphones.</p> <p>Connector : Significantly increased for smartphones and tablet.</p> <p>EMI Suppression Filter : Significantly increased for smartphones.</p>
<p>Communication Modules +18.5%</p>	<p>Wireless Modules : Grew strongly for smartphones and tablets.</p> <p>RF Sub Modules : Sales for smartphones strongly grew due to the impact of releasing new products.</p> <p>Circuit Devices : Sales for smartphones and base station increased.</p>
<p>Power Supplies and Other Modules (2.5%)</p>	<p>Power Supplies : Sales for car electronics decreased.</p>

Sales by Application



	FY2013		FY2014		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
AV	44.6	5.3	50.0	4.8	+5.5	+12.3
Communication	430.0	51.0	562.6	54.1	+132.6	+30.9
Computers and Peripherals	150.6	17.8	171.7	16.5	+21.1	+14.0
Automotive Electronics	120.2	14.2	144.3	13.9	+24.1	+20.0
Home Electronics and Others	98.4	11.7	111.4	10.7	+13.0	+13.2
Net sales	843.6	100.0	1,040.0	100.0	+196.4	+23.3

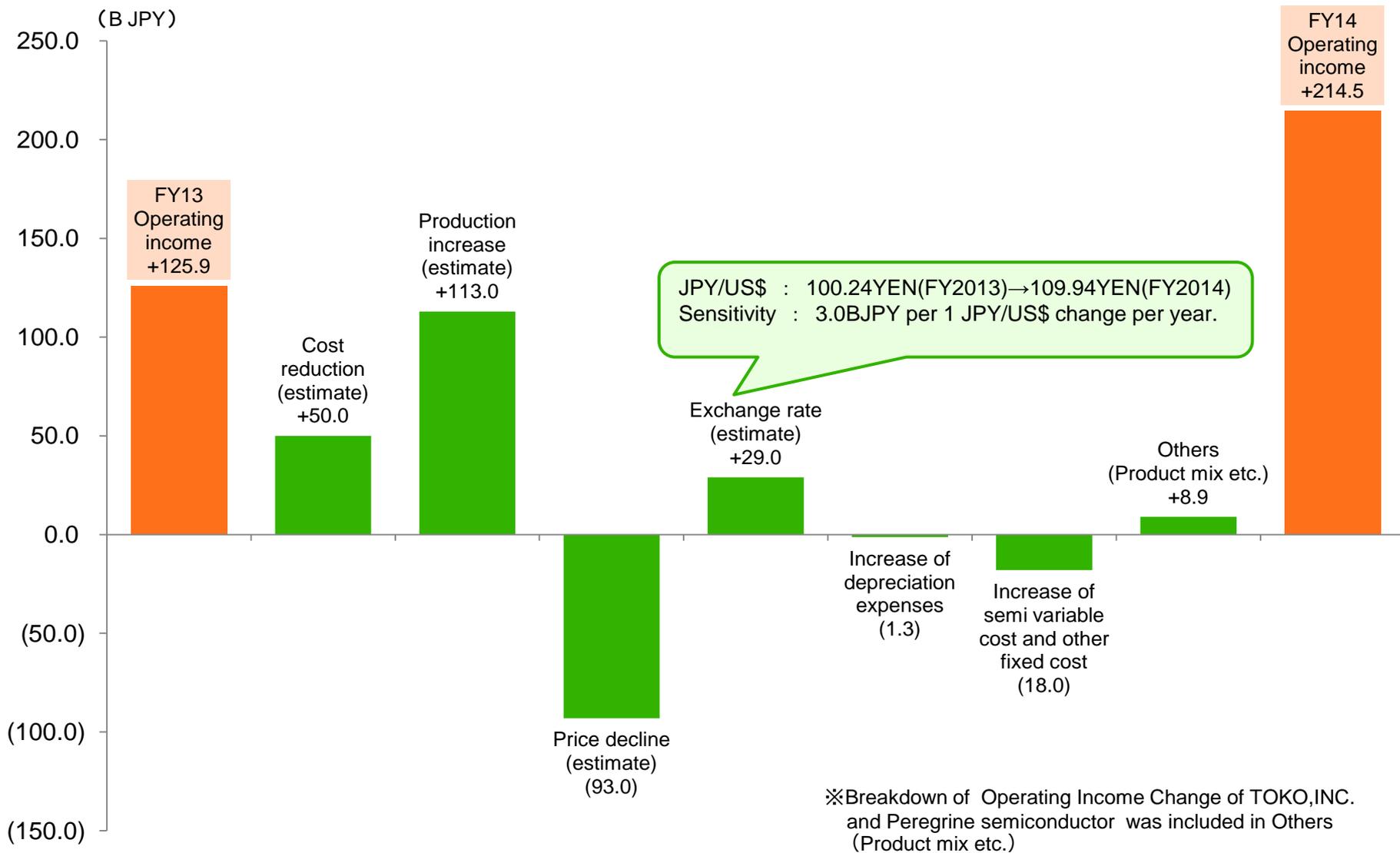
*Based on our estimate

Sales by Application

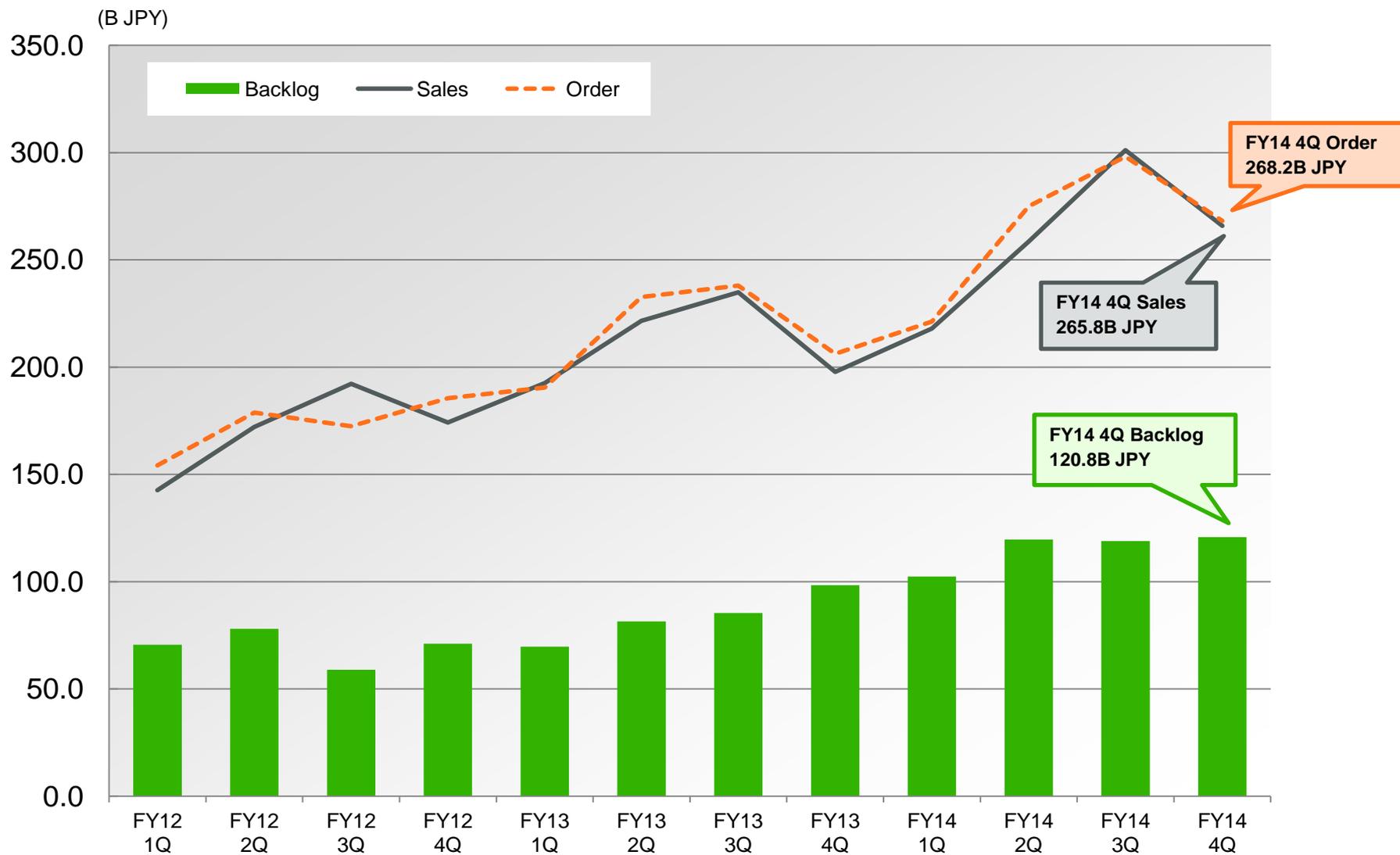
<p>A V +12.3%</p>	<p>Sales of Wireless Modules increased for portable media player. Sales of MLCCs increased for set top box and LCDTV.</p>
<p>Communication +30.9%</p>	<p>Sales of Wireless Modules, RF Sub Modules, Ultra-Compact and High-Capacitance MLCCs, High Frequency Coil, Connector and EMI Suppression Filter etc strongly grew for production of global support smartphone increase. SAW Filter, Ultra-Compact and High-Capacitance MLCCs and Circuit Devices significantly increased for expansion of LTE device in great China.</p>
<p>Computers and Peripherals +14.0%</p>	<p>WiFi Modules, Ultra-Compact and High-Capacitance MLCCs and Connector significantly increased for tablets. Actuator and Piezoelectric sensors (shock sensors) grew for HDD.</p>
<p>Automotive Electronics +20.0%</p>	<p>MLCC for car electronics significantly increased due to vehicle electrification. MEMS sensors for ESC (electronic stability control) grew strongly.</p>

*Based on our estimation

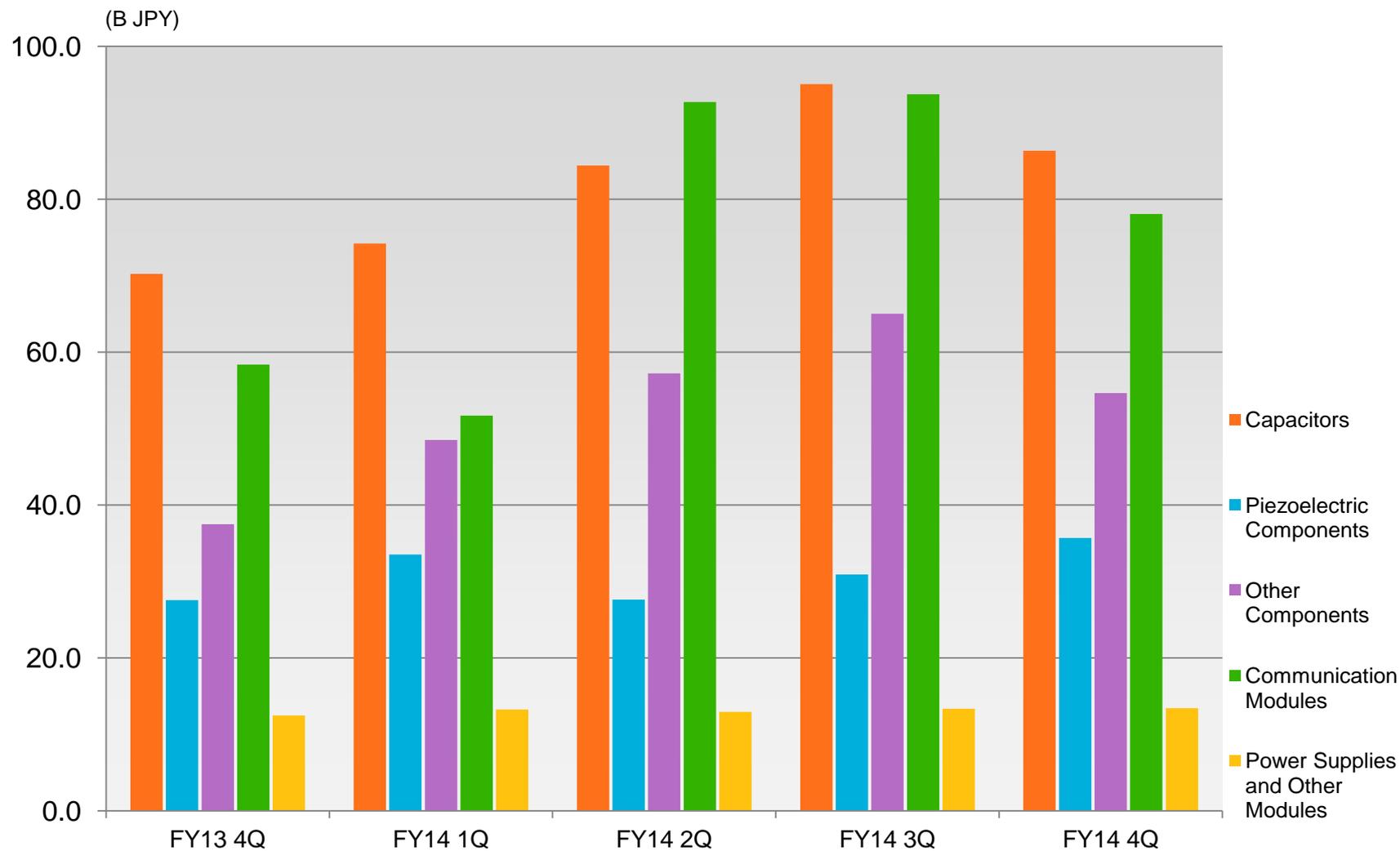
Breakdown of Operating Income Changes FY2013 to FY2014



Quarterly Sales, Order and Backlog

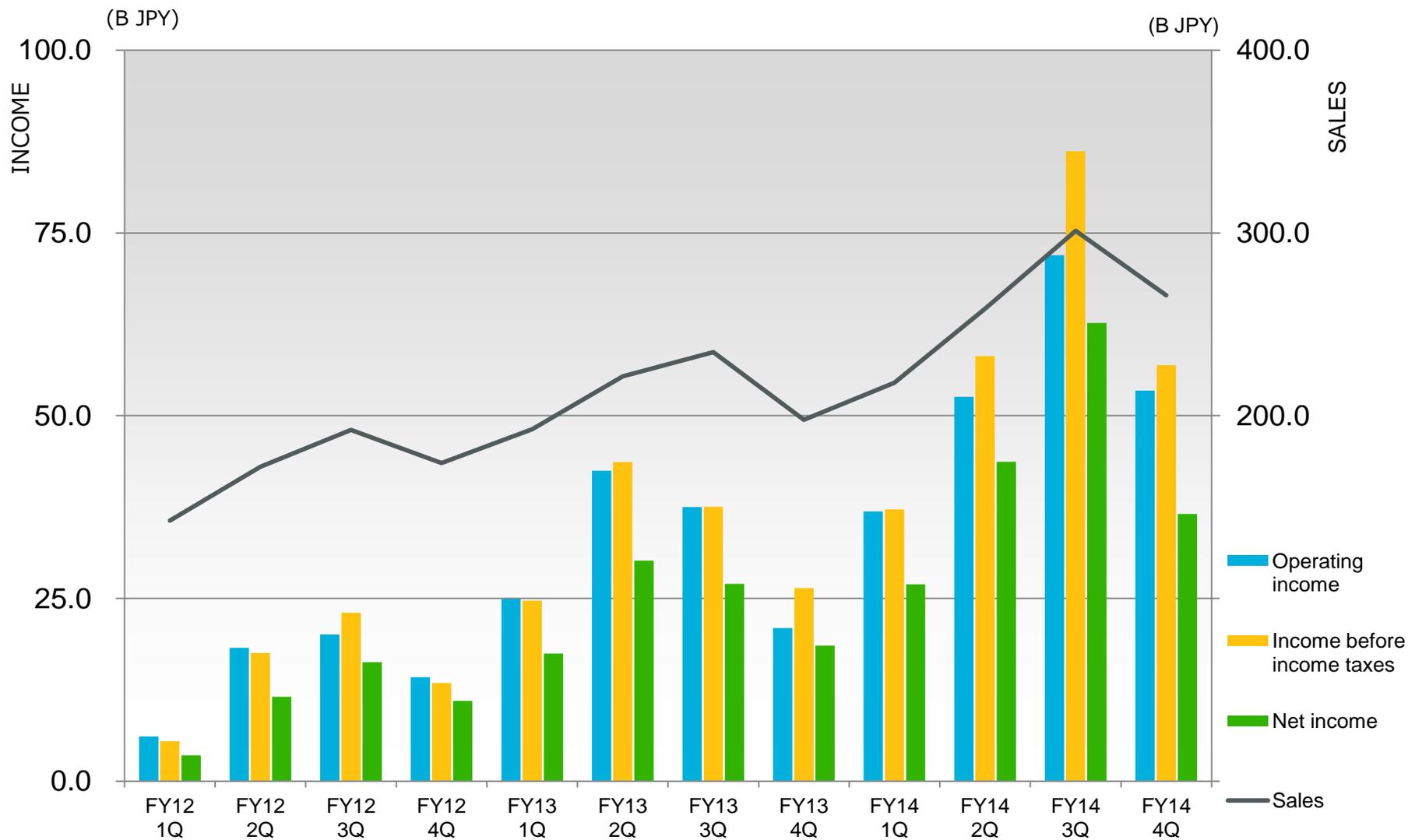


Orders by Product



*Orders of TOKO, INC was included in other components from FY 2014.

Quarterly Financial Results



2. Projected Financial Results for FY2015

(From April 2015 to March 2016)

Projection of Demand (Communication)

	FY2014		FY2015 Projection		
Mobile Phones Total (units)	1,810 M	→	1,840 M	+2%	
2G	420 M	→	290 M	(31%)	
3G	790 M	→	700 M	(11%)	
LTE	600 M	→	850 M	+42%	
Smartphones	1,340 M	→	1,500 M	+12%	

Projection of Demand (PC, AV)

	FY2014		FY2015 Projection		
PCs (units)	520 M	→	490 M	(5%)	
Desktop	130 M	→	130 M	Flat	
Notebook	170 M	→	170 M	Flat	
Tablet	220 M	→	200 M	(5%) to (10%)	
Flat-Screen TVs (units)	210 M	→	210 M	Flat	

Projected Sales by Product

	FY2014 Actual (YoY growth ratio)	FY2015 Projections (YoY growth ratio)
Capacitors	+21%	+11%
Piezoelectric Components	+27%	+13%
Other Components	+42%	+8%
Communication Modules	+19%	+13%
Power Supplies and Other Modules	(3%)	+14%
Total	+23%	+11%

Projected Sales by Application

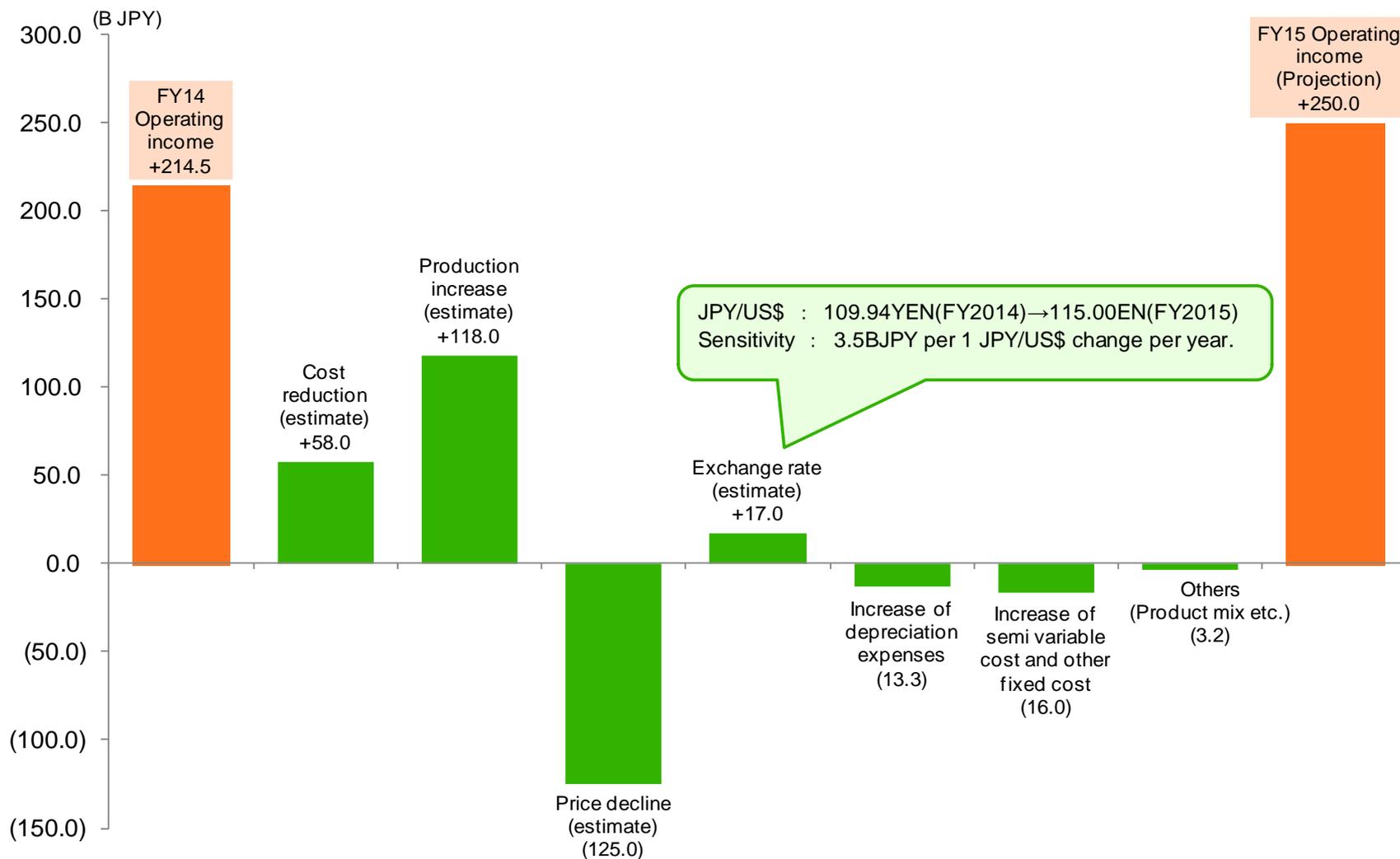
	FY2014 Actual (YoY growth ratio)	FY2015 Projections (YoY growth ratio)
AV	+12%	Flat
Communication	+31%	+18%
Computers and Peripherals	+14%	(5%)
Automotive Electronics	+20%	+13%
Home Electronics and Others	+13%	+5%
Total	+23%	+11%

* Based on our estimate

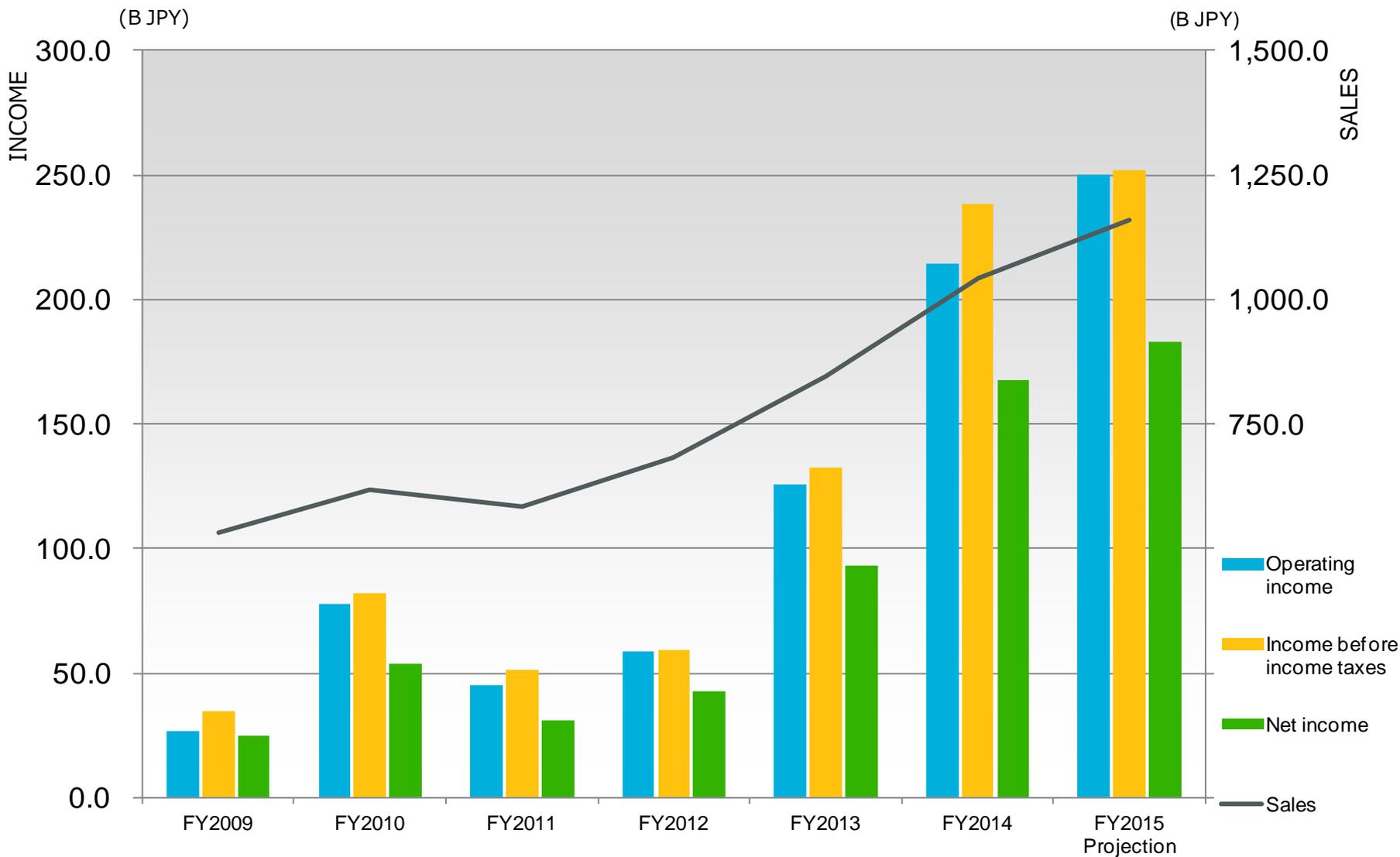
Projected Financial Results for FY2015

	FY2014 Actual		FY2015 Projections				Change	
			1st Half	2nd Half	(B JPY)	(%)		
	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)
Net sales	1043.5	100.0	572.0	588.0	1160.0	100.0	+116.5	+11.2
Operating income	214.5	20.6	130.0	120.0	250.0	21.6	+35.5	+16.5
Income before income taxes	238.4	22.8	132.0	120.0	252.0	21.7	+13.6	+5.7
Net income	167.7	16.1	96.0	87.0	183.0	15.8	+15.3	+9.1

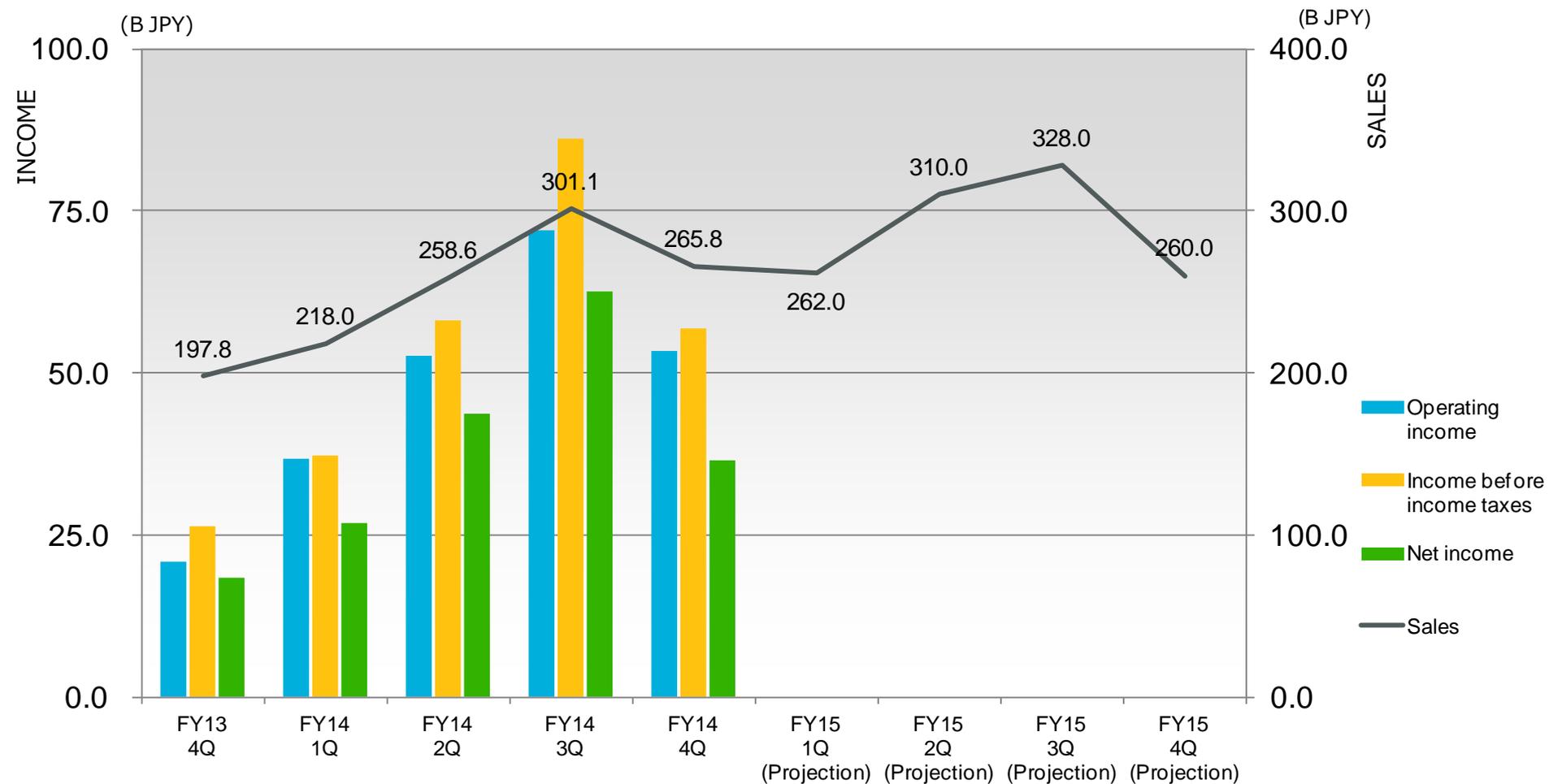
Breakdown of Operating Income Changes FY2014 to FY2015



Projected Financial Results for FY2015



Quarterly Financial Results



Projected Financial Results for FY2015

	FY2014 Actual	FY2015 Projections
Depreciation and amortization	84.9 B JPY	100.0 B JPY
R & D expenses	65.0 B JPY	72.0 B JPY
Capital expenditures	101.2 B JPY	150.0 B JPY
Average exchange rate (JPY/US\$)	109.94	115.00
Average exchange rate (JPY/EUR)	138.78	130.00

Dividends per Share

FY2015 projected annual dividends per share
200 JPY per share
(Interim: 100 JPY per share, Year-end: 100 JPY per share)
*20 yen increase of year-end dividend per share

FY2014 annual dividends per share
180 JPY per share
(Interim: 80 JPY per share, Year-end: 100 JPY per share)

Note: The above projections are based on our view of the current business environment and our projections for FY2015.

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 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 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.

The Company undertakes no obligation to publicly update any forward-looking statements included in this report.

Thank you

