

Earnings Release Conference Second Quarter of FY2011 (July 1, 2011 to September 30, 2011)

October 31, 2011
Murata Manufacturing Co., Ltd.



1. Second Quarter of FY2011

From April 1, 2011 to September 30, 2011
Consolidated basis

Financial Results Overview

	FY2010		FY2011				Change			
	First Half		1Q	2Q	First Half		Q on Q		Y on Y	
	(a)	(%)	(b)	(c)	(d)	(%)	(c) vs. (b)	(%)	(d) vs. (a)	(%)
Net sales	(B JPY) 315.0	(%) 100.0	(B JPY) 143.2	(B JPY) 152.7	(B JPY) 295.9	(%) 100.0	(B JPY) +9.4	(%) +6.6	(B JPY) ▲19.1	(%) ▲6.1
Operating income	46.3	14.7	17.2	13.8	31.0	10.5	▲3.4	▲20.0	▲15.2	▲32.9
Income before income taxes	47.5	15.1	19.1	15.6	34.7	11.7	▲3.5	▲18.3	▲12.7	▲26.8
Net income	31.1	9.9	14.2	9.4	23.7	8.0	▲4.8	▲33.8	▲7.4	▲23.8

Sales by Product

	FY2010		FY2011				Change			
	First Half		1Q	2Q	First Half		Q on Q		Y on Y	
	(a)	(%)	(b)	(c)	(d)	(c) vs. (b)	(%)	(d) vs. (a)	(%)	
Capacitors	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
	114.2	36.4	55.8	54.1	109.9	37.3	▲ 1.8	▲ 3.2	▲ 4.3	▲ 3.7
Piezoelectric Components	46.0	14.7	19.1	20.5	39.6	13.4	+1.3	+7.0	▲ 6.5	▲ 14.0
Other Components	60.3	19.2	28.2	29.2	57.4	19.5	+1.0	+3.7	▲ 2.9	▲ 4.9
Communication Modules	65.9	21.0	27.3	35.2	62.5	21.2	+8.0	+29.2	▲ 3.4	▲ 5.2
Power Supplies and Other Modules	27.4	8.7	12.3	13.1	25.4	8.6	+0.9	+6.9	▲ 2.1	▲ 7.5
Net Sales	313.8	100.0	142.7	152.1	294.7	100.0	+9.4	+6.6	▲ 19.1	▲ 6.1

Sales by Product

FY11 First Half vs. FY10 First Half



<p>Capacitors ▲3.7%</p>	<ul style="list-style-type: none"> ● MLCCs: Grew for mobile phones and automotive electronics due to increase in sales quantity and improvement in product mix, but declined for AV devices, resulting in slight decrease in total.
<p>Piezoelectric Components ▲14.0%</p>	<ul style="list-style-type: none"> ● SAW filters: Increased greatly in quantity terms due to growing production of mobile phones and increased number of components per device with the ongoing trend toward multi-band devices, but declined in value terms due to price decline and yen appreciation. ● Ceramic resonators: Decreased mainly for computers and peripherals, and AV devices. ● Piezoelectric sensors: Declined for HDDs (shock sensors) and back sonar (ultrasonic sensors).
<p>Other Components ▲4.9%</p>	<ul style="list-style-type: none"> ● EMI suppression filters: Grew for computers and peripherals, but dropped significantly for AV devices, resulting in decrease in total. ● Inductors (Coils): Increased in total. Increased for computers and peripherals but declined for AV devices and automotive electronics. ● Connectors: Rose greatly mainly for tablet devices.
<p>Communication Modules ▲5.2%</p>	<ul style="list-style-type: none"> ● WiFi/Bluetooth modules: Grew steadily in total. Increased significantly for smartphones and tablet devices, but decreased largely for portable media players and automotive electronics. ● Multilayer devices: Decreased for communication devices.
<p>Power Supplies and Other Modules ▲7.5%</p>	<ul style="list-style-type: none"> ● Power supplies: Increased for AV devices and automotive electronics but sluggish for use in other applications.

Sales by Product

FY11 Second Quarter vs. FY11 First Quarter



Capacitors ▲3.2%	<ul style="list-style-type: none"> ● MLCCs: Increased for automotive electronics but declined for computers and peripherals, resulting in slight decrease in total.
Piezoelectric Components +7.0%	<ul style="list-style-type: none"> ● SAW filters: Rose greatly for mobile phones. ● Actuators: Grew significantly for diesel engines.
Other Components +3.7%	<ul style="list-style-type: none"> ● Inductors (Coils): Increased mainly for mobile phones. ● Connectors: Increased considerably for smartphones and tablet devices.
Communication Modules +29.2%	<ul style="list-style-type: none"> ● WiFi/Bluetooth modules: Grew largely for smartphones, portable media players and automotive electronics. ● Multilayer devices: Attained large growth for communication devices.
Power Supplies and Other Modules +6.9%	<ul style="list-style-type: none"> ● Power supplies: Increased mainly for printers and copy machines.

Sales by Application

	FY2010		FY2011				Change			
	First Half		1Q	2Q	First Half		Q on Q		Y on Y	
	(a)	(%)	(b)	(c)	(d)	(c) vs. (b)	(%)	(d) vs. (a)	(%)	
AV	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
	42.9	13.7	15.1	17.4	32.6	11.1	+2.3	+15.4	▲ 10.4	▲ 24.1
Communication	132.5	42.2	60.3	67.1	127.4	43.2	+6.8	+11.2	▲ 5.1	▲ 3.9
Computers and Peripherals	59.5	19.0	29.0	27.9	56.9	19.3	▲ 1.0	▲ 3.6	▲ 2.6	▲ 4.4
Automotive Electronics	39.5	12.6	18.8	21.0	39.8	13.5	+2.2	+11.4	+0.4	+0.9
Home and Others	39.4	12.5	19.4	18.6	38.0	12.9	▲ 0.8	▲ 4.1	▲ 1.4	▲ 3.5
Net Sales	313.8	100.0	142.7	152.1	294.7	100.0	+9.4	+6.6	▲ 19.1	▲ 6.1

* Based on our estimate

Sales by Application

FY11 First Half vs. FY10 First Half

<p>AV ▲24.1%</p>	<ul style="list-style-type: none"> ● Sales of WiFi modules decreased greatly for portable media players. ● Sales of MLCCs declined considerably for flat-panel TVs.
<p>Communication ▲3.9%</p>	<ul style="list-style-type: none"> ● Sales of WiFi modules and MLCCs increased. ● Sales of multilayer devices, SAW filters and One Seg tuners decreased.
<p>Computers and Peripherals ▲4.4%</p>	<ul style="list-style-type: none"> ● Sales of connectors and WiFi modules increased significantly. ● Sales of power supplies and shock sensors declined largely.
<p>Automotive Electronics +0.9%</p>	<ul style="list-style-type: none"> ● Sales of MLCCs and LTCC substrates grew greatly. ● Sales of actuators decreased substantially.

* Based on our estimate

Sales by Application

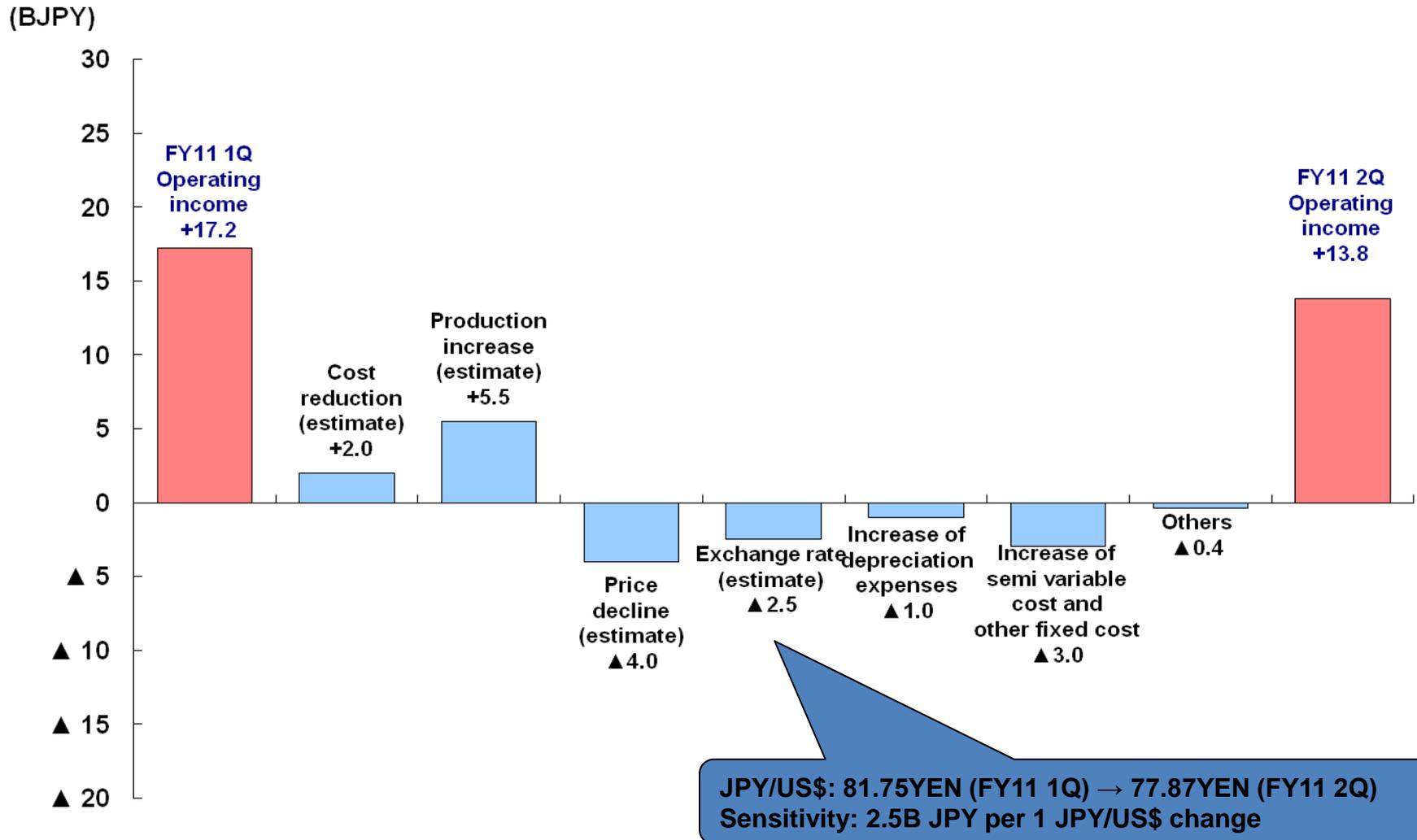
FY11 Second Quarter vs. FY11 First Quarter



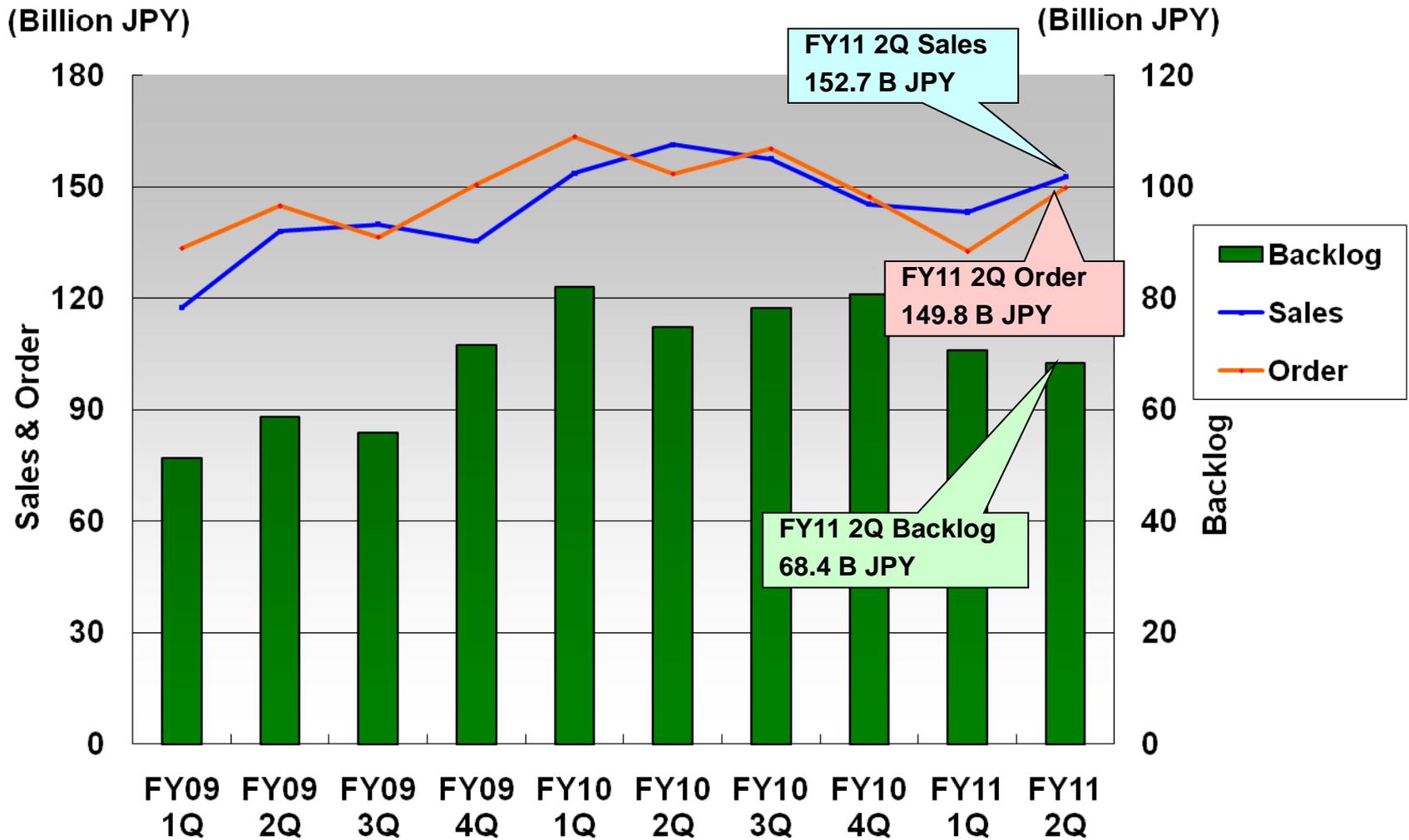
AV +15.4%	<ul style="list-style-type: none">● Sales of WiFi modules rose largely for portable media players.
Communication +11.2%	<ul style="list-style-type: none">● Sales of WiFi modules, SAW filters, connector and multilayer devices increased strongly.
Computers and Peripherals ▲3.6%	<ul style="list-style-type: none">● Sales of WiFi models and power supplies grew considerably.● Sales of MLCCs declined significantly.
Automotive Electronics +11.4%	<ul style="list-style-type: none">● Sales of MLCCs, Bluetooth modules and actuators increased greatly.

* Based on our estimate

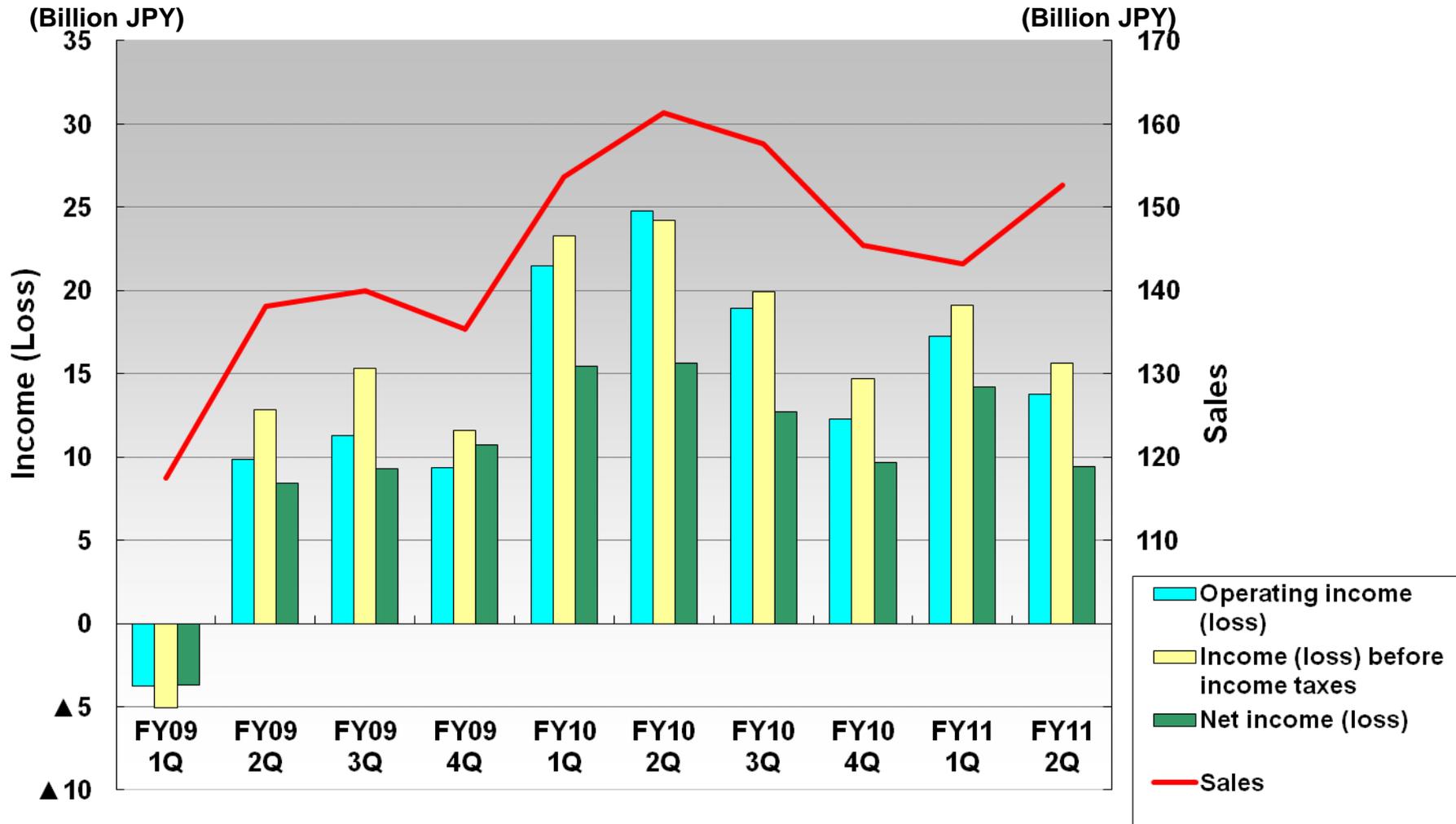
Breakdown of Operating Income Changes FY11 First Quarter to FY11 Second Quarter



Quarterly Sales, Order and Backlog



Quarterly Financial Results



2. Projected Financial Results for FY2011

(from April 2011 to March 2012)

Projected Sales by Product

	FY2011 Projections (Growth Ratio against FY2010)	FY2011 Second Half Projections (Growth Ratio against First Half)
Capacitors	▲3%	▲4%
Piezoelectric Components	▲7%	+4%
Other Components	Flat	+4%
Communication Modules	▲2%	+17%
Power supplies and Other Modules	▲7%	▲8%
Total	▲3%	+3%

Projected Sales by Application

	FY2011 Projections (Growth Ratio against FY2010)	FY2011 Second Half Projections (Growth Ratio against First Half)
AV	▲ 18%	Flat
Communication	Flat	+10%
Computers and Peripherals	▲ 3%	▲ 5%
Automotive Electronics	+4%	+7%
Home and Others	Flat	▲ 10%
Total	▲ 3%	+3%

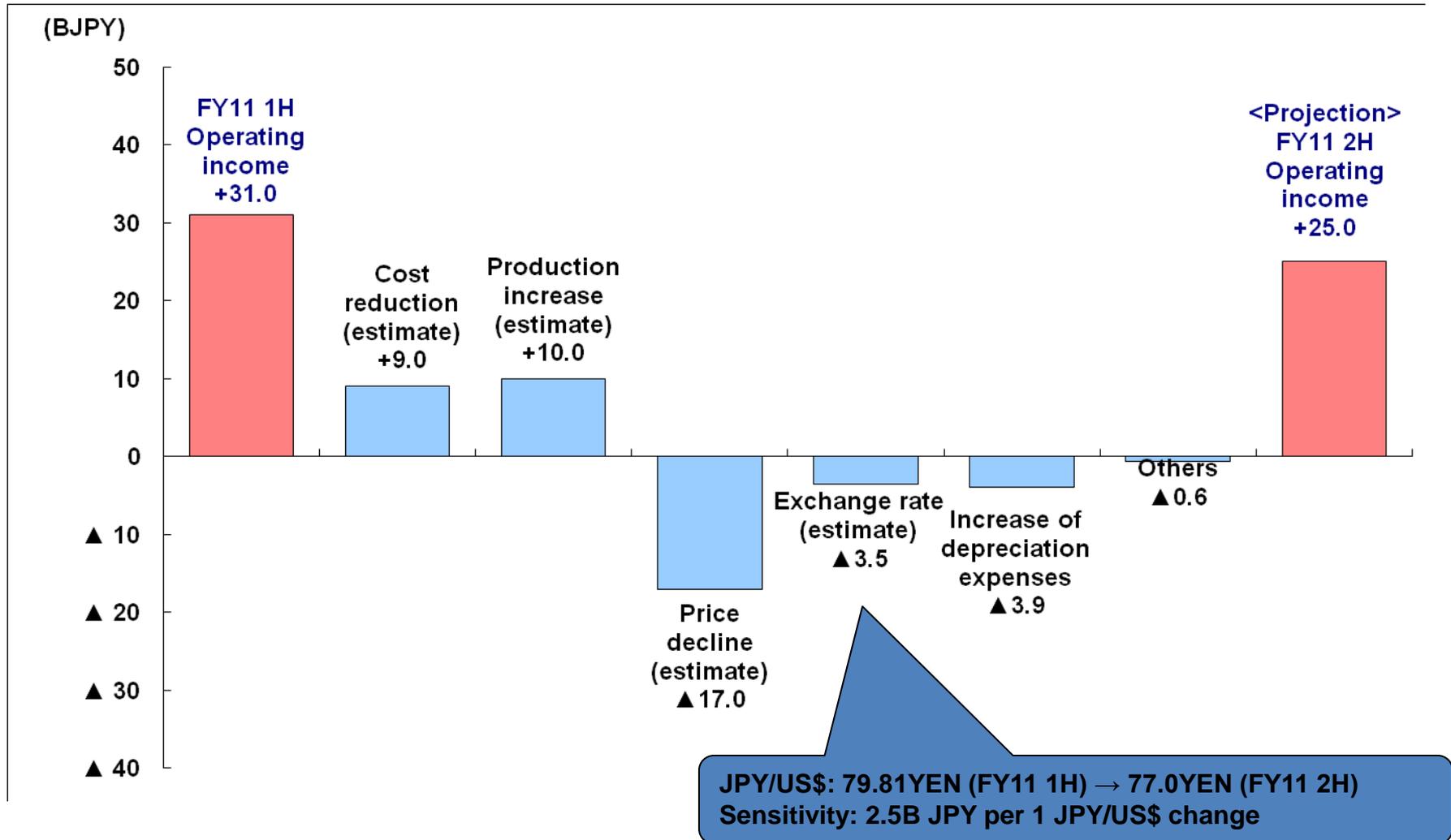
Projected Financial Results for FY2011

	FY2011 First Half Results	FY2011 Second Half Projections	FY2011 Projections
Depreciation and amortization	28.5B JPY	32.5B JPY	61.0B JPY
R & D expenses	20.0B JPY	20.0B JPY	40.0B JPY
Capital expenditures	33.7B JPY	36.3B JPY	70.0B JPY
Average exchange rate (JPY/US\$)	79.81	77.0	
Average exchange rate (JPY/EUR)	113.78	105.00	

Projected Financial Results for FY2011

	Previous (April 2011)			Revised (October 2011)					
	First Half Projections	Second Half Projections	FY2011 Projections	First Half Results		Second Half Projections		FY2011 Projections	
				(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	310.0	340.0	650.0	295.9	100.0	304.1	100.0	600.0	100.0
Operating Income	40.0	44.0	84.0	31.0	10.5	25.0	8.2	56.0	9.3
Income before income taxes	43.0	46.0	89.0	34.7	11.7	27.3	9.0	62.0	10.3
Net income	28.0	30.0	58.0	23.7	8.0	18.3	6.0	42.0	7.0

Breakdown of Operating Income Changes FY11 First Half to FY11 Second Half



1. Goal

< To Enhance Murata's Sensor Business >

- ✓ To add VTI's MEMS sensors for automotive, industrial and medical applications to our product lineup, in response to the policy to increase sales for new markets in our mid-term business plan.
- ✓ To expand sales of gyroscopes and acceleration sensors for the consumer market, utilizing the synergy between VTI's advanced MEMS technologies and products, and Murata's strong relationship with customers in the consumer market.

2. VTI's main products

(Automotive market)

Acceleration sensors and combo sensors (acceleration + gyro)
for ESC, ABS etc.

(Industrial and medical market)

Inclination sensors for industrial machines
Acceleration sensors for medical equipment

(Consumer market)

3-axis gyroscopes
3-axis acceleration sensors

3. Schedule moving forward

The acquisition is expected to close by April 2012, pending approval under the applicable laws and regulations of each country.

Definitive Agreement to Acquire High-Power Amplifier Business from Renesas Electronics



Definitive agreement regarding the acquisition of Renesas Electronics' high-power amplifier business was executed on October 31, 2011.

1. Goal

To enhance Murata's communication module business through the integrated technologies of its world-leading front-end modules (FEMs) and Renesas Electronics' market-proven high-power amplifiers (HPAs).

2. Businesses to acquire

- Renesas Electronics' high-power amplifier business**
- The Nagano Device Division of Renesas Eastern Japan Semiconductor, including its contract production business**

3. Business acquisition date

February 1, 2012 (scheduled)

Dividends per share

FY2011 projected annual dividends per share

100 JPY per share

(Interim: 50 JPY per share , Year-end: 50 JPY per share)

FY2010 annual dividends per share

100 JPY per share

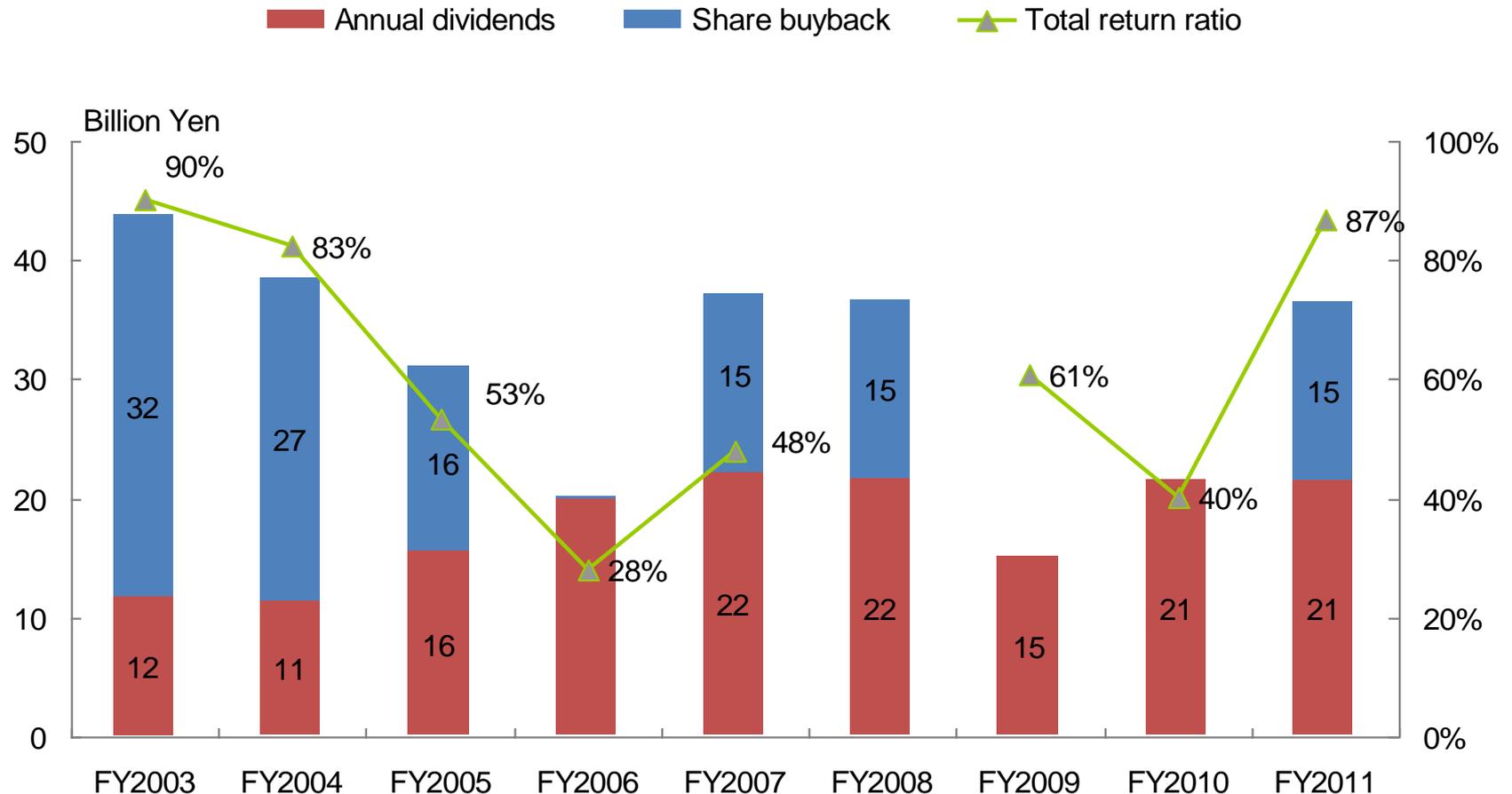
(Interim: 50 JPY per share, Year-end: 50 JPY per share)

Note : The above projections are based on our view of the current business environment and our projections for FY2011.

Purchase of our own shares was resolved at the board meeting on October 31, 2011.

- **Number of shares to be purchased: up to 4 million (1.9% of the number of shares outstanding)**
- **Amount of acquisition: up to 15 billion yen**
- **Period of acquisition: from November 2, 2011 to December 22, 2011**

Return to Shareholders



Our 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.

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.