



## **Murata Manufacturing and Renesas Electronics Sign Basic Agreement to Transfer High-Power Amplifier Business to Murata Manufacturing**

**KYOTO and TOKYO, Japan, July 29, 2011**– Murata Manufacturing Co., Ltd. ("Murata Manufacturing", TSE/OSE: 6981), the world's number one supplier of passive electronic components, and Renesas Electronics Corporation ("Renesas Electronics", TSE: 6723), a premier supplier of advanced semiconductor solutions, today announced that they signed a basic agreement to transfer Renesas Electronics' high-power amplifier (HPA) business and its manufacturing site, the Nagano Device Division (Komoro, Nagano) of Renesas Eastern Japan Semiconductor, Inc. ("Renesas Eastern Japan Semiconductor"), a wholly owned subsidiary of Renesas Electronics, to Murata Manufacturing. Based on the basic agreement signed today, the companies plan to conclude a definitive agreement of this business transfer, which is scheduled to be completed by January 1, 2012.

Details of the business transfer are under discussion and Murata Manufacturing and Renesas Electronics intend to disclose updates when confirmed information is available.

### **1. Background and goals of business transfer**

With the growing demand for smartphones all over the world and the expansion of the low-end models in the developing countries, the market of mobile phones, which is the major user of power amplifiers, is experiencing a growing trend toward one-stop module and platform solutions that integrate basic communication functions in a device. In particular, demand is growing for modules that incorporate HPAs with radio frequency (RF) components, such as filters and switches.

In light of these changing business environments, while maintaining the world-leading market share of front-end modules (FEMs), Murata Manufacturing has been examining measures to strengthen its power amplifier technology in order to promote the integration of front-end modules including power amplifiers and to expand its business.

Renesas Electronics has been supplying power amplifier modules to the mobile handset makers without RF filters and switches. To further strengthen its business structure, the company has been studying ways to respond to the demand for a one-stop module that incorporates an FEM.

Murata Manufacturing and Renesas Electronics have been discussing the possibility of collaborating on a complementary supply of parts for communication devices. However, to respond to the changing business circumstances rapidly, the companies agreed and today signed

a basic agreement in which Murata Manufacturing will acquire Renesas Electronics' power amplifier business and its manufacturing site, the Nagano Device Division of Renesas Eastern Japan Semiconductor.

Murata Manufacturing intends to further expand its business through integrated technologies of its world-leading FEMs and market-proven PAs.

## **2. Outline of business transfer**

Renesas Electronics will transfer its HPA business and the Nagano Device Division of Renesas Eastern Japan Semiconductor, including its contract production business to Murata Manufacturing.

## **3. Schedule moving forward**

- End of October, 2011: Sign a definitive agreement for the business transfer (scheduled)
- January 1, 2012: Date of business transfer (scheduled)

## **4. Outline of Murata Manufacturing and Renesas Electronics**

(1)	Company Name	Murata Manufacturing Company, Ltd.	Renesas Electronics Corporation
(2)	Major Operations	Research, production and sales of electronic components and related products	Research, development, design, manufacture, sales, and servicing of semiconductor products
(3)	Established	December 23, 1950	November 1, 2002
(4)	Registered Head Office	10-1, Higashikotari 1-chome, Nagaokakyo-shi, Kyoto 617-8555	1753 Shimonumabe, Nakahara-ku, Kawasaki, Kanagawa 211-8668, Japan
(5)	Representative	President, Statutory Representative Director Tsuneo Murata	Representative Director and President Yasushi Akao
(6)	Capital	69,377 million yen (as of March 31, 2011)	153,255 million yen (as of March 31, 2011)
(7)	Net Assets	821,144 million yen (Consolidated, as of March 31, 2011)	291,058 million yen (Consolidated, as of March 31, 2011)
(8)	Total Assets	988,508 million yen	1,145,048 million yen

	(Consolidated, as of March 31, 2011)	(Consolidated, as of March 31, 2011)
(9) Major Stockholders and Ownership Ratios	JP Morgan Chase Bank: 6.0% Japan Trustee Services Bank, Ltd.: 5.5% The Master Trust Bank of Japan, Ltd.: 4.2% Nippon Life Insurance Company: 4.1%	Hitachi, Ltd.: 30.62% Mitsubishi Electric Corporation: 25.05% Japan Trustee Services Bank, Ltd.: 18.75% NEC Corporation: 16.71%
(10) Present Relationship Between Corporate Parties	Capital Ties	No relevant items
	Personal Ties	No relevant items
	Business Relationship	Murata Manufacturing supplies some passive components to Renesas Electronics. Renesas Electronics supplies some semiconductor devices to Murata Manufacturing.
	Relevant Circumstances of Related Parties	No relevant items

## **5. Financial outlook in response to business transfer**

Murata Manufacturing and Renesas Electronics intend to add details of the impact from the business transfer to their financial reports when confirmed information is available.

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### **About Murata Manufacturing Co., Ltd.**

Murata Manufacturing Co., Ltd. (TSE/OSE: 6981) is an integrated electronic component manufacturer which has developed and commercialized a wide array of electronic components since its foundation in 1944. We believe that "New quality electronic equipment begins with new quality components and new quality components begin with new quality materials. Guided by this principle, we expand our business based on material technologies. Then, Murata as an "Innovator in Electronics" supports the infrastructure of our electronics society by developing unique products. More information can be found at [www.murata.com](http://www.murata.com).

### **About Renesas Electronics Corporation**

Renesas Electronics Corporation (TSE: 6723), the world's number one supplier of

microcontrollers, is a premiere supplier of advanced semiconductor solutions including microcontrollers, SoC solutions and a broad-range of analog and power devices. Business operations began as Renesas Electronics in April 2010 through the integration of NEC Electronics Corporation (TSE: 6723) and Renesas Technology Corp., with operations spanning research, development, design and manufacturing for a wide range of applications. Headquartered in Japan, Renesas Electronics has subsidiaries in 20 countries worldwide. More information can be found at [www.renesas.com](http://www.renesas.com).

### **Media Enquiries**

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