

June 20, 2007

Company: Murata Manufacturing Co., Ltd.

Exchange Listing: 6981 (TSE1, OSE1)

Location of head office: 1-10-1, Higashikotari, Nagaokakyo-shi, Kyoto

President/ Statutory Representative Director: Yasutaka Murata

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Acquisition of Power Electronics Division of C&D Technologies, Inc. (US)

Murata Manufacturing Co., Ltd. today announced that it has signed an agreement with C&D Technologies, Inc. (US) (Headquarter: Pennsylvania; hereinafter “C&D Technologies”) to acquire its Power Electronics Division (Main office: Massachusetts; hereinafter “PED”) on June 19, 2007 (EDT). The acquisition will be finalized during the first half of FY 2007 upon receiving all necessary legal and regulatory approvals and after fulfillment of the necessary conditions of the acquisition contract.

1. Purpose of acquisition

C&D Technologies is a power system specialist with its headquarters in the USA. It consists of three divisions: Standby Power Division, Motive Power Division and the aforementioned Power Electronics Division. C&D Technologies develops, manufactures and sells batteries, standby power systems and high-frequency switching power supplies. The main office of PED is located in Mansfield, Massachusetts, USA, and it develops, manufactures and sells electric components including DC/DC converters, AC/DC power supplies, inductors and transformers. It commands an especially high market share for DC/DC converters.

In addition to having a wide range of standard power supply products that Murata does not currently handle, PED is strong in overseas markets that our power supply business has not been able to fully penetrate. Therefore, we believe the acquisition of PED will greatly contribute to filling out our product line-up and entering new markets for our power supply business.

Meanwhile, through joining the Murata Group and sharing our sales network, production technology, and material procurement, we believe that PED will be able to achieve a further expansion of its business and improvement in performance.

2. Method of acquisition

Under the terms of the agreement, Murata will become the sole owner of the PED business through the acquisition of the six subsidiaries of C&D Technologies which together constitute the PED business. We are currently contemplating the actual scheme for the acquisition. Murata Group has not yet decided on the vehicle for the acquisition.

3. Acquisition Price

The acquisition price was agreed to be approximately US\$85 million. Murata Group intends to finance this acquisition using its own cash reserves.

4. Schedule to Closing

Upon receiving all necessary legal and regulatory approvals and after fulfillment of the necessary conditions of the acquisition contract, the acquisition of PED is scheduled to be completed during the first half of FY 2007.

5. Affect of acquisition in terms of our performance

The affect of the acquisition in terms of our consolidated performance is projected to be minor.

【Company Profile for C&D Technologies, Inc.】

Company name : C&D Technologies, Inc.
Location : 1400 Union Meeting Road Blue Bell, PA, US
Year established : 1906
Stocks listed on : New York Stock Exchange
Representative Director : Jeffrey A. Graves
Capital : 290 thousand US\$
Net sales : 524 million US\$
Business domain : Manufacture and sales of batteries, standby power systems and high-frequency switching power supplies
Number of employees : 2,900 (as of the end of January 2007)
Settlement term : End of January
URL : <http://www.cdtechno.com>

【Profile for Power Electronics Division of C&D Technologies, Inc.】

Division name : Power Electronics Division
Location : 11 Cabot Boulevard Mansfield, MA, US
Representative director : William E. Bachrach Ph.d,
Net sales : 185 million US\$
Business domain : Development, manufacture and sales of electric components including DC/DC converters, AC/DC power supplies, inductors and transformers
Number of employees : 1,318 (as of the end of January 2007)
Offices : Mansfield (US), Toronto (Canada), Milton Keynes (UK), Bordon (UK), Shanghai (China), Guangzhou (China), Tucson (US), Nogales (Mexico), Paris (France), Munich (Germany), Tokyo (Japan) and Osaka (Japan)
URL : <http://www.cd4power.com>

[Murata Manufacturing Company, Ltd.]

Head Office: Higashikotari 1-10-1, Nagaokakyo-shi, Kyoto, Japan

Representative: Yasutaka Murata

Establishment: December 23, 1950

Paid in Capital: 69,376 million JPN Yen (as of March 31, 2007)

Employees: Consolidated / 26,392 Non-consolidated / 5,832(as of March 31, 2007)

Products: Multi-layer Ceramic Capacitors, Ceramic Filters, Ceramic Resonators, Multilayer Ceramic Devices, Dielectric Filters, Surface Acoustic Wave Filters, Isolators, Circuit Modules, Power Supplies, EMI Suppression Filters, Sensors, Coils, Thermistors, Trimmer Potentiometers and others

Net Sales (Consolidated): 566,805 million JPN Yen (year ended March 31,2007)

(Non-consolidated): 490,642 million JPN Yen (year ended March 31,2007)

Affiliates Domestic / 23 Overseas / 33