

Earnings Release Conference FY2013 (April 2013 to March 2014)

April 30, 2014

Murata Manufacturing Co., Ltd.



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

Topics of Financial Results for FY2013

- Sales of the fiscal year was 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 115% from the previous fiscal year. It was the highest income from FY2001.
- We planned net income over 100 billion yen as the increase both in sales and profit in the projected finance result for FY2014 due to the additional demand increase of electronic components.
- We plan to pay an annual dividend of 160 yen per share (comprising interim and year-end dividends of 80 yen per share each) for the fiscal year ending March 31, 2015, a 30 yen increase from the previous fiscal year.

1. Financial Results of FY2013

From April 2013 to March 2014
Consolidated Basis

Financial Results Overview

	FY2012		FY2013		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	681.0	100.0	846.7	100.0	+165.7	+24.3
Operating income	58.6	8.6	125.9	14.9	+67.3	+114.7
Income before income taxes	59.5	8.7	132.3	15.6	+72.8	+122.3
Net income	42.4	6.2	93.2	11.0	+50.8	+119.9

Sales by Product



	FY2012		FY2013		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Capacitors	228.7	33.7	276.6	32.8	+47.9	+20.9
Piezoelectric Components	80.6	11.9	96.2	11.4	+15.6	+19.4
Other Components	138.9	20.5	156.6	18.6	+17.7	+12.8
Communication Modules	182.9	26.9	260.0	30.8	+77.1	+42.1
Power Supplies and Other Modules	47.3	7.0	54.3	6.4	+7.0	+14.9
Net sales	678.4	100.0	843.6	100.0	+165.3	+24.4

Sales by Product

<p>Capacitors +20.9%</p>	<p>Multilayer ceramic Capacitors : Significant increased due to excellent condition in wide range application with a focus on mobile phones and car electronics.</p>
<p>Piezoelectric Components +19.4%</p>	<p>Saw filter : Grew strongly due to the increase in the production of smartphones 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>Resonator : Ceramic resonators grew for car electronics and home electronics.</p>
<p>Other Components +12.8%</p>	<p>EMI suppression filter : Significant increased for smartphones and tablets.</p> <p>Sensors : MEMS sensors grew strongly for car electronics.</p>
<p>Communication Modules +42.1%</p>	<p>Wireless modules : Grew strongly for smartphones and tablets while it declined for portable media players.</p> <p>Circuit Modules : Significant increased for smartphones because new products were launched.</p>
<p>Power Supplies and Other Modules +14.9%</p>	<p>Power Supplies : Grew for server, amusement and car electronics.</p>

Sales by Application



	FY2012		FY2013		Y on Y Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
AV	47.2	7.0	44.6	5.3	(2.6)	(5.5)
Communication	329.8	48.6	430.0	51.0	+100.2	+30.4
Computers and Peripherals	134.3	19.8	150.6	17.8	+16.3	+12.1
Automotive Electronics	102.0	15.0	120.2	14.2	+18.1	+17.8
Home Electronics and Others	65.1	9.6	98.4	11.7	+33.3	+51.1
Net sales	678.4	100.0	843.6	100.0	+165.3	+24.4

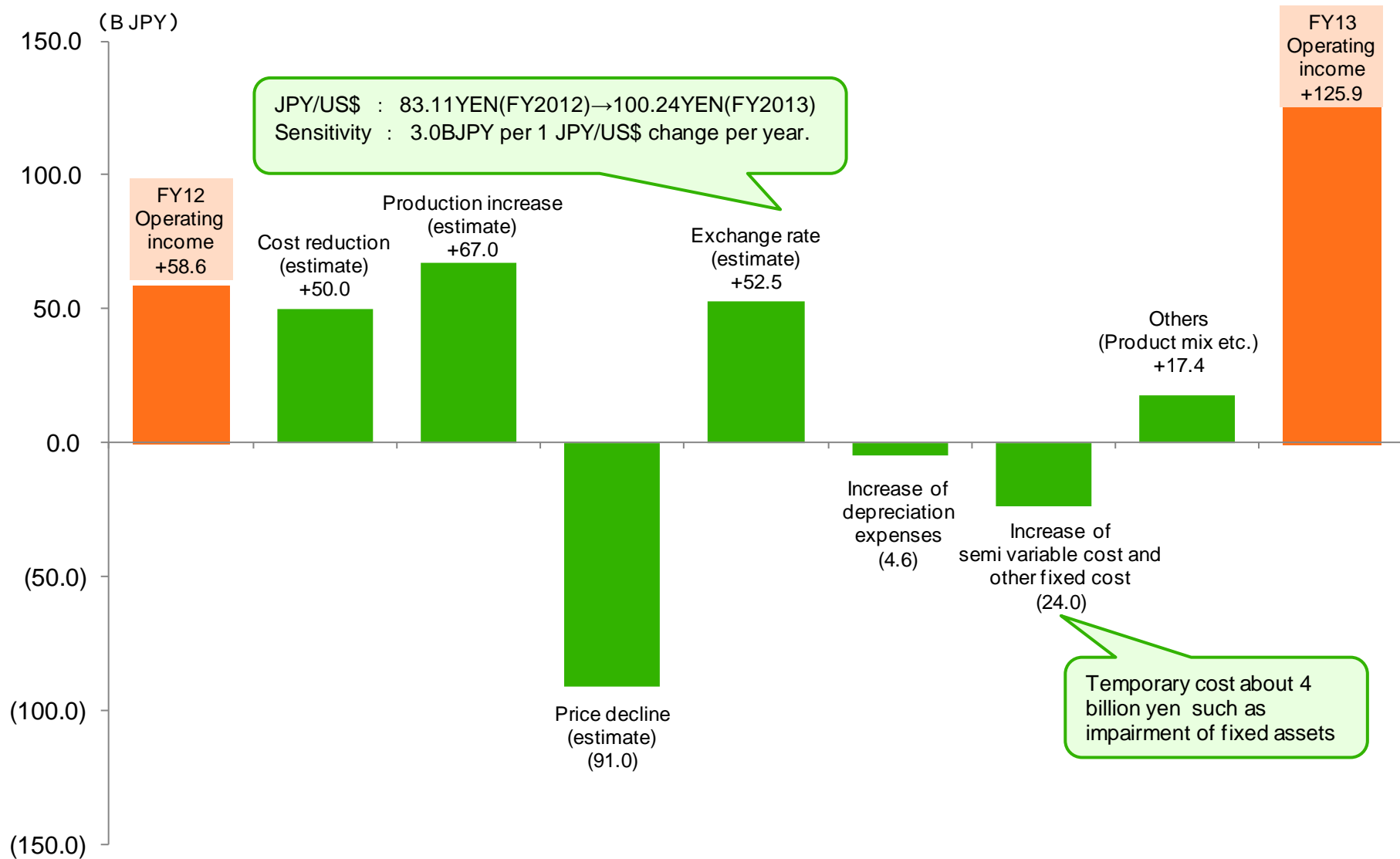
*Based on our estimate

Sales by Application

AV (5.5)%	<p>Sales of WiFi modules decreased for portable media players while it increased for digital camera.</p> <p>Sales of MLCC and EMI suppression filters increased for gaming hardware and set-top box.</p>
Communication +30.4%	<p>Sales of wide range products such as WiFi modules, communication circuit modules, multilayer modules and small-size and high-capacity MLCC for smartphones due to the increase in production of LTE devices.</p> <p>SAW filters and inductors significantly increased due to migration shift from 2G to 3G in emerging countries.</p>
Computers and Peripherals +12.1%	<p>WiFi modules, communication circuit modules and small-size and high-capacity MLCC significantly increased for tablets.</p> <p>MLCC decreased for note PC.</p> <p>Actuator and Piezoelectric sensors (shock sensors) grew for HDD.</p>
Automotive Electronics +17.8%	<p>MLCC for car electronics significantly increased due to vehicle electrification.</p> <p>MEMS sensors for ESC (electronic stability control) grew strongly.</p> <p>Power supplies greatly increased for car audio.</p>

*Based on our estimate

Breakdown of Operating Income Changes FY2012 to FY2013

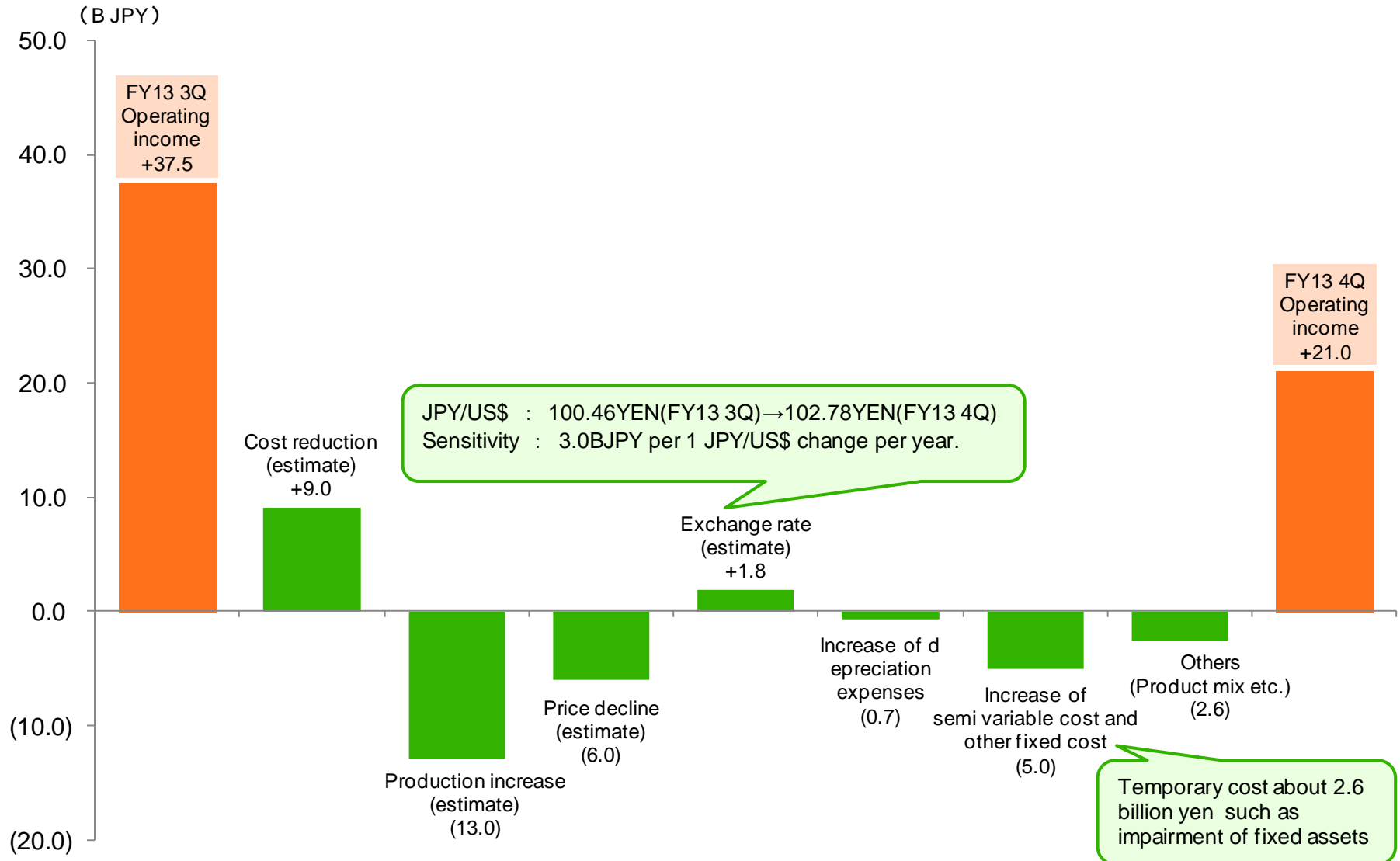


Financial Results Overview

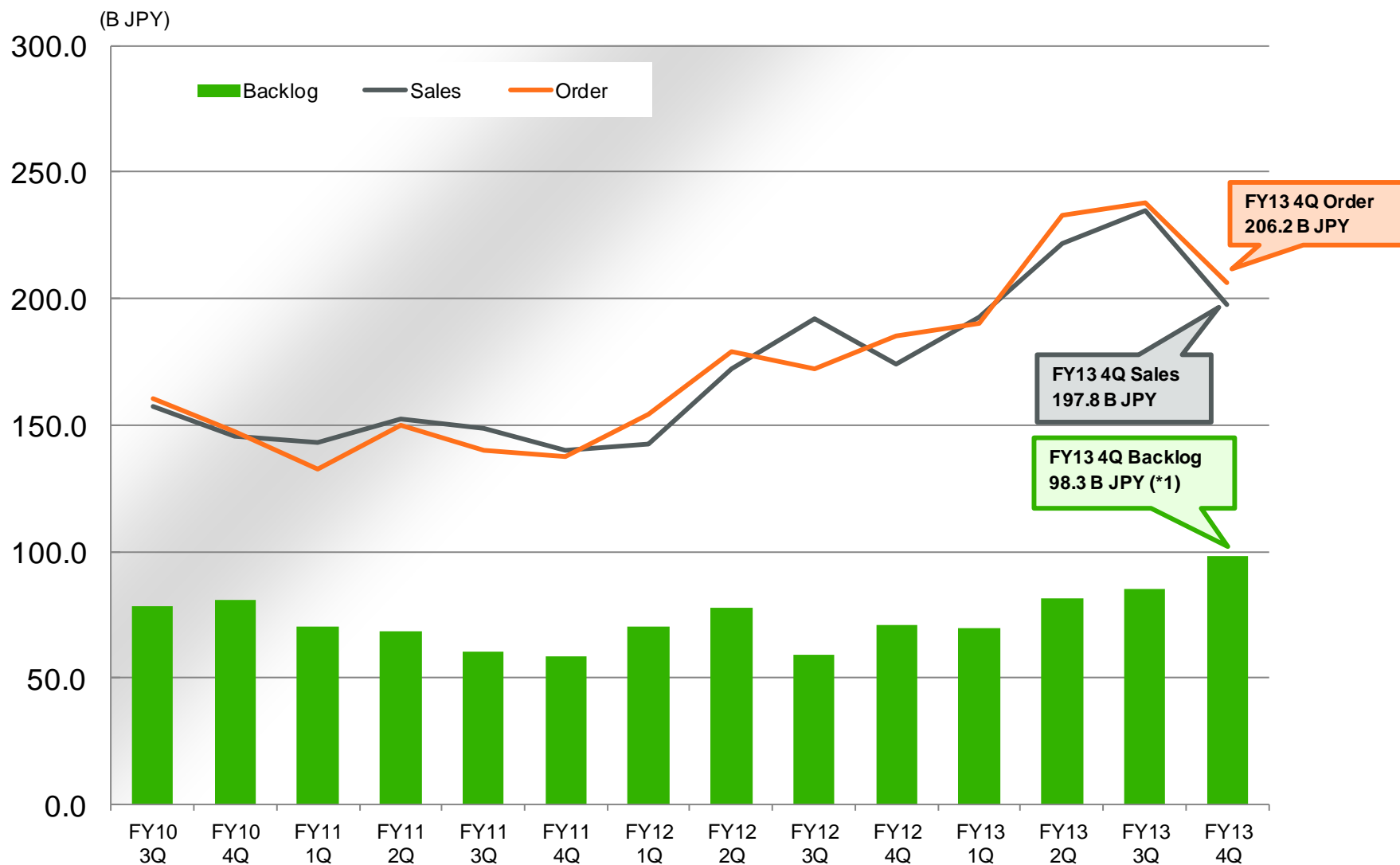
FY13 Third Quarter to FY13 Fourth Quarter

	FY2013 3Q		FY2013 4Q		Q on Q Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	234.8	100.0	197.8	100.0	(37.1)	(15.8)
Operating income	37.5	16.0	21.0	10.6	(16.5)	(44.1)
Income before income taxes	37.6	16.0	26.4	13.4	(11.1)	(29.6)
Net income	27.0	11.5	18.5	9.4	(8.5)	(31.3)

Breakdown of Operating Income Changes FY13 Third Quarter to FY13 Fourth Quarter

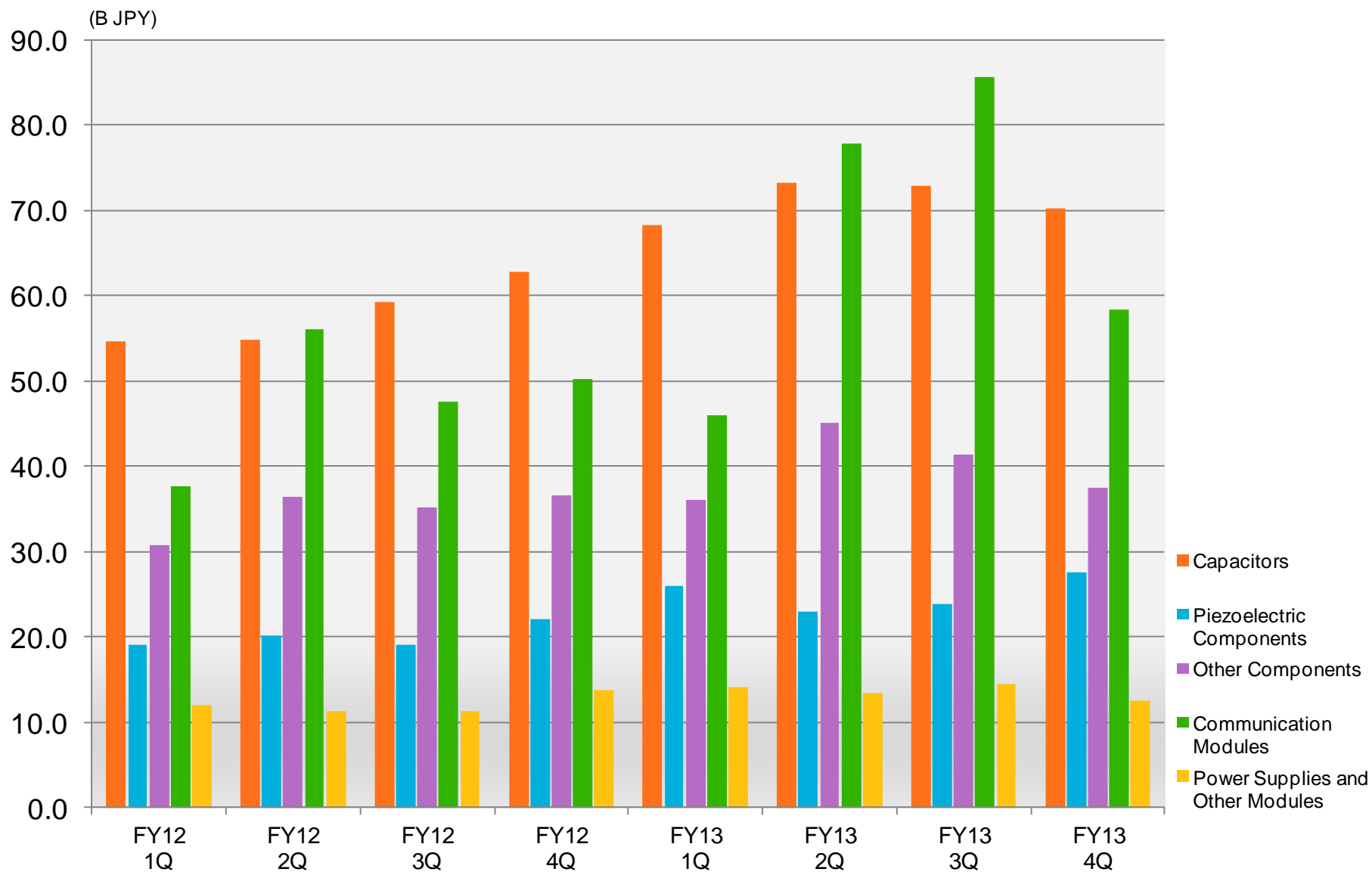


Quarterly Sales, Order and Backlog

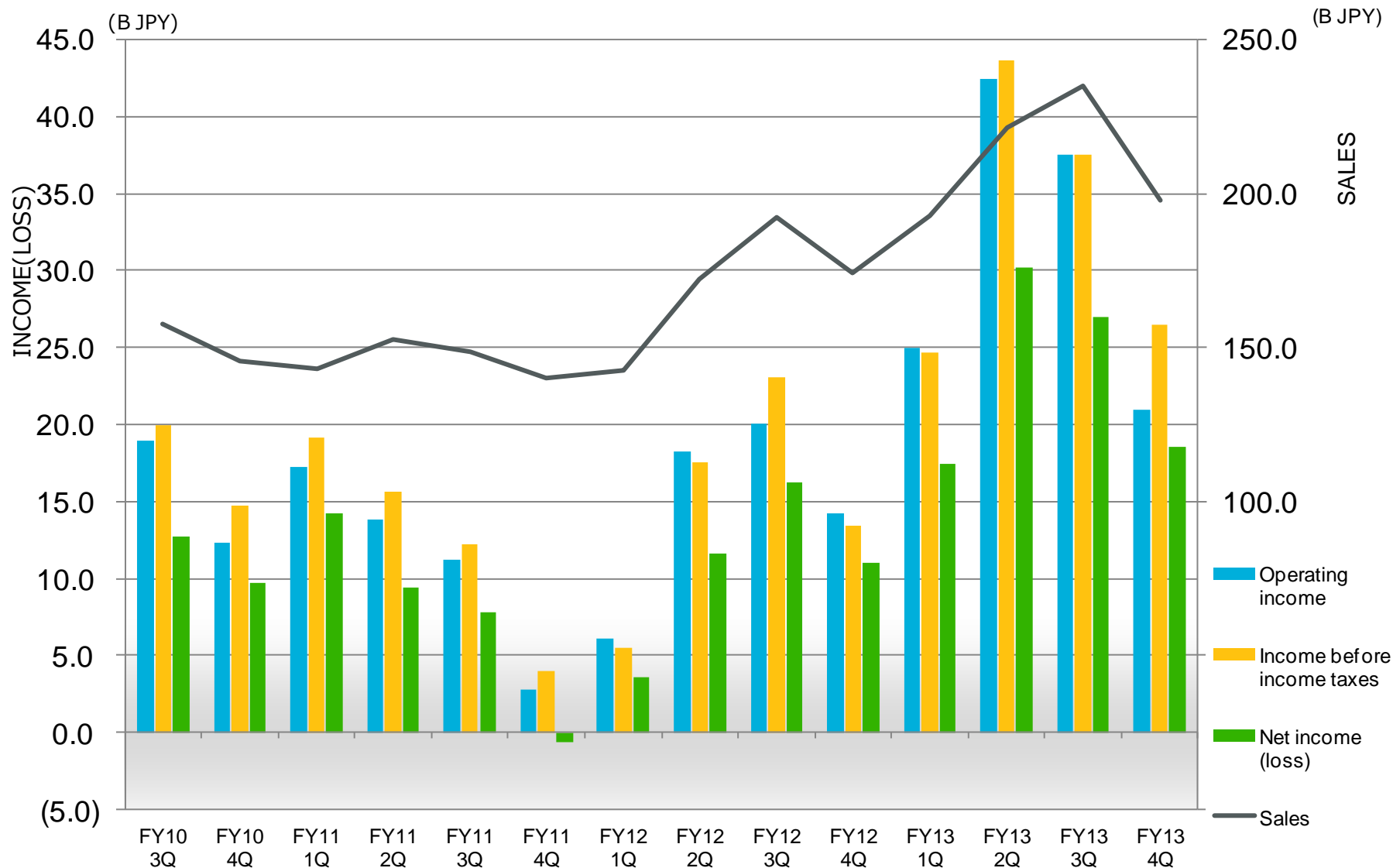


※1 TOKO, INC.'s backlog is included .

Orders by Product








Quarterly Financial Results








2. Projected Financial Results for FY2014

(From April 2014 to March 2015)

Projection of Demand (Communication)

	FY2013		FY2014 Projection		
Mobile Phones Total (units)	1,700 M	→	1,790 M	+5%	
2G	540 M	→	440 M	(18%)	
3G	840 M	→	890 M	+7%	
LTE	320 M	→	450 M	+40%	
Smartphones	1,060 M	→	1,310 M	+23%	

Projection of Demand (PC, AV)

	FY2013		FY2014 Projection		
PCs (units)	460 M	→	480 M	+5%	
Desktop	140 M	→	140 M	Flat	
Notebook	170 M	→	170 M	0% to (5%)	
Tablet	200 M	→	240 M	+20%	
Flat-Screen TVs (units)	210 M	→	210 M	Flat	

Projected Sales by Product

	FY2013 Actual (YoY growth ratio)	FY2014 Projections (YoY growth ratio)
Capacitors	+20.9%	+8%
Piezoelectric Components	+19.4%	+5%
Other Components	+12.8%	+27%
Communication Modules	+42.1%	+1%
Power Supplies and Other Modules	+14.9%	+3%
Total	+24.4%	+9%

* Sales of TOKO,INC was included in Other Components of FY2014 Projections.

Projected Sales by Application

	FY2013 Actual (YoY growth ratio)	FY2014 Projections (YoY growth ratio)
AV	(5.5%)	(3%)
Communication	+30.4%	+10%
Computers and Peripherals	+12.1%	+6%
Automotive Electronics	+17.8%	+14%
Home Electronics and Others	+51.1%	+6%
Total	+24.4%	+9%

* Based on our estimate

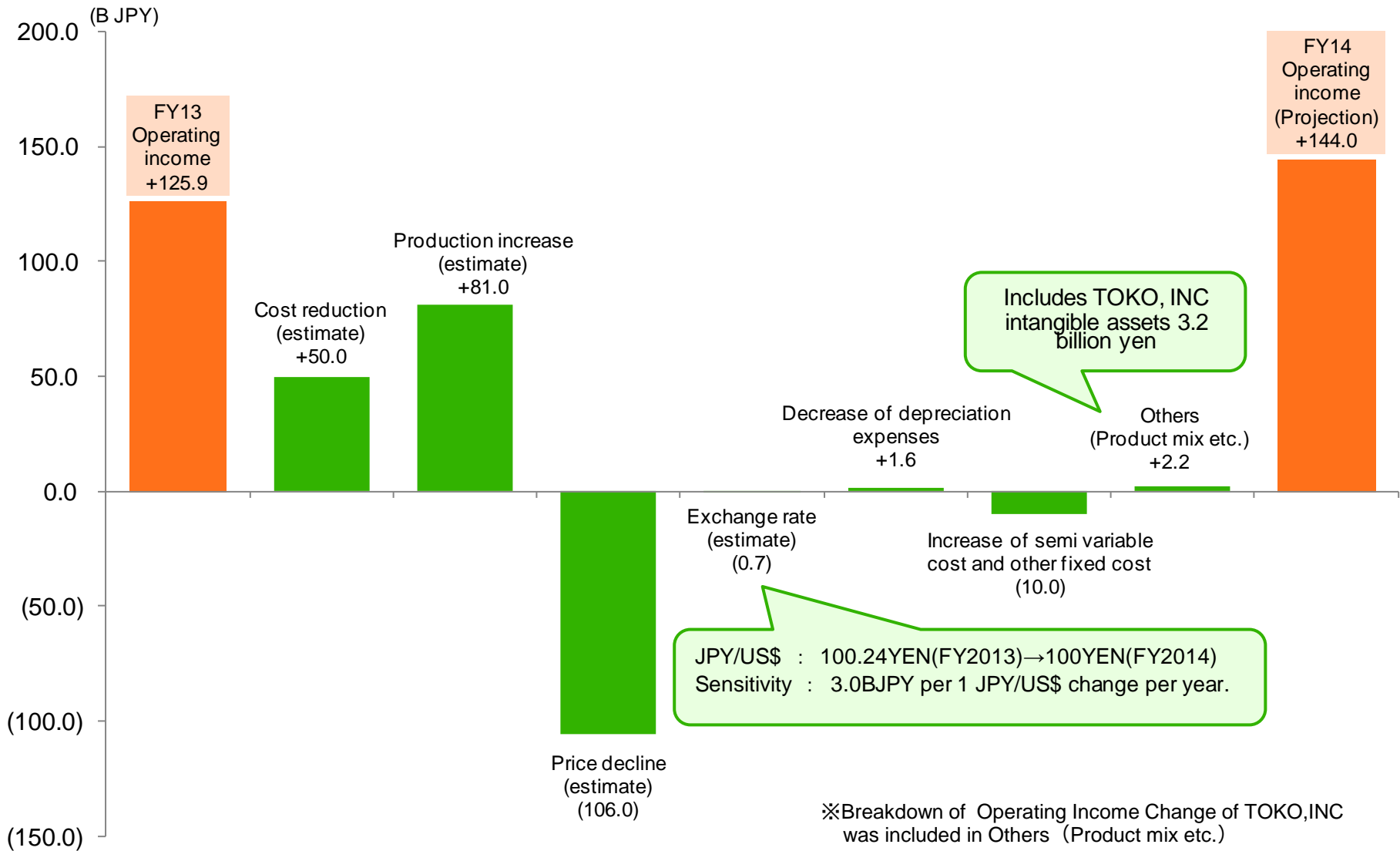
Projected Financial Results for FY2014

	FY2013 Actual		1st Half		2nd Half		FY2014 Projections		Change	
	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	846.7	100.0	445.0	475.0	920.0	100.0	+73.3	+8.7		
Operating income	125.9	14.9	71.0	73.0	144.0	15.7	+18.1	+14.4		
Income before income taxes	132.3	15.6	73.0	75.0	148.0	16.1	+15.7	+11.8		
Net income	93.2	11.0	51.0	51.0	102.0	11.1	+8.8	+9.5		

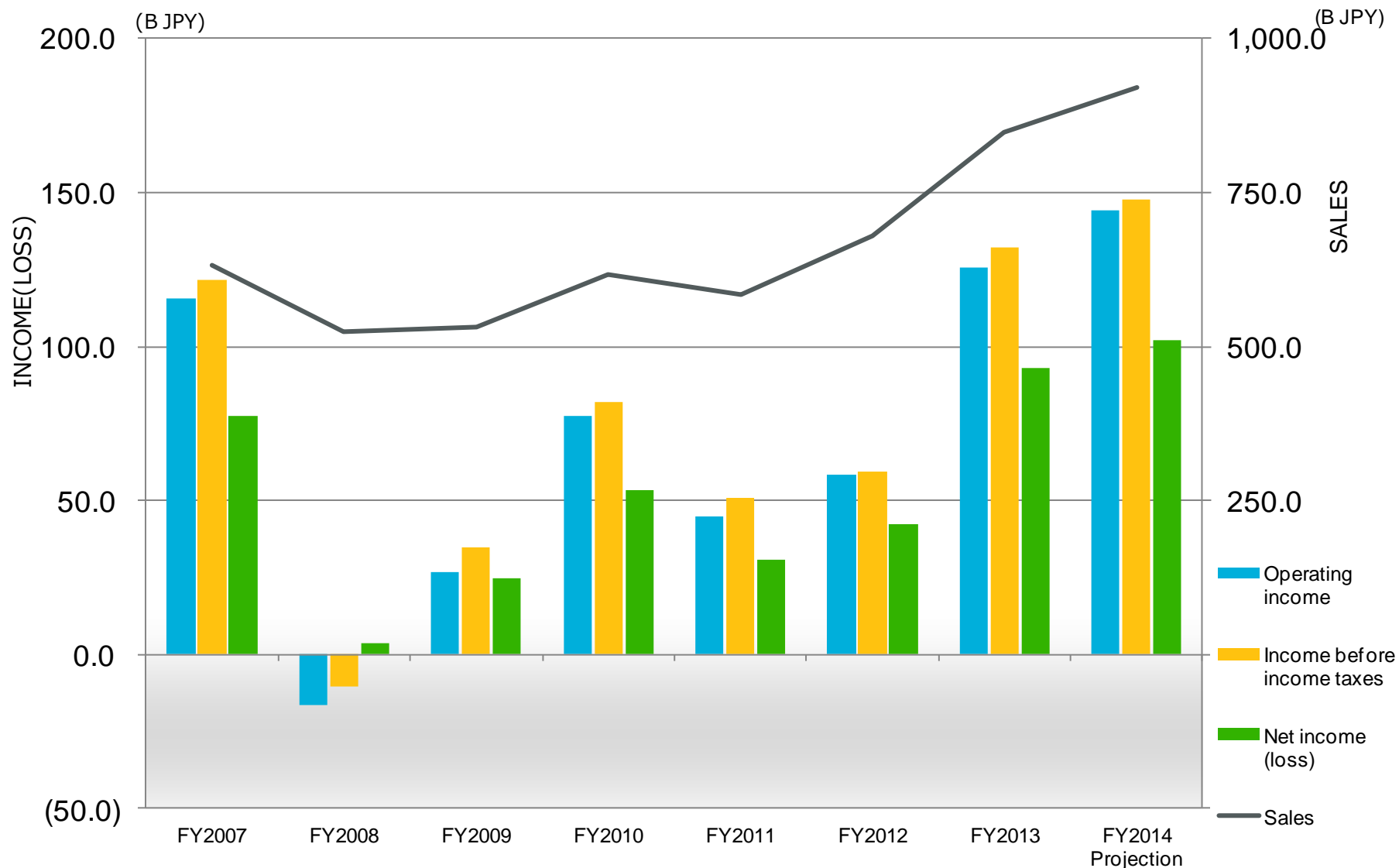
* The above Projected Financial Results includes TOKO, INC Projected Financial Results the year ended December 31, 2013, announced on February 13, 2014 (Net sales 34 billion yen, Operating income 3.5 billion yen on the basis of 95 yen/US dollar) after adjusted by our exchange rate basis.

* The above operating income includes TOKO, INC intangible assets 3.2 billion yen on the basis of consolidation.

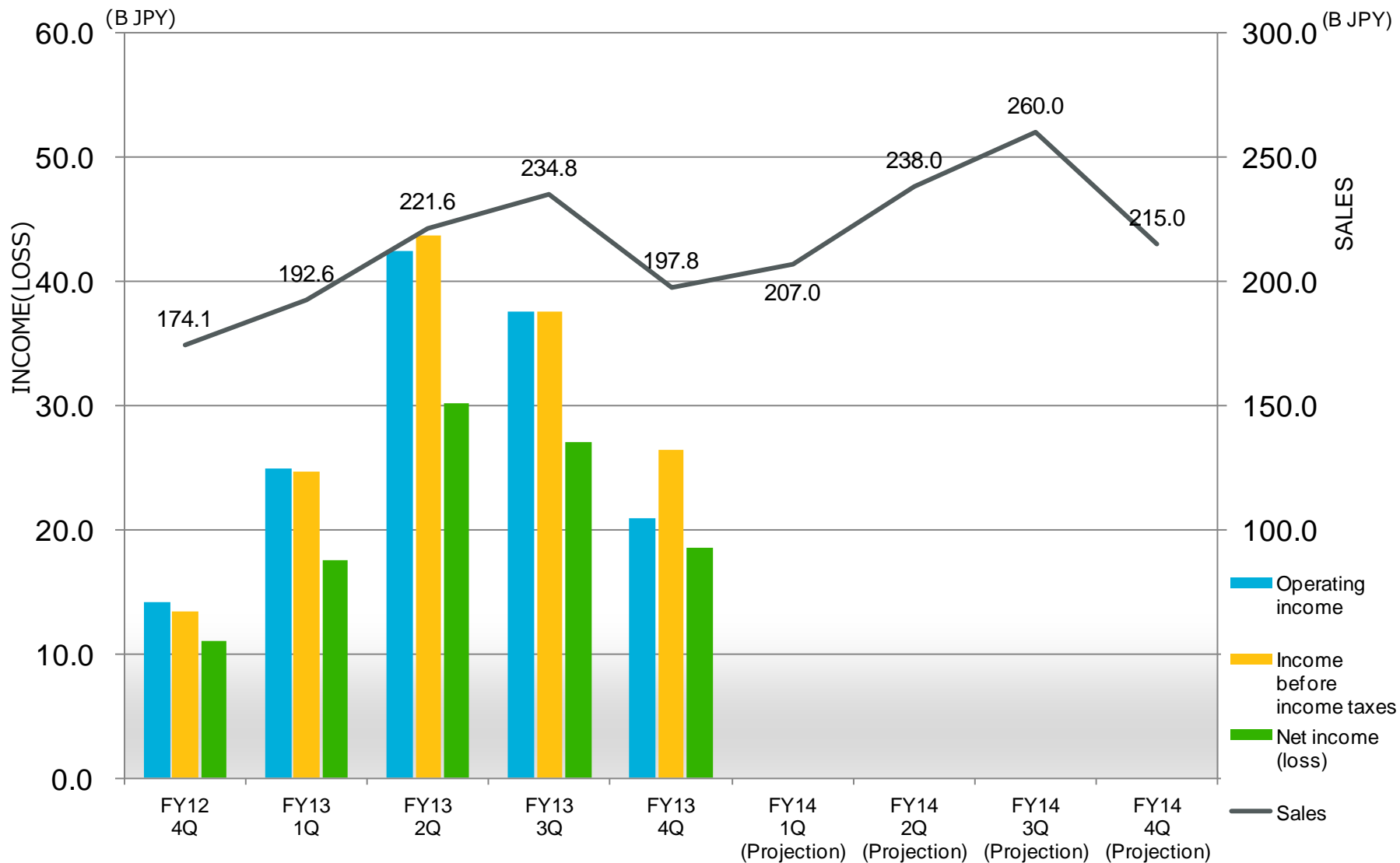
Breakdown of Operating Income Changes FY2013 to FY2014



Projected Financial Results for FY2014



Quarterly Financial Results



Projected Financial Results for FY2014

	FY2013 Actual	FY2014 Projections
Depreciation and amortization	76.9 B JPY	81.0 B JPY
R & D expenses	54.6 B JPY	60.0 B JPY
Capital expenditures	68.2 B JPY	80.0 B JPY
Average exchange rate (JPY/US\$)	100.24	100.00
Average exchange rate (JPY/EUR)	134.38	135.00

FY2014 projected annual dividends per share

160 JPY per share

(Interim: 80 JPY per share, Year-end: 80 JPY per share)

*30 yen increase of year-end dividend per share

FY2013 annual dividends per share

130 JPY per share

(Interim: 60 JPY per share, Year-end: 70 JPY per share)

Note: The above projections are based on our view of the current business environment and our projections for FY2014.

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

