

## Financial Results for FY2014 Presentation Q&A

Q: Murata plans on an all-time high investment of 150 billion yen in this fiscal year. How much will you increase production capacity for MLCCs and SAW filters and how do you see the supply and demand of these products developing going forward?

A: In terms of quantities, we plan to increase total annual capacity for MLCCs by 10%. We will achieve 30% growth in production capacity for SAW filters. Our capacity for MLCCs will be ramped up in keeping with an increase in demand.

Q: What are your prospects for supply and demand between April and June?

A: We posted a high order intake in March because we received a major order towards the end of the last fiscal year. This leads to some adjustments in April, which makes it necessary to consider the two months in one lump. The combined order intake for March and April 2015 represents a substantial year-on-year increase.

Q: Which do you think will be the driver for the expected growth in the net sales of products for communication applications — an increase in the number of components used per device, or further progress in modularization?

A: We expect both factors to drive growth. In components, we anticipate a continued increase in demand for components with further development of LTE technology. In modules, we expect progress in multiband technology in China, which will accelerate modularization to compensate for the limited space available for communication circuits. An increase in the net sales of power amplifiers is also expected to push up the net sales of modules.

Q: Why do you anticipate lower net sales in Q4 in comparison with Q3 for this fiscal year?

A: The fourth quarter represents a low season for electronic components. We expect a drop in net sales in Q4, since demand for components will decline due to normal seasonal factors.

Q: Which areas will you place more emphasis on going forward?

A: We will focus on the market for smartphones and the segment for LTE devices in particular. We expect that the number of components used per device will increase due to further advancement of multiband technology and an increase in the number of global models. That will allow us to offer compact and high-value-added products. We believe the market will continue to grow for a few more years to come. In automotive markets, we have high expectations not only for MLCCs, but also for inductors jointly developed with Toko.

Healthcare and IoT technologies are still in the R&D phase at Murata, but we hope to put emphasis on them in the future.

Q: What percentage of net sales did new products account for in the previous fiscal year and how much are they expected to represent in the current fiscal year?

A: In the previous year, new products made up 40% of our net sales. We expect new products to achieve the same ratio in this fiscal year as well.

This Q&A 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.

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