

October 31, 2016

Company name: Murata Manufacturing Co., Ltd.  
Name of representative: Tsuneo Murata  
President and Statutory Representative Director  
(Code: 6981, First section of the Tokyo Stock  
Exchange)  
Contact: Takumi Ikushima,  
Public Relations Manager  
(Phone: 075-955-6786)

### **Notice Regarding Acquisition of Battery Business from Sony Corporation**

Murata Manufacturing Co., Ltd. (hereinafter “Murata”) and Sony Corporation (hereinafter “Sony”), as the result of the advancement of talks regarding the transfer of Sony’s battery business as set forth in the July 28, 2016 notice of “Signing of Memorandum of Understanding for the Transfer of Battery Business”, announce today that at Murata’s board of directors’ meeting today a resolution was adopted to approve the acquisition of the Sony Group’s battery business, and that dated as of today a binding definitive agreement has been entered into with Sony.

#### 1. Reasons for Acquisition of Battery Business and Overview of Company Split in the Sony Group, Acquisition by a Subsidiary in the Murata Group and Assets Acquisition

##### (1) Reasons for Acquisition of Battery Business

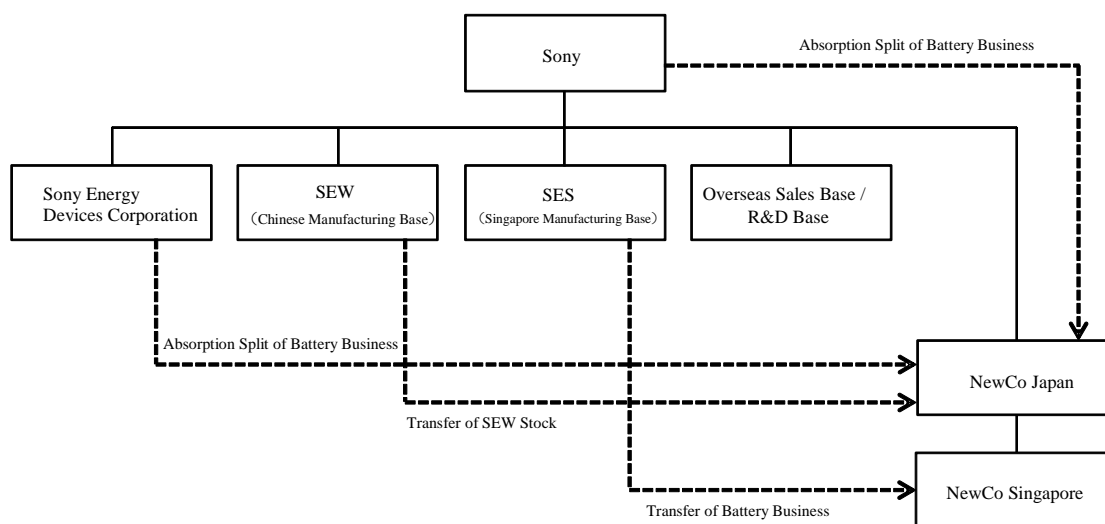
Murata is a leading company in the electronic components field. In an effort to realize its business goals as set out in its “Mid-term Direction 2018” strategy, Murata is engaged in efforts to enhance its competitive edge in the communications market, while also creating new business models and customer value in its automotive and healthcare focus markets, as well as in the energy field. Given this, Murata has been attracted to Sony’s battery business due to the business’ technological strengths and knowledge and experience in global business development. Murata will aim to grow and expand such battery business by adopting it as a core business within its energy field related businesses.

From the perspective of each of their portfolio strategies, and in order to increase the competitiveness and ensure the sustained growth of the battery businesses operations while also continuing to secure appropriate investment therefor, Murata and Sony have determined that it would be appropriate for Murata to take over the technological strength and business experience in Sony’s battery business , and operate this business within the Murata Group.

(2) Company Split in the Sony Group

The following transactions will be implemented in the Sony Group. The business of the Sony Energy Devices Corporation to be acquired (Sony Energy Devices Corporation is the core enterprise in Sony Group's battery business operations) will be split off and absorbed by a newly established company (hereinafter "NewCo Japan"). The research and development function etc. at Sony related to the battery business will also be split off and absorbed by NewCo Japan. Further all of the shares of Sony Electronics (Wuxi) Co., Ltd (hereinafter "SEW"), the Chinese manufacturing base for Sony Group's battery business, will be acquired by NewCo Japan and the business of Sony Electronics (Singapore) Pte. Ltd. (hereinafter "SES"), Sony Group's Singapore manufacturing base, related to the battery business will be transferred to a company newly established by NewCo Japan in Singapore (hereinafter "NewCo Singapore").

<Transaction Image for Company Split, etc. by the Sony Group>



\* Interim holding companies and the like have been omitted.

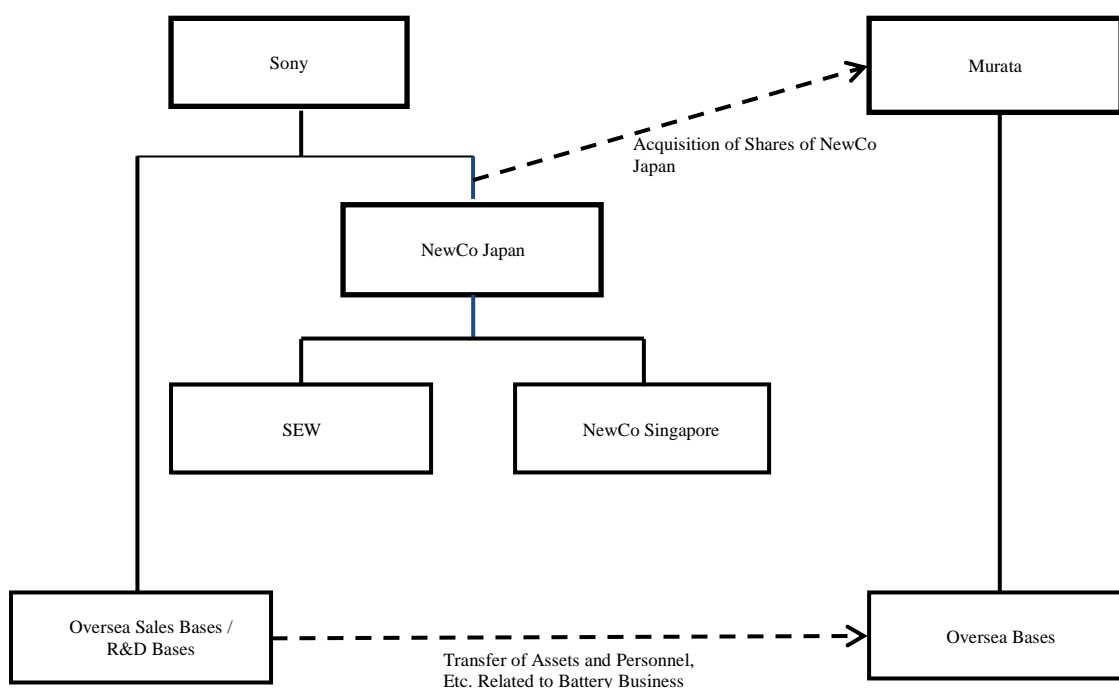
(3) Acquisition of a Subsidiary by Murata

After the completion of the Company Split, Murata will acquire shares of NewCo Japan from Sony.

(4) Transfer of Assets by Murata

The sales base and research and development base held by the Sony Group overseas which is related to the battery business and subject to acquisition is scheduled to be directly acquired through the execution of asset transfer agreements by the Murata Group's bases in the various countries. The subject countries are scheduled to be the United States, Europe, Hong Kong, South Korea, Taiwan, China and Canada.

<Transaction Image for Acquisition of a Subsidiary by Murata >



- \* Scheduled to be conducted in United States, Europe, Hong Kong, South Korea, Taiwan, China and Canada.
- \* Interim holding companies and the like have been omitted.

2. The summary of the subsidiaries to be changed will be announced upon the determination of the relevant details.

3. Overview of Business Subject to Transfer

(1) Business subject to transfer	Sony Group's battery business (excluding sales, etc. to general consumers)	
(2) Main companies and locations subject to transfer	Sony Energy Devices Corporation (located in Fukushima, Japan) Sony Electronics (Wuxi) Co., Ltd (located in China) Sony Electronics (Singapore) Pte. Ltd. (located in Singapore) Battery business related assets and personnel, etc. of sales bases and research and development bases held by Sony Group overseas (located in United States, Europe, Hong Kong, South Korea, Taiwan, China and Canada)	
(3) Details of business	Battery business	
(4) Major shareholders	Sony Corporation (100%)	
(5) Relationship with Murata	Capital relationship	N/A
	Personnel relationship	N/A
	Transaction relationship	No material transactions exist.
	Status of correspondence as related party	N/A
(6) Business results for corresponding business in the immediately preceding fiscal year (FYE March 2016)		
Sales	Approximately JPY 140 billion	
Assets	Current Assets	Approximately JPY 40 billion
	Fixed Assets	Approximately JPY 20 billion
	Total	Approximately JPY 60 billion
Liabilities	Current Liabilities	Approximately JPY 20 billion
	Fixed Liabilities	Approximately JPY 10 billion
	Total	Approximately JPY 30 billion

Note 1: The figures above have not been audited by an auditing firm.

Note 2: Operating incomes have not been stated since the business subject to transfer is part of the financial reporting segment for the Sony Group, and accurate numbers are difficult to project.

#### 4. Purchase Price Amount

Approximately JPY 17.5 billion

\* At present, the acquisition price is an estimate because a price adjustment is scheduled to be implemented after closing pursuant to the definitive agreement.

#### 5. Outline of Counterparty to Share Acquisition (as of the end of March 2016)

(1) Name	Sony Corporation	
(2) Address	1-7-1 Konan, Minato-ku, Tokyo	
(3) Title and name of representative	Kazuo Hirai, President and CEO	
(4) Details of business	Mobile communications, gaming and network services, imaging / products and solutions, home entertainment and sound, semiconductors, components, movies, music, financial services and other business	
(5) Capital	JPY 858,867 million (as of the end of March 2016)	
(6) Date of establishment	May 7, 1946	
(7) Net assets	JPY 3,124,410 million (as of the end of March 2016)	
(8) Total assets	JPY 16,673,390 million (as of the end of March 2016)	
(9) Major Shareholders & Percentage of Holdings	Citibank as Depositary Bank for Depositary Receipt Holders (8.8%) Japan Trustee Services Bank, Ltd. (Trust Account) (5.3%) The Master Trust Bank of Japan, Ltd. (Trust Account) (4.5%)	
(10) Relationship with Murata	Capital relationship	N/A
	Personnel relationship	N/A
	Transaction relationship	Murata supplies various parts to Sony. Sony also sells electronic components to Murata.
	Status of correspondence as related party	N/A

#### 6. Schedule

(1) Resolution of the Board of Directors' meeting	October 31, 2016
(2) Agreement Execution Date	October 31, 2016
(3) Stock Transfer Closing Date	Early April 2017 (Scheduled)

\* The stock transfer closing date may be change depending on the progress of the obtainment of the required regulatory approvals.

#### 7. Future Outlook

This matter is not expected to have an impact on Murata's consolidated business results in fiscal year ending in March 2017.

The impact on Murata's consolidated business results in the fiscal year ending in March 2018 is uncertain at this point in time, but will be announced once determined.