

Third Quarter of FY2018 Presentation Q&A

Q: How have you been progressing in your negotiations for correcting capacitor prices?

A: The negotiations have been going as planned. Out of respect for our relationships with customers, we cannot make any further comments.

Q: What is the outlook for demand for Murata automotive products in 2019F?

A: We are preparing our budget right now, and we expect active demand due to further automotive electrification.

Q: What is the outlook for 5G communication?

A: We have been developing various measures for 5G communication. The technology is expected to have its real impact felt in 2020F and thereafter.

Q: How is your MetroCirc™ business doing?

A: MetroCirc™ sales achieved significant year-on-year growth in Q2 2018F due to high demand for products used in new smartphone models, before it slightly declined in Q3 2018F. In Q4 2018F, seasonal factors are expected to lead to a year-on-year decrease.

Q: What was your capacity utilization for Q3 2018F, and what are your plans for Q4 2018F?

A: In Q3 2018F, we used 105% of our 20-day operation month equipment capacity company-wide. In Q4 we expect to achieve 90% of that capacity. Capacitors used 100% of their 27-day operation month equipment capacity in Q3 2018F. In Q4 they will likely reach 95%.

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.

The Company undertakes no obligation to publicly update any forward-looking statements included in this Q&A.