

## Financial Results for FY2019 Presentation Q&A

Q: What are the main reasons that the business results for FY2019 exceeded projections?

A: In the second half of FY2019, in addition to the strong performance of MLCCs, SAW filters, and RF modules for smartphones, efforts were made to reduce costs. Additionally, there was a movement among our customers to secure inventories of components to prepare against COVID-19, which resulted in business results to exceed projections.

Q: Can you give us the year-on-year results of orders for each month of the fourth quarter of FY2019?

A: For January there was a year-on-year increase of around 0 to 5%, for February an increase of around 10 to 15% and for March an increase of around 35%. In addition to the slowdown of orders in the same period of the previous fiscal year due to the adjustments of distribution stock, in March of this year, there was a movement among our customers to secure inventories of components to prepare against COVID-19.

Q: In the projected sales by product for FY2020, the projected sales of capacitors seem to be flat compared to the previous fiscal year. Can you tell us the background and the analysis behind this projection?

A: In FY2019 sales were sluggish due to the adjustments of distribution stock. In FY2020, despite the decline in the production volumes of automobiles and smartphones, the number of components per unit is increasing and, on a volume basis, a year-on-year increase of 5 to 10% is expected. The average unit price of capacitors is expected to fall compared to the previous fiscal year as the proportion of those for large-sized automobiles will decrease and a certain level of decline in the prices is also expected.

Q: In the projected sales by product for FY2020, the projected sales of modules show a decline of about 17% compared to the previous fiscal year. Can you tell us the background and the analysis behind this projection?

A: In FY2020, we expect the sales of modules to decline, reflecting the significant decrease in the sales of Wi-Fi modules and MetroCirc™, as a result of the decrease in the production volumes of smartphones due to the effects of COVID-19.

Q: Can you tell us the outlook for FY2020 and FY2021?

A: Once the effects of COVID-19 subside, we believe that we will see the full-scale progress of 5G and SaaS in the telecommunications field and that of CASE in the automotive field, which in turn will lead to a major recovery in demand.

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.