



I would like to take this opportunity to thank you for your continued support and guidance in our IR activities.

I will now give an overview of the financial results.

Topics (1/2)

Financial Results of the third quarter of FY2022

- Net sales were 419.0 billion yen, down 13.4% from the last quarter. Sales of multilayer resin substrates, high-frequency modules and connectivity modules decreased for smartphones, and sales of capacitors fell for computers and communication. Additionally, partly due to a decrease in sales of lithium-ion secondary batteries for power tools, net sales, as a whole, declined.
- Operating income was 77.3 billion yen, down 27.3% from the last quarter. The main reason for the decrease was a loss in productivity from lower capacity utilization, resulting from a decrease in production output.
- Net sales 11.4% fell short of the projected financial results as the power tool market slowed down, in addition to a bigger-than-expected decline in demand mainly for the consumer product market, including smartphones and PCs, although sales remained firm for mobility.

I will discuss the topics of the Q3 financial results presentation.

Q3 sales were JPY419 billion, down 13.4% from the immediately preceding quarter. In terms of application, sales for smartphones and computers declined. In addition, sales of lithium-ion secondary batteries for power tool applications decreased, resulting in an overall decline in sales.

The main reason for the decrease in operating income was loss in productivity from lower capacity utilization. Operating income was JPY77.3 billion, down 27.3% from the previous quarter.

We had projected Q3 sales in our earnings forecast in October, but the actual Q3 sales fell short of that forecast by 11.4%. The reasons for this are almost the same as those I mentioned earlier, so I will omit them.

Topics (2/2)

Projected Financial Results for FY2022

The Company has revised the projected financial results, based on the cumulative results for the first nine months and the fourth quarter results forecast.

Projected Financial Results

- Net sales are planned to decrease 7.7% from the previous projected result. Sales of components, devices and modules are expected to decline for communication and computers.
- Operating income is planned to decrease 22.4% from the previous projected result. A loss in productivity from lower capacity utilization, resulting from a decrease in production output, is expected.

Capital expenditures

- The amount has been revised to 200.0 billion yen, down 10.0 billion yen from the previous projected result, due to continued delays in the delivery of some components for equipment.

Shareholder returns

- The annual dividend remains unchanged at 150 yen per share.

Based on the results for the first nine months of the year, we have revised our forecast downward. We are now forecasting a 7.7% decrease in net sales compared to our previous forecast.

We also forecast a 22.4% decrease in operating income compared to our previous forecast due to the decrease in production.

With regard to capital investment, the continuation of long lead times for some equipment components is occurring. Therefore, we have revised our Capital expenditures forecast to JPY200 billion, a decrease of JPY10 billion from our previous forecast.

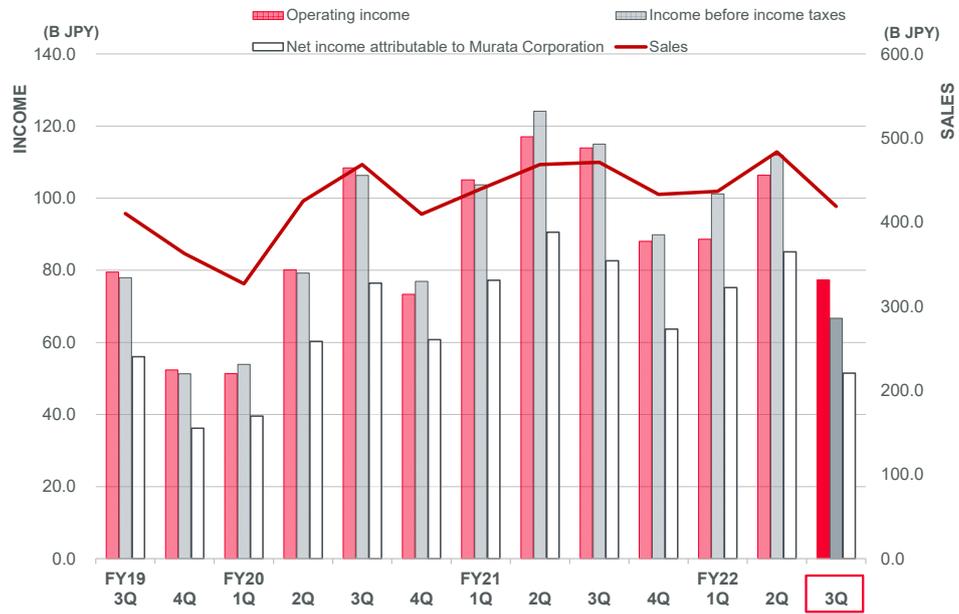
Despite these circumstances, we are maintaining our shareholder return plan unchanged. As in the past, we plan to increase the dividend for this fiscal year.

Third Quarter of FY2022

From October 1, 2022 to December 31, 2022
Consolidated Basis



Quarterly Financial Results



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Here you can see our performance trends.

Q3 results are relatively close to or slightly higher than Q2 in most years, but this year's results showed a different trend than in previous years. We will explain the details later, but the point to note here is that sales fell in Q3 and profits declined accordingly.

Financial Results Overview

	FY2021		FY2022		FY2022		Y on Y Change		Q on Q Change	
	3rd Quarter		2nd Quarter		3rd Quarter		(B JPY)	(%)	(B JPY)	(%)
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)				
Net sales	471.4	100.0	483.6	100.0	419.0	100.0	(52.4)	(11.1)	(64.6)	(13.4)
Operating income	113.9	24.2	106.4	22.0	77.3	18.4	(36.6)	(32.2)	(29.1)	(27.3)
Income before income taxes	115.0	24.4	112.0	23.2	66.7	15.9	(48.3)	(42.0)	(45.3)	(40.4)
Net income attributable to Murata Corporation	82.6	17.5	85.2	17.6	51.5	12.3	(31.2)	(37.7)	(33.7)	(39.6)
Average exchange rates yen/US dollar	113.71		138.38		141.64					

- Net sales, as a whole, decreased from the last quarter as sales of multilayer resin substrates, high-frequency modules and connectivity modules declined for smartphones, and sales of lithium-ion secondary batteries fell for power tools although sales of capacitors increased for mobility.
- Operating income decreased from the last quarter mainly due to the occurrence of a loss of production from lower capacity utilization, resulting from a decrease in production output, and the recording of a one-time expenses of 7.0 billion yen.

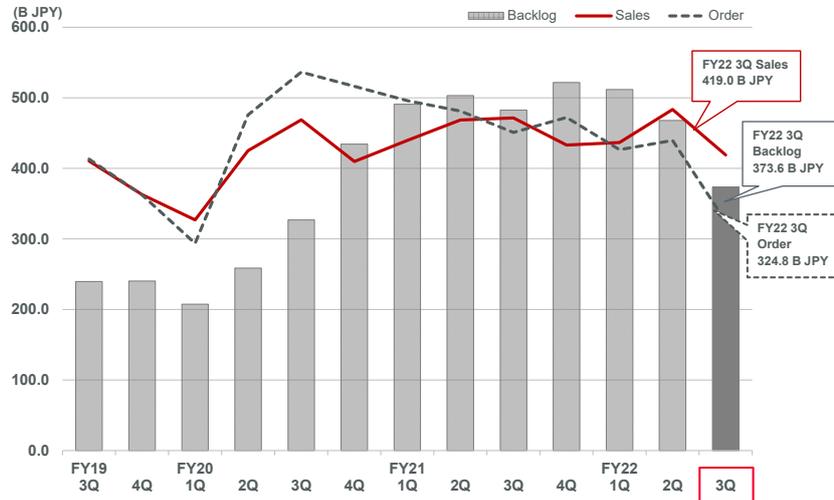
Here is an overview of our business performance.

1 point I would like to add that the reasons for the decrease in profit compared to the previous quarter includes loss of production from lower capacity utilization and the recording of a one-time charge of JPY 7 billion. In terms of the breakdown of one-time expenses, the first item is a provision of several billion yen for dealing with customers.

In addition, environmental pollution control costs are additionally recorded. With regard to the latter, it is not that anything new happened in the third quarter, and we have always estimated the cost of remediation 30 years ahead, and as a result of a more accurate re-estimation in the current quarter, we were required to record additional provisions.

Quarterly Sales, Order and Backlog

On a quarter on quarter basis, orders received decreased. The book-to-bill ratio remains below 1. Order backlogs at the end of the third quarter declined partly due to the impact of rapid fluctuations of exchange rates in addition to progress made in cleaning up backlogs. Orders are expected to decline in the fourth quarter due to seasonality.



* Orders = Sales + Backlogs at the Current Quarter - Backlogs at the Previous Quarter
 Backlogs are calculated based on exchange rates as of the end of each quarter.
 * Exchange rate against the U.S. dollar: 144.81 yen at the end of September, 132.70 yen at the end of December
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Here you can see our sales, orders, and backlog trends.

This time, our orders received decreased significantly from Q2 to Q3. The BB ratio for Q3 was 0.78. The decrease in the order backlog is partly due to the appreciation of the yen toward the end of Q3.

Operating segment sales

	FY2021 3rd Quarter		FY2022 2nd Quarter		FY2022 3rd Quarter		Y on Y Change		Q on Q Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Capacitors	201.4	42.7	194.4	40.2	182.7	43.6	(18.7)	(9.3)	(11.7)	(6.0)
Inductors and EMI filters	51.1	10.8	48.3	10.0	43.4	10.3	(7.7)	(15.1)	(4.9)	(10.2)
High-Frequency Device and Communications Module	140.2	29.7	147.6	30.5	114.4	27.3	(25.8)	(18.4)	(33.2)	(22.5)
Battery and Power supply	48.8	10.4	65.0	13.4	53.9	12.9	+5.1	+10.4	(11.1)	(17.0)
Functional Device	26.3	5.6	24.9	5.2	22.1	5.3	(4.2)	(16.0)	(2.8)	(11.1)
Others	3.6	0.8	3.3	0.7	2.5	0.6	(1.1)	(31.4)	(0.9)	(26.5)
Net sales	471.4	100.0	483.6	100.0	419.0	100.0	(52.4)	(11.1)	(64.6)	(13.4)

This table shows sales by business segment.

Sales in the Battery and Power Supply business increased YoY, but sales in the other businesses decreased both YoY and QoQ.

Operating segment sales

[FY22 3rd Quarter vs. FY22 2nd Quarter]

Capacitors (6.0%)	MLCCs : Whereas sales for mobility increased, sales decreased for computers and communication.
Inductors and EMI filters (10.2%)	Inductors / Electromagnetic Interference(EMI) suppression filters : Sales of EMI suppression filters increased for mobility. However, sales of inductors decreased for smartphones and computers.
High-Frequency Device and Communications Module (22.5%)	Multilayer resin substrates, High-frequency modules, Connectivity modules : Sales decreased for smartphones.
Battery and Power supply (17.0%)	Lithium-Ion secondary batteries : Sales decreased for power tools.
Functional Device (11.1%)	Sensors : Whereas sales for mobility increased, sales decreased for computers.

On this slide, I would like to add a few explanations about the changes in each of our businesses from the previous quarter.

First, in the Capacitors business, sales increased in mobility applications, due in part to a slight impact of foreign exchange rates. On the other hand, sales for computer and telecommunications applications declined.

In the Inductors and EMI Filters business, sales increased in some mobility applications, but declined in other consumer markets.

In the High-Frequency Device and Communications Module business, sales increased by 22.5% compared to the previous quarter. To add a little about this, sales of multilayer resin substrates usually increase in the Q3. However, this time around, the majority of the demand for these products was met in Q2. In addition, the market is also declining somewhat. These factors led to the decline in sales this time.

In the Battery and Power Supply business, sales were strong through Q2, but sales to power tools declined in Q3.

In the Functional Device business, sales declined 11% QoQ.

Sales by Application

	FY2021		FY2022		FY2022		Y on Y Change		Q on Q Change	
	3rd Quarter		2nd Quarter		3rd Quarter		(B JPY)	(%)	(B JPY)	(%)
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)				
Communication	210.4	44.6	205.0	42.4	162.6	38.8	(47.8)	(22.7)	(42.5)	(20.7)
Mobility	80.3	17.0	94.3	19.5	106.3	25.4	+26.0	+32.4	+12.0	+12.7
Computers	75.1	16.0	65.2	13.5	50.7	12.1	(24.4)	(32.4)	(14.5)	(22.2)
Home Electronics	47.1	10.0	61.9	12.8	45.6	10.9	(1.5)	(3.2)	(16.4)	(26.4)
Industry and Others	58.6	12.4	57.0	11.8	53.8	12.8	(4.8)	(8.1)	(3.3)	(5.7)
Net sales	471.4	100.0	483.6	100.0	419.0	100.0	(52.4)	(11.1)	(64.6)	(13.4)

*Based on our estimate

This table shows sales by application.

As you can see here, sales for mobility applications were positive YoY and QoQ, but sales for other applications decreased across the board.

Sales by Application [FY22 3rd Quarter vs. FY22 2nd Quarter]

Communication (20.7%)	Sales of multilayer resin substrates, high-frequency modules and connectivity modules decreased for smartphones. Sales of capacitors decreased for base stations.
Mobility +12.7%	Sales of capacitors grew due to an increase in demand for automotive parts as the tight supply of semiconductors abated.
Computers (22.2%)	Sales of capacitors decreased for PCs. Sales of capacitors and functional devices decreased for peripheral equipment.
Home Electronics (26.4%)	Sales of lithium-ion secondary batteries decreased for power tools. Sales of lithium-ion secondary batteries and capacitors decreased for video game consoles.
Industry and Others (5.7%)	Sales for healthcare products and Industrial equipment decreased.

*Based on our estimate

Some of the contents here overlap with the slide explaining the situation by segment. One characteristic point is that capacitor sales increased this time with respect to sales for mobility.

As for sales to the communications, sales of both smartphones and base stations were sluggish this time around.

As for computer sales, both PC and peripheral device sales did not do well this time around.

The decline in sales to home electronics was largely due to lower sales of lithium-ion secondary batteries for power tools.

Segment Information

		FY2021 9 months		FY2022 9 months		Y on Y Change	
		(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Components	Total Revenues	756.7	100.0	725.8	100.0	(30.9)	(4.1)
	Operating income	274.2	36.2	234.7	32.3	(39.5)	(14.4)
Devices and modules	Total Revenues	623.3	100.0	612.4	100.0	(10.8)	(1.7)
	Operating income	63.3	10.2	39.1	6.4	(24.2)	(38.2)
Others	Total Revenues	52.8	100.0	54.8	100.0	+2.1	+3.9
	Operating income	(1.5)	(2.8)	(1.5)	(2.8)	(0.0)	-
Eliminations	Total Revenues	(53.2)	-	(53.8)	-	(0.6)	-
Consolidated	Total Revenues	1,379.5	100.0	1,339.2	100.0	(40.3)	(2.9)
	Operating income	336.0	24.4	272.3	20.3	(63.8)	(19.0)

- Components** Profit decreased due to the occurrence of a loss of production from lower capacity utilization, resulting from a decrease in production output, despite the profit-increasing effect of the depreciation of the yen.
- Devices and modules** Profits declined due to deteriorated profitability, caused by lower sales of SAW filters and functional devices.

Note : we have changed classifications of income on represents from "segment income" to "operating income" from the period under review.

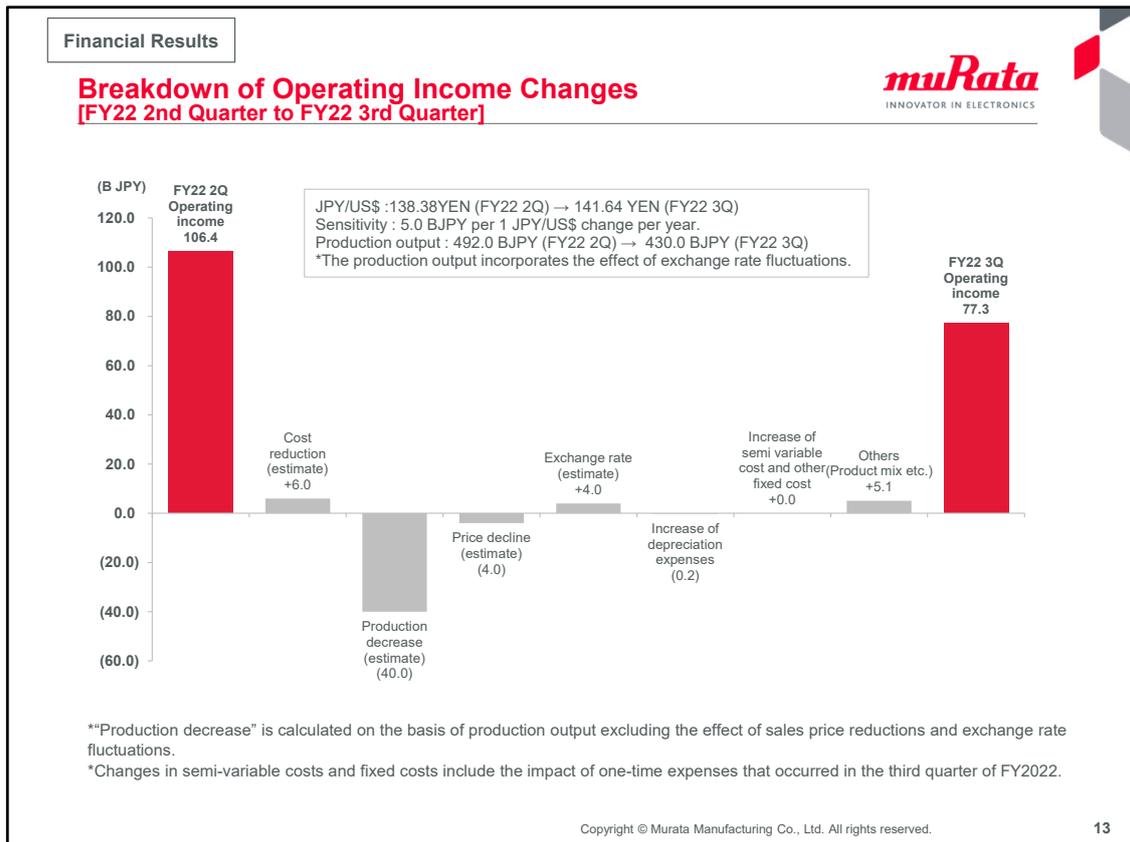
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Here is the segment information. Here I will explain the YoY comparisons for the first nine months.

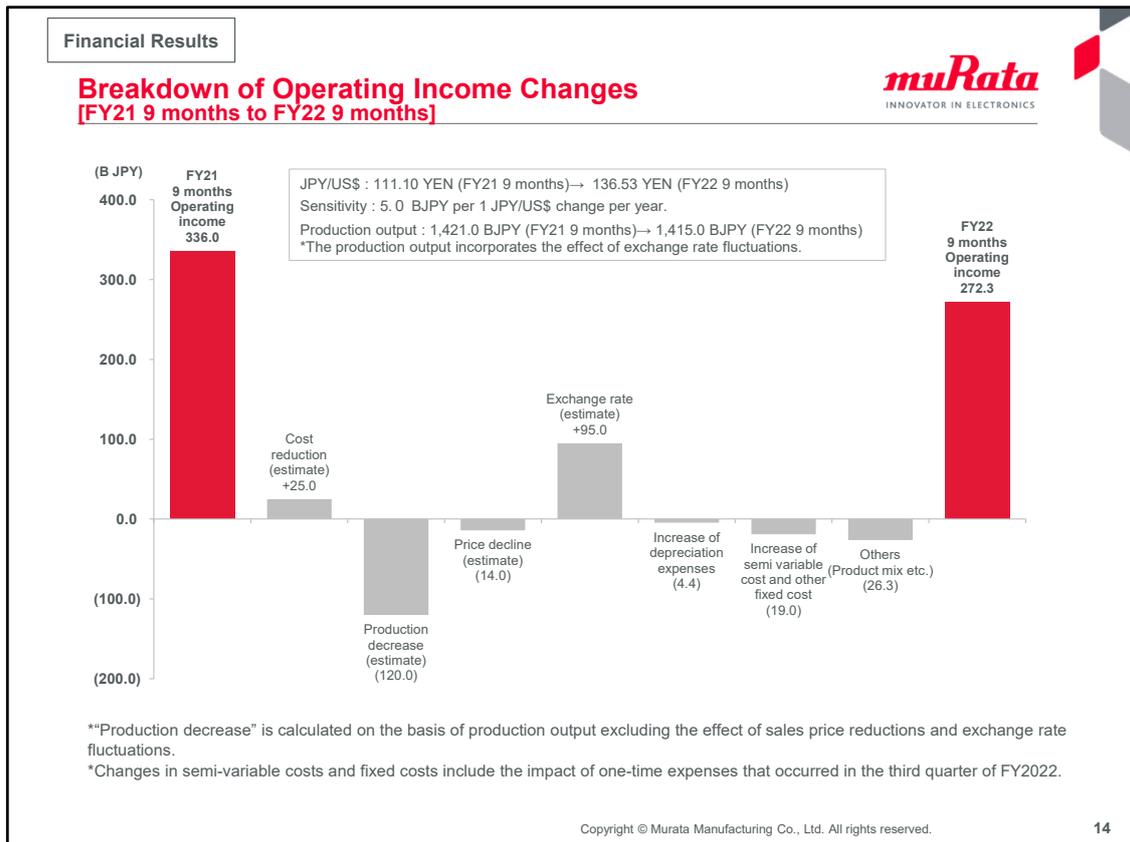
In the components segments, sales and operating income were down YoY due to the significant impact of loss in productivity from lower capacity utilization. This decrease was also partly due to the one-time expenses I mentioned earlier.

For the Devices and Modules segments, the operating margin was 6% this year. The main reason for this decrease in profit margin is the product mix, which was affected by a significant drop in sales of high-margin SAW filters compared to the previous fiscal year.



The characteristic factor of the change in operating income from Q2 to Q3 is that the loss in productivity from lower capacity utilization was a factor that pushed down income by JPY40 billion. Variable and fixed costs also fell. On the other hand, as I mentioned earlier, one-time expenses were incurred, and as a result, the impact of semi variable and fixed costs was plus or minus zero.

As for the product mix, battery sales fell slightly versus Q2, which lifted income.



Here is a chart showing the factors that contributed to the increase or decrease in operating income over the previous year for the nine-month cumulative period. The results are as you can see in this chart, but I will provide some additional explanation on semi variable and fixed costs.

First, semi variable costs fell as production declined. On the other hand, as I mentioned earlier, one-time costs, electricity costs, and labor costs increased significantly. Operating income was also affected by the inclusion of general and administrative selling expenses for Eta Wireless and Resonant, which we acquired at the end of the previous fiscal year.

The main reason for the reduction of income in the "others" category is that sales of SAW filters decreased and steep rise in material prices for batteries.

Cash Flows

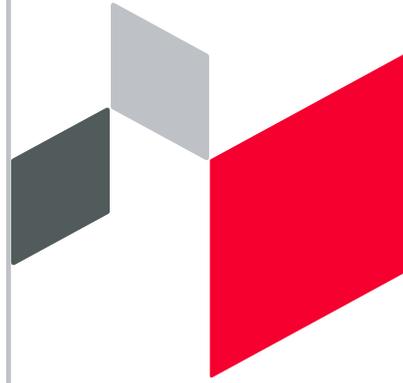
	FY2021 9 months (B JPY)	FY2022 9 months (B JPY)	Y on Y Change (B JPY)
Operating activities	311.7	183.0	(128.7)
Investing activities	(116.4)	(102.4)	+14.0
Financing activities	(77.4)	(173.4)	(96.0)
Effect of exchange rate changes	3.0	11.6	+8.6
Cash and cash equivalents	528.7	430.9	(97.8)
Free Cash Flows	195.4	80.7	(114.7)
Capital expenditures	(115.2)	(143.0)	(27.9)
Depreciation and amortization	115.6	120.0	+4.4

- Cash flows from operating activities decreased due to an increase in inventories and a decrease in profit, compared to the same period of the previous year.
- Cash flows from financing activities decreased due to the acquisition of treasury stock (80.0 billion yen).

What is unique about the cash flow situation this time is that cash flow from operating activities decreased due to an increase in inventories. Regarding cash flow from financing activities, we repurchased JPY80 billion of our treasury stock in the current fiscal year.

Projected Financial Results for FY2022

(From April 2022 to March 2023)



Projected Financial Results for FY2022

	Previous (October 2022)		FY2022 Projections (B JPY)	Revised (February 2023)				FY2022 Projections		Change vs Projections(October)	
	1st Half (B JPY)	2nd Half (B JPY)		1st Half Results (B JPY)	(%)	2nd Half Projections (B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	920.2	899.8	1,820.0	920.2	100.0	759.8	100.0	1,680.0	100.0	(140.0)	(7.7)
Operating income	195.0	185.0	380.0	195.0	21.2	100.0	13.2	295.0	17.6	(85.0)	(22.4)
Income before income taxes	213.2	185.8	399.0	213.2	23.2	89.8	11.8	303.0	18.0	(96.0)	(24.1)
Net income attributable to Murata Corporation	160.4	136.6	297.0	160.4	17.4	65.6	8.6	226.0	13.5	(71.0)	(23.9)
ROIC (pre-tax basis) (%)	18.7							14.7			
Average exchange rates yen/US dollar	136.99			133.98		134.32		134.15			

- Net sales have been revised downward from the previous projected result in the face of a decline in component demand for communication and computers, primarily resulting from the sluggish markets of smartphones and PCs, the prolonged inventory adjustments and others.
- Operating profit too has been revised downward from the previous projected result due to a loss in production from lower capacity utilization, resulting from a decrease in production output.
- The assumed exchange rate for the fourth quarter has been changed to 127 yen to the US dollar from 140 yen that was forecast previously.

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This table shows our forecast.

We have made a major downward revision to our net sales and operating income forecast. As a result, we now forecast net sales of JPY1,680 billion and operating income of JPY295 billion.

On the next page, I will explain again the factors behind operating income changes. To add a little more information on inventories, we have reached a point in Q3 where our inventories are slightly above our appropriate level. In Q4, we would like to reduce our inventories a little.

We have approximately three months' worth of inventory. The current inventory level of capacitors is slightly higher than the three-month supply. As I mentioned earlier, there has been a change in the battery market, and as a result, the inventory level of batteries is also slightly higher. That is a risk factor in our inventory levels.

On the other hand, we have been building up our provisions for inventories well into Q3. We have determined the level of our provisions based on factors such as the period of stay and the age of the inventory in months. We have already factored in a certain amount of provisions for inventories for Q4 as well.

Recognition of Business Environment

	Premises of projected financial results as of October	Recognition of the current situation as of February
Sales	<ul style="list-style-type: none"> - The quantity of smartphones and PCs will decrease significantly due to their poor sales. - Demand recovery for middle- and low-end smartphones expected in next fiscal year. - The currency exchange market sees the yen depreciate further. - High-end smartphone market remains firm. - Constraints on automobile production have persisted longer than assumed. There will be no reduction of BCP inventory by customers. 	<ul style="list-style-type: none"> - The quantities of high-end smartphones and smartphones in Greater China decrease. - The model mix, such as an increase in the quantity of low-end smartphones, changes. - Sales of PCs are poor, and demand in the peripheral equipment is stagnant. - The currency exchange market remains volatile. - Demand for automotive components will recover moderately due to an easing of the tight semiconductor supply. - Automotive customers will keep the current level of BCP inventory.
Productions	<ul style="list-style-type: none"> - The output of the Company is expected to decrease as a result of a fall in demand. 	<ul style="list-style-type: none"> - The output of the Company will be further reduced in light of a decrease in demand for the consumer product market.
Costs	<ul style="list-style-type: none"> - Prices of materials and energy keep rising. 	<ul style="list-style-type: none"> - Prices of materials and energy will remain high.

The major change in our perception of the environment is the further deterioration of the consumer market. The model mix is changing, especially for high-end and Greater China low-end smartphones. Demand is also stagnant in the PC and PC-related markets. In terms of exchange rates, the yen is starting to appreciate.

While demand from the automotive sector is recovering, that recovery is still modest. Also, we assume that our customers will continue to hold BCP component inventories.

Our perception of the production and cost environment is also described here.

Projection of Demand

	FY2021	FY2022	FY2022	Change	
	Actual	Projections(October)	Projections(February)	FY21 vs FY22	vs Projections(October)
Smart phones (units)	1,360 M	1,090 M	1,070 M	(21%)	(1%)
therein 5G smartphones	560 M	610 M	590 M	+5%	(3%)
PCs (units)	500 M	440 M	420 M	(16%)	(3%)
Vehicles (units)	76 M	82 M	82 M	+8%	Flat
therein xEV	16 M	24 M	24 M	1.5 times	Flat

* Vehicles are based on the number of units produced.

- Smartphones** The quantity as a whole is expected to decrease slightly from the previous projection due to an expected increase in low-end phones despite a likely drop in the quantity of phones, mainly high-end, caused by globally creeping inflation and the impact of lockdowns in China, among others.
- PCs** The forecast quantity of products, mainly high-end tablet PCs, has been revised downward from the previous projection, against the background of deteriorating market sentiment.
- Vehicles** The outlook for the total quantity remains unchanged from the previous projection although there are ongoing changes in assumed regional quantities.

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This is the demand forecast for our components.

For smartphone units, we have lowered our previous forecast by 1% to 1.07 billion units. However, we believe that the breakdown is influenced by changes in the model mix of high-end and Greater China smartphones.

We have lowered our demand forecast for PC components by 3% from our previous forecast. We have now revised our volume forecast for high-end tablet PCs, which use relatively high volumes of components.

As for demand for automotive parts, we have adjusted our forecasts by region, but as for overall demand, we have left our previous forecast figures unchanged.

Projected Sales by Operating segment

	Previous (October 2022)	Revised (February 2023)	
	FY2022 Projections (Growth Ratio against FY21)	FY2022 Projections (Growth Ratio against FY21)	FY2022 4th Quarter Projections (Growth Ratio against FY22 3Q)
Capacitors	Flat	(6%)	(11%)
Inductors and EMI filters	(3%)	(10%)	(15%)
Components	(1%)	(7%)	(12%)
High-Frequency Device and Communications Module	(8%)	(16%)	(34%)
Battery and Power supply	+36%	+18%	(20%)
Functional Device	(5%)	(14%)	(12%)
Devices/Module	+2%	(8%)	(27%)
Total	Flat	(7%)	(19%)

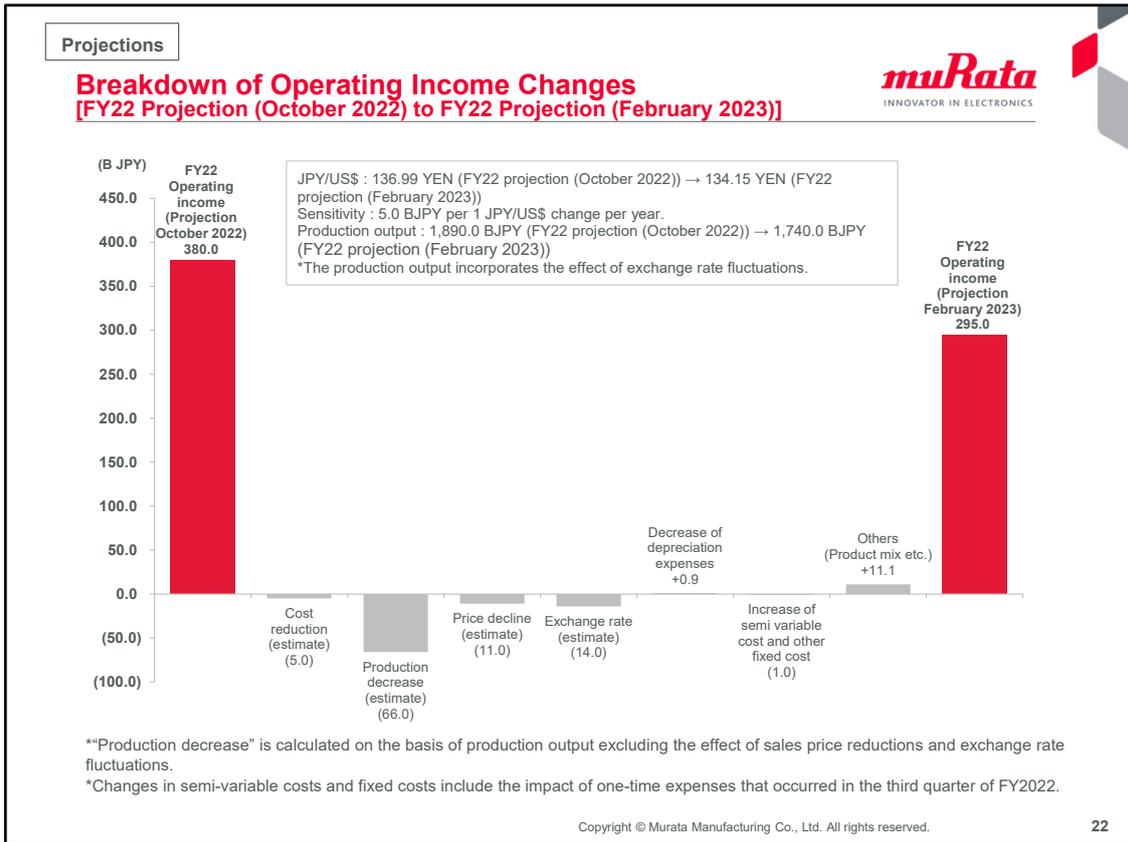
We have revised downward our segment sales forecasts for almost all business segments from our previous forecasts.

Projected Sales by Application

	Previous (October 2022)	Revised (February 2023)	
	FY2022 Projections (Growth Ratio against FY21)	FY2022 Projections (Growth Ratio against FY21)	FY2022 4th Quarter Projections (Growth Ratio against FY22 3Q)
Communication	(8%)	(16%)	(25%)
Mobility	+20%	+16%	(9%)
Computers	(11%)	(24%)	(17%)
Home Electronics	+24%	+7%	(19%)
Industry and Others	(4%)	(4%)	(20%)
Total	Flat	(7%)	(19%)

*Based on our estimate

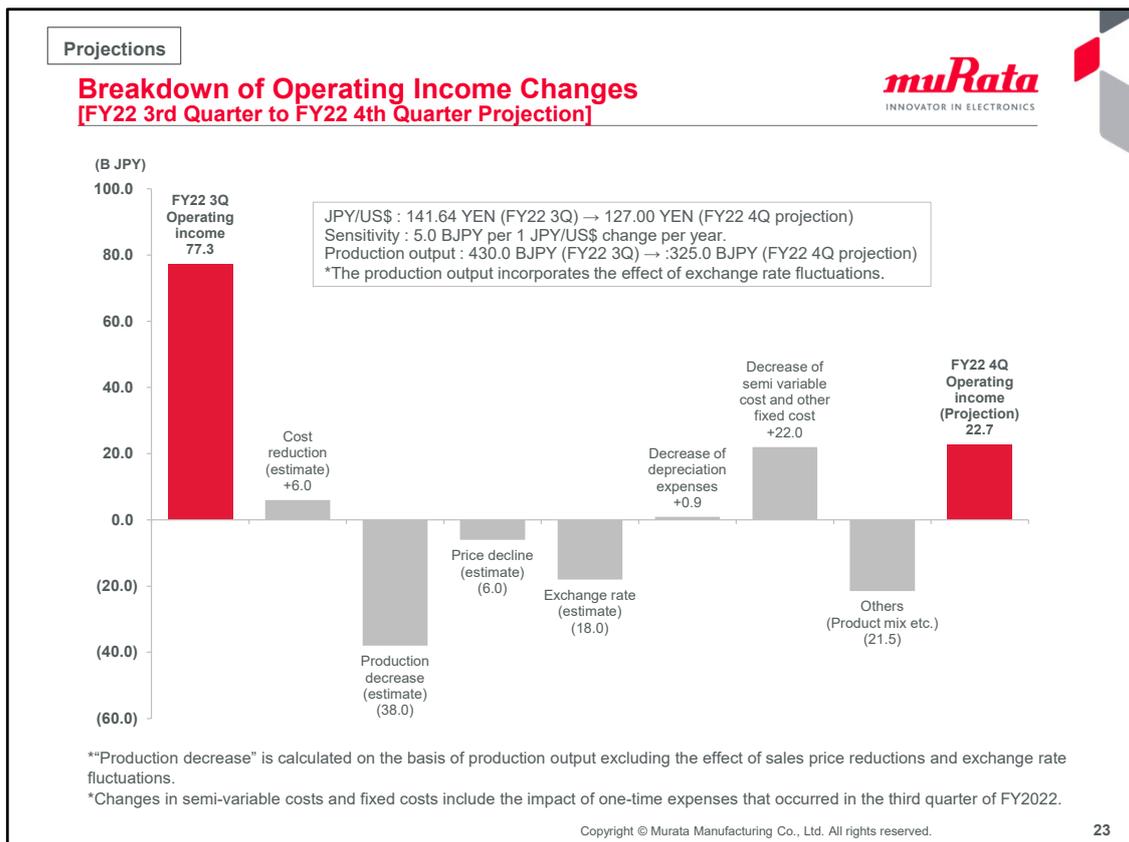
We have also revised downward our previous forecast for sales by application. The downward revision to our sales forecast for the mobility market is smaller, as you can see. Although we have not reviewed the number of vehicles, we have lowered the number due to the strong yen.



Here is a chart that shows the factors behind the change in operating income between our previous forecast and the revised forecast.

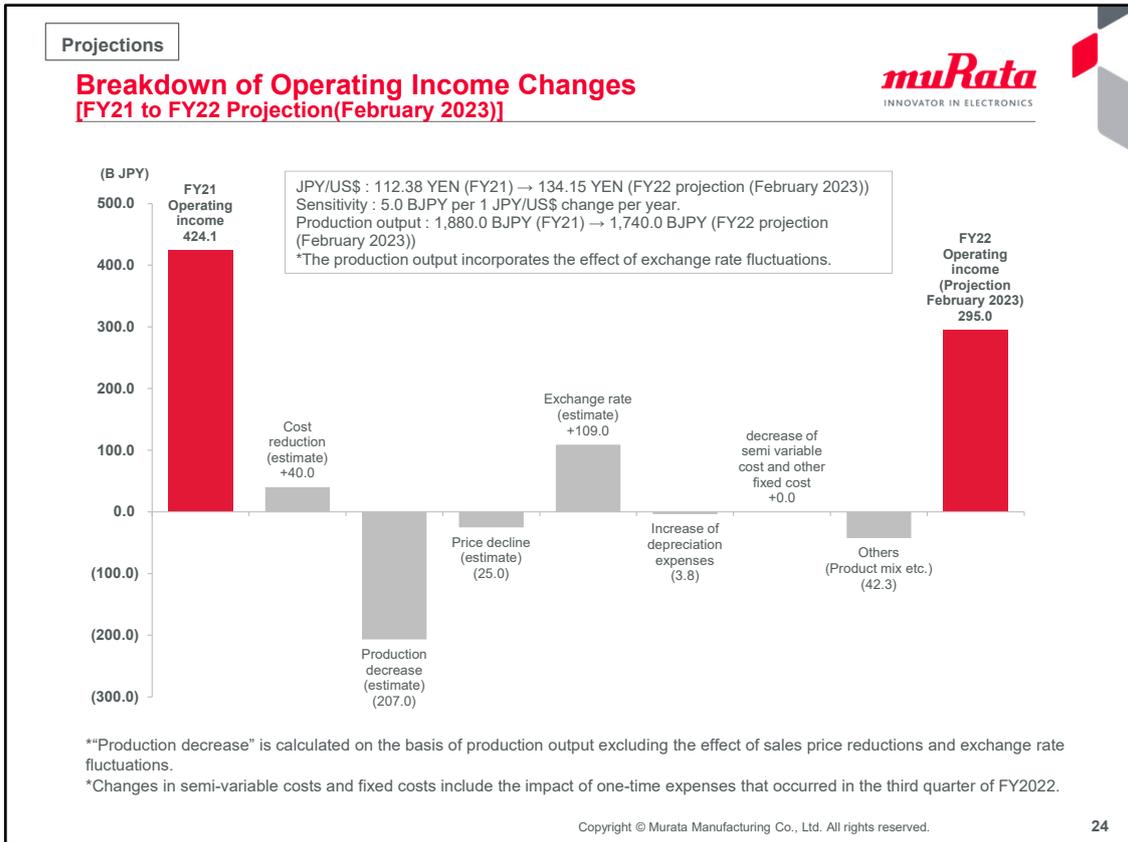
The main reason for the decline was the impact of the loss in operating capacity and the appreciation of the yen.

In terms of product mix, although the operating rate will decline, we expect a reduction in the impact of surging battery materials prices and an improvement in marginal profit margins due to a decrease in inventories.



Here is an analysis of the factors behind the projected decrease in operating income in Q4 compared to operating income in Q3.

The most significant factor affecting profit decline is the change in capacity utilization. In addition, the foreign exchange rate is also expected to strengthen the yen on a QoQ basis, which we regard as a negative factor for earnings. Other product mix are also expected to be negative due to factors such as lower marginal profit margins for individual products.



Here's a comparison of last year's full-year results and our latest forecast. There will be a significant negative impact on the operating level, but the exchange rate has depreciated against the yen, which will contribute to earnings growth.

The explanation for the impact of semi variable and fixed costs is roughly the same as the impact for the nine-month cumulative total I explained earlier.

Projected Financial Results for FY2022

	FY2022 1st Half Results	FY2022 2nd Half Projections	FY2022 Projections
Depreciation and amortization	79.8 B JPY	80.2 B JPY	160.0 B JPY
R & D expenses	62.2 B JPY	56.8 B JPY	119.0 B JPY
Capital expenditures	83.7 B JPY	116.3 B JPY	200.0 B JPY
Average exchange rate (JPY/USD)	133.98	134.32	134.15

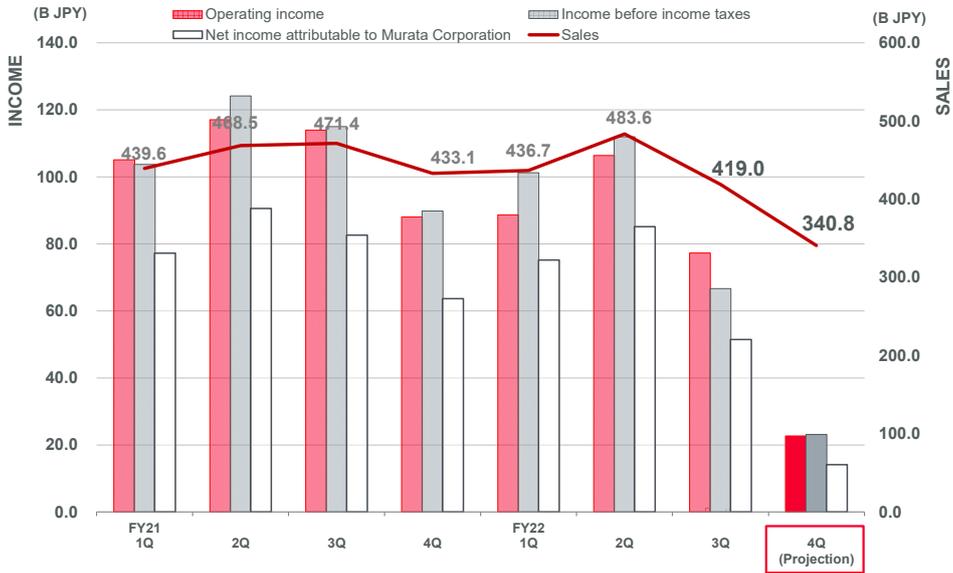
[Exchange rate sensitivity (per 1 JPY/US\$ change per year)]

Net sales FY2022 : 10.0 B JPY

Operating income FY2022 : 5.0 B JPY

Our exchange rate assumption for Q4 is JPY127 against the USD. The exchange rate sensitivity is the same as the sensitivity we previously announced in our interim results.

Quarterly Financial Results



Our Q4 results, in terms of both sales and income, are at a much lower level than we have seen in the past few years.

Dividends per Share

- FY2022 (Year Ending March 31, 2023) projected annual dividends per share
 - 150 JPY per share
 - (Interim: 75 JPY per share, Year-end: 75 JPY per share)
 - *20 yen increase of annual dividend per share
- FY2021 (Year Ending March 31, 2022) annual dividends per share
 - 130 JPY per share
 - (Interim: 60 JPY per share, Year-end: 70 JPY per share)

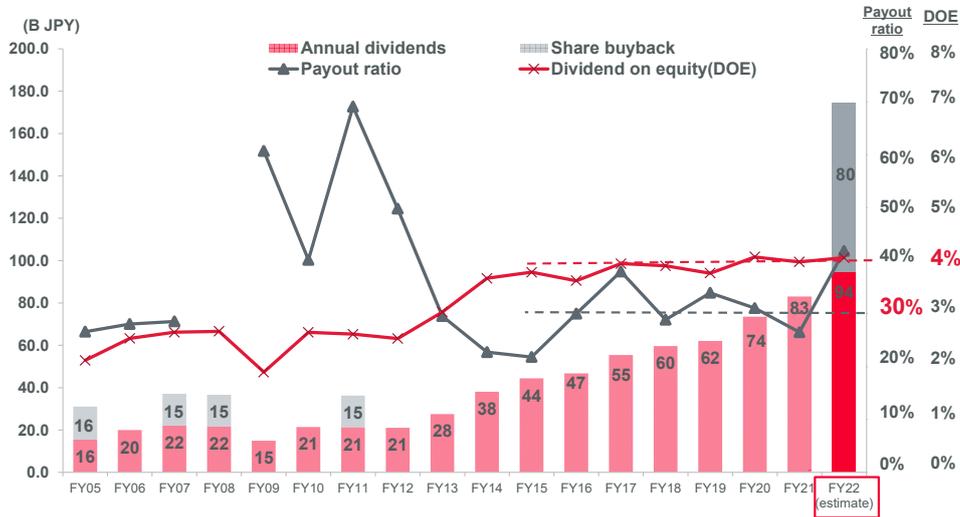
Note: The above projections are based on our view of the current business environment and our projections for FY2022.

Finally, I will talk about dividends.

As I mentioned at the outset, we had originally planned to increase the dividend this fiscal year, and we intend to execute this dividend increase as planned.

Return to Shareholders

- Dividend** As a stable increase in dividends is our basic policy, we aim to achieve DOE (Dividend on equity ratio) of 4% or higher over the medium term with reference to dividend payout ratio of approximately 30%.
- Share buyback** As a means of returning profits to shareholders, we implement share buybacks in a timely manner to improve capital efficiency.



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Our shareholder return policy is a DOE of 4% and a payout ratio of 30%. Even in the face of declining business results, we will leave the dividend plan unchanged.

That is all for my presentation.

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



Appendixes



Financial Data (1/3)

(B JPY)

	FY2019		FY2020				FY2021				FY2022		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Sales	410.2	362.9	326.8	425.2	468.6	409.5	439.6	468.5	471.4	433.1	436.7	483.6	419.0
Operating income	79.5	52.4	51.3	80.2	108.4	73.3	105.1	117.0	113.9	88.0	88.6	106.4	77.3
Income before income taxes	78.0	51.3	53.9	79.2	106.3	76.9	103.7	124.1	115.0	89.8	101.2	112.0	66.7
Net income attributable to Murata Corporation	56.1	36.2	39.6	60.3	76.5	60.7	77.2	90.6	82.6	63.7	75.2	85.2	51.5
Capital expenditures	81.4	85.4	40.2	43.8	48.9	63.9	42.6	32.1	33.4	44.7	38.6	45.1	54.2
Depreciation and amortization	35.7	36.4	34.0	35.9	35.7	37.5	37.3	38.7	39.6	40.0	39.8	40.1	40.2
R & D expenses	24.7	26.4	24.8	26.2	24.4	26.3	27.0	27.2	28.2	28.9	30.7	31.5	30.3
Average exchange rates (yen)	108.76	108.97	107.62	106.22	104.51	105.90	109.49	110.11	113.71	116.21	129.57	138.38	141.64

Financial Data (2/3)

(B JPY)

	FY2021				FY2022			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	
Operating segment sales	Capacitors	190.0	203.4	201.4	193.8	202.1	194.4	182.7
	Inductors and EMI filters	49.3	51.9	51.1	43.5	46.9	48.3	43.4
	Components	239.3	255.2	252.5	237.3	249.0	242.7	226.1
	High-Frequency Device and Communications Module	128.3	137.4	140.2	122.4	108.4	147.6	114.4
	Battery and Power supply	42.6	45.3	48.8	43.7	51.3	65.0	53.9
	Functional Device	26.7	27.7	26.3	25.6	24.8	24.9	22.1
	Devices/Module	197.6	210.3	215.3	191.8	184.5	237.5	190.4
	Others	2.6	3.0	3.6	4.0	3.1	3.3	2.5
	Net sales	439.6	468.5	471.4	433.1	436.7	483.6	419.0
	Sales by Application	Communication	185.7	207.1	210.4	176.1	169.2	205.0
Mobility		82.7	82.1	80.3	91.2	91.9	94.3	106.3
Computers		74.6	77.0	75.1	70.7	68.2	65.2	50.7
Home Electronics		44.2	48.3	47.1	43.7	51.3	61.9	45.6
Industry and Others		52.4	54.1	58.6	51.3	56.1	57.0	53.8
Net sales		439.6	468.5	471.4	433.1	436.7	483.6	419.0

Financial Data (3/3)

(B JPY)

		FY2021				FY2022		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
Components	Total revenue	242.2	258.5	255.9	241.5	252.0	245.2	228.6
	Operating income	86.3	94.3	93.6	81.3	86.8	81.0	66.9
Devices and modules	Total revenue	197.6	210.3	215.3	191.8	184.5	237.5	190.4
	Operating income	18.9	23.6	20.8	6.4	1.6	26.1	11.4
Others	Total revenue	17.5	17.8	17.5	18.4	20.2	16.5	18.1
	Operating income	(0.1)	(0.9)	(0.5)	0.3	0.2	(0.7)	(1.0)
Eliminations	Total revenue	(17.7)	(18.2)	(17.3)	(18.6)	(20.0)	(15.7)	(18.1)
Consolidated	Total revenue	439.6	468.5	471.4	433.1	436.7	483.6	419.0
	Operating income	105.1	117.0	113.9	88.0	88.6	106.4	77.3



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