

Consolidated Financial Flash Report (March 31, 2008)

Date: April 30, 2008

Company Name : Murata Manufacturing Co., Ltd.

Listing Code : 6981

(URL <http://www.murata.com/>)

Phone : (075) 955-6511

Stock Exchange Listings:

Tokyo Stock Exchange

Osaka Securities Exchange

Stock Exchange of Singapore

1. Financial results for the year ended March 31, 2008

(1) Operating results (Years ended March 31, 2008 and 2007)

	Net sales		Operating income		Income before income taxes		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2008	631,655	11.4	115,752	2.1	121,830	3.2	77,413	8.6
2007	566,805	15.5	113,365	26.2	118,003	28.7	71,309	22.0

	Basic earnings per share	Diluted earnings per share	Return on equity (ROE)	Income before income taxes / total assets	Operating income / net sales
	Yen	Yen	%	%	%
2008	349.09	349.05	9.3	11.9	18.3
2007	321.29	321.22	9.0	12.3	20.0

*1 Equity in net income of affiliated companies: Yen (1) million for the year ended March 31, 2007.

*2 Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income are the growth ratios against the previous term.

(2) Financial position (As of March 31, 2008 and 2007)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
2008	1,030,349	844,230	81.9	3,847.54
2007	1,014,965	822,893	81.1	3,707.02

(3) Cash flows (Years ended March 31, 2008 and 2007)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2008	106,357	(65,591)	(32,492)	110,136
2007	116,111	(124,842)	(13,777)	106,155

2. Dividends (Years ended March 31, 2008 and 2007, and the year ending March 31, 2009)

	Cash dividends per share			Cash dividends (Annual)	Payout ratio	Shareholders' equity / cash dividends
	Interim	Year-end	Annual			
	Yen	Yen	Yen	Millions of yen	%	%
2007	40.0	50.0	90.0	19,977	28.0	2.5
2008	50.0	50.0	100.0	22,072	28.6	2.6
2009 (Projected)	50.0	50.0	100.0		41.4	

3. Projected financial results for the six months ending September 30, 2008 and the year ending March 31, 2009 (Consolidated basis)

	Net sales		Operating income		Income before income taxes		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending Sep. 30, 2008	320,000	4.9	37,000	(37.1)	39,500	(35.0)	25,000	(34.1)	113.94
Year ending March 31, 2009	660,000	4.5	80,000	(30.9)	85,000	(30.2)	53,000	(31.5)	241.55

*Percentages in the fields of Net sales, Operating income, Income before income taxes and Net income for the six months ending September 30, 2008 are the growth ratio against the six months ended September 30, 2007.

Percentages for the year ending March 31, 2009 are the growth ratio against the previous year.

4. Other

(1) Changes in scope of consolidation : None

(2) Changes in accounting : None

(3) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares as of March 31, 2008 and 225,263,592 shares as of March 31, 2007

Number of treasury stock: 5,842,969 shares as of March 31, 2008 and 3,281,042 shares as of March 31, 2007

*See "Amounts per Share" for the average common shares outstanding, which is the basis of computation of earnings per share.

[Reference] Financial Results on Parent Company Basis

1. Financial results for the year ended March 31, 2008

(1) Operating results (Years ended March 31, 2008 and 2007)

	Net sales		Operating income		Income before income taxes and extraordinary item		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2008	530,866	8.2	34,073	(10.3)	56,419	(6.6)	43,442	(3.1)
2007	490,642	16.1	37,966	26.5	60,388	25.0	44,836	21.8

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
2008	195.91	195.88
2007	202.01	201.96

*1 Percentages in the fields of Net sales, Operating income, Income before income taxes and extraordinary item, and Net income are the growth ratios against the previous term.

(2) Financial position (As of March 31, 2008 and 2007)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
2008	529,226	433,234	81.9	1,974.45
2007	535,647	428,931	80.1	1,932.27

*1 Shareholders' equity : Yen 433,234million for the year ended March 31, 2008 and Yen 428,931million for the year ended March 31, 2007

2. Projected financial results for the six months ending September 30, 2008 and the year ending March 31, 2009 (Parent Co. basis)

	Net sales		Operating income		Income before income taxes and extraordinary item		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending Sep. 30, 2008	260,000	(0.3)	12,500	(27.6)	22,000	(24.0)	16,500	(26.1)	75.20
Year ending March 31, 2009	540,000	1.7	28,000	(17.8)	47,000	(16.7)	36,000	(17.1)	164.07

*Notes to the projected financial results

The above projections were prepared based on estimates using information currently available.

Actual results may differ from the projections. For assumptions and other information regarding the projections, refer to "Business Results and Financial Position".

Business Results and Financial Position

(from April 1, 2007 through March 31, 2008)

(1) Business Results

1. Overall market situation

During the period under review, although there were some adjustments in certain markets in addition to normal seasonal decline after the beginning of the new calendar year, the global electronic market enjoyed a significant growth in demand for electronic components for the whole year, due to vibrant developments in the production of major products such as mobile phones, personal computers, and digital AV equipment. The functional sophistication of electronic equipment also contributed to the upward trend.

Looking at the market environment segmented by application, the key mobile phone segment within the communication equipment market marked an increase in demand in advanced countries for sophisticated terminals such as third-generation phones. Demand for mobile phones continued to run strong in emerging economies. In the market for computers and peripheral equipment, demand for notebook computers and peripherals remained strong. In the AV equipment market, sales of flat-panel TVs and game consoles were brisk. The automotive electronics market was highlighted by a growing use of electronics in automobiles.

The Murata Group responded to this market environment by aggressively increasing production capacity for key products to deal with growing demand, while focusing on improving customer service. To cope with falling product prices, we improved profitability and strengthened the business base by further developing cost reduction activities such as productivity improvement, while pushing forward with the commercialization of new, high-value added products.

2. Overall performance

The Group results for the period under review are as follows:

[Net sales]

Net sales increased 11.4% year on year to 631,655 million Yen.

The contribution of electronic components, which represent the Group's core business, amounted to 629,534 million Yen. By region, net sales in the Asia and Others market grew 14.2% year on year to 349,154 million Yen owing to the dramatic growth in the sales of components for AV equipment, communication equipment, and computers and peripheral equipment in China. Net sales in Japan rose 7.9% year on year to 153,832 million Yen, mainly due to the sales growth in components for communication equipment. In Europe, sales rose 3.4% from a year earlier to 72,860 million Yen, as sales of components for computers and peripheral equipment, and automotive electronics increased. Sales of components for communication equipment, and computers and peripheral equipment increased in the Americas, with net sales from this geographic segment rising 16.4% to 53,688 million Yen.

[Operating income]

Operating income increased 2.1% year on year to 115,752 million Yen, compared to the 11.4% growth of net sales.

Higher net sales, the ongoing introduction of new products, initiatives to reduce the cost of goods sold through cost cutting activities, were overshadowed by the negative effects of price declines, increase of depreciation expenses due to the capital investment to deal with the growing demand, and the strengthening of the yen against the U.S. dollar—an average appreciation of 2.75 Yen compared to the previous fiscal year.

[Net income before income taxes and net income]

Income before income taxes increased 3.2% from a year earlier to 121,830 million Yen.

Net income increased 8.6% year on year to 77,413 million Yen.

3. Sales by Product Category

Net sales by product category for the period under review compared with the figures for the previous fiscal year are as follows:

[Capacitors]

This capacitor category includes monolithic ceramic capacitors, ceramic disc capacitors, and trimmer capacitors.

In the period under review, chip monolithic ceramic capacitors, the main product in this category, showed very strong sales, as large-capacitance products grew sharply in all applications including AV equipment, communication equipment, and computers and peripheral equipment. Small-sized products also marked a significant sales growth in applications for communication equipment. On the other hand, sales of application-specific capacitors for computers and peripheral equipment declined.

As a result, overall net sales increased 15.9% from a year earlier, to 249,388 million Yen.

[Piezoelectric Components]

The piezoelectric components category includes SAW (Surface Acoustic Wave) filters, ceramic resonators, piezoelectric sensors, ceramic filters and piezoelectric buzzers.

In the period under review, sales of SAW filters for use in communication equipment grew well above the figures for the previous year. In piezoelectric sensors, sales of sensors for shock-detection use in HDDs and sales of ultrasonic sensors for car electronics increased. Sales of ceramic resonators for use in computers and peripheral products suffered a decline. Ceramic filters for use in AV equipment and communication equipment also dropped sharply in sales.

As a result, overall sales posted a year-on-year growth of 13.7%, to 92,736 million Yen.

[Microwave Devices]

These devices include short-range wireless communication modules (including Bluetooth[®] modules), multilayer ceramic devices, connectors, isolators and dielectric filters.

In the period under review, sales of short-range wireless communication modules declined sharply. Although the sales of modules for wireless LAN increased, there was a significant drop in the sales of modules for Bluetooth[®]. Sales of multilayer ceramic devices, connectors, and isolators for communication equipment increased sharply.

As a result, overall net sales decreased 7.6% year on year, to 105,421 million Yen.

[Module Products]

This product category includes power supplies and circuit modules.

In the period under review, in the circuit module product line, sales of terrestrial digital tuners for mobile phones and modules for communication equipment increased sharply. Sales of power supplies grew well above the figures for the previous year owing to the contribution of the newly consolidated Murata Power Solutions, Inc. of the United States and 17 other companies. The consolidation is due to the acquisition of the Power Electronics Division of C&D Technologies, Inc. of the United States on August 31, 2007.

As a result, overall net sales increased 33.3% year on year to 79,072 million Yen.

[Other Products]

Other products include EMI suppression filters, coils, sensors, and resistors.

In the period under review, sales of EMI suppression filters for AV and communication equipment increased. Sales of chip coils grew sharply, due to strong demand for communication equipment. Among sensors, gyroscopes for use in AV equipment posted an increase in sales.

As a result, overall net sales posted a 8.8% year on year increase to 102,917 million Yen.

Note: Bluetooth[®] is a registered trademark of Bluetooth SIG, Inc. of the United States.

(2) Financial position

Total assets as of March 31, 2008 increased 15,384 million Yen from March 31, 2007 to 1,030,349 million Yen. Liquidity in hand (cash, time deposits, and marketable securities) declined 72,898 million Yen from the end of the previous fiscal year to 354,559 million Yen. Inventories increased 28,573 million Yen and property, plant and equipment climbed 62,205 million Yen.

Shareholders' equity increased 21,337 million Yen compared to the end of last year. As the increase of shareholders' equity was larger than that of total assets, the ratio of shareholders' equity to total assets rose 0.8 percentage points from March 31, 2007 to 81.9%.

[Net cash provided by operating activities]

Funds provided by operating activities decreased 9,754 million Yen from the year ended March 31, 2007 to 106,357 million Yen.

In the period under review, net income, the major source of cash flow, increased 6,104 million Yen to 77,413 million Yen, while depreciation and amortization also grew by 15,317 million Yen to 65,134 million Yen. Cash outflow related to trade notes and account receivables decreased 13,906 million Yen, while cash outflow from trade notes and accounts payables, income taxes, and accrued expenses and other rose 45,056 million Yen.

[Net cash used in investing activities]

Net cash used in investing activities decreased 59,251 million Yen from the previous year to 65,591 million Yen.

In the period under review, capital expenditures rose 25,906 million Yen to 125,557 million Yen. Investment funds related to marketable securities decreased 84,803 million Yen. The payment for the acquisition of subsidiaries decreased 5,767 million Yen.

[Net cash used in financing activities]

Funds spent on financing activities increased 18,715 million Yen from a year earlier to 32,492 million Yen.

In the period under review, a higher dividend payment increased our dividend payments by 4,446 million Yen from a year earlier to 22,200 million Yen. Payment for purchases of treasury stock (including purchases of odd stock) rose 14,982 million Yen to 15,035 million Yen.

(3) Projected results for the year ending March 31, 2009

For the year ending March 31, 2009, we project the consolidated net sales to increase 4.5% year on year to 660,000 million Yen. Although we expect that the growth of the demand for end-products in the major electronic market in the year ending March 31, 2009 will be slower than that of the previous year, steady growth is expected to continue.

We project the operating income to drop 30.9% year on year to 80,000 million Yen, income before income taxes to decrease 30.2% to 85,000 million Yen, and net income to decline 31.5% to 53,000 million yen. The ongoing introduction of new products, initiatives to reduce the cost of goods sold through cost cutting activities, is expected to be overshadowed by the following negative effects: an average appreciation of the Yen against the U.S. dollar by 14 Yen compared to the previous fiscal year; an increase of depreciation expenses by approximately 10,000 million Yen from a year earlier; continuous price decline due to fierce competition; the planned increase of prior investment, mainly R & D expenses.

The projections are based on the assumed exchange rates of Yen 100 per US\$ and Yen 160 per Euro for the year ending March 31, 2009.

As for the capital expenditure, we are planning 75,000 million Yen for the year ending March 31, 2009, owing to the decrease in investments for buildings and production machinery.

(4) Basic policy on profit distribution, and dividends for the year ended March 31, 2008 and the year ending March 31, 2009

Murata's basic policy of profit distribution to shareholders is to prioritize the sharing of gains through payment of dividends, and to steadily raise them by increasing profit per share, while enhancing Murata's long-term corporate value and strengthening its corporate structure. In accordance with this policy, our dividends are determined after comprehensively considering our business performance and dividend payout ratio on a consolidated basis, as well as the accumulation of internal reserves necessary for reinvestment to ensure future development.

For the year ended March 31, 2008, we plan to pay a year-end dividend of 50 Yen per share. Combined with the interim dividend previously paid, this will bring the annual dividend to 100 Yen, a 10 Yen increase from the previous year.

In light of the operating results and earnings retention for the fiscal year ending March 31, 2009, we plan to pay an annual dividend of 100 Yen per share (comprising interim and year-end dividends of 50 Yen per share), same amount as dividend for the year ended March 31, 2008. These figures reflect our view of the current business environment and our projections for the present term.

We also repurchase our own shares whenever appropriate to improve capital efficiency. During the year ended March 31, 2008, we purchased 15,000 million yen, or 2,595,000 shares of our own shares.

[Cautionary Statement on Forward-looking Statements]

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 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 equipment 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.

Murata Manufacturing Co., Ltd. and Subsidiaries

The main business of Murata Manufacturing Co., Ltd. (the Company) and its subsidiaries (together the Companies) is the development, manufacturing and sales of electronic components and related products, such as capacitors, piezoelectric components, microwave devices and module products. Net sales, Operating income, and Assets in the main business comprise almost 100% of the corresponding amounts in the Consolidated Financial Statements.

The relationships among the Companies in the segment of "manufacturing and sales of electronic components" as of March 31, 2008 are as follows.

[Manufacturing and sales of electronic components]

Murata Manufacturing Co., Ltd. (the Company)

The Company manufactures semi-finished products for various electronic components and supplies them to its manufacturing subsidiaries in Japan and abroad. The Company also sells finished products, which are manufactured by the Companies, to customers in Japan and abroad, and to its sales subsidiaries.

Subsidiaries in Japan

The Company's manufacturing subsidiaries in Japan purchase semi-finished products from the Company, complete the manufacturing into finished products, and resell them to the Company, who sells them to its customers.

The Company's sales subsidiary in Japan sells finished products, which are manufactured by the Companies, to customers in Japan with small lot orders.

Overseas subsidiaries

The Company's overseas manufacturing subsidiaries purchase semi-finished products from the Company, complete the manufacturing into finished products and sells the products mainly to overseas customers and overseas sales subsidiaries.

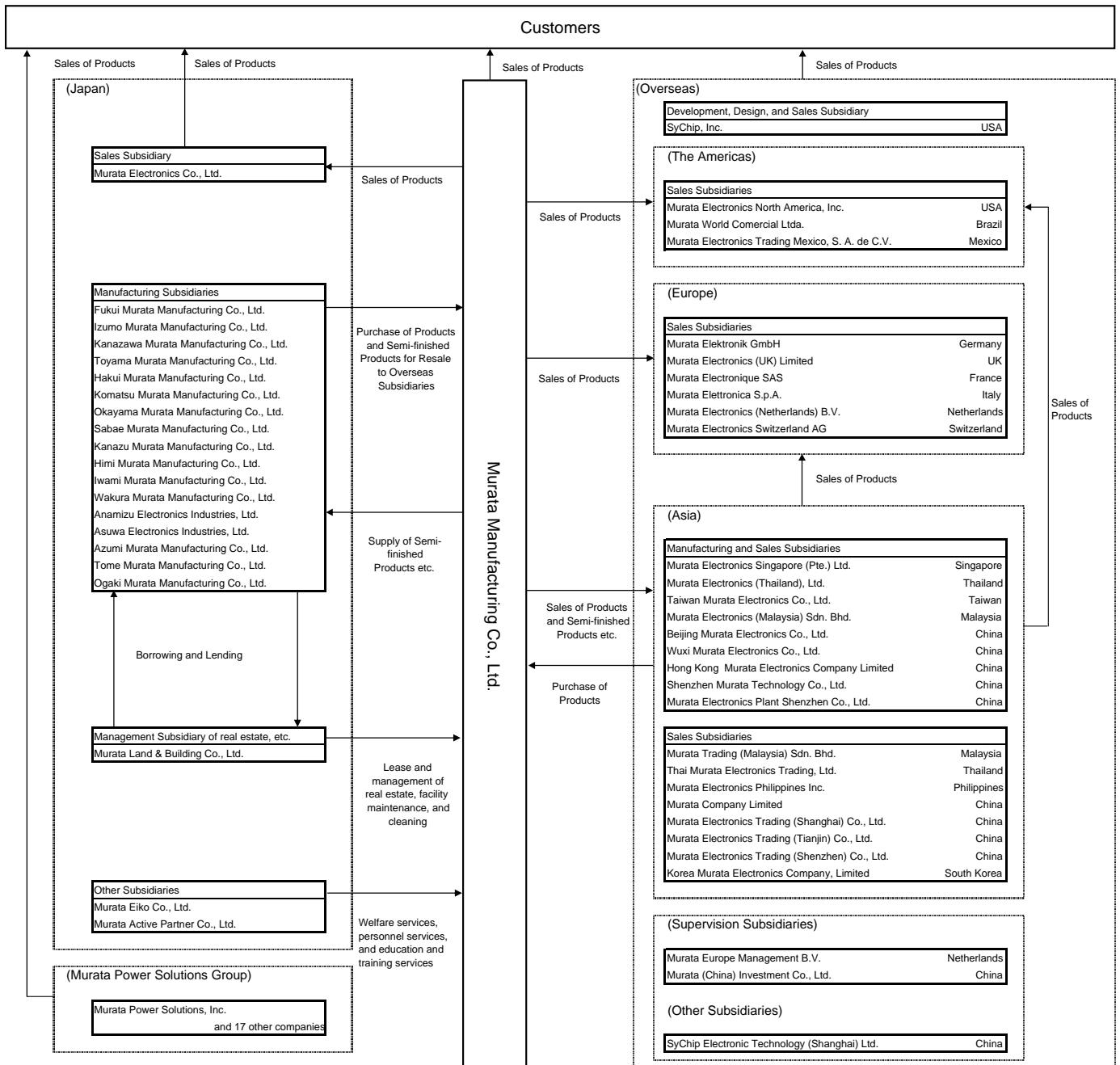
The Company's overseas sales subsidiaries sell finished products, which are manufactured by the Companies.

The supervision subsidiaries conduct market research activities in their corresponding areas, and supervises the Company's subsidiaries located in the areas.

The Companies completed the acquisition of the Power Electronics Division of C&D Technologies, Inc. on August 31, 2007. Due to the acquisition, Murata Power Solutions, Inc. of the United States and 17 other companies were newly consolidated. Murata Power Solutions, Inc. and 17 other companies develop, manufacture, and sell power supplies including DC/DC converters, AC/DC power supplies, and other transformers.

[Others]

Eight subsidiaries provide the following services: welfare services, personnel services, education and training services, management of funds for the Companies, lease and management of real estate, facility maintenance and cleaning, etc.



* Other than the companies shown above, there are five consolidated subsidiaries.

Murata's Fundamental Management Policy

(1) Murata's fundamental management policy

"New quality electronic equipment begins with new quality components, and new quality components begin with new quality materials." Based upon this fundamental corporate principle, Murata pursues excellence in a broad range of technical disciplines from basic to advanced future technology. In so doing, we develop and supply distinctive and innovative products, with the ultimate goal of contributing toward the advancement in the electronic society. We focus on the research and development of technological elements including electronic materials technology (e.g., ceramic materials), circuit design technology, processing technology (e.g., thin-film and micro-fabrication technology), and development technology for production equipment. By intelligently combining the achievements from these efforts, we create monolithic ceramic capacitors, ceramic piezoelectric products, noise suppression components, microwave devices, circuit modules, and other electronic components. These are indispensable for a range of electronic equipment from communication and information/computer-related devices to game consoles.

(2) Medium- and long-term management strategy

The markets for wireless communication equipment as well as information and computer-related equipment, automotive electronics, and digital AV equipment are expected to grow even further in the future. Defining these markets as its key targets, Murata will intensively funnel its resources into key technologies, such as materials, microwave, circuit design, and processing technology, and will further strengthen its arrangements for the swift development, production, and distribution of new products that accommodate the downsizing and functional sophistication of electronic equipment.

In keeping with the increasing globalization of the electronic industry, we will also avoid relying on business in specific regions. Instead, we will develop and upgrade our distribution network in all major regions. We also aim to establish local production in markets where demand is particularly great.

To cope with the rapid changes taking place globally in the business environment, we will make better use of information technology to ensure even higher business efficiency and faster decision-making.

(3) Challenges facing the company

Many segments of the world's market for electronic equipment are expected to grow further. Reasons for this include the increasing use of third-generation cellular phone services and the introduction of digital terrestrial broadcasting in advanced countries, the further growth in demand for mobile phones in emerging economies, the increase in the use of short-range wireless communication systems, the functional sophistication of personal computers, the dissemination of LCD TVs and other digital AV equipment, and the growing use of electronics in automobiles. There are recent uncertainties over the future of the economy, such as concerns regarding the American economy entering into a recession, and currency fluctuations. Increased competition is also expected. However, in addition to the growth in the global

electronic market, the increasing digitalization and functional sophistication of electronic equipment is rapidly increasing demand for electronic components as well.

In keeping with the growth of the market, Murata is further strengthening the operating base of existing business, and, in order to ensure sustainable growth in the long term, Murata is also striving to expand its business area by continually creating new products and effectively making use of outside resources. We are actively exploiting our technological ability to develop and commercialize new products in anticipation of future customer needs. These products include large-capacitance and small-size chip monolithic ceramic capacitors, as well as microwave filters, sensors, and short-range wireless communication modules. We are also vigorously promoting the acquisition and partnering with other companies. For example, Murata acquired the Power Electronics Division of C&D Technologies, Inc. in August 2007. We believe the acquisition will greatly contribute to filling out our product line-up and entering new markets for our power supply business. We are also undertaking efforts to start the lithium-ion battery business.

Where corporate social responsibility is concerned, Murata places equal emphasis on the economic, environmental and social perspectives, and is striving to fulfill our corporate responsibilities from each perspective. As for corporate governance, we have set a policy on building the system for assuring appropriateness of operations (internal control system). Taking into the considerations of all stakeholders, we are building a sound corporate management structure and system. Concrete actions include improving management efficiency, strengthening management-monitoring functions, and ensuring thorough compliance with all relevant laws and regulations. Regarding the Internal Control Reporting System based on the Financial Instrument and Exchange Law, which is applied from the fiscal year starting from April 1, 2008, we will develop and evaluate the internal control system to guarantee reliable financial reporting.

Consolidated Balance Sheets (Assets)

As of March 31, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		%		%		%
Assets	1,014,965	100.0	1,030,349	100.0	15,384	1.5
Current assets	672,912	66.3	627,555	60.9	(45,357)	(6.7)
Cash	29,133		36,783		7,650	
Time deposits	77,903		76,599		(1,304)	
Marketable securities	320,421		241,177		(79,244)	
Trade notes receivable	7,347		7,059		(288)	
Trade accounts receivable	121,896		121,537		(359)	
Allowance for doubtful notes and accounts	(1,810)		(1,125)		685	
Inventories	86,074		114,647		28,573	
Deferred income taxes	22,889		21,169		(1,720)	
Prepaid expenses and other	9,059		9,709		650	
Property, plant and equipment	283,944	28.0	346,149	33.6	62,205	21.9
Land	41,107		41,284		177	
Buildings	225,310		258,588		33,278	
Machinery and equipment	480,449		536,292		55,843	
Construction in progress	25,519		33,511		7,992	
Accumulated depreciation	(488,441)		(523,526)		(35,085)	
Investments and other assets	58,109	5.7	56,645	5.5	(1,464)	(2.5)
Investments	17,122		11,493		(5,629)	
Deferred income taxes	6,442		7,713		1,271	
Long - term receivables, advances and other	34,545		37,439		2,894	
Total assets	1,014,965	100.0	1,030,349	100.0	15,384	1.5

Consolidated Balance Sheets (Unaudited)

Murata Manufacturing Co., Ltd. and Subsidiaries

Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

As of March 31, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		%		%		%
Liabilities	192,072	18.9	186,119	18.1	(5,953)	(3.1)
Current liabilities	131,520	12.9	124,910	12.1	(6,610)	(5.0)
Short-term borrowings	13,114		17,999		4,885	
Trade notes payable	4,380		6,426		2,046	
Trade accounts payable	33,723		37,315		3,592	
Accrued payroll and bonuses	20,806		22,527		1,721	
Income taxes payable	29,465		12,612		(16,853)	
Accrued expenses and other	30,032		28,031		(2,001)	
Long-term liabilities	60,552	6.0	61,209	6.0	657	1.1
Long-term debt	24		19		(5)	
Termination and retirement benefits	40,390		44,820		4,430	
Deferred income taxes	19,452		15,748		(3,704)	
Other	686		622		(64)	
Shareholders' equity	822,893	81.1	844,230	81.9	21,337	2.6
Common stock	69,377		69,377		-	
Additional paid-in capital	102,363		102,403		40	
Retained earnings	655,240		710,453		55,213	
Accumulated other comprehensive income (loss) :	14,189		(4,902)		(19,091)	
Unrealized gains on securities	5,368		2,954		(2,414)	
Pension liability adjustments	8,466		645		(7,821)	
Unrealized gains (losses) on derivative instruments	(29)		16		45	
Foreign currency translation adjustments	384		(8,517)		(8,901)	
Treasury stock, at cost	(18,276)		(33,101)		(14,825)	
Total liabilities and shareholders' equity	1,014,965	100.0	1,030,349	100.0	15,384	1.5

Consolidated Statements of Income

For the years ended March 31, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		%		%		%
Net sales	566,805	100.0	631,655	100.0	64,850	11.4
Cost of sales	335,869	59.3	387,842	61.4	51,973	15.5
Selling, general and administrative	78,901	13.9	85,780	13.6	6,879	8.7
Research and development	38,670	6.8	42,281	6.7	3,611	9.3
Operating income	113,365	20.0	115,752	18.3	2,387	2.1
Interest and dividend income	3,898	0.7	4,866	0.8	968	24.8
Interest expense	(342)	(0.1)	(537)	(0.1)	(195)	(57.0)
Foreign currency exchange loss	(1,908)	(0.3)	(32)	(0.0)	1,876	98.3
Other - net	2,990	0.5	1,781	0.3	(1,209)	(40.4)
Income before income taxes	118,003	20.8	121,830	19.3	3,827	3.2
Income taxes	46,694	8.2	44,417	7.0	(2,277)	(4.9)
<Current income tax>	< 48,873 >		< 39,522 >		<(9,351)>	
<Deferred income tax>	<(2,179)>		< 4,895 >		< 7,074 >	
Net income	71,309	12.6	77,413	12.3	6,104	8.6

Consolidated Statements of Comprehensive Income

For the years ended March 31, 2008 and 2007

	Millions of Yen		
	2007	2008	Growth
Net income	71,309	77,413	6,104
Other comprehensive income (loss), net of tax :			
Unrealized losses on securities	(624)	(2,414)	(1,790)
Minimum pension liability adjustments	(31)	-	31
Pension liability adjustments	-	(7,821)	(7,821)
Unrealized gains on derivative instruments	4	45	41
Foreign currency translation adjustments	5,033	(8,901)	(13,934)
Other comprehensive income (loss)	4,382	(19,091)	(23,473)
Comprehensive income	75,691	58,322	(17,369)

Consolidated Statements of Shareholders' Equity (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Consolidated Statements of Shareholders' Equity

	Number of common shares issued	Millions of Yen				
		Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance at March 31, 2006	225,263,592	69,377	102,228	601,685	781	(18,677)
Purchases of treasury stock at cost						(53)
Exercise of stock options			54			454
Stock-based compensation expense			81			
Net income				71,309		
Cash dividends, Yen 80.00 per share				(17,754)		
Other comprehensive income, net of tax					4,382	
Adjustment to initially apply FASB Statement No. 158, net of tax					9,026	
Balance at March 31, 2007	225,263,592	69,377	102,363	655,240	14,189	(18,276)
Purchases of treasury stock at cost						(15,035)
Exercise of stock options			21			210
Stock-based compensation expense			19			
Net income				77,413		
Cash dividends, Yen 100.00 per share				(22,200)		
Other comprehensive loss, net of tax					(19,091)	
Balance at March 31, 2008	225,263,592	69,377	102,403	710,453	(4,902)	(33,101)

Consolidated Statements of Cash Flows

Years ended March 31, 2008 and 2007

	Millions of Yen	
	2007	2008
Operating activities:		
Net income	71,309	77,413
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	49,817	65,134
Losses on sales and disposals of property, plant and equipment	461	740
Impairment losses on long-lived assets	428	-
Gains on sales of securities	(143)	(8)
Provision for termination and retirement benefits, less payments	(792)	(1,650)
Deferred income taxes	(2,179)	4,895
Changes in assets and liabilities:		
Increase in trade notes and accounts receivable	(14,186)	(280)
Increase in inventories	(18,584)	(25,628)
Increase in prepaid expenses and other	(3,024)	(61)
Increase in trade notes and accounts payable	8,620	3,730
Increase in accrued payroll and bonuses	1,498	1,518
Increase (decrease) in income taxes payable	11,490	(16,704)
Increase (decrease) in accrued expenses and other	9,116	(2,856)
Other-net	2,280	114
Net cash provided by operating activities	116,111	106,357
Investing activities:		
Capital expenditures	(99,651)	(125,557)
Payment for purchases of investments and other	(4,437)	(7,435)
Net decrease (increase) in marketable securities	(5,072)	79,731
Increase in long-term deposits	(1,000)	(4,000)
Decrease in long-term deposits	-	2,000
Proceeds from sales of property, plant and equipment	374	644
Proceeds from sales of investments and other	1,195	997
Acquisition of subsidiaries, net of cash acquired	(15,390)	(9,623)
Increase in time deposits	(881)	(2,365)
Other	20	17
Net cash used in investing activities	(124,842)	(65,591)
Financing activities:		
Net increase in short-term borrowings	4,025	4,517
Repayment of long-term debt	(500)	-
Dividends paid	(17,754)	(22,200)
Payment for purchases of treasury stock	(53)	(15,035)
Proceeds from exercise of stock options	508	231
Other	(3)	(5)
Net cash used in financing activities	(13,777)	(32,492)
Effect of exchange rate changes on cash and cash equivalents	2,280	(4,293)
Net increase (decrease) in cash and cash equivalents	(20,228)	3,981
Cash and cash equivalents at beginning of year	126,383	106,155
Cash and cash equivalents at end of year	106,155	110,136
Additional cash flow information:		
Interest paid	331	505
Income taxes paid	37,335	56,611
Additional cash and cash equivalents information:		
Cash	29,133	36,783
Time deposits	77,903	76,599
Time deposits with the original maturities over three months	(881)	(3,246)
Cash and cash equivalents at end of year	106,155	110,136

	Millions of Yen	
	As of March 31, 2007	As of March 31, 2008
Cash and cash equivalents at end of year	106,155	110,136
Time deposits with the original maturities over three months	881	3,246
Marketable securities	320,421	241,177
Liquidity in hand	427,457	354,559

Notes to Consolidated Financial Statements

1. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries: 74

Major consolidated subsidiaries:

Fukui Murata Manufacturing Co., Ltd.
Izumo Murata Manufacturing Co., Ltd.
Toyama Murata Manufacturing Co., Ltd.
Komatsu Murata Manufacturing Co., Ltd.
Kanazawa Murata Manufacturing Co., Ltd.
Okayama Murata Manufacturing Co., Ltd.
Murata Land & Building Co., Ltd.
Murata Electronics North America, Inc.
Murata Electronics Singapore (Pte.) Ltd.
Murata Company Limited

(2) Number of unconsolidated subsidiaries: None

(3) Number of affiliated companies: None

2. Changes in scope of consolidation and application of the equity method

(Consolidated subsidiaries)

Nineteen companies were newly consolidated.

Murata Electronics Plant Shenzhen Co., Ltd.
Murata Power Solutions, Inc. and 17 other companies

One company was excluded from consolidation.

Murata Property Holdings Limited

3. Significant Accounting Policies

(1) Inventories

Inventories are stated at the lower of cost, which is determined principally by the average cost method, or market.

(2) Marketable securities and investments

Under SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities", the Companies classify all debt securities and marketable equity securities as available-for-sale and carry them at fair value with a corresponding recognition of the net unrealized holding gain or loss (net of tax) as a separate component of shareholders' equity. Gains and losses on sales of investments are computed on an average cost basis. Equity securities that do not have a readily determinable fair value are recorded at average cost.

(3) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment has been principally computed using the declining-balance method.

(4) Goodwill and other intangible assets

The Companies account for goodwill and other intangible assets in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets." In accordance with this statement, goodwill is not amortized and is instead tested at least annually for impairment. Intangible assets that have finite useful lives will continue to be amortized over their useful lives.

This statement also requires that an intangible asset that is determined to have indefinite useful life will not be amortized and will be instead tested at least annually for impairment until its useful life is determined to be no longer indefinite.

(5) Termination and retirement benefits

Termination and retirement benefits, accounted for in accordance with SFAS No.87, "Employers' Accounting for Pensions" and SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R)," are provided at the amount incurred during the period, which is based on the estimated present value of the projected benefit obligation less the fair value of plan assets at the end of the period.

The overfunded or underfunded status of a defined benefit postretirement plan is recognized as an asset or liability in its statement of financial position, with an adjustment to accumulated other comprehensive income (loss).

The unrecognized prior service benefit due to certain plan amendments is being amortized on a straight-line basis over the average remaining service period of employees.

The unrecognized actuarial gains and losses in excess of ten percent of the larger of the projected benefit obligation or plan assets are being amortized over five years.

(6) Accounting for consumption taxes

Consumption taxes are separately accounted for, and are excluded from the amounts of the underlying income and expense transactions.

Segment Information

(1) Industry Segment Information

The Companies mainly develop, manufacture and sell electronic components. Sales, Operating income (loss), and Assets for this segment represent almost 100% of the corresponding amounts in the Consolidated Financial Statements and, therefore, "Industry Segment Information" is not disclosed.

(2) Geographic Segment Information

1) Year ended March 31, 2007

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
1. Sales and operating income							
Sales to :							
Unaffiliated customers	233,284	45,858	51,713	235,950	566,805	-	566,805
Intersegment	233,178	9	2	25,519	258,708	(258,708)	-
Total revenue	466,462	45,867	51,715	261,469	825,513	(258,708)	566,805
Operating expenses	376,097	46,991	49,380	244,488	716,956	(263,516)	453,440
<%> *2	<19.4%>	<(2.5%>	<4.5%>	<6.5%>	<13.2%>		<20.0%>
Operating income (loss)	90,365	(1,124)	2,335	16,981	108,557	4,808	113,365
2. Assets	445,817	29,924	21,941	121,029	618,711	396,254	1,014,965

*1 Assets in the column of "Corporate and eliminations" consist mainly of time deposits and available-for-sale securities in the amount of Yen 415,447 million held by the Company.

*2 Ratio to total revenue

2) Year ended March 31, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
1. Sales and operating income							
Sales to :							
Unaffiliated customers	243,349	55,376	58,099	274,831	631,655	-	631,655
Intersegment	262,452	635	519	27,265	290,871	(290,871)	-
Total revenue	505,801	56,011	58,618	302,096	922,526	(290,871)	631,655
Operating expenses	412,205	54,469	53,553	286,547	806,774	(290,871)	515,903
<%> *2	<18.5%>	<2.8%>	<8.6%>	<5.1%>	<12.5%>		<18.3%>
Operating income	93,596	1,542	5,065	15,549	115,752	-	115,752
2. Assets	529,023	34,030	27,931	134,809	725,793	304,556	1,030,349

*1 Assets in the column of "Corporate and eliminations" consist mainly of time deposits and available-for-sale securities in the amount of Yen 329,269 million held by the Company.

*2 Ratio to total revenue

Notes : 1. Segments are based on geographic proximity.

2. Major countries and areas included in the segments other than Japan :

(1) The Americas : USA

(2) Europe : Germany, United Kingdom, France, Italy, the Netherlands

(3) Asia : China, Singapore, Thailand

Segment Information (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(3) Overseas sales

1) Year ended March 31, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	46,112	70,444	305,675	422,231
2. Consolidated sales				566,805
3. Ratio of overseas sales to consolidated sales	8.2%	12.4%	53.9%	74.5%

2) Year ended March 31, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	53,688	72,860	349,154	475,702
2. Consolidated sales				631,655
3. Ratio of overseas sales to consolidated sales	8.5%	11.5%	55.3%	75.3%

Notes : 1. Segments are based on geographic proximity.

2. Major countries and areas included in the segments other than Japan :

(1) The Americas : USA, Mexico

(2) Europe : Germany, Hungary, United Kingdom, Finland, Italy

(3) Asia : China, South Korea, Singapore

Marketable Securities and Investments

The cost, gross unrealized gains, gross unrealized losses and fair value for available-for-sale securities by major security type at March 31, 2008 and 2007 were as follows:

Millions of yen

	March 31, 2007				March 31, 2008			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Governmental debt securities	21,617	17	16	21,618	17,335	88	0	17,423
Private debt securities	299,015	341	553	298,803	223,565	957	768	223,754
Current	320,632	358	569	320,421	240,900	1,045	768	241,177
Equity securities	4,634	9,439	-	14,073	4,616	5,020	40	9,596
Investment trusts	600	3	-	603	600	4	-	604
Non-current	5,234	9,442	-	14,676	5,216	5,024	40	10,200
Total	325,866	9,800	569	335,097	246,116	6,069	808	251,377

* The aggregate carrying amounts of the equity securities that do not have a readily determinable fair value at March 31, 2008 and 2007, which were valued at cost, were Yen 1,293 million and Yen 2,446 million, respectively. They were not included in the above schedule.

Acquisition

The Companies completed the acquisition of the Power Electronics Division of C&D Technologies, Inc.(hereinafter "C&D") on August 31, 2007. Murata Electronics North America, Inc., a wholly-owned subsidiary of the Company, acquired the stocks or the equities of the subsidiaries of C&D, which constitute the Power Electronics Division. Due to the acquisition, Murata Power Solutions, Inc. of the United States and 17 other companies were newly consolidated. The total acquisition price is Yen 10,318 million (Yen 9,623 million net of cash acquired).

Murata Power Solutions, Inc. and 17 other companies develop, manufacture, and sell power supplies including DC/DC converters, AC/DC power supplies, and other transformers. These companies command an especially high market share for DC/DC converters. In addition to having a wide range of standard power supply products that the Company had not handled, these companies are strong in overseas markets that our power supply business has not been able to fully penetrate. We believe the acquisition will contribute to filling out our product line-up and entering new markets for our power supply business.

Note: DC/DC converters are circuit modules that transform direct-current power to regulated direct-current voltage output.

Amounts per Share

A reconciliation of the basic and diluted earnings per share computation was as follows :

	Year ended March 31, 2007			Year ended March 31, 2008		
	Net income	Average common shares outstanding	Earnings per share	Net income	Average common shares outstanding	Earnings per share
	Millions of yen	Number of shares	Yen	Millions of yen	Number of shares	Yen
Basic	71,309	221,948,319	321.29	77,413	221,754,208	349.09
Dilutive effect of stock options	—	46,480		—	29,227	
Diluted	71,309	221,994,799	321.22	77,413	221,783,435	349.05

Shareholder's equity per share for the year ended March 31, 2008 and 2007 were Yen 3,847.54 and Yen 3,707.02, respectively.

Flash Report (Year ended March 31, 2008)

Selected Financial Data

Years ended March 31, 2008 and 2007 / as of March 31, 2008 and 2007

		Consolidated Basis			Parent Co. Basis		
		2007	2008	Growth ratio	2007	2008	Growth ratio
Net sales	Millions of yen	566,805	631,655	11.4	490,642	530,866	8.2
Operating income	<*> ³ Millions of yen	<20.0>	<18.3>	2.1	<7.7>	<6.4>	(10.3)
Income before income taxes (and extraordinary item) *2	<*> ³ Millions of yen	<20.8>	<19.3>	3.2	<12.3>	<10.6>	(6.6)
Net income	<*> ³ Millions of yen	<12.6>	<12.3>	8.6	<9.1>	<8.2>	(3.1)
Total assets	Millions of yen	1,014,965	1,030,349	1.5	535,647	529,226	(1.2)
Shareholders' equity	Millions of yen	822,893	844,230	2.6	428,931	433,234	1.0
Shareholders' equity ratio	%	81.1	81.9	-	80.1	81.9	-
Basic earnings per share	Yen	321.29	349.09	8.7	202.01	195.91	(3.0)
Diluted earnings per share	Yen	321.22	349.05	8.7	201.96	195.88	(3.0)
Return on equity (ROE)	%	9.0	9.3	-	10.8	10.1	-
Shareholders' equity per share	Yen	3,707.02	3,847.54	-	1,932.27	1,974.45	-
Capital investment	Millions of yen	99,651	125,557	26.0	18,630	30,876	65.7
Depreciation and amortization	<*> Millions of yen	<8.8> ³	<10.3> ³	30.7	<2.4> ⁴	<3.0> ⁴	31.4
R & D expenses	<*> Millions of yen	<6.8> ³	<6.7> ³	9.3	<6.6> ⁴	<6.8> ⁴	11.7
Number of employees	*5	<10,103>	<12,918>	15.9	5,832	6,429	10.2
Average exchange rates							
Yen/US\$	Yen	117.03	114.28	-			
Yen/EURO	Yen	150.09	161.52	-			

*1 The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America.

*2 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*3 Ratio to net sales

*4 Ratio to net sales excluding revenue from services

*5 Figures in parentheses show the number of employees in overseas countries.

Projected Financial Data

Six months ending September 30, 2008 and six months ended September 30, 2007

		Consolidated Basis			Parent Co. Basis		
		2007 (Actual)	2008 (Projection)	Growth ratio	2007 (Actual)	2008 (Projection)	Growth ratio
Net sales	Millions of yen	304,948	320,000	4.9	260,895	260,000	(0.3)
	<%>*2	<19.3>	<11.6>		<6.6>	<4.8>	
Operating income	Millions of yen	58,777	37,000	(37.1)	17,262	12,500	(27.6)
	<%>*2	<19.9>	<12.3>		<11.1>	<8.5>	
Income before income taxes (and extraordinary item) *1	Millions of yen	60,727	39,500	(35.0)	28,953	22,000	(24.0)
	<%>*2	<12.4>	<7.8>		<8.6>	<6.3>	
Net income	Millions of yen	37,965	25,000	(34.1)	22,341	16,500	(26.1)
	<%>*2	<12.4>	<7.8>		<8.6>	<6.3>	
Basic earnings per share	Yen	171.01	113.94	(33.4)	100.64	75.20	(25.3)
	<%>	<9.4>*2	<10.9>*2		<2.5>*3	<3.4>*3	
Capital investment	Millions of yen	61,639	52,000	(15.6)	14,802	11,500	(22.3)
	<%>	<9.4>*2	<10.9>*2		<2.5>*3	<3.4>*3	
Depreciation and amortization	Millions of yen	28,763	35,000	21.7	6,348	8,500	33.9
	<%>	<6.4>*2	<7.2>*2		<6.4>*3	<7.3>*3	
R & D expenses	Millions of yen	19,477	23,000	18.1	16,203	18,500	14.2
	<%>	<6.4>*2	<7.2>*2		<6.4>*3	<7.3>*3	

Year ending March 31, 2009 and year ended March 31, 2008

		Consolidated Basis			Parent Co. Basis		
		2008 (Actual)	2009 (Projection)	Growth ratio	2008 (Actual)	2009 (Projection)	Growth ratio
Net sales	Millions of yen	631,655	660,000	4.5	530,866	540,000	1.7
	<%>*2	<18.3>	<12.1>		<6.4>	<5.2>	
Operating income	Millions of yen	115,752	80,000	(30.9)	34,073	28,000	(17.8)
	<%>*2	<19.3>	<12.9>		<10.6>	<8.7>	
Income before income taxes (and extraordinary item) *1	Millions of yen	121,830	85,000	(30.2)	56,419	47,000	(16.7)
	<%>*2	<12.3>	<8.0>		<8.2>	<6.7>	
Net income	Millions of yen	77,413	53,000	(31.5)	43,442	36,000	(17.1)
	<%>*2	<12.3>	<8.0>		<8.2>	<6.7>	
Basic earnings per share	Yen	349.09	241.55	(30.8)	195.91	164.07	(16.3)
	<%>	<10.3>*2	<11.4>*2		<3.0>*3	<3.6>*3	
Capital investment	Millions of yen	125,557	75,000	(40.3)	30,876	20,000	(35.2)
	<%>	<10.3>*2	<11.4>*2		<3.0>*3	<3.6>*3	
Depreciation and amortization	Millions of yen	65,134	75,000	15.1	15,299	19,000	24.2
	<%>	<6.7>*2	<7.0>*2		<6.8>*3	<7.2>*3	
R & D expenses	Millions of yen	42,281	46,000	8.8	35,072	38,000	8.3
	<%>	<6.7>*2	<7.0>*2		<6.8>*3	<7.2>*3	

*1 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*2 Ratio to net sales

*3 Ratio to net sales excluding revenue from services

*4 The projections above are based on the assumed average exchange rates of Yen 100 per US\$ and Yen 160 per Euro for the year ending March 31, 2009.

*5 The above projections were prepared based on estimates using information currently available. Actual results may differ from the projections. For assumptions and other information regarding the projections, refer to "Business Results and Financial Position".

Order, Backlog and Sales

(1) Order and Backlog by Product

<Order>

	Millions of Yen					
	Year ended March 31, 2007		Year ended March 31, 2008		Growth	
		%*1		%*1		%
Capacitors	224,434	39.1	240,587	38.4	16,153	7.2
Piezoelectric Components	81,804	14.3	92,580	14.8	10,776	13.2
Microwave Devices	113,763	19.8	110,107	17.6	(3,656)	(3.2)
Module Products	59,478	10.4	79,965	12.7	20,487	34.4
Other Products	94,054	16.4	103,673	16.5	9,619	10.2
Total	573,533	100.0	626,912	100.0	53,379	9.3

*1 Component ratio

*2 Figures are based on sales price to customers.

*3 Exclusive of consumption taxes

*4 The tables by product indicate order, backlog, and sales of electronic components and related products.

<Backlog>

	Millions of Yen					
	As of March 31, 2007		As of March 31, 2008		Growth	
		%*1		%*1		%
Capacitors	29,838	49.5	21,037	36.5	(8,801)	(29.5)
Piezoelectric Components	7,497	12.4	7,341	12.7	(156)	(2.1)
Microwave Devices	5,837	9.7	10,523	18.2	4,686	80.3
Module Products	7,544	12.5	8,437	14.6	893	11.8
Other Products	9,600	15.9	10,356	18.0	756	7.9
Total	60,316	100.0	57,694	100.0	(2,622)	(4.3)

*1 Component ratio

*2 Figures are based on sales price to customers.

*3 Exclusive of consumption taxes

(2) Sales by Product, Application and Area

1. Sales by Product

	Millions of Yen					
	Year ended March 31, 2007		Year ended March 31, 2008		Growth	
		%*1		%*1		%
Capacitors	215,255	38.1	249,388	39.6	34,133	15.9
Piezoelectric Components	81,585	14.4	92,736	14.7	11,151	13.7
Microwave Devices	114,108	20.2	105,421	16.7	(8,687)	(7.6)
Module Products	59,306	10.5	79,072	12.6	19,766	33.3
Other Products	94,601	16.8	102,917	16.4	8,316	8.8
Net sales	564,855	100.0	629,534	100.0	64,679	11.5

*1 Component ratio

*2 Exclusive of consumption taxes

2. Sales by Application (based on the Company's estimate)

	Millions of Yen					
	Year ended March 31, 2007		Year ended March 31, 2008		Growth	
		%*1		%*1		%
AV	74,373	13.2	94,275	15.0	19,902	26.8
Communication	230,615	40.8	252,261	40.1	21,646	9.4
Computers and Peripherals	117,199	20.7	136,679	21.7	19,480	16.6
Automotive Electronics	61,453	10.9	67,358	10.7	5,905	9.6
Home and Others	81,215	14.4	78,961	12.5	(2,254)	(2.8)
Net sales	564,855	100.0	629,534	100.0	64,679	11.5

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

	Millions of Yen					
	Year ended March 31, 2007		Year ended March 31, 2008		Growth	
		%*1		%*1		%
The Americas	46,112	8.2	53,688	8.5	7,576	16.4
Europe	70,444	12.5	72,860	11.6	2,416	3.4
Asia and Others	305,675	54.1	349,154	55.5	43,479	14.2
Overseas total	422,231	74.8	475,702	75.6	53,471	12.7
Japan	142,624	25.2	153,832	24.4	11,208	7.9
Net sales	564,855	100.0	629,534	100.0	64,679	11.5

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended Jun. 30, 2006		Three months ended Sep. 30, 2006		Three months ended Dec. 31, 2006		Three months ended Mar. 31, 2007	
		% *1		% *1		% *1		% *1
Net sales	133,342	100.0	143,813	100.0	145,813	100.0	143,837	100.0
Operating income	25,256	18.9	28,862	20.1	31,352	21.5	27,895	19.4
Income before income taxes	27,382	20.5	29,502	20.5	31,866	21.9	29,253	20.3
Net income	15,794	11.8	18,049	12.6	20,256	13.9	17,210	12.0

	Millions of yen							
	Three months ended Jun. 30, 2007		Three months ended Sep. 30, 2007		Three months ended Dec. 31, 2007		Three months ended Mar. 31, 2008	
		% *1		% *1		% *1		% *1
Net sales	148,549	100.0	156,399	100.0	174,567	100.0	152,140	100.0
Operating income	29,471	19.8	29,306	18.7	35,517	20.3	21,458	14.1
Income before income taxes	29,907	20.1	30,820	19.7	36,969	21.2	24,134	15.9
Net income	17,803	12.0	20,162	12.9	23,581	13.5	15,867	10.4

*1 Ratio to net sales

*2 Quarterly figures are unaudited.

*3 The figures for each quarter are calculated by subtracting from the aggregated amount of the previous quarter.

(2) Sales by Product

	Millions of yen							
	Three months ended Jun. 30, 2006		Three months ended Sep. 30, 2006		Three months ended Dec. 31, 2006		Three months ended Mar. 31, 2007	
		% *1		% *1		% *1		% *1
Capacitors	48,867	36.8	53,578	37.4	56,540	38.9	56,270	39.3
Piezoelectric Components	18,983	14.3	19,990	13.9	21,212	14.6	21,400	14.9
Microwave Devices	28,595	21.5	31,335	21.9	28,103	19.3	26,075	18.2
Module Products	13,892	10.4	14,167	9.9	15,243	10.5	16,004	11.2
Other Products	22,561	17.0	24,273	16.9	24,189	16.7	23,578	16.4
Net sales	132,898	100.0	143,343	100.0	145,287	100.0	143,327	100.0

	Millions of yen							
	Three months ended Jun. 30, 2007		Three months ended Sep. 30, 2007		Three months ended Dec. 31, 2007		Three months ended Mar. 31, 2008	
		% *1		% *1		% *1		% *1
Capacitors	60,095	40.6	64,082	41.1	67,206	38.6	58,005	38.2
Piezoelectric Components	22,257	15.0	23,044	14.8	25,152	14.5	22,283	14.7
Microwave Devices	25,072	17.0	25,337	16.2	30,303	17.4	24,709	16.3
Module Products	16,336	11.0	16,954	10.9	24,261	13.9	21,521	14.2
Other Products	24,302	16.4	26,460	17.0	27,046	15.6	25,109	16.6
Net sales	148,062	100.0	155,877	100.0	173,968	100.0	151,627	100.0

*1 Component ratio

*2 Exclusive of consumption taxes

*3 The figures for each quarter are calculated by subtracting from the aggregated amount of the previous quarter.