

Consolidated Financial Flash Report (September 30, 2008)

Date: October 30, 2008

Company Name : Murata Manufacturing Co., Ltd.
Listing Code : 6981
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Stock Exchange Listings:
Tokyo Stock Exchange
Osaka Securities Exchange
Stock Exchange of Singapore

1. Consolidated financial results for the six months ended September 30, 2008

(1) Operating results

	Net sales		Operating income		Income before income taxes		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2008	303,963	(0.3)	26,937	(54.2)	28,743	(52.7)	19,040	(49.8)
Six months ended Sep. 30, 2007	304,948	10.0	58,777	8.6	60,727	6.8	37,965	12.2

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended Sep. 30, 2008	86.77		86.77	
Six months ended Sep. 30, 2007	171.01		170.97	

* Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income are the growth ratios against the same period of the previous fiscal year.

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2008	1,016,086	847,393	83.4	3,862.01
As of Mar. 31, 2008	1,030,349	844,230	81.9	3,847.54

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

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
	Yen				
2008	-	50.0	-	50.0	100.0
2009	-	50.0	-	-	-
2009 (Projected)	-	-	-	50.0	100.0

*No change in the projected dividends during the six months ended September 30, 2008.

3. Projected financial results for 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	
Year ending Mar. 31, 2009	605,000	(4.2)	40,000	(65.4)	46,000	(62.2)	30,000	(61.2)	136.73	

*Projected financial results have been revised during the six months ended September 30, 2008.

Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income for the year ending March 31, 2009 are the growth ratio against the previous year.

4. Other

(1) Changes in significant subsidiaries (changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Adoption of accounting method simplified and specifically applied for quarterly consolidated financial reporting
The Company adopted accounting method specifically applied for quarterly consolidated financial reporting
*See "Business Results and Financial Position - (4) Other" for more detailed information.

(3) Changes in accounting principle, method and representation
The Company changed accounting principle, method and representation.
*See "Business Results and Financial Position - (4) Other" for more detailed information.

(4) Number of common shares outstanding
Number of shares outstanding including treasury stock: 225,263,592 shares as of September 30, 2008 and 225,263,592 shares as of March 31, 2008
Number of treasury stock: 5,845,788 shares as of September 30, 2008 and 5,842,969 shares as of March 31, 2008
Average number of shares outstanding: 219,419,538 shares for the six months ended September 30, 2008 and 222,002,219 shares for the six months ended September 30, 2007

(Reference) Projected financial results for 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	
Year ending Mar. 31, 2009	510,000	(3.9)	10,000	(70.7)	28,000	(50.4)	24,000	(44.8)	109.38	

*Projected financial results have been revised during the six months ended September 30, 2008.

Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income for the year ending March 31, 2009 are the growth ratio against the previous year.

*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, 2008 through September 30, 2008)

(1) Business Results

During the period under review, as worldwide economic conditions worsen, the rise of demand in the global electronic market in the spring season was not as strong as usual. Moreover, even in the second quarter, which is usually the demand season in the industry, the growth of the production of major products such as mobile phones, personal computers, and digital AV equipment was weaker than the growth of the previous year, especially in sophisticated products.

Demand for electronic components in terms of monetary amounts grew at a sluggish pace, as price decline continued due to fierce competition, and the Yen appreciated against the U.S. dollar by 13.22 Yen.

Under this market environment, net sales for the half year period declined 0.3% year on year to 303,963 million Yen in spite of increase in unit sales of major products. Operating income dropped 54.2% year on year to 26,937 million Yen, income before income taxes decreased 52.7% to 28,743 million Yen, and net income declined 49.8% to 19,040 million yen. Initiatives to reduce the cost of goods sold through cost cutting activities, and the ongoing introduction of new products were overshadowed by the continuous price decline, increase of depreciation expenses, and the influence of exchange rate fluctuations.

<Sales by Product Category>

Net sales by product category for the period under review compared with the figures for the same period of 2007 are as follows:

[Capacitors]

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

In the period under review, sales of chip monolithic ceramic capacitors, the main product in this category, increased in terms of units, but decreased largely in terms of value, because of the decline in unit selling price. Application-specific capacitors for computers and peripheral equipment also dropped heavily.

As a result, overall net sales decreased 11.4% from a year earlier, to 110,022 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 piezoelectric buzzers for AV equipment grew largely, and piezoelectric sensors for shock-detection use in HDDs also increased. On the other hand, unit sales of SAW filters for use in communication equipment increased significantly, but dropped slightly in sales value. Sales of ceramic resonators declined sharply, owing to the decrease in sales for computers and peripheral equipment and car electronics. Ceramic filters for use in communication equipment and car electronics dropped largely in sales.

As a result, overall net sales decreased 0.9% year on year to 44,871 million Yen.

[Microwave Devices]

These devices include short-range wireless communication modules, multilayer ceramic devices, connectors and isolators.

In the period under review, sales of short-range wireless communication modules were drastically higher than the figures for the previous half period. Although the sales of modules for Bluetooth[®] dropped, sales of modules for wireless LAN increased largely. Multilayer ceramic devices and isolators for communication equipment increased.

As a result, overall net sales increased 15.7% year on year, to 58,313 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 increased sharply, while sales of modules for communication equipment dropped. Sales of power supplies grew well above the figures for the previous half period owing to the contribution of Murata Power Solutions, Inc. of the United States and its group companies consolidated on August 31, 2007.

As a result, overall sales posted a year-on-year growth of 12.1%, to 37,303 million Yen.

[Other Products]

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

In the period under review, sales of EMI suppression filters increased, due to demand for communication equipment. Also, sales for chip coils grew sharply, owing to the increase in sales for communication equipment. On the other hand, sales of gyro sensors decreased largely for AV equipment.

As a result, overall net sales posted a 3.0% year on year increase to 52,282 million Yen.

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

(2) Financial position

Total assets as of September 30, 2008 decreased 14,263 million Yen from March 31, 2008 to 1,016,086 million Yen. Although inventories increased 11,574 million Yen, tangible fixed assets rose 5,718 million Yen, and investments and other assets climbed 3,186 million Yen, liquidity in hand (cash, time deposits, and marketable securities) declined 30,986 million Yen from the end of the previous fiscal year to 323,573 million Yen.

As the shareholders' equity increased 3,163 million Yen compared to the end of last year, and total assets decreased, the ratio of shareholders' equity to total assets rose 1.5 percentage points from March 31, 2008 to 83.4%.

The cash flow during the six months ended September 30, 2008 and the changes for the period under review compared with the figures for the same period of 2007 are as follows:

[Net cash provided by operating activities]

In the period under review, funds provided by operating activities were 36,155 million Yen. Net income, the major source of cash flow, was 19,040 million Yen, while depreciation and amortization was 38,547 million Yen. Cash outflow related to the increase of inventories was

11,780 million Yen, and outflow from the decrease in trade notes and accounts payables amounted to 5,269 million Yen. Other current liabilities declined 9,488 million Yen.

Cash inflows from operating activities dropped 18,245 million Yen from the figures for the same period of 2007.

[Net cash used in investing activities]

In the period under review, net cash inflow from investing activities amounted to 130 million Yen. While acquisition of tangible fixed assets was 43,008 million Yen, and payment for the purchases of investments and other was 7,205 million Yen, marketable securities decreased 51,068 million Yen.

Cash outflows from investing activities declined 43,298 million Yen from the figures for the same period of 2007.

[Net cash used in financing activities]

In the period under review, net cash used in financing activities was 14,794 million Yen. Cash outflow related to the decrease in short-term borrowings was 3,779 million Yen and dividends paid was 10,971 million Yen.

Cash outflows from financing activities increased 2,960 million Yen from the figures for the same period of 2007.

(3) Projected results

The projected results for the year ending March 31, 2009 as announced in July, 2008, have been revised as per the tables below:

[Consolidated Projections for the Year ending March 31, 2009]

	Revised Projections (millions of Yen)	Growth ratio against the previous year (%)	Previous Projections Announced in July, 2008 (millions of Yen)
Net sales	605,000	(4.2)	640,000
Operating income	40,000	(65.4)	70,000
Income before Income taxes	46,000	(62.2)	75,000
Net income	30,000	(61.2)	46,500

The growth of the production of major products in the global electronics market is expected to be sluggish than our previous forecast due to the weakness of the real economy caused by the global financial instability. Demand for electronic components in terms of monetary amounts is expected to be much lower than our original expectations, owing especially to the stagnant demand for sophisticated products in advanced countries, and the continuous decline in unit selling price and appreciation of the Yen.

Based on this outlook, the consolidated forecast for the year ending March 31, 2009, which was published on July, 2008, is downwardly-revised as follows; net sales are expected to be 35,000 million Yen lower than the previous forecast, operating income is expected to be 30,000 million Yen lower, income before income taxes is expected to be 29,000 million Yen lower, and net

income is expected to be 16,500 million Yen lower.

As a result, for the year ending March 31, 2009, we project the consolidated net sales to decrease 4.2% year on year to 605,000 million Yen, operating income to drop 65.4% to 40,000 million Yen, income before income taxes to decrease 62.2% to 46,000 million Yen, and net income to decline 61.2% to 30,000 million yen.

The projections are based on the assumed exchange rates of Yen 100 per US\$ and Yen 125 per Euro for the six months ending March 31, 2009.

The projection for the capital expenditure has not been changed from the July projection of 75,000 million Yen.

[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.

(4) Other

(1) Changes in significant subsidiaries

(changes in specific subsidiaries that caused change in scope of consolidation)

None

(2) Adoption of accounting method simplified and specifically applied for quarterly consolidated financial reporting

Income tax expense for the six months ended September 30, 2008 was calculated using reasonably estimated annual effective tax rate for this fiscal year including this period.

Deferred income tax was represented included in income taxes.

(3) Changes in accounting principle, method and representation

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements." SFAS No. 157 clarifies the definitions of fair value, which were different among the many accounting pronouncements that require or permit fair value measurement, and also expands disclosures about the use of fair value to measure assets and liabilities. The Companies have adopted this statement as of April 1, 2008. Adoption of this accounting standard has no effect on the Companies' consolidated financial statements.

From April, 1 2008, the Company and its domestic subsidiaries changed estimated residual value and useful lives of certain property, plant and equipment.

In accordance with SFAS No. 154, "Accounting Changes and Error Corrections - a replacement of APB No. 20 and FASB Statement No. 3", this change in estimated residual value and useful lives represent change in accounting estimate.

As a result of this change, income before income taxes and net income for the six months ended September 30, 2008 were decreased by 2,161 million Yen and 1,288 million Yen, respectively. In addition, basic earnings per share declined 5.87 Yen.

Consolidated Balance Sheets (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(1) Consolidated Balance Sheets (Assets)

	Millions of Yen			
	As of Sep. 30, 2008		As of Mar. 31, 2008	
		%		%
Assets	1,016,086	100.0	1,030,349	100.0
Current assets	604,388	59.5	627,555	60.9
Cash	39,038		36,783	
Time deposits	95,385		76,599	
Marketable securities	189,150		241,177	
Trade notes receivable	5,565		7,059	
Trade accounts receivable	119,969		121,537	
Allowance for doubtful notes and accounts	(1,123)		(1,125)	
Inventories	126,221		114,647	
Deferred income taxes	20,818		21,169	
Prepaid expenses and other	9,365		9,709	
Property, plant and equipment	351,867	34.6	346,149	33.6
Land	43,907		41,284	
Buildings	267,766		258,588	
Machinery and equipment	561,451		536,292	
Construction in progress	26,022		33,511	
Accumulated depreciation	(547,279)		(523,526)	
Investments and other assets	59,831	5.9	56,645	5.5
Investments	11,760		11,493	
Deferred income taxes	8,071		7,713	
Long - term receivables, advances and other	40,000		37,439	
Total assets	1,016,086	100.0	1,030,349	100.0

Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

	Millions of Yen			
	As of Sep. 30, 2008		As of Mar. 31, 2008	
		%		%
Liabilities	168,693	16.6	186,119	18.1
Current liabilities	106,377	10.5	124,910	12.1
Short-term borrowings	13,928		17,999	
Trade notes payable	6,659		6,426	
Trade accounts payable	31,810		37,315	
Accrued payroll and bonuses	21,142		22,527	
Income taxes payable	7,128		12,612	
Accrued expenses and other	25,710		28,031	
Long-term liabilities	62,316	6.1	61,209	6.0
Long-term debt	18		19	
Termination and retirement benefits	46,856		44,820	
Deferred income taxes	14,227		15,748	
Other	1,215		622	
Shareholders' equity	847,393	83.4	844,230	81.9
Common stock	69,377		69,377	
Capital surplus	102,403		102,403	
Retained earnings	718,522		710,453	
Accumulated other comprehensive loss :	(9,795)		(4,902)	
Unrealized gains on securities	1,921		2,954	
Pension liability adjustments	(1,562)		645	
Unrealized gains on derivative instruments	187		16	
Foreign currency translation adjustments	(10,341)		(8,517)	
Treasury stock, at cost	(33,114)		(33,101)	
Total liabilities and shareholders' equity	1,016,086	100.0	1,030,349	100.0

Consolidated Statements of Income (Unaudited)

Murata Manufacturing Co., Ltd. and Subsidiaries

(2) Consolidated Statements of Income

Six months ended September 30, 2008 and 2007

	Millions of Yen			
	Six months ended Sep. 30, 2007		Six months ended Sep. 30, 2008	
		%		%
Net sales	304,948	100.0	303,963	100.0
Cost of sales	184,538	60.5	207,824	68.3
Selling, general and administrative	42,156	13.8	45,575	15.0
Research and development	19,477	6.4	23,627	7.8
Operating income	58,777	19.3	26,937	8.9
Interest and dividend income	2,457	0.8	2,202	0.7
Interest expense	(256)	(0.1)	(299)	(0.1)
Foreign currency exchange gain (loss)	(872)	(0.3)	67	0.0
Other - net	621	0.2	(164)	(0.0)
Income before income taxes	60,727	19.9	28,743	9.5
Income taxes	22,762	7.5	9,703	3.2
Net income	37,965	12.4	19,040	6.3

(3) Consolidated Statements of Comprehensive Income

Six months ended September 30, 2008 and 2007

	Millions of Yen	
	Six months ended Sep. 30, 2007	Six months ended Sep. 30, 2008
Net income	37,965	19,040
Other comprehensive income (loss), net of tax :		
Unrealized losses on securities	(814)	(1,033)
Pension liability adjustments	(849)	(2,207)
Unrealized gains on derivative instruments	42	171
Foreign currency translation adjustments	1,595	(1,824)
Other comprehensive loss	(26)	(4,893)
Comprehensive income	37,939	14,147

Consolidated Statements of Income

Three months ended September 30, 2008 and 2007

	Millions of Yen			
	Three months ended Sep. 30, 2007		Three months ended Sep. 30, 2008	
		%		%
Net sales	156,399	100.0	156,361	100.0
Cost of sales	96,072	61.4	109,839	70.3
Selling, general and administrative	20,963	13.4	22,259	14.2
Research and development	10,058	6.5	11,889	7.6
Operating income	29,306	18.7	12,374	7.9
Interest and dividend income	1,172	0.8	1,065	0.7
Interest expense	(125)	(0.1)	(131)	(0.1)
Foreign currency exchange gain	230	0.1	1,484	0.9
Other - net	237	0.2	(1,139)	(0.7)
Income before income taxes	30,820	19.7	13,653	8.7
Income taxes	10,658	6.8	4,211	2.7
Net income	20,162	12.9	9,442	6.0

Consolidated Statements of Comprehensive Income

Three months ended September 30, 2008 and 2007

	Millions of Yen	
	Three months ended Sep. 30, 2007	Three months ended Sep. 30, 2008
Net income	20,162	9,442
Other comprehensive income (loss), net of tax :		
Unrealized losses on securities	(715)	(1,067)
Pension liability adjustments	(1,793)	(2,715)
Unrealized gains on derivative instruments	148	232
Foreign currency translation adjustments	(2,835)	(4,155)
Other comprehensive loss	(5,195)	(7,705)
Comprehensive income	14,967	1,737

(4) Consolidated Statements of Cash Flows
Six months ended September 30, 2008 and 2007

	Millions of Yen			
	Six months ended Sep. 30, 2007		Six months ended Sep. 30, 2008	
Operating activities:				
Net income		37,965		19,040
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	28,763		38,547	
Losses on sales and disposals of property, plant and equipment	296		193	
Provision for termination and retirement benefits, less payments	(881)		384	
Decrease (Increase) in trade notes and accounts receivable	(8,460)		2,534	
Increase in inventories	(9,960)		(11,780)	
Decrease (Increase) in other current assets	(18)		437	
Decrease in trade notes and accounts payable	(2,453)		(5,269)	
Increase (decrease) in other current liabilities	7,949		(9,488)	
Other-net	1,199	16,435	1,557	17,115
Net cash provided by operating activities		54,400		36,155
Investing activities:				
Capital expenditures		(61,639)		(43,008)
Payment for purchases of investments and other		(3,077)		(7,205)
Net decrease in marketable securities		31,945		51,068
Acquisition of subsidiaries, net of cash acquired		(9,451)		-
Other		(946)		(725)
Net cash provided by (used in) investing activities		(43,168)		130
Financing activities:				
Net decrease in short-term borrowings		(892)		(3,779)
Dividends paid		(11,099)		(10,971)
Other		157		(44)
Net cash used in financing activities		(11,834)		(14,794)
Effect of exchange rate changes on cash and cash equivalents		495		(1,329)
Net increase (decrease) in cash and cash equivalents		(107)		20,162
Cash and cash equivalents at beginning of period		106,155		110,136
Cash and cash equivalents at end of period		106,048		130,298
Additional cash and cash equivalents information:				
Cash		34,313		39,038
Time deposits		72,895		95,385
Time deposits with the original maturities over three months		(1,160)		(4,125)
Cash and cash equivalents at end of period		106,048		130,298

	Millions of Yen	
	As of Sep. 30, 2007	As of Sep. 30, 2008
Cash and cash equivalents at end of period	106,048	130,298
Time deposits with the original maturities over three months	1,160	4,125
Marketable securities	288,380	189,150
Liquidity in hand	395,588	323,573

Consolidated Statements of Cash Flows
Three months ended September 30, 2008 and 2007

	Millions of Yen			
	Three months ended Sep. 30, 2007		Three months ended Sep. 30, 2008	
Operating activities:				
Net income		20,162		9,442
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	15,336		19,930	
Losses on sales and disposals of property, plant and equipment	160		321	
Provision for termination and retirement benefits, less payments	(732)		60	
Increase in trade notes and accounts receivable	(4,731)		(346)	
Increase in inventories	(2,459)		(548)	
Decrease in other current assets	387		936	
Increase (decrease) in trade notes and accounts payable	(1,253)		208	
Increase (decrease) in other current liabilities	22,016		(4,740)	
Other-net	(368)	28,356	2,879	18,700
Net cash provided by operating activities		48,518		28,142
Investing activities:				
Capital expenditures		(40,442)		(23,885)
Payment for purchases of investments and other		(1,859)		(3,129)
Net decrease in marketable securities		17,772		19,655
Acquisition of subsidiaries, net of cash acquired		(9,451)		-
Other		(1,475)		(829)
Net cash used in investing activities		(35,455)		(8,188)
Financing activities:				
Net increase (decrease) in short-term borrowings		234		(3,994)
Other		24		(41)
Net cash used in financing activities		258		(4,035)
Effect of exchange rate changes on cash and cash equivalents		(1,470)		(3,201)
Net decrease in cash and cash equivalents		11,851		12,718
Cash and cash equivalents at beginning of period		94,197		117,580
Cash and cash equivalents at end of period		106,048		130,298

(5) Assumptions for Going Concern

None

(6) Segment Information

(1) Industry Segment Information

The Companies mainly develop, manufacture and sell electronic components. Sales and Operating income (loss) 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) Three months ended September 30, 2007

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	59,373	12,408	13,466	71,152	156,399	-	156,399
Intersegment	68,091	3	45	6,951	75,090	(75,090)	-
Total revenue	127,464	12,411	13,511	78,103	231,489	(75,090)	156,399
Operating costs and expenses	105,061	11,050	12,277	73,795	202,183	(75,090)	127,093
<%> *1	<17.6%>	<11.0%>	<9.1%>	<5.5%>	<12.7%>		<18.7%>
Operating income	22,403	1,361	1,234	4,308	29,306	-	29,306

*1 Ratio to total revenue

2) Three months ended September 30, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	51,387	13,746	14,762	76,466	156,361	-	156,361
Intersegment	74,073	432	205	5,491	80,201	(80,201)	-
Total revenue	125,460	14,178	14,967	81,957	236,562	(80,201)	156,361
Operating costs and expenses	116,698	14,451	13,958	79,081	224,188	(80,201)	143,987
<%> *1	<7.0%>	<(1.9)%>	<6.7%>	<3.5%>	<5.2%>		<7.9%>
Operating income (loss)	8,762	(273)	1,009	2,876	12,374	-	12,374

*1 Ratio to total revenue

3) Six months ended September 30, 2007

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	118,552	24,326	27,363	134,707	304,948	-	304,948
Intersegment	127,132	8	45	13,826	141,011	(141,011)	-
Total revenue	245,684	24,334	27,408	148,533	445,959	(141,011)	304,948
Operating costs and expenses	200,496	22,223	25,101	139,362	387,182	(141,011)	246,171
<%> *1	<18.4%>	<8.7%>	<8.4%>	<6.2%>	<13.2%>		<19.3%>
Operating income	45,188	2,111	2,307	9,171	58,777	-	58,777

*1 Ratio to total revenue

4) Six months ended September 30, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	107,254	27,670	30,326	138,713	303,963	-	303,963
Intersegment	138,558	647	383	11,411	150,999	(150,999)	-
Total revenue	245,812	28,317	30,709	150,124	454,962	(150,999)	303,963
Operating costs and expenses	224,694	28,852	28,696	145,783	428,025	(150,999)	277,026
<%> *1	<8.6%>	<(1.9)%>	<6.6%>	<2.9%>	<5.9%>		<8.9%>
Operating income (loss)	21,118	(535)	2,013	4,341	26,937	-	26,937

*1 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) Three months ended September 30, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	13,024	17,626	88,175	118,825
2. Consolidated sales				156,399
3. Ratio of overseas sales to consolidated sales	8.3%	11.3%	56.4%	76.0%

2) Three months ended September 30, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	12,496	16,790	95,966	125,252
2. Consolidated sales				156,361
3. Ratio of overseas sales to consolidated sales	8.0%	10.7%	61.4%	80.1%

3) Six months ended September 30, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	25,380	36,066	168,006	229,452
2. Consolidated sales				304,948
3. Ratio of overseas sales to consolidated sales	8.3%	11.8%	55.1%	75.2%

4) Six months ended September 30, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	26,134	34,129	175,803	236,066
2. Consolidated sales				303,963
3. Ratio of overseas sales to consolidated sales	8.6%	11.2%	57.9%	77.7%

- 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, Italy, France
(3) Asia : China, South Korea, Singapore

(7) Significant changes in shareholders' equity
None

Flash Report (Six months ended September 30, 2008)

Selected Financial Data

Six months ended September 30, 2008 and 2007 / As of September 30, 2008 and 2007

		Consolidated Basis			Parent Co. Basis		
		2007	2008	Growth ratio	2007	2008	Growth ratio
Net sales	Millions of yen	304,948	303,963	(0.3)	260,895	262,214	0.5
Operating income	<*>3 Millions of yen	<19.3>	<8.9>	(54.2)	<6.6>	<2.6>	(60.8)
Income before income taxes (and extraordinary item) *2	<*>3 Millions of yen	<19.9>	<9.5>	(52.7)	<11.1>	<6.1>	(44.9)
Net income	<*>3 Millions of yen	<12.4>	<6.3>	(49.8)	<8.6>	<5.1>	(39.7)
Total assets	Millions of yen	1,053,247	1,016,086	(3.5)	548,998	526,923	(4.0)
Shareholders' equity	Millions of yen	849,914	847,393	(0.3)	439,650	434,763	(1.1)
Shareholders' equity ratio	%	80.7	83.4	-	80.1	82.5	-
Basic earnings per share	Yen	171.01	86.77	(49.3)	100.64	61.43	(39.0)
Diluted earnings per share	Yen	170.97	86.77	(49.2)	100.61	-	-
Shareholders' equity per share	Yen	3,828.28	3,862.01	-	1,980.32	1,981.44	-
Capital expenditures	Millions of yen	61,639	43,008	(30.2)	14,802	11,495	(22.3)
Depreciation and amortization	<*> Millions of yen	<9.4>*3	<12.7>*3	34.0	<2.5>*4	<3.6>*4	43.9
R & D expenses	<*> Millions of yen	<6.4>*3	<7.8>*3	21.3	<6.4>*4	<7.4>*4	16.4
Average exchange rates							
Yen/US\$	Yen	119.33	106.11	-			
Yen/EURO	Yen	162.29	162.68	-			

Three months ended September 30, 2008 and 2007

		Consolidated Basis			Parent Co. Basis		
		2007	2008	Growth ratio	2007	2008	Growth ratio
Net sales	Millions of yen	156,399	156,361	(0.0)	137,448	133,483	(2.9)
Operating income	<*>3 Millions of yen	<18.7>	<7.9>	(57.8)	<6.8>	<2.0>	(70.9)
Income before income taxes (and extraordinary item) *2	<*>3 Millions of yen	<19.7>	<8.7>	(55.7)	<7.6>	<2.0>	(74.1)
Net income	<*>3 Millions of yen	<12.9>	<6.0>	(53.2)	<5.9>	<2.4>	(60.1)
Basic earnings per share	Yen	90.82	43.03	(52.6)	36.73	14.84	(59.6)
Diluted earnings per share	Yen	90.80	43.03	(52.6)	36.73	-	-
Capital expenditures	Millions of yen	40,442	23,885	(40.9)	11,599	6,089	(47.5)
Depreciation and amortization	<*> Millions of yen	<9.8>*3	<12.7>*3	30.0	<2.5>*4	<3.7>*4	42.7
R & D expenses	<*> Millions of yen	<6.5>*3	<7.6>*3	18.2	<6.3>*4	<7.2>*4	11.4

*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 The diluted earnings per share on Parent Co. Basis is not stated for 2008, since there were no potentially dilutive securities.

*5 Ratio to net sales excluding revenue from services

Projected Financial Data

Year ending March 31, 2009

		Consolidated Basis		Parent Co. Basis	
		Previous Projections Announced in July, 2008	Revised Projections	Previous Projections Announced in July, 2008	Revised Projections
Net sales	Millions of yen	640,000	605,000	535,000	510,000
Operating income	< % > *2 Millions of yen	< 10.9 > 70,000	< 6.6 > 40,000	< 4.1 > 22,000	< 2.0 > 10,000
Income before income taxes (and extraordinary item) *1	< % > *2 Millions of yen	< 11.7 > 75,000	< 7.6 > 46,000	< 7.9 > 42,000	< 5.5 > 28,000
Net income	< % > *2 Millions of yen	< 7.3 > 46,500	< 5.0 > 30,000	< 6.2 > 33,000	< 4.7 > 24,000
Basic earnings per share	Yen	211.92	136.73	150.40	109.38
Capital investment	Millions of yen	75,000	75,000	20,000	20,000
Depreciation and amortization	< % > Millions of yen	< 12.5 > *2 80,000	< 13.2 > *2 80,000	< 3.8 > *3 20,000	< 4.0 > *3 20,000
R & D expenses	< % > Millions of yen	< 7.3 > *2 47,000	< 7.8 > *2 47,000	< 7.4 > *3 38,500	< 7.8 > *3 38,500

*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 revised projections are based on the assumed average exchange rates of Yen 100 per US\$ and Yen 125 per Euro for the six months 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>

Six months ended September 30, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	122,032	39.6	106,357	35.6	(15,675)	(12.8)
Piezoelectric Components	44,822	14.5	44,919	15.0	97	0.2
Microwave Devices	54,167	17.6	61,677	20.6	7,510	13.9
Module Products	35,572	11.5	34,369	11.5	(1,203)	(3.4)
Other Products	51,679	16.8	51,712	17.3	33	0.1
Total	308,272	100.0	299,034	100.0	(9,238)	(3.0)

Three months ended September 30, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	65,066	40.4	54,363	35.7	(10,703)	(16.4)
Piezoelectric Components	22,987	14.3	22,179	14.6	(808)	(3.5)
Microwave Devices	27,904	17.3	32,993	21.6	5,089	18.2
Module Products	18,215	11.3	15,764	10.3	(2,451)	(13.5)
Other Products	26,966	16.7	27,124	17.8	158	0.6
Total	161,138	100.0	152,423	100.0	(8,715)	(5.4)

*1 Component ratio

*2 Figures are based on sales prices 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 Mar. 31, 2008		As of Sep. 30, 2008		Growth	
		% *1		% *1		%
Capacitors	21,037	36.5	17,372	32.2	(3,665)	(17.4)
Piezoelectric Components	7,341	12.7	7,389	13.7	48	0.7
Microwave Devices	10,523	18.2	13,887	25.8	3,364	32.0
Module Products	8,437	14.6	5,503	10.2	(2,934)	(34.8)
Other Products	10,356	18.0	9,786	18.1	(570)	(5.5)
Total	57,694	100.0	53,937	100.0	(3,757)	(6.5)

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

(2) Sales by Product, Application and Area

1. Sales by Product

Six months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	124,177	40.9	110,022	36.3	(14,155)	(11.4)
Piezoelectric Components	45,301	14.9	44,871	14.8	(430)	(0.9)
Microwave Devices	50,409	16.6	58,313	19.3	7,904	15.7
Module Products	33,290	10.9	37,303	12.3	4,013	12.1
Other Products	50,762	16.7	52,282	17.3	1,520	3.0
Net sales	303,939	100.0	302,791	100.0	(1,148)	(0.4)

Three months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	64,082	41.1	56,165	36.1	(7,917)	(12.4)
Piezoelectric Components	23,044	14.8	22,209	14.2	(835)	(3.6)
Microwave Devices	25,337	16.2	32,496	20.9	7,159	28.3
Module Products	16,954	10.9	17,750	11.4	796	4.7
Other Products	26,460	17.0	27,113	17.4	653	2.5
Net sales	155,877	100.0	155,733	100.0	(144)	(0.1)

*1 Component ratio

*2 Exclusive of consumption taxes

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

Six months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
AV	45,918	15.1	39,846	13.2	(6,072)	(13.2)
Communication	124,064	40.8	129,424	42.8	5,360	4.3
Computers and Peripherals	63,517	20.9	61,274	20.2	(2,243)	(3.5)
Automotive Electronics	33,065	10.9	32,480	10.7	(585)	(1.8)
Home and Others	37,375	12.3	39,767	13.1	2,392	6.4
Net sales	303,939	100.0	302,791	100.0	(1,148)	(0.4)

Three months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
AV	24,242	15.6	21,032	13.5	(3,210)	(13.2)
Communication	64,223	41.2	67,929	43.6	3,706	5.8
Computers and Peripherals	33,679	21.6	31,272	20.1	(2,407)	(7.1)
Automotive Electronics	16,529	10.6	15,671	10.1	(858)	(5.2)
Home and Others	17,204	11.0	19,829	12.7	2,625	15.3
Net sales	155,877	100.0	155,733	100.0	(144)	(0.1)

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

Six months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
The Americas	25,380	8.3	26,134	8.6	754	3.0
Europe	36,066	11.9	34,129	11.3	(1,937)	(5.4)
Asia and Others	168,006	55.3	175,803	58.1	7,797	4.6
Overseas total	229,452	75.5	236,066	78.0	6,614	2.9
Japan	74,487	24.5	66,725	22.0	(7,762)	(10.4)
Net sales	303,939	100.0	302,791	100.0	(1,148)	(0.4)

Three months ended September 30, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
The Americas	13,024	8.3	12,496	8.0	(528)	(4.1)
Europe	17,626	11.3	16,790	10.8	(836)	(4.7)
Asia and Others	88,175	56.6	95,966	61.6	7,791	8.8
Overseas total	118,825	76.2	125,252	80.4	6,427	5.4
Japan	37,052	23.8	30,481	19.6	(6,571)	(17.7)
Net sales	155,877	100.0	155,733	100.0	(144)	(0.1)

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	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

	Millions of yen			
	Three months ended Jun. 30, 2008		Three months ended Sep. 30, 2008	
		% *1		% *1
Net sales	147,602	100.0	156,361	100.0
Operating income	14,563	9.9	12,374	7.9
Income before income taxes	15,090	10.2	13,653	8.7
Net income	9,598	6.5	9,442	6.0

*1 Ratio to net sales

*2 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, 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

	Millions of yen			
	Three months ended Jun. 30, 2008		Three months ended Sep. 30, 2008	
		% *1		% *1
Capacitors	53,857	36.6	56,165	36.1
Piezoelectric Components	22,662	15.4	22,209	14.2
Microwave Devices	25,817	17.6	32,496	20.9
Module Products	19,553	13.3	17,750	11.4
Other Products	25,169	17.1	27,113	17.4
Net sales	147,058	100.0	155,733	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.