

## Consolidated Financial Flash Report (December 31, 2008)

Date: January 30, 2009

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. Consolidated financial results for the nine months ended December 31, 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	%
Nine months ended Dec. 31, 2008	430,812	(10.2)	23,876	(74.7)	31,531	(67.7)	17,728	(71.2)
Nine months ended Dec. 31, 2007	479,515	13.4	94,294	10.3	97,696	10.1	61,546	13.8

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Dec. 31, 2008	81.03	81.03
Nine months ended Dec. 31, 2007	277.23	277.18

\* 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 Dec. 31, 2008	956,480	801,571	83.8	3,734.84
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	Yen	Yen	Yen	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 three months ended December 31, 2008.

### 3. Projected financial results for the year ending March 31, 2009 (Consolidated basis)

	Net sales		Operating loss		Income before income taxes		Net income		Basic earnings per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Year ending Mar. 31, 2009	524,000	(17.0)	(10,000)	-	0	-	0	-	-	0.00

\*Projected financial results have been revised during the three months ended December 31, 2008.

Percentages in the fields of Net sales 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 December 31, 2008 and 225,263,592 shares as of March 31, 2008

Number of treasury stock: 10,643,826 shares as of December 31, 2008 and 5,842,969 shares as of March 31, 2008

Average number of shares outstanding: 218,786,649 shares for the nine months ended December 31, 2008 and 222,006,480 shares for the nine months ended December 31, 2007

### (Reference) Projected financial results for the year ending March 31, 2009 (Parent Co. basis)

	Net sales		Operating loss		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	Yen
Year ending Mar. 31, 2009	430,000	(19.0)	(9,000)	-	7,500	(86.7)	9,000	(79.3)	-	41.93

\*Projected financial results have been revised during the three months ended December 31, 2008.

Percentages in the fields of Net sales, Income before income taxes and extraordinary item, 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 December 31, 2008)

### (1) Business Results

During the nine-month period under review, 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 from the beginning of the period. The final demand dropped severely from the autumn season due to the rapid slowdown in the global economy. The decline in demand caused a sharp inventory adjustment in both equipment and components, and orders from customers decreased largely. Moreover, the significant weakness of the demand for sophisticated equipment, the continuing price decline of components, and the appreciation of the Yen against the U.S. dollar by 14.43 Yen resulted in the sluggish demand for electronic components in terms of monetary amounts.

Under this market environment, net sales for the nine-month period declined 10.2% year on year to 430,812 million Yen. Operating income dropped 74.7% year on year to 23,876 million Yen, income before income taxes decreased 67.7% to 31,531 million Yen, and net income declined 71.2% to 17,728 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 drop in capacity utilization, continuous price decline, increase of depreciation expenses, and the influence of exchange rate fluctuations.

As for the three months ended December 31, 2008, net sales dropped 27.3% from a year earlier to 126,849 million Yen, operating loss was 3,061 million Yen, income before income tax decreased 92.5% to 2,788 million Yen, and net loss was 1,312 million Yen.

#### <Sales by Product Category>

Net sales by product category for the nine-month 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, decreased largely. Application-specific capacitors for computers and peripheral equipment also dropped heavily.

As a result, overall net sales decreased 20.5% from a year earlier, to 152,099 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, but sales of piezoelectric sensors were flat. SAW filters for use in communication equipment decreased significantly. Ceramic resonators and ceramic filters also dropped largely in sales.

As a result, overall net sales decreased 10.7% year on year to 62,888 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 greatly exceeded the figures for the previous nine-month period. Although the sales of modules for Bluetooth<sup>®</sup> dropped, there was a sharp increase in the sales of modules for wireless LAN. Isolators for communication equipment remained flat, and multilayer ceramic devices decreased.

As a result, overall net sales increased 7.1% year on year, to 86,429 million Yen.

[Module Products]

This product category includes power supplies and circuit modules.

In the period under review, in the circuit module product line, while sales of terrestrial digital tuners for mobile phones increased largely, sales of modules for communication equipment dropped sharply. Sales of power supplies fell below the figures for the previous nine-month period in spite of the contribution of Murata Power Solutions, Inc. of the United States and its group companies, which were acquired and consolidated on August 31, 2007.

As a result, overall sales posted a year-on-year decrease of 7.0%, to 53,551 million Yen.

[Other Products]

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

In the period under review, although sales of chip coils for communication equipment grew, EMI suppression filters for AV equipment and computers and peripheral equipment decreased, and gyro sensors dropped largely for AV equipment.

As a result, overall net sales posted a 4.8% year on year decline to 74,081 million Yen.

Note: Bluetooth<sup>®</sup> is a registered trademark of Bluetooth SIG, Inc. of the United States.

(2) Financial position

Total assets as of December 31, 2008 decreased 73,869 million Yen from March 31, 2008 to 956,480 million Yen. Liquidity in hand (cash, short-term investments, and marketable securities) declined 54,944 million Yen from the end of the previous fiscal year to 299,615 million Yen, and trade notes and accounts receivables decreased 27,023 million Yen.

Shareholders' equity declined 42,659 million Yen compared to the end of last year. However, due to the large decrease in total assets, the ratio of shareholders' equity to total assets rose 1.9 percentage points from March 31, 2008 to 83.8%.

The appearance of net cash and the changes for the nine-month 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 59,698 million Yen. Trade notes and accounts payables decreased 10,180 million Yen, other current assets increased 16,408 million Yen, and other current liabilities declined 18,723 million Yen. Net income, the major source of cash flow, was 17,728 million Yen, while depreciation and amortization was 58,610 million Yen, and trade notes and accounts receivables decreased

21,551 million Yen.

Cash inflows from operating activities dropped 14,033 million Yen from the figures for the same period of 2007.

[Net cash used in investing activities]

In the period under review, net cash provided by investing activities was 4,949 million Yen. Acquisition of tangible fixed assets was 53,570 million Yen, payment for purchases of investments and other was 9,989 million Yen, and marketable securities decreased 67,783 million Yen.

Cash flows from investing activities, which represented a loss of 48,333 million Yen a year earlier, plunged into a gain of 4,949 million Yen for the nine-month period under review.

[Net cash used in financing activities]

In the period under review, net cash used in financing activities was 40,511 million Yen. Cash outflow related to the decrease in short-term borrowings was 3,494 million Yen, dividends paid were 21,942 million Yen, and payment for the purchase of treasury stock was 15,020 million Yen.

Cash outflows from financing activities increased 18,774 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 October, 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 October, 2008 (millions of Yen)
Net sales	524,000	(17.0)	605,000
Operating income (loss)	(10,000)	-	40,000
Income before Income taxes	0	-	46,000
Net income	0	-	30,000

The growth of the production of major products in the global electronics market is drastically worse than our previous forecast, due to the unprecedented deterioration in the actual economy caused by the global financial instability. Demand for electronic components in terms of monetary amounts is much lower than our former expectations, as the whole market is carrying out inventory reduction in large volume, concerning a further downfall in demand and intending to increase cash reserves. The drop in demand in terms of monetary amounts is also due to the ongoing price decline and appreciation of the Yen.

Under the current circumstances, we are presently conducting an adjustment in production to cope with the sudden drop in our orders and to reduce inventory. We are therefore downwardly revising the consolidated forecast for the year ending March 31, 2009, which was published on

October, 2008, as follows; net sales are expected to be 81,000 million Yen lower than the previous forecast, operating income is expected to be 50,000 million Yen lower, income before income taxes is expected to be 46,000 million Yen lower, and net income is expected to be 30,000 million Yen lower.

As a result, for the year ending March 31, 2009, consolidated net sales are expected to decrease 17.0% year on year to 524,000 million Yen. We forecast an operating loss of 10,000 million Yen, income before income taxes of 0 million Yen, and net income of 0 million Yen.

The projections are based on the assumed exchange rates of Yen 90 per US\$ and Yen 115 per Euro for the three months ending March 31, 2009.

We are downwardly revising our capital expenditure plan to 70,000 million Yen for the year ending March 31, 2009, a reduction of 5,000 million Yen from the previous projection of 75,000 million Yen announced on October, 2008.

[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 nine months ended December 31, 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 nine months ended December 31, 2008 were decreased by 2,802 million Yen and 1,670 million Yen, respectively. In addition, basic earnings per share declined 7.63 Yen.

The Company changed time deposits presented in the consolidated balance sheets to short-term investments. Short-term investments include time deposits which may be withdrawn on demand without diminution of principal, and commercial paper which is a highly-liquid investment. The Company considers cash and short-term investments with original maturities of three months or less as cash and cash equivalents.

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

**(1) Consolidated Balance Sheets (Assets)**

	Millions of Yen			
	As of Dec. 31, 2008		As of Mar. 31, 2008	
		%		%
Assets	956,480	100.0	1,030,349	100.0
Current assets	557,750	58.3	627,555	60.9
Cash	45,759		36,783	
Short - term investments	81,523		76,599	
Marketable securities	172,333		241,177	
Trade notes receivable	5,796		7,059	
Trade accounts receivable	95,777		121,537	
Allowance for doubtful notes and accounts	(962)		(1,125)	
Inventories	117,944		114,647	
Deferred income taxes	13,186		21,169	
Prepaid expenses and other	26,394		9,709	
Property, plant and equipment	341,188	35.7	346,149	33.6
Land	43,676		41,284	
Buildings	267,101		258,588	
Machinery and equipment	564,890		536,292	
Construction in progress	23,401		33,511	
Accumulated depreciation	(557,880)		(523,526)	
Investments and other assets	57,542	6.0	56,645	5.5
Investments	9,395		11,493	
Deferred income taxes	7,632		7,713	
Long - term receivables, advances and other	40,515		37,439	
<b>Total assets</b>	<b>956,480</b>	<b>100.0</b>	<b>1,030,349</b>	<b>100.0</b>

### Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

	Millions of Yen			
	As of Dec. 31, 2008		As of Mar. 31, 2008	
		%		%
Liabilities	154,909	16.2	186,119	18.1
Current liabilities	91,173	9.5	124,910	12.1
Short-term borrowings	14,008		17,999	
Trade notes payable	9,721		6,426	
Trade accounts payable	23,483		37,315	
Accrued payroll and bonuses	12,744		22,527	
Income taxes payable	2,896		12,612	
Accrued expenses and other	28,321		28,031	
Long-term liabilities	63,736	6.7	61,209	6.0
Long-term debt	18		19	
Termination and retirement benefits	53,104		44,820	
Deferred income taxes	9,519		15,748	
Other	1,095		622	
Shareholders' equity	801,571	83.8	844,230	81.9
Common stock	69,377		69,377	
Capital surplus	102,403		102,403	
Retained earnings	706,239		710,453	
Accumulated other comprehensive loss :	(28,327)		(4,902)	
Unrealized gains on securities	1,076		2,954	
Pension liability adjustments	(5,110)		645	
Unrealized gains on derivative instruments	229		16	
Foreign currency translation adjustments	(24,522)		(8,517)	
Treasury stock, at cost	(48,121)		(33,101)	
Total liabilities and shareholders' equity	956,480	100.0	1,030,349	100.0



Consolidated Statements of Income (Unaudited)

Murata Manufacturing Co., Ltd. and Subsidiaries

**(2) Consolidated Statements of Income**

**Nine months ended December 31, 2008 and 2007**

	Millions of Yen			
	Nine months ended Dec. 31, 2007		Nine months ended Dec. 31, 2008	
		%		%
Net sales	479,515	100.0	430,812	100.0
Cost of sales	290,629	60.6	304,830	70.8
Selling, general and administrative	63,968	13.3	66,882	15.5
Research and development	30,624	6.4	35,224	8.2
Operating income	94,294	19.7	23,876	5.5
Interest and dividend income	3,718	0.8	3,211	0.8
Interest expense	(431)	(0.1)	(404)	(0.1)
Foreign currency exchange gain (loss)	(879)	(0.2)	3,929	0.9
Other - net	994	0.2	919	0.2
Income before income taxes	97,696	20.4	31,531	7.3
Income taxes	36,150	7.6	13,803	3.2
Net income	61,546	12.8	17,728	4.1

**(3) Consolidated Statements of Comprehensive Income**

**Nine months ended December 31, 2008 and 2007**

	Millions of Yen	
	Nine months ended Dec. 31, 2007	Nine months ended Dec. 31, 2008
Net income	61,546	17,728
Other comprehensive income (loss), net of tax :		
Unrealized losses on securities	(1,109)	(1,878)
Pension liability adjustments	(2,605)	(5,755)
Unrealized gains on derivative instruments	61	213
Foreign currency translation adjustments	905	(16,005)
Other comprehensive loss	(2,748)	(23,425)
Comprehensive income (loss)	58,798	(5,697)

## Consolidated Statements of Income

### Three months ended December 31, 2008 and 2007

	Millions of Yen			
	Three months ended Dec. 31, 2007		Three months ended Dec. 31, 2008	
		%		%
Net sales	174,567	100.0	126,849	100.0
Cost of sales	106,091	60.8	97,006	76.5
Selling, general and administrative	21,812	12.5	21,307	16.8
Research and development	11,147	6.4	11,597	9.1
Operating income (loss)	35,517	20.3	(3,061)	(2.4)
Interest and dividend income	1,261	0.8	1,009	0.8
Interest expense	(175)	(0.1)	(105)	(0.1)
Foreign currency exchange gain (loss)	(7)	(0.0)	3,862	3.0
Other - net	373	0.2	1,083	0.9
Income before income taxes	36,969	21.2	2,788	2.2
Income taxes	13,388	7.7	4,100	3.2
Net income (loss)	23,581	13.5	(1,312)	(1.0)

## Consolidated Statements of Comprehensive Income

### Three months ended December 31, 2008 and 2007

	Millions of Yen	
	Three months ended Dec. 31, 2007	Three months ended Dec. 31, 2008
Net income (loss)	23,581	(1,312)
Other comprehensive income (loss), net of tax :		
Unrealized losses on securities	(295)	(845)
Pension liability adjustments	(1,756)	(3,548)
Unrealized gains on derivative instruments	19	42
Foreign currency translation adjustments	(690)	(14,181)
Other comprehensive loss	(2,722)	(18,532)
Comprehensive income (loss)	20,859	(19,844)

**(4) Consolidated Statements of Cash Flows**  
**Nine months ended December 31, 2008 and 2007**

	Millions of Yen			
	Nine months ended Dec. 31, 2007		Nine months ended Dec. 31, 2008	
Operating activities:				
Net income		61,546		17,728
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	45,848		58,610	
Losses on sales and disposals of property, plant and equipment	259		231	
Provision for termination and retirement benefits, less payments	(1,134)		1,720	
Decrease (increase) in trade notes and accounts receivable	(12,004)		21,551	
Increase in inventories	(11,162)		(5,859)	
Increase in other current assets	(686)		(16,408)	
Decrease in trade notes and accounts payable	(496)		(10,180)	
Decrease in other current liabilities	(10,643)		(18,723)	
Other-net	2,203	12,185	11,028	41,970
Net cash provided by operating activities		73,731		59,698
Investing activities:				
Capital expenditures		(93,847)		(53,570)
Payment for purchases of investments and other		(4,849)		(9,989)
Net decrease in marketable securities		61,656		67,783
Acquisition of subsidiaries, net of cash acquired		(9,632)		-
Other		(1,661)		725
Net cash provided by (used in) investing activities		(48,333)		4,949
Financing activities:				
Net increase (decrease) in short-term borrowings		270		(3,494)
Dividends paid		(22,200)		(21,942)
Payment for purchases of treasury stock		(31)		(15,020)
Other		224		(55)
Net cash used in financing activities		(21,737)		(40,511)
Effect of exchange rate changes on cash and cash equivalents		850		(9,760)
Net increase in cash and cash equivalents		4,511		14,376
Cash and cash equivalents at beginning of period		106,155		110,136
Cash and cash equivalents at end of period		110,666		124,512
Additional cash and cash equivalents information:				
Cash		30,462		45,759
Short - term investments		81,407		81,523
Short - term investments with the original maturities over three months		(1,203)		(2,770)
Cash and cash equivalents at end of period		110,666		124,512

	Millions of Yen	
	As of Dec. 31, 2007	As of Dec. 31, 2008
Cash and cash equivalents at end of period	110,666	124,512
Short - term investments with the original maturities over three months	1,203	2,770
Marketable securities	259,414	172,333
Liquidity in hand	371,283	299,615

## (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 December 31, 2007

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	67,281	16,701	14,757	75,828	174,567	-	174,567
Intersegment	78,694	367	259	6,650	85,970	(85,970)	-
Total revenue	145,975	17,068	15,016	82,478	260,537	(85,970)	174,567
Operating costs and expenses	116,163	16,985	13,729	78,143	225,020	(85,970)	139,050
<%> *1	<20.4%>	<0.5%>	<8.6%>	<5.3%>	<13.6%>		<20.3%>
Operating income	29,812	83	1,287	4,335	35,517	-	35,517

\*1 Ratio to total revenue

#### 2) Three months ended December 31, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	43,782	11,011	11,674	60,382	126,849	-	126,849
Intersegment	57,796	240	366	4,429	62,831	(62,831)	-
Total revenue	101,578	11,251	12,040	64,811	189,680	(62,831)	126,849
Operating costs and expenses	106,086	11,378	10,196	65,081	192,741	(62,831)	129,910
<%> *1	<(4.4%>	<(1.1%>	<15.3%>	<(0.4%>	<(1.6%>		<(2.4%>
Operating income (loss)	(4,508)	(127)	1,844	(270)	(3,061)	-	(3,061)

\*1 Ratio to total revenue

#### 3) Nine months ended December 31, 2007

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	185,833	41,027	42,120	210,535	479,515	-	479,515
Intersegment	205,826	375	304	20,476	226,981	(226,981)	-
Total revenue	391,659	41,402	42,424	231,011	706,496	(226,981)	479,515
Operating costs and expenses	316,659	39,208	38,830	217,505	612,202	(226,981)	385,221
<%> *1	<19.1%>	<5.3%>	<8.5%>	<5.8%>	<13.3%>		<19.7%>
Operating income	75,000	2,194	3,594	13,506	94,294	-	94,294

\*1 Ratio to total revenue

#### 4) Nine months ended December 31, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	151,036	38,681	42,000	199,095	430,812	-	430,812
Intersegment	196,354	887	749	15,840	213,830	(213,830)	-
Total revenue	347,390	39,568	42,749	214,935	644,642	(213,830)	430,812
Operating costs and expenses	330,780	40,230	38,892	210,864	620,766	(213,830)	406,936
<%> *1	<4.8%>	<(1.7%>	<9.0%>	<1.9%>	<3.7%>		<5.5%>
Operating income (loss)	16,610	(662)	3,857	4,071	23,876	-	23,876

\*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 December 31, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	14,678	18,454	99,637	132,769
2. Consolidated sales				174,567
3. Ratio of overseas sales to consolidated sales	8.4%	10.6%	57.1%	76.1%

2) Three months ended December 31, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	10,303	12,918	73,671	96,892
2. Consolidated sales				126,849
3. Ratio of overseas sales to consolidated sales	8.1%	10.2%	58.1%	76.4%

3) Nine months ended December 31, 2007

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	40,058	54,520	267,643	362,221
2. Consolidated sales				479,515
3. Ratio of overseas sales to consolidated sales	8.3%	11.4%	55.8%	75.5%

4) Nine months ended December 31, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	36,437	47,047	249,474	332,958
2. Consolidated sales				430,812
3. Ratio of overseas sales to consolidated sales	8.5%	10.9%	57.9%	77.3%

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

**(7) Significant changes in shareholders' equity**

None

## Flash Report (Nine months ended December 31, 2008 )

### Selected Financial Data

Nine months ended December 31, 2008 and 2007 / As of December 31, 2008 and 2007

		Consolidated Basis			Parent Co. Basis		
		2007	2008	Growth ratio	2007	2008	Growth ratio
Net sales	Millions of yen	479,515	430,812	(10.2)	409,652	360,295	(12.0)
Operating income	<*>3 Millions of yen	<19.7>	<5.5>	(74.7)	<6.8>	<0.6>	(92.2)
Income before income taxes (and extraordinary item) *2	<*>3 Millions of yen	<20.4>	<7.3>	(67.7)	<11.7>	<5.0>	(62.2)
Net income	<*>3 Millions of yen	<12.8>	<4.1>	(71.2)	<9.0>	<5.2>	(49.2)
Total assets	Millions of yen	1,047,466	956,480	(8.7)	544,118	547,978	0.7
Shareholders' equity	Millions of yen	859,708	801,571	(6.8)	442,898	413,142	(6.7)
Shareholders' equity ratio	%	82.1	83.8	-	81.4	75.4	-
Basic earnings per share	Yen	277.23	81.03	(70.8)	166.38	85.82	(48.4)
Diluted earnings per share	Yen	277.18	81.03	(70.8)	166.35	-	-
Shareholders' equity per share	Yen	3,872.28	3,734.84	-	1,994.90	1,924.86	-
Capital expenditures	Millions of yen	93,847	53,570	(42.9)	23,619	15,488	(34.4)
Depreciation and amortization	<*> Millions of yen	<9.6>*3	<13.6>*3	27.8	<2.6>*5	<4.2>*5	42.7
R & D expenses	<*> Millions of yen	<6.4>*3	<8.2>*3	15.0	<6.3>*5	<8.0>*5	11.9
Average exchange rates							
Yen/US\$	Yen	117.28	102.85	-			
Yen/EURO	Yen	162.81	150.70	-			

Three months ended December 31, 2008 and 2007

		Consolidated Basis			Parent Co. Basis		
		2007	2008	Growth ratio	2007	2008	Growth ratio
Net sales	Millions of yen	174,567	126,849	(27.3)	148,757	98,081	(34.1)
Operating income (loss)	<*>3 Millions of yen	<20.3>	<(2.4)>	-	<7.3>	<(4.7)>	-
Income before income taxes (and extraordinary item) *2	<*>3 Millions of yen	<21.2>	<2.2>	(92.5)	<12.8>	<2.3>	(88.3)
Net income (loss)	<*>3 Millions of yen	<13.5>	<(1.0)>	-	<9.8>	<5.4>	(63.7)
Basic earnings per share	Yen	106.21	(6.03)	-	65.74	24.35	(63.0)
Diluted earnings per share	Yen	106.20	(6.03)	-	65.74	-	-
Capital expenditures	Millions of yen	32,208	10,562	(67.2)	8,817	3,993	(54.7)
Depreciation and amortization	<*> Millions of yen	<9.8>*3	<15.8>*3	17.4	<2.8>*4	<5.9>*4	40.9
R & D expenses	<*> Millions of yen	<6.4>*3	<9.1>*3	4.0	<6.2>*4	<9.8>*4	3.8

\*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 October, 2008	Revised Projections	Previous Projections Announced in October, 2008	Revised Projections
Net sales	Millions of yen	605,000	524,000	510,000	430,000
Operating income (loss)	<%>*2 Millions of yen	<6.6> 40,000	<(1.9)> (10,000)	<2.0> 10,000	<(2.1)> (9,000)
Income before income taxes (and extraordinary item) *1	<%>*2 Millions of yen	<7.6> 46,000	<0.0> 0	<5.5> 28,000	<1.7> 7,500
Net income	<%>*2 Millions of yen	<5.0> 30,000	<0.0> 0	<4.7> 24,000	<2.1> 9,000
Basic earnings per share	Yen	136.73	0.00	109.38	41.93
Capital expenditures	Millions of yen	75,000	70,000	20,000	20,000
Depreciation and amortization	<%> Millions of yen	<13.2>*2 80,000	<15.3>*2 80,000	<4.0>*3 20,000	<4.8>*3 20,000
R & D expenses	<%> Millions of yen	<7.8>*2 47,000	<9.0>*2 47,000	<7.8>*3 38,500	<9.1>*3 38,000

\*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 90 per US\$ and Yen 115 per Euro for the three 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>

Nine months ended December 31, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	186,775	38.7	141,282	34.7	(45,493)	(24.4)
Piezoelectric Components	70,721	14.6	59,984	14.7	(10,737)	(15.2)
Microwave Devices	86,327	17.9	86,566	21.3	239	0.3
Module Products	59,655	12.4	49,037	12.1	(10,618)	(17.8)
Other Products	79,110	16.4	69,926	17.2	(9,184)	(11.6)
Total	482,588	100.0	406,795	100.0	(75,793)	(15.7)

Three months ended December 31, 2008 and 2007

	Millions of Yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	64,743	37.1	34,925	32.4	(29,818)	(46.1)
Piezoelectric Components	25,899	14.9	15,065	14.0	(10,834)	(41.8)
Microwave Devices	32,160	18.5	24,889	23.1	(7,271)	(22.6)
Module Products	24,083	13.8	14,668	13.6	(9,415)	(39.1)
Other Products	27,431	15.7	18,214	16.9	(9,217)	(33.6)
Total	174,316	100.0	107,761	100.0	(66,555)	(38.2)

\*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 Dec. 31, 2008		Growth	
		% *1		% *1		%
Capacitors	21,037	36.5	10,220	28.8	(10,817)	(51.4)
Piezoelectric Components	7,341	12.7	4,437	12.5	(2,904)	(39.6)
Microwave Devices	10,523	18.2	10,660	30.1	137	1.3
Module Products	8,437	14.6	3,923	11.1	(4,514)	(53.5)
Other Products	10,356	18.0	6,201	17.5	(4,155)	(40.1)
Total	57,694	100.0	35,441	100.0	(22,253)	(38.6)

\*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

Nine months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	191,383	40.1	152,099	35.4	(39,284)	(20.5)
Piezoelectric Components	70,453	14.7	62,888	14.7	(7,565)	(10.7)
Microwave Devices	80,712	16.9	86,429	20.1	5,717	7.1
Module Products	57,551	12.0	53,551	12.5	(4,000)	(7.0)
Other Products	77,808	16.3	74,081	17.3	(3,727)	(4.8)
Net sales	477,907	100.0	429,048	100.0	(48,859)	(10.2)

Three months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
Capacitors	67,206	38.6	42,077	33.3	(25,129)	(37.4)
Piezoelectric Components	25,152	14.5	18,017	14.3	(7,135)	(28.4)
Microwave Devices	30,303	17.4	28,116	22.3	(2,187)	(7.2)
Module Products	24,261	13.9	16,248	12.9	(8,013)	(33.0)
Other Products	27,046	15.6	21,799	17.2	(5,247)	(19.4)
Net sales	173,968	100.0	126,257	100.0	(47,711)	(27.4)

\*1 Component ratio

\*2 Exclusive of consumption taxes

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

Nine months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
AV	72,000	15.1	60,487	14.1	(11,513)	(16.0)
Communication	193,768	40.5	184,391	43.0	(9,377)	(4.8)
Computers and Peripherals	104,238	21.8	85,837	20.0	(18,401)	(17.7)
Automotive Electronics	50,002	10.5	45,231	10.5	(4,771)	(9.5)
Home and Others	57,899	12.1	53,102	12.4	(4,797)	(8.3)
Net sales	477,907	100.0	429,048	100.0	(48,859)	(10.2)

Three months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
AV	26,082	15.0	20,641	16.3	(5,441)	(20.9)
Communication	69,704	40.1	54,967	43.5	(14,737)	(21.1)
Computers and Peripherals	40,721	23.4	24,563	19.5	(16,158)	(39.7)
Automotive Electronics	16,937	9.7	12,751	10.1	(4,186)	(24.7)
Home and Others	20,524	11.8	13,335	10.6	(7,189)	(35.0)
Net sales	173,968	100.0	126,257	100.0	(47,711)	(27.4)

\*1 Component ratio

\*2 Exclusive of consumption taxes

### 3. Sales by Area

Nine months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
The Americas	40,058	8.4	36,437	8.5	(3,621)	(9.0)
Europe	54,520	11.4	47,047	11.0	(7,473)	(13.7)
Asia and Others	267,643	56.0	249,474	58.1	(18,169)	(6.8)
Overseas total	362,221	75.8	332,958	77.6	(29,263)	(8.1)
Japan	115,686	24.2	96,090	22.4	(19,596)	(16.9)
Net sales	477,907	100.0	429,048	100.0	(48,859)	(10.2)

Three months ended December 31, 2008 and 2007

	Millions of yen					
	2007		2008		Growth	
		% *1		% *1		%
The Americas	14,678	8.4	10,303	8.2	(4,375)	(29.8)
Europe	18,454	10.6	12,918	10.2	(5,536)	(30.0)
Asia and Others	99,637	57.3	73,671	58.3	(25,966)	(26.1)
Overseas total	132,769	76.3	96,892	76.7	(35,877)	(27.0)
Japan	41,199	23.7	29,365	23.3	(11,834)	(28.7)
Net sales	173,968	100.0	126,257	100.0	(47,711)	(27.4)

\*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		Three months ended Dec. 31, 2008	
		% *1		% *1		% *1
Net sales	147,602	100.0	156,361	100.0	126,849	100.0
Operating income (loss)	14,563	9.9	12,374	7.9	(3,061)	(2.4)
Income before income taxes	15,090	10.2	13,653	8.7	2,788	2.2
Net income (loss)	9,598	6.5	9,442	6.0	(1,312)	(1.0)

\*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		Three months ended Dec. 31, 2008	
		% *1		% *1		% *1
Capacitors	53,857	36.6	56,165	36.1	42,077	33.3
Piezoelectric Components	22,662	15.4	22,209	14.2	18,017	14.3
Microwave Devices	25,817	17.6	32,496	20.9	28,116	22.3
Module Products	19,553	13.3	17,750	11.4	16,248	12.9
Other Products	25,169	17.1	27,113	17.4	21,799	17.2
Net sales	147,058	100.0	155,733	100.0	126,257	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.