

## Consolidated Financial Flash Report (September 30, 2011)

Date: October 31, 2011

Company Name : Murata Manufacturing Co., Ltd.  
Listing Code : 6981  
(URL <http://www.murata.com/>)  
Phone : (075) 955-6525

Stock Exchange Listings:  
Tokyo Stock Exchange  
Osaka Securities Exchange  
Stock Exchange of Singapore

### 1. Consolidated financial results for the six months ended September 30, 2011

#### (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 September 30, 2011	295,906	(6.1)	31,024	(32.9)	34,719	(26.8)	23,669	(23.8)
Six months ended September 30, 2010	314,989	23.2	46,256	658.3	47,462	512.3	31,066	555.0

Comprehensive income: 9,335 million yen for the year ended September 30, 2011 and 19,320 million yen for the year ended September 30, 2010

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2011	110.28	110.28
Six months ended September 30, 2010	144.74	144.74

\* 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.

\*The Companies' "Net income" is computed in the same method as "Net income attributable to the Company's shareholders" under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 810, "Consolidation" in the United States of America.

#### (2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2011	978,810	819,745	83.7	3,819.28
As of March 31, 2011	988,508	821,144	83.1	3,825.80

### 2. Dividends (Year ended March 31, 2011 and the year ending March 31, 2012)

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2011	-	50.00	-	50.00	100.00
2012	-	50.00	-	50.00	100.00
2012 (Projected)	-	-	-	50.00	100.00

\*No change in the projected dividends during the three months ended September 30, 2011.

### 3. Projected financial results for the year ending March 31, 2012 (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 March 31, 2012	600,000	(2.9)	56,000	(27.7)	62,000	(24.4)	42,000	(21.5)	195.68

\*Projected financial results have been revised during the three months ended September 30, 2011.

Percentages for the year ending March 31, 2012 are the growth ratio against the previous year.

### 4. Other

(1) Changes in significant subsidiaries during the three months ended September 30, 2011 (changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Adoption of simplified and specifically applied accounting method

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 policy

Changes due to adoption of new accounting standard: None

Changes due to reasons other than above: None

(4) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares as of September 30, 2011 and as of March 31, 2011

Number of treasury stock: 10,630,445 shares as of September 30, 2011 and 10,630,041 shares as of March 31, 2011

Average number of shares outstanding: 214,633,345 shares for the three months ended September 30, 2011 and 214,629,337 shares for the three months ended September 30, 2010

\*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, 2011 through September 30, 2011)

### 1. Business Results

#### (1) General Overview

In the global economic environment during the six months ended September 30, 2011, a business outlook for the future has become uncertain, reflecting a delay in the recovery of the U.S. employment and housing markets, euro-zone's sovereign-debt problems and high inflation in emerging countries, although disruption in supply chains after the Great East Japan Earthquake had been settled earlier than expected. In the electronics market, the production of notebook PCs and flat-screen TVs dropped compared with the same period for the previous year, although the production of smartphones and tablet devices grew significantly and the vehicle production showed steady growth from a downturn after the earthquake.

Under these market circumstances, the Company has continued to take cost reduction measures such as the streamlining of the production processes and the comprehensive reduction of fixed costs. Aiming at the expansion of the production capacity outside Japan, which is a medium term objective of the Company, it started operations at a new factory building for multilayer ceramic capacitors in Wuxi, China in April 2011, and completed the construction of a new manufacturing building for noise suppression components in Chiang Mai, Thailand in May 2011. In addition, it started operations at a new factory building for short-range wireless communication modules in Shenzhen, China in July 2011.

#### (2) Consolidated Results Overview

As a result, the Company's business results for the period under review are as follows.

	Millions of yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*		%*		%
Net sales	314,989	100.0	295,906	100.0	(19,083)	(6.1)
Operating income	46,256	14.7	31,024	10.5	(15,232)	(32.9)
Income before income taxes	47,462	15.1	34,719	11.7	(12,743)	(26.8)
Net income	31,066	9.9	23,669	8.0	(7,397)	(23.8)
Average exchange rates (Yen/U.S. dollar)	88.95	-	79.81	-	(9.14)	-
Average exchange rates (Yen/EURO)	113.84	-	113.78	-	(0.06)	-

\*Ratio to net sales

Net sales for the six-month period under review decreased to 295,906 million yen, down 6.1% from the six months ended September 30, 2010. Operating income was 31,024 million yen, down 32.9%, income before income taxes was 34,719 million yen, down 26.8%, and net income was 23,669 million yen, down 23.8%, from the same period of 2010. The primary factors for the profit decline were the price decline and the appreciation of the yen, whose average rate against the U.S. dollar rose by 9.14 yen from the same period of 2010, while there were positive factors from comprehensive cost reductions.

### (3) Sales by Product Category

Net sales by product category for the period under review are as follows.

	Millions of yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*		%*		%
Capacitors	114,172	36.4	109,899	37.3	(4,273)	(3.7)
Piezoelectric Components	46,017	14.7	39,567	13.4	(6,450)	(14.0)
Other Components	60,335	19.2	57,395	19.5	(2,940)	(4.9)
Components Total	220,524	70.3	206,861	70.2	(13,663)	(6.2)
Communication Modules	65,898	21.0	62,494	21.2	(3,404)	(5.2)
Power Supplies and Other Modules	27,427	8.7	25,362	8.6	(2,065)	(7.5)
Modules Total	93,325	29.7	87,856	29.8	(5,469)	(5.9)
Net sales	313,849	100.0	294,717	100.0	(19,132)	(6.1)

\*Component ratio

#### <Components>

Sales of Components for the period under review decreased by 6.2% year-on-year to 206,861 million yen.

#### [Capacitors]

The Capacitors category includes multilayer ceramic capacitors.

For the period under review, sales of chip multilayer ceramic capacitors, the main product in this category, dropped slightly, because sales were sluggish for AV devices although sales for mobile phones and automotive electronics maintained steady growth thanks to rise in sales quantity and improvement of a product mix through growing demand for ultra-compact and high-capacitance capacitors.

As a result, overall net sales decreased by 3.7% year-on-year to 109,899 million yen.

#### [Piezoelectric Components]

The Piezoelectric Components category includes SAW (surface acoustic wave) filters, ceramic resonators, piezoelectric sensors, and ceramic filters.

For the period under review, sales of SAW filters increased greatly in quantity terms thanks to growing production of mobile phones and increased number of components per device with the ongoing trend toward multi-band devices, but decreased in value terms owing to price decline and the appreciation of the yen. Sales of ceramic resonators declined mainly for computers and peripherals, and AV devices. Piezoelectric sensors suffered a drop in sales of shock sensors for hard disk drives and ultrasonic sensors for back sonar.

As a result, overall net sales decreased by 14.0% year-on-year to 39,567 million yen.

#### [Other Components]

Other Components include EMI (electro-magnetic interference) suppression filters, inductors (coils), thermistors, connectors, and sensors.

For the period under review, sales of EMI suppression filters declined from the same period of 2010, because sales for AV devices dropped significantly although sales for computers and peripherals remained strong. Inductors (coils) attained steady growth because of growing sales for computers and peripherals, while sales were down for AV devices and automotive electronics. Sales of connectors grew greatly mainly for tablet devices.

As a result, overall net sales decreased by 4.9% year-on-year to 57,395 million yen.

#### <Modules>

Sales of Modules for the period under review decreased by 5.9% year-on-year to 87,856 million yen.

#### [Communication Modules]

The Communication Modules category includes short-range wireless communication modules, multilayer ceramic devices, and circuit modules.

For the period under review, sales of short-range wireless communication modules grew steadily, because sales increased significantly for smartphones and tablet devices although the sales decreased largely for portable media players and automotive electronics. Sales of multilayer ceramic devices dropped for mobile communication equipment.

As a result, overall net sales posted a year-on-year decrease of 5.2% to 62,494 million yen.

#### [Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, while sales of power supplies achieved solid growth for AV devices and automotive electronics, the sales were sluggish for use in other applications.

As a result, overall net sales posted a year-on-year decrease of 7.5% to 25,362 million yen.

## 2. Financial Position

Liquidity in hand (cash, short-term investments, available-for-sale securities (government and private debt securities), and long-term deposits) as of September 30, 2011 decreased by 27,210 million yen from March 31, 2011 to 361,602 million yen, and inventories increased by 12,302 million yen to 122,752 million yen. As a result, total assets as of September 30, 2011 decreased by 9,698 million yen from the end of the previous fiscal year to 978,810 million yen.

The ratio of shareholders' equity to total assets increased by 0.6 percentage points from the end of the previous fiscal year to 83.7% as of September 30, 2011.

Cash flows for the period under review are as follows.

	Millions of yen		
	Six months ended September 30, 2010	Six months ended September 30, 2011	Change
Operating activities	47,794	17,851	(29,943)
Investing activities	(79,079)	(8,523)	70,556
Financing activities	(7,378)	(4,912)	2,466
Effect of exchange rate changes on cash and cash equivalents	(1,878)	(1,212)	666
Net increase (decrease) in cash and cash equivalents	(40,541)	3,204	43,745
Cash and cash equivalents at end of period	68,236	66,224	(2,012)

	Millions of yen		
	As of September 30, 2010	As of September 30, 2011	Change
Cash and cash equivalents at end of period	68,236	66,224	(2,012)
Short-term investments with the original maturities over three months	28,376	13,727	(14,649)
Available-for-sale securities (Governmental and Private debt securities)	275,514	275,651	137
Long-term deposits	6,000	6,000	-
Liquidity in hand	378,126	361,602	(16,524)

### < Net Cash Provided by Operating Activities >

For the period under review, net cash provided by operating activities was 17,851 million yen. As for the details, net income was 23,669 million yen, and depreciation and amortization were

28,548 million yen, while income taxes payable decreased by 15,485 million yen, inventories increased by 15,028 million yen, and trade notes and accounts receivable increased by 7,028 million yen.

Net cash provided by operating activities decreased by 29,943 million yen from the six months ended September 30, 2010.

< Net Cash Used in Investing Activities >

For the period under review, net cash used in investing activities was 8,523 million yen.

While cash inflows from maturities and sales of marketable securities, investments and other were 43,427 million yen and those from decrease of short-term investments were 7,577 million yen, cash outflows from capital expenditures were 33,673 million yen and those from payment for purchases of marketable securities, investments and other were 24,955 million yen.

Net cash used in investing activities decreased by 70,556 million yen from the six months ended September 30, 2010.

< Net Cash Used in Financing Activities >

For the period under review, net cash used in financing activities was 4,912 million yen.

While cash inflows from increase of short-term borrowings was 3,168 million yen and those from increase of long-term debt was 2,810 million yen, cash outflows from payment for dividends were 10,732 million yen.

Net cash used in financing activities decreased by 2,466 million yen from the six months ended September 30, 2010.

3. Projected Results for the Year Ending March 31, 2012

As for the global economic conditions for the second half of this fiscal year, in addition to the economic stagnation in developed countries and euro-zone's sovereign-debt problems, economic growth rates of emerging countries, which have enjoyed relatively solid growth, are expected to slow down, resulting in uncertain business outlook. Also, there are concerns in the electronics market such as the continued appreciation of the yen and the adverse effect from Thai floods on supply chains.

As a result, the projected results for the year ending March 31, 2012, as announced on April 28, 2011, have been revised downward as per the table below.

		Consolidated Basis	
		Previous Projections Announced in April, 2011	Revised Projections
Net sales	Millions of yen	650,000	600,000
	<%>*	<12.9>	<9.3>
Operating income	Millions of yen	84,000	56,000
	<%>*	<13.7>	<10.3>
Income before income taxes	Millions of yen	89,000	62,000
	<%>*	<8.9>	<7.0>
Net income	Millions of yen	58,000	42,000

\* Ratio to net sales

The projections are based on the assumed exchange rates of 77 yen against the U.S. dollar and 105 yen against the Euro for the second half of this fiscal year.

The projection for the capital investment is unchanged from the projection of 70,000 million yen, which was announced on April 2011 because demand expansion is expected to continue in emerging countries and the number of components per device will continue to increase with the shift towards high-end models of electronic devices for the next fiscal year onward.

[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 owing 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) Adoption of simplified and specifically applied accounting method

Income tax expense for the six months ended September 30, 2011 was calculated using reasonably estimated annual effective tax rate for this fiscal year including this period.

##### (2) Changes in accounting policy

None

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

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

As of March 31, 2011 and September 30, 2011

	Millions of Yen			
	As of March 31, 2011		As of September 30, 2011	
		%		%
Assets	988,508	100.0	978,810	100.0
Current assets	412,233	41.7	419,098	42.8
Cash	48,880		55,860	
Short-term investments	35,445		24,091	
Marketable securities	66,121		64,471	
Trade notes receivable	1,447		1,301	
Trade accounts receivable	122,852		123,150	
Allowance for doubtful notes and accounts	(996)		(847)	
Inventories	110,450		122,752	
Deferred income taxes	19,743		19,379	
Prepaid expenses and other	8,291		8,941	
Property, plant and equipment	283,988	28.7	289,359	29.6
Land	44,125		44,501	
Buildings	274,188		276,832	
Machinery and equipment	586,831		601,374	
Construction in progress	22,607		21,913	
Accumulated depreciation	(643,763)		(655,261)	
Investments and other assets	292,287	29.6	270,353	27.6
Investments in affiliates	-		3,217	
Investments	244,609		221,460	
Deferred income taxes	9,680		10,838	
Other	37,998		34,838	
Total assets	988,508	100.0	978,810	100.0

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

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

As of March 31, 2011 and September 30, 2011

	Millions of Yen			
	As of March 31, 2011		As of September 30, 2011	
		%		%
Liabilities	167,364	16.9	159,065	16.3
Current liabilities	110,589	11.2	100,166	10.3
Short-term borrowings	7,841		10,441	
Trade accounts payable	33,598		35,204	
Accrued payroll and bonuses	22,663		22,344	
Income taxes payable	24,623		8,980	
Accrued expenses and other	21,864		23,197	
Long-term liabilities	56,775	5.7	58,899	6.0
Long-term debt	1,047		3,656	
Termination and retirement benefits	53,755		54,034	
Deferred income taxes	767		305	
Other	1,206		904	
Shareholders' equity	821,144	83.1	819,745	83.7
Common stock	69,377		69,377	
Capital surplus	102,396		102,396	
Retained earnings	733,862		746,799	
Accumulated other comprehensive loss :	(36,432)		(50,766)	
Unrealized gains (losses) on securities	2,535		(451)	
Pension liability adjustments	(422)		(489)	
Unrealized gains (losses) on derivative instruments	(34)		(46)	
Foreign currency translation adjustments	(38,511)		(49,780)	
Treasury stock, at cost	(48,059)		(48,061)	
<b>Total liabilities and shareholders' equity</b>	<b>988,508</b>	<b>100.0</b>	<b>978,810</b>	<b>100.0</b>

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

**Consolidated Statements of Income**

Six months ended September 30, 2010 and 2011

	Millions of Yen			
	Six months ended September 30, 2010		Six months ended September 30, 2011	
		%		%
Net sales	314,989	100.0	295,906	100.0
Cost of sales	206,019	65.4	203,351	68.7
Selling, general and administrative	42,465	13.5	41,494	14.0
Research and development	20,249	6.4	20,037	6.8
Operating income	46,256	14.7	31,024	10.5
Interest and dividend income	1,995	0.6	2,592	0.8
Interest expense	(20)	(0.0)	(34)	(0.0)
Foreign currency exchange gain (loss)	(896)	(0.3)	966	0.3
Other - net	127	0.1	171	0.1
Income before income taxes	47,462	15.1	34,719	11.7
Income taxes	16,396	5.2	12,468	4.2
<Current income tax>	<17,405>		<11,138>	
<Deferred income tax>	<(1,009)>		<1,330>	
Equity in earnings of affiliates	-	-	1,418	0.5
Net income	31,066	9.9	23,669	8.0

"Gain from a bargain purchase" in Equity in earnings of affiliates for the Six months ended September 30, 2011 was recognized by adopting equity method for additional acquisition of shares in Tokyo Denpa Co., Ltd in May. Murata Manufacturing Co., Ltd holds 31.9% of Tokyo Denpa Co., Ltd's issued shares.

**Consolidated Statements of Comprehensive Income**

Six months ended September 30, 2010 and 2011

	Millions of Yen	
	Six months ended September 30, 2010	Six months ended September 30, 2011
Net income	31,066	23,669
Other comprehensive income (loss), net of tax :		
Unrealized gains (losses) on securities	(410)	(2,986)
Pension liability adjustments	(210)	(67)
Unrealized gains (losses) on derivative instruments	356	(12)
Foreign currency translation adjustments	(11,482)	(11,269)
Other comprehensive loss	(11,746)	(14,334)
Comprehensive income	19,320	9,335

**Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

**Consolidated Statements of Income**

Three months ended September 30, 2010 and 2011

	Millions of Yen			
	Three months ended September 30, 2010		Three months ended September 30, 2011	
		%		%
Net sales	161,317	100.0	152,674	100.0
Cost of sales	104,919	65.0	108,199	70.9
Selling, general and administrative	21,216	13.2	20,482	13.4
Research and development	10,420	6.5	10,202	6.7
Operating income	24,762	15.3	13,791	9.0
Interest and dividend income	987	0.6	1,234	0.8
Interest expense	(11)	(0.0)	(22)	(0.0)
Foreign currency exchange gain (loss)	(1,878)	(1.1)	620	0.4
Other - net	327	0.2	(13)	(0.0)
Income before income taxes	24,187	15.0	15,610	10.2
Income taxes	8,585	5.3	6,062	4.0
<Current income tax>	<11,400>		<7,040>	
<Deferred income tax>	<(2,815)>		<(978)>	
Equity in losses of affiliates	-	-	(119)	(0.0)
Net income	15,602	9.7	9,429	6.2

**Consolidated Statements of Comprehensive Income**

Three months ended September 30, 2010 and 2011

	Millions of Yen	
	Three months ended September 30, 2010	Three months ended September 30, 2011
Net income	15,602	9,429
Other comprehensive income (loss), net of tax :		
Unrealized gains (losses) on securities	211	(2,811)
Pension liability adjustments	(111)	(24)
Unrealized gains (losses) on derivative instruments	(378)	(351)
Foreign currency translation adjustments	(2,548)	(8,253)
Other comprehensive loss	(2,826)	(11,439)
Comprehensive income (loss)	12,776	(2,010)

### (3) Consolidated Statements of Cash Flows

Six months ended September 30, 2010 and 2011

	Millions of Yen			
	Six months ended September 30, 2010		Six months ended September 30, 2011	
Operating activities:				
Net income		31,066		23,669
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	29,412		28,548	
Losses on sales and disposals of property, plant and equipment	103		348	
Provision for termination and retirement benefits, less payments	1,078		246	
Deferred income taxes	(1,009)		1,330	
Equity in earnings of affiliates	-		(1,418)	
Changes in assets and liabilities:				
Increase in trade notes and accounts receivable	(20,357)		(7,028)	
Increase in inventories	(13,394)		(15,028)	
Increase in prepaid expenses and other	(2,083)		(781)	
Increase in trade notes and accounts payable	4,126		1,991	
Increase (Decrease) in accrued payroll and bonuses	3,079		(197)	
Increase (Decrease) in income taxes payable	13,702		(15,485)	
Increase in accrued expenses and other	2,353		734	
Other-net	(282)	16,728	922	(5,818)
Net cash provided by operating activities		47,794		17,851
Investing activities:				
Capital expenditures		(20,845)		(33,673)
Payment for purchases of marketable securities, investments and other		(69,872)		(24,955)
Maturities and sales of marketable securities, investments and other		24,048		43,427
Decrease (Increase) in short-term investments		(6,479)		7,577
Increase in investments in affiliates		-		(1,140)
Other		(5,931)		241
Net cash provided by (used in) investing activities		(79,079)		(8,523)
Financing activities:				
Net increase in short-term borrowings		204		3,168
Proceeds from long-term debt		-		2,810
Dividends paid		(7,512)		(10,732)
Other		(70)		(158)
Net cash used in financing activities		(7,378)		(4,912)
Effect of exchange rate changes on cash and cash equivalents		(1,878)		(1,212)
Net increase (decrease) in cash and cash equivalents		(40,541)		3,204
Cash and cash equivalents at beginning of period		108,777		63,020
Cash and cash equivalents at end of period		68,236		66,224
Additional cash and cash equivalents information:				
Cash		49,537		55,860
Short-term investments		47,075		24,091
Short-term investments with the original maturities over three months		(28,376)		(13,727)
Cash and cash equivalents at end of period		68,236		66,224

	Millions of Yen	
	As of September 30, 2010	As of September 30, 2011
Cash and cash equivalents at end of period	68,236	66,224
Short-term investments with the original maturities over three months	28,376	13,727
Available-for-sale securities (Governmental and Private debt securities)	275,514	275,651
Long-term deposits	6,000	6,000
Liquidity in hand	378,126	361,602

#### (4) Assumptions for Going Concern

None

#### (5) Segment Information

##### Operating Segment Information

The Companies mainly develop, manufacture and sell electronic components and related products.

Operating segments of the Companies are classified based on the nature of products and the Companies recognized Components segment, Modules segment and Others.

Six months ended September 30, 2010 and 2011

		Millions of Yen			
		Six months ended September 30, 2010		Six months ended September 30, 2011	
Components	Sales to :		%		%
	Unaffiliated customers	220,524		206,861	
	Intersegment	5,298		4,232	
	Total revenue	225,822	100.0	211,093	100.0
	Segment income	53,807	23.8	39,769	18.8
Modules	Sales to :		%		%
	Unaffiliated customers	93,325		87,856	
	Intersegment	298		124	
	Total revenue	93,623	100.0	87,980	100.0
	Segment income	8,052	8.6	5,786	6.6
Others	Sales to :		%		%
	Unaffiliated customers	1,140		1,189	
	Intersegment	10,820		16,994	
	Total revenue	11,960	100.0	18,183	100.0
	Segment income	1,093	9.1	2,083	11.5
Corporate and eliminations	Sales to :		%		%
	Unaffiliated customers	-		-	
	Intersegment	(16,416)		(21,350)	
	Total revenue	(16,416)	-	(21,350)	-
	Corporate expenses	(16,696)	-	(16,614)	-
Consolidated	Sales to :		%		%
	Unaffiliated customers	314,989		295,906	
	Intersegment	-		-	
	Total revenue	314,989	100.0	295,906	100.0
	Operating income	46,256	14.7	31,024	10.5

Three months ended September 30, 2010 and 2011

		Millions of Yen			
		Three months ended September 30, 2010		Three months ended September 30, 2011	
Components	Sales to :		%		%
	Unaffiliated customers	113,257		103,729	
	Intersegment	2,610		2,430	
	Total revenue	115,867	100.0	106,159	100.0
	Segment income	28,316	24.4	17,626	16.6
Modules	Sales to :		%		%
	Unaffiliated customers	47,465		48,337	
	Intersegment	124		64	
	Total revenue	47,589	100.0	48,401	100.0
	Segment income	4,138	8.7	3,462	7.2
Others	Sales to :		%		%
	Unaffiliated customers	595		608	
	Intersegment	5,797		8,316	
	Total revenue	6,392	100.0	8,924	100.0
	Segment income	473	7.4	863	9.7
Corporate and eliminations	Sales to :		%		%
	Unaffiliated customers	-		-	
	Intersegment	(8,531)		(10,810)	
	Total revenue	(8,531)	-	(10,810)	-
	Corporate expenses	(8,165)	-	(8,160)	-
Consolidated	Sales to :		%		%
	Unaffiliated customers	161,317		152,674	
	Intersegment	-		-	
	Total revenue	161,317	100.0	152,674	100.0
	Operating income	24,762	15.3	13,791	9.0

Notes : 1. Major products and businesses included in the operating segments.

(1) Components : Capacitors, Piezoelectric Components

(2) Modules : Communication Modules, Power Supplies

(3) Others : Machinery manufacturing, welfare services, personnel services, education and training services, sales of software

2. Intersegment transactions are based on market prices.

3. Segment income for each operating segments represents net sales, less related costs.

Corporate expenses represent expenses of headquarters functions and fundamental researches.

## (6) Significant changes in shareholders' equity

None

## (7) Other

October 31, 2011  
Murata Manufacturing Co., Ltd.  
Listing Code : 6981  
(URL <http://www.murata.com/>)

### Flash Report (Six months ended September 30, 2011)

#### Selected Financial Data

Six months ended September 30, 2010 and 2011 / As of September 30, 2010 and 2011

		Consolidated Basis			Parent Co. Basis		
		2010	2011	Growth ratio	2010	2011	Growth ratio
Net sales	Millions of yen	314,989	295,906	(6.1)	277,351	255,001	(8.1)
Operating income	<*> <sup>3</sup> Millions of yen	<14.7> 46,256	<10.5> 31,024	(32.9)	<3.7> 10,349	<1.5> 3,751	(63.7)
Income before income taxes (and extraordinary items) *2	<*> <sup>3</sup> Millions of yen	<15.1> 47,462	<11.7> 34,719	(26.8)	<6.0> 16,521	<4.5> 11,518	(30.3)
Net income	<*> <sup>3</sup> Millions of yen	<9.9> 31,066	<8.0> 23,669	(23.8)	<4.7> 13,162	<4.1> 10,504	(20.2)
Total assets	Millions of yen	963,010	978,810	1.6	617,477	611,231	(1.0)
Shareholders' equity	Millions of yen	812,661	819,745	0.9	404,746	402,273	(0.6)
Shareholders' equity ratio	%	84.4	83.7	-	65.5	65.8	-
Basic earnings per share	Yen	144.74	110.28	(23.8)	61.33	48.94	(20.2)
Diluted earnings per share	Yen	144.74	110.28	(23.8)	-	-	-
Shareholders' equity per share	Yen	3,786.35	3,819.28	-	1,885.80	1,874.24	-
Capital expenditures	Millions of yen	20,845	33,673	61.5	3,563	5,667	59.0
Depreciation and amortization	<*> Millions of yen	<9.3> 29,412	<9.6> 28,548	(2.9)	<3.5> 9,451	<3.2> 7,981	(15.6)
R & D expenses	<*> Millions of yen	<6.4> 20,249	<6.8> 20,037	(1.0)	<6.3> 17,050	<8.4> 20,851	22.3
Number of employees	*6	<12,987> 35,203	<13,828> 35,937	2.1	6,954	6,960	0.1
Average exchange rates							
Yen/US dollar	Yen	88.95	79.81	-			
Yen/EURO	Yen	113.84	113.78	-			

Three months ended September 30, 2010 and 2011

		Consolidated Basis			Parent Co. Basis		
		2010	2011	Growth ratio	2010	2011	Growth ratio
Net sales	Millions of yen	161,317	152,674	(5.4)	141,961	132,749	(6.5)
Operating income	<*> <sup>3</sup> Millions of yen	<15.3> 24,762	<9.0> 13,791	(44.3)	<4.0> 5,707	<1.6> 2,130	(62.7)
Income before income taxes (and extraordinary items) *2	<*> <sup>3</sup> Millions of yen	<15.0> 24,187	<10.2> 15,610	(35.5)	<4.9> 7,007	<0.8> 1,108	(84.2)
Net income	<*> <sup>3</sup> Millions of yen	<9.7> 15,602	<6.2> 9,429	(39.6)	<3.9> 5,491	<0.7> 958	(82.5)
Basic earnings per share	Yen	72.69	43.93	(39.6)	25.59	4.47	(82.5)
Diluted earnings per share	Yen	72.69	43.93	(39.6)	-	-	-
Capital expenditures	Millions of yen	12,304	17,583	42.9	2,049	3,747	82.8
Depreciation and amortization	<*> Millions of yen	<9.5> 15,276	<9.7> 14,753	(3.4)	<3.6> 4,889	<3.2> 4,103	(16.1)
R & D expenses	<*> Millions of yen	<6.5> 10,420	<6.7> 10,202	(2.1)	<6.3> 8,731	<8.2> 10,630	21.7

\*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 items

\*3 Ratio to net sales

\*4 The diluted earnings per share on Parent Co. Basis is not stated, since there were no dilutive potential securities.

\*5 Ratio to net sales excluding revenue from services

\*6 Figures in parentheses show the number of employees in overseas countries.

## Projected Financial Data - Consolidated basis

		Year ending March 31, 2012	
		Previous Projections Announced in April, 2011	Revised Projections
Net sales	Millions of yen	650,000	600,000
Operating income	<*> Millions of yen	<12.9>	<9.3>
Income before income taxes	<*> Millions of yen	<13.7>	<10.3>
Net income	<*> Millions of yen	<8.9>	<7.0>
Basic earnings per share	Yen	270.23	195.68
Capital expenditures	Millions of yen	70,000	70,000
Depreciation and amortization	<*> Millions of yen	<9.5>	<10.2>
R & D expenses	<*> Millions of yen	<6.6>	<6.7>

\*1 Ratio to net sales

\*2 The revised projections are based on the assumed average exchange rates of Yen 77 per US\$ and Yen 105 per Euro for the six months ending September 30, 2011.

\*3 The projections above 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, 2010 and 2011

	Millions of Yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*1		%*1		%
Capacitors	113,462	35.8	102,926	36.5	(10,536)	(9.3)
Piezoelectric Components	45,269	14.3	37,629	13.3	(7,640)	(16.9)
Other Components	60,550	19.1	55,347	19.6	(5,203)	(8.6)
Components Total	219,281	69.2	195,902	69.4	(23,379)	(10.7)
Communication Modules	70,809	22.3	61,083	21.6	(9,726)	(13.7)
Power Supplies and Other Modules	26,983	8.5	25,403	9.0	(1,580)	(5.9)
Modules Total	97,792	30.8	86,486	30.6	(11,306)	(11.6)
Total	317,073	100.0	282,388	100.0	(34,685)	(10.9)

Three months ended September 30, 2010 and 2011

	Millions of Yen					
	Three months ended September 30, 2010		Three months ended September 30, 2011		Change	
		%*1		%*1		%
Capacitors	53,069	34.6	48,182	32.2	(4,887)	(9.2)
Piezoelectric Components	20,474	13.3	20,310	13.5	(164)	(0.8)
Other Components	29,096	19.0	28,164	18.8	(932)	(3.2)
Components Total	102,639	66.9	96,656	64.5	(5,983)	(5.8)
Communication Modules	37,663	24.5	40,594	27.1	2,931	7.8
Power Supplies and Other Modules	13,210	8.6	12,550	8.4	(660)	(5.0)
Modules Total	50,873	33.1	53,144	35.5	2,271	4.5
Total	153,512	100.0	149,800	100.0	(3,712)	(2.4)

\*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 March 31, 2011		As of September 30, 2011		Change	
		%*1		%*1		%
Capacitors	28,133	34.9	21,160	30.9	(6,973)	(24.8)
Piezoelectric Components	10,741	13.3	8,803	12.9	(1,938)	(18.0)
Other Components	14,489	17.9	12,441	18.2	(2,048)	(14.1)
Components Total	53,363	66.1	42,404	62.0	(10,959)	(20.5)
Communication Modules	22,353	27.7	20,942	30.7	(1,411)	(6.3)
Power Supplies and Other Modules	4,968	6.2	5,009	7.3	41	0.8
Modules Total	27,321	33.9	25,951	38.0	(1,370)	(5.0)
Total	80,684	100.0	68,355	100.0	(12,329)	(15.3)

\*1 Component ratio

\*2 Figures are based on sales prices to customers.

\*3 Exclusive of consumption taxes

## (2) Sales by Product Category, Application and Area

### 1. Sales by Product Category

Six months ended September 30, 2010 and 2011

	Millions of Yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*1		%*1		%
Capacitors	114,172	36.4	109,899	37.3	(4,273)	(3.7)
Piezoelectric Components	46,017	14.7	39,567	13.4	(6,450)	(14.0)
Other Components	60,335	19.2	57,395	19.5	(2,940)	(4.9)
Components Total	220,524	70.3	206,861	70.2	(13,663)	(6.2)
Communication Modules	65,898	21.0	62,494	21.2	(3,404)	(5.2)
Power Supplies and Other Modules	27,427	8.7	25,362	8.6	(2,065)	(7.5)
Modules Total	93,325	29.7	87,856	29.8	(5,469)	(5.9)
Net sales	313,849	100.0	294,717	100.0	(19,132)	(6.1)

Three months ended September 30, 2010 and 2011

	Millions of Yen					
	Three months ended September 30, 2010		Three months ended September 30, 2011		Change	
		%*1		%*1		%
Capacitors	59,270	36.9	54,061	35.5	(5,209)	(8.8)
Piezoelectric Components	22,834	14.2	20,455	13.5	(2,379)	(10.4)
Other Components	31,153	19.4	29,213	19.2	(1,940)	(6.2)
Components Total	113,257	70.5	103,729	68.2	(9,528)	(8.4)
Communication Modules	33,884	21.1	35,231	23.2	1,347	4.0
Power Supplies and Other Modules	13,581	8.4	13,106	8.6	(475)	(3.5)
Modules Total	47,465	29.5	48,337	31.8	872	1.8
Net sales	160,722	100.0	152,066	100.0	(8,656)	(5.4)

\*1 Component ratio

\*2 Exclusive of consumption taxes

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

Six months ended September 30, 2010 and 2011

	Millions of Yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*1		%*1		%
AV	42,934	13.7	32,572	11.1	(10,362)	(24.1)
Communications	132,529	42.2	127,393	43.2	(5,136)	(3.9)
Computers and Peripherals	59,527	19.0	56,902	19.3	(2,625)	(4.4)
Automotive Electronics	39,482	12.6	39,843	13.5	361	0.9
Home and Others	39,377	12.5	38,007	12.9	(1,370)	(3.5)
Net sales	313,849	100.0	294,717	100.0	(19,132)	(6.1)

Three months ended September 30, 2010 and 2011

	Millions of Yen					
	Three months ended September 30, 2010		Three months ended September 30, 2011		Change	
		%*1		%*1		%
AV	22,769	14.2	17,448	11.5	(5,321)	(23.4)
Communications	68,635	42.7	67,084	44.1	(1,551)	(2.3)
Computers and Peripherals	29,537	18.4	27,933	18.4	(1,604)	(5.4)
Automotive Electronics	19,946	12.4	20,999	13.8	1,053	5.3
Home and Others	19,835	12.3	18,602	12.2	(1,233)	(6.2)
Net sales	160,722	100.0	152,066	100.0	(8,656)	(5.4)

\*1 Component ratio

\*2 Exclusive of consumption taxes

### 3. Sales by Area

Six months ended September 30, 2010 and 2011

	Millions of Yen					
	Six months ended September 30, 2010		Six months ended September 30, 2011		Change	
		%*1		%*1		%
The Americas	25,082	8.0	21,887	7.4	(3,195)	(12.7)
Europe	35,517	11.3	34,871	11.8	(646)	(1.8)
Greater China	150,276	47.9	141,626	48.1	(8,650)	(5.8)
Asia and Others	53,992	17.2	54,567	18.5	575	1.1
Overseas total	264,867	84.4	252,951	85.8	(11,916)	(4.5)
Japan	48,982	15.6	41,766	14.2	(7,216)	(14.7)
Net sales	313,849	100.0	294,717	100.0	(19,132)	(6.1)

Three months ended September 30, 2010 and 2011

	Millions of Yen					
	Three months ended September 30, 2010		Three months ended September 30, 2011		Change	
		%*1		%*1		%
The Americas	12,719	7.9	10,509	6.9	(2,210)	(17.4)
Europe	18,063	11.3	16,478	10.9	(1,585)	(8.8)
Greater China	78,760	49.0	75,092	49.4	(3,668)	(4.7)
Asia and Others	27,028	16.8	28,635	18.8	1,607	5.9
Overseas total	136,570	85.0	130,714	86.0	(5,856)	(4.3)
Japan	24,152	15.0	21,352	14.0	(2,800)	(11.6)
Net sales	160,722	100.0	152,066	100.0	(8,656)	(5.4)

\*1 Component ratio

\*2 Exclusive of consumption taxes

## Quarterly Consolidated Performance

### (1) Consolidated Financial Results

	Millions of yen							
	Three months ended June 30, 2010		Three months ended September 30, 2010		Three months ended December 31, 2010		Three months ended March 31, 2011	
		% *1		% *1		% *1		% *1
Net sales	153,672	100.0	161,317	100.0	157,584	100.0	145,381	100.0
Operating income	21,494	14.0	24,762	15.3	18,923	12.0	12,306	8.5
Income before income taxes	23,275	15.1	24,187	15.0	19,906	12.6	14,694	10.1
Net income	15,464	10.1	15,602	9.7	12,738	8.1	9,688	6.7

	Millions of yen			
	Three months ended June 30, 2011		Three months ended September 30, 2011	
		% *1		% *1
Net sales	143,232	100.0	152,674	100.0
Operating income	17,233	12.0	13,791	9.0
Income before income taxes	19,109	13.3	15,610	10.2
Net income	14,240	9.9	9,429	6.2

\*1 Ratio to net sales

### (2) Sales by Product Category

	Millions of yen							
	Three months ended June 30, 2010		Three months ended September 30, 2010		Three months ended December 31, 2010		Three months ended March 31, 2011	
		% *1		% *1		% *1		% *1
Capacitors	54,902	35.9	59,270	36.9	53,709	34.2	53,546	37.0
Piezoelectric Components	23,183	15.1	22,834	14.2	20,165	12.9	20,260	14.0
Other Components	29,182	19.1	31,153	19.4	28,789	18.3	27,857	19.2
Components Total	107,267	70.1	113,257	70.5	102,663	65.4	101,663	70.2
Communication Modules	32,014	20.9	33,884	21.1	41,806	26.6	30,579	21.1
Power Supplies and Other Modules	13,846	9.0	13,581	8.4	12,481	8.0	12,581	8.7
Modules Total	45,860	29.9	47,465	29.5	54,287	34.6	43,160	29.8
Net sales	153,127	100.0	160,722	100.0	156,950	100.0	144,823	100.0

	Millions of yen			
	Three months ended June 30, 2011		Three months ended September 30, 2011	
		% *1		% *1
Capacitors	55,838	39.1	54,061	35.5
Piezoelectric Components	19,112	13.4	20,455	13.5
Other Components	28,182	19.8	29,213	19.2
Components Total	103,132	72.3	103,729	68.2
Communication Modules	27,263	19.1	35,231	23.2
Power Supplies and Other Modules	12,256	8.6	13,106	8.6
Modules Total	39,519	27.7	48,337	31.8
Net sales	142,651	100.0	152,066	100.0

\*1 Component ratio

\*2 Exclusive of consumption taxes