

Earnings Release Conference First Quarter of FY2010 (April 1, 2010 to June 30, 2010)



July 29, 2010
Murata Manufacturing Co., Ltd.

1. First Quarter of FY2010

From April 1, 2010 to June 30, 2010
Consolidated basis

Financial Results Overview

	09Q1		09Q4		10Q1		YonY Change		QonQ Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Net sales	118	100.0	135	100.0	154	100.0	+36	+30.8	+18	+13.6
Operating income (loss)	(4)	(3.2)	9	6.9	21	14.0	+25	—	+12	+130.4
Income (Loss) before income taxes	(5)	(4.3)	12	8.6	23	15.1	+28	—	+12	+100.8
Net income (loss)	(4)	(3.1)	11	7.9	15	10.1	+19	—	+5	+44.2

Sales by Product

	09Q1		09Q4		10Q1		YonY Change		QonQ Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
Capacitors	38	32.6	48	35.6	55	35.9	+17	+43.7	+7	+14.4
Piezoelectric Components	18	15.0	21	15.9	23	15.1	+6	+32.2	+2	+8.4
Other Components	22	18.6	26	19.3	29	19.1	+7	+34.5	+3	+12.0
Communication Modules	30	25.4	27	20.0	32	20.9	+2	+7.6	+5	+18.9
Other Modules	10	8.4	12	9.2	14	9.0	+4	+40.5	+1	+11.5
Net sales	117	100.0	135	100.0	153	100.0	+36	+30.8	+18	+13.6

Sales by Product (YonY)

<p>Capacitors +43.7%</p>	<ul style="list-style-type: none"> • Multilayer ceramic capacitors: Grew significantly thanks to production growth of electronic equipment and increasing demand for high-capacitance capacitors • Application-specific capacitors: Dropped significantly for personal computers because of price decline despite sales volume increase
<p>Piezoelectric Components +32.2%</p>	<ul style="list-style-type: none"> • SAW filters: Increased greatly owing to growing production of mobile phones and data cards • Ceramic resonators: Rose significantly for all applications including automotive electronics • Shock sensors for HDDs and ultrasonic sensors for back sonar: Attained large growth
<p>Other Components +34.5%</p>	<ul style="list-style-type: none"> • EMI suppression filters: Increased significantly for all applications • Inductors (Coils), Connectors: Showed steady growth in sales for mobile phones • Thermistors: Strong for use in home appliances and batteries for laptop computers
<p>Communication Modules +7.6%</p>	<ul style="list-style-type: none"> • Short-range wireless communication modules: Grew steadily for mobile phones and portable media players • Wireless communication modules: Increased sharply for mobile phones
<p>Other Modules +40.5%</p>	<ul style="list-style-type: none"> • Power supplies: Grew strongly for use in office automation equipment such as printers and copiers

Sales by Product (QonQ)

Capacitors +14.4%	<ul style="list-style-type: none"> • Multilayer ceramic capacitors: Increased for all applications • Application-specific capacitors: Dropped both in quantity and values terms
Piezoelectric Components +8.4%	<ul style="list-style-type: none"> • SAW filters: Increased greatly especially for mobile phones and data cards
Other Components +12.0%	<ul style="list-style-type: none"> • EMI suppression filters: Grew for all applications except for “Home and Others” • Inductors (Coils), Connectors: Showed large growth especially in sales for mobile phones
Communication Modules +18.9%	<ul style="list-style-type: none"> • Short-range wireless communication modules: Grew significantly for mobile phones • Multilayer ceramic devices: Displayed great growth for mobile phones and data cards • Wireless communication modules: Increased sharply for mobile phones
Other Modules +11.5%	<ul style="list-style-type: none"> • Power supplies: Grew strongly for use in office automation equipment such as printers and copiers

Sales by Application

	09Q1		09Q4		10Q1		YonY Change		QonQ Change	
	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
AV	16	13.6	19	13.7	20	13.2	+4	+26.3	+2	+8.8
Communication	55	47.1	53	39.2	64	41.7	+9	+16.0	+11	+20.9
Computers and Peripherals	20	17.3	26	19.0	30	19.6	+10	+48.2	+4	+16.8
Automotive Electronics	13	10.8	19	14.2	20	12.7	+7	+54.9	+0	+2.0
Home and Others	13	11.2	19	13.8	20	12.8	+6	+48.5	+1	+5.1
Net sales	117	100.0	135	100.0	153	100.0	+36	+30.8	+18	+13.6

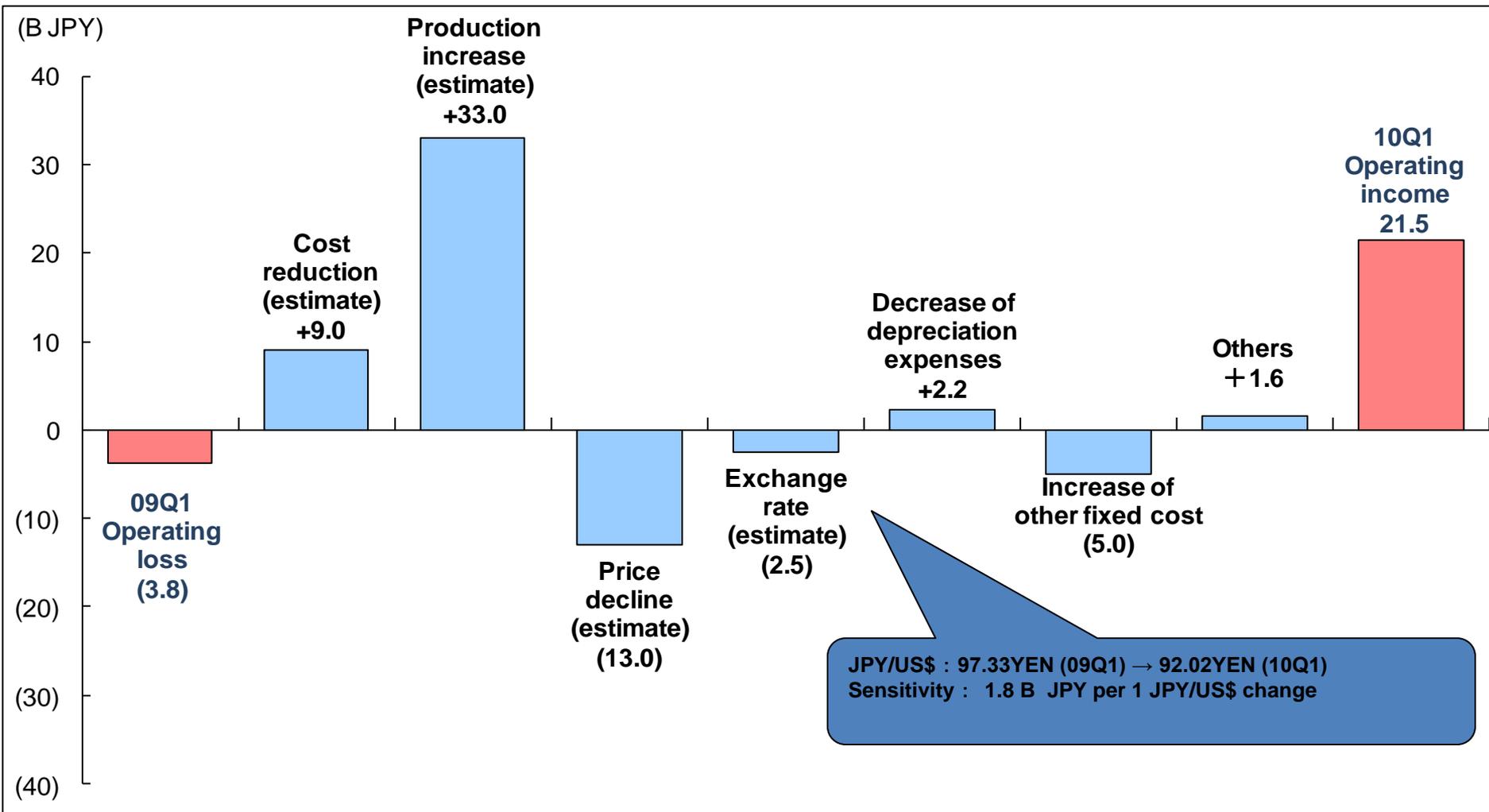
Sales by Application (YonY)

AV +26.3%	<ul style="list-style-type: none">• Sales of multilayer ceramic capacitors (MLCCs) increased largely for flat-screen TVs• Sales of short-range wireless communication modules grew significantly for portable media players
Communication +16.0%	<ul style="list-style-type: none">• Sales of MLCCs and SAW filters increased largely for smartphones, 3G phones and data cards
Computers and Peripherals +48.2%	<ul style="list-style-type: none">• MLCCs for personal computers, shock sensors for HDDs, and power supplies for printers and copiers increased greatly
Automotive Electronics +54.9%	<ul style="list-style-type: none">• MLCCs for automotive, short-range wireless communication modules for car audio systems and satellite navigation systems, piezoelectric actuators for fuel injection of diesel engines, and ultrasonic sensors for back sonar grew significantly

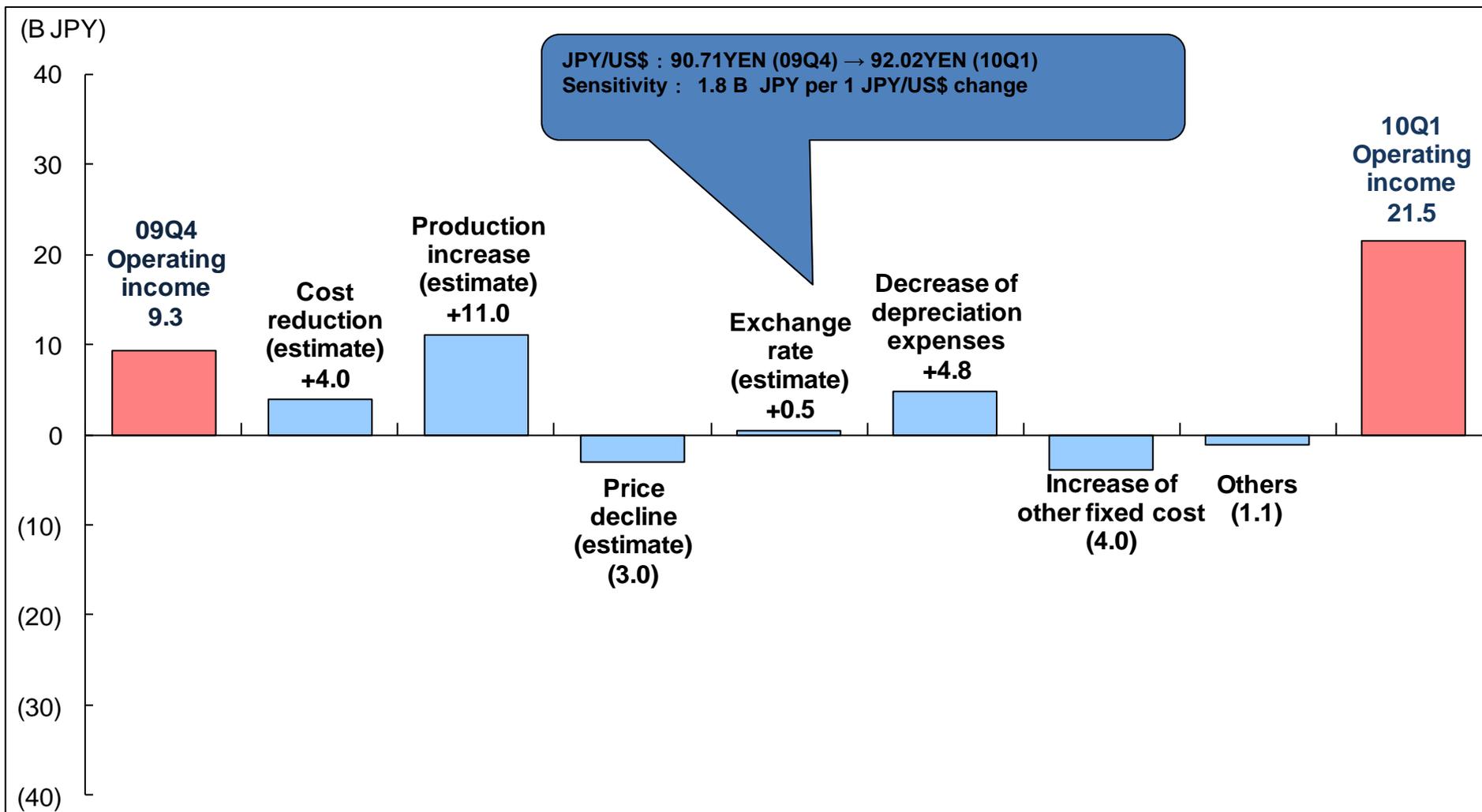
Sales by Application (QonQ)

AV +8.8%	<ul style="list-style-type: none">• Increased mainly in sales of multilayer ceramic capacitors (MLCCs) for flat-screen TVs
Communication +20.9%	<ul style="list-style-type: none">• Sales of MLCCs, short-range wireless communication modules and SAW filters increased largely for smartphones and 3G phones
Computers and Peripherals +16.8%	<ul style="list-style-type: none">• Sales of MLCCs for personal computers, and power supplies for printers and copiers grew greatly
Automotive Electronics +2.0%	<ul style="list-style-type: none">• Sales of MLCCs and piezoelectric actuators for fuel injection of diesel engines maintained solid growth

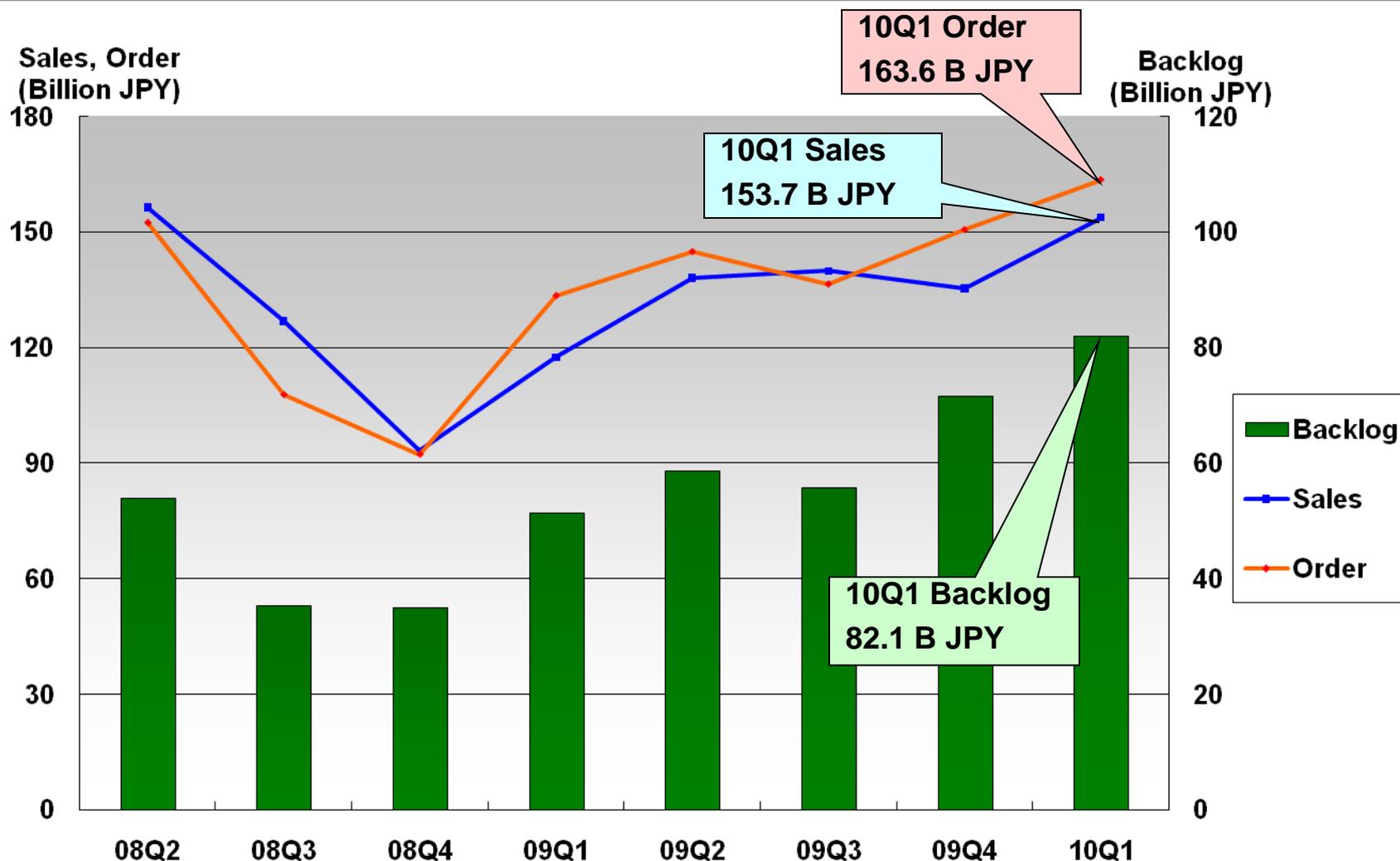
Breakdown of Operating Income (Loss) Changes 09Q1 to 10Q1



Breakdown of Operating Income Changes 09Q4 to 10Q1



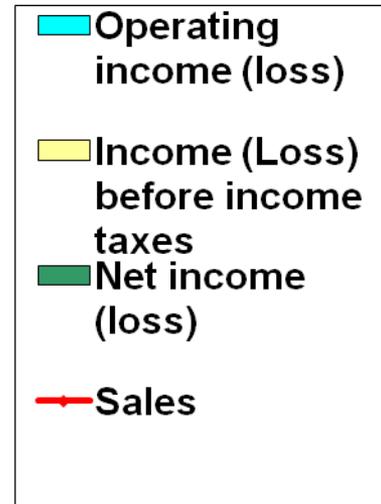
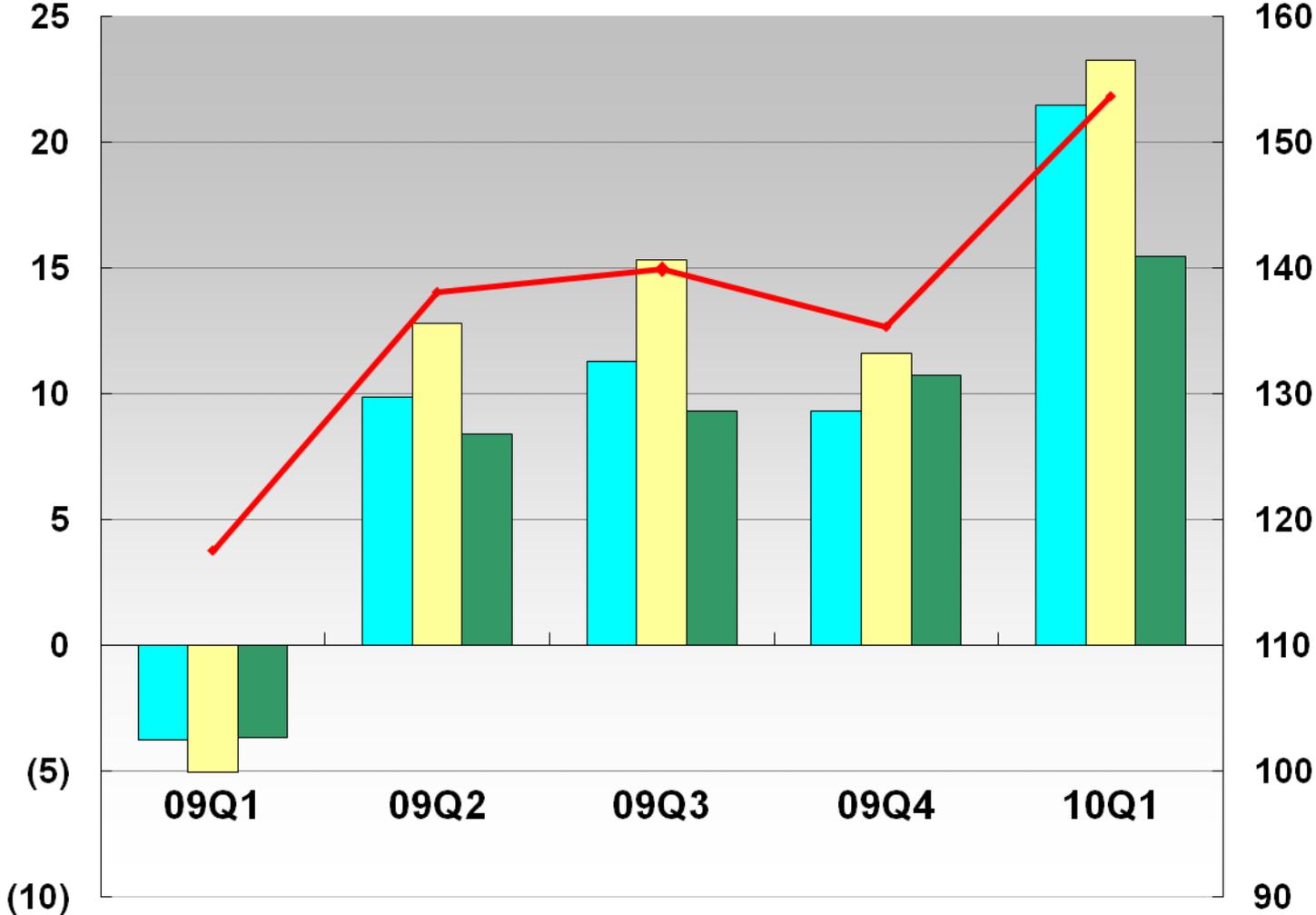
Quarterly Sales, Order, and Backlog



Quarterly Financial Results

Income (Loss)
(Billion JPY)

Sales
(Billion JPY)



2. Projected Financial Results for FY2010

Projected Sales by Product

	10Q1 Actual	10Q2 Projections (QonQ Growth ratio)
	(B JPY)	
Capacitors	55	+10%
Piezoelectric Components	23	Flat
Other Components	29	+5%
Communication Modules	32	+5%
Other Modules	14	Flat
Net sales	153	+5%

Projected Sales by Application

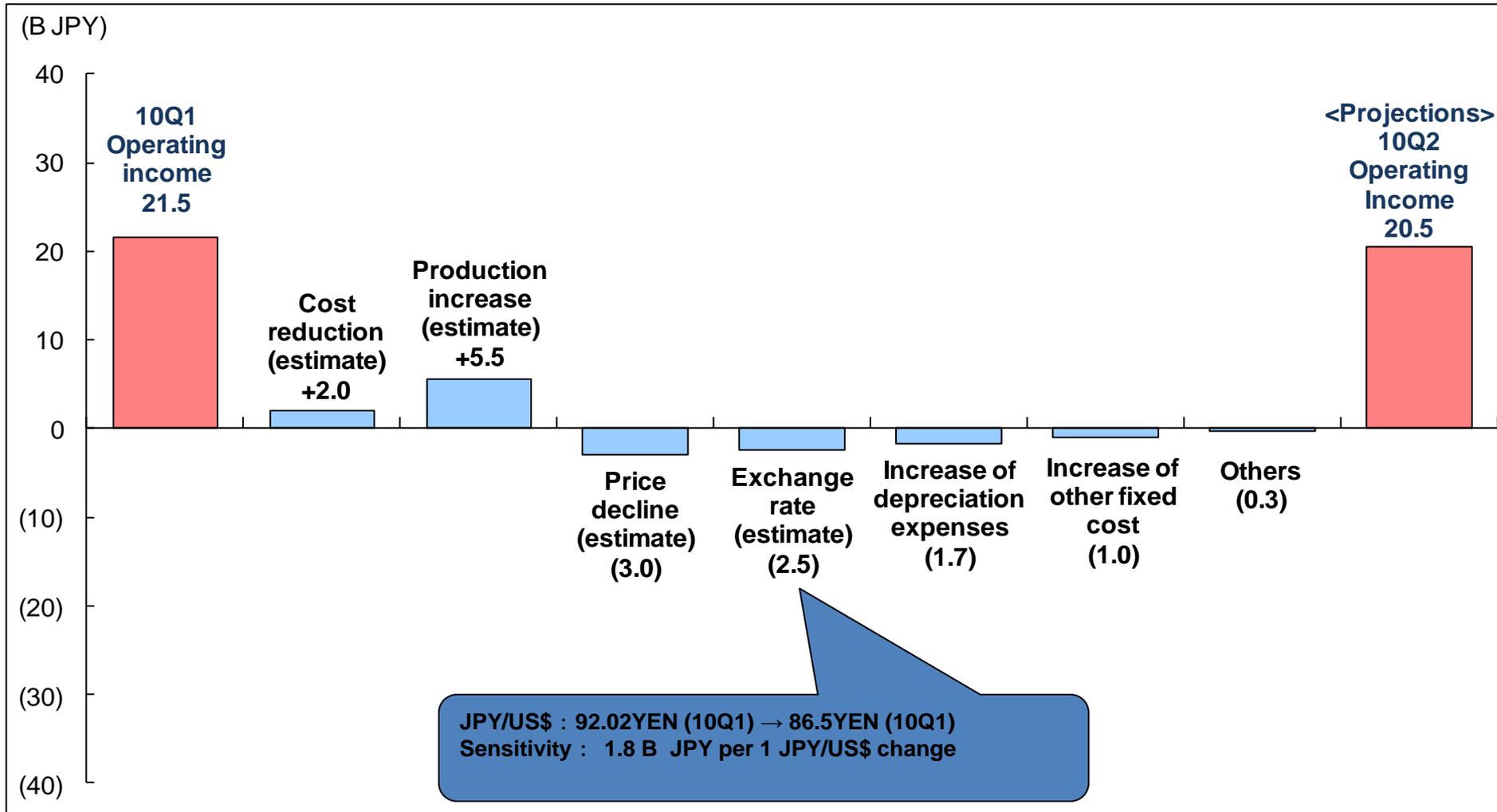
	10Q1 Actual	10Q2 Projections (QonQ Growth ratio)
	(B JPY)	
AV	20	+10%
Communication	64	+7%
Computers and Peripherals	30	+5%
Automotive Electronics	20	Flat
Home and Others	20	Flat
Net sales	153	+5%

Projected Financial Results for FY2010 First Half (April 1, 2010 to September 30, 2010)



	Previous Projections in Apr. 2010	Revised Projections			Change	
		10Q1 Actual	10Q2 Projections			
	(B JPY)	(B JPY)	(B JPY)	(B JPY)	(B JPY)	(%)
Net sales	300	154	161	315	+15	+5.0
Operating income	33	21	21	42	+9	+27.3
Income before income taxes	35	23	23	46	+11	+31.4
Net income	23	15	16	31	+8	+34.8

Breakdown of Operating Income Changes 10Q1 to 10Q2



Assumptions for Projected Financial Results for FY2010 First Half (April 1, 2010 to September 30, 2010)



	Previous Projections in Apr. 2010	Revised Projections
Depreciation and amortization	30.0 B JPY	30.0 B JPY
R & D expenses	20.5 B JPY	20.0 B JPY
Capital expenditures	21.4 B JPY	21.4 B JPY
Average exchange rate (US\$)	90.0 JPY/US\$	89.26 JPY/US\$
Average exchange rate (EUR)	125.0 JPY/EUR	113.5 JPY/EUR

1Q : 92.02 JPY
2Q : 86.5 JPY

1Q : 117.0 JPY
2Q : 110.0 JPY

- These statements with respect to Murata's estimates, strategies, beliefs and other statements that are not historical facts are based on management's assumptions and beliefs in light of the information currently available to it and involve uncertainties. Therefore, you should not place undue reliance on them.
- Murata undertakes no obligation to update the information contained in any portion of these statements.