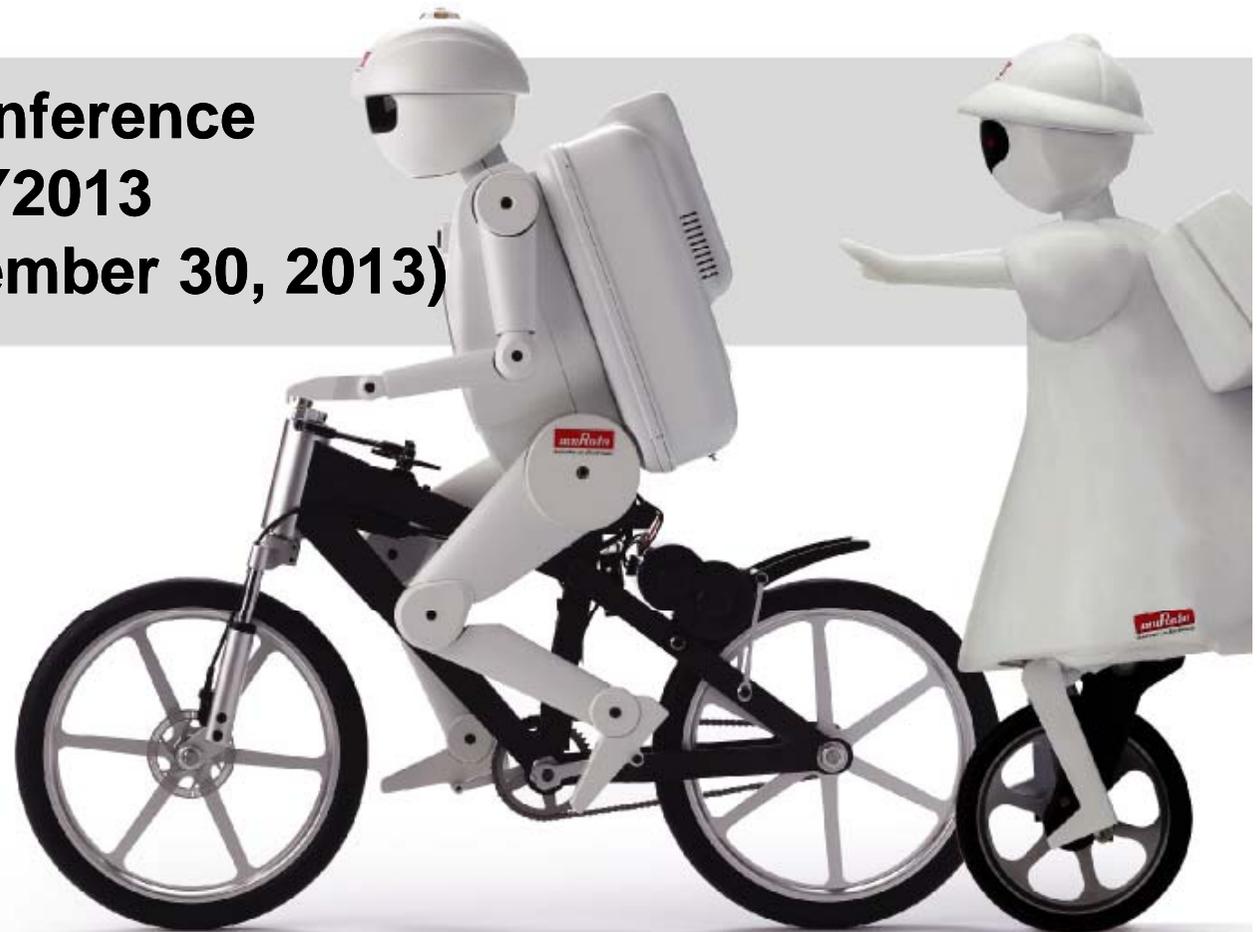


# Earnings Release Conference Second Quarter of FY2013 (July 1, 2013 to September 30, 2013)

October 31, 2013  
Murata Manufacturing Co., Ltd.



# ***1. Second Quarter of FY2013***

***From July 1, 2013 to September 30, 2013***  
***Consolidated Basis***

# Topics of Financial Results for FY2013 Second Quarter



- ◆ Sales of the second quarter was the highest in our history owing to the increasing demands of wide range products for smartphones, tablet devices and automotive.
- ◆ Operating income of the second quarter was the highest since the economic crisis. Operating income ratio achieved 19%.
- ◆ Projected finance results for FY2013 announced on April 30<sup>th</sup> has been revised upward.
- ※ Tokyo Denpa Co.,Ltd which Murata became the wholly-owing parent company in August 1, 2013 will be consolidated 3 months later (a quarter delay).

# Financial Results Overview



	FY2012 First Half		FY2013 First Half				Q on Q Change		Y on Y Change	
	(a)		(b)	(c)	(d)		(c) vs. (b)		(d) vs. (a)	
	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
<b>Net sales</b>	314.7	100.0	192.6	221.6	414.1	100.0	+29.0	+15.0	+99.4	+31.6
<b>Operating income</b>	24.4	7.7	24.9	42.5	67.4	16.3	+17.5	+70.3	+43.1	+176.9
<b>Income before income taxes</b>	23.0	7.3	24.7	43.7	68.3	16.5	+19.0	+76.7	+45.3	+196.9
<b>Net income</b>	15.1	4.8	17.5	30.2	47.6	11.5	+12.7	+72.6	+32.5	+215.0

# Sales by Product



	FY2012 First Half		FY2013 First Half				Q on Q Change		Y on Y Change	
	(a)	(b)	(c)	(d)	(c) vs. (b)		(d) vs. (a)			
	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
<b>Capacitors</b>	108.9	34.8	66.1	72.3	138.4	33.5	+6.2	+9.4	+29.5	+27.1
<b>Piezoelectric Components</b>	38.8	12.4	24.2	24.3	48.5	11.8	+0.1	+0.5	+9.7	+25.0
<b>Other Components</b>	66.6	21.2	35.3	43.0	78.3	19.0	+7.7	+21.7	+11.8	+17.7
<b>Communication Modules</b>	75.5	24.1	52.0	67.7	119.7	29.0	+15.7	+30.2	+44.2	+58.5
<b>Power Supplies and Other Modules</b>	23.7	7.5	14.3	13.5	27.8	6.7	(0.8)	(5.3)	+4.1	+17.4
<b>Net sales</b>	313.5	100.0	191.9	220.9	412.8	100.0	+29.0	+15.1	+99.3	+31.7

# Sales by Product

## FY13 First Half vs. FY12 First Half



<b>Capacitors</b> <b>+27.1%</b>	<ul style="list-style-type: none"> <li>● <b>MLCCs:</b> Sales of ultra-compact MLCCs and high-capacitance MLCCs for communication, automotive electronics significantly increased.</li> </ul>
<b>Piezoelectric Components</b> <b>+25.0%</b>	<ul style="list-style-type: none"> <li>● <b>SAW filters:</b> Greatly increased thanks to growing production of mobile phones and an increased number of components per device, while sales of SAW filters installed in module (reported by Communication Modules Segment) increased.</li> <li>● <b>Piezoelectric sensors :</b> Sales of Shock sensors greatly increased for HDD because the number of components per HDD device increased.</li> <li>● <b>Ceramic resonators :</b> Sales of Ceramic resonators increased for the automotive electronics and home electronics.</li> </ul>
<b>Other Components</b> <b>+17.7%</b>	<ul style="list-style-type: none"> <li>● <b>EMI suppression filter :</b> Showed healthy growth for automotive electronics and communication.</li> <li>● <b>Inductors (Coil) and Connector:</b> Significantly increased for smartphones.</li> <li>● <b>Sensors :</b> Sales of MEMS sensors greatly increased for automotive electronics.</li> </ul>
<b>Communication Modules</b> <b>+58.5%</b>	<ul style="list-style-type: none"> <li>● <b>Wireless modules :</b> Strongly increased for smartphones and tablet devices.</li> <li>● <b>Circuit modules :</b> Sales for smartphones grew strongly due to the impact of putting out new products.</li> </ul>
<b>Power Supplies and Other Modules</b> <b>+17.4%</b>	<ul style="list-style-type: none"> <li>● <b>Power supplies:</b> Sales for servers and automotive electronics(mainly car audio) grew stronger.</li> </ul>

# Sales by Product

## FY13 Second Quarter vs. FY13 First Quarter



<b>Capacitors</b> <b>+9.4%</b>	<ul style="list-style-type: none"> <li>● <b>MLCCs:</b> Sales of ultra-compact MLCCs and high-capacitance MLCCs for communication significantly increased.</li> </ul>
<b>Piezoelectric Components</b> <b>+0.5%</b>	<ul style="list-style-type: none"> <li>● <b>SAW filters:</b> Showed steady growth thanks to sales increase of duplexer for smartphones, while sales of SAW filters installed in module (reported by Communication Modules Segment) increased.</li> <li>● <b>Piezoelectric sensors :</b> Sales of Shock sensors increased for HDD and automotive electronics.</li> <li>● <b>Ceramic resonators :</b> Sales of Ceramic resonators increased for the automotive electronics.</li> </ul>
<b>Other Components</b> <b>+21.7%</b>	<ul style="list-style-type: none"> <li>● <b>EMI suppression filter, Inductors (Coil) and Connector :</b> Significantly increased for smartphones.</li> </ul>
<b>Communication Modules</b> <b>+30.2%</b>	<ul style="list-style-type: none"> <li>● <b>Wireless modules :</b> Strongly increased for smartphones, although sales for portable media players and tablet devices declined.</li> <li>● <b>Circuit modules :</b> Sales for smartphones grew strongly due to the impact of putting out new products.</li> </ul>
<b>Power Supplies and Other Modules</b> <b>(5.3%)</b>	<ul style="list-style-type: none"> <li>● <b>Power supplies:</b> Sales for car audio increased substantially, while Sales for amusements and servers declined.</li> </ul>

# Sales by Application

	FY2012 First Half		FY2013 First Half				Q on Q Change		Y on Y Change	
	(a)		(b)	(c)	(d)		(c) vs. (b)		(d) vs. (a)	
	(B JPY)	(%)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
<b>AV</b>	23.8	7.6	10.9	12.6	23.5	5.7	+1.7	+15.8	(0.3)	(1.2)
<b>Communication</b>	142.2	45.4	92.8	117.5	210.3	50.9	+24.7	+26.7	+68.0	+47.8
<b>Computers and Peripherals</b>	64.5	20.6	35.2	36.4	71.6	17.4	+1.2	+3.5	+7.2	+11.1
<b>Automotive Electronics</b>	50.9	16.2	28.3	29.5	57.8	14.0	+1.2	+4.3	+6.9	+13.6
<b>Home Electronics and Others</b>	32.1	10.2	24.8	24.8	49.6	12.0	+0.0	+0.2	+17.5	+54.6
<b>Net sales</b>	313.5	100.0	191.9	220.9	412.8	100.0	+29.0	+15.1	+99.3	+31.7

\* Based on our estimate

# Sales by Application

## FY13 First Half vs. FY12 First Half



<b>AV</b> <b>(1.2%)</b>	<ul style="list-style-type: none"> <li>● Sales of MLCC greatly increased for set top box.</li> <li>● Sales of Wireless modules decreased for portable media player, while it strongly increased for digital camera.</li> </ul>
<b>Communication</b> <b>+47.8%</b>	<ul style="list-style-type: none"> <li>● Sales of Wireless modules and Circuit Modules significantly increased thanks to LTE devices increase for smartphones.</li> <li>● SAW filters, MLCC and Inductors (Coil) strongly grew thanks to shifting to 3G devices in emerging countries.</li> </ul>
<b>Computers and Peripherals</b> <b>+11.1%</b>	<ul style="list-style-type: none"> <li>● Sales of Wireless modules and SAW filters greatly increased for tablet devices.</li> <li>● Sales of Actuator and Piezoelectric sensors grew for HDD.</li> </ul>
<b>Automotive Electronics</b> <b>+13.6%</b>	<ul style="list-style-type: none"> <li>● Sales of Power supplies increased for car audio.</li> <li>● Sales of MEMS sensors greatly increased for various safety devices.</li> <li>● Sales of MLCC significantly increased thanks to advanced automotive electrification.</li> </ul>

\* Based on our estimate

# Sales by Application

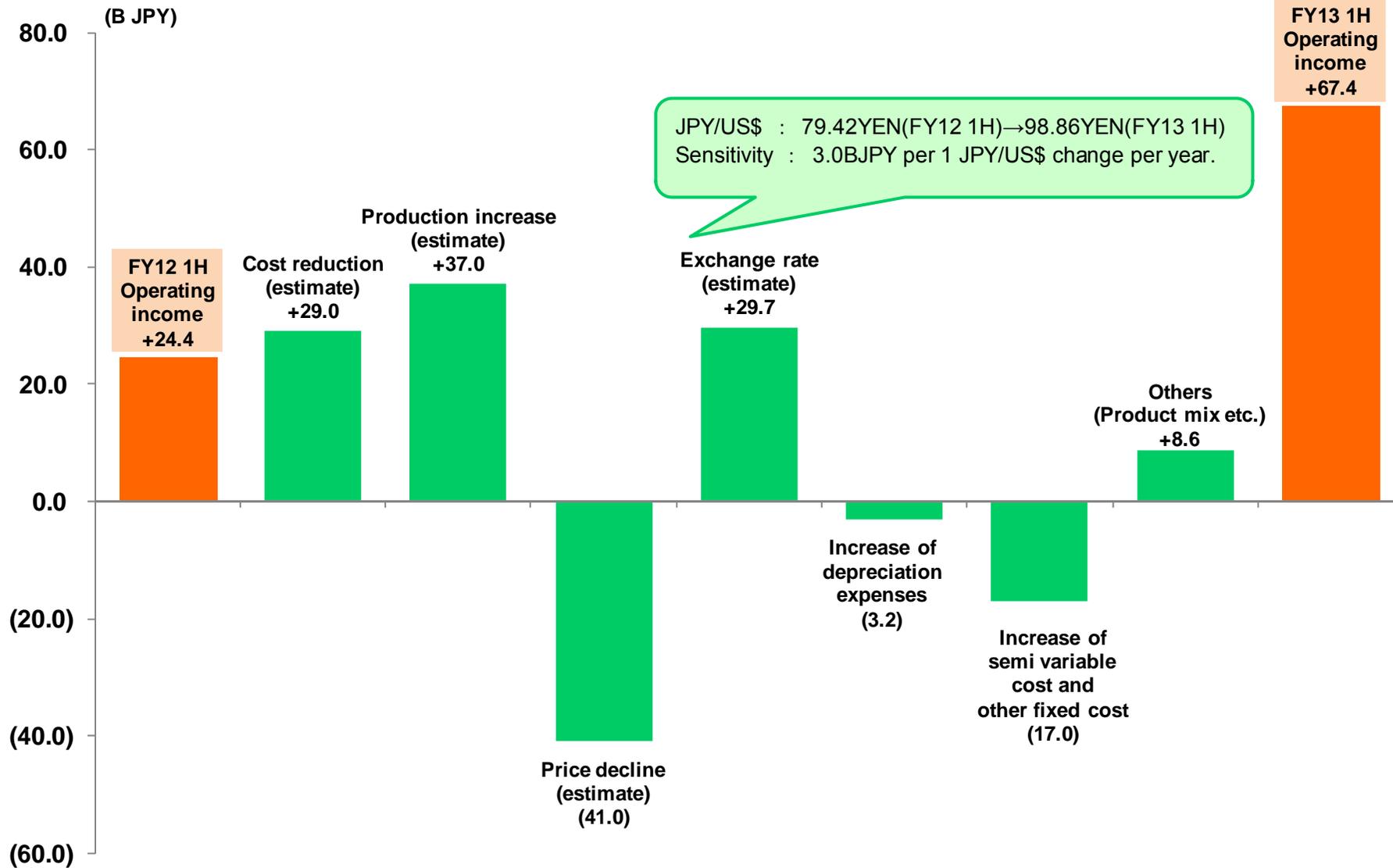
## FY13 Second Quarter vs. FY13 First Quarter



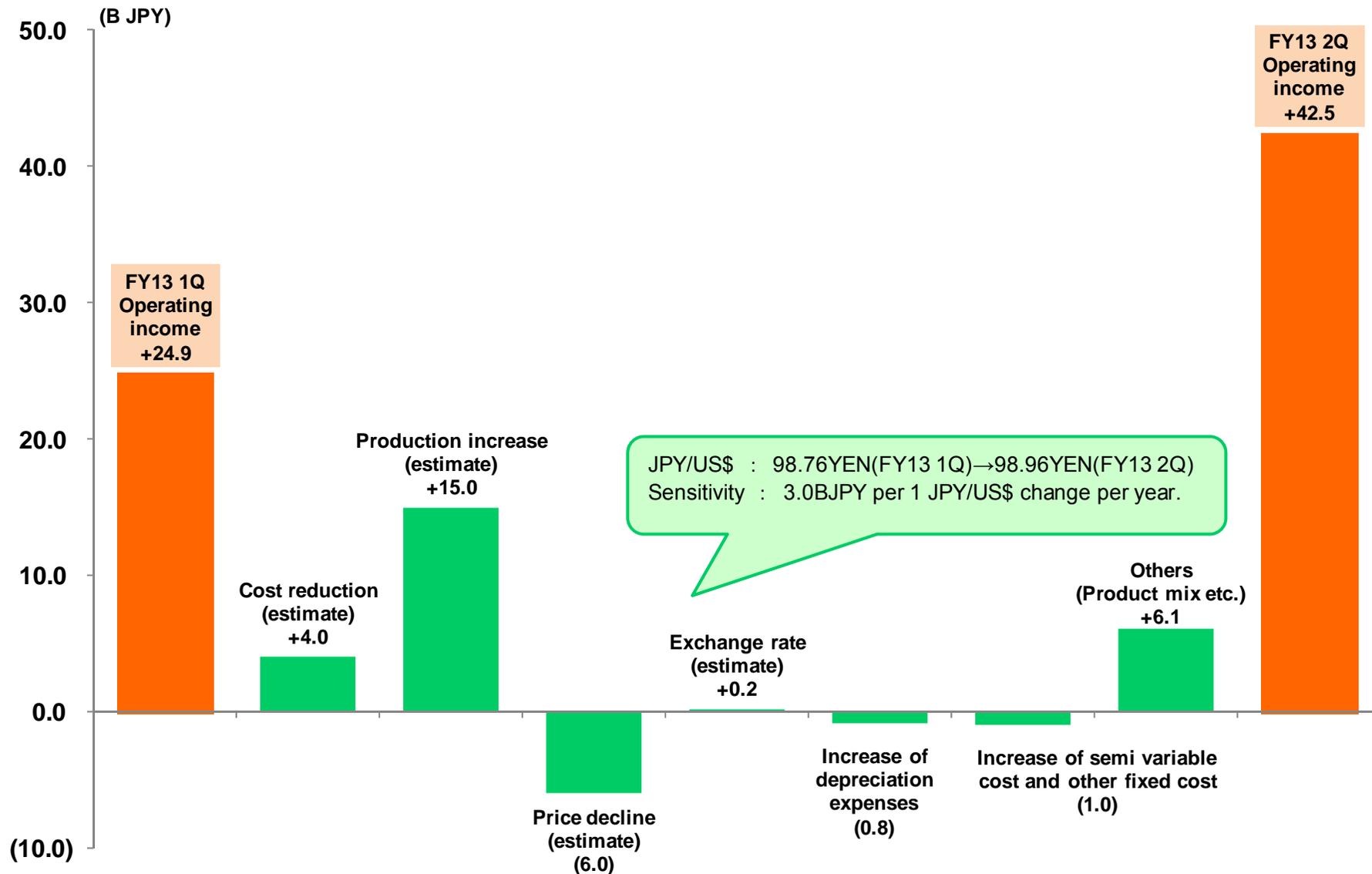
<b>AV</b> <b>+15.8%</b>	<ul style="list-style-type: none"> <li>● Sales of Wireless modules strongly increased for digital camera, while it decreased for portable media player.</li> <li>● Sales of MLCC and EMI suppression filters greatly increased for gaming hardware.</li> </ul>
<b>Communication</b> <b>+26.7%</b>	<ul style="list-style-type: none"> <li>● Many kind of our products such as Wireless modules, Circuit modules, Connectors and MLCCs increased thanks to LTE devices increase for smartphones.</li> </ul>
<b>Computers and Peripherals</b> <b>+3.5%</b>	<ul style="list-style-type: none"> <li>● Sales of MLCC increased for note PC and MPU.</li> <li>● Sales of Power supplies increased for printer.</li> <li>● Sales of Wireless modules decreased for tablet devices.</li> </ul>
<b>Automotive Electronics</b> <b>+4.3%</b>	<ul style="list-style-type: none"> <li>● Sales of MEMS sensors greatly increased for various safety devices.</li> <li>● Sales of MLCCs increased for car navigation and car audio.</li> </ul>

\* Based on our estimate

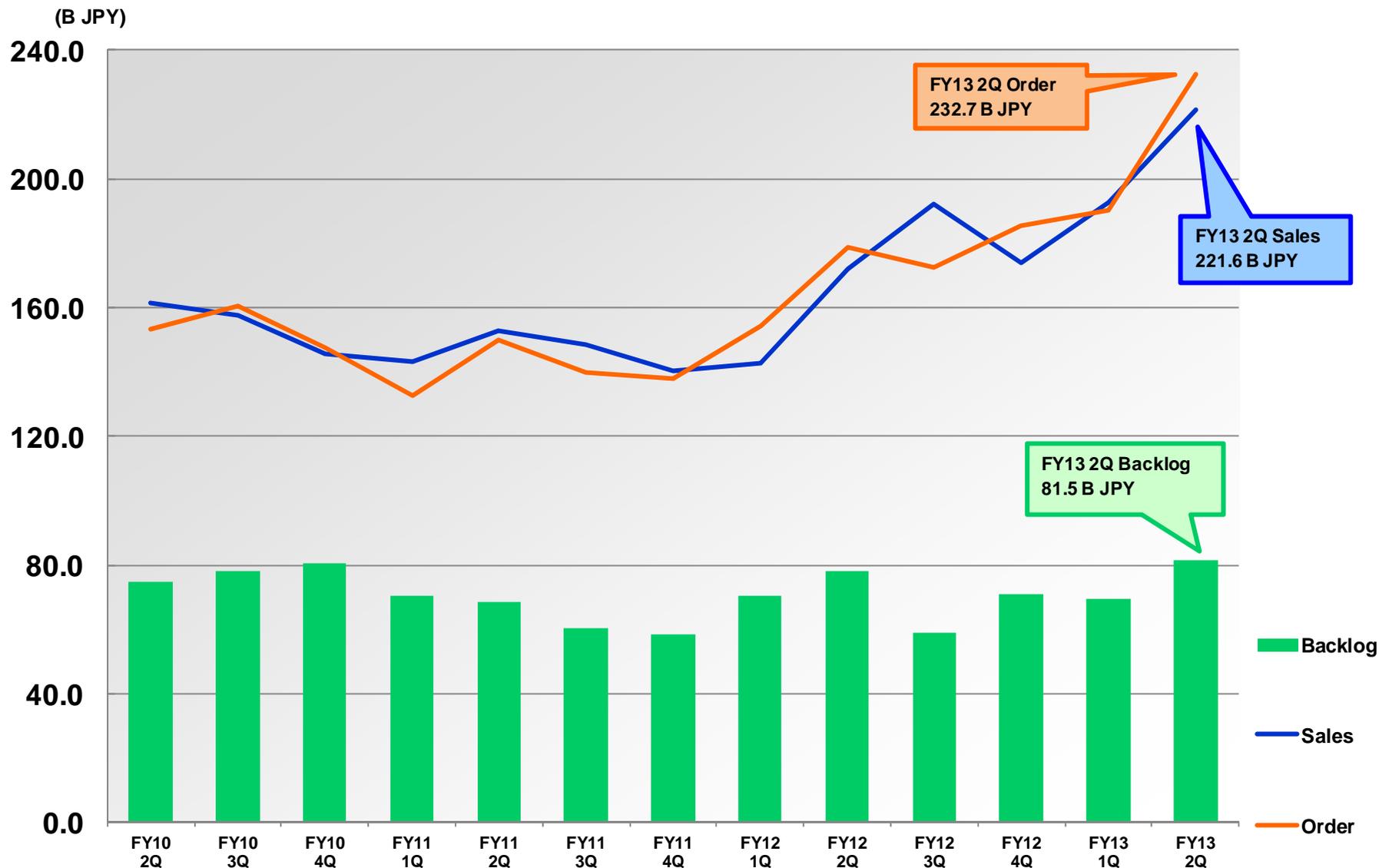
# Breakdown of Operating Income Changes FY12 First Half to FY13 First Half



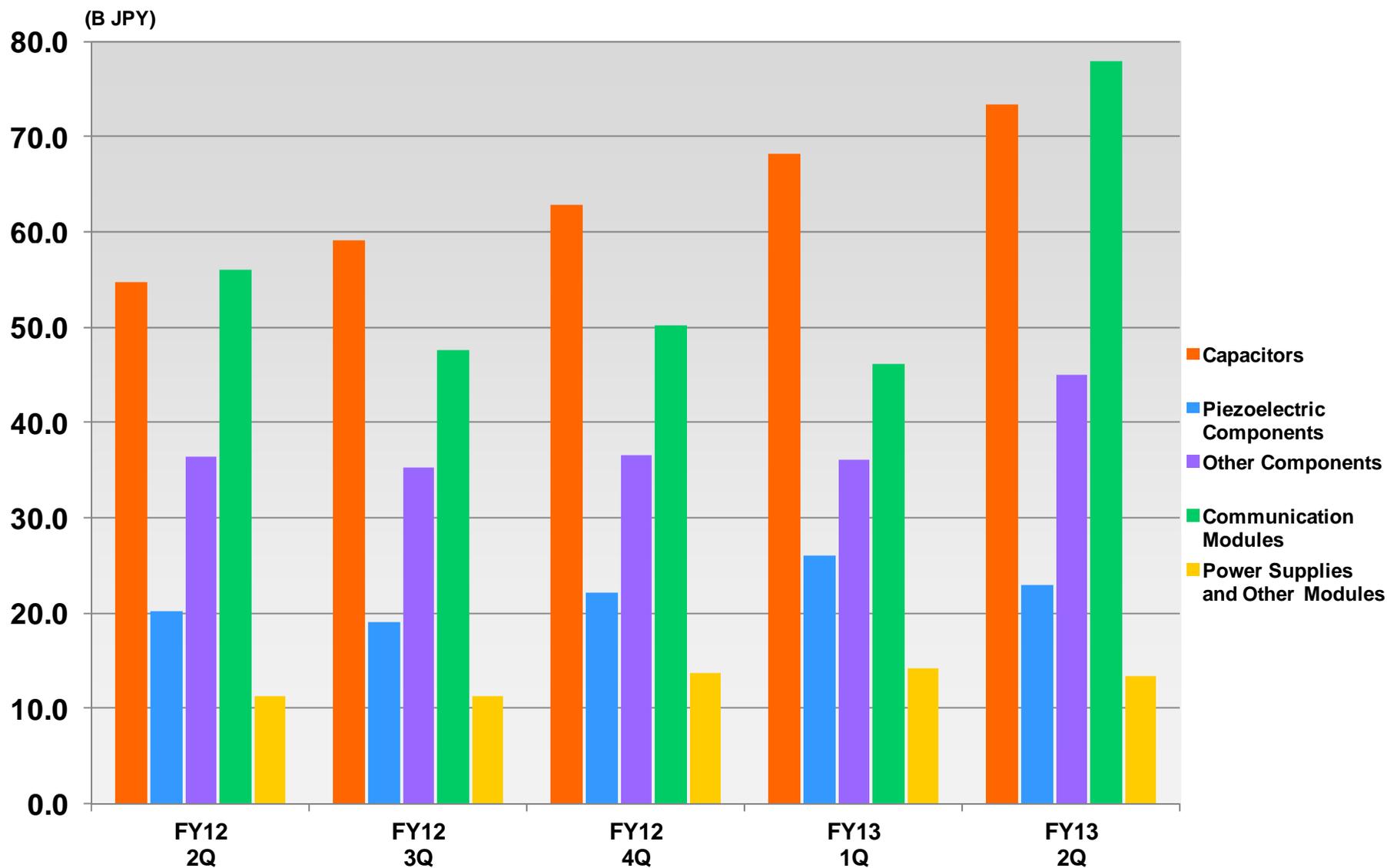
# Breakdown of Operating Income Changes FY13 First Quarter to FY13 Second Quarter



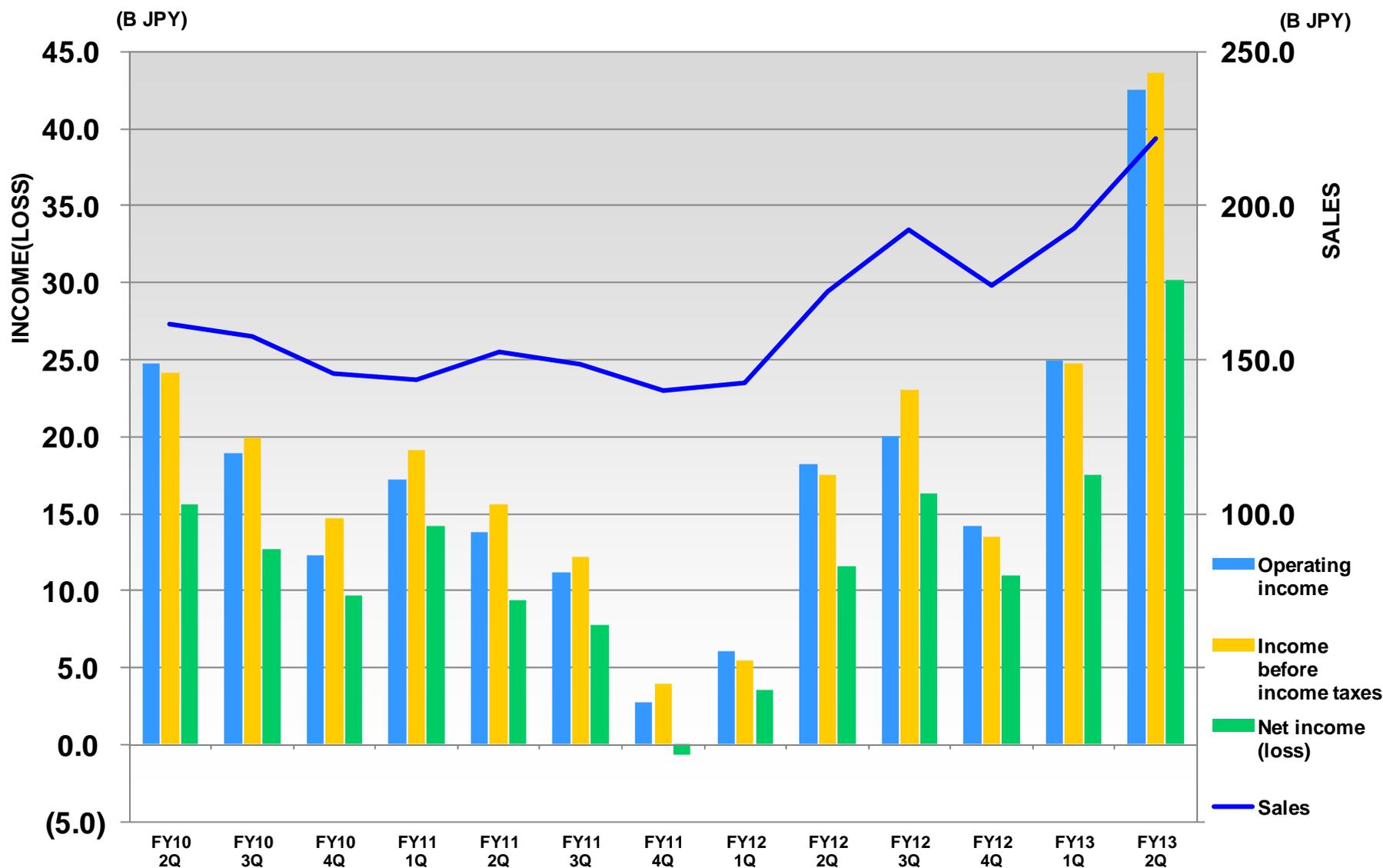
# Quarterly Sales, Order and Backlog



# Orders by Product



# Quarterly Financial Results



## ***2. Projected Financial Results for FY2013***

***(From April 2013 to March 2014)***

# Projection of Demand (Communication)



	FY2012		FY2013 Projection	
<b>Mobile Phones Total (units)</b>	<b>1,640 M</b>	→	<b>1,710 M</b>	<b>+4%</b>
2G	740 M	→	590 M	<b>(21%)</b>
3G	730 M	→	790 M	<b>+8%</b>
LTE	170 M	→	330 M	<b>twice</b>
Smartphones	780 M	→	1,030 M	<b>+32%</b>

# Projection of Demand (PC,AV)



	FY2012		FY2013 Projection	
<b>PCs (units)</b>	<b>460 M</b>	→	<b>460 M</b>	<b>Flat</b> →
Desktop	130 M	→	130 M	<b>Flat</b> →
Notebook	200 M	→	170 M	<b>(15%)</b> ↘
Tablet	140 M	→	160 M	<b>+14%</b> ↗
<b>Flat-Screen TVs (units)</b>	<b>220 M</b>	→	<b>210 M</b>	<b>(5%)</b> ↘

# Projection of Demand (Communication) -Semi Annual Base-



	FY2013 1H		FY2013 2H Projection	
<b>Mobile Phones Total (units)</b>	<b>870 M</b>	→	<b>830 M</b>	<b>(5%)</b>
2G	310 M	→	280 M	<b>(7%)</b>
3G	420 M	→	370 M	<b>(10%)</b>
LTE	150 M	→	180 M	<b>+15%</b>
Smartphones	510 M	→	520 M	<b>+2%</b>

# Projection of Demand (PC,AV) -Semi Annual Base-



	FY2013 1H		FY2013 2H Projection	
<b>PCs (units)</b>	<b>220 M</b>	→	<b>240 M</b>	<b>+12%</b> 
Desktop	70 M	→	60 M	(3%) 
Notebook	90 M	→	80 M	(2%) 
Tablet	70 M	→	100 M	<b>+43%</b> 
<b>Flat-Screen TVs (units)</b>	110 M	→	100 M	(3%) 

# Projected Sales by Product

	FY2013 Projections (Growth Ratio against FY2012)	FY2013 Second Half Projections (Growth Ratio against First Half)
Capacitors	+19%	(3%)
Piezoelectric Components	+11%	(15%)
Other Components	+8%	(9%)
Communication Modules	+36%	+8%
Power Supplies and Other Modules	+18%	Flat
Total	+20%	(2%)

# Projected Sales by Application

	FY2013 Projections (Growth Ratio against FY2012)	FY2013 Second Half Projections (Growth Ratio against First Half)
AV	(5%)	(9%)
Communication	+25%	(3%)
Computers and Peripherals	+10%	+6%
Automotive Electronics	+13%	Flat
Home Electronics and Others	+40%	(18%)
Total	+20%	(2%)

\* Based on our estimate

# Projected Financial Results for FY2013



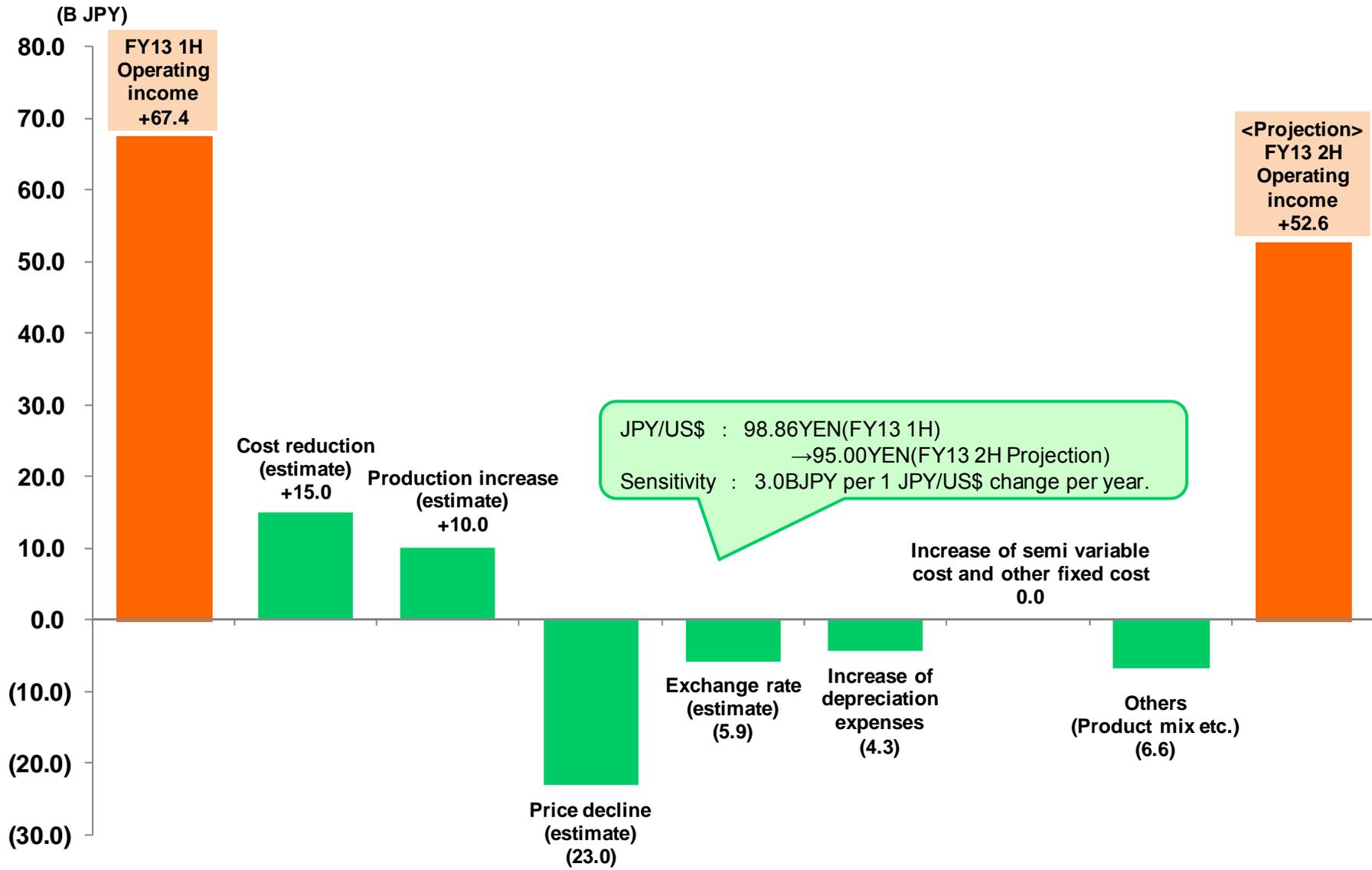
	Previous (April 2013)			Revised (October 2013)					
			FY2013 Projections					FY2013 Projections	
	First Half Projections	Second Half Projections		First Half Results	Second Half Projections			(B JPY)	(%)
	(B JPY)	(B JPY)	(B JPY)	(B JPY)	(%)	(B JPY)	(%)	(B JPY)	(%)
<b>Net sales</b>	380.0	400.0	780.0	414.1	100.0	405.9	100.0	820.0	100.0
<b>Operating income</b>	48.0	52.0	100.0	67.4	16.3	52.6	13.0	120.0	14.6
<b>Income before income taxes</b>	50.0	55.0	105.0	68.3	16.5	54.7	13.5	123.0	15.0
<b>Net income</b>	33.0	37.0	70.0	47.6	11.5	38.4	9.4	86.0	10.5

# Projected Financial Results for FY2013



	FY2013 First Half Results	FY2013 Second Half Projections	FY2013 Projections
Depreciation and amortization	36.3 B JPY	40.7 B JPY	77.0 B JPY
R & D expenses	26.5 B JPY	28.5 B JPY	55.0 B JPY
Capital expenditures	38.8 B JPY	38.2 B JPY	77.0 B JPY
Average exchange rate (JPY/US\$)	98.86	95.00	
Average exchange rate (JPY/EUR)	130.01	125.00	

# Breakdown of Operating Income Changes FY13 First Half to FY13 Second Half Projection



# Dividends per Share

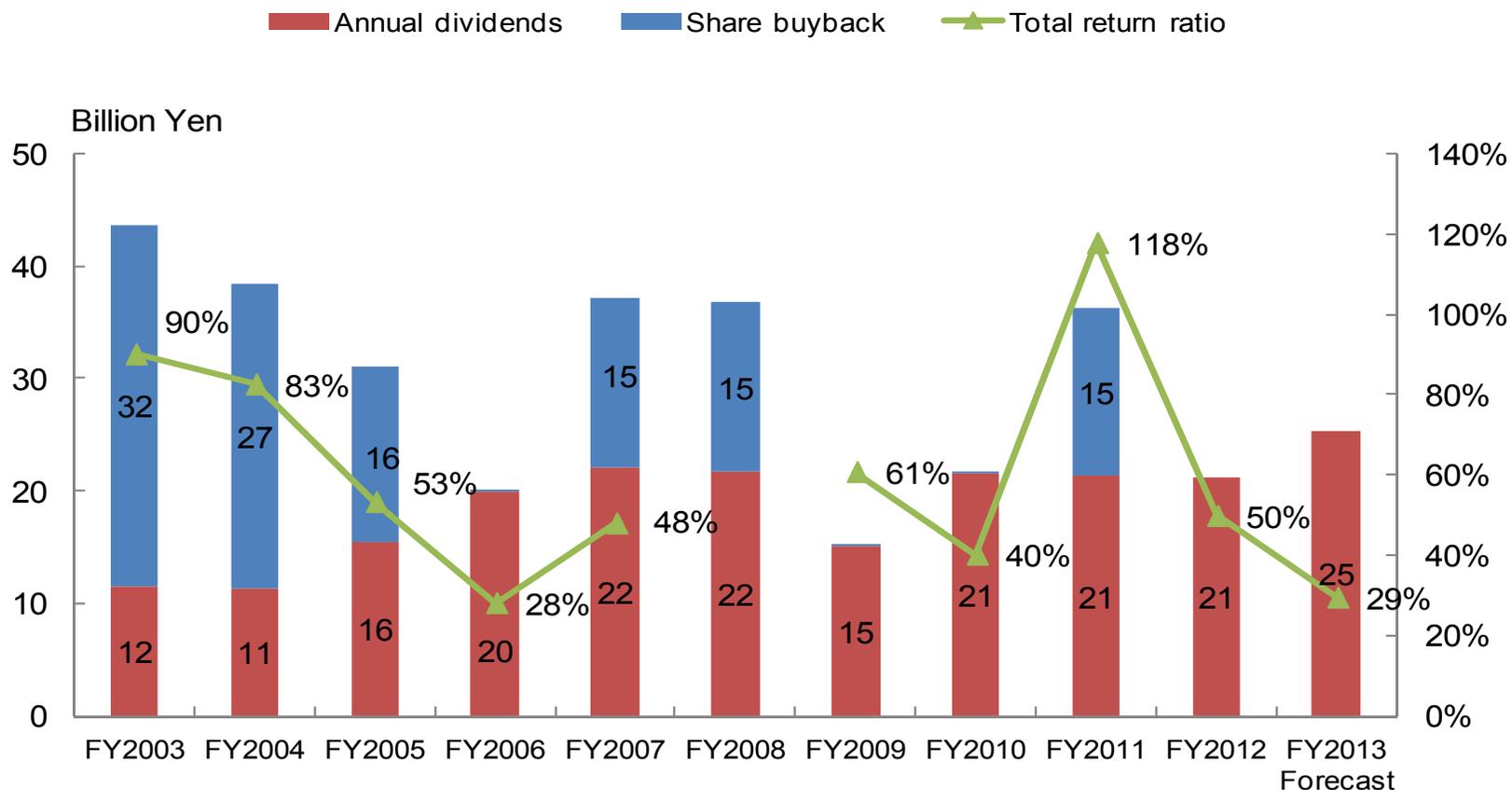


**FY2013 projected annual dividends per share**  
**120 JPY per share**  
**(Interim: 60 JPY per share, Year-end: 60 JPY per share)**

**FY2012 annual dividends per share**  
**100 JPY per share**  
**(Interim: 50 JPY per share, Year-end: 50 JPY per share)**

**Note : The above projections are based on our view of the current business environment and our projections for FY2013.**

# Return to Shareholders



**Our basic policy of profit distribution to shareholders is to prioritize the sharing of gains through payment of dividends, and to steadily raise them by increasing profit per share.**

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 (the "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 devices 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.

The Company undertakes no obligation to publicly update any forward-looking statements included in this report.

