



June 27, 2023

Company name:	Murata Manufacturing Co., Ltd.
Name of representative:	Norio Nakajima President and Representative Director (Code: 6981, Tokyo Stock Exchange Prime market)
Contact:	Mikito Yamada General Manager of Corporate Communication Department (Phone: 075-955-6786)

Re-conclusion of Agreement Relating to Joint Venture Company with Ishihara Sangyo Kaisha, Ltd. and Fuji Titanium Industry Co., Ltd.

A joint venture company was scheduled to be established on June 1, 2023 by Murata Manufacturing Co., Ltd. (hereinafter the “Company”), Ishihara Sangyo Kaisha, Ltd. (head office: Nishi-ku, Osaka; president: Hideo Takahashi; hereinafter “Ishihara Sangyo”), and Fuji Titanium Industry Co., Ltd. (head office: Nishi-ku, Osaka; president: Hideo Nogi; hereinafter “Fuji Titanium”), as per “Notice Regarding Establishment of a Joint Venture Company with Ishihara Sangyo Kaisha, Ltd. and Fuji Titanium Industry Co., Ltd.” dated March 17, 2023. However, in the course of preparation and consultation for final arrangements, it was decided to push back the date of the establishment, so at a meeting of the Company’s Board of Directors, another resolution was passed to conclude a new joint venture agreement with Ishihara Sangyo and Fuji Titanium. Details are as follows.

1. Purpose of Establishment of a Joint Venture Company

Fuji Titanium is one of the Company’s suppliers that manufactures barium titanate, a material used in multilayer ceramic capacitors. Barium titanate, a material used in multilayer ceramic capacitors, is becoming increasingly important in anticipation of further growth in demand for multilayer ceramic capacitors amidst the rapid development of IT devices and the electrification of automobiles.

The joint venture company has a plan to construct a new plant in Nobeoka City, Miyazaki Prefecture, for enhancing the production capacity of barium titanate and will seek to achieve further improvement in quality and productivity by combining the respective manufacturing technologies and know-how that Fuji Titanium and the Company have cultivated.

2. Details of the Joint Venture Agreement and Outline of the Joint Venture Company

The joint venture company will be established whereby Fuji Titanium will execute a company split to separate main assets, liabilities, and other items related to the barium titanate manufacturing business, following which the Company and Ishihara Sangyo will take a 35% and 10% stake, respectively. In the course of preparation and consultation for final arrangements, it became necessary to change the joint

venture agreement concluded on March 17, 2023, so it was decided to cancel the agreement and conclude another joint venture agreement with Ishihara Sangyo and Fuji Titanium. There is no change to the plan to build a new factory in Nobeoka City, Miyazaki Prefecture.

Changes to the outline of the joint venture company are as follows (changes are underlined).

<Before change>

(1) Name	MF Material, Co., Ltd.
(2) Address	Nobeoka City, Miyazaki Prefecture
(3) Name and title of representative	Representative Director Hideo Nogi
(4) Business	Manufacturing and sale of barium titanate, procurement of related raw materials, quality assurance, and quality and productivity improvement operation
(5) Capital	0.1 billion yen
(6) Date of establishment (scheduled)	<u>June</u> 1, 2023
(7) Fiscal year-end	March
(8) Capital contribution ratio	Ishihara Sangyo : Fuji Titanium : the Company = 10% : <u>55</u> % : <u>35</u> %

<After change>

(1) Name	MF Material, Co., Ltd.
(2) Address	Nobeoka City, Miyazaki Prefecture
(3) Name and title of representative	Representative Director Hideo Nogi
(4) Business	Manufacturing and sale of barium titanate, procurement of related raw materials, quality assurance, and quality and productivity improvement operation
(5) Capital	0.1 billion yen
(6) Date of establishment (scheduled)	<u>September</u> 1, 2023
(7) Fiscal year-end	March
(8) Capital contribution ratio	Ishihara Sangyo : Fuji Titanium : the Company = 10% : <u>70</u> % : <u>20</u> %

3. Outline of the Joint Venture Partner

(1) Ishihara Sangyo

① Name	Ishihara Sangyo Kaisha, Ltd.
② Address	3-15 Edobori 1-chome, Nishi-ku, Osaka
③ Name and title of representative	Executive Director Chairman Kenichi Tanaka Executive Director President Hideo Takahashi
④ Business	Manufacture and sales of chemical industrial products in the inorganic chemical field centered on titanium dioxide and the organic chemical field centered on agrochemicals

⑤ Capital	43.4 billion yen		
⑥ Established	June 1, 1949		
⑦ Major shareholders and shareholding ratios (as of March 31, 2023)	The Master Trust Bank of Japan, Ltd. (Trust Account) 12.50% Custody Bank of Japan, Ltd. (Trust Account) 9.64% Mitsui & Co., Ltd. 5.29%		
⑧ Relationship between the Company and Ishihara Sangyo	Capital	Not applicable	
	Personnel	Not applicable	
	Trading	Not applicable	
	Status of applicability to related parties	Not applicable	
⑨ Business results and financial status for the past three years			
Fiscal year	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023
Consolidated net assets	79,515	91,869	97,431
Consolidated total assets	180,021	185,758	201,913
Consolidated net assets per share	1,990.03 yen	2,299.42 yen	2,554.54 yen
Consolidated net sales	101,774	110,955	131,238
Consolidated operating income	5,173	11,557	8,631
Consolidated ordinary income	5,944	13,272	10,349
Profit attributable to owners of parent	3,373	11,690	6,947
Consolidated earnings per share	84.41 yen	292.58 yen	175.75 yen
Dividend per share	18.00 yen	36.00 yen	42.00 yen

(In millions of yen, unless otherwise noted.)

(2) Fuji Titanium

① Name	Fuji Titanium Industry Co., Ltd.
② Address	3-15 Edobori 1-chome, Nishi-ku, Osaka
③ Name and title of representative	President and CEO Hideo Nogi
④ Business	Manufacture and sales of titanium dioxide, barium titanate, etc.
⑤ Capital	1.9 billion yen
⑥ Established	March 12, 1936
⑦ Major shareholders and shareholding ratios	Ishihara Sangyo Kaisha, Ltd. 100.00%

4. Future Outlook

The establishment of the joint venture company is scheduled for September 1, 2023 and will have no impact on the forecast of Company's consolidated financial results for the fiscal year ending March 31, 2024.