

Consolidated Financial Flash Report (December 31, 2011)

Date: January 31, 2012

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 nine months ended December 31, 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	%
Nine months ended December 31, 2011	444,578	(5.9)	42,195	(35.3)	46,949	(30.3)	31,427	(28.3)
Nine months ended December 31, 2010	472,573	19.5	65,179	274.6	67,368	192.1	43,804	212.1

Comprehensive income: 17,248 million yen for the year ended December 31, 2011 and 29,035 million yen for the year ended December 31, 2010

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2011	146.73	146.73
Nine months ended December 31, 2010	204.09	204.09

* 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 December 31, 2011	970,950	801,926	82.6	3,799.20
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	-	-	-
2012 (Projected)	-	-	-	50.00	100.00

*No change in the projected dividends during the three months ended December 31, 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	585,000	(5.3)	48,000	(38.1)	54,000	(34.2)	36,000	(32.7)	168.08

*Projected financial results have been revised during the three months ended December 31, 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 December 31, 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 December 31, 2011 and as of March 31, 2011

Number of treasury stock: 14,185,912 shares as of December 31, 2011 and 10,630,041 shares as of March 31, 2011

Average number of shares outstanding: 214,189,358 shares for the three months ended December 31, 2011 and 214,629,006 shares for the three months ended December 31, 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 December 31, 2011)

1. Business Results

(1) Business Environment

In the global economic environment during the nine months ended December 31, 2011, a business outlook for the future is getting more and more uncertain, reflecting slow economic growth owing to financial instability in the euro-zone and monetary tightening in China, disruption in supply chains from Thai floods, and continued strong yen, while supply chain disturbances from the Great East Japan Earthquake have been resolved 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 vehicle production showed steady growth from a downturn after the earthquake.

Under these market circumstances, the Company has continued to take cost reduction actions such as the streamlining of the production processes and the comprehensive reduction of fixed costs. In order to accomplish its Three-year Mid-term Business Plan, which started from the previous fiscal year, the Company has advanced the following measures:

- the purchase of VTI Technologies Oy*¹ and the high-power amplifier business of Renesas Electronics Corporation*² to expand business opportunities in the core markets and the new markets,
- the increase of sales offices in India and inland China to strengthen sales forces in the emerging markets, and
- the establishment of a manufacturing subsidiary in Philippines as well as the increase of production capacity in Wuxi and Shenzhen, China, and Chiang Mai, Thailand, aiming at the expansion of the production capacity outside Japan.

*¹ This acquisition was closed on January 30, 2012.

*² As of January 31, 2012, this acquisition is pending permission and authorization stipulated by laws and regulations of each country.

(2) Consolidated Results Overview

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

	Millions of yen					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*		%*		%
Net sales	472,573	100.0	444,578	100.0	(27,995)	(5.9)
Operating income	65,179	13.8	42,195	9.5	(22,984)	(35.3)
Income before income taxes	67,368	14.3	46,949	10.6	(20,419)	(30.3)
Net income	43,804	9.3	31,427	7.1	(12,377)	(28.3)
Average exchange rates (Yen/U.S. dollar)	86.85	-	79.00	-	(7.85)	-
Average exchange rates (Yen/EURO)	113.31	-	110.62	-	(2.69)	-

*Ratio to net sales

Net sales for the nine-month period under review decreased to 444,578 million yen, down 5.9% from the nine months ended December 31, 2010. Operating income was 42,195 million yen, down 35.3%, income before income taxes was 46,949 million yen, down 30.3%, and net income was 31,427 million yen, down 28.3%, 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 7.85 yen from the same period of 2010, while there was a positive factor 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					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*		%*		%
Capacitors	167,881	35.7	159,849	36.1	(8,032)	(4.8)
Piezoelectric Components	66,182	14.0	59,283	13.4	(6,899)	(10.4)
Other Components	89,124	18.9	85,250	19.3	(3,874)	(4.3)
Components Total	323,187	68.6	304,382	68.8	(18,805)	(5.8)
Communication Modules	107,704	22.9	101,008	22.8	(6,696)	(6.2)
Power Supplies and Other Modules	39,908	8.5	37,322	8.4	(2,586)	(6.5)
Modules Total	147,612	31.4	138,330	31.2	(9,282)	(6.3)
Net sales	470,799	100.0	442,712	100.0	(28,087)	(6.0)

*Component ratio

<Components>

Sales of Components for the period under review decreased by 5.8% year-on-year to 304,382 million yen.

[Capacitors]

The Capacitors category includes multilayer ceramic capacitors (MLCCs).

For the period under review, sales of MLCCs, the main product in this category, declined because sales were sluggish for AV devices, and computers and peripherals although sales for mobile phones and automotive electronics recorded healthy 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 4.8% year-on-year to 159,849 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 increased slightly in value terms owing to price decline and the appreciation of the yen. Sales of ceramic resonators declined for all applications. Piezoelectric sensors suffered a large drop in sales of shock sensors because Thai floods caused significant decline in sales of hard disk drives.

As a result, overall net sales decreased by 10.4% year-on-year to 59,283 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 and communication devices dropped although sales for computers and peripherals, and automotive electronics remained strong. Sales of inductors (coils) showed steady growth for mobile phones and automotive electronics. Sales of connectors grew greatly for mobile phones and tablet devices.

As a result, overall net sales decreased by 4.3% year-on-year to 85,250 million yen.

<Modules>

Sales of Modules for the period under review decreased by 6.3% year-on-year to 138,330 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 for smartphones and tablet devices although sales

decreased for portable media players and automotive electronics. Sales of multilayer ceramic devices dropped for mobile communication devices, and computers and peripherals.

As a result, overall net sales posted a year-on-year decrease of 6.2% to 101,008 million yen.

[Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies dropped because of sluggish sales for all applications but AV devices and automotive electronics.

As a result, overall net sales posted a year-on-year decrease of 6.5% to 37,322 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 December 31, 2011 decreased by 38,223 million yen from March 31, 2011 to 350,589 million yen, and inventories increased by 13,944 million yen to 124,394 million yen. As a result, total assets as of December 31, 2011 decreased by 17,558 million yen from the end of the previous fiscal year to 970,950 million yen.

The ratio of shareholders' equity to total assets decreased by 0.5 percentage points from the end of the previous fiscal year to 82.6% as of December 31, 2011.

Cash flows for the period under review are as follows.

	Millions of yen		
	Nine months ended December 31, 2010	Nine months ended December 31, 2011	Change
Operating activities	68,042	27,302	(40,740)
Investing activities	(85,211)	(13,801)	71,410
Financing activities	(15,217)	(7,742)	7,475
Effect of exchange rate changes on cash and cash equivalents	(2,789)	(1,810)	979
Net increase (decrease) in cash and cash equivalents	(35,175)	3,949	39,124
Cash and cash equivalents at end of period	73,602	66,969	(6,633)

	Millions of yen		
	As of December 31, 2010	As of December 31, 2011	Change
Cash and cash equivalents at end of period	73,602	66,969	(6,633)
Short-term investments with the original maturities over three months	9,479	14,181	4,702
Available-for-sale securities (Governmental and Private debt securities)	283,254	263,439	(19,815)
Long-term deposits	6,000	6,000	-
Liquidity in hand	372,335	350,589	(21,746)

< Net Cash Provided by Operating Activities >

For the period under review, net cash provided by operating activities was 27,302 million yen. As for the details, net income was 31,427 million yen, and depreciation and amortization were 44,170 million yen, while income taxes payable decreased by 22,192 million yen and inventories increased by 16,269 million yen.

Net cash provided by operating activities decreased by 40,740 million yen from the nine months ended December 31, 2010.

< Net Cash Used in Investing Activities >

For the period under review, net cash used in investing activities was 13,801 million yen. While cash inflows from maturities and sales of marketable securities, investments and other were 67,827 million yen, cash outflows from capital expenditures were 49,241 million yen and those from payment for purchases of marketable securities, investments and other were 38,708 million yen.

Net cash used in investing activities increased by 71,410 million yen from the nine months ended December 31, 2010.

< Net Cash Used in Financing Activities >

For the period under review, net cash used in financing activities was 7,742 million yen. While cash inflows from increase of short-term borrowings was 24,685 million yen, cash outflows from payment for dividends were 21,463 million yen and those from payment for purchases of treasury stock were 15,003 million yen.

Net cash used in financing activities decreased by 7,475 million yen from the nine months ended December 31, 2010.

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

As for the global economic conditions for the nine months of this fiscal year, in addition to the economic stagnation in developed countries and the euro-zone's financial instability, 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 October 31, 2011, have been revised downward as per the table below.

		Consolidated Basis	
		Previous Projections Announced on October 31, 2011	Revised Projections
Net sales	Millions of yen	600,000	585,000
	< % > *1	< 9.3 >	< 8.2 >
Operating income	Millions of yen	56,000	48,000
	< % > *1	< 10.3 >	< 9.2 >
Income before income taxes	Millions of yen	62,000	54,000
	< % > *1	< 7.0 >	< 6.2 >
Net income	Millions of yen	42,000	36,000
Capital expenditures	Millions of yen	70,000	70,000
	< % > *1	< 10.2 >	< 10.4 >
Depreciation and amortization	Millions of yen	61,000	61,000
	< % > *1	< 6.7 >	< 6.8 >
R & D expenses	Millions of yen	40,000	40,000

*1 Ratio to net sales

*2 Assumed exchange rates for the three months ending March 31, 2012: JPY77/USD, JPY100/EUR

[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 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.

4. Other

(1) Adoption of simplified and specifically applied accounting method

Income tax expense for the nine months ended December 31, 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 December 31, 2011

	Millions of Yen			
	As of March 31, 2011		As of December 31, 2011	
		%		%
Assets	988,508	100.0	970,950	100.0
Current assets	412,233	41.7	424,120	43.7
Cash	48,880		56,382	
Short-term investments	35,445		24,768	
Marketable securities	66,121		65,653	
Trade notes receivable	1,447		1,097	
Trade accounts receivable	122,852		121,290	
Allowance for doubtful notes and accounts	(996)		(763)	
Inventories	110,450		124,394	
Deferred income taxes	19,743		13,658	
Prepaid expenses and other	8,291		17,641	
Property, plant and equipment	283,988	28.7	291,020	30.0
Land	44,125		44,502	
Buildings	274,188		278,553	
Machinery and equipment	586,831		608,232	
Construction in progress	22,607		25,058	
Accumulated depreciation	(643,763)		(665,325)	
Investments and other assets	292,287	29.6	255,810	26.3
Investments in affiliates	-		3,146	
Investments	244,609		207,821	
Deferred income taxes	9,680		10,750	
Other	37,998		34,093	
Total assets	988,508	100.0	970,950	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 December 31, 2011

	Millions of Yen			
	As of March 31, 2011		As of December 31, 2011	
		%		%
Liabilities	167,364	16.9	169,024	17.4
Current liabilities	110,589	11.2	108,253	11.1
Short-term borrowings	7,841		32,131	
Trade accounts payable	33,598		30,594	
Accrued payroll and bonuses	22,663		14,445	
Income taxes payable	24,623		2,270	
Accrued expenses and other	21,864		28,813	
Long-term liabilities	56,775	5.7	60,771	6.3
Long-term debt	1,047		5,316	
Termination and retirement benefits	53,755		54,299	
Deferred income taxes	767		303	
Other	1,206		853	
Shareholders' equity	821,144	83.1	801,926	82.6
Common stock	69,377		69,377	
Capital surplus	102,396		102,396	
Retained earnings	733,862		743,826	
Accumulated other comprehensive loss :	(36,432)		(50,611)	
Unrealized gains (losses) on securities	2,535		(1,200)	
Pension liability adjustments	(422)		(510)	
Unrealized gains (losses) on derivative instruments	(34)		4	
Foreign currency translation adjustments	(38,511)		(48,905)	
Treasury stock, at cost	(48,059)		(63,062)	
Total liabilities and shareholders' equity	988,508	100.0	970,950	100.0

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

Consolidated Statements of Income

Nine months ended December 31, 2010 and 2011

	Millions of Yen			
	Nine months ended December 31, 2010		Nine months ended December 31, 2011	
		%		%
Net sales	472,573	100.0	444,578	100.0
Cost of sales	314,492	66.5	309,482	69.6
Selling, general and administrative	63,176	13.4	62,709	14.1
Research and development	29,726	6.3	30,192	6.8
Operating income	65,179	13.8	42,195	9.5
Interest and dividend income	3,263	0.7	3,742	0.8
Interest expense	(36)	(0.0)	(69)	(0.0)
Foreign currency exchange gain (loss)	(1,826)	(0.4)	706	0.2
Other - net	788	0.2	375	0.1
Income before income taxes	67,368	14.3	46,949	10.6
Income taxes	23,564	5.0	16,869	3.8
<Current income tax>	<21,950>		<9,746>	
<Deferred income tax>	<1,614>		<7,123>	
Equity in earnings of affiliates	-	-	1,347	0.3
Net income	43,804	9.3	31,427	7.1

"Gain from a bargain purchase" in Equity in earnings of affiliates for the Nine months ended December 31, 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

Nine months ended December 31, 2010 and 2011

	Millions of Yen	
	Nine months ended December 31, 2010	Nine months ended December 31, 2011
Net income	43,804	31,427
Other comprehensive income (loss), net of tax :		
Unrealized losses on securities	(130)	(3,735)
Pension liability adjustments	(308)	(88)
Unrealized gains on derivative instruments	621	38
Foreign currency translation adjustments	(14,952)	(10,394)
Other comprehensive loss	(14,769)	(14,179)
Comprehensive income	29,035	17,248

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

Three months ended December 31, 2010 and 2011

	Millions of Yen			
	Three months ended December 31, 2010		Three months ended December 31, 2011	
		%		%
Net sales	157,584	100.0	148,672	100.0
Cost of sales	108,473	68.8	106,131	71.4
Selling, general and administrative	20,711	13.2	21,215	14.3
Research and development	9,477	6.0	10,155	6.8
Operating income	18,923	12.0	11,171	7.5
Interest and dividend income	1,268	0.8	1,150	0.8
Interest expense	(16)	(0.0)	(35)	(0.0)
Foreign currency exchange loss	(930)	(0.6)	(260)	(0.2)
Other - net	661	0.4	204	0.1
Income before income taxes	19,906	12.6	12,230	8.2
Income taxes	7,168	4.5	4,401	3.0
<Current income tax>	<4,545>		<(1,392)>	
<Deferred income tax>	<2,623>		<5,793>	
Equity in losses of affiliates	-	-	(71)	(0.0)
Net income	12,738	8.1	7,758	5.2

Consolidated Statements of Comprehensive Income

Three months ended December 31, 2010 and 2011

	Millions of Yen	
	Three months ended December 31, 2010	Three months ended December 31, 2011
Net income	12,738	7,758
Other comprehensive income (loss), net of tax :		
Unrealized gains (losses) on securities	280	(749)
Pension liability adjustments	(98)	(21)
Unrealized gains on derivative instruments	265	50
Foreign currency translation adjustments	(3,470)	875
Other comprehensive income (loss)	(3,023)	155
Comprehensive income	9,715	7,913

(3) Consolidated Statements of Cash Flows

Nine months ended December 31, 2010 and 2011

	Millions of Yen			
	Nine months ended December 31, 2010		Nine months ended December 31, 2011	
Operating activities:				
Net income		43,804		31,427
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	44,994		44,170	
Losses on sales and disposals of property, plant and equipment	211		602	
Provision for termination and retirement benefits, less payments	1,689		546	
Deferred income taxes	1,614		7,123	
Equity in earnings of affiliates	-		(1,347)	
Changes in assets and liabilities:				
Increase in trade notes and accounts receivable	(25,153)		(3,906)	
Increase in inventories	(17,556)		(16,269)	
Increase in prepaid expenses and other	(2,706)		(9,510)	
Increase (Decrease) in trade notes and accounts payable	4,484		(2,731)	
Decrease in accrued payroll and bonuses	(5,672)		(8,096)	
Increase (Decrease) in income taxes payable	15,307		(22,192)	
Increase in accrued expenses and other	7,750		6,091	
Other-net	(724)	24,238	1,394	(4,125)
Net cash provided by operating activities		68,042		27,302
Investing activities:				
Capital expenditures		(37,021)		(49,241)
Payment for purchases of marketable securities, investments and other		(92,231)		(38,708)
Maturities and sales of marketable securities, investments and other		37,441		67,827
Decrease in short-term investments		12,417		7,124
Increase in investments in affiliates		-		(1,140)
Other		(5,817)		337
Net cash used in investing activities		(85,211)		(13,801)
Financing activities:				
Net increase in short-term borrowings		3,148		24,685
Proceeds from long-term debt		-		4,375
Dividends paid		(18,243)		(21,463)
Payment for purchases of treasury stock		(16)		(15,003)
Other		(106)		(336)
Net cash used in financing activities		(15,217)		(7,742)
Effect of exchange rate changes on cash and cash equivalents		(2,789)		(1,810)
Net increase (decrease) in cash and cash equivalents		(35,175)		3,949
Cash and cash equivalents at beginning of period		108,777		63,020
Cash and cash equivalents at end of period		73,602		66,969
Additional cash and cash equivalents information:				
Cash		58,483		56,382
Short-term investments		24,598		24,768
Short-term investments with the original maturities over three months		(9,479)		(14,181)
Cash and cash equivalents at end of period		73,602		66,969

	Millions of Yen	
	As of December 31, 2010	As of December 31, 2011
Cash and cash equivalents at end of period	73,602	66,969
Short-term investments with the original maturities over three months	9,479	14,181
Available-for-sale securities (Governmental and Private debt securities)	283,254	263,439
Long-term deposits	6,000	6,000
Liquidity in hand	372,335	350,589

(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.

Nine months ended December 31, 2010 and 2011

		Millions of Yen			
		Nine months ended December 31, 2010		Nine months ended December 31, 2011	
Components	Sales to :		%		%
	Unaffiliated customers	323,187		304,382	
	Intersegment	7,741		7,795	
	Total revenue	330,928	100.0	312,177	100.0
	Segment income	74,935	22.6	53,699	17.2
Modules	Sales to :		%		%
	Unaffiliated customers	147,612		138,330	
	Intersegment	397		205	
	Total revenue	148,009	100.0	138,535	100.0
	Segment income	12,464	8.4	11,056	8.0
Others	Sales to :		%		%
	Unaffiliated customers	1,774		1,866	
	Intersegment	18,234		25,909	
	Total revenue	20,008	100.0	27,775	100.0
	Segment income	2,168	10.8	3,330	12.0
Corporate and eliminations	Sales to :		%		%
	Unaffiliated customers	-		-	
	Intersegment	(26,372)		(33,909)	
	Total revenue	(26,372)	-	(33,909)	-
	Corporate expenses	(24,388)	-	(25,890)	-
Consolidated	Sales to :		%		%
	Unaffiliated customers	472,573		444,578	
	Intersegment	-		-	
	Total revenue	472,573	100.0	444,578	100.0
	Operating income	65,179	13.8	42,195	9.5

Three months ended December 31, 2010 and 2011

		Millions of Yen			
		Three months ended December 31, 2010		Three months ended December 31, 2011	
Components	Sales to :		%		%
	Unaffiliated customers	102,663		97,521	
	Intersegment	2,443		3,563	
	Total revenue	105,106	100.0	101,084	100.0
	Segment income	21,128	20.1	13,930	13.8
Modules	Sales to :		%		%
	Unaffiliated customers	54,287		50,474	
	Intersegment	99		81	
	Total revenue	54,386	100.0	50,555	100.0
	Segment income	4,412	8.1	5,270	10.4
Others	Sales to :		%		%
	Unaffiliated customers	634		677	
	Intersegment	7,414		8,915	
	Total revenue	8,048	100.0	9,592	100.0
	Segment income	1,075	13.4	1,247	13.0
Corporate and eliminations	Sales to :		%		%
	Unaffiliated customers	-		-	
	Intersegment	(9,956)		(12,559)	
	Total revenue	(9,956)	-	(12,559)	-
	Corporate expenses	(7,692)	-	(9,276)	-
Consolidated	Sales to :		%		%
	Unaffiliated customers	157,584		148,672	
	Intersegment	-		-	
	Total revenue	157,584	100.0	148,672	100.0
	Operating income	18,923	12.0	11,171	7.5

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

January 31, 2012
Murata Manufacturing Co., Ltd.
Listing Code : 6981
(URL <http://www.murata.com/>)

Flash Report (Nine months ended December 31, 2011)

Selected Financial Data

Nine months ended December 31, 2010 and 2011 / As of December 31, 2010 and 2011

		Consolidated Basis			Parent Co. Basis		
		2010	2011	Growth ratio	2010	2011	Growth ratio
Net sales	Millions of yen	472,573	444,578	(5.9)	415,884	379,206	(8.8)
Operating income	<*> ³ Millions of yen	<13.8> 65,179	<9.5> 42,195	(35.3)	<3.8> 15,632	<0.8> 3,218	(79.4)
Income before income taxes (and extraordinary items) *2	<*> ³ Millions of yen	<14.3> 67,368	<10.6> 46,949	(30.3)	<6.5> 26,901	<4.7> 17,811	(33.8)
Net income	<*> ³ Millions of yen	<9.3> 43,804	<7.1> 31,427	(28.3)	<5.3> 22,126	<4.1> 15,368	(30.5)
Total assets	Millions of yen	963,796	970,950	0.7	621,065	596,700	(3.9)
Shareholders' equity	Millions of yen	811,634	801,926	(1.2)	403,286	380,637	(5.6)
Shareholders' equity ratio	%	84.2	82.6	-	64.9	63.8	-
Basic earnings per share	Yen	204.09	146.73	(28.1)	103.09	71.75	(30.4)
Diluted earnings per share	Yen	204.09	146.73	(28.1)	-	-	-
Shareholders' equity per share	Yen	3,781.61	3,799.20	-	1,879.02	1,803.30	-
Capital expenditures	Millions of yen	37,021	49,241	33.0	5,575	8,521	52.8
Depreciation and amortization	<*> Millions of yen	<9.5> 44,994	<9.9> 44,170	(1.8)	<3.5> 14,000	<3.3> 12,266	(12.4)
R & D expenses	<*> Millions of yen	<6.3> 29,726	<6.8> 30,192	1.6	<6.2> 24,995	<8.5> 31,586	26.4
Number of employees	*6	<13,131> 35,301	<13,634> 35,643	1.0	6,975	6,947	(0.4)
Average exchange rates Yen/US dollar	Yen	86.85	79.00	-			
Yen/EURO	Yen	113.31	110.62	-			

Three months ended December 31, 2010 and 2011

		Consolidated Basis			Parent Co. Basis		
		2010	2011	Growth ratio	2010	2011	Growth ratio
Net sales	Millions of yen	157,584	148,672	(5.7)	138,532	124,205	(10.3)
Operating income (loss)	<*> ³ Millions of yen	<12.0> 18,923	<7.5> 11,171	(41.0)	<3.8> 5,282	<(0.4)> (533)	-
Income before income taxes (and extraordinary items) *2	<*> ³ Millions of yen	<12.6> 19,906	<8.2> 12,230	(38.6)	<7.5> 10,379	<5.1> 6,293	(39.4)
Net income	<*> ³ Millions of yen	<8.1> 12,738	<5.2> 7,758	(39.1)	<6.5> 8,963	<3.9> 4,864	(45.7)
Basic earnings per share	Yen	59.35	36.37	(38.7)	41.76	22.80	(45.4)
Diluted earnings per share	Yen	59.35	36.37	(38.7)	-	-	-
Capital expenditures	Millions of yen	16,176	15,568	(3.8)	2,011	2,854	41.9
Depreciation and amortization	<*> Millions of yen	<9.9> 15,582	<10.5> 15,622	0.3	<3.4> 4,548	<3.5> 4,285	(5.8)
R & D expenses	<*> Millions of yen	<6.0> 9,477	<6.8> 10,155	7.2	<5.9> 7,944	<8.8> 10,734	35.1

*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 October, 2011	Revised Projections
Net sales	Millions of yen	600,000	585,000
Operating income	<%>*1 Millions of yen	<9.3> 56,000	<8.2> 48,000
Income before income taxes	<%>*1 Millions of yen	<10.3> 62,000	<9.2> 54,000
Net income	<%>*1 Millions of yen	<7.0> 42,000	<6.2> 36,000
Basic earnings per share	Yen	195.68	168.08
Capital expenditures	Millions of yen	70,000	70,000
Depreciation and amortization	<%>*1 Millions of yen	<10.2> 61,000	<10.4> 61,000
R & D expenses	<%>*1 Millions of yen	<6.7> 40,000	<6.8> 40,000

*1 Ratio to net sales

*2 The revised projections are based on the assumed average exchange rates of Yen 77 per US\$ and Yen 100 per Euro for the three months ending March 31, 2012.

*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>

Nine months ended December 31, 2010 and 2011

	Millions of Yen					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*1		%*1		%
Capacitors	162,868	34.1	150,098	35.6	(12,770)	(7.8)
Piezoelectric Components	66,748	14.0	55,850	13.2	(10,898)	(16.3)
Other Components	89,115	18.7	81,607	19.3	(7,508)	(8.4)
Components Total	318,731	66.8	287,555	68.1	(31,176)	(9.8)
Communication Modules	118,981	24.9	96,764	22.9	(22,217)	(18.7)
Power Supplies and Other Modules	39,641	8.3	37,929	9.0	(1,712)	(4.3)
Modules Total	158,622	33.2	134,693	31.9	(23,929)	(15.1)
Total	477,353	100.0	422,248	100.0	(55,105)	(11.5)

Three months ended December 31, 2010 and 2011

	Millions of Yen					
	Three months ended December 31, 2010		Three months ended December 31, 2011		Change	
		%*1		%*1		%
Capacitors	49,406	30.8	47,172	33.7	(2,234)	(4.5)
Piezoelectric Components	21,479	13.4	18,221	13.0	(3,258)	(15.2)
Other Components	28,565	17.8	26,260	18.8	(2,305)	(8.1)
Components Total	99,450	62.0	91,653	65.5	(7,797)	(7.8)
Communication Modules	48,172	30.1	35,681	25.5	(12,491)	(25.9)
Power Supplies and Other Modules	12,658	7.9	12,526	9.0	(132)	(1.0)
Modules Total	60,830	38.0	48,207	34.5	(12,623)	(20.8)
Total	160,280	100.0	139,860	100.0	(20,420)	(12.7)

*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 December 31, 2011		Change	
		%*1		%*1		%
Capacitors	28,133	34.9	18,382	30.5	(9,751)	(34.7)
Piezoelectric Components	10,741	13.3	7,308	12.2	(3,433)	(32.0)
Other Components	14,489	17.9	10,846	18.0	(3,643)	(25.1)
Components Total	53,363	66.1	36,536	60.7	(16,827)	(31.5)
Communication Modules	22,353	27.7	18,109	30.1	(4,244)	(19.0)
Power Supplies and Other Modules	4,968	6.2	5,575	9.2	607	12.2
Modules Total	27,321	33.9	23,684	39.3	(3,637)	(13.3)
Total	80,684	100.0	60,220	100.0	(20,464)	(25.4)

*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

Nine months ended December 31, 2010 and 2011

	Millions of Yen					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*1		%*1		%
Capacitors	167,881	35.7	159,849	36.1	(8,032)	(4.8)
Piezoelectric Components	66,182	14.0	59,283	13.4	(6,899)	(10.4)
Other Components	89,124	18.9	85,250	19.3	(3,874)	(4.3)
Components Total	323,187	68.6	304,382	68.8	(18,805)	(5.8)
Communication Modules	107,704	22.9	101,008	22.8	(6,696)	(6.2)
Power Supplies and Other Modules	39,908	8.5	37,322	8.4	(2,586)	(6.5)
Modules Total	147,612	31.4	138,330	31.2	(9,282)	(6.3)
Net sales	470,799	100.0	442,712	100.0	(28,087)	(6.0)

Three months ended December 31, 2010 and 2011

	Millions of Yen					
	Three months ended December 31, 2010		Three months ended December 31, 2011		Change	
		%*1		%*1		%
Capacitors	53,709	34.2	49,950	33.8	(3,759)	(7.0)
Piezoelectric Components	20,165	12.9	19,716	13.3	(449)	(2.2)
Other Components	28,789	18.3	27,855	18.8	(934)	(3.2)
Components Total	102,663	65.4	97,521	65.9	(5,142)	(5.0)
Communication Modules	41,806	26.6	38,514	26.0	(3,292)	(7.9)
Power Supplies and Other Modules	12,481	8.0	11,960	8.1	(521)	(4.2)
Modules Total	54,287	34.6	50,474	34.1	(3,813)	(7.0)
Net sales	156,950	100.0	147,995	100.0	(8,955)	(5.7)

*1 Component ratio

*2 Exclusive of consumption taxes

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

Nine months ended December 31, 2010 and 2011

	Millions of Yen					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*1		%*1		%
AV	64,934	13.8	47,344	10.7	(17,590)	(27.1)
Communications	204,537	43.4	200,587	45.3	(3,950)	(1.9)
Computers and Peripherals	86,562	18.4	81,577	18.4	(4,985)	(5.8)
Automotive Electronics	59,139	12.6	61,486	13.9	2,347	4.0
Home and Others	55,627	11.8	51,718	11.7	(3,909)	(7.0)
Net sales	470,799	100.0	442,712	100.0	(28,087)	(6.0)

Three months ended December 31, 2010 and 2011

	Millions of Yen					
	Three months ended December 31, 2010		Three months ended December 31, 2011		Change	
		%*1		%*1		%
AV	22,000	14.0	14,772	10.0	(7,228)	(32.9)
Communications	72,008	45.9	73,194	49.4	1,186	1.6
Computers and Peripherals	27,035	17.2	24,675	16.7	(2,360)	(8.7)
Automotive Electronics	19,657	12.5	21,643	14.6	1,986	10.1
Home and Others	16,250	10.4	13,711	9.3	(2,539)	(15.6)
Net sales	156,950	100.0	147,995	100.0	(8,955)	(5.7)

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

Nine months ended December 31, 2010 and 2011

	Millions of Yen					
	Nine months ended December 31, 2010		Nine months ended December 31, 2011		Change	
		%*1		%*1		%
The Americas	35,900	7.6	31,329	7.1	(4,571)	(12.7)
Europe	51,584	10.9	48,115	10.9	(3,469)	(6.7)
Greater China	227,364	48.3	220,787	49.9	(6,577)	(2.9)
Asia and Others	81,731	17.4	80,391	18.1	(1,340)	(1.6)
Overseas total	396,579	84.2	380,622	86.0	(15,957)	(4.0)
Japan	74,220	15.8	62,090	14.0	(12,130)	(16.3)
Net sales	470,799	100.0	442,712	100.0	(28,087)	(6.0)

Three months ended December 31, 2010 and 2011

	Millions of Yen					
	Three months ended December 31, 2010		Three months ended December 31, 2011		Change	
		%*1		%*1		%
The Americas	10,818	6.9	9,442	6.4	(1,376)	(12.7)
Europe	16,067	10.2	13,244	8.9	(2,823)	(17.6)
Greater China	77,088	49.1	79,161	53.5	2,073	2.7
Asia and Others	27,739	17.7	25,824	17.5	(1,915)	(6.9)
Overseas total	131,712	83.9	127,671	86.3	(4,041)	(3.1)
Japan	25,238	16.1	20,324	13.7	(4,914)	(19.5)
Net sales	156,950	100.0	147,995	100.0	(8,955)	(5.7)

*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	
Net sales	153,672	% *1 100.0	161,317	% *1 100.0	157,584	% *1 100.0	145,381	% *1 100.0
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		Three months ended December 31, 2011	
Net sales	143,232	% *1 100.0	152,674	% *1 100.0	148,672	% *1 100.0
Operating income	17,233	12.0	13,791	9.0	11,171	7.5
Income before income taxes	19,109	13.3	15,610	10.2	12,230	8.2
Net income	14,240	9.9	9,429	6.2	7,758	5.2

*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	
Capacitors	54,902	% *1 35.9	59,270	% *1 36.9	53,709	% *1 34.2	53,546	% *1 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		Three months ended December 31, 2011	
Capacitors	55,838	% *1 39.1	54,061	% *1 35.5	49,950	% *1 33.8
Piezoelectric Components	19,112	13.4	20,455	13.5	19,716	13.3
Other Components	28,182	19.8	29,213	19.2	27,855	18.8
Components Total	103,132	72.3	103,729	68.2	97,521	65.9
Communication Modules	27,263	19.1	35,231	23.2	38,514	26.0
Power Supplies and Other Modules	12,256	8.6	13,106	8.6	11,960	8.1
Modules Total	39,519	27.7	48,337	31.8	50,474	34.1
Net sales	142,651	100.0	152,066	100.0	147,995	100.0

*1 Component ratio

*2 Exclusive of consumption taxes