

Flash Report (Nine months ended December 31, 2002)

Notes: 1. The consolidated statements are based on U.S. GAAP.
2. Quarterly figures are unaudited.

Selected Financial Data on Consolidated Basis

Nine months ended December 31, 2002 / As of December 31, 2002

		Consolidated Basis	Parent Co. Basis
Net sales	Millions of yen	298,826	236,862
	<%>*2	<15.0>	<3.9>
Operating income	Millions of yen	44,957	9,151
Income before income taxes (and extraordinary item) *1	Millions of yen	45,309	18,759
	<%>*2	<15.2>	<7.9>
Net income	Millions of yen	28,538	17,406
	<%>*2	<9.6>	<7.3>
Total assets	Millions of yen	833,598	484,701
Shareholders' equity	Millions of yen	703,090	418,067
Shareholders' equity ratio	%	84.3	86.3
Basic earnings per share	Yen	117.63	71.75
Diluted earnings per share	Yen	117.63	71.75
Shareholders' equity per share	Yen	2,939.91	1,748.12
Depreciation and amortization	Millions of yen	36,438	10,070
	<%>	<12.2>*2	<4.4>*3
R & D expenses	Millions of yen	23,419	19,968
	<%>	<7.8>*2	<8.7>*3
Average exchange rates			
Yen/US\$	Yen	122.95	
Yen/EURO	Yen	118.81	

Three months ended December 31, 2002

		Consolidated Basis	Parent Co. Basis
Net sales	Millions of yen	101,031	80,722
	<%>*2	<15.7>	<3.3>
Operating income	Millions of yen	15,865	2,669
Income before income taxes (and extraordinary item) *1	Millions of yen	15,288	6,577
	<%>*2	<15.1>	<8.1>
Net income	Millions of yen	9,535	7,209
	<%>*2	<9.4>	<8.9>
Basic earnings per share	Yen	39.70	30.02
Diluted earnings per share	Yen	39.70	30.02
Depreciation and amortization	Millions of yen	12,346	3,436
	<%>	<12.2>*2	<4.4>*3
R & D expenses	Millions of yen	7,687	6,572
	<%>	<7.6>*2	<8.4>*3

*1 Consolidated Basis : Income before income taxes

 Parent Co. Basis : Income before income taxes and extraordinary item

*2 Ratio to net sales

*3 Figures show the ratio to net sales excluding revenue from services.

Consolidated Financial Flash Report (December 31, 2002)

Date: February 7, 2003

Company Name : Murata Manufacturing Co., Ltd.
Listing Code : 6981
(URL <http://www.murata.com/>)
Phone : (075) 955-6511

Stock Exchange Listings:
Tokyo Stock Exchange
Osaka Securities Exchange
Stock Exchange of Singapore (DRSs)

Consolidated financial results for the nine months ended December 31, 2002

(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 Dec. 31, 2002	298,826	44,957	45,309	28,538
Year ended Mar. 31, 2002	394,775	51,001	52,408	34,999

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Dec. 31, 2002	117.63	117.63
Year ended Mar. 31, 2002	143.91	143.34

*1 Equity in net income (loss) of affiliated companies: Yen 2 million for the nine months ended December 31, 2002 and Yen (1) million for the year ended March 31, 2002

*2 Average number of shares outstanding (consolidated): 242,608,018 shares for the nine months ended December 31, 2002 and 243,205,574 shares for the year ended March 31, 2002

*3 Change in accounting method: None

*4 The figures of the year ended March 31, 2002 are shown for reference.

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2002	833,598	703,090	84.3	2,939.91
As of Mar. 31, 2002	839,372	726,236	86.5	2,973.22

*1 Number of shares outstanding (consolidated): 239,153,286 shares as of December 31, 2002 and 244,259,379 shares as of March 31, 2002

*2 The figures as of March 31, 2002 are shown for reference.

(3) Consolidated subsidiaries and equity method investments

Number of consolidated subsidiaries : 52

Number of affiliated companies : 1 (Equity method is applied)

(4) Change in consolidated subsidiaries and equity method investments: None

Notes: 1. The consolidated statements are based on U.S. GAAP.

2. Quarterly figures are unaudited.

Parent co.'s financial results for the nine months ended December 31, 2002

	Net sales	Operating income	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Nine months ended Dec. 31, 2002	236,862	9,151	18,759	17,406

	Total assets	Shareholders' equity
	Millions of yen	Millions of yen
As of Dec. 31, 2002	484,701	418,067

Consolidated Balance Sheets

	Millions of Yen					
	As of Dec. 31, 2002		As of Sep. 30, 2002		Growth	
		%		%		%
Assets	833,598	100.0	846,562	100.0	(12,964)	(1.5)
Current assets	568,564	68.2	573,619	67.8	(5,055)	(0.9)
Cash and cash equivalents	79,571		76,559		3,012	
Marketable securities	330,495		337,313		(6,818)	
Notes and accounts receivable	87,356		84,743		2,613	
Inventories	53,325		56,330		(3,005)	
Other current assets	17,817		18,674		(857)	
Fixed assets	265,034	31.8	272,943	32.2	(7,909)	(2.9)
Property, plant and equipment	242,858		249,999		(7,141)	
Investments	7,693		9,668		(1,975)	
Other fixed assets	14,483		13,276		1,207	
Total assets	833,598	100.0	846,562	100.0	(12,964)	(1.5)

	Millions of Yen					
	As of Dec. 31, 2002		As of Sep. 30, 2002		Growth	
		%		%		%
Liabilities	130,508	15.7	128,040	15.1	2,468	1.9
Current liabilities	69,511	8.4	68,584	8.1	927	1.4
Short-term borrowings	2,708		2,068		640	
Trade notes and accounts payable	14,331		12,906		1,425	
Other current liabilities	52,472		53,610		(1,138)	
Long-term liabilities	60,997	7.3	59,456	7.0	1,541	2.6
Long-term debt	63		63		-	
Termination and retirement benefits	55,608		52,012		3,596	
Other long-term liabilities	5,326		7,381		(2,055)	
Shareholders' equity	703,090	84.3	718,522	84.9	(15,432)	(2.1)
Common stock	69,377		69,377		-	
Additional paid-in capital	102,222		102,222		-	
Legal reserve	10,055		10,045		10	
Retained earnings	566,909		563,442		3,467	
Accumulated other comprehensive income (loss)	(14,828)		(13,163)		(1,665)	
Treasury stock, at cost	(30,645)		(13,401)		(17,244)	
Total liabilities and shareholders' equity	833,598	100.0	846,562	100.0	(12,964)	(1.5)

Consolidated Statements of Income

	Millions of Yen			
	Nine months ended Dec. 31, 2002		Three months ended Dec. 31, 2002	
		%		%
Net sales	298,826	100.0	101,031	100.0
Cost of sales	184,622	61.8	61,610	61.0
Selling, general and administrative expenses	45,828	15.4	15,869	15.7
Research and development expenses	23,419	7.8	7,687	7.6
Operating income	44,957	15.0	15,865	15.7
Interest and dividend income	1,992	0.7	682	0.7
Interest expense	(59)	(0.0)	(22)	(0.0)
Losses on impairment of investment securities	(1,819)	(0.6)	(1,487)	(1.5)
Other non-operating income (expenses) - net	238	0.1	250	0.2
Income before income taxes	45,309	15.2	15,288	15.1
Income taxes	18,538	6.2	5,937	5.9
Refund of previous years' income taxes	(1,767)	(0.6)	(184)	(0.2)
Net income	28,538	9.6	9,535	9.4

*1 Comprehensive income in accordance with SFAS No.130 "Reporting Comprehensive Income" is as follows.

	Millions of Yen	
	Nine months ended Dec. 31, 2002	Three months ended Dec. 31, 2002
Net income	28,538	9,535
Other comprehensive income (loss), net of tax :	(8,910)	(1,665)
<Unrealized losses on securities>	<(284)>	<(352)>
<Minimum pension liability adjustments>	<(2,557)>	<(1,248)>
<Unrealized gains on derivative instruments>	<59>	<61>
<Foreign currency translation adjustments>	<(6,128)>	<(126)>
Comprehensive income	19,628	7,870

*2 As the third quarter ended December 31, 2002 is the first fiscal year to prepare the quarterly consolidated financial statements, the quarterly consolidated financial statements of the third quarter ended December 31, 2002 cannot be compared with the statements of the third quarter ended December 31, 2001. Order, backlog and sales of the third quarter ended December 31, 2002 cannot be compared with the figures of the third quarter ended December 31, 2001 for the same reason.

Notes to Consolidated Financial Statements

1. Consolidated subsidiaries and equity method investments

(1) Number of consolidated subsidiaries: 52

Major consolidated subsidiaries:

Fukui Murata Manufacturing Co., Ltd.
Izumo Murata Manufacturing Co., Ltd.
Toyama Murata Manufacturing Co., Ltd.
Komatsu Murata Manufacturing Co., Ltd.
Kanazawa Murata Manufacturing Co., Ltd.
Okayama Murata Manufacturing Co., Ltd.
Murata Electronics North America, Inc.
Murata Electronics Singapore (Pte.) Ltd.

(2) Number of unconsolidated subsidiaries: None

(3) Number of affiliated companies: 1 (Equity method is applied.)

Murata Trading (Malaysia) Sdn. Bhd.

2. Change in consolidated subsidiaries and equity method investments: None

3. New accounting standard

(1) On April 1, 2002, the Companies adopted Emerging Issues Task Force ("EITF") Issue No.01-9, "Accounting for Consideration Given by a Vendor to a Customer or Reseller of the Vendor's Products". The adoption results in a reduction in net sales and a corresponding decrease in selling, general and administrative expenses.

(2) On April 1, 2002, the Companies adopted SFAS No.144, "Accounting for the Impairment or Disposal of Long-Lived Assets." This statement applies to all long-lived assets (including discontinued operations) and it develops one accounting model for long-lived assets that are impaired or to be disposed. The adoption of SFAS No.144 has no effect on the consolidated financial statement.

(3) In June 2002, the Financial Accounting Standards Board ("FASB") issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities". This statement requires that a liability for a cost associated with an exit or disposal activity be recognized and measured initially at its fair value only when the liability is incurred. The provisions of this statement are effective for exit or disposal activities that are initiated after December 31, 2002. The Companies believe that the adoption of this statement will have no effect on the financial statements.

4. Additional information

Return of the Substitutional Portion of the Employees Pension Funds

Following the enactment of the Welfare Pension Insurance Law in Japan, exemption from the future benefit obligation with respect to the portion of the Employees Pension Funds operated on behalf of the Government (the so-called "substitutional portion") has been approved on January, 2003 from Japan's Ministry of Health, Labor and Welfare. Under United States generally accepted accounting principles, the relevant profit may be recognized only on the settlement of substitutional portion when the past benefit obligation is returned to the Government, which is expected to occur after this fiscal year.

Order, Backlog, and Sales (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Order, Backlog and Sales

(1) Order and Backlog by Product

<Order>

	Millions of Yen			
	Nine months ended Dec. 31, 2002		Three months ended Dec. 31, 2002	
		%		%
Capacitors	110,725	37.7	35,714	37.0
Resistors	10,450	3.6	3,167	3.3
Piezoelectric Components	57,976	19.7	19,095	19.7
Microwave Devices	37,157	12.6	11,378	11.8
Module Products	34,299	11.7	11,982	12.4
Other Products	43,336	14.7	15,245	15.8
Total	293,943	100.0	96,581	100.0

*1 Figures are based on sales prices to customers.

*2 Exclusive of consumption taxes

*3 The tables by product indicate order, backlog, and sales of electronics components and related products.

<Backlog>

	Millions of Yen			
	As of Dec. 31, 2002		As of Sep. 30, 2002	
		%		%
Capacitors	12,215	32.5	13,308	31.9
Resistors	1,470	3.9	1,814	4.3
Piezoelectric Components	6,676	17.7	7,283	17.5
Microwave Devices	5,998	16.0	8,660	20.8
Module Products	5,863	15.6	5,528	13.3
Other Products	5,396	14.3	5,108	12.2
Total	37,618	100.0	41,701	100.0

*1 Figures are based on sales prices to customers.

*2 Exclusive of consumption taxes

(2) Sales by Product, Application and Area

1. Sales by Product

	Millions of Yen			
	Nine months ended Dec. 31, 2002		Three months ended Dec. 31, 2002	
		%		%
Capacitors	113,356	38.1	36,807	36.6
Resistors	10,836	3.6	3,511	3.5
Piezoelectric Components	58,863	19.8	19,702	19.6
Microwave Devices	36,084	12.1	14,040	13.9
Module Products	35,633	12.0	11,647	11.6
Other Products	43,033	14.4	14,957	14.8
Net sales	297,805	100.0	100,664	100.0

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

	Millions of Yen			
	Nine months ended Dec. 31, 2002		Three months ended Dec. 31, 2002	
		%		%
Video	36,073	12.1	11,248	11.2
Audio	15,801	5.3	4,555	4.5
Consumer total	51,874	17.4	15,803	15.7
Communication	112,124	37.7	41,581	41.3
EDP and Others *1	66,781	22.4	21,625	21.5
Industrial total	178,905	60.1	63,206	62.8
Home and Others *2	67,026	22.5	21,655	21.5
Net sales	297,805	100.0	100,664	100.0

*1 "EDP and Others" include computers and peripherals, copy machines, and measuring instruments.

*2 "Home and Others" include automotive electronics and household electrical appliances such as air conditioners, refrigerators, and lighting apparatuses.

3. Sales by Area

	Millions of Yen			
	Nine months ended Dec. 31, 2002		Three months ended Dec. 31, 2002	
		%		%
The Americas	40,195	13.5	12,221	12.1
Europe	40,259	13.5	14,494	14.4
Asia and Others	114,411	38.4	40,014	39.8
Overseas total	194,865	65.4	66,729	66.3
Japan	102,940	34.6	33,935	33.7
Net sales	297,805	100.0	100,664	100.0