

Flash Report (Year ended March 31, 2005)

Selected Financial Data

Years ended March 31, 2005 and 2004 / as of March 31, 2005 and 2004

		Consolidated Basis			Parent Co. Basis		
		2005	2004	Growth ratio	2005	2004	Growth ratio
Net sales	Millions of yen	424,468	414,247	2.5	358,919	343,374	4.5
Operating income	Millions of yen	69,515	<62,517>*3	<11.2>*3 (6.3)	21,780	21,348	2.0
Income before income taxes (and extraordinary item) *2	Millions of yen	72,905	<66,992>*3	<8.8>*3 (7.3)	41,662	42,396	(1.7)
Net income	Millions of yen	46,578	<41,571>*3	<12.0>*3 (4.0)	30,361	<30,665>*3	<(1.0)>*3 (17.4)
Total assets	Millions of yen	850,748	844,115	0.8	466,521	467,876	(0.3)
Shareholders' equity	Millions of yen	712,309	700,937	1.6	391,017	399,387	(2.1)
Shareholders' equity ratio	%	83.7	83.0	-	83.8	85.4	-
Basic earnings per share	Yen	204.99	208.46	-	133.13	157.38	-
Diluted earnings per share	Yen	204.99	208.46	-	-	157.38	-
Return on equity (ROE)	%	6.6	7.0	-	7.7	9.2	-
Shareholders' equity per share	Yen	3,169.82	3,052.25	-	1,740.06	1,738.66	-
Capital investment	Millions of yen	48,033	33,088	45.2	9,782	6,444	51.8
Depreciation and amortization	Millions of yen	42,384	44,649	(5.1)	11,488	12,105	(5.1)
R & D expenses	Millions of yen	32,845	34,163	(3.9)	28,999	28,686	1.1
Number of employees	*7	<8,207>	<8,468>	(2.1)	5,166	5,070	1.9
Average exchange rates							
Yen/US\$	Yen	107.55	113.07	-			
Yen/EURO	Yen	135.18	132.60	-			

*1 The consolidated financial statements are based on U.S.GAAP.

*2 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*3 Figures excluding the effect related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government.

*4 Ratio to net sales

*5 Ratio to net sales excluding revenue from services

*6 The diluted earnings per share on parent co. basis is not stated for the year ended March 31, 2005, since there were no potentially dilutive securities.

*7 Figures in parentheses show the number of employees in overseas countries.

*8 R&D expenses on consolidated basis for the year ended March 31, 2004 include Yen 1,413 million as the net amount of settlement loss and derecognition of previously accrued salary progression related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government.

Projected Financial Data

The following projections were prepared based on estimates using information currently available. Actual results may differ from the projections.

Six months ending September 30, 2005 and six months ended September 30, 2004

		Consolidated Basis			Parent Co. Basis		
		2005 (Projection)	2004 (Actual)	Growth ratio	2005 (Projection)	2004 (Actual)	Growth ratio
Net sales	Millions of yen	215,000	218,333	(1.5)	182,000	185,042	(1.6)
	<%>*2	<16.0>	<17.5>		<6.0>	<7.0>	
Operating income	Millions of yen	34,500	38,175	(9.6)	11,000	12,875	(14.6)
	<%>*2	<16.7>	<18.2>		<10.2>	<11.9>	
Income before income taxes (and extraordinary item) *1	Millions of yen	36,000	39,638	(9.2)	18,500	21,969	(15.8)
	<%>*2	<10.5>	<11.4>		<8.2>	<8.6>	
Net income	Millions of yen	22,500	24,859	(9.5)	15,000	15,892	(5.6)
Basic earnings per share	Yen	100.13	108.67	-	66.75	69.47	-
Cash dividends per share *4	Yen	-	-	-	30.00	25.00	-
Capital investment	Millions of yen	24,000	27,650	(13.2)	5,500	5,085	8.2
	<%>	<9.1>*2	<9.0>*2		<2.5>*3	<3.0>*3	
Depreciation and amortization	Millions of yen	19,500	19,649	(0.8)	4,500	5,367	(16.2)
	<%>	<8.1>*2	<7.5>*2		<8.7>*3	<8.1>*3	
R & D expenses	Millions of yen	17,500	16,326	7.2	15,500	14,494	6.9

Year ending March 31, 2006 and year ended March 31, 2005

		Consolidated Basis			Parent Co. Basis		
		2006 (Projection)	2005 (Actual)	Growth ratio	2006 (Projection)	2005 (Actual)	Growth ratio
Net sales	Millions of yen	445,000	424,468	4.8	375,000	358,919	4.5
	<%>*2	<16.9>	<16.4>		<6.4>	<6.1>	
Operating income	Millions of yen	75,000	69,515	7.9	24,000	21,780	10.2
	<%>*2	<17.5>	<17.2>		<10.4>	<11.6>	
Income before income taxes (and extraordinary item) *1	Millions of yen	78,000	72,905	7.0	39,000	41,662	(6.4)
	<%>*2	<11.0>	<11.0>		<8.3>	<8.5>	
Net income	Millions of yen	49,000	46,578	5.2	31,000	30,361	2.1
Basic earnings per share	Yen	218.05	204.99	-	137.95	133.13	-
Cash dividends per share *4	Yen	-	-	-	60.00	50.00	-
Capital investment	Millions of yen	48,000	48,033	(0.1)	13,000	9,782	32.9
	<%>	<9.6>*2	<10.0>*2		<2.7>*3	<3.3>*3	
Depreciation and amortization	Millions of yen	42,500	42,384	0.3	10,000	11,488	(13.0)
	<%>	<7.9>*2	<7.7>*2		<8.5>*3	<8.3>*3	
R & D expenses	Millions of yen	35,000	32,845	6.6	31,000	28,999	6.9

*1 Consolidated Basis : Income before income taxes, Parent Co. Basis : Income before income taxes and extraordinary item

*2 Ratio to net sales

*3 Ratio to net sales excluding revenue from services

*4 The Company has projected an annual dividend of Yen 60.00 per share of common stock for the year ending March 31, 2006. This dividend is assumed based on the current business conditions and the projected financial data.

*5 The projections above are based on the assumed average exchange rates of Yen 105 per US\$ and Yen 135 per Euro for the year ending March 31, 2006.

Consolidated Financial Flash Report (March 31, 2005)

Date: April 28, 2005

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

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

1. Financial results for the year ended March 31, 2005

(1) Operating results (Years ended March 31, 2005 and 2004)

	Net sales		Operating income		Income before income taxes		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2005	424,468	2.5	69,515	(6.3)	72,905	(7.3)	46,578	(4.0)
2004	414,247	4.9	74,210	25.4	78,685	33.2	48,540	23.0

	Basic earnings per share	Diluted earnings per share	Return on equity (ROE)	Income before income taxes / total assets	Income before income taxes / net sales
	Yen	Yen	%	%	%
2005	204.99	204.99	6.6	8.6	17.2
2004	208.46	208.46	7.0	9.4	19.0

*1 Equity in net income (loss) of affiliated companies: Yen 2 million for the year ended March 31, 2005 and Yen (1) million for the year ended March 31, 2004

*2 Average number of shares outstanding (consolidated): 227,225,426 shares for the year ended March 31, 2005 and 232,853,787 shares for the year ended March 31, 2004

*3 Change in accounting method: None

*4 Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income are the growth ratios against the previous term.

(2) Financial position (As of March 31, 2005 and 2004)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
2005	850,748	712,309	83.7	3,169.82
2004	844,115	700,937	83.0	3,052.25

*1 Number of shares outstanding (consolidated): 224,715,605 shares as of March 31, 2005 and 229,646,371 shares as of March 31, 2004

(3) Cash flows (Years ended March 31, 2005 and 2004)

	Net cash from operating activities	Net cash from investing activities	Net cash from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2005	90,295	(21,976)	(38,514)	93,671
2004	80,749	(51,271)	(41,189)	61,904

(4) Scope of consolidation and application of the equity method

Number of consolidated subsidiaries : 54
Number of unconsolidated companies : None
Number of affiliated companies : None

(5) Changes in scope of consolidation and application of the equity method

Two companies were newly consolidated.
Two companies were excluded from consolidation.
One company was excluded from affiliated companies.

2. Projected financial results for the six months ending September 30, 2005 and the year ending March 31, 2006

	Net sales	Income before income taxes	Net income
	Millions of yen	Millions of yen	Millions of yen
Six months ending Sep. 30, 2005	215,000	36,000	22,500
Year ending March 31, 2006	445,000	78,000	49,000

*1 Projected basic earnings per share for the year ending March 31, 2006: Yen 218.05

*2 These projections were prepared based on estimates using information currently available.
Actual results may differ from the projections.

Murata Manufacturing Co., Ltd. and Subsidiaries

The main business of Murata Manufacturing Co., Ltd. (the Company) and its subsidiaries (together the Companies) is the development, manufacturing and sales of electronic components and related products, such as capacitors, piezoelectric components, microwave devices and module products. Net sales, Operating income, and Assets in the main business comprise almost 100% of the corresponding amounts in the Consolidated Financial Statements.

The relationships among the Companies in the segment of "manufacturing and sales of electronic components" as of March 31, 2005 are as follows.

[Manufacturing and sales of electronic components]

Murata Manufacturing Co., Ltd. (the Company)

The Company manufactures semi-finished products for various electronic components and supplies them to its manufacturing subsidiaries in Japan and abroad. The Company also sells finished products, which are manufactured by the Companies, to customers in Japan and abroad, and to its overseas sales subsidiaries.

Subsidiaries in Japan

The Company's manufacturing subsidiaries in Japan purchase semi-finished products from the Company, complete the manufacturing into finished products, and resell them to the Company, who sells them to its customers.

The Company's sales subsidiary in Japan sells finished products, which are manufactured by the Companies, to customers in Japan with small lot orders.

Overseas subsidiaries

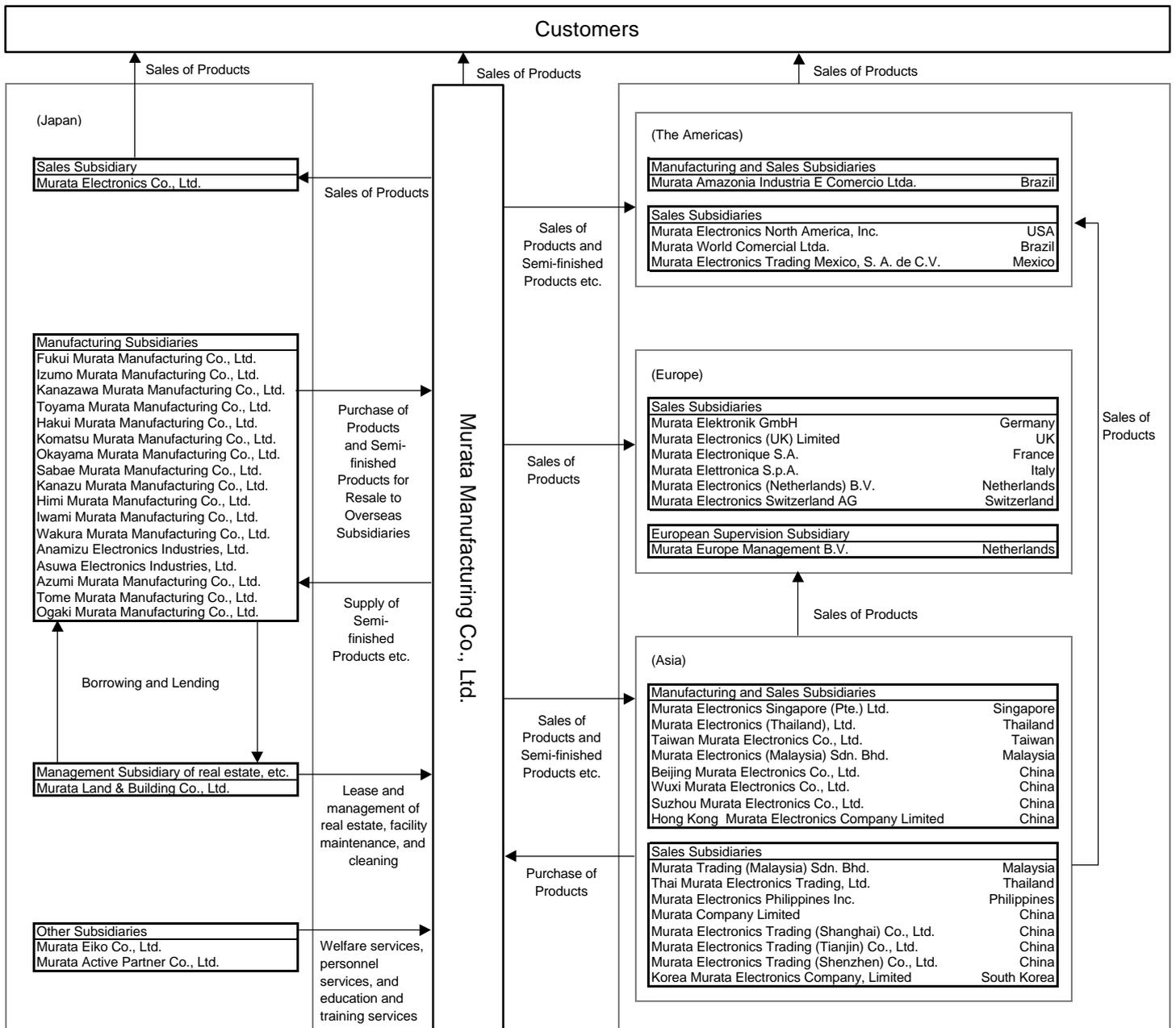
The Company's overseas manufacturing subsidiaries purchase semi-finished products from the Company, complete the manufacturing into finished products and sells the products both directly to overseas customers and to overseas sales subsidiaries.

The Company's overseas sales subsidiaries sell finished products, which are manufactured by the Companies.

The European supervision subsidiary conducts market research activities in Europe, and supervises the Company's European subsidiaries.

[Others]

Nine subsidiaries provide the following services: welfare services, personnel services, education and training services, management of funds for the Companies, lease and management of real estate, facility maintenance and cleaning, etc.



* Other than the companies shown above, there are six consolidated subsidiaries.

Consolidated Balance Sheets (Assets)

As of March 31, 2005 and 2004

	Millions of Yen					
	2005		2004		Growth	
		%		%		%
Assets	850,748	100.0	844,115	100.0	6,633	0.8
Current assets	592,836	69.7	590,355	69.9	2,481	0.4
Cash	30,964		24,383		6,581	
Time deposits	62,707		37,521		25,186	
Marketable securities	332,849		357,098		(24,249)	
Trade notes receivable	12,202		19,659		(7,457)	
Trade accounts receivable	75,566		74,139		1,427	
Allowance for doubtful notes and accounts	(723)		(867)		144	
Inventories	59,007		54,785		4,222	
Prepaid expenses and other	4,204		7,952		(3,748)	
Deferred income taxes	16,060		15,685		375	
Property, plant and equipment	225,735	26.5	221,964	26.3	3,771	1.7
Land	41,248		42,981		(1,733)	
Buildings	202,974		185,187		17,787	
Machinery and equipment	420,253		414,124		6,129	
Construction in progress	5,647		12,266		(6,619)	
Accumulated depreciation	(444,387)		(432,594)		(11,793)	
Investments and other assets	32,177	3.8	31,796	3.8	381	1.2
Investments	12,818		13,863		(1,045)	
Long - term receivables, advances and other	8,877		8,905		(28)	
Deferred income taxes	10,482		9,028		1,454	
Total assets	850,748	100.0	844,115	100.0	6,633	0.8

Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

As of March 31, 2005 and 2004

	Millions of Yen					
	2005		2004		Growth	
		%		%		%
Liabilities	138,439	16.3	143,178	17.0	(4,739)	(3.3)
Current liabilities	77,836	9.2	85,451	10.1	(7,615)	(8.9)
Short-term borrowings	5,068		5,144		(76)	
Trade notes payable	651		1,185		(534)	
Trade accounts payable	18,017		18,458		(441)	
Accrued payroll and bonuses	17,426		17,739		(313)	
Income taxes payable	15,682		15,657		25	
Accrued expenses and other	20,992		27,268		(6,276)	
Long-term liabilities	60,603	7.1	57,727	6.9	2,876	5.0
Long-term debt	1,029		1,033		(4)	
Termination and retirement benefits	47,306		43,401		3,905	
Other	784		775		9	
Deferred income taxes	11,484		12,518		(1,034)	
Shareholders' equity	712,309	83.7	700,937	83.0	11,372	1.6
Common stock	69,377		69,377		-	
Additional paid-in capital	102,222		102,222		-	
Retained earnings	555,512		571,478		(15,966)	
Accumulated other comprehensive income (loss) :	(11,685)		(15,057)		3,372	
<Unrealized gains on securities>	< 3,654 >		< 3,605 >		< 49 >	
<Minimum pension liability adjustments>	<(963)>		<(1,037)>		< 74 >	
<Unrealized gains (losses) on derivative instruments>	<(186)>		< 102 >		<(288)>	
<Foreign currency translation adjustments>	<(14,190)>		<(17,727)>		< 3,537 >	
Treasury stock, at cost	(3,117)		(27,083)		23,966	
Total liabilities and shareholders' equity	850,748	100.0	844,115	100.0	6,633	0.8

Consolidated Statements of Income

For the years ended March 31, 2005 and 2004

	Millions of Yen					
	2005		2004		Growth	
		%		%		%
Net sales	424,468	100.0	414,247	100.0	10,221	2.5
Cost of sales	255,604	60.2	257,402	62.1	(1,798)	(0.7)
Selling, general and administrative	66,504	15.7	66,472	16.1	32	0.0
Research and development	32,845	7.7	34,163	8.2	(1,318)	(3.9)
Subsidy from the government related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government	-	-	(18,000)	(4.3)	18,000	-
Operating income	69,515	16.4	74,210	17.9	(4,695)	(6.3)
Interest and dividend income	1,750	0.4	1,643	0.4	107	6.5
Gains on sales of securities	1,449	0.3	79	0.0	1,370	-
Interest expense	(129)	(0.0)	(94)	(0.0)	(35)	-
Foreign currency exchange gain (loss)	(560)	(0.1)	1,654	0.4	(2,214)	-
Other income - net	880	0.2	1,193	0.3	(313)	(26.2)
Income before income taxes	72,905	17.2	78,685	19.0	(5,780)	(7.3)
Income taxes	26,327	6.2	30,145	7.3	(3,818)	(12.7)
<Current income tax>	< 29,558 >		< 28,587 >		< 971 >	
<Deferred income tax>	<(3,231)>		< 1,558 >		<(4,789)>	
Net income	46,578	11.0	48,540	11.7	(1,962)	(4.0)

* The operating income for the year ended March 31, 2004 includes gain amounting to Yen 11,693 million related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government.

In the Consolidated Statement of Income, the difference between the substitutional portion of the accumulated benefit obligation and the related plan assets, amounting to Yen 18,000 million, is indicated as "Subsidy from the government related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government". The total amount of the derecognition of previously accrued salary progression and settlement loss, amounting to Yen 6,307 million, is allocated to Cost of sales of Yen 2,489 million, Selling, general and administrative of Yen 2,405 million, and Research and development of Yen 1,413 million.

Consolidated Statements of Comprehensive Income

For the years ended March 31, 2005 and 2004

	Millions of Yen		
	2005	2004	Growth
Net income	46,578	48,540	(1,962)
Other comprehensive income (loss), net of tax :			
<Unrealized gains on securities>	< 49 >	< 3,487 >	<(3,438)>
<Minimum pension liability adjustments>	< 74 >	< 9,018 >	<(8,944)>
<Unrealized gains (losses) on derivative instruments>	<(288)>	< 81 >	<(369)>
<Foreign currency translation adjustments>	< 3,537 >	<(8,425)>	< 11,962 >
Other comprehensive income	3,372	4,161	(789)
Comprehensive income	49,950	52,701	(2,751)

Consolidated Statements of Shareholders' Equity (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Consolidated Statements of Shareholders' Equity

	Number of common shares issued	Millions of Yen				
		Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock
Balance at March 31, 2003	244,263,592	69,377	102,222	587,893	(19,218)	(48,184)
Purchases of treasury stock at cost						(32,129)
Retirement of treasury stock	(10,000,000)			(53,230)		53,230
Net income				48,540		
Cash dividends, Yen 50.0 per share				(11,725)		
Other comprehensive income, net of tax					4,161	
Balance at March 31, 2004	234,263,592	69,377	102,222	571,478	(15,057)	(27,083)
Purchases of treasury stock at cost						(27,172)
Retirement of treasury stock	(9,000,000)			(51,138)		51,138
Net income				46,578		
Cash dividends, Yen 50.0 per share				(11,406)		
Other comprehensive income, net of tax					3,372	
Balance at March 31, 2005	225,263,592	69,377	102,222	555,512	(11,685)	(3,117)

Consolidated Statements of Cash Flows

Years ended March 31, 2005 and 2004

	Millions of Yen			
	2005		2004	
Operating activities:				
Net income		46,578		48,540
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	42,384		44,649	
Losses on sales and disposals of property, plant and equipment	1,112		848	
Impairment losses on long-lived assets	1,767		-	
Gains on sales of investments	(1,449)		(79)	
Subsidy from the government related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government	-		(18,000)	
Provision for termination and retirement benefits, less payments	4,016		13,410	
Deferred income taxes	(3,231)		1,558	
Changes in assets and liabilities:				
Decrease (increase) in trade notes and accounts receivable	7,005		(11,966)	
Increase in inventories	(3,705)		(2,674)	
Decrease (increase) in prepaid expenses and other	3,627		(4,031)	
Increase (decrease) in trade notes and accounts payable	(1,018)		4,658	
Increase (decrease) in accrued payroll and bonuses	(350)		1,393	
Decrease in income taxes payable	(30)		(4,548)	
Increase (decrease) in accrued expenses and other	(6,944)		8,037	
Other-net	533	43,717	(1,046)	32,209
Net cash provided by operating activities		90,295		80,749
Investing activities:				
Capital expenditures		(48,033)		(33,088)
Payment for purchases of investments and other		(1,055)		(4,841)
Net decrease (increase) in marketable securities		24,996		(13,722)
Proceeds from sales of property, plant and equipment		309		185
Proceeds from sales of investments and other		1,799		187
Other		8		8
Net cash used in investing activities		(21,976)		(51,271)
Financing activities:				
Net increase in short-term borrowings		70		1,669
Proceeds from long-term debt		-		1,000
Dividends paid		(11,406)		(11,725)
Payment for purchases of treasury stock		(27,172)		(32,129)
Other		(6)		(4)
Net cash used in financing activities		(38,514)		(41,189)
Effect of exchange rate changes on cash and cash equivalents		1,962		(4,158)
Net increase (decrease) in cash and cash equivalents		31,767		(15,869)
Cash and cash equivalents at beginning of year		61,904		77,773
Cash and cash equivalents at end of year		93,671		61,904
Additional cash flow information:				
Interest paid		127		90
Income taxes paid, net of refunds		29,903		33,162
Non-cash financing activities:				
Decrease in retained earnings due to retirement of treasury stock		51,138		53,230

	Millions of Yen	
	As of March 31, 2005	As of March 31, 2004
Cash and cash equivalents at end of year	93,671	61,904
Marketable securities	332,849	357,098
Liquidity in hand	426,520	419,002

Notes to Consolidated Financial Statements

1. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries: 54

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 Land & Building Co., Ltd.
Murata Electronics North America, Inc.
Murata Electronics Singapore (Pte.) Ltd.
Murata Company Limited

(2) Number of unconsolidated subsidiaries: None

(3) Number of affiliated companies: None

2. Changes in scope of consolidation and application of the equity method

(Consolidated subsidiaries)

Two companies were newly consolidated.

Murata Europe Management B.V. : Established on August 18, 2004.

Murata Trading (Malaysia) Sdn. Bhd. : Previously an affiliated company accounted for by the equity method,

Murata Trading (Malaysia) Sdn. Bhd. became a consolidated subsidiary as its voting stock owned by Murata Electronics Singapore (Pte.) Ltd. reached 70% on December 16, 2004.

Two companies were excluded from consolidation.

Sakai Electronics Industries, Ltd., Murata Finance Co., Ltd. : Merged into Murata Land & Building Co., Ltd. on April 1, 2004.

(Affiliated companies)

One company was excluded from affiliated companies.

Murata Trading (Malaysia) Sdn. Bhd.

3. Significant Accounting Policies

(1) Inventories

Inventories are stated at the lower of cost or market. The average cost method is principally used to determine cost.

(2) Marketable securities and investments

Under SFAS No.115, "Accounting for Certain Investments in Debt and Equity Securities", the Companies classify all debt securities and marketable equity securities as available-for-sale and carries them at fair value with a corresponding recognition of the net unrealized holding gain or loss (net of tax) as a separate component of shareholders' equity. Gains and losses on sales of investments are computed on an average cost basis. Equity securities that do not have a readily determinable fair value are recorded at average cost.

(3) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment has been principally computed using the declining-balance method.

(4) Termination and retirement benefits

Termination and retirement benefits, accounted for in accordance with SFAS No.87, "Employers' Accounting for Pensions", are provided at the amount incurred during the period, which is based on the estimated present value of the projected benefit obligation less the fair value of plan assets at the end of the period. A minimum pension liability is recognized, if the accumulated benefit obligations exceed the fair value of plan assets.

The unrecognized prior service benefit due to certain plan amendments is being amortized on a straight-line basis over the average remaining service period of employees.

The unrecognized actuarial gains and losses in excess of ten percent of the larger of the projected benefit obligation or plan assets are being amortized over five years.

(5) Accounting for consumption taxes

Consumption taxes are separately accounted for, and are excluded from the amounts of the underlying income and expense transactions.

(6) Reclassifications

Certain items in prior periods' financial statements have been reclassified to conform to the presentation for the year ended March 31, 2005.

Significant Subsequent Events

Due to the agreement reached between labor and management concerning the revision of pension and severance plans, Murata Manufacturing Co., Ltd. (the Company) has applied for the approval of the revision to the Ministry of Health, Labor and Welfare on April 27, 2005.

On July 1, 2005, the Company will introduce a severance plan based on the employee's position and assessment of performance and on the same date, the Company will also start a pension plan which the pension benefit is linked with the market interest rate. The revisions will reduce the projected benefit obligation by Yen 9,346 million on April, 2005 and the reduced amount will be amortized as an unrecognized prior service benefit on a straight-line basis over the average remaining service period (about 16 years) of the Company's employees.

Segment Information

(1) Industry Segment Information

The Companies mainly develop, manufacture and sell electronic components. Sales, Operating income (loss), and Assets for this segment represent almost 100% of the corresponding amounts in the Consolidated Financial Statements and, therefore, "Industry Segment Information" is not disclosed.

(2) Geographic Segment Information

1) Year ended March 31, 2005

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
1. Sales and operating income							
Sales to :							
Unaffiliated customers	207,626	35,159	47,782	133,901	424,468	-	424,468
Intersegment	137,370	41	54	18,784	156,249	(156,249)	-
Total revenue	344,996	35,200	47,836	152,685	580,717	(156,249)	424,468
Operating expenses	286,224	35,071	46,276	145,522	513,093	(158,140)	354,953
<%> *2	<17.0%>	<0.4%>	<3.3%>	<4.7%>	<11.6%>		<16.4%>
Operating income	58,772	129	1,560	7,163	67,624	1,891	69,515
2. Assets	340,314	18,893	22,419	71,696	453,322	397,426	850,748

*1 Assets in the column of "Corporate and eliminations" consist mainly of time deposits and available-for-sale securities in the amount of Yen 408,374 million held by the Company.

*2 Ratio to total revenue

2) Year ended March 31, 2004

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
1. Sales and operating income							
Sales to :							
Unaffiliated customers	213,941	37,063	46,372	116,871	414,247	-	414,247
Intersegment	118,214	169	4	18,037	136,424	(136,424)	-
Total revenue	332,155	37,232	46,376	134,908	550,671	(136,424)	414,247
Operating expenses	263,380	39,606	44,148	130,200	477,334	(137,297)	340,037
<%> *2	<20.7%>	<(6.4%>	<4.8%>	<3.5%>	<13.3%>		<17.9%>
Operating income (loss)	68,775	(2,374)	2,228	4,708	73,337	873	74,210
2. Assets	340,414	15,265	24,888	65,378	445,945	398,170	844,115

*1 Assets in the column of "Corporate and eliminations" consist mainly of time deposits and available-for-sale securities in the amount of Yen 408,483 million held by the Company.

*2 Ratio to total revenue

Segment Information (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(3) Overseas sales

1) Year ended March 31, 2005

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	38,799	64,429	186,866	290,094
2. Consolidated sales				424,468
3. Ratio of overseas sales to consolidated sales	9.1%	15.2%	44.0%	68.3%

2) Year ended March 31, 2004

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	40,092	62,294	162,438	264,824
2. Consolidated sales				414,247
3. Ratio of overseas sales to consolidated sales	9.7%	15.0%	39.2%	63.9%

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					
	Year ended March 31, 2005		Year ended March 31, 2004		Growth	
		%		%		%
Capacitors	151,647	36.5	150,070	35.3	1,577	1.1
Piezoelectric Components	69,003	16.6	76,182	17.9	(7,179)	(9.4)
Microwave Devices	65,362	15.8	65,192	15.3	170	0.3
Module Products	53,119	12.8	60,895	14.3	(7,776)	(12.8)
Other Products	75,937	18.3	73,277	17.2	2,660	3.6
Total	415,068	100.0	425,616	100.0	(10,548)	(2.5)

*1 Figures are based on sales price to customers.

*2 Exclusive of consumption taxes

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

"Resistors" are included in "Other Products" from the year ended March 31, 2005, due to the decrease in the significance of its figures. The figures for the year ended March 31, 2004 have been reclassified for comparison.

<Backlog>

	Millions of Yen					
	As of March 31, 2005		As of March 31, 2004		Growth	
		%		%		%
Capacitors	12,908	31.7	16,750	34.5	(3,842)	(22.9)
Piezoelectric Components	6,155	15.1	7,728	15.9	(1,573)	(20.4)
Microwave Devices	6,541	16.1	6,825	14.0	(284)	(4.2)
Module Products	6,954	17.1	7,673	15.8	(719)	(9.4)
Other Products	8,102	20.0	9,630	19.8	(1,528)	(15.9)
Total	40,660	100.0	48,606	100.0	(7,946)	(16.3)

*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					
	Year ended March 31, 2005		Year ended March 31, 2004		Growth	
		%*1		%*1		%
Capacitors	155,489	36.8	144,191	34.9	11,298	7.8
Piezoelectric Components	70,576	16.7	74,926	18.2	(4,350)	(5.8)
Microwave Devices	65,646	15.5	62,910	15.2	2,736	4.3
Module Products	53,838	12.7	60,159	14.6	(6,321)	(10.5)
Other Products	77,465	18.3	70,666	17.1	6,799	9.6
Net sales	423,014	100.0	412,852	100.0	10,162	2.5

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

	Millions of Yen					
	Year ended March 31, 2005		Year ended March 31, 2004		Growth	
		%*1		%*1		%
AV	55,408	13.1	55,827	13.5	(419)	(0.8)
Communication	168,026	39.7	170,293	41.3	(2,267)	(1.3)
Computers and Peripherals	87,397	20.7	81,201	19.7	6,196	7.6
Automotive Electronics	51,529	12.2	44,275	10.7	7,254	16.4
Home and Others	60,654	14.3	61,256	14.8	(602)	(1.0)
Net sales	423,014	100.0	412,852	100.0	10,162	2.5

*1 Component ratio

*2 Due to the change of sales by application, the classification of application has been changed from the year ended March 31, 2005. Sales of products for automotive electronics, previously included in "Audio" and "Home and Others", have been separated from these applications and indicated as "Automotive Electronics". Sales of products for consumer electronics market, which are the total of sales for audio equipment and video equipment, are indicated as "AV".

The figures for the year ended March 31, 2004 have been reclassified for comparison.

3. Sales by Area

	Millions of Yen					
	Year ended March 31, 2005		Year ended March 31, 2004		Growth	
		%*1		%*1		%
The Americas	38,799	9.2	40,092	9.7	(1,293)	(3.2)
Europe	64,429	15.2	62,294	15.1	2,135	3.4
Asia and Others	186,866	44.2	162,438	39.3	24,428	15.0
Overseas total	290,094	68.6	264,824	64.1	25,270	9.5
Japan	132,920	31.4	148,028	35.9	(15,108)	(10.2)
Net sales	423,014	100.0	412,852	100.0	10,162	2.5

Marketable Securities and Investments

The cost, gross unrealized gains, gross unrealized losses and fair value for available-for-sale securities by major security type at March 31, 2005 and 2004 were as follows:

Millions of yen

	March 31, 2005				March 31, 2004			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Governmental debt securities	40,719	252	1	40,970	147,283	117	19	147,381
Private debt securities	291,421	551	93	291,879	209,853	174	310	209,717
Current	332,140	803	94	332,849	357,136	291	329	357,098
Private debt securities	-	-	-	-	-	-	-	-
Equity securities	4,785	5,686	1	10,470	5,124	6,350	-	11,474
Non-current	4,785	5,686	1	10,470	5,124	6,350	-	11,474
Total	336,925	6,489	95	343,319	362,260	6,641	329	368,572

* The aggregate carrying amounts of the equity securities that do not have a readily determinable fair value at March 31, 2005 and 2004, which were valued at cost, were Yen 2,348 million and Yen 2,389 million, respectively. They were not included in the above schedule.

[Reference] Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended Jun. 30, 2003		Three months ended Sep. 30, 2003		Three months ended Dec. 31, 2003		Three months ended Mar. 31, 2004	
Net sales	93,503	% *1	105,210	% *1	107,290	% *1	108,244	% *1
Operating income	11,588	12.4	14,420	13.7	16,428	15.3	31,774	29.4
Income before income taxes	12,480	13.3	16,069	15.3	17,054	15.9	33,082	30.6
Net income	7,847	8.4	10,154	9.7	10,820	10.1	19,719	18.2

	Millions of yen							
	Three months ended Jun. 30, 2004		Three months ended Sep. 30, 2004		Three months ended Dec. 31, 2004		Three months ended Mar. 31, 2005	
Net sales	109,332	% *1	109,001	% *1	105,448	% *1	100,687	% *1
Operating income	19,490	17.8	18,685	17.1	16,793	15.9	14,547	14.4
Income before income taxes	20,418	18.7	19,220	17.6	18,075	17.1	15,192	15.1
Net income	12,859	11.8	12,000	11.0	11,703	11.1	10,016	9.9

*1 Ratio to net sales

*2 Quarterly figures are unaudited.

*3 The figures for the three months ended September 30, 2003 and 2004, and the three months ended March 31, 2004 and 2005 are calculated by deduction from the semiannual and annual figures.

*4 The Operating income and Income before income taxes for the three months ended March 31, 2004 includes gain amounting to Yen 11,693 million related to the transfer of the substitutional portion of the Contributory Termination and Retirement Plans to the government.

(2) Sales by Product

	Millions of yen							
	Three months ended Jun. 30, 2003		Three months ended Sep. 30, 2003		Three months ended Dec. 31, 2003		Three months ended Mar. 31, 2004	
Capacitors	33,069	% *1	36,250	% *1	36,369	% *1	38,503	% *1
Piezoelectric Components	18,084	19.4	19,547	18.7	19,182	17.9	18,113	16.8
Microwave Devices	13,584	14.6	15,656	14.9	17,721	16.6	15,949	14.8
Module Products	12,322	13.2	15,432	14.7	16,156	15.1	16,249	15.0
Other Products	16,129	17.3	17,982	17.1	17,485	16.4	19,070	17.7
Net sales	93,188	100.0	104,867	100.0	106,913	100.0	107,884	100.0

	Millions of yen							
	Three months ended Jun. 30, 2004		Three months ended Sep. 30, 2004		Three months ended Dec. 31, 2004		Three months ended Mar. 31, 2005	
Capacitors	39,450	% *1	40,840	% *1	37,958	% *1	37,241	% *1
Piezoelectric Components	18,507	17.0	17,958	16.5	17,865	17.0	16,246	16.2
Microwave Devices	16,896	15.5	15,681	14.4	17,105	16.3	15,964	15.9
Module Products	13,845	12.7	14,423	13.3	13,345	12.7	12,225	12.2
Other Products	20,282	18.6	19,729	18.2	18,801	17.9	18,653	18.6
Net sales	108,980	100.0	108,631	100.0	105,074	100.0	100,329	100.0

*1 Component ratio