

March 19, 2014

Company name:	Murata Manufacturing Co., Ltd.
Name of representative:	Tsuneo Murata President & Representative Director (Code: 6981, First section of the Tokyo Stock Exchange)
Contact:	Yoshihiro Nomura Public Relations Manager (Phone: 075-955-6786)

**Announcement of Results of Tender Offer for Shares of Toko, Inc. (Code: 6801) and  
Change in Subsidiary**

Murata Manufacturing Co., Ltd. (“Tender Offeror” or “Murata”) passed a resolution at its board of directors meeting held on February 13, 2013 to enter into an agreement for enhancement of capital and business alliance (the “Capital and Business Alliance Agreement”) with Toko, Inc. (listed on the First Section of the Tokyo Stock Exchange; Code: 6801; the “Target Company”) and to acquire the Target Company’s common stock through a tender offer (the “Tender Offer”). Murata then passed a resolution at its board of directors meeting held on February 13, 2014 to conduct the Tender Offer after increasing the expected price for the Tender Offer from JPY 300 per share (which was the price decided on February 13, 2013) to JPY 400 per share, and had been conducting the Tender Offer since February 14, 2014. The Tender Offer ended on March 18, 2014 and Murata is now announcing its results below.

Murata is also announcing that, as a result of the Tender Offer, the Target Company is expected to become a consolidated subsidiary of Murata on March 26, 2014 (settlement commencement date for the Tender Offer).

I. Results of the Tender Offer

1. Overview of the Tender Offer

(1) Name and address of the Tender Offeror

Murata Manufacturing Co., Ltd.  
1-10-1 Higashi-Koutari  
Nagaokakyo-shi, Kyoto

(2) Name of the Target Company

Toko, Inc.

(3) Type of shares to be purchased

Common stock

(4) Number of shares to be purchased

Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
57,519,000 shares	N/A	57,519,000 shares

(Note 1) If the total number of tendered shares is less than the maximum number of shares to be purchased, Murata will purchase all of the tendered shares. If the total number of tendered shares exceeds the maximum number of shares to be purchased, Murata will not purchase any of or part of the excess shares, and the transfer of shares and other settlement procedures relating to the purchase of the shares will be conducted according to the proportional distribution method that is set forth in Article 27-13(5) of the Financial Instruments and Exchange Act (Act No. 25 of 1948; including subsequent amendments, the “FIEA”) and Article 32 of the MOF Ordinance on the Disclosure of Tender Offer of Shares, Etc. Conducted by Those Other than the Issuing Corporation (Ministry of Finance Ordinance No. 38 of 1990; including subsequent amendments, the “MOF Ordinance”).

(Note 2) Shares of less than one unit are also subject to the Tender Offer. If any shareholder exercises the appraisal right for shares of less than one unit pursuant to the Companies Act, the Target Company may purchase its own shares in the legally prescribed manner during the Tender Offer Period.

(Note 3) Murata does not plan to acquire the Target Company’s treasury shares through the Tender Offer.

(5) Tender offer period

(i) Initial tender offer period

From February 14, 2014 (Friday) to March 18, 2014 (Tuesday) (23 business days)

(ii) Possibility of extending the tender offer period at the Target Company’s request

If the Target Company had submitted a position statement requesting the extension of the Tender Offer Period under the provision of Article 27-10(3) of the FIEA, the Tender Offer Period would have been extended to 30 business days until March 28, 2014 (Friday), but no such position statement was submitted.

(6) Tender offer price

JPY 400 per share of common stock

2. Results of the Tender Offer

(1) Consummation of the Tender Offer

In the Tender Offer, the total number of tendered shares (60,900,526 shares) has exceeded the maximum number of shares to be purchased (57,519,000 shares), so as stated in the public notice regarding the commencement of the Tender Offer and the registration statement for the Tender Offer, Murata will not purchase any

of or part of the excess shares pursuant to Article 27-13(4)(ii) of the FIEA and will conduct the transfer of shares and other settlement procedures relating to the purchase of the shares according to the proportional distribution method that is set forth in Article 27-13(5) of the FIEA and Article 32 of the MOF Ordinance.

- (2) Date of the public notice regarding the results of the Tender Offer and the name of the newspaper in which said public notice is published

Pursuant to Article 27-13(1) of the FIEA, the results of the Tender Offer were announced to the press at the Tokyo Stock Exchange on March 19, 2014 in the manner provided under Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; including subsequent amendments) and Article 30-2 of the MOF Ordinance.

- (3) Number of shares purchased

Type of shares, etc.	(i) Number of tendered shares, etc. converted into shares	(ii) Number of purchased shares, etc. converted into shares
Shares	60,900,526 shares	57,519,995 shares
Warrants	N/A	N/A
Convertible bonds	N/A	N/A
Beneficiary certificates representing shares in trust ( )	N/A	N/A
Depository receipts representing shares ( )	N/A	N/A
Total	60,900,526 shares	57,519,955 shares
(Total number of dilutive shares)	N/A	(N/A)

- (4) Percentage of shares held after the acquisition of the tendered shares

Number of voting rights attached to shares held by the Tender Offeror prior to the acquisition	18,157	(15.88% of shares held prior to the acquisition)
Number of voting rights attached to shares held by special related parties prior to the acquisition	0	(0.00% of shares held prior to the acquisition)
Number of voting rights attached to shares held by the Tender Offeror after the acquisition	75,676	(66.20 % of shares held after the acquisition)
Number of voting rights attached to shares held by special related parties after the acquisition	0	(0.00% of shares held after the acquisition)
Number of voting rights held by all of the Target Company's shareholders	106,043	

(Note 1) "Number of voting rights held by all of the Target Company's shareholders" is the number of voting rights (calculated as one voting right per 1000 shares) held by all shareholders as of June 30, 2013 listed in the Q3 quarterly report for the 73rd fiscal year that was submitted by the Target Company on November 11, 2013. However, because shares of less than one unit are also subject to the

Tender Offer, the “percentage of shares held prior to the acquisition” and “percentage of shares held after the acquisition” were calculated by setting the denominator as the number of voting rights (114,317) calculated by adding the “number of voting rights held by all of the Target Company’s shareholders” (106,742) (i.e., the number of voting rights attached to the number of shares (106,742,071 shares) calculated by subtracting the total number of issued Target Company Shares as of December 31, 2013 set forth in the notice of annual shareholders meeting for the 73<sup>rd</sup> fiscal year that the Target Company issued on March 7, 2014 (108,122,646 shares) by the number of treasury shares owned by the Target Company as of December 31, 2013 set forth in said notice of annual shareholders meeting (1,380,575 shares)) and the number of voting rights (7,575) attached to the number of dilutive shares from the Target Company Series VI Unsecured Convertible Bonds (the “Convertible Bonds”) (7,575,757 shares).

(Note 2) “Number of voting rights attached to shares held by the Tender Offeror after the acquisition” indicates the sum of (a) the number of voting rights (68,101) attached to the shares that the Tender Offeror holds after the Tender Offer (68,101,995 shares) and (b) the number of voting rights (7,575) attached to the dilutive shares from the Convertible Bonds (7,575,757 shares).

(Note 3) “Percentage of shares held prior to the acquisition” and “percentage of shares held after the acquisition” are rounded to the nearest hundredths.

- (5) Calculation when shares are purchased according to the proportional distribution method

The total number of tendered shares (600,900,526 shares) has exceeded the maximum number of shares to be purchased (57,519,000 shares), so as stated in the public notice regarding the commencement of the Tender Offer and the registration statement for the Tender Offer, Murata will not purchase any of or part of the excess shares pursuant to Article 27-13(4)(ii) of the FIEA and will conduct the transfer of shares and other settlement procedures relating to the purchase of the shares according to the proportional distribution method that is set forth in Article 27-13(5) of the FIEA and Article 32 of the MOF Ordinance (if the number of shares tendered by a tendering shareholder is not in a multiple of 1000 shares, the maximum number of shares to be purchased as calculated according to the proportional distribution method will be the number of shares tendered by such shareholder).

After the prorated number of shares to be purchased from each tendering shareholder has been rounded to the nearest multiple of 1000 shares, the total number of shares to be purchased from all tendering shareholders has exceeded the maximum number that Murata seeks to acquire, so Murata will reduce the number of tendered shares to be purchased from each shareholder by 1000 shares (if the prorated number of shares to be purchased is not in a multiple of 1000 shares, the number of such residual shares), beginning with the tendering shareholder with the largest number of rounded-up shares and continuing in descending order until the total number of shares to be purchased has been reduced as much as possible without falling below the maximum number that Murata seeks to acquire. However, multiple tendering shareholders were equally ranked by the number of their rounded-up shares and reducing the number of shares to be purchased from all of them through this procedure would result in Murata falling short of the maximum number of shares that it seeks to acquire, so a lottery has been used to select the tendering shareholders whose number of

shares to be purchased will be reduced to the extent that the number of shares to be purchased will not fall below the maximum number of shares that Murata seeks to acquire.

(6) Settlement method

- (i) Name and address (head office) of financial instrument dealer or bank that will handle the settlement

Nomura Securities Co., Ltd.  
1-9-1 Nihonbashi  
Chuo-ku, Tokyo

- (ii) Settlement commencement date

March 26, 2014 (Wednesday)

- (iii) Settlement method

Following the expiration of the Tender Offer Period, Nomura Securities will promptly mail notification of Tender Offer purchases to the addresses of the tendering shareholders (or their standing proxies in the case of foreign shareholders). If a tendering shareholder has agreed to electronic delivery of documents via Nomura Net & Call, the notification will be delivered electronically via the Nomura Net & Call website (<https://nc.nomura.co.jp/>).

Purchases will be settled in cash. The tendering shareholders may receive the cash proceeds from the sale of tendered shares via electronic funds transfer or other method designated by the tendering shareholders (remittance fee may apply).

- (iv) Procedure for returning shares

After one business day has passed since the last day of the Tender Offer Period, Nomura Securities will promptly return the shares that must be returned to the tendering shareholders' accounts at the tender offer agent by reverting shareholder records to its state immediately before the shares were tendered (if a tendering shareholder would like the shares to be transferred to its account at another financial instrument dealer, please contact the head office or any domestic branch office of the tender offer agent that received the tender).

3. Post-Tender Offer policy and future outlook

The policy following the Tender Offer has not changed from the policy that was described in the "Announcement of Commencement of Tender Offer for Shares of Toko, Inc. (Code: 6801) (Notice regarding Increase of the Expected Tender Offer Price Announced on February 13, 2013 and Partial Correction)" that was released by Murata on February 13, 2014.

4. Place where a copy of the tender offer report will be made available for inspection

Murata Manufacturing Co., Ltd.

(1-10-1 Higashi-Koutari, Nagaokakyo-shi, Kyoto)

Tokyo Stock Exchange, Inc.

(2-1 Nihonbashi-kabutocho, Chuo-ku, Tokyo)

## II. Change in Subsidiary

### 1. Reason for the change

As a result of the Tender Offer, the Target Company is expected to become a consolidated subsidiary of Murata on March 26, 2014 (settlement commencement date for the Tender Offer).

### 2. Overview of the company that will become a subsidiary

1. Name	Toko, Inc.		
2. Address	18 Gomigaya, Tsurugashima-shi, Saitama		
3. Name and title of representative	Shigeru Kawatsuhara, President & Representative Director		
4. Description of business	Manufacturing and sale of coil application goods, module goods, and solid goods		
5. Capital	JPY 17,446,000,000 (as of February 13, 2014)		
6. Date of incorporation	August 9, 1955		
7. Major shareholders and their shareholding ratios (as of December 31, 2013) (Note 1)	Murata Manufacturing Co., Ltd.		9.91%
	The Master Trust Bank of Japan, Ltd. (in trust)		5.80%
	Goldman Sachs International		4.65%
	Mizuho Bank, Ltd.		3.86%
	Saitama Resona Bank, Ltd.		3.86%
	The Dai-ichi Life Insurance Co., Ltd.		3.35%
	JPMCB: Credit Suisse Securities Europe – JPY 1007760		2.39%
	Deutsche Bank AG London-PB Non Treaty Clients 613		2.23%
	Japan Trustee Services Bank, Ltd. (in trust)		1.96%
Nomura Securities Co., Ltd.		1.70%	
8. Relationship between Toko and Murata	Capital relationship	Murata owns 18,157,757 shares (including dilutive shares from the Convertible Bonds, etc.) in the Target Company, which represents 15.88% of the total issued shares after the conversion of the Convertible Bonds (excluding the treasury shares) (114,317,828 shares).	
	Personal relationship	There is currently one employee at the Target Company who is on secondment from Murata and is serving as an operating officer. There are no noteworthy personal relationships between the persons and companies related to the Target Company and the persons and companies related to Murata.	
	Transactional relationship	The Target Company purchases ceramic capacitors from Murata. Also, Target Company sells coils to Murata.	
	Status as a related party	The Target Company is not a related party of Murata. In addition, no person or company related to the Target Company is a related party of Murata.	
9. Toko's business performance and financial position on a consolidated basis over the past 3 years (Note 2)			
Fiscal term	FY ended Dec. 2011	FY ended Dec. 2012	FY ended Dec. 2013

Consolidated net assets	12,480	16,530	23,224
Consolidated total assets	31,597	36,095	49,265
Consolidated net assets per share	JPY 123.45	JPY 148.29	JPY 215.57
Consolidated sales	27,277	26,829	32,700
Consolidated operating profits	(248)	1,234	3,356
Consolidated ordinary profits	(503)	926	3,251
Consolidated current net profits	(2,629)	120	2,602
Consolidated current net profits per share	(JPY 27.34)	JPY 1.16	JPY 24.38
Dividend per share	JPY 0.00	JPY 0.00	JPY 3.00

(Note 1) The shareholding ratios listed under “7. Major shareholders and their shareholding ratios (as of December 31, 2013)” are the ratios (rounded to the nearest hundredths) of the number of shares held relative to the total number of issued Target Company Shares as of December 31, 2013 set forth in the notice of annual shareholders meeting for the 73<sup>rd</sup> fiscal year that the Target Company issued on March 7, 2014 (108,122,646 shares). The Target Company also owns 1,380,575 treasury shares (as of December 31, 2013).

(Note 2) The unit is JPY 1,000,000 unless otherwise noted.

3. Number of acquired shares, purchase price, and shares held before and after the acquisition

(1) Number of shares held prior to the change	10,582,000 shares (Number of voting rights: 10,582) (Ratio of voting rights owned: 9.91%)
(2) Number of acquired shares	57,519,995 shares (Number of voting rights: 57,519) (Ratio of voting rights owned: 53.89%) (Purchase price: JPY 23,007,998,000)
(3) Number of shares held after the change	68,101,995 shares (Number of voting rights: 68,101) (Ratio of voting rights owned: 63.80%)

(Note 1) The number of shares and number of voting rights do not include the number of shares and number of voting rights that correspond to the dilutive shares at each point in time.

(Note 2) “Ratio of voting rights owned” is calculated by setting the denominator as the number of voting rights (106,742) attached to the number of shares (106,742,071 shares) calculated by subtracting the total number of issued Target Company Shares as of December 31, 2013 set forth in the notice of annual shareholders meeting for the 73<sup>rd</sup> fiscal year that the Target Company issued on March 7, 2014 (108,122,646 shares) by the number of treasury shares owned by the Target Company as of December 31, 2013 set forth in said notice of annual shareholders meeting (1,380,575 shares).

(Note 3) “Ratio of voting rights owned” is rounded to the nearest hundredths.

4. Expected date of the change

March 26, 2014 (Wednesday) (settlement commencement date for the Tender Offer)

5. Future outlook

We are currently examining the effects that this change will have on our business performance on a consolidated basis and will promptly make an announcement if we find that there is a need to revise our earnings forecast or to make any disclosures.