

Statement to be Retained Concerning Share Exchange

(Document Specified in Article 791, Paragraph 1, Item (2) and Article 801, Paragraph 3, Item (3) of the
Companies Act)

May 1, 2016

Murata Manufacturing Co., Ltd.
Toko, Inc.

May 1, 2016

Statement to be Retained Concerning Share Exchange
(Document Specified in Article 791, Paragraph 1, Item (2) and
Article 801, Paragraph 3, Item (3) of the Companies Act)

Murata Manufacturing Co., Ltd.
10-1, Higashikotari 1-chome, Nagaokakyo-shi, Kyoto
Tsuneo Murata, President and Representative Director

Toko, Inc.
18 Oaza-gomigaya, Tsurugashima-shi, Saitama
Kiminori Yamauchi, President and Representative Director

Murata Manufacturing Co., Ltd. (“Murata”) and Toko, Inc. (“Toko”) implemented a share exchange (the “Share Exchange”) effective May 1, 2016 pursuant to a Share Exchange Agreement (the “Share Exchange Agreement”) entered into by the parties on January 29, 2016. As a result of the Share Exchange, Murata became the sole parent company of Toko, and Toko became a wholly-owned subsidiary of Murata. Matters to be disclosed pursuant to Article 791, Paragraph 1, Item (2) and Article 801, Paragraph 3, Item (3) of the Companies Act and Article 190 of the Ordinance for Enforcement of the Companies Act are set forth below.

1. Effective date of the Share Exchange (Article 190, Item (1) of the Ordinance for Enforcement of the Companies Act):
May 1, 2016
2. Progress of the procedures to be performed by the wholly-owned subsidiary as specified in Article 784-2, Article 785, Article 787, and Article 789 of the Companies Act (Article 190, Item (2) of the Ordinance for Enforcement of the Companies Act):
 - (1) Progress of the procedures regarding the demand specified in Article 784-2 of the Companies Act (Demand for Cessation of the Share Exchange):
Not applicable.
 - (2) Progress of the procedures specified in Article 785 (Dissenting Shareholders' Share Purchase Demand) of the Companies Act:
Pursuant to Article 785, Paragraphs 3 and 4 of the Companies Act, on April 8, 2016, Toko provided notice by electronic means to its shareholders of the Share Exchange and of the

name and address of Murata, which is the sole parent company, in accordance with the Articles of Incorporation. No Toko shareholders demanded purchase of their shares pursuant to Article 785, Paragraph 1 of the Companies Act.

- (3) Progress of the procedures specified in Article 787 (Demand for Purchase of Stock Acquisition Rights) and Article 789 (Objections of Creditors) of the Companies Act:
Not applicable.

3. Progress of the procedures to be performed by the sole parent company specified in Article 796-2, Article 797 and Article 799 of the Companies Act (Article 190, Item (3) of the Ordinance for Enforcement of the Companies Act):

- (1) Progress of the procedures regarding the demand specified in Article 796-2 of the Companies Act (Demand for Cessation of the Share Exchange):
Not applicable.

- (2) Progress of the procedures specified in Article 797 (Dissenting Shareholders' Share Purchase Demand) of the Companies Act:
Not applicable.

- (3) Progress of the procedures specified in Article 799 (Objections of Creditors) of the Companies Act:
Not applicable.

4. Number of wholly-owned subsidiary shares transferred to the sole parent company pursuant to the Share Exchange (Article 190, Item (4) of the Ordinance for Enforcement of the Companies Act)
38,585,009 Toko shares were transferred to Murata pursuant to the Share Exchange.

5. Other material matters relating to the Share Exchange (Article 190, Item (5) of the Ordinance for Enforcement of the Companies Act):

- (1) Pursuant to the body of Article 796, Paragraph 2 of the Companies Act, Murata executed the Share Exchange without obtaining approval at a General Shareholders Meeting concerning the Share Exchange Agreement as specified in Article 795, Paragraph 1 of the Companies Act.

One Murata shareholder provided notice of an objection to the Share Exchange pursuant to Article 796, Paragraph 3 of the Companies Act, and the total number of shares owned by that shareholder was 200 shares.

The relevant number of shares is fewer than the number of shares specified in Article 197 of the Ordinance for Enforcement of the Companies Act.

- (2) Pursuant to Article 783, Paragraph 1 of the Companies Act, Toko obtained approval of the Share Exchange Agreement by a resolution of the 75th regular General Shareholders Meeting held on March 29, 2016.
- (3) At the time of the Share Exchange, Murata allotted and delivered Murata common stock to the shareholders (excluding Murata) recorded or registered in the Toko register of shareholders at the time immediately prior to the time that Murata acquired all outstanding shares of Toko (excluding the Toko common stock owned by Murata) through the Share Exchange (the “Reference Time”) at a ratio of 0.027 shares of Murata common stock for each share of Toko common stock. The total number of shares of Murata common stock allotted and delivered was 1,041,795 shares.
- (4) Toko common stock was delisted from the Tokyo Stock Exchange on April 26, 2016.
- (5) No changes were made to the amounts of Murata's capital, capital reserves or earned surplus reserves in conjunction with the Share Exchange.
- (6) Toko retired all of its treasury shares (1,435,642 shares) that it owned as of immediately prior to the Reference Time on May 1, 2016, the date on which the time immediately prior to the Reference Time falls.

(End of document)