

Consolidated Financial Flash Report (June 30, 2014)

Date: July 31, 2014

Company Name : Murata Manufacturing Co., Ltd.
Listing Code : 6981
(URL <http://www.murata.com/>)
Phone : (075) 955-6525
The date of payout of dividends: -

Stock Exchange Listings:
Tokyo Stock Exchange
Stock Exchange of Singapore

1. Consolidated financial results for the three months ended June 30, 2014

(1) Operating results

	Net sales		Operating income		Income before income taxes		Net income attributable to Murata Corporation	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2014	217,988	13.2	36,897	47.9	37,172	50.5	26,928	54.0
Three months ended June 30, 2013	192,581	35.1	24,941	308.3	24,699	350.8	17,481	391.3

Comprehensive income attributable to Murata Corporation: 23,053 million yen for the year ended June 30, 2014 and 29,798 million yen for the year ended June 30, 2013

	Basic earnings attributable to Murata Corporation per share	Diluted earnings attributable to Murata Corporation per share
	Yen	Yen
Three months ended June 30, 2014	127.19	-
Three months ended June 30, 2013	82.82	-

* Percentages in the fields of Net sales, Operating income, Income before income taxes, and Net income attributable to Murata Corporation are the growth ratios against the same period of the previous fiscal year.

(2) Financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2014	1,210,282	963,984	79.6	4,553.38
As of March 31, 2014	1,243,687	955,760	76.8	4,514.53

2. Dividends (Year ended March 31, 2014 and the year ending March 31, 2015)

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2014	-	60.00	-	70.00	130.00
2015	-	-	-	-	-
2015 (Projected)	-	80.00	-	80.00	160.00

*No change in the projected dividends during the three months ended June 30, 2014.

3. Projected financial results for the six months ending September 30, 2014 and the year ending March 31, 2015 (Consolidated basis)

	Net sales		Operating income		Income before income taxes		Net income attributable to Murata Corporation		Basic earnings attributable to Murata Corporation per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2014	445,000	7.5	71,000	5.3	73,000	6.8	51,000	7.0	241.14
Year ending March 31, 2015	920,000	8.7	144,000	14.4	148,000	11.8	102,000	9.5	482.28

*No change in the projected financial results during the three months ended June 30, 2014.

Percentages in the fields of Net sales, Operating income, Income before income taxes and Net income for the six months ending September 30, 2014 are the growth ratios against the six months ended September 30, 2013.

Percentages for the year ending March 31, 2015 are the growth ratios against the previous year.

4. Other

(1) Changes in significant subsidiaries during the three months ended June 30, 2014 (changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Adoption of simplified and specifically applied the accounting method

The Company adopted accounting method specifically applied for quarterly consolidated financial reporting.

(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 June 30, 2014 and as of March 31, 2014

Number of treasury stock: 13,556,256 shares as of June 30, 2014 and 13,555,870 shares as of March 31, 2014

Average number of shares outstanding: 211,707,453 shares for the three months ended June 30, 2014 and 211,074,621 shares for the three months ended June 30, 2013

*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, 2014 through June 30, 2014)

1. Business Results

In the global economic environment for the period under review, the U.S. employment and income environment was halfway to full recovery and growth rates in Europe remained low due to sluggish growth in domestic consumption, although the economies of developed countries got back on a recovery track. Emerging countries such as China continued to experience slow growth due to a downward swing of exports and decline in imports of developed countries.

In the electronics market, the smartphone and tablet markets showed significant growth continuously, while the business outlook was uncertain. In particular, the penetration of LTE devices and growing demand for smartphones in China contributed to an increase in the number of components and an expansion of the electronics component markets. Additionally, increased production of vehicles and advanced electrification contributed to an increase in demand for electronic components.

Under these circumstances, the Company's net sales for the period under review increased by 217,988 million yen, up 13.2% from the same period in 2013 because sales significantly increased for both communication and car electronics markets and TOKO, INC. joined the Company as a consolidated subsidiary on March 26, 2014.

Operating income was 36,897 million yen, up 47.9%, income before income taxes was 37,172 million yen, up 50.5%, and net income attributable to Murata Corporation was 26,928 million yen, up 54.0% from the same period in 2013. The primary factors for the profit increase were the increase in capacity utilization, comprehensive cost reductions, and depreciation of the yen, while negative factors included price declines.

	Millions of yen					
	Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
		%*		%*		%*
Net sales	192,581	100.0	217,988	100.0	25,407	13.2
Operating income	24,941	13.0	36,897	16.9	11,956	47.9
Income before income taxes	24,699	12.8	37,172	17.1	12,473	50.5
Net income attributable to Murata Corporation	17,481	9.1	26,928	12.4	9,447	54.0
Average exchange rates (Yen/U.S. dollar)	98.76	—	102.16	—	3.40	—
Average exchange rates (Yen/EURO)	128.96	—	140.06	—	11.10	—

*Component ratio as a percentage of net sales

Sales by Product Category

Net sales by product category for the period under review are as follows.

		Millions of yen					
		Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
			%*		%*		%
Capacitors		66,104	34.5	69,755	32.1	3,651	5.5
Piezoelectric Components		24,206	12.6	28,565	13.2	4,359	18.0
Other Components		35,317	18.4	46,567	21.4	11,250	31.9
Components Total		125,627	65.5	144,887	66.7	19,260	15.3
Communication Modules		52,009	27.1	58,461	26.9	6,452	12.4
Power Supplies and Other Modules		14,277	7.4	13,764	6.4	(513)	(3.6)
Modules Total		66,286	34.5	72,225	33.3	5,939	9.0
Net sales		191,913	100.0	217,112	100.0	25,199	13.1

*Component ratio as a percentage of net sales

<Components>

Sales of Components for the period under review increased by 15.3% year-on-year to 144,887 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, grew at a healthy pace due to an increase in tablets and automotive electronics. In particular, the advanced electrification of automobiles led to increased demand in this market.

As a result, overall net sales increased by 5.5% year-on-year to 69,755 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 greatly increased thanks to growing production of LTE devices in China. Regarding piezoelectric sensors, sales of shock sensors maintained steady growth for hard disk drives continued their steady growth.

As a result, overall net sales increased by 18.0% year-on-year to 28,565 million yen.

[Other Components]

Other Components include inductors (coils), EMI (electro-magnetic interference) suppression filters, connectors, sensors and thermistors.

For the period under review, sales of EMI suppression filters significantly grew in the car electronics market. Sales of connectors greatly increased for smartphones. Sales of sensors increased substantially as demand for MEMS (Micro Electro Mechanical Systems)

sensors largely grew in the car electronics market. Sales of inductors (coils) grew significantly for smartphones and the inductors (coils) from TOKO, INC. were added to our product lineup through the acquisition.

As a result, overall net sales increased by 31.9% year-on-year to 46,567 million yen.

<Modules>

Sales of Modules for the period under review increased by 9.0% year-on-year to 72,225 million yen.

[Communication Modules]

The Communication Modules category includes short-range wireless communication modules, circuit modules and multilayer ceramic devices.

For the period under review, sales of short-range wireless communication modules greatly increased for smartphones and tablets. Sales of circuit modules steadily grew for tablets. Sales of multilayer ceramic devices greatly increased to accommodate increased production of LTE devices.

As a result, overall net sales increased by 12.4% year-on-year to 58,461 million yen.

[Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies decreased for automotive electronics.

As a result, overall net sales decreased by 3.6% year-on-year to 13,764 million yen.

2. Financial Position

Liquidity on hand (cash, short-term investments, available-for-sale securities (government and private debt securities), and long-term deposits) as of June 30, 2014 decreased by 22,852 million yen from the end of the previous fiscal year to 374,915 million yen. Interest-bearing debt (short-term borrowings and long-term debt) decreased by 18,401 million yen from March 31, 2014 to 38,728 million yen. As a result, net cash decreased by 4,451 million yen from March 31, 2014 to 336,187 million yen. Total assets as of June 30, 2014 decreased by 33,405 million yen from the end of the previous fiscal year to 1,210,282 million yen. The ratio of shareholders' equity to total assets was increased by 2.8 percentage points from the end of the previous fiscal year to 79.6% as of June 30, 2014.

Cash flows for the period under review are as follows:

<Net Cash Provided by Operating Activities>

For the period under review, net cash provided by operating activities was 28,742 million yen. As for the details, net income was 26,980 million yen, depreciation and amortization was 18,367 million yen and accrued expenses and other increased by 13,209 million yen while

income taxes payable decreased by 22,491 million yen and accrued payroll and bonuses decreased by 8,341 million yen.

Net cash provided by operating activities decreased by 7,064 million yen from the three months ended June 30, 2013.

<Net Cash Provided by Investing Activities>

For the period under review, net cash provided by investing activities was 31,435 million yen. Cash inflows from maturities and sales of marketable securities were 37,900 million yen and short-term investments were 21,461 million yen, while cash outflows from capital expenditures were 17,611 million yen and payment for purchases of marketable securities, investments and other was 11,143 million.

Net cash used in investing activities increased by 41,252 million yen from the three months ended June 30, 2013.

<Net Cash Provided by Financing Activities>

For the period under review, net cash used in financing activities was 32,780 million yen. As for the details, cash outflows from repayment of short-term borrowings were 16,864 million yen and payments of dividends were 14,820 million yen.

Net cash used in financing activities decreased by 7,375 million yen from the three months ended June 30, 2013.

3. Projected Results for the Year Ending March 31, 2015

The Company has not revised its projected results for the year ending March 31, 2015, which were announced on April 30, 2014.

[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.

Consolidated Balance Sheets (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(1) Consolidated Balance Sheets (Assets)

As of March 31, 2014 and June 30, 2014

	Millions of Yen			
	As of March 31, 2014		As of June 30, 2014	
		%		%
Assets	1,243,687	100.0	1,210,282	100.0
Current assets	672,981	54.1	657,118	54.3
Cash	104,467		99,337	
Short-term investments	77,531		94,602	
Marketable securities	100,403		81,595	
Trade notes receivable	775		728	
Trade accounts receivable	188,044		174,780	
Allowance for doubtful notes and accounts	(948)		(897)	
Inventories	170,603		170,661	
Deferred income taxes	22,566		21,256	
Prepaid expenses and other	9,540		15,056	
Property, plant and equipment	346,473	27.9	345,720	28.6
Land	50,153		50,550	
Buildings	308,576		308,176	
Machinery and equipment	727,280		731,106	
Construction in progress	18,251		21,910	
Accumulated depreciation	(757,787)		(766,022)	
Investments and other assets	224,233	18.0	207,444	17.1
Investments	126,600		117,024	
Intangible assets	51,319		49,927	
Goodwill	23,257		23,026	
Deferred income taxes	9,496		9,381	
Other	13,561		8,086	
Total assets	1,243,687	100.0	1,210,282	100.0

Consolidated Balance Sheets (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

Consolidated Balance Sheets (Liabilities and Equity)

As of March 31, 2014 and June 30, 2014

	Millions of Yen			
	As of March 31, 2014		As of June 30, 2014	
Liabilities	272,055	21.9	230,745	19.1
Current liabilities	173,713	14.0	136,673	11.3
Short-term borrowings	37,885		20,696	
Trade accounts payable	43,387		39,664	
Accrued payroll and bonuses	30,078		21,686	
Income taxes payable	27,909		5,404	
Accrued expenses and other	34,454		49,223	
Long-term liabilities	98,342	7.9	94,072	7.8
Long-term debt	16,312		12,952	
Termination and retirement benefits	70,346		70,096	
Deferred income taxes	9,673		9,182	
Other	2,011		1,842	
Equity	971,632	78.1	979,537	80.9
Murata Corporation's Shareholders' equity	955,760	76.8	963,984	79.6
Common stock	69,377		69,377	
Capital surplus	103,864		103,864	
Retained earnings	834,419		846,527	
Accumulated other comprehensive income:	8,385		4,510	
Unrealized gains on securities	5,511		5,573	
Pension liability adjustments	(4,688)		(4,751)	
Foreign currency translation adjustments	7,562		3,688	
Treasury stock, at cost	(60,285)		(60,294)	
Noncontrolling interests	15,872	1.3	15,553	1.3
Total liabilities and total equity	1,243,687	100.0	1,210,282	100.0

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

Consolidated Statements of Income

Three months ended June 30, 2013 and 2014

	Millions of Yen			
	Three months ended June 30, 2013		Three months ended June 30, 2014	
		%		%
Net sales	192,581	100.0	217,988	100.0
Cost of sales	127,671	66.3	138,286	63.4
Selling, general and administrative	26,798	13.9	29,780	13.7
Research and development	13,171	6.8	13,025	6.0
Operating income	24,941	13.0	36,897	16.9
Interest and dividend income	1,299	0.7	1,019	0.5
Interest expense	(81)	(0.1)	(113)	(0.1)
Foreign currency exchange loss	(594)	(0.3)	(642)	(0.2)
Other - net	(866)	(0.5)	11	0.0
Income before income taxes	24,699	12.8	37,172	17.1
Income taxes	7,202	3.7	10,192	4.7
<Current income tax>	<7,286>		<9,285>	
<Deferred income tax>	<(84)>		<907>	
Equity in losses of affiliates	(16)	(0.0)	-	-
Net income	17,481	9.1	26,980	12.4
Less: Net income attributable to noncontrolling interests	-	-	52	0.0
Net income attributable to Murata Corporation	17,481	9.1	26,928	12.4

Consolidated Statements of Comprehensive Income

Three months ended June 30, 2013 and 2014

	Millions of Yen	
	Three months ended June 30, 2013	Three months ended June 30, 2014
Net income	17,481	26,980
Other comprehensive income (loss), net of tax:		
Unrealized gains on securities	541	(36)
Pension liability adjustments	(32)	(63)
Unrealized gains on derivative instruments	165	-
Foreign currency translation adjustments	11,643	(4,147)
Other comprehensive income (loss)	12,317	(4,246)
Comprehensive income	29,798	22,734
Less: Comprehensive loss attributable to noncontrolling interests	-	(319)
Comprehensive income attributable to Murata Corporation	29,798	23,053

(3) Consolidated Statements of Cash Flows

Three months ended June 30, 2013 and 2014

	Millions of Yen			
	Three months ended June 30, 2013		Three months ended June 30, 2014	
Operating activities:				
Net income		17,481		26,980
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	17,781		18,367	
Losses on sales and disposals of property, plant and equipment	(23)		(58)	
Provision for termination and retirement benefits, less payments	380		(547)	
Deferred income taxes	(84)		907	
Changes in assets and liabilities:				
Decrease in trade notes and accounts receivable	16,720		11,359	
Increase in inventories	(7,313)		(843)	
Increase in prepaid expenses and other	(2,379)		(5,024)	
Increase (decrease) in trade notes and accounts payable	575		(3,927)	
Decrease in accrued payroll and bonuses	(6,532)		(8,341)	
Decrease in income taxes payable	(6,250)		(22,491)	
Increase in accrued expenses and other	5,218		13,209	
Other-net	232	18,325	(849)	1,762
Net cash provided by operating activities		35,806		28,742
Investing activities:				
Capital expenditures		(19,790)		(17,611)
Payment for purchases of marketable securities, investments and other		(10,767)		(11,143)
Maturities and sales of marketable securities, investments and other		16,521		37,900
Decrease in short-term investments		3,744		21,461
Other		475		828
Net cash provided by (used in) investing activities		(9,817)		31,435
Financing activities:				
Net decrease in short-term borrowings		(14,576)		(16,864)
Repayment of long-term debt		(368)		(1,064)
Dividends paid		(10,554)		(14,820)
Other		93		(32)
Net cash used in financing activities		(25,405)		(32,780)
Effect of exchange rate changes on cash and cash equivalents		804		127
Net increase in cash and cash equivalents		1,388		27,524
Cash and cash equivalents at beginning of period		90,068		118,884
Cash and cash equivalents at end of period		91,456		146,408
Additional cash and cash equivalents information:				
Cash		72,187		99,337
Short-term investments		49,422		94,602
Short-term investments with the original maturities over three months		(30,153)		(47,531)
Cash and cash equivalents at end of period		91,456		146,408

	Millions of Yen	
	As of June 30, 2013	As of June 30, 2014
Cash and cash equivalents at end of period	91,456	146,408
Short-term investments with the original maturities over three months	30,153	47,531
Available-for-sale securities (Governmental, Private debt securities and Investment trusts)	195,158	180,976
Long-term deposits	6,000	-
Liquidity in hand	322,767	374,915
Interest bearing liabilities	(43,388)	(38,728)
Net cash	279,379	336,187

(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 include Components segment, Modules segment and Others and are primarily based on the nature of the Companies' products.

Three months ended June 30, 2013 and 2014

		Millions of Yen			
		Three months ended June 30, 2013		Three months ended June 30, 2014	
Components	Sales to :		%		%
	Unaffiliated customers	125,627		144,887	
	Intersegment	7,229		9,860	
	Total revenue	132,856	100.0	154,747	100.0
	Segment income	29,340	22.1	38,495	24.9
Modules	Sales to :		%		%
	Unaffiliated customers	66,286		72,225	
	Intersegment	65		17	
	Total revenue	66,351	100.0	72,242	100.0
	Segment income	4,266	6.4	6,823	9.4
Others	Sales to :		%		%
	Unaffiliated customers	668		876	
	Intersegment	6,378		7,050	
	Total revenue	7,046	100.0	7,926	100.0
	Segment income	831	11.8	790	10.0
Corporate and eliminations	Sales to :		%		%
	Unaffiliated customers	-		-	
	Intersegment	(13,672)		(16,927)	
	Total revenue	(13,672)	-	(16,927)	-
	Corporate expenses	(9,496)	-	(9,211)	-
Consolidated	Sales to :		%		%
	Unaffiliated customers	192,581		217,988	
	Intersegment	-		-	
	Total revenue	192,581	100.0	217,988	100.0
	Operating income	24,941	13.0	36,897	16.9

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

July 31, 2014
Murata Manufacturing Co., Ltd.
Listing Code : 6981
(URL <http://www.murata.com/>)

Flash Report (Three months ended June 30, 2014)

Selected Financial Data

Three months ended June 30, 2013 and 2014 / As of June 30, 2013 and 2014

		Consolidated Basis			Parent Co. Basis		
		2013	2014	Growth ratio	2013	2014	Growth ratio
Net sales	Millions of yen	192,581	217,988	13.2	147,958	157,924	6.7
Operating income	<*> ³ Millions of yen	<13.0>	<16.9>	47.9	<6.4>	<4.4>	(26.7)
Income before income taxes (and extraordinary items) *2	<*> ³ Millions of yen	<12.8>	<17.1>	50.5	<13.0>	<18.5>	52.1
Net income attributable to Murata Corporation	<*> ³ Millions of yen	<9.1>	<12.4>	54.0	<11.4>	<17.0>	59.1
Total assets	Millions of yen	1,089,225	1,210,282	11.1	614,876	703,213	14.4
Shareholders' equity	Millions of yen	880,201	963,984	9.5	404,687	442,989	9.5
Shareholders' equity ratio	%	80.8	79.6	-	65.8	63.0	-
Basic earnings attributable to Murata Corporation per share	Yen	82.82	127.19	53.6	80.09	127.02	58.6
Shareholders' equity per share	Yen	4,170.10	4,553.38	-	1,917.27	2,092.46	-
Capital expenditures	Millions of yen	19,790	17,611	(11.0)	2,182	2,703	23.8
Depreciation and amortization	<*> Millions of yen	<9.2>	<8.4>	3.3	<2.8>	<2.5>	(4.7)
R & D expenses	<*> Millions of yen	<6.8>	<6.0>	(1.1)	<9.3>	<8.9>	2.3
Number of employees	*6	<14,563>	<25,188>	31.1	7,380	7,485	1.4
Average exchange rates							
Yen/US dollar	Yen	98.76	102.16	-			
Yen/EURO	Yen	128.96	140.06	-			

*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 is not stated since there were no potential dilutive securities.

*5 Ratio to net sales excluding revenue from services

*6 Figures in parentheses show the number of employees in foreign countries.

Orders, Backlog and Sales

(1) Orders and Backlog by Product

<Orders>

Three months ended June 30, 2013 and 2014

	Millions of Yen					
	Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
		%*1		%*1		%
Capacitors	68,271	35.9	74,222	33.5	5,951	8.7
Piezoelectric Components	25,979	13.6	33,546	15.2	7,567	29.1
Other Components	36,024	18.9	48,504	21.9	12,480	34.6
Components Total	130,274	68.4	156,272	70.6	25,998	20.0
Communication Modules	46,070	24.2	51,691	23.4	5,621	12.2
Power Supplies and Other Modules	14,138	7.4	13,253	6.0	(885)	(6.3)
Modules Total	60,208	31.6	64,944	29.4	4,736	7.9
Total	190,482	100.0	221,216	100.0	30,734	16.1

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

*4 The tables by product indicate orders, backlog, and sales of electronic components and related products.

*5 TOKO, INC.'s orders are included in Other Components from three months ended June 30, 2014.

<Backlog>

	Millions of Yen					
	As of March 31, 2014		As of June 30, 2014		Change	
		%*1		%*1		%
Capacitors	29,300	29.8	33,767	33.0	4,467	15.2
Piezoelectric Components	12,083	12.3	17,064	16.7	4,981	41.2
Other Components	18,290	18.6	20,227	19.7	1,937	10.6
Components Total	59,673	60.7	71,058	69.4	11,385	19.1
Communication Modules	32,094	32.6	25,324	24.7	(6,770)	(21.1)
Power Supplies and Other Modules	6,563	6.7	6,052	5.9	(511)	(7.8)
Modules Total	38,657	39.3	31,376	30.6	(7,281)	(18.8)
Total	98,330	100.0	102,434	100.0	4,104	4.2

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

*4 TOKO, INC.'s backlog is included in Other Components.

(2) Sales by Product Category, Application and Area

1. Sales by Product Category

Three months ended June 30, 2013 and 2014

	Millions of Yen					
	Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
		%*1		%*1		%
Capacitors	66,104	34.5	69,755	32.1	3,651	5.5
Piezoelectric Components	24,206	12.6	28,565	13.2	4,359	18.0
Other Components	35,317	18.4	46,567	21.4	11,250	31.9
Components Total	125,627	65.5	144,887	66.7	19,260	15.3
Communication Modules	52,009	27.1	58,461	26.9	6,452	12.4
Power Supplies and Other Modules	14,277	7.4	13,764	6.4	(513)	(3.6)
Modules Total	66,286	34.5	72,225	33.3	5,939	9.0
Net sales	191,913	100.0	217,112	100.0	25,199	13.1

*1 Component ratio

*2 Exclusive of consumption taxes

*3 TOKO, INC.'s sales are included in Other Components from three months ended June 30, 2014

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

Three months ended June 30, 2013 and 2014

	Millions of Yen					
	Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
		%*1		%*1		%
AV	10,906	5.7	11,606	5.4	700	6.4
Communications	92,772	48.4	104,246	48.0	11,474	12.4
Computers and Peripherals	35,191	18.3	39,125	18.0	3,934	11.2
Automotive Electronics	28,283	14.7	33,692	15.5	5,409	19.1
Home and Others	24,761	12.9	28,443	13.1	3,682	14.9
Net sales	191,913	100.0	217,112	100.0	25,199	13.1

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

Three months ended June 30, 2013 and 2014

	Millions of Yen					
	Three months ended June 30, 2013		Three months ended June 30, 2014		Change	
		%*1		%*1		%
The Americas	15,044	7.8	16,885	7.8	1,841	12.2
Europe	16,799	8.8	19,877	9.1	3,078	18.3
Greater China	96,352	50.2	112,104	51.6	15,752	16.3
Asia and Others	45,814	23.9	47,706	22.0	1,892	4.1
Overseas total	174,009	90.7	196,572	90.5	22,563	13.0
Japan	17,904	9.3	20,540	9.5	2,636	14.7
Net sales	191,913	100.0	217,112	100.0	25,199	13.1

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended June 30, 2013		Three months ended September 30, 2013		Three months ended December 31, 2013		Three months ended March 31, 2014	
		% *1		% *1		% *1		% *1
Net sales	192,581	100.0	221,550	100.0	234,831	100.0	197,754	100.0
Operating income	24,941	13.0	42,478	19.2	37,507	16.0	20,965	10.6
Income before income taxes	24,699	12.8	43,650	19.7	37,560	16.0	26,427	13.4
Net income attributable to Murata Corporation	17,481	9.1	30,168	13.6	27,003	11.5	18,539	9.4

	Millions of yen	
	Three months ended June 30, 2014	
		% *1
Net sales	217,988	100.0
Operating income	36,897	16.9
Income before income taxes	37,172	17.1
Net income attributable to Murata Corporation	26,928	12.4

*1 Ratio to net sales

(2) Sales by Product Category

	Millions of yen							
	Three months ended June 30, 2013		Three months ended September 30, 2013		Three months ended December 31, 2013		Three months ended March 31, 2014	
		% *1		% *1		% *1		% *1
Capacitors	66,104	34.5	72,320	32.7	74,159	31.7	63,991	32.5
Piezoelectric Components	24,206	12.6	24,337	11.0	23,481	10.0	24,210	12.3
Other Components	35,317	18.4	42,990	19.5	42,549	18.2	35,713	18.2
Components Total	125,627	65.5	139,647	63.2	140,189	59.9	123,914	63.0
Communication Modules	52,009	27.1	67,705	30.7	79,723	34.0	60,514	30.8
Power Supplies and Other Modules	14,277	7.4	13,515	6.1	14,224	6.1	12,282	6.2
Modules Total	66,286	34.5	81,220	36.8	93,947	40.1	72,796	37.0
Net sales	191,913	100.0	220,867	100.0	234,136	100.0	196,710	100.0

	Millions of yen	
	Three months ended June 30, 2014	
		% *1
Capacitors	69,755	32.1
Piezoelectric Components	28,565	13.2
Other Components	46,567	21.4
Components Total	144,887	66.7
Communication Modules	58,461	26.9
Power Supplies and Other Modules	13,764	6.4
Modules Total	72,225	33.3
Net sales	217,112	100.0

*1 Component ratio

*2 Exclusive of consumption taxes