

Consolidated Financial Flash Report (December 31, 2009)

Date: January 29, 2010

Company Name : Murata Manufacturing Co., Ltd.
Listing Code : 6981
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Stock Exchange Listings:
Tokyo Stock Exchange
Osaka Securities Exchange
Stock Exchange of Singapore

1. Consolidated financial results for the nine months ended December 31, 2009

(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, 2009	395,501	(8.2)	17,400	(27.1)	23,067	(26.8)	14,035	(20.8)
Nine months ended Dec. 31, 2008	430,812	(10.2)	23,876	(74.7)	31,531	(67.7)	17,728	(71.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended Dec. 31, 2009	65.39	65.39
Nine months ended Dec. 31, 2008	81.03	81.03

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

*The Companies' "Net income" is computed in the same method as for "Net income attributable to the Company's shareholders" under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 810, "Consolidation" (the provisions which were previously included in Statement of Financial Accounting Standards No. 160, "Noncontrolling Interests in Consolidated Financial Statements - an amendment of ARB No.51") in the United States of America.

(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, 2009	908,295	783,823	86.3	3,651.96
As of Mar. 31, 2009	909,327	784,342	86.3	3,654.34

2. Dividends (Year ended March 31, 2009 and the year ending March 31, 2010)

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2009	-	50.00	-	50.00	100.00
2010	-	35.00	-		
2010 (Projected)				35.00	70.00

*No change in the projected dividends during the three months ended December 31, 2009.

3. Projected financial results for the year ending March 31, 2010 (Consolidated basis)

	Net sales		Operating income		Income before income taxes		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending Mar. 31, 2010	530,000	1.2	26,500	-	34,000	-	21,000	485.3	97.84

*Projected financial results have been revised during the three months ended December 31, 2009.

Percentages for the year ending March 31, 2010 are the growth ratio against the previous year.

4. Other

(1) Changes in significant subsidiaries (changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Adoption of accounting method simplified and specifically applied for quarterly consolidated financial reporting

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

*See "Business Results and Financial Position - 4. Other" for more detailed information.

(3) Changes in accounting principle, method and representation

The Company changed accounting principle, method and representation.

*See "Business Results and Financial Position - 4. Other" for more detailed information.

(4) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares as of December 31, 2009 and as of March 31, 2009

Number of treasury stock: 10,632,855 shares as of December 31, 2009 and 10,630,495 shares as of March 31, 2009

Average number of shares outstanding: 214,631,812 shares for the nine months ended December 31, 2009 and 218,786,649 shares for the nine months ended December 31, 2008

(Reference) Projected financial results for the year ending March 31, 2010 (Parent Co. basis)

	Net sales		Operating income		Income before income taxes and extraordinary items		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending Mar. 31, 2010	455,000	4.2	7,000	-	18,000	123.4	15,000	196.0	69.89

*Projected financial results have been revised during the three months ended December 31, 2009.

Percentages for the year ending March 31, 2010 are the growth ratio against the previous year.

*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, 2009 through December 31, 2009)

1. Business Results

For the three months ended December 31, 2009, the global electronics markets continued to be strong, mainly in the markets of mobile phones, personal computers and digital AV equipment, which sharply picked up last spring as a result of extensive stimulus packages implemented by the major economies.

In the mobile phone market, replacement demand for high-end models such as third-generation (3G) phones and smartphones was quite brisk while new subscribers continued to increase in emerging countries. In the personal computer market, consumer sales grew mainly for notebook computers, reflecting the launch of the new operating systems. Especially sales of low-price, compact netbook computers showed steady growth, which spurred strong demand for data cards (card-type or built-in devices utilizing wireless communication systems such as 3G). In the digital AV market, demand for flat-screen TVs rose favorably owing to further price decline and governments' initiatives to lift demand.

Under this market environment, the Company has expanded sales by maintaining production capacity, which was enhanced in response to sharp demand increase since last spring. It also implemented comprehensive reduction of production costs and indirect expenses, aiming at boosting profitability.

As a result, net sales for the third quarter of this fiscal year increased to 139,906 million yen, up 1.3% from the previous quarter. Operating income increased by 14.4% to 11,300 million yen, income before income taxes increased by 19.5% to 15,316 million yen and net income increased by 10.5% to 9,292 million yen.

	Millions of yen							
	Three months ended June 30, 2009		Three months ended September 30, 2009		Three months ended December 31, 2009		Growth*2	
		%*1		%*1		%*1		%
Net sales	117,507	100.0	138,088	100.0	139,906	100.0	1,818	1.3
Operating income (loss)	(3,775)	(3.2)	9,875	7.2	11,300	8.1	1,425	14.4
Income (loss) before income taxes	(5,064)	(4.3)	12,815	9.3	15,316	10.9	2,501	19.5
Net income (loss)	(3,667)	(3.1)	8,410	6.1	9,292	6.6	882	10.5

*1 Ratio to net sales

*2 Comparison of the three months ended December 31, 2009 to the three months ended September 30, 2009

On the other hand, although sales increased in quantity, net sales for the nine months ended December 31, 2009 decreased to 395,501 million yen, down 8.2% from a year earlier. Operating income was 17,400 million yen, down 27.1%, income before income taxes was 23,067 million yen, down 26.8%, and net income was 14,035 million yen, down 20.8%, year-on-year. The decrease was mainly due to price decline and the appreciation of the yen, which rose against the US dollar by 9.28 yen year-on-year.

	Millions of yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		%*1		%*1		%
Net sales	430,812	100.0	395,501	100.0	(35,311)	(8.2)
Operating income	23,876	5.5	17,400	4.4	(6,476)	(27.1)
Income before income taxes	31,531	7.3	23,067	5.8	(8,464)	(26.8)
Net income	17,728	4.1	14,035	3.5	(3,693)	(20.8)

*1 Ratio to net sales

<Sales by Product Category>

Net sales by product category for the nine-month period under review compared with the figures for the same period of the previous fiscal year are as follows:

	Millions of yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		%*1		%*1		%
Capacitors	152,099	35.4	130,878	33.2	(21,221)	(14.0)
Piezoelectric Components	62,888	14.7	60,890	15.5	(1,998)	(3.2)
Other Components	85,517	19.9	72,166	18.3	(13,351)	(15.6)
Components Total	300,504	70.0	263,934	67.0	(36,570)	(12.2)
Communication Modules	82,685	19.3	96,134	24.4	13,449	16.3
Other Modules	45,859	10.7	33,967	8.6	(11,892)	(25.9)
Modules Total	128,544	30.0	130,101	33.0	1,557	1.2
Net sales	429,048	100.0	394,035	100.0	(35,013)	(8.2)

*1 Component ratio

(1) Components

Sales of Components for the period under review declined by 12.2% year-on-year to 263,934 million yen.

[Capacitors]

The Capacitors category includes multilayer ceramic capacitors, disc ceramic capacitors and trimmer capacitors.

For the period under review, sales of multilayer ceramic capacitors, the main product in this category, increased in quantity but decreased largely on a value basis mainly because of price decline. Sales of application-specific capacitors for computers and peripheral equipment dropped significantly. As a result, overall net sales decreased by 14.0% year-on-year to 130,878 million yen.

[Piezoelectric Components]

The Piezoelectric Components category includes SAW (surface acoustic wave) filters, ceramic resonators, piezoelectric sensors, ceramic filters and piezoelectric buzzers.

For the period under review, sales of SAW filters for use in wireless communication equipment decreased on a value basis because of price decline although sales quantity increased sharply. Sales of ceramic resonators and ceramic filters were sluggish for all applications. Piezoelectric sensors maintained solid growth in sales of HDD shock sensors and ultrasonic sensors for back sonar for use in automotive electronics. Sales of piezoelectric speakers for AV equipment and piezoelectric actuators for automotive electronics showed considerable growth. As a result, overall net sales decreased by 3.2% year-on-year to 60,890 million yen.

[Other Components]

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

For the period under review, in spite of the rise in quantity, sales of EMI suppression filters, inductors (coils) and connectors decreased because of falling prices. Sales of gyro sensors for use in AV equipment and isolators for use in wireless communication equipment were also down considerably. As a result, overall net sales decreased by 15.6% year-on-year to 72,166 million yen.

(2) Modules

Sales of Modules for the period under review increased by 1.2% year-on-year to 130,101 million yen.

[Communication Modules]

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

For the period under review, sales of wireless LAN modules grew drastically. Sales of multilayer ceramic devices for wireless communication equipment were flat year-on-year. Sales of circuit modules decreased significantly in sales of digital TV tuners used in mobile phones but increased sharply in sales of wireless communication modules. As a result, overall net sales posted a year-on-year increase of 16.3% to 96,134 million yen.

[Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies for use in computers and peripheral equipment and AV equipment dropped significantly. As a result, overall net sales of 33,967 million yen recorded a year-on-year decline of 25.9%.

2. Financial Position

Liquidity in hand (cash, short-term investments and available-for-sale securities (government and private debt securities)) as of December 31, 2009 increased by 31,258 million yen from March 31, 2009 to 336,889 million yen. Property, plant and equipment declined by 32,967 million yen from the end of the previous fiscal year to 295,315 million yen because of the progress of depreciation and amortization. Inventories decreased by 7,832 million yen to 86,272 million yen owing to robust sales. As a result total assets as of December 31, 2009 decreased by 1,032 million yen from the end of the previous fiscal year to 908,295 million yen.

The ratio of shareholders' equity to total assets was 86.3% as of December 31, 2009 and remained flat from the end of the previous fiscal year.

[Net Cash Provided by Operating Activities]

For the period under review, funds provided by operating activities increased by 10,349 million yen year-on-year to 70,047 million yen.

Cash inflows from fluctuations of prepaid expenses and other increased by 29,998 million yen and cash inflows from fluctuations of inventories increased by 13,303 million yen, while net income, a major source of operating cash flows, and depreciation and amortization declined by 3,693 million yen and 7,605 million yen, respectively.

[Net Cash Used in Investing Activities]

For the period under review, net cash used in investing activities increased by 65,479 million yen year-on-year to 60,530 million yen.

While capital expenditures dropped by 37,305 million yen, cash outflows from purchases of marketable securities, and investments and other increased by 95,743 million yen because of a rise in investment in long-term bonds

[Net Cash Used in Financing Activities]

For the period under review, net cash used in financing activities decreased by 17,555 million yen year-on-year to 22,956 million yen.

Cash outflows from purchases of treasury stocks decreased by 15,011 million yen and cash outflows from dividends paid decreased by 3,698 million yen.

3. Projected Results for the Year Ending March 31, 2010

Demand has been recovering steadily in the global electronics markets, supported by economic stimulus measures implemented by the major economies. The upward trend is expected to continue during the fourth quarter while there might be some contraction owing to seasonal fluctuations as usual.

The Company has undertaken measures to expand the production capability to cope with sharp increase in orders since last spring. As order backlogs still remain high, the Company will maintain the capacity utilization at a high level during the fourth quarter. Upon taking into consideration the current circumstances and the business results for the nine-month period under review, the projected financial results for the year ending March 31, 2010, which were announced on October 28, 2009, have been revised upward as per the table below.

According to the same business situations as a consolidated basis, the forecast on a parent company basis has also been revised as below.

		Consolidated Basis		Parent Co. Basis	
		Previous Projections Announced in October 28, 2009	Revised Projections	Previous Projections Announced in October 28, 2009	Revised Projections
Net sales	Millions of yen	510,000	530,000	440,000	455,000
	<%>*2	<2.5>	<5.0>	<0.8>	<1.5>
Operating income	Millions of yen	12,500	26,500	3,500	7,000
Income before income taxes (and extraordinary items) *1	Millions of yen	18,500	34,000	14,000	18,000
	<%>*2	<3.6>	<6.4>	<3.2>	<4.0>
Net income	Millions of yen	12,000	21,000	12,500	15,000
	<%>*2	<2.4>	<4.0>	<2.8>	<3.3>
Basic earnings per share	Yen	55.91	97.84	58.24	69.89

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

*2 Ratio to net sales

[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 equipment 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.

4. Other

- (1) Changes in significant subsidiaries
(changes in specific subsidiaries that caused change in scope of consolidation)

None

- (2) Adoption of accounting method simplified and specifically applied for quarterly consolidated financial reporting

Income tax expense for the nine months ended December 31, 2009 was calculated using reasonably estimated annual effective tax rate for this fiscal year including this period.

- (3) Changes in accounting principle, method and representation

Effective July 1, 2009, the Companies adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 105, "Generally Accepted Accounting Principles" (the provisions which were previously included in Statement of Financial Accounting Standards ("SFAS") No. 168, "The FASB Accounting Standards CodificationTM and the Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162") in the United States of America. According to SFAS No. 168, the Companies replaced Statement of Financial Accounting Standards and others with FASB Accounting Standards Codification (ASC). Adoption of this FASB Accounting Standards Codification has no effect on the Companies' consolidated quarterly financial statements.

The Companies previously classified all available-for-sale debt securities as current assets without consideration of contractual maturities. On June 30, 2009, the Companies changed accounting method by which debt securities are classified as current or long-term investments based on their contractual maturities, unless the Companies intend to sell an investment within the next twelve months, in which case it is classified as current. The Companies believe this new method is a preferable accounting method as it better reflects when cash will be realized. In accordance with ASC 250, "Accounting Changes and Error Corrections" (the provisions which were previously included in SFAS No. 154, "Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FASB Statement No. 3"), this change is accounted for as a change in accounting principle. There are no effect on income and earning per share, and no cumulative effect on April 1, 2008 due to this change.

In connection with this accounting change, certain debt securities of 160,809 million Yen and 82,203 million Yen as of December 31, 2009 and March 31, 2009, respectively, were reclassified to long-term. Also, current deferred tax assets of 433 million Yen and 718 million Yen, and current deferred tax liabilities of 803 million Yen and 175 million Yen, as of December 31, 2009 and March 31, 2009, respectively, have been reclassified to long-term before offsetting deferred tax assets and liabilities.

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

(1) Consolidated Balance Sheets

As of December 31, 2009 and March 31, 2009

	Millions of Yen			
	As of December 31, 2009		As of March 31, 2009	
		%		%
Assets	908,295	100.0	909,327	100.0
Current assets	398,982	43.9	440,707	48.5
Cash	66,400		46,296	
Short-term investments	70,083		93,790	
Marketable securities	39,597		83,342	
Trade notes receivable	2,524		3,494	
Trade accounts receivable	111,414		80,578	
Allowance for doubtful notes and accounts	(998)		(1,013)	
Inventories	86,272		94,104	
Deferred income taxes	13,613		16,363	
Prepaid expenses and other	10,077		23,753	
Property, plant and equipment	295,315	32.5	328,282	36.1
Land	43,841		43,899	
Buildings	271,432		267,737	
Machinery and equipment	572,062		567,299	
Construction in progress	11,518		20,979	
Accumulated depreciation	(603,538)		(571,632)	
Investments and other assets	213,998	23.6	140,338	15.4
Investments	170,526		90,138	
Deferred income taxes	14,851		20,496	
Other	28,621		29,704	
Total assets	908,295	100.0	909,327	100.0

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

As of December 31, 2009 and March 31, 2009

	Millions of Yen			
	As of December 31, 2009		As of March 31, 2009	
		%		%
Liabilities	124,472	13.7	124,985	13.7
Current liabilities	69,336	7.6	69,455	7.6
Short-term borrowings	4,836		9,240	
Trade notes payable	984		2,472	
Trade accounts payable	23,590		17,939	
Accrued payroll and bonuses	12,817		17,417	
Income taxes payable	2,159		1,405	
Accrued expenses and other	24,950		20,982	
Long-term liabilities	55,136	6.1	55,530	6.1
Long-term debt	12		17	
Termination and retirement benefits	52,662		53,593	
Deferred income taxes	1,569		889	
Other	893		1,031	
Shareholders' equity	783,823	86.3	784,342	86.3
Common stock	69,377		69,377	
Capital surplus	102,388		102,388	
Retained earnings	687,891		692,099	
Accumulated other comprehensive loss :	(27,764)		(31,462)	
Unrealized gains on securities	2,388		344	
Pension liability adjustments	(2,346)		(4,928)	
Unrealized losses on derivative instruments	(214)		(590)	
Foreign currency translation adjustments	(27,592)		(26,288)	
Treasury stock, at cost	(48,069)		(48,060)	
Total liabilities and shareholders' equity	908,295	100.0	909,327	100.0

(2) Consolidated Statements of Income

Nine months ended December 31, 2009 and 2008

	Millions of Yen			
	Nine months ended December 31, 2008		Nine months ended December 31, 2009	
		%		%
Net sales	430,812	100.0	395,501	100.0
Cost of sales	304,830	70.8	288,114	72.8
Selling, general and administrative	66,882	15.5	59,257	15.0
Research and development	35,224	8.2	30,730	7.8
Operating income	23,876	5.5	17,400	4.4
Interest and dividend income	3,211	0.8	2,412	0.6
Interest expense	(404)	(0.1)	(50)	(0.0)
Foreign currency exchange gain	3,929	0.9	538	0.1
Other - net	919	0.2	2,767	0.7
Income before income taxes	31,531	7.3	23,067	5.8
Income taxes	13,803	3.2	9,032	2.3
<Current income tax>	< 4,400 >		< 3,590 >	
<Deferred income tax>	< 9,403 >		< 5,442 >	
Net income	17,728	4.1	14,035	3.5

(3) Consolidated Statements of Comprehensive Income

Nine months ended December 31, 2009 and 2008

	Millions of Yen	
	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net income	17,728	14,035
Other comprehensive income (loss), net of tax :		
Unrealized gains (losses) on securities	(1,878)	2,044
Pension liability adjustments	(5,755)	2,582
Unrealized gains on derivative instruments	213	376
Foreign currency translation adjustments	(16,005)	(1,304)
Other comprehensive income (loss)	(23,425)	3,698
Comprehensive income (loss)	(5,697)	17,733

Consolidated Statements of Income

Three months ended December 31, 2009 and 2008

	Millions of Yen			
	Three months ended December 31, 2008		Three months ended December 31, 2009	
		%		%
Net sales	126,849	100.0	139,906	100.0
Cost of sales	97,006	76.5	99,561	71.2
Selling, general and administrative	21,307	16.8	19,013	13.5
Research and development	11,597	9.1	10,032	7.2
Operating income (loss)	(3,061)	(2.4)	11,300	8.1
Interest and dividend income	1,009	0.8	854	0.6
Interest expense	(105)	(0.1)	(15)	(0.0)
Foreign currency exchange gain	3,862	3.0	2,458	1.7
Other - net	1,083	0.9	719	0.5
Income before income taxes	2,788	2.2	15,316	10.9
Income taxes	4,100	3.2	6,024	4.3
<Current income tax>	<(4,433)>		< 1,058 >	
<Deferred income tax>	< 8,533 >		< 4,966 >	
Net income (loss)	(1,312)	(1.0)	9,292	6.6

Consolidated Statements of Comprehensive Income

Three months ended December 31, 2009 and 2008

	Millions of Yen	
	Three months ended December 31, 2008	Three months ended December 31, 2009
Net income (loss)	(1,312)	9,292
Other comprehensive income (loss), net of tax :		
Unrealized gains (losses) on securities	(845)	78
Pension liability adjustments	(3,548)	268
Unrealized gains (losses) on derivative instruments	42	(1,255)
Foreign currency translation adjustments	(14,181)	2,101
Other comprehensive income (loss)	(18,532)	1,192
Comprehensive income (loss)	(19,844)	10,484

(4) Consolidated Statements of Cash Flows

Nine months ended December 31, 2009 and 2008

	Millions of Yen			
	Nine months ended December 31, 2008		Nine months ended December 31, 2009	
Operating activities:				
Net income		17,728		14,035
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	58,610		51,005	
Losses (gains) on sales and disposals of property, plant and equipment	231		(233)	
Provision for termination and retirement benefits, less payments	1,720		3,347	
Deferred income taxes	9,403		5,442	
Changes in assets and liabilities:				
Decrease (increase) in trade notes and accounts receivable	21,551		(31,088)	
Decrease (increase) in inventories	(5,859)		7,444	
Decrease (increase) in prepaid expenses and other	(16,408)		13,590	
Increase (decrease) in trade notes and accounts payable	(10,180)		4,244	
Decrease in accrued payroll and bonuses	(9,637)		(4,580)	
Increase (decrease) in income taxes payable	(9,264)		715	
Increase in accrued expenses and other	178		5,070	
Other-net	1,625	41,970	1,056	56,012
Net cash provided by operating activities		59,698		70,047
Investing activities:				
Capital expenditures		(53,570)		(16,265)
Payment for purchases of marketable securities, investments and other		(10,188)		(105,931)
Maturities and sales of marketable securities, investments and other		67,982		69,471
Other		725		(7,805)
Net cash provided by (used in) investing activities		4,949		(60,530)
Financing activities:				
Net decrease in short-term borrowings		(3,494)		(4,595)
Dividends paid		(21,942)		(18,244)
Payment for purchases of treasury stock		(15,020)		(9)
Other		(55)		(108)
Net cash used in financing activities		(40,511)		(22,956)
Effect of exchange rate changes on cash and cash equivalents		(9,760)		234
Net increase (decrease) in cash and cash equivalents		14,376		(13,205)
Cash and cash equivalents at beginning of period		110,136		117,502
Cash and cash equivalents at end of period		124,512		104,297
Additional cash and cash equivalents information:				
Cash		45,759		66,400
Short-term investments		81,523		70,083
Short-term investments with the original maturities over three months		(2,770)		(32,186)
Cash and cash equivalents at end of period		124,512		104,297

	Millions of Yen	
	As of December 31, 2008	As of December 31, 2009
Cash and cash equivalents at end of period	124,512	104,297
Short-term investments with the original maturities over three months	2,770	32,186
Available-for-sale securities (Governmental and Private debt securities)	172,333	200,406
Liquidity in hand	299,615	336,889

(5) Assumptions for Going Concern

None

(6) Segment Information

1) Industry Segment Information

The Companies mainly develop, manufacture and sell electronic components. Sales and Operating income (loss) 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

Three months ended December 31, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	43,782	11,011	11,674	60,382	126,849	-	126,849
Intersegment	57,796	240	366	4,429	62,831	(62,831)	-
Total revenue	101,578	11,251	12,040	64,811	189,680	(62,831)	126,849
Operating costs and expenses	106,086	11,378	10,196	65,081	192,741	(62,831)	129,910
<%> *1	<(4.4%)>	<(1.1%)>	<15.3%>	<(0.4%)>	<(1.6%)>		<(2.4%)>
Operating income (loss)	(4,508)	(127)	1,844	(270)	(3,061)	-	(3,061)

*1 Ratio to total revenue

Three months ended December 31, 2009

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	44,164	11,256	13,644	70,842	139,906	-	139,906
Intersegment	76,087	151	152	3,760	80,150	(80,150)	-
Total revenue	120,251	11,407	13,796	74,602	220,056	(80,150)	139,906
Operating costs and expenses	109,919	11,906	13,183	73,748	208,756	(80,150)	128,606
<%> *1	<8.6%>	<(4.4%)>	<4.4%>	<1.1%>	<5.1%>		<8.1%>
Operating income (loss)	10,332	(499)	613	854	11,300	-	11,300

*1 Ratio to total revenue

Nine months ended December 31, 2008

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	151,036	38,681	42,000	199,095	430,812	-	430,812
Intersegment	196,354	887	749	15,840	213,830	(213,830)	-
Total revenue	347,390	39,568	42,749	214,935	644,642	(213,830)	430,812
Operating costs and expenses	330,780	40,230	38,892	210,864	620,766	(213,830)	406,936
<%> *1	<4.8%>	<(1.7%)>	<9.0%>	<1.9%>	<3.7%>		<5.5%>
Operating income (loss)	16,610	(662)	3,857	4,071	23,876	-	23,876

*1 Ratio to total revenue

Nine months ended December 31, 2009

	Millions of yen						
	Japan	The Americas	Europe	Asia	Total	Corporate and eliminations	Consolidated
Sales to :							
Unaffiliated customers	129,439	29,630	36,516	199,916	395,501	-	395,501
Intersegment	205,203	510	410	9,987	216,110	(216,110)	-
Total revenue	334,642	30,140	36,926	209,903	611,611	(216,110)	395,501
Operating costs and expenses	321,107	32,445	35,476	205,183	594,211	(216,110)	378,101
<%> *1	<4.0%>	<(7.6%)>	<3.9%>	<2.2%>	<2.8%>		<4.4%>
Operating income (loss)	13,535	(2,305)	1,450	4,720	17,400	-	17,400

*1 Ratio to total revenue

Notes : 1. Segments are based on geographic proximity.

2. Major countries and areas included in the segments other than Japan :

(1) The Americas : USA

(2) Europe : Germany, United Kingdom, France, Italy, the Netherlands

(3) Asia : China, Singapore, Thailand

3) Overseas sales

Three months ended December 31, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	10,303	12,918	73,671	96,892
2. Consolidated sales				126,849
3. Ratio of overseas sales to consolidated sales	8.1%	10.2%	58.1%	76.4%

Three months ended December 31, 2009

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	10,849	14,768	87,359	112,976
2. Consolidated sales				139,906
3. Ratio of overseas sales to consolidated sales	7.8%	10.6%	62.4%	80.8%

Nine months ended December 31, 2008

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	36,437	47,047	249,474	332,958
2. Consolidated sales				430,812
3. Ratio of overseas sales to consolidated sales	8.5%	10.9%	57.9%	77.3%

Nine months ended December 31, 2009

	Millions of yen			
	The Americas	Europe	Asia and Others	Total
1. Overseas sales	27,802	40,206	250,780	318,788
2. Consolidated sales				395,501
3. Ratio of overseas sales to consolidated sales	7.0%	10.2%	63.4%	80.6%

Notes : 1. Segments are based on geographic proximity.

2. Major countries and areas included in the segments other than Japan :

(1) The Americas : USA, Mexico

(2) Europe : Germany, Hungary, United Kingdom, France, Sweden

(3) Asia : China, South Korea, Malaysia

(7) Significant changes in shareholders' equity

None

(8) Other

Flash Report (Nine months ended December 31, 2009)

Selected Financial Data

Nine months ended December 31, 2009 and 2008 / As of December 31, 2009 and 2008

		Consolidated Basis			Parent Co. Basis		
		2008	2009	Growth ratio	2008	2009	Growth ratio
Net sales	Millions of yen	430,812	395,501	(8.2)	360,295	342,161	(5.0)
	<%>*3	<5.5>	<4.4>		<0.6>	<1.7>	
Operating income	Millions of yen	23,876	17,400	(27.1)	2,180	5,764	164.3
Income before income taxes (and extraordinary items) *2	Millions of yen	31,531	23,067	(26.8)	18,189	15,837	(12.9)
	<%>*3	<4.1>	<3.5>		<5.2>	<4.0>	
Net income	Millions of yen	17,728	14,035	(20.8)	18,777	13,841	(26.3)
Total assets	Millions of yen	956,480	908,295	(5.0)	547,978	553,875	1.1
Shareholders' equity	Millions of yen	801,571	783,823	(2.2)	413,142	396,311	(4.1)
Shareholders' equity ratio	%	83.8	86.3	-	75.4	71.6	-
Basic earnings per share	Yen	81.03	65.39	(19.3)	85.82	64.49	(24.9)
Diluted earnings per share	Yen	81.03	65.39	(19.3)	-	-	-
Shareholders' equity per share	Yen	3,734.84	3,651.96	-	1,924.86	1,846.48	-
Capital expenditures	Millions of yen	53,570	16,265	(69.6)	15,488	6,144	(60.3)
	<%>	<13.6>*3	<12.9>*3		<4.2>*5	<4.3>*5	
Depreciation and amortization	Millions of yen	58,610	51,005	(13.0)	14,824	14,204	(4.2)
	<%>	<8.2>*3	<7.8>*3		<8.0>*5	<7.4>*5	
R & D expenses	Millions of yen	35,224	30,730	(12.8)	28,212	24,578	(12.9)
	*6	<12,121>	<11,469>				
Number of employees		34,331	33,823	(1.5)	6,762	6,914	2.2
Average exchange rates							
Yen/US\$	Yen	102.85	93.57	-			
Yen/EURO	Yen	150.70	133.00	-			

Three months ended December 31, 2009 and 2008

		Consolidated Basis			Parent Co. Basis		
		2008	2009	Growth ratio	2008	2009	Growth ratio
Net sales	Millions of yen	126,849	139,906	10.3	98,081	122,447	24.8
	<%>*3	<(2.4)>	<8.1>		<(4.7)>	<3.3>	
Operating income (loss)	Millions of yen	(3,061)	11,300	-	(4,585)	4,019	-
Income before income taxes (and extraordinary items) *2	Millions of yen	2,788	15,316	449.4	2,243	9,536	325.1
	<%>*3	<(1.0)>	<6.6>		<5.4>	<6.3>	
Net income (loss)	Millions of yen	(1,312)	9,292	-	5,297	7,686	45.1
Basic earnings per share	Yen	(6.03)	43.29	-	24.35	35.81	47.1
Diluted earnings per share	Yen	(6.03)	43.29	-	-	-	-
Capital expenditures	Millions of yen	10,562	5,607	(46.9)	3,993	1,933	(51.6)
	<%>	<15.8>*3	<12.5>*3		<5.9>*5	<4.3>*5	
Depreciation and amortization	Millions of yen	20,063	17,467	(12.9)	5,691	5,090	(10.6)
	<%>	<9.1>*3	<7.2>*3		<9.8>*5	<6.7>*5	
R & D expenses	Millions of yen	11,597	10,032	(13.5)	9,349	8,017	(14.3)

*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 on Parent Co. Basis is not stated, since there were no potentially dilutive securities.

*5 Ratio to net sales excluding revenue from services

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

Projected Financial Data

Year ending March 31, 2010

		Consolidated Basis		Parent Co. Basis	
		Previous Projections Announced in October 28, 2009	Revised Projections	Previous Projections Announced in October 28, 2009	Revised Projections
Net sales	Millions of yen	510,000	530,000	440,000	455,000
	<%>*2	< 2.5 >	< 5.0 >	< 0.8 >	< 1.5 >
Operating income	Millions of yen	12,500	26,500	3,500	7,000
	<%>*2	< 3.6 >	< 6.4 >	< 3.2 >	<4.0>
Income before income taxes (and extraordinary items) *1	Millions of yen	18,500	34,000	14,000	18,000
	<%>*2	< 2.4 >	< 4.0 >	< 2.8 >	<3.3>
Net income	Millions of yen	12,000	21,000	12,500	15,000
	<%>*2	< 2.4 >	< 4.0 >	< 2.8 >	<3.3>
Basic earnings per share	Yen	55.91	97.84	58.24	69.89
Capital expenditures	Millions of yen	27,000	27,000	8,500	8,500
	<%>	<13.7>*2	<13.2>*2	<4.4>*3	<4.3>*3
Depreciation and amortization	Millions of yen	70,000	70,000	19,000	19,000
	<%>	<8.2>*2	<7.9>*2	<7.8>*3	<7.6>*3
R & D expenses	Millions of yen	42,000	42,000	33,500	33,500

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

*2 Ratio to net sales

*3 Ratio to net sales excluding revenue from services

*4 The revised projections are based on the assumed average exchange rates of Yen 90 per US\$ and Yen 130 per Euro for the three months ending March 31, 2010.

*5 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".

Order, Backlog and Sales

(1) Order and Backlog by Product

<Order>

Nine months ended December 31, 2009 and 2008

	Millions of Yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		%*1		%*1		%
Capacitors	141,282	34.7	143,033	34.5	1,751	1.2
Piezoelectric Components	59,984	14.7	63,795	15.4	3,811	6.4
Other Components	80,567	19.9	76,116	18.3	(4,451)	(5.5)
Components Total	281,833	69.3	282,944	68.2	1,111	0.4
Communication Modules	81,904	20.1	95,828	23.1	13,924	17.0
Other Modules	43,058	10.6	36,054	8.7	(7,004)	(16.3)
Modules Total	124,962	30.7	131,882	31.8	6,920	5.5
Total	406,795	100.0	414,826	100.0	8,031	2.0

Three months ended December 31, 2009 and 2008

	Millions of Yen					
	Three months ended December 31, 2008		Three months ended December 31, 2009		Growth	
		%*1		%*1		%
Capacitors	34,925	32.4	48,099	35.2	13,174	37.7
Piezoelectric Components	15,065	14.0	21,102	15.5	6,037	40.1
Other Components	20,834	19.3	26,135	19.2	5,301	25.4
Components Total	70,824	65.7	95,336	69.9	24,512	34.6
Communication Modules	24,464	22.7	28,031	20.5	3,567	14.6
Other Modules	12,473	11.6	13,107	9.6	634	5.1
Modules Total	36,937	34.3	41,138	30.1	4,201	11.4
Total	107,761	100.0	136,474	100.0	28,713	26.6

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

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

*5 The classification of products has been changed from the three months ended June 30, 2009. Short-range wireless communication modules and multilayer ceramic devices, previously included in "Microwave Devices", and circuit modules, previously included in "Module products", have been separated from these classifications and are indicated as "Communication Modules".

Connectors and isolators, previously included in "Microwave Devices" are indicated as "Other Components", together with EMI suppression filters, coils, sensors, and resistors, previously classified as "Other Products".

Along with the reclassification and change of product classification, we have newly made "Components" category and "Modules" category.

"Components" include "Capacitors", "Piezoelectric Components" and "Other Components", and "Modules" consist of "Communication Modules" and "Other Modules".

The figures for the nine months ended December 31, 2008, three months ended December 31, 2008, and as of March 31, 2009 have been reclassified for comparison.

<Backlog>

	Millions of Yen					
	As of March 31, 2009		As of December 31, 2009		Growth	
		%*1		%*1		%
Capacitors	9,035	25.8	21,190	38.0	12,155	134.5
Piezoelectric Components	4,683	13.4	7,588	13.6	2,905	62.0
Other Components	6,277	17.9	10,227	18.3	3,950	62.9
Components Total	19,995	57.1	39,005	69.9	19,010	95.1
Communication Modules	12,749	36.4	12,443	22.3	(306)	(2.4)
Other Modules	2,257	6.5	4,344	7.8	2,087	92.5
Modules Total	15,006	42.9	16,787	30.1	1,781	11.9
Total	35,001	100.0	55,792	100.0	20,791	59.4

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

(2) Sales by Product, Application and Area

1. Sales by Product

Nine months ended December 31, 2009 and 2008

	Millions of Yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		% ^{*1}		% ^{*1}		%
Capacitors	152,099	35.4	130,878	33.2	(21,221)	(14.0)
Piezoelectric Components	62,888	14.7	60,890	15.5	(1,998)	(3.2)
Other Components	85,517	19.9	72,166	18.3	(13,351)	(15.6)
Components Total	300,504	70.0	263,934	67.0	(36,570)	(12.2)
Communication Modules	82,685	19.3	96,134	24.4	13,449	16.3
Other Modules	45,859	10.7	33,967	8.6	(11,892)	(25.9)
Modules Total	128,544	30.0	130,101	33.0	1,557	1.2
Net sales	429,048	100.0	394,035	100.0	(35,013)	(8.2)

Three months ended December 31, 2009 and 2008

	Millions of Yen					
	Three months ended December 31, 2008		Three months ended December 31, 2009		Growth	
		% ^{*1}		% ^{*1}		%
Capacitors	42,077	33.3	47,784	34.3	5,707	13.6
Piezoelectric Components	18,017	14.3	21,715	15.6	3,698	20.5
Other Components	25,120	19.9	25,746	18.4	626	2.5
Components Total	85,214	67.5	95,245	68.3	10,031	11.8
Communication Modules	26,924	21.3	31,635	22.7	4,711	17.5
Other Modules	14,119	11.2	12,491	9.0	(1,628)	(11.5)
Modules Total	41,043	32.5	44,126	31.7	3,083	7.5
Net sales	126,257	100.0	139,371	100.0	13,114	10.4

*1 Component ratio

*2 Exclusive of consumption taxes

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

Nine months ended December 31, 2009 and 2008

	Millions of Yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		% ^{*1}		% ^{*1}		%
AV	60,487	14.1	61,535	15.6	1,048	1.7
Communications	184,391	43.0	175,977	44.7	(8,414)	(4.6)
Computers and Peripherals	85,837	20.0	68,576	17.4	(17,261)	(20.1)
Automotive Electronics	45,231	10.5	47,357	12.0	2,126	4.7
Home and Others	53,102	12.4	40,590	10.3	(12,512)	(23.6)
Net sales	429,048	100.0	394,035	100.0	(35,013)	(8.2)

Three months ended December 31, 2009 and 2008

	Millions of Yen					
	Three months ended December 31, 2008		Three months ended December 31, 2009		Growth	
		% ^{*1}		% ^{*1}		%
AV	20,641	16.3	20,870	15.0	229	1.1
Communications	54,967	43.5	60,782	43.6	5,815	10.6
Computers and Peripherals	24,563	19.5	24,796	17.8	233	0.9
Automotive Electronics	12,751	10.1	18,080	13.0	5,329	41.8
Home and Others	13,335	10.6	14,843	10.6	1,508	11.3
Net sales	126,257	100.0	139,371	100.0	13,114	10.4

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

Nine months ended December 31, 2009 and 2008

	Millions of Yen					
	Nine months ended December 31, 2008		Nine months ended December 31, 2009		Growth	
		%*1		%*1		%
The Americas	36,437	8.5	27,802	7.1	(8,635)	(23.7)
Europe	47,047	11.0	40,206	10.2	(6,841)	(14.5)
Asia and Others	249,474	58.1	250,780	63.6	1,306	0.5
Overseas total	332,958	77.6	318,788	80.9	(14,170)	(4.3)
Japan	96,090	22.4	75,247	19.1	(20,843)	(21.7)
Net sales	429,048	100.0	394,035	100.0	(35,013)	(8.2)

Three months ended December 31, 2009 and 2008

	Millions of Yen					
	Three months ended December 31, 2008		Three months ended December 31, 2009		Growth	
		%*1		%*1		%
The Americas	10,303	8.2	10,849	7.8	546	5.3
Europe	12,918	10.2	14,768	10.6	1,850	14.3
Asia and Others	73,671	58.3	87,359	62.7	13,688	18.6
Overseas total	96,892	76.7	112,976	81.1	16,084	16.6
Japan	29,365	23.3	26,395	18.9	(2,970)	(10.1)
Net sales	126,257	100.0	139,371	100.0	13,114	10.4

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended June 30, 2008		Three months ended September 30, 2008		Three months ended December 31, 2008		Three months ended March 31, 2009	
Net sales	147,602	% *1 100.0	156,361	% *1 100.0	126,849	% *1 100.0	93,134	% *1 100.0
Operating income (loss)	14,563	9.9	12,374	7.9	(3,061)	(2.4)	(40,163)	(43.1)
Income (loss) before income taxes	15,090	10.2	13,653	8.7	2,788	2.2	(41,850)	(44.9)
Net income (loss)	9,598	6.5	9,442	6.0	(1,312)	(1.0)	(14,140)	(15.2)

	Millions of yen					
	Three months ended June 30, 2009		Three months ended September 30, 2009		Three months ended December 31, 2009	
Net sales	117,507	% *1 100.0	138,088	% *1 100.0	139,906	% *1 100.0
Operating income (loss)	(3,775)	(3.2)	9,875	7.2	11,300	8.1
Income (loss) before income taxes	(5,064)	(4.3)	12,815	9.3	15,316	10.9
Net income (loss)	(3,667)	(3.1)	8,410	6.1	9,292	6.6

*1 Ratio to net sales

(2) Sales by Product

	Millions of yen							
	Three months ended June 30, 2008		Three months ended September 30, 2008		Three months ended December 31, 2008		Three months ended March 31, 2009	
Capacitors	53,857	% *1 36.6	56,165	% *1 36.1	42,077	% *1 33.3	28,489	% *1 30.7
Piezoelectric Components	22,662	15.4	22,209	14.2	18,017	14.3	13,406	14.5
Other Components	29,211	19.9	31,186	20.1	25,120	19.9	17,802	19.2
Components Total	105,730	71.9	109,560	70.4	85,214	67.5	59,697	64.4
Communication Modules	25,331	17.2	30,430	19.5	26,924	21.3	23,949	25.8
Other Modules	15,997	10.9	15,743	10.1	14,119	11.2	9,078	9.8
Modules Total	41,328	28.1	46,173	29.6	41,043	32.5	33,027	35.6
Net sales	147,058	100.0	155,733	100.0	126,257	100.0	92,724	100.0

	Millions of yen					
	Three months ended June 30, 2009		Three months ended September 30, 2009		Three months ended December 31, 2009	
Capacitors	38,201	% *1 32.6	44,893	% *1 32.6	47,784	% *1 34.3
Piezoelectric Components	17,542	15.0	21,633	15.7	21,715	15.6
Other Components	21,704	18.6	24,716	18.0	25,746	18.4
Components Total	77,447	66.2	91,242	66.3	95,245	68.3
Communication Modules	29,764	25.4	34,735	25.2	31,635	22.7
Other Modules	9,857	8.4	11,619	8.5	12,491	9.0
Modules Total	39,621	33.8	46,354	33.7	44,126	31.7
Net sales	117,068	100.0	137,596	100.0	139,371	100.0

*1 Component ratio

*2 Exclusive of consumption taxes.

*3 The classification of products has been changed from the three months ended June 30, 2009. Short-range wireless communication modules and multilayer ceramic devices, previously included in "Microwave Devices", and circuit modules, previously included in "Module products", have been separated from these classifications and are indicated as "Communication Modules".

Connectors and isolators, previously included in "Microwave Devices" are indicated as "Other Components", together with EMI suppression filters, coils, sensors, and resistors, previously classified as "Other Products".

Along with the reclassification and change of product classification, we have newly made "Components" category and "Modules" category.

"Components" include "Capacitors", "Piezoelectric Components" and "Other Components", and "Modules" consist of "Communication Modules" and "Other Modules".

The figures for the year ended March 31, 2009 have been reclassified for comparison.