

Consolidated Financial Flash Report (June 30, 2016)

Date: July 28, 2016

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, 2016

(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, 2016	260,925	(7.1)	48,695	(23.9)	50,200	(22.8)	37,675	(19.1)
Three months ended June 30, 2015	280,828	28.8	63,953	73.3	65,007	74.9	46,560	72.9

Comprehensive income attributable to Murata Corporation: (2,629) million yen for the three months ended June 30, 2016 and 56,037 million yen for the three months ended June 30, 2015

	Basic earnings attributable to Murata Corporation per share	Diluted earnings attributable to Murata Corporation per share
	Yen	Yen
Three months ended June 30, 2016	177.38	-
Three months ended June 30, 2015	219.93	-

* 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
At June 30, 2016	1,444,497	1,217,477	84.3	5,722.83
At March 31, 2016	1,517,784	1,229,159	81.0	5,806.06

2. Dividends (Year ended March 31, 2016 and the year ending March 31, 2017)

	Cash dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
2016	-	100.00	—	110.00	210.00
2017	-	—	—	—	—
2017 (Projected)	—	110.00	—	110.00	220.00

*No change in the projected dividends during the three months ended June 30, 2016.

3. Projected financial results for the six months ending September 30, 2016 and the year ending March 31, 2017 (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, 2016	620,000	1.7	125,000	(17.8)	126,000	(19.4)	93,000	(19.4)	437.51
Year ending March 31, 2017	1,225,000	1.2	240,000	(12.9)	241,000	(13.7)	178,000	(12.6)	837.04

*No change in the projected financial results during the three months ended June 30, 2016.

Percentages in the fields of Net sales, Operating income, Income before income taxes and Net income attributable to Murata Corporation for the six months ending September 30, 2016 are the growth ratios against the six months ended September 30, 2015.

Percentages for the year ending March 31, 2017 are the growth ratios against the previous year.

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2016 (changes in specific subsidiaries that caused change in scope of consolidation): None

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

The Companies adopted the 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 at June 30, 2016 and at March 31, 2016

Number of treasury stock: 12,523,238 shares at June 30, 2016 and 13,560,912 shares at March 31, 2016

Average number of shares outstanding: 212,399,040 shares for the three months ended June 30, 2016 and 211,704,587 shares for the three months ended June 30, 2015

*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".

Basic earnings attributable to Murata Corporation per share of projected financial results for the year ending March 31, 2017 has been adjusted for the effects of the share exchange by Murata Manufacturing Co., Ltd. ("Murata") and Toko, Inc., which became a wholly-owned subsidiary of Murata. The share exchange became effective on May 1, 2016.

Business Results and Financial Position

(from April 1, 2016 through June 30, 2016)

1. Business Results

In the global economic environment for the period under review, the economic situation in the U.S. gradually recovered due to steady consumer spending and recovering corporate performance. The economic situation in Europe was very unclear, while the negative impact of the UK's leaving the EU was estimated to be limited. China also experienced economic slowdown.

In the electronics market, while the growth rate of the smartphone market weakens, improvements in the functions of smartphones contributed to an increased number of electronic components. Additionally, increased production of vehicles and advanced electrification contributed to an increase in demand for electronic components.

Under these circumstances, while improvements in the functions of smartphones contributed to an increased number of electronic components, the net sales of Murata Manufacturing Co., Ltd. and subsidiaries (together the "Companies") for the period under review decreased due to price declines and the high value of the yen by 260,925 million yen, down 7.1% from the same period in 2015, with the average exchange rate against the U.S. dollar declining by 13.12 yen from the same period in 2015.

Operating income was 48,695 million yen, down 23.9%, income before income taxes was 50,200 million yen, down 22.8%, and net income was 37,675 million yen, down 19.1% from the same period in 2015. The primary factors for the profit decrease were price declines, increased fixed costs resulting from the expansion in production capacity and high-value of the yen, while positive factors included the reduction of the cost of goods sold through cost cutting activities and ongoing introduction of new products.

	Millions of yen					
	Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
		%*		%*		%*
Net sales	280,828	100.0	260,925	100.0	(19,903)	(7.1)
Operating income	63,953	22.8	48,695	18.7	(15,258)	(23.9)
Income before income taxes	65,007	23.1	50,200	19.2	(14,807)	(22.8)
Net income attributable to Murata Corporation	46,560	16.6	37,675	14.4	(8,885)	(19.1)
Average exchange rate (Yen/U.S. dollar)	121.37	—	108.25	—	(13.12)	—
Average exchange rate (Yen/EURO)	134.16	—	122.17	—	(11.99)	—

*Component ratio as a percentage of net sales

Sales by Product Category

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

		Millions of yen					
		Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
			%*		%*		%
	Capacitors	89,144	31.8	84,263	32.4	(4,881)	(5.5)
	Piezoelectric Components	38,234	13.7	44,753	17.2	6,519	17.1
	Other Components	56,610	20.2	50,838	19.5	(5,772)	(10.2)
Components Total		183,988	65.7	179,854	69.1	(4,134)	(2.2)
	Communication Modules	82,983	29.7	69,179	26.6	(13,804)	(16.6)
	Power Supplies and Other Modules	12,989	4.6	11,114	4.3	(1,875)	(14.4)
Modules Total		95,972	34.3	80,293	30.9	(15,679)	(16.3)
Net sales		279,960	100.0	260,147	100.0	(19,813)	(7.1)

*Component ratio as a percentage of net sales

<Components>

Sales of Components for the period under review decreased by 2.2% year-on-year to 179,854 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, decreased in amount sold due to the high value of the yen and price declines, while it increased in quantity sold due to improvements in the functions of smartphones. The advanced electrification of automobiles continuously led to increased demand in this market.

As a result, overall net sales decreased by 5.5% year-on-year to 84,263 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 the penetration of multi-band smartphone widely in China.

As a result, overall net sales increased by 17.1% year-on-year to 44,753 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 connectors decreased. Sales of inductors (coils)

decreased in amount sold due to the high value of yen and price declines, while it increased in quantity sold.

As a result, overall net sales decreased by 10.2% year-on-year to 50,838 million yen.

<Modules>

Sales of Modules for the period under review decreased by 16.3% year-on-year to 80,293 million yen.

[Communication Modules]

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

For the period under review, sales of short-range wireless communication modules and RF sub modules decreased compared with the significant increase in the prior year due to the growth of high-end smartphones etc.

As a result, overall net sales decreased by 16.6% year-on-year to 69,179 million yen.

[Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies decreased for office equipment and peripherals.

As a result, overall net sales decreased by 14.4% year-on-year to 11,114 million yen.

2. Financial Position

Total assets at June 30, 2016 decreased by 73,287 million yen from the end of the previous fiscal year to 1,444,497 million yen. The ratio of shareholders' equity to total assets increased by 3.3 percentage points from the end of the previous fiscal year to 84.3% at June 30, 2016.

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 24,340 million yen. As for the details, net income was 37,694 million yen, depreciation and amortization was 24,368 million yen and accrued expenses and other increased by 6,479 million yen, while income taxes payable decreased by 22,266 million yen, accrued payroll and bonuses decreased by 10,962 million yen and trade notes and accounts receivable increased by 4,795 million yen.

Net cash provided by operating activities increased by 1,350 million yen from the three months ended June 30, 2015.

<Net Cash Used in Investing Activities>

For the period under review, net cash used in investing activities was 12,048 million yen.

Cash outflows from capital expenditures were 38,477 million yen, payment for purchases of marketable securities, investments and other was 3,297 million yen, while cash inflows from decrease in short-term investments was 16,111 and maturities and sales of marketable securities were 13,167 million yen.

Net cash used in investing activities increased by 37,321 million yen from the three months ended June 30, 2015.

<Net Cash Used in Financing Activities>

For the period under review, net cash used in financing activities was 30,179 million yen.

As for the details, cash outflows from payments of dividends were 23,287 million yen and repayment of short-term borrowings was 6,417 million yen.

Net cash used in financing activities decreased by 4,465 million yen from the three months ended June 30, 2015.

3. Projected Results for the Year Ending March 31, 2017

The Companies have not revised its projected results for the year ending March 31, 2017, which were announced on April 30, 2016.

[Cautionary Statement on Forward-looking Statements]

This report contains forward-looking statements concerning the Companies' projections, plans, policies, strategies, schedules, and decisions. These forward-looking statements are not historical facts; rather, they represent the assumptions of the Companies 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 Companies. The Companies have 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 Companies' 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 Companies' 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 Companies' financial assets; (6) drastic legal, political, and social changes in the Companies' business environment; and (7) other uncertainties and contingencies.

(1) Consolidated Balance Sheets (Assets)

At March 31, 2016 and June 30, 2016

	Millions of Yen			
	At March 31, 2016		At June 30, 2016	
		%		%
Assets	1,517,784	100.0	1,444,497	100.0
Current assets	835,369	55.1	775,236	53.7
Cash	150,627		139,067	
Short-term investments	174,228		149,320	
Marketable securities	45,188		38,583	
Trade notes receivable	399		401	
Trade accounts receivable	194,549		183,100	
Allowance for doubtful notes and accounts	(845)		(748)	
Inventories	217,462		213,669	
Deferred income taxes	31,365		28,049	
Prepaid expenses and other	22,396		23,795	
Property, plant and equipment	455,862	30.0	458,641	31.7
Land	49,757		49,408	
Buildings	350,279		348,790	
Machinery and equipment	873,410		880,208	
Construction in progress	37,750		39,301	
Accumulated depreciation	(855,334)		(859,066)	
Investments and other assets	226,553	14.9	210,620	14.6
Investments	100,131		95,048	
Intangible assets	51,708		48,279	
Goodwill	53,738		50,108	
Deferred income taxes	11,258		7,731	
Other	9,718		9,454	
Total assets	1,517,784	100.0	1,444,497	100.0

Consolidated Balance Sheets (Liabilities and Equity)

At March 31, 2016 and June 30, 2016

	Millions of Yen			
	At March 31, 2016		At June 30, 2016	
Liabilities	273,805	% 18.0	226,721	% 15.7
Current liabilities	185,623	12.2	147,995	10.2
Short-term borrowings	6,446		24	
Trade accounts payable	56,380		53,899	
Accrued payroll and bonuses	36,456		25,101	
Income taxes payable	28,734		6,108	
Accrued expenses and other	57,607		62,863	
Long-term liabilities	88,182	5.8	78,726	5.5
Long-term debt	3,301		2,901	
Termination and retirement benefits	71,884		67,449	
Deferred income taxes	11,643		7,060	
Other	1,354		1,316	
Equity	1,243,979	82.0	1,217,776	84.3
Murata Corporation's Shareholders' equity	1,229,159	81.0	1,217,477	84.3
Common stock	69,377		69,377	
Capital surplus	103,865		114,288	
Retained earnings	1,131,809		1,146,197	
Accumulated other comprehensive loss:	(15,532)		(56,609)	
Unrealized gains on securities	2,945		2,536	
Pension liability adjustments	(23,587)		(23,032)	
Foreign currency translation adjustments	5,110		(36,113)	
Treasury stock, at cost	(60,360)		(55,776)	
Noncontrolling interests	14,820	1.0	299	0.0
Total liabilities and equity	1,517,784	100.0	1,444,497	100.0

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

Consolidated Statements of Income

Three months ended June 30, 2015 and 2016

	Millions of Yen			
	Three months ended June 30, 2015		Three months ended June 30, 2016	
		%		%
Net sales	280,828	100.0	260,925	100.0
Cost of sales	162,805	58.0	157,470	60.4
Selling, general and administrative	35,977	12.8	34,739	13.2
Research and development	18,093	6.4	20,021	7.7
Operating income	63,953	22.8	48,695	18.7
Interest and dividend income	744	0.2	608	0.2
Interest expense	(15)	(0.0)	(12)	(0.0)
Foreign currency exchange gain (loss)	(47)	(0.0)	310	0.1
Other - net	372	0.1	599	0.2
Income before income taxes	65,007	23.1	50,200	19.2
Income taxes	18,449	6.5	12,506	4.8
<Current income tax>	<15,821>		<9,154>	
<Deferred income tax>	<2,628>		<3,352>	
Net income	46,558	16.6	37,694	14.4
Less: Net income (loss) attributable to noncontrolling interests	(2)	(0.0)	19	0.0
Net income attributable to Murata Corporation	46,560	16.6	37,675	14.4

Consolidated Statements of Comprehensive Income

Three months ended June 30, 2015 and 2016

	Millions of Yen	
	Three months ended June 30, 2015	Three months ended June 30, 2016
Net income	46,558	37,694
Other comprehensive income (loss), net of tax:		
Unrealized gains (losses) on securities	430	(450)
Pension liability adjustments	425	1,442
Foreign currency translation adjustments	8,798	(41,333)
Other comprehensive income (loss)	9,653	(40,341)
Comprehensive income (loss)	56,211	(2,647)
Less: Comprehensive income (loss) attributable to noncontrolling interests	174	(18)
Comprehensive income (loss) attributable to Murata Corporation	56,037	(2,629)

(3) Consolidated Statements of Cash Flows

Three months ended June 30, 2015 and 2016

	Millions of Yen			
	Three months ended June 30, 2015		Three months ended June 30, 2016	
Operating activities:				
Net income		46,558		37,694
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	20,821		24,368	
Losses on sales and disposals of property, plant and equipment	84		155	
Provision for termination and retirement benefits, less payments	(3,122)		(2,117)	
Deferred income taxes	2,628		3,352	
Changes in assets and liabilities:				
(Increase) decrease in trade notes and accounts receivable	2,313		(4,795)	
Increase in inventories	(16,283)		(3,810)	
Increase in prepaid expenses and other	(8,743)		(1,891)	
Increase (decrease) in trade notes and accounts payable	9,847		(1,394)	
Decrease in accrued payroll and bonuses	(10,725)		(10,962)	
Decrease in income taxes payable	(37,250)		(22,266)	
Increase in accrued expenses and other	16,575		6,479	
Other-net	287	(23,568)	(473)	(13,354)
Net cash provided by operating activities		22,990		24,340
Investing activities:				
Capital expenditures		(41,921)		(38,477)
Payment for purchases of marketable securities, investments and other		(19,556)		(3,297)
Maturities and sales of marketable securities, investments and other		21,207		13,167
(Increase) decrease in short-term investments		(9,603)		16,111
Other-net		504		448
Net cash used in investing activities		(49,369)		(12,048)
Financing activities:				
Net decrease in short-term borrowings		(3,262)		(6,417)
Repayment of long-term debt		(1,239)		(400)
Dividends paid		(21,170)		(23,287)
Other-net		(43)		(75)
Net cash used in financing activities		(25,714)		(30,179)
Effect of exchange rate changes on cash and cash equivalents		(1,023)		918
Net decrease in cash and cash equivalents		(53,116)		(16,969)
Cash and cash equivalents at beginning of period		212,936		212,570
Cash and cash equivalents at end of period		159,820		195,601
Additional cash and cash equivalents information:				
Cash		123,221		139,067
Short-term investments		120,091		149,320
Short-term investments with original maturities over 3 months		(83,492)		(92,786)
Cash and cash equivalents at end of period		159,820		195,601

(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 are classified based on the nature of products, and the Companies recognized the Components segment, the Modules segment, and Others.

Three months ended June 30, 2015 and 2016

		Millions of Yen			
		Three months ended June 30, 2015		Three months ended June 30, 2016	
Components	Sales to:		%		%
	Unaffiliated customers	183,988		179,854	
	Intersegment	10,527		9,273	
	Total revenue	194,515	100.0	189,127	100.0
	Segment income	63,116	32.4	51,322	27.1
Modules	Sales to:		%		%
	Unaffiliated customers	95,972		80,293	
	Intersegment	16		15	
	Total revenue	95,988	100.0	80,308	100.0
	Segment income	10,253	10.7	6,444	8.0
Others	Sales to:		%		%
	Unaffiliated customers	868		778	
	Intersegment	14,868		10,514	
	Total revenue	15,736	100.0	11,292	100.0
	Segment income	1,437	9.1	1,374	12.2
Corporate and eliminations	Sales to:		%		%
	Unaffiliated customers	-		-	
	Intersegment	(25,411)		(19,802)	
	Total revenue	(25,411)	-	(19,802)	-
	Corporate expenses	(10,853)	-	(10,445)	-
Consolidated	Sales to:		%		%
	Unaffiliated customers	280,828		260,925	
	Intersegment	-		-	
	Total revenue	280,828	100.0	260,925	100.0
	Operating income	63,953	22.8	48,695	18.7

Notes: 1. Major products and businesses included in the operating segments

(1) Components: Capacitors and Piezoelectric Components

(2) Modules: Communication Modules and Power Supplies

(3) Others: Machinery manufacturing, welfare services, education and training services, and 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 28, 2016
Murata Manufacturing Co., Ltd.
Listing Code: 6981
(URL <http://www.murata.com/>)

Flash Report (Three months ended June 30, 2016)

Selected Financial Data - Consolidated basis

Three months ended June 30, 2015 and 2016 / at June 30, 2015 and 2016

		Consolidated Basis		
		2015	2016	Growth ratio
Net sales	Millions of yen	280,828	260,925	% (7.1)
Operating income	<%>*2 Millions of yen	<22.8> 63,953	<18.7> 48,695	(23.9)
Income before income taxes	<%>*2 Millions of yen	<23.1> 65,007	<19.2> 50,200	(22.8)
Net income attributable to Murata Corporation	<%>*2 Millions of yen	<16.6> 46,560	<14.4> 37,675	(19.1)
Total assets	Millions of yen	1,438,105	1,444,497	0.4
Shareholders' equity	Millions of yen	1,157,942	1,217,477	5.1
Shareholders' equity ratio	%	80.5	84.3	-
Basic earnings attributable to Murata Corporation per share	Yen	219.93	177.38	(19.3)
Shareholders' equity per share	Yen	5,469.63	5,722.83	-
Capital expenditures	Millions of yen	41,921	38,477	(8.2)
Depreciation and amortization	<%>*2 Millions of yen	<7.4> 20,821	<9.3> 24,368	17.0
R & D expenses	<%>*2 Millions of yen	<6.4> 18,093	<7.7> 20,021	10.7
Number of employees	*4	<28,427> 52,372	<30,815> 55,511	6.0
Average exchange rates				
Yen/US dollar	Yen	121.37	108.25	-
Yen/EURO	Yen	134.16	122.17	-

*1 The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America.

*2 Ratio to net sales

*3 Diluted earnings per share is not stated since there were no potential dilutive securities.

*4 Figures in parentheses indicate the number of employees in foreign countries.

Orders, Backlogs and Sales

(1) Orders and Backlogs by Product

<Orders>

Three months ended June 30, 2015 and 2016

	Millions of Yen					
	Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
		%*1		%*1		%
Capacitors	91,308	31.9	85,224	35.1	(6,084)	(6.7)
Piezoelectric Components	49,831	17.4	32,426	13.4	(17,405)	(34.9)
Other Components	57,716	20.2	52,045	21.5	(5,671)	(9.8)
Components Total	198,855	69.5	169,695	70.0	(29,160)	(14.7)
Communication Modules	74,408	26.0	61,775	25.5	(12,633)	(17.0)
Power Supplies and Other Modules	12,815	4.5	11,047	4.5	(1,768)	(13.8)
Modules Total	87,223	30.5	72,822	30.0	(14,401)	(16.5)
Total	286,078	100.0	242,517	100.0	(43,561)	(15.2)

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

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

<Backlogs>

	Millions of Yen					
	At March 31, 2016		At June 30, 2016		Change	
		%*1		%*1		%
Capacitors	34,629	26.6	35,590	31.7	961	2.8
Piezoelectric Components	34,849	26.8	22,522	20.1	(12,327)	(35.4)
Other Components	18,797	14.5	20,004	17.8	1,207	6.4
Components Total	88,275	67.9	78,116	69.6	(10,159)	(11.5)
Communication Modules	35,644	27.5	28,240	25.1	(7,404)	(20.8)
Power Supplies and Other Modules	6,008	4.6	5,941	5.3	(67)	(1.1)
Modules Total	41,652	32.1	34,181	30.4	(7,471)	(17.9)
Total	129,927	100.0	112,297	100.0	(17,630)	(13.6)

*1 Component ratio

*2 Figures are based on sales prices to customers.

*3 Exclusive of consumption taxes

(2) Sales by Product Category, Application and Area

1. Sales by Product Category

Three months ended June 30, 2015 and 2016

	Millions of Yen					
	Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
		%*1		%*1		%
Capacitors	89,144	31.8	84,263	32.4	(4,881)	(5.5)
Piezoelectric Components	38,234	13.7	44,753	17.2	6,519	17.1
Other Components	56,610	20.2	50,838	19.5	(5,772)	(10.2)
Components Total	183,988	65.7	179,854	69.1	(4,134)	(2.2)
Communication Modules	82,983	29.7	69,179	26.6	(13,804)	(16.6)
Power Supplies and Other Modules	12,989	4.6	11,114	4.3	(1,875)	(14.4)
Modules Total	95,972	34.3	80,293	30.9	(15,679)	(16.3)
Net sales	279,960	100.0	260,147	100.0	(19,813)	(7.1)

*1 Component ratio

*2 Exclusive of consumption taxes

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

Three months ended June 30, 2015 and 2016

	Millions of Yen					
	Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
		%*1		%*1		%
AV	11,794	4.2	10,656	4.1	(1,138)	(9.6)
Communications	163,958	58.6	145,505	55.9	(18,453)	(11.3)
Computers and Peripherals	39,241	14.0	37,790	14.5	(1,451)	(3.7)
Automotive Electronics	36,624	13.1	39,022	15.0	2,398	6.5
Home and Others	28,343	10.1	27,174	10.5	(1,169)	(4.1)
Net sales	279,960	100.0	260,147	100.0	(19,813)	(7.1)

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

Three months ended June 30, 2015 and 2016

	Millions of Yen					
	Three months ended June 30, 2015		Three months ended June 30, 2016		Change	
		%*1		%*1		%
The Americas	23,831	8.5	19,120	7.3	(4,711)	(19.8)
Europe	19,164	6.9	21,485	8.3	2,321	12.1
Greater China	172,302	61.5	148,070	56.9	(24,232)	(14.1)
Asia and Others	45,462	16.2	51,525	19.8	6,063	13.3
Overseas total	260,759	93.1	240,200	92.3	(20,559)	(7.9)
Japan	19,201	6.9	19,947	7.7	746	3.9
Net sales	279,960	100.0	260,147	100.0	(19,813)	(7.1)

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

	Millions of yen							
	Three months ended June 30, 2015		Three months ended September 30, 2015		Three months ended December 31, 2015		Three months ended March 31, 2016	
		% *1		% *1		% *1		% *1
Net sales	280,828	100.0	328,981	100.0	339,678	100.0	261,354	100.0
Operating income	63,953	22.8	88,187	26.8	83,274	24.5	39,992	15.3
Income before income taxes	65,007	23.1	91,306	27.8	83,710	24.6	39,150	15.0
Net income attributable to Murata Corporation	46,560	16.6	68,806	20.9	60,766	17.9	27,644	10.6

	Millions of yen	
	Three months ended June 30, 2016	
		% *1
Net sales	260,925	100.0
Operating income	48,695	18.7
Income before income taxes	50,200	19.2
Net income attributable to Murata Corporation	37,675	14.4

*1 Ratio to net sales

(2) Sales by Product Category

	Millions of yen							
	Three months ended June 30, 2015		Three months ended September 30, 2015		Three months ended December 31, 2015		Three months ended March 31, 2016	
		% *1		% *1		% *1		% *1
Capacitors	89,144	31.8	95,452	29.1	97,246	28.7	85,477	32.8
Piezoelectric Components	38,234	13.7	41,883	12.8	43,489	12.9	38,274	14.7
Other Components	56,610	20.2	63,831	19.5	62,076	18.3	48,450	18.6
Components Total	183,988	65.7	201,166	61.4	202,811	59.9	172,201	66.1
Communication Modules	82,983	29.7	112,982	34.4	122,984	36.3	76,248	29.3
Power Supplies and Other Modules	12,989	4.6	13,736	4.2	12,976	3.8	11,951	4.6
Modules Total	95,972	34.3	126,718	38.6	135,960	40.1	88,199	33.9
Net sales	279,960	100.0	327,884	100.0	338,771	100.0	260,400	100.0

	Millions of yen	
	Three months ended June 30, 2016	
		% *1
Capacitors	84,263	32.4
Piezoelectric Components	44,753	17.2
Other Components	50,838	19.5
Components Total	179,854	69.1
Communication Modules	69,179	26.6
Power Supplies and Other Modules	11,114	4.3
Modules Total	80,293	30.9
Net sales	260,147	100.0

*1 Component ratio

*2 Exclusive of consumption taxes