

Consolidated Financial Flash Report (March 31, 2016)

Date: April 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: June 30, 2016

Stock Exchange Listings:
Tokyo Stock Exchange
Stock Exchange of Singapore

1. Consolidated Financial results for the year ended March 31, 2016

(1) Operating results (Years ended March 31, 2016 and 2015)

| | 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 | % |
| 2016 | 1,210,841 | 16.0 | 275,406 | 28.4 | 279,173 | 17.1 | 203,776 | 21.5 |
| 2015 | 1,043,542 | 23.2 | 214,535 | 70.4 | 238,400 | 80.1 | 167,711 | 80.0 |

Comprehensive income attributable to Murata Corporation: 148,451 million yen for the year ended March 31, 2016 and 199,119 million yen for the year ended March 31, 2015

| | Basic earnings attributable to Murata Corporation per share | Diluted earnings attributable to Murata Corporation per share | Net income attributable to Murata Corporation / Shareholders' equity | Income before income taxes / Total assets | Operating income / Net sales |
|------|---|---|--|---|------------------------------|
| | Yen | Yen | % | % | % |
| 2016 | 962.55 | - | 17.3 | 18.9 | 22.7 |
| 2015 | 792.19 | - | 16.1 | 17.8 | 20.6 |

* 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 previous fiscal year.

(2) Financial position (At March 31, 2016 and 2015)

| | Total assets | Shareholders' equity | Shareholders' equity ratio | Shareholders' equity per share |
|------|-----------------|----------------------|----------------------------|--------------------------------|
| | Millions of yen | Millions of yen | % | Yen |
| 2016 | 1,517,784 | 1,229,159 | 81.0 | 5,806.06 |
| 2015 | 1,431,303 | 1,123,090 | 78.5 | 5,304.98 |

(3) Cash flows (Years ended March 31, 2016 and 2015)

| | Net cash provided by operating activities | Net cash used in investing activities | Net cash used in financing activities | Cash and cash equivalents at end of year |
|------|---|---------------------------------------|---------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| 2016 | 252,451 | (205,316) | (56,614) | 212,570 |
| 2015 | 259,936 | (91,379) | (66,966) | 212,936 |

2. Dividends (Years ended March 31, 2016 and 2015, and the year ending March 31, 2017)

| | Cash dividends per share | | | | | Cash dividends (Total) | Consolidated basis | |
|------------------|--------------------------|----------------|---------------|----------|--------|------------------------|--------------------|--------------------------|
| | First Quarter | Second Quarter | Third Quarter | Year-end | Total | | Payout ratio | Dividend on equity (DOE) |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| 2015 | - | 80.00 | - | 100.00 | 180.00 | 38,107 | 22.7 | 3.7 |
| 2016 | - | 100.00 | - | 110.00 | 210.00 | 44,458 | 21.8 | 3.8 |
| 2017 (Projected) | - | 110.00 | - | 110.00 | 220.00 | - | 26.2 | - |

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) | 439.29 |
| Year ending March 31, 2017 | 1,225,000 | 1.2 | 240,000 | (12.9) | 241,000 | (13.7) | 178,000 | (12.6) | 840.80 |

* 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 (changes in specific subsidiaries that caused change in scope of consolidation): None

(2) Changes in accounting policy

Changes due to adoption of new accounting standard: None

Changes due to reasons other than above: None

(3) Number of common shares outstanding

Number of shares outstanding including treasury stock: 225,263,592 shares at March 31, 2016 and 2015

Number of treasury stock: 13,560,912 shares at March 31, 2016 and 13,558,666 shares at March 31, 2015

Average number of shares outstanding: 211,703,608 shares for the year ended March 31, 2016 and 211,706,421 shares for the year ended March 31, 2015

*See "Amounts per Share" for the average common shares outstanding, which is the basis of computation of earnings per share.

[Reference] Financial Results on Parent Company Basis

1. Financial results for the year ended March 31, 2016

(1) Operating results (Years ended March 31, 2016 and 2015)

| | Net sales | | Operating income | | Income before income taxes and extraordinary items | | Net income | |
|------|-----------------|------|------------------|-------|--|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 2016 | 889,121 | 18.1 | 55,457 | (7.8) | 95,732 | (20.8) | 80,721 | (18.2) |
| 2015 | 752,660 | 18.5 | 60,174 | 83.9 | 120,840 | 108.7 | 98,694 | 92.6 |

| | Basic earnings per share | Diluted earnings per share |
|------|--------------------------|----------------------------|
| | Yen | Yen |
| 2016 | 381.29 | - |
| 2015 | 466.18 | - |

*1 Percentages in the fields of Net sales, Operating income, Income before income taxes and extraordinary items, and Net income are the growth ratios against the previous year.

*2 The diluted earnings per share is not stated since there were no dilutive potential securities.

(2) Financial position (At March 31, 2016 and 2015)

| | Total assets | Shareholders' equity | Shareholders' equity ratio | Shareholders' equity per share |
|------|-----------------|----------------------|----------------------------|--------------------------------|
| | Millions of yen | Millions of yen | % | Yen |
| 2016 | 840,658 | 533,022 | 63.4 | 2,517.79 |
| 2015 | 855,498 | 499,356 | 58.4 | 2,358.74 |

*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, 2015 through March 31, 2016)

1. Business Results

In the global economic environment during the year ended March 31, 2016, while the U.S. economy continued to steadily grow due to good employment numbers and domestic consumption, a weakened economy in China and a decline in resource prices hinted at a global economic slowdown. Although Europe gradually recovered, its current situation was unclear.

In the electronics market, the smartphone market continuously grew despite a weakening of the growth rate. Moreover, improvements in the functions of smartphones contributed to an increased number of electronic components. As a result, the electronic components market showed significant continuous growth. Additionally, increased production of vehicles and advanced electrification contributed to an increase in demand for electronic components.

Under these circumstances, the net sales of Murata Manufacturing Co., Ltd. and subsidiaries (together the "Companies") were 1,210,841 million yen for the period under review, up 16.0% from the year ended March 31, 2016, with the average exchange rate against the U.S. dollar rising by 10.20 yen from the previous year end.

Operating income was 275,406 million yen, up 28.4%, income before income taxes was 279,173 million yen, up 17.1%, and net income was 203,776 million yen, up 21.5%, from the previous fiscal year. The primary factors for the profit increase were the launching of a high valued new product, the increase in capacity utilization, comprehensive cost reductions and depreciation of the yen, while negative factors included price declines and increased fixed costs due to expansion in production capacity.

| | Millions of yen | | | | | |
|--|------------------------------|-------|------------------------------|-------|---------|------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| | | %* | | %* | | %* |
| Net sales | 1,043,542 | 100.0 | 1,210,841 | 100.0 | 167,299 | 16.0 |
| Operating income | 214,535 | 20.6 | 275,406 | 22.7 | 60,871 | 28.4 |
| Income before income taxes | 238,400 | 22.8 | 279,173 | 23.1 | 40,773 | 17.1 |
| Net income attributable to Murata Corporation | 167,711 | 16.1 | 203,776 | 16.8 | 36,065 | 21.5 |
| Average exchange rate (Yen/U.S. dollar) | 109.94 | — | 120.14 | — | 10.20 | — |
| Average exchange rate (Yen/EURO) | 138.78 | — | 132.57 | — | (6.21) | — |

*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 | | | | | |
|-------------------------------------|------------------------------|-------|------------------------------|-------|---------|-------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| | | %* | | %* | | % |
| Capacitors | 334,272 | 32.2 | 367,319 | 30.4 | 33,047 | 9.9 |
| Piezoelectric Components | 121,879 | 11.7 | 161,880 | 13.4 | 40,001 | 32.8 |
| Other Components | 222,930 | 21.4 | 230,967 | 19.2 | 8,037 | 3.6 |
| Components Total | 679,081 | 65.3 | 760,166 | 63.0 | 81,085 | 11.9 |
| Communication Modules | 307,958 | 29.6 | 395,197 | 32.7 | 87,239 | 28.3 |
| Power Supplies and Other Modules | 52,952 | 5.1 | 51,652 | 4.3 | (1,300) | (2.5) |
| Modules Total | 360,910 | 34.7 | 446,849 | 37.0 | 85,939 | 23.8 |
| Net sales | 1,039,991 | 100.0 | 1,207,015 | 100.0 | 167,024 | 16.1 |

*Component ratio as a percentage of net sales

<Components>

Sales of Components for the period under review increased by 11.9% year-on-year to 760,166 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, rose due to an increase in sales of smartphones and advanced electrification of automobiles, although sales growth for AV, Computers and Peripherals slowed down.

As a result, overall net sales increased by 9.9% year-on-year to 367,319 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 due to the widespread penetration of multi-band smartphones in China. In addition, sales of ultrasonic sensors increased for automotive. Sales of actuators increased for HDD.

As a result, overall net sales increased by 32.8% year-on-year to 161,880 million yen.

[Other Components]

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

For the period under review, sales of connectors and TOKO products increased for smartphones, although inductors (coils) and thermistors decreased.

As a result, overall net sales increased by 3.6% year-on-year to 230,967 million yen.

<Modules>

Sales of Modules for the period under review increased by 23.8% year-on-year to 446,849 million yen.

[Communication Modules]

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

For the period under review, sales of RF sub modules greatly increased for smartphones.

As a result, overall net sales increased by 28.3% year-on-year to 395,197 million yen.

[Power Supplies and Other Modules]

This product category includes power supplies.

For the period under review, sales of power supplies for car audio equipment decreased.

As a result, overall net sales decreased by 2.5% year-on-year to 51,652 million yen.

2. Financial Position

Total assets at March 31, 2016 increased by 86,481 million yen from the end of the previous fiscal year to 1,517,784 million yen. The ratio of shareholders' equity to total assets increased by 2.5 percentage points from the end of the previous fiscal year to 81.0% at March 31, 2016.

<Net Cash Provided by Operating Activities>

For the period under review, net cash provided by operating activities was 252,451 million yen. As for the details, net income was 204,221 million yen, depreciation and amortization was 99,105 million yen, trade notes and accounts receivable decreased by 19,507 million yen while inventories increased by 38,549 million yen and income taxes payable decreased by 20,739 million yen.

Net cash provided by operating activities decreased by 7,485 million yen from the year ended March 31, 2015.

<Net Cash Used in Investing Activities>

For the period under review, net cash used in investing activities was 205,316 million yen. While cash inflows from maturities and sales of marketable securities, investments and other were 71,807 million yen, cash outflows from capital expenditures were 172,540 million yen, payment for purchases of marketable securities, investments and other were 64,173 million yen and increase in short-term investments was 41,999 million yen.

Net cash used in investing activities decreased by 113,937 million yen from the year ended March 31, 2015.

<Net Cash Used in Financing Activities>

For the period under review, net cash used in financing activities was 56,614 million yen. Cash outflows from payment for dividends were 42,341 million yen and repayment of long-term debt was 10,494 million yen.

Net cash used in financing activities increased by 10,352 million yen from the year ended March 31, 2015.

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

For the year ending March 31, 2017, the U.S. economy will be apprehended in the context of a decline in resource prices. In emerging countries such as China, there is concern over a decline in growth rates. The world economy will be more unclear than current situation. The movement of avoiding economical risks will trigger high value of yen. The trend of an appreciation of the yen has grown from the end of 2015 fiscal year.

In the electronics market, the Companies expect continuous growth of electronic components due to the widespread penetration of multi-band smartphones while saturation of smartphone demand is expected to proceed. Additionally, increased production of vehicles and advanced electrification will contribute to a continuous increase in demand for electronic components.

Based on this outlook, the Companies have projected the following business results for the year ending March 31, 2017.

[Consolidated Projections for the Year Ending March 31, 2017]

| | | Consolidated Basis | |
|---|-----------------|--------------------|---------------------|
| | | 2016 (Actual) | 2017 Projections |
| Net sales | Millions of yen | 1,210,841 | 1,225,000 |
| | <%>* | <22.7> | <19.6> |
| Operating income | Millions of yen | 275,406 | 240,000 |
| | <%>* | <23.1> | <19.7> |
| Income before income taxes | Millions of yen | 279,173 | 241,000 |
| Net income attributable to Murata Corporation | Millions of yen | 203,776 | 178,000 |
| | <%>* | <16.8> | <14.5> |
| Capital expenditures | Millions of yen | 172,540 | 160,000 |
| | <%>* | <8.2> | <9.6> |
| Depreciation and amortization | Millions of yen | 99,105 | 118,000 |
| | <%>* | <6.4> | <7.3> |
| R & D expenses | Millions of yen | 77,982 | 90,000 |

*1 Ratio to net sales

The Companies forecast that consolidated net sales for the next fiscal year on a quantities basis will increase in the communication market and in the car electronics market. Sales on an amount basis will increase by 1.2% year-on-year to 1,225,000 million yen, due to the appreciation of the yen.

The Companies have also forecasted operating income of 240,000 million yen, down 12.9%, income before income taxes of 241,000 million yen, down 13.7%, and net income of 178,000 million yen, down 12.6%, from the year ended March 31, 2016. While the Companies expect the continuous introduction of new products and comprehensive cost reduction measures, there will be adverse factors such as price declines, increased fixed costs resulting from the expansion in production capacity, the increase of up-front expenditures mainly used in research and development activities and the impact from the appreciation of the yen.

The Companies are planning 160,000 million yen in capital expenditures for the year ending March 31, 2017, mainly for investments in boosting production capacity for new products and high-growth products, streamlining production processes, and research and development.

4. Basic Policy on Profit Distribution and Dividends for the Year Ended March 31, 2016 and the Year Ending March 31, 2017

The Companies belong to the electronics component industry segment which experiences rapid fluctuation in technological innovation. We endeavor to flexibly respond to changes in the market, achieve continuous profit growth and substantiality of equity capital in order to continue stabilization of management in the severe business environment.

Our basic policy on profit distribution to shareholders is to prioritize the sharing of profits through payment of dividends. We will steadily raise the dividends by increasing profit per share, while enhancing long-term corporate value and strengthening its capital structure, and aim to achieve a payout ratio of about 30% in the mid-term. In accordance with this policy, our dividends are determined after comprehensively considering our business performance on a consolidated basis, as well as the accumulation of internal reserves necessary for reinvestment to ensure future development.

For the year ended March 31, 2016, the Companies plan to pay a year-end dividend of 110 yen per share. Combined with the interim dividend previously paid, the total annual dividend is expected to be 210 yen.

In light of the operating results, earnings retention for reinvestment for future development, and a targeted payout ratio of about 30% in the mid-term, we plan to pay an annual dividend of 220 yen per share (comprising interim and year-end dividends of 110 yen per share each) for the fiscal year ending March 31, 2017, a 10 yen increase from the previous fiscal year. As a result, we are aiming to achieve payout ratio of 26.2%. These figures reflect our view of the current business environment and our projections for the year ending March 31, 2017.

[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.

Murata Manufacturing Co., Ltd. and Subsidiaries

The main business of Murata Manufacturing Co., Ltd. (the Company) and its subsidiaries (the Companies) is the development, manufacturing and sales of electronic components and related products, Components (such as capacitors and piezoelectric components) and Modules (such as communication modules and power supplies).

The relationships among the Companies in the business of manufacturing and sales of electronic components at March 31, 2016 are as follows.

[Manufacturing and sales of electronic components]

Murata Manufacturing Co., Ltd. (the Company)

The Company manufactures semi-finished products for various electronic components and supplies them to its manufacturing subsidiaries. The Company also sells finished products, which are manufactured by the Companies, to customers and to its sales subsidiaries.

Sales Subsidiaries

The sales subsidiaries sell finished products, which are manufactured by the Companies.

Manufacturing and Sales Subsidiaries

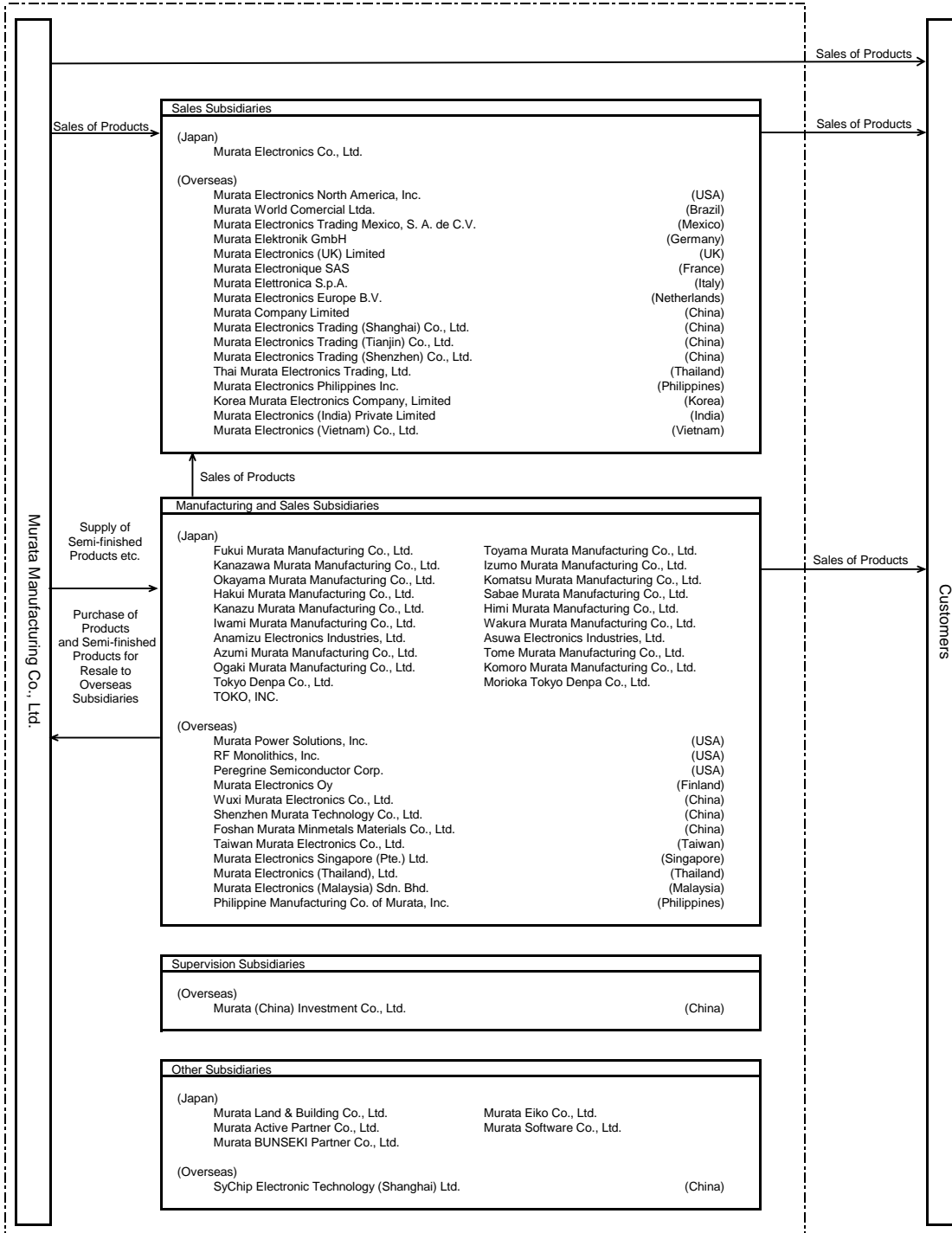
The manufacturing and sales subsidiaries purchase semi-finished products from the Company, complete the manufacturing into finished products and sell the products mainly to customers and sales subsidiaries.

Supervision Subsidiaries

The supervision subsidiaries conduct market research activities in their corresponding areas, and supervise the Company's subsidiaries located in the areas.

[Others]

Some subsidiaries provide the following services: welfare services, personnel services, education and training services, lease and management of real estate, facility maintenance and cleaning, sales of software, analysis service of electronic components, etc.



* Other than the companies shown above, there are forty-three consolidated subsidiaries and one company accounted for by the equity method.

Murata's Fundamental Management Policy

1. Murata's Fundamental Management Policy

"New quality electronic devices begin with new quality components, and new quality components begin with new quality materials." Based upon this fundamental corporate principle, Murata pursues excellence in a broad range of technical disciplines from basic to advanced future technologies. In so doing, we develop and supply distinctive and innovative products, with the ultimate goal of contributing toward the advancement of an electronic society. We focus on the research and development of technological elements including electronic materials technology (e.g., ceramic materials), circuit design technology, processing technology (e.g., thin-film and micro-fabrication technology), and development technologies for production equipment. By intelligently combining the achievements from these efforts, we create multilayer ceramic capacitors (MLCCs), ceramic piezoelectric products, noise suppression components, microwave devices, circuit modules, and other electronic components. These are indispensable for a range of electronic devices from communication and information/computer-related devices to automotive electronics.

2. Business goals

(1) Sales

Aiming to grow at an annualized rate of 5–10%, We will pursue medium- to long-term sales expansion in our focus markets (automotive, energy, healthcare) in addition to growth in existing markets, especially the communications market. Moreover, our goal is to have new products account for 40% of sales, and will strive to increase sales by providing new value to customers.

(2) Operating income

We will pursue an operating income ratio of at least 20% (at an exchange rate of \$1 USD = ¥115 JPY) and greater corporate value with an increase in net income per share. Also, The Companies will use Revenue/Invested capital as an indicator of efficiency and will attempt to raise investment efficiency in each of our businesses.

3. Medium to Long Term Management Strategy

The Companies will focus on the following growth strategies in order to achieve the

business goals.

(1) Pursuit of a competitive edge in the communications market

We will not only maintain our strong share of the communications market, especially mobile communications, but will also provide new value in an effort to maintain and expand our competitive edge.

(2) Expansion of business in focus markets / Expansion of business in automotive, energy and healthcare

In addition to the automotive market in which we already have established sales we will create new business models and customer value in pursuit of market diversification and growth within energy and healthcare/medical markets. Our approach to these markets will be to build businesses in which we can bring Murata's uniqueness to the fore, after clearly defining entry scenarios.

(3) Market development with a longer-term view

The Internet of Things (IoT) is expanding the boundaries of electronics and creating new needs for the smart society. In response to these expanding needs, we will strive to provide new value by integrating sensors and communications technology.

4. Challenges Facing the Companies

The global electronics market is expected to grow in the medium to long term, driven by new demand for sophisticated and multifunctional electronic components and increased demand for consumer electronics market centering on smartphones. The automotive market is also expected to grow due to its advanced electrification. Additionally, it is expected that future demand for electronics components will expand and shift to new applications which will become the next primary market such as energy, and healthcare / medical.

For the rapidly growing markets, the Companies intend to strengthen their sales and marketing abilities and enhance production capacity, launch new, high value-added products earlier than their competitors and contribute to the trend of reduced size and thickness of electronic devices, add more manifold functions, and also create new business models and customer value. In addition, with TOKO, which will become a wholly owned subsidiary, the Companies expect to achieve greater synergies at an early stage through an integrated operation of the corporate group and further enhance their businesses. In addition, the

Companies will seek to improve profitability by increasing production capacity outside Japan to reduce costs and mitigate foreign exchange fluctuations. Together with the increase in capacity at existing factories in China, Thailand, Malaysia and the Philippines, we intend to further expand production capacity outside Japan.

In regards to its responsibility to society, the Companies place equal emphasis on economic, environmental and social perspectives, and strives to fulfill their corporate responsibilities from each perspective. As for corporate governance, the Companies established the “Corporate Governance Guidelines” in order to emphasize principles underlying corporate governance of the Companies and consolidate the operating structure for the year ended March 31, 2016.

Additionally, In order to further promote corporate governance and improve corporate value, the Companies plan to transition to a Company with a Board with an Audit Committee Structure upon receiving approval for the required amendments to the Articles of Incorporation at the Ordinary General Meeting of Shareholders of the Companies scheduled to be held in June 2016.

The Companies position corporate governance as one of their most important management issues, and while taking into consideration feedback from all stakeholders, the Companies are building a sound corporate management structure and system. Concrete actions to be taken by the Companies include improving management efficiency, strengthening management-monitoring functions, plan and implement management strategies, and ensuring thorough compliance with all relevant laws and regulations.

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

(1) Consolidated Balance Sheets (Assets)

At March 31, 2016 and 2015

| | Millions of Yen | | | |
|---|-----------------|-------|-----------|-------|
| | 2015 | | 2016 | |
| | | % | | % |
| Assets | 1,431,303 | 100.0 | 1,517,784 | 100.0 |
| Current assets | 815,849 | 57.0 | 835,369 | 55.1 |
| Cash | 139,685 | | 150,627 | |
| Short-term investments | 146,413 | | 174,228 | |
| Marketable securities | 72,199 | | 45,188 | |
| Trade notes receivable | 649 | | 399 | |
| Trade accounts receivable | 233,024 | | 194,549 | |
| Allowance for doubtful notes and accounts | (1,010) | | (845) | |
| Inventories | 186,299 | | 217,462 | |
| Deferred income taxes | 28,296 | | 31,365 | |
| Prepaid expenses and other | 10,294 | | 22,396 | |
| Property, plant and equipment | 385,986 | 27.0 | 455,862 | 30.0 |
| Land | 50,170 | | 49,757 | |
| Buildings | 325,479 | | 350,279 | |
| Machinery and equipment | 788,743 | | 873,410 | |
| Construction in progress | 30,510 | | 37,750 | |
| Accumulated depreciation | (808,916) | | (855,334) | |
| Investments and other assets | 229,468 | 16.0 | 226,553 | 14.9 |
| Investments | 94,877 | | 100,131 | |
| Intangible assets | 59,915 | | 51,708 | |
| Goodwill | 56,102 | | 53,738 | |
| Deferred income taxes | 7,625 | | 11,258 | |
| Other | 10,949 | | 9,718 | |
| Total assets | 1,431,303 | 100.0 | 1,517,784 | 100.0 |

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

Consolidated Balance Sheets (Liabilities and Shareholders' Equity)

At March 31, 2016 and 2015

| | Millions of Yen | | | |
|---|-----------------|-------|-----------|-------|
| | 2015 | | 2016 | |
| Liabilities | 292,372 | 20.4 | 273,805 | 18.0 |
| Current liabilities | 198,534 | 13.8 | 185,623 | 12.2 |
| Short-term borrowings | 11,154 | | 6,446 | |
| Trade accounts payable | 54,535 | | 56,380 | |
| Accrued payroll and bonuses | 36,256 | | 36,456 | |
| Income taxes payable | 49,960 | | 28,734 | |
| Accrued expenses and other | 46,629 | | 57,607 | |
| Long-term liabilities | 93,838 | 6.6 | 88,182 | 5.8 |
| Long-term debt | 9,652 | | 3,301 | |
| Termination and retirement benefits | 68,679 | | 71,884 | |
| Deferred income taxes | 13,957 | | 11,643 | |
| Other | 1,550 | | 1,354 | |
| Equity | 1,138,931 | 79.6 | 1,243,979 | 82.0 |
| Murata Corporation's Shareholders' equity | 1,123,090 | 78.5 | 1,229,159 | 81.0 |
| Common stock | 69,377 | | 69,377 | |
| Capital surplus | 103,864 | | 103,865 | |
| Retained earnings | 970,374 | | 1,131,809 | |
| Accumulated other comprehensive income: | 39,793 | | (15,532) | |
| Unrealized gains on securities | 7,114 | | 2,945 | |
| Pension liability adjustments | (5,511) | | (23,587) | |
| Foreign currency translation adjustments | 38,190 | | 5,110 | |
| Treasury stock, at cost | (60,318) | | (60,360) | |
| Noncontrolling interests | 15,841 | 1.1 | 14,820 | 1.0 |
| Total liabilities and total equity | 1,431,303 | 100.0 | 1,517,784 | 100.0 |

Consolidated Statements of Income (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(2) Consolidated Statements of Income

For the years ended March 31, 2016 and 2015

| | Millions of Yen | | | |
|--|-----------------|-------|-----------|-------|
| | 2015 | | 2016 | |
| | | % | | % |
| Net sales | 1,043,542 | 100.0 | 1,210,841 | 100.0 |
| Cost of sales | 629,206 | 60.3 | 712,054 | 58.8 |
| Selling, general and administrative | 134,811 | 12.9 | 145,399 | 12.1 |
| Research and development | 64,990 | 6.2 | 77,982 | 6.4 |
| Operating income | 214,535 | 20.6 | 275,406 | 22.7 |
| Interest and dividend income | 3,360 | 0.3 | 2,430 | 0.2 |
| Interest expense | (425) | (0.0) | (138) | (0.0) |
| Foreign currency exchange gain (loss) | 18,101 | 1.7 | (2,127) | (0.1) |
| Other - net | 2,829 | 0.2 | 3,602 | 0.3 |
| Income before income taxes | 238,400 | 22.8 | 279,173 | 23.1 |
| Income taxes | 71,095 | 6.7 | 74,952 | 6.3 |
| <Current income tax> | <77,558> | | <73,495> | |
| <Deferred income tax> | <(6,463)> | | <1,457> | |
| Net income | 167,305 | 16.1 | 204,221 | 16.8 |
| Less: Net income (loss) attributable to noncontrolling interests | (406) | (0.0) | 445 | (0.0) |
| Net income attributable to Murata Corporation | 167,711 | 16.1 | 203,776 | 16.8 |

(3) Consolidated Statements of Comprehensive Income

For the years ended March 31, 2016 and 2015

| | Millions of Yen | |
|--|-----------------|----------|
| | 2015 | 2016 |
| Net income | 167,305 | 204,221 |
| Other comprehensive income (loss), net of tax: | | |
| Unrealized gains (losses) on securities | 1,820 | (4,345) |
| Pension liability adjustments | (1,205) | (18,581) |
| Foreign currency translation adjustments | 31,591 | (33,898) |
| Other comprehensive income (loss) | 32,206 | (56,824) |
| Comprehensive income | 199,511 | 147,397 |
| Less: Comprehensive income (loss) attributable to noncontrolling interests | 392 | (1,054) |
| Comprehensive income attributable to Murata Corporation | 199,119 | 148,451 |

(4) Consolidated Statements of Shareholders' Equity

| | Number of common shares issued | Millions of Yen | | | | | | | |
|--|--------------------------------|---------------------------|-----------------|-------------------|---|----------------|-----------------------|--------------------------|--------------|
| | | Common stock | Capital surplus | Retained earnings | Accumulated other comprehensive income (loss) | Treasury stock | Controlling interests | Noncontrolling interests | Total equity |
| | | Balance at March 31, 2014 | 225,263,592 | 69,377 | 103,864 | 834,419 | 8,385 | (60,285) | 955,760 |
| Purchases of treasury stock at cost | | | | | | (33) | (33) | | (33) |
| Net income | | | | 167,711 | | | 167,711 | (406) | 167,305 |
| Cash dividends | | | | (31,756) | | | (31,756) | (116) | (31,872) |
| Other comprehensive income, net of tax | | | | | 31,408 | | 31,408 | 798 | 32,206 |
| Equity transaction with noncontrolling interests and other | | | | | | | | (307) | (307) |
| Balance at March 31, 2015 | 225,263,592 | 69,377 | 103,864 | 970,374 | 39,793 | (60,318) | 1,123,090 | 15,841 | 1,138,931 |
| Purchases of treasury stock at cost | | | | | | (42) | (42) | | (42) |
| Disposal of treasury stock | | | 1 | | | 0 | 1 | | 1 |
| Net income | | | | 203,776 | | | 203,776 | 445 | 204,221 |
| Cash dividends | | | | (42,341) | | | (42,341) | (116) | (42,457) |
| Other comprehensive loss, net of tax | | | | | (55,325) | | (55,325) | (1,499) | (56,824) |
| Equity transaction with noncontrolling interests and other | | | | | | | | 149 | 149 |
| Balance at March 31, 2016 | 225,263,592 | 69,377 | 103,865 | 1,131,809 | (15,532) | (60,360) | 1,229,159 | 14,820 | 1,243,979 |

Consolidated Statements of Cash Flows (Unaudited)
Murata Manufacturing Co., Ltd. and Subsidiaries

(5) Consolidated Statements of Cash Flows
Years ended March 31, 2016 and 2015

| | Millions of Yen | | | |
|---|-----------------|-----------|----------|-----------|
| | 2015 | | 2016 | |
| Operating activities: | | | | |
| Net income | | 167,305 | | 204,221 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 84,935 | | 99,105 | |
| Losses on sales and disposals of property, plant and equipment | 1,443 | | 1,406 | |
| Impairment losses | 3,959 | | 306 | |
| Provision for termination and retirement benefits, less payments | (4,636) | | (16,006) | |
| Deferred income taxes | (6,463) | | 1,457 | |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in trade notes and accounts receivable | (19,295) | | 19,507 | |
| Increase in inventories | (3,431) | | (38,549) | |
| (Increase) decrease in prepaid expenses and other | 24 | | (12,546) | |
| Increase in trade notes and accounts payable | 7,133 | | 4,336 | |
| Increase in accrued payroll and bonuses | 921 | | 500 | |
| Increase (decrease) in income taxes payable | 21,528 | | (20,739) | |
| Increase in accrued expenses and other | 7,749 | | 10,050 | |
| Other-net | (1,236) | 92,631 | (597) | 48,230 |
| Net cash provided by operating activities | | 259,936 | | 252,451 |
| Investing activities: | | | | |
| Capital expenditures | | (101,184) | | (172,540) |
| Payment for purchases of marketable securities, investments and other | | (42,381) | | (64,173) |
| Maturities and sales of marketable securities, investments and other | | 102,105 | | 71,807 |
| Increase in short-term investments | | (1,738) | | (41,999) |
| Acquisition of businesses, net of cash acquired | | (50,219) | | - |
| Other-net | | 2,038 | | 1,589 |
| Net cash used in investing activities | | (91,379) | | (205,316) |
| Financing activities: | | | | |
| Net decrease in short-term borrowings | | (28,847) | | (4,671) |
| Proceeds from long-term debt | | 1,055 | | 1,000 |
| Repayment of long-term debt | | (6,907) | | (10,494) |
| Dividends paid | | (31,756) | | (42,341) |
| Other-net | | (511) | | (108) |
| Net cash used in financing activities | | (66,966) | | (56,614) |
| Effect of exchange rate changes on cash and cash equivalents | | (7,539) | | 9,113 |
| Net Increase (decrease) in cash and cash equivalents | | 94,052 | | (366) |
| Cash and cash equivalents at beginning of year | | 118,884 | | 212,936 |
| Cash and cash equivalents at end of year | | 212,936 | | 212,570 |
| Additional cash flow information: | | | | |
| Interest paid | | 411 | | 134 |
| Income taxes paid | | 55,933 | | 95,083 |
| Additional cash and cash equivalents information: | | | | |
| Cash | | 139,685 | | 150,627 |
| Short-term investments | | 146,413 | | 174,228 |
| Short-term investments with the original maturities over three months | | (73,162) | | (112,285) |
| Cash and cash equivalents at end of year | | 212,936 | | 212,570 |

(6) Assumptions for Going Concern

None

(7) Basis of Preparation of Consolidated Financial Statements

1. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries: 101

Major consolidated subsidiaries:

Fukui Murata Manufacturing Co., Ltd.
Izumo Murata Manufacturing Co., Ltd.
Toyama Murata Manufacturing Co., Ltd.
Komatsu Murata Manufacturing Co., Ltd.
Kanazawa Murata Manufacturing Co., Ltd.
Okayama Murata Manufacturing Co., Ltd.
TOKO, INC.
Murata Electronics North America, Inc.
Murata Company Limited
Murata (China) Investment Co., Ltd.
Murata Electronics Trading (Shanghai) Co., Ltd.
Wuxi Murata Electronics Co., Ltd.
Murata Electronics Europe B.V.

(2) Number of unconsolidated subsidiaries: None

(3) Number of affiliated companies: 1

All companies are accounted for by equity method.

2. Changes in scope of consolidation and application of the equity method

(Consolidated subsidiaries)

One company was newly consolidated.
One subsidiary of TOKO, INC. Group

Four companies were excluded from consolidation.
Two subsidiaries of Murata Electronics Oy Group
Two subsidiaries of RF Monolithics, Inc. Group

3. Significant Accounting Policies

(1) Inventories

Inventories are stated at the lower of cost, which is determined principally by the average cost method, or market.

(2) Marketable securities and investments

Under ASC320, "Investments - Debt and Equity Securities", and ASC825 "Financial Instruments", the Companies classify debt securities and marketable equity securities as available-for-sale and carry them at fair value with a corresponding recognition of the net unrealized holding gain or loss (net of tax) as a separate component of shareholders' equity, except investments whose unrealized holding gain and loss are included in income by electing the fair value option. Gains and losses on sales of investments are computed on an average cost basis. Equity securities that do not have a readily determinable fair value are recorded at average cost.

(3) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment has been principally computed using the declining-balance method.

(4) Goodwill and other intangible assets

The Companies account for goodwill and other intangible assets in accordance with ASC 350, "Intangibles - Goodwill and Other".

In accordance with this statement, goodwill is not amortized and is instead tested at least annually for impairment.

Intangible assets that have finite useful lives will continue to be amortized over their useful lives.

Also, this statement requires that an intangible asset that is determined to have an indefinite useful life is not amortized but is instead tested at least annually for impairment until its useful life is determined to be no longer indefinite.

(5) Termination and retirement benefits

Termination and retirement benefits, accounted for in accordance with ASC 715, "Compensation - Retirement benefits", are provided at the amount incurred during the period, which is based on the estimated present value of the projected benefit obligation less the fair value of plan assets at the end of the period.

The Company and certain domestic subsidiaries amended part of their retirement plans to defined contribution pension plans in January 2015, and converted in April 2015. A certain domestic subsidiary amended part of its retirement plans to a defined contribution pension plan in July 2015, and converted in October 2015.

The overfunded or underfunded status of a defined benefit postretirement plan is recognized as an asset or liability in its statement of financial position, with an adjustment to accumulated other comprehensive income (loss).

The unrecognized prior service benefit due to certain plan amendments is being amortized on a straight-line basis over the average remaining service period of employees.

The unrecognized actuarial gains and losses in excess of ten percent of the larger of the projected benefit obligation or plan assets are being amortized over five years.

(6) Accounting for consumption taxes

Consumption taxes are separately accounted for, and are excluded from the amounts of the underlying income and expense transactions.

(8) Segment Information

1) 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.

| | | Millions of Yen | | | |
|----------------------------------|------------------------|-----------------|-------|-----------|-------|
| | | 2015 | | 2016 | |
| Components | Sales to: | | % | | % |
| | Unaffiliated customers | 679,081 | | 760,166 | |
| | Intersegment | 42,628 | | 50,522 | |
| | Total revenue | 721,709 | 100.0 | 810,688 | 100.0 |
| | Segment income | 205,974 | 28.5 | 262,624 | 32.4 |
| Modules | Sales to: | | % | | % |
| | Unaffiliated customers | 360,910 | | 446,849 | |
| | Intersegment | 61 | | 66 | |
| | Total revenue | 360,971 | 100.0 | 446,915 | 100.0 |
| | Segment income | 42,685 | 11.8 | 51,919 | 11.6 |
| Others | Sales to: | | % | | % |
| | Unaffiliated customers | 3,551 | | 3,826 | |
| | Intersegment | 43,333 | | 55,365 | |
| | Total revenue | 46,884 | 100.0 | 59,191 | 100.0 |
| | Segment income | 4,781 | 10.2 | 5,064 | 8.6 |
| Corporate and eliminations | Sales to: | | % | | % |
| | Unaffiliated customers | - | | - | |
| | Intersegment | (86,022) | | (105,953) | |
| | Total revenue | (86,022) | - | (105,953) | - |
| | Corporate expenses | (38,905) | - | (44,201) | - |
| Consolidated | Sales to: | | % | | % |
| | Unaffiliated customers | 1,043,542 | | 1,210,841 | |
| | Intersegment | - | | - | |
| | Total revenue | 1,043,542 | 100.0 | 1,210,841 | 100.0 |
| | Operating income | 214,535 | 20.6 | 275,406 | 22.7 |

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, personnel 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 research.

2) Geographic Information

Net sales are attributed to countries or areas based on customer locations.

Long-lived assets are composed of property, plant and equipment based on their physical location.

Net sales

| | Millions of Yen | |
|-----------------|-----------------|-----------|
| | 2015 | 2016 |
| Japan | 84,702 | 81,713 |
| The Americas | 87,135 | 83,750 |
| Europe | 82,362 | 81,942 |
| Greater China | 600,542 | 750,256 |
| Asia and Others | 188,801 | 213,180 |
| Total | 1,043,542 | 1,210,841 |

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

- (1) The Americas: USA, Mexico
- (2) Europe: Germany, Hungary, United Kingdom
- (3) Greater China: China, Taiwan
- (4) Asia and Others: South Korea, Vietnam, Thailand

Long-lived assets

| | Millions of Yen | |
|-----------------|-----------------|---------|
| | 2015 | 2016 |
| Japan | 258,862 | 319,459 |
| The Americas | 3,882 | 3,939 |
| Europe | 8,477 | 8,359 |
| Greater China | 81,642 | 83,334 |
| Asia and Others | 33,123 | 40,771 |
| Total | 385,986 | 455,862 |

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

- (1) The Americas: USA
- (2) Europe: Finland, United Kingdom, Germany
- (3) Greater China: China, Taiwan
- (4) Asia and Others: Thailand, Philippines, Vietnam, Singapore

(9) Marketable Securities and Investments

The cost and amortized cost, gross unrealized gains, gross unrealized losses and fair value for available-for-sale securities by major security type at March 31, 2016 and 2015 were as follows:

| | Millions of yen | | | | | | | |
|--|-------------------------|------------------------|-------------------------|----------------|-------------------------|------------------------|-------------------------|----------------|
| | March 31, 2015 | | | | March 31, 2016 | | | |
| | Cost and Amortized cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value | Cost and Amortized cost | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value |
| Governmental debt securities | 2,822 | 7 | - | 2,829 | 1,898 | 11 | - | 1,909 |
| Private debt securities | 141,816 | 487 | 115 | 142,188 | 120,769 | 350 | 540 | 120,579 |
| Equity securities | 7,408 | 9,332 | 0 | 16,740 | 7,397 | 4,723 | 64 | 12,056 |
| Investment trusts | 3,015 | - | 24 | 2,991 | 2,756 | - | - | 2,756 |
| Total available-for-sale securities | 155,061 | 9,826 | 139 | 164,748 | 132,820 | 5,084 | 604 | 137,300 |

* The aggregate carrying amounts of the equity securities that do not have a readily determinable fair value at March 31, 2016 and 2015, which were valued at cost, were 8,019 million Yen and 2,328 million Yen, respectively. They were not included in the above schedule.

(10) Amounts per Share

A reconciliation of the basic and diluted earnings per share computation was as follows:

A diluted earnings per share is not stated since there were no dilutive potential securities.

| | Year ended March 31, 2015 | | | Year ended March 31, 2016 | | |
|-------|---|-----------------------------------|---|---|-----------------------------------|---|
| | Net income attributable to Murata Corporation | Average common shares outstanding | Basic earnings attributable to Murata Corporation per share | Net income attributable to Murata Corporation | Average common shares outstanding | Basic earnings attributable to Murata Corporation per share |
| | Millions of yen | Number of shares | Yen | Millions of yen | Number of shares | Yen |
| Basic | 167,711 | 211,706,421 | 792.19 | 203,776 | 211,703,608 | 962.55 |

Shareholders' equity per share for the years ended March 31, 2016 and 2015 were 5,806.06 Yen and 5,304.98 Yen, respectively.

(11) Subsequent Events

None

(12) Other

Flash Report (Year ended March 31, 2016)

Selected Financial Data - Consolidated basis

Years ended March 31, 2016 and 2015 / at March 31, 2016 and 2015

| | | Consolidated Basis | | |
|---|-------------------------------------|--------------------|--------------------|--------------|
| | | 2015 | 2016 | Change ratio |
| Net sales | Millions of yen | 1,043,542 | 1,210,841 | 16.0 |
| Operating income | <*> ² Millions of yen | <20.6> 214,535 | <22.7> 275,406 | 28.4 |
| Income before income taxes | <*> ² Millions of yen | <22.8> 238,400 | <23.1> 279,173 | 17.1 |
| Net income attributable to Murata Corporation | <*> ² Millions of yen | <16.1> 167,711 | <16.8> 203,776 | 21.5 |
| Total assets | Millions of yen | 1,431,303 | 1,517,784 | 6.0 |
| Shareholders' equity | Millions of yen | 1,123,090 | 1,229,159 | 9.4 |
| Shareholders' equity ratio | % | 78.5 | 81.0 | - |
| Basic earnings attributable to Murata Corporation per share | Yen | 792.19 | 962.55 | 21.5 |
| Return on equity (ROE) | % | 16.1 | 17.3 | - |
| Shareholders' equity per share | Yen | 5,304.98 | 5,806.06 | - |
| Capital expenditures | Millions of yen | 101,184 | 172,540 | 70.5 |
| Depreciation and amortization | <*> ² Millions of yen | <8.1> 84,935 | <8.2> 99,105 | 16.7 |
| R & D expenses | <*> ² Millions of yen | <6.2> 64,990 | <6.4> 77,982 | 20.0 |
| Number of employees | *4 | <28,229> 51,794 | <30,701> 54,674 | 5.6 |
| Average exchange rates | | | | |
| Yen/US dollar | Yen | 109.94 | 120.14 | - |
| Yen/EURO | Yen | 138.78 | 132.57 | - |

*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.

Projected Financial Data - Consolidated basis

| | | Six months ending September 30, 2016 and six months ended September 30, 2015 | | | Year ending March 31, 2017 and year ended March 31, 2016 | | |
|---|-------------------------|---|----------------------|-----------------|---|----------------------|-----------------|
| | | 2015 (Actual) | 2016 (Projection) | Growth ratio | 2015 (Actual) | 2016 (Projection) | Growth ratio |
| Net sales | Millions of yen | 609,809 | 620,000 | 1.7 | 1,210,841 | 1,225,000 | 1.2 |
| Operating income | <*>1 Millions of yen | <24.9> | <20.2> | (17.8) | <22.7> | <19.6> | (12.9) |
| Income before income taxes | <*>1 Millions of yen | <25.6> | <20.3> | (19.4) | <23.1> | <19.7> | (13.7) |
| Net income attributable to Murata Corporation | <*>1 Millions of yen | <18.9> | <15.0> | (19.4) | <16.8> | <14.5> | (12.6) |
| Basic earnings attributable to Murata Corporation per share | Yen | 544.94 | 439.29 | (19.4) | 962.55 | 840.80 | (12.6) |
| Capital expenditures | Millions of yen | 88,425 | 86,000 | (2.7) | 172,540 | 160,000 | (7.3) |
| Depreciation and amortization | <*>1 Millions of yen | <7.3> | <8.9> | 24.0 | <8.2> | <9.6> | 19.1 |
| R & D expenses | <*>1 Millions of yen | <6.2> | <7.1> | 15.8 | <6.4> | <7.3> | 15.4 |

*1 Ratio to net sales

*2 The projections above are based on the assumed average exchange rates of 110 yen per US dollar and 120 yen per Euro for the year ending March 31, 2017.

*3 The projections above 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".

Orders, Backlogs and Sales

(1) Orders and Backlogs by Product

<Orders>

| | Millions of Yen | | | | | |
|----------------------------------|------------------------------|-------------|------------------------------|-------------|---------|-------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| Capacitors | 340,039 | %*1 32.0 | 366,881 | %*1 30.2 | 26,842 | 7.9 |
| Piezoelectric Components | 127,829 | 12.0 | 178,696 | 14.7 | 50,867 | 39.8 |
| Other Components | 225,383 | 21.2 | 229,021 | 18.8 | 3,638 | 1.6 |
| Components Total | 693,251 | 65.2 | 774,598 | 63.7 | 81,347 | 11.7 |
| Communication Modules | 316,186 | 29.8 | 390,519 | 32.1 | 74,333 | 23.5 |
| Power Supplies and Other Modules | 53,020 | 5.0 | 51,029 | 4.2 | (1,991) | (3.8) |
| Modules Total | 369,206 | 34.8 | 441,548 | 36.3 | 72,342 | 19.6 |
| Total | 1,062,457 | 100.0 | 1,216,146 | 100.0 | 153,689 | 14.5 |

*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, 2015 | | At March 31, 2016 | | Change | |
| Capacitors | 35,067 | %*1 29.0 | 34,629 | %*1 26.6 | (438) | (1.2) |
| Piezoelectric Components | 18,033 | 14.9 | 34,849 | 26.8 | 16,816 | 93.3 |
| Other Components | 20,743 | 17.2 | 18,797 | 14.5 | (1,946) | (9.4) |
| Components Total | 73,843 | 61.1 | 88,275 | 67.9 | 14,432 | 19.5 |
| Communication Modules | 40,322 | 33.4 | 35,644 | 27.5 | (4,678) | (11.6) |
| Power Supplies and Other Modules | 6,631 | 5.5 | 6,008 | 4.6 | (623) | (9.4) |
| Modules Total | 46,953 | 38.9 | 41,652 | 32.1 | (5,301) | (11.3) |
| Total | 120,796 | 100.0 | 129,927 | 100.0 | 9,131 | 7.6 |

*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

| | Millions of Yen | | | | | |
|----------------------------------|------------------------------|-------|------------------------------|-------|---------|-------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| | | %*1 | | %*1 | | % |
| Capacitors | 334,272 | 32.2 | 367,319 | 30.4 | 33,047 | 9.9 |
| Piezoelectric Components | 121,879 | 11.7 | 161,880 | 13.4 | 40,001 | 32.8 |
| Other Components | 222,930 | 21.4 | 230,967 | 19.2 | 8,037 | 3.6 |
| Components Total | 679,081 | 65.3 | 760,166 | 63.0 | 81,085 | 11.9 |
| Communication Modules | 307,958 | 29.6 | 395,197 | 32.7 | 87,239 | 28.3 |
| Power Supplies and Other Modules | 52,952 | 5.1 | 51,652 | 4.3 | (1,300) | (2.5) |
| Modules Total | 360,910 | 34.7 | 446,849 | 37.0 | 85,939 | 23.8 |
| Net sales | 1,039,991 | 100.0 | 1,207,015 | 100.0 | 167,024 | 16.1 |

*1 Component ratio

*2 Exclusive of consumption taxes

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

| | Millions of Yen | | | | | |
|---------------------------|------------------------------|-------|------------------------------|-------|---------|-------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| | | %*1 | | %*1 | | % |
| AV | 50,044 | 4.8 | 47,595 | 3.9 | (2,449) | (4.9) |
| Communications | 562,611 | 54.1 | 728,410 | 60.4 | 165,799 | 29.5 |
| Computers and Peripherals | 171,709 | 16.5 | 166,613 | 13.8 | (5,096) | (3.0) |
| Automotive Electronics | 144,255 | 13.9 | 152,830 | 12.7 | 8,575 | 5.9 |
| Home and Others | 111,372 | 10.7 | 111,567 | 9.2 | 195 | 0.2 |
| Net sales | 1,039,991 | 100.0 | 1,207,015 | 100.0 | 167,024 | 16.1 |

*1 Component ratio

*2 Exclusive of consumption taxes

3. Sales by Area

| | Millions of Yen | | | | | |
|-----------------|------------------------------|-------|------------------------------|-------|---------|-------|
| | Year ended March 31, 2015 | | Year ended March 31, 2016 | | Change | |
| | | %*1 | | %*1 | | % |
| The Americas | 87,135 | 8.4 | 83,593 | 6.9 | (3,542) | (4.1) |
| Europe | 82,362 | 7.9 | 81,942 | 6.8 | (420) | (0.5) |
| Greater China | 600,542 | 57.7 | 750,256 | 62.1 | 149,714 | 24.9 |
| Asia and Others | 188,801 | 18.2 | 213,180 | 17.7 | 24,379 | 12.9 |
| Overseas total | 958,840 | 92.2 | 1,128,971 | 93.5 | 170,131 | 17.7 |
| Japan | 81,151 | 7.8 | 78,044 | 6.5 | (3,107) | (3.8) |
| Net sales | 1,039,991 | 100.0 | 1,207,015 | 100.0 | 167,024 | 16.1 |

*1 Component ratio

*2 Exclusive of consumption taxes

Quarterly Consolidated Performance

(1) Consolidated Financial Results

| | Millions of yen | | | | | | | |
|--|-------------------------------------|---------------|--|---------------|---|---------------|--------------------------------------|---------------|
| | Three months ended June 30, 2014 | | Three months ended September 30, 2014 | | Three months ended December 31, 2014 | | Three months ended March 31, 2015 | |
| Net sales | 217,988 | % *1 100.0 | 258,597 | % *1 100.0 | 301,129 | % *1 100.0 | 265,828 | % *1 100.0 |
| Operating income | 36,897 | 16.9 | 52,253 | 20.2 | 71,955 | 23.9 | 53,430 | 20.1 |
| Income before income taxes | 37,172 | 17.1 | 58,153 | 22.5 | 86,170 | 28.6 | 56,905 | 21.4 |
| Net income attributable to Murata Corporation | 26,928 | 12.4 | 41,587 | 16.1 | 62,691 | 20.8 | 36,505 | 13.7 |

| | 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 | |
| Net sales | 280,828 | % *1 100.0 | 328,981 | % *1 100.0 | 339,678 | % *1 100.0 | 261,354 | % *1 100.0 |
| 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 |

*1 Ratio to net sales

(2) Sales by Product Category

| | Millions of yen | | | | | | | |
|----------------------------------|-------------------------------------|--------------|--|--------------|---|--------------|--------------------------------------|--------------|
| | Three months ended June 30, 2014 | | Three months ended September 30, 2014 | | Three months ended December 31, 2014 | | Three months ended March 31, 2015 | |
| Capacitors | 69,755 | % *1 32.1 | 83,384 | % *1 32.4 | 94,561 | % *1 31.5 | 86,572 | % *1 32.7 |
| Piezoelectric Components | 28,565 | 13.2 | 30,633 | 11.9 | 31,643 | 10.5 | 31,038 | 11.7 |
| Other Components | 46,567 | 21.4 | 56,528 | 21.9 | 64,709 | 21.6 | 55,126 | 20.8 |
| Components Total | 144,887 | 66.7 | 170,545 | 66.2 | 190,913 | 63.6 | 172,736 | 65.2 |
| Communication Modules | 58,461 | 26.9 | 74,081 | 28.7 | 96,357 | 32.1 | 79,059 | 29.8 |
| Power Supplies and Other Modules | 13,764 | 6.4 | 13,146 | 5.1 | 12,926 | 4.3 | 13,116 | 5.0 |
| Modules Total | 72,225 | 33.3 | 87,227 | 33.8 | 109,283 | 36.4 | 92,175 | 34.8 |
| Net sales | 217,112 | 100.0 | 257,772 | 100.0 | 300,196 | 100.0 | 264,911 | 100.0 |

| | 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 | |
| Capacitors | 89,144 | % *1 31.8 | 95,452 | % *1 29.1 | 97,246 | % *1 28.7 | 85,477 | % *1 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 |

*1 Component ratio

*2 Exclusive of consumption taxes