

(English Translation)

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024**

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MURATA MACHINERY, LTD.

Murata Machinery, Ltd.
Consolidated Balance Sheet
March 31, 2023 and 2024

	(Millions of Yen)	
	2023	2024
Assets		
Current assets	450,860	524,342
Cash and deposits	124,996	171,950
Notes and accounts receivable - trade	196,653	215,490
Securities	13,143	13,817
Merchandise and finished goods	22,924	13,786
Work in process	20,064	19,691
Raw materials and supplies	48,188	64,400
Other	25,058	25,422
Allowance for doubtful accounts	(168)	(216)
Non-current assets	169,502	186,635
Property, plant and equipment	47,833	56,054
Buildings and structures	25,706	29,033
Machinery, equipment and vehicles	6,459	7,154
Tools, furniture and fixtures	2,557	2,826
Land	8,212	8,249
Leased assets	427	500
Construction in progress	4,257	8,084
Other	213	205
Intangible assets	3,441	3,016
Software	1,901	1,754
Goodwill	816	730
Other	724	532
Investments and other assets	118,227	127,563
Investment securities	105,856	108,069
Investments in capital	2,769	3,142
Retirement benefit asset	9,290	15,250
Deferred tax assets	1,707	2,063
Other	1,459	1,558
Allowance for doubtful accounts	(83)	(70)
Allowance for investment loss	(2,771)	(2,449)
Total assets	620,363	710,978

Murata Machinery, Ltd.
Consolidated Balance Sheet
March 31, 2023 and 2024

	(Millions of Yen)	
	2023	2024
Liabilities	182,752	187,263
Current liabilities	177,772	174,901
Notes and accounts payable - trade	86,469	76,830
Short-term borrowings	10,241	10,305
Accrued expenses	7,597	10,004
Income taxes payable	18,260	19,478
Advances received	29,165	35,990
Provision for bonuses	6,684	7,363
Provision for product warranties	2,902	4,878
Provision for loss on construction contracts	11,307	3,798
Other	5,143	6,250
Non-current liabilities	4,980	12,361
Long-term borrowings	60	47
Deferred tax liabilities	3,191	10,438
Other	1,728	1,875
Net assets	437,610	523,715
Shareholders' equity	408,499	475,368
Share capital	900	900
Capital surplus	442	442
Retained earnings	407,157	474,026
Accumulated other comprehensive income	28,984	48,189
Valuation difference on available-for-sale securities	20,637	30,224
Foreign currency translation adjustment	9,226	15,089
Remeasurements of defined benefit plans	(879)	2,875
Non-controlling interests	126	157
Total Liabilities and net assets	620,363	710,978

Murata Machinery, Ltd.
Consolidated statement of income
Years Ended March 31, 2023 and March 31, 2024

	(Millions of Yen)	
	2023	2024
Net sales	466,133	497,452
Cost of sales	327,319	339,179
Gross profit (loss)	<u>138,813</u>	<u>158,272</u>
Selling, general and administrative expenses	74,966	79,136
Operating profit (loss)	<u>63,847</u>	<u>79,135</u>
Non-operating income	<u>20,909</u>	<u>26,558</u>
Interest and dividend income	6,017	6,434
Share of profit of entities accounted for using equity method	2,849	3,605
Foreign exchange gains	10,494	15,851
Other	1,549	666
Non-operating expenses	<u>2,924</u>	<u>2,026</u>
Interest expenses	84	121
Other	2,839	1,905
Ordinary profit (loss)	<u>81,833</u>	<u>103,666</u>
Extraordinary income	<u>374</u>	<u>1,545</u>
Gain on sale of non-current assets	5	886
Gain on redemption of investment securities	368	-
Gain on sale of investment securities	-	659
Extraordinary loss	<u>55</u>	<u>1,389</u>
Loss on sale of investment securities	24	796
Impairment losses	0	395
Other	31	196
Profit (loss) before income taxes	<u>82,151</u>	<u>103,823</u>
Income taxes - current	36,714	35,295
Income taxes - deferred	(3,834)	1,204
Profit (loss)	<u>49,271</u>	<u>67,323</u>
Profit (loss) attributable to non-controlling interests	(0)	0
Profit (loss) attributable to owners of parent	<u><u>49,271</u></u>	<u><u>67,312</u></u>

Murata Machinery, Ltd.
Balance Sheet
March 31, 2023 and 2024

	(Millions of Yen)	
	2023	2024
Assets		
Current assets	366,052	423,319
Cash and deposits	87,916	125,089
Notes receivable - trade	1,319	1,203
Electronically recorded monetary claims - operating	9,885	8,027
Accounts receivable - trade	162,391	175,129
Securities	9,127	8,142
Finished goods	15,356	8,088
Work in process	11,921	11,622
Raw materials	24,074	36,306
Supplies	222	234
Advances paid	1,759	1,757
Short-term loans receivable	2,495	5,256
Accounts receivable - other	21,236	22,042
Other	18,389	20,465
Allowance for doubtful accounts	(43)	(46)
Non-current assets	157,469	162,494
Property, plant and equipment	39,063	45,058
Buildings	19,132	22,438
Structures	1,414	1,384
Machinery and equipment	4,654	5,127
Vehicles	13	7
Tools, furniture and fixtures	1,726	2,016
Land	8,125	8,425
Leased assets	9	7
Construction in progress	3,987	5,651
Intangible assets	2,238	1,975
Software	1,580	1,494
Other	657	480
Investments and other assets	116,166	115,460
Investment securities	86,856	86,017
Shares of subsidiaries and associates	17,643	16,830
Investments in capital	2,769	3,142
Long-term loans receivable	121	45
Long-term prepaid expenses	77	137
Prepaid pension costs	11,141	11,374
Other	387	403
Allowance for doubtful accounts	(59)	(41)
Allowance for investment loss	(2,771)	(2,449)
Total assets	523,521	585,814

Murata Machinery, Ltd.
Balance Sheet
March 31, 2023 and 2024

	(Millions of Yen)	
	2023	2024
Liabilities	164,124	156,727
Current liabilities	<u>161,298</u>	<u>148,728</u>
Electronically recorded obligations - operating	33,617	28,360
Accounts payable - trade	53,762	46,114
Short-term borrowings	10,000	10,000
Accounts payable - other	43	49
Accrued expenses	4,881	6,482
Income taxes payable	16,268	17,637
Accrued business office tax	36	37
Advances received	19,997	21,496
Provision for bonuses	4,291	4,699
Provision for product warranties	2,498	4,526
Provision for loss on construction contracts	11,307	3,798
Other	4,592	5,525
Non-current liabilities	<u>2,825</u>	<u>7,998</u>
Provision for retirement benefits	1,256	1,170
Deferred tax liabilities	426	5,582
Other	1,142	1,246
Net assets	359,397	429,086
Shareholders' equity	<u>338,928</u>	<u>399,057</u>
Share capital	900	900
Capital surplus	442	442
Legal capital surplus	442	442
Retained earnings	337,586	397,715
Legal retained earnings	225	225
Other retained earnings	337,361	397,490
Reserve for special depreciation	77	78
Reserve for tax purpose reduction entry	1,446	1,807
General reserve	78,720	78,720
Retained earnings brought forward	257,117	316,884
Valuation and translation adjustments	20,468	30,029
Valuation difference on available-for-sale securities	<u>20,468</u>	<u>30,029</u>
Total Liabilities and net assets	<u><u>523,521</u></u>	<u><u>585,814</u></u>

Murata Machinery, Ltd.

Statement of income

Years Ended March 31, 2023 and March 31, 2024

	(Millions of Yen)	
	2023	2024
Net sales	365,390	391,056
Cost of sales	260,689	270,673
Gross profit (loss)	<u>104,700</u>	<u>120,383</u>
Selling, general and administrative expenses	49,204	51,806
Operating profit (loss)	<u>55,496</u>	<u>68,576</u>
Non-operating income	<u>21,403</u>	<u>27,596</u>
Interest and dividend income	9,640	10,545
Foreign exchange gains	10,560	16,080
Other	1,200	971
Non-operating expenses	<u>2,830</u>	<u>2,541</u>
Interest expenses	76	97
Other	2,753	2,443
Ordinary profit (loss)	<u>74,070</u>	<u>93,632</u>
Extraordinary income	<u>368</u>	<u>1,463</u>
Gain on sale of non-current assets	-	878
Gain on sale of investment securities	-	585
Gain on redemption of investment securities	368	-
Extraordinary losses	<u>1,037</u>	<u>1,788</u>
Loss on sale of investment securities	-	796
Loss on valuation of shares of subsidiaries and associates	1,014	812
Other	22	178
Profit (loss) before income taxes	<u>73,401</u>	<u>93,307</u>
Income taxes - current	33,042	32,052
Income taxes - deferred	(3,451)	886
Profit (loss)	<u><u>43,810</u></u>	<u><u>60,368</u></u>