Electronic Components: Earnings Outlook (Jul-Sep)

Focus on MLCC/ABF substrate capacity expansion, pricing/demand trends, progress on Rohm's deal for Toshiba's semiconductor business

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We expect many electronic components companies to report strong results for the July–September 2026 quarter, as they did in April–June, and to raise their full-year guidance. We see the drivers as growth centered on AI servers, industrial equipment, and autos, along with a seasonal pickup in demand for high-end smartphones. For individual components, our focus points are comments on MLCC demand trends, capacity expansion, and price hikes; details of TDK's and Taiyo Yuden's passive components alliance; and comments on a possible sale of TDK's HDD head business. We are also watching whether Ibiden announces capacity expansion at Gama Cell 7 and Ono Cell 9 and whether it acquires an external fab; progress on Rohm's deal to integrate Toshiba's semiconductor business; Niterra's future shareholder return measures following cancellation of its exhaust-gas-related business deal with Denso; and the content of the FY2028–30 business plan that Kyocera is due to announce. Macro factors make it difficult to discern the direction of electronic components stocks as a whole, but fundamentals continue to improve substantially.

- **MLCC focus points:** Bloomberg reported on October 13 that Murata Manufacturing President Norio Nakajima said that (1) Murata may add to its MLCC capex to meet strong demand, and (2) the MLCC book-to-bill ratio is still high, at just under 1.5. In an interview published by the Nikkei on the same day, Mr. Nakajima said that (1) Murata plans to finalize details of its MLCC capacity expansion plans, including the investment amount, at its end-October earnings announcement, and (2) the plant in Izumo, Shimane Prefecture, which Murata had not expected to reach full capacity until 2030, now looks likely to reach it this year. On the first point, he added that Murata is currently negotiating with production equipment makers and others, is considering securing buildings, and is "working out how far we can bring forward capex." Mr. Nakajima has already said that MLCC demand is growing much faster than Murata had planned and that production space could become a bottleneck from the second half of 2028, so we think it is only natural for Murata to consider bringing forward capacity expansion. However, his comment in the Nikkei report that the new Izumo plant looks likely to max out capacity this year was a positive surprise. The plant was completed only in March this year and is large, with total floor area of about 70,000m² (similar in size to Building E at the Takefu plant, which we visited at the end of August). We think that the plant is mass-producing cutting-edge MLCCs for AI servers. If the new Izumo plant reaches full operation this year, there could be substantial upside to earnings from 2H FY2026.
- If the report is accurate, Murata intends to announce plans to bring forward capacity expansion and secure plant space (by building new plants) with its 2Q FY2026 results. A large-scale capex announcement would be the first since 2017–18. Murata's MLCC capital intensity has averaged around 13% over the past 10 years. Applying that 13% to our sales forecasts for the next three years and assuming the construction of two or three new plants (it may need even more), we estimate that MLCCs alone would require ¥1 trillion or more in

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capex over the period. We therefore expect total capex including other businesses to exceed ¥1 trillion over the next three years (our forecasts already assume more than ¥1 trillion). With the new Izumo plant set to reach full production this year, Murata's only remaining spare space would be at its Thailand plant and its third plant in the Philippines. However, MLCCs for AI servers are low-mix, high-volume products, so Murata can meet that demand by raising production efficiency substantially. We therefore think that plant space should not be a problem until around 2027 or the first half of 2028. That said, if AI server demand grows faster than we expect, for example, if the new Izumo plant reaches full production ahead of schedule, as suggested by the reports, production space could become an issue as early as the second half of 2027. Murata plans capex of ¥680 billion for FY2025–27 under its Medium-Term Direction 2027, and we see scope for this to be raised to roughly ¥800–900 billion (our FY2025–FY2027 earnings model assumes cumulative capex of ¥800 billion).

- We also expect Japanese MLCC makers to start commenting on their approach to price hikes alongside 2Q FY2026 results. Some MLCC makers have already decided on price hikes, and others have notified customers that they will raise prices, but we have yet to confirm the size of the hikes. We think that companies are likely to refrain from specifying the size in their earnings announcements as well. We think that all of the makers are trying to smooth price negotiations with customers by expanding production capacity.
- Sales trends at the major Japanese and Korean MLCC makers lead us to expect their server-related sales to more than double YoY in 2026. For 2027, our channel checks indicate that MLCC makers are starting to receive customer inquiries well in excess of that level. If that is indeed the case, we would expect further upside to earnings beyond the effect of price hikes.
- We are also watching for details of the passive components business alliance that TDK and Taiyo Yuden have begun to consider (they announced the signing of an MOU on September 29), and an update on the possibility of TDK selling its HDD head business (as reported by Bloomberg on October 6). We think it is unlikely the back-end process in SAE will be sold, so the question is whether or not it might sell the front-end process of the head business.
- **Rohm:** As Texas Instruments' (TXN) Jul-Sep results confirmed (3Q 2026), market conditions for analog and discrete semiconductors have improved considerably, driven by recovering and growing demand from industrial equipment, autos, and AI servers. We think Rohm can also benefit from these tailwinds. Specifically, we expect Rohm to achieve its full-year FY2026 operating profit guidance of ¥30 billion in 1H alone. We also expect it to raise its full-year guidance substantially, but not to the range anticipated by the buyside (which we estimate at ¥60–70 billion). We expect a sharp V-shaped earnings recovery. Our other focus points are Rohm’s development of AI-related products and progress in its talks on integration with Toshiba's semiconductor business.
- **Ibiden:** Our focus at the 2Q earnings announcement is less on FY2026 earnings than on how far Ibiden raises the targets in its medium-term plan for FY2030 (operating profit target: ¥300 billion; our estimate: ¥440 billion). We see further share price upside if Ibiden raises the target to around ¥500 billion. We are also watching for announcements of the next capacity expansions, such as Cell 9 at the Ono plant and Cell 7 at the Gama plant, and when they start production; whether Ibiden acquires an external fab; and whether it raises prices further.

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Figure 1: Share price performance of major electronic components companies

Ticker	Company	Price (JPY)	Performance -1W	-1M	-3M	-6M	-9M	-12M	Performance Ranking -1W	-1M	-3M	-6M	-9M	-12M
6981	Murata Mfg.	6,643	-11.4%	-14.4%	-17.0%	38.1%	101.3%	127.5%	11	13	9	3	3	3
6976	Taiyo Yuden	9,095	-17.1%	-3.0%	-22.6%	49.8%	157.5%	147.3%	15	6	12	2	1	2
6762	TDK	2,834	-10.1%	-0.4%	-7.8%	10.0%	43.3%	16.0%	10	2	6	6	6	9
6971	Kyocera	3,515	-7.7%	-3.4%	-4.1%	28.4%	53.9%	68.9%	6	7	5	4	5	4
6963	Rohm	3,903	-14.8%	-16.0%	-17.6%	4.2%	55.5%	62.1%	14	14	10	9	4	5
6996	Nichicon	2,249	-12.8%	-12.9%	-24.9%	3.2%	34.1%	50.4%	13	12	13	11	8	6
6997	Nippon Chemi-con	1,674	-18.3%	-39.9%	-46.0%	-28.9%	6.9%	7.4%	16	16	16	16	9	12
6594	Nidec	1,758	-9.4%	-38.4%	-28.7%	-26.0%	-23.4%	-31.9%	9	15	15	15	16	16
6479	MinebeaMitsumi	3,260	-7.8%	-5.6%	-16.5%	4.2%	0.7%	9.7%	7	8	8	10	13	11
4062	Ibiden	9,167	-12.7%	-6.2%	5.3%	73.6%	120.4%	266.7%	12	10	3	1	2	1
6806	Hirose Elec	23,900	-5.0%	-2.4%	-11.7%	10.5%	37.1%	19.8%	4	5	7	5	7	7
6807	JAE	2,658	-6.4%	5.4%	8.6%	7.5%	3.3%	0.5%	5	1	2	7	12	13
6770	AlpsAlpine	2,091	-3.0%	-5.7%	-0.5%	-9.0%	5.9%	10.2%	3	9	4	12	10	10
5334	Niterra	3,536	-7.8%	-2.0%	-26.9%	-19.1%	0.2%	16.6%	8	4	14	13	14	8
6727	Wacom	832	-2.8%	-1.2%	11.7%	5.3%	4.8%	-0.4%	1	3	1	8	11	14
7915	NISSHA	1,100	-2.8%	-7.6%	-18.3%	-20.2%	-14.3%	-20.2%	2	11	11	14	15	15
Simple Average			-9.4%	-9.6%	-13.6%	8.2%	36.7%	46.9%						
	SOX	11,284	-3.4%	-9.2%	-8.7%	17.0%	40.3%	65.0%						
	NK225	64,075	-5.4%	-1.5%	-3.3%	8.0%	21.4%	29.9%						
	TOPIX	4,009	-2.1%	-2.0%	-0.1%	6.3%	11.7%	23.4%						

Source: Bloomberg Finance L.P., J.P. Morgan
Note: Stock prices as of Oct 20. The darker the red, the higher the ranking of stock price performance; the darker blue, the lower the ranking of stock price performance.



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Figure 2: Electronic components coverage companies: Earnings forecasts

		FY24	FY25	FY26E	FY27E	FY28E	FY26E	FY26E	FY27E	FY28E	CY2025				CY2026		3QE	4QE	CY2027				CY2028	CY26	CY26	CY27	CY27
											1Q	2Q	3Q	4Q	1Q	2Q			1QE	2QE	3QE	4QE	1QE	3Q	4Q	1Q	2Q
				JPM	JPM	JPM	CoE	BBG	BBG	BBG							JPM	JPM	JPM	JPM	JPM	JPM	JPM	BBG	BBG	BBG	BBG
Sales (JPY mn)																											
6981	Murata Mfg.	1,743,352	1,830,856	2,245,302	2,744,067	3,367,411	2,110,000	2,144,444	2,526,221	3,032,650	411,863	416,154	486,624	467,454	460,624	502,264	565,430	591,628	585,980	633,132	691,639	713,781	705,515	558,383	555,195	547,253	615,643
6976	Taiyo Yuden	341,438	355,341	426,432	493,653	574,945	424,000	417,077	479,727	558,074	86,714	84,810	92,814	88,515	89,202	93,897	109,522	114,256	108,757	114,238	124,189	131,291	123,934	107,576	108,318	106,987	107,462
6762	TDK	2,204,806	2,504,820	3,076,811	3,352,518	3,604,164	2,580,000	2,941,078	3,167,087	3,437,754	534,262	535,753	647,610	675,203	646,254	741,005	798,989	790,562	746,255	817,747	862,616	857,691	814,464	785,774	754,343	670,788	804,708
6971	Kyocera	2,014,454	2,070,203	2,146,966	2,254,299	2,383,302	2,080,000	2,120,291	2,215,995	2,345,288	522,399	478,038	513,347	530,611	548,207	525,383	531,675	539,137	550,772	545,365	555,988	567,645	585,301	525,725	530,229	538,185	528,720
6963	Rohm	448,466	481,148	561,994	616,128	673,338	510,000	543,146	580,691	628,089	103,824	116,205	128,023	125,287	111,633	135,739	143,860	145,723	136,672	150,172	156,196	159,625	150,134	139,913	139,080	133,024	147,336
6996	Nichicon	175,751	169,724	195,328	216,497	236,142	185,000	190,667	206,261	224,713	43,006	39,601	41,131	43,522	45,470	44,714	47,341	52,345	50,928	51,400	51,572	57,155	56,371	46,739	49,390	50,324	51,519
6997	Nippon Chemi-con	122,684	136,821	159,320	175,268	194,293	160,000	159,627	170,993	177,598	31,858	30,885	33,361	35,898	36,677	37,987	39,764	41,149	40,420	42,571	43,228	45,145	44,324	39,216	40,039	43,632	42,571
6594	Nidec	2,607,813	2,671,326	2,869,850	3,030,832	3,150,881	2,800,000	2,724,811	2,829,274	2,996,794	-	-	-	-	-	-	-	-	-	-	-	-	-	670,734	685,725	689,187	696,359
6479	MinebeaMitsumi	1,522,703	1,664,387	1,802,040	1,911,510	1,999,789	1,690,000	1,736,219	1,825,253	1,905,641	374,823	366,925	411,389	453,921	432,152	426,567	466,276	474,443	434,755	463,065	489,620	500,056	458,768	447,007	453,638	414,071	445,739
4062	Ibiden	369,436	416,201	570,071	691,884	847,284	550,000	544,265	682,235	863,029	99,099	97,464	98,021	103,136	117,580	123,219	135,270	151,472	160,110	161,232	161,570	184,372	184,710	131,292	141,723	151,731	151,061
6806	Hirose Elec	189,420	211,264	257,753	285,891	310,581	250,000	251,144	271,038	293,165	44,998	48,972	53,053	54,524	54,715	62,085	66,422	66,264	62,983	68,911	72,685	74,512	69,783	64,762	64,602	62,773	67,995
6807	JAE	221,644	227,872	247,981	258,519	272,186	240,000	244,079	253,990	267,997	55,191	51,605	58,836	56,346	61,085	58,250	63,357	62,550	63,824	62,593	64,095	64,435	67,396	63,153	61,578	63,751	61,197
6770	AlpsAlpine	990,407	1,019,459	1,100,809	1,167,036	1,201,209	1,045,000	1,084,322	1,124,247	1,179,452	249,791	238,920	266,791	255,478	258,270	237,889	269,640	308,360	284,920	266,064	279,821	322,789	298,362	287,873	295,494	270,340	245,665
5334	Niterra	652,993	731,207	810,060	865,580	913,284	790,000	796,044	838,529	945,114	167,320	169,927	181,244	174,884	205,152	203,705	192,686	204,895	208,774	214,692	211,163	218,843	220,883	199,256	202,419	206,927	214,692
6727	Wacom	115,681	109,995	103,811	104,848	107,951	110,000	106,606	111,374	119,226	28,163	24,505	26,889	30,244	28,357	22,659	25,344	28,384	27,424	23,027	24,227	29,299	28,296	26,772	28,842	28,333	23,027
7915	NISSHA	195,598	194,897	195,529	205,109	216,447	195,000	197,046	204,882	215,049	47,442	49,607	48,221	49,627	45,790	50,243	49,529	49,967	48,118	51,280	52,704	53,007	51,339	49,465	49,784	49,759	51,640
	Total	13,916,646	14,754,017	15,614,170	16,660,644	-	15,719,000	16,200,866	17,488,798	19,189,633	3,462,356	3,385,232	3,753,017	3,820,113	3,795,655	3,215,453	3,967,577	4,010,992	3,917,439	3,985,018	4,223,725	3,979,645	3,859,581	4,143,641	4,160,396	4,027,063	4,255,331
Sales YoY % chg.																											
6981	Murata Mfg.	6.3%	5.0%	22.6%	22.2%	22.7%	15.2%	17.1%	17.8%	20.0%	5.5%	-1.3%	5.4%	4.3%	11.8%	20.7%	16.2%	26.6%	27.2%	26.1%	22.3%	20.6%	20.4%	14.7%	18.8%	18.8%	22.6%
6976	Taiyo Yuden	5.8%	4.1%	20.0%	15.8%	16.5%	19.3%	17.4%	15.0%	16.3%	7.3%	4.5%	7.0%	1.9%	2.9%	10.7%	18.0%	29.1%	21.9%	21.7%	13.4%	14.9%	14.0%	15.9%	22.4%	19.9%	14.4%
6762	TDK	4.8%	13.6%	22.8%	9.0%	7.5%	3.0%	17.4%	7.7%	8.5%	10.2%	3.3%	13.5%	16.2%	21.0%	38.3%	23.4%	17.1%	15.5%	10.4%	8.0%	8.5%	9.1%	21.3%	11.7%	3.8%	8.6%
6971	Kyocera	0.5%	2.8%	3.7%	5.0%	5.7%	0.5%	2.4%	4.5%	5.8%	2.1%	-4.2%	2.7%	7.5%	4.9%	9.9%	3.6%	1.6%	0.5%	3.8%	4.6%	5.3%	6.3%	2.4%	-0.1%	-1.8%	0.6%
6963	Rohm	-4.1%	7.3%	16.8%	9.6%	9.3%	6.0%	12.9%	6.9%	8.2%	-7.8%	-1.8%	12.6%	11.2%	7.5%	16.8%	12.4%	16.3%	22.4%	10.6%	8.6%	9.5%	9.8%	9.3%	11.0%	19.2%	8.5%
6996	Nichicon	-3.2%	-3.4%	15.1%	10.8%	9.1%	9.0%	12.3%	8.2%	8.9%	0.3%	-3.8%	-5.1%	-9.8%	5.7%	12.9%	15.1%	20.3%	12.0%	15.0%	8.9%	9.2%	10.7%	13.6%	13.5%	10.7%	15.2%
6997	Nippon Chemi-con	-18.6%	11.5%	16.4%	10.0%	10.9%	16.9%	16.7%	7.1%	3.9%	-8.2%	5.4%	9.0%	16.1%	15.1%	23.0%	19.2%	14.6%	10.2%	12.1%	8.7%	9.7%	9.7%	17.6%	11.5%	19.0%	12.1%
6594	Nidec	11.1%	2.4%	7.4%	5.6%	4.0%	4.8%	2.0%	3.8%	5.9%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6479	MinebeaMitsumi	8.6%	9.3%	8.3%	6.1%	4.6%	1.5%	4.3%	5.1%	4.4%	7.5%	3.2%	-2.7%	22.8%	15.3%	16.3%	13.3%	4.5%	0.6%	8.6%	5.0%	5.4%	5.5%	8.7%	-0.1%	-4.2%	4.5%
4062	Ibiden	-0.3%	12.7%	37.0%	21.4%	22.5%	32.1%	30.8%	25.3%	26.5%	9.7%	10.5%	5.0%	16.2%	18.6%	26.4%	38.0%	46.9%	36.2%	30.8%	19.4%	21.7%	15.4%	33.9%	37.4%	29.0%	22.6%
6806	Hirose Elec	14.4%	11.5%	22.0%	10.9%	8.6%	18.3%	18.9%	7.9%	8.2%	11.5%	9.1%	6.9%	9.3%	21.6%	26.8%	25.2%	21.5%	15.1%	11.0%	9.4%	12.4%	10.8%	22.1%	18.5%	14.7%	9.5%
6807	JAE	-1.8%	2.8%	8.8%	4.2%	5.3%	5.3%	7.1%	4.1%	5.5%	1.4%	-7.1%	1.6%	6.3%	10.7%	12.9%	7.7%	11.0%	4.5%	7.5%	1.2%	3.0%	5.6%	7.3%	9.3%	4.4%	5.1%
6770	AlpsAlpine	2.7%	2.9%	8.0%	6.0%	2.9%	2.5%	6.4%	3.7%	4.9%	9.2%	2.3%	3.9%	2.1%	3.4%	-0.4%	1.1%	20.7%	10.3%	11.8%	3.8%	4.7%	4.7%	7.9%	15.7%	4.7%	3.3%
5334	Niterra	6.3%	12.0%	10.8%	6.9%	5.5%	8.0%	8.9%	5.5%	12.6%	5.5%	2.7%	13.9%	8.6%	22.6%	19.9%	6.3%	17.2%	1.8%	5.4%	9.6%	6.8%	5.8%	9.9%	15.7%	0.9%	5.4%
6727	Wacom	-2.6%	-4.9%	-5.6%	1.0%	3.0%	0.0%	-3.1%	4.5%	7.0%	-5.0%	-16.0%	-4.4%	0.1%	0.7%	-7.5%	-5.7%	-6.1%	-3.3%	1.6%	-4.4%	3.2%	3.2%	-0.4%	-4.6%	-0.1%	1.6%
7915	NISSHA	16.6%	-0.4%	0.3%	4.9%	5.5%	0.1%	1.1%	4.0%	5.0%	1.5%	-6.3%	-1.1%	5.2%	-3.5%	1.3%	2.7%	0.7%	5.1%	2.1%	6.4%	6.1%	6.7%	2.6%	0.3%	8.7%	2.8%
	Total	5.1%	6.0%	5.8%	6.7%	-	6.5%	9.8%	7.9%	9.7%	6.4%	0.3%	5.0%	9.0%	9.6%	-5.0%	5.7%	5.0%	3.2%	23.9%	6.5%	-0.8%	-1.5%	10.4%	8.9%	6.1%	32.3%

		FY24	FY25	FY26E	FY27E	FY28E	FY26E	FY26E	FY27E	FY28E	CY2025				CY2026		3QE	4QE	CY2027				CY2028	CY26	CY26	CY27	CY27
											1Q	2Q	3Q	4Q	1Q	2Q			1QE	2QE	3QE	4QE	1QE	3Q	4Q	1Q	2Q
				JPM	JPM	JPM	CoE	BBG	BBG	BBG							JPM	JPM	JPM	JPM	JPM	JPM	JPM	BBG	BBG	BBG	BBG
Operating profits (JPY mn)																											
6981	Murata Mfg.	279,702	281,835	488,180	773,586	1,158,615	430,000	465,243	670,677	926,624	45,541	61,621	103,515	37,876	78,823	98,454	126,925	135,685	127,116	159,577	196,713	212,305	204,991	131,165	125,531	115,821	146,382
6976	Taiyo Yuden	10,459	19,996	45,321	86,376	130,050	45,000	44,592	76,940	110,083	2,057	3,142	5,882	7,495	3,477	4,818	11,725	15,192	13,586	16,824	22,106	25,619	21,827	12,197	13,713	13,081	13,704
6762	TDK	224,192	272,415	369,487	461,422	557,042	295,000	346,216	407,217	476,584	15,099	56,419	91,208	83,110	41,678	86,310	108,819	103,690	70,668	106,544	128,833	128,879	97,166	106,166	95,465	60,682	99,743
6971	Kyocera	27,299	118,138	176,857	209,621	256,143	160,000	165,690	187,891	219,452	15,024	18,550	23,395	28,676	47,517	49,101	40,662	41,427	45,667	46,506	51,332	54,037	57,746	38,939	40,826	42,002	43,837
6963	Rohm	-40,061	10,864	63,875	115,739	152,047	30,000	51,220	79,462	103,482	-28,981	195	7,458	2,050	1,161	9,635	19,378	21,225	13,637	27,540	31,058	32,630	24,511	15,029	15,329	12,370	24,876
6996	Nichicon	5,203	6,456	14,986	18,617	21,406	8,700	12,131	14,985	17,327	1,441	724	817	2,310	2,605	2,841	3,388	4,376	4,381	3,799	4,482	5,009	5,326	2,869	3,344	3,612	3,823
6997	Nippon Chemi-con	3,740	3,369	8,396	11,507	15,321	8,000	8,332	10,799	12,519	1,453	152	804	976	1,437	1,673	2,114	2,391	2,218	2,475	2,812	3,196	3,023	1,905	1,960	2,967	2,475
6594	Nidec	238,116	138,928	270,628	312,682	294,000	200,000	232,187	261,172	271,000	-	-	-	-	-	-	-	-	-	-	-	-	-	17,791	54,958	64,554	118,192
6479	MinebeaMitsumi	94,482	103,979	127,778	149,753	172,621	120,000	125,654	143,659	161,552	21,531	17,432	26,955	31,289	28,303	26,313	31,577	34,504	35,384	32,083	36,561	39,903	41,205	31,738	34,101	34,084	31,831
4062	Ibiden	47,621	62,027	135,275	181,677	262,567	127,000	122,271	179,120	258,861	12,764	17,636	14,937	11,954	17,500	26,880	31,562	36,562	40,272	44,302	43,302	47,562	46,512	29,611	32,866	36,916	37,834
6806	Hirose Elec	42,672	42,995	56,668	65,440	72,984	50,000	54,005	61,628	68,696	8,457	9,833	10,628	12,042	10,492	13,338	15,809	15,131	12,390	15,854	17,441	17,755	14,390	14,548	14,520	12,640	15,262
6807	JAE	15,615	8,937	9,129	12,377	16,139	9,500	10,486	13,263	15,145	4,161	1,480	3,280	1,156	3,021	327	3,324	2,173	3,305	1,871	3,661	2,355	4,489	3,204	2,506	3,752	1,614
6770	AlpsAlpine	34,106	42,043	49,246	50,718	56,361	48,500	46,945	50,526	56,903	8,811	3,726	17,496	12,041	8,780	-921	13,826	14,157	22,184	5,444	17,024	17,413	10,837	11,730	14,417	19,155	5,232
5334	Niterra	129,660	137,903	165,249	205,252	224,405	150,000	155,188	181,048	207,534	26,331	33,591	38,145	38,916	27,251	41,778	30,430	47,245	45,796	51,382	49,970	53,042	50,858	32,060	42,929	41,424	51,382
6727	Wacom	10,210	13,382	13,236	12,996	13,565	14,000	13,236	13,698	14,583	2,607	2,723	3,131	4,030	3,498	2,717	3,266	3,810	3,442	2,502	2,861	4,008	3,625	3,333	3,755	3,513	2,502
7915	NISSHA	5,457	4,039	-2,698	6,862	9,384	-3,300	6,407	7,092	8,817	1,432	1,126	949	532	750	-5,250	521	1,281	948	1,646	2,114	2,154	-	361	1,191	1,124	1,523
	Total	1,128,473	1,267,306	1,991,611	2,674,624	3,412,651	1,692,400	1,859,803	2,359,175	2,929,160	137,728	228,350	348,600	274,453	276,293	358,014	443,327	478,847	440,993	518,349	610,269	645,868	586,508	452,645	497,410	467,696	600,211
OPM																											
6981	Murata Mfg.	16.0%	15.4%	21.7%	28.2%	34.4%	20%	21.7%	26.5%	30.6%	11.1%	14.8%	21.3%	8.1%	17.1%	19.6%	22.4%	22.9%	21.7%	25.2%	28.4%	29.7%	29.1%	23.5%	22.6%	21.2%	23.8%
6976	Taiyo Yuden	3.1%	5.6%	10.6%	17.5%	22.6%	11%	10.7%	16.0%	19.7%	2.4%	3.7%	6.3%	8.5%	3.9%	5.1%	10.7%	13.3%	12.5%	14.7%	17.8%	19.5%	17.6%	11.3%	12.7%	12.2%	12.8%
6762	TDK	10.2%	10.9%	12.0%	13.8%	15.5%	11%	11.8%	12.9%	13.9%	2.8%	10.5%	14.1%	12.3%	6.4%	11.6%	13.6%	13.1%	9.5%	13.0%	14.9%	15.0%	11.9%	13.5%	12.7%	9.0%	12.4%
6971	Kyocera	1.4%	5.7%	8.2%	9.3%	10.7%	8%	7.8%	8.5%	9.4%	2.9%	3.9%	4.6%	5.4%	8.7%	9.3%	7.6%	7.7%	8.3%	8.5%	9.2%	9.5%	9.9%	7.4%	7.7%	7.8%	8.3%
6963	Rohm	-8.9%	2.3%	11.4%	18.8%	22.6%	6%	9.4%	13.7%	16.5%	-27.9%	0.2%	5.8%	1.6%	1.0%	7.1%	13.5%	14.6%	10.0%	18.3%	19.9%	20.4%	16.3%	10.7%	11.0%	9.3%	16.9%
6996	Nichicon	3.0%	3.8%	7.7%	8.6%	9.1%	5%	6.4%	7.3%	7.7%	3.4%	1.8%	2.0%	5.3%	5.7%	6.4%	7.2%	8.4%	8.6%	7.4%	8.7%	8.8%	9.4%	6.1%	6.8%	7.2%	7.4%
6997	Nippon Chemi-con	3.0%	2.5%	5.3%	6.6%	7.9%	5%	5.2%	6.3%	7.0%	4.6%	0.5%	2.4%	2.7%	3.9%	4.4%	5.3%	5.8%	5.5%	5.8%	6.5%	7.1%	6.8%	4.9%	4.9%	6.8%	5.8%
6594	Nidec	9.1%	5.2%	9.4%	10.3%	9.3%	7%	8.5%	9.2%	9.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	2.7%	8.0%	9.4%	17.0%
6479	MinebeaMitsumi	6.2%	6.2%	7.1%	7.8%	8.6%	7%	7.2%	7.9%	8.5%	5.7%	4.8%	6.6%	6.9%	6.5%	6.2%	6.8%	7.3%	8.1%	6.9%	7.5%	8.0%	9.0%	7.1%	7.5%	8.2%	7.1%
4062	Ibiden	12.9%	14.9%	23.7%	26.3%	31.0%	23%	22.5%	26.3%	30.0%	12.9%	18.1%	15.2%	11.6%	14.9%	21.8%	23.3%	24.1%	25.2%	27.5%	26.8%	25.8%	25.2%	22.6%	23.2%	24.3%	25.0%
6806	Hirose Elec	22.5%	20.4%	22.0%	22.9%	23.5%	20%	21.5%	22.7%	23.4%	18.8%	20.1%	20.0%	22.1%	19.2%	21.5%	23.8%	22.8%	19.7%	23.0%	24.0%	23.8%	20.6%	22.5%	22.5%	20.1%	22.4%
6807	JAE	7.0%	3.9%	3.7%	4.8%	5.9%	4%	4.3%	5.2%	5.7%	7.5%	2.9%	5.6%	2.1%	4.9%	0.6%	5.2%	3.5%	5.2%	3.0%	5.7%	3.7%	6.7%	5.1%	4.1%	5.9%	2.6%
6770	AlpsAlpine	3.4%	4.1%	4.5%	4.3%	4.7%	5%	4.3%	4.5%	4.8%	3.5%	1.6%	6.6%	4.7%	3.4%	-0.4%	5.1%	4.6%	7.8%	2.0%	6.1%	5.4%	3.6%	4.1%	4.9%	7.1%	2.1%
5334	Niterra	19.9%	18.9%	20.4%	23.7%	24.6%	19%	19.5%	21.6%	22.0%	15.7%	19.8%	21.0%	22.3%	13.3%	20.5%	15.8%	23.1%	21.9%	23.9%	23.7%	24.2%	23.0%	16.1%	21.2%	20.0%	23.9%
6727	Wacom	8.8%	12.2%	12.7%	12.4%	12.6%	13%	12.4%	12.3%	12.2%	9.3%	11.1%	11.6%	13.3%	12.3%	12.0%	12.9%	13.4%	12.6%	10.9%	11.8%	13.7%	12.8%	12.4%	13.0%	12.4%	10.9%
7915	NISSHA	2.8%	2.1%	-1.4%	3.3%	4.3%	-2%	3.3%	3.5%	4.1%	3.0%	2.3%	2.0%	1.1%	1.6%	-10.4%	1.1%	2.6%	2.0%	3.2%	4.0%	4.1%	-	0.7%	2.4%	2.3%	2.9%
	Total	8.1%	8.6%	12.8%	16.1%	-	11%	11.5%	13.5%	15.3%	4.0%	6.7%	9.3%	7.2%	7.3%	11.1%	11.2%	11.9%	11.3%	13.0%	14.4%	16.2%	15.2%	10.9%	12.0%	11.6%	14.1%

Source: Bloomberg Finance L.P. consensus estimates., J.P. Morgan estimates
Note: Consensus as of Oct 20.

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Figure 3: Electronic components coverage companies: Valuations

Ticker	Company	Share Price (JPY)	Price Target (JPY)	Return	Rating	Market Capitalization (JPY mn)	P/E FY26E (x)	P/E FY27E (x)	P/E FY28E (x)	EPS FY26E (x)	EPS FY27E (x)	EPS FY28E (x)	EV/EBITDA FY26E (x)	EV/EBITDA FY27E (x)	EV/EBITDA FY28E (x)	P/B FY26E (x)	P/B FY27E (x)	P/B FY28E (x)
6981	Murata Mfg.	6,643	13,700	106.2%	OW	13,040,221	31.78	20.36	13.46	209	326	494	20.37	13.60	9.42	4.22	3.66	3.22
6976	Taiyo Yuden	9,095	18,100	99.0%	OW	1,251,152	41.68	20.46	13.36	218	445	681	13.99	9.61	7.12	3.14	2.77	2.33
6762	TDK	2,834	4,500	58.8%	OW	5,508,899	18.92	16.19	13.40	150	175	211	8.68	7.15	5.95	2.27	2.08	1.88
6971	Kyocera	3,515	3,900	11.0%	N	4,988,139	25.49	22.77	19.64	138	154	179	15.94	13.41	11.43	1.28	1.20	1.24
6963	Rohm	3,903	8,000	105.0%	OW	1,575,875	33.04	17.88	13.57	118	218	288	17.23	10.54	8.34	1.94	1.80	1.63
6996	Nichicon	2,249	4,100	82.3%	OW	157,430	14.73	12.25	10.66	153	184	211	7.32	6.19	5.36	1.19	1.10	1.01
6997	Nippon Chemi-con	1,674	3,700	121.0%	OW	46,860	9.62	6.61	4.87	174	253	344	8.61	6.98	5.60	0.82	0.72	0.62
6594	Nidec	1,758	1,500	-14.7%	UW	2,096,536	9.98	8.71	10.27	176	202	171	5.57	4.64	5.61	0.99	0.89	1.57
6479	MinebeaMitsumi	3,260	5,100	56.4%	OW	1,392,283	13.91	12.19	10.74	234	268	304	8.18	6.95	5.86	1.35	1.25	1.14
4062	Ibiden	9,167	14,350	56.5%	OW	5,201,243	57.88	42.89	29.62	158	214	310	25.76	20.55	15.61	8.08	6.87	5.63
6806	Hirose Elec	23,900	33,300	39.3%	OW	825,277	18.97	15.06	13.24	1,260	1,587	1,805	9.08	7.94	7.16	1.84	1.75	1.65
6807	JAE	2,658	2,100	-21.0%	UW	186,864	28.59	21.02	16.06	93	126	166	5.68	4.88	4.23	1.22	1.18	1.13
6770	AlpsAlpine	2,091	2,370	13.3%	N	435,145	11.81	12.70	11.46	177	165	183	5.08	5.06	4.64	0.93	0.88	0.84
5334	Niterra	3,536	6,500	83.8%	OW	1,409,077	6.77	9.45	8.65	522	374	409	7.00	5.55	4.82	1.53	1.39	1.26
6727	Wacom	832	1,300	56.3%	OW	112,320	11.86	12.38	11.82	70	67	70	5.93	5.23	4.22	2.30	1.84	1.52
7915	NISSHA	1,100	1,260	14.5%	N	52,818	-	13.56	9.29	-99	81	118	11.39	5.23	4.39	0.48	0.48	0.46
Simple Average		-	-	54.2%	-	2,392,509	22.34	16.53	13.13	234	302	371	10.99	8.34	6.86	2.10	1.87	1.70

Tiker	Company	Share Price (JPY)	Price Target (JPY)	Return	Rating	Market Capitalization (JPY mn)	ROE FY26E	ROE FY27E	ROE FY28E	DPS FY26E (JPY)	DPS FY27E (JPY)	DPS FY28E (JPY)	Dividend Yield FY26E	Dividend Yield FY27E	Dividend Yield FY28E	Dividend Payout Ratio FY26E	Dividend Payout Ratio FY27E	Dividend Payout Ratio FY28E
6981	Murata Mfg.	6,643	13,700	106.2%	OW	13,040,221	13.5%	19.3%	25.3%	70.0	85.0	100.0	1.1%	1.3%	1.5%	33.5%	26.1%	20.3%
6976	Taiyo Yuden	9,095	18,100	99.0%	OW	1,251,152	8.4%	15.7%	20.7%	95.0	105.0	125.0	1.0%	1.2%	1.4%	43.5%	23.6%	18.4%
6762	TDK	2,834	4,500	58.8%	OW	5,508,899	12.5%	13.4%	14.7%	50.0	60.0	70.0	1.8%	2.1%	2.5%	33.4%	34.3%	33.1%
6971	Kyocera	3,515	3,900	11.0%	N	4,988,139	5.1%	5.3%	6.2%	56.0	56.0	56.0	1.6%	1.6%	1.6%	40.6%	36.3%	31.3%
6963	Rohm	3,903	8,000	105.0%	OW	1,575,875	6.9%	12.1%	14.7%	50.0	55.0	65.0	1.3%	1.4%	1.7%	42.3%	25.2%	22.6%
6996	Nichicon	2,249	4,100	82.3%	OW	157,430	9.0%	10.3%	10.8%	39.0	41.0	43.0	1.7%	1.8%	1.9%	25.5%	22.3%	20.4%
6997	Nippon Chemi-con	1,674	3,700	121.0%	OW	46,860	8.0%	10.6%	12.7%	25.0	25.0	25.0	1.5%	1.5%	1.5%	14.4%	9.9%	7.3%
6594	Nidec	1,758	1,500	-14.7%	UW	2,096,536	10.4%	10.7%	16.5%	0.0	0.0	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6479	MinebeaMitsumi	3,260	5,100	56.4%	OW	1,392,283	10.1%	10.6%	11.1%	60.0	62.0	65.0	1.8%	1.9%	2.0%	25.6%	23.2%	21.4%
4062	Ibiden	9,167	14,350	56.5%	OW	5,201,243	15.8%	18.3%	22.1%	17.5	27.5	32.5	0.2%	0.3%	0.4%	11.0%	12.9%	10.5%
6806	Hirose Elec	23,900	33,300	39.3%	OW	825,277	10.0%	11.8%	12.7%	580.0	640.0	680.0	2.4%	2.7%	2.8%	46.0%	40.3%	37.7%
6807	JAE	2,658	2,100	-21.0%	UW	186,864	4.3%	5.7%	7.2%	50.0	60.0	70.0	1.9%	2.3%	2.6%	53.8%	47.4%	42.3%
6770	AlpsAlpine	2,091	2,370	13.3%	N	435,145	8.5%	8.1%	8.5%	64.0	70.0	72.0	3.1%	3.3%	3.4%	36.1%	42.5%	39.4%
5334	Niterra	3,536	6,500	83.8%	OW	1,409,077	24.4%	15.4%	15.3%	140.0	140.0	150.0	4.0%	4.0%	4.2%	26.8%	37.4%	36.7%
6727	Wacom	832	1,300	56.3%	OW	112,320	21.9%	16.5%	14.1%	24.0	24.0	24.0	2.9%	2.9%	2.9%	34.2%	35.7%	34.1%
7915	NISSHA	1,100	1,260	14.5%	N	52,818	-4.2%	3.5%	5.0%	50.0	50.0	50.0	4.5%	4.5%	4.5%	-50.5%	61.6%	42.2%
Simple Average		-	-	54.2%	-	2,392,509	10.3%	11.7%	13.6%	-	-	-	1.9%	2.0%	2.2%	26.0%	29.9%	26.1%

Ticker	Company	Share Price (JPY)	Price Target (JPY)	Return	Rating	Market Capitalization (JPY mn)	ROIC FY26E	ROIC FY27E	ROIC FY28E	FCF FY26E (JPY mn)	FCF FY27E (JPY mn)	FCF FY28E (JPY mn)	FCF Yield FY26E	FCF Yield FY27E	FCF Yield FY28E	Net Debt FY26E (JPY mn)	Net Debt FY27E (JPY mn)	Net Debt FY28E (JPY mn)
6981	Murata Mfg.	6,643	13,700	106.2%	OW	13,040,221	13.0%	18.9%	25.0%	302,770	504,085	782,706	2.3%	3.9%	6.0%	-468,379	-599,221	-627,458
6976	Taiyo Yuden	9,095	18,100	99.0%	OW	1,251,152	6.7%	12.2%	16.6%	37,821	41,671	90,371	3.0%	3.3%	7.2%	72,194	81,865	52,296
6762	TDK	2,834	4,500	58.8%	OW	5,508,899	10.2%	10.8%	12.0%	151,693	292,267	381,190	2.8%	5.3%	6.9%	-215,511	-317,468	-495,470
6971	Kyocera	3,515	3,900	11.0%	N	4,988,139	3.3%	3.8%	4.7%	67,689	91,315	130,207	1.4%	1.8%	2.6%	-449,799	-595,971	-623,573
6963	Rohm	3,903	8,000	105.0%	OW	1,575,875	4.7%	8.2%	10.1%	29,464	70,807	103,870	1.9%	4.5%	6.6%	-145,628	-138,747	-150,637
6996	Nichicon	2,249	4,100	82.3%	OW	157,430	6.6%	6.8%	7.3%	9,656	12,157	14,513	6.1%	7.7%	9.2%	-2,337	-5,282	-10,952
6997	Nippon Chemi-con	1,674	3,700	121.0%	OW	46,860	4.9%	6.1%	7.4%	6,034	7,675	9,945	12.9%	16.4%	21.2%	52,585	49,932	46,146
6594	Nidec	1,758	1,500	-14.7%	UW	2,096,536	7.2%	7.7%	8.0%	202,000	231,438	176,300	9.6%	11.0%	8.4%	139,981	-47,163	-47,061
6479	MinebeaMitsumi	3,260	5,100	56.4%	OW	1,392,283	6.2%	7.4%	7.8%	66,945	97,443	125,943	4.8%	7.0%	9.0%	247,378	180,159	86,237
4062	Ibiden	9,167	14,350	56.5%	OW	5,201,243	12.5%	14.9%	18.5%	-34,259	-76,259	19,964	-0.7%	-1.5%	0.4%	73,229	195,051	229,960
6806	Hirose Elec	23,900	33,300	39.3%	OW	825,277	9.2%	10.9%	11.8%	32,062	42,328	49,209	3.9%	5.1%	6.0%	-147,309	-146,797	-148,422
6807	JAE	2,658	2,100	-21.0%	UW	186,864	3.9%	5.1%	6.6%	5,117	8,424	11,457	2.7%	4.5%	6.1%	-4,947	-7,284	-11,348
6770	AlpsAlpine	2,091	2,370	13.3%	N	435,145	6.8%	7.1%	7.5%	3,711	9,467	16,535	0.9%	2.2%	3.8%	11,817	27,880	30,513
5334	Niterra	3,536	6,500	83.8%	OW	1,409,077	11.2%	11.5%	11.7%	195,598	141,676	157,084	13.9%	10.1%	11.1%	-11,027	-82,189	-163,019
6727	Wacom	832	1,300	56.3%	OW	112,320	24.8%	18.9%	15.9%	9,718	9,042	9,469	8.7%	8.1%	8.4%	-26,870	-38,998	-51,250
7915	NISSHA	1,100	1,260	14.5%	N	52,818	-1.8%	2.6%	3.5%	-4,079	3,843	5,609	-7.7%	7.3%	10.6%	35,070	34,176	31,097
Simple Average		-	-	54.2%	-	2,392,509	8.1%	9.6%	10.9%	-	-	-	4.2%	6.0%	7.7%	-	-	-

Source: Bloomberg Finance L.P. estimates, J.P. Morgan estimates.
Note: Stock prices and Consensus as of Oct 20.

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Figure 4: List of new Murata Plants

Products	Location	Announced	Start of construction	Completion	Building	Total Capex for building (¥mn)	Total floor area (m^2)	Building area (m^2)
MLCC	Fukui	2014/09	2014/12	2015/09	For Production	10,000	22,620	3,600
R&D	Nagaoka	2015/04	2015/05	2016/02	Training Facilities	NA	Training 3,386 Lodging 953	Training 2,006 Lodging 357
MLCC	Izumo	2015/05	2015/04	2015/12	For Production	18,000	5,334	1,331
MLCC	Izumo	2015/05	2015/04	2016/10	For Production		22,436	3,504
NA	Kanazawa	2015/10	2015/11	2016/09	For Production	12,000	34,709	5,694
Tooling	Sabae	2015/12	2016/01	2017/01	For Production	2,700	8,181	1,500
Modules	Komoro	2016/05	2016/08	2017/05	For Production	NA	10,624	2,537
MLCC	Toyama	2016/7	2016/10	2017/06	For Production	NA	28,500	4,443
MLCC	Fukui	2016/10	2017/02	2017/10	For Material Production	10,000	18,119	3,522
Inductor	Tome	2017/03	2016/05	2017/03	For Production	1,900	5,750	NA
HQ	Nagaokakyo	2017/03	2016/03	2017/03	NA	NA	9,525	NA
NA	Komoro	2017/06	2016/08	2017/06	For Production	NA	10,624	2,537
Metrocirc	Toyama	2017/06	2016/10	2017/06	For Production	17,000	29,299	5,906
MLCC	Yokaichi	2017/07	2016/08	2017/07	For Material	NA	12,574	1,985
Metrocirc	Wakura	2017/10	2018/02	2019/01	For Production	3,500	11,310	3,310
Metrocirc	Kanawaza/Nomi	2017/10	2017/10	2017/10	Factory acquisition	NA	NA	NA
MLCC	Fukui	2017/11	2017/02	2017/11	For Production	10,000	18,119	3,500
NA	Okayama	2017/11	2017/12	2018/11	For Production	10,000	28,384	4,908
R&D	Yokohama	2017/11	2018/05	2020/10	Innovation center	40,000	65,335	7,415
NA	Okayama	2017/12	2017/04	2017/12	For Logistic	1,600	4,893	1,317
MLCC	Philippine	2018/03	2017/02	2018/03	For Production	5,000	73,117	32,278
Metrocirc	Ise	2018/05	2018/06	2019/04	For Production	4,000	13,887	2,779
MLCC	Fukui	2018/06	2018/06	2019/12	For Production	29,000	Production: 54,144 Energy : 4,295	Production: 9,383 Energy : 1,800
MLCC	Izumo	2018/06	2017/05	2018/06	Logistic, Welfare	3,800	L 7,319 / W 4,640	L 1,470 / F 1,914
Battery	Wuxi	2018/08	-	2018/08	Logistic, Welfare	16,000	Production: 88,178 Welfare: 7,308	22,508
MEMS sensor	Finland	2018/08	2018/08	2019/12	For Production	5,000	16,000	NA
MLCC	Izumo	2018/09	2018/10	2019/11	For Production	40,000	41,125	10,210
MLCC	Okayama	2018/10	2018/10	2019/10	For Production, Material	10,000	25,845	5,841
NA	Malaysia	2018/10	2018/10	2020/01	For Production	4,000	23,007	7,699
MLCC	Wuxi	2018/11	2018/11	2019/12	For Production	14,000	Production: 94,925 Office: 15,708 Energy: 16,595	Production: 22,155 Office: 15,708 Energy: 16,595
EMI Filter/ Antenna Coil	Thailand	2019/12	2018/12	2019/10	For Production	EMI Filter Plant: 1,500 Antenna Coil Plant: 1,400	EMI Filter Plant: 9,993 Antenna Coil Plant: 9,995	EMI Filter Plant: 5,166 Antenna Coil Plant: 5,138
Electrode Materials	Shiga (Yasu)	2019/07	2019/07	2021/02	For Material Production	14,000	23,052	4,289
MLCC	Shimane (Izumo)	2019/08	2019/08	2020/07	For Production	4,990	9,328	2,812
Ceramic material	Okayama	2019/12	2019/12	2020/12	For Production	16,000	Production: 33,262 Office: 3,812 Energy: 1,706	Production: 5,306 Office: 1,361 Energy: 873
RF module	Nagano	2021/11	2021/11	2022/12	For Production	5,770	13,460	3,300
MLCC	Thailand	2021/11	2021/07	2023/03	For Production	12,000	80,950	35,088
R&D (Plating technology)	Fukui (Sabae)	2022/01	2022/02	2023/08	For R&D	6,400	11,322	1,797
MLCC	Shimane (Izumo)	2022/03	2022/03	2023/04	For Production	12,000	22,120	6,314
NA	Shenzhen	2022/03	2020/12	2022/03	Welfare	NA	9,446	2,019
NA	Yokaichi	2022/05	2022/05	2023/05	Welfare	3,550	6,584	2,400
Inductor	DaNang	2022/06	2022/06	2023/08	For Production	4,320	22,637	5,486
MLCC	Wuxi	2022/11	2022/11	2024/04	For Production	44,500	Production: 27,140 Warehouse: 11,630 EC: 12,519	Production: 6,557 Warehouse: 2,797 EC: 2,409
MLCC	Philippines	2023/08	2023/08	2025/09	For Production	11,200	77,981	32,454
MLCC	Izumo	2024/5	2024/3	2026/3	For Production	47,000	69,676	10,742
Inductor	Ho Chi Minh	2025/05	2025/05	2026 1H	For Production	3,000	10,576	3,500
MLCC	Fukui (Echizen)	2026/02	2023/11	2026/02	For R&D	35,000	41,709	-
Thermistor	Yokaichi	2026/05	2026/05	2026/08	For Production	16,900	18,010	2,951
Chip inductors EMI filters	Miyagi (Tome)	2026/05	2026/05	2027/12	For Production	9,700	13,391	3,902
EMI Filter	Thailand	2026/09	2026/09	2027/11	For Production	6,200	10,797	2,834

Source: Company data, J.P. Morgan.

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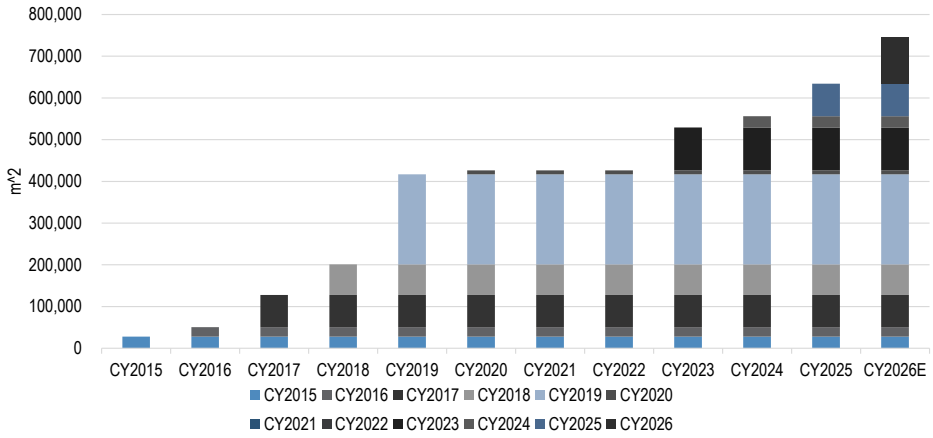
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Figure 5: Murata's new MLCC plants (Fukui, Izumo, Singapore, Wuxi, Philippines)

Products	Completion	Total Capex for building (¥mn)	Total floor area (m^2)	Accumulated floor area (m^2)
MLCC	CY2015	32,700	27,954	27,954
MLCC	CY2016	10,000	22,436	50,390
MLCC	CY2017	84,000	77,312	127,702
MLCC	CY2018	130,800	73,117	200,819
MLCC	CY2019	37,890	216,039	416,858
MLCC	CY2020	-	9,328	426,186
MLCC	CY2021	17,770	0	426,186
MLCC	CY2022	81,970	0	426,186
MLCC	CY2023	11,200	103,070	529,256
MLCC	CY2024	47,000	27,140	556,396
MLCC	CY2025	3,000	77,981	634,377
MLCC	CY2026	67,800	111,385	745,762

Source: Company data, J.P. Morgan.
Note: Capex amounts are based on announcement dates; total floor area and cumulative total floor area since 2015 are based on completion dates.

Figure 6: Cumulative total floor area of Murata's new MLCC plants (since 2015)

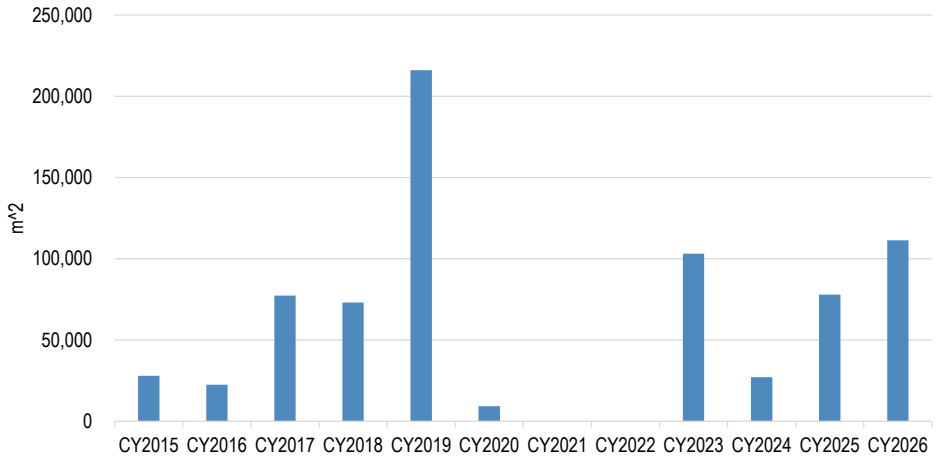


Source: Note: 2026 data as of September 2026. 2026 data include the ceramic capacitor R&D center completed in March 2026. CY2026 data is JPM calculations.
Company data, J.P. Morgan.

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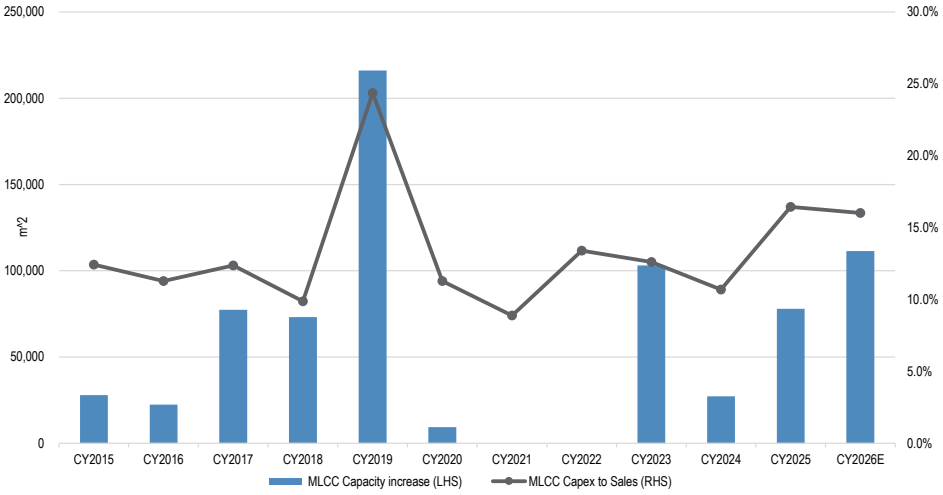
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Figure 7: Murata: Annual increase in total floor area of new MLCC plants



Source: Company data, J.P. Morgan.
Note: 2026 data as of September 2026. 2026 data include the ceramic capacitor R&D center completed in March 2026.

Figure 8: Murata: Annual increase in total floor area of new MLCC plants vs MLCC capital intensity (guidance basis)

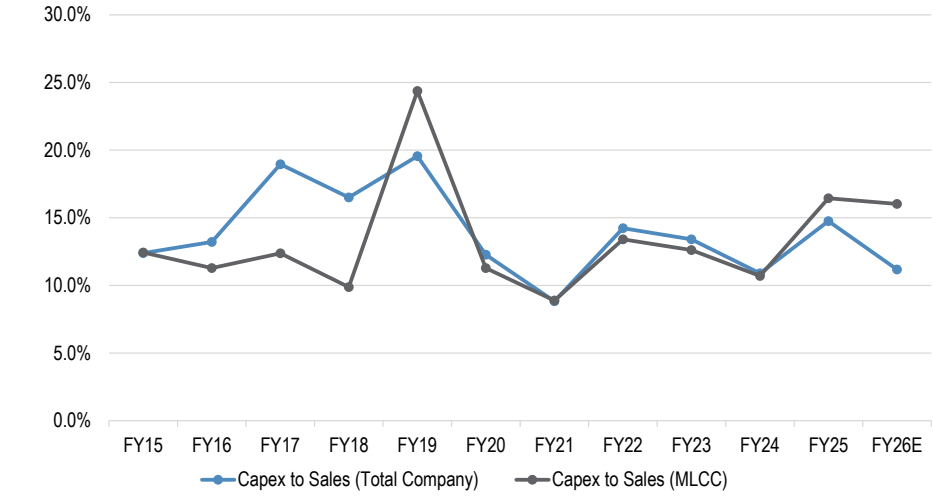


Source: Company data, J.P. Morgan.
Note: 2026 data as of September 2026. 2026 data include the ceramic capacitor R&D center completed in March 2026. Capital intensity is on a fiscal-year basis; 2026 is based on guidance.

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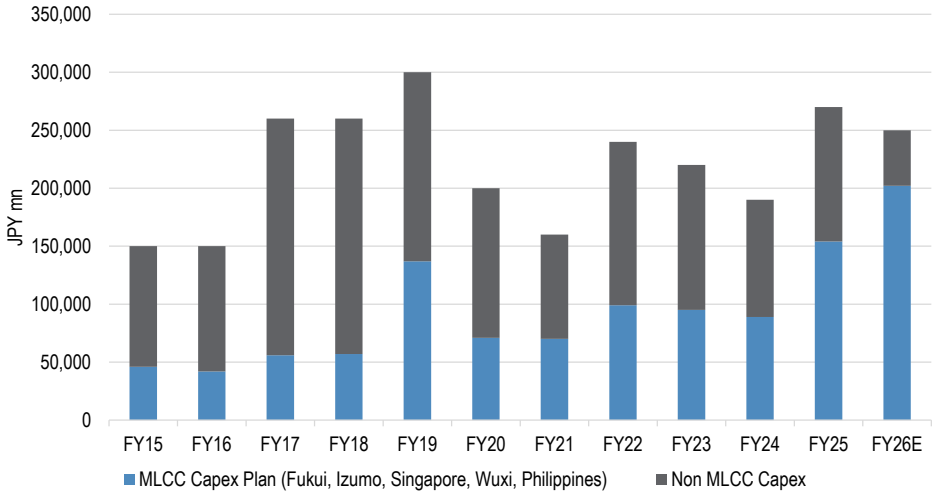
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Figure 9: Murata: Companywide and MLCC capital intensity (guidance basis)



Note: FY26E is also based on company guidance
Source: Company data, J.P. Morgan.

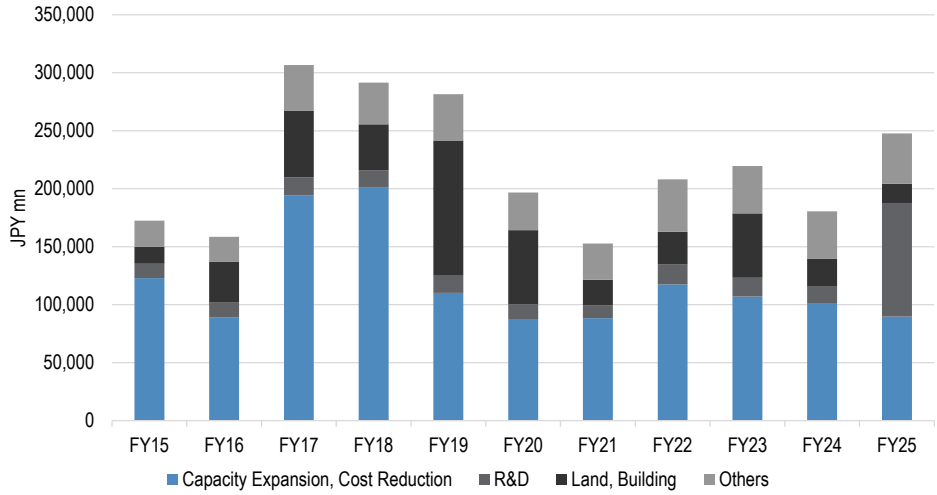
Figure 10: Trend in Murata's capex plans, overall and for MLCC plants



Source: Company data, J.P. Morgan.
Note: MLCC capex plans include Fukui, Izumo, Singapore, Wuxi, the Philippines, and Thailand. Thailand includes some non-MLCC investment.
FY26E is also based on company guidance

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Figure 11: Murata: Actual capex and breakdown



Source: Company data, J.P. Morgan.

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