

August 1, 2008

Consolidated Financial Results
For the First Quarter Ended June 30, 2008

Company Name : **IBIDEN CO., LTD.**

(URL <http://www.ibiden.com/>)

Stock Exchange Listings : Tokyo, Nagoya (First Section)

Stock Code Number : 4062

Representative: Hiroki Takenaka, President & CEO, Representative Director

Contact : Tsuyoshi Ota, Manager of Finance Division

Telephone : +81-584-81-3111

1. Consolidated Financial Results for the First quarter ended June 31, 2008

(From April 1, 2008 to June 31, 2008)

Amounts less than one million yen are omitted

(1) Operating Results

	Net sales		Operating income		Ordinary income		Net income	
	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%	<i>Millions of yen</i>	%
First quarter FY 2008	91,465	—	10,034	—	13,039	—	8,791	—
First quarter FY 2007	103,849	19.8	19,606	35.4	22,606	46.9	14,966	53.6

	Net income Per share	Diluted net income Per share
	<i>Yen</i>	<i>Yen</i>
First quarter FY 2008	59.91	59.65
First quarter FY 2007	100.98	100.24

Note: Regarding net sales, operating income, ordinary income and net income, percent indication shows percentage of change from corresponding figure for the same quarter of the period fiscal year.(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	<i>Millions of yen</i>	<i>Millions of yen</i>	%	<i>Yen</i>
First quarter FY 2008	420,501	302,707	71.1	2,054.79
Year ended FY 2007	417,138	299,004	70.8	2,003.19

(3) Issued and outstanding capital stock

1. Number of shares outstanding at the end of each year: First quarter FY2008—150,852,061 shares, March FY2007—150,827,878 shares.
2. Number of treasury stock outstanding at the end of each year: First quarter FY2008—5,415,831 shares, March FY2007—3,428,037 shares.
3. Average number of stock outstanding during the period: First quarter FY2008—146,750,738 shares, First quarter FY2007—148,201,633 shares.

2. Basis for preparation of quarterly financial results

(1) Changes in scope of consolidation and equity method of accounting

None

(2) Adoption of the simplified accounting procedures and application of particular accounting procedure for preparing quarterly financial results.

①Simplified accounting procedure:

Allowance for doubtful accounts: Allowance for doubtful accounts is calculated by the ratio based on the historical experience of bad debts at the end of last fiscal year.

Omission of physical stocktaking: Inventories at the end of quarterly accounting period are based on physical inventory related to last year, and are proceeded by control of account ledger.

②Particular accounting procedure for preparing quarterly consolidated financial statement

Calculation of tax expense: Tax expense is calculated by using effective tax rate on quotation.

(3) Changes of principal, procedures, indication methods, related to preparation of quarterly consolidated financial report.

- Changes related to accounting policies:

①Effective from the fiscal year ending March 2009, the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No.12) and its Implementation Guidance, “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14) have been applied.

Quarterly consolidated financial statements have been prepared in accordance with “Regulation for Quarterly Consolidated Financial Reporting”.

②Regarding finance leases other than ownership transfer, accounting procedure had been proceeded by following the methods of leases transaction. Although, we implemented precociously “Accounting Standard for Lease Transactions” (Statement No.13) and “Guidance on Accounting Standard for Lease Transactions” (Guidance No.16) since this first quarter consolidated accounting period, followed by ordinary trade transaction related accounting procedure. In addition, there’s no effect to profit and loss by these changes.

③Changes in measurement of inventories.

Inventories held for sale in the ordinary course of business were started principally at cost determined primarily by the moving average method. However, effective from the first quarter ended June 30, 2008, the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No.9, issued on July 2006) has been applied, and now these inventories are measured by means of the cost method mainly based on the moving average method, which evaluates the amount of the inventories shown on the balance sheet by written them down based on their decrease in profitability. As a result, the effect of this change was to decrease operating income, ordinary income and income before taxes and minority interests by 137million yen each.

④Adoption of tentatively permitted treatment on accounting policies of overseas subsidiaries when consolidated financial statement are prepared.

Effective from the first quarter ended June 30, 2008, the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statement” (ASBJ practical solution report No.18, issued on May 17, 2006) has been applied, and accordingly some revisions are made to the consolidated accounts as necessary. In addition, effect to profit and loss by this change is minor.

IBIDEN CO., LTD. and Consolidated Subsidiaries
First quarter Consolidated Balance Sheets

	<i>Millions of yen</i>		
	AS of June 30, 2008	As of March 31, 2008	Increase (Decrease)
Assets			
Current assets			
Cash and deposits	46,146	41,019	5,127
Notes and accounts receivable - trade	66,622	75,433	(8,810)
Short-term investments securities	16,277	28,249	(11,972)
Merchandise and finished goods	25,424	23,152	2,271
Work-in-process	9,086	9,087	(0)
Raw material and supplies	10,907	9,981	925
Deferred tax assets	3,323	3,315	8
Other - current assets	6,908	7,877	(969)
Less - allowance for doubtful accounts	(513)	(776)	263
Total current assets	184,184	197,340	(13,156)
Property, plant and equipment			
Buildings and structures	66,400	64,170	2,230
Machinery, equipment and vehicles	75,953	71,458	4,495
Lease assets	4,588	—	4,588
Land	17,063	16,384	679
Construction in progress	14,829	13,384	1,444
Other - property, plant and equipment	5,915	5,705	209
Total property, plant and equipment	184,752	171,103	13,648
Intangible assets			
Goodwill	924	1,052	(128)
Other - intangible assets	4,333	4,231	101
Total intangible assets	5,258	5,284	(26)
Investments and other assets			
Investment securities	38,723	36,713	2,010
Long-term loans receivable	1,902	2,090	(188)
Deferred tax assets	3,175	3,014	160
Other - investments and other assets	2,963	2,050	912
Less - allowance for doubtful accounts	(457)	(460)	3
Total investments and other assets	46,307	43,409	2,897
Total non-current assets	236,317	219,798	16,519
Total assets	420,501	417,138	3,362

Millions of yen

	AS of June 30, 2008	As of March 31, 2008	Increase (Decrease)
Liabilities and net assets			
Liabilities			
Current liabilities			
Notes and accounts payable - trade	54,376	58,138	(3,761)
Short-term loans payable	3,253	4,314	(1,061)
Current portion of bonds	10,014	10,051	(37)
Accounts payable - other	16,133	15,261	872
Accrued income taxes	3,387	4,297	(909)
Deferred tax liabilities	31	32	(1)
Reserve for bonuses	2,507	4,212	(1,705)
Reserve for directors' bonuses	—	313	(313)
Notes payable - facilities	4,627	2,851	1,775
Other - current liabilities	9,932	9,982	(49)
Total current liabilities	104,263	109,455	(5,191)
Non-current liabilities			
Long-term loans payable	580	676	(96)
Deferred tax liabilities for land revaluation	179	179	—
Reserve for retirement benefits	700	1,073	(372)
Reserve for directors' retirement benefits	523	645	(121)
Deferred tax liabilities	5,570	4,628	941
Negative goodwill	237	262	(24)
Lease obligations	4,441	—	4,441
Other - non-current liabilities	1,296	1,213	82
Total non-current liabilities	13,529	8,678	4,850
Total liabilities	117,793	118,134	(340)
Net assets			
Shareholders' equity			
Capital stock	64,146	64,127	18
Capital surplus	68,333	68,336	(3)
Retained earnings	178,935	172,139	6,796
Less-treasury stock, at cost	(24,426)	(15,361)	(9,065)
Total shareholders' equity	286,987	289,242	(2,254)
Valuation and translation adjustments			
Valuation difference on available for sale securities	6,641	6,001	639
Deferred gains or losses on hedges	(15)	—	(15)
Revaluation reserve for land	48	48	—
Foreign currency translation adjustments	5,177	(22)	5,200
Total valuation and translation adjustments	11,852	6,027	5,824
Subscription rights to shares	517	423	94
Minority interests	3,349	3,310	38
Total net assets	302,707	299,004	3,703
Total liabilities and net assets	420,501	417,138	3,362

IBIDEN CO., LTD. and Consolidated Subsidiaries
First quarter Consolidated Statements of Income

	<i>Millions of yen</i>		
	Three months ended June 30, 2008	Three months ended June 30, 2007	Increase (Decrease)
Net sales	91,465	103,849	(12,384)
Cost of sales	68,151	70,927	(2,775)
Gross profit	23,313	32,922	(9,608)
Selling, general and administrative expenses	13,279	13,315	(35)
Operating income	10,034	19,606	(9,572)
Non-operating income (expenses)	3,005	2,999	5
Interest income	286	285	0
Dividends income	297	60	236
Amortization of negative goodwill	24	24	—
Equity in earnings of an affiliate	(70)	168	(238)
Foreign exchange gain, net	2,601	2,648	(46)
Interest expenses	(78)	(172)	94
Rent expenses on facilities	(97)	(62)	(35)
Other, net	40	46	(6)
Ordinary income	13,039	22,606	(9,566)
Extraordinary income (loss)	80	(366)	446
Gain on sales of property, plant and equipment	11	10	1
Incentive income	72	83	(11)
Reversal of allowance for doubtful accounts	183	—	183
Gain on prior period adjustments	51	7	43
Loss on disposal of property, plant and equipment	(141)	(329)	188
Loss on prior period adjustments	(65)	(0)	(65)
Other, net	(31)	(138)	106
Income before income taxes and minority interests	13,119	22,239	(9,120)
Income taxes	(4,280)	(7,223)	2,942
Minority interests	(46)	(50)	3
Net income	8,791	14,966	(6,174)

IBIDEN CO., LTD. and Consolidated Subsidiaries
Segment Information

(1) Business segments

IBIDEN CO., LTD.'s and its consolidated subsidiaries' primary business activities include (1) electronics, (2) ceramics, (3) housing materials, (4) construction, and (5) other. A summary of net sales, operating expenses, and operating income by business segment for three months period ended June 30, 2008 and 2007 is as follows:

Millions of yen

For three months period ended June 30, 2008								
	Electronics	Ceramics	Housing materials	Construction	Other	Total	Eliminations or corporate assets	Consolidated
Sales to third parties	47,117	26,524	9,549	2,429	5,845	91,465	—	91,465
Inter-segment sales and transfers	7	14	4	2,115	2,196	4,337	(4,337)	—
Net sales	47,124	26,538	9,554	4,544	8,041	95,803	(4,337)	91,465
Operating expenses	44,175	19,885	9,529	4,509	7,734	85,834	(4,403)	81,431
Operating income	2,949	6,653	24	34	307	9,968	65	10,034

Millions of yen

For three months period ended June 30, 2007								
	Electronics	Ceramics	Housing materials	Construction	Other	Total	Eliminations or corporate assets	Consolidated
Sales to third parties	51,444	32,108	11,127	3,438	5,729	103,849	—	103,849
Inter-segment sales and transfers	11	13	1	3,717	2,436	6,180	(6,180)	—
Net sales	51,456	32,121	11,129	7,156	8,166	110,030	(6,180)	103,849
Operating expenses	43,874	21,140	10,601	6,811	7,871	90,300	(6,057)	84,242
Operating income	7,581	10,981	527	344	294	19,729	(122)	19,606

(2) Geographical segments

Geographical segment information of IBIDEN CO., LTD and its consolidated subsidiaries for three months period ended June 30, 2008 and 2007 is summarized as follows:

Millions of yen

For three months period ended December 31, 2008

	Japan	Asia	North America	Europe	Total	Eliminations or corporate assets	Consolidated
Sales to third parties	58,941	4,805	8,041	19,676	91,465	—	91,465
Inter-area sales and transfers	16,483	7,863	201	525	25,075	(25,075)	—
Net sales	75,425	12,669	8,243	20,202	116,540	(25,075)	91,465
Operating expenses	70,529	10,706	8,174	17,278	106,688	(25,257)	81,431
Operating income	4,895	1,963	68	2,924	9,851	182	10,034

Millions of yen

For three months period ended June 30, 2007

	Japan	Asia	North America	Europe	Total	Eliminations or corporate assets	Consolidated
Sales to third parties	67,949	7,003	7,139	21,758	103,849	—	103,849
Inter-area sales and transfers	15,320	7,633	273	150	23,377	(23,377)	—
Net sales	83,269	14,637	7,412	21,908	127,227	(23,377)	103,849
Operating expenses	72,012	11,700	7,356	16,522	107,592	(23,349)	84,242
Operating income	11,257	2,936	55	5,385	19,635	(28)	19,606