

# Consolidated Financial Results for the Third Quarter (Nine Months Ended December 31, 2005)

February 3, 2006

Company Name:	IBIDEN CO., LTD.	Stock Exchange Listing:	Tokyo, Nagoya First Section
Company URL:	http://www.ibiden.co.jp/	Stock Code Number:	4062
Representative:	Yoshifumi Iwata Representative Director and President		
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## 1. Notes on presentation of quarterly operating results

- (1) Application of the simple method: Yes
- Accounting standards for income tax, etc., are computed in accordance with the annual predicted tax rate based on the legal effective tax rate.
  - For other items which have a minor effect, simple methods have been partially employed.
- (2) Change in accounting policies from the most recent consolidated fiscal year: None
- (3) Change in number of consolidated subsidiaries and companies accounted for by the equity method: Yes
- Number of consolidated subsidiaries added: 3

## 2. Consolidated Results for the Nine Months Ended December 31, 2005 (April 1, 2005 to December 31, 2005)

### (1) Consolidated Results of Operations

	Net sales (Millions of yen)	Change (%)	Operating income (Millions of yen)	Change (%)	Ordinary income (Millions of yen)	Change (%)
Nine months ended December 31, 2005	223,844	26.7	30,486	117.6	29,809	91.8
Nine months ended December 31, 2004	176,613	13.4	14,010	66.8	15,544	81.0
(Ref.) Year ended March 31, 2005	247,593		20,090		21,711	

	Net income (Millions of yen)	Change (%)	Net income per share (Yen)	Diluted net income per share (Yen)
Nine months ended December 31, 2005	19,633	115.7	147.49	144.13
Nine months ended December 31, 2004	9,101	53.4	77.25	68.08
(Ref.) Year ended March 31, 2005	12,071		101.14	95.52

Note:

Change (%) of net sales, operating income, ordinary income and net income represents the increase or decrease ratio in relation with the same period of the previous year.

[Qualitative Information and other matters pertaining to the progress of management results (consolidated)]

In spite of apprehensions triggered by the sharp rises in crude oil and raw material prices, the overall tone of the Japanese economy during the third quarter of the fiscal year was one of moderate recovery with solid rebounds in personal consumption, facility investment, and corporate earnings, benefited from the positive economic climate in the US and Asia.

Based on the growth strategy of our group's consolidated mid-term management plan, we have continued to aggressively expand our businesses, particularly in the core areas of domestic and overseas IT, info-communications, and environment related markets. In addition to reducing raw material prices through our "CR (cost reduction) 30" endeavors, we continue to pursue higher levels of customer satisfaction and to strengthen our global competitiveness by further improving quality toward our "100% good" target.

As part of our expansion abroad, we have launched full-scale production at Ividen Hungary Ltd., our new mass production base for products used for the purification of automotive exhaust gas. In the Philippines, China (Beijing), and France, we have reinforced our systems to increase production in step with expanding demand while working to improve earnings through enhanced productivity and substantial reforms.

As a result, net sales for the nine months ended December 31, 2005 were 223,844 million yen, up 47,231 million yen (26.7%) from the same period of the previous fiscal year, operating income was 30,486 million yen, up 16,476 million yen (117.6%) from the same period of the previous fiscal year, ordinary income was 29,809 million yen, up 14,265 million yen (91.8%) from the same period of the previous fiscal year, and net income was 19,633 million yen, up 10,532 million yen (115.7%) from the same period of the previous fiscal year.

## (2) Consolidated Financial Position

	Total assets (Millions of yen)	Total shareholders' equity (Millions of yen)	Equity ratio (%)	Shareholders' equity per share (Yen)
Nine months ended December 31, 2005	359,962	217,094	60.3	1,482.64
Nine months ended December 31, 2004	260,096	106,534	41.0	904.24
(Ref.) Year ended March 31, 2005	256,104	110,196	43.0	932.66

## (3) Consolidated Cash Flows

	Net cash provided by (used in)			Cash and cash equivalents at fiscal year end (Millions of yen)
	Operating activities (Millions of yen)	Investing activities (Millions of yen)	Financing activities (Millions of yen)	
Nine months ended December 31, 2005	26,456	(33,833)	39,311	82,018
Nine months ended December 31, 2004	13,767	(13,226)	16,302	56,611
(Ref.) Year ended March 31, 2005	23,098	(22,829)	6,199	46,666

## 3. Forecast for Consolidated Results for the Year Ending March 31, 2006 (April 1, 2005 to March 31, 2006)

### (1) Correction of Projected Consolidated Results of Operations

Full Year (April 1, 2005 to March 31, 2006)	(Millions of yen)		
	Net Sales	Ordinary Income	Net Income
Previous Projection (A)	310,000	40,000	26,300
Revised Projection (B)	314,000	41,000	26,700
Increase/decrease (B-A)	4,000	1,000	400
Increase/decrease ratio (%)	1.3	2.5	1.5
(Ref.) Results for the Year ended March 31, 2005	247,593	21,711	12,071

(Ref.) Estimated net income per share for the year ending March 31, 2006 is 181.27 yen.

(Note) Estimated net income per share is calculated by using the number of shares outstanding (consolidated) at the end of the third quarter, not by using the average number of shares (consolidated) during the year.

### (2) Correction of Projected Non-consolidated Results of Operations

Full Year (April 1, 2005 to March 31, 2006)	(Millions of yen)		
	Net Sales	Ordinary Income	Net Income
Previous Projection (A)	182,000	20,000	12,000
Revised Projection (B)	184,000	21,000	12,300
Increase/decrease (B-A)	2,000	1,000	300
Increase/decrease ratio (%)	1.1	5.0	2.5
(Ref.) Results for the Year ended March 31, 2005	152,160	12,744	7,228

(Ref.) Estimated net income per share for the year ending March 31, 2006 is 83.35 yen.

(Note) Estimated net income per share is calculated by using the number of shares outstanding at the end of the third quarter, not by using the average number of shares during the year.

### [Qualitative Information and other matters with respect to projected business results]

As results for the nine months ended December 31, 2005 were above the predicted number, we have revised our previous projections for the full year announced on November 10, 2005.

\* Amounts less than one million yen are truncated.

\* The above forecast was compiled based on information available as of the date of disclosure of this reference material. Actual performance may differ from the forecast figures due to various factors that subsequently arise.

\* The financial results stated above were prepared in accordance with Japanese GAAP.