

March 14, 2017

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Stock Listings: Tokyo, Nagoya (First Section)
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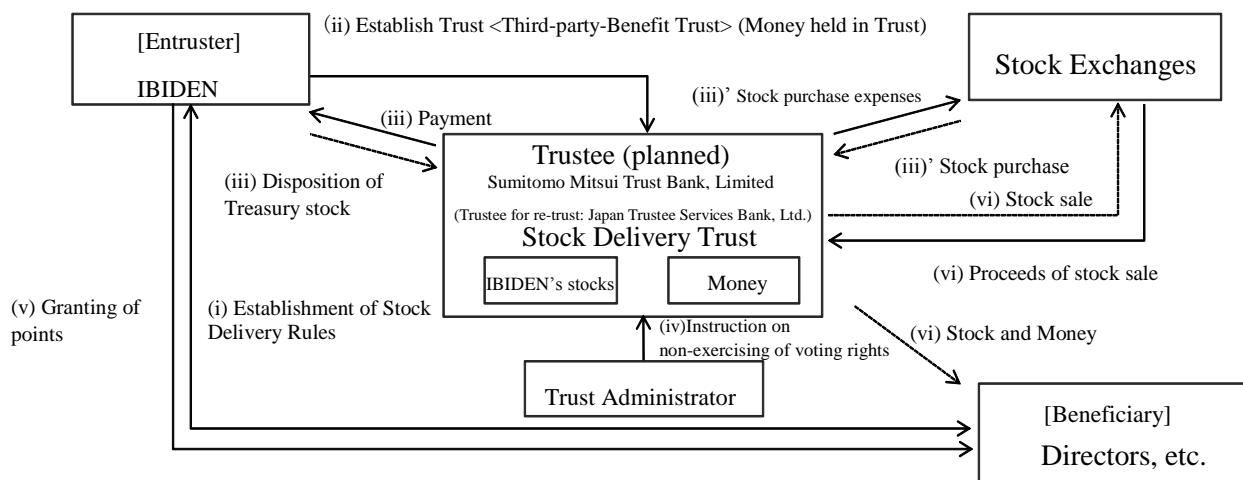
**Notice Concerning the Introduction of a New Stock Compensation Plan
for IBIDEN Directors and Managing Officers**

IBIDEN Co., Ltd. hereby notifies that, together with the “Shift to a Company with an Audit Committee” announced separately on February 28, 2017, the Board of Directors resolved, at the meeting held on February 28, 2017, to study introducing a new stock compensation plan using a trust scheme (hereinafter the “Plan”) targeting IBIDEN’s directors (excluding outside directors and Audit Committee members. Hereinafter the same shall apply.) and managing officers (hereinafter, the “Directors, etc.”), with the objective of showing a clearer linkage between the Company’s stock value and compensation for the Directors, etc. The description of the Plan below is subject to change as a result of future examinations. Details of the Plan will be resolved again at a meeting of the Board of Directors to be held later. The proposal for implementing the Plan targeting directors will be submitted to the 164th Ordinary General Meeting of Shareholders to be held on June 16, 2017 (hereinafter the “Meeting of Shareholders”).

1. Purpose of Introducing the Plan

The Plan is being introduced with the objectives of making a clearer linkage between the Company’s stock value and compensation for the Directors, etc., and to elevate their awareness of contributing to improving medium- to long-term operating results and increasing corporate value by sharing with shareholders the benefits and risks involved in stock price fluctuations through the experience of having benefits from rising stock prices, as well as being exposed to downside risks of declining stock prices.

2. Framework of the Plan



- (i) The Company shall establish the Stock Delivery Rules for the Directors, etc.
- (ii) The Company shall establish the Stock Delivery Trust (Third-party-Benefit Trust) (hereinafter the “Trust”) by naming the Directors, etc. as beneficiaries, and then entrust the amount of money equivalent to funds to acquire stocks to the trustee. (Provided that the entrusted amount should be up to the amount approved by a shareholders’ meeting.)
- (iii) The trustee shall acquire the Company’s stocks in a lump sum, which are expected to be issued in coming years. (The acquisition should be done through disposal of treasury stocks or purchases from stock exchanges (including after-hours trading).)
- (iv) Beneficiaries’ interest, which shall be subject to the Stock Delivery Rules, shall be protected during the trust period, and a trust administrator, a body independent of the Company, shall be appointed. Voting rights for the Company’s stocks held in the Trust shall not be exercised during the trust period.
- (v) The Company shall grant points to the Directors, etc. in accordance with the Stock Delivery Rules.
- (vi) The Directors, etc., who have satisfied the requirements stipulated in the Stock Delivery Rules and a trust agreement in connection with the Trust, shall be granted from the trustee, as the beneficiaries of the Trust, the Company’s stocks equivalent to accumulated points. If such a case meets certain conditions predetermined in the Stock Delivery Rules or a trust agreement, the Trustee shall sell a portion of the Company’s stocks to be granted, on the securities exchange, and grant money to the beneficiaries.
- Sumitomo Mitsui Trust Bank, Limited, which will act as a trustee of the Plan, will entrust administration of its trust assets (re-trust) to Japan Trustee Services Bank, Ltd.

(Reference: Outline of the Trust) (Planned)

(i) Name: Stock Delivery Trust for Directors

(ii) Entruster: IBIDEN Co., Ltd.

(iii) Trustee: Sumitomo Mitsui Trust Bank, Limited

(Trustee for re-trust: Japan Trustee Services Bank, Ltd.)

(iv) Beneficiary: Those who are the Directors, etc. and satisfy the conditions required of a beneficiary

(v) Trust administrator: A third-party having no conflict of interest with the Company is to be appointed.

(vi) Type of trust: Money held in trust as the Third-party-Benefit Trust

*The above description represents the contents currently examined, and may change as a result of future examinations.