



Financial Results of the 1st half of FY2018

IBIDEN Co., Ltd.(4062)

November 2nd , 2018

Forecasts in this statement have been made based on the premise, prospect and plan of IBIDEN as of November 1st , 2018.

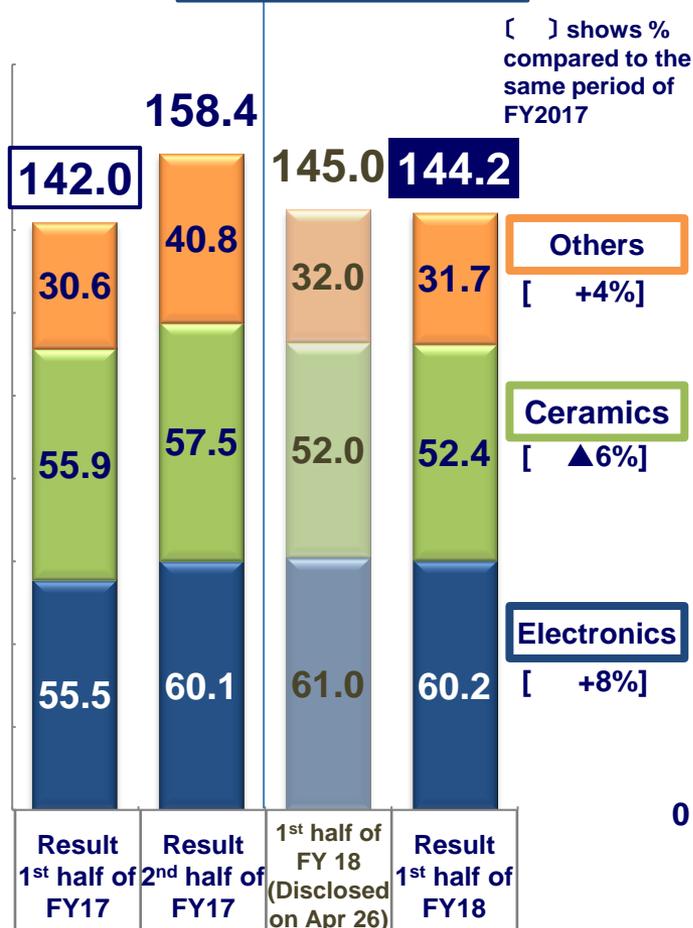
Actual results may widely differ from this statement due to any uncertain factor such as international economy, market competition and exchange fluctuation.

**[Consolidated]
Results of the 1st half
of FY2018**

Results of Net Sales, Operating Income and Net Income in 1st half of FY2018

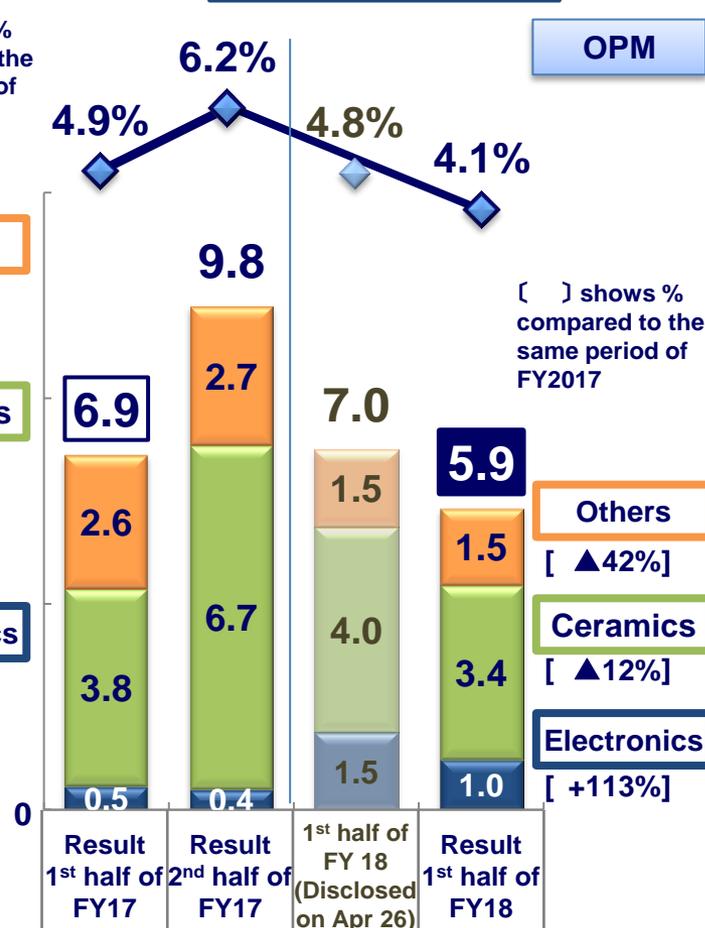
Net Sales (Unit: Billions of Yen)

Compared to the same period of FY2017 +1.6%



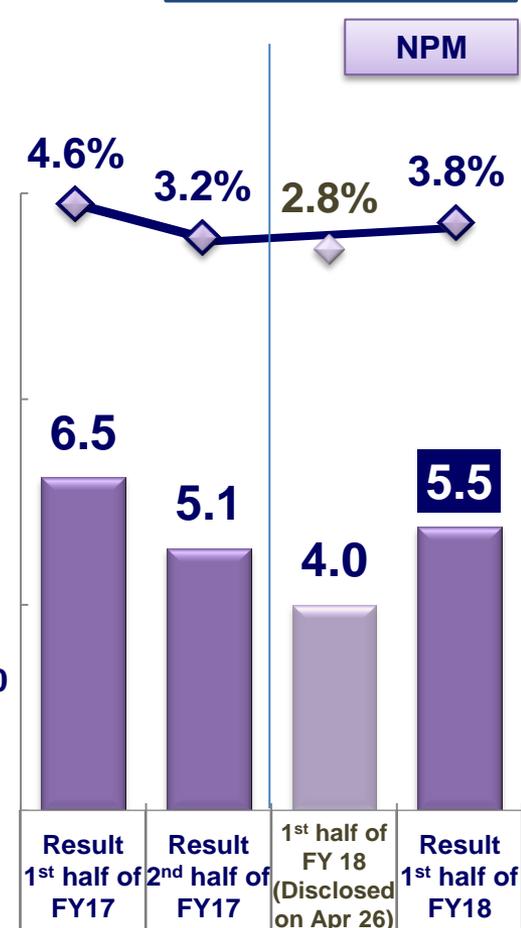
Operating Income (Unit: Billions of Yen)

Compared to the same period of FY2017 ▲15.0%



Net Income (Unit: Billions of Yen)

Compared to the same period of FY2017 ▲15.0%



110	110	105	108	Exchange rate (USD)
123	132	120	129	Exchange rate (EUR)

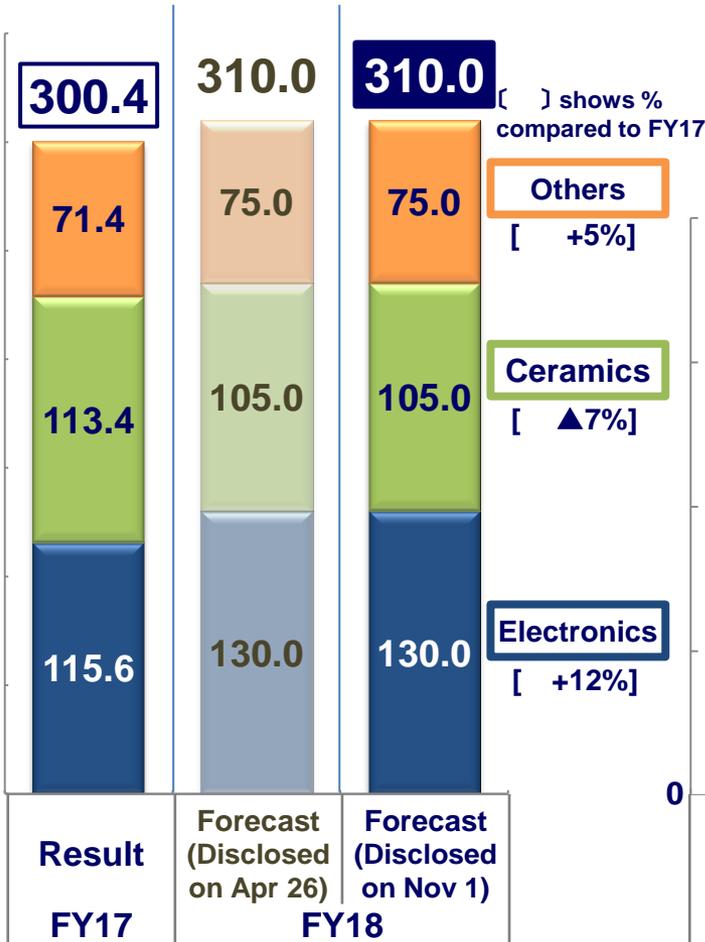
[Consolidated] Forecasts of FY2018

Forecasts of Net Sales, Operating Income and Net Income in FY2018



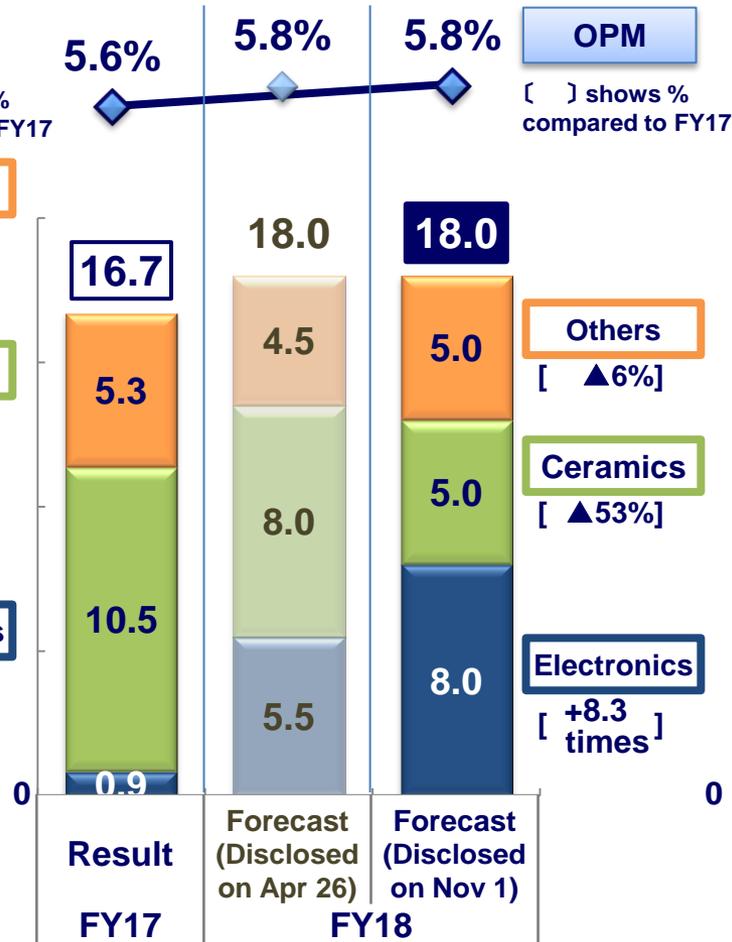
Net Sales (Unit: Billions of Yen)

Compared to
FY2017 +3.2%



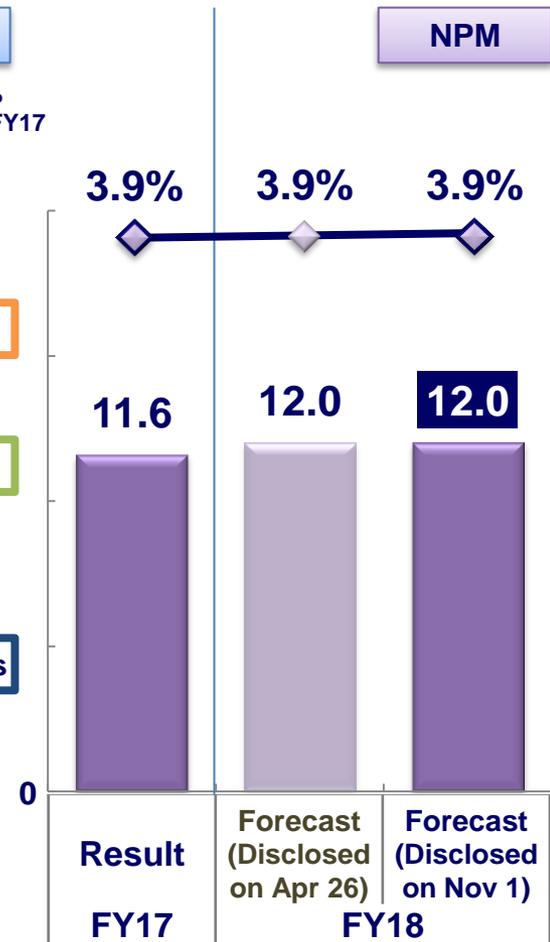
Operating Income (Unit: Billions of Yen)

Compared to
FY2017 +7.8%



Net Income (Unit: Billions of Yen)

Compared to
FY2017 +3.6%



110	105	109	Exchange rate (USD)
127	120	129	Exchange rate (EUR)

Market Forecast and Our Business Prospects

[Forecast for Electronics Market]

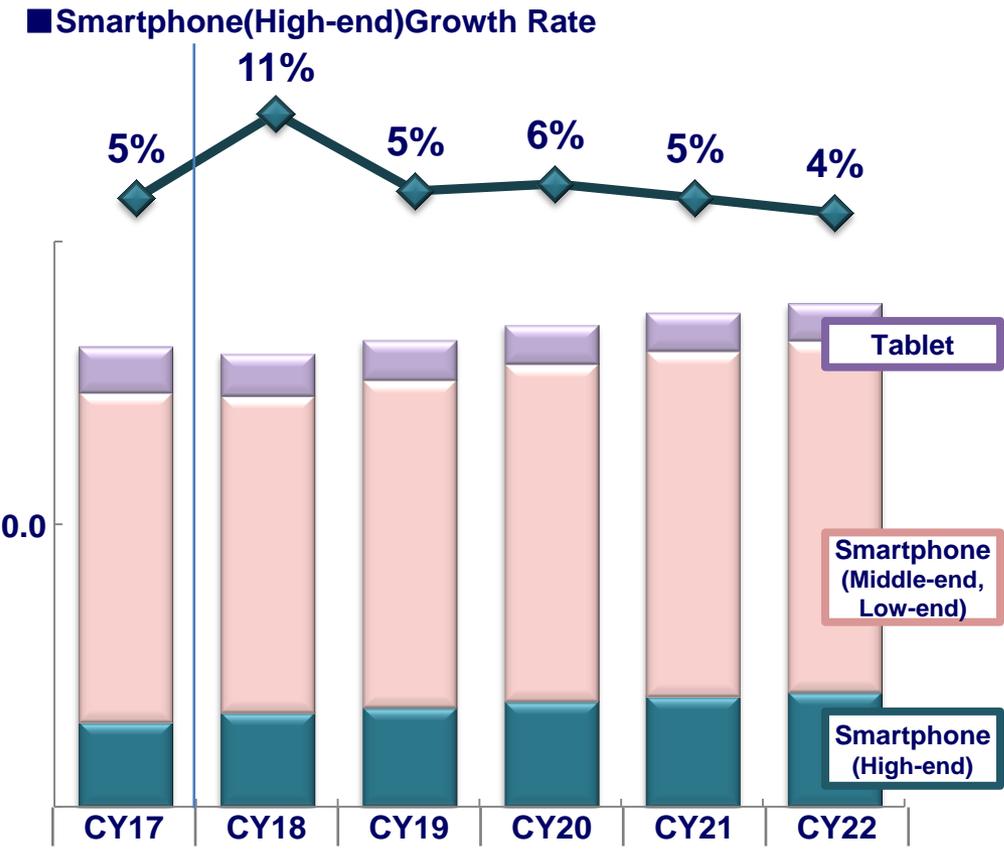


Trend of Existing Market

- High-end Smartphone Market: Continuous moderate Growth
- PC Market: Flat Market but Positive Introduction of The Next-generation IC Packaging Substrate

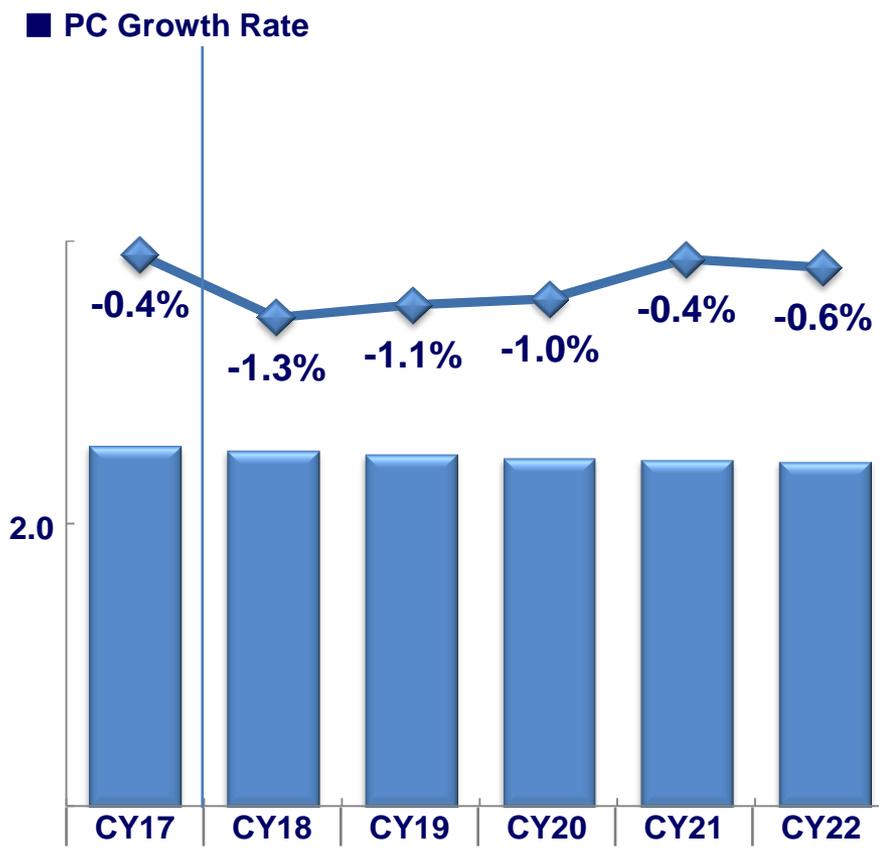
Market of Smartphone / Tablet Market

(Unit: 100M Units) According to IBIDEN's survey



Market of PC

(Unit: 100M Units) According to IBIDEN's survey



[Electronics] New Target Markets



□ Increase of Small-cell (5G) Market with IoT Development

Expansion of Demand for High-speed PKG and PWB

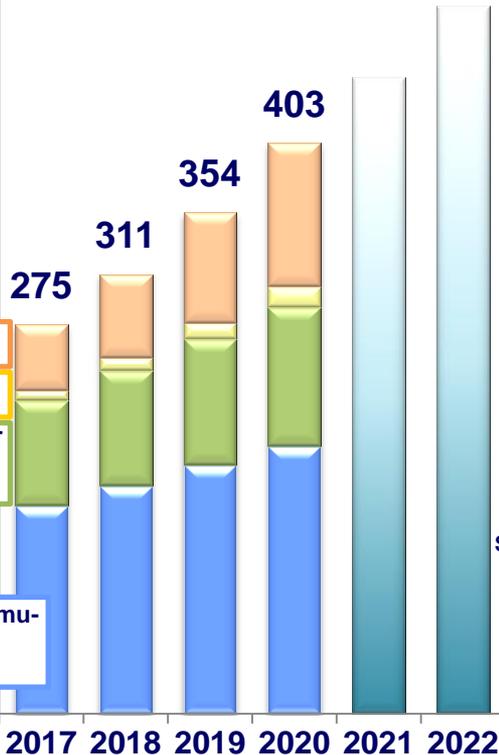
□ Expansion of High-performance Data Center and Multi-layered PKG with Increase of Big Data

IoT Device Market

based on IBIDEN's research

(Unit: 100M)

14% 13% 14% 14% ◆ growth rate

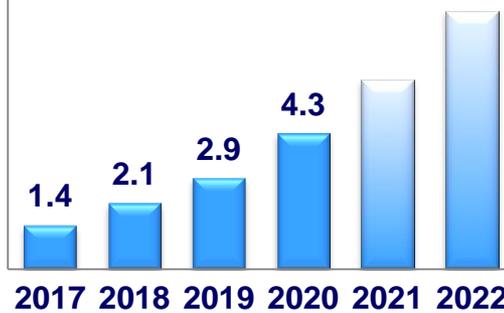


Data Traffic Market

based on IBIDEN's research

(Unit: 100M of Terabytes/month)

43% 48% 41% 40% ◆ growth rate

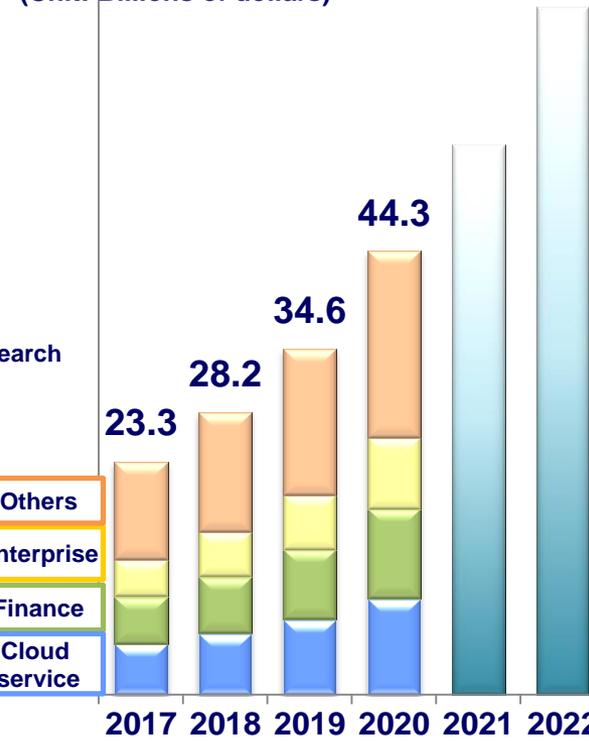


Data Center Market

based on IBIDEN's research

(Unit: Billions of dollars)

18% 21% 23% 28% ◆ growth rate



Small-cell Market

based on IBIDEN's research

(Unit: Billions of dollars)

22% 17% 10% 13% ◆ growth rate



Increase in Productive Capacity of IC Package Substrate toward Next-generation and New Markets



We aim to increase capacity of IC package substrate in order to meet the new demand with high-performance and high-speed semiconductors, servers and image processing.



The Second Building in Ogaki Central Plant



Ogaki Plant

<Outline of Facility Investment Plan>

- (1) Investment : Production facilities for IC package substrate toward the next-generation products and the new markets
- (2) Investment Value : 70.0 billion yen consolidated between FY2019 and FY2021
- (3) Installation Site : The Second Building at Ogaki Central Plant and Ogaki Plant in Ogaki City, Gifu Pref.
- (4) Period of Operation : We plan to come online sequentially in FY2019 and start commercial production in FY2020.
- (5) Productive Capacity : The plan enables us to increase the productive capacity of IC package substrate by about 50% (layer conversion) including the contribution from the prior investment by FY2021.

[Ceramic]

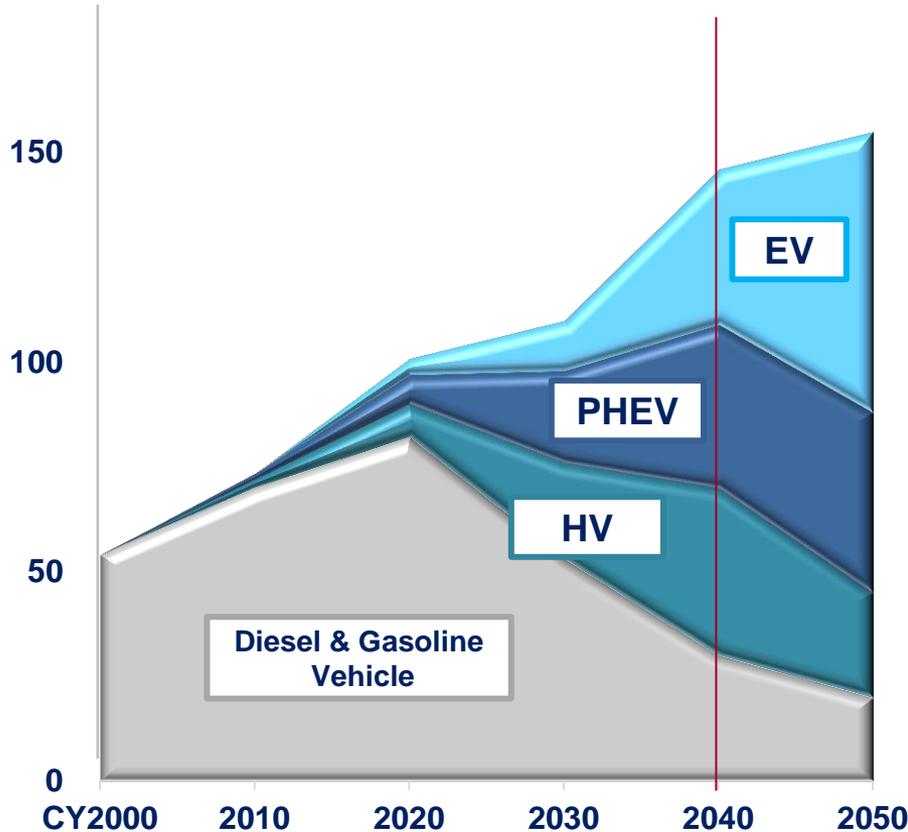
Long-Term Forecast for Automobile Market

- ❑ Passenger cars will develop electric power operation on a long-term basis while internal-combustion engine is the main one of medium and heavy vehicles.
- ❑ We will introduce expected technology and products into the market to respond to change of powertrain.

Passenger car

(Unit: million)

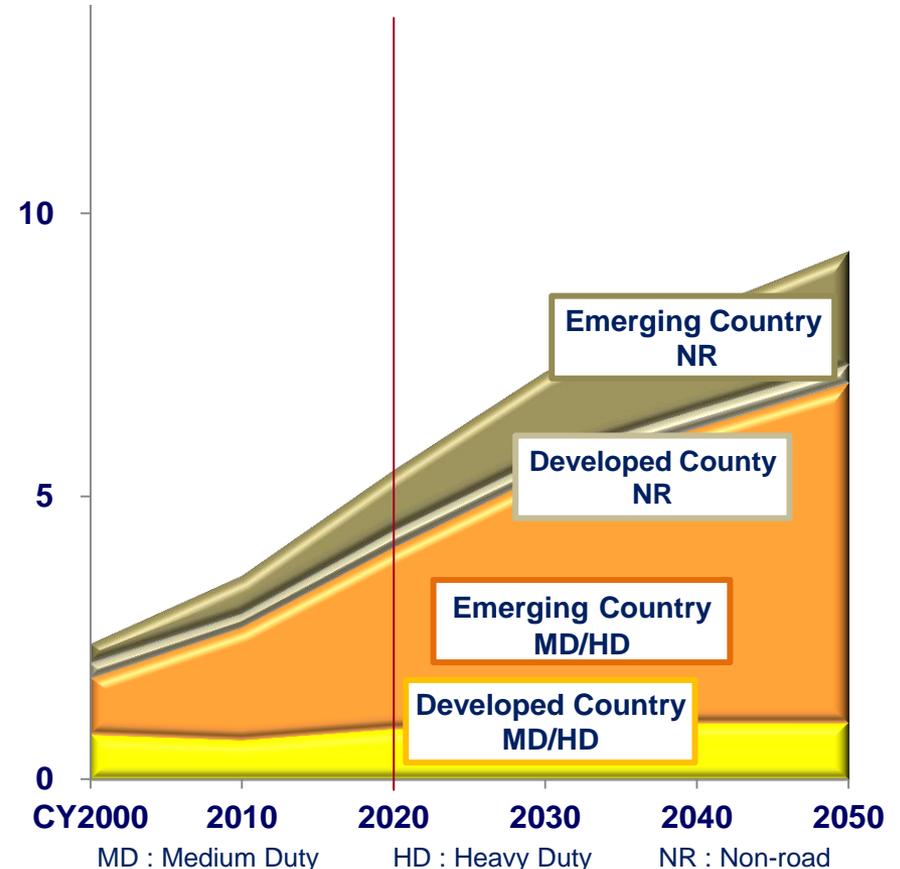
based on IBIDEN's research



Medium and Heavy Commercial Vehicle

(Unit: million)

based on IBIDEN's research



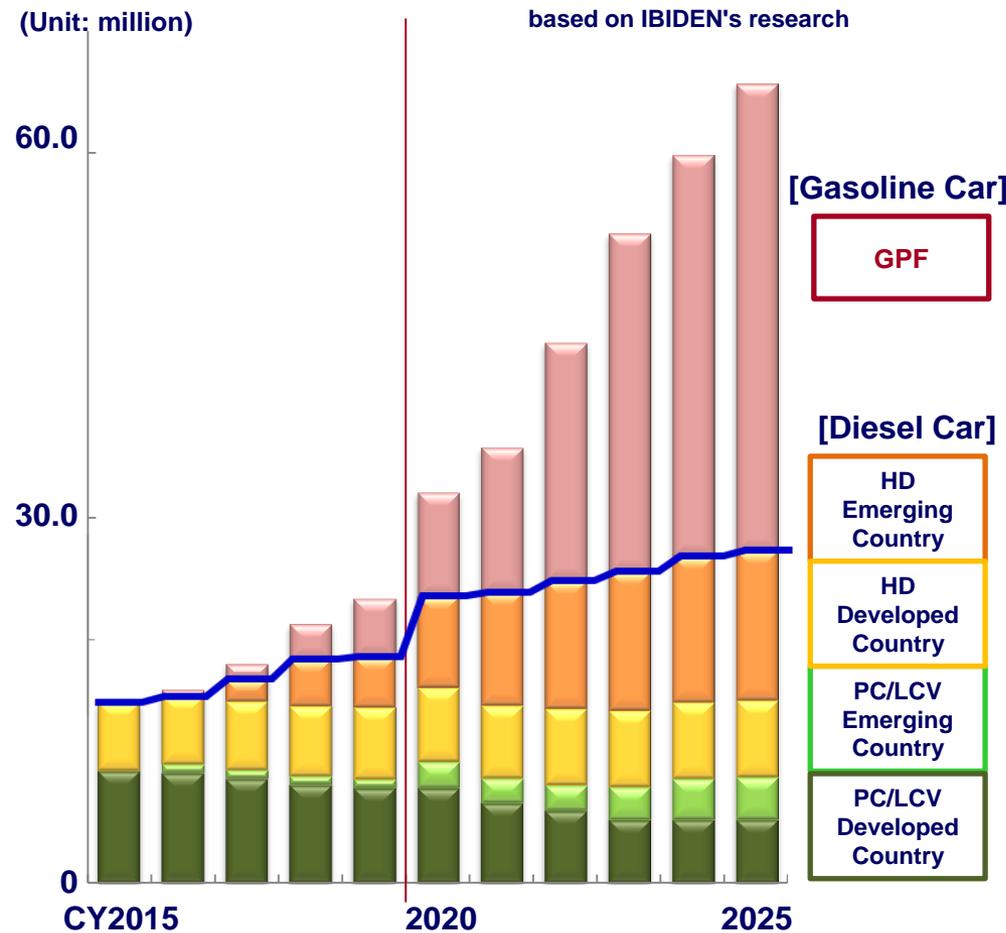
[Ceramic] Exhaust System Business

*PC : Passenger Car
 *LCV : Light Commercial Vehicle
 *HD : Heavy Duty Car (Converted value : Passenger Car x 3)

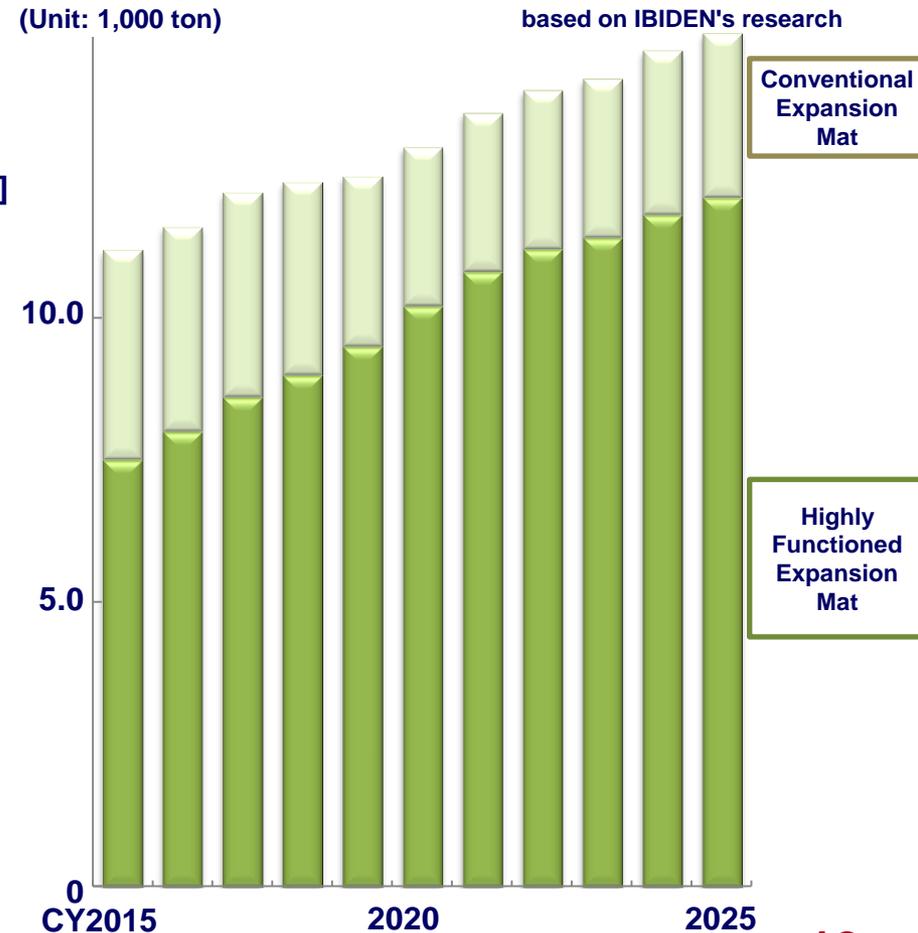


- We will improve our global production system optimally and efficiently to respond to change in markets.
- We will fulfill the sustainable plan focusing on large markets in emerging countries and production of high-performance and next-generation models.

DPF/GPF Market



Substrate Holding Mat Market



Accelerated Development in Four Centers



HV/PHV High-Function Exhaust System using techniques for molding and firing ceramics

Automotive Functional Product Development Center

High Heat Resistant Ceramic Material based on ceramics and graphite techniques

Advanced Ceramics Development Center

Future Mobility Product Development Center

PHV/EV High-Function Energy Control Material for electricity, heat and sound

Biomaterial Product Development Center

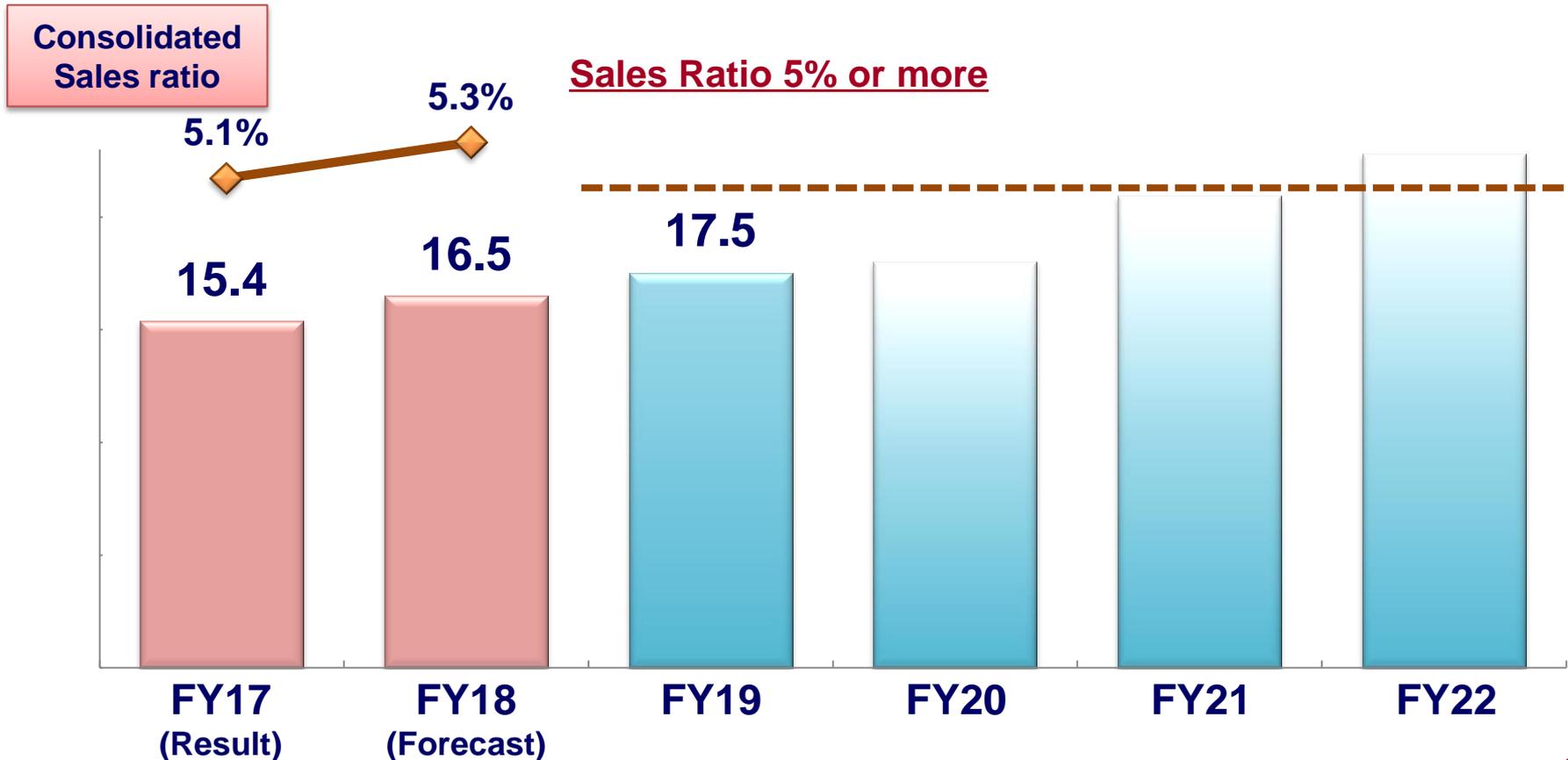
Advanced Biological Agrochemicals and Functional Food Ingredient based on our original biotechniques

R&D Expenditure plan



- We will invest R&D expenditure in the main four Development Centers in order to commercialize new products early
- We will support Ibiden Group Companies with the engineering division to strengthen their competitiveness

R&D Expenditure(Unit: Billions of Yen)

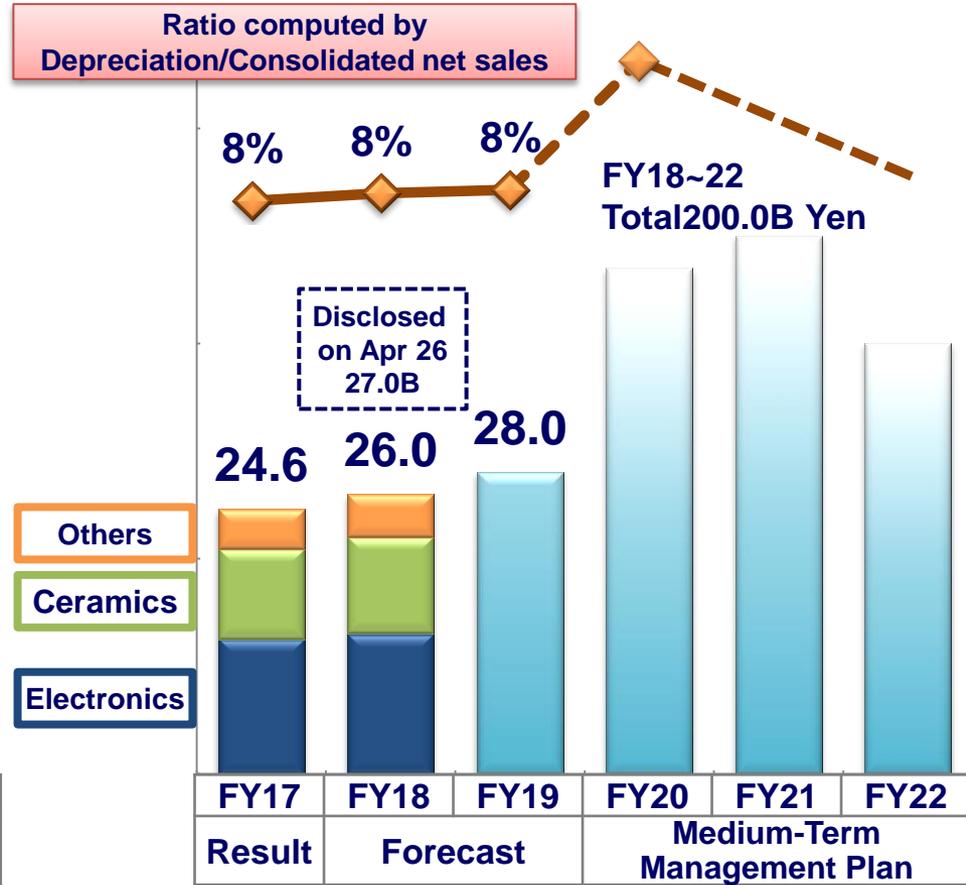
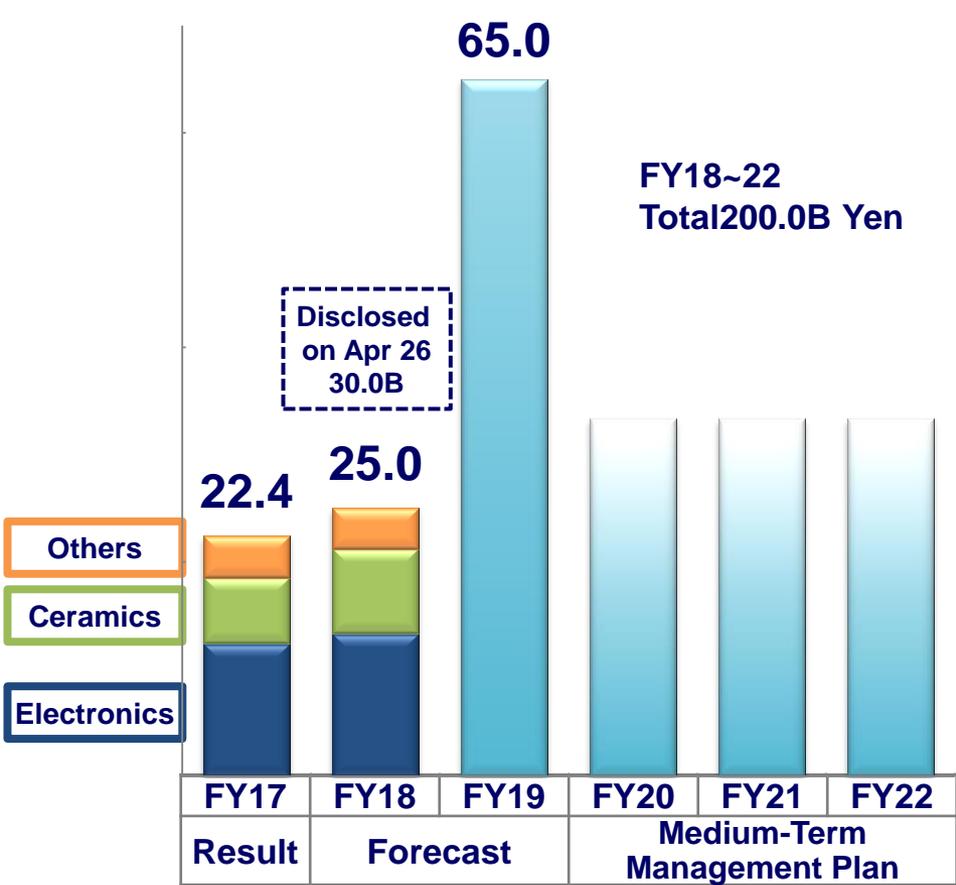


Plan of Capital Expenditure and Depreciation **IBIDEN**

- Electronics : Investment for Growing Fields ; the next-generation package, high-performance server and image processing
- Ceramics : Investment for High-performance and Next-generation Products

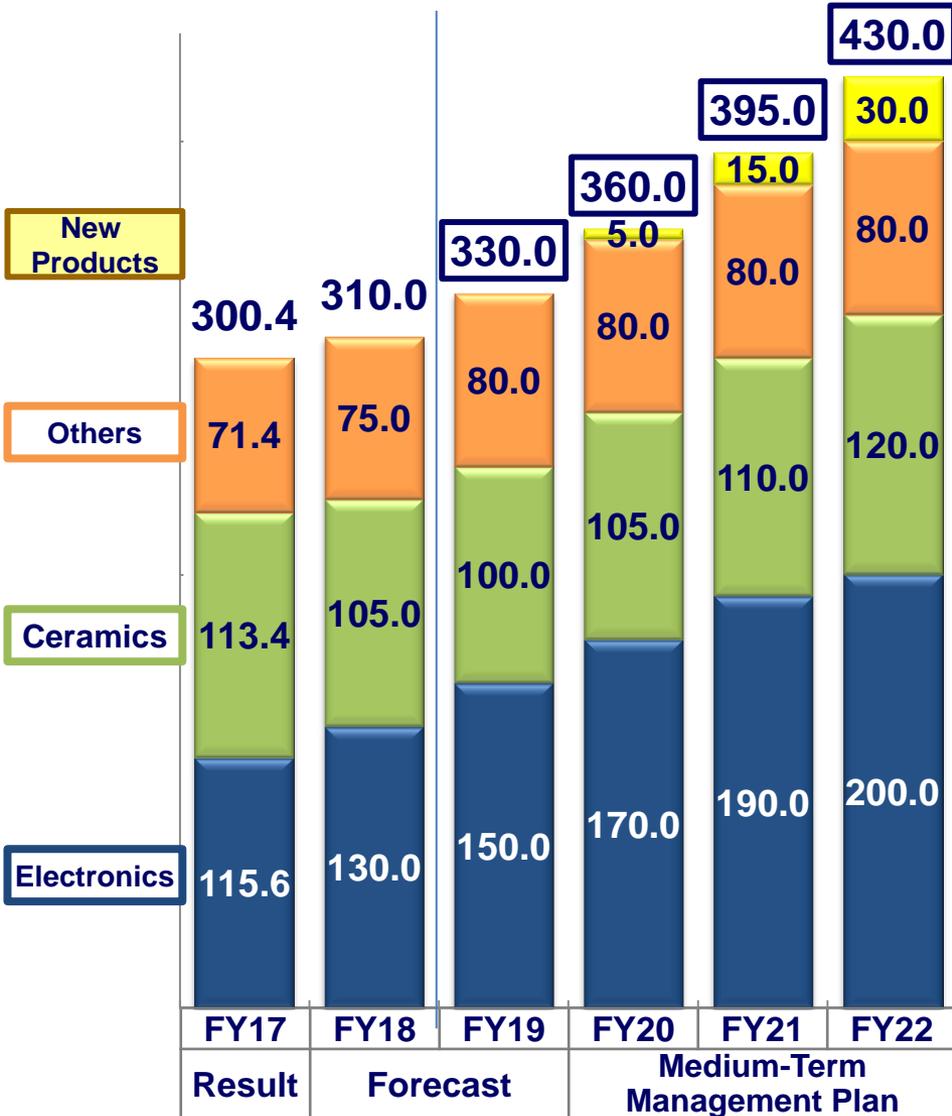
Capital Expenditure (Unit: Billions of Yen)

Depreciation (Unit: Billions of Yen)

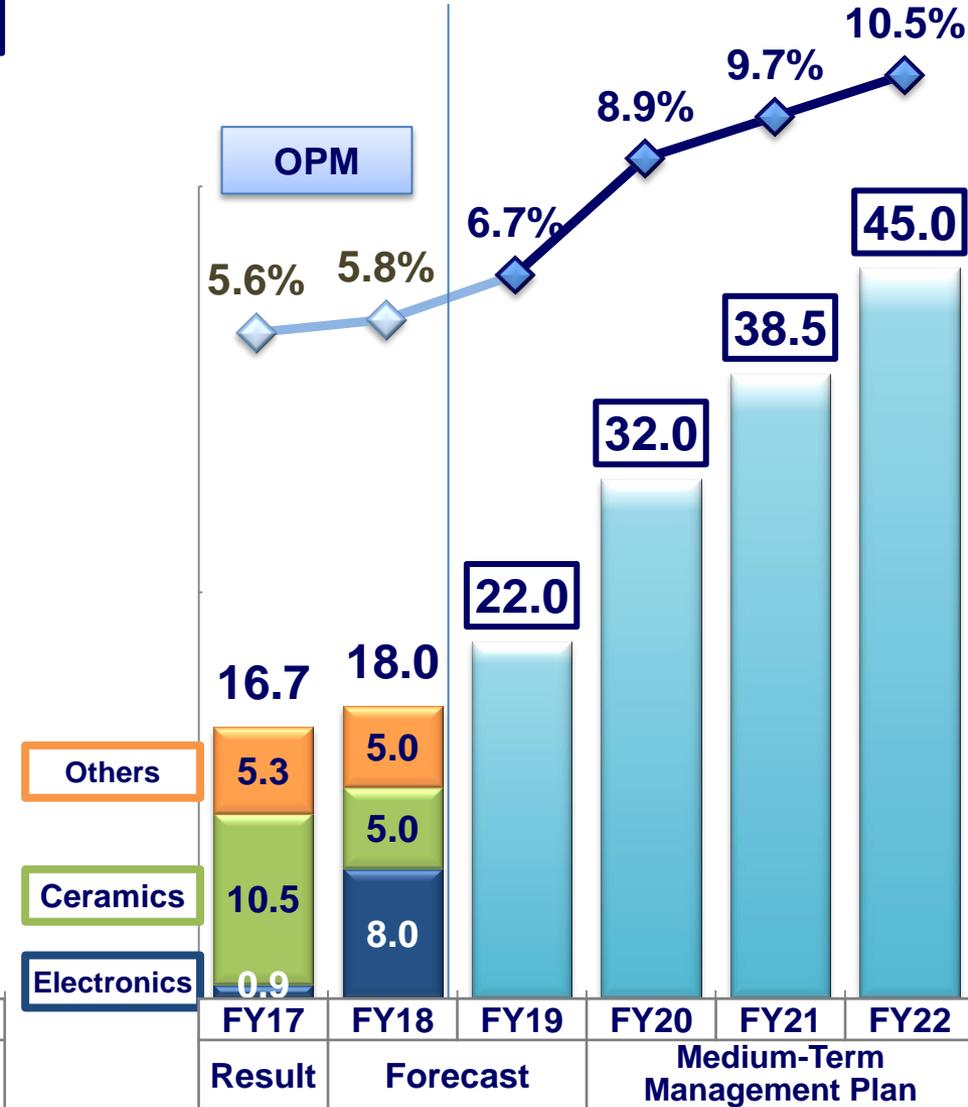


Forecast of Medium-Term Management Plan

Net Sales (Unit: Billions of Yen)



Operating Income (Unit: Billions of Yen)

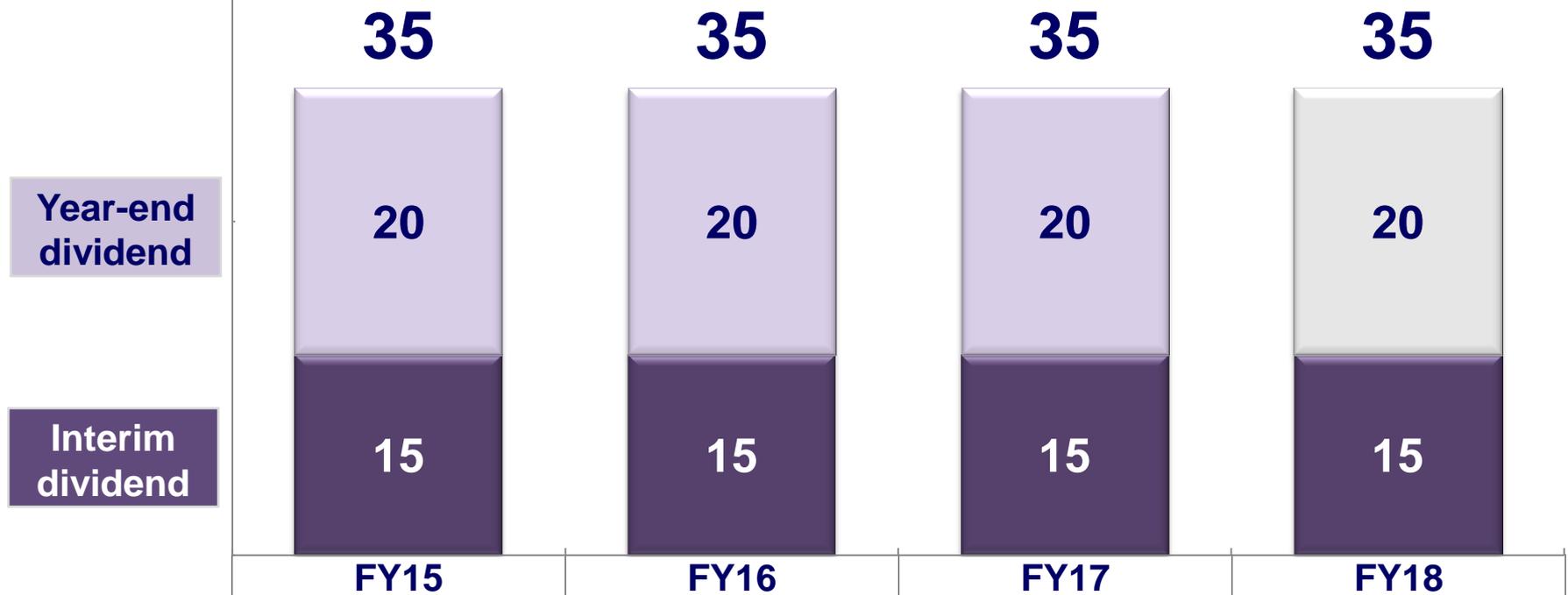


Return to Shareholders

- Continue stable dividend
- Determined special benefit plan for shareholders who had more than 100 stocks at the end of March, 2018.

Dividend per Share

(Unit: Yen)



memo



Promotion of ESG Management

Our ESG Management

Environment



Water Float Solar Power Plant in Kinuura Plant

Social · Governance



Women's Empowerment Forum



Certified MSCI Japan ESG Select Leaders



Employed as FTSE Index



Certified “ 2018 White 500 Health and productivity ” by Ministry of Economy, Trade and Industry for the second consecutive years

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