

February 4, 2015

Consolidated Financial Results For the Third Quarter Ended December 31, 2014

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

Stock exchange listings: Tokyo and Nagoya Stock Exchange (First Section)

Stock code number: 4062

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

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Submission date of quarterly report: February 13, 2015

(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for FY 2014 third quarter (From April 1, 2014 to December 31, 2014)

(1) Operating results

(Percentage figures indicate the change from the same quarter of the prior fiscal year)

	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>	%
FY 2014 third quarter	234,654	1.7	19,592	(1.8)	25,575	1.2	15,787	(4.5)
FY 2013 third quarter	230,749	10.5	19,944	343.9	25,267	221.1	16,537	629.2

Note: Comprehensive income

FY2014 third quarter: 44,319 million yen (-1.5 %) FY2013 third quarter: 45,014 million yen (302.6 %)

	Net income Per share	Diluted net income Per share
	<i>Yen</i>	<i>Yen</i>
FY 2014 third quarter	114.33	—
FY 2013 third quarter	119.76	119.34

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	<i>Millions of yen</i>	<i>Millions of yen</i>	%	<i>Yen</i>
FY 2014 third quarter	533,121	362,370	67.2	2,595.93
FY 2013	462,113	322,562	68.9	2,305.93

Reference: Equity capital

As of December 31, 2014: 358,461 million yen As of March 31, 2014: 318,419million yen

2. Basis for preparation of quarterly financial results

(1) Changes in scope of significant consolidation and equity method of accounting: No

(2) Application of particular accounting procedure for preparing quarterly financial statements: Yes

Calculation of tax expenses: Tax expenses are calculated by using effective tax rate on quotation.

(3) Changes in accounting policies; changes in accounting estimates; restatements of financial statements

1. Changes in accounting policies due to amendment of accounting standards: Yes

2. Changes in accounting policies other than above: No

3. Changes in accounting estimates: No

4. Restatements of financial statements: No

(4) Issued and outstanding capital stock

1. Number of shares outstanding (including treasury stock):

As of December 31 2014: 150,860,557 shares As of March 31, 2014: 150,860,557 shares

2. Number of treasury stock outstanding:

As of December 31 2014: 12,774,735 shares As of March 31, 2014: 12,773,301 shares

3. Average number of shares:

Third quarter FY2014: 138,086,507 shares Third quarter FY2013: 138,088,853 shares

Consolidated Balance Sheet

	<i>Millions of yen</i>		
	As of December 31, 2014	As of March 31, 2014	Increase (Decrease)
Assets			
Current assets			
Cash and deposits	92,048	77,170	14,877
Notes and accounts receivable - trade	64,811	59,152	5,658
Short-term investments securities	15,196	15,191	5
Merchandise and finished goods	14,521	14,795	(273)
Work in process	12,063	8,374	3,689
Raw materials and supplies	18,088	15,468	2,620
Deferred tax assets	2,466	2,578	(111)
Other - current assets	11,698	10,025	1,673
Allowance for doubtful accounts	(335)	(494)	158
Total current assets	230,560	202,262	28,297
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	97,029	85,314	11,715
Machinery, equipment and vehicles	84,733	68,127	16,606
Land	19,164	19,114	49
Lease assets	614	2,189	(1,574)
Construction in progress	36,216	28,464	7,751
Other - property, plant and equipment	5,719	4,491	1,227
Total property, plant and equipment	243,477	207,702	35,775
Intangible assets	7,633	8,474	(840)
Investments and other assets			
Investment securities	48,394	39,924	8,470
Long-term loans receivable	33	35	(2)
Deferred tax assets	1,437	1,341	96
Other - investments and other assets	1,995	2,766	(770)
Allowance for doubtful accounts	(411)	(393)	(18)
Total investments and other assets	51,449	43,674	7,775
Total noncurrent assets	302,561	259,850	42,710
Total assets	533,121	462,113	71,008

(Continued)

Millions of yen

	As of December 31, 2014	As of March 31, 2014	Increase (Decrease)
Liabilities and net assets			
Liabilities			
Current liabilities			
Notes and accounts payable - trade	35,873	35,452	420
Short-term loans payable	33,005	18,161	14,844
Current portion of bonds payable	—	25,000	(25,000)
Accounts payable - other	22,940	14,993	7,946
Income taxes payable	5,582	1,138	4,444
Deferred tax liabilities	36	15	20
Provision for bonuses	1,636	3,830	(2,194)
Provision for directors' bonuses	—	153	(153)
Notes payable - facilities	1,375	1,491	(115)
Other - current liabilities	16,219	12,156	4,063
Total current liabilities	116,669	112,392	4,277
Noncurrent liabilities			
Bonds payable	40,000	15,000	25,000
Long-term loans payable	3,237	3,412	(175)
Lease obligations	462	545	(82)
Deferred tax liabilities for land revaluation	79	157	(77)
Net defined benefit liability	552	502	49
Deferred tax liabilities	8,072	5,544	2,527
Other - noncurrent liabilities	1,676	1,994	(318)
Total noncurrent liabilities	54,081	27,158	26,923
Total liabilities	170,751	139,550	31,200
Net assets			
Shareholders' equity			
Capital stock	64,152	64,152	—
Capital surplus	68,354	68,354	(0)
Retained earnings	207,103	195,459	11,644
Treasury stock	(37,113)	(37,110)	(2)
Total shareholders' equity	302,497	290,855	11,641
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	17,583	11,433	6,150
Revaluation reserve for land	148	71	77
Foreign currency translation adjustment	38,231	16,059	22,171
Total accumulated other comprehensive income	55,964	27,564	28,400
Subscription rights to shares	—	353	(353)
Minority interests	3,908	3,789	119
Total net assets	362,370	322,562	39,807
Total liabilities and net assets	533,121	462,113	71,008

(Concluded)

Consolidated Statement of Income

	<i>Millions of yen</i>		
	Nine months ended December 31, 2014	Nine months ended December 31, 2013	Increase (Decrease)
Net sales	234,654	230,749	3,904
Cost of sales	173,764	172,684	1,079
Gross profit	60,889	58,064	2,825
Selling, general and administrative expenses	41,297	38,120	3,177
Operating income	19,592	19,944	(351)
Non-operating income (expenses)	5,982	5,323	659
Interest income	275	219	56
Dividends income	791	629	162
Foreign exchange income, net	5,399	5,832	(432)
Interest expenses	(270)	(258)	(12)
Rent expenses on facilities	(8)	(8)	0
Bond issuance cost	(103)	—	(103)
Depreciation of inactive noncurrent assets	(458)	(942)	484
Other, net	357	(148)	505
Ordinary income	25,575	25,267	307
Extraordinary income (loss)	(1,463)	(1,743)	280
Gain on sales of property, plant and equipment	108	59	49
Gain (loss) on sales of investment securities, net	—	171	(171)
Gain on reversal of subscription rights to shares	353	563	(210)
Loss on disposal of property, plant and equipment	(1,004)	(307)	(696)
Impairment loss	(670)	(1,706)	1036
Loss on valuation of investment securities	(1)	(2)	1
Loss on liquidation of subsidiaries and affiliates	(18)	(501)	482
Loss on disaster	(173)	—	(173)
Other, net	(56)	(20)	(36)
Income before income taxes and minority interests	24,111	23,524	587
Income taxes	(8,225)	(6,867)	(1,358)
Income before minority interests	15,886	16,657	(771)
Minority interests	(98)	(120)	21
Net income	15,787	16,537	(749)

Consolidated Statement of Comprehensive Income

	<i>Millions of yen</i>		
	Nine months ended December 31, 2014	Nine months ended December 31, 2013	Increase (Decrease)
Income before minority interests	15,886	16,657	(771)
Other comprehensive income			
Valuation difference on available-for-sale securities	6,184	5,754	429
Deferred gains or losses on hedges	—	12	(12)
Revaluation reserve for land	77	—	77
Foreign currency translation adjustments	22,171	22,590	(418)
Other comprehensive income	28,433	28,357	75
Comprehensive income	44,319	45,014	(695)
(Breakdown)			
Comprehensive income attributable to owners	44,187	44,883	(695)
Comprehensive income attributable to minority interests	132	131	0

Segment Information

FY 2013 third quarter (From April 1, 2013 to December 31, 2013)

(1) Sales and income/loss information of each Reportable Segment

A summary of net sales and income (loss) by reportable segment for nine months ended December 31, 2013 was as follows:

<i>Millions of yen</i>							
Nine months ended December 31, 2013							
Reportable Segment							
	Electronics	Ceramics	Housing materials	Construction	Total	Other (*)	Total
Sales to third parties	117,556	72,749	18,246	7,025	215,577	15,171	230,749
Inter-segment sales and transfers	0	122	5	4,757	4,885	1,709	6,595
Net sales	117,557	72,871	18,251	11,783	220,463	16,881	237,344
Segment income (loss)	11,524	5,690	66	507	17,789	375	18,164

* "Other" section refers to businesses that are not included in a reportable segment.

(2) Reconciliation information

Total of segment income in the reportable segments and operating income in the consolidated statement of income for nine months ended December 31, 2013 were reconciled as follows:

<i>Millions of yen</i>	
Nine months ended December 31, 2013	
Total of segment income in the reportable segments	17,789
Income of "Other" section	375
Elimination of inter-segment transactions	56
Corporate expenses and income(*)	1,723
Operating income of consolidated statement of income	19,944

* Corporate expenses and income mainly include general and administrative expenses and income from the generation of electricity income, which are not included in the reportable segments.

FY 2014 third quarter (From April 1, 2014 to December 31, 2014)

(1) Sales and income/loss information of each Reportable Segment

A summary of net sales and income (loss) by reportable segment for nine months ended December 31, 2014 is as follows:

<i>Millions of yen</i>							
Nine months ended December 31, 2014							
Reportable Segment							
	Electronics	Ceramics	Housing materials	Construction	Total	Other (*)	Total
Sales to third parties	121,437	73,662	16,294	7,547	218,942	15,711	234,654
Inter-segment sales and transfers	21	80	4	3,594	3,700	1,562	5,263
Net sales	121,459	73,742	16,298	11,141	222,642	17,274	239,917
Segment income (loss)	11,372	4,909	(3)	683	16,962	526	17,488

* "Other" section refers to businesses that are not included in a reportable segment.

(2) Reconciliation information

Total of segment income in the reportable segments and operating income in the consolidated statement of income for nine months ended December 31, 2014 are reconciled as follows:

	<i>Millions of yen</i>
	Nine months ended December 31, 2014
Total of segment income in the reportable segments	16,962
Income of "Other" section	526
Elimination of inter-segment transactions	84
Corporate expenses and income(*)	2,019
Operating income of consolidated statement of income	19,592

* Corporate expenses and income mainly include general and administrative expenses and income from the generation of electricity income, which are not included in the reportable segments.