

January 7, 2013

New Year's message from President Takenaka

On January 7, 2013, the directors of IBIDEN visited the plants, and President Takenaka delivered his New Year's speech to employees at 8:00 a.m. By means of the teleconferencing system, New Year's greetings were also exchanged with overseas bases (the Philippines, Beijing, France and Hungary). President Takenaka's address is summarized below.

Happy New Year to all of you.

The year 2012 was lackluster for the world economy, impacted by the European economic crisis as well as the economic slowdown in China and other emerging economies. Japan was impacted by escalating tensions with neighboring countries over territorial issues. However, the installation of the new government's cabinet in Japan at the year-end led to a surge in stock prices and the yen's depreciation, setting a somewhat positive tone for 2013 for the first time in many years.

For IBIDEN, 2012 marked the Company's 100th anniversary. We embarked on the goal of transforming IBIDEN into a company capable of achieving consistent growth in sales and profits for the next 100 years by shifting our focus to growth markets such as smartphones and tablets and boosting competitiveness even further. These structural reform measures have not yet been completed, and regrettably we are still encountering difficulty in achieving superior operating results. However, we have taken an important step forward in achieving the "Zero-Loss Kaizen" initiative, and the awareness of its importance has begun to permeate the entire organization, all the way down to each work unit. In 2013 the harsh environment is expected to continue for the global economy, and global competition among corporations will intensify. For us to survive and triumph, we must accelerate the structural reform measures and implement them thoroughly. All of us must brace ourselves with a sense of crisis on a group-wide basis. We must enter each factory floor and worksite to fully carry out Kaizen.

I wish to see the completion of Kaizen in three months before the end of the current fiscal year and to surmount the present difficulties, no matter what it takes. Over the medium and long term, we will seek to accomplish our transformation into a company with unparalleled competitiveness in terms of quality, cost and delivery by elevating "Genba-ryoku", or worksite power.

I wish you good health and look forward to your contribution in helping the Company move forward.