

FOR IMMEDIATE RELEASE

July 26, 2023

**Consolidated Financial Results for the First Quarter Ended June 30, 2023**  
(April 1, 2023 to June 30, 2023)

**FDK CORPORATION**(URL: <https://www.fdk.com>)

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The Consolidated Financial Results is unaudited/U.S. GAPP is not applied

**1. Consolidated Results for the Three-Months Period Ended June 30, 2023****a. Consolidated Statements of Income**

	Yen (millions)			Change (%)	Yen
	Three months ended June 30, 2022	Three months ended June 30, 2023			(millions)
					FY2022, ended Mar. 31, 2023
<b>Net Sales</b>	15,464	14,860	△ 3.9		62,784
<b>Operating Profit (Loss)</b>	322	△ 135	-		789
<b>Ordinary Profit</b>	454	48	△ 89.4		851
<b>Profit (Loss) attributable to owners of parent</b>	166	△ 114	-		318

**Amounts Per Share of Common Stock:**

Basic Earnings	4.83 yen	△ 3.32 yen		9.22 yen
Diluted Earnings	- yen	- yen		- yen

**b. Net Sales by Business Segment**

	Yen	Yen	Yen
	(millions)	(millions)	(millions)
	Three months ended June 30, 2022	Three months ended June 30, 2023	FY2022, ended Mar. 31, 2023
<b>Batteries</b>	10,450	10,444	42,163
<b>Electronic Devices</b>	5,013	4,415	20,620
<b>Total</b>	15,464	14,860	62,784

**c. Consolidated Financial Position**

	Yen (millions)	
	As of March 31, 2023	As of June 30, 2023
<b>Total Assets</b>	47,130	48,625
<b>Net Assets</b>	13,196	13,735
<b>Owners' Equity</b>	13,190	13,728
<b>Capital Adequacy Ratio</b>	28.0 %	28.2 %

**d. Consolidated Statements of Cash Flows**

	Yen (millions)	
	Three months ended June 30, 2022	Three months ended June 30, 2023
	967	21
<b>Cash Flows from Operating Activities</b>		
<b>Cash Flows from Investing Activities</b>	△ 485	△ 696
<b>Cash Flows from Financing Activities</b>	△ 507	1,131
<b>Cash and Cash Equivalents at End of Period</b>	2,943	3,178

**(Notes for the Consolidated Operating Results (from 1.a to 1.d))**

1. All amounts less than one million yen have been disregarded.
2. The percentage in this statement presents rate of change compared with the same period last year.

**2. Consolidated Forecast for the year ending March 31, 2024**

(Million of yen, except per share data)

	FY2023	Change from FY2022	FY2022
Net Sales	65,000	3.5 %	62,784
Operating Profit	500	△ 36.7 %	789
Ordinary Profit	400	△ 53.0 %	851
Profit attributable to owners of parent	100	△ 68.6 %	318
Basic Earnings Per Share	2.90 yen	- yen	9.22 yen

**(Note for the use of the above forecasted business results)****The financial forecast described above is based upon information available as of April 26, 2023.****3. Others**

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023: No**
- (2) Applying of specific accounting of the consolidated quarterly financial statements: No**
- (3) Changes in accounting policies, accounting estimates, and retrospective restatement**
  - 1) Changes in accounting policies based on revisions of accounting standard: No
  - 2) Changes in accounting policies other than ones based on revisions of accounting standard: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Number of issued and outstanding shares (common stock)**
  - 1) Number of issued and outstanding shares at the end of fiscal year. (including treasury stock)
 

June 30, 2023: 34,536,302 shares	March 31, 2023: 34,536,302 shares
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  - 2) Number of treasury stock at the end of each period
 

June 30, 2023: 30,314 shares	March 31, 2023: 30,232 shares
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  - 3) Average number of shares in each period.
 

June 30, 2023: 34,506,041 shares	June 30, 2022: 34,506,480 shares
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**(Notes)**

1. This information is a summary of the earnings report. It does not contain all details included in the earnings report disclosed in Japanese.

## Consolidated Balance Sheet

### Millions of yen

	FY2022	FY2023
	Mar 31, 2023	Jun 30, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,571	3,178
Notes and accounts receivable - trade, and contract assets	16,222	17,782
Merchandise and finished goods	2,965	3,326
Work in process	3,118	3,149
Raw materials and supplies	4,843	4,922
Other	2,135	1,135
Allowance for doubtful accounts	△ 32	△ 35
Total current assets	31,822	33,458
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures, net	5,496	5,408
Machinery, equipment and vehicles, net	5,424	5,269
Tools, furniture and fixtures, net	1,009	990
Land	2,184	2,190
Leased assets, net	76	83
Construction in progress	286	397
Total property, plant and equipment	14,478	14,340
Intangible assets	412	400
Investments and other assets		
Investment securities	193	206
Deferred tax assets	42	35
Other	179	183
Total investments and other assets	415	425
Total non-current assets	15,307	15,166
<b>Total assets</b>	47,130	48,625
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	9,752	10,431
Electronically recorded obligations - operating	4,656	4,506
Short-term borrowings	12,140	13,290
Lease liabilities	63	73
Accounts payable - other	1,459	1,805
Income taxes payable	499	257
Other	2,357	1,638
Total current liabilities	30,928	32,003
<b>Non-current liabilities</b>		
Lease liabilities	20	17
Deferred tax liabilities	381	362
Retirement benefit liability	1,984	1,888
Long-term accounts payable - other	162	159
Other	456	459
Total non-current liabilities	3,005	2,887
<b>Total liabilities</b>	33,933	34,890
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	31,709	31,709
Capital surplus	26,225	26,225
Retained earnings	△ 45,114	△ 45,228
Treasury shares	△ 50	△ 50
Total shareholders' equity	12,769	12,654
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	34	42
Foreign currency translation adjustment	1,825	2,383
Remeasurements of defined benefit plans	△ 1,439	△ 1,351
Total accumulated other comprehensive income	420	1,074
<b>Non-controlling interests</b>	6	6
<b>Total net assets</b>	13,196	13,735
<b>Total liabilities and net assets</b>	47,130	48,625

**Consolidated Statement of Income**  
**Millions of yen**

	<b>FY2022</b>	<b>FY2023</b>
	<b>Apr'22-Jun'22</b>	<b>Apr'23-Jun'23</b>
<b>Net sales</b>	15,464	14,860
Cost of sales	12,865	12,728
<b>Gross profit</b>	2,598	2,131
Selling, general and administrative expenses	2,276	2,267
<b>Operating profit (loss)</b>	322	△ 135
Non-operating income		
Interest income	1	14
Dividend income	23	20
Foreign exchange gains	108	156
Subsidy income	37	-
Gain on sale of non-current assets	3	3
Rental income	4	9
Other	18	11
Total non-operating income	197	215
Non-operating expenses		
Interest expenses	24	26
Loss on retirement of non-current assets	37	2
Other	3	3
Total non-operating expenses	66	32
<b>Ordinary profit</b>	454	48
Extraordinary losses		
Impairment losses	8	26
Total extraordinary losses	8	26
<b>Profit before income taxes</b>	445	21
Income taxes-current	141	150
Income taxes-deferred	136	△ 14
Total income taxes	278	136
<b>Profit (loss)</b>	167	△ 114
Profit (loss) attributable to non-controlling interests	0	△ 0
<b>Profit (loss) attributable to owners of parent</b>	166	△ 114

**Consolidated Statement of Comprehensive Income**  
**Millions of yen**

	<b>FY2022</b>	<b>FY2023</b>
	<b>Apr'22-Jun'22</b>	<b>Apr'23-Jun'23</b>
	<u>                    </u>	<u>                    </u>
<b>Profit (loss)</b>	167	△ 114
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	△ 6	7
Foreign currency translation adjustment	658	557
Remeasurements of defined benefit plans, net of tax	69	87
Total other comprehensive income	<u>721</u>	<u>653</u>
<b>Comprehensive income</b>	<u>888</u>	<u>538</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	<u>887</u>	<u>538</u>
Comprehensive income attributable to non-controlling interests	<u>0</u>	<u>△ 0</u>

**Consolidated Statement of Cash Flows**  
**Millions of yen**

	FY2022	FY2023
	Apr'22-Jun'22	Apr'23-Jun'23
<b>Cash flows from operating activities</b>		
Profit before income taxes	445	21
Depreciation	555	593
Impairment losses	8	26
Increase (decrease) in retirement benefit liability	△ 101	△ 95
Increase (decrease) in allowance for doubtful accounts	△ 1	0
Interest and dividend income	△ 25	△ 35
Interest expenses	24	26
Foreign exchange losses (gains)	△ 12	△ 2
Loss (gain) on sale of property, plant and equipment	△ 3	△ 3
Loss on retirement of non-current assets	37	2
Subsidy income	△ 37	-
Decrease (increase) in trade receivables	623	△ 1,002
Decrease (increase) in inventories	△ 439	△ 276
Increase (decrease) in trade payables	111	82
Increase (decrease) in accrued expenses	△ 769	△ 825
Other, net	791	1,788
Subtotal	1,206	299
Interest and dividends received	25	35
Subsidies received	37	-
Interest paid	△ 24	△ 25
Income taxes paid	△ 279	△ 288
Net cash provided by (used in) operating activities	967	21
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△ 465	△ 702
Proceeds from sale of property, plant and equipment	3	6
Purchase of intangible assets	△ 21	△ 3
Purchase of investment securities	△ 1	△ 1
Other, net	△ 1	5
Net cash provided by (used in) investing activities	△ 485	△ 696
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	△ 490	1,150
Purchase of treasury shares	△ 0	△ 0
Repayments of finance lease liabilities	△ 16	△ 18
Net cash provided by (used in) financing activities	△ 507	1,131
<b>Effect of exchange rate change on cash and cash equivalents</b>	205	150
<b>Net increase (decrease) in cash and cash equivalents</b>	180	607
<b>Cash and cash equivalents at beginning of period</b>	2,763	2,571
<b>Cash and cash equivalents at end of period</b>	2,943	3,178

**Consolidated Business Segment Information**  
**Millions of yen**

**FY2022 Apr'22-Jun'22**

	<b>Business Segments Reported</b>		<b>Total</b>	<b>Adjustments</b>	<b>Consolidated Statements</b>
	<b>Batteries</b>	<b>Electronic Materials</b>			
<b>Net sales</b>					
Japan	5,328	4,218	9,547	-	9,547
Asia	1,836	795	2,632	-	2,632
Americas	1,185	-	1,185	-	1,185
Europe	2,075	-	2,075	-	2,075
Other	24	-	24	-	24
Revenue from contracts with customers	10,450	5,013	15,464	-	15,464
Other revenue	-	-	-	-	-
Unaffiliated customers	10,450	5,013	15,464	-	15,464
Intersegment	-	-	-	-	-
<b>Total</b>	<b>10,450</b>	<b>5,013</b>	<b>15,464</b>	<b>-</b>	<b>15,464</b>
<b>Segment profit</b>	<b>161</b>	<b>161</b>	<b>322</b>	<b>-</b>	<b>322</b>

**FY2023 Apr'23-Jun'23**

	<b>Business Segments Reported</b>		<b>Total</b>	<b>Adjustments</b>	<b>Consolidated Statements</b>
	<b>Batteries</b>	<b>Electronic Materials</b>			
<b>Net sales</b>					
Japan	5,682	3,330	9,013	-	9,013
Asia	1,136	1,073	2,209	-	2,209
Americas	1,247	-	1,247	-	1,247
Europe	2,364	11	2,375	-	2,375
Other	13	-	13	-	13
Revenue from contracts with customers	10,444	4,415	14,860	-	14,860
Other revenue	-	-	-	-	-
Unaffiliated customers	10,444	4,415	14,860	-	14,860
Intersegment	-	-	-	-	-
<b>Total</b>	<b>10,444</b>	<b>4,415</b>	<b>14,860</b>	<b>-</b>	<b>14,860</b>
<b>Segment profit (loss)</b>	<b>△ 356</b>	<b>221</b>	<b>△ 135</b>	<b>-</b>	<b>△ 135</b>