

Fiscal Year 2019 Consolidated Operating Results
(April 1, 2019 to March 31, 2020)

FDK CORPORATION

(URL: <http://www.fdk.com>)

Listing Code No. 6955 (Listing Stock Exchange: 2nd Section of Tokyo Stock Exchange)
Address: Shibaura Crystal Shinagawa, 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan
Contact: Business Promotion Div.
E-mail: prir-tyo@fdk.co.jp
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The Consolidated Financial Results is unaudited/U.S. GAPP is not applied

1. Consolidated Operating Results for FY2019 ended March 31, 2020

a. Consolidated Income statements

	Yen (millions)			Change (%)	U.S.Dollars (millions)
	FY2018 (4/1/18-3/31/19)	FY2019 (4/1/19-3/31/20)			FY2019 (4/1/19-3/31/20)
Net Sales	72,113	62,123	-13.9 %		\$567.07
Operating Profit	823	841	2.1		\$7.68
Ordinary Profit	718	565	-21.3		\$5.16
Profit (Loss) attributable to owner of parent	(290)	(2,340)	-		(\$21.36)
Amounts Per Share of Common Stock:					
Basic Earnings (Loss) per share	(9.91) yen	(67.82) yen			(61.91 cent)
Diluted Earnings per share	- yen	- yen			-
Rate of Return on Equity	(4.0) %	(27.5) %			
Ordinary Profit to Total Assets Ratio	1.4 %	1.1 %			
Operating Profit to Net Sales Ratio	1.1 %	1.4 %			

b. Consolidated Financial Positions

	Yen (millions)	
	As of Mar. 31, 2019	As of Mar. 31, 2020
Total Assets	54,145	47,685
Net Assets	10,280	6,739
Owner's Equity	10,276	6,734
Capital Adequacy Ratio	19.0 %	14.1 %
Net Assets Per Share	297.79 yen	195.16 yen

c. Consolidated Cash Flows

	Yen (millions)	
	FY2018 (4/1/18-3/31/19)	FY2019 (4/1/19-3/31/20)
Cash Flows from Operating Activities	1,602	2,799
Cash Flows from Investing Activities	(1,860)	(2,390)
Cash Flows from Financing Activities	5,282	99
Cash and Cash Equivalents at End of Period	8,734	9,063

d. Net Sales by Business Segment

	Yen (millions)	Yen (millions)	U.S.Dollars (millions)
	FY2018 (4/1/18-3/31/19)	FY2019 (4/1/19-3/31/20)	FY2019 (4/1/19-3/31/20)
Batteries	47,763	45,065	\$411.36
Electronic Devices	24,350	17,057	\$155.70
Total	72,113	62,123	\$567.07

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

- All amounts less than one million yen have been disregarded.
- U.S. dollar amounts are translated from yen, for convenience only, at the rate of \$1=109.55 yen.
- The percentage in this statement presents rate of change compared with the previous fiscal year.

2. Consolidated Forecast for the year ending March 31, 2021

Consolidated forecast for the year ending March 31, 2021 is yet to be determined.

3. Others

(1) Material changes in significant subsidiaries during the period: Yes.

Consolidated Subsidiaries	12 companies
Unconsolidated Subsidiaries (equity method applied)	3 companies
Affiliates (equity method applied only)	0 companies

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

- 1) Changes in accounting policies based on revisions of accounting standards: Yes
- 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

(3) Number of issued and outstanding shares (common stock)

- 1) Number of issued and outstanding shares at the end of fiscal year. (including treasury stock)
March 31, 2020: 34,536,302 shares March 31, 2019: 34,536,302 shares
- 2) Number of treasury stock at the end of fiscal year
March 31, 2020: 28,537 shares March 31, 2019: 27,765 shares
- 3) Average number of shares
March 31, 2020: 34,508,154 shares March 31, 2019: 29,309,351 shares

(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

	FY2018	FY2019
	Mar 31, 2019	Mar 31, 2020
Assets		
Current assets		
Cash and deposits	8,734	9,063
Notes and accounts receivable-trade	18,476	15,347
Merchandise and finished goods	2,790	2,569
Work in process	3,067	2,302
Raw materials and supplies	3,035	2,905
Other	1,082	1,163
Allowance for doubtful accounts	(101)	(26)
Total current assets	37,085	33,326
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,146	5,735
Machinery, equipment and vehicles, net	4,526	4,135
Tools, furniture and fixtures, net	984	697
Land	2,540	2,531
Leased assets, net	1,341	203
Construction in progress	263	91
Total property, plant and equipment	15,803	13,395
Intangible assets	481	466
Investments and other assets		
Investment securities	193	165
Long-term loans receivable	2	1
Deferred tax assets	65	26
Other	513	305
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	775	498
Total non-current assets	17,059	14,359
Total assets	54,145	47,685
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,740	9,044
Electronically recorded obligations - operating	351	3,561
Short-term loans payable	18,400	18,800
Lease obligations	344	184
Accounts payable-other	1,894	1,479
Income taxes payable	326	292
Other	2,816	2,733
Total current liabilities	37,875	36,095
Non-current liabilities		
Lease obligations	469	198
Deferred tax liabilities	198	197
Net defined benefit liability	4,263	3,884
Long-term accounts payable - other	675	187
Other	382	384
Total non-current liabilities	5,989	4,850
Total liabilities	43,864	40,946
Net assets		
Shareholders' equity		
Capital stock	31,709	31,709
Capital surplus	26,376	26,376
Retained earnings	(45,829)	(48,176)
Treasury shares	(48)	(48)
Total shareholders' equity	12,207	9,860
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27	4
Foreign currency translation adjustment	806	(110)
Remeasurements of defined benefit plans	(2,765)	(3,021)
Total accumulated other comprehensive income	(1,931)	(3,126)
Non-controlling interests	4	5
Total net assets	10,280	6,739
Total liabilities and net assets	54,145	47,685

Consolidated Statement of Income
Millions of yen

	FY2018	FY2019
	Apr'18-Mar'19	Apr'19-Mar'20
Net sales	72,113	62,123
Cost of sales	60,317	50,976
Gross profit	11,795	11,146
Selling, general and administrative expenses	10,971	10,305
Operating profit	823	841
Non-operating income		
Interest income	24	28
Foreign exchange gains	324	69
Gain on sales of non-current assets	21	3
Rent income	34	28
Other	189	95
Total non-operating income	594	225
Non-operating expenses		
Interest expenses	151	136
Share of loss of entities accounted for using equity method	60	15
Loss on sales of non-current assets	118	-
Loss on retirement of non-current assets	189	284
Other	180	65
Total non-operating expenses	700	501
Ordinary profit	718	565
Extraordinary income		
Gain on sales of investments in capital of subsidiaries and associates	-	331
Total extraordinary income	-	331
Extraordinary losses		
Impairment loss	71	1,317
Business restructuring expenses	-	864
Loss on sales of businesses	-	745
Loss on liquidation of subsidiaries	621	-
Total extraordinary losses	692	2,926
Profit (loss) before income taxes	26	(2,030)
Income taxes-current	270	256
Income taxes-deferred	45	52
Total income taxes	316	309
Loss	(290)	(2,339)
Profit attributable to non-controlling interests	0	1
Loss attributable to owners of parent	(290)	(2,340)

Consolidated Statement of Comprehensive Income
Millions of yen

	FY2018	FY2019
	Apr'18-Mar'19	Apr'19-Mar'20
Loss	(290)	(2,339)
Other comprehensive income		
Valuation difference on available-for-sale securities	(10)	(22)
Foreign currency translation adjustment	(116)	(497)
Remeasurements of defined benefit plans, net of tax	(385)	(255)
Share of other comprehensive income of entities accounted for using equity method	(24)	(419)
Other comprehensive income	(537)	(1,195)
Comprehensive income	(827)	(3,534)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(828)	(3,535)
Comprehensive income attributable to non-controlling interests	0	1

Consolidated Statement of Changes in Equity

FY2018 (Apr'18-Mar'19)

	Shareholders' equity					Accumulated other comprehensive income				Share acquisition rights		Non-controlling interests		Net assets		
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive							
Beginning balance	28,301	22,968	(45,539)	(47)	5,683	38	948	(2,380)	(1,393)	-	-	4	-	4,293	-	-
Cumulative effects of changes in accounting policies			-	-	-											
Restated balance	28,301	22,968	(45,539)	(47)	5,683	38	948	(2,380)	(1,393)	-	-	4	-	4,293	-	-
Changes of items during period																
Issuance of new shares - exercise of share acquisition rights	3,379	3,379			6,759											6,759
Loss attributable to owners of parent			(290)		(290)											(290)
Issuance of share acquisition rights					-					55						55
Exercise of share acquisition rights	27	27			55					(55)						-
Purchases of treasury shares				(0)	(0)											(0)
Net changes of items other than shareholders' equity					-	(10)	(141)	(385)	(537)			0		(537)		
Total changes of items during period	3,407	3,407	(290)	(0)	6,524	(10)	(141)	(385)	(537)	-	-	0		5,986		
Ending balance	31,709	26,376	(45,829)	(48)	12,207	27	806	(2,765)	(1,931)	-	-	4		10,280		

Consolidated Statement of Changes in Equity

FY2019 (Apr'19-Mar'20)

	Shareholders' equity					Accumulated other comprehensive income				Share acquisition rights		Non-controlling interests		Net assets		
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive							
Beginning balance	31,709	26,376	(45,829)	(48)	12,207	27	806	(2,765)	(1,931)	-	-	4	-	10,280	-	-
Cumulative effects of changes in accounting policies			(5)		(5)									(5)		
Restated balance	31,709	26,376	(45,835)	(48)	12,201	27	806	(2,765)	(1,931)	-	-	4	-	10,274		
Changes of items during period																
Issuance of new shares - exercise of share acquisition rights	-	-			-											-
Loss attributable to owners of parent			(2,340)		(2,340)											(2,340)
Issuance of share acquisition rights					-											-
Exercise of share acquisition rights	-	-			-											-
Purchases of treasury shares				(0)	(0)											(0)
Net changes of items other than shareholders' equity					-	(22)	(916)	(255)	(1,195)			1		(1,193)		
Total changes of items during period	-	-	(2,340)	(0)	(2,341)	(22)	(916)	(255)	(1,195)	-	-	1		(3,535)		
Ending balance	31,709	26,376	(48,176)	(48)	9,860	4	(110)	(3,021)	(3,126)	-	-	5		6,739		

Consolidated Statement of Cash Flows
Millions of yen

	FY2018 Apr'18-Mar'19	FY2019 Apr'19-Mar'20
Cash flows from operating activities		
Profit (loss) before income taxes	26	(2,030)
Depreciation and amortization	2,136	2,131
Impairment loss	71	1,317
Increase (decrease) in net defined benefit liability	(375)	(865)
Increase (decrease) in allowance for doubtful accounts	(3)	(73)
Interest and dividend income	(37)	(41)
Interest expenses	151	136
Foreign exchange losses (gains)	(0)	0
Share issuance cost	46	-
Share of loss (profit) of entities accounted for using equity method	60	15
Loss (gain) on sales of property, plant and equipment	96	(3)
Loss on retirement of non-current assets	189	284
Loss (gain) on sales of businesses	-	745
Loss (gain) on sales of investments in capital of subsidiaries and associates	-	(331)
Subsidy income	(25)	-
Loss on liquidation of subsidiaries	621	-
Decrease (increase) in notes and accounts receivable-trade	1,820	2,777
Decrease (increase) in inventories	(685)	788
Increase (decrease) in notes and accounts payable-trade	(1,149)	(1,178)
Increase (decrease) in accrued expenses	(37)	(208)
Other, net	(929)	(329)
Subtotal	1,974	3,134
Interest and dividend income received	37	41
Proceeds from subsidy income	25	-
Interest expenses paid	(152)	(138)
Income taxes paid	(283)	(238)
Net cash provided by (used in) operating activities	1,602	2,799
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,922)	(1,154)
Proceeds from sales of property, plant and equipment	103	21
Purchase of intangible assets	(40)	(59)
Purchase of investment securities	(4)	(4)
Proceeds from sales of investments in capital of subsidiaries and associates	-	7
Payments for transfer of business	-	(1,205)
Other, net	3	4
Net cash provided by (used in) investing activities	(1,860)	(2,390)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(1,055)	400
Purchase of treasury shares	(0)	(0)
Proceeds from issuance of share acquisition rights	55	-
Proceeds from issuance of shares resulting from exercise of shares acquisition rights	6,716	-
Repayments of finance lease obligations	(434)	(300)
Net cash provided by (used in) financing activities	5,282	99
Effect of exchange rate change on cash and cash equivalents	(10)	(178)
Net increase (decrease) in cash and cash equivalents	5,013	328
Cash and cash equivalents at beginning of period	3,720	8,734
Cash and cash equivalents at end of period	8,734	9,063

Consolidated Business Segment Information

Millions of yen

FY2018 Apr'18-Mar'19

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Unaffiliated customers	47,763	24,350	72,113	-	72,113
Intersegment	-	-	-	-	-
Total	47,763	24,350	72,113	-	72,113
Segment profit (loss)	2,041	(1,217)	823	-	823
Segment assets	34,374	14,358	48,733	5,412	54,145
Other items					
Depreciation	1,864	272	2,136	-	2,136
Investment to entities accounted for using equity method	-	111	111	-	111
Increase in property, plant and equipment and intangible assets	1,790	143	1,934	-	1,934

FY2019 Apr'19-Mar'20

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Unaffiliated customers	45,065	17,057	62,123	-	62,123
Intersegment	-	-	-	-	-
Total	45,065	17,057	62,123	-	62,123
Segment profit (loss)	1,514	(673)	841	-	841
Segment assets	29,943	13,608	43,552	4,133	47,685
Other items					
Depreciation	1,859	272	2,131	-	2,131
Investment to entities accounted for using equity method	-	-	-	-	-
Increase in property, plant and equipment and intangible assets	1,181	239	1,421	-	1,421

Business Results

(1) Analysis of Consolidated Business Results

1.1 Overview

The business environment of the FDK Group (“FDK”) during the fiscal year ending March 31, 2020, the economic trend of Japan was steady from improving employment, while impact of the consumption tax increase was limited due to the government several measures such as the introduction of reduced tax rates and the redemption of cashless settlement points in the first half of FY2019. However, throughout the period, uncertain condition remained due to stagnation of demand in the electronic industry to where FDK belongs, domestic oriented national policies and continuation of trade friction such as U.S. and China, and unstable economic trend of Europe, in addition to stagnation the supply-chain and economic by the spread of COVID-19.

Under such circumstances, FDK have established our vision, “FDK group, as a Smart Energy Partner, assemble advanced technologies, would like our customers to best utilize electric energy in a safe and efficient manner, and contribute to materialization and development of sustainable society.” and a Mid Term Business Plan “R1” starting from FY2020 in order to accomplish “10 years’ scheme” as FDK’s “Status-to-be-in-10-years”. To achieve them, FDK positioned FY2019 as “Year 0”, and took several measures such as a transfer of part of the Electronic Device business, the optimization of personnel under career change support program, and reorganization of the business portfolio. Besides, FDK has strived to develop next generation batteries such as small all-solid-state SMD battery, metal-hydride air rechargeable battery and rechargeable nickel zinc battery, together with current batteries’ business expansion for industrial use. Furthermore FDK released FUJITSU Alkaline Battery “Premium S”, which was improved for the performance of long life, long storage and leakage prevention, and strived to increase sales volume of alkaline battery together with Ni-MH battery for consumer market at the peak demand season such as Christmas and yeas-end sales.

In addition, under the situation where the COVID-19 infection spreads out and the supply chain is disrupted, FDK worked hard to continue our normal operations such as manufacturing, supply of products to customers while implementing measures to prevent spread of infection, such as work from home and work staggered hours.

Regarding the business result for this fiscal year, although the sales of Battery business decreased in Japanese and overseas consumer market due to intensified competition with Chinese companies, it was increased that business opportunities and orders of Ni-MH batteries for the industrial-use and sales of Lithium batteries for smart meter, which are positioned as a pillar of growth. Electronic Device business also decreased due to discontinuing operations of an overseas subsidiary in last fiscal year and transferring part of the Electronic Device business. As a result, sales was 62,123 million yen, decreased by 9,989 million yen (-13.9%) from the last fiscal year.

With regard to the profit and loss, the Battery business decreased its profit from the same period of last year due to sales decrease of Ni-MH batteries and Alkaline batteries in consumer market in spite of effort for cost reduction. On the other hand, Electronic Device business decreased its loss from the same period of last year because of the effect by “selection and concentration” such as switching to high value-added products and reduction of fixed expenses. As a result, the operating profit was 841 million yen, increased by 17 million yen from the last fiscal year. The ordinary profit was 565 million yen, decreased by 153 million yen from the last fiscal year due to a 284 million yen of loss on retirement of non-current assets. The loss attributable to owners of parent in this period was 2,340 million yen (it was 290 million yen loss attributable for owners of parent in the same period last year) due to a 745 million yen of loss on sales of businesses of part of Electronic Device business, a 331 million yen of gain on sales of investments in capital of subsidiaries and associates on the transfer of the whole equity interest in equity method affiliate, a 864 million yen of career change support program and a 1,317 million yen of impairment loss for fixed assets of subsidiaries.

The divisional sales overview is as follows.

1.2 Battery Business

Sales of Battery business totally decreased from the last fiscal year due to decrease of sales in the consumer market, though sales in industrial market and equipment business was steady.

Sales of Ni-MH batteries was same level as the last fiscal year, since decrease in Japanese and overseas consumer market was converted by increase of business opportunities and orders for the industrial-use. Sales of Alkaline batteries decreased from the last fiscal year. In spite of steady sales for industrial-use and effort to contribute to society

by responding to demand for natural disaster, Japanese and overseas consumer market decreased. Sales of Lithium batteries increased from the last fiscal year, due to sales for security and smart meters in Japan and overseas was steady, while sales for smoke detectors in Japan decreased. Equipment business was same level as the last fiscal year due to steady sales of component assembly equipment.

As a result, sales for the Battery business was 45,065 million yen, decreased by 2,697 million yen from the last fiscal year.

1.3 Electric Device business

Sales of Electric Device business decreased from the last fiscal year due to sales decrease by business transfer of part of Electronic Device business. In addition to decrease of Signal processing module for LCD by discontinuing its operations of an overseas subsidiary in last fiscal year, DC-DC power modules and Switching power supply decreased.

Sales of DC-DC power module decreased from the last fiscal year due to decrease of sales for server and storage system. Sales of Signal processing modules for LCD decreased from the last fiscal year due to sales for industrial-use and above. Sales of Switching power supply decreased from the last fiscal year due to decrease of sales for semiconductor manufacturing equipment and LCD manufacturing equipment. Sales of Toner was same level as the last fiscal year by stable demand.

As a result, sales for the Electronic Device business was 17,057 million yen, decreased by 7,292 million yen from the last fiscal year.

(2) Analysis of Financial Condition

2.1 Status of Assets, Liabilities and Net Assets

Total assets at the end of FY2019 decreased by 6,459 million yen (-11.9%) from the end of the previous fiscal year to 47,685 million yen. Current assets decreased by 3,759 million yen (-10.1%) from the end of the previous fiscal year to 33,326 million yen. Non-current assets decreased by 2,700 million yen (-15.8%) from the end of the previous fiscal year to 14,359 million yen. The principal causes for decreased current assets were a 3,128 million yen decrease in notes and accounts receivable-trade and a 764 million yen decrease in work in process, though a 328 million yen increase in cash and deposits. The principal causes for decrease non-current assets were a 247 million yen decrease in property, plant and equipment by posting an impairment loss.

Total liabilities at the end of FY2019 decreased by 2,918 million yen (-6.7%) from the end of the previous fiscal year to 40,946 million yen. Current liabilities decreased by 1,779 million yen (-4.7%) from the end of the previous fiscal year to 36,095 million yen. Non-current liabilities decreased by 1,138 million yen (-19.0%) from the end of the previous fiscal year to 4,850 million yen. The principal cause of decreased current liabilities were a 4,696 million yen decrease in notes and accounts payable-trade and a 415 million yen decrease in accounts payable-other, though a 3,209 million yen increase in electronically recorded obligations - operating and a 400 million yen increase in short-term loans payable. The principal cause of decreased non-current liabilities were a 487 million yen decrease in long-term accounts payable – other and a 379 million yen decrease in net defined benefit liability.

The interest-bearing debt decreased by 31 million yen from the end of the previous fiscal year to 19,182 million yen.

Total net assets at the end of FY2019 decreased by 3,540 million yen (-34.4%) from the end of the previous fiscal year to 6,739 million yen. The main factors for the decrease in total net assets were a 2,346 million yen decrease in capital surplus by posting a loss attributable to owners of parent and a 916 million yen decrease in foreign currency translation adjustment

2.2 Cash Flow Condition

Cash flows from operating activities increased by 2,799 million yen from the beginning of this fiscal year due to an increase in cash and cash equivalents (“cash”) by posting a depreciation and amortization, increase in notes and accounts receivable-trade and decrease in inventories, though was a decrease in cash by posting in loss before income taxes, increase in notes and accounts payable-trade and increase in net defined benefit liability (Cash flows from operating activities for the last fiscal year increased by 1,602 million yen from the beginning of the last fiscal year).

Cash flows from investment activities decreased by 2,390 million yen from the beginning of this fiscal year due to a decrease in cash by posting a payments for transfer of business and a decrease in cash by posting a purchase of

property, plant and equipment (Cash flows from investment activities for the last fiscal year decreased by 1,860 million yen from the beginning of the last fiscal year).

Cash flows from financing activities increased by 99 million yen from the beginning of this fiscal year due to an increase in cash by posting a net increase in short-term loans payable, though was a decrease in cash by posting a repayments of finance lease obligations (Cash flows from financing activities for the last fiscal year increased by 5,282 million yen from the beginning of the last fiscal year).

As a result, the balance of cash and cash equivalents on March 31, 2020 was 9,063 million yen, an increase of 328 million yen from the beginning of this fiscal year.

Ref: Changes in cash flow indicators

	FY2015	FY2016	FY2017	FY2018	FY2019
Equity ratio (%)	13.0	8.0	8.4	19.0	14.1
Market value equity ratio (%)	48.6	71.3	106.4	51.5	34.4
Debt to cash flow ratio (%)	3.2	55.8	36.1	12.0	6.9
Interest coverage ratio (%)	40.4	2.7	4.6	10.6	20.5

1. Equity ratio = Total shareholders' equity / Total assets

2. Market value equity ratio = Market capitalization / Total assets

3. Debt to cash flow ratio = Interest-bearing debt / Net cash used in operating activities

4. Interest coverage ratio = Net cash used in operating activities / Interest expense

3. Forecast for the Fiscal Year Ending March 31, 2021

FDK Group is working on Vision formulated by “FDK Group Strategy Framework 10 years’ scheme, and a first of Mid Term Business Plan “R1” in order to accomplish ”10 years’ scheme” as FDK’s “Status-to-be-in-10-years”.

In FY2020, which is the first year of Mid Term Business Plan “R1”, FDK Group stabilize the current businesses and establish growth with profit, and plan and execute various measures to proactively develop new businesses that will lead to the next generation. Furthermore, in order to realize “And Game” that satisfies all four our stakeholders, we establish Self-Disciplined Culture to team up and collaborate for customer satisfaction.

In FY2020, FDK Group will change in fundamentals of current businesses through reformations of its business structure that have been done by FY2019, and will proceed speedy with efforts toward the start of mass production of small all-solid-state SMD battery which will be the centerpiece of next-generation batteries.

As to forecast for the fiscal year ending March 31, 2021, it is yet to be determined as it is difficult to predict due to the effect of COVID-19 and our worldwide business situation.

FDK will promptly announce it as soon as the revision is necessary upon collecting various information including market trends.