

March 27, 2009

**FDK CORPORATION**

President &amp; CEO: Toshiharu Sugimoto

Stock exchange listing: The 1<sup>st</sup> Section of Tokyo Stock Exchange

Stock code: 6955

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E-mail: [niida@fdk.co.jp](mailto:niida@fdk.co.jp)**Allocation of new shares to a third party and a change in its parent company**

Following a meeting today of its Board of Directors, FDK Corporation (“the Company”) announced that the Company made a resolution about the allocation of new common shares of the Company to a third party.

In addition, by this allocation of new common shares, the Company announced a change in its parent company to Fujitsu Limited (“Fujitsu”).

**I . The issue of new common shares to a third party****1. Purpose of the issue of new common shares to a third party**

The company has proceeded to concentrate on its core competencies in the power and high frequency areas in accordance with the Group’s New Policies and Strategies for Growth, its management direction to cope with the drastic changes in market environment that was announced in January, 2008. However, in addition to the losses posted in the past were newly emerging losses in the current fiscal year caused by the global recession, leaving the company with excessive debt in the 3<sup>rd</sup> quarter due to its deteriorating net worth.

In response, the Company worked on implementing structural reform, while at the same time it considered various measures to bolster its financial strength and improve management strength. Fujitsu, the largest shareholder of the Company, agreed to the Company’s restructuring plan and, as a result, the Company and Fujitsu made a basic agreement as to the issuance of new common shares of the Company to a third party.

(1)Number of new common shares to be issued	89,430,000 shares
(2)Issue price	123 yen (per share)
(3)Total amount issued	10,999,890,000 yen
(4)Total amount capitalized	5,544,660,000 yen
(5)Method of offering or allotment	Issuance of new shares by third party allotment
(6)Subscription date	April 30, 2009
(7)Payment date	May 1, 2009
(8)The target and number of allocation	Fujitsu Limited 89,430,000 shares
(9)Restrictions on transfer	

If the allocated company transfers all or some of the new common shares within 2 years from the issuing date, the allocated company should provide notice to the Company about its transaction by letter.

(10)Each item above is conditioned upon the effectiveness of the filing of the Financial Instruments and Exchange Law.

## 2. Amount of Capital to be Raised and Use of Proceeds

## (1) Amount of Capital to be Raised

10,999,890,000 yen

## (2) Detailed Use of Proceeds

The newly raised capital from the issuance of new shares will be used for the repayment of debt from financial institutions in order to improve balance sheets

## (3) Timing of Use of Proceeds

From May, 2009

## 3. Financial Performance and Equity Finance for the Past Three Years

## (1) Financial Performance for the Past Three Years (Consolidated)

(Million Yen)

Fiscal Year Ended	March 31, 2006	March 31, 2007	March 31, 2008
Net Sales	118,109	121,537	113,668
Operating Income	967	1,235	1,909
Net Income (Loss)	△ 3,326	130	△ 3,105
Net Income (Loss) per Share On a fully diluted Basis (yen)	△ 26.00	1.02	△ 24.28
Dividend per Share (yen)	-	-	-
Net Asset per Share (yen)	△ 36.42	△ 32.86	△ 66.22

## (2) Recent Movement of the Share Price of FDK Corporation

## (i) Share Price for the Past Three Years

(Yen)

	March 31, 2006	March 31, 2007	March 31, 2008
Opening Price	210	235	169
Highest Price	292	250	218
Lowest Price	157	155	87
Closing Price	235	168	116

## (ii) Share Price for the Past Six Months

(Yen)

	September	October	November	December	January	February
Opening Price	139	109	85	107	131	132
Highest Price	145	113	139	119	228	162
Lowest Price	99	64	84	91	130	110
Closing Price	108	82	105	109	168	126

## (3) The Equity Finance Being Proposed

## New Shares Issued by Third Party Allotment

Timing of Issuance	May 1, 2009
Amount of Funds to be Obtained	10,999,890,000 yen (Issue price 123 yen)
Outstanding Shares prior to Offering	Common shares 128,075,884 1 <sup>st</sup> Preferred shares 10,000,000 2 <sup>nd</sup> Preferred shares 17,500,000
Shares To be Issued This Time	89,430,000
Outstanding Shares after Offering	Common shares 217,505,884 1 <sup>st</sup> Preferred shares 10,000,000 2 <sup>nd</sup> Preferred shares 17,500,000
Allottee	Fujitsu Limited

**4. Issue price**

The issue price(123 yen) was determined to refer the average daily closing price of a common share of the Company in ordinary trading at the Tokyo Stock Exchange during a month proceeding the Board of Directors meeting made a resolution to allocate new shares.

**5.Changes in the Company's capital**

( Yen)

	Capital
Before	22,756,561,513
After	28,301,221,513

**II.Changes in the parent company****1. Reason for change**

New common shares in the amount of 89,430,000 will be allocated to Fujitsu after approval by the board meeting on March 27, 2009. By this allocation, FDK becomes a subsidiary of Fujitsu as follows.

**2. Outline of the new parent company****(1)Outline of the concerned share holder**

Name: Fujitsu Limited

**(2)Numbers of voting rights of Fujitsu Limited after the allocation**

	Voting right	Ratio against total voting right	Rank order
Before the allocation	50,667	39.79%	1
After the allocation	140,097	64.41%	1

**(3)Due date : May 1, 2009**