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Securities Code: 6955, Second Section
Tokyo Stock Exchange
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Announcement of basic agreement concerning the transfer of shares of SANYO Energy Twicell Co., Ltd. and SANYO Energy Tottori Co., Ltd. to FDK Corporation

FDK Corporation (“FDK”) announces as set out in this notice, that at its board of directors meeting held today, it resolved to enter into an agreement with SANYO, and a basic agreement has been reached concerning the transfer to FDK of all shares of SANYO owned SANYO Energy Twicell Co., Ltd. (“SANYO Energy Twicell”), which manufactures nickel-metal hydride batteries, and SANYO Energy Tottori Co., Ltd. (“SANYO Energy Tottori”), which manufactures cylindrical type primary lithium batteries and coin-type rechargeable batteries, as follows:

1. Reason for the acquisition of shares

FDK manufactures batteries, which has been a part of business since its foundation, and electric devices which utilize its competitive material technology. FDK has been seeking new battery product lines to extend its battery business, though its battery business, based mainly on alkaline batteries, is very competitive and the core sources of revenue of the company.

On the other hand, SANYO has been seeking a third party to accept transfer of part of its battery business, as SANYO is required to do based on information obtained through consultations with multilateral competition law authorities of many countries, in response to a takeover bid (“TOB”) of SANYO by Panasonic Corporation..

Taking the background of both companies into consideration, FDK and SANYO reached a basic agreement today, after deliberations of the both parties.

2. Transaction summary

I. SANYO Energy Twicell Co., Ltd.

SANYO Energy Twicell, wholly owned subsidiary by SANYO, inherits the business of SANYO’s nickel metal hydride batteries, except for automobile use, as a result of an absorption-type split. SANYO transfers the business of SANYO Energy Twicell, except for nickel metal hydride batteries for automobile use, to a new company through an incorporation-type company split. SANYO transfers all shares of SANYO Energy Twicell to FDK after these corporate actions.

II. SANYO Energy Tottori Co., Ltd.

SANYO Energy Tottori, wholly owned subsidiary by SANYO, inherits the business of SANYO’s cylindrical primary lithium batteries and coin-shaped rechargeable batteries, as a result of absorption-type split. SANYO transfers all shares of SANYO Energy Tottori to FDK after this corporate action.

3. The corporate profiles of SANYO Energy Twicell & SANYO Energy Tottori

I. The corporate profile of SANYO Energy Twicell(as of March 31, 2009)

(1) Corporate Name	SANYO Energy Twicell Co., Ltd.		
(2) Head Office	307-2, Koyagimachi, Takasaki-City, Gunma, Japan		
(3) Representative	Noriyuki Miyazaki, President and Director		
(4) Business	Manufacture of nickel-metal hydride batteries and lithium-ion batteries		
(5) Capital	2,000 million yen		
(6) Established	April 2, 1990		
(7) Major Shareholder	SANYO Electric Co., Ltd. (100%)		
(8) Relationships between FDK and SANYO Energy Twicell	Capital relationship	FDK and SANYO Energy Twicell do not have any significant capital relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant capital relationship with SANYO Energy Twicell's persons and its subsidiaries and affiliates.	
	Personnel relationship	FDK and SANYO Energy Twicell do not have any significant personnel relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant personnel relationship with SANYO Energy Twicell's persons and its subsidiaries and affiliates.	
	Transactional relationship	FDK and SANYO Energy Twicell do not have any significant transactional relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant transactional relationship with SANYO Energy Twicell's persons and its subsidiaries and affiliates.	
(9) Financial position and operating results of SANYO Energy Twicell over last three years (Million Yen)			
Fiscal period	Year ended March 2007	Year ended March 2008	Year ended March 2009
Net Assets	2,246	2,478	2,686
Total Assets	14,224	16,082	11,844
Net Assets per Share(yen)	52,354.31	57,762.24	62,610.72
Net Sales	27,469	32,614	29,805
Operating Income	298	783	449
Net Income	80	232	208
Net Income per Share (yen)	1,864.80	5,407.93	4,848.48
Cash Dividends per Share(yen)	0.00	0.00	933.00

(Note 1) Financial position above does not include effects on the sink decomposition and incorporation-type company split between SANYO to SANYO Energy Twicell prior to the basic agreement. Total Assets of SANYO Energy Twicell is expected to be 139 million yen after sink decomposition. Net Assets of the Company is expected to be 59 million yen after sink decomposition.

II. The corporate profile of SANYO Energy Tottori (as of March 31, 2009)

(1) Corporate name	SANYO Energy Tottori Co., Ltd.		
(2) Head Office	28, Oota, Iwami-cho, Iwami-Gun, Tottori, Japan		
(3) Representative	Satoru Fukuoka, President and Director		
(4) Line of business	Manufacture and sale of lithium batteries, and manufacturing of electrode plates for nickel-cadmium batteries.		
(5) Capital	450 million yen		
(6) Established	March 17, 1982		
(7) Major Shareholder	SANYO Electric Co., Ltd. (100%)		
(8) Relationships between the Company and SANYO Energy Tottori	Capital relationship	FDK and SANYO Energy Tottori do not have any significant capital relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant capital relationship with SANYO Energy Tottori's persons and its subsidiaries and affiliates.	
	Personnel relationship	FDK and SANYO Energy Tottori do not have any significant personnel relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant personnel relationship with SANYO Energy Tottori's persons and its subsidiaries and affiliates.	
	Transactional relationship	FDK and SANYO Energy Tottori do not have any significant transactional relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant transactional relationship with SANYO Energy Tottori's persons and its subsidiaries and affiliates.	
(9) Financial position and operating results of SANYO Energy Tottori over last three years	(Million Yen)		
Fiscal period	Year ended March 2007	Year ended March 2008	Year ended March 2009
Net Assets	340	603	575
Total Assets	3,539	3,594	2,978
Net Assets per Share(yen)	37,797.84	67,038.07	63,895.98
Net Sales	10,019	9,570	8,993
Operating Income(Loss)	546	217	(49)
Net Income(Loss)	160	263	(28)
Net Income per Share (yen)	17,732.17	29,240.23	(3,142.09)
Cash Dividends per Share(yen)	0.00	0.00	1,000.00

(Note 1) Financial position above does not include effects on sink decomposition between SANYO to SANYO Energy Tottori prior to the basic agreement. Total Assets of SANYO Energy Tottori is expected to be 99 million yen after sink decomposition. Net Assets of the Company is expected to be 65 million yen after sink decomposition.

4. The corporate profile of SANYO (as of March 31, 2009)

(1)	Corporate name	SANYO Electric Co., Ltd.																							
(2)	Head office	5-5, Keihan-Hondori 2-Chome, Moriguchi City, Osaka, Japan																							
(3)	Representative	Seiichiro Sano, Executive Director & President																							
(4)	Line of business	Manufacture and sale of various types of electrical machinery and equipment.																							
(5)	Capital	322,242 million yen																							
(6)	Established	April 1, 1950																							
(7)	Net Assets	146,454 million yen(consolidated)																							
(8)	Total Assets	1,345,403 million yen(consolidated)																							
(9)	Major shareholders and share holding ratio	<p>(Common Share)</p> <table border="0"> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account 4G)</td> <td>2.34%</td> </tr> <tr> <td>SANYO Electric Employees Shareholders' Association</td> <td>1.38%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account G)</td> <td>1.34%</td> </tr> <tr> <td>Sumitomo Mitsui Banking Corporation</td> <td>1.18%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>1.07%</td> </tr> </table> <p>(Class A Preferred Share)</p> <table border="0"> <tr> <td>Evolution Investments Co., Ltd</td> <td>24.47%</td> </tr> <tr> <td>Oceans Holdings Co., Ltd.</td> <td>24.47%</td> </tr> <tr> <td>Sumitomo Mitsui Banking Corporation</td> <td>0.80%</td> </tr> </table> <p>(Class B Preferred Share)</p> <table border="0"> <tr> <td>Evolution Investments Co., Ltd</td> <td>—</td> </tr> <tr> <td>Oceans Holdings Co., Ltd.</td> <td>—</td> </tr> <tr> <td>Sumitomo Mitsui Banking Corporation</td> <td>—</td> </tr> </table> <p>*Percentage of voting shares (Class B Preferred Shares does not include voting shares.)</p>		Japan Trustee Services Bank, Ltd. (Trust Account 4G)	2.34%	SANYO Electric Employees Shareholders' Association	1.38%	Japan Trustee Services Bank, Ltd. (Trust Account G)	1.34%	Sumitomo Mitsui Banking Corporation	1.18%	Nippon Life Insurance Company	1.07%	Evolution Investments Co., Ltd	24.47%	Oceans Holdings Co., Ltd.	24.47%	Sumitomo Mitsui Banking Corporation	0.80%	Evolution Investments Co., Ltd	—	Oceans Holdings Co., Ltd.	—	Sumitomo Mitsui Banking Corporation	—
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(10)	Relationship between FDK and SANYO	Capital relationship	FDK and SANYO do not have any significant capital relationship. Also, FDK's related persons, its subsidiaries and affiliates do not have any significant capital relationship with SANYO's persons and its subsidiaries and affiliates.																						
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		Status of concerned parties	SANYO is not a concerned party of FDK. Also, SANYO's related persons, subsidiaries, and affiliates do not include any concerned parties of FDK.																						

5. Details of the transfer of shares, cost of transferring, and ownership of shares before and after transferring

I . SANYO Energy Twicell

(1) Ownership of shares before transferring	None (Number of Voting Shares : None) (Ownership Percentage : 0.0%)
(2) Transfer of shares	42,900 shares (Number of Voting Shares : 42,900) (Cost of Transferring : 3,360 million yen)
(3) Ownership of shares after transferring	42,900 shares (Number of Voting Shares : 42,000) (Ownership Percentage : 100.0%)

II . SANYO Energy Tottori

(1) Ownership of shares before transferring	None (Number of Voting Shares : None) (Ownership Percentage : 0.0%)
(2) Transfer of shares	9,000 shares (Number of Voting Shares : 9,000) (Cost of Transferring : 3,040 million yen)
(3) Ownership of shares after transferring	9,000 shares (Number of Voting Shares : 9,000) (Ownership Percentage : 100.0%)

6. Schedule

October 28, 2009 Meeting of the Board of Directors authorizing conclusion of Basic Agreement

October 28, 2009 Conclusion of Basic Agreement

The contract day of share transfer agreement is still up in the air.

(Note 1) The above schedule is on the share transactions of SANYO Energy Twicell and SANYO Energy Tottori to FDK.

(Note 2) This transaction is conditional on the permission required for the Tender Offer being obtained from the relevant competition law authorities and on the successful closing of the Tender Offer. Although, we received permission from some competition law authorities, we do not know if and when we can receive permission from the other authorities.

It is not certain whether other competition law authorities will authorize the TOB, although some authorities have already authorized it.

(Note 3) The transfer of shares of SANYO Energy Twicell and SANYO Energy Tottori to FDK is to be held at the same time. However, the date of share transfer of these 2 companies to FDK may differ if the any one of above conditions (Note 2) is not executed

7. Future Prospects

By the completion of this transaction, FDK will own all shares of SANYO Energy Twicell and SANYO Energy Tottori, which will be FDK's consolidated subsidiaries. By acquiring nickel-metal hydride batteries, cylindrical primary lithium batteries and coin-shaped rechargeable batteries by this transaction, FDK will manufacture the majority of the types of batteries used by consumers. FDK can extend product line-ups and sales channels and strengthen its over-all battery business.

Regarding the impact on this transaction to FDK's Consolidated Business Result for FY2009 ended March 31, 2010, please refer to the "Announcement of the Revised Financial Forecast and Implementation of Business Structural Reform" announced on October 28, 2009.