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FDK CORPORATION
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Announcement of the Revised Financial Forecast and Extraordinary Profit and Loss

Based on the recent business performance, FDK CORPORATION has decided to revise the Company's financial forecast for the fiscal year ending March 31, 2017, which was announced on October 26, 2016.

And FDK announces extraordinary profit and extraordinary loss to be counted into financial forecast for the fiscal year ending March 31, 2017.

1. Revision of financial forecast for FY2016 (from Apr. 1, 2016 to Mar. 31, 2017): consolidated basis

(Million yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income Per Share
October 26, 2016 (A)	75,000	200	-200	10	0.04yen
April 13, 2017 (B)	73,500	-350	-700	-3,200	-11.42yen
Difference (B)-(A)	-1,500	-550	-500	-3,210	
Rate of difference (%)	-2.0	-	-	-	
(Ref.): Financial Results of FY2015	80,745	1,580	658	167	0.60yen

2. Reasons for revision

FDK Group ("FDK") seeks to contribute to society as "an Energy Management Manufacturer" based on Batteries and Electronic Devices, and Battery System exploiting both technologies.

In such situation, it is forecasted that the sales amount and operating income in Electronic Devices Business decrease compared with the last forecast due to slumping of the market such as LCD and DSC, and tough competition in the coil device market for consumer and industrial use, although Battery Business is steady due to increase of Alkaline batteries, Ni-MH batteries and Lithium batteries market and the progress of technical development along the market demand.

Therefore, FDK decides to revise the financial forecast for FY2016 which was announced on October 26, 2016 like above. This revise includes extraordinary loss by Loss on retirement of non-current assets in Electronic Devices Business.

3. Extraordinary profit

(1) Subsidy income

480 million Japanese Yen is forecasted to count into an extraordinary profit in Lithium battery business in 4th quarter which is a subsidy income by Tottori prefecture's and Iwami town's supporting for establishing new business facilities and creating regular employment.

This extraordinary profit does not impact to the revised financial forecast this time because it was already counted into previous forecast announced on October 26, 2016.

4. Extraordinary loss

(1) Loss on retirement of non-current assets

In the result of studying the possibility of returning in future for fixed assets in Electronic Devices Business based on “Accounting standard of the impairment loss for fixed assets”, 2,400 million Japanese Yen is forecasted to count into the extraordinary loss as an impairment loss decreasing the book value to the possible amount to be returned in 4th quarter.

(2) Loss on valuation of investments in capital of subsidiaries and associates

170 million Japanese Yen of Loss on valuation of investments in capital of subsidiaries and associates is forecasted to count as an extraordinary loss judging that the possibility of recovery is low due to big decrease of actual amount in 4th quarter.

This Loss on valuation of investments in capital of subsidiaries and associates does not impact to the consolidated profit and loss due to elimination in consolidated statement.

FDK seeks to expand Battery business by proceeding the technical development along market demand continuously. And in Electronic Devices Business FDK concentrates to Power supply business which is the core of “Energy management”, devices to respond to high output and low loss required by car component devices market growing rapidly, and the small size & high output power devices expected to increase in the smartphone market by proceeding the selection and concentration and by FDK’s characteristic ability of development of new products from low material.

(Remarks)

The information indicated above is calculated based on the information which is presently available and may contain some inaccurate elements. Therefore, the actual results may differ greatly from the forecasts indicated in this release due to some changes in business conditions.