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Editorial policy

FDK Group issued the Environmental Report of the March 2001 Edition six years ago, as its first official environmental report. The report was renewed as 'FDK Group Social and Environmental Report' in 2006 to include not only how the FDK Group is committed to preserve the environment but how it performs its corporate social responsibility. This year marks the second issue of it.

The new version of report contains full of figures, tables, graphs and pictures to explain its efforts for realizing a sustainable society in an easy-to-understand manner. In its environmental report section, each environmental action made by the FDK Group is explained in each page as a unit, so that accomplishments can be easily compared and understood against each environmental target.

The report is edited in accordance with the 'Sustainability Reporting Guideline Ver. 3.0' of GRI (Global Reporting InitiativeTM), 'Environmental Reporting Guideline, 2003 Edition' by the Ministry of Environment and other criteria.

The report will be issued periodically once a year, and intends to maintain bilateral communication with readers. From this issue, paper-based questionnaire is abolished and only internet questionnaire is conducted, to reduce paper consumption. We are happy to receive your valuable opinions and comments on our reports through the questionnaires.

Target Readers

The target readers of this report include customers, suppliers, investors, shareholders and employees of the FDK Group as well as other stakeholders such as local residents, and administrations.

URL

〈Environmental Activities of the FDK Group〉
http://www.fdk.com/company_e/kankyou_index-e.html
〈The FDK Group Social and Environmental Report Questionnaire fax or letter using an enclosed questionnaire.〉
http://www.fdk.com/company_e/2007_guestion-e.html

Scope of the Report

Applicable Periods

All information and data are applicable for activities and achievements initiated and obtained during FY2006 (April 1, 2006 – March 31, 2007), except for past data and performance information as well as some data up to July 2007 used for the purpose of comparing them with the current data and results.

Organizations covered

All three plants in FDK CORPORATION and 13 major subsidiaries. FDK CORPORATION: Kosai Plant, Sanyo Plant, and Iwaki Plant

Major subsidiaries:

(Six subsidiaries in Japan)

FDK ENERGY CO., LTD.,

FDK ENGINEERING CO., LTD.,

FUJIDENKA RESEARCH AND ANALYSIS CENTER CO., LTD.,

FDK ECOTEC CO., LTD.

(Seven subsidiaries in Overseas)

FUCHI ELECTRONICS CO., LTD.,

FDK LANKA (PVT) LTD.,

SHANGHAI FDK CORPORATION,

SUZHOU FDK CO., LTD.,

FDK (THAILAND) CO., LTD.

Scope of collation

The scope of the performance data including the global warming prevention, waste reduction and chemical substance elimination was from FDK CORPORATION and its major domestic subsidiaries. The numerical data on overseas manufacturing bases were partially described in Site Report.

Number of Sites of the FDK Group and the Scope of this Report

| Category | | Sites | Consolidat ed Companies | Scope of this Report | Data Collected | |
|----------|---------------------------------|-------|-------------------------------|-------------------------|------------------|-----------------|
| Japan | FDK Plants | 3 | _ | 3 | 3 | |
| | FDK Offices | 9 | | 9 | 0 | |
| | (Head Office and Sales Offices) | | _ | 9 | U | |
| | Group Companies | 6 | 4 | 6 | 6 | |
| Overseas | Group Companies | 9 | | 8 | 7* | (Site Report 7) |
| | (Production Sites) | | 0 | / | (orte rieport 7) | |
| | Group Companies | 5 | 4 | 0 | 0 | |
| | (Sales Sites) | | 4 | U | 0 | |

* FDK TATUNG (THAILAND) CO., LTD. (Thailand) is one of the consolidated companies, however, it stopped the production activities since FY2005. Therefore the company is not covered in this report.