

**Consolidated Financial Results for the First Half of FY2023
(April 1, 2023 to September 30, 2023)**

FDK CORPORATION(URL: <https://www.fdk.com>)

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 The Consolidated Financial Results is unaudited/U.S. GAPP is not applied

1. Consolidated Results for the Six-Months Period Ended September 30, 2023**a. Consolidated Statements of Income**

	Yen (millions)			Change (%)	Yen (millions)
	Six months ended Sept. 30, 2022	Six months ended Sept. 30, 2023			FY2022, ended Mar. 31, 2023
	Net Sales	31,734	30,246		△ 4.7
Operating Profit (Loss)	670	△ 76	-	789	
Ordinary Profit	839	136	△ 83.8	851	
Profit (Loss) attributable to owners of parent	583	△ 35	-	318	

Amounts Per Share of Common Stock:

Basic Earnings	16.91 yen	△ 1.03 yen	9.22 yen
Diluted Earnings	- yen	- yen	- yen

b. Net Sales by Business Segment

	Yen (millions)	Yen (millions)	Yen (millions)
	Six months ended Sept. 30, 2022	Six months ended Sept. 30, 2023	FY2022, ended Mar. 31, 2023
	Batteries	21,299	22,519
Electronic Devices	10,434	7,727	20,620
Total	31,734	30,246	62,784

c. Consolidated Financial Position

	Yen (millions)	
	As of March 31, 2023	As of Sept. 30, 2023
	Total Assets	47,130
Net Assets	13,196	14,080
Owners' Equity	13,190	14,074
Capital Adequacy Ratio	28.0 %	28.9 %

d. Consolidated Statements of Cash Flows

	Yen	
	(millions)	
	Six months ended Sept. 30, 2022	Six months ended Sept. 30, 2023
Cash Flows from Operating Activities	1,416	△ 314
Cash Flows from Investing Activities	△ 1,065	△ 1,383
Cash Flows from Financing Activities	△ 573	1,582
Cash and Cash Equivalents at End of Period	2,793	2,641

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

1. All amounts less than one million yen have been disregarded.
2. The percentage in this statement presents rate of change compared with the same period last year.

2. Consolidated Forecast for the year ending March 31, 2024

(Million of yen, except per share data)

	FY2023	Change from FY2022	FY2022
Net Sales	65,000	3.5 %	62,784
Operating Profit	500	△ 36.7 %	789
Ordinary Profit	400	△ 53.0 %	851
Profit attributable to owners of parent	100	△ 68.6 %	318
Basic Earnings Per Share	2.90 yen	- yen	9.22 yen

(Note for the use of the above forecasted business results)**The financial forecast described above is based upon information available as of April 26, 2023.****3. Others**

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023: No**
- (2) Applying of specific accounting of the consolidated quarterly financial statements: No**
- (3) Changes in accounting policies, accounting estimates, and retrospective restatement**
 - 1) Changes in accounting policies based on revisions of accounting standard: No
 - 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
- (4) Number of issued and outstanding shares (common stock)**
 - 1) Number of issued and outstanding shares at the end of fiscal year. (including treasury stock)

September 30, 2023: 34,536,302 shares	March 31, 2023: 34,536,302 shares
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 - 2) Number of treasury stock at the end of each period

September 30, 2023: 30,420 shares	March 31, 2023: 30,232 shares
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 - 3) Average number of shares in each period.

September 30, 2023: 34,505,975 shares	September 30, 2022: 34,506,435 shares
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(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

	FY2022	FY2023
	Mar 31, 2023	Sep 30, 2023
Assets		
Current assets		
Cash and deposits	2,571	2,641
Notes and accounts receivable - trade, and contract assets	16,222	18,263
Merchandise and finished goods	2,965	3,127
Work in process	3,118	3,217
Raw materials and supplies	4,843	4,975
Other	2,135	1,405
Allowance for doubtful accounts	△ 32	△ 36
Total current assets	31,822	33,594
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,496	5,346
Machinery, equipment and vehicles, net	5,424	5,179
Tools, furniture and fixtures, net	1,009	1,146
Land	2,184	2,190
Leased assets, net	76	71
Construction in progress	286	359
Total property, plant and equipment	14,478	14,292
Intangible assets	412	388
Investments and other assets		
Investment securities	193	219
Deferred tax assets	42	38
Other	179	214
Total investments and other assets	415	472
Total non-current assets	15,307	15,153
Total assets	47,130	48,747
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,752	10,241
Electronically recorded obligations - operating	4,656	4,117
Short-term borrowings	12,140	13,760
Lease liabilities	63	66
Accounts payable - other	1,459	1,459
Income taxes payable	499	329
Other	2,357	1,878
Total current liabilities	30,928	31,853
Non-current liabilities		
Lease liabilities	20	9
Deferred tax liabilities	381	383
Retirement benefit liability	1,984	1,800
Long-term accounts payable - other	162	161
Other	456	458
Total non-current liabilities	3,005	2,813
Total liabilities	33,933	34,666
Net assets		
Shareholders' equity		
Share capital	31,709	31,709
Capital surplus	26,225	26,225
Retained earnings	△ 45,114	△ 45,149
Treasury shares	△ 50	△ 50
Total shareholders' equity	12,769	12,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34	50
Foreign currency translation adjustment	1,825	2,555
Remeasurements of defined benefit plans	△ 1,439	△ 1,264
Total accumulated other comprehensive income	420	1,340
Non-controlling interests	6	6
Total net assets	13,196	14,080
Total liabilities and net assets	47,130	48,747

Consolidated Statement of Income
Millions of yen

	FY2022	FY2023
	Apr'22-Sep'22	Apr'23-Sep'23
Net sales	31,734	30,246
Cost of sales	26,408	25,710
Gross profit	5,325	4,535
Selling, general and administrative expenses	4,654	4,612
Operating profit (loss)	670	△ 76
Non-operating income		
Interest income	6	33
Dividend income	25	21
Subsidy income	37	-
Foreign exchange gains	240	195
Gain on sale of non-current assets	3	3
Rental income	9	18
Other	33	20
Total non-operating income	356	291
Non-operating expenses		
Interest expenses	50	57
Loss on retirement of non-current assets	130	15
Other	6	6
Total non-operating expenses	187	78
Ordinary profit	839	136
Extraordinary income		
Subsidy income	200	128
Total extraordinary income	200	128
Extraordinary losses		
Impairment losses	44	57
Total extraordinary losses	44	57
Profit before income taxes	994	207
Income taxes-current	214	242
Income taxes-deferred	196	0
Total income taxes	410	243
Profit (loss)	584	△ 35
Profit (loss) attributable to non-controlling interests	0	△ 0
Profit (loss) attributable to owners of parent	583	△ 35

Consolidated Statement of Comprehensive Income
Millions of yen

	FY2022	FY2023
	Apr'22-Sep'22	Apr'23-Sep'23
Profit (loss)	584	△ 35
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 12	15
Foreign currency translation adjustment	733	729
Remeasurements of defined benefit plans, net of tax	139	174
Total other comprehensive income	860	919
Comprehensive income	1,444	884
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,443	884
Comprehensive income attributable to non-controlling interests	0	△ 0

Consolidated Statement of Cash Flows
Millions of yen

	FY2022	FY2023
	Apr'22-Sep'22	Apr'23-Sep'23
Cash flows from operating activities		
Profit before income taxes	994	207
Depreciation	1,127	1,196
Impairment losses	44	57
Increase (decrease) in retirement benefit liability	△ 193	△ 184
Increase (decrease) in allowance for doubtful accounts	△ 3	0
Interest and dividend income	△ 31	△ 55
Interest expenses	50	57
Foreign exchange losses (gains)	△ 4	△ 0
Loss (gain) on sale of property, plant and equipment	△ 3	△ 3
Loss on retirement of non-current assets	130	15
Subsidy income	△ 237	△ 128
Decrease (increase) in trade receivables	726	△ 1,374
Decrease (increase) in inventories	103	△ 155
Increase (decrease) in trade payables	△ 1,233	△ 540
Increase (decrease) in accrued expenses	△ 85	△ 292
Other, net	325	1,316
Subtotal	1,711	117
Interest and dividends received	31	55
Subsidies received	37	-
Interest paid	△ 52	△ 59
Income taxes paid	△ 311	△ 427
Net cash provided by (used in) operating activities	1,416	△ 314
Cash flows from investing activities		
Purchase of property, plant and equipment	△ 1,037	△ 1,381
Proceeds from sale of property, plant and equipment	4	6
Purchase of intangible assets	△ 27	△ 8
Purchase of investment securities	△ 2	△ 2
Other, net	△ 2	2
Net cash provided by (used in) investing activities	△ 1,065	△ 1,383
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△ 540	1,620
Purchase of treasury shares	△ 0	△ 0
Repayments of finance lease liabilities	△ 33	△ 37
Net cash provided by (used in) financing activities	△ 573	1,582
Effect of exchange rate change on cash and cash equivalents	252	186
Net increase (decrease) in cash and cash equivalents	30	70
Cash and cash equivalents at beginning of period	2,763	2,571
Cash and cash equivalents at end of period	2,793	2,641

Consolidated Business Segment Information

Millions of yen

FY2022 Apr'22-Sep'22

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Japan	10,903	8,420	19,323	-	19,323
Asia	3,991	2,013	6,005	-	6,005
Americas	2,065	-	2,065	-	2,065
Europe	4,292	-	4,292	-	4,292
Other	47	-	47	-	47
Revenue from contracts with customers	21,299	10,434	31,734	-	31,734
Other revenue	-	-	-	-	-
Unaffiliated customers	21,299	10,434	31,734	-	31,734
Intersegment	-	-	-	-	-
Total	21,299	10,434	31,734	-	31,734
Segment profit	289	381	670	-	670

FY2023 Apr'23-Sep'23

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Japan	11,144	6,130	17,275	-	17,275
Asia	3,508	1,570	5,078	-	5,078
Americas	2,705	-	2,705	-	2,705
Europe	5,131	26	5,157	-	5,157
Other	29	-	29	-	29
Revenue from contracts with customers	22,519	7,727	30,246	-	30,246
Other revenue	-	-	-	-	-
Unaffiliated customers	22,519	7,727	30,246	-	30,246
Intersegment	-	-	-	-	-
Total	22,519	7,727	30,246	-	30,246
Segment profit (loss)	△ 215	138	△ 76	-	△ 76