Message from the President

Committed toward Achieving a Sustainable Society, FDK Practices Environmental Management to Make Social Contributions through Our *Monozukuri**.

Toward Achieving a Sustainable Society

In recent years, the FDK Group has experienced extremely rapid changes in its business environment. These changes include global competition and alliances among manufacturers, raw material price hikes, developments in energy, resource, and environmental problems, and growing public concern over corporate social responsibility.

We believe that we should open our mind to these changes in order to achieve sustainable development.

We will consolidate our business foundation and make committed efforts and strive for improvements to ensure the continued growth of our Group. In so doing, we will develop a range of activities to help achieve a sustainable society.

Announced at the end of January 2008, the "New Policy and Measures for the Further Growth of the FDK Group" aim at the achievement of sustainable development and the opening up of new possibilities to cope with increasing competition in the globalized and borderless business environment.



Toshiharu Sugimoto President & CEO FDK CORPORATION

* Monozukuri: a Japanese term referring to manufacturing characterized by creativity, innovation, and precision

Contributing to Society through Monozukuri

Following the new policy and measures for growth, the FDK Group will make itself even more competitive by making the most of the unique material technology and other technologies we have developed since our foundation.

Our motto "Contributing to society through *monozukuri* (see footnote on page 3)" involves two goals: first, we will pursue the 3Es (energy security, environmental conservation, and economic efficiency) to build a sustainable society; second, we aim to help develop ubiquitous computing (whenever, wherever, whatever, and whoever) to enrich people's lives even further.

In addition to developing distinctive products and technology, we will work on production innovation in all areas of our business to shift to a highly profitable structure, which will ensure the sustainable growth of the Group.



3Es for Building a Sustainable Society

Environmental Management

Humanity faces the pressing need to resolve environmental issues, including global warming. During the G8 Hokkaido Toyako summit, Japan, in July 2008, the G8 leaders defined environmental and climate protection as one of the key issues that humanity must face and resolve. Since early on, the FDK Group has seen environmental problems as one of the key challenges of our business. With the slogan, "FDK Group Loves Nature for the Future of the Earth," we have strived to achieve sustainable society in which business interests can exist in harmony with environmental conservation.

We have founded two group companies specializing in environmental measurement/analysis, environmental consultation and recycling. Through the operations of these environmental business companies, we have developed environmental solutions while seeking business opportunities related to environmental issues. Since 2007, the entire Group has been implementing its Fourth Environmental Action Plan. As an electronic component and battery manufacturer, we have, thus, been focusing on product-related measures, such as reducing CO₂ emissions during use and saving resources during production.

This report summarizes our social and environmental activities for fiscal 2007 and will help you understand our commitment in these areas. The FDK Group appreciates your continued support.