### Consolidated Financial Results for the First Half of FY2011

(April 1, 2011 to September 30, 2011)

### FDK CORPORATION

(URL: http://www.fdk.com)

 $Listing\ Code\ No.6955\ (Listing\ Stock\ Exchange:\ The\ Second\ Section\ of\ Tokyo\ Stock\ Exchange)$ 

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

### 1. Consolidated Operating Results for the Six-Months Ended September 30, 2011

### a. Consolidated Results of Operations

	Yen (millions)		Yen (millions)	U.S.Dollars (millions)	
	Sx months ended Sept.30 2011	Sx months ended Sept.30 2010	FY2010, ended Mar. 31, 2011	Sx months ended Sept.30 2011	
Net Sales	41,836	49,793	94,431	\$545.95	
Operating Income	251	2,971	4,396	\$3.28	
Income(Loss) Before Income Taxes and Minority Interests	8	2,413	3,835	\$0.10	
Net Income (Loss)	(134)	1,112	2,571	(\$1.75)	
Amounts Per Share of Common Stock	k:				
Basic Earnings (Loss) Diluted Earnings	(0.62) yen	5.12 yen	11.83 yen	(0.80) cent	

### b. Net Sales by Business Segment

	Yen	Yen	Yen	U.S.Dollars
	(millions)	(millions)	(millions)	(millions)
	Sx months	Sx months	FY2010,	Sx months
	ended Sept.30	ended Sept.30	ended Mar. 31,	ended Sept.30
	2011	2010	2011	2011
Batteries	26,902	29,272	57,651	\$351.06
Electronic Devices	14,933	20,520	36,779	\$194.87
Total	41,836	49,793	94,431	\$545.95

### c. Consolidated Financial Position

	Yen				
	(millions)				
	As of Sept. 30,	As of Mar. 31,			
	2011	2011			
Total Assets	57,602	58,958			
Total Net Assets	4,203	4,998			
Shareholders' Equity	6,167	6,302			
Shareholders' Equity Ratio	6.2 %	7.4	%		

### d. Consolidated Statements of Cash Flows

	Ye	en
	(mill	ions)
	Six months	Six months
	ended Sept. 30,	ended Sept. 30,
	2011	2010
Cash Flows from	3,162	762
Operating Activities		
Cash Flows from	(1532)	(826)
Investing Activities		
Cash Flows from	(1,161)	151
Financing Activities		
Cash and Cash Equivalents	4,299	7,043
at End of Period		

Consolidated Subsidiaries15 companiesUnconsolidated Subsidiaries (equity method applied)- companiesAffiliates (equity method applied only)1 companies

#### -92.2

- 1. All amounts less than one million yen have been disregarded.
- 2. U.S. dollar amounts are translated from yen, for convenience only, at the rate of 76.63 yen=\$1
- 3. The percentage in this statement presents rate of change compared with the same period last year.

### 2. Consolidated Financial Forecast for the fiscal year 2011 ending March 31, 2012

(Million of yen, except per share data)

	FY2011	Change from FY2010	FY2010
Net Sales	¥86,500	(8.4) %	¥94,431
Operating Income	¥500	(88.6) %	¥4,396
Net Income	¥200	(92.2) %	¥2,571
Net Income per Share	0.92 yen	(92.2) %	11.83 yen

Note for the use of the above forecasted business results.

The forecast described above is based upon information available as of October 25, 2011.

### 3. Others

- (1)Changes in significant subsidiaries during the period: No
- (2)Adoption of simplified accounting methods for quarterly reporting: No
- (3) Changes in accounting policies, procedures, and presentation, etc.
  - 1) Changes resulting from revisions in accounting principles, etc.: No
  - 2)Other changes: No
- (4)Number of shares outstanding (common stock)
  - 1)Number of shares outstanding at the end of periods.

September 30, 2011: 217,505,884 shares March 31, 2011: 217,505,884 shares

2) Number of treasury shares at the end of each period

September 30, 2011: 229,656 shares March 31, 2011: 226,920 shares

3) Weighted average number of shares outstanding in each period.

 $Six \ months \ ended \ Sept. \ 30, \ 2011 \ : \ 217, 278, 131 \ shares \\ Six \ month \ ended \ Sept. \ 30, \ 2010 \ : \ 217, 285, 922 \ shares \\$ 

### Consolidated Balance Sheets Millions of yen

Currents assets         4 (163)         4 (164)           Colar and deposits         2 (1690)         19,538           More an and ecounts receivable trade         2 (1690)         3,268           More handise and finished goods         3,268         3,293           Work in process         3,608         3,295           Raw materials and supplies         1,513         1,596           Deferred tax assets         19         1,72           Other         1,584         1,479           Allowance for doubtful accounts         (60)         5,513           Total current assets         7,879         7,778           Non-current assets         7,879         8,084           Non-current assets         7,879         8,084           Machinery, equipment and vehicles, net         7,879         8,084           Tools fromture and fixtures, net         65         65           Lease assets, net         44         63         3,93           Lease assets, net         44         63         4           Construction in progress         367         137         137           Total assets         20         8         2           Investment securities         131         139 <t< th=""><th></th><th>FY2010 Mar 31, 2011</th><th>1H/FY2011 Sep 30, 2011</th></t<>		FY2010 Mar 31, 2011	1H/FY2011 Sep 30, 2011
Acain and deposits         4,163         4,938           More handise and finished goods         3,226         3,428           Mork in process         3,086         3,925           Raw materials and supplies         1,513         1,596           Deferred tax assets         179         1,72           Other         1,584         1,479           Allowance for doubtful accounts         600         561           Total current assets         35,366         34,303           Non-current assets         7,879         7,778           Allowance for doubtful accounts         7,879         8,084           Non-current assets         7,879         8,084           Non-current assets         7,879         8,084           Machinery, equipment and equipment         659         669           Land         3,493         3,393         3,393           Lease assets, net         40         569         689           Land         40         569         689           Land         3,493         3,393         3,393         3,393         3,393         3,393         3,393         3,393         3,393         3,393         3,393         3,50         50         680         1,	Assets		
Notes and accounts receivable-trade         21,800         3,226         3,428           Work in process         3,088         3,928           Row materials and supplies         1,151         1,568           Deferred tax assets         179         172           Other         1,584         1,479           Allowance for doubtful accounts         600         5,101           Total current assets         35,366         3,383           Non-current assets         7,879         7,778           Machinery, equipment and equipment         7,879         7,778           Machinery, equipment and vehicles, net         7,999         8,084           Tools, furniture and fixtures, net         7,999         8,084           Land         3,433         3,933           Lease assets, net         440         9,03           Leave assets and the progress         567         137           Total property, plant and equipment         2,641         2,065           Intusting lies assets         3,693         2,652           Intusting lies assets         3,693         2,652           Intusting lies assets         1,61         3,693           Long turren loans receivable         8         5	Current assets		
Morch and insished goods         3,226         3,925           Raw materials and supplies         1,513         1,516           Deferred tax assets         1,79         1,72           Other         1,584         1,479           Allowance for doubtful accounts         (60)         551           Total current assets         35,366         34,303           Non-current assets         35,366         34,303           Non-current assets         7,879         7,778           Machinery, guipment and equipment         7,879         8,084           Buildings and structures, net         7,879         8,084           Auditives, and fixtures, net         659         693           Land         3,493         3,33           Leas assets, net         40         547           Construction in progress         367         137           Total property, plant and equipment         20,841         20,351           Investment securities         131         139           Investment sand other assets         18         5           Investment sand other assets         228         23           Other         1,413         1,339           Allowance for doubtful accounts         1,60	*	· · · · · · · · · · · · · · · · · · ·	,
Work in process         3,068         3,151         1,516         1,516         1,516         1,516         1,516         1,516         1,516         1,516         1,516         1,516         1,516         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,479         1,510         1,511         1,510         1,511         1,510         1,511         1,479         1,510		· · · · · · · · · · · · · · · · · · ·	
Raw materials and supplies         1,513         1,79           Other         1,584         1,79           Other         1,584         1,79           Allowance for doubtful accounts         (60)         619           Total current assets         35,366         34,303           Non-current assets           Property, plant and equipment         7,879         7,778           Buildings and structures, net         659         80,34           Tools, furniture and fixtures, net         659         80,34           Land         3,493         3,93           Laces assets, net         40         440         347           Construction in progress         367         137           Total property, plant and equipment         20,811         20,635           Investments and other assets         90         80           Investments securities         131         139           Investment securities         131         139           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,333           Allowance for doubtful accounts         1,614         1,212			
Deferred tax assets		*	
Other         1,584         1,784           Allowance for doubtful accounts         (60)         651           Total current assets         35,366         34,308           Non-current assets         Property; plant and equipment         7,778           Buildings and structures, net         7,879         7,778           Machinery, equipment and vehicles, net         7,999         8,084           Tools, furniture and fixtures, net         659         693           Land         3,493         3,938           Lase sets, net         440         647           Construction in progress         367         137           Total property, plant and equipment         20,841         20,635           Investments and other assets         198         8           Investments securities         131         139           Long ferm loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,333           Allowance for doubtful accounts         1,00         0           Total investments and other assets         1,841         1,721           Total investments and other assets         1,841         1,722           Total inv		· · · · · · · · · · · · · · · · · · ·	,
Allowance for doubtful accounts   100   151   150			
Total current assets			
Noncurrent assets         7,879         7,778           Buildings and structures, net         7,999         8,084           Tools, furniture and fixtures, net         659         693           Land         3,493         3,393           Lease assets, net         440         547           Construction in progress         367         137           Total property, plant and equipment         20,841         20,831           Investment securities         131         139           Investment securities         131         139           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         (0)         (0)           Total investments and other assets         5,895         57,602           Liabilities         23,591         23,208           Total investments and other assets         5,895         57,602           Liabilities         20         1,877           Current liabilities         1,941         1,721           Notal assets         1,955         1,875           Lease obligations         263         3,354 <td></td> <td></td> <td></td>			
Property, plant and equipment   Buildings and structures, net   7,879   8,084   Tools, furniture and fixtures, net   659   693   3,493   3,393   3,393   3,4		35,366	34,393
Buildings and structures net         7,879         8,084           Machinery, equipment and vehicles, net         7,999         8,084           Tools, furniture and fixtures, net         659         633           Land         3,493         3,393           Lease assets, net         440         547           Construction in progress         367         137           Total property, plant and equipment         20,841         20,635           Intestment selectifes         131         139           Investment sand other assets         228         237           Investment saccurities         1,473         1,339           Other         1,473         1,339           Other         1,473         1,339           Other of obubtful accounts         60         00           Total investments and other assets         1,814         1,212           Total investments and other assets         1,805         5,602           Total investments and other assets         1,806         60           Total investments and other assets         1,805         5,602           Total investments and other assets         1,805         5,602           Total investments and other assets         1,805         5,602			
Machinery, equipment and vehicles, net         7.999         8.084           Tools, furniture and fixtures, net         6.59         9.33           Lane assets, net         440         547           Construction in progress         367         1.37           Total property, plant and equipment         20.841         20.635           Intaggible assets         908         852           Investments and other assets         131         1.39           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         00         0           Other         1,473         1,339           Allowance for doubtful accounts         1,614         1,721           Total non-current assets         23,591         23,208           Total assets         1,814         1,721           Total assets         1,814         1,721           Total assets         1,815         1,722           Short-term loans payable trade         16,739         17,923           Short-term loans payable trade         16,739         15,25           Leas edigitations         263		7 870	7 770
Tools furniture and fixtures, net		· · · · · · · · · · · · · · · · · · ·	
Land         3,493         3,393           Lanes assets, net         440         547           Construction in progress         367         137           Total property, plant and equipment         20,835           Intangible assets         908         855           Investments and other assets         313         13           Investment securities         131         13           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         0         0           Total non-current assets         23,591         23,206           Total assets         5,7602         23,206           Total assets         8         5,7602           Total assets         1,844         1,721           Total procurrent assets         23,591         23,206           Leas collisations         1,673         1,792           Short-term loans payable         16,739         1,792           Short-term loans payable         1,673         2,25           Leas collisations         263         305           Provision for loss on desaster		· · · · · · · · · · · · · · · · · · ·	
Lease assets, net	· · · · · · · · · · · · · · · · · · ·		
Construction in progress         367         137           Total property, plant and equipment         20,841         20,635           Intragible assets         908         852           Investments and other assets         131         138           Investment securities         131         138           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,338           Allowance for doubtful accounts         1,811         1,721           Total non-current assets         23,591         23,208           Total seste         23,591         23,208           Total convergent assets         1,811         1,721           Total non-current assets         23,591         23,208           Total convergent assets         1,814         1,721           Total seste         1,811         1,721           Total sestes         1,812         1,722           Total convergent assets         1,812         1,822           Short-term loans payable trade         1,673         1,852           Lease obligations         263         305           Accounts payable trade         1,673         3,2		· · · · · · · · · · · · · · · · · · ·	
Total property, plant and equipment         20,815         20,635           Intangible assets         908         852           Investment sand other assets         131         139           Long term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         (0)         0           Total investments and other assets         1,841         1,721           Total non-current assets         23,591         23,208           Total assets         58,958         57,602           Liabilities         58,958         57,602           Current liabilities         19,650         18,870           Current liabilities         19,650         18,870           Accounts payable trade         19,650         18,870           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         3,92         322           Other         3,495         3,314           Total current liabilities         496         522           Non-current liabilities         1,1         3 </td <td>•</td> <td></td> <td></td>	•		
Intangible assets	. 9		
Investments and other assets			
Investment securities         131         139           Long-term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         (0)         (0)           Total investments and other assets         1,841         1,721           Total non-current assets         58,958         57,602           Total assets         58,958         57,602           Liabilities         8         58,958         57,602           Liabilities         19,650         18,570         18,			
Long term loans receivable         8         5           Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         (0         10           Total investments and other assets         1,841         1,721           Total non-current assets         23,591         23,208           Total assets         58,958         57,602           Liabilities         8         58,958         57,602           Current liabilities         16,739         17,923         17,923         305           Short-term loans payable trade         16,739         17,923         305		131	139
Deferred tax assets         228         237           Other         1,473         1,339           Allowance for doubtful accounts         (0)         (0)           Total investments and other assets         1,841         1,721           Total non-current assets         23,591         23,2008           Total assets         58,958         57,602           Liabilities         8         58,958         57,602           Liabilities         16,739         17,923         30.55         50.50         18,570		8	5
Allowance for doubtful accounts         (0)         (0)           Total investments and other assets         1,841         1,721           Total assets         23,591         23,008           Total assets         58,958         57,602           Liabilities         Urrent liabilities           Notes and accounts payable-trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         496         522           Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total liabilities         11,136         10,653           Total surplus         28,01         28,262 <t< td=""><td></td><td></td><td>237</td></t<>			237
Total investments and other assets         1,841         1,721           Total non-current assets         23,591         23,208           Total assets         58,958         57,602           Liabilities         Use of the colspan="2">Use	Other	1,473	1,339
Total assets         23,591         23,208           Total assets         58,958         57,602           Liabilities         Current liabilities           Notes and accounts payable trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         53,959         53,399           Neasets         5         5           Shareholders' equity         22,826         22,626           Capital stock         28,301         28,301           Capital stock         28,301         49,10           Capital starcholders'	Allowance for doubtful accounts	(0)	(0)
Total assets         58,958         57,602           Liabilities           Current liabilities           Notes and accounts payable trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         496         522           Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,846           Other         342         345           Total non-current liabilities         3,325         75,395           Total inbilities         28,301         28,301           Total inbilities         28,301         28,301           Total incurrent liabilities	Total investments and other assets	1,841	1,721
Liabilities           Current liabilities           Notes and accounts payable trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total sibilities         28,301         28,301           Total sibilities         28,301         28,301           Total sasets         28,301         28,301           Capital stock         28,301         28,301           Capital stock         28,301	Total non-current assets	23,591	23,208
Liabilities           Current liabilities           Notes and accounts payable trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         288           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total sasets         53,959         53,399           Net assets         28,301         28,301           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         44,580 <t< td=""><td>Total assets</td><td>58.958</td><td>57.602</td></t<>	Total assets	58.958	57.602
Current liabilities         16,739         17,923           Notes and accounts payable trade         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         1         3           Provision for retirement benefits         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets           Shareholders' equity         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated			01,002
Notes and accounts payable trade         16,739         17,923           Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         1         3           Provision for retirement benefits         1         3           Provision for retirement benefits         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total keeps         28,361         28,301           Net assets         28,301         28,301           Capital stock         28,301         28,301           Capital storphus         22,622         22,622           Retained earnings         (44,680)         (44,714) <td></td> <td></td> <td></td>			
Short-term loans payable         19,650         18,570           Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities           Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         342         345           Total non-current liabilities         53,959         53,399           Net assets         28,301         28,301           Capital stock         28,301         28,301           Capital stock         28,301         28,301           Capital stock         28,301         44,714           Treasury stock         41         41           Total shareholders' equity		16.739	17.923
Lease obligations         263         305           Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,846           Other         342         345           Total non-current liabilities         11,136         10,633           Total liabilities         53,959         53,399           Net assets         28,301         28,301           Capital stock         28,301         28,301           Capital storplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7			
Accounts payable other         1,935         2,025           Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Nor-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total inon-current liabilities         53,959         53,399           Net         89         53,959         53,399           Net         89         52,262         22,622 <td></td> <td></td> <td></td>			
Income taxes payable         415         283           Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Non-current liabilities           Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         Shareholders' equity         28,301         28,301           Capital stock         28,301         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment <td< td=""><td></td><td>1,935</td><td>2,025</td></td<>		1,935	2,025
Provision for loss on desaster         322         322           Other         3,495         3,314           Total current liabilities         42,823         42,745           Noncurrent liabilities           Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         8         28,301         28,301           Shareholders' equity         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         1         1,916         (2,576)           Total accumulated other comprehensive income         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           M		· · · · · · · · · · · · · · · · · · ·	
Total current liabilities         42,823         42,745           Non-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         28,301         28,301           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         608           Total net assets         4,998         4,203		322	322
Non-current liabilities         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         Shareholders' equity         28,301         28,301           Capital stock         28,301         28,301         28,301           Capital surplus         22,622         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Valuation difference on available-for-sale securities         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         608           Total net assets	Other	3,495	3,314
Lease obligations         496         522           Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         Shareholders' equity         28,301         28,301           Capital stock         28,301         28,301         28,301           Capital surplus         22,622         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	Total current liabilities	42,823	42,745
Deferred tax liabilities         1         3           Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets           Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income           Valuation difference on available-for-sale securities         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	Non-current liabilities		
Provision for retirement benefits         7,449         7,315           Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets           Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	Lease obligations	496	522
Negative goodwill         2,846         2,466           Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets           Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Minority interests         608         605           Total net assets         4,998         4,203	Deferred tax liabilities	1	3
Other         342         345           Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	Provision for retirement benefits	7,449	7,315
Total non-current liabilities         11,136         10,653           Total liabilities         53,959         53,399           Net assets         Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	Negative goodwill	2,846	2,466
Total liabilities         53,959         53,399           Net assets         Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203			
Net assets           Shareholders' equity           Capital stock         28,301         28,301           Capital surplus         22,622         22,622           Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203			
Shareholders' equity         Capital stock       28,301       28,301         Capital surplus       22,622       22,622         Retained earnings       (44,580)       (44,714)         Treasury stock       (41)       (41)         Total shareholders' equity       6,302       6,167         Accumulated other comprehensive income       3       7         Foreign currency translation adjustment       (1,916)       (2,576)         Total accumulated other comprehensive income       (1,912)       (2,569)         Minority interests       608       605         Total net assets       4,998       4,203	Total liabilities	53,959	53,399
Capital stock       28,301       28,301         Capital surplus       22,622       22,622         Retained earnings       (44,580)       (44,714)         Treasury stock       (41)       (41)         Total shareholders' equity       6,302       6,167         Accumulated other comprehensive income       3       7         Foreign currency translation adjustment       (1,916)       (2,576)         Total accumulated other comprehensive income       (1,912)       (2,569)         Minority interests       608       605         Total net assets       4,998       4,203			
Capital surplus       22,622       22,622         Retained earnings       (44,580)       (44,714)         Treasury stock       (41)       (41)         Total shareholders' equity       6,302       6,167         Accumulated other comprehensive income       3       7         Foreign currency translation adjustment       (1,916)       (2,576)         Total accumulated other comprehensive income       (1,912)       (2,569)         Minority interests       608       605         Total net assets       4,998       4,203			
Retained earnings         (44,580)         (44,714)           Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         3         7           Valuation difference on available-for-sale securities         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203	-		
Treasury stock         (41)         (41)           Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203			
Total shareholders' equity         6,302         6,167           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         3         7           Foreign currency translation adjustment         (1,916)         (2,576)           Total accumulated other comprehensive income         (1,912)         (2,569)           Minority interests         608         605           Total net assets         4,998         4,203			
Accumulated other comprehensive income         Valuation difference on available-for-sale securities       3       7         Foreign currency translation adjustment       (1,916)       (2,576)         Total accumulated other comprehensive income       (1,912)       (2,569)         Minority interests       608       605         Total net assets       4,998       4,203			
Valuation difference on available-for-sale securities37Foreign currency translation adjustment $(1,916)$ $(2,576)$ Total accumulated other comprehensive income $(1,912)$ $(2,569)$ Minority interests $608$ $605$ Total net assets $4,998$ $4,203$		6,302	6,167
$ \begin{array}{c cccc} For eign currency translation adjustment & (1,916) & (2,576) \\ Total accumulated other comprehensive income & (1,912) & (2,569) \\ \hline \textbf{Minority interests} & 608 & 605 \\ \hline \textbf{Total net assets} & 4,998 & 4,203 \\ \hline \end{array} $		0	_
Total accumulated other comprehensive income $(1,912)$ $(2,569)$ Minority interests $608$ $605$ Total net assets $4,998$ $4,203$			
Minority interests         608         605           Total net assets         4,998         4,203			,
Total net assets 4,998 4,203			
	•		
Total liabilities and net assets $58,958$ $57,602$			
	Total liabilities and net assets	58,958	57,602

# Consolidated Statements of Income Millions of yen

	Apr'10-Sep'10	Ann'11-Con'11
		Apr'11-Sep'11
Net sales	49,793	41,836
Cost of sales	40,985	36,273
Gross profit	8,807	5,563
Selling, general and administrative expenses	5,836	5,311
Operating income	2,971	251
Non-operating income		
Interest income	9	9
Amortization of negative goodwill	379	379
Rent income	16	8
Other	117	111
Total non-operating income	522	509
Non-operating expenses		
Interest expenses	123	85
Foreign exchange losses	503	585
Loss on retirement of non-current assets	123	29
Other	95	137
Total non-operating expenses	845	837
Ordinary income (loss)	2,648	(76)
Extraordinary income	,	
Gain on sales of land	-	85
Subsidy	219	-
Total extraordinary income	219	85
Extraordinary loss		
Loss on retirement of non-current assets	174	-
Loss on change of contract	143	-
Other	136	-
Total extraordinary loss	454	-
Income before income taxes	2,413	8
Income taxes-current	761	143
Income taxes-deferred	530	(2)
Total income taxes	1,292	141
Income (loss) before minority interests	1,120	(132)
Minority interests in income	8	2
Net income (loss)	1,112	(134)

# Consolidated Statements of Comprehensive Income Millions of yen

	1H/FY2010	1H/FY2011
	Apr'10-Sep'10	Apr'11-Sep'11
Income (loss) before minority interests	1,120	(132)
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	3
Deferred gains or losses on hedges	49	-
Foreign currency translation adjustment	(847)	(610)
Share of other comprehensive income of associates accounted for using equity method	(92)	(56)
Other comprehensive income	(893)	(662)
Comprehensive income	227	(795)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	226	(791)
Comprehensive income attributable to minority interests	0	(3)

## Consolidated Statements of Cash Flows Millions of yen

	1H/FY2010	1H/FY2011
	Apr'10-Sep'10	Apr'11-Sep'11
Net cash provided by (used in) operating activities		
Income before income taxes	2,413	8
Depreciation and amortization	1,800	1,792
Subsidy income	(219)	-
Loss on change of contract	143	-
Equity in (earnings) losses of affiliates	16	55
Increase (decrease) in provision for retirement benefits	(167)	(133)
Increase (decrease) in allowance for doubtful accounts	(41)	(4)
Interest and dividends income	(10)	(38)
Interest expenses	123	85
Foreign exchange losses (gains)	52	11
Loss (gain) on sales of property, plant and equipment	(1)	(83)
Loss on retirement of non-current assets	297	29
Amortization of negative goodwill	(379)	(379)
Decrease (increase) in notes and accounts receivable-trade	(3,183)	1,324
Decrease (increase) in inventories	(1,912)	(1,404)
Increase (decrease) in notes and accounts payable-trade	1,715	2,128
Increase (decrease) in accrued expenses	332	(159)
Other, net	108	257
Subtotal	1,087	3,490
Interest and dividends income received	10	38
Proceeds from subsidy	219	-
Interest expenses paid	(128)	(127)
Income taxes paid	(426)	(238)
Net cash provided by (used in) operating activities	762	3,162
Net cash provided by (used in) investing activities		-,
Payments into time deposits	(7)	(6)
Proceeds from withdrawal of time deposits	3	3
Purchase of property, plant and equipment	(718)	(1,654)
Proceeds from sales of property, plant and equipment	109	150
Purchase of intangible assets	(210)	(25)
Purchase of investment securities	(22)	(1)
Proceeds from sales of investment securities	16	-
Other, net	2	1
Net cash provided by (used in) investing activities	(826)	(1,532)
Net cash provided by (used in) financing activities		(-,++-)
Net increase (decrease) in short-term loans payable	458	(1,023)
Repayment of long-term loans payable	(204)	-
Purchase of treasury stock	(0)	(0)
Repayments of finance lease obligations	(102)	(138)
Net cash provided by (used in) financing activities	151	(1,161)
Effect of exchange rate change on cash and cash equivalents	(455)	(325)
Net increase (decrease) in cash and cash equivalents	(368)	143
Cash and cash equivalents at beginning of period	7,411	4,156
Cash and cash equivalents at end of period	7,043	4,299
•		-,200

# Consolidated Business Segment Information Millions of yen

## 1H/FY2010 Apr'10-Sep'10

	Business Segme	Business Segments Reported		<b>A</b> •	Consolidated
	Batteries	Electronic Materials	Total	Ajustments	Statements
Net sales					
Unaffiliated customers	29,272	20,520	49,793	-	49,793
Intersegment				-	
Total	29,272	20,520	49,793	-	49,793
Segment income	2,518	452	2,971	-	2,971

## $1H/FY2011\ Apr'11\hbox{-Sep'}11$

	Business Segme	Business Segments Reported		A :	Consolidated
	Batteries	Electronic Materials	Total	Ajustments	Statements
Net sales					
Unaffiliated customers	26,902	14,933	41,836	-	41,836
Intersegment			<u> </u>	-	
Total	26,902	14,933	41,836	-	41,836
Segment income	156	94	251	-	251

### **Business Results**

### 1. Analysis of Consolidated Business Results

### (1) Overview

On the business environment of the FDK Group (hereinafter called "FDK") in the first half of FY2011, the Japanese economy continued to recover gradually as the recovery progressed toward the reconstruction of disaster areas, from the slump caused by the Great East Japan Earthquake. On the other hand, the global economy could not dispel the uncertainty since the financial crisis in Europe, the economic recession in the U.S, the continuing appreciations of yens and the falling stock prices.

As for FDK's business results, net sales were 41,836 million yen, a substantial decrease of 7,956 million yen from the same period last year. This large decrease was mostly due to the production adjustment of LCD panels.

As for profits, operating income was 251 million yen, decreased 2,719 million yen from the same period last year. The decrease was a result of the rising material costs for batteries such as rare earth and the appreciation of yen. Income before income taxes fell to 8 million yen, due to the post of foreign exchange losses from the appreciation of yen and net loss was 134 million yen.

The divisional sales overview is as follows.

### (2) Battery Business

Sales of alkaline batteries increased from the same period last year due to the extensive production in the first quarter to respond on the scarce condition in retail stores by the Great East Japan Earthquake. Sales of Ni-MH batteries decreased from the same period last year due to the downturn of the market condition in North America and Europe. Sales of lithium batteries decreased from the same period last year as the demand for mobile phones and laptop computers were declined in addition to a decrease in security products and emergency supplies.

As a result, sales for the battery business were 26,902 million yen, a decrease of 2,369 million yen from the same period last year.

### (3) Electronic Device Business

Sales of signal processing modules for LCDs largely decreased from the same period last year due to the over production of the LCD panels worldwide and thus further panel production had decreased largely. Sales of switching power supplies decreased from the same period last year due to the decline in the demand for servers. Sales of coil devices decreased from the same period last year due to the decrease in sales of transformers for automobiles since domestic automobile production was decreased by the impact of the Great East Japan Earthquake and the decrease in sales of transformers for LCD TVs by the slowdown in demands. Sales of toner increased from the same period last year due to an expanded demand for printers. Sales of optical devices increased from the same period last year due to the recovering demand for flagging submarine cable settlements.

As a result, sales for the electronic device business were 14,933 million yen, a decrease of 5,586 million yen from the same period last year.

### 2. Analysis of Financial Condition

### (1) Status of Assets, Liabilities and Net Assets

Total assets at the end of the first half of FY2011 decreased 1,356 million yen (2.3%) from the end of the previous fiscal year to 57,602 million yen. Current assets decreased 972 million yen (2.8%) to 34,393 million yen. Non-current assets decreased 383 million yen (-1.6%) to 23,208 million yen.

The principal causes for decreased current assets were a 2,151 million yen decrease in notes and accounts receivable trade, though there was a 856 million yen increase in work in process.

The principal cause for decreased non-current assets was a 206 million yen decrease in total property, plant and equipment.

Total liabilities at the end of the first half of FY2011 decreased 560 (-1.0%) million yen from the end of the previous fiscal year to 53,399 million yen. Current liabilities decreased 77 million yen (-0.2%) from the end of the previous fiscal year to 42,745 million yen. Non-current liabilities decreased 482 million yen (-4.3%) from the end of the previous fiscal year to 10, 653 million yen.

The principal causes of decreased current liabilities were a 1,080 million yen decrease in short-term loans payable and a 132 million yen decrease in income tax payable though there was a 1,184 million yen increase in notes and accounts payable-trade. The principal causes for decreased non-current liabilities were a 379 million yen decrease in negative goodwill.

The interest-bearing debt increased 1,012 million yen from the end of the previous fiscal year to 19,398 million yen.

Total net assets at the end of the first half of FY2011 decreased 795 million yen (-15.9%) from the end of the previous fiscal year to 4,203 million yen. The primary factor for the decrease in total net assets was a 660 million yen decrease in foreign currency translation adjustment and a 134 million yen decrease in retained earnings from posting a net income of the first half of FY2011.

### (2) Cash Flow Condition

Net cash used in operating activities increased 3,162 million yen from the end of the previous fiscal year due to the increase in cash and cash equivalents (cash) that resulted from increase in notes and accounts payable trade, posting depreciation and amortization, and decrease in notes and account receivable-trade, though there was a decrease in cash due to increase in inventories.

Net cash used in investment activities decreased 1,532 million yen from the end of the previous fiscal year due to the decrease in cash that resulted from the purchase of property, plants, equipment and intangible assets.

Net cash used in financing activities decreased 1,161 million yen from the end of the previous fiscal year due to a decrease in short-term loans payable.

As a result, the balance of cash and cash equivalents at the end of first half of FY2011 was 4,299 million yen, an increase of 143 million yen from the end of the previous fiscal year.

### 3. Forecast for the Full Fiscal Year Ending March 31, 2012

Please refer to the "Announcement of the Revised Financial Forecast" announced on October 25, 2011.