

Fiscal Year 2022 Consolidated Financial Results
(April 1, 2022 to March 31, 2023)

FDK CORPORATION

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

Listing Code No. 6955 (Listing Stock Exchange: Standard of Tokyo Stock Exchange)
 Address: Shibaura Crystal Shinagawa, 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan
 Contact: Corporate Business Planning Office
 E-mail: prir-tyo@fdk.co.jp
 Date of general shareholders' meeting (as planned): June 28, 2023
 Annual securities report filing date (as planned): June 28, 2023
 The Consolidated Financial Results is unaudited/U.S. GAPP is not applied

1. Consolidated Financial Results for FY2022 ended March 31, 2023

a. Consolidated Statements of Income

	Yen (millions)		Change (%)
	FY2021	FY2022	
	(4/1/21-3/31/22)	(4/1/22-3/31/23)	
Net Sales	61,456	62,784	2.2
Operating Profit	2,083	789	△ 62.1
Ordinary Profit	1,968	851	△ 56.7
Profit attributable to owners of parent	740	318	△ 57.1

Amounts Per Share of Common Stock:

Basic Earnings per share	21.47 yen	9.22 yen
Diluted Earnings per share	- yen	- yen
Rate of Return on Equity	6.4 %	2.5 %
Ordinary Profit to Total Assets Ratio	4.1 %	1.8 %
Operating Profit to Net Sales Ratio	3.4 %	1.3 %

b. Consolidated Financial Positions

	Yen (millions)	
	As of Mar. 31, 2022	As of Mar. 31, 2023
	Total Assets	46,903
Net Assets	12,460	13,196
Owner's Equity	12,454	13,190
Capital Adequacy Ratio	26.6 %	28.0 %
Net Assets Per Share	360.92 yen	382.26 yen

c. Consolidated Cash Flows

	Yen (millions)	
	FY2021	FY2022
	(4/1/21-3/31/22)	(4/1/22-3/31/23)
Cash Flows from Operating Activities	2,177	2,783
Cash Flows from Investing Activities	△ 3,920	△ 2,978
Cash Flows from Financing Activities	△ 2,780	△ 116
Cash and Cash Equivalents at End of Period	2,763	2,571

d. Net Sales by Business Segment

	Yen (millions)	Yen (millions)
	FY2021	FY2022
	(4/1/21-3/31/22)	(4/1/22-3/31/23)
Batteries	43,082	42,163
Electronic Devices	18,373	20,620
Total	61,456	62,784

(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 previous fiscal 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

3. Others**(1) Material changes in significant subsidiaries during the period: No**

Consolidated Subsidiaries	9 companies
Unconsolidated Subsidiaries (equity method applied)	2 companies
Affiliates (equity method applied only)	0 companies

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

- 1) Changes in accounting policies based on revisions of accounting standards: 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

(3) Number of issued and outstanding shares (common stock)

- 1) Number of issued and outstanding shares at the end of fiscal year. (including treasury stock)

March 31, 2023: 34,536,302 shares	March 31, 2022: 34,536,302 shares
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- 2) Number of treasury stock at the end of fiscal year

March 31, 2023: 30,232 shares	March 31, 2022: 29,738 shares
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- 3) Average number of shares

March 31, 2023: 34,506,345 shares	March 31, 2022: 34,506,829 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

	FY2021	FY2022
	Mar 31, 2022	Mar 31, 2023
Assets		
Current assets		
Cash and deposits	2,763	2,571
Notes and accounts receivable - trade and contract assets	17,262	16,222
Merchandise and finished goods	3,651	2,965
Work in process	2,589	3,118
Raw materials and supplies	4,416	4,843
Other	1,351	2,135
Allowance for doubtful accounts	△ 37	△ 32
Total current assets	31,995	31,822
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,314	5,496
Machinery, equipment and vehicles, net	5,341	5,424
Tools, furniture and fixtures, net	797	1,009
Land	2,181	2,184
Leased assets, net	137	76
Construction in progress	259	286
Total property, plant and equipment	14,032	14,478
Intangible assets	275	412
Investments and other assets		
Investment securities	200	193
Deferred tax assets	182	42
Other	217	179
Total investments and other assets	600	415
Total non-current assets	14,908	15,307
Total assets	46,903	47,130
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,625	9,752
Electronically recorded obligations - operating	4,684	4,656
Short-term borrowings	12,190	12,140
Lease liabilities	66	63
Accounts payable - other	1,774	1,459
Income taxes payable	681	499
Other	2,429	2,357
Total current liabilities	31,450	30,928
Non-current liabilities		
Lease liabilities	84	20
Deferred tax liabilities	301	381
Retirement benefit liability	2,288	1,984
Long-term accounts payable - other	168	162
Other	150	456
Total non-current liabilities	2,992	3,005
Total liabilities	34,443	33,933
Net assets		
Shareholders' equity		
Share capital	31,709	31,709
Capital surplus	26,225	26,225
Retained earnings	△ 45,432	△ 45,114
Treasury shares	△ 50	△ 50
Total shareholders' equity	12,451	12,769
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	43	34
Foreign currency translation adjustment	1,564	1,825
Remeasurements of defined benefit plans	△ 1,605	△ 1,439
Total accumulated other comprehensive income	2	420
Non-controlling interests	5	6
Total net assets	12,460	13,196
Total liabilities and net assets	46,903	47,130

Consolidated Statement of Income
Millions of yen

	FY2021	FY2022
	Apr'21-Mar'22	Apr'22-Mar'23
Net sales	61,456	62,784
Cost of sales	49,803	52,662
Gross profit	11,652	10,121
Selling, general and administrative expenses	9,569	9,332
Operating profit	2,083	789
Non-operating income		
Interest income	7	27
Dividend income	3	27
Subsidy income	37	37
Foreign exchange gains	-	122
Gain on sale of non-current assets	1	3
Rental income	11	25
Gain on sale of scraps	18	21
Other	61	56
Total non-operating income	142	321
Non-operating expenses		
Interest expenses	99	105
Foreign exchange losses	79	-
Loss on retirement of non-current assets	67	137
Other	10	16
Total non-operating expenses	256	259
Ordinary profit	1,968	851
Extraordinary income		
Gain on liquidation of subsidiaries and associates	459	-
Gain on sale of shares of subsidiaries and associates	13	9
Subsidy income	-	200
Total extraordinary income	472	209
Extraordinary losses		
Impairment losses	1,213	145
Total extraordinary losses	1,213	145
Profit before income taxes	1,228	916
Income taxes-current	542	393
Income taxes-deferred	△ 55	204
Total income taxes	487	597
Profit	740	318
Profit (loss) attributable to non-controlling interests	△ 0	0
Profit attributable to owners of parent	740	318

Consolidated Statement of Comprehensive Income
Millions of yen

	FY2021	FY2022
	Apr'21-Mar'22	Apr'22-Mar'23
Profit	740	318
Other comprehensive income		
Valuation difference on available-for-sale securities	4	△ 8
Foreign currency translation adjustment	679	260
Remeasurements of defined benefit plans, net of tax	187	165
Total Other comprehensive income	870	418
Comprehensive income	1,611	736
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,611	736
Comprehensive income attributable to non-controlling interests	△ 0	0

Consolidated Statement of Changes in Equity
Millions of yen

FY2021 (Apr'21-Mar'22)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance	31,709	26,257	△ 46,166	△ 49	11,750
Cumulative effects of changes in accounting policies			△ 6		△ 6
Restated balance	31,709	26,257	△ 46,173	△ 49	11,743
Changes during period					
Profit attributable to owners of parent			740		740
Purchases of treasury shares				△ 0	△ 0
Change in scope of consolidation		△ 32			△ 32
Net changes of items other than shareholders' equity					-
Total changes during period	-	△ 32	740	△ 0	707
Ending balance	31,709	26,225	△ 45,432	△ 50	12,451

	Accumulated other comprehensive income				Non-controlling interests	Net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Beginning balance	38	885	△ 1,792	△ 868	5	10,888
Cumulative effects of changes in accounting policies						△ 6
Restated balance	38	885	△ 1,792	△ 868	5	10,881
Changes during period						
Profit attributable to owners of parent						740
Purchases of treasury shares						△ 0
Change in scope of consolidation						△ 32
Net changes of items other than shareholders' equity	4	679	187	870	△ 0	870
Total changes during period	4	679	187	870	△ 0	1,578
Ending balance	43	1,564	△ 1,605	2	5	12,460

Consolidated Statement of Changes in Equity
Millions of yen

FY2022 (Apr'22-Mar'23)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance	31,709	26,225	△ 45,432	△ 50	12,451
Cumulative effects of changes in accounting policies					
Restated balance	31,709	26,225	△ 45,432	△ 50	12,451
Changes during period					
Profit attributable to owners of parent			318		318
Purchases of treasury shares				△ 0	△ 0
Change in scope of consolidation					-
Net changes of items other than shareholders' equity					
Total changes during period	-	-	318	△ 0	317
Ending balance	31,709	26,225	△ 45,114	△ 50	12,769

	Accumulated other comprehensive income				Non-controlling interests	Net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
Beginning balance	43	1,564	△ 1,605	2	5	12,460
Cumulative effects of changes in accounting policies						
Restated balance	43	1,564	△ 1,605	2	5	12,460
Changes during period						
Profit attributable to owners of parent						318
Purchases of treasury shares						△ 0
Change in scope of consolidation						
Net changes of items other than shareholders' equity	△ 8	260	165	418	0	418
Total changes during period	△ 8	260	165	418	0	736
Ending balance	34	1,825	△ 1,439	420	6	13,196

Consolidated Statement of Cash Flows
Millions of yen

	FY2021 Apr'21-Mar'22	FY2022 Apr'22-Mar'23
Cash flows from operating activities		
Profit before income taxes	1,228	916
Depreciation	2,367	2,291
Impairment losses	1,213	145
Loss (gain) on sale of shares of subsidiaries and associates	△ 13	△ 9
Loss (gain) on liquidation of subsidiaries and associates	△ 459	-
Increase (decrease) in retirement benefit liability	△ 387	△ 418
Increase (decrease) in allowance for doubtful accounts	1	△ 7
Interest and dividend income	△ 11	△ 54
Interest expenses	99	105
Foreign exchange losses (gains)	△ 1	△ 3
Loss (gain) on sale of property, plant and equipment	△ 1	△ 2
Loss on retirement of non-current assets	67	137
Subsidy income	△ 37	△ 237
Decrease (increase) in trade receivables	△ 465	1,398
Decrease (increase) in inventories	△ 2,222	△ 124
Increase (decrease) in trade payables	880	△ 266
Increase (decrease) in accrued expenses	△ 25	△ 129
Other, net	191	△ 601
Subtotal	2,423	3,138
Interest and dividends received	11	54
Subsidies received	37	237
Interest paid	△ 100	△ 105
Income taxes paid	△ 194	△ 542
Net cash provided by (used in) operating activities	2,177	2,783
Cash flows from investing activities		
Purchase of property, plant and equipment	△ 3,826	△ 2,804
Proceeds from sale of property, plant and equipment	3	4
Purchase of intangible assets	△ 137	△ 183
Purchase of investment securities	△ 5	△ 5
Proceeds from sale of shares of subsidiaries and associates	43	10
Other, net	2	0
Net cash provided by (used in) investing activities	△ 3,920	△ 2,978
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△ 2,710	△ 50
Purchase of treasury shares	△ 0	△ 0
Repayments of finance lease liabilities	△ 69	△ 66
Net cash provided by (used in) financing activities	△ 2,780	△ 116
Effect of exchange rate change on cash and cash equivalents	284	119
Net increase (decrease) in cash and cash equivalents	△ 4,238	△ 192
Cash and cash equivalents at beginning of period	7,001	2,763
Cash and cash equivalents at end of period	2,763	2,571

Consolidated Business Segment Information

Millions of yen

FY2021 Apr'21-Mar'22

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Japan	21,427	14,111	35,538	-	35,538
Asia	6,793	4,212	11,005	-	11,005
Americas	5,228	-	5,228	-	5,228
Europe	9,603	49	9,652	-	9,652
Other	31	-	31	-	31
Revenue from contracts with customers	43,082	18,373	61,456	-	61,456
Other revenue	-	-	-	-	-
Unaffiliated customers	43,082	18,373	61,456	-	61,456
Intersegment	-	-	-	-	-
Total	43,082	18,373	61,456	-	61,456
Segment profit	1,221	861	2,083	-	2,083
Segment assets	34,258	11,454	45,713	1,190	46,903
Other items					
Depreciation	2,047	320	2,367	-	2,367
Increase in property, plant and equipment and intangible ass	2,054	462	2,516	-	2,516

FY2022 Apr'22-Mar'23

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
Net sales					
Japan	22,405	16,575	38,980	-	38,980
Asia	7,638	4,045	11,684	-	11,684
Americas	4,235	-	4,235	-	4,235
Europe	7,826	-	7,826	-	7,826
Other	57	-	57	-	57
Revenue from contracts with customers	42,163	20,620	62,784	-	62,784
Other revenue	-	-	-	-	-
Unaffiliated customers	42,163	20,620	62,784	-	62,784
Intersegment	-	-	-	-	-
Total	42,163	20,620	62,784	-	62,784
Segment profit	△ 183	972	789	-	789
Segment assets	34,360	11,570	45,930	1,199	47,130
Other items					
Depreciation	1,956	335	2,291	-	2,291
Increase in property, plant and equipment and intangible ass	2,609	431	3,041	-	3,041