

FOR IMMEDIATE RELEASE

October 25, 2022

**Consolidated Financial Results for the First Half of FY2022  
(April 1, 2022 to September 30, 2022)**

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

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

**1. Consolidated Results for the Six-Months Period Ended September 30, 2022****a. Consolidated Statements of Income**

	Yen (millions)			Change (%)	Yen
	Six months ended Sept. 30, 2021	Six months ended Sept. 30, 2022			(millions)
					FY2021, ended Mar. 31, 2022
<b>Net Sales</b>	30,570	31,734	3.8	61,456	
<b>Operating Profit</b>	1,392	670	△ 51.8	2,083	
<b>Ordinary Profit</b>	1,302	839	△ 35.5	1,968	
<b>Profit attributable to owners of parent</b>	1,441	583	△ 59.5	740	

**Amounts Per Share of Common Stock:**

Basic Earnings	41.79 yen	16.91 yen	21.47 yen
Diluted Earnings	- yen	- yen	- yen

**b. Net Sales by Business Segment**

	Yen	Yen	Yen
	(millions)	(millions)	(millions)
	Six months ended Sept. 30, 2021	Six months ended Sept. 30, 2022	FY2021, ended Mar. 31, 2022
<b>Batteries</b>	21,832	21,299	43,082
<b>Electronic Devices</b>	8,737	10,434	18,373
<b>Total</b>	30,570	31,734	61,456

**c. Consolidated Financial Position**

	Yen (millions)	
	As of March 31, 2022	As of Sept. 30, 2022
<b>Total Assets</b>	46,903	47,793
<b>Net Assets</b>	12,460	13,904
<b>Owners' Equity</b>	12,454	13,897
<b>Capital Adequacy Ratio</b>	26.6 %	29.1 %

**d. Consolidated Statements of Cash Flows**

	Yen (millions)	
	Six months ended Sept. 30, 2021	Six months ended Sept. 30, 2022
	<b>Cash Flows from Operating Activities</b>	1,735
<b>Cash Flows from Investing Activities</b>	△ 2,650	△ 1,065
<b>Cash Flows from Financing Activities</b>	△ 3,135	△ 573
<b>Cash and Cash Equivalents at End of Period</b>	3,022	2,793

**(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, 2023**

(Million of yen, except per share data)

	FY2022	Change from FY2021	FY2021
Net Sales	63,000	2.5 %	61,456
Operating Profit	1,200	△ 42.4 %	2,083
Ordinary Profit	1,000	△ 49.2 %	1,968
Profit attributable to owners of parent	700	△ 5.5 %	740
Basic Earnings Per Share	20.29 yen	- yen	21.47 yen

**(Note for the use of the above forecasted business results)****The financial forecast described above is based upon information available as of April 27, 2022.****3. Others**

- (1) Changes in significant subsidiaries during the six months ended Sept. 30, 2022: 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, 2022: 34,536,302 shares	March 31, 2022: 34,536,302 shares
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  - 2) Number of treasury stock at the end of each period
 

September 30, 2022: 29,937 shares	March 31, 2022: 29,738 shares
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  - 3) Average number of shares in each period.
 

September 30, 2022: 34,506,435 shares	September 30, 2021: 34,506,988 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.

(TRANSLATION FOR REFERENCE ONLY)

## Consolidated Balance Sheet

### Millions of yen

	FY2021	FY2022
	Mar 31, 2022	Sep 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,763	2,793
Notes and accounts receivable - trade and contract assets	17,262	17,274
Merchandise and finished goods	3,651	3,179
Work in process	2,589	3,001
Raw materials and supplies	4,416	4,683
Other	1,351	1,557
Allowance for doubtful accounts	△ 37	△ 37
Total current assets	<u>31,995</u>	<u>32,452</u>
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures, net	5,314	5,575
Machinery, equipment and vehicles, net	5,341	5,539
Tools, furniture and fixtures, net	797	897
Land	2,181	2,190
Leased assets, net	137	106
Construction in progress	259	317
Total property, plant and equipment	<u>14,032</u>	<u>14,627</u>
Intangible assets	<u>275</u>	<u>286</u>
Investments and other assets		
Investment securities	200	185
Deferred tax assets	182	36
Other	217	204
Total investments and other assets	<u>600</u>	<u>426</u>
Total non-current assets	<u>14,908</u>	<u>15,340</u>
<b>Total assets</b>	<u>46,903</u>	<u>47,793</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	9,625	9,294
Electronically recorded obligations - operating	4,684	4,439
Short-term borrowings	12,190	11,650
Lease liabilities	66	65
Accounts payable - other	1,774	2,586
Income taxes payable	681	575
Other	2,429	2,179
Total current liabilities	<u>31,450</u>	<u>30,790</u>
<b>Non-current liabilities</b>		
Lease liabilities	84	51
Deferred tax liabilities	301	363
Retirement benefit liability	2,288	2,092
Long-term accounts payable - other	168	166
Other	150	424
Total non-current liabilities	<u>2,992</u>	<u>3,097</u>
<b>Total liabilities</b>	<u>34,443</u>	<u>33,888</u>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	31,709	31,709
Capital surplus	26,225	26,225
Retained earnings	△ 45,432	△ 44,848
Treasury shares	△ 50	△ 50
Total shareholders' equity	<u>12,451</u>	<u>13,035</u>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	43	30
Foreign currency translation adjustment	1,564	2,297
Remeasurements of defined benefit plans	△ 1,605	△ 1,465
Total accumulated other comprehensive income	<u>2</u>	<u>862</u>
<b>Non-controlling interests</b>	<u>5</u>	<u>6</u>
<b>Total net assets</b>	<u>12,460</u>	<u>13,904</u>
<b>Total liabilities and net assets</b>	<u>46,903</u>	<u>47,793</u>

(TRANSLATION FOR REFERENCE ONLY)

**Consolidated Statement of Income**  
**Millions of yen**

	<b>FY2021</b>	<b>FY2022</b>
	<b>Apr'21-Sep'21</b>	<b>Apr'22-Sep'22</b>
<b>Net sales</b>	30,570	31,734
Cost of sales	24,455	26,408
<b>Gross profit</b>	6,114	5,325
Selling, general and administrative expenses	4,721	4,654
<b>Operating profit</b>	1,392	670
Non-operating income		
Interest income	6	6
Dividend income	1	25
Subsidy income	37	37
Foreign exchange gains	-	240
Gain on sale of non-current assets	1	3
Rental income	5	9
Other	45	33
Total non-operating income	99	356
Non-operating expenses		
Interest expenses	50	50
Foreign exchange losses	99	-
Loss on retirement of non-current assets	34	130
Other	4	6
Total non-operating expenses	189	187
<b>Ordinary profit</b>	1,302	839
Extraordinary income		
Gain on liquidation of subsidiaries and associates	459	-
Gain on sale of shares of subsidiaries and associates	13	-
Subsidy income	-	200
Total extraordinary income	472	200
Extraordinary losses		
Impairment losses	-	44
Total extraordinary losses	-	44
<b>Profit before income taxes</b>	1,774	994
Income taxes-current	287	214
Income taxes-deferred	45	196
Total income taxes	332	410
<b>Profit</b>	1,441	584
Profit (loss) attributable to non-controlling interests	△ 0	0
<b>Profit attributable to owners of parent</b>	1,441	583

(TRANSLATION FOR REFERENCE ONLY)

**Consolidated Statement of Comprehensive Income**  
**Millions of yen**

	<b>FY2021</b>	<b>FY2022</b>
	<b>Apr'21-Sep'21</b>	<b>Apr'22-Sep'22</b>
<b>Profit</b>	1,441	584
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	2	△ 12
Foreign currency translation adjustment	△ 111	733
Remeasurements of defined benefit plans, net of tax	129	139
Total Other comprehensive income	21	860
<b>Comprehensive income</b>	1,462	1,444
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,462	1,443
Comprehensive income attributable to non-controlling interests	△ 0	0

(TRANSLATION FOR REFERENCE ONLY)

**Consolidated Statement of Cash Flows**  
**Millions of yen**

	FY2021 Apr'21-Sep'21	FY2022 Apr'22-Sep'22
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,774	994
Depreciation	1,175	1,127
Impairment losses	-	44
Loss (gain) on sale of shares of subsidiaries and associates	△ 13	-
Loss (gain) on liquidation of subsidiaries and associates	△ 459	-
Increase (decrease) in retirement benefit liability	△ 198	△ 193
Increase (decrease) in allowance for doubtful accounts	2	△ 3
Interest and dividend income	△ 8	△ 31
Interest expenses	50	50
Foreign exchange losses (gains)	△ 0	△ 4
Loss (gain) on sale of property, plant and equipment	△ 1	△ 3
Loss on retirement of non-current assets	34	130
Subsidy income	△ 37	△ 237
Decrease (increase) in trade receivables	△ 313	726
Decrease (increase) in inventories	△ 999	103
Increase (decrease) in trade payables	769	△ 1,233
Increase (decrease) in accrued expenses	△ 282	△ 85
Other, net	342	325
Subtotal	1,835	1,711
Interest and dividends received	8	31
Subsidies received	37	37
Interest paid	△ 53	△ 52
Income taxes paid	△ 92	△ 311
Net cash provided by (used in) operating activities	1,735	1,416
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△ 2,617	△ 1,037
Proceeds from sale of property, plant and equipment	2	4
Purchase of intangible assets	△ 79	△ 27
Purchase of investment securities	△ 2	△ 2
Proceeds from sale of shares of subsidiaries and associates	43	-
Other, net	2	△ 2
Net cash provided by (used in) investing activities	△ 2,650	△ 1,065
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	△ 3,100	△ 540
Purchase of treasury shares	△ 0	△ 0
Repayments of finance lease liabilities	△ 35	△ 33
Net cash provided by (used in) financing activities	△ 3,135	△ 573
<b>Effect of exchange rate change on cash and cash equivalents</b>	71	252
<b>Net increase (decrease) in cash and cash equivalents</b>	△ 3,979	30
<b>Cash and cash equivalents at beginning of period</b>	7,001	2,763
<b>Cash and cash equivalents at end of period</b>	3,022	2,793

## Consolidated Business Segment Information

Millions of yen

### FY2021 Apr'21-Sep'21

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
<b>Net sales</b>					
Japan	10,796	6,563	17,359	-	17,359
Asia	3,413	2,143	5,557	-	5,557
Americas	2,547	-	2,547	-	2,547
Europe	5,006	30	5,037	-	5,037
Other	69	-	69	-	69
Revenue from contracts with customers	21,832	8,737	30,570	-	30,570
Other revenue	-	-	-	-	-
Unaffiliated customers	21,832	8,737	30,570	-	30,570
Intersegment	-	-	-	-	-
<b>Total</b>	<b>21,832</b>	<b>8,737</b>	<b>30,570</b>	<b>-</b>	<b>30,570</b>
<b>Segment profit</b>	<b>975</b>	<b>417</b>	<b>1,392</b>	<b>-</b>	<b>1,392</b>

### FY2022 Apr'22-Sep'22

	Business Segments Reported		Total	Adjustments	Consolidated Statements
	Batteries	Electronic Materials			
<b>Net sales</b>					
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	-	-	-	-	-
<b>Total</b>	<b>21,299</b>	<b>10,434</b>	<b>31,734</b>	<b>-</b>	<b>31,734</b>
<b>Segment profit</b>	<b>289</b>	<b>381</b>	<b>670</b>	<b>-</b>	<b>670</b>