FOR IMMEDIATE RELEASE January 30, 2023

Consolidated Financial Results for the Third Quarter Ended December 31, 2022 (April 1, 2022 to December 31, 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 Nine-Months Period Ended December 31, 2022

a. Consolidated Statements of Income

| | , | Yen | | Yen |
|-------------------------------|----------------|----------------|------------|----------------|
| | | nillions) | | (millions) |
| | Nine months | Nine months | | FY2021, |
| | ended Dec. 31, | ended Dec. 31, | | ended Mar. 31, |
| | 2021 | 2022 | Change (%) | 2022 |
| Net Sales | 45,621 | 46,814 | 2.6 | 61,456 |
| Operating Profit | 1,966 | 820 | △ 58.3 | 2,083 |
| Ordinary Profit | 1,832 | 896 | △ 51.1 | 1,968 |
| Profit attributable to owners | 1,907 | 503 | △ 73.6 | 740 |
| of parent | | | | |
| Amounts Per Share of Common | Stock: | | | |
| Basic Earnings | 55.27 yen | 14.60 yen | | 21.47 yen |
| Diluted Earnings | - yen | - yen | | - yen |

b. Net Sales by Business Segment

| | Yen | Yen | Yen |
|---------------------------|----------------|----------------|----------------|
| | (millions) | (millions) | (millions) |
| | Nine months | Nine months | FY2021, |
| | ended Dec. 31, | ended Dec. 31, | ended Mar. 31, |
| | 2021 | 2022 | 2022 |
| Batteries | 32,363 | 31,004 | 43,082 |
| Electronic Devices | 13,258 | 15,810 | 18,373 |
| Total | 45,621 | 46,814 | 61,456 |

c. Consolidated Financial Position

| | Yen (millions) | | | | |
|------------------------|-------------------|----------------|--|--|--|
| | | , | | | |
| | As of March 31, | As of Dec. 31, | | | |
| Total Assats | 2022 | 2022 | | | |
| Total Assets | 46,903 | 47,630 | | | |
| Net Assets | 12,460 | 13,253 | | | |
| Owners' Equity | 12,454 | 13,246 | | | |
| Capital Adequacy Ratio | 26.6 % | 27.8 % | | | |

d. Consolidated Statements of Cash Flows

| | Y | en | |
|-----------------------------|----------------|----------------|--|
| | (millions) | | |
| | Nine months | Nine months | |
| | ended Dec. 31, | ended Dec. 31, | |
| | 2021 | 2022 | |
| Cash Flows from | 2,026 | 2,423 | |
| Operating Activities | | | |
| Cash Flows from | △ 3,336 | △ 1,837 | |
| Investing Activities | | | |
| Cash Flows from | △ 2,763 | △ 380 | |
| Financing Activities | | | |
| Cash and Cash Equivalents | 3,098 | 3,040 | |
| at End of Period | | | |

(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 | 62,000 | 0.9 % | 61,456 |
| Operating Profit | 700 | △ 66.4 % | 2,083 |
| Ordinary Profit | 700 | △ 64.4 % | 1,968 |
| Profit attributable to owners of parent | 200 | △ 73.0 % | 740 |
| Basic Earnings Per Share | 5.80 y | en - 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 January 30, 2023.

3. Others

- (1) Changes in significant subsidiaries during the nine months ended Dec. 31, 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)

December 31, 2022: 34,536,302 shares March 31, 2022: 34,536,302 shares

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

December 31, 2022: 29,989 shares March 31, 2022: 29,738 shares

3) Average number of shares in each period.

December 31, 2022: 34,506,403 shares December 31, 2021: 34,506,909 shares

(Notes)

1. This information is a summary of the earnings report. It does not contain all details included in the earnings report disclosed in Japanease.

Consolidated Balance Sheet Millions of yen

| | FY2021 | FY2022 |
|---|--------------|---------------------------------------|
| | Mar 31, 2022 | Dec 31, 2022 |
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,763 | 3,040 |
| Notes and accounts receivable - trade and contract assets | 17,262 | 16,182 |
| Merchandise and finished goods | 3,651 | 3,353 |
| Work in process | 2,589 | 3,099 |
| Raw materials and supplies | 4,416 | 5,184 |
| Other | 1,351 | 1,655 |
| Allowance for doubtful accounts | Δ 37 | $\frac{\triangle 34}{32,481}$ |
| Total current assets | 31,995 | 32,481 |
| Non-current assets | | |
| Property, plant and equipment Buildings and structures, net | 5,314 | 5,494 |
| Machinery, equipment and vehicles, net | 5,341 | 5,379 |
| Tools, furniture and fixtures, net | 797 | 954 |
| Land | 2,181 | 2,183 |
| Leased assets, net | 137 | 91 |
| Construction in progress | 259 | 327 |
| Total property, plant and equipment | 14,032 | 14,431 |
| Intangible assets | 275 | 302 |
| Investments and other assets | | |
| Investment securities | 200 | 193 |
| Deferred tax assets | 182 | 32 |
| Other | 217 | 189 |
| Total investments and other assets | 600 | 414 |
| Total non-current assets | 14,908 | 15,148 |
| Total assets | 46,903 | 47,630 |
| Liabilities | 40,703 | 47,030 |
| Current liabilities | | |
| Notes and accounts payable-trade | 9,625 | 10,467 |
| Electronically recorded obligations - operating | 4,684 | 4,504 |
| Short-term borrowings | 12,190 | 11,860 |
| Lease liabilities | 66 | 65 |
| Accounts payable - other | 1,774 | 2,310 |
| Income taxes payable | 681 | 373 |
| Other | 2,429 | 1,785 |
| Total current liabilities | 31,450 | 31,366 |
| Non-current liabilities | | · · · · · · · · · · · · · · · · · · · |
| Lease liabilities | 84 | 34 |
| Deferred tax liabilities | 301 | 363 |
| Retirement benefit liability | 2,288 | 1,983 |
| Long-term accounts payable - other | 168 | 168 |
| Other | 150 | 459 |
| Total non-current liabilities | 2,992 | 3,010 |
| Total liabilities | 34,443 | 34,377 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 31,709 | 31,709 |
| Capital surplus | 26,225 | 26,225 |
| Retained earnings | △ 45,432 | △ 44,928 |
| Treasury shares | △ 50 | △ 50 |
| Total shareholders' equity | 12,451 | 12,955 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 43 | 35 |
| Foreign currency translation adjustment | 1,564 | 1,652 |
| Remeasurements of defined benefit plans | △ 1,605 | △ 1,395 |
| Total accumulated other comprehensive income | | 291 |
| Non-controlling interests | 5 | 12.252 |
| Total net assets | 12,460 | 13,253 |
| Total liabilities and net assets | 46,903 | 47,630 |
| | | · · · · · · · · · · · · · · · · · · · |

Consolidated Statement of Income Millions of yen

| | FY2021 | FY2022 |
|---|---------------|---------------|
| | Apr'21-Dec'21 | Apr'22-Dec'22 |
| Net sales | 45,621 | 46,814 |
| Cost of sales | 36,579 | 39,017 |
| Gross profit | 9,041 | 7,796 |
| Selling, general and administrative expenses | 7,074 | 6,976 |
| Operating profit | 1,966 | 820 |
| Non-operating income | | |
| Interest income | 7 | 14 |
| Dividend income | 3 | 27 |
| Subsidy income | 37 | 37 |
| Foreign exchange gains | - | 140 |
| Gain on sale of non-current assets | 1 | 3 |
| Rental income | 8 | 17 |
| Other | 65 | 50 |
| Total non-operating income | 124 | 291 |
| Non-operating expenses | | |
| Interest expenses | 75 | 74 |
| Foreign exchange losses | 133 | - |
| Loss on retirement of non-current assets | 40 | 133 |
| Other | 9 | 7 |
| Total non-operating expenses | 258 | 215 |
| Ordinary profit | 1,832 | 896 |
| 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 | <u>-</u> | 75 |
| Total extraordinary losses | - | 75 |
| Profit before income taxes | 2,305 | 1,030 |
| Income taxes-current | 337 | 328 |
| Income taxes-deferred | 60 | 197 |
| Total income taxes | 398 | 526 |
| Profit | 1,907 | 504 |
| Profit (loss) attributable to non-controlling interests | Δ 0 | 0 |
| Profit attributable to owners of parent | 1,907 | 503 |

Consolidated Statement of Comprehensive Income Millions of yen

| | FY2021 | FY2022 Apr'22-Dec'22 | |
|--|---------------|-------------------------|--|
| | Apr'21-Dec'21 | | |
| Profit | 1,907 | 504 | |
| Other comprehensive income | | | |
| Valuation difference on available-for-sale securities | 2 | △ 7 | |
| Foreign currency translation adjustment | 196 | 87 | |
| Remeasurements of defined benefit plans | 194 | 209 | |
| Total Other comprehensive income | 393 | 289 | |
| Comprehensive income | 2,300 | 793 | |
| (Comprehensive income attributable to) | | | |
| Comprehensive income attributable to owners of parent | 2,300 | 792 | |
| Comprehensive income attributable to non-controlling interests | $\Delta 0$ | 0 | |
| | | | |

Consolidated Statement of Cash Flows Millions of yen

| Chash flows from operating activities Cash flows from perating activities Cash flows from perating activities 2.305 1.00 Porfit before income taxes 2.305 1.07 1.07 Depreciation 1.76 3.75 5.05 Loss (gain) on sale of shares of subsidiaries and associates 2.45 6.05 6.00 Increase (decrease) in eliculation of subsidiaries and associates 2.45 6.00 6.00 Increase (decrease) in eliculation of subsidiaries and associates 2.41 2.45 Increase (decrease) in eliculation of subsidiaries and associates 2.11 2.45 Increase (decrease) in eliculation of subsidiaries and associates 2.11 2.41 Increase (decrease) in eliculation of subsidiaries and associates 2.11 2.41 Increase (decrease) in eliculation of subsidiaries and associates 2.11 2.02 Loss on retirement of non-current assets 2.40 2.52 Loss on retirement of non-current assets 2.40 2.52 Subsidiaries and dividend incorner 2.13 2.02 Increase (increase) in trade receivables 2.18 2.02 Increase (incr | | FY2021 | FY2022 | |
|---|--|---------------|---------------|--|
| Profit before income taxes 2,305 1,030 Depreciation 1,768 1,707 Impairment losses - 7.75 Loss (gain) on sale of shares of subsidiaries and associates Δ 13 Δ 9 Loss (gain) on liquidation of subsidiaries and associates Δ 459 - Increase (decrease) in relinement benefit liability Δ 202 Δ 305 Increase (decrease) in allowance for doubtful accounts 1 Δ 5 Interest sand dividend income Δ 11 Δ 41 Δ 45 Interest sand property, plant and equipment Δ 1 Δ 2 Loss on relinement of non-current assets 40 32 Loss on relinement of more-current assets 40 33 Subsidy income Δ 37 Δ 237 Decrease (increase) in trade receivables Δ 39 1,316 Decrease (increase) in trade receivables Δ 19 Δ 27 Increase (decrease) in accrued expenses Δ 769 Δ 772 Increase (decrease) in accrued expenses Δ 769 Δ 772 Subsidies received 3 11 4 Subsidies rece | | Apr'21-Dec'21 | Apr'22-Dec'22 | |
| Depreciation 1,768 1,707 Impairment losses | Cash flows from operating activities | | | |
| Impairment losses | Profit before income taxes | 2,305 | 1,030 | |
| Loss (gain) on sale of shares of subsidiaries and associates ∆ 459 Loss (gain) on liquidation of subsidiaries and associates ∆ 459 Increase (decrease) in retirement benefit liability ∆ 20 ∆ 305 Increase (decrease) in allowance for doubtful accounts 1 ∆ 5 Interest and dividend income ∆ 11 ∆ 41 Interest expenses 75 74 Foreign exchange losses (gains) ∆ 0 ∆ 2 Loss (gain) on sale of property, plant and equipment ∆ 1 ∆ 2 Loss (gain) on sale of property, plant and equipment ∆ 1 ∆ 2 Loss on retirement of non-current assets ∆ 40 \ 133 Subsidy income ∆ 39 1,316 Decrease (increase) in trade receivables ∆ 39 1,316 Decrease (increase) in trade payables 1,541 413 Increase (decrease) in accrued expenses ∆ 769 △ 772 Other, net 376 245 Subtotal 2,27 2,693 Interest and dividends received 37 237 Net cash provided by (used in) oper | Depreciation | 1,768 | 1,707 | |
| Loss (gain) on liquidation of subsidiaries and associates △ 459 △ 505 Increase (decrease) in retirement benefit liability △ 11 △ 5 Increase (decrease) in allowance for doubtful accounts △ 11 △ 41 Interest and dividend income △ 11 △ 41 Interest expenses 75 74 Foreign exchange losses (gains) △ 0 △ 2 Loss (gain) on sale of property, plant and equipment △ 37 △ 232 Loss on retirement of non-current assets 40 133 Subsidy income △ 37 △ 233 Decrease (increase) in trade receivables △ 2,198 △ 925 Increase (decrease) in inventories △ 2,198 △ 925 Increase (decrease) in accrued expenses △ 769 △ 772 Other, net 376 ○ 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 31 △ 77 △ 75 Increase and dividends received 31 △ 77 △ 75 Increase paid △ 77 | Impairment losses | - | 75 | |
| Increase (decrease) in retirement benefit liability Δ 292 Δ 305 Increase (decrease) in allowance for doubtful accounts 1 Δ 5 Interest and dividend income Δ 11 Δ 41 Interest expenses 75 74 Foreign exchange losses (gains) Δ 0 Δ 2 Loss (gain) on sale of property, plant and equipment Δ 1 Δ 2 Loss on retirement of non-current assets 40 133 Subsidy income Δ 37 Δ 237 Decrease (increase) in trade receivables Δ 39 1,316 Decrease (increase) in intertorics Δ 2198 Δ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Interest apaid Δ 77 Δ 75 Income taxes paid Δ 77 Δ 75 Income taxes paid Δ 232 Δ 433 Purchase of property, plant and equip | Loss (gain) on sale of shares of subsidiaries and associates | △ 13 | \triangle 9 | |
| Increase (decrease) in allowance for doubtful accounts 1 △ 5 Interest and dividend income △ 11 △ 44 Interest expenses 75 74 Foreign exchange losses (gains) △ 0 △ 2 Loss (gain) on sale of property, plant and equipment △ 1 △ 2 Loss on retirement of non-current assets 40 133 Subsidy income △ 37 △ 237 Decrease (increase) in trade receivables △ 39 1,316 Decrease (increase) in trade payables 1,541 413 Increase (decrease) in accrued expenses △ 769 △ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 37 237 Interest paid △ 77 △ 75 Increase (decrease) in operating activities 2,026 2,423 Interest paid △ 77 △ 75 Increase provided by (used in) operating activities 2,026 2,423 Proceeds from sale of property, plant and equipment △ 3,263 △ 1,788 | Loss (gain) on liquidation of subsidiaries and associates | △ 459 | - | |
| Interest and dividend income Δ 11 Δ 44 Interest expenses 75 74 Foreign exchange losses (gains) Δ 0 Δ 2 Loss (gain) on sale of property, plant and equipment Δ 1 Δ 2 Loss on retirement of non-current assets 40 133 Subsidy income Δ 37 Δ 237 Decrease (increase) in trade receivables Δ 39 1,316 Decrease (increase) in inventories Δ 2,198 Δ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 37 2,323 Interest spaid Δ 77 Δ 75 Income taxes paid Δ 232 Δ 473 Net cash provided by (used in) operating activities 2,026 2,423 Purchase of property, plant and equipment Δ 3,263 Δ 1,788 Proceeds from sale of shares of subsidiaries and associates Δ 116 Δ 60 | Increase (decrease) in retirement benefit liability | △ 292 | △ 305 | |
| Interest expenses 75 74 Foreign exchange losses (gains) △ 0 △ 2 Loss (gain) on sale of property, plant and equipment △ 1 △ 2 Loss on retirement of non-current assets 40 133 Subsidy income △ 37 △ 237 Decrease (increase) in trade receivables △ 39 1,316 Decrease (increase) in inventories △ 2,198 △ 925 Increase (decrease) in accrued expenses △ 769 △ 772 Other, net 376 2,245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 27 △ 75 Net eash provided by (used in) operating activities 2,026 2,423 Ash flows from investing activities 2,026 2,423 Cash flows from sale of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of shares of subsidiaries and associates △ 116 △ 60 <t< td=""><td>Increase (decrease) in allowance for doubtful accounts</td><td>1</td><td>△ 5</td></t<> | Increase (decrease) in allowance for doubtful accounts | 1 | △ 5 | |
| Foreign exchange losses (gains) Δ 0 Δ 2 Loss (gain) on sale of property, plant and equipment Δ 1 Δ 2 Loss on retirement of non-current assets 40 133 Subsidy income Δ 37 Δ 237 Decrease (increase) in trade receivables Δ 39 1,316 Decrease (increase) in inventories Δ 2,198 Δ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Income taxes paid Δ 232 Δ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities Δ 3,263 Δ 1,788 Proceeds from sale of property, plant and equipment Δ 3,263 Δ 1,788 Purchase of intengible assets Δ 116 Δ 60 Purchase of intengible assets Δ 116 Δ 60 < | Interest and dividend income | △11 | △ 41 | |
| Loss (gain) on sale of property, plant and equipment ∆ 1 ∆ 2 Loss on retirement of non-current assets 40 133 Subsidy income ∆ 37 ∆ 237 Decrease (increase) in trade receivables ∆ 39 1,316 Decrease (increase) in inventories ∆ 2,198 △ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses △ 769 △ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 31 41 Subsidies received 37 237 Income taxes paid △ 77 △ 75 Income taxes paid △ 77 △ 75 Income taxes paid △ 77 △ 75 Income taxes paid (vised in) operating activities 2,026 2,423 Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 4 △ 4 | Interest expenses | 75 | 74 | |
| Loss on retirement of non-current assets 40 133 Subsidy income △ 37 △ 237 Decrease (increase) in trade receivables △ 39 1,316 Decrease (increase) in inventories △ 2,198 △ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses △ 769 △ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 4 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 77 △ 75 Income taxes paid △ 77 △ 75 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities 2 2 4 Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 2 4 Purchase of investment securities △ 4 4 Purchase of investment | Foreign exchange losses (gains) | $\triangle 0$ | △ 2 | |
| Subsidy income ∆ 37 ∆ 237 Decrease (increase) in trade receivables ∆ 39 1,316 Decrease (increase) in inventories ∆ 2,198 ∆ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses ∆ 769 △ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 232 △ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities 2,026 2,423 Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 3,263 △ 1,88 Purchase of intangible assets △ 116 △ 60 Purchase of integrates of subsidiaries and associates △ 18 △ 10 Other, net △ 2 △ 1 Net cash provi | Loss (gain) on sale of property, plant and equipment | Δ1 | △ 2 | |
| Decrease (increase) in trade receivables Δ 39 1,316 Decrease (increase) in inventories Δ 2,198 Δ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses ∆ 769 △ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 111 41 Subsidies received 37 237 Interest paid △ 777 △ 75 Income taxes paid △ 232 △ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities 2,026 2,423 Cash flows from investing activities A 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 3,263 △ 1,88 Purchase of investment securities △ 16 △ 60 Purchase of investment securities △ 16 △ 60 Purchase of investment securities △ 2 1 | Loss on retirement of non-current assets | 40 | 133 | |
| Decrease (increase) in inventories Δ 2,198 Δ 925 Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid Δ 77 Δ 75 Income taxes paid Δ 232 Δ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities 2,026 2,423 Purchase of property, plant and equipment Δ 3,263 Δ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of investment securities Δ 4 Δ 4 Proceeds from sale of shares of subsidiaries and associates Δ 116 Δ 60 Purchase of investment securities Δ 3 10 Other, net Δ 2,763 Δ 1,837 Net cash provided by (used in) investing activities Δ 3,336 Δ 1,837 | Subsidy income | △ 37 | △ 237 | |
| Increase (decrease) in trade payables 1,541 413 Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid Δ 77 Δ 75 Income taxes paid Δ 232 Δ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities 2,026 2,423 Purchase of property, plant and equipment Δ 3,263 Δ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of investment securities Δ 16 Δ 60 Purchase of investment securities Δ 4 Δ 4 Proceeds from sale of shares of subsidiaries and associates 4 3 10 Other, net 2 1 1 Net cash provided by (used in) investing activities Δ 3,336 Δ 1,837 Cash flows from financing activities Δ 2,710 Δ 330 | Decrease (increase) in trade receivables | △ 39 | 1,316 | |
| Increase (decrease) in accrued expenses Δ 769 Δ 772 Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid Δ 77 Δ 75 Income taxes paid Δ 232 Δ 473 Net cash provided by (used in) operating activities 2,026 2,423 Purchase of property, plant and equipment Δ 3,263 Δ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of intengible assets Δ 116 Δ 60 Purchase of investment securities Δ 4 Δ 4 Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities Δ 3,336 Δ 1,837 Cash flows from financing activities Δ 2,710 Δ 330 Purchase of treasury shares Δ 0 Δ Net cash provided by (used in) financing activities Δ 2,763 Δ 380 | Decrease (increase) in inventories | △ 2,198 | △ 925 | |
| Other, net 376 245 Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 232 △ 473 Net eash provided by (used in) operating activities − 2,026 − 2,423 Cash flows from investing activities − 2,026 − 2,423 Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment △ 2 4 Purchase of intangible assets △ 116 △ 60 Purchase of investment securities △ 4 △ 4 Proceeds from sale of shares of subsidiaries and associates △ 116 △ 60 Purchase of investment securities △ 4 △ 4 Proceeds from sale of shares of subsidiaries and associates △ 330 △ 1,832 Other, net ½ △ △ Net cash provided by (used in) investing activities △ 2,710 △ 330 Net increase (decrease) in short-term borrowings | Increase (decrease) in trade payables | 1,541 | 413 | |
| Subtotal 2,287 2,693 Interest and dividends received 11 41 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 232 △ 473 Net eash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of intangible assets △ 116 △ 60 Purchase of investment securities △ 4 △ 4 Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities △ 3,336 △ 1,837 Cash flows from financing activities △ 2,710 △ 330 Purchase of treasury shares △ 0 △ 0 Net increase (decrease) in short-term borrowings △ 2,710 △ 380 Purchase of treasury shares △ 0 △ 0 <td< td=""><td>Increase (decrease) in accrued expenses</td><td>△ 769</td><td>△ 772</td></td<> | Increase (decrease) in accrued expenses | △ 769 | △ 772 | |
| Interest and dividends received 11 41 Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 232 △ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities ■ ■ ■ Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of intensigible assets △ 116 △ 60 Purchase of investment securities △ 4 △ 4 Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net ash provided by (used in) investing activities △ 3,336 △ 1,837 Cash flows from financing activities △ 2,710 △ 330 Purchase of treasury shares △ 0 △ 0 Net increase (decrease) in short-term borrowings △ 2,710 △ 330 Purchase of treasury shares △ 0 △ 0 Net ash provided by (used in) financing activities | Other, net | 376 | 245 | |
| Subsidies received 37 237 Interest paid △ 77 △ 75 Income taxes paid △ 232 △ 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities ■ ■ Purchase of property, plant and equipment △ 3,263 △ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of intengible assets △ 116 △ 60 Purchase of investment securities △ 4 △ 4 Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net △ 2 1 Net cash provided by (used in) investing activities △ 3,336 △ 1,837 Cash flows from financing activities △ 3,336 △ 1,837 Net increase (decrease) in short-term borrowings △ 2,710 △ 330 Purchase of treasury shares △ 0 △ 0 Repayments of finance lease liabilities △ 5.2 △ 49 Net cash provided by (used in) financing activities △ 2,763 △ 380 Effect of exchange rate chang | Subtotal | 2,287 | 2,693 | |
| Interest paid \triangle 77 \triangle 75 Income taxes paid \triangle 232 \triangle 473 Net cash provided by (used in) operating activities 2,026 2,423 Cash flows from investing activities B 2,026 2,423 Purchase of property, plant and equipment Δ 3,263 Δ 1,788 Proceeds from sale of property, plant and equipment 2 4 Purchase of intangible assets Δ 116 Δ 60 Purchase of investment securities Δ 4 Δ 4 Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities Δ 3,336 Δ 1,837 Cash flows from financing activities Δ 2,710 Δ 330 Purchase of treasury shares Δ 0 Δ 0 Repayments of finance lease liabilities Δ 5.2 Δ 49 Net cash provided by (used in) financing activities Δ 2,763 Δ 380 Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents Δ | Interest and dividends received | | 41 | |
| Income taxes paid \triangle 232 \triangle 473Net cash provided by (used in) operating activities2,0262,423Cash flows from investing activities \bigcirc Purchase of property, plant and equipment \triangle 3,263 \triangle 1,788Proceeds from sale of property, plant and equipment24Purchase of intangible assets \triangle 116 \triangle 60Purchase of investment securities \triangle 4 \triangle 4Proceeds from sale of shares of subsidiaries and associates4310Other, net21Net cash provided by (used in) investing activities \triangle 3,336 \triangle 1,837Cash flows from financing activities \triangle 2,710 \triangle 330Purchase of treasury shares \triangle 0 \triangle 0Repayments of finance lease liabilities \triangle 52 \triangle 49Net cash provided by (used in) financing activities \triangle 52 \triangle 49Net cash provided by (used in) financing activities \triangle 52 \triangle 49Net cash provided by (used in) financing activities \triangle 2,763 \triangle 380Effect of exchange rate change on cash and cash equivalents17071Net increase (decrease) in cash and cash equivalents \triangle 3,903277Cash and cash equivalents at beginning of period7,0012,763 | Subsidies received | 37 | 237 | |
| Net cash provided by (used in) operating activities $2,026$ $2,423$ Cash flows from investing activities 2 4 Purchase of property, plant and equipment $\Delta 3,263$ $\Delta 1,788$ Proceeds from sale of property, plant and equipment 2 4 Purchase of intangible assets $\Delta 116$ $\Delta 60$ Purchase of investment securities $\Delta 4$ $\Delta 4$ Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activities $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Refect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Interest paid | △ 77 | △ 75 | |
| Net cash provided by (used in) operating activities $2,026$ $2,423$ Cash flows from investing activities 2 4 Purchase of property, plant and equipment $\Delta 3,263$ $\Delta 1,788$ Proceeds from sale of property, plant and equipment 2 4 Purchase of intangible assets $\Delta 116$ $\Delta 60$ Purchase of investment securities $\Delta 4$ $\Delta 4$ Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activities $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Refect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Income taxes paid | △ 232 | △ 473 | |
| Purchase of property, plant and equipment $\Delta 3,263$ $\Delta 1,788$ Proceeds from sale of property, plant and equipment24Purchase of intangible assets $\Delta 116$ $\Delta 60$ Purchase of investment securities $\Delta 4$ $\Delta 4$ Proceeds from sale of shares of subsidiaries and associates4310Other, net21Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activities $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ $\Delta 370$ Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Net cash provided by (used in) operating activities | 2,026 | 2,423 | |
| Purchase of property, plant and equipment $\Delta 3,263$ $\Delta 1,788$ Proceeds from sale of property, plant and equipment24Purchase of intangible assets $\Delta 116$ $\Delta 60$ Purchase of investment securities $\Delta 4$ $\Delta 4$ Proceeds from sale of shares of subsidiaries and associates4310Other, net21Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activities $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 52$ $\Delta 49$ Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ $\Delta 370$ Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Cash flows from investing activities | | | |
| Purchase of intangible assets $\triangle 116$ $\triangle 60$ Purchase of investment securities $\triangle 4$ $\triangle 4$ Proceeds from sale of shares of subsidiaries and associates 43 10 Other, net 2 1 Net cash provided by (used in) investing activities $\triangle 3,336$ $\triangle 1,837$ Cash flows from financing activities 2 2 Net increase (decrease) in short-term borrowings 2 2 2 Purchase of treasury shares 2 2 2 Repayments of finance lease liabilities 2 2 2 Net cash provided by (used in) financing activities 2 2 2 Effect of exchange rate change on cash and cash equivalents 2 2 2 Net increase (decrease) in cash and cash equivalents 2 2 2 Cash and cash equivalents at beginning of period 2 2 2 | Purchase of property, plant and equipment | △ 3,263 | △ 1,788 | |
| Purchase of investment securities $\triangle 4$ $\triangle 4$ Proceeds from sale of shares of subsidiaries and associates4310Other, net21Net cash provided by (used in) investing activities $\triangle 3,336$ $\triangle 1,837$ Cash flows from financing activities 2×10 2×10 Net increase (decrease) in short-term borrowings $2 \times 2,710$ $2 \times 2,710$ Purchase of treasury shares $2 \times 2,710$ $2 \times 2,700$ Repayments of finance lease liabilities $2 \times 2,700$ $2 \times 2,700$ Net cash provided by (used in) financing activities $2 \times 2,700$ $2 \times 2,700$ Effect of exchange rate change on cash and cash equivalents $2 \times 2,700$ $2 \times 2,700$ Net increase (decrease) in cash and cash equivalents $2 \times 2,700$ $2 \times 2,700$ Cash and cash equivalents at beginning of period $2 \times 2,700$ $2 \times 2,700$ | | 2 | 4 | |
| Proceeds from sale of shares of subsidiaries and associates4310Other, net21Net cash provided by (used in) investing activities $\triangle 3,336$ $\triangle 1,837$ Cash flows from financing activities \bigcirc \bigcirc Net increase (decrease) in short-term borrowings \bigcirc \bigcirc \bigcirc Purchase of treasury shares \bigcirc \bigcirc \bigcirc Repayments of finance lease liabilities \bigcirc \bigcirc \bigcirc Net cash provided by (used in) financing activities \bigcirc \bigcirc \bigcirc Effect of exchange rate change on cash and cash equivalents \bigcirc \bigcirc \bigcirc Net increase (decrease) in cash and cash equivalents \bigcirc \bigcirc \bigcirc Cash and cash equivalents at beginning of period \bigcirc \bigcirc \bigcirc | Purchase of intangible assets | △ 116 | △ 60 | |
| Other, net21Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activitiesNet increase (decrease) in short-term borrowings $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 2,763$ $\Delta 380$ Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Purchase of investment securities | △ 4 | △ 4 | |
| Net cash provided by (used in) investing activities $\Delta 3,336$ $\Delta 1,837$ Cash flows from financing activities $\Delta 2,710$ $\Delta 330$ Net increase (decrease) in short-term borrowings $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 2,763$ $\Delta 380$ Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Proceeds from sale of shares of subsidiaries and associates | 43 | 10 | |
| Cash flows from financing activitiesNet increase (decrease) in short-term borrowings $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 2,763$ $\Delta 380$ Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Other, net | 2 | 1 | |
| Net increase (decrease) in short-term borrowings $\Delta 2,710$ $\Delta 330$ Purchase of treasury shares $\Delta 0$ $\Delta 0$ Repayments of finance lease liabilities $\Delta 52$ $\Delta 49$ Net cash provided by (used in) financing activities $\Delta 2,763$ $\Delta 380$ Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Net cash provided by (used in) investing activities | △ 3,336 | △ 1,837 | |
| Purchase of treasury shares $\triangle 0$ $\triangle 0$ Repayments of finance lease liabilities $\triangle 52$ $\triangle 49$ Net cash provided by (used in) financing activities $\triangle 2,763$ $\triangle 380$ Effect of exchange rate change on cash and cash equivalents 170 71 Net increase (decrease) in cash and cash equivalents $\triangle 3,903$ 277 Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Cash flows from financing activities | | | |
| Repayments of finance lease liabilities Δ 52 Δ 49Net cash provided by (used in) financing activities Δ 2,763 Δ 380Effect of exchange rate change on cash and cash equivalents17071Net increase (decrease) in cash and cash equivalents Δ 3,903277Cash and cash equivalents at beginning of period7,0012,763 | Net increase (decrease) in short-term borrowings | △ 2,710 | △ 330 | |
| Net cash provided by (used in) financing activities $\Delta 2,763$ $\Delta 380$ Effect of exchange rate change on cash and cash equivalents17071Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Purchase of treasury shares | $\triangle 0$ | $\triangle 0$ | |
| Effect of exchange rate change on cash and cash equivalents17071Net increase (decrease) in cash and cash equivalents $\triangle 3,903$ 277Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Repayments of finance lease liabilities | △ 52 | △ 49 | |
| Effect of exchange rate change on cash and cash equivalents17071Net increase (decrease) in cash and cash equivalents $\triangle 3,903$ 277Cash and cash equivalents at beginning of period $7,001$ $2,763$ | Net cash provided by (used in) financing activities | △ 2,763 | △ 380 | |
| Net increase (decrease) in cash and cash equivalents $\Delta 3,903$ 277Cash and cash equivalents at beginning of period $7,001$ $2,763$ | | | | |
| Cash and cash equivalents at beginning of period 7,001 2,763 | | △ 3,903 | 277 | |
| | | | 2,763 | |
| | Cash and cash equivalents at end of period | | | |

Consolidated Business Segment Information Millions of yen

FY2021 Apr'21-Dec'21

| | Business Segments Reported | | | | Consolidated |
|---------------------------------------|-----------------------------------|-------------------------|--------|-------------|--------------|
| | Batteries | Electronic Materials | Total | Adjustments | Statements |
| Net sales | | | | | |
| Japan | 16,132 | 10,028 | 26,161 | - | 26,161 |
| Asia | 5,197 | 3,185 | 8,382 | - | 8,382 |
| Americas | 3,776 | - | 3,776 | - | 37,776 |
| Europe | 7,178 | 44 | 7,222 | - | 7,222 |
| Other | 78 | | 78 | | 78 |
| Revenue from contracts with customers | 32,363 | 13,258 | 45,621 | - | 45,621 |
| Other revenue | | | - | | |
| Unaffiliated customers | 32,363 | 13,258 | 45,621 | - | 45,621 |
| Intersegment | <u> </u> | <u> </u> | | | |
| Total | 32,363 | 13,258 | 45,621 | | 45,621 |
| Segment profit | 1,387 | 579 | 1,966 | - | 1,966 |

FY2022 Apr'22-Dec'22

| | Business Segments Reported | | | | Consolidated |
|---------------------------------------|-----------------------------------|-------------------------|--------|-------------|--------------|
| | Batteries | Electronic Materials | Total | Adjustments | Statements |
| Net sales | | | | | |
| Japan | 16,309 | 12,703 | 29,013 | - | 29,013 |
| Asia | 5,801 | 3,106 | 8,908 | - | 8,908 |
| Americas | 3,015 | - | 3,015 | - | 3,015 |
| Europe | 5,828 | - | 5,828 | - | 5,828 |
| Other | 48 | | 48 | | 48 |
| Revenue from contracts with customers | 31,004 | 15,810 | 46,814 | - | 46,814 |
| Other revenue | | <u>-</u> | - | | |
| Unaffiliated customers | 31,004 | 15,810 | 46,814 | - | 46,814 |
| Intersegment | <u> </u> | <u> </u> | - | | |
| Total | 31,004 | 15,810 | 46,814 | | 46,814 |
| Segment profit | 40 | 779 | 820 | - | 820 |