

**Consolidated Financial Results for the Third Quarter Ended December 31, 2023**  
**(April 1, 2023 to December 31, 2023)**

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

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

**1. Consolidated Results for the Nine-Months Period Ended December 31, 2023****a. Consolidated Statements of Income**

|   | Yen<br>(millions)                     |                                       |        | Change (%) | Yen                               |
|---|---------------------------------------|---------------------------------------|--------|------------|-----------------------------------|
|   | Nine months<br>ended Dec. 31,<br>2022 | Nine months<br>ended Dec. 31,<br>2023 |        |            | (millions)                        |
|   |                                       |                                       |        |            | FY2022,<br>ended Mar. 31,<br>2023 |
| <b>Net Sales</b>  | 46,814                                | 45,899                                | △ 2.0  |            | 62,784                            |
| <b>Operating Profit</b>                                   | 820                                   | 105                                   | △ 87.1 |            | 789                               |
| <b>Ordinary Profit</b>                                    | 896                                   | 234                                   | △ 73.8 |            | 851                               |
| <b>Profit (Loss) attributable to<br/>owners of parent</b> | 503                                   | △ 52                                  | -      |            | 318                               |

**Amounts Per Share of Common Stock:**

|                  |           |            |          |
|------------------|-----------|------------|----------|
| Basic Earnings   | 14.60 yen | △ 1.53 yen | 9.22 yen |
| Diluted Earnings | - yen     | - yen      | - yen    |

**b. Net Sales by Business Segment**

|                           | Yen                                   | Yen                                   | Yen                               |
|---------------------------|---------------------------------------|---------------------------------------|-----------------------------------|
|                           | (millions)                            | (millions)                            | (millions)                        |
|                           | Nine months<br>ended Dec. 31,<br>2022 | Nine months<br>ended Dec. 31,<br>2023 | FY2022,<br>ended Mar. 31,<br>2023 |
| <b>Batteries</b>          | 31,004                                | 34,803                                | 42,163                            |
| <b>Electronic Devices</b> | 15,810                                | 11,096                                | 20,620                            |
| <b>Total</b>              | 46,814                                | 45,899                                | 62,784                            |

**c. Consolidated Financial Position**

|                               | Yen<br>(millions)       |                        |
|-------------------------------|-------------------------|------------------------|
|                               | As of March 31,<br>2023 | As of Dec. 31,<br>2023 |
|                               |                         |                        |
| <b>Total Assets</b>           | 47,130                  | 49,834                 |
| <b>Net Assets</b>             | 13,196                  | 13,936                 |
| <b>Owners' Equity</b>         | 13,190                  | 13,930                 |
| <b>Capital Adequacy Ratio</b> | 28.0 %                  | 28.0 %                 |

**d. Consolidated Statements of Cash Flows**

|   | Yen                                   |                                       |
|---|---------------------------------------|---------------------------------------|
|   | (millions)                            |                                       |
|   | Nine months<br>ended Dec. 31,<br>2022 | Nine months<br>ended Dec. 31,<br>2023 |
| <b>Cash Flows from<br/>Operating Activities</b>       | 2,423                                 | △ 125                                 |
| <b>Cash Flows from<br/>Investing Activities</b>       | △ 1,837                               | △ 1,771                               |
| <b>Cash Flows from<br/>Financing Activities</b>       | △ 380                                 | 2,474                                 |
| <b>Cash and Cash Equivalents<br/>at End of Period</b> | 3,040                                 | 3,281                                 |

**(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, 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 |

**(Note for the use of the above forecasted business results)****The financial forecast described above is based upon information available as of April 26, 2023.****3. Others**

- (1) Changes in significant subsidiaries during the nine months ended Dec. 31, 2023: 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, 2023: 34,536,302 shares | March 31, 2023: 34,536,302 shares |
|--------------------------------------|-----------------------------------|
  - 2) Number of treasury stock at the end of each period
 

|                                  |                               |
|----------------------------------|-------------------------------|
| December 31, 2023: 30,549 shares | March 31, 2023: 30,232 shares |
|----------------------------------|-------------------------------|
  - 3) Average number of shares in each period.
 

|                                      |                                      |
|--------------------------------------|--------------------------------------|
| December 31, 2023: 34,505,912 shares | December 31, 2022: 34,506,403 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 Japanese.

## Consolidated Balance Sheet

### Millions of yen

|  | FY2022        | FY2023        |
|--|---------------|---------------|
|  | Mar 31, 2023  | Dec 30, 2023  |
| <b>Assets</b>  |               |               |
| <b>Current assets</b>                                      |               |               |
| Cash and deposits  | 2,571         | 3,281         |
| Notes and accounts receivable - trade, and contract assets | 16,222        | 17,612        |
| Merchandise and finished goods                             | 2,965         | 3,397         |
| Work in process  | 3,118         | 3,034         |
| Raw materials and supplies                                 | 4,843         | 5,433         |
| Other  | 2,135         | 1,750         |
| Allowance for doubtful accounts                            | 32            | 34            |
| Total current assets                                       | <u>31,822</u> | <u>34,475</u> |
| <b>Non-current assets</b>                                  |               |               |
| Property, plant and equipment                              |               |               |
| Buildings and structures, net                              | 5,496         | 5,930         |
| Machinery, equipment and vehicles, net                     | 5,424         | 4,923         |
| Tools, furniture and fixtures, net                         | 1,009         | 1,090         |
| Land   | 2,184         | 2,189         |
| Leased assets, net   | 76            | 77            |
| Construction in progress                                   | 286           | 311           |
| Total property, plant and equipment                        | <u>14,478</u> | <u>14,522</u> |
| Intangible assets  | <u>412</u>    | <u>377</u>    |
| Investments and other assets                               |               |               |
| Investment securities                                      | 193           | 219           |
| Deferred tax assets  | 42            | 34            |
| Other  | 179           | 204           |
| Total investments and other assets                         | <u>415</u>    | <u>458</u>    |
| Total non-current assets                                   | <u>15,307</u> | <u>15,359</u> |
| <b>Total assets</b>  | <u>47,130</u> | <u>49,834</u> |
| <b>Liabilities</b>   |               |               |
| <b>Current liabilities</b>                                 |               |               |
| Notes and accounts payable-trade                           | 9,752         | 10,308        |
| Electronically recorded obligations - operating            | 4,656         | 4,529         |
| Short-term borrowings                                      | 12,140        | 14,670        |
| Lease liabilities  | 63            | 49            |
| Accounts payable - other                                   | 1,459         | 1,932         |
| Income taxes payable                                       | 499           | 290           |
| Other  | 2,357         | 1,475         |
| Total current liabilities                                  | <u>30,928</u> | <u>33,256</u> |
| <b>Non-current liabilities</b>                             |               |               |
| Lease liabilities  | 20            | 32            |
| Deferred tax liabilities                                   | 381           | 377           |
| Retirement benefit liability                               | 1,984         | 1,700         |
| Long-term accounts payable - other                         | 162           | 162           |
| Other  | 456           | 369           |
| Total non-current liabilities                              | <u>3,005</u>  | <u>2,641</u>  |
| <b>Total liabilities</b>                                   | <u>33,933</u> | <u>35,898</u> |
| <b>Net assets</b>  |               |               |
| <b>Shareholders' equity</b>                                |               |               |
| Share capital  | 31,709        | 31,709        |
| Capital surplus  | 26,225        | 26,225        |
| Retained earnings  | 45,114        | 45,166        |
| Treasury shares  | 50            | 51            |
| Total shareholders' equity                                 | <u>12,769</u> | <u>12,716</u> |
| <b>Accumulated other comprehensive income</b>              |               |               |
| Valuation difference on available-for-sale securities      | 34            | 49            |
| Foreign currency translation adjustment                    | 1,825         | 2,306         |
| Remeasurements of defined benefit plans                    | 1,439         | 1,141         |
| Total accumulated other comprehensive income               | <u>420</u>    | <u>1,213</u>  |
| <b>Non-controlling interests</b>                           | <u>6</u>      | <u>6</u>      |
| <b>Total net assets</b>                                    | <u>13,196</u> | <u>13,936</u> |
| <b>Total liabilities and net assets</b>                    | <u>47,130</u> | <u>49,834</u> |

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

|   | FY2022        | FY2023        |
|---|---------------|---------------|
|   | Apr'22-Dec'22 | Apr'23-Dec'23 |
| <b>Net sales</b>  | 46,814        | 45,899        |
| Cost of sales   | 39,017        | 38,895        |
| <b>Gross profit</b>                                     | 7,796         | 7,004         |
| Selling, general and administrative expenses            | 6,976         | 6,898         |
| <b>Operating profit</b>                                 | 820           | 105           |
| Non-operating income                                    |               |               |
| Interest income   | 14            | 49            |
| Dividend income   | 27            | 23            |
| Subsidy income  | 37            | -             |
| Foreign exchange gains                                  | 140           | 87            |
| Gain on sale of non-current assets                      | 3             | 4             |
| Rental income   | 17            | 26            |
| Other   | 50            | 51            |
| Total non-operating income                              | 291           | 241           |
| Non-operating expenses                                  |               |               |
| Interest expenses                                       | 74            | 86            |
| Loss on retirement of non-current assets                | 133           | 16            |
| Other   | 7             | 9             |
| Total non-operating expenses                            | 215           | 112           |
| <b>Ordinary profit</b>                                  | 896           | 234           |
| Extraordinary income                                    |               |               |
| Gain on sale of shares of subsidiaries and associates   | 9             | -             |
| Subsidy income  | 200           | 128           |
| Total extraordinary income                              | 209           | 128           |
| Extraordinary losses                                    |               |               |
| Impairment losses                                       | 75            | 79            |
| Total extraordinary losses                              | 75            | 79            |
| <b>Profit before income taxes</b>                       | 1,030         | 284           |
| Income taxes-current                                    | 328           | △337          |
| Income taxes-deferred                                   | 197           | 0             |
| Total income taxes                                      | 526           | △337          |
| <b>Profit (loss)</b>                                    | 504           | △52           |
| Profit (loss) attributable to non-controlling interests | 0             | △0            |
| <b>Profit (loss) attributable to owners of parent</b>   | 503           | 52            |

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

|  | <b>FY2022</b>        | <b>FY2023</b>        |
|--|----------------------|----------------------|
|  | <b>Apr'22-Dec'22</b> | <b>Apr'23-Dec'23</b> |
| <b>Profit (loss)</b>   | 504                  | 52                   |
| <b>Other comprehensive income</b>                              |                      |                      |
| Valuation difference on available-for-sale securities          | 7                    | 14                   |
| Foreign currency translation adjustment                        | 87                   | 480                  |
| Remeasurements of defined benefit plans, net of tax            | 209                  | 297                  |
| Total other comprehensive income                               | 289                  | 792                  |
| <b>Comprehensive income</b>                                    | 793                  | 740                  |
| (Comprehensive income attributable to)                         |                      |                      |
| Comprehensive income attributable to owners of parent          | 792                  | 740                  |
| Comprehensive income attributable to non-controlling interests | 0                    | 0                    |

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

|  | FY2022        | FY2023        |
|--|---------------|---------------|
|  | Apr'22-Dec'22 | Apr'23-Dec'23 |
| <b>Cash flows from operating activities</b>                        |               |               |
| Profit before income taxes   | 1,030         | 284           |
| Depreciation   | 1,707         | 1,811         |
| Impairment losses  | △75           | 79            |
| Loss (gain) on sale of shares of subsidiaries and associates       | △ 9           | △ -           |
| Increase (decrease) in retirement benefit liability                | △305          | △284          |
| Increase (decrease) in allowance for doubtful accounts             | △ 5           | △ 0           |
| Interest and dividend income                                       | 41            | 72            |
| Interest expenses  | △74           | △86           |
| Foreign exchange losses (gains)                                    | △ 2           | △ 0           |
| Loss (gain) on sale of property, plant and equipment               | 2             | 4             |
| Loss on retirement of non-current assets                           | △133          | △ 16          |
| Subsidy income   | 237           | △128          |
| Decrease (increase) in trade receivables                           | △1,316        | △934          |
| Decrease (increase) in inventories                                 | 925           | 759           |
| Increase (decrease) in trade payables                              | △413          | △ 68          |
| Increase (decrease) in accrued expenses                            | 772           | 813           |
| Other, net   | 245           | 1,076         |
| Subtotal   | 2,693         | 425           |
| Interest and dividends received                                    | 41            | 72            |
| Subsidies received   | △237          | △128          |
| Interest paid  | △ 75          | △ 84          |
| Income taxes paid  | 473           | △667          |
| Net cash provided by (used in) operating activities                | 2,423         | 125           |
|  | △             | △             |
| <b>Cash flows from investing activities</b>                        |               |               |
| Purchase of property, plant and equipment                          | 1,788         | 1,756         |
| Proceeds from sale of property, plant and equipment                | △ 4           | △ 8           |
| Purchase of intangible assets                                      | △60           | △17           |
| Purchase of investment securities                                  | 4             | 4             |
| Proceeds from sale of shares of subsidiaries and associates        | 10            | △ -           |
| Other, net   | △ 1           | △ 1           |
| Net cash provided by (used in) investing activities                | 1,837         | 1,771         |
|  | △             | △             |
| <b>Cash flows from financing activities</b>                        |               |               |
| Net increase (decrease) in short-term borrowings                   | △330          | △2,530        |
| Purchase of treasury shares  | △ 0           | △ 0           |
| Repayments of finance lease liabilities                            | △49           | 55            |
| Net cash provided by (used in) financing activities                | 380           | 2,474         |
| <b>Effect of exchange rate change on cash and cash equivalents</b> | 71            | 133           |
| <b>Net increase (decrease) in cash and cash equivalents</b>        | 277           | 710           |
| <b>Cash and cash equivalents at beginning of period</b>            | 2,763         | 2,571         |
| <b>Cash and cash equivalents at end of period</b>                  | 3,040         | 3,281         |

**Consolidated Business Segment Information**  
**Millions of yen**

**FY2022 Apr'22-Dec'22**

|                                       | <b>Business Segments Reported</b> |                             | <b>Total</b>  | <b>Adjustments</b> | <b>Consolidated Statements</b> |
|---------------------------------------|-----------------------------------|-----------------------------|---------------|--------------------|--------------------------------|
|                                       | <b>Batteries</b>                  | <b>Electronic Materials</b> |               |                    |                                |
| <b>Net sales</b>                      |                                   |                             |               |                    |                                |
| 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                         | -                                 | -                           | -             | -                  | -                              |
| Unaffiliated customers                | 31,004                            | 15,810                      | 46,814        | -                  | 46,814                         |
| Intersegment                          | -                                 | -                           | -             | -                  | -                              |
| <b>Total</b>                          | <b>31,004</b>                     | <b>15,810</b>               | <b>46,814</b> | <b>-</b>           | <b>46,814</b>                  |
| <b>Segment profit</b>                 | <b>40</b>                         | <b>779</b>                  | <b>820</b>    | <b>-</b>           | <b>820</b>                     |

**FY2023 Apr'23-Dec'23**

|                                       | <b>Business Segments Reported</b> |                             | <b>Total</b>  | <b>Adjustments</b> | <b>Consolidated Statements</b> |
|---------------------------------------|-----------------------------------|-----------------------------|---------------|--------------------|--------------------------------|
|                                       | <b>Batteries</b>                  | <b>Electronic Materials</b> |               |                    |                                |
| <b>Net sales</b>                      |                                   |                             |               |                    |                                |
| Japan                                 | 17,442                            | 8,868                       | 26,311        | -                  | 26,311                         |
| Asia                                  | 5,858                             | 2,201                       | 8,059         | -                  | 8,059                          |
| Americas                              | 3,884                             | -                           | 3,884         | -                  | 3,884                          |
| Europe                                | 7,576                             | 26                          | 7,603         | -                  | 7,603                          |
| Other                                 | 41                                | -                           | 41            | -                  | 41                             |
| Revenue from contracts with customers | 34,803                            | 11,096                      | 45,899        | -                  | 45,899                         |
| Other revenue                         | -                                 | -                           | -             | -                  | -                              |
| Unaffiliated customers                | 34,803                            | 11,096                      | 45,899        | -                  | 45,899                         |
| Intersegment                          | -                                 | -                           | -             | -                  | -                              |
| <b>Total</b>                          | <b>34,803</b>                     | <b>11,096</b>               | <b>45,899</b> | <b>-</b>           | <b>45,899</b>                  |
| <b>Segment profit (loss)</b>          | <b>49</b>                         | <b>155</b>                  | <b>105</b>    | <b>-</b>           | <b>105</b>                     |