January 27, 2011

#### Consolidated Financial Results for the Third Quarter Ended December 31, 2010 (April 1, 2010 to December 31, 2010)

#### FDK CORPORATION

(URL: http://www.fdk.com) Listing Code No.6955 (Listing Stock Exchange: The First Section of Tokyo Stock Exchange)

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

#### 1. Consolidated Operating Results for the Nine-Months Period Ended December 31, 2010

#### a. Consolidated Results of Operations

		Yen	Yen	U.S.Dollars
	(n	(millions)		(millions)
	Nine months	Nine months	FY2009,	Nine months
	ended Dec. 31,	ended Dec. 31,	ended Mar. 31,	ended Dec. 31,
	2010	2009	2010	2010
Net Sales	72,724	46,192	68,447	\$892.98
Operating Income	4,274	1,134	2,398	\$52.48
Income(Loss) Before Income Taxes	4,222	550	1,582	\$51.84
and Minority Interests				
Net Income (Loss)	2,760	145	1,046	\$33.89
Amounts Per Share of Common Stock	<b>ζ</b> :			
Basic Earnings (Loss)	12.7 yen	0.7 yen	4.98 yer	n 0.86 cent
Diluted Earnings	-	-		-

#### b. Net Sales by Business Segment

	Yen	Yen	Yen	U.S.Dollars
	(millions)	(millions)	(millions)	(millions)
	Nine months	Nine months	FY2009,	Nine months
	ended Dec. 31,	ended Dec. 31,	ended Mar. 31,	ended Dec. 31,
	2010	2009	2010	2010
Electronic Devices	29,115	28,618	37,673	\$357.50
Batteries	43,609	17,573	30,773	\$535.47
Total	72,724	46,192	68,447	\$892.98

#### c. Consolidated Financial Position

		Yen (millions)				
	As of Dec. 31, As of Mar. 31					
	2010	2010				
Total Assets	64,999	64,515				
Total Net Assets	4,852	3,258				
Total Shareholders' Equity	6,491	3,732				
Shareholders' Equity Ratio	6.5	4.1				
Shareholders' Equity	(31.09) yen	(38.39) ye				

Per Share

#### d. Consolidated Statements of Cash Flows

	(milli	(millions)				
	Nine months	Nine months				
	ended Dec. 31,	ended Dec. 31,				
	2010	2009				
Cash Flows from	1,593	(610)				
<b>Operating Activities</b>						
Cash Flows from	1,517	(579)				
Investing Activities						
Cash Flows from	(1,233)	(576)				
<b>Financing Activities</b>						
Cash and Cash Equivalents	5,755	5,558				
at End of Period						
Consolidated Subsidiaries			15 companies			
Unconsolidated Subsidiaries (equ	uity method applied)		- companies			
Affiliates (equity method applied		1 companies				

(Notes for the Consolidated Operating Results (from 1.a to 1.d))

1. All amounts less than one million yen have been disregarded.

2. U.S. dollar amounts are translated from yen, for convenience only, at the rate of 81.44 yen=\$1

3. The percentage in this statement presents rate of change compared with the same period last year.

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

(Million of yen, except per share data)

	FY2010	Change from FY2009(%)
Net Sales	¥95,000	38.8
Operating Income	¥4,000	66.8
Net Income	¥2,400	129.4
Net Income per Share	11.05 yen	-

Note for the use of the above forecasted business results.

The forcast described above is based upon information available as of Octber 26, 2010.

#### 3. Others

(1)Changes in significant subsidiaries during the period: No

(2)Adoption of simplified accounting methods for quarterly reporting: Yes

#### (3)Changes in accounting policies, procedures, and presentation, etc.

1)Changes resulting from revisions in accounting principles,etc.: Yes 2)Other changes: Yes

#### (4)Number of shares outstanding (common stock)

1)Number of shares outstanding at the end of periods.

December 31, 2010 : 217,505,884 shares March 31, 2010: 217,505,884 shares

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

December 31, 2010 : 225,845 shares March 31, 2010 : 218,916 shares

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

December 31, 2010 : 217,284,904 shares December 31, 2009 : 207,538,224 shares

### Consolidated Balance Sheets Millions of yen

-	Q3/FY2010 Dec 31, 2010	FY2009 Mar 31, 2010
Assets		
Current assets		<b>E</b> (1 <b>E</b>
Cash and deposits	5,769	7,417 21,458
Notes and accounts receivable-trade Merchandise and finished goods	22,166	21,458 2,597
Work in process	4,035 3,827	2,997
Raw materials and supplies	1,996	2,921 2,047
Deferred tax assets	128	2,041
Other	3,555	2,428
Allowance for doubtful accounts	(61)	(113)
Total current assets	41,417	39,023
Noncurrent assets	· ·	· · · · · ·
Property, plant and equipment		
Buildings and structures, net	7,602	8,079
Machinery, equipment and vehicles, net	8,374	9,422
Tools, furniture and fixtures, net	724	804
Land	3,479	3,469
Lease assets, net	506	402
Construction in progress	207	200
Total property, plant and equipment	20,894	22,378
Intangible assets	850	669
Investments and other assets	191	190
Investment securities	131	130
Long-term loans receivable Deferred tax assets	9 235	$14\\688$
Other	1,459	1,610
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	1,836	2,444
Total noncurrent assets	23,581	25,492
Total assets		
Liabilities	64,999	64,515
Current liabilities		
Notes and accounts payable-trade	19,508	19,088
Short-term loans payable	23,040	23,794
Current portion of long-term loans payable		325
Lease obligations	265	230
Accounts payable-other	2,384	2,310
Income taxes payable	614	433
Other	2,818	2,853
Total current liabilities	48,632	49,036
Noncurrent liabilities		
Long-term loans payable	-	66
Lease obligations	553	546
Deferred tax liabilities	2	3
Provision for retirement benefits	7,594	7,778
Negative goodwill	3,036	3,605
Other	328	220
Total noncurrent liabilities	$\frac{11,514}{60,146}$	$\frac{12,221}{61,257}$
Total liabilities	00,140	01,207
Net assets Shareholders' equity		
Capital stock	28,301	28,301
Capital succe Capital surplus	22,622	22,622
Retained earnings	(44,391)	(47,151)
Treasury stock	(41)	(40)
Total shareholders' equity	6,491	3,732
Valuation and translation adjustments		- / · -
Valuation difference on available-for-sale securities	3	5
Deferred gains or losses on hedges	-	(45)
Foreign currency translation adjustment	(2,249)	(1,033)
Total valuation and translation adjustments	(2,245)	(1,073)
Minority interests	606	599
Total net assets	4,852	3,258
Total liabilities and net assets	64,999	64,515
	·	· · · · ·

## Consolidated Statements of Income

Millions of yen

Apr 09-Dec 09Apr 10-Dec 10Net sales39,58859,882Cross profit6,60312,841Sellinz, general and administrative expenses5,4698,566Operating income 0.0s)1,1344,271Nor operating income1514Amortization of negative goodwill5660Rent income1924Gain on sales of noncurrent assets41-Other103141Total nor operating income180748Nor operating expenses168180Interest expenses168180Foreign exchange losses168180Foreign exchange losses653133Other306148Total nor operating expenses6631,153Ordinary income Oss)6313,269Extraordinary income39-739Gain on liquidation of subsidiaries and affiliates9-Gain on alse of subsidiaries and affiliates' stocks39-Total extraordinary income39739Extraordinary loss111-Loss on retirement of noncurrent assets111-Other8881406Income doss before innore tassets111-Other888140Total extraordinary loss1164022Loss on charge of outract113-Loss on charge of outract114-Other888Total extraordinary loss		Q3/FY2009	Q3/FY2010
Cost of sales   39,588   50,882     Gross profit   6,603   12,841     Selling, general and administrative expenses   5,469   8,566     Operating income (loss)   1,134   4,274     Non operating income   15   14     Amortization of negative goodwill   569   6,603   14     Amortization of negative goodwill   569   6,603   141     Other   103   141   -     Total non-operating income   180   7,48   -     Non operating expenses   168   180   -     Interest expenses   168   180   -     Foreign exchange losses   143   691   -     Other   205   144   -   -     Total non-operating expenses   663   1,153   -   -   -     Other   205   148   -   -   -   -   -   -   -   -   -   -   117   -   -   -   -   -   -   141   -   -   -   -   -   - </th <th></th> <th>Apr'09-Dec'09</th> <th>Apr'10-Dec'10</th>		Apr'09-Dec'09	Apr'10-Dec'10
Dotset     Dotset     Dotset     Dotset       Gross profit     6,603     12,841     Selling, general and administrative expenses     5,469     8,566       Operating income (loss)     1,134     4,274     4,274       Non-operating income     15     14       Amortization of negative goodwill     5699     5699       Rent income     19     24       Gain on sales of noncurrent assets     41     -       Other     103     1411       Total non-operating expenses     168     180       Interest expenses     168     180       Foreign exchange losses     163     143       Loss on retirement of noncurrent assets     65     133       Other     305     148       Total non-operating expenses     631     3,869       Extraordinary income     39     -       Gain on slas of subsidiaries and affiliates     423     339       Subsidy     219     31     3,869       Extraordinary income     39     -     117       Gain on slop of subsidi	Net sales	46,192	72,724
Selling, general and administrative expenses $5.469$ $8.566$ Operating income (loss) $1,134$ $4.274$ Non-operating income1514Amortization of negative goodwill $-569$ Rent income1924Gain on sales of noncurrent assets41 $-$ Other103141Total non-operating expenses168180Interest expenses168180Foreign exchange losses143691Loss on retirement of noncurrent assets65133Other305148153Total non-operating expenses6831,153Ordinary income6313,869Extraordinary income39759Extraordinary income39759Extraordinary income111143Loss on retirement of noncurrent assets $-1117$ Gain on slaes of subsidiaries and affiliates' stocks39 $-1117$ Gain on slaes of subsidiaries and affiliates' stocks39 $-174$ Loss on retirement of noncurrent assets $-174$ 143Business structure improvement expenses111 $-166$ Income faxes deferred $-106$ $572$ Income taxes deferred $-106$ $572$ Total extraordinary loss $-119$ $406$ Income taxes deferred $-106$ $572$ Total income taxes $-348$ $-144$ Income taxes deferred $-106$ $572$ Total income taxes $-3177$ $-3777$ Mino	Cost of sales	39,588	59,882
Deperating income (loss)     1,134     4,274       Non-operating income     15     14       Amortization of negative goodwill     -     5609       Rent income     19     24       Gain on sales of noncurrent assets     41     -       Other     103     141       Total non-operating income     180     748       Non-operating expenses     168     180       Interest expenses     168     180       Poreign exchange losses     143     691       Loss on retirement of noncurrent assets     65     133       Other     305     148       Total non-operating expenses     631     3,869       Extraordinary income     631     3,869       Extraordinary income     39     759       Extraordinary income     39     759       Extraordinary income     39     759       Extraordinary income     39     759       Extraordinary loss     111     -       Loss on retirement of noncurrent assets     1174       Loss on retirement of nonc	Gross profit	6,603	12,841
Non-operating income100Interest income1514Amortization of negative goodwill-5699Rent income1924Gain on sales of noncurrent assets41-Other103141Total non-operating income180748Non-operating expenses168180Interest expenses168180Foreign exchange losses143691Loss on retirement of noncurrent assets65133Other305148Total non-operating expenses6831.153Ordinary income (loss)6313.869Extraordinary income-219Gain on liquidation of subsidiaries and affiliates'-219Gain on donation of noncurrent assets-117Gain on sales of subsidiaries and affiliates' stocks39-Total extraordinary income39750Extraordinary loss-114Loss on retirement of noncurrent assets-174Loss on retirement of noncurrent assets-174Loss on retirement of noncurrent assets-1143Business structure improvement expenses111-Other8888Total extraordinary loss119406Income taxes-deforred10572Total income taxes3481.445Income taxes deforred-2.777Minority interests-2.777Minority interests-2.7	Selling, general and administrative expenses	5,469	8,566
Interest income     15     14       Amortization of negative goodwill     569       Rent income     19     24       Gain on sales of noncurrent assets     41     -       Other     103     141       Total non-operating income     180     748       Non-operating expenses     168     180       Interest expenses     168     180       Foreign exchange losses     143     691       Loss on retirement of noncurrent assets     65     133       Other     305     148       Total non-operating expenses     683     1,153       Ordinary income (loss)     631     3,869       Extraordinary income     31     3,869       Extraordinary income     33     759       Gain on liquidation of subsidiaries and affiliates'     117     117       Gain on sales of subsidiaries and affiliates' stocks     39     759       Extraordinary income     33     759       Extraordinary loss     111     .       Loss on retirement of noncurrent assets     117	Operating income (loss)	1,134	4,274
Amortization of negative goodwillAmortization of negative goodwillGain on sales of noncurrent assets41Other103Interest expenses168Interest expenses168Interest expenses168Interest expenses65Interest expenses65Interest expenses65Interest expenses65Interest expenses65Interest expenses6683Other305Ida non-operating expenses683Other305Gain on liquidation of noncurrent assetsOrdinary incomeGain on liquidation of subsidiaries and affiliatesSubsidyGain on sales of subsidiaries and affiliates' stocks39Ital extraordinary income39Extraordinary lossLoss on retirement of noncurrent assetsItal extraordinary lossLoss on retirement of noncurrent assetsItal extraordinary lossLoss on change of contractIncome taxes currentMone taxes currentIncome taxes currentIncome taxes	Non-operating income		
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Gain on sales of noncurrent assets   41   -     Other   103   141     Total non-operating income   180   748     Non operating expenses   168   180     Interest expenses   168   180     Foreign exchange losses   143   691     Loss on retirement of noncurrent assets   65   133     Other   305   148     Total non-operating expenses   683   1,153     Ordinary income (loss)   631   3,869     Extraordinary income   631   3,869     Extraordinary income   -   219     Gain on liquidation of subsidiaries and affiliates   -   423     Subsidy   -   219     Gain on donation of noncurrent assets   -   117     Gain on sales of subsidiaries and affiliates' stocks   39   -     Total extraordinary income   39   759     Extraordinary loss   -   1143     Loss on change of contract   -   143     Business structure improvement expenses   111   -     Other   8   88 <td>Amortization of negative goodwill</td> <td>-</td> <td>569</td>	Amortization of negative goodwill	-	569
Other     103     141       Total non-operating income     180     748       Non-operating expenses     180     748       Interest expenses     168     180       Interest expenses     168     180       Loss on retirement of noncurrent assets     65     133       Other     305     148       Total non-operating expenses     683     1,153       Ordinary income (loss)     631     3,869       Extraordinary income     631     3,869       Extraordinary income     117     Gain on donation of subsidiaries and affiliates     423       Subsidy     219     Gain on donation of noncurrent assets     117       Gain on sales of subsidiaries and affiliates' stocks     39     -       Total extraordinary income     39     759       Extraordinary loss     114     -       Loss on change of contract     1143       Business structure improvement expenses     111     -       Other     8     88       Total extraordinary loss     119     406       Income tax	Rent income	19	24
Total non-operating income     100     111       Non-operating expenses     180     748       Interest expenses     168     180       Interest expenses     168     180       Foreign exchange losses     143     691       Loss on retirement of noncurrent assets     65     133       Other     305     148       Total non-operating expenses     683     1,153       Ordinary income (loss)     631     3,869       Extraordinary income     631     3,869       Extraordinary income     219     30     117       Gain on liquidation of subsidiaries and affiliates     423     39     117       Gain on donation of noncurrent assets     117     39     759       Extraordinary loss     39     759     114     143       Business structure improvement expenses     111     143     143       Business structure improvement expenses     111     143       Dther     8     88     765       Income Coss) before income taxes     550     4,222	Gain on sales of noncurrent assets	41	-
Non-operating expensesInterest expensesInterest expenses168180Foreign exchange losses143691Loss on retirement of noncurrent assets65133Other305148Total non-operating expenses6831,153Ordinary income (loss)6313,869Extraordinary income6313,869Extraordinary income219Gain on liquidation of subsidiaries and affiliates219Gain on donation of noncurrent assets1117Gain on sales of subsidiaries and affiliates' stocks39Total extraordinary income39Extraordinary loss1143Loss on retirement of noncurrent assets111Other8Subside of contract111Business structure improvement expenses111Other8Total extraordinary loss119Hone (loss) before income taxes5504,222Income taxes-deferred1010572Total income taxes3481,445Income taxes3481,445Income taxes in income5617	Other	103	141
Non-operating expensesInterest expensesInterest expensesInterest expensesForeign exchange lossesLoss on retirement of noncurrent assets65143Other305148Total non-operating expenses683Ordinary income (loss)Gain on liquidation of subsidiaries and affiliatesSubsidyGain on liquidation of noncurrent assets9Gain on donation of noncurrent assets97otal extraordinary income39759Extraordinary lossLoss on retirement of noncurrent assets111•Other8887otal extraordinary loss111•Other8889111•0ther888911940610119406110111•112113•114•115•116•117118•119406110111•112113114•115116117117118118 <t< td=""><td>Total non-operating income</td><td></td><td>748</td></t<>	Total non-operating income		748
Foreign exchange losses   143   691     Loss on retirement of noncurrent assets   65   133     Other   305   148     Total non-operating expenses   683   1,153     Ordinary income (loss)   631   3,869     Extraordinary income   631   3,869     Extraordinary income   631   3,869     Gain on liquidation of subsidiaries and affiliates   423     Subsidy   .   219     Gain on donation of noncurrent assets   .   117     Gain on sales of subsidiaries and affiliates' stocks   39   .     Total extraordinary income   39   759     Extraordinary loss   .   174     Loss on retirement of noncurrent assets   .   174     Loss on change of contract   .   143     Business structure improvement expenses   111   .     Other   8   88     Total extraordinary loss   119   406     Income (loss) before income taxes   550   4,222     Income taxes-deferred   10   572     Total income taxes   348 <t< td=""><td>Non-operating expenses</td><td></td><td></td></t<>	Non-operating expenses		
Loss on retirement of noncurrent assets65133Other305148Total non-operating expenses6831,153Ordinary income (loss)6313,869Extraordinary income6313,869Gain on liquidation of subsidiaries and affiliates423Subsidy219219Gain on donation of noncurrent assets1117Gain on sales of subsidiaries and affiliates' stocks39-Total extraordinary income39759Extraordinary loss111-Loss on retirement of noncurrent assets111-Loss on change of contract113143Business structure improvement expenses111-Other888Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Interest expenses	168	180
Other305148Total non-operating expenses6831,153Ordinary income (loss)6313,869Extraordinary income6313,869Extraordinary income6313,869Gain on liquidation of subsidiaries and affiliates423Subsidy219219Gain on donation of noncurrent assets1117Gain on sales of subsidiaries and affiliates' stocks39.Total extraordinary income39759Extraordinary loss111.Loss on retirement of noncurrent assets1111Other888Total extraordinary loss11940610572Income (loss) before income taxes337873Income taxes deferred10572Total income taxes3481,445Income taxes3481,445Income taxes in income5617	Foreign exchange losses	143	691
Total non-operating expenses110Ordinary income (loss)6313,869Extraordinary income6313,869Extraordinary income423Gain on liquidation of subsidiaries and affiliates423Subsidy219219Gain on donation of noncurrent assets1117Gain on sales of subsidiaries and affiliates' stocks39Total extraordinary income39Extraordinary loss174Loss on retirement of noncurrent assets111Other8Business structure improvement expenses111Other810550Income (loss) before income taxes5504,222100Income taxes deferred1010572Total income taxes3481,4451,445Income before minority interests2,777Minority interests in income561717	Loss on retirement of noncurrent assets	65	133
Total non-operating expenses6831,153Ordinary income (loss)6313,869Extraordinary income6313,869Gain on liquidation of subsidiaries and affiliates423Subsidy-219Gain on donation of noncurrent assets-117Gain on sales of subsidiaries and affiliates' stocks39-Total extraordinary income39759Extraordinary loss-174Loss on retirement of noncurrent assets-174Loss on change of contract-143Business structure improvement expenses111-Other888Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes-current337873Income taxes deferred10572Total income taxes3481,445Income taxes-2,777Minority interests in income5617	Other	305	148
Ordinary income (loss)6313,869Extraordinary incomeGain on liquidation of subsidiaries and affiliates423Subsidy219Gain on donation of noncurrent assets117Gain on sales of subsidiaries and affiliates' stocks39Total extraordinary income39759Extraordinary loss1143Loss on retirement of noncurrent assets1143Business structure improvement expenses111Other888Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes-deferred10572Total income taxes3481,445Income before minority interests2,777Minority interests in income5617	Total non-operating expenses		
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Gain on donation of noncurrent assets.117Gain on sales of subsidiaries and affiliates' stocks39.Total extraordinary income39759Extraordinary lossLoss on retirement of noncurrent assetsLoss on change of contractBusiness structure improvement expensesOtherOtherStructure improvement expensesIncome (loss) before income taxesIncome taxes-current337Nincome taxes2.777Minority interests in incomeNincity interests in incomeNincity interests	Gain on liquidation of subsidiaries and affiliates	-	423
Gain on sales of subsidiaries and affiliates' stocks39-Total extraordinary income39759Extraordinary loss39759Loss on retirement of noncurrent assets-174Loss on change of contract-143Business structure improvement expenses111-Other888Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes-current337873Income taxes deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Subsidy	-	219
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Total extraordinary income39759Extraordinary loss174Loss on retirement of noncurrent assets174Loss on change of contract143Business structure improvement expenses111Other8Total extraordinary loss119Income (loss) before income taxes550Income taxes-current337Businest structure improvement337Income taxes deferred10572348Total income taxes348Income taxes in income2,777Minority interests in income56Income factor17	Gain on sales of subsidiaries and affiliates' stocks	39	-
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Loss on change of contract143Business structure improvement expenses111Other8Total extraordinary loss119Income (loss) before income taxes550119406Income taxes-current3371ncome taxes-deferred10Total income taxes34811,445Income before minority interests-2,777Minority interests in income56	Extraordinary loss		
Business structure improvement expenses111Other8Total extraordinary loss119Income (loss) before income taxes550Income (loss) before income taxes337States-current337Income taxes-deferred10Total income taxes348Income before minority interests2,777Minority interests in income56Income face10	Loss on retirement of noncurrent assets	-	174
Other888Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes-current337873Income taxes-deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Loss on change of contract	-	143
Total extraordinary loss119406Income (loss) before income taxes5504,222Income taxes-current337873Income taxes-deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Business structure improvement expenses	111	-
Income (loss) before income taxes5504,222Income taxes-current337873Income taxes-deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Other	8	88
Income taxes-current337873Income taxes-deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Total extraordinary loss	119	406
Income taxes-deferred10572Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Income (loss) before income taxes	550	4,222
Total income taxes3481,445Income before minority interests-2,777Minority interests in income5617	Income taxes-current	337	873
Total income taxes3481,445Income before minority interests2,777Minority interests in income5617	Income taxes-deferred		572
Income before minority interests - 2,777   Minority interests in income 56 17	Total income taxes		
Minority interests in income 56 17	Income before minority interests	-	
	Minority interests in income	56	
	Net income (loss)		2,760

# Consolidated Statements of Cash Flows Millions of yen

	Q3/FY2009	Q3/FY2010
	Apr'09-Dec'09	Apr'10-Dec'10
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	550	4,222
Depreciation and amortization	1,567	2.722
Gain on liquidation of subsidiaries and affiliates	_,	(423)
Subsidy income	-	(219)
Gain on donation of noncurrent assets		(117)
Loss on change of contract		143
Equity in (earnings) losses of affiliates	119	29
Increase (decrease) in provision for retirement benefits	(1,505)	(184)
Increase (decrease) in allowance for doubtful accounts	(1,505)	(184)
Interest and dividends income		
Interest expenses	(16)	(15)
•	168	180
Foreign exchange losses (gains) Loss (gain) on sales of property, plant and equipment	22	28
	(41)	(4)
Loss on retirement of noncurrent assets	65	307
Loss (gain) on sales of stocks of subsidiaries and affiliates	(39)	-
Stock issuance cost	53	-
Amortization of negative goodwill	-	(569)
Decrease (increase) in notes and accounts receivable-trade	118	(1,859)
Decrease (increase) in inventories	(314)	(2,641)
Increase (decrease) in notes and accounts payable-trade	812	1,711
Increase (decrease) in accrued expenses	(346)	(448)
Other, net	(1,430)	(633)
Subtotal	(246)	2,184
Interest and dividends income received	16	15
Proceeds from subsidy	-	219
Interest expenses paid	(201)	(170)
Income taxes paid	(178)	(655)
Net cash provided by (used in) operating activities	(610)	1,593
Net cash provided by (used in) investing activities		
Payments into time deposits	(11)	(11)
Proceeds from withdrawal of time deposits	10	3
Purchase of property, plant and equipment	(662)	(1,550)
Proceeds from sales of property, plant and equipment	84	507
Purchase of intangible assets	(4)	(373)
Purchase of investment securities	(4)	(23)
Proceeds from sales of investment securities	-	16
Proceeds from sales of stocks of subsidiaries and affiliates	150	-
Other, net	(141)	(86)
Net cash provided by (used in) investing activities	(579)	1,517
Net cash provided by (used in) financing activities	(010)	1,017
Net increase (decrease) in short-term loans payable	(11.000)	(000)
Repayment of long-term loans payable	(11,008)	(696)
Proceeds from issuance of common stock	(260)	(357)
Payments for issuance of common stock	10,999	-
-	(53)	-
Purchase of treasury stock	(1)	(0)
Repayments of finance lease obligations	(252)	(178)
Net cash provided by (used in) financing activities	(576)	(1,233)
Effect of exchange rate change on cash and cash equivalents	(178)	(498)
Net increase (decrease) in cash and cash equivalents	(1,945)	(1,656)
Cash and cash equivalents at beginning of period	7,504	7,411
Cash and cash equivalents at end of period	5,558	5,755

#### Consolidated Business Segment Information Millions of yen

#### Q3/FY2009 Apr'09-Dec'09

	Electronic Materials	Batteries	Total	Elimination	Consolidated
Net sales					
Unaffiliated customers	28,618	17,573	46,192	-	46,192
Intersegment		-	-	-	<u> </u>
Total	28,618	17,573	46,192	-	46,192
Operating income (loss)	(217)	1,351	1,134	-	1,134

#### Consolidated Geographic Segment Information Millions of yen

#### Q3/FY2009 Apr'09-Dec'09

	Japan	Asia	North America	Europe	Total	Elimination	Consolidated
Net sales							
Unaffiliated customers	24,914	19,598	423	1,256	46,192	-	46,192
Intersegment	3,061	5,385	39	29	8,516	(8,516)	-
Total	27,976	24,984	462	1,286	54,708	(8,516)	46,192
Operating income (loss)	529	785	(17)	10	1,307	(173)	1,134

#### Net Overseas Sales by Customer's Geographic Location Millions of yen

#### Q3/FY2009 Apr'09-Dec'09

	Asia	North America	Other Countries	Total
Total sales to foreign customers	17,070	3,470	2,513	23,054
Consolidated net sales				46,192
Percentage of sales to foreign customers to consolidated net sales	37.0%	7.5%	5.4%	49.9%

#### Consolidated Business Segment Information Millions of yen

#### Q3/FY2010 Apr'10-Dec'10

	Business Segme			Consolidated	
	Batteries	Electronic Materials	Total	Ajustments	Statements of income
Net sales					
Unaffiliated customers	43,609	29,115	72,724	-	72,724
Intersegment			-	-	
Total	43,609	29,115	72,724	-	72,724
Segment income (Operating Income)	3,608	666	4,274	-	4,274

#### **Business Results**

#### 1. Analysis of Consolidated Business Results

#### (1) Overview

The business environment of the FDK Group (hereinafter called "FDK") for the nine months in FY2010 saw a slowdown in the pace of recovery in the latter half due to the lack of effectiveness of economic measures taken by many countries.

Under these circumstances, FDK has strengthened its business structure by continuing to implement the business structural reforms used to strengthen the company in the previous fiscal year.

As for FDK's business results for the nine months in FY2010, net sales were 72,724 million yen, a substantial increase of 26,532 million yen from the same period last year. The increase was due to the addition of Ni-MH and lithium battery sales, which were transferred to FDK last January. As for profits, operating income was 4,274 million yen, an increase of 3,140 million yen from the same period last year. Income before income taxes was 4,222 million yen, an increase of 3,672 million yen from the same period last year. Net income was 2,760 million yen, an increase of 2,614 million yen from the same period last year.

The divisional sales overview is as follows.

#### (2) Battery Business

Overall sales for the battery business were 43,609 million yen, a 26,035 million yen increase from the same period last year. Although sales of alkaline batteries decreased from the same period last year due to the decrease in overseas sales in the latter period, sales of Ni-MH batteries and lithium batteries contributed to the increased sales of the battery business.

#### (3) Electronic Device Business

Overall sales for the electronic device business were 29,115 million yen, a 496 million yen increase from the same period last year. Sales of coil devices increased from the same period last year due to an increase in sales for automobiles. Sales of piezoelectric components and signal processing modules for LCDs increased from the same period last year. Sales of multilayer power inductors and toner stayed the same as last year. Sales of optical devices decreased from the same period last year due to a decline in market needs for new submarine cable settlements. Sales of switching power supplies decreased from the same period last year due to a sales decline for servers.

#### (4) Forecast for the Full Fiscal Year Ending March 31, 2011

For the nine months in FY2010, net sales increased from the same period last year, due largely to the addition of sales of Ni-MH batteries and lithium batteries. As for profits, due to business structural reforms made the previous fiscal year, all income categories have been exceeding the plan.

However, with regard to the future, the fourth quarter will turn out to be very tough and undergo a reversal due to the expected economic slowdown resulting from the end of the economic stimulus effect, soaring prices of raw materials such as rare earth minerals, and the prolonged impact of the strong yen.

Considering these impacts, the forecast remains unchanged for the fiscal year ending March 31, 2011 which was announced on October 26, 2010.

#### 2. Analysis of Financial Condition

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

Total assets at the end of the nine months in FY2010 increased 483 million yen (0.7%) from the end of the previous fiscal year to 64,999 million yen. Current assets increased 2,394 million yen (6.1%) to 41,417 million yen. Non-current assets decreased 1,911 million yen (-7.5%) to 23,581 million yen.

The principal causes for increased current assets were a 1,438 million yen increase in merchandise and finished goods and a 905 million yen increase in work in process, though cash and deposits decreased 1,648 million yen. The principal cause for decreased non-current assets was a 1,484 million yen decrease in total property, plant and equipment.

Total liabilities at the end of the nine months in FY2010 decreased 1,110 million yen (-2.8%) from the end of the previous fiscal year to 60,146 million yen. Current liabilities decreased 403 million yen (-0.8%) from the end of the previous fiscal year to 48,632 million yen. Non-current liabilities decreased 706 million yen (-5.8%) from the end of the previous fiscal year to 11,514 million yen. The principal cause of decreased current liabilities was a 754 million yen decrease in short-term loans payable. The principal causes for decreased non-current liabilities were a 569 million yen decrease in negative goodwill and a 184 million yen decrease in provisions for retirement benefits.

The interest-bearing debt decreased 1,104 million yen from the end of the previous fiscal year to 23,858 million yen.

Total net assets at the end of the nine months in FY2010 increased 1,593 million yen (48.9%) from the end of the previous fiscal year to 4,852 million yen. The primary factor for the increase in total net assets was a 2,760 million increase in retained earnings from posting a net income for the nine months in FY2010, though there was a 1,216 million yen decrease in foreign currency translation adjustment.

#### (2) Cash Flow Condition

Net cash used in operating activities for the nine months ended December 31, 2010 increased 1,593 million yen from the end of the previous fiscal year by posting income before income taxes, depreciation and amortization, and an increase in notes and accounts payable-trade, though there was a decrease in cash and cash equivalents (hereinafter called "cash")that resulted from an increase in inventories and in notes and accounts receivable-trade.

Net cash used in investment activities for the nine months ended December 31, 2010 decreased 1,517 million yen from the end of the previous fiscal year due to decrease in cash that resulted from the purchase of property, plants, equipment and intangible assets.

Net cash used in financing activities for the nine months ended December 31, 2010 decreased 1,233 million yen from the end of the previous fiscal year due to a decrease in short-term loans payable.

As a result, the balance of cash and the end of December 31, 2010 was 5,755 million yen, a decrease of 1,656 million yen from the end of the previous fiscal year.