

December 14, 2018

FDK CORPORATION
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Announcement Regarding the Discontinued Operations of Consolidated Subsidiary

FDK CORPORATION (FDK) announced that it has decided to discontinue operations of consolidated subsidiary SUZHOU FDK CO., LTD. (SUZHOU FDK) at today's Board of Directors' Meeting.

1. Reason for Discontinued Operations

FDK has decided to discontinue operations of SUZHOU FDK on 31 January, 2019 due to the expiration of lease contract between SUZHOU FDK and Fengqiao Industrial Park Suzhou New District Jiangsu, China where SUZHOU FDK located.

Thereafter, FDK will begin conducting relevant liquidation procedures of SUZHOU FDK. Specific details will be notified separately according to the decision.

The manufacturing of FDK electronic devices of which SUZHOU FDK is now operating will be transferred to other FDK subsidiaries, and FDK will supply products to customers continuously.

2. Overview of SUZHOU FDK

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|--------------------------|---|
| (1) Company name: | SUZHOU FDK CO., LTD. |
| (2) Address: | 43 Building Fengqiao Industrial Park 158-88 Huashan Road, Suzhou New District Jiangsu, China |
| (3) Representative: | Atsushi Suzuki, Chairman of Board of Directors |
| (4) Established: | June, 2001 |
| (5) Main business: | Manufacturing and selling of Signal Processing Modules for LCD |
| (6) Capital: | US\$22,700,000 |
| (7) Number of employees: | approx. 280 |

3. Impact on Business Results

The impact on the FDK financial results for the fiscal year ending March 31, 2019 is currently under examination, because the uncertain effect such as cost reduction due to a decrease in the number of employees, expenses for retirement allowance and production transfer cost, are expected.

FDK will announce the impact on business result as soon as the details of effect are finalized.