

(TRANSLATION FOR REFERENCE ONLY)

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FDK CORPORATION

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**Notice Regarding Absorption-Type Merger Between Wholly-Owned Subsidiaries
(Progress Report)**

As previously announced on January 14, 2026, the Company has conducted an absorption-type merger in which FUCHI ELECTRONICS CO., LTD. ("FUCHI"), a wholly owned subsidiary of the Company, is the surviving company, and FDK TAIWAN LTD. ("FDK TAIWAN"), also a wholly owned subsidiary of the Company, is the absorbed company.

The Company hereby announces that this absorption-type merger has been completed as outlined below.

1. Effective Date of the Merger

August 8, 2026

2. Impact on Consolidated Financial Results

This merger represents an internal reorganization among the Company's wholly owned subsidiaries. Accordingly, the impact on the Company's consolidated financial results is expected to be minimal.

3. Other Matters

Through this absorption-type merger, the sales functions previously carried out by FDK TAIWAN have been integrated into the sales division of FUCHI. This integration is intended to improve operational efficiency, reduce overlapping costs, and promote the effective utilization of human resources.