

Announcement of the Revised Achievements Forecast

Tokyo September 27, 2002, FDK CORPORATION announced today, based on the latest achievements, the predicted achievement in the settlement-of-accounts, which was announced on April 25, 2002, are revised as follows.

1. Revision of consolidated achievement anticipation

(1) 1st half of fiscal year 2002(From April 1, 2002 to September 30, 2002)

(Millions of yen)

Forecast as of ...	Net sales	Operating Income(loss)	Net Income(loss)
April 25, 2002	49,000	(500)	(2,200)
September 27, 2002	45,500	(800)	(3,300)
Difference	- 3,500	- 300	- 1,100
Rate of difference	- 7.1%	—	—
(Reference) Achievement of 1st half of fiscal year 2001	52,567	582	(1,761)

(2) Fiscal year 2002(From April 1, 2002 to March 31, 2003)

(Millions of yen)

Forecast as of ...	Net sales	Operating Income(loss)	Net Income(loss)
April 25, 2002	110,000	2,800	(1,000)
September 27, 2002	95,300	900	(4,500)
Difference	- 14,700	- 1,900	- 3,500
Rate of difference	- 13.4%	- 67.9%	—
(Reference) Achievement of 1st half of fiscal year 2001	100,613	(226)	(12,308)

2. Revision of severalty achievement anticipation

(1) 1st half of fiscal year 2002(From April 1, 2002 to September 30, 2002)

(Millions of yen)

Forecast as of ...	Net sales	Operating Income(loss)	Net Income(loss)
April 25, 2002	38,000	(900)	(2,000)
September 27, 2002	33,000	(400)	(2,400)
Difference	- 5,000	+ 500	- 400
Rate of difference	- 13.2%	—	—
(Reference) Achievement of 1st half of fiscal year 2001	46,714	1,335	105

(2) Fiscal year 2002(From April 1, 2002 to March 31, 2003)

(Millions of yen)

Forecast as of ...	Net sales	Operating Income(loss)	Net Income(loss)
April 25, 2002	85,000	1,300	(1,000)
September 27, 2002	66,000	500	(3,700)
Difference	- 19,000	- 800	- 2,700
Rate of difference	- 22.4%	- 61.5%	———
(Reference) Achievement of 1 st half of fiscal year 2001	84,581	(493)	(11,542)

3. The reason of revision

While business slump in the telecommunication market was prolonging, at the beginning of the fiscal year we have expected that the market condition recover from the second quarter. Although sales are lengthened in some products, it is estimated that big growth in the second half year is not expectable as the whole. Especially with the steep decline in the telecommunications market, early recovery of optical components business cannot be expected. Therefore, it is much likely to be less than the announced sales anticipation at the beginning of the fiscal year. Moreover, due to the Japanese makers production shift to China and the rise of China makers we are exposed to a very severe price competition and overlapped with the high cost accompanying the fall of operation, as well as profit and loss are greatly pressed.

FDK performed structural reform, such as the China shift of ferrite enterprise in the last fiscal year. However, inactivation of market conditions and change of business conditions is far beyond the original anticipation, a strong enterprise structure that can respond to changes in the market has become pressing need. Therefore, structural reform such as streamlining domestic base and staff's curtailment is conducted. Structural reform expenses are expected to be about 1,300 million yen, it is added up as extraordinary loss in the second half year in this performance anticipation.

(Remark)

The anticipation numerical value indicated above is calculated based on the information, which is obtainable at present, it may contain many indefinite elements.

Therefore, please understand the actual achievements may greatly differ from the indicated anticipation of this release according to the change of business conditions.