

January 28, 2005
FDK CORPORATION

Announcement of the Revised Achievement Forecast

Tokyo, January 28, 2005 - FDK CORPORATION announced today a revision of its consolidated results forecast for the year ending March 31, 2005 from those announced on October 28, 2004.

1. Consolidated basis of fiscal year 2004 (From Apr.1,2004 to Mar. 31, 2005)

(Million of yen)

Forecast as of...	Net Sales	Operating Income(Loss)	Net Income (Loss)
October 28, 2004	104,000	3,400	500
January 28, 2005	98,000	1,500	(2,700)
Difference	(6,000)	(1,900)	(3,200)
Rate of difference (%)	(5.8%)	(55.9%)	N/A
Ref.: Achievements of fiscal year 2003	102,668	1,650	(8,755)

2. Non-consolidated basis of fiscal year 2004 (From Apr.1,2004 to Mar. 31, 2005)

(Million of yen)

Forecast as of...	Net Sales	Operating Income(Loss)	Net Income (Loss)
October 28, 2004	61,000	1,500	300
January 28, 2005	57,300	(400)	(2,800)
Difference	(3,700)	(1,900)	(3,100)
Rate of difference (%)	(6.1%)	N/A	N/A
Ref.: Achievements of fiscal year 2003	64,287	1,132	(8,997)

3. Reasons for revision

From the middle of the first half fiscal year, the flat panel display market went into an adjustment period and the order received of the hybrid modules for liquid crystal displays and for plasma displays, etc. had decreased. From the second half fiscal year, however, the liquid crystal display panel market has mostly recovered. In contrast, the market competition of plasma display panels has much intensified by the effect in increase of liquid crystal display panels for the large-sized flat panel TVs, which used to use plasma display panels, and the gap among panel makers has been expanded. In these circumstances, sales of the hybrid modules for plasma displays are expected to decrease to the previous plan. Since the sharp decline of sales raised the fixed costs and thus the profit anticipated to be worsen sharply, we announce the revised forecast as above.

4. Platforms for Future Improvement

As the Company could not respond to the rapid market change promptly in this term, anticipated business performance is lower than the previous Company forecast. In order to build up a solid basis to react nimbly to the market changes and to ensure stable profit, Company promotes on the following reforms from now on.

- Further promotion of the company-wide productivity reform project under the method of Toyota Production System started from last year, to establish a strong business structure by improving production efficiency and reducing inventory risks.

- Further pursuit on a low-cost production. For board-assembly-work based products such as hybrid modules, further fixed cost reduction and size reduction should be pursued.

- The development of the component products (electronic parts and compound component) applied by the effective use of our material technology, which may not be much influenced by the market condition.

In order to promote this reform surely and efficiently, Company will reorganize the organization: module products of board-assembly-work base will be in charged by the Module System Division and products utilized the original material technology will be in charged by the Component Division. Regarding the details of the organization and personel affairs, we will announce shortly after decided. In addition, Company will merge of FDK Sales Corporation, the wholly-owned subsidiary, on April 1, 2005 and reorganize the sales sector to strengthern the sales activities.

Please refer to the other news release on the merger of “FDK Sales Corporation to Merge with FDK Corporation”.

(Remarks)

The revised forecast indicated above is calculated based on the information which is obtainable at present and 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.

This release contains material facts fallen under Article 166 of the Securities exchange law of Japan. Therefore, those who read this release considered the first information receiver under the insider trading regulation and therefore you are prohibited to deal with our company stocks within 12 hours after this announcement(until 3 am on January 29, 2005 of Japan Sandard Time).