

# Financial Results

for 1st Quarter of FY 2020/21

**CKD Corporation**

August 12, 2020

Ticker Code 6407

**CKD**

## Financial Results for 1st Quarter of FY 2020/21

- Summary of Financial Results
- Investments
- Shareholders' Return

# Summary of financial results for 1st Quarter of FY2020/21

## ■ Results

- Year-on year increases in net sales and income



# Management Results

(Unit: one hundred million yen)

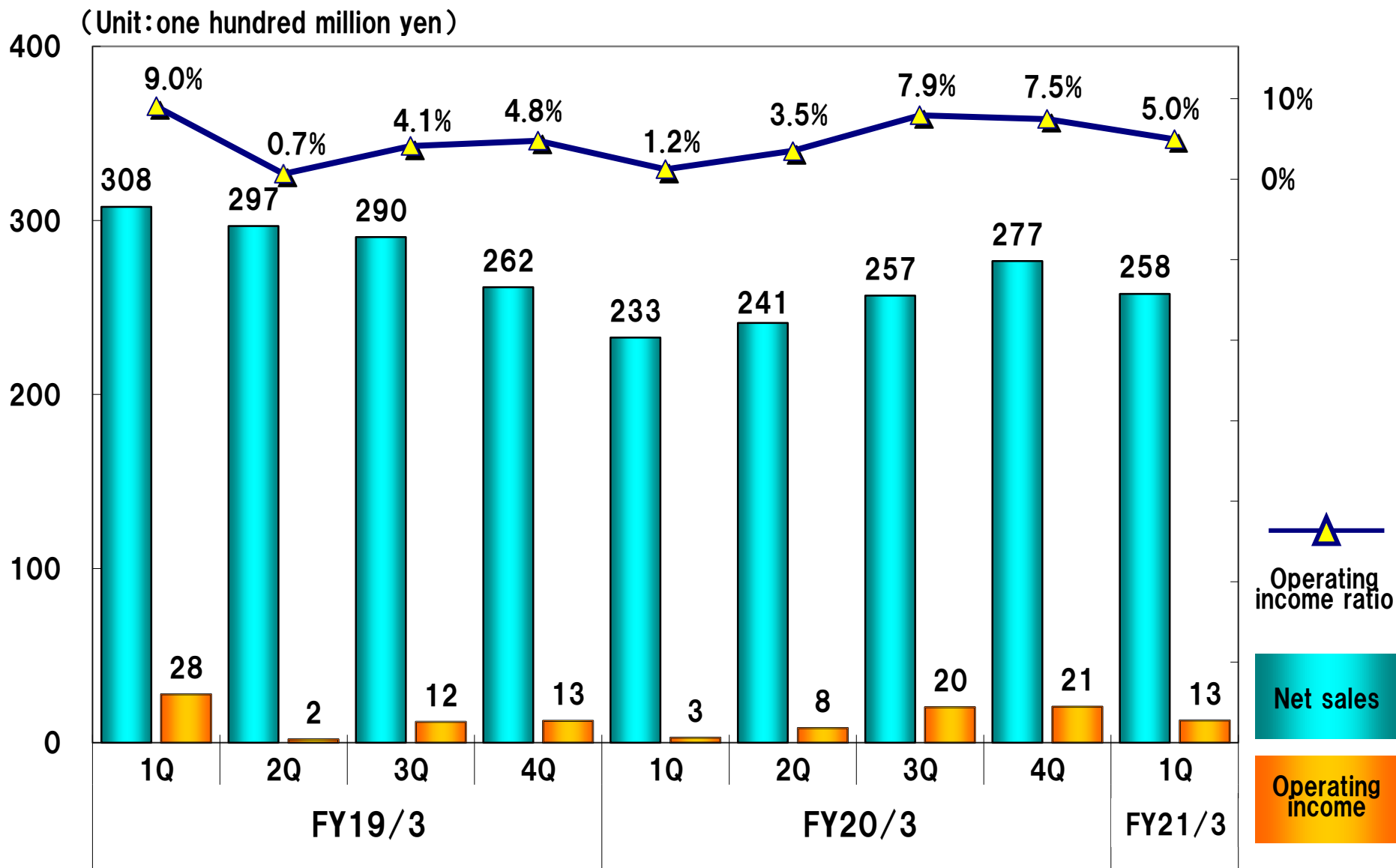
	1st Quarter FY2019/20 results	1st Quarter FY2020/21 results	Year-on-year	
			Amount change	% change
Consolidated net sales	233	258	+ 25	+ 11%
Automatic machinery	28	38	+ 10	+ 34%
Components	205	220	+ 16	+ 8%
Operating income (Operating income ratio)	3 ( 1.2%)	13 ( 5.0%)	+ 10	+ 349%
Ordinary income	3	12	+ 9	+ 311%
Net income	2	8	+ 6	+ 267%

# Financial Status

(Unit: one hundred million yen)

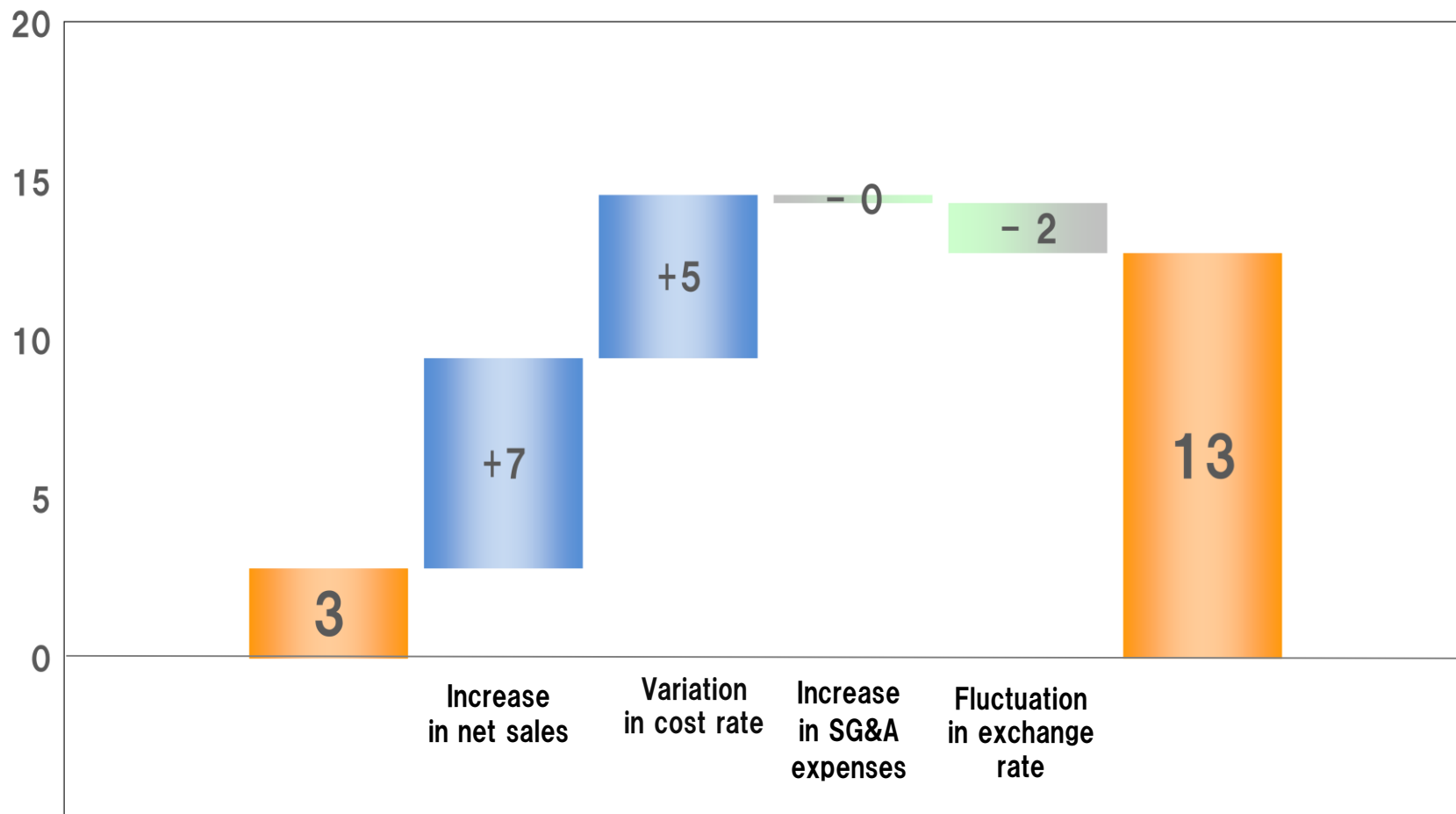
	At the end of March 2020	At the end of June 2020	Year-on-year	
			Amount change	% change
Current assets	854	973	+ 118	+ 14%
Fixed assets	506	506	- 0	- 0%
Total assets	1,361	1,479	+ 118	+ 9%
Current liabilities	378	440	+ 62	+ 16%
Fixed liabilities	158	150	- 8	- 5%
Total liabilities	536	590	+ 54	+ 10%
Total net assets	825	889	+ 64	+ 8%
Capital adequacy ratio	60.5%	60.0%	-	- 0.4%

# Consolidated Net Sales and Operating Income



# Factors of Changes in Operating Income

(Unit: one hundred million yen)



FY20/3 1Q

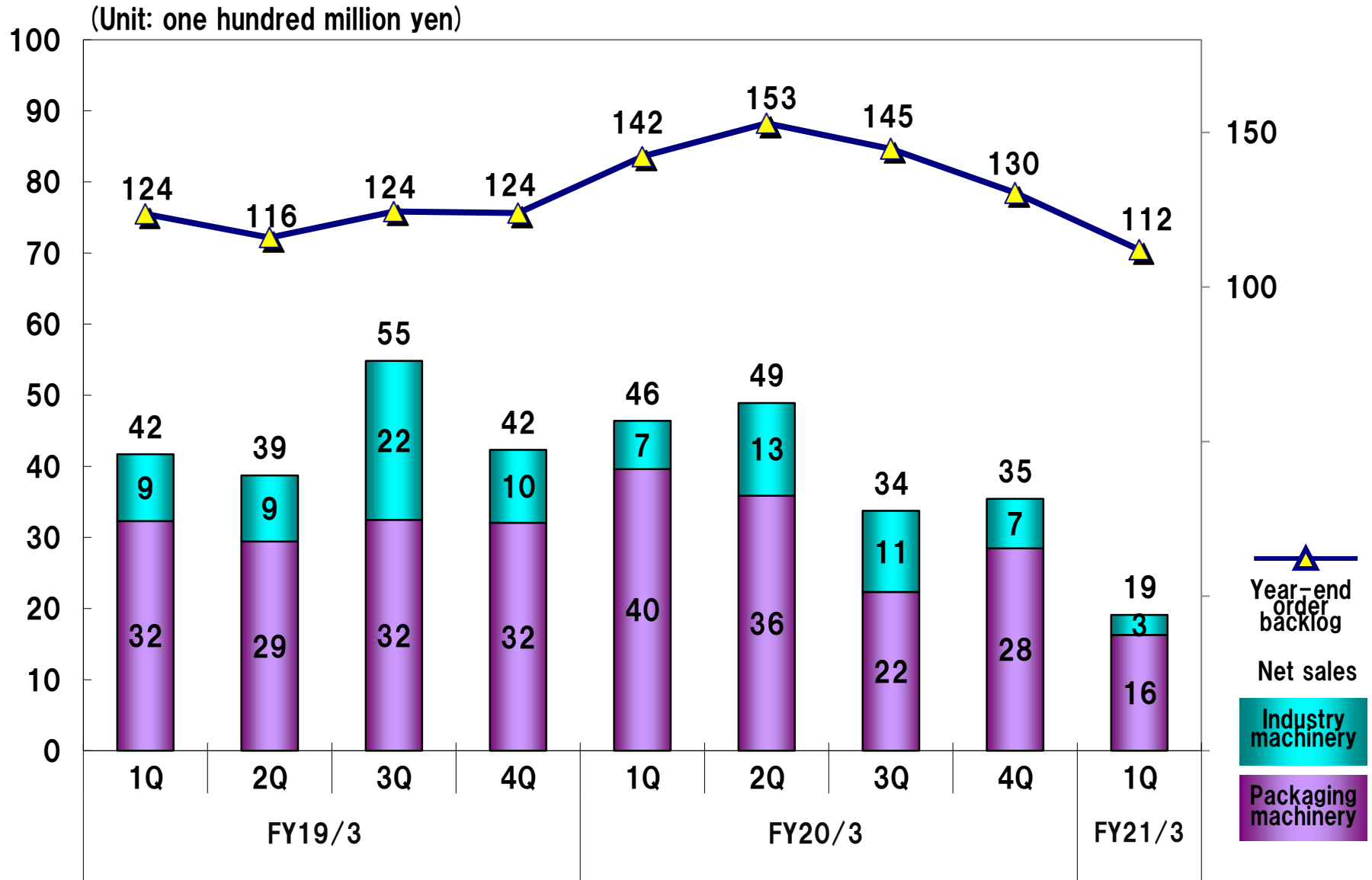
FY21/3 1Q

Exchange rate

¥110/\$  
¥16.1/CNY

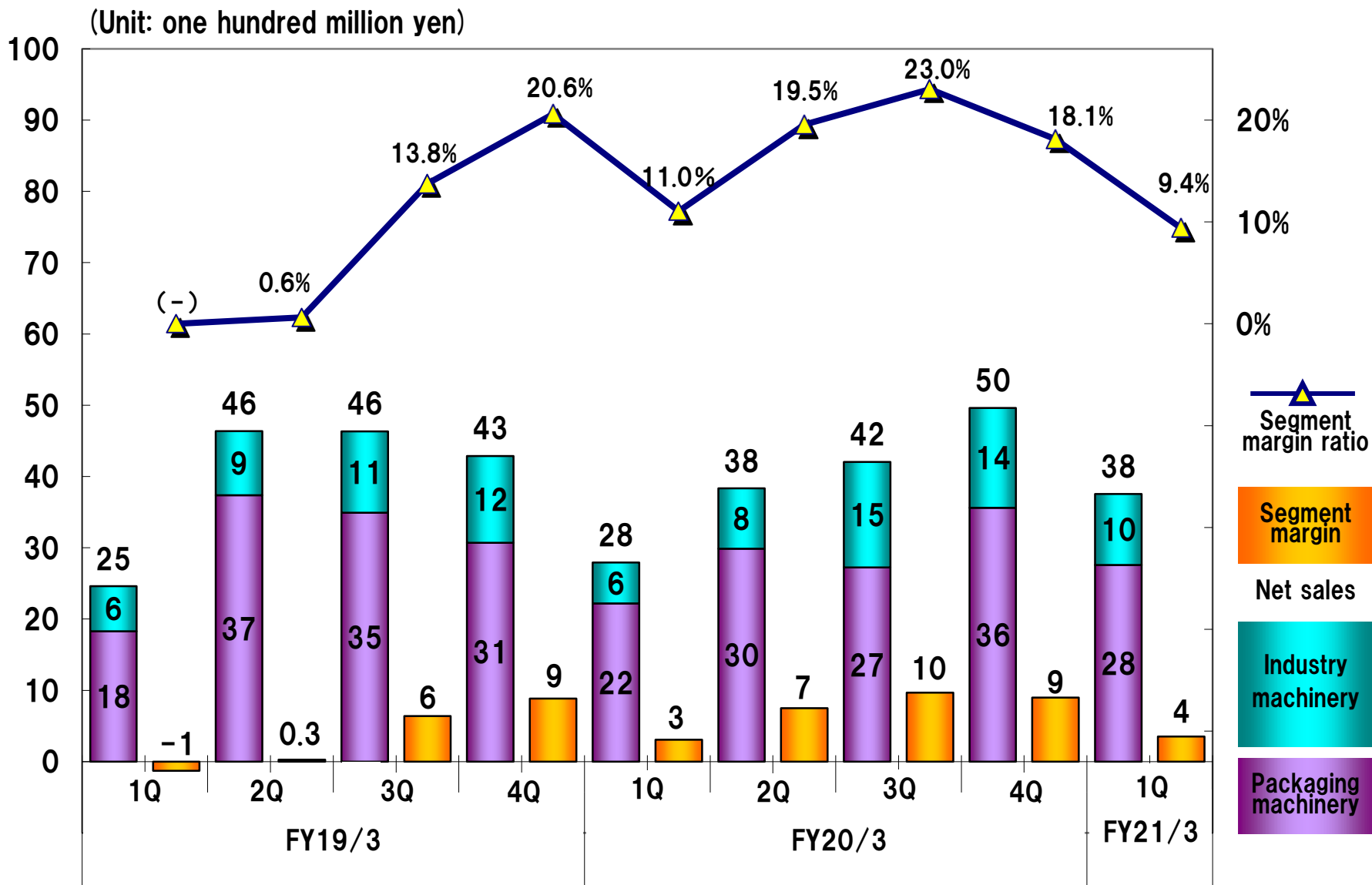
¥108/\$  
¥15.2/CNY

# Automatic Machinery: Orders Received and Changes of Year-end Order Backlog

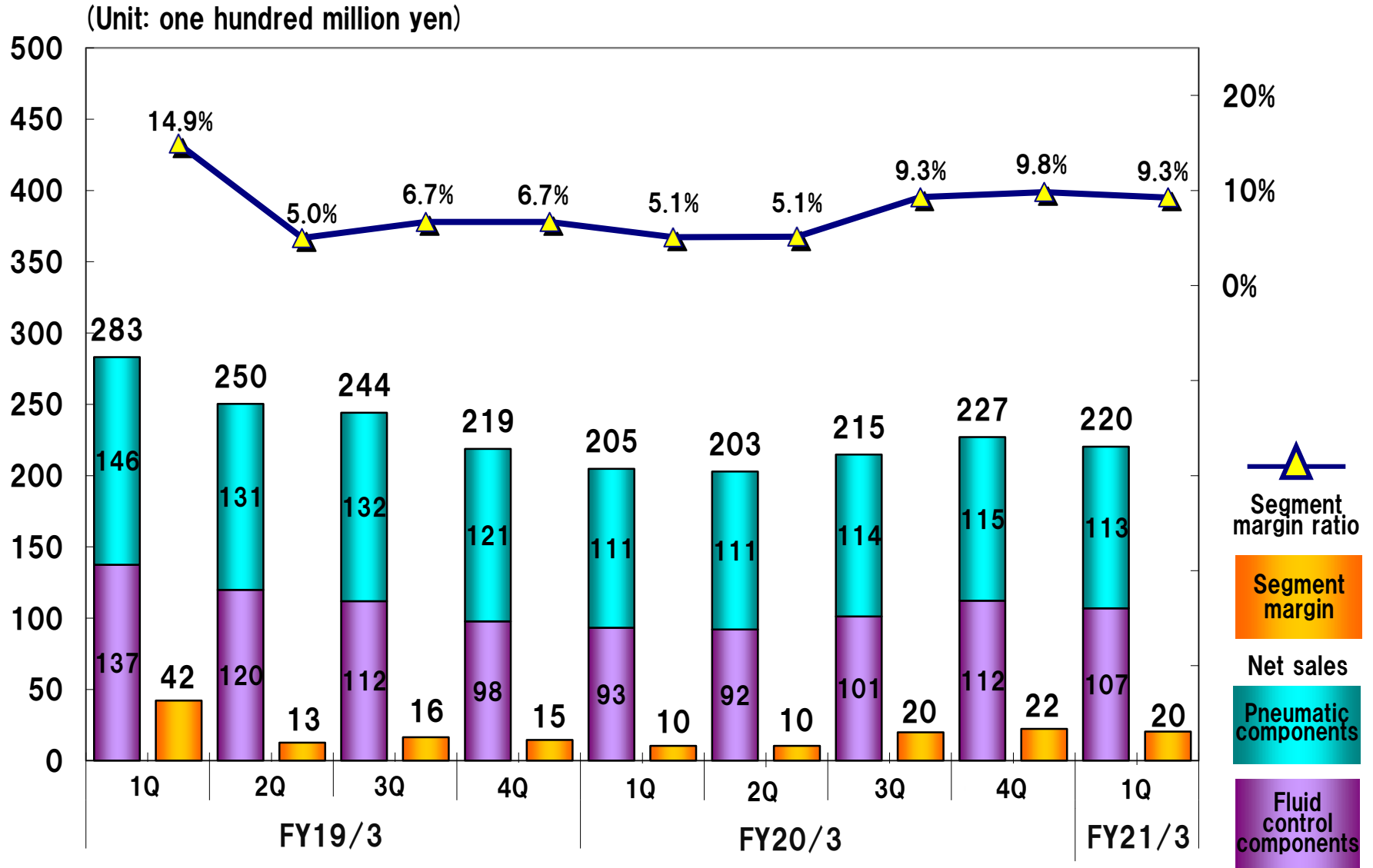




# Automatic Machinery: Achievement Changes



# Components: Achievement Changes



# Components: FY21/3 Results of the 1st Quarter by Market

\*Compared with Year-on-Year results

(Unit: %)

Main Industries in <b>Japan</b>	1Q forecast (May 14)	1Q results
Semiconductor	115	113
Automobile	80	82
Machine tool	60	73
Medical	105	102
Flat-panel display (FPD)	90	88
Rechargeable battery	90	84
<b>Total</b>	<b>102</b>	<b>103</b>

Main areas <b>overseas</b> (Exchange rate)	1Q forecast (105 ¥/\$)	1Q results (108 ¥/\$)
East Asia	119	122
Southeast Asia	59	89
<b>Total (Including Europe and Americas)</b>	<b>97</b>	<b>111</b>

## 1. Spread of Covid-19 in and outside Japan has become prolonged

- The business environment continues to be uncertain
- Based on the current status of orders, and expecting that the Covid-19 will affect us throughout the year, we made a forecast for 2Q and beyond
- Carefully operate business operations to reduce costs and control fixed costs while continuing anti-infection measures

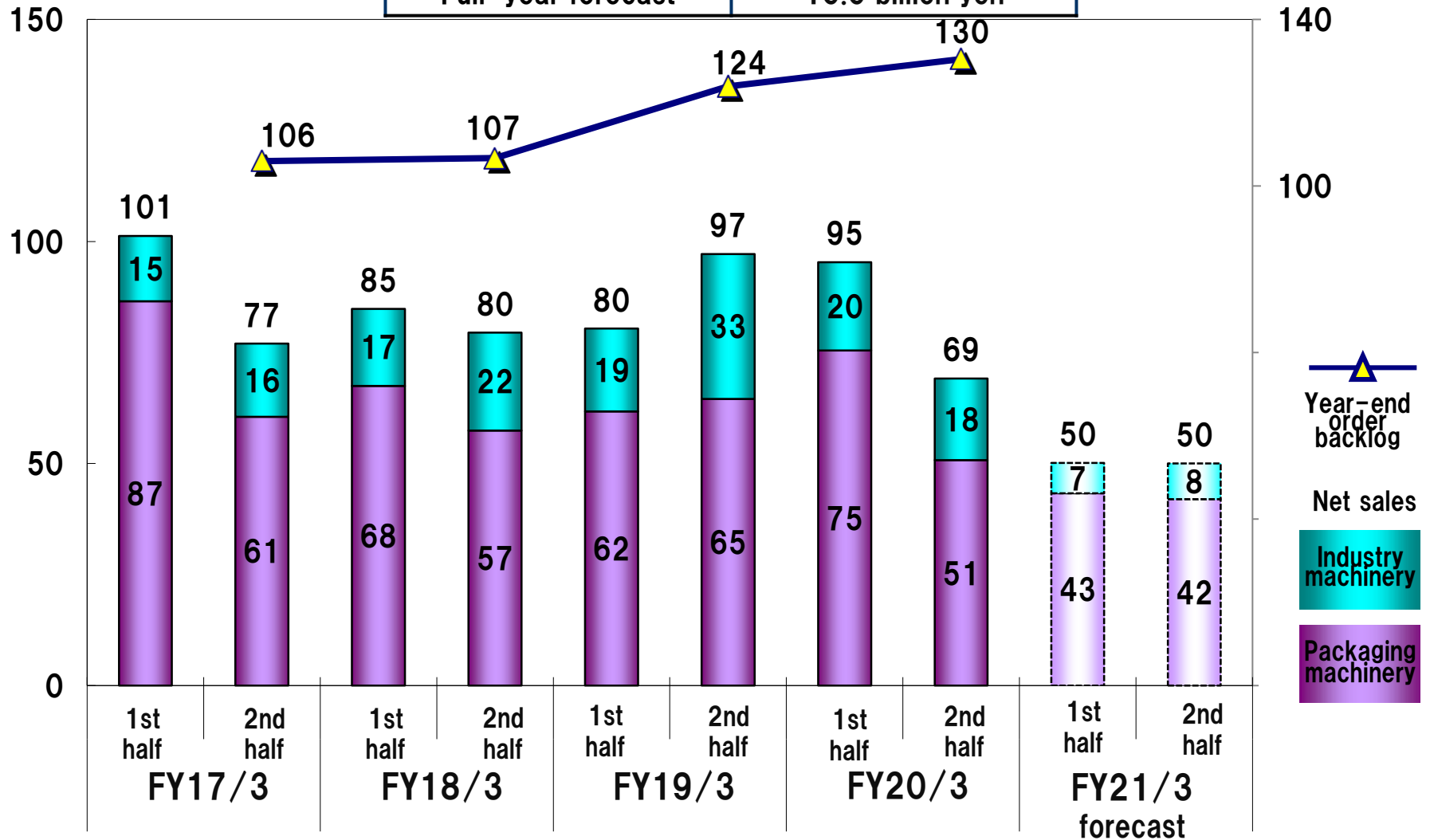
## 2. Capital investment, which is essential for medium- and long-term growth following Covid-19 will continue

- Responding to Automation/Labor-saving needs
- Network-compatibility of components and sensors enables smartification
- Responding to further increases in semiconductor demands

# Automatic Machinery: Forecast of Orders Received

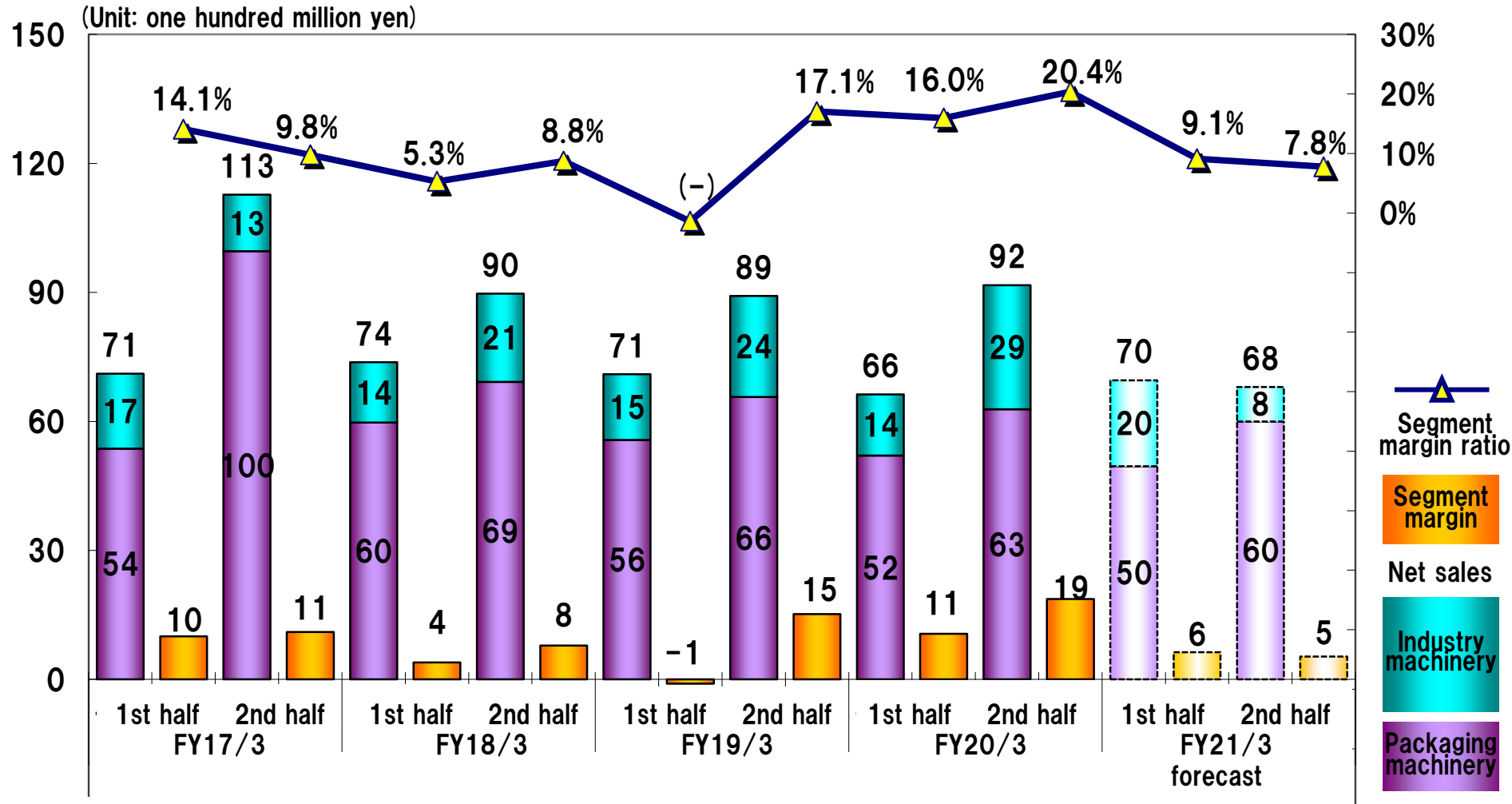
FY21/3	Orders received
1st half forecast	5.0 billion yen
Full-year forecast	10.0 billion yen

(Unit: one hundred million yen)



# Automatic Machinery: Outlook of Performance















FY21/3	Sales	Segment margin
1st half forecast	7.0 billion yen	0.6 billion yen
Full-year forecast	13.8 billion yen	1.2 billion yen









# Components: FY21 / 3 Prospects of the 2nd Quarter and 2nd half by Market

Compared with year-on-year results

(Unit: %)

Main Industries in Japan	1Q forecast (May 14)	1Q results	2Q forecast	2nd half forecast
Semiconductor	115	113		
Automobile	80	82		
Machine tool	60	73		
Medical	105	102		
Flat-panel display (FPD)	90	88		
Rechargeable battery	90	84		
<b>Total</b>	<b>102</b>	<b>103</b>		

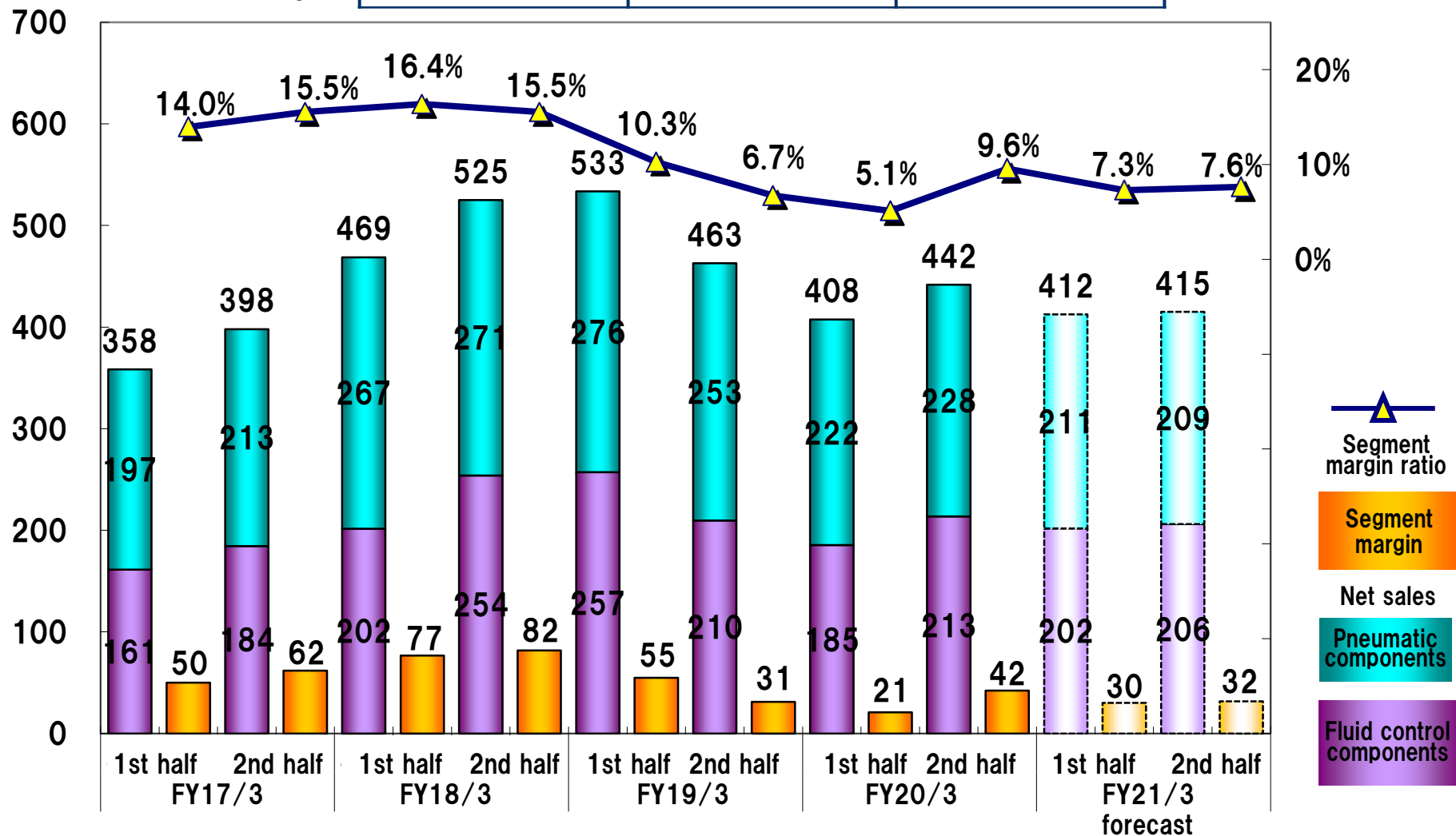
Main areas overseas	1Q forecast (105 ¥/\$)	1Q results (108 ¥/\$)	2Q forecast (105 ¥/\$)	2nd half forecast (105 ¥/\$)
East Asia	119	122		
Southeast Asia	59	89		
<b>Total</b> (Including Europe and Americas)	<b>97</b>	<b>111</b>		

Compared with Year-on-Year results (  110~  100~109  90~99  80~89  ~79)

# Components: Earnings Forecast

FY21/3	Sales	Segment income
1st half forecast	41.2 billion yen	3.0 billion yen
Full-year forecast	82.7 billion yen	6.2 billion yen

(Unit: one hundred million yen)

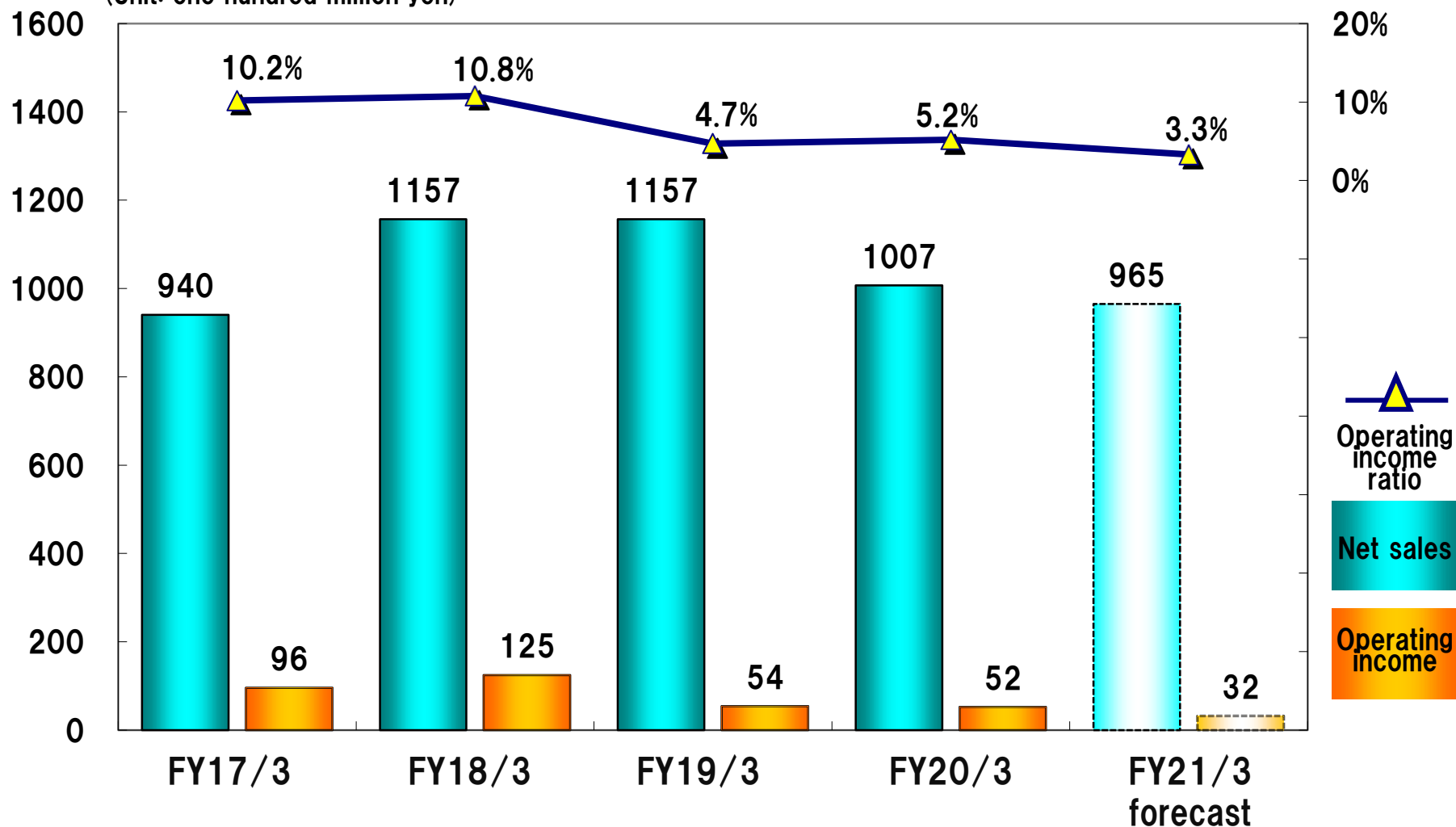




# Total Company Earnings Forecast

FY21/3	Sales	Operating income
1st half forecast	48.2 billion yen	1.5 billion yen
Full year forecast	96.5 billion yen	3.2 billion yen

(Unit: one hundred million yen)



# Total Company Earnings Forecast

(Unit: one hundred million yen)

	FY20/3 results	FY21/3 Outlook				
		1st half forecast	2nd half forecast	Full year forecast	Year-on-year Amount change	Year-on-year % change
<b>Consolidated net sales</b>	<b>1,007</b>	<b>482</b>	<b>483</b>	<b>965</b>	- 42	- 4%
Automatic machinery	158	70	68	138	- 20	- 13%
Components	849	412	415	827	- 22	- 3%
<b>Operating income</b> (Operating income ratio)	<b>52</b> ( 5.2%)	<b>15</b> ( 3.2%)	<b>17</b> ( 3.5%)	<b>32</b> ( 3.3%)	- 20	- 39%
Automatic machinery (Segment margin)	<b>29</b> ( 18.5%)	<b>6</b> ( 9.1%)	<b>5</b> ( 7.8%)	<b>12</b> ( 8.4%)	- 18	- 60%
Components (Segment margin)	<b>63</b> ( 7.4%)	<b>30</b> ( 7.3%)	<b>32</b> ( 7.6%)	<b>62</b> ( 7.5%)	- 1	- 2%
<b>Ordinary income</b>	<b>54</b>	<b>16</b>	<b>17</b>	<b>33</b>	- 21	- 39%
<b>Net income</b>	<b>37</b>	<b>11</b>	<b>12</b>	<b>23</b>	- 14	- 38%

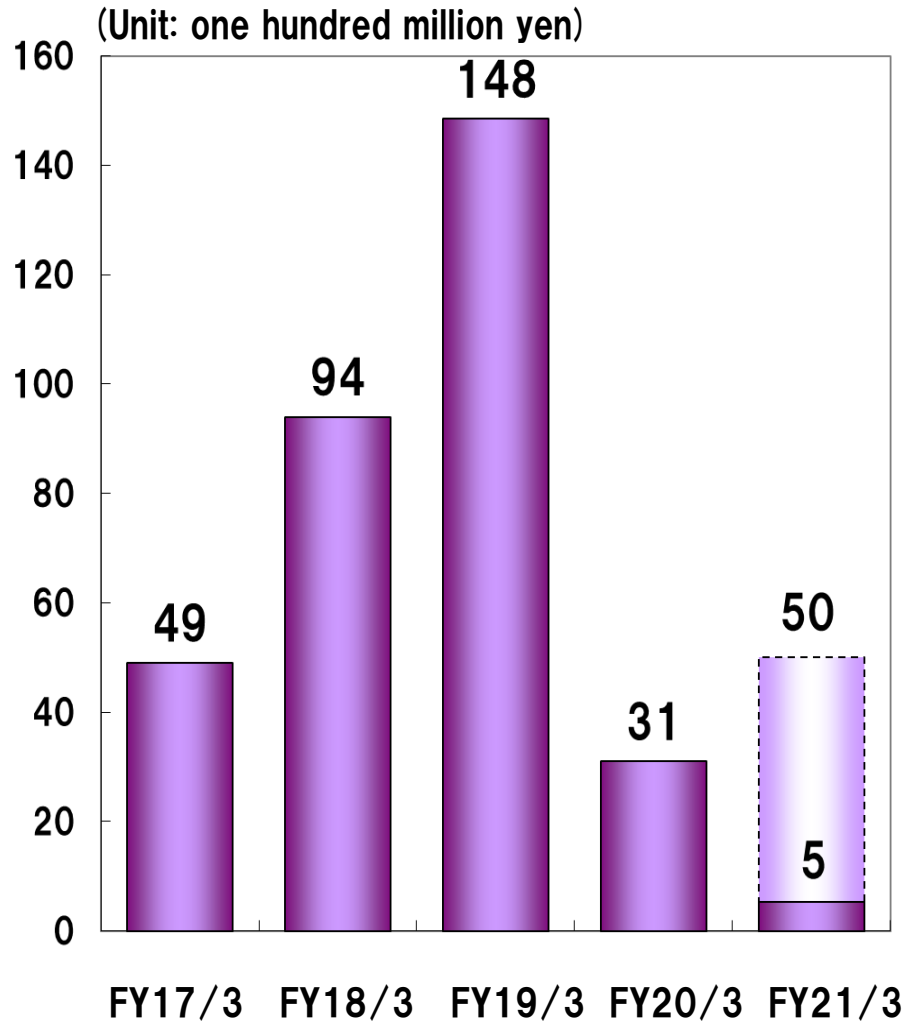
※Exchange rate Initial estimated: ¥105/\$

# Investments

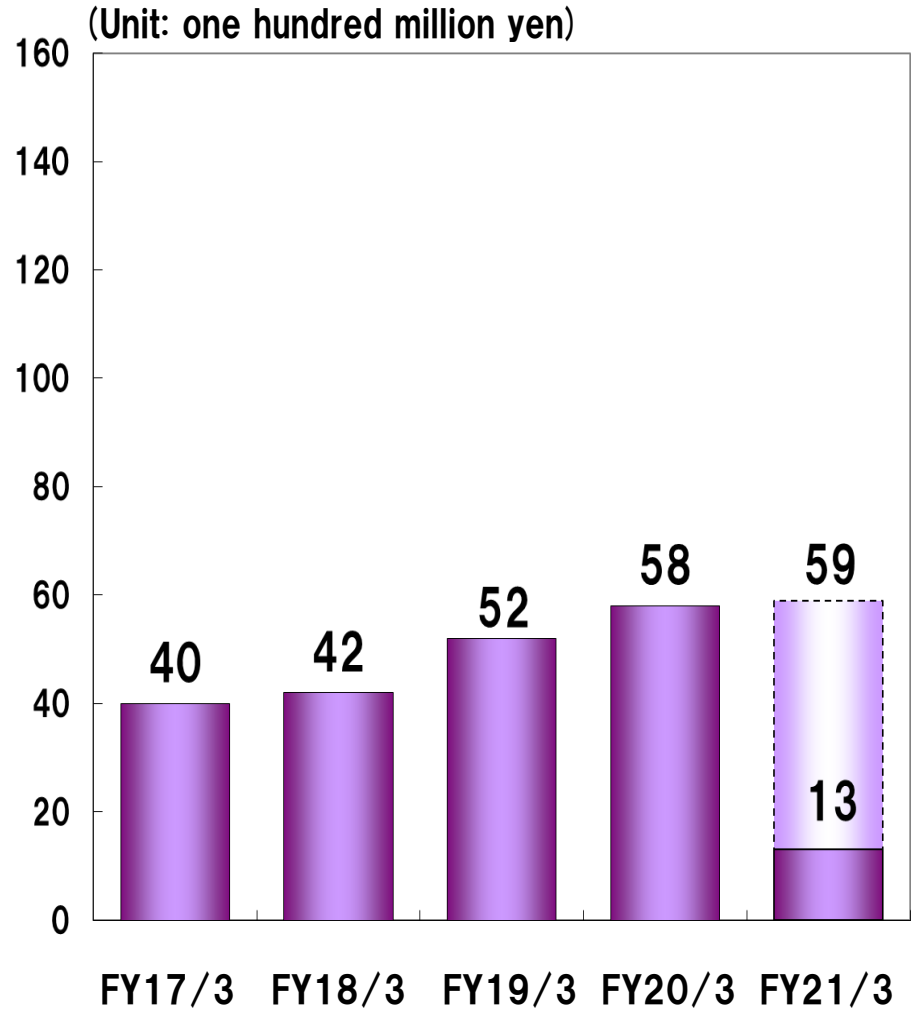


# Investments

## Investments in plant and equipment

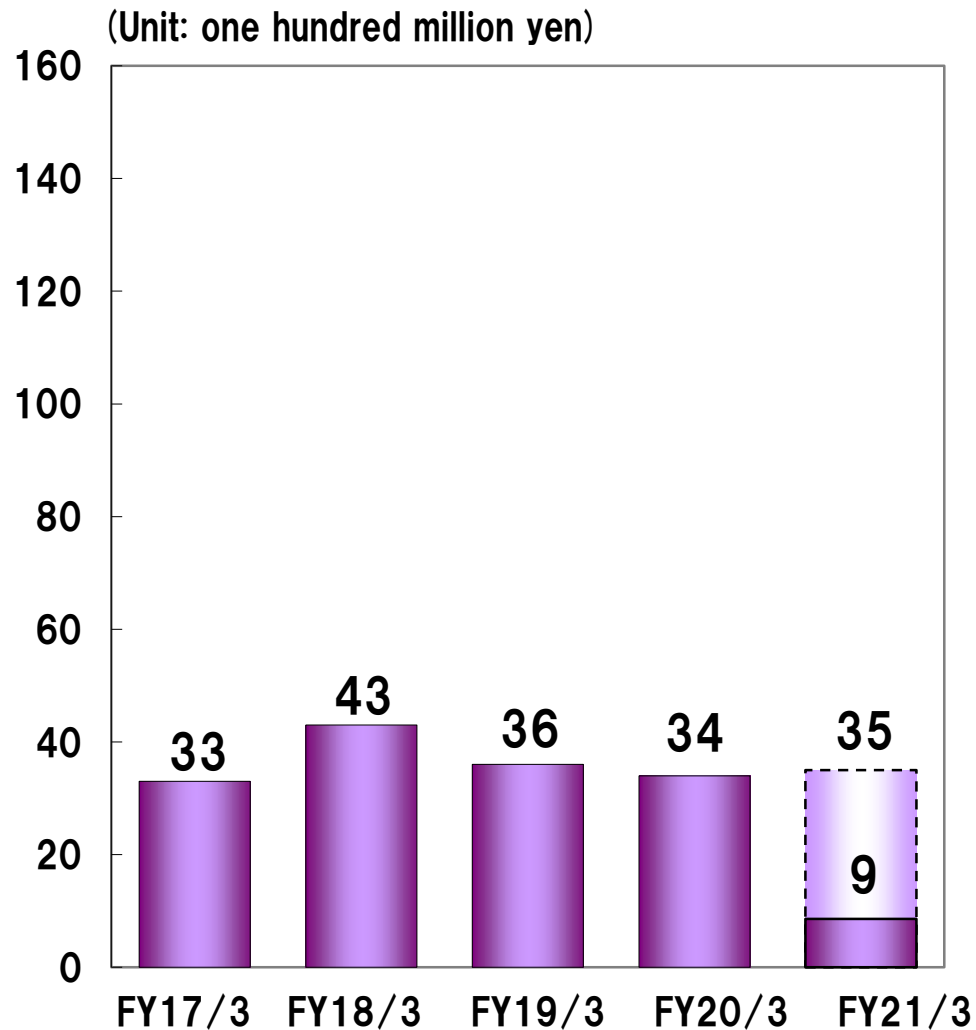


## Depreciation costs



# Investments

## R&D investments

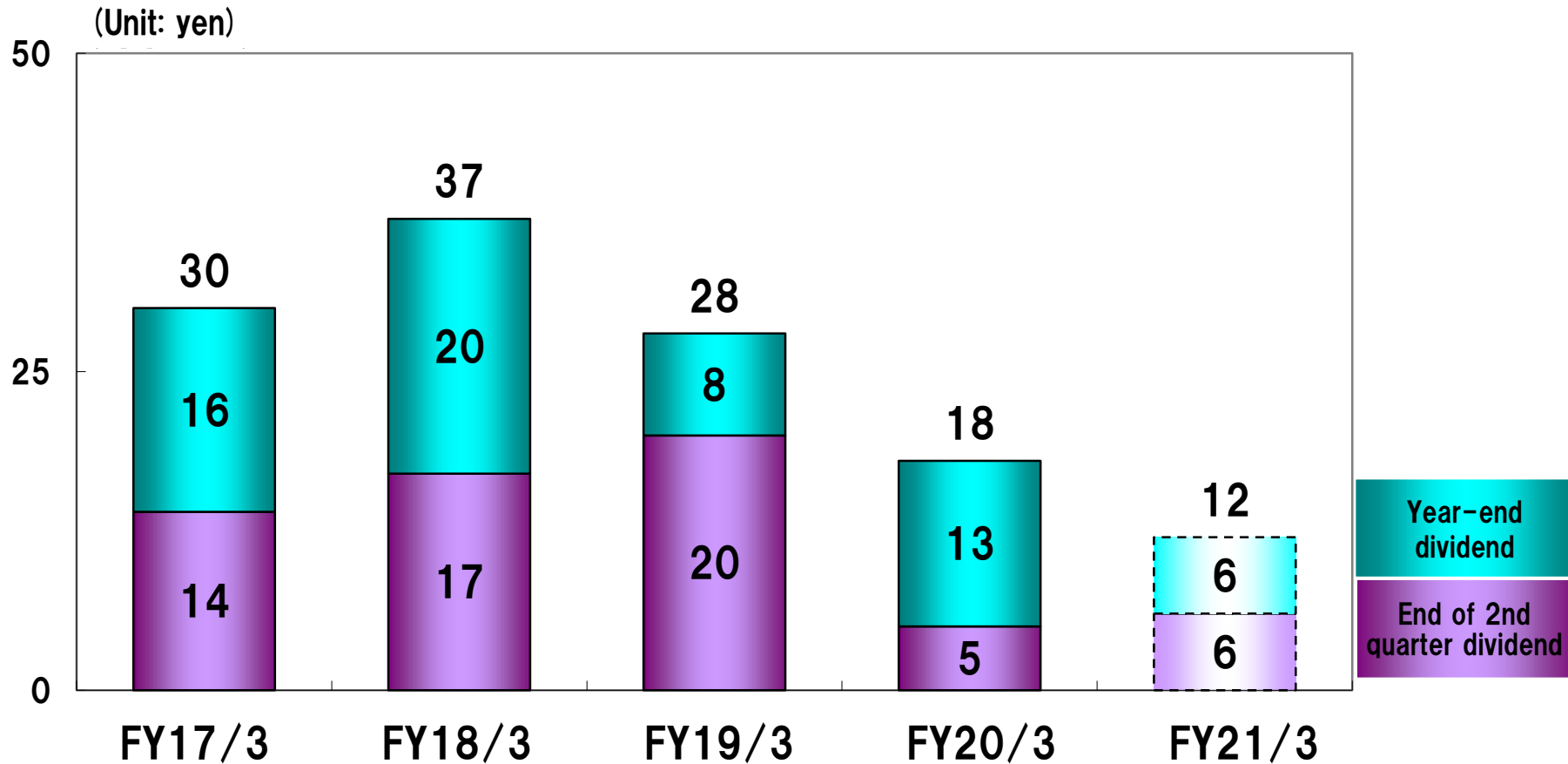


# Shareholders' return



# Dividends

**Forecast for FY21/3 dividends**  
End of 2nd Quarter dividend    ¥6 per share  
Year-end dividend                ¥6 per share



# CKD

## Automation Technology for the Future

**[Attention in regard to the handling of this material]**

### **Notice about the future's perspective**

The earnings outlook described in this document and the future's prediction are expectations judged according to the acquisition of present information available to CKD, and potential risk and uncertainty are present. Therefore, be advised that there is a possibility that the actual achievements will differ greatly from our perspective depending on changes in various factors described for the future.

### **About processing of the figures**

Totals of the breakdown may not parallel with the total because a fraction less than a unit is rounded up for the mentioned price, and the ratio is the calculated from the yen unit and result rounded up.