



Creating Solutions Together

Financial Results for FY2023 ended March 31, 2024

May 10, 2024

CKD Corporation

Securities code 6407

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Financial Results for FY2023 ended March 31, 2024

- **Summary of Financial Results**
- **Investments**
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- **“New Principles” and “Social Contribution Activities”**

Summary of Financial Results

- YoY decreases in net sales and income

Net Sales – 16%

Operating Income – 38%



Management Results

(Unit : billion yen)

		FY22 Actual	FY23 Actual	YoY	
				Amount change	% change
Net Sales	Total	159.5	134.4	- 25.0	- 16%
	Automatic Machinery	15.6	17.7	+ 2.1	+ 14%
	Components	143.9	116.8	- 27.1	- 19%
Operating Income (Operating Income Margin)		21.2 (13.3%)	13.1 (9.8%)	- 8.1	- 38%
Ordinary Income		21.2	13.0	- 8.1	- 38%
Net Income		14.8	8.3	- 6.5	- 44%

Financial Status

(Unit : billion yen)

	End March 2023	End March 2024	YoY	
			Amount change	% change
Current assets	123.1	124.3	+ 1.3	+ 1%
Fixed assets	62.2	84.0	+ 21.4	+ 34%
Total assets	185.6	208.3	+ 22.7	+ 12%
Current liabilities	52.0	43.0	- 9.0	- 17%
Fixed liabilities	13.9	36.2	+ 22.3	+ 161%
Total liabilities	65.9	79.2	+ 13.3	+ 20%
Total net assets	119.7	129.1	+9.4	+ 8%
Equity ratio	64.5%	62.0%	-	- 3%

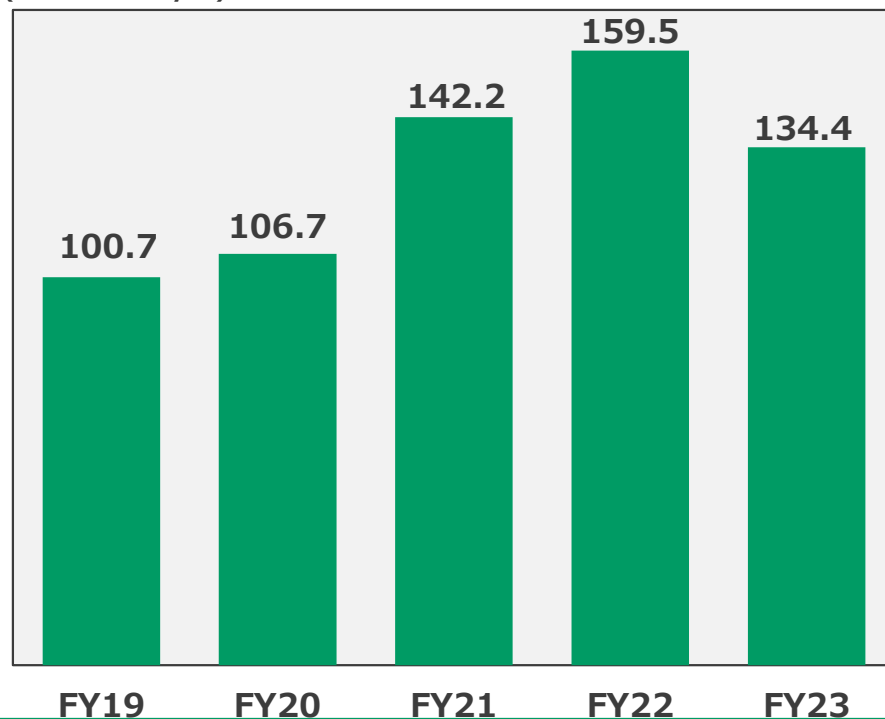
Consolidated Performance

FY23	Net Sales	Operating Income	Operating Income Margin
Full-year Actual	134.4 billion yen (- 25.0)	13.1 billion yen (- 8.1)	9.8% (- 3.5)

() YoY

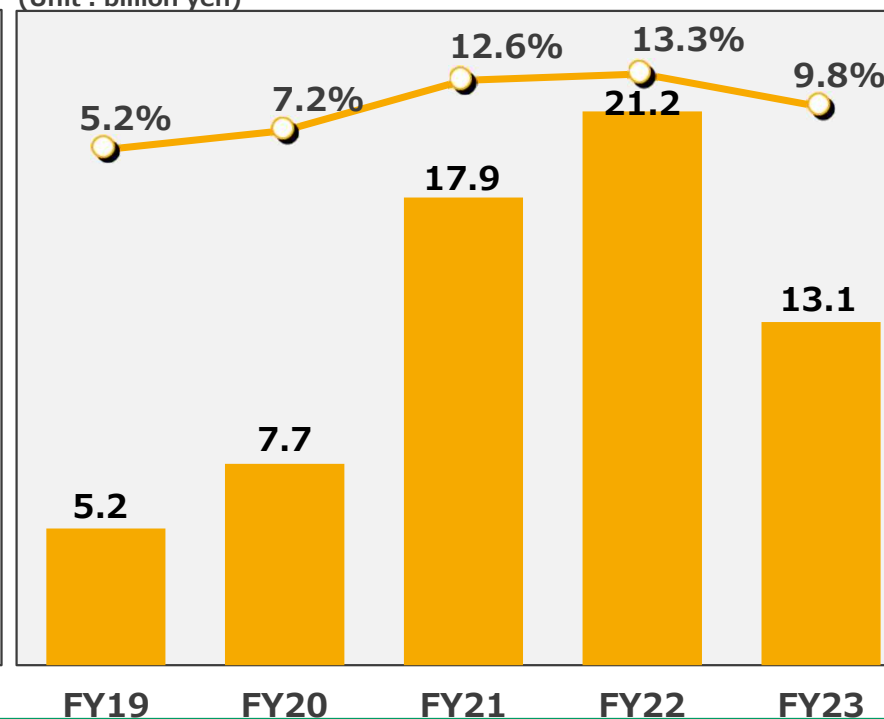
(Unit : billion yen)

Net Sales



(Unit : billion yen)

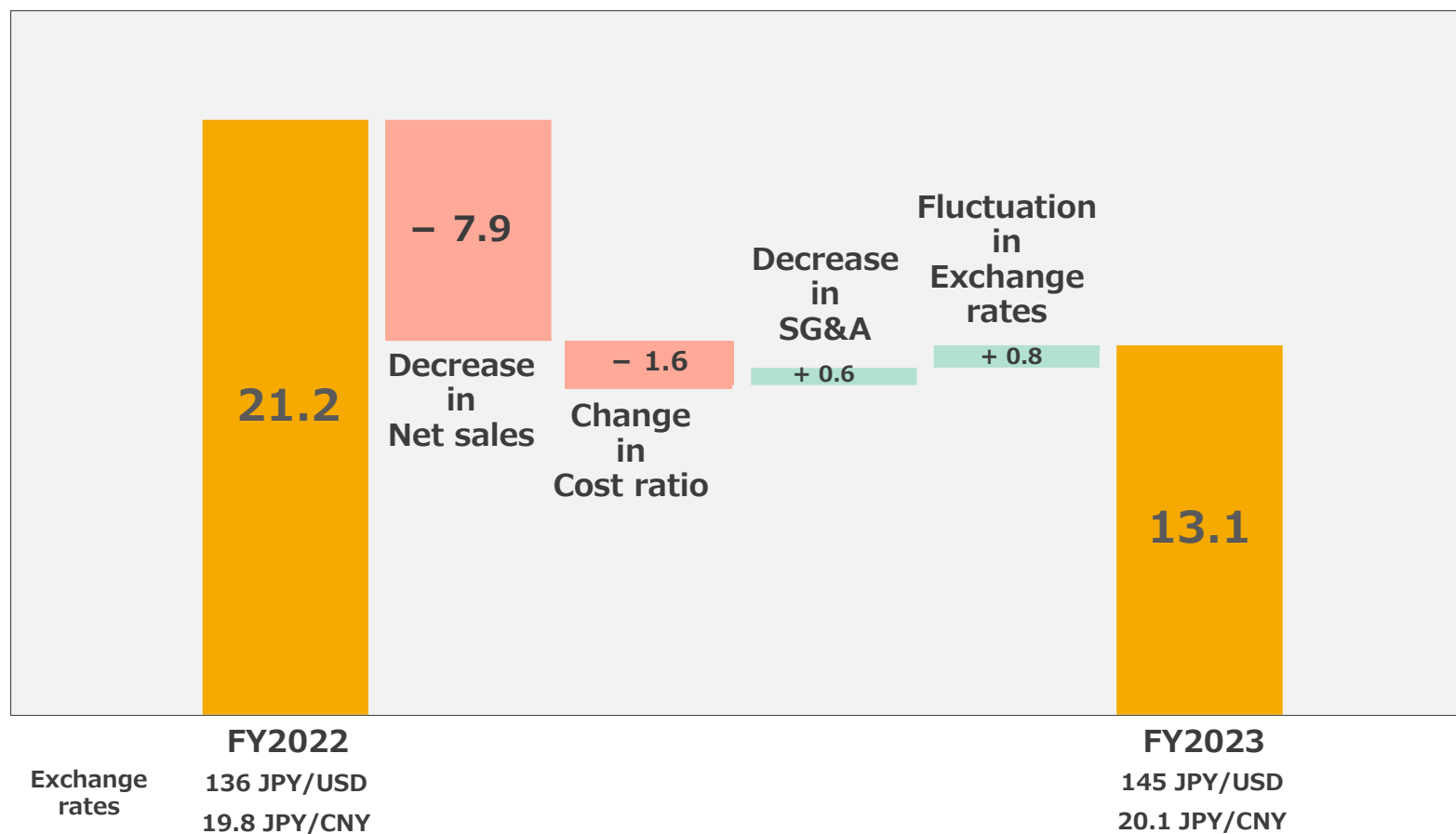
Operating Income / Operating Margin



■ Operating Income
● Operating Margin

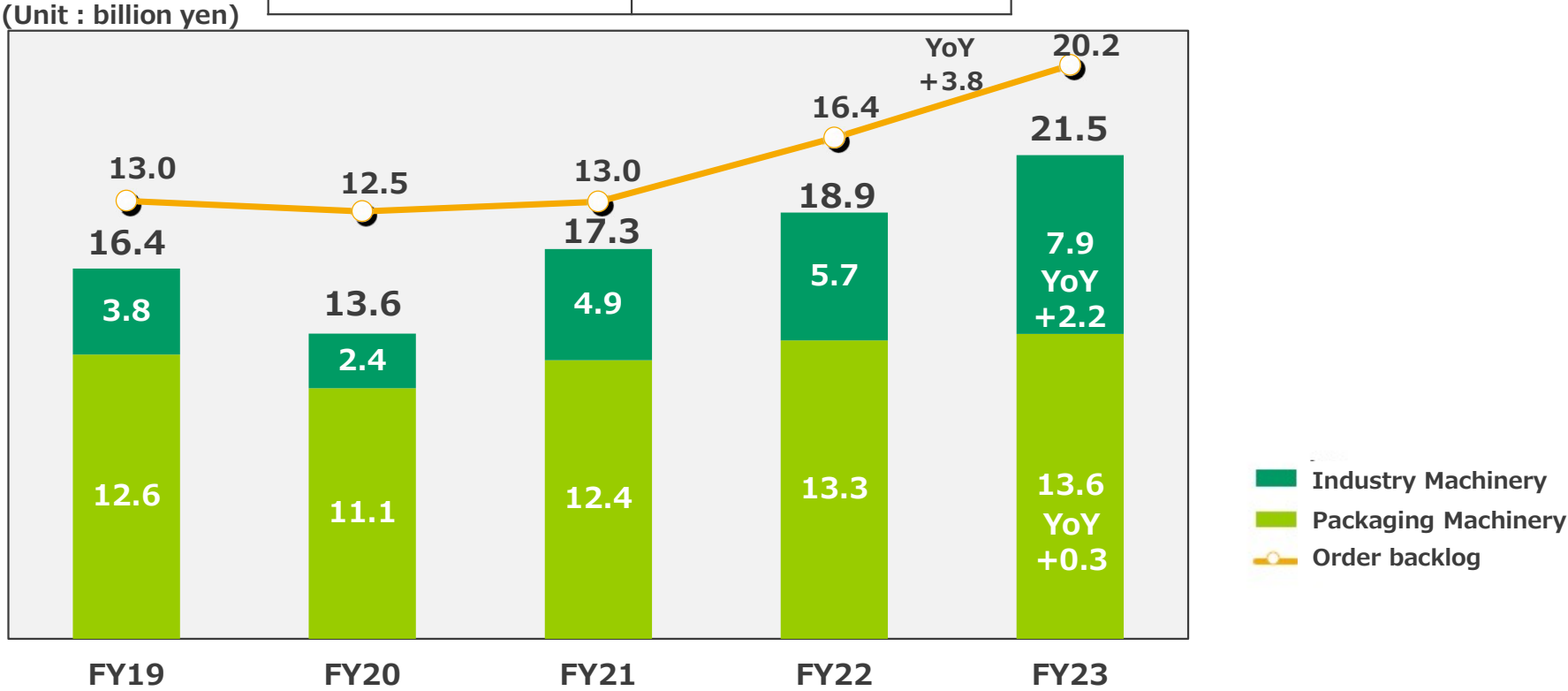
Analysis of Operating Income

(Unit : billion yen)



Automatic Machinery Orders

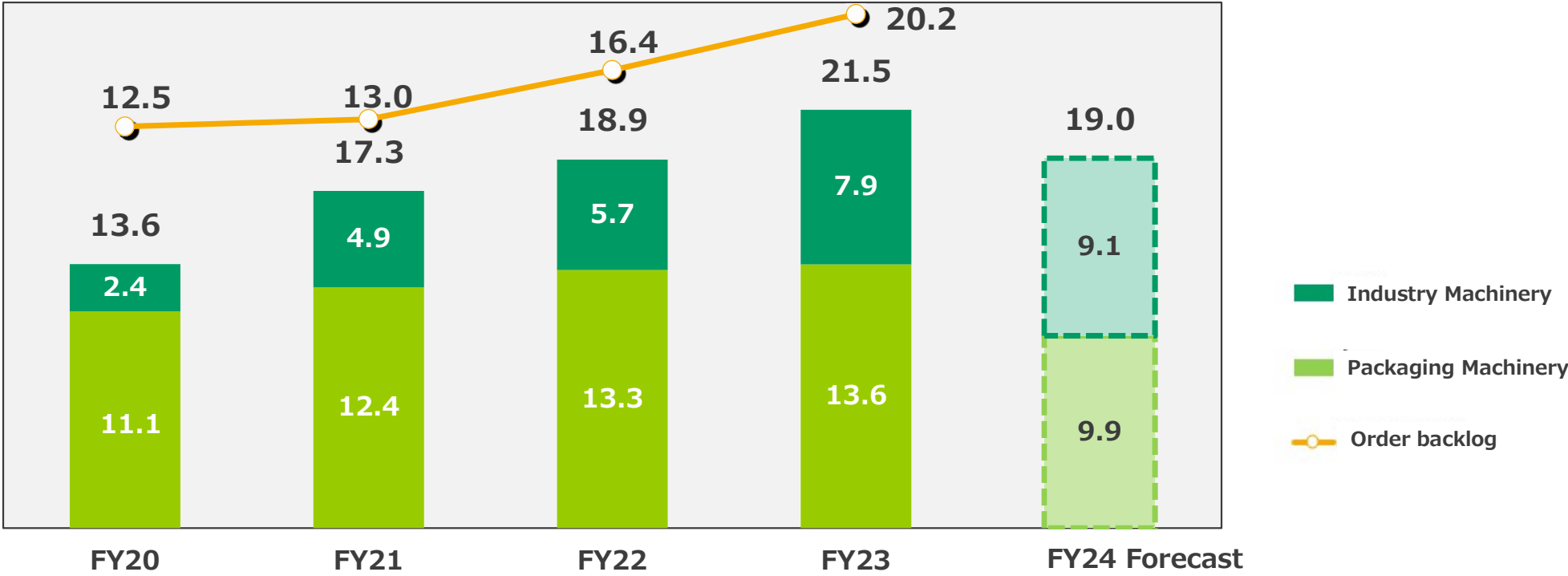
FY23	Orders	() YoY
Full-year Actual	21.5 billion yen	(+2.5)



Automatic Machinery Forecast of Orders

FY24	Orders	() YoY
Full-year Forecast	19.0 billion yen (- 2.5)	

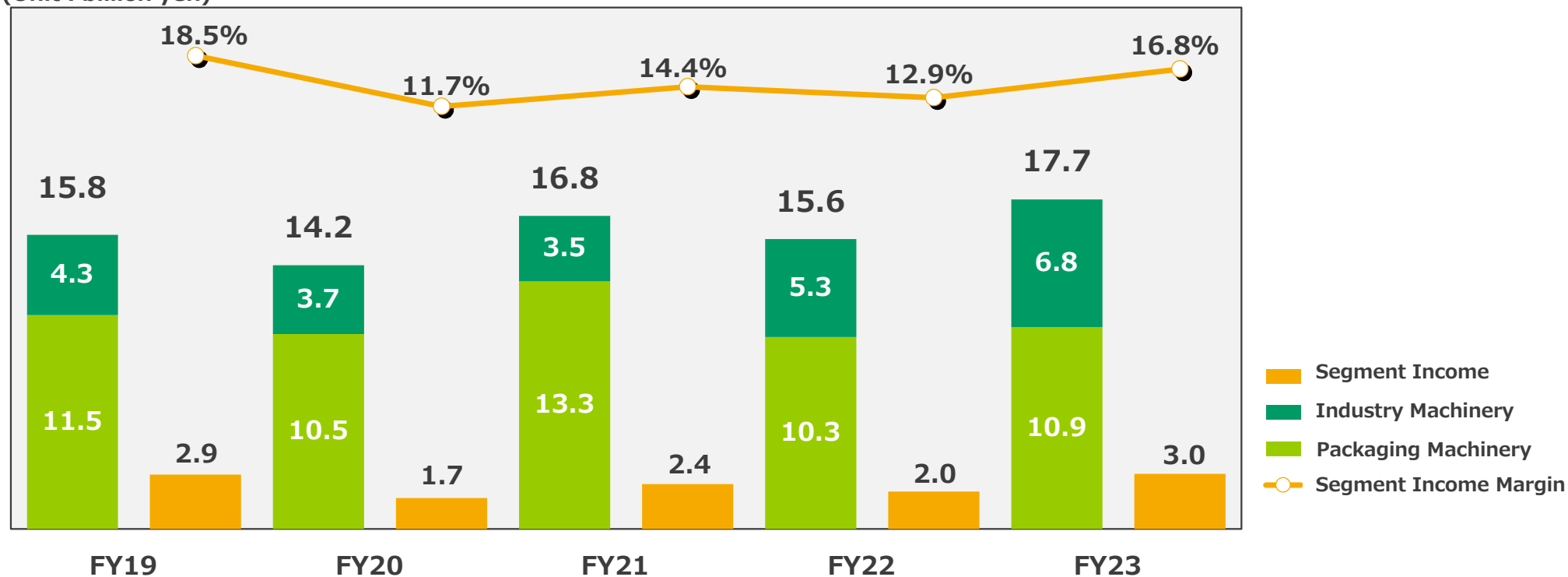
(Unit : billion yen)



Automatic Machinery Achievement Changes

FY23	Net Sales	Segment Income	Segment Income Margin	() YoY
Full-year Actual	17.7 billion yen (+2.1)	3.0 billion yen (+1.0)	16.8% (+3.9)	

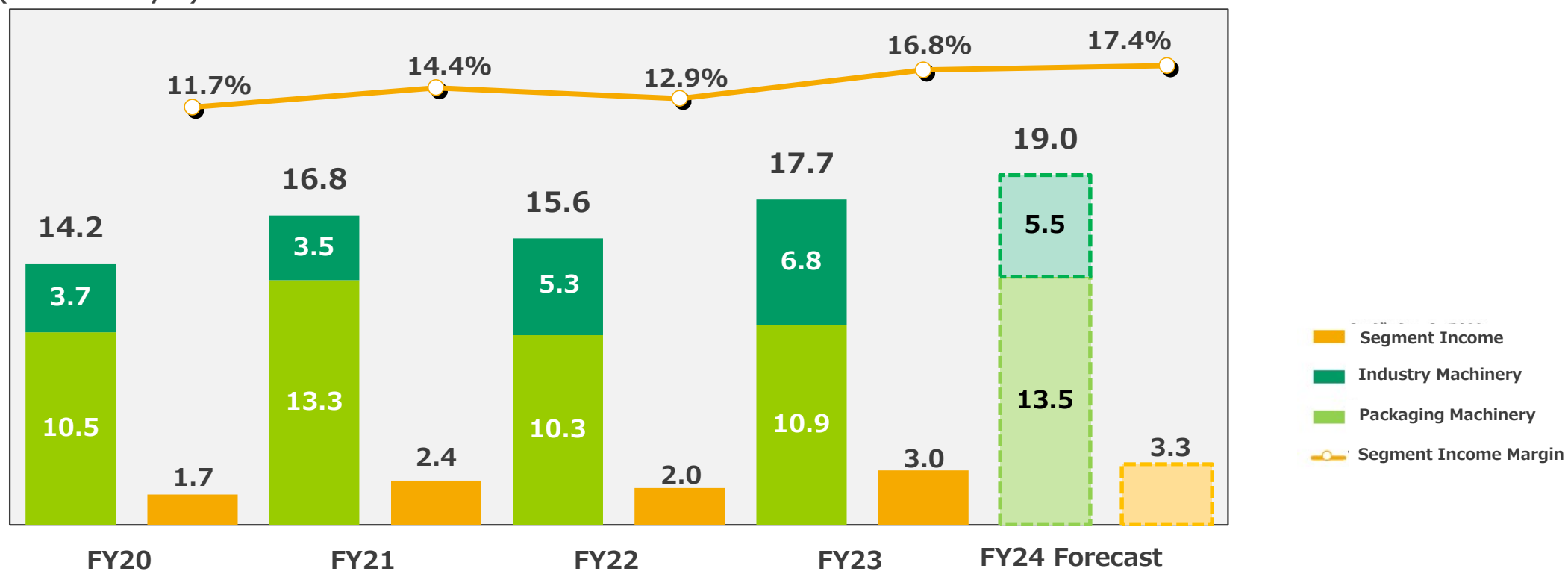
(Unit : billion yen)



Automatic Machinery Outlook of Performance

FY24	Net Sales	Segment Income	Segment Income Margin (%) YoY
Full-year Forecast	19.0 billion yen (+1.3)	3.3 billion yen (+0.3)	17.4% (+0.6)

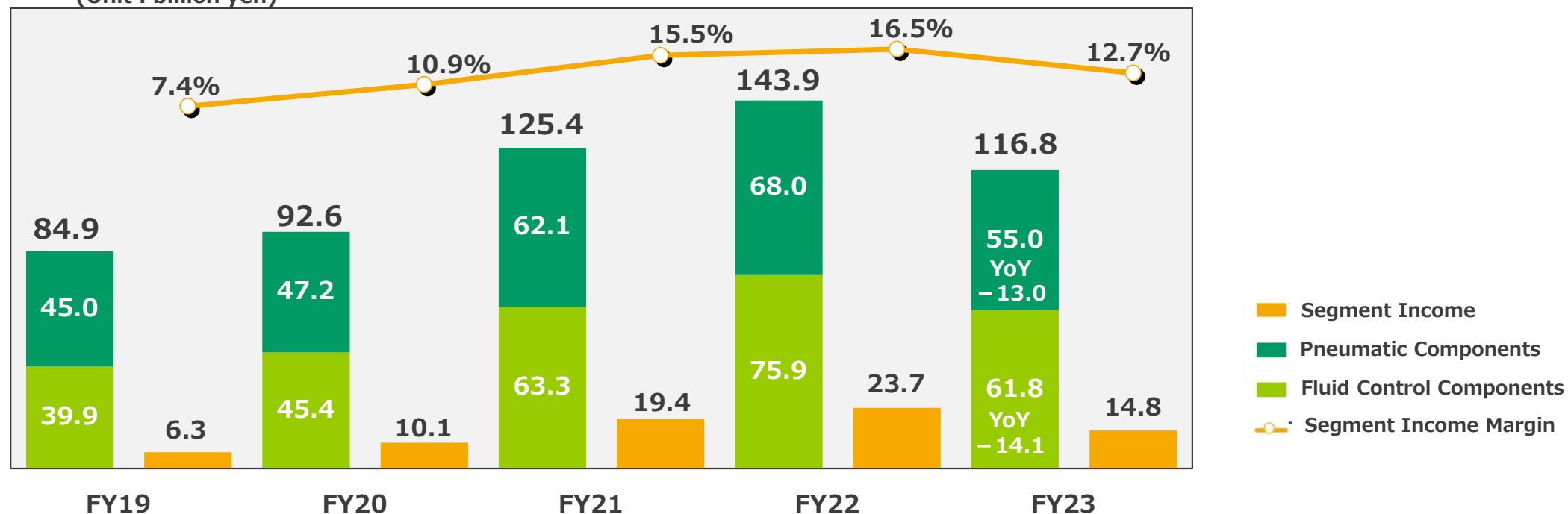
(Unit : billion yen)



Components Achievement Changes

FY23	Net Sales	Segment Income	Segment Income Margin	() YoY
Full-year Actual	116.8 billion yen (- 27.1)	14.8 billion yen (- 8.9)	12.7%	(- 3.8)

(Unit : billion yen)



Components FY2023 Actual by Market

*YoY change






















(Unit:%)










Main Industries in Japan	1H Actual	2H Actual	Full-year Actual
Semi-conductor	74	67	71
Automobile	100	89	95
Machine Tool	88	74	81
Medical	99	79	89
Flat-panel display(FPD)	83	86	84
Rechargeable Battery	121	139	130
Total	82	70	76

Main Areas Overseas	1H Actual (141 JPY/USD)	2H Actual (144 JPY/USD)	Full-year Actual (145 JPY/USD)
East Asia	79	83	81
Southeast Asia	86	94	90
Total (including Europe and the US)	81	85	83

Components FY2024 Prospects by Market

*YoY change

Main Industries in Japan	1H Forecast	2H Forecast	Full-year Forecast
Semi-conductor			
Automobile			
Machine Tool			
Medical			
Flat-panel display(FPD)			
Rechargeable Battery			
Total			

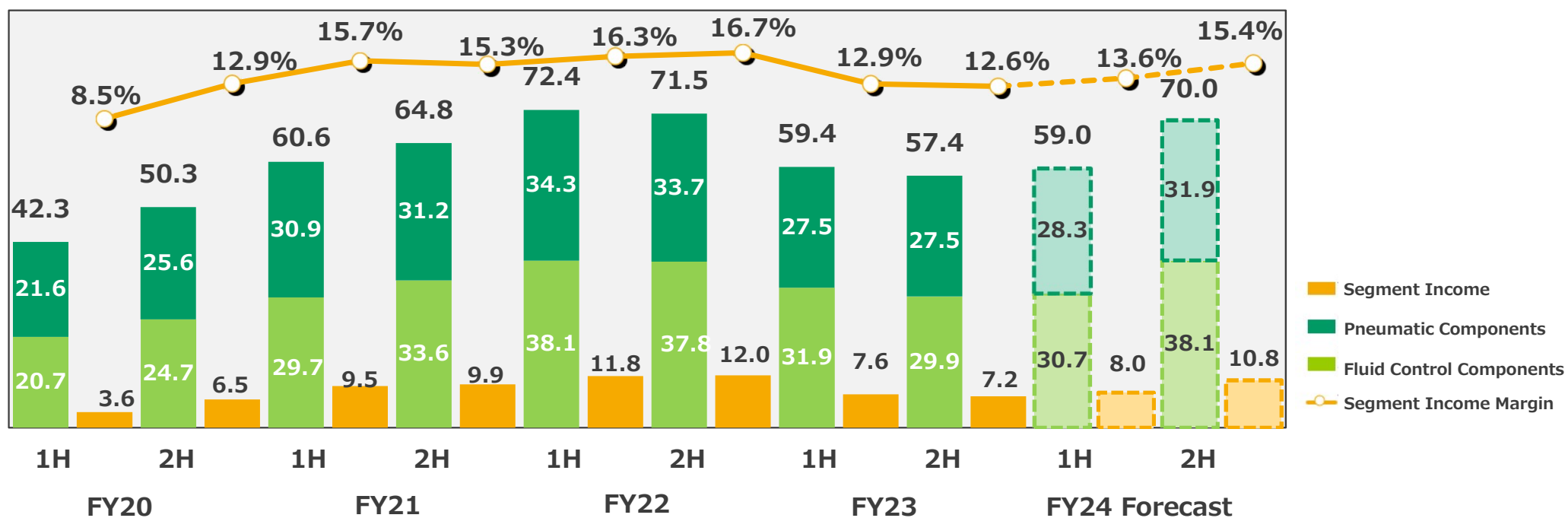
Main Areas Overseas	1H Forecast (145 JPY/USD)	2H Forecast (145 JPY/USD)	Full-year Forecast (145 JPY/USD)
East Asia			
Southeast Asia			
Total (including Europe and the US)			

YoY change : ( 110~  100~109  90~99  80~89  ~79) (Unit:%)

Components Earnings Forecasts

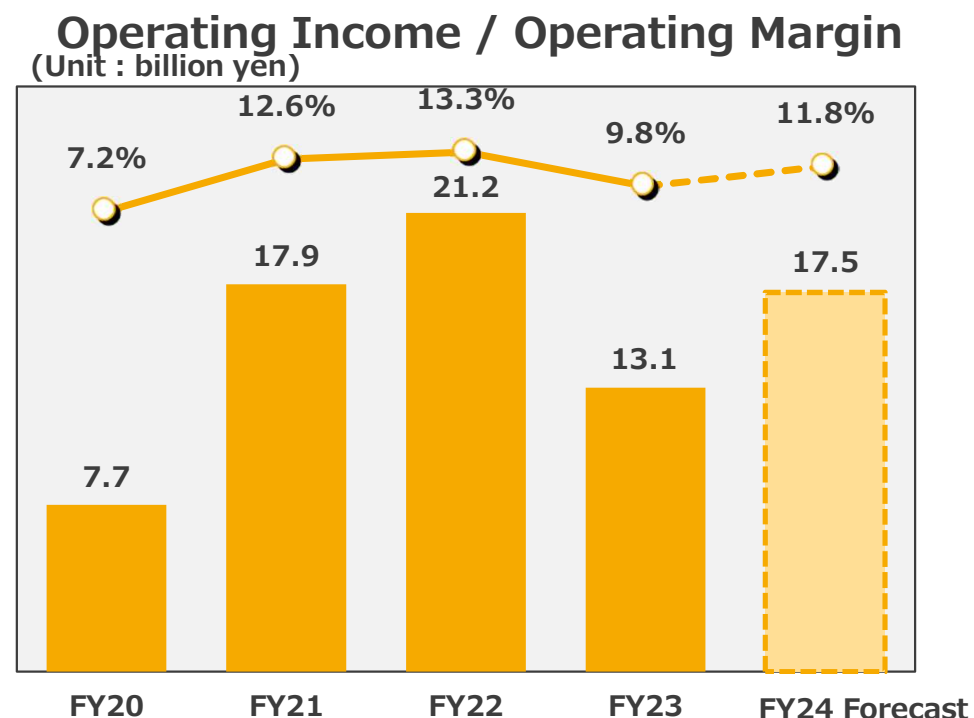
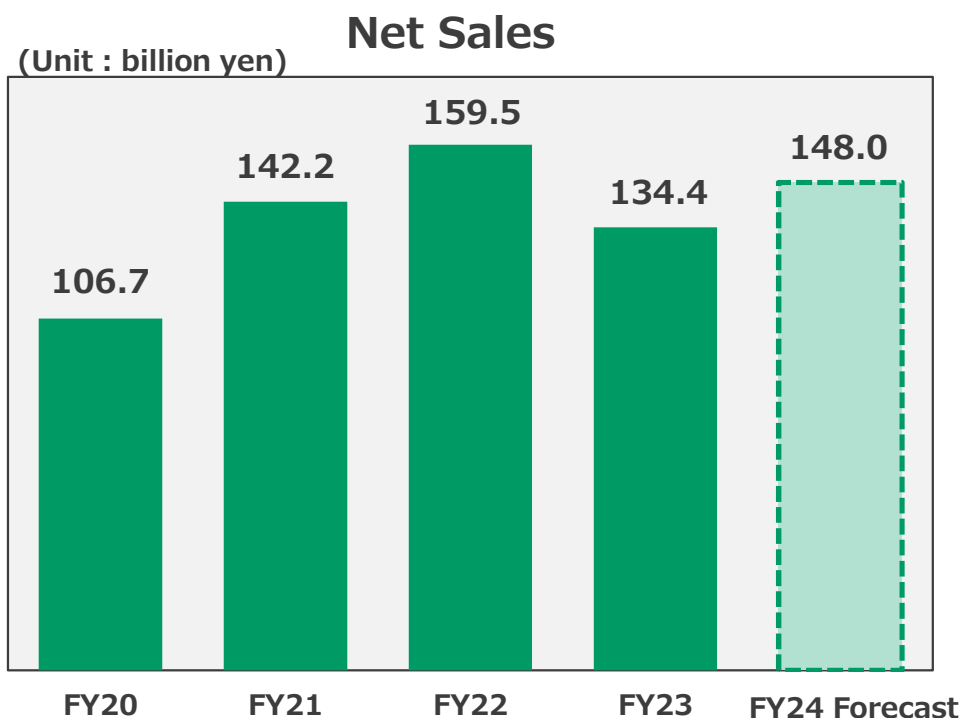
FY24	Net Sales	Segment Income	Segment Income Margin	() YoY
1H Forecast	59.0 billion yen (- 0.4)	8.0 billion yen (+ 0.4)	13.6% (+0.7)	
Full-year Forecast	129.0 billion yen (+ 12.2)	18.8 billion yen (+ 4.0)	14.6% (+ 1.9)	

(Unit : billion yen)



Earnings Forecasts

FY24	Net Sales	Operating Income	Operating Income Margin	() YoY
Full-year Forecast	148.0 billion yen (+13.6)	17.5 billion yen (+4.4)	11.8% (+2.0)	



Earnings Forecasts

(Unit : billion yen)

		FY23 Actual	FY24 Forecasts				
			1H Forecast	2H Forecast	Full-year Forecast	YoY Amount Change	YoY % Change
Net Sales	Total	134.4	69.0	79.0	148.0	+ 13.6	+ 10%
	Automatic Machinery	17.7	10.0	9.0	19.0	+ 1.3	+ 7%
	Components	116.8	59.0	70.0	129.0	+ 12.2	+ 10%
Operating Income (Operating Income Margin)		13.1 (9.8%)	7.5 (10.9%)	10.0 (12.7%)	17.5 (11.8%)	+ 4.4	+ 33%
	Automatic Machinery (Segment Income Margin)	3.0 (16.8%)	1.8 (18.0%)	1.5 (16.7%)	3.3 (17.4%)	+ 0.3	+ 11%
	Components (Segment Income Margin)	14.8 (12.7%)	8.0 (13.6%)	10.8 (15.4%)	18.8 (14.6%)	+ 4.0	+ 27%
Ordinary Income		13.1	7.5	10.0	17.5	+ 4.4	+ 34%
Net Income		8.3	5.0	6.8	11.8	+ 3.5	+ 41%

*Estimated Exchange rate : 145 JPY/USD

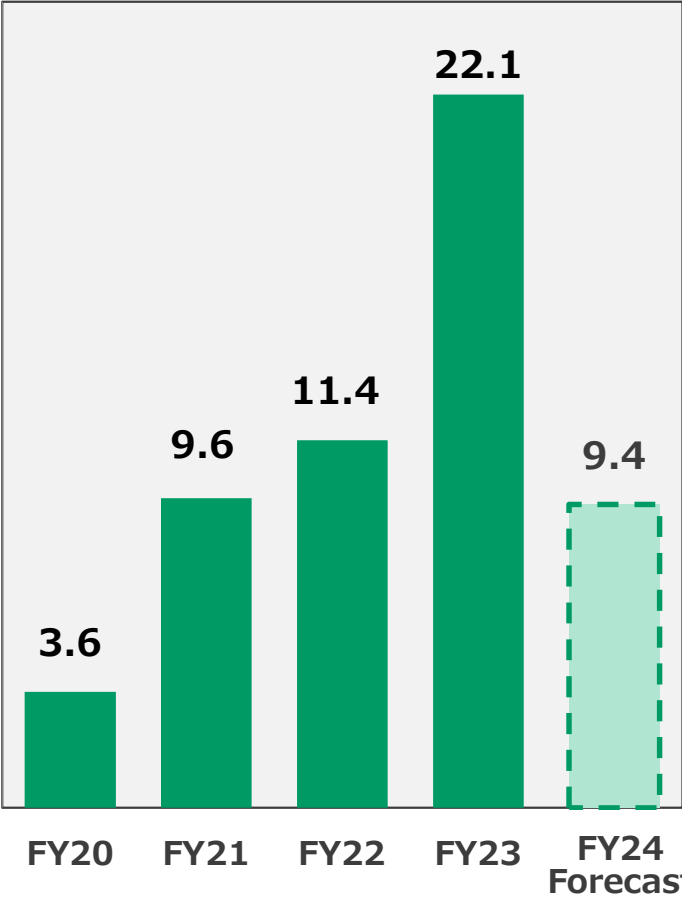
Investments



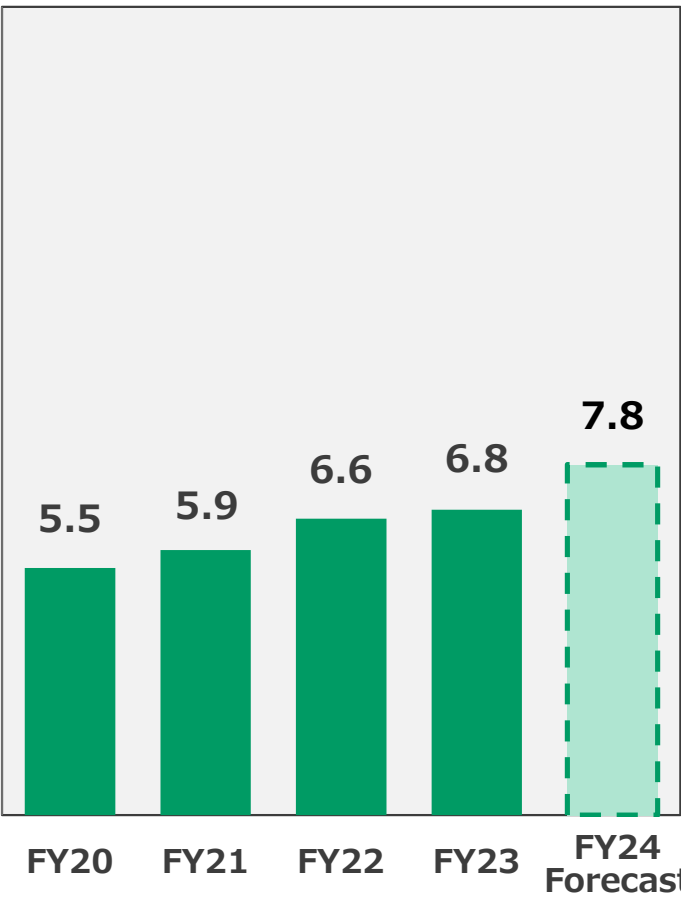
Investments

(Unit : billion yen)

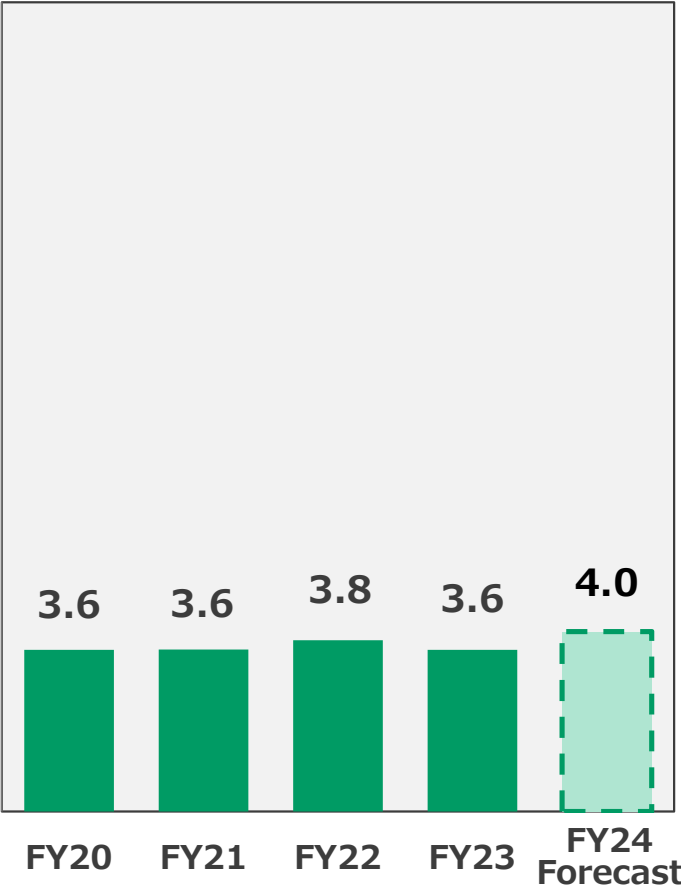
Capital Investment



Depreciation



R&D Investment



Shareholders Return

■ Dividends

- The year-end dividend for FY2023 : 26 yen



Dividends

FY2023 Dividends

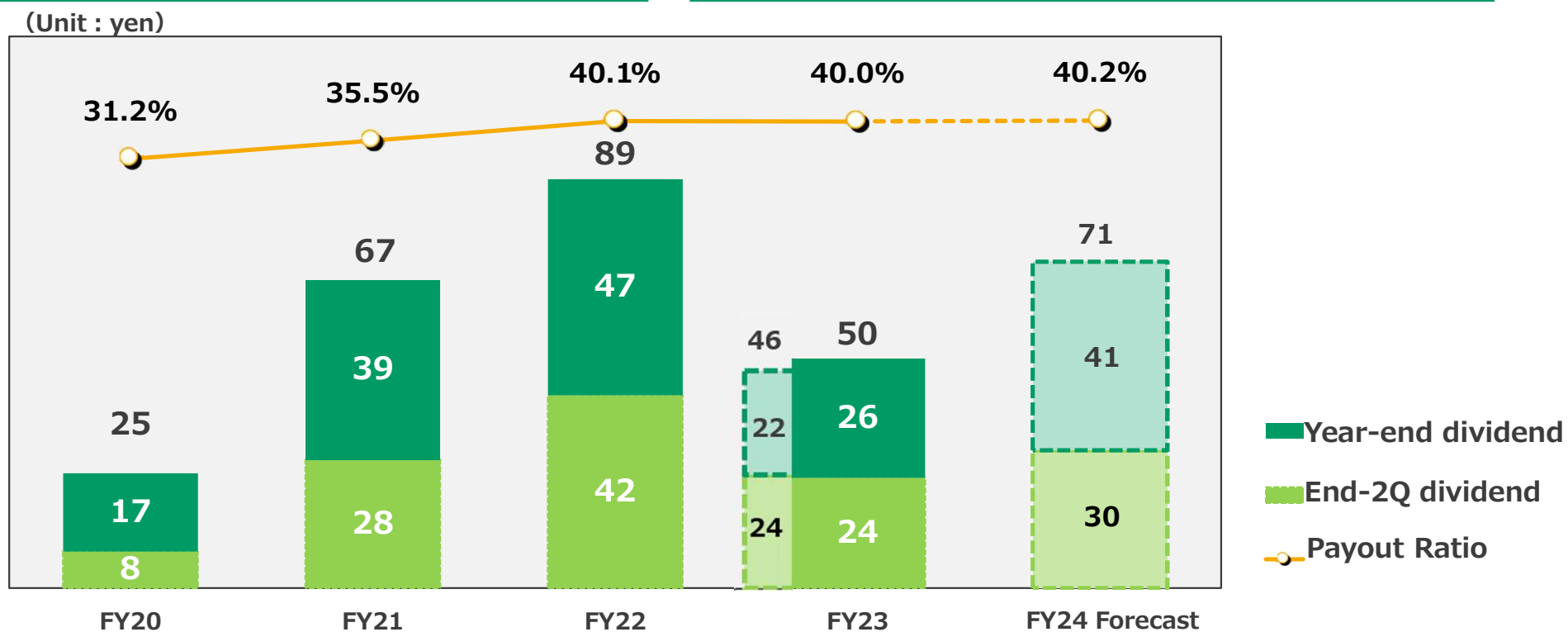
End-2Q dividend 24 yen / share

Year-end dividend 26 yen / share

Forecast for FY2024 Dividends

End-2Q dividend 30 yen / share

Year-end dividend 41 yen / share



Status of “Exciting CKD 2025” Medium-Term Management Plan

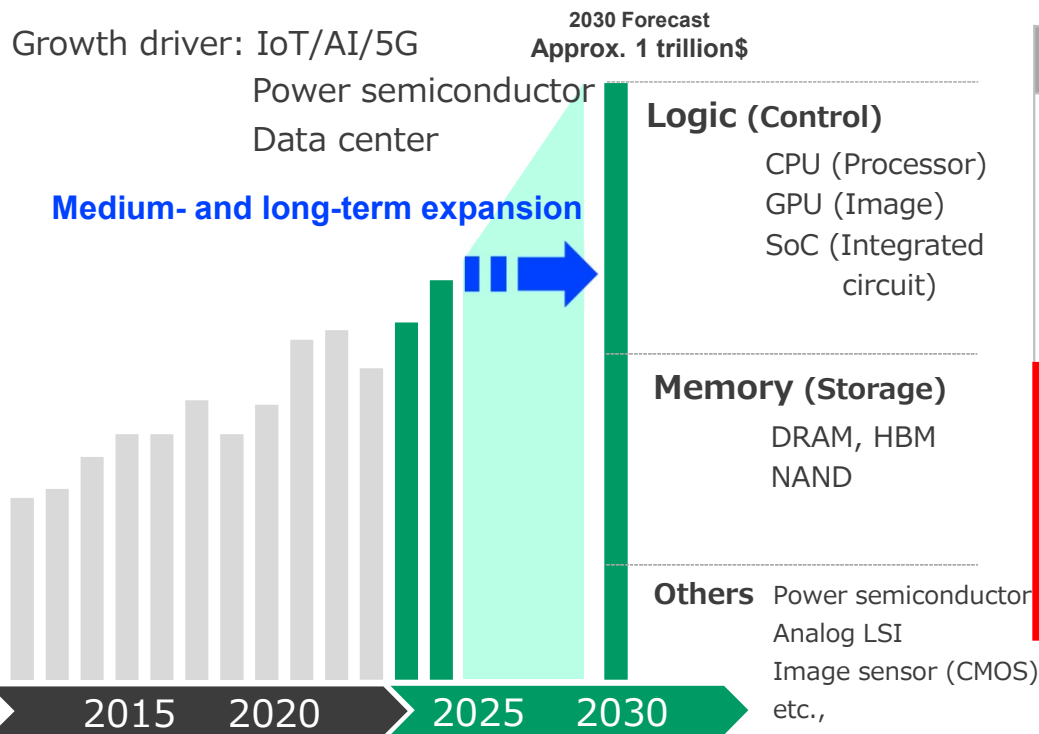
- Industries of Focus : Semi-conductors and Batteries**
- Businesses of Focus : New Products and New Businesses**
- Areas of Focus : Overseas Markets**
- Carbon Neutral Initiatives**
- Others (Opening of Showroom, Technology Exhibition)**



Industries of Focus : Semi-conductors(1)

Strengthen our production system to meet the growing demand in the semiconductor field

Transition of the semiconductor market



* CKD Summary
* Graph is an image

Expansion of the global follow-up system

Bases in Japan		Overseas bases		
 Kasugai Plant Kasugai, Aichi	 Tohoku Plant Kurokawa, Miyagi	 China Plant Wuxi, Jiangsu	 South Korea Plant Siheung-si, Gyeonggi-do	 Austin Manufacturing Texas, USA
 New Tohoku Plant Komatsu, Ishikawa	 New Tohoku 2nd Plant Kurokawa, Miyagi	 New Malaysia Plant Kedah	 Technical Center Hsinchu, Taiwan	 Technical Center California, USA

Strengthened domestic and overseas production systems in addition to BCP compliance
Utilizing bases in each country, promoting product development for the next generation

Industries of Focus : Semi-conductors(2)

Strengthen production bases in Japan and overseas

Hokuriku Plant

Location: Komatsu City, Ishikawa Prefecture

Site area: approx. 70,000 m²

(Total floor area: approx. 22,000 m²)

Investment: approx. 16 billion yen

Product: Fluid control components

Completion: March 2024

- Increased production capacity
- BCP compatible



Malaysia Plant

Location: Kulim, Kedah, Malaysia

Site area: approx. 87,400m²

(Total floor area: Approx. 15,800m²)

Investment: 4 billion yen

Product: Pneumatic components

Fluid control components

Completion: Around the end of 2024

- ASEAN Region enhancement
- BCP compatible

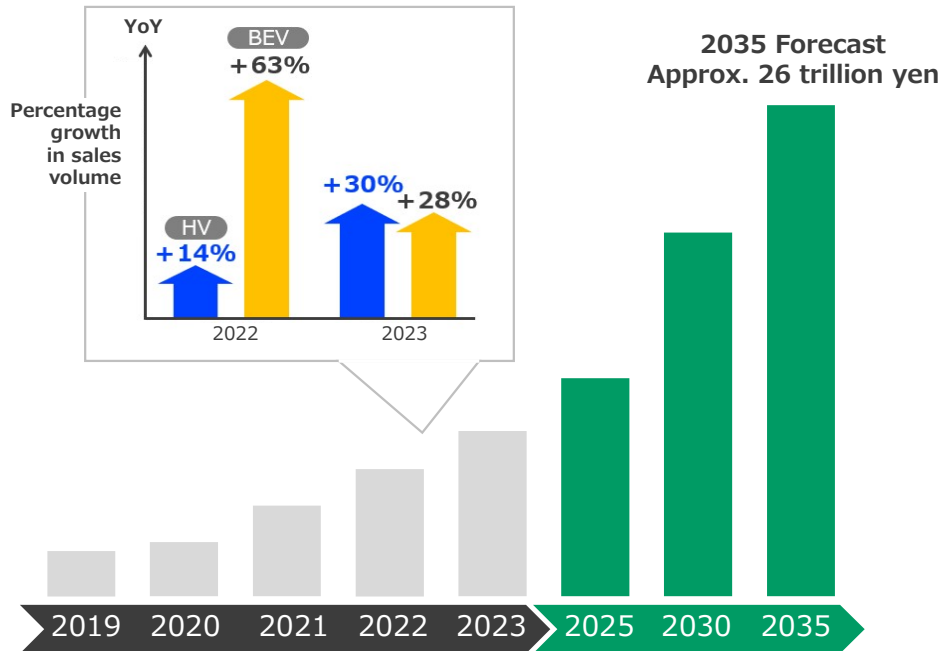


Industries of Focus : Rechargeable Batteries

The company aims to increase orders for related investments in rechargeable batteries in both Automatic Machinery and components businesses

Market trend of rechargeable battery

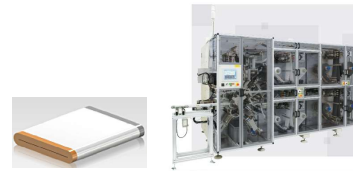
Increase in sales with HV revaluation
EV market continues to grow



* CKD Summary
* Graph is an image

Products for the Rechargeable Battery Market

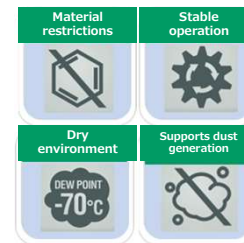
- Automatic Machines Lithium-ion battery winding machines



High-speed and high-precision winding, Achieves both improved productivity and stable operation

- Components Compatible with components rechargeable battery manufacturing processes

The P4 Series can be used with more than 100 models

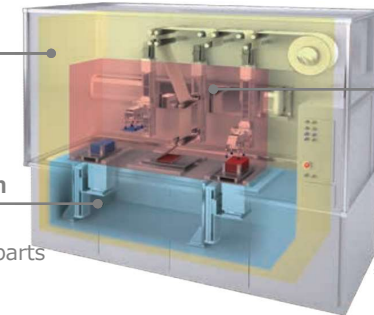


Top of workpiece

Material limitations for sliding parts

Workpiece bottom

Material limitations for sliding parts



Workpiece latest

Material limitations for all parts
Dust generation rate: 1/5 or less

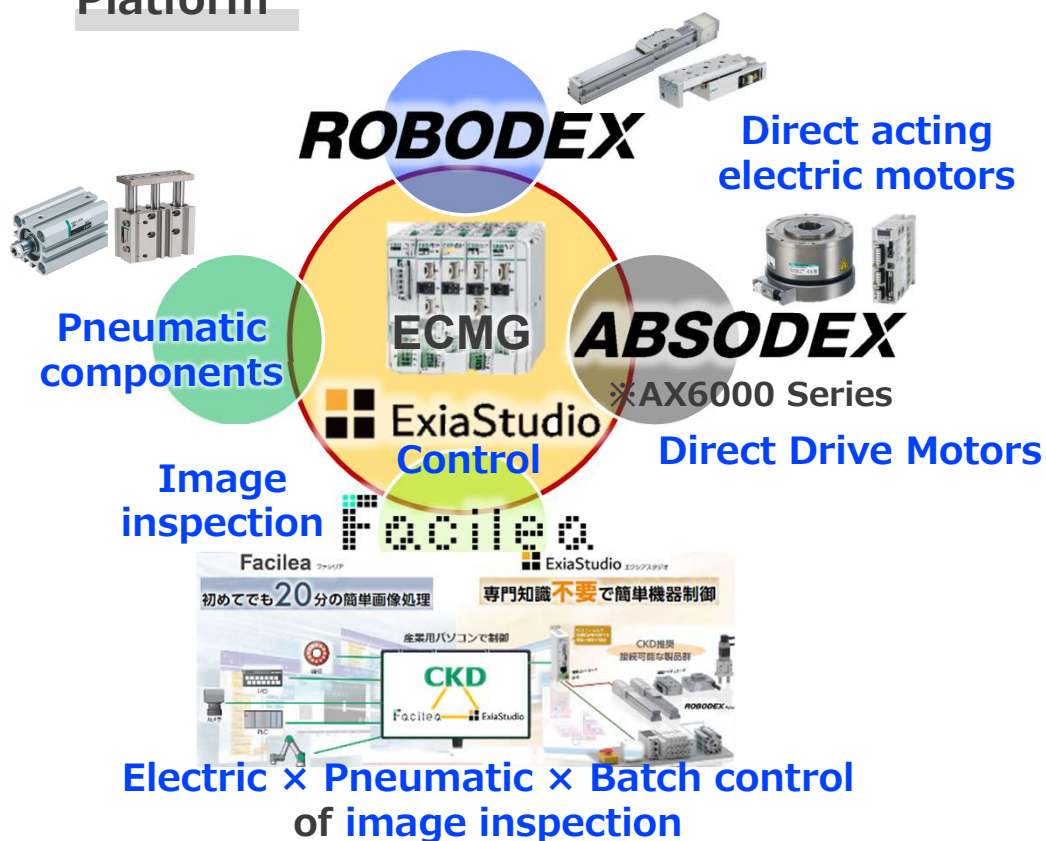
* compared to CKD standard cylinder

Contributes to stable operation and long service life with components that support the equipment environment

Businesses of Focus : New Products and New Businesses

Developing automation technology to improve customer productivity and solve social issues.
Cultivate new products and new businesses for sustainable growth

Platform

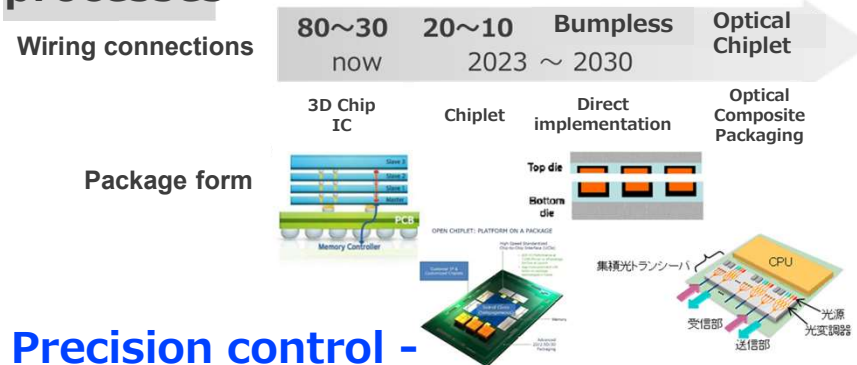


Assistive Devices (Human Assist)



- User-friendly and contributes to improved workability and prevention of industrial accidents-

Support for semiconductor cutting-edge processes



- Precision control -

Areas of Focus : Overseas Markets

Strengthening production in ASEAN Region in India

India Manufacturing Plant

Location: Neemrana, Rajasthan, India

Site area: approx. 14,600m²

(Total floor area: approx. 8,500m²)

Investment: 1.8 billion yen

Product: Pneumatic components

Fluid control components

Completed in May 2024

Concept : **Earth-Friendly Plant**



India Manufacturing Plant



Malaysia Plant

**Demand is expected to increase, India and Malaysia, etc.
Strengthen production systems in emerging countries**

Initiatives for Environmental Issues

To realize a decarbonized society, we promoted the reduction of CO₂ and the enhancement of low environmental load products.

Expanding products that reduce environmental load

Automatic Machines PTP Packaging Machines



Pharmaceutical Packaging Machines

Blister Packaging

- Developed packaging machine using **Biomass plastic**
- Reduction of CO₂ emissions by **approximately 50% compared with conventional models**

- During PTP sheet production **Reduced plastic usage**

IO-Link Wireless compatible Pilot operated 3, 5-port solenoid valve "TVG Series"



- Saves energy by **thoroughly cleaning up air leakage**
- **Low environmental load materials** used
- Contributing to facilities that cannot be stopped with **"Ultra-long service life"**

Carbon neutral × High reliability × Easy to use

- Electric motion components Providing solutions to customers' problems

High-durability pneumatic



Pneumatic/Electric MIX ALL electric

Electric actuator

ROBODEX



ABSODEX

Efforts to reduce CO₂ emissions in the in-house

- Expansion of solar power generation equipment (installed in fiscal 2023)



Komaki Headquarters



Tohoku Plant



Hokuriku Plant



CKD Shikoku Seikou



Thailand Plant

Medium to long-term targets (reducing CO₂ emissions)








FY2030	Total amount reduced by 50% (compared to fiscal 2022) 50% reduction in per unit of sales (compared to fiscal 2013)
FY2050	CO ₂ emissions - virtually zero

* 1.CO₂ emissions are the sum of scope 1 and scope 2 emissions
2. Includes the offsetting of CO₂ emissions by J-Credit and Green Power Certificate.

ESG Topics

Under CKD's Purpose, we aim to improve corporate value by contributing to the realization of a sustainable society

Major External Evaluations

Fields	Index / Evaluations
ESG	<p>Selected as a constituent of "FTSE Blossom Japan Sector Relative Index" (for 2 consecutive years)</p>  <p>FTSE Blossom Japan Sector Relative Index</p>
E Environment	<p>CDP Evaluation Climate Change Score B Awarded</p>  <p>DISCLOSURE INSIGHT ACTION</p>
	<p>Awarded the Minister of the Environment Prize at the 5th Japan Open Innovation Awards</p>  <p>JAPAN OPEN INNOVATION PRIZE</p>
S Social	<p>Recognized as a "Corporation of Excellence in Health Management " (for 5 consecutive years)</p>  <p>2024 健康経営優良法人 Health and productivity</p>
	<p>"Kurumin" certification (From 2022)</p>
	<p>Recognized as an Aichi Women's Brilliance Company (From 2016)</p>  <p>2022年認定するみんな 子育てサポートしている企業</p>
	<p>Registered as "Aichi Family-Friendly Company" (From 2011)</p>  <p>あいち女性輝きカンパニー</p> 

Opening of the ulu Creative Base Showroom at the Komaki HQ

*"ulu" means to grow up in Hawaiian.

Communicate the appeal of CKD products to realize new innovation
co-creation with customers



Holding of Technology Exhibition

Technology Exhibition featuring the core technologies of CKD is being held as a project for the 80th anniversary of our foundation.

Development and technical staffs explained the background of development and details of core technologies.



Venue: Nagoya International Conference Center

Dates: February 29 - March 1 (2 days), 2024

Visitors: 1,040 people

- Objective:
1. Improvement of brand power
 2. Marketing research
 3. Improvement of customer engagement

By explaining directly to the customer from our technician, Creates a sense of trust and leads to a new Inquiries



Inside the exhibition site



Guide to Technical Exhibitions

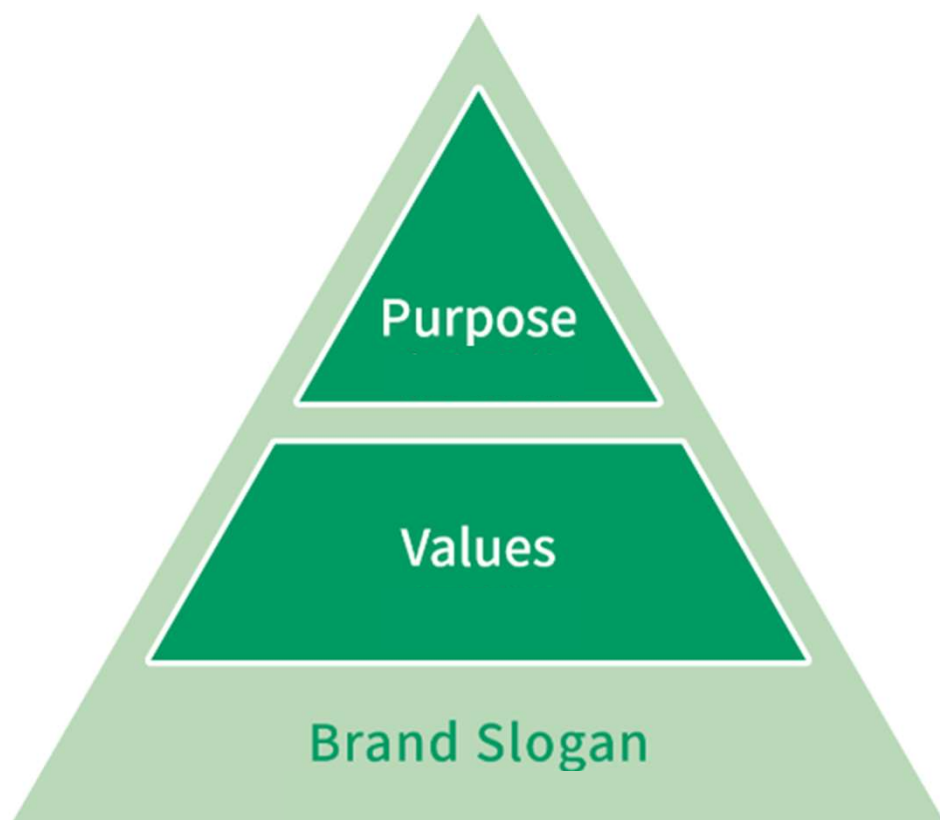
New Principles : Purpose · Values · Brand Slogan



Establishment of New Principles

The CKD Group established its new principles, Purpose, Brand Slogan and Values, in 2023, the 80th anniversary of its founding.

We aim to be a company that fosters a sense of pride and loyalty in CKD Group employees.



Purpose

存在意義

We will continue to explore and co-create automation technologies to cultivate a healthy global environment and a prosperous future.

Values

価値観

[C-SHIP]

~CKD-SHIP~
CKD-ness

Customer

"Customer first"

Sustainability

Human

"Human resource"

Innovation

Professionalism

Brand Slogan

ブランドスローガン

Creating Solutions Together

Social Contribution Activities

We will strive to realize a sustainable society together with local communities both domestically and internationally.

Restoration project

Reprints out-of-print "Tanuki Gakko" (Tanuki School), Donation to disaster areas in Tohoku and Hokuriku



"Tanuki Gakko"
(Tanuki School)
Author: Eijiro Imai
Published in 1958
*Now out of print

Contributing to Environmental Preservation

As an employee volunteer activity Continuous forest conservation activities



Contribution to Next Generation Development

Solving the problem of children's loss of interest in science and nurturing the children who will lead the future



Contributions to Local Communities

Above: "Agreement on Disaster Relief" with Komaki City
Bottom: Coral reef protection activities in Thailand



CKD

Creating Solutions Together

[Precautions for handling materials]

Precautions Concerning Forward-Looking Statements

The earnings forecasts and forward-looking statements described in this document are forecasts judged by CKD based on information currently available, and include potential risks and uncertainties. Therefore, please be aware that due to changes in various factors, actual business performance may differ significantly from the stated forward-looking statements.

Handling of numbers

The amount listed is rounded to the nearest unit, and percentages are rounded to the nearest yen, so the total of the breakdown may not equal the total.