

# Consolidated Financial Results for 1st Quarter of FY 2019/20

## CKD Corporation

August 6, 2019

Ticker Code 6407



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- Summary of consolidated financial results
- Investments

# Summary of consolidated financial results for 1st Quarter of FY2019/20

## ■ Results

- Year-on year decreases in net sales and income



## Management Results

(Unit: one hundred million yen)

	1st Quarter FY2018/19 Results	1st Quarter FY2019/20 Results	Year-on-year	
			Amount change	% change
Consolidated net sales	308	233	- 75	- 24%
Automatic machinery	25	28	+ 3	+ 13%
Components	283	205	- 78	- 28%
Operating income (Operating income ratio)	28 ( 9.0%)	3 ( 1.2%)	- 25	- 90%
Ordinary income	28	3	- 25	- 89%
Net income	22	2	- 19	- 90%

# Financial Status

(Unit: one hundred million yen)

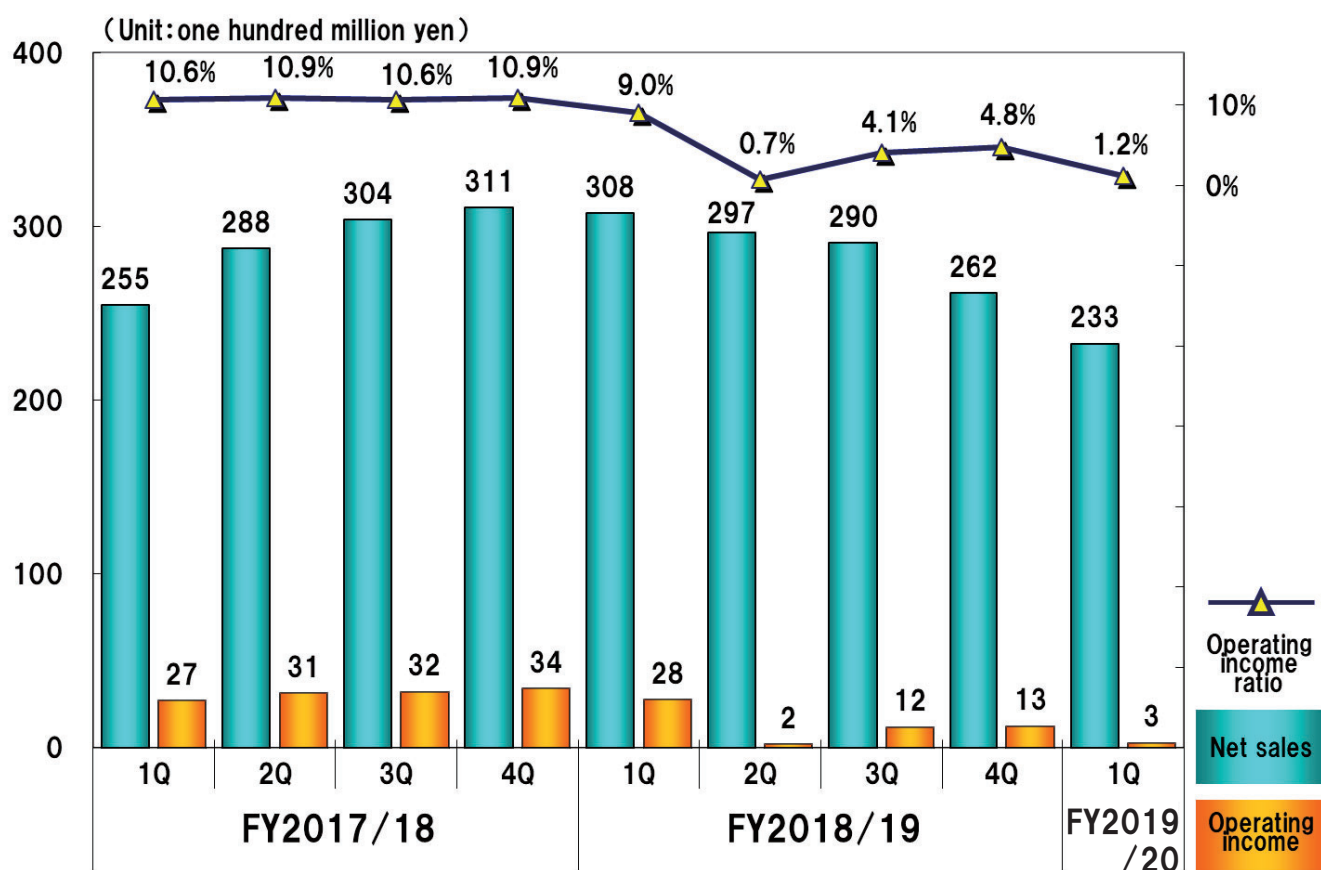
	At the end of March 2018	At the end of June 2019	Year-on-year	
			Amount change	% change
Current assets	834	811	- 24	- 3%
Fixed assets	535	532	- 3	- 1%
Total assets	1,370	1,343	- 27	- 2%
Current liabilities	373	366	- 8	- 2%
Fixed liabilities	192	185	- 7	- 4%
Total liabilities	565	551	- 15	- 3%
Total net assets	804	792	- 12	- 2%
Capital adequacy ratio	58.6%	58.9%	-	+ 0.3%

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## Consolidated Net Sales and Operating Income

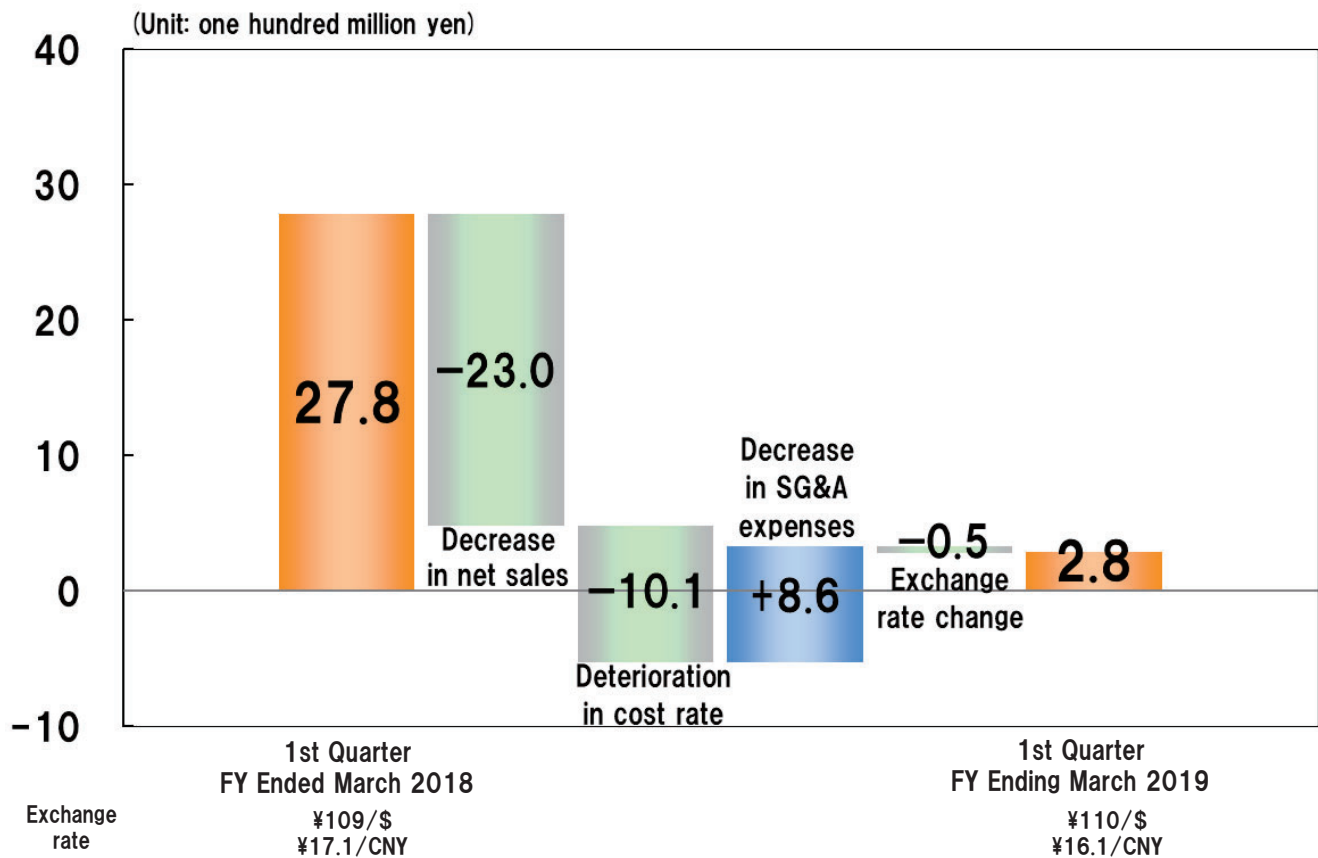


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# Factors of Changes in Operating Income

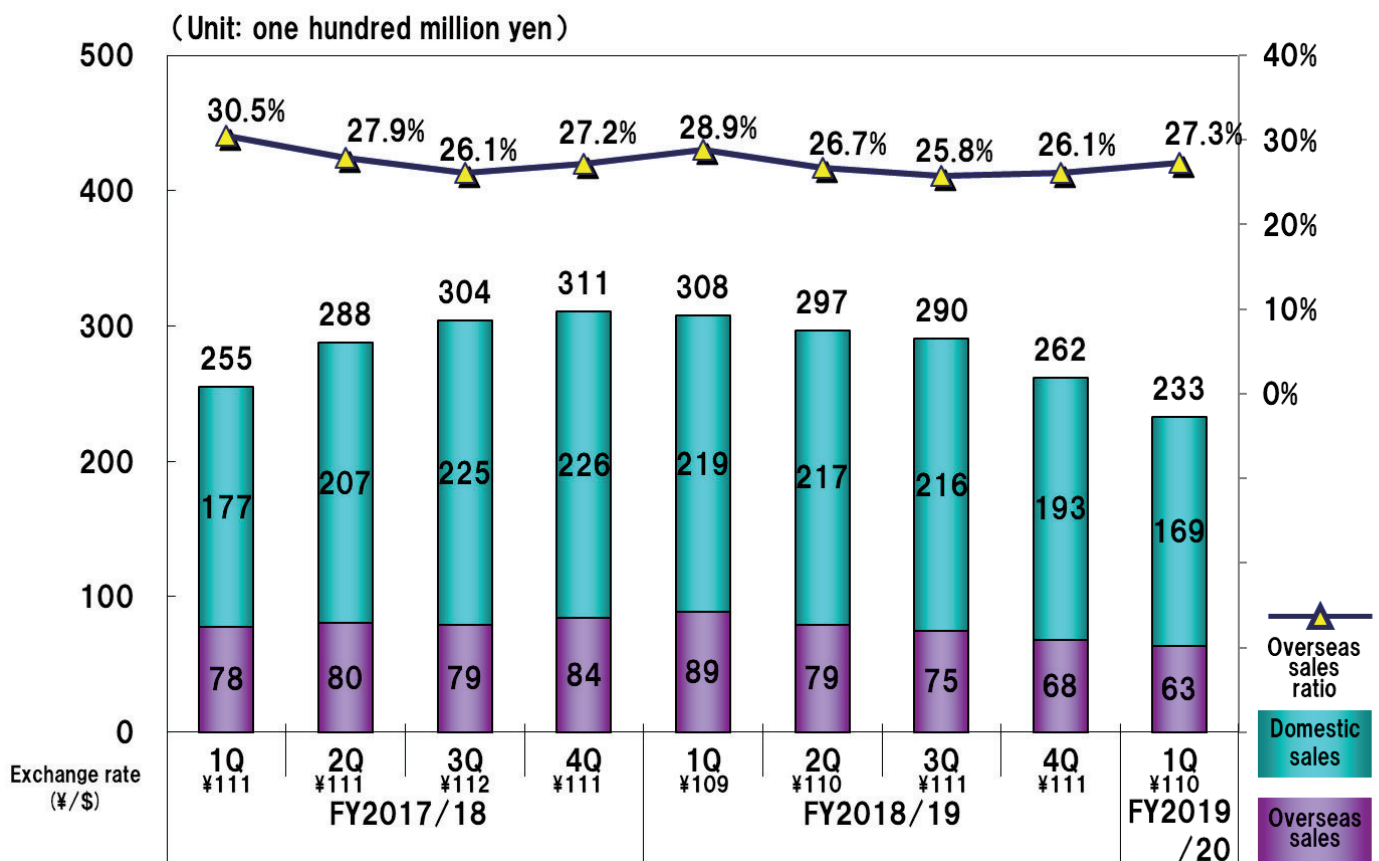


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# Domestic and Overseas Sales

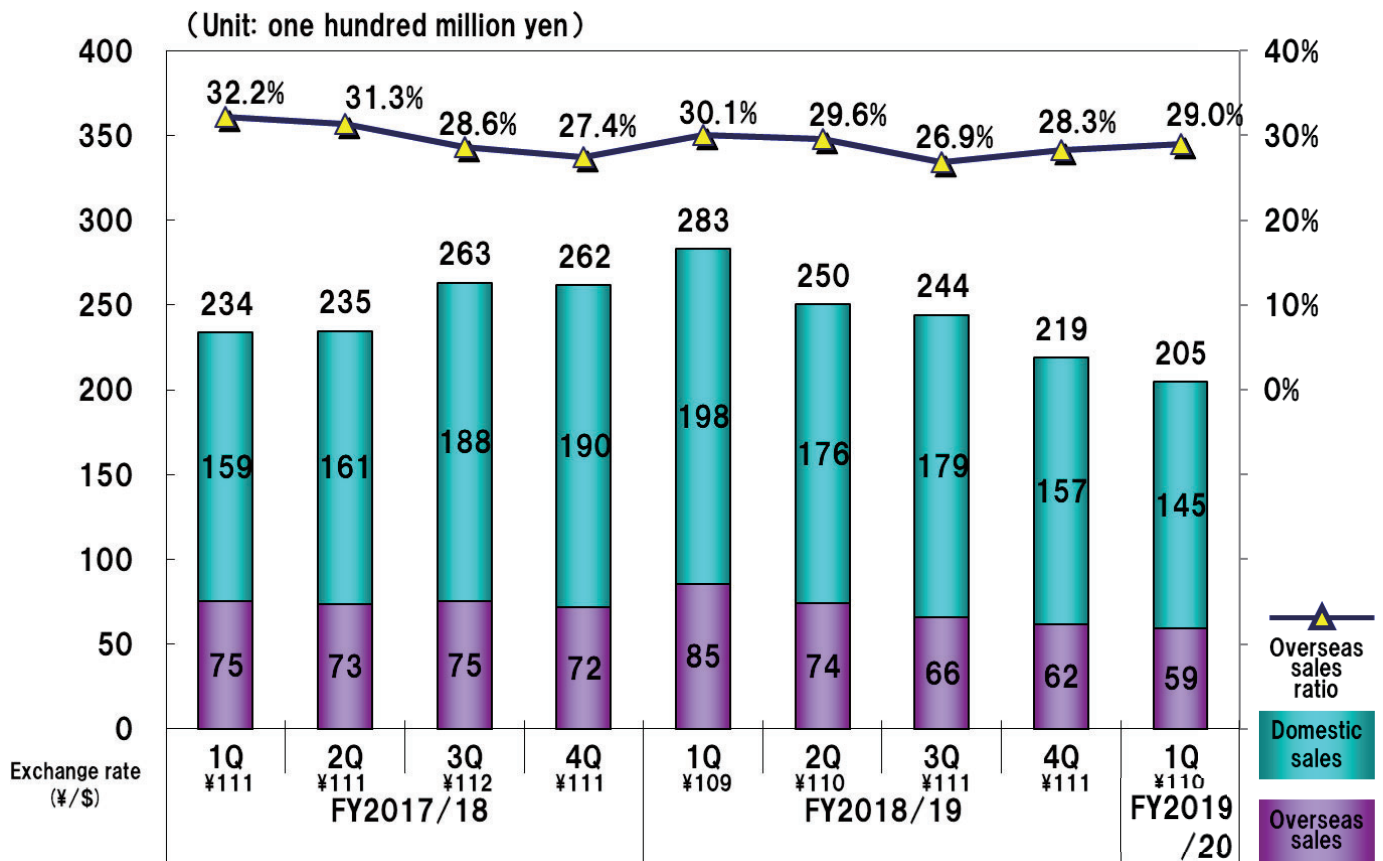


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# Components: Domestic and Overseas Sales

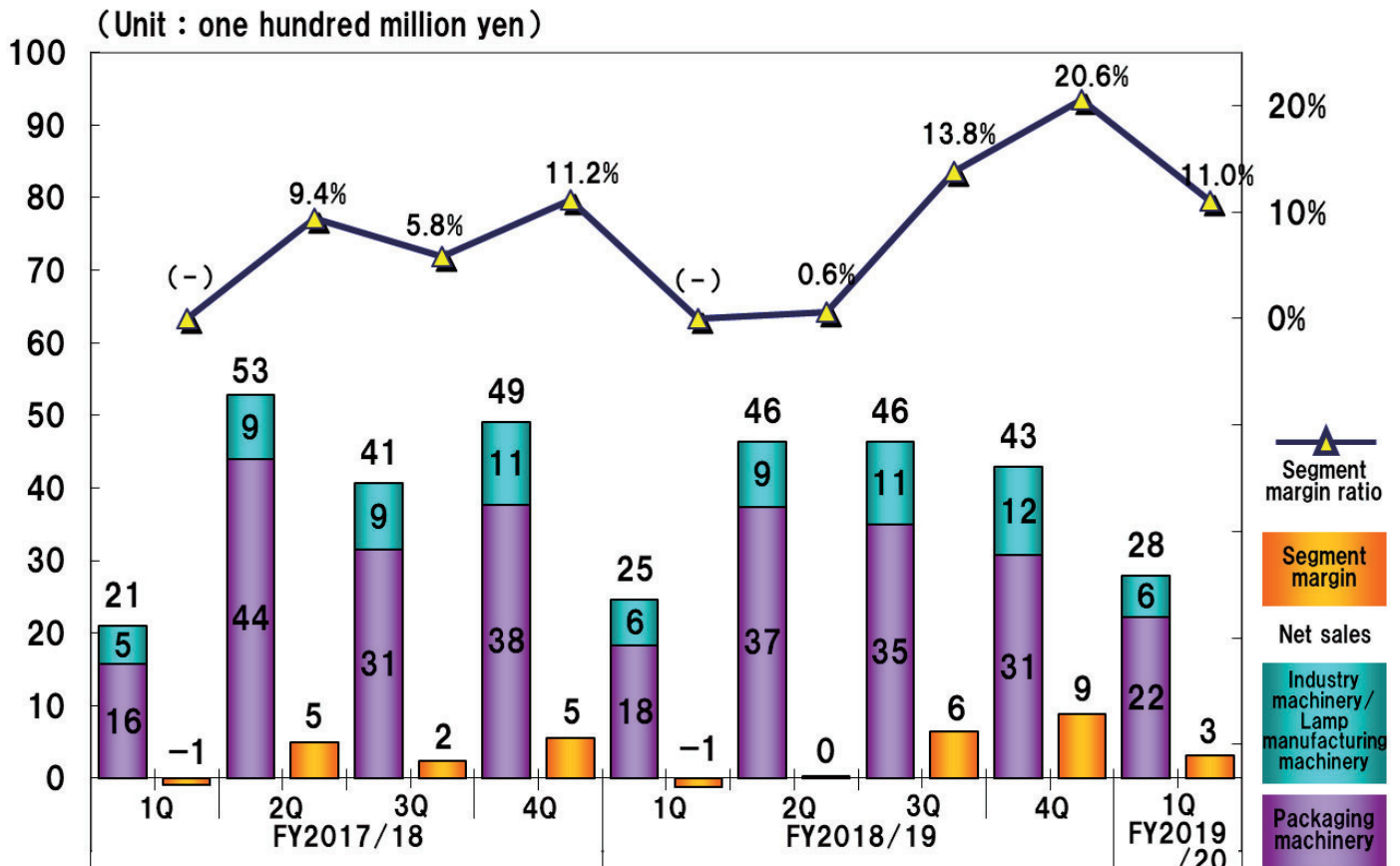


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# Automatic Machinery: Achievement Changes

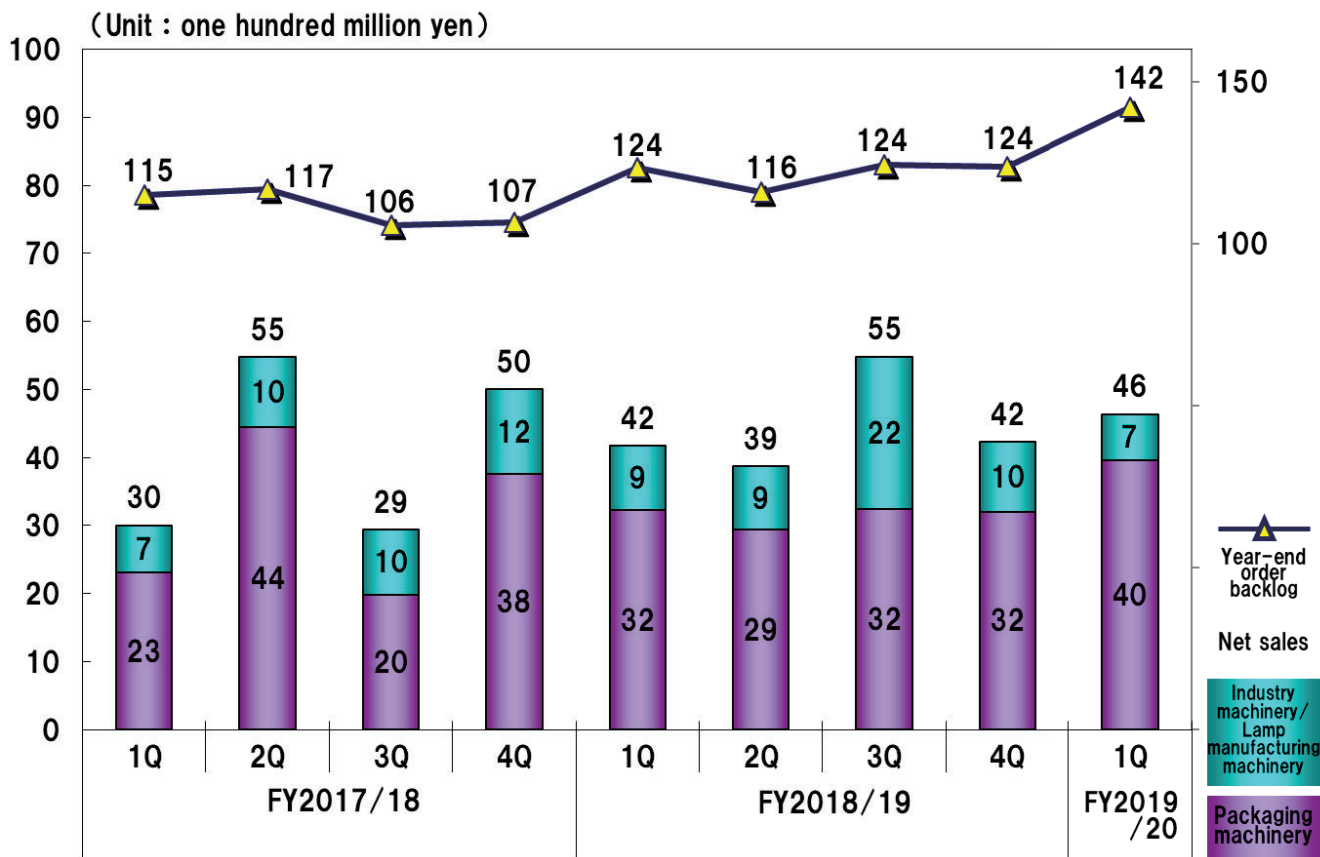


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# Automatic Machinery: Orders Received



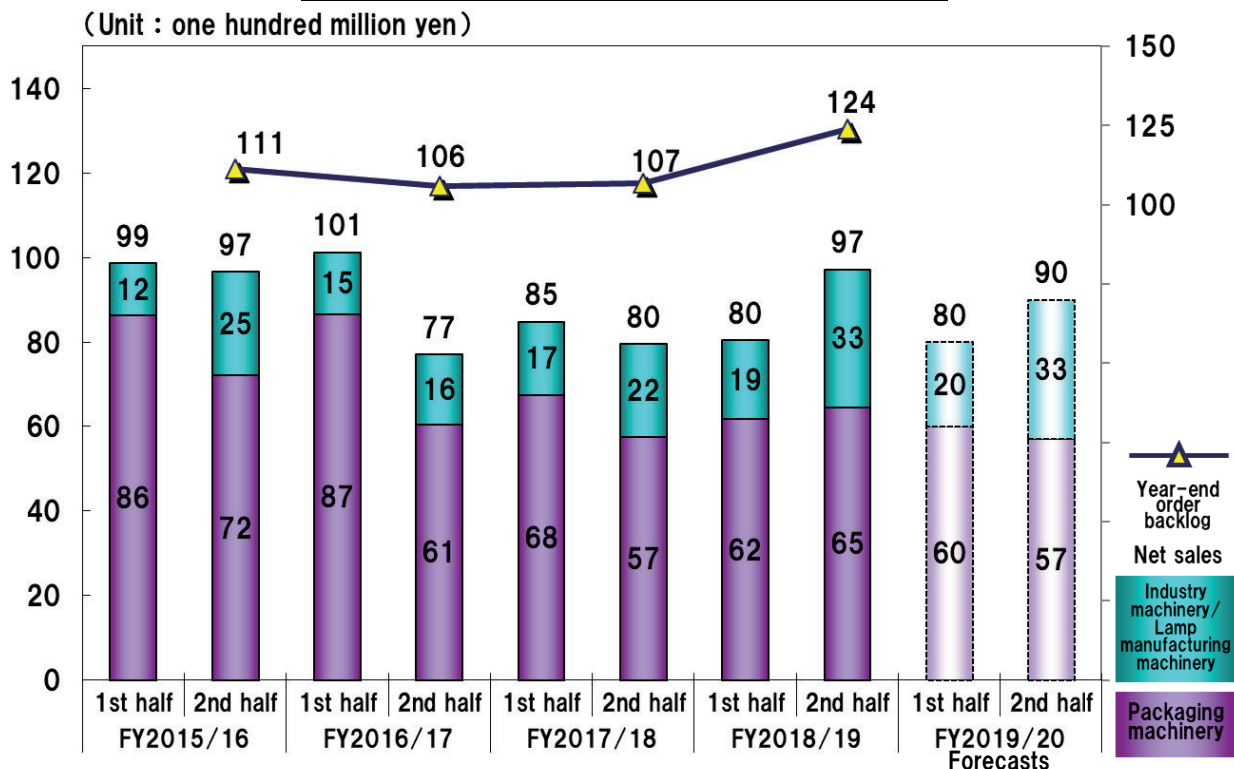
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# Automatic Machinery: Forecast of Orders Received

FY2019/20	Orders received
1st half forecast	8.0 billion yen
Full-year forecast	17.0 billion yen



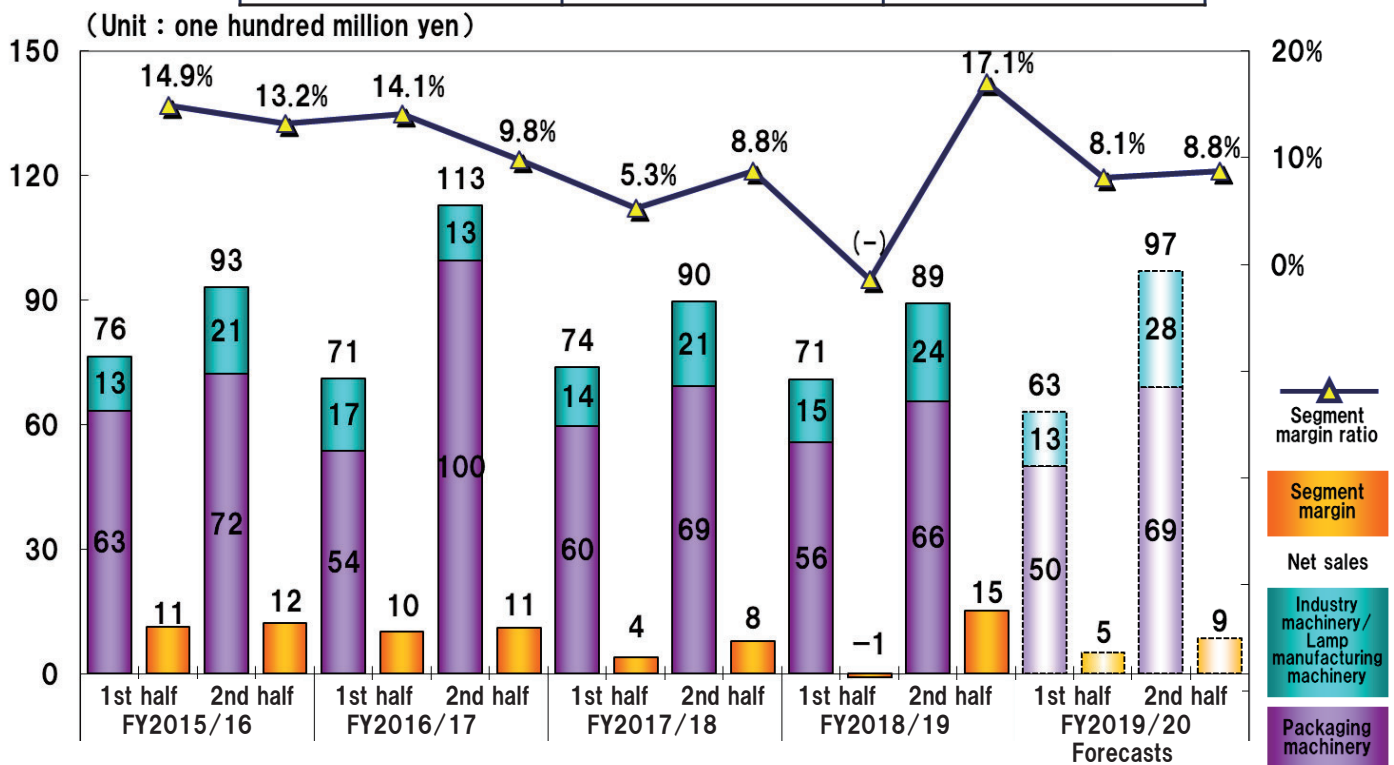
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# Automatic Machinery: Outlook of Performance

FY2019/20	Sales	Operating income
1st half forecast	6.3 billion yen	0.5 billion yen
Full-year forecast	16.0 billion yen	1.4 billion yen

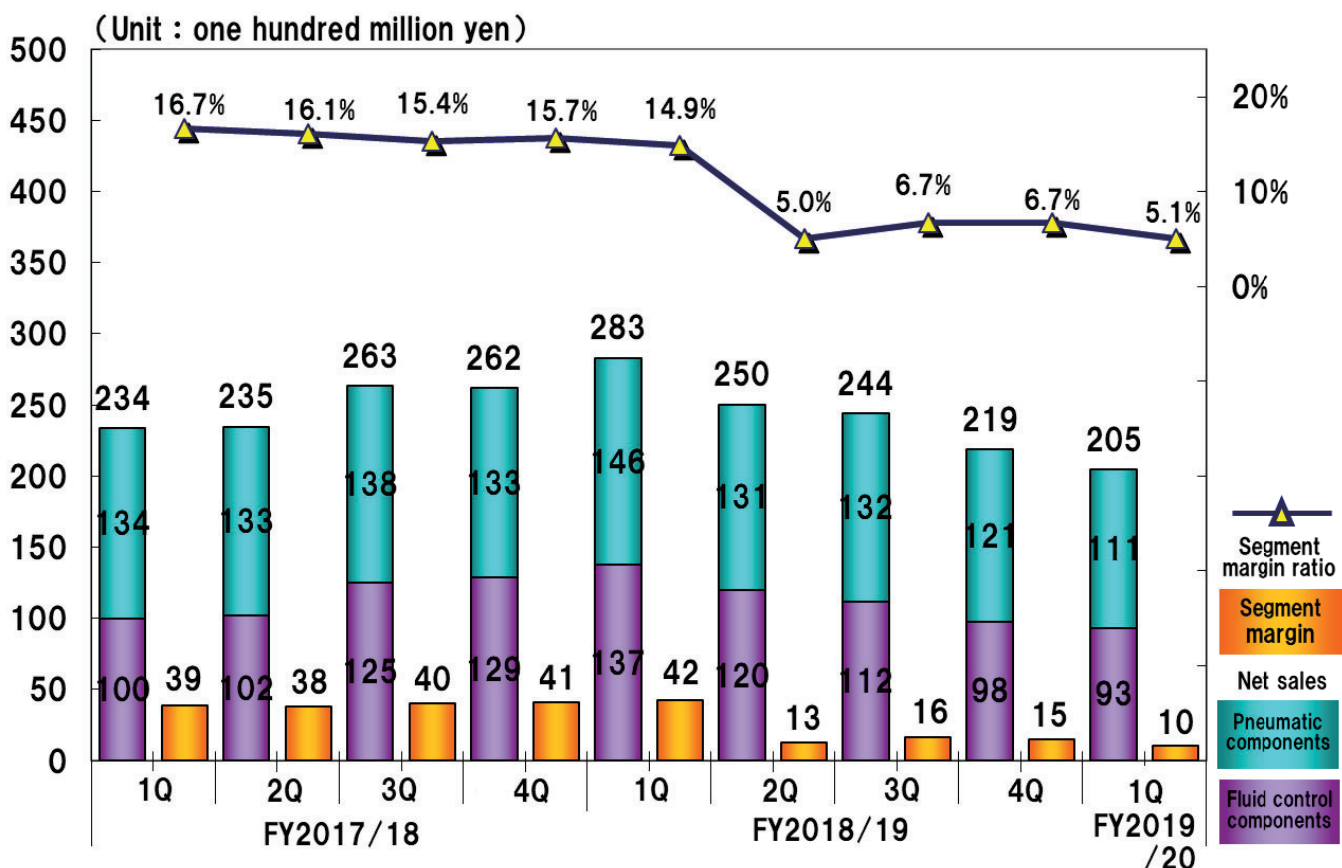


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# Components: Achievement Changes



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# Components: 1st Quarter of FY2019/20 Results by Market

Compared with year-on-year results

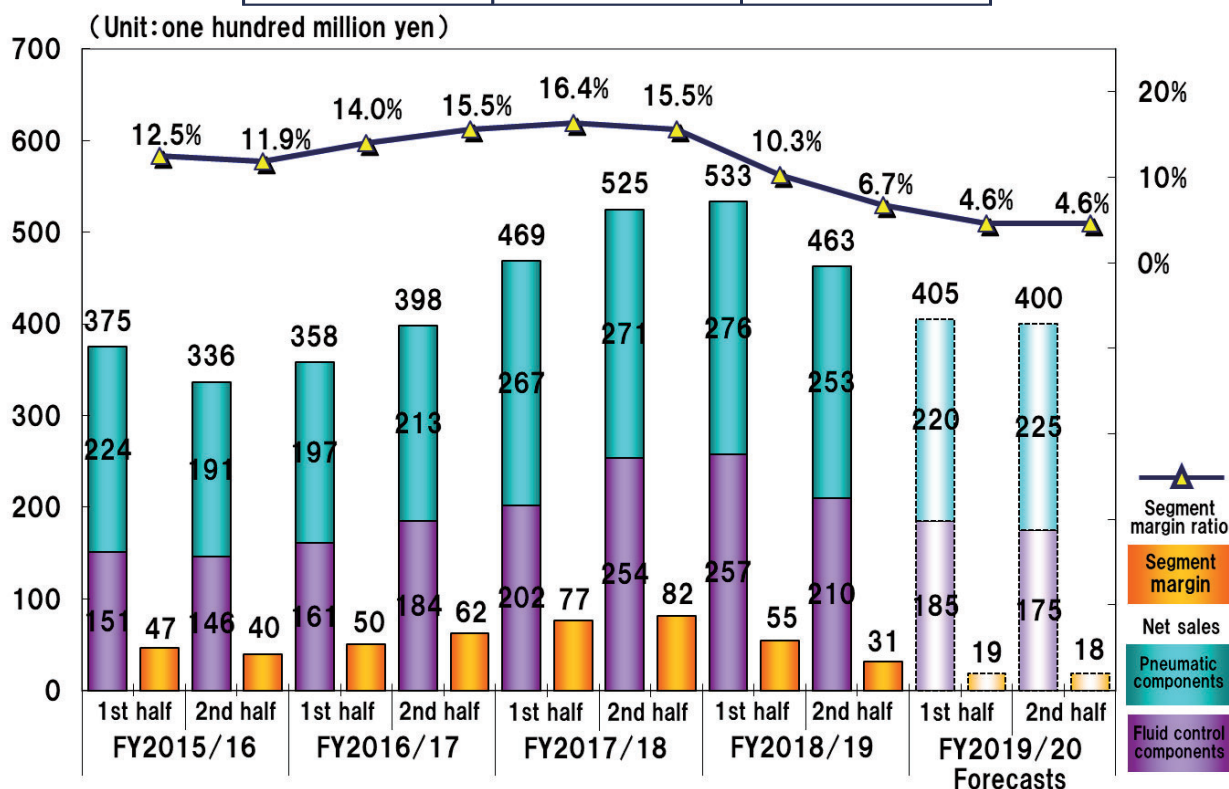
(Unit: %)

Main industries in Japan	Full-year expectation (May 15)	1 <sup>st</sup> Quarter
Semiconductor	83	78
Automobile	100	85
Machine tool	88	78
Medical	102	99
Flat-panel display (FPD)	88	70
Rechargeable battery	102	91
<b>Total</b>	<b>90</b>	<b>80</b>

Main areas overseas	Full-year expectation (¥105/\$)	1 <sup>st</sup> Quarter (¥110/\$)
East Asia	85	80
Southeast Asia	104	92
<b>Total (Including Europe and Americas)</b>	<b>87</b>	<b>82</b>

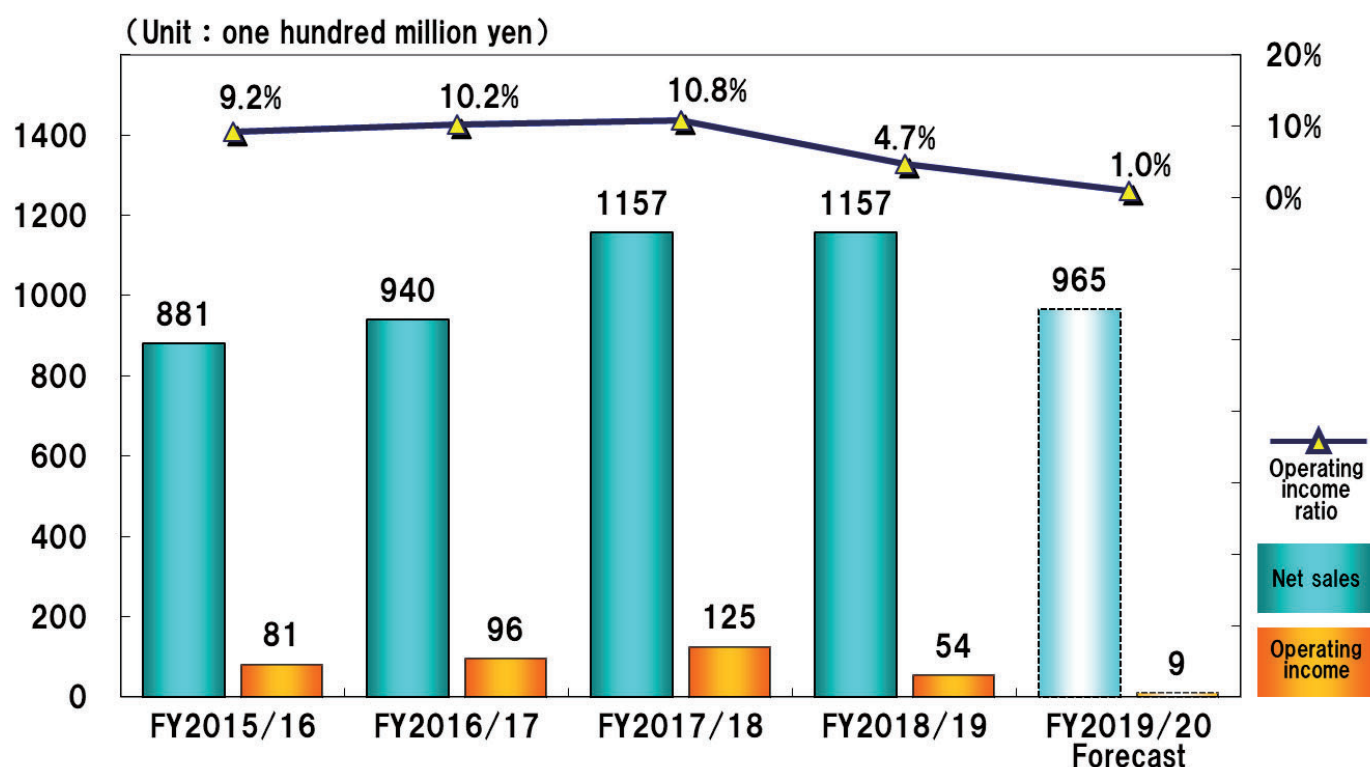
# Components: Earnings Forecasts

FY2019/20	Sales	Segment income
1st half forecast	40.5 billion yen	1.9 billion yen
Full-year forecast	80.5 billion yen	3.7 billion yen





# Total Company Earnings Forecasts



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# Total Company Earnings Forecasts

(Unit : one hundred million yen)

	FY2018/19 Results	FY2019/20 Initial Forecasts			FY2019/20 Revised Forecasts			Year-on-year Amount change	Year-on-year % change
		1st half	2nd half	Full year	1st half	2nd half	Full year		
<b>Consolidated net sales</b>	<b>1,157</b>	<b>500</b>	<b>560</b>	<b>1,060</b>	<b>468</b>	<b>497</b>	<b>965</b>	- 192	- 17%
Automatic machinery	160	80	90	170	63	97	160	- 1	- 0%
Components	996	420	470	890	405	400	805	- 191	- 19%
<b>Operating income</b> (Operating income ratio)	<b>54</b> ( 4.7%)	<b>14</b> ( 2.8%)	<b>43</b> ( 7.7%)	<b>57</b> ( 5.4%)	<b>2.8</b> ( 0.6%)	<b>6.5</b> ( 1.3%)	<b>9.3</b> ( 1.0%)	- 45	- 83%
Automatic machinery (Segment margin)	14 ( 8.9%)	5 ( 6.3%)	10 ( 11.1%)	15 ( 8.8%)	5.1 ( 8.1%)	8.5 ( 8.8%)	13.6 ( 8.5%)	- 1	- 4%
Components (Segment margin)	86 ( 8.6%)	31 ( 7.4%)	56 ( 11.9%)	87 ( 9.8%)	18.6 ( 4.6%)	18.4 ( 4.6%)	37.0 ( 4.6%)	- 49	- 57%
<b>Ordinary income</b>	<b>54</b>	<b>14</b>	<b>43</b>	<b>57</b>	<b>3.0</b>	<b>6.5</b>	<b>9.5</b>	- 45	- 82%
<b>Net income</b>	<b>48</b>	<b>10</b>	<b>30</b>	<b>40</b>	<b>2.1</b>	<b>4.5</b>	<b>6.6</b>	- 41	- 86%

※Exchange rate Initial estimated: ¥110/\$ 1Q result: ¥110/\$ After 2Q: ¥105/\$

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## Revision of Earnings Forecasts

(Unit: one hundred million yen)

	May 15 Initial Forecast	August 6 Revised Forecasts		
	Full year	Full year	Amount change	Ratio to the previous forecasts
Consolidated net sales	1060	965	-95	- 9%
Automatic machinery	170	160	-10	- 6%
Components	890	805	-85	-10%
Operating income	57	9	-48	-84%
Ordinary income	57	9	-48	-84%
Net income	40	6	-34	-84%

### Revision of Initial forecast (May 15)

Net sales revised downward by 9.5 billion yen to 96.5 billion yen

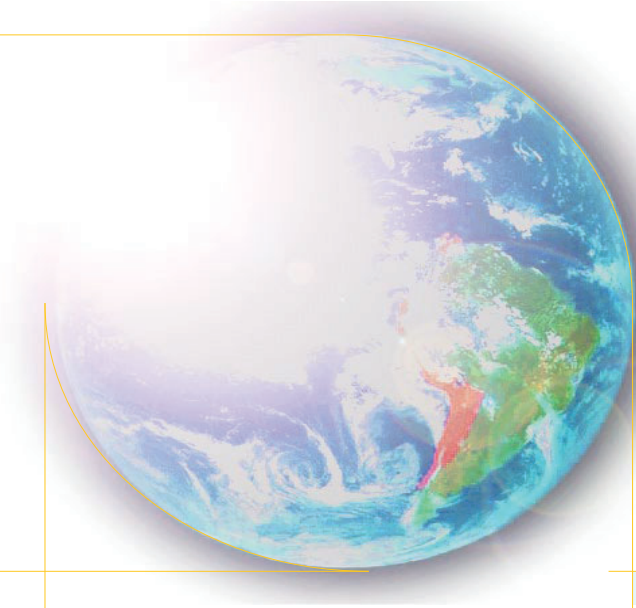
Operating income revised downward by 4.8 billion yen to 0.9 billion yen

## Revision of Dividend Forecasts

	Dividend per share		
	End of 2nd quarter	Year-end	Total
May 15 Initial forecast	¥8	¥12	¥20 (31.0%)
August 8 Revised forecast	¥4	¥6	¥10 (93.8%)

※( ) Payout ratio

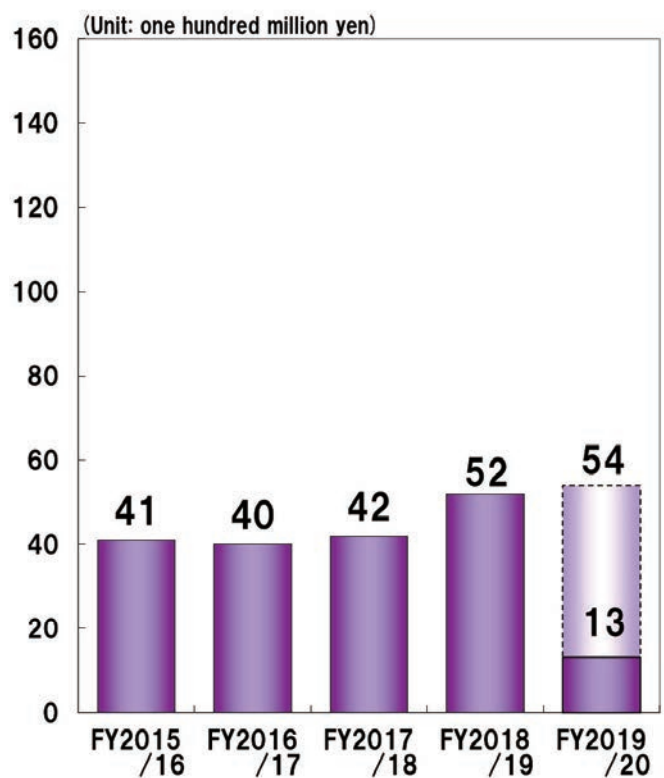
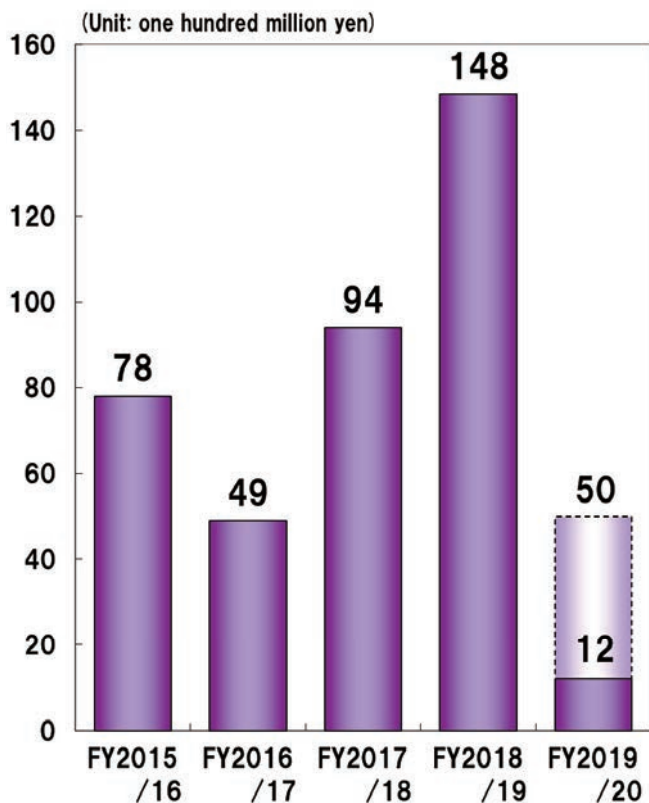
# Investments



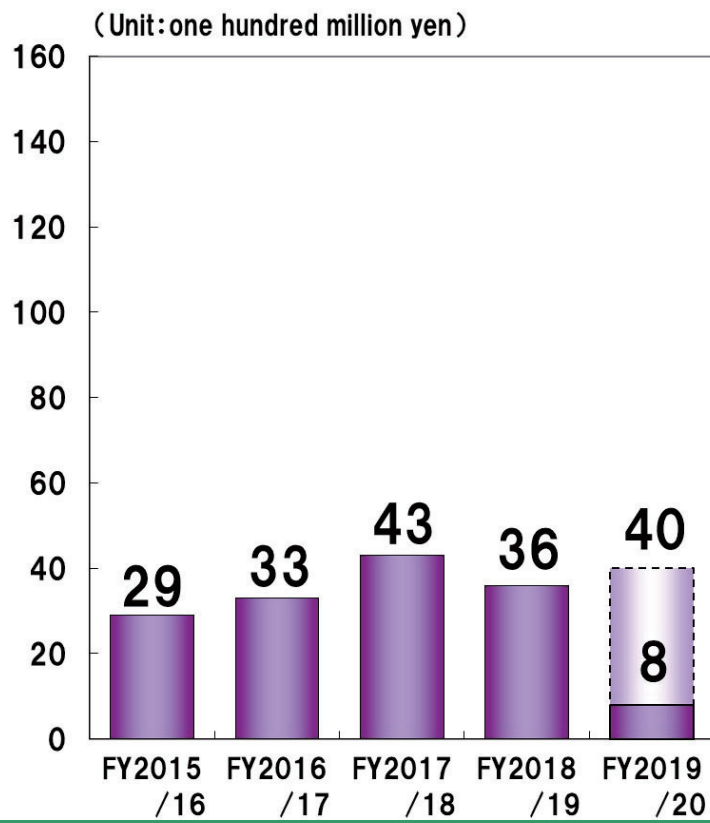
# Investments

Investments in plant and equipment

Depreciation costs



## R&D investments



# 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.