



November 9, 2018

For immediate release

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## Notice of Revisions in the Outlook for Consolidated Performance through the Second Quarter of the Fiscal Year Ending March 31, 2019

In view of recent trends in CKD corporate performance, the Company announces the following revisions in the outlook for consolidated performance through the second quarter of the fiscal year ending March 31, 2019, which was issued on May 14, 2018.

Please note that the forecast of performance for the full fiscal year ending March 31, 2019, is currently under consideration, and the Company will announce it at the time of the issuance of the flash report through the second quarter, which is scheduled on November 14.

### 1. Revisions in the Forecast of Performance

Revisions in the forecast of consolidated performance through the second quarter of the fiscal year ending March 31, 2019  
 (April 1, 2018 to September 30, 2018)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
Previous forecast (A) (Announced May 14, 2018)	Million yen 60,000	Million yen 6,900	Million yen 6,900	Million yen 4,800	Yen 77.52
Revised forecast (B)	60,400	2,970	2,980	2,230	36.02
Change (B –A)	400	-3,930	-3,920	-2,570	—
Percentage change	0.7	-57.0	-56.8	-53.5	—
(For reference: Previous performance (Through the second quarter of the fiscal year ended March 31, 2018))	54,233	5,845	5,896	4,268	68.94

### 2. Reasons for the Revisions

Regarding the performance of the CKD Group, in the Automated Machinery Products segment, income decreased due to the decline in domestic demand in the automated packaging systems business and the impact of orders accepted from overseas for strategic business reasons with a view to future business development.

Also, in the Component Products segment, expenses rose because of capital investments and expansion in personnel aimed at responding to the rise in orders that began in the previous fiscal year. Moreover, expenses also increased in connection with the transition to new ERP systems, preparations for establishment of a new plant in the Tohoku region in Japan, and other factors. As a result, segment income declined.

For these reasons, operating income, ordinary income, and net income attributable to owners of the parent company are expected to be below the previously announced forecasts. The Company will revise the forecasts for the full fiscal year accordingly.

Note: The above data were prepared based on information available as of the date of this notice. Actual performance going forward may differ from these forecasts due to a range of factors.