

Financial Results for the Third Quarter of the Fiscal Year Ending March 2020

February 12, 2020
CKD Corporation

Ticker Code 6407

CKD

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the Third Quarter of the Fiscal Year Ending March 2020

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Summary of Financial Results

■ Results

- Year-on-year declines in net sales and income

■ Earnings Forecast

- the Full-Year Forecast

Downward revision of net sales

Upward revision of income

Management Results

(Unit: one hundred million yen)

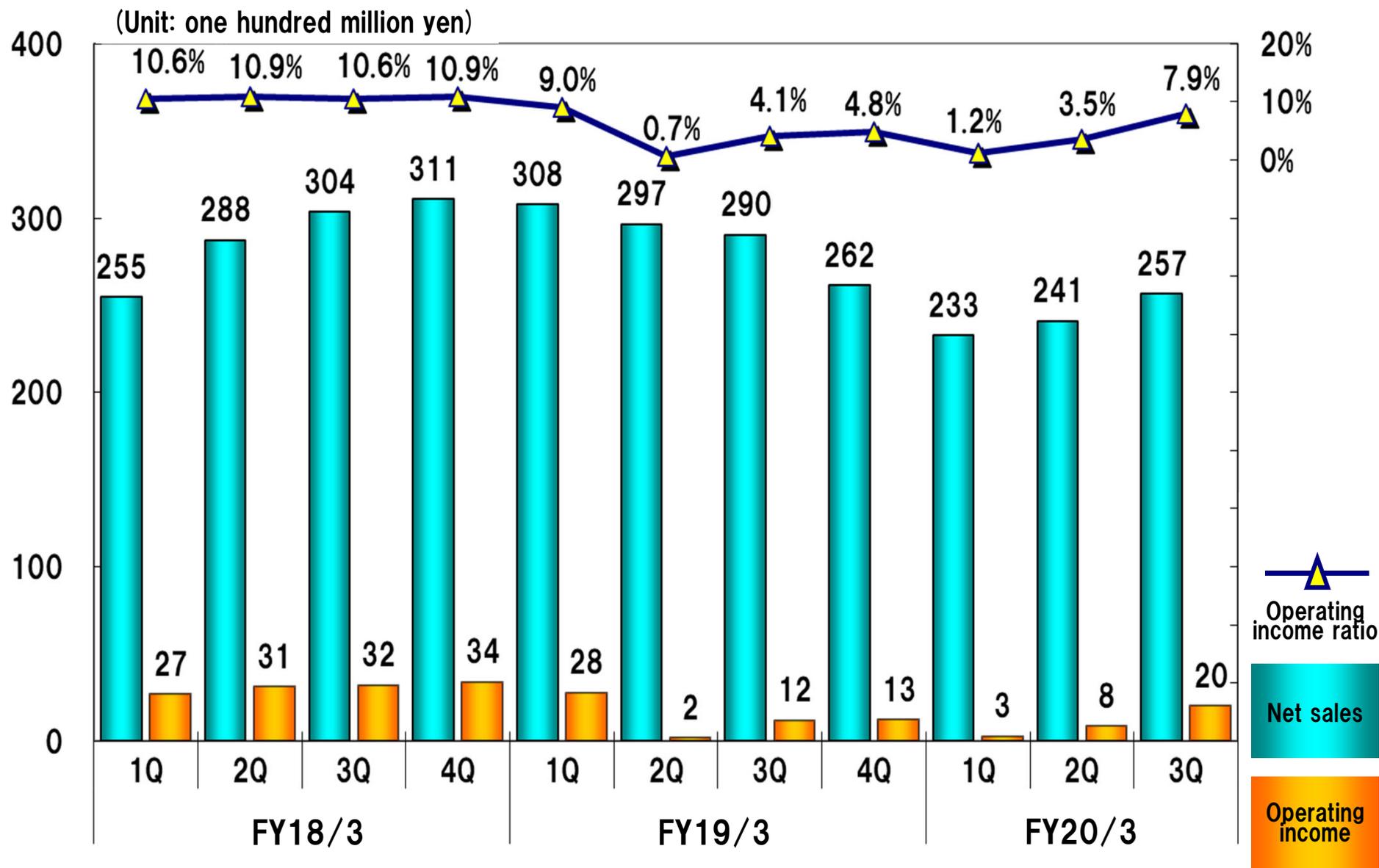
	3rd Quarter FY Ended March 2019	3rd Quarter FY Ending March 2020	Year-on-year	
			Amount change	% change
Consolidated net sales	895	731	— 164	— 18%
Automatic machinery	117	108	— 9	— 8%
Components	778	622	— 155	— 20%
Operating income (Operating income ratio)	42 (4.7%)	32 (4.3%)	— 10	— 24%
Ordinary income	42	31	— 10	— 25%
Net income	29	20	— 8	— 29%

Financial Status

(Unit: one hundred million yen)

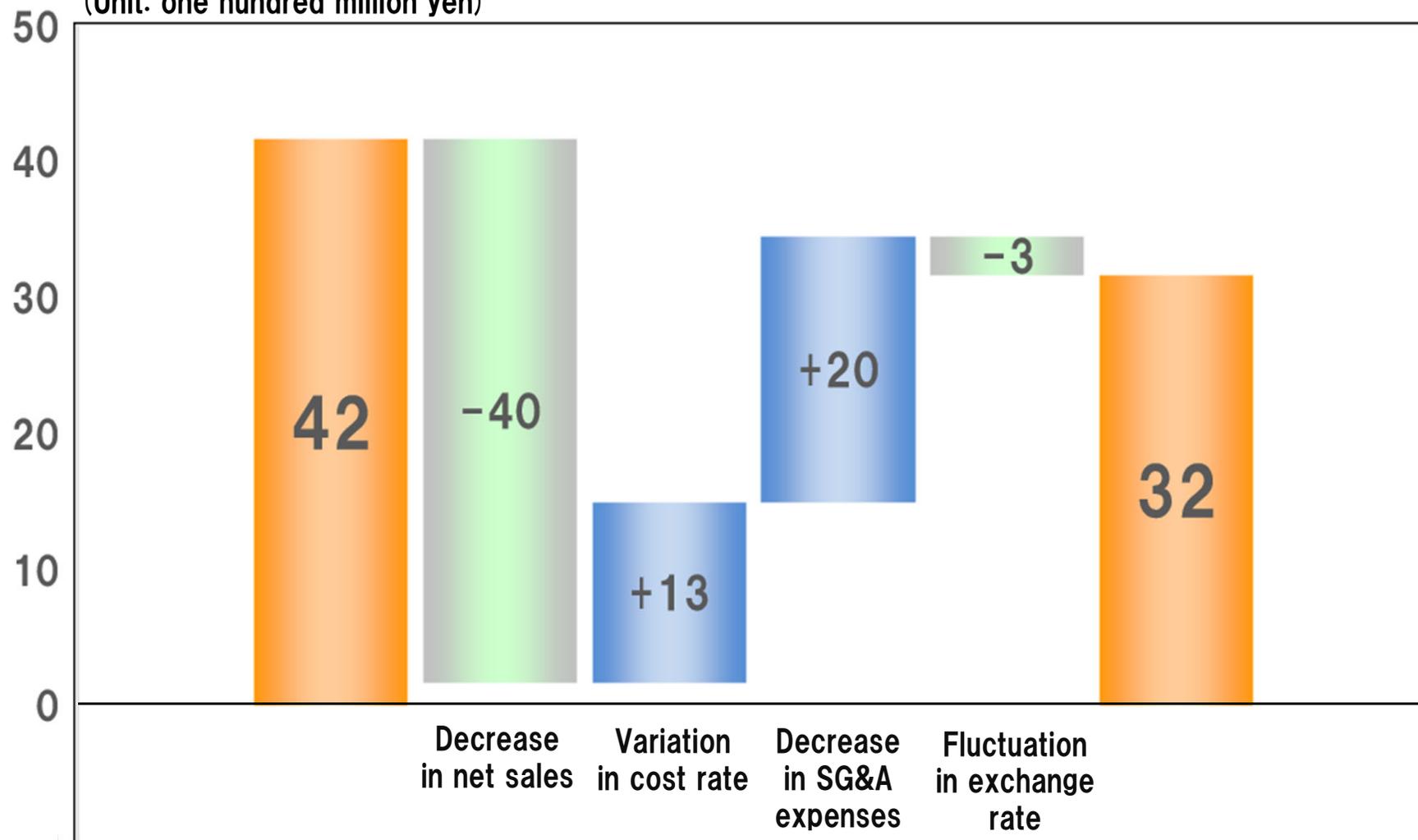
	At the end of March, 2019	At the end of December, 2019	Year-on-year	
			Amount change	% change
Current assets	834	824	- 10	- 1%
Fixed assets	535	526	- 10	- 2%
Total assets	1,370	1,350	- 20	- 1%
Current liabilities	373	364	- 9	- 2%
Fixed liabilities	192	168	- 24	- 12%
Total liabilities	565	532	- 33	- 6%
Total net assets	804	818	+ 14	+ 2%
Capital adequacy ratio	58.6%	60.5%	-	+ 1.9%

Consolidated Net Sales and Operating Income



Factors of Changes in Operating Income

(Unit: one hundred million yen)



FY19/3 3Q

FY20/3 3Q

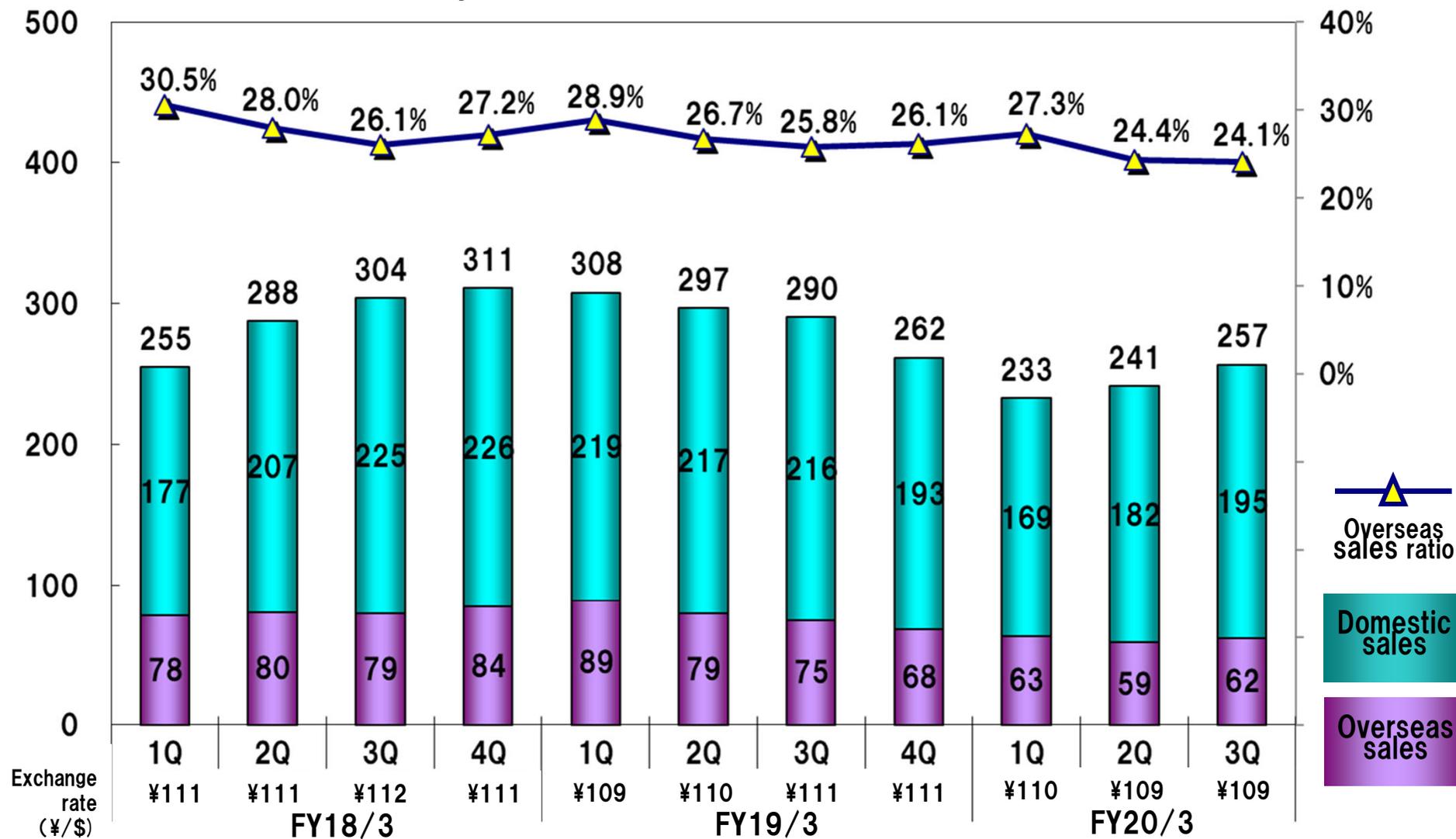
Exchange rate

¥111 (¥/\$)
¥16.6 (¥/CNY)

¥109 (¥/\$)
¥15.6 (¥/CNY)

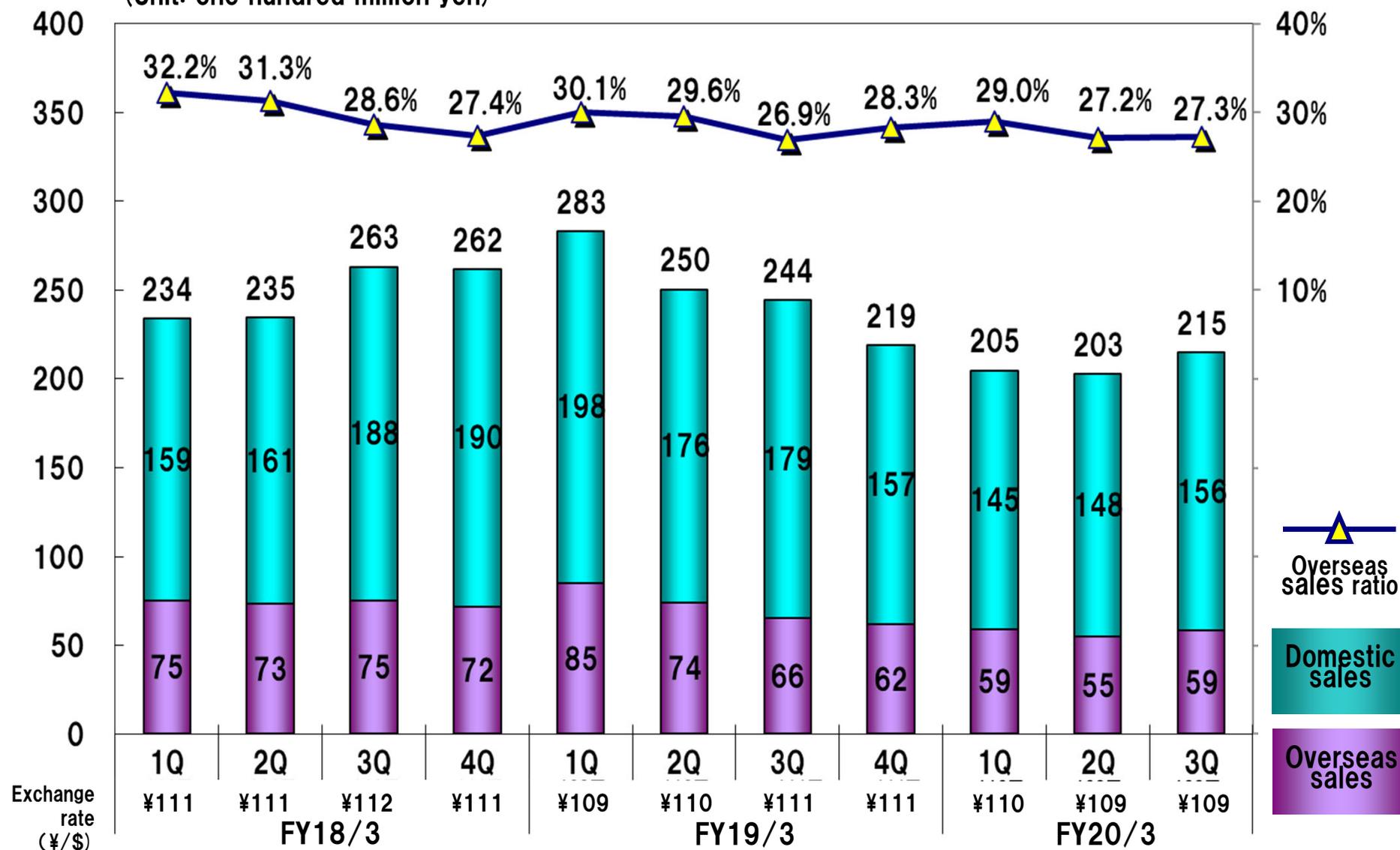
Domestic and Overseas Sales

(Unit: one hundred million yen)

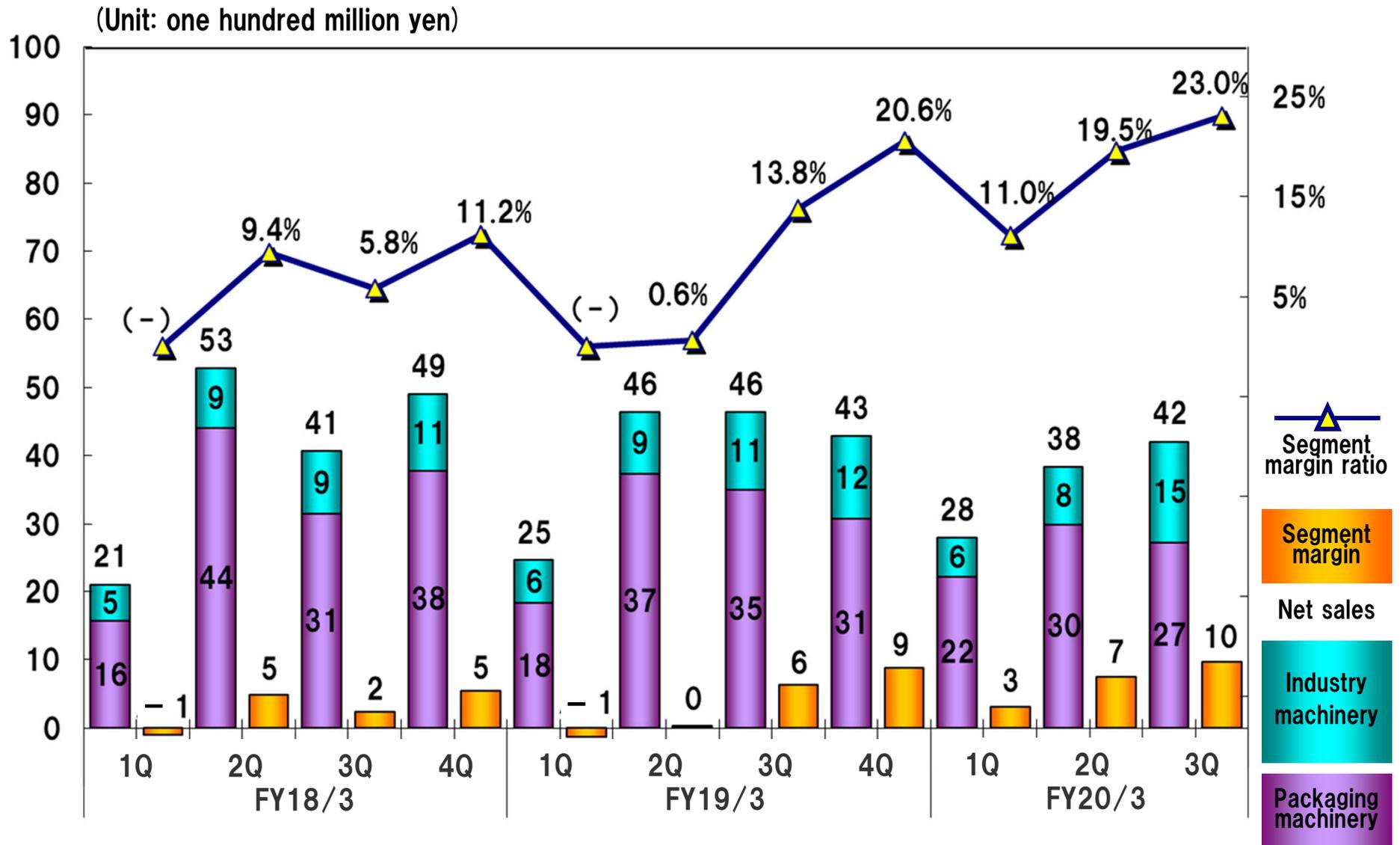


Components: Domestic and Overseas Sales

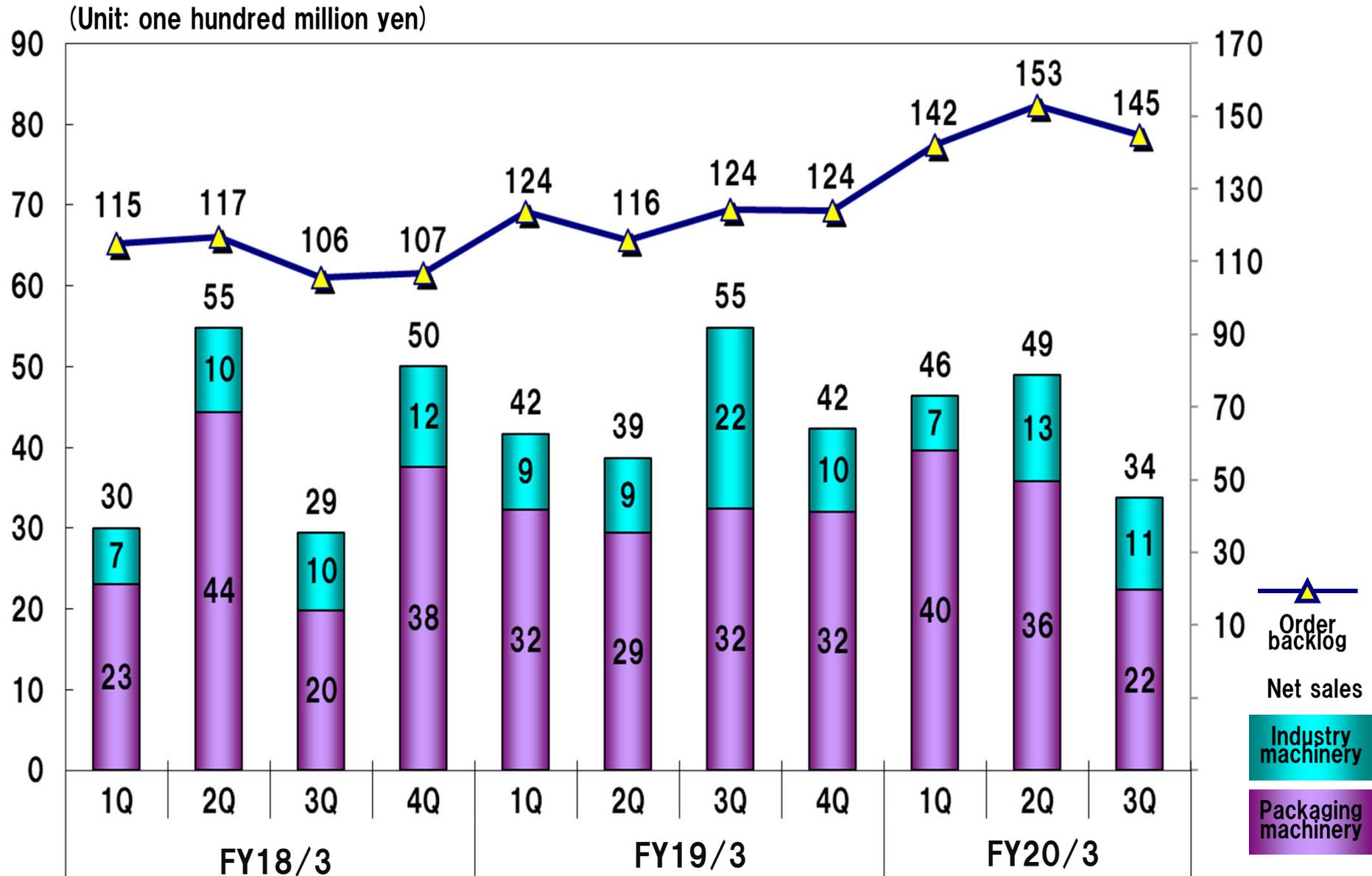
(Unit: one hundred million yen)



Automatic Machinery: Achievement Changes



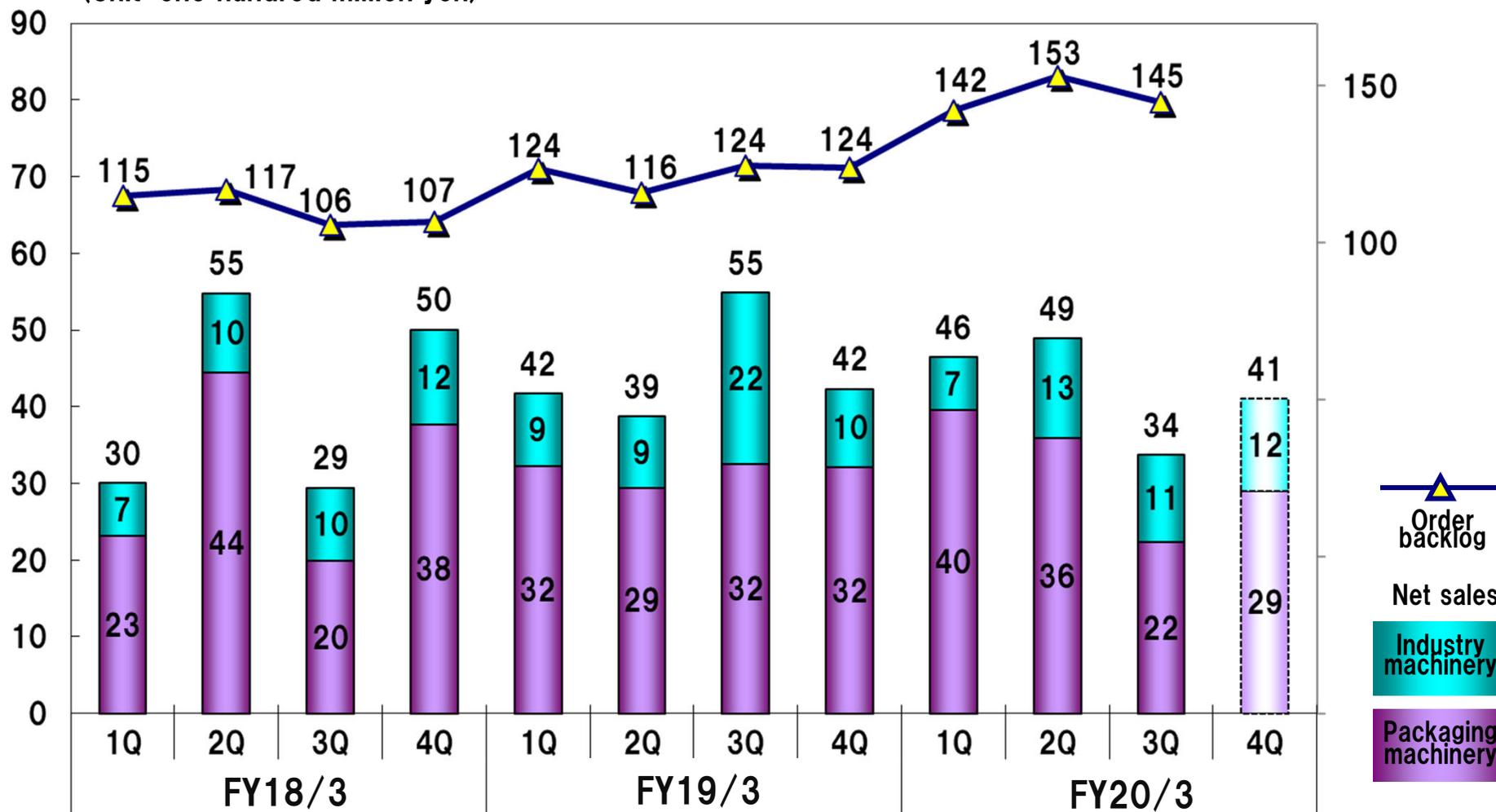
Automatic Machinery: Orders Received and Changes in Order Backlog



Automatic Machinery: Forecast of Orders Received

FY20/3	Orders received
2nd half forecast	7.5 billion yen
Full year forecast	17.0 billion yen

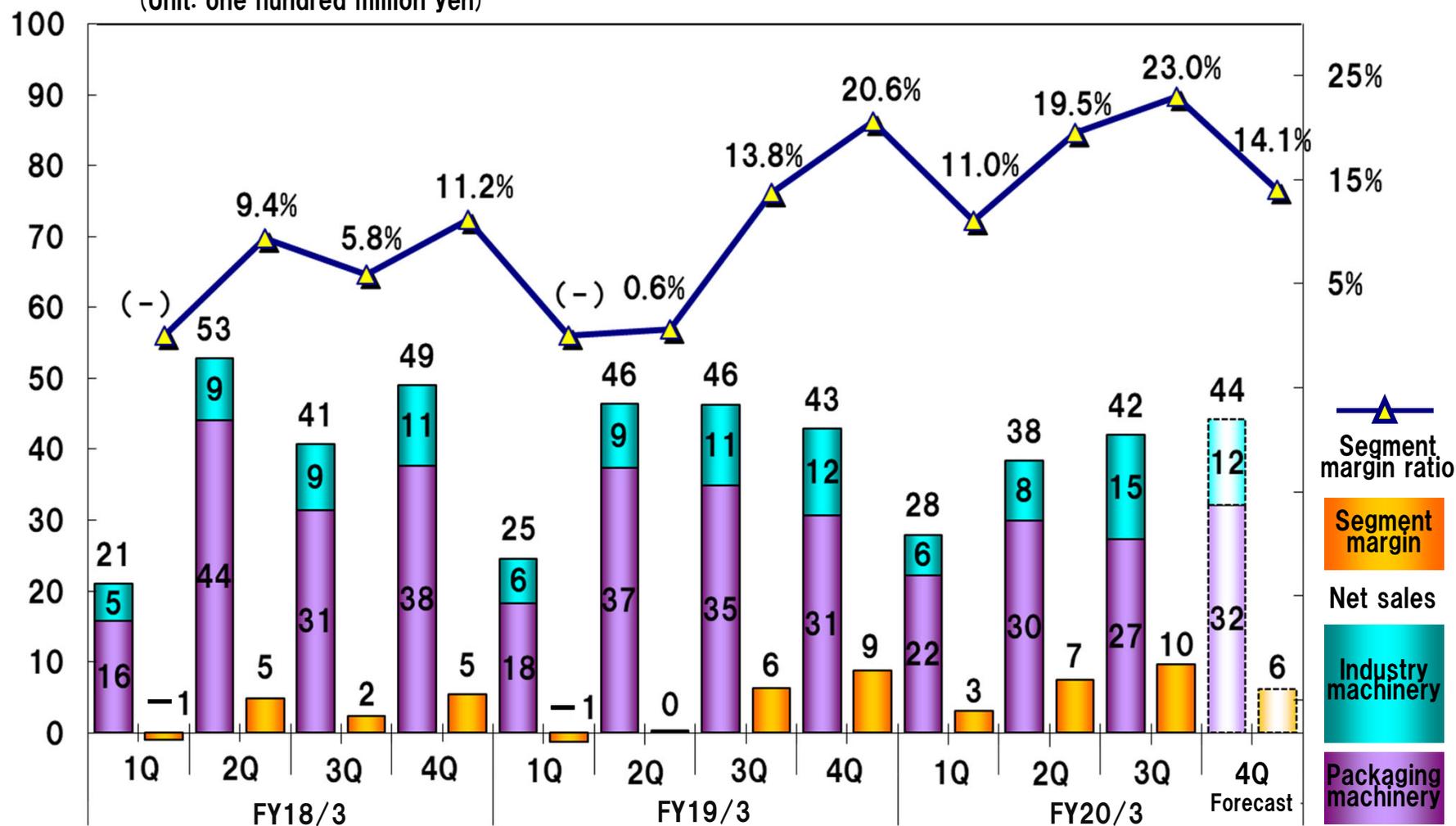
(Unit: one hundred million yen)



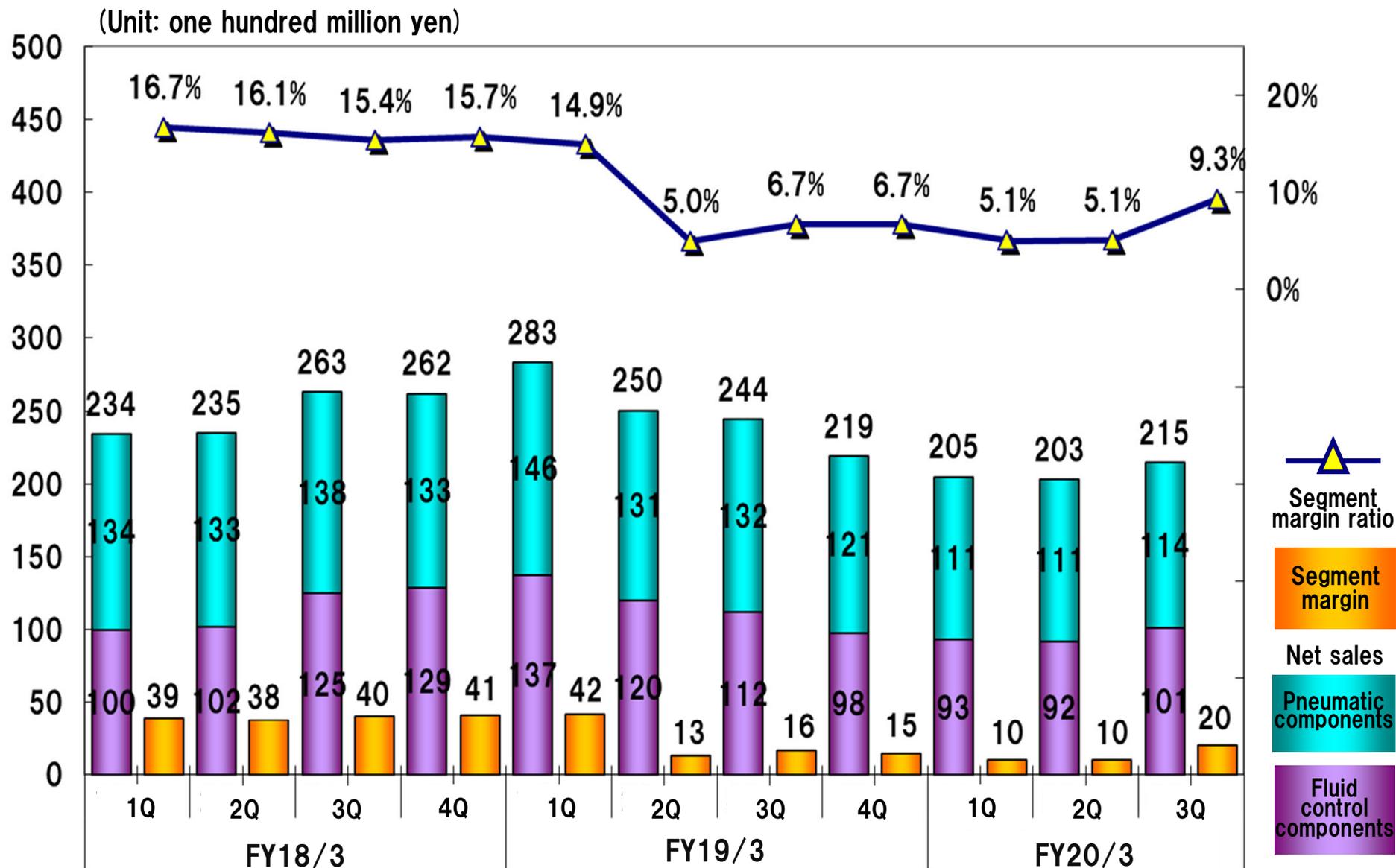
Automatic Machinery: Outlook of Performance

FY20/3	Sales	Segment margin
2nd half Forecast	8.6 billion yen	1.6 billion yen
Full year Forecast	15.3 billion yen	2.7 billion yen

(Unit: one hundred million yen)



Components: Achievement Changes



Components: Results of the 3rd Quarter and Prospects of the 4th Quarter by Market

*Compared with Year-on-Year results

Main Industries in Japan	Full year forecast (May 15)	1Q results	2Q results	1st half results	3Q results	4Q forecasts
Semiconductor	83	78	79	78	90	
Automobile	100	85	86	85	81	
Machine tool	88	78	76	77	64	
Medical	102	99	92	95	87	
Flat-panel display (FPD)	88	70	80	75	99	
Rechargeable battery	102	91	71	81	76	
Total	90	80	80	80	87	

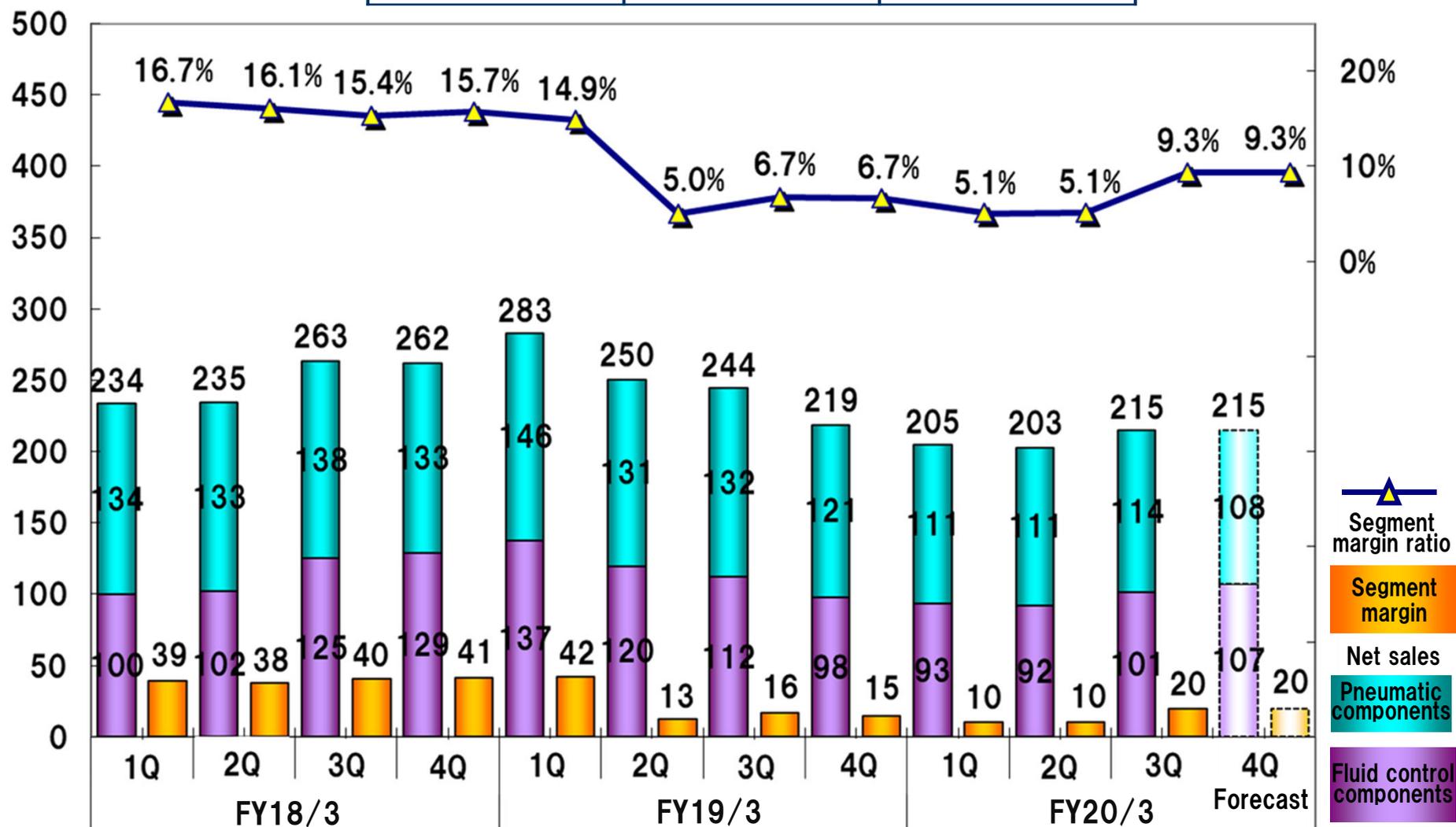
Main areas overseas	Full year forecast (May 15) (110 ¥/\$)	1Q results (109 ¥/\$)	2Q results (109 ¥/\$)	1st half results (109 ¥/\$)	3Q results (109 ¥/\$)	4Q forecasts (105 ¥/\$)
East Asia	85	80	72	76	77	
Southeast Asia	104	92	90	91	99	
Total (Including Europe and Americas)	87	82	77	80	82	

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

Components: Earnings Forecasts

FY20/3	Sales	Segment margin
2nd half forecast	43.0 billion yen	4.0 billion yen
Full year forecast	83.8 billion yen	6.1 billion yen

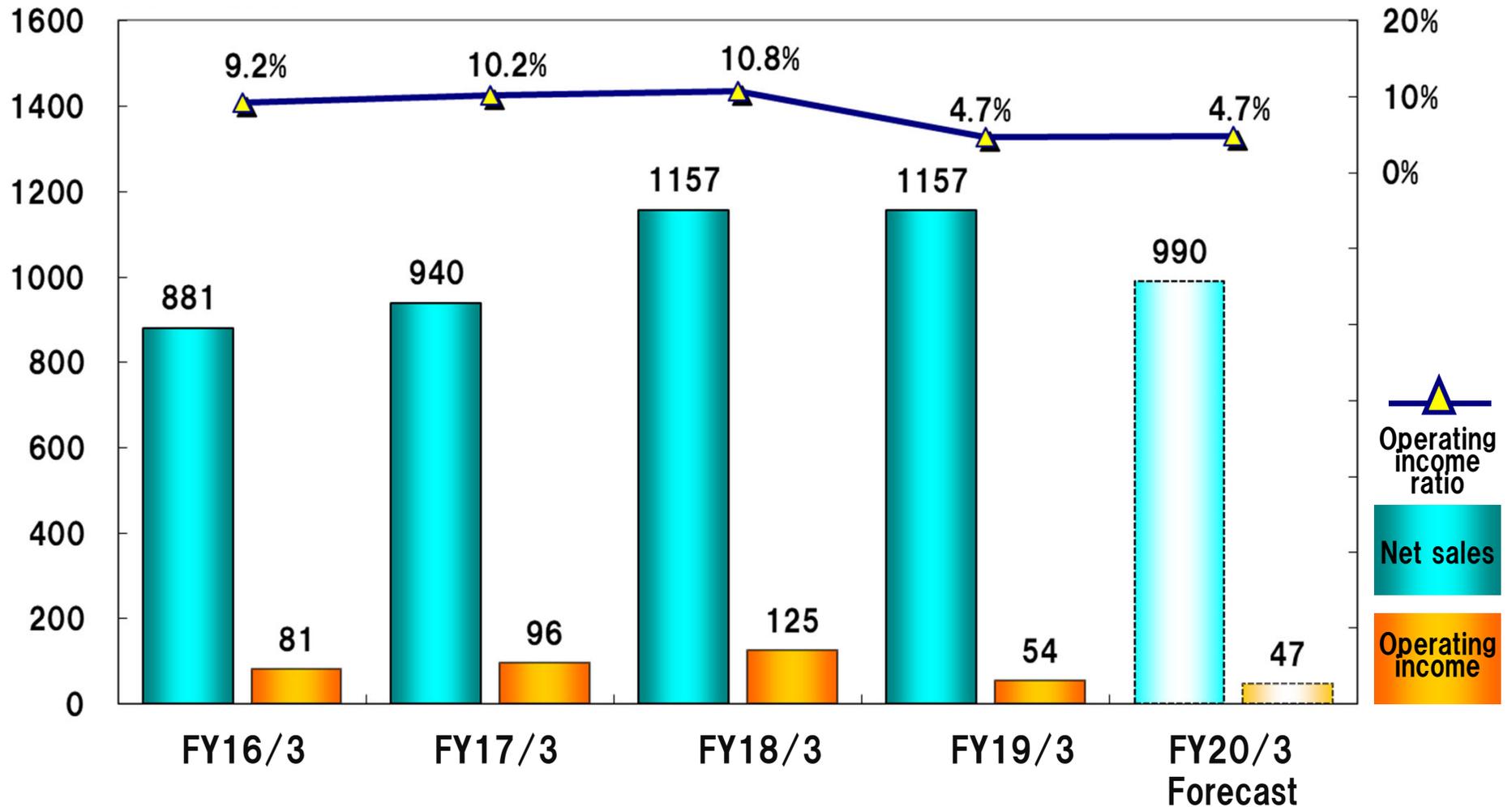
(Unit: one hundred million yen)



Total Company Earnings Forecasts

FY20/3	Sales	Operating income
2nd half forecast	51.6 billion yen	3.6 billion yen
Full year forecast	99.0 billion yen	4.7 billion yen

(Unit: one hundred million yen)



Revision of Earnings Forecasts

(Unit: one hundred million yen)

	1st half	2nd half			Full year		
	Result	Previous Forecast (Nov 12)	Revised Forecast (Feb 12)	Changes	Previous Forecast (Nov 12)	Revised Forecast (Feb 12)	Changes
Consolidated net sales	474	521	516	99%	995	990	99%
Automatic machinery	66	94	86	92%	160	153	95%
Components	408	427	430	101%	835	838	100%
Operating income	11	14	36	257%	25	47	188%
Ordinary income	11	14	36	256%	25	47	190%
Net income	7	10	24	236%	17	30	175%

Revision in Previous Forecast (Nov 12)

Consolidated net sales decreased -0.5 billion yen to 99.0 billion yen

Operating income increased +2.2 billion yen to 4.7 billion yen

Total Company Earnings Forecasts

(Unit: one hundred million yen)

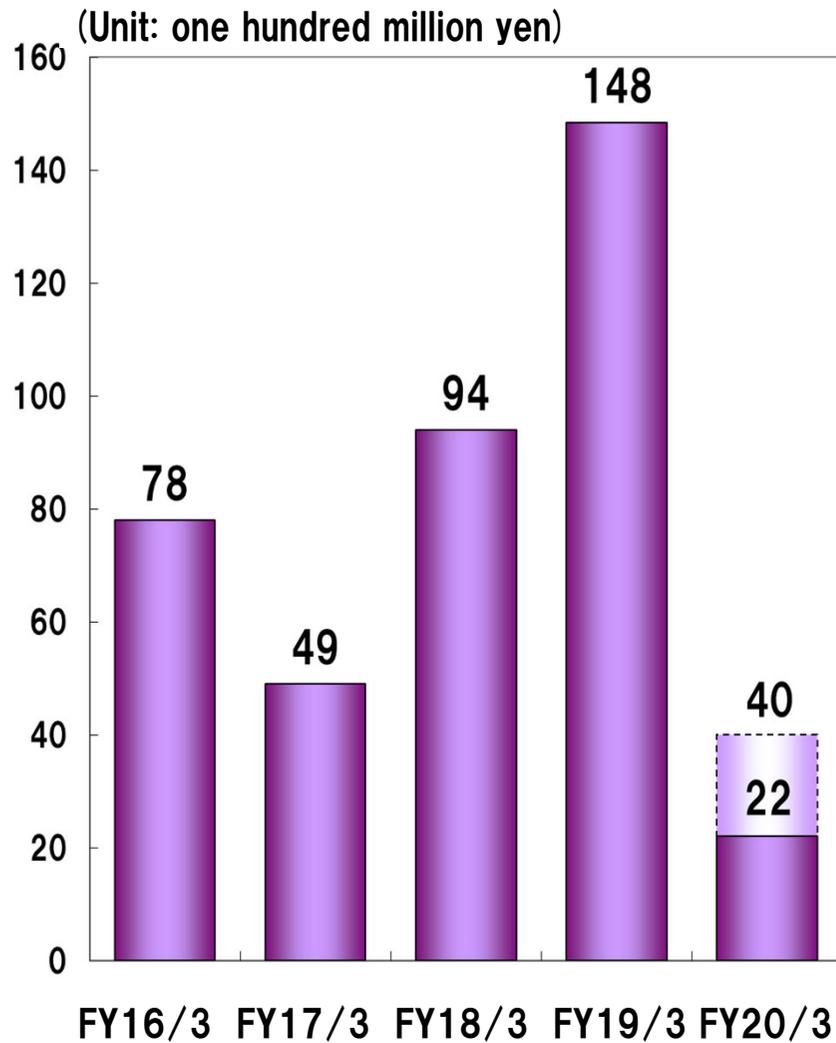
	FY19/3 Result	FY20/3 Revised Outlook (Feb 12)				
		1H Result	2H Forecast	Full year Forecast	Year-on-year Amount change	Year-on-year % change
Consolidated net sales	1,157	474	516	990	- 167	- 14%
Automatic machinery	160	66	86	153	- 8	- 5%
Components	996	408	430	838	- 159	- 16%
Operating income (Operating income ratio)	54 (4.7%)	11 (2.4%)	36 (7.0%)	47 (4.7%)	- 7	- 13%
Automatic machinery (Segment margin)	14 (8.9%)	11 (16.0%)	16 (18.4%)	27 (17.4%)	+ 13	+ 89%
Components (Segment margin)	86 (8.6%)	21 (5.1%)	40 (9.3%)	61 (7.3%)	- 25	- 29%
Ordinary income	54	11	36	47	- 7	- 13%
Net income	48	7	23	30	- 18	- 37%

Investments

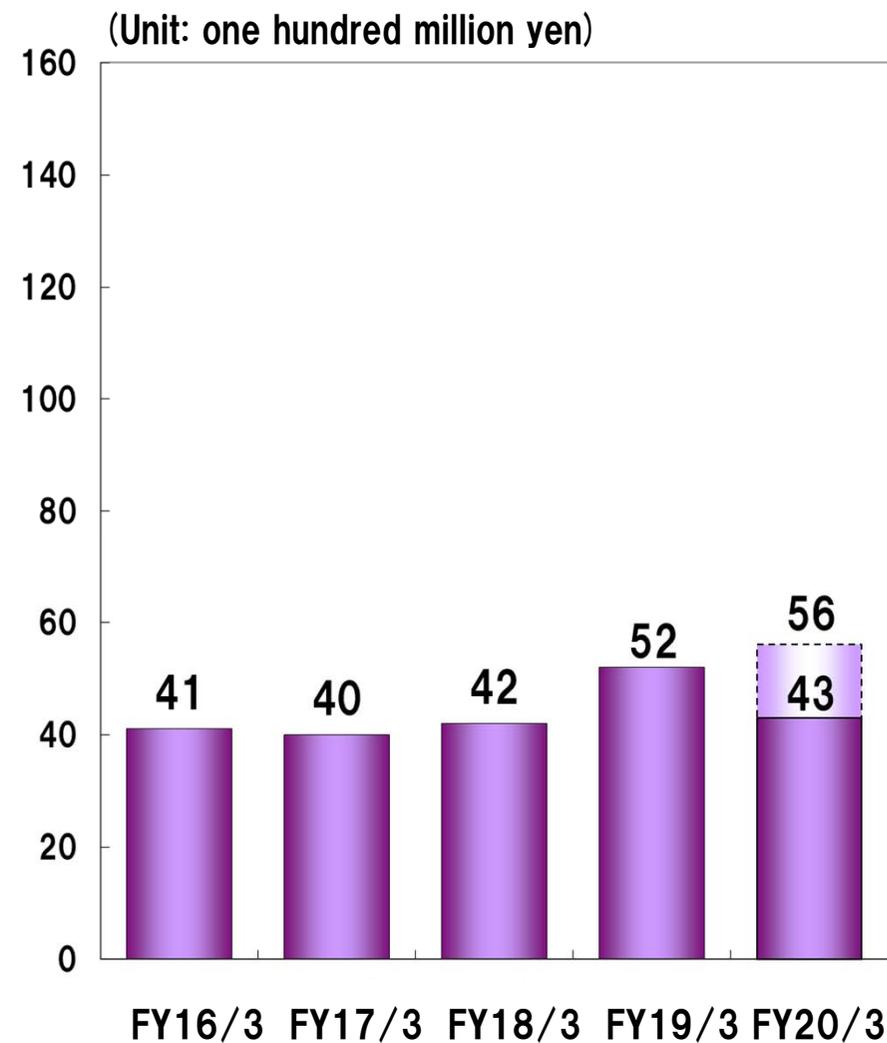


Investments

Investments in plant and equipment

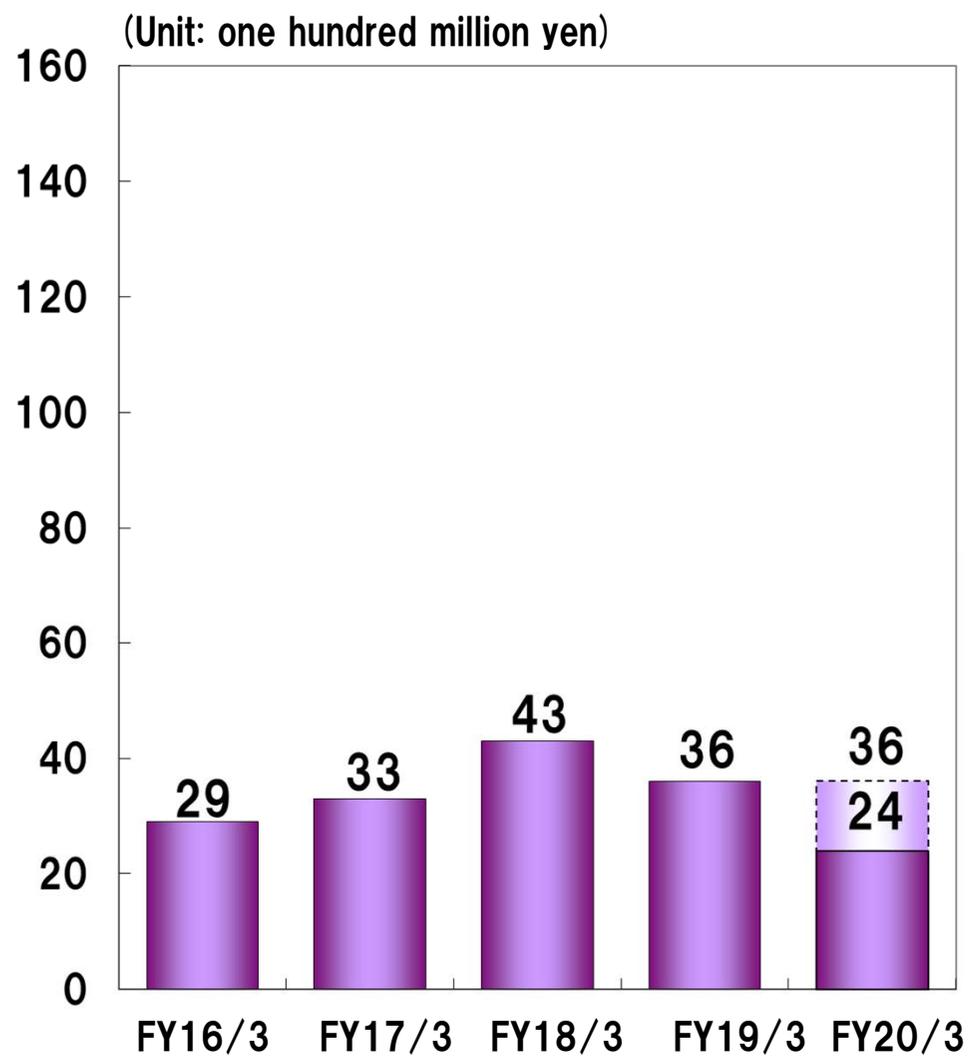


Depreciation costs



Investments

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.