



November 12, 2021

To whom it may concern

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## Notice of Revisions in Consolidated Financial Forecasts for the Full Fiscal Year, Dividend from Retained Earnings (Interim Dividend) and Revisions in the Forecast of Dividend for the Full Fiscal Year

CKD Corporation (the Company) hereby announces revisions in consolidated financial forecasts for the full fiscal year announced on August 11, 2021 as follows.

Also, at the Board of Directors on November 12, 2021, the Company decided dividend from retained earnings with a base of September 30, 2021 and revision in the forecast of dividend for the full fiscal year as follows.

### 1. Revisions in Financial Forecasts

(1) Revisions in the consolidated financial forecasts for the full fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on August 11, 2021)	Million yen 128,000	Million yen 14,500	Million yen 14,600	Million yen 10,000	Yen 150.07
Forecast (B)	134,000	15,600	15,700	10,800	162.06
Change (B – A)	6,000	1,100	1,100	800	—
Percentage change	4.7	7.6	7.5	8.0	—
For reference: Previous performance (Through the full fiscal year ended March 31, 2021)	106,723	7,698	7,823	5,273	80.23

### (2) Reasons for the revisions

In the 2nd quarter, the market environment surrounding the Group continued to see a steady recovery in investment in manufacturing industry overall both in Japan and overseas and demand has remained high, driven by rising automation and labor saving demand and an expansion in investment in the electronics industry, including semiconductor capital expenditure. As a result, the Components business is expected to continue receiving stable orders in the 3rd quarter and beyond, despite uncertainty over the future due to supply shortages, particularly of semiconductors. Therefore, the Company has upwardly revised the full year consolidated financial forecasts announced on August 11, 2021 as shown above.

However, these forecasts assume gradual improvement in the current status of COVID-19 infections and could change significantly depending on such factors as the extent of the spread of COVID-19 going forward and the timing of containment. The Company will provide notification of impacts on performances promptly in case that important matters should be disclosed arise.

The exchange rate assumption for the period from October 1, 2021 to March 31, 2022 is USD1:JPY110, which is re-evaluated from USD1:JPY105 in announcement of financial results for the 1st quarter.

2. Dividend from Retained Earnings (Interim Dividend) and Revisions in the Forecast of Dividend for the Full Fiscal Year

(1) Dividend from retained earnings (Interim Dividend)

	Amount of dividend	Most recent dividend forecasts (Announced August 11, 2021)	Actual for the previous period (Interim dividend for the fiscal year ended March 2021)
Base date	September 30, 2021	(Same as on left)	September 30, 2020
Dividend per share	¥28.00	¥17.00	¥8.00
Total dividends	¥1,866 million	—	¥532 million
Effective date	December 13, 2021	—	December 10, 2020
Source of funds	Retained earnings	—	Retained earnings

(2) Forecast of Dividend (Year-End)

Base date	Dividend per share (¥)		
	2nd quarter-end	Year-end	Annual
Previous forecast	—	¥18.00	¥35.00
Revised forecast	—	¥22.00	¥50.00
Actual for the period	¥28.00	—	—
Actual for the previous period (Through the full fiscal year ended March 2021)	¥8.00	¥17.00	¥25.00

(3) Reasons for Dividend from Retained Earnings (Interim Dividend) and Revision in the Forecast of Dividend for the Full Fiscal Year

For the return of profit to shareholders, the Company seeks to improve corporate value by implementing capital expenditure and R&D investment to enhance the management base and further expand business while aiming for a payout ratio of 30% in shareholder returns.

Based on this policy and performances for the 2nd quarter of the consolidated fiscal year, the Company decided to pay 28 yen per share as dividend for the end of the 2nd quarter, resulted in increase of 11 yen per share from the most recent forecast. As for dividend forecast for the end of the fiscal year, the Company is planning to pay 22 yen per share, increased of 4 yen per share from the most recent forecast.

Note: The above projections are based on information available as of this release. The actual results may differ due to various factors.