



November 11, 2022

To whom it may concern

Company name: CKD Corporation  
Representative: Katsuhito Okuoka, President and Chief Operating Officer  
(Code number: 6407, Stock exchange listing: TSE Prime Market, NSE Premier Market)  
Contact: Tadashi Takezawa, General Manager, Accounting Dept.  
(Phone: 0568-74-1006, from overseas +81-568-74-1006)

## Notice of Difference between Financial Forecasts and Actual Results for the 2nd Quarter of the Consolidated Fiscal Year and 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 the difference between financial forecasts announced on May 13, 2022 and actual results for the 2nd quarter of the consolidated fiscal year and revisions in consolidated financial forecasts for the full fiscal year as follows.

Also, at the Board of Directors on November 11, 2022, the Company decided dividend from retained earnings with a base of September 30, 2022 and revision in the forecast of dividend for the full fiscal year as follows.

### 1. The Difference between Financial Forecasts and Actual Results for the 2nd Quarter of the Consolidated Fiscal Year

(1) The difference between financial forecasts and actual results for the 2nd quarter of the consolidated fiscal year ending March 31, 2023  
(April 1, 2022 to September 30, 2022)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on May 13, 2022)	Million yen 72,500	Million yen 9,210	Million yen 9,210	Million yen 6,490	Yen 97.38
Actual results (B)	80,213	10,175	10,222	7,039	105.56
Difference (B – A)	7,713	965	1,012	549	—
Percentage change	10.6	10.5	11.0	8.5	—
For reference: Previous performance (Through the 2nd quarter of the fiscal year ended March 31, 2022)	67,812	8,582	8,667	6,081	91.26

### (2) Reasons for the difference

The Group's results for the 2nd quarter of the consolidated fiscal year under review exceeded the forecasts initially announced. This was mainly due to higher-than-expected sales in the Components Sector. In the Japanese market, sales of products for semiconductor manufacturing equipment exceeded expectations, supported by solid demand for semiconductors for data centers and automotive applications. In overseas markets, net sales exceeded expectations due to an increase in sales in China, where there was a move toward normalization after the lockdown, and in South Korea and Taiwan, where semiconductor equipment investment was steady, as well as the depreciation of the yen contrary to the initial expectations.

## 2. Revisions in Financial Forecasts

### (1) Revisions in the financial forecasts for the full fiscal year ending March 31, 2023

(April 1, 2022 to March 31, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on May 13, 2022)	Million yen 146,000	Million yen 18,500	Million yen 18,500	Million yen 13,000	Yen 195.07
Forecast (B)	160,000	20,500	20,550	14,000	209.94
Change (B – A)	14,000	2,000	2,050	1,000	—
Percentage change	9.6	10.8	11.1	7.7	—
For reference: Previous performance (Through the full fiscal year ended March 31, 2022)	142,199	17,879	18,043	12,567	188.58

### (2) Reasons for the revisions

The outlook of the global economy remains unpredictable due to continuing high downside risks, including supply chain risks such as component shortages and soaring raw materials prices, trade friction between the U.S. and China, geopolitical risks, and foreign exchange fluctuations.

Against this backdrop, the recent acquisition of orders has been steady both in Japan and overseas, driven by factors such as demand for automation and labor saving in the manufacturing industry, which is expected to grow in the medium to long term, investment in the electronics industry including semiconductor equipment investment, and demand for electrification of automobiles in the business environment surrounding the Group. The Company, therefore, has revised its full-year consolidated financial forecasts announced on May 13, 2022 upward as shown above.

The exchange rate for the period from October 1, 2022 to March 31, 2023 is revised from USD1:JPY120 as of the announcement of the 1st quarter financial results to USD1:JPY140.

## 3. 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 May 13, 2022)	Actual for the previous period (Interim dividend for the fiscal year ended March 2022)
Base date	September 30, 2022	(Same as on left)	September 30, 2021
Dividend per share	¥42.00	¥39.00	¥28.00
Total dividends	¥2,801 million	—	¥1,866 million
Effective date	December 12, 2022	—	December 13, 2021
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	—	¥39.00	¥78.00
Revised forecast	—	¥42.00	¥84.00
Actual for the period	¥42.00	—	—
Actual for the previous period (Through the full fiscal year ended March 2022)	¥28.00	¥39.00	¥67.00

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

Regarding to the return of profit to shareholders, while the Company tries to increase corporate value through capital investment and R&D investment that strengthen the management base and further expand business, in the return of profit to shareholders the Company has a dividend payout ratio of 40% as a rough target.

Based on this policy and performances for the 2nd quarter of the consolidated fiscal year, the Company decided to pay ¥42 per share as dividend for the end of the 2nd quarter, resulted in increase of ¥3 per share from the most recent forecast. As for dividend forecast for the end of the fiscal year, the Company is planning to pay ¥42 per share, increased of ¥3 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.