

**Summary of consolidated Financial Results**  
**for the Three Months Ended June 30, 2020**  
**(Based on Japanese GAAP)**

August 6, 2020

Company name: CMK CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 6958 URL <https://www.cmk-corp.com/>  
 Representative: President and Chief Executive Officer Isao Osawa  
 Executive Officer  
 Inquiries: Accounting Department General Manager Yoshihisa Yamaguchi TEL 03-5323-0231  
 Scheduled date to file Quarterly Securities Report: August 7, 2020  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2020	16,441	△22.9	△546	—	△82	—	△169	—
Three months ended June 30, 2019	21,311	△3.5	144	△81.0	103	△81.4	△74	—

(Note) Comprehensive income:

Three months ended June 30, 2020 △2,516 million yen (—%) Three months ended June 30, 2019 496 million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2020	Yen △2.86	Yen —
Three months ended June 30, 2019	△1.26	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	100,415	51,914	48,4
As of March 31, 2020	96,044	54,932	53,6

(Reference) Shareholder's equity:

As of June 30, 2020 48,593 million yen As of March 31, 2020 51,451 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter end	3rd quarter end	Fiscal Year-end	Total
Year ended March 31, 2020	Yen —	Yen 0.00	Yen —	Yen 6.00	Yen 6.00
Year ending March 31, 2021	—	—	—	—	—
Year ending March 31, 2021 (forecast)	—	—	—	—	—

(Note) 1. Revisions to dividend forecasts published most recently: None

2. Payment of dividends for the year ending March 31, 2021 is not yet determined.

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Due to the impact of COVID-19, it is difficult to estimate a logical forecast at this stage for the consolidated earnings for the fiscal year ending March 31, 2021. A prompt announcement will be made as soon as it becomes possible.

(Note) 1. Revisions to financial forecasts published most recently: No

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2020

(Changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements:

1) Changes in accounting policies due to revisions to accounting standards and other regulations: No

2) Changes in accounting policies due to other reasons: No

3) Changes in accounting estimates: No

4) Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2020	63,060,164 shares	As of March 31, 2020	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2020	3,864,135 shares	As of March 31, 2020	3,864,028 shares
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3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	59,196,117 shares	Three months ended June 30, 2019	59,196,784 shares
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※This quarterly financial results statement is exempt from the quarterly review by certified public accountants or accounting auditors.

※Cautionary statement regarding forward-looking statements, and other information

Forward-looking statements such as operational forecasts contained in this report are based on the information currently available to the company. Due to the impact of COVID-19, it is difficult to estimate a logical forecast at this stage for the consolidated earnings for the fiscal year ending March 31, 2021. A prompt announcement will be made as soon as it becomes possible.

Consolidated financial statements  
Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	16,694	24,405
Notes and accounts receivable - trade	20,389	19,112
Merchandise and finished goods	4,529	5,576
Work in process	3,592	3,612
Raw materials and supplies	2,434	2,339
Other	1,080	920
Allowance for doubtful accounts	△56	△134
Total current assets	48,665	55,832
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,279	11,641
Machinery, equipment and vehicles, net	16,683	16,153
Land	8,253	8,221
Construction in progress	2,618	1,829
Other, net	1,217	1,131
Total property, plant and equipment	41,052	38,978
Intangible assets		
Goodwill	116	108
Other	220	243
Total intangible assets	337	351
Investments and other assets		
Investment securities	2,318	2,297
Retirement benefit asset	1,119	714
Other	2,550	2,245
Allowance for doubtful accounts	△28	△28
Total investments and other assets	5,959	5,229
Total non-current assets	47,349	44,558
Deferred assets		
Bond issuance costs	29	24
Total deferred assets	29	24
Total assets	96,044	100,415

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,761	11,651
Short-term borrowings	4,455	6,167
Current portion of bonds payable	1,352	1,352
Income taxes payable	246	178
Provision for bonuses	510	869
Allowance for restructuring	126	126
Other	4,639	3,384
Total current liabilities	21,091	23,729
Non-current liabilities		
Bonds payable	5,023	5,023
Long-term borrowings	13,206	18,141
Retirement benefit liability	93	93
Asset retirement obligations	449	449
Other	1,247	1,064
Total non-current liabilities	20,020	24,772
Total liabilities	41,111	48,501
<b>Net assets</b>		
Shareholders' equity		
Share capital	22,306	22,306
Capital surplus	16,628	16,628
Retained earnings	12,671	12,147
Treasury shares	△3,135	△3,135
Total shareholders' equity	48,471	47,946
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	446	481
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	2,262	182
Remeasurements of defined benefit plans	270	△17
Total accumulated other comprehensive income	2,979	646
Non-controlling interests	3,480	3,321
Total net assets	54,932	51,914
Total liabilities and net assets	96,044	100,415

## Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	21,311	16,441
Cost of sales	18,759	14,776
Gross profit	2,551	1,665
Selling, general and administrative expenses		
Employees' salaries and bonuses	741	757
Provision for bonuses	87	97
Retirement benefit expenses	5	8
Provision of allowance for doubtful accounts	△0	78
Other	1,573	1,270
Total selling, general and administrative expenses	2,407	2,211
Operating profit (loss)	144	△546
Non-operating income		
Interest income	7	5
Dividend income	45	41
Rental income	19	19
Foreign exchange gains	—	488
Other	23	34
Total non-operating income	96	589
Non-operating expenses		
Interest expenses	69	62
Foreign exchange losses	9	—
Other	58	62
Total non-operating expenses	137	124
Ordinary profit (loss)	103	△82
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	—	189
Total extraordinary income	0	189
Extraordinary losses		
Loss on retirement of non-current assets	84	15
Other	—	0
Total extraordinary losses	84	16
Profit before income taxes	18	90
Income taxes	66	126
Income taxes for prior periods	—	60
Loss	△47	△96
Profit attributable to non-controlling interests	27	73
Loss attributable to owners of parent	△74	△169

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Loss	△47	△96
Other comprehensive income		
Valuation difference on available-for-sale securities	△11	35
Deferred gains or losses on hedges	△0	0
Foreign currency translation adjustment	568	△2,166
Remeasurements of defined benefit plans, net of tax	△12	△288
Total other comprehensive income	544	△2,420
Comprehensive income	496	△2,516
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	396	△2,503
Comprehensive income attributable to non-controlling interests	100	△13