

Summary of consolidated Financial Results
for the Three Months Ended June 30, 2022
(Based on Japanese GAAP)

August 4, 2022

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
 Inquiries: Accounting Department General Manager Nobutaka Okubo TEL 03-5323-0231
 Scheduled date to file Quarterly Securities Report: August 8, 2022
 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, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	19,753	1.4	559	171.0	663	221.9	432	557.9
Three months ended June 30, 2021	19,481	18.5	221	—	206	—	65	—

(Note) Comprehensive income:

Three months ended June 30, 2022 2,737 million yen (31.2 %) Three months ended June 30, 2021 2,085 million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2022	Yen 7.30	Yen —
Three months ended June 30, 2021	1.11	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	106,755	56,375	51.0
As of March 31, 2022	104,865	54,466	50.3

(Reference) Shareholder's equity:

As of June 30, 2022 54,482 million yen As of March 31, 2022 52,716 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, 2022	Yen —	Yen 0.00	Yen —	Yen 14.00	Yen 14.00
Year ending March 31, 2023	—	—	—	—	—
Year ending March 31, 2023 (forecast)	—	0.00	—	11.00	11.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	82,000	0.6	3,000	△0.7	2,900	△12.3	2,100	△24.6	35.48

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

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(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, 2022	63,060,164 shares	As of March 31, 2022	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2022	3,865,040 shares	As of March 31, 2022	3,865,040 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, 2022	59,195,124 shares	Three months ended June 30, 2021	59,195,556 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 and certain assumptions regarded as reasonable, but are not guarantees of the achievements by the Company. Actual results may differ from any forecasts expressed in the statements due to various factors.

Consolidated financial statements
Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	15,879	14,373
Notes and accounts receivable - trade	17,948	16,902
Electronically recorded monetary claims - operating	4,427	4,291
Merchandise and finished goods	9,621	11,435
Work in process	3,673	4,010
Raw materials and supplies	2,775	3,580
Other	1,337	1,240
Allowance for doubtful accounts	△40	△42
Total current assets	55,623	55,791
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,212	12,531
Machinery, equipment and vehicles, net	17,721	18,606
Land	7,758	7,786
Construction in progress	3,251	3,683
Other, net	1,259	1,303
Total property, plant and equipment	42,204	43,911
Intangible assets		
Goodwill	58	54
Other	341	344
Total intangible assets	400	398
Investments and other assets		
Investment securities	2,975	2,956
Retirement benefit asset	1,221	1,228
Other	2,433	2,465
Allowance for doubtful accounts	△28	△28
Total investments and other assets	6,602	6,621
Total non-current assets	49,206	50,931
Deferred assets		
Bond issuance costs	35	32
Total deferred assets	35	32
Total assets	104,865	106,755

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,506	12,801
Electronically recorded obligations - operating	2,458	2,305
Short-term borrowings	14,328	14,528
Current portion of bonds payable	42	42
Income taxes payable	356	220
Provision for bonuses	748	916
Provision for loss on disaster	46	5
Other	3,148	3,032
Total current liabilities	33,637	33,853
Non-current liabilities		
Bonds payable	3,608	3,608
Long-term borrowings	11,824	11,567
Retirement benefit liability	117	127
Asset retirement obligations	454	452
Other	755	770
Total non-current liabilities	16,761	16,526
Total liabilities	50,398	50,380
Net assets		
Shareholders' equity		
Share capital	22,306	22,306
Capital surplus	16,962	16,962
Retained earnings	13,411	13,014
Treasury shares	△3,135	△3,135
Total shareholders' equity	49,543	49,147
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	959	949
Foreign currency translation adjustment	1,977	4,163
Remeasurements of defined benefit plans	235	220
Total accumulated other comprehensive income	3,172	5,334
Non-controlling interests	1,750	1,893
Total net assets	54,466	56,375
Total liabilities and net assets	104,865	106,755

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	19,481	19,753
Cost of sales	17,029	16,797
Gross profit	2,452	2,955
Selling, general and administrative expenses		
Employees' salaries and bonuses	808	881
Provision for bonuses	101	57
Retirement benefit expenses	6	5
Provision of allowance for doubtful accounts	△13	△0
Other	1,329	1,412
Total selling, general and administrative expenses	2,231	2,356
Operating profit	221	599
Non-operating income		
Interest income	2	1
Dividend income	41	66
Rental income	19	18
Foreign exchange gains	7	32
Other	50	36
Total non-operating income	120	155
Non-operating expenses		
Interest expenses	51	58
Commission expenses	35	3
Taxes and dues	38	17
Other	10	11
Total non-operating expenses	135	91
Ordinary profit	206	663
Extraordinary income		
Gain on sale of non-current assets	0	—
Total extraordinary income	0	—
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	31	40
Total extraordinary losses	31	40
Profit before income taxes	174	623
Income taxes	72	167
Profit	102	455
Profit attributable to non-controlling interests	36	22
Profit attributable to owners of parent	65	432

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	102	455
Other comprehensive income		
Valuation difference on available-for-sale securities	126	△9
Deferred gains or losses on hedges	△0	—
Foreign currency translation adjustment	1,871	2,306
Remeasurements of defined benefit plans, net of tax	△13	△14
Total other comprehensive income	1,983	2,282
Comprehensive income	2,085	2,737
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,833	2,594
Comprehensive income attributable to non-controlling interests	252	142