



CMK CORPORATION  
(Stock code : 6958)

# 1H FY2019 Financial Results (presentation material)

Nov 20, 2019

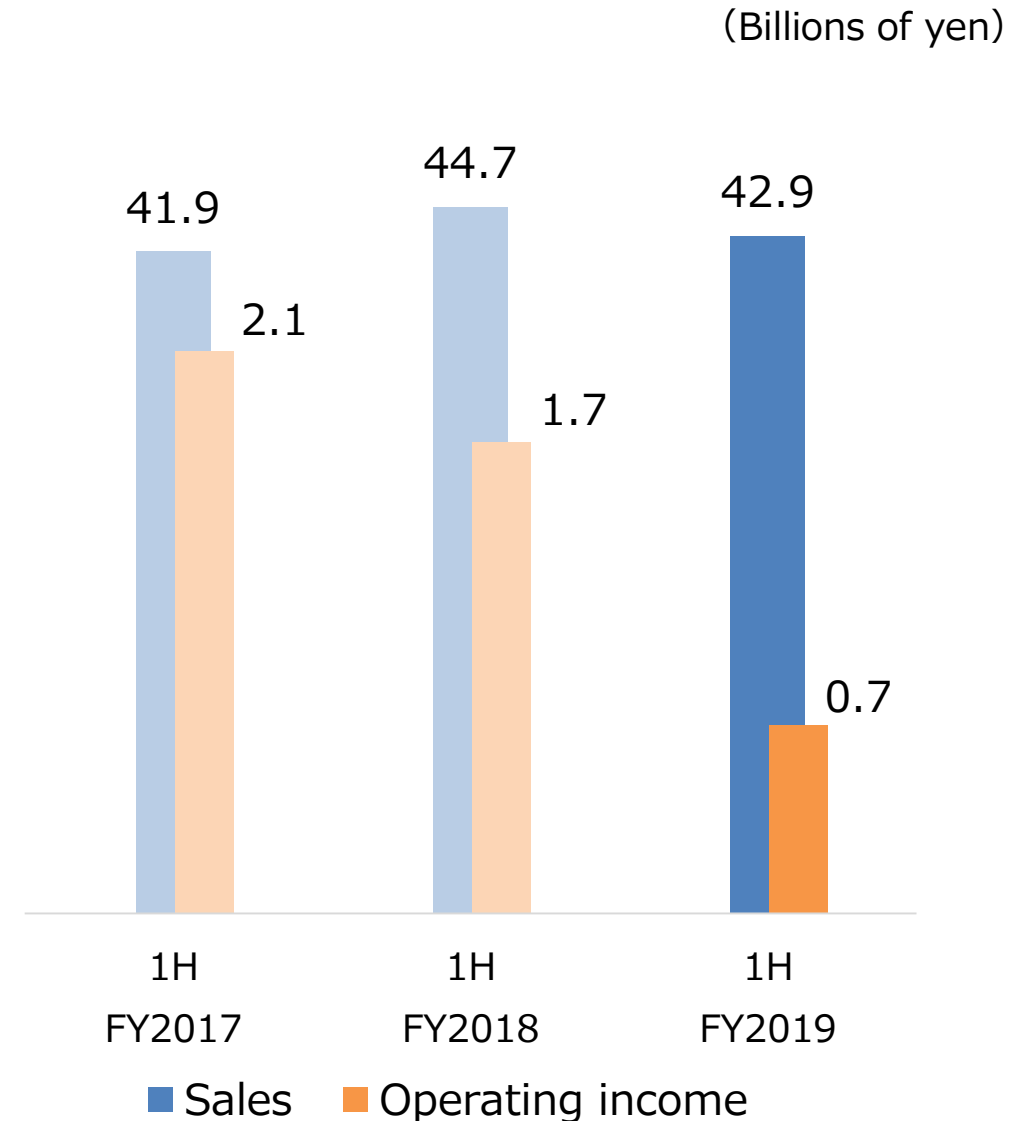
CMK CORPORATION

- 1 . Consolidated financial results for 1H FY2019
- 2 . Our business overview
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# 1 . Consolidated financial results for 1H FY2019

# ① Key points of 1H FY2019 Financial results

- Sales of our key products for automotive use reminded strong by the progress of automotive electrification. However, net sales decreased due to decline in mobile communication sales and amusement sales etc.
- Operating income decreased due to decline in sales and low operation rate of factories in Japan etc.



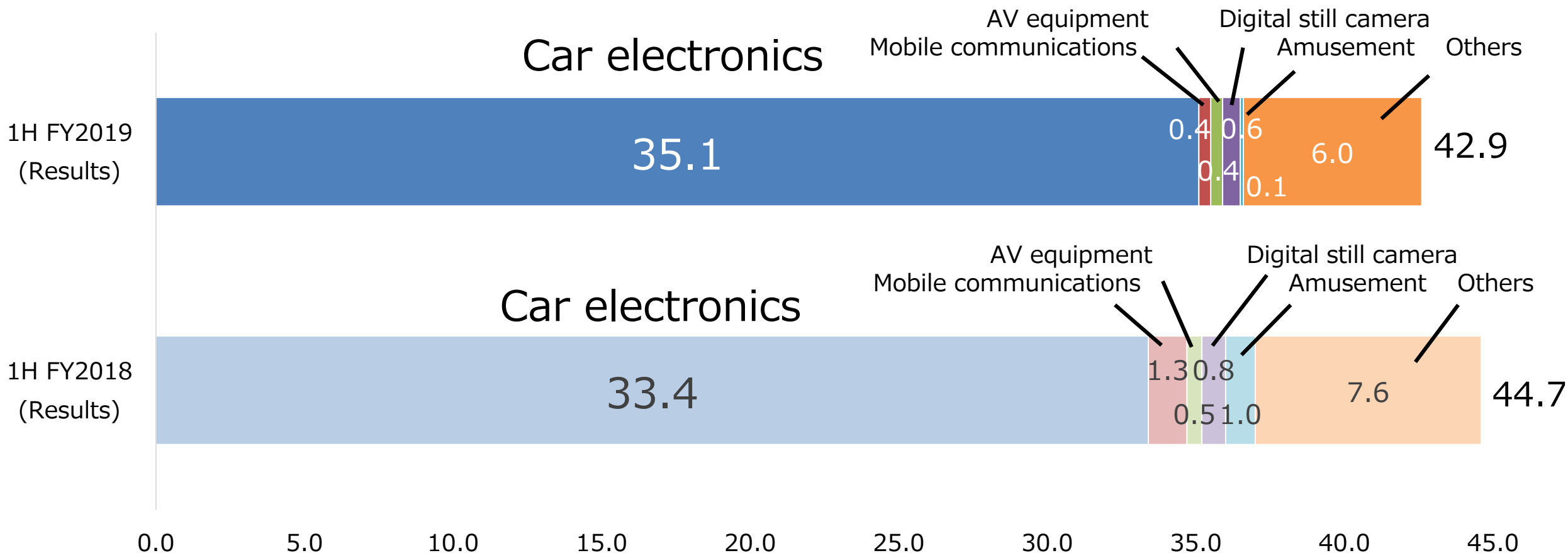
## ② Consolidated Income statement

(Billions of yen)

	1H FY2018 Results	1H FY2019 Results	YoY	
			Change	%
Net sales	44.7	42.9	-1.7	-4.0%
Operating income	1.7	0.7	-1.0	-60.0%
Operating margin	4.0%	1.7%	-2.3%	
Ordinary income	1.8	0.7	-1.0	-56.8%
Profit attributable to owners of parent	1.1	0.2	-0.8	-75.7%
Exchange rate (USD/JPY)	108.52	109.98	+1.46	+1.3%

### ③ Sales by application

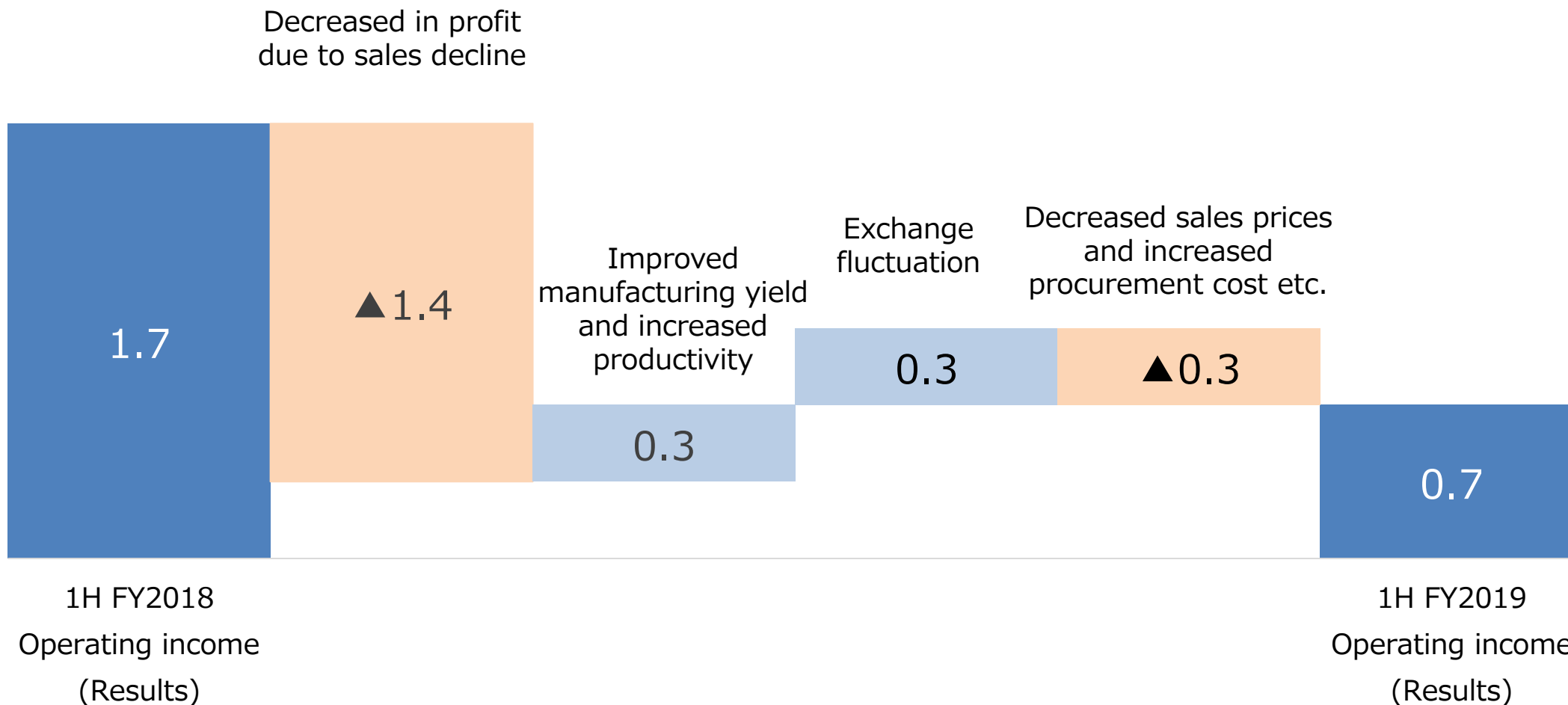
(Billions of yen)



- Sales of products for automotive use increased steadily by 5.4% compared with the previous fiscal year
- The share of products for automotive use in total sales increased from 74.6% in the previous fiscal year to 81.9%

# ④ Analysis of changes in operating income

(Billions of yen)



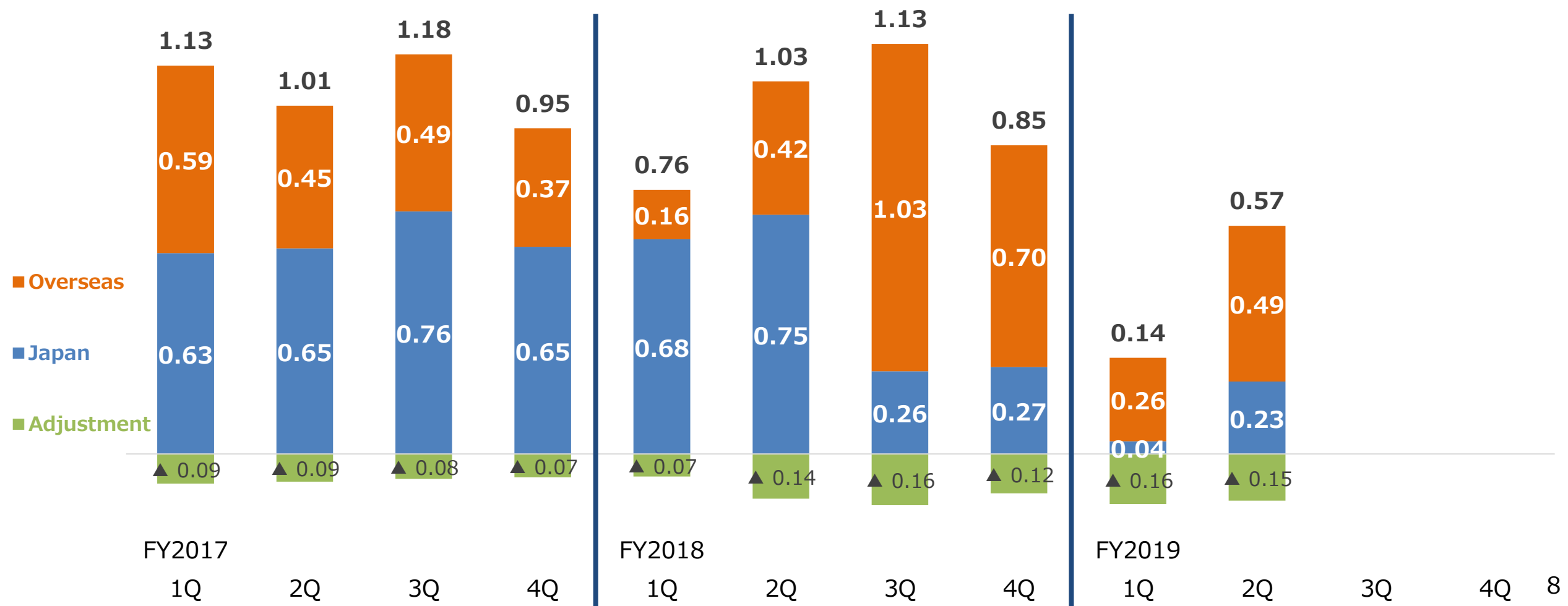
# ⑤ Changes in quarterly operating income

(Billions of yen)

Japan : Productivity enhancement  
Overseas : Enhancement of production capacity in the factory of Thailand and Wuxi

Japan : 3-1Q Low operating rate  
Overseas : 1-2Q Exchange fluctuation 4-1Q Upfront cost of capital investment in the factory of Thailand

Japan : 2Q Optimization in production operation  
Overseas : 2Q Exchange fluctuation and increased productivity





## ⑥ Quarterly financial results by region

(Billions of yen)

	FY2019 1Q Results		FY2019 2Q Results		QoQ	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Japan	12.5	0	12.6	0.2	+0	+0.1
China	7.2	0.3	7.3	0.3	+0.1	+0
Southeast Asia	5.9	-0.1	6.2	0	+0.2	+0.2
Europe & North America	1.5	0	1.6	0	+0	+0
Total	27.3	0.3	27.8	0.7	+0.4	+0.4
Adjustment	▲6.0	▲0.1	▲6.1	▲0.1	-0.1	+0
Consolidated	21.3	0.1	21.6	0.5	+0.3	+0.4

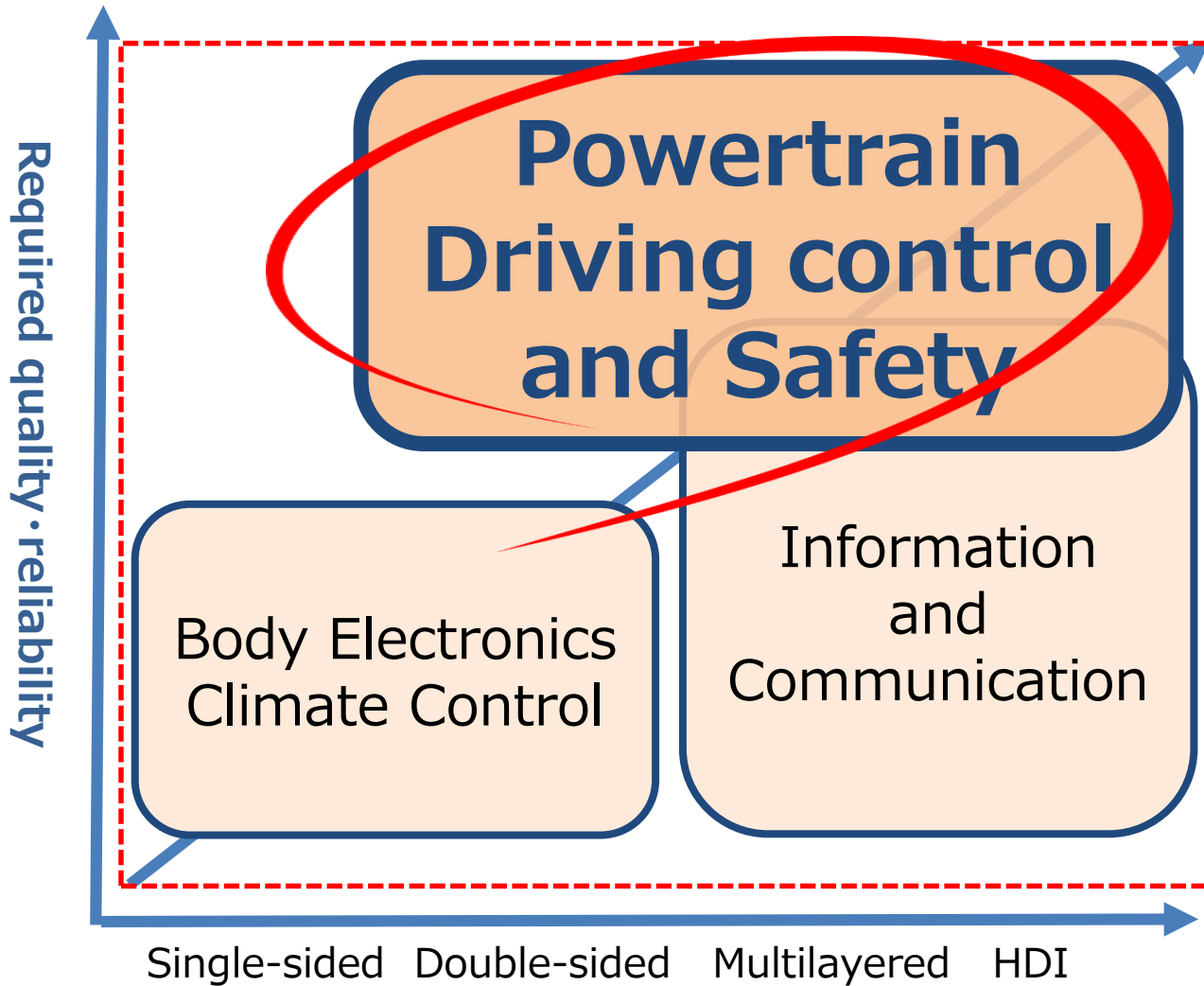
# ⑦ Consolidated Income Statement

(Billions of yen)

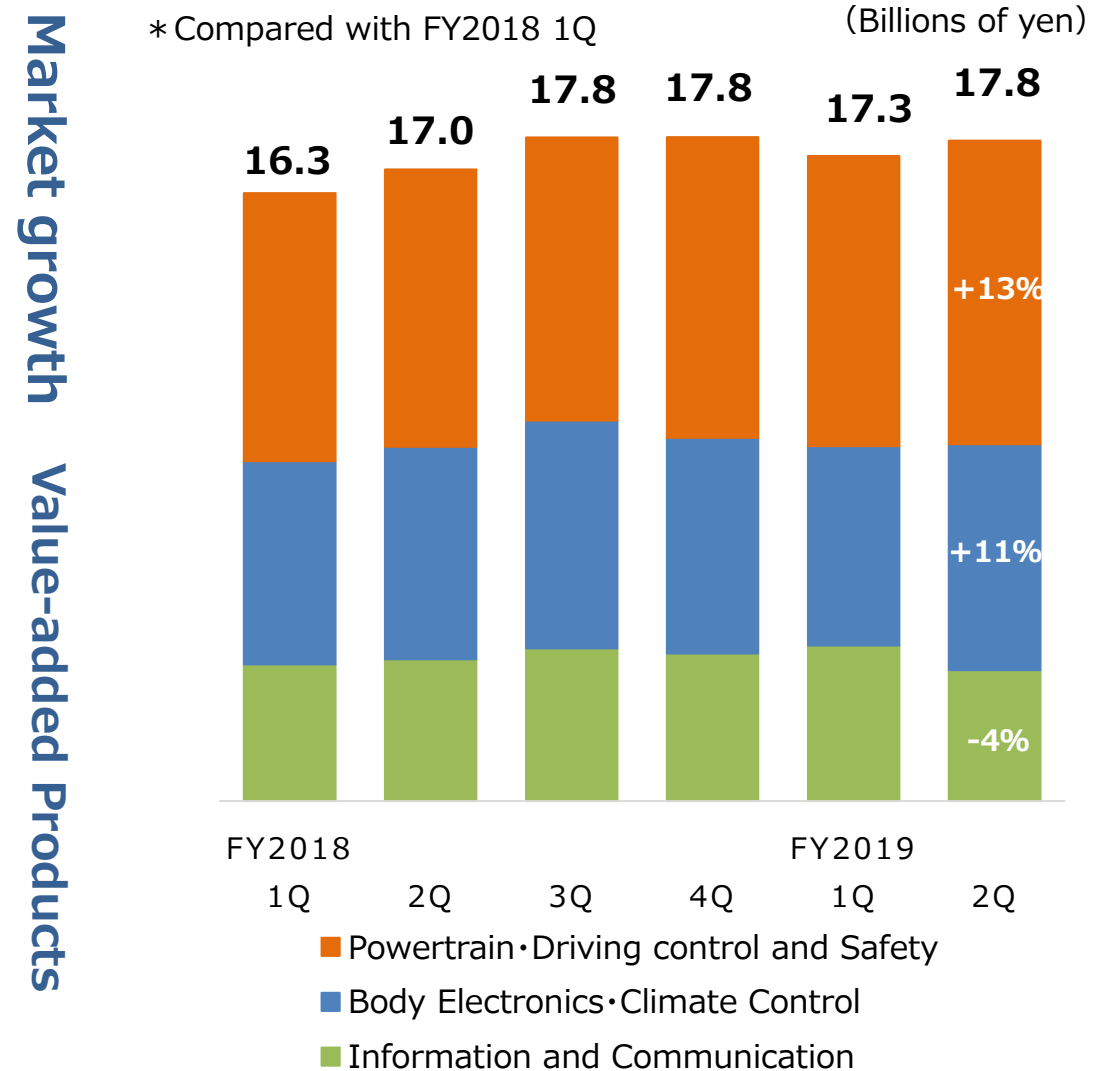
	FY2018 Results	FY2019 Forecast	YoY	
			Change	%
Net sales	90.2	87.0	-3.2	-3.6%
Operating income	3.7	2.0	-1.7	-46.9%
Operating margin	4.2%	2.3%	-1.9%	
Ordinary income	3.7	1.7	-2.0	-54.9%
Profit attributable to owners of parent	2.0	1.2	-0.8	-40.4%
Exchange rate (USD/JPY)	110.37	110.00	-0.37	-0.3%

## 2. Our business overview

## Our key business sectors



## Sales for automotive use



②Our business overview : Enhanced production capacity in overseas factories

# CMK electronics(Wuxi)co., ltd.

(HDI)

Capital investment was finished to **enhance production capacity by 20%** compared with the existing capacity, responding to a growing demand for HDI PWBs for automotive use



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中国 江蘇省無錫市

旗利得電子(東莞)有限公司  
中国 広東省東莞市

新昇電子貿易(深圳)有限公司  
中国 深圳/無錫/東莞

新昇電子(香港)有限公司



CMK CORPORATION  
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(THAILAND)CO.,LTD.  
タイ バンコク

CMK AMERICA  
CORPORATION  
アメリカ アトランタ

CMK EUROPE N.V.  
ベルギー ヘール

CMK ASIA(PTE.)LTD.  
シンガポール(駐在員事務所)  
マレーシア ペナン/クアラルンプール  
インドネシア ジャカルタ  
ベトナム ハノイ

# CMK Corporation(THAILAND) co., ltd.

(Double-sided, Multilayered, HDI)

Capital investment was finished to **enhance production capacity by 25%** compared with the existing capacity, responding to a growing demand for products for Powertrain and Driving control and Safety

③Our business overview : Technology roadmaps

We will progress our developments in the fields high quality and high reliability required

Application for automotive use	Main products	Market needs	PWB requirement	2019	2020	After 2021
Powertrain	Inverter Converter	<ul style="list-style-type: none"> <li>Down-sized unit</li> <li>Reliability of high withstand voltage ( EV has higher voltage than 10x voltage for gasoline vehicle )</li> <li>High heat-resistance performance (More than 1.5x conductive reliabilities of consumer products)</li> <li>High current PWB for PHV or EV</li> </ul>	Compact sizing / Next generation	Under Mass-production		
			Heavy cooper	Trial	Mass-production	
Driving control and Safety ADAS	Millimeter wave Radar	<ul style="list-style-type: none"> <li>Requests of more down-sizing and more accuracy improvement</li> </ul>	HDI	Under Mass-production		
			MSAP	Trial	Mass-production	
	Camera· Information module, Other sensors	<ul style="list-style-type: none"> <li>Thick RF PWB for higher stiffness</li> <li>Higher reliability of thin PWB for automotive use</li> </ul>	Thick RF PWB	Development	Trial	Mass-production
			Thin PWB	Trial		Mass-production
	Camera control	<ul style="list-style-type: none"> <li>PWB combined higher density and higher stiffness</li> </ul>	Fine pattern	Trial	Mass-production	
LED Lamp	<ul style="list-style-type: none"> <li>Requests of higher heat radiation</li> </ul>	Cooper based	Under Mass-production			
Information and communication	Communication module for automotive	<ul style="list-style-type: none"> <li>Requests of more down-sizing and more accuracy improvement</li> </ul>	Fine pattern	Under-Mass-production		

※RF Stands for Rigid flexible PWB

# 3 . Supplementary material

# ① Sales by application

(Billions of yen)

	1H FY2018 Results	1H FY2019 Results	YoY Change	FY2019 Forecast
Car electronics	33.4	35.1	+1.7	71.2
Mobile communications	1.3	0.4	-0.8	0.8
AV equipment	0.5	0.4	-0	1.0
Digital still camera	0.8	0.6	-0.1	1.4
Amusement	1.0	0.1	-0.8	0.3
Others	7.6	6.0	-1.5	12.0
<b>Total</b>	<b>44.7</b>	<b>42.9</b>	<b>-1.7</b>	<b>87.0</b>



## ② Sales by type of PWBs

(Billions of yen)

	1H FY2018 Results	1H FY2019 Results	YoY Change	FY2019 Forecast
HDI PWBs	13.8	11.3	-2.4	22.6
Multilayered PWBs	19.5	22.0	+2.5	45.1
Double-sided PWBs	7.5	6.7	-0.8	13.5
Others	3.8	2.8	-1.0	5.6
<b>Total</b>	<b>44.7</b>	<b>42.9</b>	<b>-1.7</b>	<b>87.0</b>

### ③ Financial results by region

(Billions of yen)

	1H FY2018 Results		1H FY2019 Results		YoY Change		FY2019 Forecast	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Japan	26.9	1.4	25.2	0.2	-1.6	-1.1	50.9	1.0
China	14.3	0.1	14.5	0.7	+0.1	+0.5	29.0	1.4
Southeast Asia	11.3	0.1	12.2	-0.1	+0.8	-0.3	25.0	-0.1
Europe & North America	3.6	0.2	3.2	0.1	-0.4	-0	6.2	0.3
Total	56.2	2.0	55.2	1.0	-1.0	-0.9	111.3	2.6
Adjustment	▲11.5	▲0.2	▲12.2	▲0.3	-0.7	-0	▲24.3	▲0.6
Consolidated	44.7	1.7	42.9	0.7	-1.7	-1.0	87.0	2.0

## ④ Capital investment

(Billions of yen)

	1H FY2018 Results	1H FY2019 Results	YoY Change	FY2019 Forecast
Japan	0.5	0.5	+0	2.2
Overseas	1.7	5.1	+3.4	7.5
Consolidated	2.2	5.7	+3.4	9.8
Depreciation cost	2.1	2.2	+0.1	5.0

Future-related information and descriptions in this material are just forward-looking statements and not guarantees for future achievements

(Amounts are rounded, and % is rounded to one decimal place.)

**END**