

**Summary of Consolidated Financial Results  
for the Three Months Ended June 30, 2019  
(Based on Japanese GAAP)**

August 5, 2019

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: Executive Officer Administration Division Yoshihisa Yamaguchi TEL 03-5323-0231  
 Accounting Department General Manager  
 Scheduled date to file Quarterly Securities Report: August 8, 2019  
 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, 2019 (from April 1, 2019 to June 30, 2019)

(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, 2019	21,311	△3.5	144	△81.0	103	△81.4	△74	—
Three months ended June 30, 2018	22,076	6.1	760	△32.6	558	△46.9	239	△72.5

(Note) Comprehensive income:

Three months ended June 30, 2019 496 million yen (—%) Three months ended June 30, 2018 △575 million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2019	Yen △1.26	Yen —
Three months ended June 30, 2018	4.04	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	105,402	55,575	49.5
As of March 31, 2019	105,189	55,849	49.9

(Reference) Shareholder's equity:

As of June 30, 2019 52,204 million yen As of March 31, 2019 52,459 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, 2019	Yen —	Yen 0.00	Yen —	Yen 11.00	Yen 11.00
Year ending March 31, 2020	—	—	—	—	—
Year ending March 31, 2020 (forecast)	—	—	—	—	—

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

2. Payment of dividends for the year ending March 31, 2020 is not yet determined.

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(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	87,000	△3.6	2,000	△46.9	1,700	△54.9	1,200	△40.5	20.27

(Note) Revisions to financial forecasts published most recently: Yes

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2019

(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, 2019	63,060,164 shares	As of March 31, 2019	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2019	3,863,456 shares	As of March 31, 2019	3,863,270 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, 2019	59,196,784 shares	Three months ended June 30, 2018	59,197,567 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, 2019	As of June 30, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	25,436	23,030
Notes and accounts receivable - trade	24,061	23,320
Merchandise and finished goods	4,260	4,305
Work in process	3,716	3,604
Raw materials and supplies	2,331	2,392
Other	1,282	1,135
Allowance for doubtful accounts	△22	△22
Total current assets	61,066	57,765
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,871	11,438
Machinery, equipment and vehicles, net	13,244	14,484
Land	8,229	8,238
Construction in progress	4,973	5,590
Other, net	1,184	1,256
Total property, plant and equipment	37,503	41,007
Intangible assets		
Goodwill	151	142
Other	188	201
Total intangible assets	339	344
Investments and other assets		
Investment securities	2,697	2,693
Retirement benefit asset	969	975
Other	2,583	2,593
Allowance for doubtful accounts	△23	△23
Total investments and other assets	6,228	6,238
Total non-current assets	44,072	47,591
Deferred assets		
Bond issuance cost	50	45
Total deferred assets	50	45
Total assets	105,189	105,402

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	13,104	12,928
Short-term borrowings	4,856	4,734
Current portion of bonds	602	602
Income taxes payable	253	131
Provision for bonuses	496	818
Allowance for restructuring	129	128
Other	6,473	7,713
Total current liabilities	25,917	27,057
Non-current liabilities		
Bonds payable	6,376	6,376
Long-term borrowings	16,014	15,381
Retirement benefit liability	95	89
Asset retirement obligations	157	158
Other	778	763
Total non-current liabilities	23,422	22,769
Total liabilities	49,340	49,827
<b>Net assets</b>		
Shareholders' equity		
Share capital	22,306	22,306
Capital surplus	16,628	16,628
Retained earnings	14,451	13,725
Treasury shares	△3,134	△3,134
Total shareholders' equity	50,251	49,525
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	739	727
Deferred gains or losses on hedges	0	△0
Foreign currency translation adjustment	1,235	1,731
Remeasurements of defined benefit plans	233	220
Total accumulated other comprehensive income	2,208	2,679
Non-controlling interests	3,389	3,370
Total net assets	55,849	55,575
Total liabilities and net assets	105,189	105,402

## Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	22,076	21,311
Cost of sales	19,052	18,759
Gross profit	3,024	2,551
Selling, general and administrative expenses		
Employees' salaries and bonuses	718	741
Provision for bonuses	76	87
Retirement benefit expenses	6	5
Provision of allowance for doubtful accounts	0	△0
Other	1,461	1,573
Total selling, general and administrative expenses	2,264	2,407
Operating profit	760	144
Non-operating income		
Interest income	7	7
Dividend income	46	45
Rental income	20	19
Other	31	23
Total non-operating income	105	96
Non-operating expenses		
Interest expenses	60	69
Foreign exchange losses	214	9
Other	33	58
Total non-operating expenses	307	137
Ordinary profit	558	103
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	35	84
Total extraordinary losses	35	84
Profit before income taxes	523	18
Income taxes	120	66
Income taxes for prior periods	226	—
Profit (loss)	176	△47
Profit (loss) attributable to non-controlling interests	△62	27
Profit (loss) attributable to owners of parent	239	△74

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit (loss)	176	△47
Other comprehensive income		
Valuation difference on available-for-sale securities	106	△11
Deferred gains or losses on hedges	0	△0
Foreign currency translation adjustment	△813	568
Remeasurements of defined benefit plans, net of tax	△45	△12
Total other comprehensive income	△751	544
Comprehensive income	△575	496
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△437	396
Comprehensive income attributable to non-controlling interests	△137	100