

Summary of consolidated Financial Results
for the Three Months Ended June 30, 2023
(Based on Japanese GAAP)

August 4, 2023

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
 Senior Executive Nobutaka Okubo TEL 03-5323-0231
 Accounting Department General Manager
 Scheduled date to file Quarterly Securities Report: August 8, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	21,127	7.0	56	△90.6	661	△0.4	206	△52.2
Three months ended June 30, 2022	19,753	1.4	599	171.0	663	221.9	432	557.9

(Note) Comprehensive income:

Three months ended June 30, 2023 908 million yen (△66.8 %) Three months ended June 30, 2022 2,737 million yen (31.2%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2023	Yen 3.49	Yen —
Three months ended June 30, 2022	7.30	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	114,594	59,184	49.9
As of March 31, 2023	114,570	58,779	49.6

(Reference) Shareholder's equity:

As of June 30, 2023 57,213 million yen As of March 31, 2023 56,847 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, 2023	Yen —	Yen 0.00	Yen —	Yen 8.50	Yen 8.50
Year ending March 31, 2024	—	—	—	—	—
Year ending March 31, 2024 (forecast)	—	0.00	—	10.00	10.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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	85,000	1.4	2,700	3.6	2,500	△4.7	1,900	19.6	32.09

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

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(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, 2023	63,077,770 shares	As of March 31, 2023	63,077,770 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2023	3,865,972 shares	As of March 31, 2023	3,865,795 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, 2023	59,211,934 shares	Three months ended June 30, 2022	59,195,124 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, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	23,596	24,421
Notes and accounts receivable - trade	17,664	15,203
Electronically recorded monetary claims - operating	1,531	1,661
Merchandise and finished goods	9,691	9,691
Work in process	4,415	4,419
Raw materials and supplies	3,242	3,224
Other	1,552	1,517
Allowance for doubtful accounts	△41	△40
Total current assets	61,652	60,098
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,786	12,970
Machinery, equipment and vehicles, net	19,428	19,770
Land	7,801	7,811
Construction in progress	4,324	5,221
Other, net	1,498	1,599
Total property, plant and equipment	45,839	47,373
Intangible assets		
Goodwill	40	35
Other	329	318
Total intangible assets	370	354
Investments and other assets		
Investment securities	3,126	3,309
Retirement benefit asset	827	833
Other	2,720	2,597
Allowance for doubtful accounts	△23	△24
Total investments and other assets	6,651	6,715
Total non-current assets	52,860	54,443
Deferred assets		
Bond issuance costs	56	51
Total deferred assets	56	51
Total assets	114,570	114,594

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,265	10,380
Electronically recorded obligations - operating	2,049	1,837
Current portion of bonds payable	342	342
Current portion of long-term borrowings	10,327	10,327
Income taxes payable	240	242
Provision for bonuses	552	1,025
Asset retirement obligations	2	—
Other	3,155	3,100
Total current liabilities	26,936	27,256
Non-current liabilities		
Bonds payable	5,765	5,765
Long-term borrowings	21,472	20,690
Retirement benefit liability	153	166
Asset retirement obligations	404	405
Other	1,057	1,125
Total non-current liabilities	28,853	28,153
Total liabilities	55,790	55,409
Net assets		
Shareholders' equity		
Share capital	22,310	22,310
Capital surplus	16,966	16,966
Retained earnings	14,171	13,874
Treasury shares	△3,136	△3,136
Total shareholders' equity	50,311	50,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,198	1,369
Foreign currency translation adjustment	5,455	5,950
Remeasurements of defined benefit plans	△118	△121
Total accumulated other comprehensive income	6,535	7,198
Non-controlling interests	1,931	1,971
Total net assets	58,779	59,184
Total liabilities and net assets	114,570	114,594

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	19,753	21,127
Cost of sales	16,797	18,535
Gross profit	2,955	2,591
Selling, general and administrative expenses		
Employees' salaries and bonuses	881	872
Provision for bonuses	57	163
Retirement benefit expenses	5	14
Provision of allowance for doubtful accounts	△0	1
Other	1,412	1,484
Total selling, general and administrative expenses	2,356	2,535
Operating profit	599	56
Non-operating income		
Interest income	1	8
Dividend income	66	62
Rental income	18	18
Foreign exchange gains	32	557
Other	36	88
Total non-operating income	155	735
Non-operating expenses		
Interest expenses	58	77
Commission expenses	3	5
Taxes and dues	17	10
Other	11	37
Total non-operating expenses	91	130
Ordinary profit	663	661
Extraordinary income		
Gain on sale of non-current assets	—	0
Gain on sale of investment securities	—	0
Total extraordinary income	—	0
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	40	93
Loss on valuation of investment securities	—	58
Total extraordinary losses	40	152
Profit before income taxes	623	508
Income taxes	167	305
Profit	455	203
Profit (loss) attributable to non-controlling interests	22	△3
Profit attributable to owners of parent	432	206

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	455	203
Other comprehensive income		
Valuation difference on available-for-sale securities	△9	170
Foreign currency translation adjustment	2,306	538
Remeasurements of defined benefit plans, net of tax	△14	△3
Total other comprehensive income	2,282	705
Comprehensive income	2,737	908
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,594	869
Comprehensive income attributable to non-controlling interests	142	39