



# CMK

2008 Business Report

Year Ended March 31, 2008

CMK CORPORATION

Securities Code No.: 6958



During the consolidated fiscal year under review, the Japanese economy followed a moderate but stable growth path in the first half, led by an increase in capital expenditure on the back of improving corporate earnings. In the second half, however, concerns over the economy increased, reflecting turmoil in the international financial and capital markets triggered by the subprime mortgage loan problem in the United States and surging prices of raw materials arising from rising crude oil prices. Meanwhile, China continued to enjoy high growth, and other Asian economies also achieved favorable growth, led by exports. European economies remained firm, backed by strong exports and solid consumer spending. In the United States, by contrast, private consumption weakened with the depressed housing market, with the economy rapidly decelerating as a result in the second half.

In the printed wiring board (PWB) industry, the market expanded at a healthy pace until the end of the year, thanks to positive factors such as the increasing reliance on electronics in the market for automotive devices, higher demand for flat-screen televisions such as LCD televisions, and the increasing sophistication of digital camera and mobile phone functionality. However, the market rapidly entered a consolidation phase after the

turn of the year, reflecting the effect of the slowing economies in the United States and other countries.

In this environment, the CMK Group positioned the markets for automotive devices and digital AV devices, such as flat-screen televisions, as the key strategic markets in its medium-term management plan. We also dedicated ourselves to bolstering our technical capabilities, which are able to be compatible with next generation electronics equipment by boosting our global marketing and production system, which primarily targets Japanese users. As a result, in this fiscal year our consolidated sales figure totaled 138,502 million yen, an increase of 10,256 million yen over the previous fiscal year.

Turning to profits, a fall in product prices associated with intensifying competition, high raw material costs, and a temporary decline in orders attributable to changing demand for certain products, as well as a loss on the inauguration of a new plant in Thailand all had an impact on performance. As a result, ordinary income fell 2,396 million yen from the previous fiscal year, to 5,105 million yen. Net income declined 4,465 million yen, to 221 million yen, attributable to extraordinary losses of 4,037 million yen primarily associated with the reorganization of the single-sided PWB business in Southeast Asia as well as the reversal of deferred tax assets in corporate taxes and other adjustments.

Although the economic environment remains somewhat uncertain, we are committed to achieving our management objectives and improving corporate value. We thank all of you for your continued support.

June 2008

A handwritten signature in black ink, reading "T. Nakayama." The signature is written in a cursive, flowing style.

Takahiro Nakayama  
Representative Director and President

**Q** Please summarize the business results for the fiscal year 2007.

**Nakayama:** On a consolidated basis, net sales rose 8.0% from the previous fiscal year, to 138,502 million yen, while operating income declined 20.4%, to 4,779 million yen. As for the operating environment, we faced income pressures such as tougher price competition as a result of the emergence of competitors in Asia, including China, and high prices of raw materials, such as copper and crude oils. We also had a very tough year on the profit front, experiencing extraordinary losses associated with the loss on the launch of a new plant in Thailand and costs associated with a business reorganization in Southeast Asia. We sincerely regret that we were unable to meet the expectations of our shareholders. However, I am encouraged by our success in increasing net sales in Japan and in other countries to a greater extent than we managed in the previous year, reflecting the value that the market places on our technical capabilities and high product quality for our devices for digital home electric appliances such as digital cameras, mobile phones and flat-screen televisions and automotive devices. We will justify the confidence of our shareholders by strengthening our ability to develop new technologies, reduce costs and improve quality.

**Q** What is the global marketing and production system?

**Nakayama:** Over the last few years, Japanese electronic manufacturers and automotive makers, our largest customers, have been launching aggressive strategies with an eye on the global market and have been steadily increasing their international market shares. Partly because the place of manufacturing must shift to overseas from Japan to accommodate this underlying trend, we have been aggressively advancing overseas so that we can attract and retain these customers. Particularly on the production front, we have operated a new plant in Thailand in earnest as a global supply base, adding to our facility in China, and we have developed sales companies in the United States and Asia as marketing bases. As a result, the supply system in China and Thailand other than Japan and the marketing system in the United States, Europe, China and Asia have been put in place. We will

use these systems to the fullest extent and in the most appropriate manner, and we will expand our operations, leveraging our technical capabilities and our quality for the automotive and digital devices markets as they expand worldwide.

**Q** What is your vision for domestic business going forward?

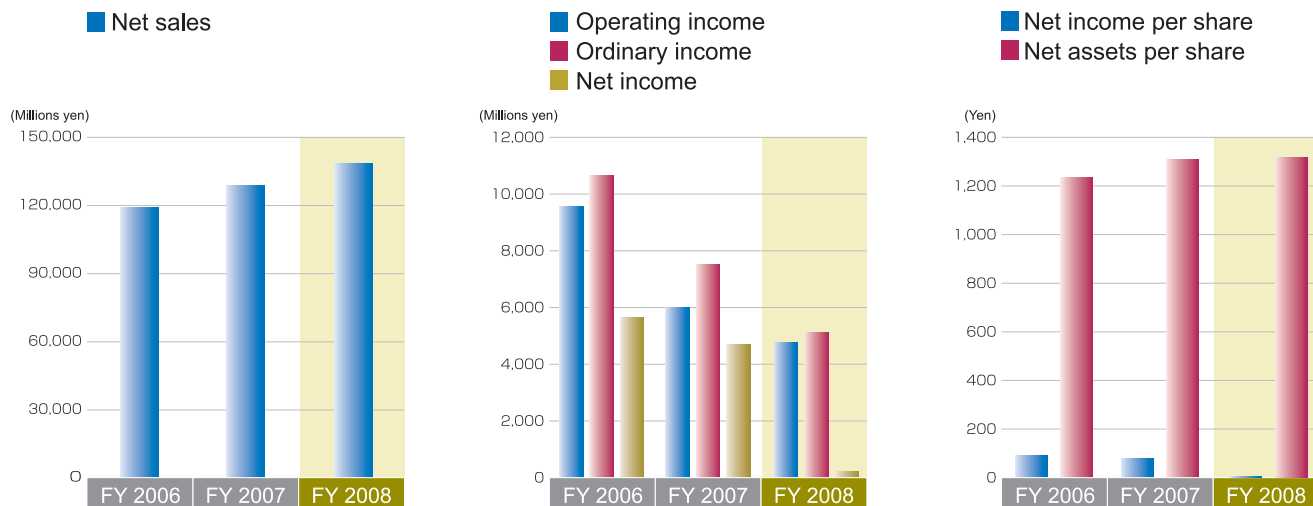
**Nakayama:** We expect that it will be difficult to expand domestic production in any significant way in the future. We anticipate that production in Japan will become more specialized, manufacturing high value-added products that are highly complex, taking advantage of local strengths in cutting-edge technologies and high quality. At present, we are placing top priority on commercializing embedded substrates as products that meet demands for PWBs, driven by the pursuit of sophisticated functionality in information telecommunications equipment in an ubiquitous society. We have already commercialized devices for GPS modules jointly with Casio Computer Co., Ltd. and we are moving forward with joint development projects with several other companies. We believe that these activities will emerge as a key business pillar in Japan going forward.

**Q** What is your outlook for the next term?

**Nakayama:** Looking at the business environment, our customer electronic manufacturers and automotive makers are taking an increasingly cautious view, reflecting the stronger sense that we are in a global economic slowdown driven in part by the subprime mortgage loan crisis. Given concerns over further price hikes of crude oils and other raw materials, we assume that this next year will be tougher. However, we expect that demand for PWBs will remain strong, as automobiles and digital home electric appliances such as LCD televisions and Blu-ray discs become even more reliant on electronics. Responding to this demand, we will justify the confidence of our customers by refining the technical capabilities and quality we have built over many years. We expect to sustain our growth and increase our corporate value, by fully leveraging our global marketing and production system.

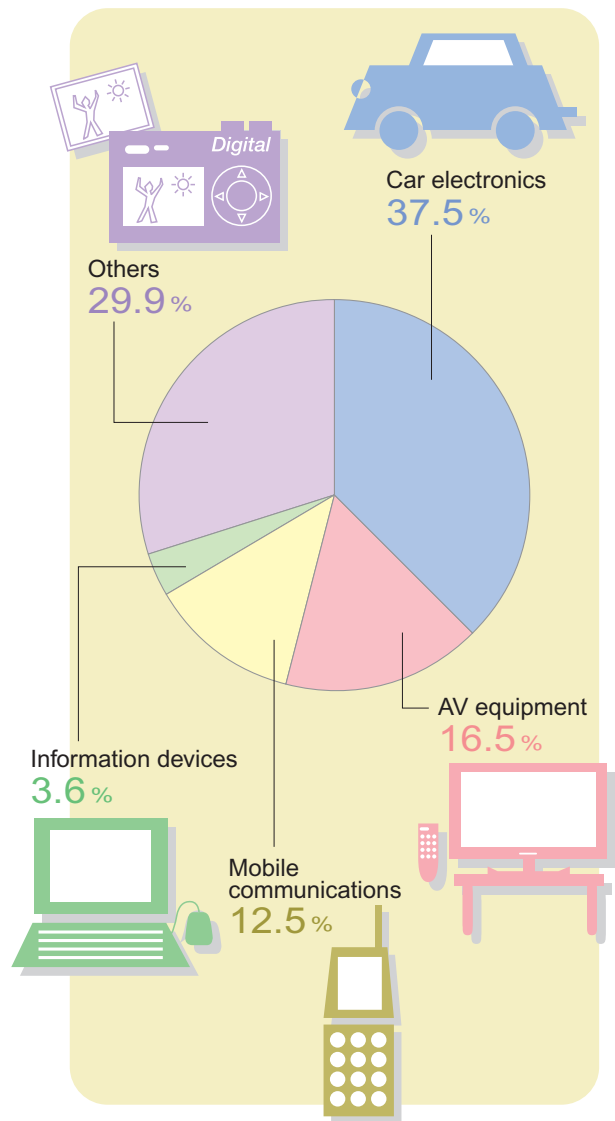
|                      | Yen (Millions)                            |   |   | U.S. Dollars (Thousands)                  |
|----------------------|---|---|---|---|
|                      | FY 2006<br>April 1, 2005 - March 31, 2006 | FY 2007<br>April 1, 2006 - March 31, 2007 | FY 2008<br>April 1, 2007 - March 31, 2008 | FY 2008<br>April 1, 2007 - March 31, 2008 |
| Net sales            | ¥119,192                                  | ¥128,245                                  | ¥138,502                                  | \$1,382,255                               |
| Operating income     | 9,564                                     | 6,005                                     | 4,779                                     | 47,694                                    |
| Ordinary income      | 10,656                                    | 7,502                                     | 5,105                                     | 50,948                                    |
| Net income           | 5,657                                     | 4,687                                     | 221                                       | 2,205                                     |
| Net assets           | ¥76,186                                   | ¥85,612                                   | ¥84,046                                   | \$838,782                                 |
| Total assets         | 136,272                                   | 139,482                                   | 150,060                                   | 1,497,604                                 |
| Net income per share | ¥92.74                                    | ¥76.38                                    | ¥3.62                                     | \$0.03                                    |
| Net assets per share | 1,235.50                                  | 1,309.54                                  | 1,314.00                                  | 13.11                                     |

Notes: 1. U.S. Dollars amounts have been translated from Yen, for convenience only, at the rate of ¥100.20 = \$1, the Tokyo foreign exchange market rate as of March 31, 2008.  
 2. All Millions Yen and Thousands U.S. Dollars amounts are rounded to the nearest figure.

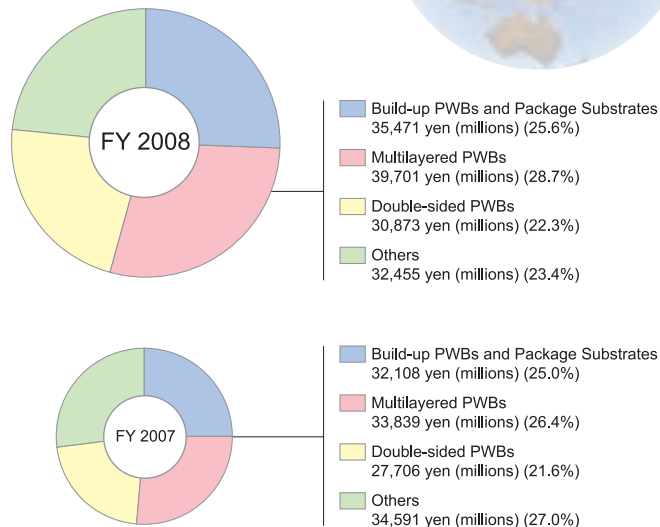




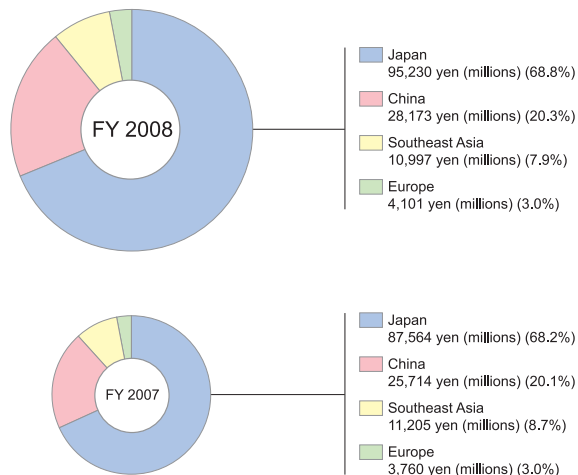
● Sales by application



● Sales by type of PWB



● Sales by region



## TOPICS 1

### Bolstering high value-added products

The CMK Group is improving its market competitiveness, making a structural shift to high value-added products, and developing a production system. In the fiscal year ended March 31, 2008, we made major capital investments in two Group companies, namely CMK CORPORATION (THAILAND) CO., LTD. overseas and CMK Multi Corporation in Japan. Details are as follows.

#### CMK CORPORATION (THAILAND) CO., LTD.

The construction of CMK CORPORATION (THAILAND) CO., LTD. (CMK THAILAND) was completed in May 2007, thanks to strong cooperation from a number of parties.

Advancing the carrying-in, installation and trial run of production facilities since then, CMK THAILAND commenced volume operations in October 2007 and currently produces double-sided and multilayer PWBs of 30,000m<sup>2</sup> per month. It plans to bolster production volume in the second half of this year.

Its products center on devices for digital equipment such as flat-screen televisions and DVD recorders and for in-vehicle equipment.

As global markets call for the supply of products with the same level of complexity as those available in the Japanese market at lower prices than prevail in Japan, we expect that the level of demand will rise again in the future.

In the current fiscal year, CMK THAILAND will also begin producing build-up PWBs, demand for which is increasing. As production equipment for circuit thinning, such as laser hole drilling machines, has already been introduced, CMK THAILAND will boost its capabilities in both quantity and quality, together with the introduction of other facilities.

With these efforts, CMK THAILAND will improve its technical standards so that it is able to supply high value-added products such as multilayer PWBs and build-up PWBs of a high level of difficulty, responding to needs of the global market.

CMK THAILAND also acquired the environmental and quality management systems ISO14001 and ISO9001 certificates in January 2008. Similar initiatives are underway at customer facilities.

At CMK THAILAND, a recycling system for waste liquid was completed at the end of April, and operations are underway. This system collects copper from waste liquid emitted from etching and reuses it in the plating process to reduce the risk of damaging the environment, as it does not take discharged water off-site.

Moreover, the system not only increases cost competitiveness but also helps improve quality.

CMK THAILAND will be increasingly active in this area going forward.



Laser hole drilling machines



Plating line

## TOPICS 2

### Strengthening the marketing system in Asia CMK ASIA (PTE.) LTD. launched

The CMK Group is developing a global marketing system, and as part of this initiative it inaugurated CMK ASIA (PTE.) LTD. in Singapore as a headquarters for Asia, following the inauguration of CMK AMERICA CORPORATION last year.

We will respond to increasing demand for PWBs in the Asian market with Singapore, Bangkok in Thailand and Kuala Lumpur in Malaysia as our core bases.

With these facilities, we will be able to meet global demand for PWBs and provide our products in five key regions, namely Japan, China, Asia, Europe and the United States.

We expect CMK ASIA (PTE.) LTD. to be strong performers in the future.

## TOPICS 3

### CMK Package Tech Corporation merged

We are carrying forward the structural reorganization to make Gunma Prefecture, our main production area in Japan, the center of cutting-edge circuit boards.

On July 1, we merged with our subsidiary CMK Package Tech Corporation that engaged in the package substrate and embedded component businesses. Through the merger, CMK Corporation will integrate the development, volume production and sale of cutting-edge package substrates and embedded substrates, which are the next-generation PWB business.

The CMK Group will mobilize all available resources and polishes its most advanced technologies unique to Japan, so that this promising business will emerge as a major pillar of our domestic businesses.

## CMK Multi Corporation

CMK Multi Corporation (CMK Multi) was established in 1994, with an important task of advancing into the multilayer PWB business, at a time when the CMK Group engaged primarily in single-sided and double-sided PWBs as its core business.

CMK Multi has been constructing an internal management system and responding to a broad array of requests by instituting production reforms through diverse efforts, such as the ongoing improvement and updating of production facilities, the acquisition of ISO certificates, the introduction of the ERP system, and active involvement in environmental activities.

As a result of these sustained reforms, CMK Multi boasts a production scale of 26,000m<sup>2</sup> per month, centering on build-up PWBs. The number of employees is 540, and annual sales are 13 billion yen.

Build-up PWBs, which account for 70% of the production of CMK Multi, are able to accommodate requirements such as high rigidity, high reliability and high density. They are used for important components, such as engines and brake control units and AV products such as car navigations for automotive use. They are also used for mobile phones, base stations and digital cameras in digital products.

As such, build-up PWBs have general-purpose properties that are able to be compatible with equipment that requires high reliability and those that require very high density. Therefore, build-up PWBs will grow in all markets in response to an increase in growth products created out of digital technologies.

In the fiscal year ended March 31, 2008, CMK Multi made capital investments in high value-added products that are able to be compatible with thinner and higher precision mobile phones and digital cameras and small automotive devices of high density, high thermal resistance and high heat release.

Specifically, CMK Multi has achieved advantageous features such as

reliability and high quality using a horizontal copper plating line, quality improvement of products that have L/S (line and space: width of a circuit itself and width between circuits) of 30μm/30μm by digital exposure systems, and compatibility with high multistage products by increasing the capacity of laminating press.

As a result, CMK Multi has enabled a system that is able to bolster the integrated production system, improve quality, shorten the lead time, promote rationalization, increase added value and boost manufacturing technological capabilities.

In March 2008, the Niigata Satellite Factory including CMK Multi was recognized as one of six companies with an excellent recycling business facility in Niigata Prefecture.

CMK Multi will continue to fulfill its social responsibility by supplying products with high degrees of complexity and high reliability that meet customer needs, and by actively pursuing environmental activities in close cooperation with local communities.



Digital exposure systems



Horizontal copper plating line



We established CMK CORPORATION (THAILAND) CO., LTD. (CMK THAILAND) in the Kingdom of Thailand in 2007 as a base for bolstering the global production system and strengthening strategies in the Asian region.

With the factory operating in earnest, CMK THAILAND acquired management system certificates essential for a production facility through the review of SGS (ISO certificate testing organization of Thailand) in January 2008.

This is a feat of acquiring an environmental management system (ISO14001) and a quality management system (ISO9001) at the same time and implies the strong potential of CMK THAILAND.

We will continue to address compliance with environmental laws and regulations. Likewise, we will continue to take action, for instance to preserve the global environment and to manage the chemicals of our products in Thailand and other countries around the world on preferential and continuous bases.





**Consolidated Balance Sheet**

(Unit: Thousands of U.S. Dollars/Millions of yen)

|                                  | Yen (Millions)                     |                                    | U.S. Dollars<br>(Thousands)        |
|----------------------------------|------------------------------------|------------------------------------|------------------------------------|
|                                  | FY 2008<br>As of<br>March 31, 2008 | FY 2007<br>As of<br>March 31, 2007 | FY 2008<br>As of<br>March 31, 2008 |
| <b>(Assets)</b>                  |                                    |                                    |                                    |
| Current assets                   | ¥71,332                            | ¥60,921                            | \$711,896                          |
| Cash and deposits                | 16,273                             | 9,929                              | 162,405                            |
| Notes and accounts receivable    | 40,617                             | 38,492                             | 405,359                            |
| Marketable securities            | 124                                | 224                                | 1,237                              |
| Inventories                      | 12,396                             | 10,327                             | 123,712                            |
| Deferred income taxes            | 645                                | 651                                | 6,437                              |
| Other current assets             | 1,309                              | 1,318                              | 13,063                             |
| Allowance for doubtful accounts  | (34)                               | (20)                               | (339)                              |
| Fixed assets                     | 78,684                             | 78,560                             | 785,269                            |
| Tangible fixed assets            | 66,438                             | 60,083                             | 663,053                            |
| Buildings and structures         | 27,473                             | 23,326                             | 274,181                            |
| Machinery, equipment, and others | 26,009                             | 19,752                             | 259,570                            |
| Land                             | 11,529                             | 12,052                             | 115,059                            |
| Construction in process          | 487                                | 4,111                              | 4,860                              |
| Other tangible fixed assets      | 938                                | 839                                | 9,361                              |
| Intangible fixed assets          | 1,624                              | 1,494                              | 16,207                             |
| Goodwill                         | 791                                | 379                                | 7,894                              |
| Other intangible fixed assets    | 833                                | 1,114                              | 8,313                              |
| Investments and other assets     | 10,621                             | 16,982                             | 105,998                            |
| Investments in securities        | 7,818                              | 14,123                             | 78,023                             |
| Deferred income taxes            | 95                                 | 145                                | 948                                |
| Other                            | 2,747                              | 2,754                              | 27,415                             |
| Allowance for doubtful accounts  | (40)                               | (39)                               | (399)                              |
| Deferred assets                  | 43                                 | —                                  | 429                                |
| Bond issue costs                 | 43                                 | —                                  | 429                                |
| Total assets                     | 150,060                            | 139,482                            | 1,497,604                          |

|   | Yen (Millions)                     |                                    | U.S. Dollars<br>(Thousands)        |
|---|------------------------------------|------------------------------------|------------------------------------|
|   | FY 2008<br>As of<br>March 31, 2008 | FY 2007<br>As of<br>March 31, 2007 | FY 2008<br>As of<br>March 31, 2008 |
| <b>(Liabilities)</b>                              |                                    |                                    |                                    |
| Current liabilities                               | ¥39,669                            | ¥47,166                            | \$395,898                          |
| Notes and accounts payable                        | 19,112                             | 18,825                             | 190,738                            |
| Short-term borrowings                             | 7,079                              | 10,205                             | 70,648                             |
| Bonds repayable within one year                   | —                                  | 5,500                              | —                                  |
| Trade payables                                    | 9,798                              | 9,007                              | 97,784                             |
| Income taxes payable                              | 543                                | 714                                | 5,419                              |
| Allowance for employee bonuses                    | 787                                | 810                                | 7,854                              |
| Allowance for restructuring                       | 291                                | —                                  | 2,904                              |
| Other current liabilities                         | 2,055                              | 2,102                              | 20,508                             |
| Fixed liabilities                                 | 26,344                             | 6,702                              | 262,914                            |
| Bonds   | 5,500                              | —                                  | 54,890                             |
| Long-term debt                                    | 19,748                             | 5,417                              | 197,085                            |
| Allowance for employee retirement benefits        | 672                                | 438                                | 6,706                              |
| Allowance for executive retirement benefits       | 210                                | 198                                | 2,095                              |
| Other   | 213                                | 647                                | 2,125                              |
| Total liabilities                                 | 66,014                             | 53,869                             | 658,822                            |
| <b>(Net assets)</b>                               |                                    |                                    |                                    |
| Shareholders' equity                              | 77,961                             | 78,354                             | 778,053                            |
| Capital   | 22,306                             | 22,306                             | 222,614                            |
| Additional paid-in capital                        | 22,063                             | 22,063                             | 220,189                            |
| Retained earnings                                 | 36,211                             | 36,602                             | 361,387                            |
| Treasury stock                                    | (2,620)                            | (2,618)                            | (26,147)                           |
| Unrealized gains, translation gains, etc.         | 2,521                              | 1,857                              | 25,159                             |
| Unrealized gains on available-for-sale securities | 770                                | 2,421                              | 7,684                              |
| Deferred hedge gains and losses                   | (1)                                | 0                                  | (9)                                |
| Foreign currency translation adjustment           | 1,751                              | (563)                              | 17,475                             |
| Minority interests in subsidiaries                | 3,563                              | 5,401                              | 35,558                             |
| Total net assets                                  | 84,046                             | 85,612                             | 838,782                            |
| Total liabilities and net assets                  | 150,060                            | 139,482                            | 1,497,604                          |



## ● Consolidated Statement of Operations

(Unit: Thousands of U.S. Dollars/Millions of yen)

|   | Yen (Millions)                     |                                    | U.S. Dollars<br>(Thousands)        |
|---|------------------------------------|------------------------------------|------------------------------------|
|   | FY 2008<br>As of<br>March 31, 2008 | FY 2007<br>As of<br>March 31, 2007 | FY 2008<br>As of<br>March 31, 2008 |
| Net sales   | ¥138,502                           | ¥128,245                           | \$1,382,255                        |
| Cost of sales   | 121,920                            | 112,033                            | 1,216,766                          |
| Gross profit  | 16,581                             | 16,212                             | 165,479                            |
| Selling, general, and administrative expenses             | 11,801                             | 10,207                             | 117,774                            |
| Operating income  | 4,779                              | 6,005                              | 47,694                             |
| Non-operating income                                      | 1,862                              | 2,509                              | 18,582                             |
| Non-operating expenses                                    | 1,536                              | 1,012                              | 15,329                             |
| Ordinary income   | 5,105                              | 7,502                              | 50,948                             |
| Extraordinary income                                      | 1,159                              | 244                                | 11,566                             |
| Extraordinary losses                                      | 4,037                              | 905                                | 40,289                             |
| Net income before taxes and other adjustments             | 2,228                              | 6,840                              | 22,235                             |
| Corporate, residence, and enterprise taxes                | 1,452                              | 1,976                              | 14,491                             |
| Corporate taxes and other adjustments                     | 969                                | 189                                | 9,670                              |
| Gains or losses (-) on minority Interests in subsidiaries | (415)                              | (12)                               | (4,141)                            |
| Net income  | 221                                | 4,687                              | 2,205                              |

## ● Consolidated Statement of Cash Flows

(Unit: Thousands of U.S. Dollars/Millions of yen)

|  | Yen (Millions)                     |                                    | U.S. Dollars<br>(Thousands)        |
|--|------------------------------------|------------------------------------|------------------------------------|
|  | FY 2008<br>As of<br>March 31, 2008 | FY 2007<br>As of<br>March 31, 2007 | FY 2008<br>As of<br>March 31, 2008 |
| Cash flows from operating activities                         | ¥6,675                             | ¥9,634                             | \$66,616                           |
| Cash flows from investing activities                         | (10,750)                           | (11,142)                           | (107,285)                          |
| Cash flows from financing activities                         | 10,696                             | (3,418)                            | 106,746                            |
| Effect of exchange-rate changes on cash and cash equivalents | 165                                | 141                                | 1,646                              |
| Net increase (decrease) in cash and cash equivalents         | 6,787                              | (4,785)                            | 67,734                             |
| Cash and cash equivalents at beginning of year               | 9,468                              | 14,253                             | 94,491                             |
| Cash and cash equivalents at end of year                     | 16,255                             | 9,468                              | 162,225                            |

## ● Primary Consolidated Subsidiaries (as of March 31, 2008)

### Japan

- CMK Mechanics Corporation
- CMK Multi Corporation
- CMK Niigata Corporation
- CMK Finance Corporation
- CMK Package Tech Corporation
- CMK Products Corporation
- Wakoh Electronics Corporation
- Yamanashi Sanko Co., Ltd.
- CMK Kanbara Electronic Corporation Japan
- JT CMK Corporation

### Overseas

- CMKC (Hong Kong) Ltd.
- CMKC (Dong Guan) Ltd.
- CMK Electronics (Wuxi) Co., Ltd.
- CMK EUROPE N.V.
- CMK SINGAPORE (PTE.) LTD.
- CMK CORPORATION (THAILAND) CO., LTD.

**Consolidated Statement of Shareholders' Equity** (FY 2008: April 1, 2007 - March 31, 2008) (Unit: Thousands of U.S. Dollars/Millions of yen)

|   | Shareholders' equity |                |                            |                |                   |                |                   |                 |                            |                |
|---|----------------------|----------------|----------------------------|----------------|-------------------|----------------|-------------------|-----------------|----------------------------|----------------|
|   | Common stock         |                | Additional paid-in capital |                | Retained earnings |                | Treasury stock    |                 | Total shareholders' equity |                |
| <b>Balance as of March 31, 2007</b>   | <b>\$222,614</b>     | <b>¥22,306</b> | <b>\$220,189</b>           | <b>¥22,063</b> | <b>\$365,289</b>  | <b>¥36,602</b> | <b>\$(26,127)</b> | <b>¥(2,618)</b> | <b>\$781,976</b>           | <b>¥78,354</b> |
| Change during this consolidated fiscal year   |                      |                |                            |                |                   |                |                   |                 |                            |                |
| Cash dividends  |                      |                |                            |                | (6,107)           | (612)          |                   |                 | (6,107)                    | (612)          |
| Net income  |                      |                |                            |                | 2,205             | 221            |                   |                 | 2,205                      | 221            |
| Purchase of treasury stock  |                      |                |                            |                |                   |                | (19)              | (2)             | (19)                       | (2)            |
| Sale of treasury stock  |                      |                | (0)                        | (0)            |                   |                | 1                 | 0               | 1                          | 0              |
| (Net) change during this consolidated fiscal year in accounts other than shareholders' equity |                      |                |                            |                |                   |                |                   |                 |                            |                |
| <b>Total change during this consolidated fiscal year</b>                                      | <b>—</b>             | <b>—</b>       | <b>(0)</b>                 | <b>(0)</b>     | <b>(3,892)</b>    | <b>(390)</b>   | <b>(19)</b>       | <b>(2)</b>      | <b>(3,922)</b>             | <b>(393)</b>   |
| <b>Balance as of March 31, 2008</b>   | <b>222,614</b>       | <b>22,306</b>  | <b>220,189</b>             | <b>22,063</b>  | <b>361,387</b>    | <b>36,211</b>  | <b>(26,147)</b>   | <b>(2,620)</b>  | <b>778,053</b>             | <b>77,961</b>  |

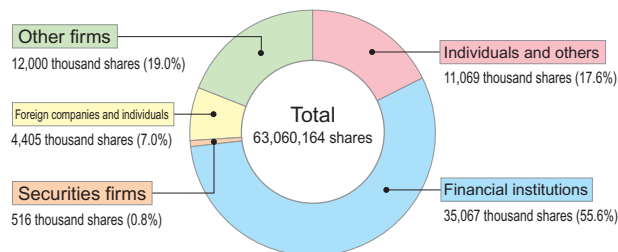
|   | Unrealized gains (losses)                                  |                |                                 |            |   |               |                                 |               | Minority shareholders' interests | Total net assets |                  |                |
|---|--|----------------|---------------------------------|------------|---|---------------|---------------------------------|---------------|----------------------------------|------------------|------------------|----------------|
|   | Unrealized gains (losses) on available-for-sale securities |                | Deferred hedge gains and losses |            | Foreign currency translation adjustment |               | Total unrealized gains (losses) |               |                                  |                  |                  |                |
| <b>Balance as of March 31, 2007</b>   | <b>\$24,161</b>  | <b>¥2,421</b>  | <b>\$1</b>                      | <b>¥0</b>  | <b>\$(5,618)</b>                        | <b>¥(563)</b> | <b>\$18,532</b>                 | <b>¥1,857</b> | <b>\$53,902</b>                  | <b>¥5,401</b>    | <b>\$854,411</b> | <b>¥85,612</b> |
| Change during this consolidated fiscal year   |  |                |                                 |            |   |               |                                 |               |                                  |                  |                  |                |
| Cash dividends  |  |                |                                 |            |   |               |                                 |               |                                  |                  | (6,107)          | (612)          |
| Net income  |  |                |                                 |            |   |               |                                 |               |                                  |                  | 2,205            | 221            |
| Purchase of treasury stock  |  |                |                                 |            |   |               |                                 |               |                                  |                  | (19)             | (2)            |
| Sale of treasury stock  |  |                |                                 |            |   |               |                                 |               |                                  |                  | 1                | 0              |
| (Net) change during this consolidated fiscal year in accounts other than shareholders' equity | (16,467)   | (1,650)        | (9)                             | (1)        | 23,103                                  | 2,315         | 6,616                           | 663           | (18,333)                         | (1,837)          | (11,706)         | (1,173)        |
| <b>Total change during this consolidated fiscal year</b>                                      | <b>(16,467)</b>  | <b>(1,650)</b> | <b>(9)</b>                      | <b>(1)</b> | <b>23,103</b>                           | <b>2,315</b>  | <b>6,616</b>                    | <b>663</b>    | <b>(18,333)</b>                  | <b>(1,837)</b>   | <b>(15,628)</b>  | <b>(1,566)</b> |
| <b>Balance as of March 31, 2008</b>   | <b>7,684</b>   | <b>770</b>     | <b>(9)</b>                      | <b>(1)</b> | <b>17,475</b>                           | <b>1,751</b>  | <b>25,159</b>                   | <b>2,521</b>  | <b>35,558</b>                    | <b>3,563</b>     | <b>838,782</b>   | <b>84,046</b>  |

|   |             |
|---|-------------|
| ● Total number of shares authorized             | 227,922,000 |
| ● Total number of shares issued and outstanding | 63,060,164  |
| ● Number of shareholders                        | 6,184       |
| ● Share trading unit                            | 100         |
| ● Major shareholders (10 largest)               |             |

| Shareholders   | Investment in CMK                 |                |
|--|-----------------------------------|----------------|
|  | Number of shares held (thousands) | Percentage (%) |
| Japan Trustee Services Bank, Ltd. (Trustee account)  | 8,367                             | 13.2           |
| The Master Trust Bank of Japan, Ltd. (Trustee account)   | 4,488                             | 7.1            |
| The Dai-ichi Mutual Life Insurance Company   | 2,845                             | 4.5            |
| Noboru Nakayama  | 2,653                             | 4.2            |
| Mizuho Corporate Bank, Ltd.  | 2,576                             | 4.0            |
| The Foundation for Technology Promotion of Electronic Circuit Board  | 2,500                             | 3.9            |
| Matsushita Electric Works, Ltd.  | 1,860                             | 2.9            |
| Trust & Custody Services Bank, Ltd. as trustee for Hitachi Chemical Co., Ltd.; retirement benefit trust account re-entrusted by Mizuho Trust and Banking Co., Ltd. | 1,822                             | 2.8            |
| Trust & Custody Services Bank, Ltd. as trustee for the Tokyo Tomin Bank, Ltd.; retirement benefit trust account re-entrusted by Mizuho Trust and Banking Co., Ltd. | 1,745                             | 2.7            |
| Sony Life Insurance Co.,Ltd.   | 1,621                             | 2.5            |

Note: Although the Company holds 1,810 thousand shares of treasury stock, it is not included in the above list of major shareholders.

● Shareholder Breakdown



|                          |   |
|--------------------------|---|
| ● Name of listed company | CMK CORPORATION<br>(Securities code no.: 6958)          |
| ● Date of establishment  | February 25, 1961                                       |
| ● Capital                | ¥22,306,203,140   |
| ● Address of head office | 5-1 Nishishinjuku 6-chome,<br>Shinjuku-ku, Tokyo, Japan |
| ● Number of employees    | 1,076   |

● Management (as of June 27, 2008)

|                    |  |                    |
|--------------------|--|--------------------|
| Directors          | President and Chief Executive Officer          | Takahiro Nakayama  |
|                    | Director and Executive Senior Managing Officer | Mikihiko Hattori   |
|                    | Director and Executive Managing Officer        | Tsutomu Yamaguchi  |
|                    | Director and Executive Managing Officer        | Takeo Takai        |
|                    | Director and Executive Officer                 | Kazuhiro Ito       |
|                    | Director and Executive Officer                 | Akiharu Nakayama   |
| Auditors           | Standing Auditor                               | Nobuo Akiyama      |
|                    | Auditor  | Noriyuki Takei     |
|                    | Auditor  | Hiroo Wakabayashi  |
| Executive Officers | Executive Officer                              | Jyunichi Itsuji    |
|                    | Executive Officer                              | Kenichi Urushiyama |
|                    | Executive Officer                              | Nobuyuki Kageyama  |
|                    | Executive Officer                              | Toshimi Kuroki     |
|                    | Executive Officer                              | Masashi Koike      |
|                    | Executive Officer                              | Kazuma Shiobara    |
|                    | Executive Officer                              | Takahiro Shirai    |
|                    | Executive Officer                              | Munefumi Takano    |
|                    | Executive Officer                              | Hiromitsu Nakayama |
|                    | Executive Officer                              | Hiroshi Hanaoka    |
| Senior Counselor   |  | Noboru Nakayama    |

## ● Information for Shareholders

Fiscal year: April 1 through March 31 of the following year

Regular general meeting of shareholders: Held in June each year

Date of record for end-of-year dividends: March 31

Date of record for mid-year dividends: September 30

Number of shares per trading unit: 100 shares

Transfer fee: Free of charge

Notification method: Electronic notification (company website at <http://www.cmk-corp.com>).  
If notification cannot be made electronically, it will be made using the *Nihon Keizai Shimbun*.

## ● Address for inquiries about stock procedures

Stock transfer agent: Japan Securities Agents, Ltd.  
2-4 Kayabacho 1-chome, Nihonbashi,  
Chuo-ku, Tokyo, Japan

Contact address:

Japan Securities Agents, Ltd.,  
Agent Division,  
8-18 Shiohama 2-chome, Koto-ku, Tokyo 137-8650

(Phone number for requesting  
change of address forms etc.): ☎ 0120-707-842

(Phone number for other inquiries): ☎ 0120-707-843



<http://www.cmk-corp.com>

# CMK

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