



CMK CORPORATION  
(Stock code : 6958)

# 1H FY2024 Financial Results (presentation material)

November 13, 2024  
CMK CORPORATION

1. Consolidated financial results for 1H FY2024
2. Consolidated financial forecast for FY2024
3. In-vehicle growth strategy
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5. Supplementary information

# 1 . Consolidated financial results for 1H FY2024

## ① Consolidated Financial results

### ■ Key points of 1H FY2024 Financial results

- Sales have increased mainly due to strong sales of driving safety products we focused on (+14%) and the favorable exchange rate.
- Profits are raised due to productivity improvement, the favorable exchange rate, etc., in spite of the stagnant operation rate of the factories.

(Billions of yen)	1H FY2023 (Results)	1H FY2024 (Results)	YoY Change	YoY %
Net sales	43.2	46.2	+3.0	+7%
Operating income	0.5	1.7	+1.1	+209%
Operating margin	1.3%	3.8%	+2.5%	-
Ordinary income	1.6	3.7	+2.0	+124%
Profit attributable to owners of parent	0.7	2.5	+1.8	+242%
Exchange rate (USD/JPY)	136.54	154.08	+17.54	+13%

## ② Sales development breakdown itemized by automotive uses, board types and foreign customers.

Sales of powertrain and driving safety system products with competitive advantage have steadily increased.

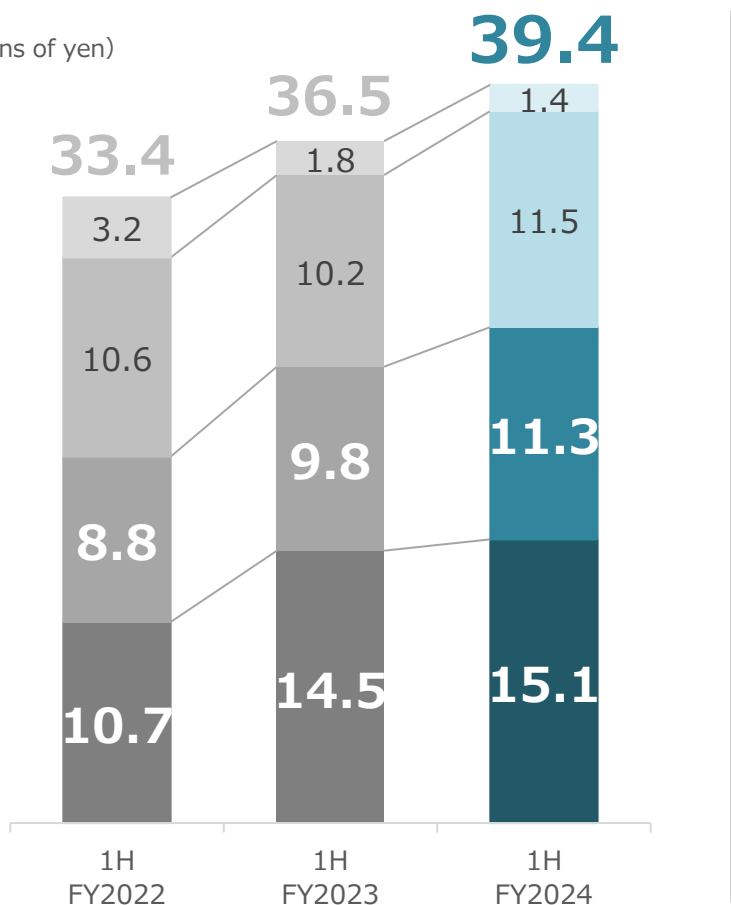
Sales composition of the high-value -added HDI PCBs has increased.

The diversity of the clients' portfolio has been promoted. Thus the product mix is improved.

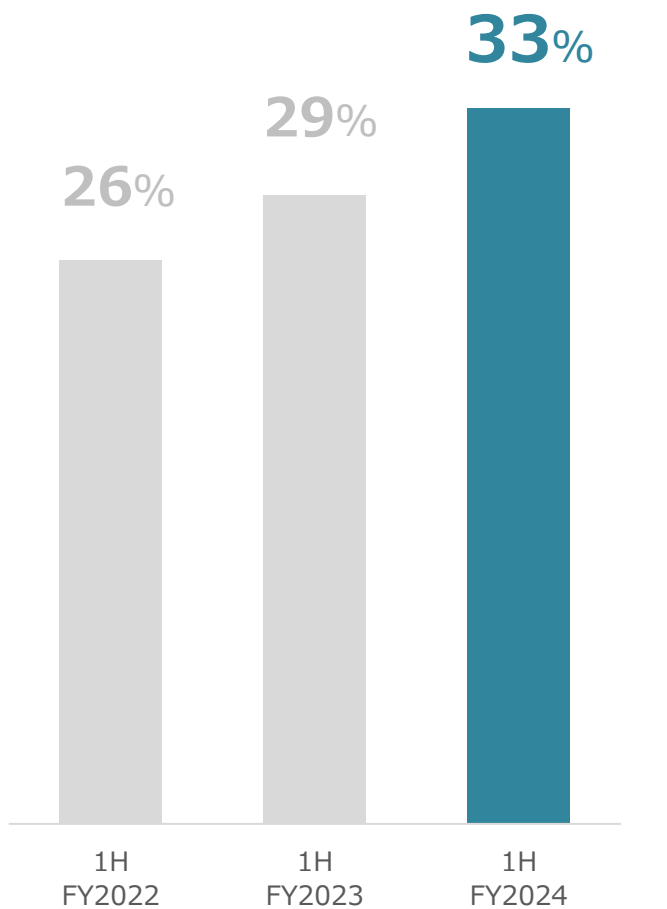
Sales by product  
(Car Electronics)

- Powertrain
- Driving control and Safety
- Body Electronics/Climate Control
- Information and Communication

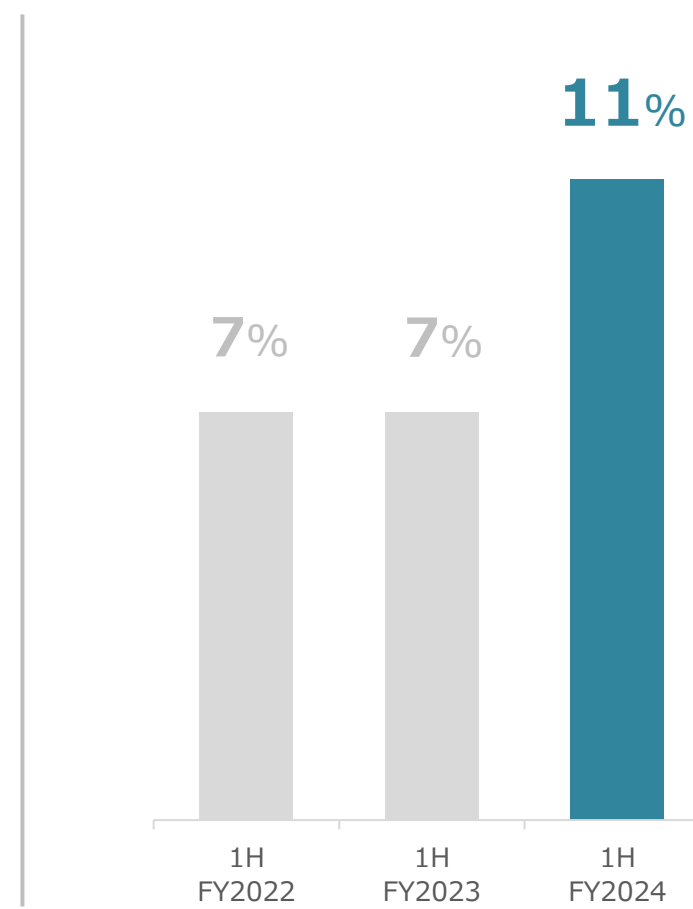
(Billions of yen)



Sales ratio of HDI PCBs

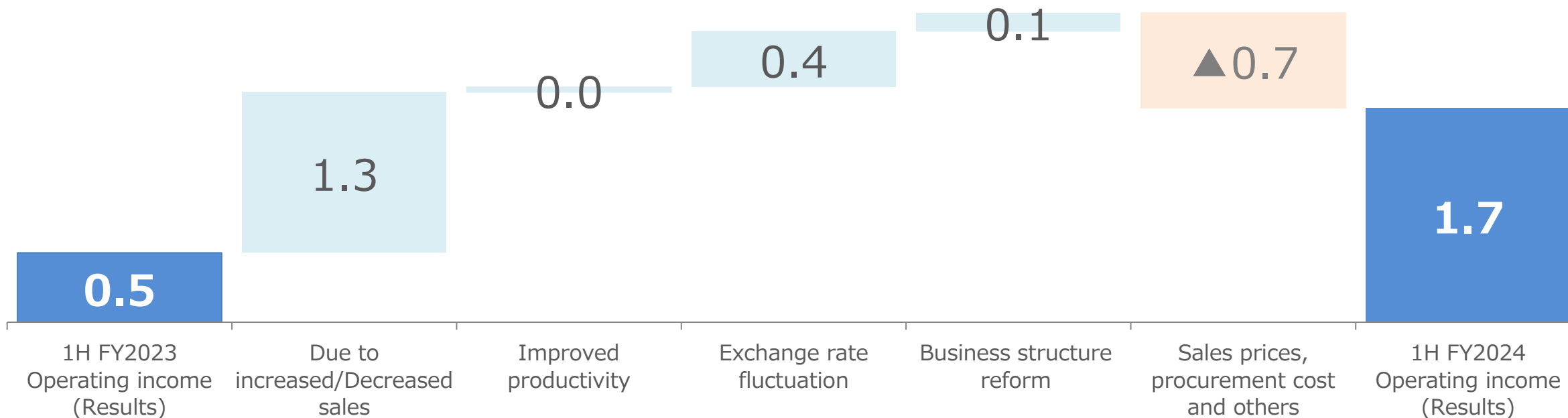


Sales ratio of foreign customers



### ③ Analysis of changes in operating income

(Billions of yen)



- The increased profit resulted from the increased sales reflects the improvement in product mix with the bigger sales composition of HDI PCBs.

## 2. Consolidated financial forecast for FY2024

## ① Consolidated Financial forecast

### ■ Downward Revisions of FY2024 forecast

- Sluggish Japan's automobile production partly due to the car certification scandal.
- Slow recovery in automobile demand in Asia and in Europe along with economic stagnation symbolized by China's economic slowdown.

(Billions of yen)	1H FY2024 Forecast	2H FY2024 Forecast	FY2024 Forecast		1H FY2024 Results	2H FY2024 Forecast	FY2024 Forecast
Net sales	45.0	49.0	94.0		46.2	45.7	92.0
Operating income	1.5	3.5	5.0		1.7	2.0	3.8
Operating margin	3.3%	7.1%	5.3%		3.8%	4.5%	4.1%
Ordinary income	1.1	3.1	4.2		3.7	1.0	4.8
Profit attributable to owners of parent	0.7	2.7	3.5		2.5	0.9	3.5
Exchange rate (USD/JPY)			145.00		154.08	148.00	



## ② Measures to cope with the changes in the business environment

### Regarding sales

- New item orders to capture medium-to long-term CASE demand
- Continuous aggressive activities to receive new foreign customers' orders.
- Sales promotion to establish our business domain outside automotive parts.

### Regarding profits

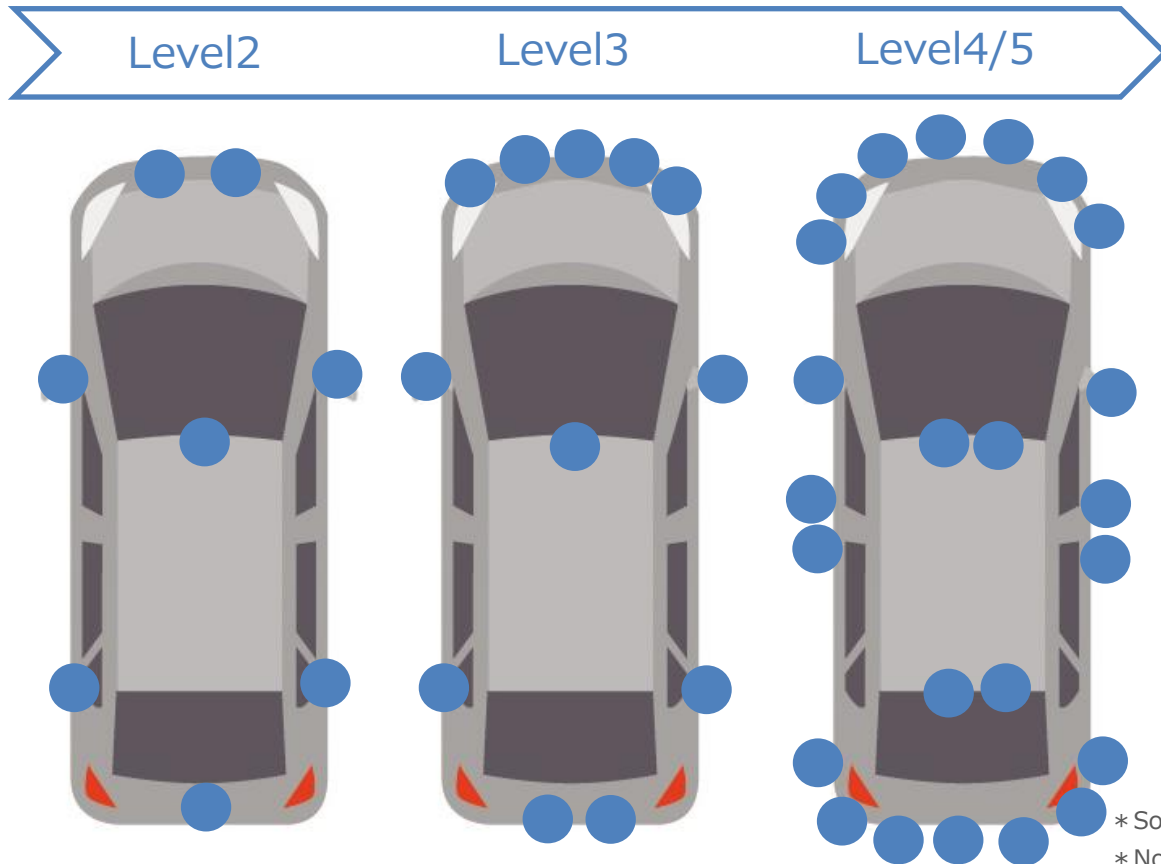
- Productivity improvement and cost containment
- Acceleration of the large-format production by replacing the equipment of Wuxi factory.
- Fixed cost reduction by starting up mass production in response to demand as for the new factory in Thailand.

# 3. In-vehicle growth strategy

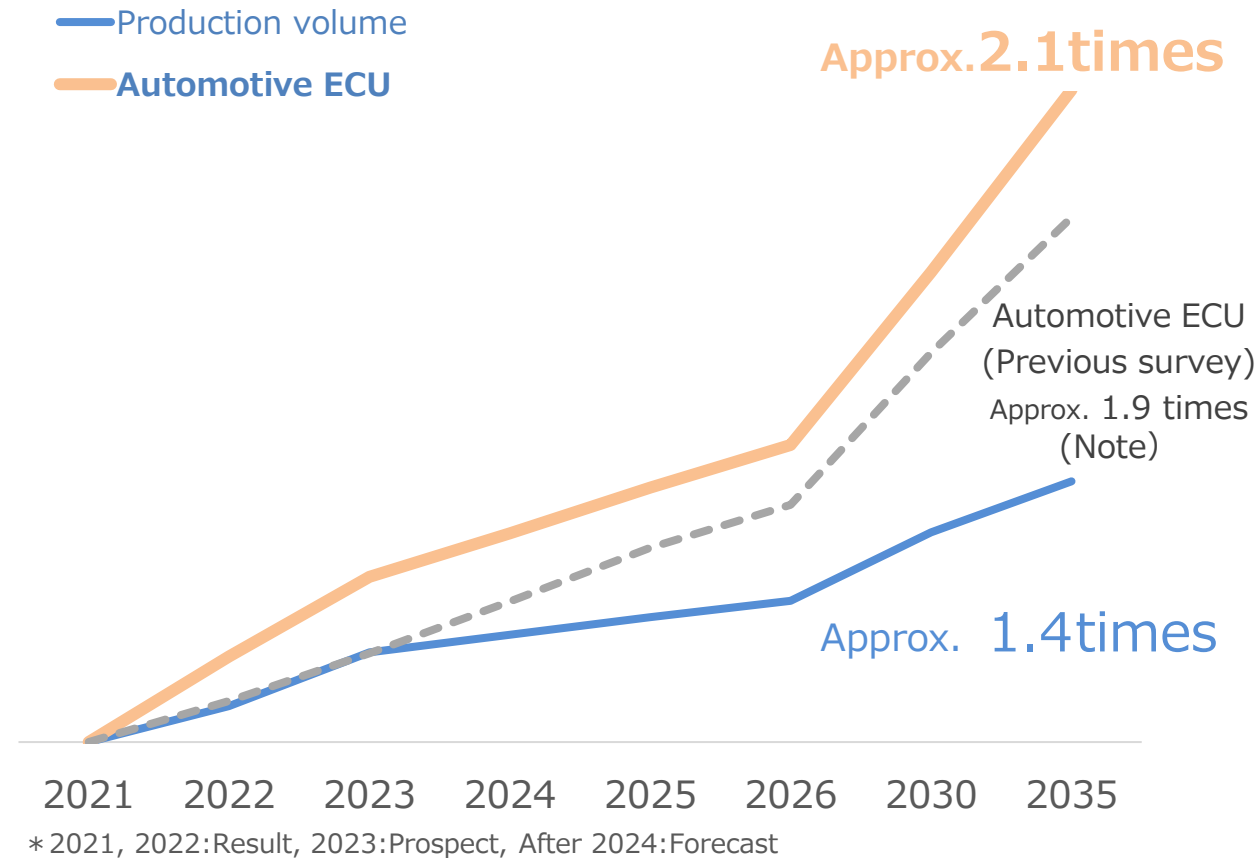
# Upcoming trend①

## The number of installed ECU is increasing at the rate that exceeds that of automobile production volume due to complexity of control of self-driving functions, etc.

< Volume concept of self-driving level, sensors, cameras, etc.> (Our estimate)



<Forecast of automotive production volume and automotive ECU>



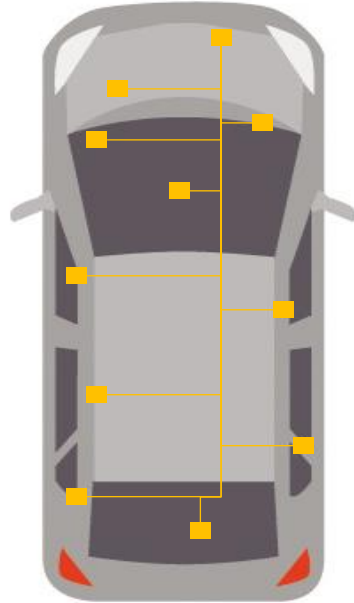
\* Source: Comprehensive Study of In-Vehicle Electronics Devices and components 2024 by Fuji Chimera Research

\* Note: Precious survey (2021 results of Production volume and Automotive ECU)

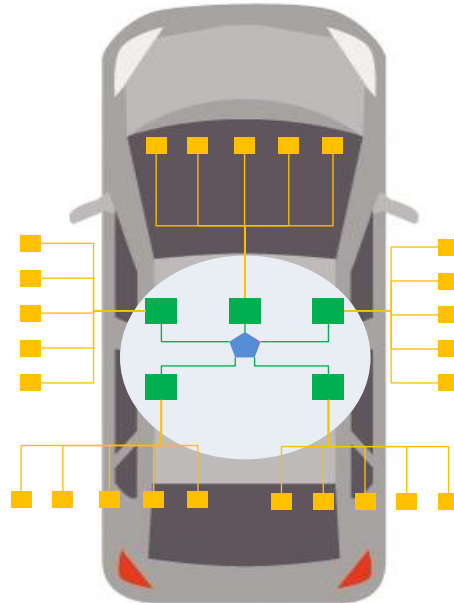
Source: Comprehensive Study of In-Vehicle Electronics Devices and components 2023 by Fuji Chimera Research

## Upcoming trend②

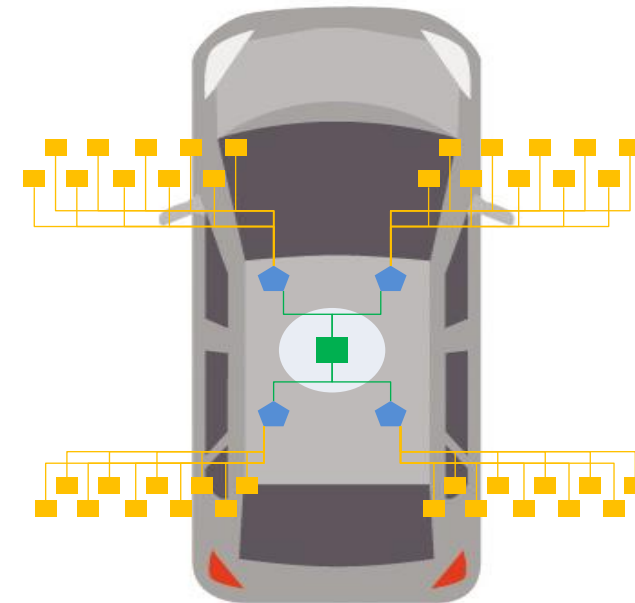
Distributed Architecture



Domain architecture



Zone architecture



- Individual ECU
- Integrated ECU
- ◆ Getaway

Now

2025

2030

While ECU gains higher functionality, PCBs need more sorts of fundamental technology.

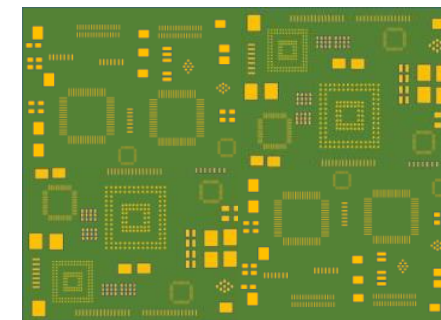
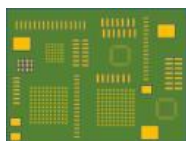
『Upward compatibility of manufacturing technology』

⇒Expanded needs for build-up PCBs

# Upcoming trend③

In accordance with the enhanced functionality of ECU, multiple stacked vias and enlargement for HDI PCBs are required.

	One-layer HDI PCB	Two-layer HDI PCB	Three-layer HDI PCB	Four-layer HDI PCB
Layer structure concept	6 layers 1-4-1	8 layers 2-4-2	10 layers 3-4-3	12 layers 4-4-4
Main use	Current: In-vehicle ECU	For ADAS	For Integrated ECU	



# In-vehicle growth strategy (Business opportunity and target items)

product	Powertrain	Driving control and Safety
<p><b>Our strengths and achievements</b></p>	<ul style="list-style-type: none"> <li>• Manufacturing and quality management knowing the requirements for in-vehicle devices.</li> <li>• We can provide the same products from the three bases, in Japan, in China and in Southeast Asia.</li> <li>• Analysis ability, production technology</li> <li>• Long-term product supply and assurance system based on a stable financial platform</li> </ul>	<ul style="list-style-type: none"> <li>• Among in-vehicle devices, those for drive and control systems where high reliability is indispensable are our specialties.</li> <li>• We have quality and supply system of HDI PCBs</li> <li>• Technology development with Japanese-affiliated and European Tier1 manufacturers~Startup of mass production</li> </ul>
<p><b>Business opportunity</b></p>	<ul style="list-style-type: none"> <li>• <b>Along with CASE progress, usage of PCBs increases remarkably.</b></li> <li>• <b>ECU becomes integrated with higher functions (needs for HDI PCB expands)</b></li> <li>• Compatibility with environment (more xEV)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Along with CASE progress, usage of PCBs increases remarkably.</b></li> <li>• <b>ECU becomes integrated with higher functions (needs for HDI PCB expands)</b></li> <li>• New functions are added for self-driving</li> </ul>
<p><b>Target items</b></p>	<ul style="list-style-type: none"> <li>• <b>Integrated ECU for drive system</b></li> <li>• <b>BEV/HEV ECU</b></li> <li>• <b>Inverter and DC-DC converter</b></li> <li>• Secondary driving battery (battery)</li> <li>• Power Control Unit (PCU), etc.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Integrated ECU for ADAS</b></li> <li>• <b>Image sensor, Camera Module</b></li> <li>• <b>Millimeter wave, LiDAR</b></li> <li>• Driver support systems, etc.</li> </ul>

## Image of new orders for automotive HDI PCBs

- **Estimated orders for high-value -added more layered HDI PCBs.**
- **Supply from three bases, Japan, China and Thailand, which contributes to better profitability of each production base.**

Image sensor, Camera Module,  
Millimeter wave, etc.

ADAS etc.

Integrated ECU

FY2025

FY2026

FY2027

After FY2028

# Thai new factory's situation

Customer approval activity in progress



Existing Factory

New Factory

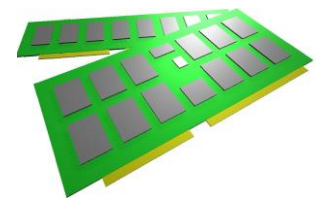
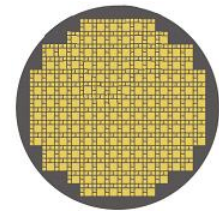


## 4. New business field growth strategy

# New business field growth strategy

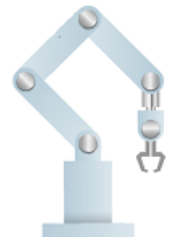
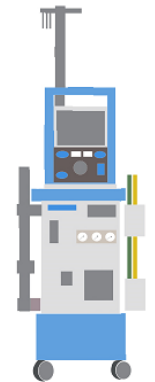
- Small satellite propulsion device, eVTOL, Large rocket, etc.

- Semiconductor inspection equipment, Probe card, Semiconductor test boards, etc.

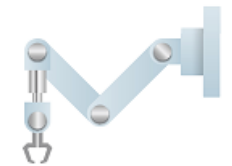


- ECMO, MRI, Cell analyzer, AED, Endoscope, etc.

- Antenna module, Data center, High speed communication equipment, etc.



- Industrial camera, Industrial PC, Sensor, Robot, etc.



# 5. Supplementary information

# Sustainability

Our company recognizes environmental protection activities as an important management issue. To clarify our fundamental attitude, we formulated a Medium-to Long-term Environmental Action Plan under our Environmental Policy and are promoting such activities.

All CMK employees are working together to realize a sustainable society that coexists with the Earth.

## Challenge for Carbon Neutrality

## We received a "B" score in the "Climate Change Report 2023" published by CDP.



They grade the corporate initiatives toward environmental issues on an eight-point scale (A, A-, B, B-, C, C-, D, D-). Our current grade of "B" signifies that we are "aware of our company's environmental risks and impacts, and are acting accordingly."



\* Please refer to our website below  
<https://www.cmk-corp.com/en/csr/doc/2023CMKreport.pdf>

\*For your information:  
 The average of global/electronic parts industries is "C".

\* CDP is a non-profit -organization for global environment that runs information disclosure and evaluation of strategies and actions toward climate change and reduction of greenhouse gas emissions conducted by companies and municipalities.

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.)

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