

Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2022
(Based on Japanese GAAP)

February 7, 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
 Inquiries: Accounting Department General Manager Nobutaka Okubo TEL 03-5323-0231
 Scheduled date to file Quarterly Securities Report: February 9, 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(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	%
Nine months ended December 31, 2022	62,555	3.9	2,136	26.8	2,738	59.0	2,018	53.9
Nine months ended December 31, 2021	60,189	19.7	1,685	—	1,722	—	1,311	—

(Note) Comprehensive income:

Nine months ended December 31, 2022 8,141million yen (210.8%)
 Nine months ended December 31, 2021 2,619million yen (—%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2022	34.10	—
Nine months ended December 31, 2021	22.16	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	119,835	61,723	49.8
As of March 31, 2022	104,865	54,466	50.3

(Reference) Shareholder's equity:

As of December 31, 2022 59,685million yen As of March 31, 2022 52,716million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen		Yen
Year ending March 31, 2022	—	0.00	—	14.00	14.00
Year ending March 31, 2023	—	0.00	—		
Year ending March 31, 2023(forecast)				11.00	11.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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	82,000	0.6	3,000	△0.7	2,900	△12.3	2,100	△24.6	35.48

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

※ Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(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 December 31, 2022	63,077,770 shares	As of March 31, 2022	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of December 31, 2022	3,865,795 shares	As of March 31, 2022	3,865,040 shares
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3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	59,203,010 shares	Nine months ended December 31, 2021	59,195,539 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, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	15,879	22,846
Notes and accounts receivable - trade	17,948	17,481
Electronically recorded monetary claims - operating	4,427	5,125
Merchandise and finished goods	9,621	11,774
Work in process	3,673	4,470
Raw materials and supplies	2,775	3,375
Other	1,337	1,856
Allowance for doubtful accounts	△40	△47
Total current assets	55,623	66,884
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,212	13,214
Machinery, equipment and vehicles, net	17,721	19,371
Land	7,758	7,807
Construction in progress	3,251	3,721
Other, net	1,259	1,450
Total property, plant and equipment	42,204	45,565
Intangible assets		
Goodwill	58	46
Other	341	354
Total intangible assets	400	400
Investments and other assets		
Investment securities	2,975	3,213
Retirement benefit asset	1,221	1,241
Other	2,433	2,531
Allowance for doubtful accounts	△28	△28
Total investments and other assets	6,602	6,958
Total non-current assets	49,206	52,924
Deferred assets		
Bond issuance costs	35	26
Total deferred assets	35	26
Total assets	104,865	119,835

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,506	11,211
Electronically recorded obligations - operating	2,458	2,172
Short-term borrowings	14,328	23,147
Current portion of bonds payable	42	342
Income taxes payable	356	204
Provision for bonuses	748	224
Provision for loss on disaster	46	—
Other	3,148	4,260
Total current liabilities	33,637	41,563
Non-current liabilities		
Bonds payable	3,608	3,287
Long-term borrowings	11,824	11,754
Retirement benefit liability	117	149
Asset retirement obligations	454	453
Other	755	903
Total non-current liabilities	16,761	16,547
Total liabilities	50,398	58,111
Net assets		
Shareholders' equity		
Share capital	22,306	22,310
Capital surplus	16,962	16,966
Retained earnings	13,411	14,601
Treasury shares	△3,135	△3,136
Total shareholders' equity	49,543	50,741
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	959	1,252
Foreign currency translation adjustment	1,977	7,498
Remeasurements of defined benefit plans	235	192
Total accumulated other comprehensive income	3,172	8,943
Non-controlling interests	1,750	2,038
Total net assets	54,466	61,723
Total liabilities and net assets	104,865	119,835

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	60,189	62,555
Cost of sales	51,720	52,906
Gross profit	8,469	9,648
Selling, general and administrative expenses		
Employees' salaries and bonuses	2,781	3,029
Provision for bonuses	△42	△140
Retirement benefit expenses	24	17
Other	4,021	4,606
Total selling, general and administrative expenses	6,784	7,512
Operating profit	1,685	2,136
Non-operating income		
Interest income	6	11
Dividend income	87	127
Foreign exchange gains	91	673
Other	224	354
Total non-operating income	410	1,166
Non-operating expenses		
Interest expenses	150	209
Commission expenses	52	123
Plant shutdown related costs	68	132
Other	102	99
Total non-operating expenses	373	564
Ordinary profit	1,722	2,738
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	—	11
Insurance claim income	245	—
Total extraordinary income	246	12
Extraordinary losses		
Loss on sale of non-current assets	0	3
Loss on retirement of non-current assets	79	116
Loss on valuation of investment securities	—	49
Total extraordinary losses	79	168
Profit before income taxes	1,889	2,581
Income taxes	464	443
Income taxes for prior periods	1	0
Profit	1,422	2,137
Profit attributable to non-controlling interests	110	118
Profit attributable to owners of parent	1,311	2,018

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,422	2,137
Other comprehensive income		
Valuation difference on available-for-sale securities	151	292
Deferred gains or losses on hedges	△0	—
Foreign currency translation adjustment	1,086	5,753
Remeasurements of defined benefit plans, net of tax	△41	△42
Total other comprehensive income	1,196	6,003
Comprehensive income	2,619	8,141
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,217	7,790
Comprehensive income attributable to non-controlling interests	401	351