

Summary of consolidated Financial Results
for the Three Months Ended June 30, 2021
(Based on Japanese GAAP)

August 6, 2021

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: August 10, 2021
 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, 2021 (from April 1, 2021 to June 30, 2021)

(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, 2021	19,481	18.5	△221	—	206	—	65	—
Three months ended June 30, 2020	16,441	△22.9	△546	—	△82	—	△169	—

(Note) Comprehensive income:

Three months ended June 30, 2021 2,085 million yen (— %) Three months ended June 30, 2020 △2,516 million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2021	Yen 1.11	Yen —
Three months ended June 30, 2020	△2.86	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	100,089	53,565	49.8
As of March 31, 2021	96,501	51,519	49.8

(Reference) Shareholder's equity:

As of June 30, 2021 49,872 million yen As of March 31, 2021 48,039 million 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	Yen
Year ended March 31, 2021	—	0.00	—	0.00	0.00
Year ending March 31, 2022	—	—	—	—	—
Year ending March 31, 2022(forecast)	—	0.00	—	5.00	5.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(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	75,000	7.2	1,500	—	1,400	—	1,000	—	16.89

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

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2021

(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: Yes

2) Changes in accounting policies due to other reasons: Yes

3) Changes in accounting estimates: Yes

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, 2021	63,060,164 shares	As of March 31, 2021	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2021	3,864,628 shares	As of March 31, 2021	3,864,583 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, 2021	59,195,556 shares	Three months ended June 30, 2020	59,196,117 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, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	17,466	16,636
Notes and accounts receivable - trade	19,771	16,887
Electronically recorded monetary claims - operating	1,622	4,656
Merchandise and finished goods	4,320	5,060
Work in process	3,744	3,684
Raw materials and supplies	2,223	2,465
Other	1,286	2,898
Allowance for doubtful accounts	△116	△109
Total current assets	50,318	52,179
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,367	12,339
Machinery, equipment and vehicles, net	16,113	18,026
Land	7,979	7,770
Construction in progress	2,919	1,732
Other, net	1,188	1,274
Total property, plant and equipment	39,568	41,143
Intangible assets		
Goodwill	81	73
Other	254	256
Total intangible assets	335	329
Investments and other assets		
Investment securities	2,830	3,000
Retirement benefit asset	1,193	1,202
Other	2,247	2,230
Allowance for doubtful accounts	△28	△28
Total investments and other assets	6,242	6,405
Total non-current assets	46,147	47,878
Deferred assets		
Bond issuance costs	35	31
Total deferred assets	35	31
Total assets	96,501	100,089

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,144	11,571
Electronically recorded obligations - operating	2,683	3,738
Short-term borrowings	3,912	3,810
Current portion of bonds payable	4,572	4,572
Income taxes payable	109	117
Provision for bonuses	546	879
Allowance for restructuring	124	123
Other	3,167	3,222
Total current liabilities	26,261	28,036
Non-current liabilities		
Bonds payable	1,200	1,200
Long-term borrowings	16,267	15,995
Retirement benefit liability	104	109
Asset retirement obligations	451	452
Other	695	728
Total non-current liabilities	18,720	18,487
Total liabilities	44,981	46,523
Net assets		
Shareholders' equity		
Share capital	22,306	22,306
Capital surplus	16,628	16,628
Retained earnings	10,448	10,513
Treasury shares	△3,135	△3,135
Total shareholders' equity	46,247	46,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	866	992
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	632	2,287
Remeasurements of defined benefit plans	292	278
Total accumulated other comprehensive income	1,791	3,559
Non-controlling interests	3,480	3,692
Total net assets	51,519	53,565
Total liabilities and net assets	96,501	100,089

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	16,441	19,481
Cost of sales	14,776	17,029
Gross profit	1,665	2,452
Selling, general and administrative expenses		
Employees' salaries and bonuses	757	808
Provision for bonuses	97	101
Retirement benefit expenses	8	6
Provision of allowance for doubtful accounts	78	△13
Other	1,270	1,329
Total selling, general and administrative expenses	2,211	2,231
Operating profit (loss)	△546	221
Non-operating income		
Interest income	5	2
Dividend income	41	41
Rental income	19	19
Foreign exchange gains	488	7
Other	34	50
Total non-operating income	589	120
Non-operating expenses		
Interest expenses	62	51
Commission expenses	24	35
Taxes and dues	8	38
Other	29	10
Total non-operating expenses	124	135
Ordinary profit (loss)	△82	206
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	189	—
Total extraordinary income	189	0
Extraordinary losses		
Loss on retirement of non-current assets	15	31
Other	0	—
Total extraordinary losses	16	31
Profit before income taxes	90	174
Income taxes	126	72
Income taxes for prior periods	60	—
Profit (loss)	△96	102
Profit attributable to non-controlling interests	73	36
Profit (loss) attributable to owners of parent	△169	65

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	△96	102
Other comprehensive income		
Valuation difference on available-for-sale securities	35	126
Deferred gains or losses on hedges	0	△0
Foreign currency translation adjustment	△2,166	1,871
Remeasurements of defined benefit plans, net of tax	△288	△13
Total other comprehensive income	△2,420	1,983
Comprehensive income	△2,516	2,085
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△2,503	1,833
Comprehensive income attributable to non-controlling interests	△13	252