

**Summary of Consolidated Financial Results  
for the Three Months Ended June 30, 2016  
(Based on Japanese GAAP)**

August 5, 2016

Company name: CMK CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 6958 URL <http://www.cmk-corp.com/>  
 Representative: President and Chief Executive Officer Takeo Takai  
 Inquiries: Administration Affairs Department Manager Akihiro Okabe TEL 03-5323-0235  
 Scheduled date to file Quarterly Securities Report: August 10, 2016  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: No  
 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, 2016 (from April 1, 2016 to June 30, 2016)

(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, 2016	17,676	1.0	342	—	272	—	191	—
Three months ended June 30, 2015	17,503	1.3	△283	—	△488	—	△473	—

(Note) Comprehensive income:

Three months ended June 30, 2016 △1,345million yen (— %) Three months ended June 30, 2015 △130million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2016	Yen 3.23	Yen —
Three months ended June 30, 2015	△8.00	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2016	88,434	48,744	51.3
As of March 31, 2016	90,504	50,090	51.4

(Reference) Shareholder's equity:

As of June 30, 2016 45,383million yen As of March 31, 2016 46,549million 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, 2016	—	0.00	—	0.00	0.00
Year ending March 31, 2017	—	—	—	—	—
Year ending March 31, 2017(forecast)	—	—	—	—	—

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

2. Payment of dividends for the year ending March 31, 2017 is not yet determined.

3. Forecast of consolidated financial results for the year ending March 31, 2017

(from April 1, 2016 to March 31, 2017)

(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	77,000	5.3	2,500	555.1	2,100	—	1,600	—	27.03

(Note) Revisions to financial forecasts published most recently: None

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2016

(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: 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, 2016	63,060,164 shares	As of March 31, 2016	63,060,164 shares
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2) Number of treasury shares at the end of the period

As of June 30, 2016	3,860,908 shares	As of March 31, 2016	3,860,818 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, 2016	59,199,308 shares	Three months ended June 30, 2015	59,200,046 shares
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※Notice regarding quarterly review procedures for the quarterly financial results

This quarterly financial results statement is exempt from the quarterly review procedures based upon the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results statement, the quarterly review procedure based upon the Financial Instruments and Exchange Act has not been completed.

※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, 2016	As of June 30, 2016
<b>Assets</b>		
Current assets		
Cash and deposits	21,582	20,671
Notes and accounts receivable - trade	20,376	20,393
Securities	38	35
Merchandise and finished goods	3,904	3,961
Work in process	3,046	2,818
Raw materials and supplies	1,534	1,549
Other	970	1,258
Allowance for doubtful accounts	△34	△34
Total current assets	51,419	50,654
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,970	10,548
Machinery, equipment and vehicles, net	11,597	11,022
Land	9,063	9,017
Construction in progress	520	651
Other, net	1,153	1,062
Total property, plant and equipment	33,306	32,301
Intangible assets		
Goodwill	265	249
Other	321	296
Total intangible assets	587	546
Investments and other assets		
Investment securities	2,661	2,353
Net defined benefit asset	183	244
Other	2,260	2,260
Allowance for doubtful accounts	△46	△46
Total investments and other assets	5,059	4,811
Total non-current assets	38,953	37,659
Deferred assets		
Bond issuance cost	131	121
Total deferred assets	131	121
Total assets	90,504	88,434

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,088	10,246
Short-term loans payable	5,476	5,241
Current portion of bonds	500	500
Income taxes payable	103	79
Provision for bonuses	165	334
Allowance for restructuring	1,110	561
Other	5,257	5,827
Total current liabilities	22,704	22,790
Non-current liabilities		
Bonds payable	7,250	7,250
Long-term loans payable	9,179	8,491
Net defined benefit liability	44	45
Asset retirement obligations	162	163
Other	1,073	949
Total non-current liabilities	17,709	16,899
Total liabilities	40,413	39,689
<b>Net assets</b>		
Shareholders' equity		
Capital stock	22,306	22,306
Capital surplus	22,063	16,628
Retained earnings	2,185	7,811
Treasury shares	△3,132	△3,132
Total shareholders' equity	43,422	43,613
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	359	167
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	2,939	1,765
Remeasurements of defined benefit plans	△170	△162
Total accumulated other comprehensive income	3,127	1,770
Non-controlling interests	3,540	3,361
Total net assets	50,090	48,744
<b>Total liabilities and net assets</b>	<b>90,504</b>	<b>88,434</b>

**Quarterly consolidated statement of income**

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net sales	17,503	17,676
Cost of sales	15,800	15,439
Gross profit	1,702	2,237
Selling, general and administrative expenses		
Employees' salaries and bonuses	687	626
Provision for bonuses	34	42
Retirement benefit expenses	9	13
Provision of allowance for doubtful accounts	—	0
Other	1,254	1,211
Total selling, general and administrative expenses	1,986	1,894
Operating income (loss)	△283	342
Non-operating income		
Interest income	18	14
Dividend income	36	37
Reversal of allowance for doubtful accounts	87	—
Rent income	6	21
Other	33	26
Total non-operating income	182	99
Non-operating expenses		
Interest expenses	94	52
Foreign exchange losses	216	54
Other	75	63
Total non-operating expenses	387	170
Ordinary income (loss)	△488	272
Extraordinary income		
Gain on sales of non-current assets	0	41
Insurance income	43	—
Subsidy income	22	—
Total extraordinary income	65	41
Extraordinary losses		
Loss on sales of non-current assets	12	0
Loss on retirement of non-current assets	13	14
Loss on valuation of investment securities	—	60
Compensation for damage	34	—
Total extraordinary losses	60	75
Profit (loss) before income taxes	△483	238
Income taxes	33	40
Profit (loss)	△516	198
Profit (loss) attributable to non-controlling interests	△42	7
Profit (loss) attributable to owners of parent	△473	191

**Quarterly consolidated statement of comprehensive income**

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Profit (loss)	△516	198
Other comprehensive income		
Valuation difference on available-for-sale securities	211	△191
Deferred gains or losses on hedges	0	△0
Foreign currency translation adjustment	175	△1,360
Remeasurements of defined benefit plans, net of tax	△1	8
Total other comprehensive income	385	△1,543
Comprehensive income	△130	△1,345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△93	△1,165
Comprehensive income attributable to non-controlling interests	△37	△179