

Summary of consolidated Financial Results
for the Three Months Ended June 30, 2017
(Based on Japanese GAAP)

August 4, 2017

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
 Administration Division
 Inquiries: Administration Affairs Department Manager Akihiro Okabe TEL 03-5323-0235
 Scheduled date to file Quarterly Securities Report: August 9, 2017
 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, 2017 (from April 1, 2017 to June 30, 2017)

(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, 2017	20,813	17.7	1,128	229.1	1,052	286.1	870	355.7
Three months ended June 30, 2016	17,676	1.0	342	—	272	—	191	—

(Note) Comprehensive income:

Three months ended June 30, 2017 532 million yen (—%) Three months ended June 30, 2016 Δ 1,345 million yen (—%)

	Net income per share	Diluted net income per share
Three months ended June 30, 2017	Yen 14.70	Yen —
Three months ended June 30, 2016	3.23	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	93,758	51,696	51.7
As of March 31, 2017	93,748	51,549	51.5

(Reference) Shareholder's equity:

As of June 30, 2017 48,478 million yen As of March 31, 2017 48,255 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter end	3rd quarter end	Fiscal Year-end	Total
Year ended March 31, 2017	Yen —	Yen 0.00	Yen —	Yen 6.50	Yen 6.50
Year ending March 31, 2018	—	—	—	—	—
Year ending March 31, 2018(forecast)	—	—	—	—	—

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

2. Payment of dividends for the year ending March 31, 2018 is not yet determined.

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
	80,000	6.1	4,000	50.8	3,700	40.7	3,000	39.3	50.68

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

※ Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2017

(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 June 30, 2017	63,060,164 shares	As of March 31, 2017	63,060,164 shares
---------------------	-------------------	----------------------	-------------------

2) Number of treasury shares at the end of the period

As of June 30, 2017	3,861,670 shares	As of March 31, 2017	3,861,494 shares
---------------------	------------------	----------------------	------------------

3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	59,198,596 shares	Three months ended June 30, 2016	59,199,308 shares
----------------------------------	-------------------	----------------------------------	-------------------

※This quarterly financial results statement is exempt from the quarterly review procedures.

※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, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	22,671	20,290
Notes and accounts receivable - trade	22,166	22,990
Securities	46	46
Merchandise and finished goods	3,273	3,438
Work in process	3,408	3,389
Raw materials and supplies	1,829	2,129
Other	1,312	1,208
Allowance for doubtful accounts	△36	△36
Total current assets	54,672	53,456
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,220	10,095
Machinery, equipment and vehicles, net	11,026	11,292
Land	8,288	8,267
Construction in progress	1,462	2,367
Other, net	1,098	1,093
Total property, plant and equipment	32,096	33,117
Intangible assets		
Goodwill	226	213
Other	195	183
Total intangible assets	421	397
Investments and other assets		
Investment securities	3,390	3,637
Net defined benefit asset	832	831
Other	2,282	2,259
Allowance for doubtful accounts	△38	△23
Total investments and other assets	6,466	6,704
Total non-current assets	38,984	40,219
Deferred assets		
Bond issuance cost	91	81
Total deferred assets	91	81
Total assets	93,748	93,758

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,543	11,845
Short-term loans payable	5,407	5,404
Current portion of bonds	560	560
Income taxes payable	323	224
Provision for bonuses	374	733
Allowance for restructuring	131	131
Other	6,650	6,774
Total current liabilities	24,990	25,673
Non-current liabilities		
Bonds payable	6,960	6,960
Long-term loans payable	8,468	7,679
Net defined benefit liability	43	41
Asset retirement obligations	165	165
Other	1,571	1,540
Total non-current liabilities	17,208	16,387
Total liabilities	42,199	42,061
Net assets		
Shareholders' equity		
Capital stock	22,306	22,306
Capital surplus	16,628	16,628
Retained earnings	9,773	10,259
Treasury shares	△3,133	△3,133
Total shareholders' equity	45,575	46,061
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	886	1,072
Deferred gains or losses on hedges	△0	0
Foreign currency translation adjustment	1,561	1,114
Remeasurements of defined benefit plans	232	230
Total accumulated other comprehensive income	2,679	2,417
Non-controlling interests	3,294	3,218
Total net assets	51,549	51,696
Total liabilities and net assets	93,748	93,758

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	17,676	20,813
Cost of sales	15,439	17,585
Gross profit	2,237	3,228
Selling, general and administrative expenses		
Employees' salaries and bonuses	626	621
Provision for bonuses	42	98
Retirement benefit expenses	13	9
Provision of allowance for doubtful accounts	0	△15
Other	1,211	1,386
Total selling, general and administrative expenses	1,894	2,100
Operating profit	342	1,128
Non-operating income		
Interest income	14	14
Dividend income	37	42
Rent income	21	20
Other	26	46
Total non-operating income	99	123
Non-operating expenses		
Interest expenses	52	70
Foreign exchange losses	54	53
Other	63	75
Total non-operating expenses	170	199
Ordinary profit	272	1,052
Extraordinary income		
Gain on sales of non-current assets	41	3
Total extraordinary income	41	3
Extraordinary losses		
Loss on sales of non-current assets	0	1
Loss on retirement of non-current assets	14	28
Loss on valuation of investment securities	60	—
Total extraordinary losses	75	29
Profit before income taxes	238	1,026
Income taxes	40	136
Profit	198	890
Profit attributable to non-controlling interests	7	20
Profit attributable to owners of parent	191	870

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	198	890
Other comprehensive income		
Valuation difference on available-for-sale securities	Δ191	185
Deferred gains or losses on hedges	Δ0	0
Foreign currency translation adjustment	Δ1,360	Δ542
Remeasurements of defined benefit plans, net of tax	8	Δ1
Total other comprehensive income	Δ1,543	Δ358
Comprehensive income	Δ1,345	532
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	Δ1,165	607
Comprehensive income attributable to non-controlling interests	Δ179	Δ75