

Creating the Future

CMK CORPORATION **2005 Annual Report**

Year ended March 31, 2005

Profile

As a leading company in the printed wiring board (PWB) industry, CMK Corporation has developed expertise and built up a firm business foundation. Currently, the PWB industry is showing promise due to demand from IT related industries, but tough competition against foreign products is requiring highly cost-effective and more sophisticated products.

In order to succeed amidst this fierce competition domestically, CMK is promoting cost reduction and business reconstruction, restructuring and integrating to a self-contained business unit with a more clearly defined structure of responsibility.

Overseas, on the other hand, CMK group in China are strengthening their production systems as domestic demand is expected to expand. In Southeast Asia, we have successfully integrated single-sided PWB production functions into one location in conjunction with the closure of the production facility in Europe, which was one of our unprofitable business operations.

CMK will continue to contribute to the world's progress and advancement, and pursue our company motto of "Permanent Growth"

Contents

- 1 Financial Highlights
- 2 Message from the Management
- 2 Management Issues
- 3 The Top Interview
- 4 Products Information
- 5 CMK Topics
- 6 Take a Virtual Tour of
 CMK Electronics (WUXI)
- 8 Environmental Protection
- 9 Financial Section
- 23 Managements
- 23 Corporate Data
- 24 Group Companies

Cautionary Statement with Respect to Forward-Looking Statements

Statements made in this annual report with respect to CMK's plans, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of CMK, which are based on management's assumptions and beliefs in light of the information currently available to it, and involve risks and unpredictability. Potential risks and unpredictability include, without limitation, general economic conditions in CMK's markets; industrial market conditions, exchange rates in which CMK makes significant sales or in which CMK's assets and liabilities are denominated; and CMK's ability to continue to win acceptance of its products and services, which are offered in highly competitive markets characterized by the continual introduction of new products, rapid developments in technology, and changing customer requirements.

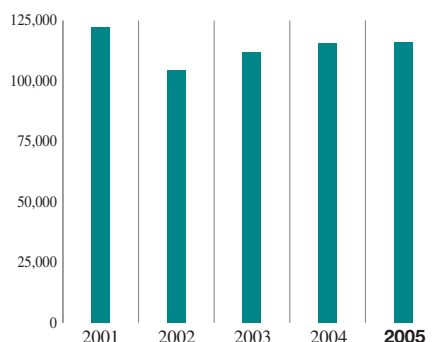
Financial Highlights

CMK CORPORATION and Consolidated Subsidiaries Years ended March 31, 2003, 2004 and 2005

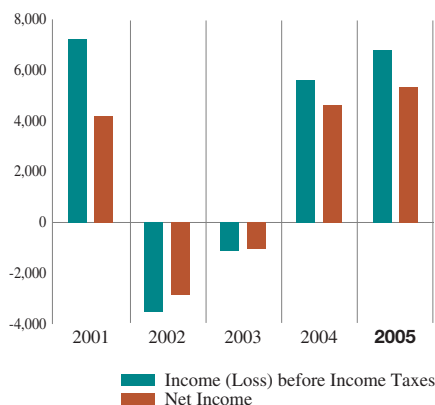
	Yen (Millions)			U.S. Dollars (Thousands)
	(except per share amounts)			(except per share amounts)
	2003	2004	2005	2005
For the year				
Net sales	¥111,744	¥115,366	¥116,031	\$1,080,262
Income (loss) before income taxes	(1,134)	5,613	6,809	63,392
Net income (loss)	(1,057)	4,612	5,319	49,520
At year-end				
Shareholders' equity	¥ 46,205	¥ 51,024	¥ 59,701	\$ 555,823
Total assets	154,271	134,263	130,514	1,215,101
Per share				
Net income (loss)				
— Basic	¥ (20.16)	¥ 87.12	¥ 99.63	\$ 0.92
— Diluted	—	74.16	89.60	0.83
Shareholders' equity	883.26	975.88	1,077.70	10.03

Notes: 1. U.S. Dollars amounts have been translated from Yen, for convenience only, at the rate of ¥107.41 = \$1, the Tokyo foreign exchange market rate as of March 31, 2005.
2. All Millions Yen and Thousands U.S. Dollars amounts are rounded to the nearest figure.

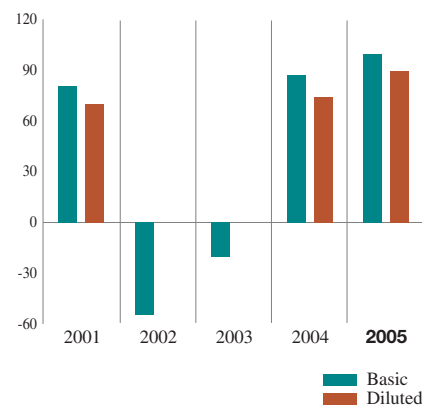
Net Sales
Yen (Millions)



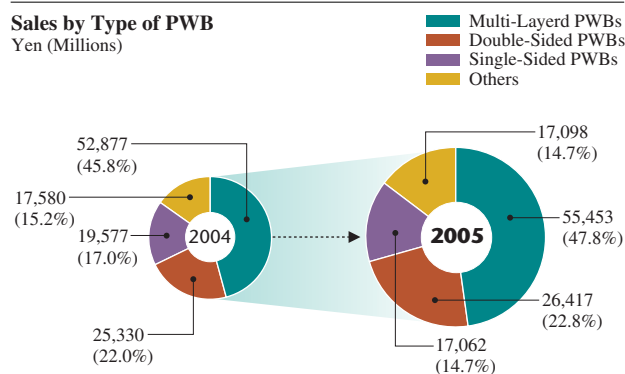
Income (Loss) before Income Taxes and Net Income (Loss)
Yen (Millions)



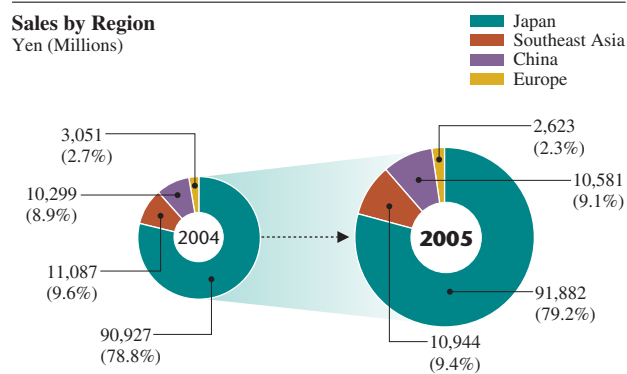
Net Income (Loss) per Share of Common Stock
Yen



Sales by Type of PWB
Yen (Millions)



Sales by Region
Yen (Millions)



Message from the Management

During the fiscal year under review, the Japanese economy showed signs of recovery in the first half due to an increase in export and active capital investment by the private sector as well as a gradual rise in consumer spending. In the second half term, however, consumer spending became sluggish, generating a need for inventory adjustments and raising concerns over an economic slowdown. Although the global economy also exhibited instability due to factors such as uneasiness about possible slowdowns in the U.S. and Chinese economies and a steep rise in prices of crude oil and primary products, it remained fairly strong and had thus far avoided a slump.

The PWB industry in which CMK Group operates was faced with many negative factors such as increased material costs and declined demand due to inventory adjustments. Nevertheless, the business environment remained relatively favorable, thanks to strong sales bolstered by robust demand for automobile equipment products, flat-screen TVs, and digital AV devices.

Under such circumstances, CMK Group strengthened its global marketing system, boosted its production capacity in China, and actively promoted order taking activities for high-value-added products. At the same time, we also focused efforts on business restructuring. As a result, our consolidated business performance for this fiscal year showed increases in both revenue and profits.

Even though economic conditions remain unclear, we will strive to achieve our management challenges and improve corporate value. We thank you all for your continuous support.

June 2005



Takahiro Nakayama
President and Chief Executive Officer



Management Issues

The electronics industry is expected to continue growing in the future, with digital products such as mobile phone handsets, flat-screen TVs, and DVD recorders leading the way, and increased use of electronic equipment in automobiles is expected to bolster the development of related market segments. Products used for high-speed signal processing shall be required to be lighter and thinner, and to offer higher-density technologies and higher reliability. Price competition is expected to grow progressively more severe.

While carrying out strategic order taking activities on a continuing basis, CMK Group will strive to restructure the business, cut-down fixed expenses, and achieve extensive cost reduction. Moreover, we will enhance the level of technology in next-generation electronic equipment in an effort to further expand the Group's already-powerful global production and marketing systems.



Please describe the business results in the fiscal term under review and prospects for the subsequent term.

Nakayama: In the fiscal year under review, CMK Group strengthened its global marketing system, boosted production capacity in China, conducted aggressive order taking activities for high-value-added products, restructured the business, cut-down fixed expenses, and promoted extensive cost reduction efforts. As a result, sales, current income, and net income exceeded those of the previous fiscal year, and we achieved our highest-ever fiscal year-end profit. As part of our business restructuring, we dissolved our single-sided PWB production business in Europe, which was one of our unprofitable business operations, and decided on early adoption of accounting of impairment of fixed assets. As such, we focused on improving the financial strength of CMK Group. Although these activities reflected an increased loss in this fiscal year, we believe that they have strengthened our profitability structure.

In the subsequent fiscal term, we anticipate risk factors such as high material costs and sluggishness in the U.S. and Chinese economies will remain, making the business environment uncertain. However, we expect demand to grow due to the progress of inventory adjustments for digital AV devices and terminal devices such as flat-screen TVs and mobile phone handsets as well as for automobile-related electronic equipment.

While conducting strategic order taking activities on a continuing basis, CMK Group will work hard to further restructure the business, cut-down fixed expenses, and reduce costs, and additionally to improve technological levels for next-generation equipment. We will also enhance our acclaimed global production and marketing systems.

Please describe the ongoing strategy for group companies overseas.

Nakayama: Our group companies in China are strengthening their production systems as domestic demand is expected to expand, mainly for double-sided PWBs, multilayer through-hole PWBs, and build-up multilayer PWBs. Through these efforts, we will strive to further solidify the trust of customers. In Southeast Asia, we have successfully integrated single-sided PWB production functions into one location in conjunction with the closure of the production facility in Europe, thus promoting rationalization of production and expansion of import and sales of Chinese-made products. In both of these regions, we will aggressively carry out strategies based on a medium-term vision with the aim of boosting the profitability of CMK Group as we head into the future.

Please illustrate your medium- and long-term management visions.

Nakayama: Based on selection and concentration, we are investing our management resources mainly in high-value-added products and promoting the development and mass-production of next-generation PWBs in Japan. At the same time, we are establishing a system capable of promptly and flexibly meeting the diverse needs of customers. Through these efforts, we are striving to gain the capability to respond quickly to the needs of markets offering great potential for future growth. Meanwhile, in order to emerge as winner in international competition in the globalizing marketplace, we are aggressively expanding our overseas businesses. By becoming a global company that customers trust, we aim to become a leading company in the electronic components industry.

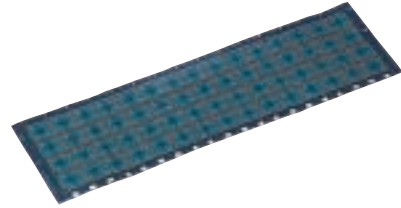
Please tell us what's happening in product development.

Nakayama: For digital equipment, particularly information and communication products, we are hard at work developing higher-precision technology in order to realize higher integration density. Specifically, we have developed and begun mass production of build-up multilayer PWBs adaptable to 0.4-mm-pitch CSP. To respond to the rising need for thinner product dimensions, we continue to develop and implement PWBs that can make packages and modules much thinner. As part of efforts for achieving dramatically higher density, faster speed, and more advanced functions, we are developing embedded PWBs with built-in resistors, capacitors, and other components. We have also been collaborating with Casio Computer Co., Ltd. in the development of an EWLP with built-in LSIs (active devices) which is now ready for mass production. For core automotive parts with advanced electronic control functions, we are working hard in the development of PWBs with high heat radiation and resistance, commercializing newly developed technologies in rapid succession.

Package Substrate

•Rigid Substrate

Rigid substrate is a package substrate, and the advanced technology to fulfill the requirement of miniaturization and thin substrate as the same as semiconductor devices.



E-Spec

•E-Spec

The “E-spec”, the CMK original environment PWB specifications, has fulfilled the ecological requirements in the market. CMK continuously minimizes hazardous chemicals to our neighbors and eliminates negative impact to our children.

**“E-Spec” is a registered trademark of CMK CORPORATION.



“E-Spec” mark



Rigid-Flex Series

•Rigid-Flex Series

The combination of flexible and rigid structure. The Rigid-Flex is 3 dimensionally bendable and twistable.

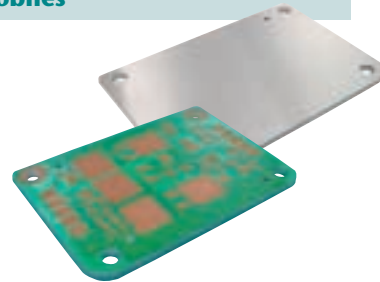
Applications: Digital Still Cameras, Mobile Phones



Heat Sink PWB Exclusively for Automobiles

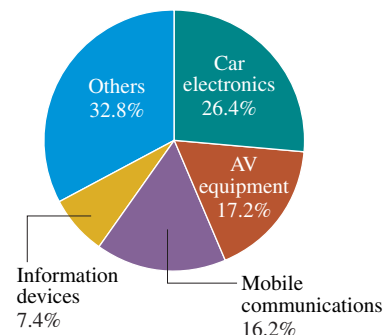
•MB/MC Series

Newly developed for excellent heat sink, high pressure resistance, and assembled high density circuitry under the severe automotive conditions.



Sales by Different Applications

In terms of application, sales of PWBs for automotive equipment (car electronics) and digital AV devices such as LCD TVs and plasma displays increased steadily. In particular, sales of PWBs for automotive equipment rose 19% from the previous year in terms of sales amount. We will conduct strategic business activities, with priority markets centering around the automotive, AV, and communications fields.



Expanding production facility for build-up multilayer PWBs (PPBU)

To respond to the growing needs of customers for PWBs offering higher density, smaller size, and thinner dimension, CMK Multi Corporation in Japan initiated a 1.2-billion-yen facility improvement plan in August 2004, as part of our “PPBU Business Strategy”.

Together with the installation of new equipment, CMK Multi Corporation actively introduced new technologies for achieving finer pitches and higher density of electronic circuits. While ensuring improvements in quality and productivity and a reduction in lead times, the company is focusing companywide efforts on the promotion of the “PPBU Business Strategy” with the aim of further raising added-value in products.

PPBU

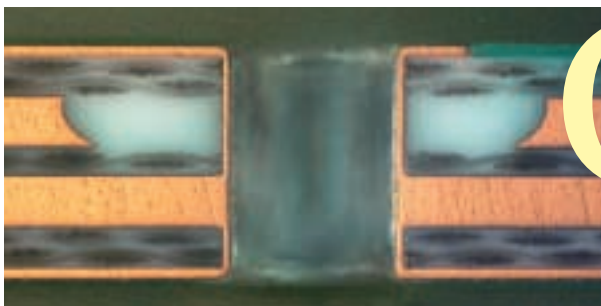


Niigata Satellite Plant where CMK Multi is headquartered

Development of metal composite wiring board (CMK-COMP) with superb heat radiation performance used in automobiles from 2004.

CMK has been placing special focus on the development of automotive PWBs in recent years in order to respond to expanding demand resulting from advanced application of electronics in automobiles. These efforts have led to the development of a metal composite wiring board (CMK-COMP) offering superb heat radiation performance. CMK-COMP allows installation of an increased number of electronic devices in the engine compartment, thus allowing for a more spacious, comfortable cabin area. CMK-COMP is a copper-core substrate with a thick copper sheet inside the PWB for efficient heat dissipation. It is suitable for the bi-wiring technology required for creating large-current circuits and control circuits on the same board. CMK-COMP also offers high reliability and excellent durability over a long period of time—qualities that are essential in all automobile devices. CMK-COMP is mounted in vehicles introduced in and after 2004.

CMK-COMP



Cross-section view of the thick copper-core substrate

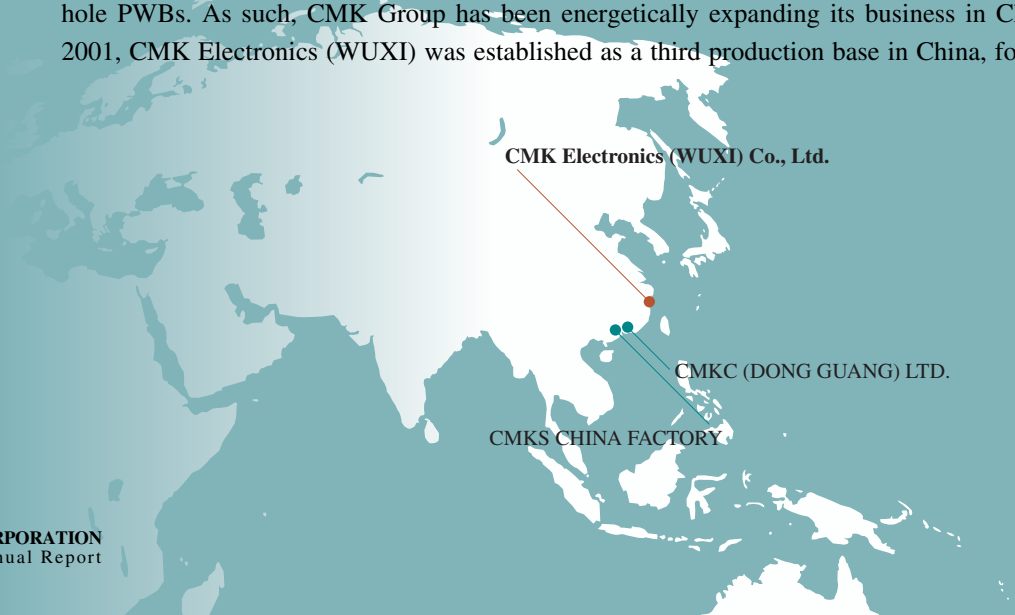
CMK Electronics (WUXI)



CMK Electronics (WUXI) Co., Ltd. was established in May 2001 in Wuxi, Jiangsu, China jointly by CMK, Marubeni Corporation, and Suzhou Matsushita Electric Works. It is CMK Group's third production base in China. The site area measures approximately 50,000 m², and some 500 employees work for the company. It is the only plant of the CMK Group's overseas production bases that manufactures build-up multilayer PWBs. When the plant began operation in October 2002, its monthly production capacity was about 5,000 m². As orders continued to grow, the monthly production capacity was increased to about 7,000 m² in 2003. Then, the company further boosted capacity to about 10,000 m² in 2004. The following article introduces CMK Electronics (WUXI), which is located in a rapidly growing area of eastern China.

CMK's first overseas build-up multilayer PWB plant

During the period from 2000 to 2001, Japanese companies actively transferred production functions overseas. Many companies launched businesses in China due to low labor costs and promising market value. Against this backdrop, in October 2000, CMK Group acquired the management rights of CMKC (DONG GUANG) LTD., a manufacturer of double-sided and through-hole multilayer PWBs located in Dongguan, Guangdong Province. In March 2001, the Group established CMKS CHINA FACTORY in Dongguan, Guangdong Province for the production of single-sided and silver through-hole PWBs. As such, CMK Group has been energetically expanding its business in China. In May 2001, CMK Electronics (WUXI) was established as a third production base in China, for the produc-



tion of build-up multilayer PWBs, following the two mentioned above. The company began production operations in October 2002 with a monthly capacity of approximately 5,000 m². With the commencement of operation of this production facility, CMK Group has constructed a system in China capable of manufacturing and supplying PWBs of all types.

CMK Electronics' products are used mainly in information terminals such as mobile phone handsets and digital products such as digital still cameras. The volume of orders has been growing steadily since the company began operation. The company expanded the production facility in 2003 to increase monthly capacity to approximately 7,000 m². In 2004, it invested management resources to establish a production capacity of 10,000 m². For profitability improvement, CMK Electronics is working to curtail raw material procurement costs, improve operational efficiency through reviews of production processes, and reduce manufacturing costs by enhancing employees' skills.

Details of production

CMK Electronics' mainstay products are build-up multilayer PWBs (PPBUs: stronger and more versatile than the build-up PWBs offered by other companies) for mobile phone handsets and digital still cameras. Its customers are mostly Japanese device makers. The breakdown of sales by application shows 35% for digital still cameras, 35% for mobile phone handsets, 15% for DVD recorders, and 15% for others. All products manufactured by CMK Electronics are equivalent to high-value-added products produced in Japan, while offering high profit margins.

CMK Electronics has obtained ISO/TS 16949: 2002, and acquired ISO 14000 certification on November 2004. These international certifications are testimony to the advanced technologies and high quality offered by CMK Electronics.

Future topics

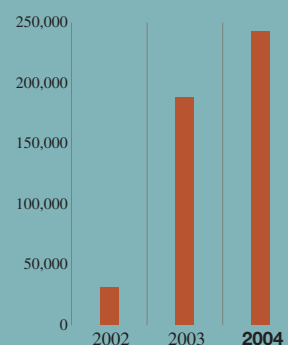
Thanks to its advanced technological prowess and robust demand in the marketplace, CMK Electronics' sales have been growing steadily since the start of operations. However, the business environment is expected to become more challenging due to the launches of competitors and an increase in the product mix of high difficulty products. Nevertheless, demand for build-up multilayer PWBs is anticipated to continue to grow in the future. In response to this, CMK Electronics has obtained a

46,000-m² site adjacent to the current plant premises to prepare for future plant expansion and production capacity increases. CMK Electronics plans to focus on expansion of production of mainly PPBUs with thin but high-rigidity laser-via formation boards featuring prepreg in all insulation layers.



Build-up multilayer PWB (PPBU)

CMK Electronics' Sales
RMB (Thousands)



We practice environmental preservation activities such as acquisition of ISO14001 Certificate and sales of “E-Spec” (environmental-friendly PWBs) production.

Recently, we accomplished to develop the industrial waste recycled procedure during the PWB manufacturing processes.

Acquisition of ISO14001

We consider the environment management systems as the foundation of the environmental activities. Therefore, we aim to acquire the ISO14001 Certificate for all the CMK production site.

Environmental Policy

Based on one of our management policies, “fulfillment of the Company’s social responsibility as a good corporate citizen”, CMK CORPORATION makes the best efforts to all the business operation in order to protect the global environment.

General Environmental Policy

As a member of society, CMK believes that we are also responsible for harmony with the global environment.

Our policies are as follows:

1. To develop how to deal with environmental problems, establish an environmental promotion system of the CMK Group.
2. To abide by environmental laws and regulations, customers’ requirements, and strictly control corporate activities.
3. To encourage energy- saving, recycling and the reduction of industrial waste with an aim to conserving limited resources.
4. To perform environmental assessment as part of corporate activities to reduce the load on the environment and promote the use of substitutes for toxic substances.
5. To perform environmental inspections to confirm and continuously improve environmental control activities.
6. To make every effort to protect natural areas and scenic sites, and coexist with the global environment.
7. To elevate awareness through environmental education and open to publicity measures.

History of ISO14001

<i>Plants and Offices</i>	<i>Acquired Date</i>
KIBAN Center Plant	Sep. 1998
NIIGATA SATELLITE PLANT	Aug. 1999
JSIC CORPORATION	Dec. 1999
CMK EUROPE N. V.	Oct. 2000
G-Station Plant	Oct. 2000
JT CMK CORPORATION	Dec. 2000
CMK Global Brands Manufacture, Ltd.	Feb. 2001
CMK SINGAPORE (PTE.) LTD.	Aug. 2001
WAKOH ELECTRONICS CORPORATION	Oct. 2001
P. T. CMKS INDONESIA	Dec. 2001
CMKS (MALAYSIA) SDN. BHD.	Dec. 2001
CMK KANBARA ELECTRONIC CORPORATION JAPAN	Dec. 2002
CMKC (DONG GUAN) LTD.	Dec. 2003
CMK MECHANICS CORPORATION	Sep. 2004
Technical Center Plant	Oct. 2004
CMK ELECTRONICS (WUXI) Co., Ltd.	Nov. 2004



Environmental report
2005

Consolidated Balance Sheets

CMK CORPORATION and Consolidated Subsidiaries
March 31, 2005 and 2004

ASSETS	Yen (Millions)		U.S.Dollars (Thousands)
	March 31		March 31
	2005	2004	2005
Current assets:			
Cash and time deposits (Note 5)	¥ 18,142	¥ 13,276	\$ 168,904
Marketable securities (Note 3)	113	103	1,052
Trade receivables:			
Accounts and notes	31,527	32,522	293,520
Allowance for doubtful accounts	(52)	(20)	(484)
Inventories (Note 4)	8,518	9,555	79,303
Deferred income taxes (Note 9)	743	773	6,917
Other current assets	3,380	1,830	31,468
Total current assets	62,374	58,042	580,709
Property, plant and equipment (Notes 7, 10 & 12):			
Land	12,136	13,690	112,987
Buildings	56,347	58,058	524,597
Machinery, equipment and others	89,049	91,227	829,056
Construction in progress	511	654	4,757
	158,044	163,629	1,471,408
Less accumulated depreciation	105,037	104,368	977,907
	53,006	59,260	493,492
Investments and other assets:			
Investments in securities (Notes 3 & 6)	10,341	9,451	96,275
Long-term loans	102	2,236	949
Deferred income taxes (Note 9)	1,523	1,271	14,179
Others	4,847	5,087	45,126
	16,814	18,045	156,540
Allowance for doubtful accounts	(1,681)	(1,087)	(15,650)
	15,133	16,959	140,890
Total assets	¥130,514	¥134,263	\$1,215,101

The accompanying notes are an integral part of these statements.

	Yen (Millions)		U.S.Dollars (Thousands)
	March 31	March 31	March 31
LIABILITIES AND SHAREHOLDERS' EQUITY	2005	2004	2005
Current liabilities:			
Short-term borrowings (Note 7)	¥ 5,196	¥ 5,666	\$ 48,375
Current portion of long-term debt (Note 7)	15,093	5,298	140,517
Trade payables:			
Accounts and notes	11,466	13,270	106,749
Income taxes payables (Note 9)	1,324	1,476	12,326
Other current liabilities (Note 9)	10,371	10,709	96,555
Total current liabilities	43,454	36,422	404,561
Long-term liabilities:			
Long-term debt (Note 7)	20,725	40,544	192,952
Accrued pension and severance costs (Note 12)	290	204	2,699
Retirement and severance benefits	560	621	5,213
Others (Note 9)	801	636	7,457
Total long-term liabilities	22,377	42,007	208,332
Minority interests in subsidiaries	4,980	4,809	46,364
Contingent liabilities	—	—	—
Shareholders' equity (Note 8):			
Common stock			
Authorized: 199,871,000 Shares			
Issued:			
March 31, 2005: 56,732,174 Shares	18,332	—	170,673
March 31, 2004: 53,284,741 Shares	—	16,167	—
Additional paid-in capital	18,089	15,924	168,410
Retained earnings	27,737	22,889	258,234
Unrealized gains on securities	1,149	852	10,697
Foreign currency translation adjustments	(3,532)	(3,202)	(32,883)
Treasury stock, at cost			
March 31, 2005: 1,411,864 Shares	(2,075)	—	(19,318)
March 31, 2004: 1,066,883 Shares	—	(1,607)	—
Total shareholders' equity	59,701	51,024	555,823
	¥130,514	¥134,263	\$1,215,101

Consolidated Statements of Income

CMK CORPORATION and Consolidated Subsidiaries
Years ended March 31, 2005, 2004 and 2003

	Yen (Millions)			U.S.Dollars (Thousands)
	Year ended March 31			Year ended March 31
	2005	2004	2003	2005
Net sales (Note 13)	¥116,031	¥115,366	¥111,744	\$1,080,262
Cost of sales	94,998	95,491	99,767	884,442
Gross profit	21,032	19,874	11,977	195,810
Selling, general and administrative expenses	10,590	10,661	11,273	98,594
Operating income (Note 13)	10,442	9,212	703	97,216
Other income (expenses):				
Interest and dividend income	125	89	267	1,163
Interest expenses	(652)	(955)	(1,182)	(6,070)
Impairment loss (Note 12)	(2,970)	(1,707)	—	(27,651)
Others, net	(135)	(1,026)	(922)	(1,256)
Income (loss) before income taxes	6,809	5,613	(1,134)	63,392
Income taxes (Note 9)	1,601	1,679	707	14,905
Income (loss) before minority interests	5,208	3,934	(1,841)	48,487
Minority interests in subsidiaries	(110)	(678)	(784)	(1,024)
Net income (loss)	¥ 5,319	¥ 4,612	¥ (1,057)	\$ 49,520

	Yen			U.S.Dollars
Per share of common stock:				
Net income (loss) — Basic	¥ 99.63	¥ 87.12	¥ (20.16)	\$ 0.92
— Diluted	89.60	74.16	—	0.83
Cash dividends, applicable to period	10.00	10.00	8.00	0.09

The accompanying notes are an integral part of these statements.

Consolidated Statements of Shareholders' Equity

CMK CORPORATION and Consolidated Subsidiaries
Years ended March 31, 2005, 2004 and 2003

	Yen (Millions)					
	Common stock	Additional paid-in capital	Retained earnings	Unrealized gains on securities	Foreign currency translation adjustment	Treasury stock, at cost
Balance at March 31, 2002	¥16,117	¥15,874	¥20,398	¥ 31	¥(1,352)	¥(1,353)
Net loss	—	—	(1,057)	—	—	—
Cash dividends	—	—	(525)	—	—	—
Effect arising from changes of subsidiaries for consolidation	—	—	(751)	—	—	—
Bonuses to directors and statutory auditors	—	—	(5)	—	—	—
Unrealized holding loss arising during the period	—	—	—	(291)	—	—
Translation adjustment	—	—	—	—	(735)	—
Purchase of treasury stock	—	—	—	—	—	(338)
Reissuance of treasury stock	—	—	—	—	—	194
Balance at March 31, 2003	¥16,117	¥15,874	¥18,059	¥ (260)	¥(2,087)	¥(1,497)
Net income	—	—	4,612	—	—	—
Cash dividends	—	—	(417)	—	—	—
Shares issued upon conversion of convertible bond	49	49	—	—	—	—
Increase due to inclusion of consolidated subsidiaries	—	—	639	—	—	—
Bonuses to directors and statutory auditors	—	—	(2)	—	—	—
Unrealized holding gain arising during the period	—	—	—	1,112	—	—
Translation adjustment	—	—	—	—	(1,115)	—
Purchase of treasury stock	—	—	—	—	—	(110)
Balance at March 31, 2004	¥16,167	¥15,924	¥22,889	¥ 852	¥(3,202)	¥(1,607)
Net income	—	—	5,319	—	—	—
Cash dividends	—	—	(524)	—	—	—
Shares issued upon conversion of convertible bond	2,164	2,164	—	—	—	—
Increase due to evaluation of fixed assets in overseas subsidiaries	—	—	117	—	—	—
Bonuses to directors and statutory auditors	—	—	(65)	—	—	—
Unrealized holding gain arising during the period	—	—	—	297	—	—
Translation adjustment	—	—	—	—	(330)	—
Purchase of treasury stock	—	—	—	—	—	(468)
Balance at March 31, 2005	¥18,332	¥18,089	¥27,737	¥1,149	¥(3,532)	¥(2,075)

	U.S.Dollars (Thousands)					
	Common stock	Additional paid-in capital	Retained earnings	Unrealized gains (losses) on securities	Foreign currency translation adjustment	Treasury stock, at cost
Balance at March 31, 2004	\$150,516	\$148,254	\$213,099	\$ 7,932	\$(29,811)	\$(14,961)
Net income	—	—	49,520	—	—	—
Cash dividends	—	—	(4,878)	—	—	—
Shares issued upon conversion of convertible bond	20,147	20,147	—	—	—	—
Increase due to evaluation of fixed assets in overseas subsidiaries	—	—	1,089	—	—	—
Bonuses to directors and statutory auditors	—	—	(605)	—	—	—
Unrealized holding loss arising during the period	—	—	—	2,765	—	—
Translation adjustment	—	—	—	—	(3,072)	—
Purchase of treasury stock	—	—	—	—	—	(4,357)
Sale of treasury stock	—	—	—	—	—	—
Balance at March 31, 2005	\$170,673	\$168,410	\$258,234	\$10,697	\$(32,883)	\$(19,318)

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

CMK CORPORATION and Consolidated Subsidiaries
Years ended March 31, 2005, 2004 and 2003

	Yen (Millions)			U.S.Dollars (Thousands)
	Year ended March 31			Year ended March 31
	2005	2004	2003	2005
Cash flows from operating activities:				
Income (loss) before income taxes and minority interest	¥ 6,809	¥ 5,613	¥ (1,134)	\$ 63,392
Depreciation and amortization	6,735	8,150	9,458	62,703
Increase (decrease) in allowance for bad debts	626	1,009	(50)	5,828
Interest and dividend income	(125)	(90)	(268)	(1,163)
Interest expense	652	955	1,182	6,070
Equity in net earnings of affiliates	(686)	(1,006)	(2)	(6,386)
Loss on disposal of property, plant and equipment	445	505	317	4,143
Impairment loss	2,970	955	0	27,651
Restructuring cost	0	751	0	0
(Increase) decrease in notes and accounts receivable, trade	811	(5,979)	(631)	7,550
Decrease in inventories	1,003	212	208	9,338
Increase (decrease) in notes and accounts payable, trade	(1,807)	2,034	200	(16,823)
Others, net	168	451	1,068	1,564
Subtotal	17,602	13,563	10,351	163,876
Interest and dividend income, received	335	91	132	3,118
Interest expense, paid	(620)	(998)	(1,174)	(5,772)
Income taxes, paid	(2,125)	(461)	311	(19,784)
Net cash provided by operating activities	15,192	12,194	9,620	141,439
Cash flows from investing activities:				
Payments for acquisition of property, plant and equipment	(4,339)	(3,453)	(9,863)	(40,396)
Proceeds from sales of property, plant and equipment	1,147	1,029	781	10,678
Payments for acquisition of intangible fixed assets	(27)	(319)	(332)	(251)
Payments for purchases of investment securities	(98)	(30)	(1,209)	(912)
Proceeds from sales of investment securities	97	1,142	1,498	903
Payments for loan receivables	0	(254)	(2,848)	0
Collections of loan receivables	59	318	593	549
Acquisitions of subsidiaries, net of cash acquired	0	(51)	(584)	0
Others, net	207	808	257	1,927
Net cash used in investing activities	(2,951)	(810)	(11,705)	(27,474)
Cash flows from financing activities:				
Proceeds from short-term borrowings	13,389	46,262	57,723	124,653
Repayment of short-term borrowings	(13,824)	(47,578)	(56,700)	(128,703)
Repayment of bonds	0	(20,000)	0	0
Proceeds from long-term debt	0	3,142	9,664	0
Repayment of long-term debt	(5,688)	(6,671)	(6,787)	(52,955)
Others, net	(1,110)	(1,407)	5,145	(10,334)
Net cash provided by (used in) financing activities	(7,234)	(26,254)	9,045	(67,349)
Effect of exchange rate changes on cash and cash equivalents	(13)	(194)	(136)	(121)
Net increase (decrease) in cash and cash equivalents	4,992	(15,064)	6,823	46,476
Increase in cash and cash equivalents from addition or exclusion of consolidated company	0	45	3,431	0
Cash and cash equivalents at beginning of year	12,959	27,977	17,722	120,649
Cash and cash equivalents at end of year (Note 5)	¥17,951	¥12,959	¥27,977	\$167,125

The accompanying notes are an integral part of these statements.

Notes to Consolidated Financial Statements

CMK CORPORATION and Consolidated Subsidiaries

1. Basis of presenting financial statement

The accompanying consolidated financial statements have been prepared from accounting records maintained by CMK CORPORATION (the "Company") and consolidated subsidiaries in accordance with the provisions set forth in the Japanese Commercial Code and the Securities and Exchange Law and in conformity with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In order to facilitate the understanding of readers outside Japan, certain reclassifications are made to the consolidated financial statements prepared for domestic reporting purposes. In addition, the notes to the consolidated financial statements include information that is not required under accounting prin-

ciples generally accepted in Japan but is presented herein as additional information.

The yen amounts are rounded off in millions. Therefore, total or subtotal amounts do not correspond with the aggregation of such account balance.

U.S. dollar amounts presented in the financial statements are included solely for convenience. The rate of ¥107.41 to US\$1.00, prevailing on March 31, 2005, has been used for translation into U.S. dollar amounts in the financial statements. The U.S. dollar amounts are then rounded off in thousands. The inclusion of such amounts should not be construed as a representation that Japanese yen amounts have been or could in the future be converted into U.S. dollar at that rate.

2. Summary of significant accounting policies

(a) Principle of consolidation

The Company had 23 and 25 subsidiaries as of March 31, 2005 and 2004 respectively. The consolidated financial statements included the accounts of the Company and its 20 and 22 significant subsidiaries as of March 31, 2005 and 2004, respectively.

Intercompany accounts and significant intercompany transactions have been eliminated on consolidation.

The investments in (20% to 50% owned) affiliates, except some of them, are accounted for by the equity method.

Non-consolidated subsidiaries and a part of investments in affiliates are stated at cost because of their immateriality. Earnings of these companies are recorded in the Company's books only to the extent that cash dividends are received.

The difference between the cost of investments in consolidated subsidiaries and the equity in their net assets at dates of acquisition is amortized, on a straight-line basis, over five years.

(b) Cash and cash equivalents

The cash and cash equivalents include certificates of deposit, bank deposit with a maturity of three months or less which can be withdrawn without any restriction, and highly liquid debt instruments purchased with maturity of three months or less.

(c) Marketable securities and investment securities

Debt and equity securities are classified in one of three categories: available-for-sale, trading, or held-to-maturity. Debt securities are classified as "held-to-maturity" securities and reported at amortized cost. Debt and equity securities that are classified as "trading" securities are reported at fair value, with unrealized gains and losses included in earnings. Other debt and equity securities are classified as "available-for-sale" securities and are reported at fair value at the closing date, with unrealized gains or losses net of deferred taxes, included in unrealized gains (losses) on securities in the stockholders' equity section of the consolidated balance sheet. Realized gains and losses which are determined on the moving average cost method are reflected in income.

(d) Inventories

Merchandise, raw materials, finished goods and work in process are stated at cost determined by the average method, except for foreign subsidiary is valued at lower of cost or

market. Subsidiaries' inventories are determined by the moving average method.

Molds are stated at cost determined by the specific identification method.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is computed by the declining-balance method at rates based on estimated useful lives of the respective assets according to general class, type of construction and use, except for the straight-line method for the foreign subsidiaries. Significant renewals and additions are capitalized at cost. Maintenance and repairs and minor renewals and betterments are charged to income as incurred.

(f) Accounting for leases

Finance leases other than those which are deemed to transfer the ownership of the leased assets to lessees, are accounted for by the method similar to that applicable to ordinary operating leases.

(g) Income taxes

The assets and liability approach is used to recognize deferred tax assets and liabilities.

(h) Retirement and pension plans

The Company and its subsidiaries in Japan have various defined benefit pension plans and severance indemnity plans.

The Company provided for retirement allowance to directors and statutory auditors determined based on their pertinent rules that calculate the estimated amount to be paid if all directors and statutory auditors retired at the balance sheet date.

(i) Research and development costs

Research and development costs are charged to income as incurred.

(j) Foreign currency translation

All asset, liability, income and expense accounts of foreign subsidiaries and affiliates are translated into Japanese Yen at appropriate year-end current rates, and the shareholders' equity accounts except for retained earnings are translated at historical rates. The resulting translation adjustments are presented as "foreign currency translation adjustments" in the accompanying consolidated financial statements.

The monetary assets and liabilities in foreign currencies are translated into Japanese Yen at applicable current year-end rates, and other assets and liabilities are translated at historical rates, and differences due to translation are credited or charged to income as incurred.

(k) Impairment of assets accounting

The company and its domestic subsidiaries adopted the new accounting standard for impairment of fixed assets from the year ended March 31, 2005. The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

The effect of adoption of the new accounting standard for impairment of fixed assets was to decrease income before

income taxes for the year ended March 31, 2005 by ¥2,221 million (\$20,677 thousand).

Besides, in the previous year, some overseas subsidiaries adopted this criterion which is based on the respective local accounting principles and practices.

The impairment loss on fixed assets has been deducted directly from the carrying amounts of the respective assets in the consolidated balance sheet.

(l) Net income and dividends per share

Basic net income per share is computed based on the weighted average number of shares outstanding during each period, and diluted net income per share assumes the dilution that could occur if convertible bonds or similar securities were converted into common stock or exercised to result in the issuance of common stock.

Cash dividends per share reflect cash dividends applicable to the respective periods.

(m) Reclassifications

Certain reclassifications of the financial statements and related footnote amounts in the years ended March 31, 2004 and 2003 have been made to conform to the presentation in the year ended March 31, 2005.

3. Marketable securities and investments

The cost and fair value of marketable securities and investments as of March 31, 2005 are shown below:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Debt and equity securities – available-for-sale:			
Cost	¥2,381	¥2,343	\$22,167
Gross unrealized gains	1,968	1,499	18,322
Gross unrealized losses	37	30	344
Amount in balance sheet	¥4,312	¥3,812	\$40,145

Non-marketable securities are not included in the above cost and fair value.

4. Inventories

Inventories at March 31, 2005 and 2004 comprise the following:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Merchandise	¥1,142	¥ 926	\$10,632
Finished goods	2,618	3,006	24,373
Work in process	2,995	3,774	27,883
Raw materials and supplies	1,763	1,849	16,413
Total	¥8,518	¥9,555	\$79,303

5. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts at March 31, 2005 and 2004:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Cash and time deposits	¥18,142	¥13,276	\$168,904
Deposits with a maturity of three months or more	(190)	(317)	(1,768)
Cash and cash equivalents	¥17,951	¥12,959	\$167,125

6. Investment in affiliates

Investment in the non-consolidated subsidiaries and affiliates are shown below:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Investment in the non-consolidated subsidiaries and affiliates	¥4,349	¥3,998	\$40,489

7. Bonds payable and borrowings

Bonds payable as of March 31, 2005 and 2004 consisted of the following:

Item	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Due 2005 Unsecured Convertible Bonds*	¥ 7,978	¥12,308	\$ 74,276
Due 2006 Unsecured Straight Bonds	100	100	931
Due 2008 Unsecured Straight Bonds	2,500	2,500	23,275
Due 2008 Unsecured Straight Bonds	3,000	3,000	27,930
Total	¥13,578	¥17,908	\$126,412

*The conversion period of the Unsecured Convertible Bonds is from October 1, 1996 to September 29, 2005 and the conversion price was ¥1,256 (\$11.69) per share as of March 31, 2005.

Borrowings as of March 31, 2005 and 2004 consisted of the following:

Item	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Short-term Borrowings	¥ 5,196	¥ 5,666	\$ 48,375
Current Portion of Long-term Debt	7,015	5,298	65,310
Long-term Debt	15,225	22,636	141,746
Total	¥27,437	¥33,601	\$255,441

As of March 31, 2005 and 2004, long-term debt is secured by property, plant and equipment with a net value of ¥10,254 million (\$ 95,465 thousand) and ¥11,686 million, respectively.

As is customary in Japan, short-term and long-term bank

loans are made under general agreements, which provide that security, and guarantees for future and present indebtedness will be given upon request of the bank.

The aggregate annual maturities of long-term debt are as follows:

Year ending March 31	Yen (Millions)	U.S. Dollars (Thousands)
2006	¥15,093	\$140,517
2007	12,395	115,398
2008	7,894	73,494
2009	143	1,331
2010 and thereafter	292	2,718
Total	¥35,818	\$333,469

8. Shareholders' equity

Under the Japanese Commercial Code, the entire amount of the issue price of shares is required to be accounted for as capital, although a company may, by resolution of its board of directors, account for an amount not exceeding one-half of the issue price of the new shares as capital surplus.

The Japanese Commercial Code provides that an amount equal to at least 10% of cash dividends and other cash appropriations shall be appropriated and set aside as a legal reserve until

the total amount of legal reserve and capital surplus equals 25% of common stock. The legal reserve is not available for dividends unless the total amount of legal reserve and capital surplus exceeds 25% of common stock. The legal reserve may be used to eliminate or reduce a deficit by resolution of the stockholders or may be capitalized by resolution of the Board of Directors. Legal reserve is included in retained earnings.

9. Income taxes

The Company and its domestic subsidiaries are subject to a number of taxes based on income, which in the aggregate

resulted in normal tax rates of approximately 42% for the year ended March 31, 2005 and 2004.

Income tax expense comprises the following:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Income taxes:			
Current	¥2,006	¥1,643	\$18,676
Deferred	(405)	36	(3,770)
	¥1,601	¥1,679	\$14,905

The significant components of deferred tax assets and liabilities are as follows:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Deferred tax assets:			
Accrued employee's bonuses	¥ 286	¥ 258	\$ 2,662
Retirement and severance benefit	213	253	1,983
Depreciation	264	279	2,457
Fix assets – intercompany profits	87	109	809
Provision for enterprises tax	93	131	865
Securities evaluation loss	826	842	7,690
Impairment loss	251	—	2,336
Others	242	169	2,253
Gross deferred tax assets	¥2,267	¥2,045	\$21,106
Deferred tax liabilities:			
Allowance for doubtful receivables – intercompany losses	16	17	148
Others	38	56	353
Gross deferred tax liabilities	55	74	512
	¥2,211	¥1,971	\$20,584

Reconciliation of the differences between the statutory tax rate and the effective tax rate is as follows:

	2005	2004
Statutory tax rate	40.2%	42.0%
Increase (reduction) in taxes resulting from :		
Unrealized effects of tax loss	(7.5%)	(3.2%)
Effect of equity earnings of affiliates	(4.1%)	(7.5%)
Effect of difference in normal tax rate of overseas subsidiaries	(4.7%)	—
Others	(0.4%)	(1.4%)
Effective income tax rate	23.5%	29.9%

Net deferred tax assets are included in the consolidated balance sheets as follows:

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Current assets – deferred income taxes	¥ 743	¥ 773	\$ 6,917
Investments and other assets — deferred income taxes	1,523	1,271	14,179
Current liabilities – other current liabilities	(2)	—	18
Long-term liabilities — other	(52)	(74)	484
Net deferred tax assets	¥2,211	¥1,971	\$20,584

10. Leased assets

Under Japanese accounting standards for leases, finance leases that do not transfer ownership of the leased assets to the lessees are permitted to be accounted for as rental transactions if certain “as if capitalized” information is disclosed in notes to

lessee’s financial statements. For the years ended March 31, 2005, 2004 and 2003, the Company and its domestic subsidiaries made payments of ¥462 million (\$ 4,301 thousand), ¥620 million and ¥581 million, respectively, on these finance leases.

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Class of property (inclusive of interest)			
Machinery and equipment	¥1,521	¥2,032	\$14,160
Other	777	884	7,233
Accumulated depreciation	(1,168)	(1,661)	(10,874)
	¥1,130	¥1,255	\$10,520

Depreciation charges are computed using straight-line method over lease terms assuming no residual value.

Future minimum lease payments, inclusive of interest, as of March 31, 2005 and 2004 are:

Year ending March 31	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Payments due within one year	¥ 349	¥ 458	\$ 3,249
Payments due after one year	781	796	7,271
Total future minimum lease payment	¥1,130	¥1,255	\$10,520

11. Pension and severance plans

Accrued pension and severance costs at March 31, 2005	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Projected benefit obligation	¥(3,913)	¥(3,742)	\$(36,430)
Fair value of plan assets	3,217	3,093	29,950
Funded status	(696)	(648)	(6,479)
Unrecognized actuarial loss	612	796	5,697
Net amount recognized	(83)	147	(772)
Prepaid benefit cost	206	352	1,917
Accrued pension and severance costs	¥ (290)	¥ (204)	¥ (2,699)

The Company partially shifted to a defined contribution pension system in January 2004, while still retaining a partial balance from the former tax-qualified pension plan system.

	Yen (Millions)		U.S. Dollars (Thousands)
	2005	2004	2005
Service cost	¥309	¥348	\$2,876
Interest cost	85	96	791
Expected return on plan assets	(73)	(77)	(679)
Amortization of actuarial loss	83	101	772
Periodic benefit cost	¥405	¥469	\$3,770
Others	120	(291)	1,117
Total	¥525	¥178	\$4,887

Basis for calculation of retirement benefit obligation, etc

Periodic allocation method for projected benefits	Straight-line standard
Discount rate	Primarily 2.5%
Expected rate of return	Primarily 2.5%
Years over which prior service cost is amortized	10 years
Years over which net actuarial gains and losses are amortized	10 years

12. Impairment loss

The Company recognized impairment losses on certain premises unused as of March 31, 2005 consisted of the following:

Asset type	Location	Usage	Yen (Millions)	U.S. Dollars (Thousands)
			2005	2005
Land	Saitama pref.	Idle	¥1,012	\$ 9,421
Land	Fukui pref.	Idle	56	521
Land	Miyagi pref.	Idle	149	1,387
Land and Buildings	Tokyo	Idle	704	6,554
Buildings	Kanagawa pref.	Idle	298	2,774
Buildings and Machinery*	Europe (Belgium)	Circuit board production facilities	748	6,963
Total			¥2,970	\$27,651

*Subsidiary in Europe closed its factory, therefore the carrying amount of the relevant buildings and machinery was written down to the recoverable amount.

13. Segment information

The following segment information has been prepared according to a Ministerial Ordinance under the Securities and Exchange Law of Japan.

The printed circuit board sector, for each of the years in the three-year period ended March 31, 2005, is more than 90%.

Geographic areas:

	Yen (Millions)			U.S.Dollars (Thousands)
	Year ended March 31			Year ended March 31
	2005	2004	2003	2005
Sales and operating revenue:				
Japan				
Customers	¥ 91,882	¥ 90,927	¥ 89,880	\$ 855,432
Intersegment	2,345	2,722	4,117	21,832
Total	94,227	93,649	93,997	877,264
China				
Customers	¥ 10,944	¥ 10,299	¥ 5,832	\$ 101,889
Intersegment	7,009	5,102	3,774	65,254
Total	17,953	15,401	9,606	167,144
South East Asia				
Customers	¥ 10,581	¥ 11,087	¥ 13,585	\$ 98,510
Intersegment	1,945	1,926	2,247	18,108
Total	12,527	13,014	15,833	116,627
Europe				
Customers	¥ 2,623	¥ 3,051	¥ 2,446	\$ 24,420
Intersegment	16	13	8	148
Total	2,640	3,065	2,455	24,578
Elimination	(11,317)	(9,765)	(10,147)	(105,362)
Consolidated	¥116,031	¥115,366	¥111,744	\$1,080,262
Operating income:				
Japan	¥ 10,015	¥ 9,519	¥ 3,094	\$ 93,240
China	1,301	1,133	(643)	12,112
South East Asia	79	(571)	(389)	735
Europe	(131)	(14)	(144)	(1,219)
Corporate and elimination	(823)	(854)	(1,212)	(7,662)
Consolidated	¥ 10,442	¥ 9,212	¥ 703	\$ 97,216
Identifiable assets:				
Japan	¥ 97,422	¥105,924	¥111,159	\$ 907,010
China	13,885	12,830	12,363	129,271
South East Asia	5,640	6,216	9,849	52,509
Europe	3,918	2,340	2,302	36,477
Corporate and elimination	9,646	6,952	18,596	89,805
Consolidated	¥130,514	¥134,263	¥154,271	\$1,215,101
Export sales:				
To China	¥ 11,819	¥ 9,603	¥ 6,749	\$ 110,036
To South East Asia	11,148	11,676	12,896	103,789
To Europe	2,729	3,213	2,517	25,407
To Other	1,385	1,995	1,849	12,894
Total	¥ 27,082	¥ 26,489	¥ 24,013	\$ 252,136

14. Subsequent events

On June 29, 2005, the following appropriations of retained earnings were approved at an annual general meeting of shareholders of the Company:

	Yen (Millions)	U.S. Dollars (Thousands)
	2005	2005
Cash dividends	¥276	\$2,569
Bonuses to directors and corporate auditors	80	744

Independent Auditors' Report

CMK CORPORATION and Consolidated Subsidiaries

To the shareholders and the Board of Directors of
CMK CORPORATION

We have audited the accompanying consolidated balance sheets of CMK CORPORATION and subsidiaries as of March 31, 2005 and 2004, and the related consolidated statements of income, shareholders' equity and cash flows for each of the years in the three-year period ended March 31, 2005, all expressed in Yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CMK CORPORATION and subsidiaries as of March 31, 2005 and 2004, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 2005, in conformity with accounting principles generally accepted in Japan.

The amounts expressed in U.S. Dollars, provided solely for the convenience of readers, have been translated on the basis set forth in Note 1 to consolidated financial statements.

Tokyo, Japan
June 29, 2005

Shinjuku Audit Corporation

Managements

(As of June 29, 2005)

Directors

Chairman	Noboru Nakayama
President and Chief Executive Officer	Takahiro Nakayama
Director and Executive Managing Officer	Mikihiko Hattori
Director and Executive Managing Officer	Kuniaki Kanemoto
Director and Executive Managing Officer	Kunio Nishi
Director and Executive Officer	Tsutomu Yamaguchi

Auditors

Standing Auditor	Nobuo Akiyama
Auditor	Hideaki Takahashi
Auditor	Noriyuki Takei

Executive officers

Executive officer	Shinji Kadono
Executive officer	Sadanobu Kondou
Executive officer	Takeo Takai
Executive officer	Hiromitsu Nakayama
Executive officer	Kazuhiro Ito

Corporate Data

(As of March 31, 2005)

Established

February 1961

Business Activities

Research and Development, production and sales of PWBs and electronic devices

Major Shareholders

Shareholders	Number of shares held (Thousands)	Percentage (%)
Japan Trustee Services Bank, Ltd. (Trustee account)	8,946	15.7
The Master Trust Bank of Japan, Ltd. (Trustee account)	4,062	7.1
The Dai-ichi Mutual Life Insurance Company	2,845	5.0
Noboru Nakayama	2,652	4.6
Mizuho Corporate Bank Ltd.	2,576	4.5
The Foundation for Technology Promotion of Electronic Circuit Board	2,500	4.4
Matsushita Electric Works, Ltd.	1,860	3.2
Trust & Custody Services Bank, Ltd. as trustee for Hitachi Chemical Co., Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	1,822	3.2
Trust & Custody Services Bank, Ltd. as trustee for The Tokyo Tomin Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	1,745	3.0
Sumitomo Mitsui Banking Corporation	1,613	2.8

Correspondent Banks

(As of June 29, 2005)

Mizuho Corporate Bank, Ltd.
Sumitomo Mitsui Banking Corporation
The Tokyo Tomin Bank, Ltd.
Resona Bank, Limited.

Principal Customers

Sharp Corporation
Matsushita Electric Industrial Co., Ltd.
Denso Corporation
Sanyo Electric Co., Ltd.
Toyota Tsusho Corporation

Group Companies

(As of March 31, 2005)

Company Name	Equity held by the Company (%)	Principal Business	Country
Subsidiaries			
CMK MECHANICS CORPORATION	100.0	Manufacturing and sales of PWBs and molds	Japan
CMK MULTI CORPORATION	100.0	Manufacturing and sales of PWBs	Japan
CMK CIRCUIT TECHNOLOGY CENTER CORPORATION	100.0	Designing circuit of PWBs	Japan
SE PRODUCTS CORPORATION	100.0	Manufacturing and sales of PWBs	Japan
CMK NIIGATA CORPORATION	100.0	Manufacturing and sales of PWBs	Japan
CMK FINANCE CORPORATION	100.0	Credit and loan to subsidiaries	Japan
CMK PACKAGE TECH CORPORATION	100.0	Manufacturing and sales of PWBs	Japan
YAMANASHI SANKO CO., LTD.	90.0	Manufacturing and sales of PWBs	Japan
CMK KANBARA ELECTRONIC CORPORATION JAPAN	75.5	Manufacturing and sales of PWBs	Japan
JT CMK CORPORATION	66.6	Manufacturing and sales of PWBs	Japan
CMK ELECTRONICS (WUXI) CO., LTD.	65.0	Manufacturing and sales of PWBs	China
JSIC CORPORATION	50.2	Manufacturing and sales of PWBs	Japan
WAKOH ELECTRONICS CORPORATION	52.6	Manufacturing and sales of PWBs	Japan
CMK SINGAPORE (PTE.) LTD.	51.0	Sales of PWBs	Singapore
CMKS (MALAYSIA) SDN. BHD.	64.1 (26.8)	Manufacturing and sales of PWBs	Malaysia
P. T. CMKS INDONESIA	100.0 (100.0)	Manufacturing and sales of PWBs	Indonesia
CMKS (HONG KONG) CO., LIMITED	100.0 (100.0)	Manufacturing and sales of PWBs	Hong Kong
CMKC (HONG KONG) LIMITED	100.0	Sales of PWBs	Hong Kong
CMK EUROPE N. V.	96.7 (96.7)	Manufacturing and sales of PWBs	Belgium
CMKC (DONG GUAN) LTD.	95.6 (95.6)	Manufacturing and sales of PWBs	China
Affiliates			
SNC INDUSTRIAL LAMINATES SDN. BHD.	49.0	Manufacturing and sales of copper-clad laminates	Malaysia
CMK GLOBAL BRANDS MANUFACTURE, LTD.	49.0	Manufacturing and sales of PWBs	China

Note: Equity held by the Company equals the total of direct and indirect holdings. Figures in parentheses are indirect holdings.



1 CMK Headquarters



2 CMK SE Center



3 CMK Niigata Satellite

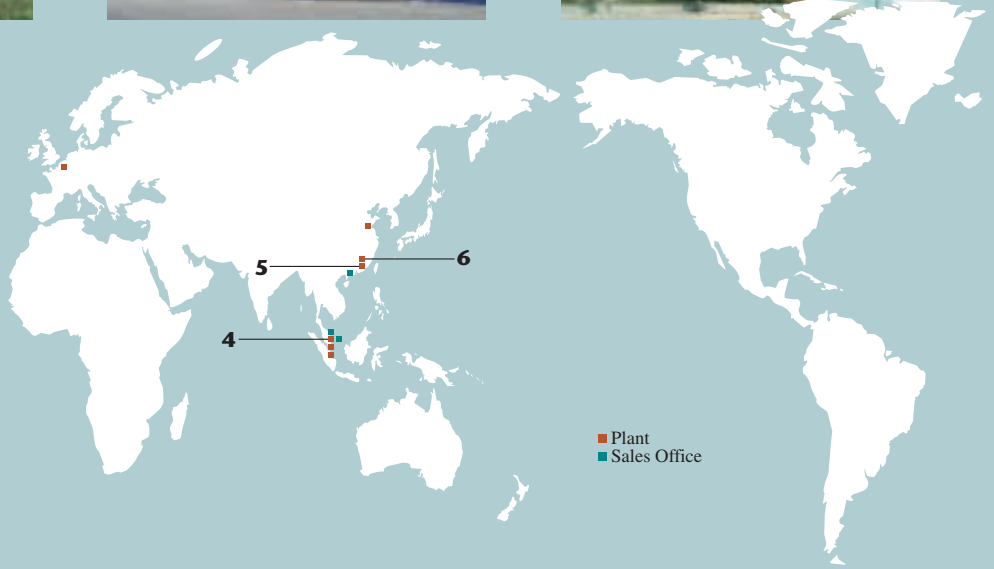
4 CMKS (MALAYSIA) SDN. BHD.



5 CMKC (DONG GUANG) LTD.



6 CMK Electronics (WUXI) Co., Ltd.





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