

Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2023
(Based on Japanese GAAP)

February 7, 2024

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, 2024
 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, 2023 (from April 1, 2023 to December 31, 2023)

(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, 2023	66,970	7.1	2,123	△0.6	3,402	24.3	2,006	△0.6
Nine months ended December 31, 2022	62,555	3.9	2,136	26.8	2,738	59.0	2,018	53.9

(Note) Comprehensive income:

Nine months ended December 31, 2023 5,818million yen (△28.5%)
 Nine months ended December 31, 2022 8,141million yen (210.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2023	33.89	—
Nine months ended December 31, 2022	34.10	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	127,655	64,026	48.5
As of March 31, 2023	114,570	58,779	49.6

(Reference) Shareholder's equity:

As of December 31, 2023 61,884million yen As of March 31, 2023 56,847million 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, 2023	—	0.00	—	8.50	8.50
Year ending March 31, 2024	—	0.00	—		
Year ending March 31, 2024(forecast)				11.00	11.00

(Note) 1. Revisions to dividend forecasts published most recently: Yes

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)
(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	87,000	3.8	3,000	15.1	3,700	41.1	2,200	38.5	37.15

(Note) Revisions to financial forecasts published most recently: Yes

※ Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(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, 2023	63,097,316 shares	As of March 31, 2023	63,077,770 shares
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2) Number of treasury shares at the end of the period

As of December 31, 2023	3,866,629 shares	As of March 31, 2023	3,865,795 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, 2023	59,220,705 shares	Nine months ended December 31, 2022	59,203,010 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, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	23,596	25,540
Notes and accounts receivable - trade	17,664	19,736
Electronically recorded monetary claims - operating	1,531	2,044
Merchandise and finished goods	9,691	10,241
Work in process	4,415	4,318
Raw materials and supplies	3,242	3,415
Other	1,552	2,205
Allowance for doubtful accounts	△41	△43
Total current assets	61,652	67,459
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,786	12,898
Machinery, equipment and vehicles, net	19,428	20,090
Land	7,801	7,831
Construction in progress	4,324	11,279
Other, net	1,498	1,756
Total property, plant and equipment	45,839	53,855
Intangible assets		
Goodwill	40	26
Other	329	434
Total intangible assets	370	461
Investments and other assets		
Investment securities	3,126	3,267
Retirement benefit asset	827	843
Other	2,720	1,748
Allowance for doubtful accounts	△23	△24
Total investments and other assets	6,651	5,836
Total non-current assets	52,860	60,152
Deferred assets		
Bond issuance costs	56	43
Total deferred assets	56	43
Total assets	114,570	127,655

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,265	12,635
Electronically recorded obligations - operating	2,049	1,963
Short-term borrowings	—	4,000
Current portion of bonds payable	342	42
Current portion of long-term borrowings	10,327	3,752
Income taxes payable	240	460
Provision for bonuses	552	835
Asset retirement obligations	2	—
Other	3,155	3,906
Total current liabilities	26,936	27,596
Non-current liabilities		
Bonds payable	5,765	5,744
Long-term borrowings	21,472	28,501
Retirement benefit liability	153	182
Asset retirement obligations	404	406
Other	1,057	1,197
Total non-current liabilities	28,853	36,031
Total liabilities	55,790	63,628
Net assets		
Shareholders' equity		
Share capital	22,310	22,315
Capital surplus	16,966	16,971
Retained earnings	14,171	15,674
Treasury shares	△3,136	△3,136
Total shareholders' equity	50,311	51,824
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,198	1,457
Foreign currency translation adjustment	5,455	8,730
Remeasurements of defined benefit plans	△118	△128
Total accumulated other comprehensive income	6,535	10,059
Non-controlling interests	1,931	2,142
Total net assets	58,779	64,026
Total liabilities and net assets	114,570	127,655

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	62,555	66,970
Cost of sales	52,906	57,022
Gross profit	9,648	9,947
Selling, general and administrative expenses		
Employees' salaries and bonuses	3,029	3,110
Provision for bonuses	△140	104
Retirement benefit expenses	17	34
Provision of allowance for doubtful accounts	△0	1
Other	4,606	4,572
Total selling, general and administrative expenses	7,512	7,824
Operating profit	2,136	2,123
Non-operating income		
Interest income	11	106
Dividend income	127	115
Foreign exchange gains	673	1,154
Other	354	503
Total non-operating income	1,166	1,879
Non-operating expenses		
Interest expenses	209	247
Commission expenses	123	234
Plant shutdown related costs	132	—
Other	99	118
Total non-operating expenses	564	600
Ordinary profit	2,738	3,402
Extraordinary income		
Gain on sale of non-current assets	0	1
Gain on sale of investment securities	11	6
Total extraordinary income	12	7
Extraordinary losses		
Loss on sale of non-current assets	3	0
Loss on retirement of non-current assets	116	181
Loss on valuation of investment securities	49	56
Restructuring costs	—	* 216
Total extraordinary losses	168	454
Profit before income taxes	2,581	2,956
Income taxes	444	815
Profit	2,137	2,141
Profit attributable to non-controlling interests	118	134
Profit attributable to owners of parent	2,018	2,006

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,137	2,141
Other comprehensive income		
Valuation difference on available-for-sale securities	292	258
Foreign currency translation adjustment	5,753	3,428
Remeasurements of defined benefit plans, net of tax	△42	△9
Total other comprehensive income	6,003	3,677
Comprehensive income	8,141	5,818
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,790	5,531
Comprehensive income attributable to non-controlling interests	351	287