

# Ahresty Corporation

## Results Briefing

### for the Year Ended March 31, 2011



**May 23, 2011**

This document and comments made in the results briefing include forecasts that the Company has prepared based on data available at the time the document was produced. Actual results may differ materially from the forecasts for a range of reasons.

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# TOPICS for FY2010

- July 2010** Started operation of new production facilities at a plant for manufacturing die casting dies in China (Guangzhou)
- August** Established Hefei Ahresty as the second production base of Ahresty in China (Operation planned for July 2011)
- December** Started operation of a plant for manufacturing die casting dies in Mexico
- April 2011** Consolidated organizations into Tokai plant ahead of the planned integration of Hamamatsu plant and Toyohashi plant  
(The consolidation of plants and production facilities is scheduled to be completed in March 2013.)

## Establishment and Expansion of Overseas Plants



### Ahresty Precision Die Mold (Guangzhou) Co., Ltd.

Jul. 2010: New plant completed.

Nov. 2010: Opening ceremony

Building area

1<sup>st</sup> stage of construction: 2,679 m<sup>2</sup>

2<sup>nd</sup> stage of construction: 1,830 m<sup>2</sup> (to be completed in Feb. 2012)

Total: 4,509 m<sup>2</sup>



### Ahresty Mexicana, S.A. de C.V.

(Plant for manufacturing die casting dies)

Sept. 2010: Plant completed

Dec. 2010: Operation started

Plant building area 2,004 m<sup>2</sup>



### Ahresty India Private Limited

Building area


Until the 3<sup>rd</sup> expansion work: 8,262 m<sup>2</sup> (completed in Oct. 2010)

4<sup>th</sup> expansion work: 3,232 m<sup>2</sup> (to be completed in Sept. 2011)


Total: 11,494 m<sup>2</sup>

# Progress of Construction of the Second Base in China


**The Hefei Ahresty plant is under construction  
Operations to commence in Jul. 2011**



**External view of Hefei Ahresty**



**Inside the plant**

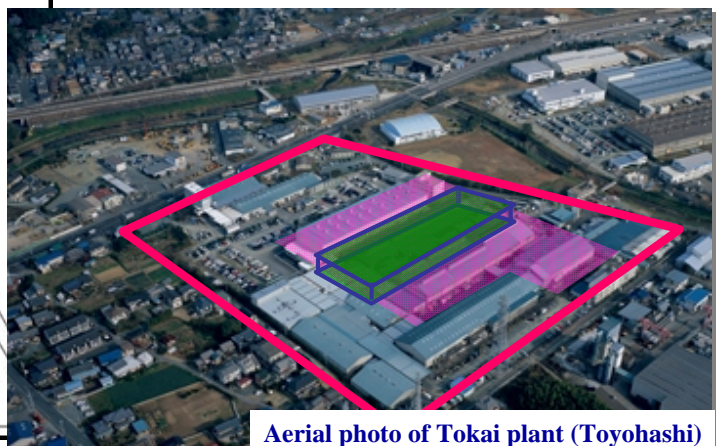
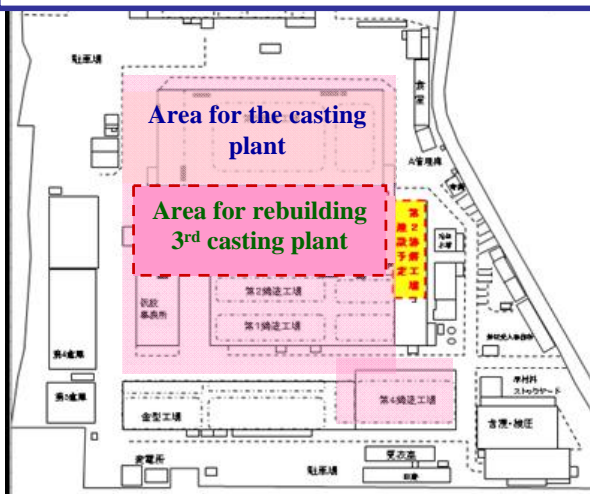


**Ahresty**

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# Progress in Consolidation of Domestic Bases

**Hamamatsu plant and Toyohashi plant  
are to be consolidated as Tokai plant  
by March 2013.  
Organizations were integrated in April  
2011.**





# Overview of Results for the Fiscal Year Ended March 31, 2011



## Key Results for the Fiscal Year Ended March 31, 2011

	Fiscal year ended March 2010		Fiscal year ended March 2011		Y o Y changes	(Million yen)
<b>Sales</b>	<b>75,777</b>	100%	<b>99,022</b>	100%	<b>23,245</b>	
<b>Gross profit</b>	<b>8,686</b>	11.5%	<b>13,241</b>	13.4%	<b>4,555</b>	
<b>Operating income</b>	<b>526</b>	0.7%	<b>3,765</b>	3.8%	<b>3,239</b>	
<b>Recurring income</b>	<b>564</b>	0.7%	<b>3,557</b>	3.6%	<b>2,993</b>	
<b>Net income</b>	<b>(59)</b>	-	<b>1,481</b>	1.5%	<b>1,540</b>	
<b>EPS (Yen)</b>	<b>(2.77)</b>		<b>68.80</b>		<b>71.57</b>	

Sales in the fiscal year under review were ¥99.0 billion (up 30.7% year on year).

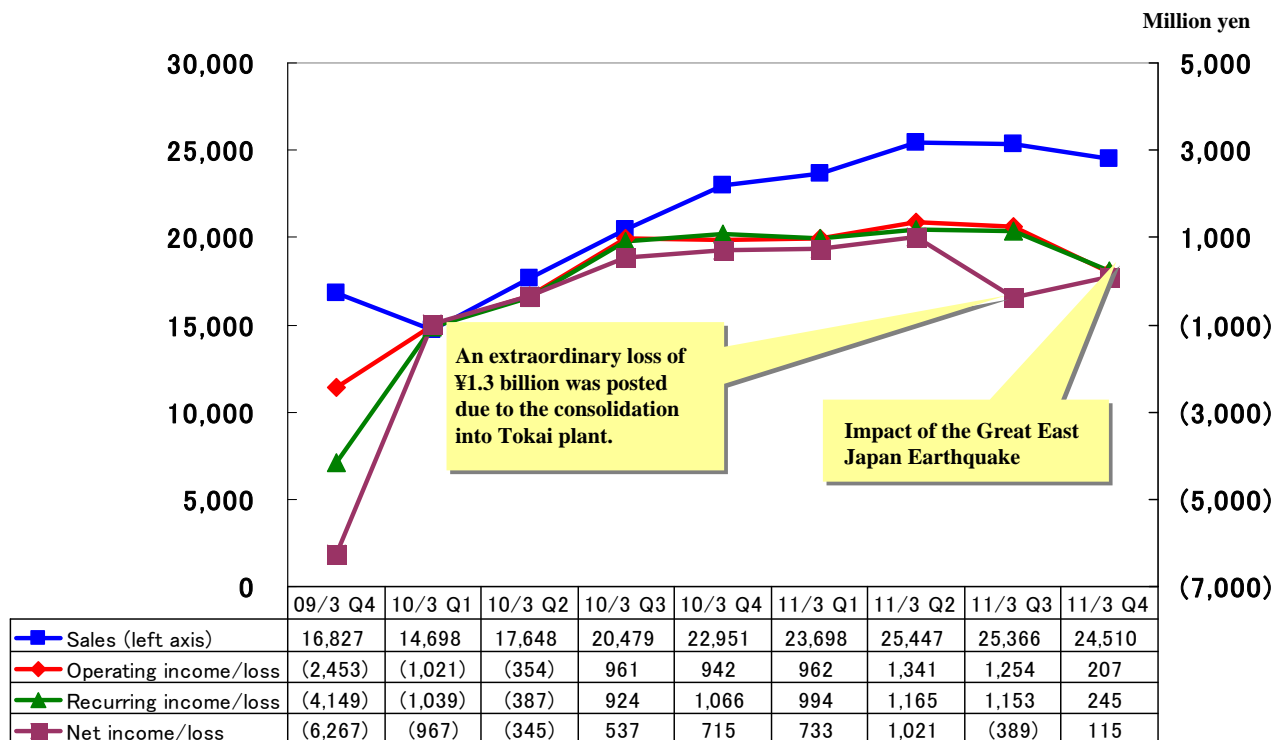
Operating income was ¥3.7 billion (up 615% year on year)

Main factors behind the sales increase: Despite the year-on-year decline of domestic automobile sales, domestic demand recovered, backed by the rise in exports of finished cars, which is linked to the recovery in orders from main customers in North America, the start of shipments to new customers, and the growth of the Chinese market, which remains strong.

Main factors in operating income: Despite the increase in labor costs that accompanied the rise in sales volume, sales increased in each segment, resulting in an increase in operating income.

An extraordinary loss of ¥1.36 billion was posted with the consolidation into Tokai plant.

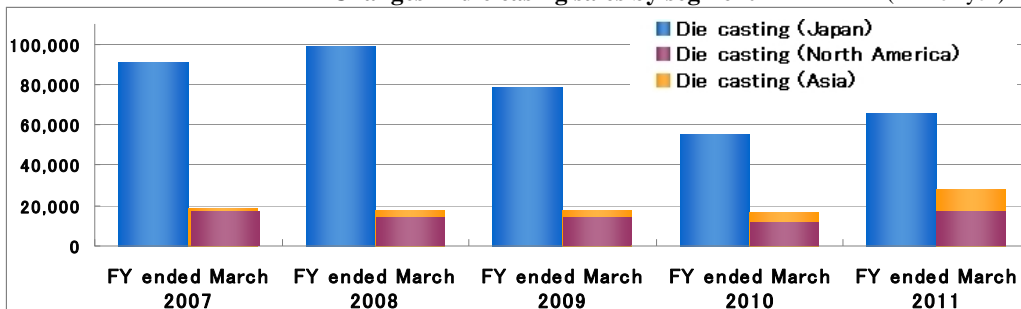
# Overview of the (Quarterly) Consolidated Results



## Die Casting Business

Changes in die casing sales by segment

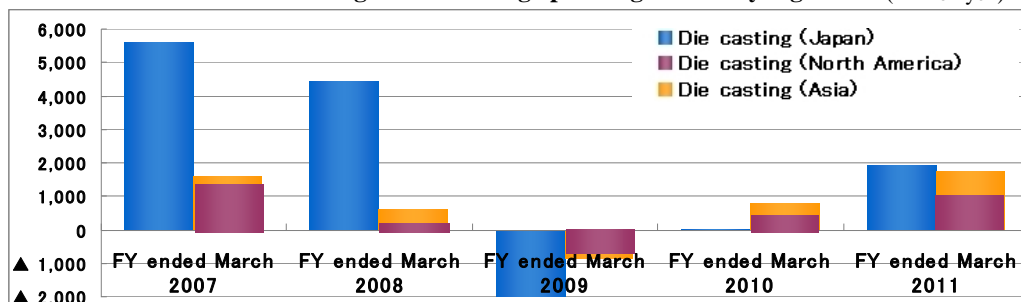
(Million yen)



Domestic sales had been declining after peaking in FY ended March 2008. Sales recovered slightly with the rise in exports of finished cars and other factors.

Changes in die casing operating income by segment

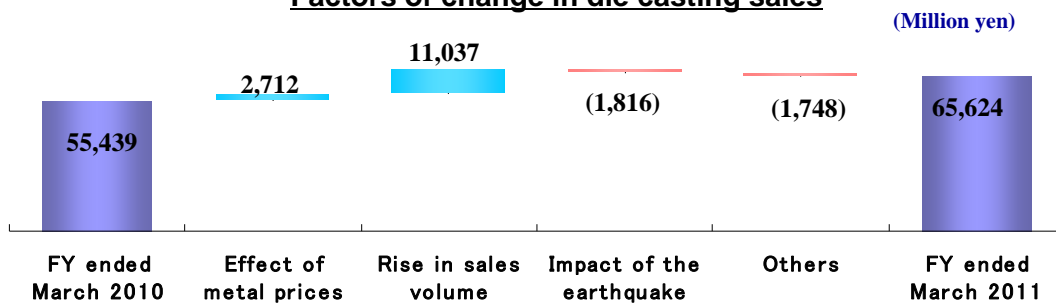
(Million yen)



North America and Asia went into red after the collapse of Lehman Brothers but recovered earlier than Japan.

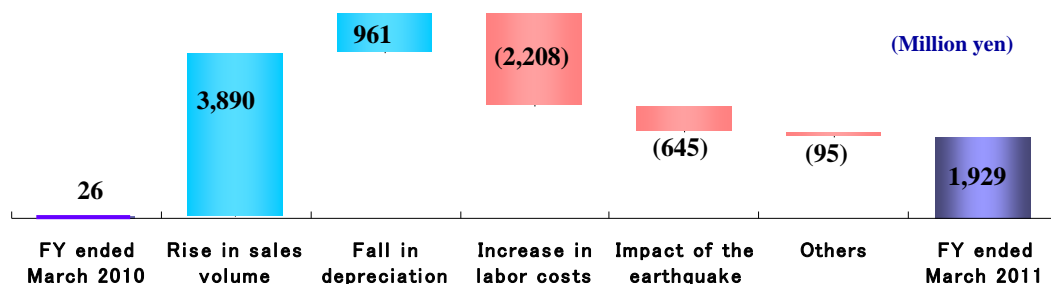
# Die Casting Business in Japan

## Factors of change in die casting sales



Sales increased ¥10.2 billion (up 18%) from the previous fiscal year given the rise in sales volume.

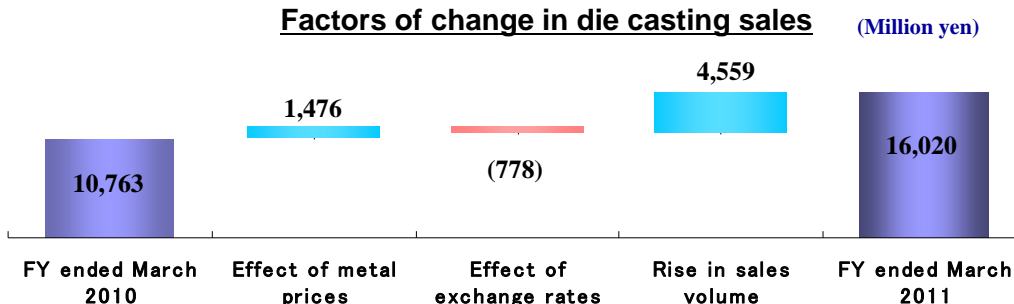
## Factors of change in die casting operating income



Operating income increased ¥1.9 billion from the previous fiscal year due to the fall in depreciation, which resulted from the control of capital expenditures, and the rise in sales volume, offsetting an increase in labor costs and other influences.

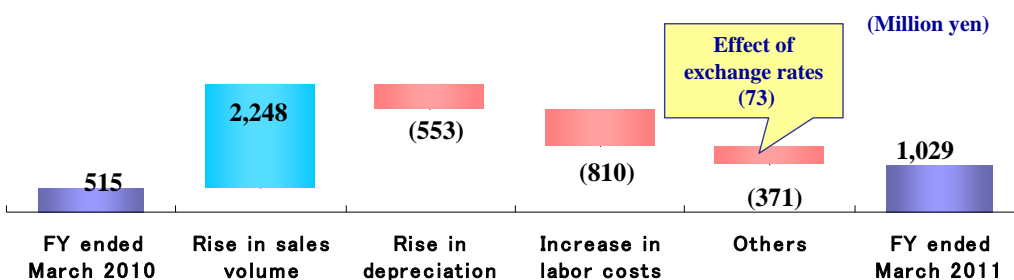
# Die Casting Business in North America

## Factors of change in die casting sales



United States: Sales, operating income, and the operating margin all recovered steadily with the modest rebound in the automobile market of North America.

## Factors of change in die casting operating income



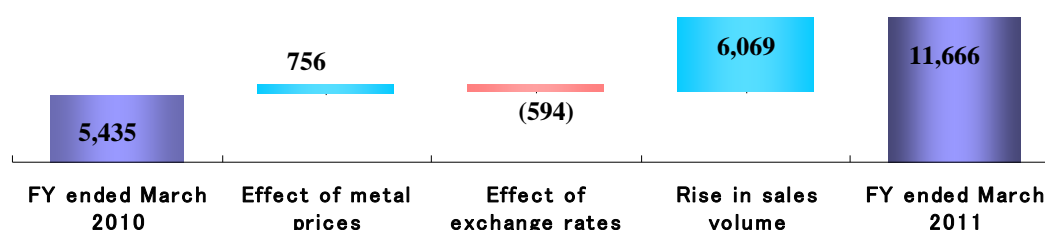
Mexico: Although sales doubled thanks to booming orders, income declined with the temporary worsening of productivity, rise in depreciation, and increase in labor costs

Average exchange rate  
US dollar 93.03→85.81  
Mexican peso 6.91→6.92

# Die Casting Business in Asia

## Factors of change in die casting sales

(Million yen)



China: Sales increased significantly, or by slightly more than two times, and income also grew steadily with the launch of new products and booming demand.

India: Though Ahresty was still in the second year of its operation in India, sales grew strongly, roughly doubling. The Company continues to look to increase sales with prior investments.

## Factors of change in die casting operating income

(Million yen)



Average exchange rate  
Chinese yuan 13.69→12.95  
Indian rupee 1.96→1.89



# Aluminum Business and Proprietary Products Business

(Million yen)

		FY ended March 2010	FY ended March 2011	Y o Y changes
Aluminum Business	Sales	2,687 100%	3,524 100%	837
	Operating income (loss)	(188) -	(13) -	175
Proprietary Products Business	Sales	1,451 100%	2,186 100%	735
	Operating income (loss)	(123) -	84 3.8%	207

Aluminum Business: Orders remained on a par with the previous year. Despite the increase in sales of ¥800 million (up 31.1%) and rise in income of ¥180 million, a slight deficit was posted because of the rise in metal prices.

Proprietary Products Business: Sales were up ¥700 million (up 50.7%) and income increased by ¥200 thanks to the resumption of capital investment by semiconductor-related companies and orders from data centers, computer rooms of major financial institutions, and other customers.



# Balance Sheets

(Million yen)	FY ended March 2010 (2010.3.31)	First half of the FY ended March 2011 (2010.9.30)	FY ended March 2011 (2011.3.31)	
<b>Current assets</b>	<b>34,472</b>	<b>38,901</b>	<b>40,530</b>	
Cash and time deposits	5,267	6,882	9,179	
Notes and accounts receivable	20,246	22,586	20,254	
Inventories	6,877	7,619	9,162	
<b>Fixed assets</b>	<b>53,505</b>	<b>53,924</b>	<b>53,268</b>	
Tangible fixed assets	46,228	47,169	46,284	
<b>Total assets</b>	<b>87,977</b>	<b>92,825</b>	<b>93,799</b>	
<b>Liabilities</b>	<b>52,728</b>	<b>57,352</b>	<b>59,391</b>	
Notes and accounts payable	15,059	18,010	18,571	
Long-term and short-term loans	24,411	22,661	25,850	
<b>Total net assets</b>	<b>35,249</b>	<b>35,472</b>	<b>34,407</b>	
<b>Net assets per share(yen)</b>	<b>1,633.33</b>	<b>1,643.08</b>	<b>1,593.63</b>	
(For reference) *Based on acceptance inspections				
Capital expenditures	9,278	6,836	11,975	
Other than die casting dies	6,049	4,886	7,879	
Die casting dies	3,229	1,951	4,096	

◆ The increase in cash and time deposits is attributable mainly to funds for an increase in capital for subsidiaries and the time of payment of accounts payable.

◆ The decline in net assets is due to the loss of ¥1.9 billion that resulted from foreign currency translation adjustment, offsetting the increase of ¥1.4 billion due to net income.

◆ Invested aggressively overseas.



# Dividends

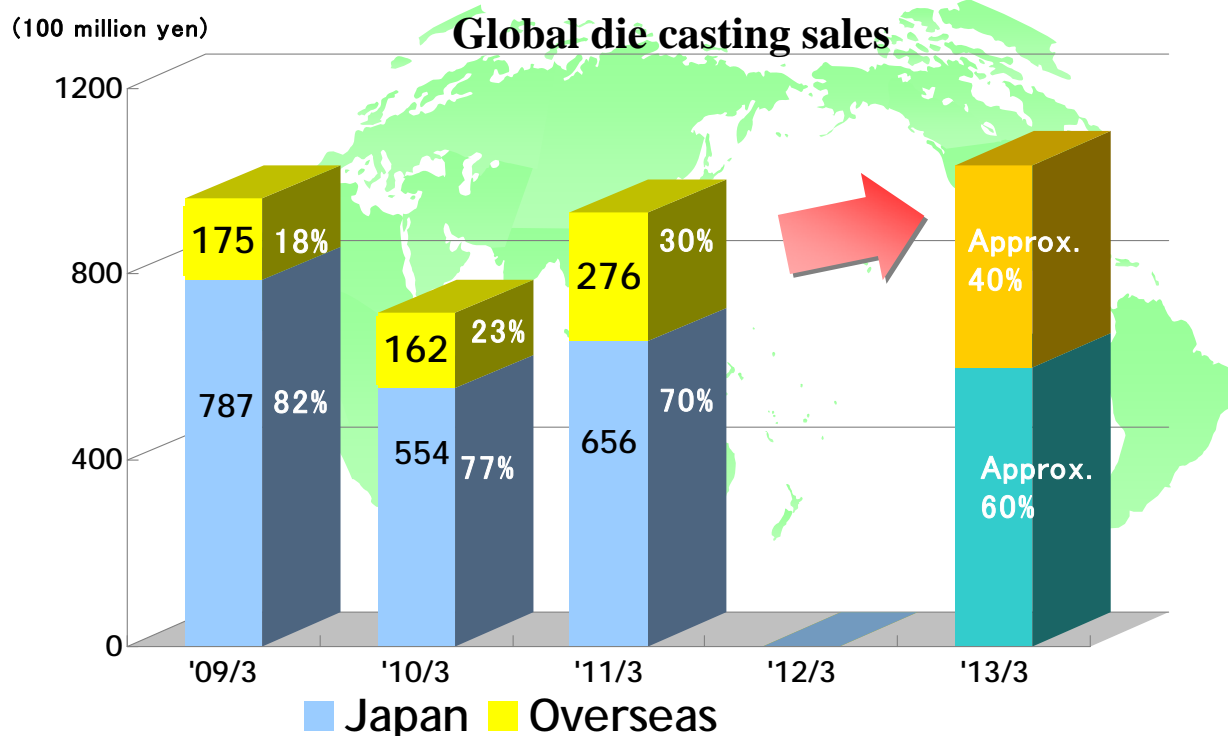
(yen)	FY ended March 2007	FY ended March 2008	FY ended March 2009	FY ended March 2010	FY ended March 2011
<b>Dividend per share</b>					
(Annual dividend)	23	23	11	5	12
Interim dividend	9	9	11	-	6
Year-end dividend	14	14	-	5	6
<b>Net income (loss) per share (consolidated)</b>	<b>351.2</b>	<b>154.7</b>	<b>(313.8)</b>	<b>(2.8)</b>	<b>68.8</b>
<b>Payout ratio (consolidated)</b>	<b>6.5%</b>	<b>14.9%</b>	-	-	<b>17.4%</b>

- ◆ Will promote the distribution of management resources for growth for the future, considering the payout ratio





# Global Die Casting Sales: Results and Plan



Casting Our Eyes  
on the Future

## Ahresty Corporation

Aiming to become a leader in research and development, service, and technology



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