Financial Results for Year Ended March 31, 2009

May 14, 2009

Company Name	Ahresty Corporation	Stock Exchange Listing	Tokyo
Code Number	5852	URL http://www.ahresty.co.jp	
Representative	President & CEO	Arata Takahashi	
Contact for inquiries	General Manager of Accounting Department	Kunitoshi Hinuma	TEL 03-5332-6001

Planned date for regular general meeting of shareholders June 25, 2009

Planned date for start of dividend payments —

Planned date for Submission of securities report June 25, 2009

(Amounts of less than 1 million yen are rounded off)

1. Consolidated performance for year ended March 2009 (April 1, 2008 - March 31, 2009)

(1) Consolidated operating results (% shows change from previous term)

	Sales		Operating income		Recurring income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2009	104,843	(26.7)	(2,665)	—	(4,265)	—	(6,772)	—
Year ended March 2008	129,362	5.4	5,821	(26.7)	6,185	(22.0)	3,363	(55.3)

	Net income per share	Fully diluted net income per share	Return on equity	Return on total asset	Operating profit on sales
	yen	yen	%	%	%
Year ended March 2009	(313.83)	—	(17.1)	(4.5)	(2.5)
Year ended March 2008	154.66	154.56	7.5	6.0	4.5

(For reference) Investment gain or loss under equity method

Year ended March 2009: — million yen Year ended March 2008: — million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2009	86,560	34,175	39.4	1,583.83
Year ended March 2008	101,894	45,299	44.4	2,081.01

(For reference) Shareholders' equity

Year ended March 2009: 34,116 million yen Year ended March 2008: 45,250 million yen

(3) State of consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Term-end balance of cash and cash equivalents
	million yen	million yen	million yen	million yen
Year ended March 2009	9,404	(15,476)	9,841	7,274
Year ended March 2008	13,004	(15,655)	2,565	3,877

2. Dividend payments

	Dividend per share					Total dividend (for year)	Dividend payout ratio (consolidated)	Dividend ratio to net asset (consolidated)
(Date of record)	End of first quarter	End of second quarter	End of third quarter	End of year	For the year			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 2008	–	9.00	–	14.00	23.00	500	14.9	1.1
Year ended March 2009	–	11.00	–	0.00	11.00	236	–	0.6
Year ending March 2010 (projection)	–	0.00	–	0.00	0.00		–	

3. Consolidated forecasts for year ending March 2010 (April 1, 2009 – March 31, 2010)

(% shows change from previous year and from previous interim term)

	Sales		Operating income		Recurring income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Midterm	33,000	(45.7)	(3,000)	–	(3,450)	–	(3,050)	–	(142.35)
Full year	78,000	(25.6)	(2,000)	–	(2,650)	–	(2,400)	–	(111.22)

4. Other matters

(1) Significant changes to subsidiaries during the current term (changes for a specified subsidiary accompanying a change in the scope of consolidation): None

(2) Change in accounting principles, procedures, or statement methods, etc. pertaining to the presentation of consolidated financial statements (matters reported under the heading of "Changes to the basis of presenting consolidated financial statements")

(i) Changes accompanying revision to accounting standards, etc.: Yes

(ii) Changes other than (i) above: Yes

(3) Number of shares outstanding (common stock)

(i) Number of shares outstanding at end of year (including treasury stock)

Year ended March 2009: 21,778,220 shares   Year ended March 2008: 21,778,220 shares

(ii) Number of treasury stock at end of year

Year ended March 2009: 237,722 shares   Year ended March 2008: 33,558 shares

(For reference) Outline of non-consolidated performance

1. Non-consolidated performance for year ended March 2009 (April 1, 2008 – March 31, 2009)

(1) Non-consolidated operating results (% shows change from previous term)

	Sales		Operating income		Recurring income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2009	86,572	(20.7)	(1,334)	–	(1,041)	–	(3,250)	–
Year ended March 2008	109,175	7.2	3,526	(10.6)	4,093	(17.9)	3,026	(53.7)

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended March 2009	(150.63)	–
Year ended March 2008	139.16	139.07

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2009	72,815	29,571	40.5	1,370.11
Year ended March 2008	82,777	34,474	41.6	1,583.15

(For reference) Shareholders' equity

Year ended March 2009: 29,512 million yen   Year ended March 2008: 34,425 million yen

2. Non-consolidated forecasts for year ending March 2010 (April 1, 2009 – March 31, 2010)

(% shows change from previous year and from previous interim term)

	Sales		Operating income		Recurring income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Midterm	25,500	(50.3)	(2,000)	–	(2,200)	–	(2,200)	–	(101.95)
Full year	60,500	(30.1)	(2,000)	–	(2,400)	–	(2,400)	–	(111.22)

* Explanation for appropriate use of financial forecasts and other special remarks

This material contains forward-looking statements based on information obtained by the management as of the day of publication, as well as certain assumptions that the management believes to be reasonable.

1. Results of Operations

(1) Analysis of operating results

(Operating results)

The Japanese economy went from bad to worse during the fiscal year under review. In the first half of the fiscal year, higher costs due to rising oil and raw material prices tended to weigh down corporate income. In the second half, the financial crisis sparked by the bankruptcy of leading U.S. securities company Lehman Brothers had serious repercussions for the real economy and, on top of plunging exports, shrinking capital investment and an increasingly severe employment and income situation, Japan's industrial output also hit an all-time low. Overseas, the U.S. economy plunged deeper into recession, as employment conditions deteriorated rapidly and private consumption plummeted amid growing unease in the financial and credit markets. European economies also experienced a sharp drop in business confidence in the wake of the Lehman collapse.

In this environment, the Company also experienced a dramatic decline in orders, as Japanese and overseas automakers significantly scaled back production, and consequently sales dropped sharply. Although we took steps such as shifting to a production structure compatible with the decline in orders and reducing expenses, this was not enough to offset the impact of decreased sales, and income also deteriorated.

Operational results for this fiscal year were sales of ¥104,843 million (down 19.0% from the previous fiscal year), an operating loss of ¥2,665 million (as compared with operating income of ¥5,821 million the previous fiscal year), a recurring loss of ¥4,265 million (as compared with recurring income of ¥6,185 million the previous fiscal year) and a net loss of ¥6,772 million (compared with net income of ¥3,363 million the previous fiscal year) due to such factors as impairment loss for assets in part and reversal of deferred tax assets.

Operating results by business segment are as follows:

In the Die Casting Business, sales reached ¥96,278 million (down 17.4% year on year), reflecting a sharp decline in orders, as the slowdown in demand triggered by the U.S. financial crisis spread from the United States and Europe to emerging economies, and automakers who are our major customers adjusted their production volumes accordingly. Although we worked to cut costs, reduce expenses and improve production efficiency, lower capacity utilization resulting from the sharp decline in orders meant lower profit margins, resulting in an operating loss of ¥2,825 million (compared with operating income of ¥5,019 million the previous fiscal year).

In the Aluminum Business, sales were ¥5,484 million (falling 28.8%). Although shipments of secondary alloy ingots to the key auto industry were solid during the first half of the fiscal year, demand and ingot prices plummeted from the third quarter. Although we sought to reduce inventories and review our production system in response to the sudden drop in sales volume and ingot prices from the third quarter, lower production volumes led to lower profit margins, resulting in an operating loss of ¥88 million (as compared with operating income of ¥395 million the previous fiscal year).

In the Proprietary Products Business, sales amounted to ¥3,080 million (declining 38.8%), largely because semiconductor manufacturers in Western Japan which had been expected to order mainstay aluminum panels either delayed or suspended capital investment in response to worsening economic conditions in Japan. Operating income was ¥221 million (down 45.9%), reflecting higher selling expenses associated with decreased sales.

Operating results by geographic segment are as follows:

(i) Japan

In Japan, sales were ¥87,324 million (down 21.7%), as, amid the worldwide economic downturn, automakers which are our major customers saw their global sales slump and Japan's automobile production also fell due to the rapid appreciation of the yen and other factors. Looking at income, the lower capacity utilization rate resulting from the sharp decline in orders and higher depreciation expense resulted in an operating loss of ¥1,607 million (as compared with operating income of ¥5,729 million the previous fiscal year).

(ii) North America

Sales amounted to ¥13,342 million (falling 2.1%). While business in Mexico remained favorable, business in the United States was sluggish, as the economic slowdown largely attributed to the financial crisis caused the collapse of the North American auto market. With regard to income, due to a decline in the capacity utilization rate resulting from a sharp drop in orders at our U.S. subsidiary, the segment posted an operating loss of ¥701 million (as compared with operating income of ¥269 million the previous fiscal year).

(iii) Other areas

In other regions, which include China, sales reached ¥4,176 million (rising 0.3%). Although, in this segment also, automakers, which are our main customers, began showing signs of reducing production volumes in response to the financial crisis originating in the U.S., orders in China increased slightly and the start of full-scale business operation in India also contributed to the increase in sales. As for income, due to the impact of start-up expenses, etc. in India and other factors, the segment recorded an operating loss of ¥135 million (as compared with operating income of ¥331 million the previous fiscal year).

(Out look for Fiscal year ended March 2010)

The financial crisis originating in the U.S. has seriously affected the real economy on a worldwide scale, and decline in global auto production has led to a dramatic slowdown in demand for die cast products for vehicle parts, which are our core products. The outlook remains uncertain and our operating environment has become more challenging.

In this severe business environment, the Group will implement measures to improve profit margins including reviewing its production system, curbing capital investment and reducing expenses, but the impact of falling demand in all but a few regions is unavoidable, and consolidated forecasts for the fiscal year ending March 2010 are as follows.

The consolidated forecasts are calculated based on the following exchange rates: ¥95 against the US dollar, ¥14.5 against the renminbi and ¥7 against the peso.

(Millions of Yen)

	Sales	Operating Income	Recurring Income	Net Income
For the year ended March 2010	78,000	(2,000)	(2,650)	(2,400)
For the year ended March 2009	104,843	(2,665)	(4,265)	(6,772)
Increase/decrease	(26,843)	665	1,615	4,372
Rate of increase/decrease	(25.6%)	–	–	–

Segment	Sales		Operating Income	
	Current fiscal year	Next fiscal year	Current fiscal year	Next fiscal year
Die Casting	96,278	73,000	(2,825)	(2,100)
Aluminum	5,484	2,300	(88)	50
Proprietary Products	3,080	2,700	221	50

(2) Analysis of financial position

(i) Assets, liabilities and net assets

Assets fell ¥15,333 million from the previous fiscal year, to ¥86,560 million. Major increases included ¥3,482 million in cash and time deposits, and ¥469 million in tangible fixed assets. The primary decreases were ¥13,055 million in trade notes and accounts receivable, ¥4,484 million in inventories, and ¥1,503 million in investments in securities.

Liabilities declined ¥4,209 million, to ¥52,385 million. Principal increases included ¥10,284 million in interest-bearing debt, including loans. Major falls were ¥13,815 million in notes and accounts payable, ¥901 million in income taxes payable, and ¥566 million in bonus allowances.

Net assets decreased ¥11,124 million, to ¥34,175 million. The principal decreases included net loss of ¥6,772 million, foreign currency translation adjustments of ¥2,593 million, the difference on revaluation of other marketable securities of ¥928 million, and dividends paid of ¥541 million. As a result, the equity ratio rose from 44.4% to 39.4%.

(ii) Cash flows

(Cash flows from operating activities)

Net cash provided from operating activities fell ¥3,600 million from the previous fiscal year, to ¥9,404 million. The main factors were loss before taxes of ¥5,491 million, depreciation of ¥11,474 million and corporate tax payments of ¥1,710 million.

(Cash flows from investing activities)

Net cash used for investing activities fell ¥178 million to ¥15,476 million. The main factor was expense including ¥15,446 million for the acquisition of tangible fixed assets.

(Cash flows from financing activities)

Net cash provided from financing activities rose ¥7,276 million from the previous fiscal year, to ¥9,841 million. The main factors were an increase in interest-bearing debt, including loans of ¥10,720 million, and expense including ¥302 million for purchase of treasury stock. Dividend payments were ¥539 million.

As a consequence, cash and cash equivalents at the end of the fiscal year became ¥7,274 million.

Transition of index related to cash flows

	Fiscal year ended March 2005	Fiscal year ended March 2006	Fiscal year ended March 2007	Fiscal year ended March 2008	Fiscal year ended March 2009
Equity Ratio (%)	32.2	41.8	42.9	44.4	39.4
Market Capitalization Equity Ratio (%)	49.9	76.6	66.7	28.5	7.2
Liabilities with Interest to Cash Flows (%)	154.5	140.4	112.0	111.1	263.0
Interest Coverage Ratio	30.5	37.3	29.3	39.3	30.6

Equity ratio: Shareholders' equity / Total assets

Market value-based equity ratio: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Cash flows.

Interest coverage ratio: Cash flows / Interest paid.

(Note) 1. Each indicator is calculated based on consolidated figures.

2. Market capitalization is calculated based on the number of shares issued excluding treasury stock.

3. Cash flows mean cash provided by cash provided from operating activities.

4. Interest-bearing debt denotes all liabilities bearing interest recorded in the consolidated balance sheet.

(3) Basic policy on profit distribution

The Company views the continuing increase of corporate value as the most important return to shareholders. The Company's basic policy on dividends is to provide appropriate returns while bolstering the financial structure and the management base for business development in the medium and long terms. We pay dividends, taking into consideration the amount of investment necessary for medium- and long-term growth, the payout ratio, and consolidated results.

In principle, we pay a dividend twice a year (interim dividend and year-end dividend). The Board of Directors determines a dividend.

Based on the above policy we paid an interim dividend of ¥11 per share but, in the light of our full-year results, we regret to advise that we have decided not to pay a year-end dividend for this fiscal year. This will result in annual dividend per share of ¥11.

The Company's Articles of Incorporation stipulate that the Company can pay an interim dividend (the record date is September 30) under Article 454, paragraph 5 of the Corporate Code and that the Board of Directors can determine a dividend by resolution under Article 459, paragraph 1. In giving the Board of Directors the authority to determine a dividend, the Company intends to adopt a flexible approach to distributing profits to shareholders.

For the next term, we regret to advise that we plan not to pay a dividend in the light of our out look.

2. Overview of Corporate Group

The Group consists of the Company and 17 subsidiaries and engages in three businesses: the Die Casting Business, Aluminum Business and Proprietary Products Business.

The overview of each business and the positions of the Company and subsidiaries in each business are described below.

Note that the three businesses listed below are classified the same as in the section on information by business segment listed in the notes to “4. Consolidated Financial Statements”.

(1) Die Casting Business

Primary products include die castings, permanent mold castings and die casting dies, primarily for automobiles and motorcycles.

Die cast products progress through a number of steps before reaching the customer, from product design (including melt filling and strength analyses), die production to trial and mass production (die casting, machining, etc). Most affiliated group companies are involved with the Die Casting Business, either handling a part of the die cast manufacturing process or providing the equipment used in this process.

(i) Die Castings

Domestically, our company manufactures and sells die castings, and subsidiaries including Ahresty Tochigi, Ahresty Kumamoto, Ahresty Yamagata and one other subsidiary manufacture die castings. Outside of Japan, Ahresty Wilmington Corporation in the US and Guangzhou Ahresty Casting Co., Ltd. in China and Ahresty Mexicana, S.A. de C.V. in Mexico manufacture and sell die castings. Ahresty India Private Limited, a subsidiary in India, started to manufacture and sell die castings in October 2008. Our company outsources the machining and assembly of die castings to the aforesaid companies as well as to subsidiary Tokai Seiko Co., Ltd.

(ii) Permanent Mold Castings

Toyohashi plant of our company manufactures and sells permanent mold castings.

(iii) Die Casting Dies

In addition to our company handling die design and sales, domestic subsidiaries including Ahresty Die Mold Hamamatsu Corporation, Ahresty Die Mold Tochigi Corporation and Ahresty Die Mold Kumamoto Corporation manufacture die casting dies. Outside of Japan, Thai Ahresty Engineering Co., Ltd. handles a part of die design. Thai Ahresty Die Co., Ltd., Ahresty Taiwan Die Mold Corporation, and Ahresty Precision Die Mold (Guangzhou) Co., Ltd. manufacture and sell die casting dies.

(iv) Die Cast Peripherals

Ahresty Techno Service Corporation manufactures and sells die cooling parts and such.

(2) Aluminum Business

Primary products include aluminum alloy ingots for die casting and aluminum alloy ingots for casting.

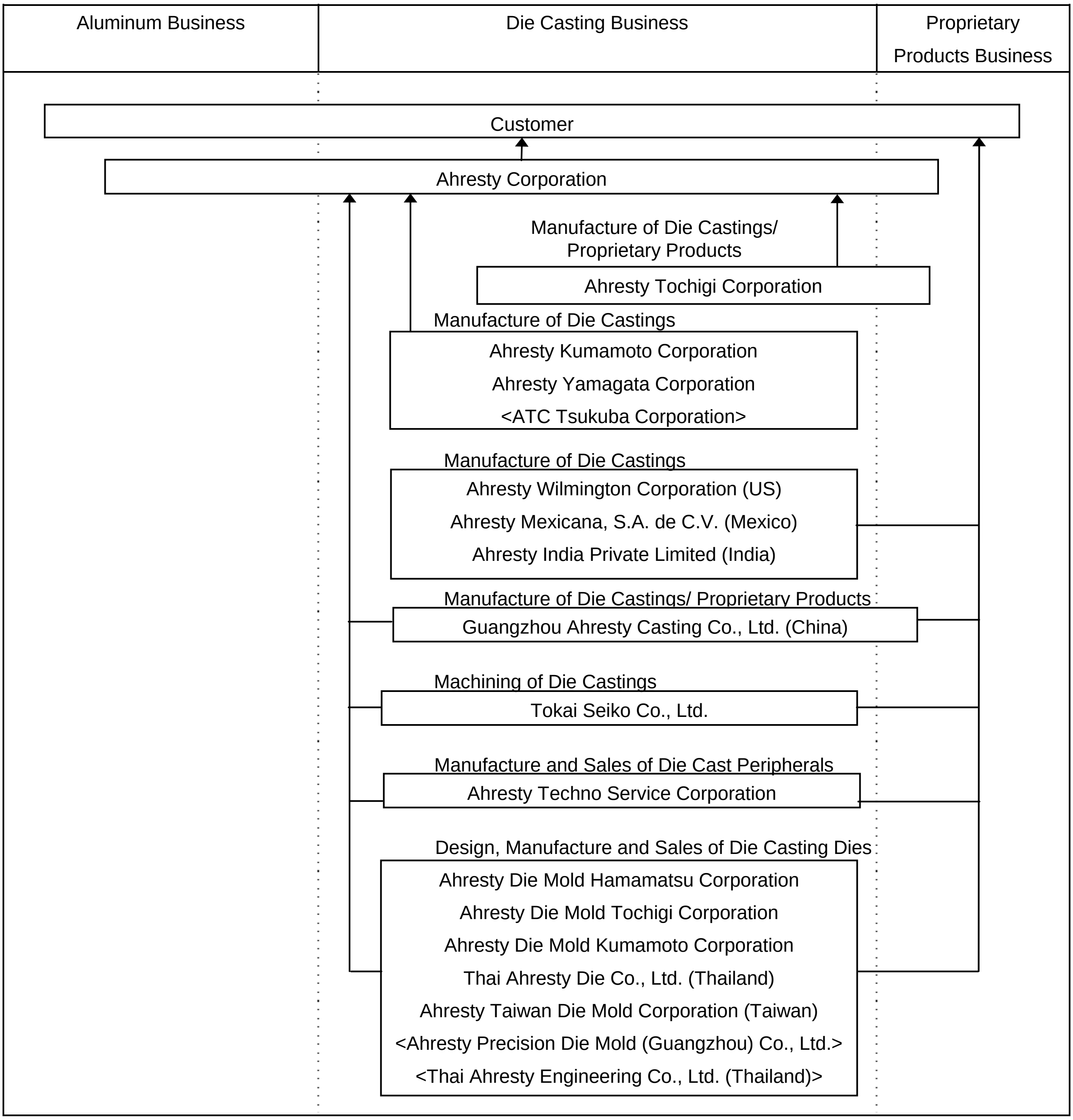
Our company handles manufacturing and sales activities.

(3) Proprietary Products Business

Primary products include free access floors (duplex floor for building).

Our company handles installation and sales of products while Ahresty Tochigi Corporation and Guangzhou Ahresty Casting Co., Ltd. handle manufacturing of floor panels and its accessories.

A business flowchart is shown below.



Notes

1. Companies in < > are unconsolidated subsidiaries and affiliates not under the equity method; all other companies are consolidated subsidiaries.
2. Companies not in ( ) are domestic companies.
3. Arrows in the diagram indicate main products and labor flow.
4. Tokai Seiko Co., Ltd. was renamed Ahresty Pretech Corporation on April 1, 2009. ATC Tsukuba Corporation will be dissolved in June 2009.

3. Management Policies

(1) Basic management policies

Our corporate name of “AHRESTY” is a phonetic representation of the letters R, S and T which stand for Research, Service and Technology. Research means continuous development and research into new technologies, markets and sales approaches. Service means careful, satisfying service rendered through warm personal interaction. Technology means the technology to produce hardware and software which are truly useful and beneficial to society. These three concepts have intricate links between each other in which they depend on each other and become refined and improved through interaction. We have incorporated the sum total of Research, Service and Technology (abbreviation “RST”) into our corporate philosophy and have named our company "Ahresty Corporation".

The “Ahresty 10-Year Vision” devised anew in 2005 is founded on the goal of “We aim to be “the most trusted company in the industry” by our stakeholders”. To become “a company that is trusted” by the five elements that form an interlocking relationship – customers, shareholders/investors, employees, business partners and society – we devised concrete guidelines and methods to define our policies. Based on this 10-year vision, we devised more concrete measures and goals in our Medium-Term Management Policy (we reformulated the “0810 3-Year Ahresty Policy” into the “0910 2-Year Ahresty Policy,” focusing on reforms for surviving the fallout from the financial crisis that broke out in the U.S. last year and preparing for the demand recovery that is bound to follow.), and expanded this to department policy. In this way, we are pursuing company-wide policy management activities.

(2) Target management indicators

Our company’s long-term management direction is indicated in “Ahresty 10-Year Vision”, and concrete targets for management indicators are defined in medium-term management policies. In order to become a company with investing value, we defined target values for sales, the ratio of operating income to sales, return on assets (ROA) and return on equity (ROE). (These values for 2010 to sales: ¥160 billion, the ratio of operating income to sales: 5.5 %, ROA: 4.5 %, ROE: 10.0 %.) However, we have revised our targets for FY2011 to sales of ¥100 billion, a ratio of operating income to sales of 5%, ROA of 4.5% and ROE of 10%, as we believe our operating environment will remain severe for some time and it will take a while for the global economy to recover.

(3) Medium-To-Long-Term Management Strategies

In our core Die Casting Business, conditions are expected to remain difficult for some time, but, in the medium-to-long term, sooner or later auto demand will pick up and, with increasing quantities of aluminum die casting parts sold as weight saving parts especially overseas, demand for die casting products is expected to grow. Also in the Aluminum Business, demand comes primarily from the same industry and is expected to follow a similar pattern. In the Proprietary Products Business, demand cannot be expected to increase significantly but will remain at a certain level. In this environment, based on the “Ahresty 10-Year Vision,” which indicated our long-term management direction, we will make maximum use of our management resources to achieve the business objectives included in the “0910 2-Year Ahresty Policy,” which focuses on reforms (personnel, quality, productivity, organization and capability reforms) for our survival in the present severe operating environment and for the leap forward in the demand recovery phase which is bound to follow. All our employees will take positive action and apply themselves100 percent to attaining projections.

1) Personnel reforms
   We will improve management skills especially among onsite leaders and will train personnel to make constant improvements themselves to increase business efficiency and enhance quality.
2) Quality reforms
   We will take steps to make quality an integral part of all processes with the aim of improving quality systems and increasing customer satisfaction.
3) Productivity reforms
   We will take action to raise productivity and improve the efficiency of indirect operations, aiming for outstanding productivity under a streamlined structure.
4) Organization and capability reforms
   We will adopt measures such as the development of group standards to improve the efficiency of our organization and capability.

(4) Operational issues

In the Die Casting Business, we are facing the most difficult operating environment we have ever experienced, with massive production cuts in the automotive industry, which accounts for a large percentage of our sales, leading to dramatic decline in demand for die casting products.

In this environment, we recognize the reduction of general expenses in response to the sharp drop in demand and the curtailment of capital investment in response to the deterioration in cash flows caused by decreased sales as issues which need to be addressed. Faced with these issues, we will work to improve results through measures such as switching to a production structure and personnel structure compatible with the drop in demand and significantly scaling back capital investment in Japan and overseas.

In the medium-to-long-term, sooner or later auto demand will pick up and, with increasing quantities of aluminum die casting parts sold as weight saving parts especially overseas, demand for die cast products is expected to grow. At overseas bases, despite the temporary dip in demand, we are working to strengthen production infrastructure in anticipation of future expansion in demand.

４． Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Amount: millions of yen)

	Previous consolidated fiscal year (March 31, 2008)	Current consolidated fiscal year (March 31, 2009)
(Assets)		
Current assets		
Cash and time deposits	3,962	7,444
Trade notes and accounts receivable	30,174	17,118
Merchandise	21	―
Products	3,290	―
Merchandise and Products	―	1,575
Partly finished goods	4,452	3,080
Raw materials	2,645	―
Inventories	696	―
Raw materials and Inventories	―	1,965
Advances	39	―
Pre-paid expenses	92	―
Deferred tax assets	903	616
Short-term loans	1	―
Accounts receivable	315	―
Income taxes and other taxes receivable	280	―
Consumption tax receivable	230	―
Others	297	1,595
Allowance for doubtful accounts	(14)	(6)
Total current assets	47,391	33,391
Fixed assets		
Tangible fixed assets		
Buildings and structures	18,695	19,700
Accumulated depreciation and impairment loss	(9,550)	(10,039)
Buildings and structures, net	9,145	9,660
Machinery and delivery equipment	60,904	64,440
Accumulated depreciation and impairment loss	(40,329)	(44,290)
Machinery and delivery equipment, net	20,574	20,150
Tools, furniture and fixtures	24,001	25,981
Accumulated depreciation	(19,295)	(22,209)
Tools, furniture and fixtures, net	4,705	3,772
Land	6,078	5,951
Lease assets	―	11
Accumulated depreciation	―	(0)
Lease assets, net	―	11
Construction in progress	6,264	7,692
Total tangible fixed assets	46,768	47,238
Intangible fixed assets		
Good will	297	138
Others	579	692
Total intangible fixed assets	877	830

(Amount: millions of yen)

	Previous consolidated fiscal year (March 31, 2008)	Current consolidated fiscal year (March 31, 2009)
Investments and other assets		
Investments in securities	6,034	4,531
Long-term loans	1	—
Capital investments	0	—
Long-term prepaid loans	14	—
Deferred tax assets	351	264
Others	474	312
Allowance for doubtful accounts	(20)	(8)
Total investments and other assets	6,857	5,100
Total fixed assets	54,503	53,169
Total assets	101,894	86,560
(Liabilities)		
Current liabilities		
Notes and accounts payable	26,977	13,161
Short-term loans	5,514	2,219
Current portion of long-term loans	3,411	5,574
Current portion of bonds	700	—
Accrued expenses	1,589	—
Accrued income taxes	1,113	211
Accrued consumption taxes	384	—
Bonus allowances	1,474	907
Directors' bonus allowances	42	2
Facilities-related bills payable	821	—
Others	2,259	6,055
Total current liabilities	44,288	28,132
Long-term liabilities		
Long-term loans	4,818	16,934
Deferred tax liabilities	3,132	3,331
Allowances for employees' retirement benefits	3,168	3,281
Allowances for directors' retirement benefits	196	161
Long-term accrued payments	34	—
Negative goodwill	903	444
Others	52	98
Total long-term liabilities	12,306	24,253
Total liabilities	56,594	52,385

(Amount: millions of yen)

	Previous consolidated fiscal year (March 31, 2008)	Current consolidated fiscal year (March 31, 2009)
(Net assets)		
Shareholders' equity		
Common stock	5,117	5,117
Additional paid-in capital	8,361	8,363
Retained earnings	31,072	23,758
Treasury stock	(57)	(357)
Total shareholders' equity	44,494	36,882
Revaluation / Translation differences		
Difference on revaluation of other marketable securities	1,883	954
Foreign currency translation adjustments	(1,126)	(3,720)
Total revaluation / translation differences	756	(2,765)
Share warrants	49	58
Total net assets	45,299	34,175
Total liabilities and net assets	101,894	86,560

(2) Consolidated Income Statements

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Sales	129,362	104,843
Cost of goods sold	113,165	98,172
Gross Profit	16,196	6,671
Selling, general and administrative expenses		
Transportation expenses	2,486	2,114
Salaries and bonuses	2,312	2,247
Retirement and severance expenses	263	242
Provision for bonuses	304	186
Provision for bonuses for directors	42	2
Provision for retirement benefits for directors	4	—
Allowance for depreciation	187	165
Research and development expenses	1,271	1,095
Provision for allowance for doubtful accounts	19	8
Other expenses	3,484	3,273
Total Selling, general and administrative expenses	10,375	9,337
Operating income (loss)	5,821	(2,665)
Non-operating income		
Interest income	24	18
Dividends received	179	115
Amortization of negative goodwill	448	456
Rental income	59	—
Others	217	225
Total non-operating income	928	816
Non-operating expenses		
Interest expenses	332	312
Loss on disposal of inventories	143	—
Foreign currency exchange loss	—	2,045
Others	89	59
Total non-operating expenses	564	2,416
Recurring income (loss)	6,185	(4,265)
Extraordinary gains		
Gain on the sale of fixed assets	596	8
Gain on the sale of investments in securities	12	—
Gain of the sale of stock of affiliates	59	—
Gain on liquidation of affiliates	—	100
Gain on insurance adjustment	0	—
Others	0	11
Total extraordinary gains	669	121

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Extraordinary losses		
Loss on the sale of fixed assets	218	230
Loss from the write-down of securities	0	—
Retirement and severance benefits	1	—
Impairment loss	14	711
Retirement and severance expenses	600	—
Early extra retirement payments	—	350
Product compensation cost	165	—
Accident benefits	60	—
Others	—	54
Total extraordinary losses	1,061	1,346
Income (loss) before income taxes and others	5,792	(5,491)
Income taxes and enterprise taxes	2,557	603
Income tax refund	—	(399)
Deferred income taxes	(127)	1,076
Total income taxes	2,429	1,280
Net income (loss)	3,363	(6,772)

(3) Consolidated Statement of Changes in Net Assets

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Shareholders' equity		
Common stock		
Balance at end of previous fiscal year	5,117	5,117
Changes		
Total changes	—	—
Balance at end of current fiscal year	5,117	5,117
Capital surplus		
Balance at end of previous fiscal year	8,359	8,361
Changes		
Sales of own shares	2	1
Total changes	2	1
Balance at end of current fiscal year	8,361	8,363
Retained earnings		
Balance at end of previous fiscal year	28,208	31,072
Changes		
Cash dividend from retained earnings	(500)	(541)
Net income (loss)	3,363	(6,772)
Total changes	2,863	(7,313)
Balance at end of current fiscal year	31,072	23,758
Treasury stock		
Balance at end of previous fiscal year	(53)	(57)
Changes		
Purchase of own shares	(6)	(302)
Sales of own shares	2	2
Total changes	(4)	(300)
Balance at end of current fiscal year	(57)	(357)
Total shareholders' equity		
Balance at end of previous fiscal year	41,632	44,494
Changes		
Cash dividend from retained earnings	(500)	(541)
Net income (loss)	3,363	(6,772)
Purchase of own shares	(6)	(302)
Sales of own shares	4	4
Total changes	2,861	(7,612)
Balance at end of current fiscal year	44,494	36,882

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Revaluation / Translation differences		
Difference on revaluation of other marketable securities		
Balance at end of previous fiscal year	3,045	1,883
Changes		
Changes (net) in non-shareholders' equity items	(1,162)	(928)
Total changes	(1,162)	(928)
Balance at end of current fiscal year	1,883	954
Foreign currency translation adjustments		
Balance at end of previous fiscal year	(111)	(1,126)
Changes		
Changes (net) in non-shareholders' equity items	(1,015)	(2,593)
Total changes	(1,015)	(2,593)
Balance at end of current fiscal year	(1,126)	(3,720)
Total revaluation / translation differences		
Balance at end of previous fiscal year	2,934	756
Changes		
Changes (net) in non-shareholders' equity items	(2,177)	(3,522)
Total changes	(2,117)	(3,522)
Balance at end of current fiscal year	756	(2,765)
Share warrants		
Balance at end of previous fiscal year	29	49
Changes		
Changes (net) in non-shareholders' equity items	19	9
Total changes	19	9
Balance at end of current fiscal year	49	58
Total net assets		
Balance at end of previous fiscal year	44,596	45,299
Changes		
Cash dividend from retained earnings	(500)	(541)
Net income (loss)	3,363	(6,772)
Purchase of own shares	(6)	(302)
Sales of own shares	4	4
Changes (net) in non-shareholders' equity items	(2,158)	(3,512)
Total changes	703	(11,124)
Balance at end of current fiscal year	45,299	34,175

(4) Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Cash flows from operating activities		
Income (loss) before income taxes	5,792	(5,491)
Depreciation and amortization	10,146	11,474
Impairment loss	14	711
Amortization of goodwill and negative goodwill	(290)	―
Amortization of goodwill	―	157
Amortization of negative goodwill	―	(456)
Increase/(decrease) in allowances for doubtful accounts	5	(19)
Increase/(decrease) in allowances for bonuses	158	(566)
Increase/(decrease) in allowances for directors' bonuses	(10)	(39)
Increase/(decrease) in allowances for employees' retirement benefits	616	113
Increase/(decrease) in allowances for directors' retirement benefits	(23)	(34)
Increase/(decrease) in prepaid pension expenses	48	58
Interest and dividend income	(204)	(133)
Interest expenses	332	312
(Gain)/loss on sales of investment securities	(12)	(0)
(Gain)/loss of the sales of stock of affiliates	(59)	―
(Gain)/loss on liquidation of affiliate	―	(100)
Gain on sales of tangible fixed assets	(596)	―
Loss on sales of tangible fixed assets	216	―
(Gain)/loss on sales of tangible fixed assets	―	220
(Gain)/loss from revaluation of investment securities	0	2
(Increase)/decrease in notes and accounts receivable	2,181	12,872
(Increase)/decrease in inventories	(560)	4,008
Increase/(decrease) in notes and accounts payable	(1,211)	(13,585)
Increase/(decrease) in accrued expenses	―	2,392
Increase/(decrease) in accrued consumption taxes and others	156	(395)
Others	(332)	(578)
Subtotal	16,366	10,920
Interest and dividends received	212	134
Interest paid	(331)	(307)
Income taxes paid	(3,381)	(1,710)
Income taxes refunded	138	367
Net cash provided by operation activities	13,004	9,404

(Amount: millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Cash flows from investing activities		
Payment into time deposits	(185)	(120)
Proceeds from refund of time deposits	358	132
Expenditures from purchases of investment securities	(26)	(28)
Proceeds from sales of marketable securities	13	0
Expenditures from purchases of affiliate shares	–	(50)
Proceeds from liquidation of affiliate	–	106
Expenditures from purchases of tangible fixed assets	(17,096)	(15,446)
Proceeds from sales of tangible fixed assets	1,369	26
Expenditures from loans	(54)	(1)
Proceeds from collection of loans	54	3
Others	(88)	(99)
Net cash used in investing activities	(15,655)	(15,476)
Cash flows from financing activities		
Proceeds from short-term loans	71,440	79,490
Repayment of short-term loans	(70,065)	(82,376)
Proceeds from long-term debt	6,451	18,605
Repayment of long-term debt	(4,408)	(4,298)
Redemption of corporate bonds	(300)	(700)
Proceeds from sale of treasury stock	0	0
Payments for purchase of treasury stock	(6)	(302)
Dividends paid	(498)	(539)
Others	(47)	(36)
Net cash used in Financing Activities	2,565	9,841
Effect of exchange rate changes on cash and cash equivalents	(223)	(372)
Net increase/(decrease) in cash and cash equivalents	(308)	3,397
Cash and cash equivalents at beginning of year	4,185	3,877
Cash and cash equivalents at end of period	3,877	7,274

Notes

(Segment Information)

a. Business Segment Information

A breakdown of sales by business segment for the two most recent consolidated fiscal years is shown below.

Previous consolidated fiscal year (April 1, 2007 through March 31, 2008) (¥ millions)

	Die Casting Business	Aluminum Business	Proprietary Products Business	Total	Eliminations and Corporate	Consolidated
Ⅰ Sales and Operating Income (Loss)						
Sales						
(1) Customers	116,625	7,700	5,036	129,362	–	129,362
(2) Inter-segment	–	2,443	1	2,445	(2,445)	–
Total	116,625	10,144	5,038	131,807	(2,445)	129,362
Operating expenses	111,606	9,748	4,628	125,983	(2,442)	123,540
Operating income	5,019	395	409	5,824	(3)	5,821
Ⅱ Total Assets, Depreciation and Amortization, and Capital Expenditures						
Total Assets	91,858	4,476	2,772	99,107	2,787	101,894
Depreciation and Amortization	9,993	94	57	10,146	–	10,146
Impairment Loss	14	–	–	14	–	14
Capital Expenditures	15,223	66	162	15,451	–	15,451

Current consolidated fiscal year (April 1, 2008 through March 31, 2009) (¥ millions)

	Die Casting Business	Aluminum Business	Proprietary Products Business	Total	Eliminations and Corporate	Consolidated
Ⅰ Sales and Operating Income (Loss)						
Sales						
(1) Customers	96,278	5,484	3,080	104,843	–	104,843
(2) Inter-segment	–	4,101	1	4,101	(4,101)	–
Total	96,278	9,586	3,080	108,945	(4,101)	104,843
Operating expenses	99,103	9,675	2,859	111,637	(4,128)	107,509
Operating income (loss)	(2,825)	(88)	221	(2,692)	26	(2,665)
Ⅱ Total Assets, Depreciation and Amortization, and Capital Expenditures						
Total Assets	77,343	1,796	1,874	81,014	5,546	86,560
Depreciation and Amortization	11,301	110	62	11,474	–	11,474
Impairment Loss	711	–	–	711	–	711
Capital Expenditures	16,236	67	11	16,315	–	16,315

(Notes) 1. Business segments are classified based on internal classification.

2. Main products in each segment:

(1) Die Casting Business	Auto parts, general engine parts, industrial machinery parts, dies etc.
(2) Aluminum Business	Aluminum alloy ingots
(3) Proprietary Products Business	Access floors and its accessories

3. The following amounts and primary contents were incorporated into “Eliminations and Corporate”.

	Previous consolidated fiscal year (¥ millions)	Current consolidated fiscal year (¥ millions)	Main Content
Eliminations including company-wide assets	2,797	5,546	Assets related to our company surplus capital (cash and time deposits, and investments in securities) and administration

4. Change in accounting policy

(Previous consolidated fiscal term under review)

Starting the fiscal year under review, the Company and its domestic consolidated subsidiaries depreciate the tangible fixed assets acquired after April 1, 2007 under the revised Corporation Tax Law. In association with the change, operating expenses increased ¥732 million in the Die Casting Business, ¥4 million in the Aluminum Business, and ¥1 million in the Proprietary Products Business, and operating income declined by the same amounts.

(Current consolidated fiscal term under review)

(Accounting Standard for Measurement of Inventories)

Starting the fiscal year under review, the Company adopts the Accounting Standard for Measurement of Inventories (Accounting Standards Board of Japan Standard No. 9 issued on July 5, 2006). As a result of this change, in comparison with the previous method, operating expenses and operating loss increased by ¥424 million each in Die Casting Business and by ¥32 million each in the Aluminum Business, while in the Proprietary Products Business operating expense increased by ¥24 million and operating income decreased by the same amount.

(Translation of Major Foreign-Currency Assets and Liabilities into Yen)

Starting from the fiscal year under review, revenues and expenses of overseas consolidated subsidiaries, etc. which were previously translated into yen at the spot rates prevailing at the balance sheet date, are translated into yen at the average rate during the term. As a result of this change, in comparison with the previous method, operating loss decreased by ¥23 million in the Die Casting business and operating income decreased by ¥55 million in the Proprietary Product Business.

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

Starting from the fiscal year under review, the Company adopts the Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements (ASBJ Practical Issues Task Force No. 18 issued on May 17, 2006). This change will have only a minor impact on segment information.

5. Additional information

(Previous consolidated fiscal term under review)

In association with the revision of the Corporation Tax Law, the Company and its domestic consolidated subsidiaries depreciate equally over five years the difference between 5% of the acquisition cost and memorandum price of assets acquired before March 31, 2007 from the fiscal year following the one in which the depreciated value reached 5% of the acquisition cost under the Corporation Tax Law prior to the revision. Following the change, operating expenses rose ¥203 million in the Die Casting Business, ¥4 million in the Aluminum Business, and ¥3 million in the Proprietary Products Business, and operating income decreased by the same amounts.

(Current consolidated fiscal term under review)

The Company and its domestic consolidated subsidiaries reviewed the useful life of mechanical device assets in response to the revision of the Corporation Tax Act in fiscal 2008, and, with respect to both newly acquired assets and existing assets, have shifted to the use of the post-revision method of amortizing assets over the applicable useful lifetimes of those assets.

As a result of this change, in comparison with the previous method, operating expenses and operating loss increased by ¥580 million each in Die Casting Business and by ¥14 million each in the Aluminum Business, while in the Proprietary Products Business operating expense increased by ¥3 million and operating income decreased by the same amount.

b. Geographic Segment Information

Previous consolidated fiscal year (April 1, 2007 through March 31, 2008) (¥ millions)

	Japan	North America	Other Areas	Total	Eliminations and Corporate	Consolidated
Ⅰ Sales and Operating Income (Loss)						
Sales						
(1) Customers	111,572	13,627	4,162	129,362	–	129,362
(2) Inter-segment	1,582	1	932	2,516	(2,516)	–
Total	113,155	13,628	5,094	131,878	(2,516)	129,362
Operating expenses	107,425	13,358	4,763	125,548	(2,007)	123,540
Operating income	5,729	269	331	6,330	(508)	5,821
Ⅱ Total Assets	77,996	16,129	9,567	103,693	(1,799)	101,894

Current consolidated fiscal year (April 1, 2008 through March 31, 2009) (¥ millions)

	Japan	North America	Other Areas	Total	Eliminations and Corporate	Consolidated
Ⅰ Sales and Operating Income (Loss)						
Sales						
(1) Customers	87,324	13,342	4,176	104,843	–	104,843
(2) Inter-segment	1,276	0	714	1,990	(1,990)	–
Total	88,601	13,342	4,890	106,834	(1,990)	104,843
Operating expenses	90,208	14,043	5,025	109,277	(1,768)	107,509
Operating loss	(1,607)	(701)	(135)	(2,443)	(222)	(2,665)
Ⅱ Total Assets	57,116	16,609	10,853	84,579	1,981	86,560

(Notes) 1. Countries and areas are classified according to geographic proximity.

2. Countries or areas in each main class: North America: USA and Mexico

Other areas: China, Taiwan, Thailand and India

3. Amounts and primary contents incorporated into "Eliminations and Corporate" are the same as those in Note 3 under “a. Business Segment Information”.

4. Change in accounting policy

(Previous consolidated fiscal term under review)

Starting the fiscal year under review, the Company and its domestic consolidated subsidiaries depreciate the tangible fixed assets acquired after April 1, 2007 under the revised Corporation Tax Law. In association with the change, operating expenses increased ¥738 million in Japan, and operating income declined by the same amounts.

(Current consolidated fiscal term under review)

(Accounting Standard for Measurement of Inventories)

Starting the fiscal year under review, the Company adopts the Accounting Standard for Measurement of Inventories (Accounting Standards Board of Japan Standard No. 9 issued on July 5, 2006). As a result of this change, in comparison with the previous method, operating expenses and operating loss increased by ¥481 million in Japan, and operating loss increased by the same amount.

(Translation of Major Foreign-Currency Assets and Liabilities into Yen)

Starting from the fiscal year under review, revenues and expenses of overseas consolidated subsidiaries, etc. which were previously translated into yen at the spot rates prevailing at the balance sheet date, are translated into yen at the average rate during the term. As a result of this change, in comparison with the previous method, operating loss decreased by ¥57 million in North America and operating loss increased by ¥90 million in other areas.

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

Starting from the fiscal year under review, the Company adopts the Tentative Treatment for the Unification of Accounting Policies of Foreign Subsidiaries in Preparing Consolidated Financial Statements (ASBJ Practical Issues Task Force No. 18 issued on May 17, 2006). This change will have only a minor impact on segment information.

5. Additional information

(Previous consolidated fiscal term under review)

In association with the revision of the Corporation Tax Law, the Company and its domestic consolidated subsidiaries depreciate equally over five years the difference between 5% of the acquisition cost and memorandum price of assets acquired before March 31, 2007 from the fiscal year following the one in which the depreciated value reached 5% of the acquisition cost under the Corporation Tax Law prior to the revision. Following the change, operating expenses rose ¥211 million in Japan, and operating income decreased by the same amounts.

(Current consolidated fiscal term under review)

The Company and its domestic consolidated subsidiaries reviewed the useful life of mechanical device assets in response to the revision of the Corporation Tax Act in fiscal 2008, and, with respect to both newly acquired assets and existing assets, have shifted to the use of the post-revision method of amortizing assets over the applicable useful lifetimes of those assets.

As a result of this change, in comparison with the previous method, operating expenses rose ¥598 million in Japan, and operating loss increased by the same amount.