Consolidated Financial Results (Japanese Accounting Standards)
for the Fiscal Year Ended March 31, 2011

May 13, 2011

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	Director, General Manager of Administrative Command Shigeru Furuya		TEL 03-5332–6001
Planned date for regular general meeting of shareholders		June 23, 2011	
Planned date for start of dividend payment		June 8, 2011	
Planned date for submission of securities report		June 23, 2011	
Supplementary documents for financial results		Yes	
Financial results briefing		Yes	

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

1. Consolidated performance for year ended March 2011 (April 1, 2010 - March 31, 2011)

(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 2011	99,022	30.7	3,765	614.5	3,557	530.4	1,481	–
Year ended March 2010	75,777	(27.7)	526	–	564	–	(59)	–

(Note) Comprehensive income
Year ended March 2011: -618 million yen (–%) Year ended March 2010: 1,065 million yen (–%)

	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 2011	68.80	68.54	4.3	3.9	3.8
Year ended March 2010	(2.77)	–	(0.2)	0.6	0.7

(For reference) Investment gain or loss under equity method
Year ended March 2011: – million yen Year ended March 2010: – million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2011	93,799	34,407	36.6	1,593.63
Year ended March 2010	87,977	35,249	40.0	1,633.33

(For reference) Shareholders' equity
Year ended March 2011: 34,326 million yen Year ended March 2010: 35,181 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 2011	14,058	(11,491)	2,090	9,179
Year ended March 2010	9,112	(10,341)	(232)	5,267

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 2010	–	0.00	–	5.00	5.00	107	–	0.3
Year ended March 2011	–	6.00	–	6.00	12.00	258	17.4	0.7
Year ending March 2012 (projection)	–	–	–	–	–		–	

(Note) The Articles of Incorporation of the Company stipulate that the final days of the second half and a fiscal year shall be the record dates for dividends from surplus and that the Company may also pay dividends from surplus by setting a record date. However, the expected dividend as of the said record dates has yet to be determined.

3. Consolidated forecasts for year ending March 2012 (April 1, 2011 – March 31, 2012)

It is difficult to make a reasonable forecast for operating results for the fiscal year ending March 2012 at present, given the aftermath of the Great East Japan Earthquake that occurred on March 11, 2011. The Company will disclose the results forecasts as soon as it becomes possible.

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): Yes
New: 1 company (Hefei Ahresty Casting Co., Ltd.)
Exception: –

(2) Changes in accounting principles, procedures, presentations, etc.
(i) Changes associated with revision of accounting standards, etc.: Yes
(ii) Changes other than (i): None

(3) Number of shares outstanding (common stock)
(i) Number of shares outstanding at end of year (including treasury stock)
Year ended March 2011: 21,778,220 shares Year ended March 2010: 21,778,220 shares
(ii) Number of treasury stock at end of year
Year ended March 2011: 238,709 shares Year ended March 2010: 238,253 shares
(iii) Average number of shares
Year ended March 2011: 21,539,834 shares Year ended March 2010: 21,540,224 shares

(For reference) Outline of non-consolidated performance

1. Non-consolidated performance for year ended March 2011 (April 1, 2010 – March 31, 2011)

(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 2011	74,606	22.6	871	–	1,085	–	203	–
Year ended March 2010	60,853	(29.7)	(698)	–	(847)	–	(1,267)	–

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended March 2011	9.46	9.42
Year ended March 2010	(58.83)	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2011	72,246	28,931	39.9	1,339.40
Year ended March 2010	70,934	29,087	40.9	1,347.27

(For reference) Shareholders' equity
Year ended March 2011: 28,850 million yen Year ended March 2010: 29,020 million yen

* Presentation of status of audit procedures

These consolidated financial results are not subject to the audit procedures under the Financial Instruments and Exchange Act, and the audit procedures on consolidated and non-consolidated financial statements were underway at the time of disclosing these consolidated financial results.

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

It is difficult to make a reasonable forecast for operating results for the fiscal year ending March 2012 at present, given the aftermath of the Great East Japan Earthquake that occurred on March 11, 2011. The Company will disclose the results forecasts as soon as it becomes possible.

Accompanying Materials — Contents

1. Results of Operations

(1) Analysis of operating results

(Operating results)

During the consolidated fiscal year under review, the Japanese economy staged a generally modest recovery against a backdrop of improving private consumption backed by economic stimulus packages such as supportive measures for purchasing automobiles and improvements in corporate earnings supported by growth in exports. However, the Great East Japan Earthquake that occurred in March 2011 had a significant impact on production and consumption activities.

Overseas, the U.S. economy was also achieving a moderate recovery, despite high unemployment, while China and India continued to enjoy economic growth, centering on domestic demand.

In this environment, the Ahresty Group strengthened its production presence, particularly in China, Mexico, and India, to meet rising international demand for die-cast components. The Group also took steps to expand its overseas production capacity by establishing a second die-cast production base in China in Hefei, Anhui province, scheduled to comment operation in the summer of 2011. Meanwhile, in Japan, the Company integrated the Hamamatsu Plant and the Toyohashi Plant to consolidate and restructure them as the Tokai Plant by March 2013, preparing for an anticipated decline in domestic demand for die-cast components over the medium and long terms.

With respect to operating results for the consolidated fiscal year under review, the Group posted net sales of ¥99,022 million (increasing 30.7% from the previous fiscal year), as sales generally increased in Japan and overseas thanks to a recovery in demand and orders for new components, despite the adverse effects of the Great East Japan Earthquake.

In terms of profits, operating income came to ¥3,765 million (increasing 614.5% from the previous fiscal year), attributable to the effects of higher sales and cost cutting, and recurring income rose to ¥3,557 million (up 530.4% year on year). Net income was ¥1,481 million (compared with a net loss of ¥59 million the previous fiscal year), mainly due to the posting of extraordinary losses of ¥1,363 million as business structure improvement expenses associated with the integration of the Hamamatsu Plant and the Toyohashi Plant into the Tokai Plant.

Operating results by business segment are as follows:

(i) Die Casting Business: Japan

In Japan, although the automotive industry, our main customer, suffered a fall in domestic car sales below the year-ago level in reaction to the termination of subsidies for purchasing eco-cars and the effects of the Great East Japan Earthquake, domestic car production exceeded the level a year ago, backed by firm exports of finished cars. As a result, the segment enjoyed an increase in orders and recorded net sales of ¥65,624 million (rising 18.4% from the previous fiscal year). Income from this segment amounted to ¥1,929 million (as compared with segment income of ¥26 million the previous fiscal year) owing chiefly to the effects of higher sales.

(ii) Die Casting Business: North America

In North America, as sales of automobiles remained on a recovery track, orders from major customers also increased. With the commencement of the supply of components to new customers in Mexico, sales stood at ¥16,020 million (increasing 48.8% year on year). Income from this segment amounted to ¥1,029 million (rising 99.7% from the previous fiscal year), reflecting the Company's efforts to cut costs, in addition to the effects of higher sales and production.

(iii) Die Casting Business: Asia

In China, orders received by the Company remained high, reflecting strong car sales driven by purchase support policies and other measures by the government. In India, orders received by the Company also increased, and the supply of components to new customers began. Consequently, sales reached ¥11,666 million (up 114.6% year on year). Income from this segment amounted to ¥723 million (increasing 151.6% from the previous fiscal year), reflecting the effects of higher sales.

(iv) Aluminum Business

In the Aluminum Business, although orders remained almost in line with the level in the previous fiscal year, mainly due to the effects of price competition, sales were up to ¥3,524 million (increasing 31.1% year on year) as ingot prices rose. In terms of income, the segment recorded a loss of ¥13 million (as compared with a segment loss of ¥188 million the previous fiscal year), despite the positive effects of promoting cost reduction activities.

(v) Proprietary Products Business

In the Proprietary Products Business, sales increased to ¥2,186 million (up 50.7% year on year), reflecting the resumption of postponed capital spending by semiconductor manufacturers as well as orders for products for data centers and computer rooms of large financial institutions mainly in the Tokyo metropolitan area. Income from this segment amounted to ¥84 million (compared with a segment loss of ¥123 million the previous fiscal year), thanks to the effects of higher sales.

(Out look for Fiscal year ending March 2012)

Looking ahead, the operating environment is likely to remain difficult, given many uncertainties including the situation of supply chain restoration in the corporate sector and power supply restriction in Japan after the Great East Japan Earthquake.

Operating results for the fiscal year ending March 2012 are not yet determined at the current moment as it is difficult to make a reasonable forecast. We will disclose the consolidated results forecasts as soon as they become available.

(2) Analysis of financial position

(i) Assets, liabilities and net assets

Assets increased ¥5,821 million from the previous fiscal year, to ¥93,799 million. Major increases included ¥3,912 million in cash and time deposits, and ¥2,285 million in inventories.

Liabilities increased ¥6,663 million, to ¥59,391 million. Principal increases included ¥3,512 million in notes and accounts payable, and ¥1,437 million in loans.

Net assets decreased ¥842 million, to ¥34,407 million. Major increases included the net income of ¥1,481 million. The principal decreases included foreign currency translation adjustments of ¥1,969 million. As a result, the equity ratio was down from 40.0% to 36.6%.

(ii) Cash flows

(Cash flows from operating activities)

Net cash provided from operating activities rose ¥4,945 million from the previous fiscal year, to ¥14,058 million. The main factors were income before taxes of ¥2,215 million and provision for business structure improvement of ¥1,220 million.

(Cash flows from investing activities)

Net cash used for investing activities increased ¥1,150 million to ¥11,491 million. The main factor was expense including ¥11,748 million for the acquisition of tangible fixed assets.

(Cash flows from financing activities)

Net cash provided from financing activities rose ¥2,323 million from the previous fiscal year, to ¥2,090 million. The main factors were an increase in interest-bearing debt, including loans of ¥2,355 million.

As a consequence, cash and cash equivalents at the end of the fiscal year became ¥9,179 million.

Transition of index related to cash flows

	Fiscal year ended March 2007	Fiscal year ended March 2008	Fiscal year ended March 2009	Fiscal year ended March 2010	Fiscal year ended March 2011
Equity Ratio (%)	42.9	44.4	39.4	40.0	36.6
Market Capitalization Equity Ratio (%)	66.7	28.5	7.2	23.8	16.2
Liabilities with Interest to Cash Flows (%)	112.0	111.1	263.0	267.9	183.9
Interest Coverage Ratio	29.3	39.3	30.6	19.7	27.2

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 decided to pay ¥12 per share (an interim dividend of ¥6) for the fiscal year.

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.

Dividends from surplus for the fiscal year under review are as follows:

Date of resolution	Total dividend (million yen)	Dividend per share (yen)
Board of Directors meeting on November 9, 2010	129	6
Board of Directors meeting on May 13, 2011	129	6

Dividends for the next fiscal year have not yet been determined as it is difficult to assess the results forecasts. The Company will disclose the expected dividend as soon as it becomes available.

2. 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”, which set out our long-term management direction, is founded on the goal of “We aim to be “the most trusted global top 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, 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 2012 to sales: ¥110 billion, the ratio of operating income to sales: 4%, ROA: 3%, ROE: 8%.)

(3) Medium-to-long-term management strategies and operational issues

In our core Die Casting Business, in the medium-to-long term, global demand for die casting parts is expected to grow, as demand for cars expands in emerging nations, demand picks up in advanced nations, and increasing quantities of aluminum die casting parts are sold as weight saving parts. Meanwhile, domestic demand for die casting parts is expected to remain flat or decrease on factors such as a decline in domestic car sales reflecting Japan’s falling birth rate and aging population and the expansion of overseas auto production to guard against the risk of currency fluctuations, among other things. 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, domestic demand cannot be expected to increase significantly, but overseas demand is expected to grow.

In this environment, based on the “Ahresty 10-Year Vision,” which set out our long-term management direction, we will establish an efficient production system in anticipation of expansion of Die Casting Business overseas especially in China and Mexico to meet growing global demand and contraction of domestic demand, and we will also make maximum use of our management resources to achieve the policy of quality-focused improvement of our business platform for a further leap forward included in the “1012 3-year Ahresty Policy”. All our employees will take positive action and apply themselves 100 percent to attaining projections.

1) Quality-focused improvement of business platform for global leap forward
   We aim to produce high quality products that are worthy of our customers’ trust and meet their expectations. To this end, we will take steps to improve quality control technologies and proprietary technologies to prevent the production and distribution of defective products in every process from design to shipment, and we will improve our business platform, making quality an integral part of all the processes with the aim of improving quality systems and increasing customer satisfaction.
2) Creation of professional development environment and autonomous growth
   In a challenging age of intensifying global competition, we will create an environment in which all employees can develop as professionals, maintaining our Company’s high standards and contributing to the growth of our Company, and we will provide quality training and other skills-based training.
3) Development of global business standards
   We will adopt measures such as the development of global standards to improve the efficiency of our organization and capability.

4) Construction and operation of the administration system of overseas subsidiaries

   As the ratio of overseas businesses is increasing, we will take steps to enhance the management, sales and manufacturing functions of overseas subsidiaries and strengthen the control and support functions at head office, as a means to bolster the foundation for operating overseas businesses.

5) Risk management

   We will introduce business continuity management and formulate and implement a business continuity plan. We will also review the business continuity plan in light of the experience of the Great East Japan Earthquake.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Amount: million yen)

	Previous consolidated fiscal year (March 31, 2010)	Current consolidated fiscal year (March 31, 2011)
(Assets)		
Current assets		
Cash and time deposits	5,267	9,179
Trade notes and accounts receivable	20,246	20,254
Merchandise and products	1,732	2,717
Partly finished goods	2,792	3,542
Raw materials and inventories	2,353	2,903
Deferred tax assets	736	673
Others	1,347	1,260
Allowance for doubtful accounts	(3)	(1)
Total current assets	34,472	40,530
Fixed assets		
Tangible fixed assets		
Buildings and structures	20,561	20,332
Accumulated depreciation and impairment loss	(10,513)	(10,845)
Buildings and structures, net	10,047	9,486
Machinery and delivery equipment	68,446	71,781
Accumulated depreciation and impairment loss	(47,732)	(50,463)
Machinery and delivery equipment, net	20,714	21,318
Tools, furniture and fixtures	27,986	29,326
Accumulated depreciation	(24,477)	(25,971)
Tools, furniture and fixtures, net	3,508	3,354
Land	5,803	5,746
Lease assets	66	72
Accumulated depreciation	(10)	(28)
Lease assets, net	56	44
Construction in progress	6,098	6,333
Total tangible fixed assets	46,228	46,284
Intangible fixed assets	620	543
Investments and other assets		
Investments in securities	6,131	6,052
Deferred tax assets	182	79
Others	343	309
Allowance for doubtful accounts	(2)	(1)
Total investments and other assets	6,656	6,440
Total fixed assets	53,505	53,268
Total assets	87,977	93,799

(Amount: million yen)

	Previous consolidated fiscal year (March 31, 2010)	Current consolidated fiscal year (March 31, 2011)
(Liabilities)		
Current liabilities		
Notes and accounts payable	15,059	18,571
Short-term loans	2,942	3,910
Current portion of long-term loans	6,045	6,990
Accrued income taxes	98	364
Bonus allowances	1,147	1,225
Directors' bonus allowances	1	18
Others	4,356	4,695
Total current liabilities	29,650	35,775
Long-term liabilities		
Long-term loans	15,424	14,950
Deferred tax liabilities	3,732	3,514
Allowances for employees' retirement benefits	3,485	3,587
Allowances for directors' retirement benefits	122	122
Provision for business structure improvement	–	1,220
Negative goodwill	165	54
Others	147	166
Total long-term liabilities	23,077	23,616
Total liabilities	52,728	59,391
(Net assets)		
Shareholders' equity		
Common stock	5,117	5,117
Additional paid-in capital	8,363	8,363
Retained earnings	23,698	24,943
Treasury stock	(358)	(358)
Total shareholders' equity	36,822	38,066
Other accumulated comprehensive income		
Difference on revaluation of other marketable securities	1,795	1,680
Deferred gains or losses on hedges	–	(16)
Foreign currency translation adjustments	(3,435)	(5,404)
Total other accumulated comprehensive income	(1,640)	(3,740)
Share warrants	67	81
Total net assets	35,249	34,407
Total liabilities and net assets	87,977	93,799

(2) Consolidated Income Statements and Statements of Comprehensive Income

(Consolidated Income Statements)

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Sales	75,777	99,022
Cost of goods sold	67,090	85,780
Gross profit	8,686	13,241
Selling, general and administrative expenses		
Transportation expenses	1,665	1,897
Salaries and bonuses	2,133	2,544
Retirement and severance expenses	248	260
Provision for bonuses	251	286
Provision for bonuses for directors	1	18
Allowance for depreciation	148	124
Research and development expenses	875	940
Provision for allowance for doubtful accounts	2	0
Other expenses	2,834	3,403
Total Selling, general and administrative expenses	8,159	9,476
Operating income	526	3,765
Non-operating income		
Interest income	12	14
Dividends received	60	103
Gain on sales of scraps	–	103
Amortization of negative goodwill	279	110
Foreign currency exchange gain	78	–
Others	194	198
Total non-operating income	624	530
Non-operating expenses		
Interest expenses	459	517
Foreign currency exchange loss	–	172
Others	127	48
Total non-operating expenses	587	738
Recurring income	564	3,557
Extraordinary gains		
Gain on the sale of fixed assets	177	46
Reversal of allowance for doubtful accounts	6	3
Gain on revision of retirement benefit plan	–	141
Gain on insurance adjustment	–	20
Total extraordinary gains	183	211

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Extraordinary losses		
Loss on sales and retirement of fixed assets	173	84
Loss on valuation of investment securities	–	56
Loss on liquidation of affiliate	167	–
Special severance payments	43	–
Product compensation cost	420	–
Business structure improvement expenses	–	1,363
Compensation payments	16	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	48
Others	9	–
Total extraordinary losses	830	1,553
Income (loss) before income taxes and others	(82)	2,215
Income taxes and enterprise taxes	146	745
Deferred income taxes	(169)	(11)
Total income taxes	(22)	733
Income before minority interests	–	1,481
Net income (loss)	(59)	1,481

(Consolidated Statements of Comprehensive Income)

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Income before minority interests	–	1,481
Other comprehensive income		
Difference on revaluation of other marketable securities	–	(114)
Deferred gains or losses on hedges	–	(16)
Foreign currency translation adjustments	–	(1,969)
Total other comprehensive income	–	(2,100)
Comprehensive income	–	(618)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	–	(618)
Comprehensive income attributable to minority interests	–	–

(3) Consolidated Statement of Changes in Net Assets

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
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	8,363	8,363
Changes		
Total changes	–	–
Balance at end of current fiscal year	8,363	8,363
Retained earnings		
Balance at end of previous fiscal year	23,758	23,698
Changes		
Cash dividend from retained earnings	–	(236)
Net income (loss)	(59)	1,481
Total changes	(59)	1,244
Balance at end of current fiscal year	23,698	24,943
Treasury stock		
Balance at end of previous fiscal year	(357)	(358)
Changes		
Purchase of own shares	(0)	(0)
Total changes	(0)	(0)
Balance at end of current fiscal year	(358)	(358)
Total shareholders' equity		
Balance at end of previous fiscal year	36,882	36,822
Changes		
Cash dividend from retained earnings	–	(236)
Net income (loss)	(59)	1,481
Purchase of own shares	(0)	(0)
Total changes	(59)	1,244
Balance at end of current fiscal year	36,822	38,066

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Other comprehensive income		
Difference on revaluation of other marketable securities		
Balance at end of previous fiscal year	954	1,795
Changes		
Changes (net) in non-shareholders' equity items	840	(114)
Total changes	840	(114)
Balance at end of current fiscal year	1,795	1,680
Deferred gains or losses on hedges		
Balance at end of previous fiscal year	–	–
Changes		
Changes (net) in non-shareholders' equity items	–	(16)
Total changes	–	(16)
Balance at end of current fiscal year	–	(16)
Foreign currency translation adjustments		
Balance at end of previous fiscal year	(3,720)	(3,435)
Changes		
Changes (net) in non-shareholders' equity items	284	(1,969)
Total changes	284	(1,969)
Balance at end of current fiscal year	(3,435)	(5,404)
Total other comprehensive income		
Balance at end of previous fiscal year	(2,765)	(1,640)
Changes		
Changes (net) in non-shareholders' equity items	1,125	(2,100)
Total changes	1,125	(2,100)
Balance at end of current fiscal year	(1,640)	(3,740)
Share warrants		
Balance at end of previous fiscal year	58	67
Changes		
Changes (net) in non-shareholders' equity items	8	13
Total changes	8	13
Balance at end of current fiscal year	67	81
Total net assets		
Balance at end of previous fiscal year	34,175	35,249
Changes		
Cash dividend from retained earnings	–	(236)
Net income (loss)	(59)	1,481
Purchase of own shares	(0)	(0)
Changes (net) in non-shareholders' equity items	1,134	(2,086)
Total changes	1,074	(842)
Balance at end of current fiscal year	35,249	34,407

(4) Consolidated Statements of Cash Flows

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from operating activities		
Income (loss) before income taxes	(82)	2,215
Depreciation and amortization	9,693	9,382
Amortization of goodwill	135	–
Amortization of negative goodwill	(279)	(110)
Increase (decrease) in allowances for doubtful accounts	(9)	–
Increase (decrease) in allowances for bonuses	239	77
Increase (decrease) in allowances for directors' bonuses	(1)	–
Increase (decrease) in allowances for employees' retirement benefits	204	101
Increase (decrease) in provision for business structure improvement	–	1,220
Increase (decrease) in allowances for directors' retirement benefits	(39)	–
Decrease (increase) in prepaid pension expenses	1	–
Interest and dividend income	(72)	(118)
Interest expenses	459	517
Loss (gain) on sales and retirement of tangible fixed assets	(9)	38
Loss (gain) on liquidation of affiliate	167	–
Special severance payments	43	–
Product compensation cost	420	–
Gain on revision of retirement benefit plan	–	(141)
Decrease (increase) in notes and accounts receivable	(3,219)	(339)
Decrease (increase) in inventories	(113)	(2,505)
Increase (decrease) in notes and accounts payable	1,921	3,821
Increase (decrease) in accrued expenses	(284)	256
Increase (decrease) in accrued consumption taxes and others	87	(221)
Others	642	805
Subtotal	9,904	15,000
Interest and dividends received	72	117
Interest paid	(461)	(516)
Income taxes paid	(388)	(629)
Income taxes refunded	544	85
Special severance payments paid	(506)	–
Compensation payments paid	(52)	–
Net cash provided by operating activities	9,112	14,058

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Cash flows from investing activities		
Payment into time deposits	(90)	–
Proceeds from refund of time deposits	260	–
Expenditures from purchases of investment securities	(21)	–
Expenditures from purchases of affiliate shares	(240)	(160)
Expenditures from purchases of tangible fixed assets	(10,715)	(11,748)
Proceeds from sales of tangible fixed assets	530	83
Proceeds from liquidation of subsidiaries and affiliates	–	425
Expenditures from loans	(5)	–
Proceeds from collection of loans	6	–
Others	(66)	(92)
Net cash used in investing activities	(10,341)	(11,491)
Cash flows from financing activities		
Proceeds from short-term loans	29,211	34,908
Repayment of short-term loans	(28,537)	(33,564)
Proceeds from long-term debt	5,288	7,460
Repayment of long-term debt	(6,150)	(6,449)
Payments for purchase of treasury stock	(0)	(0)
Dividends paid	(1)	(236)
Others	(44)	(29)
Net cash provided by (used in) Financing Activities	(232)	2,090
Effect of exchange rate changes on cash and cash equivalents	(39)	(774)
Net increase (decrease) in cash and cash equivalents	(1,500)	3,912
Cash and cash equivalents at beginning of year	7,274	5,267
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(507)	–
Cash and cash equivalents at end of period	5,267	9,179

(5) Notes on Going Concern Assumptions

Not applicable.

(6) Changes in Significant Items Regarding Preparation of Consolidated Financial Statements

Year ended March 31, 2010	Year ended March 31, 2011
————	(Application of accounting standards regarding asset retirement obligations) Effective the consolidated fiscal year under review, the Company started applying the "Accounting Standard for Asset Retirement Obligations" (the Accounting Standards Board of Japan (ASBJ) Statement No. 18 issued on March 31, 2008) and the "Guidance on the Accounting Standard for Asset Retirement Obligations" (ASBJ Implementation Guidance No. 21 issued on March 31, 2008) to its consolidated financial statements. These changes did not have an impact on operating income and recurring income, and income before income taxes and others decreased ¥48 million.

(7) Notes

Related to Consolidated Statements of Comprehensive Income

Current consolidated fiscal year (April 1, 2010 through March 31, 2011)

*1. Comprehensive income for the consolidated fiscal year immediately before the consolidated fiscal year under review

Comprehensive income attributable to owners of the parent	¥1,065 million
Comprehensive income attributable to minority interests	–
Total	¥1,065 million

*2. Other comprehensive income for the consolidated fiscal year immediately before the consolidated fiscal year under review

Difference on revaluation of other marketable securities	¥840 million
Foreign currency translation adjustments	¥284 million
Total	¥1,125 million

Segment Information

a. Business Segment Information

Previous consolidated fiscal year (April 1, 2009 through March 31, 2010) (Million yen)

	Die Casting Business	Aluminum Business	Proprietary Products Business	Total	Eliminations and Corporate	Consolidated
I. Sales and Operating Income (Loss)						
Sales						
(1) Customers	71,638	2,687	1,451	75,777	–	75,777
(2) Inter-segment	5	2,223	0	2,229	(2,229)	–
Total	71,644	4,910	1,451	78,006	(2,229)	75,777
Operating expenses	71,035	4,960	1,481	77,477	(2,227)	75,250
Operating income (loss)	608	(49)	(30)	528	(1)	526
II. Total Assets, Depreciation and Amortization, and Capital Expenditures						
Total Assets	80,314	2,157	1,239	83,710	4,267	87,977
Depreciation and Amortization	9,696	81	50	9,828	–	9,828
Capital Expenditures	9,408	10	2	9,421	–	9,421

(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)	Main Content
Eliminations including company-wide assets	4,267	Assets related to our company surplus capital (cash and time deposits, and investments in securities) and administration

b. Geographic Segment Information

Previous consolidated fiscal year (April 1, 2009 through March 31, 2010) (Million yen)

	Japan	North America	Other Areas	Total	Eliminations and Corporate	Consolidated
I. Sales and Operating Income (Loss)						
Sales						
(1) Customers	59,577	10,763	5,435	75,777	–	75,777
(2) Inter-segment	1,379	–	277	1,656	(1,656)	–
Total	60,957	10,763	5,712	77,433	(1,656)	75,777
Operating expenses	60,975	10,305	5,525	76,806	(1,556)	75,250
Operating income (loss)	(18)	458	186	626	(99)	526
II. Total Assets	52,487	18,487	15,172	86,146	1,831	87,977

(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”.

c. Overseas Sales

Previous consolidated fiscal year (April 1, 2009 through March 31, 2010) (Million yen)

	North America	Other Areas	Total
Overseas sales (million yen)	10,768	5,544	16,312
Total sales (million yen)			75,777
Overseas sales on total sales (%)	14.2	7.3	21.5

(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: Europe and Asia
3. Overseas sales represent sales of the Company and its consolidated subsidiaries in countries or regions other than Japan.

d. Segment Information

Current consolidated fiscal year (April 1, 2010 through March 31, 2011)

1. Overview of reported segments

The reported segments of the Company are those units for which separate financial information can be obtained among the constituent units of the Company and for which the Board of Directors of the Company regularly carries out examinations to determine the allocation of management resources and assess the business performance.

The Company manages the Die Casting Business, the Aluminum Business, and the Proprietary Products Business.

In the Die Casting Business, the Company develops comprehensive strategies by regions: Japan, North America, and Asia, and is engaged in business activities accordingly.

As a result, the Company has five reported segments: Die Casting Business: Japan, Die Casting Business: North America, Die Casting Business: Asia, Aluminum Business, and Proprietary Products Business.

In the Die Casting Business, the Company is mainly engaged in manufacturing and sales of auto parts, general engine parts, industrial machinery parts, and dies in Japan, North America and Asia. In the Aluminum Business, the Company is engaged in smelting and sales of aluminum alloy ingots. In the Proprietary Products Business, it sells access floors and its accessories.

2. Methods for calculating net sales, profits or losses, assets, liabilities and amounts for other items by reported segment

Profits in the reported segments are figures based on operating income.

Intersegment sales and transfers are based on current market values.

3. Information related to net sales, profits or losses, assets, liabilities and amounts for other items by reported segment

Previous consolidated fiscal year (April 1, 2009 through March 31, 2010) (Million yen)

	Reported segments					Total
	Die Casting Business			Aluminum Business	Proprietary Products Business	
	Japan	North America	Asia			
Sales						
(1) Customers	55,439	10,763	5,435	2,687	1,451	75,777
(2) Intersegment	1,384	–	277	2,223	–	3,885
Total	56,824	10,763	5,712	4,910	1,451	79,662
Segment profits/loss	26	515	287	(188)	(123)	517
Segment assets	48,641	18,453	15,978	2,148	823	86,045
Other items						
Depreciation and amortization	7,292	1,520	975	74	14	9,876
Increase in tangible fixed assets and intangible fixed assets	2,556	2,406	4,527	9	–	9,500

Current consolidated fiscal year (April 1, 2010 through March 31, 2011) (Million yen)

	Reported segments					Total
	Die Casting Business			Aluminum Business	Proprietary Products Business	
	Japan	North America	Asia			
Sales						
(1) Customers	65,624	16,020	11,666	3,524	2,186	99,022
(2) Intersegment	2,591	71	384	2,612	–	5,660
Total	68,216	16,092	12,051	6,136	2,186	104,683
Segment profits/loss	1,929	1,029	723	(13)	84	3,753
Segment assets	46,989	22,489	21,255	2,125	1,279	94,139
Other items						
Depreciation and amortization	5,848	1,982	1,528	55	6	9,421
Increase in tangible fixed assets and intangible fixed assets	3,694	4,491	3,893	38	–	12,119

4. Total amount in reported segments, difference from the amount posted in consolidated financial statement and important details in the difference (Difference adjustment)

(Million yen)

Net sales	Previous consolidated fiscal year	Current consolidated fiscal year
Total sales in reported segments	79,662	104,683
Elimination of intersegment transactions	(3,885)	(5,660)
Net sales in the consolidated financial statement	75,777	99,022

(Million yen)

Profit	Previous consolidated fiscal year	Current consolidated fiscal year
Total profit in reported segments	517	3,753
Elimination of intersegment transactions	9	11
Operating income in the consolidated financial statement	526	3,765

(Million yen)

Assets	Previous consolidated fiscal year	Current consolidated fiscal year
Total assets in reported segments	86,045	94,139
Elimination of intersegment transactions	(2,365)	(5,160)
Company-wide assets	4,298	4,819
Assets in the consolidated financial statement	87,977	93,799

(Million yen)

Other items	Total amount in reported segments		Adjustment		Amount recorded in consolidated financial statements	
	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year
Depreciation and amortization	9,876	9,421	(48)	(39)	9,828	9,382
Increase in tangible fixed assets and intangible fixed assets	9,500	12,119	(78)	(96)	9,421	12,022

(Additional Information)

The Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17 on March 27, 2009) and the Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20 on March 21, 2008) were applied from this fiscal year.

Per Share Information

Year ended March 31, 2010		Year ended March 31, 2011	
Net assets per share	1,633.33 yen	Net assets per share	1,593.63 yen
Net loss per share	2.77 yen	Net income per share	68.80 yen
Diluted net income per share is not listed, as it is a net loss per share, although there are potential shares.		Diluted net income per share	68.54 yen

(Note) The following shows the basis of calculation of net income (loss) per share and diluted net income per share.

	Year ended March 31, 2010	Year ended March 31, 2011
Net income (loss) per share		
Net income (loss) (million yen)	(59)	1,481
Amount that does not belong to ordinary shareholders (million yen)	–	–
Net income (loss) related to common shares (million yen)	(59)	1,481
Average number of shares during the period	21,540,224	21,539,834
Diluted net income per share		
Net income adjustments (million yen)	–	–
Increase in number of common shares	–	80,842
Outline of latent shares without dilution effect not taken into account for calculation of diluted net income per share	————	————

Important Subsequent Events

Not applicable.

4. Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Amount: million yen)

	Previous fiscal year (March 31, 2010)	Current fiscal year (March 31, 2011)
(Assets)		
Current assets		
Cash and time deposits	2,485	2,105
Trade notes receivable	1,060	1,370
Accounts receivable	16,984	15,816
Merchandise and products	778	1,098
Partly finished goods	1,218	1,537
Raw materials and inventories	1,046	1,125
Prepaid expenses	58	48
Short-term loans receivable from subsidiaries and affiliates	–	1,001
Accounts receivable–other	2,018	2,345
Others	339	372
Allowance for doubtful accounts	(4)	(1)
Total current assets	25,986	26,820
Fixed assets		
Tangible fixed assets		
Buildings	7,211	7,069
Accumulated depreciation and impairment loss	(3,800)	(3,889)
Buildings, net	3,411	3,180
Structures	746	726
Accumulated depreciation and impairment loss	(563)	(568)
Structures, net	183	157
Machinery and equipment	17,272	16,652
Accumulated depreciation and impairment loss	(14,912)	(14,939)
Machinery and equipment, net	2,359	1,713
Delivery equipment	192	204
Accumulated depreciation and impairment loss	(162)	(172)
Delivery equipment, net	29	32
Tools, furniture and fixtures	13,901	13,643
Accumulated depreciation	(12,878)	(12,911)
Tools, furniture and fixtures, net	1,022	731
Land	3,578	3,578
Lease assets	28	34
Accumulated depreciation	(7)	(17)
Lease assets, net	21	16
Construction in progress	560	636
Total tangible fixed assets	11,166	10,046
Intangible fixed assets		
Software	162	123
Others	17	14
Total intangible fixed assets	180	138
Investments and other assets		
Investments in securities	4,973	4,737
Stocks of subsidiaries and affiliates	28,277	30,322
Long-term loans receivable from subsidiaries and affiliates	158	–
Others	192	183
Allowance for doubtful accounts	(2)	(1)
Total investments and other assets	33,601	35,240
Total fixed assets	44,948	45,426
Total assets	70,934	72,246

(Amount: million yen)

	Previous fiscal year (March 31, 2010)	Current fiscal year (March 31, 2011)
(Liabilities)		
Current liabilities		
Notes payable	1,451	2,389
Accounts payable	9,543	8,737
Current portion of long-term loans	5,538	6,344
Accounts payable–other	1,092	1,263
Accrued expenses	789	312
Deposits received	5,954	7,316
Bonus allowances	694	727
Directors' bonus allowances	–	15
Others	326	157
Total current liabilities	25,391	27,263
Long-term liabilities		
Long-term loans	11,569	9,830
Deferred tax liabilities	2,534	2,359
Allowances for employees' retirement benefits	2,203	2,415
Allowances for directors' retirement benefits	114	114
Provision for business structure improvement	–	1,285
Others	33	46
Total long-term liabilities	16,455	16,051
Total liabilities	41,846	43,315
(Net assets)		
Shareholders' equity		
Common stock	5,117	5,117
Additional paid-in capital		
Legal capital surplus	8,177	8,177
Other additional paid-in capital	4	4
Total additional paid-in capital	8,182	8,182
Retained earnings		
Legal retained earnings	393	393
Other retained earnings		
Reserve for dividends	120	120
Reserve for reduction entry of replaced property	1,887	1,751
Reserve for advanced depreciation of noncurrent assets		0
General reserve	13,240	13,240
Retained earnings brought forward	(1,369)	(1,267)
Total retained earnings	14,272	14,239
Treasury stock	(358)	(358)
Total shareholders' equity	27,214	27,180
Revaluation / Translation differences		
Difference on revaluation of other marketable securities	1,805	1,686
Deferred gains or losses on hedges	–	(16)
Total revaluation / translation differences	1,805	1,669
Share warrants	67	81
Total net assets	29,087	28,931
Total liabilities and net assets	70,934	72,246

(2) Non-Consolidated Income Statements

(Amount: million yen)

	Year ended March 31, 2010	Year ended March 31, 2011
Sales		
Gross sales	61,442	75,457
Sales allowance and returns	588	851
Total gross sales	60,853	74,606
Cost of goods sold		
Beginning finished goods	653	778
Cost of products manufactured	31,142	36,690
Purchase of finished goods	25,225	31,446
Total	57,021	68,915
Ending finished goods	778	1,098
Cost of finished goods sold	56,242	67,817
Gross profit	4,611	6,789
Selling, general and administrative expenses	5,309	5,917
Operating income (loss)	(698)	871
Non-operating income		
Interest income	13	10
Dividends received	58	204
Rent income	69	74
Others	70	224
Total non-operating income	211	514
Non-operating expenses		
Interest expenses	306	241
Foreign currency exchange loss	–	43
Others	53	15
Total non-operating expenses	360	300
Recurring income (loss)	(847)	1,085
Extraordinary gains		
Gain on the sale of fixed assets	0	0
Gain on liquidation of subsidiaries and affiliates	66	–
Gain on sales of subsidiaries and affiliates' stocks	–	565
Reversal of allowance for doubtful accounts	–	3
Gain on insurance adjustment	–	20
Others	4	–
Total extraordinary gains	72	589
Extraordinary losses		
Loss on sales and retirement of fixed assets	93	36
Loss on valuation of investment securities	–	56
Product compensation cost	420	–
Loss on liquidation of affiliate	78	–
Business structure improvement expenses	–	1,430
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	26
Others	0	–
Total extraordinary losses	592	1,549
Income (loss) before income taxes and others	(1,367)	125
Income taxes and enterprise taxes	67	15
Deferred income taxes	(167)	(93)
Total income taxes	(100)	(78)
Net income (loss)	(1,267)	203