

## Consolidated Financial Results (Japanese Accounting Standards) for the First Three Quarters of the Fiscal Year Ending March 31, 2011

February 9, 2011

Company Name	Ahresty Corporation	Stock Exchange Listing	Tokyo
Code Number	5852	URL	<a href="http://www.ahresty.co.jp">http://www.ahresty.co.jp</a>
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Filing date of quarterly securities report	February 10, 2011		
Planned date for start of dividend payments	-		
Supplementary documents for quarterly results	Yes		
Quarterly results briefing	None		

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

### 1. Business performance (April 1, 2010 through December 31, 2010)

#### (1) Consolidated results of operations (For the nine months ended December 31) (% shows change from previous first three quarters)

	Net sales		Operating income		Recurring income	
	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2010	74,512	41.1	3,558	-	3,311	-
Nine months ended December 31, 2009	52,826	(40.0)	(415)	-	(501)	-

	Net income		Net income per share	Fully diluted net income per share
	million yen	%	yen	yen
Nine months ended December 31, 2010	1,366	-	63.42	63.19
Nine months ended December 31, 2009	(775)	-	(35.99)	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of December 31, 2010	92,709	34,634	37.3	1,604.19
As of March 31, 2010	87,977	35,249	40.0	1,633.33

(For reference) Shareholders' equity 34,553 million yen at December 31, 2010  
35,181 million yen at March 31, 2010

### 2. Dividend payments

(Date of record)	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	For the year
	yen	yen	yen	yen	yen
Year ended March 31, 2010	-	0.00	-	5.00	5.00
Year ending March 31, 2011	-	6.00	-		
Year ending March 31, 2011 (projection)				6.00	12.00

(Notes) Change in the current quarter to dividend forecast: None

### 3. Forecast of consolidated results for year ending March 2011 (April 1, 2010 – March 31, 2011)

(% shows change from previous fiscal year)

	Sales		Operating income		Recurring income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	99,000	30.6	4,400	735.0	4,100	626.6	2,000	-	92.85

(Notes) Change in the current quarter to consolidated results forecast: None

4. Others (For details, please refer to "Other Information" on page 3 of the accompanying materials.)

(1) Significant changes to subsidiaries during the current term: None

(Note) Any changes for a specified subsidiary accompanying a change in the scope of consolidation

(2) Application of simplified accounting method and specific accounting treatment: Yes

(Note) Adoption of simplified accounting methods or accounting methods unique to the preparation of quarterly consolidated financial statements

(3) Changes in accounting principles, procedures, presentations, etc.

(i) Changes associated with revision of accounting standards, etc.: Yes

(ii) Changes other than (i): None

(Note) Changes to be stated in changes in significant matters that are fundamental to preparation of quarterly consolidated financial statements

(4) Number of shares outstanding (Common stock)

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

21,778,220 shares at December 31, 2010

21,778,220 shares at March 31, 2010

(ii) Number of treasury stock at end of period

238,508 shares at December 31, 2010

238,253 shares at March 31, 2010

(iii) Average number of shares (Quarterly cumulative period)

21,539,897 shares at December 31, 2010

21,540,292 shares at December 31, 2009

\* Status of a quarterly review

These quarterly financial results are not subject to quarterly review procedures under the Financial Instruments and Exchange Law. The quarterly review on the quarterly financial statements is underway at the time of the disclosure of these financial results.

\* 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. A number of factors could cause actual results to differ materially from expectations. For notes on the use of the results forecasts and assumptions as the basis for the results forecasts, please see "(3) Qualitative Information Concerning Consolidated Earnings Forecasts" on page 3 of the accompanying materials.

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## 1. Qualitative Information on Consolidated Operating Results, etc. for the First Three Quarters

### (1) Qualitative Information Concerning Consolidated Operating Results

During the first three quarters (nine months) of the fiscal year under review, the Japanese economy managed a moderate recovery overall. However, the economy began to slow from the fall, reflecting a decline in exports attributable to a strong yen, declines in personal spending because of the end or review of fiscal stimulus, which had boosted personal spending, and a decrease in industrial output attributable to the effects of those phenomena.

The U.S. economy also sustained modest growth, primarily reflecting increases in industrial output with a recovery in personal spending and capital expenditure, despite high unemployment rates. The economies of China and India remained robust, driven mainly by domestic demand.

In these circumstances, the Company recorded higher sales and profits for the first three quarters of the fiscal year under review, with sales of ¥74,512 million (up 41.1% from the previous fiscal year), an operating income of ¥3,558 million (compared with an operating loss of ¥415 million in the previous fiscal year), a recurring income of ¥3,311 million (compared with a recurring loss of ¥501 million in the previous fiscal year), and a net income of ¥1,366 million (compared with a net loss of ¥775 million in the previous fiscal year).

Operating results by segment are as follows:

#### (i) Die Casting Business: Japan

In the domestic automobile industry, the Company's mainstay business sector, sales of new cars were strong, reflecting the impact of tax credits for purchases of eco-friendly cars and a subsidy system. However, sales slowed sharply with the end of the subsidy system. Nonetheless, production volumes increased, backed by rises in exports to emerging economies and a recovery in exports to North America. In this environment, orders received by the Company rose. As a result, sales reached ¥50,410 million. Income from this segment amounted to ¥1,830 million, attributable primarily to the effects of higher sales and production.

#### (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 expansion of the supply of components to new customers in Mexico, sales stood at ¥11,729 million. Income from this segment amounted to ¥1,124 million, 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, sales among automobile manufacturers were robust, mainly reflecting the government's stimulus packages, including the provision of subsidies for the purchase of cars. As a result, orders received by the Company also remained strong. In India, orders received by the Company increased, and the supply of components to new customers expanded. Consequently, sales reached ¥8,139 million. Income from this segment amounted to ¥539 million, reflecting the effects of higher sales and production.

#### (iv) Aluminum Business

In the Aluminum Business, sales were ¥2,690 million, with a 2.5% year-on-year increase in the shipment of secondary alloy ingots. Income from this segment amounted to ¥3 million, reflecting the Company's efforts to cut costs, despite the fact that sales weight remained at a low level, some 70% of peak sales, and the surge in prices of raw materials.

#### (v) Proprietary Products Business

In the Proprietary Products Business, sales amounted to ¥1,542 million, principally reflecting orders for renovations for semiconductor manufacturers, the Company's major clients, and orders for large projects, including the data center of a telecommunications company and a computer room of a major financial institution. Income from this segment amounted to ¥70 million, reflecting the effects of higher sales.

### (2) Qualitative Information Concerning Consolidated Financial Position

The Company's assets at the end of the consolidated third quarter under review increased ¥4,731 million from the end of the previous fiscal year, to ¥92,709 million. The main factors included a rise of ¥2,290 million in cash and time deposits, an increase of ¥1,808 million in trade notes and accounts receivable, and an increase of ¥1,192 million in inventories.

Liabilities at the end of the consolidated third quarter under review climbed ¥5,345 million from the end of the previous fiscal year, to ¥58,074 million. The main factors included a rise of ¥2,769 million in notes and accounts payable, and an increase of ¥1,340 million in provision for business structure improvement.

Net assets at the end of the consolidated third quarter under review decreased ¥614 million from the end of the previous fiscal

year, to ¥34,634 million. The main factors included a net income of ¥1,366 million, and a decline of ¥1,698 million in foreign currency translation adjustments. As a result, the equity ratio fell from 40.0% at the end of the previous consolidated fiscal year, to 37.3%.

### (3) Qualitative Information Concerning Consolidated Earnings Forecasts

Results for the first three quarters under review were mostly on a par with the plan. We expect that results for the fourth quarter will also be in line with expectations. As a consequence, we have not changed our forecast consolidated results for the fiscal year ending March 31, 2011, announced on November 9, 2010.

## 2. Other Information

### (1) Significant Changes to Subsidiaries

Not applicable.

### (2) Simplified Accounting Method and Specific Accounting Treatment

(Calculation method for loan-loss reserve for general receivables)

Because the Company has determined that the loan-loss ratio at the end of the consolidated third quarter under review has not changed significantly from the figure at the end of the previous consolidated fiscal year, it uses the loan-loss ratio calculated in the settlement of the previous consolidated fiscal year to calculate the loan-loss reserve for general receivables.

(Inventory valuation method)

The Company omitted physical inventory taking at the end of the third quarter and calculated inventories at the end of the third quarter by a reasonable method based on physical inventory taking at the end of the second quarter.

(Calculation method for corporate and other taxes, deferred tax assets, and deferred tax liabilities)

In terms of calculating the payment amount of corporate and other taxes, only important items for addition/subtraction and tax deduction are considered.

In addition, with regard to determining the possibilities for collecting deferred tax assets, the Company has established that there has been no substantial change in the management environment since the end of the previous consolidated fiscal year, and that the occurrence of temporary and other differences has not changed significantly. For this reason, the future business forecasts and tax planning used in the previous consolidated fiscal year continue to be utilized.

### (3) Changes in Accounting Principles, Procedures, Presentations, etc.

Application of the Accounting Standards for Asset Retirement Obligations

The Accounting Standards for Asset Retirement Obligations (Accounting Standards Board of Japan (ASBJ) Statement No. 18 on March 31, 2008) and the Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No. 21 on March 31, 2008) were applied from the first quarter of the consolidated fiscal year under review.

While operating income and recurring income for the first three quarters of the consolidated fiscal year under review were not affected by the application of the above Accounting Standards, income before income taxes and others declined ¥48 million. Meanwhile, changes in asset retirement obligations that resulted from the commencement of the application of the Accounting Standards were ¥48 million.

### (4) Overview of Key Events Regarding the Premise of Going Concern

Not applicable.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheet

	As of December 31, 2010	As of March 31, 2010
	Amount (million yen)	Amount (million yen)
<b>(Assets)</b>		
Current assets		
Cash and time deposits	7,557	5,267
Trade notes and accounts receivable	22,055	20,246
Merchandise and products	2,502	1,732
Partly finished goods	2,921	2,792
Raw materials and inventories	2,646	2,353
Others	1,605	2,083
Allowance for doubtful accounts	(4)	(3)
Total current assets	39,285	34,472
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	9,372	10,047
Machinery and delivery equipment, net	20,815	20,714
Land	5,773	5,803
Construction in progress	6,548	6,098
Others, net	3,695	3,564
Total tangible fixed assets	46,204	46,228
Intangible fixed assets	564	620
Investments and other assets		
Investments in securities	6,199	6,131
Others	456	526
Allowance for doubtful accounts	(1)	(2)
Total investments and other assets	6,654	6,656
Total fixed assets	53,423	53,505
Total assets	92,709	87,977

	As of December 31, 2010	As of March 31, 2010
	Amount (million yen)	Amount (million yen)
<b>(Liabilities)</b>		
Current liabilities		
Notes and accounts payable	17,828	15,059
Short-term loans	2,691	2,942
Current portion of long-term loans	6,405	6,045
Accrued income taxes	348	98
Bonus allowances	825	1,147
Directors' bonus allowances	1	1
Others	7,505	4,356
Total current liabilities	35,605	29,650
Long-term liabilities		
Long-term loans	13,469	15,424
Allowances for employees' retirement benefits	3,566	3,485
Allowances for directors' retirement benefits	122	122
Provision for business structure improvement	1,340	-
Negative goodwill	82	165
Others	3,886	3,879
Total long-term liabilities	22,468	23,077
Total liabilities	58,074	52,728
<b>(Net assets)</b>		
Shareholders' equity		
Common stock	5,117	5,117
Additional paid-in capital	8,363	8,363
Retained earnings	24,828	23,698
Treasury stock	(358)	(358)
Total shareholders' equity	37,951	36,822
Revaluation / Translation differences		
Difference on revaluation of other marketable securities	1,736	1,795
Foreign currency translation adjustments	(5,133)	(3,435)
Total revaluation / translation differences	(3,397)	(1,640)
Share warrants	81	67
Total net assets	34,634	35,249
Total liabilities and net assets	92,709	87,977

## (2) Quarterly Consolidated Statement of Income

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
	Amount (million yen)	Amount (million yen)
Sales	52,826	74,512
Cost of goods sold	47,306	64,027
Gross Profit	5,519	10,484
Selling, general and administrative expenses	5,935	6,926
Operating income (loss)	(415)	3,558
Non-operating income		
Interest income	9	8
Dividends received	50	71
Gain on sales of scraps	–	71
Amortization of negative goodwill	215	82
Others	150	113
Total non-operating income	426	348
Non-operating expenses		
Interest expenses	341	386
Foreign currency exchange loss	99	165
Others	71	43
Total non-operating expenses	512	594
Recurring income (loss)	(501)	3,311
Extraordinary gains		
Gain on the sale of fixed assets	7	3
Reversal of allowance for doubtful accounts	1	–
Gain on revision of retirement benefit plan	–	141
Gain on insurance adjustment	–	21
Total extraordinary gains	9	166
Extraordinary losses		
Loss on the sale of fixed assets	80	61
Loss on liquidation of subsidiaries and affiliates	70	–
Special severance payments	43	–
Product compensation cost	238	–
Business structure improvement expenses	–	1,363
Compensation payments	26	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	48
Others	1	–
Total extraordinary losses	461	1,473
Income (loss) before income taxes and others	(953)	2,004
Income taxes and enterprise taxes	86	462
Deferred income taxes	(265)	175
Total income taxes	(178)	638
Income before minority interests	–	1,366
Net income (loss)	(775)	1,366



### (3) Quarterly Consolidated Statement of Cash Flows

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
	Amount (million yen)	Amount (million yen)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	(953)	2,004
Depreciation and amortization	7,210	6,887
Amortization of goodwill	101	–
Amortization of negative goodwill	(215)	(82)
Increase (decrease) in allowances for doubtful accounts	2	–
Increase (decrease) in allowances for bonuses	(275)	(322)
Increase (decrease) in allowances for directors' bonuses	(2)	–
Increase (decrease) in allowances for employees' retirement benefits	140	80
Increase (decrease) in provision for business structure improvement	–	1,340
Decrease (increase) in prepaid pension expenses	17	–
Interest and dividend income	(60)	(80)
Interest expenses	341	386
Loss (gain) on sales of tangible fixed assets	72	56
Loss (gain) on liquidation of subsidiaries and affiliates	70	–
Special severance payments	43	–
Product compensation cost	238	–
Gain on revision of retirement benefit plan	–	(141)
Decrease (increase) in notes and accounts receivable	(616)	(2,052)
Decrease (increase) in inventories	352	(1,388)
Increase (decrease) in notes and accounts payable	(461)	3,000
Increase (decrease) in accrued expenses	(340)	(82)
Increase (decrease) in accrued consumption taxes and others	28	(12)
Others	1,043	1,595
Subtotal	6,737	11,191
Interest and dividends received	60	80
Interest paid	(330)	(387)
Income taxes paid	(287)	(329)
Income taxes refunded	539	85
Special severance payments paid	(505)	–
Compensation payments paid	(52)	–
Net cash provided by (used in) operating activities	6,161	10,640

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
	Amount (million yen)	Amount (million yen)
<b>Cash flows from investing activities</b>		
Payment into time deposits	(90)	–
Proceeds from refund of time deposits	210	–
Expenditures from purchases of investment securities	(16)	–
Expenditures from purchases of affiliate shares	(240)	(160)
Proceeds from liquidation of affiliate	–	425
Expenditures from purchases of tangible fixed assets	(8,323)	(6,963)
Proceeds from sales of tangible fixed assets	13	52
Purchase of intangible fixed assets	(49)	–
Expenditures from loans	(5)	–
Proceeds from collection of loans	5	–
Others	–	(54)
Net cash provided by (used in) investing activities	(8,495)	(6,700)
<b>Cash flows from financing activities</b>		
Proceeds from short-term loans	13,696	21,836
Repayment of short-term loans	(13,122)	(21,810)
Proceeds from long-term debt	4,240	3,844
Repayment of long-term debt	(4,429)	(4,912)
Payments for purchase of treasury stock	(0)	–
Dividends paid	(1)	(216)
Others	(28)	(22)
Net cash provided by (used in) financing activities	354	(1,281)
Effect of exchange rate changes on cash and cash equivalents	(88)	(368)
Net increase (decrease) in cash and cash equivalents	(2,067)	2,290
Cash and cash equivalents at beginning of year	7,274	5,267
Cash and cash equivalents at end of period	5,206	7,557

(4) Notes on Going Concern Assumptions

Not applicable.

(5) Segment Information

[Business Segment Information]

Nine months ended December 31, 2009

(Million yen)

	Die Casting Business	Aluminum Business	Proprietary Products Business	Total	Eliminations and Corporate	Consolidated
Sales						
(1) Customers	49,971	1,849	1,005	52,826	–	52,826
(2) Intersegment	4	1,591	–	1,596	(1,596)	–
Total	49,975	3,441	1,005	54,422	(1,596)	52,826
Operating income (loss)	(327)	(52)	(34)	(414)	(0)	(415)

[Geographic Segment Information]

Nine months ended December 31, 2009

(Million yen)

	Japan	North America	Other Areas	Total	Eliminations and Corporate	Consolidated
Sales						
(1) Customers	42,132	7,219	3,473	52,826	–	52,826
(2) Intersegment	1,014	–	237	1,252	(1,252)	–
Total	43,147	7,219	3,711	54,078	(1,252)	52,826
Operating income (loss)	(572)	203	30	(338)	(76)	(415)

[Overseas sales]

Nine months ended December 31, 2009

(Million yen)

	North America	Other Areas	Total
1. Overseas sales	7,223	3,544	10,768
2. Total sales			52,826
3. Overseas sales on total sales	13.7%	6.7%	20.4%

[Segment Information]

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. Information on sales and profits or losses by reported segment

Nine months ended December 31, 2010

(Million yen)

	Reported segments					Total
	Die Casting Business			Aluminum Business	Proprietary Products Business	
	Japan	North America	Asia			
Sales						
(1) Customers	50,410	11,729	8,139	2,690	1,542	74,512
(2) Intersegment	1,779	43	233	1,987	–	4,044
Total	52,190	11,773	8,372	4,677	1,542	78,556
Segment profits	1,830	1,124	539	3	70	3,569

3. Total profits or losses in reported segments, difference from the amount posted in quarterly consolidated statement of income and important details in the difference (Difference adjustment)

(Million yen)

Profit	Amount
Total profit in reported segments	3,569
Elimination of intersegment transactions	(11)
Operating income in the quarterly consolidated statement of income	3,558

4. Impairment losses in fixed assets or goodwill by reported segment

Not applicable.

(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 the first quarter of this fiscal year.

(6) Notes for Significant Change in the Amount of Shareholders' Equity

Not applicable.