

# Consolidated Financial Results (Japanese Accounting Standards) for the Fiscal Year Ended March 31, 2012

May 14, 2012

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>
Representative	President & CEO Arata Takahashi		
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Planned date for regular general meeting of shareholders		June 22, 2012	
Planned date for start of dividend payment		June 7, 2012	
Planned date for submission of securities report		June 22, 2012	
Supplementary documents for financial results		Yes	
Financial results briefing		Yes (for securities analysts and institutional investors)	

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

## 1. Consolidated performance for year ended March 2012 (April 1, 2011 – March 31, 2012)

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

	Net sales		Operating income		Recurring income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2012	103,800	4.8	1,366	(63.7)	888	(75.0)	1,420	(4.2)
Year ended March 2011	99,022	30.7	3,765	614.5	3,557	530.4	1,481	–

(Note) Comprehensive income

Year ended March 2012: 1,109 million yen (–%)

Year ended March 2011: -618 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 2012	65.87	65.63	4.1	0.9	1.3
Year ended March 2011	68.80	68.54	4.3	3.9	3.8

(For reference) Investment gain or loss under equity method

Year ended March 2012: – million yen

Year ended March 2011: – million yen

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2012	105,208	35,414	33.6	1,639.10
Year ended March 2011	93,799	34,407	36.6	1,593.63

(For reference) Shareholders' equity

Year ended March 2012: 35,346 million yen

Year ended March 2011: 34,326 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 2012	6,610	(16,560)	7,609	6,688
Year ended March 2011	14,058	(11,491)	2,090	9,179

## 2. Dividend payments

(Date of record)	Dividend per share					Total dividend (for year)	Dividend payout ratio (consolidated)	Dividend ratio to net asset (consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of year	For the year			
Year ended March 2011	yen –	yen 6.00	yen –	yen 6.00	yen 12.00	million yen 258	% 17.4	% 0.7
Year ended March 2012	yen –	yen 3.00	yen –	yen 3.00	yen 6.00	million yen 129	% 9.1	% 0.4
Year ending March 2013 (projection)	yen –	yen 6.00	yen –	yen 6.00	yen 12.00		% 10.8	

## 3. Consolidated forecasts for year ending March 2013 (April 1, 2012 – March 31, 2013) (% shows the year-on-year change)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Interim	53,500	12.4	1,500	–	1,350	–	850	–	39.42
Full year	112,500	8.4	3,750	174.4	3,350	276.9	2,400	69.0	111.29

\* Notes

(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 (Ahresty Precision Die Mold (Guangzhou))  
 Exception: –

(2) Changes in accounting principles and changes or restatement of accounting estimates  
 (i) Changes in accounting principles associated with revision of accounting standards, etc.: None  
 (ii) Changes in accounting principles other than (i): None  
 (iii) Changes in accounting estimates: None  
 (iv) Restatement: None

(3) Number of shares outstanding (common stock)  
 (i) Number of shares outstanding at end of year (including treasury stock)  
 Year ended March 2012: 21,778,220 shares                      Year ended March 2011: 21,778,220 shares  
 (ii) Number of treasury stock at end of year  
 Year ended March 2012: 213,776 shares                      Year ended March 2011: 238,709 shares  
 (iii) Average number of shares  
 Year ended March 2012: 21,558,264 shares                      Year ended March 2011: 21,539,834 shares

(For reference) Outline of non-consolidated performance

1. Non-consolidated performance for year ended March 2012 (April 1, 2011 - March 31, 2012)

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

	Net sales		Operating income		Recurring income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 2012	74,521	(0.1)	100	(88.4)	258	(76.2)	1,258	517.9
Year ended March 2011	74,606	22.6	871	–	1,085	–	203	–

	Net income per share	Fully diluted net income per share
	yen	yen
Year ended March 2012	58.38	58.17
Year ended March 2011	9.46	9.42

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
Year ended March 2012	81,727	30,235	36.9	1,398.98
Year ended March 2011	72,246	28,931	39.9	1,339.40

(For reference) Shareholders' equity

Year ended March 2012: 30,168 million yen                      Year ended March 2011: 28,850 million yen

2. Non-consolidated forecasts for year ending March 2013 (April 1, 2012 – March 31, 2013) (% shows the year-on-year change)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Interim	34,200	(1.7)	350	–	400	–	350	–	16.23
Full year	71,500	(4.1)	1,200	1,091.2	1,300	402.7	1,200	(4.7)	55.65

\* 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

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 "1. Results of Operations (1) Analysis of operating results (Outlook for Fiscal year ending March 2013)" on page 3 of the accompanying materials.

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## 1. Results of Operations

### (1) Analysis of Operating Results

#### (Operating results)

During the consolidated fiscal year under review, the Japanese economy recovered gradually, aided by a range of policies, despite the continued uncertain outlook for the future given the impact of the Great East Japan Earthquake, the subsequent limitations on the supply of electric power and the nuclear power disaster, the impact of flooding in Thailand, and the downturn in overseas economies against the backdrop of the European sovereign debt crisis, among other adverse factors.

Overseas, the U.S. economy recovered gradually despite a continued high unemployment rate and the risk of a slowdown because of falling housing prices and other factors while in China and India, the pace of expansion has moderated somewhat but expansion continued centered on domestic demand.

In this environment, to meet the increase in global die cast demand, the Ahresty Group has upgraded and expanded its production facilities centered on China, Mexico and India and progress was made in increasing production capacity overseas as, in China, a second production base was established in Hefei City, Anhui Province, which began operations 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.

Business results for the consolidated fiscal year under review showed net sales of ¥103,800 million (up 4.8% year on year), operating income of ¥1,366 million (down 63.7% year on year), and recurring income of ¥888 million (down 75.0% year on year). Net income came to ¥1,420 million (down 4.2% year on year) due to a positive factor of ¥2,098 million in adjustments to corporate taxes, etc. on the posting of deferred tax assets which are dependent upon future business performance, offsetting an extraordinary loss of ¥669 million because of flood damage in Thailand and product warranty expenses.

Operating results by business segment are as follows:

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

In Japan, looking at the domestic automakers that are our main customers, in the first half, auto production was down sharply due to the impact of the Great East Japan Earthquake. The second half, meanwhile, saw an impact from flood damage in Thailand, although production increased with the surge in the domestic market accompanying the recovery from the Great East Japan Earthquake and the resurrection of government subsidies for the purchase of fuel efficient cars. As a result of these factors, orders improved and the Company saw net sales of ¥65,114 million (down 0.8% year on year). In terms of profits, there was a major impact from the decline in orders received, etc. during the first half, so segment profit was ¥1,463 million (down 24.1% year on year).

#### (ii) Die Casting Business: North America

In North America, orders received from major customers that had declined due to the impact of the Great East Japan Earthquake, recovered in the latter part of the first half and orders expanded in Mexico so net sales were ¥18,761 million (up 17.1 % year on year), but, in terms of profit, costs were incurred in order to recover from a delay in responding to an increase in orders received, etc. so segment profit was ¥314 million (down 69.4% year on year).

#### (iii) Die Casting Business: Asia

In China, orders declined temporarily from the impact of the Great East Japan Earthquake but, given the continued tremendous growth of automobile sales, orders transitioned to a high level from the summer onward. In India, automobile sales were sluggish due to higher gasoline prices and production cuts by some customers had an impact but orders expanded through the launch of new products putting net sales in Asia at ¥13,723 million (up 17.6% year on year). In terms of profit, because of the impact of the Great East Japan Earthquake on China and the impact of the Indian market still being in the developmental stage, the segment recorded a loss of ¥504 million (compared with a segment profit of ¥723 million in the previous year).

#### (iv) Aluminum Business

In the Aluminum business, because the decline in orders during the first half due to the impact of the Great East Japan Earthquake had been recovered in the second half, net sales came to ¥3,744 million (up 6.3% year on year). In terms of profit, although there was some result from actions taken to reduce cost of goods sold, because market prices remained weak due to the strong yen, the segment recorded a loss of ¥42 million (compared with a segment loss of ¥13 million in the previous fiscal year).

(v) Proprietary Products Business

In the Proprietary Products business, because of orders for new construction and renovation from our main customers in the semiconductor industry and orders from telecommunications companies for their data centers net sales were ¥2,455 million, (up 12.3% year on year). In terms of profit, increased competition and lower prices put segment profit at ¥72 million (down 14.3% year on year).

(Outlook for Fiscal year ending March 2013)

With respect to the economic outlook going forward, the Japanese economy should see a continued gradual recovery due to the actualization of recovery demand and we believe personal consumption will be in an improving trend because of the resurrection of the government subsidy for the purchase of fuel efficient cars and other policies but, in addition to the sluggish European economy and the prolonged strength of the yen, the sharp increase in the underlying crude oil price, etc. we think the situation will remain unpredictable. Further, overseas, in Europe and the United States, we remain in a situation where fears of a slowdown due to the European sovereign debt crisis cannot be completely assuaged, although we expect a sluggish, gradual recovery from the risk of a slowdown. In China and India, the pace of expansion is likely to moderate but we believe there will be steady expansion driven by domestic demand.

Under these conditions, the Group will focus on expanding its overseas business, centering on Mexico and China, and, aiming to solidify a sound foundation, we will continue to invest this fiscal year as well to continuously improve productivity in Japan and overseas, to undertake cost cutting and to improve profitability. Regarding the consolidated business results forecast for the next fiscal year, we expect it to be as follows:

The consolidated business results forecast assumes foreign exchange rates of 80.0 yen to 1 USD, 12.7 yen to 1 RMB.

(Million yen)

	Net sales	Operating income	Recurring income	Net income
Fiscal year ending March 2013 forecast	112,500	3,750	3,350	2,400
Fiscal year ended March 2012 actual	103,800	1,366	888	1,420
Changes	8,700	2,384	2,462	980
Change Ratio (%)	8.4	174.4	276.9	69.0

Business segment	Net sales		Segment profit	
	Fiscal Year ended March 2012	Fiscal Year ending March 2013	Fiscal Year ended March 2012	Fiscal Year ending March 2013
Die Casting Business: Japan	65,114	63,500	1,463	1,900
Die Casting Business: North America	18,761	21,500	314	1,250
Die Casting Business: Asia	13,723	21,000	(504)	450
Aluminum Business	3,744	4,000	(42)	100
Proprietary Products Business	2,455	2,500	72	50

## (2) Analysis of Financial Position

### (i) Assets, liabilities and net assets

Assets increased ¥11,409 million from the previous fiscal year, to ¥105,208 million. Major increases were an increase of ¥4,287 million in trade notes and accounts receivable and a ¥7,851 million increase in tangible fixed assets.

Liabilities increased ¥10,402 million, to ¥69,794 million. Principal increases included ¥7,497 million in loans.

Net assets increased ¥1,006 million, to ¥35,414 million. Major increases included the net income of ¥1,420 million. The principal decreases included foreign currency translation adjustments of ¥493 million. As a result, the equity ratio was down from 36.6% to 33.6%.

### (ii) Cash flows

#### (Cash flows from operating activities)

Net cash provided from operating activities declined by ¥7,447 million from the previous consolidated fiscal year to ¥6,610 million. This is mainly due to income before income taxes of ¥48 million (down ¥2,166 million from the previous fiscal year) and a decrease of ¥737 million in provision for business structure improvement (a decrease of ¥1,957 million from the previous fiscal year).

#### (Cash flows from investing activities)

Net cash used for investing activities increased ¥5,068 million to ¥16,560 million. The main factor was expense including ¥16,085 million (up ¥4,337 million year on year) for the acquisition of tangible fixed assets.

#### (Cash flows from financing activities)

Net cash provided from financing activities rose ¥5,519 million from the previous fiscal year, to ¥7,609 million. The main factors were an increase in interest-bearing debt, including loans of ¥5,476 million.

As a consequence, cash and cash equivalents at the end of the fiscal year became ¥6,688 million.

### Transition of index related to cash flows

	Fiscal year ended March 2008	Fiscal year ended March 2009	Fiscal year ended March 2010	Fiscal year ended March 2011	Fiscal year ended March 2012
Equity Ratio (%)	44.4	39.4	40.0	36.6	33.6
Market Capitalization Equity Ratio (%)	28.5	7.2	23.8	16.2	14.7
Liabilities with Interest to Cash Flows (%)	111.1	263.0	267.9	183.9	504.5
Interest Coverage Ratio	39.3	30.6	19.7	27.2	10.3

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 ¥6 per share (an interim dividend of ¥3) 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, 2011	64	3
Board of Directors meeting on May 14, 2012	64	3

Further, regarding dividends in the next fiscal year, they are scheduled to be 12 yen per share (6 yen at the end of the interim period and 6 yen at the end of the fiscal year).

## 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 2014 to sales: ¥130 billion, the ratio of operating income to sales: 5%, ROA: 4%, 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 take positive action and apply themselves 100 percent to attaining projections.

#### 1) Enhance the quality foundation of manufacturing

In order to provide the quality of product that lives up to our customers' expectations and inspires their confidence, every process, from design to shipping, we develop measures to enhance management technology and traditional technology in order to prevent the manufacture of defects or the distribution of defects and policies to reduce cycle times. Aiming to improve quality systems, customer satisfaction, and productivity, we promote the enhancement of the manufacturing foundation in every process.

#### 2) Develop professional human resources

In a challenging age of intensifying global competition, we 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 provide quality training and other skills-based training, and promote the development of management experts.

#### 3) Construction, development and knowledge of a global management system

To achieve efficient organization and functions while proceeding with globalization, we pursue policies to enhance the foundation of management, sales and manufacturing functions centered on global standards.

#### 4) Risk management

We are developing business continuity management and formulating and pressing ahead with a business continuity plan that can respond to earthquakes and other major risks.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Amount: million yen)

	Previous consolidated fiscal year (March 31, 2011)	Current consolidated fiscal year (March 31, 2012)
<b>(Assets)</b>		
Current assets		
Cash and time deposits	9,179	7,358
Trade notes and accounts receivable	20,254	24,541
Merchandise and products	2,717	2,153
Partly finished goods	3,542	3,826
Raw materials and inventories	2,903	2,657
Deferred tax assets	673	2,138
Others	1,260	1,811
Allowance for doubtful accounts	(1)	(1)
<b>Total current assets</b>	<b>40,530</b>	<b>44,486</b>
Fixed assets		
Tangible fixed assets		
Buildings and structures	20,332	22,306
Accumulated depreciation and impairment loss	(10,845)	(11,873)
Buildings and structures, net	9,486	10,433
Machinery and delivery equipment	71,781	78,540
Accumulated depreciation and impairment loss	(50,463)	(53,311)
Machinery and delivery equipment, net	21,318	25,228
Tools, furniture and fixtures	29,326	32,189
Accumulated depreciation	(25,971)	(28,215)
Tools, furniture and fixtures, net	3,354	3,974
Land	5,746	5,716
Lease assets	72	75
Accumulated depreciation	(28)	(39)
Lease assets, net	44	35
Construction in progress	6,333	8,747
<b>Total tangible fixed assets</b>	<b>46,284</b>	<b>54,135</b>
Intangible fixed assets	543	901
Investments and other assets		
Investments in securities	6,052	5,150
Deferred tax assets	79	255
Others	309	280
Allowance for doubtful accounts	(1)	(1)
<b>Total investments and other assets</b>	<b>6,440</b>	<b>5,685</b>
<b>Total fixed assets</b>	<b>53,268</b>	<b>60,721</b>
<b>Total assets</b>	<b>93,799</b>	<b>105,208</b>

(Amount: million yen)

	Previous consolidated fiscal year (March 31, 2011)	Current consolidated fiscal year (March 31, 2012)
<b>(Liabilities)</b>		
Current liabilities		
Notes and accounts payable	18,571	18,653
Short-term loans	3,910	4,541
Current portion of long-term loans	6,990	9,133
Accrued income taxes	364	273
Bonus allowances	1,225	1,092
Directors' bonus allowances	18	12
Provision for product warranties	31	448
Provision for loss due to disaster	–	104
Others	4,664	7,906
Total current liabilities	35,775	42,166
Long-term liabilities		
Long-term loans	14,950	19,674
Deferred tax liabilities	3,514	3,039
Allowances for employees' retirement benefits	3,587	3,790
Allowances for directors' retirement benefits	122	–
Provision for business structure improvement	1,220	482
Negative goodwill	54	–
Others	166	641
Total long-term liabilities	23,616	27,627
Total liabilities	59,391	69,794
<b>(Net assets)</b>		
Shareholders' equity		
Common stock	5,117	5,117
Additional paid-in capital	8,363	8,359
Retained earnings	24,943	26,240
Treasury stock	(358)	(320)
Total shareholders' equity	38,066	39,397
Other accumulated comprehensive income		
Difference on revaluation of other marketable securities	1,680	1,846
Deferred gains or losses on hedges	(16)	–
Foreign currency translation adjustments	(5,404)	(5,897)
Total other accumulated comprehensive income	(3,740)	(4,050)
Share warrants	81	67
Total net assets	34,407	35,414
Total liabilities and net assets	93,799	105,208

(2) Consolidated Income Statements and Statements of Comprehensive Income  
(Consolidated Income Statements)

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Sales	99,022	103,800
Cost of goods sold	85,780	92,726
Gross profit	13,241	11,074
Selling, general and administrative expenses		
Transportation expenses	1,897	1,991
Salaries and bonuses	2,544	2,828
Retirement and severance expenses	260	262
Provision for bonuses	286	232
Provision for bonuses for directors	18	12
Allowance for depreciation	124	127
Research and development expenses	940	882
Other expenses	3,403	3,370
Total Selling, general and administrative expenses	9,476	9,707
Operating income	3,765	1,366
Non-operating income		
Interest income	14	41
Dividends received	103	101
Gain on sales of scraps	103	65
Amortization of negative goodwill	110	54
Others	198	176
Total non-operating income	530	439
Non-operating expenses		
Interest expenses	517	652
Foreign currency exchange loss	172	187
Others	48	76
Total non-operating expenses	738	917
Recurring income	3,557	888
Extraordinary gains		
Gain on the sale of fixed assets	46	24
Reversal of allowance for doubtful accounts	3	–
Gain on revision of retirement benefit plan	141	–
Gain on insurance adjustment	20	–
Total extraordinary gains	211	24

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Extraordinary losses		
Loss on sales and retirement of fixed assets	84	113
Loss on valuation of investment securities	56	–
Business structure improvement expenses	1,363	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	48	–
Loss on revision of retirement benefit plan	–	22
Product warranty expense	–	471
Loss on disaster	–	198
Others	–	59
Total extraordinary losses	1,553	864
Income before income taxes and others	2,215	48
Income taxes and enterprise taxes	745	727
Deferred income taxes	(11)	(2,098)
Total income taxes	733	(1,371)
Income before minority interests	1,481	1,420
Net income	1,481	1,420

## (Consolidated Statements of Comprehensive Income)

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Income before minority interests	1,481	1,420
Other comprehensive income		
Difference on revaluation of other marketable securities	(114)	166
Deferred gains or losses on hedges	(16)	16
Foreign currency translation adjustments	(1,969)	(493)
Total other comprehensive income	(2,100)	(310)
Comprehensive income	(618)	1,109
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(618)	1,109
Comprehensive income attributable to minority interests	—	—

## (3) Consolidated Statement of Changes in Net Assets

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Shareholders' equity		
Common stock		
Balance at beginning of current fiscal year	5,117	5,117
Changes		
Total changes	–	–
Balance at end of current fiscal year	5,117	5,117
Capital surplus		
Balance at beginning of current fiscal year	8,363	8,363
Changes		
Disposal of treasury stock	–	(4)
Total changes	–	(4)
Balance at end of current fiscal year	8,363	8,359
Retained earnings		
Balance at beginning of current fiscal year	23,698	24,943
Changes		
Cash dividend from retained earnings	(236)	(193)
Net income	1,481	1,420
Change of scope of consolidation	–	81
Disposal of treasury stock	–	(10)
Total changes	1,244	1,296
Balance at end of current fiscal year	24,943	26,240
Treasury stock		
Balance at beginning of current fiscal year	(358)	(358)
Changes		
Purchase of own shares	(0)	(0)
Disposal of treasury stock	–	37
Total changes	(0)	37
Balance at end of current fiscal year	(358)	(320)
Total shareholders' equity		
Balance at beginning of current fiscal year	36,822	38,066
Changes		
Cash dividend from retained earnings	(236)	(193)
Net income	1,481	1,420
Change of scope of consolidation	–	81
Purchase of own shares	(0)	(0)
Disposal of treasury stock	–	23
Total changes	1,244	1,330
Balance at end of current fiscal year	38,066	39,397

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Other comprehensive income		
Difference on revaluation of other marketable securities		
Balance at beginning of current fiscal year	1,795	1,680
Changes		
Changes (net) in non-shareholders' equity items	(114)	166
Total changes	(114)	166
Balance at end of current fiscal year	1,680	1,846
Deferred gains or losses on hedges		
Balance at beginning of current fiscal year	–	(16)
Changes		
Changes (net) in non-shareholders' equity items	(16)	16
Total changes	(16)	16
Balance at end of current fiscal year	(16)	–
Foreign currency translation adjustments		
Balance at beginning of current fiscal year	(3,435)	(5,404)
Changes		
Changes (net) in non-shareholders' equity items	(1,969)	(493)
Total changes	(1,969)	(493)
Balance at end of current fiscal year	(5,404)	(5,897)
Total other comprehensive income		
Balance at beginning of current fiscal year	(1,640)	(3,740)
Changes		
Changes (net) in non-shareholders' equity items	(2,100)	(310)
Total changes	(2,100)	(310)
Balance at end of current fiscal year	(3,740)	(4,050)
Share warrants		
Balance at beginning of current fiscal year	67	81
Changes		
Changes (net) in non-shareholders' equity items	13	(13)
Total changes	13	(13)
Balance at end of current fiscal year	81	67
Total net assets		
Balance at beginning of current fiscal year	35,249	34,407
Changes		
Cash dividend from retained earnings	(236)	(193)
Net income	1,481	1,420
Change of scope of consolidation	–	81
Purchase of own shares	(0)	(0)
Disposal of treasury stock	–	23
Changes (net) in non-shareholders' equity items	(2,086)	(323)
Total changes	(842)	1,006
Balance at end of current fiscal year	34,407	35,414

## (4) Consolidated Statements of Cash Flows

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Cash flows from operating activities		
Income before income taxes	2,215	48
Depreciation and amortization	9,382	9,596
Amortization of negative goodwill	(110)	(54)
Increase (decrease) in allowances for bonuses	77	(132)
Increase (decrease) in allowances for employees' retirement benefits	101	203
Increase (decrease) in provision for product warranties	12	416
Increase (decrease) in provision for business structure improvement	1,220	(737)
Interest and dividend income	(118)	(142)
Interest expenses	517	652
Loss (gain) on sales and retirement of tangible fixed assets	38	88
Gain on revision of retirement benefit plan	(141)	-
Loss on revision of retirement benefit plan	-	22
Loss on disaster	-	198
Decrease (increase) in notes and accounts receivable	(339)	(4,259)
Decrease (increase) in inventories	(2,505)	904
Increase (decrease) in notes and accounts payable	3,821	41
Increase (decrease) in accrued expenses	256	109
Increase (decrease) in accrued consumption taxes and others	(221)	(504)
Others	793	1,476
Subtotal	15,000	7,926
Interest and dividends received	117	142
Interest paid	(516)	(643)
Income taxes paid	(629)	(1,102)
Income taxes refunded	85	287
Net cash provided by operating activities	14,058	6,610

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
Cash flows from investing activities		
Payment into time deposits	–	(1,169)
Proceeds from refund of time deposits	–	586
Expenditures from purchases of affiliate shares	(160)	–
Expenditures from purchases of tangible fixed assets	(11,748)	(16,085)
Proceeds from sales of tangible fixed assets	83	214
Proceeds from liquidation of subsidiaries and affiliates	425	–
Others	(92)	(105)
Net cash used in investing activities	(11,491)	(16,560)
Cash flows from financing activities		
Proceeds from short-term loans	34,908	18,681
Repayment of short-term loans	(33,564)	(17,896)
Proceeds from long-term debt	7,460	25,417
Repayment of long-term debt	(6,449)	(18,371)
Dividends paid	(236)	(195)
Others	(29)	(27)
Net cash provided by Financing Activities	2,090	7,609
Effect of exchange rate changes on cash and cash equivalents	(774)	(304)
Net increase (decrease) in cash and cash equivalents	3,912	(2,644)
Cash and cash equivalents at beginning of year	5,267	9,179
Increase (decrease) in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	–	153
Cash and cash equivalents at end of period	9,179	6,688

(5) Notes on Going Concern Assumptions

Not applicable.

(6) Notes

**Segment Information, Etc.**

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. 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, 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

Current consolidated fiscal year (April 1, 2011 through March 31, 2012)

(Million yen)

	Reported segments					Total
	Die Casting Business			Aluminum Business	Proprietary Products Business	
	Japan	North America	Asia			
Sales						
(1) Customers	65,114	18,761	13,723	3,744	2,455	103,800
(2) Intersegment	3,087	12	609	2,147	–	5,858
Total	68,201	18,774	14,333	5,891	2,457	109,658
Segment profits/loss	1,463	314	(504)	(42)	72	1,304
Segment assets	50,172	22,214	27,239	2,337	1,308	103,273
Other items						
Depreciation and amortization	5,266	2,203	2,124	47	2	9,644
Increase in tangible fixed assets and intangible fixed assets	6,948	5,271	7,370	5	1	19,598

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	104,683	109,658
Elimination of intersegment transactions	(5,660)	(5,858)
Net sales in the consolidated financial statement	99,022	103,800

(Million yen)

Profit	Previous consolidated fiscal year	Current consolidated fiscal year
Total profit in reported segments	3,753	1,304
Elimination of intersegment transactions	11	62
Operating income in the consolidated financial statement	3,765	1,366

(Million yen)

Assets	Previous consolidated fiscal year	Current consolidated fiscal year
Total assets in reported segments	94,139	103,273
Elimination of intersegment transactions	(5,160)	(3,919)
Company-wide assets	4,819	5,854
Assets in the consolidated financial statement	93,799	105,208

(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	9,421	9,644	(39)	(48)	9,382	9,596
Increase in tangible fixed assets and intangible fixed assets	12,119	19,598	(96)	(102)	12,022	19,495

**Per Share Information**

Year ended March 31, 2011		Year ended March 31, 2012	
Net assets per share	1,593.63 yen	Net assets per share	1,639.10 yen
Net income per share	68.80 yen	Net income per share	65.87 yen
Diluted net income per share	68.54 yen	Diluted net income per share	65.63 yen

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

	Year ended March 31, 2011	Year ended March 31, 2012
Net income per share		
Net income (million yen)	1,481	1,420
Amount that does not belong to ordinary shareholders (million yen)	-	-
Net income related to common shares (million yen)	1,481	1,420
Average number of shares during the period	21,539,834	21,558,264
Diluted net income per share		
Net income adjustments (million yen)	-	-
Increase in number of common shares	80,842	78,894
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, 2011)	Current fiscal year (March 31, 2012)
<b>(Assets)</b>		
Current assets		
Cash and time deposits	2,105	4,614
Trade notes receivable	1,370	1,844
Accounts receivable	15,816	17,257
Merchandise and products	1,098	658
Partly finished goods	1,537	1,420
Raw materials and inventories	1,125	829
Prepaid expenses	48	49
Deferred tax assets	–	988
Short-term loans receivable from subsidiaries and affiliates	1,001	43
Accounts receivable–other	2,345	3,076
Others	372	338
Allowance for doubtful accounts	(1)	(1)
<b>Total current assets</b>	<b>26,820</b>	<b>31,120</b>
Fixed assets		
Tangible fixed assets		
Buildings	7,069	7,637
Accumulated depreciation and impairment loss	(3,889)	(4,528)
Buildings, net	3,180	3,109
Structures	726	717
Accumulated depreciation and impairment loss	(568)	(637)
Structures, net	157	79
Machinery and equipment	16,652	16,268
Accumulated depreciation and impairment loss	(14,939)	(14,642)
Machinery and equipment, net	1,713	1,625
Delivery equipment	204	205
Accumulated depreciation and impairment loss	(172)	(182)
Delivery equipment, net	32	23
Tools, furniture and fixtures	13,643	13,927
Accumulated depreciation	(12,911)	(13,234)
Tools, furniture and fixtures, net	731	693
Land	3,578	3,580
Lease assets	34	36
Accumulated depreciation	(17)	(21)
Lease assets, net	16	15
Construction in progress	636	588
<b>Total tangible fixed assets</b>	<b>10,046</b>	<b>9,715</b>
Intangible fixed assets		
Software	123	87
Others	14	15
<b>Total intangible fixed assets</b>	<b>138</b>	<b>102</b>
Investments and other assets		
Investments in securities	4,737	4,859
Stocks of subsidiaries and affiliates	30,322	35,734
Others	183	196
Allowance for doubtful accounts	(1)	(1)
<b>Total investments and other assets</b>	<b>35,240</b>	<b>40,788</b>
<b>Total fixed assets</b>	<b>45,426</b>	<b>50,606</b>
<b>Total assets</b>	<b>72,246</b>	<b>81,727</b>

(Amount: million yen)

	Previous fiscal year (March 31, 2011)	Current fiscal year (March 31, 2012)
<b>(Liabilities)</b>		
Current liabilities		
Notes payable	2,389	3,049
Accounts payable	8,737	9,924
Short-term loans	–	1,000
Current portion of long-term loans	6,344	6,817
Accounts payable–other	1,263	2,573
Accrued expenses	312	301
Accrued income taxes	–	17
Deposits received	7,316	8,199
Bonus allowances	727	637
Directors' bonus allowances	15	10
Provision for product warranties	29	158
Others	127	134
Total current liabilities	27,263	32,822
Long-term liabilities		
Long-term loans	9,830	13,073
Deferred tax liabilities	2,359	2,040
Allowances for employees' retirement benefits	2,415	2,594
Allowances for directors' retirement benefits	114	–
Provision for business structure improvement	1,285	538
Others	46	420
Total long-term liabilities	16,051	18,668
Total liabilities	43,315	51,491
<b>(Net assets)</b>		
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	–
Total additional paid-in capital	8,182	8,177
Retained earnings		
Legal retained earnings	393	393
Other retained earnings		
Reserve for dividends	120	120
Reserve for reduction entry of replaced property	1,751	1,762
Reserve for advanced depreciation of noncurrent assets	0	0
General reserve	13,240	13,240
Retained earnings brought forward	(1,267)	(223)
Total retained earnings	14,239	15,293
Treasury stock	(358)	(320)
Total shareholders' equity	27,180	28,268
Revaluation / Translation differences		
Difference on revaluation of other marketable securities	1,686	1,899
Deferred gains or losses on hedges	(16)	–
Total revaluation / translation differences	1,669	1,899
Share warrants	81	67
Total net assets	28,931	30,235
Total liabilities and net assets	72,246	81,727

## (2) Non-Consolidated Income Statements

(Amount: million yen)

	Year ended March 31, 2011	Year ended March 31, 2012
<b>Sales</b>		
Gross sales	75,457	75,382
Sales allowance and returns	851	860
Total gross sales	74,606	74,521
<b>Cost of goods sold</b>		
Beginning finished goods	778	1,098
Cost of products manufactured	36,690	36,187
Purchase of finished goods	31,446	32,018
Total	68,915	69,305
Ending finished goods	1,098	658
Cost of finished goods sold	67,817	68,646
Gross profit	6,789	5,875
Selling, general and administrative expenses	5,917	5,774
Operating income	871	100
<b>Non-operating income</b>		
Interest income	10	2
Dividends received	204	236
Rent income	74	71
Foreign currency exchange gain	–	30
Others	224	114
Total non-operating income	514	454
<b>Non-operating expenses</b>		
Interest expenses	241	261
Foreign currency exchange loss	43	–
Others	15	34
Total non-operating expenses	300	296
Recurring income	1,085	258
<b>Extraordinary gains</b>		
Gain on the sale of fixed assets	0	6
Gain on sales of subsidiaries and affiliates' stocks	565	–
Reversal of allowance for doubtful accounts	3	–
Gain on insurance adjustment	20	–
Total extraordinary gains	589	6
<b>Extraordinary losses</b>		
Loss on sales and retirement of fixed assets	36	15
Loss on valuation of investment securities	56	–
Business structure improvement expenses	1,430	–
Loss on adjustment for changes of accounting standard for asset retirement obligations	26	–
Product warranty expense	–	113
Others	–	6
Total extraordinary losses	1,549	134
Income before income taxes and others	125	130
Income taxes and enterprise taxes	15	73
Deferred income taxes	(93)	(1,201)
Total income taxes	(78)	(1,128)
Net income	203	1,258