

# Ahresty Corporation

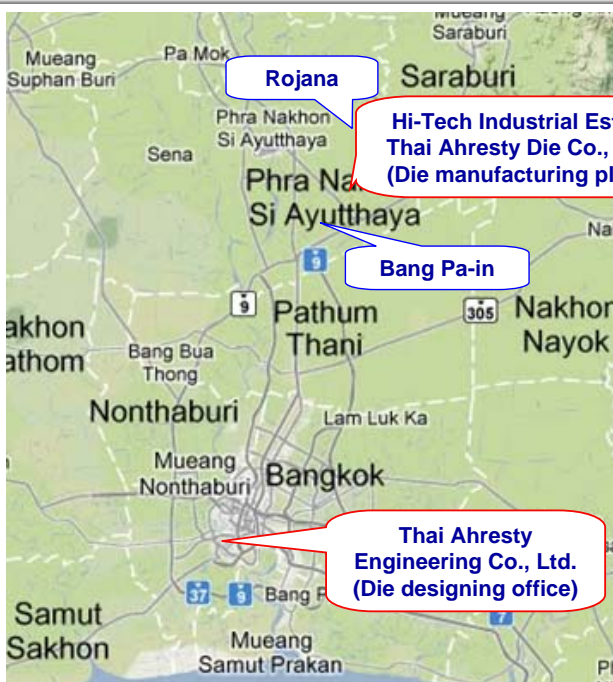
Results Briefing for the First Half of  
the Year Ending March 31, 2012



November 22, 2011

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

## Impact of Floods in Thailand



As of November 5, as the water level, which had risen to 2 meters at one point, was down to 1.6 meters, it became possible to enter the room through the windows.

\* The Company's plant was flooded on the night of October 13.



As of November 19, as the water depth had fallen to 1.2 meters, the signboard became visible.

**How to deal with dies that are in production and have been ordered is under consideration.**

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# TOPICS

- July Hefei Ahresty, the second production base in China, began operating.
- September Guangzhou Ahresty Casting concluded an agreement to obtain the right to use adjacent land.
- October Began the second phase of construction (processing plant) at Hefei Ahresty (to be completed in March 2012).
- November The third casting plant was completed at Tokai Plant, and equipment began being installed.
- November The sixth expansion was completed at Ahresty Tochigi, and equipment began being installed.



**Inside the die casting plant at Hefei Ahresty**



**Processing plant under construction at Hefei Ahresty**



**Blowing-in of melting furnace At the third casting plant at Tokai Plant**

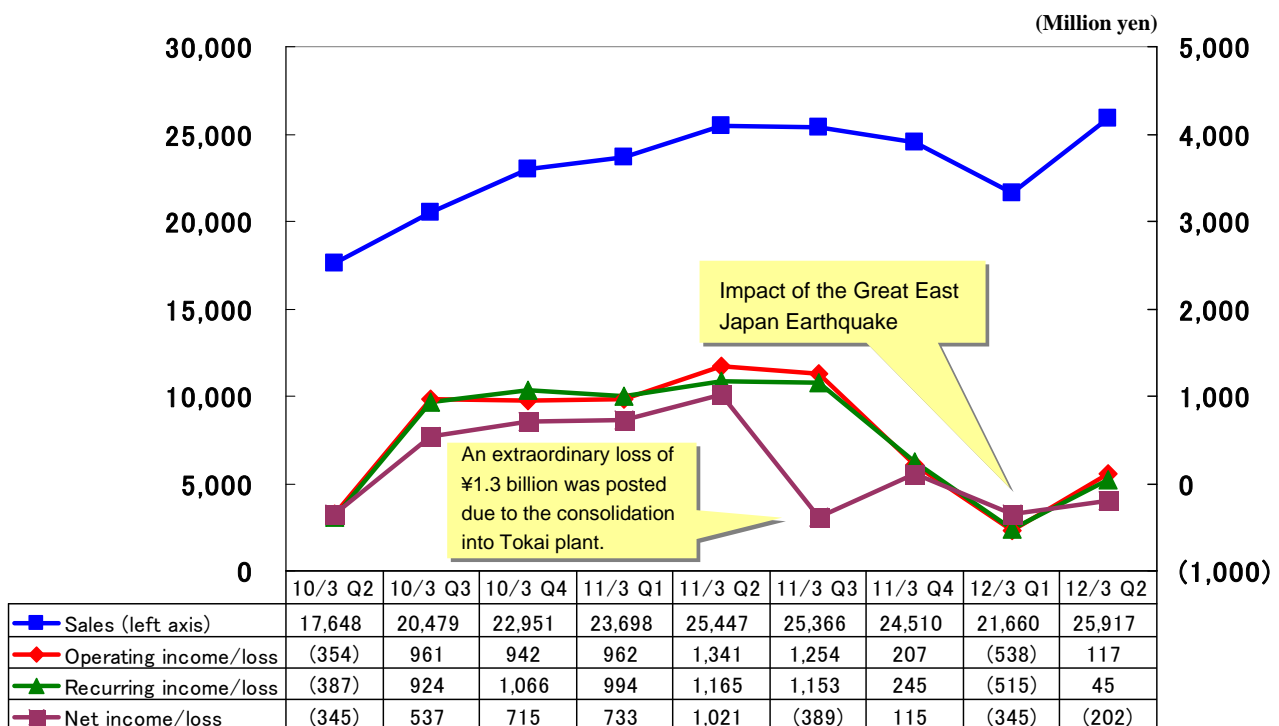


**Sixth expansion area at Ahresty Tochigi Corp.**

# I. Overview of Results for the First Half of the Fiscal Year Ending March 31, 2012



## Overview of the (Quarterly) Consolidated Results



# Key Results for First Half of Fiscal Year Ending March 13, 2012

(Million yen)

	1st half of year ended March 2011	Forecast for 1st half of year ending March 2012 (July 20)	1st half of year ended March 2012	Year-on-year change
<b>Sales</b>	<b>49,146</b> 100%	<b>47,500</b> 100%	<b>47,577</b> 100%	<b>(1,569)</b>
<b>Gross profit</b>	<b>6,821</b> 13.9%	-	<b>4,471</b> 9.4%	<b>(2,350)</b>
<b>Operating income(loss)</b>	<b>2,304</b> 4.7%	<b>(500)</b> -	<b>(421)</b> -	<b>(2,725)</b>
<b>Recurring income (loss)</b>	<b>2,159</b> 4.4%	<b>(500)</b> -	<b>(470)</b> -	<b>(2,629)</b>
<b>Net income (loss)</b>	<b>1,755</b> 3.6%	<b>(400)</b> -	<b>(547)</b> -	<b>(2,302)</b>
<b>EPS</b>	<b>81.49</b>	<b>(18.55)</b>	<b>(25.39)</b>	<b>(107)</b>

- ◆ Sales in the first half under review were ¥47.5 billion (down 3.3% year on year). Operating loss was ¥0.4 billion.

Main factors behind the sales decrease: A significant decline in orders in Japan and the United States due to the effects of the Great East Japan Earthquake

Main factors in operating income: The effect of smaller sales in Japan and the United States and higher production costs in Mexico

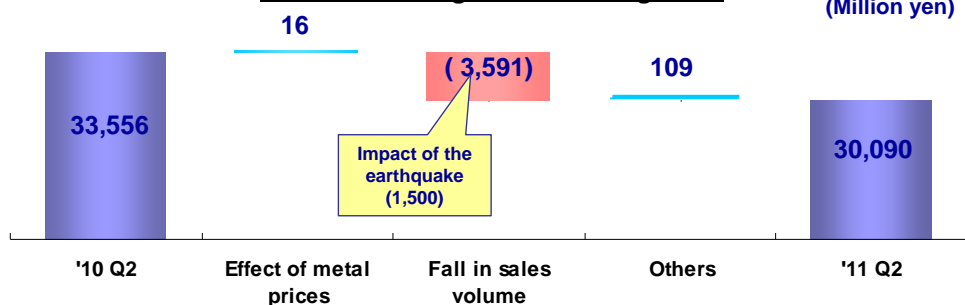
## Die Casting Business

(Million yen)

		1st half of year ended March 2011	1st half of year ended March 2012	Year-on-Year changes
Japan	<b>Sales</b>	<b>33,556</b> 100%	<b>30,090</b> 100%	<b>(3,466)</b>
	<b>Segment income (loss)</b>	<b>1,146</b> 3.4%	<b>299</b> 1.0%	<b>(847)</b>
North America	<b>Sales</b>	<b>7,760</b> 100%	<b>8,419</b> 100%	<b>659</b>
	<b>Segment income (loss)</b>	<b>740</b> 9.5%	<b>(425)</b> -	<b>(1,165)</b>
Asia	<b>Sales</b>	<b>5,146</b> 100%	<b>6,325</b> 100%	<b>1,179</b>
	<b>Segment income (loss)</b>	<b>477</b> 9.0%	<b>(312)</b> -	<b>(789)</b>

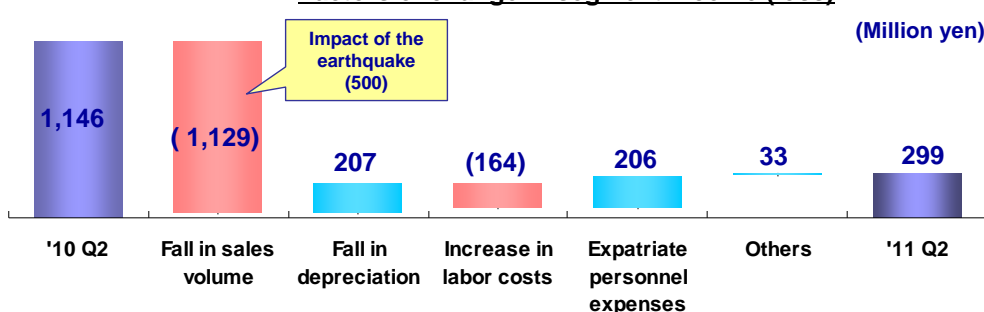
# Die Casting Business in Japan

Factors of change in die casting sales



Sales declined 10.3%, despite our efforts to recover after the earthquake.

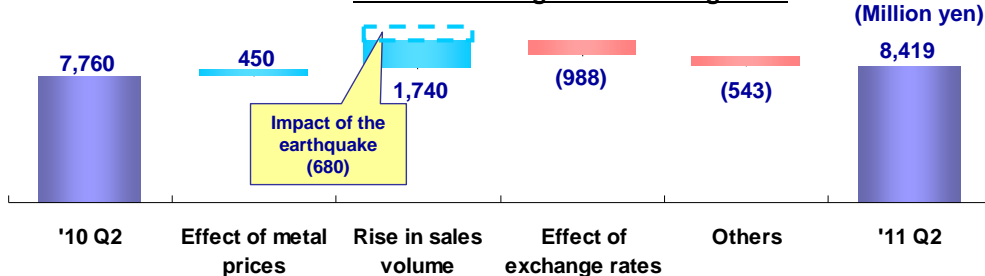
Factors of change in segment income (loss)



Segment income declined 73.9%, significantly affected by the fall in sales volume.

# Die Casting Business in North America

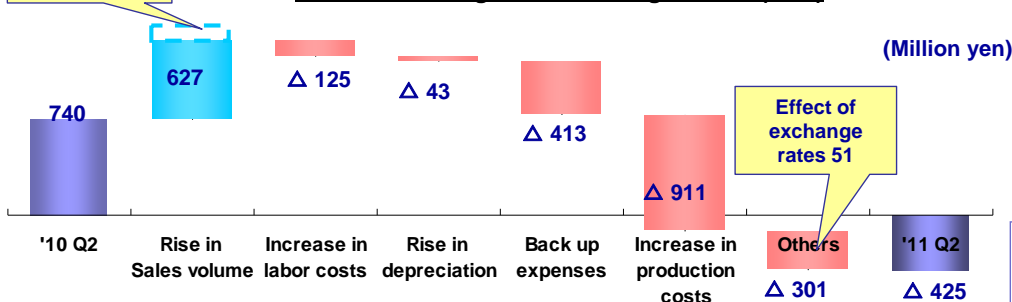
Factors of change in die casting sales



U.S.: Both sales and income declined, strongly affected by the Great East Japan Earthquake and fluctuations in exchange rates.

Mexico: Although sales increased significantly thanks to strong orders, production costs increased because of expenses to offset the delay in responding to higher orders.

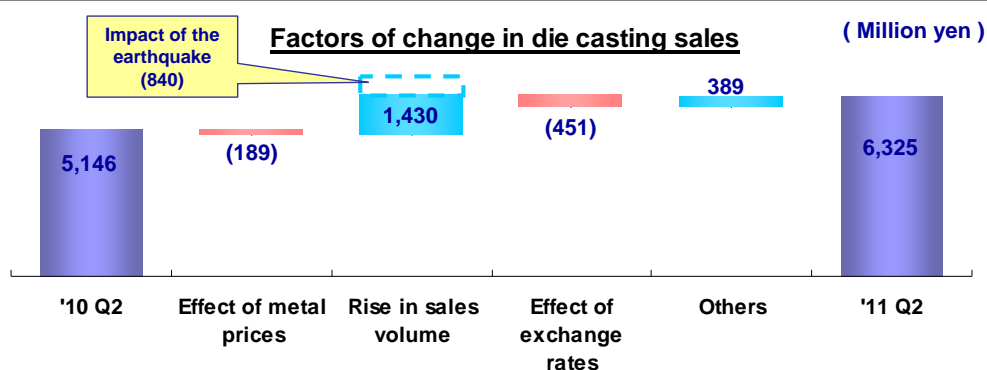
Factors of change in die casting income (loss)



Q2:  
U.S.: April-September  
Mexico: January-June

Average exchange rate  
US dollar 88.85→79.71  
Mexico (US\$) 91.17→81.72

# Die Casting Business in Asia



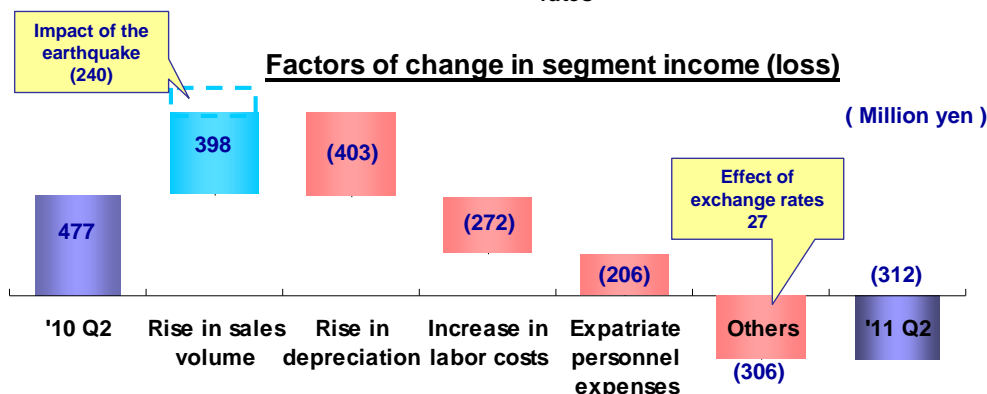
China: Although sales volume rose significantly, backed by continued strength in demand, profit margins narrowed due to an increase in depreciation.

India: Although sales increased, growth slowed because of effects on customers. Increased depreciation significantly constrained income.

Q2:

China: January-June

India: April-September



Average exchange rate  
Chinese yuan 13.36→12.48  
Indian rupee 1.95→1.76

# Aluminum Business and Proprietary Products Business

(Million yen)

		1st half of year ended March 2011	1st half of year ended March 2012	YoY changes
Aluminum Business	Sales	1,792 100%	1,758 100%	(34)
	Operating income (loss)	8 0.4%	(23) -	(31)
Proprietary Products Business	Sales	891 100%	983 100%	92
	Operating income (loss)	27 3.0%	19 1.9%	(8)

Aluminum Business: Sales declined 1.9% as a result of a 3.9% fall in shipping volume (year on year), and segment income became a loss of ¥23 million.

Proprietary Products Business: Although sales increased 10.4% (year on year) thanks to orders for renewal projects for semiconductor-related companies and projects for datacenters, income declined 29.1%, reflecting intensified competition.



## Balance Sheets

	1st half of year ended March 2011	Year ended March 2011	1st half of year ended March 2012
<b>Current assets</b>	<b>38,901</b>	<b>40,530</b>	<b>40,508</b>
Cash and time deposits	6,882	9,179	5,718
Notes and accounts receivable	22,586	20,254	22,491
Inventories	7,619	9,162	9,680
<b>Fixed assets</b>	<b>53,924</b>	<b>53,268</b>	<b>56,319</b>
Tangible fixed assets	47,169	46,284	50,884
<b>Total assets</b>	<b>92,825</b>	<b>93,799</b>	<b>96,828</b>
<b>Liabilities</b>	<b>57,352</b>	<b>59,391</b>	<b>63,990</b>
Notes and accounts payable	18,010	18,571	17,219
Long-term and short-term loans	22,661	25,850	29,968
<b>Total net assets</b>	<b>35,472</b>	<b>34,407</b>	<b>32,837</b>
<b>(For reference) *Based on acceptance inspections</b>			
Capital expenditures	6,968	12,281	9,961
Die casting dies	1,951	4,096	2,479
Other than die casting dies	5,017	8,185	7,482

(Million yen)

◆ Long-term and short-term loans increased with a fall in operating cash flows due to the effects of the earthquake.

◆ The amount of investment increased for realignment in Japan and capacity expansion in Mexico and China.

## Dividends

(Yen)	FY ended March 2008	FY ended March 2009	FY ended March 2010	FY ended March 2011	FY ending March 2012 (plan)
<b>Dividend per share</b>					
(Annual dividend)	23	11	5	12	Not yet determined
Interim dividend	9	11	-	6	3
Year-end dividend	14	-	5	6	Not yet determined
<b>Net income (loss) per share (consolidated)</b>	<b>154.7</b>	<b>(313.8)</b>	<b>(2.8)</b>	<b>68.8</b>	<b>41.8</b>
<b>Payout ratio (consolidated)</b>	<b>14.9%</b>	-	-	<b>17.4%</b>	-

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

## II. Forecast for the fiscal year ending March 31, 2012



### Forecasts for Year Ending March 2012 by Segment

(Million yen)

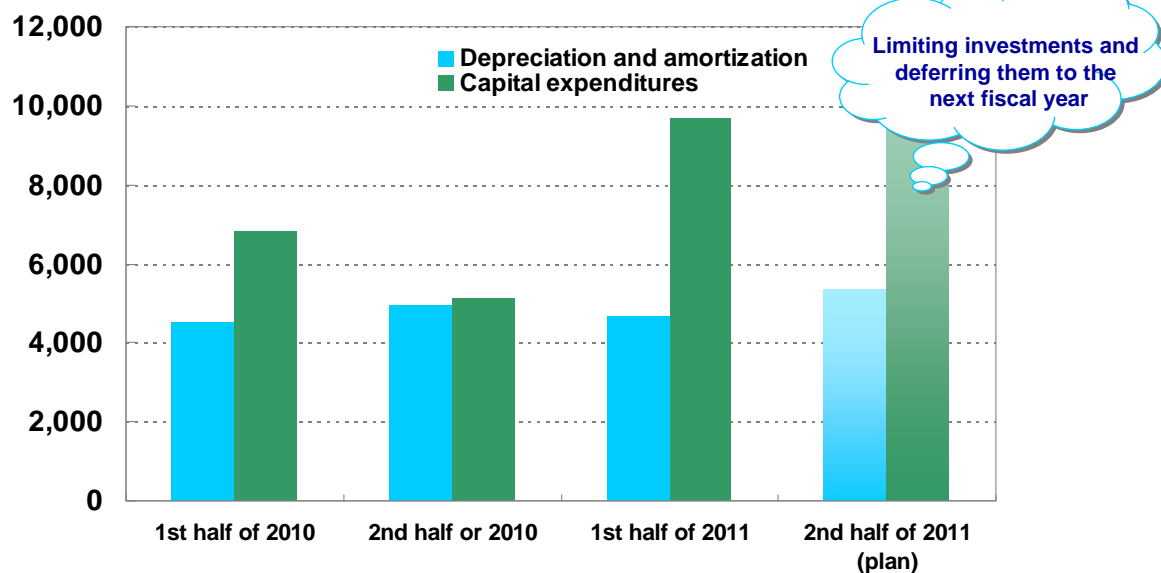
	Year ended March 2011	1st half of year ended March 2012	Forecast for year ending March 2012 (Jul. 20)	Forecast for year ending March 2012 (Nov. 9)
<b>Sales</b>	<b>99,022</b>	<b>47,577</b>	<b>107,500</b>	<b>105,700</b>
Die Casting in Japan	65,624	30,090	66,500	67,000
Die Casting in North America	16,020	8,419	19,000	18,100
Die Casting in Asia	11,666	6,325	15,700	14,100
Aluminum	3,524	1,758	3,500	3,800
Proprietary Products	2,186	983	2,800	2,700
<b>Operating income (loss)</b>	<b>3,765</b>	<b>(421)</b>	<b>2,300</b>	<b>1,450</b>
Die Casting in Japan	1,929	299	1,400	1,850
Die Casting in North America	1,029	(425)	1,000	50
Die Casting in Asia	723	(312)	(150)	(550)
Aluminum	(13)	(23)	0	0
Proprietary Products	84	19	50	100
Eliminations and Corporate	11	20	0	0



## Trends of Capital Expenditures and Depreciation and Amortization

\* Based on acceptance inspections

(Million yen)

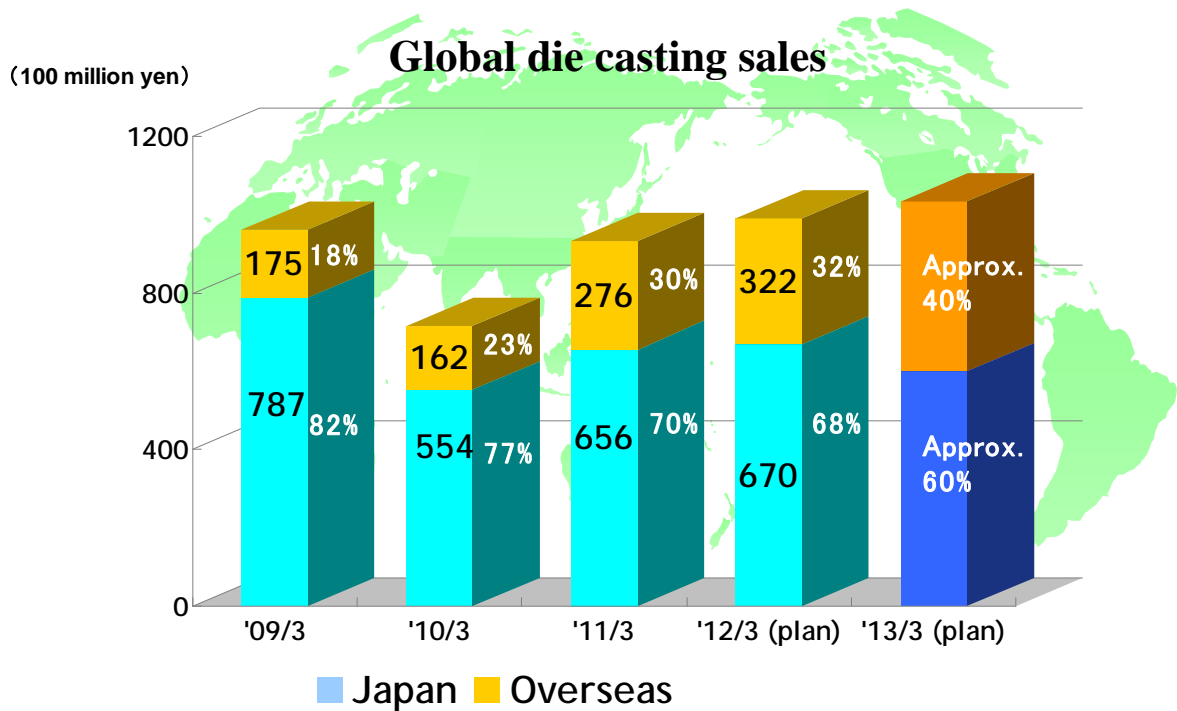


## Medium-Term Management Plan

### Targets for March 2013

Consolidated sales	¥110 billion
Operating margin	4%
Return on equity (ROE)	8%
Return on assets (ROA)	3%

# Global Die Casting Sales: Results and Plan



Casting Our Eyes  
on the Future

## Ahresty Corporation

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



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This document and what has been said in the results briefing include forecasts that the Company has made based on data available when the document was prepared. Actual results could be different from the forecasts for a range of reasons.