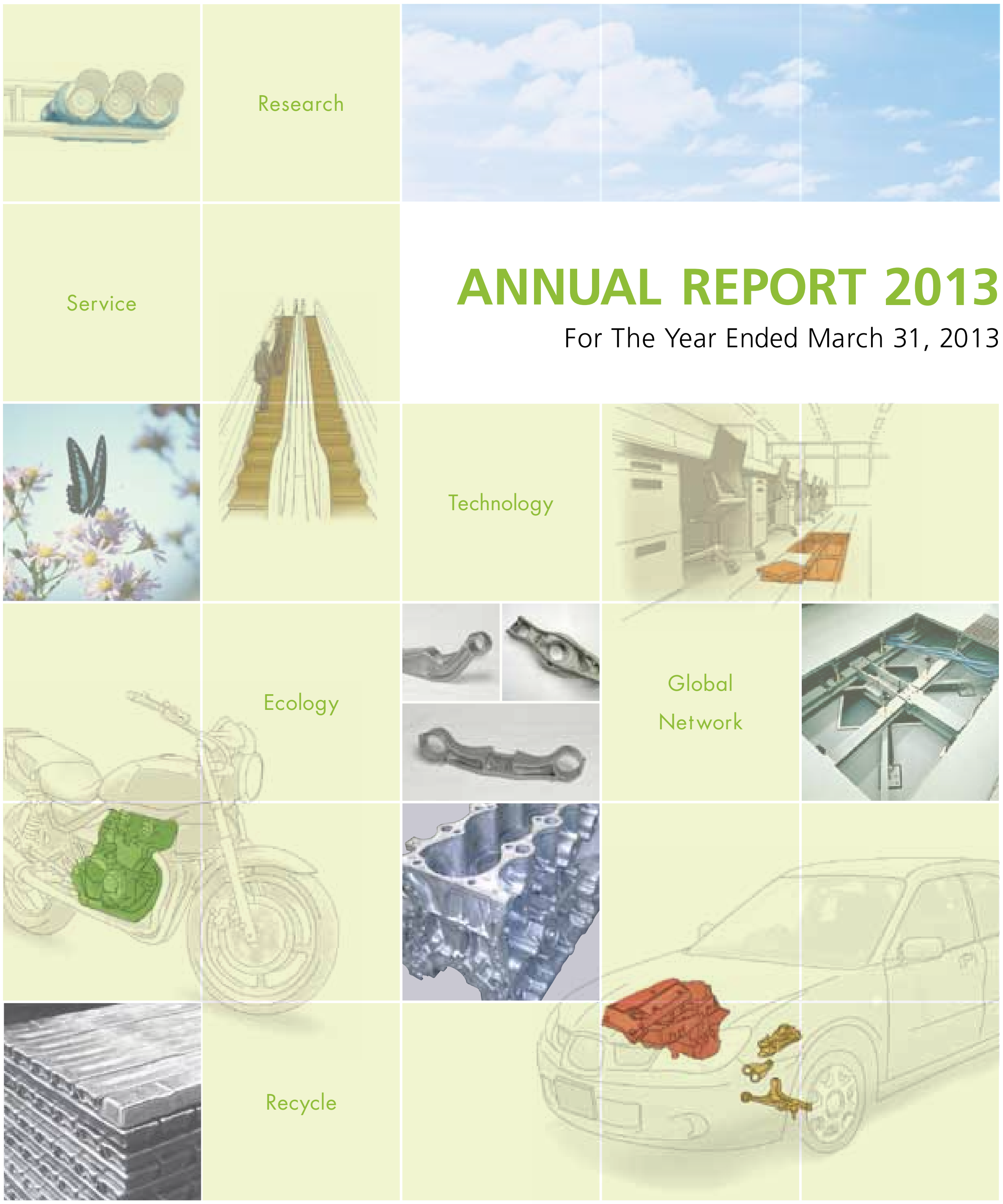
Casting Our Eyes on the Future

ANNUAL REPORT 2013

For The Year Ended March 31, 2013



Ahresty

Committed to Research, Service, Technology

Ahresty is a phonetic representation of the three letters, RST, signifying the integration of Research, Service and Technology. “R” signifies research and development as well as the resolve to create and explore which enables us to better serve our customers; “S” goes beyond the quality of our products and after-service to encompass every facet of interaction with our customers, while “T” stands for the knowledge and technology that provide the foundation for “R” and “S.” True to our aspirations of serving society through our broad range of products, Ahresty remains committed to the pursuit of ever-higher standards of Research, Service and Technology.

Our Business

Die Castings

We leverage our advanced technology to produce powertrain parts, suspension-related parts and body parts of automobiles.

Aluminum Alloy Ingots

We produce high-quality aluminum alloy ingots from various materials including cans, window sashes and aluminum scraps from automobiles.

Proprietary Products

We develop and supply products that meet the latest demand, including needs of computer rooms and clean rooms.

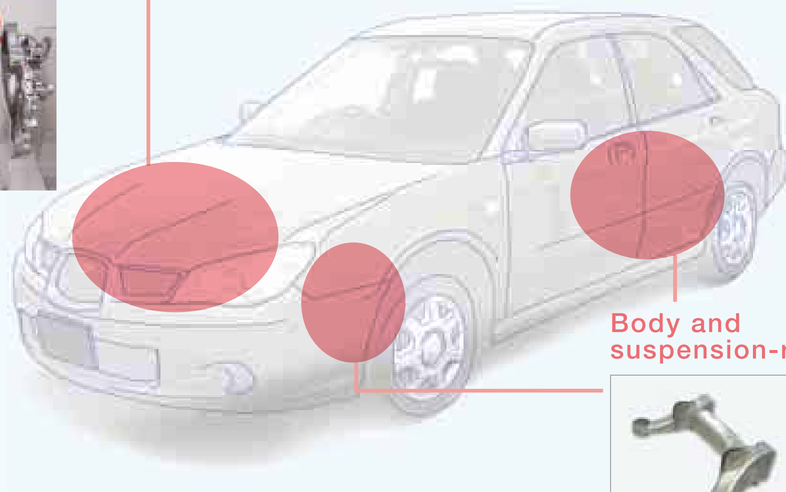
Contents

Ahresty is a leading company in the die casting industry.

Ahresty produces a broad lineup of die casting products, particularly automobile engines and transmissions. Following the downsizing of automobiles in recent years, Ahresty has been actively promoting the use of body parts and suspension-related parts that are produced using die-cast products.

Powertrain

- Engine
- Transmission



Body and suspension-related parts

History

- **Jun. 1938** Founding of Ahresty's predecessor Shimura Aluminum Co., Ltd. Start of production for aluminum alloy ingots, die casting products and aluminum sand mold castings
- **Nov. 1943** Establishment of Fuso Light Alloys Co., Ltd. Start of production for die casting products and aluminum sand mold castings
- **Mar. 1960** Establishment of Japan Precision Die Mold Mfg. Co., Ltd. (currently Ahresty Die Mold Hamamatsu Corporation)
- **Jul.** Start of operations of Fuso Light Alloys Co., Ltd. Hamamatsu Plant
- **Oct. 1961** Listing of Fuso Light Alloys Co., Ltd. stock on the Second Section of the Tokyo Stock Exchange
- **Apr. 1962** Establishment of Tokai Seiko Co., Ltd. (currently Ahresty Pretech Corporation)
- **Mar. 1963** Start of operations of Kyoto Die Casting Co., Ltd. Toyohashi Plant (currently Tokai Plant)
- **Apr. 1971** Establishment of Tochigi Fuso Co., Ltd. (currently Ahresty Tochigi Corporation)
- **Mar. 1972** Establishment of Ditec Co., Ltd. (currently Ahresty Die Mold Tochigi Corporation)
- **Sep. 1976** Establishment of Kumamoto Fuso Co., Ltd. (currently Ahresty Kumamoto Corporation)
- **Mar. 1981** Start of operations of Ditec Co., Ltd., Kumamoto Plant (currently Ahresty Die Mold Kumamoto Corporation)
- **Jul. 1984** Start of operations of Fuso Light Alloys Co., Ltd. Kumagaya Plant
- **Aug.** Start of operations of Fuso Light Alloys Co., Ltd. Higashimatsuyama Plant
- **May 1985** Establishment of Pascal Trading Co., Ltd. (currently Ahresty Techno Service Corporation)
- **Jun. 1988** Establishment of Ahresty Wilmington Corporation
- **Oct.** Corporate name changed from Fuso Light Alloys Co., Ltd. to Ahresty Corporation
- **Oct. 1989** Ahresty Corporation awarded Deming Prize for the year 1989 (Small and Mid-range Industries)
- **Feb. 1997** Establishment of Thai Ahresty Die Co., Ltd.
- **Mar.** Ahresty Corporation obtains ISO9001 certification (Free Access Floor)
  - Ahresty Corporation obtains ISO9002 certification (Die Castings, Aluminum Ingots)
- **Mar. 2001** Ahresty Corporation obtains ISO14001 certification
- **Jul. 2002** Establishment of Thai Ahresty Engineering Co., Ltd.
- **Aug. 2003** Establishment of Guangzhou Ahresty Casting Co., Ltd.
- **Oct.** Merger of Kyoto Die Casting Co., Ltd. and Ahresty Corporation
- **Nov.** Ahresty Corporation awarded the Minister of Economy, Trade and Industry Award of the 20th Materials Process Technology Commendation
- **Mar. 2005** Establishment of Ahresty Precision Die Mold (Guangzhou) Co., Ltd.
- **Apr.** Merger of Pascal Industry Co., Ltd. and Sugahara Precision Industry Co., Ltd. into Ahresty Yamagata Corporation
- **Jun.** Head Office moved to Chuo, Nakano-ku, Tokyo
- **Jun. 2006** Establishment of Ahresty Mexicana, S.A. de C.V.
- **Sep.** Establishment of Technical Center
- **Jan. 2007** Establishment of Ahresty India Private Limited
- **Aug. 2010** Establishment of Hefei Ahresty Casting Co., Ltd.
- **Apr. 2011** Consolidated organizations into Tokai Plant ahead of the planned integration of Hamamatsu Plant and Toyohashi Plant.

Topics

(North America)

Ahresty Wilmington expanding the plant to increase capacity

Ahresty Wilmington Corporation started expanding its plant in April 2013 to increase the capacity in response to increasing production. The expansion work is planned to be completed in early July. A space for warehousing and shipping preparation will be added. At the existing plant, die casting machines and a machining line are being added. The addition of equipment started in March, ahead of the expansion work, and will be completed around November.

Ahresty Wilmington
[Building area]
Approximately 32,844 m^2 (June 2013)
Expansion area: approximately 2,664 m^2

[Number of die casting machines]
22 (June 2013)
Four die casting machines will be added by November.

Overview of Ahresty Wilmington and the location of the expansion work

Completion of expansion work of the die casting and machining plants of Ahresty Mexicana, S.A. de C.V.

Ahresty Mexicana, S.A. de C.V. was expanding its die casting and machining plants to increase their capacity from the spring of 2012 in response to new orders. The expansion work was completed in October. Expansion work at the mold plant was also completed in January 2013. Ahresty Mexicana has integrated the mold maintenance area and mold production area to increase its mold maintenance and mold production capacity.

Ahresty Mexicana
[Building area]
32,200 m^2 (June 2013)
Expansion area: 3,800 m^2

[Number of die casting machines]
22 (June 2013)


Location of Ahresty Mexicana expansion work

(Asia)

Expansion of die casting production bases in China

Hefei Ahresty Casting Co., Ltd. was established in August 2010 and commenced operations in July 2011. A machining plant was completed in April 2012. Hefei Ahresty Casting acquired part (20,500 m^2) of the neighboring land and started third-term expansion work in December 2012. To increase production, it is making additions to the die casting plant and machining plant. The expansion work is scheduled to be completed at the end of July 2013.

Hefei Ahresty
[Building area]
21,700 m^2 (June 2013)
Expansion area: 4,750 m^2 (die casting plant) and 3,000 m^2 (machining plant)

[Number of die casting machines]
7 (June 2013)


Location of Hefei Ahresty's expansion work (June 2013)

Guangzhou Ahresty Casting Co., Ltd. commenced construction of a new plant in May 2012 on land acquired in 2011, which was adjacent to the site of existing plants. The first-term construction was completed in April 2013. Guangzhou Ahresty will consolidate three plants that it used to lease in the neighborhood into the new plant to improve efficiency in production and distribution. The company plans to commence second-term construction in December.

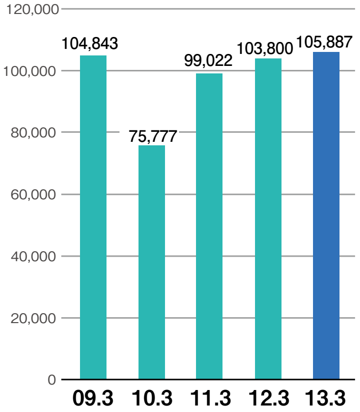
Guangzhou Ahresty
[Building area]
First plant: 26,300 m^2
Second plant: 10,400 m^2
New plant: 16,000 m^2 (the first term)

[Number of die casting machines]
31 (June 2013)

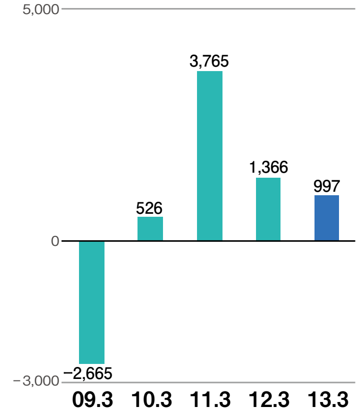

Overview of the First Plant and New Plant at Guangzhou Ahresty and the location of the expansion work (June 2013)

Consolidated Financial Highlights

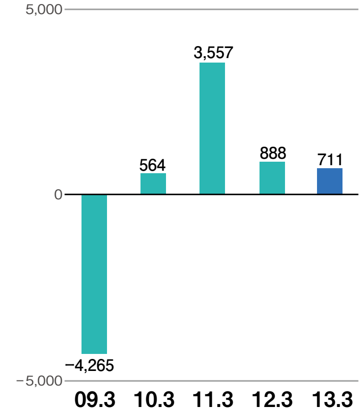
Sales
(¥ millions)



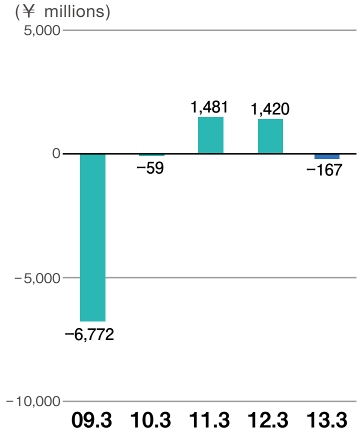
Operating income (loss)
(¥ millions)



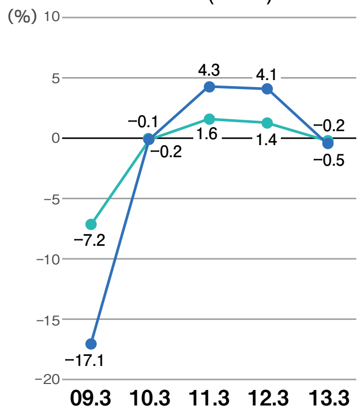
Recurring income (loss)
(¥ millions)



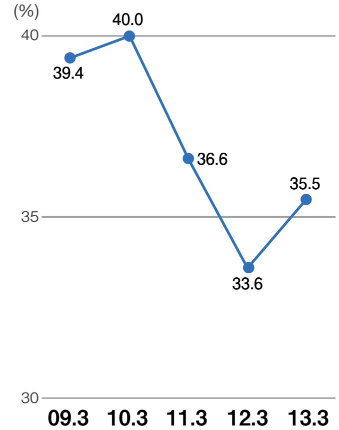
Net income (loss)
(¥ millions)



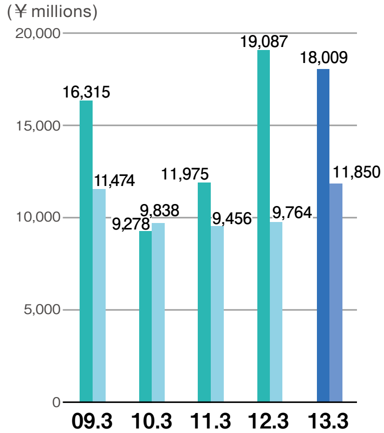
Return on equity (ROE)
Return on assets (ROA)
(%)



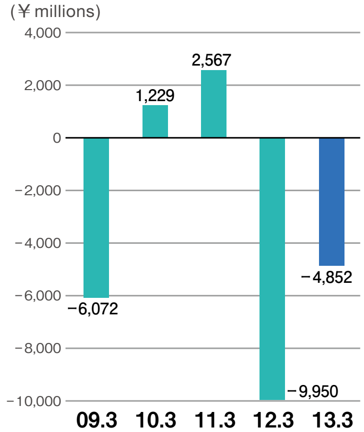
Equity ratio
(%)



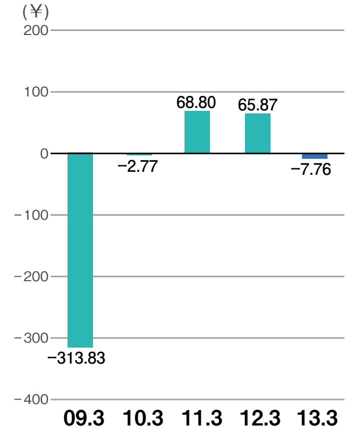
Capital expenditures*1
Depreciation*1
(¥ millions)



Free cash flow*2
(¥ millions)



Net income (loss) per share
(¥)



*1 Including expense of die mold
*2 Free cash flow = Cash flows from operating activities − Cash flows from investing activities

We will pursue and advance MONOZUKURI (manufacturing).

At the end of March this year, our Hamamatsu Plant ended production. Ahresty started as a small factory in Itabashi-ku, Tokyo in 1938. We grew as the production of motorcycles expanded. The Hamamatsu Plant started production in 1960 as our first full-scale die-cast plant. Ahresty owes its growth to two large plants: the Hamamatsu Plant and Ahresty Tochigi, which began operation in 1971. While we are celebrating our 75th anniversary in 2013, the Hamamatsu Plant was closed in response to declining domestic demand, stirring strong emotions among our staff, many former employees who supported our growth over the years, and our business partners. We amalgamated the Hamamatsu Plant with the Toyohashi Plant, while continuing with mass production, proceeding carefully over a period of two years. The integration was completed on schedule thanks to many of our customers who responded to process changes and other procedures cooperatively, as well as to many employees who understood the need for changing their workplaces.

Two years ago we worried that it might be a little too soon to go about closing the Hamamatsu Plant. However, domestic demand declined rapidly with the strong yen and local production overseas, and sales in the Die Casting Business fell 4.5 billion yen (around 7%) year on year. Although the yen is rapidly correcting, domestic demand for die casting products continues to decline. We forecast that sales in the domestic Die Casting Business will drop 2.9 billion yen in the fiscal year ending March 2014. Meanwhile, overseas production has been expanding, reflecting strong demand. Sales in our Die Casting Business overseas rose 7.1 billion yen (22%) year on year. We anticipate that sales in the Die Casting Business overseas will be roughly the same as sales in the domestic Die Casting Business in the fiscal year ending March 2014 and will exceed sales in the domestic Die Casting Business in the fiscal year ending March 2015.

Under these conditions, unfortunately, we were not able to distribute any year-end dividends for the fiscal year ended March 2013 given our earnings in the fiscal year.

In our domestic operations, both sales and profits declined, attributable to a decrease in sales associated with the termination of government subsidies for eco-friendly cars and the adverse effects on profits—larger than anticipated—of inefficient operations at the Hamamatsu Plant and the Toyohashi Plant before their consolidation as the Tokai Plant. Meanwhile, both sales and profits rose overseas. Our plant in the United States, which will celebrate its 25th anniversary this year, achieved increased sales and profits thanks to an increase in auto sales in the United States. Both sales and operating income climbed also in China, reflecting the start of mass production of new products. However, a sharp fall in sales of Japanese automobiles in the second half of the fiscal year had the effect of reducing operating income in China as much as 0.6 billion yen.

We are facing a number of challenges. We need to respond to declining sales in Japan and surging demand overseas. We need to improve profitability in India, Mexico and at the Hefei Plant in China. In these circumstances, the Group is united in its determination to continue making improvements and grow under its new 10-year vision focusing on manufacturing, "Pursue and Advance MONOZUKURI (manufacturing)." As we pursue this approach, we hope that we can continue to count on the understanding and support of our stakeholders.

Arata Takahashi
President, CEO

New 10-Year Vision and Medium-Term Strategy

In the "Ahresty 10-Year Vision", which set out our long-term management direction, we established the goal of "aiming to be "the most trusted global top company in the industry" by our stakeholders". However, we have developed a new "Ahresty 10-Year Vision" in December 2012 that focuses more on manufacturing, while retaining the basic concept of the former 10-Year Vision. Setting the basic policy of becoming "the global top company with its die casting as a core," we have defined what we need to be, with "Pursue and Advance MONOZUKURI (manufacturing)" as our slogan, and have set down our policies as specific guidelines and methods.

Based on the new "Ahresty 10-Year Vision," we will establish an efficient production system in anticipation of expansion of Die Casting Business overseas, especially in China and North America, to respond to both growing global demand and the contraction of domestic demand. We will also adopt a policy of focusing on manufacturing as the "1315 3-year Ahresty Policy." With the following four initiatives as the pillars for the policy, all of our employees take positive action and will apply themselves 100 percent to achieving the projections:

❶Pursuit and sharing of the best MONOZUKURI (manufacturing)

Rebuild manufacturing that integrates actual sites with design; realize identical quality/productivity at all locations; implement measures aimed at improving productivity, etc.

❷Development of technologies utilized on the MONOZUKURI shop-floor

Implement measures based on a technological road map in to thoroughly investigate manufacturing; implement measures aimed at cultivating markets other than the powertrain.

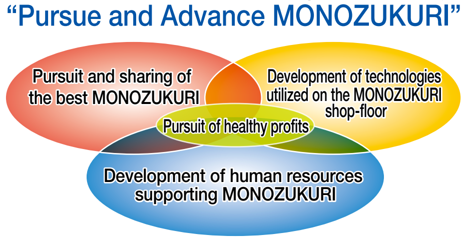
❸Development of human resources supporting MONOZUKURI

Cultivate people with skills backed by practical experience; implement measures that cultivated technologists who can take action based on the principle of five gens (genba for on site, genbutsu for actual thing, genjitsu for reality, genri for theory and gensoku for rule).

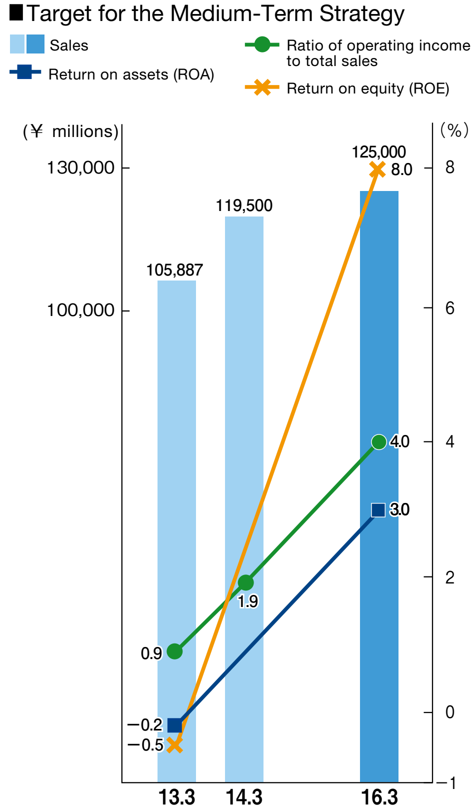
❹Pursuit of healthy profits

Realize sustainable corporate growth through improved profitability and develop in growth markets; realize work efficiency as well as a processing facility concept with high investment efficiency; implement measures aimed at improving the level of earnings management through the visualization of costs related to processes and divisions.

Global Top Die Casting Company
"Pursue and Advance MONOZUKURI"



■Target for the Medium-Term Strategy



Management Message

Promoting horizontal deployment to create self-sustaining overseas production bases

Hiroshi Ishimaru
Director, Senior Managing Executive Officer,
General Manager, General Administrative Command

Responding to rising global demand, Ahresty has expanded its Die Casting Business overseas, especially in China and North America. As a result, overseas sales are expected to account for around 50% of total sales in the fiscal year ending March 31, 2014. We plan to expand overseas sales further. Overseas operations are becoming increasingly important in Group management.
The staff members of the General Administrative Command are experts in legal affairs, personnel affairs, education, standards, corporate planning, accounting, finance, safety, and the environment and roll out activities in these fields. Each department of the General Administrative Command will contribute to the development of the Ahresty Group by enhancing their function to roll out activities to create self-sustaining overseas production bases.

MONOZUKURI and human resource development (paying attention to the big picture and executing step by step)

Kenichi Nonaka
Director, Senior Managing Executive Officer,
General Manager, Manufacturing Command

Global automobile production and sales are expected to increase for the next ten years and beyond.
The production of power train components, particularly the engines and transmissions at which we excel, will likely expand further.
We will enhance our MONOZUKURI (manufacturing) capabilities by paying attention to the big picture and seeing the true nature and essential aspects of things, while executing manufacturing processes step by step.
We will develop our human resources to expedite our manufacturing processes based on the actual conditions on the floors and our principles. Ahresty has more than 6,000 employees in Japan, the United States, Mexico, China, Thailand, and India. We will enable each one of them to fulfill their potential and will evolve our MONOZUKURI.

Creating a strategy for Ahresty's growth to 2020

Naoyuki Kaneta
Managing Executive Officer,
General Manager, Sales Command

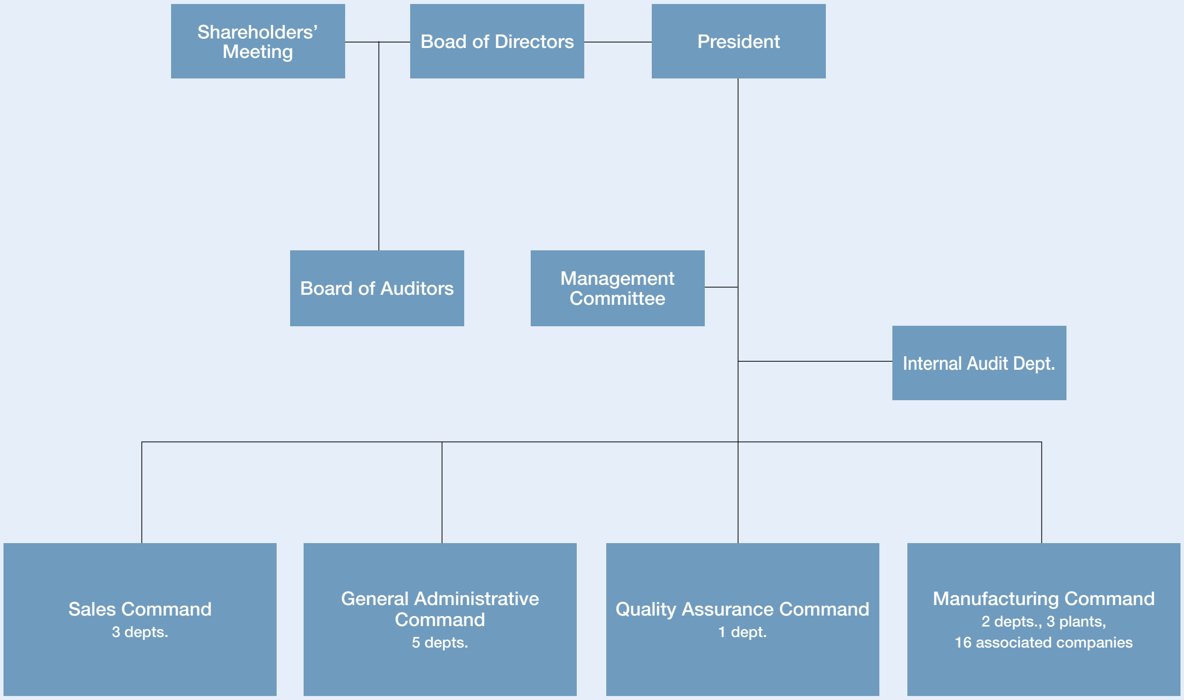
Execution of the 13-15 3-year Ahresty Policy has begun.
The Sales Command expects that local production and local consumption in emerging countries will continue to expand as our major customers pursue globalization.
We believe that we will be able to achieve our sales forecast up to 2015 in line with the Ahresty 10-Year Vision.
We will create a strategy for Ahresty's growth up to 2020, a strategy specifying what regions, what kinds of customers, and what kinds of components we should focus on, within the fiscal year ending March 31, 2014.
Each staff member needs to improve their skills. We will encourage business improvement through "refreshing education", will clarify each control item, and will repeat the PDCA cycle in our day-to-day operations.
To make contributions to auto manufacturers' global growth strategies, we will continue to focus on improving customer satisfaction in our sales in the fiscal year ending March 31, 2014.

We aim to be a global company that will continue to grow, pursuing MONOZUKURI (manufacturing).

Hiroshi Arai
Executive Officer,
General Manager, Quality Assurance Command,
and Manager, Quality Management Department

The Company engages in MONOZUKURI (manufacturing). We seek to make better products efficiently and provide them to customers for reasonable prices at the right time. We aim to grow to become one of the world's leading companies, both in name and in fact, by earning strong trust and an excellent reputation as a business partner.
To that end, it is important to unite the entire Group, enhance the strengths of each base, continue with improvements and horizontal development, build an optimum MONOZUKURI (manufacturing) system, and always pursue the best quality. The Quality Assurance Command is responsible for these initiatives.
I believe that quality results from processes. To pursue the best quality, we need to continuously seek to enhance the capabilities of the manufacturing floors.
The important thing is workers' experience, awareness, and ideas. I would say that putting our soul into MONOZUKURI (manufacturing) is important. I believe that we will be able to become one of the world's leading companies, outstripping the competition, only if we continue to enhance the capabilities of our manufacturing floors.

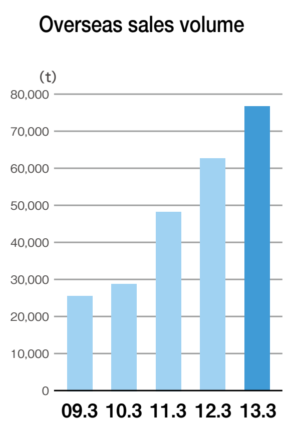
The Ahresty Group has adopted a "four commands" system comprising the Sales Command, the General Administrative Command, the Quality Assurance Command, and the Manufacturing Command.

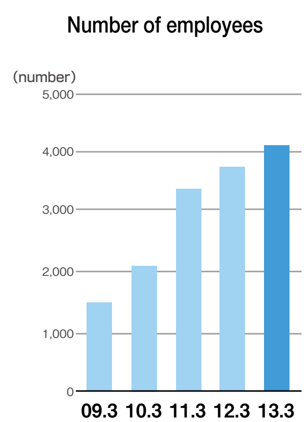


Actively pursuing global development to respond to the needs of customers worldwide

Ahresty is actively promoting its overseas operations to quickly and efficiently deliver a stable supply of products to customers around the world. In addition to our U.S. plant in Wilmington, Ohio, we established a die casting plant in Guangzhou, China, Mexico, India, and Hefei, China, and have been steadily expanding production. We fully apply our accumulated technology and expertise to manufacture and market high-quality products. We have also established a mutually complementary system that includes our die casting die production bases in Thailand and Guangzhou, encompassing our entire business line from materials and die casting die to die casting, toward complete optimization across the Group and around the world.

Overseas sales volume / Number of employees





●Ahresty Wilmington Corporation

Functions as our base in North America from 1989; involved in the production of die casting products, machining and parts assembly. Monthly production capacity: 1,500 tons.

2627 S.South Street, Wilmington, Ohio 45177, U.S.A.

●Guangzhou Ahresty Casting Co., Ltd.

Began operations in fiscal 2004; involved in the production of die casting products, machining and parts assembly. Monthly production capacity: 2,600 tons.

No.7 Xinfeng St., Yonghe Economic District, Guangzhou Economic & Technological Development District, P.R. China Zip 511356

●Hefei Ahresty Casting Co., Ltd.

The plant commenced its operations in 2011. As the second manufacturing base in China, it will lead the production of die casting products, machining, and parts assembly. Monthly production capacity: 700 tons.

2295 Qinglongtan Rd., Hefei Economic and Technological Development Area, Anhui, China P.O. 230601

●Ahresty Mexicana, S.A. de C.V.

Began operations in fiscal 2007. To complement the production of Ahresty Wilmington Corporation, the plant produces die casting products, perform machining, and assemble parts. Monthly production capacity: 2,100 tons.

Calle Industria Automotriz #20
Complejo de Naves Industriales la Zacatecana
Guadalupe, Zacatecas C.P.98600, Mexico

●Ahresty India Private Limited

The plant started operations in fiscal 2008. The plant produces die casting products, perform machining as the forth overseas operations. Monthly production capacitiy: 700 tons.

Plot No. 194, Sector 4, Growth Centre, Bawal, Dist. Rewari, Haryana, India PIN 123501

*Monthly production capacity: as of June 2013

Domestic major facilities

Higashimatsuyama Plant

25-27 Oaza Miyako,
Namegawa-machi,Hiki-gun,
Saitama Prefecture 355-0812
TEL. +81-493-56-4421

Kumagaya Plant

284-11 Miizugahara,
Kumagaya-shi,
Saitama Prefecture 360-8543
TEL. +81-48-533-5161

Tokai Plant

80 Aza Higashimukaiyama,
Futagawa-chou,Toyohashi-shi,
Aichi Prefecture 441-3153
TEL. +81-532-41-0511

Ahresty Yamagata Corporation

65 Oaza Arato, Shirataka-machi,
Nishiokitama-gun, Yamagata
Prefecture 992-0832
TEL. +81-238-85-5233

Ahresty Tochigi Corporation

4060 Oaza Mibu Otsu, Mibu-machi,
Shimotsuga-gun, Tochigi Prefecture
321-0215
TEL. +81-282-82-5111

Ahresty Kumamoto Corporation

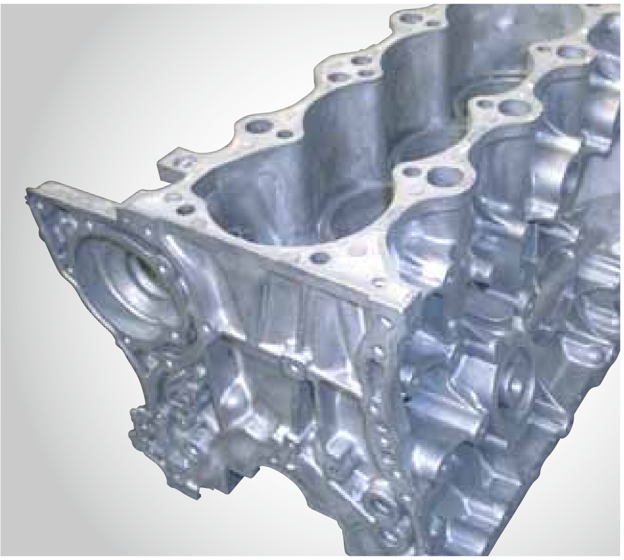
36 Urakawachi, Matsubase-machi,
Uki-shi, Kumamoto Prefecture
869-0521
TEL. +81-964-33-3111

Technical Center

1-2 Nakahara, Mitsuya-cho,
Toyohashi-shi, Aichi Prefecture
441-3114
TEL. +81-532-65-2170

Die Casting Business

The most respected name in the die casting industry for consistently pioneering the development of innovative technologies



The core business of Ahresty is aluminum die casting, and the company has expanded in both size and sales volume with the growth of the automotive industry. Ahresty meets diversifying demand even as it continues to pioneer in the development of innovative solutions that resolve the technical barriers to the application of die casting technologies. The company's respected position in the industry is maintained by our ability to introduce die casting into the manufacture of products that traditionally depended on other processes, while also improving quality and efficiency. Future innovations will focus on environmentally sound technology that reduces product weight and promotes product recycling throughout the aluminum and magnesium die casting businesses.

Main die-cast products

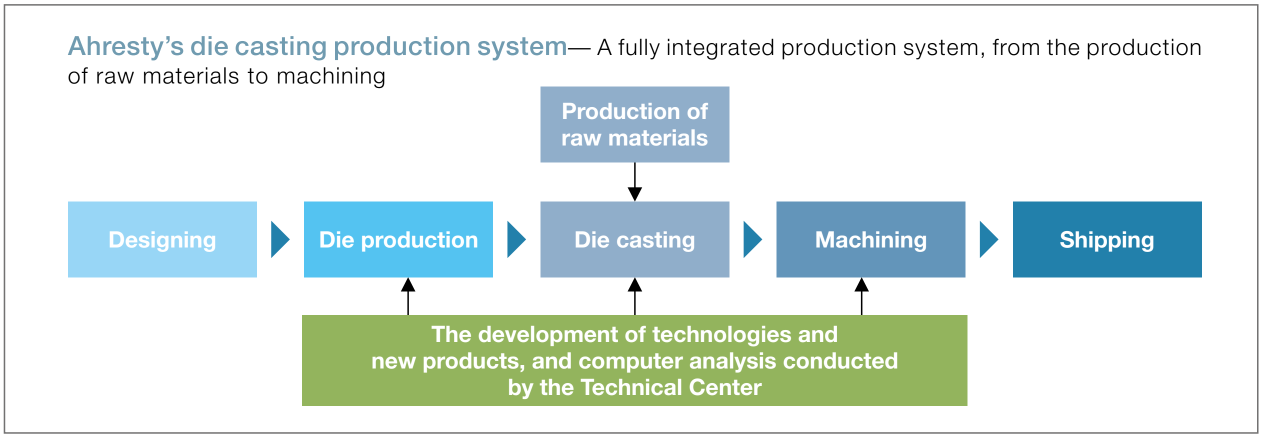
Of the die cast products produced in Ahresty, 80% are parts for four-wheeled automobiles. In addition, we produce parts for motorcycles, generators and outboard engines.

- Aluminum die cast products
  - Engine parts
  - Transmission parts
  - Suspension-related parts
- Magnesium die cast products
- Gravity die cast products

Others
- Die mold for die casting
- Peripheral equipment for die casting
- Used die cast machine sales

Die cast product characteristics

"Die cast," in a general sense, represents a cast at high speed and high pressure using a die or its production method. Die-cast products are characterized by their high productivity, superior measurement precision and beautiful casting surface. An advantage die-cast products offer is that they can be produced to have smooth surfaces, requiring only a few subsequent processing treatments. Due to these characteristics, die-cast products are used for a wide variety of items, including automobile parts, which need to be mass-produced under complex structures.



Fiscal 2012 Results

Die Casting Business: Japan

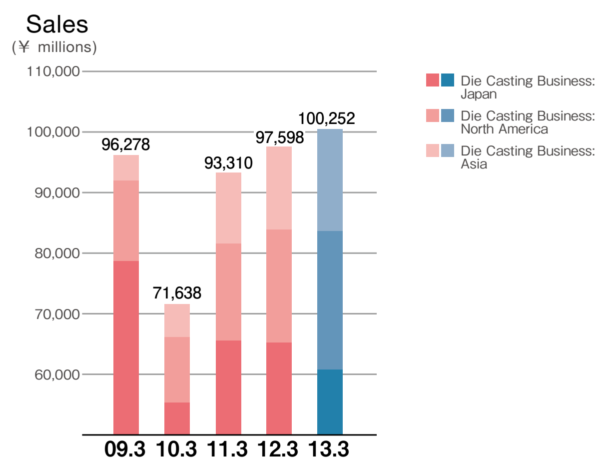
In Japan, domestic automakers, our main customers, increased production in the first half on the back of higher sales attributable to the effects of eco-car subsidies and demand from reconstruction projects in areas affected by the Great East Japan Earthquake. In the second half, however, production started to decline, mainly reflecting the termination of eco-car subsidies and declines in auto exports to Asia and Europe. In this environment, the Company recorded net sales of ¥60,630 million (down 6.9% year on year), mainly on lower orders for export products. It posted segment profits of ¥601 million (down 58.9% year on year), mainly owning to lower sales and a temporary rise in expenses associated with the Tokai Plant consolidation.

Die Casting Business: North America

In North America, orders increased with a recovery in orders from major customers that had declined in the wake of the Great East Japan Earthquake as well as brisk auto sales in the United States, reflecting its gradual economic recovery. As a result, net sales were ¥22,886 million (up 22.0% year on year). The segment recorded profit of ¥744 million (up 136.7% from a year ago), reflecting the impact of increased orders and a reduction in costs incurred in the previous fiscal year due to a tardy production response in Mexico.

Die Casting Business: Asia

In Asia, orders expanded, given the start of full-scale mass production of new products in Guangzhou, China and in India, in addition to the effects of the start of operations at the new plant in Hefei, China in the summer of 2011. As a result, net sales in Asia reached ¥16,736 million (up 22.0% year on year). A loss of ¥521 million was recorded in this segment (compared with segment loss of ¥504 million a year ago), largely because of the impact of increased fixed costs resulting from prior investment in India and Hefei.



Fiscal 2013 Outlook

Ahresty expects that domestic demand for die castings will decline further because of decreasing domestic demand associated with the population decline and more domestic auto manufacturers transferring production to overseas locations. To establish an efficient production structure commensurate with declining demand, Ahresty integrated operations of the Hamamatsu Plant and the Toyohashi Plant into the Tokai Plant. Production at the Hamamatsu Plant was terminated in March 2013. Ahresty expects that the effects of the integration will emerge from the second half of the fiscal year ending March 31, 2014.

Demand for die castings will likely increase overseas in the medium to long terms, given rising demand for automobiles, especially in emerging economies, a recovery in demand in developed economies, and an increase in the use of aluminum die castings, as a result of growing preferences for lighter products.

The Ahresty Group will curb investments further but will expand overseas operations for its die casting business, mainly in China and North America. The Group will maintain its efforts to improve productivity both in Japan and overseas, cut costs, and bolster earnings.

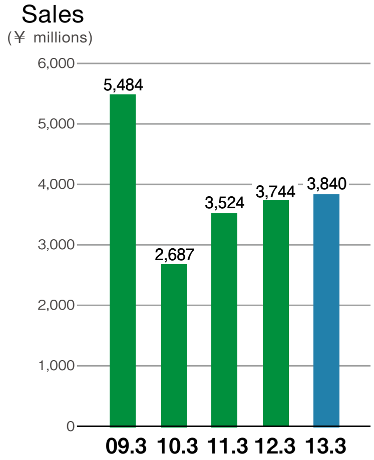
Aluminum Business

High-quality products from various materials using top-class facilities and expertise

Ahresty's Kumagaya Plant became the first in the industry to obtain JIS (Japan Industrial Standard) accreditation in 1958, and the first in Japan to obtain accreditation from the Ministry of International Trade and Industry as an aluminum can recycling facility under the revised Private Participation Promotion Law in 1997. The plant produces aluminum alloy ingots with excellent mechanical properties from various materials, including aluminum cans, window sashes and automobile scraps. These industrial-purpose ingots are produced by Ahresty's state-of-the-art facilities and outstanding recycling expertise. We boast a monthly production capacity of 3,000 tons for aluminum alloy ingots, and our products, shipped nationwide, have earned the trust of our customers.

Fiscal 2012 Results

In the Aluminum business, net sales reached ¥3,840 million (up 2.6% year on year), chiefly attributable to firm orders throughout the year. The segment recorded a profit of ¥50 million (compared with a segment loss of ¥42 million a year ago), reflecting the effects of activities to increase orders and reduce the cost of goods sold, despite weak market prices mainly attributable to the strong yen.



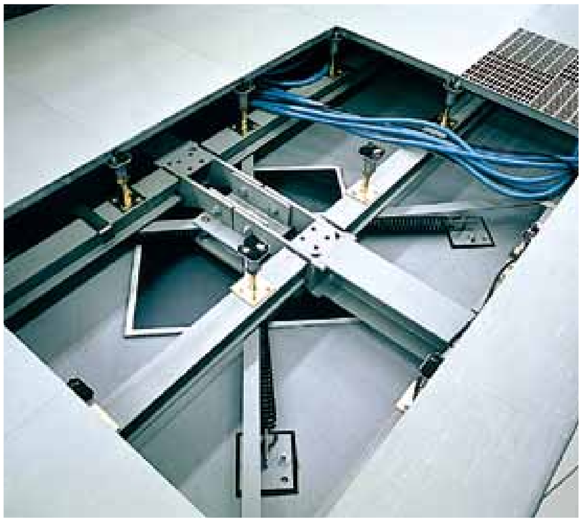
Fiscal 2013 Outlook

From the end of last year, distribution of imported secondary aluminum alloy ingots declined sharply with the depreciation of the yen, and demand for domestic ingots increased. Ahresty expects that demand for domestic secondary aluminum alloy ingots will remain strong for some time to come.

Ahresty is concerned that energy prices, such as the prices of heavy oil, electricity and city gas, could increase due to the correction of the strong yen. Ahresty also worries about shortages and rising prices of raw materials in association with a recovery in demand. In these circumstances, Ahresty will strive to strengthen its business structure by cutting costs and improving operating efficiency.

Proprietary Products Business

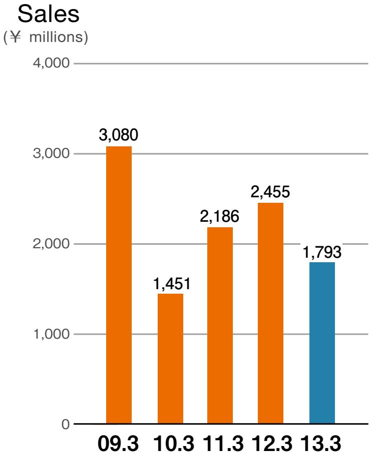
Developing new free access floor products to keep pace with expanding opportunities



In 1962, Ahresty developed MOVAFLOR, the first aluminum die cast-based free access floor panel in Japan. A free access floor is raised flooring that can accommodate wiring and piping underneath.
While it is widely used among general offices and hospitals, Ahresty particularly focuses on floor panels for the clean rooms of semiconductor manufacturing plants, data centers and computer rooms.

Fiscal 2012 Results

In the Proprietary Products business, net sales amounted to ¥1,793 million (down 27.0% year on year), given a fall in demand from telecommunications companies for data centers compared to the level of the previous year, in addition to reduced capital spending by semiconductor manufacturers, the Company's main customers, despite an increase in domestic market share. The segment recorded profit of ¥78 million (up 8.4% year on year), largely because of the effect of reduced cost of goods sold, despite the impact of decreased sales.



Fiscal 2013 Outlook

Ahresty expects that data centers in Japan will be able to perform more sophisticated analyses, given the development of IT, just like data centers overseas, and that as a result, the amount of data handled in the domestic data center market will increase. Construction of data centers will likely increase accordingly. To meet increasing needs, Ahresty will seek to boost sales in this market.
Ahresty anticipates that growth in the domestic clean-room market will slow in the next few years. However, semiconductor makers and electric goods manufacturers seem to be seeking to maintain and develop Japan's cutting-edge technologies. To meet these needs, Ahresty will strive to support its customers through its products.
Anticipating that clean rooms and data centers will continue to be constructed overseas, especially in China and Southeast Asia, Ahresty will bolster sales globally as it seeks to make contributions to its customers.

Becoming an environmentally-friendly company by consistently working to reduce environmental load

Ahresty seeks to protect the earth's beautiful environment by applying our technology to pursue an ongoing series of environmental preservation measures and making products that fully consider environmental load. Aluminum, which can be recycled using only 3% of the energy required to produce products from raw material, is considered the model for recycling, and is an environmentally-friendly metal that contributes to reducing CO_2 by making vehicles that are lighter in weight. Ahresty intends to become an environmentally-friendly company by actively developing our recycling business to promote the creation of a recycling-oriented society, and by participating in zero-waste activities, energy and resource conservation and LCA (Life Cycle Assessment).

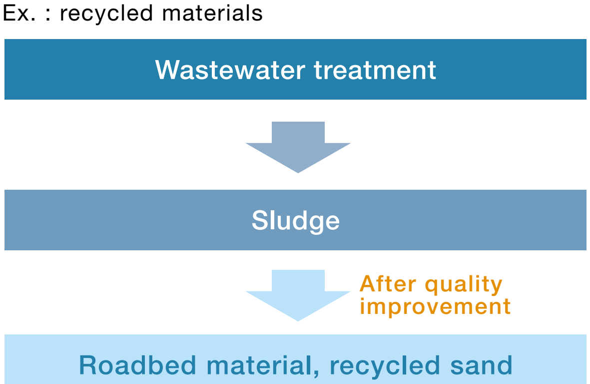
Environmental and Social Report 2013

Ahresty publishes an annual Environmental and Social Report and strives to provide information on the environmental preservation measures implemented across our business operations to increase stakeholders' understanding.

Environmental Preservation Measures

Ahresty engages in recycling waste toward establishing zero-waste plants. For example, the company reuses sludge formally disposed of in landfills to produce roadbed material and recycled sand.

Ex. : recycled materials



ISO14001 Certification

Ahresty contributes to the protection of the global environment by obtaining ISO14001:2004 certification for our operational bases, as listed below.

ISO14001:2004 certification

Obtained by Head Office,
Tokai Plant,
Higashimatsuyama Plant,
Kumagaya Plant,
Technical Center,
Ahresty Tochigi Corporation,
Ahresty Kumamoto Corporation,
Ahresty Yamagata Corporation,
Ahresty Pretech Corporation,
Ahresty Die Mold Hamamatsu Corporation,
Ahresty Die Mold Tochigi Corporation,
Ahresty Die Mold Kumamoto Corporation,
Ahresty Techno Service Corporation

Consistently striving to contribute to society

To create a corporate culture in which all its employees recognize the importance of making a contribution to society, and to encourage participation in a range of activities, Ahresty supports its employees in their community activities. The Company values initiatives to beautify the areas surrounding plants and sales offices, activities to clean up nearby rivers, volunteer tree planting to improve forests through tree thinning and planting, and the planning and the promotion of forest development activities, as well as its own employees' welfare activities and blood donation through external organizations. To encourage these contributions, Ahresty presents and awards Ahresty Eco Points to employees who take part.

As a corporate citizen, Ahresty is committed to actively participating in social contribution activities, and supporting the revitalization of the local communities through close communications.


Activities to clean nearby rivers (Ahresty Techno Service Corporation)


The Flower Road and Adopt-a-River activities (Ahresty Yamagata)

Ahresty's initiatives to improve forests (Kanto area)


Cleanup activities in the areas around the plant (Tokai Plant)


Volunteer activities to create Iwaya Ryokuchi (Tokai Plant)


Participating in activities to clean up Enshunada Beach (Ahresty Die Mold Hamamatsu)


Cleanup activities in the areas around the plant (Ahresty Tochigi)


Activities to clean areas surrounding the head office

Corporate Governance Policies

Ahresty recognizes the importance of constantly enhancing our corporate value to achieve one of our goals of becoming the most trusted company by all stakeholders, including customers, shareholders and investors, employees, business partners and society at large. Therefore, we seek to improve our corporate governance on a foundation of strengthened competitiveness and sound, transparent management, while establishing an organizational structure that can quickly respond to changes in the management environment.

Compliance

Ahresty Corporation established compliance principles as the foundation for compliance. Executives and employees will adhere to the principles in their individual actions and operational execution.

We have established a Compliance Committee Secretariat to strengthen our system of compliance with laws related to our corporate activities, corporate ethics and in-house regulations.

Compliance Principles

1. **We will uphold customer satisfaction and trust as our goals and pay due consideration to quality and safety in providing excellent products and meticulous service.**
2. **We will be mindful of customer reassurance and trust, comply with all relevant regulations and act with the highest standards of ethics and responsibility.**
3. **We will establish fair and transparent business relationships and undertake sound operations.**
4. **We will seek to consistently enhance corporate value and strive to become an attractive company.**
5. **We will respect each other's individuality and values to create healthy and safe working environments.**
6. **We will protect corporate assets and handle them in an appropriate manner.**
7. **We will maintain and establish sound relationships to avoid causing any stakeholder to lose trust.**
8. **We recognize consideration for the earth's environment as a priority concern, and actively take part in activities to protect the environment at our own initiative.**
9. **We will maintain a global perspective respect local cultures and practices, and actively contribute to society.**
10. **We will endeavor to broadly communicate with society at large, cooperate in activities for local development and comfortable, safe living toward our goal of coexisting with local communities.**

Ahresty Group's Code of Conduct

We have formulated the "Ahresty Group's Code of Conduct" encompassing basic rules for the execution of daily operations.

It consists of the following seven chapters.

Chapter 1 Compliance with laws
(Provisions for intent of norms and responsibility of compliance)

Chapter 2 Relationship with clients and partners
(Provisions for open competition and for trade)

Chapter 3 Relationship with shareholders and investors
(Provisions for corporate information and insiders trading)

Chapter 4 Relationship with employees
(Provisions for respect human right and privacy protection)

Chapter 5 Management of corporate assets and information
(Provisions for trade secrets and intellectual property)

Chapter 6 Relationship with society
(Provisions for endowment acts and political contributions)

Chapter 7 Operating procedures

Financial Section

Contents

Results of Operations

During the consolidated fiscal year under review, although the Japanese economy initially showed signs of upward momentum, chiefly reflecting strong demand from reconstruction projects in the areas affected by the Great East Japan Earthquake, subsequently it generally struggled as exports declined and capital spending remained weak, principally reflecting the downturn in the global economy. However, in the wake of the change in government, the economy began to show some positive indications, given an improvement in the export environment and expectations for economic and monetary policies. Overseas, the U.S. economy recovered, albeit at a slow rate, and that gave rise to the expectation that the economy would follow a moderate recovery path for some time. In China and India, although the pace of expansion slowed temporarily, the economies finally stabilized and growth again began to improve.

In this environment, to meet the increase in global die cast demand, the Ahresty Group has upgraded and expanded its production capacity in North America and Asia. Meanwhile, in Japan, the Company integrated the Hamamatsu Plant and the Toyohashi Plant at the Tokai Plant, preparing for an anticipated decline in domestic demand for die-cast components over the medium and long terms, and completed the consolidation of the two plants in March 2013.

Results for the consolidated fiscal year under review showed net sales of ¥105,887 million (up 2.0% year on year), thanks to an increase in sales overseas, which offset a decline in Japan. Reflecting the adverse effects associated with smaller sales in Japan, operating income came to ¥997 million (down 27.0% year on year), and recurring income were ¥711 million (down 20.0% year on year). A net loss of ¥167 million was recorded (compared with net income of ¥1,420 million in the previous fiscal year).

Consolidated performance for year ended March 2013 (April 1, 2012–March 31, 2013)

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

(1) Consolidated Operating Results

	Sales		Operating Income		Recurring Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Fiscal year ended March 2013	105,887	2.0	997	(27.0)	711	(20.0)
Fiscal year ended March 2012	103,800	4.8	1,366	(63.7)	888	(75.0)

	Net Income		Net Income per Share	Fully Diluted Net Income per Share	Return on Equity	Return on Total Asset	Operating Profit on Sales
	Millions of Yen	%	Yen	Yen	%	%	%
Fiscal year ended March 2013	(167)	–	(7.76)	–	(0.5)	0.7	0.9
Fiscal year ended March 2012	1,420	(4.2)	65.87	65.63	4.1	0.9	1.3

Note : % shows change from previous term

For reference : Investment gain or loss under equity method
Year ended March 2013 : – million yen
Year ended March 2012 : – million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of Yen	Millions of Yen	%	Yen
Fiscal year ended March 2013	110,752	39,335	35.5	1,820.70
Fiscal year ended March 2012	105,208	35,414	33.6	1,639.10

For reference : Shareholders' equity
Year ended March 2013 : 39,262 million yen
Year ended March 2012 : 35,346 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
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal year ended March 2013	13,696	(18,548)	3,715	6,087
Fiscal year ended March 2012	6,610	(16,560)	7,609	6,688

Outlook for Fiscal 2013

With respect to the economic outlook going forward, the Japanese economy is expected to recover moderately thanks to the depreciation of the yen and rising share prices supported by the bold monetary policy led by the government. However, the domestic market environment is expected to grow increasingly severe, with a contraction of domestic demand due to the falling population and the rising transfer of production overseas by Japanese automakers. Overseas, the future outlook is likely to remain uncertain, given the prolonged fiscal crisis in Europe and economic trends in emerging countries.

In this environment, the Group will continue efforts to improve profitability through cost cutting and gains in productivity in Japan and overseas, while expanding its overseas die casting business, centering on China and North America. However, investment this fiscal year will be somewhat lower than it was in the previous level. We set our below the consolidated business results forecast for the next fiscal year.

We expect depreciation expenses to decrease by around ¥800 million from the level under the previous method due to the change in depreciation method for tangible fixed assets from the declining-balance method to the straight-line method (the production output method for die casts, etc.) and the change in useful lives according to the conditions of actual use in the next fiscal year, reflecting progress in the globalization of the Group.

We also anticipate extraordinary gains of about ¥2.7 billion from the sale of the vacant lot of the former Hamamatsu Plant and the sale of some investment securities.

The consolidated business results forecast assumes foreign exchange rates of 92.0 yen to 1 USD, 14.5 yen to 1 RMB, and 1.7 yen to 1 INR.

(Millions of Yen)

	Sales	Operating Income	Recurring Income	Net Income
For the year ending March 2014 forecast	119,500	2,250	1,500	2,750
For the year ended March 2013 actual	105,887	997	711	(167)
Increase/decrease	13,612	1,253	789	2,917
Rate of increase/decrease	12.9%	125.6%	110.8%	–

(Millions of Yen)

	Sales		Segment Income	
Segment	Current fiscal year	Next fiscal year	Current fiscal year	Next fiscal year
Die Casting Business: Japan	60,630	57,700	601	1,450
Die Casting Business: North America	22,886	31,200	744	850
Die Casting Business: Asia	16,736	24,700	(521)	(150)
Aluminum Business	3,840	4,100	50	50
Proprietary Products Business	1,793	1,800	78	50

Consolidated Balance Sheets

(Assets)		Millions of yen Fiscal year ended March 31 2012	2013	Thousands of U.S. dollars Fiscal year ended March 31 2013
Current Assets				
Cash and time deposits		¥ 7,358	**¥ 6,087**	**$ 73,139**
Trade notes and accounts receivable	*3	24,541	**18,620**	**223,728**
Merchandise and products		2,153	**2,777**	**33,372**
Partly finished goods		3,826	**3,999**	**48,048**
Raw materials and inventories		2,657	**2,641**	**31,733**
Deferred tax assets		2,138	**1,255**	**15,088**
Others		1,811	**1,772**	**21,296**
Allowance for doubtful accounts		(1)	**(1)**	**(12)**
Total Current Assets		44,486	**37,153**	**446,394**
Fixed Assets				
Tangible fixed assets				
Buildings and structures	*2	22,306	**24,429**	**293,517**
Accumulated depreciation and impairment loss		(11,873)	**(12,679)**	**(152,348)**
Buildings and structures, net	*2	10,433	**11,749**	**141,168**
Machinery and delivery equipment		78,540	**87,884**	**1,055,919**
Accumulated depreciation and impairment loss		(53,311)	**(57,712)**	**(693,415)**
Machinery and delivery equipment, net		25,228	**30,171**	**362,504**
Tools, furniture and fixtures		32,189	**36,665**	**440,527**
Accumulated depreciation		(28,215)	**(32,149)**	**(386,275)**
Tools, furniture and fixtures, net		3,974	**4,515**	**54,251**
Land	*2	5,716	**5,743**	**69,002**
Lease assets		75	**784**	**9,422**
Accumulated depreciation		(39)	**(102)**	**(1,229)**
Lease assets, net		35	**681**	**8,192**
Construction in progress		8,747	**12,289**	**147,651**
Total Tangible Fixed Assets		54,135	**65,150**	**782,771**
Intangible Fixed Assets		901	**984**	**11,827**
Investments and other assets				
Investments in securities	*1	5,150	**5,956**	**71,562**
Deferred tax assets		255	**1,258**	**15,120**
Others		280	**251**	**3,018**
Allowance for doubtful accounts		(1)	**(1)**	**(13)**
Total Investments and Other Assets		5,685	**7,464**	**89,688**
Total Fixed Assets		60,721	**73,599**	**884,288**
Total Assets		¥105,208	**¥110,752**	**$1,330,682**

Note:The translations of yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥83.23 to $1.00, the average exchange rate during period. U.S. dollar figures less than a thousand dollars are rounded down to the nearest thousand dollars.

		Millions of yen		Thousands of U.S. dollars
		Fiscal year ended March 31		Fiscal year ended March 31
(Liabilities)		2012	2013	2013
Current Liabilities				
Notes and accounts payable	＊3	¥ 18,653	**¥ 12,418**	**$ 149,211**
Electronically recorded obligations-operating		–	**3,583**	**43,050**
Short-term loans		4,541	**6,315**	**75,883**
Current portion of long-term loans	＊2	9,133	**9,406**	**113,022**
Accrued income taxes		273	**270**	**3,244**
Bonus allowances		1,092	**930**	**11,185**
Directors’ bonus allowances		12	**–**	**–**
Provision for business structure improvement		–	**196**	**2,365**
Provision for product warranties		448	**189**	**2,276**
Provision for loss due to disaster		104	**–**	**–**
Others	＊3	7,906	**6,831**	**82,077**
Total Current Liabilities		42,166	**40,143**	**482,316**
Long-term Liabilities				
Long-term loans	＊2	19,674	**22,941**	**275,635**
Deferred tax liabilities		3,039	**3,428**	**41,194**
Allowances for employees’ retirement benefits		3,790	**3,919**	**47,089**
Provision for business structure improvement		482	**–**	**–**
Others		641	**984**	**11,831**
Total Long-term Liabilities		27,627	**31,273**	**375,751**
Total Liabilities		69,794	**71,416**	**858,067**
(Net Assets)				
Shareholders’ Equity				
Common stock		5,117	**5,117**	**61,487**
Additional paid-in capital		8,359	**8,359**	**100,437**
Retained earnings		26,240	**25,944**	**311,716**
Treasury stock		(320)	**(320)**	**(3,854)**
Total Shareholders’ Equity		39,397	**39,100**	**469,787**
Other Accumulated Comprehensive Income				
Difference on revaluation of other marketable securities		1,846	**2,365**	**28,416**
Foreign currency translation adjustments		(5,897)	**(2,203)**	**(26,471)**
Total Other Accumulated Comprehensive Income		(4,050)	**161**	**1,945**
Share Warrants		67	**73**	**882**
Total Net Assets		35,414	**39,335**	**472,614**
Total Liabilities and Net Assets		¥105,208	**¥110,752**	**$1,330,682**

Consolidated Statements of Income and Statements of Comprehensive Income

(Consolidated Statements of Income)

		Millions of yen		Thousands of U.S. dollars
		April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Sales		¥103,800	**¥105,887**	**$1,272,228**
Cost of Goods Sold	*1	92,726	**95,533**	**1,147,822**
Gross Profit		11,074	**10,354**	**124,405**
Selling, General and Administrative Expenses				
Transportation expenses		1,991	**2,000**	**24,035**
Salaries and bonuses		2,828	**2,726**	**32,759**
Retirement and severance expenses		262	**276**	**3,325**
Provision for bonuses		232	**222**	**2,670**
Provision for bonuses for directors		12	**–**	**–**
Allowance for depreciation		127	**149**	**1,800**
Research and development expenses	*2	882	**489**	**5,886**
Other expenses		3,370	**3,491**	**41,944**
Total Selling, General and Administrative Expenses		9,707	**9,356**	**112,422**
Operating Income		1,366	**997**	**11,983**
Non-operating Income				
Interest income		41	**24**	**298**
Dividends received		101	**107**	**1,292**
Gain on sales of scraps		65	**76**	**914**
Amortization of negative goodwill		54	**–**	**–**
Foreign currency exchange gain		–	**351**	**4,225**
Others		176	**133**	**1,604**
Total Non-operating Income		439	**693**	**8,336**
Non-operating Expenses				
Interest expenses		652	**812**	**9,758**
Foreign currency exchange loss		187	**–**	**–**
Others		76	**167**	**2,012**
Total Non-operating Expenses		917	**979**	**11,771**
Recurring Income		888	**711**	**8,548**
Extraordinary Gains				
Gain on the sale of fixed assets	*3	24	**4**	**50**
Subsidy income		–	**171**	**2,054**
Total Extraordinary Gains		24	**175**	**2,105**
Extraordinary Losses				
Loss on sales and retirement of fixed assets	*4	113	**158**	**1,905**
Loss on revision of retirement benefit plan		22	**–**	**–**
Product warranty expense	*5	471	**–**	**–**
Loss on disaster	*6	198	**–**	**–**
Others		59	**–**	**–**
Total Extraordinary Losses		¥ 864	**¥ 158**	**$ 1,905**

	Millions of yen		Thousands of U.S. dollars
	April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Income before Income Taxes and Others	¥ 48	**¥ 728**	**$ 8,748**
Income taxes and enterprise taxes	727	**857**	**10,306**
Deferred income taxes	(2,098)	**37**	**452**
Total Income Taxes	(1,371)	**895**	**10,759**
Income (Loss) before Minority Interests	1,420	**(167)**	**(2,011)**
Net Income (Loss)	¥ 1,420	**¥ (167)**	**$ (2,011)**

(Consolidated Statements of Comprehensive Income)

	Millions of yen		Thousands of U.S. dollars
	April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Income (Loss) before Minority Interests	¥1,420	**¥ (167)**	**$ (2,011)**
Other Comprehensive Income			
Difference on revaluation of other marketable securities	166	**518**	**6,228**
Deferred gains or losses on hedges	16	**–**	**–**
Foreign currency translation adjustments	(493)	**3,694**	**44,387**
Total Other Comprehensive Income *	(310)	**4,212**	**50,615**
Comprehensive Income	1,109	**4,045**	**48,604**
Comprehensive income attributable to owners of the parent	1,109	**4,045**	**48,604**
Comprehensive income attributable to minority interests	¥ –	**¥ –**	**$ –**

Consolidated Statement of Changes in Net Assets

	Millions of yen		Thousands of U.S. dollars
	April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Shareholders' Equity			
Common Stock			
Balance at beginning of current fiscal year	¥ 5,117	**¥ 5,117**	**$ 61,487**
Changes			
Total Changes	–	**–**	**–**
Balance at End of Current Fiscal Year	5,117	**5,117**	**61,487**
Capital Surplus			
Balance at beginning of current fiscal year	8,363	**8,359**	**100,437**
Changes			
Disposal of treasury stock	(4)	**–**	**–**
Total Changes	(4)	**–**	**–**
Balance at End of Current Fiscal Year	8,359	**8,359**	**100,437**
Retained Earnings			
Balance at beginning of current fiscal year	24,943	**26,240**	**315,281**
Changes			
Cash dividend from retained earnings	(193)	**(129)**	**(1,554)**
Net income (loss)	1,420	**(167)**	**(2,011)**
Change of scope of consolidation	81	**–**	**–**
Disposal of treasury stock	(10)	**–**	**–**
Total Changes	1,296	**(296)**	**(3,566)**
Balance at End of Current Fiscal Year	26,240	**25,944**	**311,716**
Treasury Stock			
Balance at beginning of current fiscal year	(358)	**(320)**	**(3,853)**
Changes			
Purchase of own shares	(0)	**(0)**	**(0)**
Disposal of treasury stock	37	**–**	**–**
Total Changes	37	**(0)**	**(0)**
Balance at End of Current Fiscal Year	(320)	**(320)**	**(3,854)**
Total Shareholders' Equity			
Balance at beginning of current fiscal year	38,066	**39,397**	**473,353**
Changes			
Cash dividend from retained earnings	(193)	**(129)**	**(1,554)**
Net income (loss)	1,420	**(167)**	**(2,011)**
Change of scope of consolidation	81	**–**	**–**
Purchase of own shares	(0)	**(0)**	**(0)**
Disposal of treasury stock	23	**–**	**–**
Total Changes	1,330	**(296)**	**(3,566)**
Balance at End of Current Fiscal Year	39,397	**39,100**	**469,787**
Other Comprehensive Income			
Difference on Revaluation of Other Marketable Securities			
Balance at beginning of current fiscal year	1,680	**1,846**	**22,188**
Changes			
Changes (net) in non-shareholders' equity items	166	**518**	**6,228**
Total Changes	166	**518**	**6,228**
Balance at End of Current Fiscal Year	1,846	**2,365**	**28,416**
Deferred Gains or Losses on Hedges			
Balance at beginning of current fiscal year	(16)	**–**	**–**
Changes			
Changes (net) in non-shareholders' equity items	16	**–**	**–**
Total Changes	16	**–**	**–**
Balance at End of Current Fiscal Year	¥ –	**¥ –**	**$ –**

	Millions of yen		Thousands of U.S. dollars
	April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Foreign Currency Translation Adjustments			
Balance at beginning of current fiscal year	¥ (5,404)	**¥ (5,897)**	**$ (70,858)**
Changes			
Changes (net) in non-shareholders' equity items	(493)	**3,694**	**44,387**
Total Changes	(493)	**3,694**	**44,387**
Balance at End of Current Fiscal Year	(5,897)	**(2,203)**	**(26,471)**
Total Other Comprehensive Income			
Balance at beginning of current fiscal year	(3,740)	**(4,050)**	**(48,670)**
Changes			
Changes (net) in non-shareholders' equity items	(310)	**4,212**	**50,615**
Total Changes	(310)	**4,212**	**50,615**
Balance at End of Current Fiscal Year	(4,050)	**161**	**1,945**
Share Warrants			
Balance at beginning of current fiscal year	81	**67**	**814**
Changes			
Changes (net) in non-shareholders' equity items	(13)	**5**	**67**
Total Changes	(13)	**5**	**67**
Balance at End of Current Fiscal Year	67	**73**	**882**
Total Net Assets			
Balance at beginning of current fiscal year	34,407	**35,414**	**425,497**
Changes			
Cash dividend from retained earnings	(193)	**(129)**	**(1,554)**
Net income (loss)	1,420	**(167)**	**(2,011)**
Change of scope of consolidation	81	**–**	**–**
Purchase of own shares	(0)	**(0)**	**(0)**
Disposal of treasury stock	23	**–**	**–**
Changes (net) in non-shareholders' equity items	(323)	**4,218**	**50,683**
Total Changes	1,006	**3,921**	**47,117**
Balance at End of Current Fiscal Year	¥35,414	**¥39,335**	**$472,614**

Consolidated Statements of Cash Flows

	Millions of yen		Thousands of U.S. dollars
	April 1, 2011 through March 31, 2012	April 1, 2012 through March 31, 2013	April 1, 2012 through March 31, 2013
Cash Flows from Operating Activities			
Income before income taxes	¥ 48	**¥ 728**	**$ 8,748**
Depreciation and amortization	9,596	**11,493**	**138,098**
Amortization of negative goodwill	(54)	**–**	**–**
Increase (decrease) in allowances for bonuses	(132)	**(161)**	**(1,945)**
Increase (decrease) in allowances for employees' retirement benefits	203	**128**	**1,547**
Increase (decrease) in provision for product warranties	416	**(266)**	**(3,197)**
Increase (decrease) in provision for business structure improvement	(737)	**(285)**	**(3,434)**
Interest and dividend income	(142)	**(132)**	**(1,591)**
Interest expenses	652	**812**	**9,758**
Loss (gain) on sales and retirement of tangible fixed assets	88	**154**	**1,854**
Subsidy income	–	**(171)**	**(2,054)**
Loss on revision of retirement benefit plan	22	**–**	**–**
Loss on disaster	198	**–**	**–**
Decrease (increase) in notes and accounts receivable	(4,259)	**6,638**	**79,760**
Decrease (increase) in inventories	904	**(196)**	**(2,364)**
Increase (decrease) in notes and accounts payable	41	**(3,212)**	**(38,600)**
Increase (decrease) in accrued expenses	109	**(611)**	**(7,352)**
Increase (decrease) in accrued consumption taxes and others	(504)	**114**	**1,370**
Others	1,476	**(108)**	**(1,301)**
Subtotal	7,926	**14,922**	**179,295**
Interest and dividends received	142	**132**	**1,595**
Interest paid	(643)	**(795)**	**(9,556)**
Proceeds from subsidy income	–	**168**	**2,020**
Income taxes paid	(1,102)	**(1,020)**	**(12,262)**
Income taxes refunded	287	**398**	**4,786**
Payments for loss on disaster	–	**(109)**	**(1,318)**
Net Cash Provided by Operating Activities	6,610	**13,696**	**164,561**
Cash Flows from Investing Activities			
Payment into time deposits	(1,169)	**–**	**–**
Proceeds from refund of time deposits	586	**678**	**8,156**
Expenditures from purchases of tangible fixed assets	(16,085)	**(19,143)**	**(230,002)**
Proceeds from sales of tangible fixed assets	214	**20**	**246**
Others	(105)	**(104)**	**(1,257)**
Net Cash Used in Investing Activities	(16,560)	**(18,548)**	**(222,857)**
Cash Flows from Financing Activities			
Proceeds from short-term loans	18,681	**22,680**	**272,505**
Repayment of short-term loans	(17,896)	**(21,389)**	**(256,990)**
Proceeds from long-term debt	25,417	**19,069**	**229,115**
Repayment of long-term debt	(18,371)	**(17,094)**	**(205,387)**
Proceeds from sale and leaseback	–	**634**	**7,621**
Dividends paid	(195)	**(130)**	**(1,571)**
Others	(27)	**(54)**	**(654)**
Net Cash Provided by Financing Activities	7,609	**3,715**	**44,637**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(304)	**535**	**6,434**
Net Increase (Decrease) in Cash and Cash Equivalents	(2,644)	**(601)**	**(7,223)**
Cash and Cash Equivalents at Beginning of Year	9,179	**6,688**	**80,363**
Increase (Decrease) in Cash and Cash Equivalents Resulting from Exclusion of Subsidiaries from Consolidation	153	**–**	**–**
Cash and Cash Equivalents at End of Period ＊	¥ 6,688	**¥ 6,087**	**$ 73,139**

Notes to Consolidated Financial Statements

1. Scope of consolidation

(1) Consolidated subsidiaries consist of 15 companies: Ahresty Tochigi Corporation, Ahresty Kumamoto Corporation, Ahresty Yamagata Corporation, Ahresty Wilmington Corporation, Ahresty Techno Service Corporation, Ahresty Die Mold Hamamatsu Corporation, Ahresty Die Mold Tochigi Corporation, Ahresty Die Mold Kumamoto Corporation, Thai Ahresty Die Co., Ltd., Guangzhou Ahresty Casting Co., Ltd., Ahresty Pretech Corporation, Ahresty Mexicana, S.A. de C.V., Ahresty India Private Limited, Hefei Ahresty Casting Co., Ltd. and Ahresty Precision Die Mold (Guangzhou) Co., Ltd.

(2) The unconsolidated subsidiary: Thai Ahresty Engineering Co., Ltd.
It has been excluded from the scope of consolidation as they have no significant impact on the Consolidated Financial Statements in terms of total assets, sales, current term net profit or loss (in accordance to their equity), and retained earnings (in accordance to their equity).

2. Equity method affiliates

There are no non-consolidated subsidiaries accounted for using the equity method. There are no affiliates.
The equity method is not applied to investments in Thai Ahresty Engineering Co., Ltd. among the non-consolidated subsidiaries, because the investments had only a slight influence on net income/loss (an amount in accordance with equity), retained earnings (an amount in accordance with equity), etc. and did not have sufficient importance overall.

3. Business years of consolidated subsidiaries

The closing date for consolidated subsidiaries was December 31 for Ahresty Techno Service Corporation, Ahresty Die Mold Hamamatsu Corporation, Ahresty Die Mold Tochigi Corporation, Ahresty Die Mold Kumamoto Corporation, Thai Ahresty Die Co., Ltd., Guangzhou Ahresty Casting Co., Ltd., Ahresty Pretech Corporation, Ahresty Mexicana, S.A. de C.V., Hefei Ahresty Casting Co., Ltd. and Ahresty Precision Die Mold (Guangzhou) Co., Ltd.
In order to prepare the Consolidated Financial Statements, the financial statements used for these subsidiaries were as of their closing dates, except for important transactions that took place in the period before the consolidated closing date, which were adjusted as necessary for consolidation.

4. Summary of Significant Accounting Policies

(1) Evaluation standards and evaluation methods for key assets

(a) Marketable securities

Other marketable securities

Securities with market value

Market value method based on the market price on the closing date (variance of estimate is treated with the total net assets input method and cost of products sold are estimated using the moving average method)

Securities without market value

Moving average cost method

(b) Derivatives — market value method

(c) Inventories

The Company and consolidated some subsidiaries evaluate according to cost method based primarily on the gross average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins), while other consolidated subsidiaries evaluate according to lower of cost method based on the first-in, first-out (FIFO) method.

(2) Depreciation methods for important depreciable assets

(a) Tangible fixed assets (excluding lease assets)

The Company and consolidated subsidiaries in Japan — declining balance method

However, the straight-line method is employed for buildings (excluding attached structures) acquired on or after April 1, 1998.

Consolidated subsidiaries overseas — straight-line method

Period of depreciation are as follows:

Buildings and structures — 2 to 50 years

Machinery and delivery equipment — 2 to 15 years

Tools, furniture and fixtures — 2 to 20 years

(b) Intangible fixed assets (excluding lease assets) — straight-line method

The straight-line method is employed for software used in-house, based on the availability period of five years.

(c) Lease assets

Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

Finance lease transactions not involving transfer of ownership commencing on or before March 31, 2008 are accounted for based on methods applicable to ordinary rental transactions.

(3) Reporting standards for important allowances

(a) Allowances for doubtful accounts

To provide against doubtful accounts, the estimated amount of unrecoverable accounts is reported by employing the loan loss ratio for regular bonds. Recovery rates are calculated individually for specific doubtful accounts and bonds.

(b) Bonus allowances

In order to appropriate bonus payments for employees for the current fiscal year, the parent company and consolidated subsidiaries report this allowance based on projected payment figures.

(c) Allowances for employees' retirement benefits

The Company and consolidated subsidiaries report this allowance to appropriate retirement benefit obligations and projected pension assets at the end of the current fiscal year. Some consolidated subsidiaries overseas employ defined contribution retirement benefits.

As for mathematical differences, the amount calculated with the straight-line method over a certain number of years (fifteen years) within the average remaining work period at the time they occurred in their respective fiscal years will be settled starting with the next fiscal year.

Past service cost is accounted for as an expense using the fixed-amount method for certain years (10 years), within the employees' average remaining period of service at the time of occurrence.

(d) Provision for business structure improvement

The Ahresty Group has determined to integrate the Hamamatsu Plant and the Toyohashi Plant into the Tokai Plant, which succeeded operations of the Toyohashi Plant. The Company recorded reasonably estimated expenses and losses that are likely to be incurred in the future, as a result of this restructuring of the domestic production structure.

(e) Provision for product warranties

In preparation for expenses for charge-free repairs, the Company and its consolidated subsidiaries record the provision based on estimates of different kinds of repairs and the ratio of the expenses to sales in the past.

(4) Standard for recognizing revenue and expenses

Standard for recognizing revenue and costs associated with construction contracts

(a) Construction contracts for which benefits can be ascertained in relation to the completed portion at the end of the fiscal year under review:

Percentage-of-completion method (percentage of completion based on cost incurred compared to the estimated total cost)

(b) Other construction:

Completed contract method

(5) Currency conversion standards for key total assets or liabilities in foreign currencies

Cash, assets and liabilities in foreign currencies are converted into yen based on the spot exchange rate on the consolidated closing date, and the exchange difference is treated as profit or loss. Total assets and liabilities of consolidated subsidiaries overseas are converted into yen based on the spot exchange rate on the consolidated closing date. Income and expenses are converted into yen based on the average exchange rate during period, and the exchange difference is included in the net assets of the foreign currency translation adjustment.

(6) Hedge accounting

(a) Hedge accounting methods

The deferral hedge accounting method is applied. Foreign exchange contracts are appropriated when they meet the requirements for this method, and interest rate swaps are treated as exceptions when they meet the requirements for this method.

(b) Hedge measures and hedge targets

a. Hedge measures — interest rate swap

Hedge targets — long-term loans paid by variable interest rates

b. Hedge measures — foreign exchange contracts

Hedge targets — debts and credits in foreign currencies

(c) Hedge policies

For long-term loans paid at variable interest rates, derivatives trading is used to avoid the risk of variable interest rates. The interest rate swap provides against the risk of fluctuations in exchange rates at the time of import and export. The company's accounting department conducts internal reviews in employing hedge methods.

(d) Methods for evaluating hedge effectiveness

The effectiveness of hedge transactions is evaluated by the degree of variability between the cumulative amount of either the hedge target market fluctuation or cash flow fluctuation and the cumulative amount of either the hedge means market fluctuation or cash flow fluctuation. However, the evaluation of effectiveness is omitted for interest rate swaps treated as exceptions.

(7) Depreciation method and period of goodwilll

Goodwill is depreciated by straight-line method over a period of five years. If the difference to be eliminated is minor, it is depreciated as a lump sum in the consolidated fiscal year including the date of accrual.

(8) Scope of funds in the Consolidated Statements of Cash Flows

Cash on hand, deposits that can be withdrawn as necessary, and short-term investments that are easily convertible, have low risk of value fluctuation and are due for redemption within three months of the date of acquisition are included in the scope of funds.

(9) Other key considerations for creating the Consolidated Financial Statements

Accounting procedures for consumption tax, etc.

Consumption tax and local consumption tax are treated by the tax exclusive method.

Change in Accounting Policy

(Change in depreciation method)
Given the revision of the Corporation Tax Act, the Company and its domestic consolidated subsidiaries are applying the depreciation method under the revised Corporation Tax Act to tangible fixed assets acquired on or after April 1, 2012, from the fiscal year under review.
The effect of the change on the earnings in the fiscal year under review is minor.

(Accounting standard yet to be applied)
The Accounting Standard for Retirement Benefits (ASBJ Statement No. 26 issued on May 17, 2012) and the Implementation Guidance on the Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25 issued on May 17, 2012)

(1) Outline
Under the Accounting Standard, actuarial gains and losses and past service costs are to be recognized within the net asset section of the consolidated balance sheet after adjusting for tax effects, and the deficit or surplus is to be recognized as a liability or asset. As for the method of attributing expected benefits to periods, the Accounting Standard allows the choice between the straight-line basis and the benefit formula basis. The method for calculating the discount rate has been changed.

(2) Planned effective date
The Accounting Standard and the Implementation Guidance will be first applied to the consolidated balance sheet for the full year of the fiscal year ending March 31, 2014. The change in the method of attributing expected benefits to periods will be applied from the beginning of the fiscal year ending March 31, 2015. The Accounting Standard stipulates transitional treatment, and there will be no retrospective application to financial statements in prior periods.

(3) Effect of the application of the Accounting Standard
The application of the Accounting Standard for Retirement Benefits is expected to affect the Group's consolidated financial statements. In the consolidated balance sheet, net assets, in particular, will change due to the recognition of actuarial differences when they occur. We are assessing the effect.

Notes on Consolidated Balance Sheets

＊1. Figures related to unconsolidated subsidiaries and affiliates are as follows.

	As of March 31, 2012	As of March 31, 2013
Investments in securities (share)	¥36 million	¥36 million

＊2. Pledged assets and secured liabilities

Pledged assets	As of March 31, 2012	As of March 31, 2013
Buildings and structures	¥543 million	¥521 million
Land	¥2,339 million	¥2,339 million
Total	¥2,883 million	¥2,861 million

Secured liabilities	As of March 31, 2012	As of March 31, 2013
Current portion of long-term loans	¥240 million	¥220 million
Long-term loans	¥220 million	–

＊3. Notes due at the end of the consolidated fiscal year
Notes due at the end of the consolidated fiscal year are settled on the date of clearing. Since the end of the consolidated fiscal year under review fell on a bank holiday, the following notes due at the end of the fiscal year are included in the balance at the end of the fiscal year.

	As of March 31, 2012	As of March 31, 2013
Trade notes receivable	¥137 million	¥106 million
Notes payable	¥1,332 million	¥998 million
Others of current liabilities (notes payable for equipment)	¥57 million	¥78 million

Notes on Consolidated Statements of Income

*1. Amount after write-down of year-end inventory to reflect the effect of lower profit margins. The write-down of inventory shown below is included in cost of goods sold.

As of March 31, 2012	As of March 31, 2013
¥236 million	¥269 million

*2. Research and development expenses included in the administrative expenses

As of March 31, 2012	As of March 31, 2013
¥882 million	¥489 million

No research and development expenses were included in the manufacturing costs incurred for the current period.

*3. Breakdown of gains on the sale of fixed assets

	As of March 31, 2012	As of March 31, 2013
Building and structures	¥0 million	–
Machinery and delivery equipment	¥16 million	¥4 million
Tools, furniture and fixtures	¥7 million	¥0 million
Total	¥24 million	¥4 million

*4. Breakdown of losses on the sale of fixed assets

	As of March 31, 2012	As of March 31, 2013
Building and structures	¥29 million	¥32 million
Machinery and delivery equipment	¥53 million	¥115 million
Tools, furniture and fixtures	¥30 million	¥6 million
Others	¥0 million	¥3 million
Total	¥113 million	¥158 million

*5 In association with the posting of provision for product warranties, product warranty expense of ¥471 million, including a provision for product warranties of ¥238 million, was posted in extraordinary losses in the previous fiscal year.

*6 Loss on disaster posted in the previous fiscal year was a loss related to heavy flooding in Thailand in October 2011. A total loss of ¥198 million was posted, including a capital loss and recovery expense of ¥153 million and fixed cost during the shutdown period of ¥45 million. Of the loss, ¥110 million was provision for loss due to disaster.

Notes on Consolidated Statements of Comprehensive Income

* Recycling and tax effect relating to other comprehensive income

	As of March 31, 2012	As of March 31, 2013
Valuation difference on available-for-sale securities		
Amount arising during fiscal year under review	¥18 million	¥794 million
Recycling	¥3 million	–
Before tax effect adjustment	¥21 million	¥794 million
Tax effect	¥144 million	(¥276 million)
Valuation difference on available-for-sale securities	¥166 million	¥518 million
Deferred gains or losses on hedges		
Adjustment of acquisition cost of assets	¥16 million	–
Deferred gains or losses on hedges	¥16 million	–
Foreign currency translation adjustment		
Amount arising during fiscal year under review	(¥493 million)	¥3,694 million
Total other comprehensive income	(¥310 million)	¥4,212 million

Notes on Consolidated Statement of Changes in Net Assets

Previous consolidated fiscal year under review (from April 1, 2011 to March 31, 2012)

1. Type and number of issued shares, and the type and number of shares of treasury stock

	Number of shares at end of previous fiscal year	Increase in number of shares in fiscal year	Decrease in number of shares in fiscal year	Number of shares at end of fiscal year
Issued shares				
Common stock	21,778,220	–	–	21,778,220
Total	21,778,220	–	–	21,778,220
Treasury stock				
Common stock (Notes 1,2)	238,709	267	25,200	213,776
Total	238,709	267	25,200	213,776

Notes:1. The number of shares of treasury stock increased 267 as a result of fractional share repurchases.
2. The number of shares of treasury stock decreased 25,200 as a result of the exercise of stock options.

2. Share warrants and own share warrants

Classification	Share warrant type	Type of shares underlying share warrants	Number of shares underlying share warrants (number of share)				Balance at end of fiscal year (millions of yen)
			End of previous fiscal year	Increase during fiscal year	Decrease during fiscal year	Number at end of fiscal year	
Submitting company (parent company)	Share warrants as stock options	–	–	–	–	–	67
Total		–	–	–	–	–	67

3. Dividends

(1) Dividend payments

(Resolution)	Type of shares	Amount of dividend (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
Meeting of the Board of Directors on May 13, 2011	Common share	129	Retained earnings	6	March 31, 2011	June 8, 2011
Meeting of the Board of Directors on November 9, 2011	Common share	64	Retained earnings	3	September 30, 2011	December 5, 2011

(2) Dividends with record date falling in the fiscal year under review and with an effective date belonging to the following fiscal year

(Resolution)	Type of shares	Amount of dividend (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
Meeting of the Board of Directors on May 14, 2012	Common share	64	Retained earnings	3	March 31, 2012	June 7, 2012

Current consolidated fiscal year under review (from April 1, 2012 to March 31, 2013)

1. Type and number of issued shares, and the type and number of shares of treasury stock

	Number of shares at end of previous fiscal year	Increase in number of shares in fiscal year	Decrease in number of shares in fiscal year	Number of shares at end of fiscal year
Issued shares				
Common stock	21,778,220	–	–	21,778,220
Total	21,778,220	–	–	21,778,220
Treasury stock				
Common stock (Note)	213,776	71	–	213,847
Total	213,776	71	–	213,847

Note: The number of shares of treasury stock increased 71 as a result of fractional share repurchases.

2. Share warrants and own share warrants

Classification	Share warrant type	Type of shares underlying share warrants	Number of shares underlying share warrants (number of share)				Balance at end of fiscal year (millions of yen)
			End of previous fiscal year	Increase during fiscal year	Decrease during fiscal year	Number at end of fiscal year	
Submitting company (parent company)	Share warrants as stock options	–	–	–	–	–	73
Total		–	–	–	–	–	73

3. Dividends

Dividend payments

(Resolution)	Type of shares	Amount of dividend (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
Meeting of the Board of Directors on May 14, 2012	Common share	64	Retained earnings	3	March 31, 2012	June 7, 2012
Meeting of the Board of Directors on November 9, 2012	Common share	64	Retained earnings	3	September 30, 2012	December 5, 2012

Notes on Consolidated Statements of Cash Flows

* Relationship between the final balance of cash and cash equivalents and the account amounts listed in the consolidated balance sheets

	As of March 31, 2012	As of March 31, 2013
Cash on hand and with banks	¥7,358 million	¥6,087 million
Time deposits whose deposit term exceeds three months	(¥669 million)	–
Cash and cash equivalents	¥6,688 million	¥6,087 million

Notes on Lease Transactions

The Company has omitted notes for lease transactions because the Company believes there is no significant need in this report for such disclosure.

Notes on Financial Instruments

1. Information about use of financial instruments

(1) Policy on use of financial instruments

The Group raises necessary capital (mainly bank loans), in light of its capital investment plan. It invests temporarily surplus funds primarily in financial assets that are highly liquid and raises short-term working capital by obtaining bank loans. The Group uses derivatives to guard against the following risks but does not engage in speculative transactions.

(2) Types of financial instruments and risks arising from these financial instruments

The Group is exposed to credit risk through its trade notes and accounts receivable from customers, in other words, its operating receivables. It is also exposed to foreign currency fluctuation risk through foreign currency denominated operating receivables that arise when conducting business overseas.

Investments in securities are mostly the shares of companies that we have business relations with and that are subject to a risk of market price fluctuations.

Trade notes and accounts payable, in other words, operating payables, are mostly due within one year. The Group is exposed to foreign currency fluctuation risk on certain foreign currency denominated payables.

The Group obtains loans mainly for the purpose of raising capital for capital investment. The Group is exposed to interest rate risk on certain loans but uses derivative transactions to guard against this risk (interest rate swap transactions).

The derivatives used by the Group are mainly foreign currency futures contracts to hedge against foreign currency fluctuation risk arising from foreign currency denominated operating receivables and payables, and interest rate swap transactions to guard against the risk of changes in interest payments on loans.

For further information on hedge accounting including our hedging methods and hedged transactions, hedging policy and method for assessing hedge effectiveness, please refer to "(6) Hedge accounting" of "4. Summary of Significant Accounting Policies" of "Notes to Consolidated Financial Statements."

(3) System for managing risks arising from financial instruments

(a) Managing credit risk

The Group's sales division periodically monitors the status of operating receivables from major customers and manages due dates and outstanding balances for individual customers with the aim of early identification and mitigation of concerns over recovery arising as a result of deterioration in financial position, etc.

The Group understands that it has hardly any credit exposure on derivative transactions, as it deals only with financial institutions that have high ratings.

(b) Managing market risk

The Group uses interest rate swap transactions to mitigate the risk of changes in interest payments on its loans.

We review our investments in securities continuously, checking the market values of the securities and the financial situation of the issuers (business partners) regularly and taking market conditions and our relations with business partners into account.

The division responsible for executing and managing derivative transactions engages in derivative transactions with the approval of the person with decision-making authority, in accordance with management regulations which specify trading authority, trading limit and other trading procedure. The division reports monthly trading figures to the director with jurisdiction.

(c) Managing liquidity risk arising from fund procurement

The division in charge prepares and updates a fund procurement plan in a timely manner based on reports from each division and manages liquidity risk by means such as ensuring on-hand liquidity.

No liquidity risk management is carried out in relation to domestic consolidated subsidiaries as they are linked into a cash management system (CMS) and obtain loans via the parent company.

(4) Supplementary explanation about fair value of financial instruments

The fair value of financial instruments may be their value based on market price or a rationally estimated value in cases where no market price exists. Since variables are taken into consideration when estimating fair value, fair value may fluctuate due to the adoption of different assumptions, etc.

2. Fair value of financial instruments

Carrying amounts in the consolidated balance sheets, fair values and differences between carrying amounts and fair values are as follows.

Previous consolidated fiscal year (March 31, 2012)

	Carrying amount in the consolidated balance sheets (¥ millions)	Fair value (¥ millions)	Difference (¥ millions)
(1) Cash and time deposits	7,358	7,358	–
(2) Trade notes and accounts receivable	24,541	24,541	–
(3) Investments in securities	4,989	4,989	–
Total assets	36,890	36,890	–
(1) Trade notes and accounts payable	18,653	18,653	–
(2) Short-term loans	4,541	4,541	–
(3) Long-term loans	28,807	29,026	219
Total liabilities	52,001	52,220	219
Derivative transactions	–	–	–

Current consolidated fiscal year (March 31, 2013)

	Carrying amount in the consolidated balance sheets	Fair value	Difference
	(¥ millions)	(¥ millions)	(¥ millions)
(1) Cash and time deposits	6,087	6,087	–
(2) Trade notes and accounts receivable	18,620	18,620	–
(3) Investments in securities	5,790	5,790	–
Total assets	30,499	30,499	–
(1) Trade notes and accounts payable	12,418	12,418	–
(2) Short-term loans	6,315	6,315	–
(3) Long-term loans	32,348	32,371	23
Total liabilities	51,082	51,105	23
Derivative transactions	–	–	–

Notes : 1. Methods for estimating fair value of financial instruments and trading in securities and derivatives

Assets
(1) Cash and time deposits, (2) Trade notes and accounts receivable
Recognized at their carrying amounts, as carrying amounts approximate fair value because of the short-term maturity of these instruments.
(3) Investments in securities
The prices of shares on the stock exchange are considered the market values of the shares.
Liabilities
(1) Trade notes and accounts payable, (2) Short-term loans
Recognized at their carrying amounts, as carrying amounts approximate fair value because of the short-term maturity of these instruments.
(3) Long-term loans
For the fair values of long-term loans payable at fixed interest rates, the total amount of the principal and interest is discounted using a rate that is assumed to be applied when a similar loan is newly borrowed. For the fair values of long-term loans payable at variable interest rates that are subject to the special treatment of interest rate swaps, the total amount of the principal and interest that were accounted for as a single item with the relevant interest rate swap is discounted with a rate that is assumed to be applied when a new, similar loan is taken out.

Derivative transactions
See “Notes on Derivative Transactions”.

2. Financial instruments whose market values are considered very difficult to determine

	As of March 31, 2012	As of March 31, 2013
	(¥ millions)	(¥ millions)
Unlisted shares	123	128
Shares in non-consolidated subsidiaries	36	36

These securities do not have any market prices, and it is very difficult to determine their market values. They are not therefore included in (3) Investments in securities.

3. The amount of monetary claims and securities with maturity to be redeemed after the consolidated closing date

Previous consolidated fiscal year (March 31, 2012)

	Within one year	More than one year, within five years	More than five years, within ten years	More than 10 years
	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
Cash and time deposits	7,358	–	–	–
Trade notes and accounts receivable	24,541	–	–	–
Total	31,900	–	–	–

Current consolidated fiscal year (March 31, 2013)

	Within one year	More than one year, within five years	More than five years, within ten years	More than 10 years
	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
Cash and time deposits	6,087	–	–	–
Trade notes and accounts receivable	18,620	–	–	–
Total	24,708	–	–	–

4. Schedule of repayment of short-term loans and long-term loans after the consolidated account closing date

Previous consolidated fiscal year (March 31, 2012)

	Within one year	More than one year, within two years	More than two years, within three years	More than three years, within four years	More than four years, within five years	More than five years
	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
Short-term loans	4,541	–	–	–	–	–
Long-term loans	9,133	7,960	5,161	4,567	1,985	–
Total	13,674	7,960	5,161	4,567	1,985	–

Current consolidated fiscal year (March 31, 2013)

	Within one year	More than one year, within two years	More than two years, within three years	More than three years, within four years	More than four years, within five years	More than five years
	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
Short-term loans	6,315	–	–	–	–	–
Long-term loans	9,406	7,564	7,678	4,644	1,841	1,212
Total	15,722	7,564	7,678	4,644	1,841	1,212

Notes on Marketable Securities

1. Marketable securities for trading

N/A

2. Securities held to maturity that have market value

N/A

3. Other securities that have market value

Previous consolidated fiscal year (March 31, 2012)

	Type	Acquisition Cost	Consolidated Balance Sheet Amount	Difference
		(¥ millions)	(¥ millions)	(¥ millions)
Consolidated balance sheet amount is above acquisition cost	1. Share	4,825	1,764	3,061
	2. Bonds	–	–	–
	3. Other	–	–	–
	Subtotal	4,825	1,764	3,061
	Type	Acquisition Cost	Consolidated Balance Sheet Amount	Difference
		(¥ millions)	(¥ millions)	(¥ millions)
Consolidated balance sheet amount is below acquisition cost	1. Share	164	171	(7)
	2. Bonds	–	–	–
	3. Other	–	–	–
	Subtotal	164	171	(7)
	Total	4,989	1,936	3,053

Current consolidated fiscal year (March 31, 2013)

	Type	Acquisition Cost	Consolidated Balance Sheet Amount	Difference
		(¥ millions)	(¥ millions)	(¥ millions)
Consolidated balance sheet amount is above acquisition cost	1. Share	5,684	1,818	3,866
	2. Bonds	–	–	–
	3. Other	–	–	–
	Subtotal	5,684	1,818	3,866

	Type	Acquisition Cost	Consolidated Balance Sheet Amount	Difference
		(¥ millions)	(¥ millions)	(¥ millions)
Consolidated balance sheet amount is below acquisition cost	1. Share	106	129	(22)
	2. Bonds	–	–	–
	3. Other	–	–	–
	Subtotal	106	129	(22)
	Total	5,790	1,947	3,843

Notes on Derivative Transactions

1. Derivative transactions to which hedge accounting is not applied

Interest rate

Current consolidated fiscal year (March 31, 2013)

	Type of transaction	Value of contracts	Value of contracts for longer than a year	Market value	Appraisal profit or loss
		(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
Transactions other than market transactions	Interest rate swap, receipt of floating rates, payment of fixed rates	819	819	(15)	(15)
Total		819	819	(15)	(15)

Note: Method of calculating market value
The market value is calculated based on prices offered by correspondent financial institutions.

2. Derivative transactions to which hedge accounting is applied

Interest rate

Previous consolidated fiscal year (March 31, 2012)

Hedge accounting method	Type of transaction	Main hedge target	Value of contracts	Value of contracts for longer than a year	Market value
			(¥ millions)	(¥ millions)	(¥ millions)
Special accounting methods for interest rate swaps	Interest rate swap, receipt of floating rates, payment of fixed rates	Long-term loans payable	9,240	9,165	(Note)

Note: Interest rate swaps accounted for by special accounting methods are accounted for with the hedge target, long-term loans payable. The market value of the interest rate swaps is therefore included in the market value of the long-term loans payable.

Current consolidated fiscal year (March 31, 2013)

Hedge accounting method	Type of transaction	Main hedge target	Value of contracts	Value of contracts for longer than a year	Market value
			(¥ millions)	(¥ millions)	(¥ millions)
Special accounting methods for interest rate swaps	Interest rate swap, receipt of floating rates, payment of fixed rates	Long-term loans payable	7,635	7,095	(Note)

Note: Interest rate swaps accounted for by special accounting methods are accounted for with the hedge target, long-term loans payable. The market value of interest rate swaps is therefore included in the market value of long-term loans payable.

Notes on Employees' Retirement Benefits

1. Overview of retirement benefit scheme

The company and its consolidated subsidiaries in Japan have established an approved retirement annuity system and a termination allowance plan as our defined benefit systems. The company and some of its subsidiaries in Japan also have employees' pension funds. Some of its subsidiaries in Japan and overseas subsidiaries have defined contribution retirement benefit schemes. Upon the retirement of employees, there are instances where premium severance payments not covered in the retirement benefit liabilities are made.

2. Retirement benefit liabilities and breakdown

(¥ millions)	Previous consolidated fiscal year (March 31, 2012)	Current consolidated fiscal year (March 31, 2013)
(1) Retirement benefit liabilities	(5,770)	(6,144)
(2) Pension assets	1,225	1,328
(3) Non-reserved retirement benefit liabilities (1)+(2)	(4,545)	(4,816)
(4) Unrecognized mathematical difference	433	678
(5) Unrecognized past service liabilities (reduction in liabilities)	322	217
(6) Net consolidated balance sheet amount (3)+(4)+(5)	(3,790)	(3,919)
(7) Prepaid pension cost	–	–
(8) Allowances for employees' retirement benefits (6)–(7)	(3,790)	(3,919)

Note: The domestic consolidated subsidiaries except Ahresty Tochigi applies a simple method for calculating retirement benefit liabilities.

3. Retirement and severance expenses

(¥ millions)	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
(1) Business expenses	795	789
(2) Interest expenses	101	105
(3) Expected interest income	(21)	(23)
(4) Provisional premium severance pay	0	62
(5) Treatment of mathematical difference	72	72
(6) Treatment of past service liabilities	104	104
Total	1,052	1,110

Notes: 1. The retirement and severance expenses of consolidated subsidiaries that employ the compendium method are included in "(1) Business expenses."
2. The amount of contributions (¥55 million for the previous consolidated fiscal year, ¥68 million for the current consolidated fiscal year) recognized as expenses in the defined contribution retirement benefit schemes of overseas consolidated subsidiaries are included in "(1) Business expenses."
3. As the employees' pension funds joined by the company and some of its consolidated subsidiaries in Japan are an integrated pension system, the amount of pension funds for contribution cannot be calculated rationally. Therefore the amount to be contributed to this pension fund (¥332 million for the previous consolidated fiscal year, ¥331 million for the current consolidated fiscal year) is treated as retirement and severance expenses. The balance of the pension fund calculated according to the premium contribution rate was ¥4,877 million for the previous consolidated fiscal year, and ¥5,577 million for the current consolidated fiscal year.

4. Calculation basis for retirement and severance liabilities

(1) Allocation method for expected amounts of retirement benefits
Flat-rate standard for the period

(2) Discount rate

Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
2.1%	1.3% for the most part

Note: For the calculation of retirement benefit obligations at the beginning of the term, a discount rate of 2.1% was used. However, as a result of our reconsideration of the discount rate at the end of the term, we have determined that a change in the discount rate will affect the amount of retirement benefit obligations and have changed the discount rate to 1.3% for the most part.

(3) Expected rate of interest income

Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
2.5%	2.5%

(4) Period for the amount of past service liabilities
10 years
(Recorded as an expense appropriated by means of the fixed-amount method for certain years within the employees' average remaining period at the time of the occurrence)

(5) Period for mathematical difference
15 years
(Recorded as an expense appropriated by means of the fixed-amount method for certain years within the employees' average remaining period at the time of the occurrence in each consolidated fiscal year from the fiscal year following the occurrence)

Notes on Stock Option

1. The amount and account of expenses related to stock options

	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
Charges for stock compensation in general and administrative expenses	9	5

2. Description and scale of stock options and changes

(1) Description of stock options

	2006 stock options
Position and number of persons granted stock options	Directors of the Company: Five persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 4,800 shares
Grant date	November 30, 2006
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From December 1, 2006 To November 30, 2036

	2007 stock options
Position and number of persons granted stock options	Directors of the Company: Four persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 7,000 shares
Grant date	August 10, 2007
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From August 11, 2007 To August 10, 2037

	2008 stock options
Position and number of persons granted stock options	Directors of the Company: Four persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 17,200 shares
Grant date	August 18, 2008
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From August 19, 2008 To August 18, 2038

	2009 stock options
Position and number of persons granted stock options	Directors of the Company: Four persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 16,900 shares
Grant date	August 17, 2009
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From August 18, 2009 To August 17, 2039

	2010 stock options
Position and number of persons granted stock options	Directors of the Company: Five persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 17,600 shares
Grant date	July 28, 2010
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From July 29, 2010 To July 28, 2040

	2011 stock options
Position and number of persons granted stock options	Directors of the Company: Four persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 24,000 shares
Grant date	August 8, 2011
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From August 9, 2011 To August 8, 2041

	2012 stock options
Position and number of persons granted stock options	Directors of the Company: Four persons Corporate auditors of the Company: Two persons
Number of stock options by share type (Note)	Common shares: 24,000 shares
Grant date	August 8, 2012
Vesting conditions	Losing the positions of director and corporate auditor of the Company
Target length of service	No condition has been set with respect to length service.
Period for exercising rights	From August 9, 2012 To August 8, 2042

Note: Converted to the number of shares

(2) Scale of stock options and changes

Stock options existed in the fiscal year under review (ended March 31, 2013). The number of stock options is converted to the number of shares.

a. Number of stock options

	2006 stock options	2007 stock options	2008 stock options	2009 stock options	2010 stock options	2011 stock options	2012 stock options
Before vesting date (number of share)							
At end of previous fiscal year	4,800	7,000	17,200	16,900	17,600	24,000	–
Granted	–	–	–	–	–	–	24,000
Expired	–	–	–	–	–	–	–
Vested	–	–	–	–	–	–	–
Not yet vested	4,800	7,000	17,200	16,900	17,600	24,000	24,000
After vesting date (number of share)							
At end of previous fiscal year	–	–	–	–	–	–	–
Vested	–	–	–	–	–	–	–
Exercise of rights	–	–	–	–	–	–	–
Expired	–	–	–	–	–	–	–
Unexercised	–	–	–	–	–	–	–

b. Unit price information

	2006 stock options	2007 stock options	2008 stock options	2009 stock options	2010 stock options	2011 stock options	2012 stock options
Exercise price (yen)	1	1	1	1	1	1	1
Average stock price at time of exercise (yen)	–	–	–	–	–	–	–
Fair unit value on grant date (yen)	3,418	2,219	572	369	568	409	234

3. Method for estimating the fair unit value of stock options

The method for estimating the fair unit value of 2012 stock options granted in the fiscal year under review is as follows:

(1) Valuation techniques used: Black-Scholes Model

(2) Main basic figures and estimation methods

	2012 stock options
Stock price volatility (Note 1)	57.8%
Estimated remaining period (Note 2)	15 years

	2012 stock options
Projected dividend (Note 3)	12 yen/share
Risk-free interest rate (Note 4)	1.29%

Notes: 1. The weekly historical volatility calculated based on weekly stock prices for the period corresponding to the estimated remaining period on the calculation date is used.
2. Since it is difficult to make a reasonable estimate, the remaining period is estimated based on the assumption that stock options are exercised between the point of calculation and the midpoint of the exercise period.
3. The dividend is projected based on the past results of dividends.
4. The Company used the average of compound interest yields of bonds with redemption dates falling within three months before or within three months after the estimated remaining period based on the reference statistics of interest-bearing, long-term government bonds announced by the Japan Securities Dealers Association.

4. Method for estimating the number of vested stock options

Since it is inherently difficult to estimate the number of stock options expected to expire, only the actual number of stock options that have expired is reflected.

Notes on Tax Accounting

1. Breakdown of major causes for deferred tax assets and liabilities

	Previous consolidated fiscal year (March 31, 2012) (¥ millions)	Current consolidated fiscal year (March 31, 2013) (¥ millions)
Deferred tax assets		
Accrued expenses	110	113
Excess deductible amount in allowances for employees’ retirement benefits	1,358	1,406
Excess deductible amount in bonus allowances	423	361
Unrealized profits for inventories	139	179
Unrealized profits for fixed assets	489	540
Loss carried forward	2,024	2,301
Provision for business structure improvement	402	294
Over-depreciation	394	725
Provision for product warranties	343	53
Other	184	14
Deferred tax assets subtotal	5,870	5,990
Allowance account	(3,137)	(3,211)
Deferred tax assets total	2,733	2,779
Deferred tax liabilities		
Property replacement reserve	(1,121)	(940)
Special depreciation reserve	(26)	(15)
Fixed assets reserve	(38)	(167)
Net unrealized gains on securities	(1,088)	(1,365)
Allowance for depreciation of overseas consolidated subsidiaries	(549)	(575)
Other	(553)	(629)
Deferred tax liabilities total	(3,378)	(3,693)
Net deferred tax assets (liabilities)	(645)	(914)

2. Breakdown by item of major causes for important differences between the burden rates of corporate tax at the statutory effective tax rate and after the application of deferred tax accounting

	Previous consolidated fiscal year (March 31, 2012) (%)	Current consolidated fiscal year (March 31, 2013) (%)
Statutory effective tax rate	40.7	38.0
(adjustments)		
Items that will never be included as losses, such as entertainment expenses	69.4	4.2
Items that will never be included as profits, such as dividend revenue	(37.7)	(2.6)
Per capita residential tax	55.7	3.6
Amortization of goodwill and negative goodwill	(46.1)	–
Increase (decrease) in valuation allowance	(2,715.6)	59.4
Difference in statutory tax rates of consolidated subsidiaries	(57.9)	5.1
Exemptions of overseas consolidated subsidiaries	79.5	(0.1)
Retained earnings of overseas consolidated subsidiaries	103.0	9.7
Foreign tax credit	(20.3)	4.2
Downward revision of deferred tax liabilities at the end of the term following changes to the tax rate	(217.0)	–
Other	(79.6)	1.5
Burden ratio of corporate tax after application of deferred tax accounting	(2,825.9)	123.0

(Notes on Business Combination)
Not applicable

(Notes on Asset Retirement Obligations)
The Company has omitted notes for asset retirement obligations because the Company believes there is no significant need in this report for such disclosure.

(Notes on Rental Properties)
The Company has omitted notes for rental properties because the Company believes there is no significant need in this report for such disclosure.

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, 2011 through March 31, 2012)

(Millions of yen)

	Reported segments					
	Die Casting Business			Aluminum Business	Proprietary Products Business	Total
	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	1	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

Current consolidated fiscal year (April 1, 2012 through March 31, 2013)

(Millions of yen)

	Reported segments					
	Die Casting Business			Aluminum Business	Proprietary Products Business	Total
	Japan	North America	Asia			
Sales						
(1) Customers	60,630	22,886	16,736	3,840	1,793	105,887
(2) Intersegment	3,701	3	867	2,198	1	6,772
Total	64,331	22,890	17,604	6,038	1,794	112,659
Segment profits/loss	601	744	(521)	50	78	953
Segment assets	44,284	32,707	32,293	2,278	1,325	112,889
Other items						
Depreciation and amortization	5,889	2,767	2,859	37	2	11,557
Increase in tangible fixed assets and intangible fixed assets	5,029	7,647	5,725	13	17	18,432

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

(Millions of yen)

Net sales	Previous consolidated fiscal year	Current consolidated fiscal year
Total sales in reported segments	109,658	112,659
Elimination of intersegment transactions	(5,858)	(6,772)
Net sales in the consolidated financial statement	103,800	105,887

(Millions of yen)

Profit	Previous consolidated fiscal year	Current consolidated fiscal year
Total profit in reported segments	1,304	953
Elimination of intersegment transactions	62	43
Operating income in the consolidated financial statement	1,366	997

(Millions of yen)

Assets	Previous consolidated fiscal year	Current consolidated fiscal year
Total assets in reported segments	103,273	112,889
Elimination of intersegment transactions	(3,919)	(5,102)
Company-wide assets	5,854	2,966
Assets in the consolidated financial statement	105,208	110,752

(Millions of 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	9,644	11,557	(48)	(63)	9,596	11,493
Increase in tangible fixed assets and intangible fixed assets	19,598	18,432	(102)	(196)	19,495	18,236

Related Information

Consolidated fiscal year under review (from April 1, 2012 to March 31, 2013)

1. Information by products and services

The statement is omitted because the same information is presented in segment information.

2. Information by regions

(1) Sales

(Millions of yen)

Japan	North America	Asia	Other regions	Total
66,785	19,938	16,088	3,075	105,887

Note: Sales are presented in categories by countries or regions based on the addresses of customers

(2) Tangible fixed assets

(Millions of yen)

Japan	North America	Asia	Total
18,931	23,787	22,430	65,150

3. Information by major customers

(Millions of yen)

Name of customer	Sales	Titles of the related segments
Fuji Heavy Industries Ltd.	13,333	Die casting business: Japan

Per Share Information

	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
Net assets per share	1,639.10 yen	1,820.70 yen
Net income (loss) per share	65.87 yen	(7.76 yen)
Diluted net income per share	65.63 yen	–

Notes: 1.Although there are latent shares, diluted net income per share in the fiscal year ended March 31, 2013 is not stated, as a net loss per share is recorded.

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

	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)
Net income (loss) per share		
Net income (loss) (¥ millions)	1,420	(167)
Amount that does not belong to ordinary shareholders (¥ millions)	–	–
Net income (loss) related to common shares (¥ millions)	1,420	(167)
Average number of shares during the period	21,558,264	21,564,406
Diluted net income per share		
Net income adjustment (¥ millions)	–	–
Increase in number of common shares	78,894	–
Outline of latent shares without dilution effect not taken into account for calculation of diluted net income per share	–	–

Important Subsequent Events

At a meeting of the Board of Directors held on May 13, 2013, the Company resolved to sell certain of the investment securities it owned.

We expect that the gain on sales of the investment securities will be approximately ¥800 million.

Current status of production, orders received, and sales

(1) Production results

Production results by segment for the past two consolidated fiscal years are shown below.

Segment	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012) Amount (¥ millions)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013) Amount (¥ millions)	Increase/(decrease) %
Die Casting Business: Japan	58,831	56,556	(3.9)
Die Casting Business: North America	17,332	22,112	27.6
Die Casting Business: Asia	14,171	16,721	18.0
Aluminum Business	5,338	5,374	0.7
Proprietary Products Business	752	691	(8.1)
Total	96,425	101,457	5.2

Notes: 1. Monetary amounts are based on manufacturing costs, as available prior to inter-segment eliminations.
2. Consumption tax is not included in these amounts.

(2) Results of orders received

A significant part or our businesses depends on make-to-stock production based on informal orders received from customers, which are delivered (and sales recorded) for formal orders received several days prior to the date of delivery. Therefore the listing of results on orders received has been omitted.

(3) Sales results

Sales results by business segment for the past two consolidated fiscal years are shown below.

Segment	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012) Amount (¥ millions)	Current consolidated fiscal year (From April 1, 2012 to March 31, 2013) Amount (¥ millions)	Increase/(decrease) %
Die Casting Business: Japan	65,114	60,630	(6.9)
Die Casting Business: North America	18,761	22,886	22.0
Die Casting Business: Asia	13,723	16,736	22.0
Aluminum Business	3,744	3,840	2.6
Proprietary Products Business	2,455	1,793	(27.0)
Total	103,800	105,887	2.0

Notes: 1. Transactions among segments have been balanced out.
2. Sales results by major customers for the past two consolidated fiscal years and the ratio of their sales to overall sales are as follows.

Customer	Previous consolidated fiscal year (From April 1, 2011 to March 31, 2012)		Current consolidated fiscal year (From April 1, 2012 to March 31, 2013)	
	Amount (¥ millions)	%	Amount (¥ millions)	%
Fuji Heavy Industries Ltd.	13,762	13.3	13,333	12.6

3. Consumption tax is not included in the above amounts.

Corporate Data

Corporate Profile (As of March 31, 2013)

Company name	:	Ahresty Corporation
Date of establishment	:	November 2, 1943
Paid-in capital	:	¥5,117.59 million
Number of employees	:	(Consolidated) 6,406 (Non-Consolidated) 901

Management

■Board Directors and Auditors (As of June 20, 2013)

President, CEO	Arata Takahashi
Director, Senior Managing Executive Officer	Hiroshi Ishimaru
Director, Senior Managing Executive Officer	Kenichi Nonaka
Director, Managing Executive Officer	Shinichi Gamou
Independent Director	Takashi Hara
Statutory Auditor	Yasuo Kenmoku
Statutory Auditor	Shigeru Furuya
Outside Statutory Auditor	Tadao Saotome
Outside Statutory Auditor	Akihiko Shido

Stock Information (As of March 31, 2013)

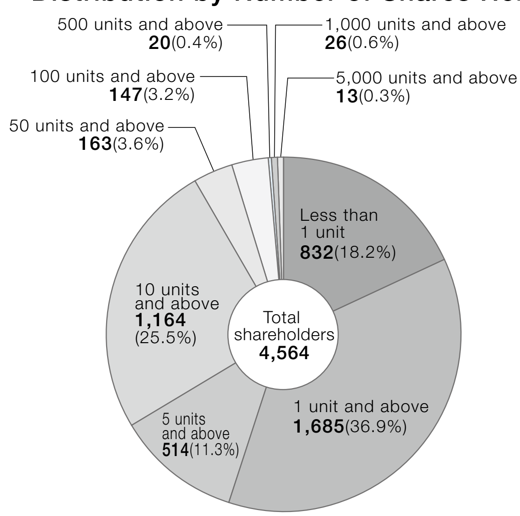
Number of Shares and Shareholders

Authorized shares	:	60,000,000 shares
Issued shares	:	21,778,220 shares
Shareholders	:	4,564

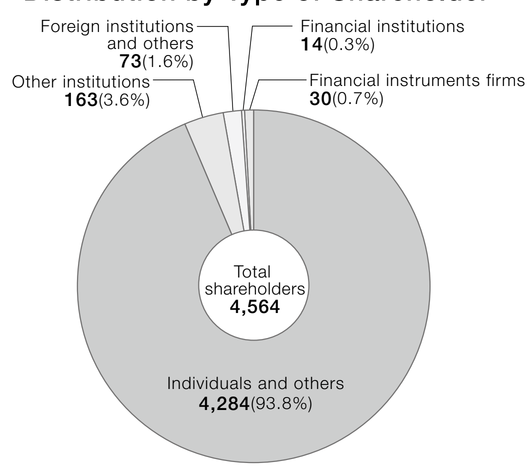
Major Shareholders (Top 10)

Name	Number of shares (Unit: 1,000 shares)
Arata Takahashi	915
Bank of Tokyo-Mitsubishi UFJ, Ltd.	765
Honda Motor Co., Ltd.	672
Japan Trustee Services Bank. Ltd. Trust Account	664
Nippon Light Metal Co., Ltd.	657
HSBC Private Bank (Suisse) SA Hong Kong Branch – Client Account	647
Ahresty Business Partners Shareholding Association	644
MSCO CUSTOMER SECURITIES	618
The Bank of New York, Jasdec Non-Treaty Account	592
SUZUKI MOTOR CORPORATION	565

Distribution by Number of Shares Held



Distribution by Type of Shareholder



Ahresty

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