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For Immediate Release

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Notice Concerning Revision of Results Forecasts and Revision of Dividend Forecast

Ahresty Corporation (the “Company”) announces that based on recent trends in its operating results, the Company has revised its consolidated results forecasts (for the first two quarters/the full-year) and dividend forecasts for the fiscal year ending March 2019 (from April 1, 2018 – March 31, 2019) announced on May 11, 2018. Details are as follows.

1. Revision of results forecasts

(1) Revision of the forecast of consolidated financial result for the first two quarters for the fiscal year ending March 2019 (April 1, 2018 – September 30, 2018)

	Net sales	Operating income	Recurring income	Net income attributable to owners of parent	Net income per share
	million yen	million yen	million yen	million yen	yen
Previous forecasts (A)	74,100	2,300	2,000	1,400	54.12
Revised forecasts (B)	72,250	440	350	360	13.91
Change (B-A)	(1,850)	(1,860)	(1,650)	(1,040)	
Ratio of change (%)	(2.5)	(80.9)	(82.5)	(74.3)	
(Reference) Operating results of the first two quarters of the previous fiscal year (the first two quarters of the fiscal year ended March 2018)	70,631	1,732	1,578	1,255	48.56

(2) Revision of consolidated forecasts for the fiscal year ending March 2019 (April 1, 2018 – March 31, 2019)

	Net sales	Operating income	Recurring income	Net income attributable to owners of parent	Net income per share
	million yen	million yen	million yen	million yen	yen
Previous forecasts (A)	152,000	5,800	5,300	3,600	139.17
Revised forecasts (B)	149,300	3,100	3,150	2,300	88.80
Change (B-A)	(2,700)	(2,700)	(2,150)	(1,300)	
Ratio of change (%)	(1.8)	(46.6)	(40.6)	(36.1)	

(Reference) Operating results for the previous fiscal year (fiscal year ended March 2018)	145,167	4,718	4,436	3,450	133.40
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(3) Reason for revision

Consolidated net sales are assumed to be lower than our initial forecast because sales of the Die Casting Business are weak due to the impact of the slowdown of automobile sales/production, mainly in North America and China.

Net income is expected to exceed the previous forecast given stronger productivity in Asia. On the other hand, in Japan and Mexico, net income is expected to be lower than the initial forecast owing to a decrease in sales volumes and increased costs associated with rising fuel prices. Moreover, even though there are signs of productivity gains at the plant in the U.S., where an improvement project has been ongoing since the beginning of the year, improvements in the profit margin still lag. Consequently, net income is assumed to be lower than our initial forecast on the consolidated basis.

We base our consolidated forecasts on exchange rates of 107 yen to the US dollar, 16.0 yen to the Chinese Renminbi, and 1.6 yen to the Indian rupee.

2. Revision of dividend forecast

(1) Revision of dividend forecast

Record date	Dividend per share (yen)		
	End of second quarter	End of fiscal year	Total
Previous forecast	12.00	14.00	26.00
Revised forecast	10.00	12.00	22.00
Actual dividend paid in the current fiscal year			
Actual dividends paid in the previous fiscal year (fiscal year ended March 2018)	12.00	14.00	26.00

(2) Reason for revision

Given its aim to improve the financial strength and business foundation with an eye to business development over the medium to long terms and the basic policy of conducting appropriate profit distribution to stakeholders, the Company intends to pay dividends in light of the amounts of investment required for corporate growth over the medium to long terms and dividend payout ratios, and by fully taking into account consolidated performance trends.

Given that the financial results are assumed to be substantially lower than the previous forecast and comprehensively taking into consideration the Company's policy, we sincerely regret to report that we will revise the dividend forecast for the end of second quarter (interim dividend) and for the year-end.

(Note) The operating results forecasts, etc. shown in these materials are based on information currently available and certain assumptions that the Company regards as reasonable, and there is a possibility that actual operating results, etc., will be materially different depending on various factors.

Supplementary information for results forecast

Consolidated full-year forecasts by segment

Segment	Net sales (million yen)			Segment profits (million yen)		
	Previous forecasts	Revised forecasts	Change	Previous forecasts	Revised forecasts	Change
Die Casting Business: Japan	69,800	70,400	600	2,150	480	(1,670)
Die Casting Business: North America	41,000	40,000	(1,000)	1,470	310	(1,160)
Die Casting Business: Asia	33,000	31,600	(1,400)	1,900	2,050	150
Aluminum Business	5,000	4,600	(400)	110	140	30
Proprietary Products Business	3,200	2,700	(500)	170	120	(50)

Foreign exchange rate assumptions (in the second quarter and beyond: 107 yen to 1 USD, 16.0 yen to 1 RMB and 1.6 yen to 1 INR)

(Previous forecasts: 110 yen to 1 USD, 16.0 yen to 1 RMB and 1.75 yen to 1 INR)

End.