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For immediate release

Company Name: Ahresty Corporation
 President & CEO: Arata Takahashi
 (Security code: 5852, First Section of the Tokyo Stock Exchange)
 Contact for inquiries: Hideki Nariya, Executive Officer, General Manager, Management Planning Department
 (TEL: 03-6369-8664)

Notice on Revisions to Business Forecasts and Dividend Forecasts

In view of recent trends in business performance, Ahresty Corporation (the “Company”) hereby announces that it has revised its consolidated business forecasts and dividend forecasts (interim and full year) for fiscal year ending March, 2020 (from April 1, 2019 to March 31, 2020) which were announced on May 15, 2019. Details are as follows.

1. Revisions to business forecasts

(1) Revisions to consolidated results forecasts for the second quarter (cumulative) of year ending March 2020 (April 1, 2019 to September 30, 2019)

	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)	65,800	700	600	400	15.44
Revised forecasts (B)	62,500	300	100	(20)	(0.78)
Difference (B-A)	(3,300)	(400)	(500)	(420)	
Percentage change (%)	(5.0)	(57.1)	(83.3)	-	
(Ref.) Previous 2Q results (from April 1, 2018 to September 30, 2018)	72,250	438	343	363	14.02

(2) Revisions to consolidated results forecasts for the full year ending March 2020 (April 1, 2019 to March 31, 2020)

	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)	134,000	2,700	2,500	1,700	65.60
Revised forecasts (B)	123,400	900	700	200	7.81
Difference (B-A)	(10,600)	(1,800)	(1,800)	(1,500)	
Percentage change (%)	(7.9)	(66.7)	(72.0)	(88.2)	
(Ref.) Previous results (FY ended March 2019)	145,428	3,228	2,905	421	16.26

(3) Reasons for revisions

During the first two quarters of the year, car sales slowed down worldwide because of prolonged US-China trade war, the slower growth rate of China and India, and the changes of national automobile policies by many countries. As a result, the sales of Die Casting remained weak both in domestic and overseas market, falling below the initial plan. Necessary measures were taken to reduce cost and improve productivity, but could not offset the decline in sales and the initial target would be unattainable.

To tackle the situation, the Company would undertake further measures to reduce cost and enhance productivity, based on 1921 Medium-Term Management Plan, which was implemented this year. However, as the Company reviewed the full-year forecast, along with the prospects of the second quarter, car sales are expected to continue to slide, and therefore, decided to revise the previously announced business forecasts, to reflect such impact.

The forecasts assume foreign exchange rate of 107.0 yen to USD, 16.0 yen to RMB, and 1.5 yen to INR.

2. Revisions to dividend forecasts

(1) Revisions to dividend forecasts

Date of record	Dividend per share		
	End of 2Q	Year-end	Total
Previous forecasts	10.00 yen	12.00 yen	22.00 yen
Revised forecasts	8.00 yen	10.00 yen	18.00 yen
Current results			
Previous results (FY ended March 2019)	10.00 yen	12.00 yen	22.00 yen

(2) Reasons for revisions

While aiming to strengthen financial standing and solidify business fundamentals to ensure business development over the mid to long-term, the Company maintains a basic policy to appropriately distribute profit in the form of dividend. Considering necessary investment for the mid to long-term growth and dividend payout ratio, the Company continues to provide dividend, based on the careful assessment of business performance.

However, earnings are expected to be substantially lower than the initial plan. After comprehensive examination of the situation, we deeply regret that we have revised the second quarter-end (interim) and year-end dividend forecasts.

(Note) The forecasts presented in this report are based on the information currently available and certain assumptions deemed reasonable by company management, and actual results may differ significantly from these forecasts due to various factors.

Supplementary Materials of Business Forecasts

Segment information of consolidated results forecasts for full-year

Segment	Sales (million yen)			Segment profit (million yen)		
	Previous forecasts	Revised forecasts	Difference	Previous forecasts	Revised forecasts	Difference
Die Casting Business: Japan	64,600	61,000	(3,600)	200	(100)	(300)
Die Casting Business: North America	34,000	31,500	(2,500)	1,000	750	(250)
Die Casting Business: Asia	28,500	24,400	(4,100)	1,200	(50)	(1,250)
Aluminum Business	4,400	4,100	(300)	200	200	-

Segment	Sales (million yen)			Segment profit (million yen)		
	Previous forecasts	Revised forecasts	Difference	Previous forecasts	Revised forecasts	Difference
Proprietary Products Business	2,500	2,400	(100)	100	100	-

Foreign exchange rate assumption (after 2Q: 107.0 to USD, 16.0 yen to RMB, 1.5 yen to INR)

(Previous forecasts: 107.0 yen to USD, 16.0 yen to RMB, 1.5 yen to INR)