

# **Supplementary Materials for the First Three Quarters of the Year Ending March 31, 2020**

February 10, 2020



# Key Points of the Financial Results for the First Three Quarters of FY 2019

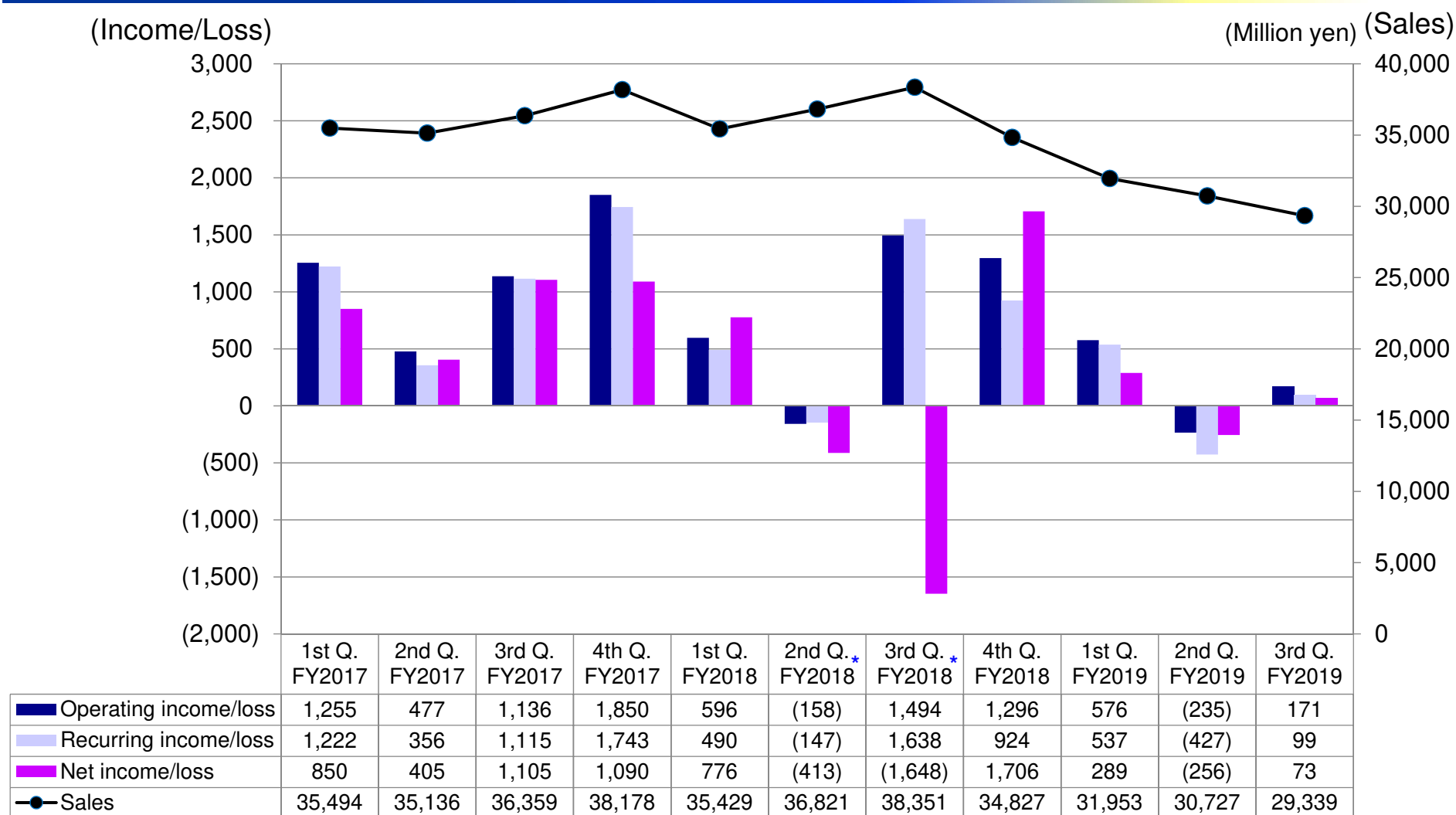
(Million yen)

	First 3 quarters of year ended March 2019 (Profitability)		First 3 quarters of year ending March 2020 (Profitability)		YoY changes	
Sales	110,601	–	92,019	–	(18,581)	(16.8%)
Operating income	1,932	1.7%	512	0.6%	(1,420)	(73.5%)
Recurring income	1,981	1.8%	209	0.2%	(1,771)	(89.4%)
Net income	(1,285)	–	106	0.1%	1,392	–
EPS (yen)	(49.63)		4.17			

## <Overview>

- Sales: Decreased due to a significant decline in car sales both in Japan and abroad, and a fall in the aluminum market.
- Operating income: Decreased reflecting the decrease in car sales volume.
- Recurring income: Decreased due to the decrease in operating income and the impact of foreign exchange, etc.
- Net income: In FY 2018, impairment loss of approx. 3 billion yen at a US plant was recorded.
- EPS: An increase in net income resulted in EPS of 4.17 yen per share.

# Overview of the (Quarterly) Consolidated Results



\* In Q2 of FY 2018, depreciation temporarily increased by ¥645 million, while in Q3, impairment losses of ¥3,015 million were incurred by a US plant.

# Die Casting Business

(Million yen)

		First 3 quarters of year ended March 2019 (Profitability)		First 3 quarters of year ending March 2020 (Profitability)		YoY changes	
Japan	Sales	51,689	–	44,921	–	(6,768)	(13.1%)
	Segment Income/Loss	574	1.1%	(342)	–	(916)	–
North America	Sales	30,170	–	23,998	–	(6,171)	(20.5%)
	Segment Income/Loss	(283)	–	536	2.2%	819	–
Asia	Sales	22,899	–	18,051	–	(4,847)	(21.2%)
	Segment Income/Loss	1,382	6.0%	(98)	–	(1,480)	–

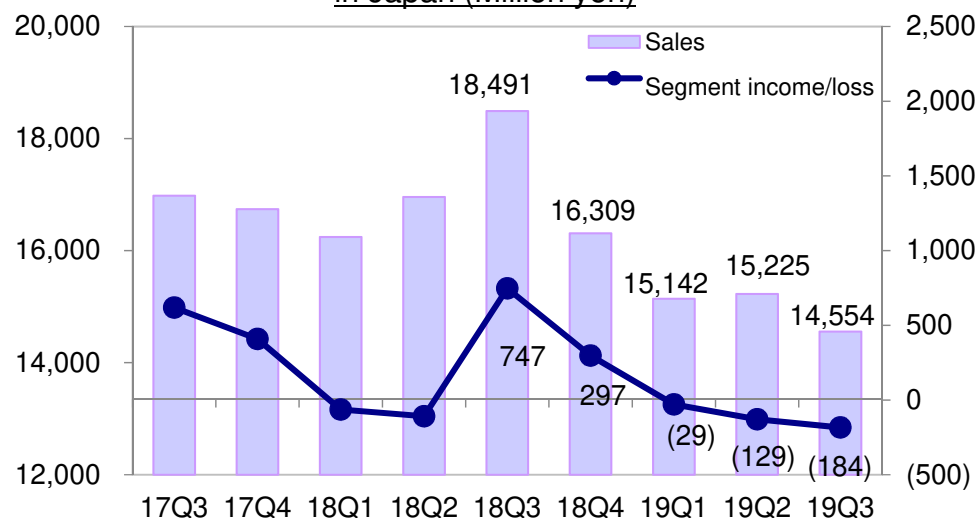
✓ Overseas sales ratio in the Die Casting Business:

Q3 of fiscal year ended March 2019: 50.6% ⇒ Q3 of fiscal year ending March 2020: 48.3%

\* An explanation of the factors behind changes in segment results begins on the next page.

# Die Casting in Japan

Changes in sales and segment income in Die Casting Business in Japan (Million yen)



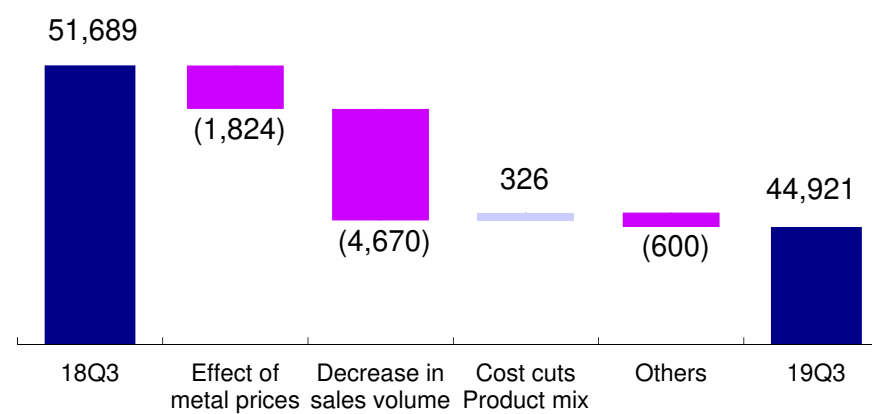
**Sales: Decreased ¥6,760 million (down 13.1% year on year)**

- Sales volume in Japan shrank due to the impact of sluggish car sales continuing in North America and Asia, the main customers.
- Decreased chiefly due to a decline in aluminum market conditions.

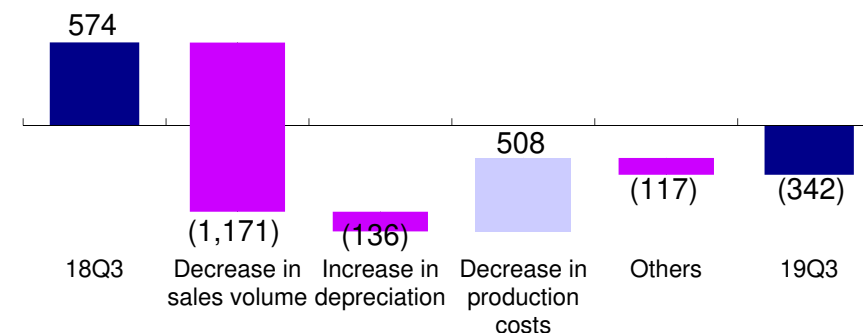
**Segment income: Decreased ¥910 million (down year on year)**

- Despite efforts to reduce production costs, which was not enough to compensate for losses due to a decrease in sales volume, resulting in a decline in income.

Factors of change in die casting sales (Million yen)

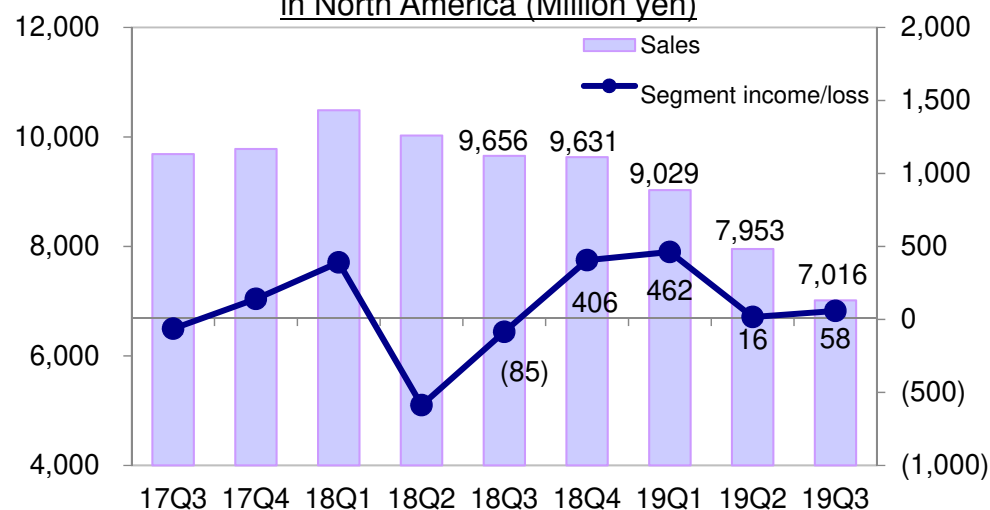


Factors of change in segment income (Million yen)



# Die Casting in North America

Changes in sales and segment income in Die Casting Business in North America (Million yen)



## Sales: Decreased ¥6,170 million (down 20.5% year on year)

- Decreased due to the impact of production adjustments at some customers while the production volume of car manufacturers, including main customers, fell short of that of the previous year.
- Decreased ¥1,600 million due to the effect of revisions to US accounting standards.

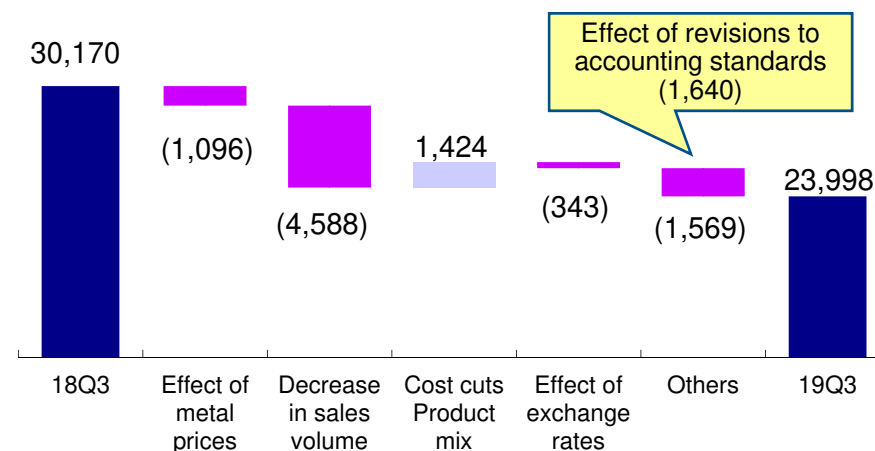
## Segment income: Increased ¥810 million (up year on year)

- Increased thanks to improved productivity and an easing of depreciation burden (affected by impairment loss and a temporary increase in depreciation in the previous fiscal year), despite continued decrease in sales.

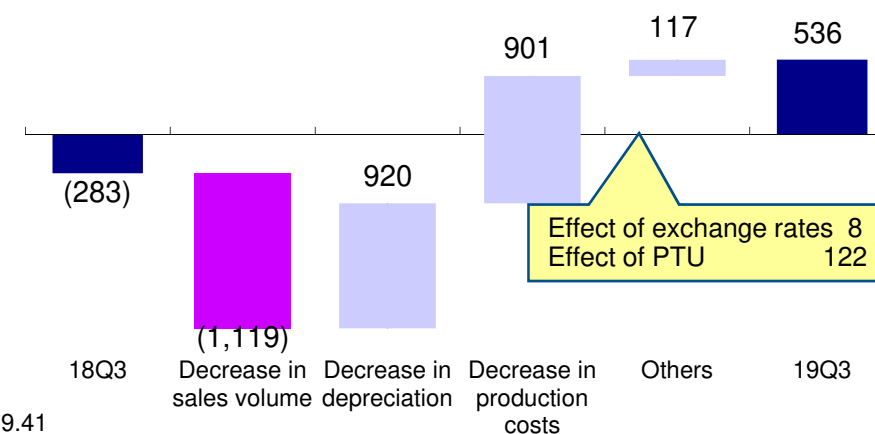
Fiscal year end: March in US; December in Mexico

Exchange rate (18Q3 ⇒ 19Q3): U.S. dollar: ¥110.82 ⇒ 108.43; Mexican peso: ¥109.98 ⇒ 109.41

Factors of change in die casting sales (Million yen)

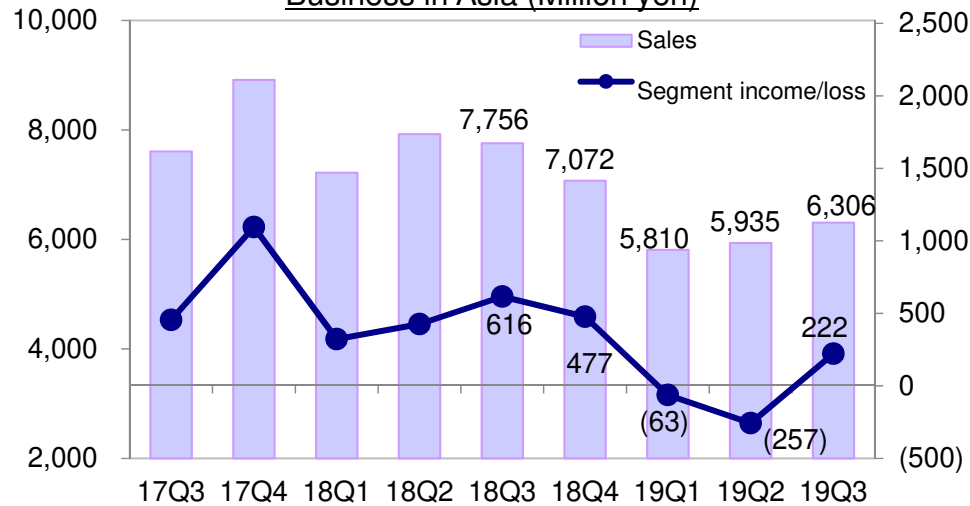


Factors of change in segment income (Million yen)



# Die Casting in Asia

Changes in sales and segment income in Die Casting Business in Asia (Million yen)



**Sales: Decreased ¥4,840 million (down 21.2% year on year)**

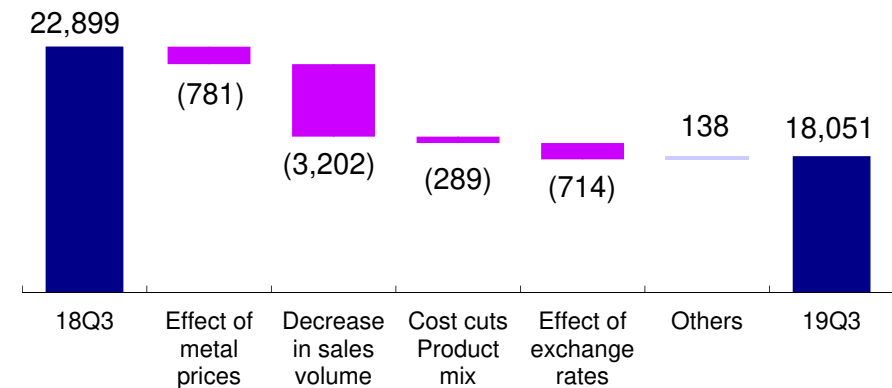
- In China, sales continued to decline reflecting the ongoing slowdown in business of local manufacturers and the effect of foreign exchange.
- In India, sales volume decreased due to the impact of changes in automobile-related systems.

**Segment income: Decreased ¥1,480 million (down year on year)**

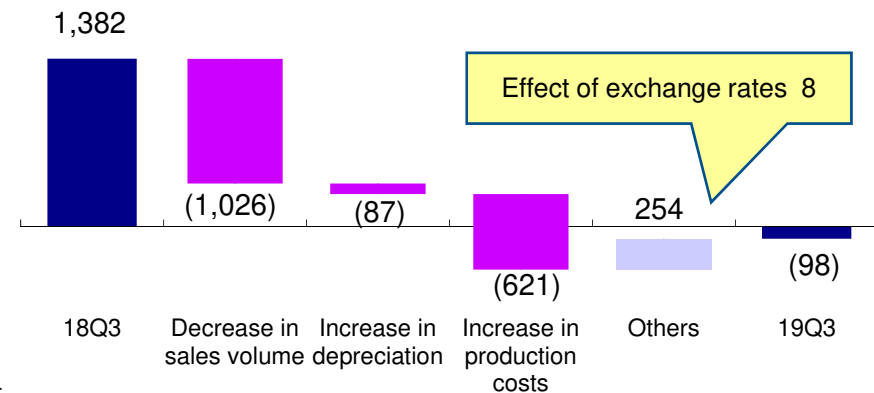
- Fell due to the significant impact of the decrease in net sales in China.

Fiscal year end: December in China; March in India  
Exchange rate (18Q3 ⇒ 19Q3): Chinese yuan: ¥16.83 ⇒ 15.94; Indian rupee: ¥1.60 ⇒ 1.54

Factors of change in die casting sales (Million yen)



Factors of change in segment income (Million yen)



# Aluminum Business and Proprietary Products Business

(Million yen)

		First 3 quarters of year ended March 2019 (Profitability)		First 3 quarters of year ending March 2020 (Profitability)		YoY changes	
Aluminum Business	Sales	3,458	–	3,081	–	(377)	(10.9%)
	Segment Income/Loss	72	2.1%	135	4.4%	63	87.2%
Proprietary Products Business	Sales	2,383	–	1,966	–	(416)	(17.5%)
	Segment Income/Loss	232	9.8%	172	8.7%	(59)	(25.8%)

## Aluminum Business

- Sales: Decreased due to a fall in sales unit prices attributable to fluctuations in the aluminum market.
- Segment income: Increased because of lower material prices attributable to a fall in the market price of aluminum.

## Proprietary Products Business

- Sales: Despite the increase in the first half, decreased because of a large order received in Q3 of the previous year.
- Segment income: Decreased due to the impact of a decrease in orders received.





# Casting Our Eyes on the Future

---

**Contact for inquiries about this document and the Company's IR:**  
**Management Planning Section, Management Planning Department, Ahresty Corporation**  
**Phone: +81-3-6369-8664**  
**E-mail: [ahresty\\_MP0\\_IR@ahresty.com](mailto:ahresty_MP0_IR@ahresty.com)**  
**URL: <https://www.ahresty.co.jp>**

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