

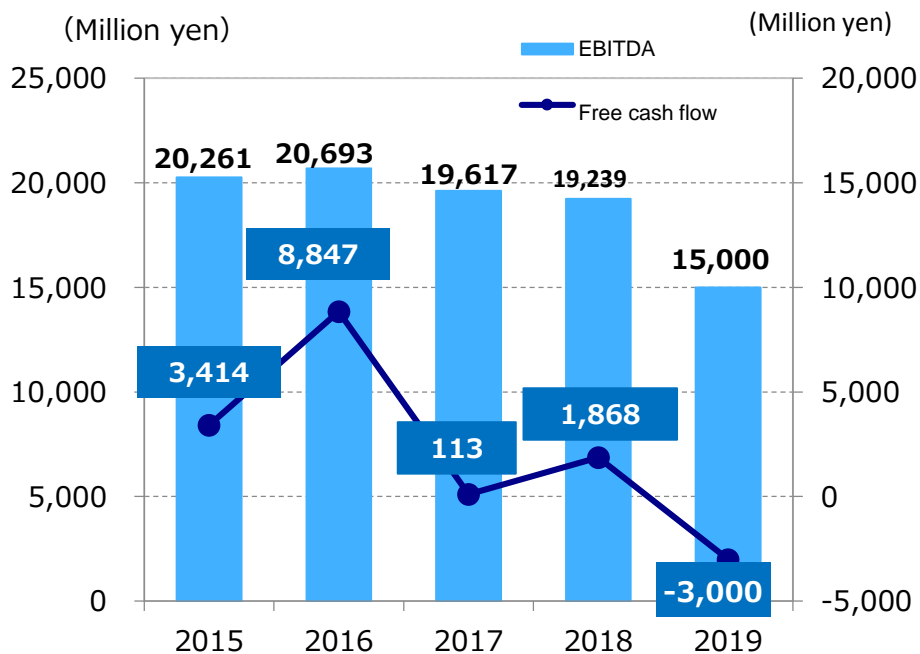
Supplementary Materials on Business Forecasts for the Year Ended March 31, 2020

June 1, 2020

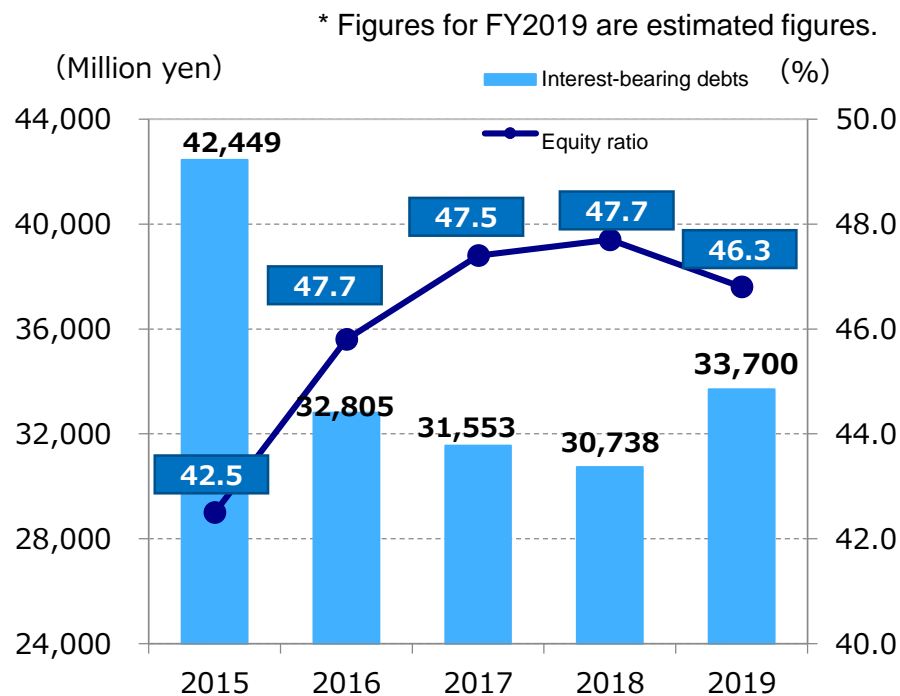


Financial Performance in the Year Ended March 2020 (estimated)

In FY2019, investments made in response to new orders were recorded as operating CF and financial CF. Consequently, interest-bearing debts increased but equity ratio, DE ratio and other indicators for financial performance remained at healthy levels.



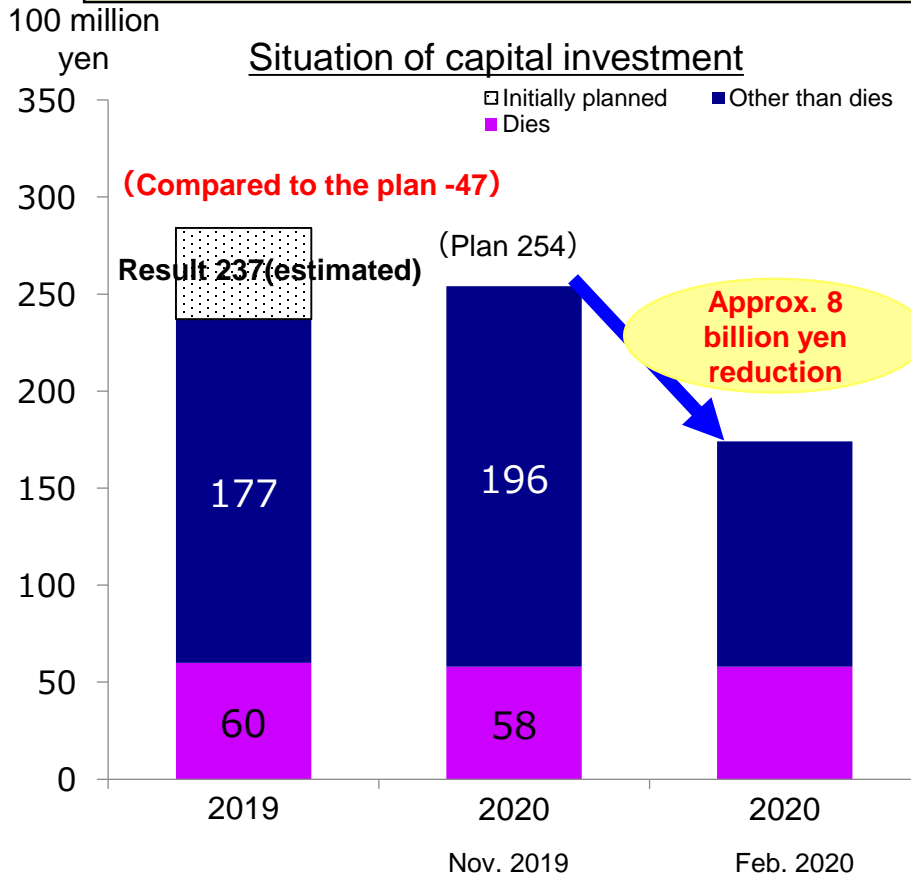
* EBITDA = operating income + depreciation and amortization
Free cash flow (FCF) = operating CF - investment CF



* Reference
DE ratio (interest-bearing debts / shareholders' equity)
FY2018 0.50 FY2019 (estimated) 0.60

FY2020 Capital Investment Forecasts

In response to the impact of the spread of COVID-19 on the market environment, the amount of capital investment planned for FY2020 was substantially reduced.



Liquidity in hand

With liquid capital available shown below, there are no concerns about funding for the time being.

We are working to secure funds available in hand through fundamental review of capital investment and other expenditures and in cooperation with financial institutions.

- As of March 31, 2020
Cash and deposits: 4.1 billion yen
(May 31 estimated: 8.4 billion yen)
Investments in securities: 2.5 billion yen

Operation Status at Each Site

At present, our production sites are operating according to production plans based on local customer orders.
Operation will continue to be adjusted at each site in coordination with local customers.

	Operation status
Japan	<ul style="list-style-type: none">• Since mid-April, operating according to the production conditions of customers• Each plant decides suspension of operation based on the production volume.
North America	<ul style="list-style-type: none">• In the US, orders began to recover in mid-May and operation is expected to increase gradually.• In Mexico, operation was resumed in late May after suspension ordered by the Government.
Asia	<ul style="list-style-type: none">• China has resumed operation in phases since mid-February.• In India, with operation permission obtained from the Government, operation will be resumed in June according to customer conditions.

Measures to Prevent the Spread of COVID-19

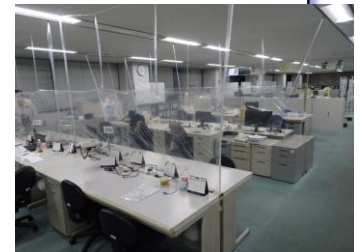
- The Ahresty Group places the highest priority on ensuring the safety of all of its stakeholders, including employees and their family members, customers, and business partners, by making utmost efforts to prevent infection from the disease. Thus, the Group has set up a task force and formulated guidelines for all its operation sites both inside and outside Japan to implement measures.

After the state of emergency was lifted by the Japanese government, we have continued our initiatives to prevent infection, such as introducing teleworking and encouraging staggered commuting, in accordance with the policy of the Group.

Major measures to prevent infection

- ✓ Requiring each employee to take his/her temperature and check the health condition of himself/herself and family members he/she lives with
- ✓ Requiring each employee to take his/her temperature and report the result upon arrival at work
- ✓ Encouraging employees to always wear masks, often wash their hands and sterilize their fingers, and avoid the 3Cs by ensuring ventilation of rooms and maintaining proper humidity
- ✓ Requesting employees to refrain from non-urgent business trips, face-to-face meetings with outsiders, holding large-group meetings, etc.
- ✓ Restricting use of public means of transportation on business
- ✓ Conducting periodic sanitization of workplaces
- ✓ Introducing staggered commuting hours
- ✓ Introducing teleworking, etc.

Setting up curtains to avoid the 3Cs in the workplace





Casting Our Eyes
on the Future

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