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For immediate release

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Notice on Business Forecasts and Dividend Projection for the Year Ending March 31, 2021

Ahresty Corporation (“the Company”) hereby announces its consolidated business forecasts and dividend projection for the fiscal year ending March 2021 (from April 1, 2020 to March 31, 2021), which we announced as undetermined in our Consolidated Financial Results (Japanese Accounting Standards) for the Fiscal Year Ended March 31, 2020 released on June 17, 2020, as follows.

1. Consolidated business forecasts

(1) Consolidated results forecasts for the first half of the year ending March 2021 (from April 1, 2020 to September 30, 2020)

	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)	—	—	—	—	—
Revised forecasts (B)	36,300	(4,000)	(3,300)	(4,200)	(164.87)
Difference (B-A)	—	—	—	—	
Percentage change (%)	—	—	—	—	
(Ref.) Results for first half of previous year (First half of year ended March 2020)	62,680	341	110	33	1.31

1. Consolidated results forecasts for the full year ending March 2021 (from April 1, 2020 to March 31, 2021)

	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)	—	—	—	—	—
Revised forecasts (B)	87,900	(4,000)	(3,450)	(4,400)	(172.72)
Difference (B-A)	—	—	—	—	
Percentage change (%)	—	—	—	—	
(Ref.) Results of previous year Year ended March 2020	120,577	764	406	(685)	(26.77)

1. Reasons for announcement of consolidated business forecasts

We announced the business forecasts for the year ending March 2021 as undetermined due to the ongoing global outbreak of the COVID-19 new coronavirus, which made it difficult to calculate reasonable figures at that time. However, as economic activities are gradually being resumed with the state of emergency lifted and government regulations eased in various overseas

countries where our Group operates, the Company has determined the forecasts for its business results based on the information and projections currently available, and has decided to release them.

The figures for our business forecasts were calculated based on the assumption that demand bottomed out in the first quarter and will gradually recover in the second half. Although the spread of the infectious disease has yet to see an end in many countries, including Japan, where the situation is still critical with fears of a second wave of the pandemic rising, the government shows no intention of re-announcing a state of emergency or posing other social restrictions. However, the decrease in our net sales is expected to have a serious impact on our profits.

To tackle the rapid decrease in sales volume due to the impact of the spread of COVID-19, the Group will make further efforts to reform its production systems in response to changes in sales volume, control capital investment, reduce costs, and implement other necessary urgent measures to improve profitability for the future.

Our foreign exchange assumption for the second quarter and beyond is: 105.0 yen to the USD, 15.0 yen to the CNY, and 1.45 yen to the INR.

2. Dividend projection

(1) Dividend projection

Record date	Dividend per share		
	End of second quarter	End of year	Total
Previous forecasts (A)	—	—	—
Revised forecasts (B)	0.00 yen	0.00 yen	0.00 yen
Year ended March 2020	8.00 yen	0.00 yen	8.00 yen

(2) Reasons for announcement of dividend projection

The Company's basic policy on dividends is to provide appropriate returns while bolstering the financial structure and the management base for business development in the medium and long terms. We pay dividends taking into consideration the amount of investment necessary for medium- and long-term growth, the payout ratio, and consolidated results.

Dividends in the fiscal year ending March 2021 were announced as undetermined due to the spread of COVID-19, which made it difficult to calculate reasonable figures for the business results forecasts. As a result of comprehensive examination of the trends of our business performance of the current period, we sincerely regret to inform you that we have decided not to pay dividends for the fiscal year ending March 2021.

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

Supplementary Materials on Business Forecasts

Segment information of consolidated results forecasts for the full year

Segment	Net sales (million yen)			Segment profit (million yen)		
	Previous forecasts	Revised forecasts	Difference	Previous forecasts	Revised forecasts	Difference
Die Casting Business: Japan	—	43,300	—	—	(3,500)	—
Die Casting Business: North America	—	20,100	—	—	(100)	—
Die Casting Business: Asia	—	19,000	—	—	(750)	—
Aluminum Business	—	3,300	—	—	50	—
Proprietary Products Business	—	2,200	—	—	200	—
Elimination of intersegment transactions	—	—	—	—	100	—

Foreign exchange rate assumption (from 2Q: 105.0 yen to USD, 15.0 yen to CNY, 1.45 yen to INR)