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For immediate release

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Notice on Revisions to Business Forecasts

In view of recent trends in business performance, Ahresty Corporation (“the Company”) hereby announces that it has revised its consolidated business forecasts (first half and full year) for the fiscal year ending March 2022 (from April 1, 2021 to March 31, 2022) released on May 18, 2021 as follows.

1. Revisions to business forecasts

(1) Revisions to consolidated results forecasts for the first half of the year ending March 2022 (from April 1, 2021 to September 30, 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)	52,300	(750)	(850)	(1,000)	(39.06)
Revised forecasts (B)	54,640	(1,940)	(1,680)	(1,760)	(68.35)
Difference (B-A)	2,340	(1,190)	(830)	(760)	
Percentage change (%)	4.5	–	–	–	
(Ref.) Results for first half of previous year (First half of year ended March 2021)	36,836	(3,802)	(3,150)	(3,978)	(155.80)

(2) Revisions to consolidated results forecasts for the full year ending March 2022 (from April 1, 2021 to March 31, 2022)

	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)	110,000	1,800	1,500	600	23.44
Revised forecasts (B)	114,000	(2,500)	(2,300)	(2,800)	(108.74)
Difference (B-A)	4,000	(4,300)	(3,900)	(3,400)	
Percentage change (%)	3.6	–	–	–	
(Ref.) Results of previous year (Year ended March 2021)	92,973	(2,554)	(2,094)	(2,843)	(111.06)

(3) Reasons for revisions

During the first half of the consolidated fiscal year under review, we received significantly fewer orders than we had initially projected due to a shortage in the supply of semiconductors worldwide and a decrease in the volume of car production resulting from the sluggish automobile parts production caused by the COVID-19 pandemic in Southeast Asia. Although the volume of orders received was substantially lower than the forecast, the amount of net sales on a value basis is expected to be slightly higher than the previously released forecast due to the impact of an increase in sales linked to aluminum market conditions and the yen's exchange rate, which was lower than the initial assumption.

Despite efforts to reduce costs and improve profitability, profits have been affected by the reduction in car production, as well as raw material prices, which have been continuously rising far faster than estimated at the beginning of the year due to international aluminum market conditions. Partly attributable to a certain delay in reflecting the rise in raw material prices in our selling prices, profits are expected to be lower than the previous forecast due to the decrease in orders received and the soaring raw material costs.

As for the full-year performance of the fiscal year ending March 2022, based on the results of the first half and our current situation, we expect net sales to be higher than the previous forecast under the assumption that the impact of an increase in sales linked to aluminum market conditions and the current exchange rate will continue. Meanwhile, profits are likely to be lower than the previous forecast as we assume that the impact of the reduction in car production due to the shortage in supply of semiconductors will continue to some extent after the second quarter while the cost rate will rise due to the soaring raw materials prices.

Our foreign exchange assumption is: 110.0 yen to the USD, 16.5 yen to the CNY, and 1.50 yen to the INR.

No changes have been made to the dividend projection announced on May 18, 2021 (5 yen per share for both interim and year-end dividends).

(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	50,000	51,600	1,600	0	(1,200)	(1,200)
Die Casting Business: North America	28,700	27,700	(1,000)	1,100	(1,000)	(2,100)
Die Casting Business: Asia	24,100	25,700	1,600	300	(700)	(1,000)
Aluminum Business	4,500	6,000	1,500	200	200	–
Proprietary Products Business	2,700	3,000	300	200	200	–

Foreign exchange rate assumption (from 2Q: 110.0 yen to USD, 16.5 yen to CNY, 1.50 yen to INR)

(Previous forecast: 105.0 yen to USD, 15.0 yen to CNY, 1.45 yen to INR)