

Supplementary Materials for the Year Ended March 31, 2021

May 18, 2021



Key Results for the Fiscal Year Ended March 2021

(Million yen)

	Year ended March 2020 Full year	Year ended March 2021						Released figures (Feb. 8)
		1Q	2Q	3Q	4Q	Full year		
Net sales	120,577	15,524	21,312	27,670	28,467	92,973	92,300	
Operating income	764	(3,020)	(782)	1,092	156	(2,554)	(2,600)	
Recurring income	406	(2,589)	(561)	1,004	52	(2,094)	(2,200)	
Net income	(685)	(3,190)	(788)	919	216	(2,843)	(2,900)	

<Overview>

- Sales: Production recovered from the substantial decline due to COVID-19 after bottoming out in 1Q. Net sales in 4Q exceeded the level of 3Q due to the booming aluminum market conditions while the sales volume decreased as some plants were affected by the production reduction of car manufacturers chiefly due to a shortage of semiconductors.
- Operating/Recurring income: Income stayed in the black after 3Q due to a sales recovery and improved earnings as a result of efforts to reduce costs and improve productivity. In 4Q, a decrease in sales volume due to a shortage of semiconductors and an increase in procurement costs due to a rise in aluminum prices affected profits.
- Net income: Returned to the black in 3Q.

Die Casting Business

(Million yen)

		Year ended March 2020 Full year	Year ended March 2021					Released figures (Feb. 8)
			1Q	2Q	3Q	4Q	Full year	
Japan	Net sales	59,500	7,232	10,972	13,760	13,620	45,584	45,100
	Segment income/loss	(444)	(2,069)	(650)	381	(153)	(2,491)	(2,600)
North America	Net sales	30,633	4,742	3,868	6,262	6,756	21,628	21,500
	Segment income/loss	635	(156)	(167)	449	(32)	94	250
Asia	Net sales	23,846	2,257	5,346	5,738	6,590	19,931	20,000
	Segment income/loss	3	(995)	36	132	229	(598)	(550)

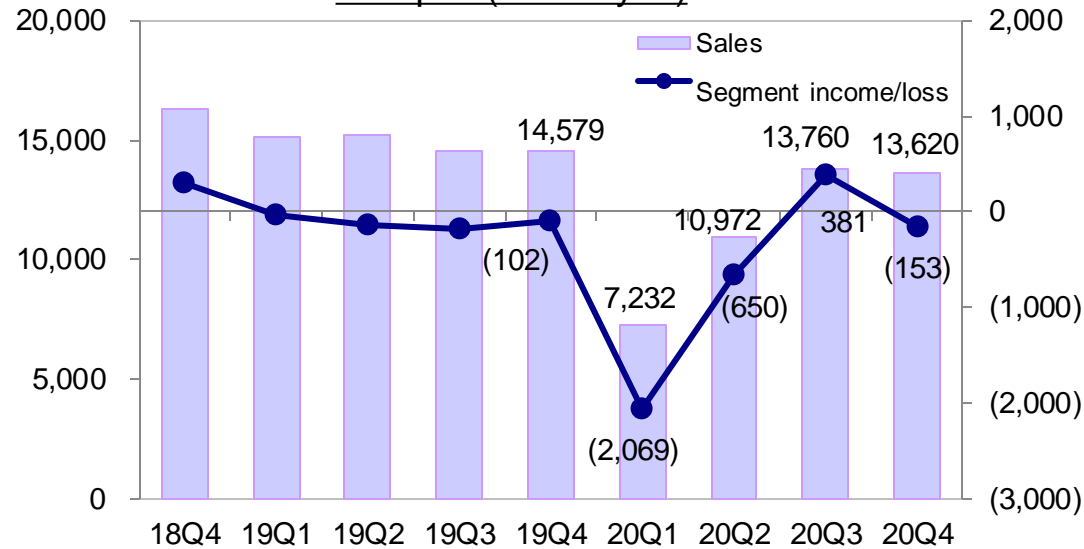
* The Mexico Plant in the North America segment and two plants in China in the Asia segment settle their accounts in December.

- ✓ Overseas sales ratio in the Die Casting Business:
Year ended March 2020: 47.8% ⇒ Year ended March 2021: 47.7%

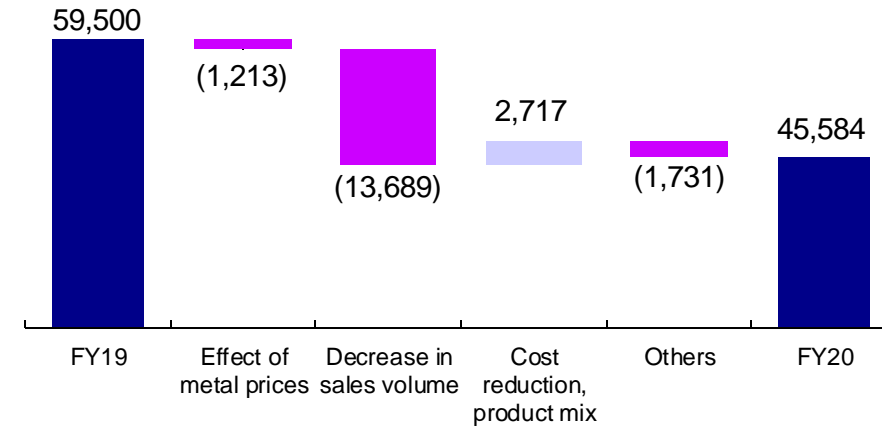
* An explanation of the factors behind the changes in segment results begins on the next page.

Die Casting in Japan

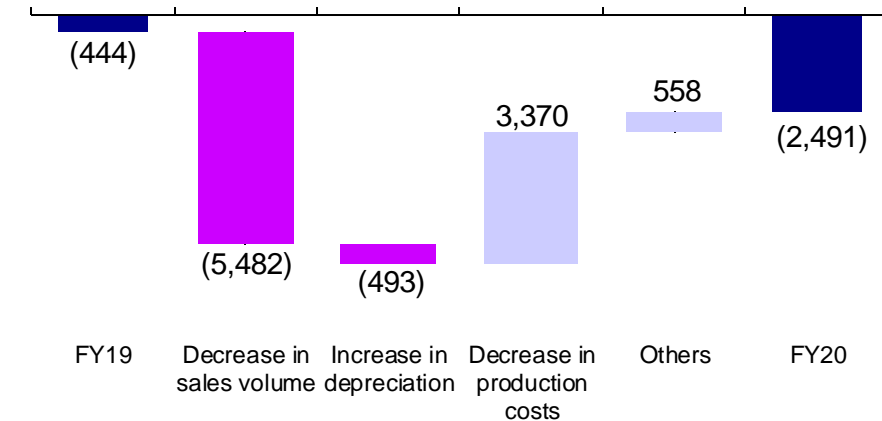
Changes in sales and segment income in Die Casting Business in Japan (Million yen)



Factors behind change in sales (Million yen)



Factors behind change in segment income (Million yen)



Sales: Decreased ¥13,910 million (down 23.4% year on year)

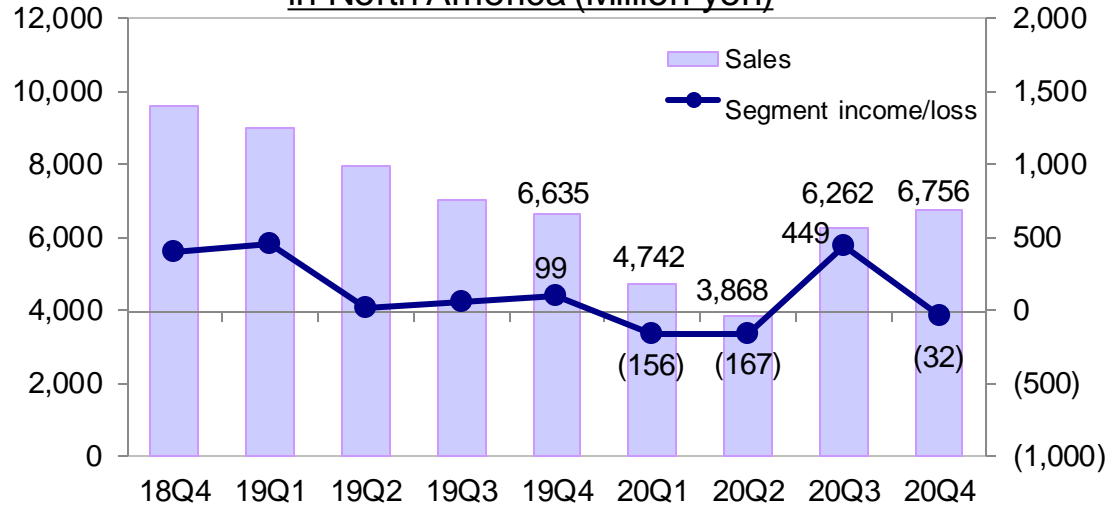
- Sales volume recovered to the level of the previous year in 3Q but decreased 11% in 4Q due to a shortage of semiconductors.

Segment income: Decreased ¥2,040 million (loss increased from previous year)

- 4Q recorded a loss due to a decrease in sales volume.
- For the full year, the negative impact of the sales decrease on profit performance was eased by promoting leaner production systems and other efforts to improve profitability.

Die Casting in North America

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



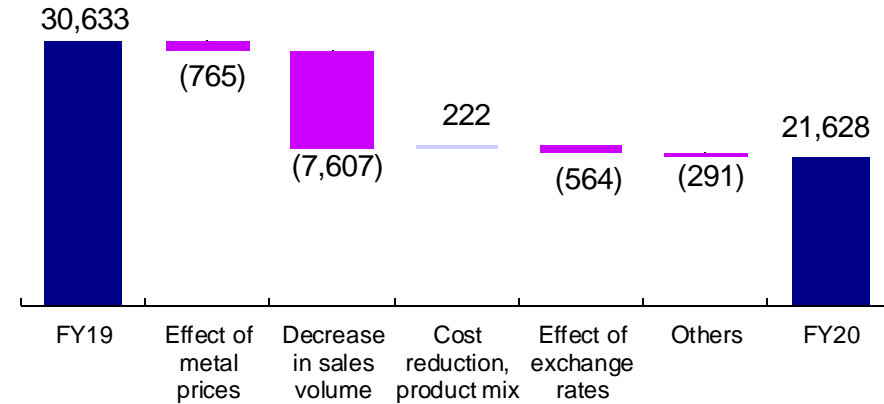
Sales: Decreased ¥9,000 million (down 29.4% year on year)

- The U.S. recovered in 2nd half from operation suspension in 1Q. In 4Q, affected by the shortage of semiconductors, sales volume declined for some customers.
- Mexico recovered from lockdown in 2Q (April to June). 2nd half sales volume was about the same level as in the previous year.

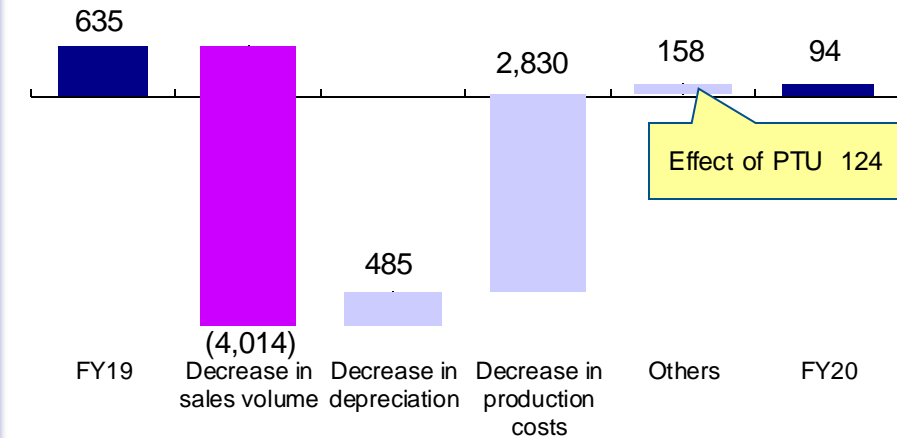
Segment income: Decreased ¥540 million (down 85.1% year on year)

- In the U.S., despite efforts to improve profitability by reducing labor costs, etc., the decrease in sales volume in 1st half affected income.
- In Mexico, income recovered along with the recovery in sales. A surplus was recorded on a full-year basis.
- For the entire segment, income declined from the previous year but maintained a surplus for the full year.

Factors behind change in sales (Million yen)

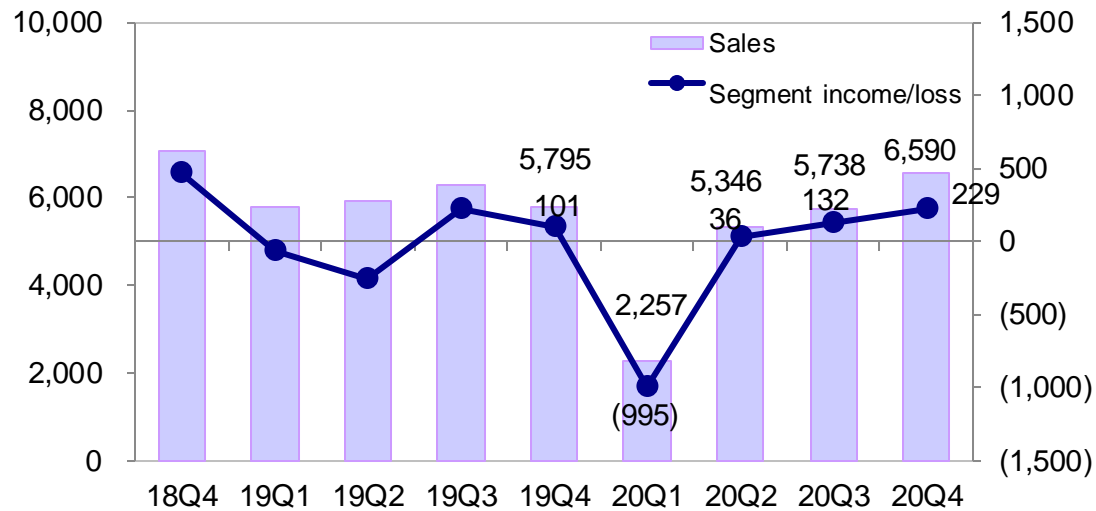


Factors behind change in segment income (Million yen)



Die Casting in Asia

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



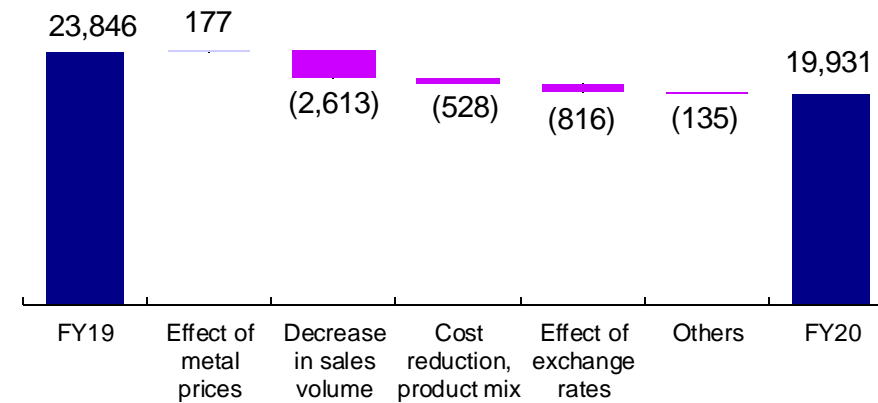
Sales: Decreased ¥3,910 million (down 16.4% year on year)

- In China, sales volume in 2nd half exceeded the level of the previous year, and recovered to nearly 90% of the previous year on a full-year basis.
- In India, sales volume increased from 1Q under a lockdown but is still on its way to recovery with sales volume 17% lower year on year in 2nd half.

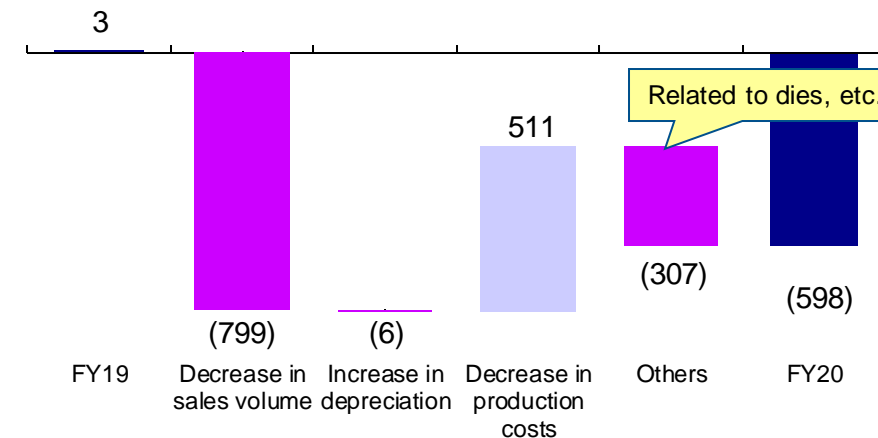
Segment income: Decreased ¥600 million (down year on year)

- China has posted profits since 2Q due to sales increase and improvement in productivity.

Factors behind change in sales (Million yen)



Factors behind change in segment income (Million yen)



Aluminum Business and Proprietary Products Business

(Million yen)

		Year ended March 2020 Full year	Year ended March 2021					Released figures (Feb. 8)
			1Q	2Q	3Q	4Q	Full year	
Aluminum Business	Net sales	3,993	646	748	1,018	1,071	3,483	3,500
	Segment income/loss	169	(41)	0	36	38	33	0
Proprietary Products Business	Net sales	2,603	644	379	891	431	2,345	2,200
	Segment income/loss	277	109	40	126	45	320	250

Aluminum Business

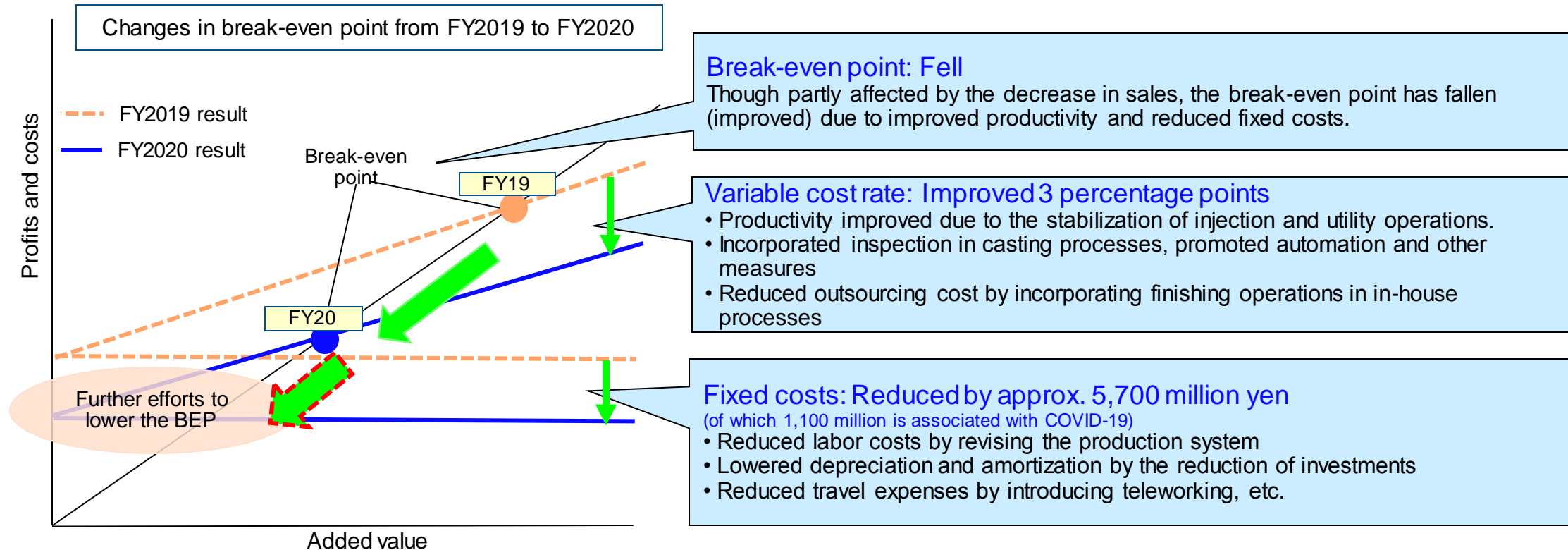
- Sales: Sales recovered from the impact of COVID-19, reaching the same level as the previous year in 2nd half.
- Segment income: Income declined in 1st half due to a significant decrease in sales but returned to the black in 3Q.

Proprietary Products Business

- Sales: Sales decreased in 4Q due to a time lag in recording. For full year, sales exceeded the released forecast despite a year-on-year fall in orders for large projects for clean rooms, etc.
- Segment income: Achieved a greater profit than the previous year as a result of cost reduction efforts.

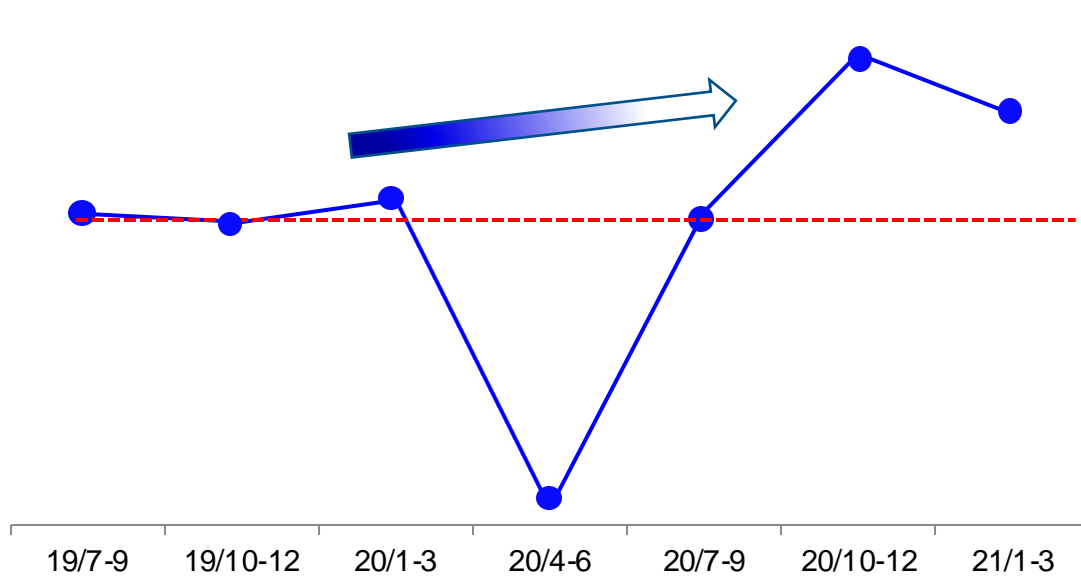
Improvement in Profitability in FY2020 on a Full-year Basis

Due to a switch to leaner production systems under the Medium-term Management Plan from FY2019, the break-even point has fallen.
For the full year of FY2020, in addition to the reduction of fixed costs, higher productivity improved the variable cost rate.

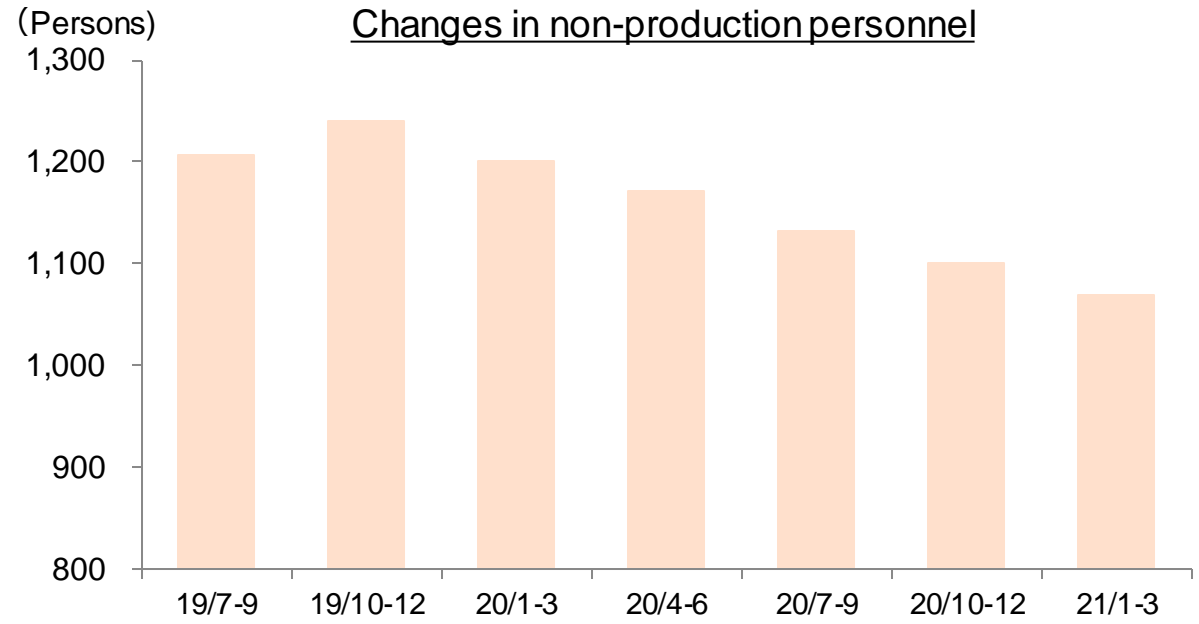


Status of Promoting Leaner Production Systems

Earnings per hour



Changes in non-production personnel



As a result of promoting leaner production systems, earnings per hour improved from the previous year.

Affected by a decrease in sales volume at some plants from Jan. to March 2021

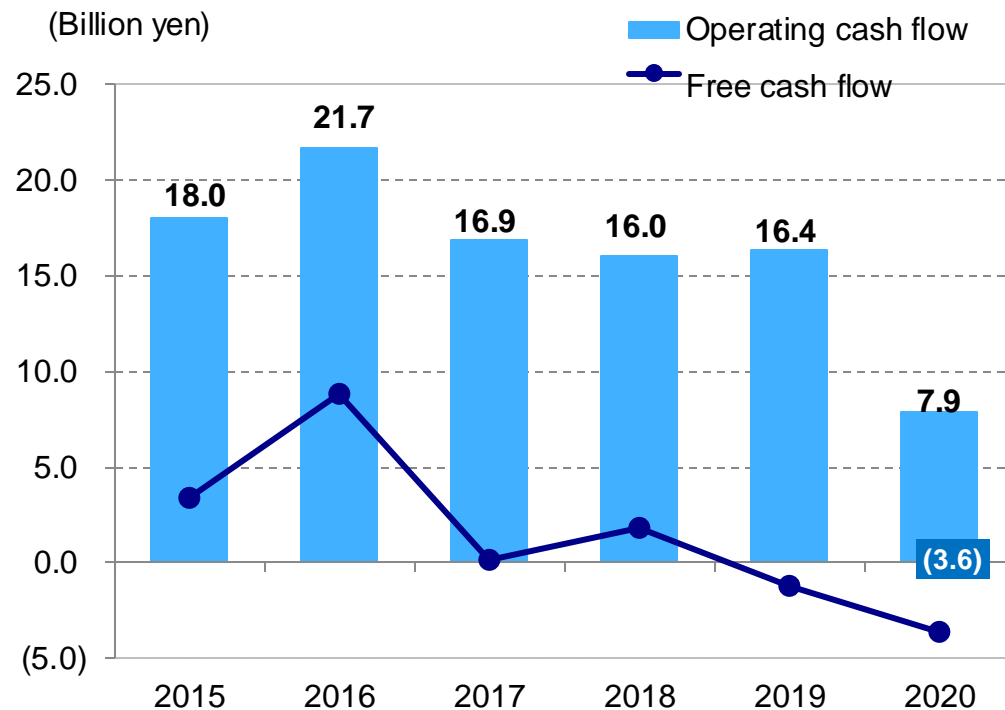
In non-production departments in plants, personnel decreased through transfer, efforts to improve efficiency, etc.

- Integration of functions of non-production operations among plants
- Use of web conferencing and revision of work to improve efficiency

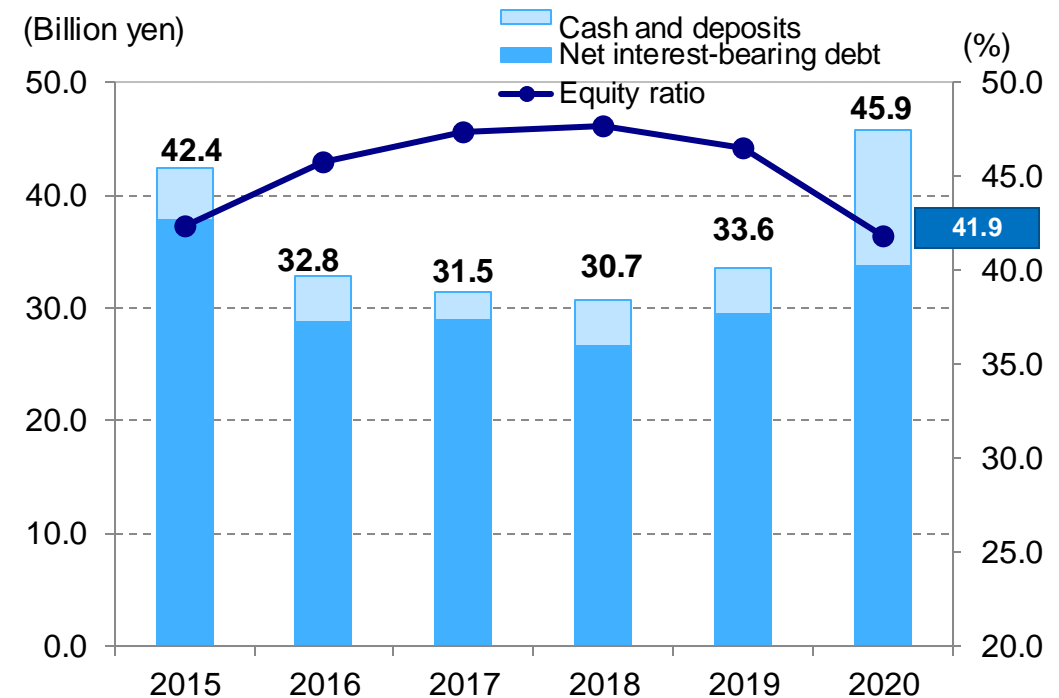
* Earnings per hour = Net sales less direct costs (raw material costs, etc.) / Total hours worked by production personnel at plants

Financial Performance in the Year Ended March 2021

In FY2020, with a decrease in operating CF, reduced investment CF to prevent outflow. Cash and deposits on hand increased and interest-bearing debt reached ¥45.9 billion (net interest-bearing debt increased ¥4.1 billion from previous year to ¥33.6 billion) Equity ratio was 41.9%.



* Free cash flow (FCF) = operating CF - investment CF



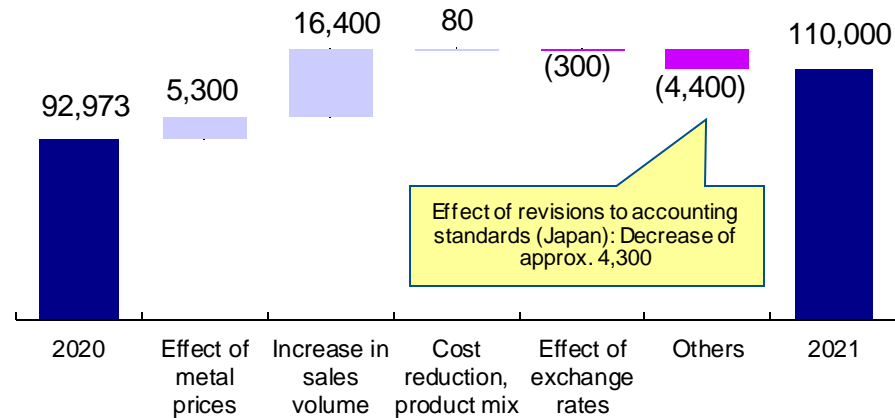
* Net interest-bearing debt = interest-bearing debt - cash and deposits

Full-year Plan for Year Ending March 2022

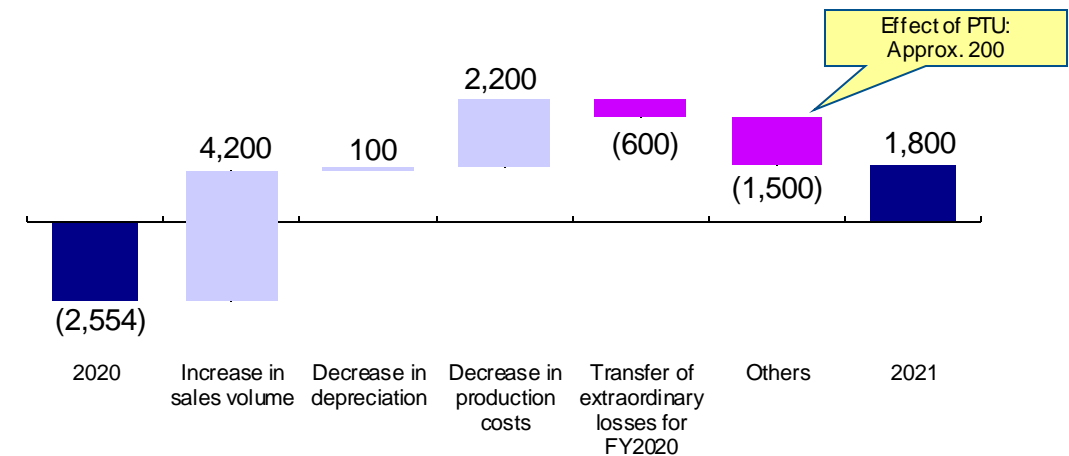
(Million yen)

	Year ended March 2021	Year ending March 2022 (plan)			
		Full year		1st half	2nd half
Net sales	92,973	110,000	-	52,300	57,700
Operating income	(2,554)	1,800	1.6%	(750)	2,550
Recurring income	(2,094)	1,600	1.5%	(850)	2,450
Net income	(2,843)	600	0.5%	(1,000)	1,600

Factors behind change in sales (Million yen)



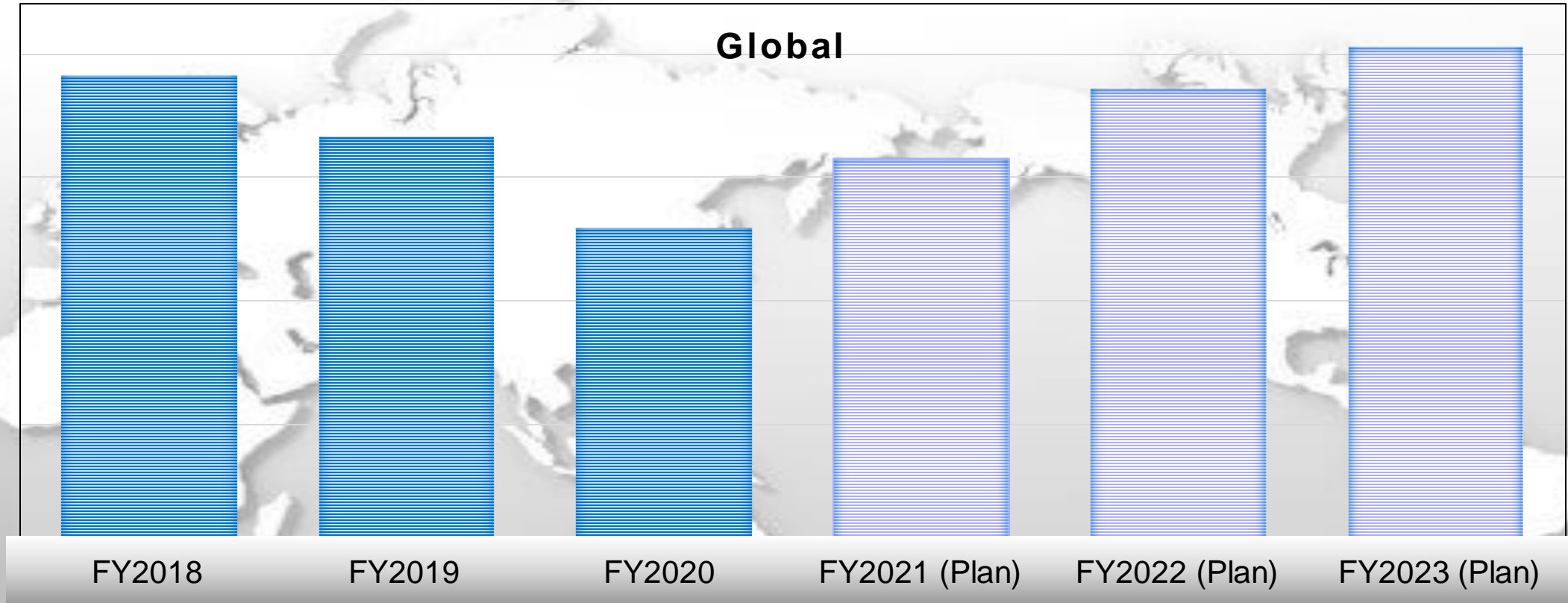
Factors behind change in operating income (Million yen)



Actual foreign exchange rates (full-year average): USD: ¥105.68; Mexican peso: ¥106.68; Chinese yuan: ¥15.44; Indian rupee: ¥ 1.43 Exchange rate assumptions in plan: USD: ¥105.00; Chinese yuan: ¥15.0; Indian rupee: ¥ 1.45

Global Sales in Weight

- Sales weight is on a recovery trend. FY2022 is expected to exceed the level of FY2019, including new orders received.



External Factors for Full-year Plan for Year Ending March 2022

➤ Decrease in car production due to shortage of semiconductors

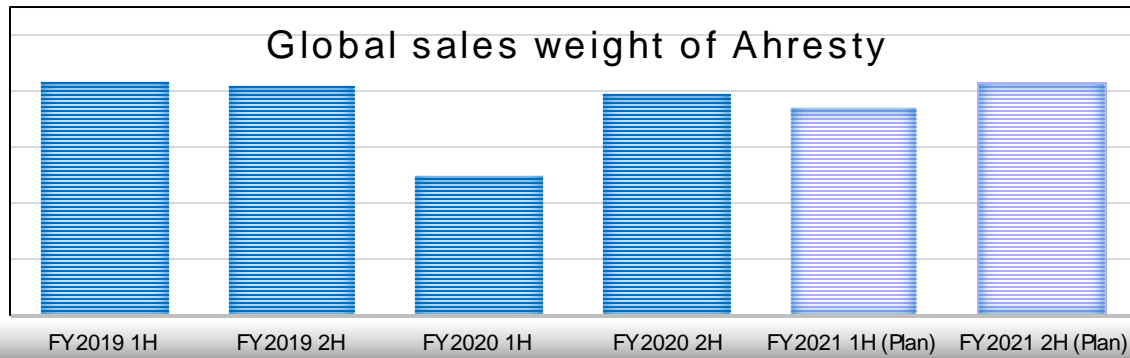
[Factors]

- Booming demand for semiconductors for 5G smartphones, game machines, personal computers, and data centers
- Sharp rise in automobile demand in China after their early recovery from COVID-19
- Impact of fires at semiconductor plants



[Impacts]

- Reduction in automobile production

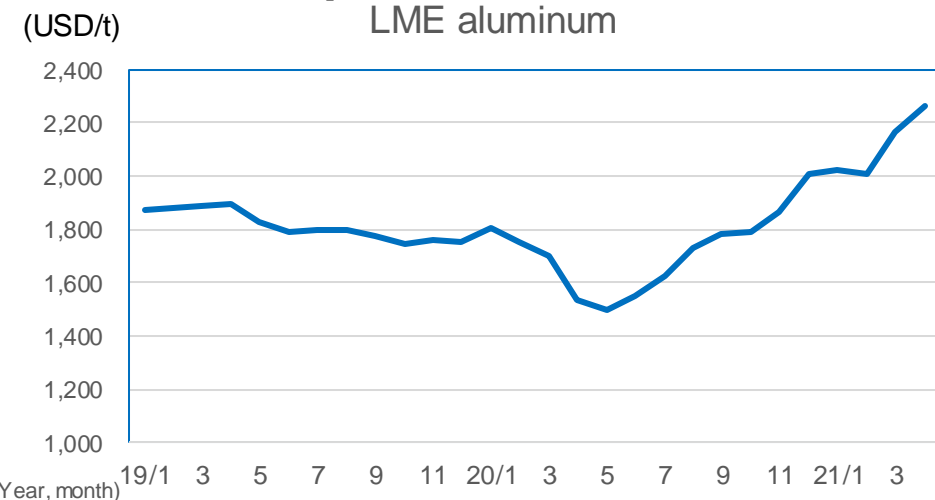


➤ Rise in aluminum prices

[Impacts]

- Soaring aluminum prices (due to automobile demand in China, etc.)
- Selling prices reflect demand every three months, affecting profits in the short term.

[Aluminum market trends]



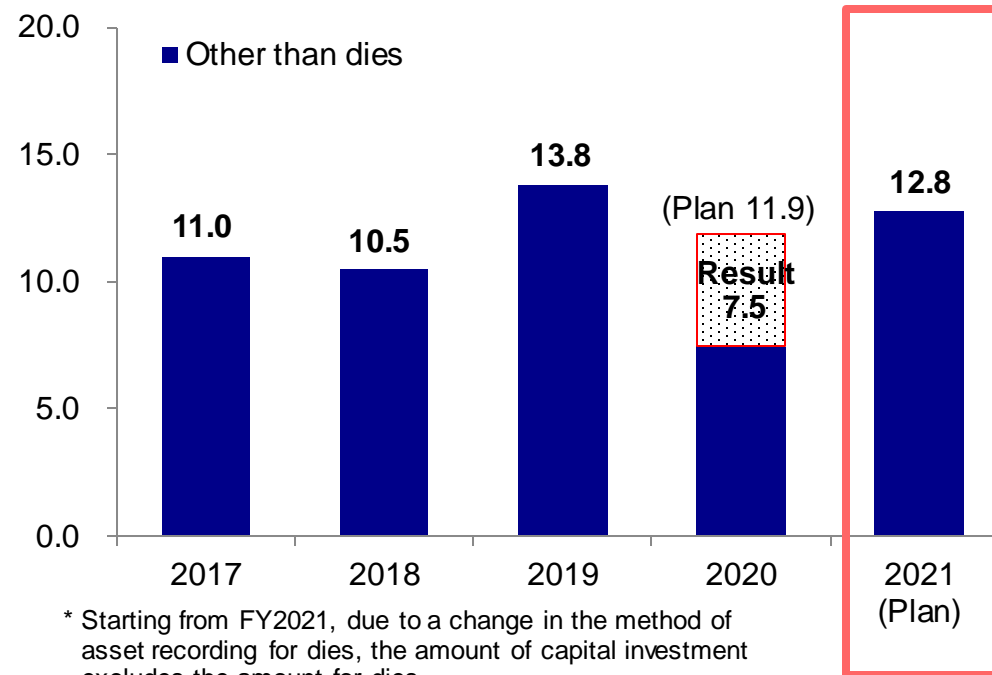
⇒ Impacts of the shortage of semiconductors and the rise in aluminum prices are incorporated in the 1st half plan.

Trends in Capital Investment, Depreciation and Amortization

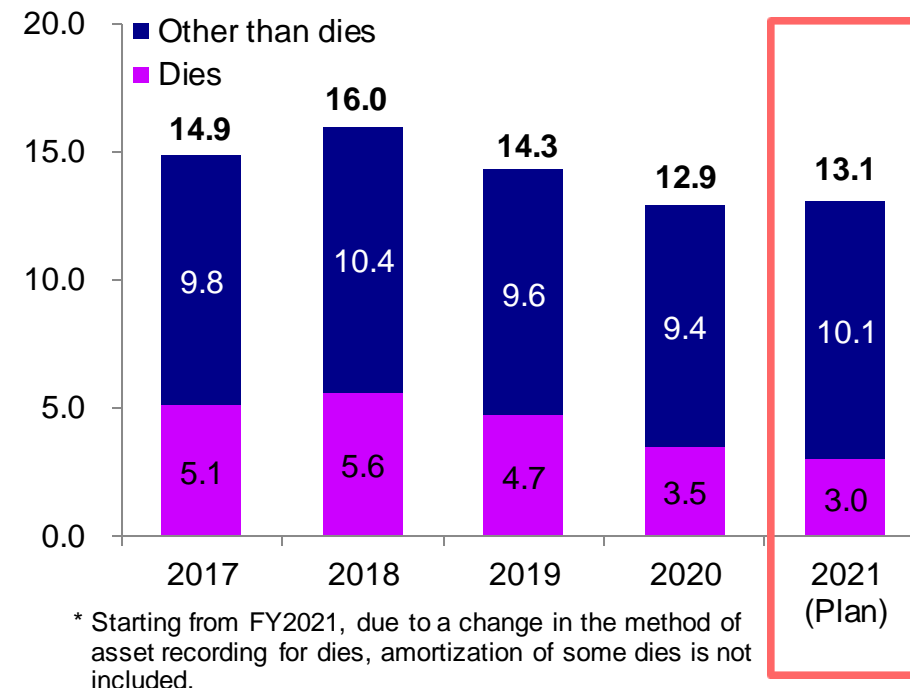
FY2020 result and FY2021 plan

- Amount of capital investment: FY2020 result was ¥7.5 billion in comparison to ¥11.9 billion in plan. FY2021 plan is ¥12.8 billion.
- Investments: Continued efficient investments by making effective use of internal equipment. Investments will be similarly controlled in FY2021 plan.
- Depreciation and amortization: FY2021 plan is ¥13.1 billion (the same level as previous year).

Amount of capital investment (Billion yen)



Amount of depreciation and amortization (Billion yen)

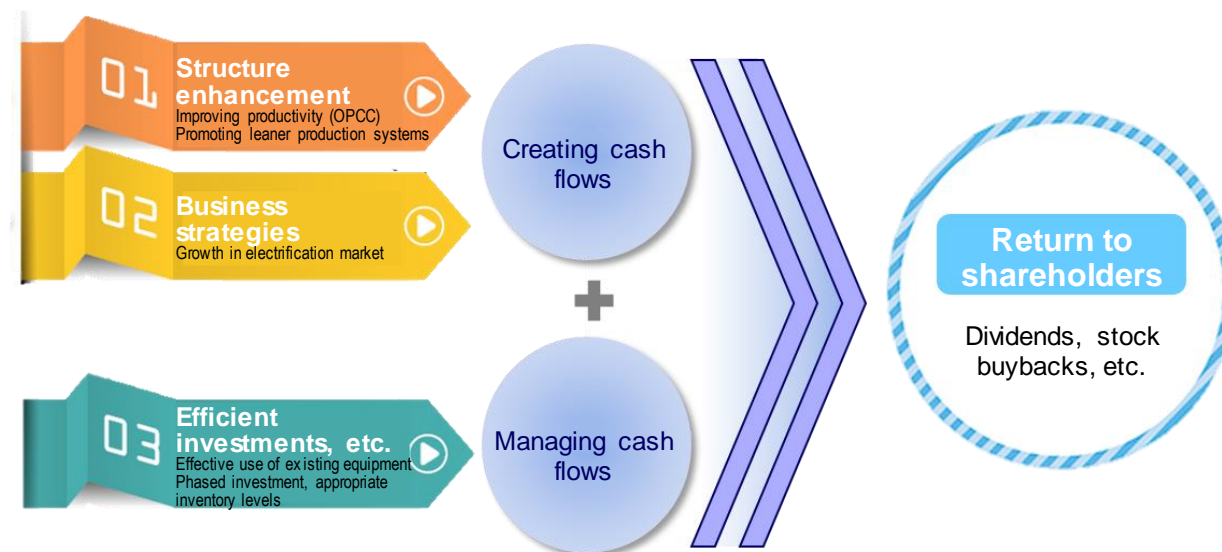


Dividends

We will work to provide appropriate returns taking into consideration medium- and long-term corporate growth and the payout ratio.

- In FY2020, resumed year-end dividend payment of 5 yen in view of the recovery in performance in the 2nd half.
- For FY2021, annual dividend of 10 yen is planned.

Dividend per share	Year ended March 2021	Year ending March 2022 Forecast
(Annual total)	5	10
Interim dividend	0	5
Year-end dividend	5	5
Net income per share (consolidated)	(111.06)	23.44
Dividend payout ratio (consolidated)	-	42.7%





Casting Our Eyes on the Future

視線はまっすぐ未来へ

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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.