

Supplementary Materials for the First Quarter of the Year Ending March 31, 2022

August 6, 2021



Key Points of the Financial Results for the First Quarter of Year Ending March 2022

(Million yen)

	Year ended March 2021					1Q of year ending March 2022
	1Q	2Q	3Q	4Q	Full year	
Net sales	15,524	21,312	27,670	28,467	92,973	27,117*
Operating income	(3,020)	(782)	1,092	156	(2,554)	(653)
Recurring income	(2,589)	(561)	1,004	52	(2,094)	(398)
Net income	(3,190)	(788)	919	216	(2,843)	(495)

*Net sales before application of revisions to accounting standards: 28,485 million yen

<Overview>

- Sales: Net sales decreased 4.7% from 4Q of the previous year due to a rise in aluminum prices and depreciation of the yen. On the other hand, the sales volume decreased 9.9%, affected by the production reduction of car manufacturers chiefly due to a shortage of semiconductors.
- Operating/Recurring income: Despite the ongoing efforts to improve productivity, a decrease in sales volume due to the shortage of semiconductors and an increase in procurement costs due to a rise in aluminum prices affected profits.
- Net income: A net loss was recorded due to the decreases in operating income and recurring income.

Die Casting Business

(Million yen)

		Year ended March 2021					1Q of year ending March 2022
		1Q	2Q	3Q	4Q	Full year	
Japan	Net sales	7,232	10,972	13,760	13,620	45,584	12,315
	Segment income/loss	(2,069)	(650)	381	(153)	(2,491)	(326)
North America	Net sales	4,742	3,868	6,262	6,756	21,628	7,241
	Segment income/loss	(156)	(167)	449	(32)	94	(115)
Asia	Net sales	2,257	5,346	5,738	6,590	19,931	5,478
	Segment income/loss	(995)	36	132	229	(598)	(353)

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

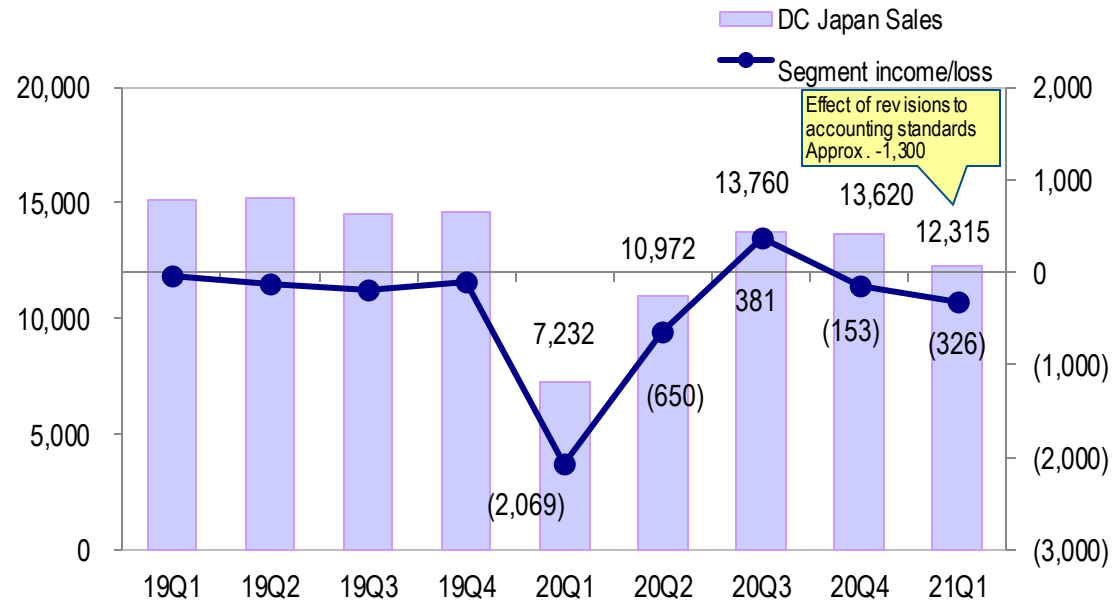
✓ Overseas sales ratio in the Die Casting Business:

1Q of year ended March 2021: 49.2% ⇒ 1Q of year ending March 2022: 50.8%

* 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)



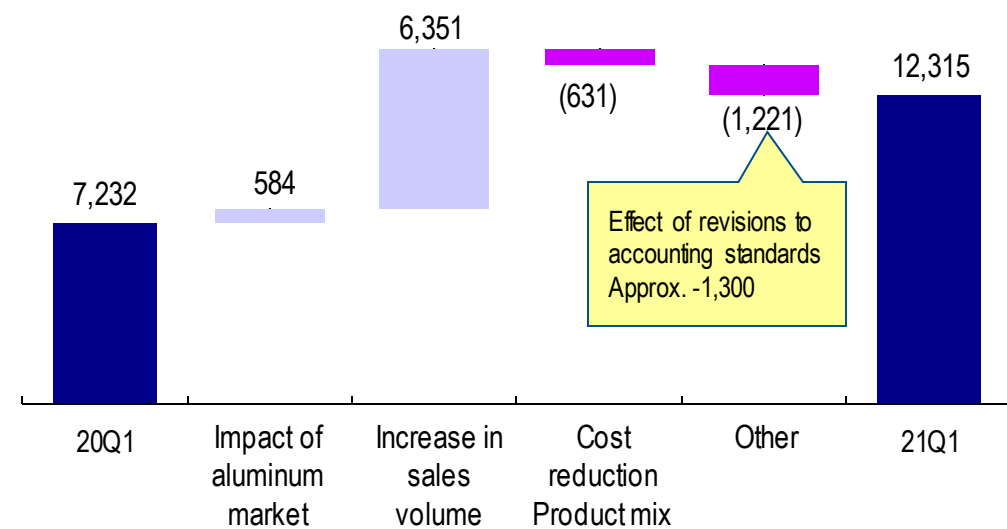
Sales: Increased ¥5,080 million (up 70.3% year on year)

➤ Except for the effect of revisions to accounting standards (-1,300 million), both net sales and the sales volume stayed about the same level as 4Q of previous year despite the continuing impact of the shortage of semiconductors.

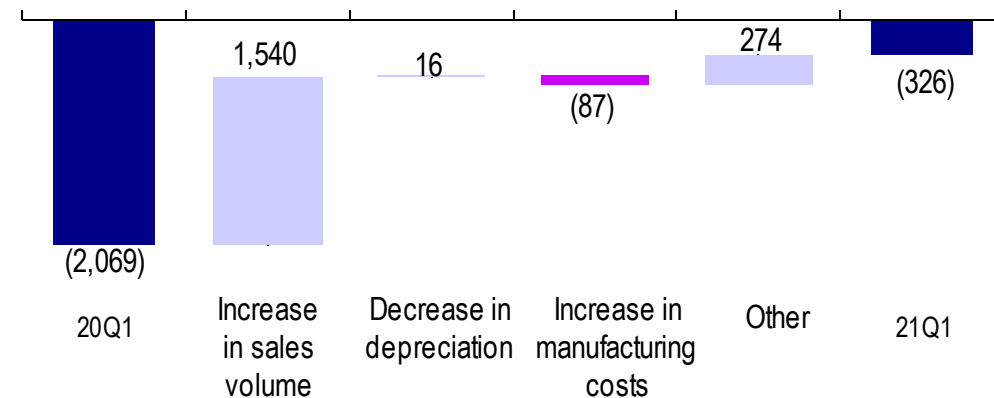
Segment income: Increased ¥1,740 million (up year on year)

➤ Despite the year-on-year increase due to an increase of sales volume and measures promoted to improve productivity, a segment loss was recorded mainly due to the short-term impact of soaring aluminum prices on profits.

Factors behind change in sales (Million yen)

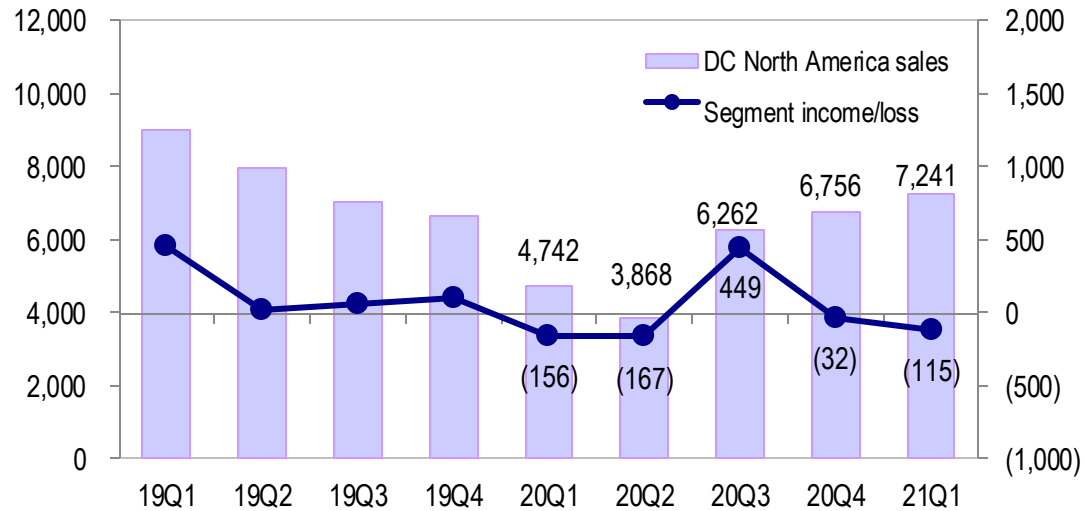


Factors behind change in segment income (Million yen)

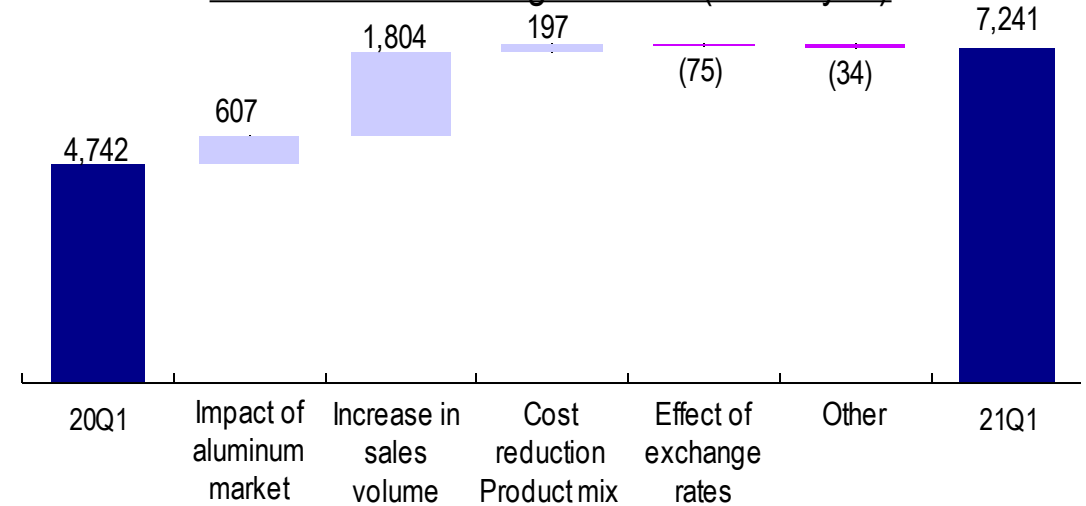


Die Casting in North America

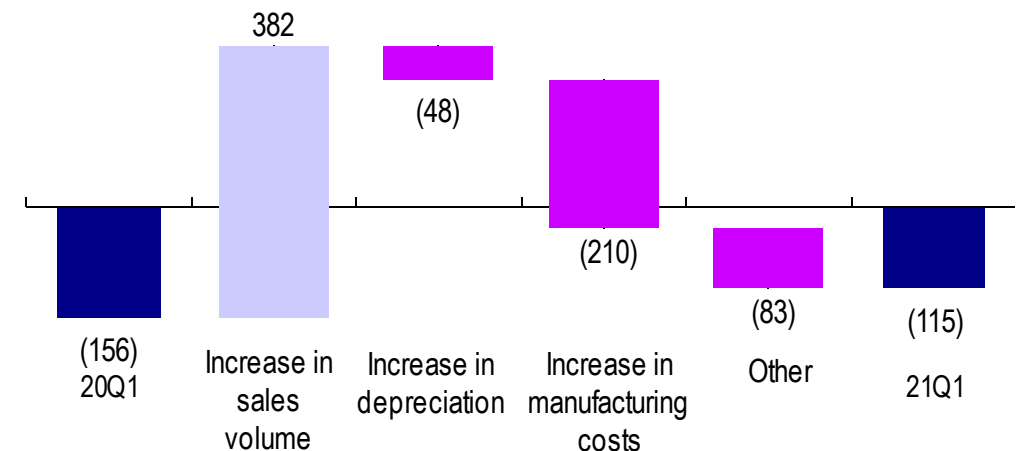
Changes in sales and segment income in Die Casting Business in North America (Million yen)



Factors behind change in sales (Million yen)



Factors behind change in segment income (Million yen)



Sales: Increased ¥2,500 million (up 52.7% year on year)

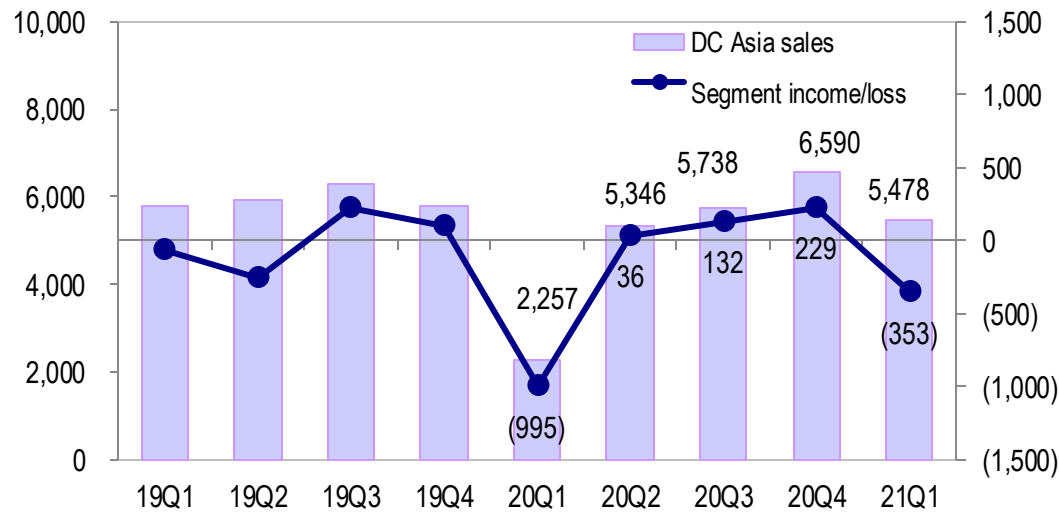
- Although revenue increased from 4Q of previous year due mainly to soaring aluminum prices, sales volume declined 4.6% due to the impact of production adjustments resulting from the shortage of semiconductors.

Segment income: Increased ¥41 million (up year on year)

- Despite the effect of year-on-year recovery in sales volume, the shortage of semiconductors and an increase in aluminum procurement costs affected profits.

Die Casting in Asia

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



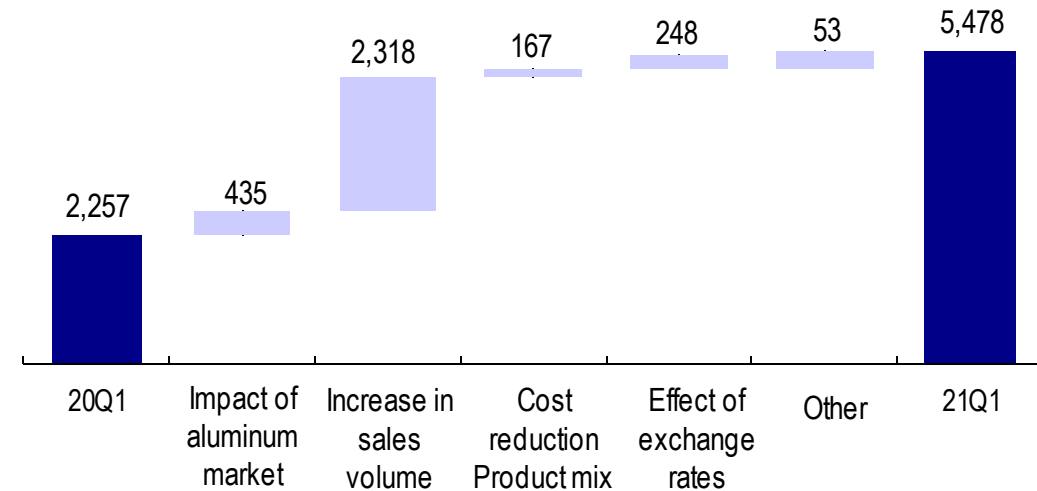
Sales: Increased ¥3,220 million (up 142.7% year on year)

- Sales increased on a year-on-year basis but marked a decrease from 4Q of previous year chiefly because 1Q in China (January to March) includes the Chinese New Year.
- In India, production increased from 1Q of previous year under a lockdown but production adjustments by customers due to the impact of COVID-19 continued.

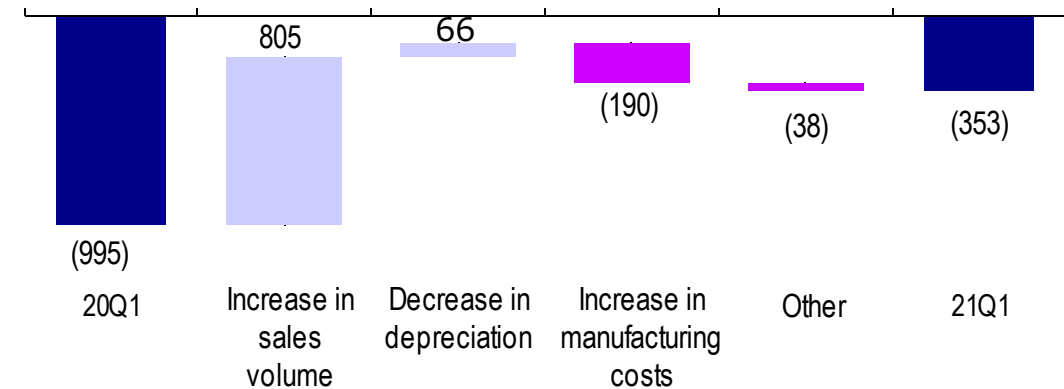
Segment income: Increased ¥640 million (up year on year)

- Despite the significant recovery in sales volume, the increase in aluminum procurement costs affected profits.

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 2021					1Q of year ending March 2022
		1Q	2Q	3Q	4Q	Full year	
Aluminum Business	Net sales	646	748	1,018	1,071	3,483	1,328
	Segment income/loss	(41)	0	36	38	33	67
Proprietary Products Business	Net sales	644	379	891	431	2,345	754
	Segment income/loss	109	40	126	45	320	65

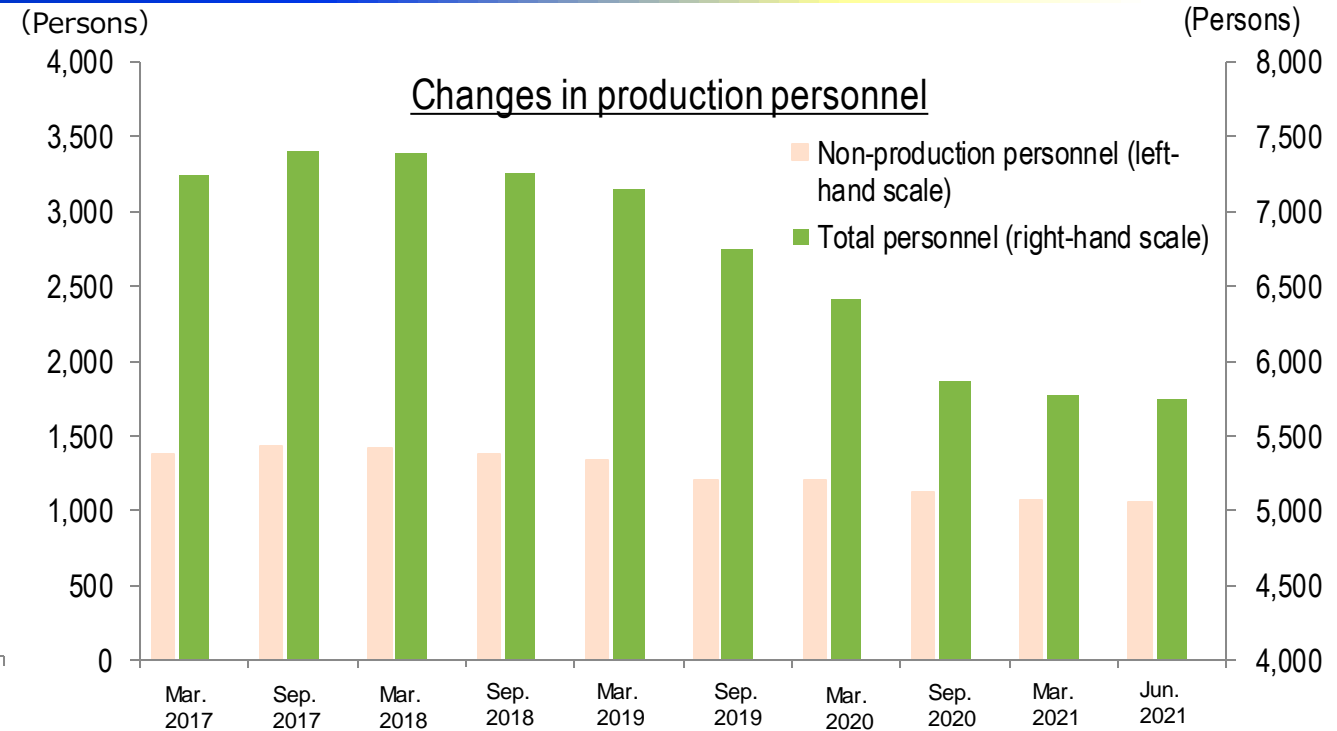
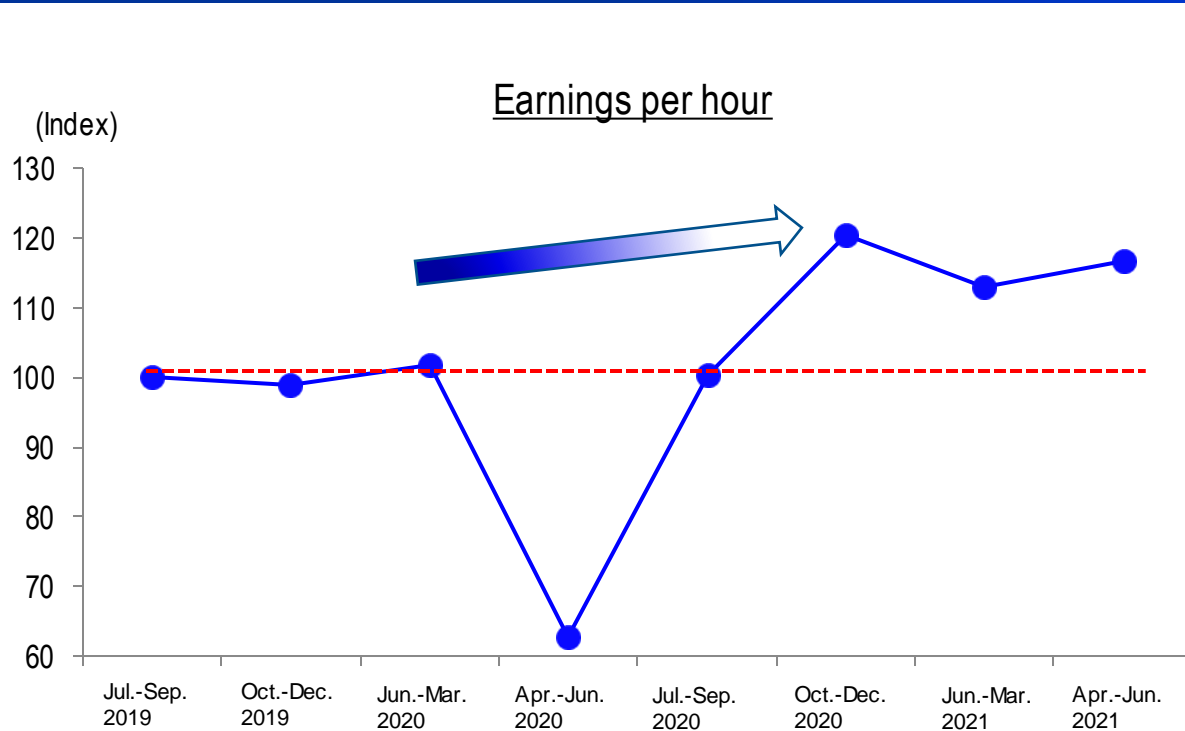
Aluminum Business

- Sales: Sales increased due to the year-on-year increase of 57.9% in sales volume despite the continuing impact of production reduction resulted from a shortage of semiconductors.
- Segment income: Increased mainly due to an increase in net sales.

Proprietary Products Business

- Sales: Sales increased due to an increase in orders for projects of our main customers, namely a clean room at a semiconductor production company and a data center at a telecommunications company.
- Segment income: Decreased mainly due to intensifying price competition.

Status of Promoting Leaner Production Systems



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 June 2021

Systematic reduction of personnel

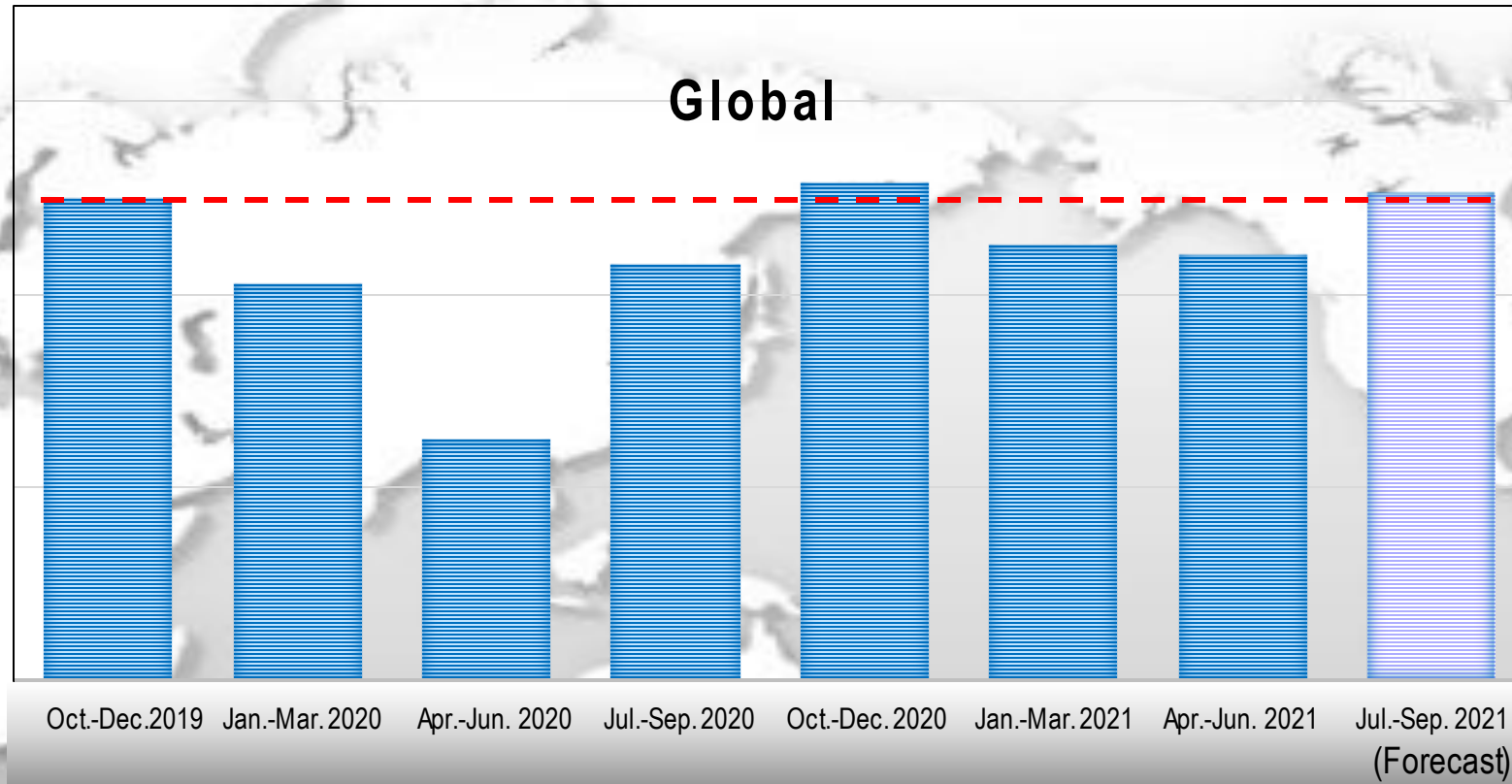
- Implemented integration of functions of non-production operations and personnel relocation among plants.
- Promoted automation of inspection processes and revision of work to improve efficiency.

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

Global Sales in Weight

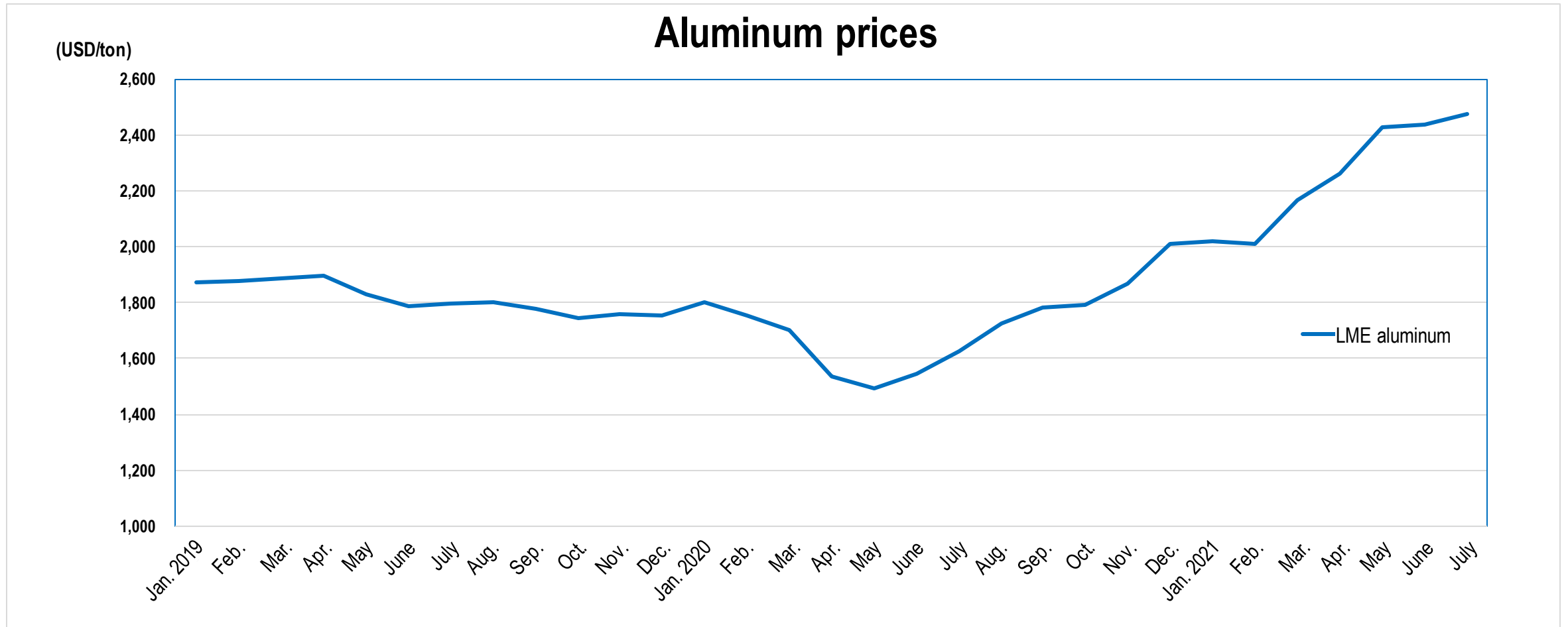
■ Despite a decrease in April-June 2021 influenced by the shortage of semiconductors, recovery is expected in July-Sep.

* Percentage of sales weight compared to the average of October to December of 2019 before the COVID-19 pandemic



Aluminum Prices

■ Soaring aluminum prices had a short-term impact on profits due to a delay in reflecting raw material costs in selling prices.





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.