

Supplementary Materials for the First Half of the Year Ending March 31, 2023

November 14, 2022



Summary of Financial Results for 1H of Year Ending March 2023

■ 2Q results

Die Casting in Japan: Returned to the black in 2Q

Die Casting in North America: Earnings improved from 1Q

Die Casting in Asia: Operations in China (account settlement in December) declined significantly due to the impact of the lockdown in Shanghai but recovered steadily after the end of the lockdown

■ Year ending March 2023 forecasts

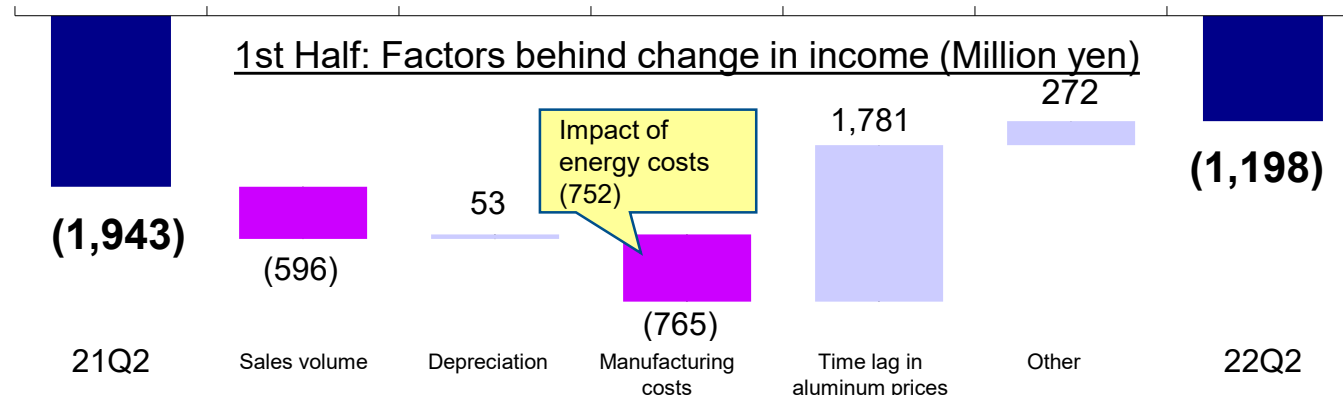
In the second half, a surplus is forecast for the first time since the second half of FY2020 and also on a full-year basis.

- Recovery in performance due to efforts to improve efficiency in production systems and reduce costs, and an increase in sales weight
- Progress in correction of product prices with customers in response to soaring energy costs

Results of 1H of FY2022 in Comparison with Plans

(Million yen)

	1H		2H		Full year	
	Results of previous year	Results	Results of previous year	Revised plan (Nov. 14)	Results of previous year	Revised plan (Nov. 14)
Net sales	54,647	66,536	61,666	79,600	116,313	146,100
Operating income	(1,943)	(1,198)	(479)	2,700	(2,422)	1,500
Recurring income	(1,680)	(820)*	(352)	2,400	(2,032)	1,600
Net income	(1,780)	(830)	(3,409)	1,800	(5,189)	1,000
Dividend	5	5	5	5	10	10
Sales weight (In comparison with FY2018 as 100)	74	71	73	89	74	81



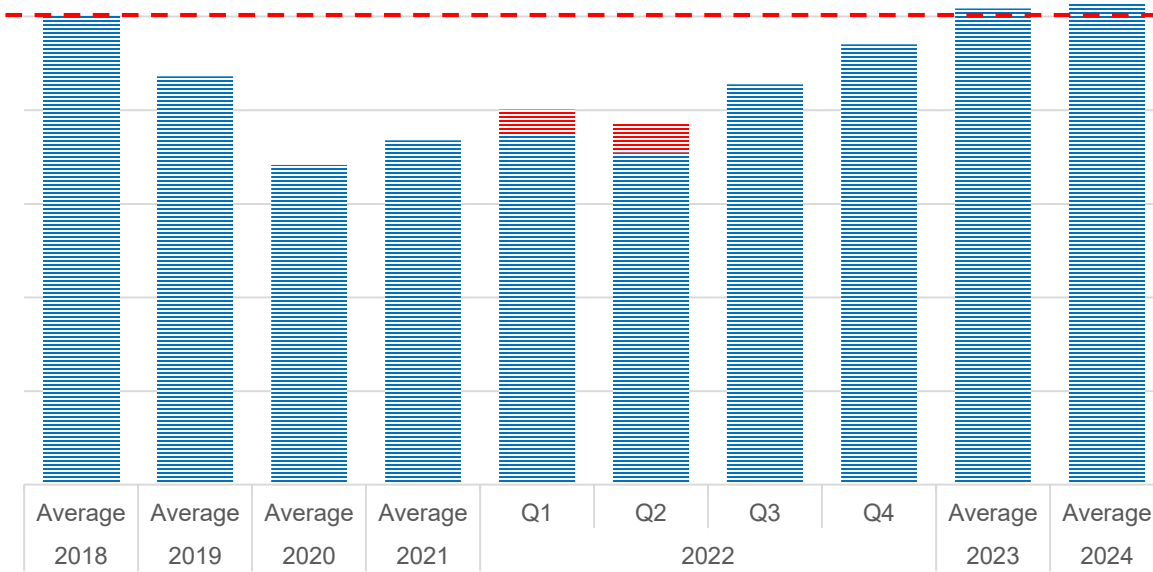
Exchange rate assumptions in revised plan (from 3Q):
 USD: ¥135.0; Chinese yuan: ¥20.0; Indian rupee: ¥1.70

* Reduced the decrease in income by recording foreign currency exchange gain of 436 million yen as recurring income for 1st half

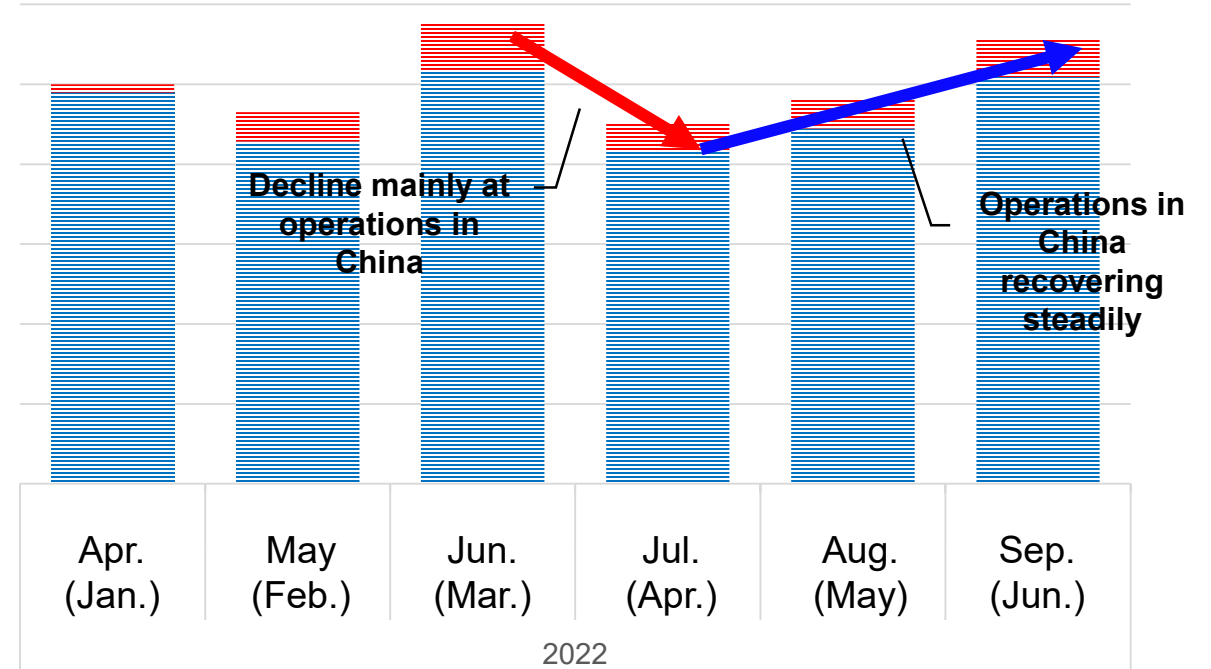
Changes in Sales Weight

- The impact of the lockdown in Shanghai on our operations in China, where accounts settle in December, significantly lowered the sales weight for the first half.
- Chinese operations recovered after the end of the lockdown in Shanghai, and overall sales also returned to a recovery trend due mainly to easing of the shortage of semiconductors.

Decrease from plan at beginning of period



* Changes in percentage of sales weight compared to the level of FY2018

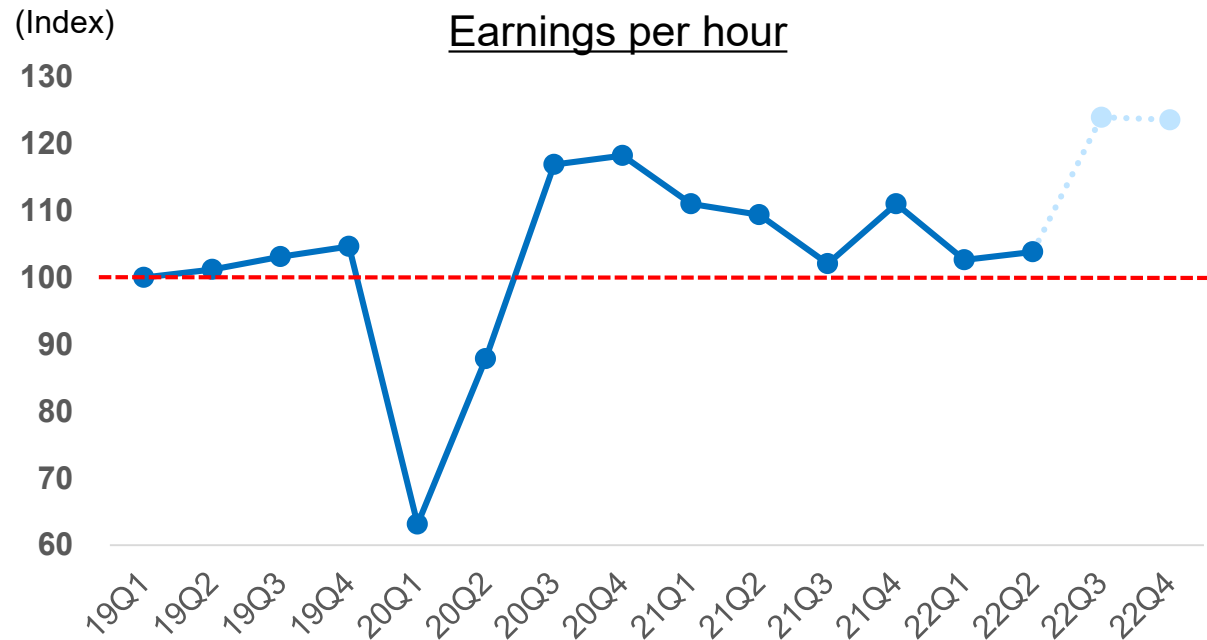


* January to June for companies settling accounts in December

Measures for Securing Profits

■ Stabilizing productivity:

Despite fluctuations in orders received, maintained earnings per hour at the level before COVID-19. In 2H, earnings per hour will significantly improve along with a recovery in the volume of orders received.



■ Responding to cost rise due to soaring energy costs

- ✓ Calculated the amount of impact and negotiation with customers under way
 - ✓ Correction of product prices partly advanced in 1H and was reflected in the results
 - ✓ The uncorrected prices are not reflected in the plan for 2H
- (Upside factor for profit)

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

* From this material, figures are calculated based on the settlement period.

Die Casting Business

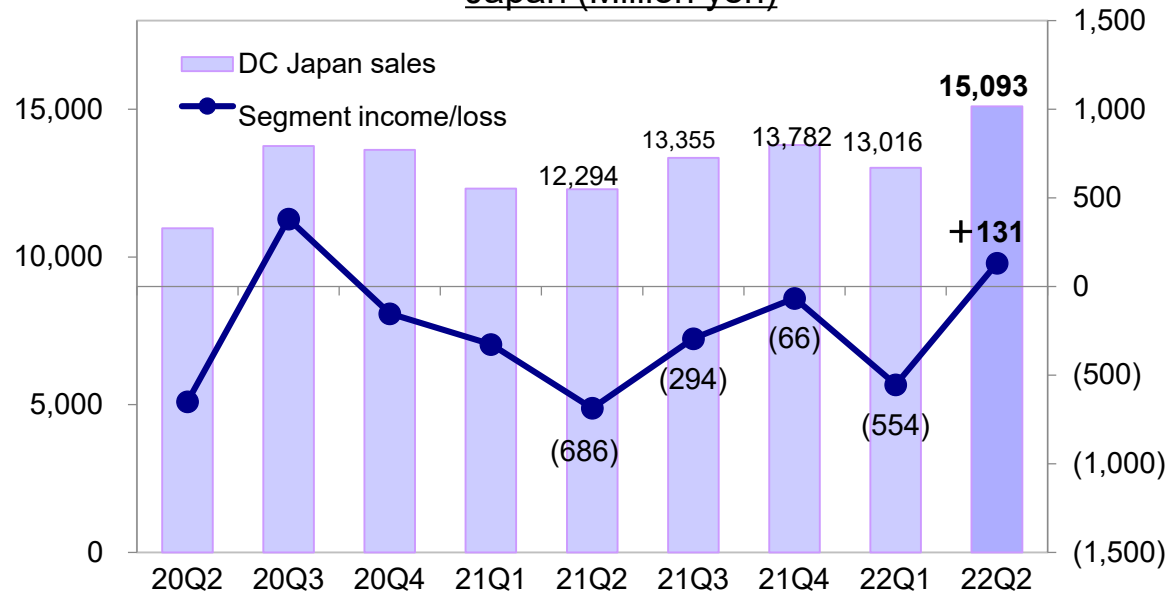
(Million yen)

		1H		2H		Full year	
		Results of previous year	Results	Results of previous year	Revised plan (Nov. 14)	Results of previous year	Revised plan (Nov. 14)
Japan	Net sales	24,609	28,109	27,137	31,600	51,746	59,700
	Segment income/loss	(1,012)	(423)	(360)	950	(1,372)	530
North America	Net sales	14,190	17,016	13,921	21,100	28,111	38,100
	Segment income/loss	(553)	(713)	(543)	550	(1,096)	(160)
Asia	Net sales	11,726	15,695	14,762	20,500	26,488	36,200
	Segment income/loss	(643)	(250)	96	870	(547)	620

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

Die Casting in Japan

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



1st half

Sales: ¥28,100 million Up ¥3,500 million (14.2%) year on year

Loss: ¥400 million Down ¥500 million (–) year on year

➤ Aluminum market improved and income increased due to recovery in sales weight despite the impact of reduction in car production.

2Q

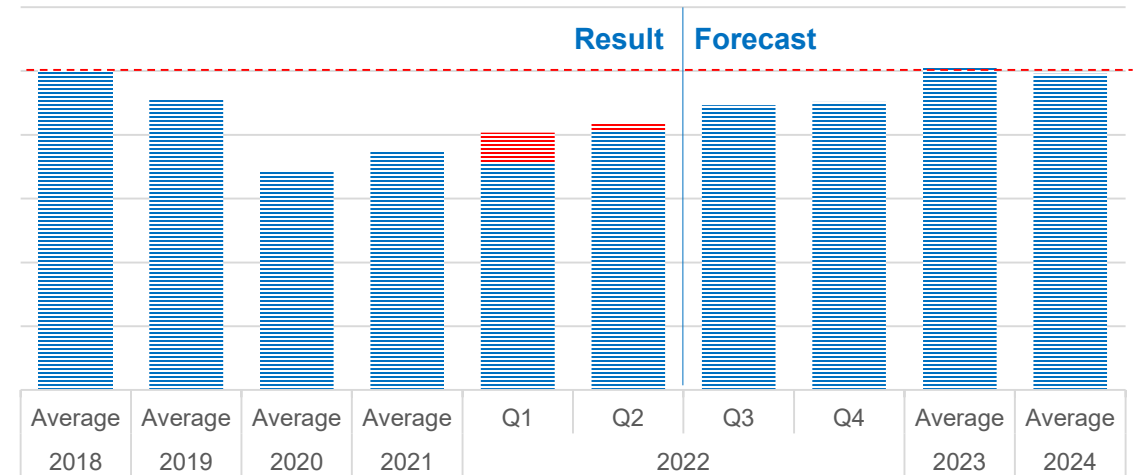
Sales: ¥15,000 million Up ¥2,700 million (22.8%) year on year

Income: ¥100 million Up ¥800 million (–) year on year

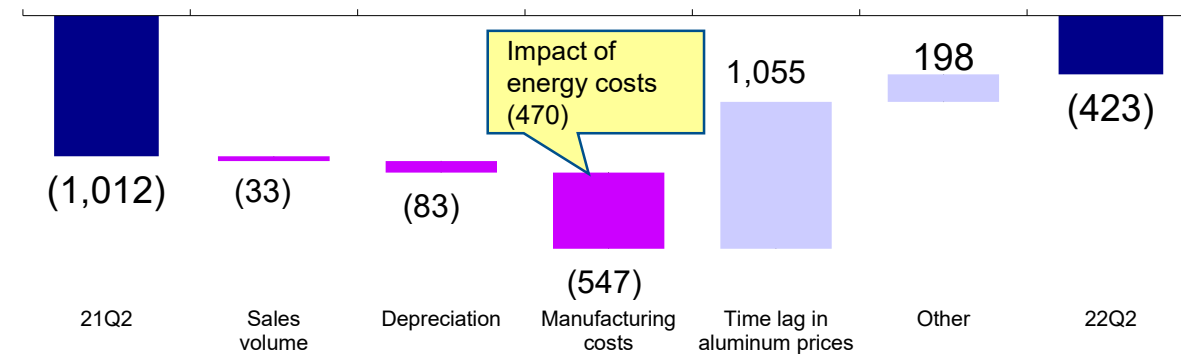
➤ Due to the positive impact of net sales linked to aluminum market conditions, profit increased.

Changes in sales weight

* Changes in percentage compared to average level of FY2018

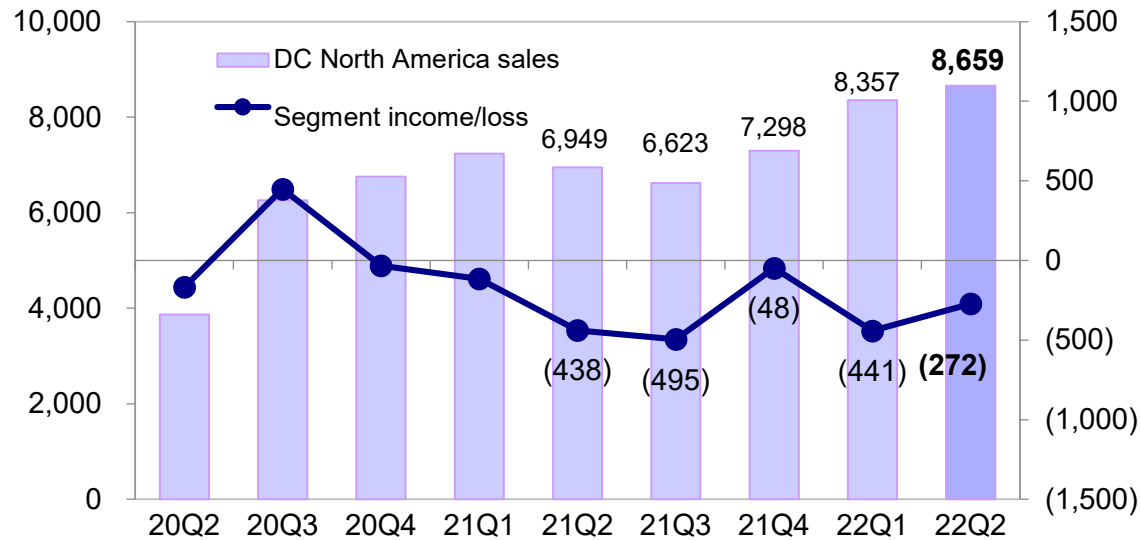


Factors behind change in segment income (Million yen)



Die Casting in North America

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



1st half

Sales: ¥17,000 million Up ¥2,800 million (19.9%) year on year

Loss: ¥700 million Up ¥100 million (-) year on year

- Net sales increased due to the improvement in aluminum market conditions and a weaker yen exchange rate.

2Q

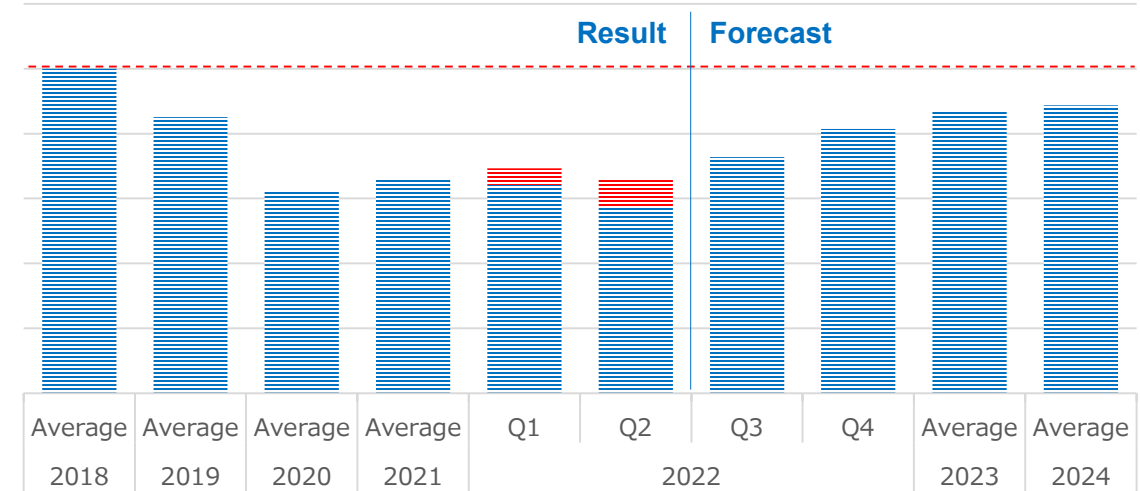
Sales: ¥8,600 million Up ¥1,700 million (24.6%) year on year

Loss: ¥270 million Down ¥100 million (-) year on year

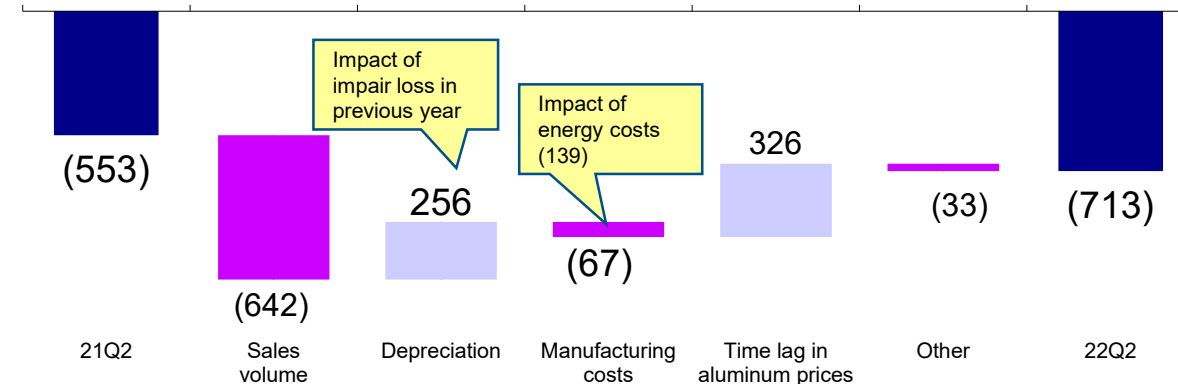
- The amount of loss decreased due to a decline in depreciation resulting from impairment loss at the U.S. site. Growth of the sales weight slowed down due to the reduction in car production.

Changes in sales weight

* Changes in percentage compared to average level of FY2018

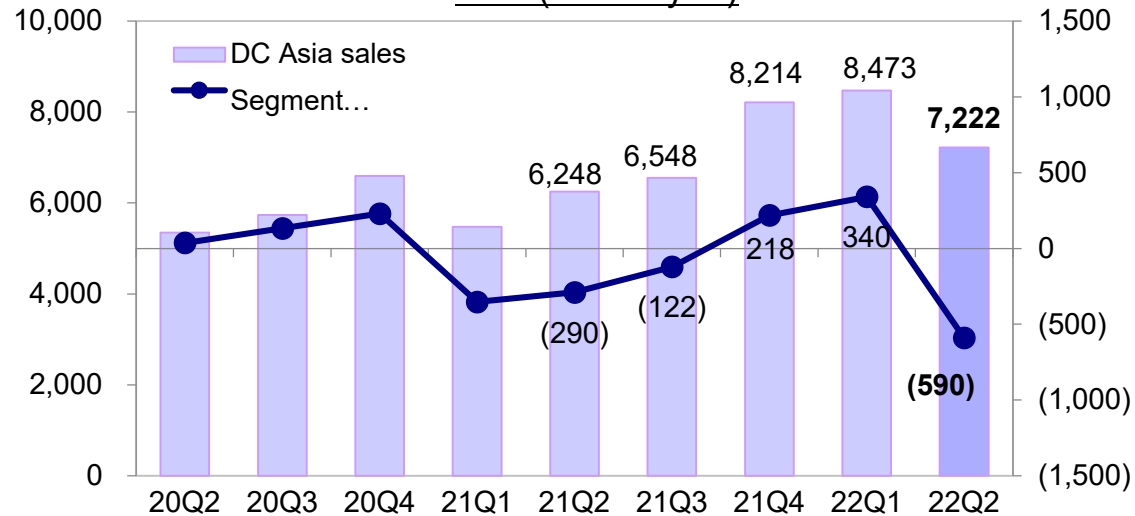


Factors behind change in segment income (Million yen)



Die Casting in Asia

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



1st half

Sales: ¥15,600 million Up ¥3,900 million (33.8%) year on year

Loss: ¥200 million Down ¥300 million (-) year on year

➤ Net sales increased due to a weaker yen exchange rate than the initial forecast. The sales weight decreased due to the impact of the lockdown in Shanghai.

2Q

Sales: ¥7,200 million Up ¥900 million (15.6%) year on year

Loss: ¥590 million Down ¥300 million (-) year on year

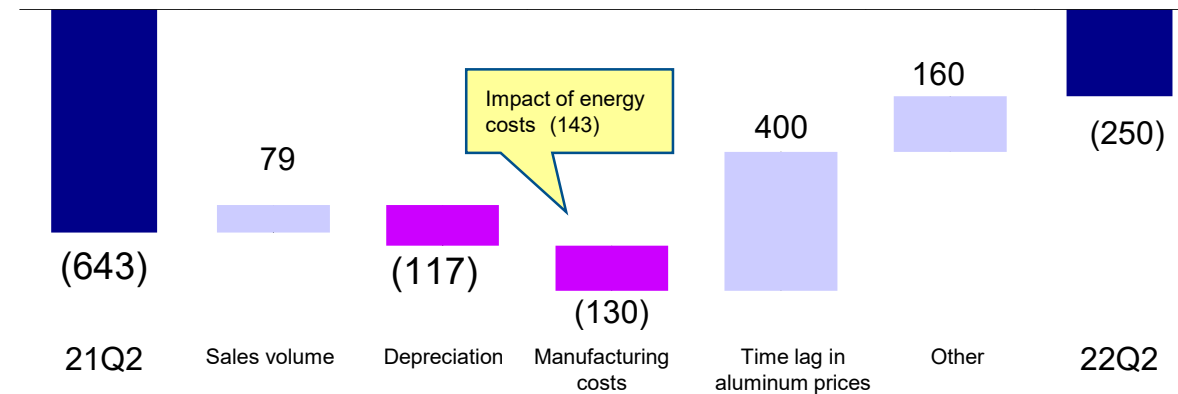
➤ Due to the positive impact of aluminum market conditions, net sales increased. Profit declined substantially reflecting the impact of the lockdown in Shanghai.

Changes in sales weight

* Changes in percentage compared to average level of FY2018



Factors behind change in segment income (Million yen)



Aluminum Business and Proprietary Products Business

(Million yen)

		1H		2H		Full year	
		Results of previous year	Results	Results of previous year	Revised plan (Nov. 14)	Results of previous year	Revised plan (Nov. 14)
Aluminum Business	Net sales	2,832	3,920	3,631	3,800	6,463	7,700
	Segment income/loss	144	152	120	180	265	330
Proprietary Products Business	Net sales	1,289	1,794	2,214	2,600	3,503	4,400
	Segment income/loss	112	111	200	140	312	250

Aluminum Business

- Sales: Increased in spite of the sales weight decrease due to reduction in car production caused by the prolonged shortage of semiconductors.
- Income: Due to the positive impact of net sales linked to aluminum market conditions (external factor) and cost reduction and improved productivity (internal factors), profit increased.

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.
- Income: Maintained profitability, though with fluctuations attributable to the timing of recording sales of individual projects



Casting Our Eyes on the Future

**Contact for inquiries about this document and the Company's IR:
Management Planning Section, Management Planning Department, Ahresty Corporation
Phone: +81-3-6369-8664
E-mail: ahresty_MP0_IR@ahresty.com
URL: <https://www.ahresty.co.jp>**

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.