Research
Service
Technology

Supplementary Materials
for the Year Ended March 31, 2024

May 17, 2024

Ahresty Corporation

Key Results for the Fiscal Year Ended March 2024

(Million yen)

	Year ended March 2023	Year ended March 2024				YoY changes	<Reference> Year ended March 2024 full year Oct. 25 revised plan
	Full year	1H	2H	4Q	Full year		
Net sales	140,938	77,750	80,504	39,443	**158,254**	**+17,316**	**155,000**
Operating income	23	601	1,690	649	**2,291**	**+2,268**	**2,400**
Recurring income	94	938	1,636	762	**2,574**	**+2,480**	**2,200**
Net income	(84)	900	(8,599)	(8,954)	**(7,699)**	**(7,615)**	**1,400**
Sales weight*	76	83	84	82	**84**	**+8**	**83**

* With the FY2018 average set as 100

<Overview>
- Sales: Increased 12.3% year on year partly due to the steady recovery in the volume of orders received and the effect of exchange rates.
  Sales weight increased 9.6%, reflecting the increase in production by car manufacturers.
- Operating income: In addition to an increase in the volume of orders received by the Group as a whole, steady progress in price adjustments to compensate for higher energy costs, etc. contributed to profit.
  Although sales of Japanese car manufacturers in China remained sluggish, cost optimization progressed through reduction of fixed costs, etc.
- Net income: Loss increased mainly due to the recording of impairment loss on the plants in China and reversal of deferred tax assets.

Impairment Loss

Impairment loss recorded at the plants in China (Guangzhou and Hefei): Approx. 9 billion yen

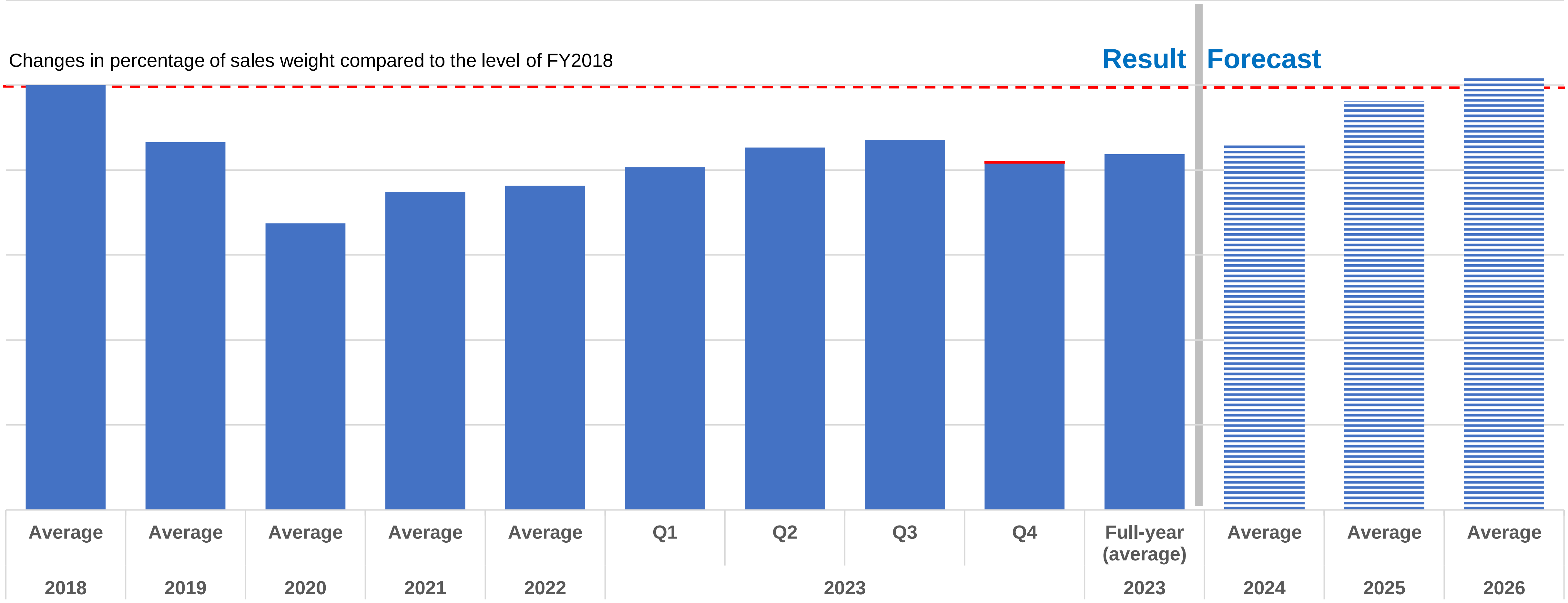
Earnings deteriorated due to the significant impact of production reduction by Japanese automakers, our major customers, as competition intensified due to the rapid shift to electrification in the Chinese market, resulting in the recording of an impairment loss.

→ Ease of depreciation cost from FY2024
(approx. 10 billion yen of reduction in fixed costs annually)

→ Considering review of the business portfolio in China in the future

Changes in Sales Weight

Despite production reduction by some customers in 4Q, the full year result reached about the level of the Oct. 25 revised plan. From FY2024 onward, sales are expected to increase and exceed the level before COVID (FY2018) in FY2026 mainly due to recovery in the volume of orders received and the start of mass production of new products.



Die Casting Business

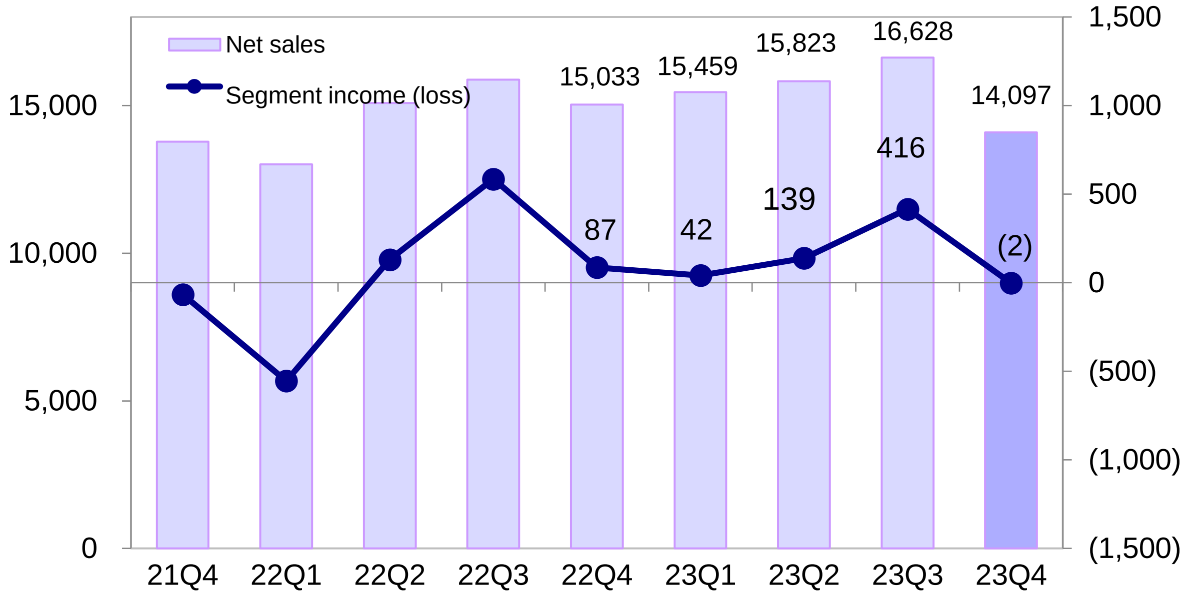
(Million yen)

		Year ended March 2023	Year ended March 2024				YoY changes	<Reference> Year ended March 2024 full year Oct. 25 revised plan
		Full year	1H	2H	4Q	Full year		
Japan	Net sales	59,019	31,282	30,725	14,097	**62,007**	**+2,988**	**63,500**
	Segment income (loss)	250	181	414	(2)	**595**	**+345**	**1,000**
North America	Net sales	36,995	22,971	24,996	12,521	**47,967**	**+10,972**	**45,000**
	Segment income (loss)	(676)	693	549	294	**1,242**	**+1,918**	**1,400**
Asia	Net sales	33,676	16,302	18,796	10,187	**35,098**	**+1,422**	**33,600**
	Segment income (loss)	8	(988)	338	200	**(650)**	**(658)**	**(1,200)**

* 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

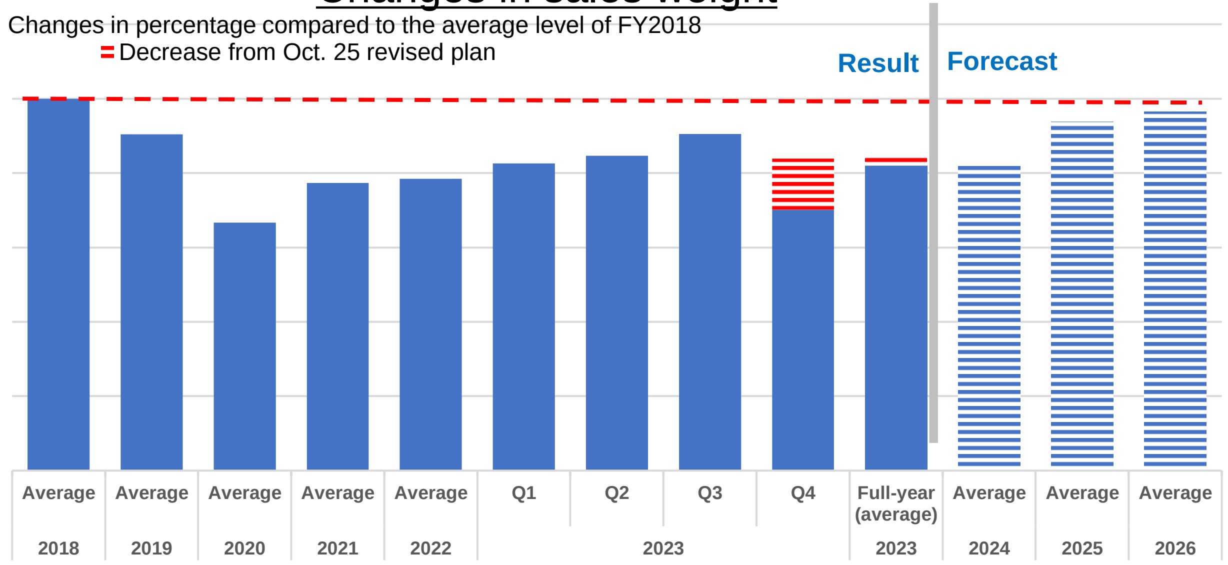
Changes in sales and segment income (million yen)



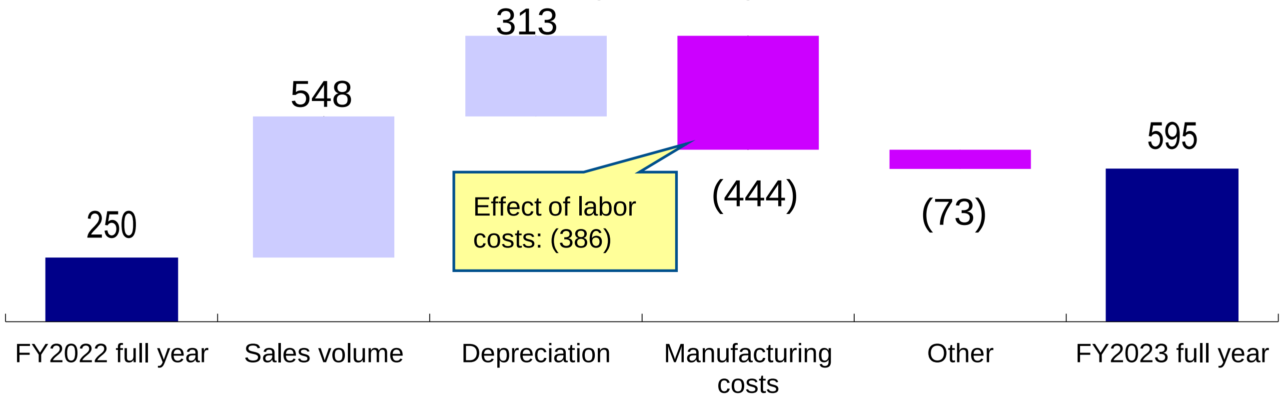
<Full year total>
Sales: ¥62,000 million Up ¥2,900 million (5.1%) year on year
Income: ¥590 million Up ¥340 million year on year (surplus expanded)
<4Q>
Sales: ¥14,000 million Down ¥930 million (6.2%) year on year
Income: Loss of ¥2 million Down ¥90 million year on year (loss)

- Despite sudden production adjustments due to customer circumstances at several major customers in 4Q, the overall volume of orders recovered, resulting in increases in both sales and profit on a full-year basis.

Changes in sales weight

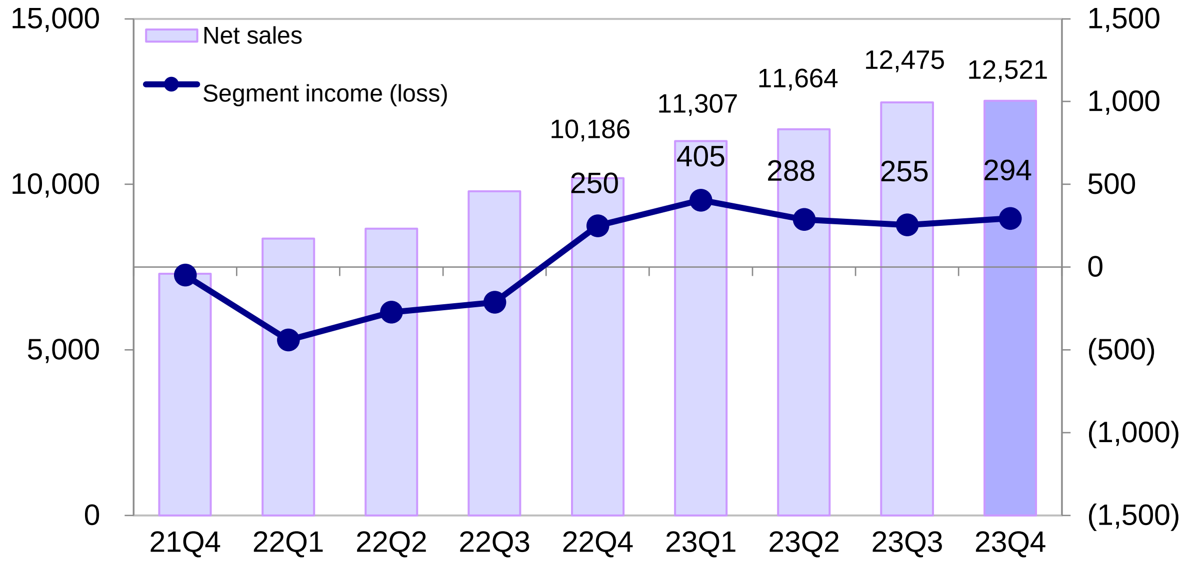


Factors behind change in segment income (million yen)



Die Casting in North America

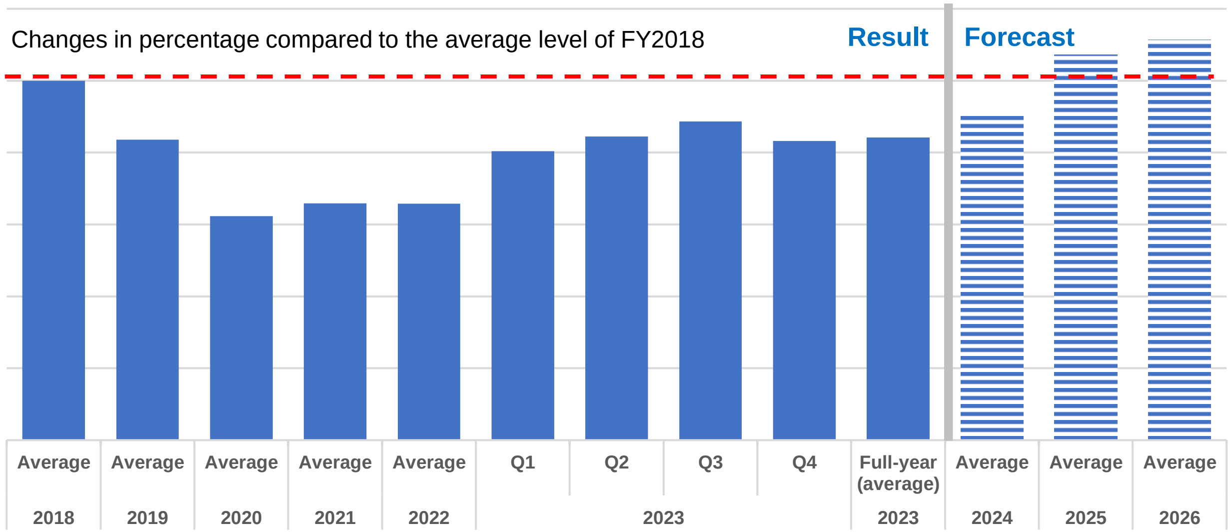
Changes in sales and segment income (million yen)



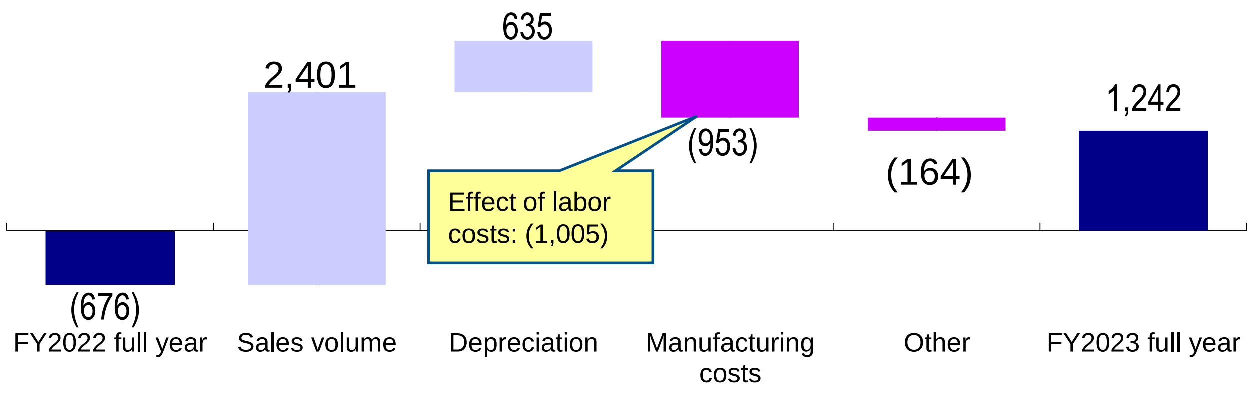
<Full year total>
Sales: ¥47,900 million Up ¥10,900 million (29.7%) year on year
Income: ¥1,200 million Up ¥1,900 million year on year (returned to the black)
<4Q>
Sales: ¥12,500 million Up ¥2,300 million (22.9%) year on year
Income: ¥290 million Up ¥40 million (17.6%) year on year

- The volume of orders received steadily recovered, contributing to increases in sales and income. Although labor costs continued to rise significantly, profit was stably secured.

Changes in sales weight



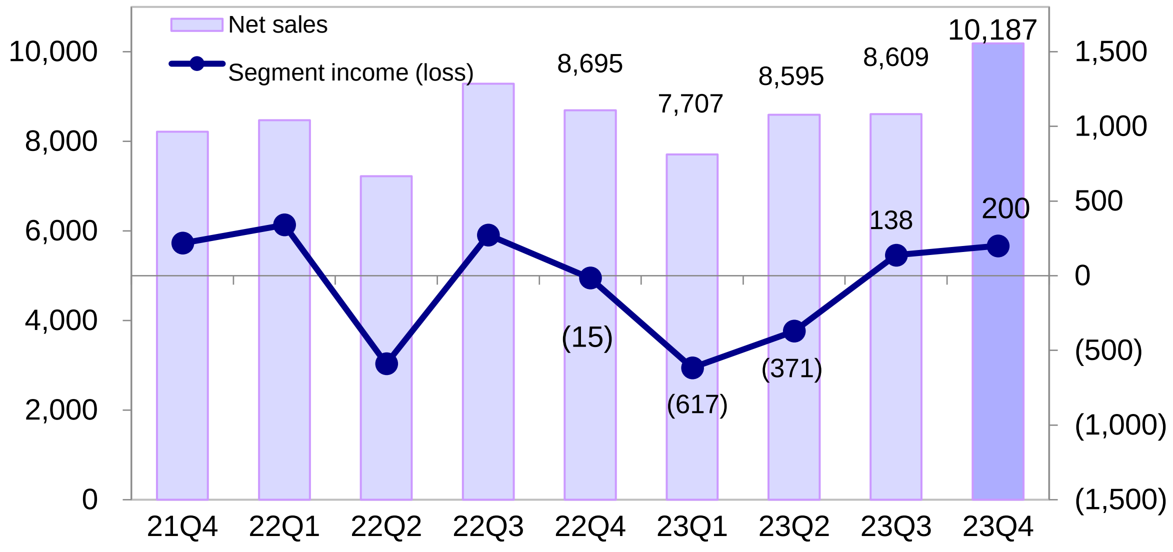
Factors behind change in segment income (million yen)



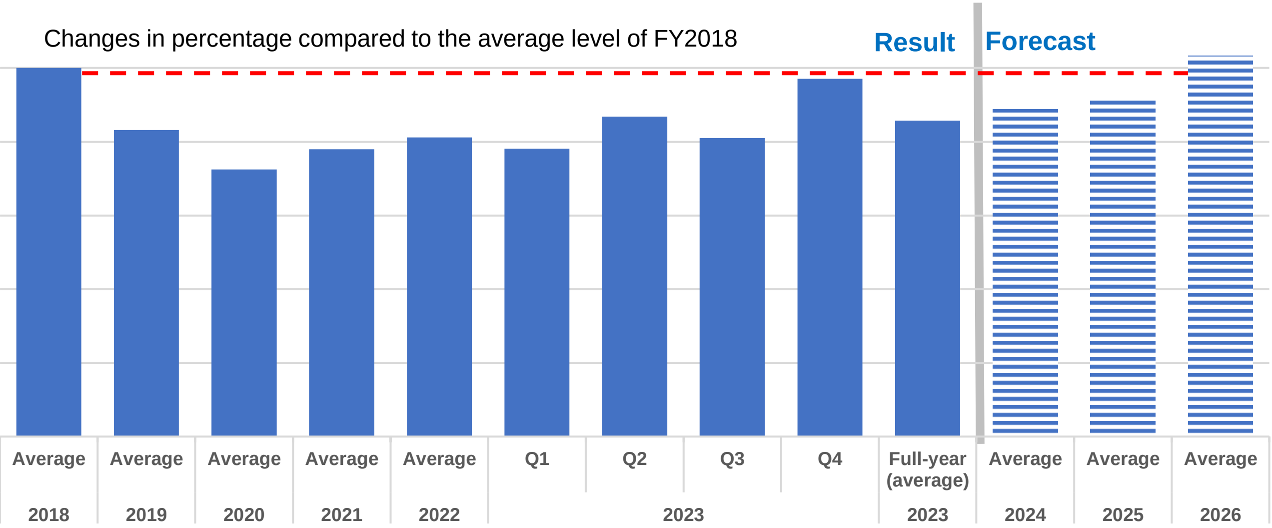
Fiscal year end: March in U.S.; December in Mexico
Exchange rate (22Q4 ⇒ 23Q4): U.S. dollar: ¥134.95 ⇒ 144.41; Mexican peso: ¥130.78 ⇒ 140.55

Die Casting in Asia

Changes in sales and segment income (million yen)



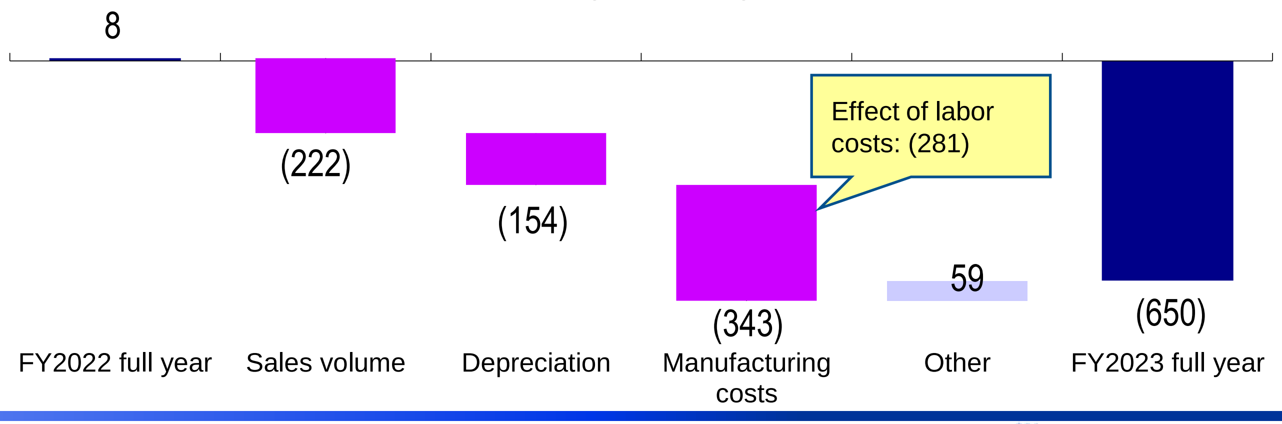
Changes in sales weight



<Full year total>
Sales: ¥35,000 million Up ¥1,400 million (4.2%) year on year
Income: Loss of ¥650 million Down ¥650 million year on year (loss)
<4Q>
Sales: ¥10,100 million Up ¥1,400 million (17.2%) year on year
Income: ¥200 million Up ¥210 million year on year (returned to the black)

- Despite the ongoing sluggish sales of our major customers in China, sales returned to the black on a quarterly basis due to the temporary increase in the volume of orders received in 4Q. The Indian plant is improving productivity and expected to increase earnings in the next fiscal year and beyond.

Factors behind change in segment income (million yen)



Fiscal year end: December in China; March in India
Exchange rate (22Q4 ⇒ 23Q4): Chinese yuan: ¥19.39 ⇒ 19.81; Indian rupee: ¥1.68 ⇒ 1.75

Aluminum Business and Proprietary Products Business

(Million yen)

		Year ended March 2023	Year ended March 2024				YoY changes	<Reference> Year ended March 2024 full year Oct. 25 revised plan
		Full year	1H	2H	4Q	Full year		
Aluminum Business	Net sales	7,975	3,509	3,548	1,641	**7,057**	**(918)**	**7,000**
	Segment income (loss)	274	88	53	11	**141**	**(133)**	**200**
Proprietary Products Business	Net sales	3,271	3,684	2,439	999	**6,123**	**+2,852**	**5,900**
	Segment income (loss)	285	487	404	150	**891**	**+606**	**800**

<Aluminum Business>

- Sales: Decreased due to the impact of a decline in aluminum prices.
- Income: Decreased mainly due to the decline in sales.

<Proprietary Products Business>

- Sales: Large orders, such as clean room projects from a semiconductor production company, our main customer, increased.
- Income: Marked record high profit due to the record high sales. Contributed significantly to overall income.

Ahresty

Full-year Plan for Year Ending March 2025

(Million yen)

	Year ended March 2024	Year ending March 2025 (plan)				YoY changes
	Full year	1H	2H	Full year		
Net sales	**158,254**	77,000	82,000	**159,000**	–	**+746**
Operating income	**2,291**	1,300	2,700	**4,000**	(2.5%)	**+1,709**
Recurring income	**2,574**	1,000	2,500	**3,500**	(2.2%)	**+926**
Net income	**(7,699)**	100	1,900	**2,000**	(1.3%)	**+9,699**

- **The volume of orders is expected to increase due to the launch of new products mainly in North America and India, and other factors.**
- **The severe market environment is likely to continue in China.**
- **Enhance resistance to order fluctuations by streamlining production systems to reduce fixed costs and further improve productivity.**
- **Absorb the impact of cost increases by promoting negotiations to pass on energy and labor costs to selling prices.**

Exchange rate assumptions in plan: USD: ¥140.00; Chinese yuan: ¥20.0; Indian rupee: ¥1.70

Return to Shareholders

Dividends: Increase in annual dividend to 28 yen in FY2024 is planned.

A net loss was recorded for FY2023 due to impairment losses, etc., regrettably resulting in reduction of the year-end dividend to 5 yen from the 10 yen forecast at the beginning of the fiscal year. In FY2024, continue to return profits to shareholders based on consolidated financial results in accordance with the financial strategy.

Item	Year ended March 2022	Year ended March 2023	Year ended March 2024	Year ending March 2025 Forecast
Annual dividend	10	10	15	**28**
Interim	5	5	10	**10**
Year-end	5	5	5	**18**
Net income per share	(201.23)	(3.26)	(300.55)	**81.27**
Dividend payout ratio	–	–	–	**34.5%**

Purchase of treasury stock: Steadily progressing

Similar to dividend payments, flexibly implementing the acquisition of our own shares as part of the capital policy in line with our financial strategy, taking into consideration our business environment, financial status, etc.

Item	Previous	Acquisition limit	As of Apr. 30	Progression rate
Number of shares acquired	679,200	**600,000**	**233,200**	**38.9%**
Total amount (million yen)	499.9	**500**	**183.5**	**36.7%**
Purchase period	May 19, 2023 to December 31, 2023	February 19, 2024 to August 31, 2024		

* Implemented cancellation of treasury stock on February 19, 2024: Number of shares cancelled 530,000

* Number of treasury stock as of March 31, 2024: 337,057

Casting Our Eyes on the Future

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This document and what is said in the results briefing include forecasts that the Company made based on data available when the document was prepared. Actual results could be different from the forecasts for a range of reasons.