Research
Service
Technology

Results Briefing for the Year Ended March 31, 2025

May 29, 2025

Ahresty

Ahresty Corporation

Overview of Results for the Year Ended March 2025

Key Results for the Fiscal Year Ended March 2025

(Million yen)

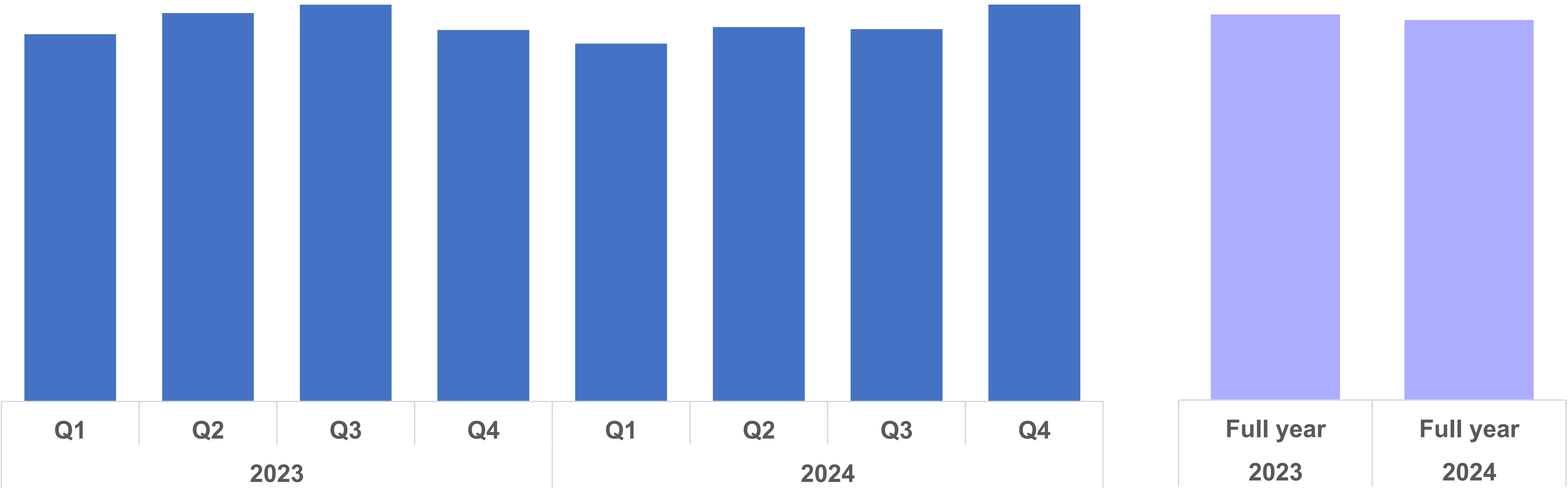
	Year ended March 2024	Year ended March 2025				YoY changes
	Full year	1H	2H	4Q	Full year	
Net sales	158,254	78,195	84,734	43,342	**162,929**	**+4,675**
Operating income	2,291	(253)	3,624	2,450	**3,371**	**+1,080**
Recurring income	2,574	(536)	3,580	1,940	**3,044**	**+470**
Net income	(7,699)	(2,696)	(196)	(1,204)	**(2,892)**	**+4,807**

<Overview>

- Sales: Although net sales increased due partly to the weak yen, sales volume decreased by 1.5% year on year due to sluggish sales at some major customers, etc.
- Operating income: Increased even on a full-year basis due to the effects of fixed cost reductions through personnel optimization, mainly in Japan and China, and price adjustment activities, as well as productivity improvements, which led to a large improvement in earnings in 2H.
- Net income: Loss recorded mainly due to the recording of impairment losses at U.S. Plant.

Changes in Sales Weight

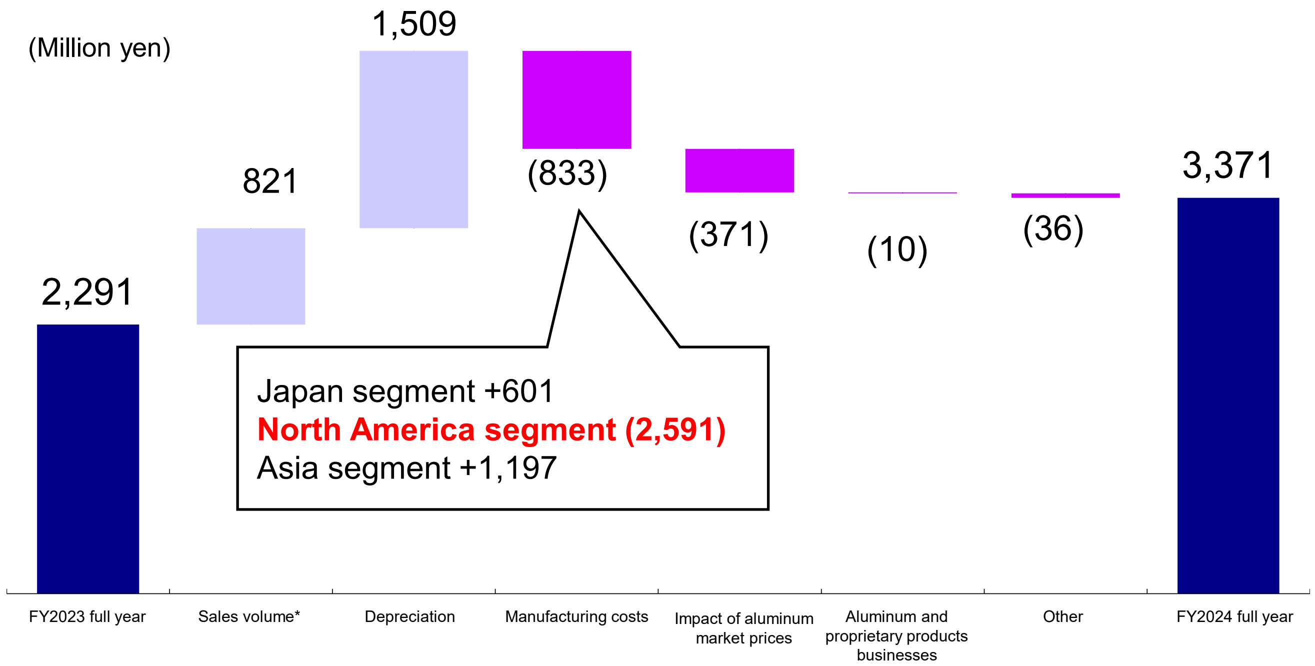
For the full year of FY2024, sales weight decreased slightly from FY2023 mainly due to sluggish sales at some major customers in 1H. However, sales volume increased in 4Q due to the launch of new products and increased production.



Consolidated Results

Despite a delay in improving profitability at the U.S. Plant, we advanced personnel optimization mainly in Japan and China and promoted leaner production systems and operational efficiency. Although the volume of orders decreased year on year, the effect of price adjustment activities and the reduction in depreciation expenses due to impairment losses recorded in the previous year contributed to significant improvement in profitability.

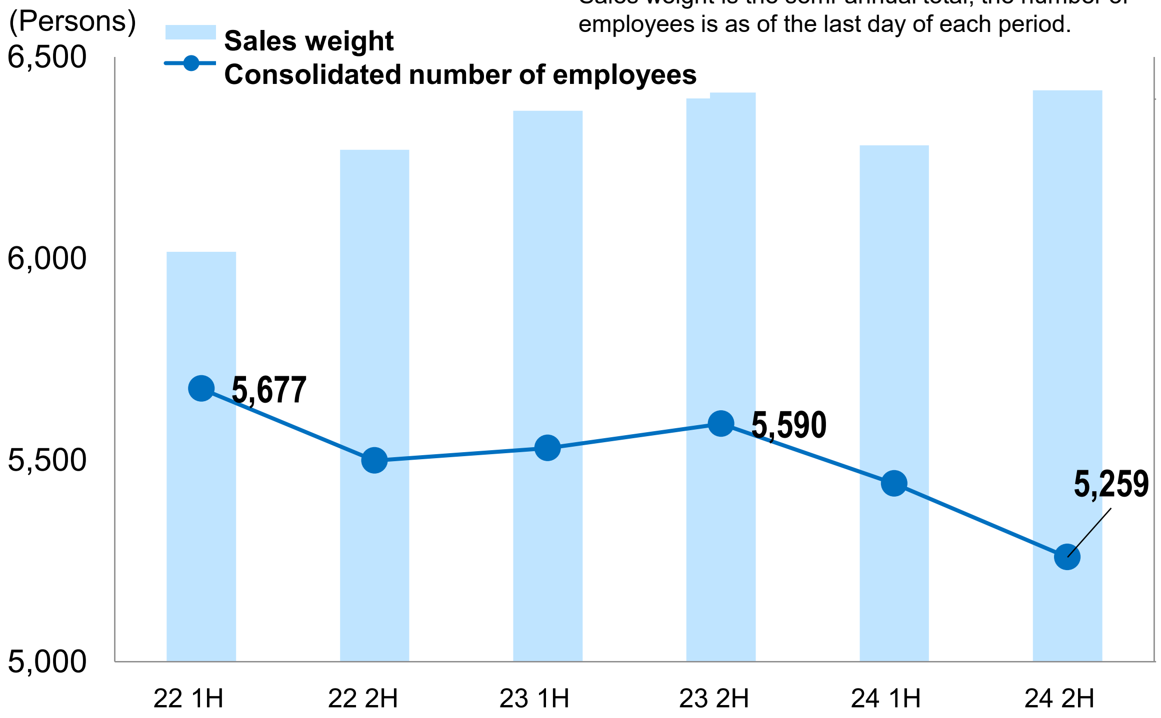
■ Factors behind changes in operating income



* Price adjustments included

■ Changes in sales weight and number of employees

* Sales weight is the semi-annual total; the number of employees is as of the last day of each period.



Details of Results for the Year Ended March 2025

Recording of Non-operating Expenses, etc. in the FY2024 results

(Million yen)

	Year ended March 2025		
	1H	2H	Full year
Net sales	78,195	84,734	**162,929**
Operating income	(253)	3,624	**3,371**
Recurring income	(536)	3,580	**3,044**
Net income	(2,696)	(196)	**(2,892)**

Foreign currency exchange loss (non-operating expense): Approx. 300 million yen
Foreign exchange loss due to revaluation of foreign currency-denominated claims and debts

Gain on sales of fixed assets (extraordinary gain): Approx. 700 million yen
Gain on sales of a part of the Guangzhou plants (Plant No. 2)

Special retirement benefits (extraordinary losses): Approx. 1,000 million yen
Recorded in association with the streamlining of production systems at China and domestic sites.

Impairment losses (extraordinary losses): Approx. 3,300 million yen
Recorded based on the recoverability of fixed assets owned by the company in view mainly of the decline in profitability of the U.S. Plant.

Reversal of deferred tax assets (deferred income taxes): Approx. 1,100 million yen
Due to the difference between the functional currency (U.S. dollar) for accounting purposes and the local currency (Mexican peso) for tax base calculation for the Mexico plant, a depreciation of the peso against the U.S. dollar results in a positive amount of deferred income taxes and recording of an expense.

Die Casting Business

(Million yen)

		Year ended March 2024	Year ended March 2025				Year-on-Year
		Full year	1H	2H	4Q	Full year	
Japan	Net sales	62,007	30,172	34,419	17,110	**64,591**	**+2,584**
	Segment income (loss)	595	(149)	2,469	1,393	**2,320**	**+1,725**
North America	Net sales	47,967	25,389	24,315	11,931	**49,704**	**+1,737**
	Segment income (loss)	1,242	(419)	(1,198)	(492)	**(1,617)**	**(2,859)**
Asia	Net sales	35,098	17,221	19,313	11,216	**36,534**	**+1,436**
	Segment income (loss)	(650)	256	1,554	1,277	**1,810**	**+2,460**

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

Ahresty

Aluminum Business and Proprietary Products Business

(Million yen)

		Year ended March 2024	Year ended March 2025				Year-on-Year
		Full year	1H	2H	4Q	Full year	
Aluminum Business	Net sales	7,057	3,466	3,746	1,886	7,212	+155
	Segment income (loss)	141	70	156	64	226	+85
Proprietary Products Business	Net sales	6,123	1,945	2,941	1,200	4,886	(1,237)
	Segment income (loss)	891	179	617	228	796	(95)

<Aluminum Business>

- Sales: Despite a 9.8% decrease in sales weight for the full year, revenue increased partly due to a rise in the unit selling price and a recovery in sales weight from 2H.
- Income: Increased mainly due to an increase in net sales. Secured profits above the planned levels.

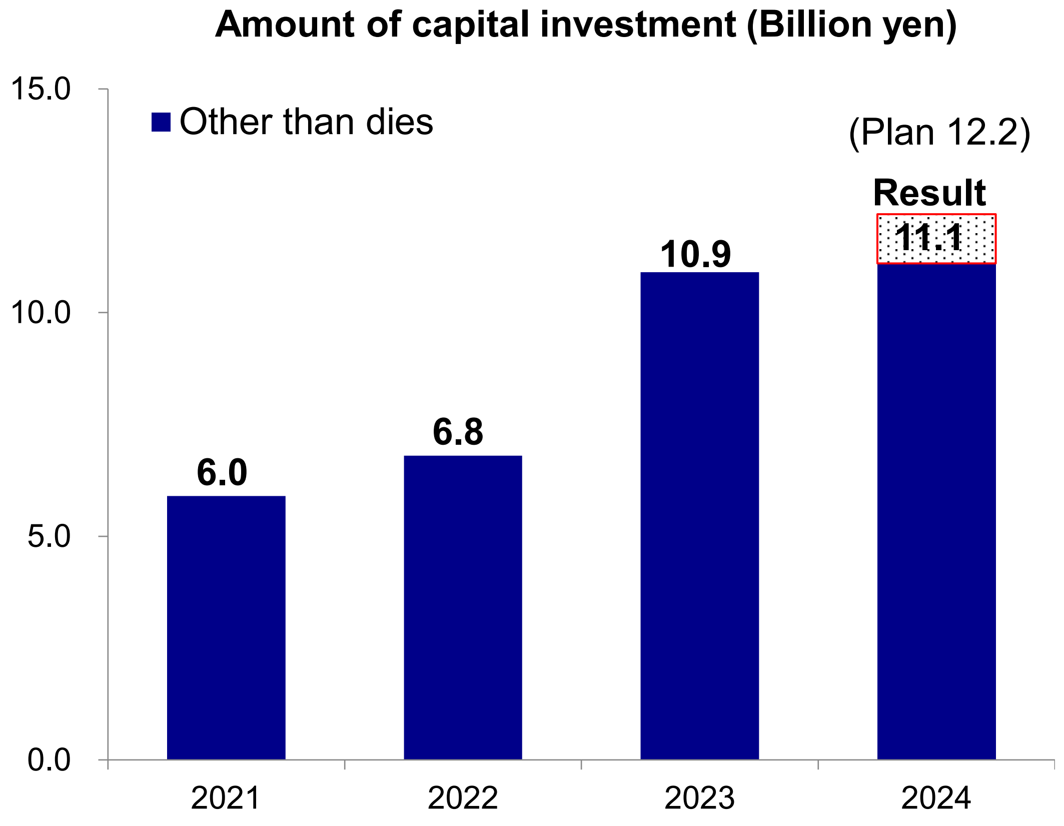
<Proprietary Products Business>

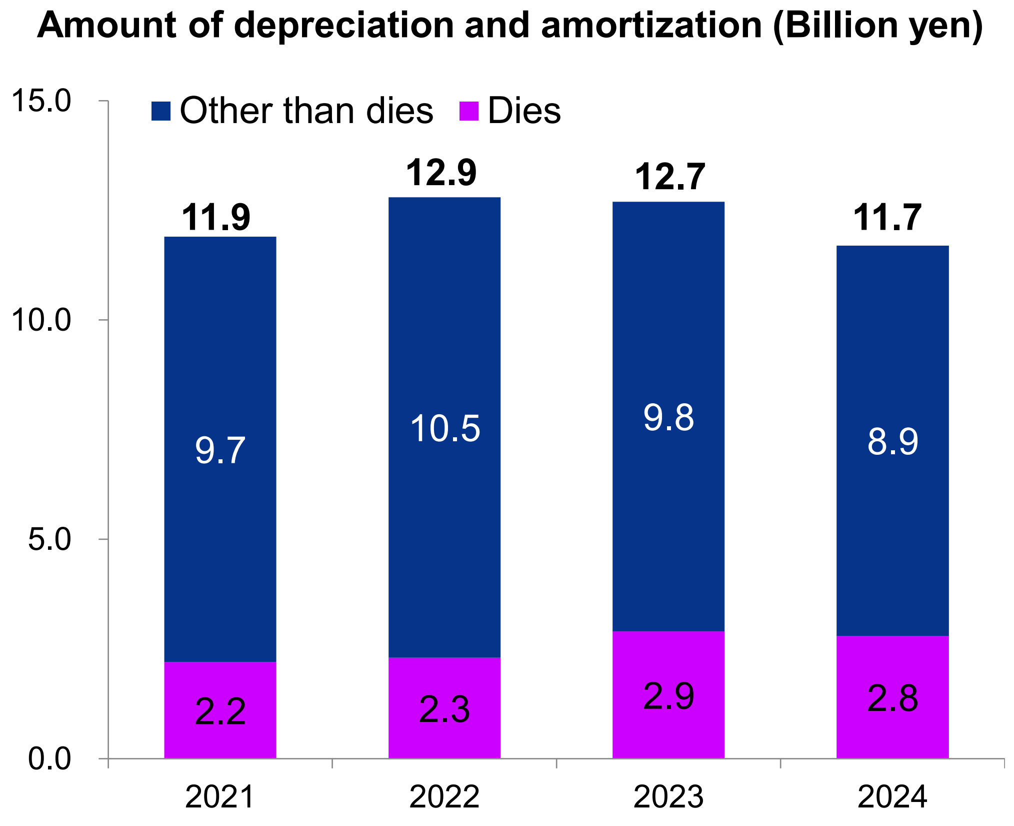
- Sales: Decreased year on year due to a decrease in large-order deliveries to semiconductor-related companies during the period, but exceeded the level of the plan.
- Income: Achieved high profits, similar to the previous year. Marked record high profit margin.

Ahresty

Capital Investment, Depreciation and Amortization

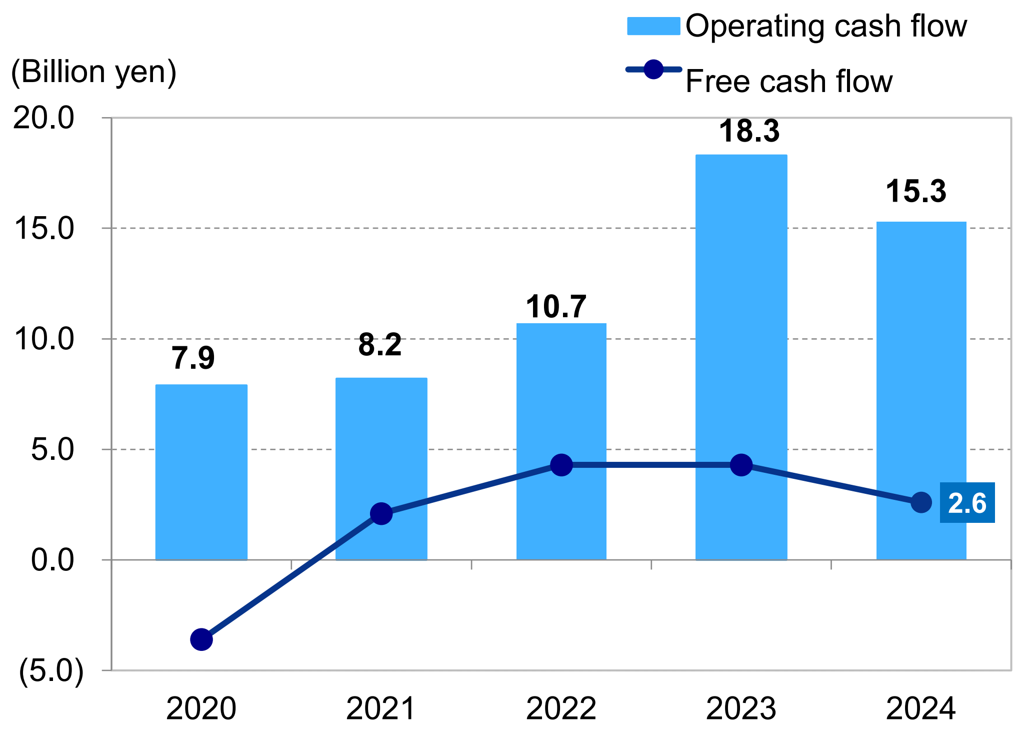
- Amount of capital investment: Decreased compared to the plan, but growth investment in new products, etc. was maintained at the same level as that of the previous year.
- Depreciation and amortization: Decreased partly due to the effect of impairment losses in the previous year.



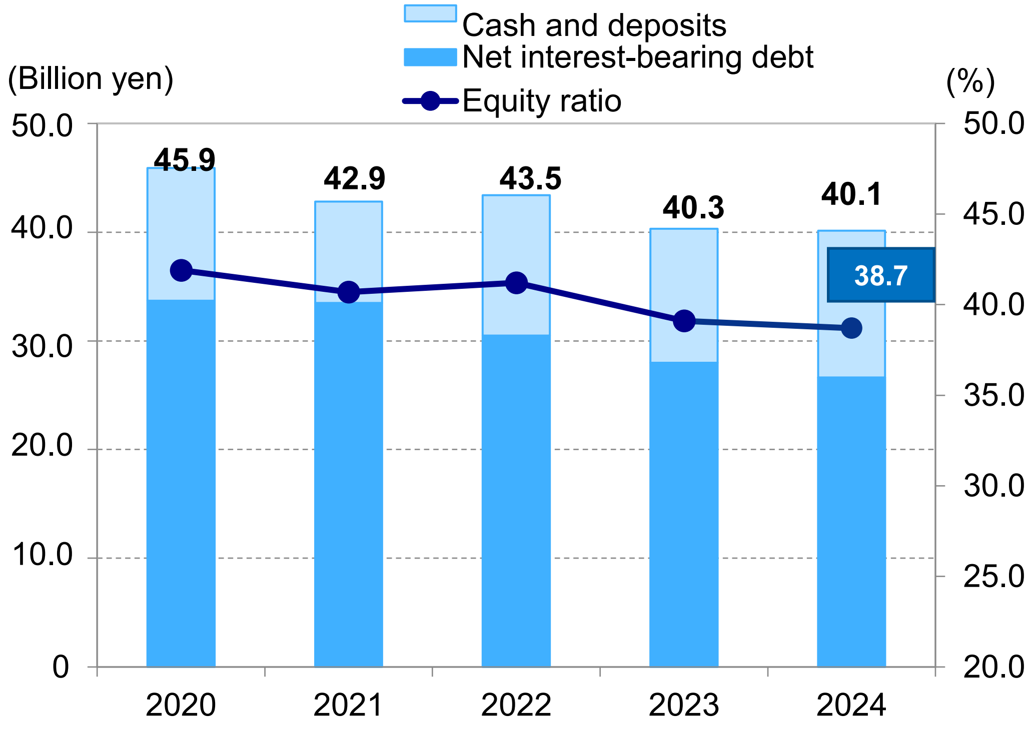


Financial Performance

- Cash flows: Operating cash flow decreased from the previous year partly due to the payment of special retirement benefits. At the same time, we continued growth investment in preparation for future increases in orders, resulting in a decrease in free cash flow year on year.
- Interest-bearing debt: Cash and deposits remained at the same level as in the previous year. Net interest-bearing debt was ¥26.6 billion, a decrease of ¥1.4 billion year on year.
  Equity ratio remains stable. We will continue efforts to improve our financial structure.



* Free cash flow (FCF) = Operating CF − Investment CF



* Net interest-bearing debt = Interest-bearing debt − Cash and deposits

Forecasts for the Year Ended March 2026

Assumptions for FY2025 Full-year Plan

Initiatives to improve planning accuracy	Review the planning process. Strengthen synergy between top-down (Head Office guidelines) and bottom-up (location-specific efforts). Tighten quantitative evaluation criteria for measuring the effects of improvement initiatives, etc. on revenues.
Customer production plans and our sales plans	Given the uncertainty about the future, set targets more conservatively than before based on the production plan of each company while also taking into account past performance and market observations by external evaluation organs, etc.
Impact of US tariffs	The direct impact on our company is limited. For products whose final destination is the U.S., incorporate a certain amount of reduction into the plan.

Exchange rate assumption: ¥150/$

The rate is set based on the observation that the interest rate differential between Japan and the U.S. will widen due to upward pressure on interest rates, such as the acceleration of inflation in the U.S. due to tariffs.

Situation of the U.S. Plant and Efforts for Reconstruction

Revenues declined to the worst level ever in FY2024.

- In addition to the deterioration of employee retention rates and rising wages, equipment problems have also contributed to a significant decline in productivity from 2Q, resulting in delivery delays.
- Recorded impairment losses due to deterioration of earnings and implemented financial support measures such as debt forgiveness to eliminate excessive debt.

Implementing emergency measures with reinforced support from Japan

- Delivery problems (backorders) have been resolved, and manufacturing has returned to normal.
  [NEXT] Implement a fundamental restructuring plan to return to profitability

Four pillars of the restructuring plan for early return to profitability

- Improving profitability of individual products
- Improving productivity by focusing on quality loss
- Strengthening governance and management
- Optimizing management resources in the North America region

Ensure implementation through support from Head Office and strengthened governance

Return to profitability for the full-year FY2025

Full-year Plan for Year Ending March 2026

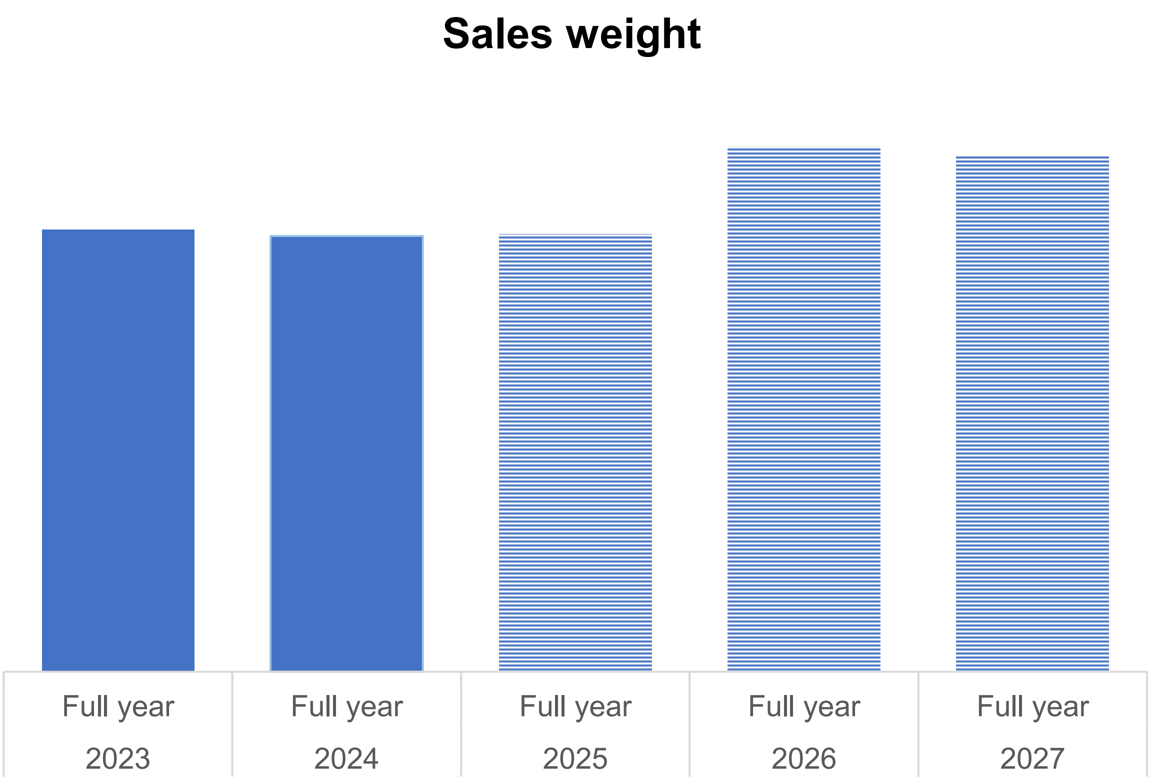
(Million yen)

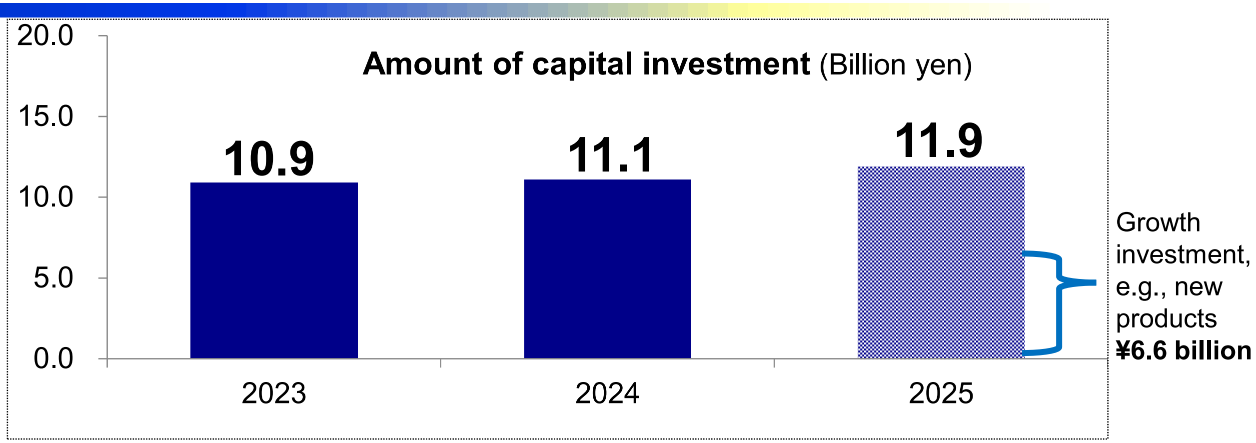
	Year ended March 2025	Year ending March 2026 (plan)				YoY changes
	Full year	1H	2H	Full year		
Net sales	**162,929**	82,100	79,100	**161,200**	–	**(1,729)**
Operating income	**3,371**	1,900	1,700	**3,600**	**2.2%**	**+228**
Recurring income	**3,044**	1,600	1,500	**3,100**	**1.9%**	**+55**
Net income	**(2,892)**	1,800	500	**2,300**	**1.4%**	**+5,192**

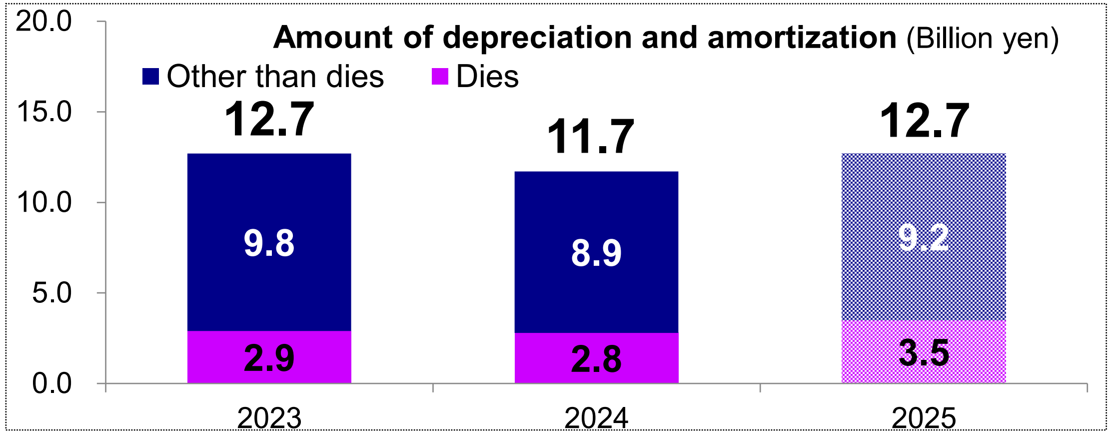
- **Given the uncertainty about the future due to the impact of tariffs and other factors, we have formulated a conservative sales plan and expect the volume of orders to remain flat compared to the previous year.**
- **In the Asia segment, the volume of orders is expected to increase due to expanded transactions with Chinese-affiliated customers in China and increased production with the start of operations at the second plant in India.**
- **Aim to return to profitability in FY2025 after urgently working to improve earnings at the U.S. Plant.**
- **Continue to 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: ¥150.00; Chinese yuan: ¥21.0; Indian rupee: ¥1.80

Sales Weight and Capital Investment Forecasts







Considering the impact of tariffs, etc., sales are expected to remain flat in FY2025, but sales weight is expected to increase from FY2026 onwards due mainly to the start of mass production of new products.

Capital investment will be focused on growth investments in preparation for increased orders. We will maximize investment efficiency and strive to improve profitability of each individual product.
The amount of depreciation and amortization is expected to increase from the previous year due to increased capital investment.

Return to Shareholders

Dividend per share	FY2022 results	FY2023 results	FY2024 results	FY2025 Forecast on May 16
Annual dividend	10	15	28	**32**
Interim	5	10	10	**16**
Year-end	5	5	18	**16**
Net income per share	(3.26)	(300.55)	(116.26)	**91.10**
Dividend payout ratio	–	–	–	**35.1%**

<Change in dividend policy>

Before change	After change
Pay dividends with a payout ratio of 35% or more based on consolidated results	In addition to a dividend payout ratio of 35% or more based on consolidated results, **pay dividends with a dividend on equity (DOE) of 1.5% as the minimum dividend amount.**

- **Our basic policy is to pay dividends with a consolidated payout ratio of 35% or more based on our financial strategy.**
- **On the other hand, we place importance on shareholder returns and continue to pay dividends even when performance is poor.**
- **In order to clarify our commitment to stable dividends, we have added DOE as a new indicator since the beginning of FY2025 while maintaining the existing policy.**

Ahresty

Review of FY22-24 Medium-Term Management Plan and Outlook for FY25-27 Medium-Term Management Plan

Summary of FY22-24 Medium-Term Management Plan

10-year Business Plan		Focus items of FY22-24 Medium-Term Management Plan	Evaluation
Strategic perspectives	FY2030 targets		
Enhancement of earnings strength and financial structure	Net sales 180 billion yen Operating margin 6%	Establish low-cost, highly productive MONOZUKURI	△
		Achieve competitive die costs	×
Carbon neutral	Reduction of CO2 emissions in Scope 1 and 2 by 50% (vs. FY2013)	Promote CO2 reduction activities	○
Shifting the business portfolio	Ratio of parts for electric vehicles in sales 55% Net sales of vehicle body parts 4.0 billion yen	Increase orders for parts for electric vehicles	○
	Net sales of vehicle body parts 4.0 billion yen	Advance into vehicle body parts, such as underbody parts and body and chassis parts (development)	○
Enhancement of customer satisfaction	Obtain a top evaluation from major clients	Obtain a top evaluation from major clients (quality)	○
Diversity (Improving diversity)	Diversification of executive managers Ratio of female employees (in Japan) 20% or more Ratio of female managers (in Japan) 10% or more	Promote diversity within the group companies in Japan	○
Strengthening employee engagement	Employee satisfaction (engagement index) positive rating 80% or higher	Improve employee engagement	△
Reinforcement of technological foundations for weight reduction, carbon neutrality, and enhanced competitiveness	Shortening development lead time Development of pioneering, innovative technologies Taking on the challenge of achieving carbon neutral die casting	Contribute to net sales through development of technologies that create demand and improve productivity Shorten development lead time	○

Summary of FY22-24 Medium-Term Management Plan _ Results

	Year ended March 2022 Full-year results	Year ended March 2025 Targets	Year ended March 2025 Full-year results	Evaluation	Remarks
Net sales (million yen)	116,313	170,000	162,930	△	The volume of orders received decreased significantly due to sluggish sales of Japanese OEMs, our major customers, in the Chinese market. Both sales and profits fell short of targets due to delays in improving profitability at U.S. Plant. Fixed costs were reduced through personnel optimization mainly in Japan and China, resulting in improved profitability.
Operating income (million yen)	(2,422)	6,500	3,372	×	
Operating margin	(2.1%)	3.8%	2.1%	△	
ROA	(3.9%)	3.3%	(2.2%)	×	Net loss was recorded due to recognition of impairment losses at the U.S. Plant and special retirement expenses associated with personnel optimization. Due to the capital impairment resulting from the above, the equity ratio has fallen below 40%, so we aim to improve financial stability by achieving profitability as soon as possible.
ROE	(9.5%)	7.8%	(5.6%)		
Equity ratio	40.7%	42.8%	38.8%		
Sales ratio of electric vehicles	-	FY27 45%	FY27 42% * As of May 2025	△	Although the target has not been met at this point due to the stagnant BEV market, the volume of orders is strong. So the target of 55% for FY2030 remains unchanged.
CO2 emissions reduction (vs. FY2013)	-	(29%)	(35%)	○	CO2 emissions reduction is progressing at a rate exceeding the target thanks to the introduction of solar power generation, energy conservation promotion activities, etc.

Ahresty

Achievements in FY2022-24 _ Quality

	Number of awards
FY2022	7
FY2023	6
FY2024	11

Major customers
Honda Motor Co., Ltd. Toyota Motor (Changshu) Auto Parts Co., Ltd. Guangzhou Automobile Group Motor Co., Ltd. Nissan Motor Co., Ltd. Hangzhou Dongfeng Yulon Motor Co., Ltd. Denso Corporation Aisin (China) Investment Co., Ltd. Toyota Motor Corporation DENSO International America, Inc.

Received many quality-related awards from customers, including Quality Excellence Award and Best Performance Award.

→ Number of awards increased from FY2019-21.
The awards received by our various locations have earned us global recognition for high quality.

By Plant	Yamagata Plant	Tochigi Plant	Tokai Plant	Kumamoto Plant	Guangzhou Plant	Hefei Plant	U.S. Plant	Mexico Plant
Number of awards	5	2	4	3	2	4	1	3

* The India Plant received the award in April 2025 (included in the FY2025 results).

Achievements in FY2022-24 _ Shortening development lead time

FY24: Shortened development lead time for newly ordered parts by 42% (vs. FY21)

- Continued shortening vehicle development time to enable the timely introduction of new models to meet diversifying needs
- By utilizing digital technology, reduced work hours and streamlined operations, achieving a shorter development lead time.

<Examples of initiatives to shorten development lead time>

1 Reducing on-site work time through simulations

Achieved 85% reduction of preparation time by simulating robot operation programs in advance.

2 Establishing conditions for good products by employing CAE analysis

By comparing analysis results at the design stage with actual casting results, improved analysis accuracy and reduced the number of times of trial production and evaluation man-hours.

3 Visualization of equipment usage status

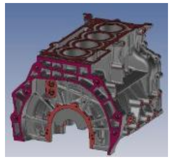
Visualized the usage status of globally owned equipment to reduce the man-hours required for determining specifications.

4 Development of automatic visual inspection devices

Reduced human error and variation in judgments, secured inspection personnel and shortened training time

<Example of mass production start>

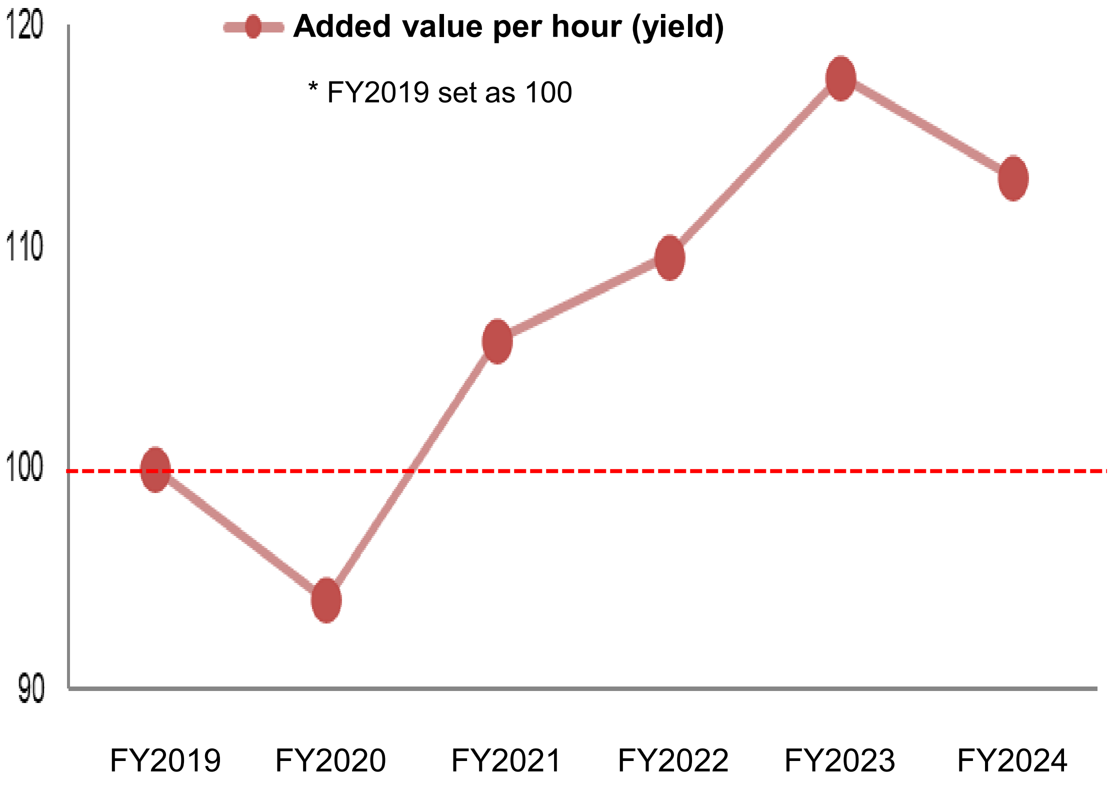
90 days from order confirmation to mass production start

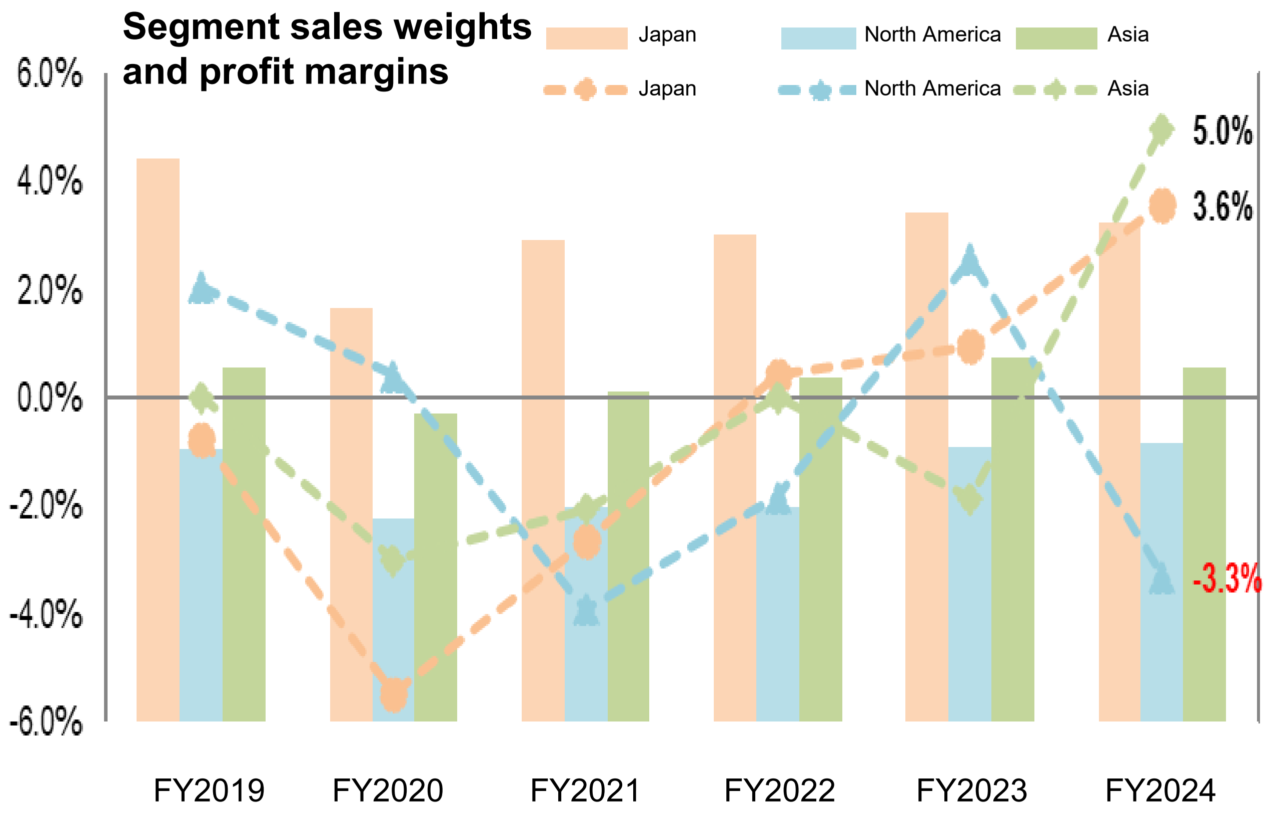


BYD vehicle parts (blocks) achieved shortest time to mass production

Achievements in FY2022-24 _ Profitability

Although added value per hour declined in FY2024 due to sluggish sales of our major Japanese customers in the Chinese market, our earnings strength improved significantly over the three years of FY2022-24 compared to FY2019, before COVID-19.





Revenue Structure Reform for FY22-24 _ Major organizational restructuring initiatives

Restructuring domestic production system

Transforming the revenue structure into one that is resistant to fluctuations in orders, improving efficiency of domestic production, and increasing profitability

- Transferred production at Higashimatsuyama Plant to Tochigi Plant.
- Implemented voluntary retirement offers at two large plants in Japan (Tokai, Tochigi).

Effect **Cost reduction through restructuring of production system: Approx. 1.0 billion yen per year**

Rebuilding the business portfolio for China plants

Streamlining production structure in line with the business environment to improve profitability

- Sold a part of the Guangzhou plants (Plant No. 2) and consolidated the plant locations into one.
- Sold die manufacturing business (Guangzhou Die Plant).
- Optimization of personnel in line with the above
- Reduced fixed assets and depreciation expenses through optimization of business scale.

Effect **Cost reduction through plant consolidation: Approx. 1.5 billion yen per year**

FY25-27 Medium-Term Management Plan

Reinvent Ahresty

"Inheritance" and "Reconstruction" of Ahresty's MONOZUKURI

Sincere MONOZUKURI to respond to the trust of our customers and go "beyond your expectations" by providing them with high-quality products and stable delivery

"Inheritance"

Shifting our approach to revenues, costs, and manufacturing to **MONOZUKURI that generates profits**

"Reconstruction"

Focus items of FY25-27 Medium-Term Management Plan

10-year Business Plan Strategic perspectives	Focus items of FY25-27 Medium-Term Management Plan	Changes from FY22-24 Medium-Term Management Plan	
Enhancement of earnings strength and financial structure	**Pursue Smart MONOZUKURI**	**Strengthened**	**Improved productivity ⇒ Profitable MONOZUKURI**
	Supply competitive dies globally	Continued	Promote activities to reduce die costs
Carbon neutral	**Save money through energy conservation and accelerate CO2 reduction activities**	**Strengthened**	**Energy conservation activities with a greater focus on profits**
Shifting the business portfolio	**Optimize the die casting business portfolio with a view to 2030**	Continued	Steady shift to electrification
Enhancement of customer satisfaction	**Maintain the system to earn top ratings from customers**	Continued	Further reinforce trust by ensuring high quality and stable delivery
Diversity (Improving diversity) Strengthening employee engagement	**Create a company where people are happy to work** **Enhance human resources for MONOZUKURI**	Continued **New**	Promote a workplace where anyone can work with peace of mind **Enhance training programs for MONOZUKURI human resources (specialists) who can play an active role globally**
Reinforcement of technological foundations for weight reduction, carbon neutrality, and enhanced competitiveness	**Shorten development lead time** **Take on the challenge of achieving carbon neutral die casting (CNDC)**	Continued	Achieve further reduction through technological innovation From concept to introduction phase

Ahresty

Pursue Smart MONOZUKURI

Achieving smart (intelligent, efficient, fast, excellent) MONOZUKURI

Shift in MONOZUKURI approach from "Profits will come if we produce good products with good productivity" to "We make good products in a way that generates profits."

Increase added value through MONOZUKURI

Increase added value by improving the productivity of existing equipment and increasing production capacity.

Increase the value of work and reduce working hours.

Increase work efficiency through DX and improve work quality by reviewing work content and roles, thereby achieving the same output in fewer working hours.

Income — Increase total value added ↑

Reduce total working hours ↓ — Cost

Target Values for FY2027 and FY2030

	FY2024 results	FY2025 plan	FY2027 target value	FY2030 target value	Previous target value
Net sales (billion yen)	162.9	161.2	170.0	180.0	180.0
Operating income (billion yen)	3.3	3.6	6.0	8.1	10.8
Operating margin	2.1%	2.2%	3.5%	4.5%	6%
ROE	(5.6%)	4.4%	7.0%	9.0%	9.0%
Sales ratio of electric vehicles	FY27 42% * As of May 2025	FY28 45%	FY30 55%	55%	55%
CO_2 emissions (vs. FY2013)	(35%)	(33%)	(41%)	(50%)	(50%)

FY2030 ROE target level

Net profit to sales	3% or more
×	
Total assets turnover	1.20 or more
×	
Financial leverage	2.50 times or less

In response to changes in the market environment, we have revised our FY2030 target values to optimize the allocation of management resources and achieve sustainable growth.
Adhering to the ROE target of 9%, we aim to achieve a PBR of 1x by implementing our financial strategy.

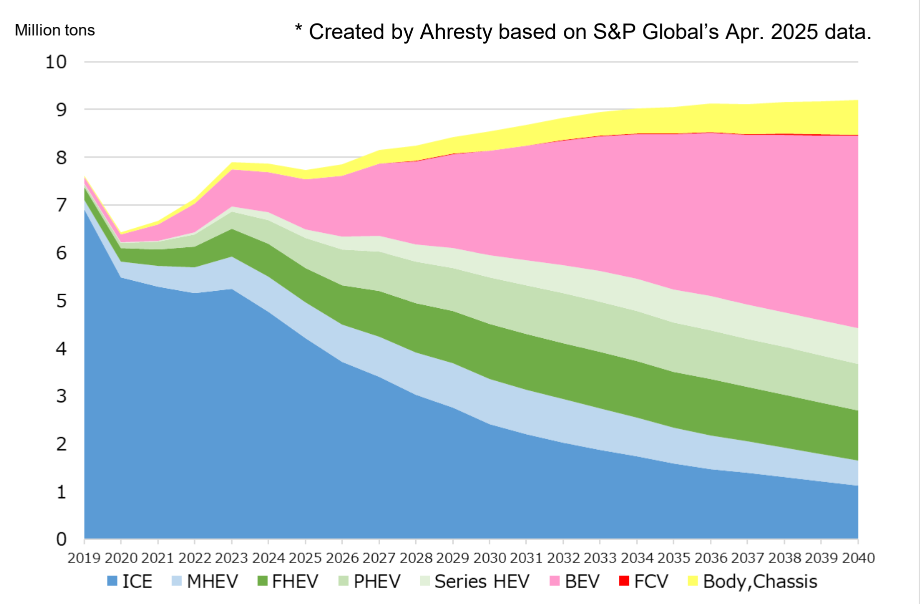
Ahresty

Addressing Changes in the Market Environment (Sales Strategy)

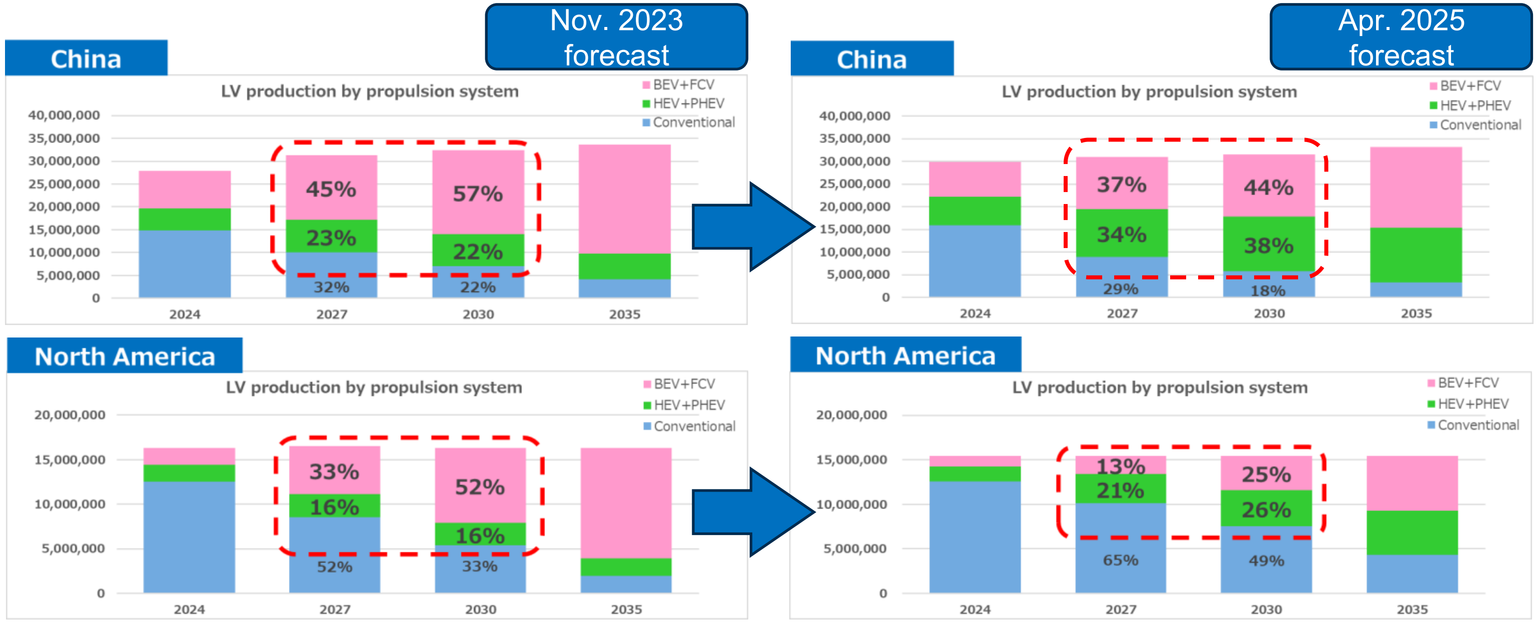
Basic Strategy on Changes in the Automotive Market and on Orders

- Car production will grow robustly.
- In the long run, electrification of automobile powertrains will continue (centered around BEVs).
- The rate of vehicle conversion to BEVs by 2030 is slowing while HEVs and PHEVs are recovering.
- We will maintain our basic sales strategy of "receiving orders mainly for electric vehicle parts."

[Global demand forecast for automotive die casting as of Apr. 2025]



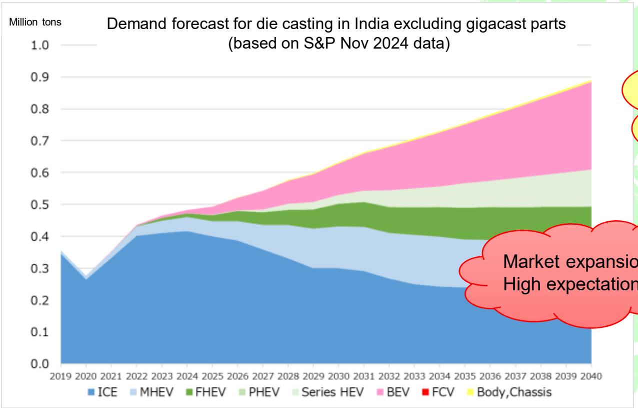
[Changes in car production forecasts for the two major BEV markets]

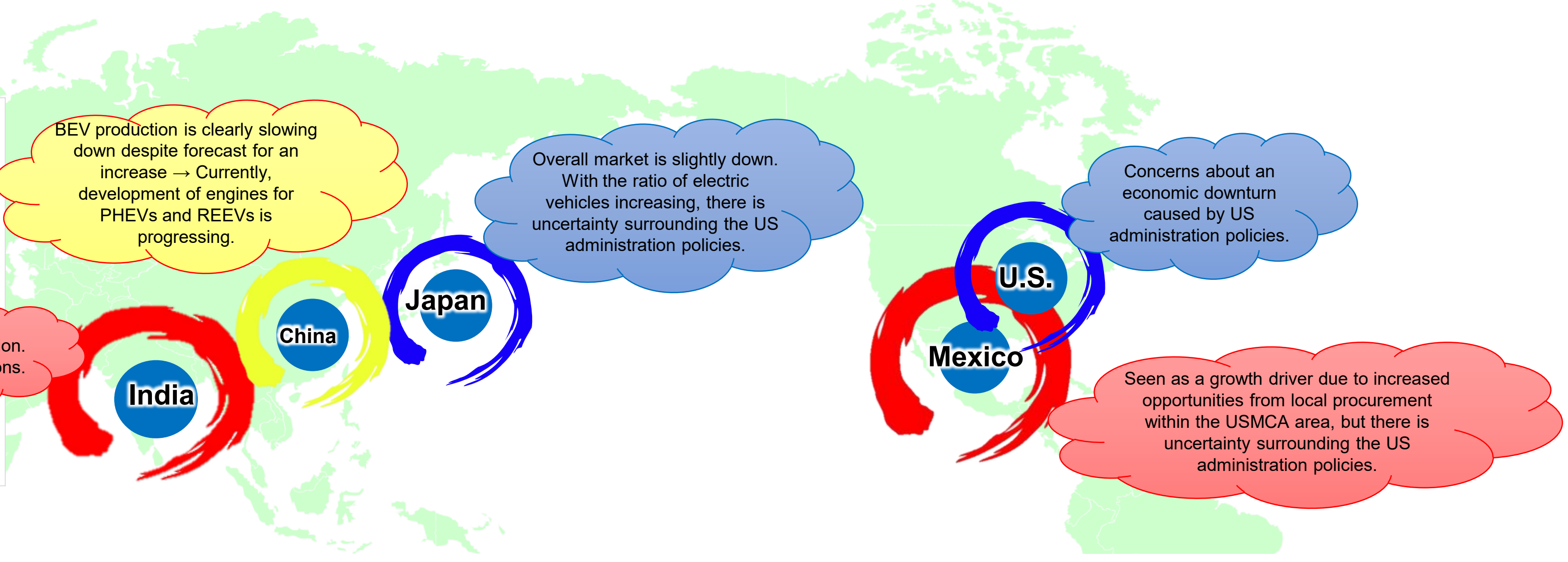


* Created by Ahresty based on S&P Global's data.

Market Changes and Sales Strategy by Region

- **Growth driver region: Invest management resources to expand sales and income ⇒ Mexico, India**
- **Stabilization region: Maintain/strengthen business foundation to secure stable sales and income ⇒ Japan, U.S.**
- **Recovery region: Secure sales through new order-receiving activities, leveraging high productivity and quality, and restore income by restructuring to the optimal business scale ⇒ China**

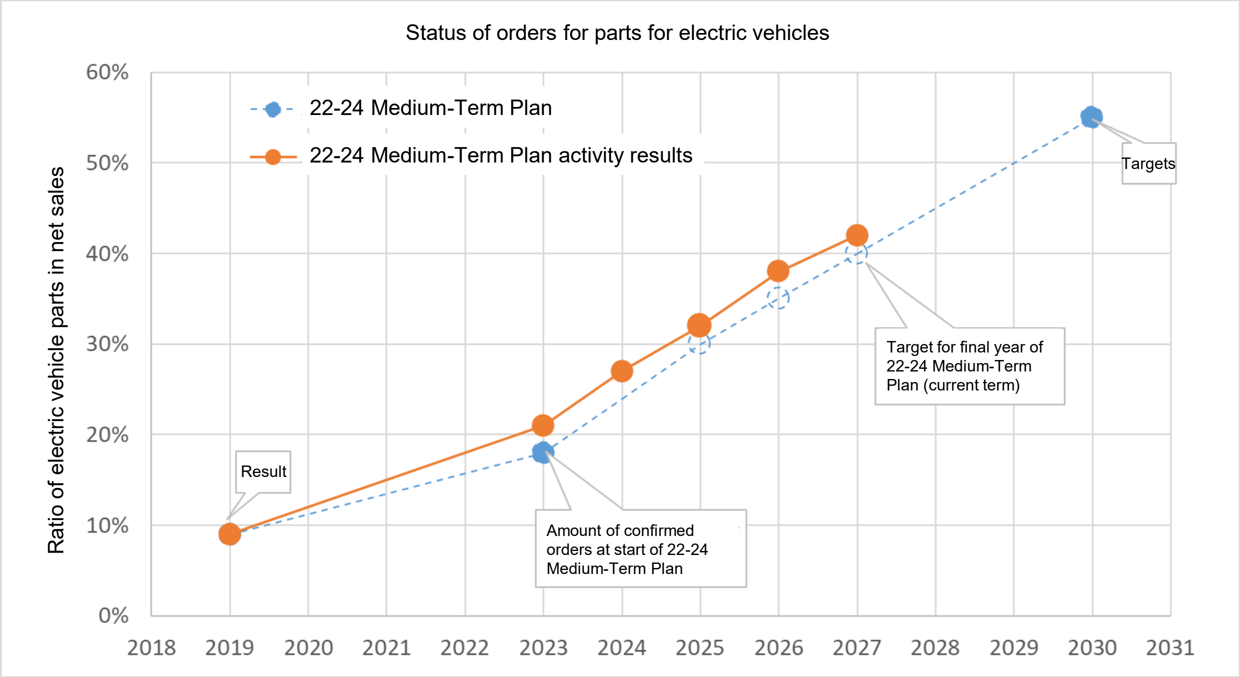




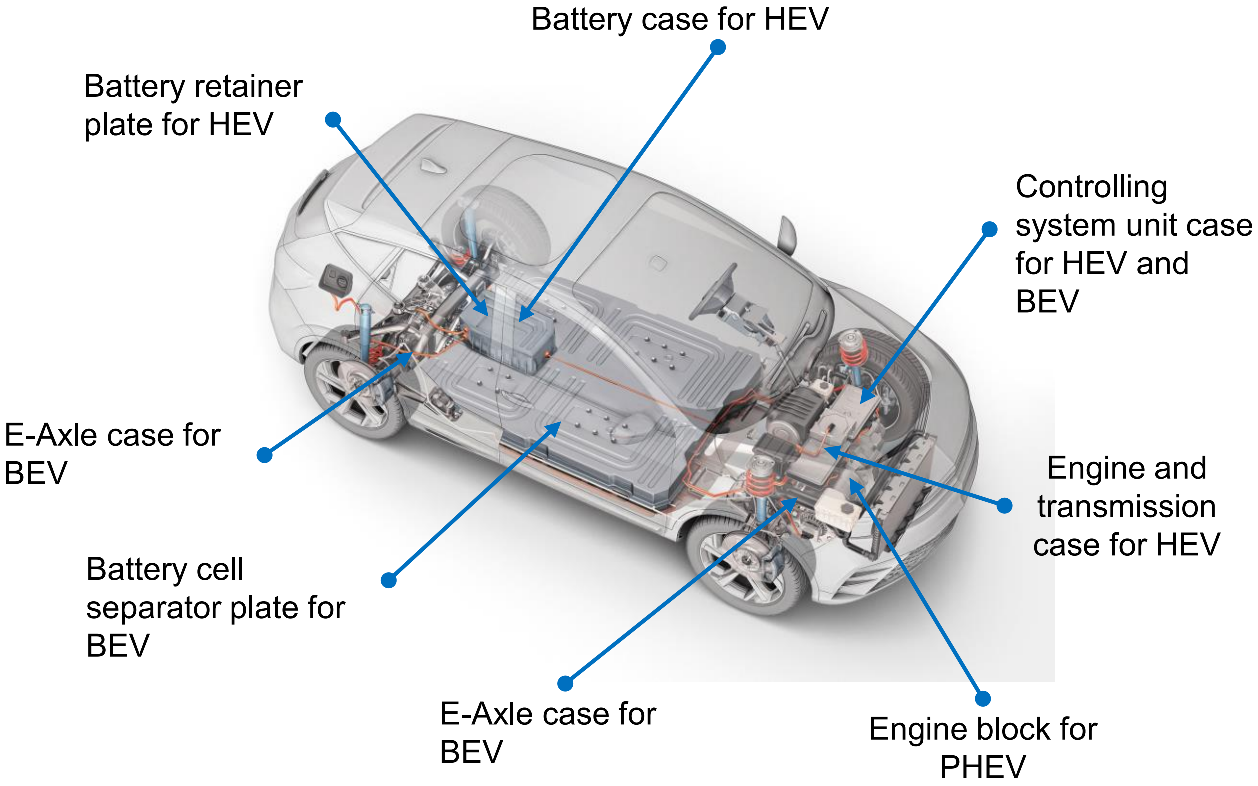
At this point, there have been no announcements from customers in response to the US administration policies that would affect our business. We will continue to monitor developments and respond appropriately.

Progress in Sales Strategy Promotion

Ratio of electric vehicle parts in net sales is increasing as planned.

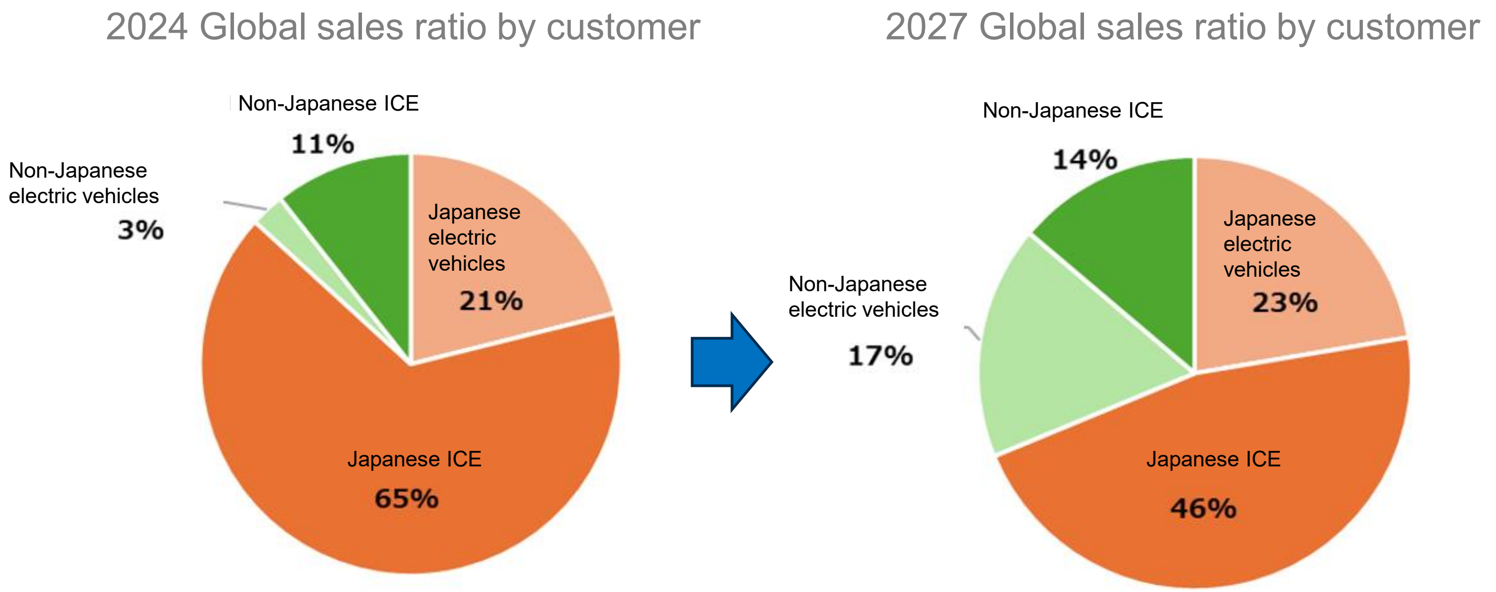


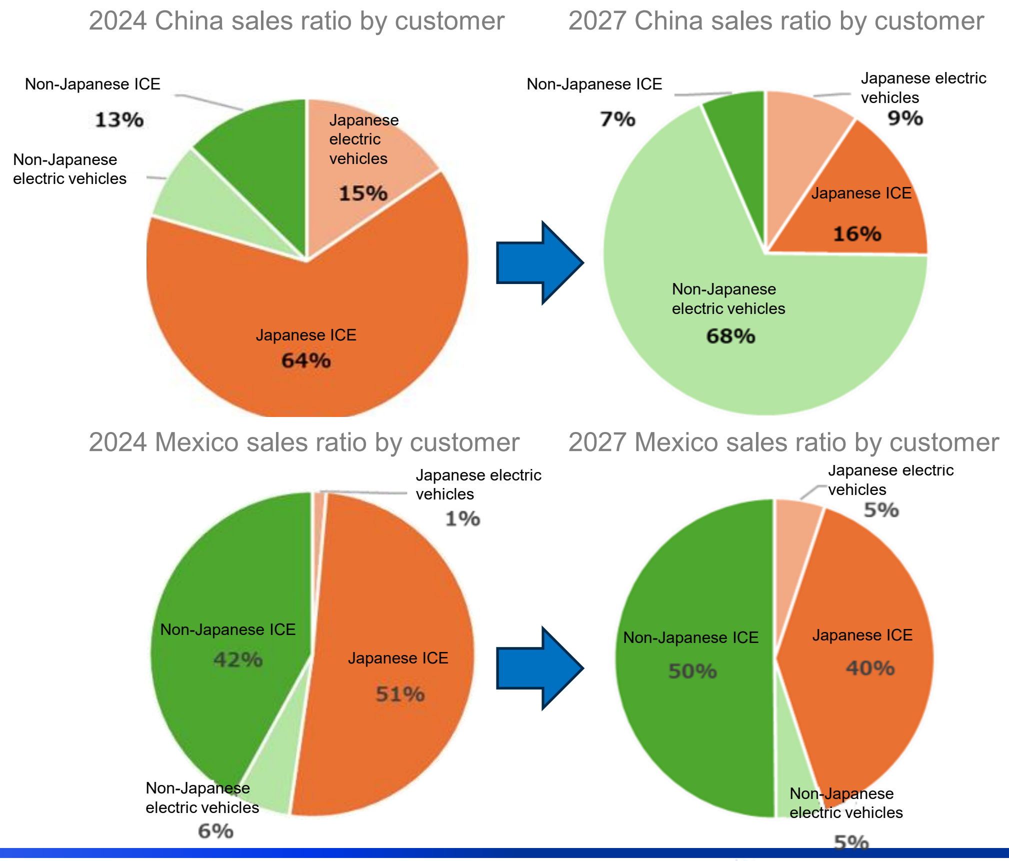
Orders received for core parts for electric vehicles are increasing.



Changes in Customer Portfolio

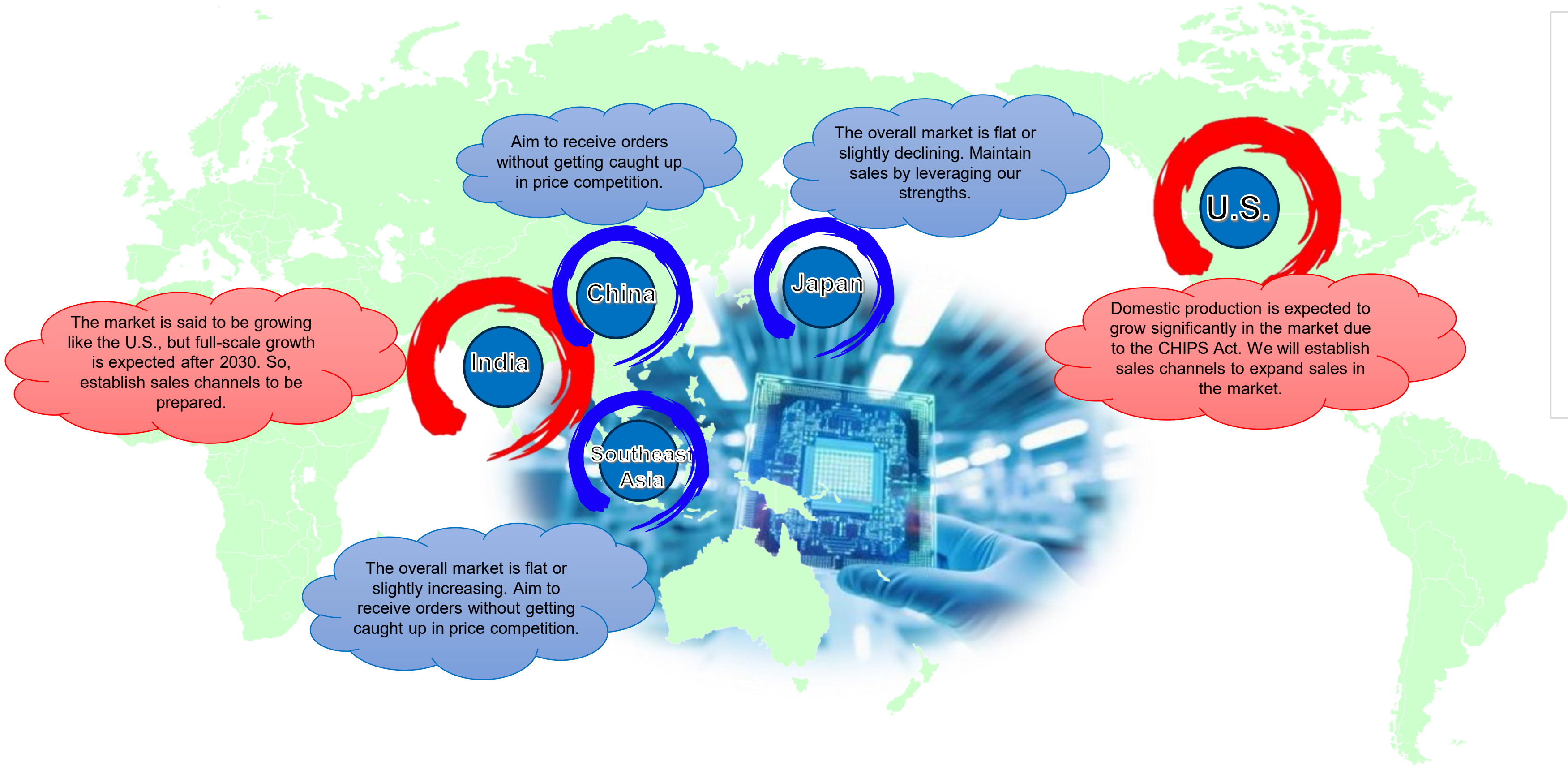
- Shifting to a customer portfolio that matches each regional market
  - Expanding business with European and American Tier 1 suppliers in Mexico (receiving orders for T/F cases for BIG3 pickup trucks)
  - Expanding business with Chinese customers in China (receiving orders for PHEV blocks for BYD)

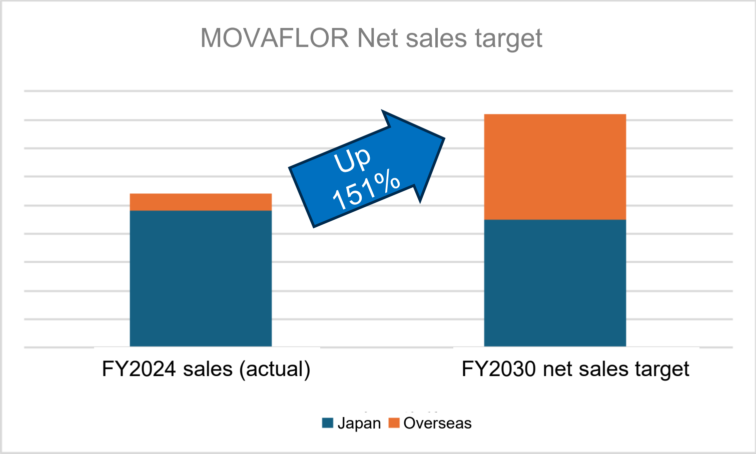




Initiatives in Proprietary Products Business for the Global Market

- Expand overseas sales while maintaining presence in the Japanese market
- Seeing the market (semiconductor manufacturing) growing in the U.S. and India, aim to establish sales channels and expand sales.





Free Access Floor
MOVAFLOR

MONOZUKURI Strategy ～Smart MONOZUKURI～

Ahresty

From “MONOZUKURI Improvement” to “Smart MONOZUKURI”

Review of 22-24: Evolution of a Lean Production System (MONOZUKURI Improvement)

- Automation and labor saving
  - Started mass production operation of automatic visual inspection device, saving labor for the inspection process
- One Print Multi Location
  - Launched a production line with a unified concept for electric vehicle parts ordered globally
- Global complementing of production and equipment
  - By optimally allocating production capabilities/facilities within the Group, established a flexible production system with reduced investment.

Advancement to 25-27: Toward Smart MONOZUKURI

Further develop the achievements of 22-24

Continue activities to improve profitability by shifting focus from increasing production to reducing loss costs.

New initiatives

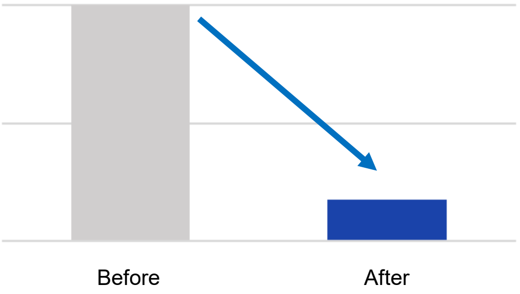
- Review of human-dependent operations
- Utilization of AI to improve work efficiency
- Promotion of further labor/manpower saving through the use of data

Smart and lean MONOZUKURI contributes to increased profits.

Reduction of Manufacturing Costs through Labor/Manpower Saving

Automatic visual inspection

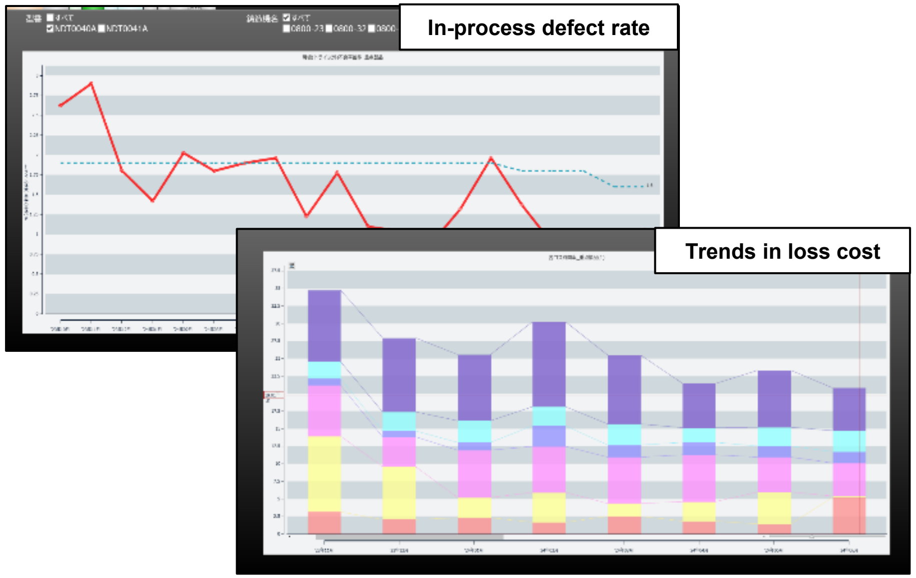
Mass production operation of automatic visual inspection device started at Tokai Plant. By collaborating with engineering companies within the Group and accumulating know-how, we have optimized the judgment criteria and achieved reduction of the *overdetection rate.
By leveraging this achievement, we will expand the introduction of automatic visual inspection devices in FY2025.



Significant reduction in the overdetection rate

Transfer of resources to data analysis

Expand the scope of application of *BI tools. By transferring the resources saved by reducing labor for data collection to data analysis, reduce loss costs and improve profitability.
Share the visualized items to eliminate differences in understanding among plants and foster a competitive spirit.

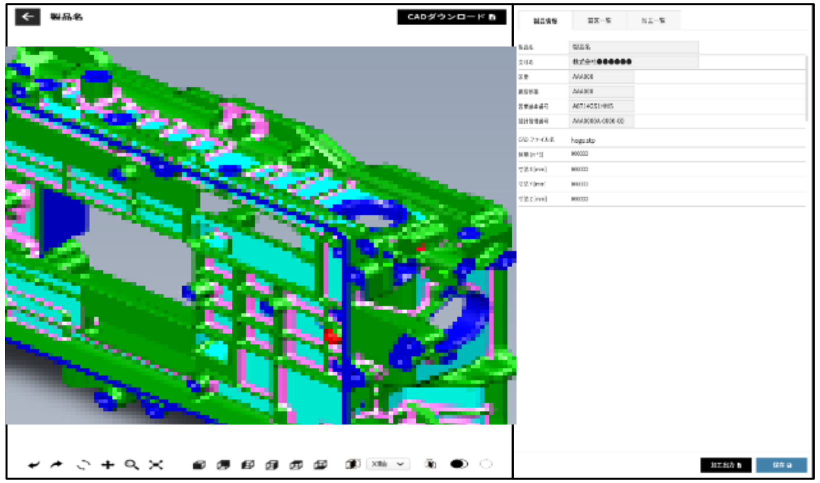


Overdetection: Incorrect identification of normal areas as defective by inspection software
BI tool (Business Intelligence tool): A tool for data analysis and visualization to support decision-making

Utilization of Data to Improve Work Efficiency

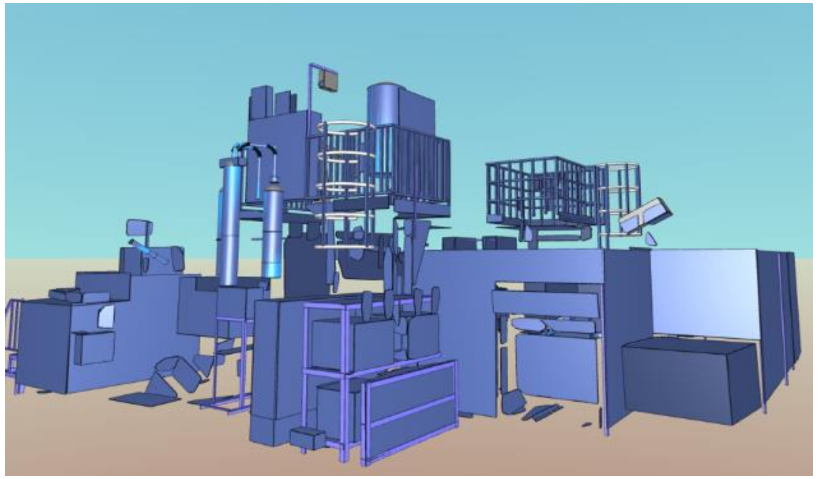
Improving the efficiency of product quotations using 3D data

In order to expand business opportunities, it is necessary to provide product quotations to customers as early as possible.
Aim to improve the efficiency of traditional human-dependent estimation work by utilizing 3D data.



Production line simulation

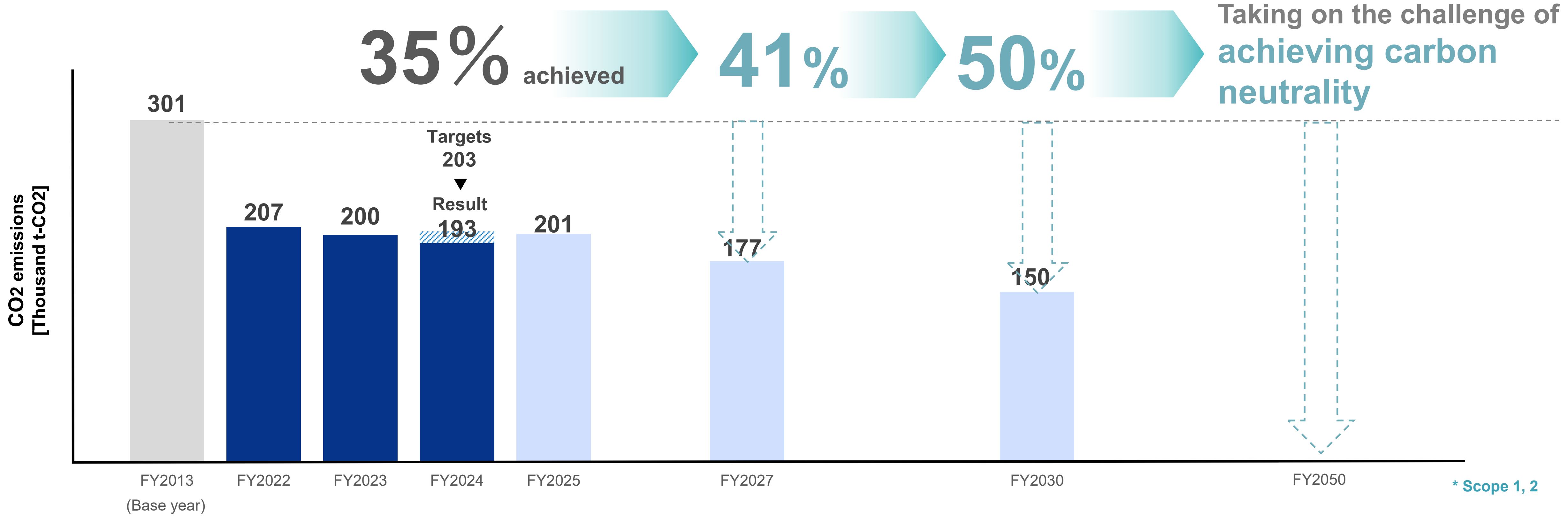
By modeling and simulating production equipment in a virtual space, the production status can be verified quickly from various perspectives.
Investment risks can be avoided by conducting advance verification of process design optimization when considering the installation of a new line. It can also be utilized to improve the flow of people and things on existing mass production lines.



Actions Toward Carbon Neutrality

Actions Toward Carbon Neutrality

Scope 1 and 2 CO2 emissions: In FY2024, a 35% reduction was achieved compared to the target of a 29% reduction.



Three-pillar approach

1. Stop CO_2 emissions
2. Convert to energy with less CO_2 emissions
3. Reduce consumption of CO_2-emitting energy

After continuing energy conservation activities and utilizing innovative technologies, introduce more effective improvement items.

Scope of aggregation: All domestic manufacturing bases (8 locations) + Head Office/Technical Center, Tokyo Head Office, all overseas manufacturing bases (7 locations)
Reference source:
Scope 1: We used the factors according to each energy type specified in the List of Calculation Methods and Emission Factors in the Calculation, Reporting and Publication System, published by the Ministry of the Environment.
Scope 2: Market-based method: We used the factors published by electric power companies. Since the market-based method has become the mainstream in recent years and is more accurate, we have changed to market-based disclosure from FY2024.
Location-based method: We used the factors according to the results of each country and each fiscal year specified in the IEA Emission Factors released by the IEA.

Ahresty

Examples of Three Pillar Actions

Introduction of solar power generation

Introduction in all installable plants in Japan completed in FY2024.

* The possibility of installation is continuously being considered.

- **Introduced in the Head Office/Technical Center and Ahresty Techno Service from mid-January 2024**
- **Introduced at Ahresty Kumamoto from November 2024**

Conversion to energy with less CO2 emissions

Promoted conversion of energy sources for melting.

- **From heavy oil to city gas (LNG)**
  (Approx. 29% reduction per generated power)
  Tokai Plant Furnace No. 2 converted in Aug. 2023
- **From kerosene to natural gas**
  (Approx.26% reduction per generated power)
  Ahresty Kumamoto converted in Aug. 2024
- **From natural gas to electricity**
  (Electrification with a view to the introduction of green power in the future)
  Electric melting furnace introduced at Ahresty Wilmington in October 2024

Energy conservation activities

Set targets and implemented measures at each plant.

- **Example: Application of a small amount of mold-release agent**
  Cut electricity consumption by reducing the time for application and air blowing
- **Example: Efficient operation of compressors**
  Reduce electricity consumption by reviewing operating hours and improving air leaks
- **Example: Reduction of remelting weight**
  Reduced Scope 1 CO2 emissions in the melting process by correcting non-conformities, reducing the furnace cleaning frequency, and improving production plans.
- **Example: Improving efficiency of casting machine operation**
  Consolidated production from underutilized casting machines to other casting machines etc.

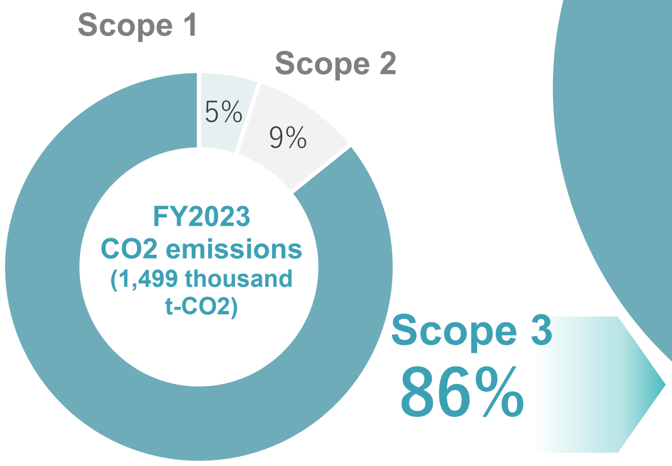
Maintaining carbon neutrality at the Head Office and an affiliate from FY2022

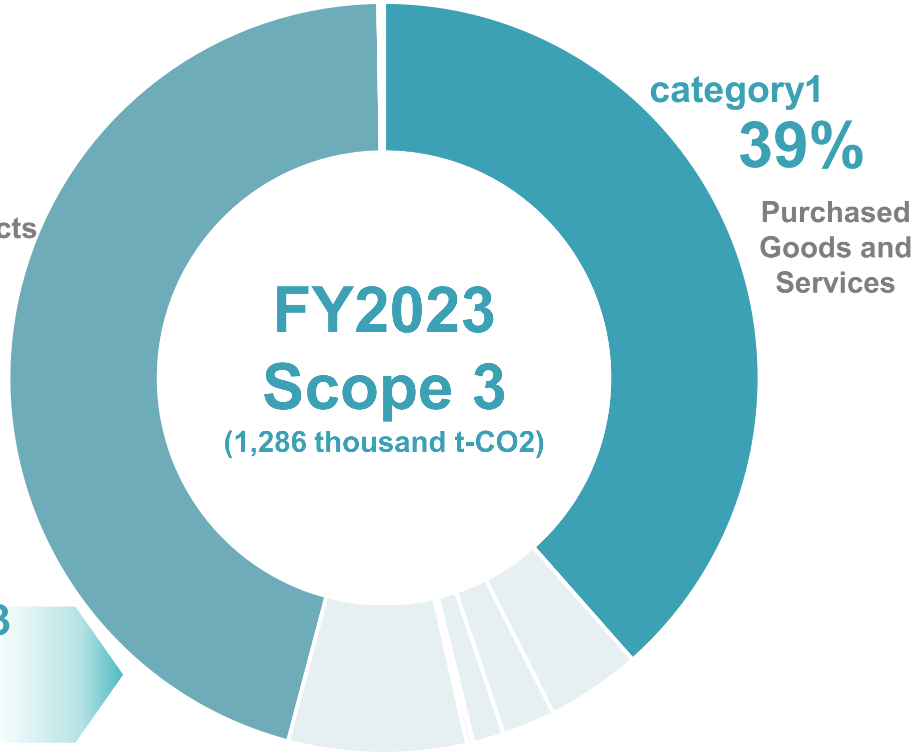
In addition to carrying out the above reduction measures, CO2 emissions from the use of fuel and electricity at the Head Office and an affiliate were virtually reduced by purchasing J-Credits and Non-Fossil Certificates.

Calculation of Scope 3 Emissions

Scope 3: Emissions in FY2023 were 1,286 thousand t-CO_2 (+177 thousand t-CO2 from the previous year).

- Compared to the previous year, Category 1 emissions increased mainly due to an increase in the purchase of aluminum ingots. For Category 11, the increase in the weight ratio of parts for EVs suppressed the emissions increase. CO2 emissions per unit of sales weight **improved by approx. 4.4%*** from the previous year.
- We will improve the energy efficiency of vehicles by increasing the supply of aluminum die-cast products, which are lighter than steel, to continue to help reduce CO2 emissions.





Category 11
Use of Sold Products

Reduced due to increased weight ratio of parts for EVs!

- **CO2 reduction per weight against gasoline (ICE) vehicles**
  HEVs: Approx. 54%; PHEVs: Approx. 60%; BEVs: Approx. 70%
- **A 10% increase in the weight ratio of parts for EVs results in a reduction of approx. 31,500 t-CO2.**
  (Equivalent to 2.8% of entire Scope 3)
  *** Calculated based on the percentage of sales weight of each power source in FY2022.**

(Reference)
Calculation method: Aggregate (Sales weight) x (CO2 emission factor per kilogram (lifetime)) of each power source

Reference source:
Scope 3: Calculation based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" by the Ministry of the Environment and METI

* Per unit improvement rate: (Sales weight) x (CO2 emission factor per kilogram (lifetime)) of each power source aggregated and compared only for four-wheel vehicles

10-year Business Plan

10-year Business Plan

2040 Vision "Our Goal"

10-year Business Plan | Medium-Term Management Plan

Beyond your expectations 2040

We brighten our planet's future with our lightweight technology,

- Electrification of vehicles
- Carbon-neutrality
- Improving fuel/electricity consumption efficiency

ensure your satisfaction with Ahresty, and

- Contribution to customers
- Diversity

develop pioneering technology through continuous research.

- Developing new production methods
- Technology development
- Development speed

【FY2030 target values】	
Net sales	180.0 billion yen
Operating income	8.1 billion yen
Operating margin	4.5%
Sales ratio of electric vehicles components	55%
Reduction of CO2 Emissions (Scope1,2)	-50% (vs. FY 2013)

Ahresty

Casting Our Eyes on the Future

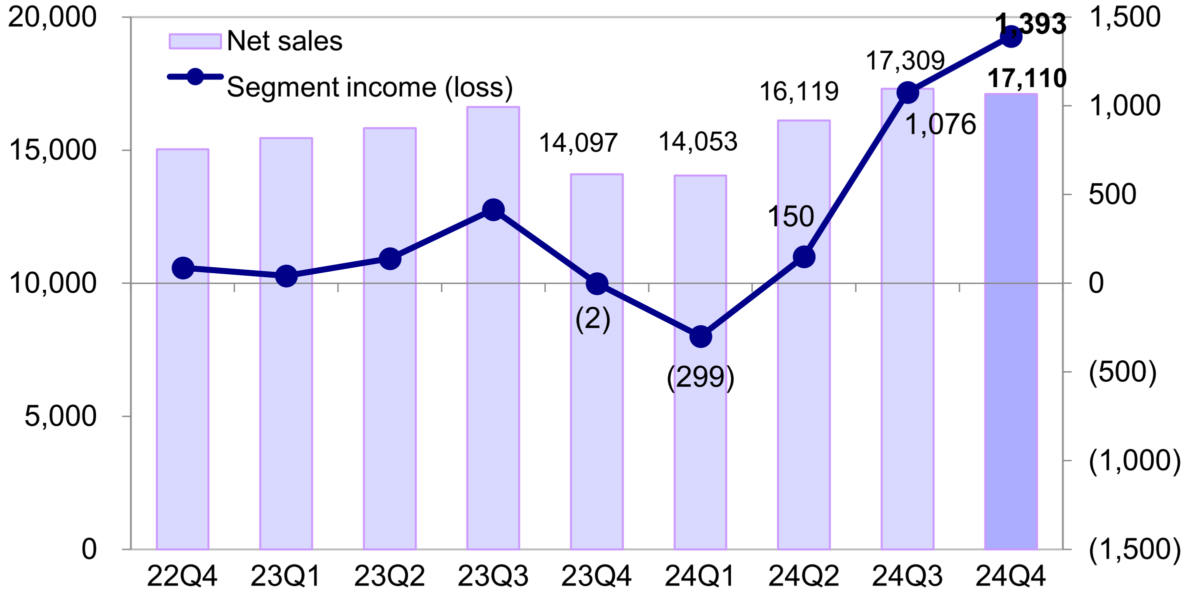
Contact for inquiries regarding this document and the Company's IR:
Management Planning Section, Management Planning Department, Ahresty Corporation
Phone: +81-3-6369-8664
E-mail: ahresty_MP0_IR@ahresty.com
URL: https://www.ahresty.co.jp/en/

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.

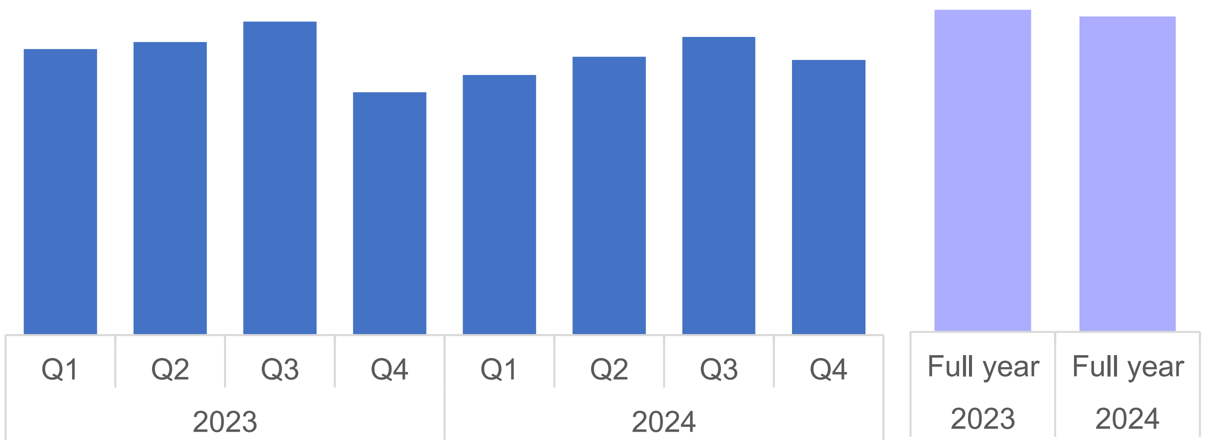
Appendix

Die Casting in Japan

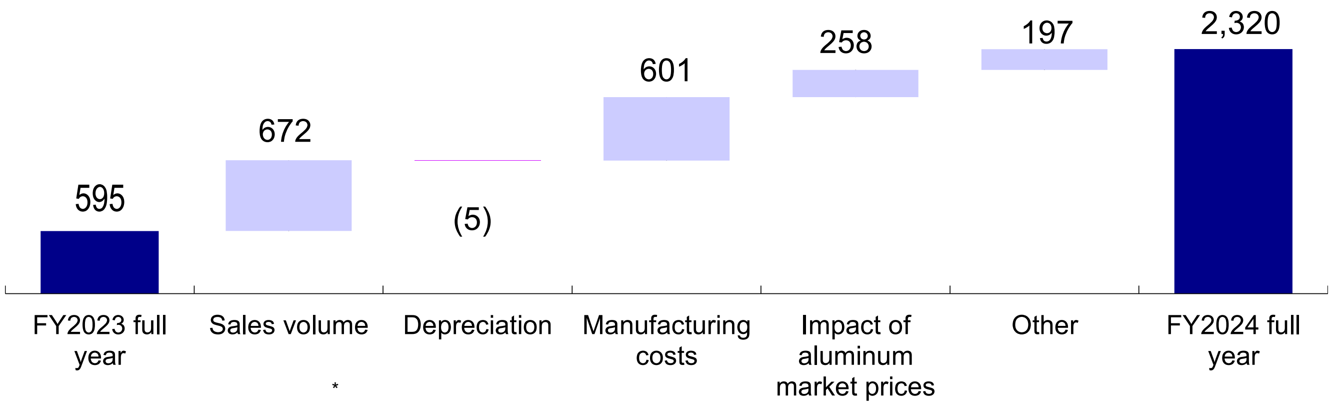
Changes in sales and segment income (million yen)



Changes in sales weight



Factors behind change in segment income (million yen)



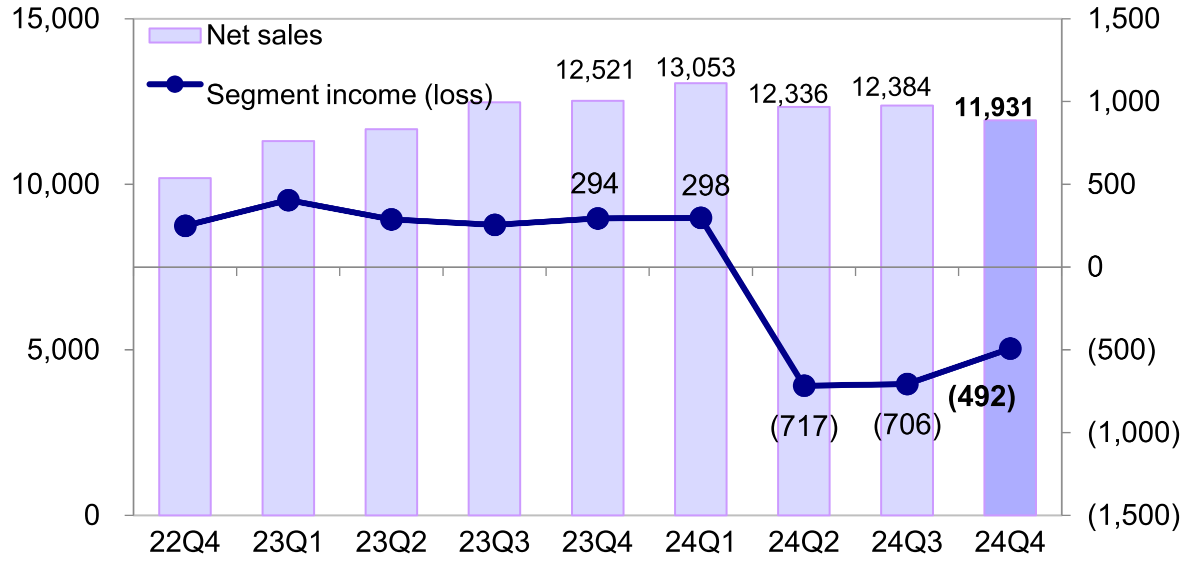
<Full year>
Sales: ¥64,500 million Up ¥2,500 million (4.2%) year on year
Income: ¥2,300 million Up ¥1,700 million (289.5%) year on year
<4Q>
Sales: ¥17,100 million Up ¥3,000 million (21.4%) year on year
Income: ¥1,300 million Up ¥1,300 million year on year (returned to the black)

- Despite a decrease in the volume of orders received year on year, earnings improved in 2H thanks partly to the effects of reducing manufacturing costs through personnel optimization and price adjustment activities, resulting in increases in both sales and profit on a full-year basis.

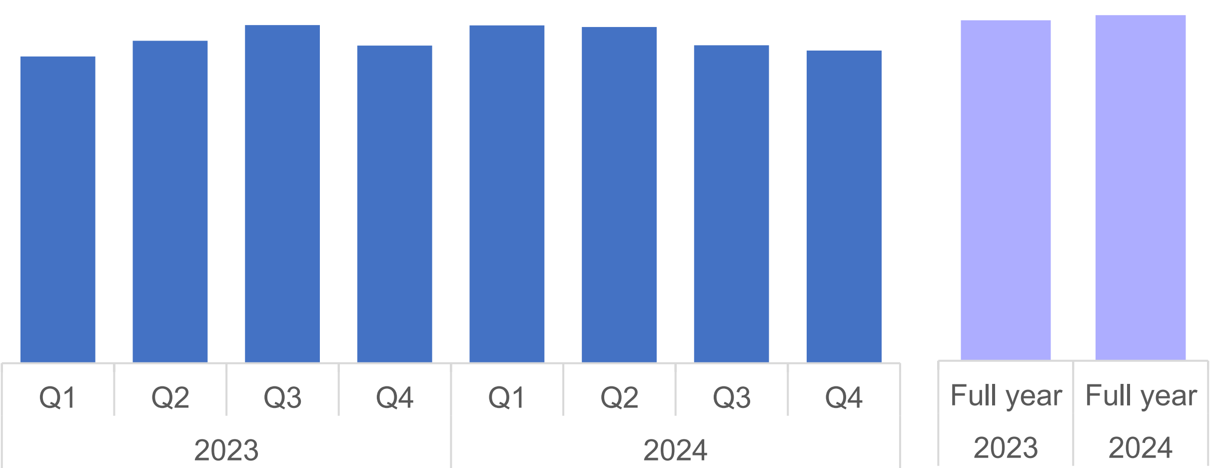
* Price adjustments included

Die Casting in North America

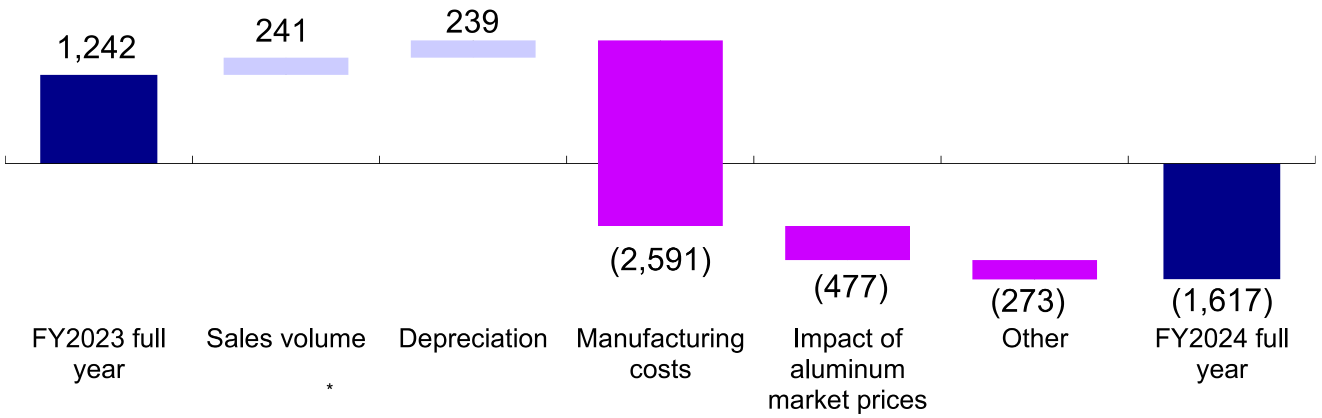
Changes in sales and segment income (million yen)



Changes in sales weight



Factors behind change in segment income (million yen)



<Full year>
Sales: ¥49,700 million Up ¥1,700 million (3.6%) year on year
Income: Loss of ¥1,600 million Down ¥2,800 million year on year (loss)
<4Q>
Sales: ¥11,900 million Down ¥590 million (4.7%) year on year
Income: Loss of ¥490 million Down ¥780 million year on year (loss)

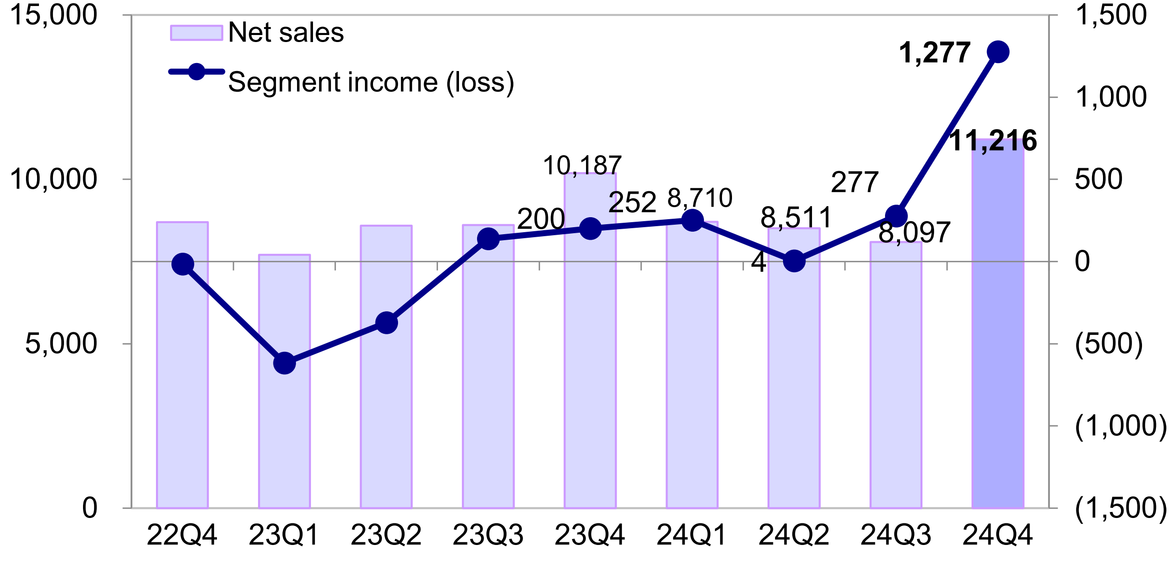
- Mexico Plant continued to achieve solid profits. Although losses at U.S. Plant were shrinking in 4Q, the impact of rising manufacturing costs continues, and a reconstruction plan is being implemented to return to profitability as soon as possible.

* Price adjustments included

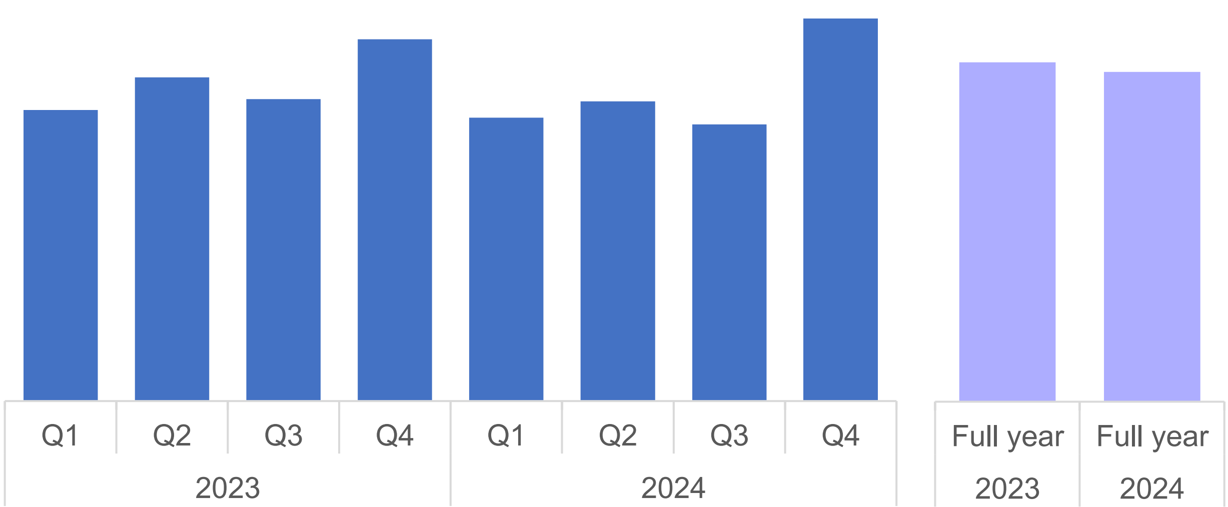
Fiscal year end: March in U.S.; December in Mexico
Exchange rate (23Q4 ⇒ 24Q4): U.S. dollar: ¥144.41 ⇒ 152.50; Mexican peso: ¥140.55 ⇒ 151.47

Die Casting in Asia

Changes in sales and segment income (million yen)



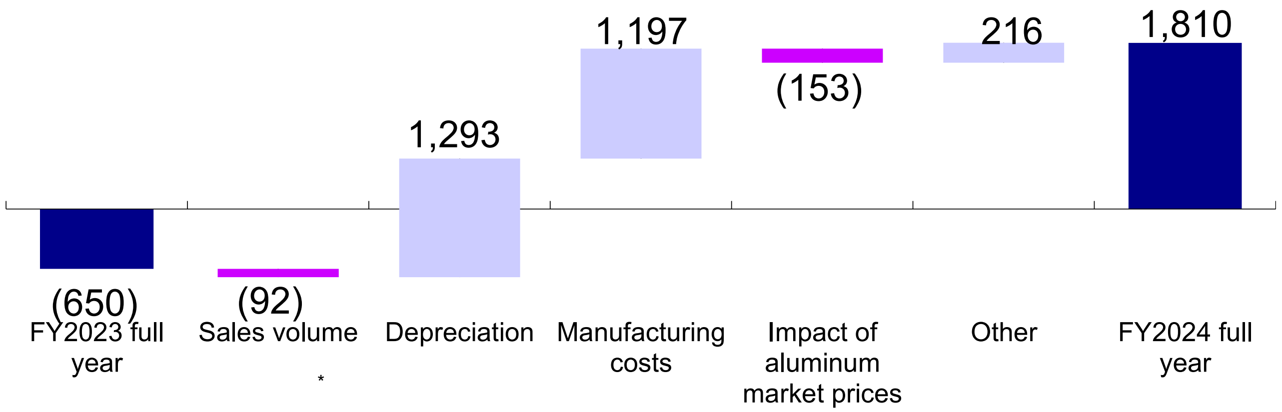
Changes in sales weight



<Full year>
Sales: ¥36,500 million Up ¥1,400 million (4.1%) year on year
Income: ¥1,800 million Up ¥2,400 million year on year (returned to the black)
<4Q>
Sales: ¥11,200 million Up ¥1,000 million (10.1%) year on year
Income: ¥1,200 million Up ¥1,000 million (538.5%) year on year

- Orders increased in 4Q due to the start of mass production of products for Chinese customers at our China plants. Profits increased due to reduction of fixed costs through personnel optimization, as well as reduction in depreciation expenses resulting from the impairment losses recorded in the previous fiscal year. India Plant also turned profitable in 2H due to improved productivity.

Factors behind change in segment income (million yen)



* Price adjustments included

Fiscal year end: December in China; March in India
Exchange rate (23Q4 ⇒ 24Q4): Chinese yuan: ¥19.81 ⇒ 21.04; Indian rupee: ¥1.75 ⇒ 1.81

Ahresty's Approach to Gigacasting

Needs

- Following Tesla and Chinese-owned emerging EV manufacturers, Toyota Motor Corporation announced its entry.
- Possibility of spreading to other car manufacturers?
- The key point is whether demand for specialized manufacturers like Ahresty will increase.

Production technologies

- Ahresty has technologies based on its manufacturing know-how for large products.

→ Technology to carry liquid metal to all corners of a die, technology for manufacturing dies, equipment maintenance and management technology, etc.

Long-term business viability

- As a specialized manufacturer, it is necessary to make a huge amount of capital investment and secure sites.
- Cooperation with car manufacturers, our customers, is necessary from the perspectives of profitability and fund procurement.

Ahresty will develop business opportunities that satisfy the above requirements.