



May 28, 2024

For immediate release

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Notice on Personnel Size Optimization at Operations in Japan

Ahresty Corporation (the “Company”) hereby announces that it was decided at the Board of Directors’ meeting held on May 28, 2024 to implement personnel downsizing at its sites in Japan as follows.

1. Personnel size optimization at operations in Japan

(1) Reasons

In response to the move toward electrification in the automobile industry, the major customer of our products, the Company has been working to increase orders for parts for electric vehicles, propose vehicle body parts using aluminum for weight reduction, and start or expand businesses with companies with an advantage in parts for electric vehicles both inside and outside Japan. Although the Group had recorded operating losses for two consecutive fiscal years up to the fiscal year ended March 31, 2022, operating income recovered to approximately 2.3 billion yen in the most recent fiscal year ended March 31, 2024, thanks in part to increased production in the automobile industry. On the other hand, net income has been in the red for five consecutive fiscal years since the fiscal year ended March 2020 as a result of large impairment losses recorded at some poorly performing plants in Japan and overseas.

Furthermore, future growth in the automobile market is expected to be centered on overseas countries. The Company intends to quickly shift to a profitable structure in Japan that is resilient to fluctuations in orders while increasing the weight of our management resources overseas. Based on this business strategy, we have decided to optimize the personnel size at our Tokai Plant and Ahresty Tochigi Corporation, our consolidated subsidiary.

(2) Outline (voluntary retirement offer)

	Tokai Plant	Ahresty Tochigi Corporation
① Number of expected applicants	Around 80	Around 80
② Application period	Mid-July 2024 to early August 2024 (planned)	
③ Date of retirement	September 30, 2024 (planned)	
④ Details of preferential treatment	A special payment will be added to retirement benefits and outplacement assistance will be provided.	

(3) Impact on business results

The costs for special additional retirement payment and outplacement assistance associated with the implementation of this measure have been incorporated to a certain extent in the results forecast for the fiscal year ending March 31, 2025 announced on May 17, 2024, and therefore the results forecast remains unchanged in light of the recent performance trends and other factors.

Please note that these details may vary depending on the actual number and composition of applicants and will be disclosed again once the applicants have been confirmed.

* The above forecasts have been prepared based on information available as of the date of release of this material, and actual results, etc. may differ from these forecasts due to various factors in the future.