



## Consolidated Financial Results (Japanese Accounting Standards) for the Nine Months Ended December 31, 2024

February 6, 2025

Company Name: Ahresty Corporation

Stock Exchange Listing: Tokyo

Code Number: 5852 URL: <https://www.ahresty.co.jp>

Representative: (Title) President & CEO (Name) Shinichi Takahashi

Contact for (Title) Director and Managing Executive

inquiries: (Title) Officer, Chief of General Administrative Command (Name) Hideki Nariya TEL 03-6369-8660

Planned date for start of dividend payment: –

Supplementary documents for financial results: Yes

Financial results briefing: No

(Amounts of less than 1 million yen are rounded off)

### 1. Consolidated results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results (cumulative) (% shows year-on-year change from previous year)

|                                     | Net sales   |      | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |   |
|-------------------------------------|-------------|------|------------------|--------|-----------------|--------|---|---|
|                                     | million yen | %    | million yen      | %      | million yen     | %      | million yen                             | % |
| Nine months ended December 31, 2024 | 119,587     | 0.7  | 921              | (43.9) | 1,104           | (39.1) | (1,688)                                 | – |
| December 31, 2023                   | 118,812     | 13.8 | 1,642            | –      | 1,813           | –      | 1,255                                   | – |

(Note) 1. Comprehensive income: Nine months ended December 31, 2024: (937) million yen (-%)  
(Reference) EBITDA: Nine months ended December 31, 2024: 9,597 million yen (-14.1%)

Nine months ended December 31, 2023: 5,664 million yen (-7.9%)  
Nine months ended December 31, 2023: 11,172 million yen (22.0%)

\* EBITDA = operating profit + depreciation

|                   | Net income per share | Fully diluted net income |
|-------------------|----------------------|--------------------------|
| Nine months ended | yen                  | yen                      |
| December 31, 2024 | (67.81)              | –                        |
| December 31, 2023 | 48.79                | 48.47                    |

#### (2) Consolidated financial position

|                         | Total assets | Net assets  | Equity ratio |
|-------------------------|--------------|-------------|--------------|
|                         | million yen  | million yen | %            |
| As of December 31, 2024 | 133,389      | 50,022      | 37.4         |
| As of March 31, 2024    | 131,763      | 51,617      | 39.1         |

(Reference) Equity: Nine months ended December 31, 2024: 49,904 million yen

Year ended March 2024: 51,499 million yen

### 2. Dividend payments

|                                   | Dividend per share   |                       |                      |             |              |
|-----------------------------------|----------------------|-----------------------|----------------------|-------------|--------------|
|                                   | End of first quarter | End of second quarter | End of third quarter | End of year | For the year |
|                                   | yen                  | yen                   | yen                  | yen         | yen          |
| Year ended March 2024             | –                    | 10.00                 | –                    | 5.00        | 15.00        |
| Year ending March 2025            | –                    | 10.00                 | –                    | –           | –            |
| Year ending March 2025 (Forecast) | –                    | –                     | –                    | 18.00       | 28.00        |

(Note) Revisions to dividend forecast published most recently: No

### 3. Forecast of consolidated results for year ending March 2025 (from April 1, 2024 to March 31, 2025)

(% shows year-on-year change from previous year)

|           | Net sales   |     | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |   | Net income per share |
|-----------|-------------|-----|------------------|------|-----------------|------|---|---|----------------------|
|           | million yen | %   | million yen      | %    | million yen     | %    | million yen                             | % | yen                  |
| Full year | 160,200     | 1.2 | 3,050            | 33.1 | 2,860           | 11.1 | 100                                     | – | 4.01                 |

(Note) Revisions to consolidated results forecast published most recently: No

\* Notes:

(1) Significant changes in the scope of consolidation during the current term: No

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies and changes in or restatement of accounting estimates

- |  |     |
|--|-----|
| (i) Changes in accounting policies associated with revision of accounting standards, etc.: | Yes |
| (ii) Changes in accounting policies other than (i):  | No  |
| (iii) Changes in accounting estimates:   | No  |
| (iv) Restatement:  | No  |

(4) Number of shares outstanding (Common stock)

|   |                                     |                   |                                     |                   |
|---|-------------------------------------|-------------------|-------------------------------------|-------------------|
| (i) Number of shares outstanding at end of period (including treasury shares) | December 31, 2024                   | 25,546,717 shares | March 31, 2024                      | 25,546,717 shares |
| (ii) Number of treasury shares at end of period                               | December 31, 2024                   | 745,508 shares    | March 31, 2024                      | 337,057 shares    |
| (iii) Average number of shares (cumulative)                                   | Nine months ended December 31, 2024 | 24,902,156 shares | Nine months ended December 31, 2023 | 25,725,483 shares |

\* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by a certified public accountant or an audit firm: No

\* Explanation for appropriate use of financial forecasts and other special remarks

The forecasts presented herein are based on information currently available and certain assumptions deemed reasonable by the Company, and actual results may differ significantly from these forecasts due to various factors. For notes on the use of the results forecasts and assumptions as the basis for the results forecasts, please see "1. Qualitative Information on Consolidated Operating Results, etc. for Nine Months Ended December 31, 2024 (3) Explanation of Consolidated Earnings Forecasts and Other Information for Future Outlook" on page 5 of the accompanying materials.

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## 1. Qualitative Information on Consolidated Operating Results, etc. for Nine Months Ended December 31, 2024

### (1) Explanation of Operating Results

During the nine months ended December 31, 2024, with the world economy maintaining steady growth against the backdrop of factors such as the calming of inflation, despite geopolitical risks including the US-China conflict and the situation in the Middle East, the global economic growth rate for 2024 is expected to be 3.2%. In the U.S., although the economy as a whole remained robust, there was a mixture of strong consumer spending and weak business sentiment in manufacturing industry and housing-related economic indicators, and in addition, there were growing concerns about a resurgence of inflation under the economic policies of the new Trump administration. In Japan, exports have continued to struggle; however, supported by inbound tourism and domestic demand, the economy has maintained a modest growth trend, and with consumer prices rising and growing momentum for ongoing wage increases in the 2025 spring labor-management wage negotiations, a hike in the policy interest rate by the Bank of Japan is expected at the beginning of the year. In the Chinese economy, the slump in domestic demand is continuing due to the prolonged stagnation of the real estate market and the worsening employment situation, and although the government is trying to prop up the economy by expanding exports and economic stimulus measures, the growth rate is expected to continue to slow down.

Under these economic circumstances, we have continuously worked on effectively utilizing existing production facilities to lower the break-even point, restraining the increase in labor costs by optimizing personnel levels, and worked on reflecting the effects of rising energy prices on prices. In addition to steadily reaping the benefits of these structural reforms, the recovery in the volume of orders received also contributed to a significant turnaround in the operating results of the Ahresty Group from the situation that persisted through the six months ended September 30, 2024, and in the third quarter alone, operating profit, ordinary profit, and profit attributable to owners of parent all returned to the black.

Starting from FY2022, the Ahresty Group has promoted its 10-year Business Plan, a long-term management plan toward fiscal 2030, and the 2224 Medium-Term Management Plan, the milestone plan for the first three years of the 10-year Business Plan. Under the 2224 Medium-Term Management Plan, in response to changes in the external environment, such as the acceleration of electrification of automobiles and moves toward carbon neutrality, we set “establishing low-cost, highly productive MONOZUKURI,” “reducing CO2 emissions in production,” and “shifting the business portfolio to predominantly parts for electric vehicles” as the pillars of our strategy. Based on these pillars, we are making efforts to boost sales, improve productivity, and enhance our earnings strength. Furthermore, we formulated financial strategies for the 10-year Business Plan in June 2023, aiming to achieve, in addition to the income targets that had been released, an equity ratio of 40%, a dividend payout ratio of 35%, capital investment of ¥140,000 million, and an ROE of 9%, as the four pillar financial targets for the period of the 10-year Business Plan. Towards realizing these strategies, we will continue to strengthen our business structure by building an efficient production system and expanding new and existing business relationships with customers who are strong in electric vehicle parts.

Consequently, for the nine months ended December 31, 2024, the Ahresty Group recorded net sales of ¥119,587 million (up 0.7% year on year), operating profit of ¥921 million (down 43.9% year on year), ordinary profit of ¥1,104 million (down 39.1% year on year), and a loss attributable to owners of parent of ¥1,688 million (a profit attributable to owners of parent of 1,255 million was recorded a year earlier).

Operating results by segment are as follows:

#### (i) Die Casting Business: Japan

In the Japanese automobile market, as orders significantly decreased due to the impact of the decline in domestic car production through the six months ended September 30, 2024, our net sales decreased to ¥47,481 million (down 0.9% year on year). On the profitability side, the segment recorded a profit of ¥927 million (up 55.0% year on year) due to the partial progress in optimizing transaction prices and the reduction of fixed costs through the optimization of personnel levels implemented in the first half, despite procurement costs increasing due to soaring raw material prices.

#### (ii) Die Casting Business: North America

In the automobile market in North America, as North American car production was steady, resulting in an increase in the volume of orders received, as well as the impacts of the exchange market, our net sales increased to ¥ 37,773 million (up 6.6% year on year). On the profitability side, the segment recorded a loss of ¥1,125 million (a segment profit of ¥948 million was recorded a year earlier) due to the continued rise in manufacturing costs such as raw material prices, labor costs, etc., in addition to the decline in productivity at U.S. Plant caused by the worsening of the employee retention rate.

#### (iii) Die Casting Business: Asia

In the automobile market in Asia, despite a decline in the volume of orders received in China Plant, reflecting stagnant sales from our major customers, net sales increased 1.6% year on year to ¥25,318 million thanks to an increase in the volume of orders received in India Plant, due to the start of mass production of new products and the impacts of the exchange rate market. On the profitability side, the segment recorded a profit of ¥533 million (a segment loss of ¥850 million was recorded a year earlier) due to reducing fixed costs associated with the streamlining of the production system in China Plant, a decrease in depreciation due to the recording impairment losses in the previous period, etc., in addition to the increase in the volume of orders received and the stability in production of some products, which had been an issue in the first half of the year, in India Plant.

#### (iv) Aluminum Business

In the Aluminum Business, net sales decreased 1.7% year on year to ¥5,326 million due to increased sales unit prices despite the sales weight decreasing by 12.2% year on year. The segment recorded a profit of ¥162 million (up 24.3% year on year).

(v) Proprietary Products Business

In the Proprietary Products Business, net sales decreased 28.1% year on year to ¥3,686 million, mainly reflecting a decrease in the number of deliveries during the period for large-scale orders from semiconductor-related companies compared to the same period last year. On the profitability front, the segment saw a profit of ¥568 million (down 23.3% year on year) due to the decrease in net sales.

(2) Explanation of Financial Position

(i) Assets, liabilities, and net assets

(Assets)

Total assets at the end of the nine months ended December 31, 2024 increased by ¥1,626 million from the end of the previous consolidated fiscal year to ¥133,389 million. Current assets stood at ¥60,232 million, a decrease of ¥1,545 million from the end of the previous consolidated fiscal year. This was mainly due to decreases of ¥921 million in trade receivables, ¥357 million in other current assets included in Others, and ¥121 million in cash and deposits, despite an increase of ¥5 million in inventories. Non-current assets were ¥73,157 million, up ¥3,171 million from the end of the preceding consolidated fiscal year. This was due chiefly to an increase of ¥4,289 million in property, plant and equipment, despite decreases of ¥961 million in deferred tax assets included in Others, ¥126 million in intangible assets, and ¥98 million in investment securities.

(Liabilities)

Liabilities at the end of the nine months ended December 31, 2024 increased ¥3,221 million from the end of the previous consolidated fiscal year to ¥83,367 million. Current liabilities stood at ¥64,171 million, an increase of ¥4,429 million from the end of the previous consolidated fiscal year. The principal factors contributing to this result included increases of ¥2,455 million in short-term borrowings, ¥2,013 million in advances received included in Others, and ¥1,321 million in obligations for equipment included in Others, in contrast to decreases of ¥815 million in current portion of long-term borrowings and ¥656 million in provision for bonuses. Non-current liabilities stood at ¥19,195 million, a decrease of ¥1,208 million from the end of the previous consolidated fiscal year. This was mainly due to decreases of ¥732 million in long-term borrowings and ¥283 million in retirement benefit liability.

(Net assets)

Net assets at the end of the nine months ended December 31, 2024 decreased by ¥1,595 million from the end of the previous consolidated fiscal year to ¥50,022 million. This was attributable primarily to an increase of ¥773 million in foreign currency translation adjustment, despite a decrease of ¥2,063 million in retained earnings.

As a result, the equity ratio was down from 39.08% to 37.41% at the end of the previous consolidated fiscal year.

(3) Explanation of Consolidated Earnings Forecasts and Other Information for Future Outlook

No changes have been made to the consolidated financial forecasts for the full year for the fiscal year ending March 31, 2025, announced on October 29, 2024.

## 2. Consolidated Quarterly Financial Statements and Key Notes

### (1) Quarterly Consolidated Balance Sheet

(Million yen)

|  | Previous consolidated fiscal year<br>(March 31, 2024) | Nine months ended December 31,<br>2024<br>(December 31, 2024) |
|--|---|---|
| <b>(Assets)</b>  |   |   |
| Current assets   |   |   |
| Cash and deposits  | 12,323  | 12,202  |
| Notes and accounts receivable - trade, and contract assets | 28,243  | *2 26,876   |
| Electronically recorded monetary claims – operating        | 4,015   | 4,461   |
| Merchandise and finished goods                             | 5,279   | 5,137   |
| Work in process  | 6,009   | 6,029   |
| Raw materials and supplies                                 | 3,822   | 3,950   |
| Others   | 2,193   | 1,689   |
| Allowance for doubtful accounts                            | (110)   | (115)   |
| <b>Total current assets</b>                                | <b>61,777</b>   | <b>60,232</b>   |
| Non-current assets   |   |   |
| Property, plant and equipment                              |   |   |
| Buildings and structures, net                              | 13,226  | 12,921  |
| Machinery, equipment and vehicles, net                     | 30,908  | 32,978  |
| Land   | 5,128   | 5,145   |
| Construction in progress                                   | 9,057   | 11,242  |
| Others, net  | 5,517   | 5,839   |
| <b>Total property, plant and equipment</b>                 | <b>63,838</b>   | <b>68,127</b>   |
| Intangible assets  | 1,571   | 1,445   |
| Investments and other assets                               |   |   |
| Investment securities                                      | 1,541   | 1,442   |
| Others   | 3,049   | 2,156   |
| Allowance for doubtful accounts                            | (15)  | (14)  |
| <b>Total investments and other assets</b>                  | <b>4,576</b>  | <b>3,584</b>  |
| <b>Total non-current assets</b>                            | <b>69,985</b>   | <b>73,157</b>   |
| <b>Total assets</b>  | <b>131,763</b>  | <b>133,389</b>  |
| <b>(Liabilities)</b>                                       |   |   |
| Current liabilities  |   |   |
| Notes and accounts payable - trade                         | 12,707  | 13,034  |
| Electronically recorded obligations – operating            | 9,422   | 9,356   |
| Short-term borrowings                                      | 15,638  | 18,093  |
| Current portion of long-term borrowings                    | 9,895   | 9,080   |
| Income taxes payable                                       | 265   | 281   |
| Provision for bonuses                                      | 1,506   | 849   |
| Provision for product warranties                           | 206   | 237   |
| Others   | 10,099  | 13,238  |
| <b>Total current liabilities</b>                           | <b>59,741</b>   | <b>64,171</b>   |
| Non-current liabilities                                    |   |   |
| Long-term borrowings                                       | 14,990  | 14,257  |
| Long-term accounts payable - other                         | 107   | 121   |
| Retirement benefit liability                               | 3,034   | 2,750   |
| Others   | 2,272   | 2,066   |
| <b>Total non-current liabilities</b>                       | <b>20,404</b>   | <b>19,195</b>   |
| <b>Total liabilities</b>                                   | <b>80,146</b>   | <b>83,367</b>   |

(Million yen)

|   | Previous consolidated fiscal year<br>(March 31, 2024) | Nine months ended December 31,<br>2024<br>(December 31, 2024) |
|---|---|---|
| <b>(Net assets)</b>                                   |   |   |
| Shareholders' equity                                  |   |   |
| Share capital   | 6,964   | 6,964   |
| Capital surplus                                       | 10,206  | 10,206  |
| Retained earnings                                     | 22,021  | 19,958  |
| Treasury shares                                       | (246)   | (529)   |
| Total shareholders' equity                            | 38,945  | 36,598  |
| Other accumulated comprehensive income                |   |   |
| Valuation difference on available-for-sale securities | 754   | 693   |
| Foreign currency translation adjustment               | 11,901  | 12,675  |
| Remeasurements of defined benefit plans               | (101)   | (62)  |
| Total other accumulated comprehensive income          | 12,554  | 13,305  |
| Share acquisition rights                              | 117   | 117   |
| Total net assets                                      | 51,617  | 50,022  |
| Total liabilities and net assets                      | 131,763   | 133,389   |

(2) Quarterly Consolidated Income Statement and Quarterly Consolidated Statement of Comprehensive Income  
Quarterly Consolidated Income Statement  
(Nine Months Ended December 31, 2024)

(Million yen)

|   | Nine months ended<br>December 31, 2023<br>(April 1, 2023 to December 31,<br>2023) | Nine months ended<br>December 31, 2024<br>(April 1, 2024 to December 31,<br>2024) |
|---|---|---|
| Net sales   | 118,812   | 119,587   |
| Cost of sales                                     | 108,470   | 109,704   |
| Gross profit                                      | 10,341  | 9,882   |
| Selling, general and administrative expenses      | 8,699   | 8,961   |
| Operating profit                                  | 1,642   | 921   |
| Non-operating income                              |   |   |
| Interest income                                   | 88  | 143   |
| Dividend income                                   | 47  | 46  |
| Foreign exchange gains                            | 344   | 95  |
| Gain on sale of scraps                            | 216   | 290   |
| Others  | 60  | 81  |
| Total non-operating income                        | 756   | 656   |
| Non-operating expenses                            |   |   |
| Interest expenses                                 | 557   | 412   |
| Others  | 28  | 60  |
| Total non-operating expenses                      | 586   | 473   |
| Ordinary profit                                   | 1,813   | 1,104   |
| Extraordinary income                              |   |   |
| Gain on sale of non-current assets                | 19  | 37  |
| Gain on sale of investment securities             | 34  | 40  |
| Subsidy income                                    | 137   | 108   |
| Total extraordinary income                        | 191   | 186   |
| Extraordinary losses                              |   |   |
| Loss on sale and retirement of non-current assets | 184   | 122   |
| Product warranties expenses                       | —   | 90  |
| Loss related to Chinese business                  | 426   | —   |
| Extra retirement payments                         | —   | *1,012  |
| Total extraordinary losses                        | 610   | 1,226   |
| Profit before income taxes                        | 1,393   | 64  |
| Income taxes - current                            | 446   | 725   |
| Income taxes - deferred                           | (308)   | 1,027   |
| Total income taxes                                | 138   | 1,753   |
| Profit (loss)                                     | 1,255   | (1,688)   |
| Profit (loss) attributable to owners of parent    | 1,255   | (1,688)   |



Quarterly Consolidated Statement of Comprehensive Income  
(Nine Months Ended December 31, 2024)

(Million yen)

|  | Nine months ended<br>December 31, 2023<br>(April 1, 2023 to December 31,<br>2023) | Nine months ended<br>December 31, 2024<br>(April 1, 2024 to December 31,<br>2024) |
|--|---|---|
| Profit (loss)  | 1,255   | (1,688)   |
| Other comprehensive income                                     |   |   |
| Valuation difference on available-for-sale securities          | 57  | (61)  |
| Foreign currency translation adjustment                        | 4,275   | 773   |
| Remeasurements of defined benefit plans                        | 76  | 38  |
| Total other comprehensive income                               | 4,409   | 751   |
| Comprehensive income   | 5,664   | (937)   |
| Comprehensive income attributable to:                          |   |   |
| Comprehensive income attributable to owners of parent          | 5,664   | (937)   |
| Comprehensive income attributable to non-controlling interests | —   | —   |

- (3) Notes  
(Notes on Going Concern Assumption)  
Not applicable.

(Notes on Significant Change in the Amount of Shareholders' Equity)

(Acquisition of own shares)

The Company resolved at its Board of Directors' meeting held on February 8, 2024 to purchase its own shares (purchase period: from February 19, 2024 to August 31, 2024), and purchased ¥337 million of its treasury shares (478,100 shares) during the nine-month period of the consolidated fiscal year under review.

(Disposal of own shares)

The Company resolved at its Board of Directors' meeting held on June 28, 2024 to dispose its own shares for delivery as stock compensation, and disposed of them during the nine-month period of the consolidated fiscal year under review. As a result, treasury shares decreased by ¥53 million (74,425 shares).

(Notes on Quarterly Consolidated Balance Sheet)

1. Notes receivable - trade endorsement transfer

|   | Previous consolidated fiscal year<br>(March 31, 2024) | Nine months ended December 31, 2024<br>(December 31, 2024) |
|---|---|--|
| Notes receivable - trade endorsement transfer | 245 million yen                                       | 243 million yen  |

\*2. Notes due on the last day of the consolidated quarter

For the accounting treatment for notes due on the last day of the consolidated quarter, settlement processing is conducted on the note clearing date.

Furthermore, as the last day of the consolidated quarter under review was not a business day for financial institutions, notes due on the last day of the next consolidated quarter are included in the balance at the end of the consolidated quarter.

|                          | Previous consolidated fiscal year<br>(March 31, 2024) | Nine months ended December 31, 2024<br>(December 31, 2024) |
|--------------------------|---|--|
| Notes receivable - trade | 25 million yen  | 31 million yen   |

(Notes on Quarterly Consolidated Income Statement)

\*1 Extra retirement payments

Nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023)

Not applicable.

Nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

The extra retirement payments consist of ¥672 million in additional retirement allowances associated with a voluntary retirement program aimed at optimizing personnel levels at our Tokai Plant and Ahresty Tochigi Corporation, as well as ¥340 million in extra retirement payments for early retirees at Guangzhou Ahresty Casting Co., Ltd. and Ahresty Precision Die Mold (Guangzhou) Co., Ltd., aimed at streamlining the production structure in light of anticipated fluctuations in demand.

(Notes on Quarterly Consolidated Statement of Cash Flows)

A quarterly consolidated statement of cash flows has not been prepared for the nine months ended December 31, 2024. Furthermore, depreciation (including amortization related to intangible assets excluding goodwill) for the nine months ended December 31, 2024 and 2023 are as follows.

|              | Nine months ended December 31, 2023<br>(April 1, 2023 to December 31, 2023) | Nine months ended December 31, 2024<br>(April 1, 2024 to December 31, 2024) |
|--------------|---|---|
| Depreciation | 9,529 million yen   | 8,676 million yen   |

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes" and others)

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27 of October 28, 2022. Hereinafter, "2022 Revised Accounting Standards") and others have been applied since the beginning of the three months ended June 30, 2024.

Regarding the revisions to the recording of classification of income taxes (taxation of other comprehensive income), the transitional treatment specified in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards and the proviso to Paragraph 65-2, Item (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28 of October 28, 2022. Hereinafter, "2022 Revised Accounting Guidance") have been followed. In addition, there is no impact on the quarterly consolidated financial statements due to changes in this accounting policy.

(Notes on Segment Information, etc.)

Segment Information

I. Nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023)

1. Information on net sales and profits or losses by reported segment, and information on the breakdown of revenue (Million yen)

|                                       | Reported segments    |               |        |                   |                               | Total   |
|---------------------------------------|----------------------|---------------|--------|-------------------|-------------------------------|---------|
|                                       | Die Casting Business |               |        | Aluminum Business | Proprietary Products Business |         |
|                                       | Japan                | North America | Asia   |                   |                               |         |
| Net sales                             |                      |               |        |                   |                               |         |
| Revenue from contracts with customers | 47,910               | 35,447        | 24,912 | 5,417             | 5,125                         | 118,812 |
| Sales to external customers           | 47,910               | 35,447        | 24,912 | 5,417             | 5,125                         | 118,812 |
| Intersegment sales or transfers       | 2,697                | 6             | 1,424  | 1,966             | 16                            | 6,112   |
| Total                                 | 50,608               | 35,453        | 26,337 | 7,383             | 5,141                         | 124,925 |
| Segment profit (or loss)              | 598                  | 948           | (850)  | 130               | 741                           | 1,568   |

2. Total amount of profit or loss in reported segments, difference from the amount posted in the quarterly consolidated statement of income, and important details of the difference (Difference adjustment)

(Million yen)

| Profit  | Amount |
|---|--------|
| Total in reported segments                                  | 1,568  |
| Elimination of intersegment transactions                    | 74     |
| Operating profit in quarterly consolidated income statement | 1,642  |

3. Impairment losses in non-current assets or goodwill by reported segment

In the “Die Casting Business: Asia” segment, an impairment loss of ¥327 million was recorded on property, plant and equipment, including molds related to die-cast products for which mass production plans were discontinued.

II. Nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

1. Information on net sales and profits or losses by reported segment, and information on the breakdown of revenue (Million yen)

|                                       | Reported segments    |               |        |                   |                               | Total   |
|---------------------------------------|----------------------|---------------|--------|-------------------|-------------------------------|---------|
|                                       | Die Casting Business |               |        | Aluminum Business | Proprietary Products Business |         |
|                                       | Japan                | North America | Asia   |                   |                               |         |
| Net sales                             |                      |               |        |                   |                               |         |
| Revenue from contracts with customers | 47,481               | 37,773        | 25,318 | 5,326             | 3,686                         | 119,587 |
| Sales to external customers           | 47,481               | 37,773        | 25,318 | 5,326             | 3,686                         | 119,587 |
| Intersegment sales or transfers       | 4,145                | 3             | 1,567  | 3,380             | 18                            | 9,115   |
| Total                                 | 51,627               | 37,776        | 26,886 | 8,706             | 3,704                         | 128,702 |
| Segment profit (or loss)              | 927                  | (1,125)       | 533    | 162               | 568                           | 1,066   |

2. Total amount of profit or loss in reported segments, difference from the amount posted in the quarterly consolidated statement of income, and important details of the difference (Difference adjustment)

(Million yen)

| Profit  | Amount |
|---|--------|
| Total in reported segments                                  | 1,066  |
| Elimination of intersegment transactions                    | (145)  |
| Operating profit in quarterly consolidated income statement | 921    |

3. Impairment losses in non-current assets or goodwill by reported segment

Not applicable

(Notes on Important Subsequent Events)

(Transfer of non-current assets in a consolidated subsidiary)

The Company's consolidated subsidiary, Guangzhou Ahresty Casting Co., Ltd., resolved at its Board of Directors' meeting on August 27, 2024 to transfer non-current assets, and concluded a sales contract as outlined below.

(1) Reasons for the Transfer

To respond to future environmental changes in the Chinese automotive market and with the aim of streamlining the production system, reducing fixed costs, etc., we have decided to transfer one of the plants at Guangzhou Ahresty Casting Co., Ltd.

(2) Profile of the Consolidated Subsidiary

|                  |  |
|------------------|--|
| Name             | Guangzhou Ahresty Casting Co., Ltd.  |
| Address          | No.7 Xinfeng St., Yonghe Economic District Guangzhou Economic & Technological Development District, P.R.China 511356 |
| Representative   | Atsushi Takeda   |
| Business Content | Manufacturing of aluminum die-cast products, machining, and assembly of parts  |
| Capital          | 543,326 thousand yuan  |

(3) Details of Transferred Assets

| Name and address of assets  | Gain on transfer              | Current status |
|---|-------------------------------|----------------|
| Guangzhou Ahresty Casting Co., Ltd., Second plant<br>Land area: 17,691 m <sup>2</sup> , Building area: approximately 8,900 m <sup>2</sup> , Office area: approximately 750 m <sup>2</sup><br>Address: No.16 Yongsheng St., Yonghe Economic District Guangzhou Economic & Technological Development District, P.R.China 511356 | Approximately 0.7 billion yen | Plant          |

(Note) Although the transfer price is undisclosed due to a nondisclosure agreement with the transferee, the gain on transfer indicated is the estimated amount of the book value after eliminating projected expenses associated with the transfer, etc.

(4) Transferee

Although the transferee is an overseas business entity, disclosure of further details will be refrained from due to arrangements with the transferee. Furthermore, there are no noteworthy matters concerning capital relationships, personnel relationships, business partner relationships, or related parties between the transferee and the Company.

(5) Date of Transfer

Date contract was concluded: September 5, 2024  
Date property was transferred: October 31, 2024

(6) Future Outlook

The gain on transfer arising from the transfer of the non-current assets will be recorded in extraordinary income (gain on sale of non-current assets) in the consolidated financial statements for the twelve months ending March 31, 2025, as the consolidated subsidiary closes its accounts in December.