



March 27, 2025

For immediate release

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(Nonconsolidated Accounts) Notice regarding the Waiver of Claims on a Consolidated Subsidiary and the Recording of an Extraordinary Loss in Nonconsolidated Accounts Settlement

Ahresty Corporation (hereinafter, the “Company”) hereby announces that it has resolved, regarding the nonconsolidated accounts settlement for the fiscal year ending March 2025 (April 1, 2024 to March 31, 2025), to waive a portion of its claims on Ahresty Wilmington Corporation, a consolidated subsidiary, and record a loss on valuation of shares of affiliates with respect to the shares of Ahresty Wilmington held by the Company as follows:

1. Waiver of claims on a consolidated subsidiary

(1) Reason for waiver of claims

Ahresty Wilmington Corporation, a consolidated subsidiary of the Company, continues to suffer a severe business environment due mainly to a decline in productivity resulting from ongoing high personnel turnover and rising labor and other manufacturing costs, and it is expected to become insolvent for the fiscal year ending March 31, 2025.

Ahresty Wilmington is one of our two bases in North America that supply die-cast products to the U.S. plants of major automakers and automotive parts manufacturers, and we have been working to stabilize its cash flow through restructuring support measures focused on manufacturing and quality improvement and financial support measures such as capital increases and loans. We will strengthen support from Japan and further promote Ahresty Wilmington’s continued improvements in manufacturing and quality, as well as the optimization of its product portfolio and product pricing. However, as a result of our determination that eliminating excess liabilities is essential to enhance soundness of its financial structure and strengthen its external creditworthiness, we have resolved to waive our loan claims to the company of USD 33 million and will record a loss on waiver of claims on affiliates of approximately 5 billion yen in our nonconsolidated financial statements for the fiscal year ending March 31, 2025.

(2) Overview of consolidated subsidiary

1)	Name	Ahresty Wilmington Corporation
2)	Location	Ohio, United States
3)	Representative:	Satoshi Tagai
4)	Business activities	Production of aluminum die castings
5)	Foundation	May 1988
6)	Capital	USD 92,600,000
7)	Net assets	USD 4,801,000 (as of March 31, 2024)
8)	Total assets	USD 79,459,000 (as of March 31, 2024)
9)	Major shareholders and their ownership ratio	Ahresty Corporation: 100%

(3) Details of the waiver of claims

1)	Type of claims	Loans
2)	Amount of claims	USD 33 million
3)	Date of waiver	March 31, 2025

2. Recording of a loss on valuation of shares of affiliates (extraordinary loss)

As described in “1. Waiver of claims on a consolidated subsidiary” above, due to the significant decline in the real value of the shares of Ahresty Wilmington Corporation held by the Company, the Company will record a loss on valuation of shares of affiliates of approximately 700 million yen

as an extraordinary loss in the nonconsolidated financial statements for the fiscal year ending March 31, 2025.

3. Impact on business results

Since the loss on waiver of claims on affiliates and loss on valuation of shares of affiliates will be eliminated in consolidated accounting, they have no impact on our consolidated results.