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April 22, 2025

To whom it may concern:

| | |
|-----------------|--|
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Notice on Recording of Extraordinary Losses and Revisions to Consolidated Full-year Results Forecasts

Ahresty Corporation (the “Company”) hereby announces that, upon settlement of its consolidated full-year results for the fiscal year ended March 2025 (April 1, 2024 to March 31, 2025), it expects to record extraordinary losses as described below. Also, the Company has decided to revise its consolidated full-year results forecasts for the fiscal year ended March 2025 released on October 29, 2024, as follows.

1. Recording of Impairment Loss (Consolidated)

As announced on March 27, 2025, in the “Notice regarding the Waiver of Claims on a Consolidated Subsidiary and the Recording of an Extraordinary Loss in Nonconsolidated Accounts Settlement,” Ahresty Wilmington Corporation, a consolidated subsidiary of the Company, is projected to record an impairment loss of approximately 3.0 billion yen in extraordinary losses for the fiscal year ended March 2025 as a result of evaluating future collectability of fixed assets held by the subsidiary in line with a decline in productivity resulting from ongoing high personnel turnover and rising labor and other manufacturing costs leading to lower profitability.

Additionally, for fixed assets (dies) held by the Company and other consolidated subsidiaries as well, the Company projects that it will record an impairment loss of approximately 0.3 billion yen upon evaluating future collectability in view of recent business trends.

As a result, although the Company will record a loss for the fiscal year ended March 2025, improving profitability at its U.S. Plant is of the highest priority for creating stable business management in the next fiscal year and beyond, and including stronger support from Japan, further promoting Ahresty Wilmington’s continued improvements in manufacturing and quality, as well as the optimization of its product portfolio and product pricing, the Company will strive to achieve a recovery in profitability.

2. Revisions to Business Forecasts

(1) Revisions to consolidated full-year results forecasts (from April 1, 2024 to March 31, 2025)

| | 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 |
| Previous forecasts (A) | 160,200 | 3,050 | 2,860 | 100 | 4.01 |
| Revised forecasts (B) | 163,000 | 3,100 | 2,900 | (3,100) | (124.61) |
| Difference (B-A) | 2,800 | 50 | 40 | (3,200) | |
| Percentage change (%) | 1.7 | 1.6 | 1.4 | - | |
| (Ref.) Results of previous year (Year ended March 2024) | 158,254 | 2,291 | 2,574 | (7,699) | (300.55) |

(2) Reasons for Revisions

With regard to net sales, despite a decline in order volume due to sluggish sales from our major customers, the outlook remains in line with the previous forecasts, partly reflecting the yen's depreciation against the planned exchange rate during the fiscal year.

With regard to operating and ordinary profit, although the U.S. Plant in the Die Casting Business in North America suffered a severe results due to declining productivity and rising manufacturing costs, profitability improved significantly in the Die Casting Business in Japan and Asia as a result of efforts to streamline the production system and reduce fixed costs in response to a decrease in order volume. Consequently, the Group's overall outlook remains in line with the previous forecasts.

Meanwhile, profit attributable to owners of parent is expected to fall below the previous forecasts, reflecting an impairment loss of approximately 3.3 billion yen on fixed assets as stated in "1. Recording of Impairment Loss."

There is no change to the year-end dividend projection (18 yen per share) announced on May 17, 2024.

(Note) 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.

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