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Consolidated Financial Results (Japanese Accounting Standards) for the Six Months Ended September 30, 2025

November 11, 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

Director and Managing Executive

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

Planned date for filing of semi-annual securities report: November 12, 2025 Planned date for start of dividend payment: December 5, 2025

Supplementary documents for financial results: Yes

Financial results briefing: Yes (for securities analysts and institutional investors)

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

1. Consolidated results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(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	%
Six months ended September 30, 2025	82,090	5.0	1,804	—	1,040	—	2,079	—
September 30, 2024	78,195	0.6	(253)	—	(536)	—	(2,696)	—

(Note) 1. Comprehensive income Six months ended September 30, 2025 (1,319) million yen (—%) Six months ended September 30, 2024 1,293 million yen (-69.9%)

(Reference) EBITDA Six months ended September 30, 2025 7,389 million yen (35.2%) Six months ended September 30, 2024 5,465 million yen (-20.6%)

* EBITDA = operating profit + depreciation

	Net income per share	Fully diluted net income per share
	yen	yen
Six months ended September 30, 2025	83.86	83.30
September 30, 2024	(108.08)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of September 30, 2025	130,911	50,275	38.3
As of March 31, 2025	134,094	51,989	38.7

(Reference) Equity Six months ended September 30, 2025 50,157 million yen Year ended March 2025 51,871 million yen

2. Dividend payments

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	End of year	Total
	yen	yen	yen	yen	yen
Year ended March 2025	—	10.00	—	18.00	28.00
Year ending March 2026	—	16.00	—	—	—
Year ending March 2026 (Forecast)	—	—	—	16.00	32.00

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

3. Forecast of consolidated results for year ending March 2026 (from April 1, 2025 to March 31, 2026)

(% 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	162,200	(0.4)	3,600	6.8	2,200	(27.7)	2,300	—	92.74

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

* Notes:

(1) Significant changes in the scope of consolidation during the current term: Yes

Newly included: — (Company name) —

Excluded: 1 company (Company name) Ahresty Precision Die Mold (Guangzhou) Co., Ltd

(Note) For details, please see “2. Consolidated Semi-Annual Financial Statements and Key Notes (4) Notes (Notes on Significant Change in the Scope of Consolidation)” on page 11 of the accompanying materials.

(2) Application of specific accounting treatment to the preparation of semi-annual 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.: No

(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)	September 30, 2025	25,546,717 shares	March 31, 2025	25,546,717 shares
(ii) Number of treasury shares at end of period	September 30, 2025	754,431 shares	March 31, 2025	745,511 shares
(iii) Average number of shares (cumulative)	Six months ended September 30, 2025	24,794,027 shares	Six months ended September 30, 2024	24,952,877 shares

* Semi-annual financial results reports are exempt from interim audit conducted by certified public accountants or an audit firm.

* 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 Six Months Ended September 30, 2025 (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 Six Months Ended September 30, 2025

(1) Explanation of Operating Results

During the six months ended September 30, 2025, the world economy remained uncertain due to a combination of complex geopolitical risks including the implementation of tariff increases by the U.S. government, the situation in the Middle East and tensions in U.S.-Europe-Russia relations. Meanwhile, full-year growth for 2025 is projected to exceed 3%, as the negative impact has been mitigated by companies in and outside the U.S. temporarily bearing the tariff costs and front-loading exports have been prolonged. In the U.S., the pass-through of tariff increases on consumer prices has so far been limited, as most of the tariff costs have been absorbed by companies in the U.S. Looking forward, however, it is expected that costs will be passed on to prices gradually, and the labor market will soften due to a decline in labor supply and demand driven by downward pressures on corporate earnings. In China, while export drive and trade expansion with third countries have partly offset the decline in exports to the U.S., the economy is expected to continue slowing due to the ongoing adjustment in the real estate market and the fading effects of consumption-boosting measures. In Japan, while the impact of tariffs will become more apparent going forward, corporate earnings are expected to remain at a high level due to cost restraint from lower crude oil prices. In addition, it is expected that moderating increases in food prices and lower crude oil prices will ease inflationary pressures, and private consumption will recover gradually, helping the economy avoid a downturn.

In these economic circumstances, the Ahresty Group has promoted its 10-year Business Plan, a long-term management plan toward fiscal 2030, and the 25-27 Medium-Term Management Plan launched in the fiscal year 2025. Under the 25-27 Medium-Term Management Plan, based on the concept, “Reinvent Ahresty – Reinventing Ahresty for the future –,” we have set the following as the pillars of our plan: pursuing smart production aimed at carrying on and reengineering our MONOZUKURI; reforming our product portfolio in view of electrification of automobiles; accelerating CO2 emissions reduction; reducing product development lead time; and promoting employee engagement and diversity. Furthermore, we are committed to implementing our financial strategies that serve as a guideline for financial management to achieve corporate management with a greater awareness about our cost of capital and stock price, thereby strengthening our financial structure and management foundation. We are also committed to achieving four pillar financial targets for the period of the 10-year Business Plan: an equity ratio of 40%, a dividend payout ratio of 35%, capital investment of ¥140,000 million, and an ROE of 9%.

Under the economic circumstances and our strategies described above, we have continuously worked on optimizing our days of operation and personnel structure in accordance with changes in sales volume for automobile companies in various countries and regions, restructuring our U.S. Plant, which recorded a large loss in the previous consolidated fiscal year, and reflecting the effects of rising energy prices on prices to improve our basic profitability. In addition to steadily reaping the benefits of these structural reforms, the recovery in the volume of orders received also contributed to the Ahresty Group recording operating profit, ordinary profit, and profit in the black for the six months ended September 30, 2025.

Consequently, for the six months ended September 30, 2025, the Ahresty Group recorded net sales of ¥82,090 million (up 5.0% year on year), an operating profit of ¥1,804 million (operating loss of ¥253 million was recorded a year earlier), an ordinary profit of ¥1,040 million (ordinary loss of ¥536 million was recorded a year earlier), and a profit attributable to owners of parent of ¥2,079 million (loss attributable to owners of parent of ¥2,696 million was recorded a year earlier).

Operating results by segment are as follows:

- (i) **Die Casting Business: Japan**
In the Japanese automobile market, the volume of orders received from our main customers increased. As a result, net sales increased to ¥30,172 million (down 3.5% year on year). On the profitability side, the segment recorded a profit of ¥1,164 million (segment loss of ¥149 million was recorded a year earlier) due to an increase in the volume of orders received as well as the impact of, among others, the reduction of fixed costs through the optimization of personnel levels implemented in the previous period.
- (ii) **Die Casting Business: North America**
In the automobile market in North America, the volume of orders received increased due mainly to the start of mass production of new products. As a result, net sales increased to ¥26,248 million (up 3.4% year on year). On the profitability side, the segment recorded a profit of ¥78 million (segment loss of ¥419 million was recorded a year earlier) due mainly to a decrease in depreciation and amortization resulting from the recording of impairment losses in the previous period, despite the continued rise in manufacturing costs such as labor costs in our U.S. Plant.
- (iii) **Die Casting Business: Asia**
In the automobile market in Asia, net sales stood at ¥17,282 million (up 0.4% year on year) due to the impact of declined sales at some main customers during the second quarter of our China Plant (April - June). On the profitability side, the segment recorded a profit of ¥166 million (down 34.9% year on year) due mainly to production cost increases resulting from unstable production of some products at our India Plant and a rise in raw material expenses, despite a reduction of fixed costs associated with the streamlining of the production system in our China Plant.
- (iv) **Aluminum Business**
In the Aluminum Business, net sales decreased 9.2% year on year to ¥3,145 million due to a decrease in sales weight by 9.1% year on year. On the profitability side, the segment recorded a profit of ¥94 million (up 34.0% year on year) due to a decrease in raw material expenses.
- (v) **Proprietary Products Business**
In the Proprietary Products Business, net sales decreased 2.0% year on year to ¥1,906 million, remaining at the same level as the previous year. On the profitability side, the segment recorded a profit of ¥235 million (up 31.1% year on year) due partially to the cost reduction effects.

(2) Explanation of Financial Position

(i) Assets, liabilities, and net assets

(Assets)

Total assets at the end of the six months ended September 30, 2025 decreased by ¥3,182 million from the end of the previous consolidated fiscal year to ¥130,911 million. Current assets stood at ¥63,389 million, a decrease of ¥724 million from the end of the previous consolidated fiscal year. This was mainly due to decreases of ¥522 million in trade receivables and ¥980 million in inventories, in contrast to an increase of ¥363 million in cash and deposits. Non-current assets were ¥67,521 million, a decrease of ¥2,458 million from the end of the previous consolidated fiscal year. This was due mainly to a decrease of ¥3,019 million in property, plant and equipment.

(Liabilities)

Liabilities at the end of the six months ended September 30, 2025 decreased by ¥1,469 million from the end of the previous consolidated fiscal year to ¥80,636 million. Current liabilities stood at ¥58,980 million, a decrease of ¥4,689 million from the end of the previous consolidated fiscal year. The principal factors contributing to this result included decreases of ¥1,003 million in trade payables, ¥1,395 million in short-term borrowings, and ¥1,986 million in current portion of long-term borrowings. Non-current liabilities stood at ¥21,655 million, an increase of ¥3,220 million from the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥3,438 million in long-term borrowings.

(Net assets)

Net assets at the end of the six months ended September 30, 2025 decreased by ¥1,713 million from the end of the previous consolidated fiscal year to ¥50,275 million. This was attributable primarily to a decrease of ¥3,637 million in foreign currency translation adjustment, as well as an increase of ¥1,632 million in retained earnings.

As a result, the equity ratio was down to 38.31% from 38.68% at the end of the previous consolidated fiscal year.

(ii) Cash flows

Cash and cash equivalents (“cash”) increased ¥18 million from the end of the previous fiscal year during the six months ended September 30, 2025, coming to ¥13,465 million at the end of the six months ended September 30, 2025.

The status of each of the cash flow segments and the contributing factors for the consolidated fiscal year under review are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥6,794 million (compared to net cash provided of ¥5,602 million in the previous fiscal year). This result was mainly due to factors decreasing cash, such as an increase of ¥194 million in trade receivables, a decrease of ¥542 million in trade payables, a decrease of ¥243 million in accrued consumption taxes, and gain on sale of shares of subsidiaries and associates of ¥1,109 million, as well as factors increasing cash, such as profit before income taxes of ¥2,220 million and depreciation and amortization of ¥5,585 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥5,667 million (compared to net cash used of ¥8,554 million in the previous fiscal year). This was mainly due to factors increasing cash, such as proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation of ¥465 million, as well as factors decreasing cash, such as purchase of property, plant and equipment of ¥5,855 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥676 million (compared to net cash provided ¥858 million in the previous fiscal year). This was mainly due to factors increasing cash, such as proceeds from short-term borrowings of ¥76,623 million and proceeds from long-term borrowings of ¥6,660 million, as well as factors decreasing cash, such as repayments of short-term borrowings of ¥77,978 million, repayments of long-term borrowings of ¥5,319 million and dividends paid of ¥445 million.

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

With regard to the consolidated earnings forecasts for the full year, we have revised the consolidated earnings forecasts for the full year announced on May 16, 2025, reflecting recent financial trends.

For details, please refer to the “Notice on Recording of Non-operating Expenses and Deferred Income Taxes (Gain) and Revisions to Consolidated Results Forecasts (First Half and Full Year) for the Year Ending March 2026” announced on October 28, 2025.

2. Consolidated Semi-Annual Financial Statements and Key Notes

(1) Semi-Annual Consolidated Balance Sheet

(Million yen)

	Previous consolidated fiscal year (March 31, 2025)	Six months ended September 30, 2025 (September 30, 2025)
(Assets)		
Current assets		
Cash and deposits	13,546	13,909
Notes and accounts receivable - trade, and contract assets	30,361	30,452
Electronically recorded monetary claims - operating	3,584	2,970
Merchandise and finished goods	5,427	5,105
Work in process	5,920	5,425
Raw materials and supplies	3,867	3,704
Others	1,530	1,923
Allowance for doubtful accounts	(124)	(102)
Total current assets	64,114	63,389
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,831	13,663
Machinery, equipment and vehicles, net	32,155	30,521
Land	5,163	5,106
Construction in progress	8,824	6,877
Other, net	6,157	5,943
Total property, plant and equipment	65,132	62,113
Intangible assets	1,299	1,212
Investments and other assets		
Investment securities	1,460	1,811
Others	2,101	2,399
Allowance for doubtful accounts	(14)	(14)
Total investments and other assets	3,547	4,196
Total non-current assets	69,979	67,521
Total assets	134,094	130,911

(Million yen)

	Previous consolidated fiscal year (March 31, 2025)	Six months ended September 30, 2025 (September 30, 2025)
(Liabilities)		
Current liabilities		
Notes and accounts payable - trade	15,428	14,243
Electronically recorded obligations - operating	9,193	9,375
Short-term borrowings	18,288	16,892
Current portion of long-term borrowings	8,564	6,578
Income taxes payable	376	314
Contract liabilities	1,492	1,532
Provision for bonuses	1,654	1,690
Provision for product warranties	246	249
Provision for shareholder benefit program	39	9
Others	8,385	8,095
Total current liabilities	63,669	58,980
Non-current liabilities		
Long-term borrowings	13,290	16,728
Long-term accounts payable - other	114	108
Retirement benefit liability	2,025	2,053
Others	3,004	2,764
Total non-current liabilities	18,435	21,655
Total liabilities	82,105	80,636
(Net assets)		
Shareholders' equity		
Share capital	6,964	6,964
Capital surplus	10,206	10,208
Retained earnings	18,754	20,387
Treasury shares	(529)	(480)
Total shareholders' equity	35,395	37,079
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	696	937
Foreign currency translation adjustment	15,087	11,449
Remeasurements of defined benefit plans	691	690
Total other accumulated comprehensive income	16,476	13,077
Share acquisition rights	117	117
Total net assets	51,989	50,275
Total liabilities and net assets	134,094	130,911

(2) Semi-Annual Consolidated Income Statement and Semi-Annual Consolidated Statement of Comprehensive Income
Semi-Annual Consolidated Income Statement

(Million yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Net sales	78,195	82,090
Cost of sales	72,512	74,016
Gross profit	5,683	8,073
Selling, general and administrative expenses	5,937	6,268
Operating profit (loss)	(253)	1,804
Non-operating income		
Interest income	91	71
Dividend income	21	30
Gain on sale of scraps	215	86
Others	60	43
Total non-operating income	389	231
Non-operating expenses		
Interest expenses	323	361
Commission for syndicated loans	—	140
Foreign exchange losses	308	454
Others	40	39
Total non-operating expenses	672	995
Ordinary profit (loss)	(536)	1,040
Extraordinary income		
Gain on sale of non-current assets	27	88
Gain on sale of investment securities	40	—
Gain on sale of shares of subsidiaries and associates	—	1,109
Subsidy income	77	81
Total extraordinary income	146	1,279
Extraordinary losses		
Loss on sale and retirement of non-current assets	70	99
Extra retirement payments	1,005	—
Total extraordinary losses	1,076	99
Profit (loss) before income taxes	(1,466)	2,220
Income taxes - current	326	531
Income taxes - deferred	903	(390)
Total income taxes	1,230	141
Profit (loss)	(2,696)	2,079
Profit (loss) attributable to owners of parent	(2,696)	2,079

Semi-Annual Consolidated Statement of Comprehensive Income

(Million yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Profit (loss)	(2,696)	2,079
Other comprehensive income		
Valuation difference on available-for-sale securities	(145)	240
Foreign currency translation adjustment	4,104	(3,637)
Remeasurements of defined benefit plans	31	(1)
Total other comprehensive income	3,990	(3,398)
Comprehensive income	1,293	(1,319)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,293	(1,319)
Comprehensive income attributable to non-controlling interests	—	—

(3) Semi-Annual Consolidated Statement of Cash Flows

(Million yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Profit (loss) before income taxes	(1,466)	2,220
Depreciation	5,718	5,585
Increase (decrease) in provision for bonuses	(40)	58
Increase (decrease) in provision for product warranties	12	16
Increase (decrease) in provision for shareholder benefit program	—	(29)
Increase (decrease) in retirement benefit liability	(237)	40
Interest and dividend income	(113)	(101)
Interest expenses	323	361
Commission for syndicated loans	—	140
Foreign exchange losses (gains)	98	22
Loss (gain) on sale and retirement of property, plant and equipment	42	8
Loss (gain) on sale of investment securities	(40)	—
Loss (gain) on sale of shares of subsidiaries and associates	—	(1,109)
Subsidy income	(77)	(81)
Extra retirement payments	1,005	—
Decrease (increase) in trade receivables	1,219	(194)
Decrease (increase) in inventories	572	667
Increase (decrease) in trade payables	(536)	(542)
Increase (decrease) in accounts payable - other	817	339
Increase (decrease) in accrued consumption taxes	(292)	(243)
Others	(731)	544
Subtotal	6,274	7,702
Interest and dividends received	92	101
Interest paid	(332)	(352)
Income taxes paid	(432)	(702)
Income taxes refund	81	43
Extra retirement payments	(108)	—
Subsidies received	28	1
Cash flows from operating activities	5,602	6,794
Cash flows from investing activities		
Payments into time deposits	(1,029)	(446)
Proceeds from withdrawal of time deposits	521	96
Purchase of property, plant and equipment	(8,064)	(5,855)
Proceeds from sale of property, plant and equipment	42	110
Proceeds from sale of investment securities	51	—
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	465
Others	(75)	(38)
Cash flows from investing activities	(8,554)	(5,667)
Cash flows from financing activities		
Proceeds from short-term borrowings	81,671	76,623
Repayments of short-term borrowings	(80,278)	(77,978)
Proceeds from long-term borrowings	5,500	6,660
Repayments of long-term borrowings	(5,688)	(5,319)
Purchase of treasury shares	(337)	(0)
Increase (decrease) in deposit for purchase of treasury shares	317	—
Dividends paid	(125)	(445)
Others	(200)	(216)
Cash flows from financing activities	858	(676)
Effect of exchange rate change on cash and cash equivalents	537	(431)
Net increase (decrease) in cash and cash equivalents	(1,556)	18
Cash and cash equivalents at beginning of the period	11,594	13,446
Cash and cash equivalents at end of the period	10,037	13,465

(4) Notes

(Notes on Significant Change in the Scope of Consolidation)

Ahresty Precision Die Mold (Guangzhou) Co., Ltd., which had been a consolidated subsidiary of the Company, was excluded from the scope of consolidation due to the transfer of all equity interests during the six months ended September 30, 2025.

(Notes on Going Concern Assumption)

Not applicable.

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

(Disposal of Own Shares)

The Company resolved at the meeting of the Board of Directors held on June 27, 2025, to dispose of its own shares for delivery as stock compensation, and disposed of them during the six-month period of the consolidated fiscal year under review. As a result, treasury shares decreased by ¥49 million (69,451 shares).

(Additional Information)

(Disposal of Treasury Shares as Restricted Stock Incentive for the Employee Stock Ownership Association)

The Company resolved at the meeting of the Board of Directors held on August 8, 2025 to dispose of treasury shares, with the Ahresty Employee Stock Ownership Association (the "Association") as scheduled allottee, under its restricted stock incentive plan for the employee stock ownership association (the "Plan") as described below (the "Treasury Share Disposal" or the "Disposal"), and plans to conduct the Disposal.

1. Overview of the Treasury Share Disposal

(1) Disposal date	December 12, 2025
(2) Class and number of shares to be disposed	338,850 shares of the Company's common stock (Note)
(3) Disposal price	850 yen per share
(4) Total value of shares to be disposed	288 million yen (Note)
(5) Disposal method (scheduled allottee)	The shares will be allotted to the Association by private placement on the condition that the Association will apply to subscribe for the shares. The number of shares for subscription specified by the Association, which is not more than the number of shares to be disposed of described in item (2) above, will be allotted to the Association. (That number of shares to be allotted will be the number of shares to be disposed of.) (338,850 shares to the Association) Applications from eligible employees (defined below) for a portion of the number of shares to be granted will not be accepted.

(Note) The number of shares to be disposed of and the total value of shares to be disposed of were calculated by assuming that the shares will be granted as restricted stock to 2,098 employees of the Company and its subsidiaries, which is the maximum number of employees eligible for the Plan. The number and total value of shares to be actually disposed of will be determined according to (i) the number of employees of the Company and its subsidiaries who have agreed to the Plan with three or more contribution units (a maximum of 2,098 employees) ("Eligible Employees") and (ii) the number of shares to be granted per employee determined according to the employee levels defined by the Company (for employees in managerial positions: 300 shares per employee, for up to 161 employees; for employees in general positions: 150 shares per employee, for up to 1,937 employees) after the completion of membership campaigns to attract those employees who have yet to join the Association and the confirmation of Association members' approval of the Plan. Specifically, as described in item (5) above, the number of shares for subscription specified by the Association will be the number of shares to be disposed of, and the amount obtained by multiplying that number by the disposal price per share will be the total value of shares to be disposed of.

2. Purpose of and reason for the Disposal

Under the 25-27 Medium-Term Management Plan newly started in the fiscal year ending March 31, 2026, the Company will promote fundamental transformation of its MONOZUKURI and revenue structure, with "Reinvent Ahresty - Reinventing Ahresty for the future -" as the core concept, and preserving and reengineering as the key words. The Company recognizes that achieving this transformation requires the active participation of every employee in the execution of the Medium-Term Management Plan. Therefore, as part of its efforts to encourage each and every employee to take ownership as a driving force of this transformation, at the meeting of the Board of Directors held on August 8, 2025, the Company resolved to create an opportunity for Eligible Employees to acquire shares of the Company's common stock issued or disposed of by the Company as restricted stock through the Association, and introduce the Plan for the following purposes:

- To provide an incentive for Eligible Employees to strive for sustained enhancement of the Company's corporate value.
- To encourage Eligible Employees to further share value with shareholders.

- To support wealth building for Eligible Employees.

(Notes on Semi-Annual Consolidated Balance Sheet)

1. Notes receivable – trade endorsement transfer

	Previous consolidated fiscal year (March 31, 2025)	Six months ended September 30, 2025 (September 30, 2025)
Notes receivable – trade endorsement transfer	285 million yen	290 million yen

*2. Pledged assets and secured liabilities

Assets pledged as collateral are as follows.

	Previous consolidated fiscal year (March 31, 2025)	Six months ended September 30, 2025 (September 30, 2025)
Buildings and structures	— million yen	3,916 million yen
Land	—	4,068
Total	—	7,985

Liabilities secured by the above assets are as follows.

	Previous consolidated fiscal year (March 31, 2025)	Six months ended September 30, 2025 (September 30, 2025)
Long-term borrowings	— million yen	6,800 million yen
Total	—	6,800

*3. Financial covenants

Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

Not applicable.

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

Long-term borrowings of ¥6,800 million are subject to financial covenants, which are as follows.

- (1) From the interim period ended September 30, 2025 onwards, the amount of net assets in the consolidated balance sheet at the end of each fiscal year and at the end of each interim period shall be maintained at not less than 75% of the amount in the consolidated balance sheet as of the last day of the fiscal year ended March 31, 2025 or 75% of the amount as of the last day of the immediately preceding fiscal year, whichever is greater.
- (2) For two consecutive fiscal years, beginning with the fiscal year ending March 31, 2026, ordinary profit recorded in the consolidated income statement at the end of each fiscal year shall not be negative.

(Notes on Semi-Annual Consolidated Income Statement)

*1. The main items and amounts within selling, general and administrative expenses are as follows.

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Transportation expenses	903 million yen	874 million yen
Salaries and bonuses	1,628	1,730
Retirement benefit expenses	98	91
Provision for bonuses	294	332
Depreciation and amortization	228	180
Research and development expenses	333	348

*2. Special retirement expenses

Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

The special retirement expenses consist of ¥670 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 ¥335 million in special retirement expenses 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.

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

Not applicable.

*3. Gain on sale of shares of subsidiaries and associates

Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

Not applicable.

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

Gain on sale of shares of subsidiaries and associates of ¥1,109 million was recorded as a result of the transfer of all equity interests in Ahresty Precision Die Mold (Guangzhou) Co., Ltd., a consolidated subsidiary of the Company.

(Notes on Semi-Annual Consolidated Statement of Cash Flows)

*1 The relationship between the balance of cash and cash equivalents at the end of the six-month period and the amounts listed under items in the Semi-Annual Consolidated Balance Sheet are as follows

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash and deposits account	11,376 million yen	13,909 million yen
Time deposits with a deposit period exceeding three months	(1,338)	(443)
Cash and cash equivalents	10,037	13,465

*2 Major breakdown of assets and liabilities of the company that ceased to be a consolidated subsidiary company due to sales of shares

Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

Not applicable.

Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

The breakdown of assets and liabilities at the time of sale, as well as the relationship between the sale price of shares and the proceeds from the sale, resulting from Ahresty Precision Die Mold (Guangzhou) Co., Ltd. ceasing to be a consolidated subsidiary due to the transfer of equity interests, is as follows.

Current assets	993 million yen
Non-current assets	255
Current liabilities	(43)
Foreign currency translation adjustment	(804)
Unrealized income	(53)
Gain on sale of shares	1,109
Sales value of shares	1,457
Cash and cash equivalents	(991)
Net: Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	465

(Notes on Segment Information, etc.)

Segment Information

I. Six months ended September 30, 2024 (April 1, 2024 to September 30, 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						
Revenues from contracts with customers	30,172	25,389	17,221	3,466	1,945	78,195
Sales to external customers	30,172	25,389	17,221	3,466	1,945	78,195
Intersegment sales or transfers	2,916	1	899	2,094	11	5,923
Total	33,089	25,390	18,120	5,560	1,956	84,118
Segment profit (loss)	(149)	(419)	256	70	179	(61)

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

(Million yen)

Profit	Amount
Total in reported segments	(61)
Elimination of intersegment transactions	(191)
Operating loss in semi-annual consolidated income statement	(253)

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

Not applicable.

II. Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

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						
Revenues from contracts with customers	33,506	26,248	17,282	3,145	1,906	82,090
Sales to external customers	33,506	26,248	17,282	3,145	1,906	82,090
Intersegment sales or transfers	1,999	11	1,153	1,925	2	5,091
Total	35,506	26,260	18,435	5,070	1,908	87,181
Segment profit	1,164	78	166	94	235	1,741

(Note) Ahresty Precision Die Mold (Guangzhou) Co., Ltd, previously classified in the segment “Die Casting Business: Asia,” has been excluded from the scope of consolidation due to the transfer of all equity interests during the six months ended September 30, 2025. The amounts of the company’s sales as well as segment profit or segment loss include results up to the date of exclusion from consolidation.

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

(Million yen)

Profit	Amount
Total in reported segments	1,741
Elimination of intersegment transactions	63
Operating profit in semi-annual consolidated income statement	1,804

3. Impairment losses in non-current assets or goodwill by reported segment
Not applicable.