



Consolidated Financial Results (Japanese Accounting Standards) for the First Half of the Fiscal Year Ending March 31, 2023

November 14, 2022

Stock Exchange Listing: Tokyo

Company Name: Ahresty Corporation

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

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

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

Planned date for filing of quarterly securities report: November 14, 2022 Planned date for start of dividend payment: December 5, 2022

Supplementary documents for quarterly results: Yes

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

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

1. Consolidated results for the first half of the year ending March 2023 (from April 1, 2022 to September 30, 2022)

(1) Consolidated operating results (for the six months ended September 30, 2022)

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

	Net sales		Operating income		Recurring income		Net income attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
First half of year ending March 2023	66,536	21.8	(1,198)	—	(820)	—	(830)	—
First half of year ended March 2022	54,647	48.4	(1,943)	—	(1,680)	—	(1,780)	—

(Note) 1. Comprehensive income First half of year ending March 2023: 5,335 million yen (_%)

First half of year ended March 2022: 856 million yen (_%)

(Reference) EBITDA: First half of year ending March 2023: 5,019 million yen (23.7%) First half of year ended March 2022: 4,057 million yen (75.2%)

* EBITDA = operating income + depreciation and amortization

	Net income per share	Fully diluted net income per share
	Yen	yen
First half of year ending March 2023	(32.08)	—
First half of year ended March 2022	(69.16)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
First half of year ending March 2023	139,597	58,826	42.1
Year ended March 2022	131,302	53,566	40.7

(Reference) Shareholders' equity: First half of year ending March 2023: 58,704 million yen Year ended March 2022: 53,426 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 2022	—	5.00	—	5.00	10.00
Year ending March 2023	—	5.00			
Year ending March 2023 (Forecast)			—	5.00	10.00

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

3. Forecast of consolidated results for year ending March 2023 (from April 1, 2022 to March 31, 2023)
 (% shows the year-on-year change)

	Net sales		Operating income		Recurring income		Net income attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	146,100	25.6	1,500	—	1,600	—	1,000	—	38.62

(Notes) 1. Revisions to consolidated results forecast published most recently: Yes

* Notes:

(1) Significant changes to subsidiaries during the current term (changes for a specified subsidiary accompanying a change in the scope of consolidation): Yes
 New: Excluded: 1 company (Company name) Ahresty Pretech Corporation
 (Note) For details, please see “2. Consolidated Quarterly Financial Statements and Key Notes (4) Notes (Significant Changes to Subsidiaries during the Current Term)” on page 12 of the accompanying materials.

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles and changes in or restatement of accounting estimates
 (i) Changes in accounting principles associated with revision of accounting standards, etc.: Yes

(ii) Changes in accounting principles other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(Note) For details, please see “2. Consolidated Quarterly Financial Statements and Key Notes (4) Notes (Changes in Accounting Policy)” on page 12 of the accompanying materials.

(4) Number of shares outstanding (Common stock)

(i) Number of shares outstanding at end of period (including treasury shares)	2Q of year ending March 2023	26,076,717 shares	Year ended March 2022	26,076,717 shares
(ii) Number of treasury shares at end of period	2Q of year ending March 2023	149,543 shares	Year ended March 2022	250,695 shares
(iii) Average number of shares (for first half)	2Q of year ending March 2023	25,895,763 shares	2Q of year ended March 2022	25,749,657 shares

* Quarterly consolidated financial statements are placed outside the scope of quarterly reviews performed by a certified public accountant or an audit corporation.

* 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 First Half (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 First Half

(1) Explanation of Operating Results

During the first half of the consolidated fiscal year under review, the uncertainty in the world economy increased due mainly to high energy and food prices resulting from the invasion of Ukraine by Russia, tightening supply of labor and worsening inflation mainly in the U.S., and the zero-COVID policy in China. Central banks of various countries focused their efforts on tightening their monetary policy to suppress inflation. In the U.S., in particular, the FRB has been continuing to raise the policy interest rate. Regarding the future outlook, further slowdown in the economy is likely in the Europe and the U.S. due to inflation and rising interest rates, as well as reduction in gas supply from Russia to Europe, while in Asia, as countries are recovering from COVID-19, rising prices are likely to suppress internal demand and slow down external demand, placing downward pressure on their growth. In Japan, although high commodity prices in line with the weakening yen and soaring energy prices and the slowdown in the overseas economy are negative factors, supported by relaxation of the anti-COVID measures and entry restrictions aimed at balancing them with the economy, the Japanese economy is expected to recover mainly from service consumption, leading to a steady overall recovery.

Under these circumstances, the Ahresty Group has been making continuous efforts to improve production efficiency, such as flexible adjustment of the number of operating days and personnel placement according to fluctuations in the volume of sales for automobile companies in different countries and regions, and the utilization of idle internal facilities to reduce capital investment. During the six-month period ended September 30, 2022, however, the effects of these efforts could not fully absorb the impact of the decline in automobile production due to the shortage in supply of semiconductors worldwide and China's zero-COVID policy associated with confusion in supply chains, and an increase in production costs due mainly to soaring energy prices, resulting in the recording of an operating loss. Although the impact of the shortage of semiconductors will remain for a while, the recovery trend in automobile production is expected to continue, leading to an increase in the volume of orders we will receive.

From the consolidated fiscal year under review, the Ahresty Group started 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 secure net sales, improve productivity, and enhance earnings strength.

Consequently, for the first half of the consolidated fiscal year under review, the Group recorded consolidated net sales of ¥66,536 million (up 21.8% year on year), operating loss of ¥1,198 million (operating loss of ¥1,943 million for the first half of the previous year), recurring loss of ¥820 million (recurring loss of ¥1,680 million for the first half of the previous year) and net loss attributable to owners of parent of ¥830 million (net loss attributable to owners of parent of ¥1,780 million in the first half of the previous year).

Operating results by segment are as follows:

(i) Die Casting Business: Japan

In the Japanese automobile market, while the volume of orders received decreased slightly year on year, our net sales increased to ¥28,109 million (up 14.2% year on year) due to a rise in aluminum market prices. On the profitability side, despite the impact of the rise in various costs, such as energy and logistics, in addition to the decrease in orders received, the segment loss was reduced to ¥423 million (a segment loss of ¥1,012 million was recorded a year earlier) due to the advancement in efforts to improve production efficiency and reduce costs, as well as in the shift of the rise in raw material prices into selling prices. On a quarterly basis, sales declined substantially in the first quarter, affected by production adjustments by car manufacturers due to confusion in supply chains resulting from lockdowns in China. In the second quarter, with a recovery in the volume of orders received, income returned to the black.

(ii) Die Casting Business: North America

In the automobile market in North America, car manufacturers decreased production at their production sites in the North America region due to the global shortage of semiconductors, which resulted in an ongoing decrease year on year in our orders received. Meanwhile, net sales came to ¥17,016 million (up 19.9% year on year), due to the rise in aluminum market prices and the rapid fall in the yen's exchange rate. On the profitability side, although the effects of structural reform and cost reduction activities were seen, the segment recorded a loss of ¥713 million (a segment loss of ¥553 million was recorded a year earlier) due to the decrease in orders received, as well as an increase in production costs associated with rises in costs of energy and labor, etc.

(iii) Die Casting Business: Asia

In the automobile market in Asia, partly due to the effects of the significant reduction of automobile-related taxes and fees in China, signs of recovery in the volume of car sales began to be seen. However, orders received by our plants in China, which settle their accounts in December (the second quarter under review is from April to June), decreased temporarily due to the impact of the lockdown in Shanghai because of COVID-19. As a result, although net sales for the consolidated first half under review recovered to ¥15,695 million (up 33.8% year on year), the segment recorded a loss of ¥250 million (a segment loss of ¥643 million was recorded a year earlier) due to the impact of the substantial decrease in the volume of orders received during the second quarter under review.

(iv) Aluminum Business

In the Aluminum Business, although the sales weight decreased by 4.0% year on year due to the production decrease of car manufacturers attributable mainly to the shortage of semiconductors, net sales increased 38.4% year on year to ¥3,920 million. On the profitability side, the segment recorded a profit of ¥152 million (up 5.6% year on year) mainly due to the increase in net sales associated with soaring aluminum prices and cost reduction efforts.

(v) Proprietary Products Business

In the Proprietary Products Business, net sales increased 39.2% year on year to ¥1,794 million, mainly reflecting an increase in orders for projects of the main customers, namely, a clean room at a semiconductor-related company and a data center at a telecommunications company. On the profitability front, the segment achieved a stable profit of ¥111 million (down 0.8% year on year) though the profitability differs among individual projects.

(2) Explanation of Financial Position

(i) Assets, liabilities and net assets

(Assets)

Total assets at the end of the consolidated first half under review increased by ¥8,294 million from the end of the previous consolidated fiscal year, to ¥139,597 million. Current assets stood at ¥55,926 million, an increase of ¥2,507 million from the end of the previous consolidated fiscal year. This was mainly due to increases of ¥1,430 million in trade notes and accounts receivable and ¥904 million in inventories. Fixed assets were ¥83,670 million, up ¥5,787 million from the end of the previous consolidated fiscal year. This was due chiefly to an increase of ¥5,396 million in tangible fixed assets.

(Liabilities)

Liabilities at the end of the consolidated first half under review increased by ¥3,034 million from the end of the previous consolidated fiscal year to ¥80,770 million. Current liabilities stood at ¥55,159 million, an increase of ¥1,897 million from the end of the previous consolidated fiscal year. The principal factors contributing to this result included a decrease of ¥2,138 million in short-term loans payable, in contrast to increases of ¥548 million in electronically recorded obligations, ¥2,578 million in the current portion of long-term loans, and ¥725 million in obligations for equipment. Long-term liabilities stood at ¥25,611 million, up ¥1,137 million from the end of the preceding consolidated fiscal year. The main factors included an increase of ¥1,132 million in long-term loans payable.

(Net assets)

Net assets at the end of the consolidated first half under review increased ¥5,260 million from the end of the previous consolidated fiscal year, to ¥58,826 million. This was attributable primarily to an increase of ¥6,230 million in foreign currency translation adjustments despite a decrease of ¥996 million in retained earnings.

As a result, the equity ratio was up from 40.69% at the end of the previous consolidated fiscal year to 42.05%.

(ii) Cash flows

Cash and cash equivalents ("cash") decreased ¥346 million during the first half of the consolidated fiscal year under review from the end of the previous consolidated fiscal year, coming to ¥9,009 million at the end of the consolidated first half under review.

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

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥4,265 million (net cash provided of ¥4,397 million in the same period of the previous year). This result was mainly due to factors decreasing cash such as loss before income taxes and others of ¥759 million, foreign currency exchange gain of ¥415 million, a decrease in accrued consumption taxes and others of ¥344 million, a decrease in notes and accounts payable of ¥302 million, and income taxes paid of ¥319 million, as well as factors increasing cash such as depreciation and amortization of ¥6,217 million and a decrease in notes and accounts receivable of ¥265 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥4,457 million (net cash used of ¥4,523 million in the same period of the previous year). This was chiefly due to factors decreasing cash such as expenditures on purchases of tangible fixed assets of ¥4,465 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥1,091 million (net cash used of ¥8,203 million in the same period of the previous year). This result was primarily due to factors increasing cash such as proceeds from short-term loans of ¥79,703 million and long-term loans of ¥6,440 million, in comparison to factors decreasing cash such as expenditures for repayments of short-term loans of ¥82,532 million and long-term loans of ¥4,439 million.

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

In view of recent economic trends and other factors, the Company has revised its consolidated full-year business forecasts released on September 30, 2022. For details, please refer to the "Notice on Recording of Non-operating

Income (Foreign Currency Exchange Gain), Difference between Results Forecasts and the Actual Results for the First Six-Month Period of the Consolidated Fiscal Year Ending March 2023, and Revisions to Consolidated Full-Year Results Forecast" released today (November 14, 2022).

2. Consolidated Quarterly Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	Previous consolidated fiscal year (March 31, 2022)	Consolidated first half under review (September 30, 2022)
(Assets)		
Current assets		
Cash and time deposits	9,356	9,009
Trade notes and accounts receivable, and contract assets	26,631	26,727
Electronically recorded monetary claims – operating	3,207	4,542
Merchandise and products	4,228	5,136
Partly finished goods	5,450	5,172
Raw materials and inventories	3,234	3,508
Others	1,459	2,005
Allowance for doubtful accounts	(148)	(175)
Total current assets	53,419	55,926
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	14,190	14,954
Machinery and delivery equipment, net	38,018	41,207
Land	5,454	5,541
Construction in progress	7,387	8,107
Others, net	7,277	7,913
Total tangible fixed assets	72,328	77,725
Intangible fixed assets	1,783	1,801
Investments and other assets		
Investment securities	1,281	1,121
Others	2,505	3,037
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	3,770	4,143
Total fixed assets	77,883	83,670
Total assets	131,302	139,597
(Liabilities)		
Current liabilities		
Notes and accounts payable	11,557	11,560
Electronically recorded obligations – operating	8,125	8,673
Short-term loans	16,714	14,575
Current portion of long-term loans	8,381	10,960
Accrued income taxes	84	153
Bonus allowances	1,559	1,502
Provision for product warranties	46	52
Others	6,793	7,681
Total current liabilities	53,261	55,159
Long-term liabilities		
Long-term loans	17,821	18,953
Long-term accounts payable	170	168
Retirement benefit liability	2,918	2,949
Others	3,564	3,539
Total long-term liabilities	24,474	25,611
Total liabilities	77,736	80,770

(Million yen)

	Previous consolidated fiscal year (March 31, 2022)	Consolidated first half under review (September 30, 2022)
(Net assets)		
Shareholders' equity		
Common stock	6,964	6,964
Additional paid-in capital	10,206	10,206
Retained earnings	30,834	29,837
Treasury stock	(166)	(58)
Total shareholders' equity	47,837	46,949
Other accumulated comprehensive income		
Difference on revaluation of other marketable securities	549	438
Foreign currency translation adjustments	5,593	11,824
Remeasurements of defined benefit plans	(555)	(508)
Total other accumulated comprehensive income	5,588	11,754
Share warrants	140	121
Total net assets	53,566	58,826
Total liabilities and net assets	131,302	139,597

(2) Quarterly Consolidated Income Statement and Quarterly Consolidated Statement of Comprehensive Income
 Quarterly Consolidated Income Statements
 (First Half)

(Million yen)

	Six months ended September 30, 2021 (April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)
Net sales	54,647	66,536
Cost of goods sold	51,425	62,585
Gross profit	3,222	3,950
Selling, general and administrative expenses	5,165	5,148
Operating income (or loss)	(1,943)	(1,198)
Non-operating income		
Interest income	10	19
Dividends received	52	23
Foreign currency exchange gain	197	436
Gain on sales of scraps	93	118
Employment adjustment subsidies	111	113
Others	43	20
Total non-operating income	509	731
Non-operating expenses		
Interest expenses	222	335
Others	24	19
Total non-operating expenses	246	354
Recurring income (or loss)	(1,680)	(820)
Extraordinary gains		
Gain on sales of fixed assets	1	55
Subsidy income	134	69
Total extraordinary gains	135	125
Extraordinary losses		
Loss on sale and retirement of fixed assets	64	63
Total extraordinary losses	64	63
Income (loss) before income taxes and others	(1,608)	(759)
Income taxes and enterprise taxes	247	254
Deferred income taxes	(75)	(182)
Total income taxes	171	71
Net income (loss)	(1,780)	(830)
Net income (loss) attributable to owners of parent	(1,780)	(830)

Quarterly Consolidated Statement of Comprehensive Income
(First Half)

(Million yen)

	Six months ended September 30, 2021 (April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)
Net income (loss)	(1,780)	(830)
Other comprehensive income		
Difference on revaluation of other marketable securities	105	(111)
Foreign currency translation adjustments	2,583	6,230
Remeasurements of defined benefit plans	(52)	47
Total other comprehensive income	2,636	6,166
Comprehensive income	856	5,335
Comprehensive income attributable to:		
Owners of parent	856	5,335
Non-controlling interests	—	—

(3) Quarterly Consolidated Statement of Cash Flows

(Million yen)

	Six months ended September 30, 2021 (April 1, 2021 to September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)
Cash flows from operating activities		
Income (loss) before income taxes and others	(1,608)	(759)
Depreciation and amortization	6,001	6,217
Increase (decrease) in bonus allowances	(78)	(100)
Increase (decrease) in provision for product warranties	(41)	1
Increase (decrease) in net defined benefit liability	35	63
Interest and dividend income	(63)	(42)
Interest expenses	222	335
Foreign currency exchange loss (gain)	19	(415)
Loss (gain) on sales and retirement of tangible fixed assets	62	7
Subsidy income	(134)	(69)
Employment adjustment subsidies	(111)	(113)
Decrease (increase) in notes and accounts receivable	1,223	265
Decrease (increase) in inventories	(981)	(90)
Increase (decrease) in notes and accounts payable	1,214	(302)
Increase (decrease) in accrued expenses	117	(89)
Increase (decrease) in accrued consumption taxes and others	(945)	(344)
Others	(317)	149
Subtotal	4,615	4,714
Interest and dividends received	63	35
Interest paid	(227)	(322)
Income taxes paid	(357)	(319)
Income taxes refund	80	15
Proceeds from subsidy income	223	142
Net cash provided by (used in) operating activities	4,397	4,265
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,481)	(4,465)
Proceeds from sales of tangible fixed assets	27	53
Others	(70)	(45)
Net cash provided by (used in) investing activities	(4,523)	(4,457)
Cash flows from financing activities		
Proceeds from short-term loans	49,997	79,703
Repayment of short-term loans	(58,658)	(82,532)
Proceeds from long-term loans	4,704	6,440
Repayment of long-term loans	(3,994)	(4,439)
Purchase of treasury stock	(0)	(0)
Dividends paid	(127)	(128)
Others	(124)	(134)
Net cash provided by (used in) financing activities	(8,203)	(1,091)
Effect of exchange rate changes on cash and cash equivalents	(93)	936
Net increase (decrease) in cash and cash equivalents	(8,422)	(346)
Cash and cash equivalents at beginning of year	12,249	9,356
Cash and cash equivalents at end of period	3,826	9,009

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

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

The Company resolved at its Board of Directors' meeting held on June 28, 2022 to dispose of treasury shares for delivery as stock compensation, and disposed of them during the six-month period of the fiscal year under review. As a result, treasury stock decreased by ¥89 million (138,203 shares).

(Additional Information)

(Application of the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System)

Starting from the beginning of the first quarter of the consolidated fiscal year under review, the group tax sharing system has been applied to the Company and its domestic subsidiaries instead of the consolidated taxation system. Accordingly, regarding the accounting treatment and the disclosure of national and local corporate income taxes and tax effect accounting, Ahresty follows the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ Practical Solution No. 42, August 12, 2021). Pursuant to Paragraph 32 (1) of Practical Solution No. 42, we consider that there is no impact from changes in the accounting policy associated with the application of Practical Solution No. 42.

(Accounting estimates related to the spread of COVID-19)

There have been no significant changes to assumptions, including the timing of the end of the spread of COVID-19, and accounting estimates provided in the securities report for the previous consolidated fiscal year.

(Significant Changes to Subsidiaries during the Current Term)

During the first quarter of the consolidated fiscal year under review, the Company absorbed Ahresty Pretech Corporation, a specified subsidiary of the Company, on April 1, 2022. As a result, Ahresty Pretech Corporation is no longer a specified subsidiary of the Company and therefore has been excluded from the scope of consolidation since the beginning of the consolidated first quarter under review.

(Changes in Accounting Policy)

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021) has been applied since the beginning of the first quarter of the consolidated fiscal year under review. In accordance with the transitional treatment prescribed in Paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement, Ahresty has decided to apply the new accounting policies set forth by the Implementation Guidance on Accounting Standard for Fair Value Measurement in the future. This has no impact on our Consolidated Quarterly Financial Statements.

(Segment Information, etc.)

Segment Information

I. Six months ended September 30, 2021 (April 1, 2021 to September 30, 2021)

1. Information on sales and income 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	24,609	14,190	11,726	2,832	1,289	54,647
Customers	24,609	14,190	11,726	2,832	1,289	54,647
Intersegment	1,172	—	462	1,149	10	2,793
Total	25,781	14,190	12,188	3,981	1,299	57,441
Segment profit (or loss)	(1,012)	(553)	(643)	144	112	(1,952)

2. Total amount 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	(1,952)
Elimination of intersegment transactions	9
Operating income (or loss) in the quarterly consolidated statement of income	(1,943)

3. Impairment losses in fixed assets or goodwill by reported segment
Not applicable.

II. Six months ended September 30, 2022 (April 1, 2022 to September 30, 2022)

1. Information on sales and income 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	28,109	17,016	15,695	3,920	1,794	66,536
Customers	28,109	17,016	15,695	3,920	1,794	66,536
Intersegment	1,408	11	1,278	761	2	3,462
Total	29,518	17,028	16,973	4,681	1,796	69,998
Segment profit (or loss)	(423)	(713)	(250)	152	111	(1,122)

2. Total amount 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	(1,122)
Elimination of intersegment transactions	(75)
Operating income (or loss) in the quarterly consolidated statement of income	(1,198)

3. Impairment losses in fixed assets or goodwill by reported segment
Not applicable.