

May 19, 2008

Name of Company: Asahi Tec Corporation
Representative: Hideo Ishii
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Notice of Revised Business Result on Consolidated Financial Forecast for Fiscal Year Ended
March 31, 2008

In light of recent trend, the business result forecast issued on March 13th, 2008 has been changed as below.

1) Revision of Consolidated Financial Forecast for the year ending March 31, 2008 (April 1, 2007 – March 31, 2008)

(Unit: In ¥ Million)

	Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (Issued on Mar 13, 2008)	320,000	3,200	(8,800)	(11,100)
Revised Forecast (B)	315,000	3,300	(8,600)	(34,800)
Difference (B – A)	(5,000)	100	200	(23,700)
Difference ratio	-1.5%	3.1%	—	—
Previous Year Interim Results (actual)	145,702	3,276	(162)	(665)

2) Revision of Standalone Financial Forecast for the year ending March 31, 2008 (April 1, 2007 – March 31, 2008)

(Unit: In ¥ Million)

	Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (Issued on Mar 13, 2008)	56,400	1,700	1,150	(950)
Revised Forecast (B)	56,600	2,030	1,580	(31,400)
Difference (B – A)	200	330	430	(30,450)
Difference ratio	0.3%	19.4%	37.3%	—
Previous Year Interim Results (actual)	49,548	1,698	1,146	2,192

3) Reasons of Revision

For consolidated business forecast, we recorded an extraordinary loss of 21 billion yen which is a non-cash impairment loss as a result of the reassessment of the goodwill at US subsidiary Metaldyne as of March 2008, associated with deteriorated business environment in North American automobile market. In addition, as mentioned in the standalone business forecast below, we recognized additional non-cash loss of 1.4 billion yen at Asahi Tec in writing off the deferred tax assets which resulted from the recognition of impairment loss against the investment to Metaldyne.

We hereby announce the downward revision of the previous forecast by the two major factors above,.

Those losses, however, are temporary and with no impact on cash-flow.

For stand-alone business forecast, we recorded extraordinary loss of 29.6 billion yen as a non-cash valuation loss of investments on affiliated companies, in association with the decline in book value of net assets of Metaldyne caused by the non-cash impairment loss as a result of its reassessment of goodwill.

We also revise the full year forecast of stand-alone basis downwards because the forecasted previously are not possible mainly by the above reason, while standalone business results shows better trend on its ordinary-profit level due to the cost reduction efforts.