

March 13, 2006

Asahi Tec Corporation

Notice of revised business result forecast

In light of recent business trends, the business result forecast issued on November 22, 2005, for the year ended March 31, 2006, have been revised as detailed below:

1. Revision of unconsolidated March 2006 forecast (April 1, 2005 - March 31, 2006)

(Unit : millions of yen)

	Sales	Ordinary Income	Net Income
Previous forecast (A) (issued on November 22, 2005)	47,400	980	300
Revised forecast(B)	47,200	710	-510
Difference (B - A)	-200	-270	-810
Percentage difference	-0.4%	-27.6%	-270.0%
Previous year results	46,338	-1,121	-2,259

Ref. Prospect of earning per share on net income (for a year) -5.74yen

2. Revision of consolidated March 2006 forecast (April 1, 2005 - March 31, 2006)

(Unit : millions of yen)

	Sales	Ordinary Income	Net Income
Previous forecast (A) (issued on November 22, 2005)	57,700	2,100	1,000
Revised forecast(B)	57,600	1,370	-340
Difference (B - A)	-100	-730	-1,340
Percentage difference	-0.2%	-34.8%	-134.0%
Previous year results	57,574	107	-1,294

Ref. Prospect of earning per share on net income (for a year) -3.83yen

3. Reasons

The forecast for unconsolidated ordinary income was revised downward mainly due to better than previously forecasted unconsolidated ordinary income for the Ductile and Electric Equipment business units, which generally offset the weaker than previously forecasted unconsolidated ordinary income for the Environmental Systems business unit. The forecast for unconsolidated net income was revised downward, in addition to the above mentioned factors, due to one time cost related to the acquisition of Techno-Metal Co., Ltd to be recorded as an extraordinary loss, 620 million Yen.

The forecast for consolidated ordinary income was revised downward primarily due to the ongoing quality, efficiency and manufacturing issues the company has experienced in its aluminum wheel business as a result of the shift of aluminum wheels production to Thailand. Better than previously forecasted consolidated ordinary income for the Ductile and Electric Equipment business units generally offset the weaker than previously forecasted consolidated ordinary income for the Environmental Systems business unit. The forecast for consolidated net income was revised downward, in addition to the above mentioned factors, due to one time cost related to the acquisition of Techno-Metal Co., Ltd to be recorded as an extraordinary loss, 620 million Yen.

The revised consolidated forecast excludes Techno-Metal Co., Ltd results (acquired on February 28 2006) because the company will be consolidated from March 31, 2006.

Note:

The above forecasts are based on information available at the time and in the present business climate. Actual results may differ from the forecast due to influence of various future factors.