

(Translation)
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Code Number: 5606 <Tokyo Stock Exchange_First Section>
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Revision of Financial Results Forecasts and Recognition of Extraordinary Loss on adjustment for changes of accounting standard for asset retirement obligations

Due to the current business environment, Asahi Tec Corporation (“Company”) has revised its financial results forecasts, which were originally announced on May 20, 2010 and the Company has recognized extraordinary loss on adjustment for changes of accounting standard for asset retirement obligations for the first quarter ended June 30, 2010.

1. Revised forecast for the first six months of FY2010 (April 1, 2010 – September 30, 2010)

(1) Consolidated operating results forecast

	Net sales	Operating income	Ordinary income
	Million yen	Million yen	Million yen
Previous forecast (A) (May 20, 2010)	30,700	70	(160)
Revised forecast (B)	37,900	1,300	800
Variance in amount (B - A)	7,200	1,230	960
Variance in %	23.5	-	-
Reference; Results of the first six months FY2009	23,483	(2,173)	(2,459)

	Net income	Basic net income per share
	Million yen	Yen
Previous forecast (A) (May 20, 2010)	(800)	(2.17)
Revised forecast (B)	200	0.09
Variance in amount (B - A)	1,000	-
Variance in %	-	-
Reference; Results of the first six months FY2009	(2,578)	(6.23)

(2) Unconsolidated operating results forecast

	Net sales	Operating income	Ordinary income
Previous forecast (A) (May 20, 2010)	14,000	300	10
Revised forecast (B)	16,100	800	600
Variance in amount (B - A)	2,100	500	590
Variance in %	15.0	166.7	-
Reference; Results of the first six months FY2009	11,205	(227)	(477)

	Net income	Basic net income per share
Previous forecast (A) (May 20, 2010)	(400)	(1.25)
Revised forecast (B)	300	0.26
Variance in amount (B - A)	700	-
Variance in %	-	-
Reference; Results of the first six months FY2009	(576)	(1.65)

2. Reason for revision

(1) Revision of Financial Results Forecasts

Net sales, Operating income, Ordinary income and Net income have been revised due to high demand for truck and construction machinery in export by rapid economic recovery in emerging countries of Asia as well as higher car demand in Thailand.

However, the forecasts for both consolidated and unconsolidated for the full year have not been revised due to uncertainty of the market after the third quarter of FY2010, such as foreign currency risk, possible downturn in the demands after economic package period and global financial instability.

(2) Extraordinary Loss on adjustment for changes of accounting standard for asset retirement obligations

From the first quarter of the fiscal year ending March 31, 2011, the Company and its subsidiaries adopted the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18 of March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21 of March 31, 2008).

As a result, 667 million yen of "loss on adjustment for changes of accounting standard for asset retirement obligations" are recorded as extraordinary loss.

These are due to removal cost of sprayable asbestos which was listed in the Asbestos Disability Prevention Law of February 24, 2005 and restoration cost stated in the rental agreement.

This is already included the forecast which was announced on May 20, 2010.

All forecasts were made based on the available data to the Company as of the filing date of this notice. Therefore, other factors may cause the Company's actual results.