

Company name: ASAHI TEC CORPORATION (the “Company”)
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Notice Regarding Revision of Financial Results Forecast and recognition of non-operating loss

In light of the most recent business trend, in below, the Company hereby revises the forecast of financial results for 1st half of Fiscal Year 2011 ending March 31, 2012 which was announced on August 10, and recorded non-operating loss in 2nd quarter of Fiscal Year ending March 31, 2012.

1. Revised forecast of operating results for the six months ending September 30, 2011 (April 1, 2011 through September 30, 2011)

(1) Consolidated operating results

	Net sales	Operating income	Ordinary income	Net income	Basic net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	37,000	600	500	220	0.26
Current forecast (B)	38,570	1,520	970	660	0.89
Change (B - A)	1,570	920	470	440	
Ratio of change (%)	4.2	153.3	94.0	200.0	
Reference: Result for the six months ended September 30, 2010	38,071	1,403	1,016	488	0.69

(2) Non-consolidated Operating results

	Net sales	Operating income	Ordinary income	Net income	Basic net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previous forecast (A)	14,500	120	Δ140	Δ190	Δ0.40
Current forecast (B)	15,560	540	300	320	0.41
Change (B - A)	1,060	420	440	510	
Ratio of change (%)	7.3	350.0	—	—	
Reference: Result for the six months ended September 30, 2010	16,242	1,030	852	768	1.16

2. Reasons

(1) Revision of Financial Results Forecast

Current business trend shows strong demand recovery after the Great East Japan Earthquake and the recovery pace has been much faster than previously forecasted especially construction machinery and automotive parts segments. And our efforts on cost reduction by streamlining operational cost structure and other rationalization throughout Lehman Crisis Period, has somehow contributed to the profit increase as well.

(2) Record of Non-operating loss

Capital increase by dividend payment has been approved at Wheelhorse Asahi Aluminium Co., Ltd.(WAA) and Dicastal Asahi Aluminium Co., Ltd., our joint ventures in China, on October 20, and at the same time, our investment gain by equity method has been reviewed to be reduced by 288 million yen which was recorded as non-operating loss.

This reduction is made because we had to adjust the investment gain by equity method at shareholding ratio to the corresponding period. Capital increase (30% to 49%) was made on May 1st, and we have recorded the amount at 49% at the same time, but we have needed to reduce to 30% prior to May 1st.

The latest capital increase made through this dividend payment will be used as part of production capacity increase in WAA as announced previously on June 28, 2011. Shareholding ratio remains unchanged.

Thus, the upward revision needs to be made only in 1st half of Fiscal Year 2011, with all elements above factored into the forecast..

However, we keep the financial forecast remained as announced on August 10, for the entire Fiscal Year 2011, since there are many uncertainties in our business as well as economic environment - Thailand currently faces the mega flood, and many of OEMs and suppliers are affected. It may impact one of our Thailand subsidiary, Asahi Tec Aluminium (Thailand) Co., Ltd.(ATA), though none of our Thailand subsidiaries (ATA and ATM) are physically impacted by the flood at this time. And the concerns on financial crisis in Europe are also the factors for the uncertainties in future economic outlook. The revision will be disclosed once we can reasonably estimate the figures.

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.