

For immediate release

August 10, 2010

To whom it may concern

Asahi Industries Co., Ltd.

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Notice Regarding Revision of Projected Results

Based on the recent trends in business results, Asahi Industries Co., Ltd. has revised its projected results for the fiscal year ending March 31, 2011 announced on May 10, 2010.

1. Regarding revision of projected results

(1) Revision of the projected consolidated results for the six months ending September 30, 2010 (April 1, 2010 through September 30, 2010)

	Net sales Million yen	Operating income Million yen	ordinary income Million yen	Net income Million yen	Net income per share Yen
Previously announced projection (A)	-	-	-	-	-
Revice projection (B)	20,000	-630	-660	-550	-7,857.14
Change (B-A)	-	-	-	-	
Increase / decrease (%)	-	-	-	-	
(Reference) Results for the previous period ended September 30, 2009	19,591	1,399	1,426	812	1,160.11

(2) Revision of the projected consolidated results for the Fiscal year ending March 31, 2011
(April 1, 2010 through March 31, 2011)

	Net sales Million yen	Operating income Million yen	ordinary income Million yen	Net income Million yen	Net income per share Yen
Previously announced projection (A)	41,000	1,400	1,300	600	8,571.43
Revice projection (B)	41,000	350	240	-50	-714.29
Change (B-A)	0	-1,050	-1,060	-650	
Increase / decrease (%)	0.0%	-75.0%	-81.5%	-	
(Reference) Results for the previous period ended March 31, 2010	39,143	1,922	1,964	937	13,387.52

(3) Revision of the projected non-consolidated results for the six months ending September 30, 2010 (April 1, 2010 through September 30, 2010)

	Net sales Million yen	Operating income Million yen	ordinary income Million yen	Net income Million yen	Net income per share Yen
Previously announced projection (A)	-	-	-	-	-
Revised projection (B)	18,700	-600	-630	-520	-7,428.57
Change (B-A)	-	-	-	-	
Increase / decrease (%)	-	-	.-	-	
(Reference) Results for the previous period ended September 30, 2009	18,346	1,415	1,428	809	11,566.95

(4) Revision of the projected non-consolidated results for the Fiscal year ending March 31, 2011 (April 1, 2010 through March 31, 2011)

	Net sales Million yen	Operating income Million yen	ordinary income Million yen	Net income Million yen	Net income per share Yen
Previously announced projection (A)	38,000	1,300	1,200	550	7,857.14
Revised projection (B)	38,000	250	110	-120	-1,714.29
Change (B-A)	0	-1,050	-1,090	-670	
Increase / decrease (%)	0.0%	-80.8%	-90.8%	-	
(Reference) Results for the previous period ended March 31, 2010	36,395	1,849	1,867	971	13,881.85

(5) Reasons for the revision

〈Projected results for the six months ending September 30, 2010〉

Taking into consideration the recent steel market trends including product prices and scrap prices, we have announced our projected results for the six months ending September 30, 2010, which were not determined due to uncertain steel market in the previous announcement on May 10, 2010.

〈Projected results for the fiscal year ending March 31, 2010〉

[Steel business]

Net sales for the fiscal year ending March 31, 2010 are expected to increase compared with the previously announced projection due to an expected increase in sales volumes as a result of our steady sales promotion. Net income is, nevertheless, expected to decline due to factors relating to investments in facilities according to the investment plan, which are in the final stage, including: a cost increase arising from an increase in depreciation, a reduction in operating hours caused by installation work and a fall in gross profit due to higher prices of steel scrap. We are focusing on minimizing costs by improving the production process and energy efficiency and pursuing preferable purchase conditions.

[Agribusiness]

Fertilizers: Against a backdrop of lower fertilizer prices compared with the previously announced projection, concerted efforts are focused on sales expansion of organic fertilizers, our main products, as well as a production cost reduction.

Gardening supplies and tools: We expect to expand organic gardening fertilizer business by promoting to home improvement stores.

Seeds and seedlings: Sales of “animo”, which is a brand name of our tomato varieties, are expected to increase from the previously announced projection.

[Environmental solutions business]

We are aggressively pursuing orders from the private sector.

[Crushed stone and sand business]

Net income is expected to increase from the previously announced projection due to expected improvement in the production process.

We are striving to achieve our profit target by taking full advantage of our strengths to push businesses forward. However, net income of the steel business greatly affects consolidated results and projected consolidated results for the fiscal year ending March 31, 2011 are as follows.

Net sales: 41,000 million yen (same as the previously announced projection)

Operating income: 350 million yen (a decrease of 1,050 million yen from the previously announced projection)

Net loss: 50 million yen (a decrease of 650 million yen from the previously announced projection)

Note: The above projection has been prepared based on information available as of the date that this data was announced, subject to a number of uncertainties. The actual results may differ from the projected results due to various factors that may occur hereafter.