

Asahi Pretec Corp. Flash Report (Consolidated Basis)

Asahi Pretec Corp.(Securities No.5855, Tokyo Stock Exchange first section)
(URL <http://www.asahipretec.com>)

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1. Consolidated results for the first half of the fiscal year ending March 31, 2009

(From April 1, 2008 to September 30, 2008)

(1) Consolidated operating results

[Rounded off to millions of yen]

	The six months ended September 30, 2008	The six months ended September 30, 2007
	(Millions of yen) (%)	(Millions of yen) (%)
Net sales	79,389 (-)	54,392 (20.7)
Operating income	2,385 (-)	4,998 (11.8)
Ordinary income	2,357 (-)	5,040 (12.7)
Net income for the first half	1,439 (-)	2,960 (11.5)
Net income per share for the first half	¥42.08	¥82.07
Diluted net income per share for the first half	¥42.07	¥82.00

(2) Changes in the consolidated financial position

	As of September 30, 2008	As of March 31, 2008
	(Millions of yen)	(Millions of yen)
Total assets	55,747	55,618
Net assets	32,530	32,000
Equity ratio	58.3 (%)	57.5 (%)
Net assets per share	¥949.71	¥935.05

Note: Equity capital (millions of yen)

The six months ended September 30, 2008: 32,495

Fiscal year ended March 31, 2008: 31,966

2. Dividends

	the fiscal year ended March 31, 2008	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2009 [forecast]
Dividends per share			
-The three months-end dividend(Yen)	-	-	
-Interim dividend(Yen)	25.00	25.00	
-The nine months-end dividend(Yen)	-		-
-Year -end dividend(Yen)	25.00		25.00
-Annual dividend(Yen)	50.00		50.00

Note: Changes in forecast of dividends for this half: None

3. Forecast for the fiscal year ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Full year	
Net sales (Millions of yen)	125,000	(6.4%)
Operating income (Millions of yen)	2,500	(76.9%)
Ordinary income (Millions of yen)	2,500	(77.0%)
Net income (Millions of yen)	1,600	(75.2%)
Forecasted net income per share (Yen)	46.77	

Notes: 1. Changes in forecast for this half: None

2. Above percentage term in full year is the percentage change from previous year, respectively.

(Notice for the use of the forecasts, and other instructions)

The financial forecasts stated above are based on currently available information and may change depending on the fluctuation of the price of the precious metal and other factors.

CONSOLIDATED BALANCE SHEET

At September 30, 2008 and at March 31, 2008

	At September 30, 2008		At March 31, 2008		At September 30, 2008
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
ASSETS					
Current assets					
Cash and deposits	2,943		2,054		28,421
Notes and accounts receivable-trade	7,031		4,858		67,895
Finished goods	5,332		7,385		51,483
Raw materials	10		10		105
Work in process	13,725		13,801		132,520
Other	2,071		2,826		19,999
Allowance for doubtful accounts	(7)		(7)		(76)
Total current assets	31,107	55.8	30,928	55.6	300,348
Noncurrent assets					
Property, plant and equipment					
Buildings and structures, net	7,276		7,091		70,252
Land	9,849		9,817		95,101
Other, net	5,188		5,363		50,098
Total property, plant and equipment	22,314	40.0	22,272	40.0	215,451
Intangible assets					
Goodwill	1,550		1,621		14,968
Other	277		269		2,678
Total intangible assets	1,827	3.3	1,890	3.4	17,646
Investments and other assets	498	0.9	527	1.0	4,815
Total noncurrent assets	24,640	44.2	24,690	44.4	237,911
Total assets	55,747	100.0	55,618	100.0	538,259
LIABILITIES					
Current liabilities					
Notes and accounts payable-trade	3,394		3,102		32,775
Short-term loans payable	16,850		15,550		162,692
Current portion of long-term loans payable	14		14		138
Accounts payable-other	861		1,009		8,322
Income taxes payable	600		2,447		5,796
Provision for bonuses	645		662		6,232
Provision for directors' bonuses	-		40		-
Provision for repairs	48		96		471
Other	525		465		5,074
Total current liabilities	22,940	41.2	23,388	42.1	221,499
Noncurrent liabilities					
Long-term loans payable	3		10		35
Provision for retirement benefits	144		104		1,394
Other	128		115		1,239
Total noncurrent liabilities	276	0.4	230	0.4	2,667
Total liabilities	23,216	41.6	23,618	42.5	224,167
NET ASSETS					
Capital stock	4,480	8.0	4,480	8.1	43,264
Capital surplus	6,802	12.2	6,869	12.3	65,683
Retained earnings	27,081	48.6	26,496	47.6	261,478
Treasury stock	(5,815)	(10.4)	(5,896)	(10.6)	(56,147)
Total shareholders' equity	32,549	58.4	31,950	57.4	314,277
Valuation difference on available-for-sale securities	(0)	(0.0)	0	0.0	(7)
Deferred gains or losses on hedges	(48)	(0.1)	-	-	(464)
Foreign currency translation adjustment	(5)	(0.0)	15	0.0	(55)
Total valuation and translation adjustments	(54)	(0.1)	16	0.0	(526)
MINORITY INTERESTS	35	0.1	33	0.1	341
TOTAL NET ASSETS	32,530	58.4	32,000	57.5	314,093
TOTAL LIABILITIES AND NET ASSETS	55,747	100.0	55,618	100.0	538,259

U.S. dollar amounts represent translations using the approximate exchange rate on September 30, 2008 of yen 103.57 = US\$1, and are included solely for the convenience of readers.

CONSOLIDATED STATEMENTS OF INCOME

For the six months ended September 30, 2008

	2008		2008
	Millions of yen	%	Thousands of U.S.dollars
Net sales	79,389	100.0	766,526
Cost of sales	74,926	94.4	723,435
Gross profit	4,462	5.6	43,091
Selling, general and administrative expenses	2,077	2.6	20,059
Operating income	2,385	3.0	23,032
Non-operating income	64	0.1	624
Non-operating expenses	92	0.1	890
Ordinary income	2,357	3.0	22,765
Extraordinary income	15	0.0	151
Extraordinary loss	29	0.0	285
Income before income taxes and minority interests	2,343	3.0	22,631
Income taxes-current	570	0.7	5,504
Income taxes-deferred	332	0.4	3,209
Total income taxes	902	1.2	8,713
Minority interests in income	1	0.0	19
Net income	1,439	1.8	13,899

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CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended September 30, 2008

	2008	2008
	Millions of yen	Thousands of U.S.dollars
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,343	22,631
Depreciation and amortization	1,186	11,460
Amortization of goodwill	98	948
Amortization of negative goodwill	(26)	(258)
Increase (decrease) in provision for retirement benefits	39	382
Interest and dividends income	(5)	(54)
Interest expenses	68	657
Loss (gain) on sales and retirement of noncurrent assets	13	134
Decrease (increase) in notes and accounts receivable-trade	(2,173)	(20,985)
Decrease (increase) in inventories	2,132	20,590
Increase (decrease) in notes and accounts payable	293	2,832
Increase (decrease) in accounts payable-other	(118)	(1,146)
Other, net	287	2,780
Subtotal	4,139	39,971
Interest and dividends income received	4	48
Interest expenses paid	(67)	(651)
Income taxes paid	(2,361)	(22,805)
Net cash provided by (used in) operating activities	1,715	16,563
Net cash provided by (used in) investment activities		
Proceeds from collection of guarantee deposits	15	150
Purchase of property, plant and equipment	(1,230)	(11,878)
Proceeds from sales of property, plant and equipment	20	194
Purchase of intangible assets	(57)	(555)
Other payments	(23)	(224)
Other proceeds	1	18
Net cash provided by (used in) investment activities	(1,273)	(12,295)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,300	12,552
Repayment of long-term loans payable	(7)	(69)
Purchase of treasury stock	(1)	(14)
Proceeds from exercise of stock option	13	135
Cash dividends paid	(851)	(8,217)
Other payments	(0)	(3)
Net cash provided by (used in) financing activities	454	4,384
Effect of exchange rate changes on cash and cash equivalents	(6)	(67)
Net increase (decrease) in cash and cash equivalents	889	8,585
Cash and cash equivalents at beginning of period	2,054	19,837
Cash and cash equivalents at end of period	2,943	28,421

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