

January 30, 2008

**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 three quarters of the fiscal year ending March 31, 2009**

(From April 1, 2008 to December 31, 2008)

(1) Consolidated operating results

[ Rounded off to millions of yen ]

	The nine months ended December 31, 2008	The nine months ended December 31, 2007
	(Millions of yen) (%)	(Millions of yen) (%)
Net sales	104,903 ( - )	84,814 ( 21.0 )
Operating income	1,679 ( - )	7,536 ( 9.5 )
Ordinary income	1,775 ( - )	7,596 ( 10.3 )
Net income for the first three quarters	1,087 ( - )	4,464 ( 8.8 )
Net income per share for the first three quarters	¥32.18	¥124.04
Diluted net income per share for the first three quarters	- -	¥123.89

(2) Changes in the consolidated financial position

	As of December 31, 2008	As of March 31, 2008
	(Millions of yen)	(Millions of yen)
Total assets	48,376	55,618
Net assets	26,638	32,000
Equity ratio	55.0 (%)	57.5 (%)
Net assets per share	¥825.77	¥935.05

Note: Equity capital (millions of yen)

The nine months ended December 31, 2008: 26,602

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 quarter: 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)	120,000	( 2.2%)
Operating income(Millions of yen)	1,500	( - )
Ordinary income (Millions of yen)	1,500	( - )
Net income (Millions of yen)	1,000	( - )
Forecasted net income per share (Yen)	29.90	

- Notes: 1. Changes in forecast for this quarter: Yes  
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 December 31, 2008 and at March 31, 2008

	At December 31, 2008		At March 31, 2008		At December 31, 2008
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
<b>ASSETS</b>					
Current assets					
Cash and deposits	2,384		2,054		26,191
Notes and accounts receivable-trade	4,215		4,858		46,311
Finished goods	5,620		7,385		61,740
Raw materials	10		10		111
Work in process	8,451		13,801		92,844
Other	1,109		2,826		12,191
Allowance for doubtful accounts	(9)		(7)		(106)
Total current assets	21,781	45.0	30,928	55.6	239,282
Noncurrent assets					
Property, plant and equipment					
Buildings and structures, net	7,181		7,091		78,895
Land	10,050		9,817		110,411
Other, net	5,328		5,363		58,531
Total property, plant and equipment	22,560	46.6	22,272	40.0	247,836
Intangible assets					
Goodwill	1,753		1,621		19,260
Other	233		269		2,568
Total intangible assets	1,986	4.2	1,890	3.4	21,828
Investments and other assets	2,047	4.2	527	1.0	22,491
Total noncurrent assets	26,594	55.0	24,690	44.4	292,156
Total assets	48,376	100.0	55,618	100.0	531,438
<b>LIABILITIES</b>					
Current liabilities					
Notes and accounts payable-trade	2,167		3,102		23,814
Short-term loans payable	16,800		15,550		184,555
Current portion of bonds	30		-		330
Current portion of long-term loans payable	10		14		118
Accounts payable-other	1,061		1,009		11,656
Income taxes payable	59		2,447		655
Provision for bonuses	286		662		3,147
Provision for directors' bonuses	-		40		-
Provision for repairs	73		96		805
Other	945		465		10,382
Total current liabilities	21,434	44.3	23,388	42.1	235,461
Noncurrent liabilities					
Bonds payable	30		-		330
Long-term loans payable	3		10		40
Provision for retirement benefits	131		104		1,447
Other	138		115		1,522
Total noncurrent liabilities	303	0.6	230	0.4	3,338
Total liabilities	21,737	44.9	23,618	42.5	238,800

	At December 31, 2008		At March 31, 2008		At December 31, 2008
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
<u>NET ASSETS</u>					
Capital stock	4,480	9.2	4,480	8.1	49,224
Capital surplus	6,802	14.1	6,869	12.3	74,731
Retained earnings	23,698	49.0	26,496	47.6	260,336
Treasury stock	(8,212)	(17.0)	(5,896)	(10.6)	(90,218)
Total shareholders' equity	26,769	55.3	31,950	57.4	294,073
Valuation difference on available-for-sale securities	(1)	(0.0)	0	0.0	(18)
Deferred gains or losses on hedges	(135)	(0.3)	-	-	(1,486)
Foreign currency translation adjustment	(29)	(0.0)	15	0.0	(326)
Total valuation and translation adjustments	(166)	(0.3)	16	0.0	(1,829)
<u>MINORITY INTERESTS</u>	35	0.1	33	0.1	395
<u>TOTAL NET ASSETS</u>	26,638	55.1	32,000	57.5	292,638
<u>TOTAL LIABILITIES AND NET ASSETS</u>	48,376	100.0	55,618	100.0	531,438

U.S. dollar amounts represent translations using the approximate exchange rate on December 31, 2008 of yen 91.03 =

US\$1, and are included solely for the convenience of readers.

CONSOLIDATED STATEMENTS OF INCOME

For the nine months ended December 31, 2008

	2008		2008
	Millions of yen	%	Thousands of U.S.dollars
Net sales	104,903	100.0	1,152,406
Cost of sales	103,440	98.6	1,136,336
Gross profit	1,462	1.4	16,070
Selling, general and administrative expenses	3,142	3.0	34,521
Operating loss	(1,679)	(1.6)	(18,452)
Non-operating income	74	0.1	814
Non-operating expenses	170	0.2	1,869
Ordinary loss	(1,775)	(1.7)	(19,507)
Extraordinary income	15	0.0	174
Extraordinary loss	78	0.1	860
Loss before income taxes and minority interests	(1,838)	(1.8)	(20,193)
Income taxes-current	133	0.1	1,465
Income taxes-deferred	(886)	(0.9)	(9,735)
Total income taxes	(752)	(0.8)	(8,270)
Minority interests in income	2	0.0	28
Net loss	(1,087)	(1.0)	(11,951)

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## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended December 31, 2008

	2008	2008
	Millions of yen	Thousands of U.S.dollars
Net cash provided by (used in) operating activities		
Loss before income taxes and minority interests	(1,838)	(20,193)
Depreciation and amortization	1,819	19,993
Amortization of goodwill	153	1,685
Amortization of negative goodwill	(40)	(441)
Increase (decrease) in provision for retirement benefits	8	95
Interest and dividends income	(7)	(86)
Interest expenses	104	1,147
Loss (gain) on sales and retirement of noncurrent assets	44	485
Decrease (increase) in notes and accounts receivable-trade	1,174	12,899
Decrease (increase) in inventories	7,119	78,213
Increase (decrease) in notes and accounts payable	(1,178)	(12,941)
Increase (decrease) in accounts payable-other	(237)	(2,608)
Other, net	1,571	17,260
Subtotal	<u>8,693</u>	<u>95,506</u>
Interest and dividends income received	7	80
Interest expenses paid	(103)	(1,132)
Income taxes paid	(2,917)	(32,047)
Income taxes refund	26	294
Net cash provided by (used in) operating activities	<u>5,707</u>	<u>62,702</u>
Net cash provided by (used in) investment activities		
Proceeds from collection of guarantee deposits	16	186
Proceeds from cancellation of insurance funds	40	445
Purchase of property, plant and equipment	(1,958)	(21,517)
Proceeds from sales of property, plant and equipment	30	336
Purchase of intangible assets	(31)	(348)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(521)	(5,730)
Other payments	(36)	(398)
Other proceeds	3	42
Net cash provided by (used in) investment activities	<u>(2,456)</u>	<u>(26,984)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,250	13,732
Repayment of long-term loans payable	(10)	(118)
Redemption of bonds	(10)	(110)
Purchase of treasury stock	(2,398)	(26,353)
Proceeds from exercise of stock option	13	153
Cash dividends paid	(1,701)	(18,695)
Other, net	(1)	(13)
Net cash provided by (used in) financing activities	<u>(2,858)</u>	<u>(31,403)</u>
Effect of exchange rate change on cash and cash equivalents	(63)	(693)
Net increase (decrease) in cash and cash equivalents	<u>329</u>	<u>3,622</u>
Cash and cash equivalents at beginning of period	<u>2,054</u>	<u>22,569</u>
Cash and cash equivalents at end of period	<u>2,384</u>	<u>26,191</u>

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