

May 16, 2006

To whom it may concern,

Company Name: ASTI CORPORATION  
Stock Code: 6899  
Stock Exchange Listing: Second section of Tokyo Stock Exchange  
and Nagoya Stock Exchange  
Address of the Head Office: 626, Fukushima-Cho, Hamamatsu City, Shizuoka  
Contact Person: Goichi Watanabe,  
Director, Administration manager  
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## The prepared midterm business plan (Fiscal 2006 - 2008) for the ASTI group

We would like to announce that the Company has established its three-year midterm business plan of the group from fiscal 2006 year ending March 2007 to fiscal 2008 year ending March 2009.

For our final objective which is establishment of the corporate brand "ASTI," we will develop our business activities which surpass customers' expectations in all fields based on all of our knowledge and power under the slogan "Train ourselves now to open up tomorrow."

### **1. Management policy**

#### **(1) Establishment of sustainable and stable earnings structure**

We will enhance and develop the electrical components for auto industry business further as our major business as well as accelerating the restructuring of the foundation of other business areas to survive the global competition by reviewing the direct and indirect productivities of our business to create more pillars for our revenues.

#### **(2) Establishment of fundamental technologies based on our own ground**

We will develop and supply systems and parts which suit the needs of the times by establishing new technologies based on power electronics as the new field of electronics technologies.

#### **(3) Realization of management based on corporate social responsibility (CSR)**

Recognizing that fostering people is the basis of our business, by enhancing our training system to achieve CSR, we will develop human resources that are

independent as a member of a company and society and are rich in mind.

## **2. Important policies in each segment**

### **(1) Telecommunication and control components production business**

We will develop our telecommunication and control components production business mainly in Japan.

In the field of telecommunication components, we will further challenge the latest surface mounting technologies as well as improving the level of our clean environment management technologies to enhance our capacity for high density speed and mounting.

In the field of control components, we will win new customers by expanding our system design proposal based on further enhancement of our software development ability.

### **(2) Electrical components for auto industry and home electric appliance**

Regarding our business of components for electrical components for auto industry and home electronics, we will focus on both expansion of our range of business in Japan and establishment of local business in other countries.

In terms of electrical components for auto industry, in addition to just promoting the on-going sales of our existing products, we will further focus on proposals of systems for electrical components for auto industry to raise the composition ratio of this area by focusing on our large enterprise customers. Regarding ASTI Electronics India Private Limited, we will focus on expansion of transactions including wire harnesses for two-wheeled and four-wheeled vehicles and electrical components for auto industry to contribute to the consolidated income for the fiscal year 2007 ending March 2008.

In terms of home electronics, given the trend that our customers are shifting their productions to overseas, we will further develop the abilities of Hangzhou ASTI Electronics Co., Ltd. and ASTI Electronics Corporation in terms of sales, local design abilities, logistics and quality guarantees as well as expansion of business with local Japanese companies.

### 3. Forecast of interim consolidated financial results for year ending in March 2007 and March 2009

( Unit: Million yen )

		Year ending March 31, 2006 Achievement	Year ending March 31, 2007 Plan	Year ending March 31, 2008 Plan	Year ending March 31, 2009 Plan
Amount of sales		32,031	34,000	37,000	40,000
Breakdown of sales	Telecommunication and control equipment	4,211	4,100	4,400	4,600
	Electrical equipment for cars and home electronics	27,820	29,900	32,600	35,400
Operating income		1,686	1,750	1,990	2,290
Ordinary income		1,733	1,760	2,000	2,300
Current net income		989	1,020	1,190	1,370
R O E		10.5%	9.2%	9.8%	10.3%
Capital investment		1,904	3,200	1,000	1,200

The above forecasts are based on the available information and assumptions regarding uncertain factors which may affect our future performance. Therefore, the actual results may significantly vary due to various factors that occur afterwards.