

March 25, 2009

Company Name : Akebono Brake Industry Co., Ltd.  
Stock Listing : First section of the Tokyo Stock Exchange  
Code Number : 7238  
URL : <http://www.akebono-brake.com>  
Representative : Hisataka Nobumoto, Chairman, President & CEO  
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Tel +81 (48) 560-1501  
Accounting Principles: Japanese GAAP

## Revision of Consolidated Financial Forecast (FY2008) and of Dividend Forecast

Akebono Brake Industry Co., Ltd. announced revised Consolidated Financial Forecast and Dividend Forecast for Fiscal Year 2008 (April 1, 2008 through March 31, 2009)

### 1. Revised Consolidated Financial Forecast for FY2008 (April 1, 2008 through March 31, 2009)

(units expressed in round numbers)

(Unit: million yen)	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)	Net income per share
Previous Forecast (A)	158,000	(6,500)	(8,500)	(7,000)	(65.22)yen
Revised Forecast (B)	158,000	(6,500)	(9,000)	(16,000)	(149.07)yen
Changes / Amount (B - A)	0	0	(500)	(9,000)	---
Changes / (%)	---	---	---	---	---
(Reference) Previous Result FY2007	184,731	15,158	12,619	6,637	61.85yen

#### (Reasons for revision)

Due to sharp decline in automotive sales both in Japan and overseas, we forecast operating loss for the Fiscal year ending on March 31, 2009 as announced on February 2, 2009. We also estimate this decline in world-wide automotive sales to continue until the first half of the FY2009, which will have material adverse effect on our P/L. In order to overcome this difficult situation, we have decided to take drastic measures to substantially improve our profit level for the FY2009. The major measures we will be taking are as follows:

Substantial reduction in fixed costs through reorganization of manufacturing sites, impairment of assets both in US and Japan:
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#### a. Acceleration of production reorganization and fixed-asset impairment in Japan

- Production transfer from Akebono Brake Miharu Manufacturing Co., Ltd., Akebono Brake Iwaki Manufacturing Co., Ltd. and Akebono Brake Hanyu Manufacturing Co., Ltd. to other production facilities, announced on July 2007, should be realized and completed by December 2009. The inherent costs will be provisioned this term. At the same time, as we are forecasting a large decrease of production on the long term, we are going to book extraordinary loss for impairment of fixed assets (equipment and software).

b. Fixed-asset impairment in North America

- In North America, we also expect the production volumes to remain low on the long term, resulting in the booking of fixed-asset impairment this term.

Optimization of number of associates by voluntary retirement
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- c. As announced on March 17, 2009, we are optimizing number of associate by offering voluntary retirement. The estimated costs are book this term.

Streamlining of balance sheet by partial sale of our Global Head Office in Tokyo
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- d. As announced on March 17, 2009, we are selling a part of our Global Head Office building in Tokyo and booking an extraordinary profit.

Effect of the above measures on this term results (Extraordinary profit and loss)

Extraordinary profit

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|--------------------------------|------------------|
| d. Sales of Global Head Office | (3.1billion yen) |
|--------------------------------|------------------|

Extraordinary loss

- |   |                    |
|---|--------------------|
| a. Loss related to domestic reorganization and impairment of fixed assets | (10.0 billion yen) |
|---|--------------------|

Details:

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|---|-------------------|
| -Impairment of productive assets            | (2.5 billion yen) |
| -Impairment and disposal of other assets    | (4.5 billion yen) |
| -Expenses related to transfer of production | (3.0 billion yen) |

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|--|-------------------|
| b. Fixed-asset impairment in North America | (2.1 billion yen) |
|--|-------------------|

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| c. Lump sum payment for voluntary retirees | (1.3 billion yen) |
|--|-------------------|

Total of Extraordinary profit and loss	(13.4 billion yen)
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In addition to the above measures, find below the measures that were announced on February 2, 2009 and booked in extraordinary profit and loss.

Extraordinary profit

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|---|-------------------|
| Profit from change in retirement benefits | (0.9 billion yen) |
|---|-------------------|

Extraordinary loss

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|--|-------------------|
| Loss on valuation of marketable securities | (1.9 billion yen) |
|--|-------------------|

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|---|--------------------------|
| <u>Loss on North America reorganization</u> | <u>(1.2 billion yen)</u> |
|---|--------------------------|

- |       |                   |
|-------|-------------------|
| Total | (3.1 billion yen) |
|-------|-------------------|

(For reference: about next term forecast)

Amid the world recession and the lack of visibility of automakers' production planning for next term, we are forecasting sales to be substantially lower than this term. However, based on the measures explained above (reduction of labor cost, of depreciation expenses and of other expenses such as spending in service outsourcing, participation in events, development of high performance brakes), we estimate an important improvement of our profits. Moreover, we forecast a decline in material cost adding to our profit.

Hence, by implementing the above-mentioned measures, and owed to the efforts of the whole Akebono Group, we will realize Operating and Ordinary Income profit for FY2009.

(For reference: historical of revision of consolidated financial forecast)

(Unit: million yen)	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)	Net income per share
Initial forecast (May 7, 2008)	172,300	13,000	11,000	5,800	54.04yen
First revision (September 26, 2008)	179,700	6,800	5,100	2,500	23.30yen
Second revision (February 2, 2009)	158,000	(6,500)	(8,500)	(7,000)	(65.22)yen
Third revision (March 25, 2009)	158,000	(6,500)	(9,000)	(16,000)	(149.07)yen

※Above forecast is based on data available at the date of announcement. Actual results might highly differ due to events not foreseeable at the time of this release.

## 2. Revised Dividend Forecast

### (1) Details of revision

Fiscal year	Dividend per share				
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year End	Full Year
Previous forecast (February 2, 2009)	yen —	yen 5.00	yen —	(undecided)	(undecided)
Revised forecast	—	—	—	0.00	5.00
Actual result of Fiscal year ending 03/31/09	—	5.00	—	—	—
(Reference) Actual result of Fiscal year ended 03/31/08	—	5.00	—	5.00	10.00

### (2) Reasons for revision

In our announcement of “Revision of Consolidated Financial Forecast (FY2008) and Dividend Forecast” made on February 2, 2009, we stated that the amount of year-end dividend to be paid for the Fiscal Year 2008 was undecided. As a result of worsening of financial results and continuation of difficult business environment, it has been decided that there will be no year-end dividend for the Fiscal Year ending March 31, 2009.