

August 11, 2008

Name of Company Allied Telesis Holdings, K.K.  
Representative Takayoshi Oshima  
Chairman and CEO  
Code No.:6835  
Tokyo Stock Exchange 2<sup>nd</sup> Section  
Contact Yoichi Hara  
Investor Relations  
(TEL : 03-5437-6007)  
(URL : <http://ir.at-global.com>)

**Notice of Revision of Interim and Full Year Results Forecasts (Consolidated)**  
**for Year Ending December 31, 2008**

The figures reported on May 8, 2008 in the forecasts for the interim and full year results for the year ending December 31, 2008 in the Financial Review (Consolidated) for the First Quarter of the Year Ending December 31, 2008 have been revised as follows:

1. Consolidated Results

(1) Revision of consolidated results forecast for interim period (January 1, 2008-June 30, 2008) (Unit: ¥1 million)

	Sales	Operating profit	Ordinary profit	Current net profit
Previously announced forecast (A)	27,240	1,380	500	250
Revised forecast (B)	24,400	840	-50	60
Change (B-A)	-2,840	-540	-550	-190
Percentage change (%)	-10.4%	-39.1%	-	-76.0%

(2) Revision of consolidated results forecast for full year (January 1, 2008-December 31, 2008) (Unit: ¥1 million)

	Sales	Operating profit	Ordinary profit	Current net profit
Previously announced forecast (A)	54,700	2,870	1,950	970
Revised forecast (B)	50,400	1,920	780	480
Change (B-A)	-4,300	-950	-1,170	-490
Percentage change (%)	-7.9%	-33.1%	-60.0%	-50.5%

2. Reason for Revision of Results Forecast

Consolidated Results (the Company and 41 consolidated subsidiaries)

The Group has focused its energies on the IP Triple Play Business centered on network devices for corporations. We have revised our consolidated results forecast for the interim period due to the following factors:

- (1) In Japan, we have been actively promoting our giga network solutions centered on the Switch Blade x908 core switch announced last year, and we have seen a steady increase in the number of system projects acquired. However, sales did not grow as expected due to a delay in shipments of the Switch Blade x908. On top of that there was a drop in corporate equipment spending, and we were unable to reach the targets of our plan. Economic downturns in the United States and Europe prevented us from reaching our targets there as well.

Owing to the above, we have revised our sales forecast for the period downward by 2.84 billion yen. On a yen conversion basis, we are forecasting a 9% loss due to appreciation of the yen, but

on a local currency basis, sales were at 103.2% in Europe and the United States and 110.8% in Asia and Oceania compared to the previous year.

- (2) A decrease in sales has forced us to lower our forecast for gross profit on sales to around 1.0 billion yen below the plan. We worked hard to lower our SG&A expenses, but we have had to lower our forecast for operating profit by about 540 million yen. This will, in turn, lead to lower ordinary and current net profit.

At the end of June, the exchange rate was 106 yen to the dollar, which resulted in a foreign exchange gain of around 600 million yen for the second quarter (April-June), so the forecasted foreign exchange loss for the interim period (January-June) of around 700 million yen appears to be accurate. Due to a favorable tax adjustment, current net profit is forecasted at 60 million yen.

### 3. Reason for Revision of Full Year Results Forecast

There have been fears since last year of an economic downturn due to increases in the global price of crude oil and raw materials. The materialization of these fears has led to notable decreases in corporate equipment spending, which has affected our business domain as well and forced us to revise the full year figures from our last forecast.

During the second half of the year, we will continue to actively promote our giga network solutions centered on the Switch Blade x908 all around the world. On a local currency basis, we are forecasting steady performance in the United States and Europe, so we will focus further efforts on sales in the Network Devices Business and the IP Triple Play Business. In the Network Devices Business in Japan, we will redouble our sales efforts in the medical market and the educational and public services markets which have proven to be fertile ground. In addition to this, we will take our system proposals to more of the big name general companies to ensure favorable sales.

The revised forecasted figures for the full year were also calculated based on an exchange rate of 105 yen to the dollar. We expect to post a profit for the full year in our consolidated results, but due to the aforementioned factors, it will not be consistent with our previously forecasted figures, so we have revised the forecasts as shown above.

Note: The figures within this release were prepared based on data that was available to us as of the date hereof and may differ from the actual results due to various factors.
---