

Name of Company Asahi Tec Corporation
Representative Akira Nakamura
 Director, President, Representative Executive Officer and Co-CEO
Code No 5606
 Tokyo Stock Exchange 1st Section
Contact Hiroshi Suzuki, Controller
 (Phone: 0537-36-3103)

March 5, 2007

Announcement

We hereby report that payment in connection with the issuance of our shares in accordance with the resolution passed by the Board of Directors on 13 February 2007 was completed today. Upon this closing, the parent company of the Company was changed and the conversion prices of Series A Preferred Stock and the Series B Preferred Stock will be adjusted, as follows.

1 Change of the Parent Company

We announce that RHJ International SA/NV (“RHJ International”), which had been the parent company of the Company under the substantial control criteria provided for in the Regulations of Financial Statements etc. of Japan (“*Zaimu shohyo to kisoku*”) ceased to be the parent company and became an “other related company”. Such change of the parent company was caused by the relative decrease in the ratio of voting rights held by RHJ International, as a result of the issuance of shares of our common stock. RHJ International told us that it wants to maintain a solid cooperative relationship with us as our largest shareholder.

(i) Reason for the change

Due to increase in the total number of voting rights of the Company after the issuance of shares of our common stock, the ratio of the voting rights held by RHJ International relatively decreased, which caused change of its status from the “parent company” to an “other related company”.

These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). They may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. If any public offering of securities is made in the United States, it will be by means of a prospectus that may be obtained from the Company that will contain detailed information about the Company and management, as well as financial statements. No public offering of the securities will take place in the United States.

These materials contain statements that constitute forward-looking statements. These statements include statements regarding our intent, belief or current expectations about our business. These forward-looking statements are subject to various risks and uncertainties. We cannot give any assurances that the expectations expressed in these forward-looking statements will turn out to be correct. All forward-looking statements in these materials are made as of the date of these materials, based on information available to us as of that date, and we do not undertake to update or revise any of our forward-looking statements to reflect future events or circumstances.

(ii) Profile of RHJ International

Name		RHJ International SA/NV
Location of principal office		326 Avenue Louise, 1050 Brussels, Belgium
Representative		Timothy C. Collins, CEO
Paid-in capital		EURO 855,455,470
Main Business		Holding Company
Relationships with the Company	Capital	(Details of shareholding by RHJ International after the change in parent company) Series A Preferred Stock 22,858,000shares Series B Preferred Stock 10,526,316shares Common Stock 77,371,556shares
	Business	None
	Personnel	None
Fiscal Year		From January 1 to December 31 every year
Securities Exchange Listed		Euronext Brussels

(iii) Numbers of voting rights and shares held by RHJ International and holding ratios against the total number of voting rights, before and after the change

	Number of Voting Right held by RHJ International	Number of Shares held by RHJ International	Holding Ratio against the Total Number of Voting Rights
Before	110,755	110,755,602	41.65%
	(0)	(0)	(0%)
After	110,755	110,755,602	37.05%
	(0)	(0)	(0%)

(Note) Numbers in brackets show indirect holdings and are included in the numbers directly above

(iv) Date of Change

5 March, 2007

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(v) Future Prospects

We intend to maintain our cooperative relationship with RHJ International, as well as establish long-term business relationships with our new major shareholders including Mitsui & Co.

2 Adjustment of Conversion Price of Our Preferred Stock

We issued new shares of our common stock as set forth above. Consequently, the conversion price of our preferred stock will be adjusted, as follows:

(i) Adjustment of Conversion Price

	New Conversion Price	Current Conversion Price
Series A Preferred Stock	JPY 49	JPY 50
Series B Preferred Stock	JPY 202	JPY 206

(ii) Effective Day of New Conversion Price

March 6, 2007

(iii) Reason for the Adjustment of Conversion Price

The conversion price adjustment clause in the terms of the Series A Preferred Stock and the Series B Preferred Stock.

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