



(Translation)

August 1, 2011

Company: Asahi Tec Corporation  
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President and Representative  
Executive Officer  
(Code: 5606, First Section of TSE)  
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Controller  
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Announcement regarding monthly status of conversion of Class A Preferred Stock  
(with adjustment clause of conversion price)

Please be informed of monthly status of conversion of Class A Preferred Stock (with adjustment clause of conversion price) in July as described below. We received a conversion request as of yesterday of a large number of our Class A Preferred Stock into common stock (exercise of a right by a holder of Class A Preferred Stock to request us to acquire the same in exchange of our common stock), we disclose the current status of conversion as described below.

For your information, Class A Preferred Stock, the initial issue price of which was JPY 70 per share, is given liquidation preference of JPY 77 per share, and (cumulative) preferred dividend of JPY1.75 per share per annum. Such liquidation preference and preferred dividend (including accumulated amount) shall expire upon conversion into common stock. While the amount of asset per common stock would adversely be affected by dilution due to the increased issued and outstanding common stock, the said expiration of liquidation preference and preferred dividend would contribute to improve the amount of asset per common stock.

1 . Converted stock	Class A Preferred Stock issued by Asahi Tec Corporation (Issued on July 3, 2003)
2 . Cumulative number of converted Common Stock during July 2011	9,160,000 shares
3 . Cumulative number of converted Class A Pref. Stock during July 2011	916,000 shares
4 . Number of Class A Pref. Stock remained unconverted as of June 30, 2011.	16,412,000 shares
5 . Number of Class A Pref. Stock as of July 31, 2011	15,496,000 shares

6 . Status of Conversion during July 2011.

Date of conversion	Number of shares delivered		Conversion price (Yen)	Number of converted shares
	New shares issued	Treasury shares delivered		
July 28 (Thursday)	9,160,000	0	7	916,000

\*Total number of common stock issued as of June 30, 2011: 606,717,074 shares

(Own stock : 3,571 shares)

\*Note: We have already cancelled pursuant to a resolution of our Board of Directors all Class A Preferred Stock that we have acquired upon conversion request, and will cancel any Class A Preferred Stock immediately upon our acquisition thereof in the future.)

7 . About limitation of conversion (Compliance on limitation of Conversion in pursuant to Security Listing Regulations #434)

There is no limitation in conversion in pursuant to Security Listing Regulations #434 and Security Listing Regulations and related rules #436.

END