



(Translation)

August 8, 2011

Company: Asahi Tec Corporation
Representative: Shoichiro Irimajiri
President and Representative
Executive Officer
(Code: 5606, First Section of TSE)
(Contact): Keisuke Furuhashi
Controller
(Tel:) 0537-36-3103

Announcement regarding conversion of large number
of Class A Preferred Stock (with variable conversion price)

Please be informed the status of conversion 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) during the period from August 1, 2011 to August 5, 2011 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 common stock delivered upon conversion during the period from August 1, 2011 to August 5, 2011:	37,333,333 shares
3. Cumulative number of converted Class A Pref Stock during the period from August 1, 2011 to August 5, 2011:	3,200,000 shares
4. Number of outstanding (unconverted) Class A Pref Stock as of the end of July 2011:	15,496,000 shares
5. Current number of outstanding (unconverted) Class A Pref Stock:	12,296,000 shares

6. Conversion status during August 2011

Date of conversion	Number of shares delivered		Conversion price (Yen)	Number of converted shares
	New shares issued	Treasury shares delivered		
August 1 (Monday)	N/A	N/A	7	N/A
August 2 (Tuesday)	N/A	N/A	7	N/A
August 3 (Wednesday)	N/A	N/A	7	N/A
August 4 (Thursday)	N/A	N/A	7	N/A
August 5 (Friday)	37,333,333	0	6	3,200,000

(Note: Number of issued and existing common stock as of the end of July 2011 was 615,877,074 shares, of which 3,851 shares were treasury stock.)

(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.)

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