

February, 20.2006

Purchase of Stock of Nishiki Kosan Co.,Ltd.

Asahi Pretec is pleased to announce that the board of directors resolved at its meeting on February 20, 2006 that the company enter into a stock purchase agreement with Nishiki Kosan as of the same date and that Nishiki Kosan become a wholly owned subsidiary of Asahi Pretec effective February 27, 2006.

1. Purpose of stock purchase

Asahi Pretec participated in the Hyogo Ecotown Plan in October 2002 and established a personal computer recycling center in a joint effort with E-Cube, a non-profit organization in Amagasaki City, Hyogo Prefecture. Since then we have been working on recycling and re-use of PC's and other information equipment throughout Japan.

Nishiki Kosan, whose stock we are purchasing, is engaged in collection, transportation, intermediate processing and warehousing of industrial wastes, mostly of information equipment, in the Kanto area. It is our belief that Nishiki Kosan will contribute greatly to expansion of our company's information equipment recycling business in the following two areas:

(1) Improvement of customer services

Asahi Pretec's PC recycling center, ACOREC, is located in Amagasaki City and processes PC and other information equipment from all across the country, mostly from the Kanto area. When Nishiki Kosan joins our group with its operating bases in Chiba, Saitama and Kanagawa Prefectures, we will have established our operating bases in the large market of the Kanto area, making for further improvement of our customer services.

(2) Expansion of customer base

Nishiki Kosan has enjoyed long-term business relationships with information equipment makers, financial institutions and automobile manufacturers. With the stock transfer, the customer base of our group will expand.

2. Summary of the company whose stock Asahi Pretec is purchasing

- (1) Name of company: Nishiki Kosan Co., Ltd.
- (2) Name of representative: Seiji Ota, Representative Director
- (3) Location of head office: Aoba-ku, Yokohama-shi, Kanagawa- Ken
- (4) Date established: July 1968

- (5) Principal business: Collection, transportation and intermediate processing, by crushing, and warehousing of industrial wastes
- (6) Fiscal year ending: May 31
- (7) Number of employees: 18
- (8) Capital: ¥ 20,000,000
- (9) Business performance in recent fiscal years:

Unit: ¥ million

	FY ending May 2004	FY ending May 2005
Sales	293	334
Recurring Income	40	51
Current Income	23	26
Total assets	203	210
Stockholders' equity	106	132

3. Stock ownership before and after stock purchase and purchase price

- (1) Stock owned by Asahi Pretec before purchase: 0 (ownership: 0.0%)
- (2) Stock shares purchased: 20,000 shares (purchase price: ¥ 129 million)
- (3) Stock owned after purchase: 20,000 shares (ownership: 100.0%)

4. Schedule

- February 20, 2006: Board resolution and execution of purchase contract
- February 27, 2006: Stock transfer to be completed

5. Impact on Asahi Pretec's consolidated performance

Since the purchase is to be completed on February 27, 2006 and the size of Nishiki Kosan's business is small compared to that of Asahi Pretec, only minor impact is expected on the consolidated performance of Asahi Pretec.