

April 20, 2006

## Announcement of Postponement of Simplified Merger

Asahi Pretec is announcing that the board of directors of the company passed a resolution at its meeting on April 20, 2006 to postpone the merger of its wholly-owned subsidiary, Nishiki Kosan Co., Ltd. into Asahi Pretec (simplified merger) which was previously announced on March 7, 2006, as follows:

**1. Reason for the postponement:**

Since we find that it would take about a year to obtain regulatory approvals, we have decided to postpone the simplified merger.

**2. Future schedule for the merger:**

- a. Board approval of the agreement to postpone the merger: April 20, 2006
- b. Execution of the agreement to postpone the merger: April 20, 2006
- c. Scheduled date of the merger: April 1, 2007
- d. Scheduled date of registration of the merger: April 1, 2007