

Notice to the holders of

ASAHI PRETEC CORP.

Kobe, Japan (the “Company”)

Swiss Francs 40’000’000.– 0.125% Swiss Franc Convertible Notes

- Notes with Stock Acquisition Rights (the “Stock Acquisition Rights”) -

Due September 30, 2008 (the “Notes”)

Swiss Security number: 1886842

“Early Redemption of the Notes”

Notice is hereby given that all of the outstanding Notes will be redeemed at 100% of the principal amount of the Notes together with accrued interest on September 30, 2005 (the “Redemption Date”) pursuant to Section 4(C) of the Terms of the Notes (the “Terms of the Notes”) to the Note Purchase, Paying and Exercise Agency Agreement dated June 23, 2004 (the “Agreement”).

On or after the Redemption Date, the payment for the Notes will be made at any of the offices in Switzerland of the Paying Agent in exchange for the surrender of the Notes and all unmatured coupons appertaining thereto in accordance with the Terms of the Notes.

Pursuant to Section 5(a) of the Terms of the Notes and Section 1(A) of the Exercise of the Stock Acquisition Rights to the Agreement, up to the close of banking business in Zurich on September 20, 2005, the eighth banking business day preceding the Redemption Date, holders of the Notes are entitled to exercise the Stock Acquisition Rights for shares of common stock of the Company by depositing the Notes with the Head Office of Nomura Bank (Switzerland) Ltd.

This announcement is made pursuant to Section 10. of the Terms of the Notes.

Zurich, August 17, 2005

By order:
NOMURA BANK (SWITZERLAND) LTD.

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