

August 28, 2013

To Holders of the 1st Series Unsecured Bonds:

AvanStrate Inc.

Re: Resolution of Bondholders Meeting concerning Amendment to the Terms and Conditions (Extension of Maturity Date, etc.) of the 1st Series Unsecured Bonds

On August 28, 2013, AvanStrate Inc. (the “Company”) held a bondholders meeting (the “Bondholders Meeting”) regarding the 1st Series Unsecured Bonds of the Company (With Inter-bond Pari Passu Clause) (ISIN code: JP310532AAB9) (the “Bonds”), in which the Company’s proposal concerning the amendment to the terms and conditions of the Bonds was approved as proposed.

The Company will file shortly for the approval of the resolution of the Bondholders Meeting described above with the Yokkaichi Branch of the Tsu District Court. The resolution of the Bondholders Meeting described above will become effective with respect to all holders of the Bonds once the court’s approval is obtained.

For details of the Bondholders Meeting and the amendment to the terms and conditions of the Bonds, please refer to the press release “Partial Amendment to the Proposals at the Bondholders Meeting of the 1st Series Unsecured Bonds and Withdrawal of the Offer to Purchase the 1st Series Unsecured Bonds,” dated August 2, 2013.

* For inquiries regarding the Bondholders Meeting, please contact:

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