

September 1, 2006

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1st Section
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**Announcement of Acquisition of Metaldyne Corporation's Stock
(Metaldyne Corporation to become Wholly-owned Subsidiary of Asahi Tec)**

TOKYO, September 1, 2006 -- Asahi Tec Corporation (listed on Tokyo Stock Exchange 1st Section, Head office: Kikugawa-shi, Shizuoka prefecture, Chairman Shoichiro Irimajiri, hereafter "Asahi Tec" or the "Company") announced today that its Board of Directors has passed a resolution to make Metaldyne Corporation, a leading global automotive supplier (Representative: Timothy D. Leuliette, Head office: Plymouth, MI, hereafter "Metaldyne"), its 100% subsidiary (hereafter the "Transaction"). The Transaction will be effected by merging Asahi Tec's 100% U.S. subsidiary, established for purposes of the acquisition (Argon Acquisition Corp., Representative Robert E. Ewers Head office: Wilmington, Delaware, hereafter "SPC") with Metaldyne via a cash-out merger, by paying the cash equivalent of USD 117 million (approximately 13.7 billion yen) and USD 98 million (approximately 11.5 billion yen) to Metaldyne's common (total outstanding common shares: approximately 42.8 million shares) and preferred shareholders (total outstanding preferred shares: approximately 1.2 million shares) respectively. The total Transaction consideration, including the refinancing of Metaldyne's existing interest-bearing debt, is expected to be approximately USD 1.2 billion (approximately 137.3 billion yen). Nearly all of the proceeds received from the cash-out merger are expected to be used by Metaldyne's principal shareholders to subscribe in turn to newly issued shares of the Company via a third party allotment. In addition, RHJI and co-investors, Mitsui & Co., Ltd. and CHUO MITSUI Growth Capital Investment Limited Partnership II, have agreed to invest USD 188 million in Asahi Tec via a third party allotment of common shares, USD 175 million of which will be contributed to Metaldyne for debt reduction. Please refer to today's announcement by the Company, "Announcement of Issuance of Stock (Common Stock and Class C Preferred Stock) Via Third Party Allotment" for details.

1. Reason for Acquisition of the Shares

In response to the recent trend of OEMs expanding operations on a global scale and increasingly outsourcing higher value-added manufacturing processes, executing strategies that accommodate such changes in industry dynamics has become a necessity for automotive suppliers to remain competitive. Asahi Tec has and will continue to perceive this industry trend as an opportunity to strengthen its product portfolio of steel/light metal-based casting technology and to expand its global footprint with manufacturing footholds in Asia.

Metaldyne is a leading global supplier of systems and modules for automotive powertrain and chassis applications. Through the Transaction, Asahi Tec will gain access to Metaldyne's value-added engineering, design and manufacturing capabilities, such as high-tolerance machining, and will strengthen its product portfolio with Metaldyne's powder metal and vibration control products. The Transaction will enable Asahi Tec to further expand its global reach with Metaldyne's significant operations and presence in North America, Europe, China, and Korea and growing business in India and Brazil. As a result Asahi Tec will be better positioned to respond flexibly to OEMs' needs for higher value-added products globally, and for product modularization locally.

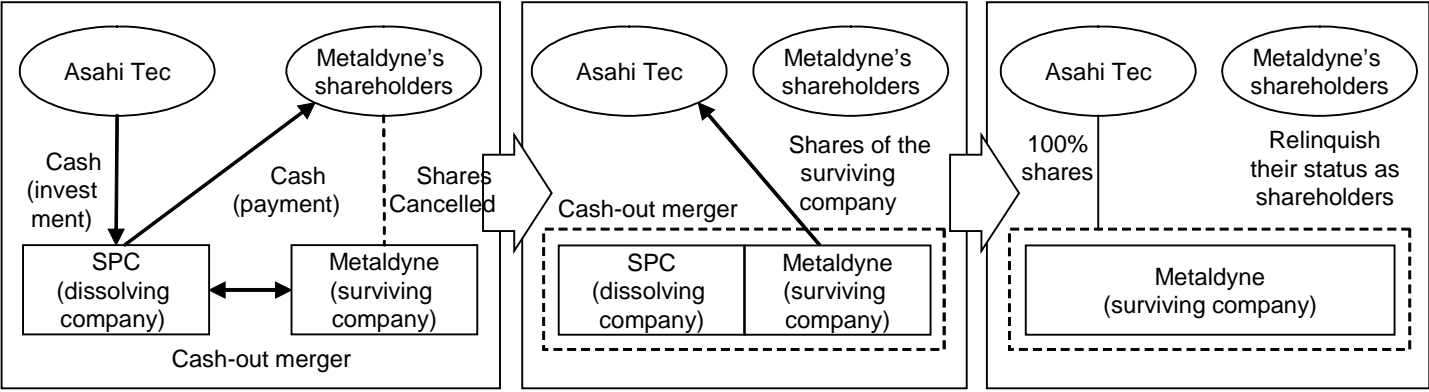
Specifically, Asahi Tec expects the Transaction to contribute to further growth through:

1. Expansion of global platform: Access to Metaldyne's customer base, which is not only competitive in North America but also has a strong presence in Europe, China and Korea, and is growing in India and Brazil.
2. Ability to partner with Metaldyne's experienced management team: Asahi Tec's own management team, which already boasts a high level of experience, will be complemented by that of Metaldyne. Metaldyne's five key members have an average of 29 years of experience, totaling 145 years, in the automobile industry.
3. Joint supply and sale of products: strengthening business relationships and offering a broader product selection to major automobile manufacturers in North America, Europe and Asia.
4. Enhancement of engineering capabilities: sharing of advanced powertrain and chassis technologies of both companies including powder metallurgy, hyper ductile, high vacuum HPDC and magnesium die casting as well as the introduction of higher-value products through mutual utilization of engineering capabilities such as enhanced suspension systems.
5. Expanded R&D capabilities.
6. Broader manufacturing capabilities, including aluminum castings, ductile iron castings, powder metals and precision machining.
7. Cost reduction through joint procurement of materials, components, castings and dies, and services.
8. Mutually effective utilization of production facilities: further enhancement and utilization of the current manufacturing capabilities.
9. Expanded market opportunity for both light vehicles (Metaldyne) and heavy truck (Asahi Tec).

2. Transaction Details

The Transaction will be effected through a cash-out merger between Metaldyne and SPC, which was created for the purpose of this Transaction. Metaldyne will be the surviving company and 100% subsidiary of Asahi Tec, while SPC will be dissolved following the merger. Specifically, shares held by the shareholders of Metaldyne will be cancelled in exchange for cash paid by SPC, and SPC shares held by Asahi Tec will be replaced by the shares of the surviving company after the merger. As a result of the cash-out merger, Metaldyne’s shareholders will relinquish their shareholder status and Metaldyne will become a 100% subsidiary of Asahi Tec.

At the time of the Merger



The merger consideration paid to Metaldyne shareholders will be the cash equivalent of USD 2.18 per common stock of Metaldyne (although those common stockholders that do not reinvest in Asahi Tec may receive a higher price if Asahi Tec’s average stock price increases over a specified period prior to closing), USD 121.33 per Series A Preferred Stock, USD 82.39 per Series A-1 Preferred Stock and USD 129.75 per Series B Preferred Stock. Metaldyne’s principal shareholders are expected to subscribe to newly issued shares of the Company via a third party allotment using proceeds received from the merger. This subscription is a condition to the Merger.

Sales	198,683 million yen	221,159 million yen
Operating Profit	3,697 million yen	5,574 million yen
Recurring Profit	5,893 million yen	4,934 million yen
Net Income	3,281 million yen	30,697 million yen
Total Assets	257,237 million yen	216,470 million yen
Shareholders' Equity	63,520 million yen	25,706 million yen

Note: Business results of Metaldyne are calculated based on the following exchange rate: USD\$1=117.205.

Due to the unavailability of the term "Recurring Profit" under USGAAP, the Recurring Profit figure above has been calculated by subtracting Interest Expense from Operating Profit as disclosed in Metaldyne's 10-K filings.

4. Current holders of the Shares

(1) Current holders of Common Shares

Metaldyne Investment Fund I, LLC Heartland Industrial Partners, L.P

- (1) Trade Name Metaldyne Investment Fund I, LLC Heartland Industrial Partners, L.P
- (2) Representative Heartland Industrial Associates, LLC Daniel P. Tredwell, Managing Member
- (3) Location of Head Office Greenwich, CT, USA
- (4) Main Business Investment in Private Equity
- (5) Relationship with the Company N/A

Credit Suisse First Boston Equity Partners, L.P

- (1) Trade Name Credit Suisse First Boston Equity Partners, L.P
- (2) Representative Hemisphere Private Equity Partners, Ltd. Hartley Rogers, Managing Member
- (3) Location of Head Office Greenwich, CT, USA
- (4) Main Business Investment in Private Equity
- (5) Relationship with the Company N/A

Masco Corporation

- (1) Trade Name Masco Corporation
- (2) Representative Peter A. Dow, Chairman of Special Committee of the Board of Directors
- (3) Location of Head Office Taylor, MI, USA
- (4) Main Business Building Material Manufacturing Business
- (5) Relationship with the Company N/A

Other shareholders of common stocks of Metaldyne: 33

(2) Current holder of Series A-1 Preferred Stocks

DaimlerChrysler Corporation

- (1) Trade Name DaimlerChrysler Corporation
- (2) Representative DaimlerChrysler Motors Corporation LLC
- (3) Location of Head Office Auburn Hills, MI, USA
- (4) Main Business Automotive Manufacturer
- (5) Relationship with the Company N/A

(3) Current holder of Series A Preferred Stocks

Masco Corporation

- (1) Trade Name Masco Corporation
- (2) Representative Peter A. Dow, Chairman of Special Committee of the Board of Directors
- (3) Location of Head Office Taylor, MI, USA
- (4) Main Business Building Material Manufacturing Business
- (5) Relationship with the Company N/A

(4) Current holder of Series B Preferred Stocks

Heartland Industrial Partners

- (1) Trade Name Heartland Industrial Partners (Heartland Industrial Partners)
- (2) Representative Daniel P. Tredwell, Founding Member and Senior Managing Director
- (3) Location of Head Office Greenwich, CT, USA
- (4) Main Business Investment in Private Equity
- (5) Relationship with the Company N/A

5 . Number of Shares to be Acquired, Acquisition Price and Ownership of Shares before and after the Acquisition

- (1) Number of shares held before the transfer: 0 shares (Ratio of ownership: 0%)
(Number of voting rights: 0)

- (2) Number of shares of pre-merger Metaldyne to be acquired:

Common Stocks	42,844,760 shares (Ratio of ownership: 100%)
Series A Preferred Stocks	370,000 shares (Ratio of ownership: 100%)
Series A-1 Preferred Stocks	644,540 shares (Ratio of ownership: 100%)
Series B Preferred Stocks	184,153 shares (Ratio of ownership: 100%)

(All the shares will be cancelled in exchange for cash payment as a result of the merger with SPC, as the Transaction will be effected by means of a cash-out merger as mentioned in paragraph above 1. Therefore, the Company will not acquire and continue to hold these shares.)

- (3) Number of shares of the surviving entity. Mercury, held after the transfer

TBA*	To be selected by Mitsui & Co.
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* To be selected at the extraordinary meeting of shareholders to be held immediately prior to the Transaction

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