May 23, 2007

Name of Company: Asahi Tec Corporation
Representative: Shoichiro Irimajiri
Director, Co-chairman of the board, President, Representative Executive Officer and Co-CEO
Code No; 5606, Tokyo Stock Exchange 1st Section
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Supplement to Consolidated Financial Results for Fiscal Year Ended March 31, 2007

As announced in the Consolidated Financial Results for Fiscal Year Ended March 31, 2007, we reported a net loss of 665 million yen. The loss during this period is mainly due to a 2,881 million net loss at Metaldyne and non-cash amortization expense of Goodwill resulting from the acquisition of Metaldyne, which totaled 629 million yen. Metaldyne's financial results were largely driven by softer volumes with certain customers in the U.S. automotive and light truck markets. This Fiscal Year's Financial consolidation with Metaldyne covers 80 days – from Jan. 11th to Mar 31st of 2007.

For Fiscal year 2007 ending March 31, 2008, we are projecting year-over-year performance improvement within Metaldyne as volumes are recovering from the rate in 4Q-FY06. This improvement will be partly offset due to our requirement to depreciate Goodwill at a rate of 2,500 million yen per year (Goodwill amortization is a non-cash expense). We are forecasting a consolidated net loss of 2,800 million yen. We are also forecasting earnings before interest, taxes, depreciation, and amortization of 33,900 million yen for the consolidated company.

For Fiscal Year 2008 ending March 31, 2009, we forecast to produce net profit of 800 million yen on a consolidated basis by following reasons:

1. Significant focus on operational cost savings programs within all group companies.
2. Metaldyne's restructuring of its business by a) closing two plants: Greenville, North Carolina and Farmington Hills, Michigan, which results in headcount reduction, capacity improvements, and better use of fixed costs, and b) integration activities from the transaction that will lead to global cost savings. These efforts have been reflected on in Fiscal Year 2008 in full year.
3. Synergy with Asahi Tec will bring in incremental sales and profit especially as we focus on increased efforts with Asian OEMs.

4. Asahi Tec had raised additional capital through equity offering in March, 2007, and had helped improve Metaldyne's capital structure by allocating to pay back some of their debt thereby reducing interest expense. We will continue to improve our capital structure.

The preceding projection of Asahi Tec's 2007 loss does not include the impact of the company's planned global refinancing. This global refinancing which has been mentioned previously, we believe has been made possible by the continued international growth of the core businesses, the more attractive credit of the new larger Asahi Tec and the significant cash flow improvements possible with the ability to pay down leases and balance the company's global debt obligations. The refinancing is targeted to generate maximum 5,000 million yen in annual cash flow. We are targeting to complete this refinancing by October, 2007. Once completed, the company will update the market as to the fiscal 2007 impact including both cost savings and one time expenses of the refinancing package. This action, combined with continued growth and the opportunity to take full year advantage of the synergies as a which we are currently projecting a profit of 3, 200 million yen. Over the longer term, we expect our expanding order book and free cash flow will allow the company to continue to reduce its debt, and the reduced depreciation schedules once the accelerated events associated with the merger are completed at the end of 2008, will positively benefit earnings.

Asahi Tec and Metaldyne continue to drive synergies in an expeditious manner.