

(Translation)

December 28, 2011

Company Name: Asahi Tec Corporation
Representative: Shoichiro Irimajiri,
President and Executive Officer
(Code: 5606, First Section of the Tokyo
Stock Exchange)
Contact: Akira Kamiya,
Executive Officer and GM, Corporate
Planning
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**Announcement Concerning Expression of Opinion in Favor of Tender Offer Bid
by ATC HOLDINGS II Co., Ltd. for the Shares of Asahi Tec Corporation**

Asahi Tec Corporation (the "Company") hereby announces that it resolved, at the meeting of its board of directors held on December 28, 2011, to express its support for the tender offer bid by ATC HOLDINGS II Co., Ltd. (the "Bidder"), all shares of which are held by a certain investment fund belonging to Unison Capital Group, the details of which are referred to in "1. Outline of the Bidder; (7)" below, for the shares of the Company (the "Tender Offer Bid"); to reserve its opinion on the appropriateness of the purchase price of the Tender Offer Bid and to let its shareholders decide whether or not to tender in the Tender Offer Bid. Further, according to the Bidder, the Bidder plans to initiate another tender offer (the "Second TOB") after the settlement of the Tender Offer Bid with a purchase price of 33 yen which is higher than that of Tender Offer Bid. The board resolved accordingly that it currently consider that it should support the Second TOB and recommend shareholders to tender therein, and that it is also reasonable to conduct the procedure to make the Company a 100% affiliate company of Unison Capital Group (the "Squeeze-Out". The Tender Offer Bid, the Second TOB and the Squeeze-Out are collectively referred to as the "Transaction"). Please note that the resolution by the board of directors of the Company was adopted on the premise that the shares of the Company will be delisted.

1. Outline of the Bidder

(1) Corporate Name	ATC Holdings II Co., Ltd.
(2) Location	4-1, Kioicho, Chiyoda-ku, Tokyo
(3) Name and Title of Representative	Kiyoto Matsuda, Representative Director
(4) Description of Business	The Bidder's principal business is to acquire and hold the Share Certificates, etc. of the Company and to control and manage the Company's business after the Tender Offer.
(5) Paid-in Capital	JPY 500,000
(6) Date of Establishment	November 30, 2011
(7) Major Shareholders	Unison Capital III, NK 15.75%

and Shareholding Ratios (as of December 22, 2011) (Note)	Unison Capital III Co-Investments, NK	5.99%
	Unison Capital III(F), L.P.	20.00%
	Unison III Co-Investments(F), L.P.	13.39%
	Unison Capital III(A), L.P.	15.22%
	Unison III Co-Investments(A), L.P.	9.37%
	Unison Capital III(B), L.P.	12.36%
	Unison III Co-Investments (B), L.P.	7.92%
(8) Relationships between the Company and the Bidder		
Capital Relationship	There is no particular capital relationship between the Company and the Bidder. In addition, there is no noteworthy capital relationship between persons/companies affiliated with the Company and those affiliated with the Bidder.	
Personnel Relationship	There is no particular personnel relationship between the Company and the Bidder. In addition, there is no noteworthy personnel relationship between persons/companies affiliated with the Company and those affiliated with the Bidder.	
Business Relationship	There is no particular business relationship between the Company and the Bidder. In addition, there is no noteworthy business relationship between persons/companies affiliated with the Company and those affiliated with the Bidder.	
Status as a Related Party	The Bidder is not a related party of the Company. In addition, persons/companies affiliated with the Bidder are not related parties of the Company.	

(Note) According to the Bidder, the shareholders of the Bidder are limited partnerships in which other limited partnerships that were established with investments from institutional investors, etc., are directly or indirectly investing.

2. Details of, and Grounds and Reasons for, the Opinion on the Tender Offer Bid

(1) Details of the Opinion on the Transaction including the Tender Offer Bid

The board of directors of the Company unanimously resolved to support the Tender offer Bid conducted as a part of the Transaction by the participating directors on December 28, 2011, as the result of considering comprehensively the proposal of the Bidder which would contribute to increase the enterprise value of the Company, the offer price of the Second TOB which is an average share price of certain recent period with certain premium and other conditions.

Provided, however, as we are advised by the Bidder that the Second TOB is expected to be initiated promptly after the Tender Offer Bid with a higher purchase price than that of the Tender Offer Bid, we trust that we should refrain from expressing our opinion on the appropriateness of the purchase price of the Tender Offer Bid, and that it is desirable to leave it to our shareholders to decide whether or not to tender in the Tender Offer Bid.

According to the Bidder, if the Tender Offer Bid is successfully completed, the Bidder plans to initiate the Second TOB, with a purchase price of JPY 33, which is higher than the price in the Tender Offer Bid, promptly after the settlement of the Tender Offer Bid,

and to go through the Squeeze-Out process thereafter. The Company believes, at this time, that it should support the Second TOB if it is initiated and recommend to the Company's shareholders to tender therein, and that it is reasonable to conduct the Squeeze-Out pursuant to request of the Bidder.

(2) Grounds and Reasons for the Opinion on the Transaction, including the Tender Offer Bid

(i) Overview of the Transaction including the Tender Offer Bid and sale and purchase of the preferred shares of the Company

According to the Bidder, in connection with the Transaction and the sale and purchase of the preferred shares of the Company which precede the Transaction, the Bidder intends to acquire all of the issued and outstanding share of the Company and anticipates the following four steps: (I) acquisition of preferred share of the Company held by RHJ International S.A. ("RHJI") and by Tokio Marine Nichido Fire Insurance Co., Ltd. ("Tokio Marine Nichido") through bilateral transactions, (II) acquisition of common share of the Company held by RHJI and Tokio Marine Nichido through the Tender Offer Bid, (III) acquisition of common share of the Company held by minority shareholders through a tender offer bid (i.e., the Second TOB), and (IV) subsequent Squeeze-Out.

In the first step, ATC HOLDINGS I Co., Ltd. ("ATCH1"), a corporation wholly owned by the Fund, will acquire from RHJI all Class A preferred shares (7,429,000 shares) and all Class B preferred shares (10,526,316 shares) of the Company held by RHJI, and from Tokio Marine Nichido all Class A preferred shares (3,712,000 shares) of the Company held by Tokio Marine Nichido, as of January 4, 2012 in advance of the Tender Offer Bid (the "Preferred Share Transaction"). As the result, ATCH1 will come to own all of Class A and Class B preferred shares of the Company (for details, please see "3. Matters Concerning the Material Agreement between the Bidder, etc. and the Company's Shareholders on Tendering in the Tender Offer Bid" below).

In the second step, the Bidder will conduct the Tender Offer Bid to acquire the common share of the Company held by RHJI (which owns 432,553,078 shares as of the date hereof; this is 62.57% (all decimals rounded up/down at the third decimal place, and the same for the following Share Ownership Ratio) as a percentage against 691,272,907 total issued and outstanding shares of common share of the Company (the "Share Ownership Ratio") as of November 11, 2011 set out in the quarterly securities report for the second quarter of the 105th fiscal year submitted by the Company (on November 11, 2011)) and Tokio Marine Nichido (which owns 7,602,055 shares as of the date hereof; 1.10% as a Share Ownership Ratio) (a total of 440,155,133 shares; 63.67% as a Share Ownership Ratio; hereinafter referred to as the "Tender Shares"). Furthermore, the minimum number of Share Certificates, etc. to be purchased in the Tender Offer Bid will be set at 432,553,078 shares, the same number as the total number of shares of common share of the Company owned by RHJI. None of the tendered Share Certificates, etc. will be purchased if the total number of tendered Share Certificates, etc., falls below the minimum number of Share Certificates, etc. to be purchased. All of the Tendered Share Certificates, etc. will be purchased if the total number of tendered Share Certificates, etc., is equal to or greater

than the minimum number of Share Certificates, etc. to be purchased.

According to the Bidder, it has agreed with RHJI that the commencement of the Tender Offer Bid by the Bidder shall be subject to (i) no existence of material breach of RHJI's representations and warranties under the RHJI Agreement to Tender (defined below), (ii) compliance in material respect of RHJI's obligations under the RHJI Agreement to Tender, the RHJI Preferred Share Purchase Agreement (as defined in "3.(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares" below) and the Confidentiality Agreement, (iii) secured creditors' consent to the release of pledge over the Company common shares owned by RHJI, (iv) the Company's Board resolution to support the Tender Offer Bid, (v) the Company's Board resolution to support the Second TOB (including the offer price of the Second TOB) as well as subsequent Squeeze-out transaction based upon the facts and circumstances as of the resolution, (vi) resolution of the Special Committee established by the Company to support the Tender Offer Bid, the Second TOB (including the offer price of the Second TOB) and the Squeeze-out transaction based upon the facts and circumstances as of the resolution, (vii) sale by RHJI the preferred shares held by RHJI, (viii) receipt of the commitment letter for loan to cover acquisition money for the Tender Offer Bid, (ix) absence of judgment, decision, order, disposition or ruling that would prevent the Transaction and no conflict with laws and regulations, judgment, decision, order, disposition, etc., by commencement or completion of the Transaction, (x) no one of the Financial Services Agency, Kanto Local Finance Bureau and Tokyo Stock Exchange raising objections to the Transaction, (xi) receipt of consent from the existing lenders (financial institutions) that is necessary for the Transaction, (xii) non existence of facts that may give material adverse effect to the Company or its subsidiaries businesses.

According to the Bidder, it has agreed with Tokio Marine Nichido that the commencement of the Tender Offer Bid by the Bidder shall be subject to (i) non existence of material breach of Tokio Marine Nichido's representations and warranties under the TM Agreement to Tender (defined below), (ii) compliance in material respect of Tokio Marine Nichido's obligations under the TM Agreement to Tender, TM Preferred Share Purchase Agreement (as defined in "3.(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares" below) and the Confidentiality Agreement, (iii) secured creditors' consent to the release of pledge over the Company common shares owned by RHJI, (iv) the Company's Board resolution to support the Tender Offer Bid, (v) the Company's Board resolution to support the Second TOB (including the offer price of the Second TOB) as well as subsequent Squeeze-out transaction based upon the facts and circumstances as of the resolution, (vi) resolution of the Special Committee established by the Company to support the Tender Offer Bid, the Second TOB (including the offer price of the Second TOB) and the Squeeze-out transaction based upon the facts and circumstances as of the resolution, (vii) sale by RHJI the preferred shares held by RHJI, (viii) sale by Tokio Marine the preferred shares held by the same, (ix) conclusion and continuity of RHJI Agreement to Tender, and it being certain that conditions precedent to the obligations of the Bidder will be satisfied or waived, (x) receipt of the commitment letter for loan to cover acquisition money for the Tender Offer Bid, (xi) absence of judgment, decision, order, disposition

or ruling that would prevent the Transaction and no conflict with laws and regulations, judgment, decision, order, disposition, etc., by commencement or completion of the Transaction (including no one of the Financial Services Agency, Kanto Local Finance Bureau and Tokyo Stock Exchange raising objections to the Transaction), (xii) non existence of facts that may give material adverse effect to the Company or its subsidiaries businesses.

According to the Bidder, in determining the offer price of the Tender Offer Bid, the Bidder held negotiations with RHJI and Tokio Marine Nichido based on trends in the market value of the shares of the Company common stock for the last one month, three month, and six month periods and the most recent market value of those shares on the First Section of the Tokyo Stock Exchange as of December 27, 2011 (the trading day immediately preceding December 28, 2011 on which the Tender Offer Bid was announced), the financial information publicly announced by the Company, the expected future cash flows of the Company calculated by the Bidder, and the result of the due diligence conducted by the Bidder, and as the result of these negotiations, the Bidder has determined the offer price of the Tender Offer Bid to be JPY 27 per share. According to the Bidder, it has not obtained a valuation report from any third party institution in determining the offer price of the Tender Offer Bid.

The offer price of the Tender Offer Bid is equivalent to (i) the closing price of the shares of the Company common stock on the First Section of the Tokyo Stock Exchange on December 27, 2011 (the trading day immediately preceding December 28, 2011 on which the commencement of the Tender Offer Bid was announced) (JPY 27), (ii) the simple average value of the closing prices for the last one month (JPY 25) (all decimals rounded up/down, and the same for the following simple average value calculations of the closing prices), with a premium of 8.00% (all decimals rounded up/down at the third decimal place, and the same for the following premium and discount calculations), (iii) the simple average value of the closing prices for the last three months (JPY 23), with a premium of 17.39%, and (iv) the simple average value of the closing prices for the last six months (JPY 24), with a premium of 12.50%.

For the Tender Offer Bid, the Bidder and RHJI have entered into an agreement for RHJI to tender all of the common share of the Company owned by RHJI (the "RHJI Agreement to Tender"), and Bidder and Tokio Marine Nichido have also entered into an agreement for Tokio Marine Nichido to tender all the common shares to the Tender Offer Bid (the "TM Agreement to Tender") (for the details of these Agreements to Tender, please refer to "(3) Matters concerning the Material Agreements between the Bidder, etc. and the Company's Shareholders on Tendering in the Tender Offer Bid" below.)

In the third step, if the Tender Offer Bid is successful, the Bidder plans to conduct the Second TOB for the purpose of acquiring all of the common share of the Company other than that owned by the Bidder at that time, with a tender offer period commencing on February 13, 2012 (scheduled) and ending on March 26, 2012 (scheduled) (scheduled to be 30 Business Days) (the "Second TOB Period") (no limitation to the minimum or maximum number of shares to purchase is indicated).

There is a possibility that the commencement of the Second TOB will be postponed and/or the tender offer period will be changed in case where the tender offer period for the Tender Offer Bid is extended, or delays in settlement or other unavoidable reasons arise, but even in such a case, the Bidder plans to commence the Second TOB as soon as practically possible. Also, according to the Bidder, in case where the Tender Offer Bid fails to complete successfully, the Second TOB will not be conducted.

According to the Bidder, the reason why the Bidder plans to conduct the Second TOB in addition to the Tender Offer Bid is as follows:

The Bidder and ATCH1 (the "Bidder, etc.") aim to obtain all the issued and outstanding share of the Company (excluding the shares owned by the Company) through the Transaction and the abovementioned Preferred Share Transaction. In considering the Transaction and the Preferred Share Transaction, the Bidder first negotiated with each of RHJI, which is the largest shareholder in the Company, and Tokio Marine Nichido, which is a large shareholder in the Company, and as a result reached an agreement about purchasing by the Bidder, etc. all shares of the Company and about the price therefor, by taking into account the terms and conditions of the purchase of the preferred share and other conditions. On the other hand, although in order to acquire the Company common share from RHJI and Tokio Marine Nichido, it is necessary to go through a tender offer bid in accordance with the laws, the price agreed to for the common share was determined as a result of the aforementioned negotiations between RHJI and Tokyo Marine Nichido by taking into account the terms and conditions of the purchase of the preferred share and other conditions, and so there was a possibility that it could not necessarily be said that an opportunity had been provided to the Company shareholders other than RHJI and Tokio Marine Nichido to sell the common share of the Company at a price that grants a premium on the average share price for a given most recent period. The Bidder thus decided to conduct two tender offers, namely (i) the Tender Offer Bid, which is to be conducted with the tender offer price agreed upon by RHJI and Tokio Marine Nichido, for the purpose of acquiring all Company common share owned by RHJI and Tokio Marine Nichido, and (ii) the Second TOB, which is to be conducted in order to provide the Company shareholders other than RHJI and Tokio Marine Nichido an opportunity to sell the common share of the Company at a price that grants a premium on the average share price for a given most recent period, for the purpose of acquiring all the issued and outstanding common share of the Company (other than treasury share owned by the Company) from the Company shareholders other than RHJI and Tokio Marine Nichido.

Because the purchase price of the Second TOB is decided in order to provide the Company shareholders other than RHJI and Tokio Marine Nichido a purchase price with reasonable premium (calculation of which is based on the past average price of the shares in certain period of time), the purchase price is different from the those of the First TOB that is decided after the negotiation between RHJI and Tokio Marine Nichido.

The Bidder has determined the offer price of the Second TOB to be JPY 33 per share.

The determination of the offer price of the Second TOB was made after consultations and negotiations between the Bidder and the Special Committee established by the Company for its examination of the Transaction. Such consultations and negotiations were founded on (i) movements in the market closing price of Company common share on the First Section of the Tokyo Stock Exchange for the last one, three, and six months prior to December 27, 2011, which is the Business Day immediately preceding December 28, 2011, the date on which it was decided to commence the Tender Offer Bid, (ii) financial information publicly announced by the Company, and (iii) the future cash flow outlook of the Company as calculated by the Bidder. In addition, the consultations and negotiations comprehensively considered levels of premiums in instances of tender offer bids by entities other than the Bidder over the last one year, and volume/price data and the like for Company common share for the last one year. The Bidder has not obtained a valuation report from any third party institution in determining the offer price of the Second TOB. According to the Bidder, the Bidder has not obtained a valuation report from any third party institution in determining the offer price of the Second TOB.

The offer price of the Second TOB is equivalent to (i) the closing price of the Company common share on the First Section of the Tokyo Stock Exchange on December 27, 2011, which is the trading day immediately preceding December 28, 2011, the date on which the Bidder decided to commence the Tender Offer Bid (JPY 27), with a premium of 22.22%, (ii) the simple average of the closing price for the last one month leading up to December 27, 2011 (JPY 25), with a premium of 32.00%, (iii) the simple average of the closing price for the last three months leading up to December 27, 2011 (JPY 23), with a premium of 43.48%, and (iv) the simple average of the closing price for the last six months leading up to December 27, 2011 (JPY 24), with a premium of 37.50%.

In the fourth and the final step, if the Bidder cannot acquire all of the remaining Company common share (with the exception of the treasury shares owned by the Company) through the Second TOB, the Bidder plans to request the Company to conduct a Squeeze-Out transaction where the Bidder, etc. will acquire all of the Company shares after completion of the Second TOB and make the Company a wholly owned subsidiary of the Bidder, etc. (see "2.(4) Policies for Organizational Restructuring after the Tender Offer Bid and the Second TOB (matters concerning the so-called "two-step acquisition"))

- (ii) Purpose and Background of the Transaction including the Tender Offer Bid and management policy after the Tender Offer Bid

Since its incorporation as the Asahi Malleable Iron Co., Ltd., through the reformation of the Asahi Foundry in 1938, the Company increased its name recognition, credibility and the scale of its business through such accomplishments as listing the company in the Second Section of the Nagoya Stock Exchange in February 1961 and then in the Second Section of the Tokyo Stock Exchange in December 1980, changing its corporate name to the current ASAHI TEC CORPORATION in 1989, and becoming listed in the first sections of the Nagoya Stock Exchange and the Tokyo Stock

Exchange in November of the next year. While, the Company's business options and concentration progressed in May 2003 as equity participation of the U.S. investment company Ripplewood Holdings L.L.C. was accepted in order to increase the Company's rate of return by finding new investors and strengthening business resources, as well as to strengthen the Company's financial standing, Techno-Metal Co., Ltd. was made into a wholly-owned subsidiary in February 2006 and Metaldyne Corporation was made into a wholly-owned subsidiary in January 2007 (however, Metaldyne Corporation and its 30 subsidiary companies had filed for Chapter 11 bankruptcy protection under the United States Bankruptcy Code in May 2009 and were exempted from the Company's targets for consolidation), and in November 2010 the Company sold its environmental equipment business through the sale of share in its former subsidiary company ASAHI TEC Environmental Solutions Corporation. Also during this period, progress was being made in the transfer of the Company's production base overseas to countries like Thailand and China.

In the course of the above development, the Company has experienced and overcome a number of severe challenges such as a significant impact of Lehman Shock, which was said to be an incident once in a century, Metaldyne Corporation's bankruptcy in 2009 which we acquired in early 2007, the Great East Japan Earthquake occurred in March this year, great flood in Thailand occurred in July this year and continues for several months. In the past few years, we have been doing the steering of the Company's business "for survival" in such severe crises dedicating ourselves to through cost cut and improvement of the cost structure.

However, as precisely expressed in our press release dated December 19, 2011, concerning financial forecast revision, in which we revised the number upwards, now we are confident that we have finally got out of the number of crises. While the unclear circumstances such as financial instability in Europe arising from Greek financial crisis and slowdown in development speed in emerging countries such as China and India would continue for some more time, the Company wants to proceed with a positive and aggressive business plan focusing on further "progress" rather than the conventional "survival".

In the automobile industry, significant changes would be expected in the supply-demand structure due to severe competition for survival now and in the future, and in order to respond to the changes more flexible business strategy and expedited decision making would be necessary. The management of the Company understands that the Squeeze-Out and delisting proposed by Unison Capital Group is an investment in the Company's potential development, and would enable us to take more flexible steering in our business, to pursue mid and long term business development backed up by a stable shareholder without worrying about short-term risks, and we believe it would be beneficial to the Company's business and management.

We expect the new shareholder to give us a support in terms of necessary fund raising and human network, in line with our business development strategy, and we desire to further strengthen, and pursue efficiency in, business resources and to further business progress.

From the standpoint of the above, we are considering the possibility of making the Company a membership company by means of company split.

According to the Bidder, on this occasion, the Unison Capital Group had the opportunity to meet with Company management on the subject of the future of the Company, and afterwards held consultations and reviews on the Company's business strategy and capital policy from the standpoint of encouraging the future medium and long-term growth of the Company. Based on the results of those consultations and reviews, the Unison Capital Group came to the recognition that, by effectively utilizing the technological capability, strong relationships with existing customers backed up by actual results, and high-quality, competitive products that the Company has accumulated through its businesses, it would be possible to support the business growth of the Company in line with the business plan currently being promoted by the Company management, and to improve the corporate value of the Company. The Unison Capital Group believes that it will be possible, while maintaining continued stable growth of the iron casting and forging business, to promote further growth of the light metals business by actualizing such measures as the further strengthening of the Company's financial position and the efficient distribution of business resources, through taking action such as providing the knowhow the Unison Capital Group has accumulated from supporting efforts aimed at improving the corporate value of the companies in which it has invested up to the present, and providing support on a personnel basis utilizing a broad network of business resources. Looking into the future, the plan is to examine schemes such as for growing each of the Company's businesses to a scale at which they will be able to operate as independent businesses under an independent profit system and thereby actualizing the value of business resources in each of the businesses, the possibility of selection and concentration of business resources (including making the Company a membership company, other organization restructuring and sale of a part of its businesses).

However, in the drastically changing business environment, the implementation of various policies such as those mentioned above is accompanied by no small number of uncertainties, and it is not necessarily the case that they will contribute to profitability as initially predicted. Various risks will accompany and the considerable cost and time required for the construction of the management system and the implementation of policies necessary to strengthen the Company's long-term competitiveness and accomplish sustainable long-term growth. Therefore, beyond the fear that increased volatility in profits will have a harmful effect on performance, the Unison Capital Group believes that it will be necessary to construct a management system that enables quick and flexible decision making based on the success or failure of individual policies

Based on the aforementioned circumstances, according to the Unison Capital Group, it recognizes that in order to transform the Company into a company that continuously creates long-term added value, it will be necessary to construct a management structure at the Company that enables quick and flexible decision making based on an appropriate understanding of the management challenges that the Company is facing, without being controlled by short term fluctuations in business results. However,

because there is a chance that the implementation of these policies in order to realize such changes poses a risk to ordinary shareholders of the Company, in June 2011 the Unison Capital Group proposed the Transaction to RHJI, the largest shareholder of the Company, having decided that the Bidder and ATCH1 should take on such risk to keep these effects from reaching shareholders, and that the best course of action will be to conduct the Transaction including the Tender Offer Bid with the purpose of the Bidder ultimately acquiring all of the issued and outstanding shares in the Company (other than preferred shares held by ATCH1 and treasury share owned by the Company) is the best course of action. Afterwards, the Unison Capital Group and RHJI held several consultations, and arrived at a basic understanding on the course of action in conducting the Transaction and sale and purchase of preferred shares of the Company that precedes the Transaction in December 2011.

The Unison Capital Group also opened consultations with Tokio Marine Nichido in mid-December 2011, and arrived at a basic understanding on the course of action in conducting the Transaction and sale and purchase of preferred shares of the Company that precedes the Transaction around the end of December 2011.

Meanwhile, on November 29, 2011 the Unison Capital Group proposed the Transaction to the Company, and held consultations and negotiations on the success or failure and the conditions of the Transaction (including the offer price of the Second TOB) with the Special Committee established by the Company for the review of the Transaction from the viewpoint of protection of minority shareholders' interest and securing fairness in transaction terms, and with the Company's financial advisor, Barclays Capital (for the details, please see (6) Measures to ensure fairness of the purchase price, and measures to ensure fairness of the Tender Offer such as measures to avoid conflicts of interest and d. Approval by all directors and statutory auditors of the Company that are not interested parties below). Based on these types of results from the consultations, on December 28, 2011 the Bidder or the like decided to conduct the Transaction, including the Tender Offer, and the Preferred Share Transaction.

(iii) Management Policy after the Transaction, including the Tender Offer Bid

According to the Bidder, if the Tender Offer Bid is successfully completed, at the first shareholders' meeting after the completion of the settlement of the Tender Offer Bid the Bidder plans to request that the Company introduce a proposal for the election of directors designated by the Bidder who will comprise a majority of the Board of Directors of the Company. Also, between the Bidder and RHJI, it is agreed that RHJI shall ensure that the directors dispatched from RHJI are to resign as of the settlement day of the Tender Offer Bid. In addition, as a general rule the execution of management is expected to be handled by a system that will be created by transferring the current administrative system ("statutory" executive officer (shikko yaku) system) to a (non-statutory) executive officer (shikko yaku-in) system. In addition, according to the Bidder, the Bidder will, if the Tender Offer Bid successfully completes, refinance all amount of loan under the syndicate loan agreements (the loan agreement and the subordinated loan agreement) executed on February 22, 2011 by the Company

Group (the "Syndicate Loan Agreements") and obtain a security interest over the Company's assets to secure the inter-company loan extended by the Bidder to the Company in relation to such refinancing.

(iv) Grounds and Reasons for the Opinion on the Transaction, including the Tender Offer Bid

After the Bidder proposed the Transaction including the Tender Offer Bid to the Company, the Company established the Special Committee and carefully reviewed the proposal, as described in "(5)(ii) Review by the Company's Special Committee" below. As a result, the Company concluded that it is appropriate to support the Tender Offer Bid. However, as we are advised by the Bidder that if the Tender Offer Bid is successfully completed, the Bidder plans to initiate the Second TOB promptly after the settlement of the Tender Offer Bid, with a purchase price of JPY 33 which is higher than the price in the Tender Offer Bid, we believe that we should refrain from judging the appropriateness of the purchase price of the Tender Offer Bid, and that it is desirable to leave it to our shareholders to decide whether or not to tender for the Tender Offer Bid. The Company believes, at this time, that it should support the Second TOB if it is initiated and recommend to the Company's shareholders to tender therein and that it is also reasonable to conduct the Squeeze-Out pursuant to the request of the Bidder.

The reasons for the above are as follows.

As described in "2. (2) (ii) Purpose and Background of the Transaction, including the Tender Offer Bid", the Company has expanded its businesses through its own growth and through acquisitions, the Company is experiencing severe business environment such as Lehman Shock in 2007 and subsequent depression in automobile industry, Metaldyne Corporation's bankruptcy. And the Company also experienced and overcame the Great East Japan Earthquake occurred in March this year and the great flood in Thailand occurred in July this year and continues for several months. In the past few years, we have been doing the steering of the Company's business "for survival" in such severe crises dedicating ourselves to through cost cut and improvement of the cost structure.

However, as precisely expressed in our press release dated December 19, 2011, concerning financial forecast revision, in which we revised the number upwards, now we are confident that we have finally got out of the number of crises. While the unclear circumstances such as financial instability in Europe arising from Greek financial crisis and slowdown in development speed in emerging countries such as China and India, would continue for some more time, the Company wants to proceed with a positive and aggressive business plan focusing on further "progress" rather than "survival" that used to be.

In the automobile industry, significant changes would be expected in the supply-demand structure due to severe competition for survival now and in the future, and in order to respond to the changes more flexible business strategy and expedited decision making would be necessary. The management of the Company understands

that the Squeeze-Out and delisting proposed by the Bidder is an investment in the Company's potential development, and would enable us to take more flexible steering in our business, to pursue mid and long term business development backed up by a stable shareholder without worrying about short-term risks, and we believe it would be beneficial to the Company's business and management.

Considering the above and giving utmost respect to the Special Committee's advice, the Company concluded that (i) the Company would support the Tender Offer Bid and (ii) it would be appropriate for the Company to refrain from judging the purchase price of the Tender Offer Bid and leave it to its shareholders to decide whether or not to tender in the Tender Offer Bid. The Company also concluded that, at this time, it should support the Second TOB if it is initiated and recommended to the Company's shareholders to tender therein and it is also reasonable to conduct the Squeeze-Out pursuant to the request of the Bidder.

(3) Possibility of and reasons for delisting

The shares of common share in the Company are listed on the First Section of the Tokyo Stock Exchange as of the date hereof. However, the Bidder has not set a maximum number of Share Certificates, etc. to be purchased in the Tender Offer Bid, and the shares of common share in the Company might be delisted through prescribed procedures in accordance with the criteria for delisting share of the Tokyo Stock Exchange, depending on the results of the Tender Offer Bid. Also, even if the shares in the Company do not fall under that criteria at the time the Tender Offer Bid has been successfully completed, the Bidder plans to conduct the Second TOB as described in "2.(4) Policies for Organizational Restructuring after the Tender Offer Bid and the Second TOB (matters concerning the so-called "two-step acquisition")" below, and depending on the results of the Second TOB, the shares of common share in the Company might be delisted through prescribed procedures in accordance with the criteria for delisting share of the Tokyo Stock Exchange. In addition, even if the shares in the Company do not fall under the delisting criteria at the time the Second TOB has been successfully completed, the Bidder plans to perform the Squeeze-Out procedures, in which case the shares of common share in the Company will be delisted through the prescribed procedures in accordance with the criteria for delisting share of the Tokyo Stock Exchange. If the shares of common share in the Company are delisted, the Company common share will become unable to be traded on the Tokyo Stock Exchange.

(4) Policies for Organizational Restructuring after the Tender Offer Bid and the Second TOB (matters concerning the so-called "two-step acquisition")

According to the Bidder, as set out in "2. (2) (i) Overview of the Transaction, including the Tender Offer Bid", the Bidder plans to conduct the Tender Offer Bid and, once the Tender Offer Bid is successfully completed, the Second TOB, with the objective of ultimately acquiring all issued and outstanding common shares of the Company. If the Bidder fails to acquire all issued and outstanding common share of the Company (other than treasury shares owned by the Company) through the Tender Offer Bid and the Second TOB, the Bidder plans to carry out the Squeeze-Out procedures by the following

method once the Second TOB is successfully completed in order to acquire all issued and outstanding common shares of the Company (other than treasury shares owned by the Company). Additionally, according to the Bidder, if the Second TOB is not implemented because the Tender Offer Bid ends up in failure, the Squeeze-Out will not take place.

In particular, the Bidder intends to request the Company to hold a general shareholders' meeting of the Company after the successful completion of the Tender Offer Bid and the Second TOB at which the proposals in (a) through (c) below will be submitted (the "Shareholders Meeting"), and to hold, on the same date as that of the Shareholders Meeting, respective class shareholders meetings for the shareholders of common share, shareholders of Class A preferred share, and shareholders of Class B preferred share at which the proposal in (b) below for amendment of the Articles of Incorporation will be submitted (the "Class Shareholders Meeting"): (a) to amend the Articles of Incorporation of the Company to enable the Company to issue a different class of shares to common share, Class A preferred share, and Class B preferred share; (b) to amend the Articles of Incorporation of the Company to impose an option to call all shares (which refers to the matters stipulated by Article 108, Paragraph 1, Item (7) of the Companies Act; hereinafter the same) of common share issued by the Company; and (c) to deliver a different class of shares in the Company in exchange for the acquisition of shares of common share by the Company (other than treasury shares owned by the Company). According to the Bidder, the Bidder, etc. plans to approve each of the above proposals at the Shareholders Meeting and the Class Shareholders Meeting (for which each has voting rights).

According to the Bidder, etc., it plans to request the Company to aim to hold the Shareholders Meeting and the Class Shareholders Meeting on June, 2012, but it is planned for the Company to promptly make an announcement about specific procedures, times and dates, and other details about the Shareholders Meeting and the Class Shareholders Meeting once the Bidder has determined these details upon consultation with the Company.

If each procedure above is implemented, all shares of common share issued by the Company will be made subject to the option to call all shares and all of which (other than treasury shares owned by the Company) will thereafter be acquired by the Company. While the common shareholders of the Company will be delivered a different class of shares of the Company as consideration for the acquisition, the common shareholders of the Company who will be allocated a fraction of one share of such different class of shares in the Company will instead receive an amount of money obtained by selling such different class of shares in the Company equal to the aggregate of the fractions (such aggregate will be rounded down to the nearest whole unit) or otherwise, in accordance with the procedures provided for in Article 234 of the Companies Act and other relevant laws and regulations. It is planned for a petition to be filed with the court for permission for sale by private contract, after valuing the sale price of such different class of shares in the Company equal to the aggregate of the fractions so that the amount of money to be delivered to each common shareholder as a result of the sale will be equal to the price obtained by multiplying the Tender Offer price by the number of shares of common share of the Company owned by each such shareholder. The class and number of shares in the Company to be delivered as consideration for the acquisition of shares of the common

share in the Company with an option to call all shares has not been determined as of the date hereof. However, the Bidder will request the Company to determine such class and number so that the number of shares in the Company to be delivered to those shareholders of common share in the Company who did not tender their shares in the Tender Offer other than the Bidder will be a fraction of one share in order for the Bidder to own all of the issued and outstanding shares of common share in the Company (i.e., other than treasury shares owned by the Company).

With respect to the provisions under the Companies Act that can be thought to be designed to protect minority shareholders in relation to the procedures above, the Companies Act provides that the shareholders may (i) request the purchase of their shares in accordance with Article 116 and Article 117 of the Companies Act and other provisions of relevant laws and regulations if the Articles of Incorporation are amended to impose an option to call all of the Company common share set out in (b) above, or (ii) file a petition to determine the acquisition price of their shares in accordance with Article 172 of the Companies Act and other provisions of relevant laws and regulations if the acquisition of all shares with an option to call all shares set out in (c) above is approved at the Shareholders Meeting. The purchase price or acquisition price per share under the methods in (i) and (ii) above will ultimately be determined by the court.

Procedures other than but with the same effect as those in (a) through (c) above may be performed depending on the status of matters such as the interpretation of any relevant law or regulation by relevant authorities and the ownership of shares in the Company by the Bidder or by the shareholders of the Company other than the Bidder after the Tender Offer Bid and the Second TOB. However, even in such case, the Bidder plans for it to own all of the issued and outstanding shares of common share in the Company (i.e., other than treasury shares owned by the Company) by ultimately delivering money to the Company's shareholders other than the Bidder, and the amount of money to be delivered to the shareholders of common share in the Company other than the Bidder in such a case is expected to be valued so that it will be equal to the price obtained by multiplying the offer price of the Second TOB by the number of shares of common share of the Company that each such shareholder had owned. The specific procedures in such a case will be disclosed promptly after being determined upon consultation with the Company.

The shareholders of the Company are in no way being solicited through the Tender Offer Bid or the Second TOB to endorse any proposal at the Shareholders Meeting and the Class Shareholders Meeting.

(5) Measures to Ensure Fairness of the Transaction, such as Measures to Ensure Fairness of the Purchase Price and Measures to Avoid Conflicts of Interests

As described in "Agreement between the Bidder and RHJI on Tendering in the Tender Offer Bid" in 3(2) below, the Bidder entered into the RHJI Agreement to Tender with RHJI. Four (4) external directors out of all ten (10) directors of the Company concurrently serve as directors or employees of RHJI or its subsidiaries. Taking into consideration these situations where the conflict of interests are structurally likely to arise when considering the Transaction including the Tender Offer Bid, the Company has implemented, among

others, the following measures to ensure the fairness of the Transaction including the Tender Offer Bid in light of (i) guarantee of the fairness of the purchase price under the Tender Offer Bid and the Second TOB for the shares of the Company's common share, (ii) elimination of the arbitrariness in the process of determination of the implementation of the Tender Offer Bid and (iii) avoidance of conflicts of interest:

- (i) Procurement by the Company of Valuation Report and Fairness Opinion from Independent Third-Party Valuation Institution

The Company has engaged Barclays Capital ("BC") as an independent third-party valuation institution (in relation to the Transaction and the Preferred Share Transaction) to ensure the fairness of the purchase price under the Tender Offer proposed by the Bidder and the fairness of the decision making process in respect of the purchase price under the Second TOB, and received the share valuation report entitled "(Valuation Report") from BC on December 28, 2011.

BC obtained the information including current status and prospects of the business of the Company and received explanation of such information from the directors of the Company (excluding Mr. Hideki Kurashige, the Chairman and Representative Director of RHJ International Japan K.K., Anthony A. Barone, the executive vice president of Ripplewood Holdings LLC, Rüdiger Schmid-Kühnhöfer, the COO and General Counsel of RHJI and Suminori Arima, the managing director of RHJ International Japan K.K., who have or may have special interests to the Transaction and the Preferred Share Transaction) and analyzed the value of the Company's shares of common share based on such information and explanations.

BC analyzed the value of the Company's shares of common share based mainly on (i) market price analysis, (ii) transaction comparables analysis, (iii) trading comparables analysis and (iv) discounted cash flow analysis (the "DCF Analysis") out of some other possible valuation methods, based on the going concern assumption and based on the belief that it would be appropriate to provide a broad-ranging analysis on the value of the Company's shares of common share. The reason of BC adopting each of the foregoing methods and per-share value of the Company's common share calculated based on each of the foregoing methods is set forth below. BC has taken into account the amendment to earnings forecast for the fiscal year ending on March 2011 as described in the press release captioned as "Notice Regarding to Revision of Financial Forecast" dated December 19, 2011, announced by the Company.

Method of Analysis	Range of Per Share Price
Market price analysis:	JPY 17 to JPY 38
Trading comparables analysis:	JPY 16 to JPY 26
Transaction comparables analysis:	JPY 11 to JPY 15
DCF Analysis:	JPY 29 to JPY 36

The market price analysis evaluates the value of the Company based on the price of common share of the Company in the market. BC has adopted this method as an objective method of analyzing the value of the shares of a publicly listed company.

Under the market price analysis, BC determined the per share of common share of the Company to be JPY 17 to JPY 38 based on the price of shares of the Company during the most recent 12 months, with December 27, 2011, the previous trading day of resolution of tender offer on December 28, 2011, as the valuation date and by taking into consideration of the recent market trading of the Company's shares.

The trading comparables analysis evaluates the value of the Company by comparing market share prices and financial indicators that show profitability of other listed companies that are engaged in businesses similar to the Company's. BC has adopted this method as there are multiple similar comparable listed companies that enable analogical analysis of the value of the Company's common share by using the trading comparables analysis. Based on the trading comparables analysis, the per-share value of the Company's common share has been determined to be JPY 16 to JPY 26.

The transaction comparables analysis evaluates the value of the Company by comparing the transaction price and financial indicators that show profitability in the publicly announced transactions in and outside Japan that are similar to the Tender Offer and involving auto parts, truck parts and construction machinery parts manufacturers, and determined the per-share value of the Company's common share to be JPY 11 to JPY 15.

The DCF Analysis is a method of analyzing the corporate value of the Company and the value of the Company's shares of common share based on its future cash flow (profitability). BC has adopted this method as it considered suitable for evaluating the value of a going concern company. Based on the DCF Analysis, per-share value of the Company's common share has been determined to be JPY 29 to JPY 36 by discounting the Company's future free cash flow calculated based on the business plan of the Company to the present value by using a specific discount rate. Any material increase or decrease in the profit was not expected in the business plan based on which the DCF Analysis was made.

Based on the above valuation analysis, BC states in its opinion letter (the "Fairness Opinion") that the purchase price for the Second TOB is fair to the Company's shareholders (other than RHJI and Tokio Marine & Nichido) from a financial perspective. BC also states in its Fairness Opinion that the enterprise value, calculated on the basis of total amount of consideration paid for the Company's common share (excluding own shares) and the preferred shares is fair to the Company from a financial perspective.

BC is not a related party to the Bidder or the Company and does not have any material interest in the Transaction and the Preferred Share Transaction that should otherwise be disclosed hereto.

(Note) Preparation of the Valuation Report and the Fairness Opinion is subject to and based on certain limitations including following assumptions, procedures, consideration and limitations on the analysis. BC has not been requested to opine as to, and BC's opinion does not in any manner address, (A) the Company's underlying business decision to proceed with or effect the Transaction,

(B) the likelihood of consummation of the Transaction, (C) fairness and appropriateness of the allocation of the above-mentioned enterprise value among shareholders and creditors and any other interested parties of the Company, or (D) the dispute between the Company and Pension Benefit Guaranty Corporation referred to in "3(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares" below (and the economic impact thereof on the Company) and the arrangement based on the agreement between ATCH1 and RHJI concerning the loss, damage and expense of the Company which have arisen or will arise from such dispute (For details, please see "3(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares" below.). In arriving at BC's opinion rendered in the Valuation Report and the Fairness Opinion, BC has assumed and relied upon the accuracy and completeness of the financial and other information used by BC without any independent verification of such information (and has not assumed responsibility or liability for any independent verification of such information) and has further relied upon the assurances of management of the Company that the Company is not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the financial projections of the Company, BC has assumed that such projections have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to the future financial performance of the Company. BC assumes no responsibility for and BC expresses no view as to any such projections or estimates, or the assumptions on which they are based. Neither of Valuation Report nor Fairness Opinion is intended to be and does not constitute a recommendation to any shareholder of the Company as to whether to accept the consideration to be offered to such shareholder in connection with the Transaction.

(ii) Review by the Company's Special Committee

In the Transaction, the tendering shareholder for the Tender Offer Bid will be the controlling shareholder of the Company, while in the Second TOB, the Bidder will make a further purchase as a new controlling shareholder. The Squeeze-Out and delisting are contemplated thereafter. As such, the interests in the Transaction are complicated. Further, fairness in decision-making is required. Therefore, at the meeting of its board of directors held on October 20, 2011, the Company established the Special Committee as a subcommittee of its board of directors, and appointed three persons as committee members, namely, Messrs. Soichi Koshio ("Mr. Koshio"), Edward G. Krubasik ("Dr. Krubasik") and Thomas C. Amato ("Mr. Amato") in order to express opinions regarding the Transaction from a neutral position. Neutrality and independence of the three members was ensured by the following: None of them have an interest as a tendering shareholder, as the Bidder or in the Transaction and the Preferred Share Transaction (i.e., they will not be excluded from discussing and adopting the resolution when the board of the Company expresses an opinion regarding the Tender Offer Bid); Mr. Koshio is an outside director of the Company and registered as an independent officer with the Tokyo Stock Exchange, where the Company's shares are listed; Dr. Krubasik is an outside director of the Company; and Mr. Amato is currently a part-time director without executive power although he used to be the Company's executive officer. Although Mr. Koshio owns 186,000 common shares, Mr. Amato owns 231,068 common shares of the Company respectively, their holding ratio is very small and would not affect his independence as described above.

The Special Committee meetings were held from November 10, 2011 to December 28, 2011 for 20 times in total. The Special Committee conducted interviews with the Bidder and had discussions with management of the Company. It also consulted with BC, a financial advisor appointed by the Company, and Anderson Mori & Tomotsune, the independent legal advisor appointed by the Company and verified the Valuation Report and the Fairness Opinion obtained from BC, the legal advice received from Anderson Mori & Tomotsune and other relevant materials. In addition, the Special Committee received explanations from, and discussed and negotiated the terms including the offer price of the Second TOB from the viewpoint of protecting minority shareholders interest, with, the Bidder and its advisor, Unison Capital Group, regarding the structure, and terms and conditions of the Transaction and the Preferred Share Transaction. More specifically, the Special Committee has examined the following items:

- (a) Whether the Transaction, including the Tender Offer Bid, will contribute to an increase in the Company's enterprise value.

The Company and the Special Committee has received explanation from the Bidder regarding the Bidder and Unison Capital Group, especially its business and their experience of investment. Additionally, the Company received explanation about what was set forth in "(2)(ii) Purpose and Background of the Transaction, including the Tender Offer Bid" above, and the merits that the Company would obtain if the Bidder makes the Company its wholly owned subsidiary. According to the Bidder, the Bidder is now prepared to support in the following areas: (i) secure capital for the growth of the Company; (ii) strengthen the governance system of the Company and accelerate the speed in decision making process, (iii) participate in the management with a team of experienced professionals who understand the Company's business plan, and (iv) work closely with management advisers to solve the business issues. The Special Committee carefully discussed the possible impact on the financial condition and the terms of the Preferred Share Transaction, and whether or not the Tender Offer Bid, together with the Second TOB and the Squeeze-Out to be implemented thereafter, will increase the Company's enterprise value.

As described in "2. (2) (ii) Purpose and Background of the Transaction, including the Tender Offer Bid", the Company has expanded its businesses through its own growth and through acquisitions, the Company is experiencing severe business environment such as Metaldyne Corporation's bankruptcy, due to Lehman Shock in 2007 and subsequent depression in automobile industry,. And the Company also experienced and overcame the Great East Japan Earthquake occurred in March this year and the great flood in Thailand occurred in July this year and continues for several months. In the past few years, we have been doing the steering of the Company's business "for survival" in such severe crises dedicating ourselves to through cost cut and improvement of the cost structure.

However, as precisely expressed in our press release dated December 19, 2011, concerning financial forecast revision, in which we revised the number upwards, now we are

confident that we have finally got out of the number of crises. While the unclear circumstances such as financial instability in Europe arising from Greek financial crisis and slowdown in development speed in emerging countries such as China and India, would continue for some more time, the Company wants to proceed with a positive and aggressive business plan focusing on further "progress" rather than "survival" that used to be.

In the automobile industry, significant changes would be expected in the supply-demand structure due to severe competition for survival now and in the future, and in order to respond to the changes more flexible business strategy and expedited decision making would be necessary. The management of the Company understands that the Squeeze-Out and delisting proposed by the Bidder is an investment in the Company's potential development, and would enable us to take more flexible steering in our business, to pursue mid and long term business development backed up by a stable shareholder without worrying about short-term risks, and we believe it would be beneficial to the Company's business and management.

Based on the above, the Special Committee concluded that the Transaction will contribute to an increase in the Company's enterprise value, because of the purpose set forth in (2)(ii) above is reasonable and that the Company would benefit from it.

- (b) Fairness of the terms and conditions of the Transaction, including the Tender Offer Bid, is ensured.

Secondly, as described in "(5)(i) Obtaining a Share Value Valuation Report and an Opinion from the Company's Independent Third-Party Calculation Agency" below, the Special Committee obtained the Valuation Report and the Fairness Opinion from BC as an independent third-party calculation agency, and examined the reasonableness and appropriateness of the purchase prices proposed by the Bidder for the Transaction.

The purchase price offered by the Bidder was JPY 27 per common share for the Tender Offer Bid, and JPY 33 per common share for the Second TOB. Meanwhile, the Valuation Report reported that the value of the Company's common shares is JPY 17 to JPY 38 per share, as determined through the market price analysis; JPY 16 to JPY 26 per share, as determined through the transaction comparables analysis; JPY 11 to JPY 15 per share, as determined through the trading comparables analysis; JPY 29 to JPY 36 per share, as determined through the discounted cash flow analysis.

Based on the above valuation analysis, BC states in its Fairness Opinion that the purchase price for the Second TOB presented by the Bidder is fair to the Company's shareholders (other than RHJI and Tokio Marine & Nichido) from a financial perspective. BC also states in its Fairness Opinion that the enterprise value, calculated on the basis of total amount of consideration paid for the Company's common share (excluding own shares) and the preferred shares is fair to the Company from a financial perspective. The Special Committee has not found any unreasonable points or substantial issues with respect to the process through which

the Fairness Opinion was produced, or the calculation process of the Valuation Report.

On the other hand, the purchase price for the Tender Offer Bid is not subject to the Fairness Opinion. According to the Bidder, however, the Tender Offer Bid is based on the terms and conditions (including purchase price) of the Agreement to accept the tender offer bid executed between the Company's controlling shareholder, RHJI; the Company's shareholder, Tokio Marine Nichido; and the Bidder. Therefore, it is expected that the shareholders who will tender in the Tender Offer Bid will be limited to the shareholders who are parties to the Agreement to accept the tender offer bid, while other minority shareholders are not expected to tender. As such, the Second TOB is planned to be launched promptly after the Tender Offer Bid, with the purchase price (JPY 33 per common share) higher than that for the Tender Offer Bid. Considering these factors and by looking at the Transaction and the Preferred Share Transaction as a whole, regardless of the purchase price for the Tender Offer Bid, the terms and conditions of the Transaction (including the offer price of the Second TOB) are considered to be fair. However, the Company believes that it should refrain from judging the appropriateness of the purchase price for the Tender Offer Bid.

As stipulated in "3(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares," the consideration paid to RHJI will be adjusted between RHJI and ATCH I, according to the amount of PBGC Litigation settlement payment. However, even if such adjustment is to be done, the substantive consideration (per share consideration in the event that class shares are converted to common shares) will never exceed the purchase price of the Second TOB. Therefore, the Company believes that the adjustment with respect to PBGC Litigation settlement payment will not affect the decision regarding the abovementioned fairness.

- (c) Whether the Transaction, including the Tender Offer Bid, pays sufficient attention to the minority shareholders through fair procedures

The Transaction adopts a structure whereby the tender offer bid is conducted in two steps, which is unprecedented in Japan. From the point of view of shareholder protection, the point at issue would be how the Transaction ensures that the Second TOB, which has a higher purchase price, would actually be launched after the Tender Offer Bid to which the controlling shareholder (RHJI) and other shareholders would tender. The Company has been clearly advised by the Bidder on this point, and the document dated today publicized by the Bidder (as attached at the end of this press release) also clearly states that, if the Tender Offer Bid is successfully settled, immediately after the settlement, the Second TOB with a purchase price of 33 yen that is higher than the purchase price (27 yen) for the Tender Offer Bid will be launched with the purpose to obtain all the issued and outstanding common share (excluding the treasury shares) held by persons other than the Bidder. Thus, the Company considers that the Transaction has a structure in which the Bidder seeks to respect the interests of minority shareholders to a certain extent by clearly disclosing the schedule for the Second TOB.

In the Transaction, after the 2-step TOB, the Bidder intends to conduct the Squeeze-Out through a scheme utilizing class shares subject to a class-wide call (*zenbu shutoku joukou*) or other methods. The price of the Squeeze-Out is expected to be equal to the purchase price of the Second TOB, and the Company has been advised by the Bidder that the Squeeze-Out is planned to be implemented promptly after the successful completion of the Second TOB. Even if the actual issuance of class shares and acquisition of class shares pursuant to a class-wide call (*zenbu shutoku joukou*) is conducted on a later date, the base date shall be a date close to the period of the Second TOB. It is likely that such class shares will be issued to the shareholders as of such base date. Therefore, the specific conditions will be, in substance, presented to shareholders as of a date close to the Second TOB period. Based on the above, applying the standards for the Second TOB to the price determination of the Squeeze-Out would not be particularly unreasonable.

In addition, with respect to the issuance of class shares subject to a class-wide call (*zenbu shutoku joukou*), the dissenting shareholders are entitled to demand the Company to purchase their shares pursuant to the Companies Act when amending the articles of incorporation, which would be required under the scheme. Furthermore, when the Company acquires the class shares subject to a class-wide call, shareholders who are not satisfied with the economic terms at the time of the Squeeze-Out are entitled to demand that the court determine the price for the class shares. Shareholders dissatisfied with the purchase price for the Second TOB or economic terms at the time of the Squeeze-Out scheduled thereafter are entitled to utilize these statutory procedures to request a decision of the court. Since the Bidder seeks to conduct the Transaction through a scheme which allows the minority shareholders to utilize these procedures, the Company considers that the Transaction has a structure through which the Bidder is trying to pay appropriate attention to the interests of minority shareholders.

As described above, in accordance with the proposal of the Bidder, the Company established the Special Committee and, based on the Valuation Report and the Fairness Opinion obtained from BC, the legal advice received from Anderson Mori & Tomotsune and other relevant materials, such Special Committee, specifically examined issues concerning how to appropriately account for the interests of minority shareholders of the Company; how to exclude arbitrariness from the decision-making process; how to ensure fairness in the terms and conditions of the Tender Offer Bid (especially how to ensure fairness in the purchase price); and how to establish an objective basis through which fairness of conditions for the Squeeze-Out is ensured. As a result, the Special Committee of the Company concluded that the Transaction pays sufficient attention to the interest of minority shareholders through fair procedures.

As a result, on December 28, 2011, the Special Committee unanimously came to a decision regarding the answer statement to the effect that (a) the Company should support the Transaction (including the Tender Offer Bid) as the Transaction as a whole is considered to increase the enterprise value of the Company; (b) the board of

directors of the Company should refrain from expressing an opinion on the purchase price of the Tender Offer Bid, because the Special Committee was advised by the Bidder that the Second TOB is planned to be initiated promptly after the Tender Offer Bid with a higher purchase price (JPY 33 per common share) than that of the Tender Offer Bid; (c) the Second TOB is also considered to increase the enterprise value of the Company (if the Second TOB is implemented), and the offer price of the Second TOB, which is with a certain premium to the average share price for a certain recent period, is considered appropriate. Therefore, it is desirable, in light of the situation at the time of submission of the answer statement, that the board of directors of the Company supports the Transaction, including the Second TOB, and if the Second TOB is launched, the board recommends that shareholders tender for the Second TOB. The Special Committee also unanimously concluded that, (d) taking into account the Preferred Share Transaction, the Transaction comprised of the Tender Offer Bid, the Second TOB and the Squeeze-Out to be implemented after the Second TOB, in the entirety, the Transaction as a whole is not considered to be unfavorable to minority shareholders. The Special Committee submitted the answer statement to the board of directors of the Company on December 28, 2011.

(iii) Advice from the Company's Legal Counsel

In order to ensure the transparency and reasonableness of its decision-making process, the Company has appointed Anderson Mori & Tomotsune, a legal advisor independent from RHJI, the Bidder and the Company, as its legal advisor, and has received from it legal advice on the decision-making process, manner of decision-making, operation of the Special Committee and other matters to consider in the Transaction including the Tender Offer Bid.

(iv) Approval by the Company's Directors Who Have No Interest in the Transaction

As a result of its careful review of the terms and conditions of the Transaction and the Preferred Share Transaction including the Tender Offer Bid based on the Valuation Report and the Fairness Opinion obtained from BC, the legal advice received from Anderson Mori & Tomotsune, the answer statement given by the Special Committee and other relevant materials, the Company concluded that the Transaction is beneficial for it increases the Company's enterprise value, and that the terms and conditions of the Transaction are appropriate. At its meeting held on December 28, 2011, the board of directors of the Company unanimously resolved with the participating directors (of 10 directors, 3 directors were present) that it would express its opinion to support the Tender Offer Bid. However, we are advised by the Bidder that, if the Tender Offer Bid is successfully completed, the Bidder is planning to initiate the Second TOB promptly after completion of the settlement of the Tender Offer Bid, with a purchase price of JPY 33 which is higher than the price in the Tender Offer Bid. Thus we believe that it is desirable that we refrain from expressing our opinion on the appropriateness of the purchase price of the Tender Offer Bid, and leave it to our shareholders to decide whether or not to tender in the Tender Offer Bid. Moreover, we resolved that as of today, we should support the Second TOB if it is implemented, and recommend to the shareholders to tender therein, and that it is also reasonable to

conduct the Squeeze-Out pursuant to the request of the Bidder.

Of the directors of the Company, Messrs. Hideki Kurashige, Anthony A. Barone, Rüdiger Schmid-Kühnhöfer and Suminori Arima are concurrently serving as officers or employees of RHJI (which is the controlling shareholder of the Company and executed the Agreement to accept the tender offer bid in connection with the Tender Offer Bid) or its affiliates, and did not participate in the deliberations and resolutions on the Transaction at the meetings of the board of directors, and did not, on the Company's side, participate in the discussions or negotiations with the Bidder over the terms and conditions of the Transaction, in order to avoid conflicts of interest. Messrs. Shoichiro Irimajiri, Hirohisa Yamada and Masataka Matsumura are concurrently serving as executive officers of the Company. A part of the remuneration of executive officers of the Company is linked to the implementation of the organizational restructuring, including acquisition of the Company. Although conflicts of interest do not necessarily arise, to ensure fairness at the meeting of the board of directors, they did not participate in the deliberations and resolutions regarding the Transaction and did not, on the Company's side, participate in the discussions and negotiations with the Bidder over the terms and conditions of the Transaction and the Preferred Share Transaction.

Those who attended the board meeting and resolution were Messrs. Koshio, Krubasik and Amato, turning out to be the same members of the Special Committee. However, we believe that this would not affect the fairness in the discussion and resolution of the board, because, while the topic of discussion in the Special Committee is concerned with (un)fairness to the minority shareholders, the board discusses whether or not to support a transaction from a broader management perspective. Thus the topic and purpose of each meeting is different from each other. In addition, the Company has elected all the directors who seemed to have no special interest in either the Transaction or the Preferred Share Transaction to the Special Committee. Therefore we trust that it does not pose a problem for the Special Committee members to discuss and resolve in the board meeting as directors.

3. Matters Concerning the Material Agreement between the Bidder and the Company's Shareholders on Tendering in the Tender Offer Bid

(1) Acquisition of Class A Preferred Shares and Class B Preferred Shares

As of today, the Target Company has issued 11,141,000 shares of class A preferred share and 10,526,316 shares of class B preferred share, but according to the Bidder, ATCH1, all issued and outstanding shares of which are held by the Fund, and RHJI executed an agreement on December 26, 2011 that ATCH1 would accept the (7,429,000) shares of class A preferred share and (10,526,316) shares of class B preferred share held by RHJI (the "RHJI Preferred Share Purchase Agreement"), and ATCH1 is planning to acquire all of that preferred share on January 4, 2012. Similarly, ATCH1 and Tokio Marine Nichido agreed on December 28, 2011 that the Bidder would accept the (3,712,000) shares of class A preferred share owned by Tokio Marine & Nichido (the "TM Preferred Share Purchase Agreement"), and ATCH1 is planning to acquire all of that class A preferred share on January 4, 2012.

Therefore, all shares of the Target Company's Preferred Share issued and outstanding have passed to the control of ATCH1 as of the day of filing.

The total transfer price of the class A preferred share (7,429,000 shares) to be acquired by ATCH1 from RHJI is JPY 1,976,114,000. Such amount represents the price determined as a result of negotiation between ATCH1 and RHJI, and the amount obtained by dividing such transfer price by the number of shares of the Target Company common share that would be exchanged by the Target Company for shares of class A preferred share (104,006,000 shares) (the "Number of Shares of Common Share After Conversion of Class A Preferred Share") if RHJI had exercised its put option of class A preferred share owned by RHJI as of December 27, 2011 is JPY 19.0 (rounded to the second decimal place). The total transfer price of the class B preferred share to be acquired by ATCH1 from RHJI is JPY 592,762,737 which was similarly determined as a result of negotiation between ATCH1 and RHJI, and the amount obtained by dividing (i) such transfer price minus the unpaid cumulative preferred dividend per one share of class B preferred share until ATCH1 acquires the class B preferred share from RHJI (JPY 7.12 per share and JPY 431,664,086 in total, fraction less than a yen omitted) by (ii) the number of shares of the Target Company common share that would be exchanged by the Target Company for shares of class B preferred share (15,306,122 shares) (the "Number of Shares of Common Share After Conversion of Class B Preferred Share" and collectively with the Number of Shares of Common Share After Conversion of Class A Preferred Share, the "Number of Shares of Common Share After Conversion of Preferred Share") if RHJI had exercised its put option of class B preferred share owned by RHJI as of December 27, 2011 is JPY 10.5 (rounded to the second decimal place).

Additionally, ATCH1 and RHJI have agreed that if the amount of future damages, losses, and costs borne by the Target Company resulting from the litigation (Note) filed by the Pension Benefit Guarantee Corporation (U.S.A.) against the Target Company (the "PBGC Litigation Costs") announced in the Target Company's November 22, 2010 press release titled "Lawsuit filed by PBGC against the Company" does not exceed the certain amount (the "Criterion Amount of Anticipated Litigation Costs"), within 20 business days from the settlement of the Litigation, ATCH1 will make an additional payment to RHJI as compensation for each Preferred Share in the amount obtained by multiplying the difference between the Criterion Amount of Anticipated Litigation Costs and the PBGC Litigation Costs by 0.5 (up to JPY 1 billion), according to the ratio of the transfer price of each Preferred Share to the total amount of the transfer price of the Preferred Share (JPY 2,568,876,737. As a result, (i) the maximum transfer price of the class A preferred shares is JPY 2,475,366,168 and the maximum number obtained by dividing such transfer price by the Number of Shares of Common Share After Conversion of Class A Preferred Share is JPY 26.4 (rounded to the second decimal place), and (ii) the maximum transfer price of the class B preferred share is JPY 823,510,569 and the maximum number obtained by dividing such transfer price (less the unpaid cumulative dividend of the Class B preferred share) by the Number of Shares of Common Share After Conversion of Class B Preferred Share is JPY 25.6 (rounded to the second decimal place). Accordingly, the transfer price of the Preferred Share acquired from RHJI is, in any case, lower than the offer price of the Tender Offer Bid (JPY 27) if it is converted into a common share based

on the Number of Shares of Common Share After Conversion of Preferred Share as of December 27, 2011.

On the other hand, ATCH1 and RHJI have agreed that, if the PBGC Litigation Costs exceed the Criterion Amount of Anticipated Litigation Costs, RHJI will indemnify ATCH1 for the amount obtained by multiplying by a certain rate the difference between the PBCG Litigation Costs and the Criterion Amount of Anticipated Litigation Costs, up to a maximum of certain amount, within 20 business days after the receipt of documents that provide reasonable verification of the PBCG Litigation Costs paid by the Company.

Furthermore, the total transfer price of the class A preferred shares (3,712,000 shares) acquired from Tokio Marine Nichido is JPY 1,165,568,000. Such amount represents the price determined as a result of negotiation between ATCH1 and Tokio Marine Nichido, and the amount obtained by dividing such transfer price by the Number of Shares of Common Share After Conversion of Class A Preferred Share (51,968,000 shares) of the class A preferred share owned by Tokio Marine Nichido as of December 27, 2011 is JPY 22.4 (rounded to the second decimal place). Accordingly, the transfer price of the class A preferred share acquired from Tokio Marine Nichido is lower than the offer price of the Tender Offer (JPY 27) if it is converted into common share based on the Number of Shares of Common Share After Conversion of Class A Preferred Share as of December 27, 2011.

Additionally, ATCH1 has agreed with RHJI that the aforementioned agreement for ATCH1 to acquire the Preferred Share from RHJI may be rescinded (i) by ATCH1 if the Tender Offer is not settled due to a reason not attributable to a violation of an obligation by the Bidder under the RHJI Agreement to Tender, (ii) by RHJI if RHJI or does not receive payment of the entire amount of the Tender Offer Purchase Price for the acceptance of all of the common share held by RHJI in the Tender Offer due to a reason not attributable to a violation of an obligation by RHJI under the RHJI Agreement to Tender, or (iii) by any party if the RHJI Agreement to Tender is rescinded.

Also, ATCH1 has agreed with Tokio Marine Nichido that the aforementioned agreement for ATCH1 to acquire the Preferred Share from Tokio Marine Nichido may be rescinded (i) by ATCH1 (a) if the Tender Offer Bid is commenced but is not settled (except for the Bidder's violation of any obligations under the TM Agreement to Tender), (b) if the TM Agreement to Tender is terminated, or (c) the RHJI Preferred Share Purchase Agreement or the RHJI Agreement to Tender is terminated, and (ii) by Tokio Marine Nichido (a) if the Tender Offer Bid is commenced but it fails to settle the same (except in case of Tokio Marine Nichido's violation of an obligation under the TM Agreement to Tender), or (b) if the TM Agreement to Tender is terminated.

(Note) As described in the press release titled "Lawsuit filed by PBGC against the Company," The PBGC has filed a lawsuit against the Company in federal court in the U.S. with respect to the pension plan of Metaldyne Corporation ("Metaldyne"), which was the Company's U.S. subsidiary. According to the complaint, PBGC, as statutory trustee of the pension plan termination insurance program of Metaldyne, alleges that the pension plan of Metaldyne had unfunded benefit and other pension-related liabilities and that the Company as a member of Metaldyne's "controlled group" is

responsible for such liabilities.

(2) Agreement between the Bidder and RHJI on Tendering in the Tender Offer Bid

On December 28, 2011, the Bidder and RHJI entered into RHJI Agreement to Tender so that RHJI shall tender all of its owned Company common share (432,553,078 shares; Share Ownership Ratio 62.57%) in the Tender Offer. In the RHJI Agreement to Tender, it was agreed that:

In the RHJI Agreement to Tender, it was agreed that (i) RHJI offers all shares of Company common share in the Tender Offer pursuant to the RHJI Agreement to Tender (the preconditions for tendering shares in the Tender Offer Bid under the RHJI Agreement to Tender are that (a) The Tender Offer Bid commences, (b) security interest holders of any security interests created over the Company common share owned by RHJI agree to cancel such security interests, (c) there are no material violations of the Bidder's representations and warranties (Note), (d) the Bidder is in compliance with its obligations under the RHJI Agreement to Tender, the RHJI Preferred Share Purchase Agreement or the Confidentiality Agreement (confidentiality, non-assignment of contractual status and other obligations), (e) there are no orders or dispositions, etc. of a court, administrative body or other authorized body that restrict or prohibit the Tender Offer, and there are no laws or ordinances that the Tender Offer may violate, and (f) the relevant parties have acquired the agreement and permissions of the Company's existing creditors with respect to the Tender Offer or taken other similar necessary action); (ii) RHJI shall make the directors dispatched from RHJI resign from the office as of the settlement date of the Tender Offer; (iii) if, at the general shareholders' meeting of the Company held on or after the settlement date of the Tender Offer, the record date of such general shareholders' meeting is set before the Bidder becomes the shareholder through the Tender Offer, RHJI grants the Bidder a right of proxy by which the Bidder may exercise the voting rights for the common share held by RHJI at such general shareholders' meeting; (iv) RHJI shall make its best effort, until the settlement of the Tender Offer Bid, to ensure that the Company is operated through normal procedures, through the directors dispatched from RHJI; (v) RHJI is generally prohibited, until the settlement date of the Tender Offer Bid, to induce the competing offer or consult, negotiate or disclose or the like regarding the competing offer, through itself or its related parties; (vi) matters of default; (vii) exemption of liabilities of certain directors by the Bidder or the like after the settlement of the Tender Offer Bid.

We have heard that, according to RHJI, the existing creditors have created pledges on the Company common share owned by RHJI to secure the loan receivables owed to the Company under the Syndicate Loan Agreements, but RHJI, the Company and the existing creditors had discussion for the cancellation of such pledges and the agreement was reached to cancel such pledges so that they may tender in the Tender Offer Bid.

(Note 1) In the RHJI Agreement to Tender, the Bidder's representations and warranties are provided as, matters such as that the Bidder and ATCH I are incorporated and exists, possesses the necessary power and authority to enter into and execute the agreements pertaining to the Transactions, the RHJI Agreement to Tender is legally valid and enforceable, the conclusion and enforcement of the

RHJI Agreement to Tender and RHJI Preferred Share Agreement do not conflict with any internal rules, other agreements, laws or ordinance, internal regulation, or other agreement, etc., items concerning necessary financing for the settlement by the Bidder of the Tender Offer Bid.

(Note 2) Under the RHJI Agreement to Tender, we have heard that it may be rescinded (i) by the Bidder if there arises an item of cancellation; (ii) by RHJI, if there arises a material breach of obligation or rep and warranties by the Bidder under the RHJI Agreement to Tender, or the same of ATCH I under the RHJI Preferred Share Agreement, and such breach is not cured within a certain period of time.

(3) The Agreement on Tendering Shares in the Tender Offer between the Bidder and Tokio Marine Nichido

On December 28, 2011, the Bidder and Tokio Marine & Nichido entered into the TM Agreement to Tender for Tokio Marine & Nichido to tender all of its owned Company common share (7,602,055 shares; Share Ownership Ratio 1.10%) in the Tender Offer Bid.

Under the TM Agreement to Tender, the preconditions for tendering shares in the Tender Offer Bid are: (i) no material breach of the Bidder's reps and warranties (note); (ii) no material breach by the Bidder under the TM Agreement to Tender (obligations concerning the commencement of the Tender Offer Bid); (iii) no material breach by ATCH I of the obligations (payment for the transfer) under the TM Preferred Share Purchase Agreement. Additionally, we have heard that Tokio Marine is by no means prohibited or restricted from tendering in the Tender Offer Bid at its discretion. Under the TM Agreement to Tender, we have heard that it is agreed that (i) the Bidder may terminate the TM Agreement to Tender in the event that either RHJI Agreement to Tender or RHJI Preferred Share Purchase Agreement is terminated; (ii) TM Agreement to Tender will terminate as a matter of course in the event that the Tender Offer Bid is withdrawn or it ends up in failure.

(Note) Under the TM Agreement to Tender, the items stipulated as Bidder's reps and warranties include matters such as that the Bidder is incorporated and exists, possesses the necessary power and authority to enter into and execute the agreements pertaining to the TM Agreement to Tender, the TM Agreement to Tender is legally valid and enforceable, the conclusion and enforcement of the TM Agreement to Tender and TM Preferred Share Agreement do not conflict with any internal rules, other agreements, laws or ordinance etc.

(4) The Agreement on Non-Exercise of Right to Demand Acquisition of the Preferred Share between the Bidder and ATCH I

The Class A Preferred Share and Class B Preferred Shares are shares with put option so if ATCH1 exercises the right to demand acquisition, the Company common share shall be delivered to ATCH1 from the Company, but ATCH I agrees to the Bidder not to exercise such put option of its Preferred Share until the Tender Offer terminates.

4. Details of the Profits Offered by the Bidder or their Specially Related Persons

Not applicable.

5. Policies for Dealing with Fundamental Principles Regarding Control of the Company

Not applicable.

6. Questions to the Bidder

Not applicable.

7. Requests for Extension of the Tender Offer Bid Period

Not applicable.

8. Future Prospects

With regard to the future prospects, please refer to 2. (2) (ii) Purpose and Background of the Transaction, including the Tender Offer Bid, 2. (3) Possibility of and reasons for delisting, and 2. (4) Policies for Organizational Restructuring after the Tender Offer Bid and the Second TOB (matters concerning the so-called "two-step acquisition")

9. Matters Concerning Transactions with the Controlling Shareholder

(1) Status of Compliance with the Policies for Protecting Minority Shareholders When Performing Transactions with the Controlling Shareholder

The Transaction is a transaction with RHJI, and it falls under transactions with the controlling shareholder. The Following Second TOB and Squeeze-Out are transactions with the controlling shareholder then, so they fall under the same category. The status of compliance with "Guidelines on Policies for Protecting Minority Shareholders when Performing Transactions with the Controlling Shareholder," which was shown in the Corporate Governance Report disclosed by the Company on July 5, 2011, is as follows.

When reviewing the Transaction, the Company (i) obtained Valuation Report and the Fairness Opinion; (ii) established the Special Committee, comprised of directors who have no interest in the Transaction, to review the Transaction; (iii) obtained advice from an independent legal counsel; and (iv) decided that its directors who have no interest in the Transaction would express the Company's final opinion, as described in "2(5) Measures to Ensure Fairness of the Transaction, such as Measures to Ensure Fairness of the Purchase Price and Measures to Avoid Conflicts of Interest." The Company accordingly seeks to protect its minority shareholders in the Transaction through a structure stricter than that under the Guidelines.

The "Guidelines on Policies for Protecting Minority Shareholders When Performing Transactions with the Controlling Shareholder," which was shown in the Corporate Governance Report disclosed on July 5, 2011, are as follows:

"As a result of the third-party allotment of the Company's newly issued shares on July 15,

2008, RHJI, which was the Company's other related company (*sonota kankei gaisha*), became the Company's parent company in accordance with the substantial control criteria as set forth in the Ordinance on Financial Statements, etc. RHJI is a holding company whose business is to invest in 8 companies, including the Company. The Company belongs to a corporate group led by RHJI. Although RHJI is the Company's parent company, the important management matters of the Company are discussed and resolved by the board of directors of the Company in accordance with the Board of Directors Regulations, and duties are performed at the Company's cost. Thus, the Company considers that its independence in business management is ensured. As for transactions with the parent company, there are cases where the Company obtains advice on an M&A transaction. However, the Company does so by executing a consulting agreement separately. Such agreement does not contain any exclusive terms and sets a fee at a standard price."

Additionally, after the Tender Offer Bid the controlling shareholder will change from RHJI to the Bidder. The Company is planning to establish new guidelines in this respect.

(2) Matters Concerning Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest

Please see "2(5) Measures to Ensure Fairness of the Transaction, such as Measures to Ensure Fairness of the Purchase Price and Measures to Avoid Conflicts of Interest" above.

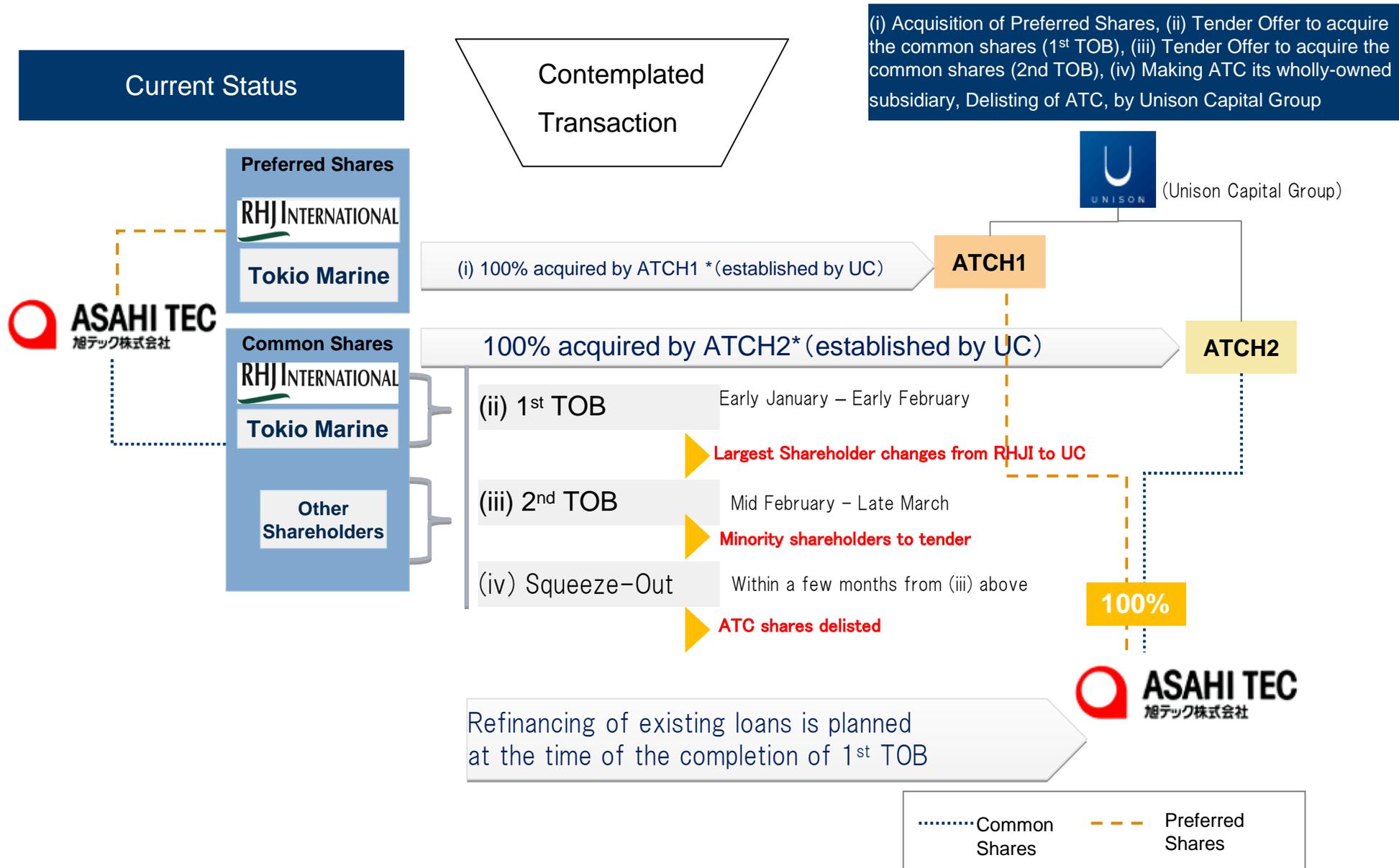
(3) Summary of the Opinion Obtained from a Person Who Has No Interest in the Controlling Shareholder to the effect that Transactions will not Undermine the Interests of Minority Shareholders

As stated in "2(5) Measures to Ensure Fairness of the Transaction, such as Measures to Ensure Fairness of the Purchase Price and Measures to Avoid Conflicts of Interest" and "2(5)(ii) Review by the Company's Special Committee" above, the Special Committee, comprised of directors who have no particular interest with the controlling shareholder (RHJI) or the Transaction and the Preferred Share Transaction, unanimously came to a decision on the answer statement to the effect that taking into account the Preferred Share Transaction and the entire Transaction comprised of the 1st TOB, the Second TOB and the Squeeze-Out to be implemented after the Second TOB, the Transaction as a whole is not considered to be unfavorable to minority shareholders. The Special Committee submitted the answer statement to the board of directors of the Company.

END

- (Reference) Outline of Acquisition (Exhibit 1)
- (Reference) The Bidder's press release (Exhibit 2).

Outline of the Transaction



* ATC Holdings I Kabushiki Kaisha established by UC (ATCH1), ATC Holdings II Kabushiki Kaisha (ATCH2). Shareholders of each are the same.

(Note) Above description is based on information provided by the bidder. Among (i) through (iv) above, (iv) is to be conducted by Asahi Tec upon request of the bidder.