

**TRANSLATION FOR REFERENCE PURPOSE ONLY**

*This notice has been translated from the original Japanese text of the timely disclose statement and is for reference purpose only. In the event of any discrepancy between the original Japanese and this translation, the Japanese text shall prevail.*

May 8, 2018

To whom it may concern:

Company Name: **Asahi Holdings, Inc.**  
Representative: Mitsuharu Terayama, Chairman & CEO  
(Code: 5857, First Section of the Tokyo Stock Exchange)  
Contact: Masaharu Sawada, Corporate Planning &  
Communications Department General Manager  
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**Overview of 8th Medium-term Business Plan**

Below is an overview of the Asahi Group's new 8th medium-term business plan (April 2018-March 2021), which was decided at today's board meeting.

1. The company slogan under the 8th medium-term business plan

**Building a global company that pursues originality and growth**

2. Consolidated performance targets

	FY2018 (year ending March 2019)	FY2019 (year ending March 2020)	FY2020 (year ending March 2021)
Revenue	¥120 billion	¥130 billion	¥140 billion
Operating Income	¥14 billion	¥15 billion	¥16 billion
Operating Income ratio	11.7%	11.5%	11.4%
ROE	14.1%	13.9%	13.5%

- At least 30% of our consolidated net profit shall be returned to shareholders in the form of steady, ongoing dividends.

Projected dividends for FY2018 (the year ending March 2019) are 74 yen higher than the previous year.

3. Basic policy
  - (1) **Building a new business foundation that will support the coming era**
  - (2) **Improving productivity and work styles utilizing information processing technology**
  - (3) **Sharing the Asahi Way with all employees group-wide**

4. Summary of key measures

**Basic policy 1: Building a new business foundation that will support the coming era**

- (1) Five-year vision for each business segment

While our 8th medium-term business plan is for the three-year period from FY2018 to FY2020, this plan looks five years ahead to our 70th anniversary. The five-year vision for each business segment is as follows.

**Precious Metals Business Segment: Be the number one precious metal refining in the world**

As the core business of the Asahi Group, our vision for this segment is to become more competitive in the market by establishing treatment and refining processes with higher quality, lower costs and greater efficiency. This segment shall also produce and sell precious metal products that provide a high degree of added value, and pursue a unique synergy effect with our smelting business that is unlike any other company. They shall establish the Asahi brand by expanding the domain of their production and sales of precious metals in the global market.

**Environmental Preservation Business Segment: Be a leader in the environmental business in Japan**

As a steadily growing business in the Asahi Group, this business segment shall strengthen its intermediary treatment capabilities while remaining focused on profitability. It shall also use its wide range of recycling and detoxification technologies to achieve more suitable processes, lower costs and a lower burden on the environment and establish a distinctive presence that balances a large business scale with quality.

**Life & Health Business Segment: Be the world's number one brand in the healthcare products business**

As a new growth business in the Asahi Group, this business segment shall expand its business through product development based on accurate understanding of customers' needs and the building of a unique business model. It shall also actively expand into the overseas market with products such as the massage chairs that are the backbone of its business, with the advanced technology and high quality that comes from Japanese manufacturing.

- (2) Augmenting of intangible capital

We will actively invest in human capital so that as many employees as possible are capable of working on the global level that is called for by current changes in the business environment. We will also carry on Asahi's tradition as masters of technology, actively investing in new technology such as AI to create new intellectual property within our organization.

**Basic policy 2: Improving productivity and work styles utilizing information processing technology**

We will carry out surveys and research on the latest technology such as AI, robotics, IoT, financial technology and image recognition to bring about innovation in our business with a long-term view.

**Basic policy 3: Sharing the Asahi Way with all employees group-wide**

We will amend our Asahi Way based on business expansion and changes in our business domain and make all employees in the Asahi Group aware of those new Asahi Way.

The Asahi Way (Revised on April 1st, 2018)

“Totally Committed to Protecting the Natural Environment and Conserve Resources”

**【 Our Credo 】**

We conserve limited natural resources, preserve the global environment, and support human health.

**【 Our Corporate Values 】**

(1)Cooperation with stakeholders

We constantly seek to earn even greater trust from shareholders, customers, business partners, employees, and local communities as we work to preserve the natural environment.

(2)Corporate governance with a balance of protective and proactive measures

We boldly promote growth strategies and business reform while securing transparency in decision-making and properly managing risk.

(3)No growth without profit

We realize long-term improvement of shareholder value by ensuring the entire group grows and is profitable.

(4)Trusted corporate brand

We aim to be widely recognized as an exemplary corporate group and to build a brand that will be trusted over many years.

(5)Addressing diverse risks

We strive to minimize risks and avert disasters by taking daily safety measures in workplaces and by constantly working to prevent accidents.

(6)Highly motivated employees

We promote work-life balance for employees and continuously improve working environments and conditions.

(7)Strong sense of mission and high ethical standards

We strive to be an organization where employees take pride in their own work and executives maintain a strong sense of mission and high ethical standards.

(8)Being a company of good people

We value good employees over the long-term; our vision of a "good employee" is a person who is not self-centered and who contributes to mutual prosperity and the development of the business.

**【 Our Employee Principles 】**

- (1) Innovate and embrace challenges
- (2) Put safety first
- (3) Maintain high quality
- (4) Promptly report (especially bad news)
- (5) Build trust and connection

**【The Asahi Holdings Group Code of Conduct】**

- (1) We comply with all laws and regulations
- (2) We respect the dictates of social norms and our own conscience
- (3) We treat everyone equally, regardless of age, gender, nationality, race, religion, or other characteristics
- (4) We refrain from conducting any political or religious activities in the workplace
- (5) We treat customers with sincerity
- (6) We practice fair competition and optimal decision-making when selecting business partners
- (7) We respect the confidential information obtained through our work and avoid disclosing it externally
- (8) We refrain from providing or receiving meals or gifts in pursuit of personal benefit
- (9) We act for the greater good, not for personal or affiliated parties' gain
- (10) We focus on the actual sites, actual things, and actual facts

**Disclaimer**

The plans such as performance targets detailed in this document are based on information available at this time and fixed premises that are deemed rational at this time. Various factors are uncertain, and these factors may cause the Asahi Group's actual performance to differ from this plan.