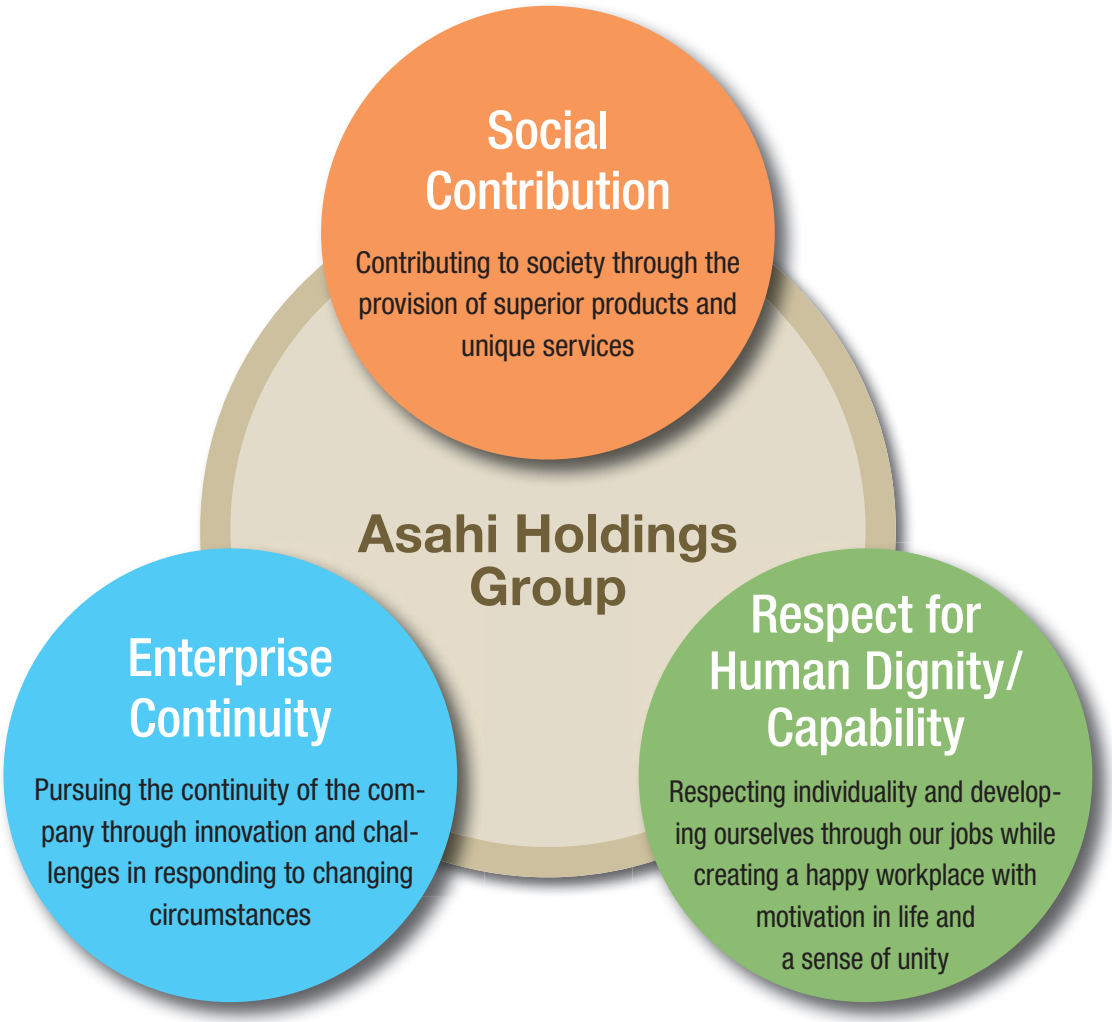
Company Overview

The Asahi Holdings Group complies in good faith with the demands of its customers and society in order to fulfill its responsibilities as a sensible industrial group.

Management Philosophy



Group Slogan

V11: Toward Change and Creation

The first three years from the establishment of Asahi Holdings is the “period of new company establishment” and everyone within the company group is working together as one toward the next stage — reform and creation.

Message from CEO

Contributing to the realization of a sustainable society through business development

An Environmental Century

Since our establishment in 1952, we have been working toward contributing to the wider society through business activities with the themes of "effective use of resources" and "protection of the earth's environment". The various types of environmental issues faced by the human race today make us even more aware of the finite nature of the earth's resources and we feel the growing importance of providing the various services including recycling and waste treatment that are central to our group business. We earnestly take on the mission of realizing a sustainable society in the new era and will continue to work toward making our group business activities useful to ensure a lasting society.

The "second business establishment" in Times of Global Financial Crisis

In April 2009, we began a brand new start by adopting a holdings company system to become the Asahi Holdings Group. Although we are sailing right into global financial crisis, we see it as a "second business establishment" during such dire times and the entire group is working toward obtaining new business opportunities and reducing costs. While the foggy future of the global economy remains unclear, I am aware that the most important management issues will be how to strengthen our business basis at a time like this and build a foundation for the leaps in the future. The 5th Medium-Term Management Plan devised last year is also being revised and we are working hard toward a higher goal.

In addition, as part of our strategy for future growth in the precious metals recycling business area we are now constructing new plants in Amagasaki city (Hyogo prefecture, Japan) and in the suburbs of Seoul (South Korea). Not only that, but in March this year we concluded a joint-venture contract with a local influential enterprise in Guangdong province, China. In the area of environmental protection business, we helped establish JW Glass Recycling, a subsidiary of Japan Waste Corporation in December last year. By continuing the M & A and such alliances, we have decided to expand a one-stop solution system regarding waste treatment. Our future plans include maintaining sound and stable profitability and financial foundation, proactively making investments with considerations given to the growth area and overseas markets, and realizing continuous business growth and improvement of corporate value.

Toward Realizing Profits with Balance between Stakeholders

The management of the group on the whole is built upon the relationships with our various types of stakeholders, regardless of what kind of relationship, securing one of our management philosophies of "enterprise continuity" is particularly important. For that reason, it goes without saying that we strive to thoroughly follow laws and moral principles; we also implement company-wide monitoring for strengthening our internal control in order to discover potential risks at an early stage. In addition to that, we relentlessly seek to improve the mobility and transparency of our management, aiming to establish a management system that can respond to the changes of the times. We will continue to make efforts on a daily basis and hope to be an enterprise group that can be trusted always as a member of the society.

Mitsuharu Terayama
Chief Executive Officer
May 2010

CORPORATE GOVERNANCE

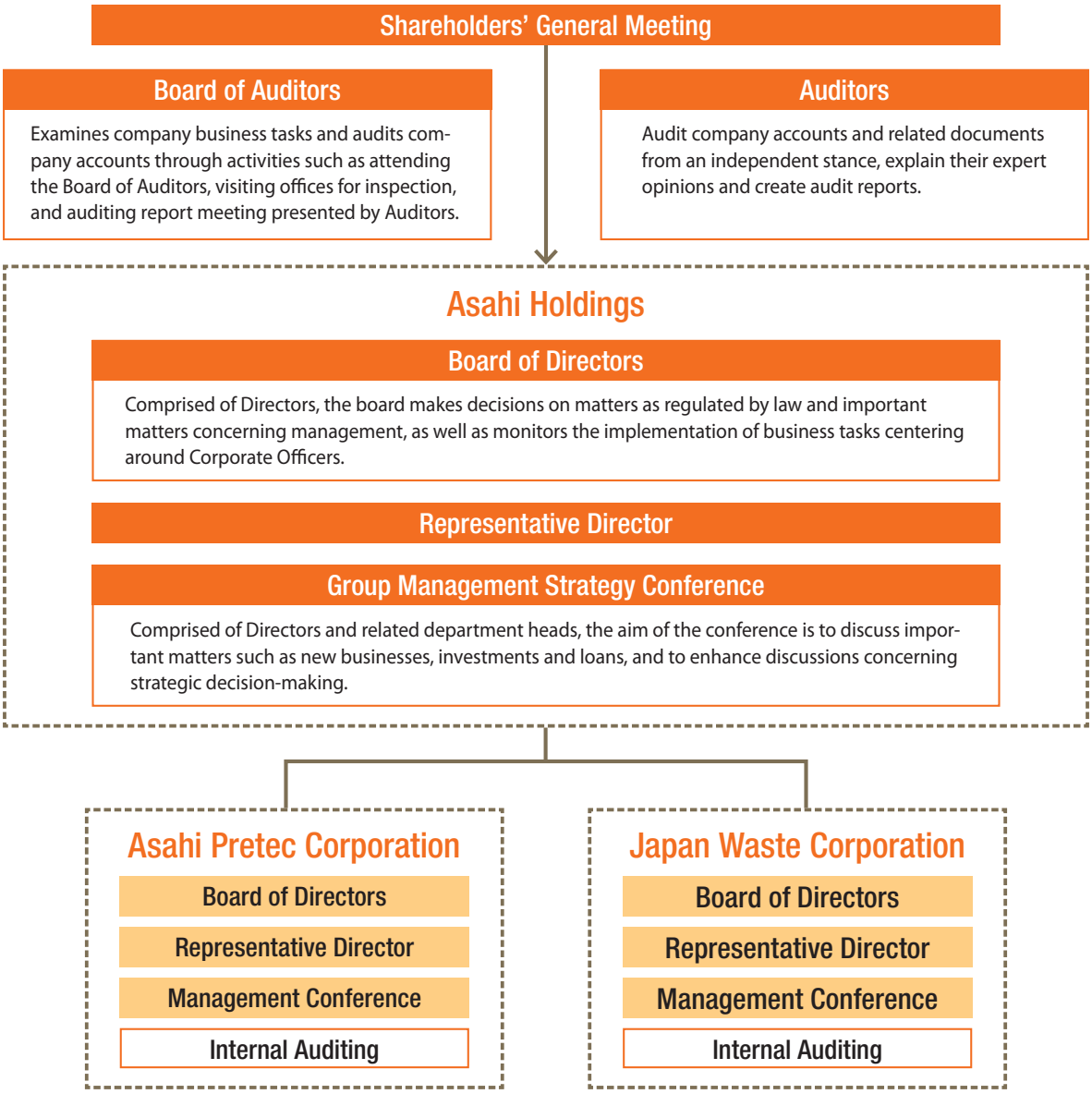
We aim to realize even stronger group governance and promote risk management by taking the opportunity of our conversion to a holding company.

Philosophy Regarding Corporate Governance

Asahi Holdings, being a holdings company, is at the center of the group's governance and carries the weight of the strategic functionality of the entire group, as well as acting as a compact organization to implement the tasks of risk management and responding to external accountability.

As operating companies, Asahi Pretec Corporation and Japan Waste Corporation advance projects through rapid decision making and optimal structures for executing operations that are suited to the characteristics of each sector, with the aim of strengthening their competitiveness and enlarging their earning capacity. Both companies strive to maximize corporate value for all of their stakeholders by fulfilling their respective duties.

Group Governance Structure



Establishing a System for Internal Control

We are working toward establishing internal control within the group by instituting rules and regulations (such as the Board of Directors Regulations, the Board of Auditor Regulations, the Corporate Officers Rules, the Internal Inspection Rules and the Internal Control Rules) as well as a management system that follows the Financial Instruments and Exchange Act.

In addition, an Outside Director has been allocated within the group since June 2009, with an independent board member being assigned to the holdings company since March 2010. We will be making efforts to continue adopting external viewpoints to further enhance our corporate governance.

Risk Management

Asahi Holdings itself retains risk management functions for the group as a whole. It conducts risk determinations, evaluations, and countermeasures for business activities with the goal of anticipating and preventing risks in advance to the maximum extent possible, as well as minimizing economic and social losses when said risks develop into hazards. We are working to fulfill our social responsibility and earn the trust of stakeholders through the proper application of risk management.

Compliance

Waste-related businesses are regulated by administrative approval and license where law-abiding awareness and behavior are extremely important norms. Asahi Holdings Group has set in place compliance regulations and manuals, and also carries out initiatives to constantly diffuse and thoroughly ensure a law-abiding awareness through employee education venues for all employees and venues for mutual communication among employees.

Education on the personal information protection policy

The Group Ethics Plan Serves as the Judgment Criteria for Employees

Officers and employees are called upon to conduct themselves with a spirit of legal compliance and with an ethical outlook in their decision-making and actions. On this account, the company provides specific examples suited to everyday work situations and strives to have our officers and employees both understand and implement our Group Ethics Plan.

Setting in Place Internal and External Contact Points for Matters which Run Counter to the Legal Compliance and Public Interest

In order to find and take action against any illegal or improper deeds or practices in our company as soon as possible, we have been providing an internal report scheme called the "Asahi Hotline," which has a contact point at an external law firm. We have also set up an internal contact point which accepts anonymous reports. With regard to the notified matters, the company has set in place a system for conducting investigations and taking corrective actions, with sufficient consideration given to the protection of privacy of both the accuser and the accused. The installation of this contact point is displayed on the top screen of the company's Intranet to make every employee aware of it.

GROUP OVERVIEW

We are expanding business activities on the recycling of precious metals and environmental protection, thereby contributing to the protection of the earth's environment.

Asahi Holdings, Inc.

●Company Profiles

Established: July 1952

Incorporated: April 2009

Capital: 4,480 million yen

Representative: Mitsuharu Terayama

Head Offices: Nissay Sannomiya Building 16F
4-4-17 Kano-cho, Chuo-ku, Kobe, Hyogo Prefecture
650-0001, Japan

Sapia Tower 11F
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
100-0005, Japan

Number of employees (consolidated): 1,192

URL: http://www.asahiholdings.com

(As of April 2010)

List of Officers:

CEO: Mitsuharu Terayama

Director: Yoshikatsu Takeuchi

Director: Tomoya Higashiura

Director: Tsutomu Sakurai

Director: Yukio Tanabe

Outside Director: Shoji Morii

Outside Auditor: Sumiaki Ariumi

Outside Auditor: Teigo Kobayashi

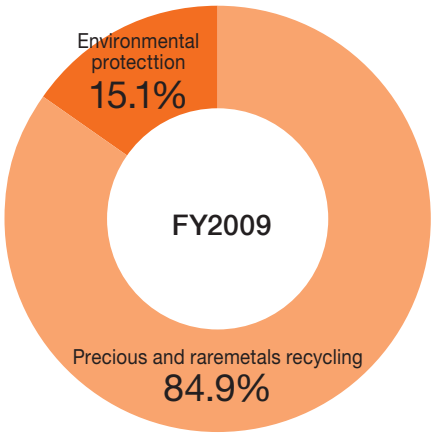
Outside Auditor: Kazuhiko Tokumine

(As of June 17, 2010)

Kobe Headquarters

Tokyo Headquarters

●Component Ratio of Group Sales by Business Segment



Asahi Pretec Corporation

●Company Profile

Business line: Precious metals / rare metals recycling and industrial waste treatment

Representative: Mitsuharu Terayama

Headquarters: Nissay Sannomiya Building 16F
4-4-17 Kano-cho, Chuo-ku, Kobe, Hyogo Prefecture
650-0001, Japan

Sapia Tower 11F
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
100-0005, Japan

Number of employees: 910

URL: http://www.asahipretec.com

<Domestic Business Footholds>

Research laboratory: Techno-Center

Plants: Saitama, Amagasaki, Kobe, Ehime, Fukuoka, Kitakyushu, Kitakyushu Hibiki

Recycling centers: Saitama, Chiba, Amagasaki

Offices: Sapporo, Aomori, Sendai, Niigata, Kitakanto, Kanto, Yokohama, Kofu, Shizuoka, Nagoya, Hokuriku, Kobe, Okayama, Hiroshima, Shikoku, Fukuoka, Kitakyushu, Kagoshima, Okinawa

<Overseas Bases>

Asahi G&S Sdn. Bhd. (Malaysia)

Shanghai Asahi Pretec Co., Ltd.

Asahi Kanfort Environmental Management Co., Ltd.

Asahi Pretec Korea Co., Ltd.

(As of April 2010)

Japan Waste Corporation

●Company Profile

Business line: Environmental protection
(Industrial waste treatment and other environmental protection businesses)

Representative: Yoshikatsu Takeuchi

Headquarters: Nissay Sannomiya Building 16F
4-4-17 Kano-cho, Chuo-ku, Kobe, Hyogo Prefecture
650-0001, Japan

Sapia Tower 11F
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
100-0005, Japan

Number of employees: 266

URL: http://www.japanwaste.co.jp

<Subsidiaries>

Nihon Chemitech Co., Ltd. (HQ: Kawaguchi, Saitama Prefecture)

JW Glass Recycling Co., Ltd. (HQ: Koto-ku, Tokyo)

Fuji Rozai Co., Ltd. (HQ: Ota-ku, Tokyo)

Sansho Co., Ltd. (HQ: Yokohama, Kanagawa Prefecture)

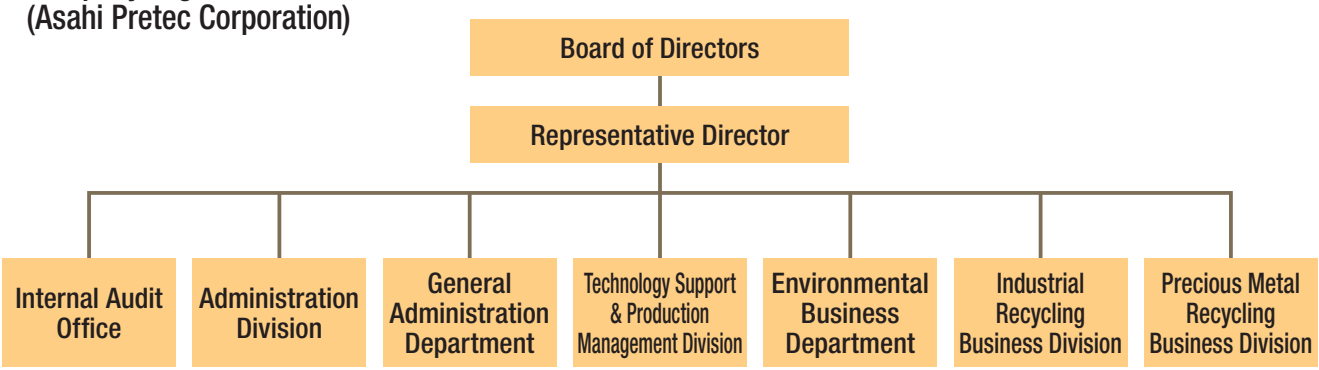
Shioiri Kenzai Co., Ltd. (HQ: Nagano, Nagano Prefecture)

Iyotec Co., Ltd. (HQ: Akashi, Hyogo Prefecture)

Taiyo Chemical Co., Ltd. (HQ: Kagoshima, Kagoshima Prefecture)

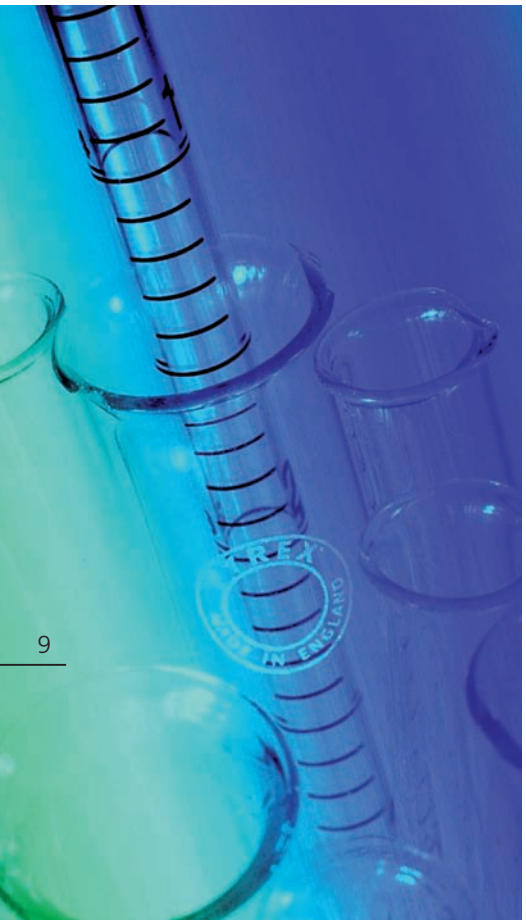
(As of April 2010)

●Company Organization Chart (Asahi Pretec Corporation)



Business Introduction

PRECIOUS METAL RECYCLING

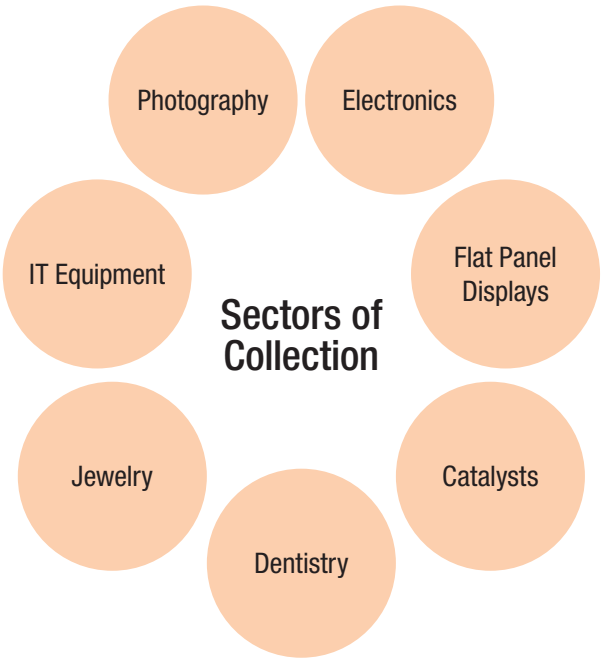


Utilizing Effectively the Limited Resources to Contribute to the Earth and Society.

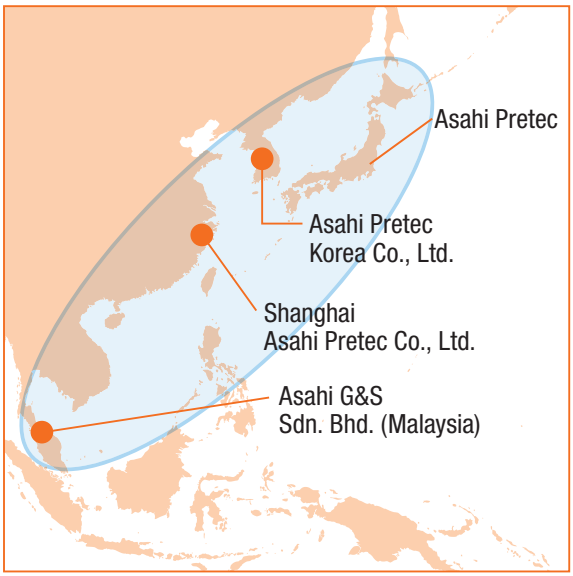
With Asahi Pretec Corporation at the core, we collect and recycle scraps containing precious and rare metals found in various industries and products.
We contribute to the effective use of resources and the development of industry by means of reproducing precious and rare metals such as gold, silver, palladium, platinum, and indium as metal products that are indispensable to advanced manufacturing.

Precious Metal Raw Materials are Recovered from Wide Array of Sectors and Regions.

By utilizing our unique technology and know-how, as well as business networks in and outside of Japan, we efficiently collect and recycle precious and rare metal resources from various industrial areas such as electronics, flat panel displays, monitors, catalysts, dentistry, jewelries, information equipment and photography.



Business Network



Our Reliable Quality Receives High Accolades from Japan and Overseas.

Asahi Pretec is a regular member of the Japan Gold Metal Association and its gold, silver, platinum and palladium metals are recognized as brand products for the delivery supply of the Tokyo Commodity Exchange. Not only that, its metals are highly regarded in the global market for their reliable quality, with gold and silver being recognized by the London Bullion Market Association (LBMA), and platinum and palladium being certified by the London Platinum and Palladium Market (LPPM) as good delivery bars.

TOPICS 1

Construction of a New Plant in South Korea

Within 2010 a new plant will be constructed in South Korea, where global manufacturers from areas ranging from semiconductors, flat panel displays, electronic components, etc. come together.
With the further expansion of the electronics business overseas, we will expand its know-how in the dentistry area accumulated in Japan to overseas.

Rendering of the plant in South Korea

TOPICS 2

Conclusion of a Joint-Venture Contract with a Local Influential Enterprise in China

Shanghai Asahi Pretec Co., Ltd. (wholly owned subsidiary of Asahi Pretec) and Kanfort Industrial (Jiangmen) Precious Metals Co., Ltd. (subsidiary of the Kanfort International Holdings Limited) have concluded a joint-venture contract to establish in Jiangmen City of Guangdong Province the company Asahi Kanfort(Jiangmen)Environmental Management Co.,Ltd. for developing the precious metal recycling business in China.

Business Introduction

Precious Metal Recycling

Electronics

In the electronic materials field, we meet the requirements for the recovery and recycling of precious and rare metals that are discharged from the manufacturing processes for computers, electronic parts used in cell phones and other devices, and printed circuit boards, with distinguished technology. For the plating treatment field, we have been engaged mainly in the recycling of precious metals contained in plating solutions.

We propose various collection systems to meet the needs of user production lines, such as our uniquely developed electrolytic precious metal collection devices ZIPANG and PLATA. Along with the recovery of precious metals like gold, silver, and palladium, we also provide environmentally friendly recovery technology for rare metals and the like, which includes recycling, water treatment and reuse.

● Flowchart for the Recovery of Gold and Silver from Plating Solutions

Electrolysis machine

Standard specifications
▼
Customizing

Precious metal recovery equipment (installed in the plating line)

Maintenance

Precious metal recovery

Refining and smelting

Flat Panel Displays

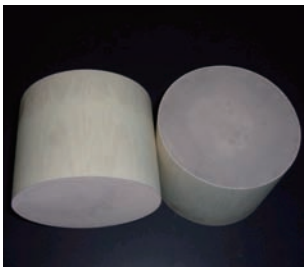
Indium, silver and other metals are used in flat panel displays used in LCD or plasma televisions, etc. As the flat panel display market is said to maintain a high growth rate over a medium term, the recycling of precious and rare metals is becoming more of a vital issue.

Asahi Pretec is working to recycle these precious and rare metals through our proprietary advanced technology.

Discharge from flat panel display manufacturing factories → Inspection → Pre-treatment → Refining → Smelting → Commercialization

Catalysts

In the area of catalysts, precious metals are used as automotive catalysts under environmental regulations concerning exhaust fumes set forth in the Air Pollution Control Act, the NOx • PM Act for automotive area, and other laws. We are making efforts to recycle precious metals from automotive catalysts, chemical catalysts, etc. utilizing our unique technology know-how.



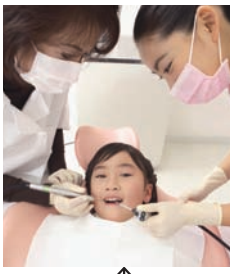
Automotive catalysts

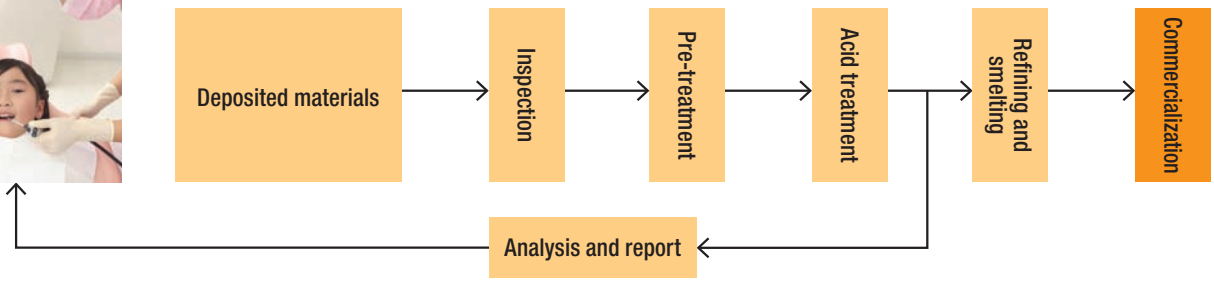
Dentistry

Removed tooth crowns and cast chips from dental clinics and dental laboratories are valuable precious metal resources. With our unique management system, Asahi Pretec conducts dual/triple cross checks on each process to improve the accuracy of the analyzed values and shorten the period of analysis.

Jewelry

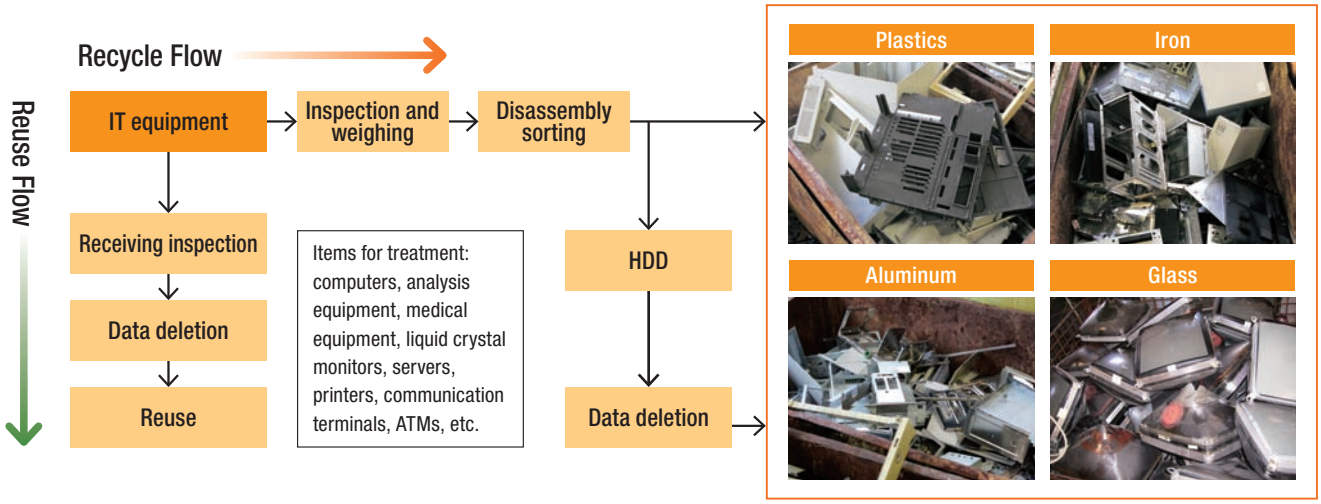
With thorough individual control, an advanced analytic grade, and precious metal refining technology, we have achieved a high recovery ratio for buffing powders, electrolytic polishing solutions, and cutting dusts that are disposed of by jewelry manufacturers and processors. We are subcontracted by organizations in the jewelry manufacturing industry for "precious metal scrap collection and analysis," and Asahi Pretec's many years of proven performance have earned the profound confidence of all of our customers.





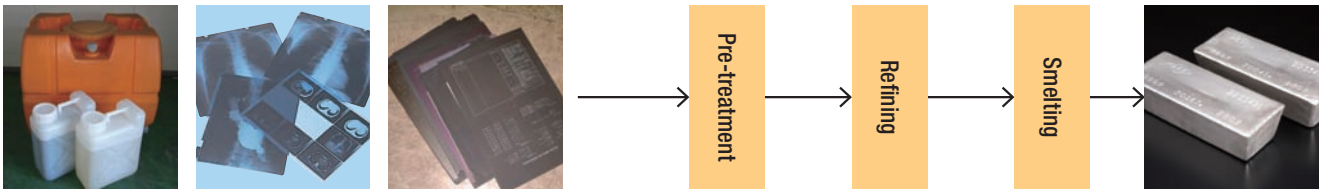
IT Equipment

Computers and other IT equipment are collected from the offices, factories, data centers throughout nation and consigned to our processing centers for optimum material recycling by disassembling and sorting into various parts and material which contributes to reducing environmental burden. We take responsibility to ensure information security and prevent leaking of corporate and personal information through measures such as implementing complete erasure of HDD data.



Photography

We collect photographic effluents, X-ray film, and printing plate film that are disposed of by photographic developers, medical institutions, printing plate makers, and others, and then recycle the silver and detoxify the remaining solutions. Film cases, cartridges,and medicine bottles are also recycled as raw materials after being compressed and crushed to achieve zero-emission material recycling.



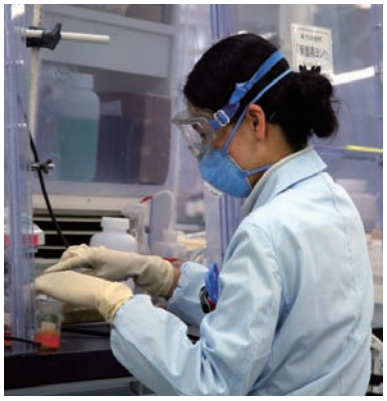
Fixer　X-ray film　Printing plate film　Silver bullion

RESEARCH & DEVELOPMENT

1. R & D

We strive to create new products and new businesses by always being the first to understand needs, applying accumulated elemental technologies and developing new technologies.

(1) Technology for separating, refining and analyzing precious and rare metals.
(2) Precious metal molding and refining technology.
(3) Applied electrolysis technology.
(4) Environmental protection and resource recycling technology.



2. Analysis

As Asahi Holdings Group's core analysis function, we support a diversity of corporate activities using the latest analytical equipment and high-level analysis technology. In addition, we steadily maintain and further the trust of our customers and client companies.

(1) Development of new analysis technologies.
(2) Technical guidance for analysis groups at each plant and sales office.
(3) Purity analyses of precious metal products and dental alloys.
(4) Environmental analysis of issues such as factory wastewater discharges.
(5) Environmental measurement certification.

Inductively Coupled Plasma Mass Spectrometer (ICP-MS)

3. Production Technology

Using cutting-edge technology, experts from each business area design, produce, construct and provide maintenance of facilities in domestic and overseas subsidiaries, helping to support safe and stable operation of the facilities.

(1) Designing, production, construction and maintenance of facilities and buildings.
(2) Maintenance control of existing facilities.
(3) Installation of precious metals collection facilities for our customers and after-sales service.

TOPICS Putting Technology-Related Divisions Together at the Techno Center and Constructing a New Test Building.

Since the inception of the Techno Center in 1998, we have been using the center for our own research development and analytical technique development. In September 2009, the Manufacturing Department and the Environment & Safety Management Department of our Kobe headquarters, as well as the Production Technology & Engineering Department of the Kobe Office were transferred to the Techno Center. In addition, the new test building has effectively allowed the R&D Department to conduct demonstration experiments and the Production Technology & Engineering Department to develop facilities.

This gathering of the departments has provided an opportunity to further strengthen the organic linkage of all technical divisions, thus allowing quality improvement and technical innovations.

Business Introduction

ENVIRONMENTAL PROTECTION BUSINESS

We are Working Towards the Realization of a Sustainable Material-Cycle Society as an Expert of Waste Treatment.

We perform the detoxification and appropriate disposal of various types of waste to contribute to resolving global environmental issues. We respond to our customers' variegated needs by offering the proprietary technology which our Group companies have cultivated over many years in their respective fields.

WE OFFER TOTAL SOLUTIONS REGARDING INDUSTRIAL WASTE AND SPECIALLY CONTROLLED INDUSTRIAL WASTE.

Asahi Holdings Group boasts the largest business network in the field of industrial waste management. With business centers located throughout Japan, we offer dedicated services to our customers.

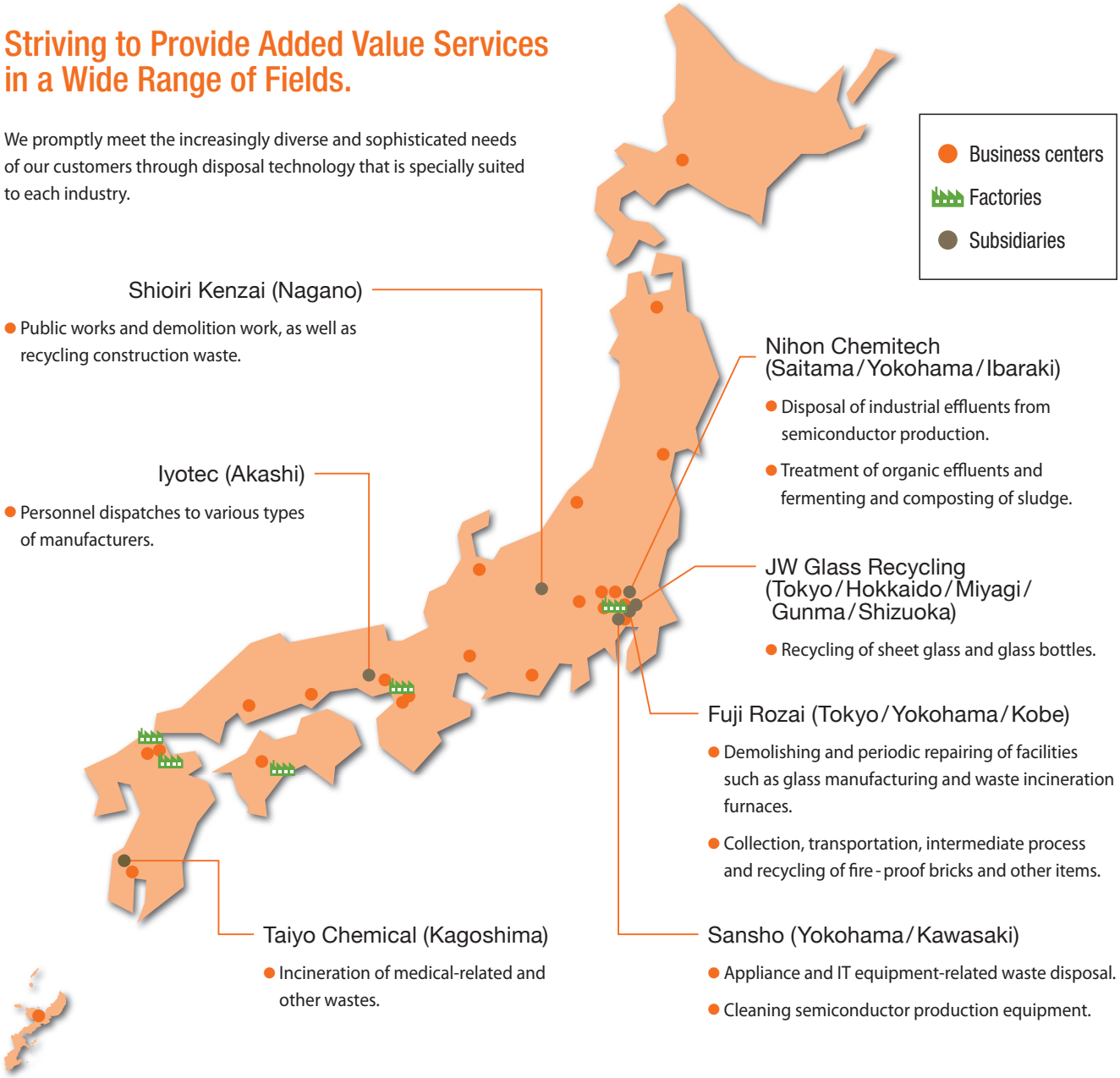
Acquisition of Licenses by Our Group

- Operating permit to collect and transport industrial waste
  47 prefectures and 62 government ordinance cities
- Operating permit to dispose of industrial waste
  15 prefectures and 10 government ordinance cities
- Operating permit to collect and transport specially controlled industrial waste
  47 prefectures and 62 government ordinance cities
- Operating permit to dispose of specially controlled industrial waste
  12 prefectures and 8 government ordinance cities

(As of March 31, 2010)

Striving to Provide Added Value Services in a Wide Range of Fields.

We promptly meet the increasingly diverse and sophisticated needs of our customers through disposal technology that is specially suited to each industry.



Aiming to Realize One-Stop Solutions for Waste.

We have acquired permission for the collection, transportation, and intermediate treatment of most articles of industrial waste and specially controlled industrial waste, and have created a structure that allows us to dispose of such waste appropriately and promptly.

Furthermore, we are promoting the establishment of distinguished detoxification and disposal technology and a zero-emission system for industrial waste by realizing one-stop solutions within our group.

Customers

- Educational institutions (Universities; elementary, middle, and high schools; Boards of Education)
- Government and public offices
- Chemical reagent manufacturers
- Other types of manufacturers
- Research institutions
- Analysis offices
- Hospitals, doctor's offices, etc.

→

Collection, Transportation, and Intermediate Treatment

Collection and transportation

● Industrial waste

17 articles, including waste acids, waste alkalis, waste oil, sludge, waste plastics, etc.

● Specially controlled industrial waste

11 articles, including waste acids, waste alkalis, specially designated waste acids, infectious waste, specially designated waste oil, flammable waste oil, etc.


Wing Truck


Lorry Truck

Intermediate treatment

- Neutralization
- Condensation and precipitation
- Concentration
- Dewatering


Waste effluent treatment facility

- Cyanide decomposition
- Separation of oil from water
- Incineration


Incinerator

- Drying
- Cleaning
- Sorting, compressing, crushing
- Melting

→

Recycle

Landfill

Treatment of Specifically Hazardous Waste Acid, Waste Alkaline and Sludge

It is necessary to adequately treat wastes acid/alkaline discharged from factories and business offices and waste reagents used at laboratories of universities or private enterprises. With a thoroughly devised safety management system, the Asahi Holdings Group harnesses the technologies cultivated over the long years to treat such waste materials at dedicated lines at each plant and detoxifies. Waste test reagents, in particular, are collected with every bottle separately packed in plastic bag to prevent mixing. In addition to that, the containers are classified and stored as regulated by the classification standard of our company group, implementing measures to prevent the occurrence of abnormal chemical reaction during collection, transportation and storage. In case of waste reagents with unknown content due to test chemical bottles without labels, we analyze them and provide adequate treatment support.

Packing

Waste reagents treatment facility

High-Speed Microbial Treatment of Waste Acid/Alkaline and Sludge

When it comes to waste liquids from factories and business offices, the liquids are detoxified using our unique technology and microbial treatment (purified until the level reaches below the discharge standard) after hazardous substances (even when containing nitrogen and phosphorus) are removed and before being discharged.

Energy consumption and carbon-dioxide emissions, in particular, are lower compared to other treatment processes.

On the other hand, the neutralization of waste liquids and dewatered sludge (of copper, iron, zinc, etc.) are effectively used as material for things such as metal refining and land reclamation. Non-recyclable sludge is disposed of in landfills.

Main Recycling

● Recycling of Fire-Proof Bricks

Disused fire-proof bricks from furnace demolishing and periodic repairing work, such as glass manufacturing and waste incineration furnaces, or fly ashes produced during replacement of bag filter for the dust collector are finely separated after hazardous substances (heavy metals and dioxins) are analyzed and treated with an aim to achieve high recycling rate of these as fire-proof bricks and paving material.

● Recycling of Glass

We collect sheet glass, glass bottles and other products from glass manufacturers, sash manufacturers, municipalities and so forth. The sheet glass scraps and glass bottles collected are sorted and crushed at our plants, before being recycled and sold as high-quality glass cullet. Materials that cannot be reused as raw glass material are recycled as paving material. We are helping to prevent the exhaustion of mineral resources and reduce environmental burdens through glass recycling.

● Recycling of Organic Sludge

Organic waste liquids from food systems and sludge discharged from food manufacturing factories and restaurant chains are neutralized and dewatered. The filtered liquid is treated with micro organisms to detoxify (purified until it reaches the level below the discharge standard value), before being discharged into the sewer.

Sludge is turned into compost at fermentation and maturing plants turning it into recycled fertilizer for effective use by farmers.

● Cleansing of Hazardous Wastes

We cleanse hazardous wastes attached to semi-conductor manufacturing devices and all kinds of laboratory equipment used by semi-conductor manufacturers, electronic component manufacturers and research laboratories. After the cleansing treatment, the devices and equipments are then divided by material type and recycled in order to reduce environmental burdens.