

February 26, 2010

To whom it may concern:

Company Name: Asahi Holdings, Inc.  
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### Notice Concerning Establishment of a Joint Venture Company in China by Our Subsidiary

Asahi Holdings, Inc. hereby announces that the Shanghai Asahi Pretec Co., Ltd., which is a wholly-owned subsidiary of our subsidiary, Asahi Pretec Corp., has resolved to establish a joint venture company in China as follows.

#### Notes

##### 1. Summary

Shanghai Asahi Pretec Co., Ltd. (headquartered in Shanghai City), which is a wholly-owned subsidiary of our group company, Asahi Pretec Corp., will be establishing a joint venture company, Asahi Kanfort Environmental Management Co., Ltd. in Jiangmen City, Guangdong Province with Kanfort Industrial (Jiangmen) Precious Metals Co., Ltd. (headquartered in Jiangmen City) of Kanfort International Holding Limited for developing a precious metals recycling business in China. The joint venture company will be capitalized at 15 million RMB, with the investment ratio to be 40% by Shanghai Asahi Pretec Co., Ltd., and 60% by Kanfort Industrial (Jiangmen) Precious Metals Co., Ltd. This company will address businesses other than those categories already being developed by both companies in China.

The joint venture agreement is scheduled to be concluded in mid-March, 2010, and operations are expected to begin around spring 2011, by which time the various approvals and licenses will have been obtained.

Kanfort International Holding Limited was established in 1987, is headquartered in Hong Kong, with approximately 1,500 employees, and sales of approximately 12 billion RMB last year, and has established business relationships with several hundred companies worldwide, and is the largest precious metals processing, manufacturing and sales company in China.

##### 2. Schedule (Planned)

Mid-March 2010	Conclusion of joint venture agreement
Around Spring 2011	Beginning of operations

##### 3. Future Prospects

There will be no effects associated with this event on the consolidated business results of Asahi Holdings, Inc. for the fiscal year ending March 2010.

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