



NEWS RELEASE

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### **Announcement of New Medium-term Business Plan**

*Note: The original announcement in Japanese was released on May 17, 2019.*

ALCONIX has formulated a new medium-term business plan that covers the three-year period ending in March 2022.

ALCONIX continues to adopt a “rolling-style” business plan that it reviews once a year to quickly respond to changes in the business environment.

#### 1. Overall strategy

ALCONIX Group has established the following goals for the purpose of further increasing our corporate value by aiming to become **an integrated company that combines trading and manufacturing capabilities**.

- (1) To continue growing, we will seek M&A opportunities in the trading and manufacturing businesses and make investments to start and expand new businesses. We will place priority on M&A and business investments involving manufacturing in order to make manufacturing a larger share of our total earnings.
- (2) Further expand the scale of our operations involving electronic and advanced materials, which are industries where Japanese companies have leading positions. Activities include expanding the trading of minor metals, which are vital for the production of electronic products and advanced materials.
- (3) Expand trading of aluminum and copper - the core business of the ALCONIX Group.
- (4) Bolster the recycling business in Japan and overseas for environmental protection.
- (5) Maximize trading capabilities to further expand the overseas network to meet client needs, and increase local and trilateral transactions.

#### 2. Performance targets (numerical goals are for the fiscal year ending March 31, 2022, the plan’s final year)

We have established the following numerical goals as part of this medium-term business plan in order to raise ordinary profit to 10 billion yen and market capitalization to 100 billion yen as quickly as possible.

Profit targets	Ordinary profit	Over 10,000 million yen (Forecast for the fiscal year ending March 31, 2020: 7,000 million yen )
	Profit (Profit attributable to owners of parent)	Over 7,000 million yen (Forecast for the fiscal year ending March 31, 2020: 4,700 million yen )
Management benchmarks	ROE	Around 13 – 15%
	NetDER	Around 1.0 – 1.3x
Investment plans	25-30 billion yen over three years *Target: M&As (including investments currently under consideration); business investments; net capital expenditure (capital expenditure – depreciation)	

For more information, please read the attachments.