

Asahi Holdings, Inc. Flash Report (Consolidated Basis)

Asahi Holdings, Inc.(Securities No.5857, Tokyo Stock Exchange first section)
 (URL <http://www.asahiholdings.com>)
 CEO& COO: Mitsuharu Terayama
 For information, contact: Yukio Tanabe, Director, Corporate Financial Officer
 (Phone: +81-3-6270-1833)

1. Consolidated results for the first half of the fiscal year ending March 31, 2010

(From April 1, 2009 to September 30, 2009)

(1) Consolidated operating results

[Rounded off to millions of yen]

	The six months ended September 30, 2009	The six months ended September 30, 2008
	(%)	(%)
Net sales (Millions of yen)	35,856 (—)	— (—)
Operating income (Millions of yen)	2,722 (—)	— (—)
Ordinary income (Millions of yen)	2,691 (—)	— (—)
Net income (Millions of yen)	1,566 (—)	— (—)
Net income per share for the first half	¥48.63	— —
Diluted net income per share for the first half	— —	— —

Notes: The Company has changed its LIFO method for inventories to gross average method from the beginning of the fiscal year ending March 2010 (April 1, 2009 ~March 31,2010). Cumulative consolidated operating income for the second quarter of the fiscal year ending March 2010 decreased by ¥296 millions with this change.

(2) Changes in the consolidated financial position

	As of September 30, 2009	As of March 31, 2009
Total assets (Millions of yen)	44,526	—
Net assets (Millions of yen)	28,038	—
Equity ratio (%)	63.0	—
Net assets per share	¥870.33	— —

Note: Equity capital (millions of yen)

The six months ended September 30,2009: 28,038 Fiscal year ended March 31,2009: —

2. Dividends

	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2010	the fiscal year ended March 31, 2010 [forecast]
Dividends per share			
-The three months-end dividend(Yen)	—	—	—
-Interim dividend(Yen)	—	—	25.00
-The nine months-end dividend(Yen)	—	—	—
-Year -end dividend(Yen)	—	—	25.00
-Annual dividend(Yen)	—	—	50.00

Notice: Changes in forecast of dividends for this half: None

3. Forecast for the fiscal year ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

	Full year
	(%)
Net sales (Millions of yen)	76,000 (—)
Operating income (Millions of yen)	5,400 (—)
Ordinary income (Millions of yen)	5,400 (—)
Net income (Millions of yen)	3,000 (—)
Forecasted net income per share (Yen)	93.12

Notes: Changes in forecast for this half: None

(Notice for the use of the forecasts, and other instructions)

- (1) The financial forecasts stated above are based on currently available information. They may fluctuate according to various factors including economic situations and financial trends.
- (2) There are no figures for the preceding fiscal year since the Company was incorporated on April 1, 2009.

CONSOLIDATED BALANCE SHEET

At September 30, 2009

	At September 30, 2009		At September 30, 2009
	Millions of yen	%	Thousands of U.S.dollars
<u>ASSETS</u>			
Current assets			
Cash and deposits	2,516		27,891
Notes and accounts receivable-trade	4,259		47,215
Merchandise and finished goods	3,028		33,566
Work in process	6,584		72,986
Raw materials and supplies	62		692
Other	825		9,152
Allowance for doubtful accounts	(8)		(90)
Total current assets	17,267	38.8	191,413
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	8,877		98,413
Land	11,498		127,461
Other, net	4,119		45,667
Total property, plant and equipment	24,495	55.0	271,542
Intangible assets			
Goodwill	1,603		17,772
Other	610		6,768
Total intangible assets	2,213	5.0	24,540
Investments and other assets			
Total investments and other assets	549	1.2	6,089
Total noncurrent assets	27,258	61.2	302,171
Total assets	44,526	100.0	493,584
<u>LIABILITIES</u>			
Current liabilities			
Notes and accounts payable-trade	2,140		23,727
Short-term loans payable	11,700		129,697
Current portion of long-term loans payable	3		40
Income taxes payable	165		1,833
Provision for bonuses	649		7,197
Provision for repairs	49		549
Other	1,418		15,729
Total current liabilities	16,126	36.2	178,772
Noncurrent liabilities			
Provision for retirement benefits	200		2,223
Other	160		1,778
Total noncurrent liabilities	360	0.8	4,001
Total liabilities	16,487	37.0	182,773

	At September 30, 2009		At September 30, 2009
	Millions of yen	%	Thousands of U.S.dollars
<u>NET ASSETS</u>			
Shareholders' equity			
Capital stock	4,480	10.1	49,671
Capital surplus	4,510	10.1	50,002
Retained earnings	24,982	56.1	276,932
Treasury stock	(5,920)	(13.3)	(65,635)
Total shareholders' equity	28,052	63.0	310,970
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	7	0.0	82
Deferred gains or losses on hedges	(1)	(0.0)	(19)
Foreign currency translation adjustment	(20)	(0.0)	(223)
Total valuation and translation adjustments	(14)	(0.0)	(160)
<u>TOTAL NET ASSETS</u>	<u>28,038</u>	<u>63.0</u>	<u>310,811</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>44,526</u>	<u>100.0</u>	<u>493,584</u>

U.S. dollar amounts represent translations using the approximate exchange rate on September 30, 2009 of yen 90.21=US\$1, and are included solely for the convenience of readers.

CONSOLIDATED STATEMENTS OF INCOME

For the six months ended September 30, 2009

	2009		2009
	Millions of yen	%	Thousands of U.S.dollars
Net sales	35,856	100.0	397,475
Cost of sales	31,087	86.7	344,617
Gross profit	4,768	13.3	52,858
Selling, general and administrative expenses	2,045	5.7	22,676
Operating income	2,722	7.6	30,182
Non-operating income	53	0.1	596
Non-operating expenses	85	0.2	946
Ordinary income	2,691	7.5	29,831
Extraordinary income	0	0.0	8
Extraordinary loss	23	0.1	257
Income before income taxes and minority interests	2,668	7.4	29,583
Income taxes-current	140	0.4	1,553
Income taxes-deferred	961	2.6	10,662
Income taxes	1,101	3.0	12,215
Net income	1,566	4.4	17,368

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CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended September 30, 2009

	2009	2009
	Millions of yen	Thousands of U.S.dollars
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,668	29,583
Depreciation and amortization	1,049	11,634
Impairment loss	7	87
Amortization of goodwill	110	1,220
Amortization of negative goodwill	(1)	(21)
Increase (decrease) in provision for retirement benefits	47	522
Interest and dividends income	(3)	(35)
Interest expenses	29	328
Loss (gain) on sales and retirement of noncurrent assets	14	159
Decrease (increase) in notes and accounts receivable-trade	151	1,681
Decrease (increase) in inventories	(556)	(6,172)
Increase (decrease) in notes and accounts payable-trade	631	7,005
Increase (decrease) in accounts payable-other	(611)	(6,783)
Other, net	451	5,006
Sub-total	3,988	44,214
Interest and dividends income received	3	40
Interest expenses paid	(29)	(323)
Income taxes paid	(123)	(1,366)
Income taxes refund	460	5,103
Net cash provided by (used in) operating activities	4,300	47,667
Net cash provided by (used in) investing activities		
Proceeds from collection of guarantee deposits	6	69
Purchase of property, plant and equipment	(696)	(7,724)
Proceeds from sales of property, plant and equipment	4	50
Purchase of intangible assets	(437)	(4,849)
Purchase of stock of subsidiaries and affiliates	(45)	(499)
Purchase of investments in subsidiaries	(8)	(97)
Other payments	(42)	(473)
Net cash provided by (used in) investing activities	(1,219)	(13,523)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,600)	(17,736)
Repayment of long-term loans payable	(7)	(79)
Repayments of finance lease obligations	(5)	(66)
Purchase of treasury stock	(0)	(1)
Cash dividends paid	(802)	(8,896)
Net cash provided by (used in) financing activities	(2,415)	(26,779)
Effect of exchange rate change on cash and cash equivalents	27	304
Net increase (decrease) in cash and cash equivalents	691	7,669
Cash and cash equivalents at beginning of period	1,824	20,222
Cash and cash equivalents at the end of period	2,516	27,891

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