

**Asahi Holdings, Inc. Flash Report (Asahi Pretec Corp., and its Consolidated Basis)**

Asahi Holdings, Inc.(Securities No.5857, Tokyo Stock Exchange first section)  
(URL <http://www.asahiholdings.com>)

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**1. Consolidated results for the year ended March 31, 2009**

(From April 1, 2008 to March 31, 2009)

**(1) Consolidated operating results** [Rounded off to millions of yen]

	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2008
	(%)	(%)
Net sales (Millions of yen)	126,444 ( 7.6)	117,460 ( 20.3)
Operating income (Millions of yen)	△ 391 ( -)	10,825 ( 13.0)
Ordinary income (Millions of yen)	△ 514 ( -)	10,858 ( 13.4)
Net income (Millions of yen)	△ 565 ( -)	6,450 ( 12.8)
Net income per share	△¥16.91	¥180.93
Diluted net income per share	- -	¥180.77
Return on equity (%)	△ 1.9	20.2
Ratio of ordinary income to total assets (%)	△ 1.0	22.3
Ratio of operating income to net sales (%)	△ 0.3	9.2

Note: Equity in earnings of unconsolidated subsidiaries and affiliates: None

**(2) Changes in the consolidated financial position**

	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2008
Total assets (Millions of yen)	45,634	55,618
Net assets (Millions of yen)	27,075	32,000
Equity ratio (%)	59.3	57.5
Net assets per share	¥840.18	¥935.05

Note: Equity capital (millions of yen)

Fiscal year ended March 31, 2009: 27,066

Fiscal year ended March 31, 2008: 31,966

**(3) Consolidated cash flows**

	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2008
Operating activities (Millions of yen)	11,955	△ 878
Investing activities (Millions of yen)	△ 5,630	△ 4,147
Financing activities (Millions of yen)	△ 6,437	5,380
Cash and cash equivalents at the end of fiscal year (Millions of yen)	1,824	2,054

## 2. Dividends

	the fiscal year ended March 31, 2008	the fiscal year ended March 31, 2009	the fiscal year ended March 31, 2010 [forecast]
Dividends per share			
-The three months-end dividend(Yen)	—	—	—
-Interim dividend(Yen)	25.00	25.00	—
-The nine months-end dividend(Yen)	—	—	—
-Year -end dividend(Yen)	25.00	25.00	—
-Annual dividend(Yen)	50.00	50.00	—
Total dividend [annual] (Millions of yen)	1,759	1,660	—
Dividend ratio [consolidated] (%)	27.6	—	—
Net assets dividend rate [consolidated] (%)	5.5	5.6	—

Notice: Regarding the forecast for the fiscal year ended March 31, 2010 [forecast] , referred to “Notice of Revision of Earnings Forecasts and Dividends Forecasts for the fiscal year ending March 31, 2010” in the news release of Asahi Holdings, Inc. .

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

	1 <sup>st</sup> half		Full year	
Net sales (Millions of yen)	—	( —)	—	( —)
Operating income(Millions of yen)	—	( —)	—	( —)
Ordinary income (Millions of yen)	—	( —)	—	( —)
Net income (Millions of yen)	—	( —)	—	( —)
Forecasted net income per share (Yen)	—		—	

Notice: Regarding the forecast for the fiscal year ending March 31, 2010, referred to “Notice of Revision of Earnings Forecasts and Dividends Forecasts for the fiscal year ending March 31, 2010” in the news release of Asahi Holdings, Inc. .

CONSOLIDATED BALANCE SHEET

At March 31, 2009 and 2008

	At March 31, 2009		At March 31, 2008		At March 31, 2009
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
<b>ASSETS</b>					
Current assets					
Cash and deposits	1,824		2,054		18,571
Notes and accounts receivable-trade	4,410		4,858		44,901
Inventories	—		21,251		—
Merchandise and finished goods	3,176		—		32,339
Work in process	5,876		—		59,820
Raw materials and supplies	64		—		655
Deferred tax assets	553		726		5,638
Other	1,352		2,045		13,772
Allowance for doubtful accounts	(8)		(7)		(82)
Total current assets	17,250	37.8	30,928	55.6	175,615
Noncurrent assets					
Property, plant and equipment					
Buildings and structures	14,398		12,272		146,578
Accumulated depreciation	(5,490)		(5,181)		(55,892)
Buildings and structures, net	8,908		7,091		90,686
Vehicles, tools, furniture and fixtures	11,123		10,538		113,241
Accumulated depreciation	(7,581)		(6,260)		(77,180)
Vehicles, tools, furniture and fixtures, net	3,542		4,278		36,061
Land	11,296		9,817		115,003
Construction in progress	904		602		9,209
Other	2,090		2,004		21,281
Accumulated depreciation	(1,686)		(1,522)		(17,169)
Other, net	403		481		4,112
Total property, plant and equipment	25,055	54.9	22,272	40.0	255,071
Intangible assets					
Goodwill	1,711		1,621		17,423
Other	240		269		2,445
Total intangible assets	1,951	4.3	1,890	3.4	19,868
Investments and other assets					
Investment securities	15		48		157
Deferred tax assets	1,004		88		10,231
Other	366		399		3,734
Allowance for doubtful accounts	(10)		(8)		(106)
Total investments and other assets	1,376	3.0	527	1.0	14,016
Total noncurrent assets	28,383	62.2	24,690	44.4	288,954
Total assets	45,634	100.0	55,618	100.0	464,569
<b>LIABILITIES</b>					
Current liabilities					
Notes and accounts payable-trade	1,507		3,102		15,350
Short-term loans payable	13,300		15,550		135,397
Current portion of long-term loans payable	10		14		109
Accounts payable-other	1,899		1,009		19,340
Income taxes payable	113		2,447		1,153
Provision for bonuses	673		662		6,854
Provision for directors' bonuses	—		40		—
Provision for repairs	97		96		994
Other	644		465		6,557
Total current liabilities	18,246	40.0	23,388	42.1	185,755
Noncurrent liabilities					
Long-term loans payable	—		10		—
Deferred tax liabilities	119		110		1,217
Provision for retirement benefits	153		104		1,563
Other	39		4		400
Total noncurrent liabilities	312	0.7	230	0.4	3,180
Total liabilities	18,559	40.7	23,618	42.5	188,935

	At March 31, 2009		At March 31, 2008		At March 31, 2009
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
<b><u>NET ASSETS</u></b>					
Shareholders' equity					
Capital stock	4,480	9.8	4,480	8.1	45,616
Capital surplus	6,802	14.9	6,869	12.3	69,254
Retained earnings	24,220	53.1	26,496	47.6	246,571
Treasury stock	(8,212)	(18.0)	(5,896)	(10.6)	(83,610)
Total shareholders' equity	27,291	59.8	31,950	57.4	277,831
Valuation and translation adjustments					
Valuation difference on available-for-sale securities	(3)	(0.0)	0	0.0	(31)
Deferred gains or losses on hedges	(125)	(0.3)	—	—	(1,273)
Foreign currency translation adjustment	(96)	(0.2)	15	0.0	(982)
Total valuation and translation adjustments	(224)	(0.5)	16	0.0	(2,285)
<b><u>MINORITY INTERESTS</u></b>	8	0.0	33	0.1	89
<b><u>TOTAL NET ASSETS</u></b>	<b>27,075</b>	<b>59.3</b>	<b>32,000</b>	<b>57.5</b>	<b>275,634</b>
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<b>45,634</b>	<b>100.0</b>	<b>55,618</b>	<b>100.0</b>	<b>464,569</b>

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2009 of yen 98.23=

US\$1, and are included solely for the convenience of readers.

## CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2009 and 2008

	2009		2008		2009
	Millions of yen	%	Millions of yen	%	Thousands of U.S.dollars
Net sales	126,444	100.0	117,460	100.0	1,287,232
Cost of sales	122,682	97.0	102,614	87.4	1,248,933
Gross profit	3,762	3.0	14,845	12.6	38,300
Selling, general and administrative expenses	4,154	3.3	4,020	3.4	42,289
Operating income(loss)	(391)	(0.3)	10,825	9.2	(3,989)
Non-operating income	105	0.1	126	0.1	1,074
Non-operating expenses	227	0.2	93	0.1	2,320
Ordinary income(loss)	(514)	(0.4)	10,858	9.2	(5,235)
Extraordinary income	16	0.0	20	0.0	172
Extraordinary loss	373	0.3	319	0.2	3,798
Income(loss) before income taxes and minority interests	(870)	(0.7)	10,558	9.0	(8,860)
Income taxes-current	194	0.1	4,296	3.7	1,983
Income taxes-deferred	(501)	(0.4)	(191)	(0.2)	(5,109)
Minority interests in income	2	0.0	3	0.0	24
Net income(loss)	(565)	(0.4)	6,450	5.5	(5,758)

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CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Prior Period (from April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31,2007	4,480	6,054	21,844	(419)	31,960
Dividends from surplus			(1,799)		(1,799)
Net income			6,450		6,450
Purchase of treasury stock				(5,859)	(5,859)
Disposal of treasury stock		815		382	1,198
Net changes of items other than shareholders' equity					
Total increase (decrease) of the above items during the period	—	815	4,651	(5,476)	(9)
Balance at March 31, 2008	4,480	6,869	26,496	(5,896)	31,950

	Valuation and translation adjustments			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total valuation and translation adjustments		
Balance at March 31,2007	3	0	4	29	31,994
Dividends from surplus					(1,799)
Net income					6,450
Purchase of treasury stock					(5,859)
Disposal of treasury stock					1,198
Net changes of items other than shareholders' equity	(3)	14	11	3	14
Total increase (decrease) of the above items during the period	(3)	14	11	3	5
Balance at March 31, 2008	0	15	16	33	32,000

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Current Period (from April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31,2008	4,480	6,869	26,496	(5,896)	31,950
Dividends from surplus			(1,710)		(1,710)
Net loss			(565)		(565)
Purchase of treasury stock				(2,399)	(2,399)
Disposal of treasury stock		(67)		82	15
Net changes of items other than shareholders' equity					
Total increase (decrease) of the above items during the period	—	(67)	(2,275)	(2,316)	(4,659)
Balance at March 31, 2009	4,480	6,802	24,220	(8,212)	27,291

	Valuation and translation adjustments				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total valuation and translation adjustments		
Balance at March 31,2008	0	—	15	16	33	32,000
Dividends from surplus						(1,710)
Net loss						(565)
Purchase of treasury stock						(2,399)
Disposal of treasury stock						15
Net changes of items other than shareholders' equity	(3)	(125)	(112)	(240)	(24)	(265)
Total increase (decrease) of the above items during the period	(3)	(125)	(112)	(240)	(24)	(4,924)
Balance at March 31, 2009	(3)	(125)	(96)	(224)	8	27,075

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended March 31, 2009 and 2008

	2009	2008	2009
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Net cash provided by (used in) operating activities			
Income(loss) before income taxes and minority interests	(870)	10,558	(8,860)
Depreciation and amortization	2,473	1,956	25,184
Impairment loss	250	—	2,554
Amortization of goodwill	208	161	2,123
Amortization of negative goodwill	(59)	(53)	(601)
Increase (decrease) in provision for retirement benefits	30	42	309
Interest and dividends income	(8)	(6)	(91)
Interest expenses	128	47	1,310
Loss (gain) on sales and retirement of noncurrent assets	77	209	785
Loss (gain) on valuation of investment securities	28	90	287
Decrease (increase) in notes and accounts receivable-trade	978	(1,383)	9,959
Decrease (increase) in inventories	12,135	(7,000)	123,537
Increase (decrease) in notes and accounts payable-trade	(1,832)	746	(18,658)
Increase (decrease) in accounts payable-other	233	136	2,377
Other, net	1,170	(1,783)	11,917
Sub-total	14,943	3,722	152,131
Interest and dividends income received	8	6	91
Interest expenses paid	(126)	(51)	(1,287)
Income taxes paid	(2,905)	(4,555)	(29,577)
Income taxes refund	34	—	349
Net cash provided by (used in) operating activities	11,955	(878)	121,707
Net cash provided by (used in) investing activities			
Proceeds from collection of guarantee deposits	25	44	255
Proceeds from cancellation of insurance funds	40	—	413
Purchase of property, plant and equipment	(5,061)	(1,969)	(51,524)
Proceeds from sales of property, plant and equipment	33	81	345
Purchase of intangible assets	(60)	(75)	(617)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(521)	—	(5,310)
Payments for transfer of business	—	(2,150)	—
Other payments	(92)	(93)	(943)
Other proceeds	6	14	62
Net cash provided by (used in) investing activities	(5,630)	(4,147)	(57,319)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(2,250)	13,300	(22,905)
Repayment of long-term loans payable	(44)	(267)	(451)
Redemption of bonds	(40)	—	(407)
Repayments of finance lease obligations	(9)	—	(95)
Purchase of treasury stock	(2,399)	(5,859)	(24,426)
Proceeds from exercise of stock option	13	5	142
Cash dividends paid	(1,708)	(1,797)	(17,396)
Net cash provided by (used in) financing activities	(6,437)	5,380	(65,538)
Effect of exchange rate change on cash and cash equivalents	(117)	24	(1,194)
Net increase (decrease) in cash and cash equivalents	(230)	379	(2,344)
Cash and cash equivalents at beginning of period	2,054	1,491	20,915
Increase in cash and cash equivalents by share exchanges	—	182	—
Cash and cash equivalents at the end of period	1,824	2,054	18,571

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