

Consolidated Financial Results for the Third Quarter Ended December 31, 2011

Asahi Holdings, Inc.

February 1, 2012

Stock code: 5857
 Shares listed: Tokyo Stock Exchange (First Section)
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 Supplementary materials for the quarterly financial results: No
 Investor conference for the quarterly financial results: No

(Rounded down to the nearest million yen)

1. Results of the nine months ended December 31, 2011 (From April 1, 2011 to December 31, 2011)

(1) Results of operations (cumulative) (Percentage changes relative to previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
The nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2011	113,116	41.5	8,321	5.7	8,053	3.5	4,438	(2.0)
December 31, 2010	79,938	41.0	7,870	60.5	7,777	58.9	4,527	61.3

(Note) Comprehensive income The nine months ended December 31, 2011 5,136 million yen (21.6%)
 The nine months ended December 31, 2010 4,223 million yen (—%)

	Net income per share	Diluted net income per share
The nine months ended	Yen	Yen
December 31, 2011	137.27	—
December 31, 2010	140.38	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2011	59,900	37,852	63.1
March 31, 2011	59,143	34,341	58.0

(Reference) Shareholders' equity As of December 31, 2011 37,795 million yen
 As of March 31, 2011 34,313 million yen

2. Dividend payments

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2011	—	25.00	—	25.00	50.00
Year ending March 31, 2012	—	30.00	—		
Year ending March 31, 2012 (Forecast)				30.00	60.00

(Note) Revisions in dividend forecast in the current quarter : No

3. Forecast (From April 1, 2011 to March 31, 2012)

(Percentage changes relative to previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
Year ending March 31, 2012	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
	135,000	22.2	11,000	3.2	11,000	4.7	6,500	5.8	200.93

(Note) Revisions in forecast in the current quarter : No

4. Other

- (1) Changes in important subsidiaries during the current quarter : No
- (2) Application of special accounting methods for quarterly consolidated financial statements : No
- (3) Changes in accounting policies, accounting estimates and restatement
- (i) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: No
 - (ii) Changes other than (i) above: No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement: No

(4) Number of issued shares (common stock)

(i) Number of issued shares at the quarter end (including treasury shares)

As of December 31, 2011	36,254,344 shares
As of March 31, 2011	36,254,344 shares

(ii) Number of treasury shares at the quarter end

As of December 31, 2011	3,876,939 shares
As of March 31, 2011	3,953,239 shares

(iii) Averaged number of shares during the period (quarterly cumulative period)

Nine months ended December 31, 2011	32,337,065 shares
Nine months ended December 31, 2010	32,249,572 shares

*Indication regarding the situation of quarterly review procedures

These financial results are not subject to the quarterly review procedures pursuant to the Financial Instruments and Exchange Act. As of the disclosure of the financial results, the procedures for reviewing quarterly financial statements pursuant to the Financial Instruments and Exchange Act are in progress.

*Statement regarding the proper use of financial forecasts and other special remarks

These forecast performance figures are based on the information currently available to the Company's management and certain assumptions judged rational. Accordingly, these might be cases in which actual results materially differ from forecasts of this report. Please refer to page 2 "(3) Qualitative Information on Consolidated Performance Forecasts" .

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1. Qualitative Information

(1) Qualitative Information on Consolidated Business Performance

During the nine months of the fiscal year under review (nine months ending December 31, 2011), the Japanese economy remained in a severe situation, due to the influence of Great East Japan Earthquake, European Sovereign Debt Crisis and the Japanese yen persistent at historically high levels.

Under these circumstances, regarding precious metal recycling business, the volume of collected metals such as gold, silver, platinum and palladium was higher than the previous corresponding period, due to the efforts in acquiring new customers and the expansion of overseas business, though the volume of collected indium was lower than the previous corresponding period. The average sales prices of gold, silver, palladium and indium were higher than the previous corresponding period, though the average sales price of platinum was lower than the previous period.

Regarding environmental protection business, in spite of being influenced from the downturn of domestic productive activities, the transaction volume of waste liquid, waste oil, and hospital waste was higher than the previous corresponding period. The only exception was waste photo-sensitized materials, the volume of which continues to be on a decreasing trend because of digitalization.

As a result of the above, as consolidated results for the nine-month period, we recorded net sales of 113,116 million yen, up 33,177 million yen (+41.5%) year-on-year; operating income of 8,321 million yen, up 451 million yen (+5.7%) year-on-year; ordinary income of 8,053 million yen, up 275 million yen (+3.5%) year-on-year; and net income of 4,438 million yen, down 88 million yen (-2.0%) year-on-year.

Looked at by segment, sales in the precious metal recycling business were 102,398 million yen, up 32,874 million yen (+47.3%) year-on-year; and sales in the environmental protection business were 10,717 million yen, up 302 million yen (+2.9%) year-on-year.

(2) Qualitative Information on Consolidated Financial Position

As of December 31, 2011, total assets amounted to 59,900 million yen, up 756 million yen from the previous fiscal year end. This was due mainly to an increase of 962 million yen in notes and accounts receivable-trade, an decrease of 345 million yen in inventories.

Total liabilities amounted to 22,047 million yen, down 2,754 million yen from the previous fiscal year end. This was due mainly to an decrease of 1,350 million yen in loan payable and an decrease of 712 million yen in income taxes payable.

Net assets totaled 37,852 million yen up 3,511 million yen from the previous fiscal year end. This was due mainly to the increase in retained earnings resulting from the recording of 4,438 million yen in net income.

As a result, the shareholders' equity ratio changed to 63.1%, from 58.0% at the end of the previous fiscal year.

(3) Qualitative Information on Consolidated Performance Forecasts

Forecasts for full-year performance in the fiscal year 2011 (ending March 2012) remain unchanged from forecasts announced in the Notification of an upward revision of the Earnings forecast released October 27, 2011.

2. Notes Regarding Summary Information

Not applicable

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	As of March 31, 2011 Millions of yen	As of December 31, 2011 Millions of yen	As of December 31, 2011 Thousands of U.S.dollars
ASSETS			
Current assets			
Cash and deposits	2,321	2,820	36,276
Notes and accounts receivable-trade	4,754	5,717	73,545
Merchandise and finished goods	5,914	4,062	52,252
Work in process	12,509	14,121	181,649
Raw materials and supplies	530	424	5,462
Other	3,312	3,488	44,874
Allowance for doubtful accounts	(10)	(11)	(151)
Total current assets	29,332	30,622	393,908
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	9,349	9,535	122,664
Land	12,563	12,722	163,650
Other, net	4,644	3,551	45,687
Total property, plant and equipment	26,557	25,809	332,002
Intangible assets			
Goodwill	2,036	2,049	26,362
Other	519	519	6,680
Total intangible assets	2,556	2,568	33,041
Investments and other assets	697	899	11,569
Total noncurrent assets	29,811	29,277	376,612
Total assets	59,143	59,900	770,519
LIABILITIES			
Current liabilities			
Notes and accounts payable-trade	3,405	3,806	48,969
Short-term loans payable	9,448	8,848	113,815
Current portion of long-term loans payable	1,000	1,000	12,863
Income taxes payable	2,512	1,799	23,150
Provision for bonuses	741	389	5,014
Provision for directors' bonuses	28	23	299
Provision for repairs	100	56	724
Provision for loss on disaster	59	14	186
Other	3,180	2,588	33,293
Total current liabilities	20,475	18,526	238,313
Noncurrent liabilities			
Long-term loans payable	2,500	1,750	22,511
Provision for retirement benefits	205	62	799
Other	1,620	1,708	21,979
Total noncurrent liabilities	4,325	3,520	45,289
Total liabilities	24,801	22,047	283,602
NET ASSETS			
Shareholders' equity			
Capital stock	4,480	4,480	57,639
Capital surplus	6,074	6,085	78,285
Retained earnings	29,976	32,637	419,828
Treasury stock	(5,795)	(5,683)	(73,113)
Total shareholders' equity	34,736	37,520	482,638
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	33	18	243
Deferred gains or losses on hedges	(374)	382	4,916
Foreign currency translation adjustment	(81)	(125)	(1,620)
Total accumulated other comprehensive income	(422)	275	3,538
Subscription rights to shares	28	57	741
TOTAL NET ASSETS	34,341	37,852	486,917
TOTAL LIABILITIES AND NET ASSETS	59,143	59,900	770,519

U.S. dollar amounts represent translations using the approximate exchange rate on December 31, 2011 of Yen77.74=US\$1, and are included solely for the convenience of readers.

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income for the nine months ended December 31, 2011

	The nine months ended December 31, 2010	The nine months ended December 31, 2011	The nine months ended December 31, 2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Net sales	79,938	113,116	1,455,056
Cost of sales	68,668	101,169	1,301,377
Gross profit	11,269	11,947	153,679
Selling, general and administrative expenses	3,399	3,625	46,637
Operating income	7,870	8,321	107,042
Non-operating income	51	47	606
Non-operating expenses	143	315	4,054
Ordinary income	7,777	8,053	103,595
Extraordinary income	14	160	2,068
Extraordinary loss	25	264	3,406
Income before income taxes and minority interests	7,766	7,949	102,256
Income taxes-current	1,542	3,226	41,504
Income taxes-deferred	1,696	283	3,652
Total income taxes	3,239	3,510	45,157
Income before minority interests	4,527	4,438	57,100
Net income	4,527	4,438	57,100

Consolidated Statements of Comprehensive Income for the nine months ended December 31, 2011

	The nine months ended December 31, 2010	The nine months ended December 31, 2011	The nine months ended December 31, 2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Income before minority interests	4,527	4,438	57,100
Other comprehensive income			
Valuation difference on available-for-sale securities	5	(14)	(192)
Deferred gains or losses on hedges	(269)	756	9,734
Foreign currency translation adjustment	(33)	(36)	(464)
Share of other comprehensive income of associates accounted for using equity method	(5)	(8)	(105)
Total other comprehensive income	(304)	697	8,973
Comprehensive income	4,223	5,136	66,072
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	4,223	5,136	66,072
Comprehensive income attributable to minority interests	—	—	—

U.S. dollar amounts represent translations using the approximate exchange rate on December 31, 2011 of Yen77.74=US\$1, and are included solely for the convenience of readers.

(3) Notes on Assumptions for Going Concern

Not applicable

(4) Segment Information, etc.

[Segment information]

I For the nine months ended December 31, 2010(From April 1, 2010 to December 31, 2010)

1. Information on sales and income (loss) by reporting segment

(Millions of Yen)

	Precious metal recycling business	Environmental protection business	Total
Net sales			
1) Customers	69,523	10,415	79,938
2) Intersegment	—	—	—
Total	69,523	10,415	79,938
Segment income	6,539	1,330	7,870

(Note) Total segment income matches operating income recorded on the consolidated statements of income.

2. Impairment losses on noncurrent assets, goodwill, etc. by reporting segment

Not applicable

II For the nine months ended December 31, 2011(From April 1, 2011 to December 31, 2011)

1. Information on sales and income (loss) by reporting segment

(Millions of Yen)

	Precious metal recycling business	Environmental protection business	Total
Net sales			
1) Customers	102,398	10,717	113,116
2) Intersegment	—	—	—
Total	102,398	10,717	113,116
Segment income	7,013	1,308	8,321

(Note) Total segment income matches operating income recorded on the consolidated statements of income.

2. Impairment losses on noncurrent assets, goodwill, etc. by reporting segment

(Material impairment loss on noncurrent assets)

In the segment of precious metal recycling business, impairment losses were recognized in the amount of 171 million yen, resulting from the decision on disposal of a part of PP&E.

(5) Notes in case of Significant Changes to Shareholders' Equity

Not applicable