

# Consolidated Financial Results for the Year Ended March 31, 2011

## Asahi Holdings, Inc.

May 13, 2011

Stock code: 5857  
 Shares listed: Tokyo Stock Exchange (First Section)  
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Scheduled date of the Ordinary General Meeting of Shareholders: June 16, 2011

Scheduled date of filing of financial statement: June 17, 2011

Scheduled date of start of dividend payment: May 30, 2011

(Rounded down to the nearest million yen)

1. Results of the year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(1) Results of operations

(Percentage changes relative to previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2011	110,504	33.8	10,661	35.2	10,508	32.6	6,144	40.3
March 31, 2010	82,603	—	7,888	—	7,922	—	4,377	—

(Note) Comprehensive income: March 31, 2011: 5,886million yen: 32.6% March 31, 2010: 4,437million yen: —%

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Operating income to net sales
Year ended	Yen	Yen	%	%	%
March 31, 2011	190.46	—	19.1	19.2	9.6
March 31, 2010	135.90	—	15.4	16.5	9.5

(Note) Equity in earnings of affiliates: March 31, 2011: — March 31, 2010: —

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2011	59,143	34,341	58.0	1,062.30
March 31, 2010	50,139	29,897	59.6	927.97

(Reference)

Shareholders' equity: As of March 31, 2011: 34,313 million yen As of March 31, 2010: 29,897 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the fiscal year
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2011	5,457	(3,743)	(1,129)	2,250
March 31, 2010	6,219	(3,880)	(2,478)	1,711

2. Dividend payments

	Dividends per share					Total Dividend Payment (Annual)	Payout Ratio (Consolidated)	Dividend to Net Assets (Consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual			
Year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2010	—	25.00	—	25.00	50.00	1,711	36.8	5.7
March 31, 2011	—	25.00	—	25.00	50.00	1,614	26.3	5.0
Year ending March 31, 2012 (Forecast)	—	30.00	—	30.00	60.00		29.9	

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
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Six months ending September 30, 2011	63,500	21.0	5,000	(10.7)	5,000	(8.7)	3,000	(6.3)	92.81
Year ending March 31, 2012	130,000	17.6	11,000	3.2	11,000	4.7	6,500	5.8	200.97

4. Other (For details, please see "Other information" on page 3 of "Appendix.")

(1) Changes in significant subsidiaries during the year ended March 31, 2011: No

(Note) This refers to changes in designated subsidiaries resulting from changes in the scope of consolidation during the fiscal year ended March 31, 2011.

(2) Changes in accounting policies, procedures, and presentation methods.

(i) Changes pursuant to revision of accounting policies: Yes

(ii) Other changes: No

(3) Number of issued shares (common stock)

(i) Number of issued shares at end of year (including treasury shares)

Year ended March 31, 2011: 36,254,344 shares

Year ended March 31, 2010: 36,254,344 shares

(ii) Number of treasury shares at end of year

Year ended March 31, 2011: 3,953,239 shares

Year ended March 31, 2010: 4,036,267 shares

(iii) Averaged number of shares during the period

Year ended March 31, 2011: 32,260,511 shares

Year ended March 31, 2010: 32,215,642 shares

(Reference) Summary of Nonconsolidated Results

1. Nonconsolidated Results of the Year ended March 31, 2011 (From April 1, 2010 to March 31, 2011)

(1) Results of operations

(Percentage changes relative to previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2011	4,453	(46.9)	3,530	(55.5)	3,519	(55.5)	3,530	(55.4)
March 31, 2010	8,378	—	7,942	—	7,910	—	7,911	—

	Net income per share	Diluted net income per share
Year ended	Yen	Yen
March 31, 2011	109.42	—
March 31, 2010	227.99	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2011	40,901	30,684	75.0	949.09
March 31, 2010	29,405	28,596	97.3	887.60

(Reference)

Shareholders' equity

As of March 31, 2011 : 30,656 million yen

As of March 31, 2010 : 28,596 million yen

\*Indication of audit procedure implementation status

This earnings report is exempt from audit procedure based upon the Financial Instruments and Exchange Act. It is under the audit procedure process at the time of disclosure of this report.

\*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.

【Appendix】

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## 1. Information Regarding Consolidated Performance

### (1) Consolidated Operating Results for the Year ended March 31, 2011

During the fiscal year ended March 31, 2011, the Japanese economy made a moderate recovery in general, as corporate profits had been improving owing to the recovery of global economy and the effects of various policy measures. However, due to the influence of the Great East Japan Earthquake and the continuation of strong yen, the outlook of the Japanese economy has been still unpredictable.

Under these circumstances, regarding precious metal recycling business of the Company, the volume and average sales price of collected metals of all kinds were higher than those of the previous corresponding period, due mainly to the market price of metals kept in high level and the Company's efforts in acquiring new customers.

Regarding environmental protection business, the volume of sludge, waste oil, waste reagents and medical-related wastes handled by the Company remained favorable. In addition, the volume of refractory disposal resulted in much higher than the previous corresponding period. The business of Ecomax Inc., which became a consolidated subsidiary in August 2010, has been growing steadily.

As a result of the above, consolidated net sales for the period totaled ¥110,504 million. Looked at by segment, sales in the precious metal recycling business were ¥96,397 million and sales in the environmental protection business were ¥14,106 million. Operating income amounted ¥10,661 million, ordinary income was ¥10,508 million, and net income totaled ¥6,144 million.

Compared with the previous corresponding period, Net sales increased ¥27,900 million, operating income increased ¥2,773 million, ordinary income increased ¥2,585 million, and net income increased ¥1,766 million.

### (2) Consolidated Financial Position and Cash Flows for the Year ended March 31, 2011

As of March 31, 2011, total assets mounted ¥59,143 million, up ¥9,004 million from the previous fiscal year end. This was due mainly to an increase of ¥5,759 million in inventories. Net assets totaled ¥34,341 million, shareholders' equity ratio is 58.0%.

Net cash provided by operating activities amounted ¥5,457 million, this was due mainly to income before income taxes amounted ¥10,539 million and increases in inventories.

Net cash used in investing activities amounted ¥3,743 million, due mainly to expenditure of ¥3,299 million for the acquisition of fixed assets, including expansion of Amagasaki Plant, relocation of Yokohama Office, and construction of a new plant of Asahipretec Korea Co., Ltd.

Net cash used in financing activities amounted ¥1,129 million, due mainly to a net increase in value of ¥367 million in short and long-term borrowings, expenditure of ¥1,613 million for the payment of dividends.

As a result of the above, the term-end balance of cash and cash equivalents was ¥2,250 million.

### (3) Forecast of Consolidated Performance for the Year ending March 31, 2012

The severe situation in Japanese economy will continue for a while, due to the influence of the Great East Japan Earthquake. However, as production activities will be recovering, the economy is expected to resume improving.

Under these circumstances, the Company's consolidated net sales during the fiscal year ending March 2012 will be ¥130,000 million, 17.6% increase year on year, operating income will be ¥11,000 million, 3.2% increase year on year, ordinary income will be ¥11,000 million, 4.7% increase year on year, and net income will be ¥6,500 million, 5.8% increase year on year.

### (4) Dividends

The Company's basic policy is to improve the corporate value continuously by maintaining of stable profitability and further growth and to meet the shareholders' expectations by continuous dividends. The Company also considers the fulfillment of internal reserves for strategic investment to enhance existing business and develop new business.

Under the policy, the fiscal year's end dividend will be ¥25 per share, consequently, the annual dividend per share for the fiscal year ended March 31, 2011 will be totaled ¥50 including the interim dividend of ¥25 per share.

Further, for the year ending March 31, 2012, The Company plans to pay out ¥30 per share for both interim and year end dividend, making the full year amount ¥60 per share.

## 2. Other Information

### (1) Outline of changes in significant subsidiaries during the year ended March 31, 2011.

Not applicable

### (2) Changes in Significant Accounting Policies on Preparation of Consolidated Financial Statements

#### 1) Application of Accounting Standard for Asset Retirement Obligations

Effective from the fiscal year ended March 31, 2011, the company has applied "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No.21, March 31, 2008).

The influence on the operating income, ordinary income and income before income taxes and minority interests to this revision was negligible.

#### 2) Application of "Accounting Standard for Equity Method of Accounting for Investments" and "Practical Solution of Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method"

Effective from the fiscal year ended March 31, 2011, the company has applied "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No.16, March 10, 2008) and "Practical Solution of Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (PITF No.24, March 10, 2008).

There was no effect on the income and loss due to this.

#### 3) Application of Accounting Standard for Business Combinations, etc.

The company has applied the following standards from the fiscal year ended March 31, 2011: "Accounting Standard for Business Combinations" (ASBJ Statement No.21, December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, December 26, 2008), "Partial Amendments to Accounting Standard for R&D Expenses, etc." (ASBJ Statement No.23, December 26, 2008), "Accounting Standard for Business Divestitures" (ASBJ Statement No.7, December 26, 2008), "Accounting Standard for Application of Equity Method" (ASBJ Statement No.16, announced December 26, 2008), and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, December 26, 2008).

### (3) Additional Information

The company applies the "Accounting Standards for Presentation of Comprehensive Income" (ASBJ Statement No.25, June 30, 2010) from this fiscal year. However, the amounts of previous fiscal year's "Accumulated comprehensive income" and "Total accumulated comprehensive income" show "Valuation and translation adjustments" and "Total valuation and translation adjustments".

3. Consolidated Financial Statements  
(1) Consolidated Balance Sheets

	As of March 31, 2011	As of March 31, 2010	As of March 31, 2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
<b>ASSETS</b>			
Current assets			
Cash and deposits	2,321	2,263	27,922
Notes and accounts receivable-trade	4,754	4,037	57,179
Merchandise and finished goods	5,914	4,250	71,130
Work in process	12,509	8,327	150,443
Raw materials and supplies	530	616	6,376
Deferred tax assets	929	826	11,178
Other	2,383	2,041	28,661
Allowance for doubtful accounts	(10)	(8)	(126)
Total current assets	29,332	22,354	352,763
Noncurrent assets			
Buildings and structures, net	9,349	8,751	112,438
Machinery, equipment and vehicles, net	2,811	2,833	33,812
Land	12,563	12,440	151,097
Construction in progress	1,380	778	16,599
Other, net	452	352	5,442
Total property, plant and equipment	26,557	25,156	319,388
Intangible assets			
Goodwill	2,036	1,571	24,495
Other	519	567	6,252
Total intangible assets	2,556	2,139	30,748
Investments and other assets	697	489	8,388
Total noncurrent assets	29,811	27,784	358,524
Total assets	59,143	50,139	711,287
<b>LIABILITIES</b>			
Current liabilities			
Notes and accounts payable-trade	3,405	2,161	40,957
Short-term loans payable	9,448	12,449	113,626
Current portion of long-term loans payable	1,000	—	12,026
Accounts payable-other	1,295	1,168	15,583
Income taxes payable	2,512	2,304	30,215
Provision for bonuses	741	721	8,913
Provision for directors' bonuses	28	15	337
Provision for repairs	100	124	1,206
Provision for loss on disaster	59	—	714
Other	1,885	880	22,672
Total current liabilities	20,475	19,825	246,250
Noncurrent liabilities			
Long-term loans payable	2,500	—	30,066
Deferred tax liabilities	1,535	201	18,462
Provision for retirement benefits	205	179	2,473
Other	85	35	1,024
Total noncurrent liabilities	4,325	416	52,025
Total liabilities	24,801	20,241	298,275
<b>NET ASSETS</b>			
Shareholders' equity			
Capital stock	4,480	4,480	53,888
Capital surplus	6,074	6,054	73,053
Retained earnings	29,976	25,444	360,510
Treasury stock	(5,795)	(5,917)	(69,700)
Total shareholders' equity	34,736	30,061	417,752
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	33	14	406
Deferred gains or losses on hedges	(374)	(152)	(4,505)
Foreign currency translation adjustment	(81)	(26)	(982)
Total accumulated other comprehensive income	(422)	(164)	(5,081)
Subscription rights to shares	28	—	340
<b>TOTAL NET ASSETS</b>	34,341	29,897	413,011
<b>TOTAL LIABILITIES AND NET ASSETS</b>	59,143	50,139	711,287

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2011 of yen83.15=US\$1, and are included solely for the convenience of readers.

(2) Consolidated Statements of Income  
For the year ended March 31, 2011 and 2010

	2011	2010	2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Net sales	110,504	82,603	1,328,976
Cost of sales	95,079	70,426	1,143,465
Gross profit	15,425	12,177	185,511
Selling, general and administrative expenses	4,763	4,289	57,292
Operating income	10,661	7,888	128,219
Non-operating income	63	160	765
Non-operating expenses	216	126	2,606
Ordinary income	10,508	7,922	126,378
Extraordinary income	154	8	1,853
Extraordinary loss	122	427	1,475
Income before income taxes and minority interests	10,539	7,503	126,756
Income taxes-current	3,080	2,319	37,047
Income taxes-deferred	1,315	805	15,815
Total income taxes	4,395	3,125	52,862
Income before minority interests	6,144	—	73,894
Net income	6,144	4,377	73,894

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2011 of yen83.15=US\$1, and are included solely for the convenience of readers.

(3) Consolidated Statements of Comprehensive Income  
For the year ended March 31, 2011 and 2010

	2011	2010	2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Income before minority interests	6,144	—	73,894
Other comprehensive income			
Valuation difference on available-for-sale securities	19	—	235
Deferred gains or losses on hedges	(222)	—	(2,673)
Foreign currency translation adjustment	(48)	—	(585)
Share of other comprehensive income of associates accounted for using equity method	(6)	—	(80)
Total other comprehensive income	(257)	—	(3,102)
Comprehensive income	5,886	—	70,792
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent	5,886	—	70,792
Comprehensive income attributable to minority interests	—	—	—

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2011 of yen83.15=US\$1, and are included solely for the convenience of readers.

(4) Consolidated Statements of Changes in Net Assets  
For the year ended March 31, 2010

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2009	4,480	6,802	24,220	(8,212)	27,291
Changes of items during the period					
Decrease by share transfers	(0)	(748)	(1,543)	2,292	—
Dividends from surplus			(1,610)		(1,610)
Net income			4,377		4,377
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock			(0)	4	3
Net changes of items other than shareholders' equity					
Total increase (decrease) of the above items during the period	(0)	(748)	1,223	2,295	2,770
Balance at March 31, 2010	4,480	6,054	25,444	(5,917)	30,061

(Millions of yen)

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at March 31, 2009	(3)	(125)	(96)	(224)	8	27,075
Changes of items during the period						
Decrease by share transfers						—
Dividends from surplus						(1,610)
Net income						4,377
Purchase of treasury stock						(0)
Disposal of treasury stock						3
Net changes of items other than shareholders' equity	17	(27)	70	59	(8)	51
Total increase (decrease) of the above items during the period	17	(27)	70	59	(8)	2,821
Balance at March 31, 2010	14	(152)	(26)	(164)	—	29,897

For the year ended March 31, 2011

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31,2010	4,480	6,054	25,444	(5,917)	30,061
Changes of items during the period					
Dividends from surplus			(1,611)		(1,611)
Net income			6,144		6,144
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		20		122	142
Net changes of items other than shareholders' equity					
Total increase (decrease) of the above items during the period	—	20	4,532	121	4,674
Balance at March 31, 2011	4,480	6,074	29,976	(5,795)	34,736

(Millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at March 31,2010	14	(152)	(26)	(164)	—	29,897
Changes of items during the period						
Dividends from surplus						(1,611)
Net income						6,144
Purchase of treasury stock						(0)
Disposal of treasury stock						142
Net changes of items other than Shareholders' equity	19	(222)	(55)	(257)	28	(229)
Total increase (decrease) of the above items during the period	19	(222)	(55)	(257)	28	4,444
Balance at March 31, 2011	33	(374)	(81)	(422)	28	34,341

(5) Consolidated Statements of Cash Flows  
For the year ended March 31, 2011 and 2010

	2011	2010	2011
	Millions of yen	Millions of yen	Thousands of U.S.dollars
Net cash provided by (used in) operating activities			
Income before income taxes and minority interests	10,539	7,503	126,756
Depreciation and amortization	2,069	2,188	24,883
Impairment loss	—	292	—
Amortization of goodwill	276	222	3,324
Amortization of negative goodwill	—	(4)	—
Increase (decrease) in provision for retirement benefits	26	25	314
Interest and dividends income	(22)	(11)	(273)
Interest expenses	36	54	441
Loss (gain) on sales and retirement of noncurrent assets	14	94	180
Decrease (increase) in notes and accounts receivable-trade	(660)	374	(7,941)
Decrease (increase) in inventories	(5,758)	(4,059)	(69,260)
Increase (decrease) in notes and accounts payable-trade	1,319	652	15,866
Increase (decrease) in accounts payable-other	158	(609)	1,907
Other, net	(1,262)	877	(15,180)
Subtotal	6,736	7,602	81,019
Interest and dividends income received	24	8	298
Interest expenses paid	(33)	(53)	(405)
Income taxes paid	(2,891)	(1,802)	(34,780)
Income taxes refund	1,621	463	19,505
Net cash provided by (used in) operating activities	5,457	6,219	65,637
Net cash provided by (used in) investing activities			
Payments into time deposits	(858)	(710)	(10,330)
Proceeds from withdrawal of time deposits	1,288	157	15,495
Proceeds from collection of guarantee deposits	38	59	461
Purchase of property, plant and equipment	(3,198)	(1,375)	(38,461)
Proceeds from sales of property, plant and equipment	25	13	301
Purchase of intangible assets	(101)	(474)	(1,226)
Purchase of stocks of subsidiaries and affiliates	(933)	(54)	(11,231)
Proceeds from sales of stocks of subsidiaries and affiliates	45	—	541
Payments for transfer of business	—	(1,363)	—
Other, net	(47)	(133)	(569)
Net cash provided by (used in) investing activities	(3,743)	(3,880)	(45,019)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(3,132)	(850)	(37,671)
Proceeds from long-term loans payable	4,000	—	48,106
Repayment of long-term loans payable	(500)	(10)	(6,019)
Repayments of finance lease obligations	(25)	(11)	(303)
Purchase of treasury stock	(0)	(0)	(8)
Proceeds from sales of treasury stock	142	3	1,714
Cash dividends paid	(1,613)	(1,608)	(19,399)
Net cash provided by (used in) financing activities	(1,129)	(2,478)	(13,580)
Effect of exchange rate change on cash and cash equivalents	(46)	25	(554)
Net increase (decrease) in cash and cash equivalents	539	(113)	6,484
Cash and cash equivalents at beginning of period	1,711	1,824	20,577
Cash and cash equivalents at end of period	2,250	1,711	27,062

U.S. dollar amounts represent translations using the approximate exchange rate on March 31, 2011 of yen83.15=US\$1, and are included solely for the convenience of readers.

(6) Notes on Assumptions for Going Concern  
Not applicable

(7) Segment Information

[Business segment information]

For the year ended March 31, 2010(From April 1, 2009 to March 31, 2010)

(Millions of Yen)

	Precious metal recycling business	Environmental protection business	Total	Elimination and Corporate	Consolidated
<b>I. Sales and Operating Income (Loss)</b>					
Net sales					
1) Customers	70,109	12,494	82,603	—	82,603
2) Intersegment	—	—	—	—	—
Total	70,109	12,494	82,603	—	82,603
Operating expense	61,263	10,612	71,876	2,839	74,715
Operating income(loss)	8,845	1,881	10,727	(2,839)	7,888
<b>II. Identifiable Assets, Depreciation, Impairment Losses and Capital Expenditures</b>					
Identifiable assets	26,682	15,477	42,159	7,979	50,139
Depreciation and amortization	1,140	770	1,910	277	2,188
Impairment losses	60	232	292	—	292
Capital Expenditures	939	177	1,116	687	1,804

(Note) Business segment has been classified in term of products and services. Main products and services are as follows:

- (1) Precious Metal Recycling Business: Collection and recycling scraps containing precious and rare metals, etc.
- (2) Environmental Protection Business: Detoxification of various types of industrial waste, etc.

[Geographical segment information]

For the fiscal year ended March 31, 2010(From April 1, 2009 to March 31, 2010)

It is omitted to mention geographical segment information, because the ratio of net sales in Japan in total net sales are more than 90%.

[Overseas sales]

For the fiscal year ended March 31, 2010(From April 1, 2010 to March 31, 2010)

It is omitted to mention overseas sales under review, because the ratio of it in consolidated net sales are less than 10%.

[Segment information]

1. Overview of reporting segment

The Company's reporting segments are composed of those individual business units for which separate information is available, about which the Board of Directors makes decisions regarding the allocation of management resources and for which operating performance can be evaluated, allowing them to be evaluated quantitatively.

The Company formulates comprehensive strategies to expand business as a holding company, and affiliated companies advance their business such as recycling precious and rare metals, appropriate disposal of various types of industrial waste, and other environmental protection business.

The Company thus comprises product and service segments built around operating divisions, and the following two are the reporting segments: Precious Metal Recycling Business and Environmental Protection Business.

Precious Metal Recycling Business is to collect and recycle scraps containing precious and rare metals such as gold, silver, palladium, platinum, indium, etc.

Environmental Protection Business is to collect and transport industrial waste, and to perform the intermediate treatment of it.

2. Information on sales and income (loss), identifiable assets, and other items by business segment reported  
For the year ended March 31, 2010(From April 1, 2009 to March 31, 2010)

(Millions of Yen)

	Precious metal recycling business	Environmental protection business	Total (Note)
Net sales			
1) Customers	70,109	12,494	82,603
2) Intersegment	—	—	—
Total	70,109	12,494	82,603
Segment income	6,537	1,350	7,888
Identifiable assets by business segment	32,040	18,098	50,139
Other items			
Depreciation and amortization	1,326	861	2,188
Amortization of goodwill and negative goodwill	12	205	218
Increase of property, plant and equipment and intangible assets	1,401	402	1,804

(Note) 1. Total segment income matches operating income recorded on the consolidated statements of income.

2. Depreciation and amortization, Increase of property, plant and equipment and intangible assets include long-term prepaid expenses and amortization related to these expenses.

For the year ended March 31, 2011(From April 1, 2010 to March 31, 2011)

(Millions of Yen)

	Precious metal recycling business	Environmental protection business	Total (Note)
Net sales			
1) Customers	96,397	14,106	110,504
2) Intersegment	—	—	—
Total	96,397	14,106	110,504
Segment income	9,060	1,600	10,661
Identifiable assets by business segment	41,131	18,011	59,143
Other items			
Depreciation and amortization	1,229	839	2,069
Amortization of goodwill and negative goodwill	11	264	276
Investment to equity-method affiliates	80	—	80
Increase of property, plant and equipment and intangible assets	2,285	1,081	3,366

(Note) 1. Total segment income matches operating income recorded on the consolidated statements of income.

2. Depreciation and amortization, Increase of property, plant and equipment and intangible assets include long-term prepaid expenses and amortization related to these expenses.

(Additional information)

Effective from the fiscal year ended March 31, 2011, the company has applied "Accounting Standard for Disclosure of Segment Information" (ASBJ Statement No.17, March27, 2009) and "Guidance on Accounting Standard for Disclosures of Segment Information" (ASBJ Guidance No.20, March 21, 2008).

(8) Significant Subsequent Event

For the year ended March 31, 2010 and the year ended March 31, 2011

None