

Financial Results for FY2018

(April 1, 2018 ~ March 31, 2019)

Asahi Holdings, Inc.

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.

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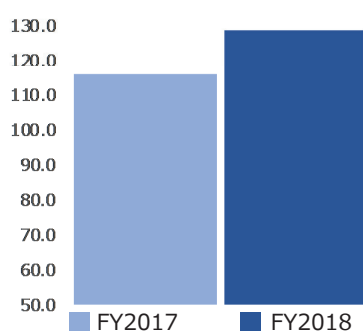


Consolidated Financial Results (Year on Year)

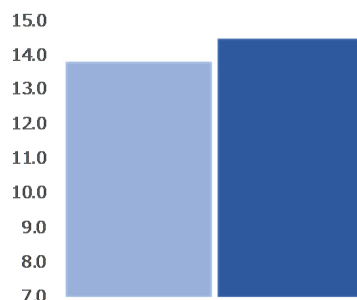
(JPY in billion)

	FY2017 Actual	FY2018 Actual	Change		FY2019 Plan
Revenue	115.8	128.7	+12.9	Revenue	140.0
Operating Income	13.8	14.5	+0.7	Operating Income	14.5
Operating Income Ratio	11.9%	11.3%	-	Operating Income Ratio	10.4%
Profit Befor Tax	13.4	13.4	(0)	Profit Before Tax	14.3
Profit attributable to owners of parent	9.4	9.0	(0.4)	Profit attributable to owners of parent	9.4

[Revenue]



[Operating Income]



CAPEX	4.8
Depreciation Expense	2.4
FY2018 Actual	
CAPEX	5.7
Depreciation Expense	2.3

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Consolidated Performance

Operating Income	<ul style="list-style-type: none"> ■ 14.5 billion yen : YoY increase of 0.7 billion yen Turning in a record-breaking performance for the second straight year ■ By Segment (YoY) <ul style="list-style-type: none"> • Precious Metals: +0.9 billion yen • Environmental Preservation: +0 billion yen • Life & Health: (0.1) billion yen • Others: (0.1) billion yen
Profit Before Tax	<ul style="list-style-type: none"> ■ 13.4 billion yen: Remained the same level as the previous year <ul style="list-style-type: none"> - Essentially increased from the previous year had there been no one-time expenses of 4 billion yen incurred in relation to the asset acquisition in North America in February 2019. ■ Differences from Operating Income: (1.1) billion yen <ul style="list-style-type: none"> - Main reason is increase in financial expense in relation to advance financial trading in North America.
Dividend	<ul style="list-style-type: none"> ■ Dividend policy: Approximately 50% or more of the consolidated net income <ul style="list-style-type: none"> • Annual Dividend: 120 yen per share • Payout Ratio: 52.6%
FY2019	<ul style="list-style-type: none"> ■ Operating Income (Forecast): 14.5 billion yen <ul style="list-style-type: none"> - YoY increase of 20 million yen ■ Will achieve a record-breaking performance for the third straight year

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AH Segment Results (Year on Year)

(JPY in billion)

		FY2017 (Actual)	FY2018 (Actual)	Change
Precious Metals	Revenue	74.6	87.8	+13.2
	Operating Income	11.1	12.0	+0.9
Environmental Preservation	Revenue	16.2	17.2	+1.0
	Operating Income	3.5	3.5	+0
Life & Health	Revenue	25.0	23.7	(1.3)
	Operating Income	1.6	1.5	(0.1)
Consolidated	Revenue	115.8	128.7	+12.9
	Operating Income	13.8	14.5	+0.7

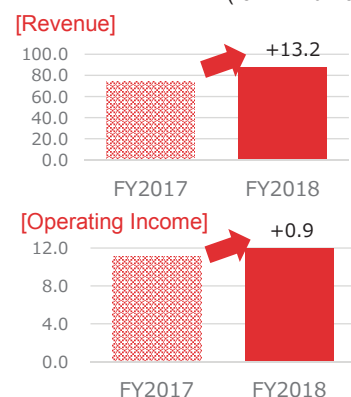
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AH Segment Results (Precious Metals)

- Revenue and Operating Income of the precious metals recycling sector in Japan, South Korea, and Malaysia increased steadily. Those of refining business in North America also increased steadily.

Year on Year	FY2017 (Actual)	FY2018 (Actual)	Change
Revenue	74.6	87.8	+13.2
Operating Income	11.1	12.0	+0.9
Operating Income Ratio	14.9%	13.7%	—

(JPY in billion)



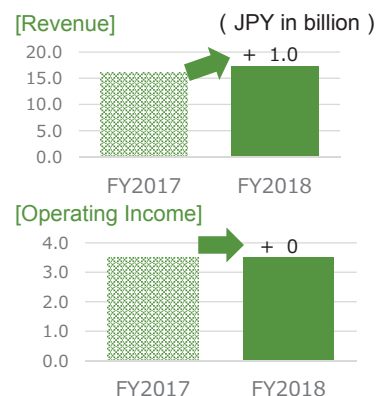
vs. Plan	FY2018 (Plan)	FY2018 (Actual)	Change
Revenue	78.0	87.8	+9.8
Operating Income	12.2	12.0	(0.2)

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Segment Results (Environmental Preservation)

- Both Revenue and Operating Income increased from the same period of the previous year thanks to efforts to develop new customers, despite withdrawal expenses incurred from photosensitive material business.

Year on Year	FY2017 (Actual)	FY2018 (Actual)	Change
Revenue	16.2	17.2	+1.0
Operating Income	3.5	3.5	+0
Operating Income Ratio	21.6%	20.5%	—



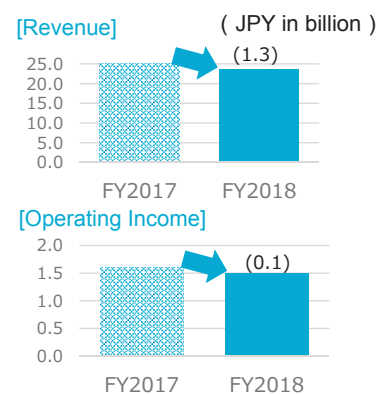
vs. Plan	FY2018 (Plan)	FY2018 (Actual)	Change
Revenue	16.0	17.2	+1.2
Operating Income	2.9	3.5	+0.6

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Segment Results (Life & Health)

- Kept growing steadily in fire-fighting and air-conditioning equipment, however, sales of health care equipment struggled. Consequently, both Revenue and Operating Income were lower than those in the same period of the previous year.

Year on Year	FY2017 (Actual)	FY2018 (Actual)	Change
Revenue	25.0	23.7	(1.3)
Operating Income	1.6	1.5	(0.1)
Operating Income Ratio	6.3%	6.4%	—



vs. Plan	FY2018 (Plan)	FY2018 (Actual)	Change
Revenue	26.0	23.7	(2.3)
Operating Income	1.5	1.5	+0

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Segment Results (FY2019 Plan)

(JPY in billion)

		FY2018 (Actual)	FY2019 (Plan)	Change
Precious Metals	Revenue	87.8	96.0	+8.2
	Operating Income	12.0	12.0	+0
Environmental Preservation	Revenue	17.2	17.5	+0.3
	Operating Income	3.5	3.3	(0.2)
Life & Health	Revenue	23.7	26.5	+2.8
	Operating Income	1.5	1.8	+0.3

Consolidated	Revenue	128.7	140.0	+11.3
	Operating Income	14.5	14.5	+0

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Topic (Foundation of Asahi Refining Florida)

In February 2019, founded “**Asahi Refining Florida**” to acquire the assets of product fabrication (plating, minting, granulation, etc.) from the former competitor seeking Chapter 11 protection. The acquisition also leads to expansion of the scale of gold/silver refining business in North America.

Combined with the existing two companies in Salt Lake City and Brampton, will pursue optimal operations by leveraging the strengths of each of the companies.

Exterior



Precious Metals Refining Facility
(Wet Refining Technology)



Product Fabrication Facility/Plate and Coin



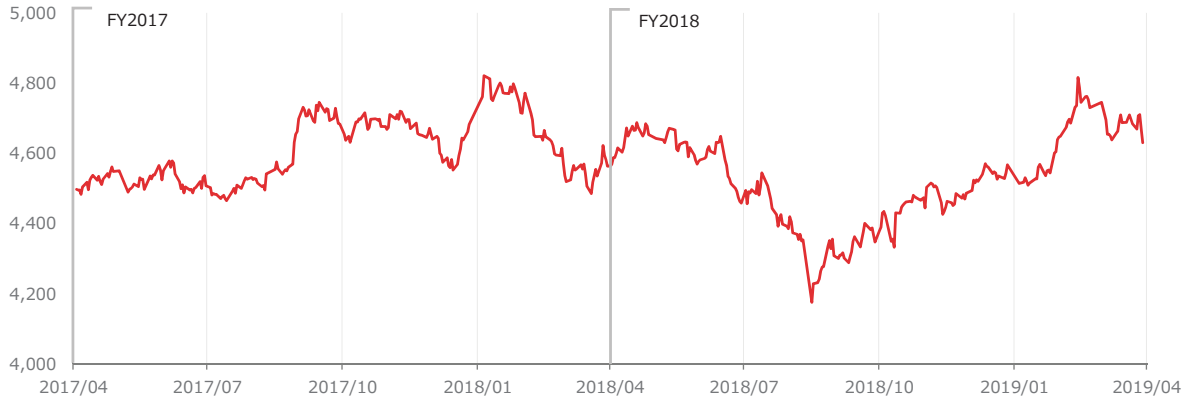
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Trend in Metal Prices (Au, Ag)

Gold

(Unit: JPY per gram)



Silver



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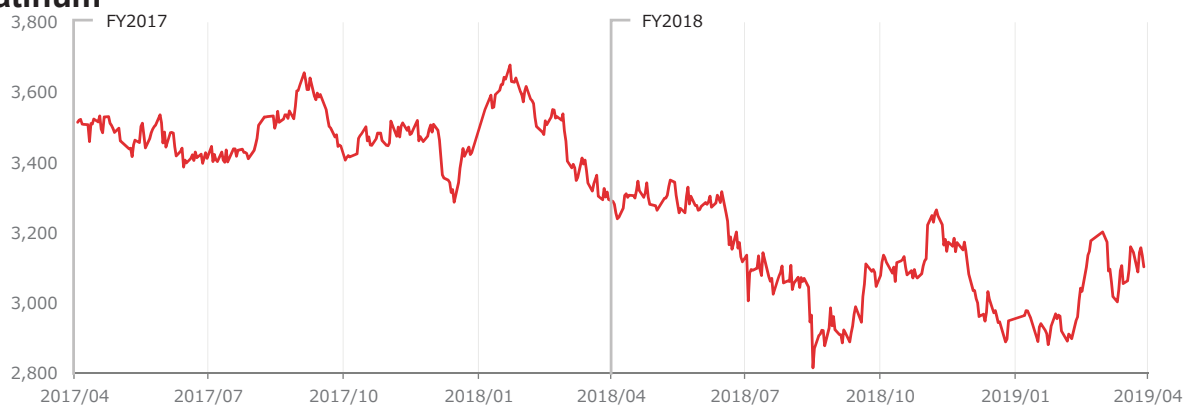
Trend in Metal Prices (Pd, Pt)

Palladium

(Unit: JPY per gram)



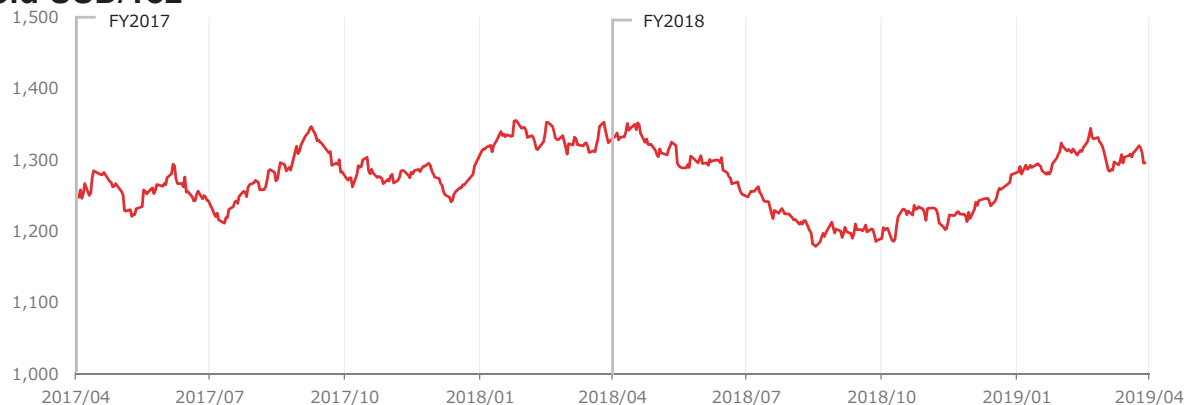
Platinum



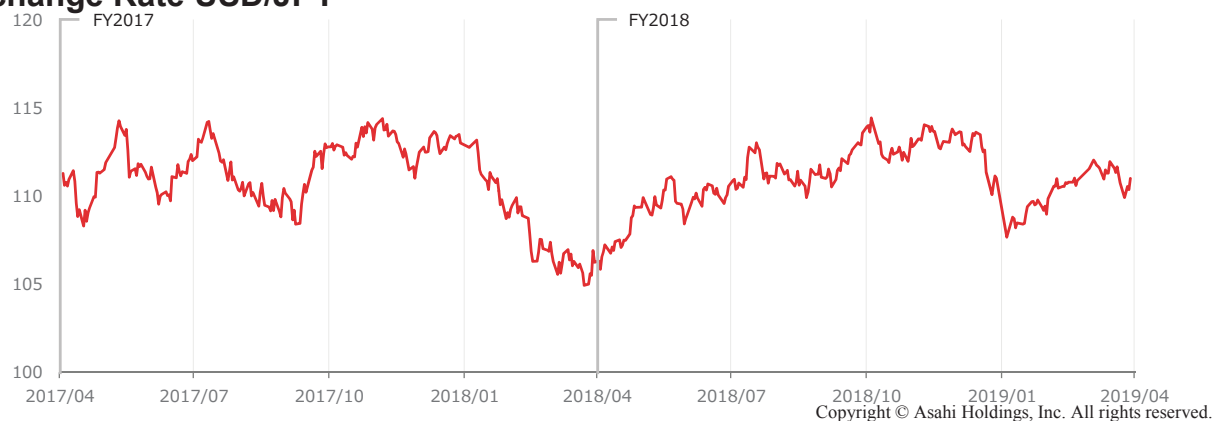
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Trend in Prices (Gold <USD/Toz>, EXC <USD/JPY>)

Gold USD/Toz



Exchange Rate USD/JPY



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Dividend / ROE

- Dividend forecast for FY2019: **120 yen per share**
- Dividend policy: Approximately **50% or more** of the consolidated net income

(unit: JPY)

	FY2016	FY2017	FY2018	FY2019 forecast
Annual Dividend	60	63	120	120
Payout Ratio	—	23.3%	52.6%	50.2%
EPS	(37.24)	270.77	228.14	238.89
ROE	(2.6%)	※ 17.3%	13.6%	13.4%

※ Including the impact of the issuing of new shares and disposition of treasury stock during period

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AH Condensed Balance Sheet

- Increased in Current assets and Current liabilities mainly due to expansion of advance financial trading provided to customers of refining business in North America.

(JPY in billion)

	As of Mar.31 2018	As of Mar.31 2019	Change	Primary reason for change	
Total assets	131.5	160.3	+28.8		
Current assets	88.1	113.8	+25.7	Trade and other receivables +29.5	Increased mainly due to expansion of advance financial trading in relation to refining business in North America.
Non-current assets	43.4	46.5	+3.1		
Liabilities	67.0	92.5	+25.4		
Current liabilities	45.1	70.6	+25.5	Loans payable +22.2	Increased mainly due to expansion of advance financial trading in relation to refining business in North America.
Non-current liabilities	21.9	21.9	(0.1)		
Total equity	64.4	67.8	+3.4		

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AH Condensed Statements of Cash Flows

- Negative Operating CF mainly due to expansion of advance financial trading provided to customers of refining business in North America.

(JPY in billion)

		FY2018	Primary reason	<Ref.> FY2017
Operating CF	Profit before tax	+13.4		+13.4
	Depreciation and amortization	+2.3		+2.3
	Decrease (increase) in trade and other receivables	(29.5)	Increased mainly due to expansion of advance financial trading in relation to refining business in North America.	(21.4)
	Others	(6.9)	Payment of corporate income tax	(7.7)
	Net cash from operating activities	(20.6)		(13.4)
Investing CF	Purchase of PP&E	(5.6)	Asset purchase in North America	(2.8)
	Others	(0.1)		(0.1)
	Net cash from investing activities	(5.6)		(2.8)
Financial CF	Net increase (decrease) in short-term loans payable	+23.6	Increased mainly due to expansion of advance financial trading in relation to refining business in North America.	+20.1
	Others	(5.4)		+9.7
	Net cash from financing activities	+18.3		+29.8
Cash and cash equivalents at end of period		16.3		24.1

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