

Interim Business Report for FY2013

From April 1, 2013 to September 30, 2013

To Our Shareholders

I would like to express my cordial appreciation for your continuous support and loyal patronage.

During the first half fiscal year ended September 30, 2013, against the backdrop of the new Government's economic policies and monetary easing, the Japanese economy showed some signs of recovery including correction of the yen and a favorable turn in share prices. However, the future including impact on real economy remains opaque.

Under such economic situations, in the precious metal recycling business, the collection volumes of gold, palladium, and so on surpassed those of the corresponding term the year before. The average sales unit price of gold, silver, platinum and palladium were higher than they were in the corresponding term the year before. In the environmental preservation business, the transaction volume of medical-related wastes, recycling glass, and so on surpassed those of the same term one year earlier.

Our Group have focused on execution of our growth strategies that we have outlined in the 6th mid-term business plan; "Business expansion in the Asian markets", "Broadening business domain through M&A", and "Streamlining group management". As part of the strategies, operations of our subsidiary in Taiwan and representative office in Vietnam started in April 2013.

As a result of the above, the results of operations for the current fiscal year recorded consolidated net sales 47,884 million yen, operating profit 5,259 million yen, ordinary profit 5,394 million yen, and net income 3,276 million yen.

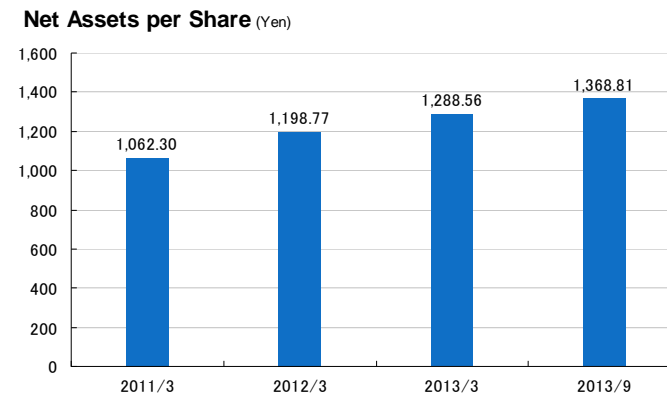
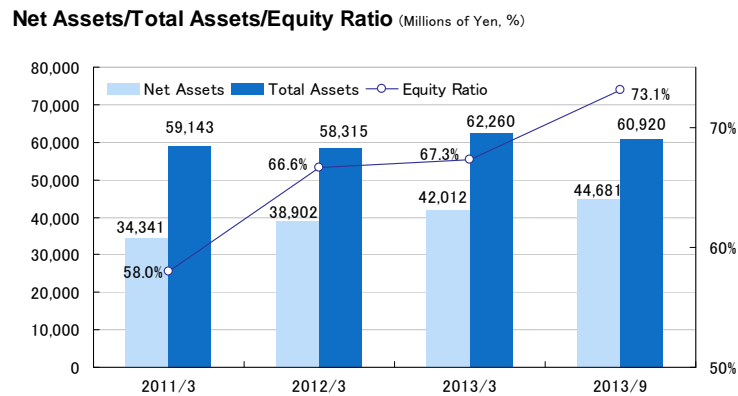
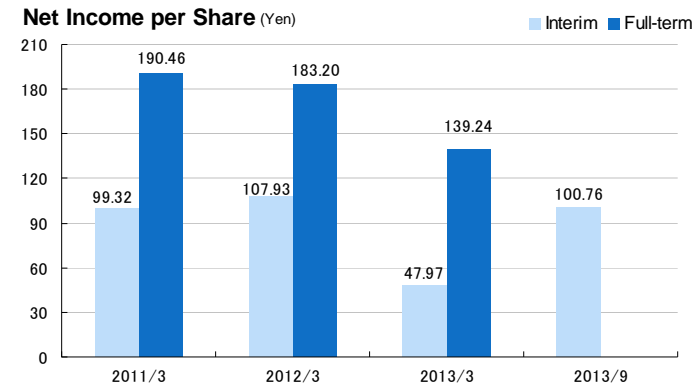
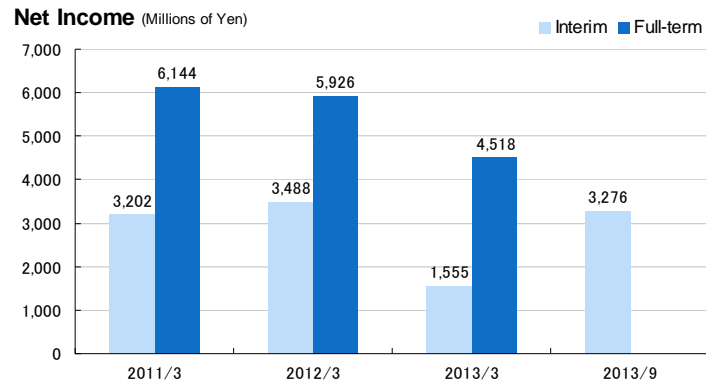
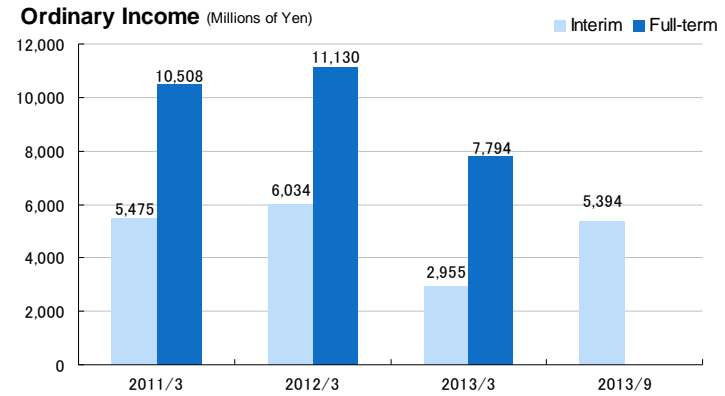
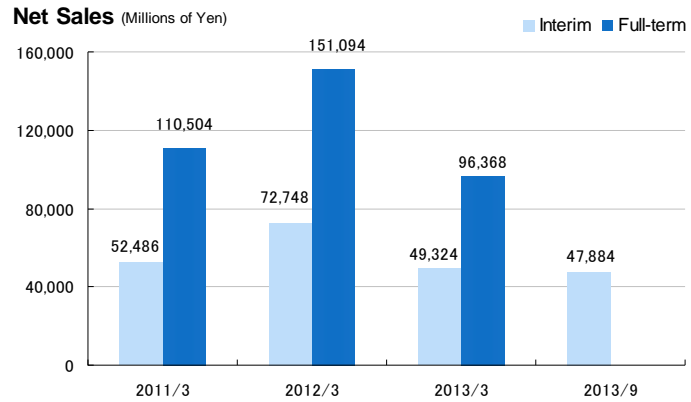
The company maintained an interim dividend of 30 yen per share.

We would appreciate your continued understanding and support for the business activities of our group companies.



CEO *Mitsuharu Terayama*

Consolidated Financial Highlights



Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
ASSETS		
Current assets	33,298	32,674
Cash and deposits	4,141	7,701
Notes and accounts receivable-trade	12,539	9,221
Merchandise and finished goods	5,067	6,177
Work in process	8,114	7,617
Other	3,435	1,956
Noncurrent assets	28,962	28,245
Property, plant and equipment	24,959	24,423
Buildings and structures	9,281	9,040
Land	13,031	13,027
Other	2,647	2,356
Intangible assets	3,177	2,932
Goodwill	2,380	2,186
Other	797	746
Investments and other assets	824	889
Total assets	62,260	60,920

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
LIABILITIES		
Current liabilities	18,533	9,413
Notes and accounts payable-trade	2,463	3,129
Short-term loans payable	10,245	445
Current portion of long-term loans payable	1,500	1,020
Income taxes payable	349	2,074
Other	3,995	2,742
Noncurrent liabilities	1,694	6,826
Long-term loans payable	-	5,080
Other	1,694	1,745
Total liabilities	20,248	16,239
NET ASSETS		
Shareholders' equity	41,758	44,132
Capital stock	4,480	4,480
Capital surplus	6,087	6,097
Retained earnings	36,697	38,999
Treasury stock	(5,507)	(5,445)
Accumulated other comprehensive income	116	408
Subscription rights to shares	77	77
Minority Interests	59	62
Total net assets	42,012	44,618
Total liabilities and net assets	62,260	60,920

Notes: Amounts above are rounded down to unit of display.

Consolidated Financial Statements

Consolidated Statements of Income

(Millions of yen)

	The six months ended September 30, 2012	The six months ended September 30, 2013
Net sales	49,324	47,884
Cost of sales	43,818	39,981
Gross profit	5,506	7,902
Selling, general and administrative expenses	2,610	2,643
Operating income	2,896	5,259
Non-operating income	84	161
Non-operating expenses	24	26
Ordinary income	2,955	5,394
Extraordinary income	4	39
Extraordinary loss	338	113
Income before income taxes and minority interests	2,621	5,320
Income taxes-current	799	2,069
Income taxes-deferred	266	(25)
Income before minority interests	1,555	3,276
Net income	1,555	3,276

Notes: Amounts above are rounded down to unit of display.

Consolidated Statements of Cash Flows

(Millions of yen)

	The six months ended September 30, 2012	The six months ended September 30, 2013
Net cash provided by (used in) operating activities	1,007	9,990
Net cash provided by (used in) investing activities	(1,551)	(477)
Net cash provided by (used in) financing activities	235	(6,127)
Effect of exchange rate change on cash and cash equivalents	49	174
Net increase in cash and cash equivalents	(258)	3,560
Cash and cash equivalents at beginning of period	3,527	4,141
Cash and cash equivalents at the end of period	3,269	7,701

Stock Information/Corporate Profile

(As of September 30, 2013)

■ Total number of authorized shares	129,000,000 shares
■ Total number of shares outstanding	36,254,344 shares
■ Number of shares per trading unit	100 shares
■ Number of shareholders	9,849 persons
■ Principal shareholders	

Name of Shareholders	Number of Shares-Held (Thousand Shares)	Ratio of Share-Holding (%)
TERA ENTERPRISES Co., Ltd.	1,350	3.72
Japan Trustee Services Bank, Ltd. (trust account)	1,191	3.29
Mitsuharu Terayama	1,082	2.99
The Master Trust Bank of Japan Ltd. (trust account)	1,019	2.81
K&M Co., Ltd.	900	2.48
Masamichi Terayama	802	2.21
The Bank of New York, Treaty JASDEC Account	660	1.82
Asahi Employee Stock Ownership Plan	629	1.74
Terra Corporation Co., Ltd.	600	1.65
MS Planning Co., Ltd.	570	1.57

※Total Number of Treasury Shares (3,518,172 shares) are excluding from the above.

■ Corporate Profile

Corporate name	Asahi Holdings, Inc.
Establishment	April 2009
Foundation	July 1952 (as Asahi Pretec Corp.)
Capital	¥4,480 million
Number of employees	1,332 (Consolidated)
Business lines	Recycling of precious & rare metals Industrial waste treatment (Industrial waste treatment and other environmental preservation business)
Subsidiaries	Asahi Pretec Corp. Japan Waste Corporation JW Logistics Co., Ltd. Nihon Chemitec Co., Ltd. Taiyo Chemical Co., Ltd. Iyotec Co., Ltd. Fuji Rozai Co., Ltd. JW Glass Recycling Co., Ltd. Ecomax Incorporated Usuda Manufacturing Co., Ltd. Kyodo Chemical Co., Ltd. INTER CENTRAL, INC.
Overseas subsidiaries	Asahi G&S SDN. BHD. (Malaysia) Shanghai Asahi Pretec Co., Ltd. (China) Asahi Pretec Korea Co., Ltd. (Korea) Asahi Pretec Taiwan Co., Ltd. (Taiwan) Asahi Shih Her Technologies Co., Ltd. (Taiwan)

■ Board of Directors and Corporate Auditors

CEO:	Mitsuharu Terayama
President:	Tsutomu Sakurai
Directors:	Yoshikatsu Takeuchi
	Tomoya Higashiura
	Masayuki Hirano
	Keitaro Shigemasa
	Shoji Morii*
Standing Statutory Auditor:	Yukio Tanabe
Statutory Auditor:	Kazuhiko Tokumine*
	Junzo Kojima*

*Outside officers pursuant to Article 2, paragraph (3) item (v) of Ordinance for Enforcement of the Companies Act.

Business Network

<ul style="list-style-type: none"> ■ Head Offices 	<p><u>KOBE</u> Nissei Sannomiya Bldg., 4-4-17 Kano-cho, Chuo-ku, Kobe, 650-0001, Japan Tel. +81-78-333-5633 (Pilot number) Facsimile +81-78-333-5681</p> <p><u>TOKYO</u> Sapia Tower, 1-7-12 Marunouchi, Chiyoda-ku, Tokyo, 100-0005, Japan Tel. +81-3-6270-1833 (Pilot number) Facsimile +81-3-6270-1859 http://www.asahiholdings.com</p>		
<ul style="list-style-type: none"> ■ Research Laboratory 	<p>Technical Research Center (Kobe)</p>	<ul style="list-style-type: none"> ■ Bases with ISO 14001 	<p>Head office (Kobe), Technical Research Center, Sapporo, Aomori, Sendai, Kitakanto, Chiba Recycling Center, Saitama Recycling Center, Yokohama, Kofu, Shizuoka, Nayoya, Hokuriku, Hanshin, Kobe, Okayama, Hiroshima, Shikoku, Kitakyushu, Fukuoka, Okinawa</p>
<ul style="list-style-type: none"> ■ Plants 	<p>Saitama, Amagasaki, Kobe, Ehime, Kitakyushu, Kitakyushu Hibiki, Fukuoka (7 locations at Asahi Pretec Corp.) Yokohama, Ohgicho (Kawasaki), Aikawa (Kanagawa) (3 locations at Japan Waste Corporation)</p>	<ul style="list-style-type: none"> ■ Bases with ISO 9001 	<p>Technical Research Center, Saitama, Ehime, Fukuoka</p>
<ul style="list-style-type: none"> ■ Recycling Centers 	<p>Saitama, Chiba, Amagasaki</p>	<ul style="list-style-type: none"> ■ Bases with ISO 27001 	<p>Hanshin Office, Amagasaki Recycling Center, Saitama Recycling Center</p>
<ul style="list-style-type: none"> ■ Offices 	<p>Sapporo, Aomori, Sendai, Niigata, Kitakanto, Kanto, Yokohama, Kofu, Shizuoka, Nagoya, Hokuriku, Hanshin, Kobe, Okayama, Hiroshima, Shikoku, Kitakyushu, Fukuoka, Kagoshima, Okinawa (Total: 20 locations)</p>	<ul style="list-style-type: none"> ■ License for Collection and Transportation ■ License for Disposal 	<p>All prefectures and government ordinance cities 15 prefectures and 9 government ordinance cities</p>

General Information

<ul style="list-style-type: none"> ● Business Term ● Record Date ● Fixed Date of Dividend Paid ● Fixed date of Interim Dividend Paid ● Shareholder Registry Administrator ● Transfer Agent ● Contact of the Agent ● Public Notice 	<p>April 1 - March 31 March 31 March 31 September 30 Mitsubishi UFJ Trust and Banking Corporation Mitsubishi UFJ Trust and Banking Corporation 3-6-3 Fushimi-cho, Chuo-ku, Osaka City, Osaka 541-8502 JAPAN Mitsubishi UFJ Trust and Banking Corporation Osaka Stock Transfer Agent Dept. TEL (0120) 094 -777 Electronic public notice http://www.asahiholdings.com/</p>
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