

August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Asahi Diamond Industrial Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 6140
 URL: <https://www.asahidia.co.jp/>
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	10,026	0.5	585	6.9	799	(14.9)	838	4.5
June 30, 2024	9,979	10.5	547	116.6	939	68.8	802	50.7

Note: Comprehensive income For the three months ended June 30, 2025: ¥ 30 million [(97.9)%]
 For the three months ended June 30, 2024: ¥ 1,419 million [(24.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	16.64	—
June 30, 2024	15.57	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	74,033	61,507	80.8	1,203.79
March 31, 2025	76,351	63,579	80.7	1,200.54

Reference: Equity

As of June 30, 2025: ¥ 59,786 million
 As of March 31, 2025: ¥ 61,652 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	15.00	—	15.00	30.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		15.00	—	15.00	30.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026
(from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	20,300	(1.9)	1,000	(23.0)	1,200	(26.3)	1,200	6.2	23.98
Full year	42,500	3.6	2,300	(0.5)	2,600	(15.3)	2,200	(11.8)	44.13

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (AA Diamond Technology Co., Ltd.)

Excluded: -

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	51,888,600 shares
As of March 31, 2025	51,888,600 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	2,223,117 shares
As of March 31, 2025	534,933 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	50,403,077 shares
Three months ended June 30, 2024	51,553,305 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters

(Cautionary concerning forward-looking statements)

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions the Company deems reasonable.

Actual results may differ significantly due to various factors.

① Quarterly Consolidated Financial Statements

1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	14,752	12,238
Notes and accounts receivable - trade	10,038	9,896
Securities	57	25
Merchandise and finished goods	3,652	3,529
Work in process	1,702	1,830
Raw materials and supplies	3,404	3,277
Other	908	843
Allowance for doubtful accounts	(60)	(48)
Total current assets	34,456	31,592
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,326	12,407
Machinery, equipment and vehicles, net	6,820	6,481
Land	6,626	6,580
Other, net	3,071	3,142
Total property, plant and equipment	28,845	28,612
Intangible assets	408	528
Investments and other assets		
Investment securities	10,778	11,488
Other	2,332	2,251
Allowance for doubtful accounts	(470)	(440)
Total investments and other assets	12,640	13,299
Total non-current assets	41,895	42,441
Total assets	76,351	74,033

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,658	1,425
Short-term borrowings	234	82
Income taxes payable	222	459
Provision for bonuses	979	1,293
Provision for business restructuring	217	188
Other	3,326	2,855
Total current liabilities	6,640	6,305
Non-current liabilities		
Long-term borrowings	2,000	2,000
Retirement benefit liability	3,188	3,289
Provision for share awards	174	183
Other	768	747
Total non-current liabilities	6,131	6,220
Total liabilities	12,772	12,526
Net assets		
Shareholders' equity		
Share capital	4,102	4,102
Capital surplus	7,154	7,154
Retained earnings	44,783	44,847
Treasury shares	(423)	(1,655)
Total shareholders' equity	55,615	54,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,997	2,395
Revaluation reserve for land	185	185
Foreign currency translation adjustment	3,000	1,897
Remeasurements of defined benefit plans	853	858
Total accumulated other comprehensive income	6,036	5,338
Non-controlling interests	1,927	1,720
Total net assets	63,579	61,507
Total liabilities and net assets	76,351	74,033

2) Quarterly Consolidated Statement of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	9,979	10,026
Cost of sales	7,193	7,170
Gross profit	2,785	2,856
Selling, general and administrative expenses		
Selling expenses	1,437	1,458
General and administrative expenses	801	812
Total selling, general and administrative expenses	2,238	2,271
Operating profit	547	585
Non-operating income		
Interest income	27	27
Dividend income	41	38
Foreign exchange gains	237	107
Share of profit of entities accounted for using equity method	83	20
Miscellaneous income	21	33
Total non-operating income	410	227
Non-operating expenses		
Interest expenses	0	1
Commission expenses	—	4
Miscellaneous losses	18	8
Total non-operating expenses	18	13
Ordinary profit	939	799
Extraordinary income		
Gain on sale of non-current assets	—	266
Gain on sale of investment securities	111	47
Total extraordinary income	111	313
Profit before income taxes	1,051	1,112
Income taxes - current	317	383
Income taxes - deferred	(91)	(130)
Total income taxes	225	252
Profit	825	860
Profit attributable to non-controlling interests	22	21
Profit attributable to owners of parent	802	838

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	825	860
Other comprehensive income		
Valuation difference on available-for-sale securities	113	398
Foreign currency translation adjustment	451	(870)
Remeasurements of defined benefit plans, net of tax	(85)	(1)
Share of other comprehensive income of entities accounted for using equity method	113	(356)
Total other comprehensive income	593	(830)
Comprehensive income	1,419	30
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,392	183
Comprehensive income attributable to non-controlling interests	27	(153)

② Financial Data

1) Consolidated Financial Indicator

		For the three months ended		For the fiscal year ended	Forecast
		June 30, 2024	June 30, 2025	March 31, 2025	March 31, 2026
Operating profit ratio	(%)	5.5	5.8	5.6	5.4
Ordinary profit ratio	(%)	9.4	8.0	7.5	6.1
Return on assets [ROA]	(%)	1.1	1.1	3.3	—
Return on equity [ROE]	(%)	1.3	1.4	4.0	—
Capital expenditures	Millions of yen	929	800	5,298	3,500
Depreciation [Property, plant and equipment]	Millions of yen	730	804	3,257	3,500
Research and development expenses	Millions of yen	587	632	2,596	2,360
Number of employees		2,099	2,085	2,064	—

2) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen, %

	For the three months ended				For the fiscal year ended		Forecast	
	June 30, 2024		June 30, 2025		March 31, 2025		March 31, 2026	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	4,107	41.2	4,078	40.7	16,667	40.7	17,150	40.3
Transportation	2,391	24.0	2,288	22.8	9,692	23.6	9,900	23.3
Machinery	2,279	22.8	2,411	24.1	9,430	23.0	9,800	23.1
Stone and Construction	932	9.3	954	9.5	3,975	9.7	4,400	10.4
Other	268	2.7	293	2.9	1,240	3.0	1,250	2.9
Net sales	9,979	100.0	10,026	100.0	41,006	100.0	42,500	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen, %

	For the three months ended				For the fiscal year ended		Forecast	
	June 30, 2024		June 30, 2025		March 31, 2025		March 31, 2026	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	4,365	43.8	4,683	46.7	18,217	44.4	19,200	45.2
Asia and Oceania								
Taiwan	768	7.7	676	6.8	3,111	7.6	3,200	7.5
China	1,000	10.0	1,206	12.0	4,275	10.4	4,100	9.6
Other	1,571	15.7	1,562	15.6	6,535	16.0	7,300	17.2
Europe	1,239	12.4	1,152	11.5	4,514	11.0	4,800	11.3
North America	676	6.8	435	4.3	2,869	7.0	2,600	6.1
Other	357	3.6	310	3.1	1,482	3.6	1,300	3.1
Net sales	9,979	100.0	10,026	100.0	41,006	100.0	42,500	100.0