Asahi Diamond Industrial Co., Ltd.

July 26,2013

Summary of the Consolidated Financial Results for the First Quarter Ended June 30, 2013

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Stock exchange listing: Tokyo Stock Exchange 1st Section(Code 6140)

① Financial Data

1) Consolidated Balance Sheets

Millions of yen

	FISCAL YEAR			FIRST QUARTER
	2011/3	2012/3	2013/3	2013/6
Cash and deposits	10,284	9,473	11,821	13,074
Notes and accounts receivable-trade	13,266	11,850	11,082	10,760
Short-term investment securities	—	615	298	157
Merchandise and finished goods	1,543	1,879	1,972	2,182
Work in process	1,292	1,295	1,104	1,218
Raw materials and supplies	1,922	2,768	2,673	2,608
Other	986	622	808	1,127
Allowance for doubtful accounts	△91	△92	△96	△78
Current assets	29,204	28,412	29,663	31,049
Buildings and structures, net	8,736	9,152	8,586	8,507
Machinery, equipment and vehicles, net	6,601	7,139	6,506	6,272
Land	4,274	4,421	4,704	4,727
Other, net	1,149	1,017	1,326	1,577
Property, plant and equipment	20,761	21,730	21,123	21,085
Intangible assets	84	80	88	91
Investment securities	7,324	7,411	8,882	9,831
Other	3,283	2,915	2,133	1,753
Allowance for doubtful accounts	△47	△25	△28	△27
Investments and other assets	10,560	10,301	10,986	11,557
Non-current assets	31,407	32,112	32,199	32,733
Assets	60,611	60,525	61,862	63,783

Millions of yen

	FISCAL YEAR			FIRST QUARTER
	2011/3	2012/3	2013/3	2013/6
Notes and accounts payable-trade	1,816	1,594	1,404	1,680
Short-term loans payable	293	910	556	595
Income taxes payable	3,224	481	824	793
Provision for bonuses	853	636	701	1,174
Other	2,602	2,611	2,054	2,263
Current liabilities	8,791	6,234	5,541	6,507
Provision for retirement benefits	5,053	5,078	5,141	5,229
Other	1,164	919	965	837
Non-current liabilities	6,218	5,997	6,106	6,067
Liabilities	15,009	12,231	11,648	12,574
Capital stock	4,102	4,102	4,102	4,102
Capital surplus	7,129	7,129	7,129	7,129
Retained earnings	35,089	37,820	38,260	37,941
Treasury stock	△69	△76	△2	△3
Shareholders' equity	46,251	48,974	49,489	49,169
Valuation difference on available-for-sale securities	770	1,054	1,452	1,697
Revaluation reserve for land	67	105	105	105
Foreign currency translation adjustment	△1,943	△2,408	△1,725	△647
Total accumulated other comprehensive income	△1,105	△1,248	△167	1,154
Minority interests	455	567	892	884
Net assets	45,602	48,293	50,214	51,208
Liabilities and net assets	60,611	60,525	61,862	63,783

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

Consolidated Statements of Income

Millions of yen

	FIRST QUARTER			FISCAL YEAR
	2011/4-6	2012/4-6	2013/4-6	2012/4-2013/3
Net sales	12,009	9,531	9,171	38,378
Cost of sales	6,505	6,325	6,393	26,158
Gross profit	5,504	3,206	2,778	12,219
Selling, general and administrative expenses	1,938	1,924	1,924	7,663
Operating income	3,565	1,281	853	4,556
Interest and dividends income	42	51	54	172
Foreign exchange gains	—	47	77	300
Equity in earnings of affiliates	54	42	38	249
Other	16	11	6	72
Non-operating income	113	152	177	795
Non-operating expenses	12	4	5	18
Ordinary income	3,666	1,430	1,025	5,333
Gain on sales of non-current assets	1	—	—	—
State subsidy	39	—	—	—
Extraordinary income	40	—	—	—
Loss on sales and retirement of non-current assets	3	—	—	66
Loss on reduction of non-current assets	39	—	—	—
Loss on valuation of investment securities	516	22	—	42
Extraordinary loss	559	22	—	108
Income before income taxes and minority interests	3,148	1,407	1,025	5,225
Income taxes	1,156	489	463	1,722
Income before minority interests	1,991	918	562	3,503
Minority interests in income	49	47	16	249
Net income	1,942	871	546	3,253

Consolidated Statements of Comprehensive Income

Millions of yen

	FIRST QUARTER			FISCAL YEAR
	2011/4-6	2012/4-6	2013/4-6	2012/4-2013/3
Income before minority interests	1,991	918	562	3,503
Other comprehensive income				
Valuation difference on available-for-sale securities	290	△338	239	400
Foreign currency translation adjustment	211	461	576	772
Share of other comprehensive income of associates accounted for using equity method	114	176	558	22
Other comprehensive income	616	299	1,374	1,194
Comprehensive income	2,608	1,217	1,936	4,697
(Comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	2,547	1,125	1,868	4,334
Comprehensive income attributable to minority interests	60	92	68	363

3) Consolidated Net Sales Breakdown by Industry

Millions of yen , %

	FIRST QUARTER							
	2010/4-6		2011/4-6		2012/4-6		2013/4-6	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Electronics and Semiconductor	5,025	51.7	6,774	56.4	4,126	43.3	4,234	46.2
Transportation	1,341	13.8	1,435	11.9	1,691	17.8	1,710	18.7
Machinery	1,688	17.4	1,968	16.4	1,912	20.1	1,728	18.8
Stone and Construction	1,377	14.2	1,535	12.8	1,453	15.2	1,112	12.1
Other	278	2.9	295	2.5	347	3.6	386	4.2
Net sales	9,711	100.0	12,009	100.0	9,531	100.0	9,171	100.0

Millions of yen , %

	QUARTER TRANSITION							
	2012/7-9		2012/10-12		2013/1-3		2013/4-6	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Electronics and Semiconductor	4,554	44.6	4,192	45.0	4,395	47.2	4,234	46.2
Transportation	1,664	16.3	1,559	16.7	1,557	16.7	1,710	18.7
Machinery	1,892	18.5	1,709	18.4	1,728	18.6	1,728	18.8
Stone and Construction	1,685	16.5	1,403	15.1	1,281	13.7	1,112	12.1
Other	418	4.1	446	4.8	357	3.8	386	4.2
Net sales	10,216	100.0	9,310	100.0	9,319	100.0	9,171	100.0

4) Consolidated Geographical Sales

Millions of yen , %

	FIRST QUARTER						FISCAL YEAR	
	2011/4-6		2012/4-6		2013/4-6		2012/4-2013/3	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Japan	6,170	51.4	5,117	53.7	4,462	48.7	19,363	50.5
Asia and Oceania	3,249	27.1	2,274	23.8	2,320	25.3	10,002	26.1
Taiwan	1,338	11.1	1,037	10.9	1,125	12.3	4,688	12.2
Europe	869	7.2	788	8.3	874	9.5	2,771	7.2
Other	383	3.2	314	3.3	389	4.2	1,552	4.0
Total	12,009	100.0	9,531	100.0	9,171	100.0	38,378	100.0

5) Consolidated Financial Indicators

		FIRST QUARTER			FISCAL YEAR
		2011/4-6	2012/4-6	2013/4-6	2012/4-2013/3
Net sales	Millions of yen	12,009	9,531	9,171	38,378
Operating income	Millions of yen	3,565	1,281	853	4,556
Ordinary income	Millions of yen	3,666	1,430	1,025	5,333
Net income	Millions of yen	1,942	871	546	3,253
Operating income ratio	%	29.7	13.4	9.3	11.9
Ordinary income ratio	%	30.5	15.0	11.2	13.9
Return on assets [ROA]	%	3.2	1.4	0.9	5.3
Return on equity [ROE]	%	4.2	1.8	1.1	6.7
Shareholders' equity ratio	%	75.9	78.4	78.9	79.7
Number of shares outstanding	Shares	59,210,000	59,210,000	57,710,000	57,710,000
Treasury stock at the end of period	Shares	54,468	55,847	3,721	2,921
Book value per share [BPS]	Yen	791.15	812.83	872.07	854.69
Earnings per share [EPS]	Yen	32.83	14.73	9.47	55.38
Capital expenditure	Millions of yen	1,343	594	484	2,479
Depreciation of Property, Plant and Equipment	Millions of yen	791	758	685	3,206
Research and development expenditure	Millions of yen	322	343	339	1,364
Number of employees	Number	1,944	2,030	2,115	2,059

② Forecast (2013/4-2014/3)

1) Consolidated Financial Indicators

Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)
42,200	4,850	5,350	3,300

Operating income ratio (%)	Ordinary income ratio (%)	Earnings per share [EPS] (Yen)	Capital expenditure (Millions of yen)	Depreciation of Property, Plant and Equipment (Millions of yen)
11.5	12.7	57.19	2,400	3,000

2) Consolidated Net Sales Breakdown by Industry

Millions of yen

Electronics and Semiconductor	Transportation	Machinery	Stone and Construction	Other	Total
18,950	7,500	8,650	5,570	1,530	42,200

※Notes

- This report contains estimates and forecasts pertaining to the future plans and business results. Such statements are based on information available at the time of the report's production and include potential risks and uncertainties. Actual results may differ from estimates and forecasts contained herein.
- Numbers with "△" indicate negative numbers.