Asahi Diamond Industrial Co., Ltd.

February 7, 2025

Summary of the Consolidated Financial Results for the Third Quarter Ended Dec 31, 2024〔under Japanese GAAP〕

① Financial Statements

1) Consolidated Balance Sheet

Millions of yen

	FISCAL YEAR	THIRD QUARTER
	2024/3	2024/12
Cash and deposits	12,780	14,199
Notes and accounts receivable - trade	10,387	10,942
Securities	37	74
Merchandise and finished goods	3,536	3,480
Work in process	1,628	1,684
Raw materials and supplies	3,021	3,179
Other	1,291	1,065
Allowance for doubtful accounts	(81)	(84)
Current assets	32,601	34,542
Buildings and structures, net	12,737	12,350
Machinery, equipment and vehicles, net	6,017	6,706
Land	6,592	6,590
Other, net	1,308	2,563
Property, plant and equipment	26,655	28,210
Intangible assets	351	316
Investment securities	13,164	10,645
Other	1,634	2,018
Allowance for doubtful accounts	(506)	(440)
Investments and other assets	14,292	12,223
Non-current assets	41,299	40,750
Assets	73,901	75,293

※Notes

- Numbers with "( )" indicate negative numbers.
- 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.

Millions of yen

	FISCAL YEAR	THIRD QUARTER
	2024/3	2024/12
Notes and accounts payable - trade	1,424	1,711
Short-term borrowings	544	204
Income taxes payable	504	347
Provision for bonuses	893	394
Provision for business restructuring	—	213
Other	2,819	3,847
Current liabilities	6,185	6,719
Long-term borrowings	—	2,000
Retirement benefit liability	2,745	2,839
Provision for business restructuring	234	—
Provision for share awards	163	165
Other	579	599
Non-current liabilities	3,722	5,604
Liabilities	9,908	12,323
Share capital	4,102	4,102
Capital surplus	7,129	7,154
Retained earnings	43,846	44,448
Treasury shares	(248)	(223)
Shareholders' equity	54,829	55,481
Valuation difference on available-for-sale securities	3,699	2,215
Revaluation reserve for land	196	196
Foreign currency translation adjustment	2,094	2,182
Remeasurements of defined benefit plans	1,422	1,130
Total accumulated other comprehensive income	7,412	5,723
Non-controlling interests	1,752	1,765
Net assets	63,993	62,970
Liabilities and net assets	73,901	75,293

2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

Millions of yen

	THIRD QUARTER	
	2023/4-12	2024/4-12
Net sales	28,985	31,145
Cost of sales	21,668	22,308
Gross profit	7,316	8,836
Selling expenses	4,037	4,343
General and administrative expenses	2,215	2,383
Selling, general and administrative expenses	6,253	6,727
Operating profit	1,063	2,108
Interest income	72	85
Dividend income	133	120
Foreign exchange gains	275	130
Share of profit of entities accounted for using equity method	152	111
Subsidy income	11	—
Other	107	97
Non-operating income	752	545
Interest expenses	5	14
Commission expenses	3	—
Other	6	14
Non-operating expenses	15	29
Ordinary profit	1,800	2,624
Gain on sale of investment securities	809	700
Extraordinary income	809	700
Loss on retirement of non-current assets	117	—
Loss on sale of investment securities	—	1
Extraordinary losses	117	1
Profit before income taxes	2,493	3,323
Income taxes - current	546	621
Income taxes - deferred	179	385
Income taxes	725	1,007
Profit	1,767	2,315
Profit attributable to non-controlling interests	75	157
Profit attributable to owners of parent	1,692	2,158

Consolidated Statement of Comprehensive Income

Millions of yen

	THIRD QUARTER	
	2023/4-12	2024/4-12
Profit	1,767	2,315
Other comprehensive income		
Valuation difference on available-for-sale securities	(556)	(1,484)
Foreign currency translation adjustment	908	97
Remeasurements of defined benefit plans, net of tax	1,142	(288)
Share of other comprehensive income of entities accounted for using equity method	312	(64)
Other comprehensive income	1,806	(1,739)
Comprehensive income	3,574	575
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	3,549	784
Comprehensive income attributable to non-controlling interests	25	(208)

② Financial Data

1) Forecast (2024/4-2025/3)

Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Earnings per share〔EPS〕(Yen)
42,500	3,100	3,500	2,600	50.41

2) Consolidated Financial Indicator

		THIRD QUARTER		FISCAL YEAR	FORECAST
		2023/4-12	2024/4-12	2023/4-2024/3	2024/4-2025/3
Operating profit ratio	(%)	3.7	6.8	4.0	7.3
Ordinary profit ratio	(%)	6.2	8.4	6.2	8.2
Return on assets〔ROA〕	(%)	2.3	2.9	2.8	—
Return on equity〔ROE〕	(%)	2.8	3.5	3.4	—
Capital expenditures	Millions of yen	3,848	3,903	4,998	6,700
Depreciation〔Property, plant and equipment〕	Millions of yen	2,096	2,340	2,886	3,200
Research and development expenses	Millions of yen	1,552	1,910	2,236	2,400
Number of employees		2,067	2,079	2,059	—

3) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen,%

	THIRD QUARTER				FISCAL YEAR		FORECAST	
	2023/4-12		2024/4-12		2023/4-2024/3		2024/4-2025/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	10,909	37.6	12,793	41.1	14,684	38.0	16,720	39.3
Transportation	6,879	23.7	7,403	23.8	9,204	23.8	9,880	23.3
Machinery	7,177	24.8	7,025	22.5	9,434	24.4	10,170	23.9
Stone and Construction	3,159	10.9	3,015	9.7	4,218	10.9	4,550	10.7
Other	859	3.0	908	2.9	1,111	2.9	1,180	2.8
Net sales	28,985	100.0	31,145	100.0	38,653	100.0	42,500	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen,%

	THIRD QUARTER				FISCAL YEAR		FORECAST	
	2023/4-12		2024/4-12		2023/4-2024/3		2024/4-2025/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	13,048	45.0	13,689	44.0	17,387	45.0	18,200	42.8
Asia and Oceania								
Taiwan	2,421	8.4	2,389	7.7	3,080	8.0	3,500	8.2
China	2,659	9.2	3,156	10.1	3,704	9.6	4,500	10.6
Other	4,387	15.1	4,968	16.0	6,041	15.6	6,900	16.2
Europe	3,371	11.6	3,495	11.2	4,366	11.3	4,700	11.1
North America	2,199	7.6	2,223	7.1	2,885	7.4	3,400	8.0
Other	897	3.1	1,221	3.9	1,187	3.1	1,300	3.1
Net sales	28,985	100.0	31,145	100.0	38,653	100.0	42,500	100.0