

February 10, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: Asahi Diamond Industrial Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 6140
 URL: <https://www.asahidia.co.jp/>
 Representative: Kazuki Kataoka, President and Representative Director
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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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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	%
Nine months ended December 31, 2025	31,021	(0.4)	1,810	(14.2)	2,529	(3.6)	3,151	46.0
December 31, 2024	31,145	7.5	2,108	98.2	2,624	45.7	2,158	27.6

Note: Comprehensive income For the Nine months ended December 31, 2025: ¥ 3,341 million [480.2%]
 For the Nine months ended December 31, 2024: ¥ 575 million [(83.9)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	63.74	—
December 31, 2024	41.86	—

(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 December 31, 2025	77,131	62,820	79.0	1,266.31
March 31, 2025	76,351	63,579	80.7	1,200.54

Reference: Equity

As of December 31, 2025: ¥ 60,956 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	—	15.00	—		
Fiscal year ending March 31, 2026 (Forecast)				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
Full year	42,500	3.6	2,300	(0.5)	2,600	(15.3)	2,200	(11.8)	44.50

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

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

Newly included: 1 company (AA Diamond Technology Co., Ltd. (Equity-method affiliate))

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 December 31, 2025	49,888,600 shares
As of March 31, 2025	51,888,600 shares

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

As of December 31, 2025	1,751,558 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)

Nine months ended December 31, 2025	49,439,761 shares
Nine months ended December 31, 2024	51,571,475 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 Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	14,752	14,101
Notes and accounts receivable - trade	10,038	10,914
Securities	57	64
Merchandise and finished goods	3,652	3,631
Work in process	1,702	1,754
Raw materials and supplies	3,404	3,637
Other	908	874
Allowance for doubtful accounts	(60)	(86)
Total current assets	34,456	34,890
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,326	13,935
Machinery, equipment and vehicles, net	6,820	6,044
Land	6,626	6,616
Other, net	3,071	1,594
Total property, plant and equipment	28,845	28,190
Intangible assets	408	804
Investments and other assets		
Investment securities	10,778	11,835
Other	2,332	1,422
Allowance for doubtful accounts	(470)	(11)
Total investments and other assets	12,640	13,246
Total non-current assets	41,895	42,240
Total assets	76,351	77,131

1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,658	1,653
Short-term borrowings	234	2,268
Income taxes payable	222	728
Provision for bonuses	979	428
Provision for business restructuring	217	60
Provision for loss on disaster	—	46
Other	3,326	2,679
Total current liabilities	6,640	7,865
Non-current liabilities		
Long-term borrowings	2,000	2,000
Retirement benefit liability	3,188	3,476
Provision for share awards	174	203
Other	768	765
Total non-current liabilities	6,131	6,445
Total liabilities	12,772	14,310
Net assets		
Shareholders' equity		
Share capital	4,102	4,102
Capital surplus	7,154	7,154
Retained earnings	44,783	44,925
Treasury shares	(423)	(1,418)
Total shareholders' equity	55,615	54,762
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,997	2,573
Revaluation reserve for land	185	185
Foreign currency translation adjustment	3,000	2,555
Remeasurements of defined benefit plans	853	878
Total accumulated other comprehensive income	6,036	6,193
Non-controlling interests	1,927	1,864
Total net assets	63,579	62,820
Total liabilities and net assets	76,351	77,131

1) Quarterly Consolidated Balance Sheets
Quarterly Consolidated Statements of Income

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	31,145	31,021
Cost of sales	22,308	22,302
Gross profit	8,836	8,719
Selling, general and administrative expenses		
Selling expenses	4,343	4,515
General and administrative expenses	2,383	2,393
Total selling, general and administrative expenses	6,727	6,909
Operating profit	2,108	1,810
Non-operating income		
Interest income	85	71
Dividend income	120	108
Foreign exchange gains	130	451
Share of profit of entities accounted for using equity method	111	26
Subsidy income	—	16
Miscellaneous income	97	90
Total non-operating income	545	765
Non-operating expenses		
Interest expenses	14	22
Commission expenses	—	7
Miscellaneous losses	14	16
Total non-operating expenses	29	46
Ordinary profit	2,624	2,529
Extraordinary income		
Gain on sale of non-current assets	—	606
Gain on sale of investment securities	700	1,164
Insurance claim income	—	25
Total extraordinary income	700	1,796
Extraordinary losses		
Loss on sales of investment securities	1	—
Loss on disaster	—	45
Total extraordinary losses	1	45
Profit before income taxes	3,323	4,280
Income taxes - current	621	909
Income taxes - deferred	385	182
Total income taxes	1,007	1,091
Profit	2,315	3,188
Profit attributable to non-controlling interests	157	36
Profit attributable to owners of parent	2,158	3,151

1) Quarterly Consolidated Balance Sheets
Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	2,315	3,188
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,484)	576
Foreign currency translation adjustment	97	(361)
Remeasurements of defined benefit plans, net of tax	(288)	7
Share of other comprehensive income of entities accounted for using equity method	(64)	(69)
Total other comprehensive income	(1,739)	153
Comprehensive income	575	3,341
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	784	3,382
Comprehensive income attributable to non-controlling interests	(208)	(40)

1) Quarterly Consolidated Balance Sheets

1) Consolidated Financial Indicator

		For the nine months ended		For the fiscal year ended	Forecast
		December 31, 2024	December 31, 2025	March 31, 2025	March 31, 2026
Operating profit ratio	(%)	6.8	5.8	5.6	5.4
Ordinary profit ratio	(%)	8.4	8.2	7.5	6.1
Return on assets [ROA]	(%)	2.9	4.1	3.3	—
Return on equity [ROE]	(%)	3.5	5.1	4.0	—
Capital expenditures	Millions of yen	3,903	1,774	5,298	2,500
Depreciation [Property, plant and equipment]	Millions of yen	2,340	2,471	3,257	3,500
Research and development expenses	Millions of yen	1,910	1,915	2,596	2,360
Number of employees		2,079	2,054	2,064	—

2) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen, %

	For the nine months ended				For the fiscal year ended		Forecast	
	December 31, 2024		December 31, 2025		March 31, 2025		March 31, 2026	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	12,793	41.1	12,549	40.4	16,667	40.7	17,150	40.3
Transportation	7,403	23.8	7,219	23.3	9,692	23.6	9,900	23.3
Machinery	7,025	22.5	7,469	24.1	9,430	23.0	9,800	23.1
Stone and Construction	3,015	9.7	2,889	9.3	3,975	9.7	4,400	10.4
Other	908	2.9	893	2.9	1,240	3.0	1,250	2.9
Net sales	31,145	100.0	31,021	100.0	41,006	100.0	42,500	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen, %

	For the nine months ended				For the fiscal year ended		Forecast	
	December 31, 2024		December 31, 2025		March 31, 2025		March 31, 2026	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	13,689	44.0	14,414	46.5	18,217	44.4	19,200	45.2
Asia and Oceania								
Taiwan	2,389	7.7	2,137	6.9	3,111	7.6	3,200	7.5
China	3,156	10.1	3,672	11.9	4,275	10.4	4,100	9.6
Other	4,968	16.0	5,033	16.2	6,535	16.0	7,300	17.2
Europe	3,495	11.2	3,267	10.5	4,514	11.0	4,800	11.3
North America	2,223	7.1	1,494	4.8	2,869	7.0	2,600	6.1
Other	1,221	3.9	1,002	3.2	1,482	3.6	1,300	3.1
Net sales	31,145	100.0	31,021	100.0	41,006	100.0	42,500	100.0