Fiscal Year Ending March 2026

# Financial Results Briefing

May 26, 2026

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Asahi Diamond

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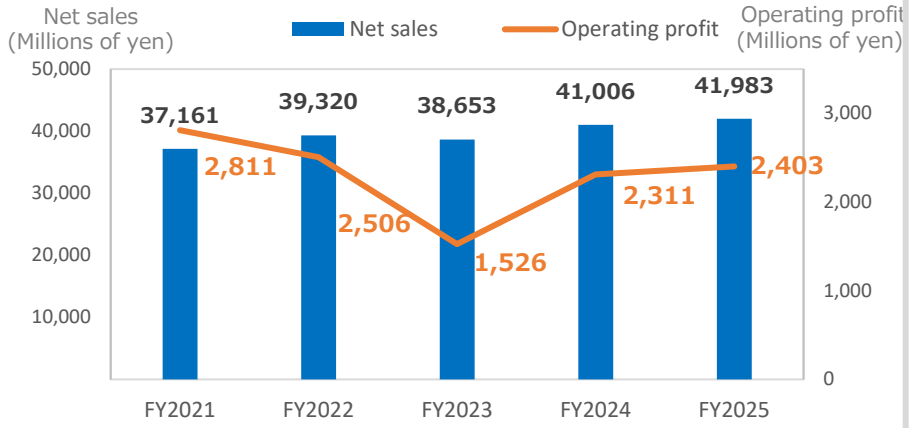
# Financial Results (Consolidated)

Operating profit increased significantly driven by growth in net sales and improved profitability, while net income attributable to owners of the parent declined due to impairment losses.

Unit: Million yen

| | FY2024 | | FY2025 | | | |
|---|---|---|---|---|---|---|
| | Result | % | Result | % | YoY Change | YoY Change (%) |
| Net sales | 41,006 | 100.0 | 41,983 | 100.0 | 977 | 2.4 |
| Operating profit | 2,311 | 5.6 | 2,403 | 5.7 | 92 | 4.0 |
| Ordinary profit | 3,070 | 7.5 | 3,346 | 8.0 | 276 | 9.0 |
| Profit attributable to owners of parent | 2,493 | 6.1 | 2,009 | 4.8 | ▲483 | ▲19.4 |
| Earnings per share (yen) | 48.36 | - | 40.92 | - | ▲7.44 | - |

## Net Sales / Operating Profit




## Operating Profit (YoY Change)

**Increase Factors**

- Increase in sales 660 million yen
- Decrease in variable cost ratio 500 million yen

**Decrease Factors**

- Increase in retirement benefit costs 530 million yen
- Increase in personnel costs 370 million yen
- Increase in depreciation costs 160 million yen



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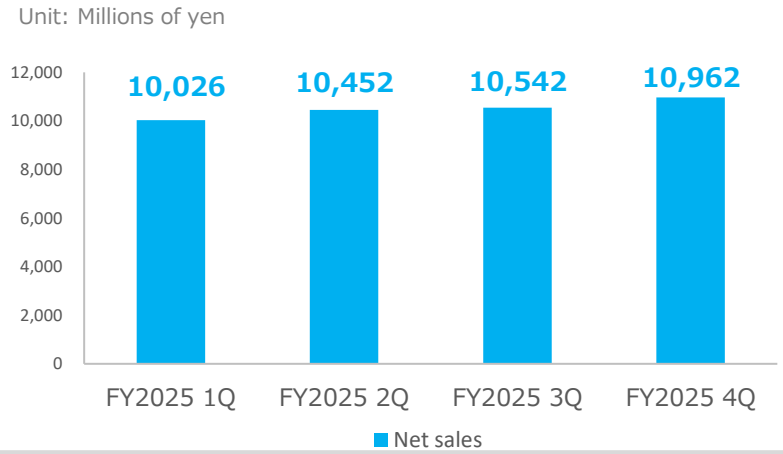
# Quarterly Results and Trends (Consolidated)

Net sales increased gradually, while operating profit fluctuated due to the impact of work-in-progress and product inventories but showed an overall improving trend.

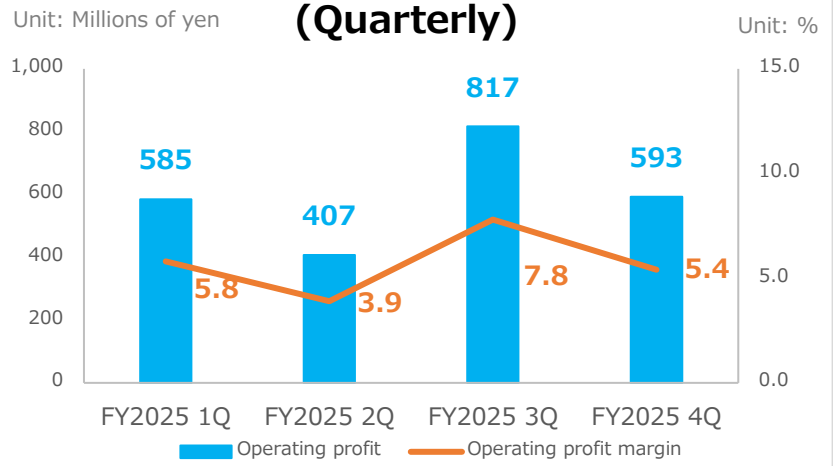
Unit: million yen

| | FY2025 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1Q | | 2Q | | 3Q | | 4Q | |
| | Result | % | Result | % | Result | % | Result | % |
| Net sales | 10,026 | 100.0 | 10,452 | 100.0 | 10,542 | 100.0 | 10,962 | 100.0 |
| Operating profit | 585 | 5.8 | 407 | 3.9 | 817 | 7.8 | 593 | 5.4 |
| Ordinary profit | 799 | 8.0 | 571 | 5.5 | 1,157 | 11.0 | 817 | 7.5 |
| Profit attributable to owners of parent | 838 | 8.4 | 680 | 6.5 | 1,631 | 15.5 | ▲1,141 | ▲10.4 |

## Net Sales (Quarter)




## Operating Profit (Quarterly)






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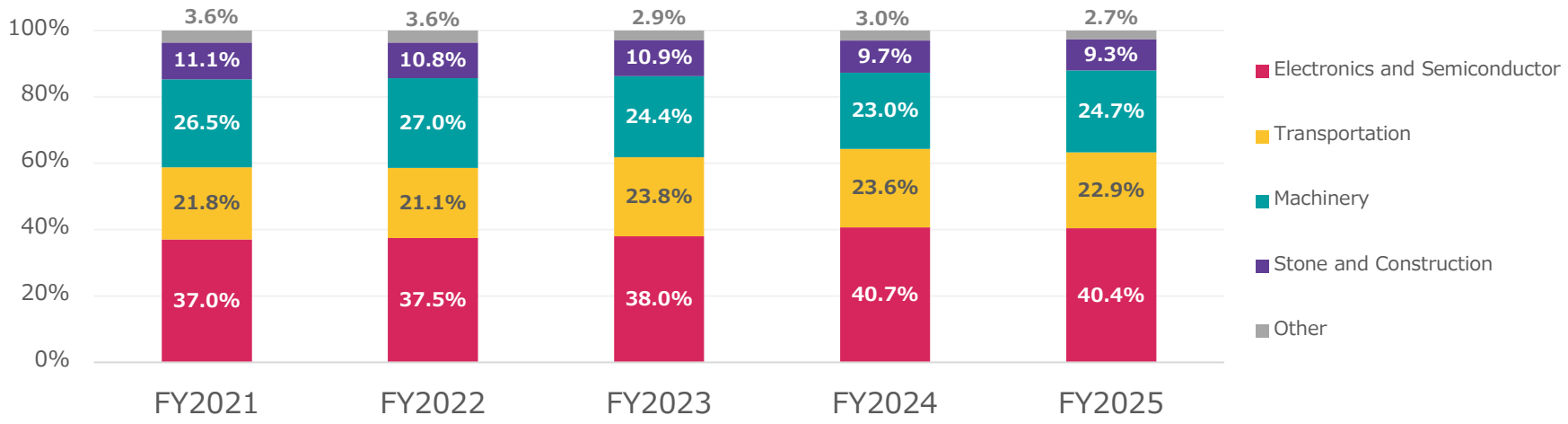
# Net Sales and composition by Industry (Consolidated)

Sales of tools for machinery used primarily in semiconductor production increased, leading to a higher share of the machinery segment.

Unit: million yen

| | FY2024 | | FY2025 | | | |
|---|---|---|---|---|---|---|
| | Net sales | % | Net sales | % | YoY Change | YoY Change (%) |
| Electronics & Semiconductor | 16,667 | 40.7 | 16,978 | 40.4 | 310 | 1.9 |
| Transportation | 9,692 | 23.6 | 9,632 | 22.9 | ▲59 | ▲0.6 |
| Machinery | 9,430 | 23.0 | 10,373 | 24.7 | 943 | 10.0 |
| Stone & Construction | 3,975 | 9.7 | 3,885 | 9.3 | ▲90 | ▲2.3 |
| Other | 1,240 | 3.0 | 1,113 | 2.7 | ▲127 | ▲10.3 |
| **Total** | 41,006 | 100.0 | 41,983 | 100.0 | 977 | 2.4 |

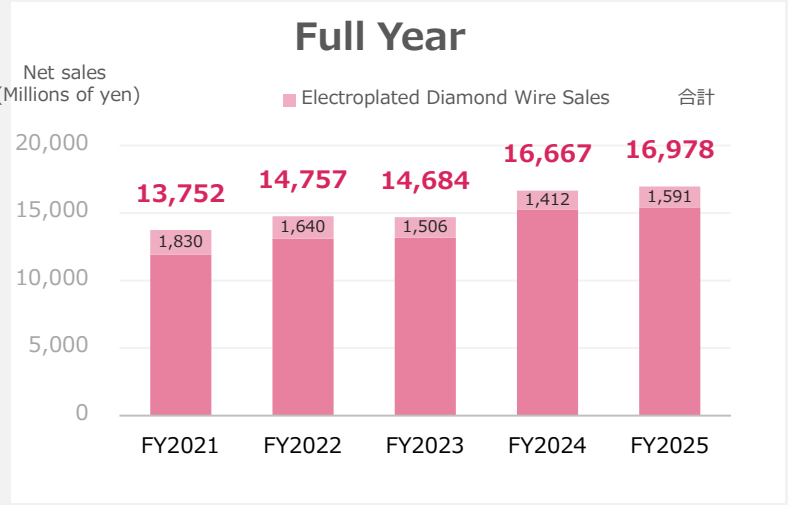
## Composition Ratio

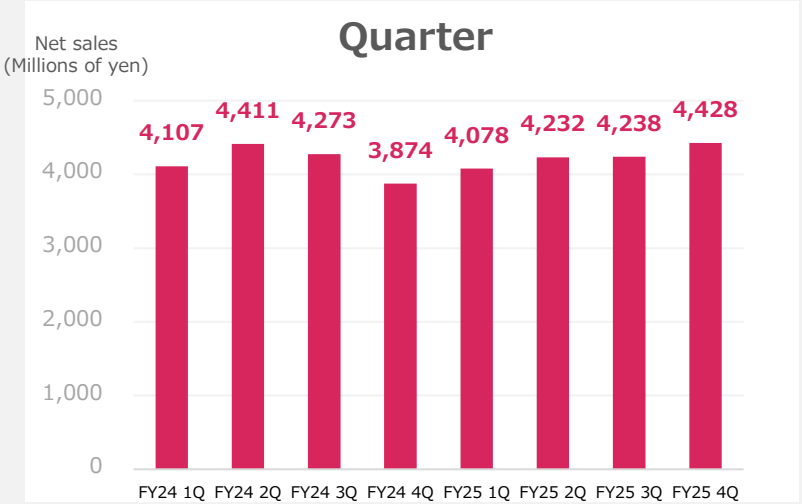





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# Net Sales Breakdown by Industry : 1.Electronics and Semiconductor (Includes Electroplated Diamond Wire)




## Semiconductor and Electronic Components

Although demand for SiC semiconductor applications declined, sales increased driven by stronger demand for advanced semiconductor processing tools.

## FPD (Flat Panel Display)

Sales were largely in line with the previous period.

## Wire Drawing

Sales declined significantly due to a substantial decrease in products for specialty wire applications.

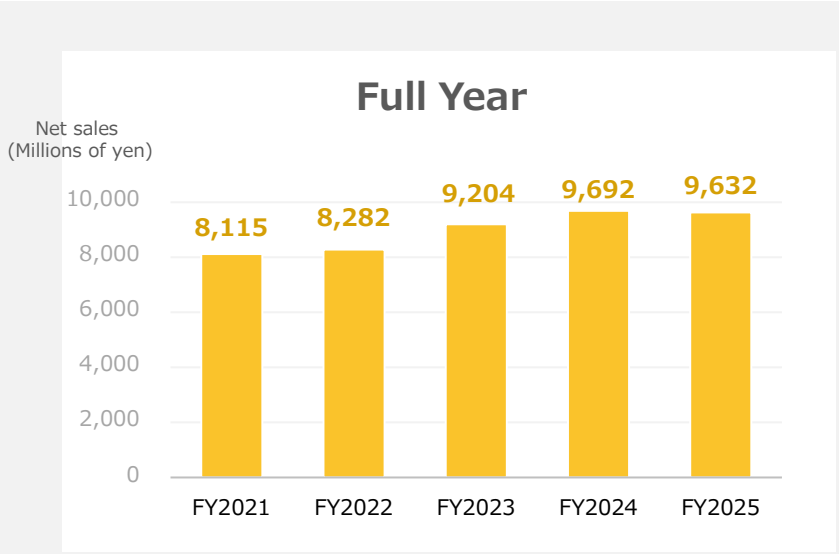
## Electroplated Diamond Wire

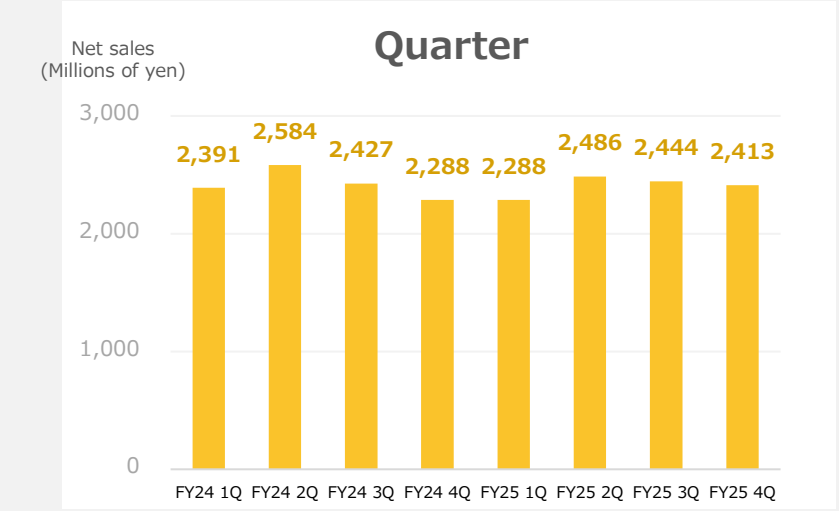
Sales for glass processing applications increased.



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# Net Sales Breakdown by Industry : 2. Transportation




## Automotive

Sales increased in India but decreased in Europe and North America sales declined slightly

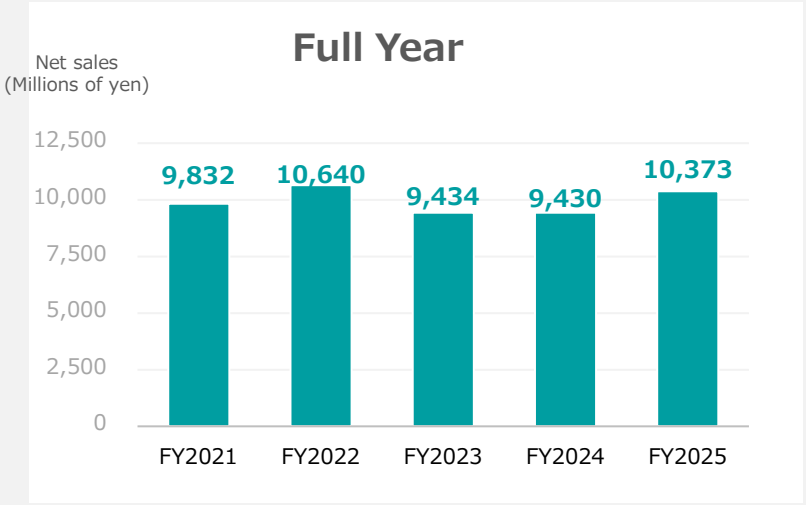
## Aircraft

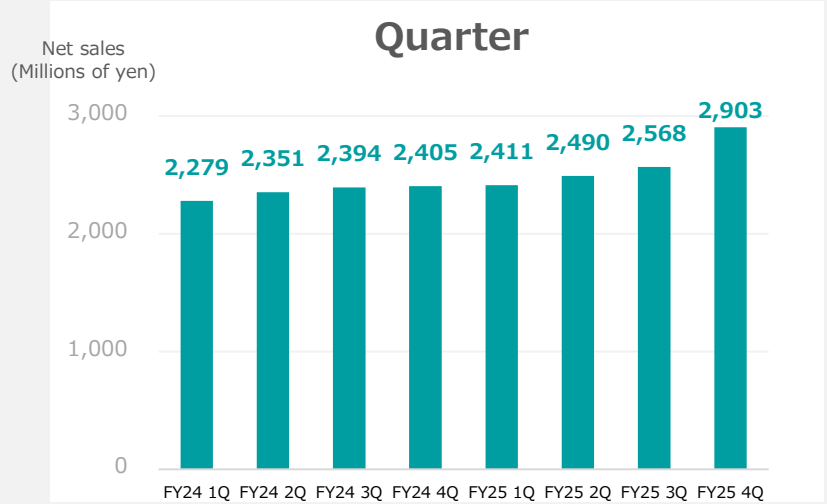
Sales increased due to rising demand



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# Net Sales Breakdown by Industry : 3. Machinery




## Bearing, Cemented Carbide Tool

Sales of bearings and cemented carbide tools increased, supported by demand from electronics and semiconductor applications.

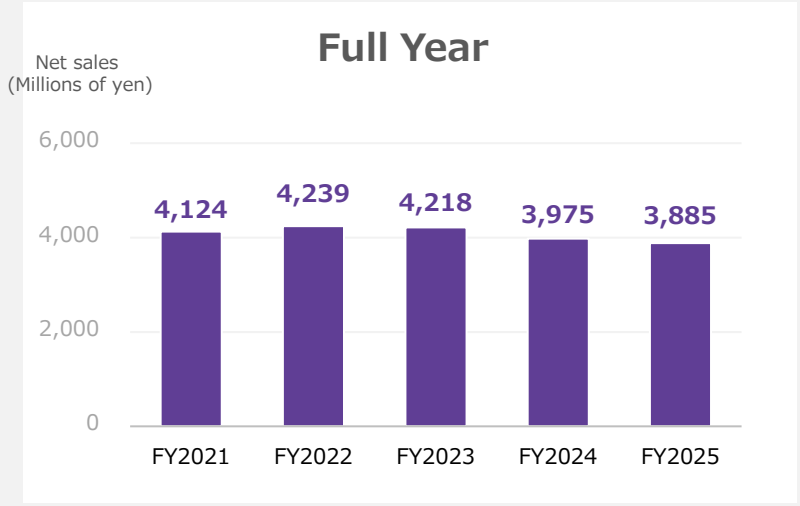
## Machine Tools

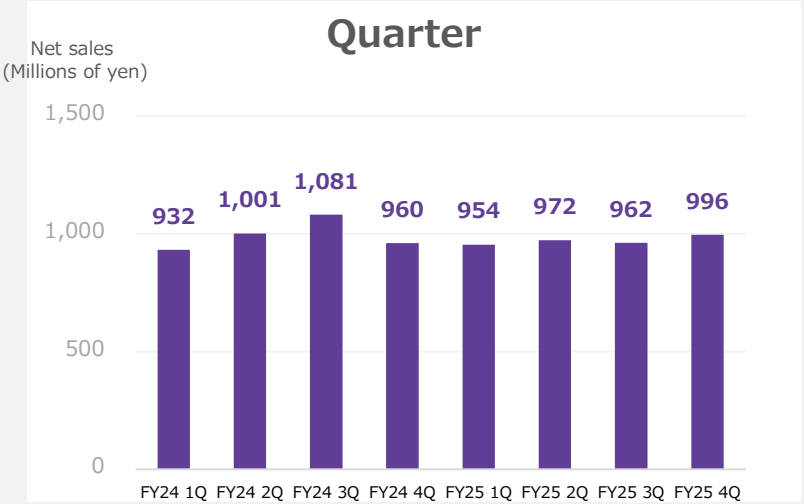
Sales increased, mainly driven by semiconductor equipment applications.



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# Net Sales Breakdown by Industry : 4. Stone and Construction




## Resource Exploration

Sales declined due to a decrease in overseas orders.

## Construction in Japan

Sales declined slightly due to a decrease in large-scale project demand.

## Commercial Product (Portable Cutter)

Sales were largely in line with the previous period.



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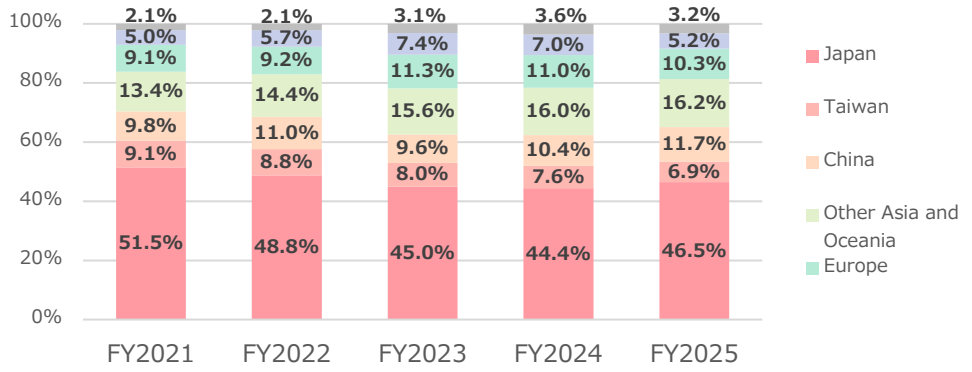
# Net Sales Breakdown by Geographical Region (Consolidated)

Sales increased in Japan, China, and other Asia and Oceania regions, with particularly strong growth in Japan and China.

Unit: Millions of yen

| | FY2024 | | FY2025 | | | |
|---|---|---|---|---|---|---|
| | Net Sales | % | Net Sales | % | YoY Change | YoY Change (%) |
| Japan | 18,217 | 44.4 | 19,512 | 46.5 | 1,295 | 7.1 |
| Taiwan | 3,111 | 7.6 | 2,889 | 6.9 | ▲222 | ▲7.1 |
| China | 4,275 | 10.4 | 4,928 | 11.7 | 652 | 15.3 |
| Other Asia and Oceania | 6,535 | 16.0 | 6,819 | 16.2 | 283 | 4.3 |
| Europe | 4,514 | 11.0 | 4,330 | 10.3 | ▲183 | ▲4.1 |
| North America | 2,869 | 7.0 | 2,172 | 5.2 | ▲697 | ▲24.3 |
| Other | 1,482 | 3.6 | 1,331 | 3.2 | ▲151 | ▲10.2 |
| Overseas Total | 22,789 | 55.6 | 22,471 | 53.5 | ▲317 | ▲1.4 |
| Total | 41,006 | 100.0 | 41,983 | 100.0 | 977 | 2.4 |

## Composition Ratio




**Japan**
Increases in "Electronics & Semiconductors" "Transportation" and "Machinery"

**Taiwan**
Decrease in "Electronics & Semiconductors"

**China**
Increase in "Electronics & Semiconductors" and "Machinery"

**Other Asia and Oceania**
Increase in "Electronics & Semiconductors" "Transportation" and "Machinery"

**Europe**
Decrease in "Electronics & Semiconductors""Transportation"

**North America**
Decrease in "Electronics & Semiconductors" "Transportation" and "Machinery"

**Other**
Decrease in 'Transportation' in South America etc.



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# Consolidated Balance Sheet

Cash and deposits increased due to the sale of investment securities and long-term borrowings, while tangible fixed assets decreased as a result of impairment losses.

Unit: Millions of yen

| Assets | Fiscal Year ending March 2025 | Fiscal Year ending March 2026 | Change |
|---|---|---|---|
| Cash and Deposits | 14,752 | 16,077 | 1,324 |
| Notes and accounts receivable | 10,038 | 10,757 | 718 |
| Inventories | 8,759 | 9,367 | 607 |
| Property, Plant and Equipment | 28,845 | 26,443 | ▲2,402 |
| Intangible assets | 408 | 1,057 | 648 |
| Investment securities | 10,778 | 13,252 | 2,473 |
| Other | 2,767 | 2,248 | ▲519 |
| **Total Assets** | **76,351** | **79,203** | 2,852 |

| Liabilities | Fiscal Year ending March 2025 | Fiscal Year ending March 2026 | Change |
|---|---|---|---|
| Notes and Accounts Payable | 1,658 | 1,733 | 74 |
| Income taxes payable | 222 | 1,036 | 813 |
| Long-term borrowings | 2,000 | 4,500 | 2,500 |
| Retirement benefit liability | 3,188 | 2,173 | ▲1,015 |
| Other | 5,701 | 5,627 | ▲74 |
| **Total Liabilities** | **12,772** | **15,070** | **2,298** |

| Net Assets | Fiscal Year ending March 2025 | Fiscal Year ending March 2026 | Change |
|---|---|---|---|
| Total Net Assets | 63,579 | 64,133 | 554 |
| **Total Liabilities and Net Assets** | **76,351** | **79,203** | **2,852** |



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# Consolidated Statement of Cash Flows

Cash decreased due to the acquisition of treasury shares but increased as a result of long-term borrowings.

Unit: Millions of yen

| | FY2024 | FY2025 | Change |
|---|---|---|---|
| Profit (loss) before income taxes | 3,799 | 3,378 | ▲420 |
| Depreciation | 3,328 | 3,475 | 146 |
| Impairment | - | 1,920 | 1,920 |
| Loss (gain) on sale of investment securities | ▲729 | ▲1,304 | ▲574 |
| Decrease (decrease) in trade receivables | 549 | ▲578 | ▲1,127 |
| Decrease (increase) in inventories | ▲397 | ▲512 | ▲114 |
| Income taxes paid | ▲932 | ▲444 | 488 |
| Other | 147 | ▲523 | ▲670 |
| **Net cash provided by (used in) operating activities** | 5,765 | 5,412 | ▲353 |
| Purchase or sale of property, plant and equipment | ▲4,991 | ▲2,312 | 2,678 |
| Purchase or sale of investment securities | 1,183 | 1,029 | ▲153 |
| Other | ▲12 | ▲837 | ▲825 |
| **Net cash provided by (used in) investing activities** | ▲3,820 | ▲2,120 | 1,699 |
| Proceeds from long-term borrowings | 2,000 | 2,500 | 500 |
| Purchase or sale of treasury shares | ▲175 | ▲2,489 | ▲2,314 |
| Dividends paid | ▲1,553 | ▲1,511 | 41 |
| Other | ▲484 | ▲382 | 102 |
| **Net cash provided by (used in) financing activities** | ▲212 | ▲1,883 | ▲1,670 |
| **Cash and cash equivalents at end of period** | 14,810 | 16,156 | 1,346 |



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# Description

01 FY2025 Financial Results

02 FY2026 Forecasts



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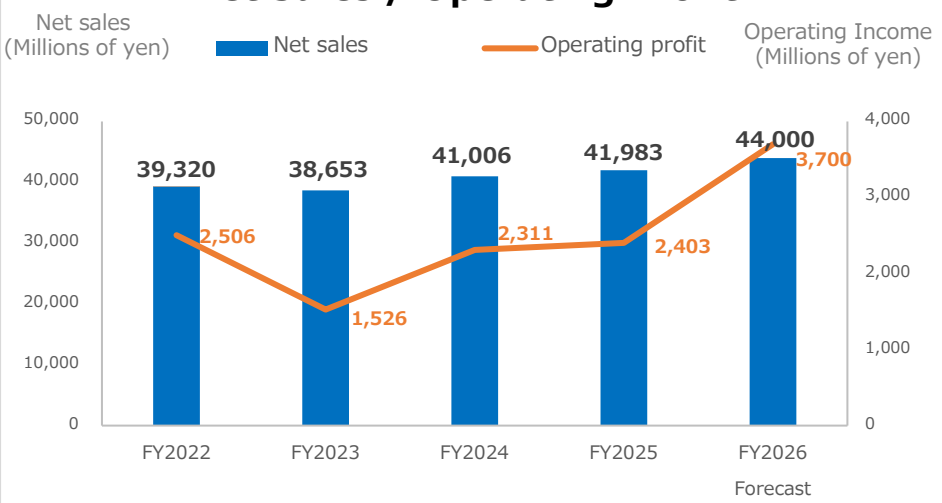
# Outline of Forecasts (Consolidated)

Despite higher expenses, operating profit is expected to increase significantly, supported by sales growth and a reduction in retirement benefit expenses.

Unit: million yen

| | FY2025 First Half Results | % | FY2026 First Half Forecasts | % | YoY Change | YoY Change (%) | FY2025 Full-year results | % | FY2026 Full-year forecast | % | YoY Change | YoY Change (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net Sales | 20,479 | 100.0 | **21,000** | 100.0 | 520 | 2.5 | 41,983 | 100.0 | **44,000** | 100.0 | 2,016 | 4.8 |
| Operating profit | 992 | 4.8 | **1,200** | 5.7 | 207 | 20.9 | 2,403 | 5.7 | **3,700** | 8.4 | 1,296 | 54.0 |
| Ordinary profit | 1,371 | 6.7 | **1,200** | 5.7 | ▲171 | ▲12.5 | 3,346 | 8.0 | **3,800** | 8.6 | 453 | 13.5 |
| Profit attributable to owners of parent | 1,519 | 7.4 | **800** | 3.8 | ▲719 | ▲47.3 | 2,009 | 4.8 | **2,600** | 5.9 | 590 | 29.4 |
| Exchange Rate JPY/USD | | | | | | | 150.4 | - | **157** | | | |
| Exchange Rate JPY/EUR | | | | | | | 169.0 | - | **184** | | | |
| Exchange Rate JPY/CNY | | | | | | | 20.9 | - | **22.6** | | | |

## Net Sales / Operating Profit




## Operating Profit (YoY Change)

**Increase Factors**

- Increase in sales 1.4 billion yen
- Decrease in retirement benefit expenses 1.5 billion yen

**Decrease Factors**

- Increase in variable cost ratio (Increase in material costs) 0.3 billion yen
- Increase in personnel expenses 0.8 billion yen
- Other 0.5 billion yen



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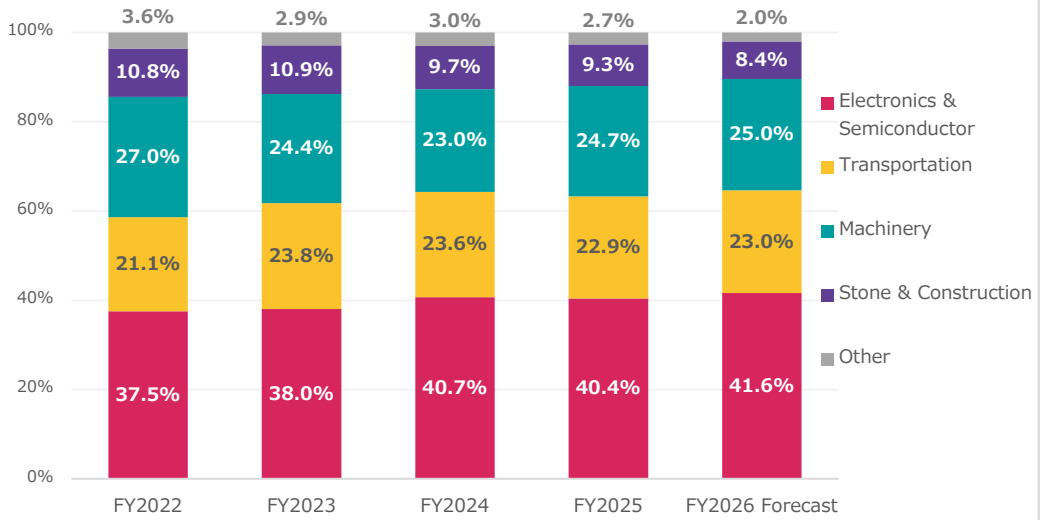
# Forecasts for Net Sales and Composition by Industry (Consolidated)

Net sales is expected to increase, driven by solid electronics and semiconductor and machinery businesses and expanded sales of transportation equipment.

Unit: Millions of yen

| | FY2025 First Half Results | % | FY2026 First Half Forecast | % | YoY Change | YoY Change (%) | FY2025 Full-year results | % | FY2026 Full-year Forecast | % | YoY Change | YoY Change (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Electronics & Semiconductor | 8,310 | 40.6 | **8,800** | 41.9 | 489 | 5.9 | 16,978 | 40.4 | **18,300** | 41.6 | 1,321 | 7.8 |
| Transportation | 4,774 | 23.3 | **4,900** | 23.3 | 125 | 2.6 | 9,632 | 22.9 | **10,100** | 23.0 | 467 | 4.9 |
| Machinery | 4,901 | 23.9 | **5,200** | 24.8 | 298 | 6.1 | 10,373 | 24.7 | **11,000** | 25.0 | 626 | 6.0 |
| Stone & Construction | 1,926 | 9.4 | **1,700** | 8.1 | ▲226 | ▲11.8 | 3,885 | 9.3 | **3,700** | 8.4 | ▲185 | ▲4.8 |
| Other | 565 | 2.8 | **400** | 1.9 | ▲165 | ▲29.3 | 1,114 | 2.7 | **900** | 2.0 | ▲213 | ▲19.2 |
| **Total** | 20,479 | 100.0 | **20,100** | **100.0** | **520** | **2.5** | 41,983 | 100.0 | **44,000** | **100.0** | **2,016** | **4.8** |

## Composition Ratio




**Electronics and Semiconductor**
Growth is expected, primarily in semiconductor and electronic components

**Transportation Equipment**
Growth is expected, primarily for aircraft and automobiles

**Machinery**
Growth expected, primarily for bearings and cemented carbide tools

**Stone and Construction**
Projected to decline, primarily in resource exploration and construction



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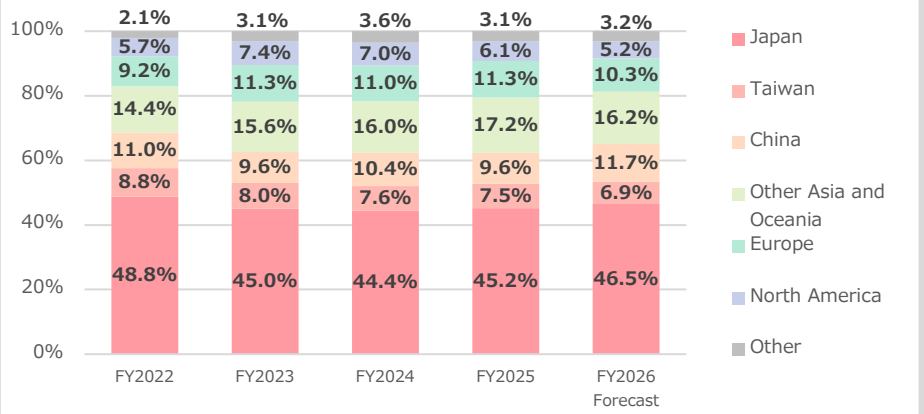
# Forecasts for Net Sales and Composition by Industry (Consolidated)

Net sales is expected to increase across all regions except North America, mainly driven by electronics and semiconductor-related demand.

Unit: Millions of yen

| | FY2025 First Half Results | % | FY2026 First Half Forecast | % | YoY Change | YoY Change (%) | FY2025 Full-year results | % | FY2026 Full-year forecast | % | YoY Change | YoY Change (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Japan** | 9,547 | 46.6 | **9,700** | 46.2 | 152 | 1.6 | 19,512 | 46.5 | **20,400** | 46.4 | 887 | 4.5 |
| Taiwan | 1,417 | 6.9 | **1,500** | 7.1 | 82 | 5.8 | 2,889 | 6.9 | **3,000** | 6.8 | 101 | 3.8 |
| China | 2,468 | 12.1 | **2,300** | 10.9 | ▲168 | ▲6.8 | 4,928 | 11.7 | **5,000** | 11.4 | 71 | 1.5 |
| Other Asia and Oceania | 3,258 | 15.9 | **3,500** | 16.7 | 241 | 7.4 | 6,819 | 16.2 | **7,400** | 16.8 | 580 | 8.5 |
| Europe | 2,228 | 10.9 | **2,400** | 11.4 | 171 | 7.7 | 4,330 | 10.3 | **4,800** | 10.9 | 469 | 10.8 |
| North America | 924 | 4.5 | **1,000** | 4.8 | 75 | 8.2 | 2,172 | 5.2 | **2,100** | 4.8 | ▲72 | ▲3.3 |
| Other | 634 | 3.1 | **600** | 2.9 | ▲34 | ▲5.4 | 1,331 | 3.2 | **1,300** | 3.0 | ▲31 | ▲2.4 |
| **Overseas Total** | 10,931 | 53.4 | **11,300** | 53.8 | 368 | 3.4 | 22,471 | 53.5 | **23,600** | 53.6 | 1,128 | 5.0 |
| **Total** | 20,479 | 100.0 | **21,000** | **100.0** | **520** | **2.5** | 41,983 | 100.0 | **44,000** | **100.0** | **2,016** | **4.8** |

## Share




**Japan**
Increase in "Electronics & Semiconductor" "Transportation" "Machinery"

**Taiwan**
Increase in "Electronics & Semiconductor""Machinery"

**China**
Increase in "Electronics and Semiconductor"

**Other Asia and Oceania**
Increase in "Electronics & Semiconductor"

**Europe**
Increase in "Electronics and Semiconductor"

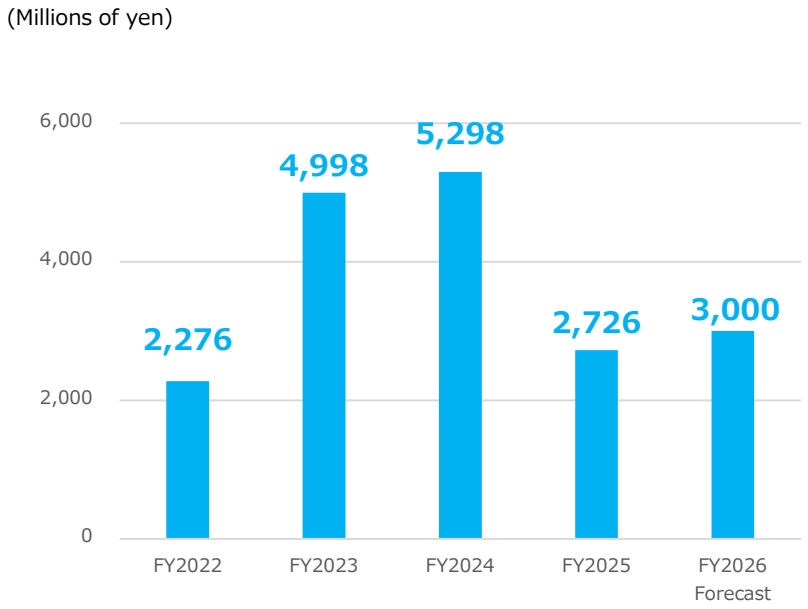
**North America**
Decrease in "Electronics & Semiconductor"



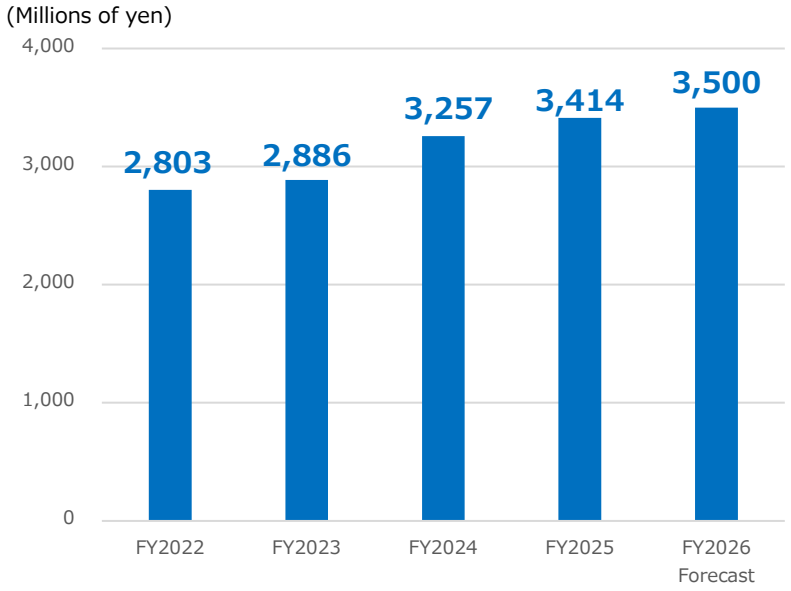
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# Capital Expenditures 「Results and Plan」

## Capital Expenditure




## Depreciation




**Investment Amount in Plant and Equipment**

Capital expenditures increased in FY2023 and FY2024, reflecting capacity expansion for electronics and semiconductor tools and production restructuring. No significant investments are planned for FY2026, in line with FY2025.



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## One and Only

We are at the vanguard of word change, and shall use our groundbreaking technology and global organizational strength to continue providing products and solutions that only we can make possible.

## Eternal Growth

In order to make growth sustainable we establish ourselves as the most trustworthy choice for customers engaged in manufacturing across the globe.

## Job Satisfaction

We strive to be an efficient company, by linking job satisfaction with individual growth while fostering character.

・This material contains forward-looking statements other than historical facts. These forecasts and plans are based on information currently available to us and certain assumptions that we believe to be reasonable. Actual results may differ materially from these forecasts due to a variety of factors.

・Effective from the year ended March 31, 2022, the Company has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29). The impact on the consolidated financial statements is immaterial.

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