

Summary of the Consolidated Financial Results for the third Quarter Ended December 31, 2012

Company name: Asahi Diamond Industrial Co., Ltd.
 URL: <http://www.asahidia.co.jp/>
 E-mail: irmaster@asahidia.co.jp
 Stock exchange listing: Tokyo Stock Exchange 1st Section(Code 6140)

① Financial Data

1) Consolidated Balance Sheets

Millions of yen

	FISCAL YEAR			THIRD QUARTER
	2010/3	2011/3	2012/3	2012/12
Cash and deposits	9,399	10,284	9,473	10,252
Notes and accounts receivable-trade	10,484	13,266	11,850	11,368
Short-term investment securities	—	—	615	1,264
Merchandise and finished goods	1,610	1,543	1,879	1,941
Work in process	984	1,292	1,295	983
Raw materials and supplies	1,256	1,922	2,768	2,873
Other	763	986	622	981
Allowance for doubtful accounts	△122	△91	△92	△119
Current assets	24,377	29,204	28,412	29,547
Buildings and structures, net	7,815	8,736	9,152	8,698
Machinery, equipment and vehicles, net	4,589	6,601	7,139	6,547
Land	4,574	4,274	4,421	4,648
Other, net	818	1,149	1,017	1,341
Property, plant and equipment	17,799	20,761	21,730	21,237
Intangible assets	88	84	80	76
Investment securities	7,688	7,324	7,411	6,608
Other	3,536	3,283	2,915	2,364
Allowance for doubtful accounts	△68	△47	△25	△34
Investments and other assets	11,156	10,560	10,301	8,938
Non-current assets	29,043	31,407	32,112	30,252
Assets	53,420	60,611	60,525	59,800

Millions of yen

	FISCAL YEAR			THIRD QUARTER
	2010/3	2011/3	2012/3	2012/12
Notes and accounts payable-trade	1,378	1,816	1,594	1,764
Short-term loans payable	237	293	910	458
Income taxes payable	706	3,224	481	242
Provision for bonuses	678	853	636	359
Other	1,452	2,602	2,611	2,187
Current liabilities	4,454	8,791	6,234	5,012
Provision for retirement benefits	5,558	5,053	5,078	5,080
Other	1,150	1,164	919	963
Non-current liabilities	6,708	6,218	5,997	6,043
Liabilities	11,163	15,009	12,231	11,056
Capital stock	4,102	4,102	4,102	4,102
Capital surplus	7,129	7,129	7,129	7,129
Retained earnings	33,506	35,089	37,820	38,745
Treasury stock	△1,732	△69	△76	△672
Shareholders' equity	43,004	46,251	48,974	49,304
Valuation difference on available-for-sale securities	933	770	1,054	984
Revaluation reserve for land	△593	67	105	105
Foreign currency translation adjustment	△1,454	△1,943	△2,408	△2,376
Total accumulated other comprehensive income	△1,114	△1,105	△1,248	△1,286
Minority interests	367	455	567	725
Net assets	42,257	45,602	48,293	48,743
Liabilities and net assets	53,420	60,611	60,525	59,800

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

Consolidated Statements of Income

Millions of yen

	THIRD QUARTER			FISCAL YEAR
	2010/4-12	2011/4-12	2012/4-12	2011/4-2012/3
Net sales	31,243	33,402	29,058	42,981
Cost of sales	17,996	20,546	19,753	27,110
Gross profit	13,247	12,855	9,304	15,871
Selling, general and administrative expenses	5,440	5,959	5,735	7,812
Operating income	7,807	6,895	3,568	8,058
Interest and dividends income	94	121	131	161
Equity in earnings of affiliates	173	149	158	306
Other	49	43	238	46
Non-operating income	317	314	528	514
Non-operating expenses	170	157	12	89
Ordinary income	7,954	7,053	4,084	8,484
Gain on sales of non-current assets	3	1	—	0
Gain on sales of investment securities	153	—	—	1
State subsidy	—	39	—	52
Extraordinary income	157	41	—	54
Loss on sales and retirement of non-current assets	10	8	66	75
Loss on reduction of non-current assets	—	39	—	52
Impairment loss	289	—	—	—
Loss on valuation of investment securities	6	638	42	577
Loss on adjustment for changes of accounting standard for asset retirement obligations	49	—	—	—
Extraordinary loss	356	685	109	705
Income before income taxes and minority interests	7,754	6,408	3,975	7,833
Total income taxes	2,945	2,571	1,332	3,055
Income before minority interests	4,809	3,837	2,643	4,777
Minority interests in income	110	125	180	175
Net income	4,699	3,712	2,463	4,602

Consolidated Statements of Comprehensive Income

Millions of yen

	THIRD QUARTER			FISCAL YEAR
	2010/4-12	2011/4-12	2012/4-12	2011/4-2012/3
Income before minority interests	4,809	3,837	2,643	4,777
Other comprehensive income				
Valuation difference on available-for-sale securities	△284	△233	△76	195
Revaluation reserve for land	—	57	—	57
Foreign currency translation adjustment	△289	△413	△24	△358
Share of other comprehensive income of associates accounted for using equity method	△136	△190	79	△49
Total other comprehensive income	△711	△780	△21	△154
Comprehensive income	4,098	3,057	2,621	4,623
(Comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	4,016	2,974	2,425	4,483
Comprehensive income attributable to minority interests	81	82	196	139

3) Consolidated Net Sales Breakdown by Industry

Millions of yen , %

	THIRD QUARTER							
	2009/4-12		2010/4-12		2011/4-12		2012/4-12	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Electronics and Semiconductor	7,791	41.8	15,991	51.2	16,779	50.2	12,873	44.3
Transportation	3,099	16.7	4,318	13.8	4,762	14.3	4,916	16.9
Machinery	3,468	18.6	5,464	17.5	5,865	17.6	5,514	19.0
Stone and Construction	3,469	18.6	4,436	14.2	4,882	14.6	4,542	15.6
Other	795	4.3	1,032	3.3	1,111	3.3	1,212	4.2
Net sales	18,625	100.0	31,243	100.0	33,402	100.0	29,058	100.0

Millions of yen , %

	QUARTER TRANSITION							
	2012/1-3		2012/4-6		2012/7-9		2012/10-12	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Electronics and Semiconductor	4,012	41.9	4,126	43.3	4,554	44.6	4,192	45.0
Transportation	1,722	18.0	1,691	17.8	1,664	16.3	1,559	16.7
Machinery	1,866	19.5	1,912	20.1	1,892	18.5	1,709	18.4
Stone and Construction	1,633	17.0	1,453	15.2	1,685	16.5	1,403	15.1
Other	345	3.6	347	3.6	418	4.1	446	4.8
Net sales	9,579	100.0	9,531	100.0	10,216	100.0	9,310	100.0

4) Consolidated Geographical Sales

Millions of yen , %

	THIRD QUARTER						FISCAL YEAR	
	2010/4-12		2011/4-12		2012/4-12		2011/4-2012/3	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio	Amount	Composition ratio
Japan	18,276	58.5	17,865	53.5	14,995	51.6	23,045	53.6
Asia and Oceania	6,689	21.4	7,922	23.7	7,543	26.0	10,286	23.9
Taiwan	3,061	9.8	3,569	10.7	3,384	11.6	4,555	10.6
Europe	2,129	6.8	2,688	8.0	2,026	7.0	3,425	8.0
Other	1,085	3.5	1,356	4.1	1,108	3.8	1,668	3.9
Total	31,243	100.0	33,402	100.0	29,058	100.0	42,981	100.0

5) Consolidated Financial Indicators

		THIRD QUARTER			FISCAL YEAR
		2010/4-12	2011/4-12	2012/4-12	2011/4-2012/3
Net sales	Millions of yen	31,243	33,402	29,058	42,981
Operating income	Millions of yen	7,807	6,895	3,568	8,058
Ordinary income	Millions of yen	7,954	7,053	4,084	8,484
Net income	Millions of yen	4,699	3,712	2,463	4,602
Operating income ratio	%	25.0	20.6	12.3	18.7
Ordinary income ratio	%	25.5	21.1	14.1	19.7
Return on assets [ROA]	%	8.3	6.2	4.1	7.6
Return on equity [ROE]	%	11.1	8.1	5.1	9.9
Shareholders' equity ratio	%	72.3	79.3	80.3	78.9
Number of shares outstanding	Thousands of shares	59,210	59,210	59,210	59,210
Treasury stock at the end of period	Thousands of shares	43	55	823	55
Book value per share [BPS]	Yen	726.50	781.36	822.41	806.81
Earnings per share [EPS]	Yen	78.50	62.76	41.68	77.81
Capital expenditures	Millions of yen	4,104	3,464	1,965	4,712
Depreciation [Property, plant and equipment]	Millions of yen	1,847	2,561	2,365	3,480
Research and development expenses	Millions of yen	938	1,017	1,042	1,355
Number of employees	Number	1,863	2,013	2,066	2,015

② Forecast (2012/4-2013/3)

1) Consolidated Financial Indicators

Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)
38,000	4,600	5,100	3,000

Operating income ratio (%)	Ordinary income ratio (%)	Earnings per share [EPS] (Yen)	Capital expenditures (Millions of yen)	Depreciation [Property, plant and equipment] (Millions of yen)
12.1	13.4	51.05	3,300	3,300

2) Consolidated Net Sales Breakdown by Industry

					Millions of yen
Electronics and Semiconductor	Transportation	Machinery	Stone and Construction	Other	Total
16,440	6,600	7,560	6,060	1,340	38,000

※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.