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.

April 16, 2026

To whom it may concern

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Notice Concerning Revision of Consolidated Forecast and Recognition of Extraordinary Loss (Impairment Loss on Fixed Assets)

Asahi Diamond Industrial Co., Ltd. (the "Company") hereby announces that it has revised its full-year consolidated business forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026), which was announced on May 15, 2025, as follows. In addition, the Company expects to record an extraordinary loss (impairment loss on fixed assets). The details are described below.

1. Revision of forecast for full-year consolidated financial results for the fiscal year ending March 31, 2026 (April 1, 2025 - March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecasts (A)	Million yen 42,500	Million yen 2,300	Million yen 2,600	Million yen 2,200	Yen 42.84
Revised forecasts (B)	41,992	2,417	3,387	1,936	39.41
Change (B-A)	△508	117	787	△264	—
Change (%)	△1.2	5.1	30.3	△12.0	—
Previous-year results (A) (FY2024)	41,006	2,311	3,070	2,493	48.36

2. Reason for revision

Compared to the previous forecast, ordinary income is expected to exceed the previous projection due to an increase in equity in earnings of affiliates and the impact of foreign exchange gains. However, net income attributable to owners of the parent is expected to be lower than the previous projection due to the recognition of impairment losses of approximately 1,800 million yen on fixed assets of subsidiaries and approximately 120 million yen on fixed assets of the Company as extraordinary losses.

3. Recognition of Extraordinary Loss (Impairment Loss on Fixed Assets)

Following a review of our European subsidiary in accordance with the "Accounting Standards for Impairment of Fixed Assets," we have determined that future profitability is unlikely; consequently, we expect to record an impairment loss of approximately 1,800 million yen.

In addition, due to the transfer of manufacturing operations to an affiliate and other factors, we expect to record an impairment loss of approximately 120 million yen on machinery and equipment that is no longer expected to be used.

4. Dividend forecasts

There are no changes to the dividend forecasts.

Note: The above forecasts are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results may differ from these forecasts due to various factors.

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