

November 9, 2023

**Daido Metal Co., Ltd.**

Seigo Hanji

Chairman and President

Chief Executive Officer and Chief Operating Officer

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(For inquiry)

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**Notice Regarding Differences between Financial Forecasts and Actual Results  
and Revision of the full-year Financial Forecast and Dividend Forecast**

Daido Metal Co., Ltd. (hereinafter, “the Company”) hereby informs you that there are differences between the forecasts for the first half of the fiscal year ending March 31, 2024, which were announced on August 10, 2023 and the actual results disclosed today.

Further, in the light of recent business performance, the Company has revised its consolidated financial forecast and year-end dividend forecast for the fiscal year ending March 31, 2024 as follows.

**1. Consolidated Financial Forecast**

**(1) Differences between Consolidated Forecasts and Results for the first half of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 30, 2023)**

|  | Net sales                 | Operating profit         | Ordinary profit          | Profit attributable to owners of parent | Basic earnings per share |
|--|---------------------------|--------------------------|--------------------------|---|--------------------------|
| Previous forecast (A)  | Millions of yen<br>62,700 | Millions of yen<br>1,800 | Millions of yen<br>1,600 | Millions of yen<br>300                  | Yen<br>6.36              |
| Actual results (B)   | 63,383                    | 2,210                    | 2,212                    | 615                                     | 13.05                    |
| Difference (B-A)   | 683                       | 410                      | 612                      | 315                                     | —                        |
| Difference (%)   | 1.1                       | 22.8                     | 38.3                     | 105.1                                   | —                        |
| (For reference)<br>Previous period<br>(6 months ended<br>September 30, 2022) | 56,944                    | 664                      | 941                      | (2,475)                                 | (52.83)                  |

**(2) Revision of the consolidated financial forecast for the full fiscal year ending March 31,2024  
(from April 1, 2023 to March 31, 2024)**

|  | Net sales                  | Operating profit         | Ordinary profit          | Profit attributable to owners of parent | Basic earnings per share |
|--|----------------------------|--------------------------|--------------------------|---|--------------------------|
| Previous forecast (A)  | Millions of yen<br>124,000 | Millions of yen<br>3,700 | Millions of yen<br>2,900 | Millions of yen<br>600                  | Yen<br>12.73             |
| Revised forecast(B)  | 128,000                    | 4,700                    | 4,200                    | 1,200                                   | 25.46                    |
| Difference(B-A)  | 4,000                      | 1,000                    | 1,300                    | 600                                     | —                        |
| Difference(%)  | 3.2                        | 27.0                     | 44.8                     | 100.0                                   | —                        |
| (For Reference)<br>Previous period (year ended March 31, 2023) | 115,480                    | 2,824                    | 2,909                    | (2,208)                                 | (47.05)                  |

**(3) Reasons for the differences and revisions**

In the consolidated financial results for the first half of the fiscal year ending March 31 2024, Net sales, operating profit, ordinary profit, and net profit exceeded the previous forecast due to the recovery in demand as a result of the easing of semiconductor supply shortages in the automotive industry, strong demand in the energy sector in the marine and general industries, and the impact of the depreciation of the yen.

Regarding the consolidated financial forecast for the fiscal year ending March 31 2024, the forecast is expected to be higher than the previously announced one as the automotive industry and the marine industry are expected to continue to perform well.

The exchange rate assumptions for the forecast are 145.00 yen to the U.S. dollar and 155.00 yen to the euro.

## 2. The Forecast for Dividends

### (1) Revision of Year-End Dividend Forecast

|  | Annual dividends |          |                           |
|--|------------------|----------|---------------------------|
|  | Interim          | Year-end | Total amount of dividends |
| Previous forecast  | 2.00 yen         | 6.00 yen | 8.00 yen                  |
| Revised forecast   |                  | 8.00yen  | 10.00yen                  |
| Actual dividend of the current fiscal year               | 2.00 yen         |          |                           |
| Previous period<br>(Fiscal year ended<br>March 31, 2023) | 10.00 yen        | 2.00 yen | 12.00 yen                 |

### (2) Reasons for the revisions

It is the Company's policy to provide shareholders with an appropriate return of profits in consideration of business results and dividend payout ratio, and to maintain a stable and sustainable level of dividend in overall consideration of the internal reserve for future business development, expansion of research and development, strengthening of business foundations and response to changes in the business environment.

In addition to the improvement in our company's business performance as described in "1. Consolidated Financial Forecast" above, in consideration of the outlook for the business environment, including the prospects for continued strong demand in the automotive industry and the marine industry, we have revised our dividend forecast as described above.

Future prospects are prepared as information purpose only, based on the information available to us at this moment, and are under certain condition which we assumed reasonable. We will not guarantee the realization of such prospects and actual performance fluctuates due to various factors.

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