

February 12, 2021

Daido Metal Co., Ltd.

Seigo Hanji

Chairman and Chief Executive Officer

(Code) 7425 TSE and NSE 1st Section

(For inquiry)

Motoyuki Miyo

Director and Managing Executive Officer

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Notice Regarding the Financial Results Forecast and the Dividends Forecast

Daido Metal Co., Ltd. (hereinafter, “the Company”), announces that it resolved at the board of directors meeting held today, that consolidated financial results forecast and year-end dividend for the Fiscal Year Ending March 31, 2021, which was formally described as undetermined, given that it was difficult to reasonably predict business results due to the spread of COVID-19.

1. The Consolidated Financial Results Forecasts

(1) Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021

(April 1, 2020 to March 31, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast(A)	—	—	—	—	—
Revised forecast(B)	83,000 million yen	30 million yen	(500) million yen	(1,150) million yen	(24.84) yen
Change(B-A)	—	—	—	—	—
Change(%)	—	—	—	—	—
(Reference) Previous period (year ended March 31, 2020)	100,159 million yen	4,168 million yen	3,660 million yen	2,740 million yen	58.22 yen

(2) Reasons

The Company has been calculated a forecast for the consolidated financial results for the fiscal year ending March 31, 2021, which was formally described as undetermined, given that it was difficult to reasonably predict the business results due to the spread of COVID-19.

Forecasts are based on information currently available.

As the COVID-19 pandemic continues to unfold, at this time, the business environment remains uncertain and unstable.

On the other hand, as demand in the automotive market is on a recovery trend, we expect our sales to recover gradually.

Further, the exchange rate assumptions for the forecast are 103.50 yen to the U.S. dollar and 126.95 yen to the euro.

In the future, if the spread of the COVID-19 infection or other factors have a significant impact on the Group's performance, the company will promptly revise and announce the forecast.

2. The Forecast for Dividends

(1) Year-End Dividend Forecast

	Annual dividends		
	Interim	Year-end	Total amount of dividends
Previous forecast	—	Undetermined	Undetermined
Revised forecast	—	10.00 yen	20.00 yen
Actual dividend the current fiscal year	10.00 yen	—	—
Previous period (Fiscal year ended March 31, 2020)	20.00 yen (*)	15.00 yen	35.00 yen

Note (*) Regular dividend 15 yen Commemorative dividend 5 yen

(2) Reasons

It is the Company's policy to pay appropriate dividends to our shareholders, based on the results of operations and 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 changes to the business environment.

Year-end dividend forecast was described undetermined, given that the forecast for the consolidated financial results for the fiscal year ending March 31, 2021 were not determined yet. However, under this policy and based on the forecasted results as announced above, the Company determines the year-end dividend forecast to be 10.00 yen per share (the annual dividend forecast of 20.00 per share.).

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. (End of document)