

May 14, 2021

Daido Metal Co., Ltd.

Seigo Hanji

Chairman and Chief Executive Officer

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(For inquiry)

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Notice Regarding Differences between Consolidated Financial Forecasts and Actual Results for the Fiscal Year Ended March 31, 2021 and Difference between Non-consolidated Actual Results for the Fiscal Years Ended March 31, 2020 and 2021

Daido Metal Co., Ltd. (the Company) hereby announces that differences arose between the financial forecasts for the fiscal year ended March 31, 2021 announced on February 12, 2021 and the actual results disclosed today.

The Company also announces the difference between non-consolidated actual results for the current and the previous fiscal year.

1. Differences between Consolidated Forecasts and Results (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) (Announced on February 12, 2021.)	Million yen 83,000	Million yen 30	Million yen -500	Million yen -1,150	Yen -24.84
Actual results (B)	84,720	1,315	874	104	2.25
Difference (B-A)	1,720	1,285	1,374	1,254	—
Difference (%)	2.1	—	—	—	—
(For reference) FY2019 (year ended March 31, 2020)	100,159	4,168	3,660	2,740	58.22

(Reasons for the difference)

Although sales and profits decreased compared to the previous fiscal year's results due to the impact of COVID-19 spread, demand has been recovering faster than expected from the third

quarter onward in all major regions, especially in the automobile-related field. In addition, the entire Group worked together to reduce fixed costs and expenses, improve profitability, and enhance productivity. As a result, both net sales and profits exceeded the previous forecasts.

2. Differences between Non-Consolidated Results for the fiscal year ended March 31, 2020 and the fiscal year ended March 31, 2021.

	Net Sales	Operating Profit	Ordinary Profit	Profit	Basic earnings per share
Actual results for FY2019 (A)	Million yen 62,860	Million yen 1,432	Million yen 2,653	Million yen 3,905	Yen 82.97
Actual results for FY2020 (B)	54,197	723	2,159	1,690	36.49
Difference (B-A)	-8,662	-709	-493	-2,214	—
Difference (%)	-13.8	-49.5	-18.6	-56.7	—

(Reasons for the difference)

Despite strong demand in the automobile-related field from the third quarter onward and profit improvement activities, the Company was unable to cover the impact of the significant production cutback caused by the COVID-19 spread until the second quarter. As a result, the non-consolidated results for the full year differed from the previous year's results.

For more details of the results for the fiscal year ended March 31, 2021, please refer to "Consolidated Financial Results for the Year Ended March 31, 2021" released today.

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