

**Consolidated Financial Results**  
for the Three Months Ended June 30, 2024  
[Under IFRS]



MEMBERSHIP  
July 29, 2024

Company name: Daido Steel Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Code number: 5471

URL: <https://www.daido.co.jp/>

Representative: Tetsuya Shimizu, President and Representative Executive Director

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Scheduled date of commencing dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results (cumulative)

(% indicates changes from the previous corresponding period.)

|                                  | Revenue     |     | Operating Profit |      | Profit before tax |      | Profit      |     | Profit attributable to owners of parent |     | Total comprehensive income |        |
|----------------------------------|-------------|-----|------------------|------|-------------------|------|-------------|-----|---|-----|----------------------------|--------|
|                                  | Million yen | %   | Million yen      | %    | Million yen       | %    | Million yen | %   | Million yen                             | %   | Million yen                | %      |
| Three months ended June 30, 2024 | 142,094     | 0.1 | 10,067           | 15.2 | 11,425            | 14.8 | 7,420       | 4.8 | 6,776                                   | 3.8 | 10,616                     | (42.1) |
| June 30, 2023                    | 141,886     | —   | 8,739            | —    | 9,948             | —    | 7,078       | —   | 6,528                                   | —   | 18,329                     | —      |

|                                  | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
|                                  | Yen                      | Yen                        |
| Three months ended June 30, 2024 | 31.80                    | 31.78                      |
| June 30, 2023                    | 30.63                    | 30.63                      |

(Note) A 5-for-1 common stock split was conducted with an effective date of January 1, 2024. “Basic earnings per share” and “Diluted earnings per share” have been calculated assuming the stock split was conducted at the beginning of the prior consolidated fiscal year.

(2) Consolidated Financial Position

|                     | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets |
|---------------------|--------------|--------------|---|--|
|                     | Million yen  | Million yen  | Million yen                             | %  |
| As of June 30, 2024 | 806,792      | 461,725      | 422,548                                 | 52.4   |
| March 31, 2024      | 788,734      | 457,313      | 418,562                                 | 53.1   |

2. Cash dividends

|  | Annual dividends per share |                 |                 |                 |       |
|--|----------------------------|-----------------|-----------------|-----------------|-------|
|  | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|  | Yen                        | Yen             | Yen             | Yen             | Yen   |
| Fiscal year ended March 31, 2024             | —                          | 100.00          | —               | 26.00           | —     |
| Fiscal year ending March 31, 2025            | —                          | —               | —               | —               | —     |
| Fiscal year ending March 31, 2025 (Forecast) | —                          | 21.00           | —               | 26.00           | 47.00 |

(Note)1 Revision to the forecast for dividends announced most recently: No

(Note)2 A 5-for-1 common stock split was conducted with an effective date of January 1, 2024. Due to the stock split, the total dividends for the year ended March 31, 2024 is not disclosed.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

|            | Revenue     |     | Operating Profit |      | Profit before tax |      | Profit attributable to owners of parent |     | Basic earnings per share |
|------------|-------------|-----|------------------|------|-------------------|------|---|-----|--------------------------|
|            | Million yen | %   | Million yen      | %    | Million yen       | %    | Million yen                             | %   | Yen                      |
| First half | 290,000     | —   | 22,000           | —    | 23,000            | —    | 15,000                                  | —   | 70.38                    |
| Full year  | 600,000     | 3.7 | 48,000           | 13.6 | 50,000            | 10.9 | 33,000                                  | 8.0 | 154.84                   |

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies, changes in accounting estimates

1) Changes in accounting policies required by IFRS: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

(3) Total number of issued shares (ordinary shares)

1) Number of issued shares at the end of the period (including treasury shares):

As of June 30, 2024 217,243,845 shares

As of March 31, 2024 217,243,845 shares

2) Number of treasury shares at the end of the period:

As of June 30, 2024 4,120,823 shares

As of March 31, 2024 4,120,540 shares

3) Average number of shares during the period:

Three months ended June 30, 2024 213,123,139 shares

Three months ended June 30, 2023 213,127,511 shares

(Note) A 5-for-1 common stock split was conducted with an effective date of January 1, 2024. “Total number of issued shares”, “Number of treasury shares” and “Average number of shares” have been calculated assuming the stock split was conducted at the beginning of the prior consolidated fiscal year.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information available to the company and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

## Consolidated Financial Results for the Three Months Ended June 30, 2024

(1) Condensed statement of profit and loss (cumulative)

(Millions of yen, %)

|  | Actual             |                    |                             | Forecast (Disclosed on May 10, 2024) |                             |
|--|--------------------|--------------------|-----------------------------|--------------------------------------|-----------------------------|
|  | 1Q<br>June<br>2023 | 1Q<br>June<br>2024 | YoY Change<br>[% of Change] | Fiscal year ending<br>March 31, 2025 | YoY Change<br>[% of Change] |
| Revenue  | 141,886            | 142,094            | 207<br>[0.1%]               | 600,000                              | 21,435<br>[3.7%]            |
| Operating Profit                                   | 8,739              | 10,067             | 1,328<br>[15.2%]            | 48,000                               | 5,749<br>[13.6%]            |
| Profit before tax                                  | 9,948              | 11,425             | 1,476<br>[14.8%]            | 50,000                               | 4,931<br>[10.9%]            |
| Profit attributable to<br>owners of parent         | 6,528              | 6,776              | 248<br>[3.8%]               | 33,000                               | 2,444<br>[8.0%]             |
| Sales volume of<br>Specialty Steel<br>(thou. tons) | 266                | 262                | (4)                         | 1,080                                | 8                           |

(2) Revenue and Operating Profit by reportable segment

(Millions of yen, %)

|   | Actual             |                                |                    |            | Forecast (Disclosed on May 10, 2024)    |                                |   |            |
|---|--------------------|--------------------------------|--------------------|------------|---|--------------------------------|---|------------|
|   | Revenue            |                                | Operating Profit   |            | Revenue                                 |                                | Operating Profit                        |            |
|   | 1Q<br>June<br>2024 | YoY Change<br>[% of<br>Change] | 1Q<br>June<br>2024 | YoY Change | Fiscal year<br>ending March<br>31, 2025 | YoY Change<br>[% of<br>Change] | Fiscal year<br>ending March<br>31, 2025 | YoY Change |
| Specialty Steel   | 53,427             | (1,793)<br>[(3.2%)]            | 3,319              | 671        | 225,000                                 | 6,256<br>[2.9%]                | 12,500                                  | (1,224)    |
| High Performance<br>Materials and<br>Magnetic Materials | 49,694             | (1,474)<br>[(2.9%)]            | 2,962              | (599)      | 210,000                                 | 7,615<br>[3.8%]                | 20,500                                  | 10,224     |
| Parts for Automobile and<br>Industrial Equipment        | 27,196             | 3,080<br>[12.8%]               | 2,800              | 1,926      | 115,000                                 | 10,003<br>[9.5%]               | 11,000                                  | 5,280      |
| Engineering   | 4,616              | (404)<br>[(8.1%)]              | 240                | (234)      | 20,000                                  | (3,091)<br>[(13.4%)]           | 1,500                                   | (636)      |
| Trading and Service                                     | 7,159              | 800<br>[12.6%]                 | 754                | (421)      | 30,000                                  | 652<br>[2.2%]                  | 2,500                                   | (7,869)    |
| Adjustment  | —                  | —                              | (10)               | (13)       | —                                       | —                              | —                                       | (26)       |
| Total   | 142,094            | 207<br>[0.1%]                  | 10,067             | 1,328      | 600,000                                 | 21,435<br>[3.7%]               | 48,000                                  | 5,749      |

(3) Reasons for change in the amount of operating profit (YoY comparison)

(Millions of yen)

| Reasons for increase          | Amount | Reasons for decrease        | Amount |
|-------------------------------|--------|-----------------------------|--------|
| 1. Raw material and fuel cost | 34     | 1. Sales price              | 28     |
| 2. Sales mix change           | 23     | 2. Temporary profit or loss | 20     |
| 3. Sales volume               | 11     | 3. Variable cost            | 6      |
| Total (a)                     | 68     | Total (b)                   | 54     |
|                               |        | Change (a) - (b)            | 14     |

(Reference: Market condition)

|                    |                      | 1Q<br>June<br>2023 | 1Q<br>June<br>2024 |
|--------------------|----------------------|--------------------|--------------------|
| H2                 | (Thousands of yen/t) | 42.6               | 44.5               |
| Nickel(LME)        | (One dollar/lb)      | 10.2               | 8.3                |
| Exchange rate(TTM) | (yen/dollar)         | 137.4              | 155.9              |

## (4) Condensed balance sheet

(Millions of yen)

| Item                             | As of<br>March 31,<br>2024 | As of<br>June 30,<br>2024 | Change        | Item                                       | As of<br>March 31,<br>2024 | As of<br>June 30,<br>2024 | Change        |
|----------------------------------|----------------------------|---------------------------|---------------|--|----------------------------|---------------------------|---------------|
| Current assets                   | <u>415,434</u>             | <u>433,475</u>            | <u>18,041</u> | Liabilities                                | <u>331,420</u>             | <u>345,066</u>            | <u>13,645</u> |
| Cash and deposits                | 46,008                     | 52,200                    | 6,191         | Trade payables                             | 72,275                     | 75,531                    | 3,256         |
| Trade receivables                | 170,907                    | 168,486                   | (2,420)       | Interest-bearing debt                      | 176,235                    | 192,775                   | 16,539        |
| Inventories                      | 186,717                    | 199,430                   | 12,713        | Other                                      | 82,910                     | 76,759                    | (6,150)       |
| Other                            | 11,800                     | 13,357                    | 1,556         |  |                            |                           |               |
| Non-current assets               | <u>373,300</u>             | <u>373,316</u>            | <u>16</u>     | Equity                                     | <u>457,313</u>             | <u>461,725</u>            | <u>4,412</u>  |
| Property, plant and<br>equipment | 220,030                    | 220,454                   | 423           | Equity attributable to<br>owners of parent | 418,562                    | 422,548                   | 3,985         |
| Other                            | 153,269                    | 152,862                   | (406)         | Non-controlling<br>interests               | 38,750                     | 39,177                    | 426           |
| Total assets                     | 788,734                    | 806,792                   | 18,057        | Total liabilities<br>and equity            | 788,734                    | 806,792                   | 18,057        |