Supporting Your Movement.
DAIDO METAL

12th May 2026

Prime Market of TSE
Premier Market of NSE

Code 7245

Bridge to Daido 2030 from 2025 to 2030

Progress of the Midterm Plan and Initiatives to Enhance Corporate Value



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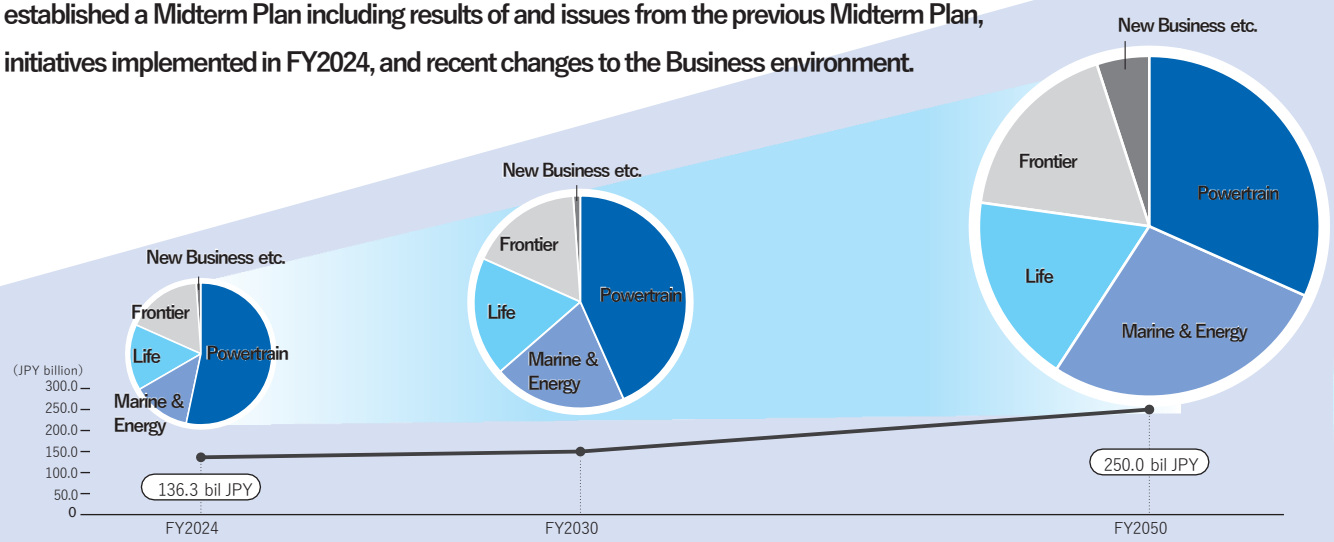
Bridge to Daido 2030

Midterm Plan from 2025 to 2030

Excerpt from Integrated Report 2025 (Page30)

Positioning of the Midterm Plan

Through our Midterm Plan, the DAIDO METAL GROUP is aiming to be a company that can envisage and achieve sustainable growth exceeding capital costs. Positioning the six-year period during 2025-2030 as a Business restructuring term with a view to 2030 onwards, we have established a Midterm Plan including results of and issues from the previous Midterm Plan, initiatives implemented in FY2024, and recent changes to the Business environment.



Summary of Previous Midterm Plan and Issues

- **Large changes to Business environment**
  A policy for the future was established through the Long-term Vision, and a Reform Plan was started in order to strengthen profit generation, but in terms of achievement issues remain unresolved
- **Reduced profit levels**
  There has been a recovery in profits due to a return in demand since the Covid-19 pandemic, but further improvements are needed to strengthen profit generation. We must quickly achieve a level of 10% operating profit by FY2030.

Structural reforms have begun to improve profit generating capability (FY2023-)

❶ Focused initiatives to strengthen Business foundations
❷ Accelerate initiatives to eliminate unprofitable Business (Aluminum Die-Cast Business etc.)

External Environment Awareness

Financial Capital Strategy
in the Midterm Plan (2025-2030)

Four Action lines
for the Midterm Plan (2025-2030)

Drawing the Future of the Daido Metal Group (Purpose)

Supporting all movements and contributing to a fulfilling life for people around the world

What the Daido Metal Group is Aiming to be (Vision)

Continuing to be the only major company in the world that specializes in producing a full lineup of plain bearings

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Contents

At the End of the First Year of the Midterm Plan

1 Summary of FY25

Entering the Second Year of the Midterm Plan

2 Environmental changes and Future impacts

3 Growth Drivers

4 FY25 Actual and Outlook by Business Segment

5 For Achieving the FY26 Targets

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1

Summary of FY 2025

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Main KPIs for FY25 mostly achieved

The measures outlined in Midterm Plan made steady progress.
Demand for bearings for ships and data centers exceeded initial expectations.
This is a satisfactory result for the first year of Midterm Plan.

FY25 results for main KPIs (compared to targets)

(Unit:100 mil JPY)	Target	Actual	Score
Sales	1,340	1,420	Excellent
Operating Profit	80	83	Excellent
Net Income	35	43	Excellent
Operating Profit Margin	6.0%	5.9%	Good
ROE	5.0%	5.7%	Excellent

Exchange rate Target: ¥151 to $1 Actual: ¥156 to $1

FY25 net sales by Business segment (compared to target)

(Unit:100 mil JPY)	Target	Actual	Score	
Powertrain Business	683	744	Excellent	Recovery in Japanese automobile OEMs, Steady growth in motorcycles and industrial machinery
Marine & Energy Business	185	198	Excellent	Rising demand for marine transportation. Creating demand in next-generation growth areas, such as engine bearings for power generators for data centers and bearings for general industries.
Life Business	228	229	Excellent	
Frontier Business	225	228	Excellent	As planned. Prioritize production stabilization
Other Business	15	19	Excellent	

Exchange rate Target: ¥151 to $1 Actual: ¥156 to $1

Changes in the external environment

The slowdown in the transition to EVs becomes clearer — Excellent

The pace of the automotive market's transition to BEVs is expected to slow on a year-by-year basis. This trend is particularly evident in Europe and North America.

Progress in U.S. tariff policies and other factors — Good

In FY25, we recovered 60% of the cost increase of about 1 billion yen.
Ongoing uncertain Business environment by semiconductor shortages and the situation in the Middle East.

Changes in the internal environment

Changes in the Shareholder Structure (increase in individual shareholder) — Excellent

By restructuring the shareholder base and improving the liquidity of the Company's shares, we have begun building an environment that will support long-term Business growth.

Initiation of human capital measures — Good

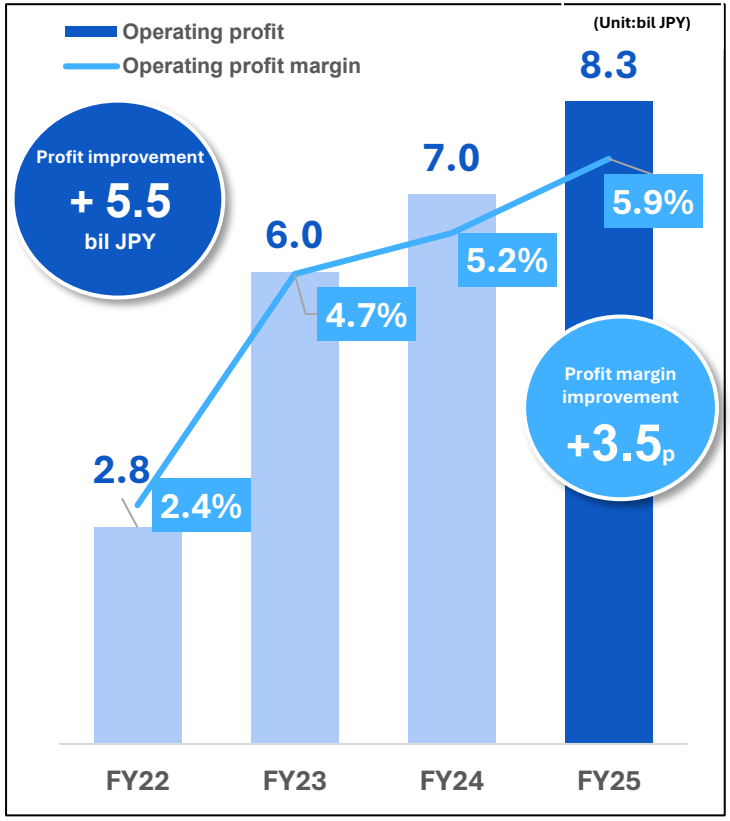
Promoting integrated management between employees and the executive team through share-based incentive programs and Extension of retirement age. Launching mid- to long-term initiatives to drive DX and corporate culture reform.

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Measures based on internal efforts have steadily raised profit levels

Increased profit by more than 1 bil JPY (Ave) in the last 3 years. Working to curb the negative impact on profits from rising material and labor costs. In addition, operating profit levels are improving through the continued implementation of stronger profitability management measures and cost reductions.

Trends in Operating Profit (Actual)



Efforts to improve Operating Profit

Response to changes in the environment

- Implementation of U.S. tariff measures
- Higher than expected inflation costs
- Sluggish sales of some OEMs

Internal efforts Accumulation

- Impact of rising material and labor costs (impact of approximately 400 million yen)
- Strengthening profitability management and driving profit improvement initiatives across each Business segment.

Mid-to long-term Growth initiatives

- Expanding demand in growth industries
- Enhancing balance sheet management
- Revising expense management practices, etc.

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2 Environmental changes and Future impacts

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1. Changes in the Business Environment

At the time of Midterm Plan (May 2025)	Current location (May 2026)

1 Industries that support Core Business

Automotive industry

Structural changes in the industry

- Progressing local production for local consumption in response to carbon neutrality
- Changes in vehicle ownership structure and use situations

Slowing growth in production volume and long-term shift to EVs

Clarifying differences in the strategies of OEM manufacturers

Shipping industry

Changes in the energy composition of marine engines

Industry Trends supporting our company

Upturn due to deceleration of EV adoption

2 Manufacturing costs

Changes in energy supply systems and rising supply costs

Increased costs for materials, labor, decarbonization, and tariffs

Manufacturing profit structure

Amplified Impact of Changes

3 Industrial structure and Global economy

Change in distribution of real and digital activities, increase in weight of digital activities

Population decline and aging, changes in technology

Accelerating decoupling of the global economy

Continuation of regional conflicts

Global industrial structure

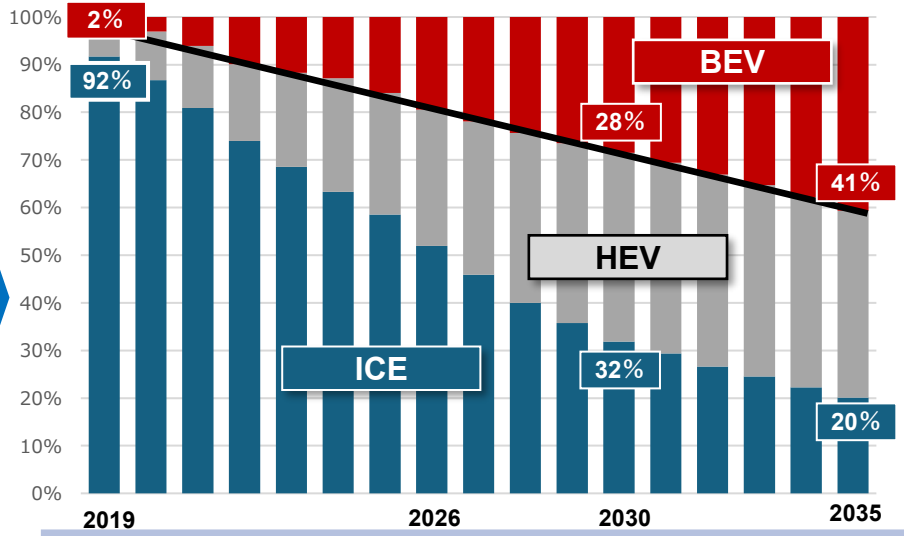
New and continuing changes in the Middle East and beyond

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2. Changes in Automobile Sales Trends Affecting Core Businesses

Advancement of EV conversion

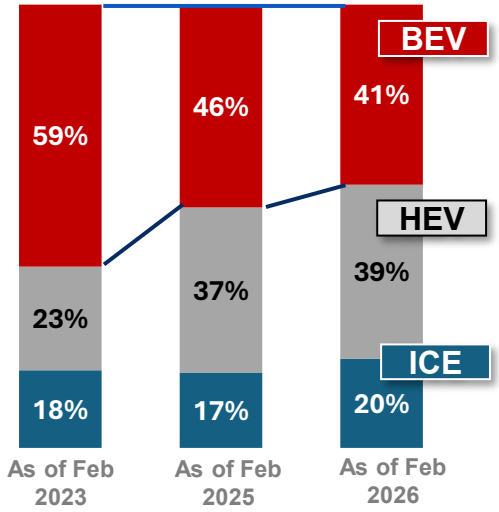
BEV progression forecast (as of Feb 2026) Latest



A tailwind for earning residual profits, such as demand for replacement of other companies' products

(our company forecast)

Change in BEV progression acceleration (production volume forecast in 2035)



(Compiled by our company based on S & P Global)

The impact of U.S. tariff policies and related factors.

Reciprocal tariffs imposed in FY 25 are likely to be prolonged, and new measures such as additional tariffs on U.S. product imports and new steel safeguards in Europe will be added.

In the short term, this will push down our company's profits, but in the medium to long term, the shift to BEV will slow down

(our company forecast)

An environment in which stable performance can be expected over the medium to long term

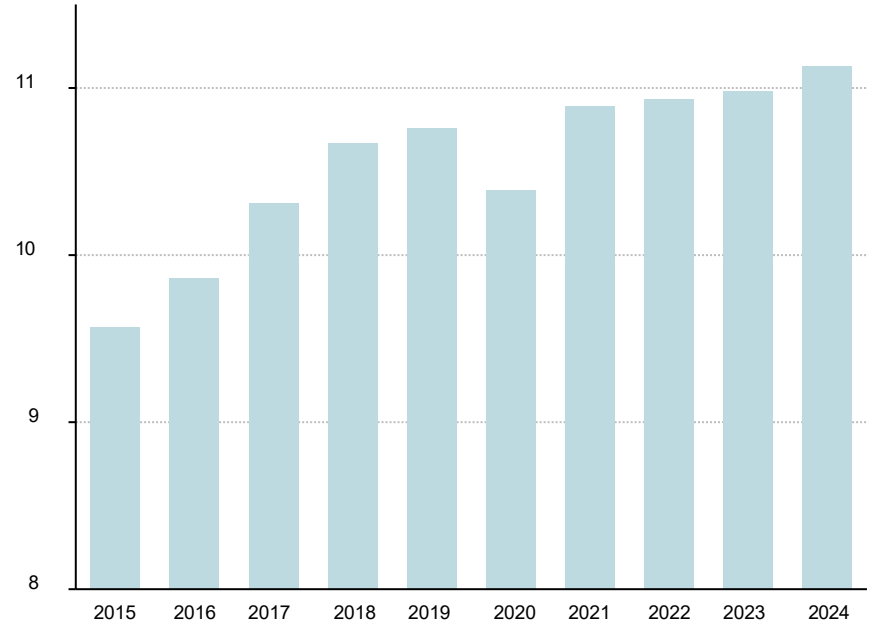
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3. Current Situation of Shipbuilding Demand Affecting Core Business

Expanding demand for shipbuilding due to robust demand for shipping

(Unit: Bil tons)

Trends in global marine cargo movements

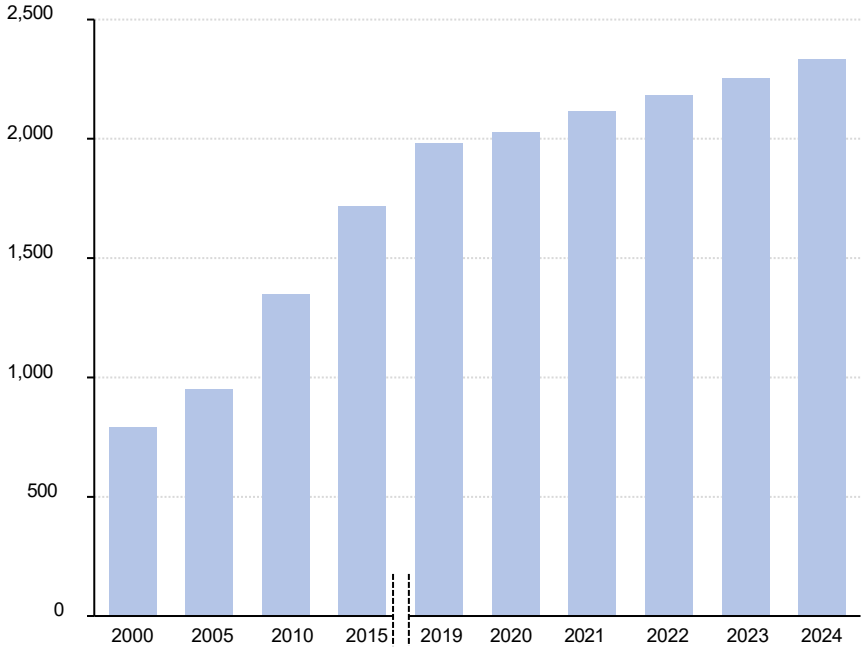


*Survey by Japan Maritime Center

Increased demand for maintenance due to increased ship capacity

(Unit:mil tons)

Trends in global ship capacity



*Research by Planning and Research Department, Japan Maritime Center

Rising shipbuilding demand and fleet capacity as key drivers of Core Business growth

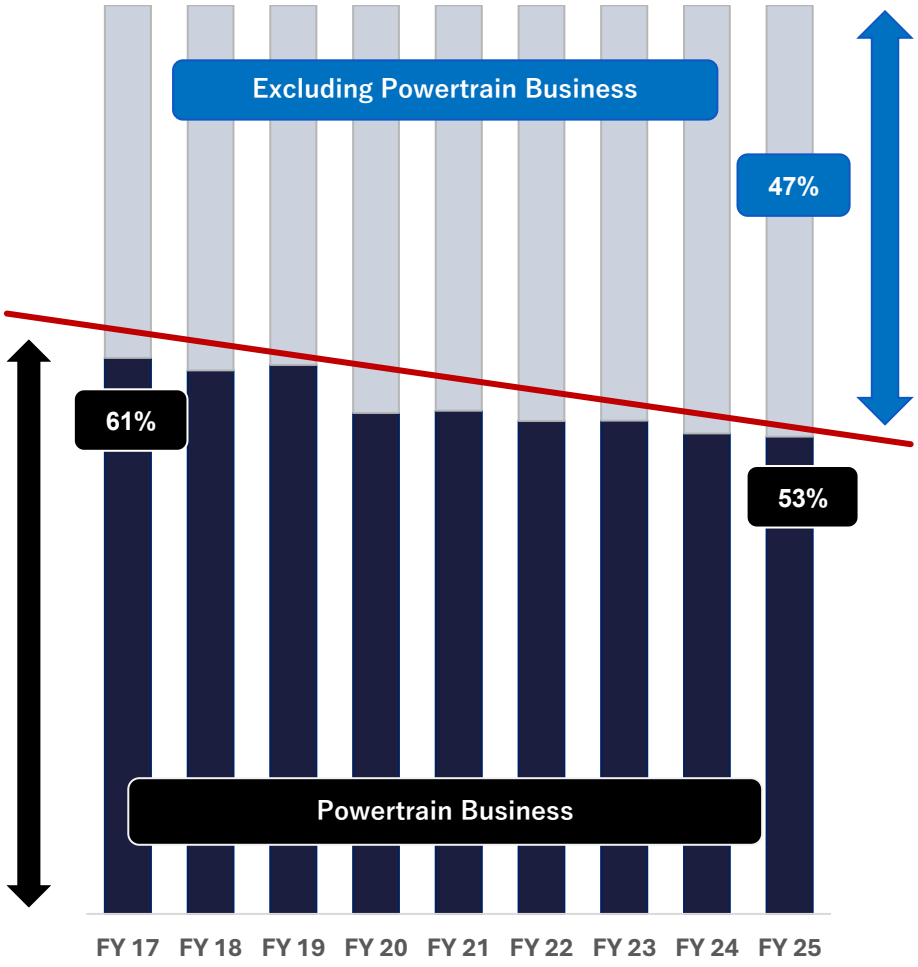
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3 Growth Drivers

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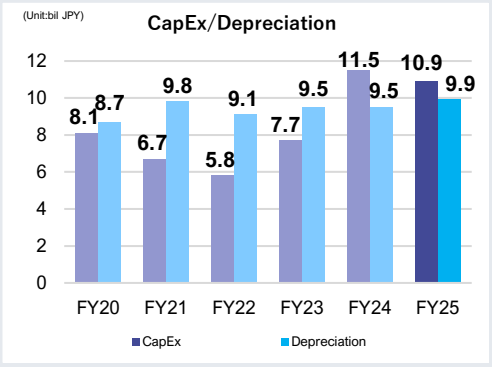
1. Initiatives to Transform Business Portfolio

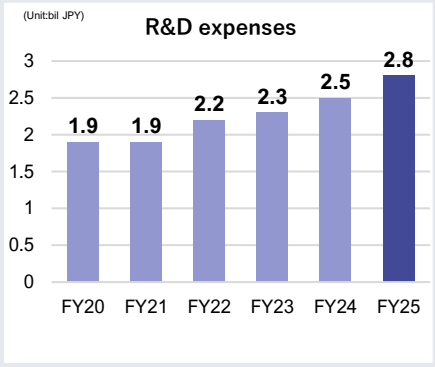
Trend for composition of sales by segment



Strengthening investment in next-generation areas

Pursue profitability in next-generation growth areas through aggressive investment in higher value-added areas.





Maintaining a unique, company-only position with high barriers to entry

Continuing our high market share in plain bearings for automotive engines by leveraging our strength as an independent company to do business with a wide range of customers with high technological superiority.

Global market share of half bearings for automotive engines (Sales) (Based on calendar year 2025)	39%
Number of automotive OEM customers (Consolidated in FY25)	26 companies

While the breakdown will shrink, we will pursue expansion of scale as a Core Business, benefiting from the slowdown in BEV.

Together with the Powertrain Business Aiming to grow the Next Core Business

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2. Business Environment by Business Segment
Changes since the Formulation of Midterm Plan

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	Our company Product Name	Applications	Growth driver
Existing areas	Core Powertrain Business	Automotive Half bearings for automobile engines	Expansion of sales area Expansion of after-sales market
	Core Life Business	Automotive Polymer bearing	Expansion of environmental regulatory compliance scope
	Core Marine & Energy Business	Large ships Low speed engine bearings	Expansion of production capacity
	Semi Core Frontier Business	Automotive Precision Metal Processing Parts Aluminum Die Casting	Expansion of products for EV vehicles
Growth areas	Core Marine & Energy Business	Small and medium-sized vessels, Data centers Bearings for medium and high speed engines	Expansion of applications Expansion of technical staff
	Next Core Life Business	Air conditioning, Oil equipment, Aircraft, Nursing care Polymer bearings	
	Next Core Marine & Energy Business	Gas turbines, Offshore wind power Bearings for rotating machinery	Expansion of technical coverage
	Next Core Other Businesses	Food, Space Non-lubricated metal bearings	

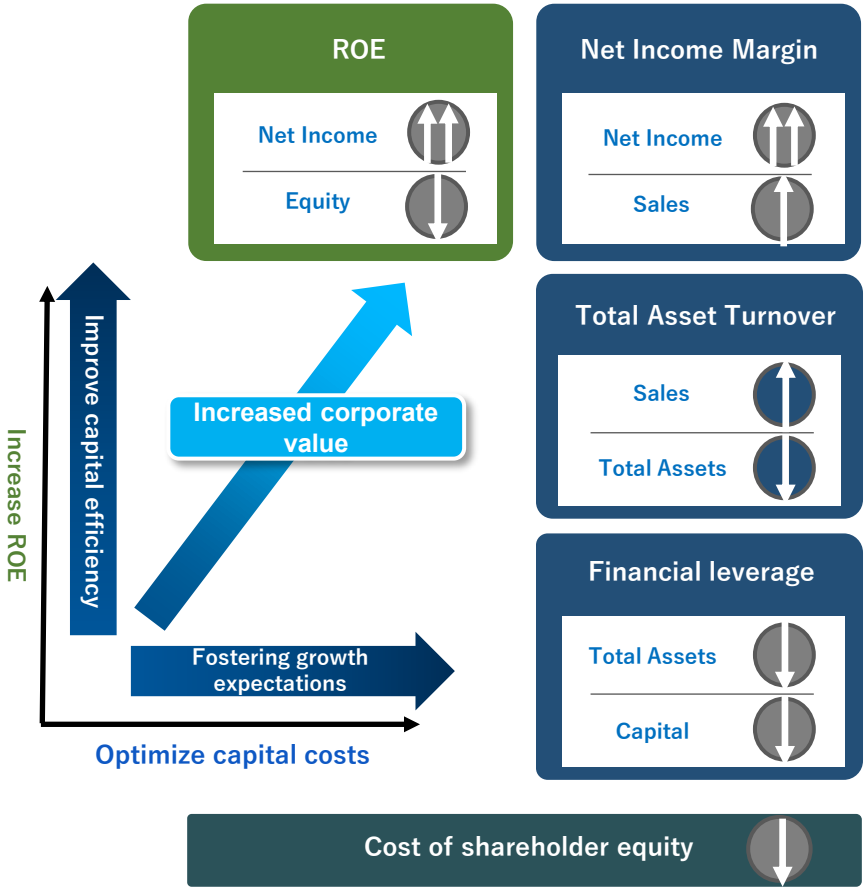
Environmental improvement in existing areas
Environment enabling growth areas to demonstrate competitive advantage in the bearing field

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3. Initiatives to Achieve Sustainable Growth Exceeding Capital Costs

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Through initiatives aligned with our growth drivers, we aim to improve ROE based on sales growth and profitability enhancement, while controlling the cost of capital to achieve sustainable corporate value growth and PBR improvement.



■ sales (FY25) Compared to FY24 Up 4%

■ Net Income (FY25) Compared to FY24 Up 61%

- Thorough profit management in bearing Business, Improvement in Frontier Business, Improved profit-generating capacity by controlling the impact of rising costs such as material costs

■ Total Assets (FY25) Compared to FY24 Limited to 6% increase

- Improve capital investment efficiency in the Powertrain Business and optimize the depreciation-to-sales ratio to limit increases
- Deliver results through an inventory reduction initiative

■ Expansion of shareholder returns

- Announced policy to raise dividend payout ratio and acquire treasury stock

- Continuation and enhancement of measures to minimize risk management, such as enhanced investor briefings and a roadmap for strengthening governance

PBR improved vs. FY24, as a result of enhanced earnings capability

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4. Growth Area - Bearings Used in Marine Applications

Ship type	Engines equipped with our bearings	Number of bearings used (Cylinder numbers are averages)
Large ships Tanker ships Car carriers LNG carriers Container ships 	For main engines (low-speed engines)	44 units/unit x 1 unit/ship = 44 units/ship
	For auxiliary engines (medium-speed engines)	26 units/unit x 3 units/ship = 78 units/ship
	 Bearings for low-speed engines	Total 122 units/ship  Up to Ø1.3 m (largest size)
Medium ships Cruise ships Ferries Coastal ships 	For main engines (medium-speed engines)	26 units/unit x 2 units/ship = 52 units/ship
	For auxiliary engines (medium-speed engines)	26 units/unit x 3 units/ship = 78 units/ship
	 Bearings for medium and high-speed engines	Palm-sized (fits in both hands) Total 130 units/ship 
Small ships High-speed ships Fishing ships 	For main engines (medium and high-speed engines)	Total 26 units/ship x 1 unit/ship
	 Bearings for medium and high-speed engines	

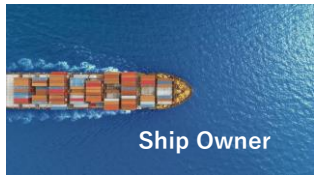
Our bearings used in a wide variety of ships

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5. Growth Area - Our Position in Low- and Mid/High-speed Engine Bearings

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Ship orders



Major shipowners

Nippon Yusen Kaisha(NYK Line) Kawasaki Kisen Kaisha(K Line)
Mitsui O.S.K. Lines(MOL) A.P. Moller Maersk (Denmark)
MSC (Switzerland) Evergreen Marine (Taiwan)



Ordering

Supply

Engine Design and Manufacture

Business with engine design and manufacturing companies around the world

< Licensor (low-speed engine) >
●Everllence (Europe) ●WinGD (Europe)
●Japan Engine (Japan)

Japan
●Mitsui E & S
●Japan Engine
●Yanmar
●Daihatsu IE , etc.

Europe and the United States
●Everllence
●Wartsila
●CATERPILLAR
●Bergen
●Fairbanks Morse
●Cummins, etc.

China
●CSSC Group
●Yuchai
●Hengli
●GDF/YUN
●CMP, etc.

Korea
●Hyundai
●Hanwha Engine
●STX Engine , etc.

< Major shipbuilding companies >
CSSC Group
HD Hyundai Heavy Industries
Imabari Shipbuilding Co.
Japan Marine United Corporation
Namura Shipbuilding Co.

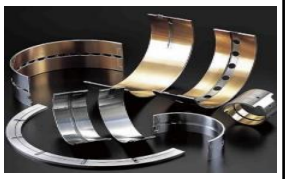
← Material and other technical proposals

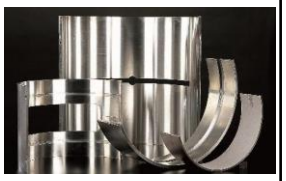
Ordering

Supply

Bearing manufacturing

DAIDO METAL





Business relationships with a wide range of marine engine companies and like

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6. Growth Area - Reputation in the Marine Industry

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Results of supplier awards	✓ Awarded by Wärtsilä in FY23 ✓ Awarded by CSSC Group in FY23 and FY24 for 2 consecutive years

CSSC Group (China's largest state-owned shipyard company) awarded the Gold Medal Supplier Award for 2 consecutive years



DAIDO METAL

2025 年 10 月 6 日

会 社 名 大同メタル工業株式会社
代表者名 代表取締役会長兼CEO
判治 誠吾
（コード：7245 東証プライム・名証プレミア）
問合せ先 執行役員 経営企画ユニット長
籠原 幸彦 （TEL：052－205－1400）

大同メタル工業、CSSC グループより 2 年連続で「金メダルサプライヤー賞」を受賞

大同メタル工業株式会社は、2025 年 9 月 19 日に CSSC グループ（(注 1) 中国船舶集団 本社：中国上海市）主催のサプライヤー大会において 2024 年度の金メダルサプライヤー賞を受賞しました。
同賞の受賞は昨年度に続き 2 年連続となります。

受賞盾

金メダルサプライヤー賞は、優れた品質、技術提案力、柔軟な対応力を備えたサプライヤーを表彰するものです。
変化する市場ニーズに迅速かつ的確に対応する姿勢、国際的な技術力とサービス品質が評価され、101 社の選出サプライヤーの一社として選ばれました。
当社は、大型船舶エンジン用軸受において世界トップシェアを誇る技術力を背景に、中国船舶市場において信頼と実績を築いてきました。特に、変化する市場ニーズに迅速かつ的確に対応する姿勢が評価され、国際的な技術力とサービス品質の高さが認められました。



Panel in the exhibition hall of a company with centralized purchasing by CSSC Group
Mainly shipowners and licensors have names of Japanese manufacturers.
Among parts suppliers, **only** our company has Japanese manufacturers listed!

Multiple supplier awards from global marine engine manufacturers

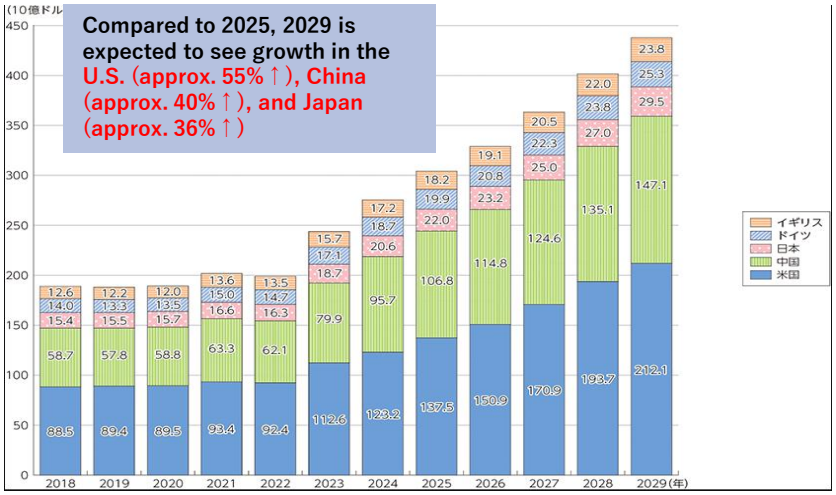
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7. Growth Areas - Bearings for Generators Used in Data Centers

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Data Center Market Revenue by Country (Trend & Forecast)

(Source: Ministry of Internal Affairs and Communications)



Compared to 2025, 2029 is expected to see growth in the U.S. (approx. 55% ↑), China (approx. 40% ↑), and Japan (approx. 36% ↑)

Reasons for the Growth in Data Centers

The spread of AI and cloud computing

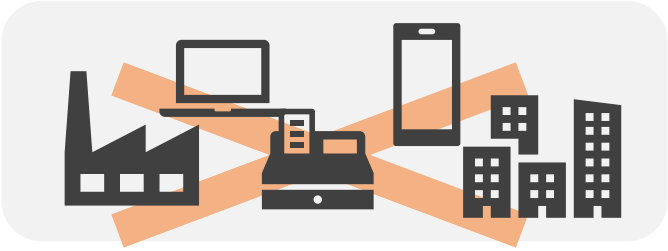


Data center power demand soars



24 hours a day, 365 days a year Our top priority is keeping the server running!
Growing demand for primary and backup power driven by Data center expansion

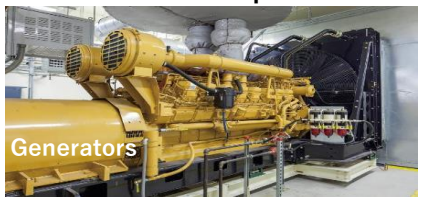
Importance of Emergency Power Supply

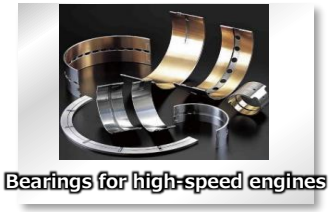


If the power goes out, the servers stop.
Corporate services, financial transactions, Cloud computing and other social infrastructure are paralyzed in an instant.

Our company bearings used in data centers

Emergency power generation
(data centers, large supermarkets, hotels, etc.)
Small-scale distributed power sources





Approximately 50 bearings are used per 1 machine (Varies depending on power generation capacity, up to several hundred units). An emergency generator is installed as a “last resort ” to secure its own power and keep the system running even if the power company's supply is cut off.

Growing demand for data centers

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FY25 Actual and Outlook by Business Segment

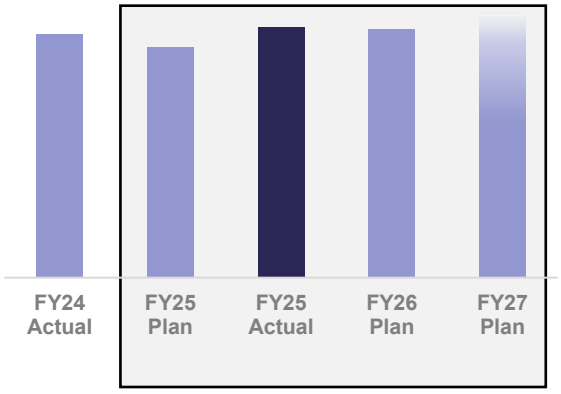
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1. Powertrain Business

Core Business

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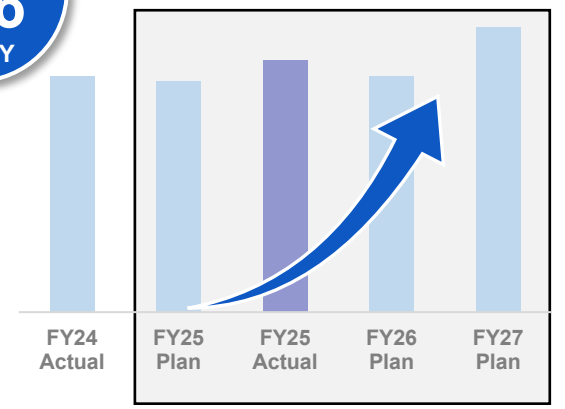
Sales



vs. FY24 Actual

Profit improvement +0.6 bil JPY

Operating Profit



FY25 net sales: 74.4 bil JPY
(+2.3 bil JPY vs. FY24 actual / +5.7 bil JPY vs. FY25 target)

Promoting the restructuring of systems aligned with changes in the Business environment

Key Points for Profit Improvement

- Thorough profit and loss management by product
- Review of the global production structure (Thailand and Europe)
- Assessment of the best quality structure

➡Entering the implementation phase from FY26

Improvement in both net sales and operating profit margin

Market Share (Calendar-year basis / Our company estimates)

	2024 Actual	2025 Plan	2025 Actual
Automotive Engine Bearings (Excluding BEV and FCV)	38.7%	**39.0%**	**39.6%**

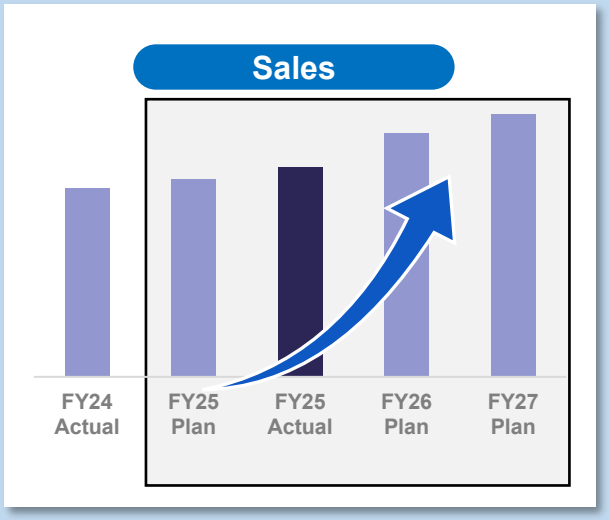
- **Leverage high market share to pursue survivor's profits by capturing repair/maintenance demand and replacement demand driven by competitors' exit from engine vehicle markets**

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2. Marine & Energy Business

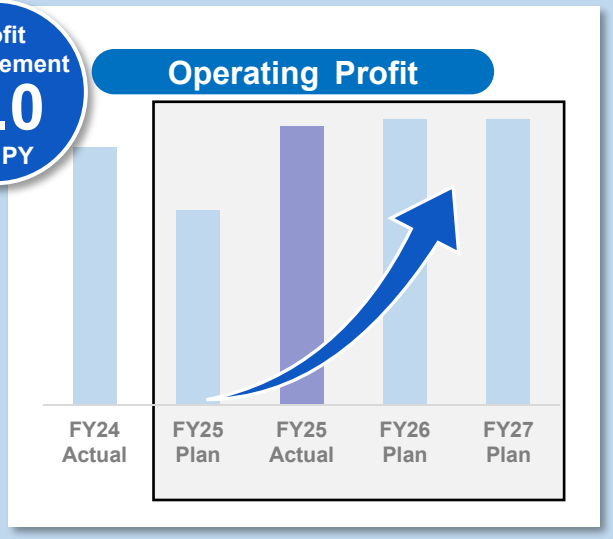
Core Business and Next Core Business

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vs. FY24 Actual

Profit improvement +3.0 bil JPY



FY25 net sales: 19.8 bil JPY

(+1.9 bil JPY vs. FY24 actual / +1.1 bil JPY vs. FY25 target)

Core Business （Marine Business）

- Strengthening the China and South Korea markets and restructuring the global production system (low-speed Business)
- Strengthening engagement with key customers and enhancing responsiveness to customer needs through technological development, including lead-free copper alloys (medium and high-speed Business)

Market Share (Calendar-year basis / Our company estimates)

	2024 Actual	2025 Plan	2025 Actual
Low-speed marine engine bearings	75.0%	**65.0%**	**66.8%**
Medium and high- speed marine engine bearings	26.0%	**26.0%**	**27.9%**

Next Core Business （Energy Business ）

- Strengthening presence in general industrial markets (gas turbines, hydroelectric generators etc.)
- Start of mass production of wind turbines (FY27)

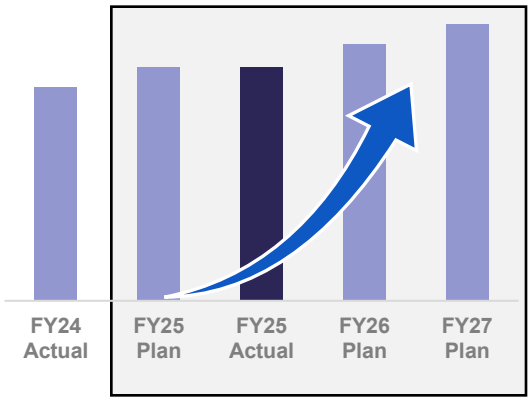
Market Share (Calendar-year basis / Our company estimates)

	2024年 Actual	2025 Plan	2025 Actual
Bearings for rotating equipment (power generation turbines)	6.2%	**6.3%**	**5.9%**

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3. Life Business

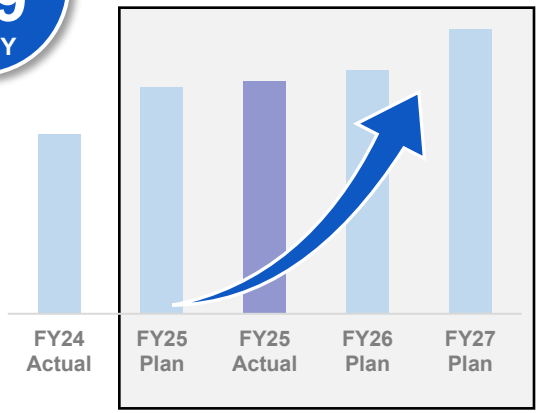
Sales



vs. FY24 Actual

Profit improvement +0.9 bil JPY

Operating Profit



FY25 net sales: 22.9 bil JPY (In line with the plan)
(+1.9 bil JPY vs. FY24 actual)

Expansion of Business through application development

Automotive	Shock Absorber	Sliding Door
Automotive For EV	Electric Compressor	Integrated Thermal Management Valve
	Electric Water Pump	eAxle
General Industry	Lubrication Device	Air conditioning

- Due to the normalization of production at automotive OEMs, shock absorbers continued to perform steadily. In air conditioning, orders for overseas markets increased, while in hydraulics, orders for pump bearings increased.
- Continuing new business initiatives, including new applications that support carbon neutrality

Structural reform to enhance competitiveness

- Profit margins are improving through strengthened profitability management.
  ➡The operating profit margin improved by 2.4 points compared with the FY24 actual.
- Global sales expansion and profitability enhancement remain key challenges.

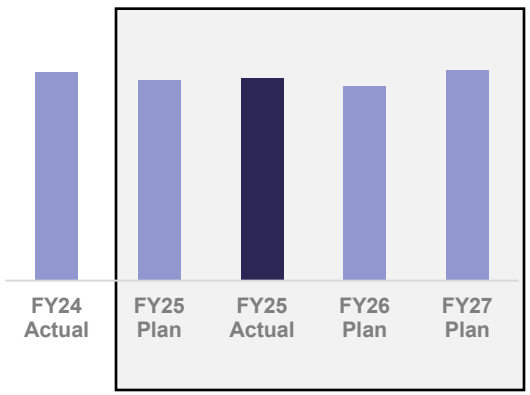
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4. Frontier Business

Semi Core Business

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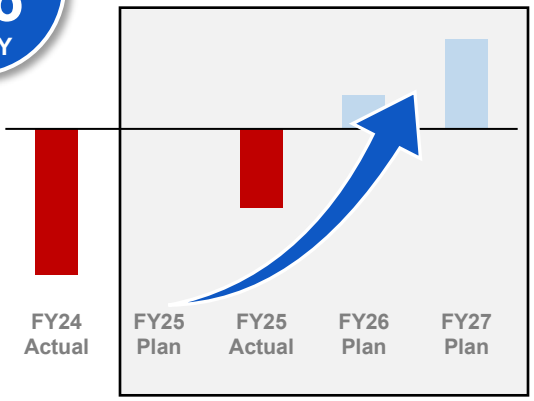
Sales



vs. FY24 Actual

Profit improvement +0.6 bil JPY

Operating Profit



FY25 net sales: 22.8 bil JPY (In line with the plan)
(-0.6 bil JPY vs. FY24 actual)

Aluminium Die Cast Business	Developing Business promotion system	New orders though introduction of technology
	Develop personnel	Reduce scrap losses
Precision Metal Processed Parts Business	Respond to shift to EV Strengthen sales for general industry	Production in most appropriate location Global inventory control
	Implement quality assurance standards throughout the Group	Expand elemental technology Strengthen product development capability

Strengthening profit generation capabilities

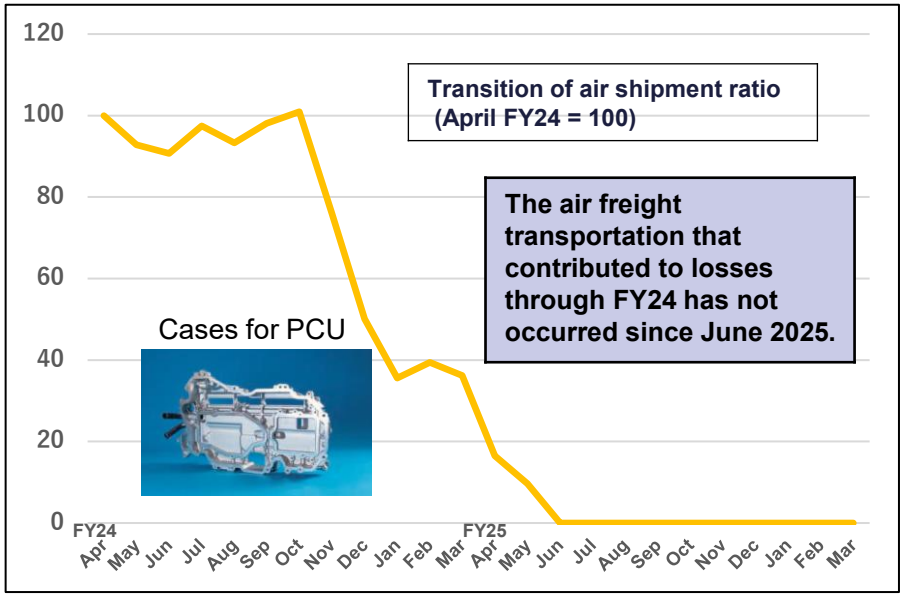
- As automotive OEMs return to engine-based vehicles, the precision metal processed parts business is benefiting from higher sales, resulting in improved profitability.
- Thorough product-level profitability management and improvement of profitability for existing products
- Promote automation and labor saving

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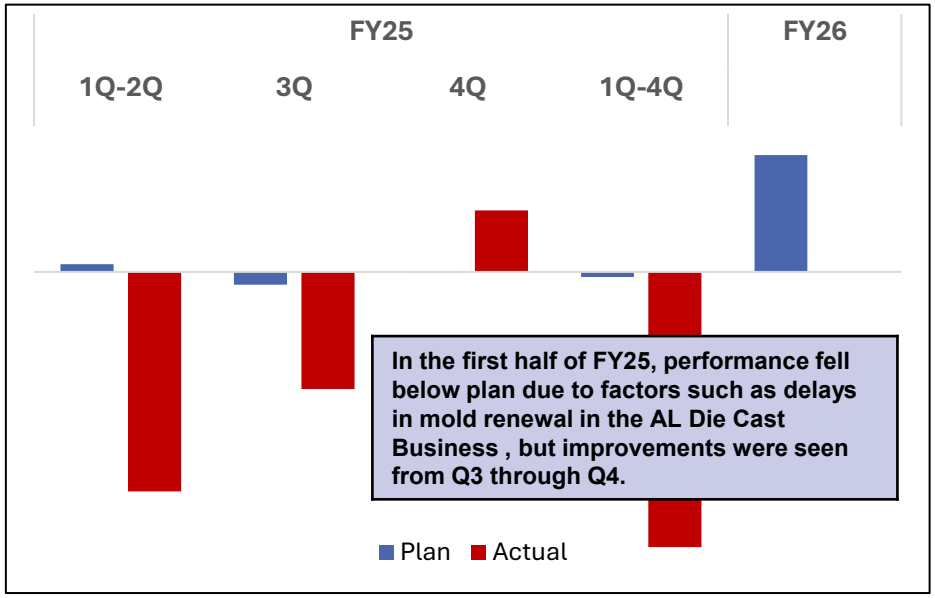
5. Improvement in Profitability of the Frontier Business

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Trend in the ratio of air freight shipments for the AL Die Cast Business



Operating profit trend of the Frontier Business



Profitability challenges in the AL Die Cast Business			Current status of countermeasures	Score
Delay in defect rate improvement	Die mold	Delay in mold renewal	Delay in mold renewal and insufficient accumulation of know-how	Excellent➡Good (FY24➡FY25)
	Design and Specifications	High manufacturing difficulty due to complex shapes and specifications	Although we propose manufacturing-friendly designs to customers, this is difficult to achieve with the current model.	Poor
Air freight costs	Customer inventory shortage	Use of air freight due to delivery late	Inventory buildup through capacity expansion investment	Excellent
	Rising air freight unit costs	Increase in unit prices due to higher U.S. tariffs on China	Adjustment of customer selling prices	Excellent

The profit margin is scheduled to improve in FY26

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5 For Achieving the FY26 Targets

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1. FY26 Basic Strategy

1 Maintaining and expanding a strong positioning in the automotive sector with highly competitive advantages

- Maintaining market share by leveraging strengths in engine-related areas and addressing customer needs precisely
- Strengthening sales strategies in non-engine domains to complement the shift toward EVs
- Expanding sales in Global South markets(India, Thailand, etc.)
- Strengthening responsiveness to the aftermarket market by leveraging our high market share
- Synergy between high market share and strong demand in the marine market

2 Enhancing investment and technology development in high-growth potential areas

- Strengthening investment in bearings for medium and high-speed engines (e.g., data centers)
- Strengthening low-maintenance and environmentally compliant products
- Continuing efforts to expand applications for general industrial markets

3 Strengthening the management structure to enhance earnings power

- Continuing structural reform initiatives, including capital investment reform and optimization of the global production system
- Strengthening global profitability management
- Efforts to eliminate loss-making business(European Region and AL Die Cast Business)

4 Human capital strategy, DX, and cultural reform supporting business strategy and structural reform

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2. FY26 Targets

FY26 will be a milestone year toward achieving the targets set out in the Midterm Plan. While sales may be affected by impacts on the automotive industry stemming from factors such as the situation in the Middle East, we will drive the realization of a medium- to long-term transformation of our Business portfolio by nurturing Next Core Business and leveraging growth led by the Marine & Energy Business.

FY26 target for main KPIs

(Unit: 100 mil JPY)	FY25	FY26
Sales	*1,420*	*1,450*
Operating Profit	*83*	*95*
Net Income	*43*	*50*
Operating Profit Margin	*5.9%*	*6.6%*
ROE	*5.7%*	*6.5%*

Exchange rate FY25:¥156 to $1 FY26:¥153 to $1

FY26 target sales by Business segment

(Unit: 100 mil JPY)	FY25	FY26	
Powertrain Business	*744*	*737*	Automotive OEM demand is expected to remain largely flat
Marine & Energy Business	*198*	*228*	Demand, including from the marine sector, is expected to remain solid in FY2026 as well
Life Business	*229*	*252*	Continuing to drive the expansion of Next Core Business through initiatives such as the development of new applications
Frontier Business	*228*	*219*	Offsetting a partial decline in orders with a recovery in North American demand
Other Business	*19*	*13*	

Exchange rate FY25:¥156 to $1 FY26:¥153 to $1

Financial Strategy

Sales

While maintaining performance in the Powertrain Business at roughly the FY25 level, we expect the Marine & Energy Businesses as well as the Life Business to drive growth, with FY26 net sales projected to increase by 2% to 145.0 bil JPY compared with FY25 actual.

Operating profit

The effects of strengthened profitability management through FY25 have materialized, and in FY26 we will continue efforts to pass through various cost increases to selling prices.

Business Strategy

Strategy for core and Semi Core Business

Accurately capturing renewed demand for engine vehicles (Powertrain Business and Frontier Business), while appropriately responding to sustained strong demand for low-speed and medium and high-speed engine bearings for marine applications (Marine & Energy Business).

Strategy for Next Core Business

Growth in air conditioning and bicycle parts within the Life Business.
Strategic marketing focused on selected priority industries and applications.

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3. Cashflow Allocation

In FY25, we made investments in growth business such as the Marine & Energy Business. Shareholder return measures were implemented as planned, and a share repurchase was also carried out (April 2026).
1 2
In FY26, we will continue to execute growth investments and shareholder returns as planned.

Three-Year Cumulative Cash Flow (FY25–FY27) 48.5 bil JPY

Growth Investment etc.	• In FY25, 10.9 bil JPY was allocated to capital expenditures, including IT investments. • We plan to invest an additional 20.0 bil JPY in FY26 and FY2027 to respond to demand for medium and high-speed engine bearings for marine vessels and data centers.
R&D	• Shifting resources toward growth areas ➡Increasing the proportion of published patents in areas outside the Powertrain Business FY26: 75% or more • Improving the efficiency of technology development in the Core Business
Shareholder Returns	• Stable and sustainable shareholder dividends (Aim for a dividend payout ratio of 35% or higher in FY27)
Repayment of Interest-bearing Debt	• Controlling the balance between financial stability and capital efficiency • Net interest-bearing debt reduced by 3.0 bil JPY

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To Our Shareholders

- The automotive industry, which has long supported our Group, is now moving into a new domain known as Software Defined Vehicles (SDVs). In response to this shift, our Group will continue to pursue the enhancement of corporate value by positioning itself as a solution provider that supports all forms of motion.
- As a manufacturing company, we operate under “real” constraints such as road conditions, vibration, and temperature. To ensure reliable quality and deliver required functionality under these conditions, we will continue to steadfastly pursue QCLDMM (Quality, Cost, Lead Time, Delivery, Management, and Mindset).

Supporting Your Movement.

Supporting all movements and contributing to a fulfilling life for people around the world

Tribology

Comes from the Greek “tribo”(wear) and “logy”(study)

In latin ***Tribos*** *“bos(lubricant)”*



Our company proudly presents the highest quality bearings, embodying the wisdom of tribology

The social value of Plain bearings
II
The significance of Daido Metal Group's existence

Humanity lives with friction, which is inseparable aspect of life

1. *Maintaining a sustainable lifespan of machinery and structures*
2. *Increase energy efficiency*
3. *Achieving protection of the environment and sustainability*



- The actual results, forecasts, policies and plans contained in this document were correct at the time of creation. It is therefore possible that the actual results may differ due to various factors. The actual results can be affected by changes to the automotive market, exchange rate fluctuations, raw material and product prices, regulations, and industrial incidents. Furthermore, impact on performance is not limited to these factors.
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