October 31, 2025

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Representative: Naohide Goto, President
Code number: 5482
Stock exchange listing: TSE Prime and NSE Premier
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Notice Concerning Differences Between Forecasts and Actual Financial Results for the 1st Half, Revisions to Full-Year Financial Results Forecasts, Interim Dividends of Surplus, and Revision to Year-End Dividend Forecasts

Aichi Steel Corporation (the "Company") hereby announces the following differences between the financial results forecasts for the six months ended September 30, 2025 (announced on July 31, 2025), and the actual results announced today. Furthermore, it has resolved, at a meeting of the Board of Directors held on October 31, 2025, to pay dividends of surplus with a record date of September 30, 2025.

In addition, it has revised both the full-year financial results forecasts and the year-end dividend forecasts for the fiscal year ending March 31, 2026 (announced on July 31, 2025), as described below.

1. Differences between financial results forecasts and actual results for the six months ended September 30, 2025 (April 1, 2025 through September 30, 2025)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of the parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecasts (A)	148,000	6,000	6,000	4,400	65.14
Actual Results (B)	149,808	8,784	9,305	5,605	82.98
Change (B-A)	1,808	2,784	3,305	1,205	
Change (%)	1.2	46.4	55.1	27.4	
(Reference) Actual results for the previous six months (Six months ended September 30, 2024)	144,963	3,298	3,008	1,683	21.31

(Note) The Company conducted a 4-for-1 share split of its common stock, with an effective date of July 1, 2025. "Basic earnings per share" is calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2025.

2. Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2026
(April 1, 2025 through March 31, 2026)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of the parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecasts (A)	300,000	14,000	14,000	9,500	144.13
Revised forecasts (B)	300,000	15,000	16,000	10,000	151.69
Change (B-A)	0	1,000	2,000	500	
Change (%)	0.0	7.1	14.3	5.3	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2025)	299,287	12,016	11,907	7,820	99.50

(Note) The Company conducted a 4-for-1 share split of its common stock, with an effective date of July 1, 2025. "Basic earnings per share" is calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2025.

3. Details of the interim dividend

	Determined amount	Most recent dividend forecast (Announced on July 31, 2025)	Actual results for the previous six months (Six months ended September 30, 2024)
Record date	September 30, 2025	September 30, 2025	September 30, 2024
Dividend per share (Calculated before share split)	69 yen (276 yen)	67 yen (268 yen)	70 yen
Total amount of dividends	4,417 million yen	–	1,382 million yen
Effective date	November 26, 2025	–	November 26, 2024
Source of dividends	Retained earnings	–	Retained earnings

(Note) The Company conducted a 4-for-1 share split of its common stock, with an effective date of July 1, 2025. The amounts shown for the previous fiscal year are the actual amount of dividends paid before the share split. The amounts shown for the amount determined and the most recent dividend forecast are the figures after the share split.

4. Revision to year-end dividend forecasts

	Annual dividends per share (Yen)		
	2nd quarter-end	Year-end	Total
Previous forecasts (Calculated before share split)		67.00 yen (268.00 yen)	134.00 yen (536.00 yen)
Revised forecasts (Calculated before share split)		69.00 yen (276.00 yen)	138.00 yen (552.00 yen)
Actual results for the current fiscal year (Calculated before share split)	69.00 yen (276.00 yen)		
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2025)	70.00 yen	90.00 yen	160.00 yen

(Note) The Company conducted a 4-for-1 share split of its common stock, with an effective date of July 1, 2025. The amounts shown for the previous fiscal year are the actual amount of dividends paid before the share split. The amounts shown for the forecasts and actual results for the current fiscal year are the figures after the share split.

5. Reasons

(Differences between financial results forecasts and actual results for the six months ended September 30, 2025)

For the 1st half of the fiscal year, both revenue and profit exceeded the previously announced forecasts, primarily due to higher-than-forecasted selling prices and lower-than-forecasted purchase prices.

(Revisions to full-year financial results forecasts)

While revenue exceeded expectations in the 1st half of the fiscal year, a decline in stainless steel sales is expected in the 2nd half compared to the previously announced forecast. Accordingly, the full-year revenue forecast remains unchanged. Profit is expected to decline in the 2nd half compared to the previously announced forecasts, primarily due to lower revenue and higher purchase prices. However, reflecting the results of the 1st half, the full-year profit forecasts have been revised upward.

(Interim dividends of surplus and Revision to year-end dividend forecasts)

Regarding dividends, we aim to meet the expectations of shareholders by comprehensively considering our performance, financial condition, and dividend payout ratio, while securing internal reserves necessary for future business development. As a guideline, we target a consolidated dividend payout ratio of 40% or more. In addition to the ordinary dividend, a special dividend of 5 billion yen will be distributed in fiscal year 2025 as part of additional shareholder returns.

Based on the above policy, the annual dividend forecast is 138 yen per share (payout ratio: 91%), with a 2nd quarter-end dividend of 69 yen per share and a year-end dividend (forecast) of 69 yen per share, as stated above. The breakdown is as follows: an ordinary dividend of 62 yen (31 yen each for the 2nd quarter-end and year-end), and a special dividend of 76 yen (38 yen each for the 2nd quarter-end and year-end).

(Note) The above forecasts are based on information available to the Company at the time of this disclosure and on certain assumptions deemed reasonable by the Company. As such, actual results may differ from those indicated above due to various factors.