



Consolidated Financial Results for the Nine Months Ended December 31, 2025 < under IFRS >

February 5, 2026

| | |
|---|---|
| Company name: | NIPPON STEEL CORPORATION |
| Stock listing: | Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange |
| Code number: | 5401 |
| URL: | https://www.nipponsteel.com/en/index.html |
| Representative: | Tadashi Imai, Representative Director, President and COO |
| Contact: | Shinnosuke Arita, General Manager, Head of Corporate Communications Div. |
| Telephone: | +81-3-6867-2135, 2141, 2146 |
| Scheduled date to commence dividend payments: | — |
| Preparation of supplemental explanatory materials: | Yes |
| Holding of financial results meeting: | Yes (for investment analysts) |

(All amounts have been truncated to the nearest millions of Japanese yen.)

1. Consolidated financial results for the nine months ended December 31, 2025

(from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentage figures are changes from the same period of the previous fiscal year.)

| | Revenue | | Business profit (*1) | | Operating profit | | Profit before income taxes | | Profit | |
|---|------------------|-------------|----------------------|---------------|------------------|---------------|----------------------------|---------------|-----------------|----------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Nine months ended December 31, 2025 | 7,256,323 | 10.7 | 356,142 | (37.1) | 107,051 | (81.1) | 56,110 | (89.8) | (20,811) | — |
| December 31, 2024 | 6,552,498 | (1.3) | 566,125 | (18.2) | 566,125 | (8.5) | 548,013 | (9.9) | 386,394 | (17.6) |

| | Profit attributable to owners of the parent | | Total comprehensive income | | Basic earnings per share (*2) | Diluted earnings per share (*2) |
|---|---|----------|----------------------------|---------------|-------------------------------|---------------------------------|
| | Millions of yen | % | Millions of yen | % | Yen | Yen |
| Nine months ended December 31, 2025 | (45,002) | — | 142,334 | (62.3) | (8.61) | (8.61) |
| December 31, 2024 | 362,077 | (17.9) | 377,615 | (46.9) | 73.60 | 69.30 |

(*1) Business Profit on Consolidated Statements of Profit or Loss indicates the results of sustainable business activities, and is an important measure to compare and evaluate the Company's consolidated performance continuously. It is defined as being deducted Cost of sales, Selling, general and administrative expenses and Other operating expenses from Revenue, and added Share of profit in investments accounted for using the equity method and Other operating income. Other operating income and expenses are composed mainly of Dividend income, Foreign exchange gains or losses, and Losses on disposal of fixed assets.

(*2) The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025. Accordingly, basic earnings per share and diluted earnings per share are calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2025.

(2) Consolidated Financial Position

| | Total assets | Total equity | Total equity attributable to owners of the parent | Ratio of total equity attributable to owners of the parent to total assets |
|--------------------------|-------------------|------------------|---|--|
| As of | Millions of yen | Millions of yen | Millions of yen | % |
| December 31, 2025 | 14,443,085 | 5,851,165 | 5,321,842 | 36.8 |
| March 31, 2025 | 10,942,458 | 5,903,380 | 5,383,311 | 49.2 |

2. Dividends

| | Dividends per share | | | | |
|---|---------------------|--------------------|-------------------|-----------------|----------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2025 | — | 80.00 | — | 80.00 | 160.00 |
| Fiscal year ending March 31, 2026 | — | 60.00 | — | | |
| Fiscal year ending March 31, 2026(Forecasts) | | | | 12.00 | — |

Note: Revisions to the forecast of cash dividends most recently announced: No

*The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025.

The dividend for the second quarter of the fiscal year ending March 31, 2026, with a record date of September 30, 2025, was applied to the Company's common shares before the stock split. Therefore, the dividend is stated as the amount before the stock split. The year-end dividend for the fiscal year ending March 31, 2026, with a record date of March 31, 2026, will apply to the Company's common shares after the stock

split. Therefore, the dividend is stated as the amount after the stock split. Due to the impact of the stock split, the second quarter dividend and the year-end dividend cannot be simply added together, so the total annual dividend is stated as “—”. Note that if the stock split is not considered, the year-end dividend for the fiscal year ending March 31, 2026, would be 60 yen per share, and the total annual dividend would be 120 yen per share.

3. Consolidated Financial Forecasts for Fiscal year ending March 31, 2026

(Percentage figures are changes from the same period of the previous fiscal year.)

| | Revenue | | Business profit | | Profit attributable to owners of the parent | | Basic earnings per share |
|-----------------------------------|-----------------|------|-----------------|--------|---|---|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Fiscal year ending March 31, 2026 | 10,000,000 | 15.0 | 420,000 | (38.5) | (70,000) | — | (13.00) |

Note: Revisions to the consolidated financial forecasts most recently announced: Yes

For further details, please refer to “Results for the nine months ended December 31, 2025” disclosed today.

*The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025. Accordingly, Basic earnings per share is calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2026.

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes

The changes in the scope of consolidation during the period are as follows;

Number of newly consolidated: 107

Company name: United States Steel Corporation and its subsidiaries, total 87 companies

Number of excluded from consolidation: 26

- (2) Changes in accounting policies and changes in accounting estimates

(a) Changes in accounting policies required by IFRS: None

(b) Changes in accounting policies other than those in (a) above: None

(c) Changes in accounting estimates: None

- (3) Number of shares outstanding (common shares)

- (a) Number of shares outstanding at the end of the period (including treasury stock)

As of December 31, 2025 5,373,633,760 shares

As of March 31, 2025 5,373,633,760 shares

- (b) Number of treasury stock at the end of the period

As of December 31, 2025 147,330,767 shares

As of March 31, 2025 147,691,101 shares

- (c) Weighted average number of shares outstanding

Nine months ended December 31, 2025 5,226,230,350 shares

Nine months ended December 31, 2024 4,919,296,612 shares

*The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025. Accordingly, the number of shares outstanding at the end of the period, the number of treasury stock at the end of the period, and the weighted average number of shares outstanding are calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2025.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation of the appropriate use of performance forecasts and other related items

(Explanation of the appropriate use of performance forecasts)

The forward-looking statements included in this consolidated financial results are based on the assumptions, forecasts, and plans of the Company as of the date on which this document is made public. The Company’s actual results may differ substantially from such statements due to various risks and uncertainties.

(Financial forecasts after the stock split)

The Company decided at the Board of Directors meeting held on August 1, 2025 to conduct a stock split. The stock split at a ratio of five (5) shares for every one share was effective on October 1, 2025. Accordingly, basic earnings per share in the consolidated financial forecasts for fiscal year ending March 31, 2026 are calculated in consideration of the stock split.

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1. Summary of Operating Results

For the Summary of Operating Results for the nine months ended December 31, 2025, please refer to the supplementary explanation materials “Results for the nine months ended December 31, 2025” disclosed on TDnet and “IR Briefing: Presentation” posted on our company’s website today.

For the merger between U.S. subsidiary and United States Steel Corporation (“U. S. Steel”), which was completed on June 18, 2025, please refer to “Nippon Steel Corporation and U. S. Steel Finalize Historic Partnership” posted on the company’s website.

Link to IR Briefing: <https://www.nipponsteel.com/en/ir/library/settlement.html>
(This material is available on the company's website under “IR archive”- “Financial results.”)

Link to U. S. Steel Merger Document: <https://www.nipponsteel.com/en/ir/news/>
(This material is available on the company's website under “IR Topics”)

2.Quarterly Condensed Consolidated Financial Statements and Major Notes

(1)Quarterly Condensed Consolidated Statements of Financial Position

(Millions of Yen)

| ASSETS | March 31, 2025 | December 31, 2025 |
|---|-----------------------|--------------------------|
| Current assets : | | |
| Cash and cash equivalents | 672,526 | 508,081 |
| Trade and other receivables | 1,430,435 | 1,739,623 |
| Inventories | 2,199,096 | 2,743,962 |
| Other financial assets | 41,425 | 50,186 |
| Other current assets | 205,019 | 201,601 |
| Total current assets | 4,548,503 | 5,243,455 |
| Non-current assets : | | |
| Property, plant and equipment | 3,635,585 | 5,850,732 |
| Right-of-use assets | 101,934 | 139,348 |
| Goodwill | 71,639 | 530,776 |
| Intangible assets | 263,231 | 379,695 |
| Investments accounted for using the equity method | 1,600,366 | 1,475,987 |
| Other financial assets | 461,378 | 526,283 |
| Defined benefit assets | 116,415 | 162,043 |
| Deferred tax assets | 135,074 | 109,835 |
| Other non-current assets | 8,329 | 24,926 |
| Total non-current assets | 6,393,955 | 9,199,629 |
| Total assets | 10,942,458 | 14,443,085 |

The accompanying notes are integral parts of these statements.

(Millions of Yen)

| LIABILITIES | March 31, 2025 | December 31, 2025 |
|--|-----------------------|--------------------------|
| Current liabilities : | | |
| Trade and other payables | 1,671,352 | 2,282,155 |
| Bonds, borrowings and lease liabilities | 473,466 | 2,248,599 |
| Other financial liabilities | 823 | 7,250 |
| Income taxes payable | 126,428 | 40,403 |
| Other current liabilities | 63,421 | 95,563 |
| Total current liabilities | 2,335,493 | 4,673,971 |
| Non-current liabilities : | | |
| Bonds, borrowings and lease liabilities | 2,034,026 | 3,013,267 |
| Other financial liabilities | 35 | 357 |
| Defined benefit liabilities | 111,552 | 176,132 |
| Deferred tax liabilities | 137,014 | 238,880 |
| Other non-current liabilities | 420,955 | 489,310 |
| Total non-current liabilities | 2,703,584 | 3,917,948 |
| Total liabilities | 5,039,077 | 8,591,919 |
| EQUITY | | |
| Common stock | 569,519 | 569,519 |
| Capital surplus | 578,457 | 581,014 |
| Retained earnings | 3,819,934 | 3,672,188 |
| Treasury stock | (58,236) | (58,117) |
| Other components of equity | 473,635 | 557,236 |
| Total equity attributable to owners of the parent | 5,383,311 | 5,321,842 |
| Non-controlling interests | 520,069 | 529,323 |
| Total equity | 5,903,380 | 5,851,165 |
| Total liabilities and equity | 10,942,458 | 14,443,085 |

The accompanying notes are integral parts of these statements.

**(2)Quarterly Condensed Consolidated Statements of Profit or Loss and
Quarterly Condensed Consolidated Statements of Comprehensive Income**

| Quarterly Condensed Consolidated Statements of Profit or Loss | | (Millions of Yen) |
|--|--|--|
| | Nine months ended December 31, 2024 | Nine months ended December 31, 2025 |
| Revenue | 6,552,498 | 7,256,323 |
| Cost of sales | (5,518,218) | (6,231,701) |
| Gross profit | 1,034,280 | 1,024,622 |
| Selling, general and administrative expenses | (605,347) | (724,398) |
| Share of profit in investments accounted for using the equity method | 112,882 | 64,676 |
| Other operating income | 69,458 | 75,123 |
| Other operating expenses | (45,147) | (83,880) |
| Business profit | 566,125 | 356,142 |
| Losses on reorganization | — | (249,091) |
| Operating profit | 566,125 | 107,051 |
| Finance income | 14,480 | 17,749 |
| Finance costs | (32,592) | (68,690) |
| Profit before income taxes | 548,013 | 56,110 |
| Income tax expense | (161,619) | (76,922) |
| Profit (loss) | 386,394 | (20,811) |
| Profit (loss) attributable to : | | |
| Owners of the parent | 362,077 | (45,002) |
| Non-controlling interests | 24,316 | 24,190 |
| Earnings (loss) per share | | |
| Basic earnings (loss) per share (Yen) | 73.60 | (8.61) |
| Diluted earnings (loss) per share (Yen) | 69.30 | (8.61) |

The accompanying notes are integral parts of these statements.

| Quarterly Condensed Consolidated Statements of Comprehensive Income | | (Millions of Yen) |
|--|--|--|
| | Nine months ended December 31, 2024 | Nine months ended December 31, 2025 |
| Profit (loss) | 386,394 | (20,811) |
| Other comprehensive income | | |
| Items that cannot be reclassified to profit or loss | | |
| Changes in fair value of financial assets measured at fair value through other comprehensive income | (26,620) | 58,185 |
| Remeasurements of defined benefit plans | 12,279 | 32,760 |
| Share of other comprehensive income of investments accounted for using the equity method | (4,421) | 4,812 |
| Subtotal | (18,762) | 95,758 |
| Items that might be reclassified to profit or loss | | |
| Changes in fair value of financial assets measured at fair value through other comprehensive income | — | (174) |
| Changes in fair value of cash flow hedges | 11,285 | 22,030 |
| Foreign exchange differences on translation of foreign operations | 19,598 | 90,913 |
| Share of other comprehensive income of investments accounted for using the equity method | (20,900) | (45,382) |
| Subtotal | 9,984 | 67,387 |
| Total other comprehensive income, net of tax | (8,778) | 163,145 |
| Total comprehensive income | 377,615 | 142,334 |
| Comprehensive income attributable to: | | |
| Owners of the parent | 342,528 | 117,437 |
| Non-controlling interests | 35,087 | 24,896 |

The accompanying notes are integral parts of these statements.

(3)Quarterly Condensed Consolidated Statements of Changes in Equity

Nine months ended December 31, 2024

(Millions of Yen)

| | Equity attributable to owners of the parent | | | | | |
|---|---|-----------------|-------------------|-----------------|---|---|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Other components of equity | |
| | | | | | Changes in fair value of financial assets measured at fair value through other comprehensive income | Remeasurements of defined benefit plans |
| Balance as of March 31, 2024 | 419,799 | 398,914 | 3,525,585 | (58,149) | 287,802 | — |
| Changes during the period | | | | | | |
| Comprehensive income | | | | | | |
| Profit (loss) | | | 362,077 | | | |
| Other comprehensive income | | | | | (35,566) | 12,508 |
| Total comprehensive income | — | — | 362,077 | — | (35,566) | 12,508 |
| Transactions with owners and others | | | | | | |
| Conversion of convertible bonds | 149,720 | 147,627 | | | | |
| Cash dividends | | | (162,085) | | | |
| Share-based payment transactions | | | | | | |
| Purchases of treasury stock | | | | (55) | | |
| Disposals of treasury stock | | 1 | | 2 | | |
| Changes in ownership interests in subsidiaries | | (127) | | | | |
| Transfer from other components of equity to retained earnings | | | 81,548 | | (69,039) | (12,508) |
| Transfer to non-financial assets | | | | | | |
| Changes in scope of consolidation | | | | (0) | | |
| Subtotal transactions with owners and others | 149,720 | 147,501 | (80,537) | (53) | (69,039) | (12,508) |
| Balance as of December 31, 2024 | 569,519 | 546,415 | 3,807,125 | (58,203) | 183,195 | — |

| | Equity attributable to owners of the parent | | | | Non-controlling interests | Total equity |
|---|---|---|----------|---|---------------------------|--------------|
| | Other components of equity | | | Total equity attributable to owners of the parent | | |
| | Changes in fair value of cash flow hedges | Foreign exchange differences on translation of foreign operations | Total | | | |
| Balance as of March 31, 2024 | 44,212 | 159,561 | 491,576 | 4,777,727 | 578,150 | 5,355,878 |
| Changes during the period | | | | | | |
| Comprehensive income | | | | | | |
| Profit (loss) | | | — | 362,077 | 24,316 | 386,394 |
| Other comprehensive income | 3,761 | (252) | (19,549) | (19,549) | 10,770 | (8,778) |
| Total comprehensive income | 3,761 | (252) | (19,549) | 342,528 | 35,087 | 377,615 |
| Transactions with owners and others | | | | | | |
| Conversion of convertible bonds | | | — | 297,347 | | 297,347 |
| Cash dividends | | | — | (162,085) | (16,479) | (178,565) |
| Share-based payment transactions | | | — | — | | — |
| Purchases of treasury stock | | | — | (55) | | (55) |
| Disposals of treasury stock | | | — | 3 | | 3 |
| Changes in ownership interests in subsidiaries | | | — | (127) | (3,462) | (3,589) |
| Transfer from other components of equity to retained earnings | | | (81,548) | — | | — |
| Transfer to non-financial assets | | | — | — | | — |
| Changes in scope of consolidation | | | — | (0) | (3) | (3) |
| Subtotal transactions with owners and others | — | — | (81,548) | 135,081 | (19,945) | 115,136 |
| Balance as of December 31, 2024 | 47,974 | 159,309 | 390,479 | 5,255,337 | 593,292 | 5,848,630 |

The accompanying notes are integral parts of these statements.

Nine months ended December 31, 2025

(Millions of Yen)

| | Equity attributable to owners of the parent | | | | | |
|---|---|-----------------|-------------------|----------------|---|---|
| | Common stock | Capital surplus | Retained earnings | Treasury stock | Other components of equity | |
| | | | | | Changes in fair value of financial assets measured at fair value through other comprehensive income | Remeasurements of defined benefit plans |
| Balance as of March 31, 2025 | 569,519 | 578,457 | 3,819,934 | (58,236) | 164,118 | — |
| Changes during the period | | | | | | |
| Comprehensive income | | | | | | |
| Profit (loss) | | | (45,002) | | | |
| Other comprehensive income | | | | | 61,134 | 32,304 |
| Total comprehensive income | — | — | (45,002) | — | 61,134 | 32,304 |
| Transactions with owners and others | | | | | | |
| Conversion of convertible bonds | | | | | | |
| Cash dividends | | | (146,480) | | | |
| Share-based payment transactions | | 214 | | | | |
| Purchases of treasury stock | | | | (34) | | |
| Disposals of treasury stock | | 1 | | 4 | | |
| Changes in ownership interests in subsidiaries | | 2,340 | | | | |
| Transfer from other components of equity to retained earnings | | | 43,736 | | (11,432) | (32,304) |
| Transfer to non-financial assets | | | | | | |
| Changes in scope of consolidation | | | | 150 | | |
| Subtotal transactions with owners and others | — | 2,556 | (102,744) | 119 | (11,432) | (32,304) |
| Balance as of December 31, 2025 | 569,519 | 581,014 | 3,672,188 | (58,117) | 213,820 | — |

| | Equity attributable to owners of the parent | | | | Non-controlling interests | Total equity |
|---|---|---|----------|---|---------------------------|--------------|
| | Other components of equity | | | Total equity attributable to owners of the parent | | |
| | Changes in fair value of cash flow hedges | Foreign exchange differences on translation of foreign operations | Total | | | |
| Balance as of March 31, 2025 | 51,808 | 257,708 | 473,635 | 5,383,311 | 520,069 | 5,903,380 |
| Changes during the period | | | | | | |
| Comprehensive income | | | | | | |
| Profit (loss) | | | — | (45,002) | 24,190 | (20,811) |
| Other comprehensive income | 10,482 | 58,518 | 162,439 | 162,439 | 705 | 163,145 |
| Total comprehensive income | 10,482 | 58,518 | 162,439 | 117,437 | 24,896 | 142,334 |
| Transactions with owners and others | | | | | | |
| Conversion of convertible bonds | | | — | — | | — |
| Cash dividends | | | — | (146,480) | (14,021) | (160,502) |
| Share-based payment transactions | | | — | 214 | | 214 |
| Purchases of treasury stock | | | — | (34) | | (34) |
| Disposals of treasury stock | | | — | 5 | | 5 |
| Changes in ownership interests in subsidiaries | | | — | 2,340 | (16,370) | (14,030) |
| Transfer from other components of equity to retained earnings | | | (43,736) | — | | — |
| Transfer to non-financial assets | (35,102) | | (35,102) | (35,102) | | (35,102) |
| Changes in scope of consolidation | | | — | 150 | 14,749 | 14,899 |
| Subtotal transactions with owners and others | (35,102) | — | (78,838) | (178,906) | (15,643) | (194,549) |
| Balance as of December 31, 2025 | 27,188 | 316,227 | 557,236 | 5,321,842 | 529,323 | 5,851,165 |

The accompanying notes are integral parts of these statements.

(4) Notes to the Quarterly Condensed Consolidated Financial Statements

(Going Concern Assumption)

Not applicable

(Cash-Flows)

The company has not prepared the Quarterly Condensed Consolidated Statements of Cash-Flows for the nine months ended December 31, 2025. The depreciation and amortization expenses for the nine months ended December 31, 2025 and 2024 are as follows.

(Millions of Yen)

| | Nine months ended December 31, 2024 | Nine months ended December 31, 2025 |
|----------------------------------|--|--|
| Depreciation and amortization | 286,099 | 393,919 |

(Segment Information)

Nine months ended December 31, 2024

(Millions of Yen)

| | Reportable segments | | | | Total | Adjustments | Consolidated |
|--|---|------------------------------------|----------------------------|---------------------|------------|-------------|--------------|
| | Steelmaking and Steel Fabrication | Engineering and Construction | Chemicals and Materials | System Solutions | | | |
| Revenue | | | | | | | |
| Revenue from external customers | 5,920,453 | 261,895 | 191,237 | 178,911 | 6,552,498 | — | 6,552,498 |
| Inter-segment revenue or transfers | 42,121 | 21,156 | 13,289 | 62,229 | 138,795 | (138,795) | — |
| Total | 5,962,575 | 283,052 | 204,526 | 241,140 | 6,691,294 | (138,795) | 6,552,498 |
| Segment profit <Business Profit> | 519,860 | 7,032 | 17,805 | 30,203 | 574,901 | (8,775) | 566,125 |
| Segment assets As of March 31, 2025 | 10,115,166 | 349,700 | 254,630 | 412,336 | 11,131,834 | (189,375) | 10,942,458 |
| Segment liabilities <Interest-bearing debt> As of March 31, 2025 | 2,473,628 | 8,525 | 7,086 | 18,251 | 2,507,492 | — | 2,507,492 |

Note: The adjustments of segment profit of ¥(8,775) million include the Company's share of profit in investments of Nippon Steel Kowa Real Estate Co., Ltd., accounted for using the equity method of ¥11,750 million and elimination of inter-segment revenue or transfers of ¥(20,525) million.

Nine months ended December 31, 2025

(Millions of Yen)

| | Reportable segments | | | | Total | Adjustments | Consolidated |
|--|---|------------------------------------|----------------------------|---------------------|------------|-------------|--------------|
| | Steelmaking and Steel Fabrication | Engineering and Construction | Chemicals and Materials | System Solutions | | | |
| Revenue | | | | | | | |
| Revenue from external customers | 6,626,414 | 242,742 | 177,603 | 209,562 | 7,256,323 | — | 7,256,323 |
| Inter-segment revenue or transfers | 35,832 | 29,889 | 13,642 | 66,944 | 146,309 | (146,309) | — |
| Total | 6,662,247 | 272,631 | 191,246 | 276,507 | 7,402,633 | (146,309) | 7,256,323 |
| Segment profit <Business Profit> | 314,348 | 11,999 | 14,600 | 30,021 | 370,969 | (14,826) | 356,142 |
| Segment assets | 13,570,565 | 333,374 | 253,265 | 383,301 | 14,540,506 | (97,421) | 14,443,085 |
| Segment liabilities <Interest-bearing debt> | 5,230,842 | 7,554 | 7,251 | 16,231 | 5,261,879 | (13) | 5,261,866 |

Note: The adjustments of segment profit of ¥(14,826) million include the Company's share of profit in investments of Nippon Steel Kowa Real Estate Co., Ltd., accounted for using the equity method of ¥4,868 million and elimination of inter-segment revenue or transfers of ¥(19,695) million.

(Business Combinations)

Business combinations consummated for the nine months ended December 31, 2025

Merger of United States Steel Corporation

(1) Overview

(a) Name of the acquiree and the description of its business

Name of the acquiree: United States Steel Corporation (U. S. Steel)

Description of Business: Manufacturing and distribution of steel sheets for automotive, home appliances and building materials etc. and tubular for energy industry

(b) Acquisition date: June 18, 2025

(c) Ratio of acquired voting equity interest

Ratio of voting rights held prior to the acquisition date: 0%

Ratio of voting rights acquired on the acquisition date: 100%

Ratio of voting rights after acquisition: 100%

(d) Primary reason for business combination

As the “Best Steelmaker with World-Leading Capabilities,” the merger will enable Nippon Steel to move toward 100 million tonnes of global crude steel capacity through expanding its integrated production framework and create value starting from iron/steel-making process in “districts and areas where demand is promisingly expected to grow” and in “sectors in which Nippon Steel’s technologies and products are appreciated.” In doing so, Nippon Steel’s basic strategy is to acquire integrated steel mills through acquisitions and capital participation (brownfield investment) and to expand the capacity of existing bases. Nippon Steel acquired Essar Steel (now AM/NS India) in India in December 2019 and G Steel and GJ Steel in Thailand in February 2022.

The U.S. steel industry is largely driven by domestic demand and U.S. steelmakers are not highly dependent on exports of products. In addition, it has been remarkable that there is a trend to bring operations back to the home U.S. market in downstream sectors such as energy and manufacturing, due to relatively low energy prices in the United States and structural changes in the world economy. Nippon Steel is confident that it can utilize its seasoned technologies and product lineup in the United States, since it expects high level of demand for high-grade steel in this largest market amongst developed countries as well as sustainable growth in domestic steel demand.

Nippon Steel believes that the merger is a worthwhile investing since the merger is not only consistent with Nippon Steel’s overseas business strategy but also would enable Nippon Steel to diversify its global footprint by securing integrated steel manufacturing capabilities in the United States, a developed country, adding to existing operational bases in ASEAN and India, where market volume and growth potential are significant. Nippon Steel intends to further enhance its enterprise value by developing and expanding in these three globally important operational bases. Upon completion of the merger, Nippon Steel group’s global crude steel production capacity will increase to approximately 82 million tonnes per year, making it further expanding its reach. Nippon Steel and U. S. Steel will move forward together as the “Best Steelmaker with World-Leading Capabilities,” providing across the globe products and services made by the technologies across both companies in high-grade steel including electrical steel and automotive steel to broadly contribute to customers and society.

Furthermore, Nippon Steel and U. S. Steel share a common goal of achieving carbon neutrality by 2050, and each company has made an effort in this field and developed technological edges. Nippon Steel aims to attain carbon neutrality through the development of great innovative technologies: “hydrogen injection into blast furnaces,” “high-grade steel production in large size electric arc furnaces” and “hydrogen direct reduction of iron.”

By combining the advanced technologies of both companies, Nippon Steel and U. S. Steel will together take steps towards achieving carbon neutrality by 2050 and contribute to building a sustainable society.

(e) Form of control acquisition of the acquirees

By way of a merger between U. S. Steel and a wholly-owned subsidiary established by Nippon Steel for the merger (reverse triangular merger)

(2) Consideration transferred

| | (Millions of Yen) |
|---------------------------------|-------------------|
| Cash consideration transferred | 2,053,333 |
| Other payables | 9,179 |
| Total consideration transferred | 2,062,513 |

Note: The acquisition-related costs of ¥21,984 million related to the business combination were recorded in the consolidated statements of profit or loss for the year ended March 31, 2025. The acquisition-related costs of ¥7,868 million were recorded as “Selling, general and administrative expenses” in the consolidated statements of profit or loss for the nine months ended December 31, 2025.

In addition, a closing bonus of ¥14,288 million for U. S. Steel employees was recorded as “Other operating expenses” in the consolidated statements of profit or loss for the nine months ended December 31, 2025.

(3) Fair value of the assets acquired and liabilities assumed, non-controlling interests and goodwill

The Company has not completed the recognition and the fair value measurement of identifiable assets and liabilities and accordingly the computation of the fair value of the assets acquired and liabilities assumed, non-controlling interests, and goodwill, so the purchase price allocations are on a provisional basis based on the most current information available.

| | (Millions of Yen) |
|---|-------------------|
| Current assets | 986,783 |
| Non-current assets | 2,092,683 |
| Total assets | 3,079,467 |
| Current liabilities | 605,600 |
| Non-current liabilities | 828,996 |
| Total liabilities | 1,434,596 |
| Total identifiable net assets acquired | 1,644,870 |
| Non-controlling interests (Note 1) | 13,498 |
| Total equity attributable to owners of the parent | 1,631,371 |
| Total consideration transferred | 2,062,513 |
| Basis adjustments (Note 2) | (35,102) |
| Goodwill (Note 3) | 396,039 |

Note:

1. Non-controlling interests are due to an Option Agreement granted by U. S. Steel to Stelco.
2. The Company entered into forward exchange contracts to hedge the foreign exchange risk associated with the acquisition consideration and applied hedge accounting. The basis adjustment is the fair value of the hedging instruments at the acquisition date and is included in the initially recognized goodwill adjustment.
3. The goodwill recognized in the nine months ended December 31, 2025 represents a provisional estimate of fair value, which may change upon completion of the accounting for the business combination. The goodwill is not tax-deductible.

(4) Net cash used in the transaction

| | (Millions of Yen) |
|---|-------------------|
| Cash consideration transferred | 2,053,333 |
| Cash and cash equivalents held by the acquirees at the acquisition date | (62,048) |
| Basis adjustments | (35,102) |
| Net cash used in the transaction | 1,956,183 |

(5) Revenue and profit or loss of the acquirees after the acquisition date

| | (Millions of Yen) |
|----------------|-------------------|
| Revenue | 1,271,558 |
| Profit or loss | 8,236 |

(6) Revenue and profit or loss of the Group if the business combination had been completed at the beginning of the year

| | (Millions of Yen) |
|----------------|-------------------|
| Revenue | 7,870,445 |
| Profit or loss | (45,661) |

1.Results for the nine months ended December 31, 2025

The Company recorded consolidated revenue of ¥7,256.3 billion, business profit of ¥356.1 billion and profit attributable to owners of the parent of ¥(45.0) billion in the nine months ended December 31, 2025.

<Consolidated Operating Result>

| | | | | | (Billions of Yen) |
|---|------------------|---------|---------|------------------|---------------------------------|
| | FY 2025 Q1-Q3 | H1 | Q3 | FY 2024 Q1-Q3 | FY 2024 Q1-Q3 →FY 2025 Q1-Q3 |
| Revenue | 7,256.3 | 4,635.6 | 2,620.6 | 6,552.4 | + 703.9 |
| Excluding U. S. Steel | 494.3 | 323.5 | 170.8 | 608.4 | - 114.1 |
| U. S. Steel | 3.4 | 22.2 | (18.8) | — | + 3.4 |
| Underlying Business Profit ※1 | 497.7 | 345.7 | 152.0 | 608.4 | - 110.7 |
| Business Profit ※2 | 356.1 | 227.5 | 128.6 | 566.1 | ※7 - 210.0 |
| [R O S] | [4.9%] | [4.9%] | [4.9%] | [8.6%] | [-3.7%] |
| Additional line items ※3 | (249.0) | (230.3) | (18.7) | — | - 249.0 |
| Profit attributable to owners of the parent | (45.0) | (113.3) | 68.3 | 362.0 | - 407.0 |
| < Earnings per share (Yen) > ※4 | < -8 > | < -21 > | < 13 > | < 73 > | < -81 > |
| [R O E] ※5 | [-1.1%] | [-4.3%] | [5.2%] | [9.6%] | [-10.7%] |
| EBITDA ※6 | 750.0 | 468.2 | 281.7 | 852.2 | - 102.2 |
| Interest-bearing debt | 5,261.8 | 5,074.5 | 5,261.8 | 2,790.6 | 2,471.2 |
| D/E ratio | 0.75 | 0.74 | 0.75 | 0.41 | + 0.34 |
| After adjusting for equity credit attributes of subordinated loans and subordinated bonds | | | | | |

(※1) Underlying Business Profit is Business Profit excluding inventory valuation impact and other items and recognized as representing the Group's actual profitability.

In the nine months ended December 31, 2025, Underlying Business Profit excludes losses of ¥141.6 billion.

(※2) Business Profit on Consolidated Statements of Profit or Loss indicates the results of sustainable business activities, and is an important measure to compare and evaluate the Company's consolidated performance continuously. It is defined as being deducted Cost of sales, Selling general and administrative expenses and Other operating expenses from Revenue, and added Share of profit in investments accounted for using the equity method and Other operating income. Other operating income and expenses are composed mainly of Dividend income, Foreign exchange gains or losses, and Losses on disposal of fixed assets.

(※3) Additional line items refer to the items that are not recurrent and are remotely related to operational activities, but have a material impact in terms of amount.

(※4) The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025. The above earnings per share are calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2025.

(※5) Annualized (※6) Business Profit + Depreciation

(※7) Analysis in Business Profit

(Billions of Yen)

FY 2024 Q1-Q3
→FY 2025 Q1-Q3

(※3) Additional line items

(Billions of Yen)

| | FY 2025 Q1-Q3 | FY 2024 Q1-Q3 | FY 2024 Q1-Q3 →FY 2025 Q1-Q3 |
|-----------------------------|------------------|------------------|---------------------------------|
| Additional line items Total | (249.0) | - | - 249.0 |
| Losses on reorganization | (249.0) | - | - 249.0 |

<FY 2025 Q1-Q3>

• Losses on business withdrawal and others: ¥(249.0) billion

(the transfer of equity interests in AM/NS Calvert LLC: ¥(232.1) billion,
the transfer of equity interests in USIMINAS: ¥(16.8) billion, etc.)

| | |
|--|---------------|
| Change in Business Profit | —210.0 |
| Underlying Business Profit | —111.0 |
| ①Manufacturing shipment volume | —23.0 |
| ②Spread | —40.0 |
| (including impact from FX rate fluctuation) | |
| ③Cost reduction | +65.0 |
| ④Overseas steel business | —25.0 |
| Of these, U. S. Steel | +3.0 |
| ⑤Raw material business | —62.0 |
| ⑥Other group companies | —36.0 |
| ⑦Three non-steel segments | +5.0 |
| ⑧Others | +5.0 |
| Inventory valuation impact | —81.0 |
| Non-operating profit and loss, consolidation eliminations, etc. | —18.0 |

<Factors Influencing Performance>

(1)NIPPON STEEL CORPORATION

| | FY2025 Q1-Q3 | H1 | Q3 | FY2024 Q1-Q3 | FY2024 Q1-Q3 →FY2025 Q1-Q3 |
|--|-----------------|-------|-------|-----------------|-------------------------------|
| Consolidated crude steel production volume (10,000 tons) | 3,661 | 2,293 | 1,368 | 2,970 | + 691 |
| Non-Consolidated crude steel production volume (10,000 tons) | 2,537 | 1,677 | 860 | 2,575 | - 38 |
| Steel materials shipment volume (10,000 tons) | 2,331 | 1,547 | 784 | 2,389 | - 58 |
| Steel materials price (¥1,000/ton) | 138.4 | 138.6 | 138.3 | 143.0 | - 4.6 |
| Exchange rate (¥/\$) | 149 | 146 | 153 | 152 | - 4 |

(2)All Japan

| | FY2025 Q1-Q3 | H1 | Q3 | FY2024 Q1-Q3 | FY2024 Q1-Q3 →FY2025 Q1-Q3 |
|---|-----------------|-------|-------|-----------------|-------------------------------|
| Crude steel production volume (10,000 tons) | 6,028 | 4,008 | 2,021 | 6,256 | - 227 |
| Steel consumption (10,000 tons)*1 | 3,672 | 2,415 | 1,257 | 3,736 | - 64 |

*1 The Company estimates

<Segment Information>

| | FY 2025 Q1-Q3 | H1 | Q3 | FY 2024 Q1-Q3 | FY 2024 Q1-Q3 →FY 2025 Q1-Q3 | | FY 2025 Q1-Q3 | H1 | Q3 | FY 2024 Q1-Q3 | FY 2024 Q1-Q3 →FY 2025 Q1-Q3 |
|-----------------------------------|------------------|----------------|----------------|------------------|---------------------------------|-----------------------------------|------------------|--------------|--------------|------------------|---------------------------------|
| Revenue | 7,256.3 | 4,635.6 | 2,620.6 | 6,552.4 | + 703.9 | Business Profit | 356.1 | 227.5 | 128.6 | 566.1 | - 210.0 |
| Steelmaking and Steel Fabrication | 6,662.2 | 4,243.9 | 2,418.3 | 5,962.5 | + 699.7 | Steelmaking and Steel Fabrication | 314.3 | 201.8 | 112.5 | 519.8 | - 205.5 |
| Engineering and Construction | 272.6 | 182.2 | 90.3 | 283.0 | - 10.4 | Engineering and Construction | 11.9 | 7.4 | 4.5 | 7.0 | + 4.9 |
| Chemicals and Materials | 191.2 | 128.1 | 63.0 | 204.5 | - 13.3 | Chemicals and Materials | 14.6 | 9.8 | 4.7 | 17.8 | - 3.2 |
| System Solutions | 276.5 | 179.0 | 97.4 | 241.1 | + 35.4 | System Solutions | 30.0 | 17.5 | 12.4 | 30.2 | - 0.2 |
| Adjustment | (146.3) | (97.7) | (48.5) | (138.7) | - 7.6 | Adjustment | (14.8) | (9.1) | (5.6) | (8.7) | - 6.1 |

(Billions of Yen)

2. Forecasts for Fiscal year ending March 31, 2026

The Company is forecasting a revenue of ¥10,000.0 billion, business profit of ¥420.0 billion and profit attributable to owners of the parent of ¥(70.0) billion on its consolidated financial statements in the fiscal year ending March 31, 2026.

<Forecasts of Consolidated Operating Result>

| | FY 2025 forecasts | Changes from the previous forecasts | H1 | H2 forecasts | H1 FY2025 → H2 FY 2025 forecasts | FY 2024 | FY 2024 → FY 2025 forecasts | Previous Forecasts (Released on November 5, 2025) |
|--|----------------------|--|----------------|-----------------|--|----------------|-----------------------------------|--|
| Revenue | 10,000.0 | — | 4,635.6 | 5,364.4 | + 728.8 | 8,695.5 | + 1,304.5 | 10,000.0 |
| Excluding U. S. Steel | 620.0 | - 60.0 | 323.5 | 296.5 | - 26.9 | 793.7 | - 173.7 | 680.0 |
| U. S. Steel | 0.0 | — | 22.2 | (22.2) | - 44.4 | — | — | 0.0 |
| Underlying Business Profit ※1 | 620.0 | - 60.0 | 345.7 | 274.3 | - 71.3 | 793.7 | - 173.7 | 680.0 |
| Business Profit ※2 | 420.0 | ※6 - 30.0 | 227.5 | 192.5 | ※6 - 35.0 | 683.2 | ※6 - 263.2 | 450.0 |
| [R O S] | [4.2%] | [-0.3%] | [4.9%] | [3.6%] | [-1.3%] | [7.9%] | [-3.7%] | [4.5%] |
| Additional line items ※3 | (270.0) | - 10.0 | (230.3) | (39.7) | + 190.6 | (135.2) | - 134.8 | (260.0) |
| Profit attributable to owners of the parent | (70.0) | - 10.0 | (113.3) | 43.3 | + 156.6 | 350.2 | - 420.2 | (60.0) |
| < Earnings per share (Yen) ※4 | < -13 > | < -2 > | < -21 > | < 8 > | < +29 > | < 70 > | < -83 > | < -11 > |
| EBITDA ※5 | 970.0 | - 30.0 | 468.2 | 501.8 | + 33.6 | 1,068.4 | - 98.4 | 1,000.0 |

- (※1) Underlying Business Profit is Business Profit excluding inventory valuation impact and other items and recognized as representing the Group's actual profitability.
In fiscal 2025, Underlying Business Profit excludes losses of ¥200.0 billion.
- (※2) Business Profit on Consolidated Statements of Profit or Loss indicates the results of sustainable business activities, and is an important measure to compare and evaluate the Company's consolidated performance continuously. It is defined as being deducted Cost of sales, Selling general and administrative expenses and Other operating expenses from Revenue, and added Share of profit in investments accounted for using the equity method and Other operating income. Other operating income and expenses are composed mainly of Dividend income, Foreign exchange gains or losses, and Losses on disposal of fixed assets.
- (※3) Additional line items refer to the items that are not recurrent and are remotely related to operational activities, but have a material impact in terms of amount.
- (※4) The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025. The above earnings per share in the consolidated financial forecasts are calculated as if the stock split had occurred at the beginning of the fiscal year ended March 31, 2025.
- (※5) Business Profit + Depreciation

(※6) Analysis in Business Profit

| | H1 FY2025 → H2 FY 2025 forecasts | FY 2024 → FY 2025 forecasts | Changes from the previous forecasts |
|--|--|-----------------------------------|--|
| Change in Business Profit | - 35.0 | - 263.0 | - 30.0 |
| Underlying Business Profit | - 71.0 | - 174.0 | - 60.0 |
| ① Manufacturing shipment volume | ~ | - 25.0 | - 20.0 |
| ② Spread | - 50.0 | - 115.0 | - 20.0 |
| (including impact from FX rate fluctuation) | | | |
| ③ Cost reduction | + 20.0 | + 120.0 | ~ |
| ④ Overseas steel business | - 55.0 | - 34.0 | ~ |
| Of these, U. S. Steel | - 44.0 | ~ | ~ |
| ⑤ Raw material business | - 6.0 | - 80.0 | ~ |
| ⑥ Other group companies | + 14.0 | - 44.0 | ~ |
| ⑦ Non-steel segments | + 12.0 | + 11.0 | ~ |
| ⑧ Others | - 6.0 | - 7.0 | - 20.0 |
| Inventory valuation impact | + 92.0 | - 48.0 | + 30.0 |
| Non-operating profit and loss, consolidation eliminations, etc. | - 56.0 | - 41.0 | ~ |

* - * Including -40.0 effect of the trouble in blast furnace ancillary equipment at North Nippon Works Muroran Area

(※3) Additional line items

| | FY 2025 forecasts | Changes from the previous forecasts | FY 2024 | FY 2024 → FY 2025 forecasts | Previous Forecasts (Released on November 5, 2025) |
|-----------------------------|----------------------|--|---------|-----------------------------------|---|
| Additional line items Total | (270.0) | - 10.0 | (135.2) | - 134.8 | (260.0) |
| Losses on reorganization | (270.0) | - 10.0 | (135.2) | - 134.8 | (260.0) |

<FY 2025>

• Losses on business withdrawal and others: ¥(270.0) billion
(the transfer of equity interests in AM/NS Calvert LLC: ¥(232.1) billion, the transfer of equity interests in USIMINAS: ¥(16.8) billion, etc.)

<FY 2024>

• Losses on inactive facilities and others: ¥(135.2) billion
(Kashima One series of upstream facilities, steel plate mill, large shape mill, Wakayama #4 coke oven, etc.)

[Dividends]

As announced at the time of the announcement of Q2 FY 2025 financial results (November 5, 2025), the annual dividend for fiscal 2025, the final year of the medium-to long-term management plan, we plan to distribute a full-year dividend of ¥24^{*)} per share after consideration of the stock split^{*)} (including a year-end dividend of ¥12 per share, a full-year dividend of ¥120 per share before consideration of the stock split).

^{*)}A cumulative payout ratio of approximately 30% over the five-year period from FY 2021 to FY 2025, excluding temporary losses resulting from the merger between the Company's subsidiary in the U.S. and U. S. Steel

^{*)}The Company implemented a stock split at a ratio of five (5) shares for every one share effective October 1, 2025.

<Factors Influencing Performance>

(1) NIPPON STEEL CORPORATION

| | FY 2025 forecasts | Changes from the previous forecasts | H1 | H2 forecasts | H1 FY2025 → H2 FY 2025 forecasts | FY 2024 | FY 2024 → FY 2025 forecasts | Previous Forecasts (Released on November 5, 2025) |
|---|----------------------|--|-------|-----------------|--|---------|-----------------------------------|--|
| Consolidated crude steel production volume (10,000 tons) | Approx. 5,000 | - 50 | 2,293 | Approx. 2,710 | + 417 | 3,959 | + 1,041 | Approx. 5,050 |
| Non-Consolidated crude steel production volume (10,000 tons) | Approx. 3,400 | - 50 | 1,677 | Approx. 1,720 | + 43 | 3,425 | - 25 | Approx. 3,450 |
| Steel materials shipment volume (10,000 tons) | Approx. 3,100 | - 50 | 1,547 | Approx. 1,550 | + 3 | 3,162 | - 62 | Approx. 3,150 |
| Steel materials price (¥1,000/ton) | Approx. 139 | + 1 | 138.6 | Approx. 140 | + 1 | 142.1 | - 3 | Approx. 138 |
| Exchange rate (¥/\$) | Approx. 150 | + 2 | 146 | Approx. 154 | + 8 | 153 | - 3 | Approx. 148 |

(2) All Japan

| | | | | | | | | |
|--|---------------|------|-------|---------------|------|-------|-------|---------------|
| Crude steel production volume (10,000 tons) | Approx. 8,030 | | 4,008 | Approx. 4,020 | + 12 | 8,295 | - 265 | |
| Steel consumption (10,000 tons)*1 | Approx. 4,900 | - 30 | 2,415 | Approx. 2,480 | + 65 | 4,957 | - 56 | Approx. 4,930 |

*1 The Company estimates

<Segment Information>

| | FY 2025 forecasts | Changes from the previous forecasts | H1 | H2 forecasts | H1 FY2025 → H2 FY 2025 forecasts | FY 2024 | FY 2024 → FY 2025 forecasts | Previous Forecasts (Released on November 5, 2025) |
|-----------------------------------|----------------------|--|----------------|-----------------|--|----------------|-----------------------------------|--|
| Revenue | 10,000.0 | - | 4,635.6 | 5,364.4 | + 728.8 | 8,695.5 | + 1,304.5 | 10,000.0 |
| Steelmaking and Steel Fabrication | 9,200.0 | - | 4,243.9 | 4,956.1 | + 712.2 | 7,874.3 | + 1,325.7 | 9,200.0 |
| Engineering and Construction | 400.0 | - | 182.2 | 217.8 | + 35.6 | 400.4 | - 0.4 | 400.0 |
| Chemicals and Materials | 260.0 | - | 128.1 | 131.9 | + 3.8 | 269.1 | - 9.1 | 260.0 |
| System Solutions | 377.0 | - | 179.0 | 198.0 | + 19.0 | 339.3 | + 37.7 | 377.0 |
| Adjustment | (237.0) | - | (97.7) | (139.3) | - 41.6 | (187.8) | - 49.2 | (237.0) |
| Business Profit | 420.0 | - 30.0 | 227.5 | 192.5 | - 35.0 | 683.2 | - 263.2 | 450.0 |
| Steelmaking and Steel Fabrication | 350.0 | - 30.0 | 201.8 | 148.2 | - 53.6 | 621.0 | - 271.0 | 380.0 |
| Engineering and Construction | 20.0 | - | 7.4 | 12.6 | + 5.2 | 14.6 | + 5.4 | 20.0 |
| Chemicals and Materials | 20.0 | - | 9.8 | 10.2 | + 0.4 | 18.9 | + 1.1 | 20.0 |
| System Solutions | 43.0 | - | 17.5 | 25.5 | + 8.0 | 38.8 | + 4.2 | 43.0 |
| Adjustment | (13.0) | - | (9.1) | (3.9) | + 5.2 | (10.2) | - 2.8 | (13.0) |

Note: The forward-looking statements included in this report are based on the assumptions, forecasts, and plans of the Company as of the date on which this document is made public.
The Company's actual results may differ substantially from such statements due to various risks and uncertainties.

Nippon Steel's Current Business Environment, and Actions Taken and To Be Taken

1. Overview of business environment for fiscal 2025

- In fiscal 2025, except for certain sectors such as AI, electric power, and defense, demand in the manufacturing and construction industries in Japan and overseas is sluggish, and the global steel business environment remains in a critical situation. The widening supply/demand gap caused by the slowdown of the Chinese economy and the excess production increases low-priced exports from China. It results in downturn in the global market and extremely severe market conditions, particularly in the ASEAN region at present.
However, because of the further decline in Chinese demand, the market's trend toward forming economic blocs, and the spread of trade measures in various countries, no further expansion in exports from China is expected. It is assumed that keeping the present level of crude steel production in China is becoming difficult, as evidenced by widening year-on-year decline in crude steel production. While signs of market recovery are seen in Europe and the U.S. due to tariffs and trade measures, the imposition of trade measures in various countries increase the risk of an inflow of low-priced steel products into Japan. Therefore, the examination and implementation of trade countermeasures in Japan need to be advanced strongly.

2. Forecasts for fiscal 2025

During the fiscal 2021-2025 medium-to long-term management plan period, we have been **establishing an earnings structure that enables us to secure underlying business profit (BP) of ¥600.0 billion or more regardless of the business environment**. Since fiscal 2024, although the business environment has deteriorated at a scale and speed that exceeded the expectations at the time of formulating the management plan, **we have maintained a relatively high-level earnings power compared to competitors around the world** thanks to the successful implementation of various structural measures and profit improvement measures we have undertaken ahead of other companies. In addition, **the transaction for a partnership with U. S. Steel was completed in June 2025. Securing management flexibility and profitability, we are making a full-scale entry into the U.S. and Europe, where demand mainly for high-grade steel is expected to grow.**

➤ Forecasts for fiscal 2025

- **Underlying BP (excluding U. S. Steel)** is expected to be **¥620.0 billion (down ¥60.0 billion from the previous announcement)** due to one-off impacts including about ¥40.0 billion damage-related costs caused by the trouble in blast furnace ancillary equipment at North Nippon Works Muroran Area, in addition to deterioration of the business environment, such as sluggish demand in manufacturing and construction industries, the effect of low-priced exports from China, surging raw material prices.
- **Concerning U. S. Steel** (earnings being incorporated since July 2025), **its contribution to Nippon Steel's underlying BP is not factored in for fiscal 2025** because, although market conditions in the U.S. have been improving, near-term uncertainties remain, partly due to the recent severe winter storm.
- Based on the above, **overall underlying BP for fiscal 2025 is expected to decline from the previously-announced (November 5, 2025) level to ¥620.0 billion. However, we will do our utmost to recover from the worsening environment and the impacts from the trouble.**

➤ Dividends (forecasts) for fiscal 2025

- BP of ¥420.0 billion and a net loss are expected for fiscal 2025, due to the impact of inventory valuation losses, a one-off loss incurred in connection with the U. S. Steel transaction (loss of ¥232.1 billion associated with transfer of equity interests in AM/NS Calvert), and other factors, in addition to the above-mentioned situation.
(Excluding the impact of the one-off loss associated with the U. S. Steel transaction: BP: ¥445.0 billion / Net profit: ¥190.0 billion)
- **For fiscal 2025, the final year of the medium- to long-term management plan, we plan to distribute a full-year dividend of ¥24 per share** including a year-end dividend of ¥12 per share (a full-year dividend of ¥120 per share before consideration of the stock split), **the same as previously announced.**
(A cumulative payout ratio of approximately 30% over the five-year period from fiscal 2021 to fiscal 2025 excluding the impact of the one-off loss associated with the U. S. Steel transaction.)

| | | FY2025 Forecasts | | | |
|------------------------------|----------------------------|---|--------|-----------|---------------------------------|
| | | (¥ billion) | | | |
| | | H1 | H2 | Full year | (Chg. from Nov. 5 forecasts) |
| | Excluding U.S.Steel | 323.5 | 296.5 | 620.0 | -60.0 |
| | U.S.Steel | 22.2 | (22.2) | 0 | — |
| | Underlying business profit | 345.7 | 274.3 | 620.0 | -60.0 |
| Consolidated business profit | | 227.5 | 192.5 | 420.0 | -30.0 |
| Net profit | | (113.3) | 43.3 | (70.0) | -10.0 |
| DPS | | Full-year DPS of ¥24* (including year-end DPS of ¥12) | | | |
| Payout ratio | | Payout ratio for FY 2025: - (deficit) | | | |
| | | FY2021-FY2025 cumulative payout ratio: approx. 34% | | | |

One-off loss
associated to the
USS transaction

| Excluding the impact of the one-off loss associated to the USS transaction | |
|---|-------|
| Full year | |
| | 620.0 |
| | 0 |
| — | 620.0 |
| Approx. (25.0) | 445.0 |
| Approx. (260.0) | 190.0 |
| Same as left | |
| Payout ratio for FY 2025: approx. 66% | |
| FY2021-FY2025 cumulative payout ratio: approx. 30% | |

* After consideration of the stock split effective on October 1, 2025. The full-year DPS before the stock split is estimated to be ¥120.

3. Actions to improve earnings at present and achieve medium- to long-term growth

In December 2025, we announced the 2030 Medium- to Long-term Management Plan starting from fiscal 2026. Anticipating an even more challenging environment, we will restore our position as the world's best steelmaker by further strengthening our earnings base in Japan and implementing our global growth strategy in overseas businesses. We will carry out various initiatives based on the following strategies to achieve 1 trillion yen or more in underlying business profit and 100 million tons or more in global crude steel production capacity.

(1) Domestic: Improve profitability by further strengthening the earnings base

1) Steady improvement of base operation performance and continuous efforts in business of direct contract-based sales to customers

2) Startup of new, state-of-the-art equipment, maximization of its effects, and promotion of advanced product mix

- The next-generation hot strip mill at the Nagoya Works: High-temperature test operation scheduled for April 2026
Start of commercial operation scheduled for August 2026

3) Further strengthening of the domestic steel business (including electric furnace steel) of Nippon Steel and its group companies, and pursuit of synergies from reorganization

- Clarify the main role of each works and production line and establish an optimal production and logistics system that includes group companies.
- Commenced a tender offer aiming to make Krosaki Harima Corporation a wholly owned subsidiary on February 2, 2026.
- Decided to establish an electric arc furnace JV company with Nakayama Steel Works: Aim to further expand the competitive product lineup (electric furnace steel).

4) Promotion of hydrogen reduction steelmaking in large blast furnaces (BFs) and conversion to electric arc furnaces (EAFs), and realization of "Comprehensive Scrap Strategy" from the perspective of a circular economy

- Decided to invest in the conversion of the BF process to the EAF process (¥868.7 billion). Selected as a government-supported project based on the GX Promotion Law (maximum support: ¥251.4 billion)
- Steady efforts to develop and implement breakthrough technologies, and to spread and standardize GX Steel

(2) Overseas: Dramatically increase profit by implementing the global growth strategy

1) U. S. Steel: Execute strategic investments and deploy advanced technologies based on the medium- to long-term management plan

- An operational cost synergy of approximately US\$0.5 billion per year on a 2030 structural basis has been formulated into an execution plan. By 2028, US\$11.0 billion will be invested in facilities within the U.S., aiming to achieve an EBITDA improvement of US\$2.5 billion per year on a 2030 structural basis (compared to 2024 levels).
- Decided in December 2025 to spend US\$0.35 billion to revamp blast furnace #14 at the Gary Works.

cf. Other projects already decided:

Gary Works: Hot strip mill upgrade. Mon Valley Works: New slag recycler. Fairfield Works: New premium threading equipment etc.

2)AM/NS India

- Acquired land for an integrated steel mill from the state government in April 2025 (7 million tons of crude steel per year under consideration). Considering the construction of an integrated steelworks, in addition to capacity expansion work at the Hazira Works (approximate crude steel production capacity: from 9 to 15 million tons per year).

(3) Measures for evolution to a further vertically integrated business structure

- Raw material business: Acquired a 20% interest in Blackwater Coal Mine in Australia effective in March 2025, and a 30% interest in Kami Iron Ore Mine in Canada effective September 2025.
→ We aim to ensure stable purchasing of steelmaking coal, which is indispensable for future carbon-neutral steel production, and high-grade iron ore suitable for direct reduction iron production, which is necessary for the production of high-grade steel with large EAFs. We also strive to enhance the consolidated profit structure that is less susceptible to the external environment through investment in raw material interests.

(4) Shifting management resources to growth areas in the non-steel segment to enhance its earnings structure

- NS Solutions Corporation acquired all shares of INFOCOM CORPORATION (¥55.0 billion) to strengthen its business in the manufacturing industry and asset business for medium-sized companies.
- **Nippon Steel Engineering Co., Ltd. started to consider the feasibility of a business integration with Kanadevia Corporation with the aim of profit growth in engineering business.**

(5) Promotion of operational reform and streamlining, and strengthening the competitiveness of human resources

- Improve productivity by focusing on work that directly drives business growth and the creation of added value, and strengthen technological and sales capabilities
- Further enhance measures to develop global talent, in addition to continuing measures to diversify human resources and promote their active participation.

(6) Maintaining and strengthening a solid financial base and financial structure

- Fiscal 2025: Plan to streamline assets by approximately ¥100.0 billion (**up ¥30.0 billion from the previous announcement**). Sold a portion of shares of our equity-method affiliate, Nippon Steel Kowa Real Estate Co., Ltd. (approximate sale amount: ¥50.0 billion).
- **Decided to set a minimum annual dividend of 24 yen per share (after the stock split) for the five years (fiscal 2026 - fiscal 2030) of the “2030 Medium- to Long-term Management Plan” from the perspective of increasing the predictability of dividends for shareholders and investors and enhancing the attractiveness of Nippon Steel’s shares.**

End

NIPPON STEEL CORPORATION

Code Number: 5401

Listings: Tokyo Stock Exchange / Nagoya Stock Exchange /
Fukuoka Stock Exchange / Sapporo Securities Exchange

Contact: Shinnosuke Arita, General Manager,

Head of Corporate Communications Div.-Tel: +81-3-6867-2135, 2141, 2146

Supplementary Information on the Financial Results for the Nine Months Ended December 31, 2025

Japanese Steel Industry

1. Crude Steel Production

(million tons)

| | | | | | | | total |
|---------|-------|-------|-------|-------|------------------|---------------|---------------|
| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | |
| FY 2024 | 21.25 | 20.59 | 41.84 | 20.72 | 20.40 | 41.12 | 82.95 |
| FY 2025 | 20.15 | 19.93 | 40.08 | 20.21 | (*)Approx. 20.05 | Approx. 40.20 | Approx. 80.30 |

(*)METI forecast

2. Inventory Volume

| At the end of: | | Inventory at manufacturers and distributors (million tons) | Inventory /shipment ratio (%) | Rolled sheets *1 (million tons) | H-flange beams *2 (million tons) |
|----------------|------|---|-------------------------------------|------------------------------------|-------------------------------------|
| Dec. | 2023 | 5.08 | (170.5) | 3.80 | 0.202 |
| Jan. | 2024 | 5.37 | (191.9) | 4.02 | 0.208 |
| Feb. | 2024 | 5.40 | (183.5) | 4.07 | 0.216 |
| Mar. | 2024 | 5.46 | (170.0) | 4.15 | 0.220 |
| Apr. | 2024 | 5.38 | (175.6) | 4.13 | 0.220 |
| May | 2024 | 5.38 | (179.8) | 4.13 | 0.221 |
| June | 2024 | 5.31 | (178.8) | 4.08 | 0.221 |
| July | 2024 | 5.02 | (161.8) | 3.96 | 0.220 |
| Aug. | 2024 | 5.30 | (222.7) | 4.10 | 0.216 |
| Sep. | 2024 | 5.32 | (183.0) | 4.15 | 0.210 |
| Oct. | 2024 | 5.11 | (162.7) | 4.01 | 0.206 |
| Nov. | 2024 | 4.95 | (169.5) | 3.92 | 0.205 |
| Dec. | 2024 | 4.98 | (178.5) | 3.91 | 0.206 |
| Jan. | 2025 | 4.97 | (174.5) | 3.94 | 0.210 |
| Feb. | 2025 | 4.98 | (181.8) | 3.86 | 0.211 |
| Mar. | 2025 | 4.98 | (162.4) | 3.84 | 0.215 |
| Apr. | 2025 | 5.02 | (179.0) | 3.90 | 0.209 |
| May | 2025 | 5.14 | (181.7) | 4.00 | 0.210 |
| June | 2025 | 5.12 | (175.5) | 4.01 | 0.208 |
| July | 2025 | 4.93 | (163.0) | 3.91 | 0.202 |
| Aug. | 2025 | 5.13 | (210.8) | 4.06 | 0.198 |
| Sep. | 2025 | 5.05 | (170.7) | 4.04 | 0.194 |
| Oct. | 2025 | 5.05 | (169.4) | 3.94 | 0.189 |
| Nov. | 2025 | 5.11 | (182.5) | 3.93 | 0.191 |
| Dec. *3 | 2025 | 5.11 | (185.8) | 3.93 | 0.198 |

*1 Hot-rolled, cold-rolled, and coated sheets

*2 Inventories at distributors dealing with H-flange beams manufactured by NIPPON STEEL CORPORATION

*3 Preliminary report

NIPPON STEEL CORPORATION

3. Pig Iron Production

(million tons)

| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | total |
|---------|------|------|-------|------|--------------|---------------|---------------|
| FY 2024 | 8.58 | 8.39 | 16.98 | 8.52 | 8.35 | 16.87 | 33.85 |
| FY 2025 | 8.01 | 8.12 | 16.12 | 8.13 | Approx. 8.30 | Approx. 16.40 | Approx. 32.50 |

Including Hokkai Iron & Coke Co., Ltd.

4. Crude Steel Production

(Consolidated basis (The Company and its consolidated subsidiaries))

(million tons)

| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | total |
|-------------|-------|-------|-------|-------|---------------|---------------|---------------|
| FY 2024(*1) | 10.14 | 9.79 | 19.93 | 9.78 | 9.89 | 19.66 | 39.59 |
| FY 2025(*2) | 9.46 | 13.48 | 22.93 | 13.68 | Approx. 13.40 | Approx. 27.10 | Approx. 50.00 |

(*1) Not Including United States Steel Corporation ("U. S. Steel").

(*2) Including U. S. Steel from 2nd quarter FY 2025.

(Non-consolidated basis)

(million tons)

| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | total |
|-------------|------|------|-------|------|--------------|---------------|---------------|
| FY 2024(*1) | 8.70 | 8.49 | 17.20 | 8.55 | 8.50 | 17.05 | 34.25 |
| FY 2025(*2) | 8.27 | 8.50 | 16.77 | 8.60 | Approx. 8.60 | Approx. 17.20 | Approx. 34.00 |

(*1) Not Including former Nippon Steel Stainless Steel Corporation.

(*2) Including former Nippon Steel Stainless Steel Corporation.

5. Steel Products Shipment

(million tons)

| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | total |
|-------------|------|------|-------|------|--------------|---------------|---------------|
| FY 2024(*1) | 8.01 | 7.90 | 15.91 | 7.98 | 7.73 | 15.71 | 31.62 |
| FY 2025(*2) | 7.64 | 7.83 | 15.47 | 7.84 | Approx. 7.70 | Approx. 15.50 | Approx. 31.00 |

(*1) Not Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

(*2) Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

6. Average Price of Steel Products

(thousands of yen / ton)

| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | total |
|-------------|-------|-------|-------|-------|-------------|-------------|-------------|
| FY 2024(*1) | 146.2 | 143.8 | 145.0 | 139.0 | 139.2 | 139.1 | 142.1 |
| FY 2025(*2) | 139.7 | 137.4 | 138.6 | 138.3 | Approx. 141 | Approx. 140 | Approx. 139 |

(*1) Not Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

(*2) Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

7. Export Ratio of Steel Products (Value basis)

(%)

| | | | | | | | total |
|-------------|----|----|----|----|------------|------------|------------|
| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | |
| FY 2024(*1) | 44 | 46 | 45 | 42 | 43 | 43 | 44 |
| FY 2025(*2) | 40 | 42 | 41 | 42 | Approx. 38 | Approx. 40 | Approx. 40 |

(*1) Not Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

(*2) Including former Nippon Steel Stainless Steel Corporation and former Nippon Steel Pipe Co., Ltd.

8. Foreign Exchange Rate

(¥/\$)

| | | | | | | | total |
|---------|-----|-----|-----|-----|-------------|-------------|-------------|
| | Q1 | Q2 | H1 | Q3 | Q4 | H2 | |
| FY 2024 | 155 | 153 | 154 | 149 | 154 | 152 | 153 |
| FY 2025 | 145 | 147 | 146 | 153 | Approx. 155 | Approx. 154 | Approx. 150 |

9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

| | Capital Expenditure | Depreciation(*1) |
|-------------|---------------------|------------------|
| FY 2024(*2) | 583.4 | 385.2 |
| FY 2025(*2) | Approx. 980.0 | Approx. 550.0 |

(*1) The “Depreciation” is including amortization expenses related to intangible assets, excluding goodwill.

(*2) Not Including U. S. Steel in FY 2024. Including U. S. Steel in FY 2025.