

TYO : 5401

OTC : NPSCY(ADR)



NIPPON STEEL

Q3 FY2025 Appendix

Feb. 5, 2026

NIPPON STEEL CORPORATION

Notes on this presentation material

Unless otherwise noted, all volume figures are presented in metric tons.

Unless otherwise noted, all financial figures are on consolidated basis.

Unless otherwise noted, net profit represents net profit attributable to owners of the parent.

Appendix

1. Supplementary Materials

2. Business Profit Factor Analysis

Database

1. ESG Indicators

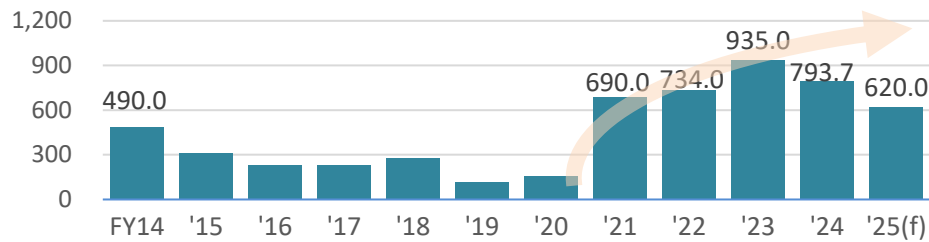
2. Key Performance Indicators

3. Business Environment Indicators

4. Market Data

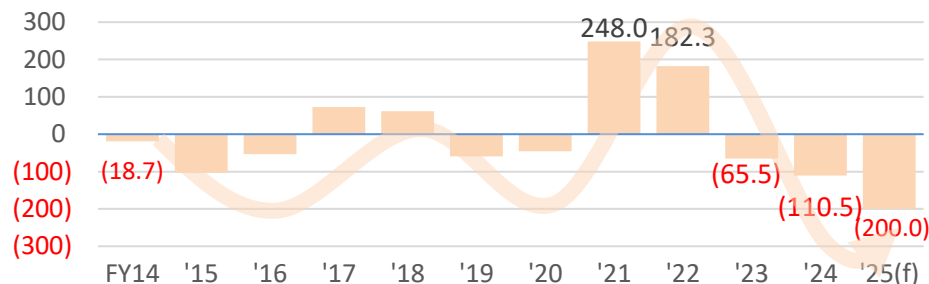
5. Progress of Management Strategy Measures

Underlying BP *1

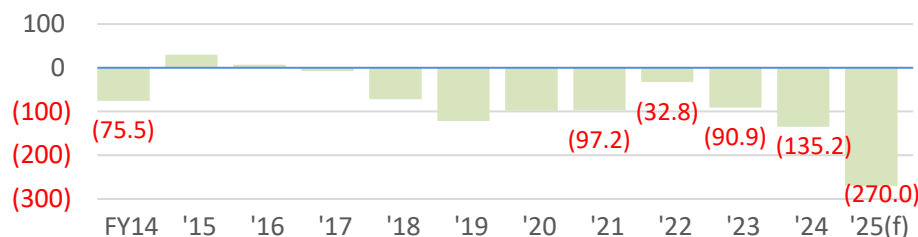


*1 Underlying Ordinary profit (~FY17 JGAAP)

Inventory Valuation etc

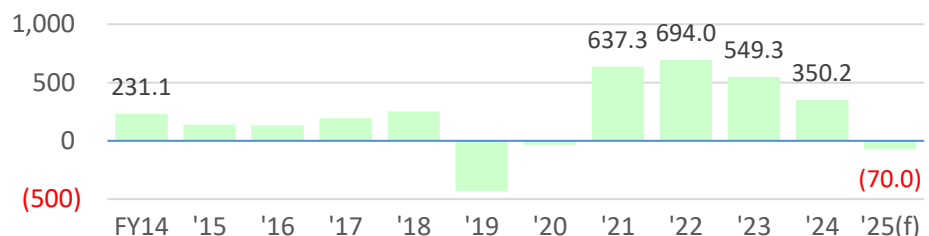


Additional Line Items*2



*2 Extraordinary Profit(~FY17 JGAAP)

Net Profit*3



*3 Net Income(~FY17 JGAAP)、Attributable to owners of the parent (FY18~IFRS)

- Establish a profit structure that ensures a stable high level profit
- Promoting strategies for further growth
- Non-cash and one off gains/losses
- Significant price rises in raw materials and energy for two consecutive years due to resource inflation (from 2021) and the impact of the invasion of Ukraine (from 2022), to an adjustment phase in FY2023 and FY2024.
- Temporary losses related to equipment shutdowns for structural measures have been largely accounted for
- Loss due to the transfer of equity interests in AM/NS Calvert resulting from U. S. Steel transaction is recorded in the Q1 results for FY2025

FY14~FY17: JGAAP、FY18~:IFRS

FY14~FY16: Ex-Nippon Steel Sumitomo Metal + ex-Nisshin Steel

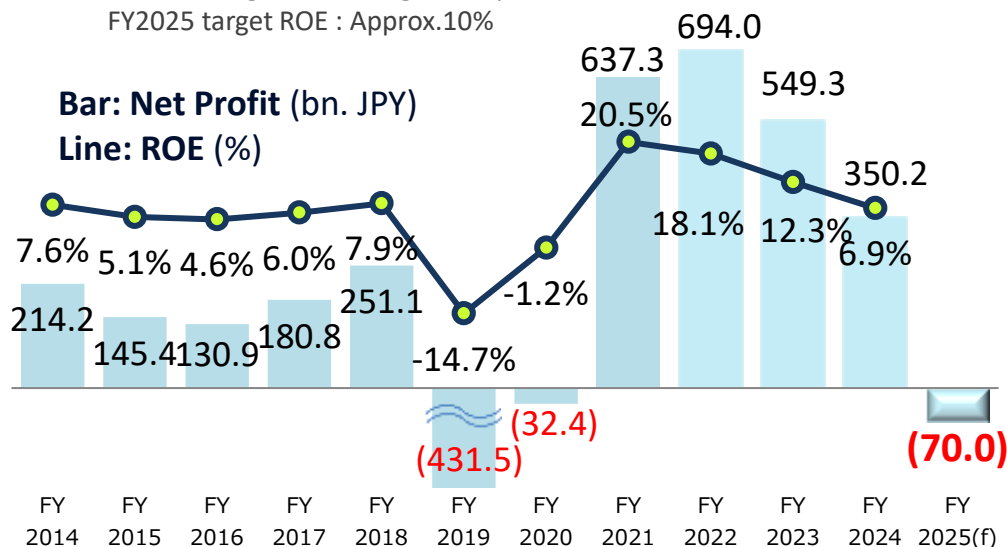
Net Profit, ROE

Medium- to long-term management plan

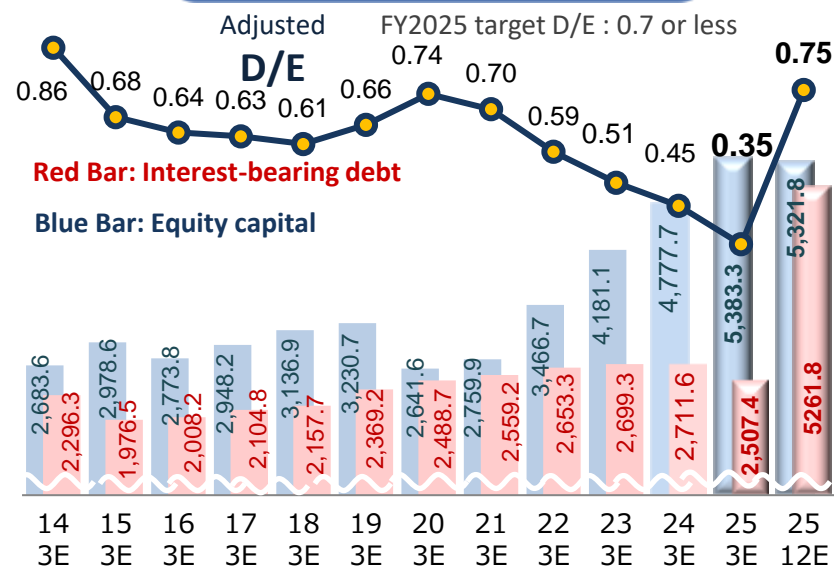
FY2025 target ROE : Approx.10%

Bar: Net Profit (bn. JPY)

Line: ROE (%)



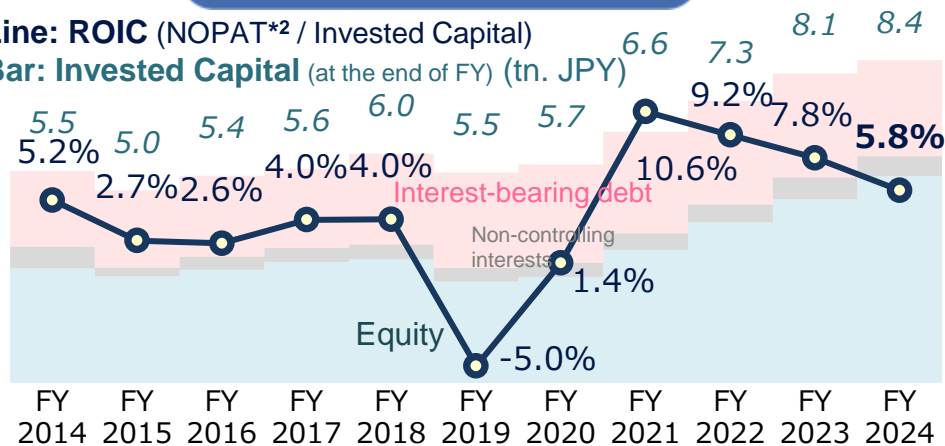
D/E



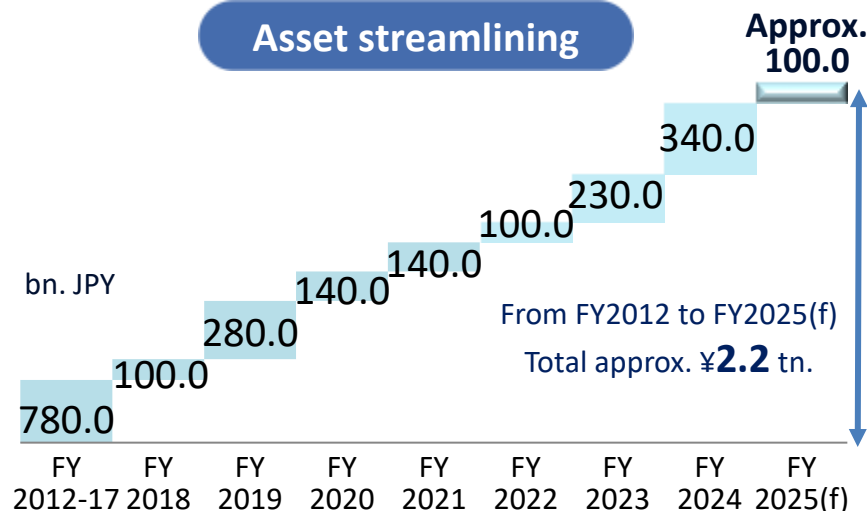
ROIC, Invested Capital

Line: ROIC (NOPAT*2 / Invested Capital)

Bar: Invested Capital (at the end of FY) (tn. JPY)



Asset streamlining



*2 NOPAT= business profit x (1 - effective tax rate)

Invested Capital(*1) = Total equity attributable to owners of the parent + Non-controlling interests + Interest bearing debt

(*1) the average of the beginning and end of the period

Developing a Robust Business Structure with Vertical and Horizontal Expansion

For realization of “¥1 trillion and 100MT” vision, further sustainable growth

Steel business environment

Gradual decline in domestic steel demand in Japan

population decrease and challenges in both direct and indirect exports

Long-term downturn in global steel spreads due to supply-demand gap in China

Strategy (1)
Strengthen and rebuild domestic Steel business

Further strengthen competitiveness of the company and the group as a whole

- Drastic improvement of BEP
(Facility Structural measures, Cost Reduction)
Sophistication of order mix
Ensure appropriate spreads
- Synergies from group company reorganization

Strategy (2)
Deepen and expand overseas business

Realizing the “Global 100 MT Vision”

[Key Areas]

Less affected by China steel market

U.S. /Europe : High-grade steel market

India : Growing

Home market

Thailand

Strategy (3)
Vertically-integrated business structure

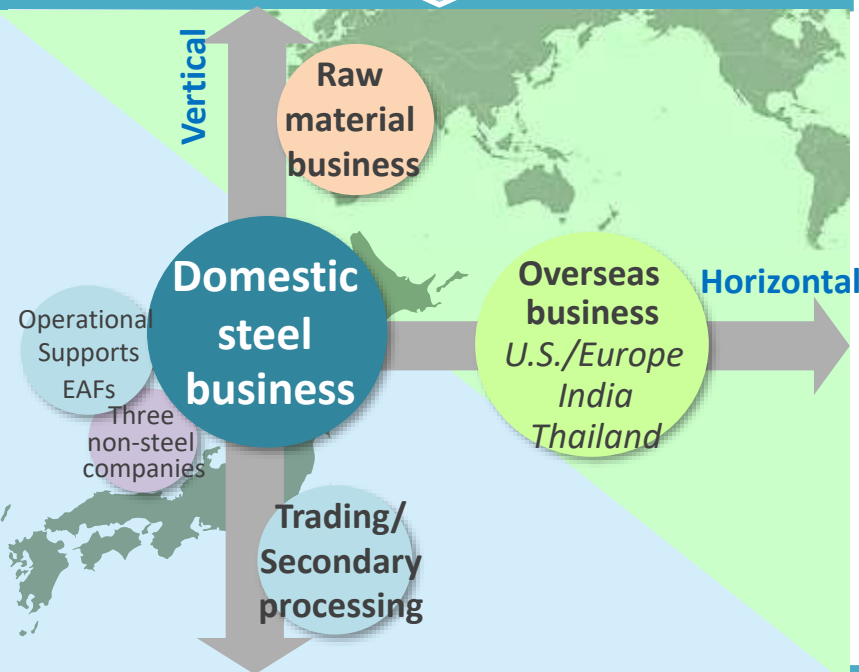
● Raw material

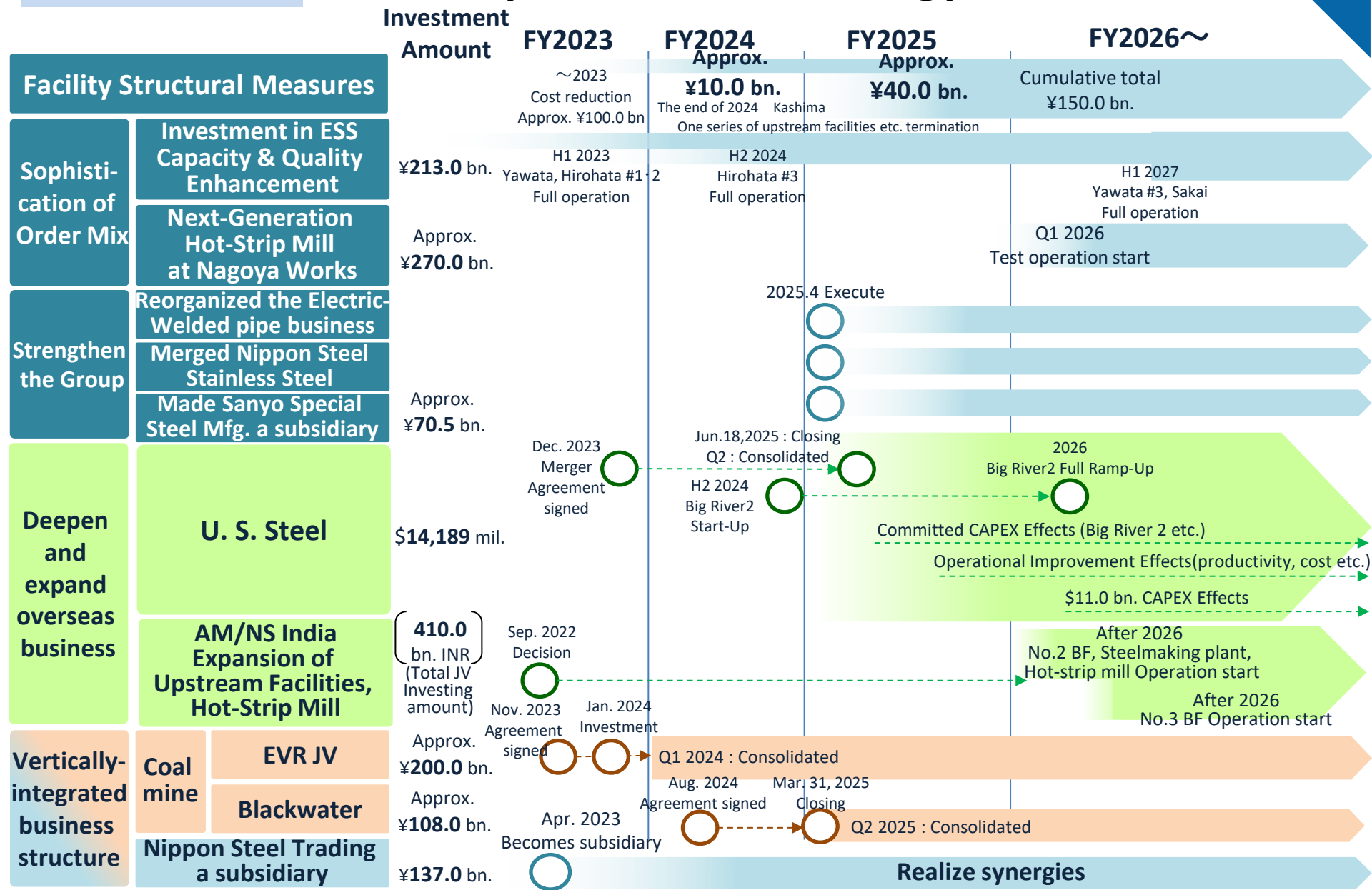
: From procurement to business

- Mitigation of raw material cost fluctuations
- Further improvement of self-sufficiency ratio

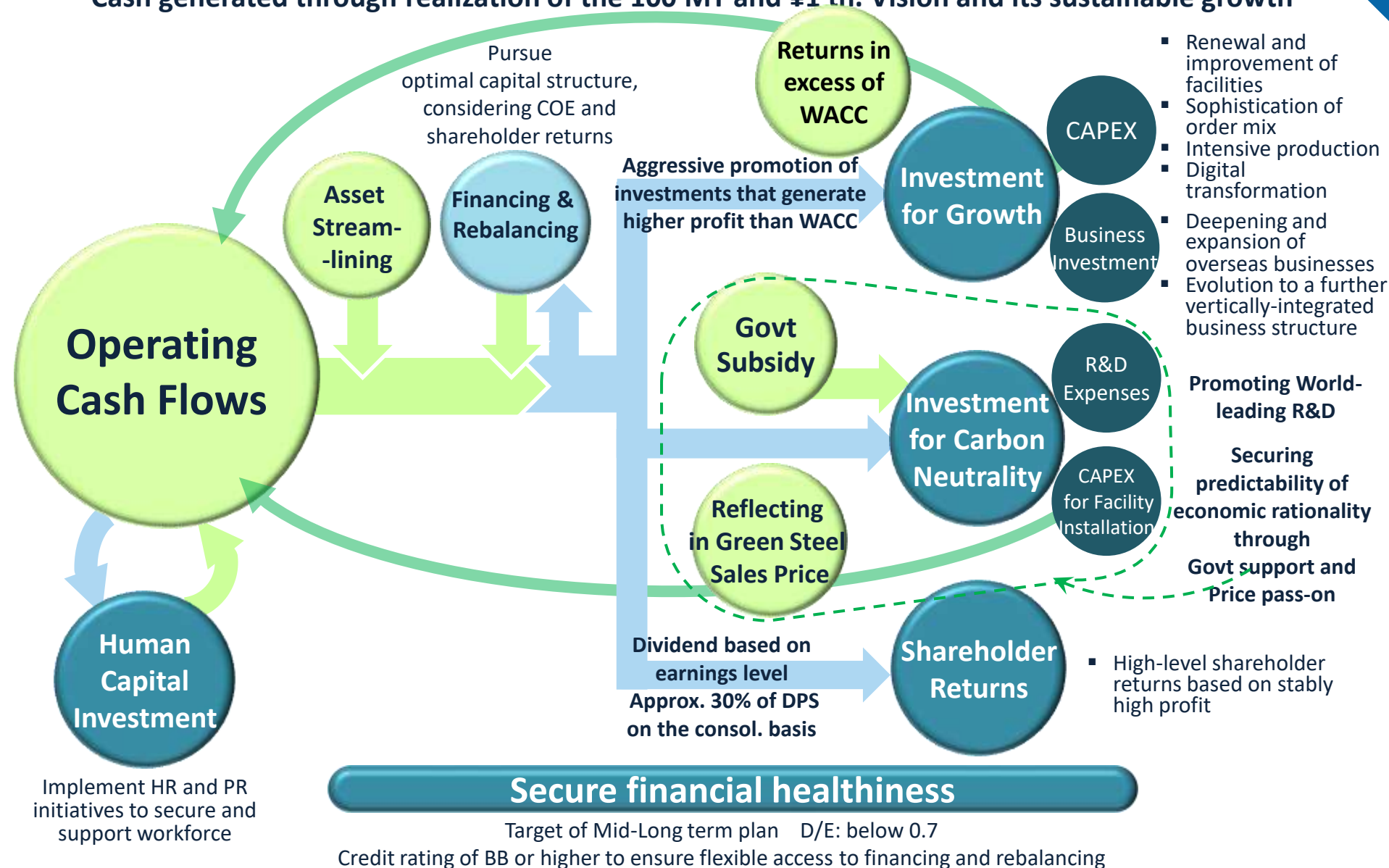
● Distribution : To own business domain

- Maximize synergy of NS Trading



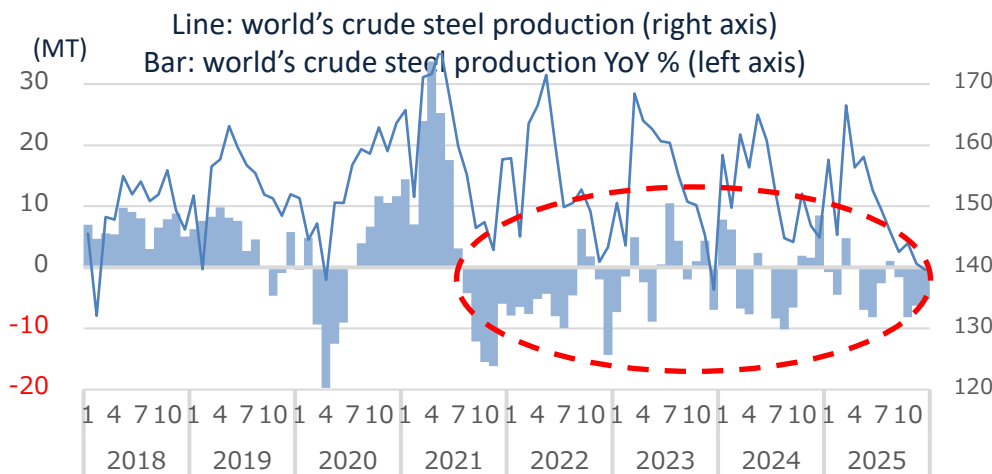


Cash generated through realization of the 100 MT and ¥1 tn. Vision and its sustainable growth

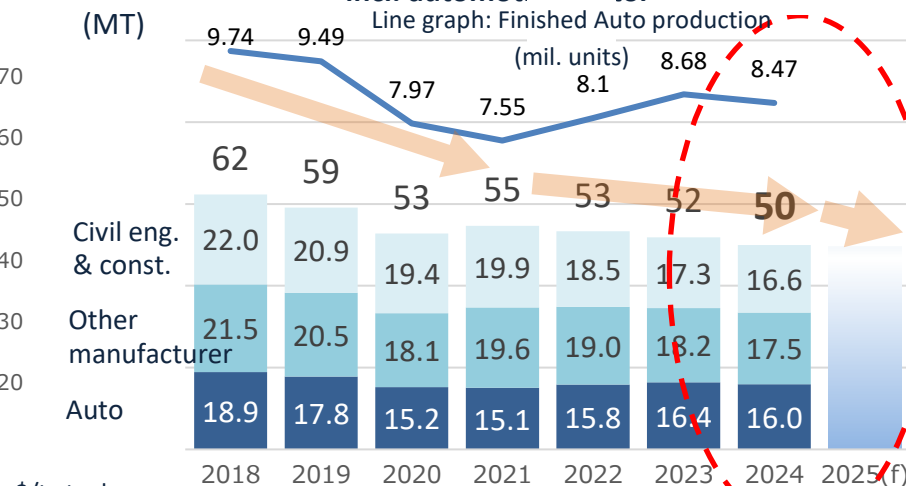


World's crude steel production trend

Depressed production continuing since Aug. 2021



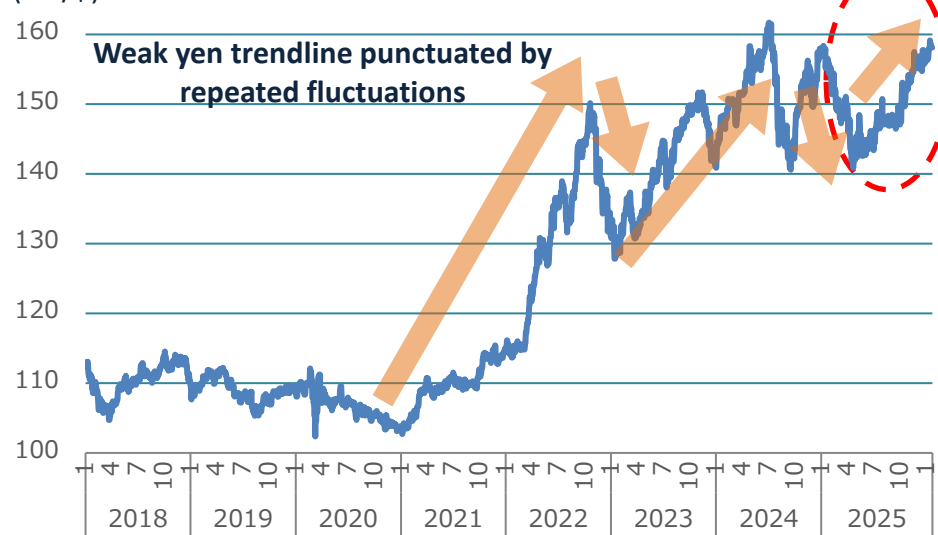
Domestic steel demand

Continued weakness in overall demand
incl. automotive sector

(JPY/\$)

FX rate

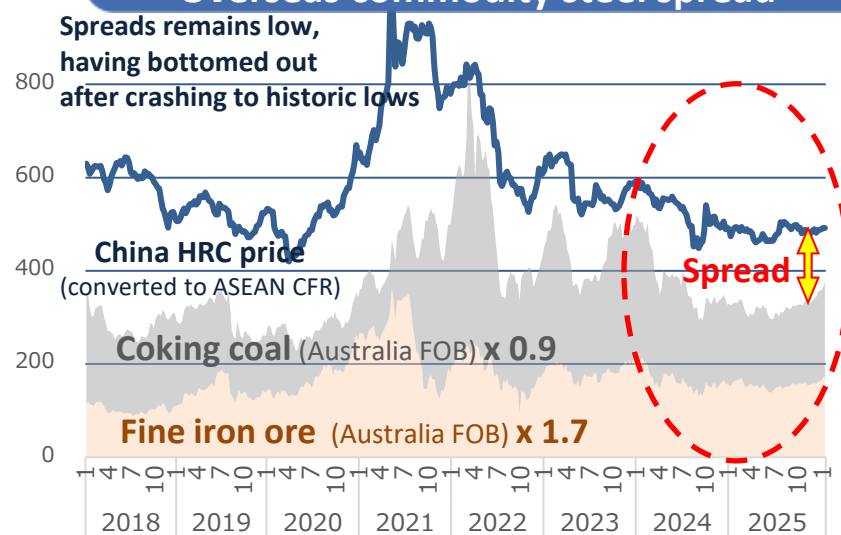
Weak yen trendline punctuated by repeated fluctuations



\$/t-steel

Overseas commodity steel spread

Spreads remains low, having bottomed out after crashing to historic lows

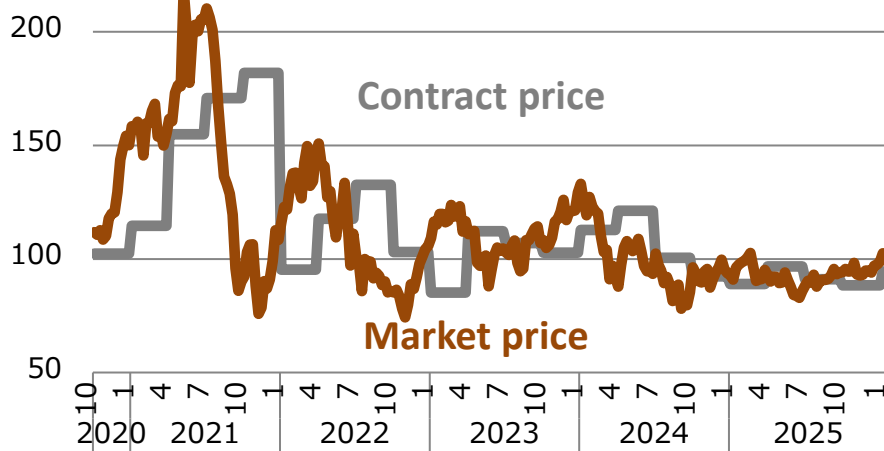


[Fine iron ore] From October onward, the Fine iron ore market generally moved within the low-\$90 range. However, toward the end of the year, prices edged higher, supported by inventory restocking ahead of the Chinese Lunar New Year holidays and persistent expectations for economic stimulus measures by the Chinese government. Recently, prices have been hovering from the high-\$90 range to the low-\$100 range.

[Coking coal] From September to October, Australian coal prices rose gradually due to supply concerns stemming from the tightening of mine safety regulations in China. From November onward, spot sales volumes declined because of operational issues at Australian coal mines, and limited spot cargoes of Coking coal were resold among traders, leading to a further rise in prices. In addition, since the beginning of the new year, cyclones have made landfall in major coal-producing regions of Australia, prompting some suppliers to issue force majeure declarations, and upward pressure on the market continues at present.

Fine iron ore market price

(US\$/dmt,FOB)



Coking coal market price

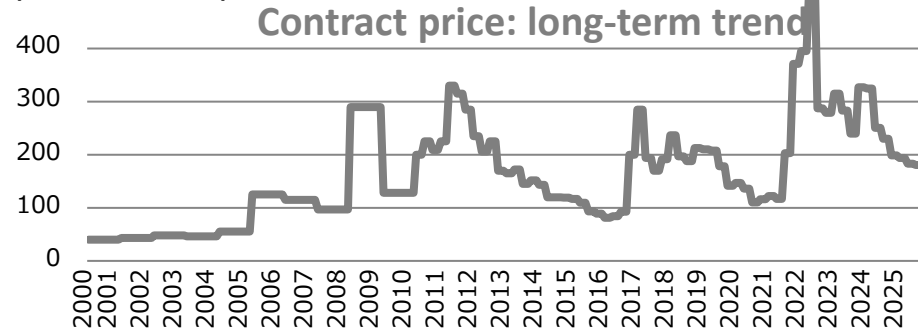
(US\$/wmt,FOB)



(US\$/dmt,FOB)

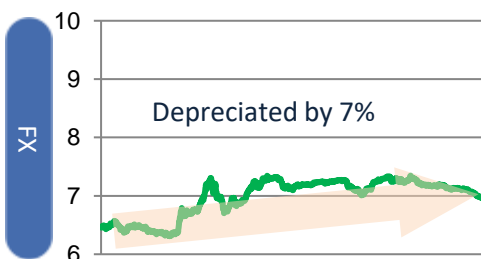


(US\$/wmt,FOB)



China

(CNY/\$)



Japan

(Standard: 1.6xS)

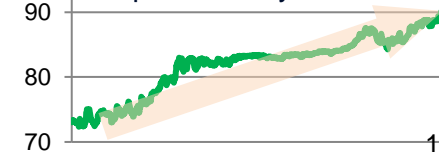
(¥/\$)



India

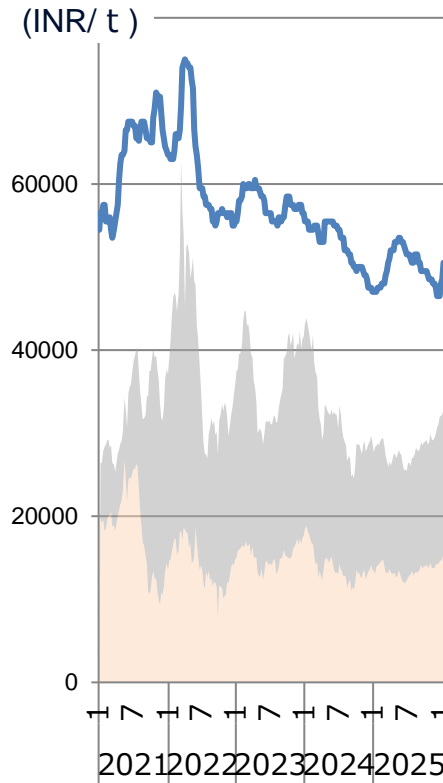
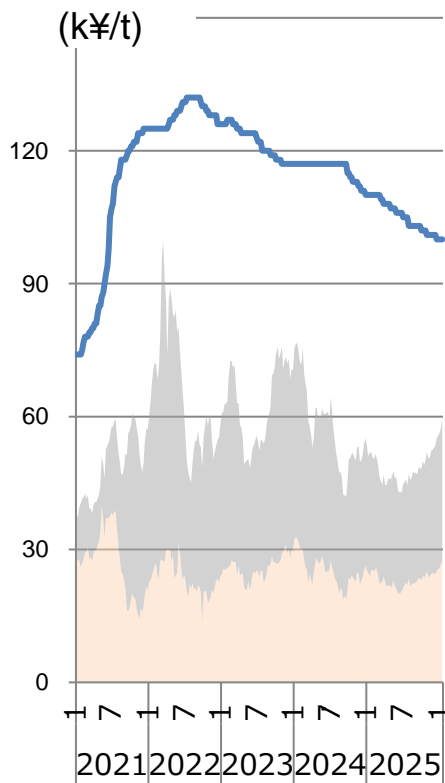
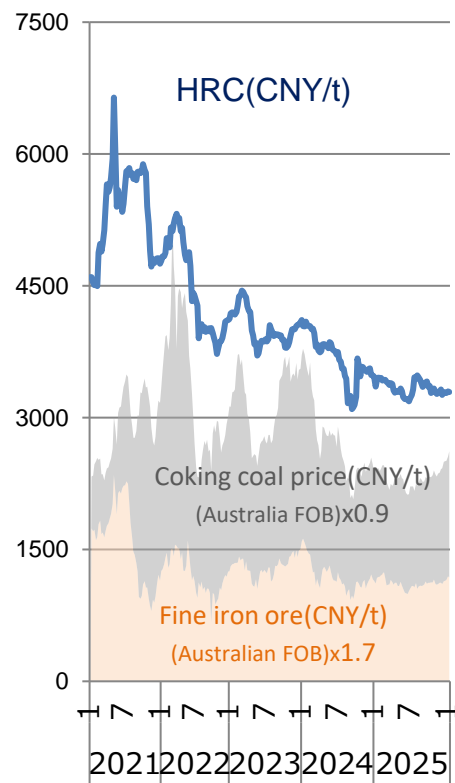
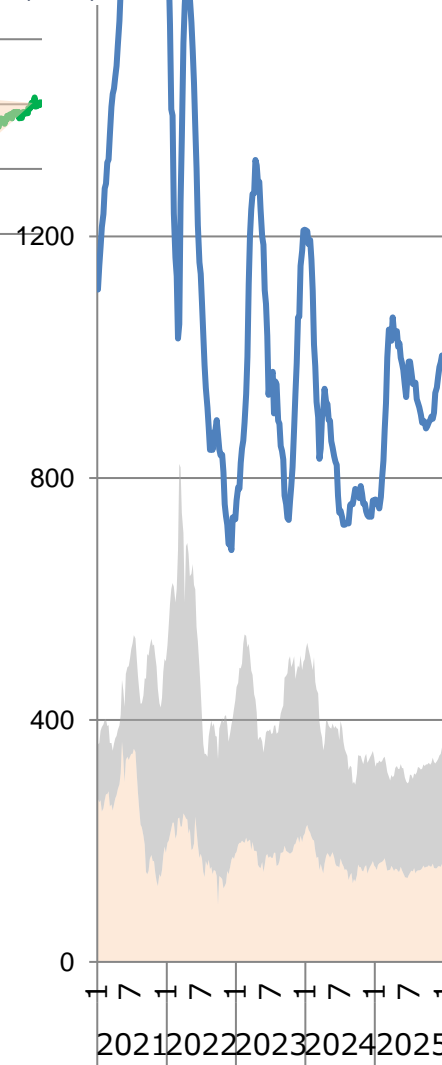
(INR/\$)

Depreciated by 19%



U.S.A.

(\$/t)



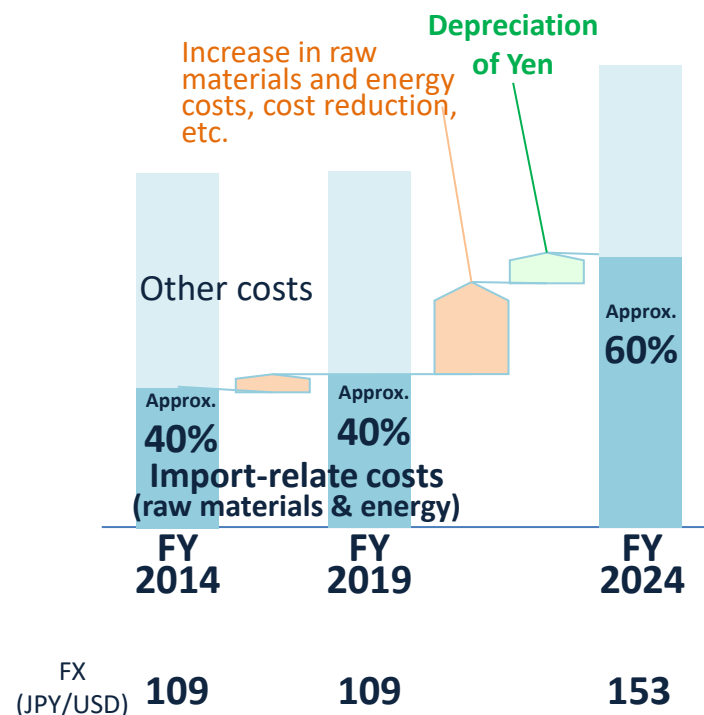
Domestic steel business: The impact of Yen depreciation to our domestic steel business is negative because the amount of import exceeds export.

Consol. business profit: The impact of Yen depreciation is positive due to increase in profit in overseas business and raw material business translated into Yen basis, and valuation gains for inventories and foreign assets. U. S. Steel's consolidation has expanded its impact.

Impact from Yen depreciation

Domestic Steel Business	-) Negative	Excess of import to export FY2025f 1.0 bn. USD/Q (import 12.7– export 11.7)
Overseas Steel Business	+) Positive	Increase in profit translated into Yen basis
Raw Material business	+) Positive	Excess in export, gain in foreign asset valuation
Other Group Companies	+) Positive	
Three Non-Steel Segments	+) Positive	
Underlying consol. business P/L	+) Positive	
Inventory valuation Non-operating P/L	+) Positive	Gain in valuation for imported materials, gain in foreign asset valuation
Consol. business P/L	+) Positive	

Cf. Rough figure for our steel manufacturing cost structure



- GDP growth rate: Due to the tariff measures of various countries, most regions are negative YoY in 2025. Among them, India and ASEAN are relatively strong.
- Steel demand : In 2025, demand in India will expand by +13MT vs. 2024, while demand in China will continue to shrink by -17MT, as in 2024. The impact of trade policies of various countries on steel consumption will be closely monitored.

Outlook for GDP growth rate (As of January 2026)

Source: IMF, released on Jan. 19, 2026

Unit: %		CY24	CY25 (f)	Change from CY24	CY26 (f)	Change from CY25
Developed	World	3.3	3.3	±0	3.3	±0
	Japan	0.1	1.1	+1.0	0.7	-0.4
	US	2.8	2.1	-0.7	2.4	+0.3
	Europe	0.9	1.4	+0.5	1.3	-0.1
	Korea	2.0	1.0	-1.0	1.9	+0.9
Developing	China	5.0	5.0	±0	4.5	-0.5
	ASEAN* ¹	4.6	4.2	-0.4	4.2	±0
	India	6.5	7.3	+0.8	6.4	-0.9
	Brazil	3.4	2.5	-0.9	1.6	-0.9
	Russia	4.3	0.6	-3.7	0.8	+0.2

Steel Demand Outlook (As of October 2025)

Source: World Steel Association, estimated on Oct. 13, 2025

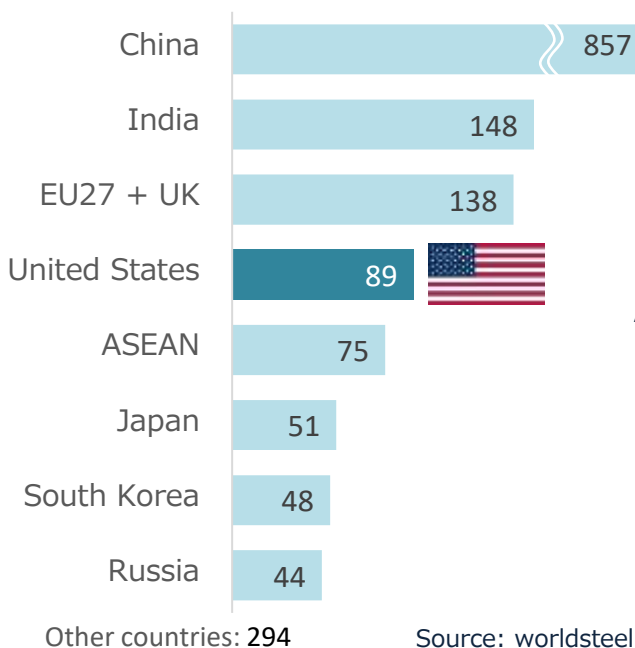
Unit: MT	CY24	CY25 (f)	Change from CY24	Change from CY24(%)	CY26 (f)	Change from CY25	Change from CY25(%)
World	1,749	1,749	-0	-0.0%	1,773	+24	+1.3%
Japan	50	48	-2	-3.1%	48	-0	-0.8%
US	89	91	+2	+1.8%	92	+2	+1.8%
Europe	140	142	+2	+1.3%	147	+5	+3.2%
Korea	48	45	-3	-8.9%	45	+0	+0.6%
China	857	840	-17	-2.0%	831	-9	-1.0%
ASEAN*2	79	81	+2	+3.0%	84	+3	+4.0%
India	148	161	+13	+8.9%	176	+15	+9.1%
Brazil	26	27	+1	+5.0%	28	+0	+1.0%
Russia	44	40	-4	-8.0%	39	-1	-3.0%

The largest steel demand in developed countries, and the largest market for high-grade steel leveraging our technology and products

Estimated domestic demand including indirect imports: 150 million tons
Tariff policies expected to shift direct and indirect steel imports to domestic production

Steel Demand

2024 CY (Million Tons/Year)



Total Steel Demand in the U.S. Market

Approx. **150** Million Tons/Year

Domestic Supply Ratio
55%

U. S. Steel Supply and Demand Overview

Our Estimate

Indirect steel imports
(Final products & components)

Approx. **60** Million Tons/Year

Steel Imports

Approx. **20** MT/Y

Domestic Steel Production

Approx. **80** MT/Y

Domestic Steel Demand

Approx. **90** MT/Y

Steel Exports Approx. **10** MT/Y

U.S. final consumption



Only developed country with sustained long-term population growth

Reshoring of steel demand in energy and manufacturing driven by low-cost U.S. energy and global economic shifts

Supply-demand structure centered on domestic demand, not export-dependent

(1) Secured appropriate spread level

Until 2H 2021

- A fair allocation of cost burden for raw materials and commodities
- Reflection of NSC's high value-added product qualities and solutions on steel prices

With the points above reflected in negotiations with customers, spread has greatly improved

(1)' Maintained appropriate spreads

To structurally secure appropriate margin level by reflecting cost change in materials and energy on steel prices

(2) Sophistication of order mix

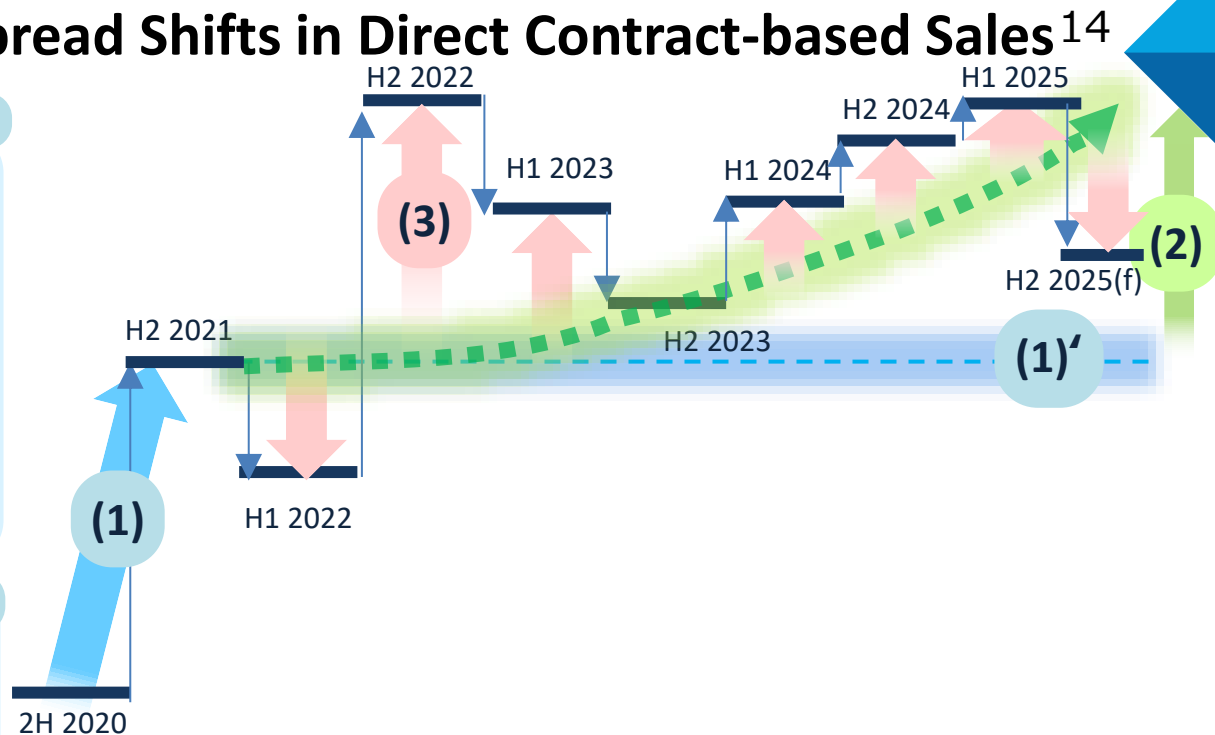
Appropriate margin level per ton elevated through sophistication of order mix and reflection of high value-added product qualities

Improvement of production capacity and product quality of Electrical Steel Sheets

->Full-capacity operation: starts in H1 FY2023(Yawata #1,2 & Hirohata #1,2) in H1 FY 2024 (Hirohata #3) in H1 FY2027(Yawata #3, Hanshin(Sakai))

Establishment of next-generation hot strip mill

-> Q1 FY2026 Hot Run



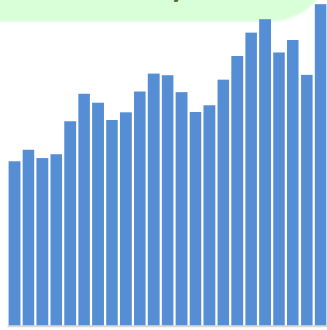
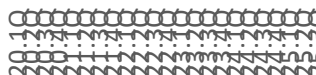
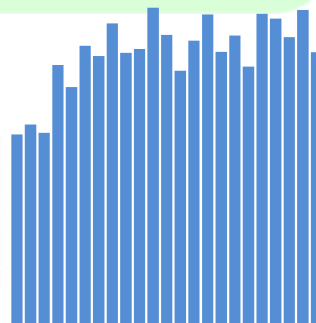
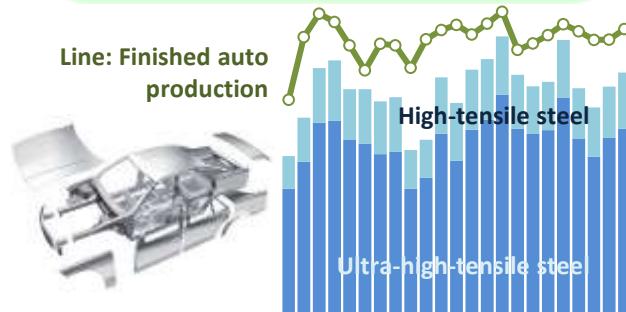
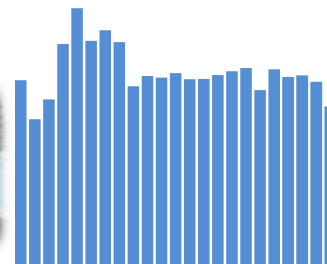
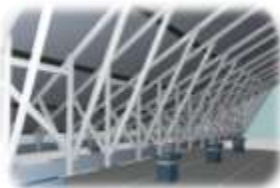
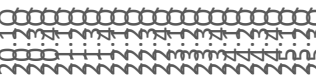
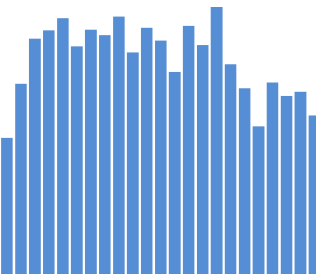
(3) Difference between the external costs assumed in the price negotiation and the actual external costs

Steel margin temporarily fluctuated due to difference between the external costs assumed in the price negotiation and the actual external costs

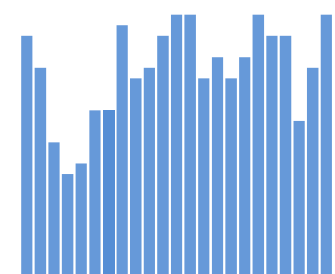
✓ Neutral in the long term as it will be adjusted in the following period

	H1 FY22	H2 FY22	H1 FY23	H2 FY23	H1 FY24	H2 FY24	H1 FY25	H2 FY25(f)
Actual external costs compared to the price determination premise	High	Low	Low	Almost unchanged	Low	Low	Low	High
Difference from appropriate level of spread	Smaller	Larger	Larger	Almost unchanged	larger	larger	larger	Smaller

Steadily increasing the amount of high value-added products

GO Hi-B (High grade grain-oriented
electrical steel sheet)NO-H, M (High or Middle grade
non-oriented electrical steel sheet)High-tensile GA
(Alloyed & galvanized steel sheet)ZEXEED™, ZAM®, SuperDyma™
(Corrosion resistant coated steel sheet)ALSHEET™
(Hot-dipped Al/Si alloy steel sheet)

13Cr, high alloy seamless pipe



Secure Management Flexibility

Alignment with the US government's purposes
The rights granted to the U.S. government are not in conflict with management policy

Key Commitments under the National Security Agreement (NSA)

Main Rights Granted to the U.S. Government

Governance

- ◆ Majority of the directors are U.S. citizens
- ◆ Key management roles held by U.S. citizens

- ◆ Appoint one independent director

Capital Investments

- ◆ Approx. \$11.0 billion by 2028

Corporation's name, Headquarters

- ◆ Retention of Pittsburgh headquarters

Facilities, Production

- ◆ Maintain Production and Capacity in the U.S.

Others

- ◆ No interference in U. S. Steel's decisions on trade measures

Requires U.S. Government Consent

- ◆ Reductions in the committed capital investments under the NSA
- ◆ Changing U. S. Steel's name and headquarters
- ◆ Redomiciling U. S. Steel outside of the U.S.
- ◆ Transfer of production or jobs outside of the United States
- ◆ Certain decisions on closure or idling of U. S. Steel's existing U.S. manufacturing facilities (except ordinary course, temporary idling)
- ◆ Certain decisions on material acquisitions of competing businesses in the U.S., sourcing outside of the U.S., labor, etc.

Initiatives to Realize Synergies

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- ◆ Dispatch of approx. 50 Engineers (As of Aug. 2025)
- ◆ Over a period of approx. three months until August 2025, the team will engage in concrete planning and evaluation for the introduction of Nippon Steel's advanced operational technologies, innovative equipment technologies, and product technologies, as well as the formulation of capital investment plans.

Introduction of
Nippon Steel's
Advanced Tech

100-Day Plan

Driving Progress on 8 Pillars & 66 Initiatives

- 1 Enhance competitiveness of production facilities in upstream and HSM
- 2 Advance cost competitiveness
- 3 Improve productivity and quality in relation to existing facilities
- 4 Enhance steel products (including upgrading downstream facilities)
- 5 Collaboration between NAFR and Mini Mill
- 6 Incorporate synergy with NSC
- 7 Expand business area
- 8 Carbon neutrality

Operational
Tech

Equipment
Tech

Product
Tech

Decarboni-
zation
Tech



U. S. Steel

Maximize Synergies Early

Create New Value by
Combining the Strengths
of Both Companies

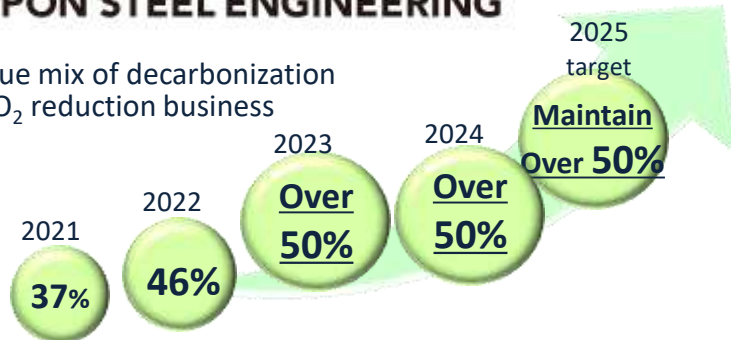
Toward Further Growth
and Enhanced Corporate
Value

First board meeting held
under the new structure to
promote implementation
(July 28-29 in Pittsburgh)



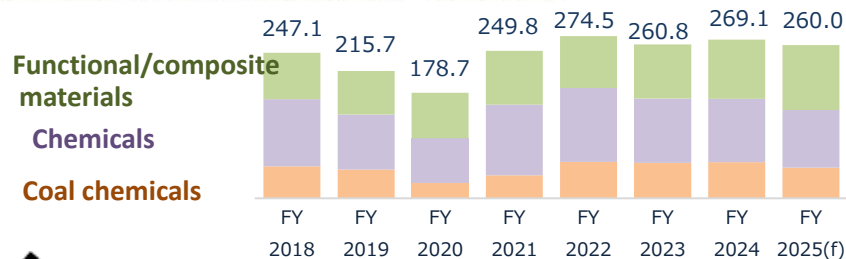
NIPPON STEEL ENGINEERING

Revenue mix of decarbonization and CO₂ reduction business



NIPPON STEEL Chemical & Material

Revenues by business domain(¥bn)



NS Solutions

Medium-Term Business Plan

(Released on Feb 28, 2025)

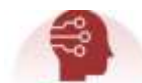
	FY2024	2025-2027 Mid-Term Plan	NSSOL 2030 Vision
Revenue	¥339.3 bn.	¥450.0 bn.	¥500.0 bn.
Operating Profit	¥38.5 bn.	¥60.0 bn.	¥100.0 bn.
ROS	11.4%	13%	20%
ROE	10.9%	Approx. 13%	Approx. 15%
M&A	Approx. ¥10.0 bn./ 3 years (2022-24)	¥150.0 bn. / 3 years	Creating business of the scale of ¥100.0 bn.

- Contribution to Energy Transition / Expand sales of decarbonization and low-carbon related businesses
 - Completed delivery of jackets for the Hibikinada Project (25 jackets in total)
 - Construction of world-class manufacturing capacity for “floating foundations” for offshore wind power generation by 2030
 - Decision to commercialize the supply of renewable energy to the Shin-Etsu Chemical Group using biomass cogeneration in Thailand

- Expand capacity for functional materials* and develop new technologies, products, and grades to capture growing demand for semiconductors and electronic devices, such as for AI servers and data centers.

- Transformation of the business revenue model from the conventional SI model based on individual contracting to the three revenue models (TAM type) that embody the Social Value Producer concept.

➡ Jul. 1st Acquired all shares of INFOCOM



SI Transformation
Next Generation
IT Model



Asset Driven
Asset utilization type



Multi Company Platform
PF provision model

Appendix

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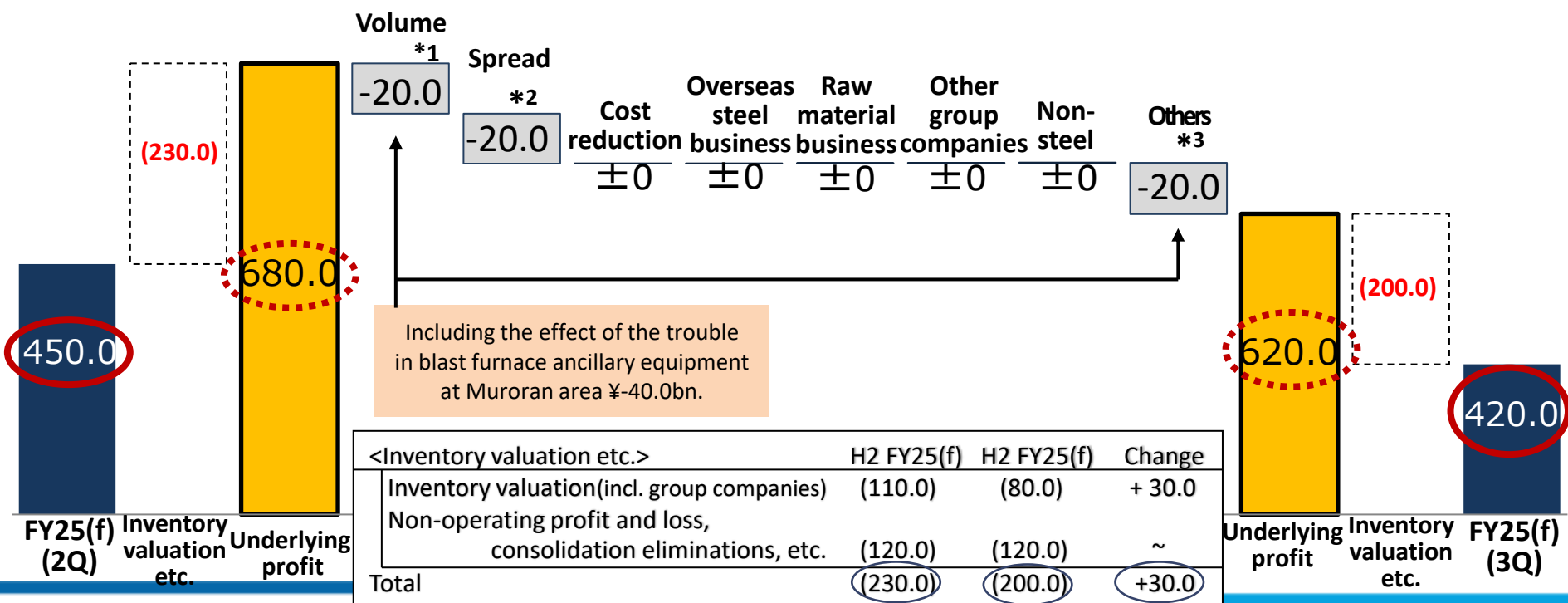
4. Market Data

5. Progress of Management Strategy Measures

Business Profit Factor Analysis (FY25(f)(2Q) -> FY25(f)(3Q)) 20

(¥bn.)		FY25(f)(2Q)	FY25(f)(3Q)	Change
Business Profit		450.0	420.0	-30.0
Underlying profit		680.0	620.0	-60.0
1) Domestic		300.0	240.0	-60.0
2) Overseas		40.0	40.0	~
3) Raw material		75.0	75.0	~
4) Other group		175.0	175.0	~
5) Non-steel		84.0	84.0	~

- *1 Crude steel production : -0.5 MT (34.50 -> 34.00)
Steel shipment volume : -0.5 MT (31.50 -> 31.00)
- *2 Spreads deterioration due to the increase of raw material price, and market environment deterioration due to continued low-priced exports from China
- *3 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), etc.

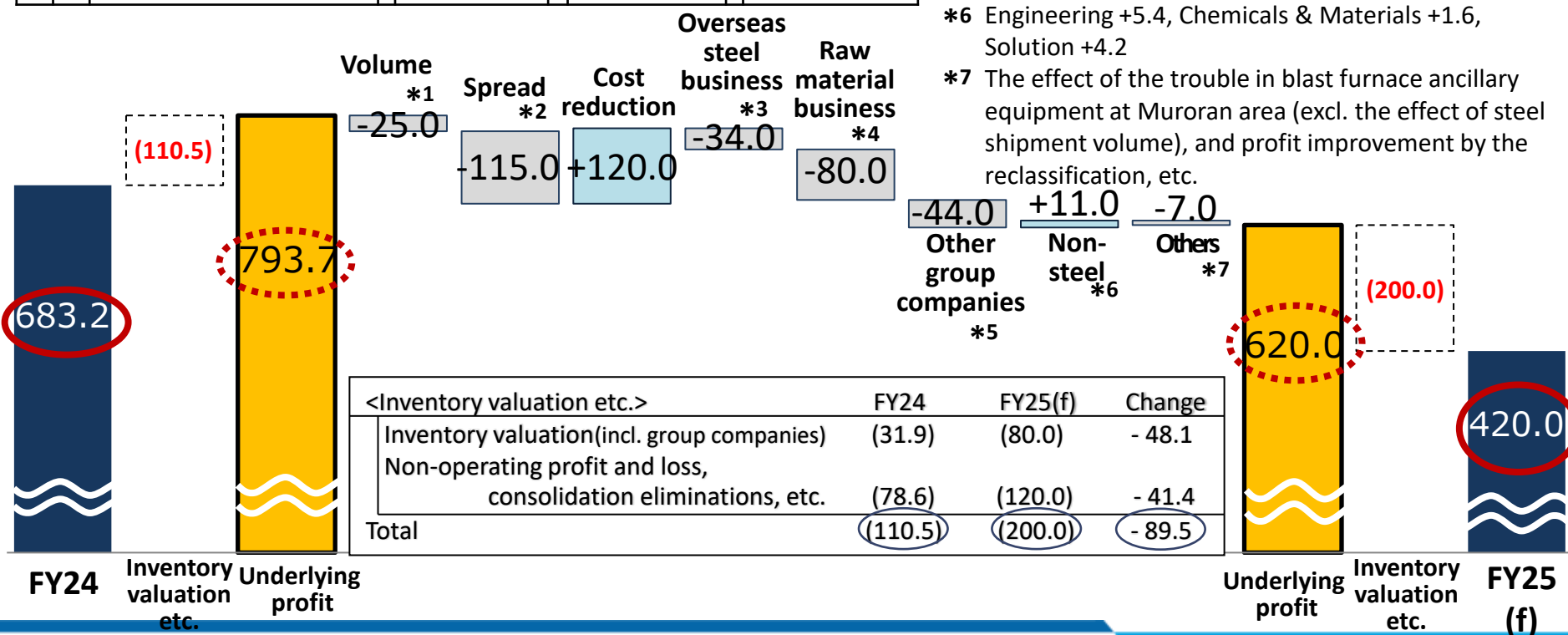


Business Profit Factor Analysis (FY24 -> FY25(f))

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(¥bn.)	FY24	FY25(f)	Change
Business Profit	683.2	420.0	-263.0
Underlying profit	793.7	620.0	-174.0
1) Domestic	260.2	240.0	+20.0
2) Overseas	73.8	40.0	-34.0
3) Raw material	155.3	75.0	-80.0
4) Other group	218.7	175.0	-44.0
5) Non-steel	72.8	84.0	+11.0

- *1 Crude steel production : - 0.25 MT (34.25 -> 34.00)
Steel shipment volume : - 0.62 MT (31.62 -> 31.00)
- *2 Spreads deterioration in the market-driven segment, timing mismatch between sales price setting and raw material cost in linked segment, impact of tariff policy, etc.
- *3 AM/NS Calvert deconsolidation, spreads deterioration in India, etc.
- *4 Declining in raw material price
- *5 Including the effect of reclassification of NS Stainless Steel and domestic ERW pipe business from 4) Other group to 1) Domestic
Deteriorate: Operational Support, Trading etc.
- *6 Engineering +5.4, Chemicals & Materials +1.6, Solution +4.2
- *7 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), and profit improvement by the reclassification, etc.

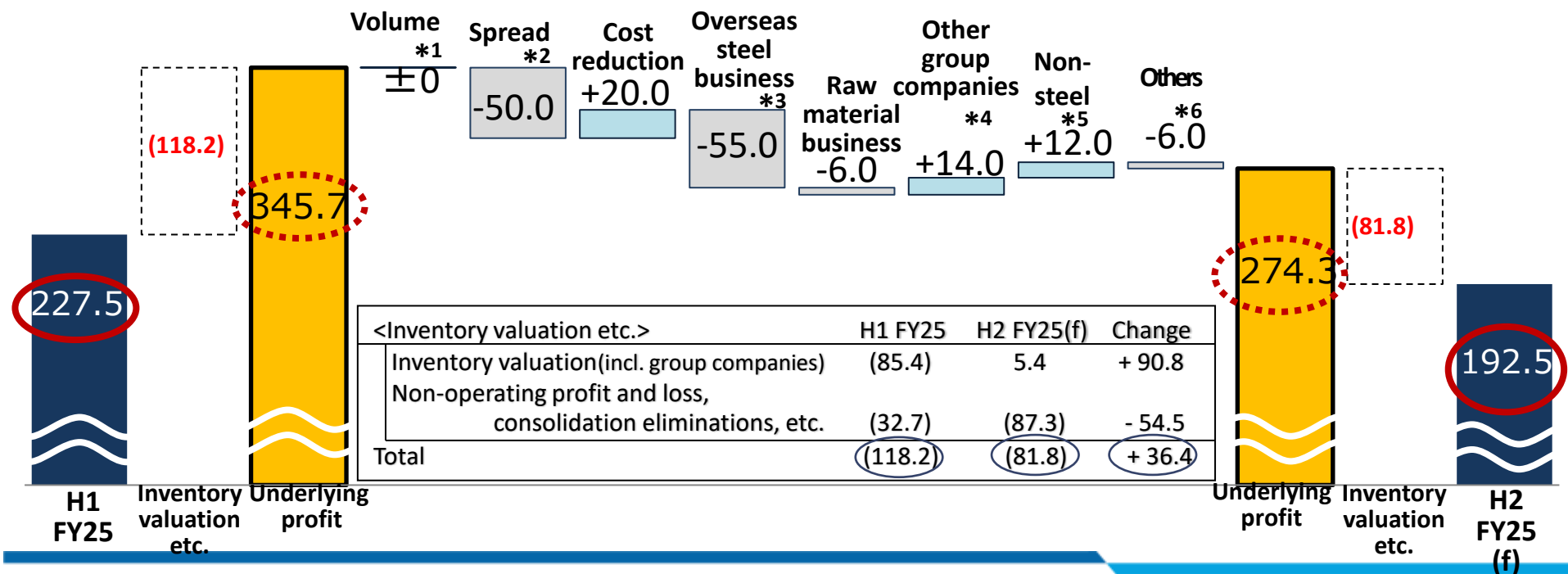


Business Profit Factor Analysis (H1 FY25 -> H2 FY25(f))

22

(¥bn.)	H1 FY25	H2 FY25(f)	Change
Business Profit	227.5	192.5	-35.0
Underlying profit	345.7	274.3	-71.0
1) Domestic	136.6	113.4	-22.0
2) Overseas	47.3	(7.3)	-55.0
3) Raw material	40.5	34.5	-6.0
4) Other group	80.3	94.7	+14.0
5) Non-steel	36.0	48.0	+12.0

- *1 Crude steel production : + 0.43 MT(16.77 -> 17.20)
Steel shipment volume : + 0.03 MT(15.47 -> 15.50)
- *2 Increase in raw material price after determining the direct contract selling price
- *3 U. S. Steel one-off effects, specific factors, and U. S. spreads deterioration, etc.
- *4 Improve : EAFs, Operational Support, Trading etc.
- *5 Engineering+5.2, Chemicals & Materials -1.0
Solutions +8.0
- *6 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), and non-steel business profit, etc.

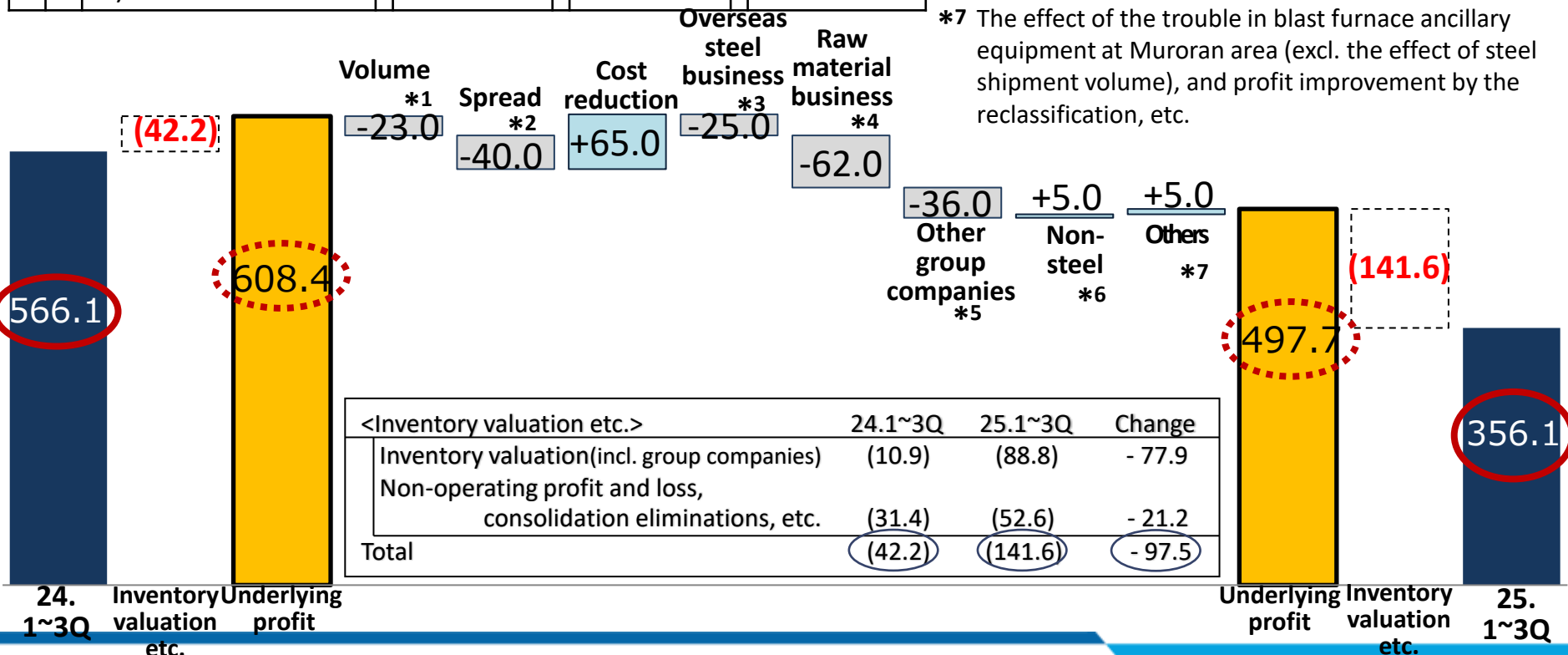


Business Profit Factor Analysis (24.1~3Q -> 25.1~3Q)

23

(¥bn.)	24.1~3Q	25.1~3Q	Change
Business Profit	566.1	356.1	-210.0
Underlying profit	608.4	497.7	-111.0
1) Domestic	196.4	210.1	+14.0
2) Overseas	60.1	35.6	-25.0
3) Raw material	123.6	61.5	-62.0
4) Other group	163.3	127.8	-36.0
5) Non-steel	53.1	57.5	+5.0

- *1 Crude steel production : - 0.38 MT (25.75 -> 25.37)
Steel shipment volume : - 0.58 MT (23.89 -> 23.31)
- *2 Market environment deterioration, impact of tariff policy, etc.
- *3 AM/NS Calvert deconsolidation, spreads deterioration in India, etc.
- *4 Declining in raw material price
- *5 Including the effect of reclassification of NS Stainless Steel and domestic ERW pipe business from 4) Other group to 1) Domestic
- *6 Engineering +4.9, Chemicals & Materials ±0, Solution -0.2
- *7 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), and profit improvement by the reclassification, etc.

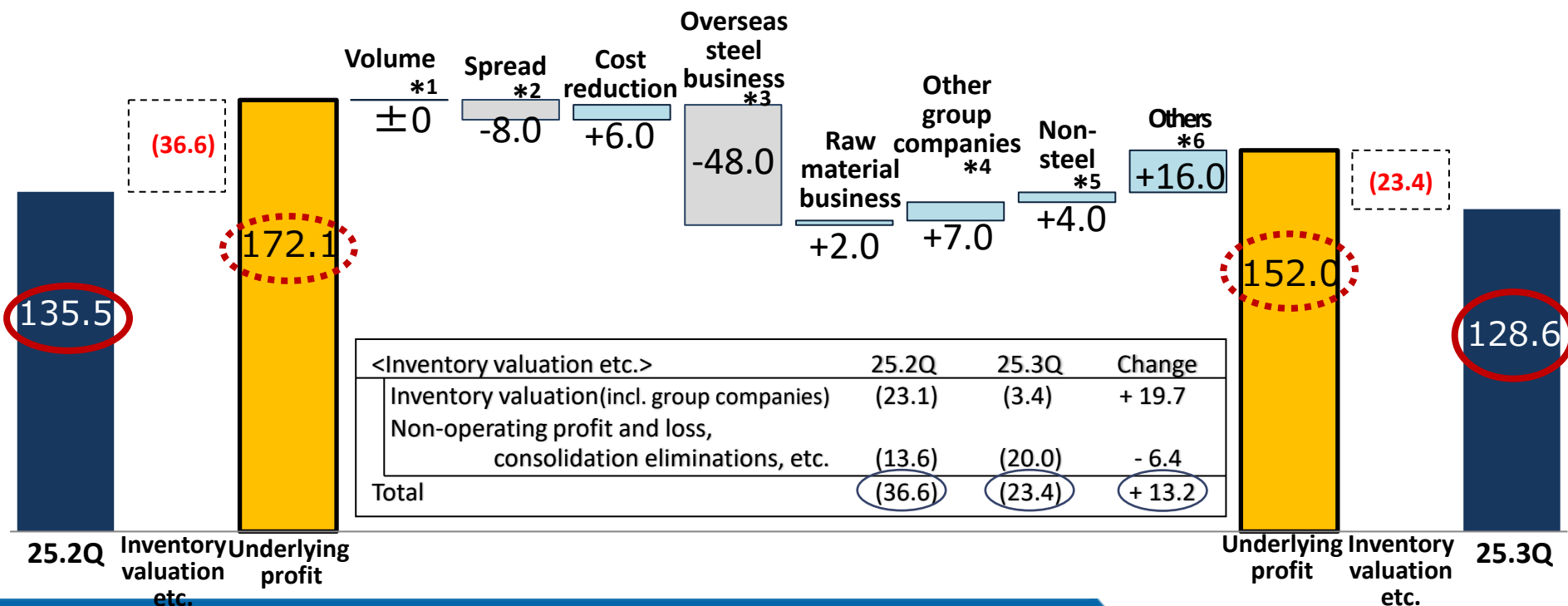


Business Profit Factor Analysis (25.2Q -> 25.3Q)

24

(¥bn.)		25.2Q	25.3Q	Change
Business Profit		135.5	128.6	-7.0
Underlying profit		172.1	152.0	-20.0
1) Domestic		56.7	73.5	+17.0
2) Overseas		36.4	-11.7	-48.0
3) Raw material		19.2	21.0	+2.0
4) Other group		40.0	47.3	+7.0
5) Non-steel		17.4	21.9	+4.0

- *1 Crude steel production : + 0.11 MT (8.50 -> 8.60)
Steel shipment volume : + 0.01 MT (7.83 -> 7.84)
- *2 Market environment deterioration, etc.
- *3 U. S. Steel one-off effects, specific factors, and U. S. spreads deterioration, and spreads deterioration in India, etc.
- *4 Improve: EAFs, Trading, etc.
- *5 Engineering +2.5, Chemicals & Materials -2.0, Solution +3.5
- *6 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), and structural step difference of fixed-cost, etc.

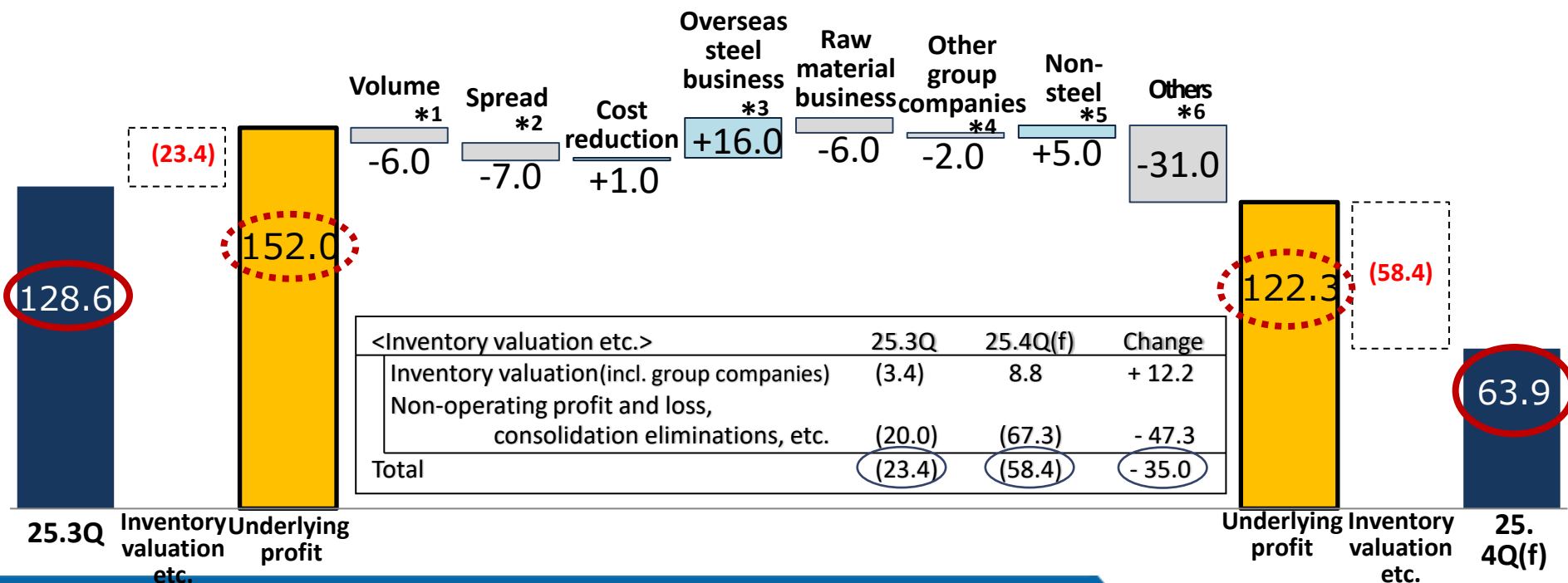


Business Profit Factor Analysis (25.3Q -> 25.4Q(f))

25

(¥bn.)	25.3Q	25.4Q(f)	Change
Business Profit	128.6	63.9	-65.0
Underlying profit	152.0	122.3	-30.0
1) Domestic	73.5	73.5	-34.0
2) Overseas	-11.7	-11.7	+16.0
3) Raw material	21.0	21.0	-6.0
4) Other group	47.3	47.3	-2.0
5) Non-steel	21.9	21.9	+5.0

- *1 Crude steel production : + 0.02 MT (8.60 -> 8.63)
Steel shipment volume : - 0.15 MT (7.84 -> 7.66)
- *2 Increase in raw material price after determining the direct contract selling price, and ASEAN spreads deterioration, etc.
- *3 Shrinking the effects of Incident at U. S. Steel's Clairton Cokes Plant, etc.
- *4 Deteriorate: Operational Support
- *5 Engineering +3.6, Chemicals & Materials +0.8, Solution +0.7
- *6 The effect of the trouble in blast furnace ancillary equipment at Muroran area (excl. the effect of steel shipment volume), and structural step difference of fixed-cost, etc.



Appendix

1. Supplementary Materials
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1. ESG Indicators

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5. Progress of Management Strategy Measures

1-1. ESG Indicators (Safety and Health)

27

“M” represents materiality

(Calendar Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	Accident frequency rate	-	0.10 or less	0.22	0.22	0.16	0.13	0.14	0.10	0.09	0.10	0.08	0.11	0.08	0.18
	# of lost-time injuries	-	-	40	42	31	26	28	20	18	19	16	21	15	32
M	# of fatal accidents	-	0	5	2	4	7	1	3	3	2	2	1	1	1

Accident frequency rate



$$\text{Accident frequency rate} = \frac{\text{Number of accidents and recordable incidents, accompanied by lost work time}}{\text{Total number of hours worked by all employees}} \times 1,000,000$$

1-2. ESG Indicators (Environment 1/2)

28

“M” represents materiality

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	CO ₂ emissions (non-consol.)	MMT	2030 -30%	102	101	96	96	93	94	91	74	83	75	76	73
M	CO ₂ emissions (incl. group companies*)	MMT	2030 -30%	107	105	100	99	97	98	94	77	87	78	79	75
M	Utilization ratio of byproduct gas	%	-	100	100	100	100	100	100	100	100	100	100	100	100
M	Utilization ratio of waste heat in steam generation	%	-	91	87	86	81	76	76	83	61	67	76	75	74
M	Utilization ratio of byproduct energy in in-house power generation	%	-	92	90	88	81	78	81	81	71	75	72	70	68

*Boundary of data collection: Nippon Steel, associated EAF mills (Osaka Steel, Sanyo Special Steel, Nippon Steel Stainless Steel, Oji Steel, Tokai Special Steel, Nippon Steel Structural Shapes Corporation, Tokyo Kohtetsu, Ovako, Sanyo Special Steel Manufacturing India, and Standard Steel), and three Sanso Center companies The data collection period used is each company's accounting period. As Ovako has changed its fiscal year end, Ovako's fiscal 2021 results cover a period from January 1, 2021, to March 31, 2022 (15 months).

1-3. ESG Indicators (Environment 2/2)

“M” represents materiality

29
(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	Cumulative SuMPO EPD labels acquired	*1 Units	-	-	-	-	-	-	-	10	15	35	41	54	82
M	Cumulative CDQ delivery units [CO ₂ reduction]	Units [million t-CO ₂]	-	87 [15.33]	90 [16.71]	95 [17.80]	96 [18.16]	102 [19.69]	106 [20.74]	114 [22.96]	128 [25.81]	137 [28.73]	143 [30.44]	147 [31.38]	
M	Final waste disposal	*2 kt	263 or less	250	248	380	263	256	266	289	229	307	271	282	25.7
M	Plastic waste treatment [percentage out of total plastic waste in Japan]	kt [%]	-	190 [approx. 30]	210 [approx. 30]	200 [approx. 30]	200 [approx. 30]	210 [approx. 30]	180 [24]	210 [32]	210 [31]	220 [33]	200 [29]	180 [30]	14 []
M	SOx emissions	Mn. Nm ³	-	13	13	14	14	14	14	14	11	13	13	11	11
M	NOx emissions	Mn. Nm ³	-	30	28	29	28	25	26	27	21	25	23	23	22
M	VOC emissions	t	1,106 or less	730	728	630	624	573	627	639	524	545	396	509	521
M	Benzene discharge	t	172 or less	125	102	111	106	99	83	88	75	95	80	69	73
M	Water intake	Bn. m ³	-	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	6

*1 formerly Eco Leaf *2 From Industrial Structure Council, Committee on Industrial Science and Technology Policy and Environment, Earth Environment Subcommittee, Steel WG, “Materials No.4 The Japan Iron and Steel Federation

1-4. ESG Indicators (Disaster Prevention, Quality)

30



“M” represents materiality

Disaster prevention

(Calendar Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	# of serious disaster-related accidents	-	0	0	5	0	2	1	3	0	0	0	0	1	0

Quality

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	R&D expenses (consol.)	Bn. JPY	-	64.4	62.9	68.4	69.1	73.0	72.0	77.6	65.3	66.4	70.5	72.7	80.7
M	# of patents held (non-consol.)	Thousand (approx.)	-	23	25	25	27	30	32	36	32	30	30	33	35
M	# of awards from customers, government, and institutions	-	-	22	19	15	15	13	14	15	9	9	10	10	9

1-5. ESG Indicators (Human Resources, D&I)

31

“M” represents materiality

Diversity & Inclusion

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
●	# of women in managerial positions	-	72 or higher in 2025	21	21	25	26	29	28	28	36	45	55	65	91
●	Ratio of paid holidays taken	%	75% or higher	65.0	66.5	72.6	70.1	73.0	77.5	81.3	60.0 *1	77.8 *1	82.9	86.2	80.0
	Ratio of childcare leave taken (male)	%	-	/	/	/	/	/	/	4.6	8.5	25.6 *2	56	66	77

*1 Lower than other years due to the mandatory leave policy carried out responding to the rapid decline in steel demand

*2 From H2 2021 started initiative encouraging male employees to take paternity leave

Human resource development

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	*1 2021	*1 2022	2023	2024
●	Hours of training and education (non-consol.)	Hour / person, year [Million hours / year]	-	/	/	/	/	/	/	68 [1.84]	62 [1.82]	32 [0.90] *2	28 [0.80] *3	35 [0.99]	33 [0.94]

*1 Numbers have been revised from numbers reported in Sustainability Report 2022 due to reanalysis of past data

Numbers in FY2020 and FY2021 include hours for training programs conducted under a low level of production

*2 Decrease compared to FY2021 due to decline in hiring, suspension or cancellation of some training programs because of COVID-19

*3 excluded hours for training programs since the production level recovered from that of FY2020 or FY2021

1-6. ESG Indicators (Local Communities, Corporate Value)

“M” represents materiality

Local community engagement

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	Greenery space	ha	-	907	919	961 ^{*1}	906 ^{*2}	897	830 ^{*2}	830	830	840	850	838	850
M	Expenses for green space development and maintenance	Bn. JPY	-	1.1	1.1	1.3	1.2	1.3	1.3	1.4	1.3	1.3	1.3	1.4	1.4
M	# of plant visitors	^{*3} Thousand ppl.	-	140	140	137	141	142	135	130	none [due to COVID]	none [due to COVID]	none [due to COVID]	70	90

*1 Increase due to change in calculation of site area *2 Decrease due to change in definition of greenery space

*3 Some numbers have been revised from those reported in Sustainability Report 2022 due to change in environmental accounting analysis policy

Corporate value enhancement and profit distribution

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	ROS	%	10	6.5	8.1	4.1	3.8	5.1	5.5	△4.8	2.3	13.8	11.5	9.8	7.9
M	ROE	%	10	9.6	7.6	5.1	4.6	6.0	7.9	△14.7	△1.2	20.5	18.1	12.3	6.9
M	Base bonus amount	Mn. JPY /capita	-	1.20	1.61	1.70	1.41	1.38	1.53	1.57	1.00	1.05	2.37	2.35	2.30
M	Revised amount of salary (upward)	K JPY /month	-	-	1.0	1.0	1.5	1.0	1.5	1.5	-	-	3.0	2.0	35.0
M	Tax payment (consol.)	Bn. JPY	-	56.8	81.4	58.1	41.7	66.4	80.8	92.5	26.7	86.0	214.4	126.5	180.9
M	Dividend per share	JPY /share	-	^{*1} 50	^{*1} 55	^{*1} 45	45	70	80	10	10	160	180	160	160

*1 Adjusted to the current stock basis after the reverse stock split (10 shares to 1 shares on October 1, 2015).

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2-1-1. Operational Highlights (Quarterly)

(MMT)	FY24							FY25							
														Prev.(f)	(f)
	Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1	Q3	Q4	H2(f)		
Non-Consolidated Pig-iron Production	8.58	8.39	16.98	8.52	8.35	16.87	33.85	8.01	8.12	16.12	8.13	8.30	16.40	33.00	32.50
Consolidated Crude Steel Production	10.14	9.79	19.93	9.78	9.89	19.66	39.59	9.46	13.48	22.93	13.68	13.40	27.10	50.50	50.00
Affiliates' Crude Steel Production	1.43	1.30	2.73	1.23	1.39	2.61	5.34	1.19	4.98	6.16	5.08	4.80	9.90	16.00	16.00
Non-Consolidated Crude Steel Production	8.70	8.49	17.20	8.55	8.50	17.05	34.25	8.27	8.50	16.77	8.60	8.60	17.20	34.50	34.00
Non-Consolidated Steel Shipments	8.01	7.90	15.91	7.98	7.73	15.71	31.62	7.64	7.83	15.47	7.84	7.70	15.50	31.50	31.00
Seamless Pipe Shipments	0.13	0.17	0.30	0.16	0.17	0.33	0.62	0.15	0.15	0.30	0.15	0.16	0.31	0.62	0.61
Steel Export Ratio (Value basis (%))	44	46	45	42	43	43	44	40	42	41	42	38	40	41	40
Average Steel Selling Price(K JPY/ton)	146.2	143.8	145.0	139.0	139.2	139.1	142.1	139.7	137.4	138.6	138.3	141	140	138	139
FOREX (USD/JPY)	155	153	154	149	154	152	153	145	147	146	153	155	154	148	150

2-1-2. Operational Highlights (Annual)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	*1 FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Non-Consolidated Pig-iron Production	44.80	44.91	42.51	42.15	40.61	40.86	40.09	42.57	33.07	38.41	33.96	34.55	33.85	32.50
Consolidated Crude Steel Production	48.16	47.32	44.53	45.17	46.82	47.84	47.05	47.05	37.65	44.46	40.32	40.51	39.59	50.00
Affiliates' Crude Steel Production	2.49	2.36	2.36	2.55	*2 6.15	6.84	7.51	5.20	4.65	5.78	6.07	5.52	5.34	16.00
Non-Consolidated Crude Steel Production	45.67	44.96	42.17	42.62	40.67	41.00	39.54	41.85	33.00	38.68	34.25	34.99	34.25	34.00
Non-Consolidated Crude Steel Production (ex-Nippon Steel Sumitomo Metal + ex-Nisshin Steel Kure Works)	48.84	48.23	45.31	45.56	43.45	43.73	41.85							
Non-Consolidated Steel Shipments *3	42.02	41.88	39.62	39.78	37.79	37.97	36.31	38.70	31.22	35.56	31.47	32.03	31.62	31.00
Seamless Pipe Shipments	1.20	1.18	0.83	0.93	0.96	1.03	0.97	0.97	0.63	0.60	0.70	0.66	0.62	0.61
Steel Export Ratio (Value basis (%))	46	47	45	42	41	40	40	38	36	42	43	44	44	40
Average Steel Selling Price(K JPY/ton)	86.0	87.2	77.1	72.6	84.7	89.9	87.3	88.3	86.1	117.7	148.9	144.8	142.1	139
FOREX (USD/JPY)	100	109	121	109	111	111	109	109	106	112	135	144	153	150

*1 Assumption after merger of Nippon Steel & ex-Nippon Steel Nisshin *2 Started consolidation of Nippon Steel Nisshin in Mar. 2017

*3 Ex-Nippon Steel & Sumitomo Metal(FY13~FY18)/Nippon Steel(FY19) + ex-Nippon Steel Nisshin Kure Works

2-2-1. Earnings Summary (Quarterly)

36

(bn.JPY)	FY24							FY25							
														Prev.(f)	(f)
	Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1	Q3	Q4	H2(f)		
Revenue	2,191.5	2,188.2	4,379.7	2,172.7	2,143.0	4,315.7	8,695.5	2,008.7	2,626.8	4,635.6	2,620.6	2,743.8	5,364.4	10,000.0	10,000.0
Steelmaking	2,005.2	1,985.3	3,990.5	1,971.9	1,911.8	3,883.7	7,874.3	1,823.0	2,420.8	4,243.9	2,418.3	2,537.8	4,956.1	9,200.0	9,200.0
Engineering & Construction	83.9	99.4	183.3	99.7	117.4	217.1	400.4	89.0	93.2	182.2	90.3	127.5	217.8	400.0	400.0
Chemicals & Materials	68.5	71.8	140.4	64.1	64.6	128.7	269.1	63.0	65.1	128.1	63.0	68.9	131.9	260.0	260.0
System Solutions	77.1	79.9	157.0	84.0	98.2	182.3	339.3	82.9	96.1	179.0	97.4	100.6	198.0	377.0	377.0
share of profit in investments accounted for using the equity method	52.1	37.4	89.5	23.3	14.0	37.3	126.9	27.4	20.2	47.6	17.0				
Business Profit	236.9	138.7	375.7	190.3	117.1	307.4	683.2	92.0	135.5	227.5	128.6	63.9	192.5	450.0	420.0
ROS (%)	10.8%	6.3%	8.6%	8.8%	5.5%	7.1%	7.9%	4.6%	5.2%	4.9%	4.9%	2.3%	3.6%	4.5%	4.2%
Steelmaking	230.2	123.5	353.8	166.0	101.1	267.1	621.0	85.2	116.5	201.8	112.5	35.7	148.2	380.0	350.0
Engineering & Construction	(0.0)	(1.1)	(1.2)	8.2	7.5	15.8	14.6	5.4	1.9	7.4	4.5	8.1	12.6	20.0	20.0
Chemicals & Materials	6.4	5.7	12.2	5.5	1.1	6.6	18.9	3.1	6.6	9.8	4.7	5.5	10.2	20.0	20.0
System Solutions	9.0	9.3	18.3	11.8	8.6	20.5	38.8	8.7	8.8	17.5	12.4	13.1	25.5	43.0	43.0
Additional Line Items *1	-	-	-	-	(135.2)	(135.2)	(135.2)	(231.5)	1.2	(230.3)	(18.7)	(21.0)	(39.7)	(260.0)	(270.0)
Net profit attributable to owners of the parent	157.5	85.7	243.3	118.7	(11.8)	106.8	350.2	(195.8)	82.4	(113.3)	68.3	(24.9)	43.3	(60.0)	(70.0)
ROE (%) *2	12.9%	6.6%	9.6%	8.9%	(0.9%)	4.0%	6.9%	-15.1%	6.5%	-4.3%	5.2%				
EBITDA	330.4	234.2	564.6	287.5	216.2	503.8	1,068.4	188.6	279.6	468.2	281.7	220.1	501.8	1,000.0	970.0

*1 Incl. losses on inactive facilities, losses on business withdrawal etc.

*2 Annualized

2-2-2. Earnings Summary (Annual)

37

(bn.JPY)	FY13 (JGAAP)	FY14 (JGAAP)	FT15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY19 (excl. impairment loss)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
Revenue *1	5,516.1	5,610.0	4,907.4	4,632.8	5,668.6	5,712.9	6,177.9	5,921.5	5,921.5	4,829.2	6,808.8	7,975.5	8,868.0	8,695.5	10,000.0
Steelmaking	4,877.9	4,939.2	4,283.9	4,052.2	5,017.2	5,017.2	5,454.5	5,257.3	5,257.3	4,228.4	6,153.6	7,245.5	8,076.3	7,874.3	9,200.0
Engineering & Construction	314.1	348.6	315.7	267.5	294.2	294.2	356.7	340.4	340.4	324.4	279.2	352.2	409.2	400.4	400.0
Chemicals & Materials	267.3	249.1	218.0	208.7	237.7	237.8	247.0	215.7	215.7	178.6	249.8	274.5	260.8	269.1	260.0
System Solutions	179.8	206.0	218.9	232.5	244.2	244.2	267.5	273.2	273.2	252.4	271.3	292.5	311.5	339.3	377.0
share of profit in investments accounted for using the equity method	62.7	82.7	44.2	79.2	122.7	65.7	86.4	38.4	38.4	55.2	214.4	102.9	144.3	126.9	
Business Profit *2	361.0	451.7	200.9	174.5	297.5	288.7	336.9	(284.4)	76.5	110.0	938.1	916.4	869.6	683.2	420.0
ROS (%)	6.5%	8.1%	4.1%	3.8%	5.2%	5.1%	5.5%	(4.8%)	1.3%	2.3%	13.8%	11.5%	9.8%	7.9%	4.2%
Steelmaking	321.2	401.9	160.0	138.0	245.7	245.7	274.6	(325.3)	35.6	63.5	871.0	861.4	821.0	621.0	350.0
Engineering & Construction	17.7	18.7	12.1	6.8	9.1	9.1	9.4	10.7	10.7	17.7	6.3	11.6	(1.3)	14.6	20.0
Chemicals & Materials	11.3	9.2	4.0	6.2	17.3	17.3	25.0	18.4	18.4	7.6	25.3	16.1	15.3	18.9	20.0
System Solutions	12.7	16.5	19.4	22.1	23.2	23.2	26.5	26.1	26.1	23.9	30.8	32.1	35.5	38.8	43.0
Additional Line Items *3	38.0	(75.5)	29.8	7.1	(7.6)	-	(71.8)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(270.0)
Losses on reorganization *4	(18.6)	(89.8)	(32.7)	(19.1)	(33.3)	-	(49.4)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(270.0)
Losses on inactive facilities	(18.6)	(21.2)	(19.0)	(12.7)	(11.6)	-	(15.1)	(22.7)		(79.9)		(23.5)			
Losses on business withdrawal	-	(68.6)	-	(6.4)	(6.1)	-	(17.4)	(20.2)		(18.7)		(9.3)			
Impairment loss	-	-	(13.7)	-	(15.6)	-	(16.8)	(78.7)		-		-			
Losses on disaster	-	-	-	(7.8)	-	-	(22.3)	-	-	-	-	-	-	-	-
Net profit attributable to owners of the parent *5	242.7	214.2	145.4	130.9	195.0	180.8	251.1	(431.5)		(32.4)	637.3	694.0	549.3	350.2	(70.0)
ROE (%)	9.6%	7.6%	5.1%	4.6%	6.4%	6.0%	7.9%	(14.7%)		(1.2%)	20.5%	18.1%	12.3%	6.9%	
ROIC (%) *6	4.1%	5.2%	2.7%	2.6%	4.0%	-	4.0%	(5.0%)		1.4%	10.6%	9.2%	7.8%	5.8%	
EBITDA	630.2	669.5	475.9	418.9	658.0	655.3	745.5	466.8		400.9	1,290.2	1,256.6	1,232.6	1,068.4	970.0

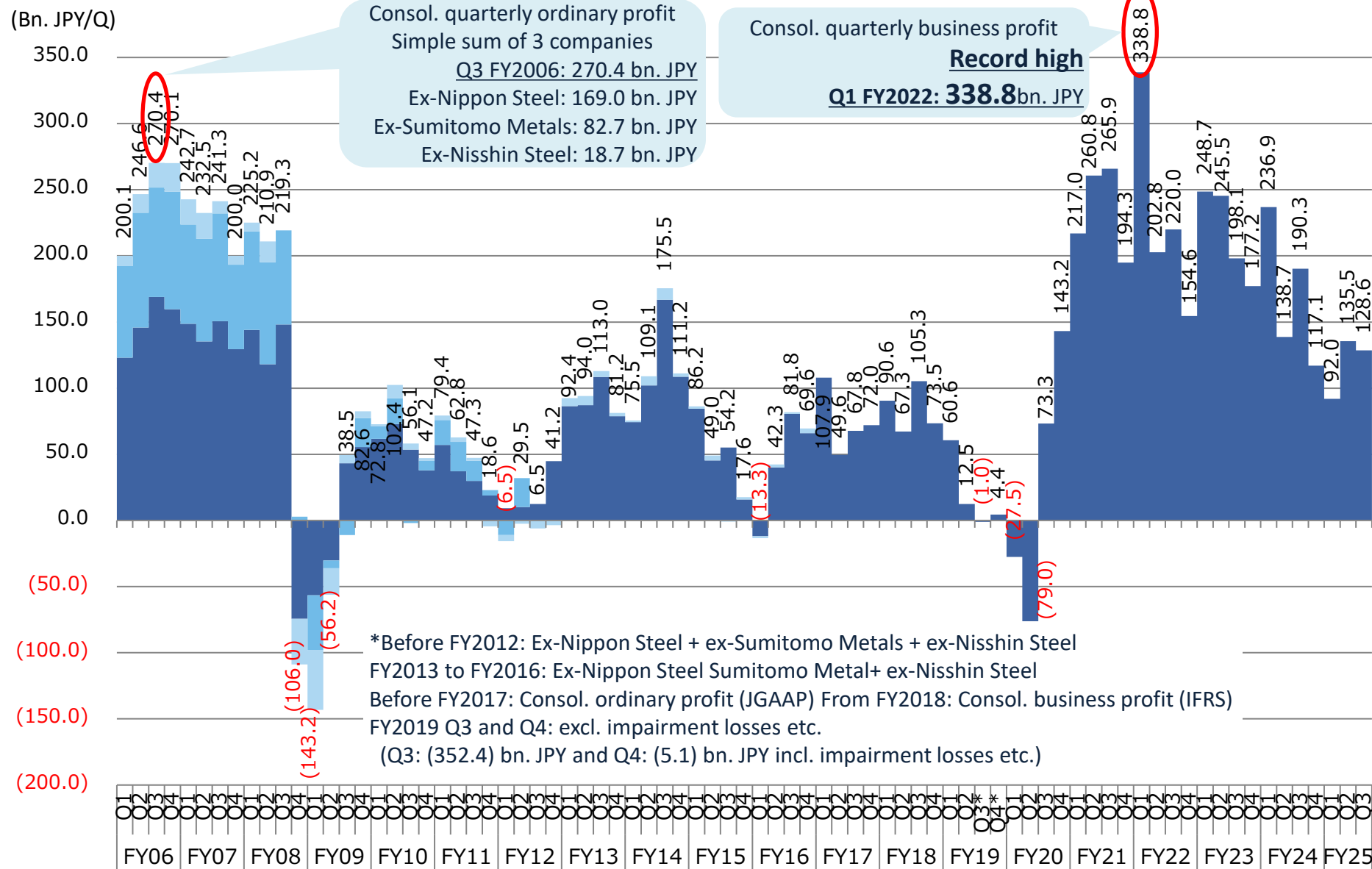
*1 JGAAP : Net sales *2 JGAAP : Ordinary Profit *3 JGAAP : Extraordinary Profit(Incl. Gain on sales of shares of subsidiaries and associates) & Loss

*4 JGAAP : Extraordinary Loss(excl. Losses on disaster) *5 JGAAP : Profit attributable to owners of parent

*6 NOPAT [Business Profit x (1 – Effective Tax Rate)] / Invested Capital [Total Equity including Non-controlling Interests + Interest-bearing Debt]

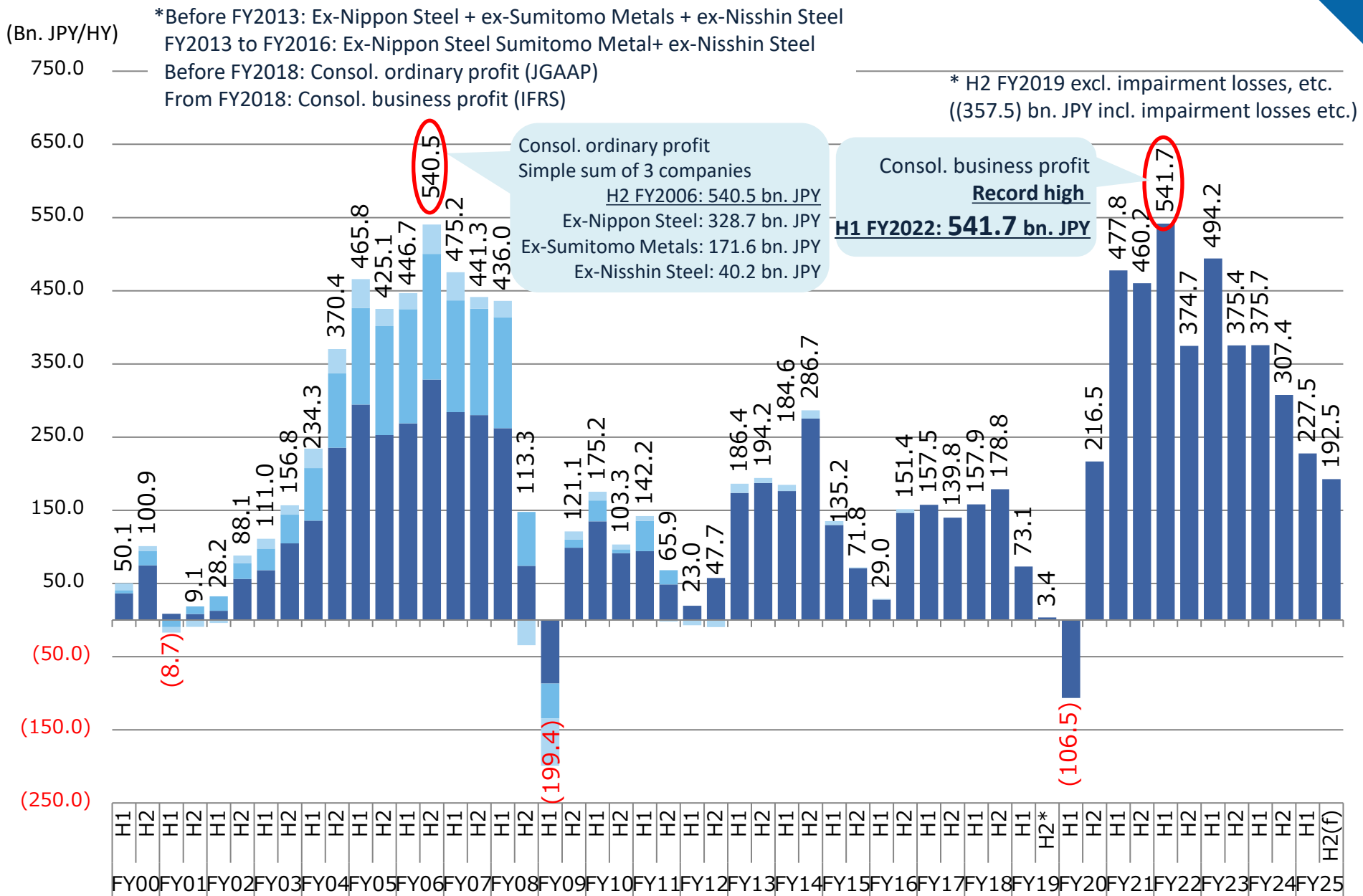
2-2-3. Business Profit Trend (Quarterly)

38



2-2-3. Business Profit Trend (Half-year)

39



2-2-3. Business Profit Trend (Annual)

Consol. ordinary profit
Simple sum of 3 companies

Record high FY2006: **987.3** bn. JPY
Ex-Nippon Steel: 597.6 bn. JPY
Ex-Sumitomo Metals: 327.6 bn. JPY
Ex-Nisshin Steel: 62.1 bn. JPY

40

(mtpa)

Bars: Consol. business profit (left axis)

Before FY2013: Ex-Nippon Steel + ex-Sumitomo Metals + ex-Nisshin Steel
FY2013 to FY2016: Ex-Nippon Steel Sumitomo Metal+ ex-Nisshin Steel
Before FY2017: Consol. ordinary profit (JGAAP)
From FY2017: Consol. business profit (IFRS)

Line: Non-consol. crude steel production (right axis)

Before 2013 Ex-Nippon Steel + ex-Sumitomo Metals
+ ex-Nisshin Steel Kure Works
2013 to 2018: Ex-Nippon Steel Sumitomo Metal
+ ex-Nisshin Steel Kure Works
2019: Nippon Steel + ex-Nippon Steel Nisshin

(Bn. JPY/)

1,000.0

900.0

800.0

700.0

600.0

500.0

400.0

300.0

200.0

100.0

0.0

48.00

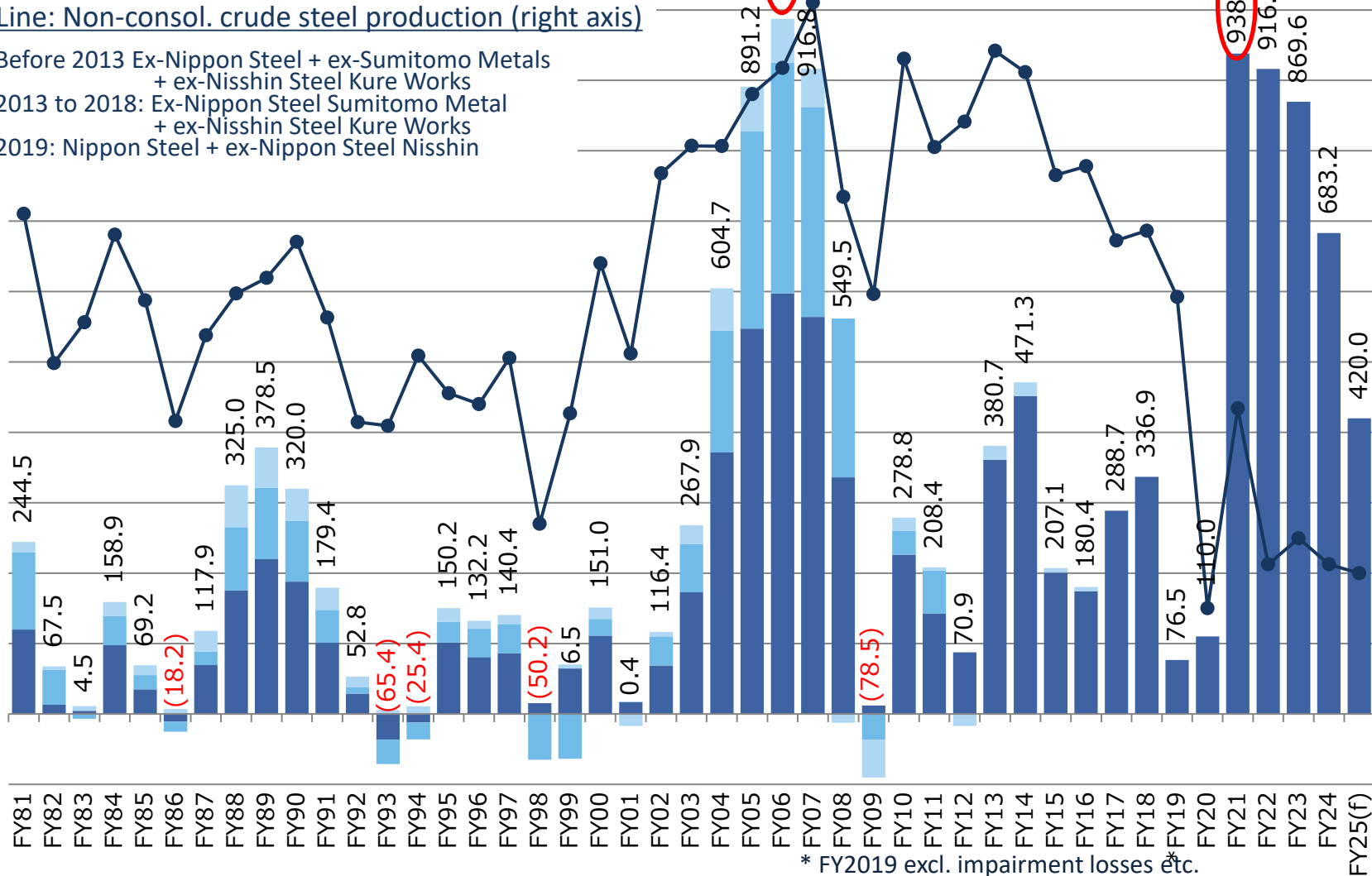
43.00

38.00

33.00

28.00

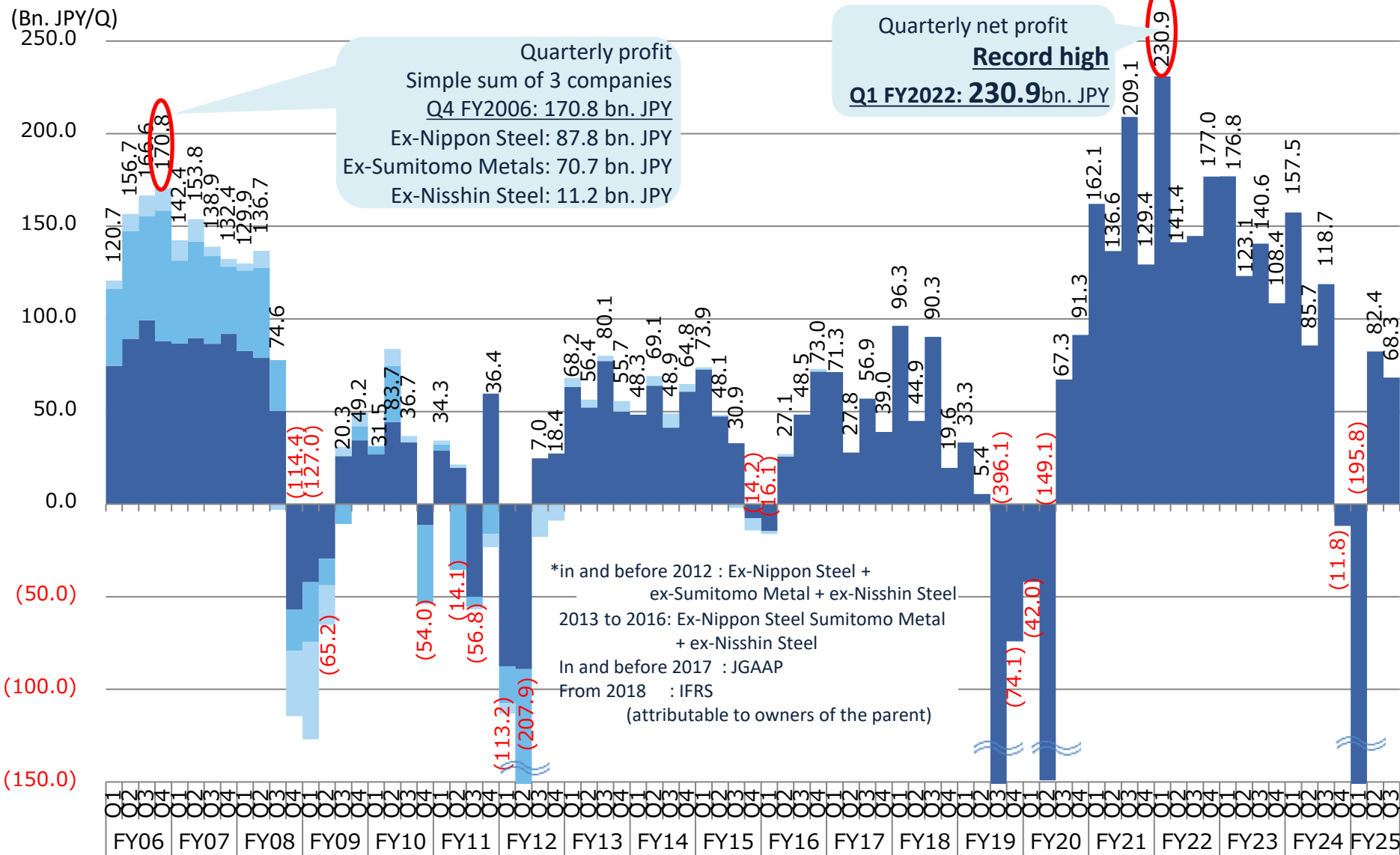
(100.0)



* FY2019 excl. impairment losses etc.
((284.4) bn. JPY/Y incl. impairment losses etc.)

2-2-4. Net Profit Trend (Quarterly)

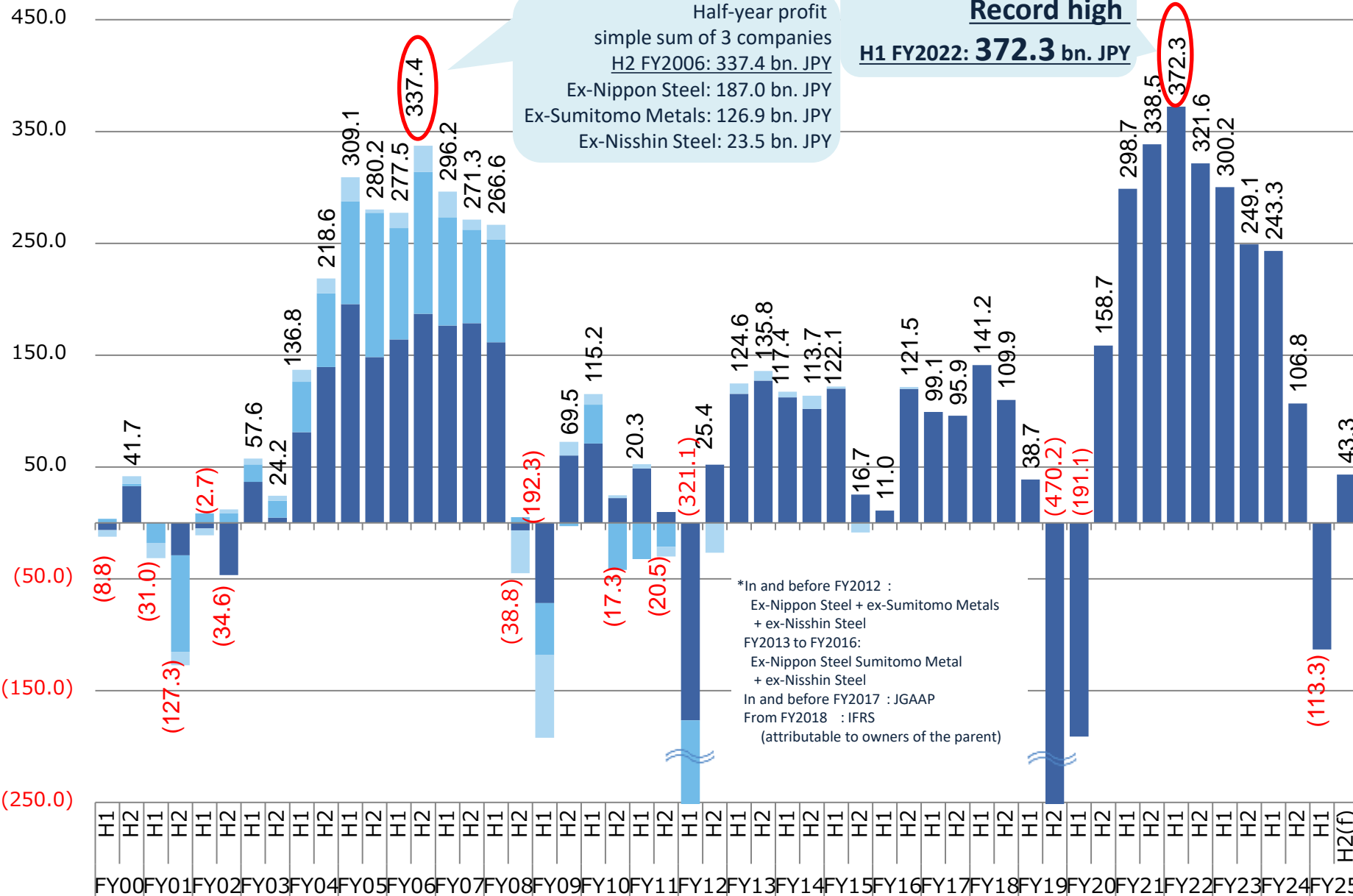
41



2-2-4. Net Profit Trend (Half-year)

42

(Bn. JPY/HY)



2-2-4. Net Profit Trend (Annual)

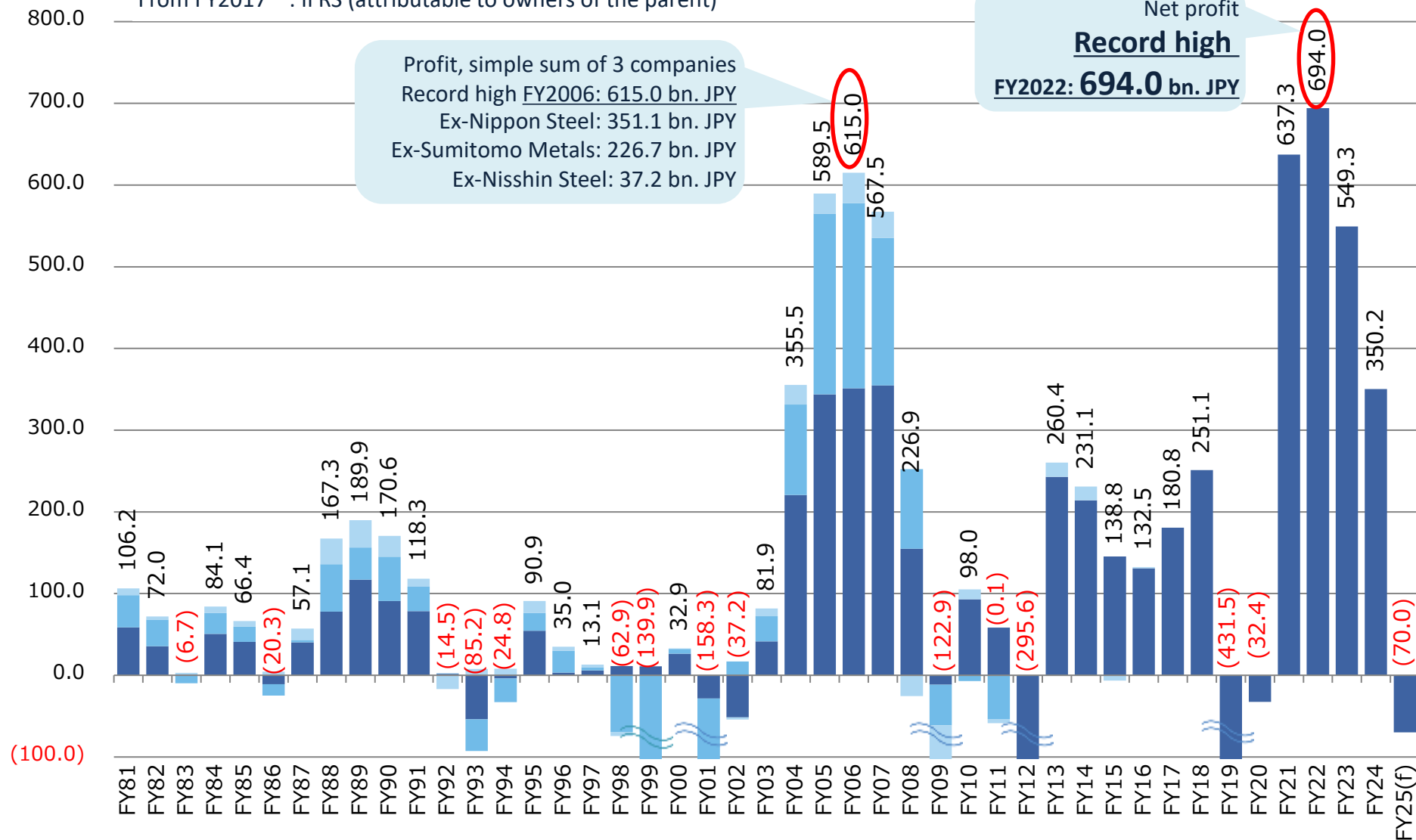
43

In and before FY2012 : Ex-Nippon Steel + ex-Sumitomo Metals + ex-Nisshin Steel
FY2013 to FY2016 : Ex-Nippon Steel Sumitomo Metal+ ex-Nisshin Steel

(Bn. JPY/Y)

In and before FY2016 : JGAAP

From FY2017 : IFRS (attributable to owners of the parent)



2-3. Cash Flow & Financial Structure (Annual)

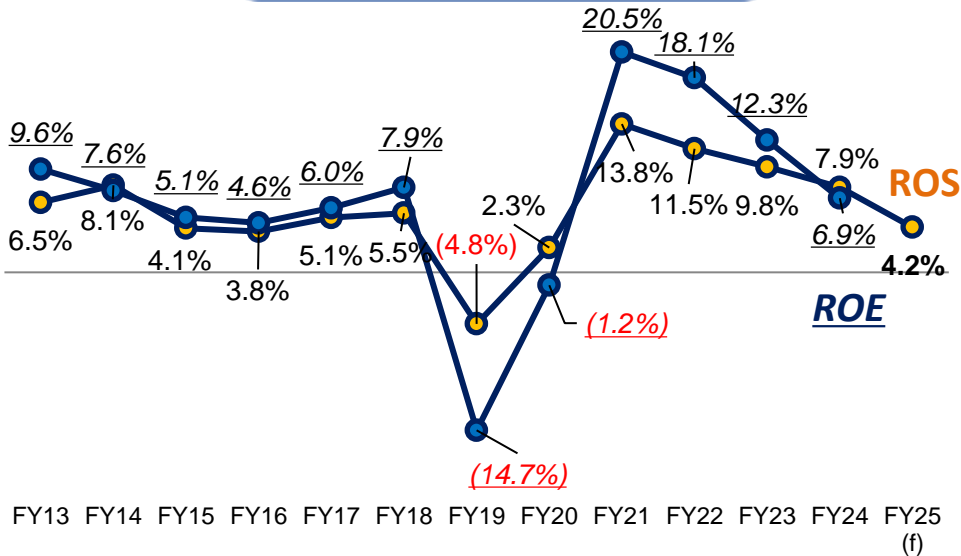
(bn.JPY)	FY13 (JGAAP)	FY14 (JGAAP)	FT15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
CF from operating activities	512.0	660.5	562.9	484.2	485.5	485.5	447.3	424.3	318.1	615.6	661.2	1,010.1	978.5	
CF from investing activities	(364.1)	(363.2)	(322.2)	(493.7)	(433.2)	(433.2)	(476.8)	(555.6)	(444.0)	(518.9)	(466.6)	(940.6)	(802.4)	
Asset streamlining	230.0	150.0	80.0	150.0	70.0	70.0	100.0	280.0	140.0	140.0	100.0	230.0	340.0	100.0
FCF	377.9	447.3	320.7	140.5	122.3	122.3	70.5	148.7	14.1	236.7	294.6	299.5	516.1	
CAPEX *1	257.0	304.3	304.6	351.0	411.9		440.8	481.3	474.4	407.4	437.6	457.4	583.4	980.0
Depreciation & amortization	331.8	320.0	308.2	304.7	340.7	366.5	408.6	417.3	290.8	330.6	340.2	363.0	385.2	550.0
Consol. total assets	7,082.3	7,157.9	6,425.0	7,261.9	7,592.4	7,756.1	8,049.5	7,445.0	7,573.9	8,752.3	9,567.0	10,714.6	10,942.4	
Interest bearing debt	2,296.3	1,976.5	2,008.2	2,104.8	2,068.9	2,157.7	2,369.2	2,488.7	2,559.2	2,653.3	2,699.3	2,711.6	2,507.4	
Equity capital	2,683.6	2,978.6	2,773.8	2,948.2	3,145.4	3,136.9	3,230.7	2,641.6	2,759.9	3,466.7	4,181.1	4,777.7	5,383.3	
D/E *2	0.86	0.68	0.64	0.63		0.61	0.66	0.74	0.70	0.59	0.51	0.45	0.35	
Capital adequacy ratio(%)	37.9	41.6	43.2	40.6	41.4	40.4	40.1	35.5	36.4	39.6	43.7	44.6	49.2	
D/EBITDA	3.6	3.0	4.2	5.0	3.1	3.3	3.2	5.3	6.4	2.1	2.1	2.2	2.3	

*1 On an accrual basis

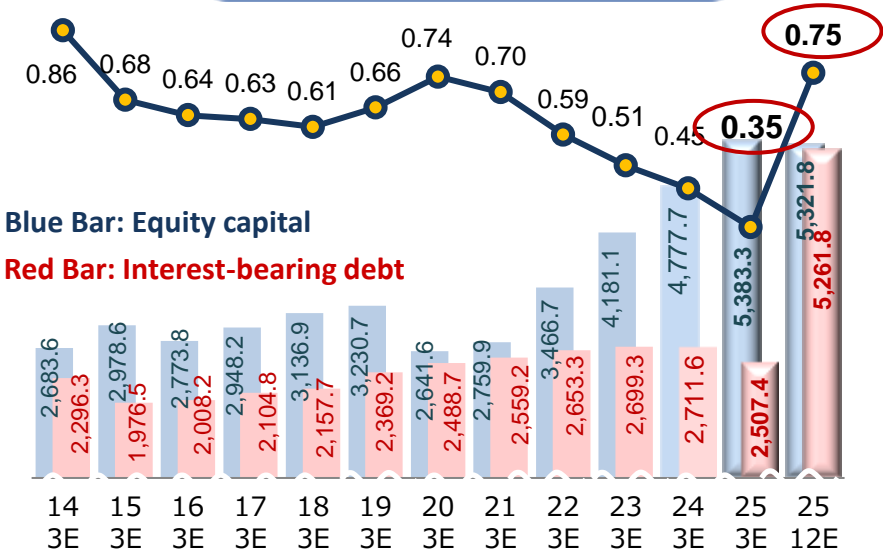
*2 Adjusted D/E

2-4. Key Financial Indicators

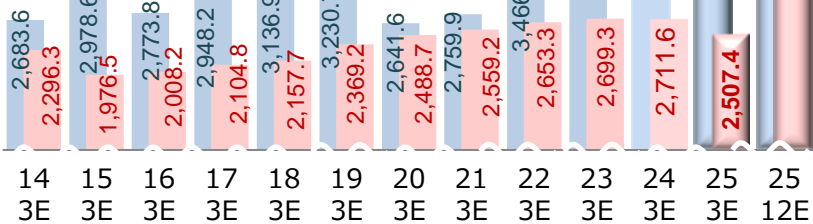
ROS & ROE



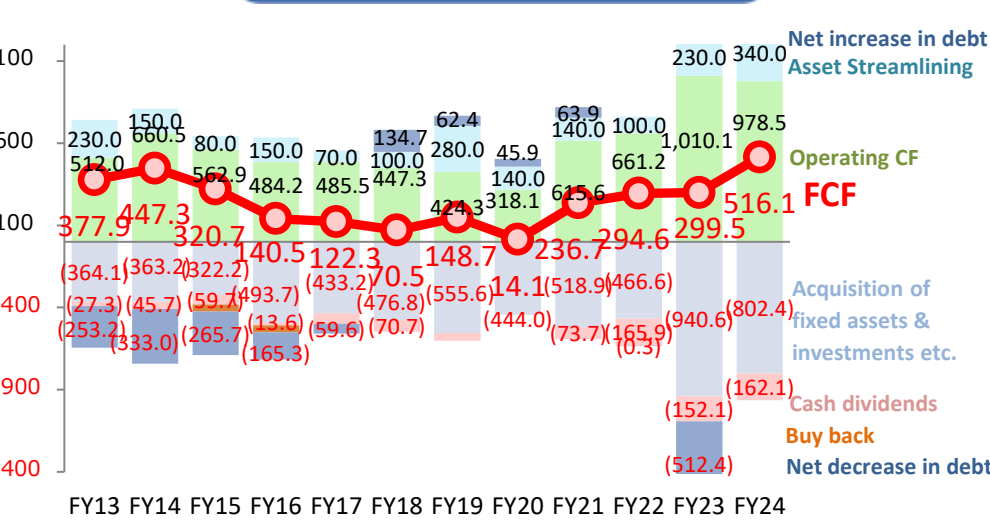
D/E



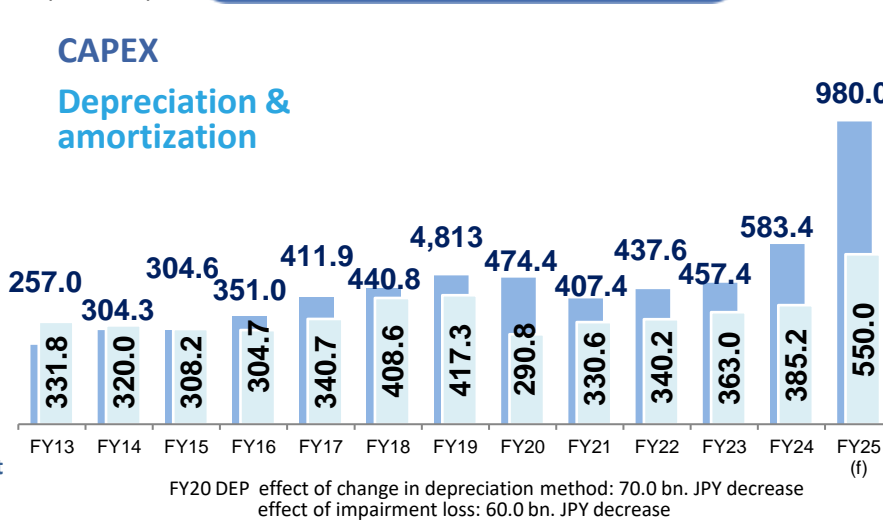
Blue Bar: Equity capital
Red Bar: Interest-bearing debt



Cash Flow



CAPEX & Depreciation



FY20 DEP effect of change in depreciation method: 70.0 bn. JPY decrease
effect of impairment loss: 60.0 bn. JPY decrease

2-5. Dividend & Per share information (Annual)

46

	*1 FY13 (JGAAP)	*1 FY14 (JGAAP)	*1 FY15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
Stock Price (at the end of each FY) (JPY)	2,820	3,025	2,162	2,565	2,337	2,337	1,954	925	1,887	2,171	3,120	3,668	3,195	
EPS *2 (Earnings Per Share) (JPY)	267	235	159	148	221	205	282	(469)	(35)	692	753	596	350	*7 (13)
PER *3 (Price Earnings Ratio)	10.6	12.9	13.6	17.3	10.6	11.4	6.9	(2.0)	(53.6)	3.1	4.1	6.2	9.1	
BPS *4 (Book value Per Share) (JPY)	2,941	3,263	3,074	3,340	3,564	3,554	3,510	2,869	2,998	3,765	4,541	5,187	5,151	
PBR *5 (Price Book-value Ratio)	1.0	0.9	0.7	0.8	0.7	0.7	0.6	0.3	0.6	0.6	0.7	0.7	0.6	
Full-year Dividend (JPY)	50	55	45	45	70	70	80	10	10	160	180	160	160	*7 24
Pay-out Ratio *6 (%)	19%	23%	28%	30%	32%	34%	28%	-	-	23%	24%	27%	46%	-
Dividend Yield (%)	1.8%	1.8%	2.1%	1.8%	3.0%	3.0%	4.1%	1.1%	0.5%	7.4%	5.8%	4.4%	5.0%	

*1 Adjusted to the current stock basis after the reverse stock split (10 shares to 1 shares on October 1, 2015).

*2 Net profit for the year attributable to owners of the parent / weighted average number of ordinary shares outstanding

*3 Stock price at the end of each FY / EPS

*4 Equity attributable to owners of the parent / number of ordinary shares outstanding at the end of the period

*5 Stock price at the end of each FY / BPS

*6 Stock price at the end of each FY / Full-year dividend

*7 Based on the number of shares outstanding after the 5-for-1 stock split (Oct. 1, 2025)

2-6-1. Profit Trend of Group companies* (Annual)

47

* Among the "Other group companies," extracted disclosed profit of large companies defined in Corporate Law

*1 Incl. inventory valuation

(bn. JPY / Y)			FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Secondary-processing	Nippon Steel Coated Sheet	*1 [Consol. Ordinary Profit]	3.1	1.1	2.0	3.5	2.5	2.3	1.4	2.6	11.6	11.0	10.2	9.4
	Nippon Steel Nisshin A&C	[Non-Consol. Ordinary Profit]	0.7	0.6	0.1	0.3	1.3	1.9						
	Nippon Steel Metal Products	*1 [Non-Consol. Ordinary Profit]	3.0	1.2	2.1	3.4	3.5	5.2	5.5	5.4	3.2	11.5	12.5	8.4
	Nippon Steel Pipe	*1 [Non-Consol. Ordinary Profit]	3.4	5.5	3.8	5.4	6.2	6.1	3.9	3.1	6.1	2.6	2.6	*2
	Nippon Steel Welding & Engineering	[Non-Consol. Ordinary Profit]	0.8	1.1	0.7	0.8	0.2	0.4	0.7	0.8	1.0	1.2	1.4	1.7
	Nippon Steel SG Wire	[Non-Consol. Ordinary Profit]	1.2	1.4	1.2	1.9	1.9	1.6	0.4	0.2	1.1	1.6	1.6	1.8
	Nippon Steel Drum	[Non-Consol. Ordinary Profit]	1.7	1.7	1.6	2.0	2.0	2.0	1.5	1.9	2.8	2.0	2.3	3.1
	GEOSTER	[Consol. Ordinary Profit]	0.3	(0.3)	1.1	2.8	3.4	3.5	1.4	1.8	2.2	1.5	1.9	1.6
	<Subtotal: Secondary-processing companies>		14.3	12.5	12.7	20.0	21.0	22.8	14.6	15.8	28.0	31.5	32.5	26.0
Stainless Steel & EAFs	Nippon Steel Stainless Steel	*1 [Non-Consol. Ordinary Profit]	7.2	13.4	5.2	13.1	21.5	14.8	5.6	(2.1)	43.4	80.1	29.0	*3
	Osaka Steel	*1 [Consol. Ordinary Profit]	5.2	9.1	8.3	5.9	6.7	6.9	6.7	1.3	4.0	6.4	6.3	4.9
	Sanyo Special Steel	[Consol. Ordinary Profit]			Start consolidation from 2018			9.4	(1.5)	(4.8)	21.7	28.9	12.1	9.1
		[Equity gains of Affiliated Companies]	0.5	0.9	1.2	1.2	1.0							
	OVAKO	[Consol. Ordinary Profit]							(0.9)	(2.4)	13.4	21.1	8.4	3.3
	<Subtotal: Stainless & EAFs companies>		12.8	23.5	14.6	20.3	29.3	31.2	10.8	(5.5)	69.0	115.3	47.4	14.0
Trading	Nippon Steel Trading	[Consol. Ordinary Profit]								Start consolidation from 2023			52.8	53.6
		[Equity gains of Affiliated Companies (~FY22)]	2.3	5.5	5.2	5.3	5.0	7.7	5.2	5.6	8.3	8.6		
	<Subtotal: Trading company>		2.3	5.5	5.2	5.3	5.0	7.7	5.2	5.6	8.3	8.6	52.8	53.6
Operational support	Nippon Steel TEXENG	[Consol. Ordinary Profit]	4.8	12.6	17.5	18.0	17.6	19.9	18.1	14.2	12.8	16.7	17.4	25.0
	Nippon Steel Logistics	[Consol. Ordinary Profit]	5.2	5.1	3.7	3.9	4.0	4.8	3.8	5.5	6.3	5.8	5.9	6.2
	Krosaki Harima	[Consol. Ordinary Profit]			Start consolidation from 2018			11.3	9.8	6.4	8.6	12.1	16.4	15.3
		[Equity gains of Affiliated Companies]	1.0	0.8	1.7	2.1	2.5							
<Subtotal: Operational support companies>			11.0	18.5	22.9	24.0	24.1	36.0	31.7	26.1	27.7	34.6	39.7	46.5

<Total of the above companies> <40.5> <60.0> <55.4> <69.5> <79.5> <97.7> <62.2> <41.8> <133.0> <190.1> <172.4> <140.1>

*2 Integrated with parent company as of April 1, 2025 *3 Integrated with parent company as of April 1, 2025

2-6-2. Outline of Major Group Companies

48

Category	Company name* ¹	Business domain	Major customer
Secondary-processing	NS Coated Sheet	Galvanized sheets, colored galvanized sheets, coated steel sheets, construction materials, etc.	Construction
	NS Metal Products	Construction materials, civil engineering materials, surface designed sheets, guardrails, fences, scaffolding product, corrugated pipe, disaster prevention products	Civil engineering and construction
	NS Coated Steel Pipe	Steel pipes for automobiles, polygon steel pipe for construction	Automobiles, construction
	NS Welding & Engineering	Welding materials and apparatuses	Automobiles, shipbuilding, construction
	NS SG Wire	Wire rods	Automobiles, home appliances, civil engineering
	NS Drum	Drums	
	Geoster	Cement products, metal products	Civil engineering
EAFs	Osaka Steel	Shapes, bar, etc.	Civil engineering and construction, shipbuilding, manufacturing machinery
	Sanyo Special Steel	Special steel bar & wire, pipe, formed & fabricated materials, metal powders, etc.	Automobiles, railways, construction machinery, electronics
Trading	NS Trading	Steel, machinery, infrastructure, textile, food, etc.	
Operational support	NS TexEng	Engineering and maintenance of steel production facilities (e.g. machinery, electrical circuit, IT system)	
	NS Logistics	Domestic shipping, plant logistics, port operation, warehouse operation, land transportation, etc.	
	Krosaki Harima	Refractory, construction of furnaces	

*1 "Nippon Steel" included in company name is abbreviated as "NS"

Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

Database

1. ESG Indicators
2. Key Performance Indicators
- 3. Business Environment Indicators**
4. Market Data
5. Progress of Management Strategy Measures

3-1-1. Domestic Steel Consumption by Industrial Sector (Quarterly)

50

(MMT)																
			H1			H2	FY24			H1			H2(f)	Prev. FY25(f)	FY25(f)	
	Q1	Q2		Q3	Q4			Q1	Q2		Q3	Q4				
Domestic Crude Steel Production	21.25	20.59	41.84	20.72	20.40	41.12	82.95	20.15	19.93	40.08	20.21	20.05	40.20		80.30	
Domestic Steel Consumption (A)+(B)	12.44	12.35	24.80	12.56	12.21	24.77	49.57	12.04	12.11	24.15	12.57	12.23	24.80	49.30	49.00	
% for manufacturing sector	66.7	66.5	66.6	66.7	67.7	67.2	66.9	67.2	67.5	67.4	68.1	68.6	68.3	67.3	67.8	
Ordinary Steel Consumption (A)	9.64	9.54	19.18	9.73	9.52	19.25	38.43	9.29	9.31	18.60	9.66	9.53	19.18	38.20	37.79	
Construction	3.97	3.95	7.91	3.95	3.80	7.75	15.66	3.77	3.76	7.53	3.83	3.75	7.58	15.50	15.11	
Manufacturing	5.68	5.59	11.27	5.78	5.72	11.50	22.76	5.52	5.55	11.07	5.83	5.78	11.60	22.75	22.68	
Shipbuilding	0.82	0.76	1.57	0.77	0.82	1.59	3.17	0.78	0.77	1.55	0.78	0.77	1.55	3.05	3.09	
Automotive	2.38	2.40	4.78	2.46	2.42	4.88	9.66	2.32	2.33	4.65	2.42	2.45	4.87	9.47	9.52	
Industrial Machine	1.04	0.97	2.01	1.01	0.98	1.99	4.00	0.99	1.00	1.99	1.08	1.06	2.15	4.18	4.13	
Electronic Machine	0.57	0.60	1.17	0.64	0.64	1.28	2.45	0.59	0.59	1.18	0.65	0.63	1.27	2.53	2.45	
Special Steel Consumption (B)	2.80	2.82	5.62	2.83	2.69	5.52	11.14	2.74	2.80	5.54	2.91	2.76	5.67	11.08	11.22	

3-1-2. Domestic Steel Consumption by Industrial Sector (Annual)

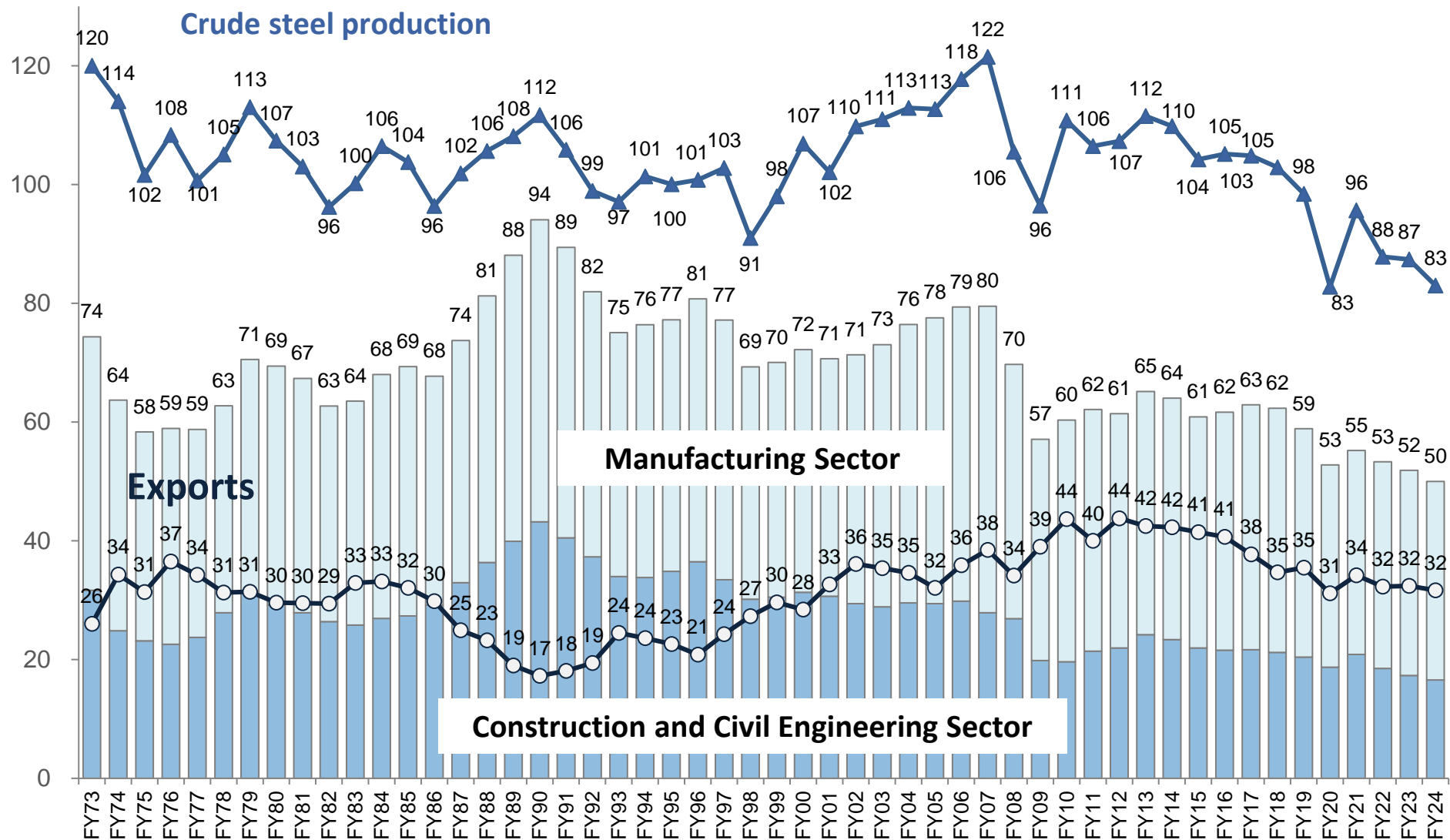
51

(MMT)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Domestic Crude Steel Production	111.52	109.84	104.23	105.17	104.84	102.89	98.43	82.78	95.64	87.84	86.83	82.95	
Domestic Steel Consumption (A)+(B)	65.14	64.03	60.88	61.67	62.89	62.32	59.14	52.77	54.65	53.31	51.90	49.57	49.00
% for manufacturing sector	62.8	63.3	63.9	63.7	64.2	64.7	64.8	63.2	63.6	65.3	66.6	66.9	67.8
Ordinary Steel Consumption (A)	51.82	50.92	48.43	49.00	49.74	49.28	46.69	41.90	43.05	41.74	40.50	38.43	37.79
Construction	23.01	22.36	21.15	21.57	21.67	21.19	20.07	18.70	19.17	17.76	16.71	15.66	15.11
Manufacturing	28.80	28.56	27.28	27.43	28.08	28.09	26.62	23.19	23.88	23.99	23.79	22.76	22.68
Shipbuilding	4.16	4.34	4.32	4.33	4.08	4.00	4.06	3.25	3.08	3.09	3.12	3.17	3.09
Automotive	11.48	11.14	10.76	10.95	11.31	11.42	10.69	9.17	8.97	9.40	9.87	9.66	9.52
Industrial Machine	5.05	5.18	4.61	4.58	5.04	5.17	4.68	4.26	4.96	4.90	4.52	4.00	4.13
Electronic Machine	3.11	3.07	2.92	2.97	3.10	3.07	2.95	2.76	2.89	2.86	2.64	2.45	2.45
Special Steel Consumption (B)	13.32	13.11	12.45	12.67	13.14	13.04	12.45	10.87	11.60	11.57	11.42	11.14	11.22

3-1-3. Domestic Steel Consumption Trend(Annual)

52

(MMT)



Source : Nippon Steel

3-2-1. Key Indicators of Steel Demand(Quarterly)

53

		Q1	Q2	H1	Q3	Q4	H2	FY24		Q1	Q2	H1	Q3	Q4	H2(f)	Prev. FY25(f)	FY25(f)
Housing Starts	(mil. houses)	0.21	0.20	0.41	0.20	0.21	0.40	0.82	0.16	0.19	0.34	0.19	0.18	0.37	0.73	0.71	
Non-residential Construction Starts	(mil.m)	10.31	9.83	20.14	9.44	9.14	18.59	38.73	10.54	8.57	19.11	8.21	9.58	17.79	38.83	36.90	
Public Works Orders	(bn JPY)	3,097	3,897	6,994	2,935	4,167	7,102	14,096	2,994	3,757	6,751	3,167	4,578	7,745	14,552	14,496	
Finished Auto Production	(mil. units)	1.99	2.11	4.10	2.23	2.14	4.37	8.47	2.03	2.04	4.06	2.18	2.16	4.34	8.36	8.40	
Export of Finished Auto	(mil. units)	1.02	1.04	2.07	1.16	1.02	2.18	4.24	1.03	1.02	2.04	1.11	1.05	2.18	4.06	4.20	
Overseas Auto Production (8 Japanese car makers)	(mil. units)	3.94	3.88	7.82	4.03	3.91	7.94	15.76	3.89	3.98	7.87	4.01					
Large & Middle Sized Shovel Production	(thou- sand units)	21	18	39	19	18	37	76	20	22	42	21	21	43	84	84	
Metal Machine Tool Production	(thou- sand tons)	69	74	143	77	81	158	301	70	76	147	79	86	166	308	312	
Keel-laid new Ships	(mill. Gross tons)	2.59	2.35	4.94	2.13	2.50	4.64	9.58	2.30	2.30	4.60	2.30	2.30	4.60	8.90	9.20	

Source : Nippon Steel

3-2-2. Key Indicators of Steel Demand(Annual)

54

		FY13	FY14	FT15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Housing Starts	(mil. houses)	0.99	0.88	0.92	0.97	0.95	0.95	0.88	0.81	0.87	0.86	0.80	0.82	0.71
Non-residential Construction Starts	(mil.m ²)	56.27	52.61	49.99	51.33	53.31	51.02	47.98	44.92	48.06	46.90	42.79	38.73	36.90
Public Works Orders	(bn .JPY)	10,305	10,864	10,142	10,790	10,508	10,246	11,059	11,850	*1 14,449	14,803	13,705	14,096	14,496
Finished Auto Production	(mil. units)	9.91	9.59	9.19	9.36	9.68	9.74	9.49	7.97	7.55	8.10	8.68	8.47	8.40
Export of Finished Auto	(mil. units)	4.63	4.49	4.58	4.64	4.79	4.86	4.74	3.68	3.68	3.86	4.46	4.24	4.20
Overseas Auto Production (8 Japanese car makers)	(mil. units)	16.34	17.08	17.84	18.90	19.29	19.25	17.30	15.51	15.93	16.22	16.76	15.76	
large & Middle Sized Shovel Production	(thou-sand units)	80	78	63	66	79	86	78	74	93	93	92	76	84
Metal Machine Tool Production	(thou-sand tons)	344	481	452	366	458	438	341	249	334	377	343	301	312
Keel-laid new Ships	(mill. Gross tons)	12.22	12.58	12.83	12.51	12.06	11.46	12.49	9.50	8.83	8.95	8.97	9.58	9.20

Source : Nippon Steel *1 From Apr. 2021 Ministry of Land, Infrastructure and Transport has changed an estimation method

3-3. World Economic Outlook

< Released on Jan. 19, 2026 by IMF >

55

(%/y)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY25 (f)	vs. CY24
World	3.5	3.6	3.5	3.4	3.8	3.6	2.8	-3.1	6.2	3.5	3.3	3.3	3.3	-
Developed Countries	1.4	2.1	2.3	1.7	2.4	2.2	1.7	-4.5	5.4	2.6	1.7	1.8	1.7	-0.1
U.S.	1.8	2.5	2.9	1.6	2.2	2.9	2.2	-3.4	5.9	2.1	2.5	2.8	2.1	-0.7
Euro Area	-0.3	1.4	2.1	1.9	2.4	1.9	1.3	-6.3	5.3	3.3	0.5	0.9	1.4	+0.5
Japan	2.0	0.4	1.2	0.6	1.9	0.3	0.7	-4.6	2.1	1.0	1.9	0.1	1.1	+1.0
Emerging Countries	5.1	4.7	4.3	4.6	4.7	4.5	3.7	-2.1	6.7	4.1	4.4	4.3	4.4	+0.1
China	7.8	7.3	6.9	6.7	6.9	6.6	6.1	2.3	8.4	3.0	5.2	5.0	5.0	-
ASEAN-5 *1	5.0	4.7	5.0	5.1	5.5	5.4	4.9	-3.4	3.4	5.5	4.1	4.6	4.2	-0.4
India	6.4	7.4	8.0	8.2	6.7	6.8	4.2	-7.3	8.7	7.2	8.2	6.5	7.3	+0.8
Russia	1.8	0.7	-2.3	0.3	1.5	2.3	1.3	-3.0	4.7	-2.1	3.6	4.3	0.6	-3.7
Brazil	3.0	0.5	-3.6	-3.3	1.1	1.3	1.1	-4.1	5.0	2.9	2.9	3.4	2.5	-0.9

Source : IMF *1 CY13 ~ CY21 : Indonesia, Malaysia, Philippines, Thailand and Vietnam
 CY22 ~ : Indonesia, Malaysia, Philippines, Singapore and Thailand

3-4. World Steel Demand

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<World Steel Association forecast as of October, 2025>

(MMT/Y)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY 25(f)	vs.CY24	
World	1,546	1,551	1,506	1,519	1,637	1,712	1,779	1,790	1,841	1,782	1,767	1,749	1,751	+2	+0%
USMCA	131	146	134	131	138	140	135	116	137	133	132	130	128	-2	-1%
EU28 *1	179	149	154	158	164	168	158	140	165	152	139	140	142	+2	+1%
Japan	65	68	63	62	64	65	63	53	57	55	53	50	48	-2	-3%
Korea	52	56	56	57	56	54	53	49	56	51	52	48	45	-3	-7%
China	741	711	672	681	774	836	912	1,008	954	921	896	857	840	-17	-2%
India	74	76	80	84	89	97	103	89	106	116	133	148	161	+13	+8%
ASEAN -5 *2	59	62	67	76	74	77	78	70	73	73	71	79	81	+2	+3%
Russia	60	43	40	39	41	41	44	42	44	42	45	44	40	-4	-9%

Source : World Steel Association *1 EU 27 countries + UK *2 Indonesia, Malaysia, Philippines, Thailand and Vietnam

3-5. World Crude Steel Production

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(MMT)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24 [A]	CY25								[B]	Change (A -> B)
													Jan. - Mar.	Apr. - Jun.	Jul. - Sep.				Oct. - Dec.			
																Oct.	Nov.	Dec.				
World Total	1,582	1,644	1,598	1,587	1,712	1,789	1,844	1,842	1,913	1,851	1,846	1,837	469	467	438	1,374	144	141	140	1,798	-38	
[YoY]	[+4.0%]	[+4.1%]	[-3.0%]	[-0.7%]	[+7.9%]	[+4.5%]	[+3.1%]	[-0.1%]	[+3.9%]	[-3.3%]	[-0.3%]	[-0.5%]	[-0.1%]	[-3.1%]	[-0.7%]	[-1.3%]	[-5.3%]	[-4.3%]	[-3.6%]	[-2.1%]		
Japan	111	111	105	105	105	104	99	84	96	89	87	84	20	20	20	60	7	7	7	81	-3	
[YoY]	(+3.1%)	(+0.1%)	(-5.0%)	[-0.4%]	[-0.1%]	[-0.3%]	[-4.8%]	[-15.6%]	[+14.9%]	[-7.4%]	[-2.5%]	[-3.2%]	[-4.9%]	[-5.2%]	[-3.2%]	[-4.4%]	[-1.0%]	[-1.6%]	[-4.8%]	[-4.0%]		
Korea	66	72	70	69	71	72	71	67	70	66	67	64	16	15	16	46	5	5	5	62	-2	
[YoY]	(-4.4%)	(+8.4%)	(-1.9%)	[-1.6%]	[+3.6%]	[+2.0%]	[-1.5%]	[-6.1%]	[+5.0%]	[-6.5%]	[+1.3%]	[-5.5%]	[-3.6%]	[-1.0%]	[-3.0%]	[-2.6%]	[-4.5%]	[-3.0%]	[-2.1%]	[-2.7%]		
U.S	87	88	79	78	82	87	88	73	86	81	81	79	20	20	21	61	7	7	7	82	+2	
EU28	166	169	166	162	169	168	157	139	160	142	131	133	33	34	30	97	11	10	10	129	-5	
Russia	69	71	71	70	71	72	72	72	77	72	76	71	18	17	16	51	5	5	6	68	-3	
Ukraine	34	34	33	31	34	35	33	31	21	6	6	8	2	2	2	6	1	1	1	7	-0	
Brazil	34	34	33	31	34	35	33	31	36	34	32	34	8	8	8	25	3	3	3	33	-0	
India	81	87	89	95	101	109	111	100	118	125	141	149	40	40	42	122	14	14	15	165	+15	
China	779	820	804	787	871	923	996	1,065	1,034	1,019	1,013	1,002	259	256	231	745	72	70	68	955	-46	
[YoY]	[+8.7%]	[+5.6%]	[-2.3%]	[-2.1%]	[+10.7%]	[+6.0%]	[+7.9%]	[+6.9%]	[-2.9%]	[-1.4%]	[-0.6%]	[-3.1%]	[+0.8%]	[-5.5%]	[-3.1%]	[-2.6%]	[-12.1%]	[-10.9%]	[-10.3%]	[-4.6%]		

Source : World Steel Association * Total of 64 countries

Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

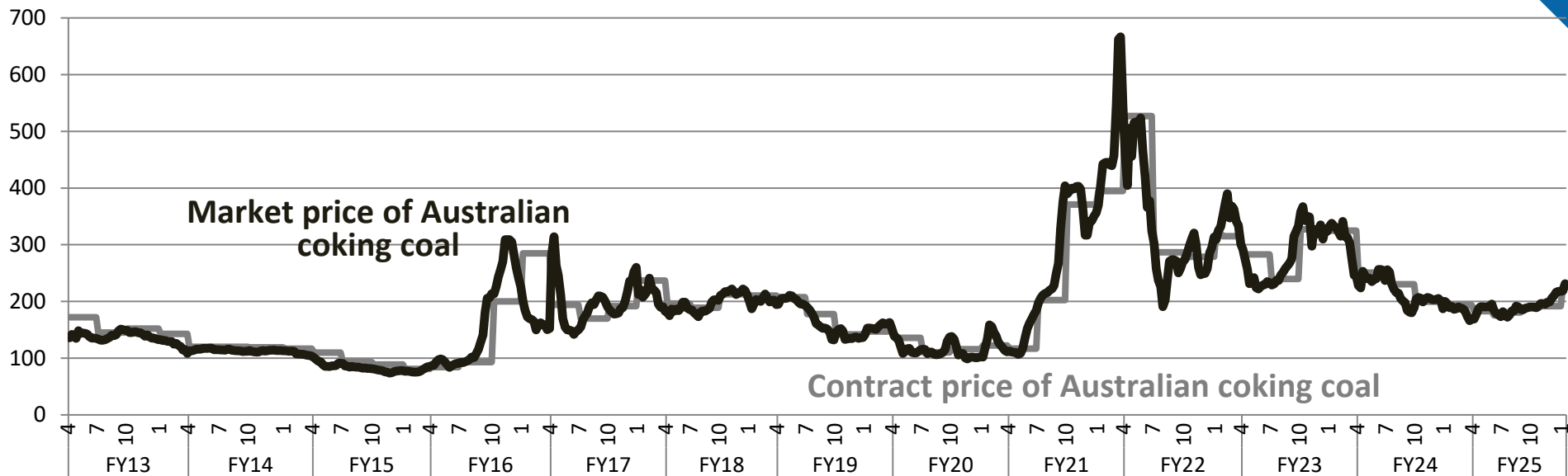
Database

1. ESG Indicators
2. Key Performance Indicators
3. Business Environment Indicators
4. Market Data
5. Progress of Management Strategy Measures

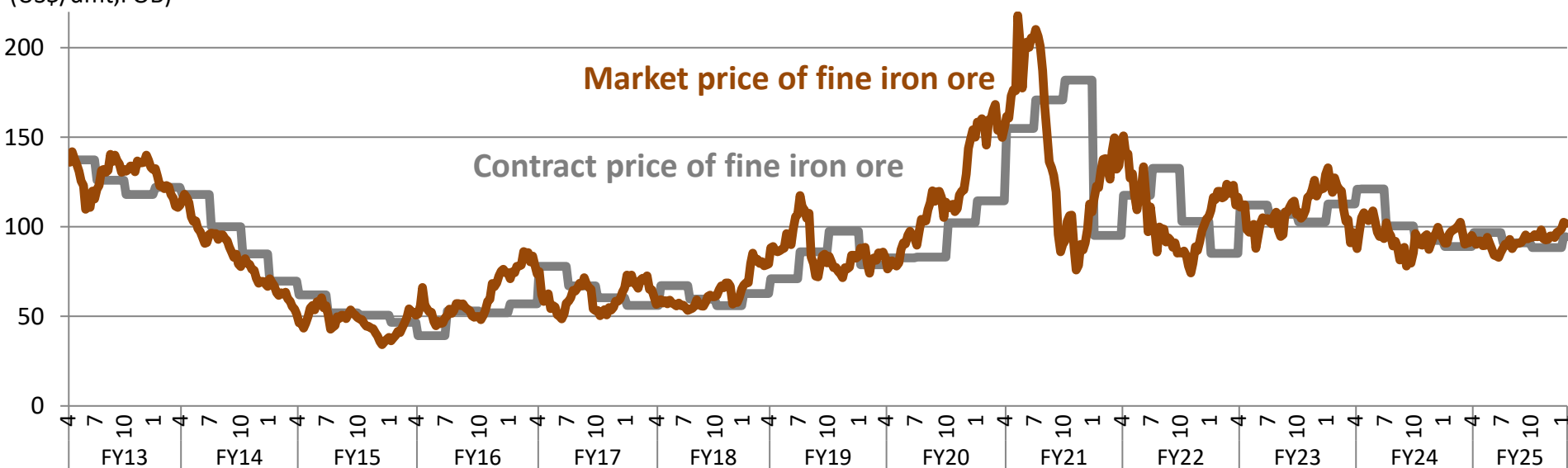
4-1. Raw Material Prices

59

(US\$/wmt,FOB)



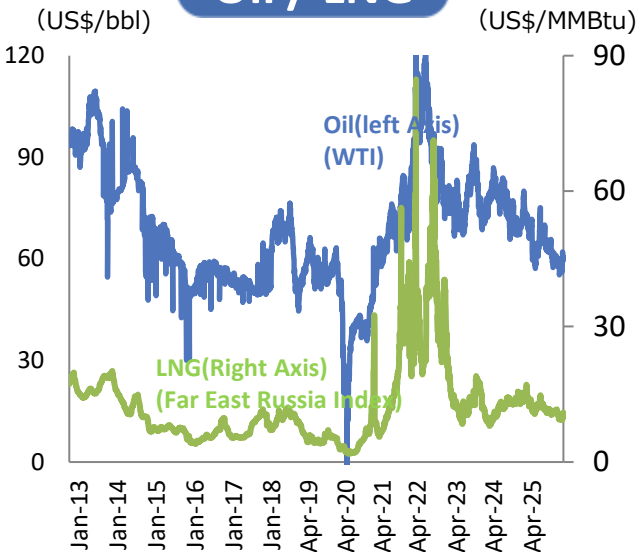
(US\$/dmt,FOB)



4-2. Commodity Prices

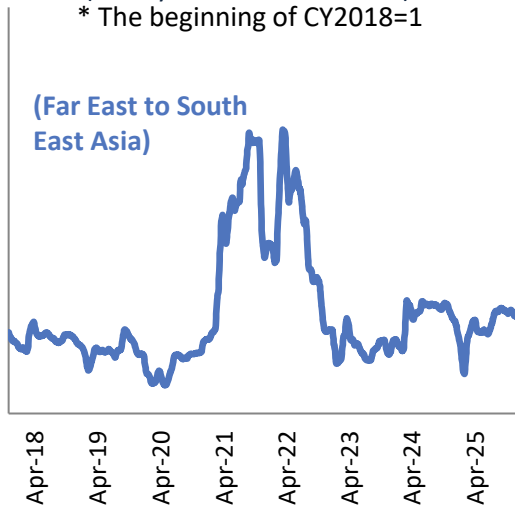
60

Oil / LNG



Export Freight*

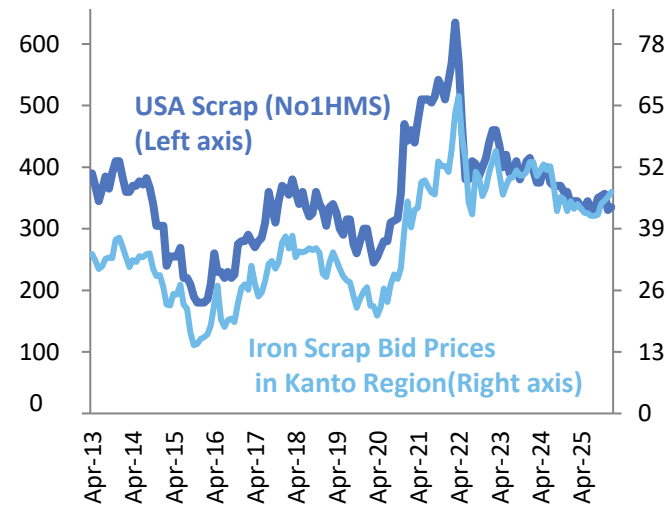
(Handy size 38 kt hull form)
* The beginning of CY2018=1



Scrap

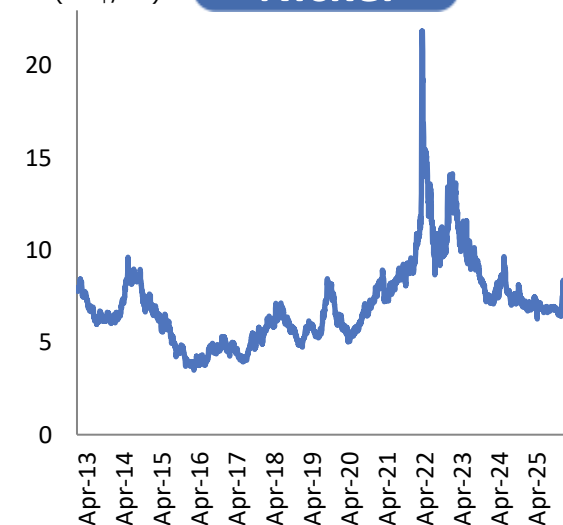
(US\$/t, East Asia)

(k JPY/t)



(US\$/Lb)

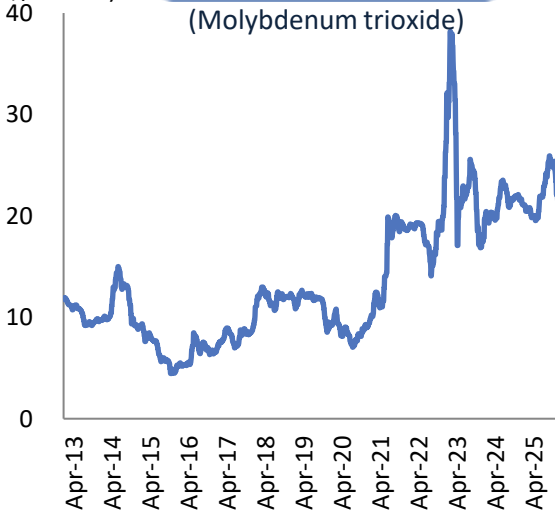
Nickel



(US\$/lb.-Mo)

Molybdenum

(Molybdenum trioxide)



(kUS\$/t)

Zinc

(LME spot)



Source : LME, Bloomberg, Japan Metal Daily, Nippon Steel estimates

4-3. USD-JPY Trend

61

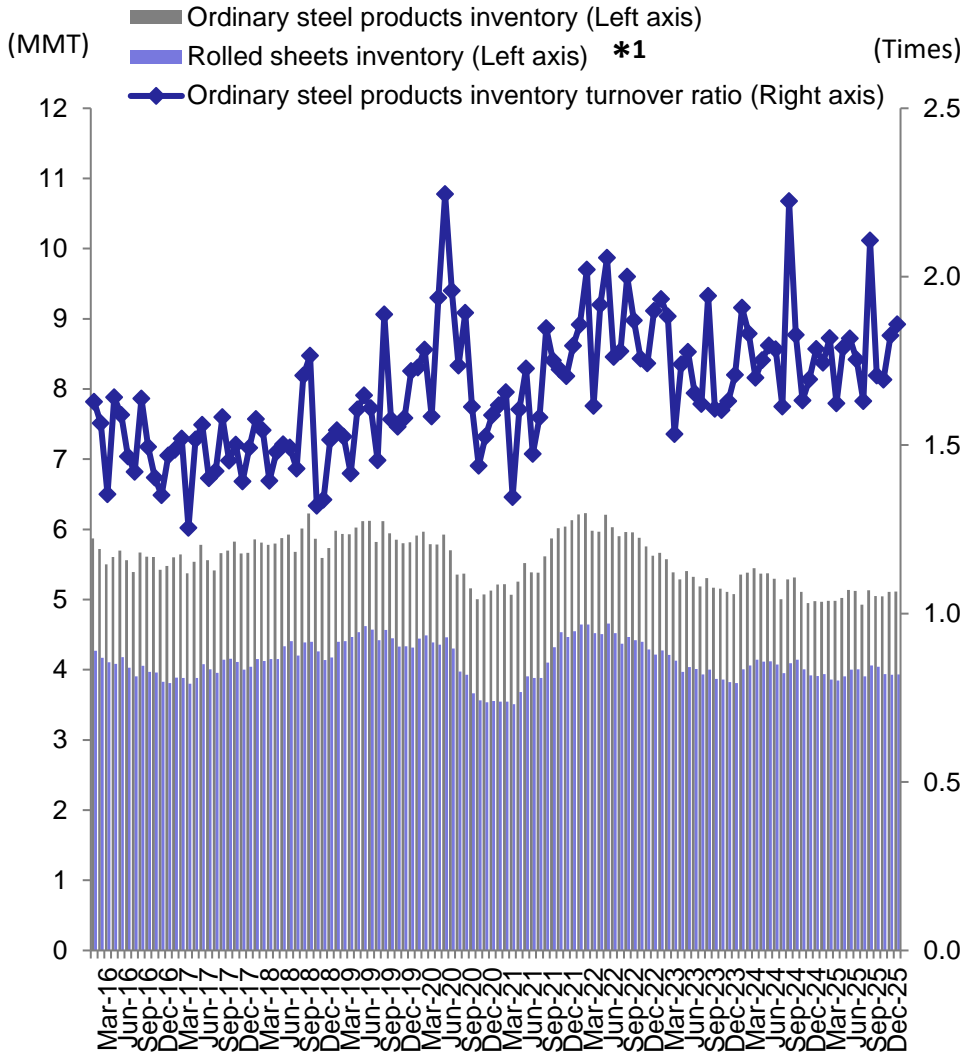
(JPY/USD)



4-4. Domestic Steel Inventory

62

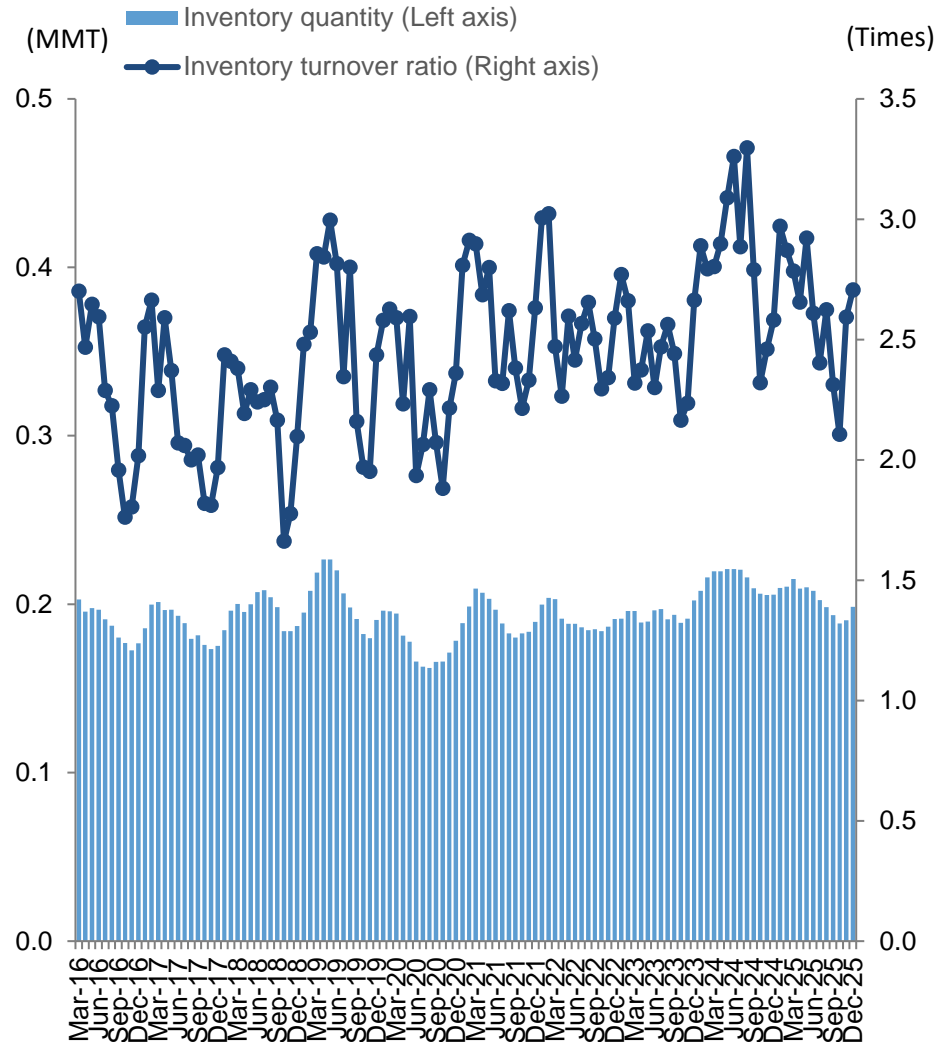
Rolled Sheets Inventory *1



Source : Japan Iron and Steel Federation

*1 Hot-rolled, Cold-rolled and Coated sheets

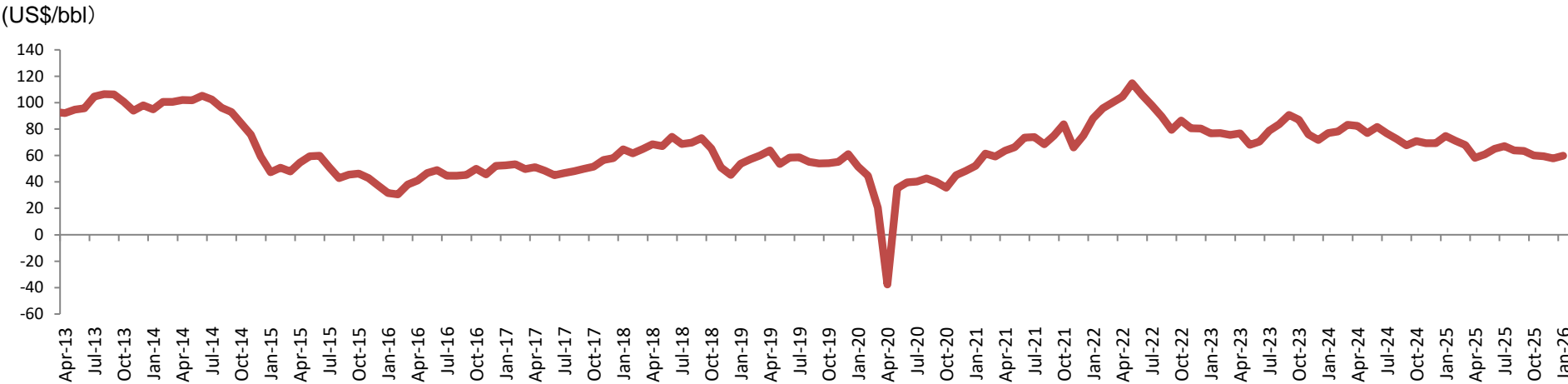
H-flange beams*2 Inventory



*2 Inventories of the distributors dealing with H-flange beams manufactured by Nippon Steel

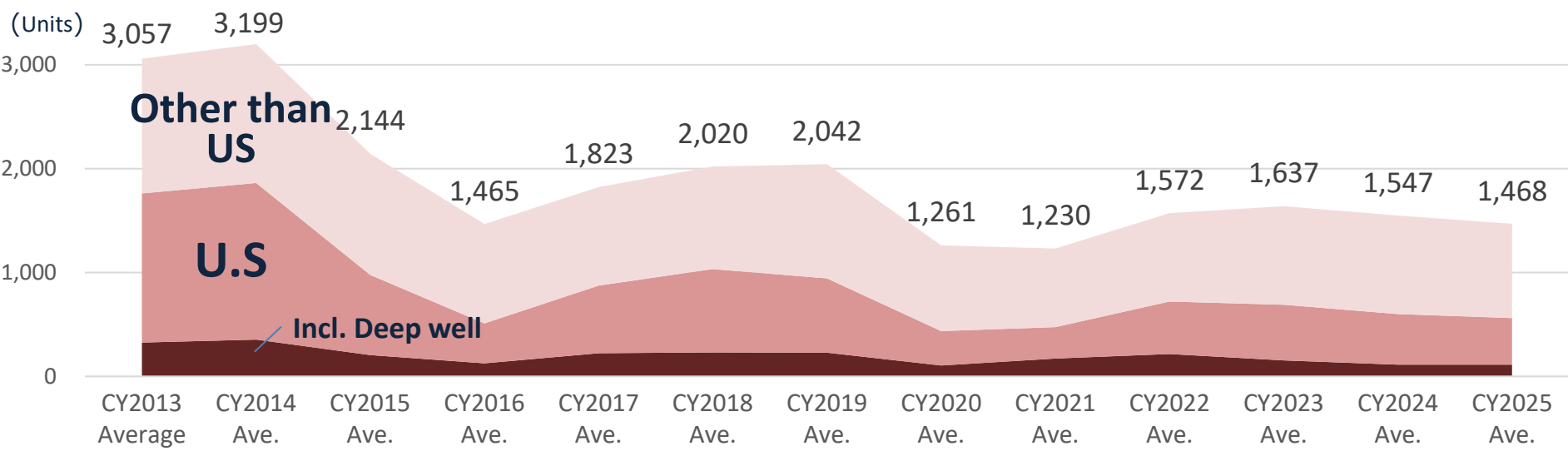
4-5. Trend in Energy Sector : Oil Price / Rig Count

US Oil Price (WTI Spot)



Rig Counts*

(*) excl. Canada, China and CIS



Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

Database

1. ESG Indicators
2. Key Performance Indicators
3. Business Environment Indicators
4. Market Data
- 5. Progress of Management Strategy Measures**

Progress<Domestic>: Selection and Concentration of Facilities, Products, and Businesses

Early transition to domestic optimal production system and strengthening of competitiveness

Action		Public ation	~FY19	FY20	FY21	FY22	FY23	FY24~	Legend : New info ★ Plan ★ Done
*BF = Blast Furnace									
(Wakayama) BF Switch		Mar-18	★ Mid Feb-19: Switch from 5BF to New 2BF						
(HOKKAI IRON & COKE CORP. in Muroran) Reline 2BF		Nov-18	★ Nov-20: Completion						
(Nagoya) Reline 2BF		Jun-20	★ Aug-22 : Completion						
Coke Oven Construction (Kashima) 2E Coke Oven		Sep-15	★ May-18 : Completion						
Coke Oven Refurbishment (Kimitsu) 5 Coke Oven		Apr-16	★ Feb-19 : Completion						
(Hokkai) 5 Coke Oven		Jun-17	★ Sep-19 : Completion (Completed refurbishment for all coke ovens in Hokkai)						
(Nagoya) 3 Coke Oven		Nov-18	★ May-21: Completion						
(Oita) 2 Coke Oven		Aug-22							
(Kimitsu) 3 Coke Oven		Jun-22							
									★ H2 FY25: Completion ★ H1 FY26: Completion
(Yawata) New Continuous Casting Facility		Mar-16	★ May-19 : Completion						
(Hirohata) Scrap Melting Process		Nov-19	★ Oct-22 EAF operation start						

Strengthen Quality and Volume of Globally-competitive Strategic Products

Action		Publi- cation	~FY19	FY20	FY21	FY22	FY23	FY24~
Electrical Steel Sheets Investments for capacity & quality improvement	Yawata #1	Aug-19/May-20						
	Hirohata #1	Nov-19/Nov-20						
	Hirohata #3	Mar-21						
	Hanshin (Sakai), Yawata	May-23						
Super High-tensile Steel Sheets	(Kimitsu) 6CGL	Apr-18						
	(Nagoya) a next generation hot strip mill	Mar-21						

★ H1 FY23: Full operation

★ H1 FY24: Full operation

H1 FY27: Full operation ★

★ Jan-21: Completion

Q1 FY26: Hot Run ★

Outline of Production Facility Structural Measures (1/2) 66

	Announ- cement	Steelworks	Facilities for termination	Approximate time of termination (●: completed)
Upstream facilities	Mar. 2021	East Nippon Works Kashima Area	One series of upstream facilities (No.3 BF, No.2-A,B,C,D coke ovens, No.3 sintering machine, and No.1 steelmaking plant)	● The end of FY2024
	Mar. 2021	East Nippon Works Kimitsu Area	No.1 continuous casting machine	● The end of FY2021
	Feb. 2020 → Moved up Mar. 2021 → Partially changed Nov. 2021	Kansai Works Wakayama Area	No.1 BF, No.5 coke oven, No.5-1 sintering machine	● Sep. 2021
			Parts of No.3 continuous casting machine	● Sep. 2022
			No.4 coke oven	● The end of FY2024
	Feb. 2020	Setouchi Works Kure Area	All upstream facilities (including BF, sintering, steelmaking)	● Sep. 2021
	Feb. 2020	Setouchi Works Hirohata Area	Termination: Melting furnace Establishment: New EAF	● Sep. 2022 EAF Established
	Mar. 2015	Kyushu Works Yawata Area (Kokura)	Upstream facilities (BF, sintering, steelmaking)	● Sep. 2020
Steel plate	Mar. 2021	East Nippon Works Kashima Area	Steel plate mill	● The end of FY2024
	Feb. 2020	Nagoya Works	Steel plate mill	● The end of FY2021
Construc- tion product	Mar. 2021	East Nippon Works Kimitsu Area	Large Shape mill	● The end of FY2021
	Mar. 2021	East Nippon Works Kashima Area	Large shape mill	● The end of FY2024
Pipe & tube	Mar. 2021	Kansai Works Wakayama Area (Kainan)	Small-diameter seamless pipe mill (West)	The end of FY2025
	Mar. 2021	East Nippon Works Kimitsu Area	UO pipe line	● The end of FY2021
	May 2019	East Nippon Works Kashima Area	UO pipe line	● Oct. 2019
	Mar. 2018	East Nippon Works Kimitsu Area (Tokyo)	Small-diameter seamless pipe mill	● May 2020

Outline of Production Facility Structural Measures (2/2) 67

Approximate time of termination
(● : completed)

	Announce-ment	Steelworks	Facilities for termination	
Steel sheet	Mar. 2021	East Nippon Works Kimitsu Area	No.1 hot-dip galvanizing line (No.1 CGL)	● The end of FY2024
	Mar. 2021	East Nippon Works Kashima Area	No.1 pickling line	● Sep. 2022
	Mar. 2021	Setouchi Works Hanshin Area (Sakai)	No.1 hot-dip galvanizing line (No.1 CGL) No.1 hot-dip galvanizing and aluminizing line (No.1 GAL)	● The end of FY2024 ● Mar. 2023
	Mar. 2021	Kansai Works Wakayama Area	All steel sheet lines	The end of FY2024 1H ->The end of FY2026
	Mar. 2021	Setouchi Works Hanshin Area (Osaka)	Cold rolling facilities	● The end of FY2023
	Feb. 2020	Setouchi Works Kure Area	Hot strip mill, pickling line	● Sep. 2022
	Feb. 2020	Setouchi Works Hanshin Area (Sakai)	Continuous annealing line, electro-galvanizing line, No.1 hot-dip aluminizing line (No.1 CAL)	● The end of FY2020
	Nov. 2019	Setouchi Works Hirohata Area	Tinplate mill	● The end of FY2020
Titanium & special stainless steel	Mar. 2021	East Nippon Works Naoetsu Area	Special stainless steel line	● The end of FY2021
	Mar. 2021	Kansai Works Osaka Area	Titanium raw material plant	● Sep. 2022
	Feb. 2020	Kansai Works Osaka Area	Special equipment for titanium round bar manufacturing	● Mar. 2023
	Feb. 2020	Kyushu Works Oita Area (Hikari Pipe & Tube)	Titanium welded pipe production line	● Sep. 2021
Stainless steel	Mar. 2021	Nippon Steel Stainless Steel Kinuura Works	All lines (the cold-rolling line and all other lines thereafter)	● The end of FY2021
	Mar. 2021	Nippon Steel Stainless Steel Kashima Works	A part of annealing lines	● The end of June 2021
	Mar. 2021	Nippon Steel Stainless Steel Shunan Area Yamaguchi Works	A part of cold-rolling and annealing lines	The end of March 2021 -- the end of June 2026
	Feb. 2020	Nippon Steel Stainless Steel Kinuura Works	Hot strip mill/ dedicated facility for production of precision products	● Sep. and Oct. 2020

Progress: Digital Transformation, Responses to Work Style Change

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Enhancement of Digital Transformation

Legend : New info ★ Plan ★ Done ★ Cancelled

Action	~FY19	FY20	FY21	FY22	FY23	FY24~
Reorganization to Enhance Digital Transformation		<ul style="list-style-type: none"> ★ Apr-16: Newly-created “Advanced Application Technology Planning Dep.” ★ Apr-16: NSSOL newly-created “IoX Solution Business promotion Dep.” ★ Oct-17: NSSOL newly-created “AI Research & Development Center” ★ Apr-18: Newly-created Intelligent Algorithm Research Center ★ Apr-20: Newly-created “Digital Innovation Div.” 				
Utilizing Advanced IT in Steelmaking Process		<ul style="list-style-type: none"> ★ Sep-18: Company-wide Safety Support Project (Installment of smart devices to manufacturing front-lines) ★ Apr-19: Introduction of NS-DIG™ ★ Apr-20: Full-scale system for WFH prepared ★ Mar-22: AI technology application to heavy machine manipulation ★ Apr-22: Installation of “NS-IoT,” enabling to remotely manage sensor data in multiple areas ★ May-22: Implementation of integrated data platform “NS-Lib” 				
DX initiatives at steelworks		<ul style="list-style-type: none"> ★ Aug-20: FS of local 5G network system demonstration provided by NSSOL in Muroran Works ★ Nov-21: Obtained a Local 5G wireless station license ★ Jul-22: Practically implemented small-type drone “IBIS” at large structural facilities->enables high-resolution pictures in narrow space 				
Awards					<ul style="list-style-type: none"> ★ Mar-23: Won “Data Management Award” from Japan Data Management Consortium 	

100.0 bn. JPY of Investment in DX promotion is planned for 2021 to 2025.

Human resource training for DX promotion in progress

Responses to Work Style Change

Action	~FY19	FY20	FY21	FY22	FY23	FY24~
24 Hour Nursery		<ul style="list-style-type: none"> ★ Apr-19 : The 5th 24 hour in-house nursery in Hirohata Area (Oita, Kimitsu, Yawata, Nagoya, <u>Hirohata</u>) ★ Dec-21 : The 6th 24 hour in-house nursery in <u>Kashima</u> Area opened ★ Jan-22 : The 7th 24 hour in-house nursery in <u>Muroran</u> Works opened 				
Work System	<ul style="list-style-type: none"> ★ Apr-16: Career return system and accompany leave system started ★ Apr-19: Trial introduction of WFH system (official introduction in November) ★ Apr-20: Transfer exemption system started ★ Apr-22: Recurrent Leave System launched 					

Improved profitability by deepening and expanding overseas businesses;
strengthening integrated steelmakers and downstream facilities, concentrated on “areas of promising demand growth” and “fields for our technology and product quality to be valued” and withdrawal from or realignment of businesses that have already completed their roles, or businesses that no longer have any synergies with Nippon Steel

Acquisition of integrated steelmakers

- Joint acquisition of Essar Steel(Integrated steelmaker in India) and establishment of AM/NS India<2019>
- Acquisition of G/GJ Steel(Integrated steelmakers with EAFs and hot strip mills in Thailand)<2022>
- U. S. Steel (Integrated steelmaker in the U. S.) merger (+AM/NS Calvert transfer of all equity) <2025>

Acquisition of downstream steelmakers

- Acquisition of ThyssenKrupp Steel USA and establishment of AM/NS Calvert<2014>
- Start production of ultra-high tensile steel in AM/NS Calvert AM/NS Calvert<2016>

Legend : New info

Launch of acquired downstream companies

- Start operation of JCAPCPL(cold-rolled steel sheet business for automobile use in India)<2014>
- Start operation of KNSS(cold-rolled galvanized steel sheet business for automobile use in Indonesia)<2017>

Strengthening of existing companies

- Business integration of NSGT(Zinc-galvanized steel sheet business in Thailand) and NS-SUS (Cold-rolled and galvanized steel sheet business in Thailand)<2016>
- Start consolidation of STP(Tinplate business in Thailand)<2020>
- Business integration of STP and NS-SUS<2022>

Withdrawal from or realignment of businesses that have already completed their roles, or businesses that no longer have any synergies with Nippon Steel

- FY2018 Sale of Baoji-SMI Petroleum Steel Pipe(heat treatment business for OCTG in China)
Sale of STL (heat treatment business for OCTG in U.S.)
Sale partnership interest in Bahru Stainless (Stainless steel sheets businesses in Malaysia)
- FY2019 Dissolution of ZNW(Special cold rolled steel sheet business in China)
Sale of Partnership Interest in NAT(Stainless steel pipe business in the US)
- FY2020 Dissolution of N-EGALV (Electrogalvanized steel sheet business in Malaysia)
Sale of partnership interests in PATIN (Tinplate business in China)
Sale of stock for Acerinox(Stainless steel sheet business in Spain)
Sale of partnership interest in VSB (Seamless pipe business in Brazil)
- FY2021 Sale of VAMUSA (OCTG threading business in the US)
Sale of partnership interests in I/N Tek Kote (Cold rolled and galvanized steel sheet business in U.S.)
- FY2022 Sale of partnership interest in PEXCO (Seamless stainless steel pipe business in the US)
Withdrawal from NSCI (manufacturing site of steel wire for cold heading and forging in the U.S.)
Sale of partnership interest in NSI (precision-machined crankshafts business in the U.S.)
- FY2023 Production halt of Nippon Steel (Nantong) Metal Sheet (Copper-plate steel business in China)
- FY2024 Transfer of stake in BNA (Cold rolled and galvanized steel sheet business in China)
Dissolution of Guangzhou Nippon Steel Pipe(Steel Pipe Business for Automobiles in China)
Withdrawal from Ningbo Baoxin Stainless Steel(Stainless steel business in China)
- FY2025 Dissolution of Wuxi Nippon Steel Pipe(Steel Pipe Business for Automobiles in China)
Transfer of stake in USIMINAS (Integrated Steel Mill in Brazil)

- Acquired interests in Boggabri coal mine in Australia <2015>
- Sold partnership interest in Integra coal mine in Australia <2015>
- Rove River in Australia, completed expansion of mining area in West Angels<2015>
- Decided development of new mining area in Robe River in Australia<2018>
- Acquired interests in Grosvenor being located next to Moranbah North coal mine in Australia<2019>
- Indirectly acquired a 20% interest in Canadian coal business of Teck Resources <2023>
- Decided acquisition of Blackwater coal mine in Australia <2024>
- Acquired interests in Kamistatusset iron ore mine in Canada<2024Start of FS, 2025Acquisition of interests>

Legend : **New info**

“Nippon Steel” included in company name is abbreviated as “NS”

Other Group Companies

Initiatives of strengthening management in group companies so far

Merger of Nisshin Steel with NS Sumitomo Metal and reorganization

- **NS stainless Steel** Integrated of Stainless steel sheet business in NS Nisshin, NS & Sumikin Stainless Steel and NS & Sumitomo Metal and established NS Stainless<2019>
- **NS stainless steel pipe** Reorganized stainless steel welded pipe business<2019>
- Integrated and reorganized companies regarding Trading, Plant engineering, Building material processing, Steel sheet and stainless steel sheet sales business and etc.

Rationalization of management and business integration aiming at adaptation to change in business environment

- **Osaka Steel** Consolidated Tokyo Kohtetsu using a TOB<2016>, Merged with Nihon Steel<2021>
- **Sanyo Special Steel** NS's equity method affiliate company -> subsidiary<2018> -> wholly-owned subsidiary <2025>, Sanyo Special Steel, Consolidated OVAKO which had been a subsidiary of NS & Sumitomo Metal<2018>
- **NS Coated Sheet** Consolidated Tokai Color <2019>, Reorganized steel sheets processing sites in Western Japan <2022>
- **NS Pipe** Spined out electric resistance-welded pipe business for automobile and transferred it to Nippon Steel <2023>
- **NS Metal Products** Integrated with NS & Sumikin Metal Products with NS Sumikin Column<2016>, Integrated road-construction-related business with Kobelco Metal Products and established NS Kobelco Metal Products<2021>
- **Taiyo Sakako** Consolidated Taiyo Shirring<2015> ,Integrated Taiyo Shirring and Sakako and established Taiyo Sakako<2022>
- **NS Slag Products** Established NS & Sumikin Slag through integration of 5 slag selling companies <2014>
- Integrated companies producing and selling ground granulated blast furnace slags <2023>
- **NS Engineering** Split and transfer a part of the steel plant business to Nippon Steel to strengthen its engineering system
- **NS Processing** Integrated 3 bar&wire processing companies: Matsubishi Metal Industry, NS Wire Rods Processing and NS Wire<2023>
- **NS Stainless Steel** Merged with Nippon Steel <2025>
- **NS KOBELCO Shearing** Integration of NIPPON STEEL KOBELCO Shearing and Fuji Steel Center <2025>
- **NS Fine Tube** Integrated 3 Tube processing companies: NS Katakura Tube ,Tsurumi Steel Tube, NS Pipe Fine Tube
- **NS Blast Furnace Slag Cement** Integration of NS Blast Furnace Slag Cement and NS Cement <2026>




Consolidation and termination of facilities

- **Osaka Steel** Terminated steelmaking <2016> & rolling mills<2022> in Okajima Works and concentrated production on Sakai Works
- **Oji Steel** Acquired commercial rights and equipment of Chuo Atsuen<2014>, Terminated downstream facilities in Saitam (ex-Chuo Atsuen)<2015>
- **NS Coated Sheet** Terminated pickling & cold-rolling facilities in Higashi-Nihon Works Funabashi and Nishi-Nihon Works Amagasaki<2014>, Terminated Shimotsuma Area and concentrated processing lines for steel sheets on Higashi-Nihon Ichikawa<2021>

Progress: Actions for Tackling the Climate Change Through Innovation

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Legend : New info ★ Plan ★ Done ★ Cancelled

Action	~FY19	FY20	FY21	FY22	FY23	FY24~
NSCarbolex™ Solution						★ Nov.-22: New Brand “NSCarbolex™ Solution” and its logo were launched ★ Jul.-23: Expanded NS Carbolex™ Solution product lineup into 100+ and renewed its website
High-Tensile Steel Sheet	★ Jan-19: Established “NSafe® AutoConcept” ★ Jan-21: Operation of 6CGL in Kimitsu Area started ★ May-21: Expansion of “NSafe™-AutoConcept” solution lineup ★ Oct-21: New press forming technology “NSafe™-RORM-SS” established					★ FY26: Next generation hot strip mill in Nagoya starts operation
Electrical Steel Sheet						★ H1 FY23: Hirohata #1,2 and Yawata#1,2 full operation ★ H1 FY24: Hirohata #3 full operation ★ H1 FY27: Hanshin (Sakai) and Yawata full operation
Products given SuMPO EPD (formerly Ecoleaf) Environmental Label						Dec-19: 9 H-beams products, Mar-20: Mega NSHYPER BEAM™, Oct-20: 3 tinsplate products, May-21: OCTGs and line pipes, Jul-21: Smart BEAM™, Sep-21: Steel plates for building structure, Dec-21: Started selling tinsplate products with EcoLeaf mark printed on, Feb-22: 3 Bar & Wire products, Apr-22: steel sheets of Nippon Steel and H-beams of Nippon Steel Structural Shapes Co., Jun-22: process omission steel bar and wire, Jul-22: the Ecoleaf mark started to be printed on various steel containers, Oct-22: Steel products for Railways, Dec-22: Electric Steel sheets and Nikkel plate steel sheets, Apr-23: Steel sheet piles, May-23: commodity grade steel pipes for domestic market, and Oct-23: Titanium steel sheets, Nov-23: Stainless steel, Feb-24: Mechanical steel pipe, Apr-24: Sheet piles, Pipe piles, Jun-24: Titanium plate, Oct-24: Hot Extruded Steel Shapes, Nov-24: Railway, Automotive, Machinery Parts, Jan-25: Titanium wire, Pure Nickel sheet, Mar-25: Steel pipes for chemical industry and boilers May-25: Stainless steel products were given SuMPO EPD
NSCarbolex™ Neutral						“NSCarbolex™ Neutral” newly adopted results ★ Dec-25: Adopted for steel heavy duty door “YAG® Door” of Sanwa Shutter Corp.



NIPPON STEEL

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