



February 24, 2026

Company name: NIPPON STEEL CORPORATION
Representative: Tadashi Imai
Representative Director, President and COO
(Code number: 5401, TSE Prime, NSE, FSE, and SSE)
Contact: Public Relations Department,
Corporate Communications Division
(Telephone: +81-3-6867-2135, 2141, and 2146)

Consolidated Financial Results
for the Nine Months Ended December 31, 2025 <under IFRS>
(Completion of the Interim Review by the Audit Firm)

NIPPON STEEL CORPORATION (“the Company”) hereby announces that the interim review by the audit firm for the Company’s quarterly consolidated financial statements in the “Consolidated Financial Results for the Nine Months Ended December 31, 2025 <under IFRS>” disclosed on February 5, 2026, has been completed. There is no change from the quarterly consolidated financial statements disclosed on February 5, 2026.



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

February 24, 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
	Millions of yen	Millions of yen	Millions of yen	%
As of 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: No

There are no changes to the forecasts of financial results from the recent revision made by the Company in the unreviewed Consolidated Financial Results for the Nine Months Ended December 31, 2025 disclosed on February 5, 2026.

*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 attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* 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 on February 5.

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
<u>Total consideration transferred</u>	<u>2,062,513</u>

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
<u>Total assets</u>	<u>3,079,467</u>
Current liabilities	605,600
Non-current liabilities	828,996
<u>Total liabilities</u>	<u>1,434,596</u>
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)
<u>Goodwill (Note 3)</u>	<u>396,039</u>

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)
<u>Net cash used in the transaction</u>	<u>1,956,183</u>

(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)

The note has not been reviewed by an audit firm.

Independent Auditor's Report on Review of Quarterly Condensed Consolidated Financial Statements

To the Board of Directors of NIPPON STEEL CORPORATION:

Conclusion

We have reviewed the accompanying quarterly condensed consolidated financial statements of NIPPON STEEL CORPORATION (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”), which comprise the Quarterly Condensed Consolidated Statements of Financial Position as at December 31, 2025, the Quarterly Condensed Consolidated Statements of Profit or Loss, the Quarterly Condensed Consolidated Statements of Comprehensive Income, and the Quarterly Condensed Consolidated Statements of Changes in Equity for the nine-month period then ended, and Notes to the Quarterly Condensed Consolidated Financial Statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly condensed consolidated financial statements are not prepared, in all material respects, in accordance with Article 5(2) of Standard for Preparation of Interim Financial Statements of Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc., Securities Membership Corporation Sapporo Securities Exchange and Securities Membership Corporation Fukuoka Stock Exchange (“the Standard”) (applying the omissions prescribed in Article 5(5) of the Standard).

Basis for Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Review of the Quarterly Condensed Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements in Japan (including those that are relevant to audits of the financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Matter

The accompanying quarterly condensed consolidated financial statements of the Group as at December 31, 2024, and for the nine-month period then ended were not reviewed by us.

Responsibilities of Management and the Audit & Supervisory Committee for the Quarterly Condensed Consolidated Financial Statements

Management is responsible for the preparation and presentation of the quarterly condensed consolidated financial statements in accordance with Article 5(2) of Standard for Preparation of Interim Financial Statements of Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc., Securities Membership Corporation Sapporo Securities Exchange and Securities Membership Corporation Fukuoka Stock Exchange (applying the omissions prescribed in Article 5(5) of the Standard), and for such internal control as management determines is necessary to enable the preparation of the quarterly condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly condensed consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with Article 5(2) of Standard for Preparation of Interim Financial Statements of Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc., Securities Membership Corporation Sapporo Securities Exchange and Securities Membership Corporation Fukuoka Stock Exchange (applying the omissions prescribed in Article 5(5) of the Standard) and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit & Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Quarterly Condensed Consolidated Financial Statements

Our responsibility is to express a conclusion on these quarterly condensed consolidated financial statements based on our review in our report on the review of quarterly condensed consolidated financial statements.

As part of our review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, that nothing has come to our attention that causes us to believe that the quarterly condensed consolidated financial statements are not prepared in accordance with Article 5(2) of Standard for Preparation of Interim Financial Statements of Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc., Securities Membership Corporation Sapporo Securities Exchange and Securities Membership Corporation Fukuoka Stock Exchange (applying the omissions prescribed in Article 5(5) of the Standard), if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report on the review of quarterly condensed consolidated financial statements to the related disclosures in the quarterly condensed consolidated financial statements or, if such disclosures are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our report on the review of quarterly condensed consolidated financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate that nothing has come to our attention that causes us to believe that the presentation and disclosures in the quarterly condensed consolidated financial statements are not prepared in accordance with Article 5(2) of Standard for Preparation of Interim Financial Statements of Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc., Securities Membership Corporation Sapporo Securities Exchange and Securities Membership Corporation Fukuoka Stock Exchange (applying the omissions prescribed in Article 5(5) of the Standard).
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group as a basis for forming a conclusion on the quarterly condensed consolidated financial statements. We are responsible for the direction, supervision and review of the interim review on the quarterly condensed consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with the Audit & Supervisory Committee regarding, the planned scope and timing of the review, significant review findings that we identify during our review.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Yutaka Terasawa
Designated Engagement Partner
Certified Public Accountant

Makoto Yamada
Designated Engagement Partner
Certified Public Accountant

Takahiro Toyama
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
February 24, 2026

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report on Review of Quarterly Condensed Consolidated Financial Statements and the original copies are kept separately by the Company and KPMG AZSA LLC.