

TYO : 5401

OTC : NPSCY(ADR)



# FY2025 Appendix

May 13, 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, profit represents profit attributable to owners of the parent.

# Appendix

## 1. Supplementary Materials

## 2. Business Profit Factor Analysis

## Database

### 1. ESG Indicators

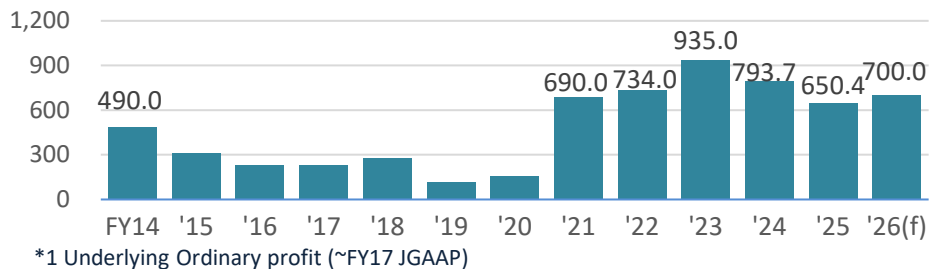
### 2. Key Performance Indicators

### 3. Business Environment Indicators

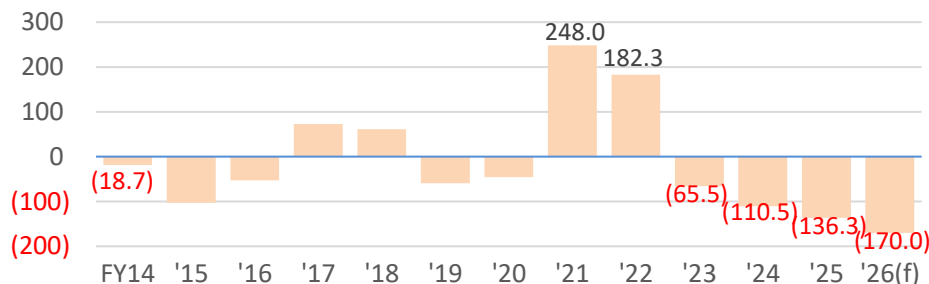
### 4. Market Data

### 5. Progress of Management Strategy Measures

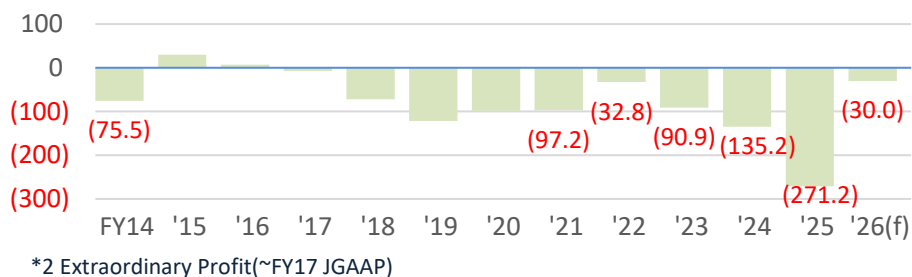
**Underlying BP**  
\*1



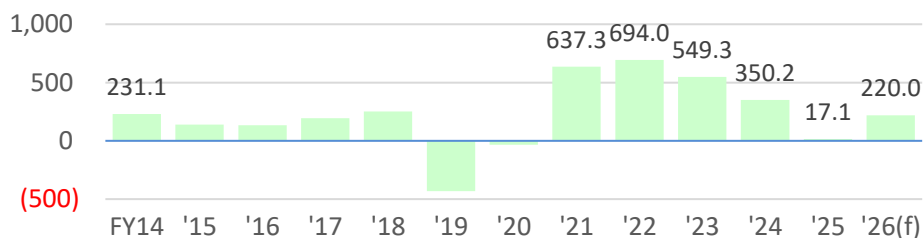
**Inventory Valuation etc**



**Additional Line Items\*2**



**Profit\*3**



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

- By taking preemptive steps to address the deteriorating steel business environment, we have established a profit structure that ensures a stable high level profit even if facing intensifying competition in the market
- 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

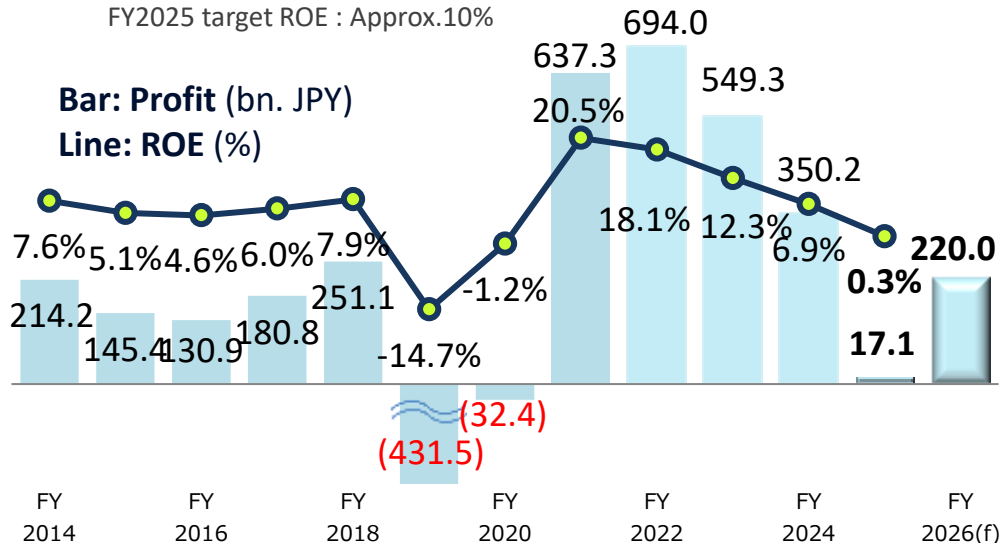
FY14~FY16: Ex-Nippon Steel Sumitomo Metal + ex-Nisshin Steel

## Profit, ROE

Medium- to long-term management plan  
FY2025 target ROE : Approx.10%

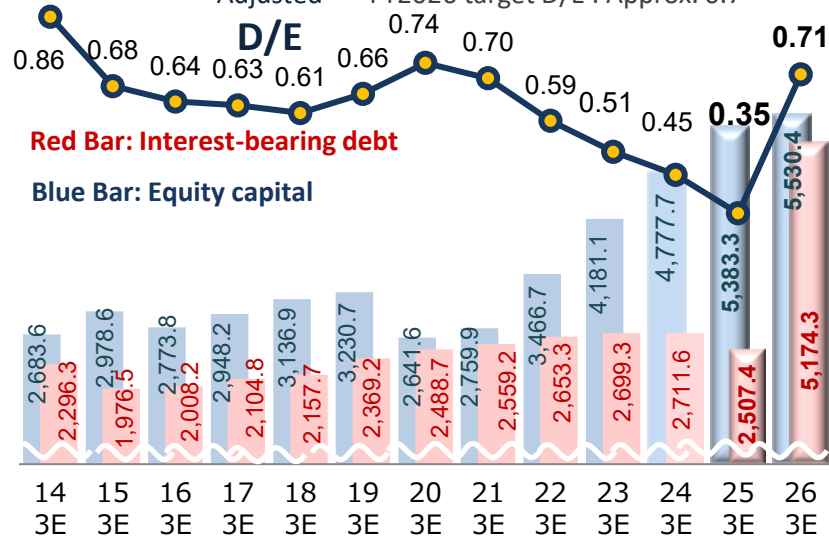
Bar: Profit (bn. JPY)

Line: ROE (%)



## D/E

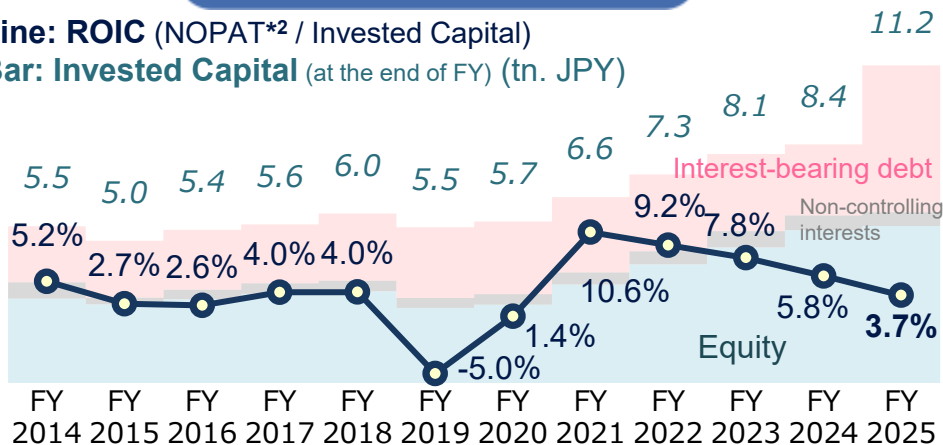
Adjusted D/E FY2026 target D/E : Approx. 0.7



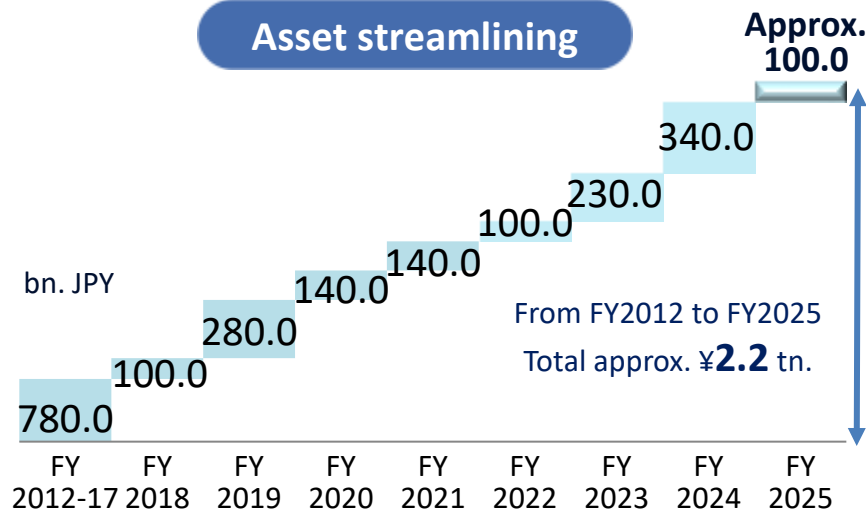
## ROIC, Invested Capital

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

Investment Amount

FY2023

FY2024  
Approx.

FY2025  
Approx.

FY2026~

## Facility Structural Measures

Sophistication of Order Mix

Investment in ESS Capacity & Quality Enhancement

Next-Generation Hot-Strip Mill at Nagoya Works

Strengthen the Group

Reorganized the Electric-Welded pipe business

Merged Nippon Steel Stainless Steel

Made Sanyo Special Steel Mfg. a subsidiary

Deepen and expand overseas business

U. S. Steel

AM/NS India Expansion of Upstream Facilities, Hot-Strip Mill

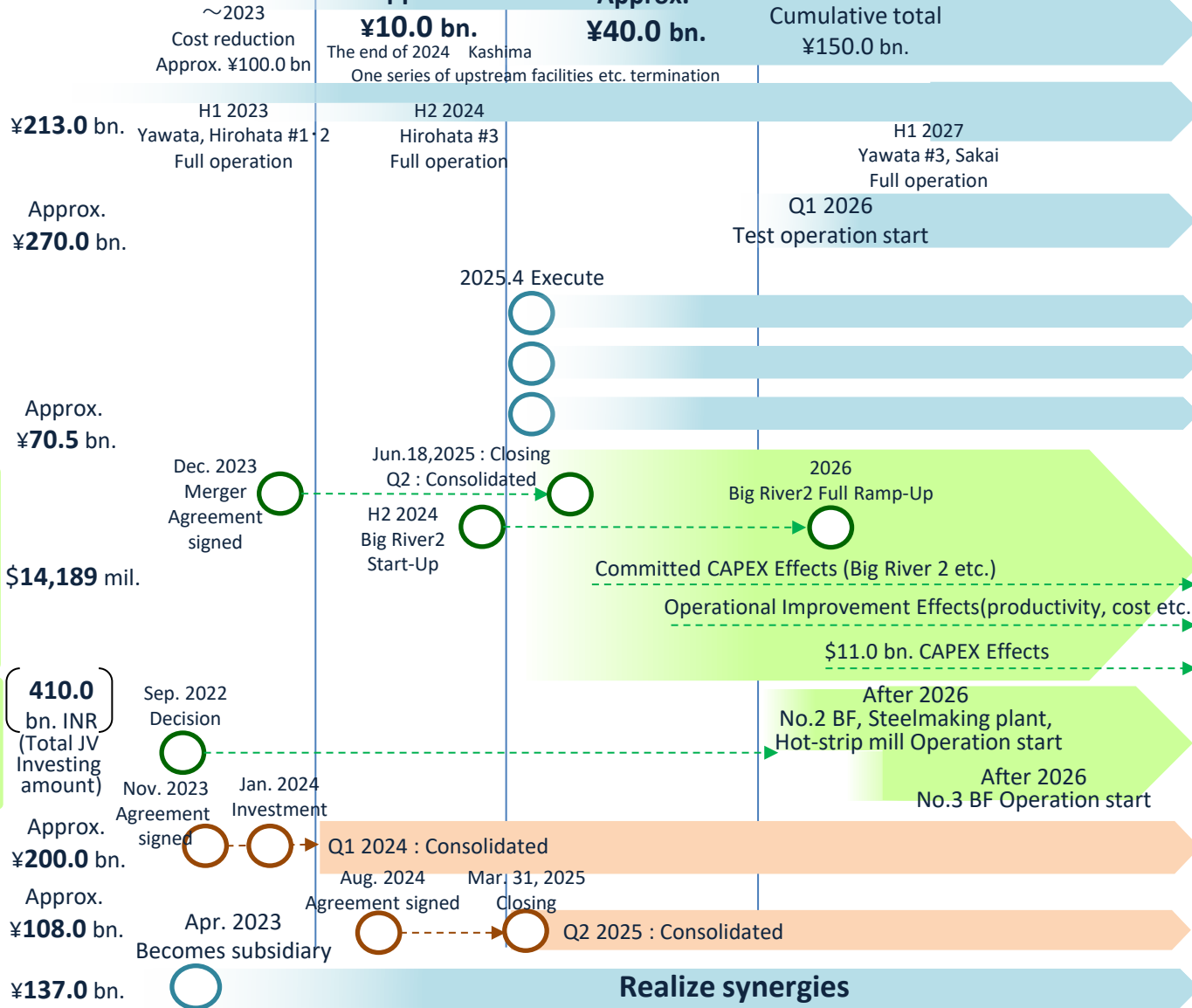
Vertically-integrated business structure

Coal mine

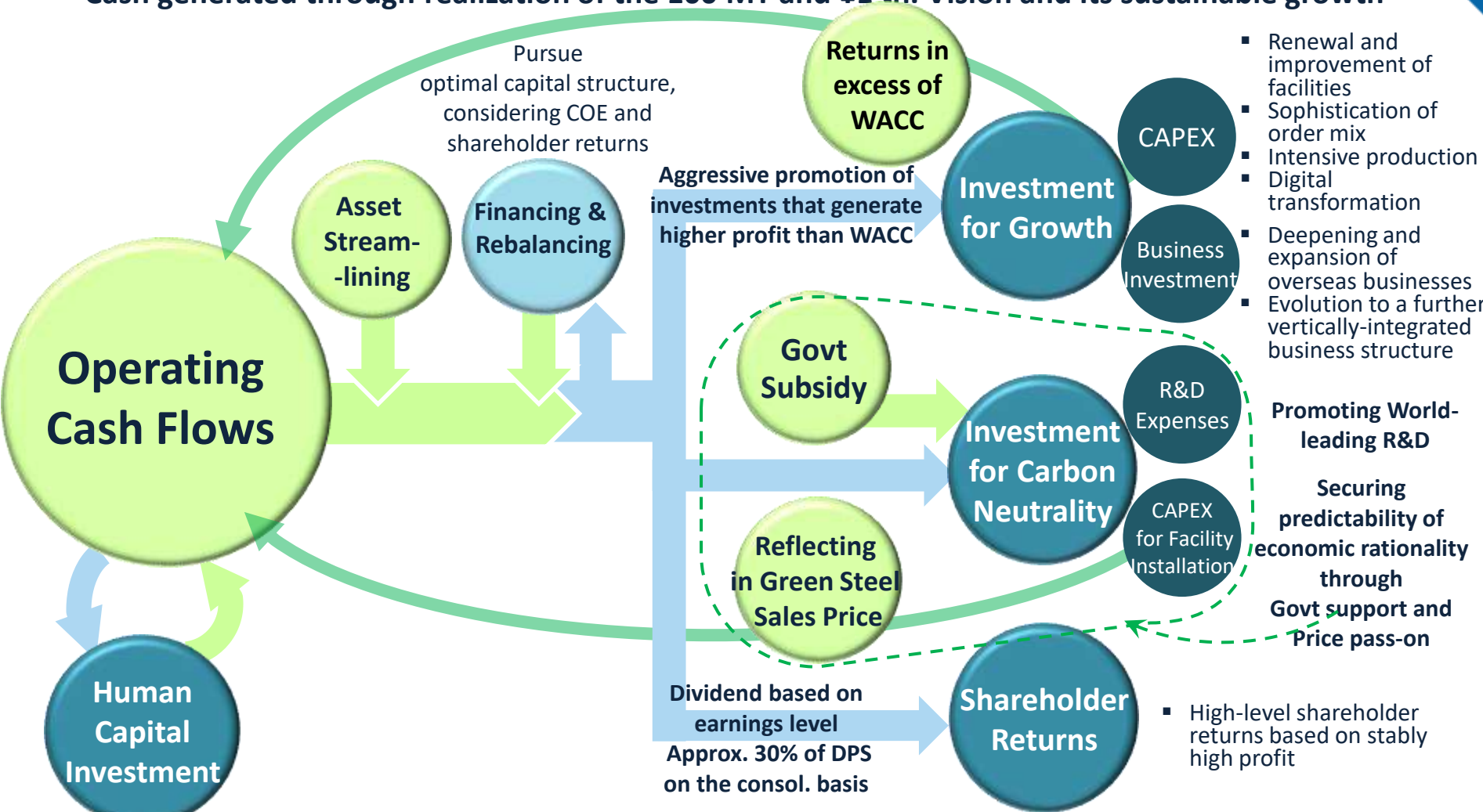
EVR JV

Blackwater

Nippon Steel Trading a subsidiary



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



## Secure financial healthiness

Target of Mid-Long term plan D/E: below 0.7

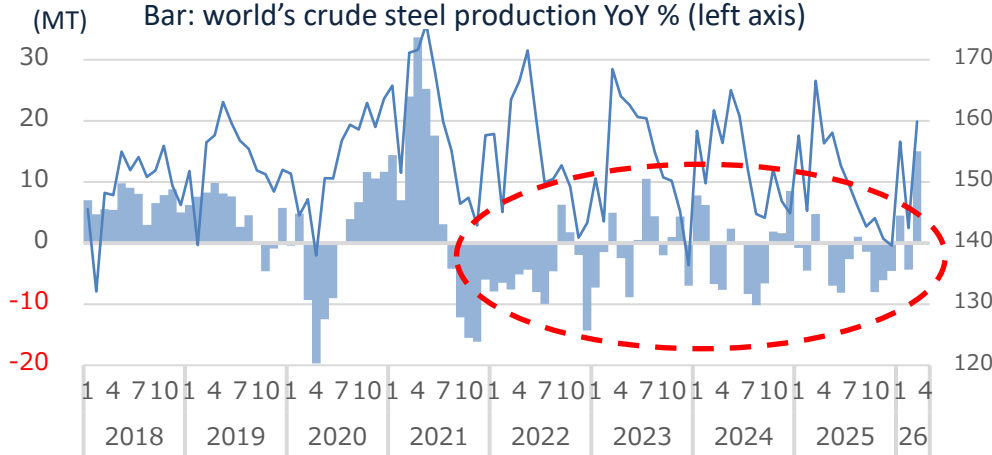
Credit rating of BBB or higher to ensure flexible access to financing and rebalancing

World's crude steel production trend

Depressed production continuing since Aug. 2021

Line: world's crude steel production (right axis)

Bar: world's crude steel production YoY % (left axis)

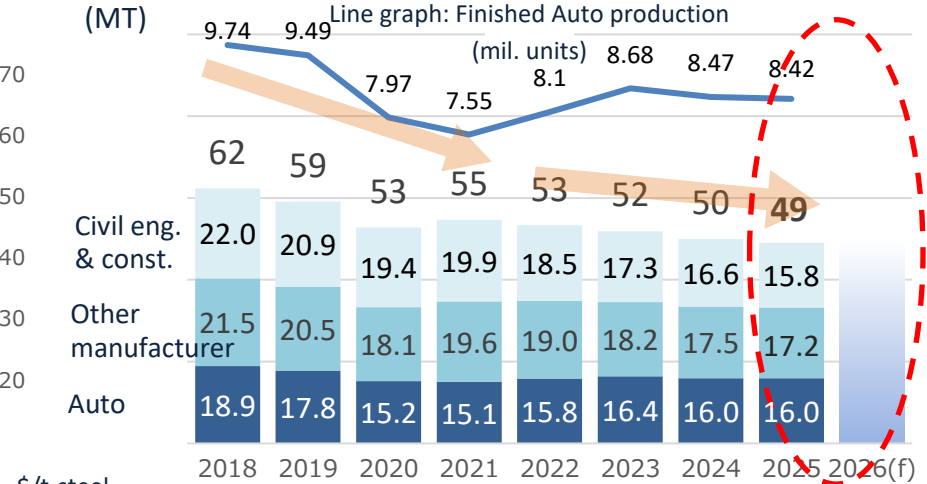


Domestic steel demand

Continued weakness in overall demand

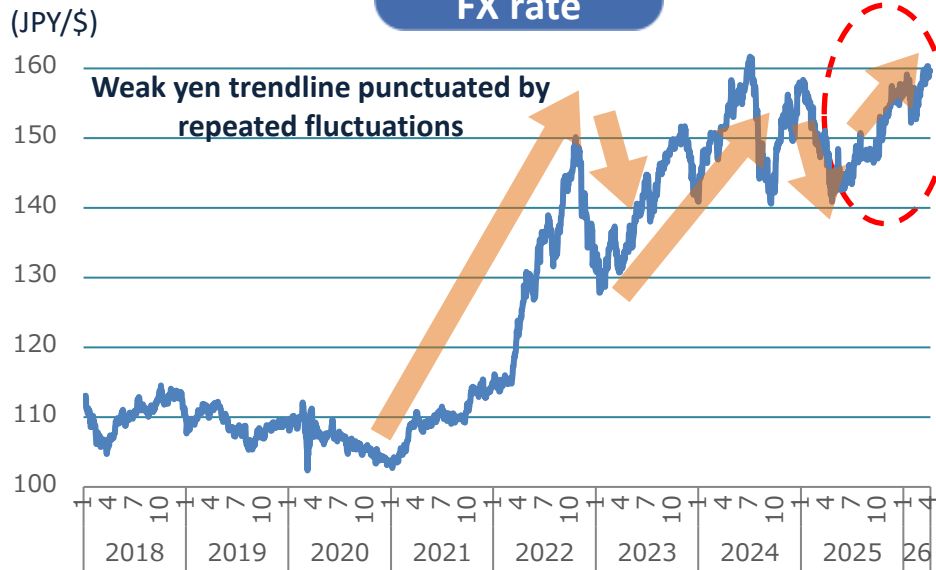
incl. automotive sector

Line graph: Finished Auto production



FX rate

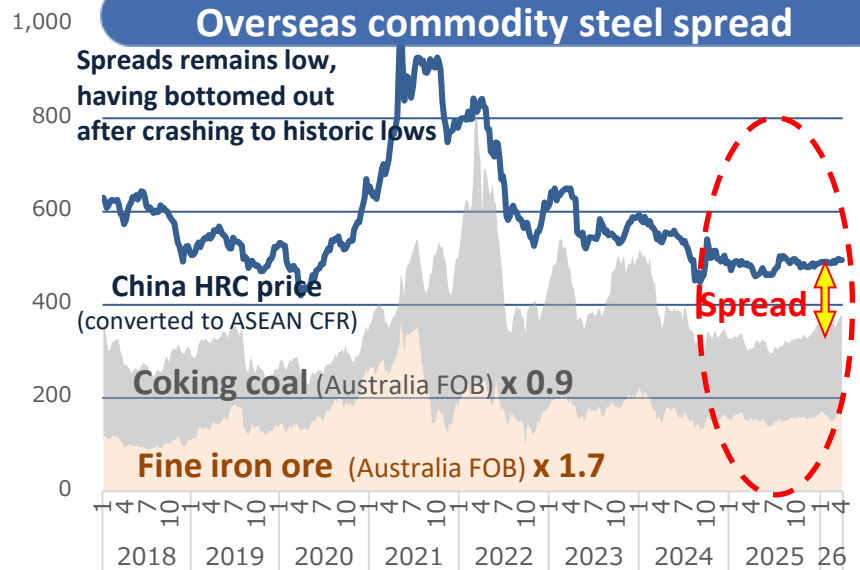
Weak yen trendline punctuated by repeated fluctuations



\$/t-steel

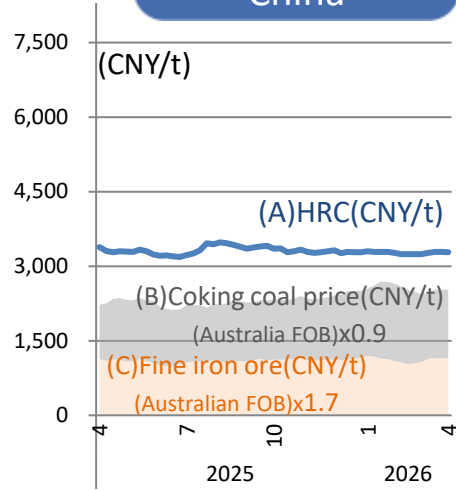
Overseas commodity steel spread

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

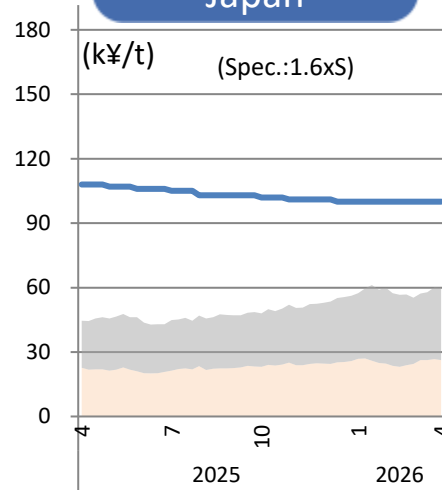


# Business Environment HRC Prices in Main Markets, Raw Materials Spread<sup>8</sup>

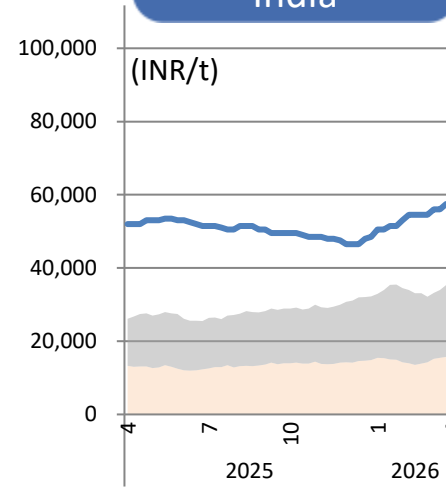
China



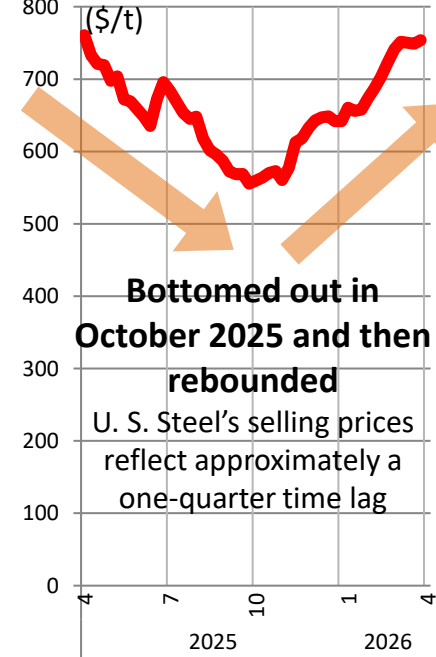
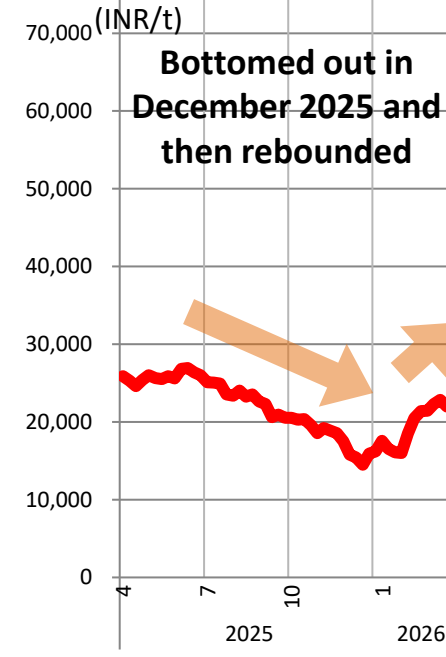
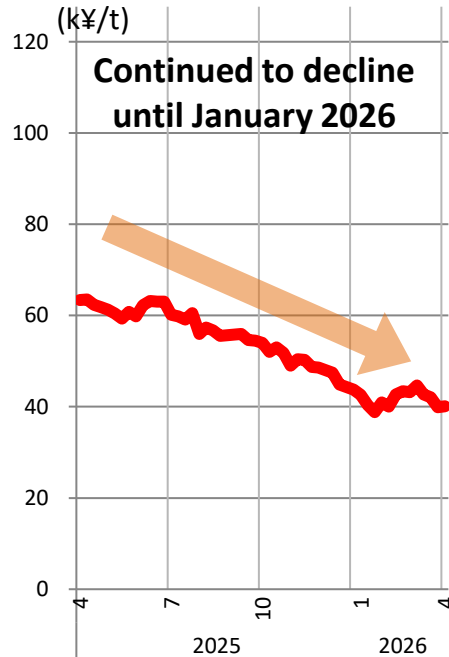
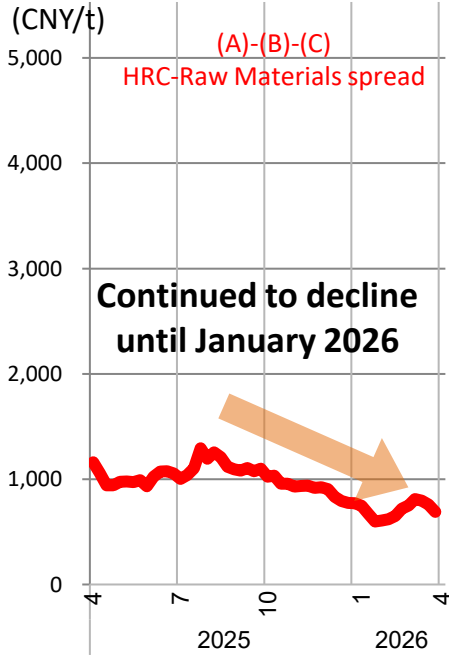
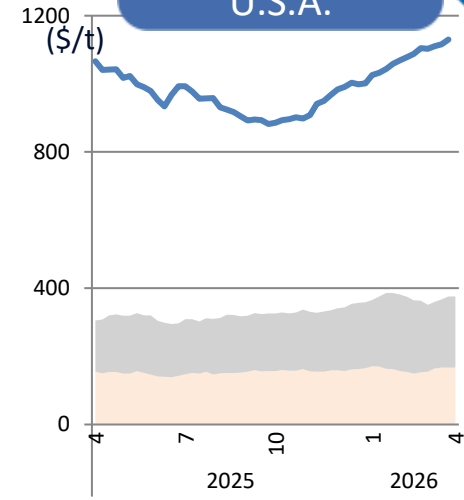
Japan



India



U.S.A.



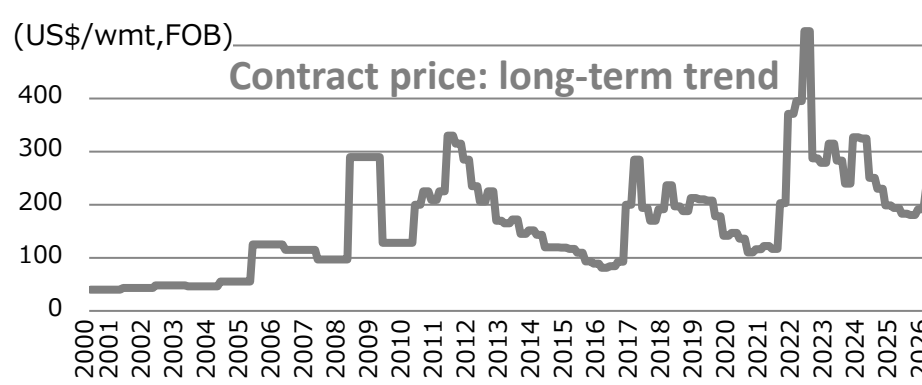
**[Fine iron ore]** Prices rose to just above \$100 in January, supported by pre-Lunar New Year restocking demand in China, expectations for economic stimulus measures ahead of the National People’s Congress (NPC) in March 2026, and supply concerns due to adverse weather in Australia and Brazil. After restocking ahead of the Lunar New Year was largely completed, prices stabilized at slightly above \$90 reflecting high port inventory levels in China.

**[Coking coal]** While robust demand from India, a key importing country, continued, prices temporarily surged above \$250 due to supply disruptions caused by a cyclone that made landfall in Australia in mid-January. As the impact of the cyclone dissipated, prices declined to around \$220. However, tighter supply conditions—partly due to slower-than-expected shipment recovery from some mines—drove prices back up to \$230–\$240 in late March.

Fine iron ore market price



Coking coal market price



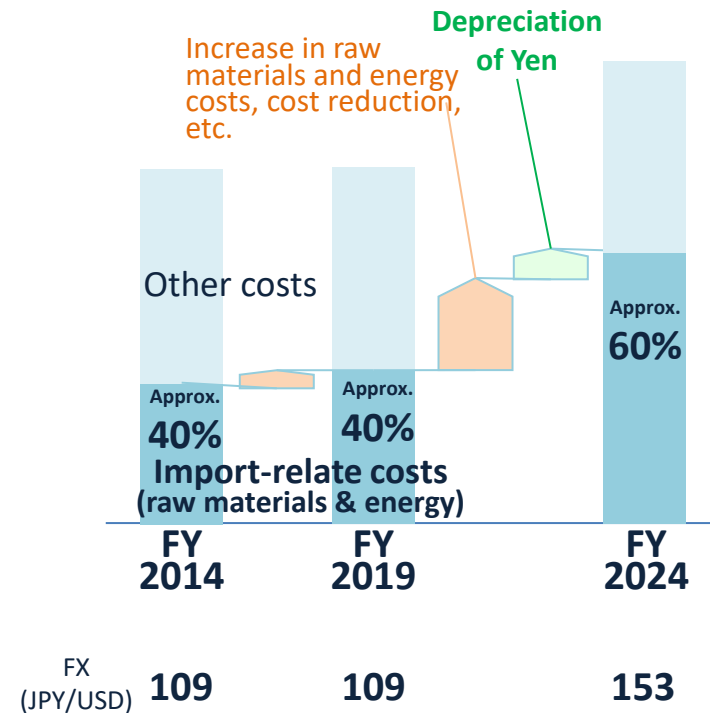
**Domestic steel business:** The impact of Yen depreciation to our domestic steel business is negative because the amount of import exceeds export.

**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

<b>Domestic Steel Business</b>	<b>-) Negative</b>	Excess of import to export FY2026f 1.7 bn. USD (import 13.4– 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 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
<b>Consol. business P/L</b>	<b>+ ) Positive</b>	

### Cf. Rough figure for our steel manufacturing cost structure



- GDP growth rate: In 2026, GDP growth is expected to decline year-on-year in most regions due to Middle East tensions and related inflation concerns, while India and ASEAN are expected to maintain relatively high growth.
- Steel demand : India is expected to lead demand growth, with an increase of 12 million tons YoY in 2026. Other key regions—including the U.S., Europe, and ASEAN—are also expected to maintain solid growth. Although demand in China is expected to continue declining, the pace of decline is likely to moderate, resulting in broadly flat global demand YoY.

## Outlook for GDP growth rate (As of April 2026)

Source: IMF, released on Apr. 14, 2026

Unit: %	CY25	CY26	Change form CY25	CY27	Change from CY26	
World	3.4	3.1	-0.3	3.2	+0.1	
Developed	Japan	1.2	0.7	-0.5	0.6	-0.1
	US	2.1	2.3	+0.2	2.1	-0.2
	Europe	1.6	1.4	-0.2	1.6	+0.2
	Korea	1.0	1.9	+0.9	2.1	+0.2
	China	5.0	4.4	-0.6	4.0	-0.4
Developing	ASEAN* <sup>1</sup>	4.5	4.1	-0.4	4.4	+0.3
	India	7.6	6.5	-1.1	6.5	±0
	Brazil	2.3	1.9	-0.4	2.0	+0.1
	Russia	1.0	1.1	+0.1	1.1	±0

## Steel Demand Outlook (As of April 2026)

Source: World Steel Association, estimated on Apr. 14, 2026

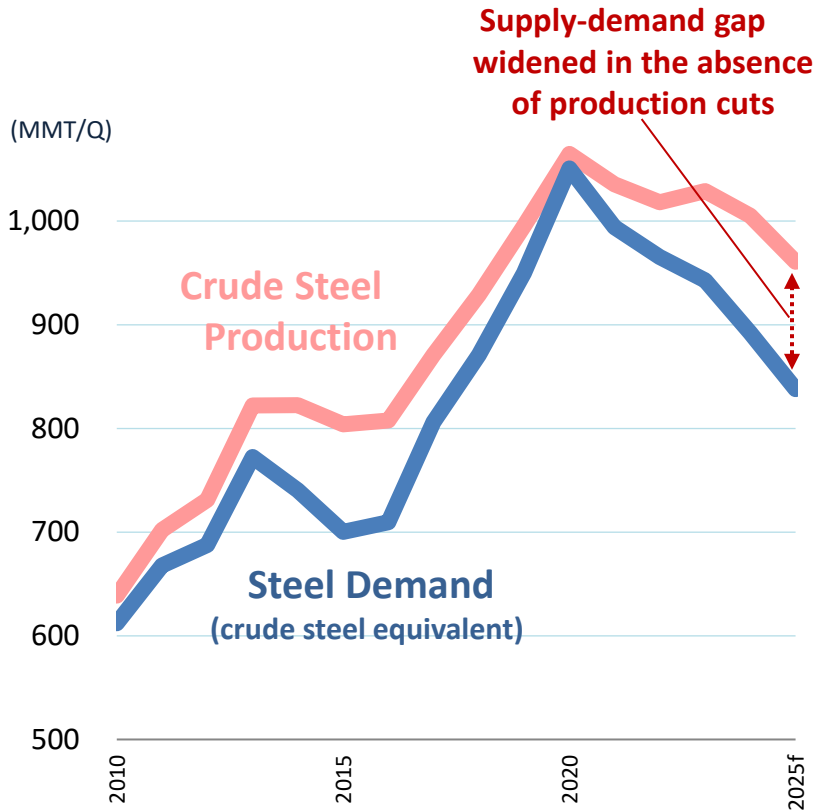
Unit: MT	CY25	CY26	Change from CY25	Change from CY25(%)	CY27	Change from CY26	Change from CY26(%)
World	1,718	1,724	+6	+0.3	1,762	+38	+2.2
Japan	48	48	-0	-0.1	49	+1	+1.7
US	91	92	+2	+1.7	94	+2	+2.0
Europe	192	196	+4	+2.0	200	+5	+2.5
Korea	44	44	+0	+0.3	44	+1	+1.1
China	796	784	-12	-1.5	784	+0	+0.0
ASEAN* <sup>2</sup>	87	88	+1	+1.3	90	+2	+2.4
India	160	172	+12	+7.4	187	+16	+9.2
Brazil	27	27	+0	+1.0	28	+1	+2.5
Russia	38	37	-0	-1.0	38	+0	+1.0

\*1 Indonesia, Malaysia, Philippines, Thailand, and Singapore

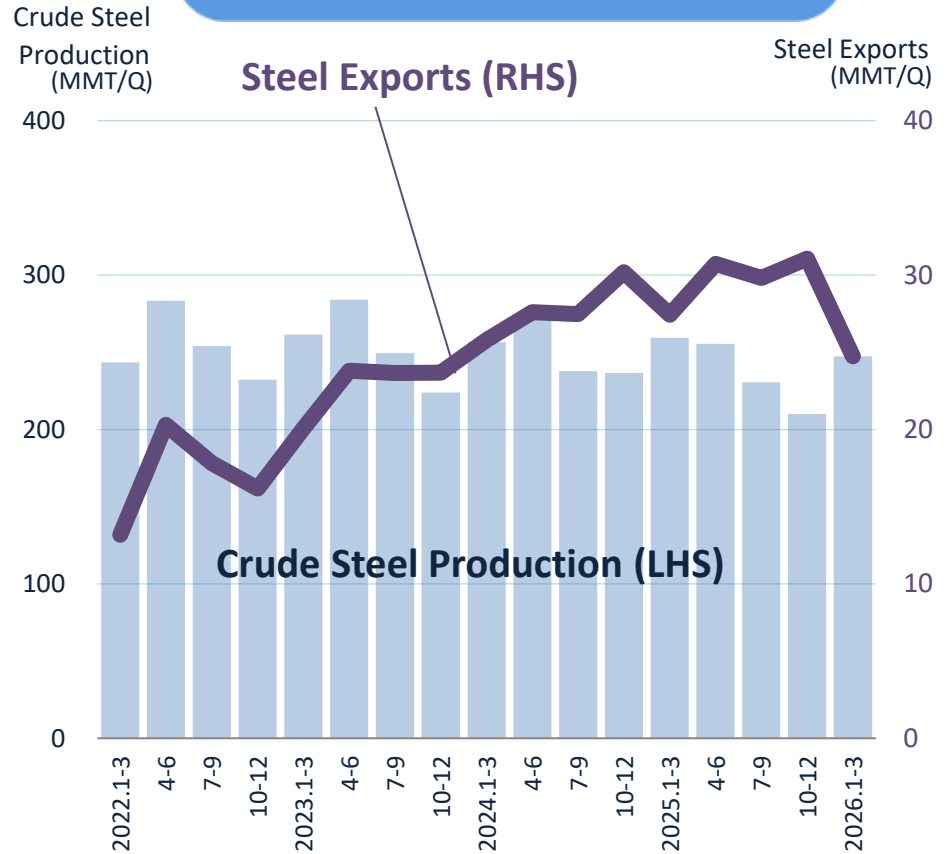
\*2 Indonesia, Malaysia, Philippines, Thailand, and Vietnam

Crude steel production for January–March 2026 was 250 million tons (down 4.6% year-on-year)  
 Steel production has remained at a low level year-to-date, reflecting weak demand, declining profitability, and geopolitical risks.

## Domestic Steel Demand in China



## Recent Trends in Steel Exports and Crude Steel Production



# Domestic Steel Business

# Spread Shifts in Direct Contract-based Sales<sup>13</sup>

## (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

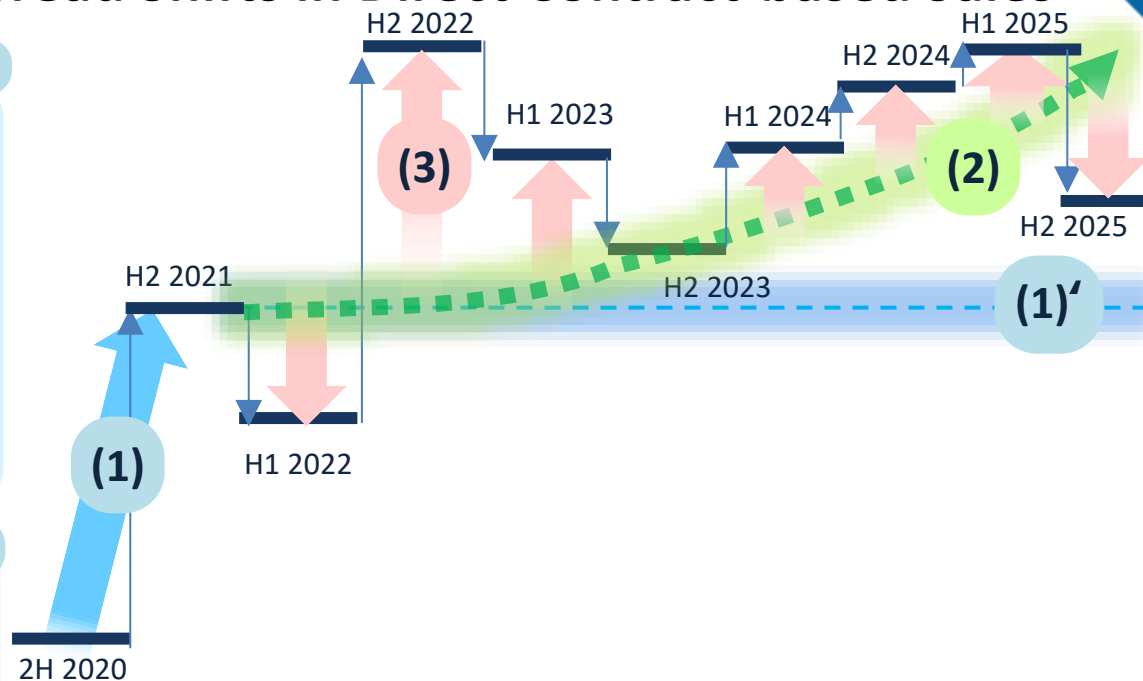
Appropriate margin level per ton elevated through sophistication of order mix and reflection of high value-added product qualities

### 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

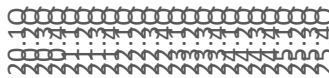
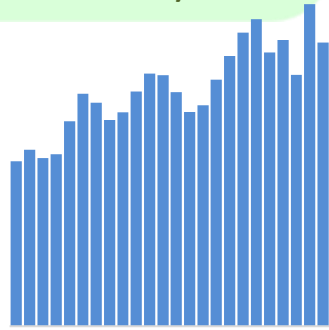
Steel margin temporarily fluctuated due to difference between the external costs assumed in the price negotiation and the actual external costs

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

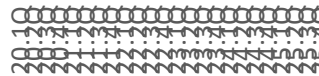
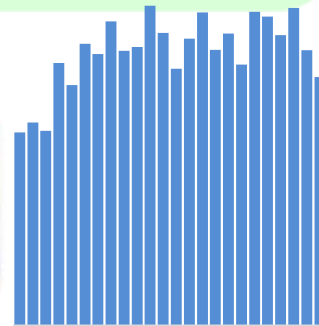
	H1 FY22	H2 FY22	H1 FY23	H2 FY23	H1 FY24	H2 FY24	H1 FY25	H2 FY25
Actual external costs compared to the price determination premise	High	Low	Low	Almost unchanged	Low	Low	Low	High
Difference from appropriate level of spread	Smaller	Larger	Larger	Almost unchanged	larger	larger	larger	Smaller

## Steadily increasing the amount of high value-added products

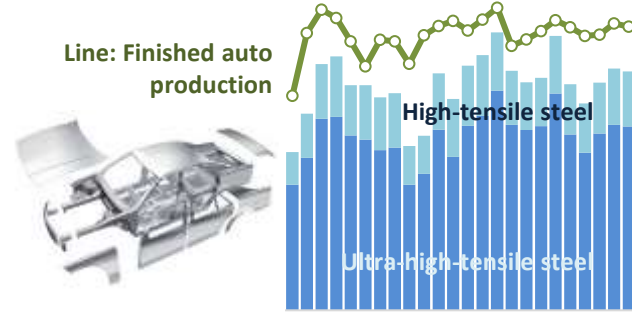
**GO Hi-B (High grade grain-oriented electrical steel sheet)**



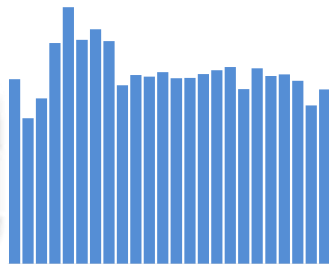
**NO-H, M (High or Middle grade non-oriented electrical steel sheet)**



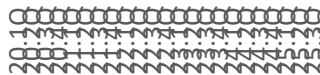
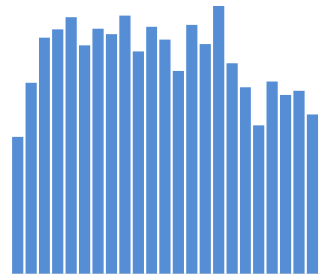
**High-tensile GA (Alloyed & galvanized steel sheet)**



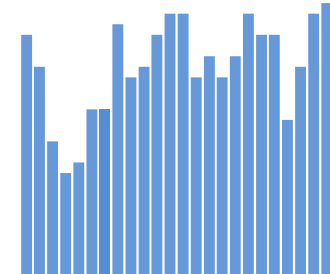
**ZEXEED™, ZAM®, SuperDyma™ (Corrosion resistant coated steel sheet)**



**ALSHEET™ (Hot-dipped Al/Si alloy steel sheet)**



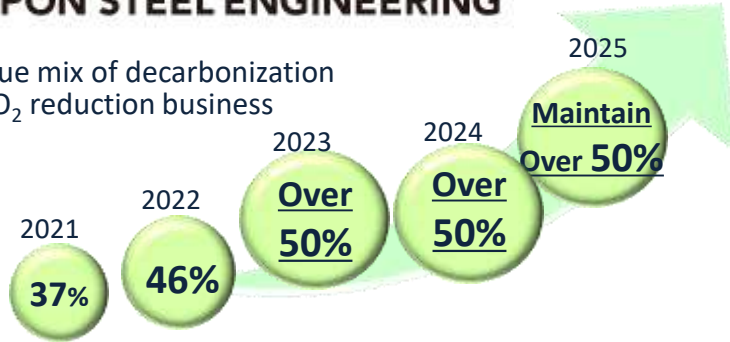
**13Cr, high alloy seamless pipe**





## NIPPON STEEL ENGINEERING

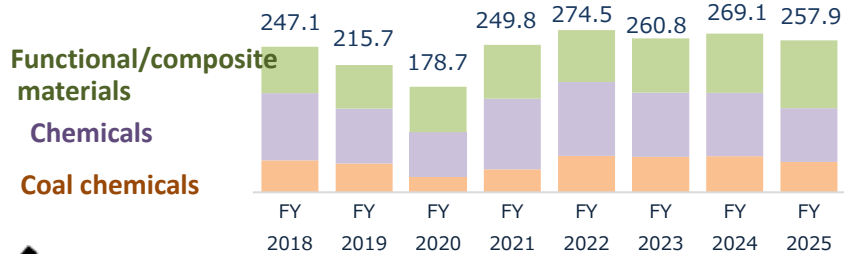
Revenue mix of decarbonization and CO<sub>2</sub> reduction business



- 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

## NIPPON STEEL Chemical & Material by business domain (¥bn.)

Revenues



- 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.

## 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.

- 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. 1<sup>st</sup> Acquired all shares of INFOCOM



SI Transformation Next Generation IT Model



Asset Driven Asset utilization type



Multi Company Platform PF provision model

(Previous forecast: released on Feb. 5, 2026)

## Engineering and Construction

¥bn.	FY 2024		FY 2025		Prev. Forecast	FY 2026(f)		
	H2		H1	H2		H1(f)		
Order intake	253.6	380.8	134.3	206.6	340.9	(360.0)	230.0	420.0
Revenue	217.1	400.4	182.2	212.2	394.4	(400.0)	160.0	370.0
Business profit	15.8	14.6	7.4	15.6	23.1	(20.0)	6.0	22.0

- FY2025: Profit increased both year-on-year and versus the previous forecast, driven by improved profitability in the EPC and O&M and service fields, as well as fixed cost reductions through structural measures.
- FY2026: Revenue is expected to decline, mainly due to a gap period in the waste-to-energy power generation plant business within the EPC field. In the materials and equipment sales business, efforts are underway to secure profits at the FY2025 level, incorporating sales expansion initiatives focused on seismic isolation and vibration control devices.

## Chemicals and Materials

¥bn.	FY 2024		FY 2025		Prev. Forecast	FY 2026(f)		
	H2		H1	H2		H1(f)		
Revenue	128.7	269.1	128.1	129.7	257.9	(260.0)	130.0	280.0
Business profit	6.6	18.9	9.8	12.1	21.9	(20.0)	9.0	23.5
Underlying	9.3	19.4	11.0	13.2	24.2	(21.0)	10.5	25.5

- FY2025: Profit increased both year-on-year and versus the previous forecast, as higher volumes of functional materials more than offset the deterioration in the business environment due to weak chemical market conditions.
- FY2026: While an uncertain business environment is expected to persist in the coal tar chemicals and chemicals business, profit is expected to increase, supported by higher sales volumes of functional materials—particularly for semiconductor applications—as well as foreign exchange effects.

## System Solutions

¥bn.	FY 2024		FY 2025		Prev. Forecast	FY 2026(f)		
	H2		H1	H2		H1(f)		
Revenue	182.3	339.3	179.0	203.8	382.8	(377.0)	198.0	417.0
Business profit	20.5	38.8	17.5	25.7	43.3	(43.0)	20.5	47.5

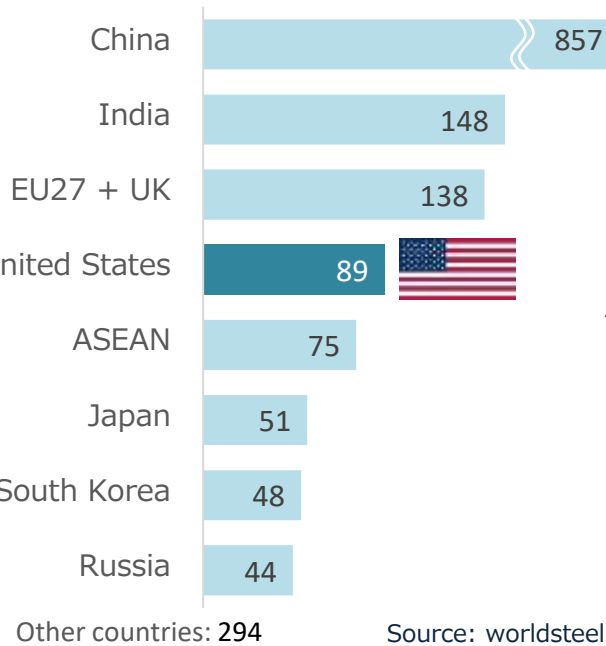
- FY2025: Profit increased year-on-year, as higher revenues in the industrial and distribution segments and the consolidation of Infocom more than offset increased SG&A expenses, mainly for strengthening sales capabilities and investments in R&D.
- FY2026: Revenue is expected to increase, driven by growth in the consulting and digital services segments as well as the impact of the new consolidation of Infocom. Despite higher SG&A expenses, profit is expected to increase, supported by improved gross margins through business model transformation.

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)

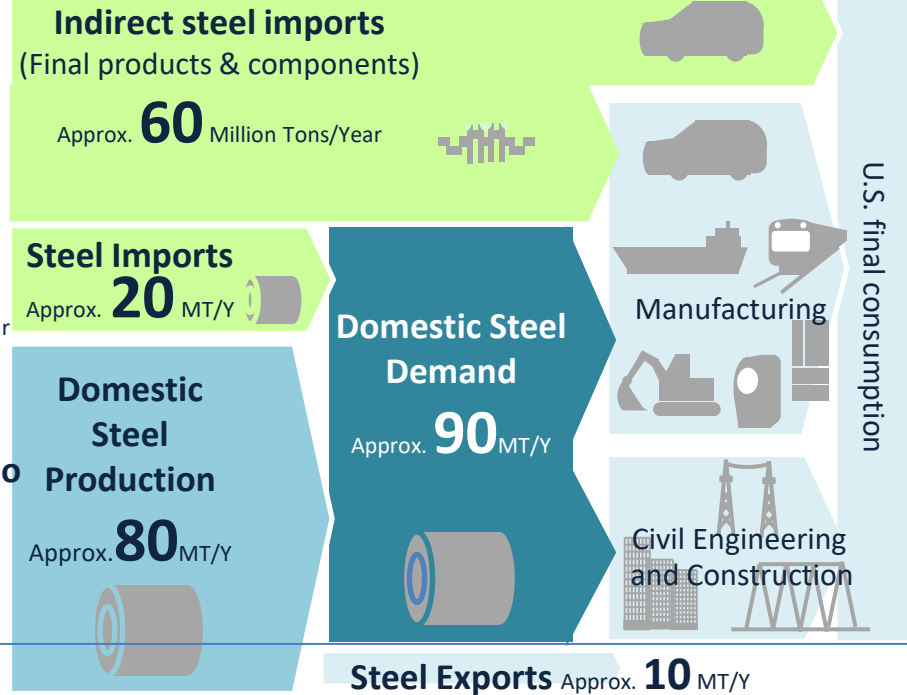


Total Steel Demand in the U.S. Market  
Approx. 150 Million Tons/Year

Domestic Supply Ratio  
55%

## U. S. Steel Supply and Demand Overview

Our Estimate



Only developed country with sustained long-term population growth

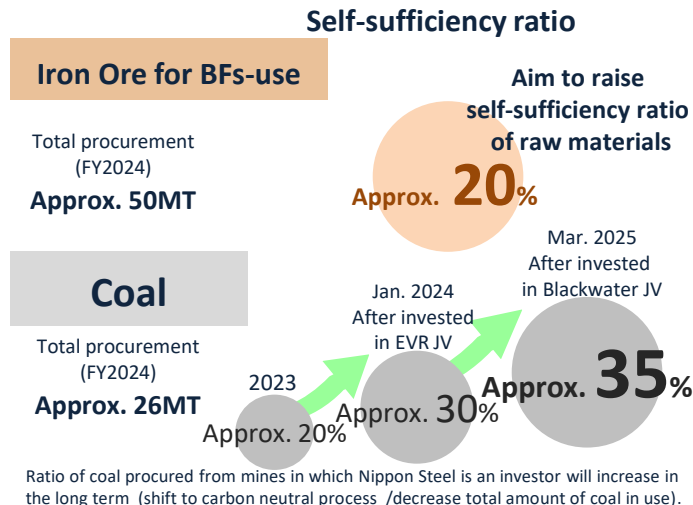
Reshoring of steel demand in energy and manufacturing driven by low-cost U.S. energy and global economic shifts

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

Securing stable raw material procurement while mitigating profit volatility in the domestic steel business caused by fluctuations in raw material costs, and further increasing the share of self-sourced ore



			Equity Ratio	Capacity (MT/Y)
Iron Ore Pellet	Australia	Robe River	14%	70
	Brazil	NIBRASCO	33%	10
	Canada	Kami <small>Sep. 2025 JV Established(FS in process)</small>	30%	(9)
Coal	Australia	Moranbah North	6%	12
		Warkworth	10%	8
		Bulga	13%	7
		Foxleigh	10%	3
		Boggabri	10%	7
		Coppabella and Moorvale	2%	5
	Canada	Blackwater	20%	10
	Canada	Elk Valley Resources	20%	27
Alloy(Niobium)	Brazil	CBMM	3%	0.15



Profit/loss is included in "overseas Business"



Iron Ore Pellet	U. S.	Minntac	Wholly-Owned	16
		Keetac		6

Ore grade suitable for high grade (DR grade) pellet production



Iron Ore Pellet	India	Sagasahi	Wholly-Owned	5
		Thakurani		Mining rights



# Appendix

1. Supplementary Materials
- 2. Business Profit Factor Analysis**

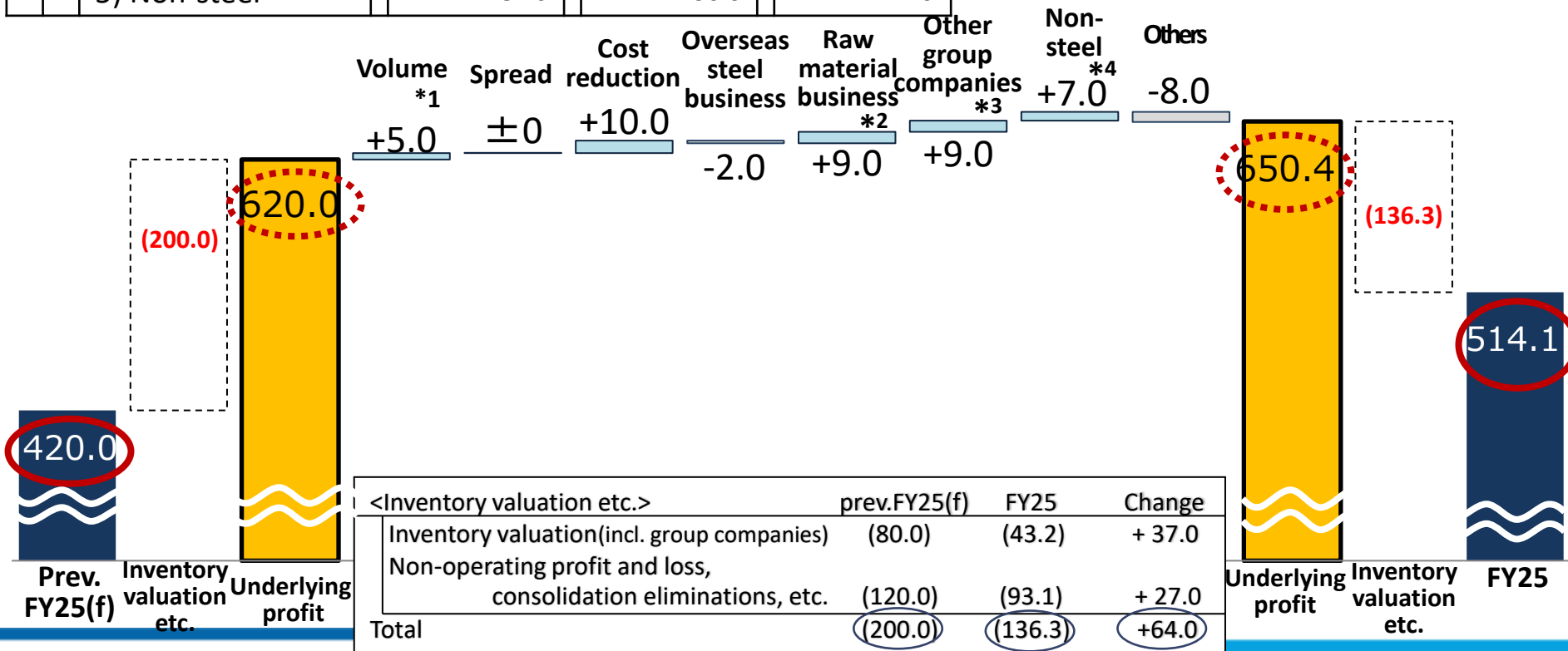
## Database

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

# Business Profit Factor Analysis (prev.FY25(f)-> FY25)

(¥bn.)	Prev.FY25(f)	FY25	Change
<b>Business Profit</b>	<b>420.0</b>	<b>514.1</b>	<b>+94.0</b>
<b>Underlying profit</b>	<b>620.0</b>	<b>650.4</b>	<b>+30.0</b>
1) Domestic	240.0	246.5	+7.0
2) Overseas	40.0	38.4	-2.0
3) Raw material	75.0	84.4	+9.0
4) Other group	175.0	183.9	+9.0
5) Non-steel	84.0	90.6	+7.0

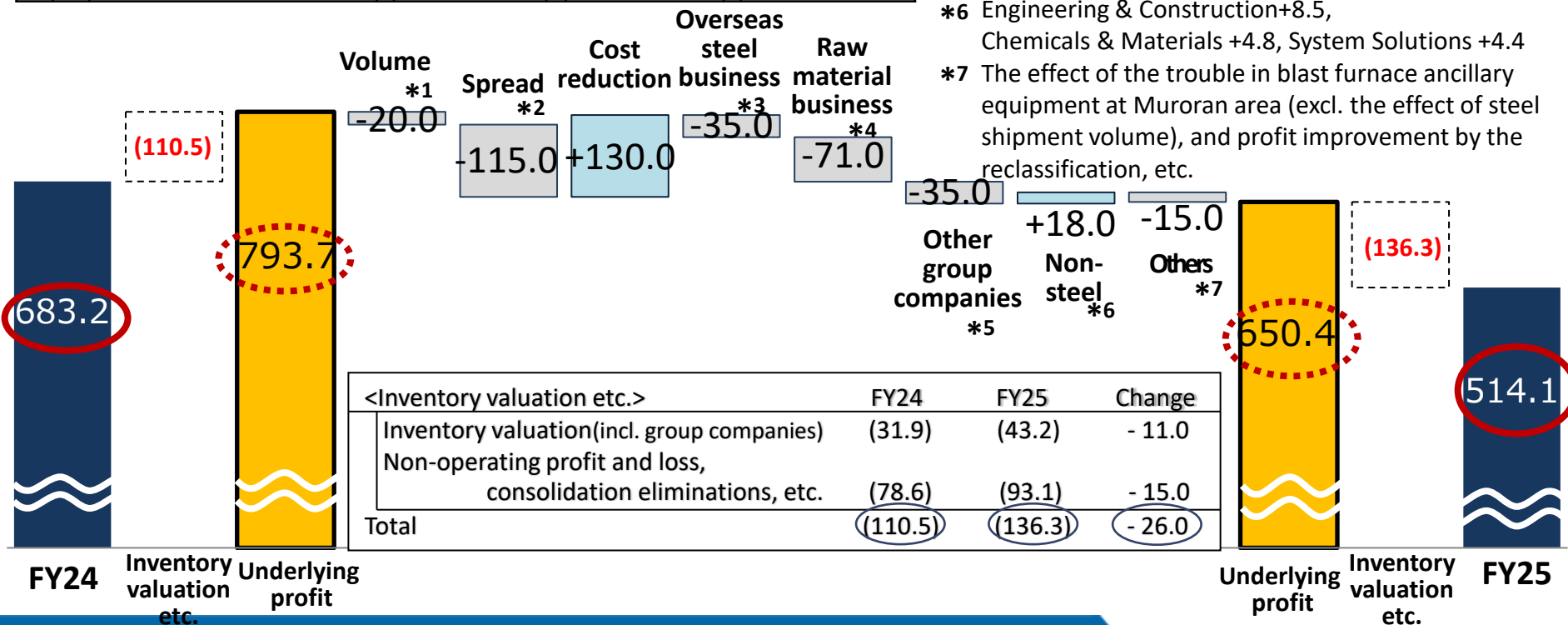
- \*1 Crude steel production : -0.12 MT (34.00 -> 33.88)  
Steel shipment volume : +0.16MT (31.00 -> 31.16)
- \*2 Impact of rising coal prices, etc.
- \*3 Improve : Operational Support, Secondary Processing, etc.
- \*4 Engineering & Construction +3.1, Chemicals & Materials +3.2, System Solutions +1.0



# Business Profit Factor Analysis (FY24 -> FY25)

(¥bn.)	FY24	FY25	Change
<b>Business Profit</b>	<b>683.2</b>	<b>514.1</b>	<b>-169.0</b>
<b>Underlying profit</b>	<b>793.7</b>	<b>650.4</b>	<b>-143.0</b>
1) Domestic	260.2	246.5	-14.0
2) Overseas	73.8	38.4	-35.0
3) Raw material	155.3	84.4	-71.0
4) Other group	218.7	183.9	-35.0
5) Non-steel	72.8	90.6	+18.0

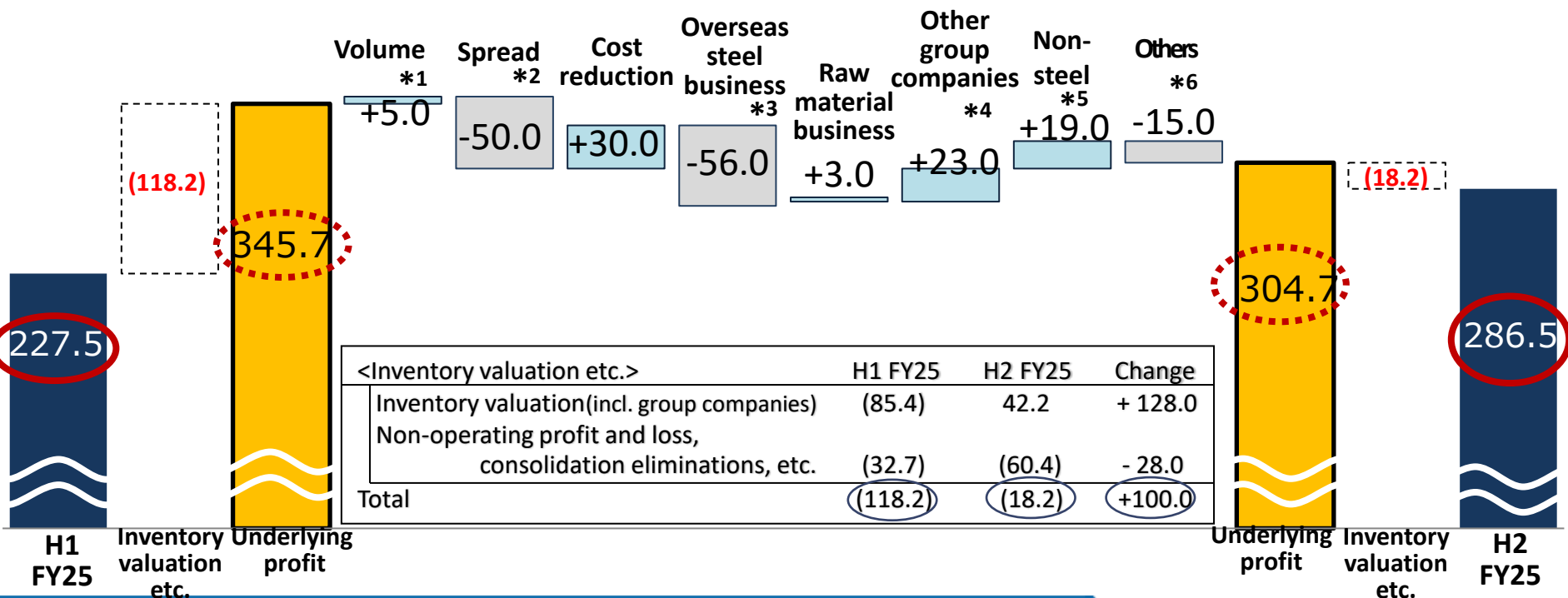
- \*1 Crude steel production : - 0.37 MT (34.25 -> 33.88)  
Steel shipment volume : - 0.46 MT (31.62 -> 31.16)
- \*2 Spreads deterioration in the market-driven segment, timing mismatch between sales price setting and raw material cost in linked segment, impact of tariff policy, etc.
- \*3 AM/NS Calvert 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 & Construction+8.5, Chemicals & Materials +4.8, System Solutions +4.4
- \*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)

(¥bn.)	H1 FY25	H2 FY25	Change
<b>Business Profit</b>	<b>227.5</b>	<b>286.5</b>	<b>+59.0</b>
<b>Underlying profit</b>	<b>345.7</b>	<b>304.7</b>	<b>-41.0</b>
1) Domestic	136.6	109.9	-27.0
2) Overseas	47.3	(8.9)	-56.0
3) Raw material	40.5	43.9	+3.0
4) Other group	80.3	103.5	+23.0
5) Non-steel	36.0	54.6	+19.0

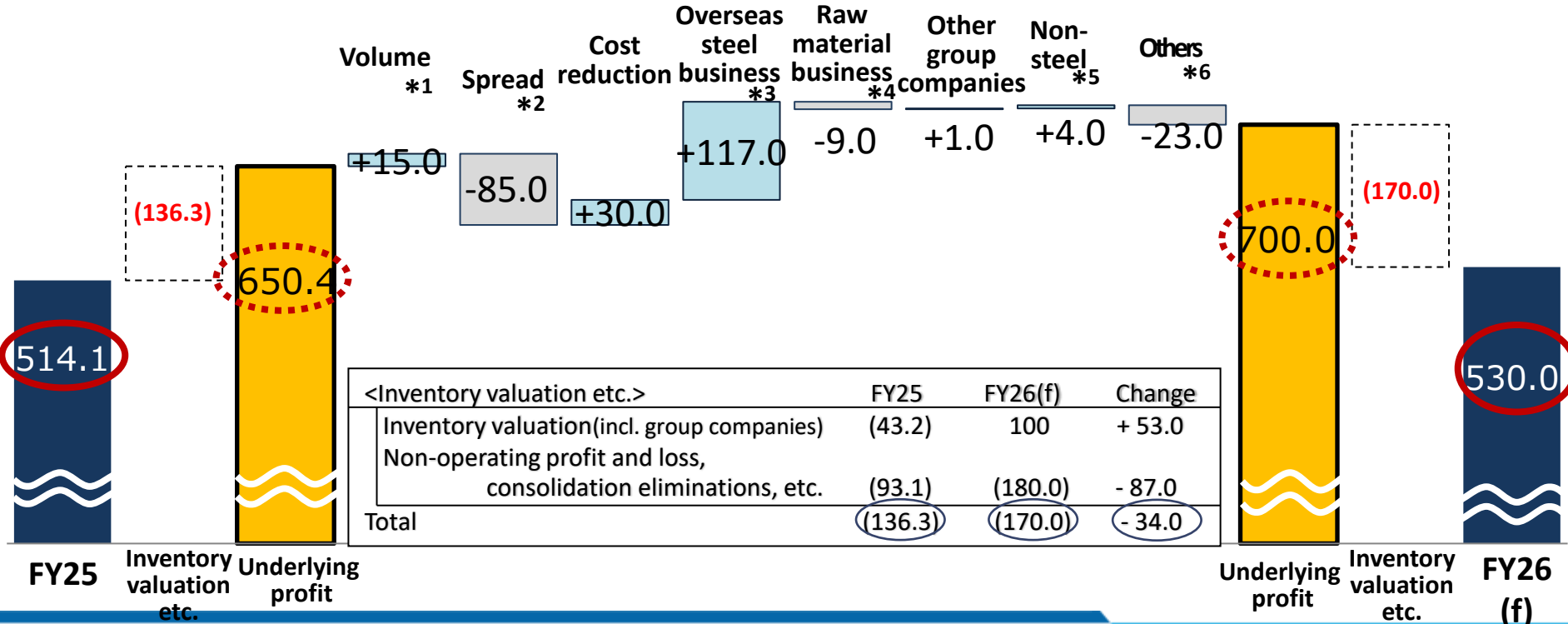
- \*1 Crude steel production : + 0.34 MT(16.77 -> 17.11)  
Steel shipment volume : + 0.21 MT(15.47 -> 15.68)
- \*2 Increase in raw material price after determining the direct contract selling price
- \*3 U. S. Steel one-off effects, specific factors, Impact of extreme cold weather in the U.S, etc.
- \*4 Improve : EAFs, Operational Support, Secondary processing, Trading, etc.
- \*5 Engineering & Construction+8.3, Chemicals & Materials +2.1, System Solutions +8.3
- \*6 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 (FY25 -> FY26(f))

(¥bn.)	FY25	FY26(f)	Change
<b>Business Profit</b>	<b>514.1</b>	<b>530.0</b>	<b>+16.0</b>
<b>Underlying profit</b>	<b>650.4</b>	<b>700.0</b>	<b>+50.0</b>
1) Domestic	246.5	190.0	-57.0
2) Overseas	38.4	155.0	+117.0
3) Raw material	84.4	75.0	-9.0
4) Other group	183.9	185.0	+1.0
5) Non-steel	90.6	95.0	+4.0

- \*1 Crude steel production : +1.12 MT (33.88 -> 35.00)  
Steel shipment volume : + 0.34 MT(31.16 -> 31.50)
- \*2 Spreads deterioration in the market-driven segment, Intensifying competition in export direct contract, etc.
- \*3 U. S. Steel: Realization of the benefits from prior investments and the realization of synergies Improvement: AM/NS India, G/GJ Steel, etc.
- \*4 Impact of appreciation of the Australian dollar and Canadian dollar / depreciation of the U.S. dollar, etc.
- \*5 Engineering & Construction-1.1, Chemicals & Materials +1.3, System Solution +4.2
- \*6 The effect of the trouble in Muroran BF resolved, Increase in labor costs, Increase in depreciation, etc.

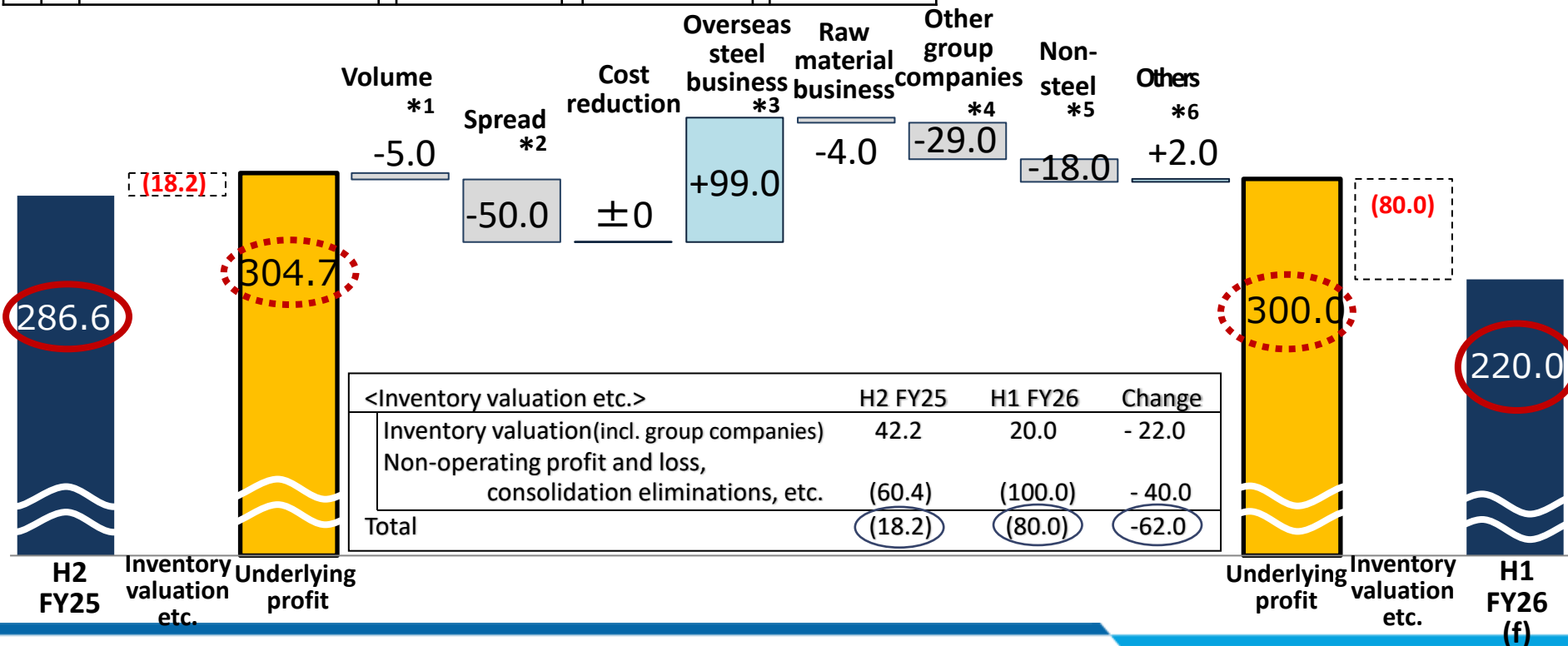


# Business Profit Factor Analysis (H2 FY25 -> H1 FY26(f))

\*Excl. the impact of the situation in the Middle East

- \*1 Crude steel production : + 0.39 MT(17.11 -> 17.50)  
Steel shipment volume : - 0.18 MT(15.68 -> 15.50)
- \*2 Impact of reduced domestic operations,  
Intensifying competition in export direct contract, etc.
- \*3 U. S. Steel +97.7, etc.
- \*4 Deteriorate : EAFs, Operational Support,  
Secondary processing, Trading
- \*5 Engineering & Construction-9.6,  
Chemicals & Materials -2.8, System Solutions -5.2
- \*6 The effect of the trouble in Muroran BF resolved,  
Increase in labor costs, Increase in depreciation  
(Nagoya Next Generation Hot Strip Mill), etc.

(¥bn.)	H2 FY25	H1 FY26(f)	Change
<b>Business Profit</b>	<b>286.6</b>	<b>220.0</b>	<b>-67.0</b>
<b>Underlying profit</b>	<b>304.7</b>	<b>300.0</b>	<b>-5.0</b>
1) Domestic	109.9	60.0	-50.0
2) Overseas	(8.9)	90.0	+99.0
3) Raw material	43.9	40.0	-4.0
4) Other group	103.5	75.0	-29.0
5) Non-steel	54.6	37.0	-18.0

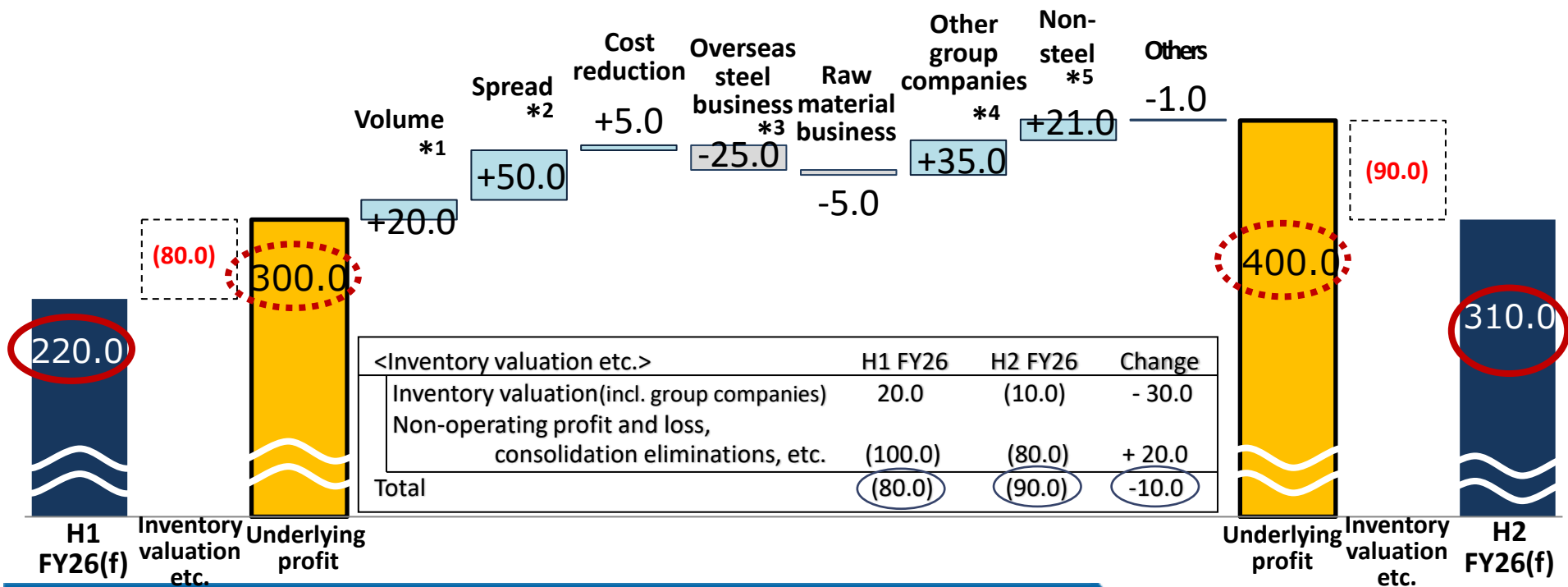


# Business Profit Factor Analysis (H1 FY26(f) -> H2 FY26(f))

\*Excl. the impact of the situation in the Middle East

- \*1 Crude steel production : + 0.00 MT(17.50 -> 17.50)  
Steel shipment volume : + 0.50 MT(15.50 -> 16.00)
- \*2 Impact of increased domestic operations,  
Price improvements in the domestic market segment,  
Shipment mix improvements, etc.
- \*3 U. S. Steel -40.0, etc.
- \*4 Improve : EAFs, Operational Support,  
Secondary processing, Trading
- \*5 Engineering & Construction+10.0,  
Chemicals & Materials +4.9, System Solutions +6.5

(¥bn.)	H1 FY26(f)	H2 FY26(f)	Change
<b>Business Profit</b>	<b>220.0</b>	<b>310.0</b>	<b>+90.0</b>
<b>Underlying profit</b>	<b>300.0</b>	<b>400.0</b>	<b>+100.0</b>
1) Domestic	60.0	130.0	+70.0
2) Overseas	90.0	65.0	-25.0
3) Raw material	40.0	35.0	-5.0
4) Other group	75.0	110.0	+35.0
5) Non-steel	37.0	58.0	+21.0



# Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

## Database

### 1. ESG Indicators

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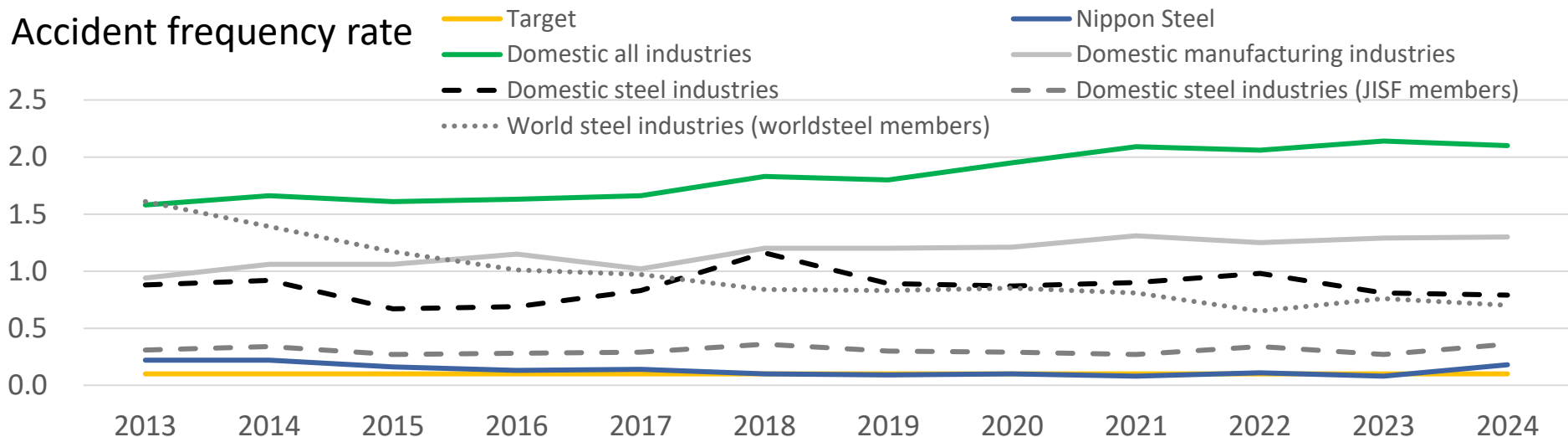
# 1-1. ESG Indicators (Safety and Health)

“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)

“M” represents materiality

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M	CO <sub>2</sub> emissions (non-consol.)	MMT	2030 -30%	102	101	96	96	93	94	91	74	83	75	76	73
M	CO <sub>2</sub> 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)

29  
(Fiscal Year)

“M” represents materiality

	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 <sub>2</sub> reduction]	Units [million t-CO <sub>2</sub> ]	-	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 <sup>3</sup>	-	13	13	14	14	14	14	14	11	13	13	11	11
M	NOx emissions	Mn. Nm <sup>3</sup>	-	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 <sup>3</sup>	-	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)

“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)

“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) 32

“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							FY26			
	Q1	Q2	H1	Q3	Q4	H2	33.85	Q1	Q2	H1	Q3	Q4	H2	Prev.(f)	32.50	32.34	H1(f)	(f)
	Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1	Q3	Q4	H2					
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	8.09	16.22	32.50	32.34			
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	13.87	27.55	50.00	50.48	28.50	57.50	
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	5.36	10.44	16.00	16.60	11.00	22.50	
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	8.51	17.11	34.00	33.88	17.50	35.00	
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	7.84	15.68	31.00	31.16	15.50	31.50	
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	0.18	0.32	0.61	0.62	0.30	0.64	
Steel Export Ratio (Value basis (%))	44	46	45	42	43	43	44	40	42	41	42	40	41	40	41			
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	143.0	140.7	139	139.6			
FOREX (USD/JPY)	155	153	154	149	154	152	153	145	147	146	153	155	154	150	150	155	155	

## 2-1-2. Operational Highlights (Annual)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	*1 FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26(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	32.34	
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	50.48	57.50
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	16.60	22.50
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	33.88	35.00
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	31.16	31.50
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	0.62	0.64
Steel Export Ratio (Value basis (%))	46	47	45	42	41	40	40	38	36	42	43	44	44	41	
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	140	
FOREX (USD/JPY)	100	109	121	109	111	111	109	109	106	112	135	144	153	150	155

\*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)

(bn.JPY)	FY24							FY25							FY26		
	Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1	Q3	Q4	H2	Prev.(f)	H1(f)	(f)	
<b>Revenue</b>	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	2,806.8	5,427.5	10,000.0	10,063.2	5,400.0	11,000.0
<b>Steelmaking</b>	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	2,559.4	4,977.7	9,200.0	9,221.7	5,000.0	10,100.0
<b>Engineering &amp; Construction</b>	83.9	99.4	183.3	99.7	117.4	217.1	400.4	89.0	93.2	182.2	90.3	121.8	212.2	400.0	394.4	160.0	370.0
<b>Chemicals &amp; Materials</b>	68.5	71.8	140.4	64.1	64.6	128.7	269.1	63.0	65.1	128.1	63.0	66.7	129.7	260.0	257.9	130.0	280.0
<b>System Solutions</b>	77.1	79.9	157.0	84.0	98.2	182.3	339.3	82.9	96.1	179.0	97.4	106.3	203.8	377.0	382.8	198.0	417.0
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	20.7	37.7		85.4		
<b>Business Profit</b>	236.9	138.7	375.7	190.3	117.1	307.4	683.2	92.0	135.5	227.5	128.6	157.9	286.5	420.0	514.1	220.0	530.0
<b>ROS (%)</b>	10.8%	6.3%	8.6%	8.8%	5.5%	7.1%	7.9%	4.6%	5.2%	4.9%	4.9%	5.6%	5.3%	4.2%	5.1%	4.1%	4.8%
<b>Steelmaking</b>	230.2	123.5	353.8	166.0	101.1	267.1	621.0	85.2	116.5	201.8	112.5	125.6	238.1	350.0	439.9	203.0	453.0
<b>Engineering &amp; Construction</b>	(0.0)	(1.1)	(1.2)	8.2	7.5	15.8	14.6	5.4	1.9	7.4	4.5	11.1	15.6	20.0	23.1	6.0	22.0
<b>Chemicals &amp; Materials</b>	6.4	5.7	12.2	5.5	1.1	6.6	18.9	3.1	6.6	9.8	4.7	7.3	12.1	20.0	21.9	9.0	23.5
<b>System Solutions</b>	9.0	9.3	18.3	11.8	8.6	20.5	38.8	8.7	8.8	17.5	12.4	13.2	25.7	43.0	43.3	20.5	47.5
<b>Additional Line Items</b> *1	-	-	-	-	(135.2)	(135.2)	(135.2)	(231.5)	1.2	(230.3)	(18.7)	(22.1)	(40.8)	(270.0)	(271.2)	-	(30.0)
<b>Profit attributable to owners of the parent</b>	157.5	85.7	243.3	118.7	(11.8)	106.8	350.2	(195.8)	82.4	(113.3)	68.3	62.1	130.5	(70.0)	17.1	90.0	220.0
<b>ROE (%)</b> *2	12.9%	6.6%	9.6%	8.9%	(0.9%)	4.0%	6.9%	-15.1%	6.5%	-4.3%	5.2%	4.6%	4.9%		0.3%	0.0%	
<b>EBITDA</b>	330.4	234.2	564.6	287.5	216.2	503.8	1,068.4	188.6	279.6	468.2	281.7	337.9	619.7	970.0	1,088.0	555.0	1,200.0

\*1 Incl. losses on inactive facilities, losses on business withdrawal etc.    \*2 Annualized

# 2-2-2. Earnings Summary (Annual)

(bn.JPY)	FY13	FY14	FY15	FY16	FY17	FY17	FY18	FY19	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26(f)
	(JGAAP)	(JGAAP)	(JGAAP)	(JGAAP)	(JGAAP)	(IFRS)	(IFRS)	(IFRS)	(excl. impairment loss)	(IFRS)	(IFRS)	(IFRS)	(IFRS)	(IFRS)	(IFRS)	(IFRS)
<b>Revenue *1</b>	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	10,063.2	11,000.0
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	9,221.7	10,100.0
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	394.4	370.0
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	257.9	280.0
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	382.8	417.0
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	85.4	
<b>Business Profit *2</b>	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	514.1	530.0
<b>ROS (%)</b>	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%	5.1%	4.8%
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	439.9	453.0
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	23.1	22.0
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	21.9	23.5
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	43.3	47.5
<b>Additional Line Items *3</b>	38.0	(75.5)	29.8	7.1	(7.6)	-	(71.8)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(271.2)	(30.0)
Losses on reorganization	(18.6)	(89.8)	(32.7)	(19.1)	(33.3)	-	(49.4)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(271.2)	(30.0)
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 *4	-	(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)	-		-	-	-	-	-	-	-
<b>Profit attributable to owners of the parent *5</b>	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	17.1	220.0
<b>ROE (%)</b>	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%		
<b>ROIC (%) *6</b>	4.1%	5.2%	2.7%	2.6%	4.0%	-	4.0%	(5.0%)		1.4%	10.6%	9.2%	7.8%	5.8%		
<b>EBITDA</b>	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	1,088.0	1,200.0

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

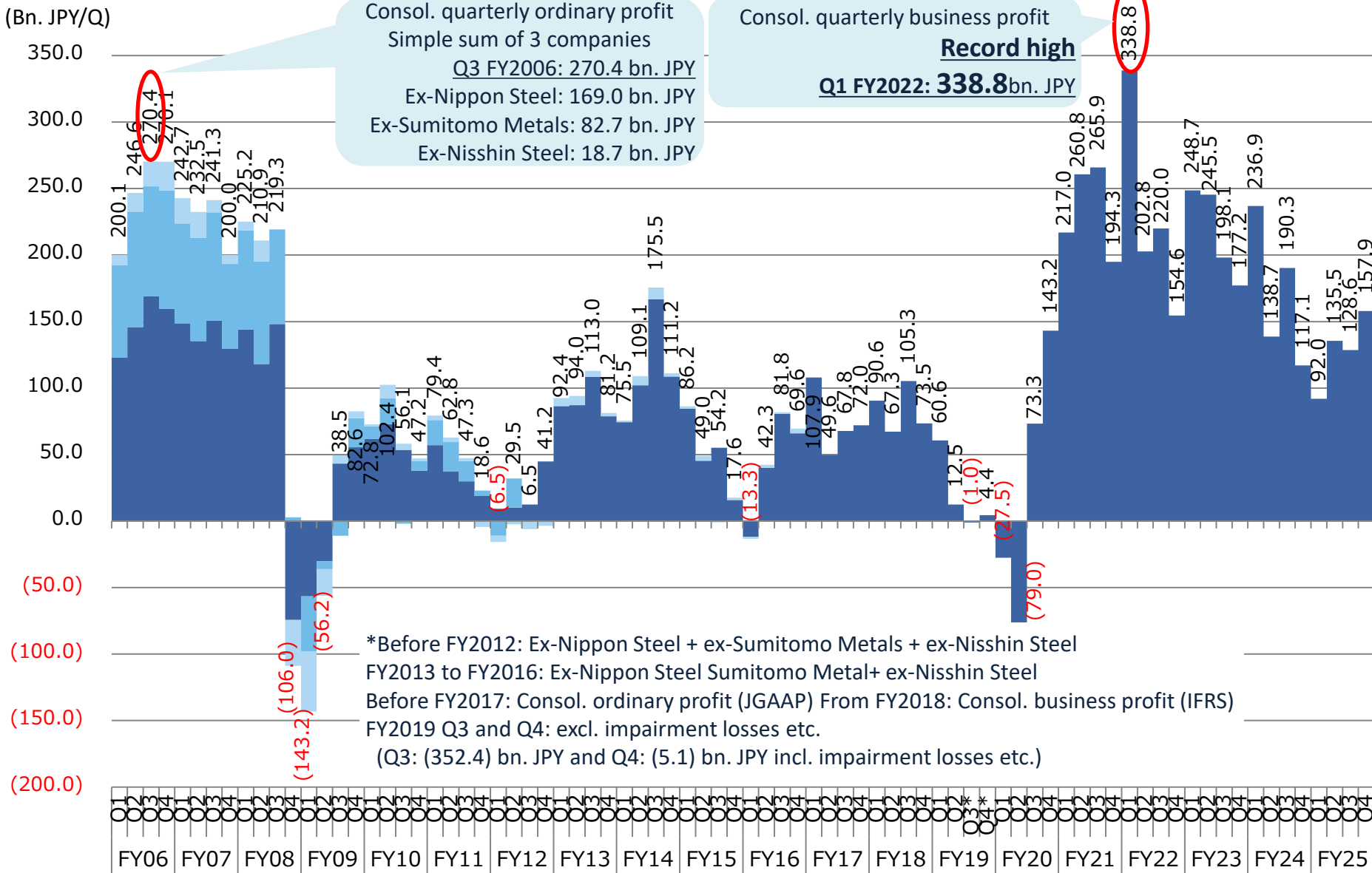
\*4 JGAAP : Extraordinary Loss(excl. Losses on disaster)    \*5 JGAAP : Profit attributable to owners of parent

\*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)

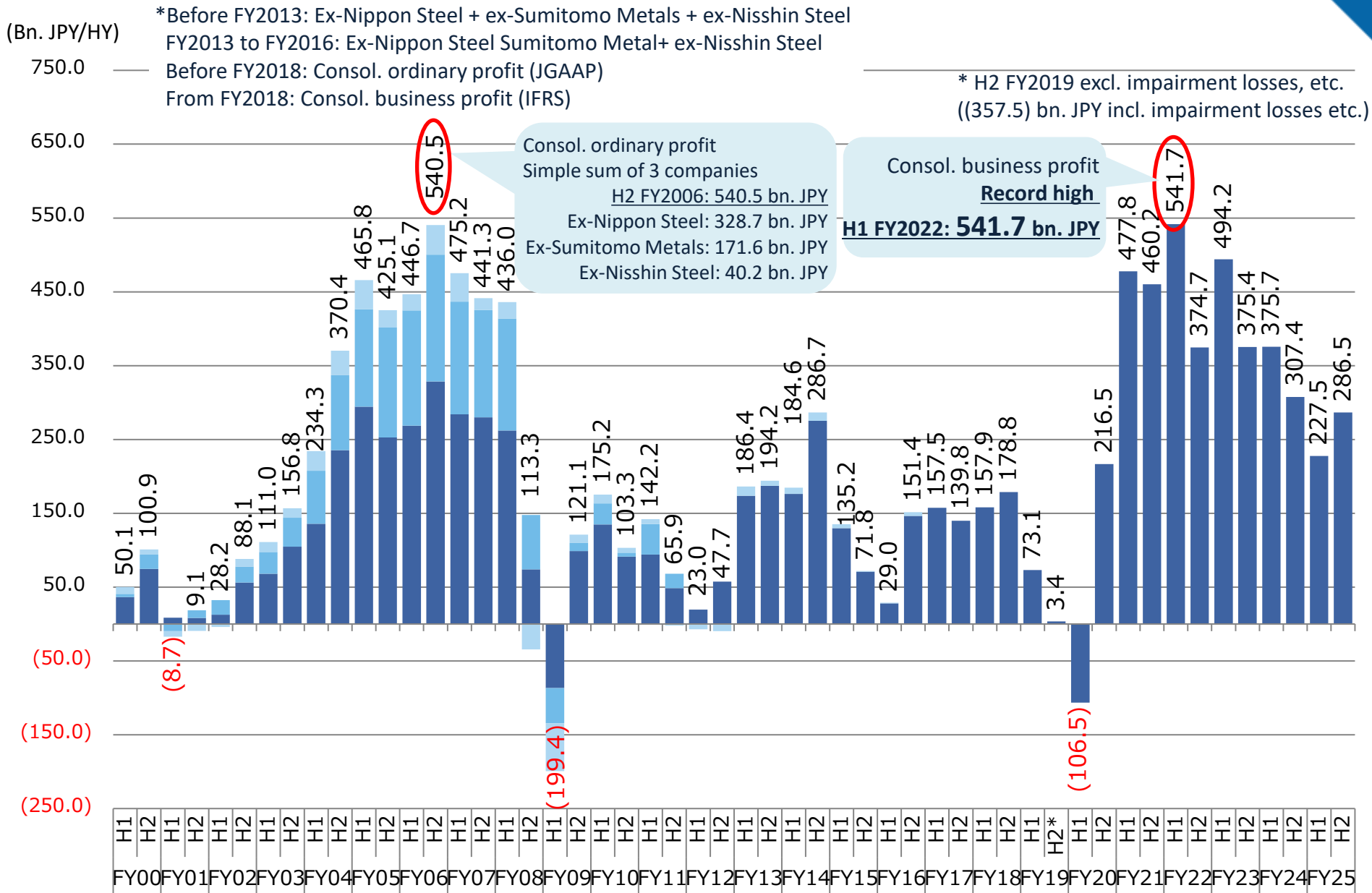
Consol. quarterly ordinary profit  
Simple sum of 3 companies  
Q3 FY2006: 270.4 bn. JPY  
Ex-Nippon Steel: 169.0 bn. JPY  
Ex-Sumitomo Metals: 82.7 bn. JPY  
Ex-Nisshin Steel: 18.7 bn. JPY

Consol. quarterly business profit  
**Record high**  
Q1 FY2022: **338.8**bn. JPY



\* Before FY2012: 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 FY2018: Consol. business profit (IFRS)  
FY2019 Q3 and Q4: excl. impairment losses etc.  
(Q3: (352.4) bn. JPY and Q4: (5.1) bn. JPY incl. impairment losses etc.)

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



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

Consol. ordinary profit  
Simple sum of 3 companies

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)

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

**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

(100.0)

48.00

43.00

38.00

33.00

28.00

28.00

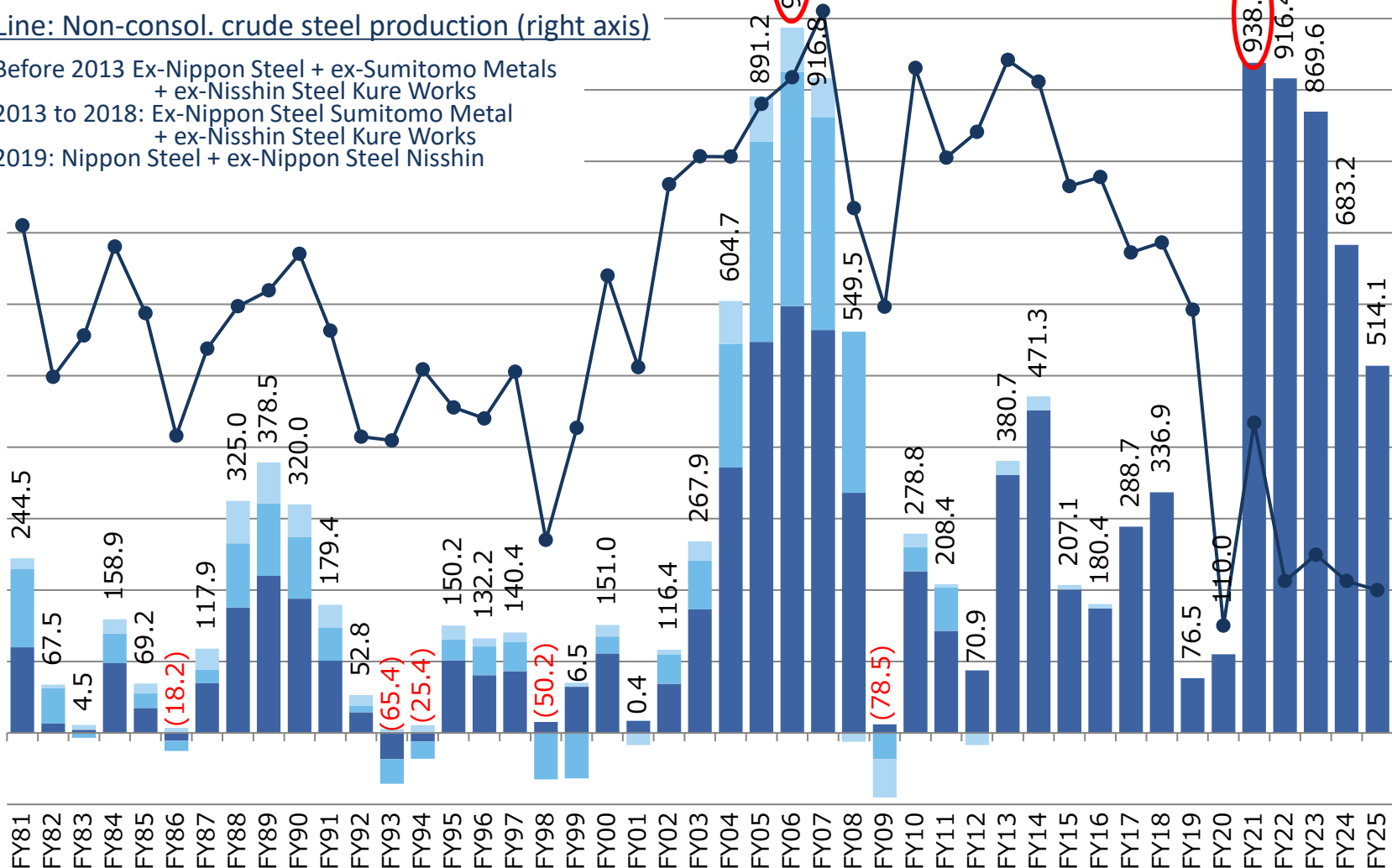
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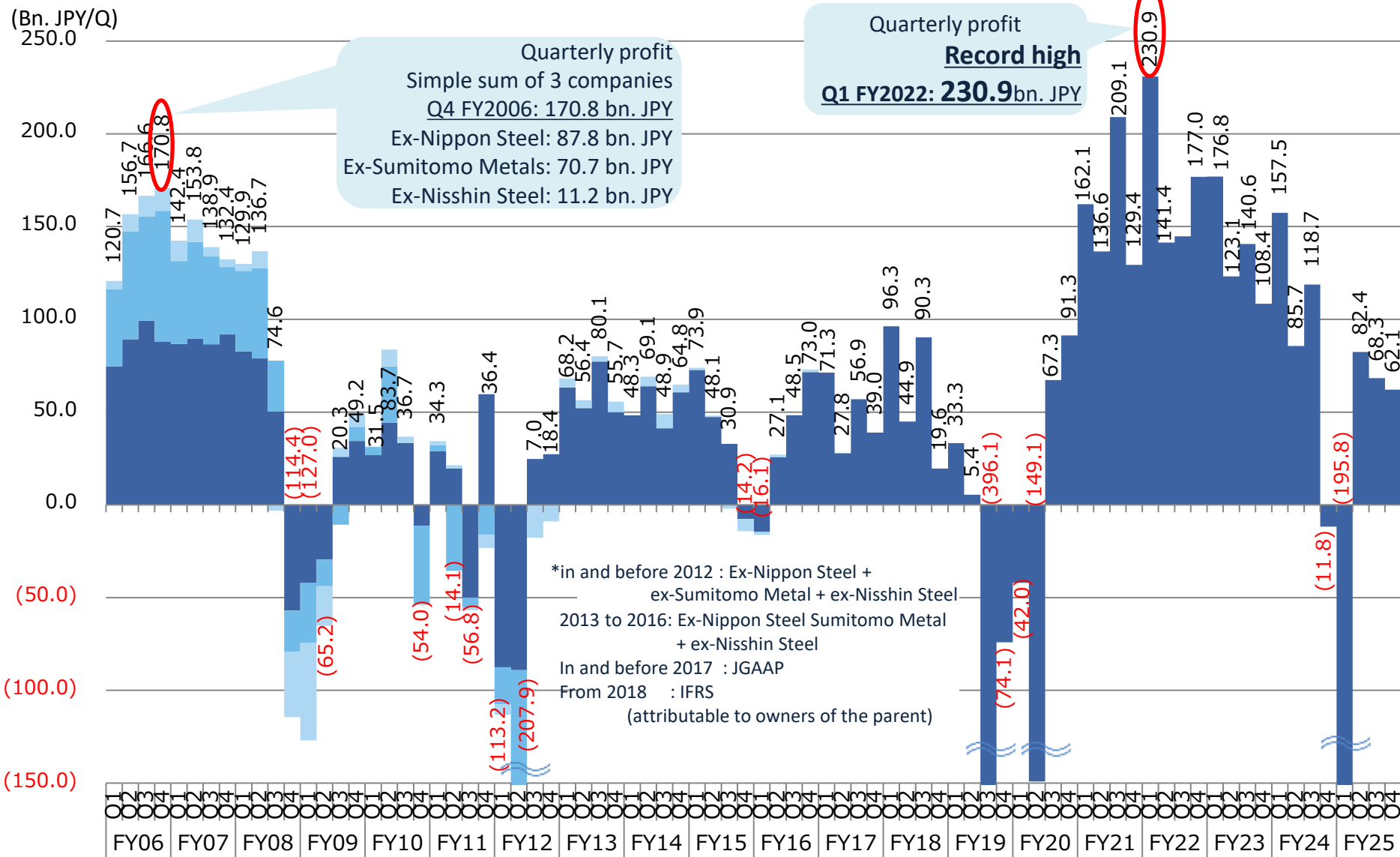
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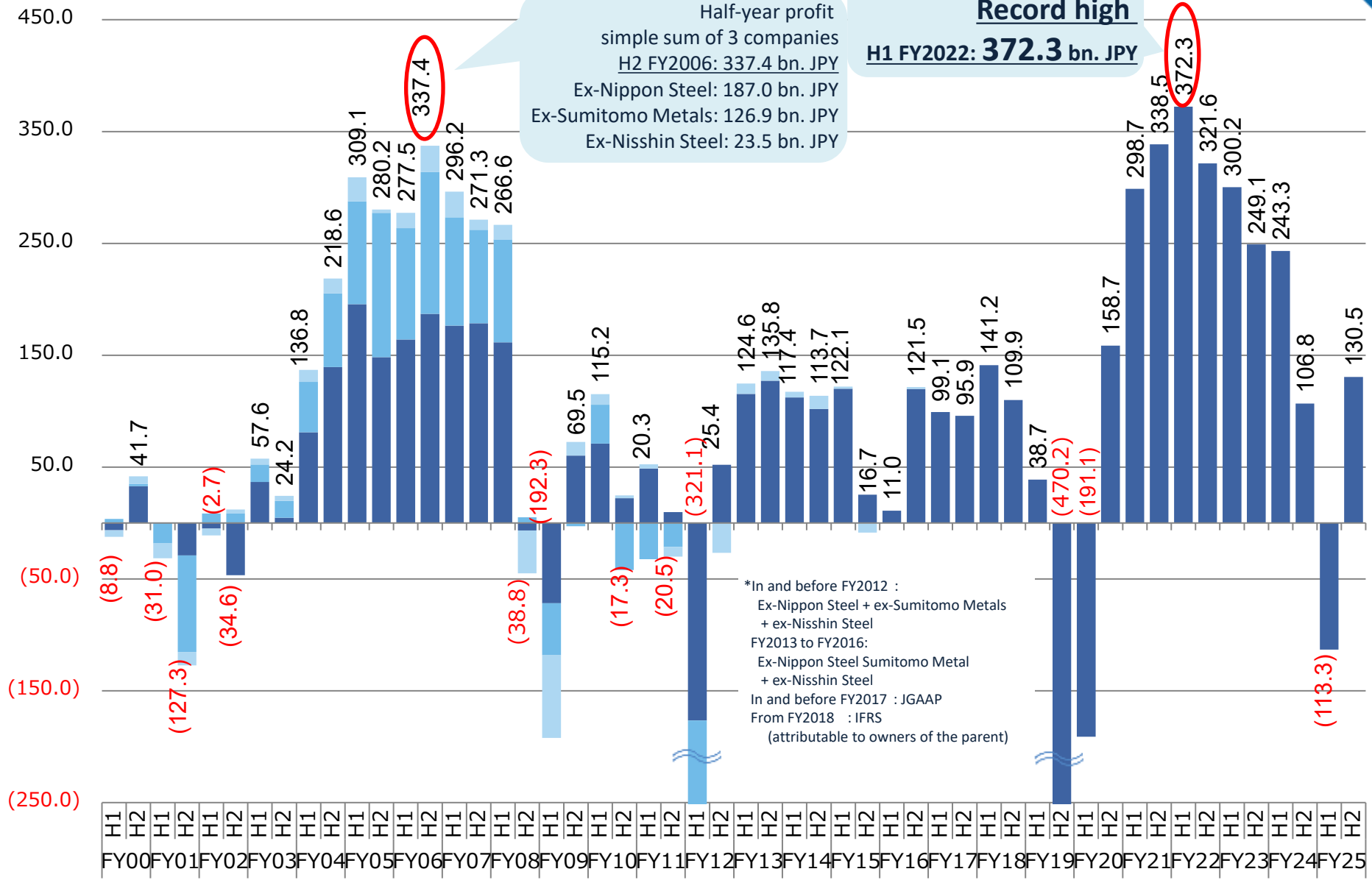
\* FY2019 excl. impairment losses etc.  
((284.4) bn. JPY/Y incl. impairment losses etc.)

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



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

(Bn. JPY/HY)

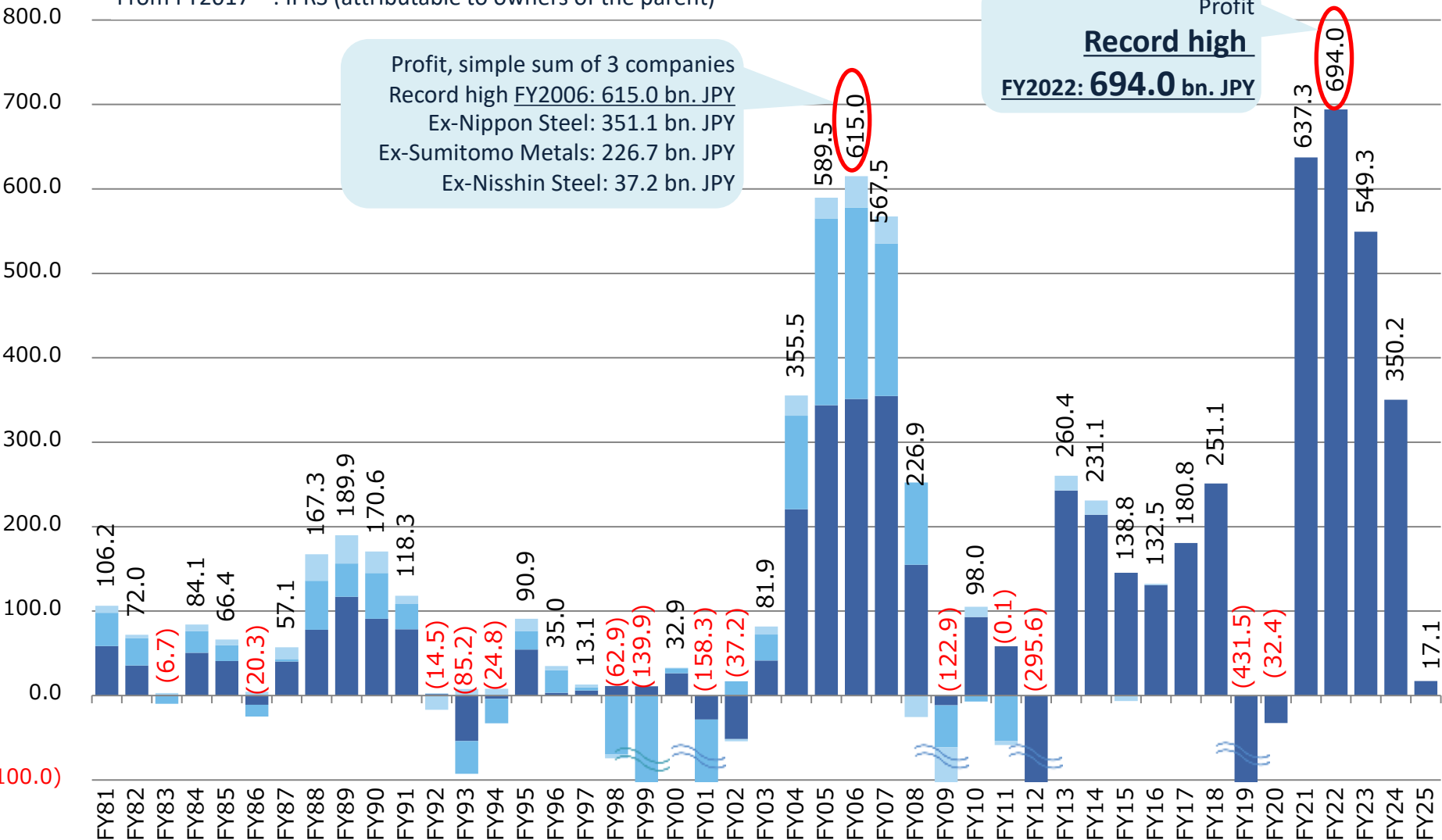


# 2-2-4. Profit Trend (Annual)

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)

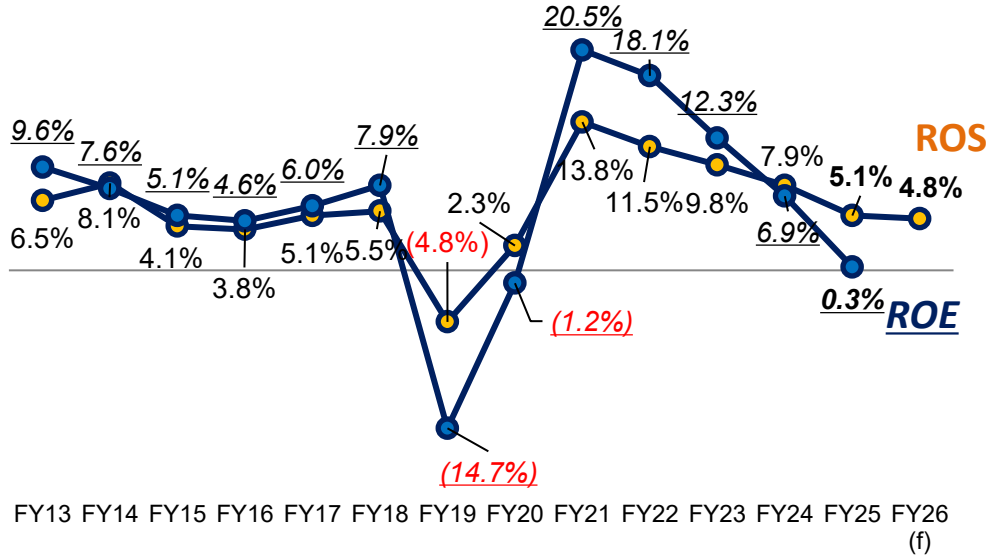
(bn.JPY)	FY13 (JGAAP)	FY14 (JGAAP)	FT15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25 (IFRS)	FY26(f) (IFRS)
CF from operating activities	512.0	660.5	562.9	484.2	485.5	485.5	447.3	424.3	318.1	615.6	661.2	1,010.1	978.5	716.9	
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)	(2,937.1)	
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	(2,120.2)	
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	942.9	1,430.0
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	573.9	670.0
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	14,660.6	
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	5,174.3	
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	5,530.4	
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	0.71	
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	37.7	
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	4.8	

\*1 On an accrual basis

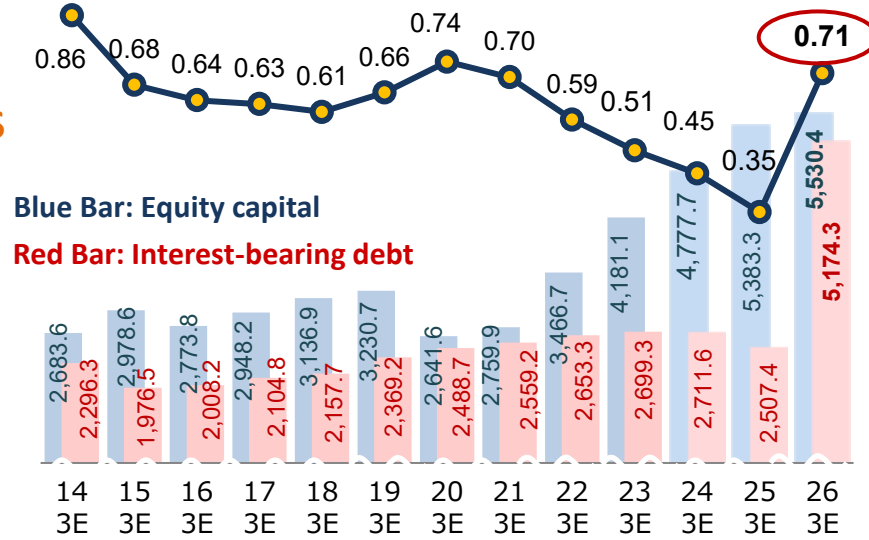
\*2 Adjusted D/E

# 2-4. Key Financial Indicators

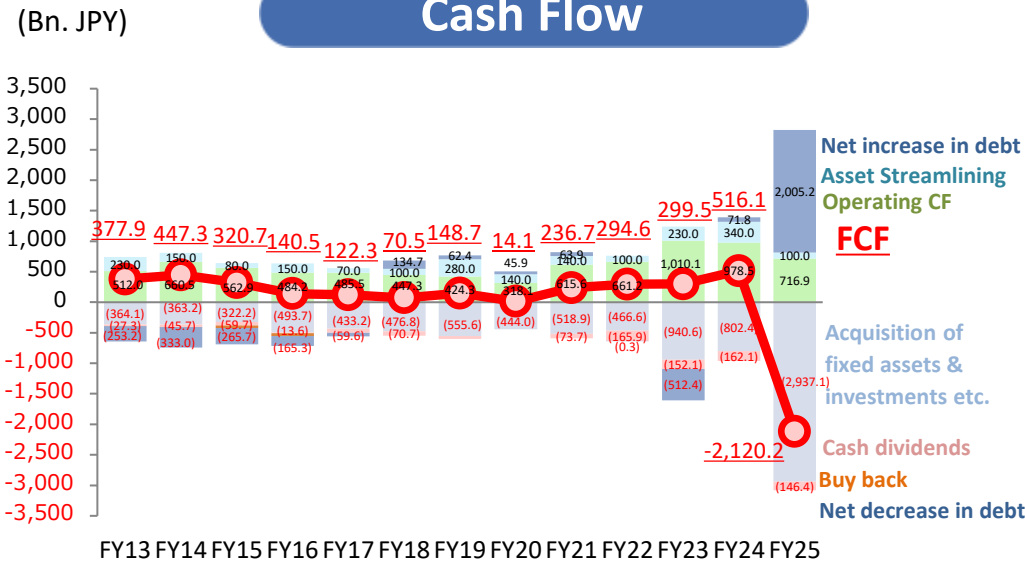
## ROS & ROE



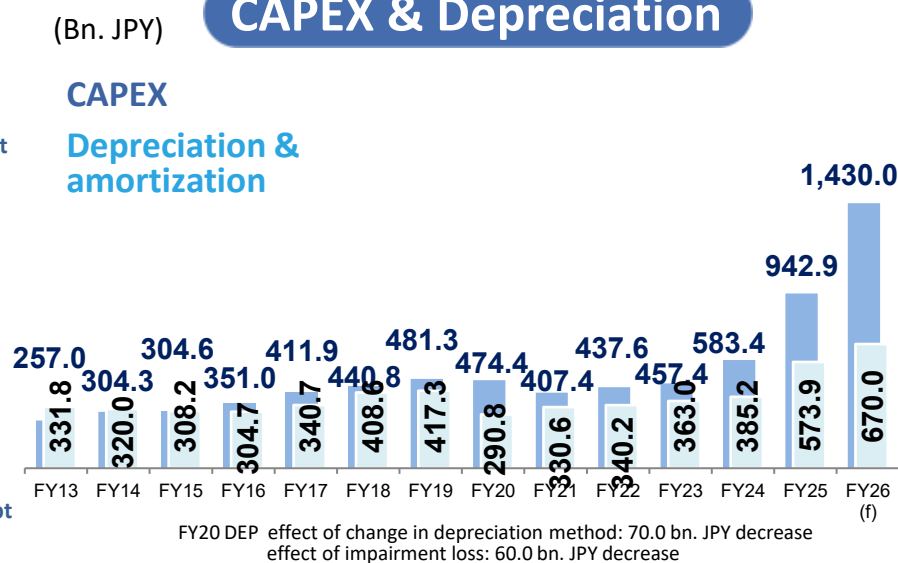
## D/E



## 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)

	*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)	*7 FY25 (IFRS)	FY26(f) (IFRS)
<b>Stock Price</b> (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	575.9	
<b>EPS</b> *2 (Earnings Per Share) (JPY)	267	235	159	148	221	205	282	(469)	(35)	692	753	596	350	3	42
<b>PER</b> *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	192.0	
<b>BPS</b> *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	1,058	
<b>PBR</b> *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	0.5	
<b>Full-year Dividend</b> (JPY)	50	55	45	45	70	70	80	10	10	160	180	160	160	24	24
<b>Pay-out Ratio</b> *6 (%)	19%	23%	28%	30%	32%	34%	28%	-	-	23%	24%	27%	46%	731%	57%
<b>Dividend Yield</b> (%)	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%	4.2%	

\*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	Merged with NS Coated Sheet from 2020						
	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

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)

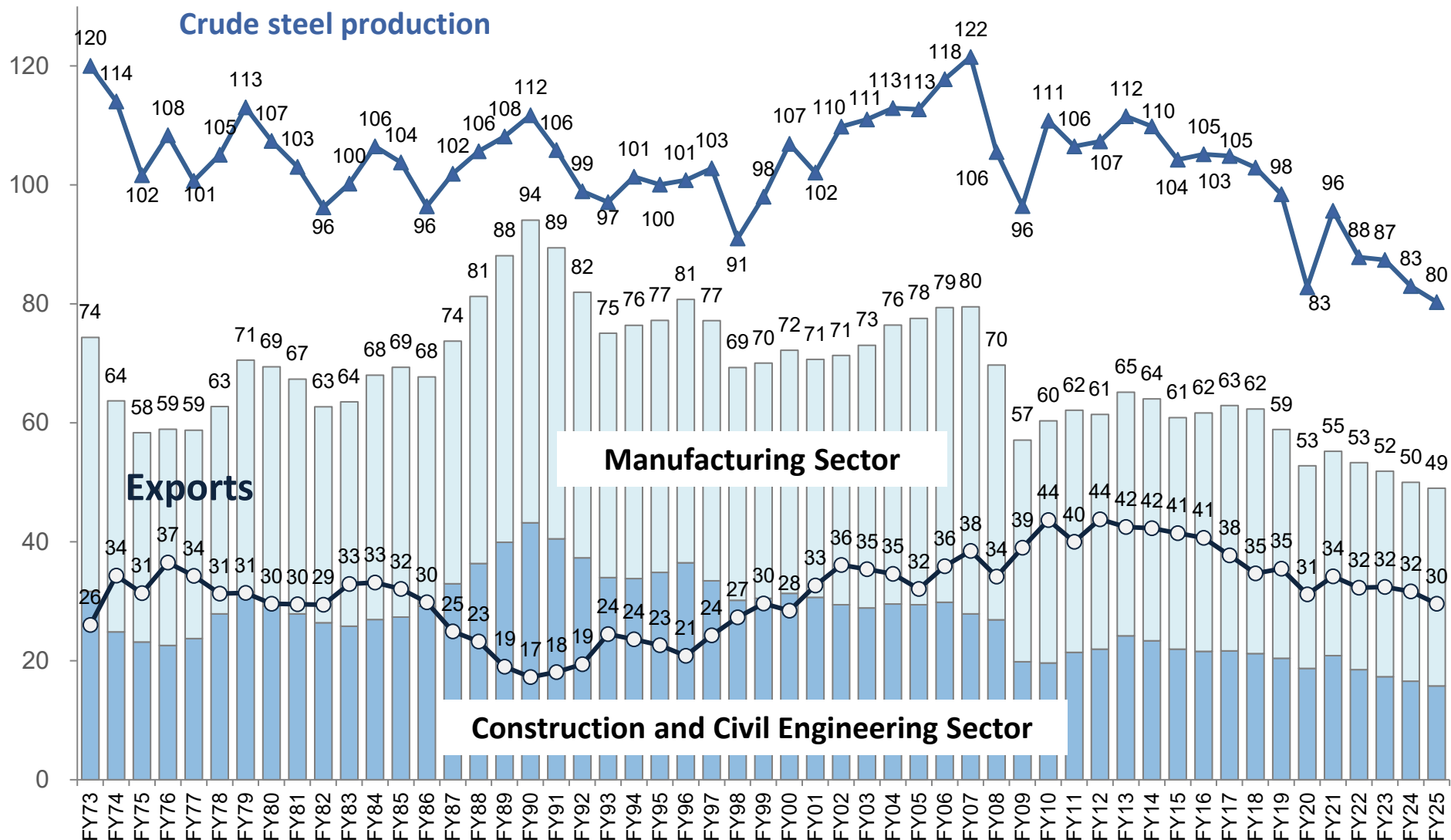
(MMT)	FY24							FY25							FY25(f)	FY25	H1(f)	FY26(f)
	Q1	Q2	H1	Q3	Q4	H2	FY24	Q1	Q2	H1	Q3	Q4	H2					
Domestic Crude Steel Production	21.25	20.59	41.84	20.72	20.40	41.12	82.95	20.15	19.93	40.08	20.20	20.04	40.24	80.30	80.31			
Domestic Steel Consumption (A)+(B)	12.44	12.35	24.80	12.56	12.21	24.77	49.57	12.04	12.11	24.15	12.57	12.26	24.83	49.00	49.00	23.80	48.50	
% 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	68.4	68.2	67.8	67.8	68.0	67.9	
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	9.50	19.17	37.79	37.79	18.30	37.50	
Construction	3.97	3.95	7.91	3.95	3.80	7.75	15.66	3.77	3.76	7.53	3.84	3.73	7.58	15.11	15.11	7.30	15.10	
Manufacturing	5.68	5.59	11.27	5.78	5.72	11.50	22.76	5.52	5.55	11.07	5.82	5.77	11.59	22.68	22.67	11.00	22.40	
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	3.09	3.09	1.50	3.10	
Automotive	2.38	2.40	4.78	2.46	2.42	4.88	9.66	2.32	2.33	4.65	2.46	2.44	4.89	9.52	9.54	4.60	9.40	
Industrial	1.04	0.97	2.01	1.01	0.98	1.99	4.00	0.99	1.00	1.99	1.05	1.07	2.12	4.13	4.11	2.00	4.10	
Machine Electronic	0.57	0.60	1.17	0.64	0.64	1.28	2.45	0.59	0.59	1.18	0.62	0.63	1.25	2.45	2.44	1.20	2.40	
Machine																		
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	11.22	11.21	5.50	11.00	

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

(MMT)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26(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	80.31	
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	48.50
% 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	67.9
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	37.50
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	15.10
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	22.67	22.40
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	3.10
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	9.54	9.40
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	4.11	4.10
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	2.44	2.40
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	11.21	11.00

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

(MMT)



Source : Nippon Steel

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

		FY24							FY25							Prev. FY25(f)	FY25(f)	H1(f)	FY26(f)
		Q1	Q2	H1	Q3	Q4	H2	FY24	Q1	Q2	H1	Q3	Q4	H2(f)					
<b>Housing Starts</b>	(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	0.71	0.71	0.38	0.73	
<b>Non-residential Construction Starts</b>	(mil.m <sup>2</sup> )	10.31	9.83	20.14	9.44	9.14	18.59	38.73	10.54	8.57	19.11	8.21	8.46	16.67	36.90	35.78	18.59	36.50	
<b>Public Works Orders</b>	(bn JPY)	3,097	3,897	6,994	2,935	4,167	7,102	14,096	2,994	3,757	6,751	3,277	4,578	7,855	14,496	14,606	7,175	14,867	
<b>Finished Auto Production</b>	(mil. units)	1.99	2.11	4.10	2.23	2.14	4.37	8.47	2.03	2.04	4.06	2.18	2.15	4.33	8.40	8.42	4.11	8.35	
<b>Export of Finished Auto</b>	(mil. units)	1.02	1.04	2.07	1.16	1.02	2.18	4.24	1.03	1.02	2.04	1.11	1.03	2.14	4.20	4.18	2.10	4.22	
<b>Overseas Auto Production (8 Japanese car makers)</b>	(mil. units)	3.94	3.88	7.82	4.03	3.91	7.94	15.76	3.89	3.98	7.87	4.01	3.92	7.93		15.81			
<b>Large &amp; Middle Sized Shovel Production</b>	(thousand units)	21	18	39	19	18	37	76	20	22	42	21	23	43	84	83	41	85	
<b>Metal Machine Tool Production</b>	(thousand tons)	69	74	143	77	81	158	301	70	76	147	77	86	163	312	310	158	325	
<b>Keel-laid new Ships</b>	(mill. Gross tons)	2.59	2.35	4.94	2.13	2.50	4.64	9.58	2.33	2.30	4.63	2.30	2.30	4.60	9.20	9.23	4.60	9.20	

Source : Nippon Steel

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

		FY13	FY14	FT15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)	FY26(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	0.73	
Non-residential Construction Starts	(mil.m <sup>2</sup> )	56.27	52.61	49.99	51.33	53.31	51.02	47.98	44.92	48.06	46.90	42.79	38.73	35.78	36.50	
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	14,606	14,867
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	8.42	8.35	
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	4.18	4.22	
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	15.81		
Large & Middle Sized Shovel Production	(thousand units)	80	78	63	66	79	86	78	74	93	93	92	76	83	85	
Metal Machine Tool Production	(thousand tons)	344	481	452	366	458	438	341	249	334	377	343	301	310	325	
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	9.23	9.20	

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

	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	vs. CY24	CY26 (f)	vs. CY25
(%/y)																
<b>World</b>	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	-	2.9	-0.4
<b>Developed Countries</b>	1.4	2.1	2.3	1.7	2.4	2.2	1.7	-4.5	5.4	2.6	1.7	1.8	1.9	+0.1	1.5	-0.4
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	2.0	-0.8	2.2	+0.2
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	1.2	+0.3	1.2	-
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	0.5	+0.4	1.0	+0.5
<b>Emerging Countries</b>	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	4.0	-0.4
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	4.4	-0.6	3.9	-0.5
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	4.9	+0.3	3.7	-1.2
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	7.5	+1.0	7.1	-0.4
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	1.0	-3.3	0.6	-0.4
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	2.0	-1.4	2.6	+0.6

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

# 3-4. World Steel Demand

<World Steel Association forecast as of April, 2026>

(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	vs.CY24		CY 26(f)	vs.CY25	
	<b>World</b>	<b>1,546</b>	<b>1,551</b>	<b>1,506</b>	<b>1,519</b>	<b>1,637</b>	<b>1,712</b>	<b>1,779</b>	<b>1,790</b>	<b>1,841</b>	<b>1,782</b>	<b>1,767</b>	<b>1,749</b>	<b>1,718</b>	<b>-31</b>	<b>-2%</b>	<b>1,724</b>	<b>+6</b>
USMCA	131	146	134	131	138	140	135	116	137	133	132	130	128	-1	-1%	131	+3	+2%
EU28 *1	179	149	154	158	164	168	158	140	165	152	139	140	145	+5	+3%	147	+2	+1%
Japan	65	68	63	62	64	65	63	53	57	55	53	50	48	-2	-4%	48	-0	-0%
Korea	52	56	56	57	56	54	53	49	56	51	52	48	44	-4	-10%	44	+0	+0%
China	741	711	672	681	774	836	912	1,008	954	921	896	857	796	-61	-8%	784	-12	-2%
India	74	76	80	84	89	97	103	89	106	116	133	148	160	+12	+7%	172	+12	+7%
ASEAN -5 *2	59	62	67	76	74	77	78	70	73	73	71	79	87	+8	+9%	88	+1	+1%
Russia	60	43	40	39	41	41	44	42	44	42	45	44	38	-6	-16%	37	-0	-1%

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

# 3-5. World Crude Steel Production

(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	CY 25 [A]	CY26					CY26 [C] (B* 12/3)	Change (A -> C)
														Jan.	Feb.	Mar.	Jan. - Mar.	[B]		
<b>World Total</b>	1,582	1,644	1,598	1,587	1,712	1,789	1,844	1,842	1,913	1,851	1,846	1,837	1,798	157	142	160	459	459	1,836	+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%]	[-2.1%]	[-0.6%]	[-1.9%]	[-4.0%]	[-2.2%]	[-2.2%]		
<b>Japan</b>	111	111	105	105	105	104	99	84	96	89	87	84	81	7	6	7	20	20	80	-0
[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%]	[-4.0%]	[-0.5%]	[-0.2%]	[-4.1%]	[-1.7%]	[-1.7%]		
<b>Korea</b>	66	72	70	69	71	72	71	67	70	66	67	64	62	6	5	5	16	16	63	+1
[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%]	[-2.7%]	[+4.2%]	[-7.3%]	[+8.1%]	[+1.6%]	[+1.6%]		
<b>U.S</b>	87	88	79	78	82	87	88	73	86	81	81	79	82	7	7	7	21	21	84	+2
<b>EU28</b>	166	169	166	162	169	168	157	139	160	142	131	133	129	10	10	11	32	32	127	-2
<b>Russia</b>	69	71	71	70	71	72	72	72	77	72	76	71	68	5	5	5	16	16	63	-5
<b>Ukraine</b>	34	34	33	31	34	35	33	31	21	6	6	8	7	1	1	1	2	2	7	-0
<b>Brazil</b>	34	34	33	31	34	35	33	31	36	34	32	34	33	3	3	3	8	8	32	-1
<b>India</b>	81	87	89	95	101	109	111	100	118	125	141	149	165	15	14	15	45	45	179	+14
<b>China</b>	779	820	804	787	871	923	996	1,065	1,034	1,019	1,013	1,002	955	84	76	87	247	247	990	+34
[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%]	[-4.6%]	[-3.6%]	[-3.6%]	[-6.2%]	[-4.5%]	[-4.5%]		

Source : World Steel Association \* Total of 64 countries

# Appendix

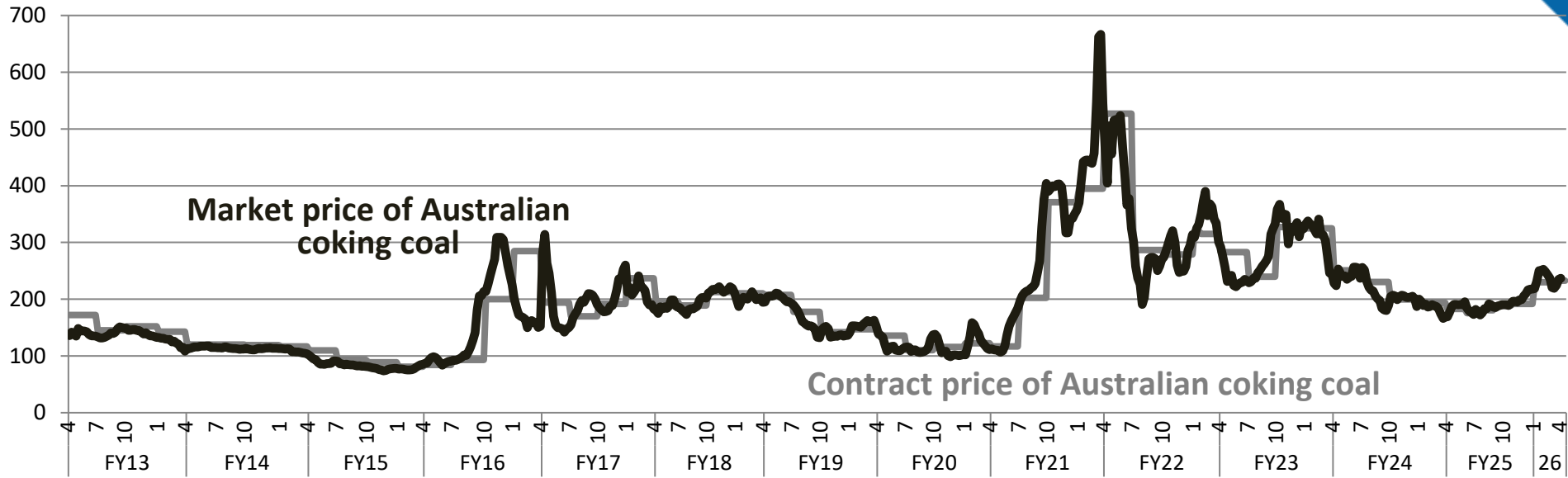
1. Supplementary Materials
2. Business Profit Factor Analysis

## Database

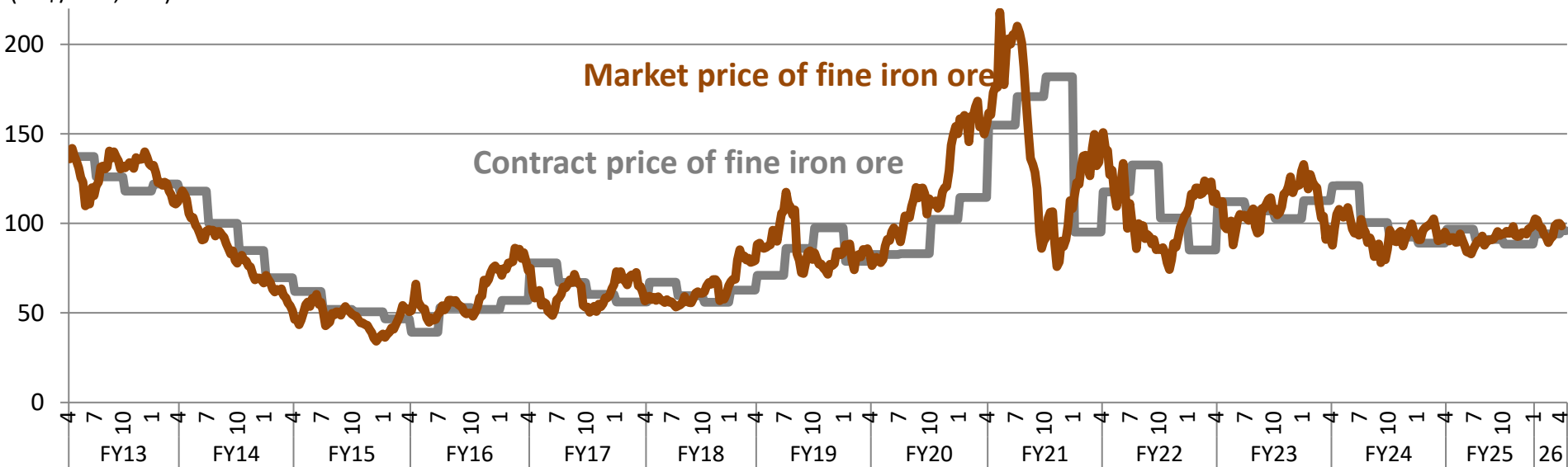
1. ESG Indicators
2. Key Performance Indicators
3. Business Environment Indicators
4. Market Data
5. Progress of Management Strategy Measures

# 4-1. Raw Material Prices

(US\$/wmt,FOB)

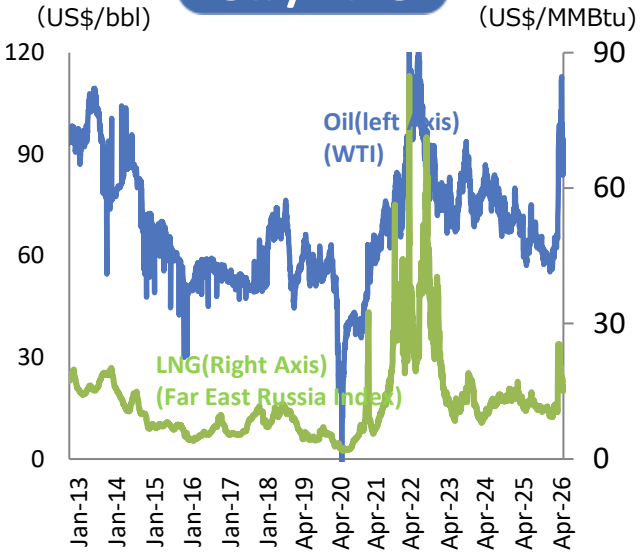


(US\$/dmt,FOB)

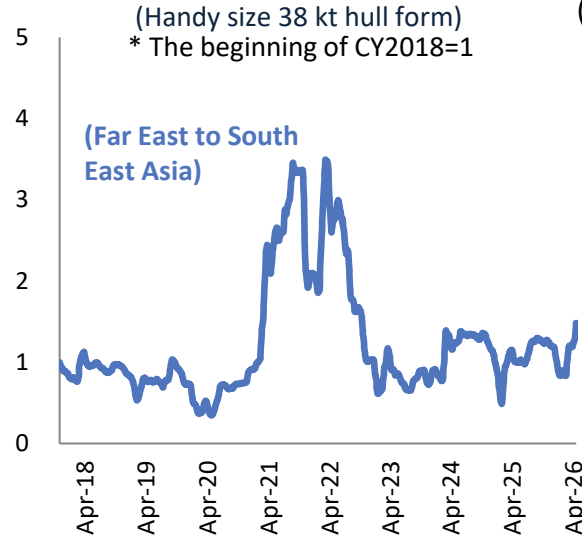


# 4-2. Commodity Prices

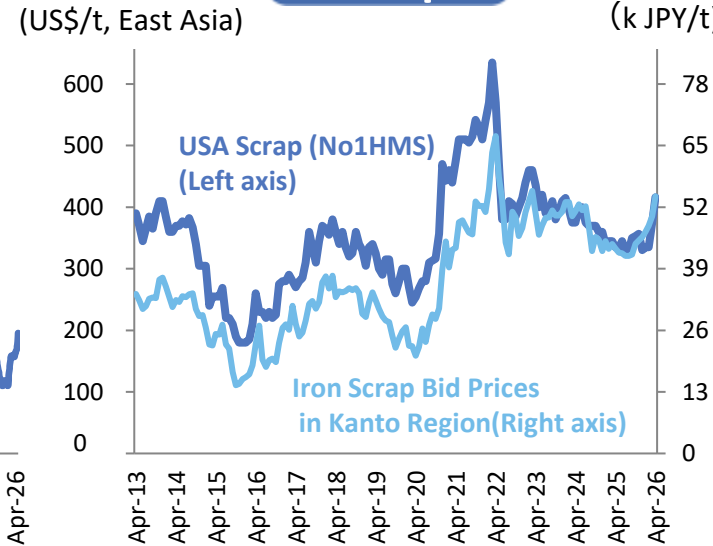
## Oil / LNG



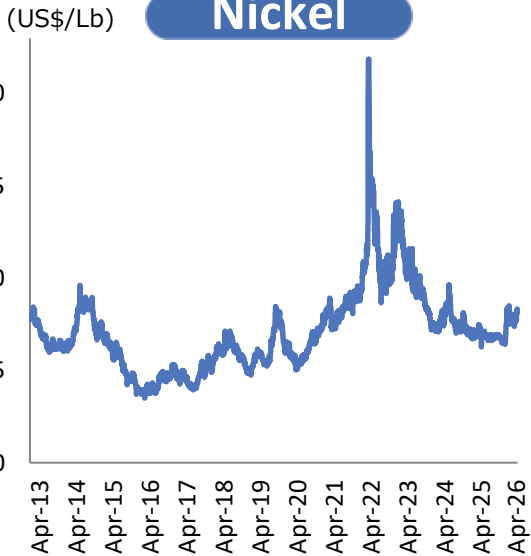
## Export Freight\*



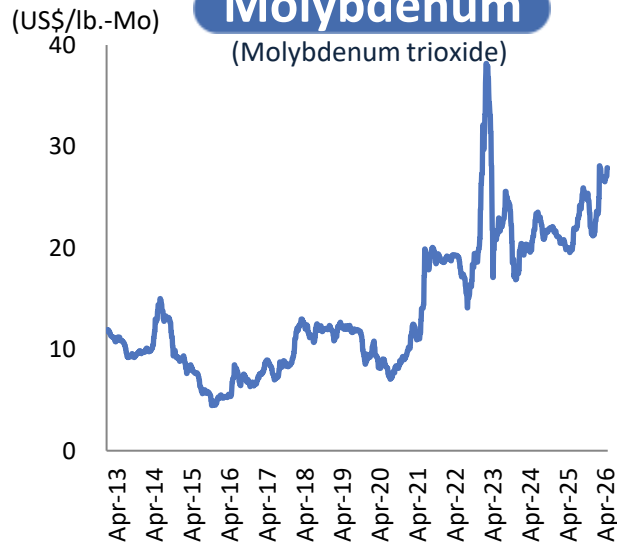
## Scrap



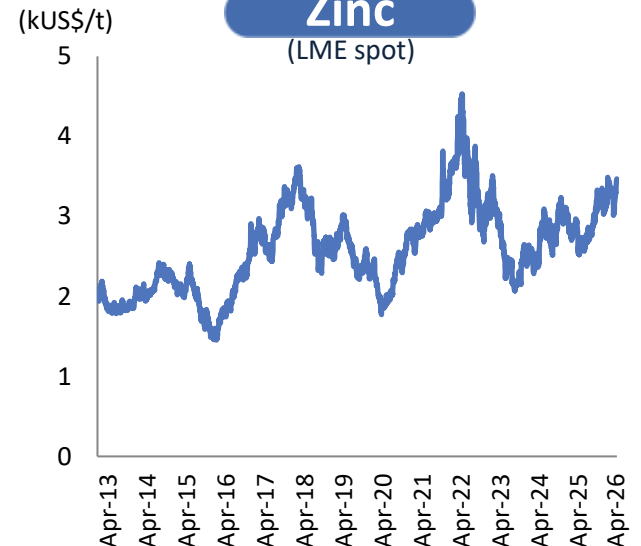
## Nickel



## Molybdenum



## Zinc



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

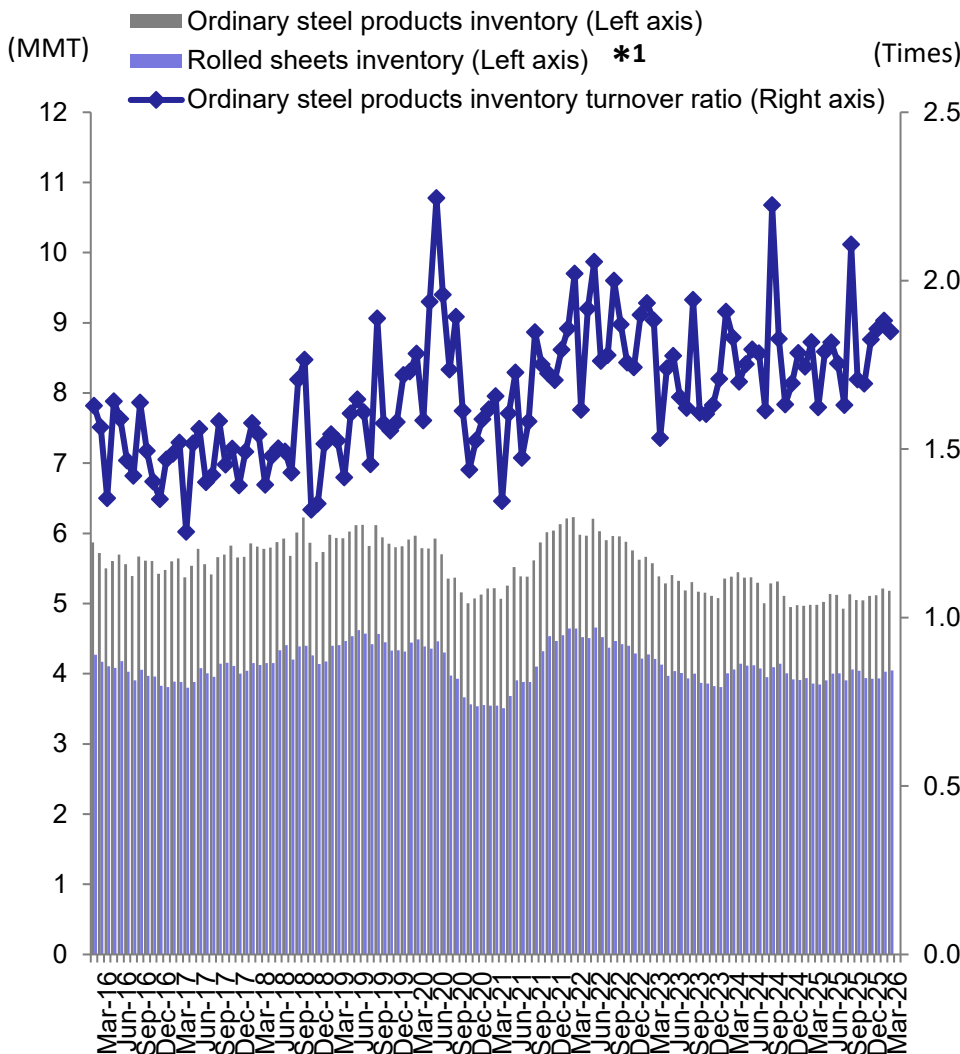
# 4-3. USD-JPY Trend

(JPY/USD)



# 4-4. Domestic Steel Inventory

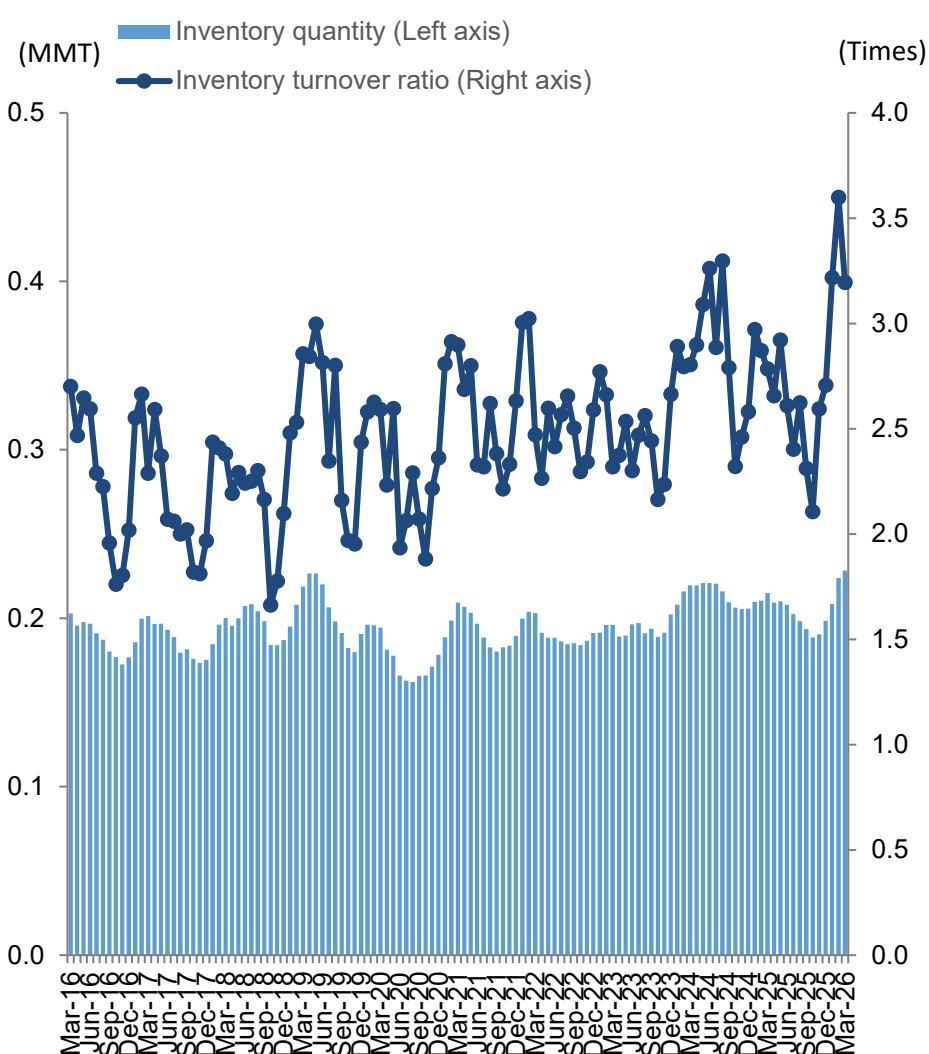
## Rolled Sheets Inventory \*1



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

# 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~
*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					
(Nagoya) 3 Coke Oven	Nov-18	(Completed refurbishment for all coke ovens in Hokkai)					
(Oita) 2 Coke Oven	Aug-22	★ May-21: Completion					
(Kimitsu) 3 Coke Oven	Jun-22	★ Oct-25: 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					

Legend : New info  
★ Plan  
★ Done

## 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&#2	Aug-19/May-20					★ H1 FY23: Full operation
	Hirohata #1&#2	Nov-19/Nov-20					
	Hirohata #3	Mar-21					★ H1 FY24: Full operation
	Hanshin (Sakai), Yawata	May-23					H1 FY27: Full operation <span style="color: red;">★</span>
Super High-tensile Steel Sheets	(Kimitsu) 6CGL	Apr-18					★ Jan-21: Completion
	(Nagoya) a next generation hot strip mill	Mar-21					

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

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Announcement	Steelworks	Facilities for termination	Approximate time of termination (●: completed)	
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	
Upstream facilities	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 → Moved up Mar. 2021 → Partially changed Nov. 2021	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
Construction 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)

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Approximate time of termination  
(● : completed)

Announcement	Steelworks	Facilities for termination	Approximate time of termination (● : completed)
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
<b>Mar. 2021</b>	<b>Kansai Works Wakayama Area</b>	<b>All steel sheet lines</b>	<b>The end of FY2024 1H -&gt;The end of FY2026</b>
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
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
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
<b>Mar. 2021</b>	<b>Nippon Steel Stainless Steel Shunan Area Yamaguchi Works</b>	<b>A part of cold-rolling and annealing lines</b>	<b>The end of March 2021 -- the end of June 2026</b>
Feb. 2020	Nippon Steel Stainless Steel Kinuura Works	Hot strip mill/ dedicated facility for production of precision products	● Sep. and Oct. 2020

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)
- FY2026 Dissolution of KOS (Shape and bar manufacturing business in Indonesia)

- 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 Angelas<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 Kamistiatusset iron ore mine in Canada<2024>Start 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.
- **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> -> **Merged with Nippon Steel <2027>**

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




- **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> Steel tubes for building business is consolidated into NS Metal Products, Mechanical steel tubes business into Nippon Steel<2025>
- **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

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 tinline products, May-21: OCTGs and line pipes, Jul-21: Smart BEAM™, Sep-21: Steel plates for building structure, Dec-21: Started selling tinline 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, <b>Apr-26: Hot Extruded Steel Shapes (Stainless Steel, SUS304) were given SuMPO EPD</b>
NSCarbolex™ Neutral 						“NSCarbolex™ Neutral” newly adopted results ★ Feb-26: Adopted for wall panels at Mochikichi Co., Ltd.’s “Mochikichi Factory Store”. ★ Feb-26: Adopted for steel pipe piles for safety measures construction at Hokkaido Electric Power Co., Inc.’s Tomari Nuclear Power Station. ★ Mar-26: Adopted for HVAC ductwork and piping for a new plant constructed by SANKI ENGINEERING CO., LTD. ★ Mar-26: Adopted for steel furniture installed at the Kokyo Gaien National Garden Management Office, Ministry of the Environment, Japan. ★ Apr-26: Adopted for the “Presetter SU Hardware,” an architectural hardware product of BX Kaneshin Co., Ltd.



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