

TYO : 5401

OTC : NPSCY(ADR)



Q1 FY2025 Appendix

Aug. 1, 2025

NIPPON STEEL CORPORATION

Notes on this presentation material

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

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

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

Appendix

1. Supplementary Materials

2. Business Profit Factor Analysis

Database

1. ESG Indicators

2. Key Performance Indicators

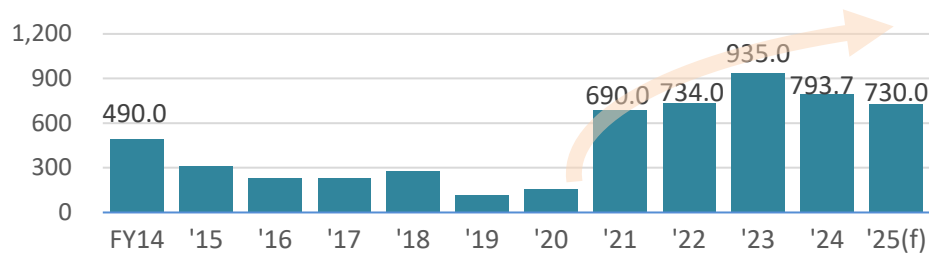
3. Business Environment Indicators

4. Market Data

5. Progress of Management Strategy Measures

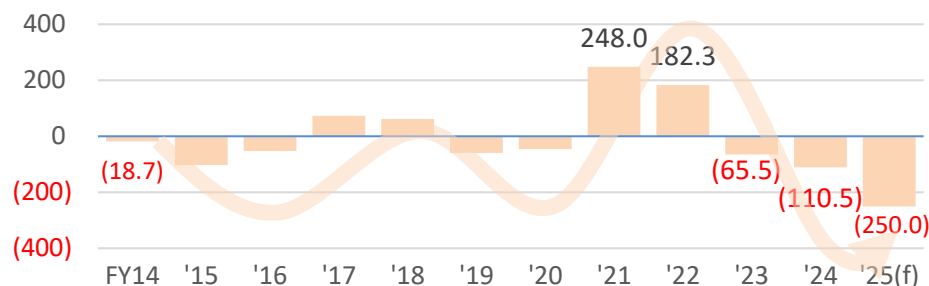
(¥bn.)	H1	H2	FY2023	H1	H2	FY2024	H1 (f)	H2 (f)	FY2025 (f)	Change form FY2024
Consol. business profit	494.2	375.4	869.6	375.7	307.4	683.2	180.0	300.0	480.0	-203.2
ROS	11.2%	8.4%	9.8%	8.6%	7.1%	7.9%	4.0%	5.5%	4.8%	-3.1%
Underlying business profit	498.5	436.4	935.0	371.9	421.8	793.7	330.0	400.0	730.0	-63.7
ROS	11.3%	9.8%	10.5%	8.5%	9.8%	9.1%	7.3%	7.3%	7.3%	-1.8%
1) Domestic steel business	218.0	147.9	365.9	107.9	152.1	260.2	130.0	140.0	270.0	+10.0
2) Overseas steel business	73.8	58.0	131.8	40.1	33.7	73.8	50.0	75.0	125.0	+51.0
3) Raw material business	64.7	67.7	132.5	92.0	63.3	155.3	35.0	40.0	75.0	-80.0
4) Other group companies	117.4	128.4	245.8	96.9	121.9	218.7	75.0	100.0	175.0	-44.0
5) 3 Non-steel segments	17.6	29.5	47.1	27.2	45.6	72.8	35.0	48.0	83.0	+10.0
Inventory valuation, etc.	(4.3)	(61.1)	(65.5)	3.8	(114.4)	(110.5)	(150.0)	(100.0)	(250.0)	-139.5

Underlying BP *1

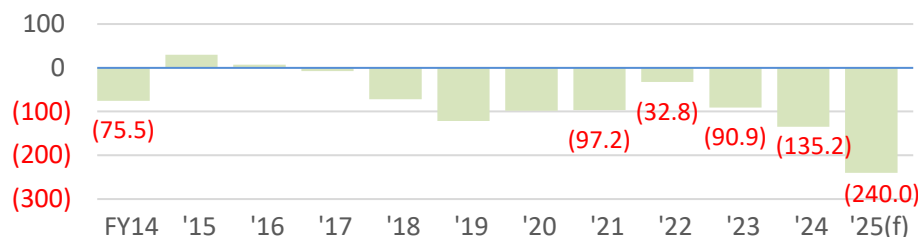


*1 Underlying Ordinary profit (~FY17 JGAAP)

Inventory Valuation etc

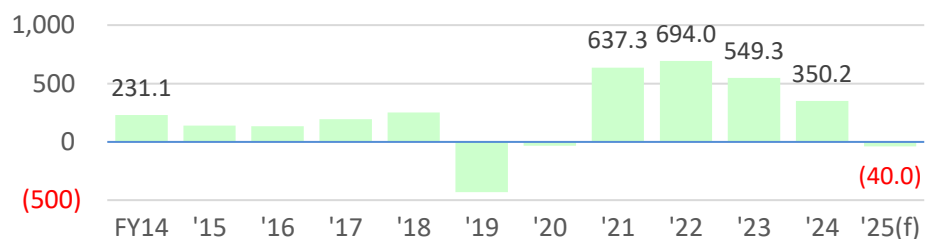


Additional Line Items*2



*2 Extraordinary Profit(~FY17 JGAAP)

Net Profit*3



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

- Establish a profit structure that ensures a stable high level profit
- Promoting Strategies for further Growth
- Non-cash and one off gains/losses
- Significant price rises in raw materials and energy for two consecutive years due to resource inflation (from 2021) and the impact of the invasion of Ukraine (from 2022), to an adjustment phase in FY2023 and FY2024.
- Temporary losses for structural reforms are expected to be incurred to a certain amount until FY2024
- Loss due to the transfer of equity interests in AM/NS Calvert resulting from U. S. Steel transaction is recorded in the Q1 results for FY2025

FY14~FY17: JGAAP、FY18~:IFRS

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

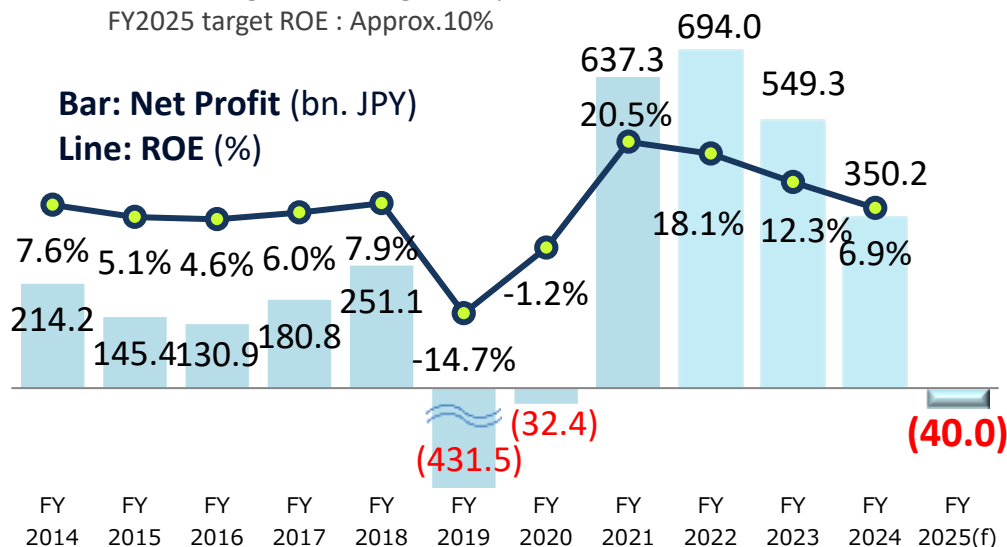
Net Profit, ROE

Medium- to long-term management plan

FY2025 target ROE : Approx.10%

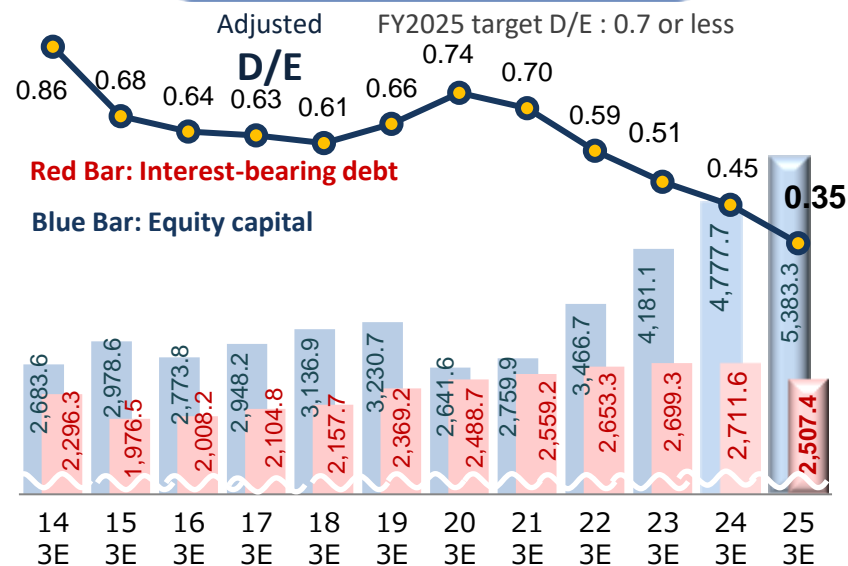
Bar: Net Profit (bn. JPY)

Line: ROE (%)



D/E

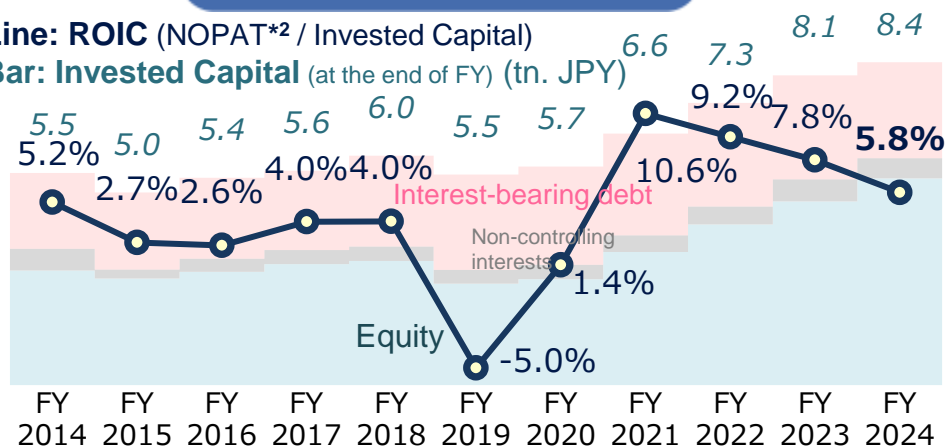
Adjusted D/E FY2025 target D/E : 0.7 or less



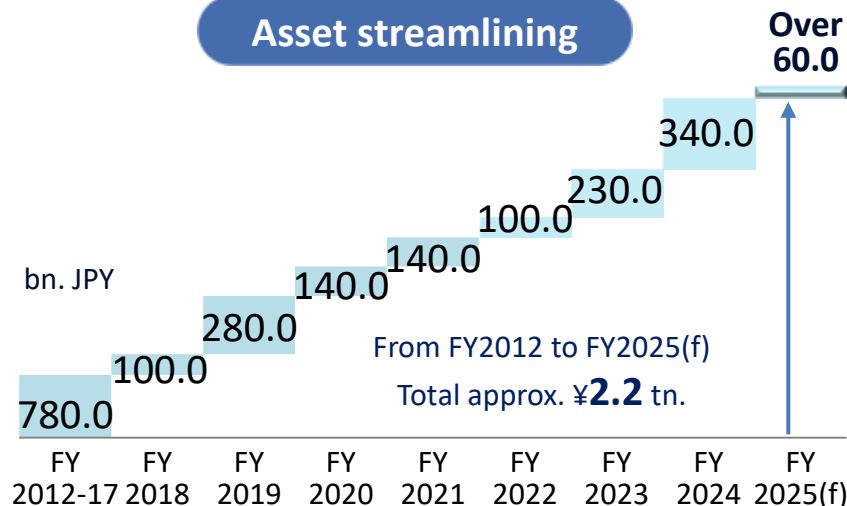
ROIC, Invested Capital

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)

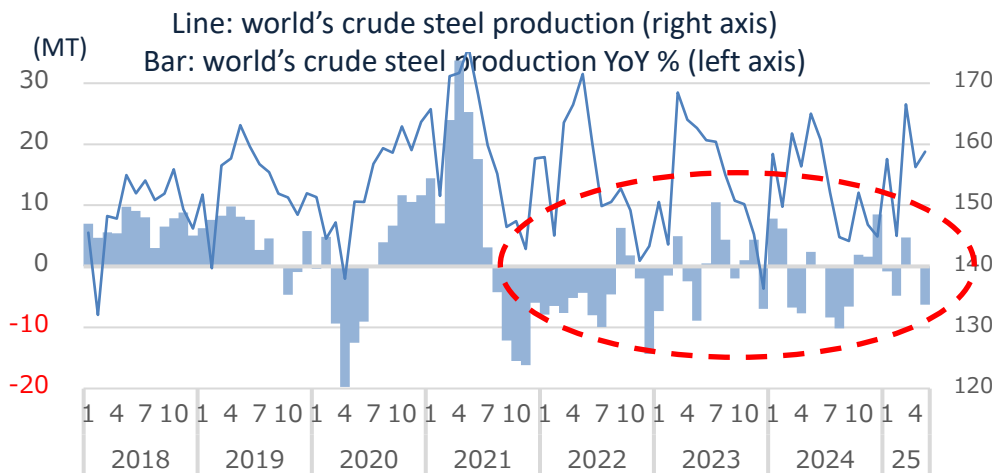
Invested Capital(*1) = Total equity attributable to owners of the parent + Non-controlling interests + Interest bearing debt

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

Business Environment Unprecedentedly Harsh Business Environment⁶

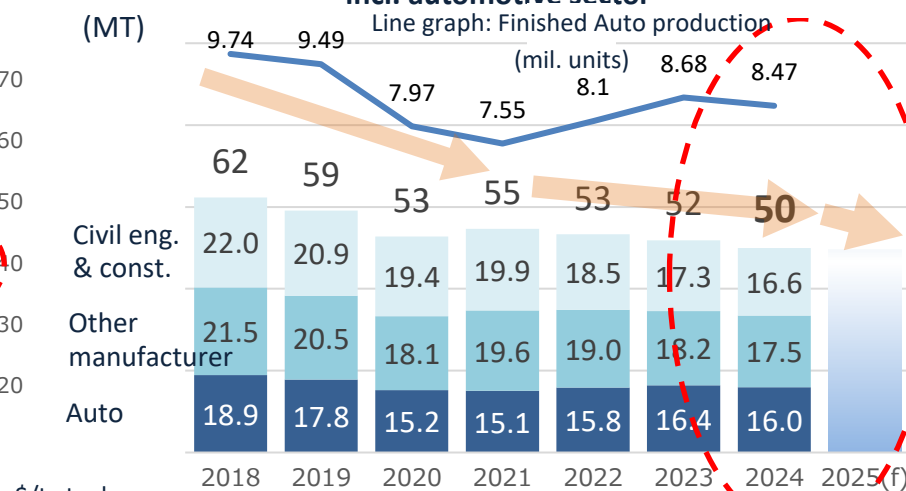
World's crude steel production trend

Depressed production continuing since Aug. 2021



Domestic steel demand

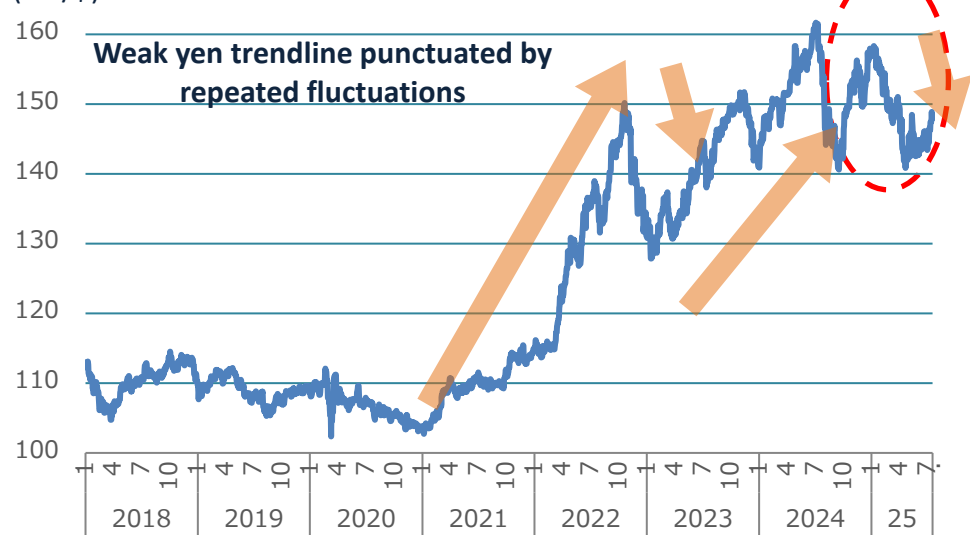
Continued weakness in overall demand
incl. automotive sector



(JPY/\$)

FX rate

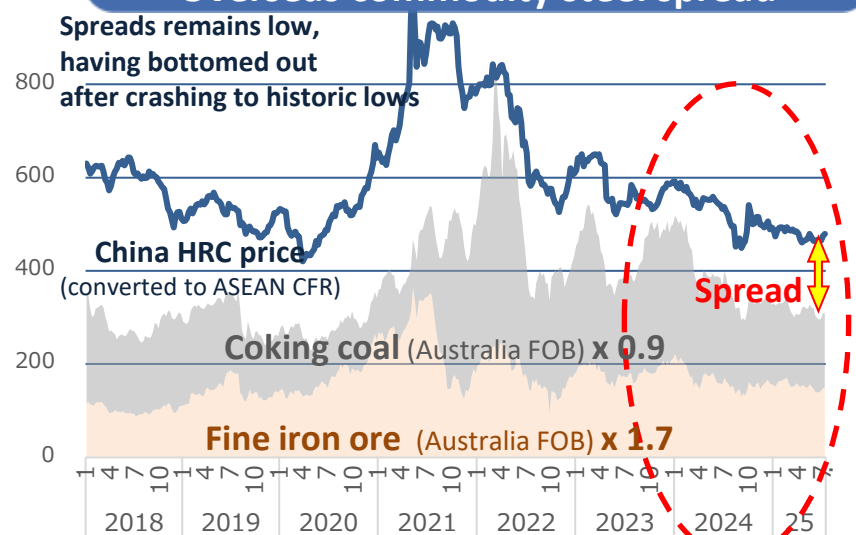
Weak yen trendline punctuated by repeated fluctuations



\$/t-steel

Overseas commodity steel spread

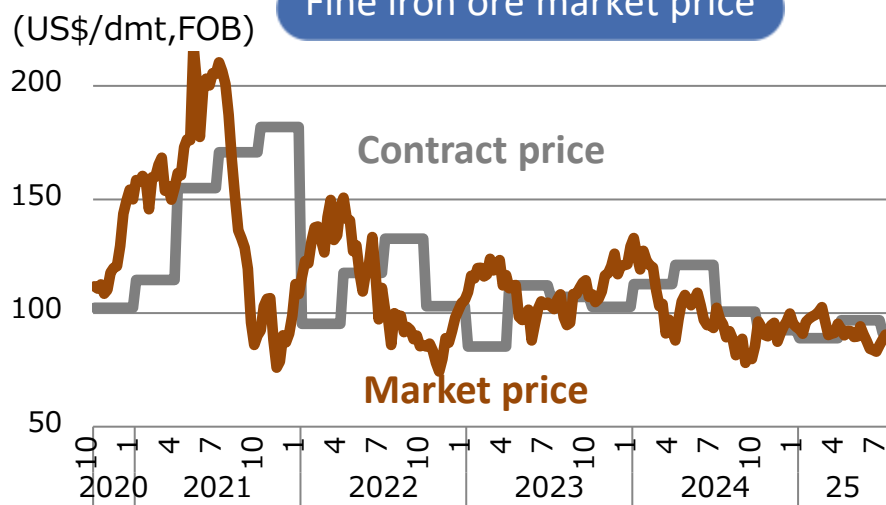
Spreads remains low, having bottomed out after crashing to historic lows



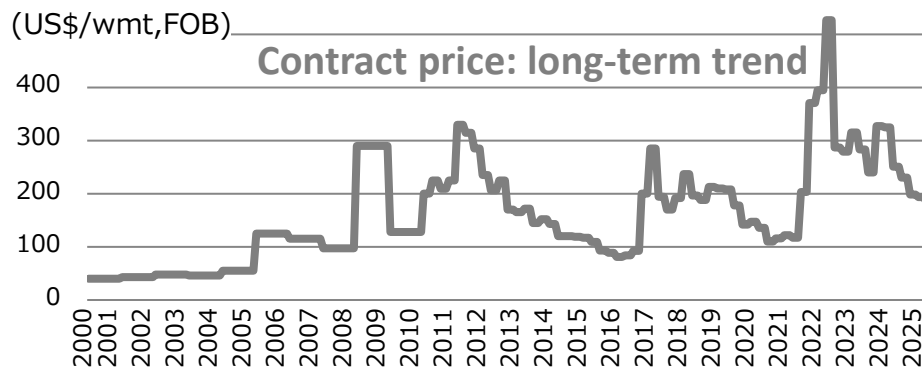
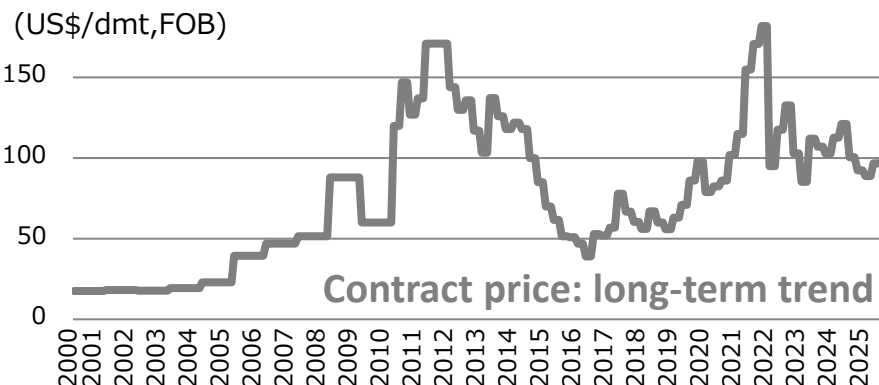
[Fine iron ore] Market fluctuations were mainly due to three factors: developments in China, shipment trends in Australia, major producing countries, and the tariff policy of the U.S. Currently, the market has cooled down to below \$100 due to concerns over the worsening global economy. Continued to monitor macroeconomic trends in major countries, crude steel production trends in China, and shipment conditions at suppliers.

[Coking coal] Coking coal prices temporarily fell to the \$160 level due to a decline in coking coal demand accompanying a slump in the steel products market. Since then, the supply-demand balance tightened due to weather effects in Australia and operational troubles at coal mines, and the price was at the \$190 level from the end of April to the end of May. However, the price was at the \$170 level recently due to lower demand for coking coal in India and higher supply of domestic coal in China. Continued attention will be paid to supply trends, the impact of the U.S. tariff policy and safeguard measures in other countries on the steel market, and the resulting demand trends.

Fine iron ore market price

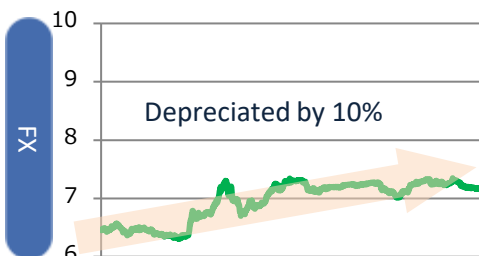


Coking coal market price



China

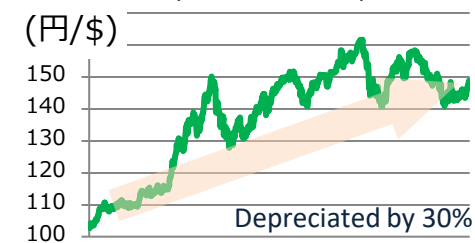
(CNY/\$)



Japan

(Standard: 1.6xS)

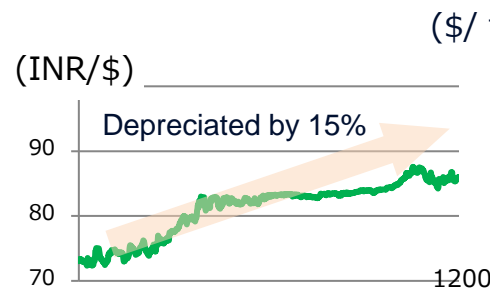
(¥/\$)



India

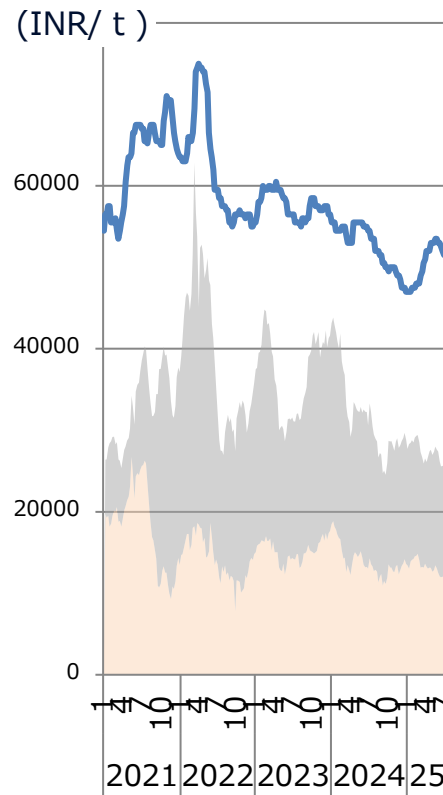
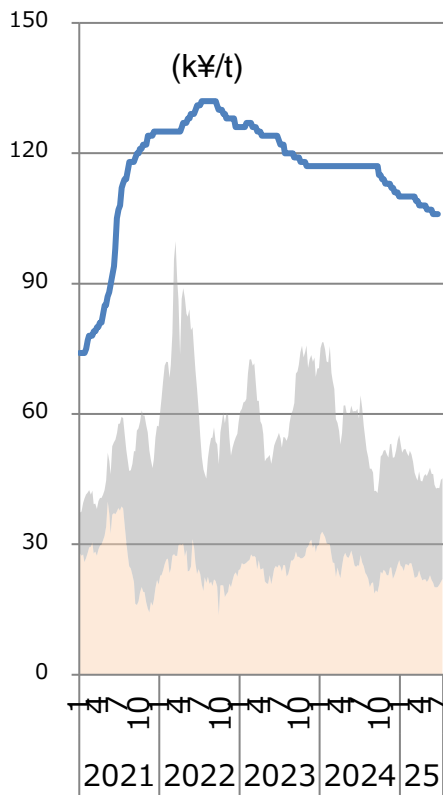
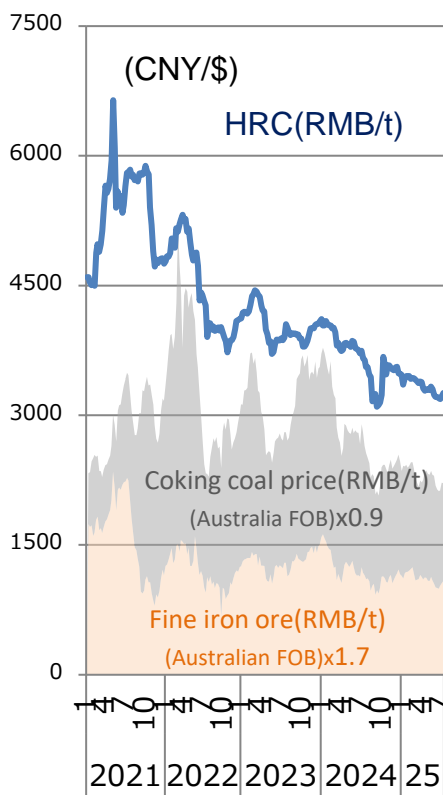
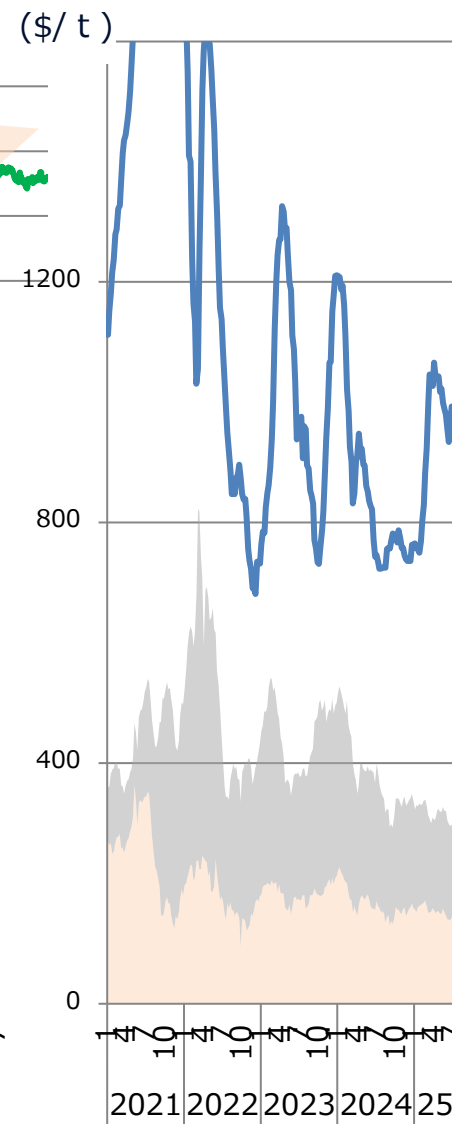
(INR/\$)

Depreciated by 15%



U.S.A.

(\$/t)



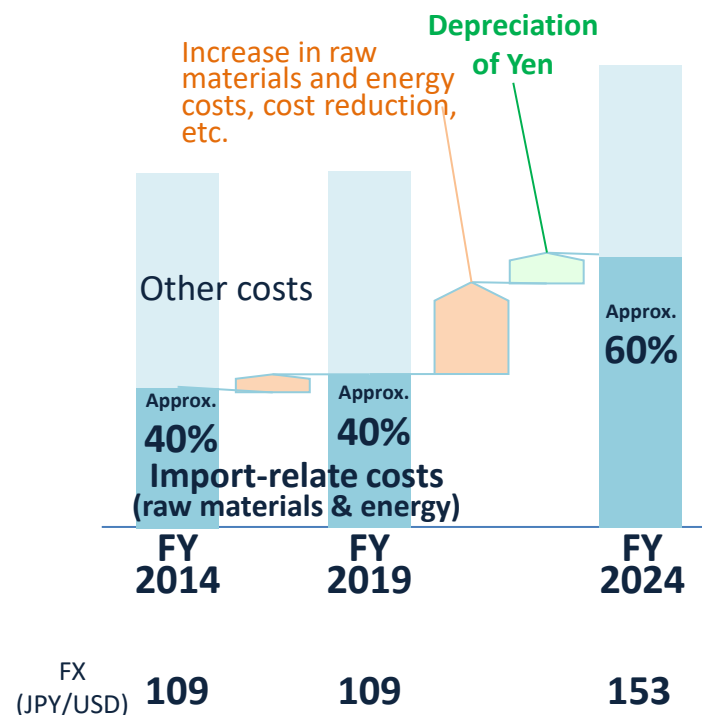
Domestic steel business: The impact of Yen depreciation to our domestic steel business is negative because the amount of import exceeds export.

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

Impact from Yen appreciation

Domestic Steel Business	-) Negative	Excess of import to export FY2025f 0.3 bn. USD/Q (import 12.4– export 12.1)
Overseas Steel Business	+) Positive	Increase in profit translated into Yen basis
Raw Material business	+) Positive	Excess in export, gain in foreign asset valuation
Other Group Companies	+) Positive	
Three Non-Steel Segments	+) Positive	
Underlying consol. business P/L	+) Positive	
Inventory valuation Non-operating P/L	+) Positive	Gain in valuation for imported materials, gain in foreign asset valuation
Consol. business P/L	+) Positive	

Cf. Rough figure for our steel manufacturing cost structure



- GDP growth rate: Due to the tariff measures of various countries, most regions are negative YoY in 2025. Among them, India and ASEAN are relatively strong.
- Steel demand : In 2025, demand in India will expand by +12MT vs. 2024, while demand in China will continue to shrink by -9MT, as in 2024. The impact of trade policies of various countries on steel consumption will be closely monitored.

Outlook for GDP growth rate (As of July 2025)

Source: IMF, released on Jul. 29th, 2025

Unit: %		CY24	CY25 (f)	Change from CY24	CY26 (f)	Change from CY25
Developed	World	3.3	3.0	-0.3	3.1	+0.1
	Japan	0.1	0.7	+0.6	0.5	-0.2
	US	2.8	1.9	-0.9	2.0	+0.1
	Europe	0.9	1.0	+0.1	1.2	+0.2
	Korea	2.0	0.8	-1.2	1.8	+1.0
Developing	China	5.0	4.8	-0.2	4.2	-0.6
	ASEAN* ¹	4.6	4.1	-0.5	4.1	±0
	India	6.5	6.4	-0.1	6.4	±0
	Brazil	3.4	2.3	-1.1	2.1	-0.2
	Russia	4.1	0.9	-3.2	1.0	+0.1

Steel Demand Outlook (As of October 2024)

Source: World Steel Association, estimated on Oct. 15th*3, 2024

Unit: MT	CY23	CY24 (f)	Change from CY23	Change from CY23(%)	CY25 (f)	Change from CY24	Change from CY24(%)
World	1,767	1,751	-16	-0.9%	1,772	+21	+1.2%
Japan	53	52	-1	-2.1%	53	+1	+1.7%
US	91	89	-1	-1.5%	91	+2	+2.0%
Europe	139	137	-2	-1.5%	141	+5	+3.5%
Korea	52	50	-2	-4.0%	50	+1	+0.2%
China	896	869	-27	-3.0%	860	-9	-1.0%
ASEAN*2	71	74	+3	+4.5%	77	+3	+3.5%
India	133	143	+11	+8.0%	156	+12	+8.5%
Brazil	24	25	+1	+5.0%	26	+1	+3.0%
Russia	45	44	-0	-1.0%	43	-1	-2.0%

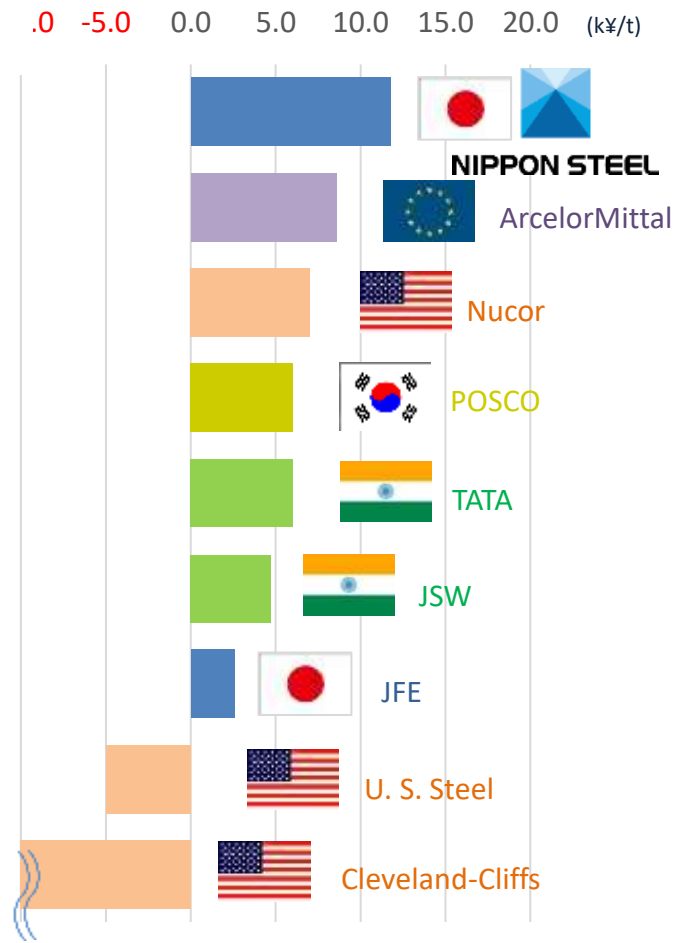
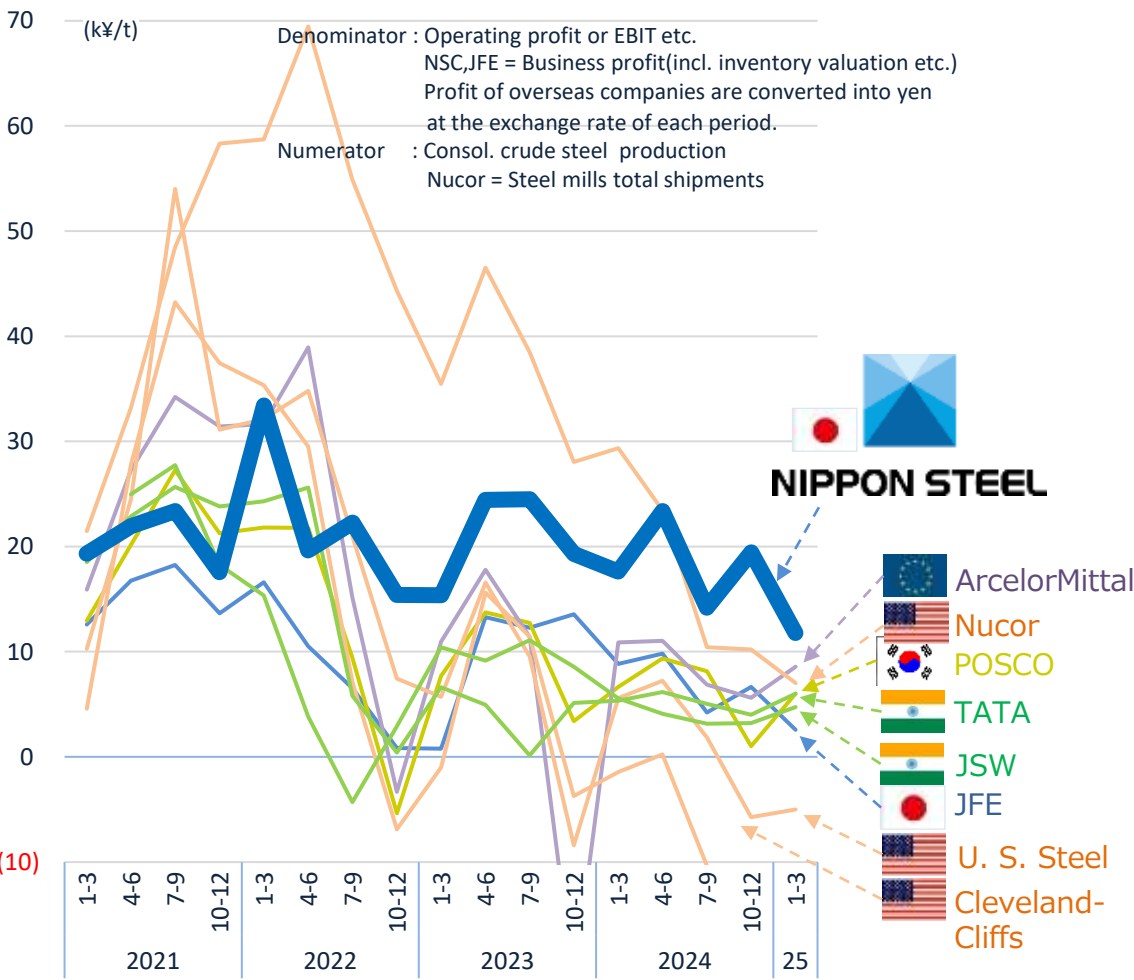
*3 Forecast to be released in April 2025 postponed due to U.S. tariff policy

Stable and High Level of Profits Despite Unprecedentedly Harsh Business Environment

Superior profitability among world-leading steel manufacturers
from Apr-Jun 2024

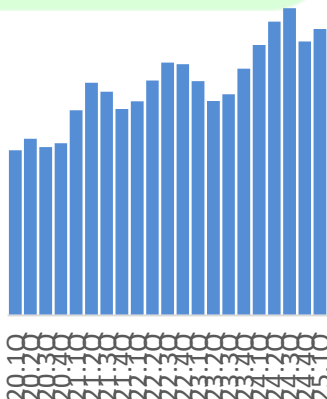
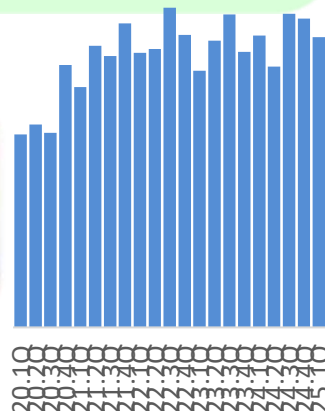
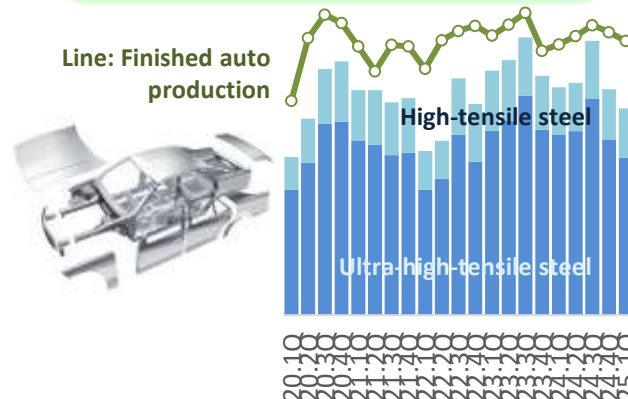
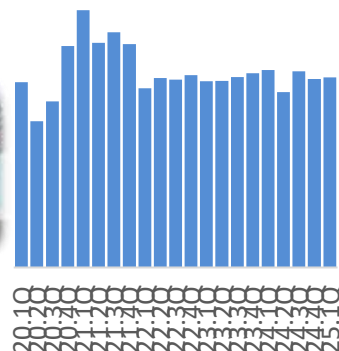
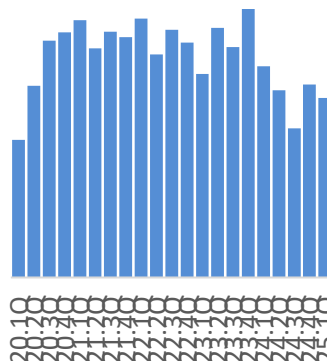
Change in Profit per ton of Crude Steel

Profit per ton of Crude Steel (Jan-Mar 2025)

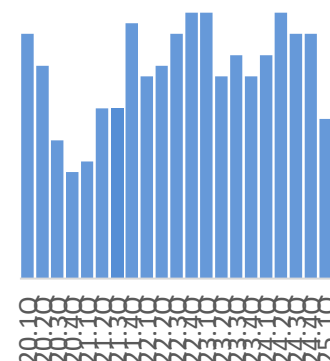


Data source : Bloomberg and each company's financial results

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



Domestic Steel Business

(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

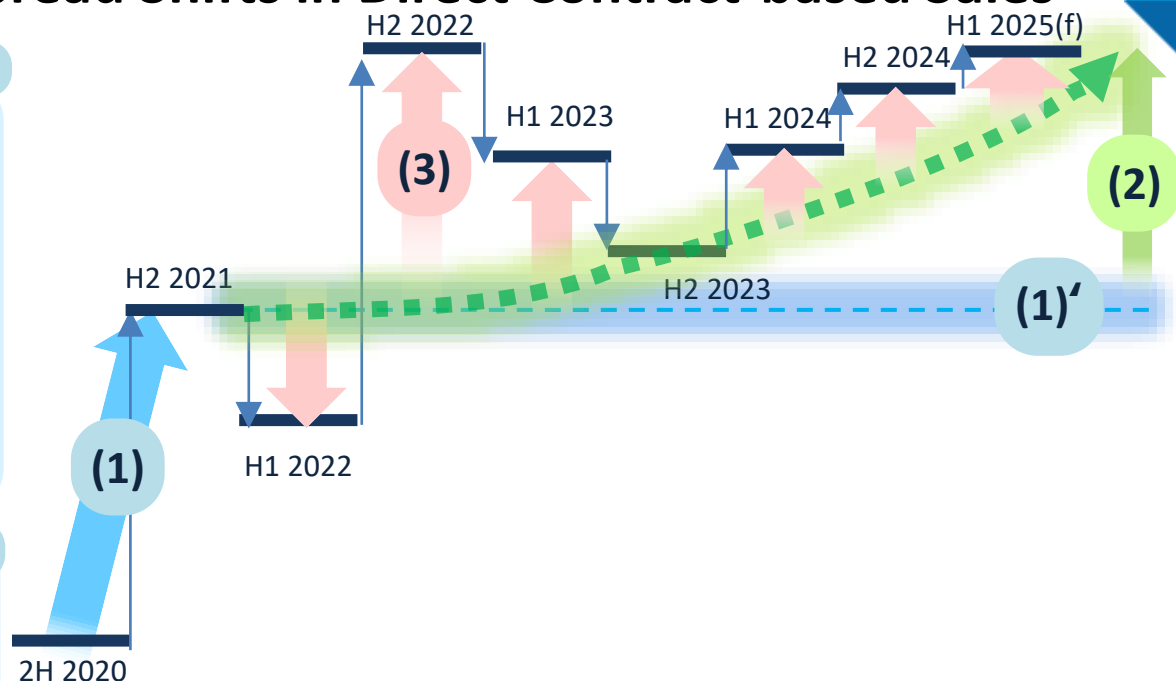
Improvement of production capacity and product quality of Electrical Steel Sheets

->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

->Operation start: Q1 FY2026 (planned)

Spread Shifts in Direct Contract-based Sales¹³



(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 FY2025(f)
Actual external costs compared to the price determination premise	High	Low	Low	Almost unchanged	Low	Low	Low
Difference from appropriate level of spread	Smaller	Larger	Larger	Almost unchanged	larger	larger	larger

Integration of NIPPON STEEL KOBELCO Shearing Co.,Ltd and Fuji Steel Center Co.,Ltd, which operate steel plate cutting and processing business for steel frames and bridges

(Announced on Jun. 30, 2025)



NIPPON STEEL

Steel plate manufacturing base

Kyushu Works East Nippon Works
Oita Area Kimitsu Area

Steel plate



Integration
on Oct. 1, 2025

**NIPPON STEEL
KOBELCO Shearing**

**Fuji Steel
Center**

Steel Structure Components



Bridges



Construction



Industrial
machinery

By combining the know-how and skills of both companies, we will further enhance customer satisfaction and market responsiveness, further strengthening our business foundation.

Further integrated operation with NIPPON STEEL's two steel plate manufacturing bases



日鉄神鋼シャーリング株式会社

NIPPON STEEL KOBELCO Shearing Co., Ltd

Sales (FY2024) ¥5.3Bn.

Employees (2025.3E) 151

Manufacturing bases Osaka、 Sakai

Shareholders NSC 50.1%, NS Trading7%
Kobe Steel, Mitsui & Co. Steel,
Metal One, Marubeni Itochu Steel,
Sumitomo Corporation

Surviving company:
NIPPON STEEL KOBELCO Shearing Co., Ltd
New Company name:
NIPPON STEEL KOBELCO Shearing Co., Ltd

株式会社 富士鉄鋼センター

Fuji Steel Center Co., Ltd

¥0.49Bn.

58

Kimitsu

NSC 51%
Mitsui & Co. Steel,
Metal One,
OKAYA & Co, etc.

Jun. 30, 2025 Basic agreement signed
Oct. 1, 2025 Merger scheduled

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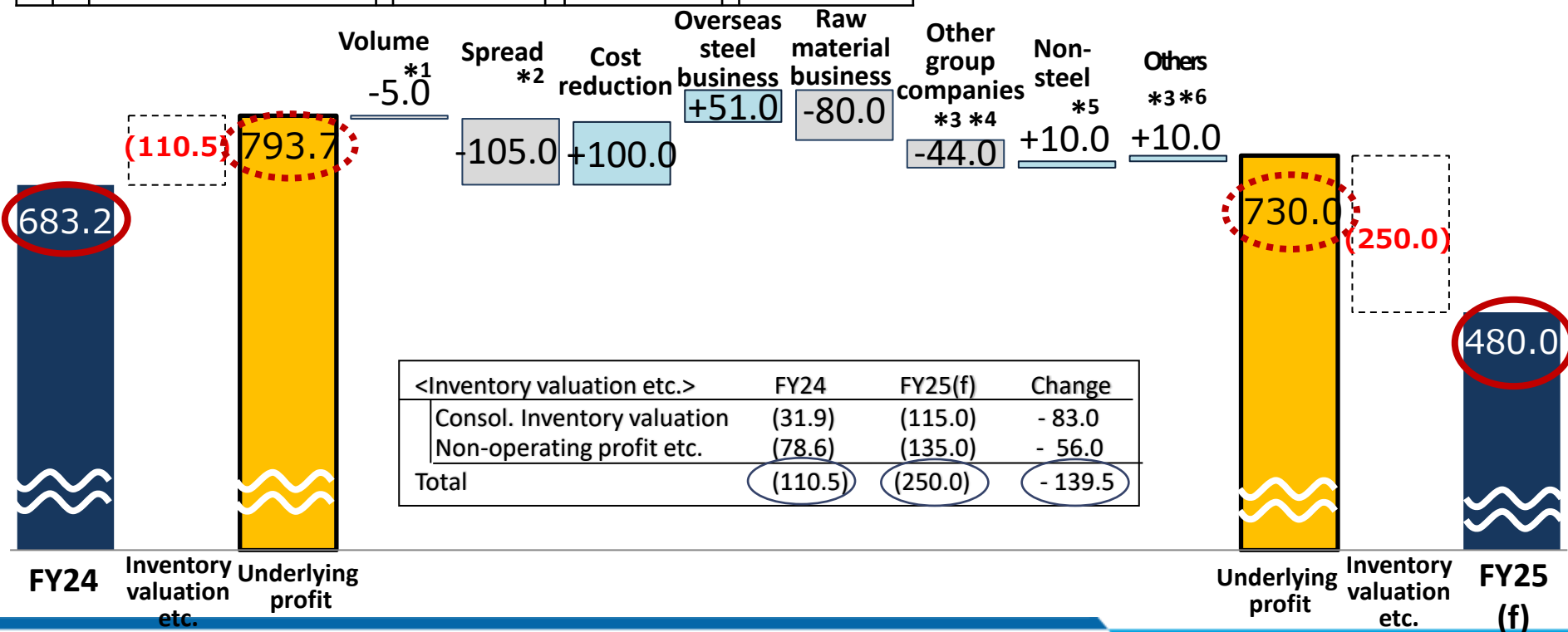
5. Progress of Management Strategy Measures

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

16

(¥bn.)	FY24	FY25(f)	Change
Business Profit	683.2	480.0	-203.2
Underlying profit	793.7	730.0	-63.7
1) Domestic	260.2	270.0	+10.0
2) Overseas	73.8	125.0	+51.0
3) Raw material	155.3	75.0	-80.0
4) Other group	218.7	175.0	-44.0
5) Non-steel	72.8	83.0	+10.0

- *1 Crude steel production : +0.25 MT (34.25 -> 34.50)
Steel shipment volume : - 0.12 MT (31.62 -> 31.50)
- *2 Incl. the impact of FX, and carry over
99.0bn. JPY(+640M\$) ((600)M\$ -> 40M\$)
- *3 Including the effect of reclassification of NS Stainless Steel and domestic ERW pipe business from 4) Other group to 1) Domestic
- *4 Deteriorate: Operational Support, Trading etc.
- *5 Engineering +5.4, Chemicals & Materials +0.6, Solution +4.2
- *6 Incl. Depreciation cost

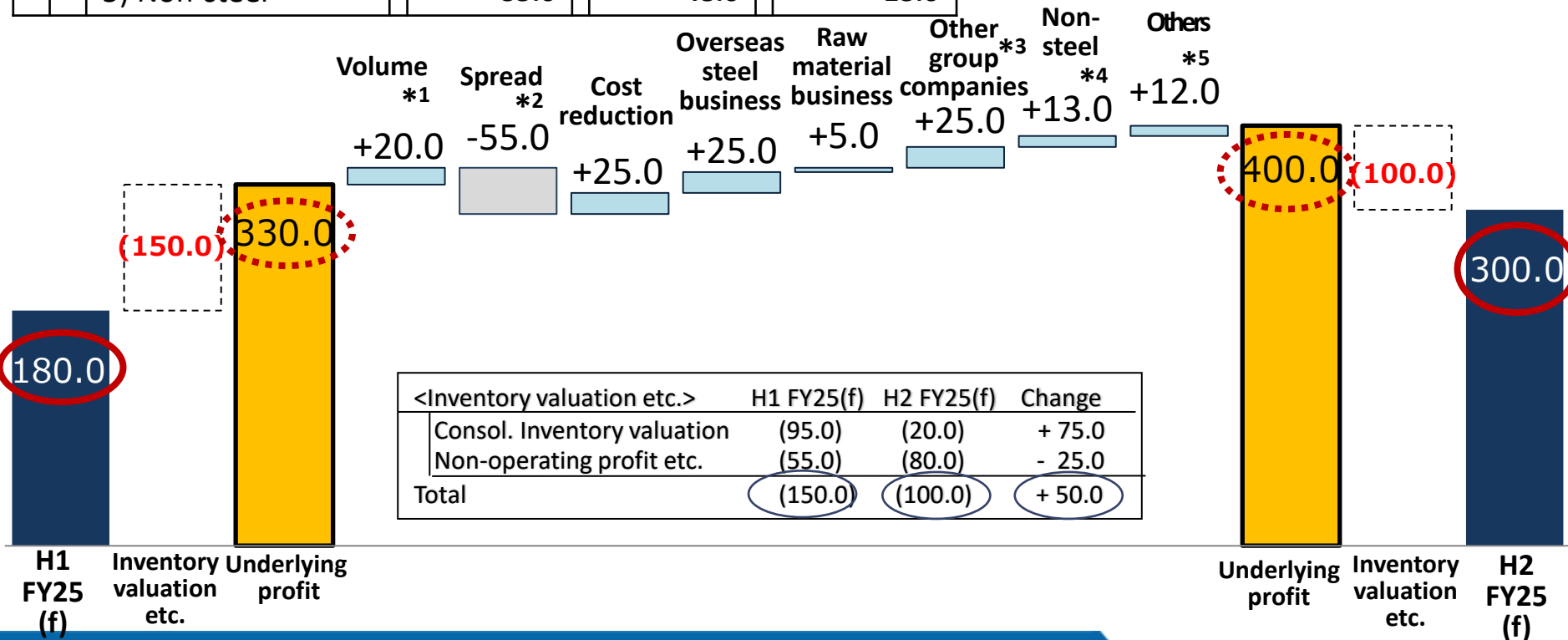


Business Profit Factor Analysis (H1 FY25(f) -> H2 FY25(f))

17

(¥bn.)	H1 FY25(f)	H2 FY25(f)	Change
Business Profit	180.0	300.0	+120.0
Underlying profit	330.0	400.0	+70.0
1) Domestic	130.0	140.0	+10.0
2) Overseas	50.0	75.0	+25.0
3) Raw material	35.0	40.0	+5.0
4) Other group	75.0	100.0	+25.0
5) Non-steel	35.0	48.0	+13.0

- *1 Crude steel production : +0.50 MT(17.00 -> 17.50)
Steel shipment volume : +0.50 MT(15.50 -> 16.00)
- *2 Incl. the impact of FX, and carry over
13.0bn. JPY(+80M\$) ((20)M\$ -> 60M\$)
- *3 Improve : EAFs, Operational Support, Trading etc.
- *4 Engineering+6.0, Chemicals & Materials +2.0
Solutions +5.0
- *5 Incl. Depreciation cost

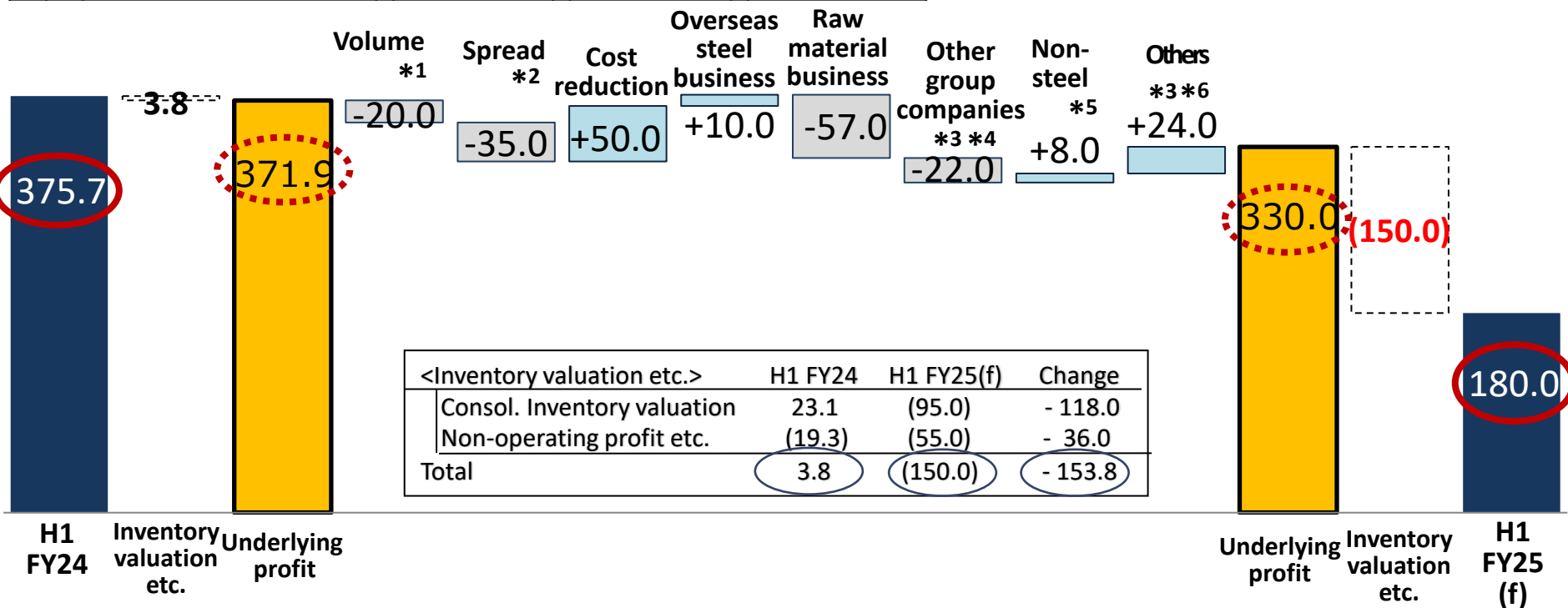


Business Profit Factor Analysis (H1 FY24 -> H1 FY25(f))

18

(¥bn.)	H1 FY24	H1 FY25(f)	Change
Business Profit	375.7	180.0	-195.7
Underlying profit	371.9	330.0	-41.9
1) Domestic	107.9	130.0	+22.0
2) Overseas	40.1	50.0	+10.0
3) Raw material	92.0	35.0	-57.0
4) Other group	96.9	75.0	-22.0
5) Non-steel	27.2	35.0	+8.0

- *1 Crude steel production : - 0.20 MT (17.20 -> 17.00)
Steel shipment volume : - 0.41 MT (15.91 -> 15.50)
- *2 Incl. the impact of FX, and carry over
59.0bn. JPY(+390M\$) ((410)M\$ -> (20)M\$)
- *3 Including the effect of reclassification of NS Stainless Steel and domestic ERW pipe business from 4) Other group to 1)Domestic
- *4 Deteriorate: Secondary Processing, Trading etc.
- *5 Engineering +8.2, Chemicals & Materials -1.1, Solution +0.7
- *6 Incl. Depreciation cost

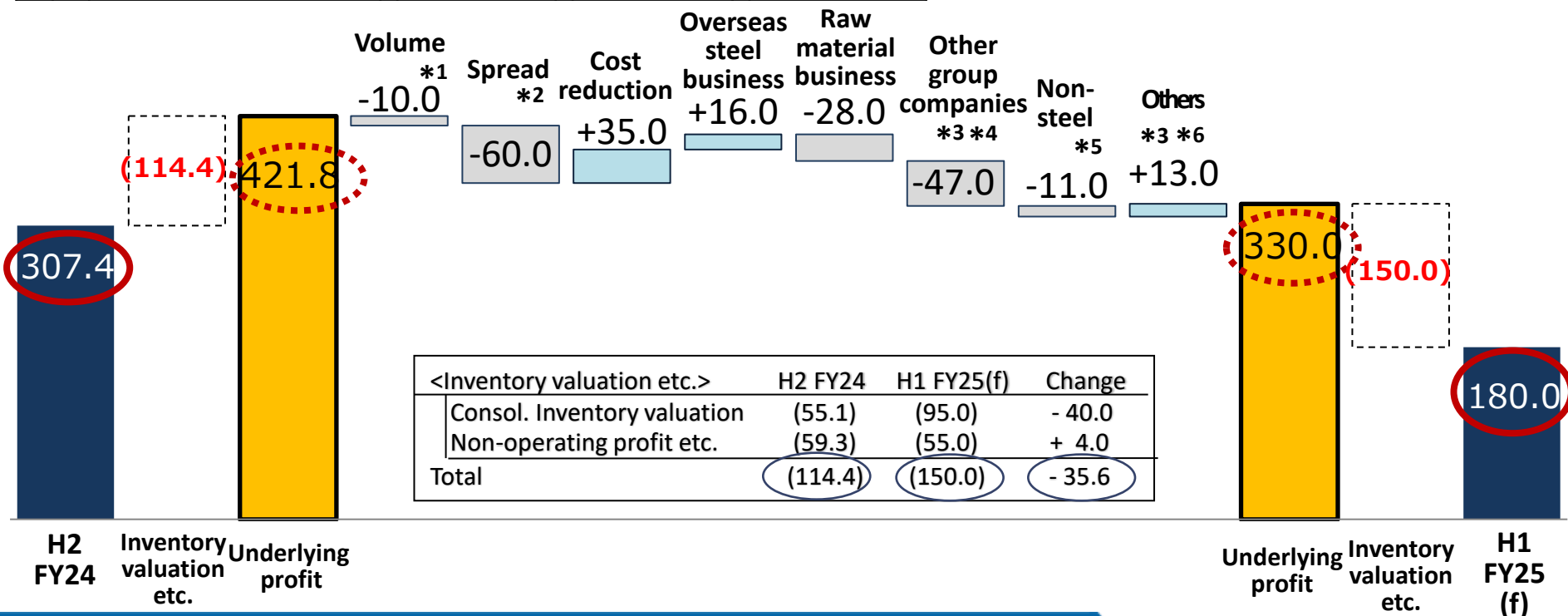


Business Profit Factor Analysis (H2 FY24 -> H1 FY25(f))

19

(¥bn.)	H2 FY24	H1 FY25(f)	Change
Business Profit	307.4	180.0	-127.4
Underlying profit	421.8	330.0	-91.8
1) Domestic	152.1	130.0	-22.0
2) Overseas	33.7	50.0	+16.0
3) Raw material	63.3	35.0	-28.0
4) Other group	121.9	75.0	-47.0
5) Non-steel	45.6	35.0	-11.0

- *1 Crude steel production : - 0.05 MT (17.05 -> 17.00)
Steel shipment volume : - 0.21 MT (15.71 -> 15.50)
- *2 Incl. the impact of FX, and carry over
26.0bn. JPY(+170M\$) ((190)M\$ -> (20)M\$)
- *3 Including the effect of reclassification of NS Stainless Steel and domestic ERW pipe business from 4) Other group to 1)Domestic
- *4 Improve: Operational Support, Secondary Processing etc.
- *5 Engineering -8.8, Solution -1.5
- *6 Incl. Depreciation cost



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4. Market Data
5. Progress of Management Strategy Measures

1-1. ESG Indicators (Safety and Health)

21

“M” represents materiality

(Calendar Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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
	# of lost-time injuries	-	-	40	42	31	26	28	20	18	19	16	21	15
M	# of fatal accidents	-	0	5	2	4	7	1	3	3	2	2	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)

22

“M” represents materiality

(Fiscal Year)

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

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

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

“M” represents materiality

23
(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
M	Cumulative SuMPO EPD* ¹ labels acquired	Units	-	-	-	-	-	-	-	10	15	35	41	54
M	Cumulative CDQ delivery units [CO ₂ reduction]* ²	Units [million t-CO ₂]	-	87 [15.33]	90 [16.71]	95 [17.80]	96 [18.16]	102 [19.69]	106 [20.74]	114 [22.96]	128 [25.81]	137 [2,873]	143 [3,044]	
M	Final waste disposal	kt	263 or less	250	248	380	263	256	266	289	229	307	271	282
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]
M	SOx emissions	Mn. Nm ³	-	13	13	14	14	14	14	14	11	13	13	11
M	NOx emissions	Mn. Nm ³	-	30	28	29	28	25	26	27	21	25	23	23
M	VOC emissions	t	1,106 or less	730	728	630	624	573	627	639	524	545	396	509
M	Benzene discharge	t	172 or less	125	102	111	106	99	83	88	75	95	80	69
M	Water intake	Bn. m ³	-	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6

*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)

24

“M” represents materiality

Disaster prevention

(Calendar Year)

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

Quality

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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
M	# of patents held (non-consol.)	Thousand (approx.)	-	23	25	25	27	30	32	36	32	30	30	33
M	# of awards from customers, government, and institutions	-	-	22	19	15	15	13	14	15	9	9	10	10

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

25

“M” represents materiality

Diversity & Inclusion

(Fiscal Year)

	Indicator	Unit	Target	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
●	# of women in managerial positions	-	72 or higher in 2025	21	21	25	26	29	28	28	36	45	55	65
●	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
	Ratio of childcare leave taken (male)	%	-							4.6	8.5	25.6 ^{*2}	56	66

*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
●	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]

*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)²⁶

“M” represents materiality

Local community engagement

(Fiscal Year)

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

^{*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).

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

2-1-1. Operational Highlights (Quarterly)

(MMT)	FY24							FY25				
												(f)
	Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1(f)	H2(f)	
Non-Consolidated Pig-iron Production	8.58	8.39	16.98	8.52	8.35	16.87	33.85	8.01	8.20	16.20		
Consolidated Crude Steel Production	10.14	9.79	19.93	9.78	9.89	19.66	39.59	9.46	13.50	23.00	27.50	50.50
Affiliates' Crude Steel Production	1.43	1.30	2.73	1.23	1.39	2.61	5.34	1.19	4.80	6.00	10.00	16.00
Non-Consolidated Crude Steel Production	8.70	8.49	17.20	8.55	8.50	17.05	34.25	8.27	8.70	17.00	17.50	34.50
Non-Consolidated Steel Shipments	8.01	7.90	15.91	7.98	7.73	15.71	31.62	7.64	7.90	15.50	16.00	31.50
Seamless Pipe Shipments	0.13	0.17	0.30	0.16	0.17	0.33	0.62	0.15	0.15	0.31		
Steel Export Ratio (Value basis (%))	44	46	45	42	43	43	44	40	40	40		
Average Steel Selling Price(K JPY/ton)	146.2	143.8	145.0	139.0	139.2	139.1	142.1	139.7	140.0	140.0		
FOREX (USD/JPY)	155	153	154	149	154	152	153	145	145	145	145	145

2-1-2. Operational Highlights (Annual)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	*1 FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Non-Consolidated Pig-iron Production	44.80	44.91	42.51	42.15	40.61	40.86	40.09	42.57	33.07	38.41	33.96	34.55	33.85	
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	50.50
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	16.00
Non-Consolidated Crude Steel Production	45.67	44.96	42.17	42.62	40.67	41.00	39.54	41.85	33.00	38.68	34.25	34.99	34.25	34.50
Non-Consolidated Crude Steel Production (ex-Nippon Steel Sumitomo Metal + ex-Nisshin Steel Kure Works)	*3 48.84	48.23	45.31	45.56	43.45	43.73	41.85							
Non-Consolidated Steel Shipments	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	31.50
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	
Steel Export Ratio (Value basis (%))	46	47	45	42	41	40	40	38	36	42	43	44	44	
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	
FOREX (USD/JPY)	100	109	121	109	111	111	109	109	106	112	135	144	153	145

*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				
			H1			H2				H1(f)	H2(f)	(f)
	Q1	Q2		Q3	Q4			Q1	Q2			
Revenue	2,191.5	2,188.2	4,379.7	2,172.7	2,143.0	4,315.7	8,695.5	2,008.7	2,491.3	4,500.0	5,500.0	10,000.0
Steelmaking	2,005.2	1,985.3	3,990.5	1,971.9	1,911.8	3,883.7	7,874.3	1,823.0	2,277.0	4,100.0	5,100.0	9,200.0
Engineering & Construction	83.9	99.4	183.3	99.7	117.4	217.1	400.4	89.0	101.0	190.0	210.0	400.0
Chemicals & Materials	68.5	71.8	140.4	64.1	64.6	128.7	269.1	63.0	71.8	130.0	130.0	260.0
System Solutions	77.1	79.9	157.0	84.0	98.2	182.3	339.3	82.9	85.1	168.0	189.0	357.0
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				
Business Profit	236.9	138.7	375.7	190.3	117.1	307.4	683.2	92.0	88.0	180.0	300.0	480.0
ROS (%)	10.8%	6.3%	8.6%	8.8%	5.5%	7.1%	7.9%	4.6%	3.5%	4.0%	5.5%	4.8%
Steelmaking	230.2	123.5	353.8	166.0	101.1	267.1	621.0	85.2	64.8	150.0	260.0	410.0
Engineering & Construction	(0.0)	(1.1)	(1.2)	8.2	7.5	15.8	14.6	5.4	1.6	7.0	13.0	20.0
Chemicals & Materials	6.4	5.7	12.2	5.5	1.1	6.6	18.9	3.1	5.9	9.0	9.0	18.0
System Solutions	9.0	9.3	18.3	11.8	8.6	20.5	38.8	8.7	10.3	19.0	24.0	43.0
Additional Line Items ^{*1}	-	-	-	-	(135.2)	(135.2)	(135.2)	(231.5)	1.5	(230.0)	(10.0)	(240.0)
Net profit attributable to owners of the parent	157.5	85.7	243.3	118.7	(11.8)	106.8	350.2	(195.8)	25.8	(170.0)	130.0	(40.0)
ROE (%) ^{*2}	12.9%	6.6%	9.6%	8.9%	(0.9%)	4.0%	6.9%	-15.1%				
EBITDA	330.4	234.2	564.6	287.5	216.2	503.8	1,068.4	188.6	236.4	425.0	605.0	1,030.0

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

*2 Annualized

2-2-2. Earnings Summary (Annual)

31

(bn.JPY)	FY13 (JGAAP)	FY14 (JGAAP)	FT15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY19 (excl. impairment loss)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
Revenue *1	5,516.1	5,610.0	4,907.4	4,632.8	5,668.6	5,712.9	6,177.9	5,921.5	5,921.5	4,829.2	6,808.8	7,975.5	8,868.0	8,695.5	10,000.0
Steelmaking	4,877.9	4,939.2	4,283.9	4,052.2	5,017.2	5,017.2	5,454.5	5,257.3	5,257.3	4,228.4	6,153.6	7,245.5	8,076.3	7,874.3	9,200.0
Engineering & Construction	314.1	348.6	315.7	267.5	294.2	294.2	356.7	340.4	340.4	324.4	279.2	352.2	409.2	400.4	400.0
Chemicals & Materials	267.3	249.1	218.0	208.7	237.7	237.8	247.0	215.7	215.7	178.6	249.8	274.5	260.8	269.1	260.0
System Solutions	179.8	206.0	218.9	232.5	244.2	244.2	267.5	273.2	273.2	252.4	271.3	292.5	311.5	339.3	357.0
share of profit in investments accounted for using the equity method	62.7	82.7	44.2	79.2	122.7	65.7	86.4	38.4	38.4	55.2	214.4	102.9	144.3	126.9	
Business Profit *2	361.0	451.7	200.9	174.5	297.5	288.7	336.9	(284.4)	76.5	110.0	938.1	916.4	869.6	683.2	480.0
ROS (%)	6.5%	8.1%	4.1%	3.8%	5.2%	5.1%	5.5%	(4.8%)	1.3%	2.3%	13.8%	11.5%	9.8%	7.9%	4.8%
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	410.0
Engineering & Construction	17.7	18.7	12.1	6.8	9.1	9.1	9.4	10.7	10.7	17.7	6.3	11.6	(1.3)	14.6	20.0
Chemicals & Materials	11.3	9.2	4.0	6.2	17.3	17.3	25.0	18.4	18.4	7.6	25.3	16.1	15.3	18.9	18.0
System Solutions	12.7	16.5	19.4	22.1	23.2	23.2	26.5	26.1	26.1	23.9	30.8	32.1	35.5	38.8	43.0
Additional Line Items *3	38.0	(75.5)	29.8	7.1	(7.6)	-	(71.8)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(240.0)
Losses on reorganization *4	(18.6)	(89.8)	(32.7)	(19.1)	(33.3)	-	(49.4)	(121.7)		(98.6)	(97.2)	(32.8)	(90.9)	(135.2)	(240.0)
Losses on inactive facilities	(18.6)	(21.2)	(19.0)	(12.7)	(11.6)	-	(15.1)	(22.7)		(79.9)		(23.5)			
Losses on business withdrawal	-	(68.6)	-	(6.4)	(6.1)	-	(17.4)	(20.2)		(18.7)		(9.3)			
Impairment loss	-	-	(13.7)	-	(15.6)	-	(16.8)	(78.7)		-		-			
Losses on disaster	-	-	-	(7.8)	-	-	(22.3)	-	-	-	-	-	-	-	-
Net profit attributable to owners of the parent *5	242.7	214.2	145.4	130.9	195.0	180.8	251.1	(431.5)		(32.4)	637.3	694.0	549.3	350.2	(40.0)
ROE (%)	9.6%	7.6%	5.1%	4.6%	6.4%	6.0%	7.9%	(14.7%)		(1.2%)	20.5%	18.1%	12.3%	6.9%	
ROIC (%) *6	4.1%	5.2%	2.7%	2.6%	4.0%	-	4.0%	(5.0%)		1.4%	10.6%	9.2%	7.8%	5.8%	
EBITDA	630.2	669.5	475.9	418.9	658.0	655.3	745.5	466.8		400.9	1,290.2	1,256.6	1,232.6	1,068.4	1,030.0

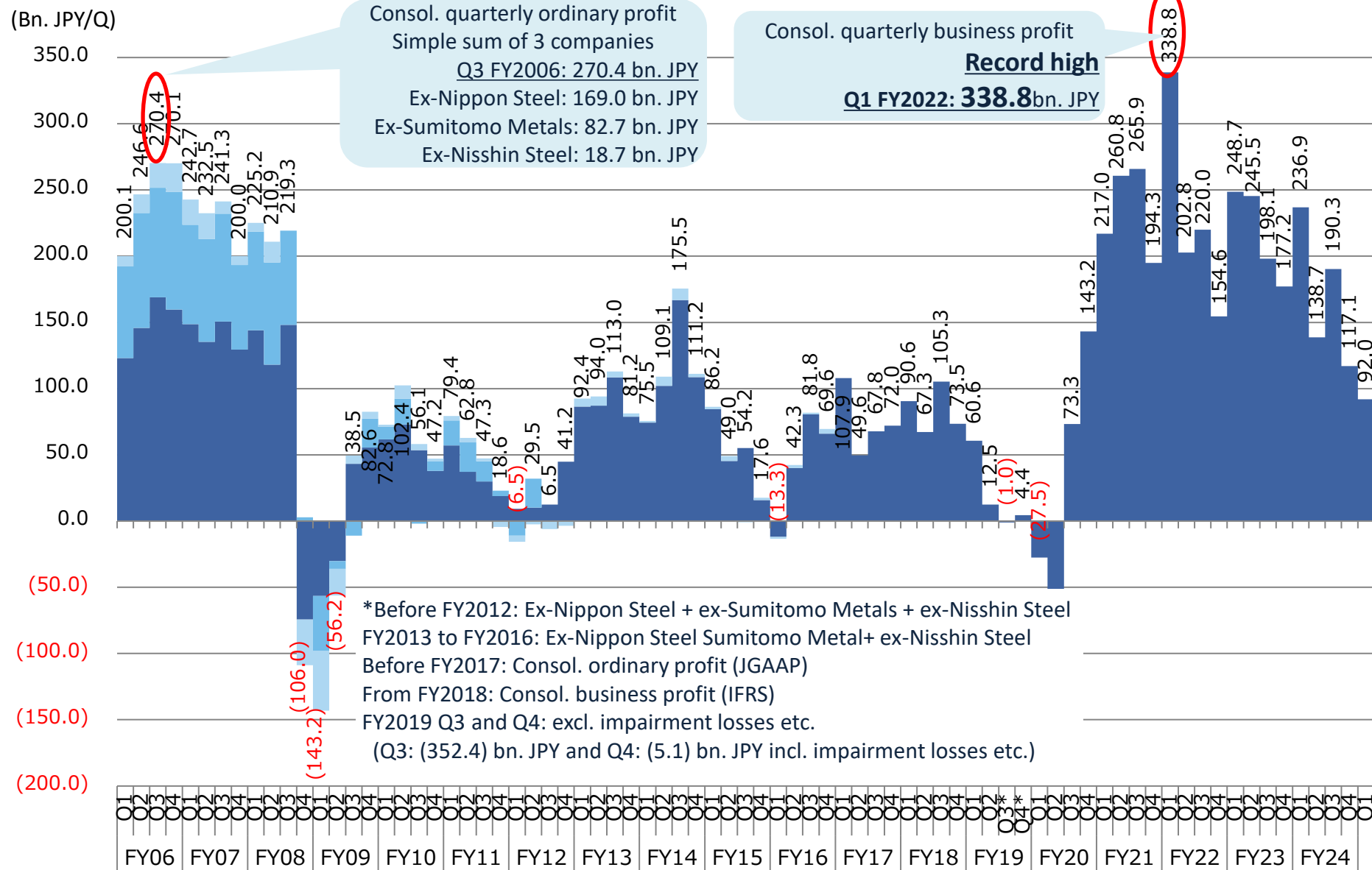
*1 JGAAP : Net sales *2 JGAAP : Ordinary Profit *3 JGAAP : Extraordinary Profit(Incl. Gain on sales of shares of subsidiaries and associates) & Loss

*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]

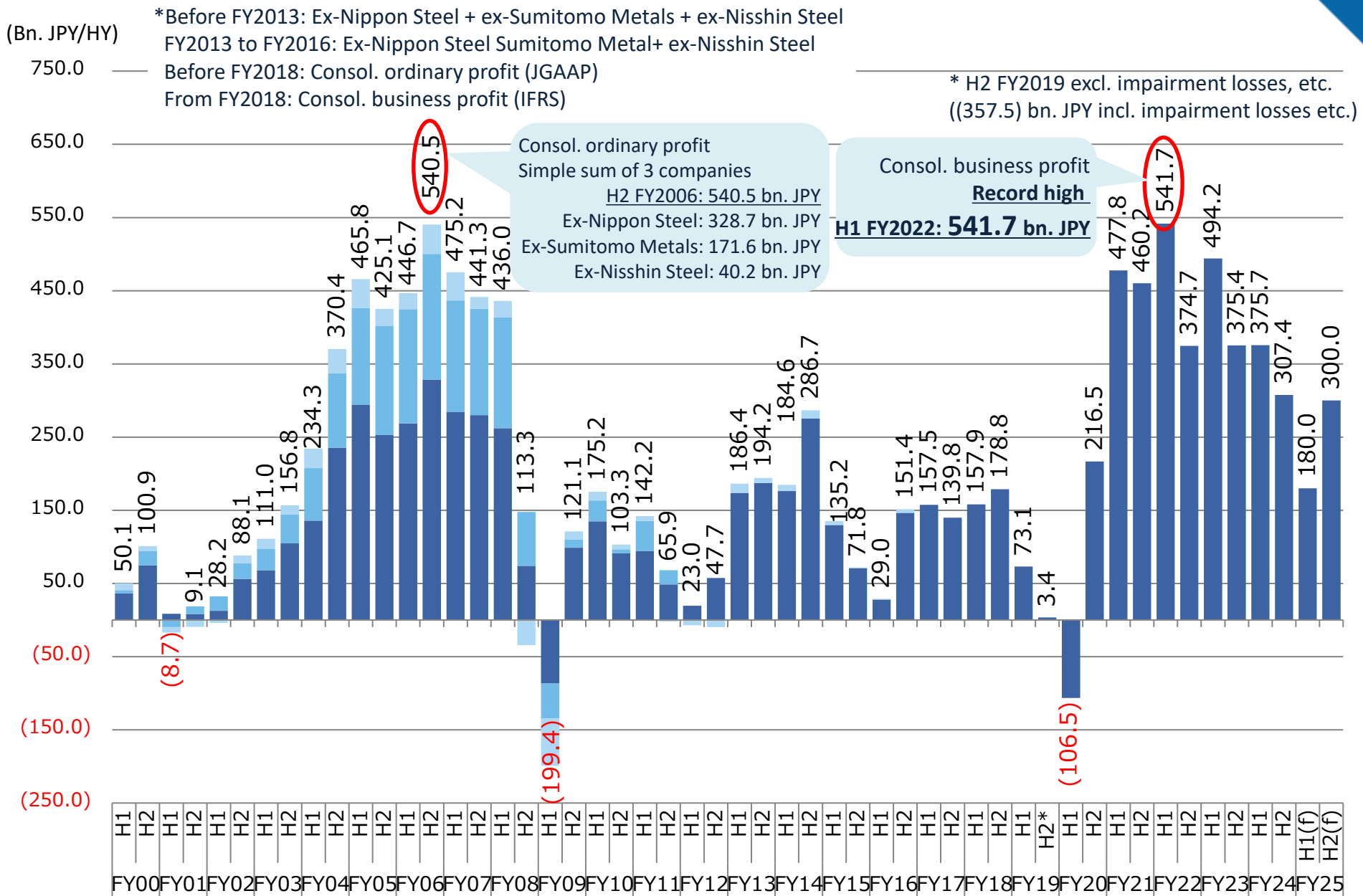
2-2-3. Business Profit Trend (Quarterly)

32



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

33



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

Consol. ordinary profit
Simple sum of 3 companies

34

(mtpa)

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

Bars: Consol. business profit (left axis)

Before FY2013: Ex-Nippon Steel + ex-Sumitomo Metals + ex-Nisshin Steel

FY2013 to FY2016: Ex-Nippon Steel Sumitomo Metal+ ex-Nisshin Steel

Before FY2017: Consol. ordinary profit (JGAAP)

From FY2017: Consol. business profit (IFRS)

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

Before 2013 Ex-Nippon Steel + ex-Sumitomo Metals

+ ex-Nisshin Steel Kure Works

2013 to 2018: Ex-Nippon Steel Sumitomo Metal

+ ex-Nisshin Steel Kure Works

2019: Nippon Steel + ex-Nippon Steel Nisshin

(Bn. JPY/)

1,000.0

900.0

800.0

700.0

600.0

500.0

400.0

300.0

200.0

100.0

0.0

48.00

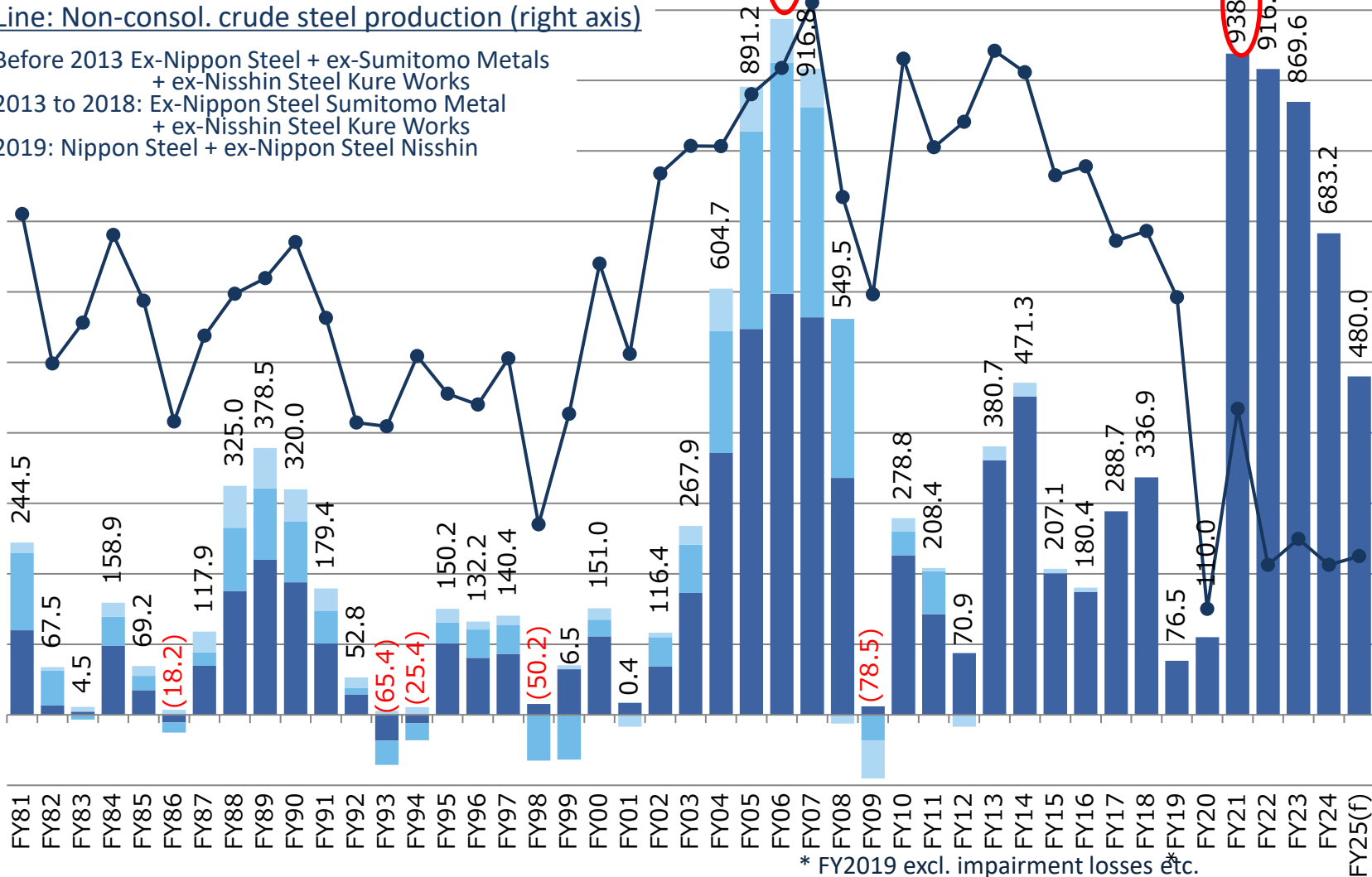
43.00

38.00

33.00

28.00

(100.0)

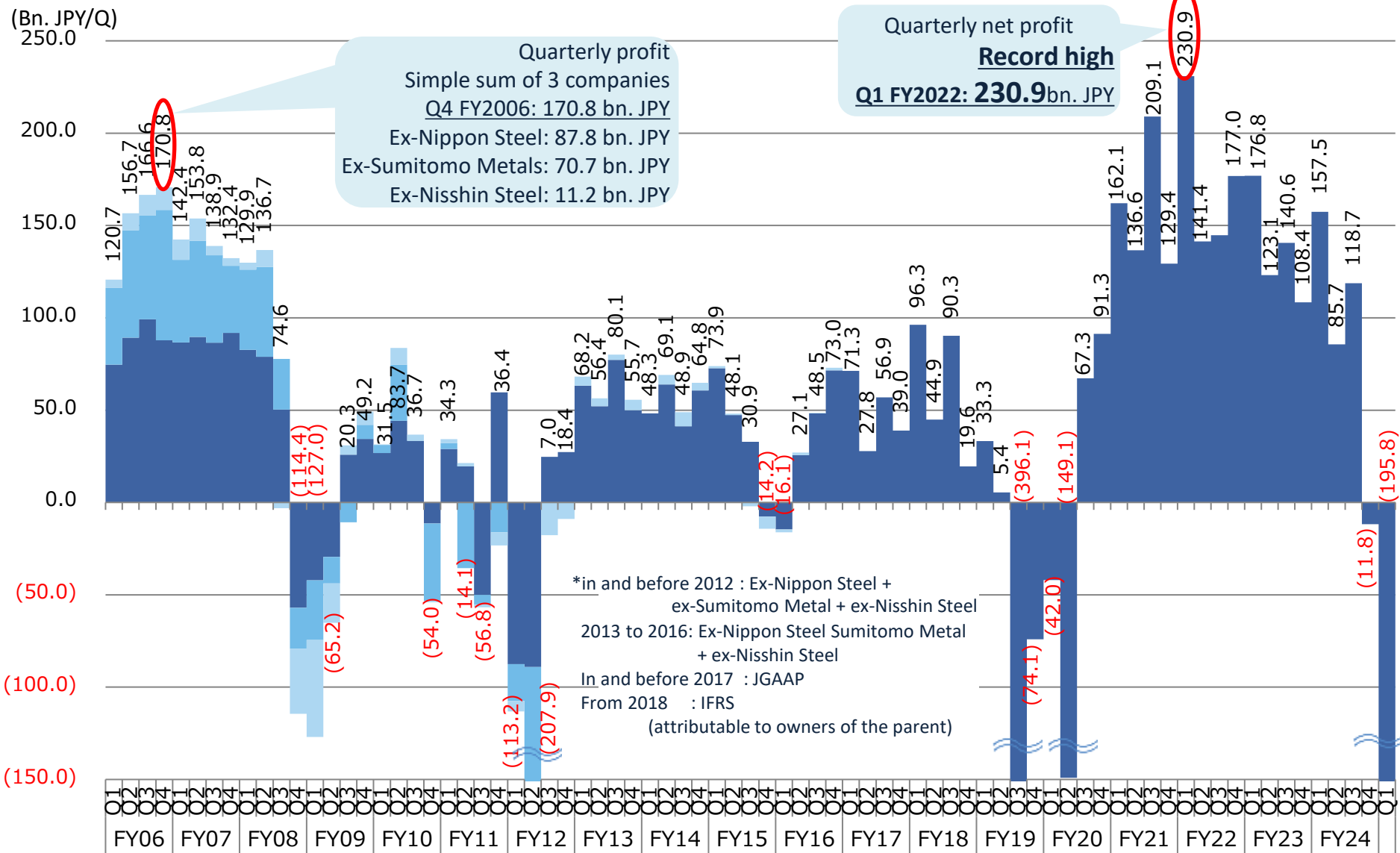


* FY2019 excl. impairment losses etc.

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

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

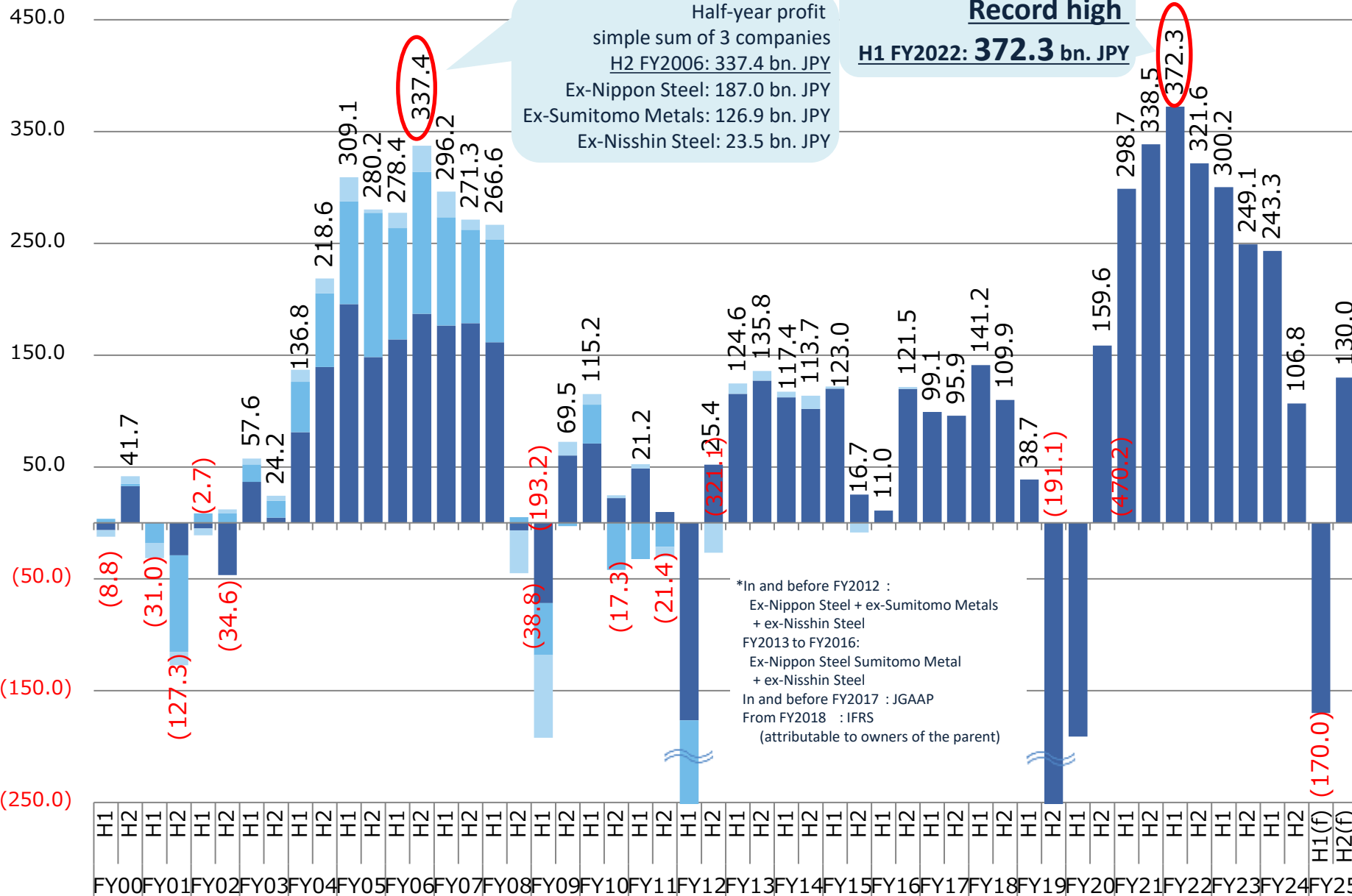
35



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

36

(Bn. JPY/HY)



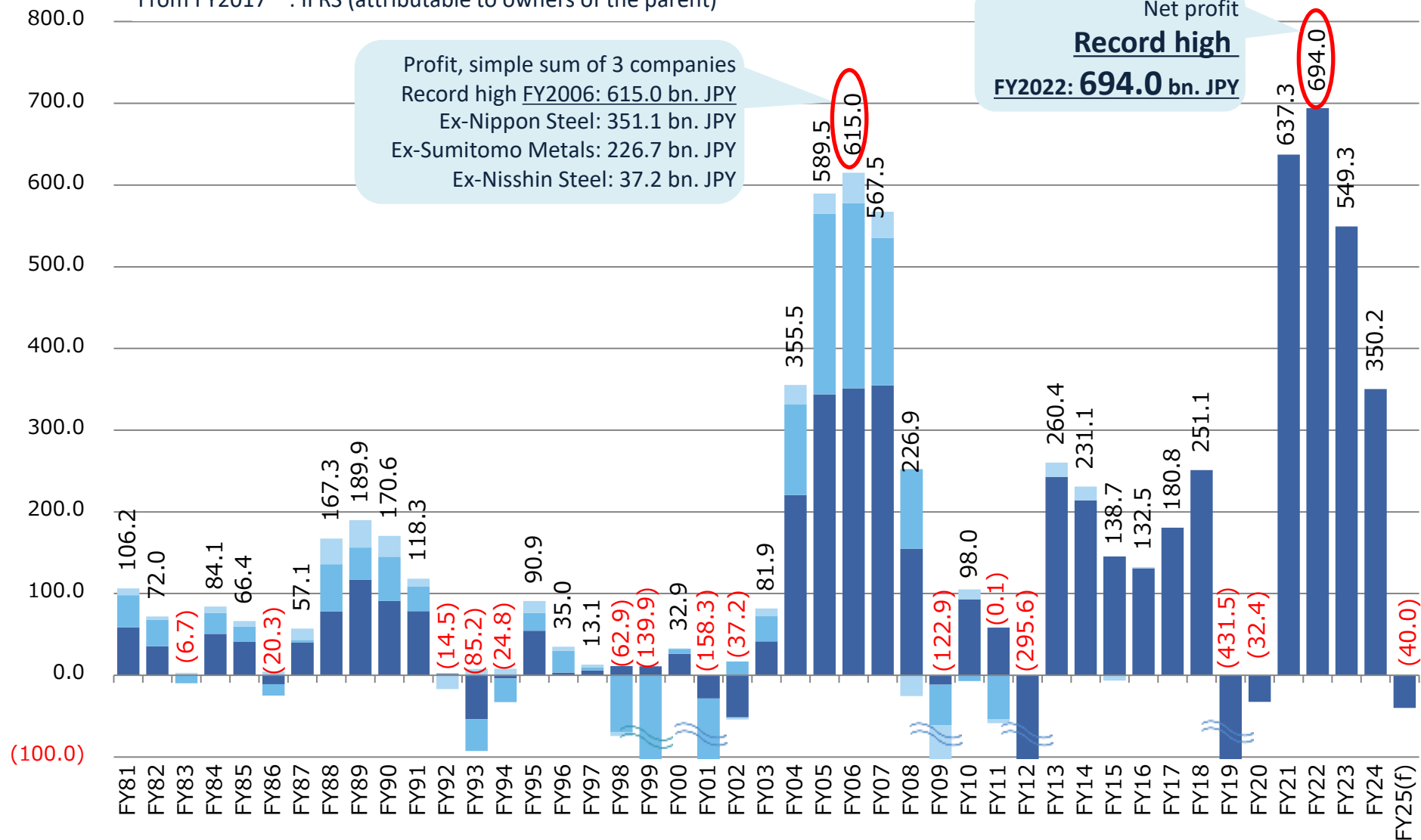
2-2-4. Net Profit Trend (Annual)

37

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

(Bn. JPY/Y)

In and before FY2016 : JGAAP
From FY2017 : IFRS (attributable to owners of the parent)



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

(bn.JPY)	FY13 (JGAAP)	FY14 (JGAAP)	FT15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
CF from operating activities	512.0	660.5	562.9	484.2	485.5	485.5	447.3	424.3	318.1	615.6	661.2	1,010.1	978.5	
CF from investing activities	(364.1)	(363.2)	(322.2)	(493.7)	(433.2)	(433.2)	(476.8)	(555.6)	(444.0)	(518.9)	(466.6)	(940.6)	(802.4)	
Asset streamlining	230.0	150.0	80.0	150.0	70.0	70.0	100.0	280.0	140.0	140.0	100.0	230.0	340.0	60.0
FCF	377.9	447.3	320.7	140.5	122.3	122.3	70.5	148.7	14.1	236.7	294.6	299.5	516.1	
CAPEX *1	257.0	304.3	304.6	351.0	411.9		440.8	481.3	474.4	407.4	437.6	457.4	583.4	980.0
Depreciation & amortization	331.8	320.0	308.2	304.7	340.7	366.5	408.6	417.3	290.8	330.6	340.2	363.0	385.2	550.0
Consol. total assets	7,082.3	7,157.9	6,425.0	7,261.9	7,592.4	7,756.1	8,049.5	7,445.0	7,573.9	8,752.3	9,567.0	10,714.6	10,942.4	
Interest bearing debt	2,296.3	1,976.5	2,008.2	2,104.8	2,068.9	2,157.7	2,369.2	2,488.7	2,559.2	2,653.3	2,699.3	2,711.6	2,507.4	
Equity capital	2,683.6	2,978.6	2,773.8	2,948.2	3,145.4	3,136.9	3,230.7	2,641.6	2,759.9	3,466.7	4,181.1	4,777.7	5,383.3	
D/E *2	0.86	0.68	0.64	0.63		0.61	0.66	0.74	0.70	0.59	0.51	0.45	0.35	
Capital adequacy ratio(%)	37.9	41.6	43.2	40.6	41.4	40.4	40.1	35.5	36.4	39.6	43.7	44.6	49.2	
D/EBITDA	3.6	3.0	4.2	5.0	3.1	3.3	3.2	5.3	6.4	2.1	2.1	2.2	2.3	

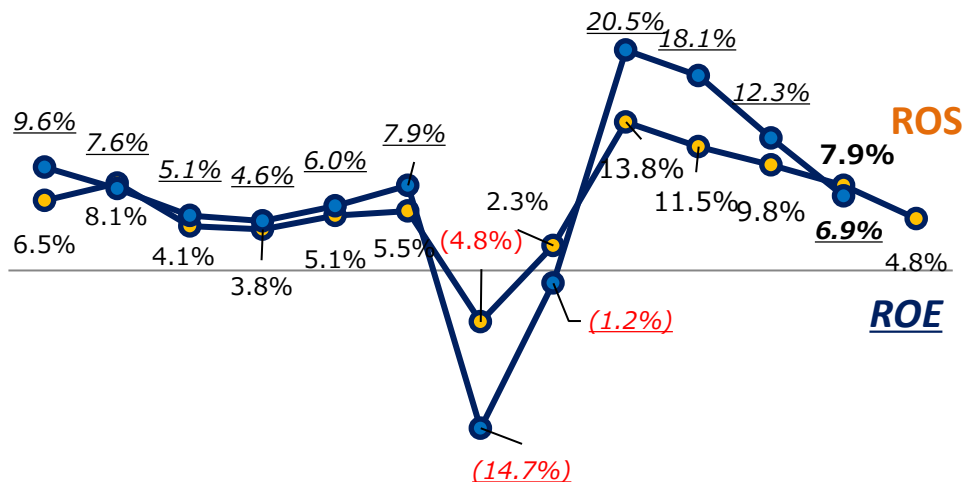
*1 On an accrual basis, FY18~

*2 Adjusted D/E

2-4. Key Financial Indicators

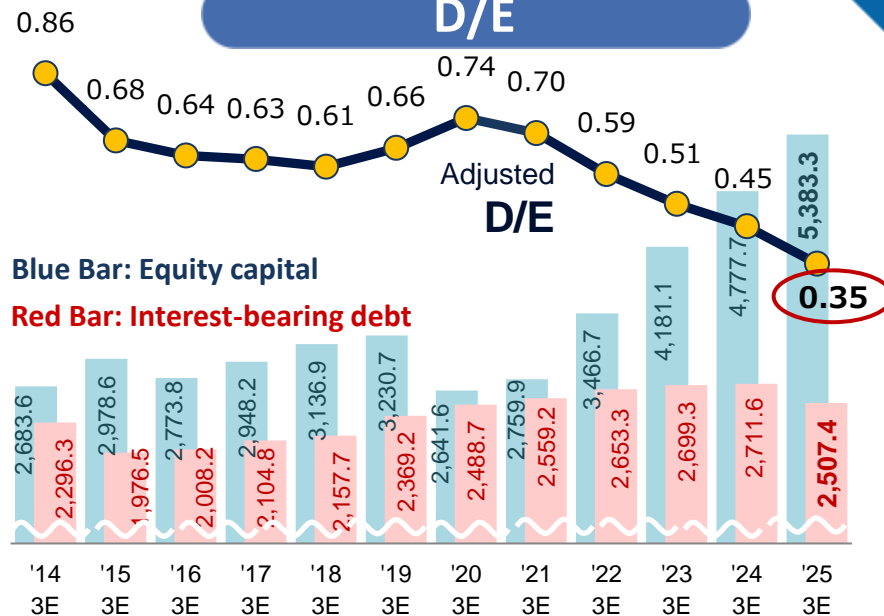
39

ROS & ROE

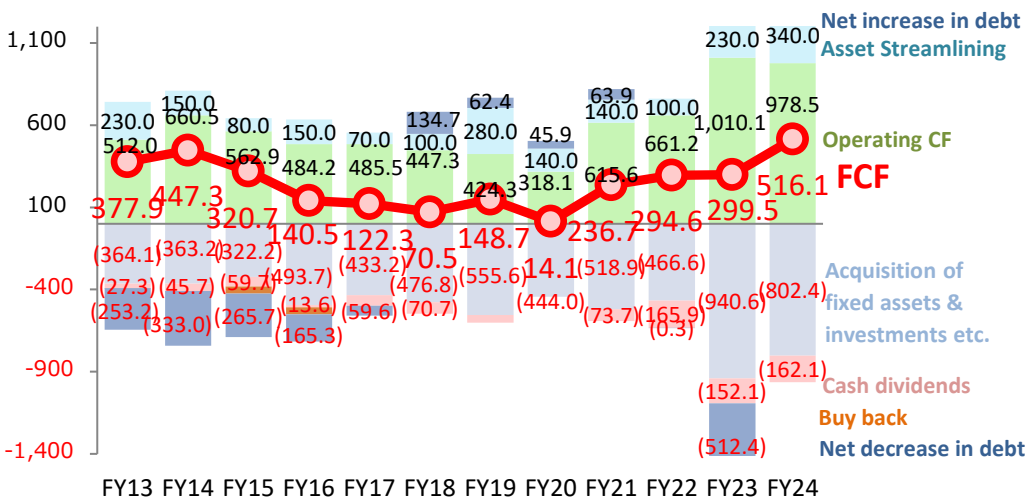


FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22 FY23 FY24 FY25
(f)

D/E



Cash Flow

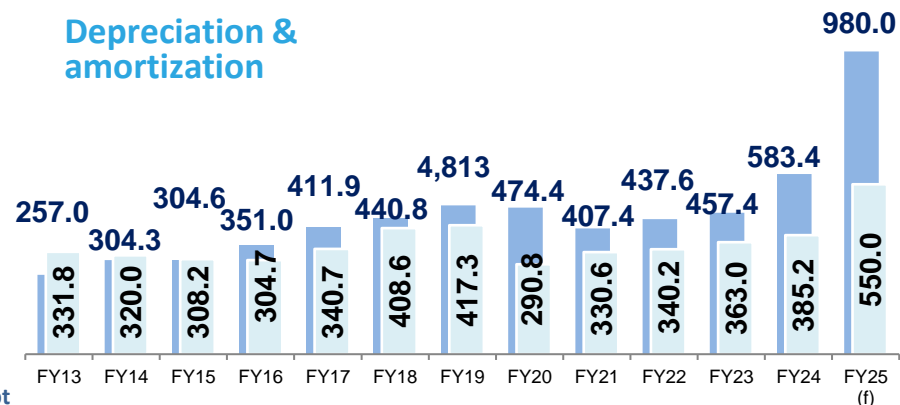


FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22 FY23 FY24

CAPEX & Depreciation

CAPEX

Depreciation & amortization



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)

40

	*1 FY13 (JGAAP)	*1 FY14 (JGAAP)	*1 FY15 (JGAAP)	FY16 (JGAAP)	FY17 (JGAAP)	FY17 (IFRS)	FY18 (IFRS)	FY19 (IFRS)	FY20 (IFRS)	FY21 (IFRS)	FY22 (IFRS)	FY23 (IFRS)	FY24 (IFRS)	FY25(f) (IFRS)
Stock Price (at the end of each FY) (JPY)	2,820	3,025	2,162	2,565	2,337	2,337	1,954	925	1,887	2,171	3,120	3,668	3,195	
EPS *2 (Earnings Per Share) (JPY)	267	235	159	148	221	205	282	(469)	(35)	692	753	596	350	*7 (38)
PER *3 (Price Earnings Ratio)	10.6	12.9	13.6	17.3	10.6	11.4	6.9	(2.0)	(53.6)	3.1	4.1	6.2	9.1	
BPS *4 (Book value Per Share) (JPY)	2,941	3,263	3,074	3,340	3,564	3,554	3,510	2,869	2,998	3,765	4,541	5,187	5,151	
PBR *5 (Price Book-value Ratio)	1.0	0.9	0.7	0.8	0.7	0.7	0.6	0.3	0.6	0.6	0.7	0.7	0.6	
Full-year Dividend (JPY)	50	55	45	45	70	70	80	10	10	160	180	160	160	*7 120
Pay-out Ratio *6 (%)	19%	23%	28%	30%	32%	34%	28%	-	-	23%	24%	27%	46%	-
Dividend Yield (%)	1.8%	1.8%	2.1%	1.8%	3.0%	3.0%	4.1%	1.1%	0.5%	7.4%	5.8%	4.4%	5.0%	

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

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

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

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

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

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

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

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

41

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

*1 Incl. inventory valuation

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

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

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

2-6-2. Outline of Major Group Companies

42

Category	Company name*1	Business domain	Major customer
Secondary-processing *2	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 *2	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, fiber, 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.	
	Kurosaki Harima	Refractory, construction of furnaces	

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

*2 Nippon Steel Stainless Steel and Nippon Steel Pipe are Integrated with parent company as of Apr. 1, 2025

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)

44

(MMT)												
	Q1	Q2	H1	Q3	Q4	H2	FY24	Q1	Q2	H1(f)	H2(f)	FY25(f)
Domestic Crude Steel Production	21.25	20.59	41.84	20.72	20.40	41.12	82.95	20.15	20.10	40.30		
Domestic Steel Consumption (A)+(B)	12.36	12.40	24.76	12.57	12.21	24.78	49.54	12.13	12.27	24.40	24.90	49.30
% for manufacturing sector	66.9	67.0	67.0	67.3	67.2	67.2	67.1	66.3	67.5	66.9	66.3	66.6
Ordinary Steel Consumption (A)	9.58	9.60	19.18	9.81	9.51	19.32	38.50	9.36	9.52	18.88	19.42	38.30
Construction	3.93	3.93	7.86	3.95	3.87	7.82	15.68	3.78	3.88	7.66	7.94	15.60
Manufacturing	5.65	5.67	11.32	5.86	5.64	11.50	22.82	5.58	5.64	11.22	11.48	22.70
Shipbuilding	0.78	0.78	1.56	0.75	0.77	1.52	3.08	0.77	0.76	1.53	1.53	3.05
Automotive	2.33	2.42	4.75	2.52	2.36	4.88	9.62	2.29	2.34	4.63	4.80	9.42
Industrial Machine	1.02	0.97	1.99	1.02	1.01	2.03	4.02	1.03	1.03	2.05	2.07	4.13
Electronic Machine	0.65	0.64	1.29	0.65	0.63	1.28	2.57	0.64	0.63	1.27	1.28	2.55
Special Steel Consumption (B)	2.78	2.80	5.58	2.77	2.70	5.46	11.04	2.77	2.77	5.53	5.46	11.00

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

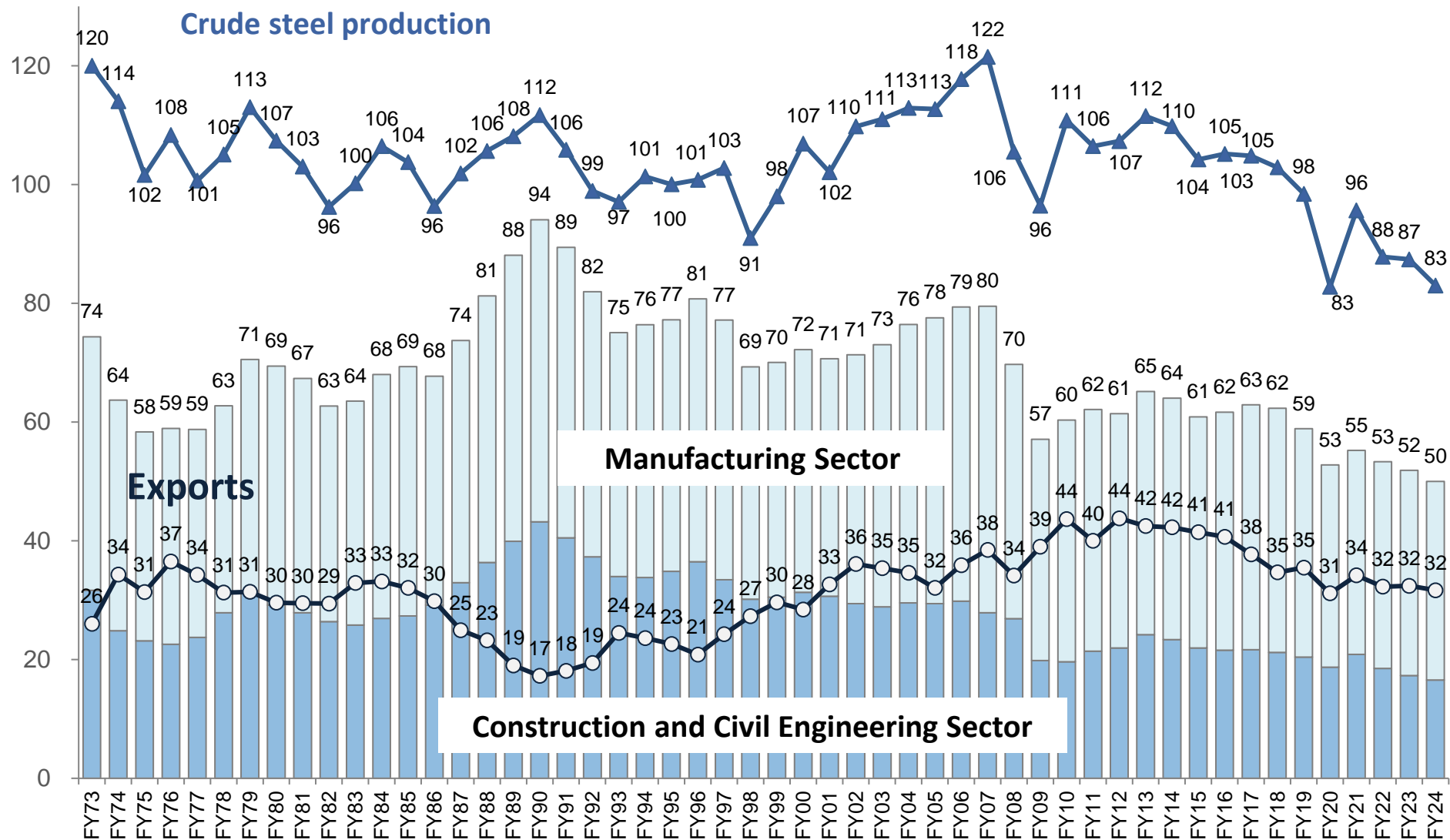
45

(MMT)	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Domestic Crude Steel Production	111.52	109.84	104.23	105.17	104.84	102.89	98.43	82.78	95.64	87.84	86.83	82.95	
Domestic Steel Consumption (A)+(B)	65.14	64.03	60.88	61.67	62.89	62.32	59.14	52.77	54.65	53.31	51.90	49.54	49.30
% 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	67.1	66.6
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	38.50	38.30
Construction	23.01	22.36	21.15	21.57	21.67	21.19	20.07	18.70	19.17	17.76	16.71	15.68	15.60
Manufacturing	28.80	28.56	27.28	27.43	28.08	28.09	26.62	23.19	23.88	23.99	23.79	22.82	22.70
Shipbuilding	4.16	4.34	4.32	4.33	4.08	4.00	4.06	3.25	3.08	3.09	3.12	3.08	3.05
Automotive	11.48	11.14	10.76	10.95	11.31	11.42	10.69	9.17	8.97	9.40	9.87	9.62	9.42
Industrial Machine	5.05	5.18	4.61	4.58	5.04	5.17	4.68	4.26	4.96	4.90	4.52	4.02	4.13
Electronic Machine	3.11	3.07	2.92	2.97	3.10	3.07	2.95	2.76	2.89	2.86	2.64	2.57	2.55
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	11.04	11.00

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

46

(MMT)



Source : Nippon Steel

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

47

								FY24				FY25(f)	
		Q1	Q2	H1	Q3	Q4	H2		Q1	Q2	H1(f)		H2(f)
Housing Starts	(mil. houses)	0.21	0.20	0.41	0.20	0.21	0.40	0.82	0.16	0.20	0.36	0.41	0.76
Non-residential Construction Starts	(mil.m²)	10.31	9.83	20.14	9.44	9.14	18.59	38.73	10.54	9.98	20.52	18.10	38.62
Public Works Orders	(bn JPY)	3,097	3,897	6,994	2,935	4,167	7,102	14,096	3,025	3,963	6,988	7,595	14,583
Finished Auto Production	(mil. units)	1.99	2.11	4.10	2.23	2.14	4.37	8.46	2.03	2.08	4.11	4.31	8.42
Export of Finished Auto	(mil. units)	1.02	1.04	2.07	1.16	1.02	2.18	4.24	1.03	1.01	2.04	2.06	4.10
Overseas Auto Production (8 Japanese car makers)	(mil. units)	3.94	3.88	7.82	4.03	3.91	7.94	15.76	3.89				
large & Middle Sized Shovel Production	(thou- sand units)	21	18	39	19	18	37	76	19	20	39	42	81
Metal Machine Tool Production	(thou- sand tons)	69	74	143	77	81	158	301	72	72	144	166	309
Keel-laid new Ships	(mill. Gross tons)	2.59	2.33	4.91	2.10	2.20	4.30	9.21	2.20	2.25	4.45	4.45	8.90

Source : Nippon Steel

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

48

	FY13	FY14	FT15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25(f)
Housing Starts (mil. houses)	0.99	0.88	0.92	0.97	0.95	0.95	0.88	0.81	0.87	0.86	0.80	0.82	0.76
Non-residential Construction Starts (mil.m ²)	56.27	52.61	49.99	51.33	53.31	51.02	47.98	44.92	48.06	46.90	42.79	38.73	38.62
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	14,583
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	8.46	8.42
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	4.10
Overseas Auto Production (mil. units) (8 Japanese car makers)	16.34	17.08	17.84	18.90	19.29	19.25	17.30	15.51	15.93	16.22	16.76	15.76	
Large & Middle Sized Shovel Production (thousand units)	80	78	63	66	79	86	78	74	93	93	92	76	81
Metal Machine Tool Production (thousand tons)	344	481	452	366	458	438	341	249	334	377	343	301	309
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	9.21	8.90

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

3-3. World Economic Outlook

< Released on Jul. 29th, 2025 by IMF >

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(%/y)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24	CY25 (f)	vs. CY24
World	3.5	3.6	3.5	3.4	3.8	3.6	2.8	-3.1	6.2	3.5	3.3	3.3	3.0	-0.3
Developed Countries	1.4	2.1	2.3	1.7	2.4	2.2	1.7	-4.5	5.4	2.6	1.7	1.8	1.5	-0.3
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	1.9	-0.9
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	1.0	+0.1
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	0.7	+0.6
Emerging Countries	5.1	4.7	4.3	4.6	4.7	4.5	3.7	-2.1	6.7	4.1	4.4	4.3	4.1	-0.2
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	4.8	-0.2
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	4.1	-0.5
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	6.4	-0.1
Russia	1.8	0.7	-2.3	0.3	1.5	2.3	1.3	-3.0	4.7	-2.1	3.6	4.1	0.9	-3.2
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	2.3	-1.1

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

3-4. World Steel Demand

50

<World Steel Association forecast as of October, 2024>

(MMT/Y)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23					
												As of Apr. 24	CY 24 (f)	vs. prev.	vs.CY23	
World	1,546	1,551	1,506	1,519	1,637	1,712	1,779	1,790	1,841	1,782	1,767	[1,793]	1,751	-42	-16	-1%
USMCA	131	146	134	131	138	140	135	116	137	133	132	[134]	131	-2	-1	-1%
EU28 *1	179	149	154	158	164	168	158	140	165	152	139	[141]	137	-4	-2	-2%
Japan	65	68	63	62	64	65	63	53	57	55	53	[53]	52	-1	-1	-2%
Korea	52	56	56	57	56	54	53	49	56	51	52	[54]	50	-4	-2	-4%
China	741	711	672	681	774	836	912	1,008	954	921	896	[896]	869	-27	-27	-3%
India	74	76	80	84	89	97	103	89	106	116	133	[144]	143	-1	+11	+8%
ASEAN -5 *2	59	62	67	76	74	77	78	70	73	73	71	[76]	74	-2	+3	+4%
Russia	60	43	40	39	41	41	44	42	44	42	45	[46]	44	-2	-0	-1%

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

3-5. World Crude Steel Production

51

(MMT)	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 23	CY 24 [A]	CY25						CY25 [C] (B* 12/6)	Change (A -> C)
													Jan. - Mar.					Apr. - Jun.		
														Apr.	May	Jun.				
World Total	1,582	1,644	1,598	1,587	1,712	1,789	1,844	1,842	1,913	1,851	1,846	1,837	469	156	158	151	465	934	1,869	+32
[YoY]	[+4.0%]	[+4.1%]	[-3.0%]	[-0.7%]	[+7.9%]	[+4.5%]	[+3.1%]	[-0.1%]	[+3.9%]	[-3.3%]	[-0.3%]	[-0.5%]	[-0.1%]	[-0.1%]	[-4.5%]	[-5.8%]	[-3.5%]	[-49.1%]		
Japan	111	111	105	105	105	104	99	84	96	89	87	84	20	7	7	6.7	20	41	81	-3
[YoY]	(+3.1%)	(+0.1%)	(-5.0%)	[-0.4%]	[-0.1%]	[-0.3%]	[-4.8%]	[-15.6%]	[+14.9%]	[-7.4%]	[-2.5%]	[-3.2%]	[-4.9%]	[-6.4%]	[-4.7%]	[-4.4%]	[-5.1%]	[-51.7%]		
Korea	66	72	70	69	71	72	71	67	70	66	67	64	16	5	5	5	15	31	61	-2
[YoY]	(-4.4%)	(+8.4%)	(-1.9%)	[-1.6%]	[+3.6%]	[+2.0%]	[-1.5%]	[-6.1%]	[+5.0%]	[-6.5%]	[+1.3%]	[-5.5%]	[-3.6%]	[-2.5%]	[-1.7%]	[-1.8%]	[-2.0%]	[-51.9%]		
U.S	87	88	79	78	82	87	88	73	86	81	81	79	20	7	7	7	20	40	80	+1
EU28	166	169	166	162	169	168	157	139	160	142	131	133	33	11	12	11	34	67	134	+0
Russia	69	71	71	70	71	72	72	72	77	72	76	71	18	6	6	6	17	35	70	-1
Ukraine	34	34	33	31	34	35	33	31	21	6	6	8	2	1	1	1	2	4	7	-0
Brazil	34	34	33	31	34	35	33	31	36	34	32	34	8	3	3	3	8	16	33	-1
India	81	87	89	95	101	109	111	100	118	125	141	149	40	13	14	14	41	81	162	+12
China	779	820	804	787	871	923	996	1,065	1,034	1,019	1,013	1,002	259	86	87	83	256	515	1,030	+28
[YoY]	[+8.7%]	[+5.6%]	[-2.3%]	[-2.1%]	[+10.7%]	[+6.0%]	[+7.9%]	[+6.9%]	[-2.9%]	[-1.4%]	[-0.6%]	[-3.1%]	[+0.8%]	-	[-6.9%]	[-9.2%]	[-5.5%]	[-48.6%]		

Source : World Steel Association * Total of 64 countries

Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

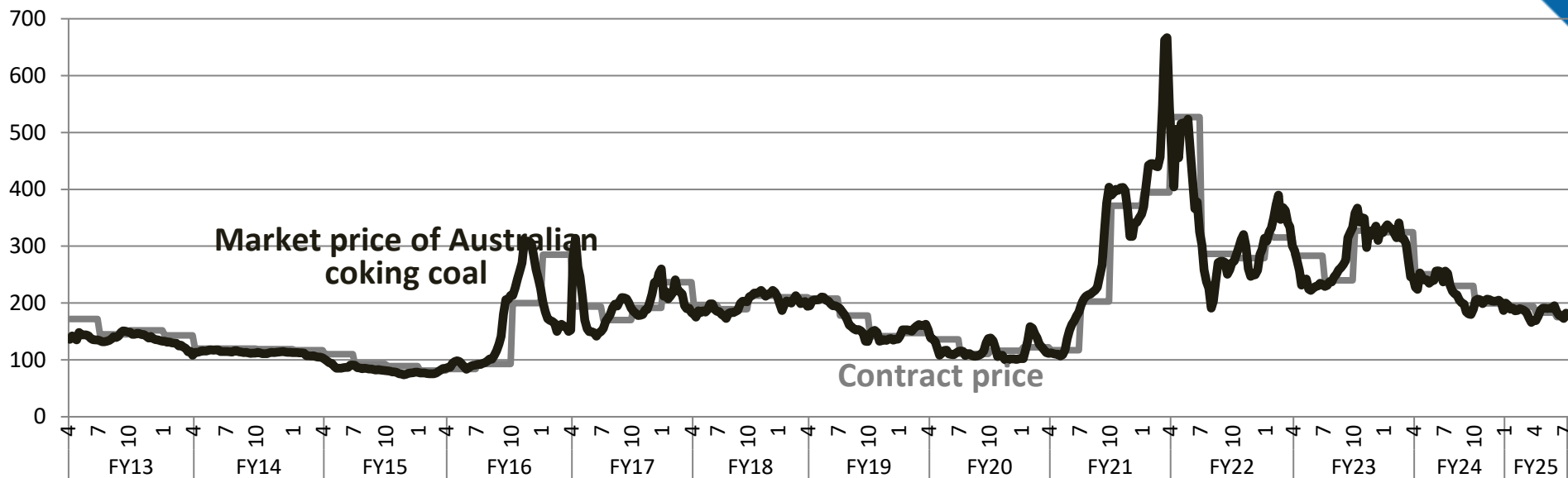
Database

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

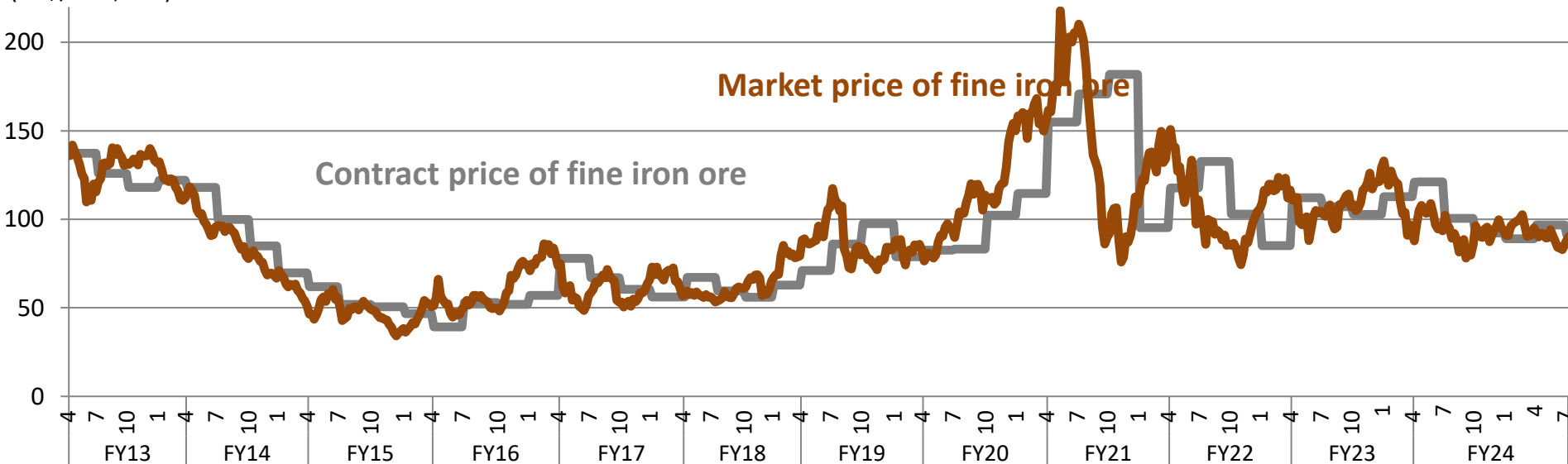
4-1. Raw Material Prices

53

(US\$/wmt,FOB)



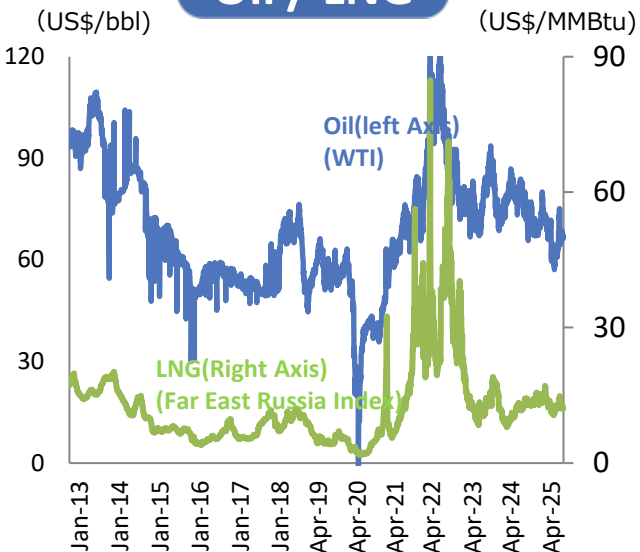
(US\$/dmt,FOB)



4-2. Commodity Prices

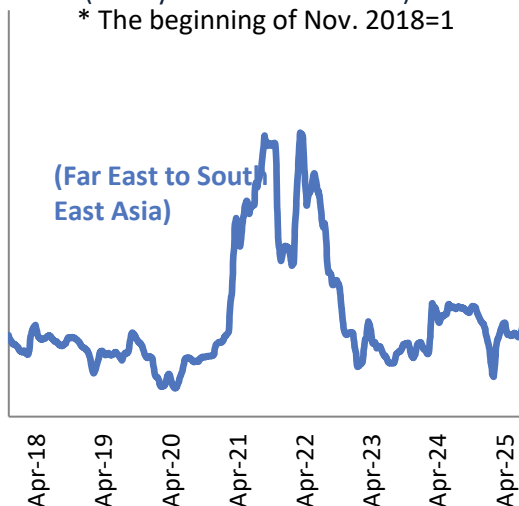
54

Oil / LNG



Export Freight*

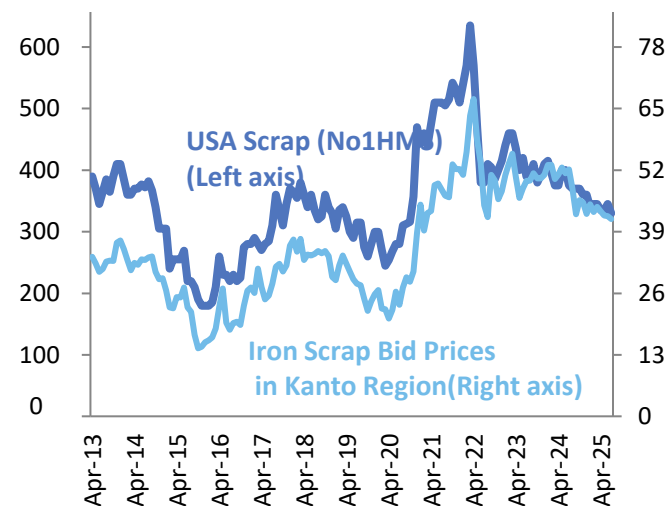
(Handy size 38 kt hull form)
* The beginning of Nov. 2018=1



Scrap

(US\$/t, East Asia)

(k JPY/t)



Nickel

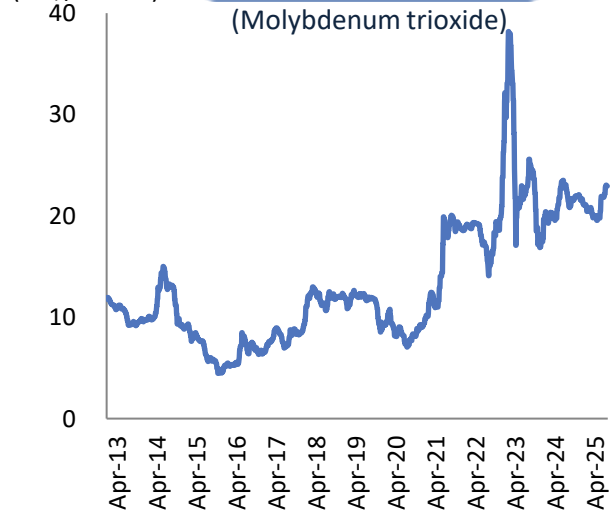
(MUS\$/Lb)



Molybdenum

(US\$/lb.-Mo)

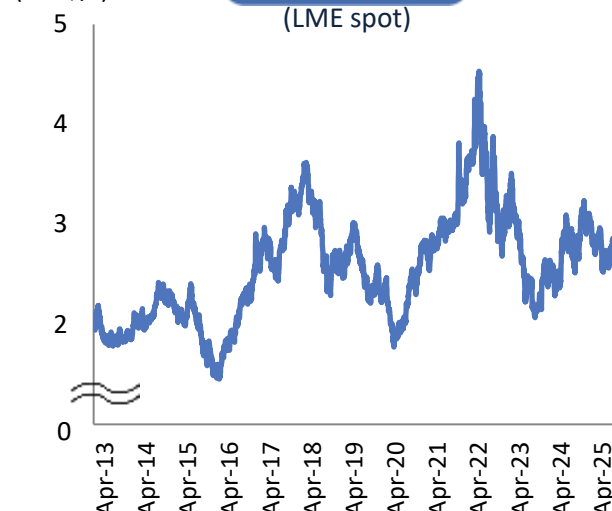
(Molybdenum trioxide)



Zinc

(kUS\$/t)

(LME spot)



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

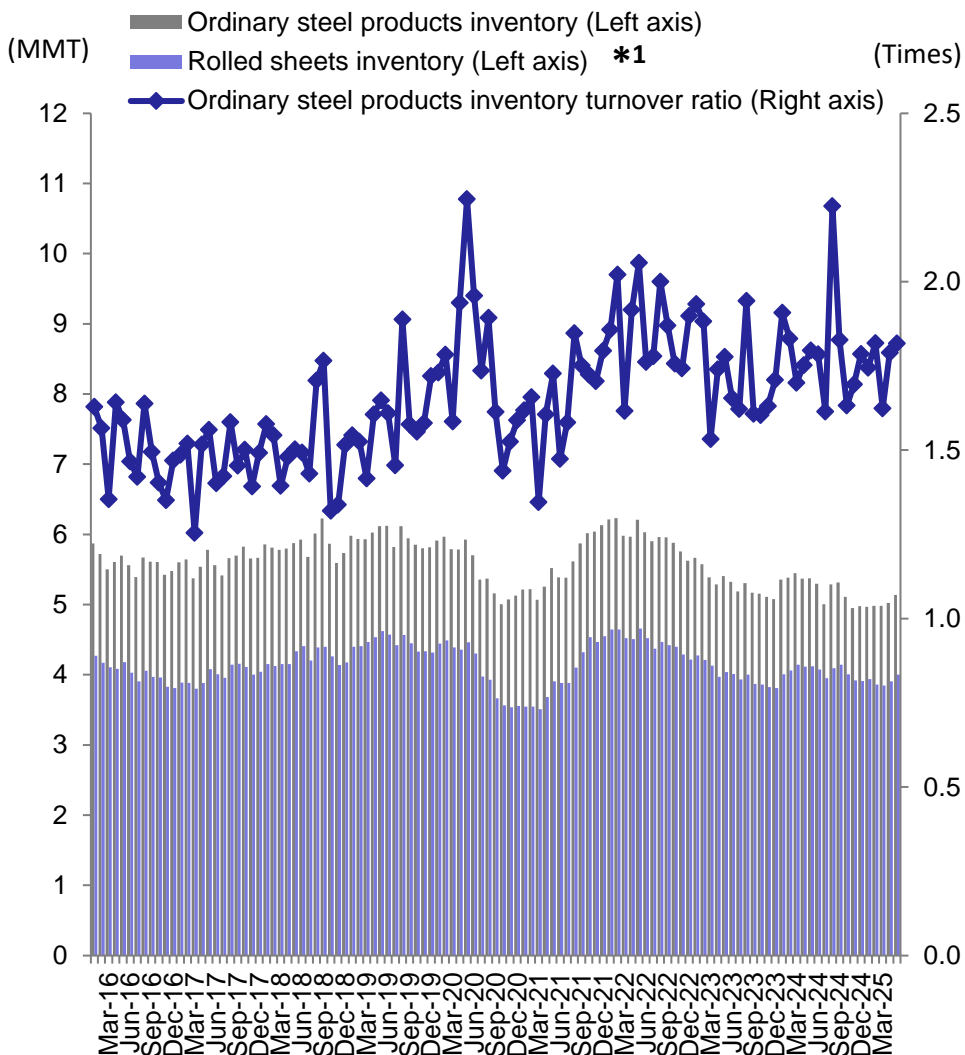
4-3. USD-JPY Trend



4-4. Domestic Steel Inventory

56

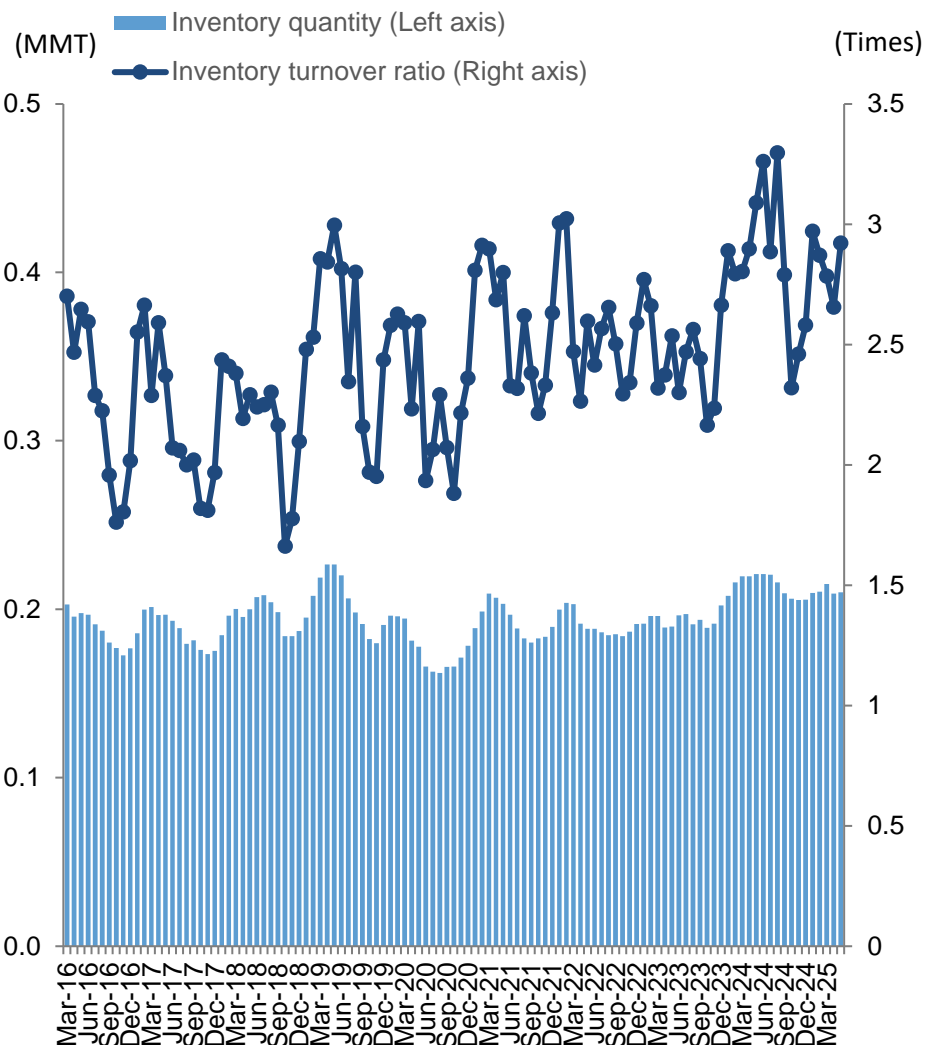
Rolled Sheets Inventory *1



Source : Japan Iron and Steel Federation

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

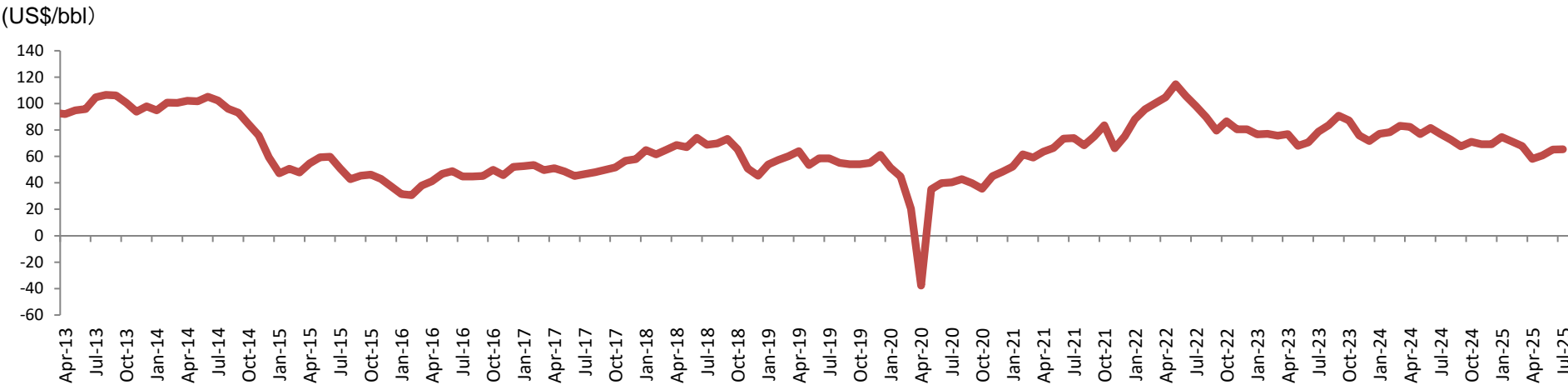
H-flange beams*2 Inventory



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

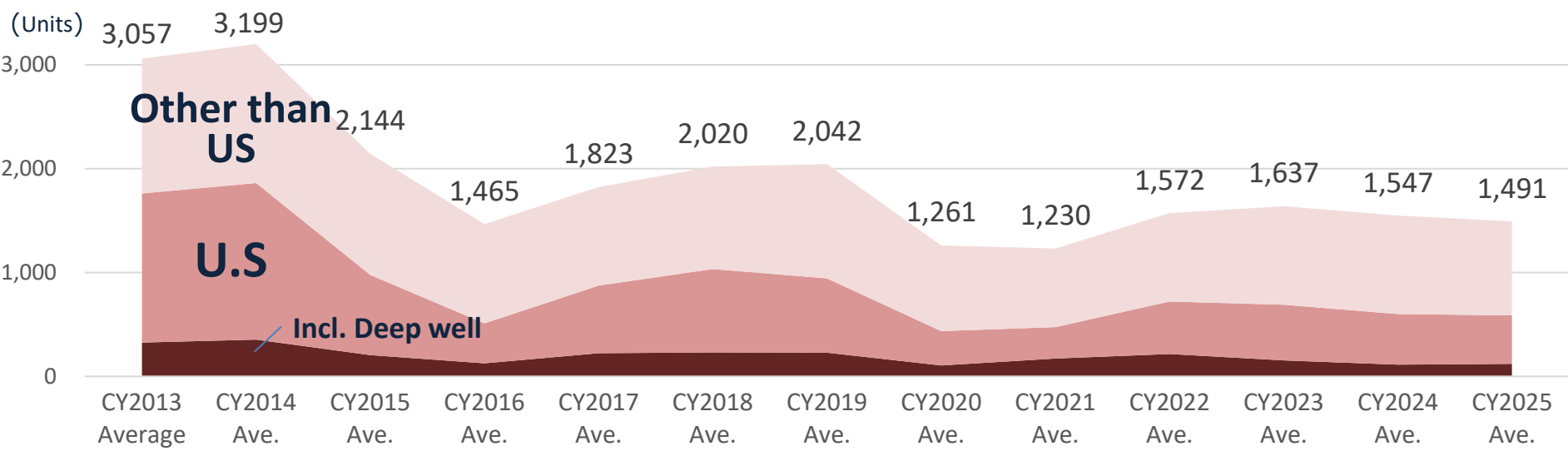
4-5. Trend in Energy Sector : Oil Price / Rig Count

US Oil Price (WTI Spot)



Rig Counts*

(*) excl. Canada, China and CIS



Appendix

1. Supplementary Materials
2. Business Profit Factor Analysis

Database

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

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>
- Termination of upstream facilities in Cubatão in USIMINAS, and recapitalization and debt restructuring<2016>
- Business integration of NSGT(Zinc-galvanized steel sheet business in Thailand) and NS-SUS (Cold-rolled and galvanized steel sheet business in Thailand)<2016>

Strengthening of existing companies

- Start consolidation of STP(Tinplate business in Thailand)<2020>
- Business integration of STP and NS-SUS<2022>
- Change in the shareholding ratio among controlling shareholders of USIMINAS, establishing a new governance structure<2023>

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)

*Production stop
by the end of 2025

- Developed succeeding mining in Bulga coal mine in Australia <start development in 2014, start production in 2016-18>
- Acquired interests in Boggabri coal mine in Australia <2015>
- Sold partnership interest in Integra coal mine in Australia <2015>
- Rove River in Australia, completed expansion of mining area in West Angels<2015>
- Decided development of new mining area in Robe River in Australia<2018>
- Acquired interests in Grosvenor being located next to Moranbah North coal mine in Australia<2019>
- Indirectly acquired a 20% interest in Canadian coal business of Teck Resources <2023>
- Decided acquisition of Blackwater coal mine in Australia <2024>
- Acquired interests in Kamistatusset iron ore mine in Canada<2024Start of FS, 2025Acquisition of interests>

Legend : New info

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

Other Group Companies

Initiatives of strengthening management in group companies so far

Merger of Nisshin Steel with NS Sumitomo Metal and reorganization

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

Consolidation and termination of facilities

- **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>, Sanyo Special Steel, Consolidated OVAKO which had been a subsidiary of NS & Sumitomo Metal<2018>
- **NS Coated Sheet** Consolidated Tokai Color <2019>, Reorganized steel sheets processing sites in Western Japan <2022>
- **NS Pipe** Spined out electric resistance-welded pipe business for automobile and transferred it to Nippon Steel <2023> 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 Stainless Steel** Terminated Kinuura Works <~2021>, Partially terminated Shunan<2021~>
- **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<Domestic>: Selection and Concentration of Facilities, Products, and Businesses

Early transition to domestic optimal production system and strengthening of competitiveness

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

Strengthen Quality and Volume of Globally-competitive Strategic Products

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

★ H1 FY23: Full operation

★ H1 FY24: Full operation

H1 FY27: Full operation ★

★ Jan-21: Completion

Q1 FY26: Operation start ★

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

Strengthen Overseas Business Responding to Local Consumption Trend

Action	Publication	~FY19	FY20	FY21	FY22	FY23	FY24~	Legend : New info ★ Plan ★ Done
AM/NS India	Mar-18	★ Dec-19: Joint acquisition completed			★ Apr-22: Installation & Expansion plan of downstream processes at Hazira steel plant (by 2024) published ★ Apr-22: Secured renewable energy power annually ★ Sept-22: Investd in capacity expansion in Hazira, and acquired Port and Power related Equipment Companies ★ Nov-22: Acquired Uttam Galva Steels, downstream steel mill ★ Dec-22: Signed an MOU with Odisha gov't regarding land use -> stepping forward to the construction of a new steelworks on the east coast of India ★ Mar-23: Loan agreement entered into by AMNS Lux			
G/GJ Steel	Jan-21				★ Mar-22: Tender offer completion			
U. S. Steel	Jun-25						★ Jun-25: Merger completion	




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

Action	~FY20	FY21	FY22	FY23	FY24~
Sale of Partnership Interest in PATIN (Tinplate business in China)		★ Dec-20: Sold			
Sale of Partnership Interest in VSB (Seamless steel pipe business in Brazil)		★ Mar-21: Sold			
Dissolution of NSCI (manufacturing site of Steel wire for cold heading and forging in the US)		★ Mar-21: stopped production			
Sale of VAM USA (OCTG threading business in the US)		★ Jul-21: Sold			
Sale of PEXCO (Seamless stainless steel pipe business in the US)			★ Apr-22: Sold		
Sale of NSI (manufacturing site of Steel wire for cold heading and forging in the US)				★ Dec-22: Sold	
Dissolution of Nippon Steel (Nantong) Metal Steel (Copper-plate business in China)			stopped production	★ Sep-23	
Dissolution of Guangzhou Nippon Steel Pipe (Steel Pipe Business for Automobiles in China)			stopped production	★ Sep-24	
Transfer of stake in BNA (Cold rolled and galvanized steel sheet business in China)				transfer	★ Oct-24
Ningbo Baoxin Stainless Steel (Stainless steel business in China)				withdrawal	Mar-25★
Dissolution of Wuxi Nippon Steel Pipe (Steel Pipe Business for Automobiles in China)					Production is to be stopped by the end of Dec-25★

Progress: Actions for Tackling the Climate Change Through Innovation

63

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 tinplate products, May-21: OCTGs and line pipes, Jul-21: Smart BEAM™, Sep-21: Steel plates for building structure, Dec-21: Started selling tinplate products with EcoLeaf mark printed on, Feb-22: 3 Bar & Wire products, Apr-22: steel sheets of Nippon Steel and H-beams of Nippon Steel Structural Shapes Co., Jun-22: process omission steel bar and wire, Jul-22: the Ecoleaf mark started to be printed on various steel containers, Oct-22: Steel products for Railways, Dec-22: Electric Steel sheets and Nikkel plate steel sheets, Apr-23: Steel sheet piles, May-23: commodity grade steel pipes for domestic market, and Oct-23: Titanium steel sheets, Nov-23: Stainless steel, Feb-24: Mechanical steel pipe, Apr-24: Sheet piles, Pipe piles, Jun-24: Titanium plate, Oct-24: Hot Extruded Steel Shapes, Nov-24: Railway, Automotive, Machinery Parts, Jan-25: Titanium wire, Pure Nickel sheet, Mar-25: Steel pipes for chemical industry and boilers May-25: Stainless steel products were given SuMPO EPD
NSCarbolex™ Neutral						★ Nov-22: Brand logo of “NSCarbolex™ Neutral” was launched “NSCarbolex™ Neutral” newly adopted results ★ May-25: AIRMAN ★ Jun-25: Mojiko Retro Beer, Daiwa Can Company ★ Jul-25: HH Stainless Pte Ltd

Progress: Digital Transformation, Responses to Work Style Change

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Enhancement of Digital Transformation

Legend : New info ★ Plan ★ Done ★ Cancelled

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

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

Human resource training for DX promotion in progress

Responses to Work Style Change

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

Outline of Production Facility Structural Measures (1/2) 65

Announcement		Steelworks	Facilities for termination	Approximate time of termination (●: completed)
Upstream facilities	Mar. 2021	East Nippon Works Kashima Area	One series of upstream facilities (No.3 BF, No.2-A,B,C,D coke ovens, No.3 sintering machine, and No.1 steelmaking plant)	● The end of FY2024
	Mar. 2021	East Nippon Works Kimitsu Area	No.1 continuous casting machine	● The end of FY2021
	Feb. 2020 → Moved up Mar. 2021 → Partially changed Nov. 2021	Kansai Works Wakayama Area	No.1 BF, No.5 coke oven, No.5-1 sintering machine	● Sep. 2021
			Parts of No.3 continuous casting machine	● Sep. 2022
			No.4 coke oven	● The end of FY2024
	Feb. 2020	Setouchi Works Kure Area	All upstream facilities (including BF, sintering, steelmaking)	● Sep. 2021
	Feb. 2020	Setouchi Works Hirohata Area	Termination: Melting furnace Establishment: New EAF	● Sep. 2022 EAF Established
	Mar. 2015	Kyushu Works Yawata Area (Kokura)	Upstream facilities (BF, sintering, steelmaking)	● Sep. 2020
Steel plate	Mar. 2021	East Nippon Works Kashima Area	Steel plate mill	● The end of FY2024
	Feb. 2020	Nagoya Works	Steel plate mill	● The end of FY2021
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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Announce
-ment

Steelworks

Facilities for termination

Approximate time of
termination
(● : completed)

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



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