



April 28, 2021

Company Name : Nippon Steel Corporation
Representative : Eiji Hashimoto
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Stock listing : First Section of Tokyo Stock Exchange, and Nagoya,
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Announcement of Revision to Subsidiary's Earnings Forecasts

Today, GEOSTR Corporation, a subsidiary of Nippon Steel Corporation (the "Company"), announced revision to its earnings forecasts, as per the attachment.

The impact of the revision is immaterial with regard to the Company's consolidated financial results for fiscal 2020 ending March 31, 2021.



(Attachment)

April 28, 2021

Company Name: GEOSTR Corporation
Representative: Shingo Hayama
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Shinichi Yamatoko,
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Notice Concerning Revision to Earnings Forecasts

Considering recent trends in performance, GEOSTR Corporation (the “Company”) hereby notifies that it has revised its consolidated and non-consolidated earnings forecasts for fiscal 2020 ended March 31, 2021 announced on February 25, 2021 and September 4, 2020, respectively.

1. Revision to Fiscal 2020 Consolidated Earnings Forecasts (April 1, 2020 – March 31, 2021)

(i) Revisions to Full-Year Consolidated Earnings Forecasts

(Million yen)

| | Net sales | Operating profit | Ordinary profit | Profit attributable to owners of parent | Earnings per share (Yen) |
|--|-----------|------------------|-----------------|---|--------------------------|
| Previous forecasts (A) (February 25, 2021) | 29,900 | 1,400 | 1,400 | 570 | 18.22 |
| Revised forecasts (B) | 30,149 | 1,764 | 1,778 | 891 | 28.49 |
| Increase/Decrease (B-A) | 249 | 364 | 378 | 321 | — |
| Change (%) | 0.8 | 26.1 | 27.0 | 56.3 | — |
| (For reference) Results for fiscal 2019 ended March 31, 2020 | 27,832 | 1,403 | 1,413 | 528 | 16.89 |

(ii) Reasons for the Revisions to Consolidated Earnings Forecasts

In terms of the consolidated operating results, net sales are expected to be on par with previous earnings forecasts at 30,149 million yen (up 0.8% from the previous forecasts).

With regard to profit and loss, operating profit is expected to be 1,764 million yen (up 26.1% from the previous forecasts), and ordinary profit is expected to be 1,778 million yen (up 27.0% from the previous forecasts), owing to such factors as favorable shifts in project composition and thorough reduction of costs. Profit attributable to owners of parent is expected to be 891 million yen (up 56.3% from the previous forecasts), due to recording impairment losses of 470 million yen in extraordinary losses.

2. Revision to Fiscal 2020 Non-Consolidated Earnings Forecasts (April 1, 2020 – March 31, 2021)

(i) Revisions to Full-Year Non-Consolidated Earnings Forecasts

(Million yen)

| | Net sales | Operating profit | Ordinary profit | Net profit | Earnings per share (Yen) |
|--|-----------|------------------|-----------------|------------|--------------------------|
| Previous forecasts (A) (September 4, 2020) | 30,400 | 1,100 | 1,100 | 740 | 23.65 |
| Revised forecasts (B) | 29,648 | 1,667 | 1,681 | 926 | 29.62 |
| Increase/Decrease (B-A) | (751) | 567 | 581 | 186 | — |
| Change (%) | (2.5) | 51.6 | 52.9 | 25.2 | — |
| (For reference) Results for fiscal 2019 ended March 31, 2020 | 27,084 | 1,463 | 1,486 | 544 | 17.42 |

(ii) Reasons for the Revisions to Non-Consolidated Earnings Forecasts

In terms of the non-consolidated operating results, net sales are expected to be 29,648 million yen (down 2.5% from the previous forecasts), primarily due to projects being carried over to the next fiscal year.

With regard to profit and loss, operating profit is expected to be 1,667 million yen (up 51.6% from the previous forecasts), and ordinary profit is expected to be 1,681 million yen (up 52.9% from the previous forecasts) on account of the same reasons as for the revisions to consolidated earnings, despite a deterioration caused by a decrease in sales. Net profit is expected to be 926 million yen (up 25.2% from the previous forecasts) due to recording impairment losses of 260 million yen in extraordinary losses.

Note: The above forecasts are based on information that was available on the announcement date of this release. Actual results may differ from the forecasts due to various risks and uncertainties.