



# News Release

May 10, 2023

Nippon Steel Corporation

## **Further expansion of High Grade Non-oriented Electrical Steel Sheets**

Nippon Steel Corporation ("Nippon Steel") has set forth the Nippon Steel Carbon Neutral Vision 2050 to realize a carbon neutral society in 2050 and is working to reduce CO<sub>2</sub> emissions as its priority management issue.

Nippon Steel has decided to implement further actions toward increasing the manufacturing capacity of non-oriented electrical steel sheets ("NO") in the Setouchi Works Hanshin Area (Sakai) and the Kyushu Works Yawata Area, along with the previously announced measures for electrical steel sheet manufacturing capacity and quality improvement. The total accumulated investment amount including the previously announced measures will be approximately 213 billion yen. Nippon Steel has been working to make this newly announced investment fully effective by the first half of fiscal 2027, with NO manufacturing capacity for eco-friendly cars expected to become about five times the current capacity (approximately 1.6 times the previously announced measures).

The demand for eco-friendly cars is also expected to rise going forward, due to stricter regulations on automobile CO<sub>2</sub> emissions and average fuel consumption. Amid this trend, demand for high-efficiency, high-grade materials of NO, which is used for iron cores of motors, is also expected to dramatically increase.

Through this investment, we will meet ever-increasing demanding requirements for achieving a global carbon-neutral society.

A high-efficiency electrical steel sheet that contributes to increasing the efficiency of motors and reducing energy loss in power grids is part of NSCarbolex™ Solution, a collective brand name for advanced products and solution technologies that contribute to reducing CO<sub>2</sub> emissions in society. Nippon Steel will continue to contribute to the development of society through the provision of high-efficiency, high-grade electrical steel sheets.

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■Summary of investments in electrical steel sheets for capacity and quality improvement (including previously announced measures)

•Amount invested:

Aug. 1, 2019: Kyushu Works Yawata Area	46 billion yen
Nov. 1, 2019: Setouchi Works Hirohata Area	14 billion yen
May 8, 2020: Kyushu Works Yawata Area	10 billion yen
Nov. 6, 2020: Setouchi Works Hirohata Area	35 billion yen
Nov. 2, 2021: Setouchi Works Hirohata Area	19 billion yen
May.10, 2023: Setouchi Works Hanshin Area (Sakai)/Kyushu Works Yawata Area	90 billion yen
	(Announced in this release)
	Total: 213 billion yen

•Target facilities: Pickling, cold rolling, annealing, etc. of electrical steel sheets at Setouchi Works Hanshin Area (Sakai)/Kyushu Works Yawata Area

•Set-up period: Fully effective by the first half of fiscal 2027 (NO manufacturing capacity for eco-friendly cars: approx. 5 times the current level; approx. 1.6 times the previously announced capacity)

(Reference) NSCarbolex™ Solution

NSCarbolex™ Solution is a collective brand name for Nippon Steel's advanced products and solution technologies that contribute to reducing CO<sub>2</sub> emissions in society.

<https://www.nipponsteel.com/product/nscarbolex/solution/>



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