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Announcement Concerning Differences between Consolidated Financial Results for the First Half of Fiscal 2017 and 2016

Nippon Steel & Sumitomo Metal Corporation (“the Company”) announces the differences between the actual financial results for the first half of fiscal 2017 and 2016, because of an increase in the operating profit by ¥82,167 million (460.8 %) to the previous fiscal year.

1. Differences between the actual financial results for the first half of fiscal 2017 (April 1, 2017 - September 30, 2017) and 2016

(Millions of yen, except per share figures)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (¥)
Actual for the first half of fiscal 2016 (A)	2,160,793	17,830	28,013	11,009	12.41
Actual for the first half of fiscal 2017 (B)	2,745,096	99,997	157,634	99,153	112.34
Change (B–A)	584,302	82,167	129,621	88,144	
% change	27.0	460.8	462.7	800.7	
(For reference) Previous forecasts (Data released on July 28, 2017) (C)	2,700,000	—	150,000	85,000	96.0
Change (B–C)	45,096	—	7,634	14,153	
% change	1.7	—	5.1	16.7	

2. Reasons for the Differences

Compared with the actual financial results for the first half of fiscal 2016, the Company’s actual profit for fiscal 2017 increased due to the cost reduction and performance improvement of the Group companies including overseas business.