Flash Report Consolidated Basis

Results for the First Quarter of Fiscal 2020 (April 1, 2020—June 30, 2020)

<under IFRS>

August 4, 2020

Company name: Nippon Steel Corporation

Stock listing: Tokyo, Nagoya, Sapporo, Fukuoka stock exchanges

Code number:

https://www.nipponsteel.com/en/index.html **URL:**

Eiji Hashimoto, Representative Director and President Representative: Shinnosuke Arita, General Manager, Public Relations Center **Contact:**

+81-3-6867-2135, 2146, 2977, 3419 Telephone:

Scheduled date to submit Securities Report: August 7, 2020

Scheduled date to pay dividends:

Preparation of supplemental explanatory materials:

Holding of quarterly financial results meeting: Yes (for investment analysts)

(All amounts have been truncated to the nearest millions of Japanese yen.)

1. Consolidated Operating Results and Financial Position through the First Quarter of Fiscal 2020 (April 1, 2020—June 30, 2020)

(1) Consolidated Operating Results (Accumulated)

(Percentage figures are changes from the same period of the previous fiscal year.)

| (= ++++++++++++++++++++++++++++++++++++ | | | | | | | | | | |
|---|-----------------|--------|---------------------|--------|------------------|--------|----------------------------|--------|-----------------|--------|
| | Revenue | e | Business profit (*) | | Operating profit | | Profit before income taxes | | Profit | |
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First quarter of Fiscal 2020 | 1,131,604 | (25.7) | (27,510) | _ | (27,510) | | (32,577) | _ | (41,422) | _ |
| First quarter of Fiscal 2019 | 1,522,479 | 4.3 | 60,600 | (33.1) | 60,600 | (33.1) | 56,241 | (34.8) | 38,904 | (56.8) |

| | Profit attributable to owners of the parent | | Total comprehensive income | | Basic earnings per share | Diluted earnings per share |
|------------------------------|---|--------|----------------------------|--------|-----------------------------|-------------------------------|
| | Millions of yen | % | Millions of yen | % | Yen | Yen |
| First quarter of Fiscal 2020 | (42,071) | _ | (91,911) | | (45.69) | _ |
| First quarter of Fiscal 2019 | 33,325 | (61.0) | 28,006 | (35.7) | 36.20 | _ |

^(*)Business Profit on Consolidated Statements of Profit or Loss indicates the results of sustainable business activities, and is an important measure to compare and evaluate the Company's consolidated performance continuously. It is defined as being deducted Cost of sales, Selling general and administrative expenses and Other operating expenses from Revenue, and added Share of profit in investments accounted for using the equity method and Other operating income. Other operating income and expenses are composed mainly of Dividend income, Foreign exchange gains or losses, Loss on disposal of fixed assets.

(2) Consolidated Financial Position

| | Total assets | Total equity Total equity attributa owners of the pare | | Ratio of total equity attributable to owners of the parent to total assets |
|------------------------------|---|---|-----------------|--|
| | Millions of yen Millions of yen Millions of yer | | Millions of yen | % |
| First quarter of Fiscal 2020 | 7,361,501 | 2,902,699 | 2,552,968 | 34.7 |
| Fiscal 2019 | 7,444,965 | 2,996,631 | 2,641,618 | 35.5 |

2. Dividends

| 2. Dividends | | | | | | | | |
|-------------------------|----------------------|-----------------------|----------------------|--------------------|-------------|--|--|--|
| | Dividends per share | | | | | | | |
| | End of first quarter | End of second quarter | End of third quarter | End of fiscal year | Fiscal year | | | |
| | Yen | Yen | Yen | Yen | Yen | | | |
| Fiscal 2019 | _ | 10.00 | _ | 0.00 | 10.00 | | | |
| Fiscal 2020 | _ | | | | | | | |
| Fiscal 2020 (Forecasts) | | 0.00 | _ | _ | _ | | | |

Notes: Whether the dividends forecasts have been revised: Yes

3. Consolidated Financial Forecasts for Fiscal 2020 (April 1, 2020—March 31, 2021)

(Percentage figures are changes from the same period of the previous fiscal year.)

| | Revenue | | Business profit | | Profit attributable to owners of the parent | | Basic earnings per share | |
|---------------------------|-----------------|--------|-----------------|---|---|---|--------------------------|--|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen | |
| First half of Fiscal 2020 | 2,200,000 | (27.8) | (150,000) | _ | (200,000) | _ | (217.0) | |
| Fiscal 2020 | _ | | (120,000) | | | | _ | |

Notes: 1. Whether the consolidated financial forecasts for fiscal 2020 under review have been revised: Yes

* Notes

- (1) Changes in significant subsidiaries during the period: None
- (2) Changes in accounting policies and changes in accounting estimates
 - (a) Changes in accounting policies required by IFRS: None
 - (b) Changes other than those in (a) above: None
 - (c) Changes in accounting estimates: Yes

Note: For further details, please refer to page 7, "Quarterly Condensed Consolidated Financial Statements and Major Notes (4) Notes to the Quarterly Condensed Consolidated Financial Statements (Changes in Accounting Estimates)."

- (3) Number of shares outstanding (common shares)
 - (a) Number of shares outstanding at the end of the period (including treasury stock)

First quarter of Fiscal 2020 950,321,402 shares Fiscal 2019 950,321,402 shares

(b) Number of treasury stock at the end of the period

First quarter of Fiscal 2020 29,641,883 shares Fiscal 2019 29,638,468 shares

(c) Weighted average number of shares outstanding

First quarter of Fiscal 2020 920,681,631 shares First quarter of Fiscal 2019 920,440,643 shares

(Explanation of the appropriate use of performance forecasts)

The forward-looking statements included in this flash report are based on the assumptions, forecasts, and plans of the Company as of the date on which this document is made public. The Company's actual results may differ substantially from such statements due to various risks and uncertainties.

^{*} This quarterly flash report is not subject to quarterly review procedures.

^{*} Explanation of the appropriate use of performance forecasts and other related items

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Quarterly Condensed Consolidated Financial Statements and Major Notes

(1) Quarterly Condensed Consolidated Statements of Financial Position

| | | (Millions of Yen) |
|---|----------------|-------------------|
| ASSETS | March 31, 2020 | June 30, 2020 |
| Current assets : | | |
| Cash and cash equivalents | 289,459 | 390,616 |
| Trade and other receivables | 826,596 | 669,953 |
| Inventories | 1,532,181 | 1,508,352 |
| Other financial assets | 17,340 | 20,868 |
| Other current assets | 119,396 | 109,550 |
| Total current assets | 2,784,974 | 2,699,340 |
| Non-current assets : | | |
| Property, plant and equipment | 2,812,542 | 2,824,549 |
| Right-of-use assets | 93,663 | 97,903 |
| Goodwill | 45,486 | 44,934 |
| Intangible assets | 96,677 | 91,616 |
| Investments accounted for using the equity method | 878,271 | 854,327 |
| Other financial assets | 481,117 | 493,302 |
| Defined benefit assets | 58,643 | 71,160 |
| Deferred tax assets | 186,457 | 177,418 |
| Other non-current assets | 7,132 | 6,948 |
| Total non-current assets | 4,659,990 | 4,662,160 |
| Total assets | 7,444,965 | 7,361,501 |

| (Mi | llions | of | Yen) |
|-----|--------|----|------|
| | | | |

| | (Millions of Yen) | |
|----------------|---|--|
| March 31, 2020 | June 30, 2020 | |
| | | |
| 1,449,801 | 1,211,967 | |
| 376,900 | 509,274 | |
| 2,189 | 3,077 | |
| 27,323 | 22,392 | |
| 38,978 | 47,836 | |
| 1,895,192 | 1,794,547 | |
| | | |
| 2,111,841 | 2,224,417 | |
| 4,621 | 4,953 | |
| 236,758 | 228,663 | |
| 27,765 | 30,489 | |
| 172,154 | 175,729 | |
| 2,553,141 | 2,664,254 | |
| 4,448,333 | 4,458,802 | |
| | | |
| 419,524 | 419,524 | |
| 394,404 | 396,340 | |
| 1,870,948 | 1,849,083 | |
| (58,505) | (58,508) | |
| 15,245 | (53,471) | |
| 2,641,618 | 2,552,968 | |
| 355,013 | 349,731 | |
| 2,996,631 | 2,902,699 | |
| 7,444,965 | 7,361,501 | |
| | 1,449,801 376,900 2,189 27,323 38,978 1,895,192 2,111,841 4,621 236,758 27,765 172,154 2,553,141 4,448,333 419,524 394,404 1,870,948 (58,505) 15,245 2,641,618 355,013 | |

(2) Quarterly Condensed Consolidated Statements of Profit or Loss and Quarterly Condensed Consolidated Statements of Comprehensive Income or Loss

| Quarterly Condensed Consolidated Statements of Profit or Loss | First quarter of Fiscal 2019 | (Millions of Yen First quarter of Fiscal 2020 |
|--|---------------------------------|---|
| | | |
| Revenue | 1,522,479 | 1,131,604 |
| Cost of sales | (1,349,543) | (1,040,808) |
| Gross profit | 172,935 | 90,790 |
| Selling, general and administrative expenses | (148,725) | (121,386) |
| Share of profit in investments accounted for using the equity method | 17,287 | 14,748 |
| Other operating income | 32,288 | 13,243 |
| Other operating expenses | (13,185) | (24,912) |
| Business profit(loss) | 60,600 | (27,510) |
| Operating profit(loss) | 60,600 | (27,510) |
| Finance income | 1,513 | 971 |
| Finance costs | (5,872) | (6,038) |
| Profit(loss) before income taxes | 56,241 | (32,577) |
| Income tax expense | (17,337) | (8,844) |
| Profit(loss) | 38,904 | (41,422) |
| Profit(loss) attributable to : | | |
| Owners of the parent | 33,325 | (42,071) |
| Non-controlling interests | 5,578 | 648 |
| Earnings(loss) per share | | |
| Basic earnings(loss) per share (Yen) | 36.20 | (45.69) |

| Quarterly Condensed Consolidated Statements of Comprehensive Inc | First quarter of Fiscal 2019 | (Millions of Yen First quarter of Fiscal 2020 |
|---|---------------------------------|---|
| Profit(loss) | 38,904 | (41,422 |
| Other comprehensive income | | |
| Items that cannot be reclassified to profit or loss | | |
| Changes in fair value of financial assets measured at fair value through other comprehensive income | (8,713) | 15,483 |
| Remeasurements of defined benefit plans | 2,811 | 10,543 |
| Share of other comprehensive income of investments accounted for using the equity method | (1,398) | 6,079 |
| Subtotal | (7,300) | 32,10 |
| Items that might be reclassified to profit or loss Changes in fair value of cash flow hedges Foreign exchange differences on translation of foreign operations Share of other comprehensive income of investments accounted for using the equity method | (3,471) (481) 355 | (1,456 (41,033 (40,107 |
| Subtotal | (3,596) | (82,596 |
| Total other comprehensive income, net of tax | (10,897) | (50,489 |
| Total comprehensive income | 28,006 | (91,911 |
| | | |
| Comprehensive income attributable to: Owners of the parent | 21,979 | (90,583 |

(11,008)

(3,329)

(3,329)

233,682

(Millions of Yen)

3,083

(3,083)

(3,083)

(3) Quarterly Condensed Consolidated Statements of Changes in Equity

First quarter of Fiscal 2019

Total comprehensive income
Transactions with owners and others

Purchases of treasury stock

Disposals of treasury stock

to retained earnings Changes in scope of consolidation

Balance as of June 30, 2019

Changes in ownership interests in subsidiaries Transfer from other components of equity

Cash dividends

Subtotal

Other components of equity Changes in fair value of financial Capital Common Retained Treasury assets measured at Remeasurements of fair value through defined benefit stock surplusearnings stock other plans comprehensive income Balance as of March 31, 2019 419,524 393,917 2,300,175 (58,831) 248,020 Changes of the year Comprehensive income Profit(loss) 33,325 Other comprehensive income (11,008)3,083

(10)

(2,169)

(2,180)

391,737

419,524

Equity attributable to owners of the parent

33,325

(36,880)

6,412

(30,468)

2,303,032

(11)

40

(228)

(199)

(59,030)

| | Eq | uity attributable to | owners of the par | ent | | |
|---|---|--|-------------------|--|------------------------------|--------------|
| | Othe | er components of e | quity | | | |
| | Changes in fair value of cash flow hedges | Foreign exchange differences on translation of foreign operations | Total | Total equity attributable to owners of the parent | Non-controlling interests | Total equity |
| Balance as of March 31, 2019 | (4,433) | (67,585) | 176,000 | 3,230,788 | 376,579 | 3,607,367 |
| Changes of the year | | | | | | |
| Comprehensive income | | | | | | |
| Profit(loss) | | | _ | 33,325 | 5,578 | 38,904 |
| Other comprehensive income | (3,037) | (382) | (11,345) | (11,345) | 448 | (10,897) |
| Total comprehensive income | (3,037) | (382) | (11,345) | 21,979 | 6,026 | 28,006 |
| Transactions with owners and others | | | | | | |
| Cash dividends | | | _ | (36,880) | (4,656) | (41,537) |
| Purchases of treasury stock | | | _ | (11) | | (11) |
| Disposals of treasury stock | | | _ | 29 | | 29 |
| Changes in ownership interests in subsidiaries | | | _ | (2,169) | 2,117 | (52) |
| Transfer from other components of equity to retained earnings | | | (6,412) | _ | | _ |
| Changes in scope of consolidation | | | | (228) | (326) | (554 |
| Subtotal | _ | _ | (6,412) | (39,260) | (2,865) | (42,126) |
| Balance as of June 30, 2019 | (7,471) | (67,968) | 158,242 | 3,213,507 | 379,741 | 3,593,248 |

First quarter of Fiscal 2020 (Millions of Yen) Equity attributable to owners of the parent Other components of equity Changes in fair value of financial Common Capital Retained Treasury assets measured at Remeasurements of fair value through surplus earnings defined benefit stock stock other plans comprehensive income Balance as of March 31, 2020 419,524 394,404 1,870,948 (58,505) 111,924 Changes of the year Comprehensive income Profit(loss) (42,071) 14,045 Other comprehensive income 15,272 14,045 Total comprehensive income (42,071) 15,272 Transactions with owners and others Cash dividends Purchases of treasury stock (4) Disposals of treasury stock (0) 1,936 Changes in ownership interests in subsidiaries Transfer from other components of equity 20,205 (6,160) (14,045) to retained earnings Changes in scope of consolidation 1,935 20,205 (14,045) Subtotal (2) (6,160) 121,036 419,524 396,340 (58,508) Balance as of June 30, 2020 1,849,083

| | Eq | uity attributable to | owners of the par | ent | | | |
|---|---|--|-------------------|--|------------------------------|--------------|--|
| | Othe | r components of e | quity | | | | |
| | Changes in fair value of cash flow hedges | Foreign exchange differences on translation of foreign operations | Total | Total equity attributable to owners of the parent | Non-controlling interests | Total equity | |
| Balance as of March 31, 2020 | (4,821) | (91,857) | 15,245 | 2,641,618 | 355,013 | 2,996,631 | |
| Changes of the year | | | | | | | |
| Comprehensive income | | | | | | | |
| Profit(loss) | | | _ | (42,071) | 648 | (41,422) | |
| Other comprehensive income | (2,792) | (75,037) | (48,511) | (48,511) | (1,977) | (50,489) | |
| Total comprehensive income | (2,792) | (75,037) | (48,511) | (90,583) | (1,328) | (91,911) | |
| Transactions with owners and others Cash dividends | | | | | (3,816) | (3,816) | |
| Purchases of treasury stock | | | _ | (4) | | (4) | |
| Disposals of treasury stock | | | _ | 0 | | 0 | |
| Changes in ownership interests in subsidiaries | | | _ | 1,936 | (131) | 1,805 | |
| Transfer from other components of equity to retained earnings | | | (20,205) | _ | | _ | |
| Changes in scope of consolidation | | | _ | | (6) | (6) | |
| Subtotal | _ | | (20,205) | 1,933 | (3,953) | (2,020) | |
| Balance as of June 30, 2020 | (7,613) | (166,894) | (53,471) | 2,552,968 | 349,731 | 2,902,699 | |

(4) Notes to the Quarterly Condensed Consolidated Financial Statements (Going Concern Assumption)

None

(Changes in Accounting Estimates)

Effective from the beginning of the first quarter of fiscal 2020, Nippon Steel changed the depreciation method for property, plant and equipment from the declining-balance to the straight-line method.

The Company's domestic steelworks have been operating for about 50 years, and their workforce is experiencing a transition to the next generation. In the midst of this trend, the Company is working to rebuild its "strength in manufacturing" and this includes the prevention of facility troubles. The Company also strives to rebuild a profit base that can be sustainable as a business. To achieve that, the Company takes up major structural reforms that can be described as the "second foundation stage" by promoting manufacturing infrastructure development including the refurbishing of core facilities. In addition, the Company is implementing thorough preventive and planned maintenance to prevent operational and facility troubles from taking place and has been striving to maximize the use of current production capacity to ensure stable production volume and reduced cost. The Company's future plans for facilities stipulate large-scale investment projects such as refurbishment of coke ovens and relining of blast furnaces. The Company expects that large-scale investment for aging facilities may increase and represent a larger portion of the total capital investments. Accordingly, the Company considers that the straight-line method, which equalizes the annual amount of depreciation cost over the useful life, is more in line with the actual situation of recent Nippon Steel compared to the declining-balance method.

With this change, compared to the previous method, depreciation expenses decreased by ¥15,412 million and business profit, operating profit, and profit before income taxes increased by ¥8,374 million, respectively, during the first quarter of fiscal 2020.

Nippon Steel Corporation

Code Number: 5401

Listings: Tokyo, Nagoya, Sapporo and Fukuoka Stock Exchanges

Contact: Shinnosuke Arita, General Manager,

Public Relations Center-Tel: +81-3-6867-2135, 2146, 2977, 3419

Supplementary Information on the Financial Results for the First Quarter of Fiscal 2020

Japanese Steel Industry

1.Crude Steel Production

(million tons)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------|-------------|-----------------|---------------|-------------|-------------|----------|-------|
| 2019FY | 26.11 | 24.55 | 50.66 | 23.65 | 24.11 | 47.76 | 98.43 |
| 2020FY | 18.12 | *)Approx. 17.70 | Approx. 35.80 | | | | |

(*)METI forecast

2. Inventory Volume

| At the | end of: | Inventory at manufacturers and distributors (million tons) | Inventory /shipment ratio (%) | Rolled sheets *1 (million tons) | H-flange beams *2 (million tons) |
|----------|---------|---|-------------------------------|---------------------------------|-------------------------------------|
| June | 2018 | 5.93 | (149.3) | 4.41 | 0.207 |
| July | 2018 | 5.68 | (143.0) | 4.20 | 0.208 |
| Aug. | 2018 | 6.01 | (170.7) | 4.39 | 0.204 |
| Sep. | 2018 | 6.23 | (176.5) | 4.40 | 0.198 |
| Oct. | 2018 | 5.87 | (132.0) | 4.26 | 0.184 |
| Nov. | 2018 | 5.59 | (133.8) | 4.14 | 0.184 |
| Dec. | 2018 | 5.74 | (151.6) | 4.17 | 0.187 |
| Jan. | 2019 | 5.97 | (154.0) | 4.40 | 0.195 |
| Feb. | 2019 | 5.93 | (152.5) | 4.41 | 0.208 |
| Mar. | 2019 | 5.93 | (141.6) | 4.47 | 0.219 |
| Apr. | 2019 | 6.02 | (160.1) | 4.54 | 0.227 |
| May | 2019 | 6.11 | (164.7) | 4.62 | 0.227 |
| June | 2019 | 6.12 | (161.2) | 4.57 | 0.220 |
| July | 2019 | 5.82 | (145.6) | 4.42 | 0.206 |
| Aug. | 2019 | 6.12 | (188.8) | 4.57 | 0.198 |
| Sep. | 2019 | 5.95 | (157.7) | 4.45 | 0.191 |
| Oct. | 2019 | 5.85 | (155.4) | 4.33 | 0.182 |
| Nov. | 2019 | 5.80 | (158.0) | 4.34 | 0.180 |
| Dec. | 2019 | 5.82 | (172.0) | 4.32 | 0.191 |
| Jan. | 2020 | 5.91 | (173.0) | 4.44 | 0.196 |
| Feb. | 2020 | 5.97 | (178.4) | 4.49 | 0.196 |
| Mar. | 2020 | 5.79 | (158.5) | 4.39 | 0.194 |
| Apr. | 2020 | 5.79 | (193.7) | 4.35 | 0.181 |
| May. | 2020 | 5.93 | (225.4) | 4.46 | 0.178 |
| June. *3 | 2020 | 5.71 | (195.5) | 4.30 | 0.166 |

^{*1} Hot-rolled, cold-rolled and coated sheets

^{*2} Inventories of distributors dealing with H-flange beams manufactured by Nippon Steel Corporation

^{*3} Preliminary report

Nippon Steel Corporation

3. Pig Iron Production

2019FY *1 (million tons)

| 1 | | | 1 | | | | |
|-----------------------------------|-------------|-------------|----------|-------------|-------------|----------|-------|
| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
| Nippon Steel | 10.33 | 10.18 | 20.52 | 9.65 | 9.93 | 19.58 | 40.09 |
| Nippon Steel Nisshin Co., Ltd. | 0.76 | 0.65 | 1.42 | 0.58 | 0.49 | 1.07 | 2.48 |
| total | 11.09 | 10.84 | 21.93 | 10.22 | 10.42 | 20.64 | 42.57 |

2020FY *2 (million tons)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------------|-------------|-------------|--------------|-------------|-------------|----------|-------|
| Nippon Steel | 7.56 | Approx.7.50 | Approx.15.10 | | | | |

Including Hokkai Iron & Coke Co., Ltd..

4. Crude Steel Production

(Consolidated basis (The Company and its consolidated subsidiaries))

(million tons)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|
| 2019FY | 12.44 | 11.82 | 24.27 | 11.24 | 11.55 | 22.79 | 47.05 |
| 2020FY | 8.30 | Approx.8.70 | Approx.17.00 | | | Approx.19.30 | Approx.36.30 |

(Non-consolidated basis)

2019FY *1 (million tons)

| | | | | | 1 | | |
|-----------------------------------|-------------|-------------|----------|-------------|-------------|----------|-------|
| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
| Nippon Steel | 10.27 | 9.95 | 20.22 | 9.42 | 9.90 | 19.32 | 39.54 |
| Nippon Steel Nisshin Co., Ltd. | 0.71 | 0.61 | 1.32 | 0.53 | 0.46 | 0.99 | 2.31 |
| total | 10.99 | 10.56 | 21.55 | 9.94 | 10.36 | 20.30 | 41.85 |

2020FY *2 (million tons)

| I | | | | | | | | |
|---|--------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|
| | | | | | | | - | |
| | | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
| | Nippon Steel | 7.20 | Approx.7.70 | Approx.14.90 | | | Approx.16.90 | Approx.31.80 |

5. Steel Products Shipment

2019FY *1 (million tons)

| - | | | | | | | |
|-----------------------------------|-------------|-------------|----------|-------------|-------------|----------|-------|
| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
| Nippon Steel | 9.08 | 9.30 | 18.38 | 8.77 | 8.65 | 17.41 | 35.80 |
| Nippon Steel Nisshin Co., Ltd. | 0.73 | 0.75 | 1.48 | 0.69 | 0.73 | 1.42 | 2.90 |
| total | 9.81 | 10.05 | 19.86 | 9.46 | 9.38 | 18.84 | 38.70 |

2020FY *2 (million tons)

| ľ | | | | | | | | |
|---|--------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|
| | | | | | | | | |
| | | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
| I | Nippon Steel | 7.12 | Approx.7.00 | Approx.14.10 | | | Approx.15.60 | Approx.29.70 |

6. Average Price of Steel Products

2019FY *1

(thousands of yen / ton)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|-------------------|-------------|-------------|----------|-------------|-------------|----------|-------|
| Nippon Steel | 88.2 | 87.8 | 88.0 | 87.7 | 87.0 | 87.4 | 87.7 |
| Nippon Steel | 96.5 | 96.8 | 96.6 | 95.4 | 95.9 | 95.7 | 96.2 |
| Nisshin Co., Ltd. | 70.5 | 70.0 | 70.0 | 73.4 | 73.7 | 75.1 | 70.2 |
| total | 88.8 | 88.5 | 88.6 | 88.3 | 87.7 | 88.0 | 88.3 |

2020FY *2

(thousands of yen / ton)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------------|-------------|-------------|-----------|-------------|-------------|----------|-------|
| Nippon Steel | 86.0 | Approx.80 | Approx.83 | | | | |

7. Export Ratio of Steel Products (Value basis)

2019FY *1

(%)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|-------------------|-------------|-------------|----------|-------------|-------------|----------|-------|
| Nippon Steel | 40 | 41 | 40 | 40 | 41 | 40 | 40 |
| Nippon Steel | 11 | 10 | 11 | 10 | 11 | 11 | 11 |
| Nisshin Co., Ltd. | 11 | 10 | 11 | 10 | 11 | 11 | 11 |
| total | 38 | 38 | 38 | 38 | 38 | 38 | 38 |

2020FY *2 (%)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------------|-------------|-------------|-----------|-------------|-------------|----------|-------|
| Nippon Steel | 39 | Approx.40 | Approx.39 | | | | |

8. Foreign Exchange Rate

(Y/\$)

| | 1st quarter | 2nd quarter | 1st half | 3rd quarter | 4th quarter | 2nd half | total |
|--------|-------------|-------------|------------|-------------|-------------|----------|-------|
| 2019FY | 111 | 108 | 109 | 109 | 109 | 109 | 109 |
| 2020FY | 108 | Approx.105 | Approx.106 | | | | |

9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

| | | | (| | |
|--------|-------------|-----------|--------------|-------|--|
| | Capital Exp | penditure | Depreciation | | |
| 2019FY | 481. | .3 | 417.3 | | |
| 2020FY | Approx. | 480.0 | Approx. | 310.0 | |

^{*1} For 2019FY, the table represents the total figures of Nippon steel and Nippon Steel Nisshin Co., Ltd. (after the adjustment of transactions between them)

^{*2} For 2020FY, the table represents the figures after the merger of Nippon Steel Nisshin Co., Ltd.