



# Flash Report

## Consolidated Basis

### Results for the Third Quarter of Fiscal 2024

(April 1, 2024 - December 31, 2024)  
< under IFRS >

February 6, 2025

<b>Company name:</b> <b>Stock listing:</b> <b>Code number:</b> <b>URL:</b> <b>Representative:</b> <b>Contact:</b> <b>Telephone:</b> <b>Scheduled date to commence dividend payments:</b> <b>Preparation of supplemental explanatory materials:</b> <b>Holding of financial results meeting:</b>	NIPPON STEEL CORPORATION Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange 5401 <a href="https://www.nipponsteel.com/en/index.html">https://www.nipponsteel.com/en/index.html</a> Tadashi Imai, Representative Director, President and COO Shinnosuke Arita, General Manager, Public Relations Center +81-3-6867-2135, 2141, 2146, 3419 — Yes 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 Third Quarter of Fiscal 2024

(April 1, 2024 - December 31, 2024)

### (1) Consolidated Operating Results (Accumulated)

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

	Revenue		Business profit (*)		Operating profit		Profit before income taxes		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>Third Quarter of Fiscal 2024</b>	<b>6,552,498</b>	<b>(1.3)</b>	<b>566,125</b>	<b>(18.2)</b>	<b>566,125</b>	<b>(8.5)</b>	<b>548,013</b>	<b>(9.9)</b>	<b>386,394</b>	<b>(17.6)</b>
Third Quarter of Fiscal 2023	6,641,816	11.4	692,371	(9.1)	618,683	(18.8)	608,085	(18.7)	468,882	(14.5)

	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
<b>Third Quarter of Fiscal 2024</b>	<b>362,077</b>	<b>(17.9)</b>	<b>377,615</b>	<b>(46.9)</b>	<b>368.01</b>	<b>346.52</b>
Third Quarter of Fiscal 2023	440,914	(14.7)	710,549	(12.1)	478.82	423.94

(\*)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, and Losses on disposal of fixed assets.

### (2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of total equity attributable to owners of the parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
<b>Third Quarter of Fiscal 2024</b>	<b>11,024,351</b>	<b>5,848,630</b>	<b>5,255,337</b>	<b>47.7</b>
Fiscal 2023	10,714,627	5,355,878	4,777,727	44.6

## 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 2023	—	75.00	—	85.00	160.00
<b>Fiscal 2024</b>	—	80.00	—		
<b>Fiscal 2024 (Forecasts)</b>				<b>80.00</b>	<b>160.00</b>

Note: Revisions to the forecast of cash dividends most recently announced: None

### 3. Consolidated Financial Forecasts for Fiscal 2024 (April 1, 2024 - March 31, 2025)

(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
Fiscal 2024	8,600,000	(3.0)	670,000	(23.0)	310,000	(43.6)	311.00

Note: Revisions to the consolidated financial forecasts most recently announced: None

For further details, please refer to “Results for the Third Quarter of Fiscal 2024 (April 1, 2024 - December 31, 2024)” disclosed today.

The impact of the transfer of the Company’s equity interest in AM/NS Calvert upon completion of the merger with U. S. Steel (The merger of the Company’s wholly-owned subsidiary in America and U. S. Steel, announced on December 18, 2023), which was announced on October 11, 2024, is not included in the financial forecast announced at this time.

#### \* Notes

##### (1) Significant changes in the scope of consolidation during the period: None

The changes in the scope of consolidation during the period are as follows;

Number of newly consolidated: 6

Number of excluded from consolidation: 19

##### (2) Changes in accounting policies and changes in accounting estimates

(a) Changes in accounting policies required by IFRS: None

(b) Changes in accounting policies other than those in (a) above: None

(c) Changes in accounting estimates: None

##### (3) Number of shares outstanding (common shares)

###### (a) Number of shares outstanding at the end of the period (including treasury stock)

Third Quarter of Fiscal 2024 1,074,726,752 shares

Fiscal 2023 950,549,305 shares

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

Third Quarter of Fiscal 2024 29,527,195 shares

Fiscal 2023 29,510,730 shares

###### (c) Weighted average number of shares outstanding

Third Quarter of Fiscal 2024 983,859,322 shares

Third Quarter of Fiscal 2023 920,825,418 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Explanation of the appropriate use of performance forecasts and other related items

(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.

## Index of Attached Documents

1. Summary of Operating Results .....	2
2. Quarterly Condensed Consolidated Financial Statements and Major Notes.....	3
(1) Quarterly Condensed Consolidated Statements of Financial Position .....	3
(2) Quarterly Condensed Consolidated Statements of Profit or Loss and Quarterly Condensed Consolidated Statements of Comprehensive Income .....	5
(3) Quarterly Condensed Consolidated Statements of Changes in Equity .....	6
(4) Notes to the Quarterly Condensed Consolidated Financial Statements .....	8
(Going Concern Assumption) .....	8
(Cash-Flows) .....	8
(Segment Information) .....	8

## **1. Summary of Operating Results**

For the Summary of Operating Results about consolidated the third quarter of fiscal 2024 (April 1, 2024 - December 31, 2024), please refer to the supplementary explanation materials “Results for the Third Quarter of Fiscal 2024 (April 1, 2024 - December 31, 2024)” disclosed on TDnet and “IR Briefing: Presentation” posted on our company’s website today.

Link to IR Briefing: <https://www.nipponsteel.com/en/ir/library/settlement.html>

(This material is available on the company's website under “IR archive”- “Financial results.”)

## **2.Quarterly Condensed Consolidated Financial Statements and Major Notes**

### **(1) Quarterly Condensed Consolidated Statements of Financial Position**

(Millions of Yen)

<b>ASSETS</b>	<b>March 31, 2024</b>	<b>December 31, 2024</b>
<b>Current assets :</b>		
Cash and cash equivalents	448,892	<b>736,108</b>
Trade and other receivables	1,587,979	<b>1,644,969</b>
Inventories	2,276,665	<b>2,270,861</b>
Other financial assets	33,927	<b>41,893</b>
Other current assets	212,919	<b>188,110</b>
<b>Total current assets</b>	<b>4,560,384</b>	<b>4,881,943</b>
<b>Non-current assets :</b>		
Property, plant and equipment	3,380,436	<b>3,509,546</b>
Right-of-use assets	100,601	<b>99,904</b>
Goodwill	70,207	<b>71,852</b>
Intangible assets	177,853	<b>189,446</b>
Investments accounted for using the equity method	1,537,936	<b>1,520,807</b>
Other financial assets	675,942	<b>498,299</b>
Defined benefit assets	127,579	<b>133,606</b>
Deferred tax assets	75,893	<b>110,860</b>
Other non-current assets	7,791	<b>8,083</b>
<b>Total non-current assets</b>	<b>6,154,242</b>	<b>6,142,407</b>
<b>Total assets</b>	<b>10,714,627</b>	<b>11,024,351</b>

The accompanying notes are integral parts of these statements.

(Millions of Yen)

<b>LIABILITIES</b>	<b>March 31, 2024</b>	<b>December 31, 2024</b>
<b>Current liabilities :</b>		
Trade and other payables	1,890,718	1,606,526
Bonds, borrowings and lease liabilities	541,495	715,326
Other financial liabilities	7,036	2,585
Income taxes payable	80,269	122,048
Other current liabilities	62,353	81,276
<b>Total current liabilities</b>	<b>2,581,874</b>	<b>2,527,763</b>
<b>Non-current liabilities :</b>		
Bonds, borrowings and lease liabilities	2,170,148	2,075,339
Other financial liabilities	146	101
Defined benefit liabilities	116,309	121,186
Deferred tax liabilities	140,532	131,500
Other non-current liabilities	349,737	319,829
<b>Total non-current liabilities</b>	<b>2,776,874</b>	<b>2,647,957</b>
<b>Total liabilities</b>	<b>5,358,748</b>	<b>5,175,721</b>
<b>EQUITY</b>		
Common stock	419,799	569,519
Capital surplus	398,914	546,415
Retained earnings	3,525,585	3,807,125
Treasury stock	(58,149)	(58,203)
Other components of equity	491,576	390,479
<b>Total equity attributable to owners of the parent</b>	<b>4,777,727</b>	<b>5,255,337</b>
Non-controlling interests	578,150	593,292
<b>Total equity</b>	<b>5,355,878</b>	<b>5,848,630</b>
<b>Total liabilities and equity</b>	<b>10,714,627</b>	<b>11,024,351</b>

The accompanying notes are integral parts of these statements.

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

Quarterly Condensed Consolidated Statements of Profit or Loss		(Millions of Yen)
	Third quarter of Fiscal 2023	Third quarter of Fiscal 2024
Revenue	6,641,816	6,552,498
Cost of sales	(5,593,172)	(5,518,218)
<b>Gross profit</b>	1,048,644	1,034,280
Selling, general and administrative expenses	(541,801)	(605,347)
Share of profit in investments accounted for using the equity method	105,825	112,882
Other operating income	142,555	69,458
Other operating expenses	(62,853)	(45,147)
<b>Business profit</b>	692,371	566,125
Losses on reorganization	(73,688)	—
<b>Operating profit</b>	618,683	566,125
Finance income	17,174	14,480
Finance costs	(27,772)	(32,592)
<b>Profit before income taxes</b>	608,085	548,013
Income tax expense	(139,202)	(161,619)
<b>Profit</b>	468,882	386,394
<b>Profit attributable to :</b>		
Owners of the parent	440,914	362,077
Non-controlling interests	27,967	24,316
<b>Earnings per share</b>		
Basic earnings per share (Yen)	478.82	368.01
Diluted earnings per share (Yen)	423.94	346.52

Quarterly Condensed Consolidated Statements of Comprehensive Income		(Millions of Yen)
	Third quarter of Fiscal 2023	Third quarter of Fiscal 2024
Profit	468,882	386,394
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	98,126	(26,620)
Remeasurements of defined benefit plans	7,863	12,279
Share of other comprehensive income of investments accounted for using the equity method	3,936	(4,421)
Subtotal	109,925	(18,762)
Items that might be reclassified to profit or loss		
Changes in fair value of cash flow hedges	(3,678)	11,285
Foreign exchange differences on translation of foreign operations	106,681	19,598
Share of other comprehensive income of investments accounted for using the equity method	28,737	(20,900)
Subtotal	131,740	9,984
<b>Total other comprehensive income, net of tax</b>	241,666	(8,778)
<b>Total comprehensive income</b>	710,549	377,615
<b>Comprehensive income attributable to:</b>		
Owners of the parent	661,735	342,528
Non-controlling interests	48,813	35,087

The accompanying notes are integral parts of these statements.

### (3) Quarterly Condensed Consolidated Statements of Changes in Equity

Third Quarter of Fiscal 2023

(Millions of Yen)

	Equity attributable to owners of the parent					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Changes in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of March 31, 2023	419,524	399,366	3,079,144	(58,054)	194,905	—
Changes during the period						
Comprehensive income						
Profit			440,914			
Other comprehensive income					97,237	6,469
Total comprehensive income	—	—	440,914	—	97,237	6,469
Transactions with owners and others						
Conversion of convertible bonds						
Cash dividends			(152,117)			
Purchases of treasury stock				(59)		
Disposals of treasury stock		1		49		
Changes in ownership interests in subsidiaries		(726)				
Transfer from other components of equity to retained earnings			13,089		(6,620)	(6,469)
Changes in scope of consolidation				(57)		
Subtotal	—	(724)	(139,027)	(68)	(6,620)	(6,469)
<b>Balance as of December 31, 2023</b>	<b>419,524</b>	<b>398,642</b>	<b>3,381,031</b>	<b>(58,123)</b>	<b>285,521</b>	<b>—</b>

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Changes in fair value of cash flow hedges	Foreign exchange differences on translation of foreign operations	Total			
Balance as of March 31, 2023	92,699	53,568	341,173	4,181,155	465,261	4,646,417
Changes during the period						
Comprehensive income						
Profit			—	440,914	27,967	468,882
Other comprehensive income	(32,046)	149,160	220,820	220,820	20,845	241,666
Total comprehensive income	(32,046)	149,160	220,820	661,735	48,813	710,549
Transactions with owners and others						
Conversion of convertible bonds			—	—		—
Cash dividends			—	(152,117)	(11,005)	(163,123)
Purchases of treasury stock			—	(59)		(59)
Disposals of treasury stock			—	50		50
Changes in ownership interests in subsidiaries			—	(726)	205	(521)
Transfer from other components of equity to retained earnings			(13,089)	—		—
Changes in scope of consolidation			—	(57)	62,939	62,881
Subtotal	—	—	(13,089)	(152,910)	52,138	(100,771)
Balance as of December 31, 2023	60,653	202,729	548,904	4,689,980	566,214	5,256,194

The accompanying notes are integral parts of these statements.



Third Quarter of Fiscal 2024

(Millions of Yen)

	Equity attributable to owners of the parent					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Changes in fair value of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance as of March 31, 2024	419,799	398,914	3,525,585	(58,149)	287,802	—
Changes during the period						
Comprehensive income						
Profit			362,077			
Other comprehensive income					(35,566)	12,508
Total comprehensive income	—	—	362,077	—	(35,566)	12,508
Transactions with owners and others						
Conversion of convertible bonds	149,720	147,627				
Cash dividends			(162,085)			
Purchases of treasury stock				(55)		
Disposals of treasury stock		1		2		
Changes in ownership interests in subsidiaries		(127)				
Transfer from other components of equity to retained earnings			81,548		(69,039)	(12,508)
Changes in scope of consolidation				(0)		
Subtotal	149,720	147,501	(80,537)	(53)	(69,039)	(12,508)
Balance as of December 31, 2024	569,519	546,415	3,807,125	(58,203)	183,195	—

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Changes in fair value of cash flow hedges	Foreign exchange differences on translation of foreign operations	Total			
Balance as of March 31, 2024	44,212	159,561	491,576	4,777,727	578,150	5,355,878
Changes during the period						
Comprehensive income						
Profit			—	362,077	24,316	386,394
Other comprehensive income	3,761	(252)	(19,549)	(19,549)	10,770	(8,778)
Total comprehensive income	3,761	(252)	(19,549)	342,528	35,087	377,615
Transactions with owners and others						
Conversion of convertible bonds			—	297,347		297,347
Cash dividends			—	(162,085)	(16,479)	(178,565)
Purchases of treasury stock			—	(55)		(55)
Disposals of treasury stock			—	3		3
Changes in ownership interests in subsidiaries			—	(127)	(3,462)	(3,589)
Transfer from other components of equity to retained earnings			(81,548)	—		—
Changes in scope of consolidation			—	(0)	(3)	(3)
Subtotal	—	—	(81,548)	135,081	(19,945)	115,136
Balance as of December 31, 2024	47,974	159,309	390,479	5,255,337	593,292	5,848,630

The accompanying notes are integral parts of these statements.

#### (4) Notes to the Quarterly Condensed Consolidated Financial Statements

##### (Going Concern Assumption)

Not applicable

##### (Cash-Flows)

The company has not prepared the Quarterly Condensed Consolidated Statements of Cash-Flows for the third quarter of fiscal 2024. The depreciation and amortization expenses for the third quarter (April 1 - December 31) of fiscal 2024 and fiscal 2023 are as follows.

(Millions of Yen)

	Third quarter of Fiscal 2023	Third quarter of Fiscal 2024
Depreciation and amortization	268,637	286,099

##### (Segment Information)

##### Third quarter of Fiscal 2023 (April 1, 2023 - December 31, 2023)

(Millions of Yen)

	Reportable segments				Total	Adjustments	Consolidated
	Steelmaking and Steel Fabrication	Engineering and Construction	Chemicals and Materials	System Solutions			
Revenue							
Revenue from external customers	6,032,241	263,072	183,858	162,643	6,641,816	—	6,641,816
Inter-segment revenue or transfers	50,029	21,880	13,185	57,924	143,021	(143,021)	—
Total	6,082,271	284,953	197,044	220,568	6,784,837	(143,021)	6,641,816
Segment profit (loss) <Business Profit>	665,884	(4,760)	12,369	23,950	697,444	(5,073)	692,371
Segment liabilities <Interest-bearing debt> Year ended March 31, 2024	2,674,600	17,201	9,787	21,555	2,723,144	(11,500)	2,711,644

Note: The adjustments of segment profit of ¥(5,073) million include the Company's share of profit in investments of Nippon Steel Kowa Real Estate Co., Ltd., accounted for using the equity method of ¥7,920 million and elimination of inter-segment revenue or transfers of ¥(12,994) million.

##### Third quarter of Fiscal 2024 (April 1, 2024 - December 31, 2024)

(Millions of Yen)

	Reportable segments				Total	Adjustments	Consolidated
	Steelmaking and Steel Fabrication	Engineering and Construction	Chemicals and Materials	System Solutions			
Revenue							
Revenue from external customers	5,920,453	261,895	191,237	178,911	6,552,498	—	6,552,498
Inter-segment revenue or transfers	42,121	21,156	13,289	62,229	138,795	(138,795)	—
Total	5,962,575	283,052	204,526	241,140	6,691,294	(138,795)	6,552,498
Segment profit (loss) <Business Profit>	519,860	7,032	17,805	30,203	574,901	(8,775)	566,125
Segment liabilities <Interest-bearing debt>	2,757,790	6,301	7,487	19,087	2,790,666	—	2,790,666

Note: The adjustments of segment profit of ¥(8,775) million include the Company's share of profit in investments of Nippon Steel Kowa Real Estate Co., Ltd., accounted for using the equity method of ¥11,750 million and elimination of inter-segment revenue or transfers of ¥(20,525) million.

## Results for the Third Quarter of Fiscal 2024 (April 1, 2024 - December 31, 2024)

The Company recorded consolidated revenue of ¥6,552.4 billion, business profit of ¥566.1 billion and profit attributable to owners of the parent of ¥362.0 billion in the third quarter of fiscal 2024 (April 1, 2024 - December 31, 2024).

### <Consolidated Operating Result>

				(Billions of Yen)	
	FY 2024 Q1-Q3	H1	Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3
<b>Revenue</b>	6,552.4	4,379.7	2,172.7	6,641.8	- 89.4
<b>Business Profit</b> ※1	566.1	375.7	190.3	692.3	- 126.2
<b>[ R O S ]</b>	[8.6%]	[8.6%]	[8.8%]	[10.4%]	※6 [-1.8%]
<b>Underlying Business Profit</b> ※2	608.4	371.9	236.5	728.0	- 119.6
<b>Additional line items</b> ※3	—	—	—	(73.6)	+ 73.6
<b>Profit attributable to owners of the parent</b>	362.0	243.3	118.7	440.9	- 78.9
<b>&lt; Earnings per share (Yen) &gt;</b>	< 368 >	< 254 >	< 113 >	< 478 >	< -110 >
<b>[ R O E ]</b> ※4	[9.6%]	[9.6%]	[8.9%]	[13.3%]	[-3.6%]
<b>EBITDA</b> ※5	852.2	564.6	287.5	961.0	- 108.8
<b>Interest-bearing debt</b>	2,790.6	2,795.7	2,790.6	3,008.4	- 217.8
D/E ratio	0.41	0.40	0.41	0.52	-0.11
After adjusting for equity credit attributes of subordinated loans and subordinated bonds					

- (※1) 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, and Losses on disposal of fixed assets.
- (※2) Underlying Business Profit is Business Profit excluding inventory valuation impact and other items and recognized as representing the Group's actual profitability. In FY 2024 Q1-Q3, Underlying Business Profit excludes losses of ¥42.3 billion.
- (※3) Additional line items refer to the items that are not recurrent and are remotely related to operational activities, but have a material impact in terms of amount.
- (※4) Annualized (※5) Business Profit + Depreciation

(※3) Additional line items	(Billions of Yen)		
	FY 2024 Q1-Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3
Additional line items Total	—	(73.6)	+ 73.6
Losses on reorganization	—	(73.6)	+ 73.6

<FY 2023 Q1-Q3>

• Losses on inactive facilities and others: ¥(73.6) billion (Kure downstream facilities ¥(64.1) billion, etc.)

### (※6) Analysis in Business Profit

	(Billions of Yen)
<b>Change in Business Profit</b>	<b>→FY 2024 Q1-Q3</b> <b>- 126.0</b>
<b>1. Steel business</b>	<b>- 146.0</b>
①Manufacturing shipment volume	- 10.0
②Spread	- 40.0
(including impact from FX rate fluctuation)	
③Cost reduction	+ 25.0
④Overseas steel business	- 41.0
⑤Raw material business	+ 29.0
⑥Other group companies	- 14.0
⑦Inventory valuation impact etc.	+ 47.0
(including group companies)	
⑧Others	- 142.0
<b>2. Three non-steel segments</b>	<b>+ 23.0</b>
<b>3. Adjustments</b>	<b>- 3.0</b>

### <Factors Influencing Performance>

#### (1)NIPPON STEEL CORPORATION

	FY 2024 Q1-Q3	H1	Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3
Consolidated crude steel output volume (10,000 tons)	2,970	1,993	978	3,045	- 75
Non-Consolidated crude steel output volume (10,000 tons)	2,575	1,720	855	2,628	- 53
Steel materials shipment volume (10,000 tons)	2,389	1,591	798	2,413	- 24
Steel materials price (¥1,000/ton)	143.0	145.0	139.0	144.9	- 1.9
Exchange rate (¥/\$)	152	154	149	143	+ 9

#### (2)All Japan

	FY 2024 Q1-Q3	H1	Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3
Crude steel output volume (10,000 tons)	6,256	4,184	2,072	6,538	- 282
Steel consumption (10,000 tons)*1	3,753	2,482	1,271	3,935	- 182

\*1 The Company estimates

### <Segment Information>

	FY 2024 Q1-Q3	H1	Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3		FY 2024 Q1-Q3	H1	Q3	FY 2023 Q1-Q3	FY 2023 Q1-Q3 →FY 2024 Q1-Q3
<b>Revenue</b>	<b>6,552.4</b>	<b>4,379.7</b>	<b>2,172.7</b>	<b>6,641.8</b>	- 89.4						
Steelmaking and Steel Fabrication	5,962.5	3,990.5	1,971.9	6,082.2	- 119.7	<b>Business Profit</b>	<b>566.1</b>	<b>375.7</b>	<b>190.3</b>	<b>692.3</b>	- 126.2
Engineering and Construction	283.0	183.3	99.7	284.9	- 1.9	Steelmaking and Steel Fabrication	519.8	353.8	166.0	665.8	- 146.0
Chemicals and Materials	204.5	140.4	64.1	197.0	+ 7.5	Engineering and Construction	7.0	(1.2)	8.2	(4.7)	+ 11.7
System Solutions	241.1	157.0	84.0	220.5	+ 20.6	Chemicals and Materials	17.8	12.2	5.5	12.3	+ 5.5
Adjustment	(138.7)	(91.6)	(47.1)	(143.0)	+ 4.3	System Solutions	30.2	18.3	11.8	23.9	+ 6.3
						Adjustment	(8.7)	(7.4)	(1.3)	(5.0)	- 3.7

## Forecasts for Fiscal 2024 (Year ending March 31, 2025)

The Company is forecasting a revenue of ¥8,600.0 billion, business profit of ¥670.0 billion and profit attributable to owners of the parent of ¥310.0 billion on its consolidated financial statements in the fiscal year ending March 31, 2025.

### <Forecasts of Consolidated Operating Result>

	FY 2024 forecasts	Changes from the previous forecasts	H1	H2 forecasts	FY 2024 H1 →FY 2024 H2 forecasts	FY 2023	FY 2023 →FY 2024 forecasts	Previous Forecasts (Released on November 7, 2024)
<b>Revenue</b>	<b>8,600.0</b>	—	<b>4,379.7</b>	<b>4,220.3</b>	- 159.4	<b>8,868.0</b>	- 268.0	<b>8,600.0</b>
<b>Business Profit</b> ※2	<b>670.0</b>	※6	<b>375.7</b>	<b>294.3</b>	※6 - 81.4 [-1.6%]	<b>869.6</b>	※6 - 199.6 [-2.0%]	<b>670.0</b>
Underlying Business Profit ※3	780.0	—	371.9	408.1	+ 36.2	935.0	- 155.0	780.0
Additional line items ※4	(130.0)	—	—	(130.0)	- 130.0	(90.9)	- 39.1	(130.0)
<b>Profit attributable to owners of the parent</b>	<b>310.0</b>	—	<b>243.3</b>	<b>66.7</b>	- 176.6	<b>549.3</b>	- 239.3	<b>310.0</b>
< Earnings per share (Yen) >	< 311 >	—	< 254 >	< 64 >	< -190 >	< 596 >	< -285 >	< 311 >
<b>EBITDA</b> ※5	<b>1,060.0</b>	—	<b>564.6</b>	<b>495.4</b>	- 69.2	<b>1,232.6</b>	- 172.6	<b>1,060.0</b>

- (※1) The impact on the profit for the year attributable to owners by the transfer of AM/NS Calvert equity interest upon the completion of the merger with U. S. Steel (The merger of the Company's wholly-owned subsidiary in America and U. S. Steel, announced on December 18, 2023), which is estimated to be approximately ¥(230.0) billion, which was announced on October 11, 2024, is not included in the financial forecast announced at this time.
- (※2) 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, and Losses on disposal of fixed assets.
- (※3) Underlying Business Profit is Business Profit excluding inventory valuation impact and other items and recognized as representing the Group's actual profitability.  
In fiscal 2024, Underlying Business Profit excludes losses of ¥110.0 billion.
- (※4) Additional line items refer to the items that are not recurrent and are remotely related to operational activities, but have a material impact in terms of amount.
- (※5) Business Profit + Depreciation

#### (※4) Additional line items

	FY 2024 forecasts	FY 2023	FY 2023 → FY 2024 forecasts
Additional line items Total	(130.0)	(90.9)	- 39.1
Losses on reorganization	(130.0)	(90.9)	- 39.1

#### <FY 2024>

• Losses on inactive facilities and others: ¥(130.0) billion (Kashima One series of upstream facilities, large shape mill, steel plate mill, Wakayama #4 coke oven, etc.)

#### <FY 2023>

• Losses on inactive facilities and others: ¥(90.9) billion  
(Kure downstream facilities ¥(64.1) billion, Hanshin (Osaka), etc.)

#### (※6) Analysis in Business Profit

	FY 2024 H1 →FY 2024 H2 forecasts	FY 2023 →FY 2024 forecasts	Changes from the previous forecasts
<b>Change in Business Profit</b>	<b>- 81.0</b>	<b>- 200.0</b>	<b>~</b>
<b>1. Steel business</b>	<b>- 97.0</b>	<b>- 210.0</b>	<b>~</b>
①Manufacturing shipment volume	- 10.0	- 20.0	~
②Spread (including impact from FX rate fluctuation)	+ 25.0	- 30.0	+ 5.0
③Cost reduction	+ 15.0	+ 40.0	~
④Overseas steel business	- 5.0	- 57.0	- 5.0
⑤Raw material business	- 39.0	+ 13.0	~
⑥Other group companies	+ 16.0	- 36.0	~
⑦Inventory valuation impact etc. (including group companies)	- 81.0	+ 20.0	~
⑧Others	- 18.0	- 140.0	~
<b>2. Three non-steel segments</b>	<b>+ 10.0</b>	<b>+ 19.0</b>	<b>+ 2.0</b>
<b>3. Adjustments</b>	<b>+ 6.0</b>	<b>- 9.0</b>	<b>- 2.0</b>

### 【Dividends】

As announced at the time of the announcement of the first half of fiscal 2024 financial results (November 7, 2024), the company plans to maintain the dividend level as in fiscal 2023, which results in ¥160 per share (including a year-end dividend of ¥80 per share). Furthermore, if the merger of the Company's wholly-owned subsidiary in America and U. S. Steel, which was announced on December 18, 2023 (such merger, the "Transaction") is consummated and the Company transfers its entire equity interest in AM/NS Calvert LLC (such transfer, the "Transfer"), the Company expects to record approximately ¥(230.0) billion as a loss on reorganization (Additional line item) in its consolidated financial statements. Even if we revise financial forecast to reflect the Transfer, we plan to maintain our full-year dividend forecast (¥160 per share) for fiscal 2024. (If the Transaction is not consummated for any reason, the Transfer will not be consummated and there will be no impact on earnings performance through the loss on reorganization.)

### <Factors Influencing Performance>

#### (1)NIPPON STEEL CORPORATION

	FY 2024 forecasts	Changes from the previous forecasts	H1	H2 forecasts	FY 2024 H1 →FY 2024 H2 forecasts	FY 2023	FY 2023 →FY 2024 forecasts	Previous Forecasts (Released on November 7, 2024)
Consolidated crude steel output volume (10,000 tons)	Approx. 4,000	—	1,993	Approx. 2,000	+ 7	4,051	- 51	Approx. 4,000
Non-Consolidated crude steel output volume (10,000 tons)	Approx. 3,450	—	1,720	Approx. 1,730	+ 10	3,499	- 49	Approx. 3,450
Steel materials shipment volume (10,000 tons)	Approx. 3,150	—	1,591	Approx. 1,560	- 31	3,203	- 53	Approx. 3,150
Steel materials price (¥1,000/ton)	Approx. 143	+ 1	145.0	Approx. 140	- 5	144.8	- 2	Approx. 142
Exchange rate (¥/\$)	Approx. 153	+ 1	154	Approx. 152	- 2	144	+ 9	Approx. 152

#### (2)All Japan

Crude steel output volume (10,000 tons)	Approx. 8,350		4,184	Approx. 4,160	- 24	8,683	- 333	
Steel consumption (10,000 tons)*1	Approx. 5,010	- 40	2,482	Approx. 2,530	+ 48	5,190	- 180	Approx. 5,050

\*1 The Company estimates

### <Segment Information>

	FY 2024 forecasts	Changes from the previous forecasts	H1	H2 forecasts	FY 2024 H1 →FY 2024 H2 forecasts	FY 2023	FY 2023 →FY 2024 forecasts	Previous Forecasts (Released on November 7, 2024)
<b>Revenue</b>	<b>8,600.0</b>	—	<b>4,379.7</b>	<b>4,220.3</b>	- 159.4	<b>8,868.0</b>	- 268.0	<b>8,600.0</b>
Steelmaking and Steel Fabrication	7,800.0	—	3,990.5	3,809.5	- 181.0	8,076.3	- 276.3	7,800.0
Engineering and Construction	410.0	+ 10.0	183.3	226.7	+ 43.4	409.2	+ 0.8	400.0
Chemicals and Materials	270.0	—	140.4	129.6	- 10.8	260.8	+ 9.2	270.0
System Solutions	333.0	—	157.0	176.0	+ 19.0	311.5	+ 21.5	333.0
Adjustment	(213.0)	- 10.0	(91.6)	(121.4)	- 29.8	(189.8)	- 23.2	(203.0)
<b>Business Profit</b>	<b>670.0</b>	—	<b>375.7</b>	<b>294.3</b>	- 81.4	<b>869.6</b>	- 199.6	<b>670.0</b>
Steelmaking and Steel Fabrication	611.0	—	353.8	257.2	- 96.6	821.0	- 210.0	611.0
Engineering and Construction	12.0	—	(1.2)	13.2	+ 14.4	(1.3)	+ 13.3	12.0
Chemicals and Materials	18.0	+ 2.0	12.2	5.8	- 6.4	15.3	+ 2.7	16.0
System Solutions	39.0	—	18.3	20.7	+ 2.4	35.5	+ 3.5	39.0
Adjustment	(10.0)	- 2.0	(7.4)	(2.6)	+ 4.8	(1.0)	- 9.0	(8.0)

Note: The forward-looking statements included in this 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.

## Nippon Steel's Business Environment, and Actions Taken and To Be Taken

### 1. Recognition of current business environment

- The business environment is in an unprecedented critical situation in which the manufacturing and construction industries are sluggish both in Japan and overseas and global steel demand is becoming severer. In addition to the excess production and increase in exports due to the expanded structural supply/demand gap caused by the slowing Chinese economy, there are concerns about the fragmentation of the market as many countries are expanding trade measures and prioritizing their own country. These factors have increased uncertainties. In Japan, while the pressure by imported materials is high, the sluggish demand for steel is becoming more serious than expected. In this environment, there is no prospect of improvement in real demand and margins at home and abroad.

### 2. Results for the third quarter of fiscal 2024 and forecasts for fiscal 2024

- Even under an increasingly severe situation with no prospect of improvement in domestic and overseas demand and margins, **we have established a foundation to secure stable earnings compared to other major steelmakers**. In the third quarter of fiscal 2024, we recorded underlying business profit of ¥608.4 billion and business profit of ¥566.1 billion. For consolidated operating results of fiscal 2024, we will **maintain the previously-announced (Nov. 7) forecasts** for underlying business profit, business profit and profit. As previously announced, we **plan to distribute a full-year dividend of ¥160 per share** (including a year-end dividend of ¥80 per share).

	FY 2024 Forecasts (¥ billion)			A: actual results; F: forecasts		
	H1 (A)	H2 (F)	(Chg. from Nov. 7 forecasts)	Full year (F)	(Chg. from Nov. 7 forecasts)	Q1-Q3 (A)
Underlying Business Profit	371.9	408.1	(—)	780.0	(—)	608.4
Consolidated Business Profit	375.7	294.3	(—)	670.0	(—)	566.1
Profit	243.3	66.7*	(—)	310.0*	(—)	362.0
DPS / Payout ratio	Full-year DPS of ¥160 (including Year-end DPS of ¥80) / Payout ratio of about 52%					

\* If the merger of the Company's wholly-owned subsidiary in America and U. S. Steel announced on December 18, 2023 (such merger, the "Transaction") is consummated and we transfer our entire equity interest in AM/NS Calvert LLC (such transfer, the "Transfer"), we expect to record approximately ¥230.0 billion as a loss on reorganization. Even if we revise financial forecast to reflect the Transfer, we plan to maintain our full-year dividend forecast (¥160 per share) for fiscal 2024. (If the Transaction is not consummated for any reason, the Transfer will not be consummated and there will be no impact on earnings performance through the loss on reorganization.)

- We plan to announce the financial forecast for fiscal 2025 newly at the time of the fiscal 2024 financial results announcement, taking into account the business environment, including domestic and international trends and conditions.

### 3. Actions to improve profits at present and achieve medium- to long-term growth

#### (1) Strengthening and restructuring the domestic steelmaking business

- Steady improvement of base operation performance and continuous efforts in business of direct contract-based sales to customers
- Completion of structural measures for production facilities, promotion of renewal and improvement of facilities, and sophistication of order mix
  - Completion of the production facility structural measures based on the medium- to long-term management plan: Kashima One Series of upstream facilities will be shut down at the end of fiscal 2024.
- Further strengthening of the domestic steelmaking business of Nippon Steel and its group companies
  - (Previously announced) Restructuring of the Nippon Steel Group's domestic electro-resistance welded pipe business; Absorption merger of Nippon Steel Stainless Steel Corporation by Nippon Steel Corporation
  - (New) Adopting a resolution to acquire the shares of common stock of Sanyo Special Steel through a tender offer with the aim of making Sanyo Special Steel Nippon Steel's wholly-owned subsidiary.**  
We seek further optimal production systems and strive to expand earnings opportunities and strengthen business strategies through further integration and optimization of the special steel bar and wire rod business.

#### (2) Measures for evolution to a further vertically-integrated business structure

- Trading and distribution business: Enhancement of collaboration and pursuit of synergies with Nippon Steel Trading Corporation and other group companies.
- Raw materials business:  
(Previously announced) Acquisition of a 20% interest in Canadian coal miner EVR JV, which has contributed to earnings from fiscal 2024.

Entered into an equity participation agreement to acquire a 20% interest in Blackwater Coal Mine in Australia.

**(New) Master agreement was reached to establish a joint venture company to acquire a 30% interest in the Kami Iron Ore Project in Canada and develop and operate new mining areas.**

→ We aim to ensure stable purchasing of steelmaking coal, which is indispensable for future carbon-neutral steel production, and **high-grade iron ore suitable for direct reduction iron production, which is necessary for the production of high-grade steel with large electric arc furnaces (EAFs).** We also strive to shift to a consolidated profit structure that is less susceptible to the external environment through investment in raw material interests.

**(3) Acceleration of global strategy to deepen and expand overseas business: Aiming to achieve “100 million tons of global crude steel capacity per year”**

- **U. S. Steel: Commitment to do whatever it takes to close our deal, aligning with our business strategy and the policies of the new U.S. administration, contributing to the strengthening of U.S. industries, economy, and national security.**

Both companies remain committed to completing the transaction and **have jointly filed lawsuits to remedy the illegal interference with the proposed transaction.**

Through U. S. Steel, we will continue to address market needs in the U.S., the largest demand country for high-grade steel, and drive our global strategy.

**(4) Promoting the hydrogen reduction steelmaking in large blast furnaces and EAF transition and operationalization of a “comprehensive scrap strategy” aligned with circular economy principles**

- **Established the CO<sub>2</sub> emission reduction technology using hydrogen in blast furnaces: Achieved the world’s first 43% CO<sub>2</sub> emission reduction in a small test furnace in Kimitsu, reaching the development goal ahead of schedule.**
- **The Hasaki R&D Center "Hydrearms" completed construction of a small-scale test electric furnace and tests began in December 2024 for the development of high-grade steelmaking technology in large-scale electric furnaces.**
- Initiation of the operationalization of a “comprehensive scrap strategy” centered on the use of low-grade steel scrap and the expansion of market procurement, with consideration for the potential use in Thai EAFs.

**(5) Digital transformation (DX) strategies**

- Remote management, predictive monitoring, and automation of operation and facility maintenance using IoT and AI. Centralized and accelerated performance management and integrated production planning to be aligned with DX measures.

**(6) Implementation of HR and PR initiatives to secure and promote human resources**

- In preparation for the future decline in the working population and the mobility of human resources, promote various management measures such as awareness raising, mid-career recruitment, revision of employment benefits, and improvement of engagement.  
→ Promote multifaceted productivity improvement measures to enhance and maximize the capabilities of each and every employee.

**(7) Maintaining and strengthening our solid financial base and financial structure**

- Maintain a healthy financial structure through asset reduction, including the sale of shares and inventory appropriation, in order to continually implement a flexible and robust growth strategy over the medium to long term.  
**Streamline assets by approximately ¥250.0 billion (Changes from the previous announcement: +¥20.0 billion) in fiscal 2024** through sales of cross-shareholdings and other means.
- Through measures to streamline assets and further optimization of fund procurement, we plan to continuously maintain and strengthen the financial structure even after the U. S. Steel transaction.

End

**NIPPON STEEL CORPORATION**

Code Number: 5401

Listings: Tokyo Stock Exchange / Nagoya Stock Exchange /  
Fukuoka Stock Exchange / Sapporo Securities Exchange

Contact: Shinnosuke Arita, General Manager,  
Public Relations Center-Tel: +81-3-6867-2135, 2141, 2146, 3419

## Supplementary Information on the Financial Results for the Third Quarter of Fiscal 2024

### Japanese Steel Industry

#### 1. Crude Steel Production

(million tons)							
	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	22.21	21.56	43.77	21.60	21.45	43.06	86.83
FY 2024	21.25	20.59	41.84	20.72	(*) Approx. 20.93	(*) Approx. 41.60	(*) Approx. 83.50

(\*) 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)
Dec.	2022	5.63	(190.1)	4.22	0.191
Jan.	2023	5.67	(194.3)	4.28	0.191
Feb.	2023	5.58	(188.2)	4.21	0.196
Mar.	2023	5.39	(152.9)	4.13	0.196
Apr.	2023	5.27	(172.7)	3.97	0.189
May	2023	5.41	(179.2)	4.04	0.190
June	2023	5.33	(165.4)	4.01	0.196
July	2023	5.19	(162.3)	3.94	0.197
Aug.	2023	5.31	(194.3)	4.00	0.191
Sep.	2023	5.18	(161.2)	3.87	0.194
Oct.	2023	5.15	(159.9)	3.86	0.189
Nov.	2023	5.11	(163.1)	3.82	0.191
Dec.	2023	5.08	(170.5)	3.80	0.202
Jan.	2024	5.35	(190.8)	4.01	0.208
Feb.	2024	5.38	(183.1)	4.06	0.216
Mar.	2024	5.44	(170.0)	4.14	0.220
Apr.	2024	5.37	(175.2)	4.12	0.220
May	2024	5.37	(179.5)	4.12	0.221
June	2024	5.30	(178.5)	4.07	0.221
July	2024	5.00	(161.4)	3.95	0.220
Aug.	2024	5.29	(222.4)	4.09	0.216
Sep.	2024	5.31	(182.7)	4.14	0.210
Oct.	2024	5.11	(163.2)	4.01	0.206
Nov.	2024	4.95	(169.5)	3.92	0.205
Dec. *3	2024	4.96	(177.3)	3.90	0.206

\*1 Hot-rolled, cold-rolled and coated sheets

\*2 Inventories at distributors dealing with H-flange beams manufactured by NIPPON STEEL CORPORATION

\*3 Preliminary report

## NIPPON STEEL CORPORATION

### 3. Pig Iron Production

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	8.57	8.63	17.20	8.78	8.57	17.35	34.55
FY 2024	8.58	8.39	16.98	8.52	Approx. 8.50	Approx. 17.00	Approx. 34.00

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
FY 2023	10.17	10.02	20.19	10.26	10.06	20.32	40.51
FY 2024	10.14	9.79	19.93	9.78	Approx. 10.10	Approx. 20.00	Approx. 40.00

(Non-consolidated basis)

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	8.68	8.76	17.44	8.84	8.71	17.54	34.99
FY 2024	8.70	8.49	17.20	8.55	Approx. 8.80	Approx. 17.30	Approx. 34.50

### 5. Steel Products Shipment

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	8.07	8.10	16.17	7.95	7.90	15.86	32.03
FY 2024	8.01	7.90	15.91	7.98	Approx. 7.70	Approx. 15.60	Approx. 31.50

### 6. Average Price of Steel Products

(thousands of yen / ton)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	143.4	144.9	144.1	146.5	144.4	145.4	144.8
FY 2024	146.2	143.8	145.0	139.0	Approx. 141	Approx. 140	Approx. 143

### 7. Export Ratio of Steel Products (Value basis)

(%)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	46	43	45	42	44	43	44
FY 2024	44	46	45	42	Approx. 44	Approx. 43	Approx. 44

### 8. Foreign Exchange Rate

(¥/\$)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
FY 2023	136	144	140	149	147	148	144
FY 2024	155	153	154	149	Approx. 155	Approx. 152	Approx. 153



## 9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

	Capital Expenditure	Depreciation(*)
FY 2023	457.4	363.0
FY 2024	Approx. 500.0	Approx. 390.0

(\*) The “Depreciation” is including amortization expenses related to intangible assets, excluding goodwill.