

The 94th Term Interim Report

April 1, 2018 to September 30, 2018

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To Our Shareholders



Representative Director and President,

Kosei Shindo

We would like to thank you for your continued understanding and support.

The environment surrounding the steel industry is at a turning point where significant long-term and structural changes are occurring. These include changes in the trading structure of steel as various countries including the United States are leaning towards protectionism and emerging countries shift towards self-sufficient markets, as well as societal and industrial structural changes, such as the shift towards electric vehicles, autonomous driving, and a society that utilizes advanced IT.

Under such circumstances, Nippon Steel & Sumitomo Metal Corporation (“NSSMC” or “the Company”) promoted its Mid-Term Management Plan that was announced in March 2018. NSSMC will seek to advance towards becoming “the best steelmaker with world-leading capabilities” by further strengthening its capabilities in terms of “technology,” “cost,” and “being global.”

The Company will change its trade name in April 2019 to Nippon Seitetsu Kabushiki Kaisha (written in English as NIPPON STEEL CORPORATION, marking a new start in its history. After the business integration of Nippon Steel Corporation and Sumitomo Metal Industries, Ltd. in 2012, Nisshin Steel Co., Ltd. became a member of the Group, and the consolidation of Sanyo Special Steel Co., Ltd. as a subsidiary is scheduled for March 2019. This trade name change is a manifestation of our determination to survive the global competition as a steelmaker with origins in Japan that incorporates DNA of various companies as mentioned above.

Working towards the realization of the corporate philosophy to “pursue world-leading technologies and manufacturing capabilities, and contribute to society by providing excellent products and services,” we will continue to work hard each day in the global market.

(Overview of Business Operations and Performance for the First Half of Fiscal 2018)

We would like to present the overview of business operations during the first half of fiscal 2018 (April 1, 2018 to September 30, 2018). During the first half of fiscal 2018, the global economy as a whole showed a solid performance. China’s economy remained generally stable, the economy of the United States continued to hold strong, and the economies of Europe and emerging countries remained on the path to a gradual recovery.

The Japanese economy continued to recover moderately, as indicated by further improvements in the employment and income environments and increases in capital investment.

Domestic steel demand continued to be firm, especially shipments to the automotive and industrial machinery sectors, while overseas steel demand as a whole was on a rising trend. In the domestic and overseas steel markets, prices remained at a generally high level against a background of solid demand. In such an environment, NSSMC increased sales compared to the first half of the previous fiscal year and continued its efforts to improve costs and secure appropriate sales prices to ensure continuity of supply. These efforts included adjusting steel product prices to reflect rises in prices of auxiliary materials, such as scrap and alloy, other material procurement costs, and distribution costs. However, heavy rainfall, typhoons, and other natural disasters and a difference in inventory valuation by NSSMC and its Group companies caused profit to be almost flat year-on-year.

Under such circumstances, NSSMC posted consolidated net sales for the first half of fiscal 2018 of ¥2,903.4 billion, with operating profit of ¥86.7 billion, ordinary profit of ¥151.5 billion, and profit attributable to owners of parent of ¥141.2 billion. Please note that the NSSMC Group will voluntarily apply International Financial Reporting Standards (IFRS) beginning with the fiscal year ending March 31, 2019. Based on IFRS, NSSMC’s consolidated revenue is estimated to amount to ¥2,940.0 billion, business profit to ¥158.0 billion, and profit attributable to owners of the parent to ¥117.0 billion for the first half of this fiscal year.

(Future Outlook)

The global economy overall is expected to continue growing moderately as the United States is likely to maintain stable economic conditions and China's economy is expected to slow but remain generally stable.

The Japanese economy is also anticipated to record an extended recovery, supported by further improvements in the employment and income environments.

In Japan, demand for steel and steel market prices is forecast to remain firm. On the other hand, trends in overseas demand and market conditions are becoming more uncertain due to the possible impact of protectionist policies in the United States on the world economy, such as trends in U.S.-China trade. Developments will require close monitoring.

Amid such operating conditions, although the effects of natural disasters, including heavy rainfall and typhoons, as well as the impact of a difference in inventory valuation by NSSMC and its Group companies may have an influence on performance, NSSMC will continue to maximize group-wide management initiatives to reach its consolidated business profit target of ¥350.0 billion (based on IFRS) for the full fiscal year, announced on August 2, 2018 at the time of the announcement of results for the first quarter. These initiatives will include (a) implementing measures to stabilize equipment use and operations; (b) securing appropriate sales prices to maintain continuity in supply, which includes adjusting steel product prices to take account of surges in prices of auxiliary materials, such as scrap and alloys, other material procurement costs, and distribution costs; and (c) making steady progress in cost improvement measures.

Consolidated Financial Forecasts for Fiscal 2018

(billions of yen, unless otherwise stated)

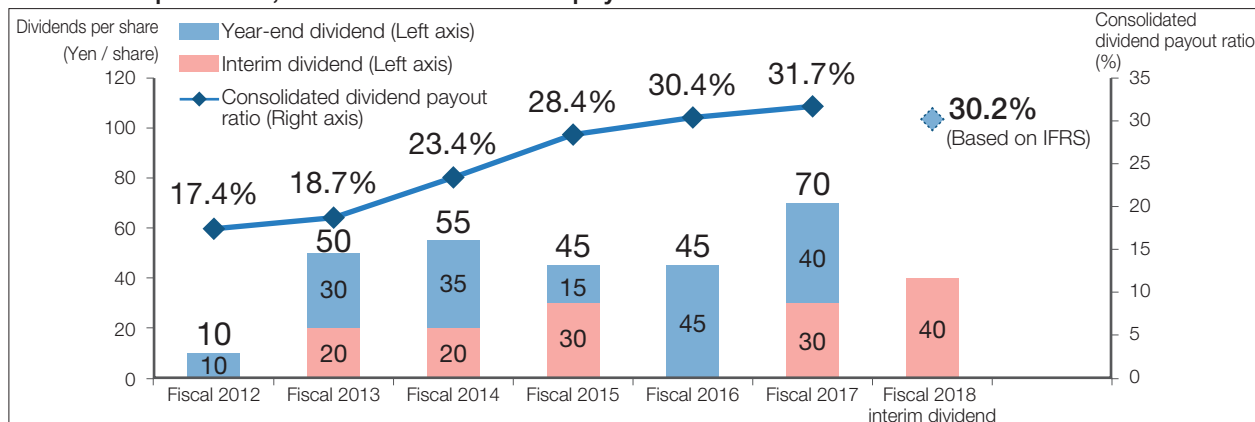
| | Fiscal 2017 | | | Fiscal 2018 | | | | Difference | |
|--|-------------|-----------------|-----------------|-------------|-----------------|-------------------|--------------------|---|--------------------------|
| | 1st half | Full year | | 1st half | | 2nd half forecast | Full-year forecast | 1st half of FY2017 → 1st half of FY2018 | FY2017 → FY2018 forecast |
| | | (Japanese GAAP) | (Japanese GAAP) | (IFRS) | (Japanese GAAP) | | | | |
| Net sales/Revenue (Consolidated) | 2,745.0 | 5,668.6 | 5,712.9 | 2,903.4 | 2,940.0 | 3,260.0 | 6,200.0 | +158.4 | +487.1 |
| Consolidated ordinary profit/Business profit | 157.6 | 297.5 | 288.7 | 151.5 | 158.0 | 192.0 | 350.0 | -6.1 | +61.3 |
| ROS (%) | 5.7 | 5.2 | 5.1 | 5.2 | 5.4 | 5.9 | 5.6 | -0.5 | +0.6 |
| Net Profit* | 99.1 | 195.0 | 180.8 | 141.2 | 117.0 | 123.0 | 240.0 | +42.1 | +59.2 |
| Earnings per share (yen) | 112.3 | 221.0 | 204.9 | 160.1 | 132.6 | 136.4 | 269.0 | +47.7 | +64.1 |
| *Profit attributable to owners of parent/Profit attributable to owners of the parent | | | | | | | | (million tons) | |
| Crude steel production (Consolidated) | 23.23 | 47.02 | | 23.65 | | Approx. 25.30 | Approx. 49.00 | +0.43 | +1.98 |
| Crude steel production (Non-consolidated) | 20.09 | 40.67 | | 20.50 | | Approx. 21.60 | Approx. 42.10 | +0.41 | +1.43 |
| Steel products shipment | 18.72 | 37.79 | | 18.56 | | Approx. 20.00 | Approx. 38.50 | -0.16 | +0.71 |

(Distribution of Dividend at End of First Half of Fiscal 2018)

Regarding the dividend from retained earnings for the end of the second quarter, in accordance with the basic dividend policy described below, the Company has decided to pay a dividend of ¥40 per share (representing a consolidated dividend payout ratio of 30.2% (based on IFRS)), as announced on August 2, 2018 at the time of the announcement of results for the first quarter.

The Company plans to determine the forecast for the year-end dividend distribution amount, with due consideration of forecasts for the full fiscal year performance, and announce it at the time of its third-quarter results announcement.

<Dividends per share, Consolidated dividend payout ratio>



(Note) On October 1, 2015, NSSMC performed the share consolidation at the ratio of 10 shares to 1 share. Consequently, NSSMC estimates the dividends per share assuming that the share consolidation occurred at the start of fiscal 2012.

<Basic Dividend Policy>

NSSMC's basic profit distribution policy is to pay dividends from distributable funds at the end of the first half (interim) and second half (year-end) of the fiscal year, in consideration of the consolidated operating results and such factors as capital requirements for investment and other activities aimed at raising corporate value and performance prospects while also considering the financial structure of the Company on both consolidated and non-consolidated bases. The Company has adopted a consolidated annual payout ratio target of around 30% as the benchmark for the "payment of dividends from distributable funds in consideration of the consolidated operating results." The level of the first-half dividend is determined based on consideration of interim performance figures and forecasts for the full fiscal year performance.

●Notes regarding forecasts

The descriptions of future performance and such stated in this document include predictions made based on assumptions, forecasts and plans regarding the future as of the results announcement on November 2, 2018. Actual performance may differ significantly from the descriptions due to various factors.

Summary of Consolidated Financial Statements

Consolidated Balance Sheets (Billions of yen)

| Items | September 30, 2018 |
|--|--------------------|
| ASSETS | |
| Current assets | 2,559.6 |
| Fixed assets | 5,192.3 |
| Total assets | 7,751.9 |
| LIABILITIES | |
| Current liabilities | 2,182.5 |
| Long-term liabilities | 2,021.6 |
| Total liabilities | 4,204.2 |
| NET ASSETS | |
| Shareholders' equity | 2,857.3 |
| Accumulated other comprehensive income | 329.7 |
| Non-controlling interests in consolidated subsidiaries | 360.6 |
| Total net assets | 3,547.6 |
| Total liabilities and net assets | 7,751.9 |

Consolidated Statements of Operations (Billions of yen)

| Items | First half of fiscal 2018 (April 1, 2018 to September 30, 2018) |
|--|---|
| Net sales | 2,903.4 |
| Cost of sales | 2,550.8 |
| Gross profit | 352.6 |
| Selling, general and administrative expenses | 265.9 |
| Operating profit | 86.7 |
| Non-operating profit | 103.8 |
| Non-operating loss | 38.9 |
| Ordinary profit | 151.5 |
| Extraordinary profit | 28.7 |
| Extraordinary loss | 21.0 |
| Profit before income taxes | 159.2 |
| Income taxes – current and deferred | 20.3 |
| Profit | 138.9 |
| Loss attributable to non-controlling interests | (2.3) |
| Profit attributable to owners of parent | 141.2 |

Consolidated Segment Information (April 1, 2018 to September 30, 2018) (Billions of yen)

| | Reportable segment | | | | | Total | Adjustments | Consolidated total |
|----------------------------------|-----------------------------------|------------------------------|-----------|---------------|------------------|---------|-------------|--------------------|
| | Steelmaking and steel fabrication | Engineering and construction | Chemicals | New materials | System solutions | | | |
| Net sales | 2,557.0 | 161.3 | 105.7 | 20.2 | 124.6 | 2,969.0 | (65.5) | 2,903.4 |
| Segment profit <Ordinary profit> | 126.6 | 2.9 | 12.5 | 1.2 | 11.5 | 154.9 | (3.3) | 151.5 |

* Figures less than ¥0.1 billion are rounded down to the nearest ¥0.1 billion.

Topics

Group-Wide Initiatives

Determination of the Nippon Steel Group's brand logo - Brand unification across the entire Group in line with the change in the Group company's trade name

In order to adopt a new trade name befitting a steelmaker with origins in Japan and an emphasis on continuing growth in global markets looking toward the future, the Company shall change its trade name to Nippon Seitetsu Kabushiki Kaisha (written in English as NIPPON STEEL CORPORATION; hereinafter "Nippon Steel") effective from April 1, 2019.

In accordance with the above, Nippon Steel and the Nippon Steel Group will formulate a new brand logo that shall be used in all Group companies, in order to achieve brand unification across the entire Group.

Brand Logo



The brand logo uses an original font based on a Gothic font. By adding soft curves to letters, the brand logo represents both strength and flexibility in steel.

Going forward, the above brand logo will be used at all companies across the entire Group, with the aim of further strengthening the Group's overall capabilities.

Furthermore, in line with the change of the Company's trade name, main Group companies with plans to change their trade names are listed on the Company's website.

Steelmaking and Steel Fabrication

Making Nisshin Steel Co., Ltd. a wholly owned subsidiary of NSSMC, and the integration of the stainless steel sheet businesses

In order to realize the maximum effects of synergies at an early stage by accelerating the mutual utilization of management resources and further promoting deeper alliances in the NSSMC group, the exchange of shares of Nisshin Steel Co., Ltd. ("Nisshin Steel") held by the shareholders of Nisshin Steel and shares of NSSMC held by NSSMC was conducted^(*), thereby making Nisshin Steel a wholly owned subsidiary of NSSMC, effective as of January 1, 2019.

Furthermore, with a view to maximizing synergy in the NSSMC group's stainless steel business at an early stage, NSSMC, Nisshin Steel, and Nippon Steel & Sumikin Stainless Steel Corporation plan to conduct the integration of their stainless steel sheet businesses around April 1, 2019.

(*) The said share exchange will be conducted after approval is obtained at Nisshin Steel's extraordinary shareholders meeting.



Example usages of stainless steel

We aim for greater synergy through the unification of business strategies.

Restructuring and strengthening specialty steel business through consolidating Sanyo Special Steel Co., Ltd. and Ovako AB as subsidiaries

The Company acquired Ovako AB, a European specialty steel manufacturer with headquarters in Sweden, as a wholly owned subsidiary in June 2018. Furthermore, together with Sanyo Special Steel Co., Ltd., the Company will implement the following restructuring and strengthening scheme for both companies' businesses, by March 28, 2019. This initiative is conducted from the viewpoint of enhancing the companies' specialty steel businesses and establishing a global business promotion structure.


- 1 Consolidate Sanyo Special Steel Co., Ltd. as a subsidiary of NSSMC
- 2 Make Ovako AB a wholly owned subsidiary through Sanyo Special Steel Co., Ltd.

(*) ① and ② above are contingent upon conditions including the obtaining of approval from the competition authorities in and outside Japan, and the obtaining of approval at Sanyo Special Steel's extraordinary shareholders meeting.

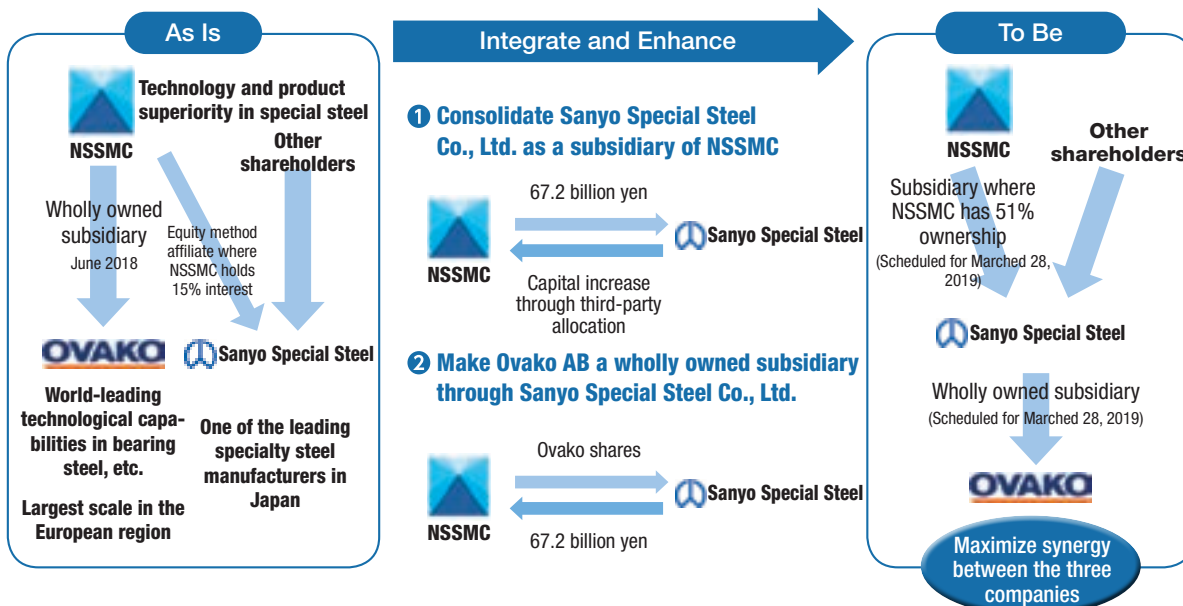
Overview of Sanyo Special Steel Co., Ltd. Sanyo Special Steel

| | | |
|------------------------------------|---|---|
| Sales volume | 1.07 million tons (FY2017) |  |
| Consolidated net sales | 157.4 billion yen (FY2017) | |
| Number of employees (consolidated) | 2,666 (FY2017) | |
| Business | Special steel (Manufacturing and sales of special products), Powders, Formed and fabricated materials | |

Overview of Ovako AB

| | | |
|------------------------------------|---|---|
| Sales volume | 0.78 million tons (FY2017) |  |
| Consolidated net sales | 921 million Euros (FY2017) Around 120.0 billion yen (Based on exchange rate of 130 yen to 1 Euro) | |
| Number of employees (consolidated) | About 3,000 (FY2017) | |
| Business | Manufacturing and sales of specialty steel and secondary products | |

<Overview of Scheme>

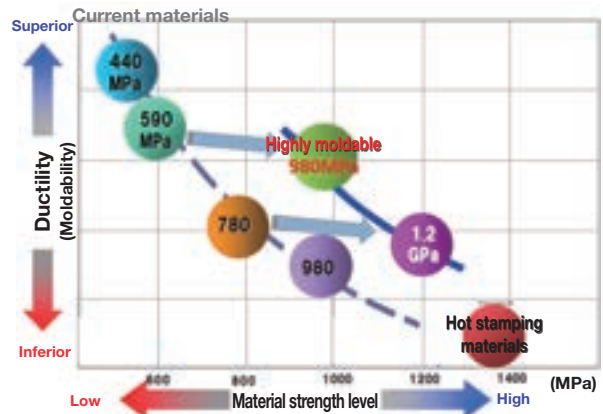


World's first practical application of difficult-to-mold automotive parts - Highly moldable 980 MPa* high-tensile strength steel sheet

The Company has developed high-tensile strength steel sheets (HTSS) that combine both a high level of moldability and a high level of tensile strength (980 MPa level), which can be used in vehicle frame parts, where molding is difficult even among automotive parts because of a complex shape. The strength steel sheets were adopted for the first time in the world in a new car model released in North America by NISSAN MOTOR CO., LTD.

Regarding the highly moldable 980 MPa HTSS adopted in this instance, through achieving both high moldability and a high level of strength, we successfully enhanced its strength while maintaining the same level of moldability as 590 MPa HTSS, which is widely used in automobiles. Such high functions extend the application possibilities for ultra HTSS parts. Looking ahead, the Company will strive to enhance the functions of ultra-HTSS, contributing to the weight reduction and securing of collision safety in automobiles, by continuing to improve its capabilities in "creating the value of steel."

*MPa: Megapascal

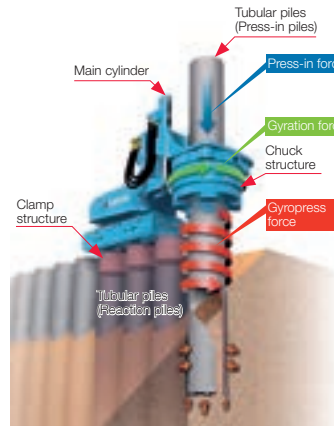


First adoption as a large-scale tsunami countermeasure in anticipation of the Nankai Trough earthquake - Gyropress method

The Gyropress method, jointly developed by GIKEN LTD. and the Company, was adopted in the countermeasures for earthquakes and tsunamis along the Kochi coastal area in Shikoku.

The Gyropress method is a construction method for wall structures such as river revetments and road retaining walls and foundation structures, by successively gyrating, cutting, and pressing in tubular piles with cutting bits in a seriate manner using the Gyro Piler, a self-walking rotary press-in machine.

As a form of preventative construction to suppress the sinking or deformation of embankments caused by liquefaction following the Nankai Trough earthquake, the method was acclaimed for its advantage in enabling the construction of steel pipe walls without removing existing embankments, and was adopted for the first time as a large-scale tsunami countermeasure.



Overview of the Gyropress method



Status of construction along the Kochi coastal area

Engineering and Construction

The joint venture between Nippon Steel & Sumikin Engineering Co., Ltd. and Osaka Gas Co., Ltd. in Thailand began to supply energy for Thai Honda Manufacturing Co., Ltd., a company in the Honda Group that manufactures bicycles in the country.

This is a project that provides integrated services including the engineering of high-efficiency cogeneration facilities and the operation of facilities. In the next 15 years, we will contribute greatly to the energy conservation at the factory by supplying electricity, steam, hot and cold water.



Exterior of the high-efficiency cogeneration facility

Chemicals & New Materials

On October 1, 2018, Nippon Steel & Sumikin Chemical Co., Ltd. and Nippon Steel & Sumikin Materials Co., Ltd. integrated their businesses and Nippon Steel Chemical & Material Co., Ltd. was inaugurated.

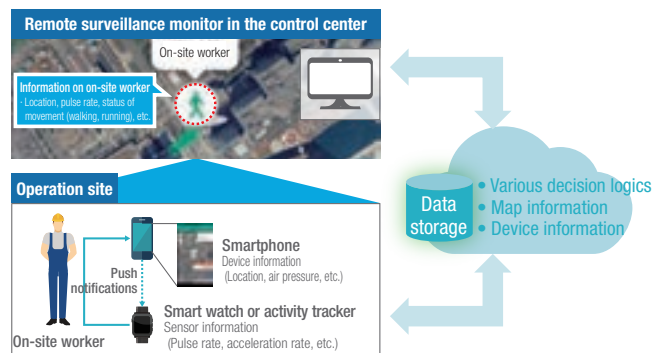
In addition to enhancing the business strategies, we will further deepen our cooperation in the steel business and strengthen our comprehensive proposal capabilities for material solutions on a group-wide basis, such as by strengthening our abilities to respond to emerging needs including those for automobiles and batteries.



Shindo, President of the Company (right) and Ota, President of Nippon Steel Chemical & Material Co., Ltd. (left)

System Solutions

In order to respond to customer needs for enhancement of operational sophistication, NS Solutions Corporation is delivering IoT solutions (safety monitoring of on-site workers, support for remote operations, etc.) and platforms for data analysis based on AI technology, among other solutions.



Overview of safety monitoring system of on-site workers

Environmental and Social Initiatives

Production of “*Tetsu wa, Hito to Chikyu to Tomo ni* (Steel Exists Alongside People and the Earth),” an LCA video that considers the environmental impact of the entire life cycle

The Company produced and released an LCA (Life Cycle Assessment) video “*Tetsu wa, Hito to Chikyu to Tomo ni* (Steel Exists Alongside People and the Earth),” as a tool to explain in simple terms how steel is environmentally-friendly when looking at the entire life cycle.

In recent years, when considering the environmental impact of products such as cars and buildings, it has become important to consider the entire life cycle of a product, from the stage of creating raw materials such as steel which will become product materials to the last stage of product life where the product is processed for disposal. On top of explaining the LCA mindset, the video aims to spread information on steel’s appeals to a wide audience.



Listed on the Company's website
<http://www.nssmc.com/csr/index.html>

Expanding the number of in-house nurseries that operate 24 hours a day - Opening of a nursery in Nagoya Works

On October 1, 2018, the Company newly opened an in-house nursery in the adjacent site of the Nagoya Works. This is the fourth nursery that operates 24 hours a day, following Oita Works (Oita Donguri no Mori Nursery; opened in April 2016), Kimitsu Works (Kazusa Midori no Mori Nursery; opened in April 2017), and Yawata Works (Sayagatani Hotaru no Sato Nursery; opened in April 2017). Amid a declining and aging population, the Company is implementing initiatives to create a workplace environment that enables a diverse range of human resources, including the elderly and women, to play an even more active role. As a part of these initiatives, we have opened in-house nurseries, which respond to the needs of employees at workplaces with a shift system.



Tokai Sakura no Michi Nursery (Tokai, Aichi Prefecture)

Inclusion in the composition of “FTSE4Good Index Series” and “FTSE Blossom Japan Index,” stock price indices for ESG investments

The Company has been included in the composition of the “FTSE4Good Index Series” and the “FTSE Blossom Japan Index,” stock price indices for ESG (environmental, social and governance) investments.

The “FTSE4Good Index Series” and the “FTSE Blossom Japan Index” are indices developed by FTSE Russell, a group company of the London Stock Exchange. The indices are composed using FTSE Russell’s ESG evaluation model, based on existing international ESG standards, and include Sustainable Development Goals (SDGs) of the United Nations. Accordingly, companies that have conducted outstanding ESG initiatives are selected. These indices are widely utilized by global investors focusing on corporate ESG initiatives as an important part of their decision criteria. The “FTSE Blossom Japan Index,” for which the Company has been included, is used by the Government Pension Investment Fund (GPIF) as a selection index for conducting investments based on ESG initiatives.



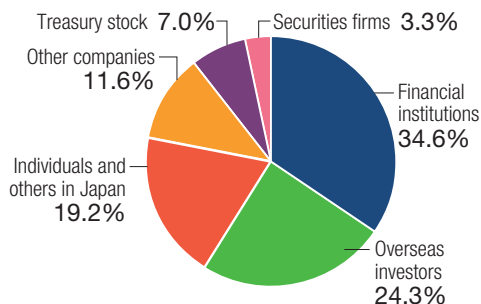
Corporate Profile and Status of Shares, etc.

Corporate Profile

| | |
|--|---|
| Company name | Nippon Steel & Sumitomo Metal Corporation |
| Head office | 6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-8071, Japan |
| Paid-in capital | ¥419.5 billion |
| Business | Steelmaking and steel fabrication / Engineering and construction / Chemicals / New materials / System solutions |
| Number of employees (consolidated) | 93,557 (as of March 31, 2018) |
| Stock listings | Tokyo, Nagoya, Fukuoka, Sapporo |
| Securities code | 5401 |
| Total number of shares authorized to be issued | 2,000,000,000 shares |
| Total number of shares issued | 950,321,402 shares (as of September 30, 2018) |
| Number of shareholders | 433,972 (as of September 30, 2018) |

Percentage of ownership by shareholder composition

(as of September 30, 2018)



Principal shareholders (as of September 30, 2018)

| Name of shareholder | Shares held (Thousand shares) | Percentage of ownership (%) |
|--|-------------------------------|-----------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 41,263 | 4.3 |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 40,985 | 4.3 |
| Nippon Life Insurance Company | 24,532 | 2.6 |
| Sumitomo Corporation | 18,269 | 1.9 |
| Japan Trustee Services Bank, Ltd. (Trust Account 5) | 17,252 | 1.8 |
| Mizuho Bank, Ltd. | 16,299 | 1.7 |
| Sumitomo Mitsui Banking Corporation | 14,647 | 1.5 |
| Japan Trustee Services Bank, Ltd. (Trust Account 9) | 14,306 | 1.5 |
| Meiji Yasuda Life Insurance Company | 13,960 | 1.5 |
| MUFG Bank, Ltd. | 13,655 | 1.4 |
| Total | 215,172 | 22.6 |

Shareholder Benefits

| Summary of benefits | Applicable shareholders |
|--|--|
| Company calendar | Shareholders who own 500 or more shares as of the end of September |
| Plant tours (by lottery) | Shareholders who own 1,000 or more shares as of the end of September and March |
| Business briefings (by lottery) | |
| Invitation to football games of Kashima Antlers (by lottery) | Shareholders who own 5,000 or more shares as of the end of September and March |
| Invitation to concerts at Kioi Hall (by lottery) | |

NSSMC Group's Guiding Principles

Corporate Philosophy

Nippon Steel & Sumitomo Metal Corporation Group will pursue world-leading technologies and manufacturing capabilities, and contribute to society by providing excellent products and services.

Management Principles

1. We continue to emphasize the importance of integrity and reliability in our actions.
2. We provide products and services that benefit society, and grow in partnership with our customers.
3. We pursue world-leading technologies and manufacturing capabilities.
4. We continually anticipate and address future changes, innovative from within, and pursue unending progress.
5. We develop and bring out the best in our people to make our Group rich with energy and enthusiasm.

Information about NSSMC Shares

Shareholder Reference Information

| | |
|---|--|
| Fiscal year | April 1 to March 31 |
| General Meeting of Shareholders | Latter part of June |
| Record date for the General Meeting of Shareholders | March 31 |
| Record date for dividends | March 31, September 30 and such other date as determined by the Board of Directors |
| Number of shares in a unit of shares of the Company | 100 shares (revised on October 1, 2015) |
| Website for electronic public notices | http://www.nssmc.com/en/index.html/ |
| Articles of Incorporation and Regulations Relating to Shares | Articles of Incorporation and Regulations Relating to Shares are posted on NSSMC's website under "Investor Relations." |
| Registration agent | Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan |
| Place of business of registration agent (Mailing address and telephone enquiries) | Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Business Planning Department 8-4, Izumi 2-chome, Suginami-ku, Tokyo, 168-0063, Japan Telephone numbers (Toll free within Japan: 9 am-5 pm) Telephone number designated for NSSMC's shareholders: 0120-785-401 Main number of transfer agent: 0120-782-031 |

●Change of address, and request for sale and purchase of shares less than one unit

Please contact and consult with the securities firm in where you have an account.

Shareholders for whom special accounts have been opened due to their lack of an account in a securities firm should contact Sumitomo Mitsui Trust Bank, Limited, our administrator of the special accounts.

●Payment of accrued dividends

Please contact Sumitomo Mitsui Trust Bank, Limited, our registration agent.

●Fees concerning sale and purchase of less than one unit of shares

Charged at the amount specified separately (please refer to "Investor Relations" on NSSMC's website).

Information on how to receive dividends through a bank transfer

In place of the method of bringing the "Dividend Payment Form" to Japan Post Bank or a post office service counter, it is now possible to receive dividends in a faster, safer and more secure method, through a bank transfer to a bank deposit account or a Japan Post Bank savings account. If you have opened an account at a securities firm, you can also receive dividends from your securities firm account.

Regarding procedures for bank transfer payment method, etc., please contact the securities firm where you have opened an account, or Sumitomo Mitsui Trust Bank, Limited, our administrator of special accounts.

Information on the "Social Security and Tax Number System" with regard to shares

Since January 2016, the use of the Social Security and Tax Number has started for administrative procedures related to social security, taxation, and disaster response. The Social Security and Tax Number will be required in taxation procedures relating to shares. Therefore, shareholders who have had transactions with securities firms in or before December 2015 are required to notify their securities firm, etc. of their Social Security and Tax Number, before the first receipt of proceeds from sales or dividend payments made in or after January 2019.

Contact for inquiries about the notification of the Social Security and Tax Number

Shareholders whose shares are managed in securities accounts: Please contact your securities firm.

Shareholders with no transactions with securities firms: Sumitomo Mitsui Trust Bank, Limited,

Stock Transfer Agency Business Planning Department
0120-785-401 (toll free within Japan)

NIPPON STEEL & SUMITOMO METAL CORPORATION

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<http://www.nssmc.com/en/index.html/>