

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)

| | 1st half | | 2nd half | | | total | |
|--------------------------------|-------------|-------------|-------------|-------------|----------|-------|-------|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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 half | | 2nd half | | | total | |
|--------------|-------------|-------------|--------------|-------------|----------|-------|--|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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 half | | 2nd half | | | total | |
|--------|-------------|-------------|--------------|-------------|----------|--------------|--------------|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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)

| | 1st half | | 2nd half | | | total | |
|--------------------------------|-------------|-------------|-------------|-------------|----------|-------|-------|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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)

| | 1st half | | 2nd half | | | total | |
|--------------|-------------|-------------|--------------|-------------|----------|--------------|--------------|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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 half | | 2nd half | | | total | |
|--------------------------------|-------------|-------------|-------------|-------------|----------|-------|-------|
| | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half | | |
| 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)

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

2020FY *2

(thousands of yen / ton)

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

7. Export Ratio of Steel Products (Value basis)

2019FY *1

(%)

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

2020FY *2

(%)

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

8. Foreign Exchange Rate

(¥ / \$)

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

9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

| | Capital Expenditure | 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.