

February 14, 2025

To whom it may concern

Company Name: Nippon Steel Corporation
Name of Representative: Tadashi Imai, Representative Director, President and COO
(Code Number: 5401 TSE Prime, Nagoya Stock Exchange, Fukuoka Stock
Exchange, and Sapporo Securities Exchange)
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[Update on Disclosed Matters] Announcement of Conclusion of a Merger Agreement regarding a Merger
(Simplified Merger) between Nippon Steel Corporation and Nippon Steel Pipe Co., Ltd.

As announced in the press release titled "Notice Regarding the Conclusion of a MOU for the Reorganization of the Domestic ERW Steel Pipe Businesses of Nippon Steel Corporation, NIPPON STEEL METAL PRODUCTS CO.,LTD., Nippon Steel Pipe Co., Ltd., and NIPPON STEEL COATED STEEL PIPE Co., Ltd." dated as of August 1, 2024, four companies, NIPPON STEEL CORPORATION (hereinafter, "the Company"), its wholly-owned subsidiaries, NIPPON STEEL METAL PRODUCTS CO.,LTD. (hereinafter, "NIPPON STEEL METAL PRODUCTS") and Nippon Steel Pipe Co., Ltd. (hereinafter, "Nippon Steel Pipe"), and a wholly-owned subsidiary of NIPPON STEEL METAL PRODUCTS, NIPPON STEEL COATED STEEL PIPE Co., Ltd. (hereinafter, "NIPPON STEEL COATED STEEL PIPE"), have concluded a memorandum of understanding (MOU) regarding this business restructuring (hereinafter referred to as the "Business Restructuring") between the four companies. The Business Restructuring is intended to reform the domestic ERW steel pipe business into a more efficient business structure and further strengthen competitiveness, the business centered on the commercial rights for the construction steel pipe of Nippon Steel Pipe will be succeeded by NIPPON STEEL METAL PRODUCTS through a company split, and the remaining mechanical steel pipe business will be succeeded by the Company through an absorption-type merger of Nippon Steel Pipe (hereinafter referred to as the "Merger"). In addition, the commercial rights for mechanical steel pipes of NIPPON STEEL COATED STEEL PIPE will be transferred to the Company. The Company and Nippon Steel Pipe hereby announce that they have today decided to conclude a Merger Agreement between them regarding the Merger. At the Company, directors made the decision based on a mandate from the board of directors, and at Nippon Steel Pipe, the decision was made by a resolution of the board of directors. Details are as follows.

Since the Merger is a simplified merger of wholly owned subsidiaries, some disclosure items and details have been omitted.

Notes

1. Purpose of the Business Reorganization

The Company, NIPPON STEEL METAL PRODUCTS, Nippon Steel Pipe, and NIPPON STEEL COATED STEEL PIPE have contributed to meeting the various needs of their customers, mainly in the fields of construction steel pipe and mechanical steel pipe, by leveraging the strengths of each company. On the other hand, the business environment surrounding our group is expected to become even more challenging in the future due to accelerating structural changes such as prolonged sluggish domestic demand for steel products, domestic manpower shortage, electrification of automobiles, and globalization of customers and competition environment. In view of this, we will execute a business restructuring for the purpose of producing an efficient business structure and further strengthening our competitiveness, while optimizing the production structure at each company.

2. Summary of the Merger

(1) Schedule of the Merger

Date of decision to conclude the merger agreement	February 14, 2025
Date of conclusion of merger agreement	February 14, 2025
Scheduled date of closing (effective date)	April 1, 2025 (planned)

* Since this merger falls under the category of a simplified merger as stipulated in Article 796, Paragraph 2 of the Companies Act for the Company, and a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act for Nippon Steel Pipe, neither company will hold a general meeting of shareholders to approve the merger agreement.

(2) Method of the Merger

The merger will be an absorption-type merger, with the Company as the surviving company and Nippon Steel Pipe as the dissolving company, and Nippon Steel Pipe will be dissolved upon the merger.

(3) Details of the Allotment in Relation to the Merger

The Merger is a merger with a wholly owned subsidiary of the Company, and no shares or other money, etc. will be delivered.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights upon the Merger

Not applicable.

3. Outlines of the Companies Involved in the Merger

(1) The Company

1. Name	Nippon Steel Corporation
2. Location	2-6-1 Marunouchi, Chiyoda-ku, Tokyo
3. Name and Title of Representative	Tadashi Imai, Representative Director, President and COO
4. Description of Business Activities	Steelmaking and steel fabrication, engineering and

	construction, chemicals and materials, system solutions																				
5. Capital	JPY 569,519 million																				
6. Date of Incorporation	April 1, 1950																				
7. Number of Outstanding Shares	1,074,726,752 shares																				
8. Fiscal Year End	March 31																				
9. Major Shareholders and Shareholding Ratios (As of September 30, 2024)	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td> <td>13.2%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust Account)</td> <td>4.6%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>1.8%</td> </tr> <tr> <td>STATE STREET BANK WEST CLIENT - TREATY 505234</td> <td>1.6%</td> </tr> <tr> <td>Nomura Securities Co., Ltd.</td> <td>1.4%</td> </tr> <tr> <td>Meiji Yasuda Life Insurance Company</td> <td>1.3%</td> </tr> <tr> <td>JPMorgan Securities Japan Co., Ltd.</td> <td>1.2%</td> </tr> <tr> <td>Nippon Steel Group Employees Shareholding Association</td> <td>1.2%</td> </tr> <tr> <td>JP MORGAN CHASE BANK 385781</td> <td>1.1%</td> </tr> <tr> <td>Mizuho Bank, Ltd.</td> <td>1.0%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (Trust Account)	13.2%	Custody Bank of Japan, Ltd. (Trust Account)	4.6%	Nippon Life Insurance Company	1.8%	STATE STREET BANK WEST CLIENT - TREATY 505234	1.6%	Nomura Securities Co., Ltd.	1.4%	Meiji Yasuda Life Insurance Company	1.3%	JPMorgan Securities Japan Co., Ltd.	1.2%	Nippon Steel Group Employees Shareholding Association	1.2%	JP MORGAN CHASE BANK 385781	1.1%	Mizuho Bank, Ltd.	1.0%
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10. Financial Position and Operating Results for the Latest Fiscal Year (Consolidated/IFRS)																					
Fiscal Year	FY ended March 2024																				
Total Equity	JPY 5,355,878 million																				
Total Assets	JPY 10,714,627 million																				
Equity Attributable to Owners of the Parent per Share	JPY 5,187.32																				
Revenue	JPY 8,868,097 million																				
Business Profit*	JPY 869,657 million																				
Operating Profit	JPY 778,662 million																				
Profit Before Income Taxes	JPY 763,972 million																				
Profit for the Year Attributable to Owners of the Parent	JPY 549,372 million																				
Basic Earnings per Share	JPY 596.59																				

*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 Nippon Steel group'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 loss on disposal of fixed assets.

(2) Nippon Steel Pipe Co., Ltd.

1. Name	Nippon Steel Pipe Co., Ltd.
2. Location	1-1-3 Yurakucho, Chiyoda-ku, Tokyo
3. Name and Title of Representative	Akira Shinjo, President and Representative Director
4. Description of Business Activities	Manufacture and sale of steel pipes for motorcycles and automobiles, steel pipes for civil engineering works and construction, stainless steel pipes for automobiles and decorative purposes, and other various steel pipes
5. Capital	JPY 5,000 million
6. Date of Incorporation	August 12, 2022
7. Number of Outstanding Shares	50 shares
8. Fiscal Year End	March 31
9. Major Shareholders and Shareholding Ratios	100% owned by the Company
10. Financial Position and Operating Results for the Latest Fiscal Year (Nonconsolidated/Japanese GAAP)	
Fiscal Year	FY ended March 2024
Net Assets	JPY 58,667 million
Total Assets	JPY 85,243 million
Net Assets per Share	JPY 1,173,355,972.76
Net Sales	JPY 82,002 million
Operating Profit	JPY 2,560 million
Ordinary Profit	JPY 2,633 million
Net Profit for the Year	JPY 1,872 million
Earnings per Share	JPY 37,442,794.54

4. Situation after the Merger

There will be no changes in the Company's trade name, location of head office, name and title of the representative, business descriptions, paid-in capital, or fiscal year-end as a result of the Merger.

5. Future Prospects

Since the Merger is a merger with a wholly owned subsidiary of the Company, the impact of the Merger on the consolidated financial results is expected to be negligible.

(Reference) Consolidated Earnings Forecasts for the current Fiscal Year (released on February 6, 2025)
and Actual Consolidated Earnings Results for the Previous Fiscal Year of the Company

	Revenue	Business Profit	Profit for the Year Attributable to Owners of the Parent	Basic Earnings per Share
Current FY Forecasts (FY Ending March 31, 2025)	JPY 8,600,000 million	JPY 670,000 million	JPY 310,000 million	JPY 311.00
Previous FY Results, Actual (FY Ended March 31, 2024)	JPY 8,868,097 million	JPY 869,657 million	JPY 549,372 million	JPY 596.59

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