



Flash Report

Consolidated Basis

Results for the Third Quarter of Fiscal 2024

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

February 6, 2025

Company name: Stock listing: Code number: URL: Representative: Contact: Telephone: Scheduled date to commence dividend payments: Preparation of supplemental explanatory materials: Holding of financial results meeting:	NIPPON STEEL CORPORATION Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange 5401 https://www.nipponsteel.com/en/index.html 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)
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(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	%
Third Quarter of Fiscal 2024	6,552,498	(1.3)	566,125	(18.2)	566,125	(8.5)	548,013	(9.9)	386,394	(17.6)
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
Third Quarter of Fiscal 2024	362,077	(17.9)	377,615	(46.9)	368.01	346.52
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	%
Third Quarter of Fiscal 2024	11,024,351	5,848,630	5,255,337	47.7
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
Fiscal 2024	—	80.00	—		
Fiscal 2024 (Forecasts)				80.00	160.00

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.

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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)

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

The accompanying notes are integral parts of these statements.

(Millions of Yen)

LIABILITIES	March 31, 2024	December 31, 2024
Current liabilities :		
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
Total current liabilities	2,581,874	2,527,763
Non-current liabilities :		
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
Total non-current liabilities	2,776,874	2,647,957
Total liabilities	5,358,748	5,175,721
EQUITY		
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
Total equity attributable to owners of the parent	4,777,727	5,255,337
Non-controlling interests	578,150	593,292
Total equity	5,355,878	5,848,630
Total liabilities and equity	10,714,627	11,024,351

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)
Gross profit	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)
Business profit	692,371	566,125
Losses on reorganization	(73,688)	—
Operating profit	618,683	566,125
Finance income	17,174	14,480
Finance costs	(27,772)	(32,592)
Profit before income taxes	608,085	548,013
Income tax expense	(139,202)	(161,619)
Profit	468,882	386,394
Profit attributable to :		
Owners of the parent	440,914	362,077
Non-controlling interests	27,967	24,316
Earnings per share		
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
Total other comprehensive income, net of tax	241,666	(8,778)
Total comprehensive income	710,549	377,615
Comprehensive income attributable to:		
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)
Balance as of December 31, 2023	419,524	398,642	3,381,031	(58,123)	285,521	—

	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.