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June 19, 2025

To Whom It May Concern:

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Announcement Regarding the Recognition of Business Restructuring Loss

Nippon Steel Corporation ("Nippon Steel") expects to record a business restructuring loss in its consolidated financial results as a result of the Share Transfer (as defined below) for the fiscal year ending March 2026.

1. Recognition of Business Restructuring Loss

Now that the merger between our U.S. subsidiary and United States Steel Corporation has been completed, as announced in the "Notice of the Transfer of Equity Interests in AM/NS Calvert LLC through the Transfer of Share in NS Kote, Inc. at the Closing of USS Acquisition" dated October 11, 2024, the transfer of all shares of Nippon Steel's wholly-owned subsidiary, NS Kote, Inc. (a holding company that owns all of our equity of AM/NS Calvert LLC, an equity method investee of Nippon Steel) to ArcelorMittal S.A. (the "Share Transfer") is now certain.

As a result of the Share Transfer, Nippon Steel expects to record approximately 230 billion yen as a loss on reorganization in its consolidated financial statements upon completion of the Share Transfer, 100 billion yen of which is a cash loss and the rest is a non-cash loss. Although Nippon Steel had expected, in its non-consolidated financial statements, to record an extraordinary loss of about 100 billion yen, the profit and loss impact is expected to be minimal as a result of the change in scheme.

2. Future outlook

We will provide an updated full-year earnings forecast for the fiscal year ending March 2026 as soon as reasonably practicable.

Even if we revise our financial forecast to reflect the Share Transfer, the full-year dividend forecast for fiscal 2025 will not be changed due to the loss on reorganization.

Please refer to the financial statement for the fiscal year ending March 2025 (disclosed on May 9, 2025) for the previous period's consolidated results and Nippon Steel's current consolidated performance forecast.

https://www.nipponsteel.com/en/ir/library/pdf/20250509_200.pdf