



January 28, 2021

Company Name : Nippon Steel Corporation
Representative : Eiji Hashimoto
Representative Director and President
Stock listing : First Section of Tokyo Stock Exchange, and Nagoya,
Fukuoka and Sapporo Stock Exchanges
Code Number : 5401
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Announcement of Revision to Subsidiary's Earnings Forecasts

Today, Osaka Steel Co., Ltd., a subsidiary of Nippon Steel Corporation (the "Company"), announced revision to its earnings forecasts, as per the attachment.

The impact of the revision is immaterial with regard to the Company's consolidated financial results for fiscal 2020 ending March 31, 2021.



(Attachment)

January 28, 2021

Company name: Osaka Steel Co., Ltd.
 Representative: Taisuke NOMURA
 Representative Director and President
 (Code number: 5449, First Section of the TSE)
 Contact: Toshiyuki TANAKA
 General Manager of the Finance Department
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Notice Regarding Revision to Full-year Consolidated Financial Forecasts and Full-year Non-consolidated Financial Forecasts for Fiscal 2020 Ending March 31, 2021

Osaka Steel Co., Ltd. (the “Company”) announces that it has revised its full-year consolidated financial forecasts which were released at the time of announcement of the results for the first half of fiscal 2020 (on October 29, 2020) in light of recent performance trends, as stated below.

In addition, while the Company does not generally disclose its non-consolidated financial forecasts, as some differences are expected to arise between the results for the previous fiscal year, the Company hereby announces the details as follows.

Revision to Full-year Consolidated Financial Forecasts for Fiscal 2020 (April 1, 2020 – March 31, 2021)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A)	74,000	1,700	1,000	500	12.85
Revised Forecasts (B)	75,000	300	0	0	—
Increase/Decrease (B-A)	1,000	(1,400)	(1,000)	(500)	—
Change (%)	1.4	(82.4)	—	—	—
[Reference] Results for the Previous Fiscal Year Ended March 31, 2020 (C)	91,592	7,447	6,746	4,231	108.73

Difference between Results for the Previous Fiscal Year and Full-year Non-consolidated Financial Forecasts for Fiscal 2020 (April 1, 2020 – March 31, 2021)

	Net Sales	Operating Profit	Ordinary Profit	Profit	Earnings per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Results for the Previous Fiscal Year Ended March 31, 2020 (A)	58,778	7,039	6,739	(434)	(11.16)
Revised Forecasts (B)	52,000	700	1,300	1,000	25.69
Increase/Decrease (B-A)	(6,778)	(6,339)	(5,439)	1,434	—
Change (%)	(11.5)	(90.1)	(80.7)	—	—

Reasons for the Revision to Full-year Consolidated Financial Forecasts

As steel demand continues to dwindle mainly due to the COVID-19 pandemic, the prices of steel scrap, the Company's main raw material, are surging, causing the profit margin for steel to deteriorate. In light of this situation, the Company has revised its previously announced figures for net sales and ordinary profit of 74.0 billion yen and 1.0 billion yen, to 75.0 billion yen and 0.0 billion yen, respectively.

Difference between Full-year Non-consolidated Financial Forecasts and Results for the Previous Fiscal Year

In addition to the sluggish steel demand in Japan owing mainly to the COVID-19 pandemic, the surge in the prices of steel scrap, the Company's main raw material, has caused the business environment to deteriorate significantly. Accordingly, the Company expects that sales and profit will decrease compared with the results for the previous fiscal year.

Financial forecasts and other forward-looking information contained in this document are based on information currently available and certain assumptions deemed reasonable by the Company. Actual results may significantly differ from these forecasts due to various factors.