

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 Third 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         |
| 2019 FY        | 26.11       | 24.55       | 50.66    | 23.65       | 24.11            | 47.76         | 98.43         |
| 2020 FY        | 18.12       | 18.98       | 37.09    | 21.99       | (*)Approx. 23.50 | Approx. 45.50 | Approx. 82.60 |

(\*)METI forecast

#### 2. Inventory Volume

| At the end of: |      | Inventory at<br>manufacturers<br>and distributors<br>(million tons) | Inventory<br>/shipment ratio<br>(%) | Rolled sheets *1<br>(million tons) | H-flange beams *2<br>(million tons) |
|----------------|------|---|-------------------------------------|------------------------------------|-------------------------------------|
| 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  | (224.5)                             | 4.46                               | 0.178                               |
| June           | 2020 | 5.70  | (195.8)                             | 4.30                               | 0.166                               |
| Jul.           | 2020 | 5.35  | (173.6)                             | 3.97                               | 0.163                               |
| Aug.           | 2020 | 5.37  | (189.2)                             | 3.93                               | 0.162                               |
| Sep.           | 2020 | 5.16  | (161.3)                             | 3.67                               | 0.166                               |
| Oct.           | 2020 | 5.00  | (143.9)                             | 3.56                               | 0.166                               |
| Nov.           | 2020 | 5.07  | (152.5)                             | 3.54                               | 0.171                               |
| Dec. *3        | 2020 | 5.12  | (158.9)                             | 3.56                               | 0.178                               |

\*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

2019 FY \*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 |

2020 FY \*2 (million tons)

|              | 1st half    |             | 2nd half    |             |               | total         |               |
|--------------|-------------|-------------|-------------|-------------|---------------|---------------|---------------|
|              | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half      |               |               |
| Nippon Steel | 7.56        | 7.27        | 14.82       | 8.32        | Approx. 10.10 | Approx. 18.40 | Approx. 33.20 |

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      |               |               |
| 2019 FY | 12.44       | 11.82       | 24.27       | 11.24       | 11.55         | 22.79         | 47.05         |
| 2020 FY | 8.30        | 8.48        | 16.78       | 9.64        | Approx. 11.40 | Approx. 21.00 | Approx. 37.80 |

(Non-consolidated basis)

2019 FY \*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 |

2020 FY \*2 (million tons)

|              | 1st half    |             | 2nd half    |             |               | total         |               |
|--------------|-------------|-------------|-------------|-------------|---------------|---------------|---------------|
|              | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half      |               |               |
| Nippon Steel | 7.20        | 7.45        | 14.64       | 8.47        | Approx. 10.10 | Approx. 18.60 | Approx. 33.20 |

### 5. Steel Products Shipment

2019 FY \*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 |

2020 FY \*2 (million tons)

|              | 1st half    |             | 2nd half    |             |              | total         |               |
|--------------|-------------|-------------|-------------|-------------|--------------|---------------|---------------|
|              | 1st quarter | 2nd quarter | 3rd quarter | 4th quarter | 2nd half     |               |               |
| Nippon Steel | 7.12        | 7.33        | 14.46       | 7.93        | Approx. 8.90 | Approx. 16.80 | Approx. 31.20 |

## 6. Average Price of Steel Products

2019 FY \*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        | 87.0        | 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  |

2020 FY \*2 (thousands of yen / ton)

|              |             |             | 1st half |             |             | 2nd half   | total      |
|--------------|-------------|-------------|----------|-------------|-------------|------------|------------|
|              | 1st quarter | 2nd quarter |          | 3rd quarter | 4th quarter |            |            |
| Nippon Steel | 86.0        | 81.3        | 83.6     | 86.9        | Approx. 90  | Approx. 88 | Approx. 86 |

## 7. Export Ratio of Steel Products (Value basis)

2019 FY \*1 (%)

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

2020 FY \*2 (%)

|              |             |             | 1st half |             |             | 2nd half   | total      |
|--------------|-------------|-------------|----------|-------------|-------------|------------|------------|
|              | 1st quarter | 2nd quarter |          | 3rd quarter | 4th quarter |            |            |
| Nippon Steel | 39          | 37          | 38       | 33          | Approx. 37  | Approx. 35 | Approx. 36 |

## 8. Foreign Exchange Rate

(¥ / \$)

|         |             |             | 1st half |             |             | 2nd half    | total       |
|---------|-------------|-------------|----------|-------------|-------------|-------------|-------------|
|         | 1st quarter | 2nd quarter |          | 3rd quarter | 4th quarter |             |             |
| 2019 FY | 111         | 108         | 109      | 109         | 109         | 109         | 109         |
| 2020 FY | 108         | 106         | 107      | 105         | Approx. 105 | Approx. 105 | Approx. 106 |

## 9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

|         | Capital Expenditure | Depreciation  |
|---------|---------------------|---------------|
| 2019 FY | 481.3               | 417.3         |
| 2020 FY | Approx. 480.0       | Approx. 300.0 |

\*1 For 2019 FY, the table represents the total figures of Nippon Steel and Nippon Steel Nisshin Co., Ltd.  
(after the adjustment of transactions between them)

\*2 For 2020 FY, the table represents the figures after the merger of Nippon Steel Nisshin Co., Ltd.