



February 2, 2024

To Whom It May Concern:

Company Name: Nippon Steel Corporation
Representative: Eiji Hashimoto
Representative Director and President
Stock listing: Prime Market of Tokyo Stock Exchange, / Nagoya Stock
Exchange / Fukuoka Stock Exchange / Sapporo Securities
Exchange
Code Number: 5401
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**Announcement Regarding Differences between Subsidiary's Non-Consolidated Earnings Forecasts
for Fiscal 2023 and the Results for Fiscal 2022**

Today, Sanyo Special Steel Co., Ltd., a subsidiary of Nippon Steel Corporation (the "Company"), announced the differences between the non-consolidated earnings forecasts for fiscal 2023 and the results for fiscal 2022, as per the attachment.

The impact of the revision is immaterial with regard to the Company's consolidated financial results for fiscal 2023 ending March 31, 2024.

February 2, 2024

To Whom It May Concern,

Company Name: Sanyo Special Steel Co., Ltd.
 Representative: MIYAMOTO Katsuhiko,
 Representative Director and President
 (Code Number: 5481, TSE Prime Market)
 Contact: YANAGIMOTO Yutaka, General Manager,
 Accounting & Finance Department
 (Telephone: +81-79-235-6008)

Notice regarding Revision to Earnings Forecasts and Dividend Forecasts

Sanyo Special Steel Co., Ltd. (the “Company”) hereby announces that it has revised its full-year consolidated earnings forecasts and dividend forecasts for the fiscal year ending March 31, 2024, released on October 31, 2023, in light of its recent performance trend and other relevant factors.

Furthermore, the Company also hereby announces that differences are expected to arise between the full-year non-consolidated earnings forecasts for the above-mentioned fiscal year and the results for the fiscal year ended March 31, 2023.

1. Revision to the full-year earnings forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Revision to consolidated earnings forecasts

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of the Parent	Net Income Per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A)	380,000	20,000	20,000	14,000	256.95
Revised Forecasts (B)	355,000	11,400	12,000	8,500	156.01
Increase/Decrease (B-A)	-25,000	-8,600	-8,000	-5,500	
Change (%)	-6.6	-43.0	-40.0	-39.3	
(For Reference) Results for fiscal year ended March 31, 2023	393,843	28,492	28,856	20,743	380.70

(2) Revision to non-consolidated earnings forecasts

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecasts (A)	-	-	-	-	-
Revised Forecasts (B)	176,000	4,200	8,500	5,000	91.77
Increase/Decrease (B-A)	-	-	-	-	
Change (%)	-	-	-	-	
(For Reference) Results for fiscal year ended March 31, 2023 (C)	193,248	8,663	10,210	7,506	137.77
Increase/Decrease (B-C)	-17,248	-4,463	-1,710	-2,506	
Change (%)	-8.9	-51.5	-16.7	-33.4	

2. Reasons for the revision

Against the background of the slowdown of the Chinese economy among other relevant factors, demand has been in decline and huge inventory adjustment has taken place primarily in the construction/industrial machinery sector. In addition, the economy in Europe has continuously stagnated. Accordingly, the Company and Ovako, our European special steel manufacturing affiliate, are expected to see a sharp decline in their net sales volume for the second half of the fiscal year, an associated increase in production costs, and a deteriorated sales mix. These circumstances are likely to result in a significant fall in income in comparison with the previous forecasts (released on October 31, 2023), and therefore the Company has revised its full-year earnings forecasts.

3. Revision to dividend forecasts

(1) Details on the revision

	Annual Dividend Per Share (Yen)		
	End of First Half of Fiscal Year	End of Fiscal Year	Full Fiscal Year
Previous Forecasts (October 31, 2023)		65.00	100.00
Revised Forecasts		30.00	65.00
Actual for current fiscal year	35.00		
Actual for fiscal year ended March 31, 2023	55.00	45.00	100.00

(2) Reason for the revision

Following the revision to the full-year earnings forecasts for the fiscal year ending March 31, 2024, the Company has, with regret, revised its dividend forecasts as shown above.

Note: The above forecasts and other relevant details are based on judgments made by the Group of the Company in accordance with information that was available on the announcement date of this release. Please be aware that actual results may differ from the forecasts due to various uncertainties inherent in forecasts.