



April 26, 2024

To Whom It May Concern:

Company Name: Nippon Steel Corporation  
Representative: Tadashi Imai  
Representative Director and President and COO  
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 and Actual Results for the Fiscal Year Ended March 31, 2024 and Recording of Extraordinary Loss**

Today, OSAKA STEEL CO., LTD., a subsidiary of Nippon Steel Corporation (the "Company"), announced the differences between the non-consolidated financial forecast for the fiscal year ended March 31, 2024 announced on April 27, 2023 and the actual results and the recording of extraordinary loss in the non-consolidated financial results for the fiscal year ended March 31, 2024, as per the attachment.

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

(Attachment)



April 26, 2024

To whom it may concern:

Company Name: OSAKA STEEL CO., LTD.  
Representative: Taisuke Nomura,  
President and Representative Director  
(Code No. 5449 Tokyo Stock Exchange Standard Market  
Contact: Hidehiko Shimada,  
General Manager, Head of Accounting & Finance  
(TEL 06-6204-0163)  
(URL <http://www.osaka-seitetsu.co.jp>)

## Notice of Difference between Non-Consolidated Financial Forecast and Actual Results for the Fiscal Year Ended March 31, 2024 and Recording of Extraordinary Loss

We hereby announce the difference between the non-consolidated financial forecast for the fiscal year ended March 31, 2024 announced on April 27, 2023 and the actual results announced today as follows. We also announce that we have recorded the following extraordinary loss in our non-consolidated financial results for the fiscal year ended March 31, 2024.

### 1. Differences between non-consolidated financial forecasts and actual results for the fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)

	Net Sales	Operating profit	Ordinary profit	Profit	Earnings per share
Previous forecasts (A)	Million yen 90,000	Million yen 5,000	Million yen 5,300	Million yen 3,500	Yen 89.93
Actual results for the current period (B)	91,309	6,426	7,294	-1,684	—
Increase / Decrease (B-A)	1,309	1,426	1,994	-5,184	—
Percentage change (%)	1.5	28.5	37.6	—	—

### Reasons for Differences

Operating profit and ordinary profit increased more than initially expected as a result of self-help efforts to thoroughly improve costs and expand sales, as well as more stable than expected prices for scrap iron, the main raw material for the company's products.

However, profit was lower than initially expected due to the recording of extraordinary losses in the Company's non-consolidated financial results, as described below.

### 2. Details of Extraordinary Losses

#### (1) Impairment loss on investments in consolidated subsidiaries (non-consolidated)

PT. KRAKATAU OSAKA STEEL, a consolidated subsidiary of the Company, has significantly declined in real value, and the Company has recognized an impairment loss of 4.45 billion yen as a loss on valuation of stocks of subsidiaries and affiliates in the non-consolidated financial statements.

#### (2) Provision of allowance for doubtful accounts of subsidiaries and affiliates (non-consolidated)

As a result of assessing the collectability of receivables held by the Company from the above consolidated subsidiaries, the Company recorded 1,941 million yen as a provision for allowance for doubtful accounts in the non-consolidated accounts of the Company.

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