

February 24, 2026

To Whom It May Concern,

Company name:	Nippon Steel Corporation
Representative:	Tadashi Imai Representative Director, President and COO
(Code number:	5401, TSE Prime, NSE, FSE, and SSE)
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Announcement Regarding the Issuance of Zero Coupon Convertible Bonds Due 2029 and Zero Coupon Convertible Bonds Due 2031

Nippon Steel Corporation (the “Company”) hereby announces that the Company has decided to issue Zero Coupon Convertible Bonds (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) due 2029 (the “Bonds with Stock Acquisition Rights due 2029”) and Zero Coupon Convertible Bonds due 2031 (the “Bonds with Stock Acquisition Rights due 2031;” together with Bonds with Stock Acquisition Rights due 2029, collectively, the “Bonds with Stock Acquisition Rights”) pursuant to the decision of the Representative Director and President of the Company, upon a delegation by a resolution of its Board of Directors at a meeting held on February 17, 2026. The Company has determined to issue an aggregate principal amount of ¥550 billion of the Bonds with Stock Acquisition Rights. However, assuming that issuance terms consistent with the objectives of the issuance can be maintained, the Company may decide to increase the aggregate principal amount, taking into account investor demand and market conditions. To the extent the aggregate principal amount is increased, the total number of stock acquisition rights to be issued will also increase. However, there will be no changes to the intended use of proceeds. If the Company decides to increase the aggregate principal amount of the Bonds with Stock Acquisition Rights, it will promptly make an announcement.

Background and Purposes of the Issuance of the Bonds with Stock Acquisition Rights

The Company funded the consideration for the acquisition of U. S. Steel in June 2025 totaling approximately ¥2 trillion through a bridge credit facility and aims to refinance the outstanding balance through the most appropriate permanent financing arrangements. Additionally, to strengthen the Company’s earnings base and implement its global growth strategy—with a view toward the Company’s goal of achieving annual underlying consolidated business profits of ¥1 trillion or more and global crude steel production capacity of 100 million tons or more—the Company expects to make total capital and business investments of approximately ¥6 trillion over the next five years, including capital investments of approximately \$11 billion in U. S. Steel. The Company believes that it is therefore important to take advantage of growth opportunities in a prompt manner and raise funds at an early stage. Furthermore, while the Company currently maintains a sufficient level of equity capital, achieving sustainable medium- to long-term growth will require diversification of its financing methods, including enhancing capital efficiency by leveraging operating cash flows and asset sales, as well as debt financing, while securing investment funds and strengthening its financial base in order to support the next phase of its growth strategy. Accordingly, the Company has decided to issue the Bonds with Stock Acquisition Rights.

To date, the Company has repaid, in part, the bridge credit facility described above using (i) a portion of the proceeds of subordinated bonds issued and loans incurred in June 2024 and (ii) a subordinated loan incurred in September 2025. The Company plans to complete fundraising to refinance the outstanding balance of such bridge credit facility by implementing permanent financing arrangements, including the issuance of the Bonds with Stock Acquisition Rights and debt financing in the future.

Issuance of the Bonds with Stock Acquisition Rights due 2029

1. Securities Offered	¥275,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2029 (bonds with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>)
2. Issue Price	100.0%
3. Closing Date	March 12, 2026
4. Coupon	0%

Issuance of the Bonds with Stock Acquisition Rights due 2031

1. Securities Offered	¥275,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2031 (bonds with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>)
2. Issue Price	100.0%
3. Closing Date	March 12, 2026
4. Coupon	0%

Note: This press release has been prepared for the sole purpose of publicly announcing the issue and sale of the Bonds with Stock Acquisition Rights, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release is not an offer of the Bonds with Stock Acquisition Rights or any shares of the Company for sale in any jurisdiction, including the United States, and nothing in this press release shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. The Bonds with Stock Acquisition Rights and any shares of the Company may not be offered or sold in the United States absent registration or an exemption from registration under United States Securities Act of 1933 (the "Securities Act"). The Bonds with Stock Acquisition Rights and the shares of the Company have not been, and will not be registered under the Securities Act. No offering of the Bonds with Stock Acquisition Rights or any shares of the Company will be made in the United States.