

November 5, 2020

To whom it may concern

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Representative Director
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Notice Regarding the Difference Between Projected Consolidated Earnings and Actual Results for the First Six Months, Revisions to Full-Year Consolidated Earnings Projections, Dividends of Surplus (Interim Dividend), and Revisions to Year-End Dividend Projections for the Fiscal Year Ending March 31, 2021

NIPPON STEEL TRADING CORPORATION (the “Company”) hereby announces the difference between the projected consolidated earnings disclosed on August 6, 2020 and the actual results disclosed today for the first six months of the fiscal year ending March 31, 2021, as well as revisions to the full-year consolidated earnings projections for the fiscal year ending March 31, 2021.

In addition, at its board of directors meeting held on November 5, 2020, the Company resolved to pay dividends of surplus (interim dividend) with the record date of September 30, 2020, as described below. Furthermore, the Company announces that it has revised the year-end dividend projections for the fiscal year ending March 31, 2021.

1. Difference Between Projected Consolidated Earnings and Actual Results, and Revisions to Full-Year Consolidated Earnings Projections
 - (1) Difference between projected consolidated earnings and actual results for the first six months of the fiscal year ending March 31, 2021
(April 1, 2020 to September 30, 2020)

(Millions of yen, unless otherwise noted)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previously announced projections (A)	950,000	6,000	7,000	3,500	108.50
Actual results (B)	964,304	8,202	9,552	5,206	161.42
Changes (B–A)	14,304	2,202	2,552	1,706	
Percentage changes (%)	1.5	36.7	36.5	48.8	
Reference: First six-month results ended September 30, 2019	1,264,415	17,400	17,437	11,337	351.45

(2) Revisions to full-year consolidated earnings projections for the fiscal year ending March 31, 2021
(April 1, 2020 to March 31, 2021)

(Millions of yen, unless otherwise noted)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Previously announced projections (A)	2,000,000	19,000	20,000	10,000	310.00
Revised projections (B)	2,100,000	22,000	24,000	13,000	403.01
Changes (B–A)	100,000	3,000	4,000	3,000	
Percentage changes (%)	5.0	15.8	20.0	30.0	
Reference: Full-year results ended March 31, 2020	2,480,256	32,088	33,244	20,708	641.97

(3) Reasons for difference and revisions

The Company's consolidated earnings improved for the first six months of the fiscal year ending March 31, 2021, due to net sales in the Steel business exceeding expectations, cost reductions, etc., and net sales and each level of profit exceeded the previous projections.

Regarding the full-year earnings projections for the fiscal year ending March 31, 2021, in view of the results for the first six months and the current business environment, the projections have been revised upward.

2. Dividends of Surplus (Interim Dividend) and Revisions to Year-End Dividend Projections

(1) Dividends of surplus (interim dividend)

	Resolved amount	Latest projection (announced on August 6, 2020)	Previous-year amount (FYE March 31, 2020 Interim)
Record date	September 30, 2020	Same as left	September 30, 2019
Dividends per share (Yen)	50.00	35.00	115.00
Total dividends (Millions of yen)	1,613	–	3,710
Effective date	December 2, 2020	–	December 3, 2019
Source of dividends	Retained earnings	–	Retained earnings

(2) Revisions to year-end dividend projections

(Yen)

Record date	Dividends per share		
	2Q	Fiscal year end	Total
Previously announced projections	35.00	65.00	100.00
Revised projections		80.00	130.00
Dividends paid (FYE March 31, 2021)	50.00		
Dividends paid (FYE March 31, 2020)	115.00	85.00	200.00

(3) Reasons for revisions

In light of the results of the first six months exceeding previously disclosed projections, the interim dividend for the fiscal year ending March 31, 2021 was increased by ¥15 from the projected amount, to ¥50 per share.

In addition, because the full-year earnings projections have been revised upward, the projected year-end dividend has also been revised upward by ¥15 from the previously projected amount, to ¥80 per share. Including the interim dividend of ¥50, the annual dividend will be ¥130 per share.

Note: The preceding forward-looking statements regarding earnings projections and dividend projections are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results and dividends may differ materially from projections due to various factors.