Nippon Steel & Sumitomo Metal Corporation
Code Number: 5401
Listings: Tokyo, Nagoya, Sapporo and Fukuoka Stock Exchanges
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Supplementary Information on the Financial Results for the First Quarter of Fiscal 2018

Japanese Steel Industry

1. Crude Steel Production

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	26.09	25.94	52.04	26.39	26.41	52.80	104.84
2018FY	26.57	(*)Approx.26.54	Approx.53.11				

(*)METI forecast

2. Inventory Volume

At the end of:		Inventory at manufacturers and distributors (million tons)	Inventory /shipment ratio (%)	Rolled sheets *1 (million tons)	H-flange beams *2 (million tons)
June	2016	5.56	(146.6)	4.03	0.197
July	2016	5.39	(141.8)	3.91	0.191
Aug.	2016	5.67	(164.7)	4.05	0.187
Sep.	2016	5.61	(149.4)	3.97	0.180
Oct.	2016	5.61	(140.4)	3.96	0.177
Nov.	2016	5.43	(135.3)	3.83	0.173
Dec.	2016	5.48	(146.8)	3.81	0.177
Jan.	2017	5.60	(148.6)	3.89	0.186
Feb.	2017	5.64	(151.9)	3.88	0.200
Mar.	2017	5.37	(124.8)	3.80	0.201
Apr.	2017	5.54	(151.7)	3.88	0.197
May	2017	5.78	(155.9)	4.09	0.197
June	2017	5.56	(139.9)	4.01	0.193
July	2017	5.42	(142.0)	3.95	0.189
Aug.	2017	5.66	(158.4)	4.14	0.179
Sep.	2017	5.70	(145.4)	4.16	0.182
Oct.	2017	5.83	(150.1)	4.11	0.176
Nov.	2017	5.66	(139.2)	4.00	0.173
Dec.	2017	5.67	(149.2)	4.04	0.175
Jan.	2018	5.86	(157.5)	4.15	0.185
Feb.	2018	5.81	(154.4)	4.12	0.196
Mar.	2018	5.83	(140.8)	4.21	0.200
Apr.	2018	5.79	(145.8)	4.15	0.196
May.	2018	5.87	(150.1)	4.34	0.200
June. *3	2018	5.81	(141.8)	4.30	0.207

*1 Hot-rolled, cold-rolled and coated sheets

*2 Inventories of distributors dealing with H-flange beams manufactured by Nippon Steel & Sumitomo Metal Corporation

*3 Preliminary report

NSSMC

3. Pig Iron Production

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	9.92	10.13	20.05	10.08	10.49	20.57	40.61
2018FY	10.25	Approx.11.00	Approx.21.20				

Including Hokkai Iron & Coke Co., Ltd. and Nippon Steel & Sumikin Koutetsu Wakayama Corporation *1

4. Crude Steel Production

(Consolidated basis (The Company and its domestic consolidated subsidiaries))

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	11.44	11.69	23.12	11.68	12.02	23.70	46.82
2018FY	11.84	Approx.12.50	Approx.24.40			Approx.25.10	Approx.49.50

(Non-consolidated basis)

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	9.90	10.19	20.09	10.08	10.50	20.58	40.67
2018FY	10.29	Approx.11.00	Approx.21.30			Approx.22.00	Approx.43.30

Including Nippon Steel & Sumikin Koutetsu Wakayama Corporation *1

5. Steel Products Shipment

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	9.34	9.39	18.72	9.39	9.67	19.07	37.79
2018FY	9.57	Approx.10.20	Approx.19.80				

Including Nippon Steel & Sumikin Koutetsu Wakayama Corporation *1

6. Average Price of Steel Products

(thousands of yen / ton)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	84.0	83.0	83.5	86.0	85.7	85.8	84.7
2018FY	87.2	Approx.88	Approx.88				

Weighted average of the Company and Nippon Steel & Sumikin Koutetsu Wakayama Corporation *1

7. Export Ratio of Steel Products (Value basis)

(%)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	42	41	42	41	41	41	41
2018FY	41	Approx.42	Approx.41				

Weighted average of the Company and Nippon Steel & Sumikin Koutetsu Wakayama Corporation *1

8. Foreign Exchange Rate

(¥／$)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2017FY	111	111	111	113	110	111	111
2018FY	108	Approx.110	Approx.110				

9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

	Capital Expenditure	Depreciation
2017FY	411.9	340.7
2018FY *2	Approx.440.0	Approx.370.0

*1 Nippon Steel & Sumikin Koutetsu Wakayama Corporation was merged into NSSMC on April 1, 2018.

*2 except for impacts of transition to IFRS and other impacts