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March 31, 2026

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Director and President
(Securities code: 5408; Tokyo Stock
Exchange Prime Market)
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Notice Concerning Transfer of Non-current Assets and Recording of Extraordinary Income

The Company announces that at a Board of Directors meeting held on March 31, 2026, it has resolved to transfer non-current assets held by the Company. The details are as follows.

1. Reason for the Transfer

The Company will transfer the following non-current assets held by the Company for the purpose of raising funds for the new electric arc furnace investment announced on " Notice Concerning Investment in the New Electric Arc Furnace and Long-Term Targets to Realize the Long-Term Vision of Nakayama Steel Works Group " dated May 9, 2025.

2. Details of the Transfer

Name and location	Capital gain	Current situation
Name : Land Location : Kitayama 1-chome, Hirakata-city, Osaka-prefecture	2,362 million yen	Rental property

* The Company will not disclose the transfer price and book value at the request of the transferee.

* The capital gain is an approximate amount obtained by deducting the book value and various expenses from the transfer price.

3. Overview of the Transferee

The Company will not disclose the transferee at its request.

There are no capital, personnel, or business relationships between the transferee or any related parties and the Company that require reporting.

4. Schedule of the Transfer

(1)	Date of resolution by the Board of Directors	March 31,2026
(2)	Date of conclusion of the agreement	May 2026 (scheduled)
(3)	Date of delivery of the property	May 2026 (scheduled)

5. Outlook for the Future

Concerning the gain on the transfer associated with this matter, the Company expects to record such gain as extraordinary income (gain on sale of non-current assets) in the financial statement for the fiscal year ending March 31, 2027.

The earnings forecast for the fiscal year ending March 31,2027, including the impact of this transfer, is scheduled to be announced at the time of the announcement of the financial results for the fiscal year ending March 31,2026.