Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2014 (FY2014)

February 10, 2014

NISSHIN STEEL HOLDINGS CO., LTD.

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Overview of the Third Quarter (October 1 to December 31, 2013)

- Domestic steel demand continued steady mainly on automotive and building materials as positive effects of downward corrections of super-strong yen and relevant policies took hold, and sales surged with customers' move to beat the announced consumption tax hike.
- ZAM sales were steady at over 60,000 tons/month thanks primarily to brisk demand from the new energy market including such products as mega solar mounts.
- As to stainless steel, in addition to stable long-term contracts, signs of recovery emerged also in distributor sales, and we maintained our production cut and price-oriented sales stance to firm up the market.
- A malfunction of our blast furnace at the Kure Works occurred in November and even though we resumed normal operation in December, the relevant loss is estimated at approximately 4.0 billion yen – 2.0 billion yen each of operating loss and special loss.

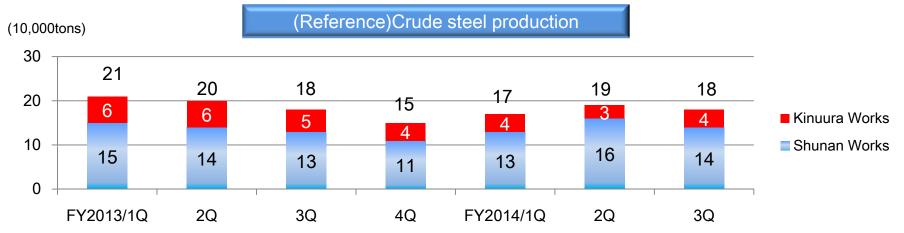
Consolidated operating results

| | | | | | | | | (0 | | ins or yen) |
|----------------------|-----------------------------------|----|----------|----------|-----------|----------|-----------|-----|------|--------------|
| | | | | FY2014 / | Apr - Dec | | FY2013 | | ffor | ence |
| | | | 1Q | 2Q | 3Q | | Apr - Dec | | liei | ence |
| | | | (Actual) | (Actual) | (Actual) | (Actual) | (Actual) | (i) | | (ii) |
| | | No | а | b | С | d | е | d-e | | c-b |
| Net sales | | 1 | 131.1 | 139.2 | 147.5 | 417.8 | 381.5 | 3 | 6.3 | 8.3 |
| Operating income | | 2 | 5.4 | 3.1 | 4.0 | 12.5 | (13.3) | 2 | 5.8 | 0.9 |
| Ordinary income | Ordinary Steel / Special Steel | 3 | 4.5 | 1.8 | 4.5 | 10.8 | (9.7) | 2 | 0.5 | 2.7 |
| | Stainless Steel | 4 | 1.5 | 5.0 | 0.0 | 6.5 | (3.5) | 1 | 0.0 | (5.0) |
| | total | 5 | 6.0 | 6.8 | 4.5 | 17.3 | (13.2) | 3 | 0.5 | (2.3) |
| Net income | | 6 | 4.9 | 4.2 | 2.9 | 12.0 | (28.5) | 4 | 0.5 | (1.3) |
| | | | | | | | | | | |
| Inventory evaluation | Ordinary Steel / Special Steel | 7 | 0.0 | 0.0 | 1.5 | 1.5 | (6.0) | | 7.5 | 1.5 |
| | Stainless Steel | 8 | 1.0 | (0.5) | 1.0 | 1.5 | (3.5) | | 5.0 | 1.5 |
| | total | 9 | 1.0 | (0.5) | 2.5 | 3.0 | (9.5) | 1 | 2.5 | 3.0 |

(Billions of ven)

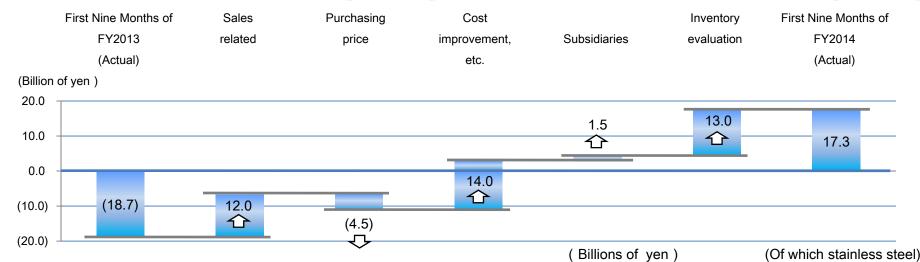
Other Information

| | | | | FY2014 / | Apr - Dec | FY2013 | Differ | ence | |
|------------------------------------------------------|--------------------------------|----|----------|----------|-----------|----------|-----------|------|--------|
| | | | 1Q | 2Q | 3Q | | Apr - Dec | | |
| | | | (Actual) | (Actual) | (Actual) | (Actual) | (Actual) | (i) | (ii) |
| | | No | а | b | С | d | е | d-e | c-b |
| Crude steel production | Ordinary Steel / Special Steel | 1 | 81 | 81 | 73 | 235 | 246 | (11) | (8) |
| (10,000tons) | Stainless Steel | 2 | 17 | 19 | 18 | 54 | 59 | (5) | (1) |
| | total | 3 | 98 | 100 | 91 | 289 | 305 | (16) | (9) |
| Sales volume | Ordinary Steel / Special Steel | 4 | 75 | 73 | 79 | 227 | 228 | (1) | 6 |
| (10,000tons) | Stainless Steel | 5 | 13 | 15 | 14 | 42 | 47 | (5) | (1) |
| | total | 6 | 88 | 88 | 93 | 269 | 275 | (6) | 5 |
| Average sales price of steel products(1,000yen/tons) | | 7 | 119 | 123 | 122 | 121 | 119 | 2 | (1) |
| Export ratio(monetary basis;%) | | 8 | 17 | 15 | 17 | 16 | 16 | 0 | 2 |
| Export exchange rate(ye | en/US\$) | 9 | 99 | 99 | 100 | 100 | 80 | 20 | 1 |



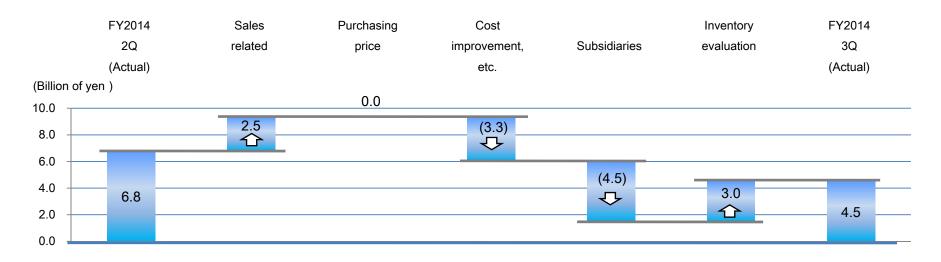
Breakdown of Differences in Ordinary Income

(First Nine Months of FY2013(Actual) vs First Nine Months of FY2014(Actual))



| | | Breakdown | |
|-------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| First Nine Months of FY2013(Actual) | (18.7) | ※1 First Nine Months of FY2013 results include Nippon Metal Industry's first 6-months figure(5.5) | (9.0) |
| Sales related | 12.0 | Volume and composition difference 2.5, Export exchange difference 9.5 | 6.0 |
| Purchasing price | (4.5) | Iron ore 4.5, Coking coal 8.5, Oil 0.5, Nickel 6.5, Import exchange difference(24.5) | (3.5) |
| Cost improvement, etc. | 14.0 | Change in depreciation method 5.5, Additional profit-improvement measures 2.0, Facilities trouble at Sakai works(1.0), Malfunction of BF at Kure works(1.0), Stable operation of BF(1.0), Rationalization, etc. | 6.5 |
| Subsidiaries | 1.5 | Domestic consolidated subsidiaries | 1.0 |
| Inventory evaluation | 13.0 | (10.0)→3.0 (Of which, Stainless steel (4.0)→1.5) ※2 First Nine Months of FY2013 results include Nippon Metal Industry's first 6-months figure(0.5) | 5.5 |
| Total | 36.0 | | 15.5 |
| First Nine Months of FY2014(Actual) | 17.3 | | 6.5 |

NISSHIN STEEL HOLDINGS Breakdown of Differences in Ordinary Income (2Q of FY2014(Actual) vs 3Q of FY2014(Actual))



(Billions of yen) (Of which stainless steel)

| 2Q of FY2014(Actual) | 6.8 | Breakdown | 5.0 | | | |
|------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--|--|--|
| Sales related | 2.5 | Price difference 2.5 | (0.5) | | | |
| Purchasing price | 0.0 | Iron ore(1.0), Coking coal 0.5, Nickel 0.5, Import exchange difference(1.0) | 0.0 | | | |
| Cost improvement, etc. | (3.3) | Facilities trouble at Sakai works 0.5, Malfunction of BF at Kure works(1.0), Stable operation of BF(1.0), Renovation of steelmaking at Shunan works, Rationalization, etc. | | | | |
| Subsidiaries | (4.5) | Overseas consolidated subsidiaries | (4.5) | | | |
| Inventory evaluation | 3.0 | $(0.5)\rightarrow 2.5$ (Of which, Stainless steel $(0.5)\rightarrow 1.0$) | 1.5 | | | |
| Total | (2.3) | | (5.0) | | | |
| 3Q of FY2014(Actual) | 4.5 | | 0.0 | | | |

© NISSHIN STEEL HOLDINGS Consolidated Balance Sheet (Summary)

(Billions of yen)

| | | vs Mar 31,2013 | Main breakdown |
|---------------------------------------------|-------|----------------|--------------------------------------------------------------------------------------------------------|
| Cash on hand and in banks | 38.5 | | |
| Accounts receivable | 79.9 | 5.5 | |
| Inventories | 141.3 | 2.9 | |
| Other current assets | 29.8 | 8.0 | |
| Tangible and Intangible fixed assets | 266.1 | 1.3 | Depreciation(17.1), Acquisition 18.2 |
| Investments in securities | 166.4 | 14.8 | Increase in foreign currency translation adjustment of affiliates 5.6, potential stock gains 8.3 |
| Total assets | 722.2 | 27.9 | |
| | | | |
| Interest-bearing debt | 323.4 | (10.1) | |
| Other liabilities | 196.5 | 15.1 | |
| Total liabilities | 520.0 | 5.0 | |
| Common stock and additional paid-in capital | 120.0 | - | Net income 12.0 |
| Retained earnings | 60.4 | 10.6 | Foreign currency translation adjustment 7.9 |
| Treasury stock, at cost Accumulated other | (8.7) | (0.0) | |
| Comprehensive income | 22.6 | 11.8 | |
| Minority interests | 7.8 | 0.4 | |
| Total net assets | 202.2 | 22.9 | |
| Total liabilities and net assets | 722.2 | 27.9 | |

© NISSHIN STEEL HOLDINGS Consolidated Earnings Forecasts

Overview of the Forecasts for FY2014

- For the rest of the FY, we intend to increase our output and sales volume of ordinary and special steel products, as domestic steel demand is expected to stay robust.
- In terms of stainless steel, we will continue our reduced production and price-oriented sales stance, and strive to create new markets with our customers through the development of new products and applications.
- Though we expect increases of our subsidiaries' profits and inventory evaluation as compared with the previous forecast, we intend to revise downward ordinary income to 18.0 billion yen due to the loss attributable to the above blast furnace malfunction.
- For reducing our total assets and strengthening our financial position, we sold the land and buildings that our subsidiary owned in Setagaya, Tokyo. The relevant special gain of approximately 2.9 billion yen will be posted in the 4th quarter.

Consolidated Earnings Forecasts

(Billions of yen)

| | | | | | FY2014 | | | FY2014 | | |
|----------------------|-----------------------------------|----|----------|----------|----------|------------|------------|-----------|--------|--------|
| | | | 10 | ~~~ | | | 1 | | Differ | ence |
| | | | 1Q | 2Q | 3Q | 4Q | | (Previous | | |
| | | | (Actual) | (Actual) | (Actual) | (Forecast) | (Forecast) | forecast) | (i) | (ii) |
| | | No | а | b | С | d | е | f | d-c | e-f |
| Net sales | | 1 | 131.1 | 139.2 | 147.5 | 153.2 | 571.0 | 548.0 | 5.7 | 23.0 |
| Operating income | | 2 | 5.4 | 3.1 | 4.0 | 3.0 | 15.5 | 17.0 | (1.0) | (1.5) |
| Ordinary income | Ordinary Steel / Special Steel | 3 | 4.5 | 1.8 | 4.5 | 1.2 | 12.0 | 15.0 | (3.3) | (3.0) |
| | Stainless Steel | 4 | 1.5 | 5.0 | 0.0 | (0.5) | 6.0 | 4.0 | (0.5) | 2.0 |
| | total | 5 | 6.0 | 6.8 | 4.5 | 0.7 | 18.0 | 19.0 | (3.8) | (1.0) |
| Net income | | 6 | 4.9 | 4.2 | 2.9 | 2.5 | 14.5 | 15.5 | (0.4) | (1.0) |
| | | | | | | | | | | |
| Inventory evaluation | Ordinary Steel / Special Steel | 7 | 0.0 | 0.0 | 1.5 | 1.0 | 2.5 | 0.5 | (0.5) | 2.0 |
| | Stainless Steel | 8 | 1.0 | (0.5) | 1.0 | 0.0 | 1.5 | 0.0 | (1.0) | 1.5 |
| | total | 9 | 1.0 | (0.5) | 2.5 | 1.0 | 4.0 | 0.5 | (1.5) | 3.5 |

Other Information

| | | | FY2013 | | | FY2014 | | | FY2014 | Differ | ence |
|---------------------------------------|-----------------------------------|----|----------|----------|----------|----------|------------|------------|-----------|--------|--------|
| | | | 2nd half | 1Q | 2Q | 3Q | 4Q | | (Previous | Dinor | enee |
| | | | (Actual) | (Actual) | (Actual) | (Actual) | (Forecast) | (Forecast) | forecast) | (i) | (ii) |
| | | No | а | b | с | d | е | f | g | e-d | f-g |
| Crude steel production | Ordinary Steel / Special Steel | 1 | 163 | 81 | 81 | 73 | 84 | 319 | 329 | 11 | (10) |
| (10,000tons) | Stainless Steel | 2 | 33 | 17 | 19 | 18 | 19 | 73 | 68 | 1 | 5 |
| | total | 3 | 196 | 98 | 100 | 91 | 103 | 392 | 397 | 12 | (5) |
| Sales volume | Ordinary Steel / Special Steel | 4 | 159 | 75 | 73 | 79 | 82 | 309 | 312 | 3 | (3) |
| (10,000tons) | Stainless Steel | 5 | 30 | 13 | 15 | 14 | 17 | 59 | 57 | 3 | 2 |
| | total | 6 | 189 | 88 | 88 | 93 | 99 | 368 | 369 | 6 | (1) |
| Average sales pric (1,000yen/tons) | ce of steel products | 7 | 114 | 119 | 123 | 122 | 124 | 122 | 122 | 2 | 0 |
| Export ratio(mone | tary basis;%) | 8 | 16 | 17 | 15 | 17 | 16 | 16 | 16 | (1) | 0 |
| Export exchange r | ate(yen/US\$) | 9 | 87 | 99 | 99 | 100 | 100 | 100 | 100 | 0 | 0 |

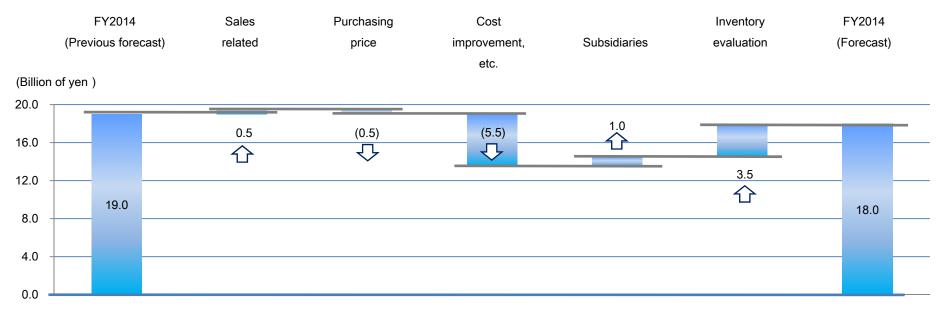
Breakdown of Differences in Ordinary Income (3Q of FY2014(Actual) vs 4Q of FY2014(Forecast))



(Billions of yen) (Of which stainless steel)

| 30 | Q of FY2014(Actual) | 4.5 | Breakdown | 0.0 |
|----|------------------------|-------|------------------------------------------------------------------------|-------|
| | Sales related | 1.5 | Price difference 0.5, Volume and composition difference 1.0 | 1.0 |
| | Purchasing price | (1.0) | Nickel (1.0) | (1.0) |
| | Cost improvement, etc. | (2.8) | Foreign currency exchange(1.5), Labor cost(1.5), Rationalization, etc. | 0.5 |
| | Subsidiaries | 0.0 | | 0.0 |
| | Inventory evaluation | (1.5) | 2.5→1.0 (Of which, Stainless steel $1.0 \rightarrow 0.0$) | (1.0) |
| | Total | (3.8) | | (0.5) |
| 4 | Q of FY2014(Forecast) | 0.7 | | (0.5) |

Solution Street Holdings Street Holdings Breakdown of Differences in Ordinary Income (FY2014(Previous forecast) vs FY2014(Forecast))



(Billions of yen) (Of which, stainless steel)

| FY2 | 014(Previous forecast) | 19.0 | Breakdown | 4.0 |
|-----|------------------------|-------|-----------------------------------------------------------------------------------------------------------|-----|
| | Sales related | 0.5 | Price difference 0.5 | 0.0 |
| | Purchasing price | (0.5) | | 0.0 |
| | Cost improvement, etc. | (5.5) | Stable operation of BF(2.0), Malfunction of BF at Kure works(2.0), Labor cost(1.5), Rationalization, etc. | 0.0 |
| | Subsidiaries | 1.0 | Domestic consolidated subsidiaries | 0.5 |
| | Inventory evaluation | 3.5 | $0.5 \rightarrow 4.0$ (Of which, Stainless steel $0.0 \rightarrow 1.5$) | 1.5 |
| | Total | (1.0) | | 2.0 |
| FY2 | 014(Forecast) | 18.0 | | 6.0 |

Cash Dividends

We have decided to pay year-end cash dividend of ¥15.0 per share for stable shareholder returns.

【 Basic Policies Regarding Decision on Profit Distribution 】 For distributing appropriate surplus dividends according to consolidated results, the Company has a policy of providing stable returns to shareholders that takes into account the securing of internal reserves necessary to future business development that will improve the Company's corporate value and future performance prospects.

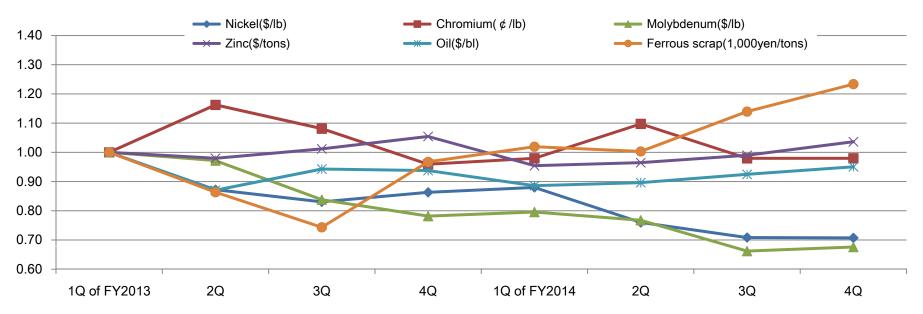




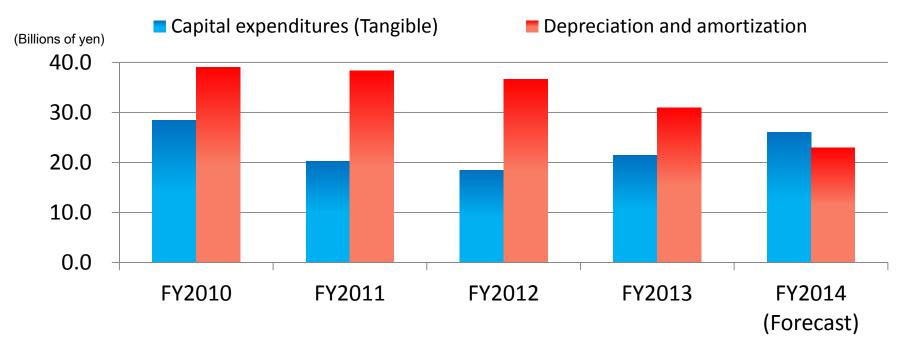
Purchasing Price

| | | | | FY201 | 3 | | | FY2014 | | | | | | |
|----------------------------------|-------|--------|-----------|-------|----------|-----------|-----------|----------|-------|-----------|----------|------------------|-------|-------------------------|
| | | 1st ha | alf | | 2nd half | | | 1st half | | | 2nd half | | | |
| | 1Q | 2Q | (Average) | 3Q | 4Q | (Average) | (Average) | 1Q | 2Q | (Average) | | (Forecast) 4Q | | (Forecast) (Average) |
| Nickel(\$/lb) | 8.92 | 7.78 | 8.35 | 7.41 | 7.70 | 7.56 | 7.95 | 7.85 | 6.78 | 7.32 | 6.32 | 6.31 | 6.32 | 6.82 |
| Chromium(¢ /lb) | 123.0 | 143.0 | 133.0 | 133.0 | 118.0 | 125.5 | 129.3 | 120.5 | 135.0 | 127.8 | 120.5 | 120.5 | 120.5 | 124.1 |
| Molybdenum(\$/lb) | 14.2 | 13.8 | 14.0 | 11.9 | 11.1 | 11.5 | 12.8 | 11.3 | 10.9 | 11.1 | 9.4 | 9.6 | 9.5 | 10.3 |
| Zinc(\$/tons) | 1,928 | 1,889 | 1,909 | 1,951 | 2,033 | 1,992 | 1,950 | 1,840 | 1,860 | 1,850 | 1,909 | 1,998 | 1,954 | 1,902 |
| Oil(\$/bl) | 115.7 | 100.7 | 108.2 | 109.1 | 108.5 | 108.8 | 108.5 | 102.5 | 103.7 | 103.1 | 107.0 | 110.0 | 108.5 | 105.8 |
| Ferrous scrap (1,000yen/tons) | 30.8 | 26.6 | 28.7 | 22.9 | 29.8 | 26.4 | 27.5 | 31.4 | 30.9 | 31.2 | 35.1 | 38.0 | 36.6 | 33.9 |

Transition of Purchasing Price (1.00 : 1Q of FY2013)



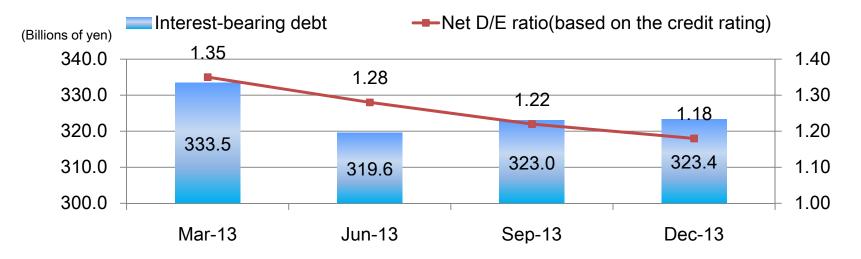
Capital Expenditures (Tangible)/ Depreciation and Amortization



(Billions of yen)

| | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 (Forecast) |
|---------------------------------|--------|--------|--------|--------|----------------------|
| Capital expenditures (Tangible) | 28.4 | 20.3 | 18.5 | 21.5 | 26.0 |
| Depreciation and amortization | 39.0 | 38.4 | 36.6 | 30.9 | 23.0 |

Interest-bearing debt and Net D/E ratio, etc.



| | Mar-13 | Jun-13 | Sep-13 | Dec-13 |
|--------------------------------------------------|--------|--------|--------|--------|
| Cash on hand and in banks(Billions of yen) | 43.2 | 30.4 | 37.9 | 38.5 |
| Interest-bearing debt(Billions of yen) | 333.5 | 319.6 | 323.0 | 323.4 |
| Net D/E ratio | 1.69 | 1.59 | 1.51 | 1.47 |
| (based on the credit rating) ※ | 1.35 | 1.28 | 1.22 | 1.18 |

※ Hybrid securities that are accepted as capital according to the credit rating by the Japan Credit Rating Agency

(Interest payment deferral provision-unsecured corporate bond with prepayment provision <subordinated corporate bond-limited to qualified institutional investors>) Net D/E ratio for 5billion yen, 50% of which is considered to be capital.

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