

March 1, 2016

Company Name: Nippon Steel & Sumitomo Metal Corporation  
Representative: Kosei Shindo  
Representative Director and President  
(Code Number: 5401)

Notice Regarding Revisions to the Fair Rules for the Acquisition of Substantial Shareholdings (Takeover Defense Measure) and Filing and Withdrawal of the Shelf Registration of Stock Acquisition Rights

Nippon Steel & Sumitomo Metal Corporation (“NSSMC”) has conducted, at its Board of Directors (the “Board”) meeting held today, an examination and review of the Fair Rules for the Acquisition of Substantial Shareholdings (Takeover Defense Measure) (the “Plan”), which was adopted in March 2006 and renewed in March 2012, in accordance with the provisions of the Plan, and has decided to revise the Plan in order to further enhance the fairness and reliability of the Plan. The main revisions are the following three points:

- Require shareholder approval to adopt and renew the Plan (a change from the system of the Plan being adopted by the Board with countermeasures implemented via shareholder approval to a system of the Plan being adopted by shareholders and countermeasures implemented via shareholder approval);
- Newly establish the “Independent Committee”, and change the procedure to issue stock acquisition rights as a countermeasure to a takeover exceptionally solely by a Board resolution without shareholder approval in cases where the bidder does not comply with the Plan or in other cases stipulated in the Plan; and
- Shorten the term of the Plan from six years to three years

NSSMC will confirm the will of shareholders on the detailed proposal for the Plan reflecting these revisions at its general meeting of shareholders to be held in late June, 2016. Details will be announced soon after they are determined.

In addition, NSSMC has determined, at the Board meeting held today, to newly file a shelf registration of stock acquisition rights (the “Shelf Registration”) to the extent necessary to maintain the currently effective Plan. On March 8, 2016, NSSMC will accordingly withdraw the shelf registration of stock acquisition rights which was announced on March 4, 2014 and filed on April 2, 2014.

< Outline of Shelf Registration >

(i) Type of Securities Subject to Shelf Registration	Stock Acquisition Rights
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(ii) Planned Registration Period	Two years elapsing from the effective date of the Shelf Registration (from March 9, 2016 to March 8, 2018)
(iii) Way of Allotment	Gratis Allotment of the Stock Acquisition Rights
(iv) Amount of Scheduled Issuance	0 yen (Note 1) 2,000,000,000 yen (Note 2)
	Notes <ul style="list-style-type: none"> <li>1. Refers to the aggregate issuance amount of the Stock Acquisition Rights.</li> <li>2. Refers to the total amount of the aggregate issuance amount of the Stock Acquisition Rights and the amount to be paid upon exercise of the Stock Acquisition Rights.</li> </ul>

The currently effective Plan is also posted on NSSMC's website at <http://www.nssmc.com>.

For inquiries,

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