

May 9, 2019

To Whom It May Concern

Company Name: Nippon Steel Corporation  
Representative: Eiji Hashimoto  
Representative Director and President  
(Code Number: 5401, First Section of the TSE, First Section of  
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**Notice Regarding Non-Renewal of the Fair Rules for the Acquisition of Substantial Shareholdings (Takeover Defense Measures for the Protection and Enhancement of Shareholders' Common Interests)**

Nippon Steel Corporation (the “Company”) has resolved, at the meeting of its Board of Directors held today, not to renew the Fair Rules for the Acquisition of Substantial Shareholdings (Takeover Defense Measures for the Protection and Enhancement of Shareholders’ Common Interests) (the “Plan”), whose effective term expires at the closing of the ordinary general meeting of shareholders to be held in June 2019 (the “General Meeting of Shareholders”).

The Company adopted the Plan in March 2006, in order to protect and enhance the common interests of its shareholders, and since that time has continued the Plan to date through several revisions and renewals.

In the meantime, the Company has been striving to enhance its corporate value through implementing the business integration of Nippon Steel Corporation and Sumitomo Metal Industries, Ltd., making Nisshin Steel Co., Ltd. a wholly owned subsidiary, making Ovako AB and Sanyo Special Steel Co., Ltd. a subsidiary, executing the joint acquisition of Essar Steel India Limited in cooperation with ArcelorMittal (planned) and other efforts. The Company intends to further enhance its corporate value by steadily implementing the 2020 Mid-Term Management Plan launched in March 2018, further improving its capabilities in terms of technology, cost and being global, and continuously advancing towards becoming “the best steelmaker with world-leading capabilities.”

While implementing these measures, the Company has decided not to renew the Plan, whose effective term expires at the closing of the General Meeting of Shareholders, as a result of deliberation considering recent situations, as well as opinions raised by shareholders including domestic and overseas institutional investors, regarding takeover defense measures.

Even after the termination of the Plan, in the event a third party proposes the acquisition of substantial shareholdings in the Company or other related activities, the Company will make efforts to enable its shareholders to make an appropriate informed judgment based on sufficient information and with a reasonable time period to consider such proposal, and if the proposal is reasonably judged to damage the Company's corporate value, which could result in harm to the common interests of the Company's shareholders, the Company will aim to protect its corporate value and the common interests of its shareholders by taking prompt and appropriate measures to the extent permitted under the then applicable laws and regulations.