



NIPPON STEEL & SUMITOMO METAL

To Our Shareholders



On October 1, 2012, Nippon Steel Corporation and Sumitomo Metal Industries, Ltd. have merged to become Nippon Steel & Sumitomo Metal Corporation.

The climate of the steel industry is changing faster and more drastically than ever. In facing this challenge, we will act speedily and bravely in order to raise our corporate value and achieve sustainable growth. We aim to be “the Best Steelmaker with World-Leading Capabilities” by taking four major initiatives: 1) globalize the steel business; 2) pursue and excel with advanced technologies; 3) reduce costs; and 4) strengthen non-steel businesses.

Using our world-renowned technological prowess and manufacturing strength, we strive to contribute to global economic growth and creation of an enriched society.

We would like to ask your continued understanding and support for this.

NIPPON STEEL & SUMITOMO METAL CORPORATION

Shoji Muneoka, Chairman & CEO Hiroshi Tomono, President & COO

NSSMC Group's Corporate Philosophy

Our Values

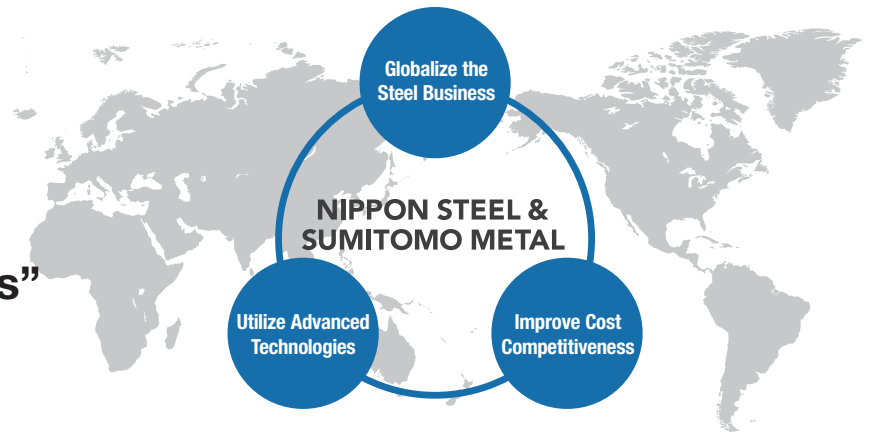
Nippon Steel & Sumitomo Metal Corporation Group will pursue world-leading technologies and manufacturing capabilities, and contribute to society by providing excellent products and services.

Management Principles

1. We continue to emphasize the importance of integrity and reliability in our actions.
2. We provide products and services that benefit society, and grow in partnership with our customers.
3. We pursue world-leading technologies and manufacturing capabilities.
4. We continually anticipate and address future changes, innovate from within, and pursue unending progress.
5. We develop and bring out the best in our people to make our Group rich with energy and enthusiasm.

Management Policy

**Aiming to become
“the Best Steelmaker with
World-Leading Capabilities”**



1 Globalize the Steel Business

Each business segment of the engineering, chemicals, new materials and system solutions will seek greater inter-business synergies with the steel business, thus contributing to improvement in the NSSMC Group.

2 Utilize Advanced Technologies

Each business segment of the engineering, chemicals, new materials and system solutions will seek greater inter-business synergies with the steel business, thus contributing to improvement in the NSSMC Group.

3 Improve cost competitiveness

NSSMC aims to realize synergies of around 150 billion yen per year within around three years. We strive to achieve the target synergies at an early stage and to increase the synergies amount. In addition, we will continue to make efforts to reduce costs to attain cost competitiveness which enables us to compete more effectively on a global basis.

4 Reinforce non-steel business segments

Each business segment of the engineering, chemicals, new materials and system solutions will seek greater inter-business synergies with the steel business, thus contributing to improvement in the NSSMC Group.

**NSSMC's
Logo**



The central triangle in the logo represents a blast furnace and the people who create steel. It symbolizes steel, indispensable to the advancement of civilization, brightening all corners of the world. The center point can be viewed as a summit, reflecting our strong will to become the world's leading steelmaker. It can also be viewed as depth, with the vanishing point representing the unlimited future potential of steel as a material. The cobalt blue and sky blue color palette represents innovation and reliability.

Organizational Operation

NSSMC is a business holding company, which comprises five businesses: the steelmaking, engineering, chemicals, new materials, and system solutions.

5 Businesses



NSSMC GROUP

Operation primarily through
7 product-based units

Steelmaking Business



Engineering Business

Chemicals Business

New Materials Business

System Solutions Business

Technical Research & Development Bureau

The NSSMC Group has research laboratories in Futtsu, Amagasaki and Hasaki. These laboratories lead the world in manufacturing technology development that includes new product development and process improvement, chiefly in high-growth sectors, as well as basic research to support these sectors.



Research & Engineering Center (Futtsu)



Amagasaki Research and Development Center



Plate

The Plate Unit contributes to the safety of structures and enhancement of our customers' competitiveness by delivering high-performance steel plates that are used to build large steel structures that help support industry and society, such as buildings, bridges and high-rise buildings. These steel plates are also used in the energy sector to build marine structures involved in oil and natural gas extraction, tanks and other structures.



Flat Products

The Flat Products Unit delivers sheet steel that is used to make automobiles, electrical appliances, building materials, housing, beverage cans, transformers and other goods that support industry and modern living. In Japan, the Unit has supply and service system quite close to customers. In overseas markets, the Unit is expanding manufacturing and processing plants mainly in emerging countries.



Bar & Wire Rod

The Bar & Wire Rod Unit delivers high-quality and high-performance bars and rods to a wide range of sectors that include automotive industry, construction and industrial machinery manufacturing. The Unit is focusing on high-end products that are used in critical components of motors, drive-trains, suspension systems and other parts of automobiles.



Construction Products

The Construction Products Unit delivers large steel structures for buildings, bridges and ships, H-beams, plate for steel frames, steel sheet piles, steel pipe piles and railway rails used in the civil engineering and construction sectors. The Unit exports high performance steel materials which is difficult for local suppliers to provide, thus contribute to the development of the infrastructure globally.



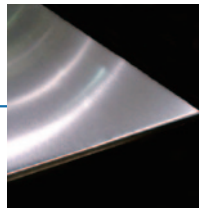
Pipe & Tube

The Pipe & Tube Unit is a world leader in seamless pipes for use in the energy sector in the development of oil and natural gas fields. The Unit also manufactures large-diameter pipes used in pipelines, as well as steel tubes used to make automobiles, and construction and industrial machinery.



Railway, Automotive & Machinery Parts

The Railway, Automotive & Machinery Parts Unit's main products are railway rolling stock components, and forged crankshafts for automobiles. The Unit is the only manufacturer of railway steel wheels and axles in Japan. Globally it has two railway steel wheel plants and four crankshaft plants.



Titanium & Specialty Stainless Steel

The Titanium & Specialty Stainless Steel Unit uses titanium's lightness, strength and non-corroding properties, and is a world leader in the fields of titanium products for general industrial, construction, consumer and aviation applications. Specialty stainless steel is used to make components that have superior heat resistance, corrosion resistance, and outstanding workability, for use in sectors that include automotive, IT, the environment, and energy.



Providing our shareholders with hands-on knowledge about the NSSMC Group

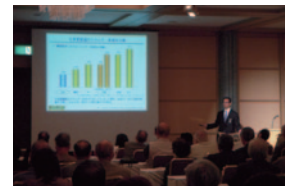
NSSMC will continue the programs for shareholders that the former Nippon Steel Corporation and former Sumitomo Metal Industries, Ltd. conducted, to ask our shareholders for their understanding and support to NSSMC. The Company will send to applicable shareholders notes mentioning the details from the Company.

Plant Tours and Business Briefings

Event	Summary of program	Applicable shareholders
Invitation to plant tours	Each program will offer plant tours of four to five steelworks. (We will send invitations and draw participants twice a year.) Four to five steelworks will be selected from among the Muroran, Kashima, Kimitsu, Nagoya, Osaka Steelworks, Wakayama, Amagasaki, Hirohata (Himeji), Yawata, Kokura and Oita.	Shareholders who own 10,000 or more shares. (We may expand the scope of shareholders eligible to receive invitation notices.)
Invitation to business briefings	We are planning to conduct business briefings at Tokyo, Osaka and other locations. (We will send invitations twice a year.)	



(Plant tour)
See the process of steelmaking.



(Business briefing)
We will answer your questions.

We send invitations to applicable shareholders for plant tours to be held in the fall of 2013. (To be sent to shareholders on record as of the end of March, 2013.)

Other Events

Event	Summary of program	Applicable shareholders
Invitation to football games of the Kashima Antlers soccer team	We will invite our shareholders to J1-League football games (home and away). (We will send invitations and draw participants twice a year.)	Shareholders who own 5,000 or more shares.
Sending of a Company calendar	We will send our Company calendar to applicable shareholders.	Shareholders who own 7,000 or more shares.
Invitation to concerts at Kioi Hall	We will invite applicable shareholders to concerts at Kioi Hall. (We will send invitations and draw participants twice a year.)	Shareholders who own 50,000 or more shares.

Stock Information

Administrator of the Register of Shareholders (Mailing address and phone inquiries.)	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063 Toll-free number* for NSSMC's shareholders: 0120-785-401 Toll-free number* (main switchboard): 0120-782-031 *For domestic phone calls only.
Change in address, application for NSSMC's buy-back programs for shares constituting less than one trading unit (1,000 shares).	Please contact the securities broker where you have an account. (If your shares are not managed in the account of a securities broker, please contact the Sumitomo Mitsui Trust Bank.)
Application for receipt of dividends payable.	Please contact the Sumitomo Mitsui Trust Bank (Administrator of the Register of Shareholders for the Company).

Frequently Asked Questions

Q Are there any necessary procedures to receive shares in NSSMC?

A It is not necessary for shareholders to adopt any special procedures. The shares that your securities broker holds on your behalf will be converted to shares in NSSMC on the date of the merger on October 1, 2012.

Q I am a shareholder of former Sumitomo Metals. How many shares in NSSMC will I own?

A NSSMC will allocate its shares to shareholders of the former Sumitomo Metals according to the merger ratio. We will send a letter to applicable shareholders by the end of October explaining the procedures for NSSMC's buy-back programs and other details.

Q What is the minimum share trading unit for shares in NSSMC?

A The minimum share trading unit for shares in NSSMC is 1,000 shares. In principle, share trading will be carried out in units of 1,000 shares.

Q What is the fee in NSSMC's buy-back programs for shares constituting less than one trading unit?

A Please confirm the details to be uploaded on the NSSMC's website (<http://www.nssmc.com/en>) by mid-October.