

**November 6, 2006  
Nippon Steel Corporation**

**A Cold-Heading Steel-Wire Manufacturing and Sales Company  
to be Established in Thailand**

**Nippon Steel Corporation (hereinafter “NSC”), following studies in overseas manufacturing of special-steel bar and wire conducted by NBC Co., Ltd., a business-planning company founded in August this year, has now reached an agreement with Matsubishi Metal Industry Co., Ltd., Miyazaki Seiko Co., Ltd., Sanyu Co., Ltd., Toyota Tsusho Corporation, Metal One Corporation, and Suzutoyo Seiko Co., Ltd. for the joint establishment of a cold-heading steel-wire manufacturing and sales company (hereinafter the “Thai company”).**

**Up to now, NSC has been manufacturing and selling cold-heading steel wire, a material for fasteners which are important safety parts for automobiles in Thailand, via T.S.K. Wire Company Limited (hereinafter “T.S.K. Wire,” NSC’s equity ratio: 14.85%, production capacity: 12,000t/y). With expectations for growth of future demand in Thailand, it has been decided to seek an expansion of production capacity for cold-heading steel wire by establishing a Thai company. There is also an aim to better respond to increasingly strict quality requirements and highly specific delivery terms in the country.**

**As a consequence, T.S.K. Wire’s current business of cold-heading steel wire for fasteners is scheduled to be transferred to the Thai company.**

**With many Japanese parts manufacturers starting local operations from the earlier years, Thailand now boasts the world’s highest local-content ratio of fastener production. Since Japanese auto manufacturers are expected to expand its production in Thailand, there will be more requirement for cold-heading steel wire comparable in quality, delivery time and all other aspects to that produced in Japan. NSC believes that it will be able to meet such diversifying needs not only in Japan but also in Thailand.**

**The Thai company is scheduled to be established in December 2006 and will go into operation around July 2007.**

**The cold-heading steel-wire manufacturing and sales company in China, which was established in September this year, is now under construction**

**as scheduled, and is expected to start operation in December this year.**

**[Profile of the Thai company]**

**Name: Nippon Steel Bar & CH Wire (Thailand) Company Limited**

**Location: Eastern Seaboard Industrial Estate in Rayong**

**Equity-holders (equity ratios): NSC (28%), Matsubishi Metal (14%),  
Miyazaki Seiko (14%), Sanyu (14%), Toyota Tsusho (12%),  
Metal One (10%), and Suzutoyo Seiko (8%)**

**Capital: 230 million baht (approx. ¥700 million)**

**Capital investment: approx. ¥1,850 million**

**Establishment: December 2006 (aimed)**

**Production capacity: approx. 40,000t/y**

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