

**January 30, 2007
Nippon Steel Corporation
CHUBU STEEL PLATE CO., LTD.**

**Agreement on Strategic Alliance
between Nippon Steel and CHUBU STEEL PLATE**

Today, Nippon Steel Corporation (principal place of business: Chiyoda-ku, Tokyo, President: Akio Mimura) (“Nippon Steel”) and CHUBU STEEL PLATE CO., LTD. (principal place of business: Nagoya City, Aichi Prefecture, President: Kenichiro Narita) (“CHUBU STEEL”) have agreed to pursue strategic alliance for enhancing their respective competitiveness. A “Joint Study Committee” (provisional name) will be established by both companies to explore specific measures.

Anticipating future changes in steel demand and growing international competition, this collaboration aims to provide both Nippon Steel and CHUBU STEEL with benefits through implementation of specific collaboration measures.

Below are areas for collaboration that the two companies have agreed to study. Other areas will be added if future discussions determine that addition is advantageous to both companies.

- (1) Effective utilization of each other’s production facilities (consignment production)**
- (2) Mutual cooperation for cost reduction in production, equipment repairs, procurement of raw materials, and distribution of products**
- (3) Nippon Steel’s engineering of the infrastructure improvement of CHUBU STEEL PLATE’s rolling mill.**

Through the study and implementation of strategic alliance measures in the above areas, both companies intend to build cooperative relationships that strengthen their respective competitive edge.

The two companies have also agreed that Nippon Steel will purchase up to approx. 5% of CHUBE STEEL’s total issued shares through subscribing for shares that CHUBU STEEL is issuing on February 15 by a third party allotment for financing its rolling mill infrastructure improvement. This will facilitate smooth and efficient cooperation between both companies.

For more information, please contact:

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Corporate Profile

Nippon Steel Corporation (Securities Code: 5401)

Head Office	6-3, Otemachi 2-chome, Chiyoda-ku, Tokyo
Representative	Representative Director and President: Akio Mimura
Established	March 1970
Capital	¥419.5 billion (as of March 31, 2006)
Sales	¥2591.4 billion (FY2005)
Number of employees	15,212 (as of March, 2006)

CHUBU STEEL PLATE CO., LTD. (Securities Code: 5461)

Head Office	1, Kousudori 5-chome, Nakagawa-ku, Nagoya City,
Representative	Representative Director and President: Kenichiro Narita
Established	February 1950
Capital	¥5.25 billion (as of March 31, 2006)
Sales	¥48 billion (FY2005)
Number of employees	359 (as of March 31, 2006)