

**June 13, 2007  
Nippon Steel Corporation  
Godo Steel, Ltd.**

## **Alliance between Nippon Steel and Godo Steel**

**Today, Nippon Steel Corporation (principal place of business: Chiyoda-ku, Tokyo, President: Akio Mimura; hereinafter, "Nippon Steel") and Godo Steel, Ltd. (principal place of business: Kita-ku, Osaka; President: Kenji Inokuma; hereinafter, "Godo Steel") have agreed to take further alliance measures to enhance their competitive strengths. The new agreement as well as the current arrangement of supply of semi-products (billets) from Nippon Steel to Godo Steel is expected to bring mutual benefits in coping with fluctuations in steel demand and tougher international competition.**

**The agreed-upon cooperative initiatives for study and implementation are as follows:**

- (1) Nippon Steel's utilization of part of Godo Steel's steelmaking and rolling capacities**
  - Utilization of Godo Steel's production capacities (OEM, etc.) at Funabashi, Osaka and Himeji works.**
- (2) Nippon Steel's utilization of part of Godo Steel's infrastructure (berths, warehouses) at Himeji Works**

**In addition, joint studies on environmental and recycling technologies have already begun.**

**Godo Steel has decided to issue ordinary shares by third-party allotment in order to raise funds, which are to be used 1) for equipment renewal to maintain and improve its competitiveness and 2) for investments and loans needed for improvements in the structure of the electric-furnace ordinary-steel industry, and requested that Nippon Steel subscribe to the share issue. Nippon Steel has decided to make a firm commitment to the subscription and acquire the voting stock of Godo Steel up to slightly over 15% (a level at which to come under the equity method) from 9.5%, with the aim of clarifying the position of Godo Steel as a Nippon Steel Group company and ensuring the smooth conduct of studies and implementation of the alliance measures. Godo Steel will also purchase a certain amount of Nippon Steel ordinary shares.**

**For more information, please contact:**

**Nippon Steel Corporation**

**Public Relations Center, General Administration Div.**

**Tel.: 81-3-3275-5021, 5022 , 5023**

**Godo Steel, Ltd.**

**General Administration Div.**

**Tel.: 81-6-6343-7600**

## Attachment

### 1. Corporate profiles

#### 1) Nippon Steel Corporation

**Representative: Akio Mimura, Representative Director and President**

**Address: 6-3, Otemachi 2-chome, Chiyoda-ku, Tokyo**

**Establishment: April 1950**

**Employees: 14,346 as of the end of March 2007**

**Common stock: ¥419.5 billion as of the end of March 2007**

**Total number of shares issued: 6,806,980,977**

**Sales: ¥2,562.8 billion (year ended March 2007)**

#### 2) Godo Steel, Ltd.

**Representative: Kenji Inokuma, Representative Director and President**

**Address: 2-8, Hama 2-chome, Dojima, Kita-ku, Osaka**

**Establishment: December 1937**

**Employees: 865 as of the end of March 2007**

**Common stock: ¥31,838.54 million as of the end of March 2007**

**Total number of shares issued: 160,452,113**

**(after the capital increase: 171,452,113)**

**Sales: ¥126,293 million (year ended March 2007)**

### 2. Godo Steel's 10 major shareholders as of the end of March 2007

	(Unit: 1,000 shares)	(%)
<b>Nippon Steel Corporation</b>	<b>14,669</b>	<b>9.1</b>
<b>(after the capital increase:</b>	<b>25,669</b>	<b>15.0)</b>
<b>Japan Trustee Services Bank, Ltd.</b>	<b>8,659</b>	<b>5.4</b>
<b>The Master Trust Bank of Japan, Ltd. (Trust Account)</b>	<b>7,529</b>	<b>4.7</b>
<b>Mitsui &amp; Co., Ltd.</b>	<b>7,308</b>	<b>4.6</b>
<b>Metal One Corporation</b>	<b>6,779</b>	<b>4.2</b>
<b>Mizuho Corporate Bank, Ltd.</b>	<b>6,418</b>	<b>4.0</b>
<b>State Street Bank and Trust Company 505019</b>	<b>4,569</b>	<b>2.8</b>
<b>CBLUX PIONEER ASSET MANAGEMENT S.A. (SL)</b>	<b>3,940</b>	<b>2.5</b>
<b>Trust &amp; Custody Services Bank, Ltd. (Trust Account B)</b>	<b>3,578</b>	<b>2.2</b>
<b>Tokyo Tekko Co., Ltd.</b>	<b>2,688</b>	<b>1.7</b>