

January 29, 2009  
Nippon Steel Corporation

**Basic and Preliminary Agreement with Vale for the Purchase of Controlling Shares in  
USIMINAS**

Nippon Steel Corporation (“NSC”) and Nippon Usiminas Co., Ltd. (“NU”), one of NSC’s affiliates, have reached a basic agreement with Companhia Vale do Rio Doce (“Vale”), one of the controlling shareholders in Usinas Siderúrgicas de Minas Gerais S.A. (“USIMINAS”), to purchase about 14.8 million shares of controlling share (5.9% of the total voting share) in the whole USIMINAS which are now in possession of Vale (subject to Vale’s Board approval).

Through this additional acquisition of the controlling shares by NSC and NU, NSC intends to further strengthen the relationship with USIMINAS, thereby more precisely responding to the increasingly sophisticated needs of customers in South America, especially in Brazil.

USIMINAS, which is an alliance partner in South America and an equity-method-applicable company of NSC, is the largest manufacturer of flat sheet steel, mainly high grades, in South America.

According to the existing shareholders agreement on USIMINAS, the final number of controlling shares to be purchased by NSC and NU will be determined by the results of the exercise of the preemptive rights by the other controlling shareholders.

For more information, please contact:  
Public Relations Center, General Administration Div.  
Tel: +81-3-3275-5021, -5022, -5023

[Reference]

#### Outline of USIMINAS

1. Official name: Usinas Siderúrgicas de Minas Gerais S.A.  
Abbreviation: USIMINAS
2. Line of business: Manufacture and sale of steel products mainly in South America
3. Location: Head Office: Belo Horizonte, Minas Gerais, Brazil  
Steelworks: Ipatinga, Minas Gerais, Brazil  
Cubataão, São Paulo, Brazil (COSIPA)
4. CEO: Marco Antonio Castero Blanco
5. Capital: R\$12,150 million
6. Net Sales: R\$13,825 million (2007 results, consolidated)
7. Net Income: R\$3,172 million (2007 results, consolidated)
8. Crude steel production: 8.68 million tons (2007 results, consolidated)
9. Start of production: October 1962 (established in January 1958)