

Nippon Steel Corporation and Ternium Sign Definitive Agreements to Establish a Joint Venture in Mexico

Nippon Steel Corporation and Ternium S.A. (NYSE: TX) announced today that they have signed definitive agreements to form a joint venture in Mexico for the manufacturing and sale of hot-dip galvanized and galvanized steel sheets to serve the Mexican automobile market. The joint venture will operate under the name of Tenigal SRL de CV (Tenigal). Ternium and Nippon Steel will hold 51% and 49% participations in Tenigal, respectively.

Tenigal is expected to build a hot-dip galvanizing plant in the vicinity of Monterrey City (equivalent to the state-of-the-art equipment now in operation at Nippon Steel's steelworks in Japan) with a production capacity of 400,000 metric tons per year. Construction of the facility would require a total investment of approximately US\$300 million and is expected to commence production of high-grade and high-quality galvanized and galvanized automotive steel sheets, including outer-panel and high-strength qualities, in 2013.

The Mexican automobile market is a growing and important market for both Nippon Steel and Ternium, and continued growth is anticipated in the future. Tenigal is expected to serve the demanding requirements of the automotive industry in Mexico, including those of the Japanese car makers.

About Nippon Steel

Nippon Steel, with its consolidated annual crude steel production of 40 million metric tons, is one of the leading steelmakers in the world. By virtue of its technical expertise of the world's highest level, which keeps on advancing day by day, and deployment of global and domestic strategic alliances, the company holds an unchallenged position in the global market of high-end steel products. More information about Nippon Steel is available at <http://www.nsc.co.jp/en/index.html>

About Ternium

Ternium is a leading steel company in Latin America, manufacturing and processing a wide range of flat and long steel products for customers active in the construction, home appliances, capital goods, container, food, energy and automotive industries. With its principal operations in Mexico and Argentina, Ternium serves markets in the Americas through its integrated manufacturing system and extensive distribution network. The Company has an annual production capacity of approximately ten million tons of finished steel products. More information about Ternium is available at www.ternium.com