

Amendments to the terms and conditions of Mandatory Acquirable Interest-Bearing Deeply Subordinated Convertible Bonds

In connection with the announcement dated October 20, 2006 entitled “The issuance of Mandatory Acquirable Interest-Bearing Deeply Subordinated Convertible Bonds by Nippon Steel Corporation and the issuance of Exchangeable Perpetual Preferred Securities by a subsidiary owned by Nippon Steel Corporation”, Nippon Steel Corporation hereby announces that, as the Mandatory Acquirable Interest-Bearing Deeply Subordinated Convertible Bonds (the “Bonds”) will mature on January 20, 2012, it has determined to partly amend the terms and conditions of the Bonds in order to sustain the structure of the scheme. The amendment is expected to become effective in the middle of January 2012, subject to the consent of the bondholder.

<Differences between the current terms and the amended terms of the Bonds>

	Before amendment		After amendment	
	~January 20, 2012	January 20, 2012~	~January 20, 2012	January 20, 2012~
	Bonds	Perpetual Bonds*	Bonds	
Maturity	<u>January 20, 2012</u>	None (Perpetual)	<u>None (Perpetual)</u>	
Optional Redemption	—	Redeemable on each Interest Payment Date	—	<u>Redeemable on each Interest Payment Date</u>
Interest Rate	<u>2.228% per annum</u>	6-month yen Libor +1.70%	2.228% per annum	<u>6-month yen Libor +1.70%</u>
Interest Payment Date	Semi-annually on January 20 and July 20		Semi-annually on January 20 and July 20	
Stock Acquisition Rights	Exercise period will expire on January 13, 2012	—	Exercise period will expire on January 13, 2012	—

* Perpetual Bonds may be delivered in exchange for the Bonds on January 13, 2012.

(The underlined portions have been changed.)

Contact information

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