

Business Expansion of Nippon Steel/WISCO's Tinsplate Joint Venture

Nippon Steel Corporation (President: Shoji Muneoka; hereinafter "NIPPON STEEL") and Wuhan Iron and Steel (Group) Corporation (President: Qilin Deng; hereinafter "WISCO") established, in October 2011, a joint venture for the manufacture and sale of tinsplate, WISCO-NIPPON STEEL Tinsplate Co., Ltd. (hereinafter "WINSteel"), which is now building a tin mill (one continuous annealing and processing line and one electrolytic tinning line) in Wuhan City, Hubei Province, China.

WINSteel, in addition to these facilities, has decided to lease the facilities concurrently being built by WISCO upon their start-up, and to operate them integrally, thus expanding its scale of business.

Facilities to be leased from WISCO are three: one continuous descaling and cold-rolling mill, one continuous annealing and processing line, and one electrolytic tinning line. Combined with its own facilities, WINSteel will be operating five lines in total: one continuous descaling and cold-rolling mill, two continuous annealing and processing lines, and two electrolytic tinning lines.

By this business expansion, WINSteel's productive and sales capacities will be 400,000t/y of tinsplate and 400,000t/y of tin mill black plate, totaling 800,000t/y, twice of the present scale, making WINSteel next only to BAOSTEEL in China. Further, leasing continuous descaling and cold-rolling mill enables WINSteel to pursue higher levels of quality control through control over the entire operations from continuous descaling and cold rolling through to electrolytic tinning. Reduction in the company's burden of initial funds, as compared with its own construction is also expected.

Some main facilities have already started construction. All the lines are scheduled to be put into operation successively in September to December 2013.

With increasing population and rising living standards in new emerging nations, demand for tinsplate used for food cans, beverage cans, and other containers has been growing on a global basis. Likewise, in China's mid-western area, the main target area of WINSteel, tinsplate demand is expected to gather strength in the future.

We, NIPPON STEEL, expanding its business worldwide as a global player, aim to combine and fuse together WISCO's solid business base in China with NIPPON STEEL's leading technologies in the world for WINSteel. We will endeavor to catch the growing local demand for tinsplate, thus contributing to the economic development of China through the supply of tinsplate products.

Outline of WINSteel:

- **Company name:** WISCO-NIPPON STEEL Tinsplate Co., Ltd.
(Abbreviation: WINSteel)
(Chinese name: 武钢新日铁（武汉）镀锡板有限公司)
- **Location:** Wuhan City, Hubei Province, China
- **Own production facilities (capacities):**
 - 1 continuous annealing and processing line (400,000t/y)
 - 1 electrolytic tinning line (200,000t/y)
- **Leased facilities (capacities):**
 - 1 continuous descaling and cold-rolling mill (800,000t/y)
 - 1 continuous annealing and processing line (400,000t/y)
 - 1 electrolytic tinning line (200,000t/y)
- **Products:** Tinsplate and tin mill black plate
- **Scheduled start of operation:** September to December 2013
- **Total investment:** RMB1,850 million (approx. JPY23,000 million)
- **Capital:** RMB1,850 million
- **Equity ratios:** NIPPON STEEL 50%, WISCO 50%

For more information, please contact:

Public Relations Center, General Administration Div.

Tel: +81-3-6867-2135, -2146, -2147

Attachment 1

(1) Location of the WINSteel

Location : Qingshan, Wuhan City, Hubei Province, China (on the premises of WISCO's plant)



(2) Profile of Wuhan Iron & Steel (Group) Corporation

NIPPON STEEL (Guangzhou City)

- Location: Qingshan, Wuhan City, Hubei Province, China
- Representative: Qilin Deng, President
- Establishment: September 1958
- Shareholder: Government of China 100%
- Crude steel production: 37,700 thousand tons (2011)
- Sales in value: 221 billion yuan (2011)

※ WISCO has top-level scales of production and manufacturing technology in China and has long maintained amicable cooperative relations with NIPPON STEEL ever since the construction of its hot-rolling mill—a project symbolic of the restoration of diplomatic relations between Japan and China.

(3) Examples of tinplate products

Food cans (packed) and beverage cans



(Attachment 2)

Tinplate Mills of NSC Group

