

August 30, 2012

Company name: Nippon Steel Corporation
Representative's name: Shoji Muneoka, President and Representative Director
(Code No. 5401 TSE, OSE, NSE, FSE, SSE)

To whom it may concern:

**Notice of recording of impairment loss of assets for business
and Announcement of Revision in Forecast for Performance**

At the board of directors' meeting held today, August 30, the Company decided to record the impairment loss of assets for business as an extraordinary loss in the second quarter of fiscal year ending March 2013. In addition, because the Company is planning to sell the shares of Sumitomo Metal Industries, Ltd based on board of directors' meeting held today as the goal of enhancing business collaboration was achieved, etc., the Company hereby announces the amendment of the performance forecast published on July 30, 2012 as follows.

1. Recording of impairment loss of assets for business

(1) Grounds for occurrence of impairment loss

Hirohata Works and Sakai Works were continuously in deficit due to the super-strong yen and a slowdown in steel material market conditions.

After conducting a calculation of future cash flow based on future plans in response to cost enhancement plans and the current slowdown of steel material market conditions, etc., the Company is planning to decrease the book value of the assets for business held by both works to the present value of future cash flow pursuant to the "accounting standards for impairment of fixed assets" and to record such decreased amount as extraordinary loss due to it being impairment loss.

As Hirohata Works and Sakai Works are expected to secure continuous cash flow in the future, they will continue their businesses as production facilities. In addition, both works will further improve their earnings by enhancing competitiveness through cost improvement and by capturing new demand for development of new products in response to customers' needs, and will provide a stable supply of steel materials, ensure stable employment of workers and contribute to local economies.

(2) Impairment loss of assets for business the second quarter of fiscal year ending March 2013

Approximately 120 billion yen

2. Announcement of Revision in Forecast for Performance

Amendment to figures of consolidated performance forecast for the second quarter of fiscal year ending March 2013 (cumulative, April 1, 2012 to September 30, 2012)

	Net sales	Ordinary profit	Net income	Net income per share (¥)
Previous forecast (A)	(in million yen) 1,950,000	(in million yen) 10,000	(in million yen) △85,000	(yen) △13.51
Revised forecast (B)	1,950,000	10,000	△155,000	△24.64
Change (B-A)	0	0	△70,000	
% change	0.0	0.0	-	
(For reference) Actual for the first half of the previous fiscal year ended March 31, 2012	2,027,801	94,211	48,775	7.75

Reasons for the Revision

As the Company obtained new forecast figures taking into consideration that impairment loss of the assets for business will be recorded as described above and that the Company is planning to sell the shares of Sumitomo Metal Industries, Ltd., etc., owned by the Company, the Company hereby makes this public announcement. In addition, the Company plans to announce performance results for fiscal year ending March 2013 with the Company's Medium-Term Management Policies after the integration with Sumitomo Metal Industries, Ltd., scheduled for October 1, 2012.

Note: The forward-looking statements included in this flash report are based on the assumptions, forecasts, and plans of the Company as of the date on which this document is made public. The Company's actual results may differ substantially from such statements due to various risks and uncertainties.

End

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