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January 30, 2008

Securities and Exchange Commission
Office of International Corporate Finance
Mail Stop 3-2
450 5th Street, N.W.
Washington, D.C. 20549

SUPL

Re: SEC File No. 82-5175
Nippon Steel Corporation (the "Company")
Rule 12g3-2(b) Exemption: Documents

Dear Sir/Madam:

1. This information is being furnished pursuant to Rule 12g3-2(b). Included is all information since our last correspondence to you under Rule 12g3-2(b) required to be furnished pursuant to Rule 12g3-2(b)(1)(iii). Enclosed herewith and listed in Annex hereto are documents which are English language versions or summaries required to be submitted pursuant to Rule 12g3-2(b).

2. The information enclosed herewith is being furnished to the Commission pursuant to Rule 12g3-2(b)(1)(iii). In accordance with Rule 12g3-2(b)(4) and Rule 12g3-2(b)(5), the information furnished herewith is being furnished with the understanding that it shall not be deemed "filed" with the Commission or otherwise subject to the liabilities of the Exchange Act and that neither this letter nor the information enclosed herewith pursuant to Rule 12g3-2(b)(1)(iii) shall constitute an admission for any purpose that the Company is subject to the Exchange Act.

3. Should you have any questions in connection with this submission, please do not hesitate to contact Robert G. DeLaMater of Sullivan & Cromwell, 125 Broad Street, New York, New York 10004-2498, (telephone: 212-558-4000; facsimile: 212-558-3588).

PROCESSED

Very truly yours,

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FINANCIAL

Nippon Steel Corporation

By *Yoshihiro Hosokawa*
Name: Yoshihiro Hosokawa
Title: Manager, General Administration
Division

De La Mater

(Enclosure)

cc: Robert G. DeLaMater, Esq.
Yoichiro Taniguchi, Esq.
(Sullivan & Cromwell)

Annex

Tab A: Document Submitted to Japanese Stock Exchanges where Shares of the Company are Listed

1	Summary of Consolidated Financial and Operating Results for the Third Quarter of fiscal 2007(April 1, 2007 to December 31, 2007)	January 28, 2008
2	News Release that Nippon Steel Corporation, Sumitomo Metal Industries, Ltd., and Kobe Steel, Ltd., Agreed on Additional Cross-Purchase of Shares Backed by Expanded and Enhanced Mutual Cooperation	December 19, 2007

**Summary of Consolidated Financial and Operating Results
for the Third Quarter of Fiscal 2007**

January 28, 2008

Listed Company Name: Nippon Steel Corporation

Tokyo, Osaka, Nagoya, Fukuoka, Sapporo
Stock Exchange

Code No.: 5401

URL <http://www.nsc.co.jp>

Representative: Akio Mimura, Representative Director and President

Contact: Hiroyuki Marukawa, General Manager, Public Relations Center

Tel: 81-3-3275-5014

**1. Outline of Financial and Operating Results up to the Third Quarter of Fiscal 2007
(April 1, 2007 to December 31, 2007)**

(1) Outline of Operating Results

	Sales		Operating profit		Ordinary profit		Net income	
	¥million	(%)	¥million	(%)	¥million	(%)	¥million	(%)
Third quarter of fiscal 2007	3,506,192	14.3	408,105	△4.7	434,669	△0.7	263,056	△0.1
Third quarter of fiscal 2006	3,066,221	8.9	428,400	0.9	437,933	5.1	263,377	△2.5
Fiscal 2006	4,302,145	—	580,097	—	597,640	—	351,182	—

	Net income per share	Net income per share after dilution
	¥	¥
Third quarter of fiscal 2007	41.73	39.60
Third quarter of fiscal 2006	40.60	40.16
Fiscal 2006	54.29	53.19

(2) Outline of Financial Results

	Total assets	Net Assets	Ratio of shareholders' equity to total assets	Net Assets per share
	¥million	¥million	%	¥
Third quarter of fiscal 2007	5,519,504	2,485,416	35.9	314.98
Third quarter of fiscal 2006	5,085,577	2,226,383	34.6	274.55
Fiscal 2006	5,344,924	2,369,228	35.4	295.79

- Notes
- 1) Amounts below ¥1 million are rounded down.
 - 2) Percentages for sales, operating profits, ordinary profits and net income indicate changes over the corresponding term of the previous fiscal year.

2. Dividends

(Standard day)	Dividend per share		
	Interim	Year-end	Total
Fiscal 2006	¥ 4.0	¥ 6.0	¥ 10.0
Fiscal 2007	5.0		
Fiscal 2007(Forecast)		Undecided	Undecided

(Reference)

The full-year forecast for consolidated operating results in fiscal 2007 (April 1, 2007 to March 31, 2008) is slated for release, as usual, at the beginning of March 2008. No revisions have been made to the forecast released.

3. Others

- 1) Significant changes in scope of consolidation: No
- 2) Adoption of concise accounting method: Yes
- 3) Changes in accounting methods from most recent consolidated fiscal year: Yes

Notes: See attached page4 "Qualitative Information / Financial Statements" Others .

Qualitative Information / Financial Statements

Consolidated Operating Results

While it will be important to monitor closely the impact of the credit contraction in global financial markets sparked by the U.S. subprime loan problem, the global economy as a whole continues to expand as emerging countries, led by Brazil, Russia, India, and China (the BRICs), continue to report GDP growth and investment in the fields of energy and infrastructure remains active.

In the domestic steel market, production in the field of construction materials has been pared back because of the steep decline in construction activity since the amended building code took effect. Even so, demand continues to be robust, especially from the automotive, shipbuilding, machinery, and other manufacturing industries due to expanding demand overseas, and the overall supply/demand picture in Japan remains tight. In the overseas steel market, while the economic slowdown in the United States has exposed some weakness in real demand, there is solid demand expansion in other regions arising from economic growth, and Chinese steel exports have fallen off due to export restrictions the government has put into place. The overall trend is consequently firm, and buoyed by these conditions, domestic crude steel production volume in 2007 exceeded 120 million metric tons, reaching a new peak.

While supply/demand conditions are strong, cost increases have been greater than we anticipated as market prices for raw materials and fuels, especially steel scrap, ocean freight, and crude oil, have soared. While we are still striving to reduce costs as much as possible through in-house initiatives, we will continue to seek price increases from our customers by asking for their understanding in view of the higher market prices for raw materials and fuel.

The engineering and construction business, buttressed by an order backlog that approaches a record high, is working to improve its profitability through better earnings on projects as well as revenue expansion. Despite changes in the condominium business environment, the performance of the urban development business is trending in line with the Company plan. At the chemicals business, higher prices for naphtha have impacted chemical products, and fiercer competition among companies has impacted electronic materials, but sales of coal chemicals remain brisk, supported by firm and demand. As a result, the performance of the chemicals business as a whole is roughly even with the Company plan. At the new materials business, the adjustment phase in the electronics industry, a key market for this business, is dragging on longer than anticipated, and we are doing our utmost to improve earnings through cost reduction initiatives. The system solutions business is faring well, driven by business solutions, including projects for the financial industry.

As a result of the above, in the first quarter through the third quarter (April 1, 2007, to December 31, 2007) of the fiscal year ending March 31, 2008, consolidated net sales

came to ¥3,506.1 billion, consolidated operating profit to ¥408.1 billion, consolidated ordinary profit to ¥434.6 billion, and consolidated net income to ¥263.0 billion.

Consolidated Assets and Liabilities

Compared with the end of March 2007, consolidated total assets came to ¥5,519.5 billion at the end of December 2007, an increase of ¥174.5 billion. Net assets totaled ¥2,485.4 billion, boosting the ratio of shareholders' equity to total assets by 0.5 percentage point, to 35.9%. Outstanding interest-bearing debt amounted to ¥1,412.1 billion, a rise of ¥199.0 billion compared with the level at the end of March 2007.

Other

(1) Significant changes in scope of consolidation

There were no significant changes in scope of consolidation.

(2) Adoption of concise accounting method

A concise accounting method has been adopted in part for the standard applied to corporate taxes, allowances, and other items.

(3) Changes in accounting methods from most recent consolidated fiscal year

(a) Changes in accounting policies

Attendant with amendments to the corporate tax law, from the fiscal year ending March 31, 2008, we have booked depreciation expenses for tangible fixed assets purchased since April 1, 2007, using the depreciation method stipulated in the amended corporate tax law.

(b) Additional information

Attendant with amendments to the corporate tax law, from the fiscal year ending March 31, 2008, we have applied the straight-line depreciation method for a five-year period to the residual book value of tangible fixed assets acquired on or prior to March 31, 2007, that have already been fully depreciated down to the former maximum allowable amount.

Concomitant with the adoption of (a) and (b) above, compared with the prior depreciation method, the depreciation expense is ¥25,277 million higher, gross margin is ¥20,842 million lower, operating profit is ¥21,773 million lower, and ordinary profit and income before income taxes and minority interests are each ¥22,882 million lower.

Consolidated Balance Sheets (summarized)

Nippon Steel Corporation and Consolidated Subsidiaries

ASSETS	Millions of yen	
	December 31, 2007	March 31, 2007
Current assets :	1,931,429	1,850,188
Cash and bank deposits	171,075	280,117
Notes and accounts receivable-trade	596,953	597,155
Inventories	943,952	789,486
Other	219,447	183,429
 Fixed assets :	 3,588,074	 3,494,736
Tangible fixed assets	1,815,116	1,779,089
Intangible fixed assets	24,329	30,586
Investments and others	1,748,629	1,685,060
 Total assets	 5,519,504	 5,344,924

LIABILITIES	Millions of yen	
	December 31, 2007	March 31, 2007
Current liabilities :	1,848,533	1,809,053
Notes and accounts payable - trade	577,264	612,952
Short-term loans and long-term loans due within one year	329,310	338,825
Commercial paper	320,000	163,000
Bonds due within one year	58,100	43,050
Other	563,857	651,225
Long-term liabilities :	1,185,554	1,166,642
Bonds and notes	213,481	238,614
Long-term loans	491,069	429,473
Other	481,003	498,554
Total liabilities	3,034,087	2,975,695
NET ASSETS		
Shareholders' equity :	1,554,830	1,448,563
Common stock	419,524	419,524
Capital surplus	114,335	111,693
Retained earnings	1,282,089	1,087,908
Treasury stock, at cost	(261,120)	(170,563)
Valuation and transaction adjustments:	427,186	444,320
Unrealized gains on available-for-sale securities	401,823	438,056
Deferred hedge income (loss)	770	300
Unrealized gains on revaluation of land	11,760	9,922
Foreign currency translation adjustments	12,832	(3,958)
Minority interest in consolidated subsidiaries	503,399	476,344
Total net assets	2,485,416	2,369,228
Total liabilities and net assets	5,519,504	5,344,924

Consolidated Statements of Income (summarized)

Nippon Steel Corporation and Consolidated Subsidiaries

	Millions of yen	
	Third quarter of fiscal 2007	Third quarter of fiscal 2006
Net sales	3,506,192	3,066,221
Cost of sales	2,859,153	2,407,896
Gross margin	647,039	658,325
Selling, general and administrative expenses	238,933	229,924
Operating profit	408,105	428,400
Non-operating profit :		
Interest and dividend income	19,150	16,131
Equity in net income of unconsolidated subsidiaries and affiliates	39,755	25,509
Miscellaneous	16,311	13,683
	75,218	55,323
Non-operating loss :		
Interest expenses	13,099	12,272
Miscellaneous	35,555	33,518
	48,654	45,790
Ordinary profit	434,669	437,933
Special profit :		
Gain on sales of tangible fixed assets	20,623	13,523
Gain on sales of investments in securities	-	7,018
	20,623	20,542
Income before income taxes and minority interest	455,293	458,475
Income taxes - current and deferred	171,202	182,691
Minority interest in net income of consolidated subsidiaries	21,033	12,405
Net income	263,056	263,377

Consolidated Segment Information
Nippon Steel Corporation and Consolidated Subsidiaries

(Information of business segment)

Third quarter of fiscal 2007 (April 1, 2007 to December 31, 2007)

Millions of yen

							Total	Elimination of intersegment transactions	Consolidated total
	Steelmaking and steel fabrication	Engineering and construction	Urban development	Chemicals	New materials	System solutions			
Sales	2,951,309	233,190	56,561	221,320	56,991	112,363	3,631,736	(125,543)	3,506,192
Operating costs and expenses	2,591,340	220,945	48,800	202,727	56,277	102,758	3,222,850	(124,763)	3,098,087
Operating profit	359,968	12,244	7,760	18,593	714	9,604	408,886	(780)	408,105

Third quarter of fiscal 2006 (April 1, 2006 to December 31, 2006)

Millions of yen

							Total	Elimination of intersegment transactions	Consolidated total
	Steelmaking and steel fabrication	Engineering and construction	Urban development	Chemicals	New materials	System solutions			
Sales	2,522,944	240,809	42,980	240,480	48,962	101,154	3,197,331	(131,109)	3,066,221
Operating costs and expenses	2,132,554	235,483	37,743	221,752	46,553	93,760	2,767,847	(130,026)	2,637,821
Operating profit	390,389	5,326	5,237	18,728	2,408	7,393	429,483	(1,082)	428,400

[Reference]

Fiscal 2007 (April 1, 2007 to March 31, 2008)

	1st quarter		2nd quarter		1st half		3rd quarter		Cumulative total of 9 months	
	Apr.-June 2007	Jul.-Sept. 2007	Oct.-Dec. 2007	Jan.-Mar. 2008	Apr.-Sept. 2007	Oct.-Dec. 2007	Jan.-Mar. 2008	Apr.-June 2008	Apr. 2007-Dec. 2007	Jan. 2008-Mar. 2008
Sales	1,115,751	1,200,399	1,189,832	1,189,832	2,318,350	2,318,350	3,506,182	3,506,182	3,506,182	3,506,182
Steelmaking and steel fabrication	935,684	1,027,358	1,062,920	988,389	1,962,920	1,962,920	2,851,309	2,851,309	2,851,309	2,851,309
Engineering and construction	71,519	78,123	150,642	82,547	150,642	82,547	233,190	233,190	233,190	233,190
Urban development	16,355	15,103	31,458	25,103	31,458	25,103	56,561	56,561	56,561	56,561
Chemicals	80,227	69,252	149,479	71,840	149,479	71,840	221,320	221,320	221,320	221,320
New materials	16,929	18,102	36,021	20,960	36,021	20,960	56,981	56,981	56,981	56,981
System solutions	32,953	43,013	75,966	36,306	75,966	36,306	112,272	112,272	112,272	112,272
Elimination of intersegment transactions	(37,898)	(52,250)	(90,149)	(35,394)	(90,149)	(35,394)	(125,543)	(125,543)	(125,543)	(125,543)
Operating profit	128,464	134,993	264,457	163,448	264,457	163,448	408,105	408,105	408,105	408,105
Steelmaking and steel fabrication	113,969	121,021	234,990	124,976	234,990	124,976	359,966	359,966	359,966	359,966
Engineering and construction	3,715	2,809	6,624	5,519	6,624	5,519	12,244	12,244	12,244	12,244
Urban development	3,299	1,072	4,370	3,390	4,370	3,390	7,760	7,760	7,760	7,760
Chemicals	7,434	5,668	13,102	5,490	13,102	5,490	18,593	18,593	18,593	18,593
New materials	20	194	214	499	214	499	714	714	714	714
System solutions	2,890	3,540	6,430	3,174	6,430	3,174	9,604	9,604	9,604	9,604
Elimination of intersegment transactions	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)	(1,465)
Ordinary profit	148,691	135,321	284,012	150,656	284,012	150,656	434,669	434,669	434,669	434,669
Net income	85,701	89,708	176,409	86,647	176,409	86,647	263,056	263,056	263,056	263,056
Net income per share	13.70	14.25	27.96	13.77	27.96	13.77	41.73	41.73	41.73	41.73

Recent Quarterly Operating Results

Fiscal 2006 (April 1, 2006 to March 31, 2007)

	Forecast for 2nd half of fiscal 2007 (decrease in October 20, 2007)		Forecast for fiscal 2007 (decrease in October 20, 2007)	
	Oct. 1, 2007-Mar. 2008	Apr. 2007-Mar. 2008	Oct. 1, 2007-Mar. 2008	Apr. 2007-Mar. 2008
Sales	2,433,649	4,750,000	2,433,649	4,750,000
Steelmaking and steel fabrication	1,947,079	3,910,000	1,947,079	3,910,000
Engineering and construction	219,357	370,000	219,357	370,000
Urban development	68,541	100,000	68,541	100,000
Chemicals	130,520	280,000	130,520	280,000
New materials	33,868	70,000	33,868	70,000
System solutions	89,033	165,000	89,033	165,000
Elimination of intersegment transactions	(54,850)	(145,000)	(54,850)	(145,000)
Operating profit	315,542	580,000	315,542	580,000
Steelmaking and steel fabrication	280,009	515,000	280,009	515,000
Engineering and construction	16,375	23,000	16,375	23,000
Urban development	9,129	13,500	9,129	13,500
Chemicals	6,897	20,000	6,897	20,000
New materials	1,795	2,000	1,795	2,000
System solutions	8,569	15,000	8,569	15,000
Elimination of intersegment transactions	(7,222)	(8,500)	(7,222)	(8,500)
Ordinary profit	315,987	600,000	315,987	600,000
Net income	184,390	365,000	184,390	365,000
Net income per share	30.01	57.97	30.01	57.97

	1st quarter		2nd quarter		1st half		3rd quarter		2nd half		Fiscal 2006	
	Apr.-June 2006	July-Sept. 2006	Oct.-Dec. 2006	Jan.-Mar. 2007	Apr.-Sept. 2006	Oct.-Dec. 2006	Jan.-Mar. 2007	Apr.-June 2007	July-Sept. 2006	Oct.-Dec. 2006	Jan.-Mar. 2007	Apr.-June 2007
Sales	942,788	1,040,642	1,082,799	1,883,431	1,883,431	1,082,799	1,235,823	2,318,713	2,318,713	4,302,145	4,302,145	
Steelmaking and steel fabrication	776,579	841,844	894,520	1,618,423	1,618,423	894,520	859,433	1,863,954	1,863,954	3,482,377	3,482,377	
Engineering and construction	71,800	87,578	81,432	159,378	159,378	81,432	127,159	208,591	208,591	367,968	367,968	
Urban development	14,032	18,943	10,105	32,875	32,875	10,105	51,366	61,471	61,471	94,247	94,247	
Chemicals	75,059	82,988	82,433	158,047	158,047	82,433	76,274	160,708	160,708	318,755	318,755	
New materials	15,704	16,149	17,108	31,853	31,853	17,108	16,638	32,747	32,747	65,601	65,601	
System solutions	30,832	39,273	31,048	70,105	70,105	31,048	55,351	86,400	86,400	156,505	156,505	
Elimination of intersegment transactions	(41,220)	(46,031)	(43,857)	(87,251)	(87,251)	(43,857)	(52,301)	(96,158)	(96,158)	(182,410)	(182,410)	
Operating profit	119,590	146,777	162,032	288,388	288,388	162,032	151,897	312,779	312,779	580,087	580,087	
Steelmaking and steel fabrication	109,582	132,321	148,466	241,900	241,900	148,466	124,772	272,659	272,659	514,562	514,562	
Engineering and construction	55	1,184	4,975	1,250	1,250	4,975	7,705	11,780	11,780	13,001	13,001	
Urban development	1,571	2,742	922	4,314	4,314	922	9,064	9,887	9,887	14,301	14,301	
Chemicals	4,190	6,928	7,609	11,119	11,119	7,609	4,917	12,526	12,526	23,645	23,645	
New materials	835	805	566	1,841	1,841	566	721	1,287	1,287	3,120	3,120	
System solutions	2,532	2,604	2,256	5,137	5,137	2,256	6,588	8,855	8,855	13,982	13,982	
Elimination of intersegment transactions	721	80	802	802	802	802	(1,481)	(1,481)	(1,481)	(2,564)	(2,564)	
Ordinary profit	123,079	145,828	169,025	288,907	288,907	169,025	159,707	329,733	329,733	597,640	597,640	
Net income	74,748	89,356	99,272	184,105	184,105	99,272	87,804	187,077	187,077	351,182	351,182	
Net income per share	11.26	13.93	15.40	25.15	25.15	15.40	13.69	29.17	29.17	54.29	54.29	

() : Return on sales

() in "Elimination of intersegment transactions" row indicates negative numbers

(Reference) Consolidated ordinary profit analysis

< Compared with the same period of the previous year >

Fiscal 2007 3rd Quarter

Fiscal 2006 3rd Quarter

150.6% billion

169.0% billion

-18.4% billion

1) Substantial increase of ordinary profits, etc.

2) Inventory evaluation in group company

3) Tax system revisions of depreciation

+12.0% billion

-21.0% billion

-8.0% billion

Nippon Steel Corporation

Code Number: 5401

Listings: Tokyo, Osaka, Nagoya, Fukuoka and Sapporo Stock Exchanges

Contact: Hiroyuki Marukawa, General Manager, Public Relations Center-Tel: 81-3-3275-5014

Supplementary Information on the Financial Result for the Third Quarter of Fiscal 2007

Japanese Steel Industry

1. Crude Steel Production

	(million tons)						
	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	28.97	29.08	58.05	30.16	29.53	59.69	117.75
2007FY	29.89	29.91	59.80	30.87			

2. Inventory Volume

At the end of:	Inventory at manufacturers and distributors (million tons)	Inventory /shipment ratio (%)	Rolled sheets *1 (million tons)	H-flange beams *2 (million tons)
Mar. 2006	5.26	97.7	4.14	0.295
Apr. 2006	5.27	111.6	4.08	0.285
May 2006	5.41	115.0	4.13	0.280
June 2006	5.25	101.5	4.03	0.280
July 2006	5.31	104.0	4.04	0.278
Aug. 2006	5.41	112.8	4.17	0.273
Sep. 2006	5.35	101.0	4.05	0.269
Oct. 2006	5.35	98.0	3.98	0.260
Nov. 2006	5.21	97.6	3.81	0.257
Dec. 2006	5.37	106.3	3.89	0.257
Jan. 2007	5.54	109.2	4.06	0.267
Feb. 2007	5.37	105.8	3.98	0.270
Mar. 2007	5.37	95.7	4.03	0.277
Apr. 2007	5.43	106.8	4.07	0.271
May 2007	5.65	108.5	4.20	0.274
June 2007	5.43	101.2	4.07	0.270
July 2007	5.49	106.0	4.11	0.256
Aug. 2007	5.63	113.6	4.25	0.253
Sep. 2007	5.61	107.1	4.19	0.267
Oct. 2007	5.63	103.5	4.16	0.278
Nov. 2007	5.52	105.6	4.10	0.281

*1 Hot-rolled, cold-rolled and coated sheets

*2 Inventories of distributors dealing with H-flange beams manufactured by Nippon Steel Corporation

Nippon Steel (Non-consolidated basis)**3. Pig Iron Production (Nippon Steel Corporation and Hokkai Iron & Coke Co., Ltd)**

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	7.54	7.87	15.41	7.97	7.25	15.22	30.64
2007FY	7.67	7.96	15.63	8.09			

4. Crude Steel Production

(Consolidated basis)

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	8.45	8.71	17.16	8.94	8.43	17.37	34.52
2007FY	8.72	8.92	17.64	9.24			

(Non-consolidated basis)

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	7.70	8.01	15.71	8.16	7.73	15.89	31.60
2007FY	7.99	8.22	16.21	8.37			

5. Steel Products Shipment

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	7.59	7.83	15.42	7.96	8.13	16.09	31.51
2007FY	7.89	8.15	16.04	8.23			

6. Average Price of Steel Products

(thousands of yen / ton)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	71.6	75.2	73.4	76.3	77.9	77.1	75.3
2007FY	78.3	80.3	79.3	80.2			

7. Export Ratio of Steel Products (Value basis)

(%)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	32.2	32.4	32.3	31.4	33.3	32.4	32.3
2007FY	33.3	34.9	34.1	32.3			

8. Foreign Exchange Rate

(¥/US\$)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2006FY	115	116	115	117	120	119	117
2007FY	120	119	119	113			

9. Unrealized Gains on Available-for-Sale Securities

	(billion yen)			
	3rd quarter of 2007FY	2006FY	difference	
Consolidated	674.2(401.8)	734.8(438.0)	-60.7(-36.2)	
Non-consolidated	622.5(371.0)	660.7(393.8)	-38.1(-22.7)	
	【Nikkei 225】	【15,308yen】	【17,288 yen】	【-1,980yen】

* Figures in parentheses were after adopting deferred tax accounting.

News Release

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Nippon Steel Corporation, Sumitomo Metal Industries, Ltd., and Kobe Steel, Ltd., Agreed on Additional Cross-Purchase of Shares Backed by Expanded and Enhanced Mutual Cooperation

December 19, 2007

Nippon Steel Corporation
Sumitomo Metal Industries, Ltd.
Kobe Steel, Ltd.

I. Additional Cross-Purchase of Shares

Nippon Steel Corporation (principal place of business: Chiyoda-ku, Tokyo, President: Akio Mimura) ("Nippon Steel"), Sumitomo Metal Industries, Ltd. (principal place of business: Chuo-ku, Osaka, President: Hiroshi Tomono) ("Sumitomo Metals"), and Kobe Steel, Ltd. (principal place of business: Chuo-ku, Kobe, President: Yasuo Inubushi) ("Kobe Steel") reached agreement at the end of October this year to consider ways of further expanding and enhancing their cooperative ties and additional cross-purchase of shares. The three companies have proceeded with consideration of these courses of action and now reached the following agreement regarding the additional cross-purchase of shares. The companies share the view that increased cross-shareholdings will be effective in promoting smooth and steady implementation of strategic cooperative measures, such as the mutual use and sharing of core production facilities, and will assist the companies in pursuing the mutual benefits of these arrangements based on relationships of trust.

(1) Nippon Steel and Sumitomo Metals

Nippon Steel and Sumitomo Metals will each purchase the other's shares in the amount of around ¥100 billion.

- Nippon Steel will increase its ownership in all Sumitomo Metals shares from 5.01% (representing a voting right percentage of about 5.3%) at present to about 9.4% (representing a voting right percentage of about 9.9%).
- Sumitomo Metals will increase its ownership in all Nippon Steel shares from 1.81% (representing a voting right percentage of about 2.0%) at present to about 4.1% (representing a voting right percentage of about 4.5%).

(2) Nippon Steel and Kobe Steel

Nippon Steel and Kobe Steel will each purchase the other's shares in the amount of approximately ¥15 billion.

- Nippon Steel will increase its ownership in all Kobe Steel shares from 2.05% (representing a voting right percentage of about 2.2%) at present to about 3.4% (representing a voting right percentage of about 3.6%).
- Kobe Steel will increase its ownership in all Nippon Steel shares from 0.41% (representing a voting right percentage of about 0.4%) at present to about

Sumitomo Metals and Kobe Steel will each purchase the other's shares in the amount of approximately ¥15 billion.

- Sumitomo Metals will increase its ownership in all Kobe Steel shares from 2.05% (representing a voting right percentage of about 2.2%) at present to about 3.4% (representing a voting right percentage of about 3.6%).

- Kobe Steel will increase its ownership in all Sumitomo Metals shares from 1.71% (representing a voting right percentage of about 1.8%) at present to about 2.4% (representing a voting right percentage of about 2.5%).

Note: 1) The ownership and voting right percentages following the share purchases show above are the estimates based on averaged stock prices of the three companies for the past 30 days.

2) These additional share purchases are expected on stock exchanges by the end of March 2008.

II. Expansion and Enhancement of Cooperation

The three companies have already begun to consider ways of further expanding and enhancing mutual cooperation as agreed upon at the end of October this year. They will actively proceed with the joint consideration of these measures and move toward the implementation.

(1) Expansion of Joint Use by the Three Companies of Iron- and Steel-making Facilities at Sumitomo Metals' Wakayama Steelworks as a Source of High Grade Steel

Following the new No. 1 Blast Furnace at Wakayama Steelworks, which is now under construction and is slated to come on stream in June 2009 (renewal of the current No. 4 Blast Furnace), Sumitomo Metals has decided on basic policies for the construction of a new No. 2 Blast Furnace at its Wakayama Steelworks, with the aim of bringing the new furnace on stream in the latter half of the fiscal year ending March 31, 2013. This project involves renewal of the current No. 5 Blast Furnace and expansion of steel-making facilities, among other measures. Detailed consideration of the construction of the new No. 2 Blast Furnace and expansion of the joint use of iron- and steel-making facilities is now in progress. Based on the results of these considerations, the decisions will be made on the joint use of the high-grade steel capacity.

(2) Nippon Steel and Sumitomo Metals Examining Two-Way Cooperative Initiatives

(a) Nippon Steel and Sumitomo Metals are studying ways to secure capacity for high-grade sheet products, based on the measures outlined in (1) above.

(i) Sumitomo Metals to expand use of the hot-rolling capacity of the Nippon Steel Group

- Sumitomo Metals plans to draw on high-grade steel from its Wakayama Steelworks and expand the use of the hot-rolling capacity of the Nippon Steel Group. Detailed consideration of these plans is already in progress.

(ii) Studies are also under way toward expanded use of rolling capacity for sheet products at Sumitomo Metals' Wakayama Steelworks by the Nippon Steel Group.

(i) The companies are studying such integrated approach as well combining the use of Nippon Steel's hot-rolling capacity with Sumitomo Metals (Naoetsu)'s downstream rolling facilities in processing nickel-based stainless steel slabs from Sumitomo Metals' Wakayama Steelworks. Sumitomo Metals (Naoetsu) will begin to consign hot-rolling operations to Nippon Steel's Yawata Steelworks in the first quarter of fiscal year 2009.

(ii) Detailed consideration is also under way regarding effective use of the rolling capacity of Sumitomo Metals (Naoetsu) by the Nippon Steel Group for titanium.

(3) Nippon Steel and Kobe Steel Examining Two-Way Collaborative Initiatives

(a) The two companies are studying measures related to the production and use of direct reduced iron as well as the recycling of dust generated by blast furnaces and basic oxygen furnaces.

• With the aim of securing alternatives to scrap steel as well as of reducing cost of dust disposal, consideration is being given to setting up new facilities for joint venture based on Kobe Steel's FASTMET process.

(b) The companies are also studying measures related to sintering technology as well as application technology for higher-quality pellets for blast furnaces as part of the technology exchange between the two companies' iron-making departments.

• It has been decided that Nippon Steel will introduce Kobe Steel's technology for higher-quality pellets and that Kobe Steel will apply Nippon Steel's technology for higher productivity in the sintering operations. These steps are expected to lead to more stable production and reductions in cost at an early date.

(4) Sumitomo Metals and Kobe Steel Examining Two-Way Cooperative Initiatives

(a) The two companies are studying an alliance between the high-strength steel bolts businesses of the both corporate groups.

• The companies are engaged in specific discussions regarding an alliance between Sumitomo Seisatsuhin Kogyo Co., Ltd., and Shinko Bolt, Ltd., in the field of high-strength steel bolt production.

(b) Sumitomo Metals will begin to consign the production of stainless steel boiler tubes for coal-fired power-generation boilers to the Kobe Steel Group.

• Consignment of production of stainless steel boiler tubes for coal-fired power-generation boilers from Sumitomo Metals to KOBE SPECIAL TUBE CO., LTD., a member of the Kobe Steel Group, will begin in the first quarter of fiscal year 2008.

(c) The companies are studying expansion of consignment of titanium hot-rolling by Sumitomo Metals to Kobe Steel.

• Specific consideration is being given to arrangements under which Sumitomo Metals would expand the consignment of titanium hot-rolling to Kobe Steel.

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