

**Flash Report**  
**Consolidated Basis**  
**Results for the First Half of Fiscal 2014**  
**(April 1, 2014—September 30, 2014)**

October 30, 2014

**Company name:** Nippon Steel & Sumitomo Metal Corporation  
**Stock listing:** Tokyo, Nagoya, Sapporo, Fukuoka stock exchanges  
**Code number:** 5401  
**URL:** <http://www.nssmc.com/en/index.html>  
**Representative:** Kosei Shindo, Representative Director and President  
**Contact:** Nozomu Takahashi, General Manager, Public Relations Center  
**Telephone:** 81-3-6867-2130  
**Scheduled date to submit Securities Report:** November 7, 2014  
**Scheduled date to pay dividends:** December 1, 2014  
**Preparation of supplemental explanatory materials:** Yes  
**Holding of quarterly financial results meeting:** Yes (for investment analysts)

(Figures of less than ¥1 million have been omitted.)

**1. Consolidated Financial and Operating Results through the First Half of Fiscal 2014**

(April 1, 2014—September 30, 2014)

**(1) Consolidated Operating Results (Accumulated)**

(Percentage figures are changes from the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>First half of Fiscal 2014</b>	<b>2,778,474</b>	<b>3.9</b>	<b>135,525</b>	<b>(2.7)</b>	<b>176,321</b>	<b>1.5</b>	<b>112,247</b>	<b>(2.9)</b>
First half of Fiscal 2013	2,674,582	39.4	139,299	—	173,686	788.6	115,577	—

(For reference) Comprehensive income: First half of Fiscal 2014      ¥ 194,908 million ( 50.4% )  
First half of Fiscal 2013      ¥ 129,608 million ( —% )

	Net income per share	Net income per share after full dilution
	Yen	Yen
<b>First half of Fiscal 2014</b>	<b>12.30</b>	<b>—</b>
First half of Fiscal 2013	12.73	—

**(2) Consolidated Financial Results**

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Millions of yen	Millions of yen	%
<b>First half of Fiscal 2014</b>	<b>7,089,294</b>	<b>3,373,794</b>	<b>39.7</b>
Fiscal 2013	7,082,288	3,237,995	37.9

(For reference) Shareholders' equity: First half of Fiscal 2014      ¥ 2,816,938 million  
Fiscal 2013      ¥ 2,683,659 million

**2. Dividends**

Base date	Dividends per share				
	End of the first quarter	End of the first half	End of the third quarter	End of the second half	Full-year
	Yen	Yen	Yen	Yen	Yen
Fiscal 2013	—	2.00	—	3.00	5.00
Fiscal 2014	—	2.00			
Fiscal 2014 (Forecasts)			—	—	—

Note: Whether the dividend forecasts under review have been revised: None

Note: The Company plans to determine and announce the forecast of the year-end dividend distribution amount at the third-quarter result briefing.

### 3. Consolidated Financial Forecasts for Fiscal 2014(April 1, 2014—March 31, 2015)

The Company's consolidated financial results forecasts for fiscal 2014 are net sales of ¥5,650 billion, ordinary profit of ¥400 billion, and net income of ¥250 billion (¥27.40 net income per share).

For further details, please refer to page 4, "1. Qualitative Information for the First Half of Fiscal 2014 (2) Explanation of Information on Future Estimates, Including Consolidated Earnings Forecasts."

Note: Whether the consolidated financial forecasts for fiscal 2014 under review have been revised: Yes

#### \* Notes

(1) Changes in the state of material subsidiaries during the period: None

(2) Adoption of special accounting methods for the preparation of quarterly consolidated financial statements: Yes

Note: For further details, please refer to page 5, "2. Matters Concerning Summary Information (Notes to Financial Statements) (2) Adoption of Special Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements."

(3) Changes in accounting principles, changes in accounting estimates, and retrospective restatements

(a) Changes in accounting principles accompanying revisions in accounting standards: Yes

(b) Changes other than those in (a) above: None

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

Note: For further details, please refer to page 5, "2. Matters Concerning Summary Information (Notes to Financial Statements) (3) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements."

(4) Number of shares issued (common shares)

(a) Number of shares issued at the end of the period (including treasury stock)

First half of Fiscal 2014	9,503,214,022 shares
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Fiscal 2013	9,503,214,022 shares
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(b) Number of treasury stock at the end of the period

First half of Fiscal 2014	378,852,875 shares
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Fiscal 2013	378,513,168 shares
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(c) Average number of shares issued during the term

First half of Fiscal 2014	9,124,597,665 shares
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First half of Fiscal 2013	9,081,728,608 shares
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#### \* Status of Performance of Quarterly Review Procedures

This quarterly flash report is exempt from the quarterly review procedures based on Japan's Financial Instruments and Exchange Law. At the time when this quarterly flash report was disclosed, the quarterly review procedures based on the Financial Instruments and Exchange Law had not been completed.

#### \* Explanation of the appropriate use of performance forecasts and other related items

(Explanation of the appropriate use of performance forecasts)

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.

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## 1. Qualitative Information for the First Half of Fiscal 2014

### (1) Explanation of Operating Results

#### Global and Domestic Economic Conditions in the First Half of Fiscal 2014

The global economy maintained moderate growth, as solid corporate profits supported improving business conditions in the United States, but the pace of growth continued to decelerate in China and other emerging countries.

In Japan, while private consumption remained weak due to the consumption tax hike and other factors, the economy continued on a moderate recovery, supported by factors such as a pickup capital investment on rising corporate profits and the front-loading of public investment orders.

#### Operating Results by Business Segment in the First Half of Fiscal 2014

The Nippon Steel & Sumitomo Metal Corporation Group's business segments strived to cope with the changing business environment and to improve their sales and earnings. An overview of operating results by business segment is shown below.

	(Billions of Yen)			
	Net Sales		Ordinary Profit	
	1H FY2014	1H FY2013	1H FY2014	1H FY2013
Steelmaking and steel fabrication	2,466.2	2,383.6	159.1	158.2
Engineering and construction	155.3	134.3	4.8	3.6
Chemicals	112.2	115.0	4.3	7.0
New materials	18.2	19.2	1.1	0.6
System solutions	94.8	81.4	7.2	4.8
Total	2,846.9	2,733.6	176.8	174.3
Adjustments	(68.4)	(59.0)	(0.5)	(0.7)
Consolidated Total	2,778.4	2,674.5	176.3	173.6

\*1 The first half (1H) is a six-month period from April 1 to September 30.

#### Steelmaking and Steel Fabrication

Thanks to full-fledged reconstruction demand, recovering capital investment, and other trends, steel demand in Japan was generally firm despite a dip in demand from the civil engineering and construction sectors, partly due to seasonal fluctuations in public works demand, and the impact of the consumption tax hike in some manufacturing industry segments. Steel exports were generally solid on the back of a gradual recovery in the global economy, but international steel market conditions continued to require caution because of such factors as the continued high level of production output at Chinese steelmakers.

Under such conditions, the Company continued implementing measures to improve earnings, and the steelmaking and steel fabrication segment recorded net sales of ¥2,466.2 billion and ordinary profit of ¥159.1 billion.

Since January 2014, The Company's Nagoya Works has had four power failures and one fire accident. We sincerely regret any inconvenience and anxiety caused to shareholders and all those concerned. We established an Accident Response Committee, which includes several outside experts at its members, under the Crisis Management Headquarters,

headed by the Company President as director. The entire company is making utmost concerted efforts to investigate the causes of each of the accidents, explore measures to prevent their recurrence, and implement them.

### **Engineering and Construction**

Nippon Steel & Sumikin Engineering Co., Ltd. is implementing aggressive overseas strategic initiatives, including full-scale operation at facilities in Southeast Asia and other countries, which were established in the last few years, and the generation of synergies with the leading European waste disposal design and construction company, which the company acquired in May 2014. At the same time, it is enhancing the competitiveness of its existing businesses.

The engineering and construction segment posted net sales of ¥155.3 billion and ordinary profit of ¥4.8 billion.

### **Chemicals**

Nippon Steel & Sumikin Chemical Co., Ltd. continued recording relatively firm sales in the functional materials business for circuit board materials, display materials, and organic EL materials, reflecting the growing demand for smartphones and other factors. However, profits in the chemicals business declined from the previous year due to ongoing sluggish demand and stagnant market conditions for needle coke and epoxy resins combined with deteriorating conditions in the styrene monomer market.

The chemicals segment recorded net sales of ¥112.2 billion and ordinary profit of ¥4.3 billion.

### **New Materials**

Nippon Steel & Sumikin Materials Co., Ltd. benefited from robust demand in the electronic materials field for products that include surface-treated copper wire, a material alternative to gold bonding wire. Demand increased in the basic industrial materials and components field for social infrastructure maintenance and reinforcement materials, and demand from developing countries was also stronger for metal carriers in the environmental and energy field.

The new materials segment posted net sales of ¥18.2 billion and ordinary profit of ¥1.1 billion.

### **System Solutions**

NS Solutions Corporation advanced measures aimed at strengthening sales and marketing and improving profitability while continuing to reinforce and expand its cloud computing and other service businesses. A subsidiary was established in Indonesia in August 2014 with the aim of further expanding its business operations in Asia.

The system solutions segment recorded net sales of ¥94.8 billion and ordinary profit of ¥7.2 billion.

### **Sales and Profit for the First Half of Fiscal 2014**

Nippon Steel & Sumitomo Metal Corporation (NSSMC or the Company) posted first-half consolidated net sales of ¥2,778.4 billion, operating profit of ¥135.5 billion, ordinary profit of ¥176.3 billion, and net income of ¥112.2 billion.

## **(2) Explanation of Information on Future Estimates, Including Consolidated Earnings Forecasts**

### **Consolidated Earnings Forecasts**

Regarding global economic conditions, the U.S. economy is expected to remain robust but growth in China and other emerging countries is likely to keep slowing down. The Japanese economy is expected to remain generally firm and on a moderate recovery track, despite some negative effects from the consumption tax hike.

Domestic steel demand may dip due to the consumption tax hike but is projected to remain generally firm supported by stable public investment and growing capital expenditure. With regard to exports, the world steel demand should also remain basically solid on the back of the firm U.S. economy. However, the ongoing high production output of Chinese steelmakers remains a concern in the international market, and the outlook is likely to remain unpredictable in areas including steel material supply and demand and market conditions in Asia.

In such an environment, the Company will continue applying the utmost management efforts to implement various measures and accomplish the goals of the Mid-Term Management Plan while asking users to cooperate in ensuring appropriate product pricing levels.

The Company intends to steadily respond to strong demand trends, particularly in Japan, and seek to improve cost effectiveness while overcoming the impact of the coke oven fire accident at the Nagoya Works and other adversities. The previously announced target of ¥400 billion in consolidated ordinary profit for fiscal 2014 remains unchanged.

### **Basic Profit Distribution Policy and the First-Half Dividend Distribution**

NSSMC's basic profit distribution policy is to pay dividends from distributable funds at the end of the first half and the second half of the fiscal year. The Company does so in consideration of consolidated operating results and such factors as capital requirements for investment and other activities aimed at raising corporate value and performance prospects. The Company also considers the financial structure of the Company on consolidated and non-consolidated bases. The Company has set a consolidated payout ratio target of approximately 20% for use as an indicator for the distribution of profits based on due consideration of consolidated operating results. The level of the first-half dividend is set based on consideration of interim performance figures and forecasts for the full fiscal year performance.

In accordance with the basic profit distribution policy described above, the Company has decided to distribute a dividend of ¥2.0 per share at the end of the first half, representing a consolidated dividend payout ratio of 16%.

The Company plans to determine and announce the forecast of the year-end dividend distribution amount at the third-quarter result briefing.

## **2. Matters Concerning Summary Information (Notes to Financial Statements)**

### **(1) Changes in the State of Material Subsidiaries During the Period:**

None

### **(2) Adoption of Special Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements:**

Income taxes were computed by multiplying consolidated quarterly income before income taxes and minority interests by a rational estimate of the effective tax rate on consolidated income before income taxes and minority interests for the fiscal year including the quarterly period under review after adjustments for the application of tax-effect accounting.

### **(3) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements:**

Provisions stated in Section 35 of the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, hereinafter referred to as the “Retirement Benefits Accounting Standard”) and Section 67 of the “Guidance on the Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, hereinafter “Guidance on Retirement Benefits”) have been applied from the first quarter of fiscal 2014. With this application, calculation methods for retirement benefit obligations and service costs have been changed. Under this change, the calculation method for annual allocation expenses for projected benefit obligations is changed from the straight-line attribution standard pro-rated on employees’ years of service to benefit formula standard pro-rated on employees’ salaries. The method for determining the time period over which the discount rate is imputed is changed from the average remaining years of service for employees to mainly the expected period length of benefits payments and weighted average discount rate reflecting the amount to be paid in each period under the expected length of benefits payments for all employees under the plan.

In accordance with the transitional treatment prescribed in Section 37 of the Retirement Benefits Accounting Standard, the Company applied the Accounting Standard for Retirement Benefits at the beginning of the first quarter of fiscal 2014, and the effect of the accounting change in retirement benefit obligations and service costs was reflected in retained earnings.

As a result, net defined benefit assets decreased by ¥27,904 million, net defined benefit liabilities increased by ¥14,506 million and retained earnings decreased by ¥27,824 million at the beginning of the first quarter of fiscal 2014. The effect of this change on consolidated financial results for the first half of fiscal 2014 was to increase operating profit by ¥1,101 million, and both ordinary profit and income before income taxes and minority interests by ¥1,098 million.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

	Millions of yen	
<b>ASSETS</b>	March 31, 2014	September 30, 2014
<b>Current assets :</b>		
Cash and bank deposits	105,303	85,637
Notes and accounts receivable	589,802	563,910
Inventories	1,225,014	1,249,359
Other	354,791	345,090
Less: Allowance for doubtful accounts	(1,540)	(1,628)
<b>Total current assets</b>	2,273,371	2,242,370
<b>Fixed assets :</b>		
Tangible fixed assets :		
Buildings and structures	725,473	715,845
Machinery, equipment and vehicles	1,078,995	1,061,965
Other	807,810	805,537
	2,612,280	2,583,349
Intangible fixed assets	94,079	99,075
Investments and others :		
Investments in securities	1,836,196	1,914,246
Net defined benefit assets	111,958	98,357
Other	157,727	154,976
Less: Allowance for doubtful accounts	(3,324)	(3,080)
	2,102,557	2,164,500
<b>Total fixed assets</b>	4,808,916	4,846,924
<b>Total assets</b>	7,082,288	7,089,294

Millions of yen

<b>LIABILITIES</b>	March 31, 2014	September 30, 2014
<b>Current liabilities :</b>		
Notes and accounts payable	661,267	678,753
Short-term loans payable	435,357	330,548
Commercial paper	32,000	20,000
Bonds due within one year	65,000	40,000
Income taxes payable	36,894	24,254
Provision	3,078	3,490
Other	577,539	602,970
<b>Total current liabilities</b>	1,811,137	1,700,018
<b>Long-term liabilities :</b>		
Bonds and notes	425,668	405,672
Long-term loans payable	1,313,248	1,259,454
Allowance and reserve	13,739	6,311
Net defined benefit liabilities	157,373	178,945
Other	123,125	165,098
<b>Total long-term liabilities</b>	2,033,155	2,015,482
<b>Total liabilities</b>	3,844,293	3,715,500
<b>NET ASSETS</b>		
<b>Shareholders' equity :</b>		
Common stock	419,524	419,524
Capital surplus	371,465	371,469
Retained earnings	1,652,054	1,709,072
Less: Treasury stock, at cost	(62,882)	(62,987)
	2,380,162	2,437,079
<b>Accumulated other comprehensive income:</b>		
Unrealized gains on available-for-sale securities	189,831	246,177
Deferred hedge income (loss)	(3,099)	2,734
Unrealized gains on revaluation of land	2,554	2,554
Foreign currency translation adjustments	71,565	74,455
Remeasurements of defined benefit plans	42,644	53,937
	303,496	379,859
<b>Minority interests in consolidated subsidiaries</b>	554,335	556,855
<b>Total net assets</b>	3,237,995	3,373,794
<b>Total liabilities and net assets</b>	7,082,288	7,089,294

**(2) Quarterly Consolidated Statements of Income  
and Quarterly Consolidated Statements of Comprehensive Income**

Quarterly Consolidated Statements of Operations	Millions of yen	
	First half of fiscal 2013	First half of Fiscal 2014
<b>Operating revenues :</b>		
Net sales	2,674,582	2,778,474
Cost of sales	2,312,504	2,408,920
<b>Gross margin</b>	362,077	369,554
Selling, general and administrative expenses	222,777	234,028
<b>Operating profit</b>	139,299	135,525
<b>Non-operating profit and loss :</b>		
Non-operating profit :		
Interest	2,237	2,453
Dividend income	8,606	9,320
Equity in net income of unconsolidated subsidiaries and affiliates	28,909	39,402
Other	35,698	29,407
	75,452	80,585
Non-operating loss :		
Interest expense	13,513	10,483
Other	27,552	29,306
	41,065	39,789
<b>Ordinary profit</b>	173,686	176,321
<b>Special profit :</b>		
Gain on sales of investments in securities	31,132	5,273
	31,132	5,273
<b>Special loss :</b>		
Loss on inactive facilities	14,599	10,193
	14,599	10,193
<b>Income before income taxes and minority interests</b>	190,219	171,400
Income taxes - current and deferred	66,671	51,372
<b>Income before minority interests</b>	123,548	120,028
Minority interests in net income of consolidated subsidiaries	7,971	7,780
<b>Net income</b>	115,577	112,247

Quarterly Consolidated Statements of Comprehensive Income	Millions of yen	
	First half of fiscal 2013	First half of Fiscal 2014
Income before minority interests	123,548	120,028
Other comprehensive income		
Unrealized gains on available-for-sale securities	52,766	54,373
Deferred hedge income (loss)	(6,540)	5,735
Foreign currency translation adjustments	(27,722)	(51)
Remeasurements of defined benefit plans	-	11,565
Share of other comprehensive income (loss) of associates accounted for using equity method	(12,443)	3,258
Total other comprehensive income	6,059	74,880
Comprehensive income	129,608	194,908
Attributable to		
Comprehensive income attributable to owners of the parent	120,750	188,609
Comprehensive income attributable to minority interests	8,858	6,298

**(3) Notes on Quarterly Consolidated Financial Statements**  
**(Notes on Going Concern Assumption)**

None

**(Notes in Case of Significant Changes to Shareholders' Equity)**

None

**(Segment Information)**

(Information about segment sales, profit (loss) )

**First half of Fiscal 2013 (April 1, 2013—September 30, 2013)**

(Millions of yen)

	Reportable segment					Total	Adjustments	Consolidated
	Steelmaking and steel fabrication	Engineering and construction	Chemicals	New materials	System solutions			
Net sales	2,383,604	134,328	115,042	19,256	81,414	2,733,646	(59,063)	2,674,582
Segment profit <Ordinary Profit>	158,245	3,649	7,002	659	4,841	174,397	(711)	173,686

**First half of Fiscal 2014 (April 1, 2014—September 30, 2014)**

(Millions of yen)

	Reportable segment					Total	Adjustments	Consolidated
	Steelmaking and steel fabrication	Engineering and construction	Chemicals	New materials	System solutions			
Net sales	2,466,234	155,328	112,230	18,270	94,892	2,846,956	(68,481)	2,778,474
Segment profit <Ordinary Profit>	159,173	4,870	4,378	1,177	7,259	176,859	(537)	176,321

**(Depreciation Information)**

Depreciation and amortization (including intangible fixed assets amortization other than goodwill) are as follows:

(Millions of yen)

	For the first half of fiscal 2013	For the first half of fiscal 2014
Depreciation and amortization	161,424	154,576

Nippon Steel & Sumitomo Metal Corporation

Code Number: 5401

Listings: Tokyo, Nagoya, Sapporo and Fukuoka Stock Exchanges

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## Supplementary Information on the Financial Results for the First Half of Fiscal 2014

### Japanese Steel Industry

#### 1. Crude Steel Production

(million tons)							
	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	28.08	27.74	55.82	28.14	27.57	55.71	111.52
2014FY	27.67	27.88	55.56	(*)Approx.27.98			

(\*)METI forecast

#### 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)
Oct.	2012	5.54	(139.0)	4.07	0.184
Nov.	2012	5.43	(142.0)	3.94	0.183
Dec.	2012	5.46	(151.9)	3.92	0.179
Jan.	2013	5.49	(146.0)	3.97	0.177
Feb.	2013	5.41	(146.3)	3.83	0.187
Mar.	2013	5.41	(125.8)	3.85	0.197
Apr.	2013	5.44	(143.0)	3.82	0.192
May	2013	5.48	(135.9)	3.83	0.197
June	2013	5.61	(146.0)	3.86	0.197
July	2013	5.36	(127.3)	3.76	0.190
Aug.	2013	5.54	(147.1)	3.92	0.186
Sep.	2013	5.53	(133.5)	3.88	0.187
Oct.	2013	5.61	(135.0)	3.88	0.180
Nov.	2013	5.49	(125.5)	3.82	0.180
Dec.	2013	5.65	(138.5)	3.93	0.185
Jan.	2014	5.76	(136.4)	4.09	0.200
Feb.	2014	5.73	(140.7)	3.99	0.220
Mar.	2014	5.68	(126.6)	4.11	0.234
Apr.	2014	5.67	(139.0)	4.13	0.229
May	2014	5.79	(143.7)	4.24	0.231
June	2014	5.83	(142.8)	4.20	0.221
July	2014	5.58	(130.9)	4.10	0.215
Aug.	2014	5.93	(163.1)	4.33	0.211
Sep. *3	2014	5.93	(143.4)	—	0.213

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

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

\*3 Preliminary report

**NSSMC****3. Pig Iron Production**

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	11.30	11.47	22.77	11.41	10.62	22.03	44.80
2014FY	11.05	11.60	22.64			Approx.23.30	Approx.45.90

\*Including Hokkai Iron &amp; Coke Co., Ltd. and Nippon Steel &amp; Sumikin Koutetsu Wakayama Corporation.

**4. Crude Steel Production**

(Consolidated basis (The Company and its domestic consolidated subsidiaries ) )

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	12.13	12.14	24.27	12.26	11.63	23.89	48.16
2014FY	11.86	12.16	24.02			Approx.24.60	Approx.48.60

(Non-consolidated basis)

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	11.50	11.52	23.02	11.63	11.01	22.64	45.67
2014FY	11.29	11.59	22.88			Approx.23.20	Approx.46.10

\*Including Nippon Steel &amp; Sumikin Koutetsu Wakayama Corporation.

**5. Steel Products Shipment**

(million tons)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	10.29	10.68	20.97	10.38	10.67	21.05	42.02
2014FY	10.43	10.68	21.11			Approx.21.80	Approx.42.90

\*Including Nippon Steel &amp; Sumikin Koutetsu Wakayama Corporation.

**6. Average Price of Steel Products**

(thousands of yen / ton)

	1st quarter	2nd quarter	1st half	3rd quarter	4th quarter	2nd half	total
2013FY	82.5	86.3	84.4	86.7	88.4	87.6	86.0
2014FY	87.6	86.0	86.8			Approx.85	Approx.86

\*Including Nippon Steel &amp; Sumikin Koutetsu Wakayama Corporation.

7. Export Ratio of Steel Products (Value basis)

(%)

	1st half		2nd half		total
	1st quarter	2nd quarter	3rd quarter	4th quarter	
2013FY	49	47	48	45	46
2014FY	46	47	46		Approx.47

\*Including Nippon Steel &amp; Sumikin Koutetsu Wakayama Corporation.

8. Foreign Exchange Rate

(¥/\$)

	1st half		2nd half		total
	1st quarter	2nd quarter	3rd quarter	4th quarter	
2013FY	98	98	100	103	100
2014FY	102	103			Approx.107

9. Amount of Capital Expenditure and Depreciation

(Consolidated basis)

(billions of yen)

	Capital Expenditure	Depreciation
2013FY	257.0	331.8
2014FY	Approx.320.0	Approx.320.0