

Sumitomo Metals  
FY 2010 Performance  
(ended March 31, 2011)

April 28, 2011

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This presentation contains certain forward-looking statements. The Company has tried, whenever possible, to identify these forward-looking statements using words such as “anticipated”, “believes”, “estimates”, “forecasts”, “expects”, “plans”, “intends”, “targets” and similar expressions. Similarly, statements herein that describe the Company’s business strategy, outlook, objectives, plans, intentions or goals are also forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause the Company’s actual results, performance or achievements to differ from those expressed in, or implied by, such statements. These risks and uncertainties may include, but are not limited to: the Company’s ability to successfully implement its strategies to restructure the steel business and reinforce its financial structure; the effects of and changes in Japanese and worldwide general economic conditions and in the steel industry in particular, including the severity of any economic slowdown, technological and other changes affecting the manufacture of and demand for the Sumitomo Metals Group’s products, changes in Japan’s and other countries’ laws and regulations, including with regard to taxation, and other risks and uncertainties set forth in subsequent press releases and in the Sumitomo Metals Group’s public filings. These statements reflect the Company’s current beliefs and are based upon information currently available to it. Be advised that developments subsequent to this presentation are likely to cause these statements to become outdated with the passage of time. The Company disclaims any intent or obligation to update these forward-looking statements.

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The risks, uncertainties and other factors referred to above include, but are not limited to:

- (1) economic and business conditions in and outside Japan;
- (2) changes in steel supply, raw material costs and exchange rates;
- (3) changes in interest rates on loans, bonds and other indebtedness of the two companies, as well as changes in financial markets;
- (4) changes in the value of assets (including pension assets), such as marketable securities;
- (5) changes in laws and regulations (including environmental regulations) relating to the two companies’ business activities;
- (6) rise in tariffs, imposition of import controls and other developments in the two companies’ main overseas markets;
- (7) interruptions in or restrictions on business activities due to natural disasters, accidents and other causes;
- (8) the two companies’ being unable to reach a mutually satisfactory agreement on the detailed terms of the possible business combination (or integration) or otherwise unable to complete it; and
- (9) difficulties in realizing the synergies and benefits of the post-transaction group.

All output figures in this presentation are metric tons.

All output figures of “crude steel”, “steel sales volume” and “average price of steel product” are including Sumitomo Metals (Kokura), Sumitomo Metals (Naoetsu) and Sumikin Iron & Steel Corporation.

EBITDA= Operating income + Depreciation of property, plant and equipment

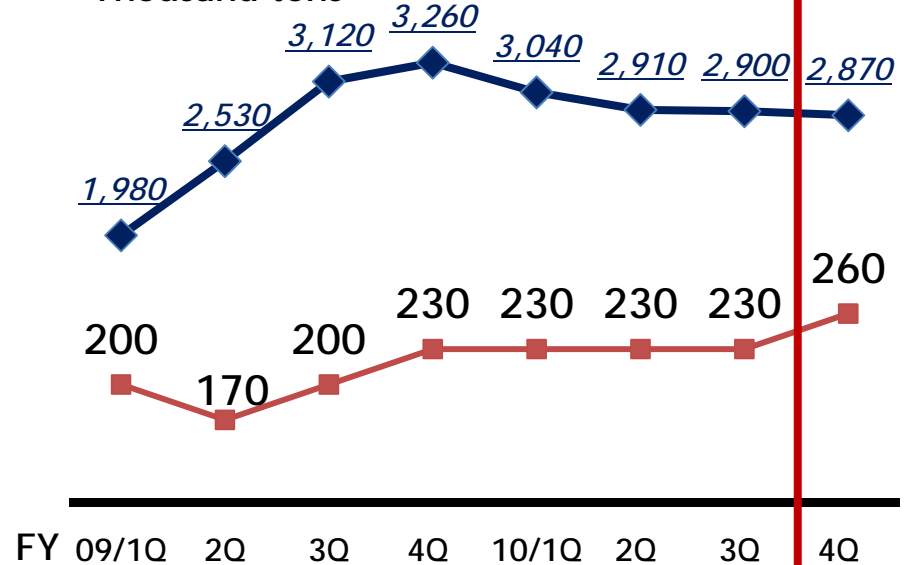
# FY10 Consolidated Results Highlights

| JPY billion          | FY10    | <YoY>   |
|----------------------|---------|---------|
| ● Sales              | 1,402.4 | <116.6> |
| ● Operating income   | 56.3    | < 57.2> |
| ● Ordinary income    | 34.0    | < 70.6> |
| ● Extraordinary loss | (62.0)  | <-58.9> |
| ● Net loss           | (7.1)   | < 42.6> |
| ● EBITDA             | 182.5   | < 62.6> |

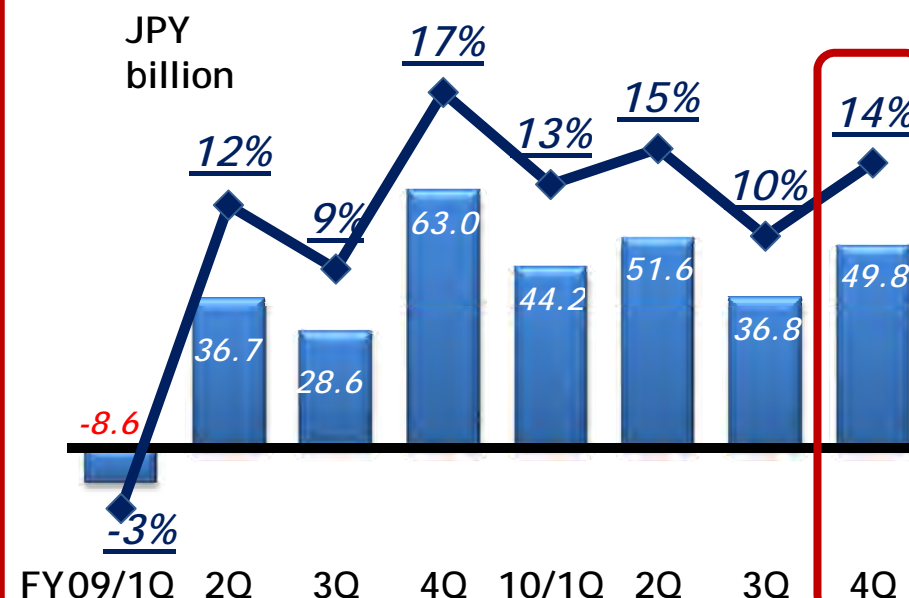
- An extraordinary loss of 62 JPY billion including the cost to restore facilities and the loss caused by reduced capacity utilization at Kashima steelworks damaged by the earthquake.
- An op. income of 56.3 JPY billion in line with our last guidance.
- Year-end dividend of 1.0 JPY/share (Full year: 3.5 JPY/share)

## Sales volume and seamless pipe sales volume

Thousand tons



## EBITDA and EBITDA margin



# Damage and Recovery Status at Kashima Steelworks

- Following tsunami alerts right after the huge earthquake on Mar. 11, 2011, we suspended Kashima's all production lines .
- There were no casualties or injuries at Kashima despite the scale of the quake.
- We set up the Disaster Management Task Force right away on Mar. 11.
- The suspended facilities restarted successively according to our recovery plan.
- We resumed operation of all mills on Apr. 25 and aim for Kashima's full recovery by the end of May 2011.



Damaged crane



Substitute crane moved to Kashima from Wakayama steelworks



Damaged coke gas pipe



Damaged parts are being replaced.



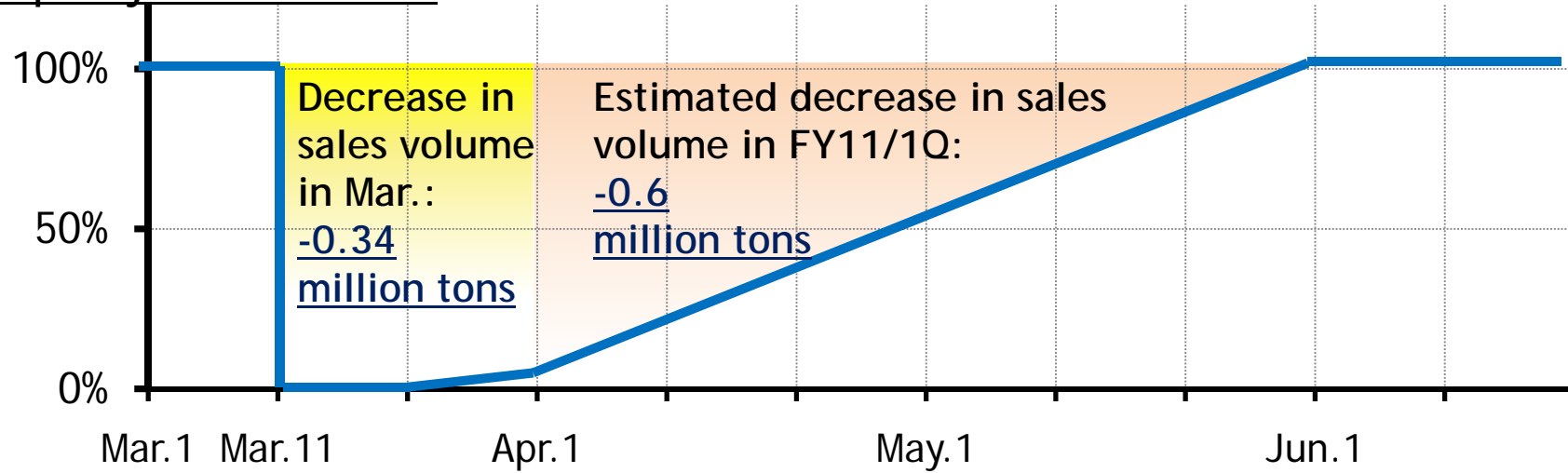
Resumed operation at No.1 BF



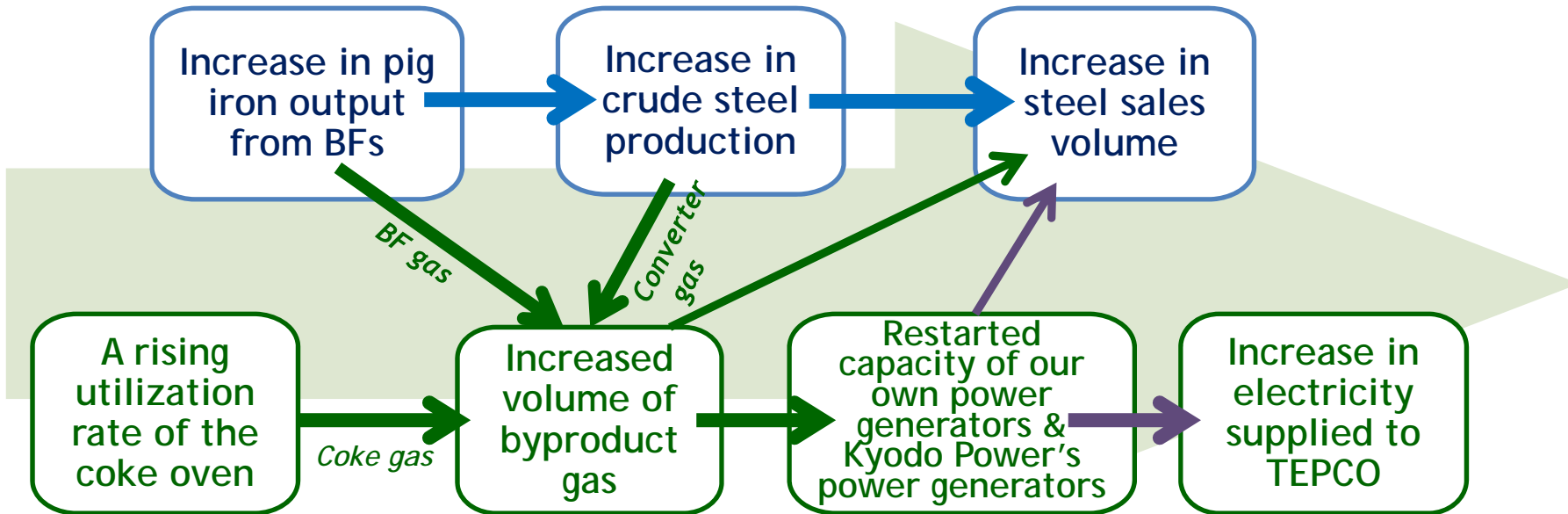
Restarted rolling operation at Hot Strip Mill on Apr. 12

# Recovery Schedule of Kashima Steelworks

Capacity utilization rate



Gas balance of steelworks



# Recovery Plan

6

- We carry out the recovery plan on top of the business as usual.
- We intend to recover more than half of the negative impact on free CFs before taxes in FY11.

| JPY billion  | FY11  | Total          |
|--|---|----------------|
|  | Deferment, etc., of investment in plant and equipment | 9              |
| Reduction of costs / expenses                      | 24  | 55             |
| Decrease in FY10 year-end & FY11 interim dividends | 14  | 14             |
| Fixed costs, etc.                                  | 3   | 3              |
| Improvement in free CFs before taxes               | Exceeding<br>50                                       | Approx.<br>100 |

## Losses caused by the earthquake

| JPY billion                   | FY10                      | FY11    | Total |
|-------------------------------|---------------------------|---------|-------|
|                               | Effect on ordinary income | (-2) -2 | -5    |
| Extraordinary loss            | (-60) -62                 | -15     |       |
| Effect on income before taxes | (-62) -64                 | -20     | -84   |

( ): Forecast as of Apr. 14

Investment in facility recovery -20

The negative impact on free CFs before taxes -100

## FY11 Our Strategy & Forecast



### FY11 forecast

- We just do not know how much the earthquake will influence the economy of Japan. Too early to make a forecast for FY11.
- We intend to disclose our forecast for FY11 as soon as possible.

# FY2010 Results



# Production & Prices

FY09/4Q->FY10/4Q:

Average price of steel product improved by 13,600 JPY/ton despite the yen appreciation.

|   |          | FY09 |       | FY10 |       |       |       | [Feb.4] | FY10  | YoY  |
|---|----------|------|-------|------|-------|-------|-------|---------|-------|------|
|   |          | 4Q   |       | 1Q   | 2Q    | 3Q    | 4Q    |         |       |      |
| FOREX rate (JPY/USD)                      |          | 91   | 93    | 92   | 86    | 83    | 82    | [86]    | 86    | -7   |
| Crude steel production (million tons)     |          | 3.32 | 11.65 | 3.35 | 3.43  | 3.00  | 3.13  | [13.50] | 12.90 | 1.25 |
| Steel sales volume (million tons)         |          | 3.26 | 10.89 | 3.04 | 2.91  | 2.90  | 2.87  | [12.07] | 11.72 | 0.83 |
| Seamless pipe sales volume (million tons) |          | 0.23 | 0.79  | 0.23 | 0.23  | 0.23  | 0.26  | [0.95]  | 0.96  | 0.17 |
| Ave. price of steel product (000JPY/ton)  | Domestic | 89.8 | 93.3  | 92.7 | 103.6 | 105.5 | 104.7 | [101]   | 101.5 | 8.2  |
|   | Export   | 78.2 | 82.4  | 82.3 | 86.4  | 86.3  | 90.6  | [87]    | 86.3  | 3.9  |
|   | Total    | 84.3 | 88.0  | 87.7 | 95.6  | 95.9  | 97.9  | [94]    | 94.2  | 6.2  |

| USD billion | FY09 | FY10 |      | FY10 |
|-------------|------|------|------|------|
|             |      | 1H   | 2H   |      |
| Receipts    | 4.6  | 2.5  | 2.7  | 5.2  |
| Payments    | -3.9 | -2.6 | -2.6 | -5.2 |
| Balance     | 0.7  | -0.1 | 0.1  | 0    |

\*Feb.4: Forecast as of Feb. 4, 2011

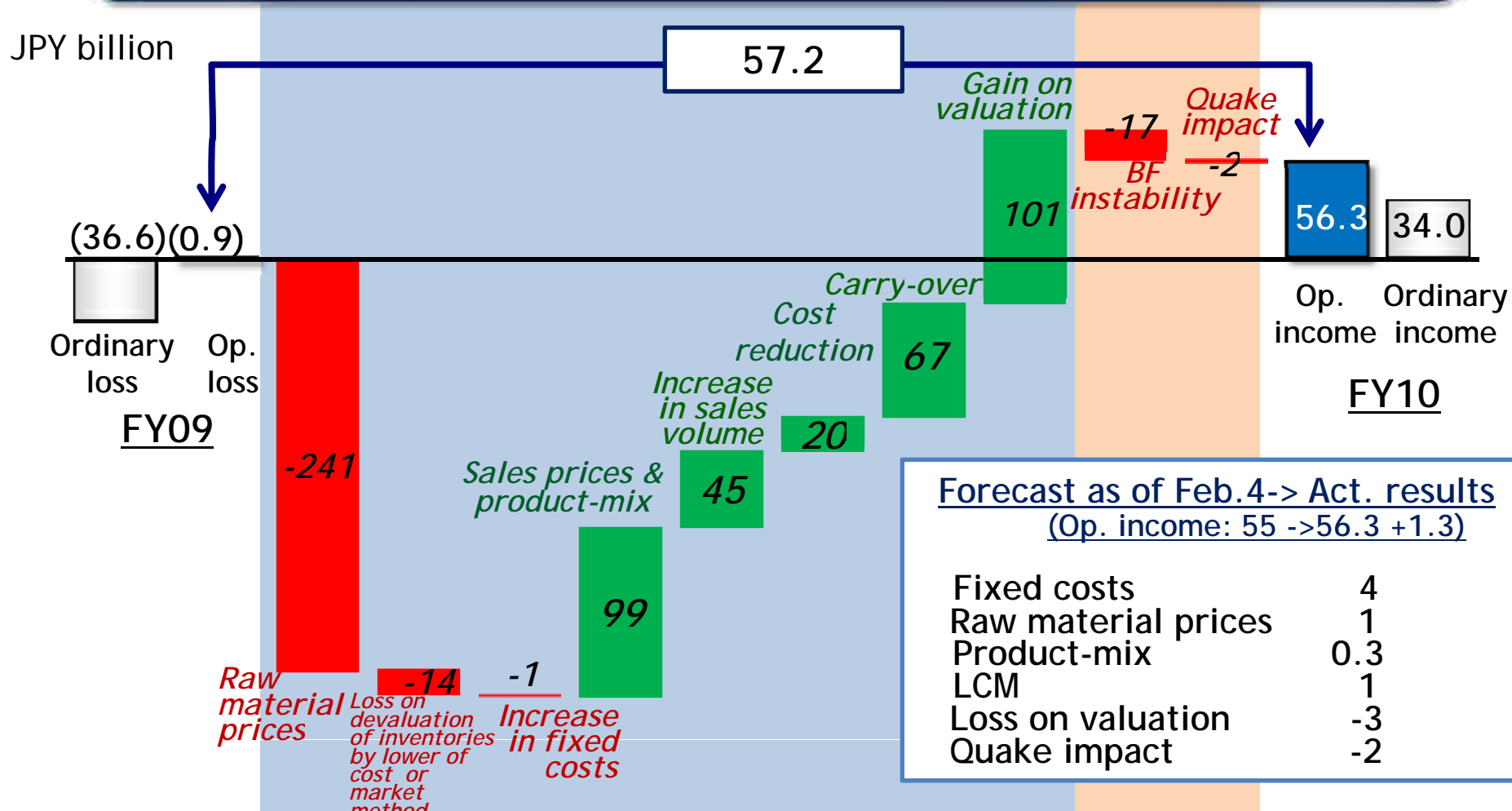
# Overview of Consolidated Results for FY10

| JPY billion                        | FY09    | FY10  |       |       |          |        |         | Change  |       |       |
|------------------------------------|---------|-------|-------|-------|----------|--------|---------|---------|-------|-------|
|                                    |         | 1Q    | 2Q    | 3Q    | [Feb.4]  | 4Q     | [Feb.4] | FY10    | YoY   | QoQ   |
| Sales                              | 1,285.8 | 341.6 | 352.1 | 351.9 | [394.2]  | 356.6  | [1,440] | 1,402.4 | 116.6 | 4.6   |
| Op. income(loss)                   | (0.9)   | 14.2  | 20.4  | 4.9   | [15.2]   | 16.5   | [55]    | 56.3    | 57.2  | 11.5  |
| Ordinary income(loss)              | (36.6)  | 9.4   | 19.4  | (2.0) | [3.1]    | 7.1    | [30]    | 34.0    | 70.6  | 9.2   |
| Extraordinary income (loss)        | (3.1)   | -     | -     | -     | [-]      | (62.0) | [-]     | (62.0)  | -58.9 | -62.0 |
| Income taxes and minority interest | (10.0)  | (5.0) | 10.9  | 2.1   | [(13.0)] | 12.8   | [(5)]   | 20.8    | 30.8  | 10.6  |
| Net income (loss)                  | (49.7)  | 4.4   | 30.4  | 0.0   | [(9.9)]  | (42.0) | [25]    | (7.1)   | 42.6  | -42.1 |
| EPS (JPY)                          | -10.74  | 0.97  | 6.56  | 0.01  | [-2.14]  | -9.08  | [5.39]  | -1.54   | 9.20  | -9.09 |
| EBITDA                             | 119.9   | 44.2  | 51.6  | 36.8  | [52.2]   | 49.8   | [185]   | 182.5   | 62.6  | 12.9  |
| FOREX rate (JPY/USD)               | 93      | 92    | 86    | 83    | [85]     | 82     | [86]    | 86      | -7    | -1    |

\*Feb.4: Forecast as of Feb. 4, 2011

# Change in Consolidated Operating Income (FY09 → FY10)

Op. income improved by 57.2 JPY billion as a result of increased sales volume, cost reduction, products prices hike and positive temporary factors such as gain on valuation and carry-over despite impacts from BF instability and the earthquake.



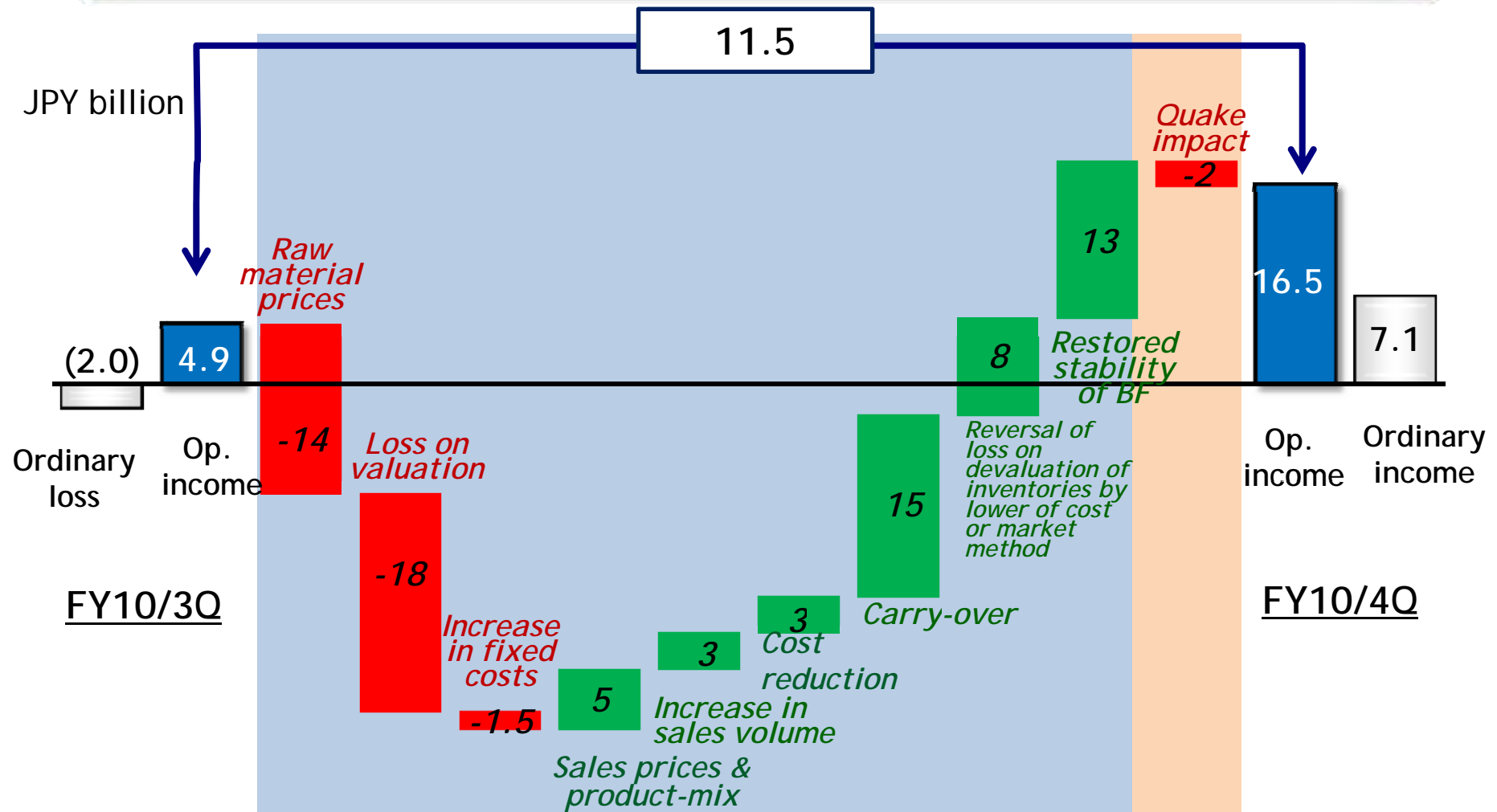
Forecast as of Feb.4-> Act. results  
(Op. income: 55 ->56.3 +1.3)

|                     |     |
|---------------------|-----|
| Fixed costs         | 4   |
| Raw material prices | 1   |
| Product-mix         | 0.3 |
| LCM                 | 1   |
| Loss on valuation   | -3  |
| Quake impact        | -2  |

•Earnings from equity-method affiliates: <FY09> -22.5 JPY billion →<FY10>-3.4JPY billion

# Change in Consolidated Operating Income (FY10/3Q → FY10/4Q)<sup>12</sup>

Op. income improved by 11.5 JPY billion as a result of cost reduction and restored stability of BF despite the quake impacts.



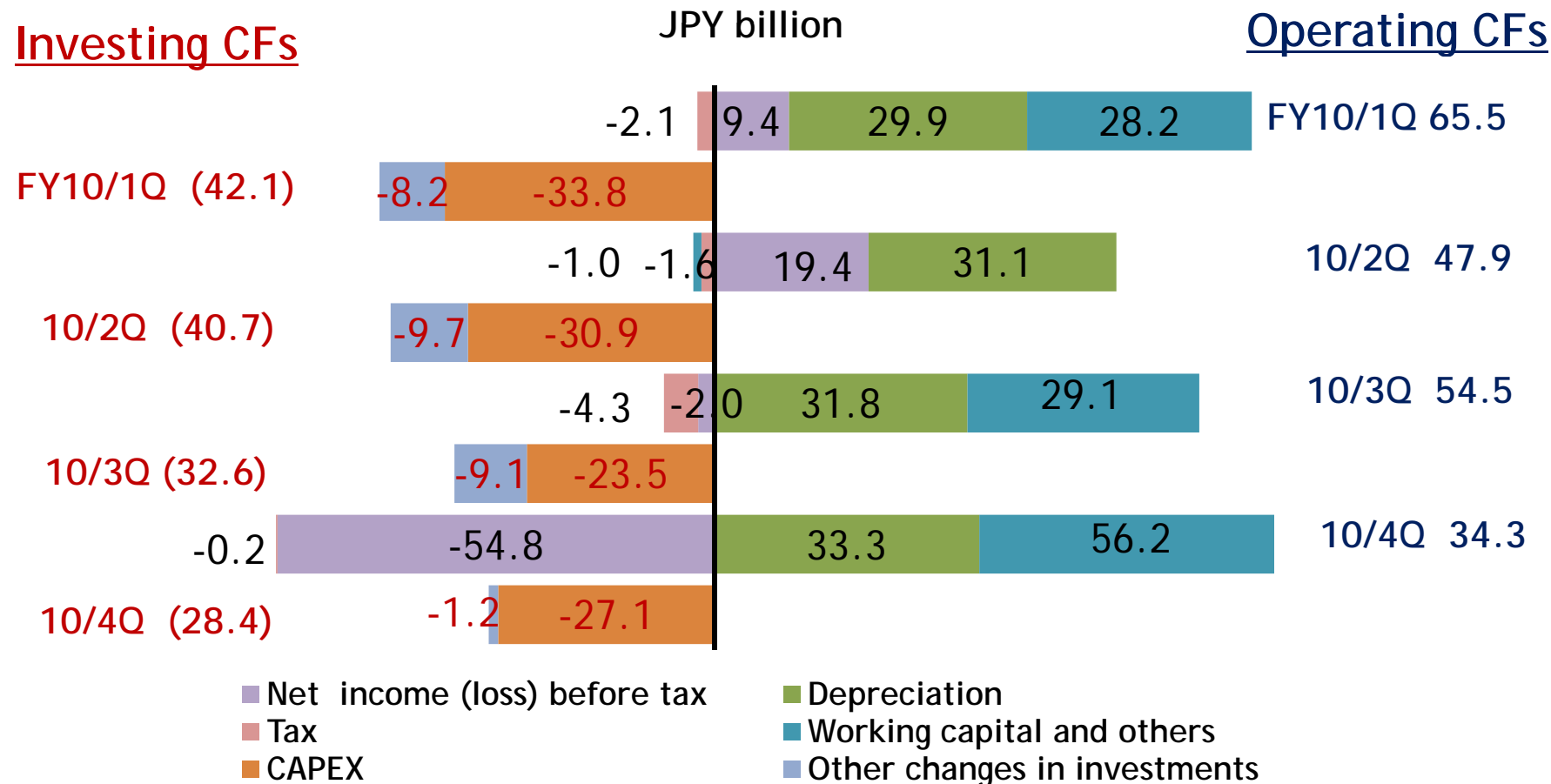
•Earnings from equity-method affiliates: <FY10/3Q> -2.2 JPY billion → <FY10/4Q> -6.8 JPY billion

# Consolidated Balance Sheets

- Current liabilities increased due to the increase of commercial papers and allowance for loss on disaster.
- Net debt remained flat since the end of Dec., 2010.

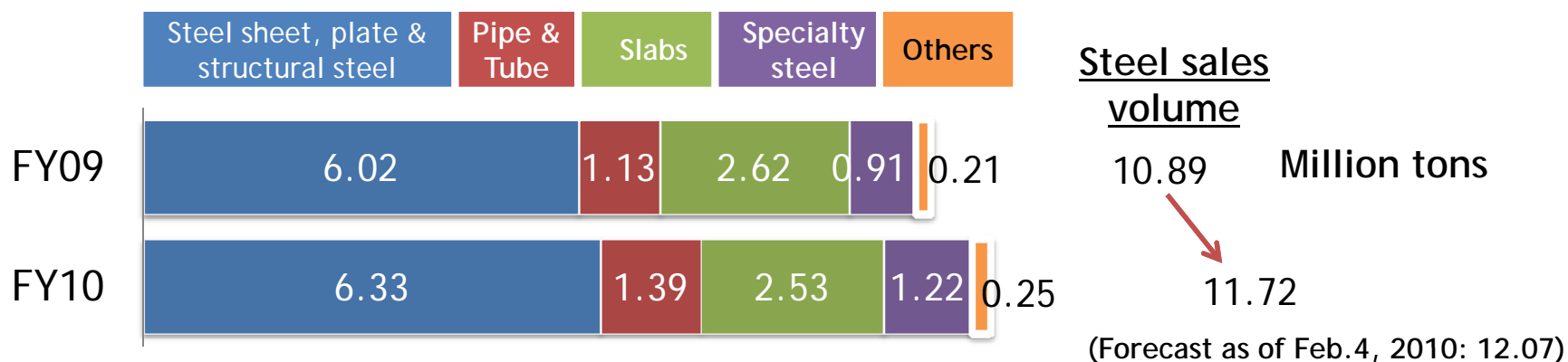
| JPY billion                                   | 2010    |         |         |         | 2011    | %    | YoY   |
|---|---------|---------|---------|---------|---------|------|-------|
|   | 3E      | 6E      | 9E      | 12E     | 3E      |      |       |
| <b>[Assets]</b>                               |         |         |         |         |         |      |       |
| Current assets                                | 606.4   | 607.9   | 622.6   | 618.9   | 647.9   | 6.8  | 41.4  |
| Fixed assets                                  | 1,797.2 | 1,775.4 | 1,775.2 | 1,793.6 | 1,792.8 | -0.2 | -4.4  |
| Total assets                                  | 2,403.6 | 2,383.4 | 2,397.8 | 2,412.6 | 2,440.7 | 1.5  | 37.0  |
| <b>[Liabilities and Shareholders' Equity]</b> |         |         |         |         |         |      |       |
| Current liabilities                           | 639.3   | 666.1   | 661.5   | 699.5   | 800.6   | 25.2 | 161.2 |
| Long-term liabilities                         | 885.1   | 871.6   | 867.9   | 849.2   | 822.0   | -7.1 | -63.0 |
| Net assets                                    | 879.2   | 845.6   | 868.2   | 863.7   | 818.0   | -7.0 | -61.1 |
| Debt  | 1,138.3 | 1,128.0 | 1,117.0 | 1,111.1 | 1,173.3 | 3.1  | 35.0  |
| D/E ratio                                     | 1.37    | 1.42    | 1.37    | 1.37    | 1.53    | -    | -     |

# Consolidated Cash Flows



| JPY billion          | 10/3E   | 10/6E   | 10/9E   | 10/12E  | 11/3E   |
|----------------------|---------|---------|---------|---------|---------|
| Debt                 | 1,138.3 | 1,128.0 | 1,117.0 | 1,111.1 | 1,173.3 |
| Cash and equivalents | 26.2    | 23.6    | 18.9    | 19.7    | 82.5    |
| Net debt             | 1,112.1 | 1,104.3 | 1,098.1 | 1,091.3 | 1,090.8 |

# Trends in Demand/Supply by Steel Product



## The quake impacts on steel products

### The impact from Kashima's damage

|                        | Million tons | FY10/4Q | FY11/1Q |
|------------------------|--------------|---------|---------|
| ● Sheet, Plate, Shaped | -0.31        | } -0.34 | } -0.6  |
| ● UOE pipe             | -0.03        |         |         |
| ● Slab*                |              |         |         |

\* We asked our domestic slab customers for delivery adjustment because we had to supply slabs from Wakayama to Kashima.

### Specialty steel & Crankshafts

We expect decrease in auto parts production, while demand from construction machinery sector remains stable.

# Outlook of Seamless Pipe Demand/Supply

## OCTG / line pipe

- Drilling activities are globally resilient due to soaring energy prices.
- Market prices are picking up. We are passing on raw materials cost.

## Specialty tube

- Demand for SG tubes remains stable, while we watch the consequences of the accident.
- USC boiler tubes for coal-fired power plants is recovering after bottoming in FY 10.
- Demand for boiler tubes for natural gas-fired heat recovery steam generator is trending up.

## Autos & construction machinery

- For autos: The quake impact is small.

| Rig count  | 08 Avg. | 09 Avg. | Recent peak |                    | Recent bottom |                  | The latest |                      |
|--|---------|---------|-------------|--------------------|---------------|------------------|------------|----------------------|
| US   | 1,879   | 1,089   | <100>       | (Sep./08)<br>2,031 | <43>          | (Jun./09)<br>876 | <87>       | (Apr.21/11)<br>1,800 |
| Deep well<br>(≥15,000ft)                                     | 283     | 249     | <100>       | (Feb./11)<br>404   | <52>          | (Jun./09)<br>211 | <93>       | (Mar./11)<br>377     |
| International<br>(except N.<br>America, Russia<br>and China) | 1,079   | 997     | <100>       | (Feb./11)<br>1,189 | <80>          | (Aug./09)<br>947 | <96>       | (Mar./11)<br>1,147   |

Source: Baker Hughes, Smith international



# Consolidated Sales & Op. Income by Internal Company

| JPY billion                             | FY09    |       |       |       |       | 〔 Feb. 4 〕 | FY10    | YoY   |
|---|---------|-------|-------|-------|-------|------------|---------|-------|
|   |         | 1Q    | 2Q    | 3Q    | 4Q    |            |         |       |
| Steel sheet, plate and structural steel | 498.5   | 135.6 | 143.7 | 141.2 | 129.0 | [580]      | 549.6   | 51.0  |
| Pipe & tube                             | 472.9   | 122.0 | 121.4 | 127.3 | 135.8 | [510]      | 506.7   | 33.8  |
| Railway & automotive                    | 86.6    | 23.4  | 25.0  | 23.2  | 27.3  | [100]      | 99.1    | 12.4  |
| Kokura                                  | 101.6   | 30.4  | 36.7  | 37.4  | 40.1  | [145]      | 144.7   | 43.0  |
| Naoetsu and others                      | 46.0    | 13.0  | 12.9  | 12.2  | 13.1  | [55]       | 51.4    | 5.3   |
| Total steel segment                     | 1,205.8 | 324.6 | 339.8 | 341.5 | 345.4 | [1,390]    | 1,351.6 | 145.7 |
| Others                                  | 79.9    | 16.9  | 12.2  | 10.4  | 11.2  | [50]       | 50.8    | -29.1 |
| Total sales                             | 1,285.8 | 341.6 | 352.1 | 351.9 | 356.6 | [1,440]    | 1,402.4 | 116.6 |

## Op. Income (loss) by Internal Company (Approx.)

|   |             |      |      |     |      |      |       |      |    |
|---|-------------|------|------|-----|------|------|-------|------|----|
| Steel sheet, plate and structural steel | (4)         | 6    | 11   | (6) | 5    | [17] | 16    | 20   |    |
| Pipe & tube                             | Pipe & tube | 16   | 0    | 4   | 4    | 8    | [15]  | 16   | 0  |
|   | Slabs       | (20) | 2    | (3) | 1    | (5)  | [(6)] | (5)  | 15 |
| Kokura                                  | (7)         | 0    | 2    | 2   | 2    | [6]  | 6     | 13   |    |
| Total steel segment                     | (7.6)       | 12.6 | 18.4 | 3.4 | 15.6 | [48] | 50.2  | 57.8 |    |
| Others                                  | 6.6         | 1.6  | 2.1  | 1.5 | 0.8  | [7]  | 6.2   | -0.4 |    |
| Total Op. income                        | (0.9)       | 14.2 | 20.4 | 4.9 | 16.5 | [55] | 56.3  | 57.2 |    |

\*Feb.4: Forecast as of Feb. 4, 2011

# Capital and Dividend Policy

## Capital policy

- Sumitomo Metals intends to maximize corporate value by delivering sustained growth that balances quality and scale.
- Cash generated from operations will be used for investments that raise corporate value.
- Criteria for investments include whether they may accelerate distinctiveness of our group, and whether their returns could exceed the cost of capital, and thereby help raise our value.
- We will return profits to shareholders through stable payment of dividends.

## Financial target

- Our medium-term target for financial leverage is a D/E ratio of below one.

## Dividend forecast in FY10

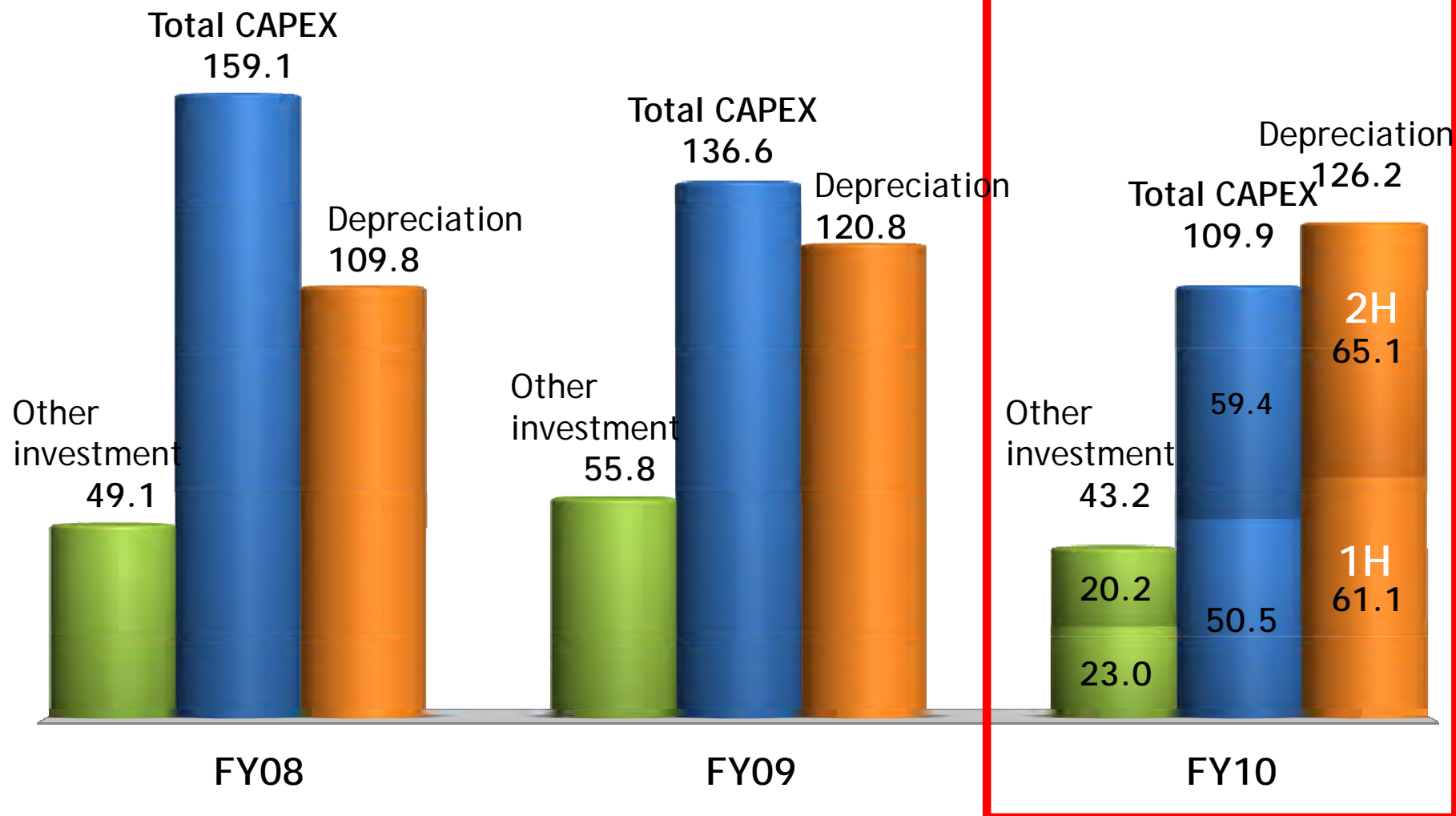
- 3.5 JPY/share (Interim: 2.5 JPY/share, Year-end: 1.0JPY/share)

## Dividend forecast in FY11

- Interim: 1.0 JPY/share, Year-end: TBD

# Forecast for Consolidated CAPEX, Depreciation and Other Investment

JPY billion



\*CAPEX: Construction-base

\*Other investment: Cash paid-base

# CAPEX Plan and Overseas Business Investment Update

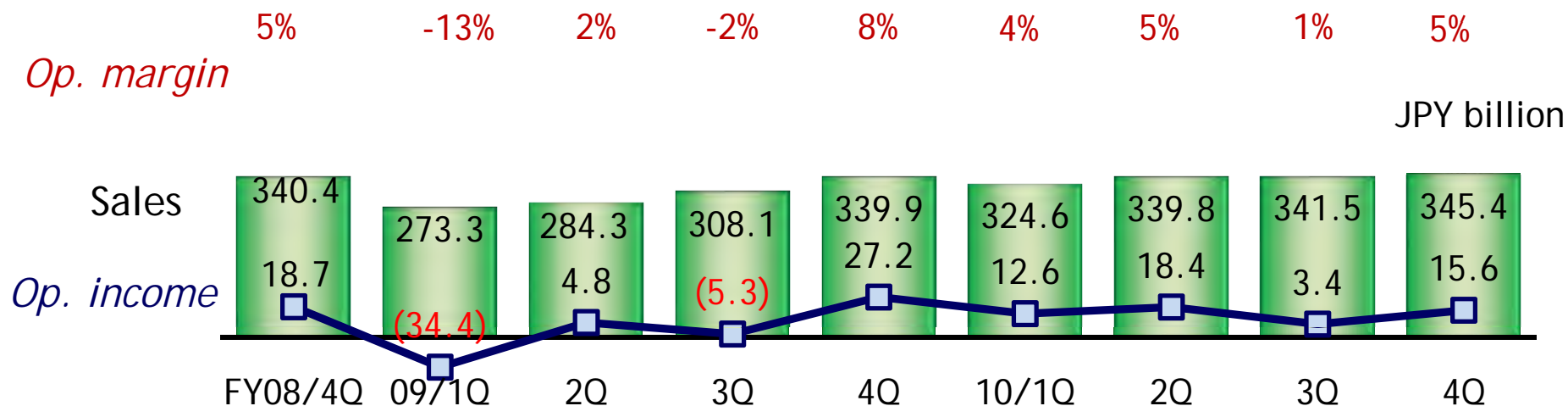
| Schedule for starting operation   |   | Invest. amount<br>JPY billion               | FY09      | FY10 | FY11      | FY12 | FY13                                      | FY14 |
|---|---|---|-----------|------|-----------|------|---|------|
| <b>CAPEX</b>  |   |   |           |      |           |      |   |      |
| Pipe & Tube   | Renewal of upstream processes (Wakayama)<br>-New No.1 BF + environmental protection<br>-New No.2 BF + reinforcement of CC | 160<br>115                                  | → Jul. 09 |      |           |      |   |      |
|   | Increasing capacity for ultra high strength line pipes  | 10  |           |      | → Jan 11  |      |   |      |
|   | Increasing capacity for SG tubes for nuclear power plants   | 14  |           |      |           |      | → Apr. 13                                 |      |
| Others  | Steelmaking process innovations (Kokura)  | 27  |           |      | → Oct. 10 |      |   |      |
|   | Renewal of Corporate Research & Development Laboratory (Amagasaki)  | 10  |           |      |           |      | → May. 12                                 |      |
| <b>Other investment</b> (J/V: Joint Venture total investment amount, [ ]: Sumitomo Metals' investment amount) |   |   |           |      |           |      |   |      |
| Sheet & Plate   | Steel sheet J/V in Vietnam (CSV)  | 115   |           |      |           |      | → 12                                      |      |
|   | Bhushan Steel in India<br>Orissa PJ<br>West Bengal PJ   | -Technical assistance<br>-Feasibility study |           |      |           |      |   | →    |
|   | Canadoil Group's steel plate mill<br>In Thailand  | [4.2]                                       |           |      |           |      | → 13                                      |      |
| Pipe & Tube   | Integrated steel works with Seamless pipe mill J/V in Brazil (VSB)  | 4.7 billion BRL<br>(VSB's capita)           |           |      |           |      | → Dec. 10 First piercing                  |      |
|   |   |   |           |      |           |      | → The midst of 11<br>BF/Steel making mill |      |
| Railway & Auto.   | Forged crankshaft business J/V in India (SMAC)  | 1   |           |      | ● Apr. 10 |      |   |      |

# Supplement

# Consolidated Sales and Operating Income by Business Segment

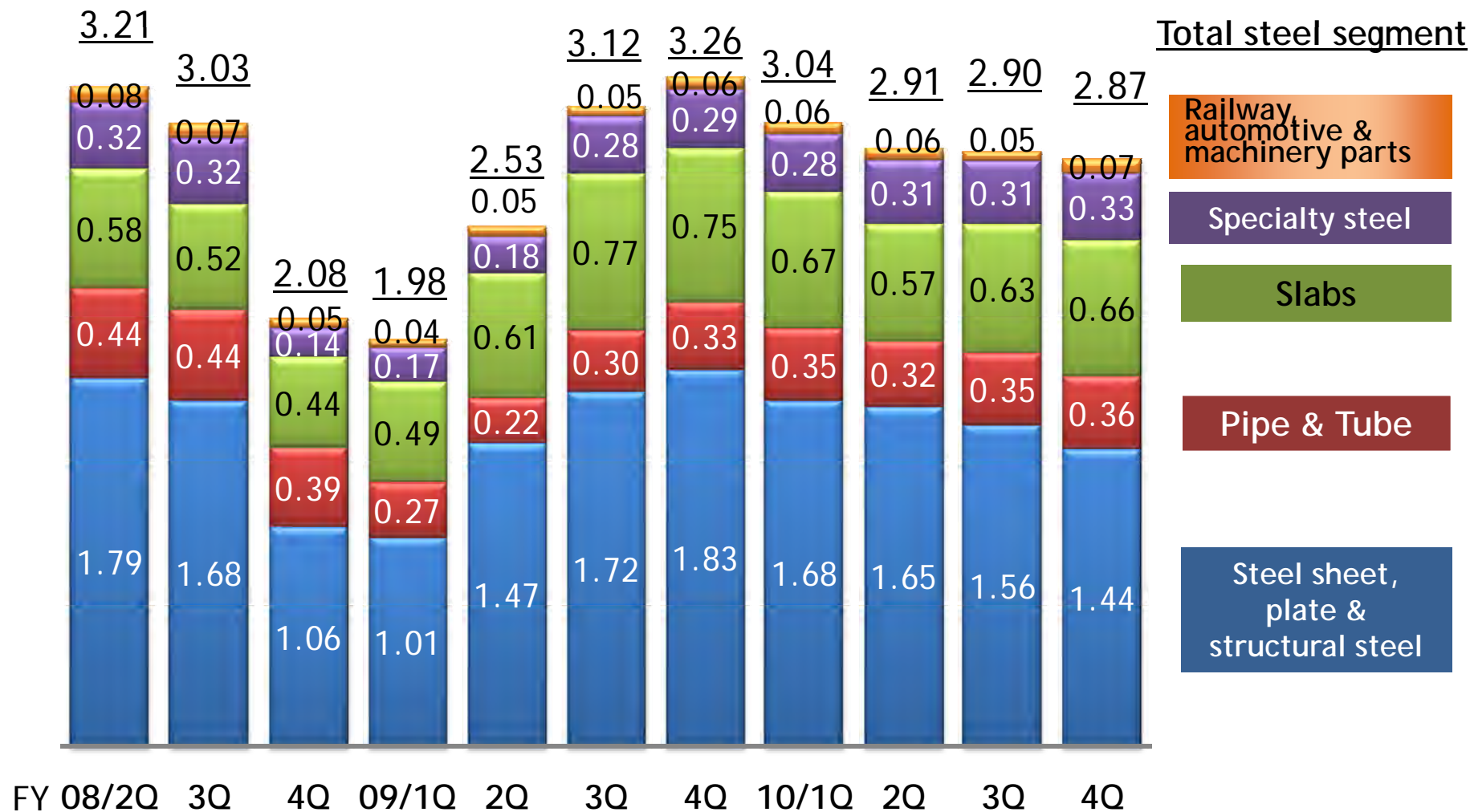
| JPY billion              | FY08/4Q      | 09/1Q         | 2Q           | 3Q           | 4Q           | 10/1Q        | 2Q           | 3Q           | 4Q           |
|--------------------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Steel                    | 340.4        | 273.3         | 284.3        | 308.1        | 339.9        | 324.6        | 339.8        | 341.5        | 345.4        |
| Engineering              | 4.1          |               |              |              |              |              |              |              |              |
| Electronics              | 6.2          |               |              |              |              |              |              |              |              |
| Others                   | 11.0         | 17.1          | 23.8         | 17.8         | 21.1         | 16.9         | 12.2         | 10.4         | 11.2         |
| <b>Sales</b>             | <b>361.8</b> | <b>290.4</b>  | <b>308.2</b> | <b>326.0</b> | <b>361.0</b> | <b>341.6</b> | <b>352.1</b> | <b>351.9</b> | <b>356.6</b> |
| Steel                    | 18.7         | (34.4)        | 4.8          | (5.3)        | 27.2         | 12.6         | 18.4         | 3.4          | 15.6         |
| Engineering              | 0.2          |               |              |              |              |              |              |              |              |
| Electronics              | (3.4)        |               |              |              |              |              |              |              |              |
| Others                   | 0.7          | (0.1)         | 1.4          | 2.2          | 2.9          | 1.6          | 2.0          | 1.5          | 0.8          |
| <b>Op. income (loss)</b> | <b>16.2</b>  | <b>(34.5)</b> | <b>6.3</b>   | <b>(3.1)</b> | <b>30.2</b>  | <b>14.2</b>  | <b>20.4</b>  | <b>4.9</b>   | <b>16.5</b>  |

## Steel segment



# Sales Volume by Product

million tons/Q

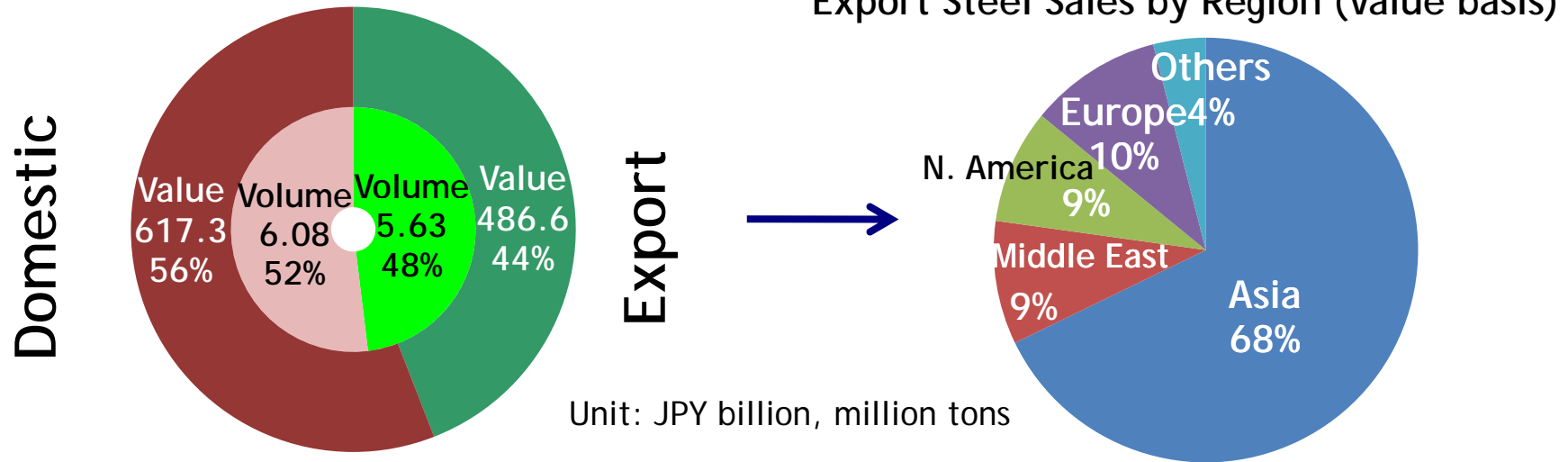


# Temporary Factors

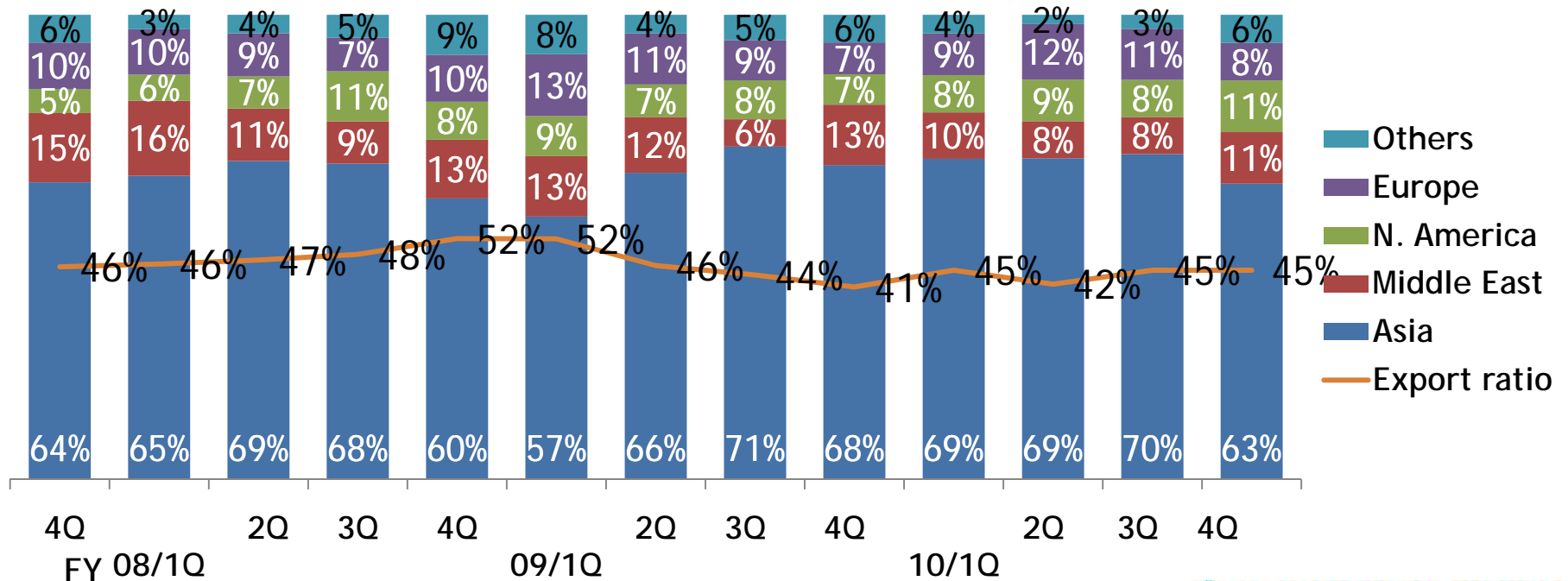
| JPY billion   |             |             |             |             |              |           |           |            |            |           | YoY         |
|---|-------------|-------------|-------------|-------------|--------------|-----------|-----------|------------|------------|-----------|-------------|
|   | 1Q          | 2Q          | 3Q          | 4Q          | FY09         | 1Q        | 2Q        | 3Q         | 4Q         | FY10      |             |
| Carry-over  | (29)        | (8)         | (5)         | 0           | (42)         | 19        | 9         | (9)        | 6          | 25        | 67          |
| Gain (loss) on inventory valuation                                      | (53)        | (15)        | (16)        | (4)         | (88)         | 16        | 4         | 6          | (2)        | 24        |             |
| Allocation of cost variance   | 44          | (11)        | (16)        | (9)         | 8            | (9)       | 2         | 7          | (3)        | (3)       |             |
| <b>Total gain (loss) on inventory valuation</b>                         | <b>(9)</b>  | <b>(26)</b> | <b>(32)</b> | <b>(13)</b> | <b>(80)</b>  | <b>7</b>  | <b>6</b>  | <b>13</b>  | <b>(5)</b> | <b>21</b> | <b>101</b>  |
| Reversal  | 20          | 45          | 27          | 16          | 20           | 5         | 5         | 4          | 7          | 5         |             |
| Devaluation   | (45)        | (27)        | (16)        | (5)         | (5)          | (5)       | (4)       | (7)        | (3)        | (3)       |             |
| <b>Net devaluation of inventories by lower of cost or market method</b> | <b>(25)</b> | <b>18</b>   | <b>11</b>   | <b>11</b>   | <b>15</b>    | <b>0</b>  | <b>1</b>  | <b>(4)</b> | <b>4</b>   | <b>1</b>  | <b>(14)</b> |
| <b>Total (Approx.)</b>  | <b>(63)</b> | <b>(16)</b> | <b>(26)</b> | <b>(2)</b>  | <b>(107)</b> | <b>26</b> | <b>16</b> | <b>0</b>   | <b>5</b>   | <b>47</b> | <b>154</b>  |



# Domestic and Export Steel Sales for FY10



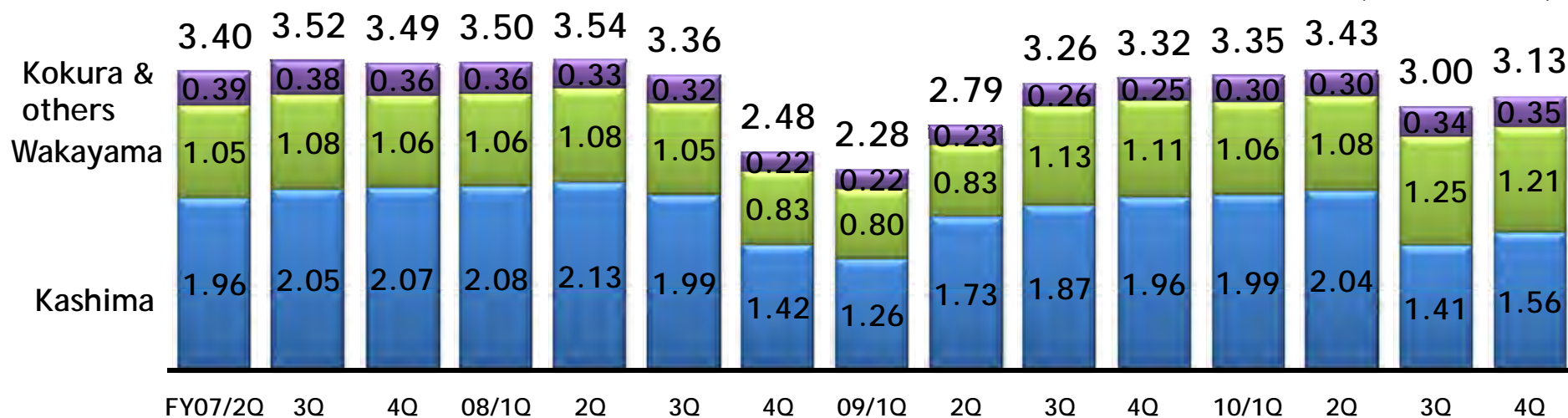
Export Steel Sales by Region (Value basis)



# Reference (1)

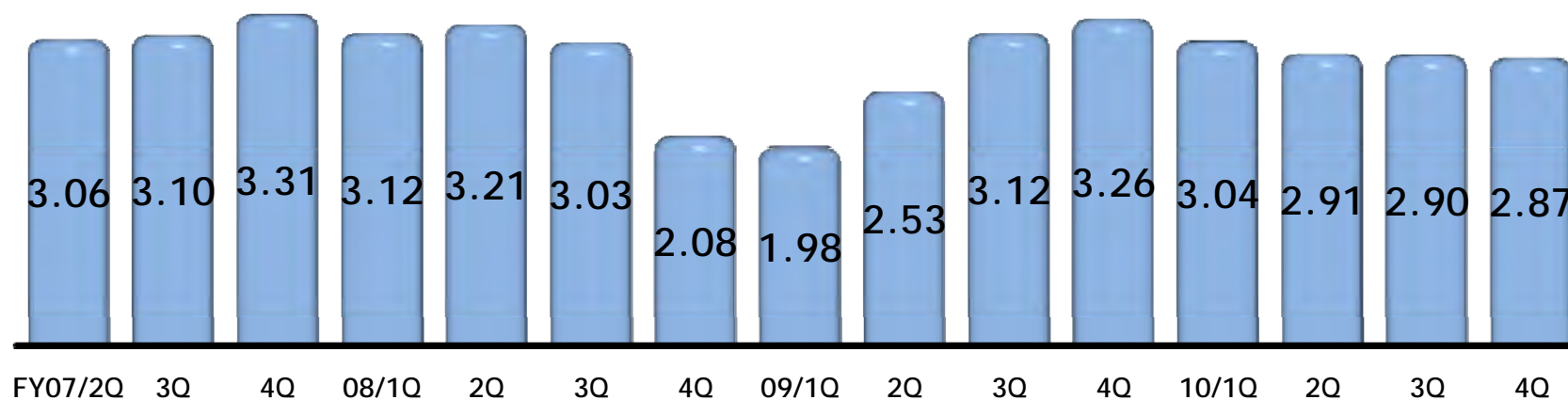
## Crude Steel Production

(million tons/Q)



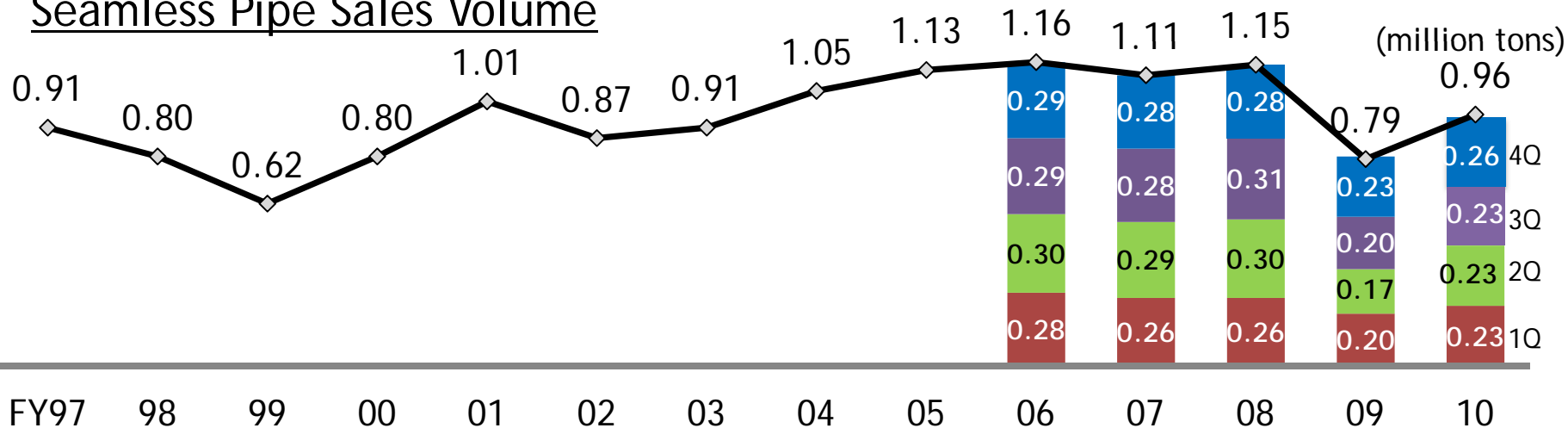
## Steel Products Sales Volume

(million tons/Q)

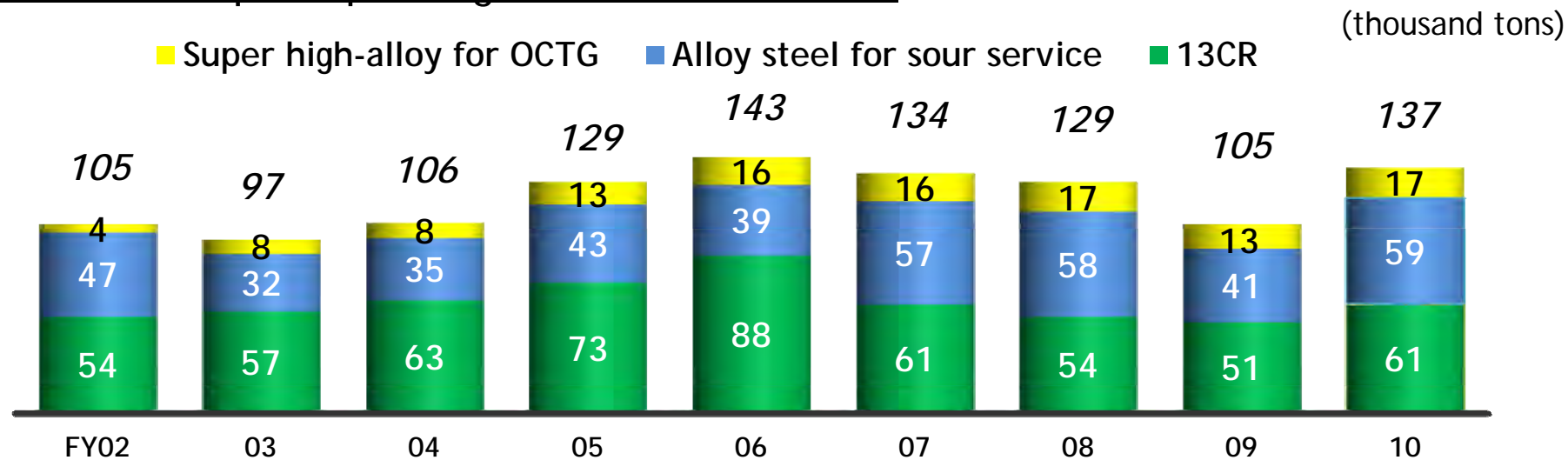


# Reference (2)

## Seamless Pipe Sales Volume



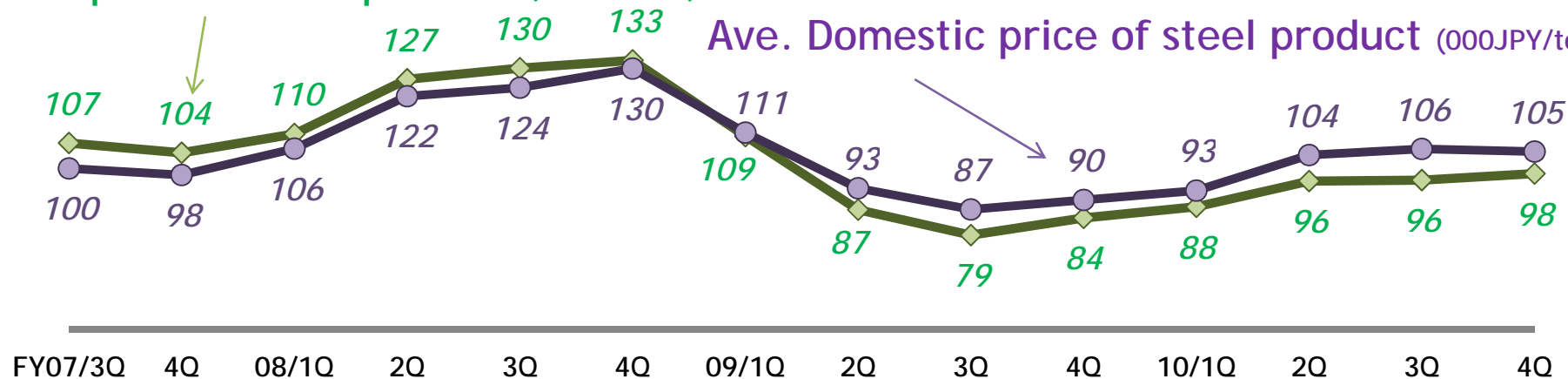
## Seamless Pipe Super High-end Sales Volume



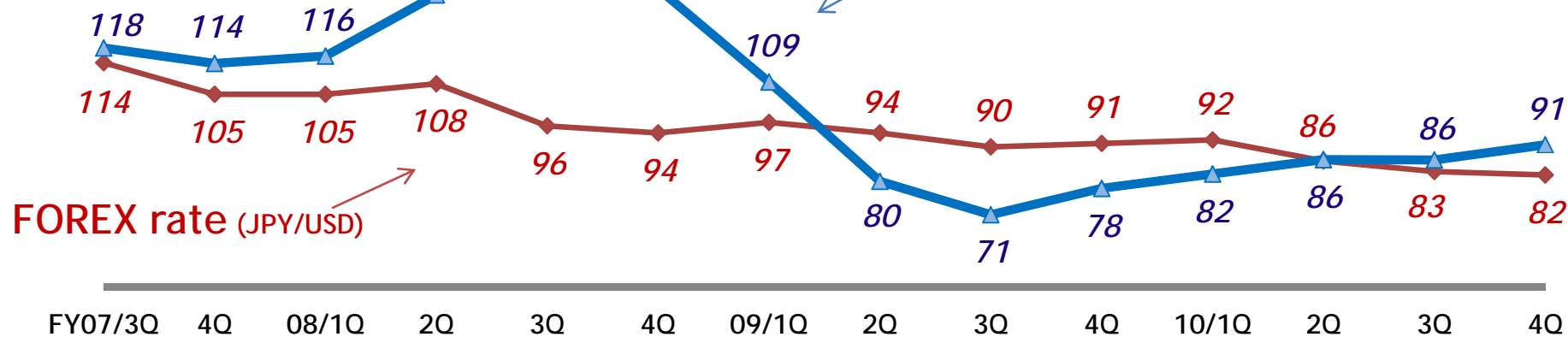
# Reference (3)

Ave. price of steel product (000JPY/ton)

Ave. Domestic price of steel product (000JPY/ton)

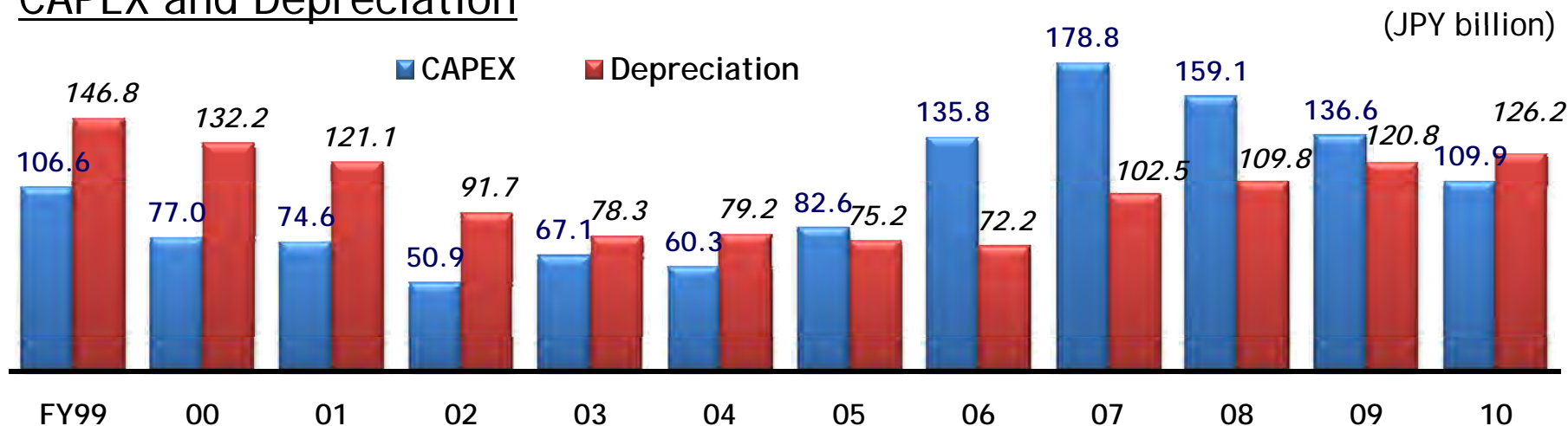


Ave. Export price of steel product (000JPY/ton)

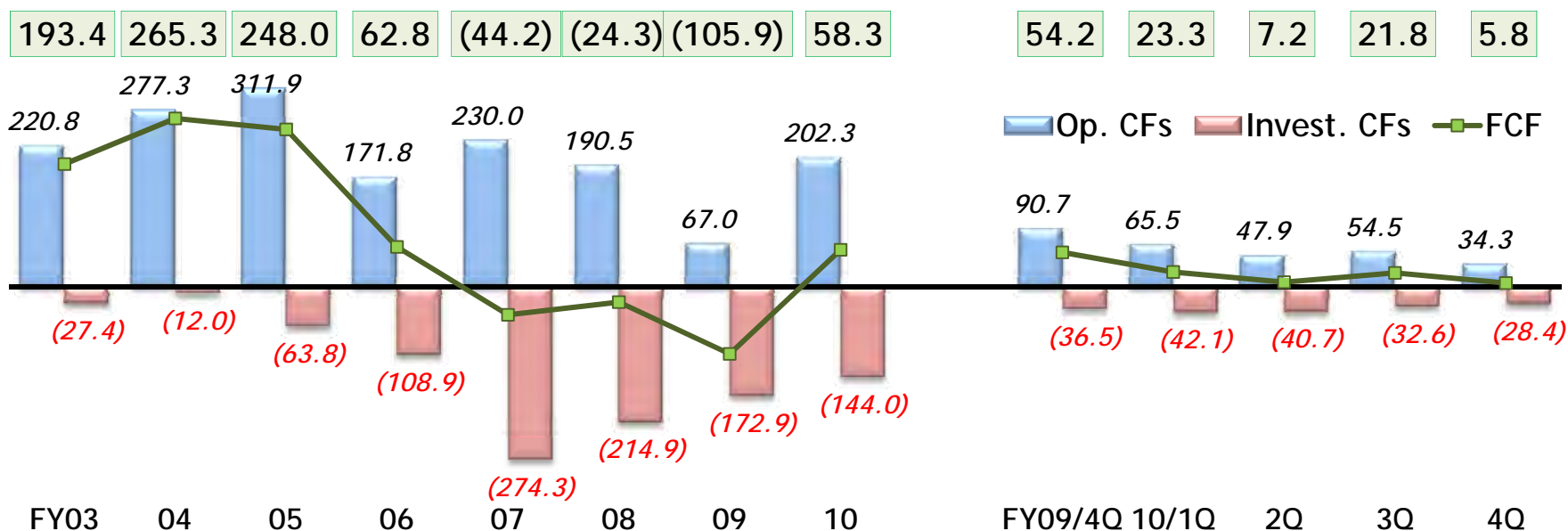


# Reference (4)

## CAPEX and Depreciation



## Free Cash Flows



Deliver sustained growth in  
corporate value by emphasizing quality



Become a company  
trusted by all stakeholders