

[**Translation:** Please note that the following purports to be a translation from the Japanese original Notice of Convocation of the 6th Annual General Meeting of Shareholders of Nisshin Steel Co., Ltd. prepared only for the convenience of shareholders outside Japan with voting rights. Therefore, in the case of any discrepancy between this translation and the Japanese original, the latter shall prevail. Please also be advised that certain expressions regarding voting procedures for domestic shareholders that are not applicable to the aforesaid shareholders are intentionally omitted or modified to avoid confusion.]

(Securities Code 5413)

June 4, 2018

To Our Shareholders:

4-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

Nisshin Steel Co., Ltd.

Kinya Yanagawa

Representative Director and President & Chief Executive Officer

**NOTICE OF CONVOCATION OF  
THE 6th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 6th Annual General Meeting of Shareholders of Nisshin Steel Co., Ltd. (the “Company”) for the Fiscal Year ended March 31, 2018. The meeting will be held as described below.

**If you are unable to attend the aforesaid meeting in person, please take necessary steps to exercise your voting rights in either way as stated below, by 5:00 p.m. of June 25, 2018 (Monday) (JST) upon examination of the following matters that can be reviewed in the attached “Reference Documents for General Meeting of Shareholders”.**

**[In case of exercising voting rights by mail]**

Please return the enclosed Voting Form to the Company so as to be delivered by the time limit for exercising voting rights after kindly indicating your approval or disapproval for each matter for resolution.

**[In case of exercising voting rights via the Internet]**

When exercising your voting rights via the Internet, please access the designated website (<https://evote.tr.mufg.jp/>) from your personal computer, smart phone or mobile phone. Then, please follow the instructions appearing on the screen and indicate your approval or disapproval for each matter by using the exercise code and temporary password that are shown in the enclosed Voting Form.

## PARTICULARS

1. **Date and Time of the Meeting:** 10:00 a.m. on June 26, 2018 (Tuesday) (JST)
2. **Place of the Meeting:** “Maru-Biru Hall” at the 7th floor of Marunouchi Building  
4-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
3. **Purpose of the Meeting:**

### **Matters to be reported:**

Report on Matters of the Business Report and the Consolidated Financial Statements and Non-Consolidated Financial Statements for the 6th Fiscal Year (April 1, 2017 to March 31, 2018) and Results of Audit of the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board.

### **Matters to be resolved:**

- |                                 |   |
|---------------------------------|---|
| <b>First Item of Business:</b>  | Election of Ten (10) Directors                                  |
| <b>Second Item of Business:</b> | Election of One (1) Audit & Supervisory Board Member            |
| <b>Third Item of Business:</b>  | Election of One (1) Reserve Member of Audit & Supervisory Board |

#### **4. Matters related to Exercise of Voting Rights**

##### **(1) Handling of exercise of voting rights without indicating approval or disapproval:**

In case of exercising voting rights without indicating approval or disapproval for Item of Business, it shall be treated as a vote for approval.

##### **(2) Handling of voting rights exercised twice or more times:**

If voting rights are exercised by both mail and via the Internet, only the vote registered via the Internet shall be recognized as valid.

Also, in case of exercising voting rights via the Internet twice or more, only the last vote shall be recognized as valid. If voting rights are exercised by a personal computer, a smart phone or a mobile phone, only the last vote shall be recognized as valid.

End

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◎Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements and Audit Reports related thereto are shown in the attached Report for the 6th Fiscal Year. The Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements are presented on the website of the Company (<http://www.nisshin-steel.co.jp/>) pursuant to laws and ordinances and Article 15 of the Articles of Incorporation of the Company (However, that information is written in the Japanese language only).

Also the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements are audited as part of Consolidated Financial Statements and Non-consolidated Financial Statements by the Audit & Supervisory Board Members and Accounting Auditor during the course of preparing Audit Reports.

◎In the event that shareholders want to have hard copies of the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements which are posted in the Company's website of the Internet, they would be delivered by mail or facsimile upon request to the Company (tel. +81-3-3216-5565).

◎If any amendment is made to the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, the amended version shall be posed in the Company's website (<http://www.nisshin-steel.co.jp/>)

## REFERENCE DOCUMENTS FOR GENERAL MEETING OF SHAREHOLDERS

Matters to be resolved and matters of reference

### First Item of Business: Election of Ten (10) Directors

The terms of office of all of ten (10) Directors will expire at the close of this Annual General Meeting of Shareholders. Therefore, it is proposed that ten (10) Directors be elected.

The candidates are as follows:

Candidate Number <u>1</u>  Name  <b>Toshinori Miki</b>  Date of Birth September 7, 1950  <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>  Number of Shares of the Company Owned 18,800 shares	<div style="border: 1px solid black; padding: 5px;"> Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations </div> <div style="border: 1px solid black; padding: 5px;"> Apr. 1975    Joined Nisshin Steel Co., Ltd. (Nisshin Steel)  Jun. 1999    General Manager, Production &amp; Technology Administration Dept., Sakai Works, Nisshin Steel  Apr. 2000    Deputy Works General Manager, Toyo Works, Nisshin Steel  Jun. 2000    Works General Manager, Toyo Works, Nisshin Steel  Oct. 2002    General Manager, Marketing &amp; Product Development Dept., Flat-Rolled &amp; Coated Steel Business Div., Nisshin Steel  Jun. 2003    Executive Officer, General Manager, Marketing &amp; Product Development Dept., Nisshin Steel  Apr. 2005    Executive Officer, Works General Manager, Sakai Works, Nisshin Steel  Apr. 2007    Managing Executive Officer, Works General Manager, Sakai Works, Nisshin Steel  Apr. 2008    Managing Executive Officer, General Manager, Nagoya Branch, Nisshin Steel  Apr. 2010    Managing Executive Officer, Nisshin Steel  Jun. 2010    Director and Managing Executive Officer, Nisshin Steel  Apr. 2011    Representative Director and President &amp; Chief Executive Officer, Nisshin Steel (Until Mar. 2014)                   [Position held at the Company]  Oct. 2012    Representative Director and President &amp; Chief Executive Officer  Apr. 2017    Chairman and Director (To Present) </div>
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Candidate Number 2

Name

**Kinya Yanagawa**

Date of Birth

October 3, 1952

Reappointment

Number of Shares of the Company Owned

7,400 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1978	Joined Sumitomo Metal Industries, Ltd. (Sumitomo Metal Industries) (Currently Nippon Steel & Sumitomo Metal Corporation)
Apr. 2000	General Manager, Cold Rolled, Coated Strip & Stainless Steel Cold Strip Dept., Kashima Steel Works, Sumitomo Metal Industries
Jun. 2001	General Manager, Sheet Making Dept., Kashima Steel Works, Sumitomo Metal Industries
Apr. 2003	General Manager, Steel Sheet Planning of Technology & Technical Service Dept., Steel Sheet, Plate, Titanium & Structural Steel Company, Sumitomo Metal Industries
Apr. 2005	Deputy General Manager, Kashima Steel Works, Sumitomo Metal Industries
Apr. 2007	Managing Executive Officer and Deputy General Manager, Kashima Steel Works, Sumitomo Metal Industries
Apr. 2009	Managing Executive Officer and General Manager, Kashima Steel Works, Sumitomo Metal Industries
Apr. 2011	Senior Managing Executive Officer and General Manager, Kashima Steel Works, Sumitomo Metal Industries
Apr. 2012	Senior Managing Executive Officer and President of Steel Sheet, Plate & Structural Steel Company, Sumitomo Metal Industries
Jun. 2012	Director and Senior Managing Executive Officer, Sumitomo Metal Industries
Oct. 2012	Managing Director, Nippon Steel & Sumitomo Metal Corporation
Apr. 2014	Representative Director and Executive Vice President, Nippon Steel & Sumitomo Metal Corporation
Apr. 2016	Director, Nippon Steel & Sumitomo Metal Corporation
Jun. 2016	Director and Vice-President & Executive Officer, the Company
Apr. 2017	Representative Director and President & Chief Executive Officer, the Company (To Present)

Candidate Number 3

Name

**Katsuhisa Miyakusu**

Date of Birth

September 3, 1955

Reappointment

Number of Shares of the Company Owned

10,600 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1980	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
Jun. 2001	General Manager, Cold Rolling & Finishing Dept., Stainless Steel Business Div., Shunan Works, Nisshin Steel
Oct. 2002	General Manager, Production Administration Dept., Stainless Steel Business Div., Shunan Works, Nisshin Steel
Apr. 2005	Executive Officer, Works General Manager, Shunan Works, Nisshin Steel
Apr. 2007	Executive Officer, General Manager, Technology Administration Dept., Nisshin Steel
Apr. 2008	Executive Officer, General Manager, Marketing & Product Development Dept., Nisshin Steel
Apr. 2010	Managing Executive Officer, General Manager, Nagoya Branch, Nisshin Steel
Apr. 2013	Managing Executive Officer, Nisshin Steel (Until Mar. 2014) [Position held at the Company]
Apr. 2014	Managing Executive Officer
Jun. 2014	Director and Managing Executive Officer
Apr. 2015	Representative Director and Vice-President & Executive Officer (To Present)
	(Responsibilities)
	General Supervision of overall Production and Technology (including Environment and Safety, Quality & Customer Service, and Outsourcing Administration) and Purchasing [Important Position of Other Organizations Concurrently Assumed]
	Director, Acerinox, S.A.

Candidate Number 4

Name

**Hideo Tanaka**

Date of Birth

April 18, 1957

Reappointment

Number of Shares of the Company Owned  
5,400 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1980	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
Jun. 2002	General Manager, Steel Sheet Sales Dept., Flat-Rolled & Coated Steel Business Div., Nisshin Steel
Jun. 2003	General Manager, Housing Materials Sales Dept., Building Materials & Processing Business Div., Nisshin Steel
Apr. 2004	General Manager, Steel Sheet Sales Dept.-I, Osaka Branch, Nisshin Steel
Apr. 2006	General Manager, Steel Sheet Sales Dept.-I and Stainless Steel Sales Dept., Osaka Branch, Nisshin Steel
Apr. 2007	General Manager, Steel Sheet Sales Dept.-I, Osaka Branch, Nisshin Steel
Apr. 2009	General Manager, Building Materials Sales Dept., Nisshin Steel
Apr. 2010	Executive Officer, General Manager, Building Materials Sales Dept., Nisshin Steel
Apr. 2011	Executive Officer, General Manager, Building Materials & Sheet Products Sales Dept., Nisshin Steel
Apr. 2012	Executive Officer, Nisshin Steel (Until Mar. 2014) Director, Nisshin A&C Co., Ltd. (Currently Nisshin Steel A&C., Ltd.)
Jun. 2012	Representative Director and President, Nisshin A&C Co., Ltd. (Until Mar. 2015) [Position held at the Company]
Apr. 2014	Executive Officer
Apr. 2015	Managing Executive Officer
Jun. 2015	Director and Managing Executive Officer
Apr. 2017	Representative Director and Vice-President & Executive Officer (To Present) (Responsibilities) General Supervision of overall Sales [Important Position of Other Organizations Concurrently Assumed] Outsider Director, Sanko Metal Industrial Co., Ltd.

Candidate Number 5

Name

**Nobuhiro Miyoshi**

Date of Birth

February 23, 1960

Reappointment

Number of Shares of  
the Company Owned

9,106 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1982	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
Apr. 2005	General Manager, Finance Dept., Nisshin Steel
Apr. 2008	Executive Officer, General Manager, Finance Dept., Nisshin Steel
Apr. 2010	Executive Officer, General Manager, Corporate Planning Dept., Nisshin Steel
Apr. 2012	Managing Executive Officer, General Manager, Corporate Planning Dept., Nisshin Steel (Until Mar. 2014)
May 2015	President and Representative Director, NS Stainless Planning Corp.(Until Aug. 2017) [Position held at the Company]
Oct. 2012	General Manager, Corporate Planning Dept.
Apr. 2014	Managing Executive Officer, General Manager, Corporate Planning Dept.
Jun. 2014	Director and Managing Executive Officer
Apr. 2017	Representative Director and Vice-President & Executive Officer (To Present) (Responsibilities) General Supervision of overall Overseas Business Administration, Corporate Planning, General Administration and Finance

Candidate Number 6

Name

**Naoki Konno**

Date of Birth

April 30, 1958

Reappointment
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Number of Shares of  
the Company Owned  
800 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations	
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Apr. 1982	Joined Nippon Steel Corporation (Currently Nippon Steel & Sumitomo Metal Corporation)
Apr. 2009	Head of Division, Production Technology Div., Nagoya Works, Nippon Steel Corporation
Oct. 2012	Head of Division, Production Technology Dept., Nagoya Works, Nippon Steel & Sumitomo Metal Corporation
Apr. 2013	Executive Officer, Head of Division, Technology Administration & Planning Div., Nippon Steel & Sumitomo Metal Corporation
Apr. 2015	Executive Officer, Nippon Steel & Sumitomo Metal Corporation
Apr. 2016	Managing Executive Officer, Nippon Steel & Sumitomo Metal Corporation
Apr. 2017	Advisor, Nippon Steel & Sumitomo Metal Corporation Managing Executive Officer, the Company
Jun. 2017	Director and Managing Executive Officer, the Company (To Present) (Responsibilities) Technology Administration and Outsourcing Administration



Candidate Number 7

Name

**Toshiaki  
Naganuma**

Date of Birth  
February 25, 1960

Reappointment
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Number of Shares of  
the Company Owned  
4,800 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations	
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Apr. 1983	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
Apr. 2007	General Manager, Steel Sheet Sales Dept.-1, Nagoya Branch, Nisshin Steel
Apr. 2011	Executive Officer, General Manager, Sales Administration Dept., Nisshin Steel (Until Mar. 2014) [Position held at the Company]
Apr. 2014	Executive Officer, General Manager, Sales Administration Dept.
Apr. 2015	Managing Executive Officer, General Manager, Corporate Planning Dept. and Corporate Group Products Development Strategy Div.
Apr. 2016	Managing Executive Officer, General Manager, Corporate Planning Dept. and Corporate Group Products Development Div.
Jun. 2017	Director and Managing Executive Officer (To Present) (Responsibilities) General Manager of Corporate Planning Dept. and Corporate Group Products Development Div.

Candidate Number 8

Name

**Tetsuo Kaharu**

Date of Birth

August 6, 1958

Reappointment

Number of Shares of the Company Owned

8,000 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1984	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
Apr. 2005	General Manager, General Administration Dept., Nisshin Steel
Apr. 2009	Executive Officer, General Manager, General Administration Dept., Nisshin Steel
Apr. 2010	Executive Officer, General Manager, Human Resources Dept., Nisshin Steel
Apr. 2012	Managing Executive Officer, General Manager, Human Resources Dept., Nisshin Steel (Until Mar. 2014) [Position held at the Company]
Apr. 2014	Managing Executive Officer, General Manager, Human Resources Dept. Chief Compliance Officer (To Present)
Jul. 2014	Managing Executive Officer
Jul. 2016	Managing Executive Officer, General Manager, Human Resources Dept.
Jun.2017	Director and Managing Executive Officer (To Present) (Responsibilities) Internal Control, Business Process Innovation and Industrial Relations & Safety, and General Manager of Human Resources Dept.

Candidate Number 9

Name

**Sonoko Hatchoji**

Date of Birth  
January 15, 1950

Reappointment

Candidate for  
Outside Director

Independent

Number of Shares of  
the Company Owned  
700 shares

Brief Career Background, Position and Responsibilities Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations

Apr. 1972 Joined the Industrial Bank of Japan, Limited (IBJ) (Currently Mizuho Bank, Limited)  
Nov. 1993 Executive Vice President, IBJ International plc  
Mar. 2002 Managing Director and Manager, Information Equipment Sales, IBJ Leasing Company, Limited  
Apr. 2004 Senior Consultant, Kyoritsu Risk Management Co., Ltd.  
Jan. 2006 Director and General Manager, Administration Div., Yuki Management & Research Co., Ltd.  
Apr. 2008 Part-time Internal Auditor, Aetos Japan LLC  
Apr. 2009 Executive Officer, Fujita Kanko, Inc.  
Mar. 2010 Director and Executive Officer, Fujita Kanko, Inc.  
Mar. 2011 Managing Director and Managing Executive Officer, Fujita Kanko, Inc.  
Mar. 2013 Managing Executive Officer and Business Planning Leader, Fujita Kanko, Inc.  
Mar. 2015 Adviser, Fujita Kanko, Inc. (Until Mar. 2017)  
Jun. 2016 Outside Director, the Company (To Present)  
Apr. 2017 Chief Strategy Officer, Tsuda University (To Present)  
<Major Positions Concurrently Assumed at Other Companies and Organizations>  
Chief Strategy Officer, Tsuda University

< Reasons for Election >

Ms. Sonoko Hatchoji has performed her duties as an outside director since she was appointed at the 4th Annual General Meeting of Shareholders held on June 24, 2016, on the basis of her ample experience and broad knowledge which she accumulated at a financial institution, several corporations and universities, and her deep insight as a corporate manager. The Company nominated her for the post of Outside Director in the belief that her experience and insight will continue to be reflected in the management of the Company.



Independence of Outside Directors (in Japanese) has been posted on the Company's website (<http://www.nisshin-steel.co.jp/>).

4. Ms. Sonoko Hatchoji will have held the office of Outside Director for two years at the close of this General Meeting of Shareholders. Mr. Isao Endo will have held the office of Outside Director for four years at the close of this General Meeting of Shareholders.

5. The Company and each of Ms. Sonoko Hatchoji and Mr. Isao Endo have entered into an agreement, limiting the liability for damage as stipulated in Paragraph 1, Article 423 of the Companies Act, pursuant to the provision of Paragraph 1, Article 427 of the same Act. The maximum amount of liability under this agreement is the amount set forth by laws and regulations. If Ms. Sonoko Hatchoji and Mr. Isao Endo are re-elected at this General Meeting of Shareholders, this agreement shall be renewed for the new term.

6. Nisshin Steel Co., Ltd. was dissolved on April 1, 2014, in an absorption-type merger, with the Company being the surviving company.

**Second Item of Business: Election of One (1) Audit & Supervisory Board Member**

Among all of four (4) Audit & Supervisory Board Members, the terms of Mr. Kazuhisa Obama will expire at the close of this Annual General Meeting of Shareholders. Therefore, it is proposed that one (1) Audit & Supervisory Board Member be elected.

The Audit & Supervisory Board has already agreed with regard to the submission of this proposal.

The candidate is as follows:

Name	Brief Career Background and Position Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations	
<b>Kiyoshi Yasui</b>	Apr. 1981	Joined Nisshin Steel Co., Ltd. (Nisshin Steel)
	Apr. 2005	General Manager, Steelmaking Dept., Kure Works, Nisshin Steel
	Apr. 2008	Executive Officer, General Manager, Technology Administration Dept.
Date of Birth	Apr. 2011	Executive Officer, Works General Manager, Shunan Works, Nisshin Steel
February 24, 1959	Apr. 2012	Managing Executive Officer, Works General Manager, Shunan Works, Nisshin Steel (Until Mar.2014)
New Appointment	Jun. 2013	President and Representative Director, Shunan Shigyo Co., Ltd.(Until Apr.2014)
	Apr. 2014	President and Representative Director, Nisshin Sanso Co., Ltd.(Until Mar.2018) [Position held at the Company]
Number of Shares of the Company Owned 9,000 shares	Apr. 2014	Managing Executive Officer, Works General Manager, Kure Works
	Apr. 2018	Adviser(To Present)

Notes:

1. There is no particular conflict of interest between the candidate and the Company.
2. Mr. Kiyoshi Yasui had been an executor of business in the past five years at Shunan Shigyo Co., Ltd. and Nisshin Sanso Co., Ltd., subsidiaries, etc. of Nippon Steel & Sumitomo Metal Corporation, the parent of the Company. His positions and responsibilities at both companies are as stated in his Brief Career Background.
3. If Mr. Kiyoshi Yasui is elected, the Company and Mr. Kiyoshi Yasui will enter into an agreement, limiting the liability for damage as stipulated in Paragraph 1, Article 423 of the Companies Act, pursuant to the provision of Paragraph 1, Article 427 of the same Act. The maximum amount of liability under this agreement shall be the amount set forth by laws and regulations.
4. Nisshin Steel Co., Ltd. was dissolved on April 1, 2014, in an absorption-type merger, with the Company being the surviving company.

### Third Item of Business: Election of One (1) Reserve Member of Audit & Supervisory Board

The effective tenure of Mr. Atsuo Teramura, who was elected as reserve member of the Audit & Supervisory Board at the 5th Annual General Meeting of Shareholders held on June 27, 2017, will expire at the beginning of this Annual General Meeting of Shareholders. The Company, therefore, proposes the election of one (1) reserve member to prepare for cases where the number of Audit & Supervisory Board Members falls short of the number as mandated by laws and regulations.

The Audit & Supervisory Board has already agreed with regard to the submission of this proposal.

The candidate for the reserve member is as follows:

Name	Brief Career Background and Position Held at the Company and Major Positions Concurrently Assumed at Other Companies and Organizations
<b>Atsuo Teramura</b>	<div> <div>Apr. 1973</div> <div>Admitted to the Bar Association</div> </div> <div> <div>Jun. 1990</div> <div>Founded Teramura Law Office (To Present)</div> </div> <div> <div>Apr. 1998</div> <div>Instructor of Civil Defense, Research Institute of the Supreme Court of Japan</div> </div> <div> <div>Apr. 2000</div> <div>Senior Instructor of Civil Defense, Research Institute of the Supreme Court of Japan (Until Mar. 2001)</div> </div> <div> <div>Jun. 2006</div> <div>Outside Audit &amp; Supervisory Board Member, T&amp;D Financial Life Insurance Company</div> </div> <div> <div>Jun. 2010</div> <div>Outside Director, T&amp;D Financial Life Insurance Company (Until Jun. 2012)</div> </div>
Date of Birth November 8, 1948	
Reappointment	
Candidate for Outside Audit & Supervisory Board Member	
Independent	
Number of Shares of the Company Owned 0 shares	
	<p>&lt; Reasons for Election &gt;</p> <p>Mr. Atsuo Teramura has a high level of expertise and deep insight as an attorney, with extensive experience as an outside director and audit &amp; supervisory board member at other companies. He is being nominated as Reserve Member of an Outside Audit &amp; Supervisory Board Member in expectation of his contribution to the audit and supervisory role using his legal expertise. Although he has not been involved in corporate management, except for assuming the office of outside director and outside audit and supervisory board member, the Company believes that he will appropriately perform the duties of Outside Audit &amp; Supervisory Board Member because of his expertise.</p>

Notes:

1. There is no particular conflict of interest between the candidate and the Company.
2. Mr. Atsuo Teramura is a candidate for Outside Audit & Supervisory Board Member. If he is elected as an Outside Audit & Supervisory Board Member, the Company will register him as an independent officer with the Tokyo Stock Exchange. The Company has set forth its own Criteria for the Independence of Outside Audit & Supervisory Board Members and it has determined that the candidate has satisfied these requirements. The Company's Criteria for the Independence of Outside Audit & Supervisory Board Members (in Japanese) has been posted on the Company's website (<http://www.nisshin-steel.co.jp/>).
3. If Mr. Atsuo Teramura is elected, the Company and Mr. Atsuo Teramura will enter into an agreement, limiting the liability for damage as stipulated in Paragraph 1, Article 423 of the Companies Act, pursuant to

the provision of Paragraph 1, Article 427 of the same Act. The maximum amount of liability under this agreement shall be the amount set forth by laws and regulations.

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