

May 18, 2018

NIPPON STEEL & SUMIKIN BUSSAN CORPORATION

Notice Concerning Controlling Shareholders, etc.

1. Name of parent company, controlling shareholders (excluding parent company), or other affiliated companies

(As of April 2, 2018)

Company name	Category	Share of voting rights (%)			Financial instruments exchanges where issued stocks are listed
		Directly held	Through consolidation	Total	
Nippon Steel & Sumitomo Metal Corporation ("NSSMC")	Other affiliated companies	34.7	0.5	35.2	First section, Tokyo Stock Exchange First section, Nagoya Stock Exchange Fukuoka Stock Exchange Sapporo Securities Exchange
Mitsui & Co., Ltd. ("MITSUI")	Other affiliated companies	20.0	—	20.0	First section, Tokyo Stock Exchange First section, Nagoya Stock Exchange Fukuoka Stock Exchange Sapporo Securities Exchange

NIPPON STEEL & SUMIKIN BUSSAN CORPORATION ("NSSB") issued new shares through a third-party allotment to MITSUI and payment process was completed on April 2, 2018.

- 2 Among its parent companies, etc., name of parent company which gives the biggest influence on NSSB and its reason

Company Name	Nippon Steel & Sumitomo Metal Corporation
Reason	NSSMC is the largest shareholder of NSSB and NSSB belongs to NSSMC group.

3. Position of NSSB in the corporate group of its parent company, etc. and other relationship between NSSB and the parent company, etc.

NSSB has a continuous and close relationship with NSSMC and MITSUI and NSSB is an equity-method affiliated company of NSSMC and NSSMC.

NSSB, as a direct trading company of NSSMC, aims to expand its business in the steel and steel-related industry by holding organic strategy jointly with the NSSMC group.

NSSMC is the main supplier and buyer of NSSB. In this fiscal year (from April 1, 2017 to March 31, 2018), the percentage of sales amount to NSSMC in NSSB's net sales was 6.6% and the percentage of purchase amount from NSSMC in NSSB's cost of sales was 43.3%. The trade

terms with NSSMC are the same as those between NSSMC and other parties which do not have any relationship.

MITSUI is a supplier and buyer of NSSB. The trade terms with MITSUI are the same as those between MITSUI and other parties which do not have any relationship.

NSSB independently makes and enforces management principles and business plan, and conducts daily operations and transactions. Therefore independence from NSSMC and MITSUI is secured.

(Concurrent position of executive)

(As of March 31, 2018)

Position	Name	Position in parent company or the corporate group	Reason for appointment
Audit & Supervisory Board Member (part-time)	Akio Migita	Managing Executive Officer Nippon Steel & Sumitomo Metal Corporation	To strengthen the functions of the Audit & Supervisory Board

(Remarks) Among eleven (11) Directors, Members of the Board and four (4) Audit & Supervisory Board Members of NSSB, only the aforementioned person holds an executive position in the parent company, etc. or the corporate group concurrently.

4. Transactions with Controlling Shareholders, etc.

Fiscal Year (from April 1, 2017 to March 31, 2018)

Category	Company name	Address	Capital stock (Million Yen)	Business	Share of voting rights held by controlling shareholders, etc (%)
Other affiliated companies	Nippon Steel & Sumitomo Metal Corporation	Chiyoda-Ku, Tokyo	419,524	Manufacturing and sales of steel products	Directly held 36.2 Through consolidation 0.6

Relationship with related party	Details of transaction	Transaction amount (Million Yen)	Account title	Balance at end of fiscal year (Million Yen)
Purchase of various kinds of steel products and sales of raw materials and fuel Concurrent position and transfer of executives	Purchase of various kinds of steel products	736,979	Accounts payable	16,852
	Sales of raw materials, fuel, machinery, etc.	115,954	Accounts receivable	31,006

Trade terms and policy of the determination thereof

The trade terms to purchase various kinds of steel products and to sell raw materials, fuel, and machinery are same as those between NSSMC and other parties which do not have any relationship.

(Remarks) In the above table, the amount of consumption tax is not included in the transaction amount and is included in the balance of receivables and payables at the end of the fiscal year.

The statement of transactions between NSSB and MITSUI is omitted in accordance with the standard of importance.