

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2011

Company Name: Nisshin Steel Co., Ltd.

URL: <http://www.nisshin-steel.co.jp/>

Code Number: 5407 (Tokyo, Osaka, Nagoya, and Fukuoka stock exchanges)

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1. Highlights of Consolidated Results for the Second Quarter of Fiscal Year ending March 31, 2011

(1) Consolidated Operating Results

(Rounded down to the nearest millions of yen)

(The percentage figures represent the change from the same period last year)

	Net sales		Operating income (loss)		Income (Loss) before special items		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2Q of FY ending March 31, 2011	276,031	46.9	14,814	–	11,742	–	9,499	–
2Q of FY ended March 31, 2010	187,939	(47.0)	(57,222)	–	(65,174)	–	(73,946)	–

	Net income (loss) per share	Fully diluted net income (loss) per share
	Yen	Yen
2Q of FY ending March 31, 2011	10.51	–
2Q of FY ended March 31, 2010	(81.81)	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
2Q of FY ending March 31, 2011	669,501	202,698	29.4	217.45
FY ended March 31, 2010	670,350	205,301	29.7	220.56

(Reference) Shareholders' equity and valuation and translation adjustments:

2Q of FY ending March 31, 2011: 196,535 million yen

FY ended March 31, 2010: 199,346 million yen

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2010	–	0.00	–	1.00	1.00
FY ending March 31, 2011	–	0.00			
FY ending March 31, 2011 (Forecast)			–	–	–

Note: Revision of dividend forecasts in the quarter (Y/N): None

Note: The announcement of year-end cash dividend forecast for fiscal period closing March 2011 will be deferred until the market outlook becomes clearer.

3. Consolidated Forecasts for Fiscal Year Ending March 31, 2011

(Percentages presented refer to changes compared with the previous full-year results)

	Net sales	Operating income	Income before special items	Net income	Net income per share
	Millions of yen %	Millions of yen %	Millions of yen %	Millions of yen %	Yen
Full fiscal year	530,000 20.0	22,000 –	18,000 –	13,000 –	14.38

Note: Revision of consolidated forecasts in the quarter (Y/N): Yes

4. Other

- (1) Changes in major subsidiaries during the period under review: None
- (2) Adoption of simplified accounting methods or special accounting methods for quarterly financial statements: Yes
- (3) Changes in accounting policies and accounting title and classification for quarterly financial statements
 - (i) Changes due to revision of accounting standards, etc.: Yes
 - (ii) Changes other than (i) above: None
- (4) Total number of shares issued (Common stock)
 - (i) Total number of shares issued at term end (Includes treasury stock)

2Q of FY ending March 31, 2011:	994,500,174 shares
FY ended March 31, 2010:	994,500,174 shares
 - (ii) Total treasury stock at term end

2Q of FY ending March 31, 2011:	90,687,011 shares
FY ended March 31, 2010:	90,668,295 shares
 - (iii) Average number of shares issued and outstanding during the period (Cumulative period to the quarter)

2Q of FY ending March 31, 2011:	903,822,276 shares
2Q of FY ended March 31, 2010:	903,865,503 shares

Explanation on Appropriate Use of Performance Forecasts and Other Remarks

(Notations on Forward-looking Statements)

The performance forecasts and other forward-looking statements in these materials are based on certain assumptions deemed rational by the Company at this point in time, and actual performance may differ significantly because of such factors as dramatic changes in the economic conditions or product demand in major markets (Japan, Asia, etc.), substantial variations in the prices of fuel and raw materials, steep fluctuations in foreign exchange rates, and major changes in capital markets.