

Press Release

October 31, 2007

To whom it may concern

By Maruichi Steel Tube Ltd.

President

Hiroyuki Suzuki

Investment in Seikei Steel Pipe Corporation

On October 31, 2007, we signed the contract of 22% acquisition of issued shares of Seikei Steel Pipe Corporation (hereafter called Seikei), which is top-maker of Cold Press Forming Square Hollow Section Tubes (Press Column) manufacturers. As this company had a plan to expand their production and sales activity in western area of Japan, we invited them to construct their Press Column manufacturing plant in our Sakai plant so that we can also join the Press Column business.

1. Reason for our capital investment

The large size columns are recently required for construction of large size office, shopping center, factory and warehouse building. We have been manufacturing structural tubes with top size of 400x400x19mm by roll forming system. But this maximum size does not fully satisfy the requirement from construction market. Meantime, the size of Seikei's press column is from 400mm (minimum) to 1,000mm (maximum) with maximum wall thickness of 50mm and their columns are not competing with our existing sales products. By joining Seikei's new plant construction plan, we believe we can supply various columns with wider range of size.

2. The content of Seikei's plan

- 1) We will acquire 19% of Seikei shares from Mitsui & Co. Ltd. and 3% of that from JFE Steel Corporation totaling 22% (Share value: Yen1,540 million)
- 2) We will construct a factory building for Seikei's press column manufacturing in our Sakai plant, locating near Osaka, and rent the building and land for their use. (Land:17,000m², Building:10,000m²)
- 3) The heavy wall steel plate for column manufacturing is provided by JFE Steel Corporation.

3. Outline of Seikei

- 1)Name: Seikei Steel Pipe Corporation
- 2)Main business: Manufacturing and Sales of various cold press forming large size columns
- 3)Establishment: July 10, 1984
- 4)Head Office: Address: Sakaecho, Sano, Tochigi Pref., Japan
Facilities: Several tube manufacturing line
(Land:18,143m2, Building:17,495m2)
- 5)President: Mr. Takao Ura
- 6)Capital: Yen200 million (Issued shares: 4,000shares)
- 7)Shareholders: Mitsui & Co. Ltd. 70%, JFE Steel Corporation 30%
- 8)Staffs and workers: 63 people
- 9)Financial Data: Sales amount Yen8,000 million (FY ending Mar 2007)

4. Time Schedule

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| October 31, 2007 | Shareholders agreement and Agreement for sales and purchase of share are concluded |
| April 2008 | Start of construction work of new plant |
| April 2009 | Commercial operation of Seikei's new plant |

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