

JFE Steel Corporation

JFE Steel is building a truly global manufacturing and distribution framework, with a special emphasis on unique, market-leading “Only One” and “Number One” products, in response to increasing worldwide demand for high-end steel.

As a steelmaker with world-leading production facilities and expertise in the development of innovative technologies, JFE Steel responds to global market demands for high-end steel by developing products that offer unique characteristics and superior functionality. Going forward, as we continue to provide Japanese customers with stable supplies of high-end steel products, we intend to actively increase our supply of superior products to customers worldwide by establishing and expanding high-quality steel production and distribution networks in partnership with leading steelmakers overseas. At the same time, we will remain committed to furthering the aspirations of local communities and society at large through our proactive development of solutions for environmental protection.



Eiji Hayashida President & CEO



Two Major Steelworks with Large-scale Blast Furnaces

JFE Steel boasts an impressive production network in Japan, divided roughly into two major steelworks. The East Japan Works comprises the Chiba district, where the company built Japan’s first integrated coastal steelworks in the early 1950s, and the Keihin district, located on the 5.5 million m² Ohgishima man-made island in Tokyo Bay. The West Japan Works includes the Fukuyama and Kurashiki districts, both of which boast expansive

sites and proximity to deep harbors. Both steelworks — East and West— have large, world-class blast furnaces, and together they offer a combined crude steel production capacity of 33 million tons. The production network also includes the Chita Works, one of the world’s leading specialized steelworks, which produces a world-leading range of steel pipes and tubes, including tubular goods for the oil industry and line pipes.



Collaborating with Our Customers

JFE Steel, a longtime trendsetter in the steel-making industry, established its Customer Solution Lab in 2005 as a collaborative testing and research facility to enable engineers and other company specialists to engage customers in joint research. This first-rate venue for collaborative research offers separate areas for work and experimentation. There also is an exhibition space where prospective collaborators can view the company’s advanced materials for automobiles, as well as related processing and application technologies. THINK SMART (Steel Material for Application

Research and Technology) is a separate facility for joint testing and research. Customers and university-affiliated research institutes are welcomed to the facility for collaboration in practical testing of steel materials, structures and construction techniques.



Customer Solution Lab (Chiba District)



THINK SMART (Keihin District)

Expanding Our Ownership of Vital Resources

The stable sourcing of coking coal and iron ore is becoming ever more critical for blast furnace makers in the face of increasing worldwide demand for steel, primarily in emerging countries. Mindful of this trend, JFE Steel is expanding its ownership of vital global resources. In December 2009, JFE acquired a 20% stake in QCoal's Byerwen Coal Mine in Australia. Once the mine is fully operational sometime in 2012, JFE expects to procure two million

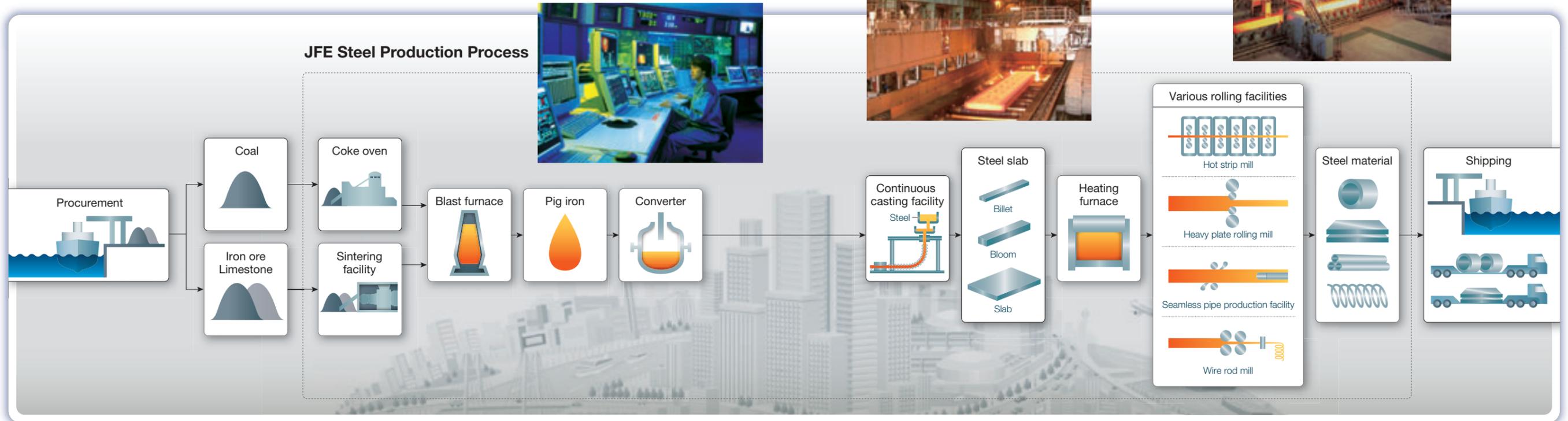


tons of high-quality coking coal annually. The company, working through its membership in a Japanese-Korean consortium, also acquired an interest in Brazil's Nacional Minérios S.A. (NAMISA) for iron ore. As a result, JFE has enhanced its resource ownership to 19% for coking coal and 16% for iron ore. In the future, the plan is to continue securing interests in vital resources until ownership is raised to 30% for both coking coal and iron ore, respectively. At the same time, JFE is committed to its expanded use of inexpensive low-grade raw materials through the development and application of new technologies.

Creating a Global Edge with Value-added Products

With the world's high-end steel market poised to grow, JFE Steel is taking steps to ensure it is ideally positioned to respond. In markets including China, India and Southeast Asia, production and distribution networks for high-end steel are being established through vertically specialized frameworks created with local partners. Guangzhou JFE Steel Sheet Co., Ltd., a 50-50 joint venture in China, is

adding a cold-rolling mill and hot dip galvanizing line for the supply of automotive steel sheet. In India, the company has entered the automotive-steel market by taking an equity position in JSW Steel, the nation's largest private steel company. In addition, cooperative arrangements for all product lines in India are being expanded, aiming to solidify JFE Steel's foothold in this promising emerging market.



Advanced "Only One" and "Number One" Products

JFE's branded "Only One" and "Number One" products are developed from original concepts and with sophisticated technologies for diverse applications, including steel sheet for automotive

purposes, high-strength steel sheet for construction and more. These special products currently account for one-third of JFE Steel's sales.



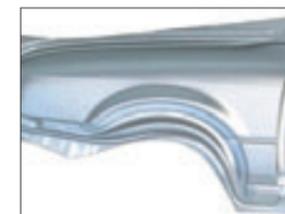
HBL®385 (high-strength steel plate for construction)



JFE443CT (highly corrosion-resistant stainless steel sheet)

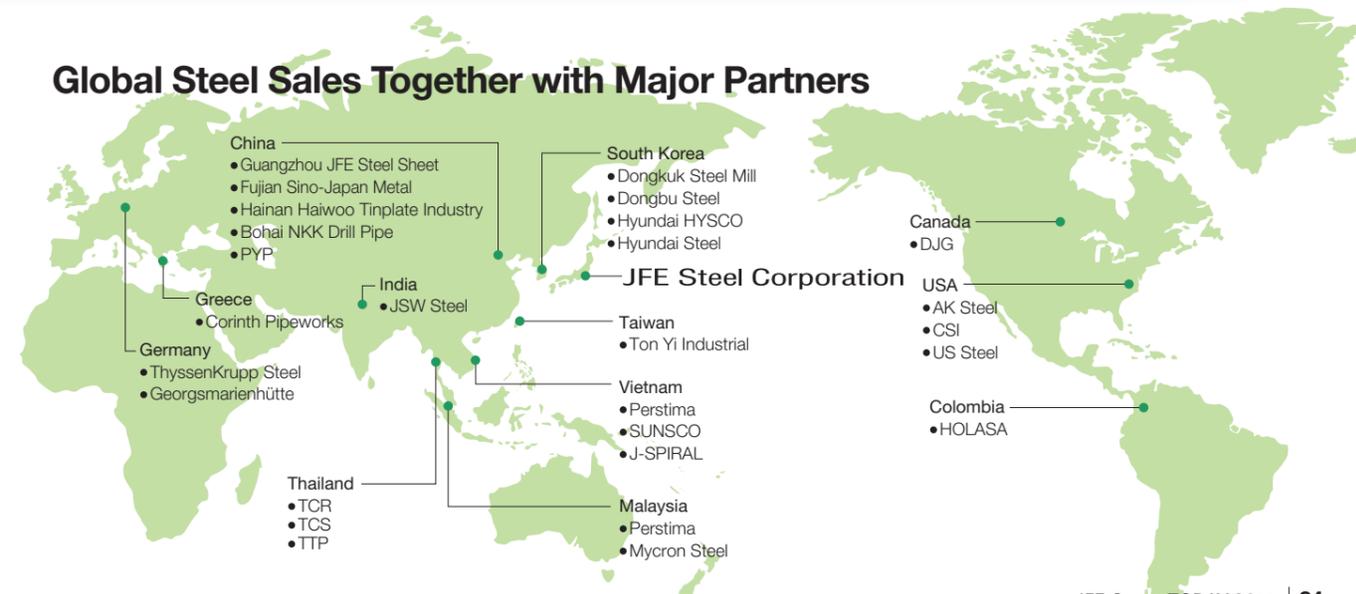


Super core (electrical steel sheets for high-frequency application)



JAZ® (highly lubricated automotive GA steel sheet)

Global Steel Sales Together with Major Partners



JFE Steel Corporation Highlights 2010



Products **Successful bid to construct Miyazaki Solar Way Tsuno No. 2 Power Plant**

Mobilizing the JFE Steel Group's many proprietary technologies, we tendered a successful bid for the construction of our first megawatt solar power plant.



Research & Development **Award for NANOHITEN® advanced automotive steel technology**

JFE received the Economy, Trade and Industry Minister's Award for hot-rolled, high-strength NANOHITEN® technology. The ministry's most prestigious award recognized JFE's achievement in helping significantly to improve automotive fuel efficiency and reduce CO₂ emissions through lighter-weight motor vehicles.

Products **Completed 8,300-ton delivery of high-strength round steel tubes for Tokyo Sky Tree**

Tokyo Sky Tree, already Japan's tallest structure prior to completion in 2011, is using JFE Steel-supplied high-strength steel pipes for everything from its underground foundation to its top-most tower where antennas will be installed.

Courtesy Tobu Railway Co., Ltd. and Tobu Tower Sky Tree Co., Ltd.

Marketing & Sales **JFE and GMH Holding sign technical collaboration agreement**

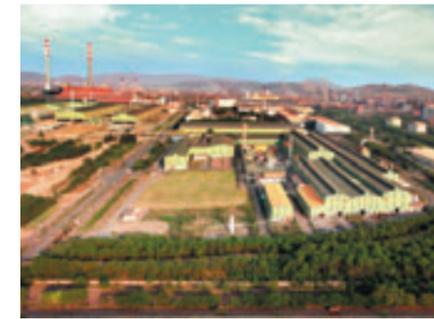
Building on a previous agreement for collaboration in the automotive field, JFE and German-based GMH Holding signed a technical collaboration agreement to produce steel bars for the energy sector, mainly in the field of wind power.



Sports Sponsorship

JFE East Japan baseball team finishes in top eight of intercity tournament

More than 10,000 loyal JFE supporters flocked to Tokyo Dome in central Tokyo to demonstrate their enthusiastic support for the JFE East Japan team, which advanced to the quarterfinals of this regional semi-pro baseball tournament.



Marketing & Sales **Agreement with JSW Steel for equity participation and technology provision**

JFE signed an agreement with JSW, India's largest private steel manufacturer, to acquire an equity interest and provide the company with special technology, thereby establishing a foothold in this rapidly growing market.



Products **Marine Blocks® demonstrated in coral reef regeneration project in Indonesia**

An undersea test along the shores of Indonesia demonstrated that JFE Steel's Marine Blocks® made of solidified slag can help to regenerate the world's declining coral reefs.

Marketing & Sales

Acquisition of spiral steel pipe maker in Vietnam

JFE established a presence in Vietnam's steel pipe manufacturing and sales sector to supply products to construction projects in Southeast Asia, including large-scale infrastructure such as ports and railways.



Transport

Japan's first electric-propulsion ship for transporting steel products

An electric-propulsion ship for transporting steel products, a first for Japan, offers 5% better fuel efficiency than conventional diesel ships, resulting in reduced CO₂ emissions.



Research & Development

Outdoor test of CO₂ physical adsorption pilot plant at West Japan Works (Fukuyama)

In a joint initiative with blast furnace makers of the Japan Iron and Steel Federation for developing technology to reduce CO₂, JFE has been developing technology for the separation and adsorption of CO₂ and fuel gas from blast furnace gas, which is now being tested in an experimental facility.



APRIL 2010 MAY JUNE JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER FEBRUARY 2011 MARCH

- JFE awarded 43rd Annual Ichimura Industrial Awards—Contribution Prize for high-strength HBL385 steel with high aseismic capacity.
- JFE awarded Commendation for Science and Technology by Minister of Education, Culture, Sports, Science and Technology for development of high-strength steel pipe offering superior deformation performance.

- JFE West Japan Fiesta in Fukuyama.
- 15th J1 Activity Result Report Meeting.

- Completed construction to increase steelmaking capacity at West Japan Works (Fukuyama District).
- JFE awarded METI Minister's prize for NANOHITEN® innovative technology for hot-rolled, high-strength steel sheet for automobiles.

- Agreements signed with India's JSW Steel for equity participation and technology provision.
- Completed delivery of 8,300 tons of circular steel pipe for Tokyo Sky Tree.

- JFE East Japan baseball team reaches quarterfinals of intercity tournament.
- East Japan Works and West Japan Works host summer-holiday plant tours.

- Companywide disaster-preparedness drills held.
- JFE wins bid to construct Miyazaki Solar Way Tsuno No. 2 Power Plant.

- World Steel Association annual general meeting held in Tokyo.
- JFE Steel announces President's Prize.
- Technical alliance agreement signed with GMH Holding of Germany.
- JFE Chiba Festival held.

- JFE acquires spiral steel pipe manufacturing company in Vietnam.
- JFE Festivals held in Kurashiki, Keihin and Chita.
- 16th JFE J1 Results Report Meeting held.

- Newly added facilities of No. 6 coke oven, West Japan Works (Kurashiki District) start operating.
- Japan's first electric-propulsion ship for transporting steel products enters service.
- JFE participates in Eco-Products 2010.

- Marine Blocks® adopted for coral reef regeneration project in Indonesia.
- No. 5 continuous annealing line of West Japan Works (Fukuyama District) begins commercial operation.

- JFE acquires stake in Brazilian rare metal (niobium) mining company.
- Construction begins on hot dip galvanizing line for automobiles in Thailand.
- CO₂ physical adsorption bench plant at West Japan Works (Fukuyama District) begins experimental operation.

- JFE receives Okouchi Memorial Prize for high-performance, high-strength steel sheet made with NANOHITEN® technology for motor vehicles.
- JFE establishes PCM sheet production and sales company in China.