



July 28, 2005

**Summary of Consolidated Financial and Operating Results
for First Quarter of Fiscal Year Ending March 31, 2006**

Name of listed company: JFE Holdings, Inc.
 Listings: Tokyo, Osaka and Nagoya stock exchanges in Japan
 Code number: 5411
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1. Notes concerning the Presentation of Quarterly Financial Information

- 1) Differences between the accounting methods used this quarter and the most recent consolidated financial year: Yes
 The simplified accounting method has been adopted in part for calculating depreciation charges, taxes and other items.
- 2) Changes in the scope of consolidation and equity method: Yes
 Consolidated: (New) 5 companies (Excluded) 5 companies
 Equity method: (New) 1 company (Excluded) None

2. Overview of Operating Results for the First Quarter of Fiscal Year ending March 31, 2006
 (April 1, 2005 to June 30, 2005)

Consolidated operating results

	Net sales	Operating income	Ordinary income	Quarterly net income
	(Millions of yen) (%)	(Millions of yen) (%)	(Millions of yen) (%)	(Millions of yen) (%)
First quarter of fiscal year ending March 31, 2006	691,742 (-)	116,729 (-)	116,606 (-)	71,303 (-)
First quarter of fiscal year ended March 31, 2005	- (-)	- (-)	- (-)	- (-)
Reference: Fiscal year ended March 31, 2005	2,803,699	467,237	460,684	160,057

	Quarterly net income per share	Quarterly net income per share (fully diluted)
	(Yen)	(Yen)
First quarter of fiscal year ending March 31, 2006	121.70	115.73
First quarter of fiscal year ended March 31, 2005	-	-
Reference: Fiscal year ended March 31, 2005	273.97	262.90

Notes:

- 1) All figures are rounded down to the nearest 1 million yen.
- 2) The percentages shown for net sales, operating income, ordinary income and net income represent changes from the corresponding quarter of the previous fiscal year.
No figures are indicated for the first quarter of the fiscal year ended March 31, 2005, as the company discloses quarterly information beginning this term. Accordingly, no percentages are provided for the first quarter of the current fiscal year.

3. Segment Information

Segment information broken down by business category for the first quarter of the fiscal year ending March 31, 2006 (April 1, 2005 to June 30, 2005)

	Steel	Engineering	Urban development	LSI	Total	Elimination/ Corporate	Consolidated total
Net sales	644,396	38,531	5,819	8,933	697,679	(5,937)	691,742
Operating income	121,925	(5,605)	258	(204)	116,374	355	116,729
Ordinary income	120,242	(3,626)	222	(252)	116,586	20	116,606

(Millions of yen)

Qualitative information concerning the progress of consolidated business results

In the steel business, JFE is endeavoring to maintain stable production and shipments amid tight supply and demand balances, especially in regard to the automotive industry. JFE calculates sales costs by using last-in first-out (LIFO) standard cost calculations on a half-year (six-month) basis. While this practice is a factor in reducing earnings because substantial rises in raw materials prices are immediately reflected in first-quarter profit figures, JFE is endeavoring to strengthen its earnings base by raising steel sales prices and further reducing costs. In addition, JFE Steel Corp.'s group companies continue their strong performance.

In the engineering business, results are subject to seasonal fluctuations because sales typically concentrate in the fourth quarter. This and other factors resulted in difficult earnings conditions, which were met by concerted efforts to reduce costs and improve profitability.

In the urban development business, results are subject to seasonal fluctuations because deliveries of condominiums typically concentrate in the fourth quarter, but the company continued to work to raise earnings by supplying high quality and distinctive condominium properties.

In the LSI business, the earnings situation is difficult due to strong demand for discounts on sales of devices for the digital consumer electronics market. The company worked to improve earnings by actively developing new markets.

As a result, consolidated net sales for the first quarter were 691.7 billion yen, ordinary income 116.6 billion yen and net quarterly income 71.3 billion yen.

Note that the Fair Trade Commission has alleged that JFE Engineering Corp. and Kawatetsu Bridge and Steel Structure Corp. violated the anti-monopoly law with respect to bidding on steel bridge superstructure projects ordered by the Ministry of Land, Infrastructure and Transport (MLIT). The two companies were subsequently indicted by the Tokyo High Public Prosecutors Office and subjected to administrative disposition by MLIT and other authorities (suspension from nominative tenders). This had limited impact on results for the first quarter.

(Reference)

The consolidated results forecast for the fiscal year ending March 31, 2006 (April 1, 2005 to March 31, 2006) has not been reviewed at this time. The company plans to announce an updated forecast in early September.

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