Financial Results for the Fiscal Year ended March 31, 2009

(All financial information has been prepared in accordance with generally accepted accounting principles in Japan)
English translation from the original Japanese document

April 24, 2009

Company name	: JFE Holdings, Inc.
Stock exchange on which the shares are listed	: Tokyo, Osaka, and Nagoya Stock Exchanges in Japan
Code number	: 5411
URL	: http://www.jfe-holdings.co.jp/en/index.html
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Date of an annual meeting of shareholders	: June 25, 2009

1. Highlights of Consolidated Results for the Fiscal Year ended March 31, 2009

(1) Statements of Income

	Net sales	(% of change from previous year)	Operating income	(% of change from previous year)	Ordinary income	(% of change from previous year)
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Fiscal Year ended March 31, 2009	3,908,282	10.4	407,806	(20.1)	400,562	(20.4)
Fiscal Year ended March 31, 2008	3,539,802	8.6	510,518	1.3	502,974	(2.1)

	Net income	(% of change from previous year)	Net income per share	Net income per share (fully diluted)	ROE	ROA (Ordinary income divided by total assets)	ROS (Operating income divided net sales)
	(Millions of yen)	%	(yen)	(yen)	%	%	%
Fiscal Year ended March 31, 2009	194,229	(25.8)	355.64	338.36	13.7	9.4	10.4
Fiscal Year ended March 31, 2008	261,845	(12.6)	450.58	423.04	17.5	12.5	14.4

Note1: Equity in earnings of affiliates (Millions of yen)
Fiscal Year ended March 31, 2009 22,867
Fiscal Year ended March 31, 2008 25,752

(2)Balance Sheets

	Total assets	Net assets	Equity capital ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(yen)
Fiscal Year ended March 31, 2009	4,328,901	1,378,041	30.9	2,526.26
Fiscal Year ended March 31, 2008	4,170,080	1,541,680	35.9	2,619.11

Note: Shareholders' equity
Fiscal Year ended March 31, 2009 1,335,895
Fiscal Year ended March 31, 2008 1,496,513

(3) Statements of Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of the year
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal Year ended March 31, 2009	243,712	(350,136)	260,065	206,605
Fiscal Year ended March 31, 2008	438,257	(297,209)	(125,473)	52,178

2. Dividend

	Dividend per share			Dividend Amount (Non-consolidated /Fiscal Year)	Dividend Payout Ratio (Consolidated)	Dividend per Net assets (Consolidated)
		Interim	Year-end			
	(yen)	(yen)	(yen)	(Millions of yen)	%	%
Fiscal Year ended March 31, 2008	120.00	60.00	60.00	68,863	26.6	4.6
Fiscal Year ended March 31, 2009	90.00	60.00	30.00	49,015	25.3	3.5
Fiscal Year ending March 31, 2010(e)	undecided	undecided	undecided		undecided	

3. Consolidated Financial Results Forecast for Fiscal Year ending March 31, 2010 (from April 1, 2009 to March 31, 2010)

The company has decided to refrain from publishing consolidated financial results forecasts for the fiscal year ending March 31, 2010 given the current uncertainty surrounding the global economy and critical industrial markets, making it impossible to forecast sales volume and sales prices with any degree of accuracy at this stage. For more information about the company's decision, please refer to "Qualitative Information, Financial Statement, etc., 1. Business Results, 1) Analysis of Business Results, Performance in Fiscal Year ended March 31, 2009, Forecast for Fiscal Year ending March 31, 2010" on page 4.

4. Others

1. Material changes in subsidiaries during the term (changes in specific subsidiaries resulting in adjustment to the scope of consolidation): No

2. Changes in accounting treatment principles/procedures or presentation methods, etc. in the preparation of the consolidated financial statements
   1) Changes resulting from amendments to accounting standards: Yes
   2) Changes other than 1) above: No

3. Number of outstanding shares (common stock)
   1) Outstanding shares at the end of term (including treasury stock)
      FYE March 2009: 614,438,399 shares; FYE March 2008: 614,438,399 shares
   2) Treasury stock at the end of term
      FYE March 2009: 85,633,905 shares; FYE March 2008: 43,056,685 shares

The above forecast is our best estimate based upon currently available information and includes uncertain factors.

Therefore, please be advised to refrain from investment decisions by depending solely on these figures.

1. Business Results

1) Analysis of Business Results

Performance in Fiscal Year ended March 31, 2009

The JFE Group, guided by its corporate vision of "contributing to society with the world's most innovative technology," continued to achieve sustainable growth and improve corporate value for its shareholders and all of its stakeholders during the fiscal year ended March 31, 2009.

The period under review marked the third and final year of the Second Medium-Term Business Plan. The Group made steady progress on its initiatives to create stable, higher profit-earning structures and continued to achieve high earnings despite the drastic change in the global business environment as typified by the prevailing economic recession and significant fluctuations in stock and exchange markets.

Following is an outline of the JFE Group's full fiscal year results, broken down by business segment:

The steel business reported consolidated crude steel production of 29.28 million tons, a decrease from the previous year that resulted from obligatory production cuts, including the idling of 2 blast furnaces, made necessary by an extraordinary decline in both domestic and international demand since the latter half of the year.

Net sales recorded a year-on-year increase to 3,423.3 billion yen. Despite the decrease in sales volumes, contributing to this growth were higher sales prices.

Ordinary income decreased year on year to 412.5 billion yen under pressure from higher raw materials costs and lower sales volumes in the second half of the year despite the positive impact of intensive cost-cutting efforts, higher sales prices and net sales growth.

Despite the severe economic environment, the engineering business achieved an increase in net sales over the previous year to 338.2 billion yen, a result credited in part to sales growth in the steel structure engineering division. Ordinary income grew relative to the previous year to reach 9.9 billion yen, benefiting from intensive cost-cutting efforts aimed at strengthening the engineering segment's profitability.

The shipbuilding business reported net sales of 181.4 billion yen, having delivered 30 new vessels, but reported an ordinary loss of 14.9 billion yen despite company-wide cost-cutting efforts; contributing factors included soaring materials/equipment costs, especially those for steel products, and a strong yen, which made it necessary to increase the allowance for future losses.

The urban development business posted net sales of 25.1 billion yen and an ordinary loss of 3.7 billion yen, a year-on-year decrease, as the result of lower condominium delivery volumes in a deteriorating condominium market.

The LSI business recorded net sales of 27.8 billion yen and an ordinary loss of 4.2 billion yen, both down from the previous year, due to a rapid decrease in overall demand, including products for LCD panels.

These results mirror JFE Holdings non-consolidated results and indicate that profit declined despite an increase in sales; consolidated net sales came to 3908.2 billion yen, consolidated operating income to 407.8 billion yen and consolidated ordinary income to 400.5 billion yen.

In addition to the above, the company posted an extraordinary loss of 69.5 billion yen after booking an appraisal loss of 55.2 billion yen on investment securities – a reflection of the prevailing stock market turmoil; accordingly, the company recorded income before income taxes and minority interests of 331.0 billion yen and net income of 194.2 billion yen, both decreases from the previous year.

Forecast for Fiscal Year ending March 31, 2010

Demand in the steel business remains on a pronounced downward trend due to the global recession and demand trends for the near term remain unclear, making it impossible to forecast sales volume and sales prices with any degree of accuracy at this stage. Furthermore, the company is currently in the process of negotiating prices for iron ore, the main steelmaking raw material. The company has decided, therefore, to withhold publication of results forecasts for the fiscal year until these impediments to credible forecasting have been overcome.
The company will disclose its results forecast as soon as possible and will explain the prevailing circumstances again when announcing the financial results for the first quarter.

2) Analysis of Financial Position

Analysis of Positions of Assets, Debt, Net Assets and Cash Flow

Total assets at the end of the fiscal year ended March 31, 2009 amounted to 4,328.9 billion, an increase of 158.9 billion yen relative to the previous year-end, a result attributed to increased cash and deposits at the end of the fiscal year – set aside to accommodate changes to the business environment caused by the global recession – as well as rising inventories resulting from higher raw materials prices, surpassing the decline in investment securities precipitated by the global stock market slump. Debt amounted to 2,950.8 billion yen, an increase of 322.4 billion yen, on higher borrowings. Net assets, at 1,378.0 billion yen, decreased 163.6 billion yen relative to the previous year-end because treasury stock acquisitions and decreased net unrealized gains on securities exceeded the increase by net income and other factors for the fiscal year.

Turning to cash flow for the fiscal year ended March 31, 2009, net cash provided by operating activities amounted to 243.7 billion yen and net cash used for investment activities, primarily for the acquisition of fixed assets, totaled 350.1 billion yen. Aggregate free cash provided by these activities came to 106.4 billion yen.

Cash flow from financing activities earned revenue of 260.0 billion yen because proceeds from long-term borrowings and issues of commercial paper exceeded expenditures relating to treasury stock acquisition and dividend payment.

As a result, outstanding debt at the fiscal year-end came to 1,768.7 billion yen, an increase of 486.8 billion yen compared to the end of the previous fiscal year partly due to increased cash and deposits. Outstanding cash and deposits increased by 170.6 billion yen from the previous fiscal year-end to 217.9 billion yen.

Cash Flow and Other Financial Indicators

	FY ended March 2005	FY ended March 2006	FY ended March 2007	FY ended March 2008	FY ended March 2009
Return on sales (ROS)	16.4%	16.7%	15.8%	14.2%	10.2%
Return on assets (ROA)	13.1%	14.6%	14.1%	13.0%	10.0%
Outstanding debt	1,446.7 bil.yen	1,162.8 bil.yen	1,180.5 bil.yen	1,281.9 bil.yen	1,768.7 bil.yen
D/E ratio*	149.4%	88.7%	78.6%	85.7%	132.4%
Shareholders' equity ratio	26.5%	36.1%	38.8%	35.9%	30.9%
Shareholders' equity ratio at market prices	47.9%	76.6%	106.0%	60.6%	26.2%
Debt redemption term	3.1 years	2.9 years	2.8 years	2.9 years	7.3 years
Interest coverage ratio	20.1 times	23.9 times	25.3 times	24.6 times	11.3 times

* If 75% of the 300 billion yen issue price of the hybrid bond having a capital component in rating assessment (unsecured share-warrant convertible bond with purchase clause (subordination clause), issued in March 2008) is deemed to be capital, as assessed by two ratings agencies, the company's D/E ratio was 61.4 % as of March 31, 2008 and 98.9% as of March 31, 2009.

Notes:

- Return on sales (ROS) = Ordinary income/Net sales
- Return on assets (ROA) = (Ordinary income + Interest expense)/Total assets[1)]
- Outstanding debt = Total amount of borrowings, bonds and commercial paper
- D/E ratio = Outstanding debt/Shareholders' equity
- Shareholders' equity ratio = Shareholders' equity/Total assets
- Shareholders' equity ratio at market prices = Market capitalization[2)]/Total assets
- Debt redemption term = Outstanding debt/Operating cash flow[3)]
- Interest coverage ratio = Operating cash flow[3)]/Interest expense[4)]

[1)] (Total assets at beginning of term + Total assets at end of term)/2

[2)] Market capitalization is calculated as term-end market prices multiplied by term-end outstanding shares.

[3)] Operating cash flow corresponds to cash flow from operating activities on the consolidated cash flow statement.

[4)] Interest expense corresponds to interest payments on the consolidated cash flow statement.

3) Basic Guidelines on Profit Distributions and Dividends for Fiscal Year ended March 31, 2009 and Fiscal Year ending March 31, 2010

JFE Holdings considers the return of profits to shareholders as one of its top priorities. The company's policy is to proactively distribute dividends while maintaining a sound and sustainable operational base for the Group; the Second Medium-Term Business Plan clearly stipulates that maintenance of a consolidated payout ratio of 25% is a fundamental company guideline.

In accordance with this guideline, the company will propose at the next Ordinary General Meeting of Shareholders payment of a year-end dividend of 30 yen per share; combined with the interim dividend paid earlier, this will result in a full-year dividend of 90 yen per share for the year ended March 31, 2009. As a result, the average payout ratio for all three fiscal years covered by the Second Medium-Term Business Plan will have been 25%.

In addition to the above, the company has worked proactively to return profits to shareholders, making two acquisitions of treasury stock during the fiscal year of record. Between April and May 2008, it acquired 98,731 million yen (accumulated total between March and May 2008: 119,993 million yen) and another 54,610 million yen between October 2008 and February 2009. The total return ratio during the course of the Second Medium-Term Business Plan was 80%.

Returning profits to shareholders remains one of the JFE Group's most important duties within the context of its obligations to all stakeholders. This is especially true in times of global economic uncertainty, when prudence demands that the group re-emphasize the long-term interests of all stakeholders by placing priority on maintaining and improving its sound financial standing and implementing proactive investments that lay the groundwork for future growth as a near term policy.

Uncertainty about the prospects for the global economy is a significant impediment to credible forecasting of dividend payouts during the fiscal year ending March 31, 2010. The company will announce its plan for dividend payments as soon as it has a more accurate picture of the business climate.

2. Management Policy

1) Basic Management Policy
2) Indicators Serving as Business Targets
3) Medium- and Long-Term Management Strategies
4) Tasks Requiring Attention

The operating environment surrounding the JFE Group has deteriorated rapidly since autumn 2008, as the global financial crisis has impacted the real economy. The rapid decline in demand for steel in Japan and abroad is unprecedented, and the company expects business conditions to remain severe.

In response to this business climate, the JFE Group has taken drastic action to lower its breakeven point, slashing business expenses and paring back capital investment. The group has decided not to draw up specific numerical consolidated-basis figures for the medium term business plan beginning April 1, 2009, because it is difficult to make accurate predictions at this time.

Nevertheless, the JFE Group will adhere to its basic business plan for strong future growth and continue to execute the growth strategy in the new medium-term business plan. Therefore, JFE will further strengthen its financial position so that the group has the flexibility to make the investment required to set the stage for future growth and major advances; will remain faithful to its corporate vision of contributing to society with the world's most innovative technologies; and will accelerate R&D and product development in each of its business segments and continue to strive to create Only One and Number One products.

In its key business units, the group has developed various measures tailored to the characteristics of each operation.

JFE Steel has already completed a review of how to build a domestic operational structure capable of producing 33 million tons of crude steel annually within Japan (37 million tons group-wide) to address the growth in demand for high-grade steel over the medium and long term. This will lead to rapid growth and increased earnings when economic conditions begin to recover. Additionally, the company is constantly gathering and analyzing information and considering the feasibility of and best timing for investment in the construction of integrated steelworks in resource- and demand-rich regions, positioning it to take advantage of overseas growth opportunities. To achieve this growth, the company is working to build the necessary marketing platform, raise customer satisfaction to new levels, and foster human resources capable of dealing with a globalizing marketplace.

JFE Steel aims to improve the comprehensive manufacturing capabilities of the organization by distributing the company's best technologies across its steelworks and plants, improving product quality, shortening lead times, improving yields, lowering manufacturing costs, and stabilizing facilities. In addition, the company has been striving to secure stable supplies of raw materials that are more than ever a source of competitive strength by acquiring resource rights that are economically rational while expanding its use of low-grade raw materials.

To respond quickly to the needs of customers, JFE Engineering reorganized and integrated subsidiaries in April this year to create an organization capable of seamlessly overseeing the complete business process, from planning and design to construction. This structure will clarify profit responsibility for each product, enabling the company to further improve earnings and strengthen its business base. At the same time, the company has stepped up efforts to create new products, setting up a technology research center and pursuing R&D that is aligned with its business strategy.

Amid fierce competition from rivals in Korea and China, Universal Shipbuilding has been working to thoroughly reduce costs, while enhancing marketing efforts to develop and build in a timely manner vessels that meet customer needs. In addition, the company will strengthen its business base and further improve efficiency by focusing resources on mainstay large bulk carriers and tankers, with the aim of becoming the world's strongest shipbuilder in this area and establishing a business structure that will generate stable earnings. Universal Shipbuilding also continues to examine potential alliances and mergers with other companies.

Moreover, to promote greater operational efficiency, the JFE Group has embarked on a review of every aspect of its organization.

JFE Urban Development has generally achieved its initial goal of “effectively using and raising the value of properties held by the group by redeveloping idle properties, mainly through its condominium development business.” For the future, the company will center its activity on managing existing group’s properties. In addition, a new structure for the company is being considered with a focus on generating efficiencies on a group-wide basis.

Kawasaki Microelectronics faces an extremely challenging business environment, and with its very survival at stake, the company has been making an all-out effort to drastically improve profits. One measure it will take is to close the Utsunomiya plant at the end of the fiscal year ending March 31, 2010.

In addition, concerning technology development, JFE overhauled the group's R&D framework on April 1, reorganizing JFE R&D Corporation into JFE Steel’s Steel Research Laboratory and JFE Engineering’s Technology Research Laboratory. The purpose of the reorganization is to accelerate the development of new products that anticipate the needs of both customers and society and hasten the development of innovative process technologies, application technologies and groundbreaking new products, with an eye on the horizon 10 years from now.

To steadily execute group management tasks in this way, JFE has endeavored to enhance those functions and further improve operational efficiency as the core of sound corporate governance and group management in conformance with the interests of its shareholders.

In June 2008, the Fair Trade Commission of Japan handed down a ruling based on the Antimonopoly Act that ordered JFE Steel to take cease and desist measures and pay surcharges related to sales of steel pipe piles and sheet piles.

JFE Galvanizing & Coating carried out an internal investigation concerning the sale of galvanized steel sheets and discovered actions considered to be in violation of the Antimonopoly Act. It voluntarily reported the findings to the Fair Trade Commission and at the same time petitioned for reduction and/or exemption of surcharges.

In June 2006, JFE Engineering received a cease and desist order from the Fair Trade Commission for being in violation of the Antimonopoly Act in an action related to waste incinerator construction projects. In July of the same year, the company filed a suit with the Tokyo High Court to have the ruling dismissed, but in September 2008 the appeal was rejected by the High Court. In October 2008, the ruling was appealed to the Supreme Court.

In July 2004, JFE Koken received from the Fair Trade Commission a cease and desist recommendation affirming that its bidding on a sewage system advancement project ordered by Niigata City was in violation of the Antimonopoly Act. The case was in the appeals process until July 2008, when the company received a decision from the Commission, affirming its original recommendation. Prior to that, in December 2001, the company received from the Commission an order to pay a surcharge, affirming that its bidding on a civil engineering project ordered by

Tokyo New Town Development Corporation was in violation of the Antimonopoly Act. The case was in its appeals process until July 2008, when the company accepted the decision of the Commission.

The JFE Group will make concerted efforts to build strong relationships of trust with society by rigorously enforcing compliance, proactively working on environmental issues, and maintaining worker safety. The group aims for sustainable growth as an enterprise and will work to maximize corporate value for its shareholders and all other stakeholders.

Consolidated Balance Sheets

(Millions of yen)

	As of Mar. 31, 2009	As of Mar. 31, 2008
(Assets)		
Current assets:		
Cash and deposits	**217,990**	47,366
Notes and accounts receivable	**535,199**	577,278
Inventories	**-**	721,440
Merchandise and finished goods	**238,798**	-
Work in process	**182,996**	-
Raw materials and supplies	**406,539**	-
Deferred tax assets	**52,301**	51,536
Other current assets	**128,171**	105,955
Allowance for doubtful accounts	**(876)**	(938)
Total current assets	**1,761,121**	1,502,638
Property, plant and equipment, net:		
Buildings and structures	**446,922**	461,590
Machinery and equipment	**768,723**	788,427
Land	**531,601**	538,440
Construction in progress	**76,280**	74,730
Total property, plant and equipment, net	**1,843,232**	1,843,483
Intangible assets	**79,786**	85,499
Investments and other assets:		
Investments in securities	**448,014**	593,536
Deferred tax assets	**93,214**	47,741
Other assets	**107,274**	104,229
Allowance for doubtful accounts	**(5,576)**	(9,309)
Total investments and other assets	**642,927**	736,197
Deferred assets	**1,834**	2,261
Total assets	**4,328,901**	4,170,080
(Liabilities and shareholders' equity)		
Current liabilities:		
Notes and accounts payable	**352,315**	472,963
Short-term borrowings	**188,918**	186,133
Commercial paper	**175,935**	30,978
Current portion of corporate bonds	**40,000**	80,000
Current portion of bonds with subscription rights to shares	**-**	8,049
Income tax payable	**48,043**	61,064
Allowance for losses on construction projects	**-**	26,401
Other current liabilities	**451,295**	504,230
Total current liabilities	**1,290,961**	1,335,371
Long-term liabilities:		
Corporate bonds	**559,994**	508,081
Long-term borrowings	**795,849**	476,744
Deferred tax liability	**7,703**	7,797
Deferred tax liabilities on revaluation reserve	**14,366**	14,434
Accrued retirement benefits	**144,586**	152,278
Reserve for rebuilding furnaces	**41,778**	40,334
Allowance for losses on specific business	**44,711**	51,043
Other liabilities	**50,908**	42,312
Total long-term liabilities	**1,659,899**	1,293,028
(Net assets)		
Owners' equity:		
Common stock	**147,143**	147,143
Capital surplus	**657,387**	657,597
Retained earnings (Deficit)	**1,005,066**	897,969
Treasury stock, at cost	**(426,649)**	(270,927)
Total owners' equity	**1,382,947**	1,431,782
Valuation and translation adjustments:		
Net unrealized gains on securities	**(12,575)**	72,491
Defferred earnings on hedges	**(1,221)**	(469)
Revaluation reserve for land, net of tax	**14,755**	5,658
Translation adjustments	**(48,010)**	(12,949)
Total valuation and translation adjustments	**(47,052)**	64,731
Minority interests	**42,145**	45,167
Total net assets	**1,378,041**	1,541,680
Total liabilities and net assets	**4,328,901**	4,170,080

Consolidated Statements of Income

(Millions of yen)

	Fiscal Year ended Mar. 31, 2009	Fiscal Year ended Mar. 31, 2008
Net sales	**3,908,282**	3,539,802
Cost of sales	**3,199,268**	2,721,330
Selling, general and administrative expenses	**(301,207)**	(307,952)
Operating income	**407,806**	510,518
Non-operating income		
Interest income	**1,233**	-
Dividends received	**9,003**	-
Interest income and dividends received	**-**	9,335
Rents receivable	**7,024**	-
Profit on inventories	**13,023**	-
Equity in earnings of affiliates	**22,867**	25,752
Other, net	**8,737**	29,046
Non-operating loss		
Interest expense	**22,506**	18,022
Loss on disposal/sales of property, plant and equipment	**19,540**	-
Other, net	**27,086**	53,655
Ordinary income	**400,562**	502,974
Extraordinary profit:		
Profit on sales of investments in securities	**13,788**	-
Profit on sales of property, plant and equipment, etc.	**-**	2,310
Profit on sales of shares of affiliate companies	**3,256**	4,562
Total	**17,044**	6,873
Extraordinary loss:		
Loss on impairment of property, plant and equipment	**(21,265)**	(2,200)
Write-down of investments in securities	**(55,268)**	(1,032)
Loss on liquidation of affiliates	**-**	(3,782)
Cost of structural reform of LSI business	**(6,568)**	-
Loss related to relocation/integration of headquarters, etc.	**(3,465)**	-
Provision for allowance for losses from lawsuits	**-**	(4,248)
Provision for allowance for losses on specific business	**-**	51,382
Total	**(86,568)**	(62,646)
Income before income taxes and minority interests	**331,038**	447,201
Income taxes:		
Current	**(131,212)**	(176,934)
Deferred	**(5,396)**	(5,116)
Minority interests	**(199)**	(3,305)
Net income	**194,229**	261,845

Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Fiscal Year ended Mar. 31, 2009	Fiscal Year ended Mar. 31, 2008
Owners' equity:		
Common stock:		
Balance at the beginning of the period	**147,143**	142,334
Changes during current period:		
Common stock issue（Exercise of subscription rights to shares）	**-**	4,808
Total current changes	**-**	4,808
Balance at the end of the period	**147,143**	147,143
Capital surplus:		
Balance at the beginning of the period	**657,597**	652,820
Changes during current period:		
Common stock issue（Exercise of subscription rights to shares）	**-**	4,805
Disposal of treasury stock	**(209)**	(29)
Total current changes	**(209)**	4,776
Balance at the end of the period	**657,387**	657,597
Retained earnings (Deficit):		
Balance at the beginning of the period	**897,969**	713,381
Changes in accounting standards in overseas consolidated subsidiaries	**(10,507)**	-
Changes during current period:		
Dividends	**(67,422)**	(75,817)
Net income	**194,229**	261,845
Disposal of treasury stock	**(153)**	-
Increase by newly consolidated or deconsolidated subsidiaries	**-**	92
Decrease by newly consolidated or deconsolidated subsidiaries	**-**	(990)
Transfer from land revaluation account	**(9,049)**	63
Decrease due to assets revaluation of the subsidiary in Thailand	**-**	(604)
Total current changes	**117,604**	184,587
Balance at the end of the period	**1,005,066**	897,969
Treasury stock, at cost:		
Balance at the beginning of the period	**(270,927)**	(127,372)
Changes during current period:		
Acquisition of treasury stock	**(156,483)**	(144,034)
Disposal of treasury stock	**761**	480
Total current changes	**(155,722)**	(143,554)
Balance at the end of the period	**(426,649)**	(270,927)

(Millions of yen)

	Fiscal Year ended Mar. 31, 2009	Fiscal Year ended Mar. 31, 2008
Total shareholders' equity:		
Balance at the beginning of the period	**1,431,782**	1,381,164
Changes in accounting standards in overseas consolidated subsidiaries	**(10,507)**	-
Changes during current period:		
Common stock issue（Exercise of subscription rights to shares）	**-**	9,614
Dividends	**(67,422)**	(75,817)
Net income	**194,229**	261,845
Acquisition of treasury stock	**(156,483)**	(144,034)
Disposal of treasury stock	**398**	450
Increase by newly consolidated or deconsolidated subsidiaries	**-**	92
Decrease by newly consolidated or deconsolidated subsidiaries	**-**	(990)
Transfer from land revaluation account	**(9,049)**	63
Decrease due to assets revaluation of the subsidiary in Thailand	**-**	(604)
Total current changes	**(38,327)**	50,617
Balance at the end of the period	**1,382,947**	1,431,782
Valuation and translation adjustments:		
Net unrealized gains on securities:		
Balance at the beginning of the period	**72,491**	132,985
Changes during current period:		
Net changes of items other than shareholders' equity	**(85,067)**	(60,493)
Total current changes	**(85,067)**	(60,493)
Balance at the end of the period	**(12,575)**	72,491
Defferred earnings on hedges:		
Balance at the beginning of the period	**(469)**	920
Changes during current period:		
Net changes of items other than shareholders' equity	**(751)**	(1,390)
Total current changes	**(751)**	(1,390)
Balance at the end of the period	**(1,221)**	(469)
Revaluation reserve for land, net of tax:		
Balance at the beginning of the period	**5,658**	5,713
Changes during current period:		
Net changes of items other than shareholders' equity	**9,096**	(54)
Total current changes	**9,096**	(54)
Balance at the end of the period	**14,755**	5,658
Translation adjustments:		
Balance at the beginning of the period	**(12,949)**	(19,689)
Changes during current period:		
Net changes of items other than shareholders' equity	**(35,060)**	6,739
Total current changes	**(35,060)**	6,739
Balance at the end of the period	**(48,010)**	(12,949)

(Millions of yen)

	Fiscal Year ended Mar. 31, 2009	Fiscal Year ended Mar. 31, 2008
Total valuation and translation adjustments:		
Balance at the beginning of the period	**64,731**	119,929
Changes during current period:		
Net changes of items other than shareholders' equity	**(111,783)**	(55,198)
Total current changes	**(111,783)**	(55,198)
Balance at the end of the period	**(47,052)**	64,731
Minority interests:		
Balance at the beginning of the period	**45,167**	38,527
Changes during current period:		
Net changes of items other than shareholders' equity	**(3,021)**	6,639
Total current changes	**(3,021)**	6,639
Balance at the end of the period	**42,145**	45,167
Total net assets:		
Balance at the beginning of the period	**1,541,680**	1,539,621
Changes in accounting standards in overseas consolidated subsidiaries	**(10,507)**	-
Changes during current period:		
Common stock issue（Exercise of subscription rights to shares）	**-**	9,614
Dividends	**(67,422)**	(75,817)
Net income	**194,229**	261,845
Acquisition of treasury stock	**(156,483)**	(144,034)
Disposal of treasury stock	**398**	450
Increase by newly consolidated or deconsolidated subsidiaries	**-**	92
Decrease by newly consolidated or deconsolidated subsidiaries	**-**	(990)
Transfer from land revaluation account	**(9,049)**	63
Decrease due to assets revaluation of the subsidiary in Thailand	**-**	(604)
Net changes of items other than shareholders' equity	**(114,804)**	(48,558)
Total current changes	**(153,132)**	2,059
Balance at the end of the period	**1,378,041**	1,541,680

Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year ended Mar. 31, 2009	Fiscal Year ended Mar. 31, 2008
Cash flows from operating activities:		
Income before income taxes and minority interests	**331,038**	447,201
Depreciation and amortization	**247,774**	220,459
Changes in reserves	**(9,014)**	(6,848)
Interest and dividend income	**(10,236)**	(9,335)
Interest expense	**22,506**	18,022
Profit on sales of property, plant and equipment	**-**	(2,310)
Profit on sales of shares of affiliate companies	**-**	(4,562)
Loss on impairment of property, plant and equipment	**-**	2,200
Write-down of investments in securities	**-**	1,032
Loss on liquidation of affiliates	**-**	3,782
Provision for allowance for losses from lawsuits	**-**	4,248
Provision for allowance for losses on specific business	**-**	51,382
Increase(decrease) in accounts receivable	**34,863**	-
Changes in operating receivables and trade liabilities	**-**	(26,418)
Changes in inventories	**(110,769)**	(64,833)
Increase(decrease) in accounts payable	**(134,847)**	-
Other, net	**45,064**	(18,489)
Sub total	**416,378**	615,531
Interest and dividend income received	**20,726**	17,926
Interest paid	**(21,550)**	(17,802)
Income taxes paid	**(171,842)**	(200,942)
Other, net	**-**	23,544
Net cash provided by operating activities	**243,712**	438,257
Cash flows from investing activities:		
Payments for purchase of property, plant, equipment and intangible assets	**(291,667)**	(222,171)
Proceeds from sales of property, plant, equipment and intangible assets	**4,490**	9,829
Payments for purchase of investments in securities	**(77,521)**	(83,751)
Proceeds from sales of investments in securities	**19,856**	2,166
Other, net	**(5,295)**	(3,281)
Net cash used in investing activities	**(350,136)**	(297,209)
Cash flows from financing activities:		
Net income(decrease) in short-term borrowings	**(1,770)**	-
Increase(decrease) in commercial paper	**144,957**	-
Increase(decrease) in short-term borrowings and commercial paper	**-**	(37,176)
Proceeds from long-term borrowings	**500,907**	183,727
Repayments of long-term borrowings	**(174,103)**	(253,580)
Issuance of corporate bond	**100,000**	349,788
Redemption of corporate bonds	**(80,000)**	(130,000)
Acquisition of treasury stock	**(154,350)**	(144,034)
Payments for dividends by parent company	**(67,379)**	(75,632)
Other, net	**(8,194)**	(18,564)
Net cash used in financing activities	**260,065**	(125,473)
Effect of exchange rate change on cash and cash equivalents	**653**	(8,001)
Net decrease in cash and cash equivalents	**154,296**	7,573
Cash and cash equivalents at beginning of the year	**52,178**	45,061
Changes in cash and cash equivalents by newly consolidated or deconsolidated subsidiaries	**131**	(456)
Cash and Cash equivalents at end of the year	**206,605**	52,178

Supplementary Information

1. Consolidated Results for the Fiscal Year ended March 31, 2009

(billions of yen)

	FY ended March 2008	FY ended March 2009	Change	
Steel Business	3,203.3	3,423.3	220.0	6.9%
Engineering Business	314.2	338.2	24.0	7.6%
Shipbuilding Business	-	181.4	181.4	-
Urban Development Business	25.5	25.1	(0.4)	(1.6%)
LSI Business	42.9	27.8	(15.1)	(35.2%)
Eliminations and Corporate	(46.3)	(87.8)	(41.5)	-
Net Sales	3,539.8	3,908.2	368.4	10.4%
Operating Income	510.5	407.8	(102.7)	(20.1%)
Other Income (Expenses)	(7.5)	(7.2)	0.3	-
Steel Business	508.9	412.5	(96.4)	(18.9%)
Engineering Business	(11.0)	9.9	20.9	-
Shipbuilding Business	-	(14.9)	(14.9)	-
Urban Development Business	1.4	(3.7)	(5.1)	-
LSI Business	1.1	(4.2)	(5.3)	-
Eliminations and Corporate	2.4	0.9	(1.5)	-
Ordinary Income	502.9	400.5	(102.4)	(20.4%)
Extraordinary Profit (Loss)	(55.7)	(69.5)	(13.8)	-
Interest	447.2	331.0	(116.2)	(26.0%)
Net Income	261.8	194.2	(67.6)	(25.8%)

2. Consolidated financial indices

Financial Indices	FY ended March 2008	FY ended March 2009	Change
Return on Sales (ROS) *1	14.2%	10.2%	(4.0%)
Return on Assets (ROA) *2	13.0%	10.0%	(3.0%)
Debt Outstanding	1,281.9 bil. yen	1,768.7 bil. yen	486.8 bil. yen
Shareholders' Equity	1,496.5 bil. yen	1,335.8 bil. yen	(160.7) bil. yen
D/E Ratio	85.7%	132.4%	46.7%
D/E Ratio*3	61.4%	98.9%	37.5%

*1 ROS = Ordinary Income / Net Sales

*2 ROA = Ordinary Income before Interest Expenses / Total Assets (average)

*3 D/E ratio if 75% of the 300 billion yen issue price of the hybrid bond having a capital component in rating assessment (unsecured share-warrant convertible bond with purchase clause (subordination clause), issued in March 2008) is deemed to be capital, as assessed by two ratings agencies

(Reference)

1. Ordinary Income (billion yen)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	145.2	115.5	260.8	126.9	115.2	242.1	502.9
FY ended March 2009	112.1	146.5	258.6	121.9	19.9	141.9	400.5

2. Crude Steel Production (JFE Steel) (million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	Parent	7.38	7.66	15.04	7.72	7.76	15.48	30.52
	Consolidated	8.37	8.53	16.90	8.67	8.70	17.37	34.27
FY ended March 2009	Parent	7.71	7.78	15.49	6.48	4.58	11.06	26.55
	Consolidated	8.70	8.58	17.28	7.03	4.97	12.00	29.28

3. Shipments (JFE Steel on a non-consolidated basis) (million tons)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	6.61	7.01	13.62	6.87	7.53	14.40	28.02
FY ended March 2009	6.92	7.22	14.14	6.02	4.90	10.92	25.06

4. Export Ratio on a Value Basis (JFE Steel on a non-consolidated basis) (%)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	44.7	45.7	45.2	42.0	43.3	42.7	43.9
FY ended March 2009	41.6	44.9	43.4	39.2	39.7	39.4	41.6

5. Foreign Exchange Rate (Yen/US dollar) (JPY/USD)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	119.8	119.4	119.6	113.5	108.4	110.9	115.3
FY ended March 2009	103.4	108.0	105.7	99.2	92.8	96.0	100.8

JFE reported an import surplus of approximately 2.1 billion USD for the FY ended March 2009.

6. Average Selling Price (JFE Steel on a non-consolidated basis) (thousand yen/ton)

	1Q	2Q	1H	3Q	4Q	2H	Full year
FY ended March 2008	78.8	80.6	79.7	79.1	78.5	78.7	79.2
FY ended March 2009	87.6	109.1	98.5	108.8	97.7	103.8	100.8

7. Engineering business orders (including inter-segment transactions)

	(billion yen)
FY ended March 2009	328.3
Backlog as of Mar. 31, 2009	283.6

8. Shipbuilding business orders (including inter-segment transactions)

	(billion yen)
FY ended March 2009	101.9
Backlog as of Mar. 31, 2009	706.2

9. Breakdown of Extraordinary Profit and Losses (JFE Holdings on a consolidated basis)

(billion yen)

	FY ended March 2009
Profit on sales of investments in securities	13.7
Profit on sales of shares of affiliate companies	3.2
Loss on impairment	(21.2)
Loss on investment securities	(55.2)
Cost of structural reform of LSI business	(6.5)
Loss related to relocation/integration of headquarters, etc.	(3.4)
Total	(69.5)

10. Debt outstanding , interest expense, and cash and deposits (JFE Holdings on a consolidated basis)

Debt outstanding

As of	(billion yen)
March 31, 2008	1,281.9
March 31, 2009	1,768.7

Interest expense

	(billion yen)
FY ended March 2008	(18.0)
FY ended March 2009	(22.5)

Cash and deposits

As of	(billion yen)
March 31, 2008	47.3
March 31, 2009	217.9

11. Capital investment and depreciation cost (JFE Holdings on a consolidated basis)

(billion yen)

	FY March 09
Capital investment	289.5
Depreciation	247.7

12. Number of employees (JFE Holdings on a consolidated basis)

As of	
March 31, 2008	56,688
March 31, 2009	56547

13. Breakdown of a change in ordinary income (FY March 2009 compared to FY March 2008)

(billion yen)		FY March 2008		FY March 2009
Steel segment	(96.4)	508.9	⇒	412.5
Cost reduction	92.0			
Raw material	(741.0)			
Sales volume and price	525.0			
Unrealized holding gains on inventories	60.0			
Others	(32.4)			
		FY March 2008		FY March 2009
Engineering segment	20.9	(11.0)	⇒	9.9

Reported an increase in ordinary income over the previous year benefiting from intensive cost-cutting efforts aimed at strengthening its profitability despite the severe economic environment.

Shipbuilding segment	(14.9)	-	⇒	(14.9)

Reported an ordinary loss of 14.9 billion yen despite company-wide cost-cutting efforts; contributing factors included soaring materials/equipment costs, especially those for steel products, a strong yen and costs for the amortization of goodwill.

Urban development segment	(5.1)	1.4	⇒	(3.7)

Reported an ordinary loss of 3.7 billion yen as a result of lower condominium delivery volumes in a deteriorating condominium market.

LSI segment	(5.3)	1.1	⇒	(4.2)

Reported an ordinary loss of 4.2 billion yen due to a rapid decrease in overall demand including products for LCD panels.

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