

JFE Holdings' Financial Results through Third Quarter of Fiscal Year 2022 Ending March 31, 2023

— All financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) —
(Note: The following is an English translation of an original Japanese document)

February 6, 2023

Official name: Listings: Code: English URL: Representative: Contact: Phone: Scheduled date to submit Quarterly Securities Report: Scheduled date to start paying dividends: Preparation of supplementary materials for quarterly results: Quarterly results briefing:	JFE Holdings, Inc. Tokyo stock exchange 5411 www.jfe-holdings.co.jp/en Koji Kakigi, President and CEO Hiroki Watanabe, Manager, Public Relations Section, Investor Relations and Corporate Communications Department +81-3-3597-3842 February 6, 2023 - Yes Yes
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(Figures are rounded down to the nearest million yen.)

1. Consolidated Results through Third Quarter of Fiscal 2022 (April 1 to December 31, 2022)

(1) Consolidated Operating Results (cumulative total)

(Percentages indicate year on year change)

	Revenue (million yen)	%	Business profit (million yen)	%	Profit Before tax (million yen)	%	Profit (million yen)	%	Profit attributable to owners of parent (million yen)	%	Compre- hensive income (million yen)	%
3Q FY 2022	3,908,588	26.2	231,015	(28.4)	213,802	(29.6)	146,918	(34.7)	143,940	(35.5)	206,568	(18.4)
3Q FY 2021	3,097,394	33.6	322,839	—	303,845	—	225,119	—	223,047	—	253,254	—

	Basic earnings per share (yen)	Diluted earnings per share (yen)
3Q FY 2022	248.64	248.50
3Q FY 2021	387.38	387.26

Note: Business profit is profit before tax excluding financial income and one-time items of a materially significant value.

(2) Consolidated Financial Position

	Total assets (million yen)	Total equity (million yen)	Equity attributable to owners of parent (million yen)	Total equity attributable to owners of parent (%)
End 3Q FY 2022	5,702,055	2,198,442	2,125,721	37.3
End FY 2021	5,287,909	2,070,739	1,988,268	37.6

2. Dividends

	Dividend per share (yen)		
		Interim	Year-end
FY 2021	140.00	60.00	80.00
FY 2022	80.00*	50.00	30.00*

*estimate

Note: Revisions to dividend forecast announced most recently: Yes

3. Forecasts of Consolidated Financial Results in Fiscal 2022 (April 1, 2022 to March 31, 2023)

	Revenue (million yen)	%	Business profit (million yen)	%	Profit before tax (million yen)	%	Profit attributable to owners of parent (million yen)	%	Basic earnings per share (yen)
FY 2022	5,200,000	19.1	235,000	(43.6)	213,800	(45.0)	150,000	(47.9)	258.90

Note: Revisions to consolidated financial results forecasts announced most recently: Yes

Notes

1. Changes in significant subsidiaries during the term (changes in designated subsidiaries resulting in changes in consolidated structure): No

2. Changes in accounting policies and accounting estimates
 - 1) Changes in the accounting policies required by IFRS: No
 - 2) Changes in the accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No

3. Number of outstanding shares (common stock)
 - 1) Outstanding shares at the end of the term (including treasury stock)
 - As of December 31, 2022: 614,438,399 shares
 - As of March 31, 2022: 614,438,399 shares
 - 2) Treasury stock at the end of the term
 - As of December 31, 2022: 33,484,189 shares
 - As of March 31, 2022: 38,599,423 shares
 - 3) Average number of shares during the term
 - 3Q FY 2022: 578,912,717 shares
 - 3Q FY 2021: 575,792,256 shares

This report is not subject to auditing by a certified public accountant or an audit corporation.

Explanation of Appropriate Use of Results Forecasts, and Other Matters of Note

1. Forecasts and other forward-looking statements herein are based on information available on the date of publication of this document as well as rational assumptions that we have made regarding certain factors. Actual results may vary significantly from these forecasts due to a wide range of circumstances.

2. The supplementary financial data will be disclosed today via TDnet and published on our website.

Attachments

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1. Condensed Quarterly Consolidated Financial Statements and Notes
(1) Condensed Quarterly Consolidated Statement of Financial Position

	(million yen)	
	As of	As of
	March 31, 2022	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	101,773	121,147
Trade and other receivables	796,955	832,832
Contract assets	123,888	186,596
Inventories	1,227,935	1,418,467
Income taxes receivable	1,009	5,053
Other financial assets	22,830	22,107
Other current assets	118,235	134,159
Subtotal	2,392,629	2,720,363
Assets held for sale	-	35,800
Total current assets	2,392,629	2,756,163
Non-current assets:		
Property, plant and equipment:	1,850,779	1,857,775
Goodwill	8,174	26,792
Intangible assets	108,547	115,784
Right-of-use assets	98,417	100,118
Investment property	57,660	55,055
Investments accounted for using equity method	454,642	490,112
Retirement benefit asset	24,079	20,006
Deferred tax assets	60,372	57,981
Other financial assets	217,217	206,156
Other non-current assets	15,388	16,109
Total non-current assets	2,895,280	2,945,892
Total assets	5,287,909	5,702,055

(million yen)

As of
March 31, 2022 December 31, 2022

Liabilities and equity
Liabilities**Current liabilities:**

Trade and other payables	678,377	666,353
Bonds payable, borrowings, and lease liabilities	339,726	729,104
Contract liabilities	32,580	48,741
Income taxes payable, etc.	50,547	19,116
Provisions	12,345	10,965
Other financial liabilities	143,406	107,536
Other current liabilities	236,856	192,574
Subtotal	1,493,840	1,774,392
Liabilities directly associated with assets held for sale	-	20,151
Total current liabilities	1,493,840	1,794,543

Non-current liabilities

Bonds payable, borrowings, and lease liabilities	1,509,739	1,494,627
Retirement benefit liability	125,927	136,400
Provisions	22,663	19,569
Deferred tax liabilities	12,065	13,457
Other financial liabilities	43,976	35,973
Other non-current liabilities	8,957	9,040
Total non-current liabilities	1,723,330	1,709,069

Total liabilities	3,217,170	3,503,613
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Equity

Share capital	147,143	147,143
Capital surplus	652,233	641,119
Retained earnings	1,294,875	1,367,722
Treasury shares	(180,580)	(156,389)
Other components of equity	74,596	126,125
Equity attributable to owners of parent	1,988,268	2,125,721
Non-controlling interests	82,470	72,721
Total equity	2,070,739	2,198,442

Total liabilities and equity	5,287,909	5,702,055
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(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed Quarterly Consolidated Statements of Income (First Three Quarters)

	Through Third Quarter of Fiscal 2021 (April 1, 2021 – December 31, 2021)	(million yen) Through Third Quarter of Fiscal 2022 (April 1, 2022 – December 31, 2022)
Revenue	3,097,394	3,908,588
Cost of sales	<u>(2,609,123)</u>	<u>(3,424,095)</u>
Gross profit	488,270	484,492
Selling, general and administrative expenses	(250,107)	(282,278)
Share of profit of entities accounted for using equity method	81,306	22,700
Other income	20,447	29,120
Other expenses	<u>(17,077)</u>	<u>(23,019)</u>
Business profit	322,839	231,015
Impairment losses	(5,830)	—
Loss on liquidation of subsidiaries and associates	<u>(4,588)</u>	<u>(6,273)</u>
Operating profit	312,421	224,742
Finance income	1,108	2,086
Finance costs	<u>(9,683)</u>	<u>(13,025)</u>
Profit before tax	303,845	213,802
Income tax expense	<u>(78,726)</u>	<u>(66,883)</u>
Profit	<u>225,119</u>	<u>146,918</u>
Profit attributable to		
Owners of parent	223,047	143,940
Non-controlling interests	<u>2,071</u>	<u>2,978</u>
Profit	<u>225,119</u>	<u>146,918</u>
Earnings per share		
Basic earnings per share (yen)	387.38	248.64
Diluted earnings per share (yen)	387.26	248.50

Condensed Quarterly Consolidated Statements of Income (Third Quarter)

	Third Quarter of Fiscal 2021 (October 1, 2021 – December 31, 2021)	(million yen) Third Quarter of Fiscal 2022 (October 1, 2022 – December 31, 2022)
Revenue	1,154,416	1,344,252
Cost of sales	<u>(975,970)</u>	<u>(1,188,223)</u>
Gross profit	178,446	156,028
Selling, general and administrative expenses	(87,795)	(96,427)
Share of profit (loss) of entities accounted for using equity method	29,901	(1,250)
Other income	8,830	6,391
Other expenses	<u>(5,413)</u>	<u>(21,642)</u>
Business profit	123,969	43,100
Impairment losses	(5,830)	—
Loss on liquidation of subsidiaries and associates	<u>(4,588)</u>	<u>(6,273)</u>
Operating profit	113,551	36,826
Finance income	387	774
Finance costs	<u>(3,314)</u>	<u>(5,044)</u>
Profit before tax	110,624	32,556
Income tax expense	<u>(28,827)</u>	<u>(11,296)</u>
Profit	<u>81,796</u>	<u>21,259</u>
Profit attributable to		
Owners of parent	82,292	20,684
Non-controlling interests	<u>(495)</u>	<u>575</u>
Profit	<u>81,796</u>	<u>21,259</u>
Earnings per share		
Basic earnings per share (yen)	142.92	35.60
Diluted earnings per share (yen)	142.87	35.58

Condensed Quarterly Consolidated Statements of Comprehensive Income (First Three Quarters)

	Through Third Quarter of Fiscal 2021 (April 1, 2021 – December 31, 2021)	(million yen) Through Third Quarter of Fiscal 2022 (April 1, 2022 – December 31, 2022)
Profit	225,119	146,918
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	6,351	(4,346)
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	1,052	(60)
Share of other comprehensive income of investments accounted for using equity method	(2,669)	589
Total of items that will not be reclassified to profit or loss	4,734	(3,818)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	6,587	25,652
Effective portion of cash flow hedges	1,999	1,512
Share of other comprehensive income of investments accounted for using equity method	14,814	36,303
Total of items that may be reclassified to profit or loss	23,400	63,467
Total other comprehensive income	28,134	59,649
Comprehensive income	253,254	206,568
Comprehensive income attributable to		
Owners of parent	250,247	202,772
Non-controlling interests	3,007	3,796
Comprehensive income	253,254	206,568

Condensed Quarterly Consolidated Statements of Comprehensive Income (Third Quarter)

	Third Quarter of Fiscal 2021 (October 1, 2021 – December 31, 2021)	(million yen) Third Quarter of Fiscal 2022 (October 1, 2022 – December 31, 2022)
Profit	81,796	21,259
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	760	(1,837)
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(4,278)	1,150
Share of other comprehensive income of investments accounted for using equity method	585	2,212
Total of items that will not be reclassified to profit or loss	(2,932)	1,525
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,127	(1,148)
Effective portion of cash flow hedges	(387)	4,470
Share of other comprehensive income of investments accounted for using equity method	3,990	(4,078)
Total of items that may be reclassified to profit or loss	4,730	(757)
Total other comprehensive income	1,797	768
Comprehensive income	83,594	22,027
Comprehensive income attributable to		
Owners of parent	83,844	21,471
Non-controlling interests	(249)	556
Comprehensive income	83,594	22,027

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
 First Three Quarters of Fiscal 2021 (April 1, 2021 – December 31, 2021)

	(million yen)					
	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit plans	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income
Balance as of April 1, 2021	147,143	652,465	1,029,976	(180,639)	–	61,620
Profit	–	–	223,047	–	–	–
Other comprehensive income	–	–	–	–	6,185	(1,539)
Comprehensive income	–	–	223,047	–	6,185	(1,539)
Purchase of treasury shares	–	–	–	(46)	–	–
Disposal of treasury shares	–	(6)	–	9	–	–
Dividends	–	–	(40,355)	–	–	–
Share-based payment transactions	–	74	–	50	–	–
Change in scope of consolidation	–	–	–	–	–	–
Changes in ownership interest in subsidiaries	–	(348)	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	14,351	–	(6,185)	(8,165)
Transfer to non-financial assets	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total transactions with owners	–	(280)	(26,004)	12	(6,185)	(8,165)
Balance as of December 31, 2021	147,143	652,185	1,227,020	(180,626)	–	51,915

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Total	Total	Non-controlling interests	Total equity
Balance as of April 1, 2021	(32,256)	914	30,278	1,679,223	80,930	1,760,154
Profit	–	–	–	223,047	2,071	225,119
Other comprehensive income	20,403	2,148	27,199	27,199	935	28,134
Comprehensive income	20,403	2,148	27,199	250,247	3,007	253,254
Purchase of treasury shares	–	–	–	(46)	–	(46)
Disposal of treasury shares	–	–	–	2	–	2
Dividends	–	–	–	(40,355)	(1,235)	(41,591)
Share-based payment transactions	–	–	–	124	–	124
Change in scope of consolidation	–	–	–	–	232	232
Changes in ownership interest in subsidiaries	–	–	–	(348)	282	(66)
Transfer from other components of equity to retained earnings	–	–	(14,351)	–	–	–
Transfer to non-financial assets	–	(2,547)	(2,547)	(2,547)	–	(2,547)
Other	–	–	–	–	(766)	(766)
Total transactions with owners	–	(2,547)	(16,898)	(43,170)	(1,487)	(44,657)
Balance as of December 31, 2021	(11,852)	515	40,578	1,886,300	82,450	1,968,751

First Three Quarters of Fiscal 2022 (April 1, 2022 – December 31, 2022)

(million yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of defined benefit plans	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income
Balance as of April 1, 2022	147,143	652,233	1,294,875	(180,580)	—	55,560
Profit	—	—	143,940	—	—	—
Other comprehensive income	—	—	—	—	(3,739)	263
Comprehensive income	—	—	143,940	—	(3,739)	263
Purchase of treasury shares	—	—	—	(40)	—	—
Disposal of treasury shares	—	(2,002)	—	24,204	—	—
Dividends	—	—	(75,198)	—	—	—
Share-based payment transactions	—	100	—	27	—	—
Change in scope of consolidation	—	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	(9,211)	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	4,105	—	3,739	(7,845)
Transfer to non-financial assets	—	—	—	—	—	—
Other	—	—	—	—	—	—
Total transactions with owners	—	(11,113)	(71,093)	24,191	3,739	(7,845)
Balance as of December 31, 2022	147,143	641,119	1,367,722	(156,389)	—	47,979

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Total			
Balance as of April 1, 2022	16,086	2,949	74,596	1,988,268	82,470	2,070,739
Profit	—	—	—	143,940	2,978	146,918
Other comprehensive income	59,908	2,399	58,831	58,831	817	59,649
Comprehensive income	59,908	2,399	58,831	202,772	3,796	206,568
Purchase of treasury shares	—	—	—	(40)	—	(40)
Disposal of treasury shares	—	—	—	22,202	—	22,202
Dividends	—	—	—	(75,198)	(1,793)	(76,991)
Share-based payment transactions	—	—	—	127	—	127
Change in scope of consolidation	—	—	—	—	4	4
Changes in ownership interest in subsidiaries	—	—	—	(9,211)	(12,071)	(21,283)
Transfer from other components of equity to retained earnings	—	—	(4,105)	—	—	—
Transfer to non-financial assets	—	(3,198)	(3,198)	(3,198)	—	(3,198)
Other	—	—	—	—	314	314
Total transactions with owners	—	(3,198)	(7,303)	(65,318)	(13,545)	(78,864)
Balance as of December 31, 2022	75,995	2,150	126,125	2,125,721	72,721	2,198,442

(4) Condensed Quarterly Consolidated Statement of Cash Flow (First Three Quarters)

	(million yen)	
	Through Third Quarter of Fiscal 2021 (April 1, 2021 – December 31, 2021)	Through Third Quarter of Fiscal 2022 (April 1, 2022 – December 31, 2022)
Cash flows from operating activities		
Profit before tax	303,845	213,802
Depreciation and amortization	185,597	195,652
Changes in allowance	(6,281)	(4,535)
Interest and dividend income	(4,463)	(7,103)
Interest expenses	9,407	11,898
Share of profit of entities accounted for using equity method	(81,306)	(22,700)
Decrease (increase) in trade and other receivables	(7,790)	(27,773)
Decrease (increase) in inventories	(359,320)	(170,927)
Increase (decrease) in trade and other payables	142,756	(22,014)
Other	(136,520)	(125,775)
Subtotal	45,923	40,522
Interest and dividends received	26,195	29,193
Interest paid	(8,633)	(11,065)
Income taxes refund (paid)	(15,850)	(90,578)
Cash flows from operating activities	47,635	(31,928)
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets, and investment property	(229,554)	(191,058)
Proceeds from sale of property, plant and equipment, intangible assets, and investment property	418	6,370
Purchase of investments	(5,089)	(7,154)
Proceeds from sale of investments	29,558	16,729
Other	(5,120)	(17,881)
Cash flows from investing activities	(209,788)	(192,994)

	(million yen)	
	Through Third Quarter of Fiscal 2021 (April 1, 2021 – December 31, 2021)	Through Third Quarter of Fiscal 2022 (April 1, 2022 – December 31, 2022)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,080	18,735
Increase (decrease) in commercial papers	220,000	331,999
Proceeds from long-term borrowings	64,558	88,405
Repayments of long-term borrowings	(83,948)	(109,202)
Proceeds from issuance of bonds	35,000	30,000
Payments for redemption of bonds	(30,000)	(10,000)
Payments for purchase of treasury shares	(43)	(40)
Dividends paid to owners of parent	(40,355)	(75,198)
Other	(42,863)	(29,620)
Cash flows from financing activities	127,427	245,078
Effect of exchange rate change on cash and cash equivalents	2,015	902
Net increase (decrease) in cash and cash equivalents	(32,709)	21,057
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	–	(1,684)
Cash and cash equivalents at beginning of period	142,416	101,773
Cash and cash equivalents at end of period	109,707	121,147

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

Notes Pertaining to the Presumption of a Going Concern

There is no item for this period.

2. Supplementary Information

(1) Consolidated Results in First Three Quarters and Earnings Forecasts for Fiscal 2022

(billion yen)

	FY 2021		FY 2022		Change		FY2022 Forecast (November 4)	
	First Three Quarters	Full year	First Three Quarters	Full year	First Three Quarters	Full year	Full year	
Steel Business	2,243.2	3,173.4	2,905.9	3,860.0	662.7	686.6	3,960.0	
Engineering Business	359.1	508.2	349.9	520.0	(9.2)	11.8	520.0	
Trading Business	873.7	1,231.7	1,133.8	1,490.0	260.1	258.3	1,490.0	
Adjustments	(378.6)	(548.3)	(481.1)	(670.0)	(102.5)	(121.7)	(710.0)	
Revenue	3,097.3	4,365.1	3,908.5	5,200.0	811.2	834.9	5,260.0	
Business profit ¹	A	322.8	416.4	231.0	235.0	(91.8)	(181.4)	255.0
Finance income / costs	B	(8.5)	(11.6)	(10.9)	(15.0)	(2.4)	(3.4)	(15.0)
Segment Profit								
Steel Business		252.0	323.7	170.0	150.0	(82.0)	(173.7)	165.0
Engineering Business		21.3	26.0	(2.1)	13.0	(23.4)	(13.0)	20.0
Trading Business		41.9	55.9	55.7	60.0	13.8	4.1	60.0
Adjustments		(1.0)	(0.9)	(3.5)	(3.0)	(2.5)	(2.1)	(5.0)
Total	A+B	314.2	404.8	220.0	220.0	(94.2)	(184.8)	240.0
Exceptional Items ²		(10.4)	(16.2)	(6.2)	(6.2)	4.2	10.0	-
Profit before tax		303.8	388.5	213.8	213.8	(90.0)	(174.7)	240.0
Tax Expense and Profit (Loss) Attributable to Non-controlling Interests		(80.7)	(100.4)	(69.8)	(63.8)	10.9	36.6	(85.0)
Profit Attributable to Owners of Parent		223.0	288.0	143.9	150.0	(79.1)	(138.0)	155.0

¹ Business profit: Profit that excludes financial income and exceptional items from profit before tax. It is a benchmark indicator of the company's consolidated earnings.

² Exceptional Items: One-time items of a materially significant value.

(2) Consolidated Financial Indices Forecasts for Fiscal 2022

	Fiscal 2021	Fiscal 2022	Change
Return on Sales (ROS) ¹	9.5%	4.5%	(5.0%)
Return on Assets (ROA) ²	8.4%	4.4%	(4.0%)
Return on Equity (ROE) ³	15.7%	7.3%	(8.4%)
EBITDA ⁴	668.7 billion yen	505.0 billion yen	(163.7 billion yen)
Interest-bearing debt outstanding	1,849.4 billion yen	1,950.0 billion yen	100.6 billion yen
Debt / EBITDA multiple ⁵	2.8x	3.9x	1.1x
Equity attributable to owners of parent	1,988.2 billion yen	2,130.0 billion yen	141.8 billion yen
D/E Ratio ⁶	80.8%	75.0%	(5.8%)

¹ ROS = Business profit / Revenue

² ROA = Business profit / Total assets

³ ROE = Profit attributable to owners of parent / Equity attributable to owners of parent

⁴ EBITDA = Business profit + Depreciation and amortization

⁵ Debt / EBITDA multiple = Interest-bearing debt outstanding / EBITDA

⁶ D/E ratio = Debt outstanding / Equity attributable to owners of parent. For debt having a capital component,* a portion of its issue price is deemed to be capital, as assessed by rating agencies.

*For debt having a capital component, a portion of its issue price is deemed to be capital, as assessed by rating agencies.

Borrowing Execution Date (or Bond Issuance Date)	Amount Borrowed (or Amount of Bond)	Assessment of Equity Content	Amount Deemed to be Capital
June 30, 2016	167.5 billion yen	50%*	83.8 billion yen
March 19, 2018	200.0 billion yen	25%	50.0 billion yen
March 19, 2018	100.0 billion yen	50%*	50.0 billion yen
June 10, 2021	35.0 billion yen	50%	17.5 billion yen

*On December 1, 2022, the assessment of equity content was changed from 25% to 50% by the rating agency.

(3) Crude Steel Production (JFE Steel) (million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2021	Non-consolidated	6.25	6.45	12.70	6.49	6.69	13.18	25.88
	Consolidated	6.59	6.80	13.39	6.85	7.02	13.87	27.26
FY 2022	Non-consolidated	6.43	6.21	12.64	5.48	24.00*		
	Consolidated	6.77	6.59	13.37	5.81	25.40*		

*full year estimate

(4) Shipments (JFE Steel on non-consolidated basis) (million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2021		5.26	5.56	10.83	5.63	5.92	11.55	22.38
FY 2022		5.54	5.32	10.86	5.25	21.60*		

*full year estimate

(5) Export Ratio on Value Basis (JFE Steel on non-consolidated basis) (%)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2021		43.2	49.3	46.5	45.9	43.6	44.7	45.5
FY 2022		48.5	45.0	46.7	41.0	41*	41*	44*

*estimate

(6) Foreign Exchange Rate (Yen/US dollar) (JPY/USD)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2021		109.8	110.0	109.9	113.1	115.3	114.2	112.1
FY 2022		126.5	136.6	131.6	144.0	131*	137*	135*

*estimate

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

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2021		87.6	101.0	94.5	107.6	116.7	112.2	103.7
FY 2022		126.7	136.7	131.6	136.3	124*	130*	131*

*estimate

(8) Engineering Business Orders (including intersegment transactions)

(billion yen)

Field	FY2021	FY2022 Forecast	Change
Waste to Resource	203.9	214.0*	10.1
Carbon Neutral	87.4	80.0*	(7.4)
Combined utility services	13.4	20.0*	6.6
Core Infrastructure	201.1	236.0*	34.9
Total	505.8	550.0*	44.2

*estimate

(9) Capital Investment and Depreciation and Amortization (JFE Holdings)

(billion yen)

	FY2021	FY2022 Forecast
Capital Investment	340.9	300.0*
Depreciation & Amortization	252.2	270.0*

(on construction basis)

*estimate

(10) Breakdown of Changes in Segment Profit

a. First Three Quarters of FY2022, compared to same period of FY2021
 -94.2 billion yen: 314.2 billion yen in First Three Quarters of FY2021 → 220.0 billion yen in First Three Quarters of FY2022

	(billion yen) <u>Change</u>	
Steel Business		
- Cost	5.0	Cost reductions offset cost increases associated with Chiba No. 6 blast furnace refurbishment
- Sales volume and mix	(18.0)	Sales volume -20.0, mix 2.0
- Sales prices and raw materials	182.0	Improved spreads due to the reflection of high prices of main raw materials, metals, and other commodities in selling prices
- Foreign exchanges effects on trade	(75.0)	1USD=111.0yen→1USD=135.7yen
- Unrealized gains (losses) on inventories	(72.0)	
- Others	(104.0)	Group companies -51.0, energy prices -36.0, etc.
- Total	<u>(82.0)</u>	
Engineering Business, Trading Business, and Adjustment	(12.1)	Engineering business -23.4, trading business 13.8

b. FY2022 (forecast) compared to FY2021
 -184.8 billion yen: 404.8 billion yen in FY2021 → 220.0 billion yen (estimate) in FY2022 forecast

	(billion yen) <u>Change</u>	
Steel Business		
- Cost	0.0	Cost reductions offset cost increases associated with Chiba No. 6 blast furnace refurbishment and cost increases due to production cuts
- Sales volume and mix	(30.0)	Sales volume -35.0, mix 5.0
- Sales prices and raw materials	220.0	Improved spreads due to the reflection of high prices of main raw materials, metals, and other commodities in selling prices
- Foreign exchanges effects on trade	(91.0)	1USD=112.1yen→1USD=135yen (about)
- Unrealized gains (losses) on inventories	(121.0)	
- Others	(151.7)	Group companies -73.5, energy prices -51.0, etc.
- Total	<u>(173.7)</u>	
Engineering Business, Trading Business, and Adjustment	(11.0)	Engineering business -13.0

c. FY 2022 (forecast) compared to previous forecast

-20.0 billion yen: 240.0 billion yen in previous forecast (Nov. 4) → 220.0 billion yen (estimate) in FY2022 forecast

	(billion yen)	
	<u>Change</u>	
Steel Business		
- Cost	(10.0)	Cost increases due to production cuts
- Sales volume and mix	(20.0)	Sales volume -20.0
- Sales prices and raw materials	20.0	High prices of main raw materials, metals, and other commodities reflected quickly in selling prices to further improve spreads
- Foreign exchanges effects on trade	14.0	1USD=138yen→1USD=135yen (about)
- Unrealized gains (losses) on inventories	(9.0)	
- Others	(10.0)	Group companies -6.0, energy prices -6.0, etc.
- Total	<u>(15.0)</u>	
Engineering Business, Trading Business, and Adjustment	(5.0)	Engineering business -7.0 (deterioration of profit/loss from individual construction projects in Europe, etc.)

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