JSW JFE Steel Limited Approves Investment for Capacity Expansion

October 26, 2026

JFE Holdings, Inc.

Securities Code: 5411.T

Agenda

1 Overview of JJSL Capacity Expansion

2 Overseas Business Strategy and Progress

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Overview of JJSL Capacity Expansion

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Overview of JSW JFE Steel Limited (1)

JFE's 3rd integrated steelworks in India following East and West Japan Works

- **Established a 50:50 integrated steelworks JV** with JSW Steel in India in April 2026.
- **Decided to expand capacity to 9.5 MTPA* by 2030, with future potential to reach 15 MTPA.**
- **Own Mines in India's largest iron ore producing region**, ensuring strong cost competitiveness

Overview

Company Name	JSW JFE Steel Limited (JJSL)
Location of Steelworks	Odisha, India
JFE Investment Amount	INR 157.5bn. (Approx. JPY 270.0bn.)
Shareholding ratio	JFE50%, JSW50%
Production Items	Hot-rolled steel coils and sheets, cold-rolled steel coils and sheets, steel bars and wire rods (alloy steel), steel pipes.
Crude Steel Production Capacity	4.50 MTPA
Key Financial Indicators (Apr–Sep 2025 Results × 2)	Revenue: INR 203.2bn. (Approx. JPY 340.0bn.) EBITDA: INR 29.7bn. (Approx. JPY 50.0bn.) Profit after tax: INR 9.9bn. (Approx. JPY 17.0bn.)

History

mt: metric tons

1970	Originally Established by Bhushan Singhal Group
2005	Commenced Steelworks Operations in Odisha
2017	Forced Insolvency Proceedings by Punjab National Bank; Corporate Revival Initiated by JSW Steel
2023	Crude Steel Capacity Expanded from 2.75 million mt to 3.50 million mt per year
2024	Further Expansion to 4.50 million mt per year

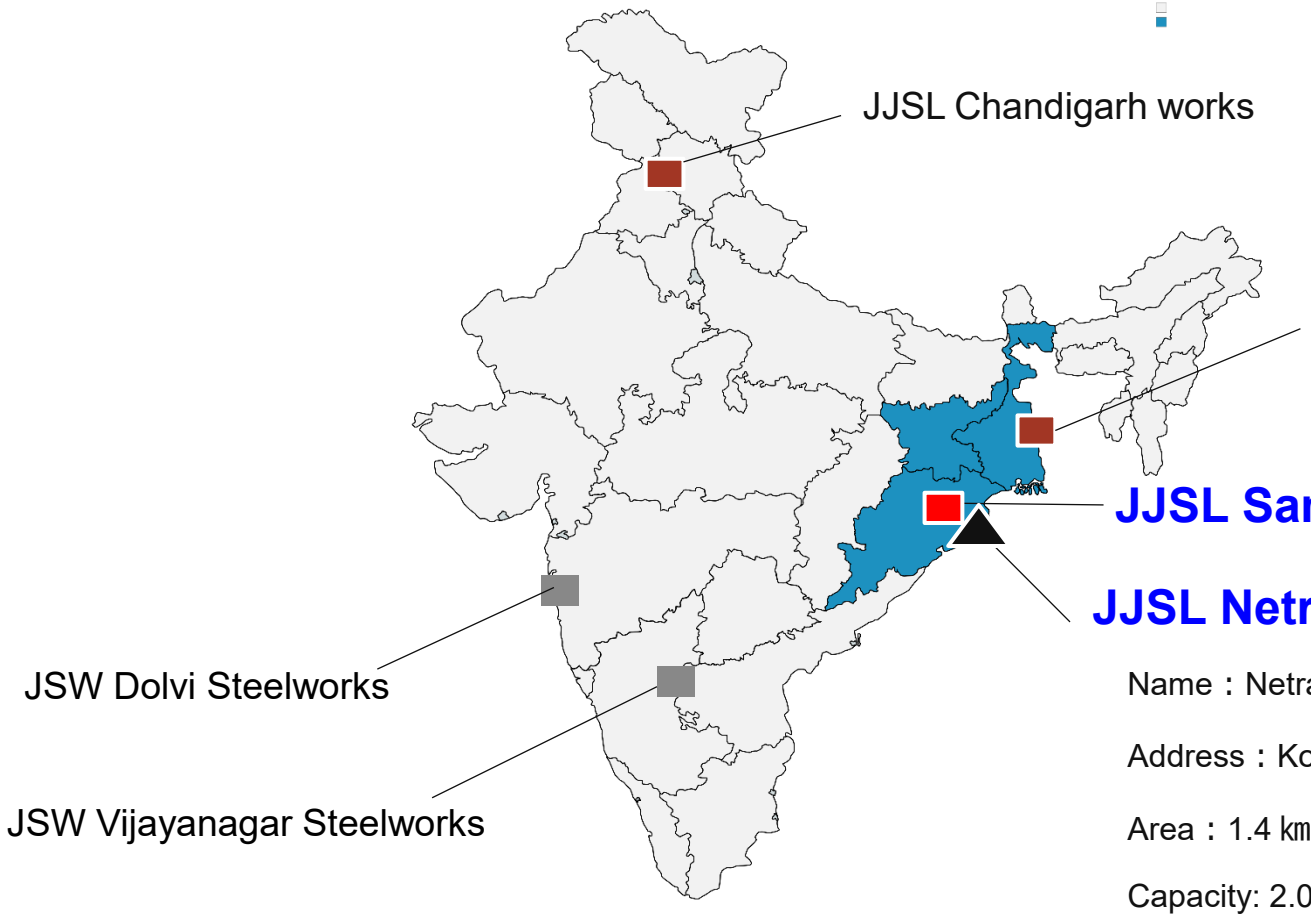
1 INR = 1.69 JPY

(*) MTPA: million metric tons per annum

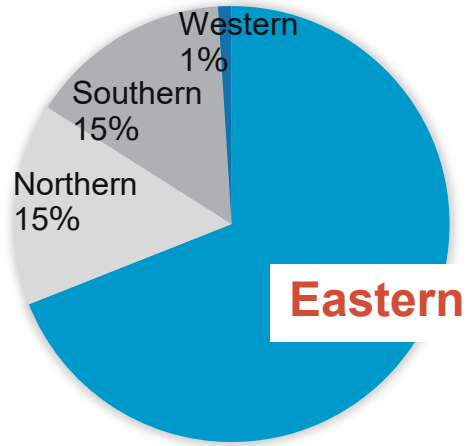
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Own mines in India's largest iron ore producing region, ensuring strong cost competitiveness

- Favorable geology (high-grade ore deposits distributed at shallow depths)
- Strategic location near the steelworks (approx. 200km distance, developed rail & road infrastructure)



Eastern region accounts for approx. 70% of India's iron ore production



JJSL Netrabandha Mine (operational since April 2026)

Name：Netrabandha Pahar Iron ore Block

Address：Koira, Odisha state

Area：1.4 km^2

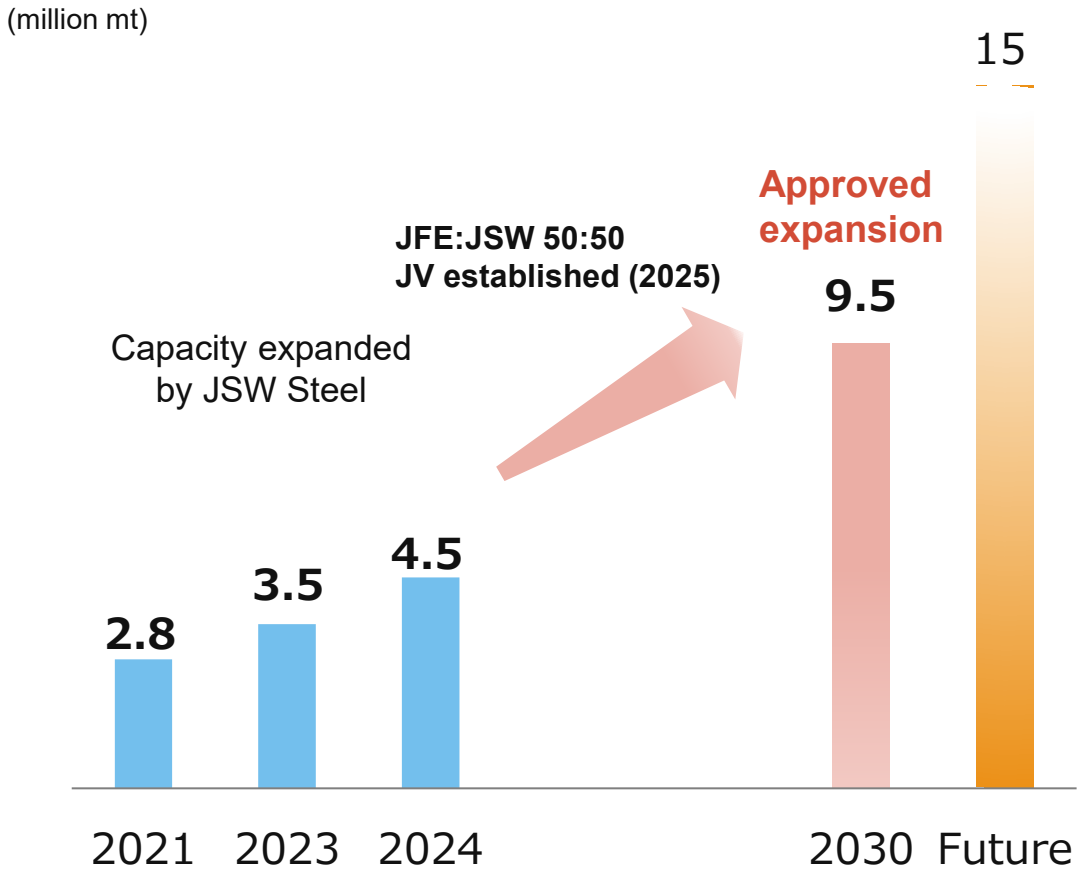
Capacity: 2.0 MTPA (expandable to 4.0 MTPA)

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Overview of the Approved Expansion (1)

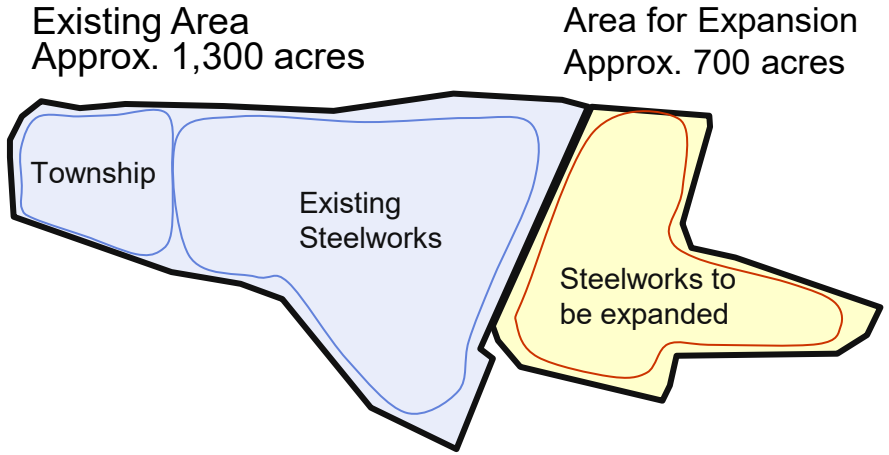
- **Approved to increase capacity by 5.0 MTPA to 9.5 MTPA in 2030.**
- **Future expansion to 15 MTPA is envisaged.**

Crude Steel Production Capacity



Production Processes for the Expansion

- Large blast furnace
- Large steelmaking plant
- Wide-strip hot rolling mill
- Wide-strip cold rolling and galvanizing facilities
  (New lines within the existing cold rolling plant)



- Add integrated steelmaking facilities adjacent to the existing steelworks.
- Expand efficiently by utilizing spare capacity at existing facilities.

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Overview of the Approved Expansion (2)

Key New Facilities

Key Facilities	Units	Capacity (MTPA)	Specifications
Blast furnace	1	5	Inner volume: Approx.5,300 m^3; among India's largest
Pellet plant	1	8	
Coke plant	2 batteries	2	
BOF converters	2	5	Heat size: 350 mt; among India's largest
Slab continuous casters	2		2 strands per caster x 2 casters
Hot rolling mill	1	5	Max. width: 2,150 mm; among India's widest Designed for future high-value-added products
Pickling / cold rolling mill / CGL	1 each	0.6	Max. width: 1,650 mm; among eastern India's widest

Planned Start of Operations

2030

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Key Milestones Since the Investment Decision

Dec 3, 2025	Decided to invest in an integrated steelworks JV with JSW.
Mar 30, 2026	Closing and first investment tranche completed (25% stake).
Apr 17, 2026	Registration of new company names completed: Holding company: JSW JFE Kalinga Steel Limited Operating company: JSW JFE Steel Limited (JJSL)
Apr 23, 2026	Held an on-site plant tour for the press and analysts.
Apr 24, 2026	Held the JJSL inauguration ceremony; published a 15-year history between JSW-JFE "FORGE TOGETHER"
May-Jun 2026	Assigned JFE Steel personnel to JJSL: (Further staffing increases planned as expansion progresses)
Jun 30, 2026	Second investment tranche completed (50% stake).
Oct 23, 2026	Approved investment in JJSL capacity expansion.

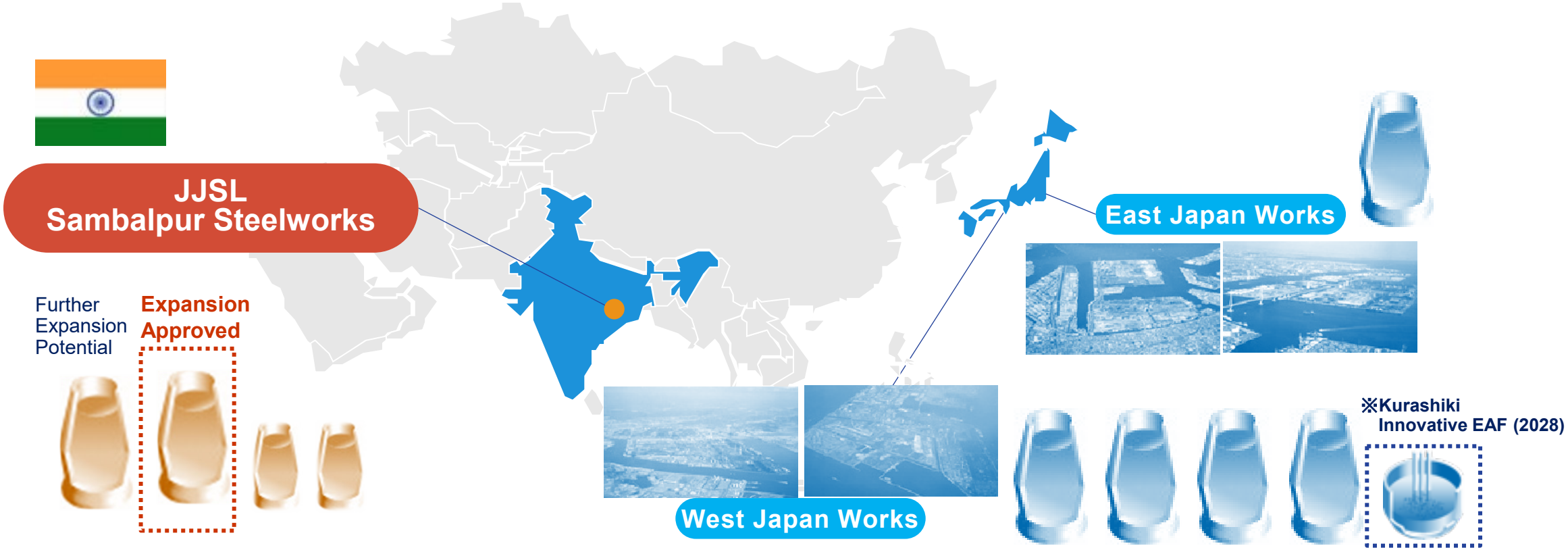


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The Vision JFE Steel Strives to Achieve

- **Apply JFE's technology to develop the site into India's most advanced and highly cost-competitive production base.**
- Operate proactively **as JFE's third steelworks where it will achieve early expansion** following JFE's East and West works in Japan.

Strategic Production Base Deployment Plan for the Future



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Overseas Business Strategy and Progress

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JFE Vision 2035 and Eighth Medium-term Business Plan

- We will enhance our earning power through high-value-added products and innovative technology, including carbon neutrality technologies, which is the source of the competitive advantage of our enhanced domestic steelworks.
- **In overseas growth regions, we will expand business in collaboration with top-tier partners utilizing superior technologies, products, and human resources.**

Eighth Medium-term Business Plan

Rebuild our domestic production structure

- Increase ratio of high-value-added products (60%)
- Reorganize our domestic production structure and business

Expand the overseas business

- **Expand business with top-tier partners in growth regions "from the inside"**

Develop and promote the widespread adoption of green steel

- Develop ultra-innovative technology (GI Fund)
- Build innovative electric arc furnaces*
- Promote expansion in green steel sales

JFE Vision 2035

Expand consolidated business profit (Segment profit: ¥700.0 billion)

- **Streamlined yet resilient domestic structure** based on growth strategies
  - Create technologies and nurture talent that drive our competitive advantage
  - Deepen our shift from quantity to quality, and reorganize and integrate each business
- **Growth through the expansion of business in overseas growth regions "from the inside"**
  - Collaborate with top-tier partners and pursue M&A

Become the leader in carbon neutrality (CN) technology development

- **Complete development of ultra-innovative process conversion technology**
- Provide strong technological capabilities and a diverse eco-product lineup to help conserve the global environment
- **Become the main player in the high-quality green steel market**

Economic Sustainability

Environmental & Social Sustainability

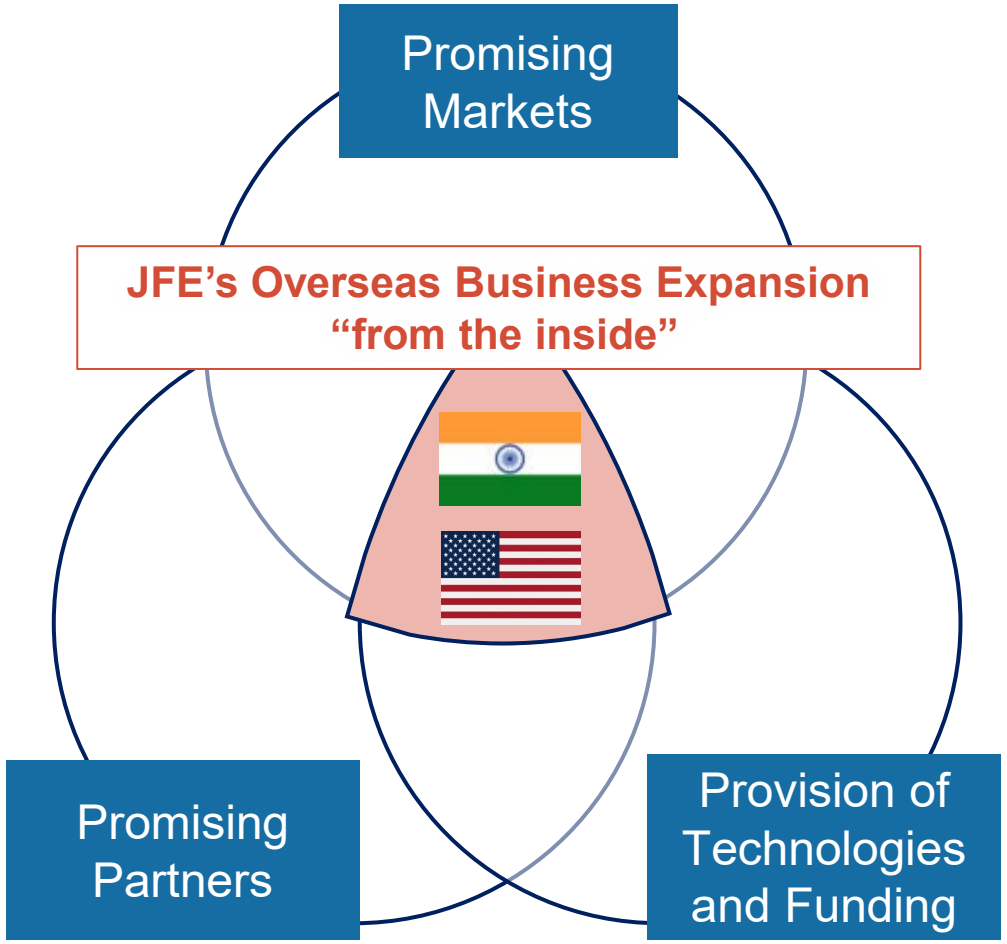
* a large, high-efficiency electric arc furnace capable of producing high-grade and high-function steel products

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Three Pillars of Overseas Strategy

- We have been expanding overseas businesses **“from the inside” by providing technologies and funding** to top-tier partners who align with **the three pillars of our overseas strategy** including **JSW (India)** and **Nucor (North America)**. To expand further, we aim to capture overseas steel demand in growing markets.

Three Pillars of JFE’s Overseas Strategy



Promising Markets

①Characterized by growth（population growth, change in demand structure）
②With conditions where stable profits can be achieved（not a so-called “red ocean”）
③Where cost advantages exist (Location relative to raw material and energy sources and demand centers (logistics costs), and geopolitical conditions)

Promising Partners

①Trustworthy partners：Solid relationships built over the long term
②Capable partners： Local management expertise; business infrastructure; business passion and enthusiasm; (political) influence
③Partners with a shared vision：Win-Win mindset, committed to growing with a long-term perspective

Provision of Technologies and Funding

①Not just providing funding but accelerating success by sharing technologies
②Ongoing and evolving provision of technologies, rather than a one-time transfer

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JFE Steel's Overseas Business Expansion

- Growth investments aligned with our three strategic pillars and "from the inside" business model.

JFE Steel's Overseas Business Expansion

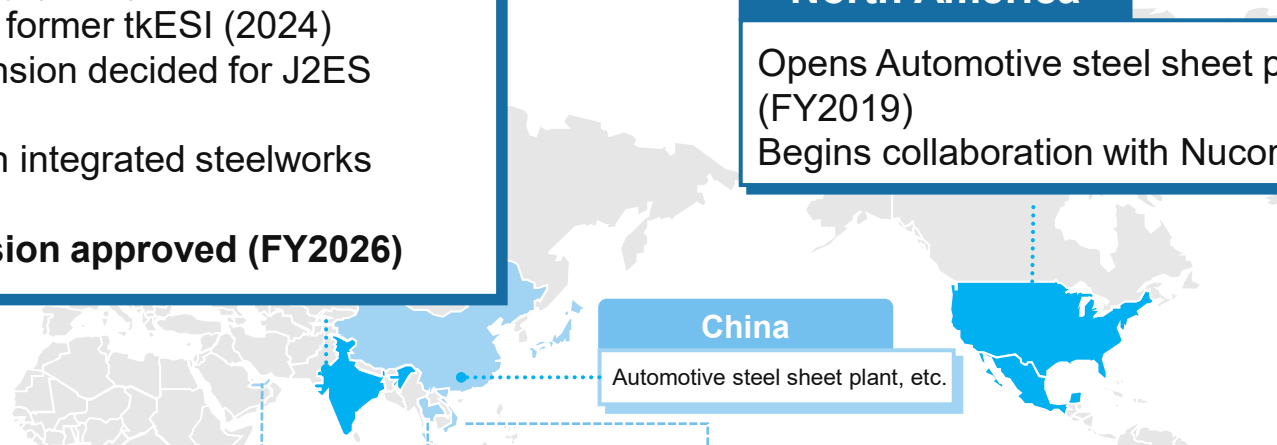
India

Strategic Alliance with **JSW Steel**

- J2ES: Joint operation of India's first integrated GOES manufacturing and sales company (2023)
- J2ES Nashik: Joint acquisition of former tkESI (2024)
  - ⇒ Major GOES capacity expansion decided for J2ES and J2ES Nashik (FY2025)
- **JJSL**: Began joint operation of an integrated steelworks with JSW in India (2026)
  - ⇒ **5.0 MTPA capacity expansion approved (FY2026)**

North America

Opens Automotive steel sheet plant with Nucor in Mexico (FY2019)
Begins collaboration with Nucor at CSI in the US (FY2021)



China

Automotive steel sheet plant, etc.

UAE

Large-diameter welded steel pipe JV

Thailand

Automotive steel sheet plant (industry first), etc.

Vietnam

Integrated BF steelworks project, etc.

Indonesia

Automotive steel sheet plant, etc.

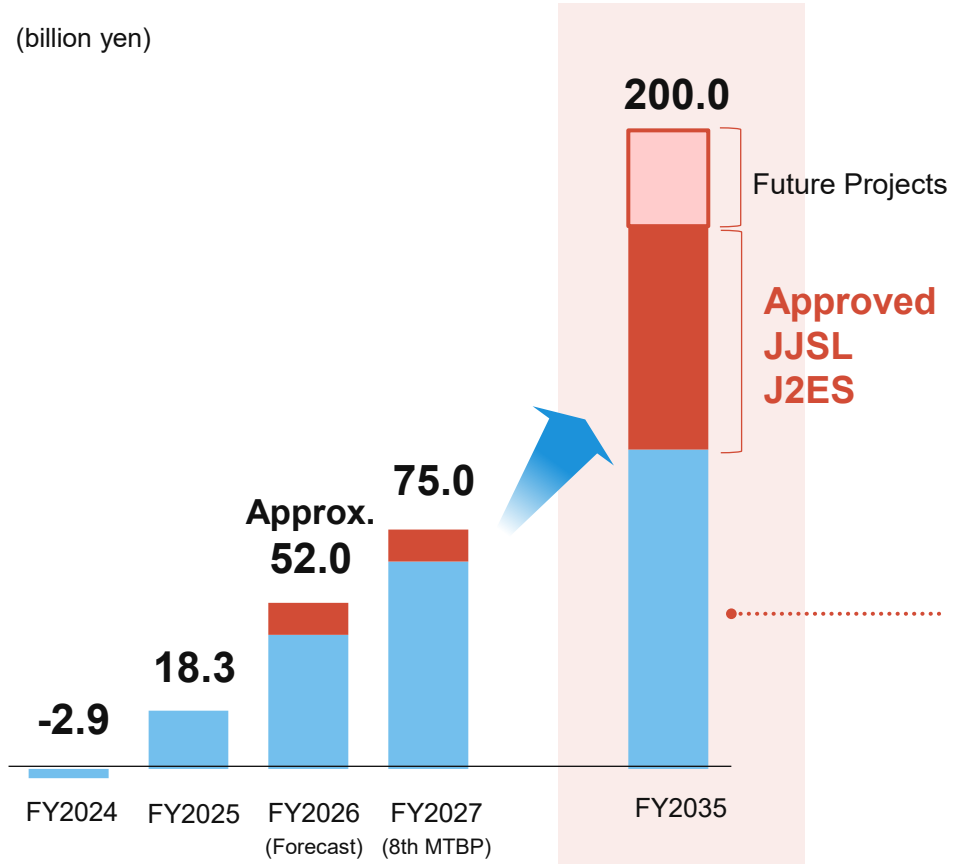
J2ES : JSW JFE Electrical Steel Private Limited

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Overseas Business

- To achieve **200.0 billion yen in overseas business profit**, we will build on the benefits of past investments (organic growth) and pursue further growth through proactive investments in growing sectors and regions.

Overseas Business Profit



*Announced in August 2026

Growth through Investment

8th MTBP investment budget: 400.0 billion yen + alpha

- Integrated Steelworks: JJSL
  Add 5.0 MTPA to reach 9.5 MTPA in 2030
- Electrical Steel: J2ES / J2ES Nashik
  Reach 350,000 mt / year in 2030

Growth of Existing Overseas Businesses (Including Organic Growth)

- Organic Growth at JSW
- Profit Improvement in Existing Businesses and Investments

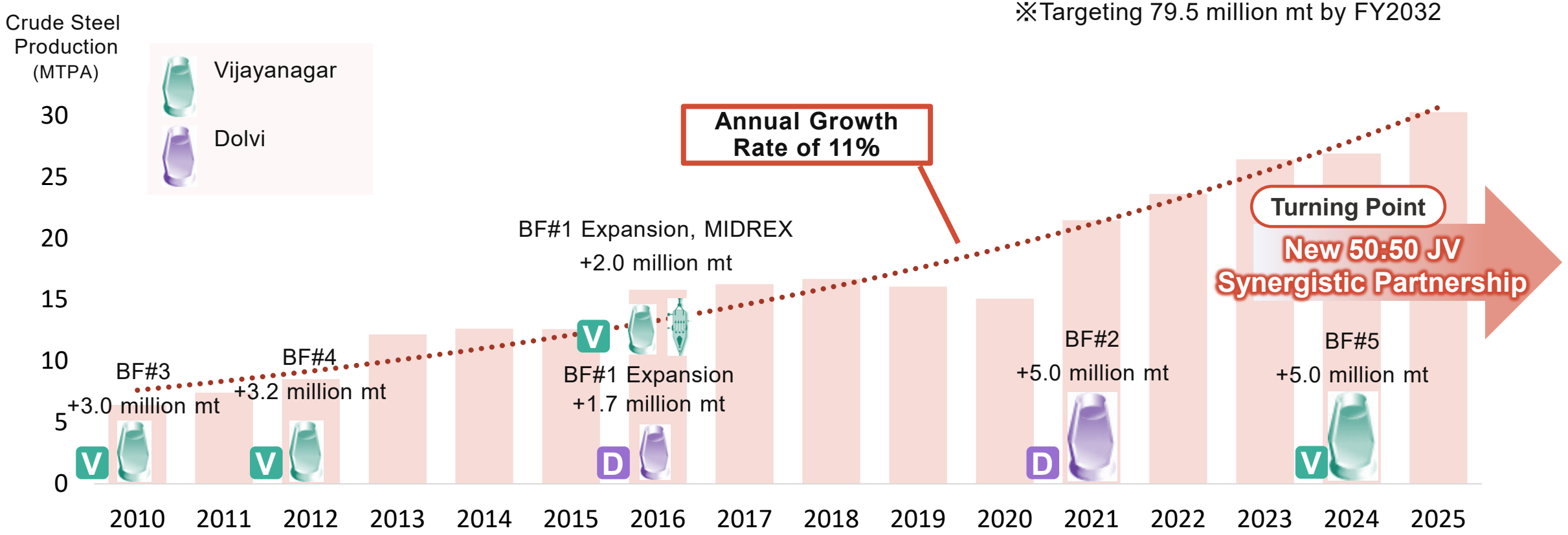
【JSW Steel's Growth Path】
Current: 37.9 million mt
2030: 54.8 million mt
2032: 79.5 million mt

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JSW's Growth – Achievements from Our Journey Together

- Since the initial investment from JFE in 2010, organic growth has been achieved.
- Our technical support has contributed to JSW's crude steel production increasing at an annual rate of 11%.

※Targeting 79.5 million mt by FY2032



- J2ES – JV for Electrical Steel
- J2ES Nashik – Joint acquisition

Technical Support for a 5-Million-mt-Class Blast Furnace and Steelmaking Plant

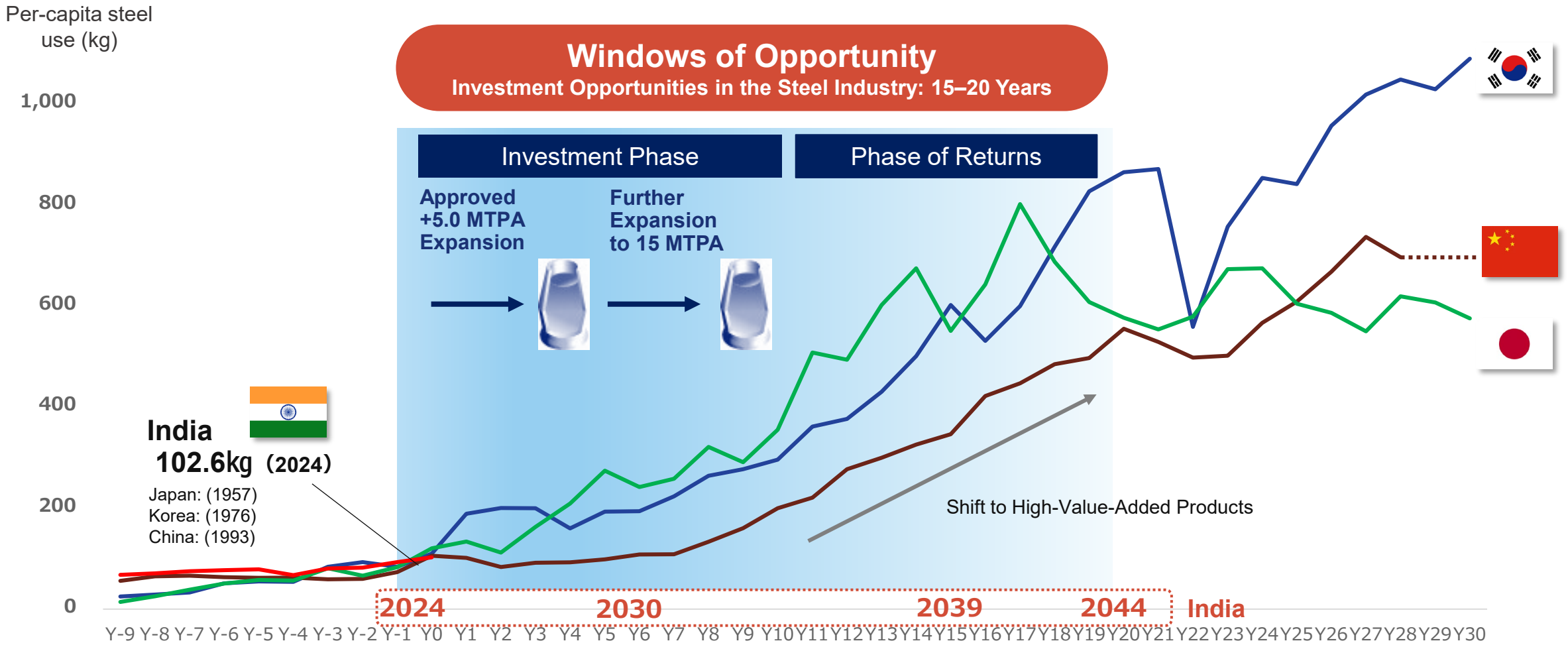
Automotive Steel Sheets: Technology Transfer

Non-Oriented Electrical Steel Sheets: Technology Transfer

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India as Growth Market

- Per-capita steel use surges for approximately 20 years after passing 100 kg, reaching 800 kg (Japan, Korea, China). India is likely in this rapid-growth phase.
- Early capacity expansion is critical to capture this opportunity because it takes time to expand production capacity.



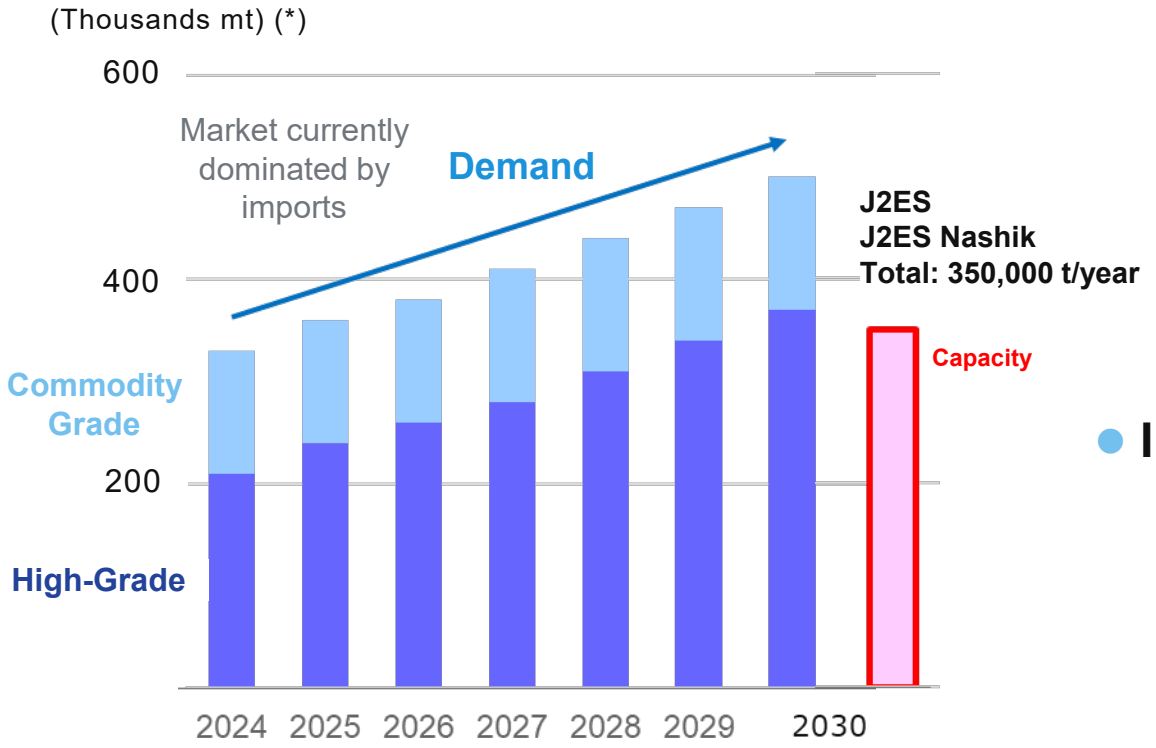
Source: worldsteel

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GOES - J2ES Expansion: Becoming the Leading Supplier in India

- **India's power generation capacity is growing by 7% annually. Similar growth is expected in demand for grain-oriented electrical steel (GOES) used** in transformers.
- Expand the JV with JSW to **significantly strengthen India's GOES supply capacity.**

India's Growing GOES Market



＊ Estimates based on World Energy Outlook

Major Capacity Expansion

J2ES	100,000 mt / year
J2ES Nashik	50,000 → 250,000 mt / year
Total in 2030	**350,000 mt /year**

Investment

Total cumulative investment: 290.0 billion yen

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GOES - J2ES Expansion: Steady Progress in Strengthening the Business Base

J2ES and J2ES Nashik are making steady progress in expanding capacity and establishing integrated production in India.

J2ES Nashik: New Annealing and Pickling Line Completed

The new annealing and pickling line, the first phase of expansion, **commenced operations in July 2026.**

⇩

From Import Dependence to Integrated Production in India

Supporting India's Growing Power Infrastructure



J2ES Nashik Annealing and Pickling Line

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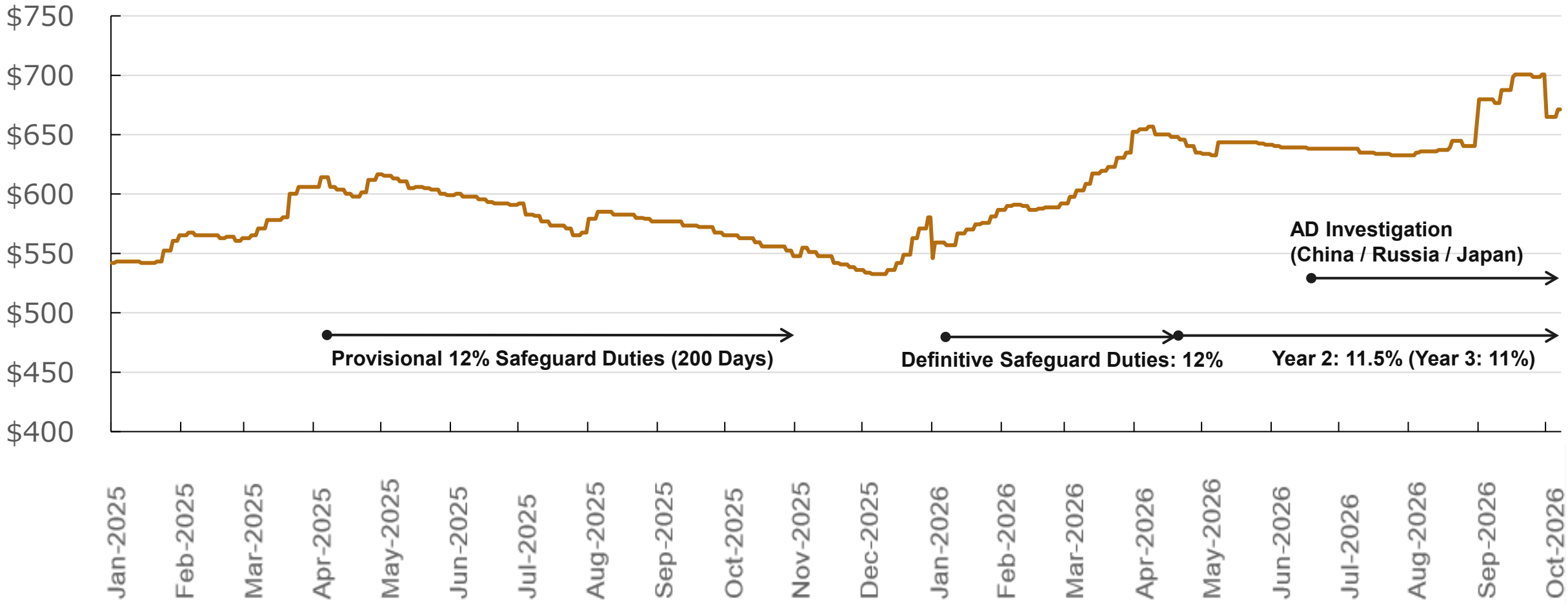


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(Reference) Indian Domestic Hot-Rolled Coil Price Trends

- **India's trade remedy measures, including safeguard duties, have alleviated pressure from the influx of imported steel, particularly from China.**
- **Growing demand and tighter supply-demand conditions have kept domestic market conditions strong, and JJSL is benefiting from the favorable market environment.**



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