



JFE

JFE Group

Financial Results for First Half of Fiscal Year 2025 ending March 31, 2026

November 6, 2025

JFE Holdings, Inc.

| Securities Code : 5411.T |

- 1. Financial Highlights**
- 2. JFE Holdings' Financial Results for First Half of Fiscal Year 2025 (April 1 to September 30, 2025) and Financial Forecast for Fiscal Year 2025 (April 1, 2025, to March 31, 2026)**
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This presentation material is for the purpose of publicizing the status of our company's financial results for the first Half of FY2025. It is not a disclosure material under the Financial Instruments and Exchange Act and does not guarantee the accuracy or completeness of the information. It does not constitute a solicitation to invest in securities in Japan, the United States or any other countries. The forecasts presented are based on information received at the time of the briefing and include uncertainties. Therefore, please refrain from making investment decisions based solely on this document. Our company shall not be liable for any damages arising as a result of the use of this document.

- **The disruption of supply and demand balance caused by China's overproduction and massive exports, as well as the downturn in market conditions**, is spreading to countries and regions worldwide. Our group also anticipates **a contraction in domestic and international spreads and a deterioration in the overseas business environment**.
- **For the impact of protectionist policies in various countries, including the United States, the risk of volume decline is expected to be smaller**, considering the current sales situation and changes in the trade environment. (crude steel production volume: about 21.50 million tons, increased by 0.50 million tons compared to the previous forecast)
- The cost reductions and improvements in the ratio of high-value-added products incorporated in the 8th Medium-Term Business Plan are being steadily implemented. We continue to promote management that is conscious of capital costs and stock prices to sustainably enhance corporate value.
- **The annual forecast for business profit, segment profit, and profit attributable to owners of parent is expected to remain as previously announced.**
***Business profit excluding inventory valuation, etc. is expected to be ¥190.0bn., down ¥10.0 bn. from the previous forecast.**
- The annual dividend for FY2025 is expected to be **80 yen per share based on the 8th Medium-term Business Plan**

Results for 1H of FY2025

Business Profit
[Excluding Inventory Valuation etc.]

¥45.7bn.
[¥93.7bn.]

Segment Profit
[Excluding Inventory Valuation etc.]

¥34.1bn.
[¥82.1bn.]

Forecast of FY2025

Crude Steel Production
(Standalone):
approx. **21.50Mt**
Exchange rate:
approx. **¥148/US\$**
(2H: approx. **¥150/US\$**)

Business Profit
[Excluding Inventory Valuation etc.]

¥140.0bn.
[¥190.0bn.]

Segment Profit
[Excluding Inventory Valuation etc.]

110.0bn.
[¥160.0bn.]

Profit attributable to owners
of parent

¥75.0bn.

Dividend

80yen
(Interim dividend 40yen)

Change
FY2024 1H→FY2025 1H

(¥36.1bn.)
[(¥41.1bn.)]

Change
from the previous forecast

¥5.7bn.
[¥0.7bn.]

(¥37.9bn.)
[(¥42.9bn.)]

¥9.1bn.
[¥4.1bn.]

Change
FY2024→FY2025

¥4.7bn.
[(¥46.3bn.)]

Change
from the previous forecast

±¥0.0bn.
[(¥10.0bn.)]

(¥4.5bn.)
[(¥55.5bn.)]

±¥0.0bn.
[(¥10.0bn.)]

(¥16.8bn.)

±¥0.0bn.

(20yen)

**As previously
announced**

Consolidated Results for First Half of Fiscal Year 2025 (April 1 to September 30, 2025)

Financial Results for 1H of Fiscal Year 2025



- Business profit for 1H of FY2025 was ¥45.7bn.
(decreased by ¥36.1bn. year-on-year, increased by ¥5.7bn. from the previous forecast)
- ※ Business profit (excluding Inventory Valuation, etc.) for 1H of FY2025 was ¥93.7bn.
(decreased by ¥41.1bn. year-on-year, increased by ¥0.7bn. from the previous forecast)

(billion yen)	FY2024 1H Actual (Apr-Sep)	FY2025 1H Forecast (Previous) (Apr-Sep)	FY2025 1H Actual (Apr-Sep)	Change (FY2024 →FY2025)	Change (Previous →Actual)
Revenue	2,450.7	2,330.0	2,232.6	(218.1)	(97.4)
Business Profit [Excluding Inventory Valuation etc.]	81.8 [134.8]	40.0 [93.0]	45.7 [93.7]	(36.1) [(41.1)]	5.7 [0.7]
Finance Income/Costs	(9.8)	(15.0)	(11.5)	(1.7)	3.5
Segment Profit [Excluding Inventory Valuation etc.]	72.0 [125.0]	25.0 [78.0]	34.1 [82.1]	(37.9) [(42.9)]	9.1 [4.1]
Exceptional Items	(12.1)	0.0	0.0	12.1	0.0
Profit before Tax	59.9	25.0	34.1	(25.8)	9.1
Tax Expense and Profit (Loss) Attributable to Non-Controlling Interests	(17.4)	(10.0)	(7.4)	10.0	2.6
Profit Attributable to Owners of Parent	42.4	15.0	26.6	(15.8)	11.6

Business profit is profit before tax excluding financial income and one-time items of a materially significant value.
Segment profit is profit including financial income in business profit.

Financial Results for 1H of Fiscal Year 2025 (by Segment)



(billion yen)		FY2024 Actual 1H (Apr-Sep)	FY2025 Forecast 1H (Previous) (Apr-Sep)	FY2025 Actual 1H (Apr-Sep)	Change (FY2024 →FY2025)	Change (Previous →Actual)	Change Details (Previous→Actual)
	Steel Business	1,729.3	1,540.0	1,537.4	(191.9)	(2.6)	
	Engineering Business	269.5	275.0	287.0	17.5	12.0	
	Trading Business	715.5	750.0	647.5	(68.0)	(102.5)	Decline in steel market, etc.
	Adjustments	(263.5)	(235.0)	(239.4)	24.1	(4.4)	
Revenue		2,450.7	2,330.0	2,232.6	(218.1)	(97.4)	
Business Profit (A)		81.8	40.0	45.7	(36.1)	5.7	
[Excluding Inventory Valuation etc.]		[134.8]	[93.0]	[93.7]	[(41.1)]	[0.7]	
Finance Income/Cost (B)		(9.8)	(15.0)	(11.5)	(1.7)	3.5	
	Steel Business	34.5	(15.0)	(5.3)	(39.8)	9.7	Refer to page 8
	[Excluding Inventory Valuation etc.]	[87.5]	[38.0]	[42.7]	[(44.8)]	[4.7]	
	Engineering Business	8.9	9.0	12.6	3.7	3.6	Increase in sales revenue, etc.
	Trading Business	22.4	25.0	21.9	(0.5)	(3.1)	Decrease in sales revenue, etc.
Adjustments		6.2	6.0	4.8	(1.4)	(1.2)	
Segment Profit(A+B)		72.0	25.0	34.1	(37.9)	9.1	
[Excluding Inventory Valuation etc.]		[125.0]	[78.0]	[82.1]	[(42.9)]	[4.1]	

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

Segment profit is profit including financial income in business profit.

JFE Steel's Segment Profit Analysis

(FY2025 1H (Forecast) vs FY2025 1H (Actual))



	Unit	FY2025 1H Forecast	FY 2025 1H Actual
Crude Steel (Standalone)	Mt	Approx. 10.70	10.80
Shipment (Standalone)	Mt	Approx. 9.50	9.53
Average Sales Price	000 yen/t	Approx. 120	119.8
Exchange Rate	¥/\$	Approx. 145	146.2

	(billion yen)	FY2025 1H Forecast	FY2025 1H Actual	Change
Segment Profit		(15.0)	(5.3)	+9.7
* Excluding Inventory Valuation, etc.		38.0	42.7	+4.7

Breakdown

①Cost	±0.0	
②Volume and Mix	+ 2.0	<ul style="list-style-type: none"> Crude Steel Production Approx. 10.70Mt→10.80Mt
③Spreads*	±0.0	
④Inventory valuation	+ 5.0	<ul style="list-style-type: none"> Inventory valuation +2.0 (-44.0→ -42.0) Carry over +1.0 (- 4.0→ - 3.0) Foreign exchange valuation +2.0 (- 5.0→ - 3.0)
⑤Others	+2.7	<ul style="list-style-type: none"> Group Companies +2.0 Others +0.7

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

JFE Steel's Segment Profit Analysis (FY2024 1H (Actual) vs FY2025 1H (Actual))

JFE Steel



	Unit	FY2024 1H	FY2025 1H
Crude Steel (Standalone)	Mt	11.03	10.80
Shipment (Standalone)	Mt	9.66	9.53
Average Sales Price	000 yen/t	135.2	119.8
Exchange Rate	¥/\$	153.9	146.2

	(billion yen)	FY2024 1H	FY2025 1H	Change
Segment Profit		34.5	(5.3)	(39.8)
* Excluding Inventory Valuation, etc.		87.5	42.7	(44.8)

Breakdown

① Cost	+9.0	<ul style="list-style-type: none"> Operational improvement, etc.
② Volume and Mix	(5.0)	<ul style="list-style-type: none"> Crude Steel Production 11.03Mt→10.80Mt
③ Spreads*	(28.0)	<ul style="list-style-type: none"> Deterioration in export profitability due to yen appreciation Impact of raw material price fluctuations and timing differences in adjustments for selling prices (negative impact)
④ Inventory valuation	+5.0	<ul style="list-style-type: none"> Inventory valuation -39.0 (- 3.0→ -42.0) Carry over +40.0 (-43.0→ - 3.0) Foreign exchange valuation + 4.0 (- 7.0→ - 3.0)
⑤ Others	(20.8)	<ul style="list-style-type: none"> Group Companies + 10.0 Others -30.8 (Depreciation, interest expense, and construction timing difference, etc.)

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

Financial Forecasts for Fiscal Year 2025 (April 1, 2025, to March 31, 2026)

Financial Forecast for Fiscal Year 2025

- Business profit and Profit Attributable to Owners of Parent for FY2025 are expected as previously announced.

※ Business profit (excluding Inventory Valuation, etc.) for FY2025 is ¥190.0bn.

(decreased by ¥10.0bn. from the previous forecast)

(billion yen)	FY2024 Actual		FY2025 Forecast (Previous)		FY2025 Forecast (Updated)		Change (FY2024 → FY2025)	Change (Previous → Updated)
	1H	Full Year	1H	Full Year	1H (Actual)	Full Year	Full Year	Full Year
Revenue	2,450.7	4,859.6	2,330.0	4,750.0	2,232.6	4,600.0	(259.6)	(150.0)
Business Profit [Excluding Inventory Valuation etc.]	81.8 [134.8]	135.3 [236.3]	40.0 [93.0]	140.0 [200.0]	45.7 [93.7]	140.0 [190.0]	4.7 [(46.3)]	0.0 [(10.0)]
Finance Income/Costs	(9.8)	(20.7)	(15.0)	(30.0)	(11.5)	(30.0)	(9.3)	0.0
Segment Profit [Excluding Inventory Valuation etc.]	72.0 [125.0]	114.5 [215.5]	25.0 [78.0]	110.0 [170.0]	34.1 [82.1]	110.0 [160.0]	(4.5) [(55.5)]	0.0 [(10.0)]
Exceptional Items	(12.1)	29.7	0.0	0.0	0.0	0.0	(29.7)	0.0
Profit before Tax	59.9	144.3	25.0	110.0	34.1	110.0	(34.3)	0.0
Tax Expense and Profit (Loss) Attributable to Non-Controlling Interests	(17.4)	(52.4)	(10.0)	(35.0)	(7.4)	(35.0)	17.4	0.0
Profit Attributable to Owners of Parent	42.4	91.8	15.0	75.0	26.6	75.0	(16.8)	0.0

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

Segment profit is profit including financial income in business profit.

Financial Forecast for Fiscal Year 2025 (by Segment)

(billion yen)		FY2024 Actual		FY2025 Forecast (Previous)		FY2025 Forecast (Updated)		Change (FY2024 →FY2025)	Change (Previous →Updated)
		1H	Full Year	1H	Full Year	1H (Actual)	Full Year	Full Year	Full Year
	Steel Business	1,729.3	3,365.1	1,540.0	3,070.0	1,537.4	3,080.0	(285.1)	10.0
	Engineering Business	269.5	569.8	275.0	600.0	287.0	600.0	30.2	0.0
	Trading Business	715.5	1,438.5	750.0	1,500.0	647.5	1,350.0	(88.5)	(150.0)
	Adjustments	(263.5)	(513.9)	(235.0)	(420.0)	(239.4)	(430.0)	83.9	(10.0)
	Revenue	2,450.7	4,859.6	2,330.0	4,750.0	2,232.6	4,600.0	(259.6)	(150.0)
	Business Profit (A) [Excluding Inventory Valuation etc.]	81.8 [134.8]	135.3 [236.3]	40.0 [93.0]	140.0 [200.0]	45.7 [93.7]	140.0 [190.0]	4.7 [(46.3)]	0.0 [(10.0)]
	Finance Income/Cost (B)	(9.8)	(20.7)	(15.0)	(30.0)	(11.5)	(30.0)	(9.3)	0.0
	Steel Business [Excluding Inventory Valuation etc.]	34.5 [87.5]	36.3 [137.3]	(15.0) [38.0]	40.0 [100.0]	(5.3) [42.7]	40.0 [90.0]	3.7 [(47.3)]	0.0 [(10.0)]
	Engineering Business	8.9	19.3	9.0	20.0	12.6	20.0	0.7	0.0
	Trading Business	22.4	47.9	25.0	50.0	21.9	45.0	(2.9)	(5.0)
	Adjustments	6.2	10.8	6.0	0.0	4.8	5.0	(5.8)	5.0
	Segment Profit(A+B) [Excluding Inventory Valuation etc.]	72.0 [125.0]	114.5 [215.5]	25.0 [78.0]	110.0 [170.0]	34.1 [82.1]	110.0 [160.0]	(4.5) [(55.5)]	0.0 [(10.0)]

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

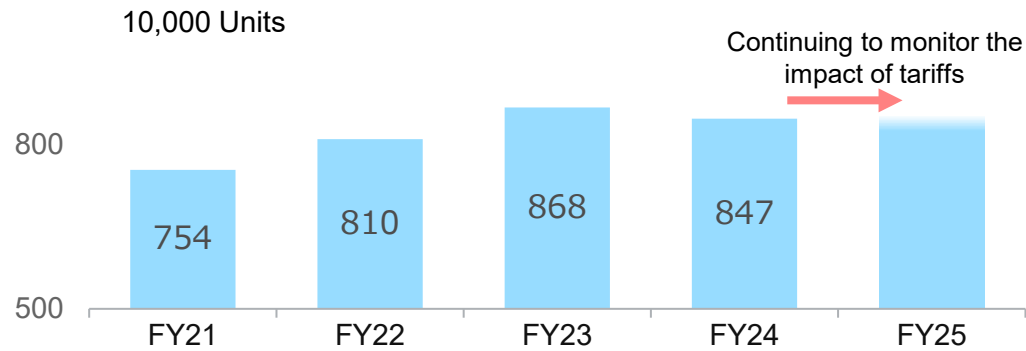
Segment profit is profit including financial income in business profit.

JFE Steel

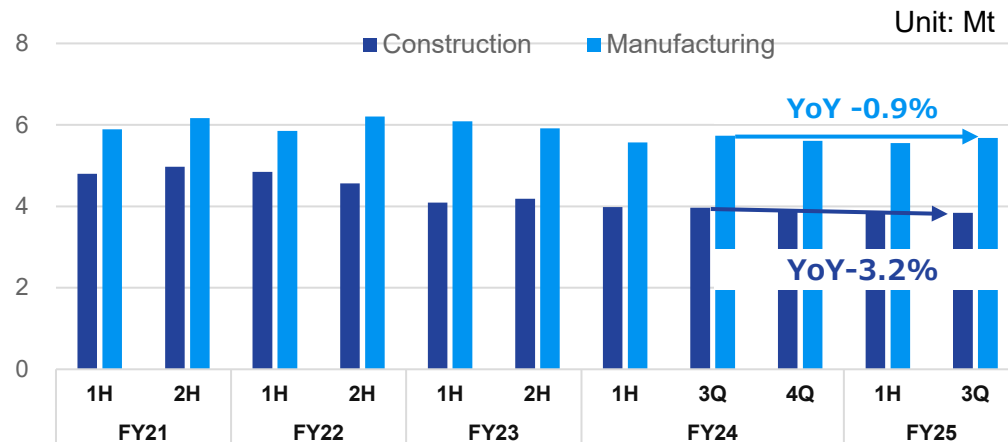
Financial Forecast for Fiscal Year 2025

- For the manufacturing sector, particularly in the automotive and construction machinery fields, continued close attention is required regarding the impact of U.S. tariffs.
- The construction sector **remains sluggish, driven by rising construction costs and labor shortages.**

Outlook for Domestic Auto Production (annual basis)



Outlook for Domestic Ordinary Steel Consumption (quarter basis)



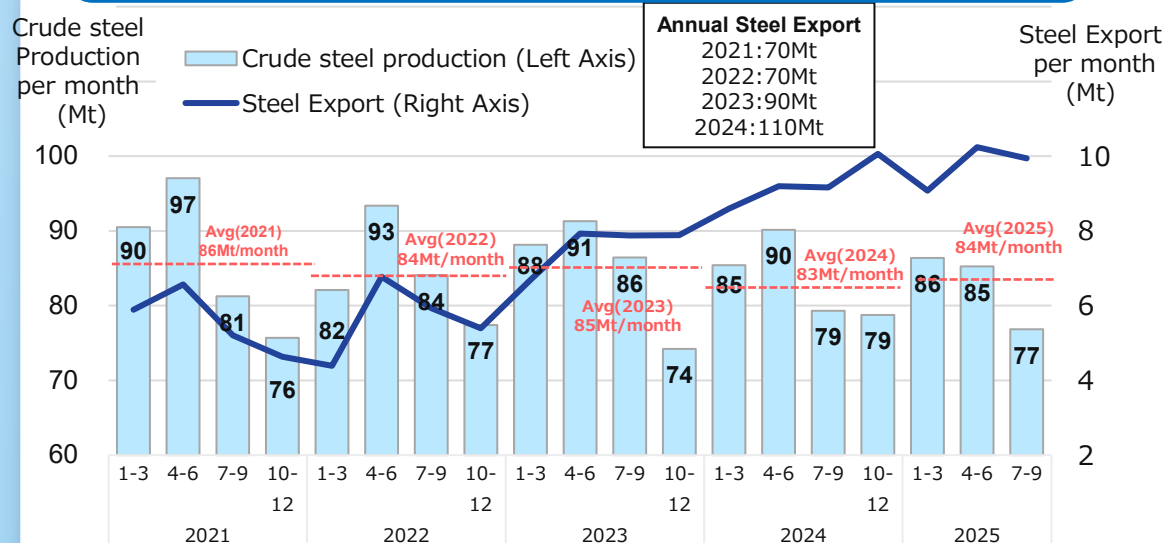
Source: Ministry of Economy, Trade and Industry, "Outlook for Steel Consumption" 16 October, 2025.
(The bars for FY2024, 4Q and after are estimates.)

Trend by sector

- Auto-motive**
 - Concerns remain over cooling consumer sentiment** due to uncertainty surrounding automotive tariffs and other policies.
 - Domestic sales lack significant momentum, and current expectations show no major change from the sales volume projected at the beginning of FY2025.
- Ship-building**
 - The demand environment remains firm, with domestic shipbuilders **securing a backlog of orders exceeding three years.**
 - Prolonged lead times due to labor shortages and working-hour regulations continue.
 - Moves toward capital alliances and collaborations** to strengthen competitiveness in Japan's shipbuilding industry are becoming more active, requiring attention to future trends in investment and production efficiency.
- Other manufacturing**
 - (Construction Machinery)
 - Global demand remains sluggish, and **uncertainty persists due to tariff impacts**, including the addition of construction machinery to steel-related product tariffs in August. We will continue to closely monitor future demand trends.
 - (Industrial Machinery)
 - The share of exports to North America and the proportion of domestic demand for automobiles are both high, **requiring close attention to the impact of U.S. automotive tariffs and reciprocal tariffs.**
- Construction**
 - In addition to the impact of labor shortages, rising material costs and higher interest rates continue to weigh heavily on construction investment and housing sentiment, **resulting in overall sluggish demand.**
- Civil engineering**
 - Due to increasing costs and labor shortages, **actual activity levels and steel demand are expected to gradually decline.**

- **Global demand remains sluggish while oversupply persists**, with no clear outlook for recovery.
- Weak domestic demand in China, combined with high production and increased exports, **continues to create a challenging supply-demand environment**, particularly across Asia.

China's crude steel production and steel export



Real GDP Growth Forecast in 2025

	2024	2025 (Updated)	2025 (Previous)
U.S.	2.8%	2.0%	1.9%
China	5.0%	4.8%	4.8%
India	6.5%	6.6%	6.4%
ASEAN-5*	4.6%	4.2%	4.1%
World	3.3%	3.2%	3.0%

Source : IMF World Economic Outlook Update Apr. 2025 and Jul. 2025

*ASEAN5 : Thailand, Malaysia, Indonesia, Philippine, and Singapore

Trend by sector

Steel Sheet

- Domestic demand in China remains sluggish, with high production and increased exports, while capacity expansion continues in ASEAN and South Asia, **leading to weak market conditions across Asia**.
- Japan is also subject to Section 232 tariffs, anti-dumping (AD), and safeguard (SG) measures, limiting upward flexibility in sales. In addition, tariff policies in various countries have triggered the distribution of low-priced Chinese materials to third countries and **a decline in market conditions**, indicating that a challenging environment is likely to persist.

Automotive

- A series of U.S. tariff measures has caused significant disruptions to supply chains, creating an uncertain outlook.
- In the ASEAN region, prolonged impacts from high interest rates and stricter loan assessments have delayed recovery, **while sluggish domestic sales continue**.

Ship-building

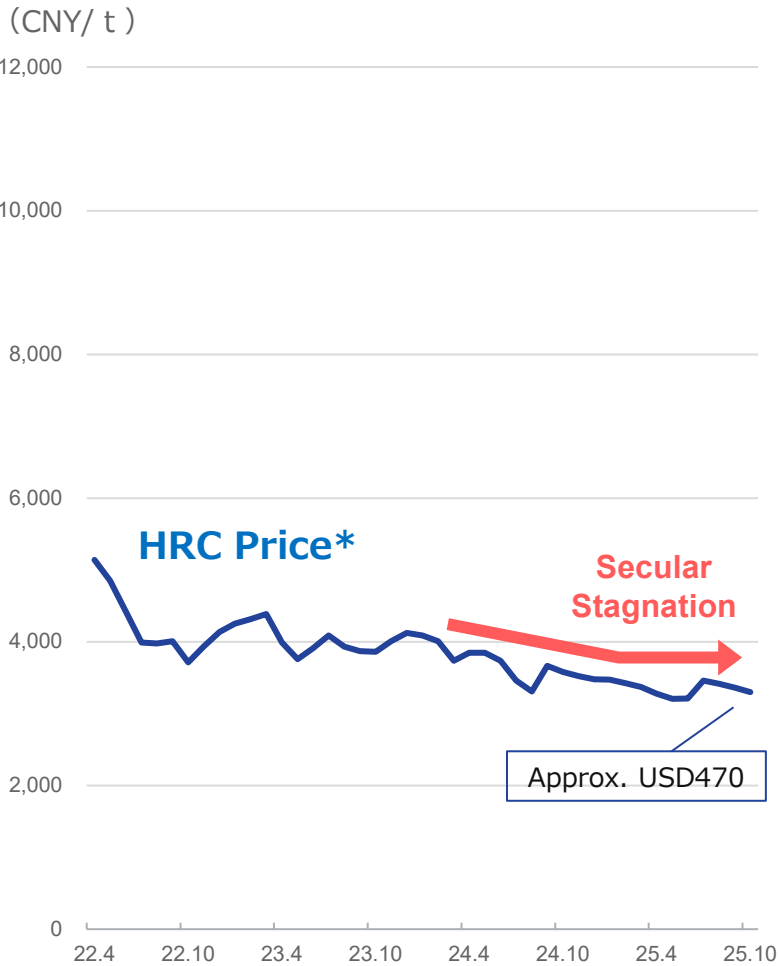
- Chinese and South Korean shipbuilders are also increasing new orders and **maintaining stable backlogs**.
- Uncertainty stemming from U.S. policies, such as proposals to impose port entry fees on Chinese vessels, has led to a wait-and-see approach for some new orders to China.

Energy

- Amid moderate global economic growth and rising geopolitical tensions, the need for stable **energy supply remains strong, with steady demand expected in the medium term**.
- Concerns over recession risks associated with the easing of OPEC production cuts and U.S. tariff measures may lead to project delays and inventory reductions, particularly for commodity products, necessitating continued monitoring of developments.

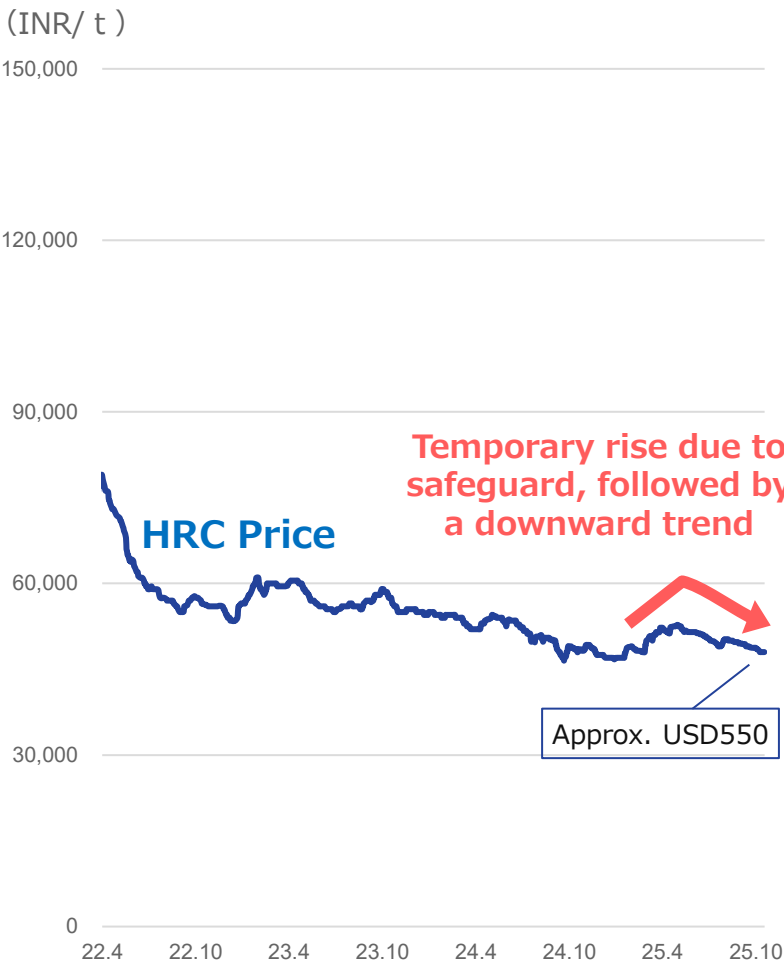


China: Steel Market Price

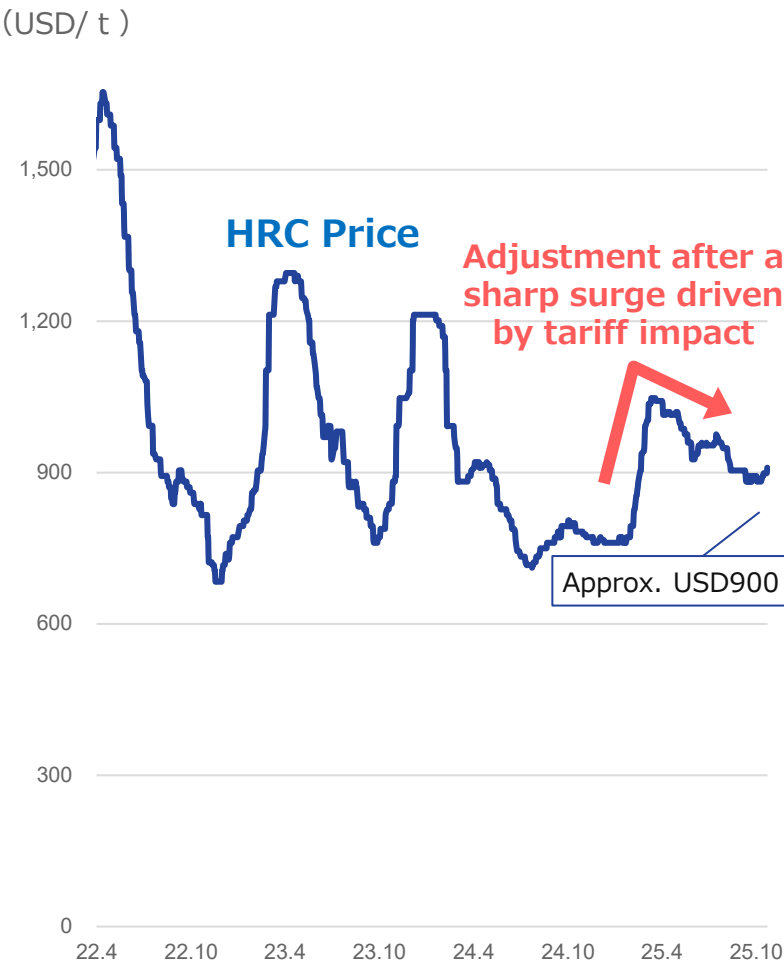


* HRC Price : Average price in 5 cities in China

India: Steel Market Price

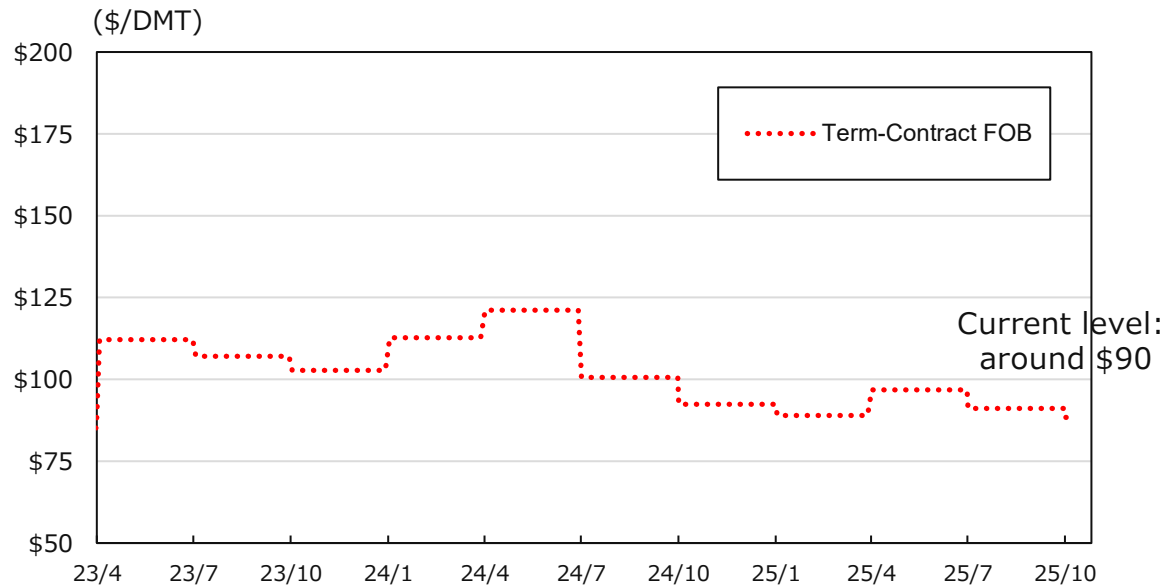


U.S: Steel Market Price



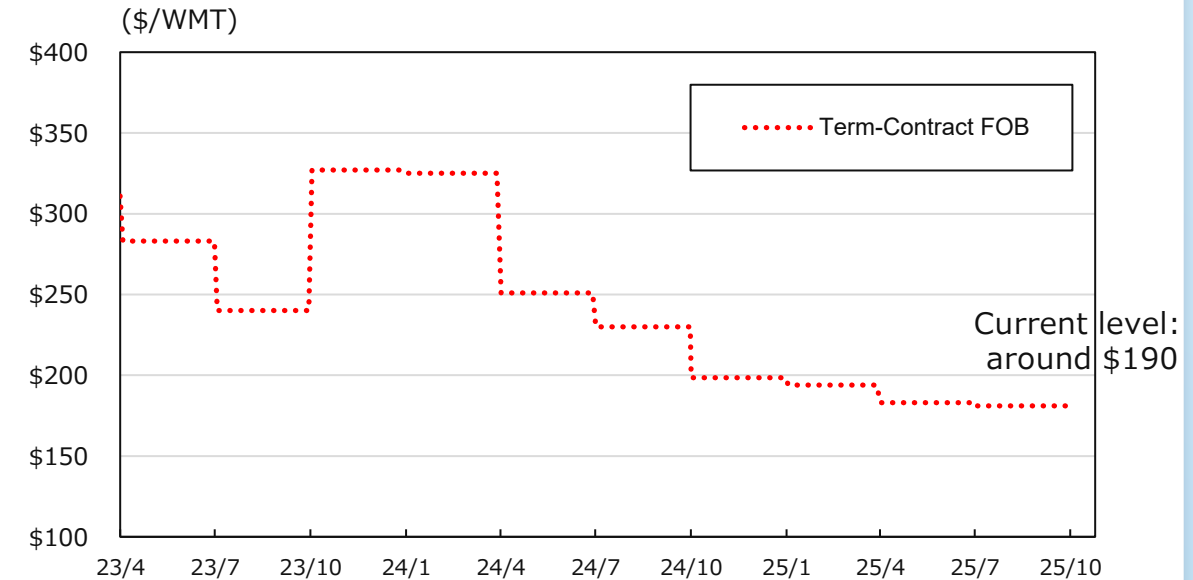
- No significant changes in the supply-demand environment for both iron ore and coking coal.
Current price levels are expected to remain.

Iron Ore (Iron Ore Fines from Australia)



Term-Contract FOB (\$/DMT)	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
FY2023	112	107	103	113
FY2024	121	101	92	89
FY2025	97	91	88	-

Coking Coal (Hard Coking Coal from Australia)

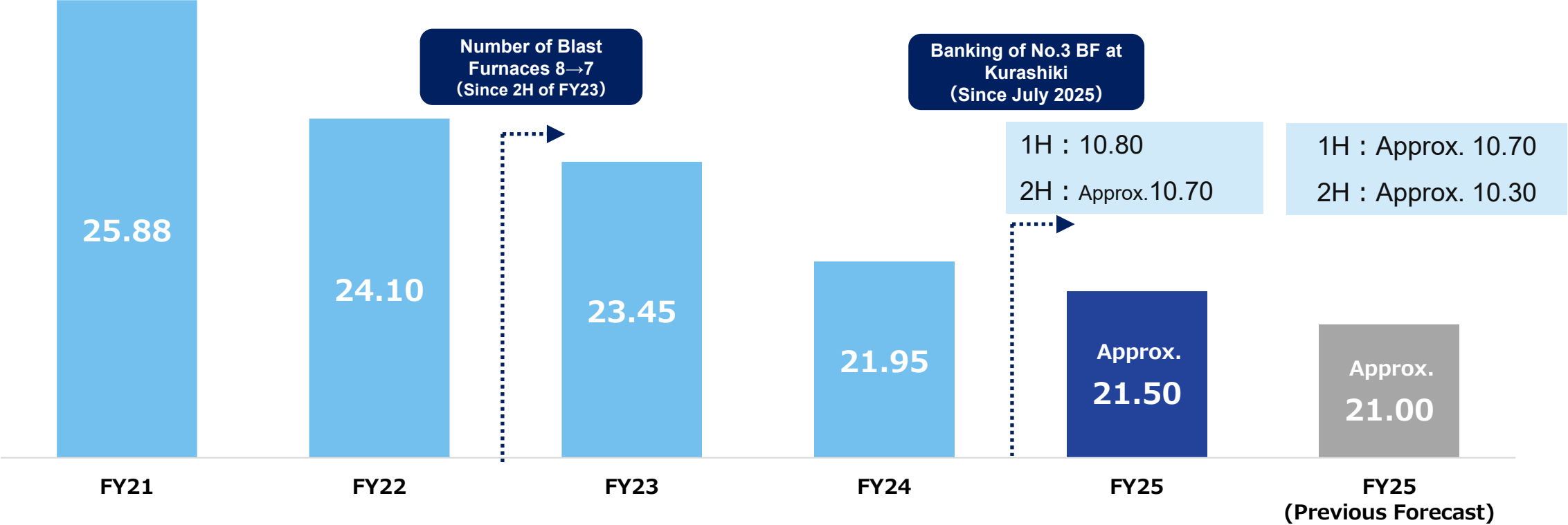


Term-Contract FOB (\$/WMT)	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
FY2023	283	240	327	325
FY2024	251	230	198	194
FY2025	183	181	-	-

- While we had factored in a decrease of approx. 1.00 million tons year-on-year due to the impact of U.S. tariffs and other trade measures by various countries, we now anticipate crude steel production of approx. 21.50 million tons (**an increase of 500,000 tons compared to the previous forecast**), considering the current sales situation and other factors.

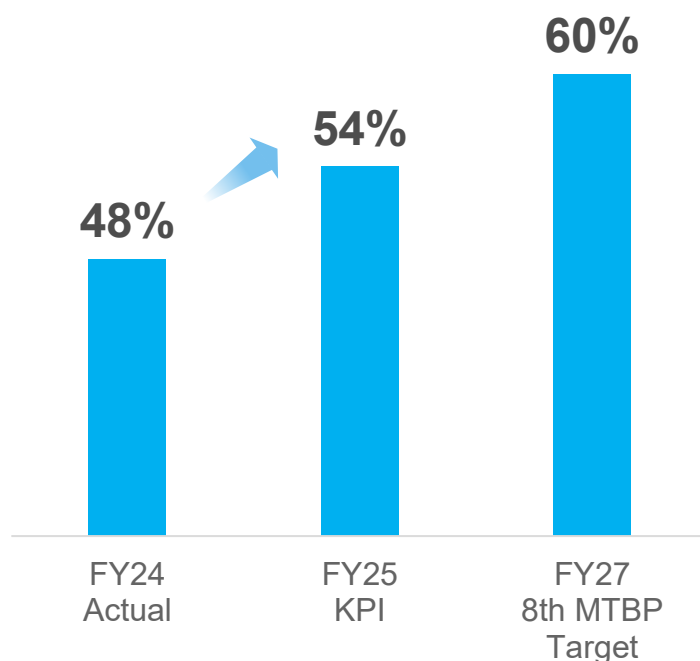
Standalone crude steel production <Annual>

Unit : Mt



- We will enhance profit per ton of product by expanding sales of such products as plates and seamless pipes for new energy (replaced exported commodity products), plates for offshore wind power generation, high-strength steel for automobiles, and highly functional electrical steel sheets utilizing the Company's technological capabilities.
- While some areas of the current market environment lack momentum, **solid demand is expected in the medium to long term.**

Ratio of High-Value-Added Products (*)



(*) High value-added products:

Products with a technological edge which are recognized by customers as having added value and earning power exceeding that of commodity products (definition by the Company)

Market Environment, etc.

Type	Market Environment	Major Capital Investment
Electrical Steel Sheet (Current) (Medium to long term)	Regional variations in automotive electrification progress are observed, and the impact of various tariffs in North America requires close attention. The trend towards automotive electrification remains unchanged in the medium to long term. Driven by rising global electricity demand, transformer manufacturers' demand remains firm, and GOES is expected to stay strong.	September 2024 Phase I of the NOES capacity expansion at Kurashiki (2X the previous capacity) FY2026 Planned Phase II of the NOES capacity expansion at Kurashiki (3X the previous capacity)
High-tensile steel for automobiles (Current) (Medium to long term)	Significant uncertainties remain due to U.S. tariffs and other factors, and domestic sales also lack strong momentum. Globally, automobile sales remain strong, and demand for ultra-high-strength steel is expected to continue to grow.	October 2028 Planned Construction of CGL for manufacturing ultra-high strength steel at Fukuyama
Plates for offshore wind power generation (Current) (Medium to long term)	Domestic offshore wind projects are experiencing delays in planning and construction. Various offshore wind projects overseas are progressing. Positioned as a key energy source for carbon neutrality, steady demand is expected to continue.	June 2021 Construction of a new continuous caster at Kurashiki
Steel for New energy (Current) (Medium to long term)	A recovery in gas demand is expected in the latter half of 2025, driven by the expansion of U.S. LNG export facilities and rising electricity demand. Demand for stable energy supply remains unchanged. In the future, demand for seamless pipes in areas such as CCS is anticipated to increase.	

Financial Forecast for Fiscal Year 2025

JFE Steel



	Unit	FY2024							FY2025					FY2025 Previous Forecast (Full Year)	
												1H	2H		Full Year
		1Q	2Q	1H	3Q	4Q	2H	Full Year	1Q	2Q	1H				
Revenue	billion yen	860.6	868.7	1,729.3	828.9	806.9	1,635.8	3,365.1	761.2	776.2	1,537.4	1,542.6	3,080.0	3,070.0	
Segment Profit	billion yen	31.5	3.0	34.5	10.4	(8.6)	1.8	36.3	(12.1)	6.8	(5.3)	45.3	40.0	40.0	
<div>Excluding InventoryValuation etc.*</div>	billion yen	36.5	51.0	87.5	44.4	5.4	49.8	137.3	16.9	25.8	42.7	47.3	90.0	100.0	

Crude Steel (Standalone)	Mt	5.48	5.55	11.03	5.53	5.39	10.91	21.95	5.28	5.52	10.80	Approx. 10.70	Approx. 21.50	Approx. 21.00
Crude Steel (Consolidated)	Mt	5.80	5.89	11.69	5.83	5.67	11.50	23.20	5.61	5.81	11.42			
Shipment (Standalone)	Mt	4.70	4.96	9.66	4.87	4.84	9.71	19.36	4.71	4.82	9.53			
Export Ratio on Value Basis (Standalone)	%	40.6	44.2	42.4	40.0	41.9	40.9	41.7	39.9	42.8	41.3			
Average Sales Price (Standalone)	000 yen/t	139.2	131.5	135.2	127.0	124.0	125.5	130.3	120.4	119.2	119.8			
Exchange Rate	¥/\$	155.0	152.8	153.9	149.0	154.1	151.6	152.7	145.3	147.0	146.2	Approx. 150	Approx. 148	Approx. 145
Exchange Rate (End of Term)	¥/\$	161.1	142.7	142.7	158.2	149.5	149.5	149.5	144.8	148.9	148.9	Approx. 150	Approx. 150	Approx. 145

* Excluding inventory valuation, carry over and foreign exchange valuation from segment profit

JFE Steel's Segment Profit Analysis

(FY2025 (Previous Forecast) vs. FY2025 (Updated Forecast))

JFE Steel



	Unit	FY2025 Previous	FY2025 Updated
Crude Steel (Standalone)	Mt	Approx. 21.00	Approx. 21.50
Shipment (Standalone)	Mt	-	-
Average Sales Price	000 yen/t	-	-
Exchange Rate	¥/\$	Approx. 145	Approx. 148

	(billion yen)	FY2025 Previous	FY2025 Updated	Change
Segment Profit		40.0	40.0	±0.0
* Excluding Inventory Valuation, etc.		100.0	90.0	(10.0)

Breakdown

① Cost	+ 3.0	
② Volume and Mix	+ 6.0	<ul style="list-style-type: none"> Crude Steel Production Approx. 21.00Mt→Approx. 21.50Mt Difference in domestic and export composition ratio (negative impact)
③ Spreads*	(10.0)	<ul style="list-style-type: none"> Deterioration in domestic and overseas steel market conditions Impact of raw material price fluctuations and timing differences in adjustments for selling prices (negative impact) Improvement in export profitability due to yen depreciation, etc.
④ Inventory valuation	+ 10.0	<ul style="list-style-type: none"> Inventory valuation +3.0 (-50.0→ -47.0) Carry over +4.0 (- 5.0→ - 1.0) Foreign exchange valuation +3.0 (- 5.0→ - 2.0)
⑤ Others	(9.0)	<ul style="list-style-type: none"> Group Companies -10.0 (India, North America, etc.) Others +1.0

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

JFE Steel's Segment Profit Analysis (FY2024 (Actual) vs. FY2025 (Forecast))

JFE Steel



	Unit	FY2024 Actual	FY2025 Forecast
Crude Steel (Standalone)	Mt	21.95	Approx. 21.50
Shipment (Standalone)	Mt	19.36	-
Average Sales Price	000 yen/t	130.3	-
Exchange Rate	¥/\$	152.7	Approx. 148

	(billion yen)	FY2024 Actual	FY2025 Forecast	Change
Segment Profit		36.3	40.0	+3.7
* Excluding Inventory Valuation, etc.		137.3	90.0	(47.3)

Breakdown

① Cost	+ 27.0	<ul style="list-style-type: none"> Operational improvement, etc.
② Volume and Mix	(9.0)	<ul style="list-style-type: none"> Crude Steel Production 21.95Mt→Approx. 21.50Mt Expansion of high-value-added products (Electrical steel, plates for wind power applications, etc.)
③ Spreads*	(53.0)	<ul style="list-style-type: none"> Deterioration in domestic and overseas steel market conditions Deterioration in export profitability due to yen appreciation Impact of raw material price fluctuations and timing differences in adjustments for selling prices (negative impact)
④ Inventory valuation	+ 51.0	<ul style="list-style-type: none"> Inventory valuation -14.0 (-33.0→ -47.0) Carry over +65.0 (-66.0→ - 1.0) Foreign exchange valuation ±0.0 (- 2.0→ - 2.0)
⑤ Others	(12.3)	<ul style="list-style-type: none"> Group Companies +19.0 Others -31.3 (Depreciation, interest expense, and construction timing difference, etc.)

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

JFE Steel's Segment Profit Analysis

(FY2025 1H (Actual) vs. FY2025 2H (Forecast))

JFE Steel



	Unit	FY2025 1H Actual	FY2025 2H Forecast
Crude Steel (Standalone)	Mt	10.80	Approx. 10.70
Shipment (Standalone)	Mt	9.53	-
Average Sales Price	000 yen/t	119.8	-
Exchange Rate	¥/\$	146.2	Approx. 150

	(billion yen)	FY2025 1H Actual	FY2025 2H Forecast	Change
Segment Profit		(5.3)	45.3	+50.6
* Excluding Inventory Valuation, etc.		42.7	47.3	+4.6

Breakdown

① Cost	+ 10.0	<ul style="list-style-type: none"> Operational improvement, etc.
② Volume and Mix	+ 2.0	<ul style="list-style-type: none"> Crude Steel Production 10.80Mt→Approx. 10.70Mt Expansion of high-value-added products (Electrical steel, plates for wind power applications, etc.)
③ Spreads*	(10.0)	<ul style="list-style-type: none"> Deterioration in domestic and overseas steel market conditions Impact of raw material price fluctuations and timing differences in adjustments for selling prices (negative impact) Improvement in export profitability due to yen depreciation, etc.
④ Inventory valuation	+ 46.0	<ul style="list-style-type: none"> Inventory valuation +37.0 (-42.0→ -5.0) Carry over + 5.0 (-3.0→ +2.0) Foreign exchange valuation + 4.0 (-3.0→ +1.0)
⑤ Others	+ 2.6	<ul style="list-style-type: none"> Group Companies -1.0 Others +3.6

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

JFE Engineering Financial Forecast for Fiscal Year 2025

■ Current Business Environment/Overview of Financial Status

- Full year segment profit is expected to be **¥20.0bn. (as previously announced)**.
- We expect to expand orders in the Waste to Resource and Carbon-Neutral fields (offshore wind and LNG, etc.) from FY2024.
- Business of manufacturing monopiles for offshore wind power generation is receiving a lot of inquiries, and the Kasaoka Monopile Factory (the only domestic monopile production site) is expected to start commercial operation in FY2025 and aims to achieve full production in FY2026.

■ Financial Forecast

(billion yen)	FY2024 Actual		FY2025 Forecast		Change (FY2024→FY2025)		FY2025 Forecast (Previous)	
	1H	Full year	1H (Actual)	Full year	1H	Full year	1H	Full year
Orders	246.0	579.5	363.0	700.0	117.0	120.5	320.0	700.0
Revenue	269.5	569.8	287.0	600.0	17.5	30.2	275.0	600.0
Segment Profit	8.9	19.3	12.6	20.0	3.7	0.7	9.0	20.0

JFE Shoji

Financial Forecast for Fiscal Year 2025

■ Current Business Environment/Overview of Financial Status

- Due to the continued sluggishness of domestic construction demand and a decline in export transactions caused by trade policy impacts, as well as a downturn in domestic and international market conditions, **the annual segment profit is expected to be ¥45.0bn. (decreased by ¥5.0bn. from the previous forecast).**

■ Financial Forecast

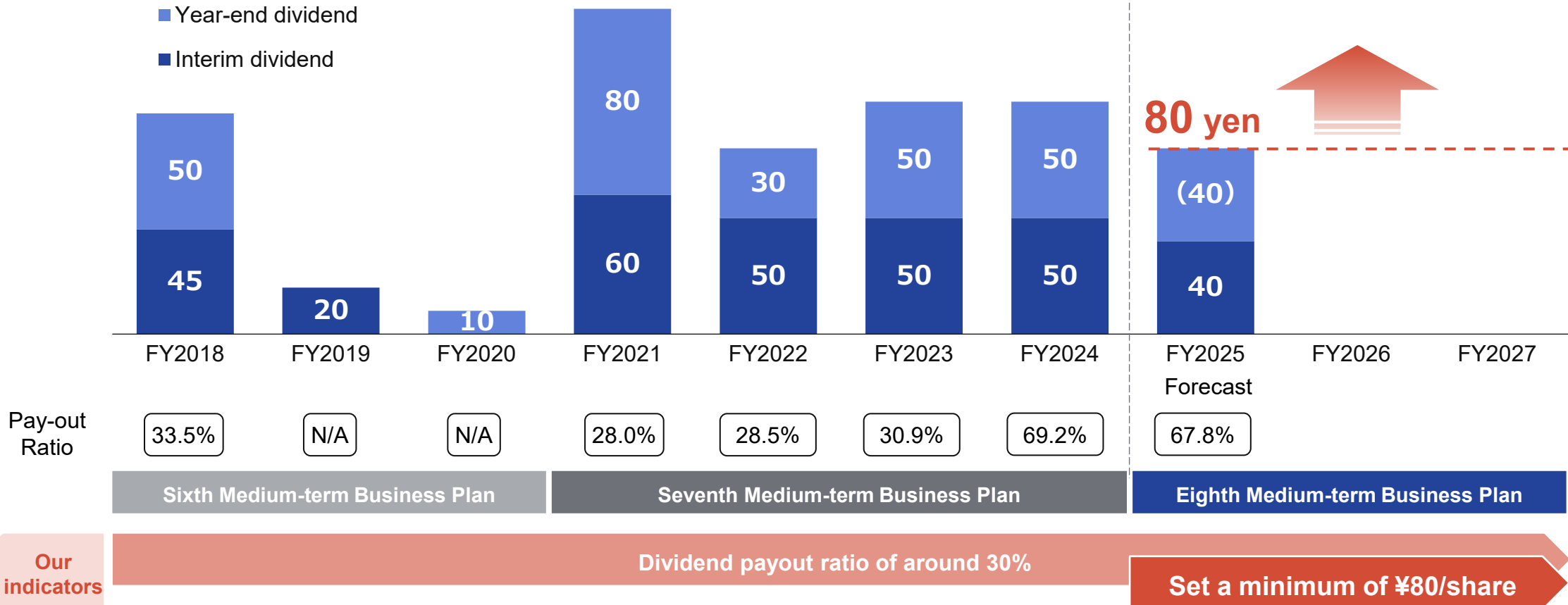
(billion yen)	FY2024 Actual		FY2025 Forecast		Change (FY2024→FY2025)		FY2025 Forecast (Previous)	
	1H	Full year	1H (Actual)	Full year	1H	Full year	1H	Full year
Revenue	715.5	1,438.5	647.5	1,350.0	(68.0)	(88.5)	750.0	1,500.0
Segment Profit	22.4	47.9	21.9	45.0	(0.5)	(2.9)	25.0	50.0

Dividends

- The Board of Directors resolved to pay an interim dividend of 40 yen per share.
- The annual dividend for FY2025 is expected to be **80 yen per share (based on the Eighth Medium-term Business Plan(*))**

(*) Dividend payout ratio of approximately 30%, with a minimum dividend of 80 yen

Dividend per share (yen/share)



Topics

JFE Group Report 2025 & Sustainability Report 2025 Released



- To help our stakeholders gain a deeper understanding of our Group's initiatives, we have published the JFE GROUP REPORT 2025 and the JFE Group Sustainability Report.

The English versions will be issued in Nov.

JFE GROUP REPORT

Introducing medium to long term value creation story from a growth strategy perspective

Key focus points for the publication

- ✓ **Details of Long-term vision and 8th medium-term Business Plan**

CEO message, Specific initiatives and roadmap for realization

- ✓ **Explanation of technologies driving our competitive advantage**

Carbon recycling blast furnace, Innovative electric arc furnace, DX utilization

- ✓ **Dialogue with Outside Executives**

Topics : Evaluation of the long-term vision and 8th medium-term business plan formulation process, etc.



統合報告書
**JFE GROUP
REPORT**
2025



▽ Download here

<https://www.jfe-holdings.co.jp/en/investor/library/group-report/>

JFE Group Sustainability Report

Comprehensively introducing initiatives and data on Environment, Social, and Governance aspects

Key focus points for the publication

- ✓ **Strong commitment to climate change issues**

Review of TCFD financial impacts, Disclosure of lobbying activities and outcomes

- ✓ **Enhanced coverage of circular economy and biodiversity**

Company-specific initiatives, Collaboration with value chains, Disclosure aligned with TNFD

- ✓ **Detailed initiatives on human resources strategy and human rights**

Linkage with management strategy (Long-term vision), Detailed disclosure of our efforts



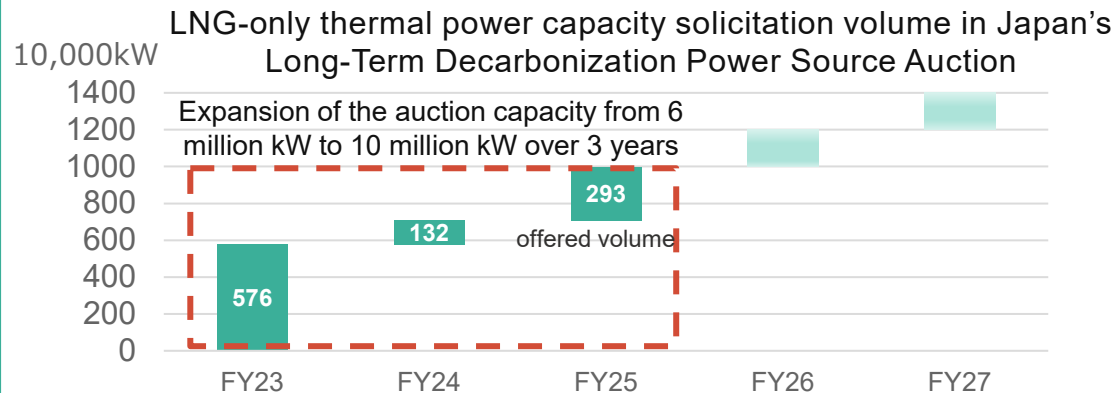
JFE GROUP
**SUSTAINABILITY
REPORT 2025**
JFE グループ サステナビリティ報告書

▽ Download here

<https://www.jfe-holdings.co.jp/en/sustainability/data/>

- Received order from Osaka Gas for fuel supply equipment at Himeji Natural Gas Power Generation in October 2025 (released on 2nd October)
- Targeting LNG-related orders of ¥120.0bn. for FY2025-2027, ¥50.0 bn. increase compared to 7th MTBP (FY2021-2024)

Shift back to LNG as a transitional energy



- Increasing power demand driven by growth in data centers, semiconductor factories, and renewable energy (solar, wind, etc.) integration requiring grid balancing
 - Expansion of LNG-only thermal power capacity in Japan's Long-Term Decarbonization Power Source Auction due to rising electricity demand
 - Ongoing discussions to continue auctions beyond FY2026
- Surge in LNG-related projects: terminal expansions, pipelines, and power generation facilities

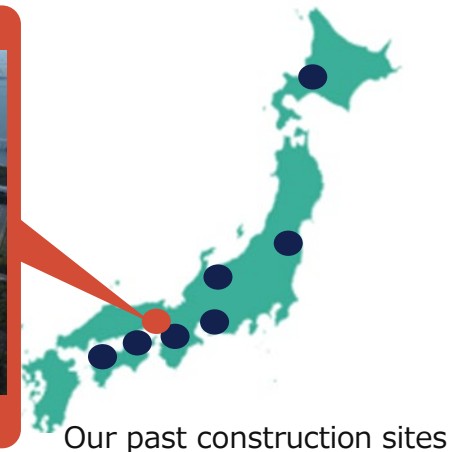
Strengths of JFE Engineering

- Comprehensive project execution capability covering design, procurement, construction, and commissioning for large-scale projects
- Numerous construction achievements in LNG-related equipment
- Extensive experience in diverse areas such as CO₂ separation and recovery and chemical plants
- LNG terminal expansion projects constructed by our company are also expected to be tendered.

Current order



Osaka Gas Himeji Terminals



Our past construction sites

Leveraging extensive project execution expertise gained in the LNG sector, we are expanding into new energy fields such as hydrogen and ammonia, as well as CCS, to contribute to a carbon-neutral society.

Appendix(1)

Profit/Loss Analysis

Medium-Term Major Earnings Targets and Performance Overview

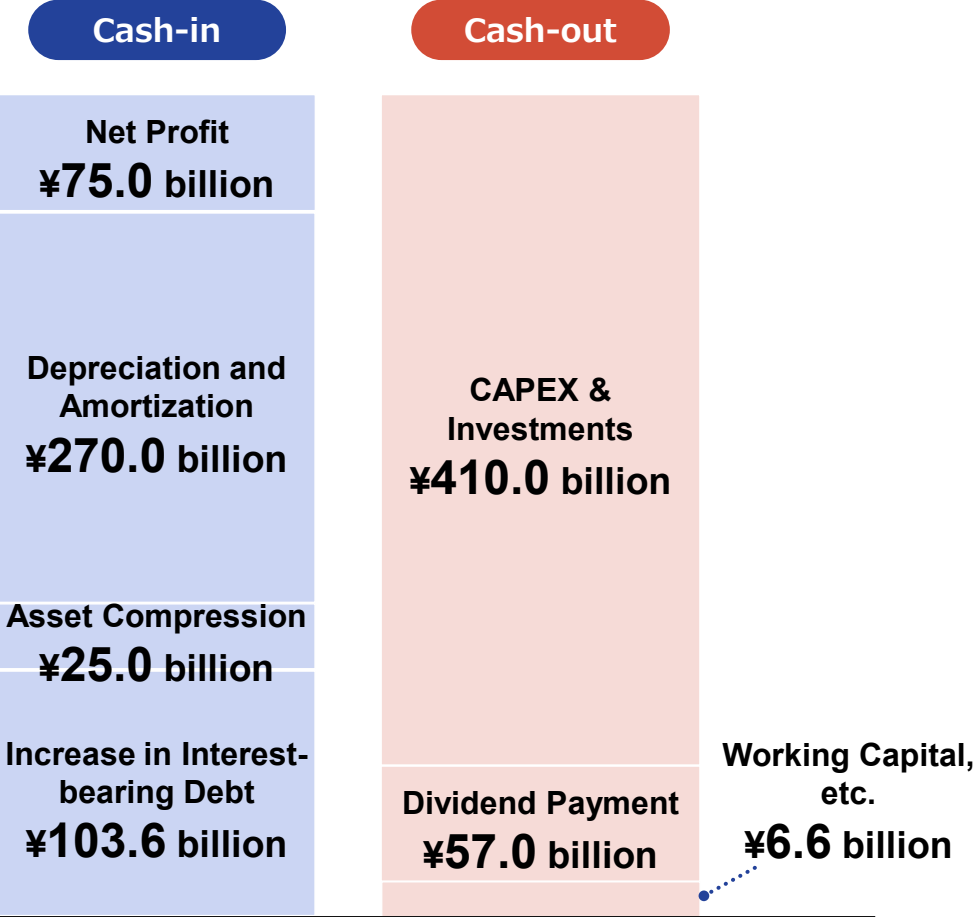


			Eighth Medium-term Business Plan FY2027	FY2025 Forecast	FY2026	FY2027
Groupwide	Consolidated business profit		¥400.0 billion	¥190.0 billion (*)	—	—
	ROE		10% or more	3.0%	—	—
	Debt/EBITDA		About 3x	4.6x	—	—
	D/E		About 60%	58.1%	—	—
Operating companies	Steel business	Segment profit	¥260.0 billion	¥90.0 billion (*)	—	—
	Engineering business	Segment profit	¥42.0 billion	¥20.0 billion	—	—
	Trading business	Segment profit	¥60.0 billion	¥45.0 billion	—	—
Shareholder Returns	Dividend Policy		Dividend payout ratio of around 30%, with a minimum of ¥80/share	¥80/share	—	—

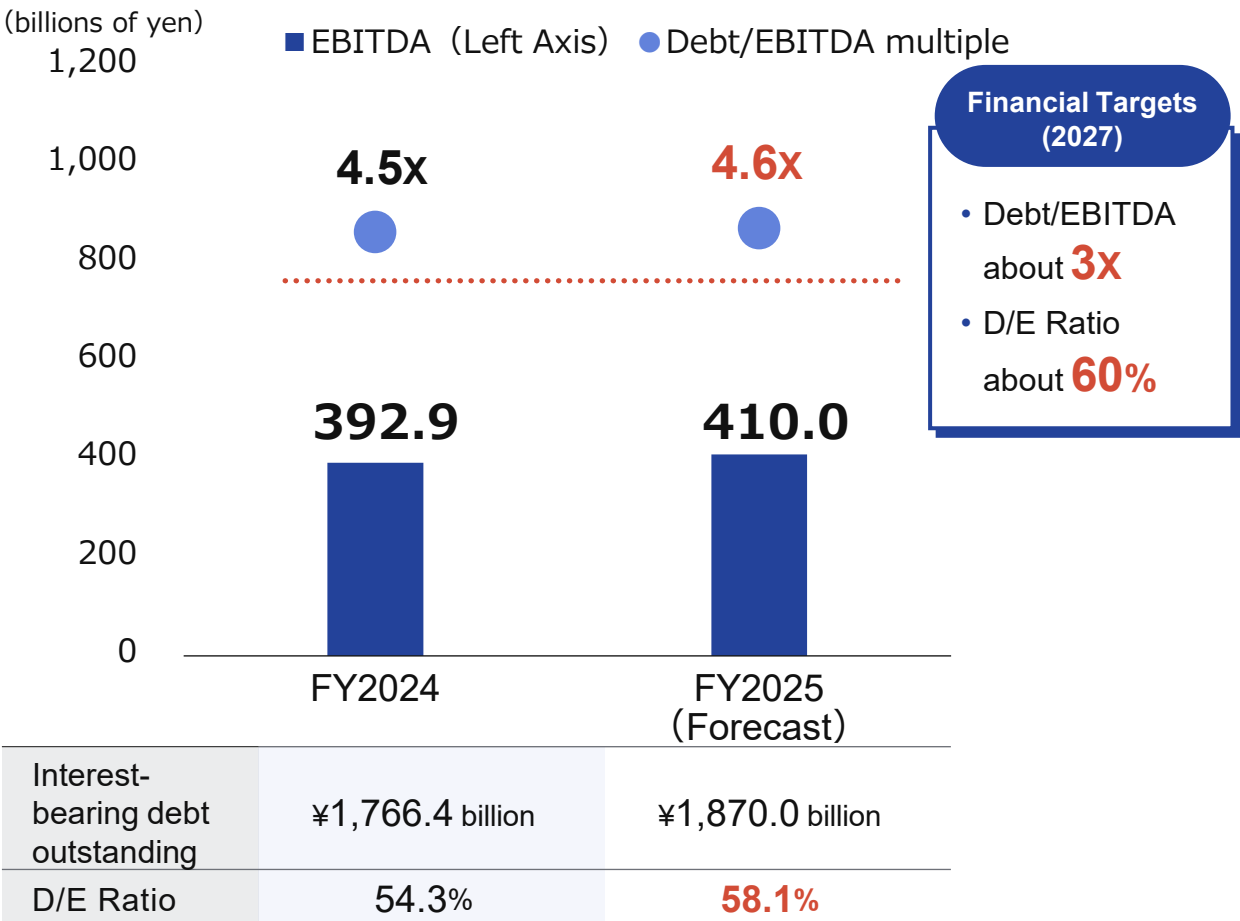
*Excluding inventory valuation differences, etc. in the steel business

- Debt/EBITDA multiple in FY2025 is expected to be 4.6 times

Consolidated Cash Flow Forecast for FY2025



Progress of Debt/EBITDA multiple



Interest-bearing debt outstanding	¥1,766.4 billion	¥1,870.0 billion
D/E Ratio	54.3%	58.1%

※ EBITDA = Business profit + Depreciation and Amortization
※ Debt/EBITDA multiple = Interest-bearing debt outstanding/EBITDA

Key Financial Data



J-GAAP

	FY2016	FY2017	FY2018
(bn. Yen, times)			
Ordinary Income	84.7	216.3	221.1
EBITDA	279.9	388.8	405.9
ROS	2.6%	5.9%	5.6%
ROE	3.7%	7.6%	8.3%
ROA	2.3%	5.2%	5.1%
Debt Outstanding	1,375	1,331	1,450
Debt/EBITDA multiple	4.9x	3.4x	3.6x
D/E Ratio	51.4%	58.1%	62.0%
Profit attributable to owners of parent (yen/share)	118	251	285
Dividend (yen/share)	30	80	95
Pay-out Ratio	25.5%	31.9%	33.3%

[IFRS]

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
(bn. Yen, times)							
Business profit	232.0	37.8	(12.9)	416.4	235.8	298.2	135.3
EBITDA * 1	428.2	269.4	223.4	668.7	505.4	572.3	392.9
ROS * 2	6.0%	1.0%	(0.4%)	9.5%	4.5%	5.8%	2.8%
ROE * 3	8.6%	(11.1%)	(1.3%)	15.7%	7.9%	8.6%	3.7%
ROA * 4	5.0%	0.8%	(0.3%)	8.4%	4.4%	5.3%	2.4%
Interest-bearing debt outstanding	1,524	1,814	1,806	1,849	1,863	1,830	1,766
Debt/EBITDA multiple *5	3.6x	6.7x	8.1x	2.8x	3.7x	3.2x	4.5x
D/E Ratio * 6	68.2%	96.4%	93.2%	80.8%	67.8%	58.0%	54.3%
Profit attributable to owners of parent (yen/share)	284	(343)	(38)	500	281	323	144
Dividend (yen/share)	95	20	10	140	80	100	100
Pay-out Ratio	33.5%	—	—	28.0%	28.5%	30.9%	69.2%

Notes [IFRS]

- * 1 EBITDA = Business profit + Depreciation and Amortization
 - * 2 ROS = Business profit / Revenue
 - * 3 ROE = Profit attributable to owners of parent company / Equity
 - * 4 ROA = Business profit / Total assets
 - * 5 Debt/EBITDA multiple = Interest-bearing debt outstanding / EBITDA
 - * 6 D/E ratio = Interest-bearing 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.

Financial Results for Fiscal Year 2025

JFE Steel



	Unit	FY2023					FY2024					FY2025				
		1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year
Revenue	billion yen	917.2	948.6	915.6	934.6	3,716.0	860.6	868.7	828.9	806.9	3,365.1	761.2	776.2	—	—	—
Segment Profit	billion yen	68.1	54.7	48.2	31.7	202.7	31.5	3.0	10.4	(8.6)	36.3	(12.1)	6.8	—	—	—
Excluding Inventory Valuation etc.*	billion yen	59.1	64.7	49.2	27.7	200.7	36.5	51.0	44.4	5.4	137.3	16.9	25.8	—	—	—

Crude Steel (Standalone)	Mt	6.05	6.11	5.62	5.67	23.45	5.48	5.55	5.53	5.39	21.95	5.28	5.52	—	—	—
Crude Steel (Consolidated)	Mt	6.38	6.47	5.95	6.01	24.80	5.80	5.89	5.83	5.67	23.20	5.61	5.81	—	—	—
Shipment (Standalone)	Mt	5.23	5.42	5.08	5.04	20.77	4.70	4.96	4.87	4.84	19.36	4.71	4.82	—	—	—
Export Ratio on Value Basis (Standalone)	%	44.2	44.2	41.6	41.3	42.9	40.6	44.2	40.0	41.9	41.7	39.9	42.8	—	—	—
Average Sales Price (Standalone)	000 yen/t	128.5	130.1	132.5	135.2	131.5	139.2	131.5	127.0	124.0	130.3	120.4	119.2	—	—	—
Exchange Rate	¥/\$	135.8	144.1	148.7	146.7	143.8	155.0	152.8	149.0	154.1	152.7	145.3	147.0	—	—	—
Exchange Rate (End of Term)	¥/\$	145.0	149.6	141.8	151.4	151.4	161.1	142.7	158.2	149.5	149.5	144.8	148.9	—	—	—

* Excluding inventory valuation, carry over and foreign exchange valuation from segment profit

JFE Steel's Segment Profit Analysis (FY2025 1Q (Actual) vs. FY2025 2Q (Actual))

JFE Steel



	Unit	FY2025 1Q Actual	FY2025 2Q Actual
Crude Steel (Standalone)	Mt	5.28	5.52
Shipment (Standalone)	Mt	4.71	4.82
Average Sales Price	000 yen/t	120.4	119.2
Exchange Rate	¥/\$	145.3	147.0

	(billion yen)	FY2025 1Q Actual	FY2025 2Q Actual	Change
Segment Profit		(12.1)	6.8	+18.9
* Excluding Inventory Valuation, etc.		16.9	25.8	+8.9

Breakdown

① Cost	+ 1.0	
② Volume and Mix	+ 6.0	• Crude Steel Production 5.28Mt→ 5.52Mt
③ Spreads*	±0.0	
④ Inventory valuation	+ 10.0	<ul style="list-style-type: none"> • Inventory valuation +4.0 (-23.0→ -19.0) • Carry over -1.0 (- 1.0→ - 2.0) • Foreign exchange valuation +7.0 (- 5.0→ +2.0)
⑤ Others	+ 1.9	<ul style="list-style-type: none"> • Group Companies +5.0 • Others -3.1

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

JFE Steel's Segment Profit Analysis (FY2024 2H (Actual) vs. FY2025 1H (Actual))

JFE Steel



	Unit	FY2024 2H Actual	FY2025 1H Actual
Crude Steel (Standalone)	Mt	10.91	10.80
Shipment (Standalone)	Mt	9.71	9.53
Average Sales Price	000 yen/t	125.5	119.8
Exchange Rate	¥/\$	151.6	146.2

	(billion yen)	FY2024 2H Actual	FY2025 1H Actual	Change
Segment Profit		1.8	(5.3)	(7.1)
* Excluding Inventory Valuation, etc.		49.8	42.7	(7.1)

Breakdown

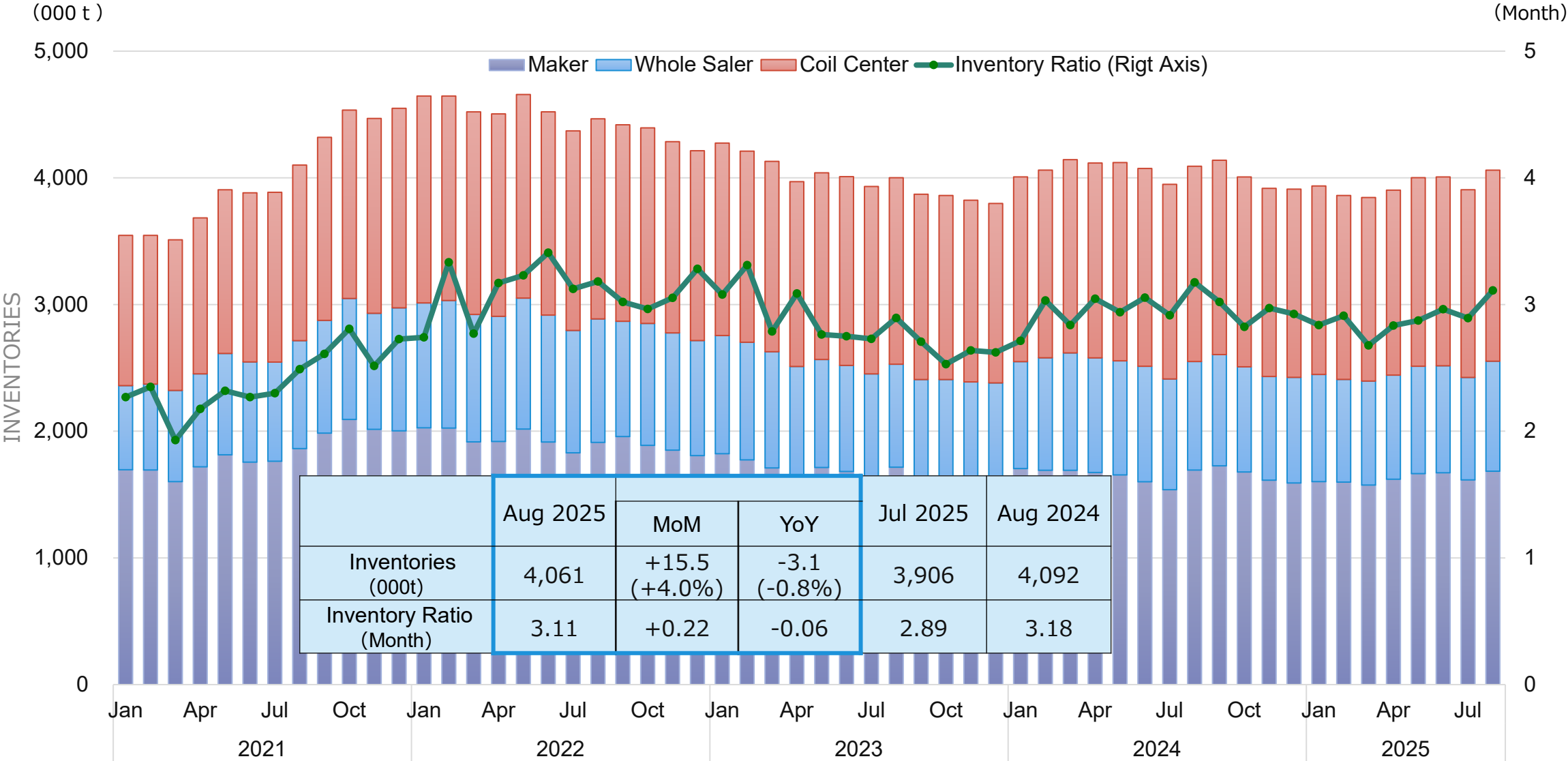
① Cost	+8.0	<ul style="list-style-type: none"> Operational improvement, etc.
② Volume and Mix	(5.0)	<ul style="list-style-type: none"> Crude Steel Production 11.03Mt→10.80Mt
③ Spreads*	(15.0)	<ul style="list-style-type: none"> Deterioration in export profitability due to yen appreciation Impact of raw material price fluctuations and timing differences in adjustments for selling prices (negative impact)
④ Inventory valuation	±0.0	<ul style="list-style-type: none"> Inventory valuation -12.0 (-30.0→ -42.0) Carry over +20.0 (-23.0→ -3.0) Foreign exchange valuation - 8.0 (+ 5.0→ -3.0)
⑤ Others	+4.9	<ul style="list-style-type: none"> Group Companies +10.0 Others -5.1

*Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

Appendix(2)

Business Environmental Indicators, etc.

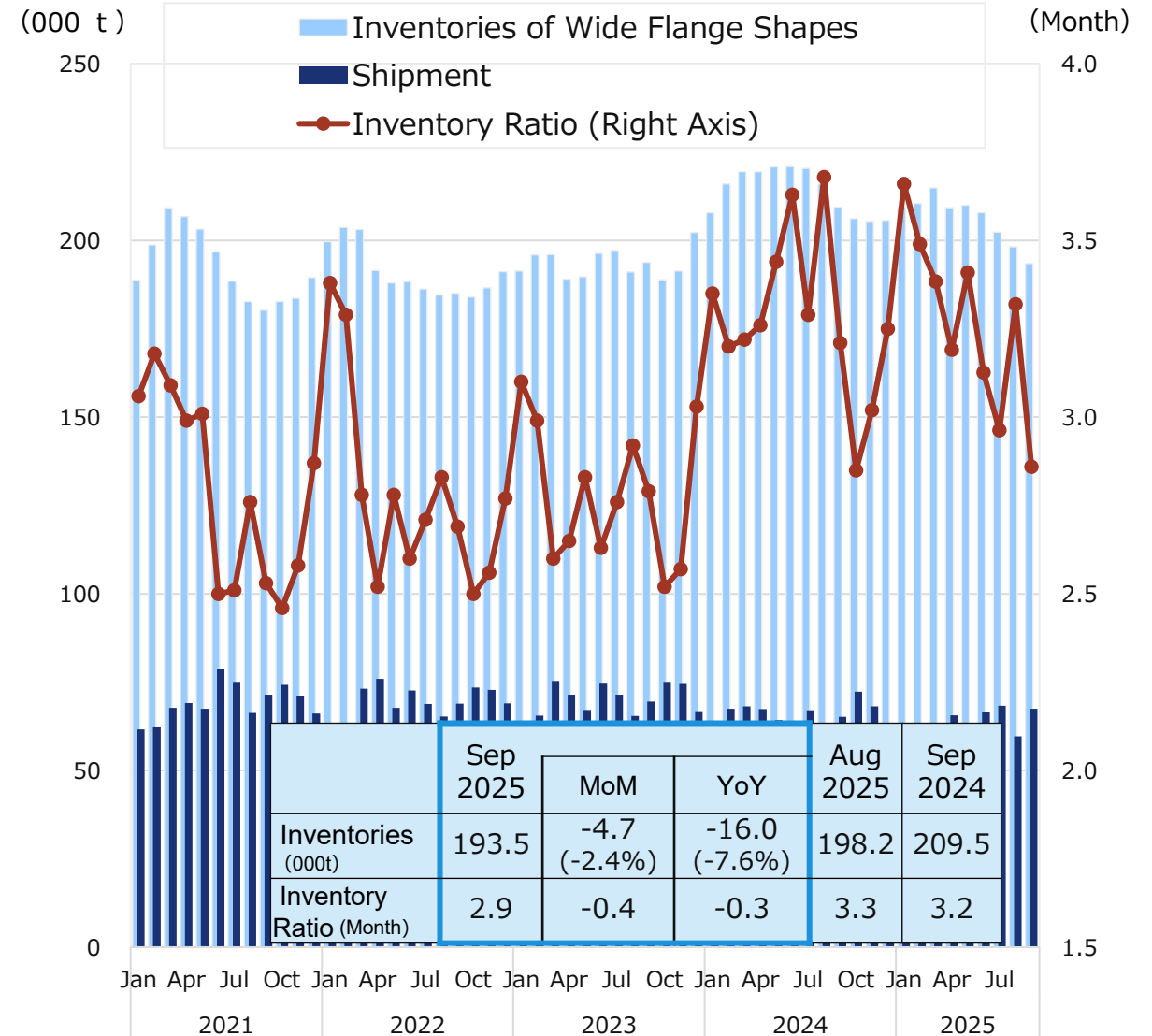
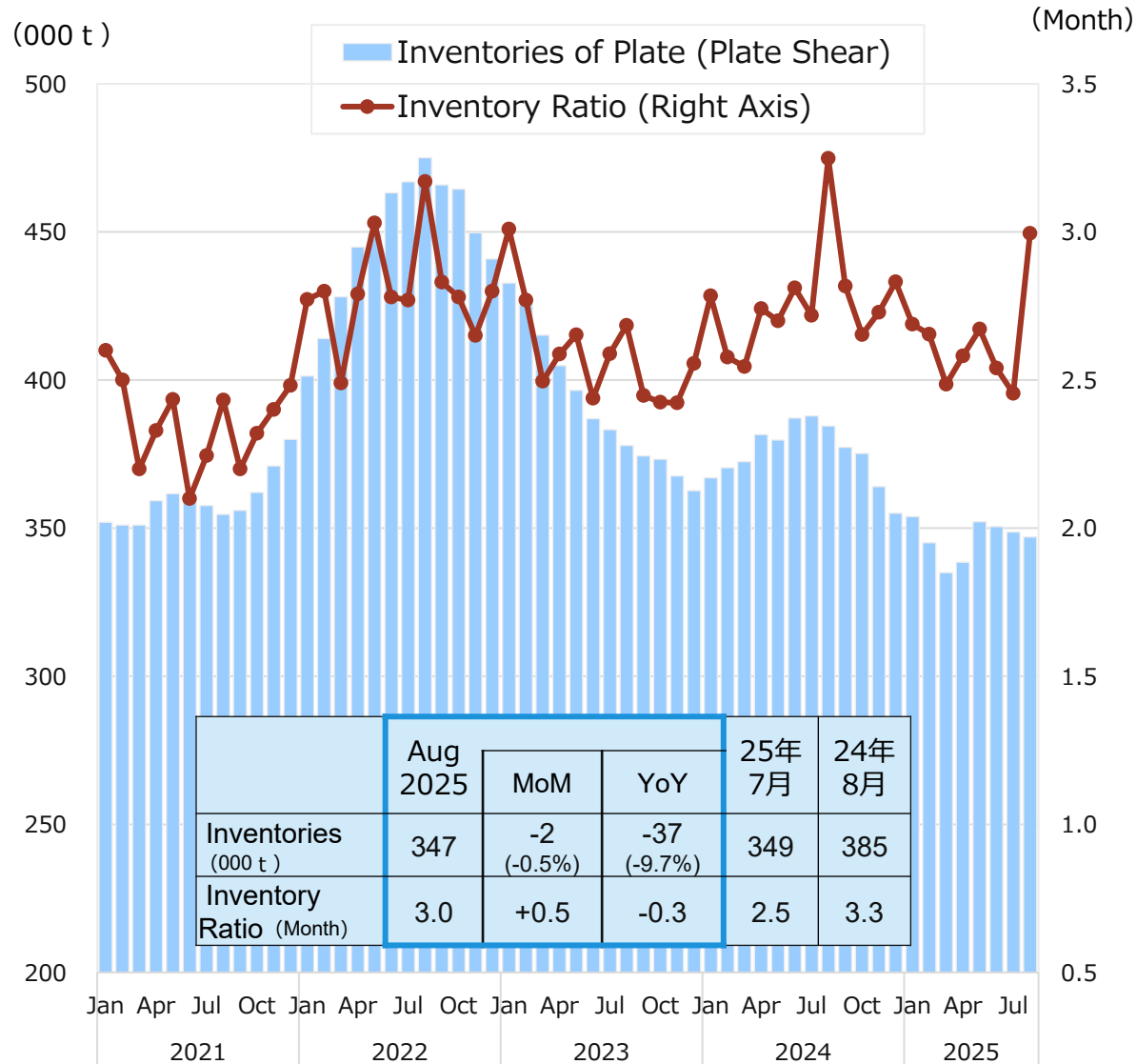
[Domestic Market Environment]
Combined Inventories of HR, CR and Coated Steel Sheet



[Domestic Market Environment]

Inventories of Plate (Plate Shear) and Wide Flange Shapes

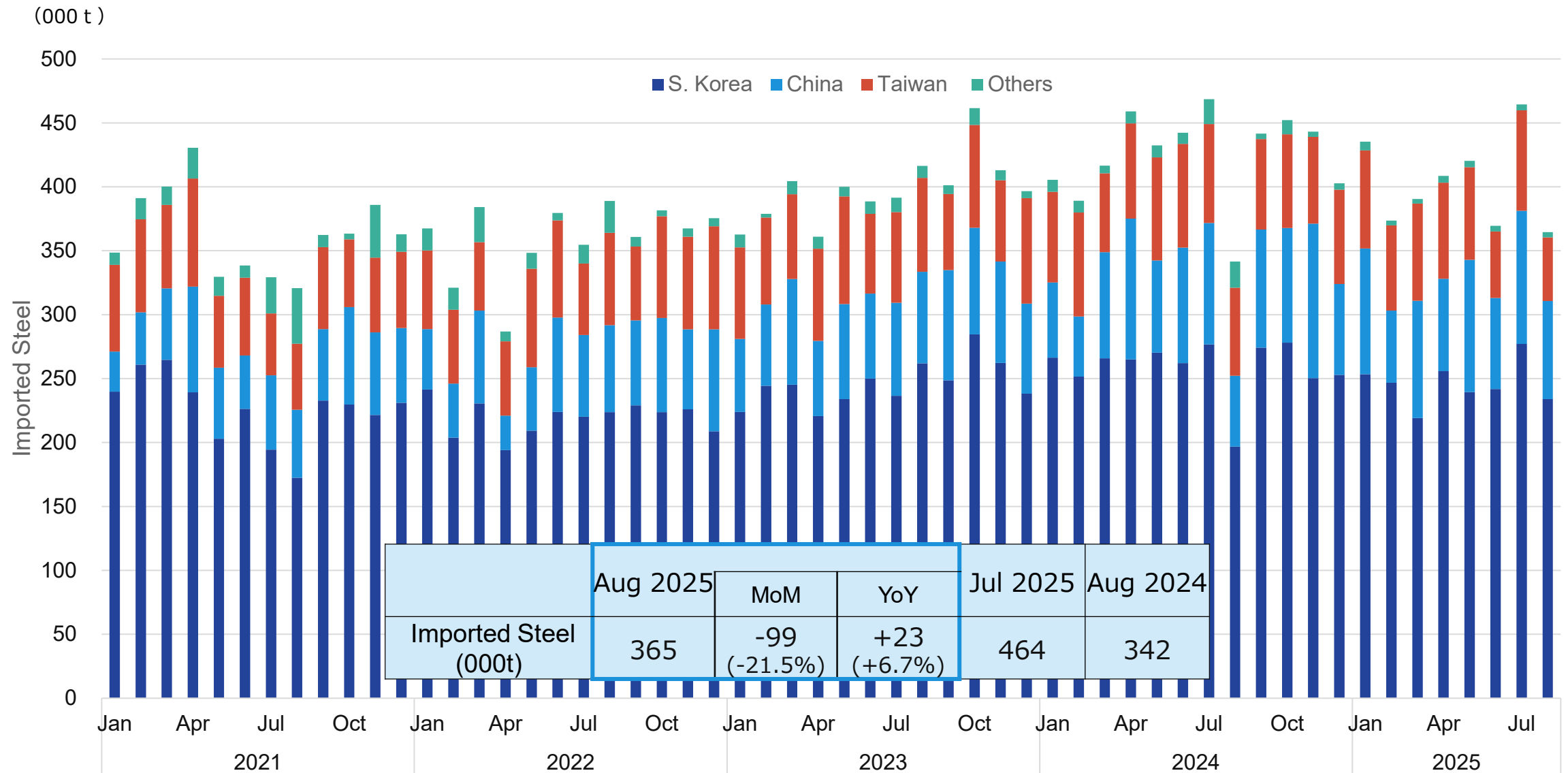
JFE Steel



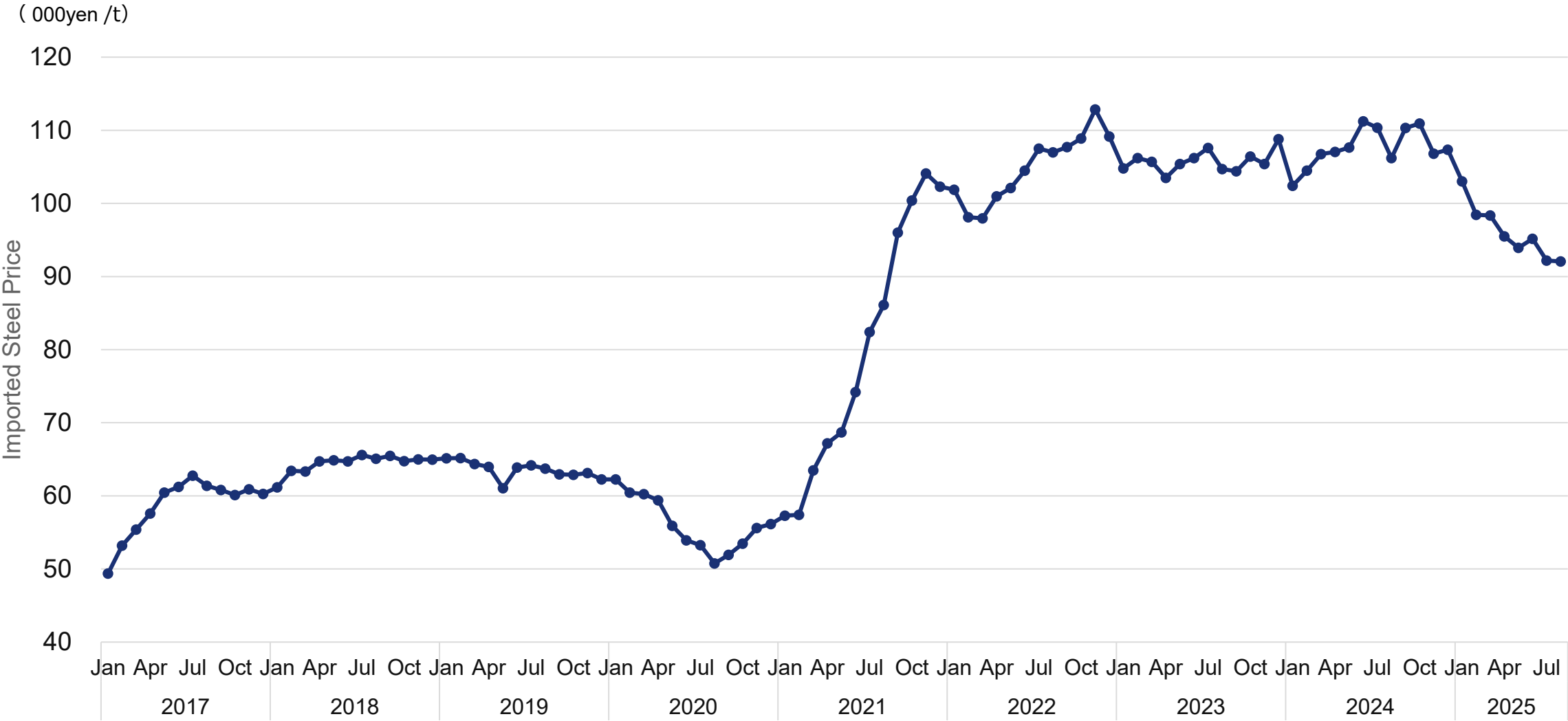
[Domestic Market Environment]

Trend of Imported Steel (Ordinary Steel)

JFE Steel



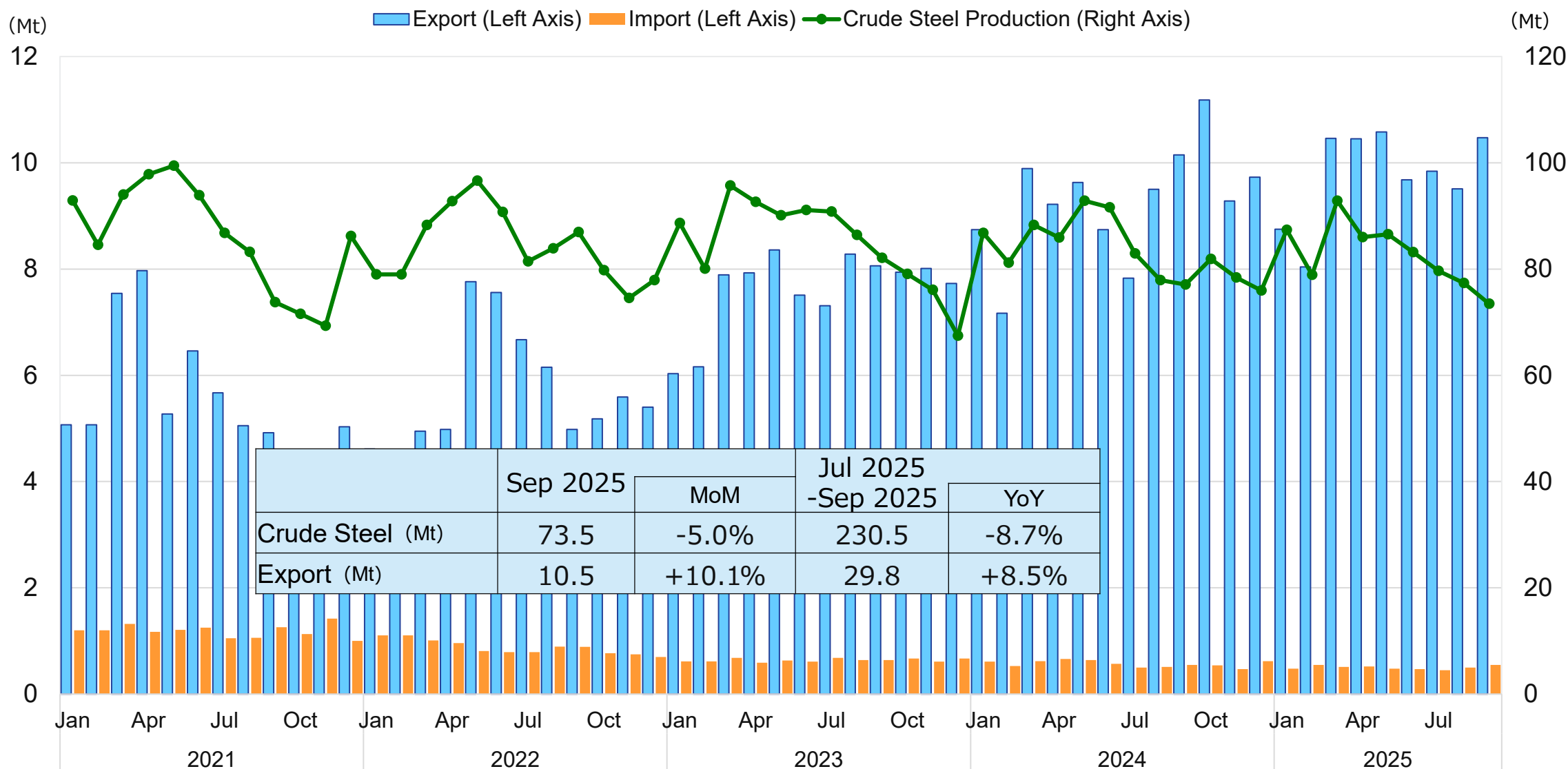
[Domestic Market Environment]
Price Trend of Imported Steel



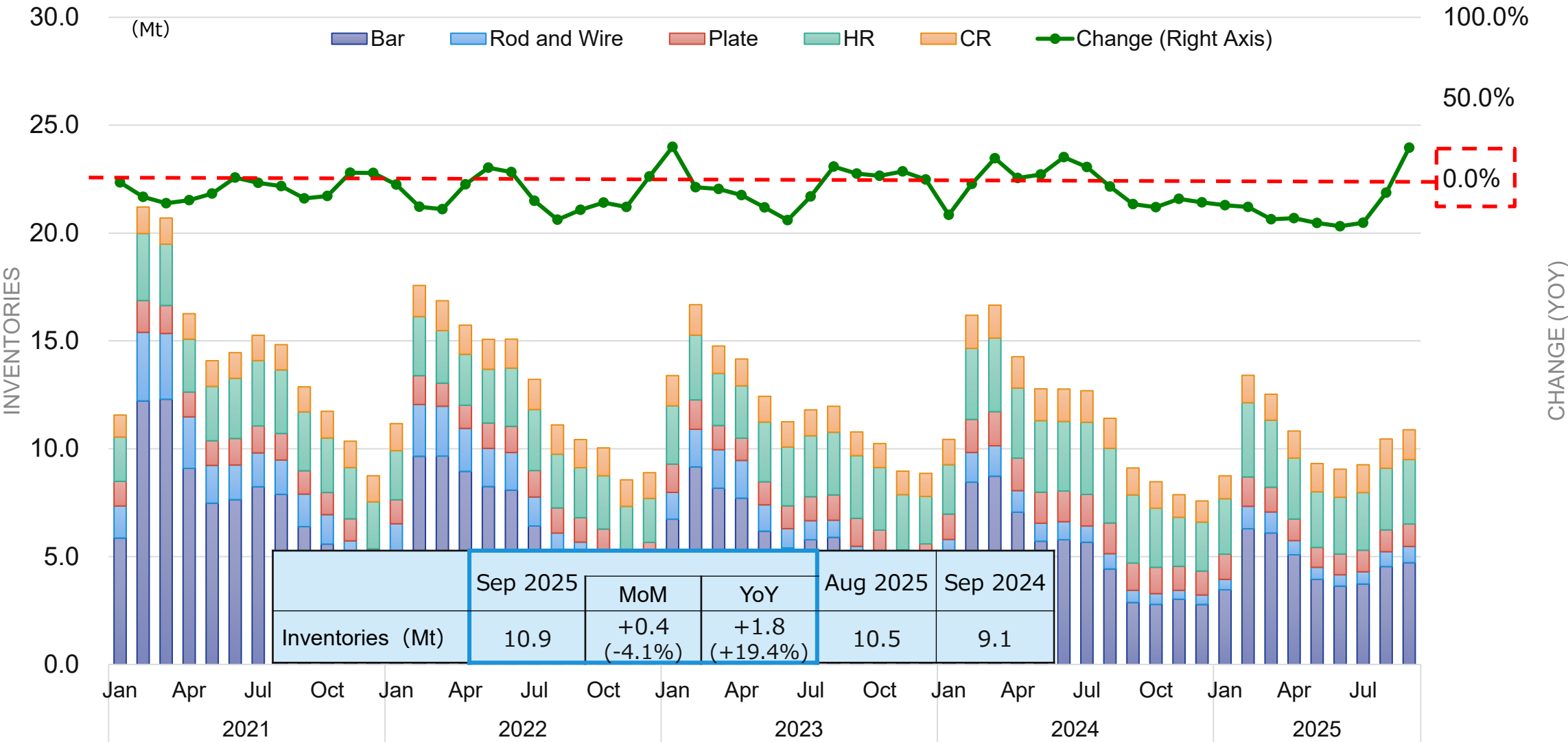
Data: The Japan Iron and Steel Federation Import Steel from S. Korea

[Overseas Market Environment] Crude Steel & Im/Export, China

JFE Steel



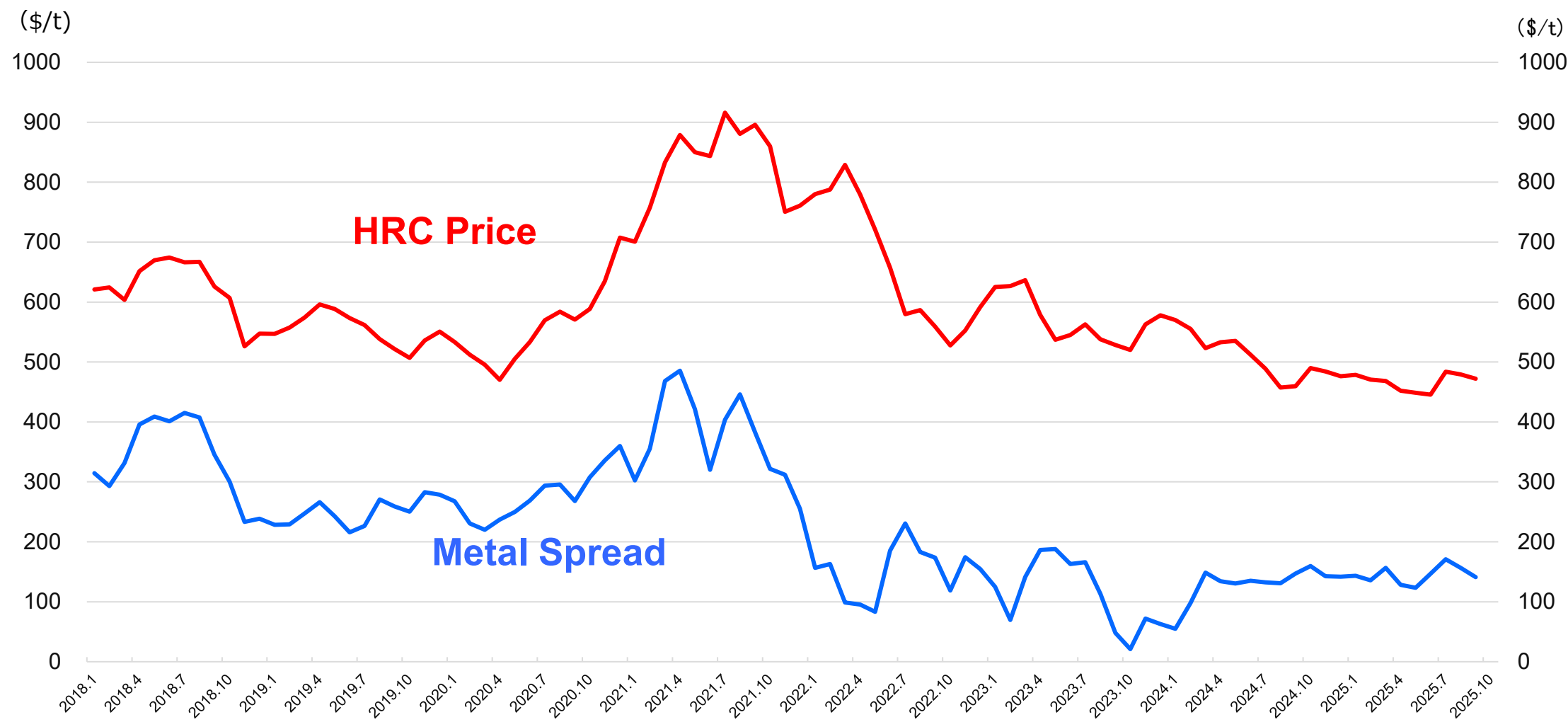
[Overseas Market Environment]
Inventories in China by Product



[Overseas Market Environment]

Metal Spread Trend (Chinese Spot Basis)

JFE Steel



Metal Spread = HRC Price – Raw Materials Cost

*HRC Price : Chinese Spot basis

Raw Materials Cost : Calculated from market price of Iron Ore and Hard Coking Coal

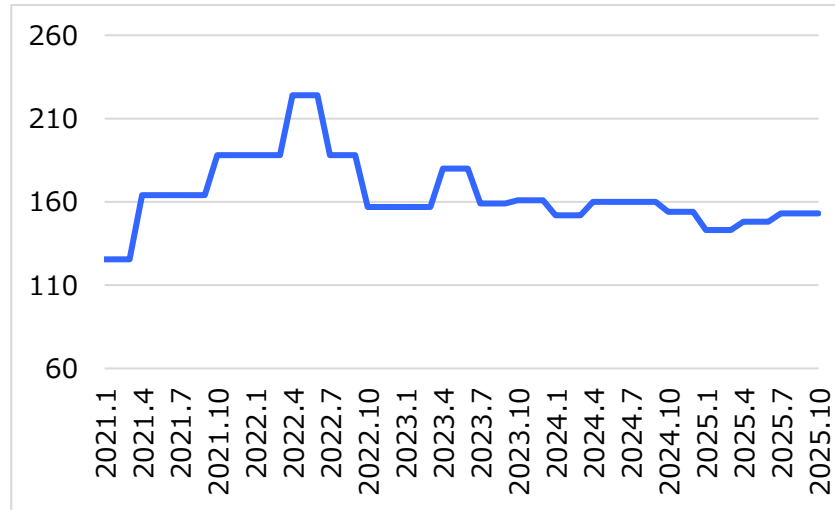
[Raw Materials]

Trend of Sub Material's Market Price

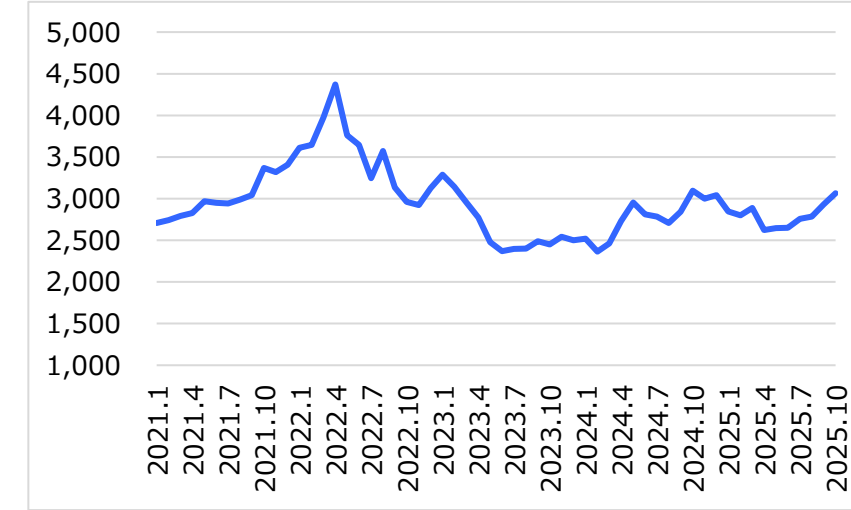
JFE Steel



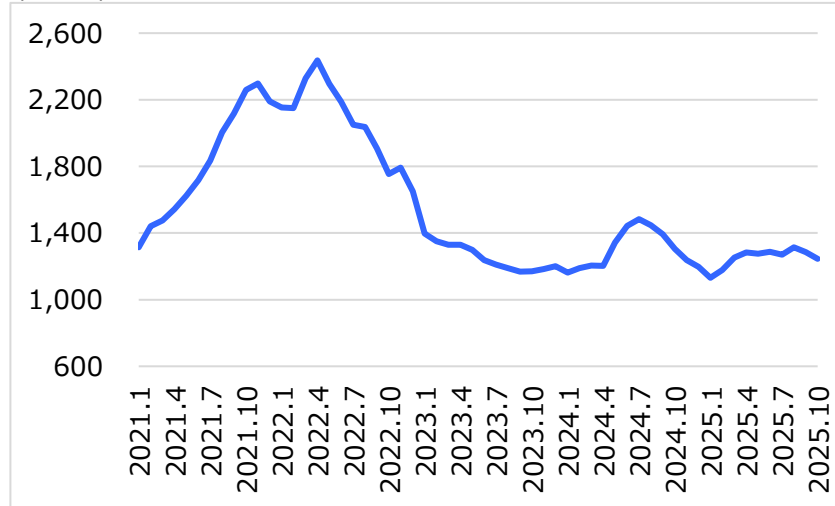
(¢/lb) FeCr



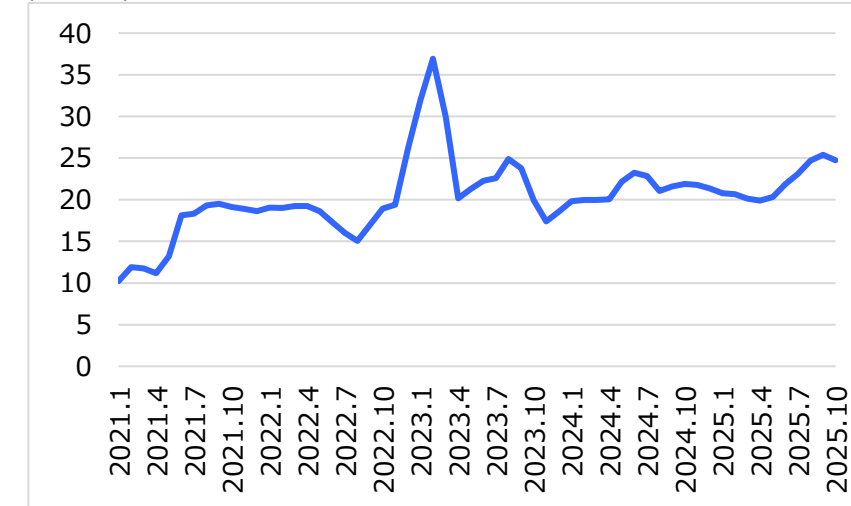
(US\$/t) Zn



(US\$/t) FeMn



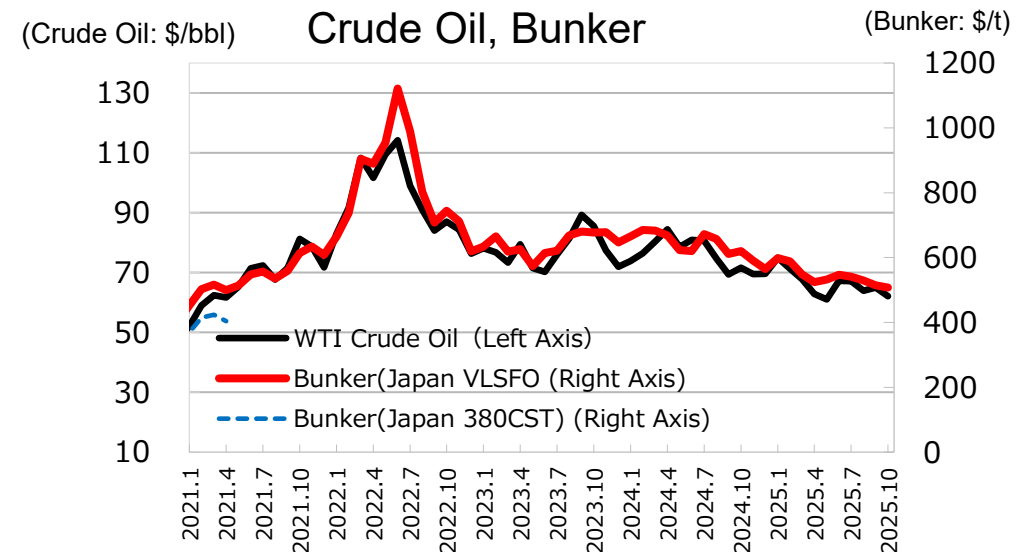
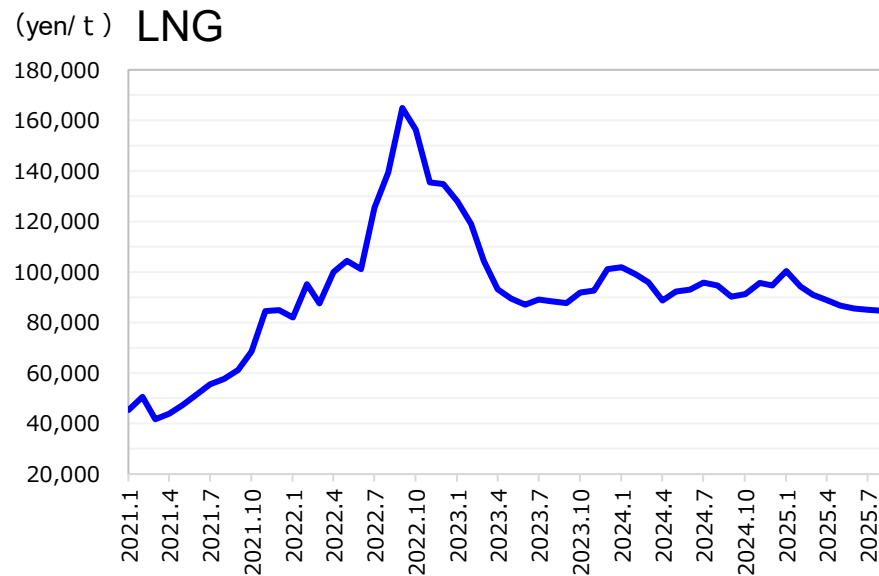
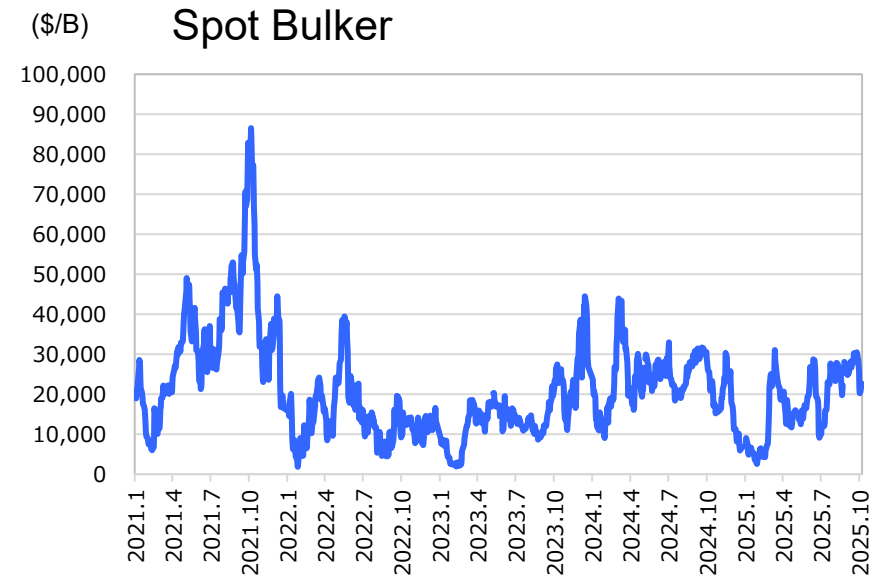
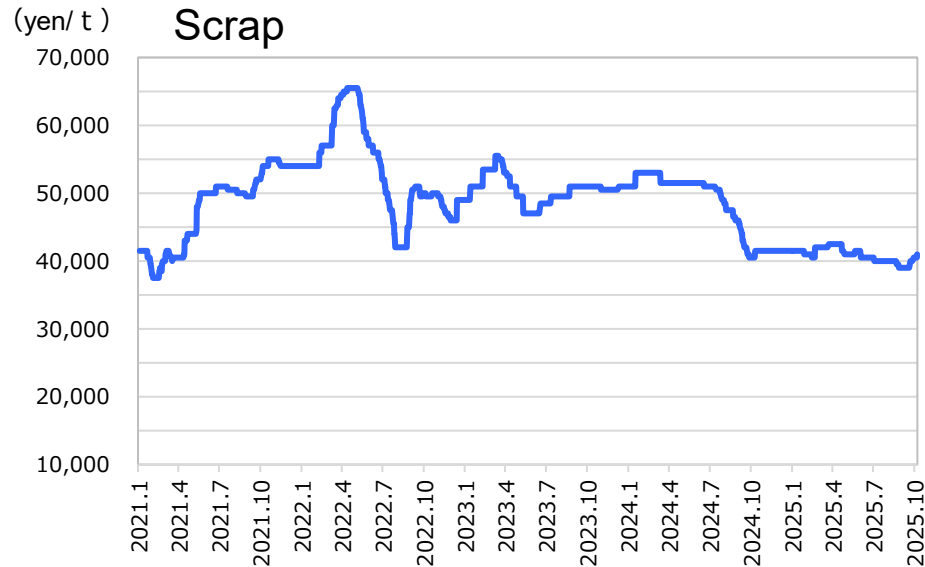
(US\$/lb) Mo



[Raw Materials]

Trend of Sub Material's Market Price

JFE Steel



Orders of JGreeX™ Green Transition/Transformation Steel (GX Steel)

JFE Steel



- Started supply of **GX steel "JGreeX™"** that **significantly reduces GHG emissions** in manufacturing processes compared to conventional steel products from the first half of FY2023.
- In FY2024, **adoption of "JGreeX™"** **expanded across all fields** due to GX steel demand stimulation.

Field	Domestic/ Overseas	Products	Customer	Use
Automobiles	Domestic	Automotive steel sheet	Isuzu Motors and others	Automobiles
Ship building	Domestic	Plates	Higaki Shipbuilding, Onomichi Dockyard, Imabari Shipbuilding	Dry bulk carriers
	Domestic	Plates	Tsuneishi Shipbuilding	Hydrogen-fueled Tugboats
	Domestic	Plates	Namikata Shipyard	Coastal general cargo ship
Construction	Domestic	Plates, Shapes, Pipes	Kumagai Gumi, Sumitomo Corporation	Office Building
	Domestic	Pipes	YASHIMANADA	Roll column
	Domestic	Shapes	Tomakomai Kuribayashi Transportation	Warehouse
	Domestic	Pipes	JFE Shoji Pipe & Fitting Corporation	Wholesale of pipes
	Domestic	Wire rod	Nippon Fastener Corporation	High strength bolt
	Domestic	★ Shapes	MITSUWA TEKKEN	Factory building
	Overseas	Hot rolled sheets	SUNSCO	Warehouse
Bridge	Domestic	Plates	Yokogawa Bridge (Okayama city)	Bridge
	Domestic	Plates	JFE Engineering (Yokoyama city)	Bridge
Ship building, Construction, Offshore structure	Overseas	Plates	Hock Seng Hoe	Wholesale of plates
Electric power	Overseas	Electrical sheets	European transformer manufacturer	Transformer
	Overseas	Electrical sheets	Eaton Corporation	Transformer
	Domestic	Electrical sheets	AICHI ELECTRIC	Industrial Transformer
Office equipment	Domestic	Bars	Suzutoyo Seiko	Resource-recycling Containers
Can	Domestic	Tin	MoNo Factory	Pinback Buttons
Industrial machinery	Domestic	Cold rolled sheets	Yamaha Motor	Surface mounting machines
	Domestic	Plates	Takasago Metal Works	Overhead Crane

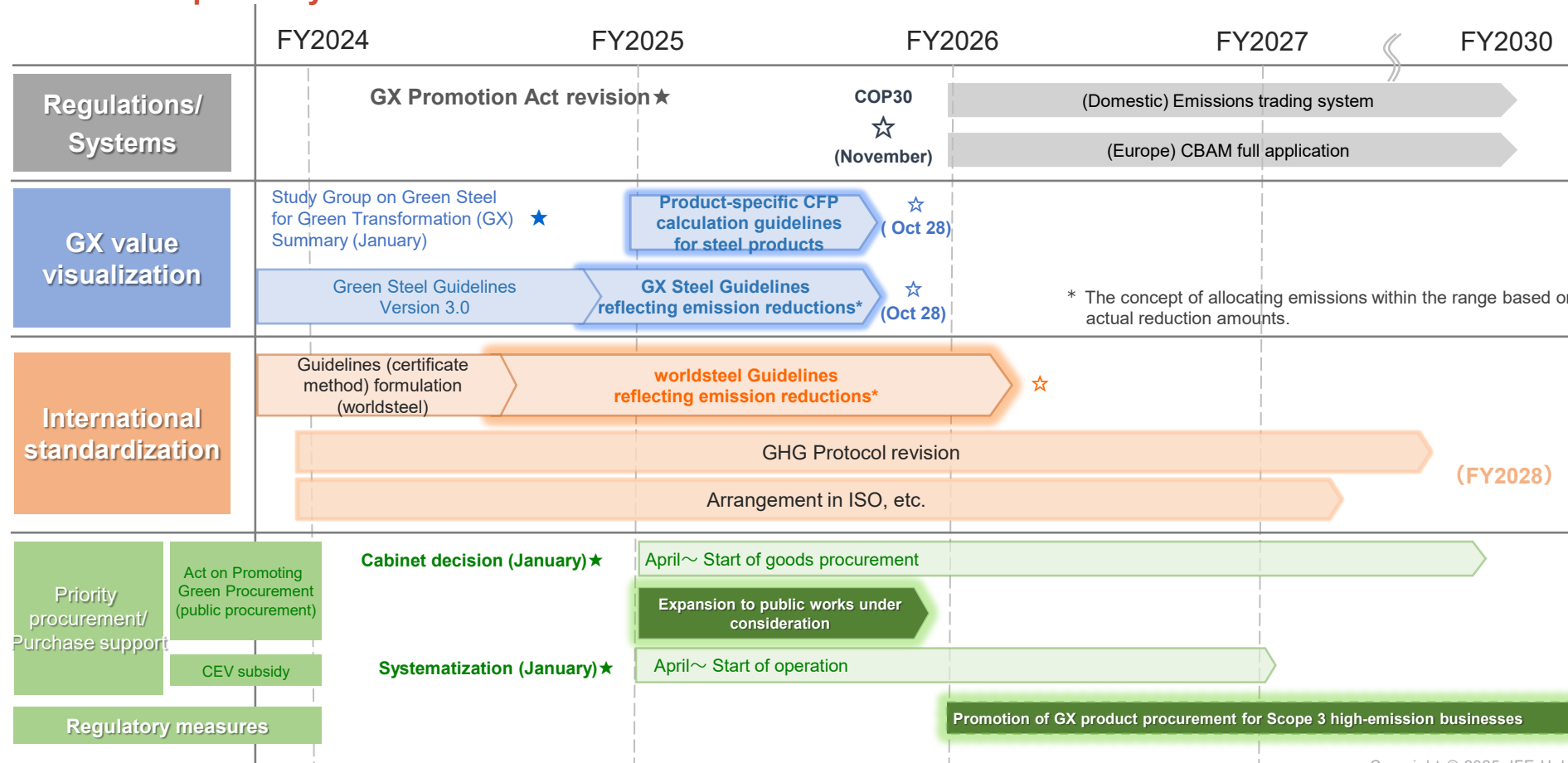
★ : New orders received
in 2Q of FY2025

Efforts to Create a Green Transition/Transformation Steel (GX Steel) Market

JFE Steel



- In the summary report of the “Study Group on Green Steel for Green Transformation (GX)”, green steel for GX promotion was clearly defined and explicitly **designated as a priority target for preferential government procurement and purchase support**.
- Following the report, **the “Product-specific Carbon Footprint Calculation Guidelines for Steel Products,” the “GX Steel Guidelines,” and the “Carbon Footprint Calculation Guidelines for Non-Fossil Powered Steel” were formulated and publicly released on October 28.**



(billions of yen)

	Business Field	FY 2024 Actual	FY 2025 Forecast	Change	Main orders received in FY2025 First-Half ★ ... New projects received in 2Q of FY2025
Orders	Waste to Resource	271.2	300.0	28.8	Construction works of domestic waste treatment facilities [★Niigata、★Osaka、★Hiroshima] Improvement works of domestic waste treatment facility [★Okinawa]
	Carbon Neutral	179.1	280.0	100.9	Construction works of domestic LNG related facilities [★Chiba、★Hokkaido、☆Hyogo (order received in Oct.)]
	Core Infrastructure	129.2	120.0	(9.2)	Construction works of bridge (Harbor road [Kanagawa])
	Total	579.5	700.0	120.5	
Order Backlog		994.4	1,090.0	95.6	

※Starting from fiscal year 2025, the first year of our Eighth Medium-term Business Plan, we have consolidated our engineering business fields from four to three.

In line with this change, energy-related products have been reclassified from Core Infrastructure to Carbon Neutral.

※The results for fiscal year 2024 are presented based on the figures after this consolidation.

Appendix(3)

Published Materials (Link Collection)

	Release	Materials (Japanese)	Materials (English)
Long-term vision “JFE Vision 2035”/ Eighth Medium-term Business Plan (FY2025-FY2027)	8 th May 2025	Japanese	English
JFE Group Environmental Management Strategy	29 th May 2025	Japanese	English
JFE Steel Corporation Overseas Business Strategy	8 th August 2025	Japanese	English
JFE GROUP REPORT 2025	26 th September 2025	Japanese	English
JFE Group Sustainability Report 2025	26 th September 2025	Japanese	English
DX REPORT 2024	7 th February 2025	Japanese	English



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