

JFE Holdings' Financial Results for First Half of Fiscal Year 2025 Ending March 31, 2026

— 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)

November 6, 2025

Official name:	JFE Holdings, Inc.
Listings:	Tokyo stock exchange
Code:	5411
English URL:	www.jfe-holdings.co.jp/en
Representative:	Yoshihisa Kitano, President and CEO
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Scheduled date to submit Semi-Annual Report:	November 6, 2025
Scheduled date to start paying dividends:	December 4, 2025
Preparation of supplementary materials for quarterly results:	Yes
Quarterly results briefing:	Yes

(Figures are rounded down to the nearest million yen.)

1. Consolidated Results in First Half of Fiscal 2025 (April 1 to September 30, 2025)

(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)	%
1H FY 2025	2,232,649	(8.9)	45,765	(44.1)	34,174	(43.0)	28,359	(34.3)	26,676	(37.2)	14,377	(83.5)
1H FY 2024	2,450,781	(4.9)	81,891	(50.2)	59,963	(61.4)	43,197	(61.3)	42,485	(61.4)	86,906	(53.0)

	Basic earnings per share (yen)	Diluted earnings per share (yen)
1H FY 2025	41.94	40.20
1H FY 2024	66.80	63.99

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)	Total equity attributable to owners of parent (million yen)	Total equity attributable to owners of parent (%)
End 1H FY 2025	5,651,791	2,568,763	2,510,177	44.4
End FY 2024	5,647,637	2,586,868	2,529,578	44.8

2. Dividends

	Dividend per share (yen)		
		Interim	Year-end
FY 2024	100.00	50.00	50.00
FY 2025 (forecast)	80.00*	40.00	40.00*

*estimate

Note: Revisions to dividend forecast announced most recently: No

3. Forecasts of Consolidated Financial Results in Fiscal 2025 (April 1, 2025 to March 31, 2026)

(Percentages represent changes from same period of previous fiscal year)

	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 2025	4,600,000	(5.3)	140,000	3.4	110,000	(23.8)	75,000	(18.4)	117.92

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

Notes

1. Significant change in scope of consolidation: No
 - 1) New company: None
 - 2) Excluded company: None
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 September 30, 2025: 639,438,399 shares
 - As of March 31, 2025: 639,438,399 shares
 - 2) Treasury stock at the end of the term
 - As of September 30, 2025: 3,286,811 shares
 - As of March 31, 2025: 3,360,277 shares
 - 3) Average number of shares during the term
 - 1H Fiscal 2025: 636,108,787 shares
 - 1H Fiscal 2024: 636,018,554 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

1. Overview of Business Performance, etc. for the First Half of Fiscal Year 2025 Ending March 31, 2026	2
2. Condensed Interim Consolidated Financial Statements and Notes	
(1) Condensed Interim Consolidated Statement of Financial Position	3
(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income (First Half)	5
(3) Condensed Interim Consolidated Statement of Changes in Equity (First Half)	7
(4) Notes to Condensed Interim Consolidated Financial Statements	9
Notes on Segment Information	9
Notes Pertaining to the Presumption of a Going Concern	10
Notes on Condensed Interim Consolidated Statement of Cash Flow	10
3. Supplementary Information	11

1. Overview of Business Performance, etc. for the First Half of Fiscal Year 2025 Ending March 31, 2026

For an overview of business performance and other related matters, please refer to the supplementary explanation materials for the financial results. The supplementary financial data will be disclosed today via TDnet and published on our website.

2. Condensed Interim Consolidated Financial Statements and Notes

(1) Condensed Interim Consolidated Statement of Financial Position

	As of March 31, 2025	(million yen) As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	172,841	183,186
Trade and other receivables	692,985	687,449
Contract assets	155,257	172,337
Inventories	1,228,540	1,151,986
Income taxes receivable	6,257	2,896
Other financial assets	22,116	32,159
Other current assets	90,786	118,308
Subtotal	2,368,785	2,348,324
Assets held for sale	—	17,295
Total current assets	2,368,785	2,365,620
Non-current assets		
Property, plant and equipment	1,964,041	1,970,610
Goodwill	33,999	29,503
Intangible assets	201,002	202,472
Right-of-use asset	93,447	96,535
Investment property	54,126	53,712
Investments accounted for using equity method	636,972	617,237
Retirement benefit asset	27,432	29,242
Deferred tax assets	56,432	49,654
Other financial assets	190,524	214,132
Other non-current assets	20,873	23,071
Total non-current assets	3,278,851	3,286,171
Total assets	5,647,637	5,651,791

	As of March 31, 2025	(million yen) As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	595,954	557,709
Bonds payable, borrowings, and lease obligations	395,415	405,518
Contract liabilities	47,591	44,283
Income taxes payable, etc.	29,849	10,483
Provisions	10,410	11,112
Other financial liabilities	148,830	126,114
Other current liabilities	245,661	230,545
Subtotal	1,473,713	1,385,766
Liabilities directly associated with assets held for sale	—	3,141
Total current liabilities	1,473,713	1,388,908
Non-current liabilities		
Bonds payable, borrowings, and lease obligations	1,371,035	1,466,909
Retirement benefit liability	103,092	106,162
Provisions	29,355	26,883
Deferred tax liabilities	15,430	9,467
Other financial liabilities	40,098	56,861
Other non-current liabilities	28,042	27,834
Total non-current liabilities	1,587,055	1,694,120
Total liabilities	3,060,768	3,083,028
Equity		
Share capital	171,310	171,310
Capital surplus	579,514	578,473
Retained earnings	1,607,951	1,607,176
Treasury shares	(13,736)	(12,573)
Other components of equity	184,539	165,791
Total equity attributable to owners of parent	2,529,578	2,510,177
Non-controlling interests	57,289	58,585
Total equity	2,586,868	2,568,763
Total liabilities and equity	5,647,637	5,651,791

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statements of Profit or Loss (First Half)

	First Half of Fiscal 2024 (April 1, 2024 – September 30, 2024)	(million yen) First Half of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Revenue	2,450,781	2,232,649
Cost of sales	(2,174,283)	(1,989,717)
Gross profit	276,498	242,932
Selling, general and administrative expenses	(197,130)	(204,546)
Share of profit of investments accounted for using equity method	18,618	22,819
Other income	14,712	11,719
Other expenses	(30,806)	(27,159)
Business profit	81,891	45,765
Gain on sales of land	4,952	—
Cost for promoting and developing land utilization of Keihin district	(4,827)	—
Loss relating to loss of control over subsidiaries	(12,227)	—
Operating profit	69,788	45,765
Finance income	2,874	2,833
Finance costs	(12,699)	(14,423)
Profit before tax	59,963	34,174
Income tax expense	(16,765)	(5,815)
Profit	43,197	28,359
Profit attributable to		
Owners of parent	42,485	26,676
Non-controlling interests	711	1,682
Profit	43,197	28,359
Earnings per share		
Basic earnings per share (yen)	66.80	41.94
Diluted earnings per share (yen)	63.99	40.20

Condensed Interim Consolidated Statement of Comprehensive Income (First Half)

	(million yen)	
	First Half of Fiscal 2024 (April 1, 2024 – September 30, 2024)	First Half of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Profit	43,197	28,359
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(3,802)	2,258
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(7,975)	10,452
Share of other comprehensive income of investments accounted for using equity method	12,789	(2,222)
Total of items that will not be reclassified to profit or loss	1,011	10,488
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	14,522	(4,417)
Effective portion of cash flow hedges	143	586
Share of other comprehensive income of investments accounted for using equity method	28,031	(20,640)
Total of items that may be reclassified to profit or loss	42,697	(24,470)
Total other comprehensive income	43,708	(13,981)
Comprehensive income	86,906	14,377
Comprehensive income attributable to		
Owners of parent	85,497	12,345
Non-controlling interests	1,408	2,032
Comprehensive income	86,906	14,377

(3) Condensed Interim Consolidated Statement of Changes in Equity

First Half of Fiscal 2024 (April 1, 2024 – September 30, 2024)

	(million yen)						
	Equity attributable to owners of parent						
	Other components of equity						Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Remeasurements of defined benefit plans	
Balance as of April 1, 2024	171,310	587,266	1,570,027	(14,938)	3,081	—	48,444
Profit	—	—	42,485	—	—	—	—
Other comprehensive income	—	—	—	—	—	(2,789)	4,034
Comprehensive income	—	—	42,485	—	—	(2,789)	4,034
Purchase of treasury shares	—	—	—	(944)	—	—	—
Disposal of treasury shares	—	(926)	—	1,835	—	—	—
Dividends	—	—	(31,827)	—	—	—	—
Share-based payment transactions	—	(124)	—	336	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	99	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(2,334)	—	—	2,789	(455)
Transfers to non-financial assets	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with owners	—	(951)	(34,161)	1,227	—	2,789	(455)
Balance as of September 30, 2024	171,310	586,315	1,578,352	(13,711)	3,081	—	52,023

	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, 2024	96,035	2,900	150,461	2,464,128	74,392	2,538,521	
Profit	—	—	—	42,485	711	43,197	
Other comprehensive income	42,235	(468)	43,011	43,011	696	43,708	
Comprehensive income	42,235	(468)	43,011	85,497	1,408	86,906	
Purchase of treasury shares	—	—	—	(944)	—	(944)	
Disposal of treasury shares	—	—	—	909	—	909	
Dividends	—	—	—	(31,827)	(887)	(32,714)	
Share-based payment transactions	—	—	—	212	—	212	
Change in scope of consolidation	—	—	—	—	(23,883)	(23,883)	
Changes in ownership interest in subsidiaries	—	—	—	99	(212)	(113)	
Transfer from other components of equity to retained earnings	—	—	2,334	—	—	—	
Transfers to non-financial assets	—	1,861	1,861	1,861	—	1,861	
Other	—	—	—	—	1,131	1,131	
Total transactions with owners	—	1,861	4,196	(29,689)	(23,852)	(53,541)	
Balance as of September 30, 2024	138,271	4,293	197,669	2,519,936	51,949	2,571,885	

First Half of Fiscal 2025 (April 1, 2025 – September 30, 2025)

(million yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	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, 2025	171,310	579,514	1,607,951	(13,736)	3,081	—	50,722
Profit	—	—	26,676	—	—	—	—
Other comprehensive income	—	—	—	—	—	2,332	7,513
Comprehensive income	—	—	26,676	—	—	2,332	7,513
Purchase of treasury shares	—	—	—	(624)	—	—	—
Disposal of treasury shares	—	(984)	—	1,593	—	—	—
Dividends	—	—	(31,845)	—	—	—	—
Share-based payment transactions	—	(78)	—	194	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	20	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	4,393	—	—	(2,332)	(2,061)
Transfers to non-financial assets	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with owners	—	(1,041)	(27,451)	1,163	—	(2,332)	(2,061)
Balance as of September 30, 2025	171,310	578,473	1,607,176	(12,573)	3,081	—	56,174

	Equity attributable to owners of parent					
	Other components of equity				Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Total	Total		
Balance as of April 1, 2025	123,616	7,118	184,539	2,529,578	57,289	2,586,868
Profit	—	—	—	26,676	1,682	28,359
Other comprehensive income	(27,635)	3,459	(14,331)	(14,331)	349	(13,981)
Comprehensive income	(27,635)	3,459	(14,331)	12,345	2,032	14,377
Purchase of treasury shares	—	—	—	(624)	—	(624)
Disposal of treasury shares	—	—	—	609	—	609
Dividends	—	—	—	(31,845)	(1,518)	(33,363)
Share-based payment transactions	—	—	—	116	—	116
Change in scope of consolidation	—	—	—	—	16	16
Changes in ownership interest in subsidiaries	—	—	—	20	39	60
Transfer from other components of equity to retained earnings	—	—	(4,393)	—	—	—
Transfers to non-financial assets	—	(23)	(23)	(23)	—	(23)
Other	—	—	—	—	725	725
Total transactions with owners	—	(23)	(4,416)	(31,746)	(737)	(32,483)
Balance as of September 30, 2025	95,980	10,554	165,791	2,510,177	58,585	2,568,763

(4) Notes to Condensed Interim Consolidated Financial Statements

Notes on Segment information

(1) Overview of reportable segments

The Group organized under JFE Holdings executed commercial activities through three operating companies—JFE Steel Corporation, JFE Engineering Corporation and JFE Shoji Corporation—in accordance with the characteristics of their respective businesses. Consolidated reporting segments, one for each operating company, were characterized by their constituent products and services.

Each segment had its own respective products and services. The steel business produced and sold various steel products, processed steel products and raw materials, and provided transportation and other related businesses such as facility maintenance and construction. The engineering business handled engineering for energy, urban environment, steel structures and industrial machines, recycling and electricity retailing. The trading business purchased, processed and distributed steel products, raw materials for steel production, nonferrous metal products, and food, etc.

(2) Information on reportable segments

The Group assesses segment performance on the basis of segment profit. Segment profit is profit before tax excluding one-time items of a materially significant value.

Intersegment transactions are based on market prices and the like.

First Half of Fiscal 2024 (cumulative total: April 1, 2024 to September 30, 2024)

(million yen)

	Steel	Engineering	Trading	Total	Adjustments ¹	Amount recorded in consolidated financial statements
Revenue						
Revenue from external customers	1,542,577	261,710	646,493	2,450,781	—	2,450,781
Intersegment revenue	186,771	7,790	69,026	263,588	(263,588)	—
Total	1,729,348	269,500	715,520	2,714,370	(263,588)	2,450,781
Segment profit	34,511	8,914	22,402	65,828	6,238	72,066
Gain on sales of land						4,952
Cost for promoting and developing land utilization of Keihin district						(4,827)
Loss relating to loss of control over subsidiaries						(12,227)
Profit before tax						59,963

¹ Adjustments are as follows.

Adjustments to segment profit include corporate profit not allocated to a reportable segment: 706 million yen, share of profit of investments accounted for using equity method related to Japan Marine United Corporation: 2,760 million yen; elimination of other intersegment transactions: 2,771 million yen. Corporate profit is profit of the Company.

First Half of Fiscal 2025 (cumulative total: April 1, 2025 to September 30, 2025)

(million yen)

	Steel	Engineering	Trading	Total	Adjustments ¹	Amount recorded in consolidated financial statements
Revenue						
Revenue from external customers	1,372,993	279,601	580,055	2,232,649	—	2,232,649
Intersegment revenue	164,488	7,479	67,460	239,428	(239,428)	—
Total	1,537,481	287,080	647,515	2,472,078	(239,428)	2,232,649
Segment profit	(5,354)	12,693	21,971	29,310	4,864	34,174
Profit before tax						34,174

¹ Adjustments are as follows.

Adjustments to segment profit include corporate profit not allocated to a reportable segment: 634 million yen, share of profit of investments accounted for using equity method related to Japan Marine United Corporation: 3,691 million yen; elimination of other intersegment transactions: 538 million yen. Corporate profit is profit of the Company.

Notes Pertaining to the Presumption of a Going Concern

There is no item for this period.

Notes on Condensed Interim Consolidated Statement of Cash Flow

Depreciation and amortization, including amortization of intangible assets, for the first half of the current fiscal year are as follow:

(million yen)

	First Half of Fiscal 2024 (April 1, 2024 – September 30, 2024)	First Half of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Depreciation and amortization	127,055	135,566

3. Supplementary Information

(1) Consolidated Results in First Half and Earnings Forecasts for Fiscal 2025

								(billion yen)	
		FY 2024		FY 2025		Change		FY2025 Forecast (August 4) Full year	
		1H	Full year	1H	Full year	1H	Full year		
	Steel Business	1,729.3	3,365.1	1,537.4	3,080.0	(191.9)	(285.1)	3,070.0	
	Engineering Business	269.5	569.8	287.0	600.0	17.5	30.2	600.0	
	Trading Business	715.5	1,438.5	647.5	1,350.0	(68.0)	(88.5)	1,500.0	
	Adjustments	(263.5)	(513.9)	(239.4)	(430.0)	24.1	83.9	(420.0)	
Revenue		2,450.7	4,859.6	2,232.6	4,600.0	(218.1)	(259.6)	4,750.0	
Business profit ¹		A	81.8	135.3	45.7	140.0	(36.1)	4.7	140.0
Finance income / costs		B	(9.8)	(20.7)	(11.5)	(30.0)	(1.7)	(9.3)	(30.0)
Segment Profit									
	Steel Business	34.5	36.3	(5.3)	40.0	(39.8)	3.7	40.0	
	Engineering Business	8.9	19.3	12.6	20.0	3.7	0.7	20.0	
	Trading Business	22.4	47.9	21.9	45.0	(0.5)	(2.9)	50.0	
	Adjustments	6.2	10.8	4.8	5.0	(1.4)	(5.8)	-	
Total		A+B	72.0	114.5	34.1	110.0	(37.9)	(4.5)	110.0
Exceptional Items ²			(12.1)	29.7	-	-	12.1	(29.7)	-
Profit before tax			59.9	144.3	34.1	110.0	(25.8)	(34.3)	110.0
Tax Expense and Profit (Loss) Attributable to Non-controlling Interests			(17.4)	(52.4)	(7.4)	(35.0)	10.0	17.4	(35.0)
Profit Attributable to Owners of Parent			42.4	91.8	26.6	75.0	(15.8)	(16.8)	75.0

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 (Fiscal 2025 Forecasts)

	Fiscal 2024	Fiscal 2025	Change
Return on Sales (ROS) ¹	2.8%	3.0%	0.2%
Return on Assets (ROA) ²	2.4%	2.4%	0.0%
Return on Equity (ROE) ³	3.7%	3.0%	(0.7%)
EBITDA ⁴	392.9 billion yen	410.0 billion yen	17.1 billion yen
Interest-bearing debt outstanding	1,766.4 billion yen	1,870.0 billion yen	103.6 billion yen
Debt / EBITDA multiple ⁵	4.5x	4.6x	0.1x
Equity attributable to owners of parent	2,529.5 billion yen	2,530.0 billion yen	0.5 billion yen
D/E Ratio ⁶	54.3%	58.1%	3.8 %

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.

*Debt having a capital component (subordinated loans and bonds)

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	100.0 billion yen	50%	50.0 billion yen
June 10, 2021	35.0 billion yen	50%	17.5 billion yen
March 20, 2023	205.0 billion yen	50%	102.5 billion yen

(3) Crude Steel Production (JFE Steel)

(million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
Fiscal 2024	Non-consolidated	5.48	5.55	11.03	5.53	5.39	10.91	21.95
	Consolidated	5.80	5.89	11.69	5.83	5.67	11.50	23.20
Fiscal 2025	Non-consolidated	5.28	5.52	10.80			10.70*	21.50*
	Consolidated	5.61	5.81	11.42				

*estimate

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

(million tons)

	1Q	2Q	1H	3Q	4Q	2H	Full year
Fiscal 2024	4.70	4.96	9.66	4.87	4.84	9.71	19.36
Fiscal 2025	4.71	4.82	9.53				

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

(%)

	1Q	2Q	1H	3Q	4Q	2H	Full year
Fiscal 2024	40.6	44.2	42.4	40.0	41.9	40.9	41.7
Fiscal 2025	39.9	42.8	41.3				

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

(JPY/USD)

	1Q	2Q	1H	3Q	4Q	2H	Full year
Fiscal 2024	155.0	152.8	153.9	149.0	154.1	151.6	152.7
Fiscal 2025	145.3	147.0	146.2			150*	148*

*estimate

(7) Average Selling Price (JFE Steel on non-consolidated basis)

(thousand yen/ton)

	1Q	2Q	1H	3Q	4Q	2H	Full year
Fiscal 2024	139.2	131.5	135.2	127.0	124.0	125.5	130.3
Fiscal 2025	120.4	119.2	119.8				

(8) Engineering Business Orders (including intersegment transactions)

(billion yen)

Field	Fiscal 2024	Fiscal 2025 Forecast	Change
Waste to Resource	271.2	300.0	28.8
Carbon Neutral	179.1	280.0	100.9
Core Infrastructure	129.2	120.0	(9.2)
Total	579.5	700.0	120.5

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.

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

(billion yen)

	Fiscal 2024	Fiscal 2025 Forecast
Capital Investment	314.8	380.0*
Depreciation and Amortization	257.6	270.0*

(on construction basis)

*estimate

(10) Breakdown of Changes in Segment Profit

a. First half of Fiscal 2025, compared to same period of Fiscal 2024

-37.9 billion yen: 72.0 billion yen in first half of fiscal 2024 → 34.1 billion yen in first half of fiscal 2025

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	9.0	Operational enhancement, etc.
- Sales volume and mix	(5.0)	Crude steel volume: 11.03 → 10.80 million tons
- Spread*	(28.0)	Deterioration in export profitability due to yen appreciation, negative impact of raw material price fluctuations and timing differences in adjustments for selling prices
- Unrealized gains (losses) on inventories	5.0	Inventory valuation -39.0, carry over 40.0, foreign exchange valuation 4.0
- Others	(20.8)	Group companies 10.0 Others -30.8 (depreciation, interest expense, construction timing differences, etc.)
- Total	<u>(39.8)</u>	
Engineering and Trading businesses, and Adjustments	1.9	

b. First half of Fiscal 2025, compared to previous forecast

9.1 billion yen: 25.0 billion yen in previous forecast → 34.1 billion yen in first half of fiscal 2025

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	0.0	
- Sales volume and mix	2.0	Crude steel volume: about 10.70 → 10.80 million tons
- Spread*	0.0	
- Unrealized gains (losses) on inventories	5.0	Inventory valuation 2.0, carry over 1.0, foreign exchange valuation 2.0
- Others	2.7	Group companies 2.0, others 0.7
- Total	<u>9.7</u>	
Engineering and Trading businesses, and Adjustments	(0.6)	

c. Fiscal 2025 forecast, compared to Fiscal 2024

-4.5 billion yen: 114.5 billion yen in fiscal 2024 → 110.0 billion yen in fiscal 2025 forecast

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	27.0	Operational enhancement, etc. Crude steel volume: 21.95→about 21.50 million tons
- Sales volume and mix	(9.0)	Expansion of high-value-added products (such as electric steel and heavy plates for wind power applications) Deterioration in domestic and overseas steel market conditions, deterioration in export profitability due to yen appreciation, negative impact of raw material price fluctuations and timing differences in adjustments for selling prices
- Spread*	(53.0)	
- Unrealized gains (losses) on inventories	51.0	Inventory valuation -14.0, carry over 65.0, foreign exchange valuation 0.0
- Others	(12.3)	Group companies 19.0 Others -31.3 (depreciation, interest expense, construction timing differences, etc.)
- Total	<u>3.7</u>	
Engineering and Trading businesses, and Adjustments	(8.2)	

d. Fiscal 2025 forecast, compared to previous forecast

0.0 billion yen: 110.0 billion yen in previous forecast → 110.0 billion yen in fiscal 2025 forecast

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	3.0	
- Sales volume and mix	6.0	Crude steel volume: about 21.00→about 21.50 million tons Negative impact of changes in domestic/export sales mix
- Spread*	(10.0)	Deterioration in domestic and overseas steel market conditions, negative impact of raw material price fluctuations and timing differences in adjustments for selling prices, improvement in export profitability due to yen appreciation
- Unrealized gains (losses) on inventories	10.0	Inventory valuation 3.0, carry over 4.0, foreign exchange valuation 3.0
- Others	(9.0)	Group companies -10.0 (India, North America, etc.), others 1.0
- Total	0.0	
Engineering and Trading businesses, and Adjustments	0.0	

*Spread includes various prices (metals, energy, materials, logistics, labor costs, exchange rate effects, etc.)

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