

## Outline of the JFE Group

The JFE Group continues to take on the challenges of establishing advanced technologies and enhancing its market competitiveness as a leading Japanese future-oriented enterprise group.

### JFE Holdings, Inc. Headquarters of the JFE Group

This is the JFE Group's streamlined head office, responsible for group-wide strategic functions, risk management and accountability to the public.

Established	September 27, 2002
Address	1-1-2 Marunouchi, Chiyoda-ku, Tokyo
Consolidated net sales	¥3,098.3 billion (fiscal year ended March 31, 2006)
Consolidated ordinary income	¥517.3 billion (fiscal year ended March 31, 2006)
Number of employees	86 employees (as of March 31, 2006)

#### Origin of Company Name

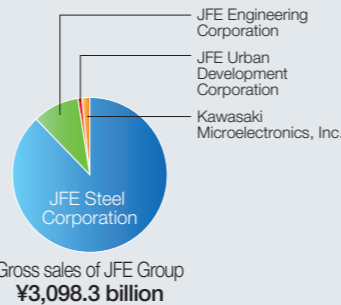
The company name JFE is composed of the letter "J" for Japan, "F" for steel (as in Fe, the atomic symbol of iron) and "E" for engineering. It is also the acronym of "Japan Future Enterprise," i.e., a leading Japanese future-oriented enterprise group with steel and engineering businesses at its core.

#### Origin of Company Name

<http://www.jfe-holdings.co.jp/en/company/brand/index.html>

#### Background to Merger

<http://www.jfe-holdings.co.jp/en/company/tougou/index.html>



### JFE Steel Corporation World-leading steel producer

JFE Steel Corporation is an integrated steel producer ranking fifth in the world in terms of crude steel production. It is highly competitive internationally thanks to the unique strengths of a framework built on two major steelworks—one each in eastern and western Japan—and produces and sells a wide range of high-value-added steel products, taking advantage of its world-class technology and product development capabilities.

Established	April 1, 2003
Address	2-2-3 Uchisaiwaicho, Chiyoda-ku, Tokyo
Consolidated net sales	¥2,753.8 billion (fiscal year ended March 31, 2006)
Consolidated ordinary income	¥510.7 billion (fiscal year ended March 31, 2006)
Number of employees	44,579 employees (as of March 31, 2006)
Group companies	Consolidated subsidiaries: 184 subsidiaries Affiliates subject to equity method: 32 affiliates



### JFE Engineering Corporation Proposing optimal systems on the global arena

JFE Engineering Corporation is responsible for the engineering business, which is the JFE Group's core business, together with steel. It provides solutions based on advanced technologies in the fields of energy (mainly pipelines and LNG plants), environment (e.g., waste disposal facilities, water supply and sewerage facilities, biomass utilization\*), steel structures (e.g., bridges, steel frames), systems (e.g., industrial machinery) and logistics.

\* Photo on right: Biomass power generation plant for Iwakuni Wood Power Company, Limited

Established	April 1, 2003
Address	1-1-2 Marunouchi, Chiyoda-ku, Tokyo
Consolidated net sales	¥306.0 billion (fiscal year ended March 31, 2006)
Consolidated ordinary income	¥0.9 billion (fiscal year ended March 31, 2006)
Number of employees	7,428 employees (as of March 31, 2006)
Group companies	Consolidated subsidiaries: 21 subsidiaries Affiliates subject to equity method: 7 affiliates



### JFE Urban Development Corporation Total urban production capitalizing on diverse expertise

JFE Urban Development Corporation creates a pleasant urban environment through its four businesses: the large-scale complex development business, which involves the redevelopment of idle land owned by the JFE Group and the creation of new urban districts; the condominium business, which supplies distinctive, high-quality condominiums; the real estate solutions business, which engages in the redevelopment of land owned by third parties; and the property development business, which executes the development, management and operation of real estate assets.

Established	April 1, 2003
Address	1-1-2 Marunouchi, Chiyoda-ku, Tokyo
Consolidated net sales	¥28.5 billion (fiscal year ended March 31, 2006)
Consolidated ordinary income	¥2.8 billion (fiscal year ended March 31, 2006)
Number of employees	327 employees (as of March 31, 2006)
Group companies	Consolidated subsidiaries: 2 subsidiaries



### Kawasaki Microelectronics, Inc. Taking advantage of proprietary design and production technologies for Application-Specific Integrated Circuit (ASIC)

Kawasaki Microelectronics, Inc. is an LSI vendor specializing in sophisticated, high-value-added ASIC. It offers a comprehensive range of services to its customers from designing and development to manufacturing, testing and shipping. Its strength is demonstrated in products for LCD panels, as reflected in its substantial market share worldwide.

Established	July 2, 2001
Address	1-3 Nakase, Mihama-ku, Chiba City, Chiba Prefecture
Consolidated net sales	¥46.1 billion (fiscal year ended March 31, 2006)
Consolidated ordinary income	¥2.0 billion (fiscal year ended March 31, 2006)
Number of employees	602 employees (as of March 31, 2006)
Group companies	Consolidated subsidiaries: 2 subsidiaries



### JFE R&D Corporation Development center of basic technologies shared within the JFE Group

JFE R&D Corporation is a concept-creating research institution that undertakes further development of core technologies shared between JFE Group's core businesses, namely, steel and engineering, and opens up possibilities for new technologies by combining them organically with such elemental technologies.

Established	April 1, 2003
Address	1-1 Minamiatarida-cho, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture
Number of employees	89 employees (as of March 31, 2006)

