

JFE Holdings' Financial Results for First Quarter 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)

August 4, 2025

Official name: Listings: Code: English URL: Representative: Contact: Phone: Preparation of supplementary materials for quarterly results: Quarterly results briefing:	JFE Holdings, Inc. Tokyo stock exchange 5411 www.jfe-holdings.co.jp/en Yoshihisa Kitano, President and CEO Tomoko Takami, Manager, Public Relations Section Investor Relations and Corporate Communications Department +81-3-3597-3842 Yes Yes
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(Figures are rounded down to the nearest million yen)

1. Consolidated Results in First Quarter of Fiscal 2025 (April 1 to June 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)	%
1Q FY 2025	1,115,313	(7.9)	16,261	(71.4)	10,377	(73.8)	7,775	(71.9)	7,128	(74.1)	(26,290)	—
1Q FY 2024	1,211,141	(4.0)	56,932	(32.9)	39,570	(50.5)	27,708	(53.6)	27,516	(53.8)	74,560	(18.8)

	Basic earnings per share (yen)	Diluted earnings per share (yen)
1Q FY 2025	11.21	10.82
1Q FY 2024	43.27	41.40

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

(2) Consolidated Financial Position

	Total assets (million yen)	Total equity (million yen)	Equity attributable to owners of parent (million yen)	Equity attributable to owners of parent (%)
End 1Q FY 2025	5,633,115	2,529,024	2,472,182	43.9
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

Note: Revisions to dividend forecast announced most recently: Yes

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)
1H FY 2025	2,330,000	(4.9)	40,000	(51.2)	25,000	(58.3)	15,000	(64.7)	23.58
FY 2025	4,750,000	(2.3)	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 June 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 June 30, 2025: 3,364,695 shares
 - As of March 31, 2025: 3,360,277 shares
 - 3) Average number of shares during the term
 - 1Q Fiscal 2025: 636,075,920 shares
 - 1Q Fiscal 2024: 635,962,086 shares

Review of the accompanying quarterly consolidated financial statements by a certified public accountant or an auditing firm: None

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

1. Overview of Business Performance, etc. for the First Quarter 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 Quarterly Consolidated Financial Statements and Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

	As of March 31, 2025	(million yen) As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	172,841	175,105
Trade and other receivables	692,985	702,162
Contract assets	155,257	149,373
Inventories	1,228,540	1,193,213
Income taxes receivable	6,257	7,902
Other financial assets	22,116	26,595
Other current assets	90,786	107,342
Subtotal	2,368,785	2,361,696
Assets held for sale	—	17,323
Total current assets	2,368,785	2,379,020
Non-current assets		
Property, plant and equipment	1,964,041	1,960,507
Goodwill	33,999	33,116
Intangible assets	201,002	200,105
Right-of-use asset	93,447	93,179
Investment property	54,126	53,820
Investments accounted for using equity method	636,972	613,458
Retirement benefit asset	27,432	27,846
Deferred tax assets	56,432	55,893
Other financial assets	190,524	195,434
Other non-current assets	20,873	20,733
Total non-current assets	3,278,851	3,254,094
Total assets	5,647,637	5,633,115

	As of March 31, 2025	(million yen) As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	595,954	559,557
Bonds payable, borrowings, and lease obligations	395,415	566,469
Contract liabilities	47,591	50,544
Income taxes payable, etc.	29,849	7,100
Provisions	10,410	11,217
Other financial liabilities	148,830	111,473
Other current liabilities	245,661	192,461
Subtotal	1,473,713	1,498,824
Liabilities directly associated with assets held for sale	—	3,318
Total current liabilities	1,473,713	1,502,143
Non-current liabilities		
Bonds payable, borrowings, and lease obligations	1,371,035	1,391,906
Retirement benefit liability	103,092	106,126
Provisions	29,355	28,853
Deferred tax liabilities	15,430	6,879
Other financial liabilities	40,098	40,199
Other non-current liabilities	28,042	27,981
Total non-current liabilities	1,587,055	1,601,947
Total liabilities	3,060,768	3,104,090
Equity		
Share capital	171,310	171,310
Capital surplus	579,514	579,620
Retained earnings	1,607,951	1,585,602
Treasury shares	(13,736)	(13,743)
Other components of equity	184,539	149,391
Total equity attributable to owners of parent	2,529,578	2,472,182
Non-controlling interests	57,289	56,842
Total equity	2,586,868	2,529,024
Total liabilities and equity	5,647,637	5,633,115

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

Condensed Quarterly Consolidated Statements of Profit or Loss (First Quarter)

	First Quarter of Fiscal 2024 (April 1, 2024 – June 30, 2024)	(million yen) First Quarter of Fiscal 2025 (April 1, 2025 – June 30, 2025)
Revenue	1,211,141	1,115,313
Cost of sales	(1,072,690)	(1,001,585)
Gross profit	138,451	113,727
Selling, general and administrative expenses	(98,539)	(102,363)
Share of profit of entities accounted for using equity method	15,034	12,996
Other income	15,997	7,171
Other expenses	(14,012)	(15,270)
Business profit	56,932	16,261
Loss relating to loss of control over subsidiaries	(12,227)	—
Operating profit	44,704	16,261
Finance income	1,024	997
Finance costs	(6,158)	(6,882)
Profit before tax	39,570	10,377
Income tax expense	(11,861)	(2,601)
Profit	27,708	7,775
Profit attributable to		
Owners of parent	27,516	7,128
Non-controlling interests	191	646
Profit	27,708	7,775
Earnings per share		
Basic earnings per share (yen)	43.27	11.21
Diluted earnings per share (yen)	41.40	10.82

Condensed Quarterly Consolidated Statement of Comprehensive Income (First Quarter)

	(million yen)	
	First Quarter of Fiscal 2024 (April 1, 2024 – June 30, 2024)	First Quarter of Fiscal 2025 (April 1, 2025 – June 30, 2025)
Profit	27,708	7,775
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(1,791)	279
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(242)	(1,456)
Share of other comprehensive income of investments accounted for using equity method	8,082	(4,113)
Total of items that will not be reclassified to profit or loss	6,048	(5,291)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	11,608	(7,875)
Effective portion of cash flow hedges	2,091	(1,437)
Share of other comprehensive income of investments accounted for using equity method	27,104	(19,461)
Total of items that may be reclassified to profit or loss	40,804	(28,774)
Total other comprehensive income	46,852	(34,066)
Comprehensive income	74,560	(26,290)
Comprehensive income attributable to		
Owners of parent	74,243	(25,991)
Non-controlling interests	317	(299)
Comprehensive income	74,560	(26,290)

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
First Quarter of Fiscal 2024 (April 1, 2024 – June 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	—	—	27,516	—	—	—	—
Other comprehensive income	—	—	—	—	—	(716)	6,931
Comprehensive income	—	—	27,516	—	—	(716)	6,931
Purchase of treasury shares	—	—	—	(925)	—	—	—
Disposal of treasury shares	—	(928)	—	1,836	—	—	—
Dividends	—	—	(31,827)	—	—	—	—
Share-based payment transactions	—	121	—	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Changes in ownerships interest in subsidiaries	—	36	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(318)	—	—	716	(398)
Transfer to non-financial assets	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with owners	—	(770)	(32,145)	911	—	716	(398)
Balance as of June 30, 2024	171,310	586,496	1,565,399	(14,027)	3,081	—	54,978

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity			Total		
	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	—	—	—	27,516	191	27,708
Other comprehensive income	36,068	4,443	46,727	46,727	125	46,852
Comprehensive income	36,068	4,443	46,727	74,243	317	74,560
Purchase of treasury shares	—	—	—	(925)	—	(925)
Disposal of treasury shares	—	—	—	908	—	908
Dividends	—	—	—	(31,827)	(880)	(32,708)
Share-based payment transactions	—	—	—	121	—	121
Change in scope of consolidation	—	—	—	—	(23,911)	(23,911)
Changes in ownerships interest in subsidiaries	—	—	—	36	(135)	(98)
Transfer from other components of equity to retained earnings	—	—	318	—	—	—
Transfer to non-financial assets	—	61	61	61	—	61
Other	—	—	—	—	1,153	1,153
Total transactions with owners	—	61	379	(31,624)	(23,773)	(55,397)
Balance as of June 30, 2024	132,103	7,405	197,568	2,506,747	50,936	2,557,684

First Quarter of Fiscal 2025 (April 1, 2025 – June 30, 2025)

(million yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Share acquisition rights	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	—	—	7,128	—	—	—	—
Other comprehensive income	—	—	—	—	—	430	(5,156)
Comprehensive income	—	—	7,128	—	—	430	(5,156)
Purchase of treasury shares	—	—	—	(7)	—	—	—
Disposal of treasury shares	—	(0)	—	1	—	—	—
Dividends	—	—	(31,845)	—	—	—	—
Share-based payment transactions	—	106	—	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—
Changes in ownerships interest in subsidiaries	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	2,367	—	—	(430)	(1,937)
Transfer to non-financial assets	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with owners	—	106	(29,477)	(6)	—	(430)	(1,937)
Balance as of June 30, 2025	171,310	579,620	1,585,602	(13,743)	3,081	—	43,629

	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	—	—	—	7,128	646	7,775
Other comprehensive income	(26,942)	(1,452)	(33,120)	(33,120)	(945)	(34,066)
Comprehensive income	(26,942)	(1,452)	(33,120)	(25,991)	(299)	(26,290)
Purchase of treasury shares	—	—	—	(7)	—	(7)
Disposal of treasury shares	—	—	—	0	—	0
Dividends	—	—	—	(31,845)	(1,510)	(33,355)
Share-based payment transactions	—	—	—	106	—	106
Change in scope of consolidation	—	—	—	—	16	16
Changes in ownerships interest in subsidiaries	—	—	—	—	598	598
Transfer from other components of equity to retained earnings	—	—	(2,367)	—	—	—
Transfer to non-financial assets	—	340	340	340	—	340
Other	—	—	—	—	747	747
Total transactions with owners	—	340	(2,026)	(31,405)	(148)	(31,553)
Balance as of June 30, 2025	96,674	6,007	149,391	2,472,182	56,842	2,529,024

(4) Notes to Condensed Quarterly 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 Quarter of Fiscal 2024 (cumulative total: April 1, 2024 to June 30, 2024)

	Steel	Engineering	Trading	Total	Adjustments ¹	(million yen) Amount recorded in consolidated financial statements
Revenue						
Revenue from external customers	765,411	120,063	325,666	1,211,141	—	1,211,141
Intersegment revenue	95,203	3,819	32,650	131,673	(131,673)	—
Total	860,615	123,883	358,316	1,342,815	(131,673)	1,211,141
Segment profit	31,560	4,014	11,502	47,078	4,719	51,798
Loss relating to loss of control over subsidiaries						(12,227)
Profit before tax						39,570

¹ Adjustments are as follows.

Adjustments to segment profit include corporate profit not allocated to a reportable segment: 411 million yen, share of profit of entities accounted for using equity method related to Japan Marine United Corporation: 1,398 million yen; elimination of other intersegment transactions: 2,908 million yen. Corporate profit is profit of the Company.

First Quarter of Fiscal 2025 (cumulative total: April 1, 2025 to June 30, 2025)

	Steel	Engineering	Trading	Total	Adjustments ¹	(million yen) Amount recorded in consolidated financial statements
Revenue						
Revenue from external customers	679,154	131,650	304,507	1,115,313	—	1,115,313
Intersegment revenue	82,064	3,710	34,229	120,004	(120,004)	—
Total	761,219	135,361	338,736	1,235,317	(120,004)	1,115,313
Segment profit	(12,150)	5,752	12,614	6,216	4,160	10,377
Profit before tax						10,377

Adjustments to segment profit include corporate profit not allocated to a reportable segment: 534 million yen, share of profit of entities accounted for using equity method related to Japan Marine United Corporation: 2,576 million yen; elimination of other intersegment transactions: 1,049 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 Quarterly Consolidated Statement of Cash Flow

Condensed consolidated statement of cash flow for the first quarter of the current fiscal year has not been prepared. Depreciation and amortization, including amortization of intangible assets, for the first quarter of the current fiscal year are as follow:

(million yen)

	First Quarter of Fiscal 2024 (April 1, 2024 – June 30, 2024)	First Quarter of Fiscal 2025 (April 1, 2025 – June 30, 2025)
Depreciation and amortization	62,152	66,779

3. Supplementary information

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

(billion yen)

		Fiscal 2024			Fiscal 2025			Change			Fiscal 2025 Forecast (May 8)	
		1Q	1H	Full year	1Q	1H	Full year	1Q	1H	Full year	Full year	
	Steel Business	860.6	1,729.3	3,365.1	761.2	1,540.0	3,070.0	(99.4)	(189.3)	(295.1)	3,070.0	
	Engineering Business	123.8	269.5	569.8	135.3	275.0	600.0	11.5	5.5	30.2	600.0	
	Trading Business	358.3	715.5	1,438.5	338.7	750.0	1,500.0	(19.6)	34.5	61.5	1,500.0	
	Adjustments	(131.6)	(263.5)	(513.9)	(120.0)	(235.0)	(420.0)	11.6	28.5	93.9	(420.0)	
Revenue		1,211.1	2,450.7	4,859.6	1,115.3	2,330.0	4,750.0	(95.8)	(120.7)	(109.6)	4,750.0	
Business profit ¹		A	56.9	81.8	135.3	16.2	40.0	140.0	(40.7)	(41.8)	4.7	140.0
Finance income / costs		B	(5.1)	(9.8)	(20.7)	(5.8)	(15.0)	(30.0)	(0.7)	(5.2)	(9.3)	(30.0)
Segment Profit												
	Steel Business	31.5	34.5	36.3	(12.1)	(15.0)	40.0	(43.6)	(49.5)	3.7	40.0	
	Engineering Business	4.0	8.9	19.3	5.7	9.0	20.0	1.7	0.1	0.7	20.0	
	Trading Business	11.5	22.4	47.9	12.6	25.0	50.0	1.1	2.6	2.1	50.0	
	Adjustments	4.7	6.2	10.8	4.1	6.0	-	(0.6)	(0.2)	(10.8)	-	
Total		A+B	51.7	72.0	114.5	10.3	25.0	110.0	(41.4)	(47.0)	(4.5)	110.0
Exceptional Items ²			(12.2)	(12.1)	29.7	-	-	-	12.2	12.1	(29.7)	-
Profit before tax			39.5	59.9	144.3	10.3	25.0	110.0	(29.2)	(34.9)	(34.3)	110.0
Tax Expense and Profit (Loss) Attributable to Non-controlling Interests			(12.0)	(17.4)	(52.4)	(3.2)	(10.0)	(35.0)	8.8	7.4	17.4	(35.0)
Profit Attributable to Owners of Parent			27.5	42.4	91.8	7.1	15.0	75.0	(20.4)	(27.4)	(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 (1H Fiscal 2025 Forecasts)

	Fiscal 2024	1H Fiscal 2025	Change
Return on Sales (ROS) ¹	2.8%	1.7%	(1.1%)
Return on Assets (ROA) ²	2.4%	1.4%	(1.0%)
Return on Equity (ROE) ³	3.7%	1.2%	(2.5%)
EBITDA ⁴	392.9 billion yen	175.0 billion yen	-
Interest-bearing debt outstanding	1,766.4 billion yen	1,860.0 billion yen	93.6 billion yen
Debt / EBITDA multiple ⁵	4.5x	5.3x	-
Equity attributable to owners of parent	2,529.5 billion yen	2,480.0 billion yen	(49.5 billion yen)
D/E Ratio ⁶	54.3%	58.8%	4.5%

¹ ROS = Business profit / Revenue

² ROA (full year) = Business profit / Total assets, ROA (first half) = Business profit x 2 / Total assets

³ ROE (full year) = Profit attributable to owners of parent / Equity attributable to owners of parent

ROE (first half) = Profit attributable to owners of parent x 2 / Equity attributable to owners of parent

⁴ EBITDA = Business profit + Depreciation and amortization

⁵ Debt / EBITDA multiple (full year) = Interest-bearing debt outstanding / EBITDA

Debt / EBITDA multiple (half year) = Interest-bearing debt outstanding / (EBITDA x 2)

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	5.40*	10.70*			10.30*	21.00*
	Consolidated	5.61	5.70*	11.30*				

*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	4.80*	9.50*				

*estimate

(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*	41*				

*estimate

(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	145*	145*			145*	145*

*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*	120*				

*estimate

(8) Engineering Business Orders (including intersegment transactions)

(billion yen)

Field	1H Fiscal 2024	1H Fiscal 2025 Forecast	Change	Fiscal 2025 Forecast
Waste to Resource	114.8	160.0	45.2	300.0
Carbon Neutral	70.6	110.0	39.4	280.0
Core Infrastructure	60.6	50.0	(10.6)	120.0
Total	246.0	320.0	74.0	700.0

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 on consolidated basis)

(billion yen)

	Fiscal 2024	Fiscal 2025 Forecast
Capital Investment	314.8	420.0*
Depreciation & Amortization	257.6	280.0*

(on construction basis)

*estimate

(10) Breakdown of Changes in Segment Profit

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

-41.4 billion yen: 51.7 billion yen in first quarter of fiscal 2024 → 10.3 billion yen in first quarter of fiscal 2025

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	2.0	
- Sales volume and mix	(6.0)	Crude steel volume: 5.48→5.28 million tons
- Spread*	(9.0)	Deterioration in export profitability due to yen appreciation, impact of raw material price fluctuations and timing differences in adjustments for selling prices
- Unrealized gains (losses) on inventories	(24.0)	Inventory valuation -23.0, carry over 12.0, foreign exchange valuation -13.0
- Others	(6.6)	Depreciation, interest expense, etc.
- Total	<u>(43.6)</u>	
Engineering and Trading businesses, and Adjustments	2.2	

b. 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	24.0	Operational enhancement, etc. Crude steel volume: 21.95→about 21.00 million tons
- Sales volume and mix	(15.0)	Expansion of high-value-added products (such as electric steel and heavy plates for wind power applications)
- Spread*	(43.0)	Deterioration in export profitability due to yen appreciation, impact of raw material price fluctuations and timing differences in adjustments for selling prices
- Unrealized gains (losses) on inventories	41.0	Inventory valuation -17.0, carry over 61.0, foreign exchange valuation -3.0
- Others	(3.3)	Group company 28.0, others -31.3 (depreciation, interest expense, construction timing differences, etc.)
- Total	<u>3.7</u>	
Engineering and Trading businesses, and Adjustments	(8.2)	

c. Fiscal 2025 forecast, compared to previous forecast

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

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	0.0	
- Sales volume and mix	0.0	Crude steel volume: about 21.00→about 21.00 million tons
- Spread*	13.0	Improvement in export profitability due to weaker yen, etc.
- Unrealized gains (losses) on inventories	0.0	Inventory valuation 1.0, carry over -6.0, foreign exchange valuation 5.0
- Others	(13.0)	Group company -9.0, etc.
- Total	<u>0.0</u>	
Engineering and Trading businesses, and Adjustments	0.0	

d. Second half of Fiscal 2025 forecast, compared to first half of Fiscal 2025 forecast
60.0 billion yen: 25.0 billion yen (first half forecast) → 85.0 billion yen (second half forecast)

	<u>Change</u> (billion yen)	
Steel Business		
- Cost	7.0	
		Crude steel volume: about 10.70 → about 10.30 million tons
- Sales volume and mix	0.0	Expansion of high-value-added products (such as electric steel and heavy plates for wind power applications)
- Spread*	0.0	
- Unrealized gains (losses) on inventories	46.0	Inventory valuation 38.0, carry over 3.0, foreign exchange valuation 5.0
- Others	17.0	Group company 12.0
- Total	<u>70.0</u>	
Engineering and Trading businesses, and Adjustments	(10.0)	

¹ Spreads including various prices (metals, energy, materials, logistics, labor costs, foreign exchange effects, etc.)

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