

# JFE Holdings' Financial Results for First Half of Fiscal Year 2020 Ending March 31, 2021

— 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 9, 2020

Official name: Listings: Code: English URL: Representative: Contact:  Phone: Scheduled date to submit Quarterly Securities Report: Scheduled date to start paying dividends: Preparation of supplementary materials for quarterly results: Quarterly results briefing:	JFE Holdings, Inc. Tokyo and Nagoya stock exchanges 5411 www.jfe-holdings.co.jp/en Koji Kakigi, President and CEO Hidetsugu Tawara, Manager, Public Relations Section, Investor Relations and Corporate Communications Department +81-3-3597-3842 November 10, 2020 -- Yes Yes
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(Figures are rounded down to the nearest million yen.)

## 1. Consolidated Results in First Half of Fiscal 2020 (April 1 to September 30, 2020)

(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 2020	1,492,294	(20.3)	(114,338)	-	(120,788)	-	(104,520)	-	(105,712)	-	(90,825)	-
1H FY 2019	1,871,292	(1.1)	49,063	(68.3)	42,782	(71.2)	34,181	(69.4)	31,934	(70.7)	18,530	(83.9)

	Basic earnings per share (yen)	Diluted earnings per share (yen)
1H FY 2020	(183.58)	(183.58)
1H FY 2019	55.46	55.44

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)	Total equity attributable to owners of parent (%)
End 1H FY 2020	4,515,640	1,612,678	1,533,554	34.0
End FY 2019	4,646,120	1,706,552	1,627,026	35.0

## 2. Dividends

	Dividend per share (yen)		
		Interim	Year-end
FY 2019	20.00	20.00	0.00
FY 2020	-	0.00	-

Note: Revisions to dividend forecast announced most recently: No  
The year-end dividend and the total dividend are not yet determined.

## 3. Forecasts of Consolidated Financial Results in Fiscal 2020 (April 1, 2020 to March 31, 2021)

	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 2020	3,170,000	(15.0)	(90,000)	-	(105,000)	-	(100,000)	-	(173.66)

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

## Notes

1. Changes in significant subsidiaries during the term (changes in designated subsidiaries resulting in changes in consolidated structure): No
  
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, 2020: 614,438,399 shares
    - As of March 31, 2020: 614,438,399 shares
  - 2) Treasury stock at the end of the term
    - As of September 30, 2020: 38,593,925 shares
    - As of March 31, 2020: 38,601,655 shares
  - 3) Average number of shares during the term
    - 1H FY 2020: 575,840,615 shares
    - 1H FY 2019: 575,856,583 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 published on our website.

**Attachments**

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1. Condensed Quarterly Consolidated Financial Statements and Notes  
(1) Condensed Quarterly Consolidated Statement of Financial Position

	(million yen)	
	As of March 31, 2020	As of September 30, 2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	86,704	177,488
Trade and other receivables	678,098	587,024
Contract assets	142,075	128,919
Inventories	872,602	746,067
Income taxes receivable	20,946	8,323
Other financial assets	6,307	9,281
Other current assets	108,410	99,285
<b>Total current assets</b>	<b>1,915,146</b>	<b>1,756,390</b>
Non-current assets:		
Property, plant and equipment:	1,717,751	1,752,645
Goodwill	6,497	6,090
Intangible assets	88,802	92,801
Right-of-use assets	102,322	101,900
Investment property	58,158	57,835
Investments accounted for using equity method	336,040	323,432
Retirement benefit asset	15,520	17,697
Deferred tax assets	94,930	112,372
Other financial assets	296,004	279,671
Other non-current assets	14,946	14,802
<b>Total non-current assets</b>	<b>2,730,974</b>	<b>2,759,249</b>
<b>Total assets</b>	<b>4,646,120</b>	<b>4,515,640</b>

(million yen)

As of  
As of  
March 31, 2020 September 30, 2020

	As of March 31, 2020	As of September 30, 2020
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other payables	557,252	427,826
Bonds payable, borrowings, and lease liabilities	376,473	281,376
Contract liabilities	44,813	42,238
Income taxes payable, etc.	13,249	7,221
Provisions	12,507	12,564
Other financial liabilities	89,465	64,022
Other current liabilities	210,543	182,687
Total current liabilities	1,304,306	1,017,937
Non-current liabilities		
Bonds payable, borrowings, and lease liabilities	1,437,835	1,654,949
Retirement benefit liability	143,316	143,805
Provisions	25,740	24,457
Deferred tax liabilities	3,723	4,218
Other financial liabilities	16,246	49,491
Other non-current liabilities	8,398	8,101
Total non-current liabilities	1,635,261	1,885,024
Total liabilities	2,939,568	2,902,961
Equity		
Share capital	147,143	147,143
Capital surplus	652,430	652,389
Retained earnings	1,002,076	914,130
Treasury shares	(180,637)	(180,593)
Other components of equity	6,012	485
Equity attributable to owners of parent	1,627,026	1,533,554
Non-controlling interests	79,526	79,124
Total equity	1,706,552	1,612,678
Total liabilities and equity	4,646,120	4,515,640

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

Condensed Quarterly Consolidated Statements of Income (First Half)

	First Half of Fiscal 2019 (April 1, 2019 – September 30, 2019)	(million yen) First Half of Fiscal 2020 (April 1, 2020 – September 30, 2020)
Revenue	1,871,292	1,492,294
Cost of sales	<u>(1,661,198)</u>	<u>(1,439,861)</u>
Gross profit	210,094	52,432
Selling, general and administrative expenses	(174,661)	(151,438)
Share of profit (loss) of entities accounted for using equity method	11,837	(43)
Other income	18,004	13,573
Other expenses	<u>(16,211)</u>	<u>(28,862)</u>
Business profit (loss)	49,063	(114,338)
Operating profit (loss)	<u>49,063</u>	<u>(114,338)</u>
Finance income	1,429	931
Finance costs	<u>(7,710)</u>	<u>(7,381)</u>
Profit (loss) before tax	42,782	(120,788)
Income tax expense	<u>(8,600)</u>	<u>16,267</u>
Profit (loss)	34,181	(104,520)
Profit attributable to		
Owners of parent	31,934	(105,712)
Non-controlling interests	<u>2,247</u>	<u>1,191</u>
Profit (loss)	34,181	(104,520)
Earnings per share		
Basic earnings (loss) per share (yen)	55.46	(183.58)
Diluted earnings (loss) per share (yen)	55.44	(183.58)

Condensed Quarterly Consolidated Statements of Income (Second Quarter)

	Second Quarter of Fiscal 2019 (July 1, 2019 – September 30, 2019)	(million yen) Second Quarter of Fiscal 2020 (July 1, 2020 – September 30, 2020)
Revenue	943,882	748,393
Cost of sales	<u>(841,092)</u>	<u>(726,235)</u>
Gross profit	102,790	22,157
Selling, general and administrative expenses	(88,141)	(76,134)
Share of profit (loss) of entities accounted for using equity method	5,234	(3,658)
Other income	6,743	6,039
Other expenses	<u>(8,345)</u>	<u>(15,520)</u>
Business profit (loss)	18,281	(67,115)
Operating profit (loss)	<u>18,281</u>	<u>(67,115)</u>
Finance income	814	493
Finance costs	<u>(3,828)</u>	<u>(3,725)</u>
Profit (loss) before tax	15,268	(70,347)
Income tax expense	<u>(1,788)</u>	<u>4,569</u>
Profit (loss)	13,479	(65,777)
Profit (loss) attributable to		
Owners of parent	12,193	(66,515)
Non-controlling interests	<u>1,285</u>	<u>737</u>
Profit (loss)	13,479	(65,777)
Earnings per share		
Basic earnings (loss) per share (yen)	21.17	(115.51)
Diluted earnings (loss) per share (yen)	21.17	(115.51)

Condensed Quarterly Consolidated Statements of Comprehensive Income (First Half)

	First Half of Fiscal 2019 (April 1, 2019 – September 30, 2019)	(million yen) First Half of Fiscal 2020 (April 1, 2020 – September 30, 2020)
<b>Profit (loss)</b>	<b>34,181</b>	<b>(104,520)</b>
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	384	4,584
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(8,036)	15,439
Share of other comprehensive income of investments accounted for using equity method	89	694
Total of items that will not be reclassified to profit or loss	(7,561)	20,718
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(2,816)	(4,430)
Effective portion of cash flow hedges	192	4,032
Share of other comprehensive income of investments accounted for using equity method	(5,466)	(6,624)
Total of items that may be reclassified to profit or loss	(8,089)	(7,023)
Total other comprehensive income	(15,651)	13,695
Comprehensive income	<b>18,530</b>	<b>(90,825)</b>
Comprehensive income attributable to		
Owners of parent	16,517	(91,908)
Non-controlling interests	2,013	1,083
Comprehensive income	<b>18,530</b>	<b>(90,825)</b>

Condensed Quarterly Consolidated Statements of Comprehensive Income (Second Quarter)

	Second Quarter of Fiscal 2019 (July 1, 2019 – September 30, 2019)	(million yen) Second Quarter of Fiscal 2020 (July 1, 2020 – September 30, 2020)
<u>Profit (loss)</u>	13,479	(65,777)
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	964	742
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(1,329)	1,115
Share of other comprehensive income of investments accounted for using equity method	(120)	(261)
Total of items that will not be reclassified to profit or loss	(485)	1,595
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(3,344)	(349)
Effective portion of cash flow hedges	466	2,400
Share of other comprehensive income of investments accounted for using equity method	(5,351)	(1,401)
Total of items that may be reclassified to profit or loss	(8,229)	649
Total other comprehensive income	(8,714)	2,245
Comprehensive income	<u>4,764</u>	<u>(63,532)</u>
Comprehensive income attributable to		
Owners of parent	3,955	(64,341)
Non-controlling interests	809	809
Comprehensive income	<u>4,764</u>	<u>(63,532)</u>

(3) Condensed Quarterly Consolidated Statement of Changes in Equity  
 First Half of Fiscal 2019 (April 1, 2019 – September 30, 2019)

	(million yen)					
	Equity attributable to owners of parent					Other components of equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of defined benefit plans	
Balance as of April 1, 2019	147,143	646,793	1,241,420	(180,670)	–	90,730
Cumulative effects of changes in accounting policies	–	–	(1,302)	–	–	–
Retroactively adjusted balance	147,143	646,793	1,240,117	(180,670)	–	90,730
Profit (loss)	–	–	31,934	–	–	–
Other comprehensive income	–	–	–	–	360	(8,017)
Comprehensive income	–	–	31,934	–	360	(8,017)
Purchase of treasury shares	–	–	–	(22)	–	–
Disposal of treasury shares	–	(3)	–	5	–	–
Dividends	–	–	(28,831)	–	–	–
Share-based payment transactions	–	(42)	–	88	–	–
Changes in ownership interest in subsidiaries	–	5,980	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	38	–	(360)	322
Transfer to non-financial assets	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total transactions with owners	–	5,934	(28,792)	70	(360)	322
Balance as of September 30, 2019	147,143	652,728	1,243,259	(180,600)	–	83,035

	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, 2019	(16,547)	(2,532)	71,650	1,926,337	65,422	1,991,759
Cumulative effects of changes in accounting policies	–	–	–	(1,302)	–	(1,302)
Retroactively adjusted balance	(16,547)	(2,532)	71,650	1,925,034	65,422	1,990,456
Profit (loss)	–	–	–	31,934	2,247	34,181
Other comprehensive income	(8,146)	385	(15,417)	(15,417)	(234)	(15,651)
Comprehensive income	(8,146)	385	(15,417)	16,517	2,013	18,530
Purchase of treasury shares	–	–	–	(22)	–	(22)
Disposal of treasury shares	–	–	–	1	–	1
Dividends	–	–	–	(28,831)	(2,151)	(30,982)
Share-based payment transactions	–	–	–	46	–	46
Changes in ownership interest in subsidiaries	–	–	–	5,980	11,469	17,449
Transfer from other components of equity to retained earnings	–	–	(38)	–	–	–
Transfer to non-financial assets	–	(370)	(370)	(370)	–	(370)
Other	–	–	–	–	406	406
Total transactions with owners	–	(370)	(409)	(23,197)	9,725	(13,472)
Balance as of September 30, 2019	(24,694)	(2,517)	55,823	1,918,353	77,160	1,995,514

First Half of Fiscal 2020 (April 1, 2020 – September 30, 2020)

(million yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	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, 2020	147,143	652,430	1,002,076	(180,637)	–	39,768
Profit (loss)	–	–	(105,712)	–	–	–
Other comprehensive income	–	–	–	–	4,201	16,233
Comprehensive income	–	–	(105,712)	–	4,201	16,233
Purchase of treasury shares	–	–	–	(8)	–	–
Disposal of treasury shares	–	(12)	–	15	–	–
Dividends	–	–	–	–	–	–
Share-based payment transactions	–	(27)	–	37	–	–
Change in scope of consolidation	–	–	7	–	–	–
Changes in ownership interest in subsidiaries	–	(1)	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	17,757	–	(4,201)	(13,556)
Transfer to non-financial assets	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total transactions with owners	–	(41)	17,765	43	(4,201)	(13,556)
Balance as of September 30, 2020	147,143	652,389	914,130	(180,593)	–	42,445

	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, 2020	(31,941)	(1,813)	6,012	1,627,026	79,526	1,706,552
Profit (loss)	–	–	–	(105,712)	1,191	(104,520)
Other comprehensive income	(9,612)	2,981	13,803	13,803	(107)	13,695
Comprehensive income	(9,612)	2,981	13,803	(91,908)	1,083	(90,825)
Purchase of treasury shares	–	–	–	(8)	–	(8)
Disposal of treasury shares	–	–	–	2	–	2
Dividends	–	–	–	–	(1,365)	(1,365)
Share-based payment transactions	–	–	–	9	–	9
Change in scope of consolidation	–	–	–	7	(8)	(0)
Changes in ownership interest in subsidiaries	–	–	–	(1)	4	2
Transfer from other components of equity to retained earnings	–	–	(17,757)	–	–	–
Transfer to non-financial assets	–	(1,572)	(1,572)	(1,572)	–	(1,572)
Other	–	–	–	–	(116)	(116)
Total transactions with owners	–	(1,572)	(19,330)	(1,562)	(1,486)	(3,049)
Balance as of September 30, 2020	(41,554)	(404)	485	1,533,554	79,124	1,612,678

## (4) Condensed Quarterly Consolidated Statement of Cash Flow (First Half)

	(million yen)	
	First Half of Fiscal 2019 (April 1, 2019 – September 30, 2019)	First Half of Fiscal 2020 (April 1, 2020 – September 30, 2020)
Cash flows from operating activities		
Profit (loss) before tax	42,782	(120,788)
Depreciation and amortization	109,973	112,564
Changes in allowance	(5,003)	(1,227)
Interest and dividend income	(7,358)	(4,678)
Interest expenses	7,228	7,098
Decrease (increase) in trade and other receivables	103,214	92,590
Decrease (increase) in inventories	(13,159)	124,172
Increase (decrease) in trade and other payables	(58,914)	(105,100)
Other	(86,377)	(21,567)
Subtotal	92,385	83,063
Interest and dividends received	15,026	8,573
Interest paid	(6,629)	(6,201)
Income taxes refund (paid)	480	1,777
Cash flows from operating activities	101,263	87,213
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets, and investment property	(164,618)	(169,461)
Proceeds from sale of property, plant and equipment, intangible assets, and investment property	1,105	449
Purchase of investments	(4,660)	(1,725)
Proceeds from sale of investments	713	34,306
Other	2,475	1,008
Cash flows from investing activities	(164,983)	(135,421)

	(million yen)	
	First Half of Fiscal 2019 (April 1, 2019 – September 30, 2019)	First Half of Fiscal 2020 (April 1, 2020 – September 30, 2020)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,794	12,601
Increase (decrease) in commercial papers	(60,000)	(88,999)
Proceeds from long-term borrowings	83,046	217,941
Repayments of long-term borrowings	(23,207)	(72,867)
Proceeds from issuance of bonds	120,000	60,000
Payments for purchase of treasury shares	(20)	(8)
Dividends paid to owners of parent	(28,831)	-
Other	(22,780)	11,825
Cash flows from financing activities	<u>70,000</u>	<u>140,492</u>
Effect of exchange rate change on cash and cash equivalents	(3,221)	(1,499)
Net increase (decrease) in cash and cash equivalents	<u>3,059</u>	<u>90,784</u>
Cash and cash equivalents at beginning of period	<u>82,288</u>	<u>86,704</u>
Cash and cash equivalents at end of period	<u><u>85,347</u></u>	<u><u>177,488</u></u>

(5) Notes to the Condensed Quarterly Consolidated Financial Statements

Notes Pertaining to the Presumption of a Going Concern

There is no item for this period.

## 2. Supplementary Information

### (1) Consolidated Results in First Half and Earnings Forecasts for Fiscal 2020

	(billion yen)							
	FY 2019		FY 2020		Change		FY2020 Forecast (August 12) Full year	
	1H	Full year	1H	Full year	1H	Full year		
Steel Business	1,353.1	2,681.3	1,027.2	2,200.0	(325.9)	(481.3)	2,240.0	
Engineering Business	238.9	512.2	221.9	490.0	(17.0)	(22.2)	490.0	
Trading Business	557.5	1,084.1	451.7	930.0	(105.8)	(154.1)	900.0	
Adjustments	(278.3)	(548.0)	(208.6)	(450.0)	69.7	(98.0)	(460.0)	
Revenue	1,871.2	3,729.7	1,492.2	3,170.0	(379.0)	(559.7)	3,170.0	
Business profit <sup>1</sup>	A	49.0	37.8	(114.3)	(90.0)	(163.3)	(127.8)	(100.0)
Finance income / costs	B	(6.3)	(12.5)	(6.4)	(15.0)	(0.1)	(2.5)	(15.0)
Segment Profit								
Steel Business		17.7	(8.7)	(136.2)	(135.0)	(153.9)	(126.3)	(145.0)
Engineering Business		11.9	23.1	8.7	21.0	(3.2)	(2.1)	21.0
Trading Business		14.6	27.0	7.2	13.0	(7.4)	(14.0)	12.0
Adjustments		(1.5)	(15.9)	(0.4)	(4.0)	1.1	11.9	(3.0)
Total	A+B	42.7	25.3	(120.7)	(105.0)	(163.4)	(130.3)	(115.0)
Exceptional Items <sup>2</sup>		-	(238.8)	-	-	0.0	238.8	-
Profit before tax		42.7	(213.4)	(120.7)	(105.0)	(163.4)	108.4	(115.0)
Tax Expense and Profit (Loss) Attributable to Non-controlling Interests		(10.8)	15.7	15.0	(5.0)	25.8	(10.7)	15.0
Profit Attributable to Owners of Parent		31.9	(197.7)	(105.7)	(100.0)	(137.6)	97.7	(100.0)

<sup>1</sup> 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.

<sup>2</sup> Exceptional Items: One-time items of a materially significant value.

### (2) Consolidated Financial Indices

	Fiscal 2019	Fiscal 2020	Change
Return on Sales (ROS) <sup>1</sup>	1.0%	(2.8%)	(3.8%)
Return on Assets (ROA) <sup>2</sup>	0.8%	(2.0%)	(2.8%)
Return on Equity (ROE) <sup>3</sup>	(11.1%)	(6.3%)	4.8%
EBITDA <sup>4</sup>	269.4 billion yen	150.0 billion yen	(119.4 billion yen)
Interest-bearing debt outstanding	1,814.3 billion yen	1,900.0 billion yen	85.7 billion yen
Debt / EBITDA multiple <sup>5</sup>	6.7x	12.7x	6.0x
Equity attributable to owners of parent	1,627.0 billion yen	1,540.0 billion yen	(87.0 billion yen)
D/E Ratio <sup>6</sup>	96.4%	106.6%	10.2%

<sup>1</sup> ROS = Business profit / Revenue

<sup>2</sup> ROA = Business profit / Total assets

<sup>3</sup> ROE = Profit attributable to owners of parent / Equity attributable to owners of parent

<sup>4</sup> EBITDA = Business profit + Depreciation and amortization

<sup>5</sup> Debt / EBITDA multiple = Interest-bearing debt outstanding / EBITDA

<sup>6</sup> 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.

\* For debt having a capital component, a portion of its issue price is deemed to be capital, as assessed by rating agencies.

Borrowing Execution Date	Amount Borrowed	Assessment of Equity Content	Amount Deemed to be Capital
June 30, 2016	200.0 billion yen	25%	50.0 billion yen
March 19, 2018	300.0 billion yen	25%	75.0 billion yen

## (3) Crude Steel Production (JFE Steel) (million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2019	Non-consolidated	7.00	6.79	13.79	6.24	6.70	12.94	26.73
	Consolidated	7.36	7.13	14.50	6.59	7.00	13.59	28.09
FY 2020	Non-consolidated	4.79	5.38	10.17			12.30*	22.50*
	Consolidated	5.09	5.68	10.77				

\*estimate

## (4) Shipments (JFE Steel on non-consolidated basis) (million tons)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2019		5.85	5.94	11.80	5.59	6.09	11.68	23.47
FY 2020		4.59	4.75	9.34				

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

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2019		39.9	42.1	41.0	39.7	44.4	42.1	41.5
FY 2020		44.2	40.2	42.2				

## (6) Foreign Exchange Rate (Yen/US dollar) (JPY/USD)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2019		110.7	107.6	109.2	108.8	109.4	109.1	109.1
FY 2020		107.7	105.9	106.8			105*	106*

\*estimate

## (7) Average Selling Price (JFE Steel on non-consolidated basis) (thousand yen/ton)

		1Q	2Q	1H	3Q	4Q	2H	Full year
FY 2019		80.4	79.4	79.9	79.6	76.1	77.8	78.8
FY 2020		75.3	71.0	73.1				

## (8) Engineering Business Orders (including intersegment transactions)

(billion yen)

Field	FY2019	FY2020	Change
Environment	187.1	260.0*	72.9
Energy	109.8	120.0*	10.2
Infrastructure, others	116.1	120.0*	3.9
Total	413.0	500.0*	87.0

\*estimate

## (9) Breakdown of Changes in Segment Profit

### a. First half of FY 2020, compared to same period of FY 2019

	(billion yen) <u>Change</u>	
Steel Business		
- Cost	46.0	Reduced fixed costs, mainly for repairs and labor, and realization of investment effects
- Sales volume and mix	(84.0)	Decreased volume due to lower demand and worsening of product mix
- Sales prices and raw materials	(9.0)	Narrowed export spreads
- Unrealized gains (losses) on inventories	(64.0)	
- Others	(42.9)	Deteriorated earnings of domestic and overseas group companies, etc.
- Total	<u>(153.9)</u>	
Engineering Business, Trading Business, Adjustment	(9.5)	

### b. FY 2020 (forecast), compared to FY 2019

	(billion yen) <u>Change</u>	
Steel Business		
- Cost	100.0	Reduced fixed costs, mainly for repairs and labor, and realization of investment effects
- Sales volume and mix	(109.0)	Decreased volume due to lower demand and worsening of product mix
- Sales prices and raw materials	(23.0)	Narrowed spreads due to unfavorable conditions in domestic and international markets
- Unrealized gains (losses) on inventories	(15.0)	
- Others	(79.3)	Deteriorated earnings of domestic and overseas group companies, etc.
- Total	<u>(126.3)</u>	
Engineering Business, Trading Business, Adjustment	(4.0)	

### c. FY 2020 (forecast), compared to previous forecast

	(billion yen) <u>Change</u>	
Steel Business		
- Cost	0.0	
- Sales volume and mix	10.0	Volume growth due to demand recovery, especially in automotive sector
- Sales prices and raw materials	0.0	
- Unrealized gains (losses) on inventories	(1.0)	
- Others	1.0	Improved earnings of domestic and overseas group companies, etc.
- Total	<u>10.0</u>	
Engineering Business, Trading Business, Adjustment	0.0	

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