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Company Name: JFE Holdings, Inc. (Code: 5411 Tokyo and Nagoya stock exchanges in Japan)
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To whom it may concern:

**Notice of loss on valuation of shares
of subsidiaries and associates (Non-consolidated)**

JFE Holdings, Inc. announces herewith the decision to book an extraordinary loss on the valuation of an equity-method affiliate company's shares in JFE Holding's nonconsolidated accounts for fiscal 2017.

1. Extraordinary loss on valuation of subsidiary or affiliate company shares

Japan Marine United Corporation, an equity-method affiliate company held by JFE Holdings, has reported losses that have negatively affected its net assets and sharply decreased the real value of the company. With no prospect of recovering these losses, JFE Holdings has decided to book an extraordinary loss of 60.1 billion yen on the valuation of an equity-method affiliate company's shares in its nonconsolidated accounts.

2. Effect on consolidated results

There is no effect on consolidated results because losses on the valuation of shares of subsidiaries and affiliates are eliminated from consolidated statements.