

and to review
resources more strategically on key products for enhanced

well as the expected effects and the related stakeholder
outlined herein.

be consolidated from eight blast furnaces to seven and crude steel production capacity will be reduced by around 4 million tons, or about 13%. This will enable JFE Steel to enhance the overall competitiveness of its blast furnace integrated steelworks and maximize manufacturing capacity at each steelworks and other works. In turn, this will support the company's sales and product strategies and ultimately earnings in priority fields including automobiles, energy, and materials for construction and infrastructure.

By FY2023(ending March 2024) or thereabouts, upstream processes including iron making and steelmaking and hot rolling equipment in the East Japan Works (Keihin) will be shut down, and the East Japan Works' production of steel sheet, with the exclusion of some products (pickled steel sheet and special steel), will be consolidated in Chiba. The main facilities to be shut down in Keihin are the blast furnace, shaft furnace, sintering machine, coke ovens, converter, ~~etc~~ fields,

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venture in Myanmar to produce steel sheet products for construction. In addition, the new Global Business Development Center to be established on April 1, as previously announced, will focus on maximizing earnings from existing overseas businesses and developing new growth opportunities.

Going forward, JFE Steel will make every effort to strengthen the competitiveness of its domestic manufacturing bases as well as expand the earnings power of its overseas businesses to further enhance the company's corporate value over the long term.

Background

JFE Steel is facing an unprecedented and extremely challenging operating environment, particularly a slump in steel demand among manufacturing industries, due to U.S. China trade tensions, rising raw material prices driven

Attachment 1: Main Facilities Scheduled for Shutdown (* indicates already disclosed)

| District | Facility | Details | Original Startup | Shutdown Timing |
|----------|----------------------------------|---|------------------|-----------------|
| Keihin | No. 2 Blast Furnace | Furnace volume: 5,000m ³ | March 2004 | By FY2023 |
| | Shaft Furnace | Furnace volume: 172m ³ | August 2008 | |
| | No. 1 Sintering Machine | Grate area: 450m ² | October 1976 | |
| | No. 1 Coke Oven | 124 chambers | November 1976 | |
| | No. 2 Coke Oven | 74 chambers | July 1979 | |
| | Raw material facilities | Facilities for loading, inventory intake/distribution, etc. | | |
| | Converters | 2 x 328t/ch | November 1976 | |
| | No1. Electric Arc Furnace | 1 x 50t/ch | April 1979 | |
| | No. 1 Continuous Casting Machine | 2 strand (slab) | November 1976 | |
| | No. 3 Continuous Casting Machine | 2 strand (slab) Machine | March 1979 | |