

Profile

Founded in 1907, The Japan Steel Works, Ltd. (JSW) had by the end of World War II accumulated rich reserves of sophisticated technologies as Japan's largest private-sector manufacturer of weapons. Following the war, these technologies formed the foundations for the Company's shift to peacetime industry. Taking advantage of its expertise in producing unexcelled steel and machinery, the Company has developed a wide range of machinery while successfully entering new business fields. The Company is proud of the acclaim it has won for its large steel castings and forgings, heavy machinery and steel structures, steel plates, plastics machinery, and industrial machinery, as well as equipment and engineering for the oil, gas, chemical, and petrochemical industries.

At present, JSW is a leader in the development of advanced technologies for the fields of new and natural energies, advanced materials, optics, electronics, biotechnology, and other cutting-edge areas. It also is moving into urban redevelopment and environment-related businesses and carrying out complex business initiatives in a wide range of industrial and social areas. Nonetheless, the Company remains committed to providing valuable products and services to world markets and to gaining the confidence of customers while achieving profitability that satisfies its shareholders.

Contents

1	Financial Highlights (Consolidated)
2	Message from the President
4	Outline of our Revised Medium-Term Management Plan (J2008R)
6	Our Business Domains
8	Review of Operations
11	Corporate Governance
14	The Environment
16	Research and Development
17	Financial Section
18	Financial Performance (Consolidated)
38	Corporate Directory
40	Offices & Plants

Forward-Looking Statements

The forward-looking statements in this annual report reflect judgments based on information available at the present time. Actual results may differ widely due to various factors.