FOREWORD

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President and CEO, JFE Steel



We are pleased to announce the publication of JFE Technical Report No.2 First Issue presented an overview of the member companies of the JFE Holdings Group. This "Special Issue on JFE Steel" introduces distinctive products of JFE Steel by customer f eld.

The world's steel industry is now at a historical turning point. Supported by a growing world population and remarkable economic development in many countries, beginning with China, demand for basic materials represented by steel is expanding rapidly. Moreover, the standard of living will also continue to rise worldwide. Considering these trends, we must recognize anew that global resources are limited, and at the same time, reconf rm the importance of steel as a basic material for the social infrastructure. At JFE Steel, we take a great pride in the fact that steel business is the one which contributes to humankind, and we endeavor to supply environment-friendly products which contribute to society.

When we consider the future of technical development, a viewpoint which gives a high priority to protection of the global environment is essential. Inr t

% by 2010 against the baseline year of 1990. We are also contributing to energy saving and the reduction of emissions in our customer industries. In the transportation sector, which generates a large part of Japan's total CO_2 emissions, JFE Steel supplies a wide range of materials contributing to the reduction of automobile weight. For example, to reduce passenger car weight, we provide a full range of high strength steel

resistance steel tubes suitable for producing natural gas as clean alternative to oil. JFE Steel products are also contributing to the creation of a recycling-based society and reduced