

PROFILE

Kobe Steel, Ltd. is a global company engaged in the three major business fields of materials, machinery, and power supply. Its main businesses in the materials segment are iron & steel, aluminum & copper, and welding. In the machinery segment, the Company is involved in industrial machinery and construction machinery, as well as environmental solutions, and engineering services.

The Company's strength is its ability to create products with unique features, thanks to its innovative technical development capability. To cite a few examples: One in every two cars in the world has engines fitted with valve springs made from our wire rod; we have the world's largest share in aluminum blanks for hard disks; our screw compressors employ cutting-edge technology; and we have an 80% share of the world market for target materials use in liquid crystal displays.

The Company will continue to create an unending series of unique proprietary products, services and technologies that have competitive advantage, thus improving its profitability and building greater enterprise value. In this way, we will also make a broad contribution to society.

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* KOBELCO is the corporate logo mark of Kobe Steel and its Group companies. KOBELCO is also an international brand for products and is used in the names of Kobe Steel Group companies.

NOTES

Cautionary Statement

Certain statements in this annual report contain forward-looking statements concerning forecasts, assertions, prospects, intentions and strategies. The decisions and assumptions leading to these statements were based on information currently available to Kobe Steel. Due to possible changes in decisions and assumptions, future business operation, and internal and external conditions, actual results may differ materially from the projected forward-looking statements. Kobe Steel is not obligated to revise the forward-looking contents in this publication.

Uncertain and variable factors include, but are not limited to:

- Changes in economic outlook, demand and market conditions
- Political situation and trade and other regulations
- Changes in currency exchange rates
- Availability and market conditions of raw materials
- Products and services of competing companies, pricing policy, alliances, and business development including M&As
- Strategy changes of alliance partners