

February 3, 2011

## **Kobe Steel announces simple- and short-form merger of consolidated subsidiary through absorption**

Kobe Steel, Ltd. announces today that at its Board of Directors' meeting convened on February 3, 2011 it had passed a resolution to effect an absorption-type merger of its wholly-owned subsidiary Kobelco Accounting Service Co., Ltd.

### **1. Purpose of the Merger**

The principal activity of Kobelco Accounting Service Co., Ltd., a wholly-owned subsidiary, is to undertake accounting work on behalf of Kobe Steel. Merging Kobelco Accounting Service into Kobe Steel will integrate operations by improving business efficiency, facilitating communication, and maintaining stable profits.

### **Profile of Kobelco Accounting Service (as of March 31, 2010)**

Company name: Kobelco Accounting Service Co., Ltd.  
Location: Kobe, Hyogo Prefecture  
President: Kazuaki Kawahara  
Capital: 10 million yen  
Sales: 111 million yen (fiscal 2009)

### **2. Schedule for the Merger**

Resolution at Board of Directors' meeting: February 3, 2011  
Signing of agreement: February 3, 2011  
Effective date (date of merger): April 1, 2011

### **3. Effect on Kobe Steel's Business Results**

This merger will have no effect on the consolidated business results of Kobe Steel, Ltd., as Kobe Steel will effect an absorption-type merger of a wholly owned subsidiary.