

October 31, 2011

Company name: Kobe Steel, Ltd.
President & CEO: Hiroshi Sato
Stock exchange code number: 5406
Stock exchanges where shares are listed: Tokyo, Osaka and Nagoya, Japan

Announcement on the Difference between the Forecast and Actual Results for the First Half of Fiscal 2011

TOKYO, October 31, 2011 – Kobe Steel, Ltd. announces a difference between its forecast for the first half of fiscal 2011, released on July 28, 2011, and the actual results for the same period announced today.

Difference between the forecast of consolidated First Half of Fiscal 2011 and actual results (April 1, 2011 – September 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	980,000	35,000	25,000	10,000	3.33 yen
Actual results (B)	960,071	51,979	38,526	17,358	5.78 yen
Change (B-A)	(19,928)	16,979	13,526	7,358	
% change	(2.0%)	48.5%	54.1%	73.6%	
FY2010 1st half	922,055	69,843	49,326	29,452	9.80 yen

Figures are in millions of yen unless otherwise indicated. Sums under 1 million yen have been omitted.

Reason for the Difference

In comparison to the previous forecast announced on July 28, 2011, the first half of fiscal 2011 achieved higher profits, as the operating performance of consolidated subsidiaries and affiliates have improved.

Investor Relations:

Tel +81 (0)3 5739-6045
Fax +81 (0)3 5739-5973
Tokyo, Japan

Media Contact:

Tel +81 (0)3 5739-6010
Fax +81 (0)3 5739-5971
Tokyo, Japan