

May 16, 2018

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Announcement on the Partial Amendments to the Articles of Incorporation

Kobe Steel, Ltd. announces that it adopted a resolution at its Board of Directors meeting held today to discuss the partial amendment to its Articles of Incorporation at the 165th Ordinary General Meeting of Shareholders to be held on June 21, 2018.

Details

1. Purpose of Amendments to the Articles of Incorporation

At Kobe Steel, meetings of the Board of Directors were chaired by the Chairman of the Company as his duty. From the viewpoint of strengthening the monitoring function of the Board of Directors, for the purpose of selecting a Chairman of Meetings of the Board of Directors from among Outside Directors and to abolish the offices of Chairman of the Company and Vice Chairmen of the Company, amendments are to be made to Articles 20, 21 and 25 of the Articles of Incorporation.

2. Contents of the Amendments to the Articles of Incorporation

The contents of the amendments are set forth below.

(Underlined portions show amendments.)

Current Articles of Incorporation	Proposed Amendments
Article 20. Representative Directors and Directors with Special Titles The Board of Directors may by resolution select from among Directors (excluding Directors who are Audit & Supervisory Committee Members) <u>one (1) Chairman of the Board, one (1) or more Vice Chairmen of the Board</u> and one (1) President. The Board of Directors shall by its resolution select the Representative Directors of the Company from among Directors (excluding Directors who are Audit & Supervisory Committee Members).	Article 20. Representative Directors and Directors with Special Titles The Board of Directors may by resolution select from among Directors (excluding Directors who are Auditor & Supervisory Committee Members) one (1) President. The Board of Directors shall by its resolution select the Representative Directors of the Company from among Directors (excluding Directors who are Audit & Supervisory Committee Members).

<p>Article 21. Division of Duties of Directors with Special Titles</p> <p><u>The Chairman of the Board shall preside over meetings of the Board of Directors and the Vice Chairmen of the Board shall assist the Chairman.</u></p> <p>The President shall carry out the resolutions of the Board of Directors and supervise the Company's business.</p> <p>If the President is unable to act, another Director shall act for him in accordance with the order previously established by resolution of the Board of Directors.</p>	<p>Article 21. Division of Duties of Directors with Special Titles</p> <p>(Deleted)</p> <p>The President shall carry out the resolutions of the Board of Directors and supervise the Company's business.</p> <p>If the President is unable to act, another Director shall act for him in accordance with the order previously established by resolution of the Board of Directors.</p>
<p>Article 22 to Article 24 (Omitted)</p>	<p>Article 22 to Article 24 (Same as the present)</p>
<p>Article 25. Person to Convene and Act as Chairman at Meetings of the Board of Directors</p> <p><u>The Chairman of the Board shall convene and act as Chairman of Meetings of the Board of Directors except as required by mandatory provisions of laws and regulations.</u></p> <p><u>If the office of the Chairman of the Board is vacant or he is unable to act, one of the Vice Chairmen of the Board in accordance with the order previously established by resolution of the Board of Directors shall convene the meeting and/or act as chairman. If all the offices of the Vice Chairmen of the Board are vacant or all of them are unable to act, the President shall convene the meeting and/or act as chairman. If the President is unable to act, the Director next in line in accordance with the order previously established by resolution of the Board of Directors shall convene the meeting and/or act as chairman.</u></p>	<p>Article 25. Person to Convene and Act as Chairman at Meetings of the Board of Directors</p> <p><u>The Director previously determined by resolution of the Board of Directors shall convene and act as Chairman of Meetings of the Board of Directors except as required by mandatory provisions of laws and regulations.</u></p> <p><u>If the Director set forth in the preceding paragraph is unable to act, the Director next in line in accordance with the order previously established by resolution of the Board of Directors shall convene the meeting and/or act as chairman.</u></p>

3. Schedule

Proposed effective date of the amendments:

June 21, 2018 (Thursday)

Scheduled shareholders meeting for the amendments:

June 21, 2018 (Thursday)