

[Translation]

April 26, 2013

Company Name:	Kobe Steel, Ltd.
Website:	(URL <a href="http://www.kobelco.co.jp">http://www.kobelco.co.jp</a> )
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**Continuation of Kobe Steel, Ltd.'s Policy on Large-Scale  
Purchasing of its Shares (Anti-Takeover Measures)**

At the meeting of its Board of Directors held on April 27, 2011, Kobe Steel, Ltd. (hereinafter referred to as “Kobelco” or the “Company”) determined a policy to amend the previous policy on large-scale purchasing of its shares (hereinafter referred to as “Large-Scale Purchase” or “Large-Scale Purchasing”) (such policy to deal with the Large-Scale Purchase after such amendment shall hereinafter be referred to as the “Original Policy”), and announced the Original Policy on the same day. The Original Policy includes plans that prescribe certain rules on the Large-Scale Purchase of the Shares (to be defined below), and certain measures to be taken in the event of compliance or non-compliance with such certain rules (hereinafter referred to as the “Original Plan”). The Original Plan was approved by the majority in favor at the 158th Ordinary General Meeting of Shareholders held on June 23, 2011. The term of the Original Plan is to continue to the end of the first meeting of the Board of Directors, to be held after the 160th Ordinary General Meeting of Shareholders scheduled to be held in June 2013 (hereinafter referred to as this “Ordinary General Meeting”).

Subsequently, in light of changes in social and economic conditions, and various trends and developments in discussions regarding takeover defense measures, Kobelco has further reviewed the concept (including the pros and cons of the extension) of the Original Policy as part of its initiatives to protect and enhance its corporate value and the common interests of its shareholders.

Kobelco is pleased to announce that, based on the aforementioned review, it has decided with the unanimous consent of its directors, at the meeting of its Board of Directors held on April 26, 2013, to adopt a new policy on the Large-Scale Purchase of the Shares (to be defined below) with the content to continue the Original Policy with partial revisions (hereinafter referred to as this “Policy”). Each of Kobelco’s five corporate auditors has expressed his or her approval for this Policy on the condition that this Policy is specifically implemented in a proper manner.

With respect to the new plan (this “Plan”, please see 3. below) in place of the Original Plan in this Policy, the approval of the shareholders shall be obtained at this Ordinary General Meeting. If the shareholders give their approval at this Ordinary General Meeting, this Plan will take effect at the end of the first meeting of the Board of Directors held after the end of the Ordinary General Meeting, and will remain in force until the end of the first meeting of the Board of Directors held after the Company’s Ordinary General Meeting of Shareholders scheduled for June 2015 (However, if the Large-Share Purchasing has already been conducted, or the procedures of this Plan have already been commenced as of the date on which the Board of Directors meeting will be held, such effective period

shall be extended to the extent necessary for the purpose of response to such Large-Share Purchasing or the operation of this Plan.).

Similar to the Original Plan, Kobelco will establish an Independent Committee as a supervisory body to ensure this Plan is implemented properly and without any arbitrary decisions made by the Board of Directors. Please see 3.(2) and the Exhibit 2 below for the roles of the Independent Committee. Members of the Independent Committee are to be officially appointed at the first meeting of the Board of Directors held after the relevant approval of this Plan is given at this Ordinary General Meeting. The candidates for membership of the Independent Committee are as follows:

Committee Member

Takaharu Dohi

Career Profile

Apr. 1958      Appointed as Public Prosecutor  
Jul. 1993      Superintending Public Prosecutor, Osaka High Public Prosecutors Office  
Jul. 1995      Superintending Public Prosecutor, Tokyo High Public Prosecutors Office  
Jan. 1996      Prosecutor-General  
Jun. 1998      Retired from the office of Prosecutor-General  
Jul. 1998      Registered as Attorney at Law (incumbent)

Committee Member

Tadao Kagono

Career Profile

Mar. 1970      Graduated from School of Business Admin., Kobe University  
Apr. 1979      Associate Professor, School of Business Admin., Kobe University  
Nov. 1988      Professor, School of Business Admin., Kobe University  
Apr. 1998      Dean, School of Business Admin., Kobe University  
Apr. 1999      Professor & Head, Graduate School of Business Admin., Kobe University  
Apr. 2011      Professor Emeritus, Graduate School of Business Admin., Kobe University (incumbent)  
Special Visiting Professor, Konan University (incumbent)

Committee Member

Masamichi Takemoto

Career Profile

Apr. 1967      Joined Nitto Denko Corporation  
Jun. 1997      Director, Nitto Denko Corporation  
Jun. 2000      Managing Director, Nitto Denko Corporation  
Apr. 2001      President, Nitto Denko Corporation  
Apr. 2008      Chairperson, Nitto Denko Corporation  
Jun. 2010      Advisor, Nitto Denko Corporation (incumbent)

Committee Member

Takao Kitabata

Career Profile

Apr. 1972      Joined the Ministry of International Trade and Industry  
Jun. 1998      Director-General, Coal and Renewable Energy Department, Agency for Natural Resources and Energy  
Jun. 2000      Director-General for Policy Planning and Coordination, Minister's Secretariat, Ministry of International Trade and Industry  
Jul. 2002      Deputy Vice-Minister of Economy, Trade and Industry  
Jun. 2004      Director-General, Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry  
Jul. 2006      Vice-Minister of Economy, Trade and Industry  
Jul. 2008      Resigned from the Ministry of Economy, Trade and Industry

Jun. 2010 Outside Director of Kobelco (Incumbent)  
 Outside Corporate Auditor of Marubeni Corporation (Incumbent)

Committee Member

Takuo Yamauchi

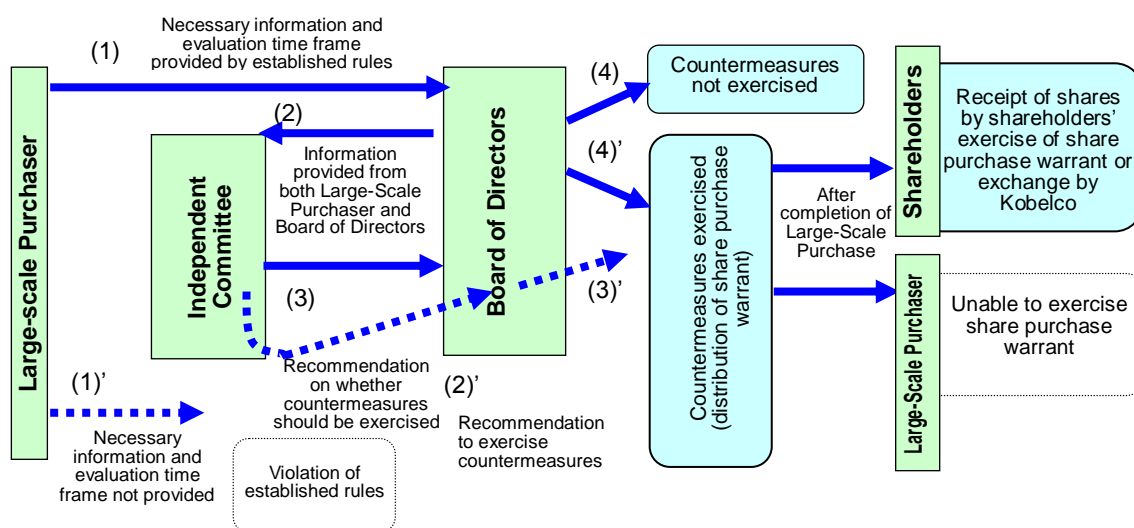
Career Profile

Apr. 1965 Joined Chubu Electric Power Co., Inc.  
 Jun. 1997 Director, Chubu Electric Power Co., Inc.  
 Jun. 2001 Managing Director, Chubu Electric Power Co., Inc.  
 Jun. 2003 Director and Vice President, Chubu Electric Power Co., Inc.  
 Jun. 2007 Advisor, Chubu Electric Power Co., Inc.  
 Jun. 2011 Outside Director of Kobelco (Incumbent)

\* Messrs. Kitabata and Yamauchi will be put forward as candidates for outside directors at this Ordinary General Meeting.

As of April 26, 2013, there is no Large-Scale Purchase or any other specific proposal pending in respect of Kobelco's shares. (Details of the Company's major shareholders are given in Exhibit 1 hereto.)

End



- If the established rules are observed, then in principle (1)→(2)→(3)→(4)
- If the established rules are not observed, then in principle (1)'→(2)'  
(3)'

## Kobe Steel's Policy on a Large-Scale Purchasing of its Shares

### 1. **Basic policy for parties affecting policy decisions of Kobe Steel's financial and business affairs (hereinafter referred to as the "Basic Policy on Corporate Control")**

Kobe Steel, Ltd. (hereinafter referred to as "Kobelco" or the "Company"), as a listed company, considers that any Large-Scale Purchase involving a change to its corporate control should be approved as a matter of course in cases where such purchase facilitates the protection and enhancement of its corporate value, and ultimately, the common interests of its shareholders in the course of open stock trading.

However, Japanese capital markets have recently witnessed a number of instances in which corporate shares have been rapidly purchased on a massive scale without adequate information being disclosed to public shareholders or investors. This type of large-scale purchase or proposals may cause irreparable harm to Kobelco or may not provide its shareholders with necessary information or time for the shareholders to determine whether to accept these large-scale purchases. These purchases may harm Kobelco's corporate value and ultimately, the common interests of its shareholders.

Particularly, Kobelco is engaged in various businesses, such as those in the materials sector and the machinery sector, and as these businesses have broad fields, there are various stakeholders and synergies to be borne by various businesses, and Kobelco considers that all of the above are sources of Kobelco's unique corporate value. Therefore, if the Large-Scale Purchasers, who do not have an adequate understanding of these relationships with the stakeholders and synergies among the businesses, were to control the finances and the business policies of Kobelco, there is a possibility that the corporate value of Kobelco, and ultimately, the common interests of its shareholders would be impaired. Therefore, Kobelco believes that a party which will have an impact on its financial and business policy decisions must be one that fully understands Kobelco's management principles, the sources of its corporate value, and the relationships of mutual trust it shares with its stakeholders, which are necessary and indispensable for the enhancement of the corporate value and ultimately, the common interests of its shareholders. Such a party must also be able to protect and enhance Kobelco's corporate value and ultimately, the common interests of its shareholders as a result. In contrast, Kobelco views any party involved in the aforementioned large-scale purchases or proposals to be unsuitable as a party that will have an impact on its financial and business policy decisions.

Considering the business environment surrounding Kobelco, with the intensification of international competition, corporate acquisitions still actively occur; therefore, the possibility of large-scale purchases of Kobelco's shares, which may influence Kobelco's management policy in the future, cannot be ignored.

On the other hand, regarding the tender offer system to be used upon such large-scale purchases, at least based on the current system, there may be cases where information and examination period to determine whether or not to accept the large scale purchases by the shareholders may not be sufficient.

In other words, by looking at large-scale M&A cases conducted in and outside Japan, even in cases of friendly transactions, there have been more than a few cases in which negotiations lasted for a period of more than half a year before an agreement was reached. In order to facilitate the protection and enhancement of its corporate value, and ultimately, the common interests of its shareholders, it is necessary to ensure that the standard for information disclosure and evaluation and examination period in large-scale purchases to be conducted without prior agreement with the management is equivalent to that of friendly transactions. Thus, Kobelco considers that it is necessary to establish a procedure to ensure that the above is achieved upon the shareholders' selection of parties affecting policy decisions of Kobelco's financial and business affairs.

With the above in mind, Kobelco believes it is necessary to establish rules where the Large-Scale Purchasers are required to provide to the Board of Directors necessary and

sufficient information in connection with the Large-Scale Purchases in advance, and to commence the Large-Scale Purchases only after the expiry of a certain period time for examination and evaluation by the shareholders and the Board of Directors.

## **2. Special initiatives conducive to attaining Kobelco's Basic Policy on Corporate Control including the effective application of properties and the formation of an appropriate corporate group**

### **(1) Initiatives to enhance corporate value by development of management strategies**

The Kobe Steel Group continues to make various undertakings at present to attain a Medium-to Long-Term Business Vision: KOBELCO VISION "G" ~ Creating New Value, Aiming for Global Growth ~ formulated in April 2010. This vision provides the business framework for the Kobe Steel Group for the next five to ten years. By further integrating the knowledge and technologies of its diverse businesses in materials and machinery, the Kobe Steel Group aims to become a corporate group that:

- \* Has a presence in the global market;
- \* Maintains a stable profit structure and a strong financial foundation; and
- \* Prospers together with its shareholders, business partners, employees and society.

In achieving the group image above, the measures for safety and compliance shall first be thoroughly undertaken, and then under the basic policy below, the Kobe Steel Group aims to create new value and global growth.

<Basic policy of the Medium-to Long-Term Business Vision>

The basic policy to achieve the group image above is as follows:

#### **(i) Pursuit of high-end "Only One" products, technologies & services**

Kobelco will focus on improving the market position of current high-end "Only One" products, technologies and services and improving their profitability, as well as creating new Only One products.

In addition, Kobelco will improve customer satisfaction through services unique to the Kobe Steel Group, which offer better after-sales services; determine and meet customers' changing needs; and provide better products and technologies.

Also, Kobelco will actively pursue business developments not only in the current business field, but further downstream aspects thereof, and upstream fields such as next-generation ironmaking process to dramatically improve added value by keeping in step with customer and societal needs.

#### **(ii) Further improvement of manufacturing capability**

"Monozukuri" (or manufacturing excellence) is a total activity that covers sales and marketing, development and design, procurement, and manufacturing. Monozukuri enables Kobelco to implement one of its corporate philosophies: "providing reliable and advanced technologies, products and services that satisfy customers." Also, "monozukuri-ryoku" is defined as a capability that provides reliable and advanced technologies, products and services "eternally" as well as an "engine" for growth. The entire Kobe Steel Group will carry out the strengthening of monozukuri-ryoku, which is also the source of the competitiveness of the Kobe Steel Group.

#### **(iii) Further business expansion into emerging markets**

Kobelco will expand its overseas business to appropriate areas, and pursue regions and fields where demand is growing, particularly in emerging markets. Also, through utilizing Only One technologies and services, Kobelco will increase business

undertakings targeted at environment, resources and energy, which are areas of growth in Japan and overseas.

(iv) Demonstration of the comprehensive capabilities of the Kobe Steel Group

Kobelco will create new value by further accumulating and exchanging knowledge, ideas and know-how vested in the Kobe Steel group in order to create new value.

Also, Kobelco will carry out the strengthening of the comprehensive capabilities through furtherance of activities which are horizontally connected within the Kobe Steel Group, such as improving comprehensive technological capabilities and proposal activities; creating new high-end Only One products, technologies and services through the integration of its technologies; and establishing the KOBELCO brand by way of project activities across the Kobe Steel Group.

In addition, in a rapidly changing business environment, Kobelco will systematically nurture employees that can strengthen the business foundation, implement change, and promote global business development.

(v) Contributions to society

Kobelco will actively fulfill its social responsibility centered on contributing to local communities and environmental conservation. Kobelco will contribute to global warming solutions through business activities. Also, Kobelco will build a corporate culture for the entire Kobe Steel Group that is highly sensitive to compliance.

(2) Initiatives to enhance corporate value through stepped-up corporate governance

Based on highly effective internal control systems, Kobelco is putting full effort into the improvement of its corporate governance and the establishment of thorough compliance systems, and is dealing with the enhancement of corporate value.

**3. Initiatives to prevent unsuitable parties from having an impact on Kobelco's financial and business policy decisions in light of its Basic Policy on Corporate Control**

In accordance with its Basic Policy on Corporate Control laid out in 1. above, Kobelco proposes the establishment of the below-prescribed rules for Large-Scale Share Purchases to protect and enhance its corporate value and ultimately, the common interests of its shareholders, and to implement initiatives to prevent unsuitable parties from having an impact on its financial and business policies in light of its Basic Policy on Corporate Control, with the plan (hereinafter referred to as this "Plan") with the content to take certain actions depending on whether or not the relevant Large-Scale Purchasers observe the aforementioned rules.

(1) Purpose and intent of this Plan

Upon the conduct of the (i) purchase and other acquisition of the Shares (defined in Note 2 below, hereinafter the same) that result in a Shareholding Ratio (defined in Note 1 below, hereinafter the same) of 15% or more, and (ii) tender offer of the Shares that results in a Shareholding Ratio of 15% or more (the "Large-Scale Purchase"), this Plan ensures that persons who are engaging in or aim to engage in Large-Scale Purchases (the "Large-Scale Purchaser") provide necessary and adequate information to the Company prior to the Large-Scale Purchase so that the shareholders may examine whether or not to accept such purchase. This Plan also prescribes an evaluation period during which the Board of Directors will review and evaluate such Large-Scale Purchase based on the information provided by the Large-Scale Purchaser. The Large-Scale Purchaser may only start such Large-Scale Purchase after such evaluation period has elapsed.

In the event the Large-Scale Purchasers comply with the procedures of this Plan, in principle, the Board of Directors shall not implement the countermeasures, and the Large-Scale Purchasers may commence the Large-Scale Purchases after the termination of the period

for examination. On the other hand, if the Large-Scale Purchasers do not comply with the procedures of this Plan, or even if the Large-Scale Purchasers do comply with the procedures of this Plan, if the Board of Directors determines it necessary for the protection of the corporate value of Kobelco and ultimately, the common interests of its shareholders, the Board of Directors may implement the countermeasures. This period of examination may be extended pursuant to the terms and conditions set forth in (4) below.

This Plan was established in reference to the “Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder’s Common Interests” published by the Ministry of Economy, Trade and Industry, and the Ministry of Justice on May 27, 2005, and based on the “Takeover Defense Measures in Light of Recent Environment Changes” published by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008.

(Note 1) “Shareholding Ratio” means, with respect to the Large-Scale Purchases of (i) above, the holding ratio of equity securities provided under Article 27-23, paragraph 4 of the Financial Instruments and Exchange Act, and with respect to the Large-Scale Purchases of (ii) above, the total of the holding ratio of voting rights represented by equity securities held by the Large-Scale Purchasers and the persons who belong to Persons in Special Relationship (as defined in Article 27-2, paragraph 7 of the same act, hereinafter the same) (this means the holding ratio of voting rights represented by equity securities provided under Article 27-2, paragraph 8 of the same act.).

Upon the calculation of the Shareholding Ratio, the aggregate number of the issued shares (this means those provided under Article 27-23, paragraph 4 of the same act), and the total number of voting rights (this means those provided under Article 27-2, paragraph 8 of the same act) may be determined by reference to those provided in the most recent securities report, quarterly report and the share buyback report.

(Note 2) “Shares” means, with respect to the Large-Scale Purchases of (i), the shares and other equity securities defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act, to which the Company is an issuer, and with respect to the Large-Scale Purchases of (ii), the shares and other equity securities defined in Article 27-2, paragraph 1 of the same act to which the Company is an issuer.

(2) Establishment of an Independent Committee

To prevent its Board of Directors from making arbitrary judgments and ensure that the procedures under this Plan remain objective, fair, and reasonable, Kobelco establishes an Independent Committee, which is a body independent of the Board of Directors, that has the form and substance prescribed in the Exhibit 2 hereto. Members of the Independent Committee will include the Company’s outside directors who are independent of the management team engaged in the business execution of the Company.

The Independent Committee discusses and resolves the matters set forth in Exhibit 2 hereof, including a judgment about whether information provided by the Large-Scale Purchaser in accordance with (3) below is sufficient for a decision of the question of the Large-Scale Purchases and a recommendation to the Board of Directors on whether to implement or cancel defensive measures as described in (5), (6) and (8) below. If the Independent Committee recommends implementation of the defensive measures to the Board of Directors, the resolutions require at least one affirmative vote of the member(s) serving as the outside director of the Company who attended the Independent Committee, and a system to ensure that the decisions of the outside directors with the duty of a prudent custodian to the Company will reflect the recommendations of the Independent Committee.

(3) Provision for Required Information

(a) Purpose

Before starting the Large-Scale Purchase, the Large-Scale Purchaser is required to provide information listed in (b) below in accordance with the procedures set forth in (c) below so that the shareholders and the Board of Directors and the Independent Committee are able to evaluate whether the proposal of the Large-Scale Purchaser enhances the corporate value and ultimately, the common interests of the shareholders.

(b) Required information

1) Requisite factors

The Large-Scale Purchaser is required to provide information necessary and adequate for the examination of the acceptance of the Large-Scale Purchases by the shareholders and the Board of Directors and the Independent Committee in light of the purpose provided in (a) above (hereinafter referred to as the "Required Information"). The detailed items of the Required Information are basically as listed in 2) below. However, they will be ultimately decided in a list of the Required Information (hereinafter referred to as the "Required Information List") to be provided by the Company as set forth in (c) 2) below since the Required Information may differ depending on the attributes of the Large-Scale Purchaser and the terms and conditions of the Large-Scale Purchase. However, the information to be provided to the Company by the Large-Scale Purchaser shall be limited to the extent necessary and sufficient to appropriately determine the question of the Large-Scale Purchases by the shareholders and the Board of Directors and the Independent Committee.

2) Details of the Required Information (Example)

- (i) An outline of the Large-Scale Purchaser and its group companies and other related parties;
- (ii) The purpose, method, and conditions of the Large-Scale Purchase, including the Shareholding Ratio of the Shares scheduled to be purchased;
- (iii) Whether the Large-Scale Purchaser has communicated with any third party regarding the Large-Scale Purchase, and those details, if applicable;
- (iv) The basis for the calculation of the purchase price;
- (v) Information substantiating that the Large-Scale Purchaser has sufficient funds to pay for the intended acquisition, including whether a third party will provide such funds or guarantees, credits, etc., and if so, the name and details of such third party;
- (vi) The Company and the Company group's intended management policies, business plan, (capital) investment plan, equity policy, dividend policy, financial plan, and plans to efficiently utilize the assets following the completion of the Large-Scale Purchase;
- (vii) The Large-Scale Purchaser's plan to enhance the corporate value and ultimately, the common interests of the shareholders of the Company and its group on a long-term and sustainable basis, following the completion of the Large-Scale Purchase, and the basis on which such plan enhances the corporate value of the Company and its group and ultimately the common interests of the shareholders; and
- (viii) Whether the Large-Scale Purchaser plans to alter any relations between the Company and its group, and the stakeholders including the employees, suppliers, customers and local community, and if so, the details of the intended alteration.



(c) Procedure to provide the Required Information

1) Large-Scale Purchaser's submission of "letter of intention"

The Plan requires that the Large-Scale Purchaser submit a "letter of intention" to the representative director of the Company when the Large-Scale Purchaser intends to commence the Large-Scale Purchase. In this letter of intention, the form of which will be provided by the Company, the Large-Scale Purchaser is required to declare compliance with this Plan as well as to provide its name, address, governing law of incorporation or association, the name of its representative, a contact person in Japan, and an outline of the planned Large-Scale Purchase.

2) List of Required Information issued by Kobelco

Within five (5) business days of the receipt of the Large-Scale Purchaser's letter of intention, the Company will issue a Required Information List that specifies the information the Large-Scale Purchaser is required to provide.

3) Large-Scale Purchaser's provision of information and its disclosure

The Large-Scale Purchaser is required to promptly provide the Board of Directors with the Required Information after the Large-Scale Purchaser has received the Required Information List. The Board of Directors will submit the Required Information to the Independent Committee immediately after the receipt thereof for review and decision by the Independent Committee. If the Independent Committee reasonably judges that the Required Information provided by the Large-Scale Purchaser is insufficient or inadequate to determine the question of the Large-Scale Purchase, the Board of Directors may request that the Large-Scale Purchaser provide additional information. (However, the Independent Committee shall not engage in operations which deviate from the purpose listed in (a) above, such as demanding of the Large-Scale Purchasers information disclosure exceeding the standards necessary to appropriately decide the question of the Large-Scale Purchases, or requiring provision of the Required Information to the Large-Scale Purchasers endlessly). When the Independent Committee determines that it has received sufficient and adequate information to determine the question of the Large-Scale Purchase, the Company will disclose so in a timely and appropriate manner.

Kobelco will disclose facts of the expressions of intent for Large-Scale Purchasing and related matters thereof, in a timely and appropriate manner in accordance with the relevant laws, regulations, and the rules of the financial instruments exchanges. All or part of the Required Information provided by the Large-Scale Purchasers to the Board of Directors may be disclosed when the Independent Committee reasonably determines that such disclosure is necessary for shareholders to evaluate the Large-Scale Purchase.

(4) Evaluation by the Board of Directors and the Independent Committee

Depending on the difficulty of evaluating the Large-Scale Purchase, the Company has determined an evaluation period by the Board of Directors and the Independent Committee of the Large-Scale Purchase (hereinafter referred to as the "Evaluation Period") to be as follows, from the date that the Company discloses the fact that the Independent Committee determined that it has received the Required Information necessary and adequate for the decision on the question of the Large-Scale Purchase as set forth in (3)(c)3 above: (i) sixty (60) days, in the case of a tender offer with the consideration being only the cash in Japanese yen for all of the Shares, or (ii) ninety (90) days in the case of Large-Scale Purchase other than (i) above.

Kobelco will disclose the start and end of the Evaluation Period in a timely and appropriate manner in accordance with the relevant laws, regulations, and the rules of the financial instruments exchanges.

During the Evaluation Period, the Board of Directors will review and evaluate the Required Information provided by the Large-Scale Purchaser, with the advice of outside experts, if necessary. Then the Board of Directors will form and disclose its opinion on the Large-Scale Purchase. The Board of Directors may faithfully negotiate with the Large-Scale Purchaser to improve the terms and conditions of the Large-Scale Purchase or come up with alternatives for shareholders, if the Board of Directors believes these steps are necessary.

During the Evaluation Period, the Independent Committee will analyze and evaluate both the Required Information submitted by the Large-Scale Purchaser to the Board of Directors and the information independently provided by the Board of Directors to the Independent Committee. Based upon the result thereof, the Independent Committee will make a recommendation to the Board of Directors on whether or not to take defensive measures.

If the Independent Committee reasonably decides that it is necessary to extend the Evaluation Period, the Company may extend the Evaluation Period for a period up to a maximum of 60 days in addition to the initial period, and the Large-Scale Purchase may start only after the extended Evaluation Period has ended. In this case, the Company will promptly disclose, the reason for the decision for the Independent Committee to extend the Evaluation Period, the period of extension, and other matters deemed appropriate by the Board of the Directors.

(5) Actions to be taken on the Large-Scale Purchase

(a) If Large-Scale Purchaser does not comply with the procedures prescribed in this Plan

If the Large-Scale Purchaser does not comply with the procedures prescribed in this Plan, regardless of the particular methods of the acquisition, the Board of Directors, as a general rule, will implement defensive measures as set forth in (7) below.

(b) If the Large-Scale Purchaser complies with the procedures prescribed in this Plan

1) Basic Idea

If the Large-Scale Purchaser complies with the procedures prescribed in this Plan, the Board of Directors, even when it opposes the Large-Scale Purchase, may only express its dissenting opinion for the Large-Scale Purchases or offer alternatives, etc. The Board of Directors will not implement defensive measures against the Large-Scale Purchase as a general rule. Shareholders shall decide on their own whether to accept the proposal by the Large-Scale Purchaser or not, taking into consideration the proposal by the Large-Scale Purchaser, and opinions on the proposal and alternatives given by the Board of Directors.

However, even if the Large-Scale Purchaser complies with the procedures prescribed in this Plan, the Board of Directors may implement defensive measures as detailed in (7) below in order to protect the Company's corporate value and ultimately, the common interests of its shareholders, if it believes the Large-Scale Purchase will irreparably harm the Company or materially damage the Company's corporate value and ultimately, the common interests of its shareholders.

More specifically, if the Large-Scale Purchase falls within the categories enumerated in 2) below, the Large-Scale Purchase is generally determined to irreparably harm the Company or materially damage the Company's corporate

value and ultimately, the common interests of its shareholders.

- 2) Cases in which defensive measures are implemented:
- (i) Events where the Large-Scale Purchasers are determined to be engaging in the Large-Scale Purchases of the Shares, without any intention to participate in the management of the Company, but in order to make the parties related to the Company repurchase the Shares for a premium after the stock price increases (*i.e.* greenmailing);
  - (ii) Events where the Large-Scale Purchasers are determined to be engaging in the Large-Scale Purchases of the Shares to temporarily take control of the operation of the Company in order to transfer intellectual property, know-how, trade secrets, key business relationships or customers that are vital to the business management of the Company to the Large-Scale Purchaser or its group companies and other related parties (*i.e.* scorched earth tactics);
  - (iii) Events where the Large-Scale Purchasers are determined to be engaging in the Large-Scale Purchases of the Shares in order to appropriate the Company's assets to secure or pay off the debts of the Large-Scale Purchasers or those of group companies and other related parties after taking control of the operation of the Company (Only the fact that the Large-Scale Purchasers schedule to have the Company's assets be provided as security to the providers of the purchase funds after the completion of the Large-Scale Purchases shall not be immediately determined to be applicable to this classification.);
  - (iv) Events where the Large-Scale Purchasers are determined to be engaging in the Large-Scale Purchases of the Shares to temporarily take control of the operation of the Company to sell off expensive assets that are not related to the business of the Company at that time, such as real estate or securities, in order to pay a one-time dividend from the proceeds therefrom, or sell off the Shares after having driven up the stock price by paying temporary higher dividends (Only the fact that the Large-Scale Purchasers schedule to have the portions of the Company's assets to be disposed of by sale or otherwise as a part of the business reorganization after the completion of the Large-Scale Purchases shall not be immediately determined to be applicable to this classification.);
  - (v) Events where it is determined that using a method of share acquisition restricts the shareholders' opportunity of choice or freedom of accepting the offer and results in a high probability of forcing the shareholders to sell the Shares, including two-tier coercive tender offers (*i.e.* conduct of a purchase of the Shares by a tender offer or other methods, where the first purchase does not make an offer for the purchase of all of the Shares, and the second phase sets forth terms and conditions which are unfavorable to the first purchase or unclear); or
  - (vi) If the Large-Scale Purchaser's taking control of the Company damages the interests of stakeholders (excluding cases where damages are slight) including employees, suppliers, customers, and local communities which are indispensable for the enhancement of the corporate value of the Company and ultimately, the common interests of its shareholders, and in turn such a loss in stakeholders' interest materially damages the Company's corporate value and ultimately, the common interests of its shareholders.

- (6) Procedures to implement defensive measures (to ensure fairness)

The Board of Directors will make inquiries with the Independent Committee upon determining whether the procedures prescribed in this Plan stated in (5) above are complied

with and whether defensive measures must be taken even if the procedures of this Plan were complied with, to ensure objectivity, fairness, and reasonableness. Based upon such inquiries, the Independent Committee will make a recommendation to the Board of Directors on whether or not defensive measures should be implemented.

The Board of Directors places the highest value on the Independent Committee's recommendations upon the decision of the implementation of the defensive measures.

The Independent Committee will disclose, immediately after its resolution, the outline of the recommendation and other matters that the Independent Committee deems appropriate.

(7) Details of defensive measures (distribution of share purchase warrants without consideration)

If the Board of Directors decides to implement defensive measures against the Large-Scale Purchase in accordance with (5) and (6) above, the Board of Directors will distribute the share purchase warrants (hereinafter referred to as the "Share Purchase Warrants") with the terms and conditions set forth below, including the non-exercise of the share purchase warrants by the Large-Scale Purchaser (including the parties who belong to the Related Shareholders Group (defined in Note below) of the Large-Scale Purchasers in this (7)), by way of distribution of Share Purchase Warrants without consideration (hereinafter referred to as the "Distribution of Share Purchase Warrants without Consideration"). The Board of Directors will set a record date (hereinafter referred to as the "Distribution Date") to determine the shareholders to whom the Distribution of Share Purchase Warrants without Consideration will be made.

(Note) "Related Shareholders Group" means, with respect to Large-Scale Purchases under (1)(i) above, a holder (as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act, and including a person deemed to be a holder under Article 27-23, paragraph 3 of the same act) of the Company's Shares and any joint holders (as defined in Article 27-23, paragraph 5 of the same act, and including a person deemed to be a joint holder under Article 27-23, paragraph 6 of the same act), and persons who are determined by the Board of Directors of the Company as persons who are substantially the same as the persons above; and with respect to the Large-Scale Purchases of (1)(ii) above, persons who conduct the purchases of the Shares (as defined in Article 27-2, paragraph 1 of the same act), Persons in Special Relationship with such persons, and persons that the Board of Directors determines to be persons who are substantially the same as the persons above.

(a) Shareholders subject to the Distribution of Share Purchase Warrants without Consideration and the number of share purchase warrants to be distributed

One share purchase warrant will be distributed, in the manner of the distribution of share purchase warrants without consideration, for each share held by shareholders registered or recorded in the last shareholder registry of the Company on the Distribution Date, except for the Company's treasury shares.

(b) The number of shares to be issued upon the exercise of Share Purchase Warrants

The Board of Directors will separately decide the number of shares to be issued upon the exercise of the Share Purchase Warrants.

If the Company engages in a stock split or reverse stock split, the number of shares to be issued will be adjusted accordingly.

(c) Effective date of the Distribution of Share Purchase Warrants without Consideration

The Distribution of Share Purchase Warrants without Consideration becomes effective on the Distribution Date or another date as separately determined by the Board of Directors.

- (d) Type and amount of assets to be contributed upon the exercise of Share Purchase Warrants  
The type of assets to be contributed upon the exercise of the Share Purchase Warrants shall be cash, and the amount will be 1 yen for each Share Purchase Warrant.
- (e) Exercise period of Share Purchase Warrants  
The exercise period of the Share Purchase Warrants will be determined by the Board of Directors; provided that it shall be no longer than one hundred and twenty (120) days from the effective date of the Distribution of Share Purchase Warrants without Consideration.
- (f) Restriction on assignment of Share Purchase Warrants  
Any acquisition of the Share Purchase Warrants by way of assignment shall be subject to the approval of the Board of Directors.
- (g) Conditions on exercising Share Purchase Warrants  
The Large-Scale Purchaser may not exercise Share Purchase Warrants. In addition, no party who takes over the Share Purchase Warrants without the approval of the Board of Directors may exercise the Share Purchase Warrants.  
The Share Purchase Warrants only become exercisable ten (10) days after the Board of Directors recognizes and publicly announces that the Large-Scale Purchase has been consummated.  
If the performance of certain procedures or the fulfillment of certain terms and conditions are required in connection with the exercise of the Share Purchase Warrants under the applicable laws and regulations (hereinafter in this (g), including foreign laws and regulations), only in the event where the Company determines that such procedures and the terms and conditions have been performed or fulfilled, the Share Purchase Warrants may be exercised. Even in the event where the Company is required to perform or fulfill such procedures or terms and conditions to exercise the Share Purchase Warrants, the Company does not owe the duty to perform or fulfill such procedures or terms and conditions. If the exercise of the Share Purchase Warrants is not approved under the laws and regulations, the Share Purchase Warrants may not be exercised.
- (h) Matters regarding the redemption of the Share Purchase Warrants  
The Company may redeem without consideration all of the Share Purchase Warrants on a date separately determined by the Board of Directors upon the Distribution of Share Purchase Warrants without Consideration. Also, the Company may, on a date separately determined by the Board of Directors upon the Distribution of Share Purchase Warrants without Consideration, redeem the Share Purchase Warrants other than the Share Purchase Warrants held by the Large-Scale Purchasers and by the parties who were assigned with the Share Purchase Warrants without the approval of the Board of Directors of the Company, for a consideration of the Company's shares in the number separately determined by the Board of Directors per Share Purchase Warrant. However, the Board of Directors shall not attach any redemption clauses to the effect that the Company delivers cash as consideration for the redemption of the Share Purchase Warrants held by the Large-Scale Purchasers as terms and conditions of the Share Purchase Warrants.
- (i) Rounding of fractions  
Any fractional numbers of shares to be issued to the holders of Share Purchase Warrants upon the exercise of the Share Purchase Warrants and the number of shares to be issued as consideration for the redemption of the Share Purchase Warrants will be rounded down.

(j) Other

The Board of Directors will separately determine any other matters relevant to the Distribution of Share Purchase Warrants without Consideration not provided above.

(8) Suspension or cancellation of the implementation of defensive measures

Even after the Board of Directors has once resolved on the Distribution of Share Purchase Warrants without Consideration, in the event of the following circumstances, the Independent Committee may make new recommendations, including, up to the Distribution of the Share Purchase Warrants without Consideration, the suspension of the Distribution of Share Purchase Warrants without Consideration, and after the Distribution of Share Purchase Warrants without Consideration, the recommendation to redeem without consideration the Share Purchase Warrants.

Specifically, after the relevant resolution, (a) if the Large-Scale Purchasers withdraw the Large-Scale Purchases or the Large-Scale Purchases otherwise no longer exist, or (b) there are significant changes in the facts, etc. which are preconditions to the decision of the recommendation of (6) above, and (i) the Large-Scale Purchases by the Large-Scale Purchasers do not fall into any of the requirements to implement the defensive measures set forth in (5) above, or (ii) even if such Large-Scale Purchases fall under any requirements, the Independent Committee determines it is not reasonable to conduct the Distribution of the Share Purchase Warrants without Consideration, or to cause the Share Purchase Warrants to be exercised, the Independent Committee may make a separate decision, including the suspension of the Distribution of Share Purchase Warrants without Consideration or the redemption of the Share Purchase Warrants without consideration, and recommend such decisions to the Board of Directors. In such events, the Board of Directors shall place highest value on the recommendations of the Independent Committee, and decide whether or not to suspend the Distribution of Share Purchase Warrants without Consideration or whether or not to redeem the Share Purchase Warrants without Consideration.

The Independent Committee shall publish the outline of such recommendations and other matters deemed necessary by the Independent Committee promptly after the resolution thereof.

(9) Others

(a) Language

Provision of the Required Information to the Company under this Plan, and other notices and communications to the Company shall be conducted in the Japanese language.

(b) Revision of this Plan

Even during the effective period of this Plan, to the extent not contradicting the basic idea of this Plan to be approved at the 160th Ordinary General Meeting of Shareholders of the Company (hereinafter referred to as the “Ordinary General Meeting”) to be held in June 2013, and in consideration of the circumstances of the development of relevant laws and regulations and the changes in other circumstances, and in view of the further enhancement of the corporate value of the Company and ultimately, the common interests of its shareholders, the Board of Directors shall revise this Plan from time to time by placing highest value on the recommendations of the Independent Committee. In the event of the revision of this Plan, the Company shall promptly publish such revision.

(c) Effective date and the effective period of this Plan

With respect to the effectuation of this Plan and the implementation of the defensive measures based thereon, they will have certain effects on the shareholders.

Therefore, the intentions of the shareholders with regard to this Plan shall be confirmed at this Ordinary General Meeting.

In the event of the approval of the shareholders for this Plan is obtained at this Ordinary General Meeting, this Plan shall come into force upon the close of the first meeting of the Board of Directors to be held after such approval. The effective period of this Plan shall be up to the close of the first Board of Directors meeting to be held after the close of the Company's Ordinary General Meeting of Shareholders to be held in June 2015. However, as of the date of the first Board of Directors' meeting to be held after the close of the Company's Ordinary General Meeting of Shareholders to be held in June 2015, if the Large-Scale Purchases are already conducted or the procedures of this Plan are already commenced, to the extent necessary for the response to such Large-Scale Purchasing or the operation of this Plan, such effective period shall be extended.

This Plan shall be abolished upon a resolution to abolish it by the Board of Directors, even during its effective period.

(d) Modifications by amendment of the laws and regulations

The provisions of the laws and regulations quoted in this Policy are based on the provisions which are in force as of April 26, 2013. In the event it becomes necessary to add amendments to the terms and conditions and/or the definitions of the terms set forth in this Policy due to the establishment and amendments and abolishment of laws and regulations on and after the same date, the Board of Directors shall consider the intent of such establishment and the amendments and the abolishment and re-read such terms and conditions and the definitions of the terms provided in this Policy to the extent reasonable.

#### **4. Effect on shareholders and investors**

(1) Effect on shareholders and investors upon the effectuation of this Plan

Since there will be no Distribution of Share Purchase Warrants without Consideration upon the effectuation of this Plan, there will be no direct impact on the rights and interests of the shareholders and investors.

(2) Effect on the shareholders and investors upon the implementation of defensive measures

Although the Board of Directors may make a Distribution of Share Purchase Warrants without Consideration in order to maintain the Company's corporate value and ultimately, the common interests of shareholders, the Company does not expect the Distribution of Share Purchase Warrants without Consideration to cause any economic or legal loss or damage to the shareholders, except the Large-Scale Purchasers and the parties belonging to Related Shareholders Group who may not exercise the Share Purchase Warrants under this Plan. If the Board of Directors decides on the Distribution of Share Purchase Warrants without Consideration, the Company will make disclosure in a timely and appropriate manner in accordance with the relevant laws, regulations, and the rules of the financial instruments exchanges.

(3) Effect on the shareholders and investors upon the suspension or cancellation of the implementation of defensive measures

As provided in 3.(8) above, even after the Board of Directors has resolved on the Distribution of Share Purchase Warrants without Consideration, the Independent Committee may make new recommendations including the suspension of the Distribution of Share Purchase Warrants without Consideration until the Distribution of Share Purchase Warrants without Consideration, or to redeem without consideration the Share Purchase Warrants after the Distribution of Share Purchase Warrants without Consideration.

If the Distribution of Share Purchase Warrants without Consideration is suspended after the Board of Directors has resolved to make the Distribution of Share Purchase Warrants without Consideration, or all of the Share Purchase Warrants have been redeemed by the Company after the Distribution of Share Purchase Warrants without Consideration, the value per share will not be diluted. Therefore, a shareholder who trades shares on the assumption that a dilution in the value of the Company's shares will take place may make an unforeseen loss due to changes in the share price.

(4) Procedures to be required of the shareholders in implementing defensive measures

(a) Procedure for the application of the Share Purchase Warrants

Shareholders need not apply for the share purchase warrants since the Share Purchase Warrants will be distributed by way of Distribution of Share Purchase Warrants without Consideration to the shareholders registered or recorded in the last share registry as of the Distribution Date. They will automatically become the holders of the share purchase warrants upon the date on which the Distribution of Share Purchase Warrants without Consideration will come into force.

(b) Procedure for exercising the Share Purchase Warrants

To exercise the Share Purchase Warrants after the Distribution of Share Purchase Warrants without Consideration, the shareholders are required to pay 1 yen for each Share Purchase Warrant to a payment handling agent during the exercise period.

If the Board of Directors resolves to redeem the Share Purchase Warrants with the Company's shares being the consideration therefor, the shareholders who hold the Share Purchase Warrants subject to such redemption will receive the Company's shares as consideration for the redemption of the Share Purchase Warrants by the Company without making any payment of the cash in the amount equivalent to the exercise price.

**5. Statements that the initiatives implemented by the management of the Company are in line with the Basic Policy on Corporate Control, do not undermine the common interests of its shareholders, and are not intended to preserve the personal status of its directors**

(1) Statement that the initiatives implemented by the management of the Company are in line with the Basic Policy on Corporate Control

The Kobe Steel Group's initiatives to enhance its corporate value and ultimately, the common interests of its shareholders represent the initiatives of its current management to "protect and enhance the Company's corporate value and the common interests of its shareholders" in the Basic Policy on Corporate Control. The shareholders may express their opinions on the approval or disapproval of these initiatives by the current management through the exercise of the right to elect and dismiss directors.

Kobelco's current corporate governance system and various initiatives implemented to strengthen it conform to the Basic Policy on Corporate Control because they ensure that the execution of directors' duties and responsibilities is supervised, they enhance the transparency of management, and they thereby serve to enhance Kobelco's corporate value and ultimately, the common interests of its shareholders pursuant to the Companies Act.

Meanwhile, this Plan is based on the fundamental principle that it is ultimately up to the shareholders to decide whether or not to accept the Large-Scale Purchase. Kobelco's procedures to have Large-Scale Purchasers provide its Board of Directors with information on Large-Scale Purchasing in advance, to demand that Large-Scale Purchasers commence their Large-Scale Purchasing only after a certain specific evaluation period, and to have its Board of Directors take necessary countermeasures against Large-Scale Purchasers if they fail to comply, have all been adopted as a means of having Large-Scale Purchasers furnish information necessary for the shareholders to decide whether or not to accept the relevant



Large-Scale Purchase or of ensuring that the shareholders are presented with alternatives. Hence, this Plan has been designed in keeping with Kobelco's Basic Policy on Corporate Control.

- (2) The initiatives implemented by the management of the Company do not undermine the common interests of its shareholders

The Kobe Steel Group's current corporate governance system and various initiatives to upgrade it will all serve to enhance the Company's corporate value and ultimately, the common interests of its shareholders.

At the same time, Kobelco believes that this Plan is conducive to the enhancement of the common interests of its shareholders because it will ensure the shareholders are presented with information or alternatives necessary for them to determine whether or not to accept Large-Scale Purchasing.

Furthermore, the effectuation of this Plan is subject to the approval of Kobelco's shareholders at its general meeting of shareholders. As the term of validity of this Plan is clearly stipulated, the shareholders are entitled, by way of a resolution at their general meeting, to reject its renewal. It is also possible to abolish this Plan at any time via a resolution of the board of directors. Therefore, if Kobelco's shareholders determine that continuing this Plan would undermine their common interests, they are entitled to abolish it at any time by exercising their right to elect or dismiss the directors. In these ways, due consideration is given to ensuring that this Plan will not undermine the common interests of Kobelco's shareholders.

- (3) The initiatives implemented by the Company's management are not intended to preserve the personal status of its directors

Kobelco's current corporate governance system, in its entirety, is composed with the general meeting of shareholders reigning at its top. The Company sets its directors' tenure to be one year, and does not adopt the staggered term system, nor add any requirement for a resolution of the general meeting of shareholders to dismiss them. As set forth in 3.(9)(c) above, this Plan will be abolished at the time of the resolution of the Board of Directors to abolish this Plan, even during the effective term thereof. Therefore, it is possible to appoint or dismiss the directors at one (1) shareholders' meeting, and to cancel this Plan with a subsequent resolution of the Board of Directors, and in this respect, the intentions of the shareholders will also be reflected.

Based on the fundamental principle that the final judgment on whether to accept a Large-Scale Purchase is up to the Company's shareholders, this Plan is meant, within the limits necessary for the protection of the common interests of the shareholders, to prescribe the rules on the provision of information and other matters which must be complied with by the Large-Scale Purchasers and the details and the procedures of countermeasures which shall be taken by the Company as needed. This Plan discloses, in advance and in detail, the terms and conditions and the procedures in which the Board of Directors are called upon to take defensive measures, and the Board of Directors will take these defensive measures pursuant to the provisions of this Plan.

Further, in evaluating and considering the Large-Scale Purchase and the decision in taking defensive measures therefor, the Board of Directors is required to seek the advice of outside experts, consult the Independent Committee comprised of those members who are independent of the management team engaged in the business execution of the Company, and place the highest value on the recommendations of the said Committee. Thus, this Plan also incorporates procedures to protect the proper operation by the Board of Directors.

Based on the foregoing, Kobelco believes this Plan is not aimed at preserving the

personal status of its directors.

End

**Exhibit 1: Major Shareholders**

Details of Kobelco's major shareholders as of March 31, 2011:

Ranking	Shareholders' Names	Equity Interest in Kobelco	
		No. of Shares	Ratio of Equity Interest
1	Nippon Steel & Sumitomo Metal Corporation	(in thousand shares) 214,690	% 7.14
2	Nippon Life Insurance Company	119,045	3.96
3	Japan Trustee Services Bank, Ltd. (trust account)	71,699	2.39
4	Mizuho Corporate Bank, Ltd.	64,669	2.15
5	The Master Trust Bank of Japan, Ltd. (trust account)	60,167	2.00
6	SSBT OD05 Omnibus Account - Treaty Clients	57,588	1.92
7	Mitsubishi UFJ Trust and Banking Corp.	52,333	1.74
8	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	47,348	1.58
9	Sojitz Corp.	45,016	1.50
10	Aioi Nissay Dowa Insurance Co., Ltd.	35,223	1.17
	Total	767,778	25.54

Note 1: As of March 31, 2013, Kobelco holds 109,172 thousand treasury shares.

Note 2: The number of shares is rounded to the nearest trading unit, and the ratio of equity interests is rounded to two decimal places.

End

## Exhibit 2: **Outline of the Independent Committee**

### **1. Members**

There are three or more committee members in the Independent Committee, and the members will be comprised of outside lawyers, certified public accountants, certified tax accountants, persons with relevant knowledge and expertise, outside executives, and at least one (1) outside director of the Company. Kobelco's board of directors shall elect the committee members. The Independent Committee shall elect among its committee members one (1) person as the chairperson of the Independent Committee.

### **2. Term of office**

The term of office will expire at the end of the first meeting of the Board of Directors held after the first Ordinary General Meeting of Shareholders of the Company after the election. The members may be reelected.

### **3. Power and responsibility**

The Independent Committee shall discuss and resolve on the matters set forth in items (i) through (viii) below, and based upon the resolutions thereof, makes recommendations to the Board of Directors on matters (v) through (vii) below. The Board of Directors makes its final decision by placing the highest value on the recommendation of the Independent Committee.

- (i) Whether the information provided by the Large-Scale Purchaser is sufficient and adequate for the decision on the question of the Large-Scale Purchase;
- (ii) Whether the extension of the period for the provision of the Required Information needs to be extended;
- (iii) Whether all or part of the Required Information shall be published;
- (iv) Whether the Evaluation Period needs to be extended;
- (v) Whether the procedures set forth in this Plan have been complied with;
- (vi) Whether the defensive measures need to be implemented, which will be decided based on the analysis and evaluation of the Required Information provided by the Large-Scale Purchaser and the information independently provided by the Board of Directors;
- (vii) Whether the defensive measures need to be suspended or cancelled;
- (viii) Any other matters relevant to maintain and enhance the corporate value of the Company and ultimately, the common interests of its shareholders that the Board of Directors makes inquiries about to the Independent Committee

### **4. Manner of Resolution**

As a general rule, the resolutions of the Independent Committee shall be made by a majority vote with the attendance of all current members of the Independent Committee. However, in the events deemed unavoidable by the Independent Committee, the resolution of the Independent Committee may be made with a majority vote of the members present at a meeting attended by the majority of the members of the Independent Committee. However, in the event of a recommendation by the Independent Committee to take defensive measures to the Board of Directors, the resolution of such recommendation requires at least one affirmative vote from the committee member(s) who serve(s) as the outside director of the Company who attended the Independent Committee.

### **5. Other**

- (i) The Independent Committee may obtain the advice of independent third parties (including financial advisors, certified public accountants, attorneys and other professionals) at the Company's expense.
- (ii) The Independent Committee shall meet once every half fiscal year, even if a Large-Scale Purchaser has not made an acquisition proposal. At this meeting, members shall collect and share information necessary to resolve as set forth in Section 3.

above, including the circumstances and summaries of each business unit of the Company in the relevant half fiscal year.

End