

10-Year Financial and Non-Financial Data

		(Millions of yen)											
Fiscal year		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
For the fiscal year	Net sales	¥1,864,691	¥1,685,529	¥1,824,698	¥1,886,894	¥1,822,805	¥1,695,864	¥1,881,158	¥1,971,869	¥1,869,835	¥1,705,566		
	Operating income	60,555	11,234	114,548	119,460	68,445	9,749	88,913	48,282	9,863	30,398		
	Ordinary income (loss)	33,780	(18,146)	85,044	101,688	28,927	(19,103)	71,149	34,629	(8,079)	16,188		
	Net income (loss) attributable to owners of the parent	(14,248)	(26,976)	70,191	86,549	(21,556)	(23,045)	63,188	35,940	(68,008)	23,234		
	Cash flows from operating activities	39,486	45,401	194,294	153,078	97,933	141,716	190,832	67,136	27,040	194,798		
	Cash flows from investing activities	(85,267)	(123,513)	(62,105)	(73,674)	(104,618)	(137,833)	(161,598)	(28,603)	(218,986)	(141,853)		
	Cash flows from financing activities	(40,233)	127,644	(138,501)	(156,027)	93,883	16,545	(66,598)	(9,561)	140,589	118,444		
	Capital expenditures	96,085	114,935	101,402	103,522	109,941	160,297	128,653	133,471	239,816	185,091		
	Depreciation	118,037	106,725	82,936	89,881	94,812	96,281	102,032	102,589	105,346	100,856		
	Research and development expenses	31,436	30,763	28,494	29,920	29,843	30,102	32,014	34,495	35,890	31,008		
	At fiscal year-end	Total assets	2,159,512	2,226,996	2,288,636	2,300,241	2,261,134	2,310,435	2,352,114	2,384,973	2,411,191	2,582,873	
Net assets		571,258	569,922	734,679	851,785	745,492	729,404	790,984	803,312	716,369	769,375		
Outside debt		746,471	907,656	748,138	650,991	776,073	789,632	726,013	724,221	784,478	785,761		
Outside debt including IPP project financing		810,172	959,179	787,246	677,447	789,493	796,927	738,865	760,364	906,639	987,808		
Per-share data ¹ (yen)	Net income (loss)	(47.4)	(89.8)	226.2	238.1	(59.3)	(63.5)	174.4	99.2	(187.5)	64.0		
	Net assets	1,718.40	1,706.34	1,841.10	2,137.00	1,903.80	1,860.36	2,049.95	2,041.29	1,811.10	1,958.57		
	Cash dividends	10.00	—	40.00	40.00	20.00	—	30.00	20.00	0.00	10.00		
Financial indicators	ROA (%)	1.5	(0.8)	3.8	4.4	1.3	(0.8)	3.1	1.5	(0.3)	0.6		
	ROE (%)	(2.7)	(5.2)	11.9	12.0	(2.9)	(3.4)	8.9	4.8	(9.7)	3.4		
	Return on invested capital (ROIC) (%)	—	—	—	—	—	—	0.8	4.5	2.8	0.9		
	Equity ratio (%)	23.9	23.0	29.2	33.8	30.6	29.2	31.6	31.0	27.2	27.5		
	Debt/equity ratio (times) (Excluding project financing)	1.37	1.75	1.11	0.88	1.10	1.17	0.98	0.98	1.19	1.11		
	Dividend payout ratio (%)	—	—	17.7	16.8	—	—	17.2	20.2	—	15.6		
Number of shares issued (in thousands)	3,115,061	3,115,061	3,643,642	3,643,642	3,643,642	364,364	364,364	364,364	364,364	364,364	364,364		
Non-financial data													
Environment	Reduction rate of CO ₂ emissions in production processes (from fiscal 2013) (%) ^(Note)										21		
	Contribution to reduction of CO ₂ emissions through technologies, products, and services (in million tons) ^(Note)										36.7	42.6	40.9
	Water recycling rate (%) ^(Note)										96.0	95.9	95.9
	Waste recycling rate (%) ^(Note)										99.3	98.5	98.7
Society	Number of employees												
	Consolidated	35,496	36,018	36,019	36,420	36,338	36,951	37,436	39,341	40,831	40,517		
	Non-consolidated	10,370	10,398	10,586	10,609	10,833	11,034	11,191	11,401	11,560	11,837		
	Men	9,725	9,728	9,891	9,881	10,090	10,241	10,304	10,422	10,528	10,750		
	Women	645	670	695	728	743	793	887	979	1,032	1,087		
	Non-Japanese	23	30	34	40	57	60	70	69	85	87		
	Ratio of female managers (non-consolidated) ^{*2} (%)	0.8	1.0	1.2	1.4	1.5	1.6	1.9	2.4	2.6	2.7		
	Employment rate of people with disabilities (non-consolidated) ^{*3} (%)	2.07(1.8)	2.11(1.8)	2.02(1.8)	2.28(2.0)	2.31(2.0)	2.38(2.0)	2.30(2.0)	2.35(2.2)	2.37(2.2)	2.34(2.2)		
	Number of new graduates employed (non-consolidated)												
	Men	278	374	336	294	362	344	421	350	315	349		
	Women	19	24	19	14	26	50	64	50	52	38		
	Number of employees taking childcare leave (non-consolidated) ^{*4}												
	Men	3	1	0	1	5	7	8	13	35	48		
	Women	40	40	45	48	38	54	40	40	58	63		
	Ratio of employees returning from childcare leave (non-consolidated) (%)	100.0	100.0	89.5	100.0	94.7	96.0	96.7	98.2	100.0	99.1		
	Turnover of employees with less than 3 years of service (non-consolidated) ^{*5} (%)	5.7	5.8	9.0	5.2	12.1	12.8	10.7	9.0	10.6	2.1		
	Turnover of employees with less than 10 years of service (non-consolidated) ^{*6} (%)	17.2	19.1	11.9	13.2	14.5	13.1	13.4	18.9	19.1	15.8		
	Overtime (non-consolidated) (hours per month/person)	20.0	19.6	20.2	22.9	22.7	16.5	18.4	18.4	17.7	16.6		
	Use of annual paid leave (non-consolidated) (days per year/person)	8.9	9.1	8.4	9.1	11.8	14.9	15.5	16.3	17.0	11.0		
	Total hours worked (non-consolidated) ^(Note)										2,080	1,978	
Employee training													
Total hours of training (across all employees) ^(Note)										210,948			
Average hours of training per employee ^(Note)										18			
Occupational health and safety													
Lost time injury frequency rate ^(Note)	0.18	0.27	0.17	0.36	0.32	0.26	0.31	0.26	0.19	0.24			
Governance	Compliance												
Number of internal reporting (whistleblowing) cases ^(Note)										119	112		

Note: New items are added along with the establishment of indicators and targets for Materiality. For disclosable items, data before fiscal 2019 is retrospectively described.

*1. The Company carried out a 1-for-10 reverse stock split of its shares on October 1, 2016. Per-share data has been recalculated as if the reverse stock split had been carried out at the beginning of fiscal 2010.

*2. At Kobe Steel, managers or higher positions are defined as managerial positions.

*3. Figures in parentheses are the statutory employment rate.

*4. The period of the Company's childcare leave is up to three years. The number of employees includes those who continue to be on leave from the previous year.

*5. The figure shows the percentage of those who retired with less than three years of continuous service, among the employees who joined the Company during these fiscal years through the regular hiring process.

*6. The figure shows the percentage of those who left the company with less than ten years of continuous service, among the employees who joined the Company during these fiscal years through the regular hiring process.

Results by Operating Segment (Fiscal 2016–Fiscal 2020)

Steel & Aluminum					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales				780.2	696.3
Ordinary income (loss)				(16.5)	(22.6)
Total assets				1,022.4	1,000.3
Depreciation				56.0	57.2
Research and development expenses				7.5	6.4
Capital expenditures				62.4	69.2
Number of employees (consolidated)				—	12,424

Note: From fiscal 2020, the reporting segments have been changed following the rearrangement of the corporate structure and performance management units. For this reason, the figures shown for fiscal 2019 and later have been adjusted in accordance with the new segments. Regarding figures for the former segments from fiscal 2018 and earlier, please refer to the Integrated Report 2020.

Advanced Materials					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales				297.1	238.1
Ordinary income (loss)				(25.2)	(12.1)
Total assets				277.1	256.0
Depreciation				15.7	10.2
Research and development expenses				3.5	2.6
Capital expenditures				27.0	14.2
Number of employees (consolidated)				—	6,080

Note: From fiscal 2020, the reporting segments have been changed following the rearrangement of the corporate structure and performance management units. For this reason, the figures shown for fiscal 2019 and later have been adjusted in accordance with the new segments. Regarding figures for the former segments from fiscal 2018 and earlier, please refer to the Integrated Report 2020.

Welding					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	82.2	80.5	83.9	83.7	70.0
Ordinary income	6.8	4.9	3.6	2.9	1.7
Total assets	72.9	76.0	78.5	79.6	77.6
Depreciation	2.2	2.1	2.2	2.4	2.4
Research and development expenses	3.5	3.4	3.7	4.0	2.9
Capital expenditures	2.4	2.3	2.3	2.6	2.1
Number of employees (consolidated)	2,532	2,551	2,560	2,587	2,514

Machinery					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	150.7	161.3	171.4	165.9	175.3
Ordinary income	5.8	2.3	1.2	9.6	11.4
Total assets	148.2	182.1	171.9	184.7	181.3
Depreciation	4.3	5.6	6.1	5.6	5.2
Research and development expenses	3.7	3.3	2.7	3.5	3.8
Capital expenditures	8.1	7.8	4.1	4.8	4.1
Number of employees (consolidated)	3,708	4,010	4,094	4,278	4,661

Engineering					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	121.1	122.8	151.7	141.5	136.1
Ordinary income	2.8	6.9	6.5	5.7	4.4
Total assets	104.8	109.3	137.3	139.0	123.8
Depreciation	2.0	1.9	2.0	1.8	1.6
Research and development expenses	2.0	1.9	2.3	2.4	2.1
Capital expenditures	1.6	0.9	2.7	1.8	1.6
Number of employees (consolidated)	2,870	2,920	3,523	3,584	3,524

Construction Machinery					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	310.4	364.5	386.0	360.8	333.1
Ordinary income (loss)	(31.3)	21.9	25.5	7.5	12.7
Total assets	364.6	388.4	358.6	341.0	334.6
Depreciation	12.4	12.3	12.3	12.9	12.8
Research and development expenses	4.7	5.6	6.5	6.9	6.4
Capital expenditures	13.8	11.3	13.5	13.5	10.4
Number of employees (consolidated)	7,060	7,075	7,487	7,765	7,917

Electric Power					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	70.6	72.1	76.1	75.6	80.4
Ordinary income (loss)	13.0	7.9	(0.3)	8.9	20.6
Total assets	101.7	107.1	123.2	251.6	321.3
Depreciation	7.7	8.8	5.8	7.6	8.4
Research and development expenses	—	—	—	—	—
Capital expenditures	9.1	12.0	20.1	123.5	81.1
Number of employees (consolidated)	164	235	244	255	263

Other Businesses					(Billions of yen)
Fiscal year	2016	2017	2018	2019	2020
Net sales	74.8	68.8	42.0	33.6	27.8
Ordinary income	7.6	5.4	2.3	3.3	4.2
Total assets	157.7	146.1	57.0	54.8	56.1
Depreciation	3.0	2.9	1.6	1.2	0.5
Research and development expenses	0.9	0.9	1.0	0.9	0.7
Capital expenditures	4.1	2.2	3.3	1.4	0.8
Number of employees (consolidated)	2,724	2,350	1,643	1,651	1,637

Corporate Data (As of March 31, 2021)

Corporate Profile

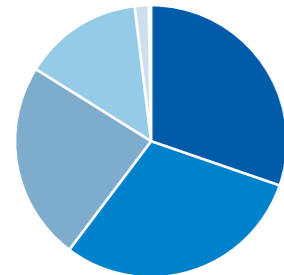
Name:	Kobe Steel, Ltd. (Japanese Name: Kabushiki Gaisha Kobe Seikoshu)
Group Brand:	KOBELCO *
Founded:	September 1, 1905
Incorporated:	June 28, 1911
Capital:	¥250.9 billion
Total assets:	¥2,582.8 billion
Employees:	40,517 (consolidated) 11,837 (non-consolidated)

*KOBELCO is an international unified trademark established in 1979 to represent the KOBELCO Group with the aim of giving form to the Group Corporate Philosophy, and thereby fostering a sense of solidarity within the Group, while building greater recognition and trust among stakeholders.

Stock Information

Authorized:	600,000,000 shares
Issued:	364,364,210 shares
Number of Shareholders:	176,886
Record date:	March 31 every year
Share unit number:	100 shares
Listings:	Tokyo Stock Exchange, First Section (Ticker Code: 5406) Nagoya Stock Exchange, First Section (Ticker Code: 54060)
Transfer Agent & Office:	Mitsubishi UFJ Trust and Banking Corporation
Accounting Auditor:	KPMG AZSA LLC

Breakdown of Shareholders by Investor Type (As of March 31, 2021)



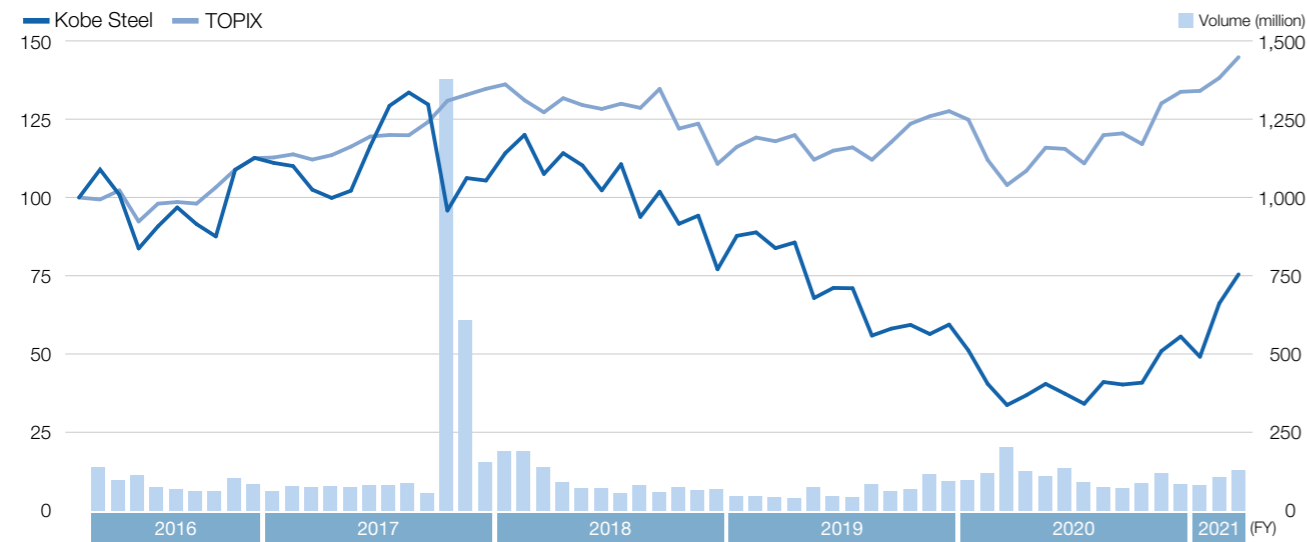
Japanese financial institutions	30.45%
Japanese individuals and others	30.02%
Foreign investors	23.54%
Other Japanese corporations	14.12%
Securities companies	1.80%
Treasury stock	0.07%
Government/local public entities	0.00%

Major Shareholders (10 largest shareholders) (As of March 31, 2021)

Name of Shareholder	Number of Shares Held (Thousands of shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,212	7.75
Custody Bank of Japan, Ltd. (Trust Account)	15,208	4.18
Nippon Steel Corporation	10,735	2.95
Nippon Life Insurance Company	10,119	2.78
Custody Bank of Japan, Ltd. (Trust Account 5)	5,545	1.52
Custody Bank of Japan, Ltd. (Trust Account 9)	5,006	1.37
Custody Bank of Japan, Ltd. (Trust Account 6)	4,920	1.35
DFA INTL SMALL CAP VALUE PORTFOLIO	4,417	1.21
SHIMABUN Corporation	4,410	1.21
Custody Bank of Japan, Ltd. (Trust Account 1)	4,410	1.21

*Kobe Steel holds 250 thousand of its own shares in treasury stock. Treasury stock is excluded in the calculation of the major shareholders' shareholding ratio in the Company.

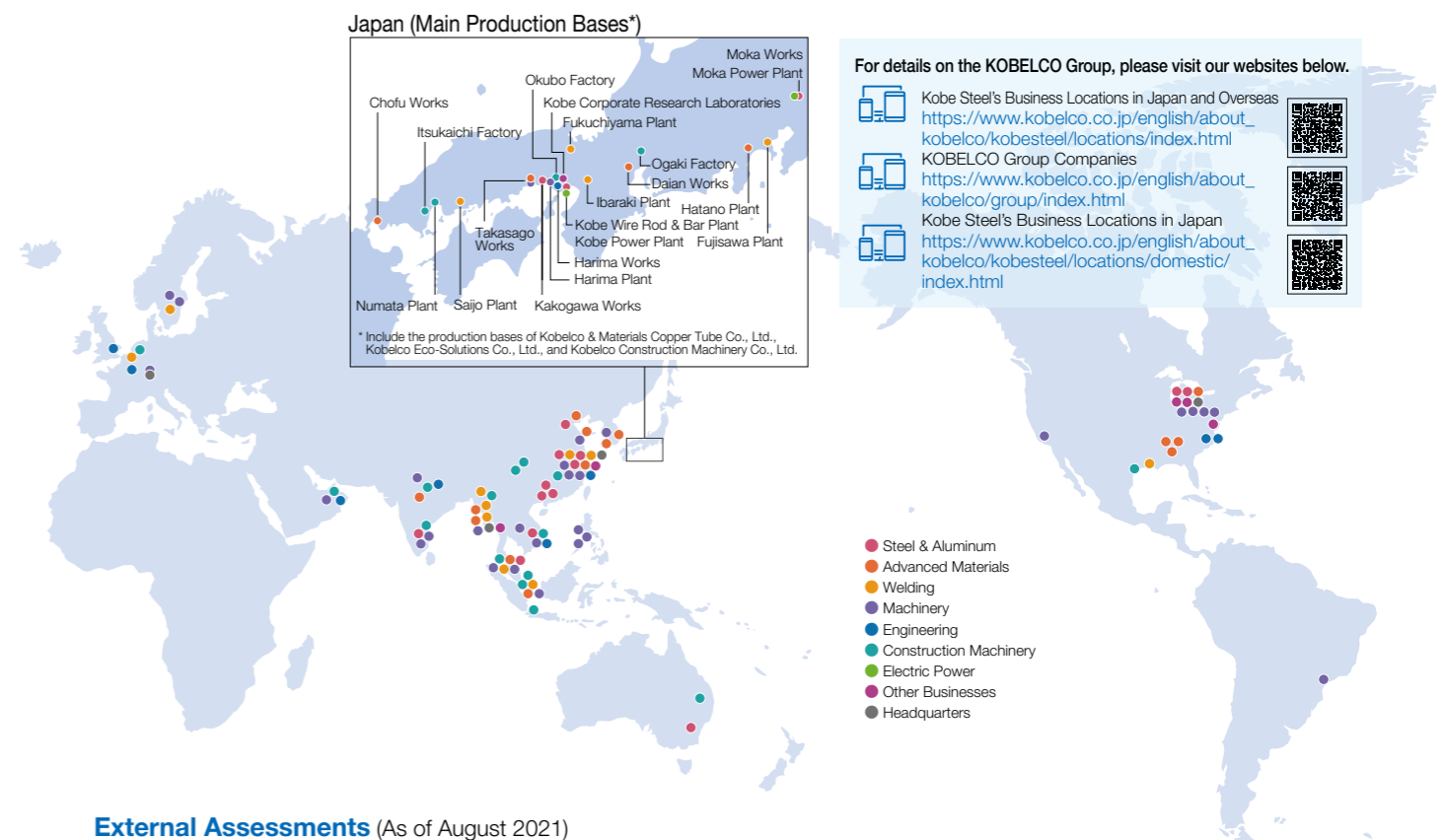
Trends in Stock Price and Volume



*1 Kobe Steel's stock price and TOPIX are indexed with closing prices in March 2016 equal to 100.

*2 The Company carried out a 1-for-10 reverse stock split of its shares on October 1, 2016. Stock price and volume have been recalculated based on the assumption that the reverse stock split was carried out prior to this.

Global Locations of the KOBELCO Group



For details on the KOBELCO Group, please visit our websites below.

- Kobe Steel's Business Locations in Japan and Overseas
https://www.kobelco.co.jp/english/about_kobelco/kobelsteel/locations/index.html
- KOBELCO Group Companies
https://www.kobelco.co.jp/english/about_kobelco/group/index.html
- Kobe Steel's Business Locations in Japan
https://www.kobelco.co.jp/english/about_kobelco/kobelsteel/locations/domestic/index.html

External Assessments (As of August 2021)

Accreditations and Certifications

Health & Productivity Stock Selection

Selected for three consecutive years from fiscal 2015

2021 Certified Health & Productivity Management Organizations Recognition Program (White 500)

Certified in 2017, 2020, and 2021

Kurumin

Certified in 2012 and 2015

Platinum Kurumin

Certified in 2019

Nadeshiko Brand

Selected in 2016

Semi-Nadeshiko Brand

Selected in 2017



Application to Indices, etc.

FTSE4Good Index Series

FTSE Blossom Japan Index



FTSE4Good



FTSE Blossom Japan

Assessments

Scored A- by CDP in both the Climate Change and Water Security categories.



Our Website

Please see the Company's website for supplementary materials for the Integrated Report (data on environmental management, reduction of CO₂ emissions) and more detailed information on sustainability and other matters.

Investor Relations
<https://www.kobelco.co.jp/english/ir/>

Sustainability Management
<https://www.kobelco.co.jp/english/sustainability/index.html>



Please let us hear your comments on this report.

Questionnaire

Inquiries

General Administration and CSR Department,
Kobe Steel, Ltd.