

10-Year Financial and Non-Financial Data

Fiscal year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
For the fiscal year										
(Millions of yen)										
Net sales	1,886,894	1,822,805	1,695,864	1,881,158	1,971,869	1,869,835	1,705,566	2,082,582	2,472,508	2,543,142
Operating profit	119,460	68,445	9,749	88,913	48,282	9,863	30,398	87,622	86,365	186,628
Ordinary profit (loss)	101,688	28,927	(19,103)	71,149	34,629	(8,079)	16,188	93,233	106,837	160,923
Profit (loss) attributable to owners of parent	86,549	(21,556)	(23,045)	63,188	35,940	(68,008)	23,234	60,083	72,566	109,552
Cash flows from operating activities	153,078	97,933	141,716	190,832	67,136	27,040	194,798	168,809	119,692	205,284
Cash flows from investing activities	(73,674)	(104,618)	(137,833)	(161,598)	(28,603)	(218,986)	(141,853)	(161,510)	(97,267)	(53,724)
Cash flows from financing activities	(156,027)	93,883	16,545	(66,598)	(9,561)	140,589	118,444	(69,143)	(85,564)	(81,213)
Capital expenditures	103,522	109,941	160,297	128,653	133,471	239,816	185,091	108,139	97,302	105,214
Depreciation	89,881	94,812	96,281	102,032	102,589	105,346	100,856	105,147	112,505	119,084
Research and development expenses	29,920	29,843	30,102	32,014	34,495	35,890	31,008	33,244	36,702	40,416
At fiscal year-end										
(Millions of yen)										
Total assets	2,300,241	2,261,134	2,310,435	2,352,114	2,384,973	2,411,191	2,582,873	2,728,745	2,874,751	2,919,774
Net assets	851,785	745,492	729,404	790,984	803,312	716,369	769,375	872,346	977,653	1,127,346
Interest-bearing debt	650,991	776,073	789,632	726,013	724,221	784,478	785,761	655,154	590,526	580,530
Interest-bearing debt including IPP project financing	709,857	820,535	825,452	763,174	785,665	930,527	1,057,168	973,843	917,263	873,504
Per share data ¹										
(Yen)										
Net profit (loss)	238.1	(59.3)	(63.5)	174.4	99.2	(187.5)	64.0	160.2	183.8	277.3
Net assets	2,137.00	1,903.80	1,860.36	2,049.95	2,041.29	1,811.10	1,958.57	2,066.48	2,314.31	2,675.13
Cash dividends	40.00	20.00	—	30.00	20.00	0.00	10.00	40.00	40.00	90.00
Financial indicators										
Return on assets (ROA) (%)	4.4	1.3	(0.8)	3.1	1.5	(0.3)	0.6	3.5	3.8	5.6
Return on equity (ROE) (%)	12.0	(2.9)	(3.4)	8.9	4.8	(9.7)	3.4	7.9	8.4	11.1
Return on invested capital (ROIC) (%)			0.8	4.5	2.8	0.9	1.1	4.7	4.9	6.7
Net asset ratio (%)	37.0	33.0	31.6	33.6	33.7	29.7	29.8	32.0	34.0	38.6
Equity ratio (%)	33.8	30.6	29.2	31.6	31.0	27.2	27.5	29.9	31.8	36.2
Debt/equity (D/E) ratio (times) (excluding project financing)	0.88	1.10	1.17	0.98	0.98	1.19	1.11	0.80	0.65	0.55
Gross debt/equity (D/E) ratio (times)	0.91	1.19	1.22	1.03	1.06	1.42	1.49	1.19	1.00	0.83
Dividend payout ratio (%)	16.8	—	—	17.2	20.2	—	15.6	25.0	21.8	32.4
Number of shares issued (in thousands)	3,643,642	3,643,642	364,364	364,364	364,364	364,364	364,364	396,346	396,346	396,346
Non-financial data										
Environment										
Reduction of CO ₂ emissions in production processes (compared to fiscal 2013) (%) ^(Note)							21	16	20	20
Contribution to reduction of CO ₂ emissions through technologies, products, and services (in million tons) ^(Note)					3,674	4,214	4,077	4,491	5,891 ²	6,118 ²
Water recycling rate (%) ^(Note)					96.0	95.9	95.9	95.7	96.2	96.3
By-product recycling rate (%) ^(Note)					99.3	98.5	98.9	99.3	99.2	99.1
Social										
Number of employees										
Consolidated	36,420	36,338	36,951	37,436	39,341	40,831	40,517	38,106	38,488	38,050
Non-consolidated	10,609	10,833	11,034	11,191	11,401	11,560	11,837	11,296	11,368	11,534
Male	9,881	10,090	10,241	10,304	10,422	10,528	10,750	10,231	10,284	10,428
Female	728	743	793	887	979	1,032	1,087	1,065	1,084	1,106
Non-Japanese ^(Note)	40	57	60	70	69	85	87	76	74	87
Percentage of female managers (non-consolidated) ³ (%) ^(Note)	1.2 (26)	1.4 (29)	1.5 (32)	1.6 (34)	1.9 (42)	2.3 (52)	2.3 (54)	2.6 (61)	2.8 (65)	3.1 (74)
Employment rate of people with disabilities (non-consolidated) ⁴ (%) ^(Note)	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)	2.56 (2.3)	2.64 (2.3)	2.62 (2.3)
Number of new graduates hires (non-consolidated)										
Male	294	362	344	421	350	315	349	254	224	234
Female	14	26	50	64	50	52	38	39	25	37
Number of employees taking childcare leave (non-consolidated) ⁵										
Male	1	5	7	8	13	35	48	82	142	183
Female	48	38	54	40	40	58	63	49	31	73
Percentage of employees returning from childcare leave (non-consolidated) (%)	100.0	94.7	96.0	96.7	98.2	100.0	99.1	99.0	99.4	99.6
Turnover of employees with less than 3 years of service (non-consolidated) ⁶ (%) ^(Note)	5.2	12.1	12.8	10.7	15.3	16.6	11.9	17.7	10.4	4.1
Turnover of employees with less than 10 years of service (non-consolidated) ⁷ (%) ^(Note)	13.2	14.5	13.1	13.4	18.9	19.1	15.8	19.5	20.0	21.1
Overtime (non-consolidated) (hours per month/employee) ^(Note)	22.9	22.7	16.5	18.4	18.4	17.7	16.6	17.2	16.5	16.1
Number of annual paid leave days taken (non-consolidated) (days per year/person) ^(Note)	9.1	11.8	14.9	15.5	16.3	17.0	11.0	13.9	17.0	18.0
Total hours worked (non-consolidated) ^(Note)							2,080.0	1,978.0	2,057.0	2,050.1
Employee training ⁸										
Total hours of training (across all employees) ^(Note)							364,545	349,585	408,216	380,056
Average hours of training per employee ^(Note)							30.8	30.9	35.9	33.0
Safety and health										
Lost time injury frequency rate ⁹ (%) ^(Note)	0.36	0.32	0.26	0.31	0.26	0.19	0.28	0.22	0.24	0.31
Governance										
Compliance										
Number of whistleblowing cases ^(Note)							119	112	113	111

Note: Indicators and targets for materiality. For some items, data for fiscal 2020 or earlier are also retroactively listed.

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 assuming that the reverse stock split had been carried out at the beginning of fiscal 2014.

2 The latest coefficients have been used in the calculation of contributions to reduction of CO₂ emissions through technologies, products, and services.

3 The number of female managers from fiscal 2014–2022 has been revised to include seconded employees and those on leave as a result of a change in the calculation method. At Kobe Steel, managers or higher positions are defined as managerial positions.

4 Figures in parentheses are the statutory employment rate.

5 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 fiscal year.

6 The figure shows the percentage of those who left the Company with less than three years of continuous service, among the employees who joined during these fiscal years through the regular hiring process. The figures for fiscal 2021 and fiscal 2022 show the percentage of those who left the Company as of the end of fiscal 2023.

7 The figure shows the percentage of those who left the Company with less than 10 years of continuous service, among the employees who joined during these fiscal years through the regular hiring process. The figures for fiscal 2014 or later show the percentage of those who left the Company as of the end of fiscal 2023.

8 The time required for an e-learning lesson is estimated at 15 minutes per person.

Results by Operating Segment (Fiscal 2019–2023)

Steel & Aluminum <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	780.2	696.3	914.9	1,105.1	1,082.7
Ordinary profit (loss)	(16.5)	(22.6)	37.5	41.9	16.1
Total assets	1,022.4	1,000.3	1,089.0	1,185.4	1,126.5
Depreciation	56.0	57.2	57.4	57.6	58.4
Research and development expenses	7.5	6.4	6.2	6.3	6.2
Capital expenditures	62.4	69.2	27.1	33.4	52.9
Number of employees (consolidated)	—	12,424	11,828	12,268	12,145
Crude steel production, incl. Takasago Works (Mt)	6.50	5.81	6.59	6.19	5.97
Sales volume of steel products (Mt)	5.30	4.73	5.27	4.98	4.69
Average steel selling price (yen per ton)	86,900	82,300	105,600	140,100	142,700
Sales volume of aluminum rolled products (Kt)	299	305	343	337	314

Note: From fiscal 2020, the reporting segments have been changed due to the rearrangement of the corporate structure and performance management units. Accordingly, the figures for fiscal 2019 or later have been adjusted in accordance with the new segments.

Advanced Materials <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	297.1	238.1	333.2	277.7	298.1
Ordinary profit (loss)	(25.2)	(12.1)	5.1	0.9	3.2
Total assets	277.1	256.0	244.4	270.4	241.5
Depreciation	15.7	10.2	11.3	10.5	10.7
Research and development expenses	3.5	2.6	2.5	1.6	2.3
Capital expenditures	27.0	14.2	8.2	8.0	13.1
Number of employees (consolidated)	—	6,080	4,469	4,489	4,595
Sales volume of aluminum extrusions (Kt)	34	31	36	34	37
Sales volume of copper rolled products (Kt)	53	48	60	54	52

Note: From fiscal 2020, the reporting segments have been changed due to the rearrangement of the corporate structure and performance management units. Accordingly, the figures for fiscal 2019 or later have been adjusted in accordance with the new segments.

Welding <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	83.7	70.0	76.9	88.4	93.5
Ordinary profit	2.9	1.7	2.7	2.8	4.9
Total assets	79.6	77.6	79.4	86.4	90.2
Depreciation	2.4	2.4	2.5	2.3	2.3
Research and development expenses	4.0	2.9	3.1	3.8	3.4
Capital expenditures	2.6	2.1	1.3	1.6	1.8
Number of employees (consolidated)	2,587	2,514	2,445	2,384	2,390
Sales volume of welding materials (Kt)	288	242	258	248	242

Machinery <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	165.9	175.3	166.8	203.4	234.5
Ordinary profit	9.6	11.4	12.5	15.7	29.6
Total assets	184.7	181.3	190.9	225.9	245.1
Depreciation	5.6	5.2	5.2	5.9	6.3
Research and development expenses	3.5	3.8	3.6	6.0	6.2
Capital expenditures	4.8	4.1	4.0	6.8	10.2
Number of employees (consolidated)	4,278	4,661	4,716	5,996	6,113
Orders	151.6	133.1	206.6	265.9	273.7

Notes: 1. Orders in fiscal 2019 are calculated including Kobe Steel and its major consolidated subsidiaries. Orders for fiscal 2020 or later are calculated including Kobe Steel and all of its consolidated subsidiaries.

2. Beginning in fiscal 2023, Kobelco Research Institute, Inc., which was under the Other segment, has come under the Machinery segment. Accordingly, the figures for fiscal 2022 or later have been adjusted in accordance with the new segments.

Engineering <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	141.5	136.1	135.6	145.2	170.6
Ordinary profit	5.7	4.4	7.7	4.1	12.4
Total assets	139.0	123.8	132.5	144.9	158.5
Depreciation	1.8	1.6	1.6	1.5	1.8
Research and development expenses	2.4	2.1	2.3	3.5	4.6
Capital expenditures	1.8	1.6	1.4	2.8	3.4
Number of employees (consolidated)	3,584	3,524	3,553	3,772	3,920
Orders	134.5	113.4	208.5	157.5	214.3

Construction Machinery <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	360.8	333.1	371.6	381.7	404.0
Ordinary profit	7.5	12.7	12.0	12.3	9.1
Total assets	341.0	334.6	361.9	408.5	417.7
Depreciation	12.9	12.8	13.8	12.5	12.2
Research and development expenses	6.9	6.4	8.4	9.1	10.4
Capital expenditures	13.5	10.4	9.8	13.8	17.9
Number of employees (consolidated)	7,765	7,917	7,829	7,550	6,849
Unit sales of hydraulic excavators (units)	26.6	26.6	28.1	24.6	24.1
Unit sales of crawler cranes (units)	399	320	321	289	315

Electric Power <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	75.6	80.4	109.8	324.3	315.9
Ordinary profit	8.9	20.6	13.2	24.5	85.7
Total assets	251.6	321.3	397.8	470.2	450.0
Depreciation	7.6	8.4	10.3	19.5	24.7
Research and development expenses	0.1	0.1	0.1	0.2	0.1
Capital expenditures	123.5	81.1	52.9	27.8	2.1
Number of employees (consolidated)	255	263	272	287	303

Other Businesses <small>(Billions of yen)</small>					
Fiscal year	2019	2020	2021	2022	2023
Net sales	33.6	27.8	28.8	10.9	10.8
Ordinary profit	3.3	4.2	7.0	4.8	4.8
Total assets	54.8	56.1	59.8	45.5	49.7
Depreciation	1.2	0.5	0.5	0.2	0.2
Research and development expenses	0.7	0.6	0.7	0.1	0.1
Capital expenditures	1.4	0.8	0.5	0.3	0.3
Number of employees (consolidated)	1,651	1,637	1,542	317	304

Note: Beginning in fiscal 2023, Kobelco Research Institute, Inc., which was under the Other segment, has come under the Machinery segment. Accordingly, the figures for fiscal 2022 or later have been adjusted in accordance with the new segments.

Corporate Profile and Stock Information (As of March 31, 2024)

Corporate Profile

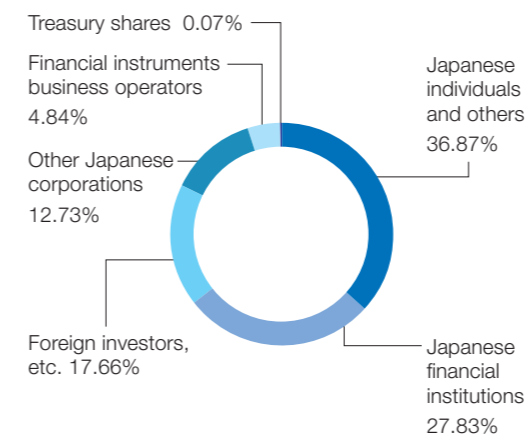
Company name:	Kobe Steel, Ltd. (Japanese Name: Kabushiki Gaisha Kobe Seikoshu)
Group brand:	KOBELCO
Founded:	September 1, 1905
Incorporated:	June 28, 1911
Capital:	¥250.9 billion
Total assets:	¥2,919.7 billion
Employees:	38,050 (consolidated) 11,534 (non-consolidated)

KOBELCO is an international unified trademark established in 1979 to represent the Kobe Steel 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:	396,345,963 shares
Number of shareholders:	243,379
Record date:	March 31 every year
Share unit number:	100
Listings:	Tokyo Stock Exchange, Prime Market (Ticker Code: 5406) Nagoya Stock Exchange, Premier Market (Ticker Code: 54060)
Transfer agent & office:	Mitsubishi UFJ Trust and Banking Corporation
Accounting auditor:	KPMG AZSA LLC

Breakdown of Shareholders by Investor Type

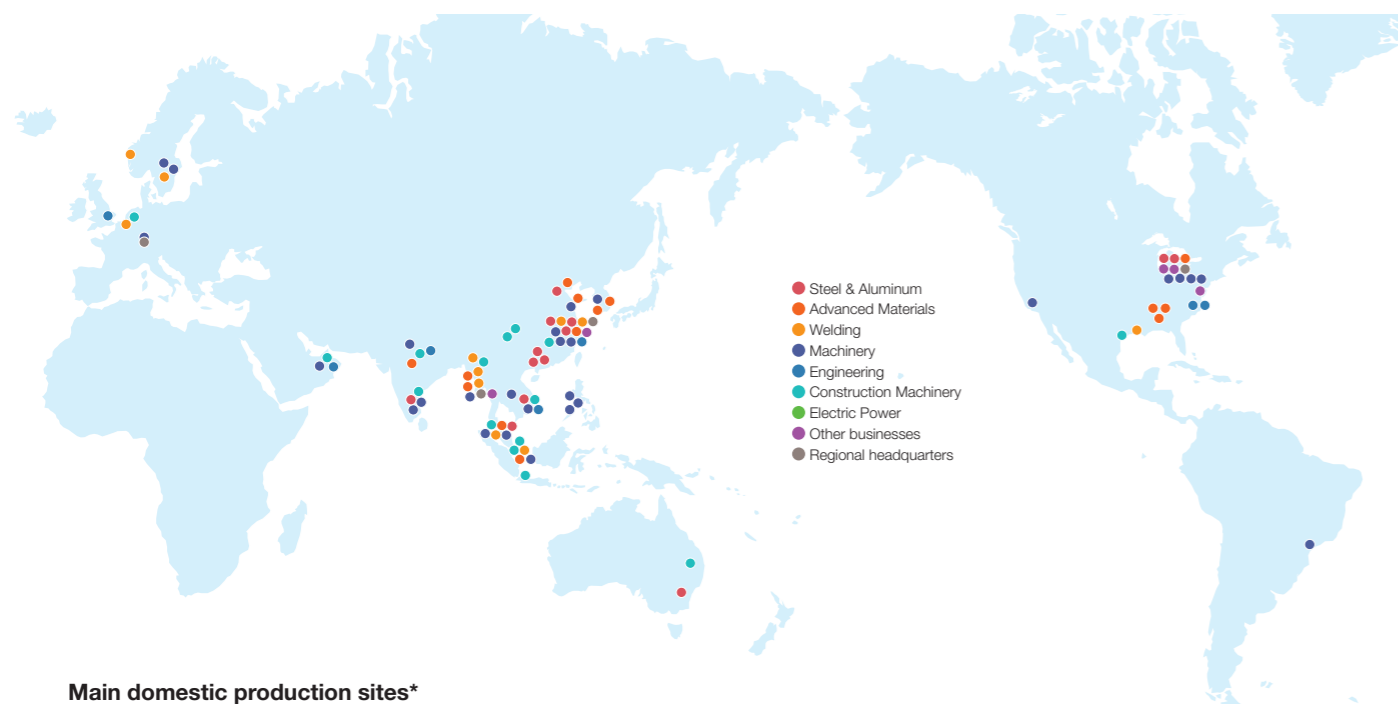


Major Shareholders

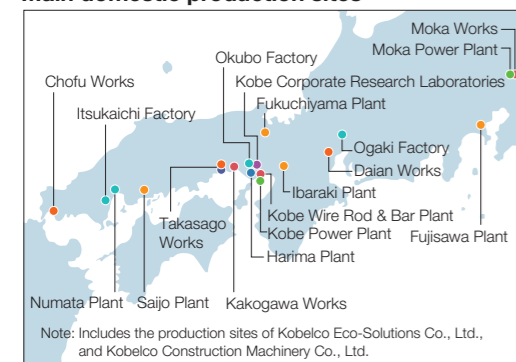
Name of shareholder	Number of shares held (Thousands of shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	61,384	15.50
Custody Bank of Japan, Ltd. (Trust Account)	15,291	3.86
Nippon Steel Corporation	10,735	2.71
JPMorgan Securities Japan Co., Ltd.	5,308	1.34
Nippon Life Insurance Company	5,059	1.28
The Nomura Trust and Banking Co., Ltd. (Trust Account)	4,834	1.22
STATE STREET BANK WEST CLIENT—TREATY 505234	4,648	1.17
SHIMABUN Corporation	4,420	1.12
J.P. MORGAN SECURITIES PLC FOR AND ON BEHALF OF ITS CLIENTS JPMSP RE CLIENT ASSETS-SETT ACCT	4,392	1.11
Kobe Steel Employee Stock Ownership Plan	4,322	1.09

Note: Shareholding ratio is calculated excluding treasury shares (274,087 shares).

Global Locations (As of March 2024)



Main domestic production sites*

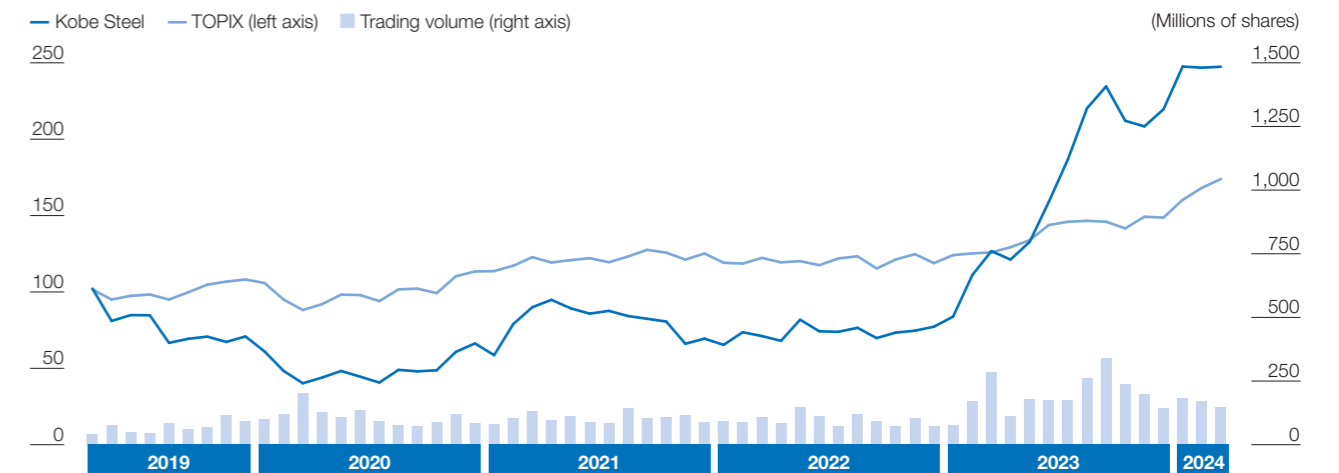


For more details, please visit our Group website.

Kobe Steel's Business Locations
https://www.kobelco.co.jp/english/about_kobelco/kobesteel/locations/index.html

Kobelco Group Companies
https://www.kobelco.co.jp/english/about_kobelco/group/index.html

Stock Price and Trading Volume



Note: Kobe Steel's stock price and TOPIX are indexed with closing prices in March 2019 equal to 100.

Disclaimer Regarding Forward-Looking Statements

This Integrated Report contains forward-looking statements about the Company's forecasts, beliefs, expectations, aims, and strategies. These forward-looking statements are based on the Company's judgments and assumptions using currently available information, and these forecasts may differ substantially from actual results due to a variety of factors that may change over time, such as uncertainties within its judgments and assumptions, future business operations, and changes in conditions inside and outside the Group. Kobe Steel assumes no responsibility for revising these forward-looking statements or other contents in this report. Below is a list of factors that may affect these uncertainties and changes. This includes but is not limited to:

- Changes in economic conditions, demand, and prices in major markets
- Political situations and trade and other regulations in major markets
- Fluctuations in foreign exchange rates
- Availability and prices of raw materials
- Products and services of competitors, price strategies, alliances, and other business developments such as M&As
- Changes in strategies of the Company's alliance partners

About Our ESG Data Book

For more details on our sustainability initiatives, please see ESG Data Book and our Company's website.

ESG Data Book
https://www.kobelco.co.jp/english/about_kobelco/outline/integrated-reports/index.html



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



Please let us hear your comments on this report.

Questionnaire

Contact
 General Administration and CSR Department,
 Kobe Steel, Ltd.