

Company name: Kobe Steel, Ltd.
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 Code number: 5406
 Stock exchange listings: Tokyo, Osaka & Nagoya, Japan

Kobe Steel subsidiary Kobelco Eco-Solutions revises earnings forecast

TOKYO, October 27, 2010 – Kobelco Eco-Solutions Co., Ltd., a subsidiary of Kobe Steel, Ltd., announced today a revision in its forecast for fiscal 2010 (April 1, 2010-March 31, 2011) made on September 16, 2010. Details are given in the tables below.

Difference between consolidated results and forecast for first-half fiscal 2010 (April 1 – September 30, 2010)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	30,000	700	650	400	4.96
Results (B)	30,037	1,169	1,165	719	8.93
Difference (B-A)	37	469	515	319	-
% change	0.1	67.0	79.2	79.8	-
FY2009 results for same period	37,518	505	485	478	5.94

Difference between non-consolidated results and forecast for first-half fiscal 2010 (April 1 – September 30, 2010)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	23,000	650	950	700	8.69
Results (B)	22,541	945	1,309	950	11.79
Difference (B-A) (Decrease)	(459)	295	359	250	-
% change (Decrease)	(2.0)	45.4	37.8	35.7	-
FY2009 results for same period	29,860	374	433	395	4.91

Consolidated forecast for full-year fiscal 2010 (April 1 2010 – March 31, 2011)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	71,000	2,200	2,100	1,250	15.51
New forecast (B)	71,000	2,800	2,700	1,500	18.61
Change (B-A)	0	600	600	250	-
% change	0.0	27.3	28.6	20.0	-
FY2009 results for same period	82,887	1,759	1,650	972	12.06

Non-Consolidated forecast for full-year fiscal 2010 (April 1 2010 – March 31, 2011)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	51,000	950	1,250	850	10.55
New forecast (B)	51,000	1,450	1,750	1,150	14.27
Change (B-A)	0	500	500	300	-
% change	0.0	52.6	40.0	35.3	-
FY2009 results for same period	63,416	584	596	349	4.34

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