

January 6, 2012

Company name: Kobe Steel, Ltd.
President & CEO: Hiroshi Sato
Stock exchange code number: 5406

Kobe Steel announces loss on write-down of investment in securities for third quarter of fiscal 2011

Kobe Steel, Ltd. announces that it intends to post a loss on some of its securities classified as "other securities" that have decreased significantly in value. As the value of these securities did not recover as expected, Kobe Steel will post a loss on the write-down of investment in securities for the third quarter of fiscal 2011, ended December 31, 2011.

1. Total amount of loss on valuation of investment securities for the third quarter of fiscal 2011

(Billions of yen)

Total amount of loss on valuation of investment securities booked in the third quarter of fiscal 2011 (October 1 to December 31, 2011) (A-B)	13.2
(A) Total amount of loss on valuation of investment securities booked in the third quarter of fiscal 2011 (April 1 to December 31, 2011)	13.2
(B) Total amount of loss on valuation of investment securities booked in the first half of fiscal 2011 (April 1 to September 30, 2011)	—

* The above loss on the impairment of investment securities will be recorded as special expenses in the third quarter of fiscal 2011.

2. Future outlook

Earnings forecasts for the full fiscal year, ending March 31, 2012, are currently under revision.

(Reference)

On a consolidated basis, Kobe Steel anticipates posting an extraordinary loss on the write-down of investment in securities amounting to 13.8 billion yen.

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