

April 28, 2010

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

Announcement on the Difference between Forecast and Actual Results of fiscal 2009

TOKYO, April 28, 2010 – Kobe Steel, Ltd. announces a difference between its forecast of fiscal 2009, released on March 29, 2010, and the actual results of fiscal 2009 announced today.

Difference between forecast of consolidated fiscal 2009 results and actual results (April 1, 2009 – March 31, 2010)

| | Net sales | Operating income (loss) | Ordinary income (loss) | Net income (loss) | Earnings per share |
|-----------------------|-----------|-------------------------|------------------------|-------------------|--------------------|
| Previous forecast (A) | 1,675,000 | 43,000 | 5,000 | (3,000) | (0.99 yen) |
| Actual results (B) | 1,671,021 | 46,015 | 10,258 | 6,304 | 2.09 yen |
| Change (B-A) | (3,978) | 3,015 | 5,258 | 9,304 | |
| % change | (0.2%) | 7.0% | 105.2% | --- | |
| FY2008 results | 2,177,289 | 116,934 | 60,876 | (31,438) | (10.47 yen) |

Figures are in millions of yen unless otherwise indicated. Sums under 1 million yen have been omitted.

Difference between forecast of non-consolidated fiscal 2009 results and actual results (April 1, 2009 – March 31, 2010)

| | Net sales | Operating income (loss) | Ordinary income (loss) | Net income (loss) | Earnings per share |
|-----------------------|-----------|-------------------------|------------------------|-------------------|--------------------|
| Previous forecast (A) | 995,000 | (2,000) | (17,000) | (3,000) | (0.99 yen) |
| Actual results (B) | 990,917 | 1,124 | (12,809) | 2,800 | 0.93 yen |
| Change (B-A) | (4,082) | 3,124 | 4,190 | 5,800 | |
| % change | (0.4%) | --- | --- | --- | |
| FY2008 results | 1,359,369 | 60,377 | 34,418 | (29,347) | (9.75 yen) |

Figures are in millions of yen unless otherwise indicated. Sums under 1 million yen have been omitted.

Reason for the Difference

Consolidated and non-consolidated profits in fiscal 2009 increased, compared with the forecast announced on March 29, 2010, as overall cost reductions, mainly in the Iron & Steel and Aluminum & Copper segments, were larger than previously estimated

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