

April 28, 2017
 Company name: Kobe Steel, Ltd.
 Representative: Hiroya Kawasaki
 Chairman, President, CEO
 and Representative Director
 Code number: 5406
 Tel: +81 (0)3 5739-6010

Announcement on the Difference between the Forecast and Actual Results for the Fiscal 2016

Kobe Steel, Ltd. announces a difference between its consolidated forecast for the fiscal 2016 (April 1, 2016 – March 31, 2017) made on February 2, 2017 and the actual results for the same period announced today.

Difference between the consolidated forecast and the actual results for the fiscal 2016 (April 1, 2016 – March 31, 2017)

	Net sales	Operating income	Ordinary income (loss)	Net income (loss) attributable to owners of the parent	Net income (loss) per share*
Previous forecast (A)	1,690,000	5,000	(30,000)	(40,000)	(110.29 yen)
Actual results (B)	1,695,864	9,749	(19,103)	(23,045)	(63.54 yen)
Change (B-A)	5,864	4,749	10,896	16,954	
% change	0.3%	95.0%	—	—	
FY2015 results for same period	1,822,805	68,445	28,927	(21,556)	(59.34 yen)

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

* Kobe Steel carried out a share consolidation at a ratio of 10 shares to 1 share effective on October 1, 2016. Therefore, net income per share takes into account this share consolidation.

Reason for the Difference and the Revision

Sales volume increased, while fixed costs were reduced and anticipated cost deterioration factors did not arise.

In addition, Kobe Steel recorded a reversal of provision for loans for the China wheel loader business in the consolidated fiscal year.

As a result, operating income, ordinary loss and net loss attributable to owners of the parent improved in comparison to the forecast made on February 2, 2017.