

June 28, 2019

Verification Results Regarding Strategic Holdings of Shares Held by Kobe Steel, Ltd.

At the meeting of the Board of Directors in June 2019, Kobe Steel, Ltd. (the “Company”) reviewed the necessity of all the strategic holdings of listed companies’ shares held by the Company as of the end of March 2019. A summary of the results is as follows.

[Contents of the Review of the Company’s Strategic Holdings of Shares]

Shares Subject to Verification	All the strategic holdings of listed companies’ shares held by the Company as of the end of March 2019 (69 companies)
Contents	<p>We verified whether the holding of each company’s shares contributes to strengthening the Company’s business foundation and to improving its corporate value over the medium to long term, based on the following evaluation items, and comprehensively judged the reasonableness of each shareholding.</p> <p><Evaluation items></p> <ul style="list-style-type: none">(i) The scale and importance as a business partner (volume of business, share of transactions, and stable procurement)(ii) Relationship as an alliance partner (economic effect of the alliance)(iii) Dividend yield

[Verification Results]

With regard to all 69 of the strategic holdings of listed companies’ shares held by the Company as of the end of March 2019, we judged 68 companies’ shares to be reasonable as a result of the verification hereinabove and excluded 1 company’s share which is in the process of being sold.

Furthermore, regarding the strategic holdings held by the Company, we will continue to verify whether these holdings are necessary or not. As a result, if there is little significance in holding shares determined to be diluted, we will consider reducing our shareholding by such means as selling the shares.

End