

Special Feature: KOBELCO VISION “G”

KOBELCO’S Global Expansion

In KOBELCO VISION “G,” the “G” represents “Global,” “Group,” and “Growth.” By coming together as a unified Group, we seek to create new value and achieve global growth. This section describes the Kobe Steel Group’s business expansion in growth fields, particularly in newly emerging countries, from 2010 through 2012.



KOBELCO’s Global Expansion



China

2010 – 2012

Feb.

2010



1 KOBELCO WELDING OF SHANGHAI CO., LTD.

Commenced Operation of Sales Company

Kobe Steel commenced operations of Kobe Welding of Shanghai Co., Ltd., which sells high value-added welding consumables and welding robot systems and provides maintenance and maintenance services.



2 KOBELCO WELDING OF QINGDAO CO., LTD.

Expanded Capacity of Flux-cored Welding Wires for Mild Steel

Kobe Steel expanded production capacity at Kobe Welding of Qingdao Co., Ltd., which manufactures and markets flux-cored welding wires for mild steel, primarily for use in the shipbuilding industry.

Apr.

2011

3 KOBELCO (CHINA) HOLDING CO., LTD.

Established Headquarters to Oversee Chinese Market

With the goal of increasing the Group’s collective strength and profitability in China, Kobe Steel established a holding company to oversee the Chinese market and handle investments in that country. Other activities include centralized financing and cash management, strengthening Group governance, supporting Group companies in China, and promoting Groupwide communication in the expanding Chinese market.



4 KOBELCO COMPRESSORS MANUFACTURING (SHANGHAI) CORPORATION

Expanded Compressor Plant Commences Operation

Production capacity expansion was completed and full-scale operations were commenced. The expanded plant will help us develop a strong compressor business foundation with the goal of becoming a world-class integrated compressor manufacturer.

Jul.

Sep.



Study Commenced on Cold-Rolled Steel Sheet for Automotive Use

Kobe Steel agreed to begin a joint feasibility study with Anshan Iron and Steel Group Corporation in China concerning the establishment of a joint-venture company for the manufacture and sale of cold-rolled advanced high-strength steel sheet (AHSS) for automotive use.



Aluminum Sheet Business Looks to Expand with ALCHA Joint Venture

Baotou, Inner Mongolia, the planned site for the joint-venture company, is blessed with abundant energy resources and a plentiful labor force. Baotou aspires to become a production base that offers competitive advantages to companies in terms of facilities and location.



5 WUXI COMPRESSOR CO., LTD.

Starts Under New Structure

Taking an equity stake in Wuxi Compressor, we have established production bases for standard and nonstandard compressors in Japan, the United States and China. Through aggressive global business expansion, we aim for net sales of ¥110.0 billion in 2015.

Oct.

Nov.

Dec.

Jan.

Mar.

2012



6 KOBE SPECIAL STEEL WIRE PRODUCTS (PINGHU) CO., LTD.

Wire Rod Secondary Processing Plant Expanded

By expanding its production capacity of CH wire and making capital investments to meet bearing steel wire demand, the company is building a supply system that meets the wide ranging needs of its customers.



8 CHENGDU KOBELCO CRANES CO., LTD.

New Crawler Crane Plant Commences Operations

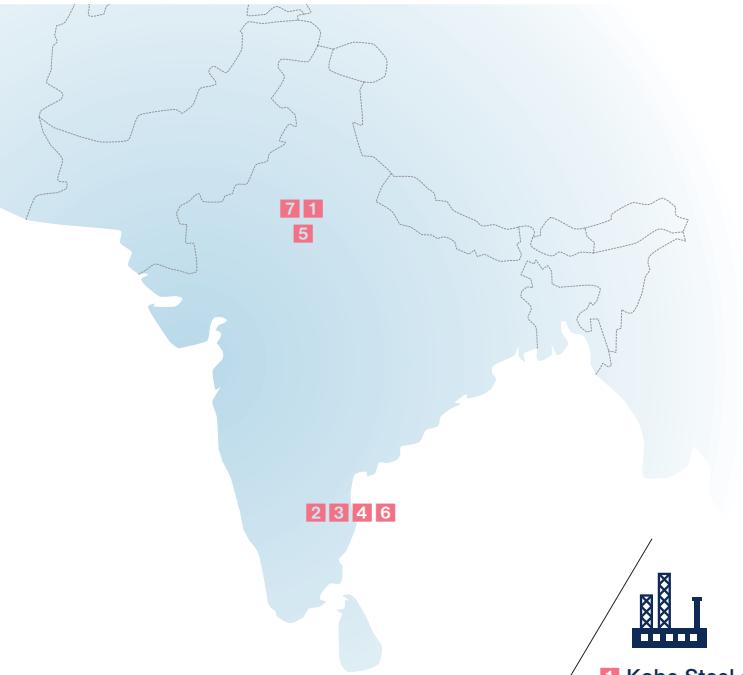
This facility is the first joint-venture plant between Japan and China that manufactures crawler cranes. The plant will launch new products tailored to market needs with an annual production goal of 80 units in 2015.



7 KOBELCO SPRING WIRE (FOSHAN) CO., LTD.

Manufacturing and Sales Company for Steel Wire for Use in High-End Springs

This company was established to capture demand for steel wire for use in high-end springs. The company will build a local supply network for steel wire that combines quality, competitiveness and a flexible market approach.



KOBELCO's Global Expansion

» **India**
2010 - 2012



1 Kobe Steel and India's SAIL Sign MOU

Kobe Steel and India's public-sector company, Steel Authority of India Limited (SAIL), agreed to jointly study potential collaboration on technologies, projects and other areas for the purpose of building a mutually beneficial relationship in the steel business.

Nov.

2010

Nov.



2 L&T KOBELCO MACHINERY PRIVATE LIMITED

Joint-Venture Company Established in Tire and Rubber Machinery Business

Kobe Steel and Larsen & Toubro Limited, a major construction and engineering company in India, established L&T Kobelco Machinery Private Limited to manufacture and sell rubber mixers and rubber twin screw rollerhead extruders used in tire and rubber manufacturing. With this new company, Kobe Steel has established four bases covering Japan, the United States, India and China.

Mar.

2011



3 KOBELCO CRANES INDIA PVT. LTD.

Crane Company Established in India

A groundbreaking ceremony was held for a new crawler crane plant in the state of Andhra Pradesh. Production commenced in November 2011.





4 KOBELCO CONSTRUCTION EQUIPMENT INDIA PVT. LTD.

New Hydraulic Excavator Production Base Starts Up

A new hydraulic excavator plant was constructed in the southeast Indian state of Andhra Pradesh. Annual production of 1,200 units is planned.



6 KOBELCO CRANES INDIA PVT. LTD.

Sales of Locally Made CKL1000i Model Commences in India

Taking advantage of local production, we will conduct sales activities that meet market needs, especially for 100-ton-class and over crawler cranes, a specialty of Kobelco Cranes, in the Indian market, where growth in demand is promising.

Apr.

Jun.

Nov.

Dec.

2012



5 KOBELCO WELDING INDIA PVT. LTD.

Welding Company Established

A new company was established to support welding material sales, welding robot systems and maintenance service.



7 SAIL and Kobe Steel Form Joint Venture for ITmk3® Project Feasibility Study

As prospects for the commercialization of the joint project with SAIL have advanced, an agreement was reached to establish a joint-venture company to conduct a detailed business feasibility study. The companies aim to contribute to the development of India and the Indian steel market through this project.



KOBELCO's Global Expansion



Asia

2010 – 2012



Nov.

2010

Apr.

2011

Apr.

2012

May



1 KOBELCO ECO-SOLUTIONS VIETNAM CO., LTD.

Local Vietnam Company Established

In response to vigorous demand for water treatment facilities, Kobelco Eco-Solutions Co., Ltd. incorporated its Vietnam office into a company. The company plans to expand orders through meticulous sales efforts that include after-sales service.



3 KOBELCO WELDING ASIA PACIFIC PTE. LTD.

Assigned Overall Control for ASEAN to Singapore Sales Base

With additional growth expected in ASEAN, to ensure optimal business management for the region, overall control for ASEAN was assigned to our sales base in Singapore.



2 KOBELCO WELDING MARKETING OF KOREA CO., LTD.

Welding Materials Sales Company Established in South Korea

Seeking to increase our sales volume by developing welding solutions that combine welding materials, construction methods, and equipment, we are aggressively expanding overseas business to win orders for energy construction projects in emerging countries.



4 Glass-Lining Manufacturing Plant to be Constructed in Vietnam

With robust demand in Vietnam, the industry's potential is expected to grow. We will respond to increasing demand for glass-lined equipment through local production.

