

October 28, 2011

Company name: Kobe Steel, Ltd.
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 President & CEO: Hiroshi Sato
 Code number: 5406
 Stock exchange listings: Tokyo, Osaka & Nagoya, Japan

Kobe Steel subsidiary Kobelco Eco-Solutions announces difference between forecast and actual results of first-half fiscal 2011 and revision of its earnings forecast for full-year fiscal 2011

TOKYO, October 28, 2011 – Kobelco Eco-Solutions Co., Ltd., a subsidiary of Kobe Steel, Ltd., announces today a difference between its forecast for first-half fiscal 2011 (April 1, 2011-September 30, 2011), released on April 26, 2011, and the actual results of first-half fiscal 2011 announced today.

In addition, it announces a revision in its full-year forecast for fiscal 2011 (April 1, 2011-March 31, 2012) made on April 26, 2011. Details are given in the tables below.

Difference between consolidated results and forecast for first-half fiscal 2011 (April 1, 2011 – September 30, 2011)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	30,000	850	750	300	3.72
Actual results (B)	29,852	1,420	1,448	638	7.93
Change (B-A)	(148)	570	698	338	-
% change	(0.5)	67.1	93.1	112.7	-
FY2010 results for same period	30,037	1,169	1,165	719	8.93

Difference between nonconsolidated results and forecast for first-half fiscal 2011 (April 1, 2011 – September 30, 2011)

(Millions of yen)

	Net Sales	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	22,000	1,100	750	9.31
Actual results (B)	22,034	1,468	995	12.36
Change (B-A)	34	368	245	-
% change	0.2	33.5	32.7	-
FY2010 results for same period	22,541	1,309	950	11.79

Consolidated forecast for full-year fiscal 2011 (April 1 2011 – March 31, 2012)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	70,000	3,350	3,200	1,700	21.10
New forecast (B)	71,500	3,700	3,600	1,850	22.96
Change (B-A)	1,500	350	400	150	-
% change	2.1	10.4	12.5	8.8	-
FY2010 results for same period	69,605	3,192	3,135	1,836	22.80

Nonconsolidated forecast for full-year fiscal 2011 (April 1 2011 – March 31, 2012)

(Millions of yen)

	Net Sales	Ordinary Income	Net Income	Net income per share (in yen)
Previous forecast (A)	51,000	2,350	1,450	17.99
New forecast (B)	52,000	2,800	1,750	21.72
Change (B-A)	1,000	450	300	-
% change	2.0	19.1	20.7	-
FY2009 results for same period	50,520	2,282	1,558	19.34

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