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Announcement regarding reversal of loss on valuation of investment securities in third quarter of fiscal 2019

Kobe Steel, Ltd. previously announced a loss on valuation of investment securities owing to a write-down in those securities, as the market prices of a portion of the listed shares of the securities classified as "other securities" fell significantly in the second quarter of fiscal 2019, ended September 30, 2019. However, as share prices recovered, Kobe Steel, Ltd. announces that a reversal of loss on valuation of investment securities has occurred in the third quarter of fiscal 2019, ended December 31, 2019.

1. Loss on valuation of investment securities in the third quarter of fiscal 2019

(Billions of yen)

	Consolidated	Nonconsolidated
Total amount of loss on valuation of investment securities in the third quarter of fiscal 2019 (October 1 to December 31, 2019) (A-B)	(10.8) (profit from reversal)	(10.8) (profit from reversal)
(A) Total amount of loss on valuation of investment securities in the first nine months of fiscal 2019 (April 1 to December 31, 2019)	—	—
(B) Total amount of loss on valuation of investment securities in the first half of fiscal 2019 (April 1 to September 30, 2019)	10.8	10.8

- The reversal method is used to evaluate the investment securities.
- Kobe Steel's fiscal year ends on March 31.

2. Future outlook

Kobe Steel will promptly disclose its earnings forecast for the full fiscal year, ending March 31, 2020, as soon as the forecast has been finalized.

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