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Company name: Kobe Steel, Ltd.  
Representative: Mitsugu Yamaguchi  
President, CEO and  
Representative Director  
Code number: 5406  
Contact: Corporate Communications Dept.  
Tel: +81 (0)3 5739-6010

## Announcement on Revisions to Earnings Forecast and Dividend Forecast for Fiscal 2020, ending March 31, 2021

Kobe Steel, Ltd. announces revisions to its consolidated earnings forecast for fiscal 2020 (April 1, 2020–March 31, 2021).

In addition, Kobe Steel announces that at its Board of Directors meeting held today, it passed a resolution for a per-share dividend forecast for fiscal 2020, ending March 2021, as provided below.

### 1. Revision to Consolidated Earnings Forecast

#### Revision to fiscal 2020 consolidated forecast (April 1, 2020 – March 31, 2021)

	Net Sales	Operating income (loss)	Ordinary loss	Net income (loss) attributable to owners of the parent	Net income(loss) per share
Previous forecast (A)	1,650,000	(15,000)	(35,000)	(15,000)	(41.35) yen
Current forecast (B)	1,690,000	10,000	(10,000)	0	0.00 yen
Change (B-A)	40,000	25,000	25,000	15,000	
% change	2.4%	-	-	-	
FY2019 results	1,869,835	9,863	(8,079)	(68,008)	(187.55) yen

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

#### Reason for the Revision

In comparison to the previous earnings forecast announced on November 5, 2020, sales volume is anticipated to exceed the previous forecast centered on the materials businesses with a recovery in global automotive demand, despite uncertainties such as the impact on automobile production due to the resurgence of COVID-19 and the global supply shortage of semiconductors. In addition, further cost reduction is anticipated by additional curtailment of expenditures through the profit improvement measures being implemented from the beginning of fiscal 2020.

As a result, for fiscal 2020, operating income (loss), ordinary loss and net income (loss) attributable to owners of the parent have been revised upward from the previous forecast.

For more details, please refer to the IR briefing material “Financial Results for the First Nine Months of Fiscal 2020 and Forecast for the Full Fiscal Year”

## 2. Revision to Dividend Forecast

	Dividend per share				
	1Q	2Q	3Q	4Q	Full year
Previous forecast (announced on November 5, 2020)			—	—	—
Current Forecast			—	0.00 yen	0.00 yen
FY2020 Results	—	0.00 yen	—		
FY2019 Results	—	0.00 yen	—	0.00 yen	0.00 yen

### Reason for the Revision

Kobe Steel determines dividends taking its financial condition, business performance, future capital needs and other factors into overall consideration with the aim of paying dividends on a continuous and steady basis in principle.

In the current forecast announced today, net income attributable to owners of the parent is anticipated to be zero. Taking this and other factors into consideration, Kobe Steel has unfortunately passed a resolution to forgo the year-end dividend in accordance with its dividend policy.

### Note:

This earnings forecast is based on currently available information as of today. Actual business results may differ considerably due to various changeable conditions in the future.