

March 29, 2010

Company name: Kobe Steel, Ltd.
President & CEO: Hiroshi Sato
Stock exchange code number: 5406

Announcement on Revision to Earnings Forecast

TOKYO, March 29, 2010 – Kobe Steel, Ltd. has revised its forecast for fiscal 2009 from the previous forecast made on February 3, 2010, due to recent trends in its business performance.

Revision to fiscal 2009 consolidated forecast (April 1, 2009 – March 31, 2010)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)	Earnings per share
Previous forecast (A)	1,675,000	35,000	(5,000)	(22,000)	(7.32 yen)
Current forecast (B)	1,675,000	43,000	5,000	(3,000)	(0.99 yen)
Change (B-A)	0	8,000	10,000	19,000	
% change	0.0%	22.9%	---	---	
FY2008 results	2,177,289	116,934	60,876	(31,438)	(10.47 yen)

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

Revision to fiscal 2009 non-consolidated forecast (April 1, 2009 – March 31, 2010)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)	Earnings per share
Previous forecast (A)	995,000	(8,000)	(24,000)	(22,000)	(7.31 yen)
Current forecast (B)	995,000	(2,000)	(17,000)	(3,000)	(0.99 yen)
Change (B-A)	0	6,000	7,000	19,000	
% change	0.0%	---	---	---	
FY2008 results	1,359,369	60,377	34,418	(29,347)	(9.75 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 forecast made on February 3, 2010, Kobe Steel has revised both its consolidated and non-consolidated earnings forecast. While sales volume in each business segment is generally forecast as anticipated, overall cost reductions are expected to be greater than previously estimated.

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

Investor Relations:

Tel +81 (0)3 5739-6045
Fax +81 (0)3 5739-5973
Tokyo, Japan

Media Contact:

Tel +81 (0)3 5739-6010
Fax +81 (0)3 5739-5971
Tokyo, Japan