



(This document is a summary English translation of the original Japanese document. If there are any discrepancies between this document and the original Japanese document, the original Japanese document prevails.)

28 November 2023

To Whom It May Concern,

Company name:	Kobe Steel, Ltd.
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Announcement Regarding Determination of Terms of Issue of Zero Coupon Convertible Bonds Due 2028 and Zero Coupon Convertible Bonds Due 2030

Kobe Steel, Ltd. (the “Company”) hereby announces the determination of the terms of issue and certain other matters (as well as those terms that were already determined) in respect of the issuance of Zero Coupon Convertible Bonds (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) due 2028 (the “2028 Bonds”) and Zero Coupon Convertible Bonds (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) due 2030 (the “2030 Bonds” and together with the 2028 Bonds, the “Bonds with Stock Acquisition Rights”), the issuance of which was resolved at its Board of Directors meeting held on 28 November 2023, as follows.

I. Matters relating to the Stock Acquisition Rights under the 2028 Bonds (the “2028 Bonds Stock Acquisition Rights”)

Matters relating to the 2028 Bonds Stock Acquisition Rights

(1)	The value of the assets to be delivered upon exercise of the 2028 Bonds Stock Acquisition Rights	An amount of assets equal to the principal amount of the 2028 Bonds, converted at the Conversion Price
(2)	Conversion Price	2,456 yen
(Reference)		
Share price, etc. on the pricing date (28 November 2023)		
A.	Share price (closing price) on the Tokyo Stock Exchange	1,780 yen
B.	Conversion premium [$\{(Conversion Price) / (Share price (closing price)) - 1\} \times 100$]	37.98 %

II. Matters relating to the Stock Acquisition Rights under the 2030 Bonds (the “2030 Bonds Stock Acquisition Rights”)

Matters relating to the 2030 Bonds Stock Acquisition Rights

(1)	The value of the assets to be delivered upon exercise of the 2030 Bonds Stock Acquisition Rights	An amount of assets equal to the principal amount of the 2030 Bonds, converted at the Conversion Price
(2)	Conversion Price	<u>2,349.5 yen</u>
(Reference)	Share price, etc. on the pricing date (28 November 2023)	
A.	Share price (closing price) on the Tokyo Stock Exchange	<u>1,780 yen</u>
B.	Conversion premium [$\{(Conversion Price) / (Share price (closing price)) - 1\} \times 100$]	<u>31.99 %</u>

Note: This communication has been prepared for the sole purpose of publicly announcing the issuance of the Bonds with Stock Acquisition Rights and does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States, Japan or any other jurisdiction where such an offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or an exemption from registration. The securities referred to herein have not been and will not be registered under the Securities Act.