

Consolidated Financial Highlights

Kobe Steel, Ltd. and Consolidated Subsidiaries

Years ended March 31, 2004 and 2003

	Millions of yen		Percent change	Thousands of U.S. dollars (Note)
	2004	2003	2004/2003	2004
For the year:				
Net sales.....	¥1,219,180	¥1,204,750	1.2%	\$11,535,434
Operating income.....	100,699	81,054	24.2	952,777
Income before income taxes.....	35,734	16,004	123.3	338,102
Net income.....	22,066	1,723	1,180.7	208,780
Capital investment.....	104,911	43,970	138.6	992,629
Depreciation and amortization.....	79,245	85,090	(6.9)	749,787
Research and development.....	16,929	17,797	(4.9)	160,176
At year-end:				
Total assets.....	1,916,338	1,902,642	0.7	18,131,687
Stockholders' equity.....	330,127	293,138	12.6	3,123,541
Interest-bearing debt.....	797,039	895,881	(11.0)	7,541,291
Interest-bearing debt including IPP project finance.....	931,891	966,383	(3.6)	8,817,211

	Yen		Percent change	U.S. dollars (Note)
	2004	2003	2004/2003	2004
Per 1,000 shares data:				
Net income.....	¥ 7,438	¥ 592	1,156.4%	\$ 70.38
Stockholders' equity.....	111,239	98,960	12.4	1,052.50
Cash dividends.....	1,500	—	—	14.19

Note: The U.S. dollar amounts represent translations of Japanese yen at the exchange rate of ¥105.69 to US\$1.00 on March 31, 2004.

