

Consolidated Financial Highlights

Kobe Steel, Ltd. and Consolidated Subsidiaries

Years ended March 31, 2005 and 2004

	Millions of yen		Percent change	Thousands of U.S. dollars (Note)
	2005	2004	2005/2004	2005
For the year:				
Net sales.....	¥1,443,772	¥1,219,180	18.4 %	\$13,444,194
Operating income.....	166,577	100,699	65.4	1,551,141
Income before income taxes.....	94,687	35,734	165.0	881,712
Net income.....	51,289	22,066	132.4	477,596
Capital investment.....	66,016	104,911	(37.1)	614,731
Depreciation and amortization.....	80,290	79,245	1.3	747,649
Research and development.....	19,700	16,929	16.4	183,444
At year-end:				
Assets.....	1,901,202	1,916,338	(0.8)	17,703,715
Stockholders' equity.....	379,213	330,127	14.9	3,531,176
Interest-bearing debt.....	669,241	797,039	(16.0)	6,231,874
Interest-bearing debt including IPP project finance.....	811,572	931,891	(12.9)	7,557,240
	Yen		Percent change	U.S. dollars (Note)
	2005	2004	2005/2004	2005
Per share data:				
Net income.....	¥ 17.28	¥ 7.44	132.3 %	\$ 0.16
Stockholders' equity.....	127.80	111.24	14.9	1.19
Cash dividends.....	3.00	1.50	100.0	0.03

Note: For convenience only, U.S. dollar amounts in this report have been translated from Japanese yen at the rate of ¥107.39 to US\$1, the rate of exchange prevailing on March 31, 2005.

