

Consolidated Ten-Year Summary

Kobe Steel, Ltd. and Consolidated Subsidiaries

	Millions of yen			
Years ended March 31	2003	2004	2005	2006
For the year:				
Net sales	¥1,204,750	¥1,219,180	¥1,443,772	¥1,667,313
Cost of sales	1,001,418	993,394	1,140,422	1,297,291
Operating income	81,054	100,699	166,577	220,395
Ordinary income	35,442	50,789	116,028	176,933
Net income (loss)	1,723	22,066	51,289	84,559
Cash flows from operating activities	115,692	104,041	225,751	198,181
Cash flows from investing activities	27,021	(86,381)	(50,543)	(94,215)
Cash flows from financing activities	(174,997)	(35,754)	(163,945)	(93,593)
Capital investment	43,971	104,911	66,016	92,319
Depreciation	85,090	79,245	80,290	79,507
Research and development expenses	17,797	16,929	19,700	24,121
At year end:				
Total assets	1,902,642	1,916,338	1,901,202	2,074,242
Net assets (Note 2)	293,138	330,127	379,213	530,000
Outside debt	895,883	797,041	669,241	589,101
Outside debt including IPP project financing	966,383	931,891	811,572	720,909
Per share data:				
Net income (loss) (yen/U.S. dollars (Note 1))	¥ 0.59	¥ 7.44	¥ 17.28	¥ 27.94
Diluted net income (yen/U.S. dollars (Note 1))	—	7.38	16.48	27.25
Net assets (yen/U.S. dollars (Note 1))	98.96	111.24	127.80	170.65
Cash dividends (yen/U.S. dollars (Note 1))	—	1.50	3.00	6.00
Ratios:				
Operating income ratio (%)	6.7	8.3	11.5	13.2
Ordinary income ratio (%)	2.9	4.2	8.0	10.6
ROA (%)	0.1	1.2	2.7	4.1
ROE (%)	0.6	7.1	14.5	18.6
Equity ratio (%)	15.4	17.2	19.9	25.6
Debt/equity ratio (times)	3.0	2.5	1.8	1.2
Dividend payout ratio (%)	—	20.2	17.4	21.5
Number of shares issued (in thousands)	2,974,550	2,976,070	2,976,070	3,115,061
Number of employees	26,765	26,179	27,067	29,068

Notes: 1. For convenience only, U.S. dollar amounts in this report have been translated from Japanese yen amounts at the rate of 82.19 to US\$1.00, the rate of exchange prevailing on March 31, 2012.

2. Effective from the year ended March 31, 2007, the Company and its consolidated subsidiaries adopted the new accounting standard, "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Statement No. 5, issued by the Accounting Standards Board of Japan on December 9, 2005), and the implementation guidance for the accounting standard for presentation of net assets in the balance sheet (the Financial Accounting Standard Implementation Guidance No. 8, issued by the Accounting Standards Board of Japan on December 9, 2005).

Millions of yen						Thousands of U.S. dollars (Note 1)		
2007	2008	2009	2010	2011	2012	Change 2012/2011	2012	
¥1,910,296	¥2,132,406	¥2,177,290	¥1,671,022	¥1,858,574	¥1,864,691	0.3%	\$22,687,565	
1,543,158	1,757,342	1,890,318	1,475,461	1,570,779	1,635,862	4.1	19,903,419	
208,624	202,399	116,934	46,016	124,551	60,555	(51.4)	736,768	
183,279	157,919	60,876	10,259	89,083	33,780	(62.1)	410,999	
109,669	88,923	(31,438)	6,305	52,940	(14,248)	—	(173,354)	
172,786	124,317	118,200	172,893	177,795	39,486	—	480,423	
(128,557)	(187,381)	(127,405)	(120,324)	(96,687)	(85,267)	—	(1,037,438)	
(48,823)	31,155	138,700	(29,641)	(98,196)	(40,233)	—	(489,512)	
133,649	150,585	118,044	128,739	91,378	96,085	5.2	1,169,059	
86,687	111,514	128,701	118,835	114,820	118,038	2.8	1,436,160	
24,893	30,139	31,029	28,255	29,833	31,437	5.4	382,492	
2,241,570	2,329,006	2,295,489	2,249,346	2,231,533	2,159,512	(3.2)	26,274,632	
636,432	647,797	513,461	557,002	597,368	571,258	(4.4)	6,950,456	
621,227	713,352	855,972	837,770	769,840	746,471	(3.0)	9,082,261	
742,276	823,404	954,791	925,120	845,484	810,172	(4.2)	9,857,318	
¥ 35.37	¥ 29.63	¥ (10.47)	¥ 2.10	¥ 17.63	¥ (4.75)	—	\$ (0.06)	
—	—	—	—	—	—	—	—	
194.46	199.81	159.58	172.09	182.81	171.84	(6.0)	2.09	
7.00	7.00	3.50	1.50	3.00	1.00	(66.7)	0.01	
							Points	
10.9	9.5	5.4	2.8	6.7	3.2	(3.5)		
9.6	7.4	2.8	0.6	4.8	1.8	(3.0)		
4.9	3.8	(1.4)	0.3	2.4	(0.7)	(3.1)		
19.5	14.9	(5.8)	1.3	9.9	(2.7)	(12.6)		
26.4	25.8	20.9	23.0	24.6	23.9	(0.7)		
1.2	1.3	1.7	1.6	1.4	1.4	—		
19.8	23.6	—	71.4	17.0	—	—		
3,115,061	3,115,061	3,115,061	3,115,061	3,115,061	3,115,061	—		
31,828	33,657	33,526	33,629	34,772	35,496	724		