

Kobe Steel, Ltd. and Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets (Note 14)

Years ended March 31, 2012 and 2011

	Thousands		Millions of yen								Total
	Number of shares of common stock	Common stock (Note 9)	Capital surplus (Note 9)	Retained earnings (Note 9)	Treasury stock	Unrealized gains on securities, net of taxes	Unrealized gains or losses on hedging derivatives, net of taxes	Land revaluation differences, net of taxes	Foreign currency translation adjustments	Minority interests	
Balance at April 1, 2010	3,115,061	¥233,313	¥83,125	¥258,854	¥(51,379)	¥22,529	¥ 883	¥(4,867)	¥(25,787)	¥40,331	¥557,002
Cash dividends				(9,022)							(9,022)
Net income				52,940							52,940
Purchase of treasury stock					(321)						(321)
Sale of treasury stock				(35)	71						36
Decrease due to changes in scope of consolidation				(299)							(299)
Adjustment to land revaluation				(61)							(61)
Net changes in items other than stockholders' equity						(2,786)	(298)	110	(8,339)	8,406	(2,907)
Net changes during the year				43,523	(250)	(2,786)	(298)	110	(8,339)	8,406	40,366
Balance at April 1, 2011	3,115,061	¥233,313	¥83,125	¥302,377	¥(51,629)	¥19,743	¥ 585	¥(4,757)	¥(34,126)	¥48,737	¥597,368
Cash dividends				(7,515)							(7,515)
Net loss				(14,248)							(14,248)
Purchase of treasury stock					(29)						(29)
Sale of treasury stock				(20)	30						10
Decrease due to changes in scope of consolidation				(31)							(31)
Adjustment to land revaluation				20							20
Net changes in items other than stockholders' equity						(6,723)	(1,598)	616	(3,453)	6,841	(4,317)
Net changes during the year				(21,794)	1	(6,723)	(1,598)	616	(3,453)	6,841	(26,110)
Balance at March 31, 2012	3,115,061	¥233,313	¥83,125	¥280,583	¥(51,628)	¥13,020	¥(1,013)	¥(4,141)	¥(37,579)	¥55,578	¥571,258

	Thousands		Thousands of U.S. dollars (Note 1)								Total
	Number of shares of common stock	Common stock (Note 9)	Capital surplus (Note 9)	Retained earnings (Note 9)	Treasury stock	Unrealized gains on securities, net of taxes	Unrealized gains or losses on hedging derivatives, net of taxes	Land revaluation differences, net of taxes	Foreign currency translation adjustments	Minority interests	
Balance at April 1, 2011	3,115,061	\$2,838,703	\$1,011,376	\$3,678,999	\$(628,166)	\$240,212	\$ 7,118	\$(57,878)	\$(415,209)	\$592,980	\$7,268,135
Cash dividends				(91,434)							(91,434)
Net income				(173,354)							(173,354)
Purchase of treasury stock					(353)						(353)
Sale of treasury stock				(243)	365						122
Decrease due to changes in scope of consolidation				(377)							(377)
Adjustment to land revaluation				243							243
Net changes in items other than stockholders' equity						(81,799)	(19,443)	7,495	(42,012)	83,233	(52,526)
Net changes during the year				(265,165)	12	(81,799)	(19,443)	7,495	(42,012)	83,233	(317,679)
Balance at March 31, 2012	3,115,061	\$2,838,703	\$1,011,376	\$3,413,834	\$(628,154)	\$158,413	\$(12,325)	\$(50,383)	\$(457,221)	\$676,213	\$6,950,456

See accompanying notes.