

Fact Book

Fiscal Year Ended March 31, 2002

NKK CORPORATION

Fact Book

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Financial Highlights : Consolidated FY1998-FY2002 (Fiscal year ended March 31)

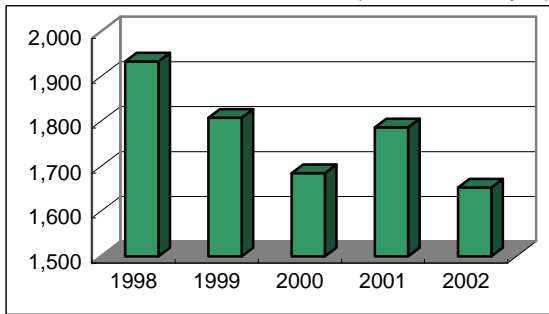
(Unit: Millions of yen)

| Fiscal Year | FY2002 | FY2001 | FY2000 | FY1999 | FY1998 |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Net Sales | 1,653,500 | 1,787,228 | 1,685,391 | 1,808,767 | 1,934,367 |
| Operating Income(Loss) | (7,671) | 80,586 | 61,922 | (4,160) | 76,503 |
| Net Income(Loss) | (67,589) | 96,990 | (45,928) | (108,557) | 14,278 |
| Total Assets | 2,227,397 | 2,631,188 | 2,688,702 | 2,691,396 | 2,963,892 |
| Shareholders' Equity | 320,545 | 376,410 | 285,402 | 327,957 | 465,064 |
| Net Income(Loss) per Share | (¥19.84) | ¥28.47 | (¥13.48) | (¥31.59) | ¥4.05 |
| Shareholders' Equity per Share | ¥94.09 | ¥110.48 | ¥83.77 | ¥96.26 | ¥131.99 |
| Operating Income/Net Sales | (0.5%) | 4.5% | 3.7% | (0.2%) | 4.0% |
| Net Income/Net Sales | (4.1%) | 5.4% | (2.7%) | (6.0%) | 0.7% |
| Return on Equity | (21.1%) | 29.3% | (15.0%) | (27.4%) | 3.1% |
| Return on Assets | (0.1%) | 3.1% | 2.2% | 0.0% | 2.9% |
| Free Cash Flow (Billions of yen) | 79.0 | 285.4 | 50.9 | - | - |

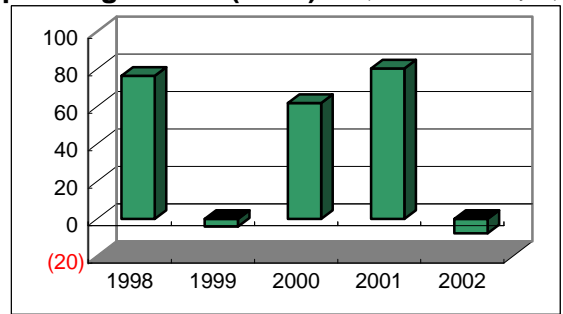
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Financial Highlights : Consolidated FY1998-FY2002 (Fiscal year ended March 31)

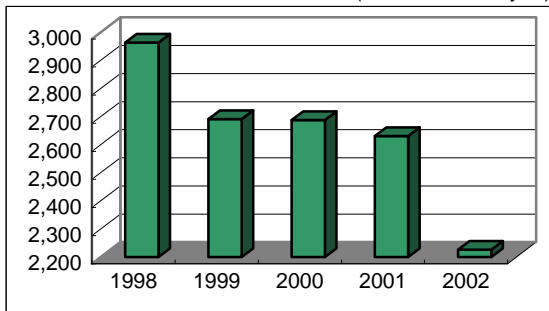
Net Sales (Unit: Billions of yen)



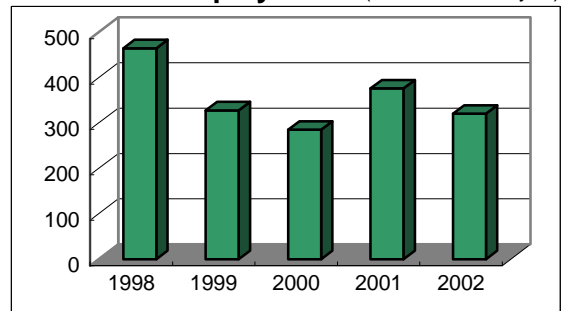
Operating Income(Loss) (Unit: Billions of yen)



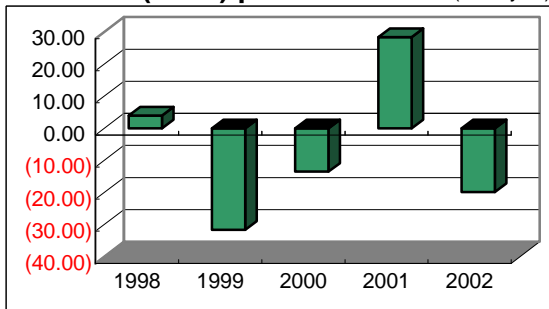
Total Assets (Unit: Billions of yen)



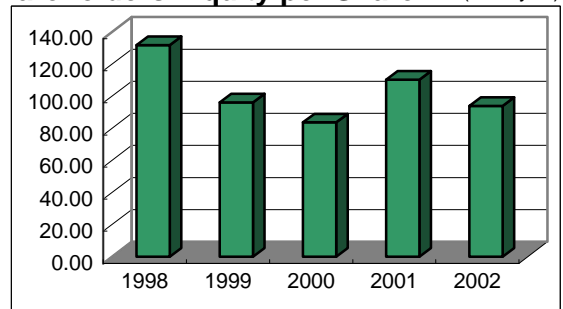
Shareholders' Equity (Unit: Billions of yen)



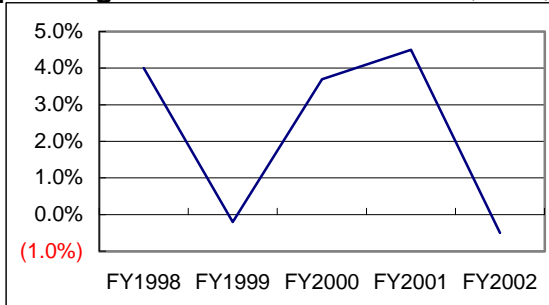
Net Income (Loss) per Share (Unit: yen)



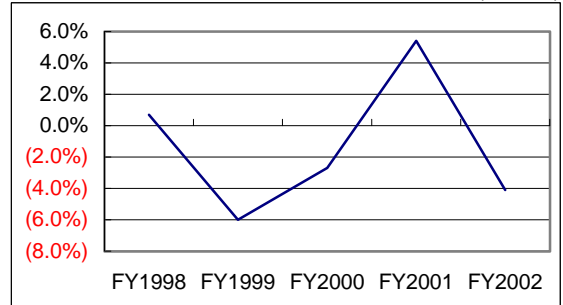
Shareholders' Equity per Share (Unit: yen)



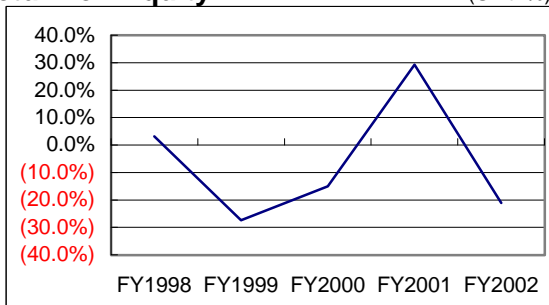
Operating Income/Net Sales (Unit: %)



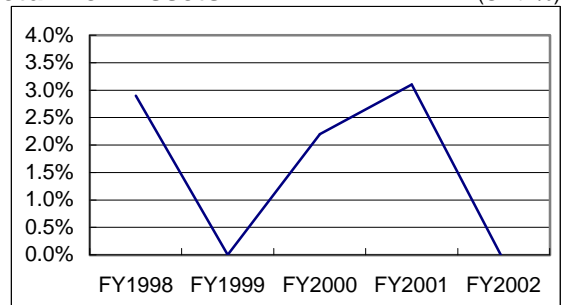
Net Income/Net Sales (Unit: %)



Return on Equity (Unit: %)



Return on Assets (Unit: %)



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Financial Data: Information by Business Segment FY1999-FY2002 (Fiscal year ended March 31)

(Unit: Millions of yen)

| | FY2002 | FY2001 | FY2000 | FY1999 |
|---|-----------|-----------|-----------|-----------|
| [Net Sales by Segment] | | | | |
| Steelmaking Operations | 1,184,488 | 1,298,419 | 1,235,913 | 1,340,560 |
| Engineering Operations | 450,858 | 448,989 | 435,699 | 436,109 |
| Other Operations | 81,559 | 121,823 | 89,536 | 97,073 |
| Eliminations | (63,406) | (82,003) | (75,757) | (64,975) |
| Total | 1,653,500 | 1,787,228 | 1,685,391 | 1,808,767 |
| [Operating Income(Loss) by Segment] | | | | |
| Steelmaking Operations | (32,263) | 60,138 | 56,723 | 9,090 |
| Engineering Operations | 20,571 | 17,850 | 11,173 | 3,243 |
| Other Operations | 5,735 | 6,265 | (1,901) | (13,079) |
| Corporate and Eliminations | (1,714) | (3,667) | (4,073) | (3,414) |
| Total | (7,671) | 80,586 | 61,922 | (4,160) |
| [EBITDA by Segment] | | | | |
| Steelmaking Operations | 64,632 | 159,553 | 160,626 | 123,871 |
| Engineering Operations | 25,925 | 23,648 | 17,653 | 9,062 |
| Other Operations | 8,531 | 10,617 | 3,496 | (6,478) |
| Corporate and Eliminations | 854 | (1,131) | (1,469) | (254) |
| Total | 99,942 | 192,688 | 180,306 | 126,201 |
| [Depreciation and Amortization by Segment] | | | | |
| Steelmaking Operations | 96,895 | 99,415 | 103,903 | 114,781 |
| Engineering Operations | 5,354 | 5,798 | 6,480 | 5,819 |
| Other Operations | 2,796 | 4,352 | 5,397 | 6,601 |
| Corporate and Eliminations | 2,568 | 2,536 | 2,604 | 3,160 |
| Total | 107,613 | 112,102 | 118,384 | 130,361 |
| [Capital Expenditures by Segment] | | | | |
| Steelmaking Operations | 61,003 | 77,674 | 79,513 | 84,646 |
| Engineering Operations | 3,508 | 4,804 | 3,194 | 5,319 |
| Other Operations | 1,848 | 6,380 | 7,801 | 2,502 |
| Corporate and Eliminations | 3,042 | 1,027 | 1,465 | 2,327 |
| Total | 69,402 | 89,886 | 91,973 | 94,794 |

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Net Sales by Products: Consolidated FY2000-FY2002 (Fiscal year ended March 31)

(Unit: Millions of yen)

| | FY2002 | FY2001 | FY2000 |
|--|------------------|------------------|------------------|
| Steelmaking Operations | | | |
| Bars and Shapes | 111,628 | 126,199 | 113,869 |
| Pipes and Tubes | 80,617 | 89,036 | 96,119 |
| Sheets and Plates | 698,538 | 786,408 | 772,319 |
| Total Steel Sales | 890,783 | 1,001,643 | 982,306 |
| Others | 293,705 | 296,776 | 253,607 |
| Total | 1,184,488 | 1,298,419 | 1,235,913 |
| Engineering Operations | | | |
| Energy Industries Engineering | 70,903 | 67,567 | 64,522 |
| Environmental Industries Engineering | 175,648 | 143,873 | 114,470 |
| Steelworks Plant Engineering | 13,150 | 18,703 | 32,782 |
| Steel Structures and Machinery Systems | 83,162 | 81,663 | 96,107 |
| Shipbuilding and Offshore Structures | 61,045 | 50,777 | 82,385 |
| Constructions and Civil Engineering | 46,950 | 86,406 | 45,433 |
| Total | 450,858 | 448,989 | 435,699 |
| Other Operations | | | |
| Urban Development | 39,012 | 46,966 | 21,835 |
| LSI | - | 5,943 | 7,865 |
| Recycle Business | 12,095 | 7,797 | 3,544 |
| Information Technology | 30,450 | 61,117 | 56,292 |
| Total | 81,559 | 121,823 | 89,536 |
| Eliminations | (63,406) | (82,003) | (75,757) |
| Grand Total | 1,653,500 | 1,787,228 | 1,685,391 |
| Operating Data: | | | |
| Production of raw steel (thousands of tons) | 20,033 | 20,754 | 19,288 |
| Sales Volume by Products (thousands of tons) | | | |
| Bars and Shapes | 2,988 | 3,301 | 2,986 |
| Pipes and Tubes | 1,019 | 1,080 | 1,149 |
| Sheets and Plates | 14,587 | 15,379 | 14,125 |
| Number of employees | | | |
| Steelmaking Operations | 17,283 | 27,519 | 26,778 |
| Engineering Operations | 7,572 | 7,757 | 8,093 |
| Other Operations | 1,719 | 2,911 | 2,674 |
| Corporate | 1,839 | 1,688 | 2,058 |
| Total | 28,413 | 39,875 | 39,603 |

NKK
Financial Data: Consolidated FY1993-FY2002 (Fiscal year ended March 31)

| | (Millions of Yen) | | | | | | | | | |
|--|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | FY2002 | FY2001 | FY2000 | FY1999 | FY1998 | FY1997 | FY1996 | FY1995 | FY1994 | FY1993 |
| Net Sales | 1,653,500 | 1,787,228 | 1,685,391 | 1,808,767 | 1,934,367 | 1,877,655 | 1,805,994 | 1,801,993 | 1,777,895 | 1,858,597 |
| Operating Income(Loss) | (7,671) | 80,586 | 61,922 | (4,160) | 76,503 | 94,419 | 93,878 | 38,652 | 3,689 | 44,496 |
| Income(Loss) before Income Taxes and Minority Interests | (100,587) | 77,514 | (43,390) | (155,884) | 29,123 | | | | | |
| Income (Loss) Before Income Taxes, Minority Interests, Amortization of Consolidation | | | | | | 56,540 | 71,994 | (23,883) | (40,824) | (11,741) |
| Net Income(Loss) | (67,589) | 96,990 | (45,928) | (108,557) | 14,278 | 16,692 | 52,411 | (38,300) | (40,339) | (4,455) |
| Depreciation and Amortization | 107,613 | 112,102 | 118,384 | 130,361 | 135,910 | 133,203 | 139,758 | | | |
| Capital Expenditure | 69,402 | 89,886 | 91,973 | 94,794 | 123,438 | 106,964 | 85,193 | | | |
| EBITDA | 99,942 | 192,688 | 180,306 | 126,201 | 212,413 | 227,622 | 233,636 | | | |
| Total Assets | 2,227,397 | 2,631,188 | 2,688,702 | 2,691,396 | 2,963,892 | 2,635,324 | 2,692,785 | 3,121,723 | 3,223,752 | 3,269,321 |
| Shareholders' Equity | 320,545 | 376,410 | 285,402 | 327,957 | 465,064 | 463,738 | 446,224 | 394,788 | 419,915 | 468,345 |
| Outstanding Debt | 1,109,304 | 1,319,181 | 1,537,039 | 1,693,884 | 1,576,568 | 1,235,519 | 1,281,010 | 1,748,534 | 1,851,063 | 1,879,207 |
| Net Interest Expenses | 34,382 | 35,629 | 34,690 | 36,047 | 34,813 | 36,988 | 48,656 | 68,049 | 70,167 | 72,112 |
| Research and Development | 18,029 | 19,707 | 20,034 | | | | | | | |
| Cash Flows from Operating Activities | 130,236 | 190,101 | 122,442 | | | | | | | |
| Cash Flows from Investing Activities | (51,261) | 95,332 | (173,642) | | | | | | | |
| Free Cash Flow | 78,975 | 285,433 | 50,959 | | | | | | | |
| Operating Income/Net Sales | (0.5%) | 4.5% | 3.7% | (0.2%) | 4.0% | 5.0% | 5.2% | 2.1% | 0.2% | 2.4% |
| Net Income/Net Sales | (4.1%) | 5.4% | (2.7%) | (6.0%) | 0.7% | 0.9% | 2.9% | (2.1%) | (2.3%) | (0.2%) |
| EBITDA/Net Sales | 6.0% | 10.8% | 10.7% | 7.0% | 11.0% | 12.1% | 12.9% | | | |
| Return on Equity | (21.1%) | 29.3% | (15.0%) | (27.4%) | 3.1% | 3.7% | 12.5% | (9.4%) | (9.1%) | (0.9%) |
| Shareholders' Equity/Total Assets | 14.4% | 14.3% | 10.6% | 12.2% | 15.7% | 17.6% | 16.6% | 12.6% | 13.0% | 14.3% |
| Current Ratio | 80.5% | 95.8% | 89.7% | 95.2% | 89.7% | 87.5% | 83.3% | 88.8% | 98.1% | 99.1% |
| Fixed Assets/Shareholders' Equity | 453.4% | 447.9% | 570.6% | 464.2% | 382.3% | 347.0% | 370.8% | 465.2% | 450.1% | 396.7% |
| Fixed Assets/Capitalization | 116.9% | 107.0% | 111.7% | 108.4% | 113.6% | 113.1% | 116.7% | 113.5% | 103.2% | 103.2% |
| Debt/Equity Ratio | 346.1% | 350.5% | 538.6% | 516.5% | 339.0% | 266.4% | 287.1% | 442.9% | 440.8% | 401.2% |
| Debt/Total Assets | 49.8% | 50.1% | 57.2% | 62.9% | 53.2% | 46.9% | 47.6% | 56.0% | 57.4% | 57.5% |
| Interest Coverage Ratio | (9.2%) | 210.7% | 167.7% | 7.5% | 193.1% | 232.7% | 182.2% | 60.3% | 15.0% | 67.5% |
| Total Assets Turnover (Times) | 0.68 | 0.67 | 0.63 | 0.64 | 0.69 | 0.70 | 0.62 | 0.57 | 0.55 | 0.57 |
| Net Sales/Tangible Fixed Assets (Times) | 1.29 | 1.26 | 1.22 | 1.24 | 1.29 | 1.33 | 1.19 | 1.12 | 1.10 | 1.22 |
| Inventory Turnover | 4.83 | 4.78 | 4.42 | 4.51 | 4.87 | 4.55 | 4.08 | 4.02 | 3.75 | 3.68 |
| Net Income per Share | (19.84) | 28.47 | (13.48) | (31.59) | 4.05 | 4.74 | 14.87 | (10.87) | (11.45) | (1.26) |
| Shareholders' Equity per Share | 94.08 | 110.48 | 83.77 | 96.26 | 131.99 | 131.61 | 126.64 | 112.04 | 119.17 | 132.92 |

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Notes

| | |
|---|---|
| EBITDA= | Operating Income + Depreciation and Amortization |
| Outstanding Debt= | Bank Borrowings + Commercial Paper + Indebtedness + Discounted/Endorsed Trade Notes * For the sake of comparison, FY1999 figure includes Toa Steel's debt * FY2001 figure excludes Discounted / Endorsed Trade Notes |
| Free Cash Flow= | Operating Cash Flow + Investment Cash Flow (excluding expenses of taking over Toa Steel Co. operation in FY2000) |
| Return on Assets ROA (%) = | $\frac{\text{Recurring Income before Interest Expense} \times 100}{\text{Total assets (average)}}$ |
| Operating Income/Net sales (%) = | $\frac{\text{Operating Income} \times 100}{\text{Net Sales}}$ |
| Net Income/Net sales (%) = | $\frac{\text{Net Income} \times 100}{\text{Net Sales}}$ |
| EBITDA/Net sales (%) = | $\frac{\text{EBITDA} \times 100}{\text{Net Sales}}$ |
| Return on Equity (%) = | $\frac{\text{Net Income} \times 100}{\text{Shareholders' Equity}}$ |
| Shareholders' Equity/Total Assets (%) = | $\frac{\text{Shareholders' Equity} \times 100}{\text{Total Assets}}$ |
| Current Ratio (%) = | $\frac{\text{Current Assets} \times 100}{\text{Current Liabilities}}$ |
| Fixed Assets/Shareholders' Equity (%) = | $\frac{\text{Fixed Assets} \times 100}{\text{Shareholders' Equity}}$ |
| Fixed Assets/Capitalization (%) = | $\frac{\text{Fixed Assets} \times 100}{\text{Fixed Liabilities} + \text{Shareholders' Equity}}$ |
| Debt/Equity Ratio (%) = | $\frac{\text{Outstanding Debt} \times 100}{\text{Shareholders' Equity}}$ |
| Debt/Total Assets (%) = | $\frac{\text{Outstanding Debt} \times 100}{\text{Total Assets}}$ |
| Interest Coverage Ratio (times) = | $\frac{\text{Operating Income} + \text{Interest and Dividend Income}}{\text{Interest Expense}}$ |
| Total Assets Turnover (Times) = | $\frac{\text{Net Sales}}{\text{Total Assets (average)}}$ |
| Net Sales/Tangible Fixed Assets = | $\frac{\text{Net Sales}}{\text{Property, Plant and Equipment (average)}}$ |
| Inventory Turnover (Times) = | $\frac{\text{Net Sales}}{\text{Inventory (average)}}$ |
| Net Income per Share (yen) = | $\frac{\text{Net Income}}{\text{Number of Issued and Outstanding Common Stocks}}$ |
| Shareholders' Equity per Share (yen) = | $\frac{\text{Shareholders' Equity}}{\text{Number of Issued and Outstanding Common Stocks}}$ |

NKK
Consolidated Balance Sheets FY1993-FY2002 (Fiscal Year ended March 31)

(Unit: Millions of yen)

| | FY2002 | FY2001 | FY2000 | FY1999 | FY1998 | FY1997 | FY1996 | FY1995 | FY1994 | FY1993 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| [Assets] | | | | | | | | | | |
| CURRENT ASSETS: | | | | | | | | | | |
| Cash | 63,312 | 108,845 | 59,756 | 141,955 | 101,957 | 43,055 | 36,445 | 124,207 | 135,550 | 156,143 |
| Time deposits | | | - | 8,887 | 5,341 | 5,719 | 8,132 | 33,309 | 20,989 | 22,205 |
| Marketable securities | 200 | 403 | 115,368 | 128,664 | 128,732 | 119,660 | 88,312 | 164,659 | 174,624 | 186,331 |
| Accounts receivables | 306,427 | 405,535 | 435,452 | 429,162 | - | - | - | - | - | - |
| Unconsolidated subsidiaries and affiliates | | | - | - | 22,963 | 26,633 | 40,193 | 44,177 | 52,744 | 56,970 |
| Notes and accounts-trade | | | - | - | 476,629 | 405,461 | 380,232 | 458,319 | 468,937 | 460,612 |
| Allowance for doubtful receivables | (1,253) | (2,956) | (4,072) | (5,106) | (6,006) | (6,579) | (7,262) | (7,186) | (6,999) | (8,731) |
| Inventories | | | | | | | | | | |
| Finished goods | 58,595 | 78,407 | 73,301 | 81,221 | 100,461 | 79,872 | 108,770 | 106,331 | 97,743 | 86,886 |
| Work in process | 135,843 | 154,116 | 159,874 | 159,176 | 160,890 | 158,638 | 184,005 | 201,992 | 214,701 | 251,100 |
| Raw materials and supplies | 113,977 | 143,221 | 139,136 | 149,449 | 151,009 | 143,939 | 150,478 | 134,470 | 141,462 | 155,270 |
| Other current assets | 96,899 | 57,500 | 50,799 | 50,433 | 26,556 | 20,315 | 19,106 | 19,973 | 21,454 | 25,964 |
| TOTAL CURRENT ASSETS | 774,003 | 945,074 | 1,029,614 | 1,143,841 | 1,168,532 | 996,713 | 1,008,411 | 1,280,251 | 1,321,205 | 1,392,750 |
| PROPERTY, PLANT AND EQUIPMENT: | | | | | | | | | | |
| Land | 885,397 | 324,193 | 341,885 | 275,715 | 321,132 | 278,103 | 273,185 | 276,013 | 255,718 | 255,862 |
| Buildings | 2,455,219 | 958,783 | 977,976 | 921,592 | 1,037,521 | 953,960 | 958,152 | 975,473 | 954,171 | 918,758 |
| Machinery and equipment | 318,202 | 2,824,005 | 2,829,795 | 2,871,027 | 3,109,100 | 2,847,702 | 2,822,561 | 3,008,716 | 2,956,969 | 2,790,750 |
| Construction in progress | 21,146 | 10,747 | 13,783 | 42,566 | 30,669 | 12,426 | 15,915 | 23,156 | 52,198 | 125,461 |
| Accumulated depreciation | (2,503,443) | (2,726,068) | (2,716,335) | (2,795,923) | (2,904,057) | (2,694,464) | (2,636,105) | (2,691,415) | (2,588,000) | (2,497,221) |
| PROPERTY, PLANT AND EQUIPMENT, NET | 1,176,523 | 1,391,661 | 1,447,104 | 1,314,977 | 1,594,365 | 1,397,727 | 1,433,708 | 1,591,943 | 1,631,056 | 1,593,610 |
| INVESTMENTS AND OTHER ASSETS: | | | | | | | | | | |
| Investments in unconsolidated subsidiaries and affiliates | 32,995 | 32,275 | 40,244 | 32,107 | - | - | - | - | - | - |
| Investments in and advances to unconsolidated subsidiaries and affiliates | - | - | - | - | 53,585 | 78,534 | 76,087 | 67,737 | 70,330 | 66,456 |
| Investments in other securities | 124,478 | 143,517 | 22,976 | 20,761 | 25,632 | 30,211 | 31,611 | 42,459 | 42,889 | 47,559 |
| Other assets | 119,396 | 118,660 | 118,271 | 154,623 | 104,565 | 102,491 | 113,322 | 134,495 | 145,987 | 150,511 |
| TOTAL INVESTMENTS AND OTHER ASSETS | 276,870 | 294,452 | 181,491 | 207,491 | 183,782 | 211,236 | 221,020 | 244,691 | 259,206 | 264,526 |
| TRANSLATION ADJUSTMENTS | - | - | 30,493 | 25,087 | 17,213 | 29,648 | 29,646 | 4,838 | 12,285 | 18,435 |
| TOTAL ASSETS | 2,227,397 | 2,631,188 | 2,688,702 | 2,691,396 | 2,963,892 | 2,635,324 | 2,692,785 | 3,121,723 | 3,223,752 | 3,269,321 |

NKK
Consolidated Balance Sheets FY1993-FY2002 (Fiscal Year ended March 31)

| | FY2002 | FY2001 | FY2000 | FY1999 | FY1998 | FY1997 | FY1996 | FY1995 | FY1994 | FY1993 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| [LIABILITIES AND SHAREHOLDERS' EQUITY] | | | | | | | | | | |
| CURRENT LIABILITIES: | | | | | | | | | | |
| Short-term bank borrowings and commercial paper | 125,200 | 142,892 | 452,442 | 515,161 | 524,345 | 367,541 | 319,441 | 627,007 | - | - |
| Short-term bank borrowings | | - | - | - | - | - | - | - | 567,578 | 577,475 |
| Current portion of long-term indebtedness | 218,683 | 220,020 | 155,921 | 147,195 | 199,724 | 165,205 | 242,288 | 150,870 | 105,590 | 103,716 |
| Advances from customers on contracts | 51,163 | 47,891 | 57,358 | 68,943 | 68,152 | 88,326 | 120,406 | 123,299 | 144,828 | 145,621 |
| Accounts payable | 410,646 | 387,472 | 301,076 | 292,354 | - | - | - | - | - | - |
| Unconsolidated subsidiaries and affiliates | | - | - | - | 31,094 | 26,590 | 25,993 | 30,530 | 31,485 | 35,684 |
| Notes and accounts-trade | | - | - | - | 285,863 | 274,802 | 310,368 | 306,338 | 279,693 | 290,411 |
| Construction | | - | - | - | - | - | - | - | 57,948 | 69,253 |
| Accrued expenses | 112,580 | 154,454 | 160,200 | 148,228 | 171,022 | 168,045 | 165,174 | 172,903 | 126,860 | 158,752 |
| Accrued income taxes | 14,338 | 19,511 | 6,945 | 8,218 | 12,030 | 37,217 | 14,382 | 8,298 | 9,479 | 4,831 |
| Other current liabilities | 28,564 | 13,923 | 13,659 | 21,395 | 10,172 | 11,687 | 12,354 | 23,093 | 22,866 | 19,221 |
| TOTAL CURRENT LIABILITIES | 961,177 | 986,166 | 1,147,601 | 1,201,494 | 1,302,402 | 1,139,413 | 1,210,406 | 1,442,338 | 1,346,327 | 1,404,964 |
| LONG-TERM LIABILITIES AND RESERVES: | | | | | | | | | | |
| Indebtedness | 765,421 | 956,268 | 926,542 | 813,053 | 845,497 | 700,132 | 713,547 | 954,630 | 1,145,486 | 1,093,660 |
| Estimated termination allowances | | | - | - | - | - | 101,462 | 105,106 | 108,958 | 108,036 |
| Employees' termination allowances | 81,904 | 79,582 | 76,062 | 86,781 | 95,067 | 96,061 | - | - | - | - |
| Reserve for rebuilding furnaces | 33,511 | 39,955 | 38,132 | 37,004 | 42,840 | 38,138 | 35,776 | 35,411 | 34,474 | 38,929 |
| Sales of facilities and restructuring liabilities | | - | - | - | - | 30,345 | 27,455 | 35,593 | 52,853 | 44,949 |
| Reserve for income taxes | | - | - | - | - | - | 1,100 | 1,800 | 1,400 | 1,000 |
| Deferred income taxes | | - | - | - | - | - | - | - | - | - |
| Other long-term liabilities | 41,371 | 124,294 | 132,502 | 139,764 | 116,947 | 125,124 | 92,704 | 90,535 | 69,291 | 44,894 |
| TOTAL LONG-TERM LIABILITIES AND RESERVES | 922,209 | 1,200,101 | 1,173,238 | 1,076,602 | 1,100,351 | 959,455 | 972,044 | 1,223,075 | 1,412,462 | 1,331,468 |
| CONSOLIDATION DIFFERENCE | | | - | - | - | - | - | - | 629 | 1,258 |
| MINORITY INTERESTS: | 23,465 | 68,510 | 82,461 | 85,343 | 96,075 | 72,718 | 64,111 | 61,522 | 44,419 | 63,286 |
| SHAREHOLDERS' EQUITY: | | | | | | | | | | |
| Common stock | 233,731 | 233,731 | 233,731 | 233,731 | 233,731 | 233,732 | 233,732 | 233,732 | 233,732 | 233,732 |
| Additional paid-in capital | 95,509 | 95,509 | 95,509 | 95,509 | - | - | - | - | - | - |
| Capital surplus | | - | - | - | 109,130 | 109,130 | 109,130 | 109,130 | 109,130 | 109,130 |
| Legal reserve | | - | - | - | 38,769 | 37,182 | 37,182 | 37,182 | 37,182 | 36,293 |
| Retained earnings | (10,999) | 56,168 | (43,838) | (1,283) | 83,434 | 83,696 | 66,183 | 14,745 | 39,873 | 89,193 |
| Other gain on revaluation of securities | 5,404 | 4,554 | - | - | - | - | - | - | - | - |
| Translation adjustments | (3,080) | (13,551) | - | - | - | - | - | - | - | - |
| Less treasury common stock, at cost | (20) | 1 | 0 | 0 | 1 | 2 | 3 | 1 | 2 | 3 |
| TOTAL SHAREHOLDERS' EQUITY | 320,545 | 376,410 | 285,402 | 327,957 | 465,064 | 463,738 | 446,224 | 394,788 | 419,915 | 468,345 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 2,227,397 | 2,631,188 | 2,688,702 | 2,691,396 | 2,963,892 | 2,635,324 | 2,692,785 | 3,121,723 | 3,223,752 | 3,269,321 |

NKK
Consolidated Statements of Operations FY1993-2002 (Fiscal Year ended March 31)

(Unit: Millions of yen)

| | FY2002 | FY2001 | FY2000 | FY1999 | FY1998 | FY1997 | FY1996 | FY1995 | FY1994 | FY1993 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| NET SALES | 1,653,500 | 1,787,228 | 1,685,391 | 1,808,767 | 1,934,367 | 1,877,655 | 1,805,994 | 1,801,993 | 1,777,895 | 1,858,597 |
| COST OF SALES | 1,459,010 | 1,486,477 | 1,408,467 | 1,574,360 | 1,616,817 | 1,567,281 | 1,491,419 | 1,526,874 | 1,522,233 | 1,564,133 |
| Gross profit | 194,489 | 300,751 | 276,924 | 234,407 | 317,550 | 310,374 | 314,575 | 275,119 | 255,662 | 294,464 |
| SELLING, GENERAL AND ADMINISTRATIVE EXPENSES | 202,160 | 220,165 | 215,002 | 238,567 | 241,047 | 215,955 | 220,697 | 236,467 | 251,973 | 249,968 |
| Operating income (loss) | (7,671) | 80,586 | 61,922 | (4,160) | 76,503 | 94,419 | 93,878 | 38,652 | 3,689 | 44,496 |
| OTHER (INCOME) EXPENSES: | | | | | | | | | | |
| Interest income | (1,758) | (2,736) | (3,434) | (4,946) | (7,078) | (3,253) | (3,717) | (3,338) | (4,766) | (8,608) |
| Interest expense | 38,527 | 40,604 | 40,216 | 43,489 | 44,784 | 43,269 | 55,038 | 74,036 | 78,177 | 84,847 |
| Dividends received | (2,387) | (2,239) | (2,092) | (2,496) | (2,893) | (3,028) | (2,665) | (2,649) | (3,244) | (4,127) |
| Equity in earnings of affiliates | 599 | 1,970 | (739) | (3,182) | - | - | - | - | - | - |
| Other, net | 57,934 | (34,525) | 71,361 | 118,859 | 9,795 | 891 | (26,772) | (5,514) | (25,654) | (15,875) |
| Sub total | 92,916 | 3,072 | 105,312 | 151,724 | 44,608 | 37,879 | 21,884 | 62,535 | 44,513 | 56,237 |
| INCOME (LOSS) BEFORE INCOME TAXES, AND MINORITY INTERESTS | (100,587) | 77,514 | (43,390) | (155,884) | - | - | - | - | - | - |
| INCOME (LOSS) BEFORE INCOME TAXES, MINORITY INTERESTS, AMORTIZATION OF CONSOLIDATION DIFFERENCES AND EQUITY IN EARNINGS OF | - | - | - | - | 31,895 | 56,540 | 71,994 | (23,883) | (40,824) | (11,741) |
| INCOME TAXES (CREDIT) | | | | | | | | | | |
| Current | 17,530 | 17,888 | 7,434 | 9,801 | 18,444 | 41,649 | 16,401 | 10,166 | 9,879 | 8,356 |
| Deferred | (13,737) | (31,406) | (1,410) | (41,284) | (2,540) | (3,646) | (3,392) | (1,669) | (3,810) | (13,308) |
| Sub total | 3,792 | (13,517) | 6,024 | (31,483) | 15,904 | 38,003 | 13,009 | 8,497 | 6,069 | (4,952) |
| INCOME (LOSS) BEFORE MINORITY INTERESTS | (104,380) | 91,031 | (49,414) | (124,401) | - | - | - | - | - | - |
| INCOME (LOSS) BEFORE MINORITY INTERESTS, AMORTIZATION OF CONSOLIDATION DIFFERENCES AND EQUITY IN EARNINGS OF | - | - | - | - | 15,991 | 18,537 | 58,985 | (32,380) | (46,893) | (6,789) |
| MINORITY INTERESTS | 36,790 | 5,958 | 3,486 | 15,844 | 1,059 | (3,273) | (4,831) | (4,133) | 5,870 | (530) |
| AMORTIZATION OF CONSOLIDATION DIFFERENCES | - | - | - | - | 783 | (221) | 44 | 447 | 634 | (241) |
| EQUITY IN EARNINGS OF AFFILIATES | - | - | - | - | (3,555) | 1,649 | (1,787) | (2,234) | 50 | 3,105 |
| NET INCOME (LOSS) | (67,589) | 96,990 | (45,928) | (108,557) | 14,278 | 16,692 | 52,411 | (38,300) | (40,339) | (4,455) |
| AMOUNTS PER SHARE OF COMMON STOCK | | | | | | | | | | |
| Net income (loss) | (19.84) | 28.47 | (13.48) | (31.59) | 4.05 | 4.74 | 14.87 | (10.87) | (11.45) | (1.26) |
| Cash dividends | | | - | - | - | - | - | - | - | 5 |

| | FY2002 | FY2001 | FY2000 |
|---|----------|----------|-----------|
| Cash Flows from Operating Activities | | | |
| Net income (loss) | (67,589) | 96,990 | (45,928) |
| Depreciation and amortization | 107,613 | 112,102 | 118,384 |
| Increase (decrease) in reserves | 11,155 | (39,484) | (13,591) |
| Interest and dividend income | (4,145) | (4,976) | (5,526) |
| Interest expenses | 38,527 | 40,604 | 40,216 |
| (Gain) loss on sales or disposals of fixed assets | (5,231) | (73,574) | (8,975) |
| Gain on sales of investments in securities | - | (24,966) | - |
| Gain on sales of securities issued by subsidiaries and affiliates | (272) | (8,513) | - |
| Gain on sales of natural gas derivative contract | (3,185) | - | - |
| Gain on establishment of pension trust fund | - | (6,722) | - |
| Loss on sales of investments in securities | 1,913 | - | - |
| Loss on writedowns of investments in securities, etc. | 21,861 | 8,814 | - |
| Liquidation loss related to investment in affiliates | 28,564 | 5,626 | 4,024 |
| Past service cost of pension plan | - | - | 1,491 |
| Special charge arising from employees' termination benefits | 9,066 | 11,396 | 46,538 |
| Loss on writedowns of marketable securities | - | - | 9,789 |
| Loss on reorganization of electronic device business operations | - | - | 11,282 |
| Loss on transfer of assets incurred from joint venturing of seamless pipes | - | 7,189 | - |
| Loss on reorganization of welfare and real estate function | - | 25,078 | - |
| Decrease (increase) in trade receivable | 30,740 | (4,187) | (419) |
| Decrease (increase) in inventories | 36,903 | 34,881 | 11,006 |
| Increase in account payable | 23,132 | 58,778 | 12,190 |
| Others | (63,893) | (23,720) | 43,033 |
| Total adjustments | 165,163 | 215,316 | 223,514 |
| Interest and dividends received | 4,271 | 5,632 | 4,895 |
| Interest paid | (39,568) | (41,839) | (38,081) |
| Retirement and severance benefits paid | (12,061) | (12,030) | (63,852) |
| Others | 12,431 | 23,021 | (4,034) |
| Net Cash from Operating Activities | 130,236 | 190,101 | 122,442 |
| Cash Flows from Investing Activities | | | |
| Purchases of property, plant and equipment | (61,505) | (71,327) | (91,353) |
| Proceeds from sale of property, plant and equipment | 23,977 | 134,067 | 35,474 |
| Acquisition of investment securities | (15,626) | (38,939) | (5,707) |
| Proceeds from sales of investing securities | 4,124 | 64,730 | - |
| Increase in investment in subsidiaries and affiliates following consolidation | - | - | (3,970) |
| Expenditures for acquisition of Toa Steel Co.,Ltd.'s business | - | - | (102,159) |
| Expenditures for other investing activities | (9,718) | (15,049) | (39,884) |
| Proceeds from other investing activities | 7,486 | 21,851 | 33,957 |
| Net Cash from (Used in) Investing Activities | (51,261) | 95,332 | (173,642) |

| | FY2002 | FY2001 | FY2000 |
|---|------------------|------------------|------------------|
| Cash Flows from Financing Activities | | | |
| Increase (decrease) in short-term borrowings | (23,181) | (259,795) | 60,262 |
| Decrease in commercial paper | - | (58,000) | (122,000) |
| Proceeds from long-term borrowings | 89,424 | 167,620 | 85,843 |
| Repayment of long-term borrowings | (106,522) | (87,642) | (84,767) |
| Increase in bonds | 40,000 | 80,596 | 79,099 |
| Decrease in bonds | (118,689) | (83,915) | (62,300) |
| Cash dividends paid to minority shareholders | (393) | (770) | (1,165) |
| Compensation to minority shareholders arising from redemption of common stock | (1,569) | - | 131 |
| Decrease in other financing activities | (5,458) | (4,688) | (3,510) |
| Net Cash Used in Financing Activities | (126,391) | (246,596) | (48,407) |
| Translation differences | 2,191 | 2,205 | (3,576) |
| Net increase (decrease) in cash and cash equivalents | (45,225) | 41,043 | (103,183) |
| Cash and cash equivalents at beginning of year | 108,668 | 64,600 | 167,465 |
| Increase (decrease) reflecting consolidation of subsidiaries and affiliates | (222) | 3,024 | 318 |
| Cash and cash equivalents at end of year | 63,220 | 108,668 | 64,600 |
| Supplemental Disclosures of Cash Flow Information | | | |
| Cash paid during the year for: | | | |
| Income taxes | (21,841) | (7,154) | (9,153) |
| Cash and cash equivalents at end of year consisted of the following balance sheet items | | | |
| Cash and deposits | 63,312 | 108,845 | 59,756 |
| Time deposits with a maturity of more than three months | (92) | (180) | (720) |
| Short-term investments (includes bond investment trust funds maturing within three months) | - | 2 | 5,564 |
| Cash and cash equivalents | 63,220 | 108,668 | 64,600 |
| Assets and liabilities of Thai Coated Steel Sheet Co.,Ltd., at the time of consolidation as new subsidiary | | | |
| Current assets | | - | 2,465 |
| Fixed assets | | - | 12,074 |
| Adjustments for foreign exchange translations | | - | (1,837) |
| Total assets | | - | 12,702 |
| Current liabilities | | - | 3,404 |
| Fixed liabilities | | - | 7,685 |
| Total liabilities | | - | 11,089 |
| Increase in assets and liabilities following the acquisition of Toa Steel Co.,Ltd.'s business | | | |
| Current assets | | - | 37,248 |
| Fixed assets | | - | 193,838 |
| Total assets | | - | 231,086 |
| Current liabilities | | - | 18,788 |
| Fixed liabilities | | - | 110,139 |
| Total liabilities | | - | 128,927 |
| Cost of acquisition of Toa Steel Co.,Ltd.'s business | | - | (102,159) |

NKK
Major subsidiaries and affiliates

| Company | Line of Business | Common Capital (Millions of Yen) | NKK's Shareholdings |
|---|--|-------------------------------------|------------------------|
| Steelmaking Operations | | | |
| NKK BARS & SHAPES CO.,LTD. | Manufacture and sale of shapes, sections, bars, wire rods | 45,000 | 100.0% |
| NKK WELDED PIPE MANUFACTURING CO.,LTD. | Manufacture and sale of electric-resistant welded pipes and butt-welded pipes | 22,700 | 99.9% |
| ADCHEMCO Corporation | Manufacture and sale of chemical products | 6,000 | 100.0% |
| Fukuyama Kyodo Power Co.,Ltd. | Thermal power generation | 5,000 | 50.0% |
| NKK MATERIAL CO.,LTD. | Manufacture and sale of alloy steel and ceramics, etc. | 4,000 | 98.9% |
| NKK MARINE & LOGISTICS CORPORATION | Warehousing, domestic shipping business, port transport | 3,942 | 74.1% |
| NKK TRADING INC. | Sales and purchase of steel products | 2,260 | 71.6% |
| Japan Casting Co.,Ltd. | Manufacture and sale of iron and steel casting products | 2,102 | *42.3% |
| NKK PRECISION CO.,LTD. | Manufacture and sale of forms and blanks | 3,400 | 100.0% |
| NIPPON CHUTETSUKAN K.K. | Manufacture and sale of cast iron pipes | 1,855 | *30.0% |
| NKK STEEL SHEET & STRIP CORPORATION | Manufacture and sale of coated steel sheets | 1,700 | 100.0% |
| KOKAN DRUM COMPANY,LTD. | Manufacture and sale of steel drums | 1,652 | 68.9% |
| NKKTUBES | Manufacture and sale of seamless pipes | 1,595 | 49.0 |
| Nippon Kokan Light Steel Kabushiki Kaisha | Manufacture and sale of light gauge steel products | 1,352 | 83.3% |
| FUJI KAKO CO.,LTD. | Manufacture and sale of synthetic resin pipes | 1,150 | 60.0% |
| Tokyo Shearing Co.,Ltd. | Plate shearing and pressing, manufacture and sale of steel products | 1,019 | *49.6% |
| OKUTAMA KOGYO CO.,LTD. | Mining and sale of lime | 1,000 | *29.2% |
| NIPPON KOKAN PIPE FITTING MFG.CO.,LTD. | Manufacture and sale of pipe fittings | 958 | 71.5% |
| GALVATEX CORPORATION | Manufacture and sale of galvanized steel products | 630 | *100.0% |
| MENTEC KIKO CORPORATION | Design, construction, repair of machinery, electric, instrumentation, civil work | 605 | 83.5% |
| KOKAN MINING COMPANY,LTD. | Mining and processing of raw materials for steel production | 567 | 84.7% |
| Nichei Unyu Soko K.K. | Warehousing and transportation services | 495 | 80.1% |
| LS FENCE CO.,LTD. | Sale of exterior goods, contract work | 254 | *73.6% |
| JAPAN STEEL LEASING CO.,LTD. | Leasing and sale of construction machinery and materials | 240 | 20.0% |
| THAI COLD ROLLED SHEET PUBLIC CO.,LTD. | Manufacture and sale of cold-rolled steel sheets | 8,486millionThai bahts | 40.0% |
| THAI COATED STEEL SHEET CO.,LTD. | Manufacture and sale of zinc-coated steel products | 4,756millionThai bahts | 81.4% |
| Engineering Operation | | | |
| Nippon Kokan Koji K.K. | Civil construction services | 3,494 | 68.7% |
| NKK SHIMIZU CO.,LTD. | Design, manufacture and construction of steel structures | 1,775 | *99.9% |
| NKK PLANT ENGINEERING CORPORATION | Design, manufacture, construction, maintenance and sale of various type of plant and equipment | 1,360 | 100.0% |
| Others | | | |
| NKK Facilities & Favor Co.,LTD. | Provision of welfare, wages, and other services under outsourcing contracts; renting and management of dormitories and company housing, travel and insurance agent | 13,588 | *99.9% |
| NK HOME CO.,LTD. | Design, construction and sale of houses | 1,767 | 100.0% |
| EXA CORPORATION | Development and sale of computer systems | 1,250 | 49.0% |
| NK KANKYO CORPORATION | Recycling of waste for various use | 650 | 80.0% |
| NKK Cresit Corporation | Group finance | 30 | 100.0% |
| NKK U.S.A. Corporation | Holding Company | US\$347,446,000 | 100.0% |

Notes:

1) * indicates that the shares held by subsidiaries are included.

Keihin Works' Major Production Facilities

(1,000mt/y)

| Facility | | Location | Description | Annual Capacity |
|------------------------------------|----------------------------|-------------|---|-----------------|
| Iron making | Blast furnace | Ohgishima | No.1, inner volume 4,907m ³ | 4,000 |
| | | | No.2, inner volume 4,052m ³ (Shut down) | (2,900) |
| | Sintering plant | Ohgishima | Dwight-Lloyd type | 5,300 |
| | Coke oven | Ohgishima | No.1 (Carl Still type), 124 ovens, coke dry quenching | 2,200 |
| | | | No.2 (Carl Still type), 74 ovens, coke dry quenching | 1,300 |
| Steel making | Hot metal pretreatment | Ohgishima | Hot metal dephosphorizer, hot metal desulfurizer | |
| | Basic oxygen furnaces | Ohgishima | 250 t/charge x 2 | 4,500 |
| | Electric furnace | Ohgishima | NKK-Heroult type, 50 t/charge | 130 |
| | Ladle-refining equipment | Ohgishima | 250-ton RH, arc-process, powder injection equipment 50-ton VAD/VOD with powder injection equipment | 4,500 |
| | Continuous caster | Ohgishima | No.1 (slab), 250 mm x 2,300 mm | 3,800 |
| | | | No.3 (slab), 250 mm x 1,950 mm | |
| No.5 (billet), 170 mm ~ 300 mm | | | 500 | |
| Primary rolling | Slabbing/ blooming mill | Ohgishima | Soaking pit, reheating furnace, high-lift universal slabbing and blooming mill | 2,400 |
| | Billet mill | Ohgishima | Second bloomer, continuous-type VH 4-stand mill | |
| Plate and sheet rolling | Plate mill | Ohgishima | Continuous-type reheating furnace, batch-type reheating furnace 5,500-mm 4-high rolling mill, heat treatment furnace | 1,600 |
| | Hot-strip mill | Ohgishima | Continuous-type reheating furnace, 2,400-mm hot mill, pickling line | 3,600 |
| | Cold-strip mill | Mizue | 1,422-mm cold strip mill | 1,200 |
| | Plating & Coating line | Mizue | Continuous hot-dip galvanizing line | 800 |
| | | | Continuous color-coating line | 130 |
| | Special reverse mill | Mizue | 12 high cluster mill, annealing furnace, grinding line | 24 |
| | Super E core | Mizue | Continuous CVD treatment line | 1 |
| Welded pipe | Large-dia. ERW | Tsurumigawa | High-frequency ERW mill (177.8 ~ 609.6 mm/column 200 ~ 500 mm) | 300 |
| | Small-dia. ERW | Ohgishima | High-frequency electric induction welding mill (42.2 mm ~ 168.3 mm) | 120 |
| | Buff-welding | Ikegami | Fretz-Moon buff-welding mill (21.7 mm ~ 114.3 mm) | 360 |
| Corrosion-resistant pipe & tube | | Tsurumigawa | Plastic-lining line (Large-dia.) | 70 |
| | | Ikegami | Plastic-lining line (Small-dia.) | 70 |

NKKTUBES

| | | | | |
|---------------------------|------------|----------|--|-----|
| Seamless pipe and tube | Large-dia. | Ikegami | Rotary reheating furnace, plug mill (159.0 mm ~ 431.8) | 630 |
| | Small-dia. | Watarida | Rotary reheating furnace, mandrel mill, stretch reducer (27.2 mm ~ 152.4mm) | 400 |
| | Cold-drawn | Ikegami | Cold-drawing machine, cold pilger mill (10.0 mm ~ 230 mm) | 50 |

Fukuyama Works' Major Production Facilities

1-2

(1,000mt/y)

| Section | Facility | Description | Annual Capacity |
|--------------|-----------------------------------|---|---|
| Iron Making | Blast Furnaces | No.2 2,828m ³ No.3 3,223m ³ No.4 4,288m ³ No.5 4,664m ³ | 11,000 |
| | Sintering Plants | No.4~5 DL-type Total : 930m ³ | 13,850 |
| | Coke Ovens | No.3~5 Willput Otto-type Total : 444 chambers | 4,930 |
| Steel Making | Converters | No.2 shop 120 t/heat BOF X1 250 t/heat BOF X2 No.3 shop 300 t/heat BOF X2 | 10,300 |
| | Continuous Casting Machines | Slab continuous casting machine X5 Bloom-beam blank continuous casting machine X1 Billet continuous casting machine X1 | 11,250 |
| | Vacuum Degassers | R-H vacuum degasser X3 | |
| Rolling | Hot Strip Mills | No.1 mill 80" hot strip mill X1 Skin pass mill X1 Shearing line X1 Slitter line X1 No.2 mill 70" hot strip mill X1 Skin pass mill X2 | No.1(4,600) No.2(3,600) Total 8,200 |
| | Cold Strip Mills | Pickling line X1 Cold tandem mill (56") X1 Pickling and Profile-control cold mill (80" , 65") X2 Electrolytic cleaning line X3 Coil annealing furnace(tight, open) X1 Continuous annealing line(vertical) X4 Temper mill X3 Shearing line X3 Sheet and coil laminating line X1 | 4,650 |
| | Coating Mills | Electrolytic galvanizing line X3 Continuous galvanizing lines X3 Electrolytic tinning line X1 Tin free steel line X2 Universal coating line X2 Recoiling line X9 | 820 1,080 220 320 180 |
| | Magnetic Steel Sheet & Strip Mill | Continuous annealing line (horizontal) X1 Recoiling and slitter line X1 | 70 |
| | Plate Mill | 185" 4-high roughing mill X1 185" 4-high finishing mill X1 Heat treating equipment X1 | 2,170 |
| | Large Section Mills | No.1 mill Breakdown mill X1 Roughing mill X2 Finishing mill X1 No.2 mill Breakdown mill X1 Roughing mill X2 Finishing mill X1 Heat treating equipment X1 Railroad rail processing. line X1 | No.1(1,130) No.2 (760) Total 1,890 |

| Section | Facility | Description | Annual Capacity |
|------------------|--|---|-----------------|
| Spiral Pipe Mill | Large-Dia. Welded Pipe Mill (U&O-ing presses) | U-ing press X1 O-ing press X1 Internal welder X6 External welder X5 Mechanical expander X2 | 580 |
| | Steel Pipe Making | Spiral pipe forming machine X1 Pile fabricating equipment X1 | 80 |
| | Coating Lines | Internal coating line X1 External coating line X1 | 300 |
| Electricity | Power Plants | Power generator(844,000kw) X6 Top gas pressure recovery X3 turbine (55,000kw) CDQ turbine(93,000kw) X3 | |
| Oxygen | Oxygen Plants | Air separating unit (130,000Nm ³ /hr.) X7 | |
| Limestone | Lime-stone Calcin-ing Plants | Vertical furnace (2,300t/day) X12 | |
| Piers | Raw Material Piers | (Ore and coal)-16~17m berthes(4) Crane X4 Continuous unloader X3 (Coal & aux. -11~14m berthes (2) material) Crane X3 (Others) - 5 ~ 12m berthes (4) Crane X3 | |
| | Products Shipping Piers | (Domestic) - 5 ~ 7m berthes (16) (Export) -11 ~ 13m berthes (5) (Kasaoka) -11m berth (1) | |

Tsu Works' Major Production Facilities

Total area Approx. 1,820,000m²

| Facilities | Length(m) | Beam(m) | Depth(m) | Purpose / Related facilities |
|----------------------------|-----------|---------|----------|---|
| Drydock | | | | |
| Building Dock | 500 | 75 | 11.8 | New building 200ton Goliath crane 700ton Goliath crane |
| Repair Dock (No.3 Dock) | 500 | 75 | 14.1 | Ship repair/final Dock 120ton Jib crane (new building up to 21,000GT) |
| Marine Dock | 150 | 220 | 17 | Offshore structure Access Slope(for transporter /crawler crane) |
| Wharf | | | | |
| No.1 Wharf | 425 | | | unloading/ship repair 15ton Jib crane |
| No.2 Wharf | 600 | | | outfitting/ship repair 15ton Jib crane |
| No.3-A Wharf | 375 | | | outfitting 15ton Jib crane |
| No.3-B Wharf | 243 | | | outfitting/ship repair 120ton Jib crane |
| No.4 Wharf | 800 | | | loading 650ton Crawler crane |
| No.5 Wharf | 400 | | | unloading/loading 650ton Crawler crane |
| Pre-Erection Yard | | | | 400ton Goliath Crane |
| Outdoor Assembly yard | | | | 250m x 500m 120ton Jib crane |

Overview of Steel Industry

Apparent Steel Consumption

million metric tons crude steel equivalent

(Unit: Million tonne)

Source: IISI "Short Range Outlook"

| Calender years | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| U.S.A. | 90.6 | 97.4 | 104.7 | 118.1 | 112.8 | 120.1 | 123.9 | 135.1 | 128.0 | 133.1 |
| EU | 133.6 | 131.7 | 116.4 | 132.4 | 144.2 | 131.0 | 145.9 | 154.6 | 154.9 | 161.3 |
| Fomer USSR | 131.9 | 103.5 | 70.2 | 42.5 | 39.1 | 36.3 | 37.7 | 34.4 | 40.1 | 48.6 |
| Asia(except Japan,China,DPR Korea) | 70.1 | 72.1 | 80.5 | 83.8 | 93.3 | 91.7 | 94.8 | 87.6 | 88.6 | 94.9 |
| China | 71.9 | 87.0 | 126.1 | 121.8 | 101.1 | 112.5 | 119.7 | 131.7 | 151.2 | 163.2 |
| DPR Korea | 26.1 | 23.1 | 36.7 | 31.6 | 37.3 | 39.4 | 39.9 | 26.1 | 35.4 | 40.0 |
| Japan | 99.2 | 85.2 | 80.4 | 79.9 | 84.0 | 84.4 | 85.5 | 72.5 | 71.0 | 79.6 |
| Total | 728.3 | 708.8 | 730.1 | 729.3 | 735.9 | 743.0 | 788.1 | 786.0 | 807.6 | 869.1 |

※ EU: until 1994 12 countries, from 1995 15 countries

Crude Steel Production

million metric tons

Source: until 1999 IISI "Steel Statistical Yearbook"

(Unit: Million tonne)

2000 IISI "World Crude Steel Production"

| Calender years | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| U.S.A. | 79.7 | 84.3 | 88.8 | 91.2 | 95.2 | 95.5 | 98.5 | 98.7 | 97.4 | 101.5 |
| EU | 148.7 | 143.8 | 144.2 | 151.7 | 155.8 | 146.6 | 159.9 | 159.9 | 155.3 | 163.2 |
| Fomer USSR | 132.8 | 118.0 | 98.1 | 78.3 | 79.1 | 77.2 | 81.0 | 74.4 | 86.1 | 98.6 |
| Asia(except Japan,China,DPR Korea) | 40.4 | 40.5 | 42.8 | 41.7 | 45.8 | 49.0 | 52.6 | 49.8 | 49.1 | 54.6 |
| China | 71.0 | 80.9 | 89.5 | 92.6 | 95.4 | 101.2 | 108.9 | 114.6 | 124.0 | 127.2 |
| DPR Korea | 26.0 | 28.1 | 33.0 | 33.7 | 36.8 | 38.9 | 42.6 | 39.9 | 41.0 | 43.1 |
| Japan | 109.6 | 98.1 | 99.6 | 98.3 | 101.6 | 98.8 | 104.5 | 93.5 | 94.2 | 106.4 |
| Total | 733.6 | 719.7 | 727.5 | 729.3 | 735.9 | 743.0 | 788.1 | 786.0 | 807.6 | 847.4 |

※ EU: until 1994 12 countries, from 1995 15 countries

Apparent Steel Consumption in Japan

million metric tons crude steel equivalent

(Unit: Million tonne)

Source: Kozai Club

| Fiscal years | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| | 94.7 | 84.5 | 77.4 | 82.7 | 83.0 | 85.6 | 83.5 | 68.7 | 72.7 | 81.7 |

Exports of Iron & Steel

million metric tons

(Unit: Million tonne)

Source: Kozai Club

| Fiscal years | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| DPR Korea | 1.9 | 1.5 | 2.1 | 2.8 | 3.4 | 3.3 | 3.3 | 3.2 | 5.9 | 5.8 |
| Taiwan | 2.4 | 2.5 | 3.0 | 2.5 | 2.4 | 2.3 | 2.5 | 2.9 | 3.3 | 2.2 |
| Hong Kong | 0.7 | 1.0 | 1.3 | 1.3 | 1.3 | 1.4 | 1.7 | 1.5 | 1.7 | 1.6 |
| ASEAN5 | 4.5 | 4.8 | 5.1 | 5.7 | 6.4 | 6.0 | 6.1 | 5.0 | 6.8 | 6.5 |
| China | 2.1 | 2.9 | 6.9 | 4.3 | 3.5 | 2.5 | 2.7 | 2.5 | 3.2 | 4.2 |
| U.S.A. | 2.6 | 2.4 | 2.2 | 3.5 | 2.2 | 2.1 | 3.5 | 6.4 | 2.7 | 2.1 |
| Total | 18.1 | 19.4 | 24.5 | 23.6 | 22.6 | 20.8 | 24.3 | 27.3 | 29.6 | 28.5 |

Building Construction Started(Floor Area)

million square meters

(Unit: Million m²)

Source: Ministry of Land, Infrastructure and Transportation

| Fiscal years | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 252.0 | 240.1 | 230.8 | 238.6 | 232.4 | 258.4 | 220.6 | 193.4 | 197.0 | 194.5 |

Orders Received from Public Sector for Civil Engineering Works

(Unit: trillion yen)

Source: Hosho Jigyo Kaisha kyokai

| Fiscal years | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------|------|------|------|------|------|------|------|------|------|------|
| | 12.5 | 14.6 | 15.6 | 14.4 | 17.1 | 15.3 | 15.0 | 17.4 | 15.7 | 13.8 |

Shipbuilding Commenced

(Unit: thousand gross tonnage)

Source: Ministry of Land, Infrastructure and Transportation

| Calender years | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|----------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|------|
| | 7,336 | 8,880 | 7,593 | 7,911 | 8,297 | 9,168 | 9,239 | 9,968 | 11,282 | n.a |

Car Production

(Unit: thousand units)

Source: Japan Automobile Manufacturers Association

| Fiscal years | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--------------|--------|--------|--------|--------|--------|--------|--------|-------|-------|--------|
| | 13,146 | 12,335 | 10,851 | 10,618 | 10,086 | 10,612 | 10,776 | 9,960 | 9,930 | 10,044 |

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