

Dear readers of Kobelco Welding Today

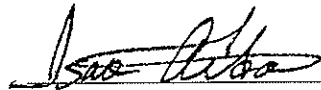
I took office as the new president of the Welding Company of KOBE STEEL, LTD. on April 1, 2004. The former president, Mr. Hiroo Shimada, is now the president of Kobelco Construction Machinery Co., Ltd.

As the new president, I have made a business slogan to represent the Welding Company for this year. "Let us boost our presence," Yes, let us demonstrate and strengthen KOBELCO's presence domestically and globally through our quality and technology. By offering welding products and services, supported by a high level of quality and technology, to customers all over the world, we will follow the KOBELCO WAY. I sincerely wish to make the Welding Company such a company that everybody in the world will say, "Their KOBELCO WAY is good!"

By enhancing "Technological Capabilities, Profitability and Globalization" as the primary targets for this year, we will strive to build solid foundations for the continuous reproduction of our presence for the future. The aggregate of the vitality of each and every member of the company forms the vitality of the whole company. With this in mind, I will share the targets with the employees and further vitalize our activities, by which the Welding Company may go forward on the KOBELCO WAY.

We have now eight overseas subsidiaries as manufacturing and sales bases, starting with Thai-Kobe Welding established in 1968 to Kobe Welding of Tangshan that commenced production last year. In Japan, we established KOBE-JFE Welding, a joint venture with JFE Steel, a manufacturer of solid wires. All these are investments to heighten customer satisfaction by responding to our customers' desires in terms of welding products and services.

I am firmly determined to "boost our presence" in every country and in every area with each overseas subsidiary serving as the core of activities, so that the KOBELCO WAY may receive hailing recognition globally and domestically.



Isao Aida

President
Welding Company
Kobe Steel, Ltd..

