

# Financial Highlights

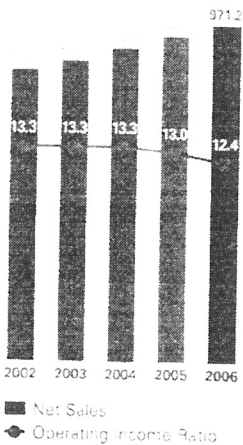
Kao Corporation and Consolidated Subsidiaries

Years ended March 31, 2006, 2005 and 2004

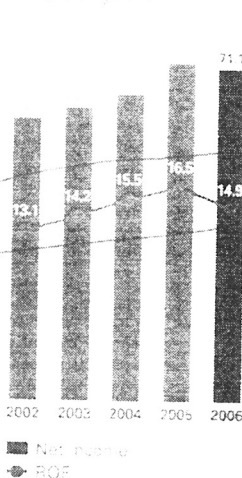
	Billions of yen			Millions of U.S. dollars	Change 2006/2005
	2006	2005	2004	2006	
<b>For the year:</b>					
Net sales	¥ 971.2	¥ 936.9	¥ 902.6	\$ 8,267.9	3.7%
Consumer Products	704.0	690.0	670.4	5,993.3	2.0
Prestige Cosmetics	85.2	78.3	77.6	725.7	8.9
Chemical Products	208.9	197.0	181.6	1,778.2	6.0
Eliminations	(26.9)	(28.4)	(27.1)	(229.3)	-
Japan	708.1	703.1	673.7	6,027.5	0.7
Asia & Oceania	110.9	100.3	101.5	944.1	10.6
North America	95.2	83.6	79.9	810.1	13.8
Europe	109.5	93.8	84.9	932.0	16.7
Eliminations	(52.4)	(44.0)	(37.3)	(445.9)	-
Operating income	120.1	121.4	119.7	1,022.7	(1.0)
Net income	71.1	72.2	65.4	605.6	(1.4)
<b>At year-end:</b>					
Total assets	1,220.6	689.0	723.9	10,390.4	77.2
Total shareholders' equity	509.7	448.2	427.8	4,338.8	13.7
<b>Per share:</b>					
	Yen			U.S. dollars	Change
Net income	¥ 130.58	¥ 131.16	¥ 119.06	\$ 1.11	(0.4)%
Cash dividends	50.00	38.00	32.00	0.43	31.6
Shareholders' equity	935.11	821.47	782.14	7.96	13.8

- Notes: 1. The U.S. dollar amounts are translated, for convenience only, at the rate of ¥117.47=US\$1, the approximate exchange rate at March 31, 2006.  
 2. Net sales by business and geographic segment include intersegment sales. Net sales of Chemical Products include intersegment sales to Consumer Products and Prestige Cosmetics.  
 3. Cash dividends per share are the amounts applicable to the respective years, including dividends to be paid after the end of the year.  
 4. Yen and U.S. dollar amounts are rounded to the nearest whole number or decimal.  
 5. Kao Cosmetics Inc. is not included in the consolidated statements of income for the year ended March 31, 2006.

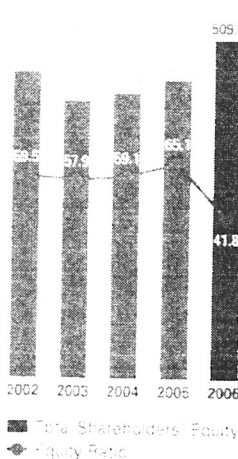
**Net Sales and Operating Income Ratio**  
(Billions of yen, %)



**Net Income and ROE**  
(Billions of yen, %)



**Total Shareholders' Equity and Equity Ratio**  
(Billions of yen, %)



**Cash Dividends**  
(Yen)

