

## Consolidated Statements of Income

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries

Years ended December 31, 2001 and 2000

	Millions of yen	
	2001	2000
Net sales .....	<b>¥1,664,954</b>	¥1,639,475
Cost of sales .....	<b>1,513,626</b>	1,477,361
Gross profit .....	<b>151,328</b>	162,113
Selling, general and administrative expenses.....	<b>123,274</b>	124,442
Operating profit.....	<b>28,053</b>	37,670
Non-operating income (expenses):		
Interest and dividend income.....	<b>(3,740)</b>	(4,988)
Exchange profit (loss).....	<b>3,905</b>	5,052
Equity in earnings of unconsolidated subsidiaries and affiliates, etc. ....	<b>1,108</b>	62
Miscellaneous income (loss) .....	<b>(275)</b>	1,117
Sub-total.....	<b>999</b>	1,243
Ordinary profit .....	<b>29,052</b>	38,913
Special profit (loss).....	<b>(25,054)</b>	(15,151)
Income before income taxes .....	<b>3,998</b>	23,763
Corporate tax, inhabitant's tax and business tax .....	<b>24,449</b>	11,003
Corporate tax adjustments .....	<b>(22,956)</b>	242
Minority interests in net income.....	<b>—</b>	(17)
Minority interests in net loss .....	<b>105</b>	—
Net income .....	<b>¥ 2,610</b>	¥ 12,499

\*All figures have been rounded to the nearest million.

## Consolidated Statements of Shareholders' Equity

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries

Years ended December 31, 2001 and 2000

	Millions of yen	
	2001	2000
Capital stock:		
Balance at beginning of period.....	<b>¥ 34,197</b>	¥ 34,197
Balance at end of period.....	<b>¥ 34,197</b>	¥ 34,197
Capital reserve:		
Balance at beginning of period.....	<b>¥ 21,929</b>	¥ 21,929
Balance at end of period.....	<b>¥ 21,929</b>	¥ 21,929
Consolidated retained earnings:		
Balance at beginning of period .....	<b>¥160,418</b>	¥151,981
Net income.....	<b>2,610</b>	12,499
Increase resulting from increase in consolidated subsidiaries .....	<b>75</b>	34
Increase resulting from increase in affiliates accounted for by the equity method .....	<b>—</b>	466
Increase resulting from elimination of affiliates accounted for by the equity method .....	<b>—</b>	200
Decrease resulting from increase in consolidated subsidiaries.....	<b>—</b>	602
Decrease resulting from elimination of subsidiaries from consolidation .....	<b>476</b>	—
Decrease resulting from increase in companies accounted for by the equity method .....	<b>—</b>	9
Cash dividends .....	<b>5,639</b>	4,142
Bonuses to directors and auditors.....	<b>42</b>	9
Balance at end of period .....	<b>¥157,088</b>	¥160,418

\*All figures have been rounded to the nearest million.