

Consolidated Statements of Income

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries

Years ended December 31, 2002 and 2001

	Millions of yen	
	2002	2001
Net sales (Note 12)	¥1,620,359	¥1,664,954
Cost of sales (Note 12)	1,460,458	1,513,626
Gross profit	159,901	151,328
Selling, general and administrative expenses (Note 10)	123,501	123,275
Income from operations	36,400	28,053
Non-operating income (expenses):		
Interest and dividend income	909	1,178
Interest expenses	(3,356)	(5,358)
Exchange gain	4,432	3,905
Equity in earnings of unconsolidated subsidiaries and affiliates	374	1,108
Others	1,342	166
Sub-total	3,701	999
Ordinary income	40,101	29,052
Special loss	7,515	25,054
Income before income taxes and minority interests	32,586	3,998
Income taxes (Current) (Note 7)	9,508	24,449
Income taxes (Deferred) (Note 7)	4,358	(22,956)
Minority interests in earnings (losses) of consolidated subsidiaries	55	(105)
Net income	¥ 18,665	¥ 2,610
	Yen	
Per share data:		
Net income-basic	¥ 49.69	¥ 6.95
Net income-diluted	49.67	6.94
Cash dividends	25.00	20.00

*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, 2002 and 2001

	Millions of yen	
	2002	2001
Capital stock:		
Balance at beginning of the year	¥ 34,197	¥ 34,197
Balance at end of the year	¥ 34,197	¥ 34,197
Capital reserve:		
Balance at beginning of the year	¥ 21,929	¥ 21,929
Profit on sale of treasury stock	3	—
Surplus from merged company	154	—
Balance at end of the year	¥ 22,086	¥ 21,929
Retained earnings:		
Balance at beginning of the year	¥157,088	¥160,418
Net income	18,665	2,610
Adjustments of retained earnings to reflect inclusion and exclusion of consolidated subsidiaries	5	(401)
Increase resulting from merger of subsidiaries	10	142
Cash dividends	(8,995)	(5,639)
Bonuses to the members of the board and corporate auditors	(55)	(42)
Balance at end of the year	¥166,718	¥157,088

*All figures have been rounded to the nearest million.