

Consolidated Statements of Income

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries
Years ended December 31, 2005 and 2004

	Millions of yen	
	2005	2004
Sales proceeds (Notes 15 and 16).....	¥2,268,488	¥1,839,445
Cost of sales (Notes 15 and 16).....	2,056,023	1,665,978
Gross profit.....	212,465	173,466
Sales and administrative expenses (Notes 7, 9, 11, 15 and 16).....	114,084	113,280
Operating profit.....	98,381	60,185
Non-operating profit		
Interest income.....	64	48
Dividends received.....	455	240
D.I.E profit.....	—	246
Amortization of goodwill on consolidation.....	2,951	—
Profit from equity associates.....	1,668	996
Profit from anonymous associates.....	785	1,207
Others.....	2,351	1,844
	8,276	4,584
Non-operating expenses		
Interest expenses.....	1,103	1,191
Sales discount.....	1,516	1,153
D.I.E loss.....	2,831	—
Others.....	708	498
	6,160	2,842
Ordinary profit.....	100,497	61,927
Special Profit (Note 5)		
Profit from sales of fixed assets.....	1,824	1,715
Profit from sales of investment securities.....	91	65
Write back of provisions for special maintenance.....	81	—
Others.....	707	24
	2,704	1,805
Special loss (Note 12)		
Loss from sale of fixed assets.....	1,663	4,813
Loss from sale of investment securities.....	0	65
Valuation loss of investment securities.....	9	48
Early retirement premium.....	82	23
Valuation loss of golf membership.....	34	102
Impairment losses.....	1,894	33,728
Others.....	398	136
	4,083	38,918
Net income before taxes.....	99,119	24,814
Taxes.....	40,439	29,585
Tax adjustments.....	(53)	(7,206)
Earnings of minority interests.....	363	73
Net income after taxes.....	¥ 58,370	¥ 2,362

Yen

	Yen	
Per share data:		
Net income after taxes per share.....	¥155.31	¥ 6.14
Diluted net income after taxes.....	155.13	6.13
Dividend per share.....	35.00	30.00
Shareholders' equity.....	732.08	605.25

Fractions below 1 million yen is rounded off.

Consolidated Statements of Shareholders' Equity

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries
Years ended December 31, 2005 and 2004

	Millions of yen	
	2005	2004
Capital:		
Opening balance.....	¥ 34,197	¥ 34,197
Closing balance.....	¥ 34,197	¥ 34,197
Capital surplus:		
Opening balance.....	¥ 22,095	¥ 22,089
Profit from treasury shares sold.....	11	6
Closing balance.....	¥ 22,106	¥ 22,095
Profits surplus:		
Opening balance.....	¥169,113	¥178,102
Net income after taxes.....	58,370	2,362
Increase by subsidiaries mergers.....	—	19
Increase by newly consolidated subsidiaries.....	50	—
Dividends.....	(13,125)	(11,235)
Director remuneration.....	(62)	(57)
Decrease by subsidiaries mergers.....	—	(77)
Closing balance.....	¥214,346	¥169,113

Fractions below 1 million yen is rounded off.