

Consolidated Statement of Income

Showa Shell Sekiyu K.K. and Consolidated Subsidiaries
Year ended 31 December 2006

Million Yen

	2006	2005
Sales proceeds (Notes 14 and 15).....	¥2,921,287	¥2,268,488
Cost of sales (Notes 14 and 15).....	2,728,137	2,056,023
Gross profit.....	193,149	212,465
Sales, administrative and general expenses (Notes 6, 8, 10, 14 and 15).....	118,847	114,084
Operating income.....	74,301	98,381
Non-operating profit		
Interest income.....	130	64
Dividends income.....	535	455
Foreign exchange gains.....	1,324	—
Amortisation of negative goodwill.....	468	2,951
Income from equity-method affiliates.....	1,803	1,668
Income from investment in anonymous association.....	1,465	785
Others.....	2,191	2,351
	7,919	8,276
Non-operating expenses		
Interest expenses.....	1,702	1,103
Sales discount.....	2,026	1,516
Foreign exchange losses.....	—	2,831
Others.....	816	708
	4,546	6,160
Ordinary income.....	77,675	100,497
Extraordinary profit		
Profit from sales of fixed assets.....	5,119	1,824
Profit from sales of investment securities (Note 4).....	725	91
Write back of provisions for special maintenance.....	972	81
Others.....	632	707
	7,450	2,704
Extraordinary loss		
Loss from disposal of fixed assets.....	3,869	1,663
Loss from sales of investment securities.....	0	0
Valuation losses on investment securities.....	114	9
Early retirement premium.....	28	82
Valuation losses on golf membership.....	3	34
Impairment losses (Note 11).....	2,462	1,894
Others.....	1,455	398
	7,934	4,083
Net income before taxes.....	77,190	99,119
Taxes.....	28,861	40,439
Tax adjustments.....	1,003	(53)
Minority interests.....	1,077	363
Net income after taxes.....	¥ 46,249	¥ 58,370
		Yen
Per share data:		
Net income after taxes.....	¥122.95	¥155.31
Diluted net income after taxes.....	122.88	155.13
Dividend.....	36.00	35.00
Net assets.....	822.20	732.08

Fractions below 1 million yen are rounded off.