FLASH REPORT (CONSOLIDATED BASIS)

May 22, 2003

Company name : Nippon Oil Corporation
Stock listings: Tokyo, Osaka, Nagoya, Fukuoka, and Sapporo Exchanges
Code number: 5001
(URL http://www.eneos.co.jp)
President and Representative Director: Fumiaki Watari
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Date for Convening the Board of Directors Meeting for the Settlement of Accounts: May 22, 2003
U.S. accounting standard: not applied

1. Results for Year ended March 31, 2003 (from April 1, 2002 to March 31, 2003)

(Figures less than ￥1 million have been omitted)

(1)Operating results

	Net Sales (% change from the previous fiscal year)		Operating income (% change from the previous fiscal year)		Recurring income (% change from the previous fiscal year)	
	Millions of yen		Millions of yen		Millions of yen	
Fiscal 2003	4,187,392	(6.0)	96,586	(28.4)	90,796	(27.8)
Fiscal 2002	3,949,571	(△3.1)	75,231	(7.4)	71,023	(12.9)

	Net income (% change from the previous fiscal year)		Net income per share	Net income per share after dilution	Return on equity	Ratio of recurring income to total assets	Ratio of recurring income to net sales
	Millions of yen		Yen	Yen	%	%	%
Fiscal 2003	32,281	(34.5)	21.03	20.76	3.5	2.7	2.2
Fiscal 2002	24,006	(△19.4)	16.11	16.00	2.6	1.9	1.8

Notes: 1.Equity in earnings (losses) of unconsolidated subsidiaries and affiliates:
Year ended March 31, 2003: ￥2,108 million
Year ended March 31, 2002: ￥3,439 million
2.Average number of shares outstanding during fiscal years
Year ended March 31, 2003: 1,510,645,090
Year ended March 31, 2002: 1,489,773,276
3.There was no change in accounting methods.
4.Percentages indicate year-on-year increase/(decrease) in net sales, operating income, recurring income, and net income.

(2)Financial position

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2003	3,350,237	929,987	27.8	615.89
Fiscal 2002	3,444,742	924,140	26.8	610.43

Notes: Number of shares outstanding at the end of the period
Year ended March 31, 2003: 1,519,131,033
Year ended March 31, 2002: 1,513,926,746

(3)Cash flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2003	△49,549	△16,170	△ 55,948	109,638
Fiscal 2002	195,608	145,685	△ 509,414	235,044

(4)Number of subsidiaries and affiliates

Consolidated subsidiaries: 57, Unconsolidated subsidiaries accounted for by the equity method: 5,
Affiliates accounted for by the equity method: 26

(5)Changes in the scope of consolidation

There was a new consolidated subsidiary.
Six existing consolidated subsidiaries were excluded.
Two affiliates were included into affiliates accounted for by the equity method.
An existing affiliate accounted for by the equity method was excluded.

２. Forecast for fiscal 2004（April 1, 2003 to March 31,2004）

	Net Sales	Recurring income	Net income
	Millions of yen	Millions of yen	Millions of yen
Interim period	1,990,000	13,000	5,000
Fiscal year	4,190,000	63,000	29,000

(Reference) Consolidated net income per share for the fiscal year is forecast to be ￥18.88

* These targets were computed using forecasts based on assumptions, outlooks, and plans regarding the future that were current at the time the targets were announced. Accordingly, actual performance may differ from the forecasts and the targets owing to various risks and uncertainties, such as fluctuations in product prices and foreign currency exchange rates. Further information related to these performance forecasts and targets may be found on page 6 of the accompanying supplementary information.

Management Performance and Financial Position

(1) Management Performance

Review of Operations for the Fiscal Year

The Japanese economy failed to escape from stagnation during the fiscal year ended March 31, 2003. Although during the first half of the fiscal year exports, especially to the rest of Asia, remained firm, and private capital investment, while still declining, showed signs of bottoming out, personal consumption remained weak, and exports gradually peaked out, thus leading to continued stagnation in the economy as a whole.

Petroleum Fuel and Crude Oil

Demand for oil products in Japan rose above the level for the previous fiscal year as gasoline sales recorded relatively firm expansion, and, after the beginning of fall, sales of heavy fuel oil C for thermal power generation plants showed marked expansion accompanying the suspension of power generation at nuclear plants. In addition, as a result of cold winter weather conditions, kerosene sales expanded, leading to the overall rise in demand. On the other hand, owing to the rapid increase in self-service stations in the distribution stage, competition increased substantially, leading to weakness in product prices.

Amid this environment, the NOC Group devoted its fullest energies to improving the profitability of its core business and moved forward with the creation of new energy businesses.

First, in the refining divisions, since declining demand for oil products is forecast to continue for the long term, the NOC Group is working to establish the optimal supply systems and increase efficiency of the production systems. To this end, in December last year, NOC structured an alliance in the refining business with Idemitsu Kosan Co., Ltd., and, beginning in April this year, NOC began to supply products to Idemitsu and reduced the oil refining capacity of the NOC Group by 10,000 barrels a day. In addition, during the previous year, the NOC Group completed the upgrading of its desulphurization facilities for diesel oil production at all of its refineries and, beginning in April this year, began to supply low-sulfur diesel fuel (with a sulfur content below 50ppm) to all parts of Japan, with the exception of Okinawa Prefecture.

Next, in the sales area, beginning in April last year, NOC began sales of ENEOS VIGO, a sulphur-free (10ppm or less) environmentally-friendly premium gasoline product in the Kanto and Kansai areas. Starting in November last year, sales of ENEOS VIGO were expanded to the Chubu area (central Japan), and, at present, NOC offers this product in 16 prefectures. Moreover, NOC began to develop a new type of sales outlet jointly with Lawson, Inc. that will combine a self-service station and a convenience store. In our oil and natural gas development activities, NOC purchased oil and gas fields in the U.K. North Sea region and increased production at its Landon fields offshore Vietnam. In addition, NOC began the commercial production of natural gas in the deep-sea fields in the U.S. Gulf of Mexico. Through these activities, NOC steadily expanded its crude oil and gas production volume.

In addition, in new business activities, the liquefied natural gas (LNG) production company for the Malaysian LNG project in which the NOC Group is a participant made its first shipments of LNG in March this year. As a result of the start-up of these operations, NOC became the first Japanese company to establish an LNG supply system, integrated from production through sales. On the other hand, in the field of fuel cells—which are drawing attention as an environmentally friendly, next-generation energy system—NOC completed the development of a fuel cell system for home use that utilizes liquefied petroleum gas (LPG) as a fuel and generates about one kilowatt of power. NOC is looking toward the early commercialization of this system, and monitor tests are currently in progress.

NOC's consolidated net sales for the fiscal year under review in the petroleum fuel and crude oil business segment rose 7.6%, to ¥3,599.6 billion. In addition, although the margin on sales declined, the favorable performances of gasoline sales, kerosene sales, and heavy fuel oil C sales to electric power companies, along with continued activities to reduce costs, and the adoption of the comprehensive averaging method for inventory valuation, which mitigates the effect of cost increases due to higher oil prices, resulted in a ¥15.9 billion increase in operating income, to ¥72.9 billion.

Petrochemical Operations

Conditions in the petrochemical industry were favorable, as domestic demand showed a recovery trend in the latter half of the fiscal year under review, and demand trends in exports to the rest of Asia showed improvement. In addition, as a result of the positive impact of measures to rationalize operations and increase efficiency, the profitability of petrochemical companies showed improvement. Amid these developments, the NOC Group worked to promote sales and set prices at appropriate levels, according to raw material prices. Moreover, NOC Group implemented thorough measures to reduce costs and rationalize operations, worked to increase cost-competitiveness of the standard chemicals business through closer teamwork with oil refining operations, and focused efforts on strengthening and further developing the lineup of specialty and high-performance chemicals.

Consolidated net sales in petrochemical operations rose 6.3%, to ¥219.9 billion. Also, as a consequence of increases in the volume of sales and cost reductions, operating income expanded ¥4.8 billion, to ¥5.7 billion.

Construction

In the highway and construction sectors, the conditions for winning new orders were the worst experienced to date. Public works construction was cut back substantially, and private capital investment remained stagnant, leading to the prognosis that annual construction investment would fall below ¥60 trillion for the first time in 16 years. Given these operating conditions, the NOC Group worked aggressively to win orders for construction work and market products.

Despite these efforts, consolidated net sales for the construction segment declined 8.0%, to ¥303.9 billion. However, despite growing competition and a drop in construction margins, as a result of cost reductions and activities to improve the efficiency of operations, operating income rose ¥100 million, to ¥7.9 billion.

Other

As conditions in the oil distribution business have become more challenging, NOC has stepped up its activities to aggressively market automobile related products, focusing especially on ENEOS brand goods. In addition, along with the completion of many major office building projects, which brought a massive supply of new space onto the market, competition for tenants intensified, leading to significantly lower rents.

Consolidated net sales in the other business segment declined 2.7%, to ¥63.8 billion. However, as a consequence of efforts to cut costs and improve efficiency, operating income rose ¥100 million, to ¥6.2 billion.

Consolidated Financial Results

As a consequence of the previously mentioned trends by business segment, consolidated net sales of the NOC Group for the fiscal year under review rose 6.0%, to ¥4,187.3 billion. The combination of increases in sales volume, thoroughgoing efforts to reduce costs in all segments, and the adoption of the comprehensive averaging method for inventory valuation, which mitigates the effect of cost increases due to higher oil prices, resulted in an increase in consolidated operating income of ¥21.3 billion, to ¥96.5 billion. Consolidated recurring income posted a gain of ¥19.7 billion, rising to ¥90.7 billion. Despite the payment of special severance benefits for employees taking early retirement and losses on the revaluation of stocks, principally those of financial institutions, net gains (losses) on the disposal of fixed assets improved, and consolidated net income for the fiscal year rose ¥8.2 billion, to ¥32.2 billion.

Based on the consideration of this performance and other factors, NOC declared cash dividends of ¥4 per common share for the second half of the fiscal year.

Outlook

The operating environment for the segments of the NOC Group have become significantly more challenging, but NOC has set targets for the fiscal year ending March 31, 2004, of consolidated net sales of ¥4,190.0 billion (nonconsolidated net sales of ¥3,260.0 billion), consolidated recurring income of ¥63.0 billion (nonconsolidated recurring income of ¥14.0 billion), and consolidated net income of ¥29.0 billion (nonconsolidated net income of ¥6.0 billion).

Please note that these targets assume an average crude oil price of US$25 a barrel and an average exchange rate of ¥120 to one U.S. dollar for the fiscal year ending March 31, 2004.

(2) Financial Position

Cash Flows

Consolidated cash and cash equivalents (hereinafter, cash) at the end of the fiscal year under review amounted to ¥109.6 billion, representing a decline of ¥125.4 billion from the end of the previous fiscal year. The factors influencing cash flows were as follows:

Cash flow from operations declined to ¥49.5 billion. Reasons for the decline included one-time increases in working capital requirements accompanying the rise in oil prices—owing to the unsettled political conditions in Venezuela and growing tensions stemming from the Iraq problem—and the payment of special severance benefits to employees taking early retirement. Another factor was the effect of the falling of the last day of the previous fiscal year on a Japanese national holiday, which led to a substantial decline in unpaid gasoline and other taxes for the previous year.

Cash flow used in investing activities declined to ¥16.1 billion. The factors accounting for this decline were larger expenditures for purchases of fixed assets than proceeds from the repayment to NOC of term deposits and from the sale of securities.

Cash flow from financial activities dropped to ¥55.9 billion, owing to the payment of cash dividends and efforts to reduce interest-bearing debt.

Trends in the cash flow indicators of the NOC Group are as follows.

	Year ended March 31, 2001	Year ended March 31, 2002	Year ended March 31, 2003
Shareholders' equity ratio (%)	22.6	26.8	27.8
Ratio of market capitalization to total assets (%)	23.1	26.9	22.5
Years needed to retire debt (years)	6.1	5.6	—*
Interest coverage ratio (times)	5.1	5.7	—*

Notes:

1. Asterisks indicate that the figures for years needed to retire debt and interest coverage have not been shown. This is because during the fiscal year ended March 31, 2003, operating cash flow was negative because of a one-time increase in working capital requirements due to the sharp rise in oil prices stemming from the Iraq problem and the falling of the last day of the previous fiscal year on a Japanese national holiday, which resulted in a large decline in unpaid gasoline and other taxes for the previous year.
2. Definitions of indicators are as follows:
   - Shareholders' equity ratio: Shareholders' equity/Total assets
   - Ratio of market capitalization to total assets: Total value of stock at market price/Total assets
   - Years needed to retire debt: Interest-bearing debt/Operating cash flow
   - Interest coverage ratio: Cash flow from operations/Interest paid
3. All indicators have been calculated based on consolidated financial data.
4. Market capitalization has been calculated by multiplying the Company's stock price at the end of the fiscal year by the number of shares outstanding at the end of the fiscal year (after exclusion of treasury stock).
5. Operating cash flow is the cash flow from operations shown in the Consolidated Statement of Cash Flows.
6. Interest-bearing debt is actual interest-bearing debt, defined as the interest-bearing liabilities shown on the consolidated balance sheets less the funds managed (credit assets) of finance subsidiaries. In addition, interest paid has been calculated by subtracting the amount of interest paid by finance subsidiaries to fund their credit asset portfolios from the amount of interest paid shown in the Consolidated Statement of Cash Flows.

Commitment Line Contracts

To raise working capital efficiently, NOC has concluded a commitment line contract with a syndicate of 11 banks with which it has transaction relationships. This commitment line provides the Company with funding up to ¥80 billion and US$200 million. There were no borrowings under these commitment lines during the fiscal year under review.

CONSOLIDATED BALANCE SHEETS

	Previous fiscal year March 31, 2002		Year ended March 31, 2003		Change from the previous
	Millions of yen	%	Millions of yen	%	Millions of yen
Assets					
Current assets	1,419,282	41.2%	1,329,230	39.7%	△ 90,051
Cash and cash time deposits	139,376		116,385		△ 22,991
Trade notes and accounts receivable	556,021		592,178		36,156
Short-term investments in securities	161,348		14,042		△ 147,306
Inventories	378,897		479,131		100,233
Deferred income taxes	30,005		27,969		△ 2,035
Other current assets	153,631		99,523		△ 54,107
Fixed assets	2,025,370	58.8%	2,020,971	60.3%	△ 4,398
Property, plant and equipment	1,552,087		1,542,904		△ 9,182
Buildings and Structures	(313,683)		(301,249)		(△ 12,434)
Oil tanks・Machinery and equipment・Other	(302,141)		(293,828)		(△ 8,312)
Land	(865,686)		(864,025)		(△ 1,660)
Construction in progress	(70,575)		(83,801)		(13,225)
Intangible fixed assets	56,178		59,293		3,114
Investments and other assets	417,104		418,774		1,669
Investment securities	(273,787)		(250,821)		(△ 22,966)
Deferred income taxes	(33,467)		(37,554)		(4,087)
Other investment and assets	(109,850)		(130,398)		(20,548)
Deferred assets	89	0.0%	34	0.0%	△ 55
Bond issuance expenses and other	89		34		△ 55
Total assets	3,444,742	100.0%	3,350,237	100.0%	△ 94,505

CONSOLIDATED BALANCE SHEETS

	Previous fiscal year March 31, 2002		Year ended March 31, 2003		Change from the previous fiscal year
	Millions of yen	%	Millions of yen	%	Millions of yen
Liabilities					
Current liabilities	1,411,434	41.0%	1,388,397	41.4%	△ 23,036
Trade notes and accounts payable	304,892		354,463		49,571
Short-term loans	260,786		254,201		△ 6,584
Commercial paper	25,000		131,000		106,000
Accounts payable	488,070		399,475		△ 88,595
Other current liabilities	332,684		249,256		△ 83,427
Long-term liabilities	999,662	29.0%	920,879	27.5%	△ 78,782
Bonds	226,282		212,045		△ 14,236
Convertible bonds	69,628		69,628		—
Long-term loans	435,245		372,851		△ 62,394
Deferred income taxes	76,400		77,735		1,334
Retirement allowances for employees	102,007		103,186		1,179
Other long-term liabilities	90,098		85,432		△ 4,666
Total liabilities	2,411,096	70.0%	2,309,276	68.9%	△ 101,819
Minority interests in consolidated subsidiaries	109,505	3.2%	110,973	3.3%	1,467
Shareholders' equity					
Common stock	139,436	4.0%	139,436	4.2%	0
Capital surplus	274,829	8.0%	274,829	8.2%	0
Retained earnings	492,236	14.3%	513,199	15.3%	20,963
Evaluation differences on other securities	23,503	0.7%	11,907	0.4%	△ 11,596
Translation adjustments	△ 5,529	△ 0.2%	△ 6,546	△ 0.2%	△ 1,017
Less treasury common stock, at cost	△ 336	△ 0.0%	△ 2,839	△ 0.1%	△ 2,503
Total shareholders' equity	924,140	26.8%	929,987	27.8%	5,847
Total liabilities, minority interest, and shareholders' equity	3,444,742	100.0%	3,350,237	100.0%	△ 94,505

CONSOLIDATED STATEMENTS OF INCOME

	Previous Fiscal year April 1 ,2001 ～ March 31, 2002	Year ended April 1 ,2002 ～ March 31, 2003	Change from the previous fiscal year
	Millions of yen	Millions of yen	Millions of yen
Net sales	3,949,571	4,187,392	237,821
Cost of sales	△ 3,555,907	△ 3,785,291	△ 229,383
Selling, general and administrative expenses	△ 318,432	△ 305,514	12,918
Operating income	75,231	96,586	21,355
Non-operating profits and expenses			
Non-operating profits	44,477	29,110	△ 15,367
Interest and dividend income	(8,848)	(6,317)	(△ 2,531)
Foreign exchange gains	(12,243)	(－)	(△ 12,243)
Equity in earnings of unconsolidated subsidiaries and affiliates	(3,949)	(2,108)	(△ 1,841)
Other	(19,435)	(20,683)	(1,248)
Non-operating expenses	△ 48,684	△ 34,900	13,783
Interest	(△ 34,880)	(△ 26,329)	(8,551)
Expenses for bonds	(△ 304)	(△ 744)	(△ 440)
Foreign exchange losses	(－)	(△ 775)	(△ 775)
Other	(△ 13,500)	(△ 7,052)	(6,447)
Recurring income	71,023	90,796	19,772
Special gains	27,503	18,122	△ 9,381
Special losses	△ 54,821	△ 44,715	10,106
Income before income taxes and minority interests	43,705	64,203	20,497
Income taxes	△ 23,382	△ 18,692	4,689
Deferred income taxes	9,741	△ 7,649	△ 17,390
Minority interests in earnings of consolidated subsidiaries	△ 6,058	△ 5,580	477
Net income	24,006	32,281	8,274

APPROPRIATION OF CONSOLIDATED RETAINED EARNINGS

	Previous Fiscal year April 1 ,2001 ～ March 31, 2002	Year ended April 1 ,2002 ～ March 31, 2003
	Millions of yen	Millions of yen
Ⅰ. Retained earnings at beginning of the period	477,911	—
Ⅱ. Increase in retained earnings	1,202	—
Increase due to merger of consolidated subsidiaries	(1,202)	(—)
Ⅲ. Appropriations of retained earnings	10,883	—
Cash dividends	(10,285)	(—)
Directors' bonuses	(598)	(—)
Ⅳ. Net income	24,006	—
Ⅴ. Retained earnings at end of the period	492,236	—
Capital reserve		
Ⅰ. Balance at beginning of the period	—	274,829
Ⅱ. Balance at end of the period	—	274,829
Retained earnings		
Ⅰ. Balance at beginning of the period	—	492,236
Ⅱ. Increase in retained earnings	—	32,338
Net income	(—)	(32,281)
Increase due to decrease in companies accounted by the equity method	(—)	(57)
Ⅲ. Appropriations of retained earnings	—	11,375
Cash dividends	(—)	(10,595)
Directors' bonuses	(—)	(614)
Decrease due to increase in companies accounted by the equity method	(—)	(165)
Ⅳ. Retained earnings at end of the period	—	513,199

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Previous Fiscal year April 1 ,2001 ～ March 31, 2002	Year ended April 1 ,2002 ～ March 31, 2003
Ⅰ. Cash flows from operating activities		
Income before income taxes and minority interests	43,705	64,203
Depreciation and amortization	113,461	99,358
(Increase) decrease in notes and accounts receivable	89,148	△ 39,823
Decrease (increase) in inventories	10,301	△ 101,784
(Increase) decrease in notes and accounts payable and excise taxes payable	△ 32,589	△ 31,420
Other	24,433	12,386
Sub-total	248,460	2,919
Interest and dividends received	10,095	9,522
Interest paid	△ 36,044	△ 27,248
Income taxes paid	△ 24,845	△ 19,504
Payment for special early retirement benefits	△ 2,058	△ 15,238
Net cash (used in) provided by operating activities	195,608	△ 49,549
Ⅱ. Cash flows from investing activities		
Decrease (increase) in time deposits	110,678	27,163
Additions to property, plant and equipment	△ 79,561	△ 86,186
Proceeds from sales of property, plant and equipment	31,927	22,693
Net decrease (increase) in marketable and investment securities	104,762	57,585
Other	△ 22,120	△ 37,426
Net cash (used in) provided by investing activities	145,685	△ 16,170
Ⅲ. Cash flows from financing activities		
Increase (decrease) in short-term loans	△ 425,725	49,576
Decrease (increase) in long-term loans and bonds	△ 69,161	△ 92,547
Other	△ 14,527	△ 12,977
Net cash used in (provided by) financing activities	△ 509,414	△ 55,948
Ⅳ. Effect of exchange rate changes on cash and cash equivalents	2,833	△ 3,888
Ⅴ. Decrease in cash and cash equivalents	△ 165,287	△ 125,556
Ⅵ. Cash and cash equivalents at beginning of period	399,393	235,044
Ⅶ. Increase in cash and cash equivalents due to merger of consolidated subsidiaries	1,099	—
Ⅷ. Increase in cash and cash equivalents due to inclusion in consolidation	—	150
Ⅸ. Decrease in cash and cash equivalents due to exclusion from consolidation	△ 160	—
Ⅹ. Cash and cash equivalents at end of the period	235,044	109,638

Segment Information

Business Segment

Year ended March 31, 2002 （April 1 ,2001 ～March 31, 2002）

	Petroleum fuel and crude oil	Petrochemical	Construction	Other	Total	Eliminations	Consolidated
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Ⅰ Net sales							
（1） Sales to third parties	3,346,486	206,844	330,563	65,677	3,949,571	—	3,949,571
（2） Intergroup sales and transfers	121,554	15,769	548	15,485	153,357	(153,357)	—
Total sales	3,468,040	222,613	331,111	81,163	4,102,929	(153,357)	3,949,571
Operating expenses	3,411,007	221,794	323,257	75,059	4,031,119	(156,778)	3,874,340
Operating income (loss)	57,033	819	7,854	6,104	71,810	3,420	75,231
Ⅱ Assets, Depreciation and Capital expenditures							
Assets	2,914,917	168,612	339,116	187,560	3,610,207	(165,464)	3,444,742
Depreciation	95,369	6,257	4,932	7,082	113,642	(180)	113,461
Capital expenditures	89,917	4,411	15,741	5,468	115,539	(12,992)	102,547

Notes:
1. Business segments are based on the classifications used by the Company internally for management of its businesses.

2. Principal products by business segment are as follows:
(1) Petroleum fuel and crude oil: Petroleum products, including gasoline, naphtha, kerosene, diesel fuel, and fuel oil, as well as oil exploration and development
(2) Petrochemical operations: Petrochemical products, including ethylene, paraxylene, and other products
(3) Construction: Asphalt paving, civil engineering construction, building construction
(4) Other: Activities include sales of automotive products, such as tires, lease financing, insurance agency business, real estate rentals, travel agency business, computer-related operations, financial services, and food product business

Year ended March 31, 2003 （April 1 ,2002 ～March 31, 2003）

	Petroleum fuel and crude oil	Petrochemical	Construction	Other	Total	Eliminations	Consolidated
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Net sales							
（1） Sales to third parties	3,599,622	219,904	303,982	63,883	4,187,392	—	4,187,392
（2） Intergroup sales and transfers	155,527	19,318	1,545	18,202	194,593	(194,593)	—
Total sales	3,755,149	239,223	305,527	82,085	4,381,986	(194,593)	4,187,392
Operating expenses	3,682,211	233,508	297,547	75,833	4,289,100	(198,294)	4,090,806
Operating income (loss)	72,938	5,714	7,980	6,252	92,885	3,700	96,586
Ⅱ Assets, Depreciation and Capital expenditures							
Assets	2,861,159	172,298	328,492	151,475	3,513,425	(163,188)	3,350,237
Depreciation	81,824	6,127	5,131	6,538	99,621	(262)	99,358
Capital expenditures	112,817	4,774	10,047	6,616	134,256	—	134,256

Notes:
1. Business segments are based on the classifications used by the Company internally for management of its businesses.

2. Principal products by business segment are as follows:
(1) Petroleum fuel and crude oil: Petroleum products, including gasoline, naphtha, kerosene, diesel fuel, and fuel oil, as well as oil exploration and development
(2) Petrochemical operations: Petrochemical products, including ethylene, paraxylene, and other products
(3) Construction: Asphalt paving, civil engineering construction, building construction
(4) Other: Activities include sales of automotive products, such as tires, lease financing, insurance agency business, real estate rentals, travel agency business, computer-related operations, financial services, and food product business