

nm

FC17708

Capital Research Company
As of June 30, 2002
U.S. Dollars



	<u>As of 6/30/02</u>	<u>As of 6/30/01</u>
ASSETS		
Current Assets:		
Cash and Investment Securities Available for Sale	293,342,152	254,981,688
Intercompany Receivables	45,836,163	42,139,526
Receivables - Other	4,410,284	4,150,397
Prepaid Expenses	138,973	158,591
Total Current Assets	<u>343,727,572</u>	<u>301,430,202</u>
Property at Cost:		
Furniture and Fixtures	3,052,220	2,113,563
Leasehold Improvements	28,688,848	10,861,426
Personal Computers	1,421,504	1,805,572
Hardware and Software	1,202,811	1,221,469
Work in Process	-	-
Sub-Total Property at Cost	<u>34,365,383</u>	<u>16,002,030</u>
Accumulated Depreciation and Amortization	<u>(11,876,050)</u>	<u>(8,615,704)</u>
Total Property - Net	<u>22,489,333</u>	<u>7,386,326</u>
Other Assets:		
Deposits and Sundry Assets	2,102,716	2,158,952
Deferred Income Tax Benefit	4,054,883	3,568,560
Total Other Assets	<u>6,157,599</u>	<u>5,727,512</u>
TOTAL ASSETS	<u><u>372,374,504</u></u>	<u><u>314,544,040</u></u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Intercompany Payables	21,642,900	19,773,440
Accounts Payable - Other	106,340	158,755
Accrued Compensation and Employee Benefits	7,135,844	7,374,309
Accrued Income Taxes	3,730,382	1,686,294
Other Accrued Expense and Deferrals	972,112	482,354
Total Current Liabilities	<u>33,587,578</u>	<u>29,475,152</u>
Accrued Postretirement Benefit	1,589,980	1,435,611
Total Liabilities	<u>35,177,558</u>	<u>30,910,763</u>
Equity:		
Capital Stock from Affiliate	1,000	1,000
Paid-in Surplus from Affiliate	1,500	1,500
Retained Earnings	330,799,154	279,948,502
Net Unrealized Appreciation on Investment	6,395,292	3,682,275
Total Equity	<u>337,196,946</u>	<u>283,633,277</u>
TOTAL LIABILITIES AND EQUITY	<u><u>372,374,504</u></u>	<u><u>314,544,040</u></u>

Capital Research Company
Statement on Income
U.S. Dollars

	FYE 6/30/02	FYE 6/30/01
OPERATING REVENUES:		
Intercompany Revenues	448,514,732	473,162,304
Total Operating Revenues	<u>448,514,732</u>	<u>473,162,304</u>
OPERATING EXPENSES:		
Employee Compensation	184,857,518	198,374,719
Employee Benefits	9,776,942	8,997,209
Facilities and Communications	9,109,974	8,766,558
Computer Costs	5,067,961	4,833,264
Professional and Outside Services	1,466,927	1,816,534
Sales and Dealer Expenses	2,353	5,623
Travel and Business Meetings	4,710,367	5,300,716
Other Operating Expenses	446,885	532,744
Intercompany Expenses	29,475,750	25,954,414
Total Operating Expenses	<u>244,914,677</u>	<u>254,581,781</u>
Income From Operations	<u>203,600,055</u>	<u>218,580,523</u>
OTHER INCOME & EXPENSE		
Interest Income - Net	12,226,334	10,662,892
Gain/(Loss) on Investments	4,999	(243,900)
Other - Net	1,368,408	3,873,041
Total Other Income & Expense	<u>13,599,741</u>	<u>14,292,033</u>
Income Before Taxes	217,199,796	232,872,556
Income Taxes	(86,349,144)	(94,723,434)
NET INCOME	<u><u>130,850,652</u></u>	<u><u>138,149,122</u></u>