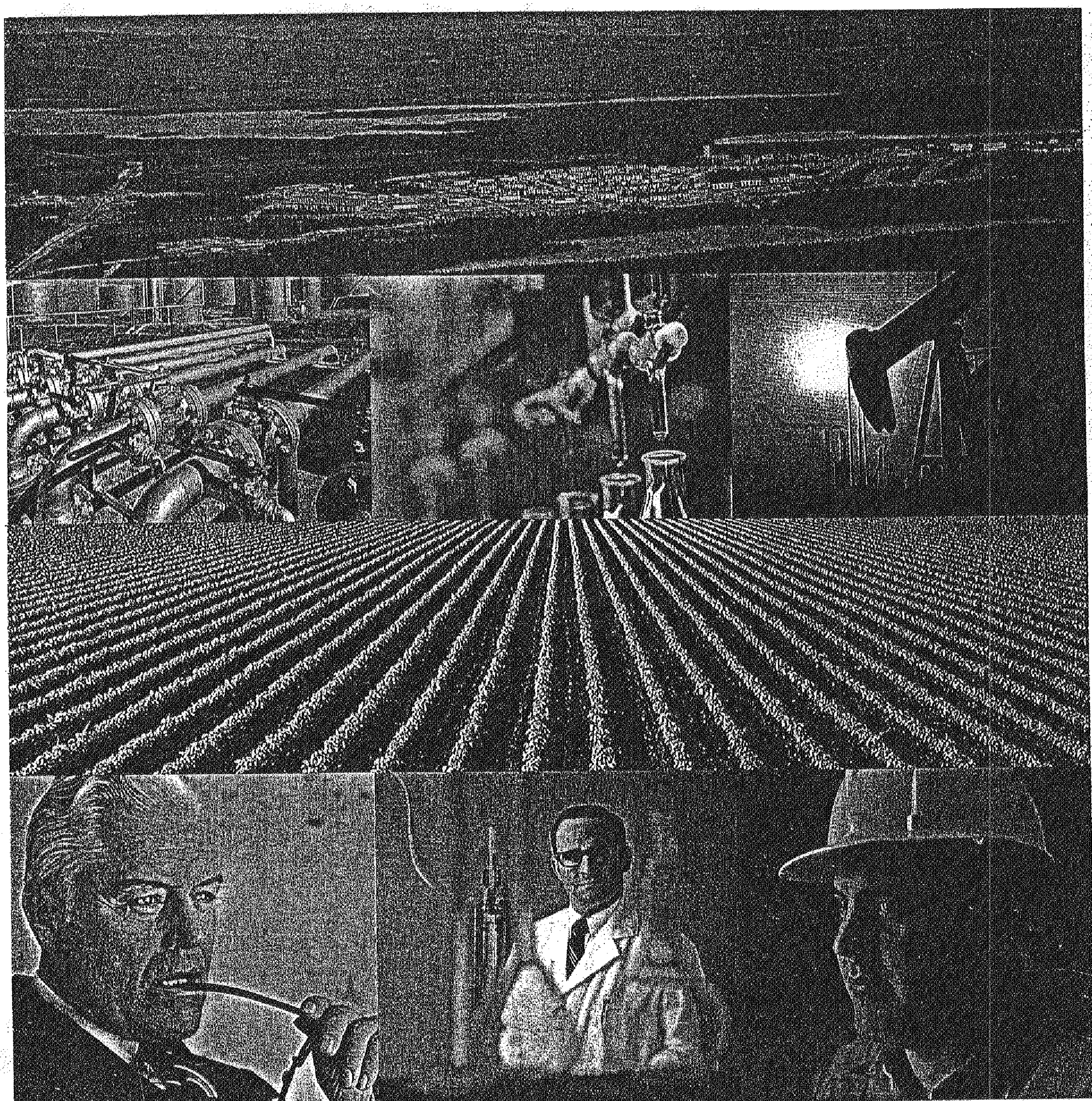
EXHIBIT 4

Diamond Shamrock Corporation Annual Report 1969



The Strength of a Corporation Like That of a Nation is in the Scope of its Resources — Natural, Technological and Human

Diamond Shamrock Corporation

Diamond Shamrock — A Resource Company

Diamond Shamrock today is a broadly based resource company. Our business begins with taking such natural resources as salt, oil and gas and minerals from the ground. It ends with products for the home, for the farm and for virtually every major industry. The steps in between are accomplished by our other major resource, our people, who develop the technology required to upgrade our natural resources into useful products. In short, as our cover symbolizes, Diamond Shamrock combines the abundance of nature with the ingenuity of man to provide products and ideas which improve the quality of life.

contents

Annual Report 1969

Highlights of 1969

	1969	1968
NET SALES	$541,259,000	$524,784,000
NET INCOME(1)	$ 30,671,000	$ 34,569,000
Per share, based on average common shares outstanding	$1.54	$1.83
DIVIDENDS PER COMMON SHARE	$1.40	$1.40
COMMON SHARES OUTSTANDING		
At year-end	14,571,815	14,442,412
Average for the year	14,497,709	14,320,633
BOOK VALUE, per share of common stock assuming conversion of all preferred stock	$19.70	$19.57
CAPITAL EXPENDITURES	$ 41,763,000	$ 55,035,000
STOCKHOLDERS OF RECORD		
Preferred	21,491	20,847
Common	38,814	36,176
Special Common	2,049	2,297
NUMBER OF EMPLOYEES	11,154	11,082

(1) Before extraordinary items in 1968.

In accordance with the by-laws of the corporation, the annual meeting of stockholders will be held at the principal office of the corporation, Cleveland, Ohio, on April 16, 1970, and the management will solicit proxies for such meeting and contemplates that the proxy statement and form of proxy will be mailed to stockholders on or about March 18, 1970.

TO OUR STOCKHOLDERS:

Sales in 1969 rose 3 percent to a new high of $541,259,000. Net income, however, fell 11 percent to $30,671,000 or $1.54 per share.

Needless to say, these results were disappointing in spite of strong performances in some areas of our businesses. The past year was characterized by periodic indications of improvement which failed to materialize. Throughout the year sales compared favorably with 1968 but earnings were penalized by abnormal plant startup difficulties, a lengthy strike at the Wabush mines, and delays in realizing the benefits of posted price increases. And like many companies we were hurt by the loss of the investment credit and by the rise in interest costs during the year. We also spent more on research during 1969, but we consider this to be a sound investment in the future of the company.

In total, these adverse factors outweighed a strong performance by our plastics and resins business and another record year for petroleum refining and marketing. We also made excellent progress in commercialization of the dimensionally stable anode, far exceeding our first-year marketing goal.

As we enter the new year startup costs are, for the most part, behind us. The Wabush strike is history, with a 2½-year agreement having been signed in September. We are also realizing the effects of price increases for a number of commodity products.

Price weakness has been a problem area for the company over the past several years. This is particularly true in chemicals where prices have not risen to reflect increased costs in the recent inflationary period. In view of the increased costs of labor, money and new plants, it is encouraging that our chemical business has performed as well as it has.

Obviously, inflation is of paramount concern both to us who manage your company and to you as individuals. While we must do all we can to raise the prices of our products to meet our increasing costs, we fully recognize our responsibility to exercise a proper degree of restraint to avoid fueling the fires of inflation. Frankly, this is a dilemma for which there is no easy solution. However, in light of a substantial decline in the price index covering a large portion of our products in recent years, we feel no need to apologize for any further price advances in these areas.

In 1969, we took a number of steps to strengthen the company, such as the expansion of the executive office to include the three executive vice presidents of the corporation and the election of three new operating unit presidents. Named to the executive office were Arthur B. Tillman, C. A. Cash, and Keith S. Benson, who were also elected chairmen of their respective operating units. Succeeding them as presidents of the operating units are G. G. Pirrone, president of the Chemical Company, J. Avery Rush, Jr., president of the Oil and Gas Company, and Robert S. Carey, president of Pickands Mather. These changes will provide a better balance between corporate responsibility and operating unit autonomy.

Diamond Shamrock is stronger financially as a result of our $45 million debenture sale in August. Proceeds of the 25-year, 7¾ percent sinking fund debentures were used to reduce outstanding short and intermediate term loans and, along with our substantial cash flow from operations, to finance capital expenditures.

We also began a series of moves last year to withdraw from marginally profitable businesses and to close facilities that do not meet our standards for return on investment. To date we have closed our flexible urethane foam plant in Plainfield, New Jersey, and our Newark, New Jersey, herbicide plant which produced 2,4-D and 2,4,5-T. Construction is beginning on a new, modern chrome chemicals plant which will replace two older, less efficient plants. We also discontinued our line of cleaners and sanitizers for the food, dairy and beverage industries. In January of this year, our self-unloading Great Lakes vessel was sold because it was not practical to operate a single vessel of this type. Other areas of our business are currently being studied to determine if they should be discontinued.

In assessing Diamond Shamrock's prospects for the future, it should be borne in mind that in its present form, the company is just a little over one year old. As does any new enterprise, we have experienced our share of growing pains and, at times, frustration over the rate of our progress. However, we are a stronger company and are much better prepared to cope with these difficulties than any one of the individual units was prior to becoming a part of the corporation. Most of our businesses are related, or can be, and there are potential benefits to be derived by each from the experience and know-how of the others. It is difficult to conceive of a family of products more essential to our economy, both now and in the future, than chemicals, oil, gas and minerals.

We are dedicated to continue to help solve the problems which confront our society, particularly in the areas of employment of the disadvantaged and improvement of the environment. Industry can flourish only in a healthy social climate. We therefore intend to expand our efforts to improve the health of our society as we expand our capability to do so through the growth of our human and technological resources.

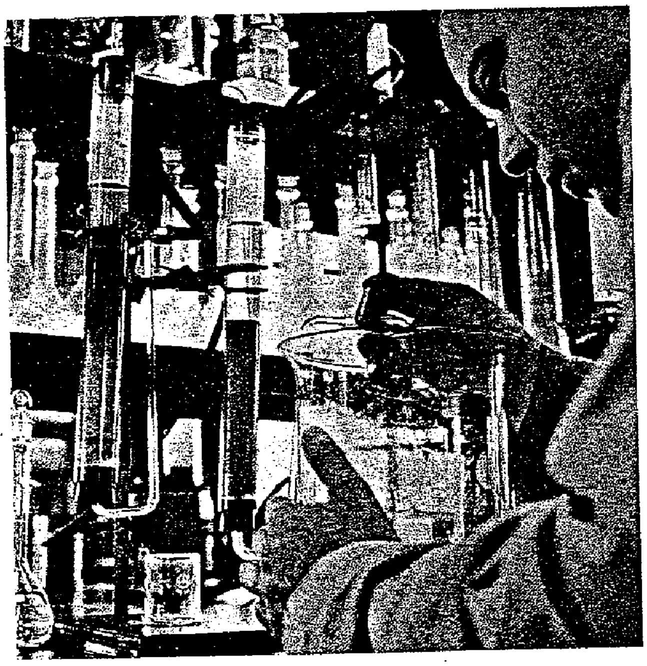
Raymond F. Evans
Chairman of the Board

James A. Hughes
President

Cleveland, Ohio
February 13, 1970

On January 15, 1970, James A. Hughes, president of Diamond Shamrock Corporation since 1967, also became chief executive officer of the corporation succeeding Raymond F. Evans. Mr. Evans, chief executive officer for the past 22 years, continues as chairman of the board.

REPORT ON OPERATIONS



Our research and development staff continues to look for new ways to upgrade our resources into new and useful products. A steady flow of new products and processes is essential to the future growth of the company.

CHEMICAL OPERATIONS

Sales of Diamond Shamrock Chemical Company rose to a new record of $349,527,000 in 1969, up 4 percent. Operating profits, however, declined 4 percent from those of the previous year. Heavy startup costs at new plants and a continuation of depressed prices for certain commodity chemicals, coupled with the cost of discontinuing less profitable operations, held earnings down. While price increases for a number of important chemical products were announced during the latter part of the year, some did not become fully effective until January 1, 1970.

INDUSTRIAL CHEMICALS

Sales of industrial chemicals were above last year's level while profits held at the same level. This area of our business continued to feel the adverse effects of pricing pressures coupled with rising costs. However, price increases for several commodity products were announced during 1969 and are holding. Our 1970 results should reflect the full impact of these increases.

Demand for caustic soda, soda ash and bichromates was strong and chlorinated solvents demand also improved. While we experienced surplus capacity in sodium silicates, price increases held and we expect improved demand in 1970.

Along with the effects of the pricing situation, results were adversely affected by heavy startup costs for two major chlorinated solvents plant expansions. These problems have been resolved and the facilities will contribute positively to 1970 results.

Another development expected to favorably influence long-range results is the expansion of our chromium chemicals capabilities with the construction of a new plant in Wilmington, North Carolina. Scheduled for completion in 1971, the new plant will have greater capacity than the two older and less efficient plants it is replacing. Also, it will incorporate the latest in environmental control technology.

Electrode Corporation Off to Good Start

The Electrode Corporation, in which we have a majority interest, was formed in 1968 to produce and market dimensionally stable anodes which are capable of achieving substantial savings in the cost of producing chlorine.

The success of our program to commercialize this important development is shown by the fact that to date we have concluded agreements covering leasing of anodes with nine domestic chlorine producers. We have leases covering a significant portion of the ten million ton domestic chlorine market, which is well ahead of our original plan established in the beginning of 1969.

Although we are aware of probable competition in this market, we have a long lead and a strong proprietary position. We are continuing our efforts to penetrate the chlorine market and, at the same time, are involved in basic R & D work to commercialize other potential applications for the anode. Experimental anodes are currently on test in processes outside the chlorine field.

PLASTICS AND RESINS

Plastics and resins sales and profits rose substantially from the previous year. As a result of improved sales and prices for general purpose polyvinyl chloride (PVC) resins and a higher percentage of sales in specialty resins and compounds, our PVC business improved sharply from 1968. Expansion of PVC resin capacity was completed and expansion of compounding capacity was begun.

Contrary to the industry trend, our PVC paste resins sales increased. Heavy export demand prevailed during most of the year and sales of special purpose PVC to the pipe and packaging industries increased.

In response to growing market demand in Latin America, our Colombian affiliate is initiating a PVC plant expansion and we are entering a joint venture with our Brazilian affiliate for a new PVC plant to be built in Brazil.

Polypropylene resins sales also rose in 1969. Although less favorable market conditions developed at the end of 1969 and have carried over into the current year, these conditions are believed to be temporary.

The long-range outlook for polypropylene continues to be good. During the year, we completed an expansion of our polypropylene resin plant, raising the capacity of that facility nearly 30 percent to 90 million pounds a year with a relatively small capital investment.

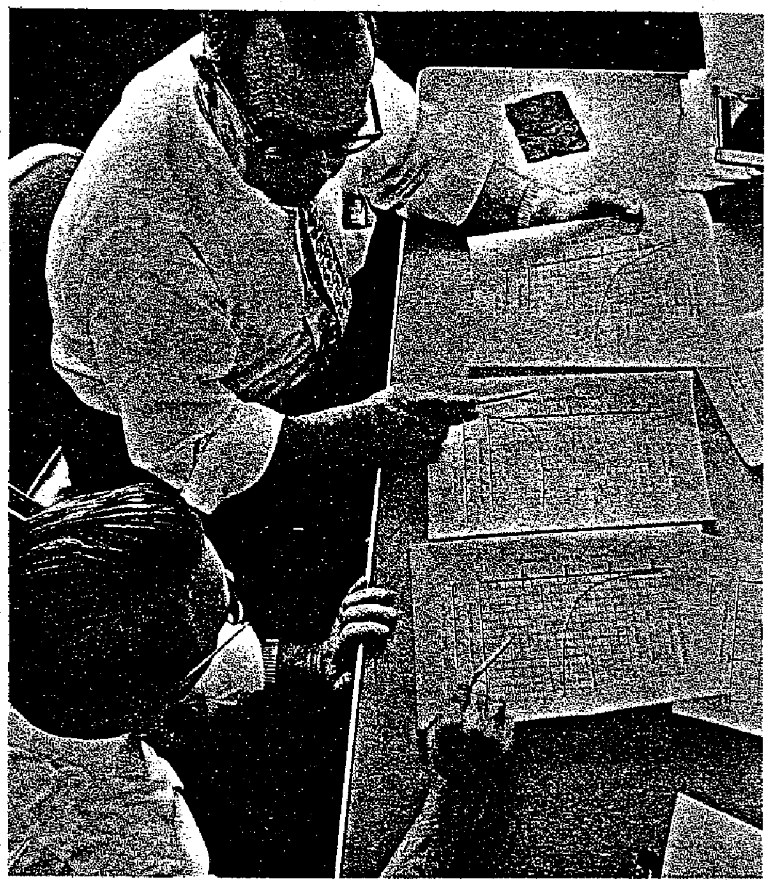
We recently introduced a new specialty grade of polypropylene. Developed by our research staff, it is a plateable grade which finds application in the automotive and appliance industries as a replacement for metallic parts.

Our fluorocarbon resins, marketed under the name, Dalvor, have been transferred from research to the Plastics Division for commercialization. These specialty polymers in solid and dispersion forms are designed for applications such as wire insulation and metal coatings where corrosion resistance and high performance characteristics are required.

Polyester resins and urethane systems also showed improvement with profits increasing in both areas. Our new proprietary Dion FR polyester resin has been classified as a non-flammable building material because of its superior flame retardant properties, the only clear polyester to be so designated. The resin is used in translucent building panels, boats and industrial applications where fire retardant properties are of critical importance.

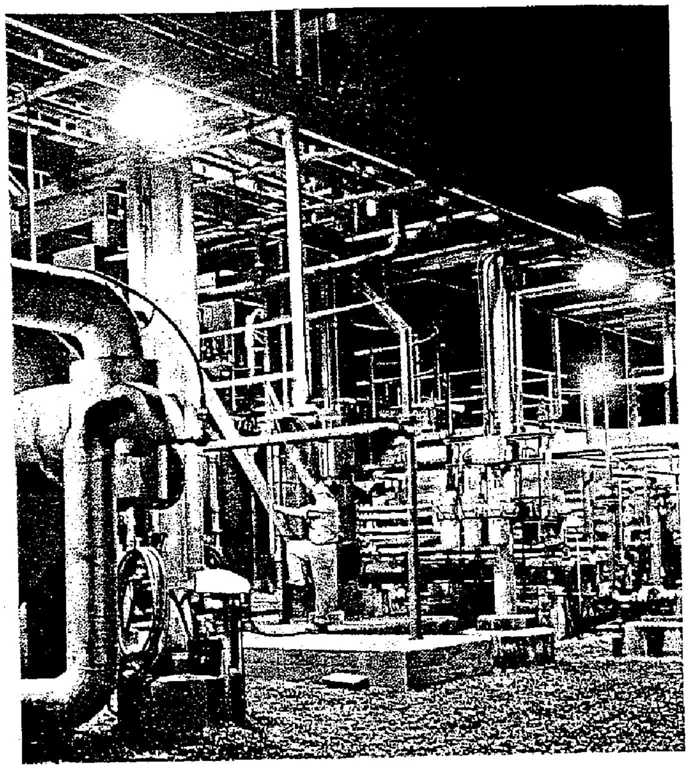
Our urethane foam business declined slightly in 1969. After careful study of the Eastern market trends in flexible foam, we decided to close our Plainfield, New Jersey, foam plant. We will concentrate on serving the growing furniture, textile, automotive and industrial markets in the South and Midwest from our plant in Chattanooga, Tennessee.

In the ion exchange resin business, capacity was increased and we are continuing to develop new products for growing markets including deionization of water, municipal water softening and decontamination of effluent water from nuclear reactors.



One of the many benefits of the close coordination between our sales and technical service staff is the ability to develop and formulate products to meet specific customer needs.

Internal development programs and consultation with outside experts help our people stay current in their fields which include production as well as sales, marketing, engineering and administration.



Harte & Company, Inc., maker of plastic film and sheeting and vinyl consumer products for the automobile and home, improved its operating results on sales volume which was approximately the same as in 1968. Harte continued to build its product line, introducing a new type of PVC film for credit cards, vacuum formed trays and other packaging applications.

SPECIALTIES

One of the most promising growth areas for Diamond Shamrock, is the specialty chemical products of the Nopco Chemical Division and the Chemetals Division.

Sales of the Nopco Chemical Division improved slightly. Profits were down because of some cost-price squeezes and the cost of discontinuing a portion of business that did not show an adequate return on investment.

Sales to the textile and paper industries were about equal to those of the previous year, however, we believe that our newly reorganized marketing organization will be successful in improving our market share and increasing future sales and profits.

Nopco's international operations again made excellent progress as both sales and profits exceeded the goals for the year. A number of expansion programs currently underway are expected to result in a continuation of our growth in international markets.

During the year, construction was begun on our new administration-laboratories building in Morris Township, New Jersey. Work on a new technical service laboratory and manufacturing unit in Charlotte, North Carolina, which will serve the Southern textile and paper industries, is about to begin. The completion of these new facilities will contribute to the future of the Nopco Division.

To combat the lower profit margins experienced by most departments due to increased material and production costs, price increases were put into effect for a number of products during the last quarter of 1969. These increases plus new product development should result in increased specialty and proprietary chemical sales and profits during 1970.

Strong Start for Division

The Chemetals Division, formed in 1969, consolidated the chemicals and metals producing capabilities of three former Pickands Mather & Co. operations.

The division turned in an improved performance in 1969, posting increased sales and profits in most areas. Particularly gratifying were our sales of Massive Manganese, which held up well for the year despite a long strike against the nickel producers and the resultant decline in stainless steel production.

New products introduced during the year included a photo grade hydroquinone. The early acceptance of this new product is especially gratifying in view of the fact that quality requirements in this market are exceedingly high.

In the field, our customer service extends from helping growers increase their yields to advice on how to improve production in such industries as paper, textiles, metals, chemicals and plastics.

BIOCHEMICALS

Biochemicals sales were approximately equivalent to those of the previous year but profits declined principally because of setbacks in agricultural chemicals.

Startup problems at our new Dacthal herbicide plant materially affected these results. The problems have been resolved and we look forward to improved results in the current year.

Other factors which should favorably influence our performance in 1970 include the reorganization and strengthening of our marketing organization and the discontinuance of certain marginally profitable operations. Our Newark, New Jersey plant, which produced 2, 4-D and 2, 4, 5-T herbicides has been closed.

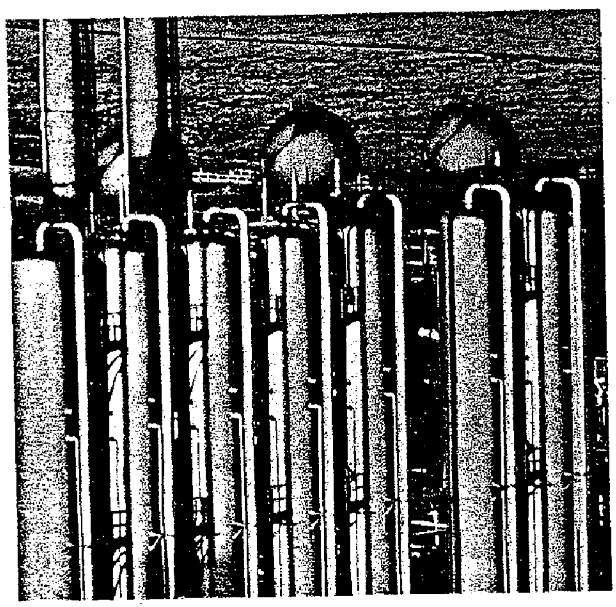
High priorities are being placed on the development and commercialization of proprietary agricultural products such as Daconil 2787 fungicide, which advanced to the commercial stage last year. FDA clearance for use on potatoes in addition to prior clearance for turf applications has been obtained and label clearance for more food crops will be sought this year. In the meantime, our joint venture Daconil production facility in Japan has come on stream, giving us commercial quantities for delivery this year.

Heritage House Products, which produces and markets our consumer line of lawn and garden products, showed improvement in sales.

Excellent Year for Fine Chemicals

Our Fine Chemicals Division enjoyed the best year in its history. Sales and profits improved markedly, with volume increasing. This trend should continue in the current year.

Currently, we are in process of obtaining approvals for two new animal health products. To further strengthen our position in the animal health product market, we are building a plant in Ft. Smith, Arkansas, bringing us closer to an important market area. Overseas, through a joint venture with Societa Prodotti Antibiotici in Italy, we will become a producer of the antibiotic, chlortetracycline, a basic product in the formulation of feed supplements and pharmaceuticals. The development of additional proprietary animal health products is one of our principal research and development goals.



Geologists evaluate core samples from our active exploration program to develop new sources of oil and gas to supply our modern refining and processing facilities.

OIL AND GAS OPERATIONS

Diamond Shamrock Oil and Gas Company again achieved record sales of $119,331,000, an increase of 3 percent over 1968. Although gains in sales as well as operating profits were realized in our refining and marketing operations, the industry-wide oversupply of ammonia and liquefied petroleum gas resulted in lower prices for these products during most of the year. As a consequence, the overall operating profit of the Oil and Gas Company declined slightly from 1968.

An active exploration program for oil and gas was carried out during the year with additions of substantial new oil and gas producing properties. Through our program this year and an accelerated exploration program planned for 1970, we expect to increase production of both crude oil and natural gas.

Programs for a balanced increase in our manufacturing and marketing capabilities continue to be implemented. In connection with our long-range refinery expansion program, work has begun on modernization and expansion projects designed to expand the processing capacity of our refinery from 38,000 barrels daily to about 45,000 barrels of crude oil per day by the end of 1970. Additional crude oil gathering pipeline extensions were made during the year to ensure an increasing supply of crude oil for the refinery.

The first segment of a new products pipeline to extend from our McKee plants in the Texas Panhandle to the Gulf Coast was completed to the Fort Worth-Dallas area, and initial deliveries of refined products were made in July, 1969. Work on the Fort Worth-Houston section of the pipeline is underway, and completion of this section of the line is expected by the middle of 1970.

Exploration for Oil and Gas Progresses

Our active exploration and development program was continued in 1969 with drilling operations during the year resulting in the completion of 20 net oil wells, 32 net gas wells and 27 net dry holes. A major part of our drilling operations during the year was located in Arkansas, Oklahoma, the Texas Panhandle and Wyoming. We were also active with drilling operations in the Gulf Coast area, Canada and Utah. During 1970 drilling will be continued in all of these areas with increased emphasis in Canada, Montana and Wyoming.

We are increasingly optimistic about our prospects in the deep Hunton gas activity in the Panhandle of Texas, our oil prospects in the Powder River Basin of Wyoming, and our oil and gas exploration in Canada. Leases acquired during the year are located primarily in the states of Arkansas, Montana, North Dakota, Oklahoma, Texas, Utah and Wyoming, and in the Provinces of Alberta and British Columbia, Canada.

We intend to continue acquisition of leases on attractive prospects in all of these areas and others during 1970. At the end of 1969, we held leases covering approximately 1,262,000 net acres, not including our 20 percent interest in acreage in Colombia, South America. Leases considered proven for oil and gas production totaled about 420,000 net acres.

Increasing emphasis was placed on geophysical exploration activities during the year and this emphasis is expected to continue into future years. These activities were mainly centered in the Texas Panhandle, in the Williston Basin of Montana and North Dakota and in British Columbia, Canada.

New Records for Refined Products

Again in 1969, refinery throughput set a new record. High operating levels and improved prices for refined products resulted in continued improvement in the profit contribution from these operations.

Several significant projects were undertaken in 1969 aimed at our goals of improving manufacturing efficiencies, expanding capacity and upgrading product mix. Similar projects are planned for 1970. Our new inline gasoline blending facilities were placed in service this year, giving greater flexibility and capacity in our blending operations. Construction on the modernization and expansion of the alkylation unit is nearing completion. The alkylation unit will improve refinery efficiency by providing a more valuable product mix and cost reductions.

Emphasis continued to be placed in 1969 on developing dealer and jobber distribution of Shamrock branded products. This year 91 percent of the total motor fuel sold was marketed through 1,300 branded service stations, as compared with 78 percent in 1968. In addition to evaluating opportunities to expand into new markets, plans call for continued penetration of our present marketing area through the addition of more retail outlets.

Natural Gas Liquids Production Increased

As anticipated, our new gasoline plant, placed on stream in September, 1968, substantially increased our recoveries and sales of natural gas liquids.

The volume of liquefied petroleum gas sold during 1969 increased 75 percent over last year and averaged about 11,300 barrels daily, excluding amounts used in our own refining operations. Prices for these products were severely depressed during the latter part of 1968 and most of 1969 due primarily to high inventories of propane throughout the industry. Prices declined to their lowest level during the second quarter of 1969, but falling inventories brought price increases in September and again in November. We expect

A familiar sight in the Southwest is the company's 1,300 Shamrock branded service stations.

substantially improved prices for 1970.

Underground storage facilities for liquefied petroleum gas were completed this year at Barbers Hill near Houston and at our McKee plant in the Texas Panhandle. These facilities with completion of our products pipeline to the Gulf Coast, will enable us to store substantial quantities of propane during the low-demand seasons.

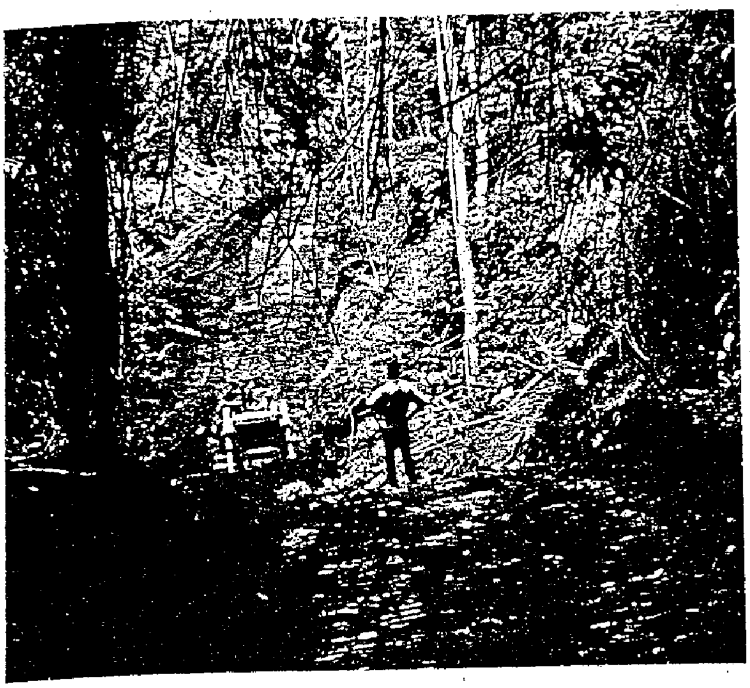
Ammonia

Production of ammonia, used principally for fertilizer, increased over 1968 due primarily to utilization of new ammonia storage facilities during seasonally low-demand periods.

The unfavorable supply-demand condition in the ammonia industry, which contributed to a drastic deterioration of prices in 1968, deepened in 1969 and resulted in further price declines. There was some strengthening in ammonia prices in our marketing area during the latter half of the year and we believe that improving demand for ammonia will continue to support better prices in 1970 and future years.

Seed Company Acquired

In February, 1969, Diamond Shamrock acquired Taylor-Evans Seed Company. Taylor-Evans, headquartered in the Texas Panhandle, is in the business of contracting for the growing of, processing, packaging and selling seed – predominantly hybrid grain sorghum seed but including corn and cotton seed. Sales are made through distributors located in about twenty-five states and to markets in several foreign countries. Taylor-Evans also distributes animal health and fertilizer products and pesticides in portions of Texas, New Mexico, Colorado, Kansas and Oklahoma.



Our world-wide search for new sources of minerals carries exploration teams to remote areas of countries such as Australia and Ivory Coast.

MINERAL OPERATIONS

Revenues for Pickands Mather & Co. for 1969 were $72,401,000, 3 percent below the 1968 level. Operating profits were down 12 percent. Factors which held down results included a 128-day strike at the Wabush Mines iron ore operations, strikes and other adverse supply conditions in the coal fields.

Strike Hurts Mining Operations

Total iron ore production at the seven facilities managed by PM was 19,354,000 gross tons. Of this total, 17,316,000 tons were pellets.

A strike that also affected the two other major iron ore properties in Eastern Canada closed down Wabush Mines from early May until mid-September. Pickands Mather has an ownership interest in this property in addition to managing it, and the strike reduced the 6 million tons of production projected for the year by nearly 50 percent. This not only cut proportionately the tonnage of our ownership share available for sale, but also substantially increased its cost. The new labor contract runs to March, 1972.

Late in the year, we increased from 12 percent to 24 percent our ownership interest in the Savage River Mines iron ore pelletizing project in Tasmania, Australia. The facility is designed to produce 2.25 million tons of pellets annually for the Japanese steel industry.

Mechanical problems that have kept Savage River Mines below its design pellet capacity have, for the most part, been corrected. Production exceeded rated capacity in the last quarter of the year.

Production activities of Pickands Mather's Coal Division were expanded in November by the acquisition of a developed underground mine at Eau Claire in western Pennsylvania. The present capacity of steam coal from this property, named the Brookes Mine, is 300,000 tons annually.

Output from the Chisholm Mine, a metallurgical coal property we manage in Kentucky, exceeded 2 million tons.

Early in 1969, Pickands Mather took over the experimental mining of mercury at two properties in Texas and Alaska that had been initiated by Diamond Shamrock Chemical Co. The results to date are being evaluated to determine whether the potential profitability justifies their continued operation.

Exploration Activities Promising

Pickands Mather continued its exploration activities in North America and overseas, seeking new sources of nonferrous metals and iron ore. The results to date of the iron ore investigation by the company in the Republic of Ivory Coast in Africa are encouraging. Both the size and characteristic of the deposit indicate strong potential for a major pellet project. Accordingly, this program is being stepped up during the current year to include further drilling, bulk sampling and preliminary engineering.

Programs to find nonferrous minerals in various parts of Australia, in which we have substantial interest, have been sufficiently promising to warrant their being continued in 1970, including drilling where indications of nickel have been found on surface.

Vessel and Dock Operations Active

The total volume of iron ore, coal and limestone carried by the Interlake Steamship Co. fleet and Pickands Mather's Canadian vessel subsidiary in 1969 was approximately 10,973,000 tons, about 280,000 less than the previous year. The decline in tonnage is due in large measure to strikes at the eastern Canadian mines which sharply curtailed the operations of the two vessels in the Canadian fleet. Although total tonnage was down, an increase in freight rates for iron ore and coal initiated by Interlake Steamship in August offset substantially higher costs, primarily for labor, to the point where financial results for 1969 were only about 5 percent below those for the previous year.

In January of the current year Interlake sold its self-unloader, the only such ship in its 19 vessel fleet. This resulted from the decision to concentrate on developing Interlake's traditional bulk freighter trades in iron ore, coal and limestone to their maximum potential.

Limestone Operations Expand

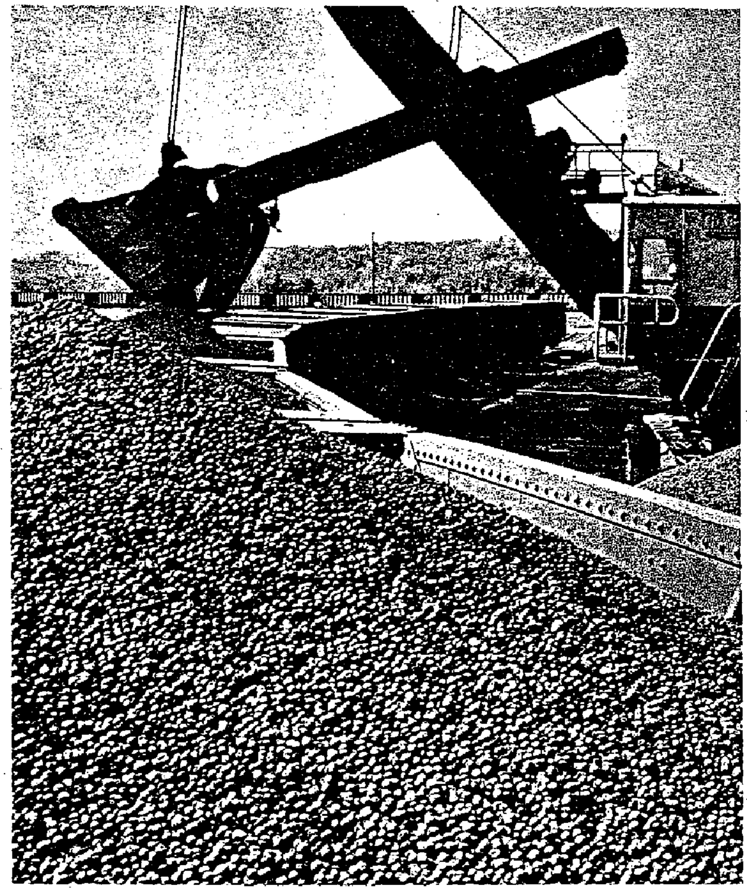
Demand for the limestone, block and brick products of The Carbon Limestone Company continued strong and sales increased substantially.

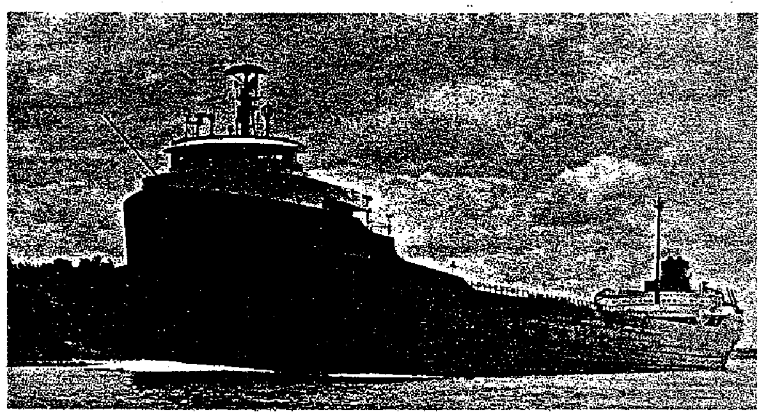
Coke Operations

As a result of continuing heavy demand for foundry coke, sales of foundry and metallurgical coke produced by Milwaukee Solvay Coke Co. were 6 percent greater than the year before and profits were considerably higher.

Broker and Commission Sales

Gross earnings on overall brokerage and commission sales were about 4 percent above 1968. Coal earnings were depressed due to the short supply, however, pig iron, ferroalloy and coke results were well above the prior year. The results of commercial iron ore sales also improved over 1968.





Our mining, production and transportation of iron ore, coal and limestone provide the world's steel industry with high-grade raw materials.

RESEARCH AND DEVELOPMENT

The development of products and processes which give us an exclusive market position and provide a higher return on investment continues to be the chief objective of our research efforts. In 1969, research concentrated on biochemicals, polymers and specialty chemicals, with increasing emphasis on electrochemistry and process development.

Our proprietary metal coating system, Dacromet, was successfully proven out in large scale testing and will soon be brought to market. The Dacromet system has widespread potential as a corrosion resistant coating for metal in the automotive and fastener markets and plans for its commercialization are being developed by the recently formed New Ventures Department.

Our activities in the water management field include the testing of proprietary polyelectrolytes for flocculation of solid wastes in pulp and paper plant effluents. Our maintenance-free system for sanitizing sewage, successfully tested in small sewage plants in 1969, will be marketed by licensees in the current year.

In other areas, a program is underway to develop new electrochemical applications for our dimensionally stable anode technology. Also, opportunities are being sought to upgrade Oil and Gas Company raw materials to more valuable chemicals.

WORKING FOR A BETTER ENVIRONMENT

The foundation on which Diamond Shamrock has been built consists of natural resources and therefore the company is particularly aware of the need to preserve our most essential resources of air and water. The challenge that this country faces is to apply the same ingenuity in upgrading the quality of our air and water that is evident in the upgrading of such raw materials as salt, minerals, oil and gas.

Diamond Shamrock has worked diligently responding to this challenge. A recent example of our efforts to fight pollution is the installation of an air pollution control system at our zinc plant in Bristol, Pennsylvania. Installed at a cost of over $200,000, it is operating at 99.9 percent efficiency and has virtually eliminated zinc dust emission.

The reclamation of a former limestone quarry operated by Pickands Mather is an excellent example of our activities in the area of land conservation and restoration. Crystal Lake, located in western Pennsylvania, once a 21-foot deep quarry, is today a 100-acre body of water surrounded by tree-shaded hills providing an ideal recreation area.

Foresight is Key

A lack of foresight as to the potential impact on the environment of any new product or process is at the root of many environmental problems. Diamond Shamrock has for many years reviewed all new products and processes in an effort to determine the possible effect on the environment.

In the construction of new production facilities, Diamond Shamrock's policy is to design the plant in such a way that nothing is emitted which will pollute either air or water. We are dedicated to this ideal in view of the urgent need to preserve and restore our precious resources.

MANAGEMENT CHANGES

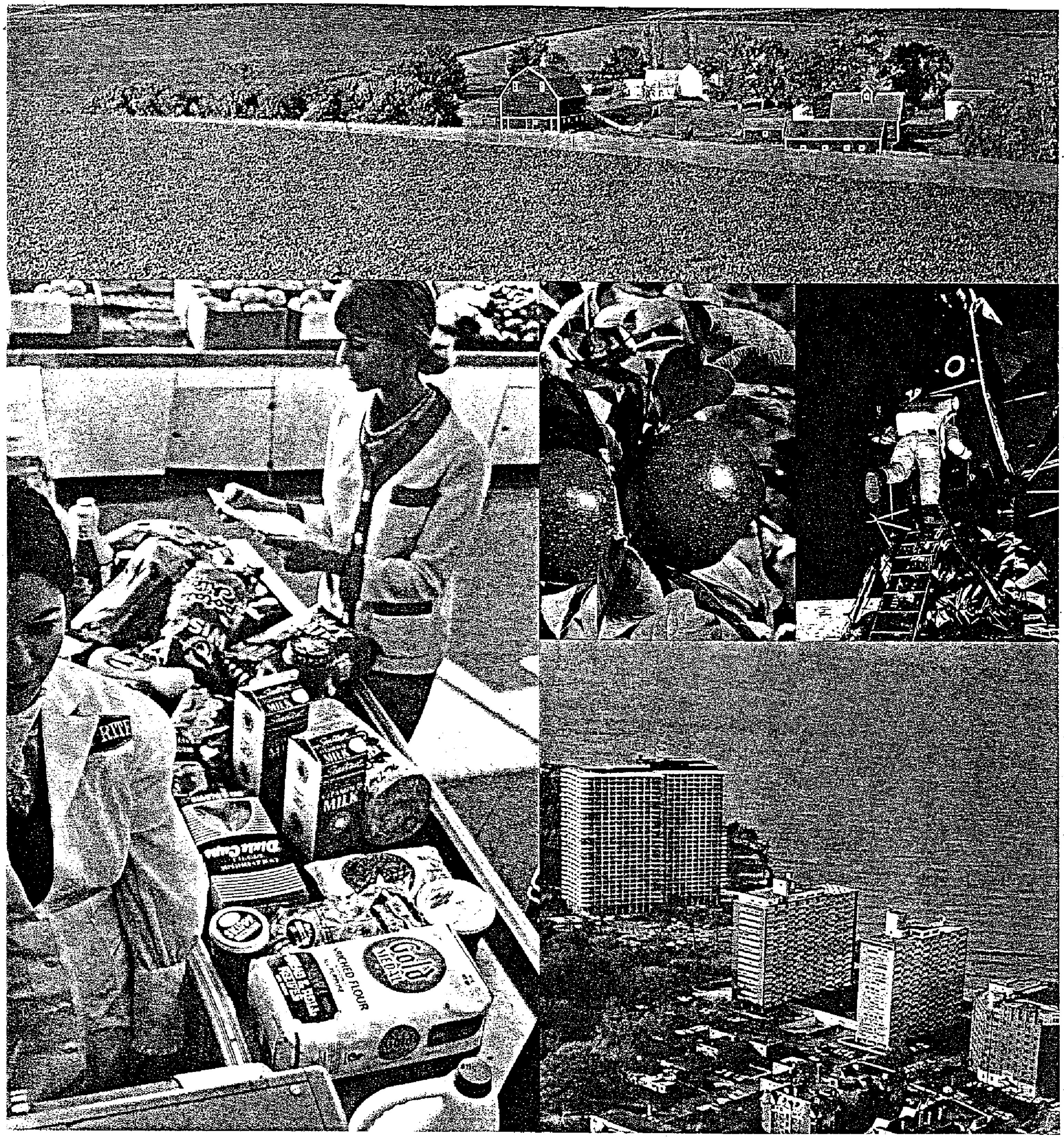
A number of important executive changes occurred during the year. A brief summary of the changes not mentioned elsewhere in this report is given below:

Corporate Office Allen H. Ford was elected vice president – Finance. He was formerly treasurer. Robert McInnes, previously general counsel of the Corporation, was elected treasurer, succeeding Ford. Donald S. Catterson was named vice president – New Ventures, a new position.

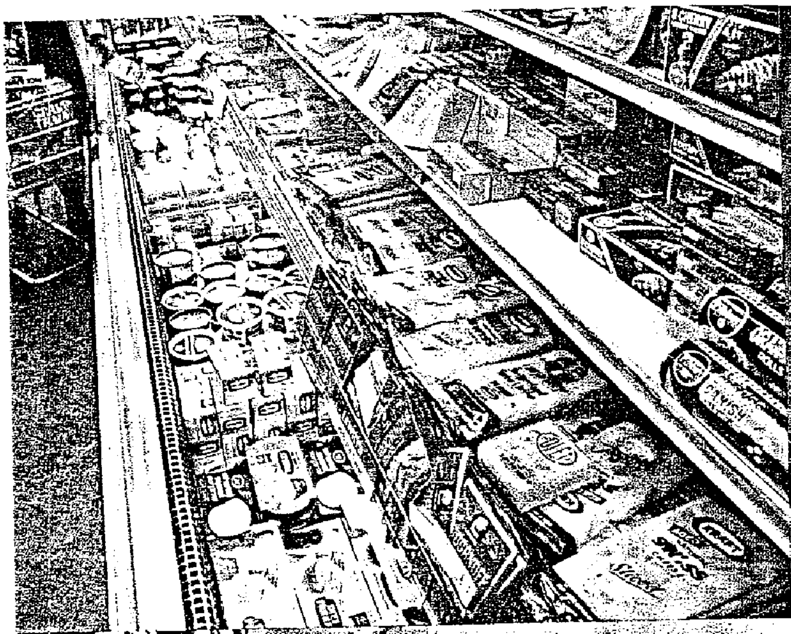
Chemical Company The following group vice presidents were named: Roger P. Batchelor, Jr. – Plastics and Specialties; W. H. Bricker – Biochemicals; and Steve Puschaver – Industrial Chemicals. George G. Stier was named vice president – Administration and Marketing. Melvin Hochberg was named vice president – development – Life Sciences.

Oil and Gas Company Bill J. Montgomery was named executive vice president.

Pickands Mather William E. Conway was named executive vice president. J. S. Abdnor and Leonard J. Gee were named vice presidents.

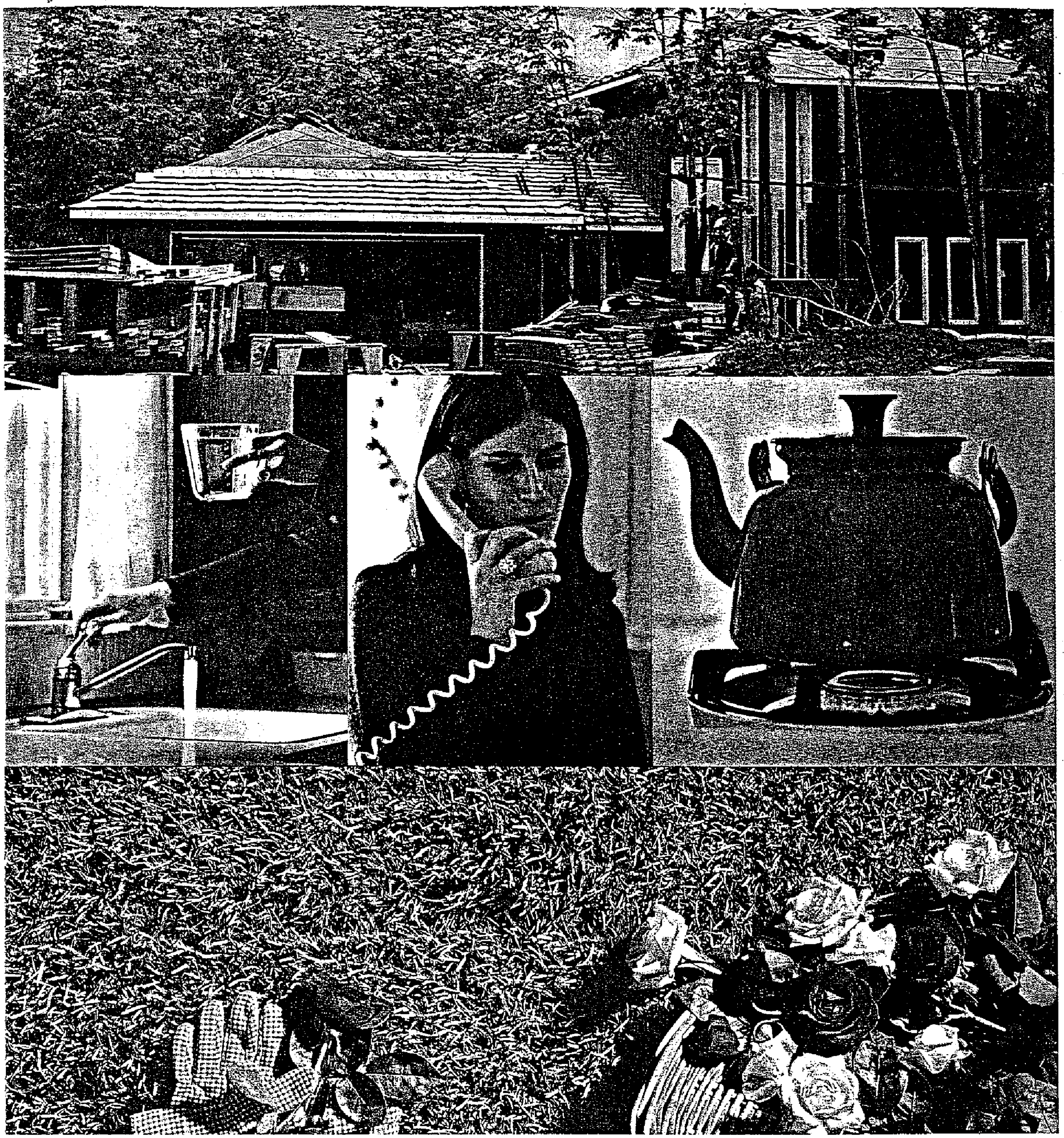


Diamond Shamrock's resources ultimately take many forms, contributing to the enjoyment and enrichment of our lives in an infinite variety of ways. Beginning with supplying man's basic needs of food, clothing and shelter and extending through the exploration of space, our products play an important role in all major aspects of life.



In food, Diamond Shamrock products are used every step of the way from growing through processing and packaging. Our biochemicals control insects and weeds to boost crop yields . . . our fertilizers fortify the soil in vast agricultural fields and home gardens alike . . . the health and nutrition of man and animals are enhanced with our fine chemicals and vitamins . . . our industrial chemicals include key ingredients for the manufacture of rugged containers used for shipment of foods . . . meat and produce are kept fresh in clear packaging films made from our plastic resins and compounds.

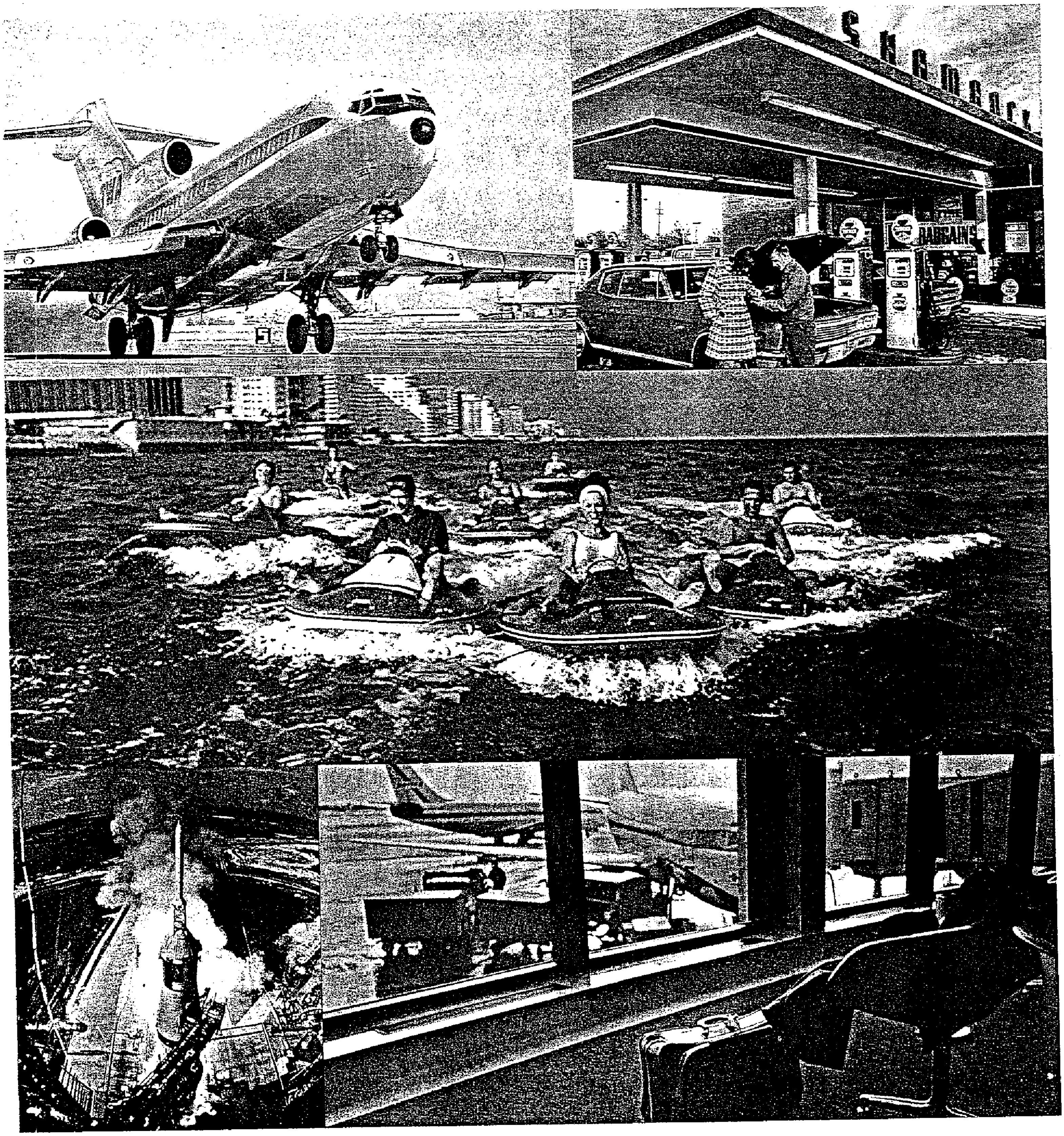
In clothing, our chemicals contribute importantly to the durability and beauty of textiles made from both natural and synthetic fibers and play a key role in making leather goods more versatile . . . Diamond Shamrock drycleaning solvents and other textile care products clean and preserve fabrics.



In shelter, our products are basic in the production of exterior and interior building materials including steel, glass and wallboard, and are used in the formulation of paints and protective coatings . . . our plastics and resins are used in the manufacture of structural components and sealants, flooring, wire and cable insulation.

At home, on the road and at play, Diamond Shamrock products add to the comfort and convenience of modern life.

At home, our natural gas helps cook the family dinner . . . our chemicals and resins purify and treat water . . . our lawn and garden care products help beautify the outdoors.



On the road, our motor fuels and other refined products keep cars and trucks rolling . . . in automobiles, Diamond Shamrock products can be found from the ground up, beginning with iron ore, coal and limestone for the production of steel to chemicals used in manufacturing tires and extending through resins for upholstery and vinyl tops. **At play,** Diamond Shamrock adds to the fun of life with plastics and resins used in boat hulls, surf boards, beach balls and toys, and with chemicals used in the manufacture of leather and rubber sporting goods.

In space exploration, Diamond Shamrock's chemical products perform critical functions in the lunar lander and other space vehicles as man charts our newest frontier. Here on earth, our aviation fuels power aircraft that move people and products around the world.

As these illustrations show, Diamond Shamrock is deeply involved in all facets of everyday living, our products serving a very fundamental purpose by providing the ingredients for building a better life.

Financial Review

Sales of products and operating revenues in 1969 were $541,259,000, a new high for the eleventh consecutive year.

Comparative sales of products and operating revenues by quarter were:

	1969	1968
March 31	$123,185,000	$121,582,000
June 30	143,082,000	136,805,000
September 30	139,774,000	135,980,000
December 31	135,218,000	130,417,000
For the year	$541,259,000	$524,784,000

Earnings for 1969 were $30,671,000. This is equivalent to $1.54 per common share after deducting preferred dividends, a decrease of $.29 from the previous year. Earnings by quarter were:

	1969		1968	
	Total	Per Share	Total	Per Share
March 31	$ 7,526,000	$ .38	$ 7,919,000	$ .41
June 30	8,828,000	.46	10,226,000	.57
September 30	8,246,000	.43	8,976,000	.48
December 31	6,071,000	.27	7,448,000	.37
For the year	$30,671,000	$1.54	$34,569,000	$1.83

Operating Results by Units

(In thousands of dollars)

	Sales and Operating Revenues		Operating Profit	
UNITS	1969	1968	1969	1968
Diamond Shamrock Chemical Co.	$349,527	$334,907	$36,522	$38,093
Diamond Shamrock Oil & Gas Co.	119,331	115,594	18,066	18,731
Pickands Mather & Co.	72,401	74,283	7,996	9,070
	$541,259	$524,784	62,584	65,894
Corporate expense — research, interest, etc.			17,298	13,951
Provision for federal and foreign income taxes			14,615	17,374
Income before extraordinary items			$30,671	$34,569

Dividends

Dividends have been paid on Diamond common stock for thirty-seven consecutive years. In 1969 Diamond paid $19,502,000 on common shares and $8,357,000 on preferred shares.

Sources and Uses of Funds

(In thousands of dollars)	1969	1968
Funds Generated		
Net income	$30,671	$34,987
Depreciation and depletion	35,919	35,268
Deferred federal income tax	3,989	3,469
Net addition to long-term debt	9,262	—
Disposal of investments, facilities, etc.	1,591	19,815
	$81,432	$93,539
Funds Used		
Capital expenditures	$41,763	$55,035
Dividends paid	27,859	27,306
Net repayment of long-term debt	—	8,568
Increase in working capital	11,810	2,630
	$81,432	$93,539

Working capital at year end was $98,456,000 compared with $86,646,000 a year ago. Current ratio at year end was 2 to 1.

Long-Term Debt

At year end, long-term debt excluding amounts due within one year was $154,933,000, an increase of $9,262,000. In 1969 we sold $45,000,000 ($2,700,000 delivered in February, 1970) 7¾% Sinking Fund Debentures due 1976-1994 and proceeds were used to retire certain bank borrowings due 1969-1975, short-term notes and to increase working capital.

Investments in Expansion and Development

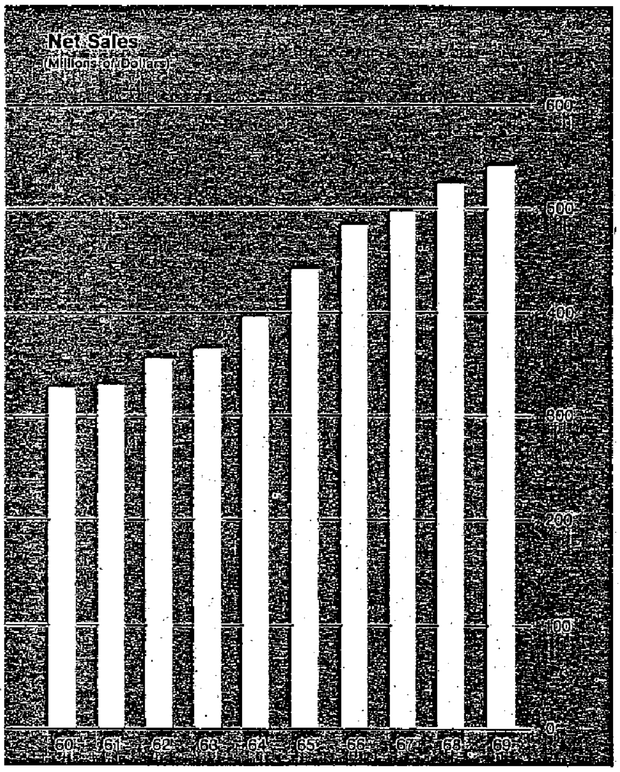
Our capital expenditures for 1969 totaled $41,763,000, compared to $55,035,000 the previous year. A comparison of expenditures by unit shows:

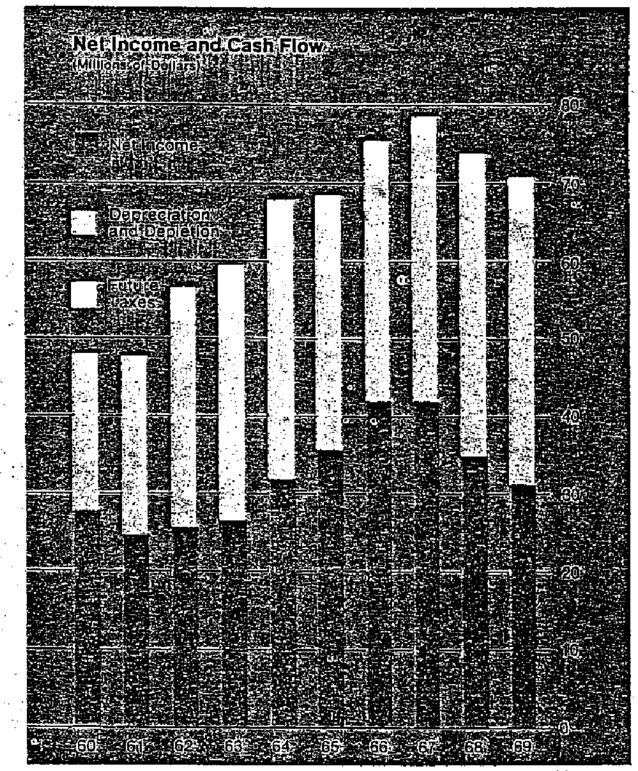
	1969	1968
Chemical Company	$ 16,718,000	$ 24,095,000
Oil & Gas Company	20,050,000	27,743,000
Pickands Mather & Co.	4,995,000	3,197,000
TOTAL	$ 41,763,000	$ 55,035,000

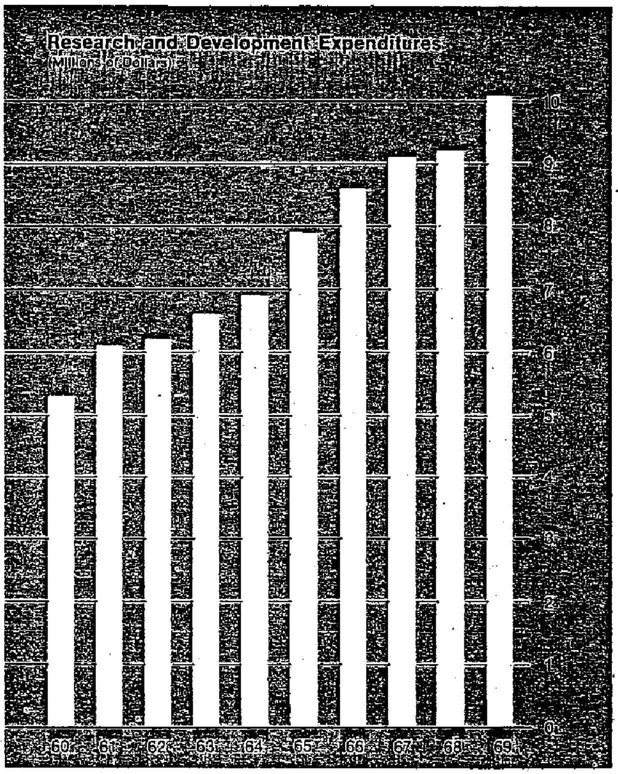
The major facility expansions in 1969 were a new flexible compound plant at Delaware City, Delaware and the alkylation plant expansion at our McKee, Texas, facility. An addition was made to the company's steamship fleet. Construction commenced on a new chromium chemicals plant at Wilmington, North Carolina and on a new research and technical service center at Morristown, New Jersey. Oil, gas, and mineral development expenditures were $11,934,000.

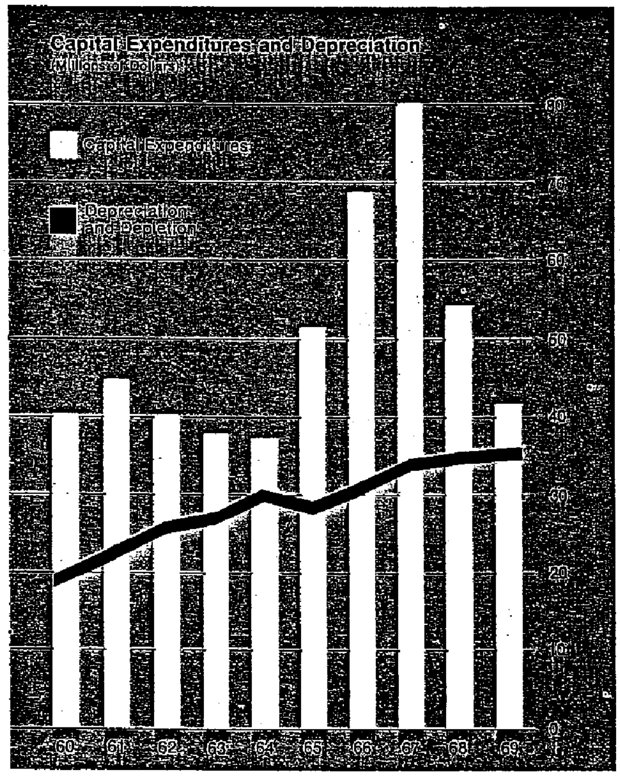
Taxes

Federal and foreign income taxes for the year amounted to $14,615,000, equivalent to $1.01 a common share. The investment credit on eligible capital additions was $1,616,000 a decrease of $1,689,000 from the previous year.





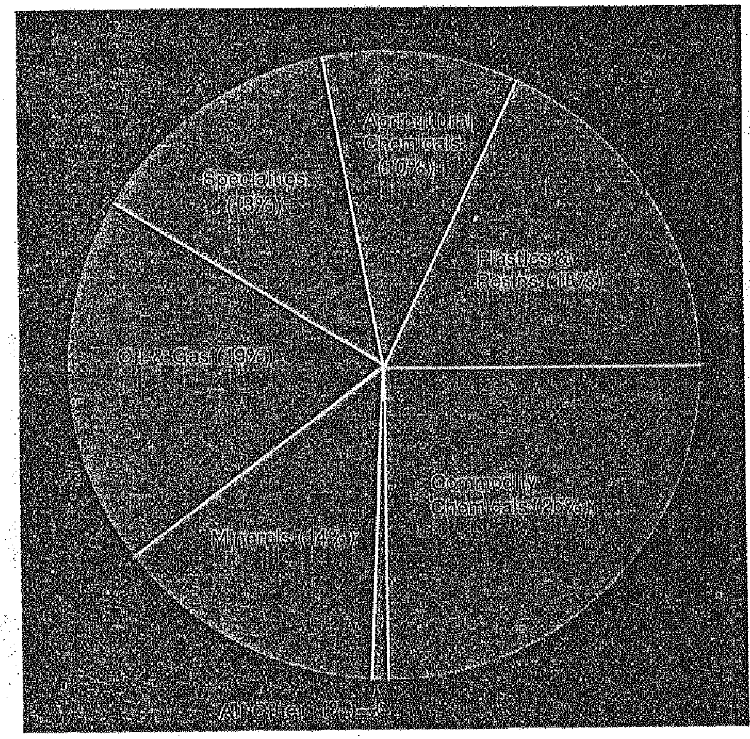




NOTE: Restated to include companies merged into Diamond and accounted for on a pooling of interests basis.

Product Mix

Percent of Sales 1969



Opinion of Independent Accountants

TO THE STOCKHOLDERS AND BOARD OF DIRECTORS
OF DIAMOND SHAMROCK CORPORATION

In our opinion the accompanying statements of financial position, income and retained earnings and the statement of sources and uses of funds present fairly the consolidated financial position of Diamond Shamrock Corporation and subsidiary companies at December 31, 1969, the consolidated results of their operations and the supplementary information on funds for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, as restated. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Cleveland, Ohio
February 13, 1970

Price Waterhouse & Co.

Diamond Shamrock Corporation Consolidated Statement of Income

Year ended December 31

	1969	1968
REVENUES		
Sales of products and operating revenues	$541,259,000	$524,784,000
Management fees, sales commissions, dividends, royalties, etc.	13,434,000	13,490,000
	554,693,000	538,274,000
COST AND EXPENSES		
Cost of products sold	432,288,000	413,044,000
Selling and administrative	56,296,000	54,766,000
Research and development	10,125,000	9,246,000
Interest	10,698,000	9,275,000
	509,407,000	486,331,000
INCOME BEFORE TAX PROVISION	45,286,000	51,943,000
Provision for federal and foreign income taxes: (Note 9)		
Current	10,626,000	13,905,000
Deferred	3,989,000	3,469,000
	14,615,000	17,374,000
INCOME BEFORE EXTRAORDINARY ITEMS	30,671,000	34,569,000
Extraordinary items (Note 10)	—	418,000
NET INCOME	$ 30,671,000	$ 34,987,000
Earnings per common share after preferred dividend requirements:		
Before extraordinary items	$1.54	$1.83
Extraordinary items	—	.03
Net income	$1.54	$1.86

On a fully diluted basis, earnings per share were $1.53 in 1969 and $1.81 in 1968.

Diamond Shamrock Corporation Consolidated Statement of Financial Position

December 31

Assets	1969	1968
CURRENT ASSETS		
Cash and short-term securities	$ 13,860,000	$ 21,673,000
Notes and accounts receivable	98,947,000	93,417,000
Inventories at the lower of cost or market:		
Finished and in process materials	44,828,000	39,111,000
Supplies	10,414,000	9,721,000
Raw materials	21,013,000	19,600,000
	76,255,000	68,432,000
Prepaid insurance, etc.	3,627,000	2,680,000
Total current assets	192,689,000	186,202,000
INVESTMENTS *(Note 2)*	49,120,000	46,312,000
PROPERTIES AND EQUIPMENT, at cost less depreciation and depletion *(Note 3)*	386,724,000	384,460,000
INTANGIBLE ASSETS		
Patents, trademarks, formulae, processes, etc., at cost less amortization	573,000	876,000
Intangibles resulting from acquisitions	23,553,000	23,553,000
	24,126,000	24,429,000
DEFERRED CHARGES	4,144,000	3,275,000
	$656,803,000	$644,678,000

Liabilities	1969	1968
CURRENT LIABILITIES		
Notes payable	$ 13,980,000	$ 25,446,000
Long-term debt payable within one year	8,413,000	10,367,000
Accounts payable	41,455,000	37,154,000
Federal and foreign income taxes	3,492,000	5,988,000
Employee Thrift Plan savings	2,371,000	547,000
Accrued taxes, payrolls, interest, etc.	24,522,000	20,054,000
Total current liabilities	94,233,000	99,556,000
LONG-TERM DEBT *(Note 4)*	154,933,000	145,671,000
DEFERRALS AND RESERVES		
Federal income taxes	35,561,000	31,467,000
Other	4,135,000	4,623,000
	39,696,000	36,090,000
STOCKHOLDERS' EQUITY		
Preferred Stock *(Note 5)*	35,754,000	35,683,000
Special Common Stock *(Note 6)*	2,955,000	2,717,000
Common Stock *(Note 6)*	104,400,000	102,947,000
Retained earnings per accompanying statement	224,855,000	222,043,000
	367,964,000	363,390,000
Less — Common treasury stock — 799 shares at cost	23,000	29,000
	367,941,000	363,361,000
	$656,803,000	$644,678,000

Diamond Shamrock Corporation Consolidated Statement of Retained Earnings

Year ended December 31

	1969	1968
RETAINED EARNINGS at beginning of year *(Note 1)*	$222,043,000	$214,810,000
NET INCOME for the year	30,671,000	34,987,000
	252,714,000	249,797,000
Dividends:		
Preferred		
$4.00 series	1,339,000	1,366,000
$2.00 series	1,853,000	1,850,000
$1.20 series	4,464,000	4,628,000
$1.15 series	701,000	—
Common — $1.40 a share	19,502,000	16,467,000
Paid by merged companies	—	2,995,000
Other	—	448,000
	27,859,000	27,754,000
RETAINED EARNINGS	$224,855,000	$222,043,000

Notes to Financial Statements

Note 1: Consolidation Policy

It is the policy of Diamond to consolidate all domestic subsidiary companies, except one 60% owned subsidiary which is included at Diamond's equity, and all wholly-owned foreign subsidiary companies. In addition, Diamond follows the practice of carrying its investments in 50% owned domestic and foreign companies and foreign subsidiaries not wholly-owned on the basis of its equity in the underlying net assets.

Effective February 19, 1969, Diamond issued 220,000 shares of Common Stock (including 68,000 treasury shares) in exchange for the outstanding shares of Taylor-Evans Seed Company. For accounting purposes this transaction was treated as a pooling of interests. Accordingly, the retained earnings of Taylor-Evans ($101,000) were added to the retained earnings of Diamond and the excess ($1,076,000) of cost of the treasury shares over the stated value of the shares received in exchange has been charged to retained earnings as of January 1, 1968.

Note 2: Investments

	December 31, 1969	1968
Investments and advances to affiliated and 50% owned companies, at equity in underlying net assets	$ 9,533,000	$ 6,664,000
Other securities at cost:		
Interlake Steel Corporation (market value $10,273,000)	8,127,000	8,127,000
Terra Chemicals International, Inc.	10,000,000	10,000,000
Other domestic	7,983,000	8,322,000
Foreign	10,089,000	9,144,000
Miscellaneous	4,618,000	5,381,000
	50,350,000	47,638,000
Less — Reserve for loss on investments	1,230,000	1,326,000
	$49,120,000	$46,312,000

Note 3: Properties

	December 31, 1969	1968
Oil, gas and other raw material resources	$142,818,000	$137,458,000
Processing facilities	400,326,000	389,694,000
Lake transport vessels	70,496,000	69,909,000
Other transportation, marketing and general facilities	125,879,000	117,758,000
Construction in progress	16,357,000	11,656,000
	755,876,000	726,475,000
Less — Accumulated depreciation and depletion	369,152,000	342,015,000
	$386,724,000	$384,460,000

The provision for depreciation, depletion and amortization was $35,919,000 for 1969 and $35,268,000 for 1968. Oil and gas, lake transport and other transportation, marketing and general facilities are depreciated and depleted generally on the straight-line method. Chemical processing equipment is also depreciated on the straight-line method except for additions during the years 1954-1967 which are depreciated on an accelerated method. For all facilities, accelerated depreciation has been used for income tax purposes where permitted and appropriate provision has been made for the resulting deferred taxes.

Note 4: Long-term debt

	December 31, 1969	1968
Sinking fund debentures:		
3⅜% due 1972-1978	$ 9,669,000	$ 9,967,000
4⅝% due 1970-1987	21,543,000	22,436,000
7¾% due 1976-1994	42,300,000	—
Notes:		
Revolving credit loans	—	27,500,000
5% due 1970-1972	6,000,000	8,000,000
4.65% due 1970-1989	30,000,000	30,000,000
4¾% due 1970-1971	9,000,000	11,000,000
4½% due 1970-1987	6,750,000	7,125,000
Lease purchase agreement	15,875,000	16,281,000
Purchase money obligations and other loans	22,209,000	23,729,000
	163,346,000	156,038,000
Less — Due within one year	8,413,000	10,367,000
	$154,933,000	$145,671,000

Note 5: Preferred Stock

At December 31, 1969, 6,000,000 shares of cumulative convertible Preferred Stock without par value were authorized. Shares outstanding at that date are shown below:

	Shares Outstanding	Stated Value	Liquidation Value	Conversion Basis*
$4.00 Initial Series	237,908	$ 3,093,000	$ 23,791,000	2.6
4.00 Series B	94,805	1,233,000	9,481,000	2.6
2.00 Series C	926,476	9,460,000	38,912,000	1.15
1.20 Series D	3,721,130	7,339,000	78,144,000	.45
1.15 Series E	585,072	14,629,000	15,358,000	.75
	5,565,391	$35,754,000	$165,686,000	

*Represents shares of Common into which each share of Preferred is convertible.

At December 31, 1969, 4,059,660 shares of Common Stock were reserved for conversion of the outstanding Preferred Stock including Preferred shares issuable under stock options.

Changes in the outstanding shares of Preferred Stock during the year are summarized below:

	Shares	Stated Value
Balance at December 31, 1968	5,560,620	$35,683,000
Issued on exercise of options	13,253	182,000
Converted into Common shares	(8,482)	(111,000)
Balance at December 31, 1969	5,565,391	$35,754,000

Note 6: Common and Special Common Stock

At December 31, 1969, 21,000,000 shares of Common Stock and 700,000 shares of Special Common Stock with no par value were authorized. Changes in shares are shown below.

	Common Stock		Special Common Stock	
	Shares	Stated Value	Shares	Stated Value
Dec. 31, 1968 As previously reported	13,760,570	$101,447,000	569,859	$2,717,000
Taylor-Evans	152,000	1,500,000	—	—
Exercise of stock options	85,267	1,335,000	20,357	238,000
Conversion of Preferred Stock	20,254	111,000	—	—
Other changes	—	7,000	—	—
Dec. 31, 1969	14,018,091	$104,400,000	590,216	$2,955,000

The summary above includes 35,693 Common shares held for incentive compensation awards.

The Special Common Stock is a voting stock on which no cash dividend may be paid to stockholders of record prior to December 1, 1972, but dividends thereafter will be at the same rates for both the Special Common and Common shares. Diamond may at its sole option convert the Special Common into Common Stock on a share for share basis and 618,733 shares of Common are reserved for that purpose, including provision for 28,517 shares of Special Common issuable under stock options.

Note 7: Stock Options

	Common Stock		Special	
	Thrift Plans	Other Plans	Common Stock	Preferred Stock
Balance December 31, 1968	199,894	302,587	55,418	52,289
Granted	—	60,800	—	—
Exercised	(29)	(85,238)	(20,357)	(13,253)
Cancelled	(69,658)	(49,000)	(6,544)	(7,970)
Balance December 31, 1969	130,207	229,149	28,517	31,066

At December 31, 1969, 57,611 Common shares are reserved for future grants under Common Stock option plans. Under the current Thrift Plan the option price is $32.88 per share. Under other Common Stock plans, option prices range from $22.06 to $35.56 a share, except that under the options assumed from Shamrock the price is $28.17 per option unit (each unit comprising ¾ of a share of Common Stock and ½ of a share of Series D Preferred Stock) and under the options assumed from Pickands Mather the prices range from $10.00 to $27.50 an option unit (each unit comprising .8 of a share of Common Stock and .25 of a share of Special Common Stock).

Note 8: Pension Costs

The charges to income for pension costs of the several pension plans were $5,384,000 in 1969 and $4,774,000 in 1968, which amounts are funded currently. These charges include amortization of past service costs over periods ranging from 25 to 40 years.

Note 9: Income Taxes

The provision for current federal and foreign income taxes has been reduced by investment credits of $1,616,000 in 1969 and $3,305,000 in 1968. The provision for deferred taxes represents taxes relating principally to the excess of depreciation for income tax purposes over depreciation reflected in the accompanying financial statements.

Note 10: Extraordinary Items

The extraordinary items in 1968 represent the gain of $918,000 on the sale of the Bessemer cement plant and business after deducting $2,106,000 of applicable income tax and investment credit to be repaid and a provision of $500,000 for investments.

Note 11: Commitments and Contingent Liabilities

At December 31, 1969 the Company had long-term leases for certain railroad tank cars, barges, service stations, and other facilities. The aggregate rentals thereon approximate $3,803,000 annually for an average of 10 years.

In connection with its investments in the Wabush and Savage River Projects, both large iron ore mining ventures, a subsidiary of Diamond has contracted, among other things, to pay (whether or not ore is produced) its ownership share of Wabush costs and to maintain a portion of the working capital of one of the joint venture corporations in the Savage River Project.

Loan guarantees amounted to $5,112,000. Authorization and contracts for new plant facilities approximate $43,946,000 at December 31, 1969.

Diamond Shamrock Corporation Historical Information

(In thousands of dollars, except per share of common stock and book value of common stock)

	1969	1968	1967
RESULTS OF OPERATIONS(A)			
Sales of products and operating revenues	$541,259	$524,784	$498,295
Net income	30,671	34,569(B)	41,529(C)
Net income per average share outstanding	1.54	1.83(B)	2.34(C)

	1969	1968	1967
FINANCIAL POSITION(A)			
Total assets	$656,803	$644,678	$629,900
Working capital	98,456	86,646	84,016
Net plant and equipment	386,724	384,460	382,692
Long-term debt	154,933	145,671	154,239
Stockholders' equity	367,941	363,361	351,862

	1969	1968	1967
OTHER DATA			
Capital expenditures(A)	$ 41,763	$ 55,035	$ 80,156
Depreciation, depletion and amortization(A)	35,919	35,268	34,640
Book value per share assuming conversion of preferred stock	19.70	19.65	17.65
Approximate market price range per common share	36-18	37-28	42-30
Common shares outstanding at year-end	14,571,815	14,222,412	11,723,513
Common stockholders of record	38,814	36,176	28,136
Special common stockholders of record	2,049	2,297	—
Preferred stockholders of record	21,491	20,847	16,587
Number of employees	11,154	11,082	9,381

(A) Restated to include data for all periods for mergers accounted for on a pooling of interests basis.
(B) Excludes extraordinary gain of $418,000 or $.03 per share.
(C) Excludes extraordinary gain of $1,006,000 or $.07 per share.
(D) Excludes extraordinary loss of $2,413,000 or $.17 per share.

1966	1965	1964	1963	1962	1961	1960
$484,589	$441,385	$397,467	$363,556	$354,684	$328,983	$325,849
41,748	35,422	31,712(D)	26,518	25,395	24,338	27,718
2.38	1.94	1.68(D)	1.30	1.22	1.14	1.39

1966	1965	1964	1963	1962	1961	1960
$586,623	$525,127	$484,436	$458,138	$435,521	$407,987	$374,821
87,408	80,727	93,575	64,565	63,429	60,504	64,150
339,658	305,676	285,258	289,543	274,997	262,454	239,205
146,460	106,740	105,927	93,670	89,212	81,286	79,886
330,542	304,807	286,358	275,155	267,436	256,666	230,725

1966	1965	1964	1963	1962	1961	1960
$ 68,772	$ 51,578	$ 37,430	$ 37,965	$ 40,298	$ 44,858	$ 40,343
31,354	29,241	30,797	27,906	26,339	23,411	20,073
21.96	20.36	19.01	18.01	17.42	16.92	16.26
49-25	36-26	30-25	27-22	35-19	37-29	32-25
6,134,675	6,025,571	3,005,873	3,004,327	2,999,073	3,033,191	3,030,626
15,086	10,838	9,543	9,843	10,267	10,393	10,358
—	—	—	—	—	—	—
1,584	1,523	1,482	1,477	1,476	1,432	—
6,550	6,122	5,506	5,312	5,355	5,554	5,321

Diamond Shamrock Chemical Company

300 Union Commerce Bldg.
Cleveland, Ohio 44115

A diversified producer of organic and inorganic chemicals and chemical specialties, plastics and plastic products, and biochemical products for the health and nutrition of man, plants and animals.

Officers

Arthur B. Tillman
Chairman

G. G. Pirrone
President

Roger P. Batchelor, Jr.
Group Vice President

W. H. Bricker
Group Vice President

Steve Puschaver
Group Vice President

George G. Stier
Vice President — Administration and Marketing

Harry A. Batley
Vice President

Harry E. Connors, Jr.
Vice President

Melvin Hochberg
Vice President

William L. McFadden
Vice President

S. S. Savage
Vice President

R. C. Sutter
Vice President

Fred S. Strauss
President
Harte & Company, Inc.

Diamond Shamrock Oil and Gas Company

First National Bank Bldg.
Amarillo, Texas 79105

An integrated producer engaged in all phases of the oil and gas business including exploration for, developing, transporting, refining and marketing of petroleum and its products.

Officers

C. A. Cash
Chairman

J. Avery Rush, Jr.
President

Bill J. Montgomery
Executive Vice President

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Pickands Mather & Co. *(A Subsidiary)*

2000 Union Commerce Bldg.
Cleveland, Ohio 44115

An international company engaged in the exploration for minerals and management of mineral properties, the operation of Great Lakes and St. Lawrence Seaway fleets, production and sale of coke and limestone products, and agency and broker sales of various commodities and products.

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Leonard J. Gee
Vice President and Treasurer

Elton Hoyt, III
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• Executive Office

GENERAL OFFICES
300 Union Commerce Building
Cleveland, Ohio 44115
Telephone (216) 621-6100

INDEPENDENT ACCOUNTANTS
Price Waterhouse & Co., Cleveland, Ohio

TRANSFER AGENTS, COMMON AND PREFERRED STOCKS
Mellon National Bank and Trust Company
Pittsburgh, Pennsylvania
Bankers Trust Company, New York, New York

REGISTRARS, COMMON AND PREFERRED STOCKS
Pittsburgh National Bank, Pittsburgh, Pennsylvania
Chemical Bank, New York, New York

STOCK LISTINGS
New York Stock Exchange (DIA)
Pacific Coast Stock Exchange *(common stock only)*

Daconil 2787, Dacromet, Dacthal, Dalvor, Dion, Heritage House, Massive Manganese are registered trade names of Diamond Shamrock Corporation.

Diamond Shamrock Corporation
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