

(English Translation)

7 February 2013

To whom it may concern

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Notice of extraordinary loss

Showa Shell Sekiyu K.K. has recognized extraordinary loss in the non-consolidated full year results 2012.

1. Outline of the extraordinary loss

Loss on valuation of stocks of subsidiaries in the amount of 12,203 million yen was recognized in the non-consolidated financial statements for the fiscal year ended 31 December 2012, which is due to the deterioration in net assets of its consolidated subsidiaries.

2. Effect for results of FY2012

This loss on valuation of stocks of subsidiaries will be eliminated upon consolidation and will have no impact on the consolidated financial statements. The effect for the non-consolidated full year results are cited in “Announcement of revisions in the forecast of full year results 2012” announced today.

End