

12th May, 2017

To whom it may concern

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Establishment of Wholly-owned Subsidiary for Company Split Related to Lubricants Business

On 15th June 2016, Showa Shell Sekiyu K.K. (hereinafter the “Company”) made an announcement regarding the basic policy to perform an absorption-type company split (hereinafter the “Company Split”) in which a new wholly-owned subsidiary of the Company (hereinafter the “Successor Company”) receives a transfer of rights and obligations of the Company’s lubricants business (hereinafter the “Business”) by the press release “Announcement of the Basic Policy of Company Split Related to Lubricants Business”.

The Company hereby announces that the Successor Company has been established today as described below.

For other detailed information, the Company will make an additional announcement once decided.

(1) Overview of the Successor Company

Name	Shell Lubricants Japan K.K.
Location	Daiba Frontier Bldg. 2-3-2, Daiba, Minato-ku, Tokyo
Name and Position of Representative	Makoto Abe
Business Activities	Lubricants manufacturing, storage, transport, sales, export, import, and all other related business
Capital	310 million Yen
Date of Establishment	12 th May, 2017
Shareholder	Showa Shell Sekiyu K.K. 100.0%

(2) Schedule of Company Split (plan) *1

Resolution of Board of Directors	To be determined (Within this year)
Execution of Company Split Agreement	To be determined (Within this year)
Scheduled Date of Company Split (Effective Date)	To be determined (Within this year)

*1 The Company and the Successor Company will not hold a shareholder meeting to obtain the shareholders' approval for the company split agreement as the Company Split will be executed through a simplified absorption-type split (kan'i kaisha bunkatsu) under Article 784, Paragraph 2 of the Companies Act for the Company, and through a short-form absorption-type split (ryakushiki kaisha bunkatsu) under Article 796, Paragraph 1 of the Companies Act for the Successor Company respectively.

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