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To whom it may concern

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Announcement of revisions in the forecast of 1st half and full year results 2015

In view of recent trends in performance, Showa Shell Sekiyu K.K. has revised its forecast of 1st half and full year results 2015, previously released on 10 February 2015 as follows.

1. Forecast of consolidated 1st half results 2015 (From 1 January 2015 to 30 June 2015)

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	980,000	(9,000)	(9,000)	(6,000)	(15.93)
Revised forecast (B)	1,161,000	13,000	13,000	8,000	21.24
Change (B-A)	181,000	22,000	22,000	14,000	
Change (%)	18.5	—	—	—	
(Reference) 1st half results 2014	1,540,033	16,885	17,305	14,000	37.17

2 Forecast of consolidated full year results 2015 (From 1 January 2015 to 31 December 2015)

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	2,110,000	29,000	29,000	18,000	47.79
Revised forecast (B)	2,350,000	41,000	41,000	27,000	71.69
Change (B-A)	240,000	12,000	12,000	9,000	
Change (%)	11.4	41.4	41.4	50.0	
(Reference) Full year results 2014	2,997,984	(18,057)	(16,723)	(9,703)	(25.76)

3 Forecast of nonconsolidated 1st half results 2015 (From 1 January 2015 to 30 June 2015)

	Sales	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	900,000	(13,000)	(9,000)	(23.90)
Revised forecast (B)	1,053,000	11,000	7,000	18.58
Change (B-A)	153,000	24,000	16,000	
Change (%)	14.5	—	—	
(Reference) 1st half results 2014	1,410,509	2,052	1,345	3.57

4 Forecast of nonconsolidated full year results 2015 (From 1 January 2015 to 31 December 2015)

	Sales	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	1,940,000	16,000	10,000	26.55
Revised forecast (B)	2,150,000	30,000	20,000	53.09
Change (B-A)	210,000	14,000	10,000	
Change (%)	9.8	87.5	100.0	
(Reference) Full year results 2014	2,758,456	(40,417)	(24,154)	(64.12)

5 Reasons for the revision

It is expected that positive effects on inventory valuation factors will increase compared with our latest estimate released on February 10, 2015, resulting from an increase in crude oil prices compared with our stated assumption at that time. In addition, domestic fuel margin improvement is expected to push up profits. On the other hand, profits from the solar business are expected to decrease due to decline in average selling price than initially planned.

As a result, both consolidated and non-consolidated sales, operating income, ordinary income and net income will exceed our previous forecast, and the Company has revised its forecast.

The relevant consolidated ordinary income for fiscal year 2015, excluding the effect of the inventory valuation, is revised upward to 53 billion yen.

The revised forecast assumes the Dubai crude oil price of \$59 per barrel and an exchange rate of 119 yen per U.S dollar for the fiscal year 2015.

(Note) Figures in the above forecast are based on currently available information, and include risks and uncertainties. Actual results could differ from this forecast due to changes in economic conditions, market trends and exchange rate and other factors.