

27 July 2012

To whom it may concern

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Announcement of revisions in the forecast of second quarter (YTD) results 2012

In view of recent trends in performance, Showa Shell Sekiyu K.K. has revised its forecast of second quarter (YTD) results 2012, previously released on 14 February 2012 as follows.

1. Forecast of consolidated second quarter (YTD) results 2012 (From 1 January 2012 to 30 June 2012)

| | Sales | Operating income | Ordinary income | Net income | Net income per share |
|--|-------------|------------------|-----------------|-------------|----------------------|
| | Million Yen | Million Yen | Million Yen | Million Yen | Yen |
| Last announcement (A) | 1,300,000 | 13,000 | 13,000 | 4,000 | 10.62 |
| Revised forecast (B) | 1,300,000 | (11,000) | (13,000) | (13,000) | (34.52) |
| Change (B-A) | — | (24,000) | (26,000) | (17,000) | |
| Change (%) | — | — | — | — | |
| (Reference) Second quarter results 2011 | 1,380,935 | 67,642 | 68,818 | 37,244 | 98.89 |

2. Forecast of nonconsolidated second quarter (YTD) results 2012 (From 1 January 2012 to 30 June 2012)

| | Sales | Ordinary income | Net income | Net income per share |
|--|-------------|-----------------|-------------|----------------------|
| | Million Yen | Million Yen | Million Yen | Yen |
| Last announcement (A) | 1,220,000 | 21,000 | 13,000 | 34.51 |
| Revised forecast (B) | 1,220,000 | (4,000) | (3,000) | (7.96) |
| Change (B-A) | — | (25,000) | (16,000) | |
| Change (%) | — | — | — | |
| (Reference) Second quarter results 2011 | 1,309,150 | 75,320 | 47,964 | 127.33 |

3. Reasons for the revision

Petroleum product margin in the domestic market have remained at low levels and the sharp drop in crude oil price in the second quarter has led to inventory losses. Consequently, operating income, ordinary income and net income will under-run those of the previous forecast, and hence the revision above. The consolidated ordinary loss, excluding inventory valuation effects, is revised to 6 billion yen.

Forecast of full year results 2012 will be released at the time of the announcement of second quarter results 2012 scheduled on 31 July 2012.

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