

16 October 2018

To whom it may concern

Company	Showa Shell Sekiyu K.K.
Representative	Representative Director, President, Executive Officer, CEO Tsuyoshi Kameoka
Code Number	5002
Contact	Corporate Executive Officer, CFO Takashi Sakata TEL: (03)5531-5594

Announcement of year-end dividends for fiscal year 2018

Showa Shell Sekiyu K.K. has announced that the Board of Directors, at a meeting held today, decided to pay dividends for the fiscal year-end.

The dividends will be officially decided at the Extraordinary General Meeting of Shareholders to be held on December 18, 2018.

1. Contents of dividends

	Actual dividends	Last announcement (Released on Aug 9, 2018)	Year-end dividends for fiscal year 2017
Record date	March 31, 2019	Ditto	December 31, 2017
Dividends per share (¥)	85.00	Ditto	21.00
Total amount of dividends (M¥)	31,810 (scheduled)	—	7,910
Effective date	June 28, 2019	—	March 29, 2018
Source of dividends	Retained earnings	—	Retained earnings

(Notes) A partial amendment to the Articles of Incorporation was approved at the 106th Annual General Meeting of Shareholders held on March 28, 2018, recording dates of interim dividend and year-end dividend have been changed since the year-end dividends for the Company's 107th business year, which is the elapsed period of the business year change. The recording date of the year-end dividends for fiscal year 2018 is March 31, 2019. The dividend forecast for the fiscal year 2018 is based on the accounting period for 15 months from January 1, 2018 to March 31, 2019, as the change of accounting period was approved at the Annual General Meeting of Shareholders held on March 28, 2018.

As the total amount of the dividend is calculated by subtracting treasury shares from total issued shares as of the end of March 2019 and then multiplying by 85 yen, it will be finalized when the number of shares is fixed. For reference, we calculated the total amount of the dividend by 374,224,904 shares (376,850,400 issued shares minus 2,625,496 treasury shares as of the end of September 2018 (including 2,455,000 shares acquired by the Company as of the end of September 2018 based on the resolution of the Board of Directors on August 9, 2018)) multiplied by 85 yen.

2. Reasons

In the Mid-Term Business Strategy formulated in 2017, the Company stated that further focus on "additional shareholder return" and "strategic investment for the future growth" is our basic policy of cash allocation.

As stated in the document "Announcement of Revisions in the Financial Forecasts for FY2018" released August 9, 2018, we expect a record-high profit for this accounting period with free cash flow far exceeding the original estimate. Given such circumstances, we decided to revise the year-end dividends for fiscal year 2018 upward to 85 yen/share as an additional shareholder return based on the Mid-Term Business Strategy. Total dividends per share for fiscal year 2018 will be 106 yen/share together with the interim dividend of 21 yen/share.

(Reference: Details of dividends through the fiscal year)

	Dividend per share (¥)		
	End of 2nd Quarter	End of fiscal year	Total
Record date			
Dividends for FY2018	21.00 (Paid)	85.00	106.00
Dividends for FY2017 (Paid)	19.00	21.00	40.00

End