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To whom it may concern

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Announcement of revisions of business forecast for fiscal year 2014

In view of recent trends in performance, Showa Shell Sekiyu K.K. ("the Company") has revised its business forecast for fiscal year 2014, previously released on February 14, 2014 as follows.

● Revision of business forecast

1. Revised consolidated business forecast for fiscal year 2014 (From January 1 to December 31, 2014)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Last announcement (A)	3,150,000	53,000	53,000	37,000	98.24
Revised forecast (B)	3,020,000	30,000	30,000	20,000	53.10
Change (B-A)	(130,000)	(23,000)	(23,000)	(17,000)	
Change (%)	(4.1)	(43.4)	(43.4)	(45.9)	
(Reference) Actual results for fiscal year 2013	2,953,808	75,430	76,204	60,295	160.09

2. Revised nonconsolidated business forecast for fiscal year 2014 (From January 1 to December 31, 2014)

	Net sales	Ordinary income	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Last announcement (A)	2,880,000	27,000	16,000	42.48
Revised forecast (B)	2,790,000	5,000	6,000	15.93
Change (B-A)	(90,000)	(22,000)	(10,000)	
Change (%)	(3.2)	(81.5)	(62.5)	
(Reference) Actual results for fiscal year 2013	2,708,318	54,041	35,426	94.05

3. Reasons for the revision

It is expected that the negative effects on inventory valuation factors will increase significantly compared with our latest estimate released on February 14, 2014, resulting from a decrease in crude oil prices.

Accordingly, operating income, ordinary income and net income will under-run our previous forecast, and the Company has revised its forecast for fiscal year 2014 as shown above.

The relevant consolidated ordinary income for fiscal year 2014, excluding the effect of the inventory valuation, is revised downward to 48 billion yen.

The revised forecast assumes the Dubai crude oil price of \$87 per barrel and an exchange rate of 112 yen per U.S dollar for the fourth quarter of fiscal year 2014.

(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.

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