

(English Translation)

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To whom it may concern

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Announcement of revisions in the forecast of full year results 2017

In view of recent trends in performance, Showa Shell Sekiyu K.K. has revised its forecast of full year results 2017, previously released on 14 February 2017 as follows.

1 Forecast of consolidated full year results 2017 (From 1 January 2017 to 31 December 2017)

	Sales	Operating income	Ordinary income	Net income attributable to owners of the Parent	Net income per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	2,080,000	63,000	68,000	43,000	114.17
Revised forecast (B)	2,080,000	81,000	90,000	52,000	138.07
Change (B-A)	-	18,000	22,000	9,000	
Change (%)	-	28.6	32.4	20.9	
(Reference) Full year results 2016	1,726,075	46,410	47,840	16,919	44.92

2 Forecast of nonconsolidated full year results 2017 (From 1 January 2017 to 31 December 2017)

	Sales	Ordinary income	Net income	Net income per share
	Million Yen	Million Yen	Million Yen	Yen
Last announcement (A)	1,910,000	59,000	37,000	98.24
Revised forecast (B)	1,910,000	81,000	46,000	122.12
Change (B-A)	-	22,000	9,000	
Change (%)	-	37.3	24.3	
(Reference) Full year results 2016	1,566,996	67,517	48,809	129.58

3 Reasons for the revision

Consolidated operating income, ordinary income and net income were revised upward from the previous forecast released on Feb 14, 2017 due to positive factors: increased effects on inventory valuation due to the crude oil price rise higher than that of the latest forecast and increases in oil product margins. Consolidated CCS ordinary income (current cost of supply basis, excluding the impact of inventory valuation) is expected to total 66 billion yen for the full year, which was 56 billion yen in the previous forecast released on Aug 8, 2017.

The revised forecast is based on the assumptions for the fourth quarter: Dubai crude oil price \$58/bbl and Exchange rate ¥113/\$.

(Note)

The business forecast above is based on the information available as of the date of the press release of the document, and includes various risks and uncertainties. Actual results could differ from the business forecast due to changes in economic conditions, market trends, exchange rate and other factors.