

The Showa Shell Value Chain

Showa Shell Sekiyu's core business is the downstream oil business, consisting of refining, storage, transport and sales of petroleum products. The Company's strong relationship with the Royal Dutch/Shell Group, and the addition of Saudi Aramco as a new partner have created a solid foundation for crude oil procurement and research and development that is unmatched by competitors.

Showa Shell's value chain involves the implementation of various strategies for the oil business, resulting in a degree of leverage that is unrivaled in the Japanese oil industry. Among other successes, this leverage has enabled Showa Shell to continuously increase its market share of gasoline sales in Japan. Showa Shell will pursue a path of balanced expansion in all of its businesses.



Crude Oil Procurement

- Strong relationship with the Royal Dutch/Shell Group
- New partnership with Saudi Aramco

Petroleum Refining

- Start of sulfur-free fuel production at the group refineries
- Larger stake in Seibu Oil Co., Ltd.
- High refinery capacity utilization rate

Storage, Transport

- Reinforcement of cooperation with other companies
- Larger oil tankers and lorries
- Night-time lorry deliveries

Sales

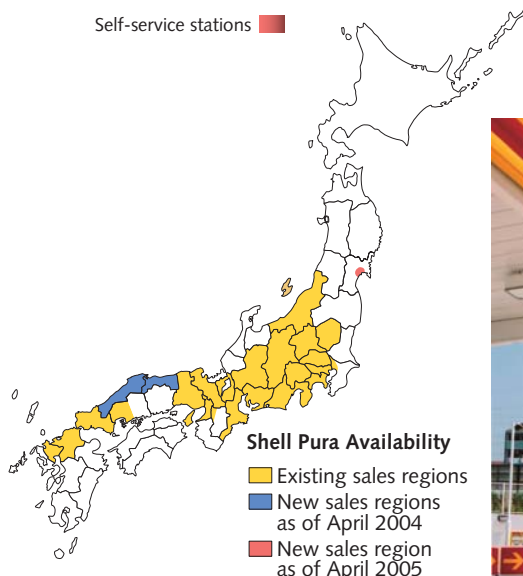
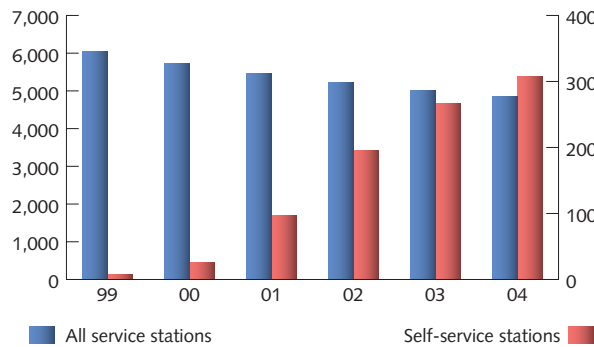
- Shell Starlex Card has 1.3 million active card members in Japan
- Expansion of sales area for Shell Pura high-octane gasoline; Shell Pura now accounts for 76 percent of Showa Shell's high-octane gasoline sales
- Release of Shell Helix Premium 0W-20 lubricant, enabling better fuel efficiency and environmentally friendly performance
- Capital participation in Marubeni Energy Corporation
- Pursuit of Japanese-style self service stations



ارامكو السعودية
Saudi Aramco



Number of Service Stations



New service station format with on-site cafe