

English Translation

Supporting Material for Third Quarter Results 2008

October 2008

Showa Shell Sekiyu K.K.



Notes

This document contains forward-looking statements concerning the results of operations and businesses of Showa Shell Sekiyu K.K..

Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements.

Crude oil price & Exchange rate

		2007 Results	2008 Results		
			Jan-Jun	Jul-Sep	Jan-Sep
Dubai crude oil price	(US \$/bbl)	68.3	104.0	113.6	107.4
Exchange rate	(¥ /US \$)	117.9	104.9	107.6	105.8

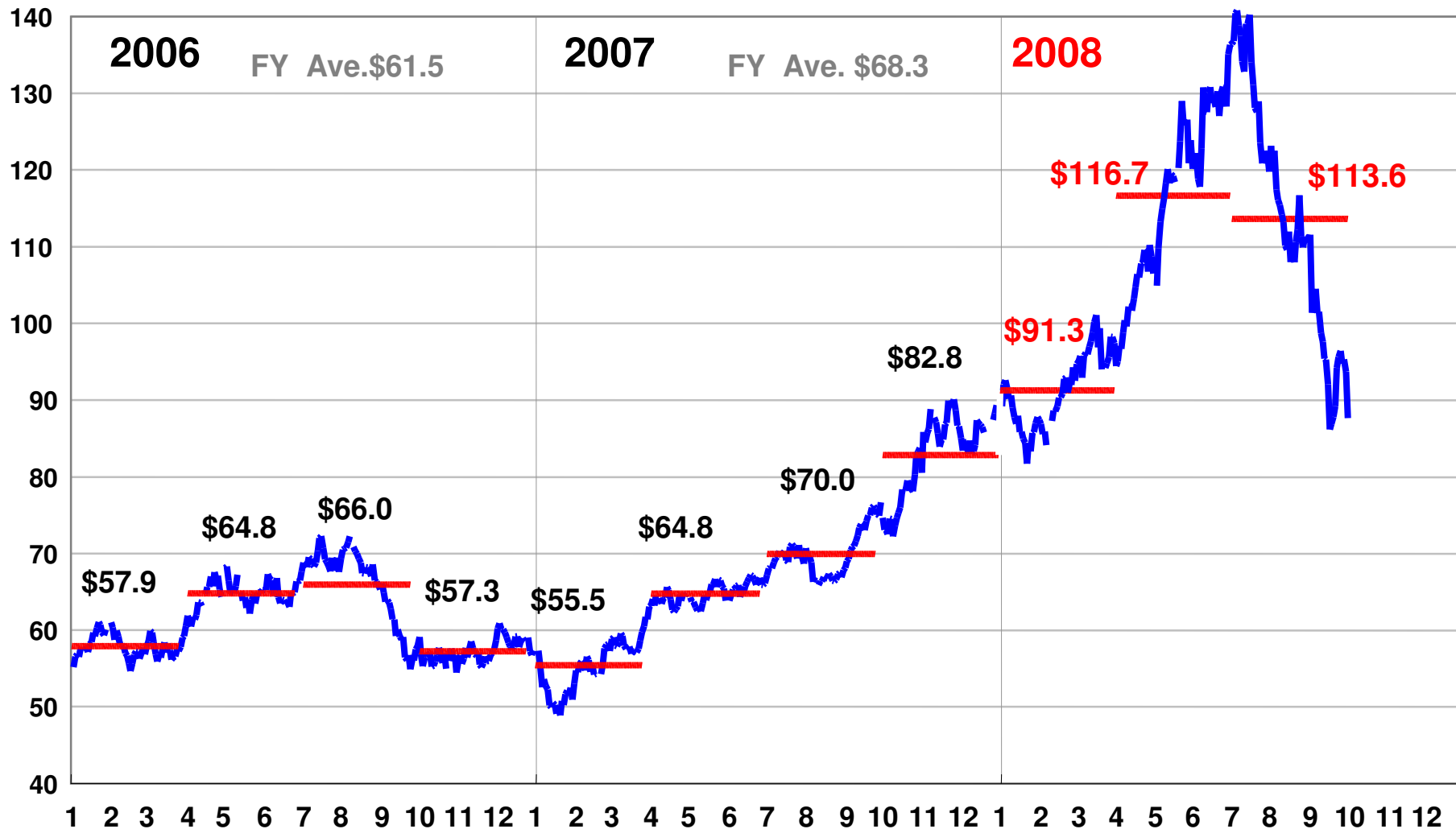
Consolidated profit and loss

		2007 Results	2008 Results	Changes	vs. 3Q/2007(%)
		Jan-Sep	Jan-Sep		
Sales proceeds	million yen	2,297,949	2,587,663	+ 289,713	+12.6%
Operating income	million yen	59,131	110,104	+ 50,973	+86.2%
Ordinary income	million yen	60,531	111,637	+ 51,106	+84.4%
Net income	million yen	33,339	62,143	+ 28,804	+86.4%
※CCS operating income	million yen	36,186	39,928	+ 3,741	+10.3%
※CCS ordinary income	million yen	37,587	41,461	+ 3,874	+10.3%

【Notes】 CCS ordinary income (ordinary income on Current Cost of Supply basis) :
 ordinary income based on the cost excluding inventory valuation effects.

Dubai crude oil price

US\$/bbl

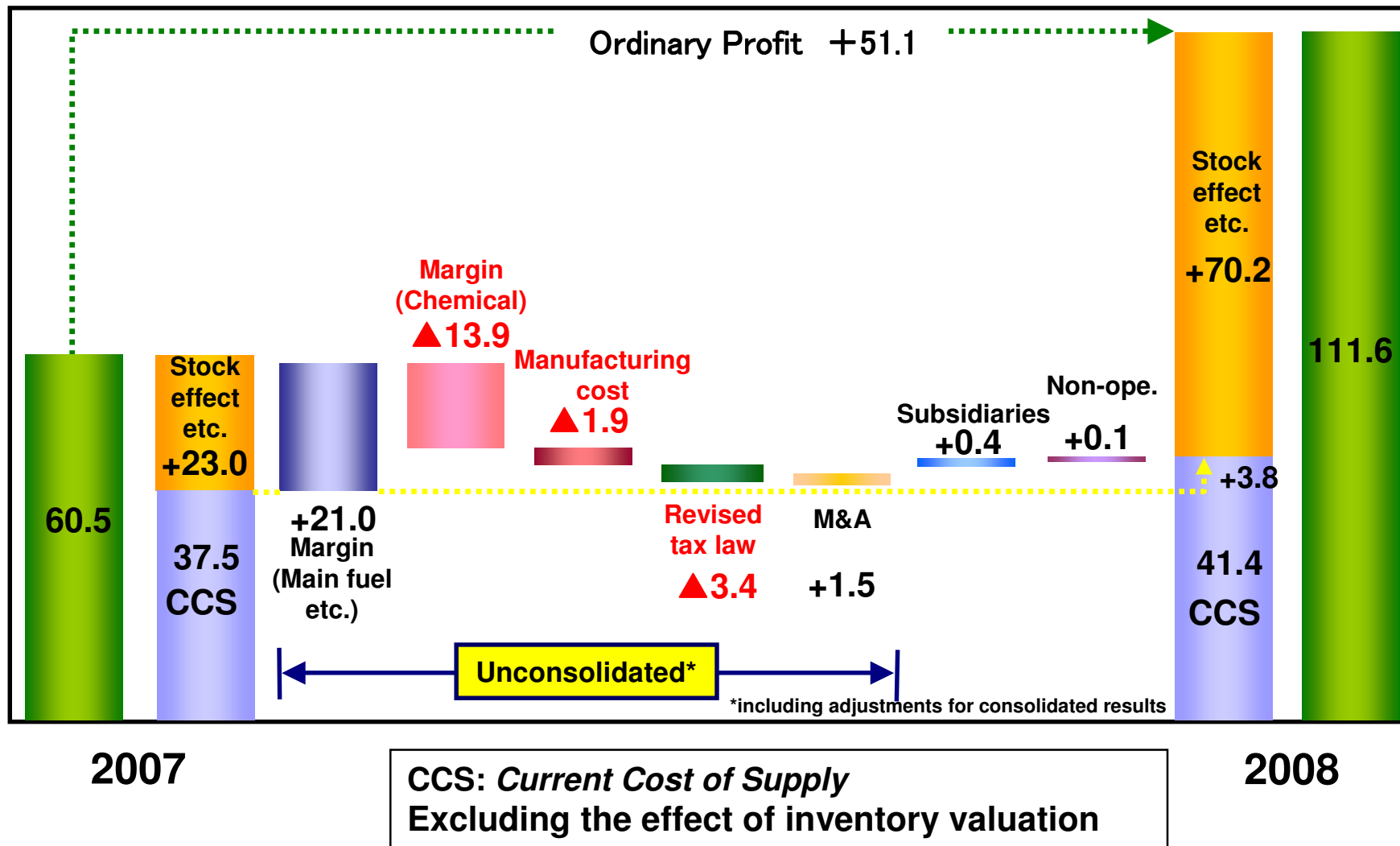


- Sales proceeds increased by 12.6% and ordinary income increased by 84.4%, versus the same period a year ago respectively. Also, CCS ordinary income excluding the inventory valuation effects increased by 10.3%.
- Sales volume for petroleum products such as gasoline has diminished compared to the same period a year ago due to the falling demand, derived from the sharp increase in crude oil prices. However, profits expanded from that of the previous year, buoyed by the increased export volume.
- Profits of petrochemical business declined compared to that of the previous year because of the depressed market due to turndown in both domestic and overseas demands.
- Investments and measures to enhance the reliability of our refineries resulted in less costs for unplanned shutdowns compared to that of the same period a year ago, contributing to the profits.

Ordinary Income 3Q/2007 vs. 3Q/2008

(Unit: Billion Yen)

Consolidated



Crude oil price & Exchange rate

		2007 Results	Forecast 2008 (in July)			Forecast 2008 (in Oct)		
			Jan-Jun	Jul-Dec	full year	Jan-Sep	Oct-Dec	full year
Dubai crude oil price	(\$/B)	68.3	104.0	112.0	108.0	107.4	65.0	96.0
Exchange rate	(¥/\$)	117.9	104.9	107.0	106.0	105.8	100.0	104.0

Consolidated financial results

		2007 Results	Forecast for 2008			vs. 2007
			Forecast in July	Forecast in Oct	changes	
Sales proceeds	million yen	3,082,641	3,530,000	3,280,000	- 250,000	+6.4%
Operating income	million yen	88,813	97,000	7,000	- 90,000	-92.1%
Ordinary income	million yen	92,709	100,000	10,000	- 90,000	-89.2%
Net income	million yen	43,729	56,000	0	- 56,000	-100.0%
※CCS operating income	million yen	40,375	47,000	47,000	-	+16.4%
※CCS ordinary income	million yen	44,271	50,000	50,000	0	+12.9%

- The forecast for full year 2008 consolidated sales proceeds is amended to 3,280 billion yen (+6.4% versus the same period a year ago) and ordinary income also revised to 10 billion yen (▲ 89.2% versus the same period a year ago) by revaluing the inventory due to the sharp decline in crude oil prices. The forecast of CCS ordinary income remains unchanged at 50 billion yen.
- Influenced by the rapid decline in the stock market, valuation loss of investment securities is expected to be reported additionally as extraordinary loss, making net income 0 billion yen.
- Cash flow from operating activities is estimated to improve significantly due to sharp decline in crude oil prices and decrease in operating capital influenced by gasoline tax due date.
- The annual dividend will be 36 yen per share (interim dividend 18 yen per share and year-end dividend 18 yen per share), unchanged from the previous forecast in July.