

English Translation

Supporting Material for Second Quarter Results 2009

August 2009

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 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

		2008 Results	2009 Results		
			Jan-Mar	Apr-Jun	Jan-Jun
Dubai crude oil price	(US \$/bbl)	94.2	44.3	59.3	51.9
Exchange rate	(¥ /US \$)	103.5	93.8	97.4	95.6

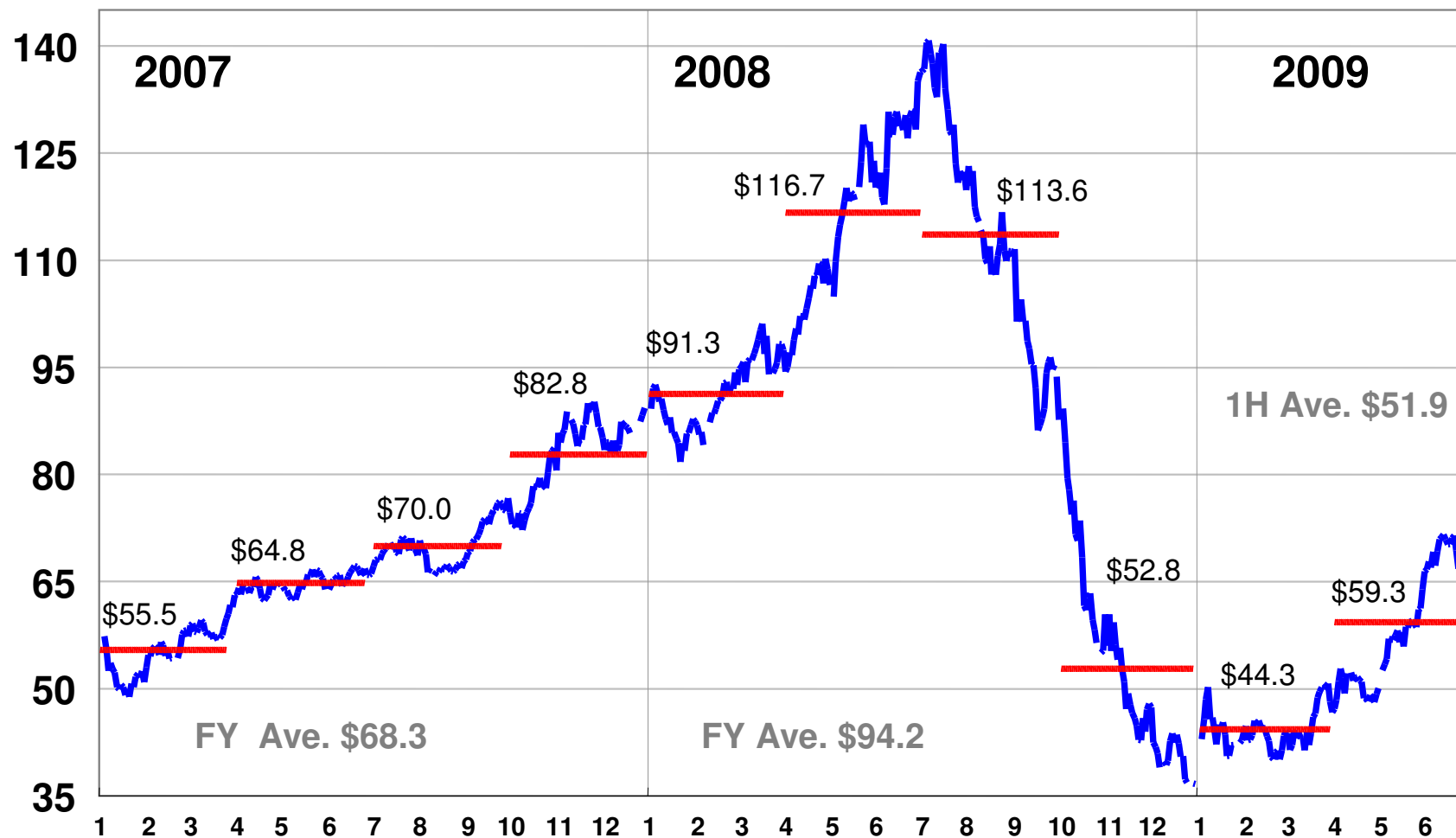
Consolidated profit and loss

		2008 Results	2009 Results	Changes	vs. 2008 (%)
		Jan-Jun	Jan-Jun		
Net sales	million yen	1,677,438	941,157	- 736,281	-43.9%
Operating income	million yen	72,281	-62,302	- 134,583	-
Ordinary income	million yen	73,728	-63,486	- 137,214	-
Net income	million yen	39,201	-39,084	- 78,286	-
※CCS operating income	million yen	25,948	7,299	- 18,649	-71.9%
※CCS ordinary income	million yen	27,395	6,115	- 21,280	-77.7%

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

The Dubai crude oil price

USD/bbl

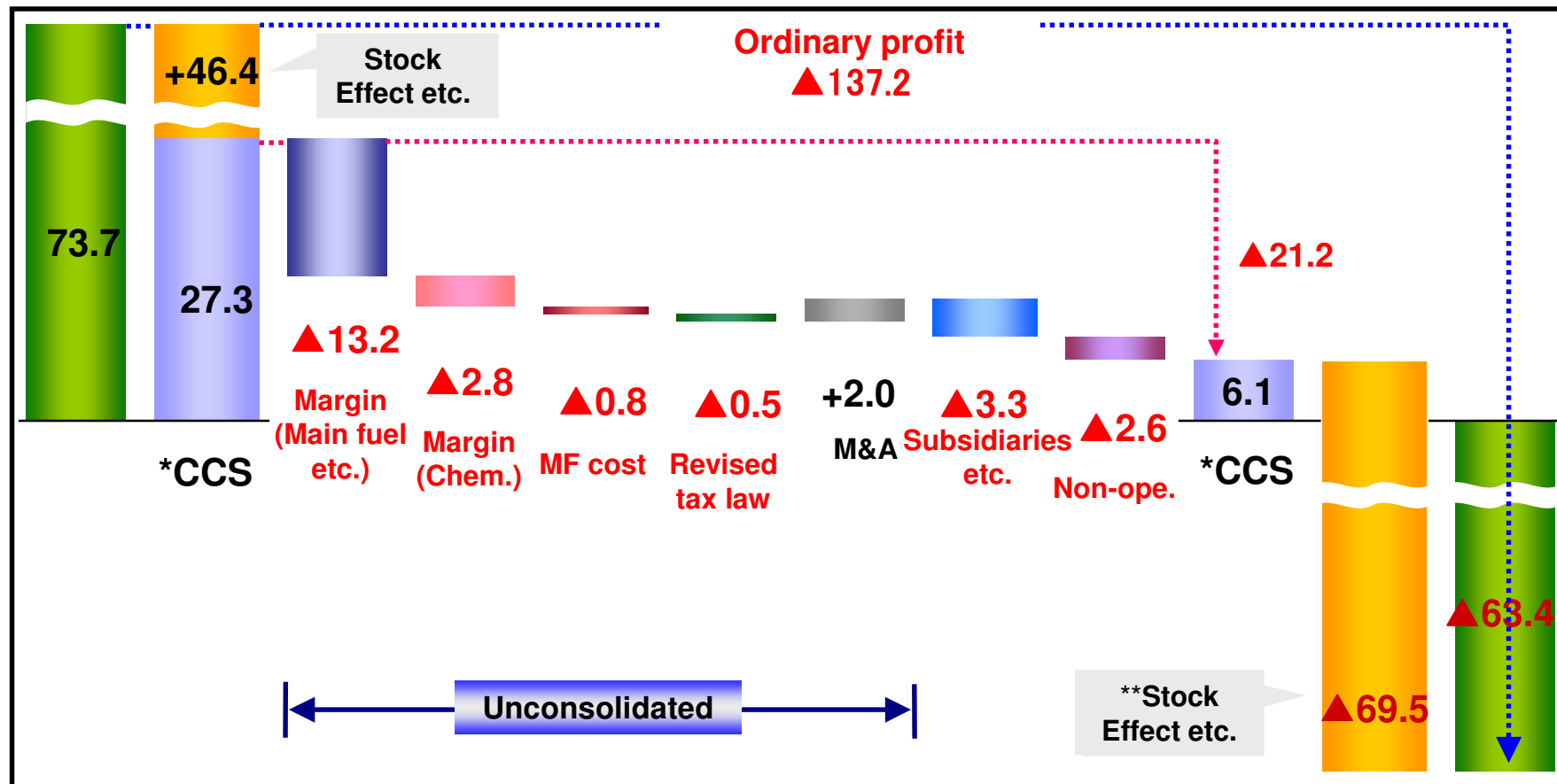


- Consolidated net sales for the six months period for 2009 was 941.1 billion yen. Ordinary loss was ▲63.4 billion yen due to the significant decline in the profit resulted from the impact of the inventory valuation for the first quarter. Consolidated ordinary income based on the cost excluding the impact of inventory valuation was 6.1 billion yen, a decrease of 21.2 billion yen compared to the same period a year ago.
- With regard to the oil products business, in addition to decline in domestic gasoline demand and turndown in goods distribution, export market was aggravated due to the worldwide recession, the sales volume and margin resulted in a severe consequence.
- In the petrochemical business, profit declined compared to the same period a year ago, due to slowdown in the market resulted from the economic recession continued from last year and decrease in sales.
- In this business environment, as for the outlook for full year 2009, we have revised the net sales to 2,140.0 billion yen and ordinary loss to 2.7 billion yen. The consolidated ordinary income, excluding the impact of inventory valuation has been revised to 1.5 billion yen.

Ordinary Income 2008 vs. 2009

(Unit: Billion Yen)

Consolidated



2008

2009

* CCS: Current Cost of Supply
 ** Including the effect of Lower of cost or market value method

Number of service stations and Sales volume

Number of service stations & self-service stations		2004-2008 is as of end of December					2009 as of end of June
		2004	2005	2006	2007	2008	
Number of service stations		4,853	4,746	4,575	4,481	4,305	4,210
Self-service stations		308	413	583	719	852	895
Ratio of self-service stations	(%)	6.3%	8.7%	12.7%	16.0%	19.8%	21.3%

Sales volume by products		2008 Jan-Jun	2009 Jan-Jun	vs. 2008(%)
Gasoline	(thousand KL)	4,970	4,511	- 9.2%
Kerosines/ Diesel Oil	(thousand KL)	6,221	5,781	- 7.1%
Fuel Oil	(thousand KL)	2,379	1,875	- 21.2%
Others	(thousand KL)	2,729	2,398	- 12.1%
Total	(thousand KL)	16,299	14,564	- 10.6%

- 【Notes】
- Above numbers include domestic sales volume and export volume.
 - "Others" excludes cargo trade.

Crude oil price & Exchange rate

		2008 Results	Forecast for 2009 (announced in April)		Forecast for 2009 (announced in August)			
			Jan-Jun	Jul-Dec	Jan-Dec	Jan-Jun	Jul-Dec	Jan-Dec
Dubai crude oil price	(US \$/bbl)	94.2	47.0	56.0	51.5	51.9	70.0	61.0
Exchange rate	(¥ /US \$)	103.5	97.0	100.0	98.5	95.6	95.0	95.0

Consolidated financial results

		2008	Forecast for 2009		changes	vs. 2008 (%)
			announced in April	announced in August		
Net sales	million yen	3,272,801	2,010,000	2,140,000	+ 130,000	-34.6%
Operating income	million yen	-12,283	0	-25,000	- 25,000	-
Ordinary income	million yen	-10,065	0	-27,000	- 27,000	-
Net income	million yen	-16,221	0	-17,000	- 17,000	-
※CCS operating income	million yen	43,480	50,000	17,000	- 33,000	-60.9%
※CCS ordinary income	million yen	45,697	50,000	15,000	- 35,000	-67.2%