



Supporting Material for Second Quarter Results 2010

30 July 2010

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.

Highlights of Financial Results

■ Crude oil price & Exchange rate

		2009 Results		2010 Results		
			2009 Results Jan-Jun	Jan-Mar	Apr-Jun	Jan-Jun
Dubai crude oil price	(US \$/bbl)	61.9	51.9	76.0	78.1	77.0
Exchange rate	(¥ /US \$)	93.6	95.6	90.7	92.0	91.4

■ Consolidated profit and loss

		2009 Results		2010 Results		Changes	vs. 2009 (%)
		Jan-Jun	Jan-Jun	Jan-Jun	Jan-Jun		
Sales proceeds	million yen	941,157	1,170,221	+ 229,064	+24.3%		
Operating income	million yen	-62,302	17,189	+ 79,491	-		
Ordinary income	million yen	-63,486	21,575	+ 85,062	-		
Net income	million yen	-39,084	11,579	+ 50,664	-		
※CCS operating income	million yen	7,299	6,739	- 560	-7.7%		
※CCS ordinary income	million yen	6,115	11,126	+ 5,011	+81.9%		

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

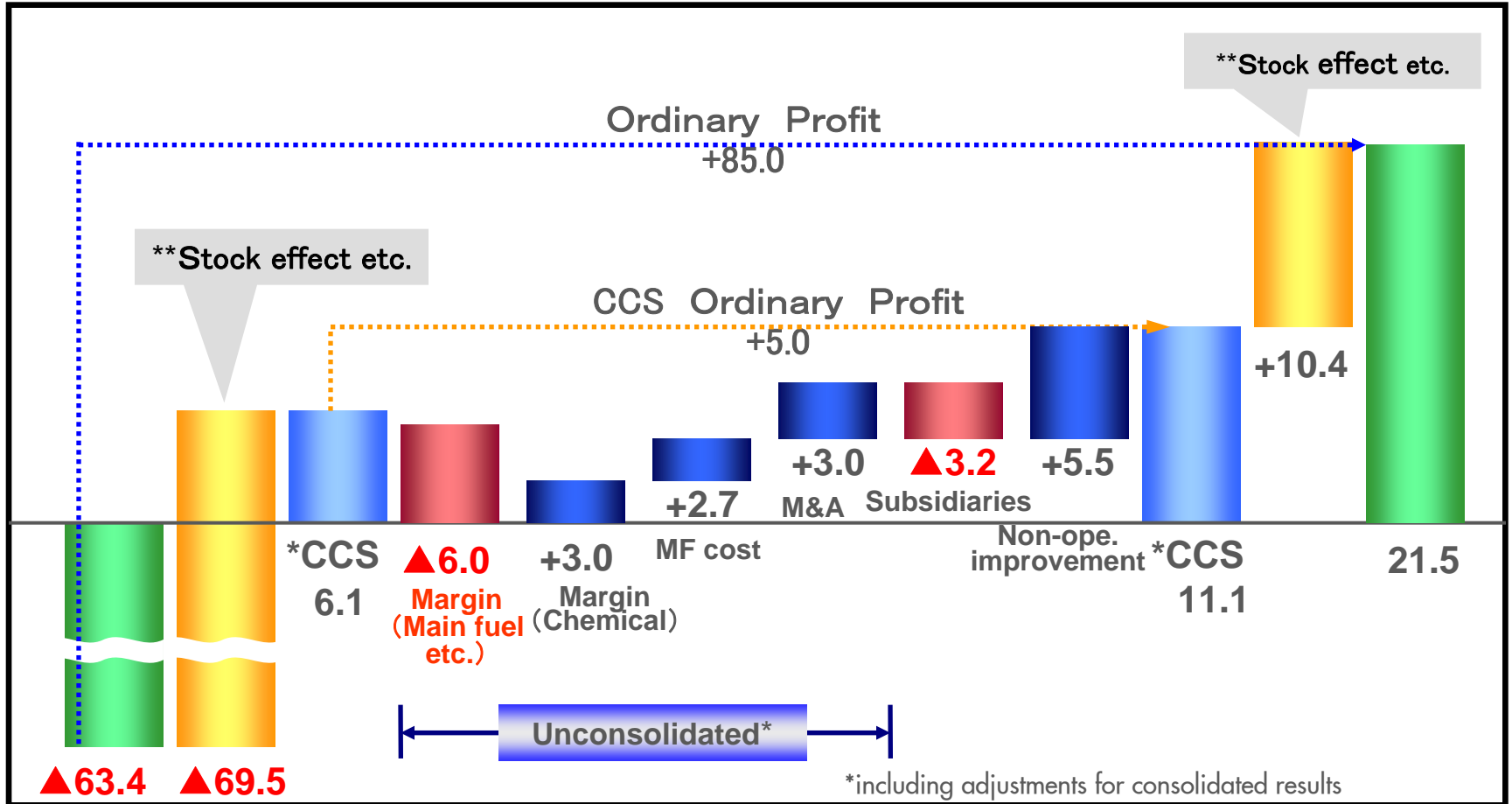
Key points of Financial Results

- The consolidated sales for the first half 2010 amounted to 1,170.2 billion yen (a 24.3% increase compared to the same period a year ago) , and ordinary income was 21.5 billion yen (an increase of 85.0 billion yen compared to the same period a year ago) .The consolidated CCS ordinary profit excluding the impact of inventory valuation was 11.1 billion yen, an increase of 5.0 billion yen for the first half 2010 versus the same period a year ago.
- With regard to the oil , the sales margin have improved compared to the first quarter of 2010, but the ordinary profit for the first half 2010 declined by 6.0 billion yen compared to the result of the same period a year ago.
- With regard to the petrochemical business, although the market condition have weakened in the second quarter of 2010, the ordinary profit for the first half 2010 increased by 3.0 billion yen compared to the result of same period a year ago due to the recovery of margin and sales volume in the first quarter of 2010.
- The overall sales volume for the first half 2010 increased by 0.7% compared to that of the same period a year ago, with the expansion of exports despite the declining domestic sales due to demand decline by the economic slowdown and fuel conversion caused.

Analysis

(Unit: Billion Yen)

Consolidated



2009 1H

CCS: *Current Cost of Supply*
Excluding the effect of inventory valuation

2010 1H

Crude oil refined and Sales volume

■ Crude oil refined & Utilization rate

		2006	2007	2008	2009	2010 Jan-Jun
Crude oil refined	(thousand KL)	27,554	28,413	26,784	25,804	12,376
Refinery utilization rate	(%)	92.2%	95.1%	89.4%	86.3%	83.6%

■ Sales volume by products

		2009 Results Jan-Jun	2010 Results Jan-Jun	VS 2009(%)
Gasoline	(thousand KL)	4,511	4,422	- 2.0%
Jet Fuel	(thousand KL)	1,096	1,068	- 2.6%
Kerosines	(thousand KL)	1,609	1,392	- 13.5%
Diesel Oil	(thousand KL)	2,251	2,110	- 6.3%
Fuel Oil A	(thousand KL)	902	704	- 22.0%
Fuel Oil C	(thousand KL)	964	680	- 29.5%
Others	(thousand KL)	2,398	2,142	- 10.7%
Export	(thousand KL)	833	2,154	+ 158.6%
Total	(thousand KL)	14,564	14,673	+ 0.7%

Forecast for full year results 2010

■ Crude oil price & exchange rate

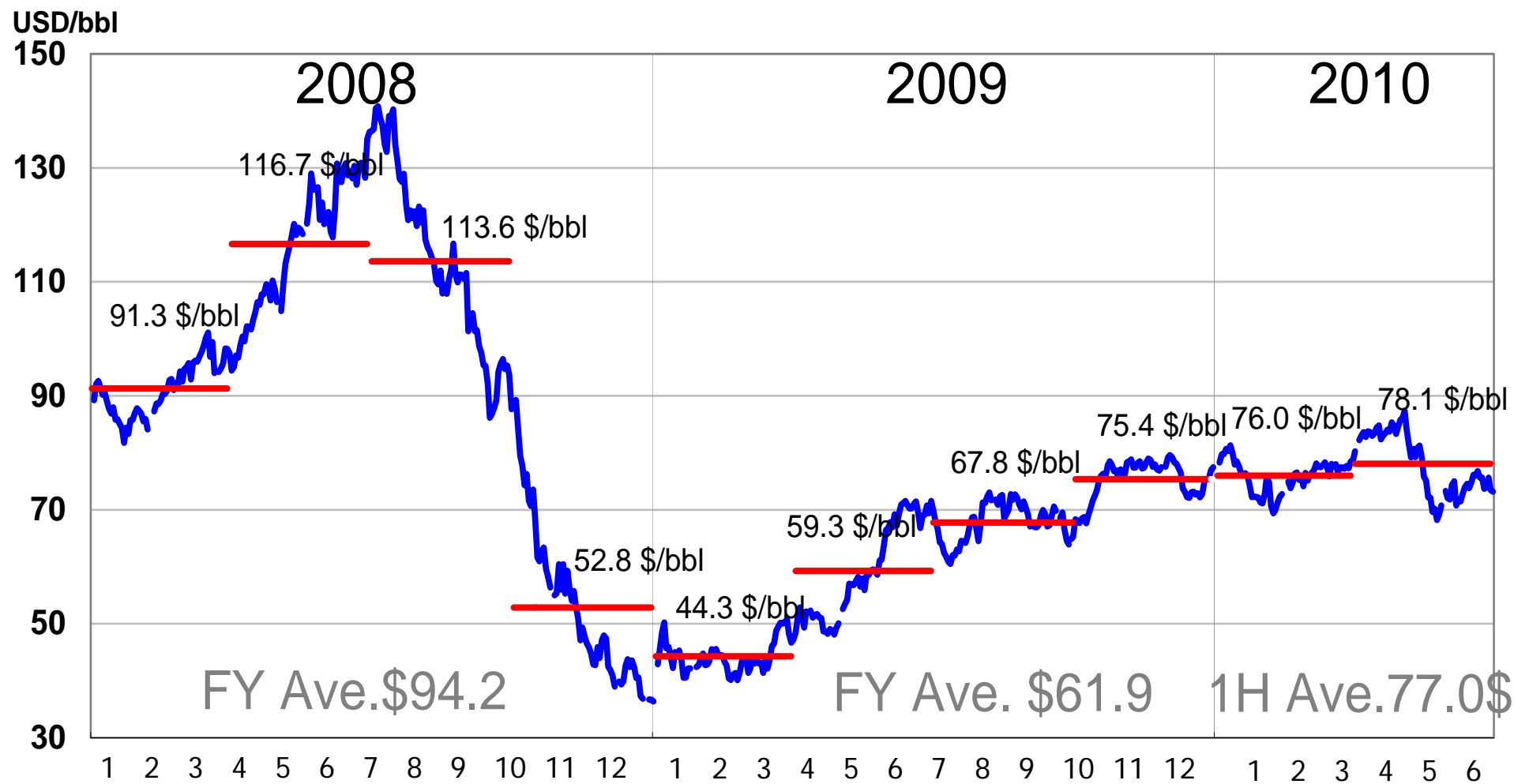
	2009 Results	Forecast for 2010 (announced in Feb)			Forecast for 2010 (announced in Jul)		
		Jan-Jun	Jul-Dec	Jan-Dec	Jan-Jun	Jul-Dec	Jan-Dec
(US \$/bbl)	61.9	75.0	75.0	75.0	77.0	73.0	75.0
(¥/US \$)	93.6	90.0	90.0	90.0	91.4	89.0	90.0

■ Consolidated financial results

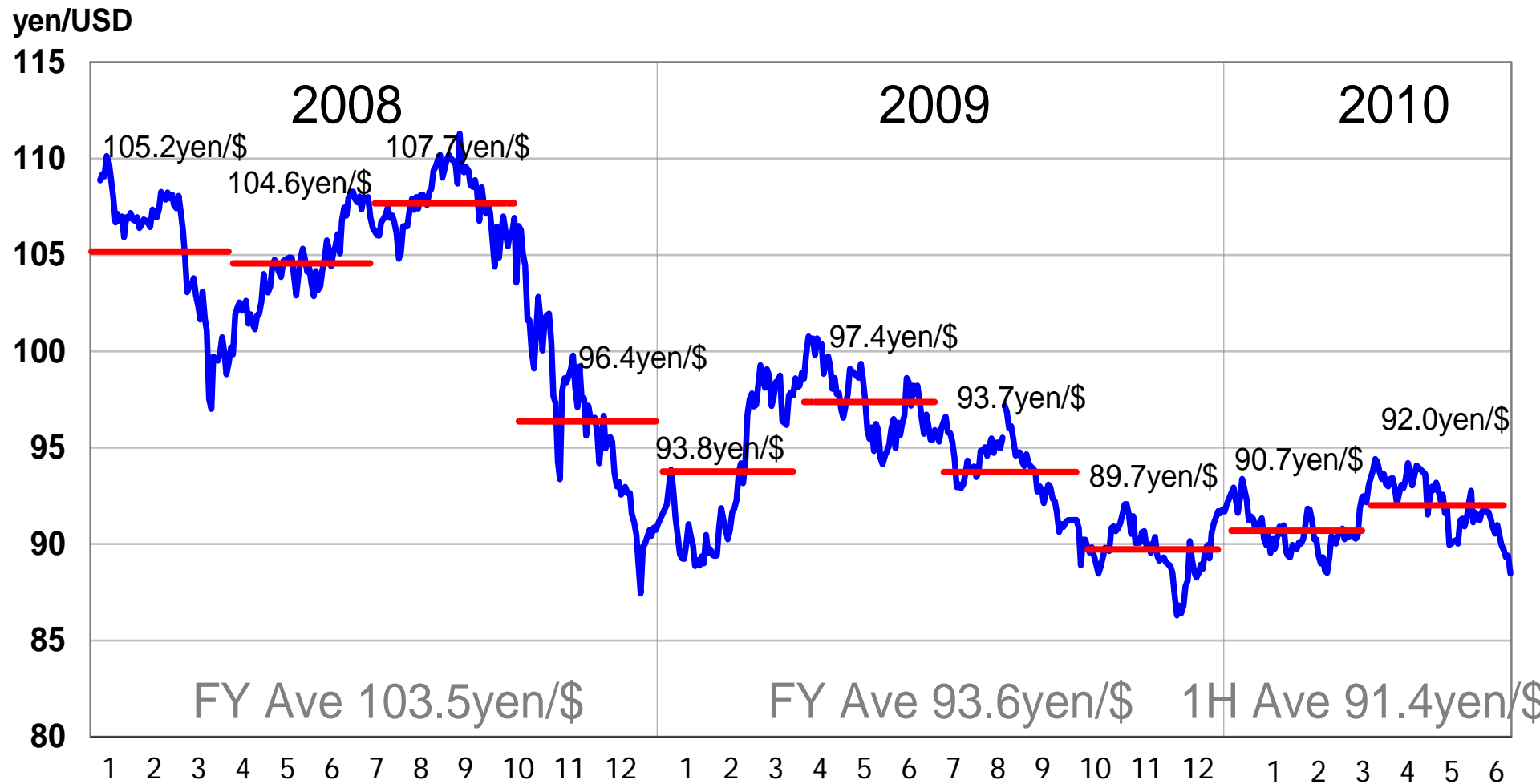
		2009	Forecast for 2010		vs. 2009	
			announced in Apr	announced in Jul		
Sales proceeds	million yen	2,022,520	2,370,000	2,310,000	- 60,000	+14.2%
Operating income	million yen	-57,142	4,000	11,000	+ 7,000	-
Ordinary income	million yen	-56,455	5,500	16,000	+ 10,500	-
Net income	million yen	-57,619	1,000	8,000	+ 7,000	-
※CCS operating income	million yen	-12,378	4,000	11,000	+ 7,000	-
※CCS ordinary income	million yen	-11,691	5,500	16,000	+ 10,500	-

Data Book

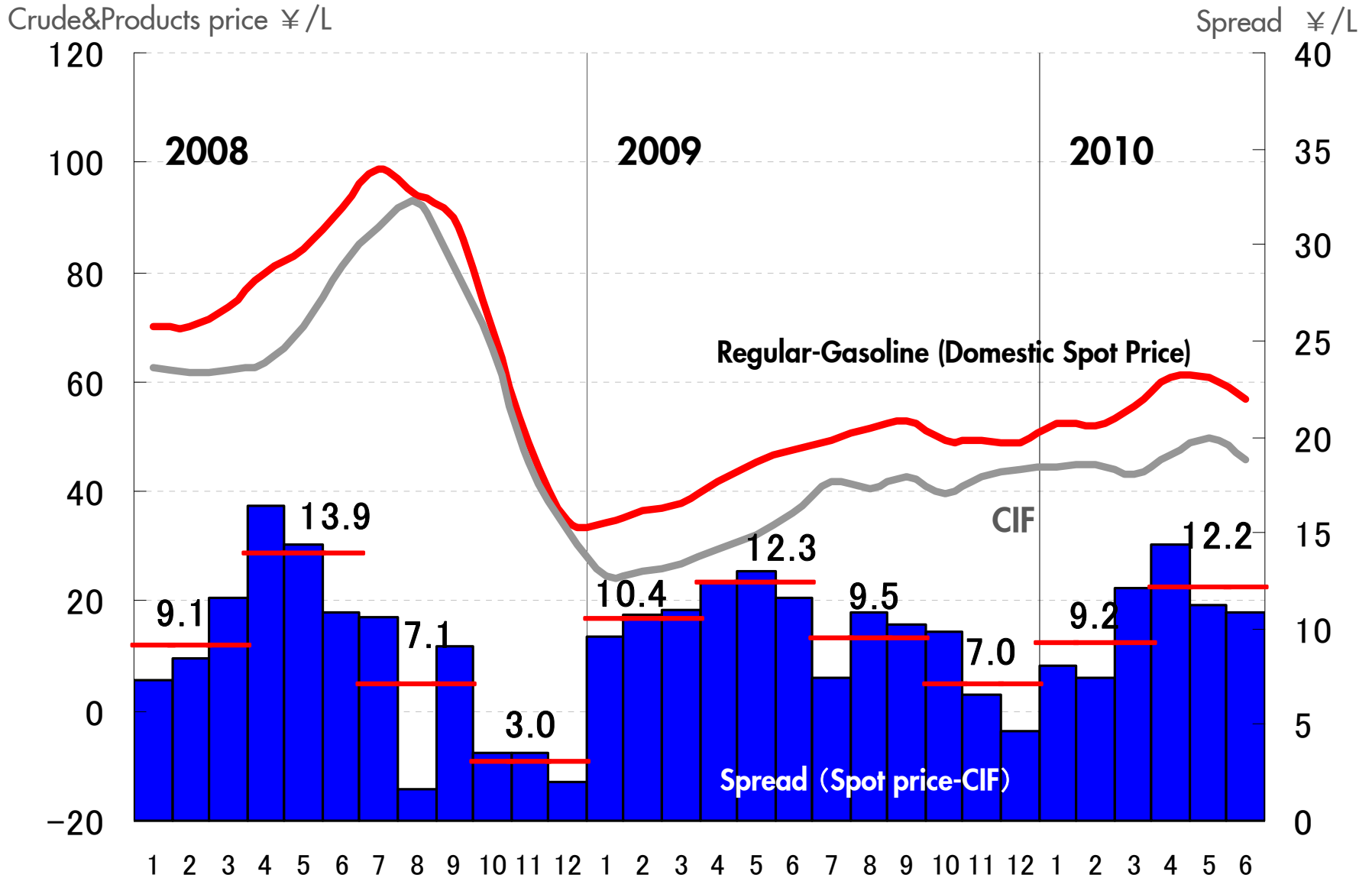
The Dubai crude oil price



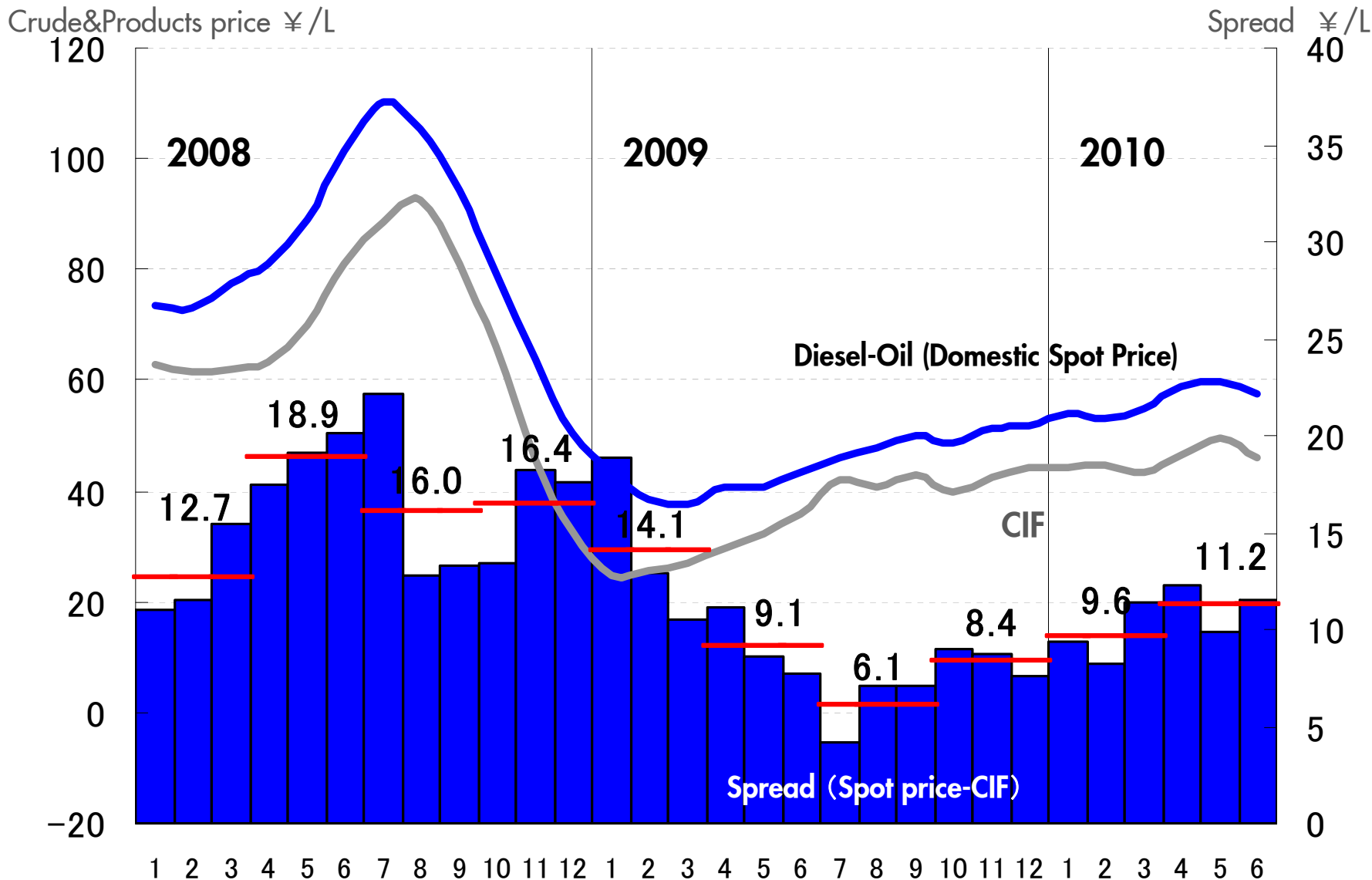
Exchange rates



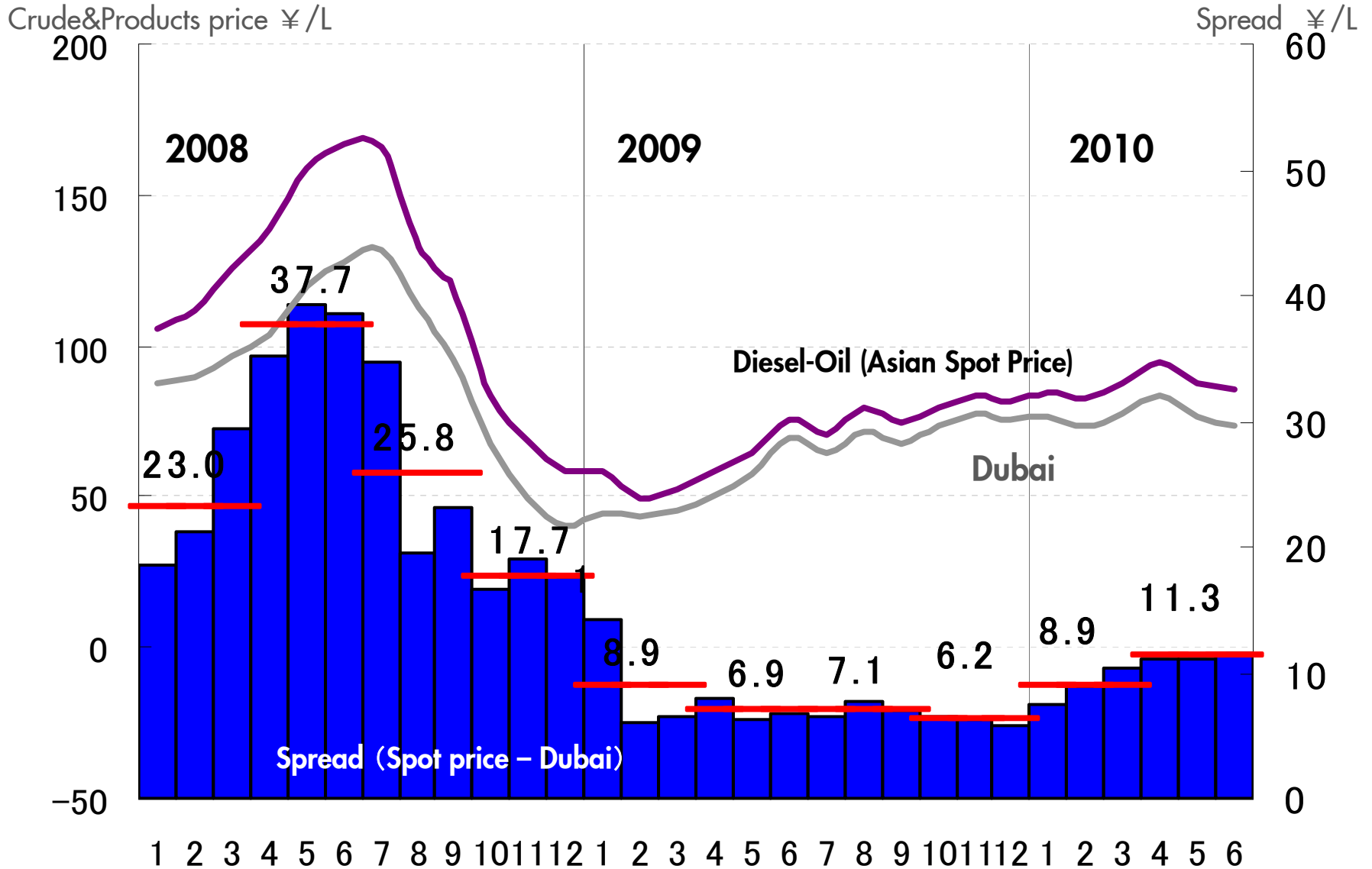
Domestic Market (1) : Regular gasoline



Domestic Market (2) : Diesel Oil



Global Market (1) : Diesel Oil



Global Market (2) : Mixed Xylene

Crude&Products price \$/MT

Spread \$/MT

