

31st July 2007
Showa Shell Sekiyu K.K.

Revision of the Forecasts of Financial Results for 1H/2007

Showa Shell Sekiyu K.K. revised the previous forecasts for the 1st half 2007 Financial Results (1st January to 30th June 2007) released at the announcement of 1st quarter 2007 results on 10th May 2007, taking into consideration the recent oil market trend.

1. Revision of the FY 2007 1st half forecasts (1st January to 30th June 2007) (Consolidated)

	Sales Proceeds	Operating Income	Ordinary Income	Net Income	Net Income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Last announcement(A)	1,450,000	30,000	30,000	17,000	45.16
Revised forecast (B)	1,526,000	38,100	39,200	20,900	55.50
Difference (B)-(A)	76,000	8,100	9,200	3,900	-
Difference (%)	5.2%	27.0%	30.7%	22.9%	-
(Reference) Results of the last period (1st half 2006)	1,438,152	50,013	51,989	29,260	77.81

2. Revision of the FY 2007 1st half forecasts (1st January to 30th June 2007) (Unconsolidated)

	Sales Proceeds	Operating Income	Ordinary Income	Net Income	Net Income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Last announcement(A)	1,390,000	26,000	28,000	17,000	45.15
Revised forecast (B)	1,473,000	34,700	37,700	22,000	58.42
Difference (B)-(A)	83,000	8,700	9,700	5,000	-
Difference (%)	6.0%	33.5%	34.6%	29.4%	-
(Reference) Results of the last period (1st half 2006)	1,385,142	44,942	47,644	27,599	73.38

3. The reason of the revision

The consolidated ordinary income of the 1st half 2007 is expected to be around JPY 39.2 billion (unconsolidated JPY 37.7 billion), since inventory valuation effects increased from the last forecasts taking into consideration high crude oil price.

The forecast of both consolidated and unconsolidated full year results will be disclosed on 10th August when the FY 2007 1st half results is announced.

(Note) These forecasts are based on information available as of the date of publication. For various reasons, the actual results could differ from this forecast.