

25 July 2008

To whom it may concern

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|----------------|---|
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| Representative | Director Haruyuki Niimi |
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Announcement of revisions in the forecast of interim results 2008

In view of recent trends in performance, Showa Shell Sekiyu K.K. has revised its forecast of interim results 2008, originally released on 8 May 2008 at the time of the announcement of first quarter results 2008, as follows.

1. Consolidated interim results 2008 (1 January to 30 June 2008)

| | Sales Proceeds | Operating Income | Ordinary Income | Net Income | Net Income per share |
|-------------------------------------|----------------|------------------|-----------------|-------------|----------------------|
| | Million Yen | Million Yen | Million Yen | Million Yen | Yen |
| Last announcement (A) | 1,610,000 | 34,000 | 35,000 | 20,000 | 53.10 |
| Revised forecast (B) | 1,670,000 | 72,000 | 73,000 | 39,000 | 103.55 |
| Change (B-A) | 60,000 | 38,000 | 38,000 | 19,000 | - |
| Change (%) | 3.7 | 111.8 | 108.6 | 95.0 | - |
| (Reference) Interim results 2007 | 1,526,079 | 38,164 | 39,213 | 20,942 | 55.62 |

2. Nonconsolidated interim results 2008 (1 January to 30 June 2008)

| | Sales Proceeds | Operating Income | Ordinary Income | Net Income | Net Income per share |
|-------------------------------------|----------------|------------------|-----------------|-------------|----------------------|
| | Million Yen | Million Yen | Million Yen | Million Yen | Yen |
| Last announcement (A) | 1,550,000 | 30,000 | 33,000 | 20,000 | 53.09 |
| Revised forecast (B) | 1,620,000 | 66,000 | 69,000 | 37,000 | 98.22 |
| Change (B-A) | 70,000 | 36,000 | 36,000 | 17,000 | - |
| Change (%) | 4.5 | 120.0 | 109.1 | 85.0 | - |
| (Reference) Interim results 2007 | 1,473,961 | 34,748 | 37,710 | 22,012 | 58.45 |

3. Reasons for the revision

It is expected that inventory valuation effects will increase significantly compared with the forecast of the last announcement due to a steep rise in crude oil prices. Consequently, operating income, ordinary income and net income will exceed those of the previous forecast, and hence the revision above. The actual ordinary income, excluding inventory valuation effects, is expected to be almost equal to that of the previous year. Forecast of full year results 2008 will be released at the time of the announcement of interim results 2008 scheduled on 31 July 2008.

(Note) Figures in the above forecast are based on currently available information, and includes various risks and uncertainties. Actual results could differ from this forecast due to changes in economic conditions, market trends, exchange rate and other factors.