Acquisition of Share Capital of ExxonMobil Yugen Kaisha and Transition to New Alliance with Exxon Mobil Corporation

TonenGeneral Sekiyu K.K.

January 30, 2012

TonenGeneral

- This material contains forward-looking statements based on projections and estimates that involve many variables. TonenGeneral operates in an extremely competitive business environment and in an industry characterized by rapid changes in supply-demand balance. Certain risks and uncertainties including, without limitation, general economic conditions in Japan and other countries, crude prices and the exchange rate between the yen and the U.S. dollar, could cause the Company's results to differ materially from any projections and estimates presented in this publication.
- The official language for TonenGeneral's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this web site. While these English versions have been prepared in good faith, TonenGeneral does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.

Today's Agenda

- Outline of the Transaction
- Business Rationale
- Financial Implications
- Schedule

Outline of the Transaction (1)

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- TonenGeneral (TG) to acquire 99% of the shares of ExxonMobil Yugen Kaisha (EMYK) and enter into a new business alliance with ExxonMobil (EM*). Transaction involves:
  - Purchase price of 302 billion yen** including 200M TG shares owned by EMYK
  - EM to remain a significant but non-controlling shareholder of TG
  - The following business scope and alliance agreements

* ExxonMobil refers to Exxon Mobil Corporation and its affiliates

** Prior to the acquisition, there will be some adjustments to the purchase price such as taking into account the cash EMYK will have received through the divestment of a part of the asset and business

Business Portfolio (as of Dec. 31, 2011)

	TG	TG+EMYK
Fuels Marketing		
Service Stations	**904**	**3,813**
Company- owned incl. above	**182**	**746**
Lubricants		
# of Blending Plants	**1**	**2**
Refining & Supply		
Refineries	**3**	4***
Capacity, KBD	**661**	**748*****
Terminals	**1**	**10**

*** Including Chiba refinery (50% of capacity) operated by Kyokuto Petroleum Industries Inc.

Alliance with EM

→ Exclusive use of “Esso” and “Mobil” brands in Japan

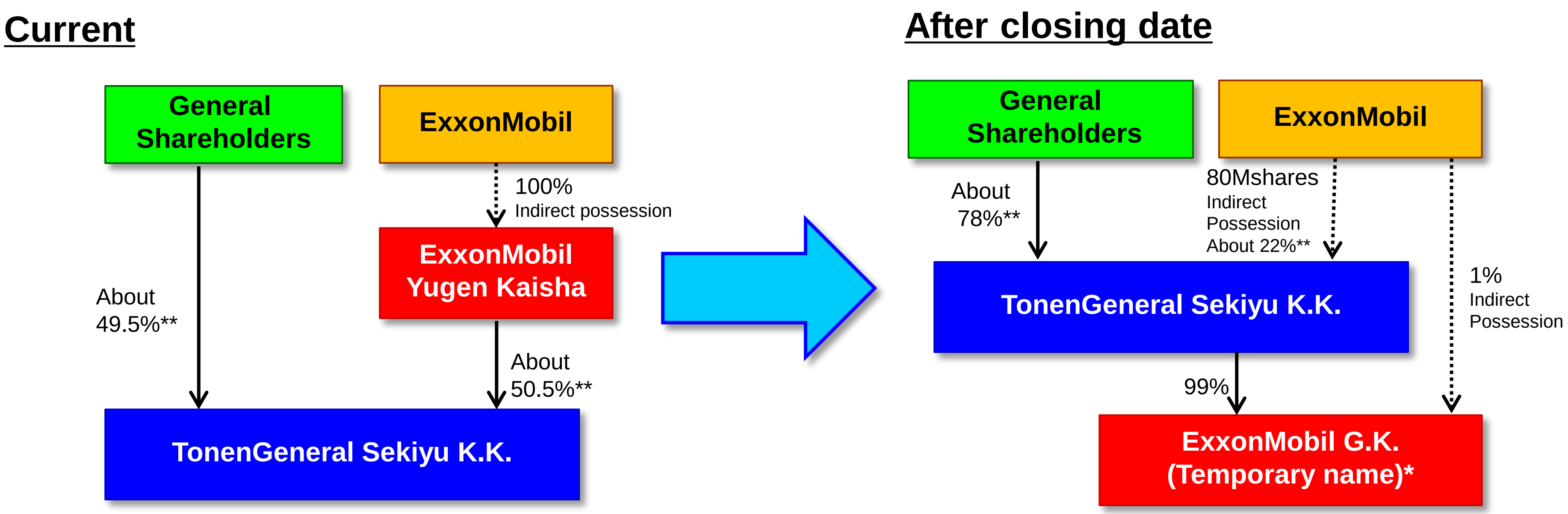
→ Business alliance for lubricants including “Mobil 1”

→ Cooperation in refining & chemical technology, crude procurement and product exports

- Yesterday, TG signed a binding sales and purchase agreement for the acquisition of the EMYK shares. Expected to close in June, 2012

Outline of the Transaction (2)

- Before the closing date, EMYK will divest:
  - About 3 million shares in TG to third parties other than EM, resulting ownership less than 50%
  - 80 million shares in TG and certain chemical businesses to an EM subsidiary
- About 200 million shares in TG owned by EMYK* will become non-voting treasury shares. Outstanding shares reduced to about 360 million
  - General shareholders 78% / EM 22%
- Purchase price paid with cash on hand (about 100 billion yen as of 2011 end) and bank borrowings



* EMYK will convert to a Godo Kaisha before the closing date

** Percentage of voting rights in TG

Business Rationale (1) Integrated operation

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- Form a fully integrated Refining, Petrochemical, Fuels Marketing and Lubricants company under a single management structure

	TonenGeneral Sekiyu K.K.	ExxonMobil Y.K.
Refining & Chemical Manufacturing	Kawasaki, Wakayama and Sakai Refineries Tonen Chemical Corp. Kawasaki Plant	Kyokuto Petro. Ind. KPI Chiba refinery 50% ownership
Distribution	1 Terminal (Shimizu)	9 Terminals (Shiogama, Nagoya, Fushiki, Hiroshima, Takamatsu, Komatsujima, Fukuoka, Sasebo and Miyazaki)
Fuels Marketing	ゼネラル	Express / Esso / Mobil
Lubricants	LOBP (Wakayama)	LOBP (Tsurumi) Mobil 1

Rapidly respond to opportunities and adapt to the evolution of the Japan market

Business Rationale (2) Further enhance competitiveness

- Seek investment opportunities appropriate for the evolving Japanese market environment and enhance highly efficient operations
  - Investment decisions tailored solely for domestic business environment
  - Strengthen collaborative marketing and network development with companies in other sectors in Japan through full utilization of “Esso” and “Mobil” brands
  - Expand collaboration with other manufacturing companies
  - Drive economical investments in energy conservation

Further strengthen competitiveness in the domestic petroleum market

Business Rationale (3) Expansion of stable business portfolio

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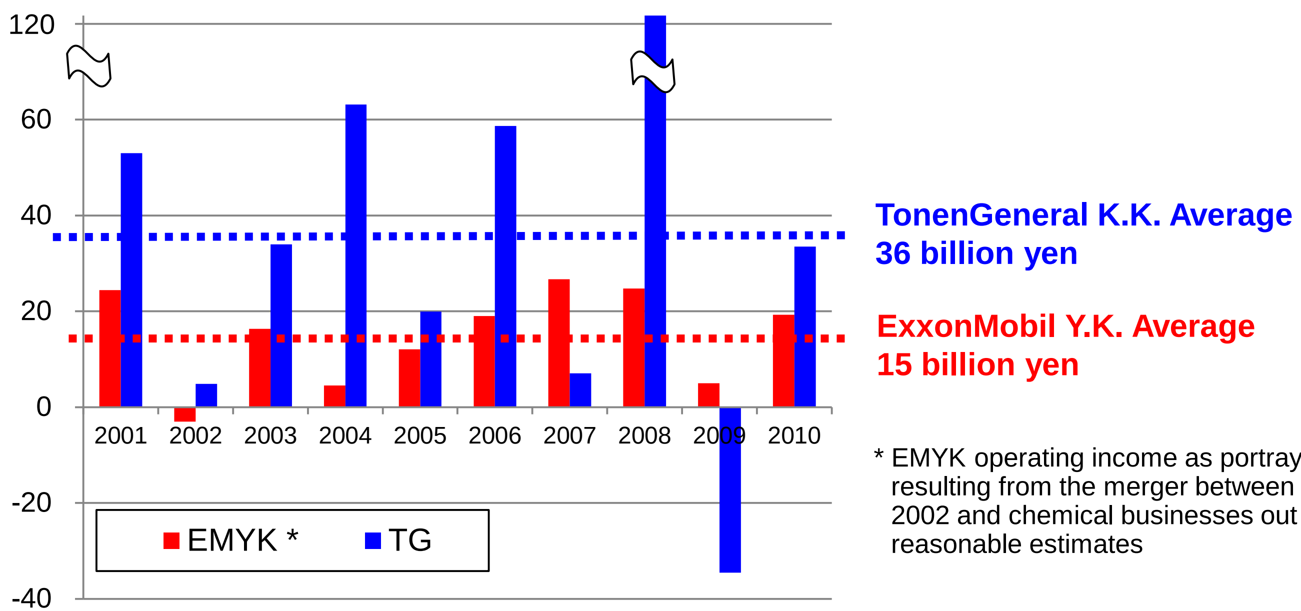
- Expand profits and cash flow by combining with the business portfolio of EMYK whose businesses have been highly efficient and profitable

Operating income for past 10 years
(billion yen)



* EMYK operating income as portrayed excludes goodwill amortization resulting from the merger between Esso Sekiyu and Mobil Sekiyu in 2002 and chemical businesses out of scope of this transaction using reasonable estimates

Continue to realize strong profit & cash flow base

Collaboration with ExxonMobil

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- On-going EM relationship will support Best in Class Performance

Use of Fuel Brands

- Esso Mobil
- Express
- 「Speedpass」

Lube Alliance

- Continuous use of Mobil brands (Mobil 1 etc.)
- Manufacturing & Quality Control Technology
- Joint R&D
- Global network for base oil and products

Technical Support

- Refining
- Chemical
- Management Systems

Supply Cooperation

- Crude
- Feedstock
- Product imports / exports

Unchanged Strategies

- Emphasis on flawless operations
  - Pacesetter safety and environmental performance
  - Solid business controls

- Integrity
  - High ethical standards
  - Effective corporate governance and standards of business conduct
  - Transparent financial reporting

- Financial discipline
  - Rigorous investment evaluation
  - Continuous self-help / efficiency mindset
  - Maintain healthy financial base

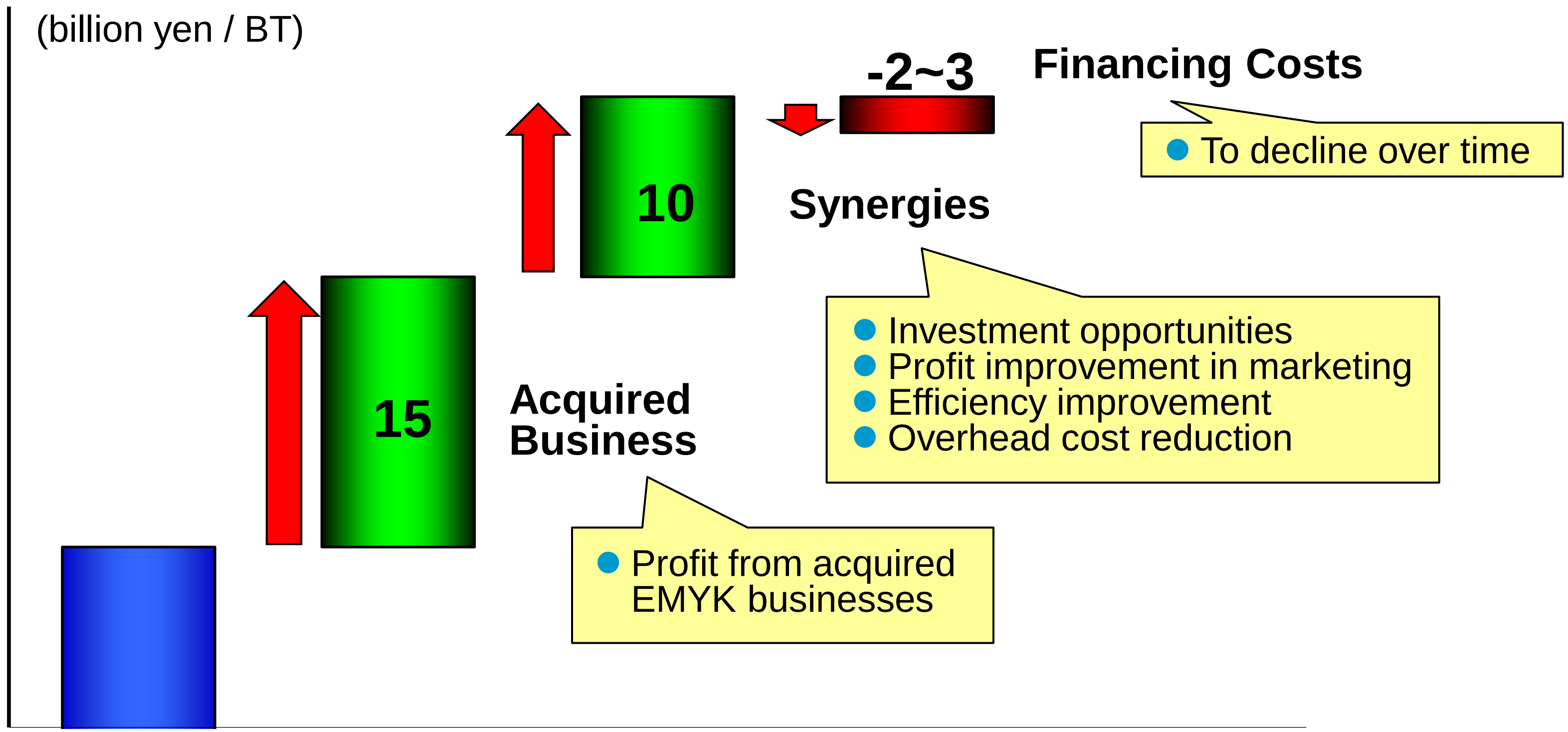
- Focus on high quality workforce

- Shareholder-oriented management
  - Maintain stable dividend
  - Maintain high competitiveness and capital efficiencies

Acquisition and Synergy Effects

- The impact of the transaction on TG's 2012 financial performance is under development, but implication for mid-term performance is as follows:

Acquisition and Synergy Effects



- Significant goodwill expected – amount to be determined after closing
- Net earnings growth and lower # of outstanding shares yield EPS expansion

Future financial management

- Post transaction leverage is within historical range of TG plus EMYK

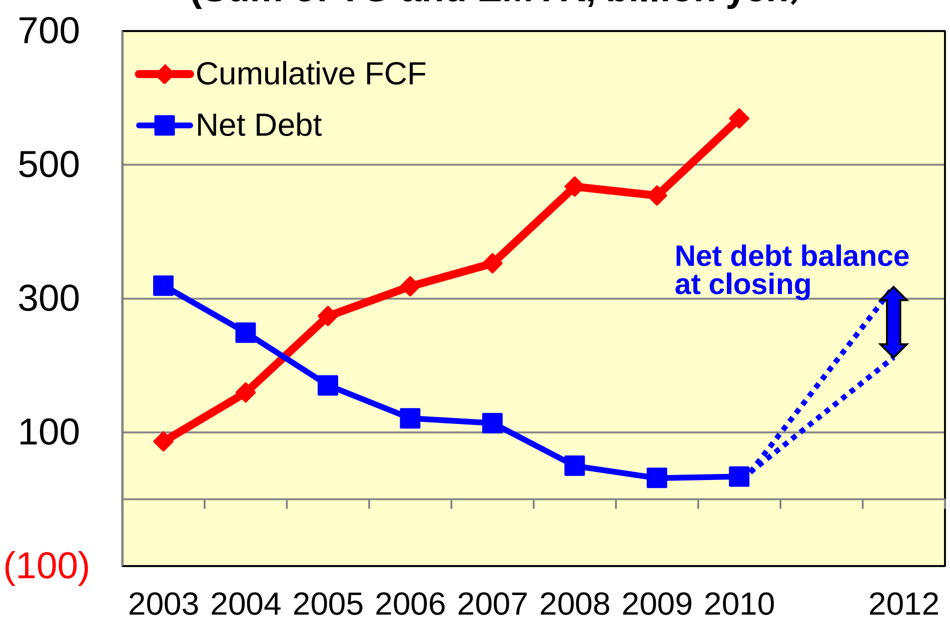
- Sum of the companies cash flow since 2003

	(billion yen)
Net debt reduction	360
Dividend / SBB	210
Total free cash flow	570

- Seek to retain strong long and short-term ratings

- Looking ahead the combined company intends to continue to focus on
  - Stable dividends to shareholders
  - Debt reduction in keeping with prudent finance management

Free cash flow* and net debt trend (2003-2010)**
(Sum of TG and EMYK, billion yen)

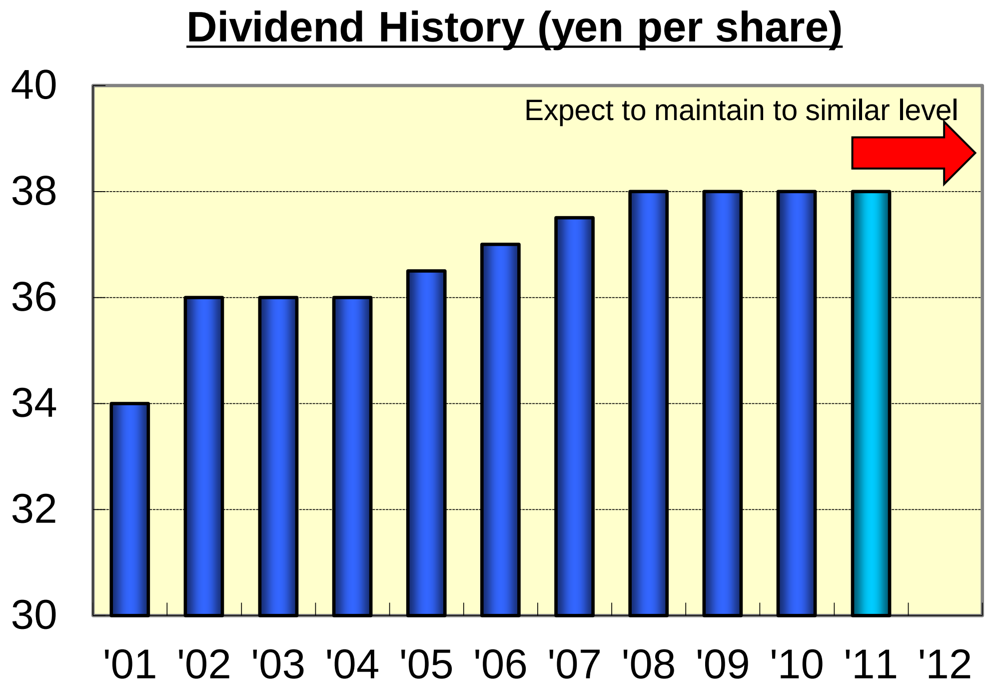


* Sum of cash flows from operating and investing activities
** Average of net debt balance at beginning and ending of each year

- To optimize our capital structure, have flexibility to consider various options including the potential of disposing of up to 50% of the approximately 200 million TG shares which EMYK will hold upon closing of the transaction

Shareholders Return

- Continue stable dividend
- No plan to change 38 yen per share of 2011 full year dividend forecast
- Expect to maintain same per share dividend level in 2012



Measures to ensure fairness of the Transaction

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- Consideration, discussion and negotiation by a Project Team comprised of members independent of EM

- Establishment of an independent Third Party Committee who provided an affirmative opinion stating that the transaction was implemented through an appropriate process and it is not disadvantageous to the minority shareholders

- Obtained a valuation report and an opinion on the fairness of the transaction price from an independent third-party

- Selected Nomura Securities Co., Ltd. as a financial advisor and Nishimura & Asahi as a legal advisor

Schedule (Plan)

	Events	Contents of announcement
Jan. 2012	Binding agreement to acquire EMYK and Alliance Agreements (Yesterday)	Outline and background of the transaction
Feb. 2012	Announcement of full year 2011 results	2012 Earnings and dividend outlook
Mar. 2012	Annual general meeting of shareholders	
Jun. 2012	Transaction closing - acquisition of 99% equity interest in EMYK Begin operation with the new structure	

Reference

History and Future of TG and ExxonMobil Group in Japan

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- From establishment to merger (1893 to 2000)
  - Esso Sekiyu, Mobil Sekiyu and General Sekiyu as sales companies and Tonen enhanced competitiveness independently
  - All companies maintained high profitability through efficient operation
  - Entered in a competition age after deregulation in the late 1990's

- From merger to now (2000 to 2011)
  - Following the merger between Exxon and Mobil, their 4 affiliates in Japan merged into 2 companies (TG and EMYK). Average annual operating income of the 2 companies totaled over 50 billion yen.
  - Enhanced operations reliability by applying ExxonMobil's management systems based on thorough initiatives on safety and operations integrity, high level of corporate ethics, and effective internal control
  - Realized high-efficient operation by thorough rationalization
    - Streamlining corporate organization
    - Restructuring employees by merger and entrustment
    - Restructuring investment and asset portfolio

- Future (2012 and after)
  - Reinforce business in Japan through further integration of TG and EMYK's operation
  - Maintain operations integrity by the management foundation acquired in the past
  - Manage stable and highly efficient operations by domestic market oriented investment

EMYK (ExxonMobil Y.K.) Overview

❑ Representative	P. P. Ducom (Concurrently serve as TG Representative Director, President)
❑ Head Office	1-8-15 Konan, Minato-ku, Tokyo, Japan (Co-located with TG)
❑ Business	Sale of Petroleum products (Fuel and Lubricant), petrochemical products, etc.
	Business services (entrusted by TG and other affiliates)
❑ Established	December 11, 1961
❑ Employees	770 as of December 31, 2010
❑ Sales Branches	7 (East Japan, Tokyo No.1, Tokyo No.2, Nagoya, Osaka No.1, Osaka No.2 and West Japan)
❑ Major Investment	TG (282 million shares: 50.02% of TG issued shares)
	50% of Kyokuto Petroleum Industries (Chiba Refinery) shares
❑ Major Assets	
➢ Service Station	Company owned: 564 as of December 31, 2011 (Total number of service stations owned by company or dealers : 2,909)
➢ Terminal	9 (Shiogama, Nagoya, Fushiki, Hiroshima, Takamatsu, Komatsushima, Fukuoka, Sasebo and Miyazaki)
➢ Manufacturing site	Tsurumi Lube Blending Plant

❑ Financials (2010) in billion yen

➢ Sales revenue	1,569.7
➢ Operating income	19.7
➢ Ordinary income	32.4
➢ Net income	25.1
➢ Net assets	115.1
➢ Total assets	624.0

TG (TonenGeneral Sekiyu K.K.) Overview

- Representative — P. P. Ducom
- Head Office — 1-8-15 Konan, Minato-ku, Tokyo, Japan
- Business — Manufacturing, processing and sales of petroleum and Petrochemical products
  Supply and Distribution (Entrusted by EMYK)
- Established — July 26, 1947
- Employees — 2,178 as of December 31, 2010 (Consolidated)
- Major Investment — Consolidated companies such as Tonen Chemical Corp.
  Equity interest of 50% of Nippon Unicar Company Ltd., and 35% of Shimizu LNG K.K.
- Major Assets
  - Manufacturing Site — Kawasaki Refinery (Integrated operation with chemical)
    Sakai Refinery
    Wakayama Refinery (includes lube production)
  - Service Station — Company owned: 182 as of December 31, 2011
    (Total number of service stations owned by company or dealers : 904)
  - Terminal — 1 (Shimizu)
- Consolidated Financials (2010) in billion yen
  - Sales revenue — 2,398.7
  - Operating income — 33.5
  - Ordinary income — 37.0
  - Net income — 42.9
  - Net assets — 248.3
  - Total assets — 906.8

EM (Exxon Mobil Corporation) Overview

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Representative	R. W. Tillerson
Head Office	5959 Las Collinas Boulevard, Irving, Texas, U.S.A.
Business	Exploration, development, refinery and sales of oil resources, among others
Established	August 5, 1882
Employees	83.6 thousand as of December 31, 2010

- Major Business Statistics for 2010
  - Upstream: Liquid production: 2,422 KBD
    Natural gas sales: 14,718 MCFD
  - Downstream: Refining capacity: 36 refineries with total 6,253 KBD
    Product sales: 6,414 KBD
    Service Station: 26,278
  - Chemical: Sales volume: 25,891 kTon

- Consolidated Financials (2010) in US billion dollars
  - Sales revenue 370.1
  - Net income 30.5
  - Total assets 302.5

Historical 3-Year Financials for EMYK

Unit: million yen	FY2008	FY2009	FY2010
Net sales	2,052,566	1,347,504	1,569,716
Operating income/(loss)	26,681	5,621	19,685
Ordinary Income/(loss)	37,827	15,793	32,422
Net income/(loss)	24,119	12,531	25,063

Unit: million yen	2008 end	2009 end	2010 end
Total assets	635,030	632,973	623,962
Total net assets	159,932	119,016	115,128