TonenGeneral Sekiyu K.K.
1Q 2015 Financial Results

May 15, 2015

- This material contains forward-looking statements based on projections and estimates that involve many variables. TonenGeneral Sekiyu 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 and product 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 Sekiyu'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 website. While these English versions have been prepared in good faith, TonenGeneral Sekiyu does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.

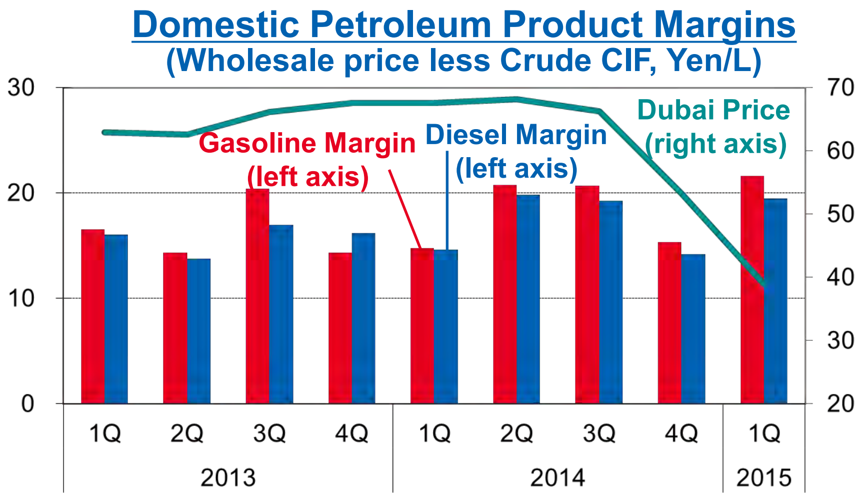
東燃ゼネラル石油株式会社

1Q15 Company Key Items

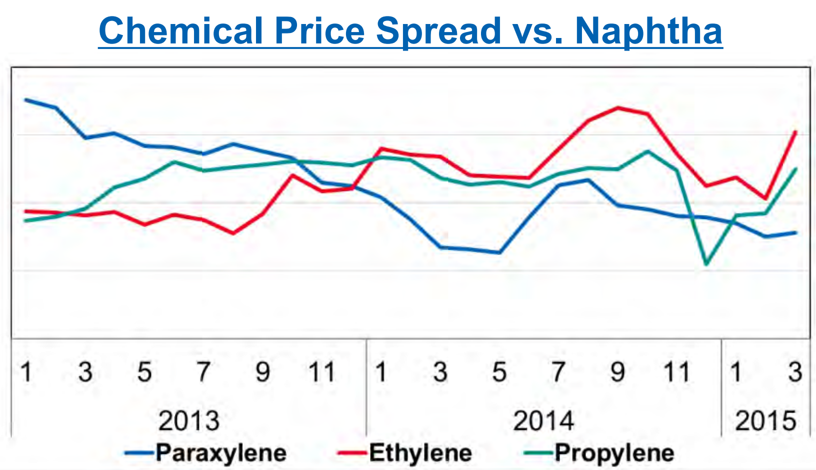
- 1Q15 operating income excluding inventory/goodwill was record quarterly result since structural corporate change in 2012
  - Albeit operating income was negative due to large inventory loss
- Gyxis, the four corporate group*1 LPG import and wholesale company began operations on April 1, 2015
- Speedpass*2 growth accelerating, issuance exceeded 5 million
  - 1M→2M:30Mon, 2M→3M:29Mon, 3M→4M:27Mon, 4M→5M:20Mon
- Advancing further simplification of TG Group
  - MOC Marketing (MOCM) to be dissolved on June 30th and Kyokuto Petroleum Industries (KPI) to be merged into TG on July 1st
- METI and Tokyo Stock Exchange collectively selected TG as a "Brand of Companies Enhancing Corporate Value through Health and Productivity Management*3"
  - TG one of only 22 selected among 3,561 listed companies

*1 Cosmo Oil Co., Ltd., Showa Shell Sekiyu K.K., Sumitomo Corporation, and TonenGeneral Sekiyu K.K.
*2 Contactless payment device that can be used at "Express"
*3 Enterprises that focus on employee health from the viewpoint of management and undertake strategic initiatives

1Q15 Business Environment



Source: PAJ and Oil Information Center



Data derived from Bloomberg

Oil Segment

- Crude price bottomed out in mid January followed by rise in February / March
- 1Q15 domestic product margin improved
- 1Q15 domestic major 5 fuels demand : -7.2% vs. 1Q14
  - Gasoline & distillate -5.2% reflects absence of 1Q14 pre-lifting due to consumption tax increase in April
  - Fuel Oil C -17.2%, mainly due to less power use demand
- Export distillate advantage widened / Fuel Oil C disadvantage narrowed

Chemical Segment

- Ethylene remains strong under tight supply and demand balance in the region
- New AP capacity continues to pressure paraxylene

1Q15 Financial Highlights

- Net sales :157.6 billion yen decrease mainly due to decrease in crude / product prices
- Operating income was negative 14.2 billion yen, a 0.6 billion yen decline:
  - Inventory : -45.0 billion yen, loss from crude & oil product price drop
  - Oil : +48.0 billion yen, favorable domestic and export margins
  - Chemical : -3.5 billion yen, favorable olefins yet relatively weaker than 1Q14
- Net income: 25.9 billion yen loss includes negative 15.2 billion yen reduction in value of tax losses due to tax reform

billion yen	1Q14	1Q15	Inc./Dec.
Net Sales	**821.4**	**663.8**	-157.6
Operating income	**-13.6**	**-14.2**	**-0.6**
Ordinary income	**-14.3**	**-14.9**	-0.6
Extraordinary gain/loss	**-1.3**	**-0.3**	1.0
Net income	**-10.7**	**-25.9**	**-15.2**

(Breakdown of operating income)

Inventory gain/loss	**0.1**	**-45.0**	-45.0
Goodwill amortization	**-4.2**	**-4.4**	-0.1
Adjusted Operating income	**-9.4**	**35.1**	**44.5**
Oil segment	**-17.3**	**30.8**	48.0
Chemical segment	**7.8**	**4.3**	-3.5

Factor Analysis of 1Q15 Operating Income

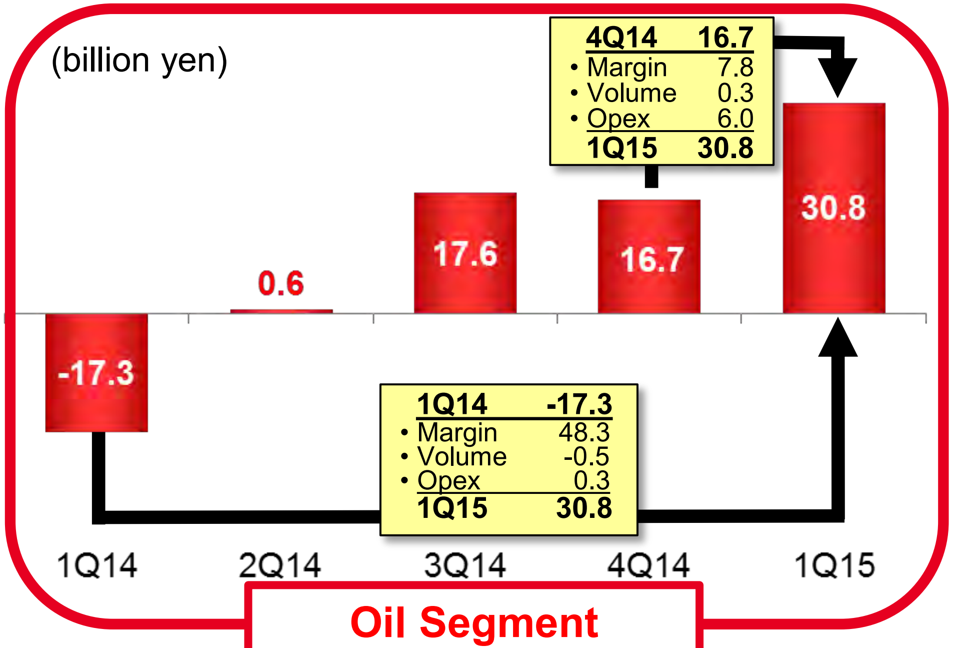
Oil

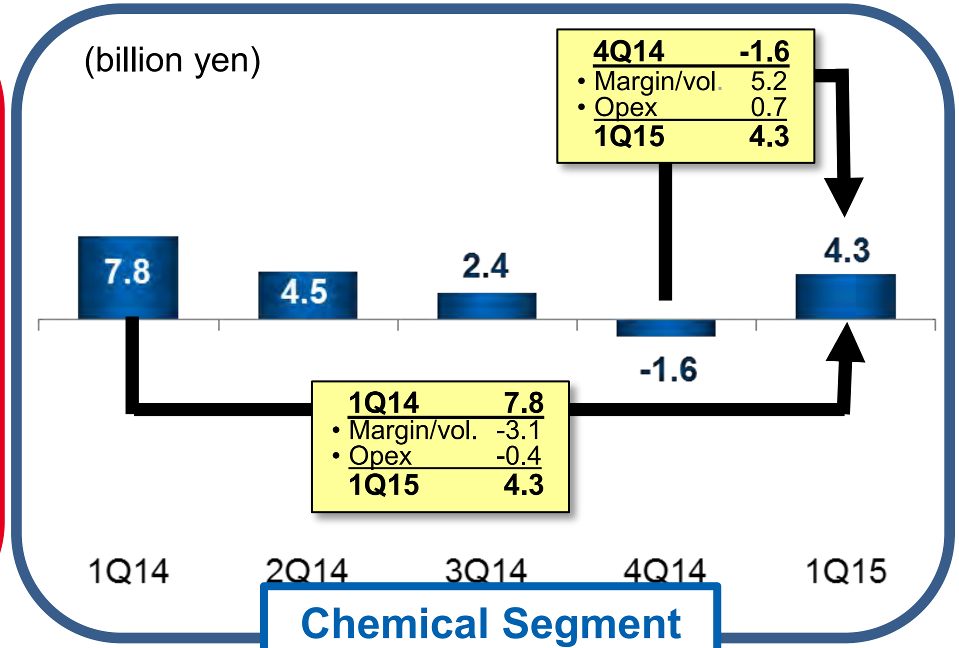
- Substantial domestic and export margin expansion
- Volume / opex factors minor, except opex reduction versus 4Q14 mainly due to timing

Chemical

- Returned to profitability in 1Q15, mainly due to absence of turnaround effect and unfavorable naphtha price lag in 4Q14
- Versus 1Q14, olefins profitability declined

Quarter to Quarter Adjusted Operating Income (1Q14 through 1Q15)





Sales Volume[*1]

Product	1Q14	1Q15	Inc./Dec.	Inc./Dec. Industry
Oil products (KKL)				
Gasoline	2,570	**2,466**	-4.0%	-4.8%
Kerosene	1,012	**959**	-5.2%	-7.0%
Diesel Fuel	975	**910**	-6.7%	-2.4%
Fuel Oil A	429	**340**	-20.8%	-9.1%
Fuel Oil C	584	**605**	3.6%	-17.2%
LPG/Jet/Others	1,261	**1,239**	-1.7%	
Domestic sales total [*2]	6,832	**6,519**	-4.6%	
Export	1,626	**1,795**	10.4%	
Oil products	8,458	**8,315**	-1.7%	
Chemical Products (Kton)				
Olefins and others	424	**402**	-5.0%	
Aromatics	213	**215**	0.9%	
Specialties	62	**55**	-10.7%	
Chemical products	699	**673**	-3.7%	

	1Q14	1Q15	Industry 1Q15
Topper Utilization[*3]	83%	**83%**	89%

- Continued domestic / export sales channel margin optimization
  - Rise in mogas / distillate exports
  - Rise in FOC domestic sales
  - Upturn in domestic jet
  - Domestic mogas better than industry
- Minor steamcracker furnace maintenance limited olefins
- Continued aromatics / gasoline product margin optimization

*1 Restated volume data to include MOCM acquisition effects for both periods.
*2 Bonded sales volume included in domestic sales
*3 Utilization for TonenGeneral four refineries and excluding the decommissioned 2 toppers for both periods

FY2015 Earnings Forecast

- FY2015 operating income 32 billion yen, 13billion yen lower than Feb. forecast
  - Oil : +12 billion yen reflecting strong 1Q results
  - Chemical : +5 billion yen as a result of strong 1Q results and olefin margins in 2Q
  - Inventory losses : -30 billion yen, anticipating partial reversal of 1Q15 inventory loss
- 38 yen per share dividend forecast reaffirmed

billion yen	1Q15 Actual	May Update		Change from Feb. Forecast	
		1H15	FY15	1H15	FY15
Net Sales	663.8	**1,250.0**	**2,600.0**	-100.0	-100.0
Operating income	-14.2	**10.5**	**32.0**	-12.5	-13.0
Ordinary income	-14.9	**10.0**	**31.0**	-13.0	-14.0
Extraordinary gain/loss	-0.3	**9.0**	**9.0**	-	-
Net income	-25.9	**-1.0**	**9.0**	-6.0	-7.0
(Breakdown of operating income)					
Inventory gain/loss	-45.0	**-30.0**	**-30.0**	-30.0	-30.0
Goodwill amortization	-4.4	**-8.5**	**-17.0**	-	-
Adj. Operating income	35.1	**49.0**	**79.0**	17.5	17.0
Oil segment	30.8	**38.0**	**63.0**	11.5	12.0
Chemical segment	4.3	**11.0**	**16.0**	6.0	5.0

Note) Assumed Dubai ($60/bbl) and Forex (119Yen/$) for the remaining period in 2015

Cash Flows, Debt/Equity

- 1Q15 adjusted free cash flow was 44.3 billion yen, excluding:
  - Timing effect of 1Q excise tax payments (63 billion to reverse by year-end)
- 1Q15 net debt increased by 25 billion yen vs. 2014 end

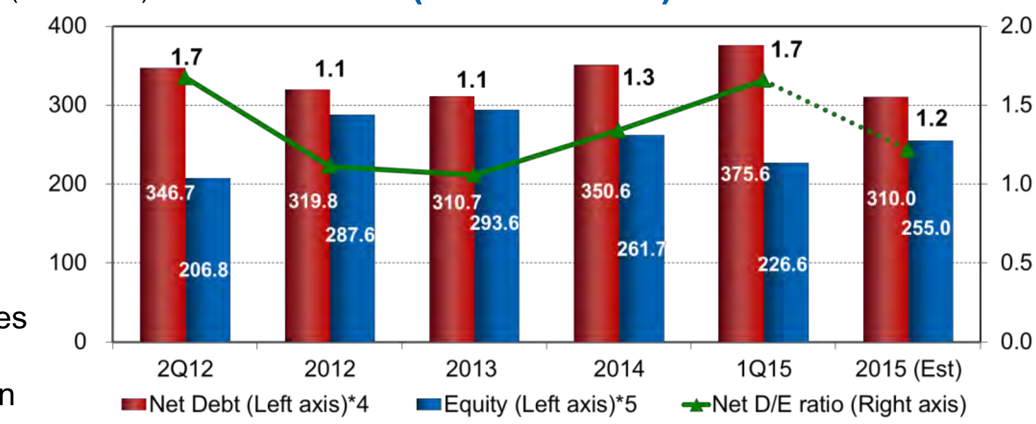
	billion yen
Free cash flow	(18.7)
Dividend payment	(6.3)
(Increase)/decrease in net debt	(25.0)

- Net D/E ratio to improve from 1.7 at 1Q15 end to 1.2 toward year end
  - Strong operating performance
  - Absence of timing effects
  - Continued focus on working capital

1Q15 Cash flow (billion yen)

Net income before taxes*1		29.8
Depreciation*2 / (Capex)		3.1
Inventory (increase) / decrease*1		11.9
Working capital changes / Other		-0.5
Adjusted Free Cash Flow	**44.3**	
Timing of excise taxes payment		-63.0
Free Cash Flow*3	**-18.7**	

Period end Net Debt/Equity (2012 – 2015)



*1 Exclude inventory effects
*2 Include goodwill amortization
*3 Sum of cash flows from operating and investing activities
*4 Debt deducting cash and cash equivalents
*5 Net assets deducting minority interests and subscription rights to shares

Supplemental Information

Sales Volume

❑ Sales volume consistent with net sales

Product	1Q14*1	1Q15*2	Inc./Dec.	Inc./Dec.
Oil products (KKL)				Industry
Gasoline	2,281	**2,466**	8.1%	-4.8%
Kerosene	779	**959**	23.2%	-7.0%
Diesel Fuel	816	**910**	11.5%	-2.4%
Fuel Oil A	383	**340**	-11.1%	-9.1%
Fuel Oil C	533	**605**	13.7%	-17.2%
LPG/Jet/Others	1,056	**1,239**	17.3%	
Domestic sales total	5,847	**6,519**	10.6%	
Export	1,438	**1,795**	24.9%	
Oil products	7,284	**8,315**	14.1%	
Chemical Products (Kton)				
Olefins and others	414	**402**	-2.9%	
Aromatics	213	**215**	0.9%	
Specialties	62	**55**	-10.7%	
Chemical products	690	**673**	-2.5%	Industry 1Q15
Topper Utilization	83%*3	**85%*4**		89%

*1 Not include MOCM acquisition effect
*2 Includes MOCM acquisition effect for 1Q15
*3 Utilization for TonenGeneral three refineries and excluding the decommissioned two toppers
*4 Utilization for TonenGeneral four refineries and excluding the decommissioned 2 toppers

Sensitivities for 2015 Earnings Forecast

- Base assumptions for the earnings forecast

Key Factors	Unit	Base
Dubai FOB	US$/Bbl	60
Exchange Rate	Yen/US$	119

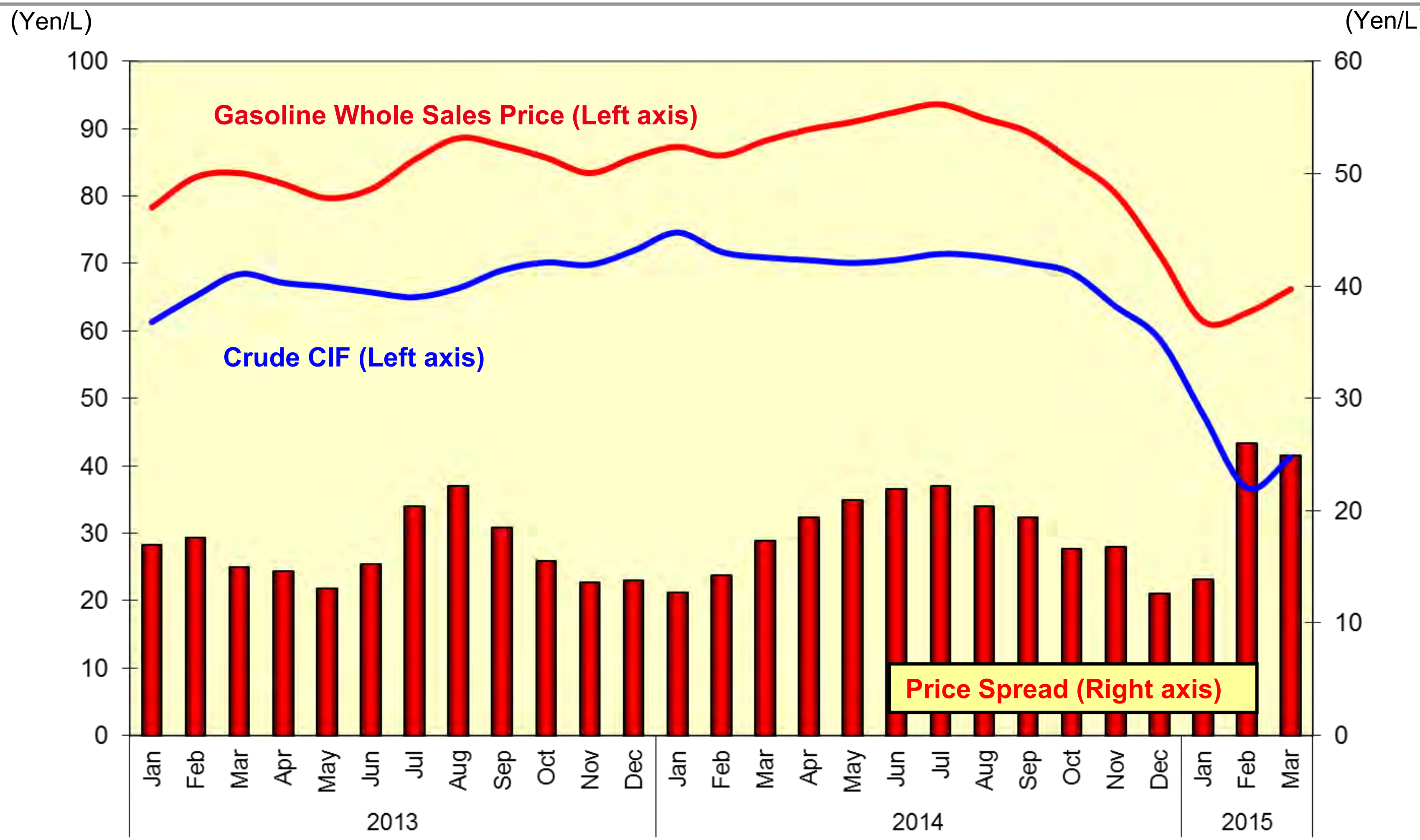
Above assumptions used for net sales and inventory effects calculation

- Full year sensitivities in the future operating income

Key Factors	Unit	Appreciation by	Annual Impact (billion yen) Operating income*1
Dubai FOB	US$/Bbl	10	30*1
Exchange Rate	Yen/US$	10	-15*1
Refining margin	Yen/L	1	35*2

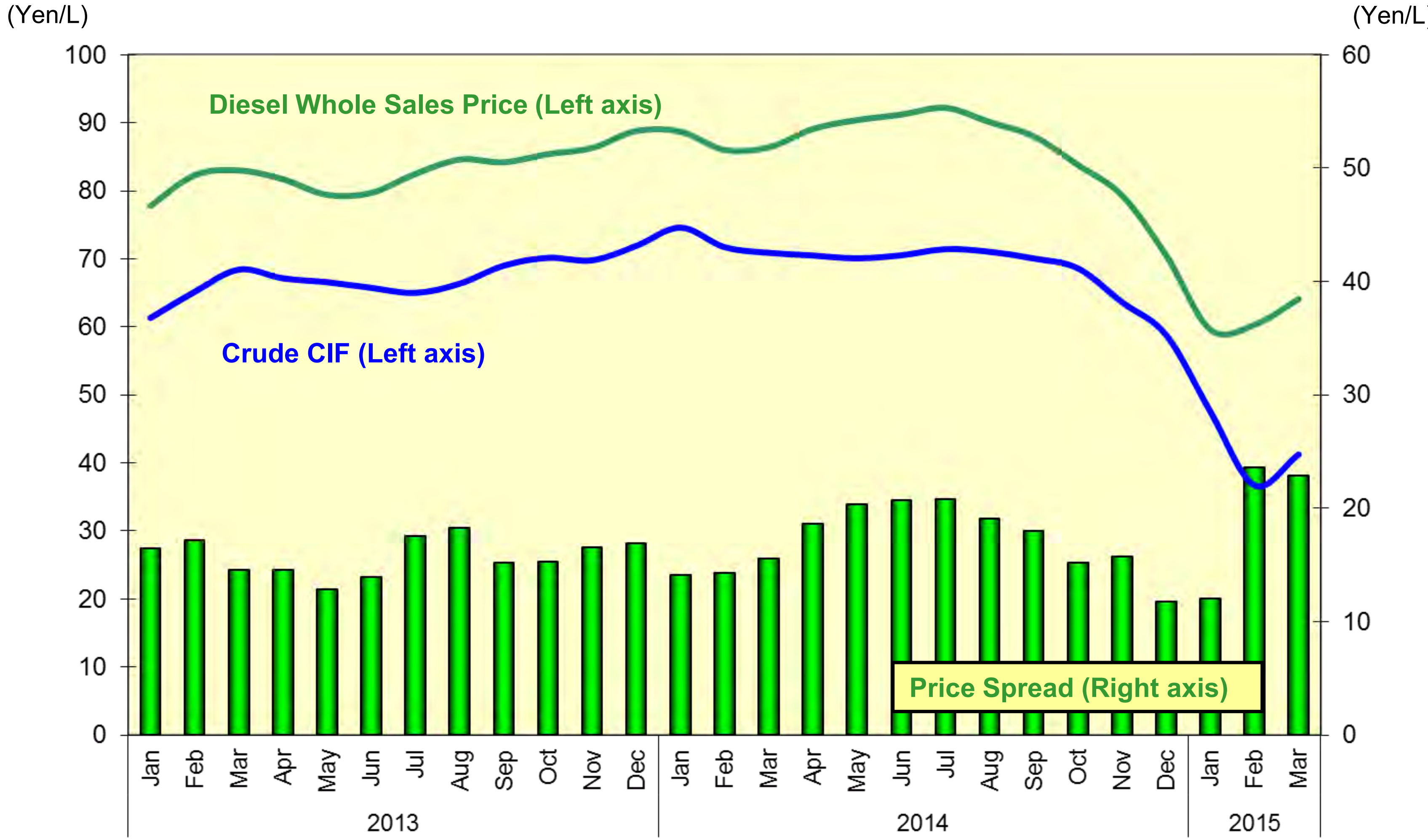
*1 Inventory effects only, the sensitivity would change subject to timing of crude price fluctuation and inventory volume
*2 Impact to operating income on annual basis rounded to nearest billion yen subject to change in sales volume

Price Spread (Gasoline Wholesale Price vs. Crude CIF)



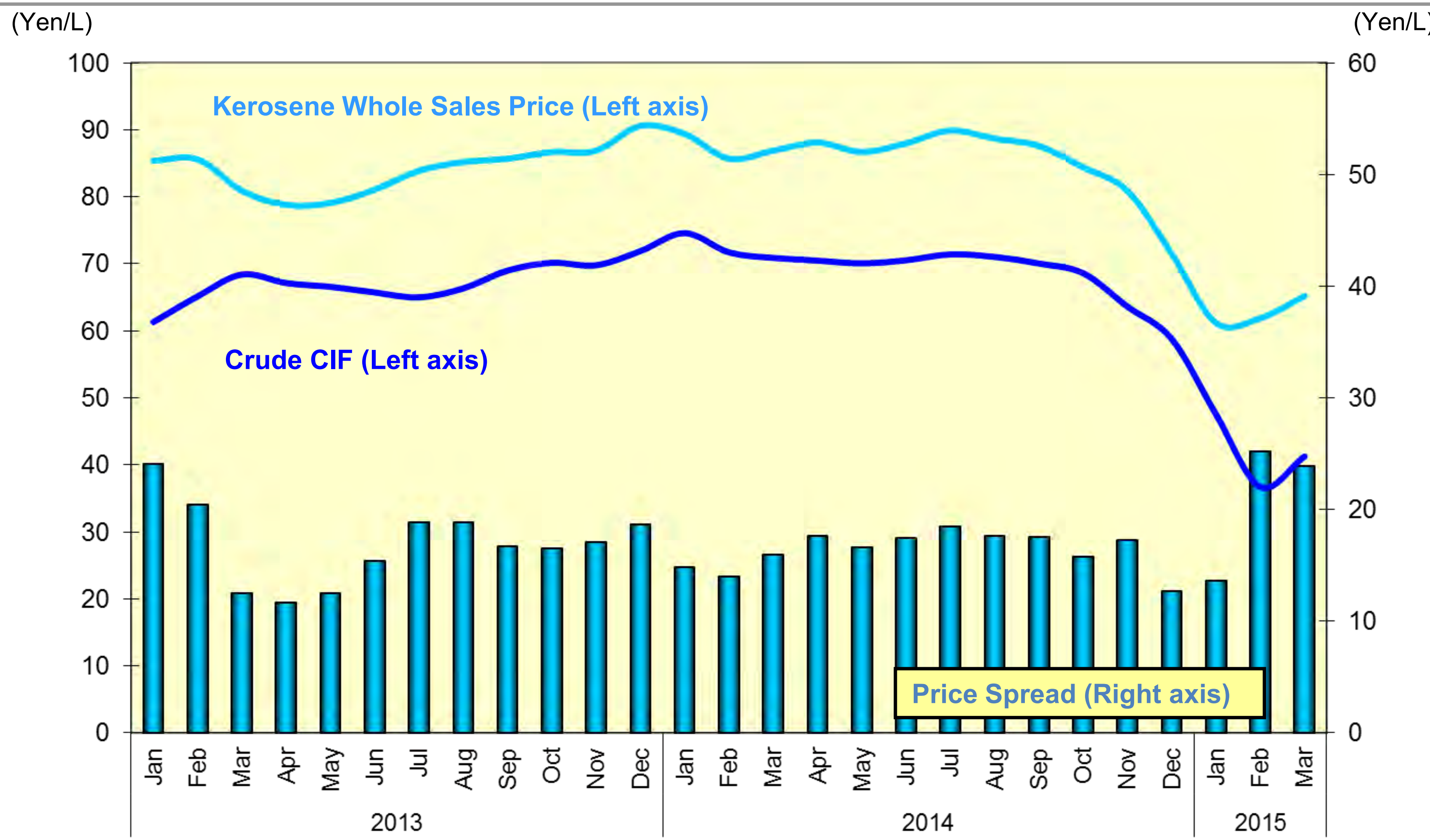
Source: PAJ and The Oil Information Center

Price Spread (Diesel Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Price Spread (Kerosene Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Details of Operating Income (2013 – 1Q15)

2015

(Unit: billion yen)

Breakdown of Operating Income	1Q15	2Q15	3Q15	4Q15	FY2015	1H15	3Q15YTD
Oil segment (Substantial)	30.8						
Chemical segment (Substantial)	4.3						
Inventory effects	-45.0						
Goodwill amotization	-4.4						
Total	-14.2						

2014

(Unit: billion yen)

Breakdown of Operating Income	1Q14	2Q14	3Q14	4Q14	FY2014	1H14	3Q14YTD
Oil segment (Substantial)	-17.3	0.6	17.6	16.7	17.7	-16.6	1.0
Chemical segment (Substantial)	7.8	4.5	2.4	-1.6	13.2	12.3	14.8
Inventory effects	0.1	-3.6	-6.2	-76.8	-86.5	-3.5	-9.7
Goodwill amotization	-4.2	-4.4	-4.4	-4.4	-17.3	-8.6	-13.0
Total	-13.6	-2.8	9.5	-66.0	-72.9	-16.4	-6.9

2013

Breakdown of Operating Income	1Q13	2Q13	3Q13	4Q13	FY2013	1H13	3Q13YTD
Oil segment (Substantial)	13.6	-10.5	5.8	-7.2	1.7	3.1	8.9
Chemical segment (Substantial)	7.6	2.9	3.9	6.3	20.6	10.5	14.3
Inventory effects	25.7	0.1	13.2	7.9	47.0	25.9	39.0
Goodwill amotization	-4.2	-4.2	-4.2	-4.2	-16.9	-8.5	-12.7
Total	42.7	-11.8	18.6	2.8	52.3	30.9	49.5