



March 14, 2008

Press Release

TonenGeneral Sekiyu K.K.  
(Stock Code: 5012 Tokyo Stock Exchange)  
Representative Director,  
Chairman and President  
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### **Notice Regarding TonenGeneral Sekiyu's Parent Companies**

#### **1. Name of Parent Company**

As of December 31, 2007

Name of parent company	Relationship	Percentage of voting rights owned by the parent company (%)	Trade style or name of the stock exchange in which the parent company is listed.
ExxonMobil Yugen Kaisha (Y.K.)	Parent Company	50.6	Not applicable
Exxon Mobil Corporation	Parent Company	50.6	New York Stock Exchange

- (1) Exxon Mobil Corporation, which indirectly owns 100% of the outstanding shares of ExxonMobil Y.K. via subsidiaries, is one of the parent companies, but there are no material business transactions with the company.
- (2) Voting rights of Exxon Mobil Corporation are indirectly owned via ExxonMobil Y.K.
- (3) ExxonMobil Y.K. holds 50.02% of the issued shares of TonenGeneral Sekiyu.

#### **2. Name of the parent company considered to be the most influential and reason**

Name	Reason
ExxonMobil Yugen Kaisha	ExxonMobil Yugen Kaisha directly owns the majority of shareholder voting rights in the company. In addition, ExxonMobil Yugen Kaisha has extensive personnel and trading relations with TonenGeneral as described in Item 3 below.

### 3. Relationship with Parent Companies

Within the ExxonMobil Japan Group, including ExxonMobil Y.K. and TonenGeneral K.K., all of the businesses are organized along functional lines.

The objective of this organization is to take advantage of economies of scale, synergies across companies, and rapid implementation of ExxonMobil best practices from around the world. The main elements of the relationship between TonenGeneral K.K. and the ExxonMobil Group companies are as follows.

- TonenGeneral supplies petroleum products to ExxonMobil Y.K. under an agreement related to supply and offtake for petroleum products.
- TonenGeneral has concluded an agreement with ExxonMobil Y.K. under which TonenGeneral is entrusted with certain logistic functions of ExxonMobil Y.K.
- TonenGeneral has concluded agreements for comprehensive services with ExxonMobil Y.K. to entrust marketing functions and administrative functions to ExxonMobil Y.K..
- TonenGeneral has concluded agreements in relation to crude oil, products and feedstock supply, services, and technical support with some ExxonMobil-affiliated companies abroad.
- Tonen Kagaku K.K. has concluded an agency agreement with ExxonMobil Y.K., utilizing ExxonMobil Y.K. as an agent to centralize its sales and logistics operations.
- Four directors of TonenGeneral are serving concurrently as directors of ExxonMobil Y.K.
- Ninety-five employees from ExxonMobil Y.K. have been dispatched to the TonenGeneral head office refining and supply division and to TonenGeneral terminals, refineries, etc. In addition, 291 employees from TonenGeneral have been dispatched to ExxonMobil Y.K. mainly in the service, administrative and marketing functions in order to promote personnel exchange within the group. (as of December end 2007)
- TonenGeneral conducts business efficiently while maintaining close cooperative relationships with ExxonMobil Y.K. and other companies in the ExxonMobil Japan Group.
- Having directors appointed to concurrent positions at ExxonMobil Y.K. and accepting employees dispatched from ExxonMobil Y.K. does not impede independent business judgment. Business independence and independent governance systems have been established to ensure that actions are taken in pursuit of TonenGeneral's best interests.

## (Concurrent positions of directors)

As of December 31, 2007

Position	Name	Position at parent company, etc.	Reason for appointment
Representative Director, Chairman and President	D.G. Wascom	Representative Director and President	Abundant experience on a global level in both refining/supply and marketing. Representative director, chairman and president is judged to be an appropriate appointment.
Representative Director and Vice President	Kazuo Suzuki	Director	Deep insight into all aspects of the company's business; contribution to business operations.
Director	W.J. Bogaty	Representative Director and Vice President	Expertise in international and local financial management and operations; contribution to business operations.
Director	Yoshinori Miyahara	Director	Broad expertise and experience in the Japan marketing business. Contribution to the business operations of the company.

## (Dispatched employees)

As of December 31, 2007

Dispatched to	Number of employees	Employed by	Reason for dispatch
Head office refining and supply division, distribution, etc.	73	ExxonMobil Y.K.	To utilize the business knowledge of ExxonMobil Y.K. employees and promote personnel exchange within the group.
Refineries (Kawasaki, Wakayama, Sakai)	22	ExxonMobil Y.K.	Same as above

#### 4. Transactions with parent companies

Full year 2007 (January 1-December 31, 2007, consolidated basis)

Affiliation	Name	Address	Capital	Business	Equity Ratio to Total Voting Right (%)	Relationship		Content of Transactions	Transaction Amount	Account Title	Outstanding Balance at Year End	
						Representing Officers	Business					
Parent Company	ExxonMobil Yugen Kaisha	Minato-ku Tokyo	Mil. yen 50,000	Sales of oil products	Direct 50.6	4 persons	Purchase and sales of oil products and provision of services Group finances	Trade transactions	Sales of oil products	Million yen 1,629,098	Trade Account Receivable	Million yen 341,166
									Purchase of oil products	237,026	Trade Account Payable	77,916
									Provision of services	9,132	Account Receivable	1,422
										14,555	Account Payable	2,065
							Non-operating transactions	Interest expense	1	Short-term Loan Receivable	99	

(Note)

- Exxon Mobil Corporation, which indirectly owns 100% of the equity of ExxonMobil Y.K. via subsidiaries, is another parent company, but there were no material business transactions with the Company.
- Transaction terms and policies for determining transaction terms:
  - (1) Purchase and sales prices of oil products were determined at market prices.
  - (2) Accounts receivables and accounts payables were accrued amounts that the Company incurred from or charged to affiliated companies based on "Amendment and Restated Agreement for Comprehensive Administrative Services".
  - (3) The interest rates applied to the group financing is based on the rates applied to the transactions between the parent company and the bank.
- Consumption taxes were included in the outstanding balances at year end, but not in transaction amounts.

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