



March 29, 2010

TonenGeneral Sekiyu K.K.  
 (Stock Code: 5012 Tokyo Stock Exchange)  
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### **Notice Regarding TonenGeneral Sekiyu K.K.'s Controlling Shareholder**

The following is a notice regarding the parent companies of TonenGeneral Sekiyu K.K. (the Company) and its controlling shareholder ExxonMobil Yugen Kaisha.

#### **1. Names of Parent Companies**

As of December 31, 2009

Name	Relationship	Percentage of voting rights (%)	Trade style or name of the stock exchange in which the parent company is listed
ExxonMobil Yugen Kaisha	Parent Company	50.5	Not applicable
Exxon Mobil Corporation	Parent Company	50.5	New York Stock Exchange

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

#### **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 the Company as described in Item 3 below.

### 3. Relationship with Parent Companies

Within the ExxonMobil Japan Group, including ExxonMobil Yugen Kaisha and the Company, 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 the Company and other ExxonMobil Japan Group companies are as follows.

- The Company supplies petroleum products to ExxonMobil Yugen Kaisha under an agreement related to supply and offtake for petroleum products.
- The Company has concluded an agreement with ExxonMobil Yugen Kaisha under which the Company is entrusted with certain logistic functions of ExxonMobil Yugen Kaisha.
- The Company has concluded agreements for comprehensive services with ExxonMobil Yugen Kaisha to entrust petroleum product marketing functions and administrative functions to ExxonMobil Yugen Kaisha.
- The Company has concluded agreements in relation to crude oil, products and feedstock supply, services, and technical support with some ExxonMobil-affiliated companies abroad.
- Tonen Chemical Corporation has concluded an agency agreement with ExxonMobil Yugen Kaisha, under which ExxonMobil Yugen Kaisha acts as agent to centralize chemicals sales and logistics operations.
- Of seven directors of the Company, six are serving concurrently as directors of ExxonMobil Yugen Kaisha.
- Ninety-six employees from ExxonMobil Yugen Kaisha have been dispatched to the the Company head office refining and supply division and to the Company terminals, refineries, etc. In addition, 269 employees from the Company have been dispatched to ExxonMobil Yugen Kaisha mainly in the service, administrative and marketing functions in order to make the most effective use of the companies' respective employees for the overall benefit of the group. (Figures are as of December-end 2009.)
- The Company conducts business efficiently while maintaining close cooperative relationships with ExxonMobil Yugen Kaisha and other companies in the ExxonMobil Japan Group.
- Having directors appointed to concurrent positions at ExxonMobil Yugen Kaisha and accepting employees dispatched from ExxonMobil Yugen Kaisha does not impede independent business judgment. Business independence and independent governance systems have been established to ensure that actions are taken in pursuit of the Company's best interests.

(Concurrent positions of directors)

As of March 26, 2010

Position	Name	Position at parent company, etc.	Reason for appointment
Director and Chairman	M. J. Aguiar	Director	Broad experience on a global level, well-qualified for position as Director and Chairman
Representative Director and President	P. P. Ducom	Representative Director and Vice President	Deep insight into all aspects of the company's business, contribution to business operations.
Representative Director, Managing Director	Jun Mutoh	—	Great deal of experience in refining/supply, contribution to business operations.
Representative Director, Managing Director	W.J. Bogaty	Representative Director and President	Expertise in international and local financial management and operations, contribution to business operations.
Director	Kyoji Yoshida	Director	Broad experience in marketing and external relations, contribution to business operations.
Director	S.K. Arnet	Representative Director and Vice President	Great deal of experience in marketing, contribution to business operations.
Director	D. R. Csapo	Director	Deep insight into financial management, contribution to business operations.

(Dispatched employees)

As of December 31, 2009

Dispatched to	Number of employees	Employed by	Reason for dispatch
Head office refining and supply division, distribution, etc.	65	ExxonMobil Yugen Kaisha	To utilize the business expertise of ExxonMobil Yugen Kaisha employees
Refineries (Kawasaki, Wakayama, Sakai)	31	ExxonMobil Yugen Kaisha	Same as above

#### 4. Transactions with controlling shareholders

Full year 2009 (January 1-December 31, 2009, consolidated basis)

##### (1) Transactions between the Company and controlling shareholders

Type	Name of company	Address	Capital	Business	Percentage of voting shares (%)	Relationship	Content of Transaction	Transaction Amount (million yen)	Account Title	Outstanding Balance at the Closing Date (million yen)	
Parent Company	ExxonMobil Yugen Kaisha	Minato-ku Tokyo	Mil. yen 50,000	Sales of oil products	Direct 50.5	Interlocking officers, Purchase and sales of oil products, provision of services, and group finances	Trade transactions	Sales of oil products	1,113,303	Accounts Receivable-Trade	253,472
								Purchase of oil products	143,758	Accounts Payable-Trade	63,702
								Provision of services	9,427	Accounts Receivable-Other	1,378
									13,872	Accrued Expenses	1,856
							Non-operating transactions	Interest income	29	Short-term Loans Receivable	26,202

(Note)

- Exxon Mobil Corporation, which indirectly owns 100% of the equity of ExxonMobil Yugen Kaisha via subsidiaries, is another parent company, but there are no material business transactions with the Company.
- Transaction terms and policies for determining transaction terms:
  - (1) Purchase and sales prices of oil products are determined at fair market prices.
  - (2) Accounts receivable-other and accrued expenses are accrued amounts that the Company should incur or charge to based on "Amendment and Restated Agreement for Comprehensive Administrative Services".
  - (3) The interest rates applied to the group financing are based on the rates on the domestic financial market.
- In the amounts above, consumption taxes are included in the outstanding balances at the closing date, but not in transaction amounts.

(2) Transactions between the consolidated subsidiaries of the Company and controlling shareholders

Type	Name of company	Address	Capital	Business	Percentage of voting shares (%)	Relationship	Content of Transaction	Transaction Amount (million yen)	Account Title	Outstanding Balance at the Closing Date (million yen)	
Parent Company	ExxonMobil Yugen Kaisha	Minato-ku Tokyo	Mil. yen 50,000	Sales of oil products	Indirect 50.5	Interlocking officers, Purchase and sales of chemical products and provision of services	Trade transactions	Sales of chemical products	113,493	Accounts Receivable-Trade	16,058
								Purchase of chemical products	11,299	Accounts Payable-Trade	2,931
								Provision of services	907	Accounts Receivable-Other	80
									3,339	Accrued Expenses	627

(Note)

- Name of the consolidated subsidiary: Tonen Chemical Corporation
- Transaction terms and policies for determining transaction terms:
  - (1) Purchase and sales prices of raw materials are determined at fair market prices.
  - (2) Accounts receivable-other and accrued expenses are accrued amounts that the consolidated subsidiaries of the Company should incur or charge to based on "Sole Agency Agreement".
- In the amounts above, consumption taxes are included in the outstanding balances at the closing date, but not in transaction amounts.

**5. Protection of minority shareholders in relation to transactions with the controlling shareholder**

In the execution of their duties, upon fully ensuring the protection of minority shareholders, Directors request deliberation by the Board of Directors of important elements of transactions with controlling shareholders, and abide by the resulting decisions and direction. Statutory Auditors, from a standpoint of protecting minority shareholders, perform activities such as auditing the Directors' execution of duties on an ongoing basis, attending deliberations by the Board of Directors and auditing the content and results of those deliberations, thoroughly ensuring the fairness of the Company and controlling shareholders.

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*[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.]*