



December 18, 2013

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(Stock Code: 5012 Tokyo Stock Exchange)
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Acquisition of Mitsui Oil Co., Ltd. Stock

TonenGeneral Sekiyu K.K. (head office: Minato-ku, Tokyo; president: Jun Mutoh; "TonenGeneral" herein) and Mitsui & Co., Ltd. (head office: Chiyoda-ku, Tokyo; president: Masami Iijima; "Mitsui & Co." herein) have reached an agreement for the acquisition by TonenGeneral of Mitsui & Co.'s entire 89.93% interest in the stock of Mitsui Oil Co., Ltd. (head office: Chiyoda-ku, Tokyo; president: Tsuneyoshi Doi; "Mitsui Oil" herein). The acquisition of the Mitsui Oil shares by TonenGeneral is expected to take place on February 4, 2014 ("the transaction" herein) after the approval by Fair Trade Commission.

Upon completion of the transaction, Mitsui Oil and Kyokuto Petroleum Industries, Ltd. (head office: Ichihara-shi, Chiba; president: Kinichiro Fujii; "Kyokuto Petroleum" herein) will become consolidated subsidiaries of TonenGeneral. TonenGeneral plans to enhance its core businesses by integrating the newly acquired businesses into the existing ones, e.g. expansion and strengthening of the sales network and optimization of the supply system.

A separate agreement was reached today between a wholly owned affiliate of Exxon Mobil Corporation (head office: Texas, U.S.A.; "ExxonMobil" herein) and Mitsui & Co. for the purchase of 36 million shares of TonenGeneral stock from ExxonMobil by Mitsui & Co. The anticipated date of the stock transfer is also February 4, 2014. Upon completion of the transfer, Mitsui & Co. will become TonenGeneral's second-largest shareholder after ExxonMobil. TonenGeneral has had and will continue to have mutually beneficial relationship with Mitsui & Co. through commercial business transactions including crude oil supply and the sale of oil products. TonenGeneral will also continue its cooperative relationship with ExxonMobil.

1. Overview of transaction

- (1) Stock involved: 8,993,000 shares of Mitsui Oil Co., Ltd. stock
 (2) Price: 24.9 billion yen
 (3) Date: December 18, 2013 Resolution by Board of Directors and conclusion of contract
 February 4, 2014 (planned) Completion of transaction
 The company name of Mitsui Oil to be changed to MOC Marketing K.K.

In addition, TonenGeneral is in consultation with other Mitsui Oil shareholders concerning acquisition of Mitsui Oil stock and intends to acquire approximately 95% of Mitsui Oil issued shares by around March end, 2014.

For the evaluation of the transaction, TonenGeneral has engaged Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as a lead financial advisor, and also obtained financial advises from SMBC Nikko Securities Inc. TonenGeneral also engaged Jones Day as a legal advisor to obtain legal advises with regard to the transaction.

2. Effects on earnings results for next fiscal term

Any effects on earnings results for the next fiscal term (January 1 - December 31, 2014) will be disclosed in a timely manner. There will be no changes to our policies regarding financing and dividends.

3. Overview of the subsidiaries to be transferred

Following are overviews of Mitsui Oil Co., Ltd. and Kyokuto Petroleum Industries, Ltd., which will become TonenGeneral subsidiaries with this transaction. Figures are based on data from the most recent financial terms.

(1)	Company name	Mitsui Oil Co., Ltd.
(2)	Head office	Saiwai Bldg., 1-3-1 Uchisaiwai-cho, Chiyoda-ku, Tokyo
(3)	Name and position of representative	Tsuneyoshi Doi, President
(4)	Business description	Sales of petroleum products
(5)	Date established	February 18, 1961
(6)	Paid-in capital	3,000 million yen
(7)	Total Equity	38,149 million yen (consolidated)
(8)	Total assets	109,869 million yen (consolidated)
(9)	Major shareholders and equity ratio	Mitsui & Co., Ltd. 89.93% Sumitomo Mitsui Banking Corporation 1.95% Sumitomo Mitsui Trust Bank, Limited 1.95% Mitsui O.S.K. Lines, Ltd. 1.55% Mitsui Engineering & Shipbuilding Co., Ltd. 1.15% Six Mitsui Group Companies 3.47%
(10)	Relationship with TonenGeneral	
	Capital	No capital relationship
	Personnel	No personnel relationship
	Business transactions	Some refining and supply operations performed through fifty-fifty joint venture Kyokuto Petroleum.
	Related party status	Not a related party

(11) Consolidated operating and financial results for the past three years			
Fiscal year ended	March 31, 2011	March 31, 2012	March 31, 2013
Total equity	31,409 million yen	35,205 million yen	38,149 million yen
Total assets	107,158 million yen	116,511 million yen	109,869 million yen
Net sales	433,786 million yen	488,479 million yen	367,505 million yen
Operating income	13,209 million yen	7,080 million yen	3,390 million yen
Ordinary income	17,120 million yen	8,089 million yen	4,907 million yen
Net income	8,935 million yen	4,792 million yen	3,534 million yen

(Note) Mitsui Oil has distributed 1 billion yen of fiscal 2012 year-end dividends by June 30, 2013 and plans to distribute 18.2 billion yen of interim dividends before the transaction takes place.

(1) Company name	Kyokuto Petroleum Industries, Ltd.		
(2) Head office	1 Chigusakaigan, Ichihara-shi, Chiba		
(3) Name and position of representative	Kinichiro Fujii, President		
(4) Business description	Oil refining		
(5) Date established	June 15, 1963		
(6) Paid-in capital	7,000 million yen		
(7) Total equity	27,105 million yen		
(8) Total assets	205,918 million yen		
(9) Major shareholders and equity ratio	EMG Marketing Godo Kaisha 50.00% Mitsui Oil Co., Ltd. 50.00%		
(10) Relationship with TonenGeneral			
Capital	Fifty percent equity ownership by TonenGeneral Sekiyu subsidiary EMG Marketing Godo Kaisha		
Personnel	In addition to mutual on-loan of the employees, TonenGeneral Sekiyu employees serve in the following capacities at Kyokuto Petroleum: one Executing Person and three Operating Committee members (both equivalent to representative directors of a Kabushiki Kaisha), and two Auditors (equivalent to statutory auditors).		
Business	The TonenGeneral Group supplies crude oil and other feedstocks as well as certain administrative services to and purchases products from Kyokuto Petroleum.		
Related party status	Kyokuto Petroleum is currently an affiliate of TonenGeneral Sekiyu and is a related party.		
(11) Operating and financial results for the last three years			
Fiscal year ended	December 31, 2010	December 31, 2011	December 31, 2012
Total equity	16,715 million yen	28,206 million yen	27,105 million yen
Total assets	145,153 million yen	188,155 million yen	205,918 million yen
Net sales	512,978 million yen	633,799 million yen	668,522 million yen
Operating income (loss)	548 million yen	19,579 million yen	(201) million yen
Ordinary income (loss)	2,246 million yen	18,840 million yen	(1,523) million yen
Net income (loss)	1,296 million yen	11,490 million yen	(1,100) million yen

4. Transfer of TonenGeneral stock from an ExxonMobil affiliate to Mitsui & Co.

Following is an overview of the transfer of the TonenGeneral stock in question. It is anticipated that with the transfer, Exxon Mobile Bay Limited Partnership, an ExxonMobil subsidiary, will cease to be an "other affiliated company" of TonenGeneral Sekiyu. This transfer will be disclosed in a timely manner, once the transfer is confirmed.

(1) Transferor	Exxon Mobile Bay Limited Partnership
(2) Underwriter	Mitsui & Co., Ltd.
(3) Type of stock transferred and number of shares	TonenGeneral Sekiyu common stock 36,000,000 shares
(4) Date of transfer	February 4, 2014 (planned)

Number of voting rights and percentage of total number of voting rights held by both companies before and after transfer

Name		Affiliation	Number of voting rights (Number of shares)	Percentage of total number of shareholder voting rights* (Percentage of total number of shares issued)
Exxon Mobile Bay Limited Partnership	Before transfer	Major shareholder Other affiliated company	80,000 (80,000,000 shares)	22.21% (14.15%)
	After transfer	Major shareholder	44,000 (44,000,000 shares)	12.21% (7.79%)
Mitsui & Co., Ltd.	Before transfer	-	- (-)	- (-)
	After transfer	-	36,000 (36,000,000 shares)	9.99 % (6.37%)

* Percentage is based on the number of voting rights of 360,229 as of June 30, 2013 (voting rights for total number of shares issued of 565,182 less voting rights for treasury shares etc., of 204,953)

The following is an overview of new shareholder Mitsui & Co., Ltd.

(1) Company name	Mitsui & Co., Ltd.
(2) Head office location	2-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo
(3) Name and position of representative	Masami Iijima, President and Chief Executive Officer
(4) Business description	Sale, import, export, offshore trading, production and a wide variety of comprehensive services such as retail, information and telecommunication, technology, logistics and finance in the areas of iron and steel, mineral and metal resources, machinery and infrastructure, chemicals, energy, lifestyle, innovation & cross function. Development of natural resources such as oil, gas, iron and steel raw materials. Strategic business investments in certain new industries such as IT, renewable energy and environmental solution businesses.
(5) Relationship with TonenGeneral	
Capital	Plan to acquire TonenGeneral shares equivalent to 9.99% voting rights on February 4, 2014.
Personnel	No personnel relationship
Business transactions	Transactions involving crude oil and oil products
Related party status	Not a related party

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[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.]