

Summary of The Financial Statements for 2000

February 28, 2001

Registration Company Name : TonenGeneral Sekiyu K.K.

Registered to : Tokyo Stock Exchange (1st Section)

Stock Code No. 5012

H.O. Address : Tokyo-to

For further information, please contact :

Position : Public Affairs Manager

Telephone : (03) 5425-9000

Name : M.Maeda

Date of BOD for Year-End Closing : February 28, 2001

Interim Dividend Plan : (Available) · Unavailable

Date of Regular Shareholders' Meeting : March 29, 2001

1. Business Performance for 2000 (January 1, 2000 ~ December 31, 2000)

(1) Business Performance

Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

(Note) Amount are reported in truncated Million Yen.

	Sales Revenue		Operating Profit		Ordinary Profit	
	M¥	%	M¥	%	M¥	%
2000/12	1,212,060	(-)	21,204	(-)	30,657	(-)
1999/12	514,940	(-)	11,977	(-)	14,960	(-)

	Net Profit		Net Profit Per Share	After Adj. Net Profit Per Share	Profit Ratio to Shareholders' Equity	Ordinary Profit Ratio to Total Assets	Ordinary Profit Ratio to Sales Rev.
	M¥	%					
2000/12	15,291	(-)	28.35	-	9.1	4.8	2.5
1999/12	△ 19,384	(-)	△ 50.93	-	△ 21.1	4.2	2.9

(Note) ① Average No. of Issued Shares in 2000 2000/12 539,356 K Shares 1999/12 380,628 K Shares

② Change in Accounting Procedures, etc. Yes · (No)

③ The percentage indications in Sales Revenue, Operating Profit, Ordinary Profit and Net Profit are comparison with pre-accounting year, but due to merger with Tonen Corporation on July 1, 2000, thus it's omitted.

④ Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

⑤ The accounting period for the before last accounting period was the nine months, thus comparison of operating result for that period and the previous year was not made in 1999/12.

(2) Dividends

	Annual Dividend Per Share			Total Amt. Of Div. (Annual)	Payout Ratio	Dividend Ratio to Shareholder's Equity
	Interim	Year-end				
2000/12	¥ 21.25	¥ 6.25	¥ 15.00	M¥ 12,915	84.5 %	5.0 %
1999/12	12.50	-	12.50	4,757	-	5.9

(3) Financial Position

	Total Assets	Shareholders' Equity	Net Worth Ratio	Net Worth Par Share
	M¥	M¥	%	¥
2000/12	919,657	255,842	27.8	364.21
1999/12	359,542	79,987	22.2	210.15

(Note) Number of Shares Issued at December 31, 2000 (Par Value Stock : 1 Unit = 1,000 Shares)

2000/12 702,462 K Shares 1999/12 380,628 K Shares

2. Estimated Profit or Loss for Next Accounting Period (January 1, 2001 ~ December 31, 2001)

	Sales Revenue	Ordinary Profit	Net Profit	Annual Dividend Per Share		
				Interim	Year-end	
First Half	M¥ 800,000	M¥ 43,000	M¥ 27,000	¥ 17.00	¥ -	¥ -
Full Year	1,850,000	67,000	43,000	-	17.00	34.00

(Reference) Estimated Net Profit Per Share 70.21 ¥

(Note) Since the Stock Repurchase is scheduled in 2001, according to the clause 212-2 of the Commercial Code, the above Net Profit Per Share is divided by the Estimated Average No. of Issued Shares in 2001.

12. Financial Statements

Own ①

Balance Sheet

(Unit : Million Yen)

Account Title	December End 2000	December End 1999
Asset Section	919,657	359,542
Current Assets	622,141	204,924
Cash on Hand and In Bank	941	2,452
TAR	355,647	133,355
Marketable Securities	7,007	1,308
Inventories	143,966	41,558
Deferred Tax Assets	9,211	-
S/T Loans Receivable	38,624	20,111
Others	67,852	7,144
Bad Debt Allowance	-1,109	-1,006
Fixed Assets	297,516	154,617
Tangible Fixed Assets	225,597	111,626
Buildings, Structures & Tanks	71,102	33,866
Machinery and Equipment	64,753	21,786
Land	85,104	53,861
Others	4,636	2,112
Intangible Fixed Assets	5,985	4,110
Investments, etc.	65,933	38,880
Stocks of Subsidiaries	27,331	12,067
Investment in Securities	11,339	5,667
L/T Loans Receivable	7,950	10,775
L/T Deposits	9,440	8,694
Deferred Tax Assets	4,883	-
Others	4,987	1,675
Total Assets	919,657	359,542

- (Note) 1. Amounts are reported in truncated Million Yen.
2. Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

Balance Sheet

(Unit : Million Yen)

Account Title	December End 2000	December End 1999
Liabilities Section	663,814	279,554
Current Liabilities	576,932	251,719
TAP	175,472	115,257
Gasoline Tax etc., Payable	226,201	71,830
S/T Loans Payable	102,257	17,324
Other Accounts Payable	25,448	1,119
Guarantee Deposits Payable	13,083	10,807
Accrued Expenses	9,389	5,772
Reserve for Close-out Cost of KDP	-	15,521
Reserve for Restructuring Cost of Affiliated Companies	-	6,198
Others	25,078	7,888
Long Term Liabilities	86,882	27,835
L/T Loans Payable	24,342	3,615
Res. for Retirement Allowance	42,558	13,646
Res. for Repairs	12,497	4,433
Res. for Offshore Well Abandon.	1,776	592
Others	5,708	5,547
Shareholder's Equity Section	255,842	79,987
Capital	35,123	19,031
Capital Surplus	20,741	4,421
Legal Earned Reserve	12,839	4,782
Retained Earnings	187,137	51,751
Res. for Replacement of Property	21,636	32,191
Res. for Mine Exploration	95	65
Res. for Special Depreciation	574	771
General Reserve	2,803	2,803
Unappropriated Retained Earnings	162,028	15,919
(Net P/-L)	(15,291)	(-19,384)
Total Liabilities and Shareholder's Equity	919,657	359,542

- (Note) 1. Amounts are reported in truncated Million Yen.
2. Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

Income Statement

(Unit : Million Yen)

Account Title		2000 (January 1, 2000 ~ December 31, 2000)	1999 (January 1, 1999 ~ December 31, 1999)	
Ordinary P/L Section	Operating P/L Section	Sales Revenue	1,212,060	514,940
		Cost of Goods Sold	1,147,986	457,208
		Mktg. & General Admin. Expenses	42,869	45,754
		Operating Profit	21,204	11,977
	Non-Operating P/L Section	Non-Operating Income		
		Interest Income	845	758
		Dividends Received	11,083	708
		Foreign Exchange Gain	-	2,035
		Others	554	340
		Non-Operating Expenses		
Interest Expenses	1,050	644		
Foreign Exchange Loss	1,366	-		
Others	613	215		
Ordinary Profit		30,657	14,960	
Extraordinary P/L Section	Extraordinary Gain			
	Gain on Fixed Assets Sold	1,606	3,486	
	Gain on Reversal of Bad Debt Reserve	687	-	
	Gain on Sales of Investment Securities	81	103	
	Gain from Business Transfer	-	662	
	Extraordinary Loss			
	Additional Allowance for Early Retirement	7,065	14,734	
	Accrued Loss of Investment Securities, etc.	2,699	-	
	Loss on Fixed Assets Sold and Retired	2,474	1,439	
	Restructuring Cost for Subsidiary Companies	1,358	3,375	
	Penalty for Past Transaction	542	-	
	Accrued Loss for Golf Club Membership	421	-	
	Loss on Sales of Investment Securities	38	856	
	Close-out Cost of Kawasaki Development Project	-	17,994	
Accrued Liquidation Loss of Subsidiaries	-	133		
Compensation for Oil Pollution	-	16		
Accrued Loss for JNOC related Investment	-	10		
Net P/(L) Before Income Taxes		18,433	(19,347)	
Income Taxes, Enterprise Tax		93	36	
Adjustments on Income Tax due to D. Tax Accounting		3,049	-	
Net P/(L)		15,291	(19,384)	
Retained Earnings Brought Forward		10,424	35,289	
Receipt of Unappro. Retained Earnings by Merger		117,526	13	
Retroactive Tax Effect Adjustments due to D. Tax Accounting		6,962	-	
Reversal of Reserve for Replacement of Property due to D. Tax Accounting		13,882	-	
Reversal of Reserve for Special Depreciation due to D. Tax Accounting		277	-	
Reversal of Reserve for Mine Exploration due to D. Tax Accounting		41	-	
Interim Dividend		2,378	-	
Unappropriated Retained Earnings		162,028	15,919	

(Note) 1. Amounts are reported in truncated Million Yen.

2. Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

(Notes Related To Balance Sheet And Income Statement)

I. Important Accounting Policies

1. Costing Methods for Securities

- + Marketable Securities --- Moving Average at The Lower of Cost or Market
- + Non-Listed Securities --- Moving Average at Cost
- + Securities Having Sell Back Provisions --- At Cost by Item

2. Costing Methods for Inventories

- + Goods, Products, Unfinished Products, Crude and Raw Materials
--- LIFO at The Lower of Cost or Market
- + Supplies --- Moving Average at Cost
- + Products and Crude Oil in Transit --- Cost by Vessel

3. Depreciation Method

- + Tangible Fixed Assets --- Declining Balance Method
- + Intangible Fixed Assets --- Straight Line Method
- + Computer software in the company is amortized under the straight line method over the useful life (5 years) .

4. Calculation Procedure for Important Reserves

+ Reserve for Retirement Allowance ---

To provide for payment of retirement allowance to employees, TG accrues an estimated reserve for employees equal to the total liability for lump sum retirement allowance due current employees if they retired at December 31, 2000, at their option, less the current employees portion of the Tax Qualified Pension Fund balance at December 31, 2000, plus the actuarial liabilities for retirees currently receiving pensions from the company.

For officers, TG accrues the estimated total amount for lump sum retirement allowance due current officers if they retired at December 31, 2000.

Estimated amount payable to officers which is included in this Reserve for Retirement allowance account is 364 MYen.

+ Reserve for Repairs ---

In the Reserve for Repairs, TG accrues an estimated repair expense for periodic tank opening inspection, as required by The Fire Service Law, based on past actual payments, and estimated turnaround repair expenses based on actual payments and the company's repair plan.

5. Finance Lease Transactions

Finance lease without transfer of ownership of leased items are treated in the same way as ordinary lease transaction, not capitalized.

6. The accounting method for consumption tax, etc. excludes the consumption tax, etc. from sales revenue and purchase cost, etc.

7. TG adopted Deferred Tax Accounting starting in this accounting period.

As a result, TG newly recorded Deferred Tax Assets of 9,211 M yen in Current Assets Section and Deferred Tax Assets of 4,883 M yen in Investment, etc Section in the Balance

Sheet, and the impact of this change to Income Statement has been decrease in Net Profit of 3,049 M yen and in Unappropriated Retaine Earnings of 18,115 M yen as compared with the accouting without adopting Deferred Tax Accounting.

II. Other Notes

1. Increase and /or Decrease in Number of Shares Outstanding and Capital

+ Amounts and Procedure of in Capital Reduction

(1) Reduction Amounts

of Capita 11,982,744,000 Yen

(2) Procedure of With regard to total number of issued and outstanding shares
 Caital Reduction: of 380,628,338, the company consolidated each of 2.7 shares
 of par-value common shares to a par-value common stock.

(3) Effective Date : July 1, 2000

+ Issued New Shares

(1) Class : Common stock with par-value

(2) Number of

New Share Issue 561,488,560

(3) Value : Par-value per share is 50Yen

(4) Increased Capital : 28,074,428,000 Yen

(5) Method of Issued : The company allocated to the registered Tonen shareholders
 registered on Tonen's shareholders' register as of June 30, 2000
 one share of such new shares for each share of Tonen Corporation.

(6) Effective Date : July 3, 2000

	2000	1999
2. Accumulated Depreciation on Tangible Fix Ass	534,817 M Yen	212,852 M Yen
3. Long-Term Bad Debt Reserve :	488 M Yen	404 M Yen
4. Contingent Liabilities :	7,766 M Yen	8,617 M Yen
5. Treasury Stocks :		
No. of Shares	8,920 Shares	3,581 Shares
Amount	5 M Yen	0 M Yen
6. Extraordinary Gain :		
Sales of land for Company Houses	610 M Yen	2,705 M Yen
Sales of land for Terminal site	552 M Yen	- M Yen
Sales of land for SS	345 M Yen	508 M Yen
Sales of land for LPG depots	98 M Yen	219 M Yen
Sales of building for SS	- M Yen	41 M Yen
Sales of Machinery & Equipment	- M Yen	9 M Yen

7. Extraordinary Loss :

Sales and Retirement of Buildings, Structures, Tanks, etc.	1,011 M Yen	- M Yen
Sales and Retirement of Machinery & Equip	986 M Yen	235 M Yen
Sales and Retirement of land for LPG depot	322 M Yen	35 M Yen
Sales and Retirement of land and building for Company houses	64 M Yen	74 M Yen
Retirement of Intangible Fixed Assets, etc.	62 M Yen	- M Yen
Retirement of Tools, Furniture and Fixture,	26 M Yen	- M Yen
Sales of land for SS	- M Yen	1,064 M Yen
Retirement of building for Terminal site	- M Yen	28 M Yen

Statement of Appropriations

(Unit:Million Yen)

Account Title	2000 (January 1, 2000 ~ December 31, 2000)	1999 (January 1, 1999 ~ December 31, 1999)	2000 VS. 1999
Unappropriated Retained Earnings	162,028	15,919	146,109
Reversal of Legal Reserve: Legal Earned Reserve	4,058	25	4,033
Reversal of Voluntary Reserves:			
Reserve for Special Depreciation	62	110	-47
Reserve for Replacement of Property	898	-	898
General Reserve	2,803	-	2,803
Total	169,851	16,054	153,796
Appropriation:			
Dividend	10,536	4,757	5,778
	15.00 yen per share	12.50 yen per share	
Officers' Bonus:			
Statutory Auditor's Bonus	-	4	-4
Reserve for Mine Exploration	67	33	34
Reserve for Replacement of Property	-	834	-834
Retained Earnings Carried Forward	159,247	10,424	148,822
Total	169,851	16,054	153,796

(Note) Amount are reported in truncated Million Yen.

Lease Transaction

Finance lease without transfer of ownership of leased items to Lessee

1. Acquisition Equivalent Amount, Accumulated Depreciation Equivalent Amount and Outstanding Balance as of December 31, 2000.

	2000	1999
	Tool, Furniture & Fixture	Tool, Furniture & Fixture
Acquisition Equivalent Amount	1,444 M Yen	977 M Yen
Accumulated Depreciation Equivalent Amount	1,118 M Yen	778 M Yen
Outstanding Balance	326 M Yen	199 M Yen

(Note) Acquisition equivalent amount includes interest equivalent expense. These amount should be separately disclosed. However, we do not disclose them because they are very small in comparison with total tangible fixed asset amount.

2. Outstanding Balance of Accrued lease fees as of December 31, 2000.

	2000	1999
Due One Year	236 M Yen	150 M Yen
Over One Year	89 M Yen	49 M Yen
Total	326 M Yen	199 M Yen

(Note) Outstanding Balance of accrued lease expense as of December 31, 2000 includes interest equivalent expense. These amount should be separately disclosed. However, we do not disclose them because they are very small in comparison with total tangible fixed asset amount.

3. Lease expenses paid during 2000 & Depreciation expenses

	2000	1999
Lease Expense Paid	293 M Yen	226 M Yen
Depreciation Equivalent Expense	293 M Yen	226 M Yen

4. Calculation Method of Depreciation

Straight Line Method with no residual value

Valuation of Marketable Securities, etc.

Current Value information for the consolidated accounting period is disclosed
in the notes of consolidated financial statements.

(Unit: Million Yen)

Term Type	1999 (As of December 31, 1999)		
	Book Value	Market Value	Unrealized Gain/Loss
(1) Current Assets			
Stocks	1,329	4,494	3,164
Bonds	-	-	-
Others	-	-	-
Sub-Total	1,329	4,494	3,164
(2) Fixed Assets			
Stocks	1,246	1,290	43
Bonds	-	-	-
Others	-	-	-
Sub-Total	1,246	1,290	43
Grand Total	2,575	5,784	3,208

(Note)

1999

1. Valuation Methods

(1) Listed Marketable Stocks

Based on the final market price of Tokyo Stock
Exchange Market

(2) Over-the-counter Stocks

Based on the prices announced by Nihon Security
Association

2. Treasury stocks (Current Assets) are included in
Marketable Securities.

3. Book value of Investment in securities which are
not disclosed above

Fixed Assets

Non-Listed Stocks

16,482 M Yen

(Exclude Over-the-counter Stocks)

(Subsidiary Companies)

(12,159 M Yen)

Bonds, etc.

6 M Yen

Information related to Market Value of Transaction, etc.

Current Value information for the consolidated accounting period is disclosed in the notes of consolidated financial statements.

Information related to Interest

Classify	Type	1999 (As of December 31, 1999)			
		Contract Amounts, etc.		Market Value	Unrealized Gain/Loss
			Over 1 Year		
Other than Market Transactions	Swap for Interests				
	Receivable(Variable) Payable(Fixed)	318	212	△ 6	△ 6
	Total	318	212	△ 6	△ 6

(Note) Basis for Calculation of Current Value

Based on prices provided by financial banks TG deals with.

Sales Volume & Sales Amounts

(Unit : Kkl, KTon, Million Yen)

Products	2000 (January 1, 2000 - December 31, 2000)		1999 (January 1, 1999 - December 31, 1999)	
	Volume	Amount	Volume	Amount
Gasoline	7,312 23.9	600,485 50.8	3,167 19.7	244,749 49.4
Naphtha	2,676 8.8	62,069 5.3	570 3.5	7,926 1.6
Kerosene	3,450 11.3	102,395 8.7	1,680 10.5	37,480 7.6
A.D.O.	4,103 13.4	116,992 9.9	1,921 12.0	44,379 9.0
Fuel, Crude	9,052 29.6	204,054 17.3	7,120 44.4	108,237 21.8
Lubes	195 0.6	13,199 1.1	18 0.1	3,410 0.7
LPG	3,012 9.9	60,532 5.1	1,107 6.9	35,320 7.1
Chemical	549 1.8	18,317 1.5	427 2.7	12,990 2.6
Other Products	226 0.7	4,060 0.3	35 0.2	1,106 0.2
Sub Total	30,580 100.0	1,182,106 100.0	16,047 100.0	495,601 100.0
Other Operating Revenue		29,954		19,338
Grand Total	30,580	1,212,060	16,047	514,940

(Note) 1. Figure in lower line in each column shows the percent of total sales.

2. Due to the merger with Tonen Corporation on July 1, 2000, comparison with previous accounting year is omitted.

13. Change in Board Members

(1) Newly-Appointed Directors (Plan)

President, Representative Director	G. W. Pruessing (Vice President Project Execution, ExxonMobil Refining & Supply Company)
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Director	K. Sugiyama (General Manager, TonenGeneral, Kawasaki Refinery Manager)
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Director	K. Suzuki (General Manager , Supply & Distribution Manager)
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(2) Directors to be resigned (Plan)

President, Representative Director	T. Tamahori
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Director	D. Badel
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(3) Statutory Auditor to be resigned (Plan)

Statutory Auditor	S. Tamura
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11. Transactions with Affiliated Companies

The Parent Company

Name	Address	Capital	Business	Equity Ratio. to Total Voting Right	Relationship		Contents of Transaction	Transaction Amount	Account Title	Outstanding Balance at Year End	
					on Representing Officers	on Business					
Esso Sekiyu Private Ltd.	Minato-ku Tokyo	M Yen 50,000	Sales of Oil Products	Direct 30.6% Indirect 20.3%	1 person	Sales of Oil Products and Provision of Services	Trade Transaction	Exchange, Purchase, and Sales of Oil Products	M Yen 444,268	TAR	M Yen 138,363
									162,772	TAP	29,281
								Provision of Services	5,312	Account Receivable	1,156
									2,876	Account Expenses	346

Transaction Terms and Policies for Determination of Terms, etc.

- (1) Prices in exchange transactions of products were determined in negotiation with customers in consideration of fair value market prices.
- (2) Sales prices of oil products in other than exchange transactions were determined at fair value market prices.
- (3) Accounts receivables and Accounts payables were accrued amounts that the company should be paid or charged to affiliated companies based on "Mutual Service Agreement", "Comprehensive Administrative Service Agreement", "Comprehensive Management Service Agreement" and "Logistics Service Agreement".

- (Note) 1. Exchange transactions were recorded as borrow-loan transactions. Therefore, they were no included in either Sales Revenue or purchase cost.
 2. In the above amounts, consumption taxes were included in the outstanding balance of accounts receivables and payables, but not included in the transaction amounts.
 3. Esso Sekiyu Private Ltd. Became a parent company by obtaining stocks of TG from Esso Eastern Incorporated on May 16, 2000.

Parent Company's Subsidiaries

(1)

Name	Address	Capital	Business	Equity Ratio. to Total Voting Right	Relationship		Contents of Transaction	Transaction Amount	Account Title	Outstanding Balance at Year End	
					on Representing Officers	on Business					
Mobil Sekiyu Private Ltd.	Minato-ku Tokyo	M Yen 11,000	Sales of Oil Products	Direct 20.3%	1 person	Sales of Oil Products and Provision of Services	Trade Transaction	Exchange, Purchase, and Sales of Oil Products	M Yen 281,920	TAR	M Yen 116,826
									57,487	TAP	10,784
								Provision of Services	2,846	Account Receivable	110
									703	Account Expenses	10

Transaction Terms and Policies for Determination of Terms, etc.

- (1) Prices in exchange transactions of products were determined in negotiation with customers in consideration of fair value market prices.
- (2) Sales prices of oil products in other than exchange transactions were determined at fair value market prices.
- (3) Accounts receivables and Accounts payables were accrued amounts that the company should be paid or charged to affiliated companies based on "Comprehensive Administrative Service Agreement", "Comprehensive Management Service Agreement" and "Logistics Service Agreement".

- (Note) 1. Exchange transactions were recorded as borrow-loan transactions. Therefore, they were no included in either Sales Revenue or purchase cost.
 2. In the above amounts, consumption taxes were included in the outstanding balance of accounts receivables and payables, but not included in the transaction amounts.

(2)

Name	Address	Capital	Business	Equity Ratio. to Total Voting Right	Relationship		Contents of Transaction	Transaction Amount	Account Title	Outstanding Balance at Year End	
					on Representing Officers	on Business					
ExxonMobil Business Services Private Ltd.	Minato-ku Tokyo	M Yen 3	Administrative Services	None	1 person	Administrative Services	Trade Transaction	Provision of Services	M Yen 2,374	Account Receivable	M Yen 503
									4,600	Account Payable	956

Transaction Terms and Policies for Determination of Terms, etc.

Accounts receivables and Accounts payables were accrued amounts that the company should be paid or charged to affiliated companies based on "Comprehensive Administrative Service Agreement".

- (Note) In the above amounts, consumption taxes were included in the outstanding balance of accounts receivables and payables, but not included in the transaction amounts.