

TonenGeneral Sekiyu K.K.

1Q 2009 Financial Results

May 15, 2009



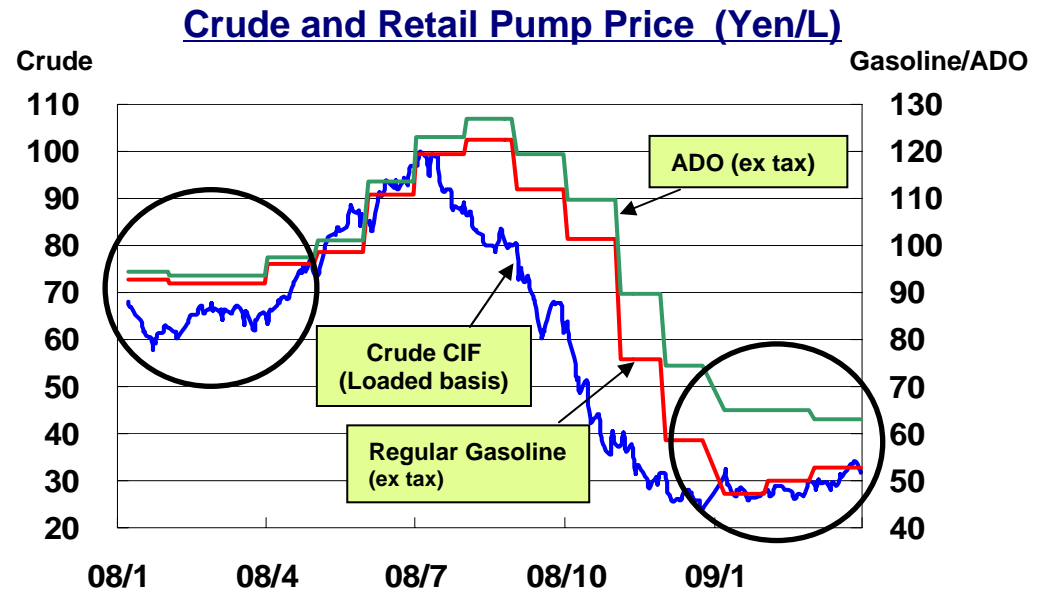
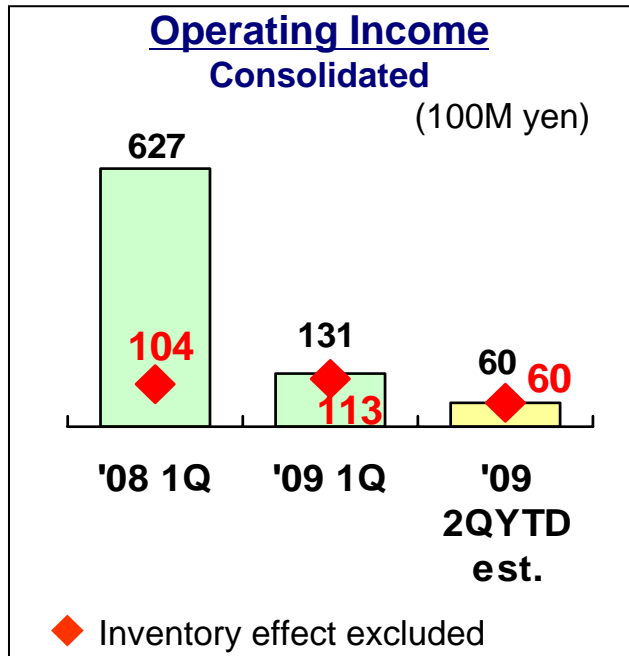
This material contains forward-looking statements based on projections and estimates that involve many variables. TonenGeneral operates in an extremely competitive business environment and in an industry characterized by rapid changes in supply-demand balance.

Certain risks and uncertainties including, without limitation, general economic conditions in Japan and other countries, crude 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.

Business Highlights



- Operating income slightly increased vs. 1Q '08, ex inventory accounting effects
 - » Higher downstream margin, especially in Jan / Feb '09, than in 2008
 - » Absence of 1Q '08 NSS stock sale-associated inventory gains
 - » Lower Chemical earnings in 1Q '09 vs. 1Q '08
 - Negative chemical earnings starting from 4Q'08
 - » Small positive inventory accounting profit in 1Q '09, versus large effect in 1Q '08
- 2009 dividend and earnings forecast unchanged



Source: Platt's, The Oil Information Center, etc.

Earnings Results [1Q, Consolidated]

(100M yen)	<u>1Q '08</u>	<u>1Q '09</u>	<u>Inc/Dec</u>
Net Sales	8,775	4,842	-3,932
Operating income	627	131	-497
Ordinary income	688	127	-561
Extraordinary gain/loss	-1	-7	-6
Net income	406	77	-330
Reverse inventory effects	-523	-18	505
Adjusted operating income	104	113	8
Oil segment and others	11	135	124
Chemical segment	93	-23	-116
<Note> Profit/Loss(-) from Lead/lag effect	15	-90	

Methods to Assess COGS Accounting Differences

TG accounts for crude price in COGS when it takes crude ownership (usually at load port); rest of industry takes into COGS on arrival in Japan. This advances our recognition of changes in crude price versus industry.

Analytical Method to date

- » In past for analytical purposes, we made simplifying assumption that time difference was one month



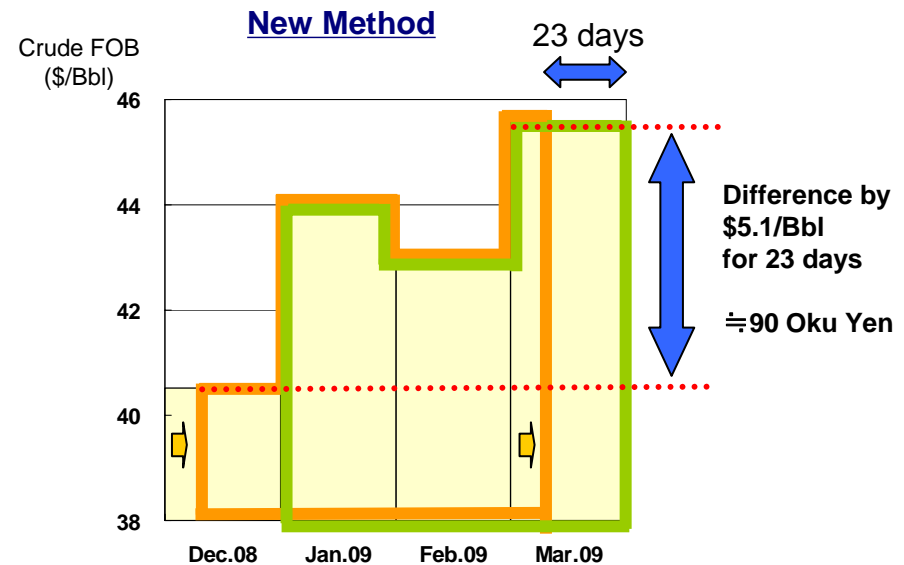
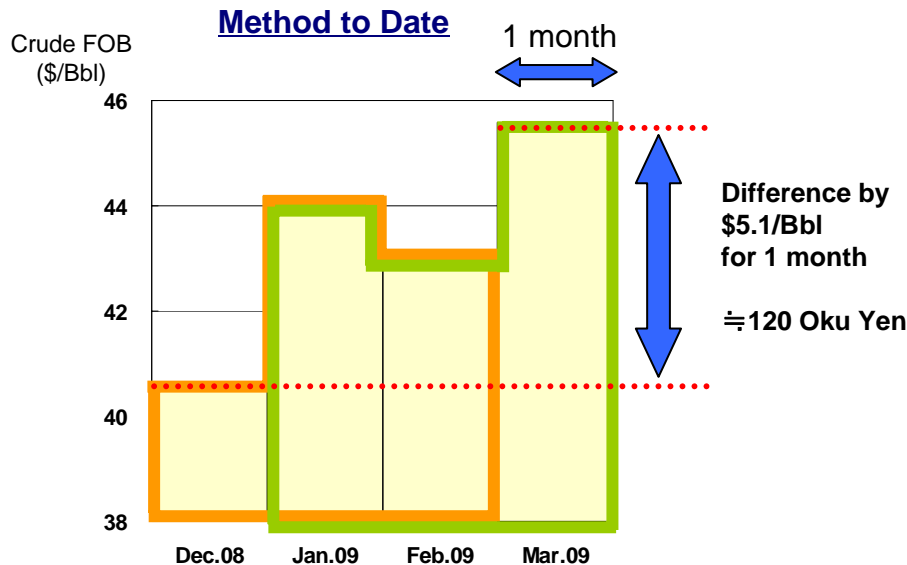
Period	Lead/Lag Effect (100MYen)
1Q08	20
4Q08	960
1Q09	-120

Refined Method

- » Reflect actual days difference between loading (ownership) and arrival, which was shorter than one month (about 23 days in 1Q 2009)



Period	Lead/Lag Effect (100MYen)
1Q08	15
4Q08	700
1Q09	-90



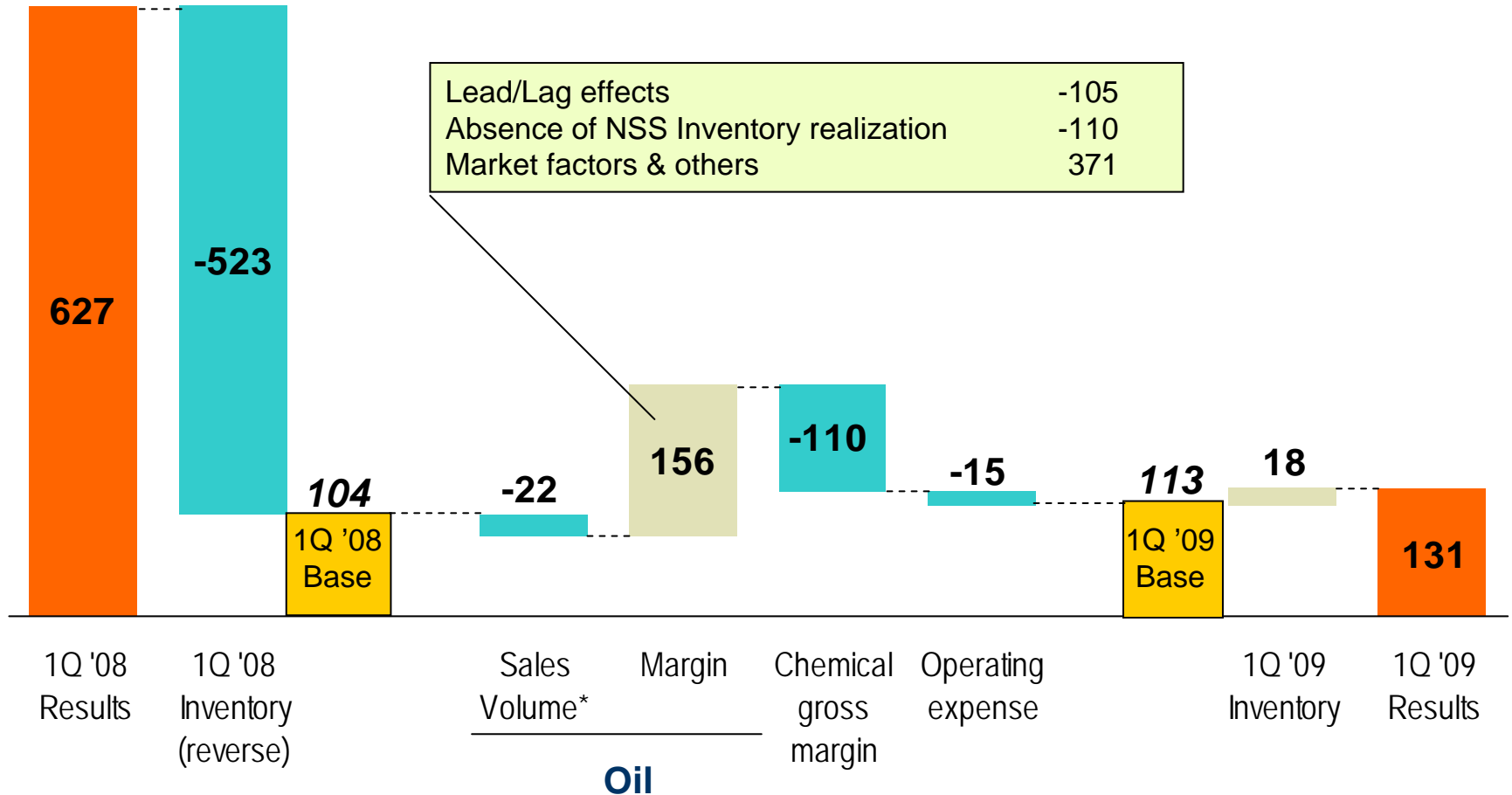
 : Crude Cost Recognition on Arrival Basis

 : Crude Cost Recognition on Loading Basis

Factor Analysis of Operating Income

[1Q '09 Results vs. 1Q '08 Results; Consolidated]

(100M yen)



* Major products, per VG6

Sales Volume/ Capacity Utilization

- Inland 5 major fuels sales volume decreased versus 1Q '08 in parallel with overall reduced domestic demand
- Middle Distillates exports increased by 22% versus 1Q '08
- Olefins sales decreased versus 1Q '08 due to low industry demand

<u>Oil Products*</u>		<u>1Q 2008</u>	<u>1Q 2009</u>	<u>Inc./Dec.</u>	<u>Industry Inc./Dec.****</u>
(KKL)					
Japan Inland Sales	Gasoline	2,512	2,652	+5.5%	+1.2%
	Kerosene	1,155	1,046	-9.4%	-7.7%
	Diesel fuel	778	758	-2.6%	-6.1%
	Fuel oil A	754	594	-21.3%	-19.3%
	Fuel oil C	461	334	-27.7%	-26.1%
	5 Major Fuels Total	5,661	5,383	-4.9%	-9.3%
	LPG and others	756	646	-14.6%	
	Sub Total	6,417	6,029	-6.0%	
	Exports**	1,285	1,343	+4.5%	
	Others***	1,462	871	-40.4%	
G. Total	9,164	8,243	-10.1%		
Notes:					
* Consolidated / excluding Barter					
** Excluding bond sales					
*** Others include crude, product exchanges within ExxonMobil Japan Group, etc.					
**** Data Source: METI Statistics					
Chemical Products (Consolidated)					
(Kton)					
	Olefins and others (TCC)	475	371	-21.9%	
	Aromatics and others (TG)	230	213	-7.5%	
	Chemical Total	705	584	-17.2%	
Topper Utilization		82%	79%		81%****

Earnings Forecast [Consolidated]

- We have not changed 2009 earnings forecasts announced in February
- Forecast subject to sensitivities, including:
 - » Global and domestic economy and S&D balance for oil and chemical sectors
 - » Crude price movements
 - » Inventory levels and inventory accounting effects

(100M yen)	Act.	<u>February Forecast</u>	
	<u>1Q '09</u>	<u>2QYTD09</u>	<u>FY '09</u>
Net Sales	4,842	11,500	23,000
Operating income	131	60	150
Ordinary income	127	60	160
Extraordinary gain/loss	-7	0	-20
Net income	77	40	90
Reverse inventory effects	-18	0	0
Adjusted operating income	113	60	150
Oil segment and others	135	50	100
Chemical segment	-23	10	50

Supplemental Information

Cash Flows, Debt/Equity [Consolidated]



(100M yen)

Operating / Investing Activities

	1Q '09
Net income before taxes	121
Net capex/Depreciation/Asset Disposal	23
Inventory	-66
TAR/TAP/Gas tax & other payables	233
Income tax payment	-401
Others	-16

Financing Activities

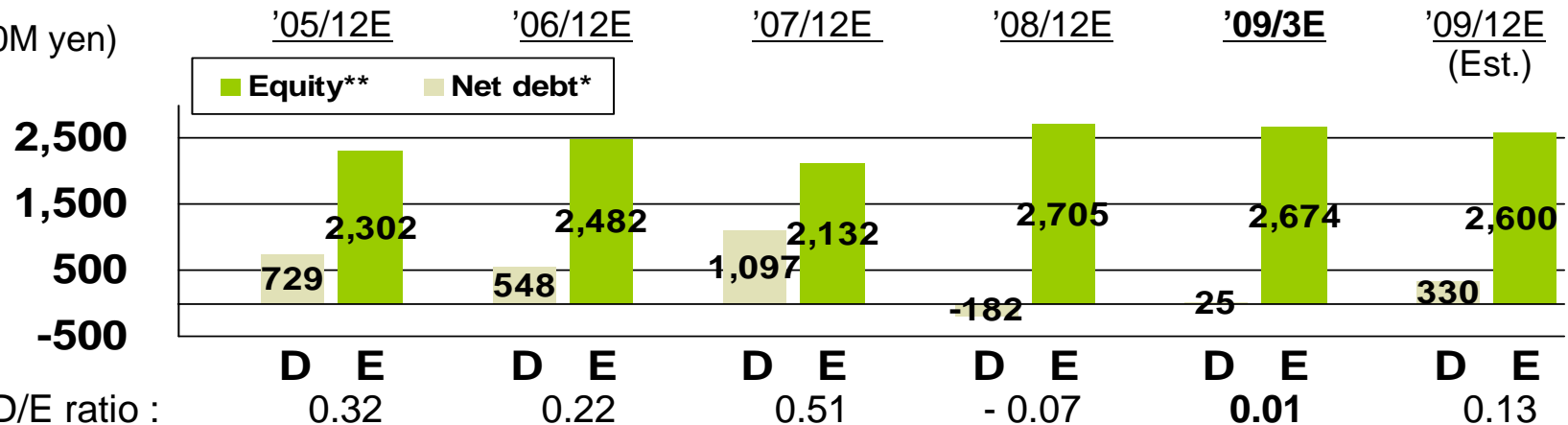
	1Q '09
Change in debt	207
Dividend to shareholders	-100
Others	-1

Net Cash Change

0

- Net debt increased at 1Q '09 end mainly due to large income tax payment associated with larger FY08 earnings
- Financial position remains healthy
- No change in year-end 2009 Net D/E Ratio forecast of 13%

(100M yen)



* Debt excl. cash and loans receivable

** Net Worth excl. Minority Interest