[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.]

March 6, 2015

To Shareholders

Internet Disclosure
of the 95th Ordinary General Meeting of Shareholders

The following information is disclosed on the internet website of the Company to the shareholders pursuant to the Laws of Japan and the Company's Articles of Incorporation.

TonenGeneral Sekiyu K.K.

Notes to Consolidated financial statements

1. Significant accounting policies
   (1) Scope of consolidation
   Number of consolidated subsidiaries: 9 companies
   EMG Marketing G.K., Tonen Chemical Corporation, TGSH G.K., TonenGeneral Kaiun Y.K.,
   Chuo Sekiyu Hanbai K.K., NUC Corporation, MOC Marketing G.K., Toyo Sekiyu Hanbai K.K.,
   Kyokuto Petroleum Industries, Ltd.

   In February 2014, the Company acquired 95.5% of the issued stocks of Mitsui Oil Co., Ltd. (currently, MOC Marketing G.K.; its entity form converted from Kabushiki Kaisha to Godo Kaisha as of August 1, 2014). As a result, MOC Marketing G.K. and Toyo Sekiyu Hanbai K.K. whose entire shares are held by the said company have been included in the scope of consolidation effective in the current period from the deemed date of acquisition of March 31, 2014.

   MOC Marketing G.K. and another subsidiary of the Company each owned 50% interests in Kyokuto Petroleum Industries, Ltd. As a result, Kyokuto Petroleum Industries, Ltd. has been excluded from the scope of the equity method and included in the scope of consolidation effective in the current period from the deemed date of acquisition of March 31, 2014.

   (2) Application of equity method
   a. Number of affiliates accounted for by the equity method: 5 companies
      Shimizu LNG K.K., Kobe Standard Sekiyu K.K., Nissei Sekiyu K.K.,
      Standard Sekiyu Osaka Hatsubaisho Co., Japan Biofuels Supply LLP

      Kyokuto Petroleum Industries, Ltd. has been excluded from the scope of equity method on the deemed date of acquisition of March 31, 2014 as referred to in “(1) Scope of consolidation”.

   b. Name of major non-equity-method companies and reason equity method was not applied
      1) Name of major non-equity-method companies
         Emori Sekiyu K.K., Kimura Sekiyu K.K., K.K. Marutaka Sekiyu
      2) Reason equity method was not applied
         The affiliates above are not accounted for by the equity method because they do not have a material impact on net income (loss), retained earnings, etc. on a consolidated basis and the total amount as a whole does not have a material impact to the consolidated financial statements.

   c. Notes to the procedures of applying equity method
      Reasonable adjustments are made to the most recent available financial statements of companies accounted for by the equity method whose closing dates are not the same as the Company.

   (3) Summary of accounting procedures
   a. Valuation rules and methods for significant assets
      1) Securities
         Other securities
         - Securities with readily determinable fair values
           Market value at the closing date (Valuation difference on available-for-sales securities is directly reflected in net assets, and cost of sales is calculated using the moving-average

method)

- Securities without readily determinable fair values

  The moving-average cost method

2) Derivatives transactions

   Market value at the closing date

3) Inventories

   Generally the lower of acquisition costs determined by the weighted average cost method or their net realizable value

b. Depreciation and amortization of significant noncurrent assets

1) Property, plant and equipment (excluding leased assets)

   Generally the declining-balance method

   The service life ranges by major assets are:

Buildings and structures:	10 to 50 years
Tanks:	10 to 25 years
Machinery, equipment and vehicles:	7 to 15 years

2) Intangible assets (excluding leased assets)

   The straight-line method

   In-house computer software is amortized over its service life (5 to 15 years) using the straight-line method.

3) Leased assets

   The straight-line method is employed, where the leasing period is deemed as the service life and residual value is set as zero. The accounting treatment for finance lease transactions that do not transfer ownership to the lessee and became effective on or before December 31, 2008 is calculated pursuant to the method applied to ordinary operating lease transactions.

c. Basis for significant provisions

1) Allowance for doubtful accounts

   To provide for losses due to bad debt, the Company and its consolidated subsidiaries reserve an estimated bad debt allowance on ordinary receivables based on historical bad debt ratios, and on highly doubtful receivables based on the recoverability from individual customers.

2) Provision for bonuses

   To provide for the payment of employees' bonuses, the Company and its consolidated subsidiaries accrue an estimated reserve for the period.

3) Provision for repairs

   To provide for periodic tank inspections required under the Fire Service Act and for periodic repairs of machinery and equipment, the Company and its consolidated subsidiaries reserve an estimated cost for the current period, based on actual payments and repair plans, respectively.

d. Accounting method related to retirement benefits

1) Method of attributing expected retirement benefits to periods

   In the calculation of retirement benefit obligations, the straight-line basis is adopted as the method of attributing expected retirement benefits to the period up to the end of the current period.

2) Method of amortizing actuarial difference, and the past service liabilities

Actuarial differences are generally amortized into pension expenses beginning with the next period, using the declining-balance method over a period determined based on employees' average remaining service years (12 years). Past service liabilities are amortized into pension expenses using the straight-line method over employees' average remaining service years (11.0 to 12.9 years).

Unrecognized actuarial gains and losses, and unrecognized prior service cost are included in accumulated other comprehensive income after adjusting deferred tax.

e. Other important items for consolidated financial statements

1) Principal methods of hedge accounting

- Method of hedge accounting

  Exceptional treatment permitting the effects of the interest rate swaps to be netted against the underlying interest expense of the loans payable subject to the swap agreement is adopted for the swap agreements that satisfy the requirements for exceptional treatment.

- Hedging instrument and hedged item

  Hedging instrument: Interest rate swap

  Hedged item: Interest on loans payable

- Hedging policy

  Upon the completion of internal approval procedures prescribed by the Company, interest rate swaps are carried out to convert floating interest rates associated with certain loans payable to fixed interest rates.

- Method of evaluating hedge effectiveness

  Hedge effectiveness of interest rate swaps is not evaluated because they are accounted for with exceptional treatment.

2) Amortization method and period of goodwill

Goodwill is amortized by the straight-line method over 20 years.

3) Accounting method for consumption taxes

Each item in the consolidated statement of income does not include consumption taxes.

2. Change in accounting policies

- Application of Accounting Standard, etc. for Retirement Benefits

The Company has adopted the "Accounting Standard for Retirement Benefits" (The Accounting Standards Board of Japan(ASBJ) Statement No.26, May 17, 2012) ("Accounting Standard"), and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No.25, May 17, 2012) ("Guidance"), effective from the end of the current period (excluding the provisions set forth in the main clause of paragraph 35 of the Accounting Standard, and the main clause of paragraph 67 of the Guidance). As a result, the Company has changed the accounting method to one that records, as a net defined benefit liability, the amount of retirement benefit obligations after deducting the amount of pension assets. Accordingly, the unrecognized actuarial difference and the unrecognized past service liabilities are recognized as a net defined benefit liability.

The Accounting Standard and other relevant rules are applied in accordance with the transitional measures provided in paragraph 37 of the Accounting Standard. The amount of impact resulting from the changes has been reflected in the measurements of defined benefit plans in the accumulated other comprehensive income at the end of the current period.

As a result of these changes, a net defined benefit liability of 132,907 million yen has been recognized at the end of the current period, and the accumulated other comprehensive income has decrease by 12,109 million yen, with the minority interests being reduced by 5 million yen.

Net assets per share decreased by 33.26 yen.

3. Change in presentation

- Consolidated balance sheet

"Short-term loans receivable" which had been separately presented in the section of "Current assets" in the prior period, is included in "Other" in the current period because its amount is immaterial.

The outstanding balance of "Short-term receivable" at the end of the current period is 66 million yen.

4. Consolidated balance sheet

(1) Mortgaged assets

Mortgaged assets and mortgaged liabilities by security rights are as shown below;

Mortgaged assets	Balance sheet amounts (Million yen)	(Provided as plant mortgage) (Million yen)
Buildings and structures	7,294	(7,294)
Tanks	1,961	(1,961)
Machinery, equipment and vehicles	5,316	(5,316)
Tools, furniture and fixtures	53	(53)
Land	17,291	(9,716)
Total	31,916	(24,341)

Mortgaged liabilities by security rights	Amounts (Million yen)	(Covered by plant mortgage) (Million yen)
Gasoline taxes payable	50,843	(24,341)

(Note) 1. The balance sheet amounts of mortgaged assets include the mortgages provided as plant mortgage as shown in parentheses.
2. The amounts of mortgaged liabilities include the liabilities covered by plant mortgages as shown in parentheses.

(2) Accumulated depreciation of property, plant and equipment 975,143 million yen

(3) Obligations for guarantees

a. Bank borrowing, etc.

Guarantees	Amounts
Japan Biofuels Supply LLP	2,980 million yen
Employees of the Company and consolidated subsidiaries	130 million yen
Total	3,110 million yen

b. Letters of credit

Guarantees	Amounts
Japan Biofuels Supply LLP	9,737 thousand USD
	(1,173 million yen)

c. Deferral of import consumption tax payment

Guarantees	Amounts
Japan Biofuels Supply LLP	565 million yen

(4) Financial covenants

The Company's bank loan of 139,000 million yen including amounts due within one year contains financial covenants which could cause the payment to be accelerated by notice from the majority lenders upon the failure of the Company to meet the stated conditions which vary by agreement. Of the above bank loan, 10,000 million yen in short-term loans payable is subject to the following conditions.

a. Consolidated total net assets as of each year-end shall be kept at 75% or more of the highest of the i) Consolidated total net assets as of June 30, 2012, ii) Consolidated total net assets as of previous year-end, and iii) 180 billion yen.

b. Consolidated annual operating income (adjusted to exclude inventory gain or loss) shall not be negative for two consecutive annual periods beginning with consecutive 2012 and 2013 periods.

5. Consolidated statement of changes in net assets

(1) Class and number of shares issued as of December 31, 2014

Common stock 565,182,000 shares

(2) Dividends in the current period

Resolution	Class of shares	Total dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on March 25, 2014	Common stock	6,922	19.00	December 31, 2013	March 26, 2014
Board of Directors Meeting held on August 14, 2014	Common stock	6,922	19.00	June 30, 2014	September 12, 2014

(3) Planned resolution at Ordinary General Meeting of Shareholders on March 25, 2015

Planned resolution	Class of shares	Dividend resource	Total dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on March 25, 2015	Common stock	Retained earnings	6,921	19.00	December 31, 2014	March 26, 2015

(4) Class and number of stock acquisition rights as of December 31, 2014 (Except for those rights whose first date of exercise period has not come.)

Resolution date	April 24, 2013
Number of stock acquisition rights	834 rights
Class of shares	Common stock
Number of shares	83,400 shares

6. Financial instruments

(1) Detail of financial instruments

The Company and its subsidiaries and affiliated companies (“TG group companies”) finance their working capital and capital investment through a combination of internally generated funds, external borrowing with banks and other financial institutions, and issuance of corporate bonds and commercial papers.

Trade accounts receivable are exposed to credit risk but TG group companies mitigate the risk in accordance with consistent guidelines. Part of trade accounts receivable are denominated in foreign currencies, but the risk of foreign currency rate fluctuations is hedged with forward exchange contracts.

Investment securities are limited to stock of companies with which TG group companies have a business relationship. Part of these stock investments is exposed to the risk of market stock price fluctuations.

Trade accounts payable outstanding are largely due within six months. Also trade accounts payable resulting from import transactions including crude oil import are exposed to the risk of foreign currency rate fluctuations but the risk has been mitigated through the use of forward exchange contracts.

Loans payable result from external loans with financial institutions including banks and the issuance of corporate bonds and commercial papers. The interest rate of such financing, except for fixed rate long-term loans payable and bonds payable, is in part determined with market reference rates and therefore the variable interest rate loans are exposed to the risk of interest fluctuations.

Derivative transactions are conducted mainly for foreign exchange contracts and interest rate swap transactions.

(2) Fair value of financial instruments

The balance sheet amounts and fair values and the difference as of December 31, 2014 thereof are shown below.

(Unit: Million yen)

	Amounts recorded in the consolidated balance sheet	Fair value	Difference
1) Cash and deposits	35,048	35,048	–
2) Note and accounts receivable-trade (*1)	220,777	220,777	–
3) Income taxes receivable	25,232	25,232	–
4) Investment securities			
-Other securities	5,463	5,463	–
Total assets	286,521	286,521	–
5) Note and accounts payable-trade	174,552	174,552	–
6) Gasoline taxes payable	248,473	248,473	–
7) Short-term loans payable	153,347	153,347	–
8) Commercial papers	15,000	15,000	–
9) Income taxes payable	2,905	2,905	–
10) Accrued consumption taxes	19,491	19,491	–
11) Guarantee deposits payable	16,573	16,573	–
12) Bonds payable	85,000	86,561	1,561
13) Long-term loans payable	132,298	136,168	3,869
Total liabilities	847,642	853,073	5,431
14) Derivative transactions (*2)	670	670	–

(*1) The amounts of related allowance for notes and accounts receivable-trade are deducted from the values.

(*2) The values of assets and liabilities arising from derivative transactions are shown at net value.

Assets:

1) Cash and deposits, 2) Note and accounts receivable-trade and 3) Income taxes receivable

Fair value is deemed the same as book value because these assets are settled within a short period of time and there is little rationale for fair and book values to diverge.

4) Investment securities

Fair value of stocks is based on the prices traded at the stock exchange. Among “Other securities,” securities with a book value of 14,407 million yen are excluded from the above table because there is no ascertainable market value for those securities and it is deemed extremely difficult to calculate their fair value.

Liabilities:

5) Note and accounts payable-trade, 6) Gasoline taxes payable, 7) Short-term loans payable, 8) Commercial papers, 9) Income taxes payable, 10) Accrued consumption taxes and 11) Guarantee deposits payable

Fair value is deemed the same as book value because these liabilities are settled within a short period of time and there is little rational for fair and book value to diverge.

12) Bonds payable

Fair value of bonds is based on market price.

13) Long-term loans payable

The fair value of floating rate long-term loan is deemed the same as book value, since there is little rationale for fair and book values to diverge under such floating rate loan arrangement. The fair value of fixed rate long-term loan is estimated using the expected future principal and interest payments discounted at market interest rates for similar new borrowings. The fair value of derivatives that are subject to the special treatment of interest rate swap is calculated based on the value provided by financial institutions and it is included in the fair value of the hedged long-term loan.

14) Derivatives

Fair value is measured based on the actual market exchange rate.

7. Investment and rental property

(1) Overview of real estate for lease, etc.

The Company and two consolidated subsidiaries lease a part of lands at their refining and manufacturing sites, certain service stations assets and other assets in Japan. In the current period, the net of leasing income and related expense of these transactions are 942 million yen in income (the income is included in net sales and the expense is included in cost of sales or selling, general and administrative expenses); gain/loss on sales and retirement of related assets are a 1,640 million yen gain (included in extraordinary income/loss); and impairment loss of related assets is 191 million yen (included in extraordinary loss).

(2) Fair value of real estates for lease, etc.

Balance sheet amount	Fair value
91,701million yen	97,492 million yen

(Note) 1. The balance sheet amount is the acquisition cost reduced by the accumulated depreciation and the accumulated impairment loss.

2. The amounts used for the fair value at the end of the period were mainly amounts determined by the Company based on the “Real Estate Appraisal Standard” (these amounts include adjustments that utilize indices etc.).

8. Financial data per share

(1) Net assets per share: 718.35 yen

(2) Net loss per share: 38.36 yen

9. Monetary unit used for reporting

Amounts are shown in truncated millions of yen.

Notes to Non-consolidated financial statements

1. Significant accounting policies
   (1) Valuation rules and methods for assets
      a. Securities
         1) Stock of subsidiaries and affiliates
            The moving-average cost method
         2) Other securities
            - Securities with readily determinable fair values
              Market value at the closing date (Valuation difference on available-for-sales securities is directly reflected in net assets, and cost of sales is calculated using the moving-average method)
            - Securities without readily determinable fair values
              The moving-average cost method
      b. Derivatives transactions
         Market value at the closing date
      c. Inventories
         Generally the lower of acquisition costs determined by the weighted average cost method or their net realizable value

   (2) Depreciation and amortization method for noncurrent assets
      a. Property, plant and equipment (excluding leased assets)
         Generally the declining-balance method
         The service life ranges by major assets are:

Buildings and structures:	10 to 50 years
Tanks:	10 to 25 years
Machinery, equipment and vehicles:	7 to 15 years

      b. Intangible assets (excluding leased assets)
         The straight-line method
         In-house computer software is amortized over its service life (5 to 15 years) using the straight-line method.
      c. Leased assets
         The straight-line method is employed, where the leasing period is deemed as the service life and residual value is set as zero. The accounting treatment for finance lease transactions that do not transfer ownership to the lessee and became effective on or before December 31, 2008 is calculated pursuant to the method applied to ordinary operating lease transactions.

   (3) Basis for provisions
      a. Allowance for doubtful accounts
         To provide for losses due to bad debt, the Company reserves an estimated bad debt allowance on ordinary receivables based on historical bad debt ratios, and on highly doubtful receivables based on the recoverability from individual customers.

b. Provision for bonuses

To provide for the payment of employees' bonuses, the Company accrues an estimated reserve for the period.

c. Provision for retirement benefits

To provide for the payment of employees' post-retirement benefits, the Company accrues an estimated reserve based on the projected benefit obligations and estimated pension plan assets as of the closing date. Any differences in actuarial calculations of retirement benefits are amortized beginning with the next period, using the declining-balance method over a period determined based on employees' average remaining service years (12 years). Prior service liabilities are amortized using the straight-line method over employees' average remaining service years (11.9 to 12.9 years).

d. Provision for repairs

To provide for periodic tank inspections required under the Fire Service Act and for periodic repairs of machinery and equipment, the Company reserves an estimated reserve for the period, based on actual payments and repair plans.

(4) Other important items for financial statements

a. Principal methods of hedge accounting

1) Method of hedge accounting

Exceptional treatment permitting the effects of the interest rate swaps to be netted against the underlying interest expense of the loans payable subject to the swap agreement is adopted for the swap agreements that satisfy the requirements for exceptional treatment.

2) Hedging instrument and hedged item

Hedging instrument: Interest rate swap
Hedged item: Interest on loans payable

3) Hedging policy

Upon the completion of internal approval procedures prescribed by the Company, interest rate swaps are carried out to convert floating interest rates associated with certain loans payable to fixed interest rates.

4) Method of evaluating hedge effectiveness

Hedge effectiveness of interest rate swaps is not evaluated because they are accounted for with exceptional treatment.

b. Amortization method and period of goodwill

Goodwill is amortized by the straight-line method over five years.

c. Accounting method for consumption taxes

Each item in the statement of income does not include consumption taxes.

2. Change in presentation

- Balance sheet

"Short-term loans receivable" which had been separately presented in the section of "Current assets" in the prior period, is included in "Other" in the current period because its amount is immaterial.
The outstanding balance of "Short-term receivable" at the end of the current period is 42 million yen.

3. Balance sheet

(1) Mortgaged assets

Mortgaged assets and mortgaged liabilities by security rights are as shown below;

Mortgaged assets	Balance sheet amounts (Million yen)	(Provided as plant mortgage) (Million yen)
Buildings	1,020	(1,020)
Structures	1,964	(1,964)
Tanks	1,961	(1,961)
Machinery, equipment	3,716	(3,716)
Land	12,203	(4,628)
Total	20,866	(13,291)

Mortgaged liabilities by security rights	Amounts (Million yen)	(Covered by plant mortgage) (Million yen)
Gasoline taxes payable	48,823	(13,291)

(Note) 1. The balance sheet amounts of mortgaged assets include the mortgages provided as plant mortgage as shown in parentheses.
2. The amounts of mortgaged liabilities include the liabilities covered by plant mortgages as shown in parentheses.

(2) Accumulated depreciation of property, plant and equipment 750,465 million yen

(3) Obligations for guarantees

a. Bank borrowing, etc.

Guarantees	Amounts
Japan Biofuels Supply LLP	2,980 million yen
Employees of the Company	77 million yen
Total	3,057

b. Letters of credit

Guarantees	Amounts
Japan Biofuels Supply LLP	9,737 thousand USD
	(1,173 million yen)

c. Deferral of import consumption tax payment

Guarantees	Amounts
Japan Biofuels Supply LLP	565 million yen

(4) Details of receivable from and payable to associated companies

Receivable

Accounts receivable-trade	168,316	million yen
Short-term loans receivable	32,477	
Accounts receivable-other	12,258	

Payable

Accounts payable-trade	47,022	million yen
Short-term loans payable	65,446	
Accrued expenses	4,609	
Guarantee deposits payable	1,729	

(5) Financial covenants

The Company's bank loan of 139,000 million yen including amounts due within one year contains financial covenants which could cause the payment to be accelerated by notice from the majority lenders upon the failure of the Company to meet the stated conditions which vary by agreement. Of the above bank loan, 10,000 million yen in short-term loans payable is subject to the following conditions.

a. Consolidated total net assets as of each year-end shall be kept at 75% or more of the highest of the i) Consolidated total net assets as of June 30, 2012, ii) Consolidated total net assets as of previous year-end, and iii) 180 billion yen.

b. Consolidated annual operating income (adjusted to exclude inventory gain or loss) shall not be negative for two consecutive annual periods beginning with consecutive 2012 and 2013 periods.

4. Statement of income

Transaction with associated companies

Trade transaction	Net sales	1,542,945	million yen
	Cost of sales	550,321	
Non-trade transaction	Dividend income	72,950	
	Other	122	

5. Statement of changes in net assets

Treasury stock

Class and number of treasury stock as of December 31, 2014

Common stock 200,876,446 shares

6. Deferred tax accounting

Detail of deferred tax assets and deferred tax liabilities

(Deferred tax assets)

Tax loss carry forward	79,827	million yen
Provision for retirement benefits	14,410	
Provision for repairs	6,421	
Accumulated impairment loss	918	
Excess amortization	652	
Other	1,811	
Subtotal	104,043	
Valuation allowance	(19,464)	
Total deferred tax assets	84,578	

(Deferred tax liabilities)

Gain on sales of subsidiaries' stocks	(30,396)	million yen
Deferred taxation on the gain from inventory valuation method change	(28,163)	
Reserve for property replacement	(7,424)	
Other	(1,821)	
Total deferred tax liabilities	(67,805)	
Net of deferred tax assets and liabilities	16,773	

7. Lease transactions

The accounting treatment for finance lease transactions that do not transfer ownership to the lessee and became effective on or before December 31, 2008 is calculated pursuant to the method applied to ordinary operating lease transactions. The detail is as follows.

(1) Acquisition cost equivalent, accumulated depreciation equivalent and net book value equivalent at the closing date

(Million yen)

Assets	Acquisition cost equivalent	Accumulated depreciation equivalent	Net book value equivalent at the closing date
Buildings	89	28	61
Machinery	210	160	50
Total	300	188	112

(Note) The acquisition cost equivalent includes interest-equivalent expenses with no adjustment made since the outstanding balance of future lease payment at the closing date is immaterial considering the total value of property, plant and equipment.

(2) Outstanding balance of future lease payment at the closing date

Due within one year	30	million yen
Due in over one year	81	
Total	112	

(Note) The outstanding balance of future lease payment includes interest-equivalent expenses, since the outstanding balance of future lease payment at the closing date is immaterial considering the total value of property, plant and equipment.

(3) Lease fees paid and depreciation expense equivalent

Lease fees paid	28	million yen
Depreciation expense equivalent	28	

(4) Calculation method for depreciation expense equivalent

The straight-line method with no residual value, where the lease period is treated as the depreciation period.

8. Financial data per share

(1) Net assets per share: 921.51 yen

(2) Net income per share: 208.51 yen

9. Monetary unit used for reporting

Amounts are shown in truncated millions of yen.