



August 17, 2007

## **Press Release**

TonenGeneral Sekiyu K.K.  
(Code #: 5012 Tokyo Stock Exchange, First Section)  
Representative Director,  
Chairman and President  
D. G. Wascom  
Contact:  
Public Affairs  
ExxonMobil Yugen Kaisha  
Tel: 03-6713-4400

### **Notice of Stock Repurchase and Tender Offer for Acquisition of Own Stock**

At a meeting held today, the Board of Directors of TonenGeneral Sekiyu K.K. ("TonenGeneral") approved a share repurchase plan in accordance with its Articles of Incorporation and Article 156-1 of Company Law, which is referred to in Article 165-3 of Company Law, and further approved implementation of a tender offer for acquisition of its own stock in accordance with the repurchase plan.

#### **I. Stock Repurchase**

##### **1. Purpose:**

The Company acquired 118 million of its own shares at a cost of 110 billion yen in the period from 2001 to 2005, in order to improve its capital structure. As a result of these repurchases, TonenGeneral's outstanding shares decreased by 16.9%, increasing its earnings per share as well as return on equity.

By repurchasing its own stock, TonenGeneral intends to adjust its capital structure to provide financial benefits to all shareholders. TonenGeneral intends to use borrowings to complete the repurchase plan. The Company's borrowing capacity is ample for this purpose, and its business operating needs.

The Company is considering cancellation of the treasury stock acquired under this repurchase plan.

##### **2. Stock repurchase plan:**

- |   |  |
|---|--|
| (1) Type of shares to be acquired           | Common stock   |
| (2) Maximum amount of acquisition           | 20 billion yen   |
| (3) Maximum number of shares to be acquired | 18,018,000 shares<br>(3.09% of the outstanding shares) |
| (4) Authorized period of stock repurchase   | August 20, 2007 to December 31, 2007                   |

## II. Tender Offer for acquisition of the Company's stock

### 1. Purpose:

In order to accomplish the Stock repurchase plan mentioned above, the Board of Directors of TonenGeneral has approved the implementation of a tender offer for acquisition of its own stock.

### 2. Stock repurchase plan:

- |   |  |
|---|--|
| (1) Type of shares to be acquired           | Common stock   |
| (2) Maximum amount of acquisition           | 20 billion yen   |
| (3) Maximum number of shares to be acquired | 18,018,000 shares<br>(3.09% of the outstanding shares) |

### 3. Listed shares already acquired under the stock repurchase plan above:

Nil

### 4. Tender offer period:

From August 20, 2007  
To September 14, 2007

### 5. Publication date of tender offer:

Monday, August 20, 2007

### 6. Purchase price:

Yen 1,110 per each share

### 7. Calculation basis of the purchase price:

99.00% of average of the closing prices on Tokyo Stock Exchange between August 13, 2007 and August 17, 2007,  
104.13% of closing price of August 17, 2007  
(rounded)

### 8. Number of shares to be purchased:

Type of shares	Number of shares to be purchased	Number of shares to be additionally purchased	Total
Common Stock	18,018,000 shares	—	18,018,000 shares

Note: If the total number of shares subscribed is less than the number planned to be purchased, all the subscribed for shares will be purchased. If the total number of shares subscribed exceeds the number planned to be purchased, subscribed for shares will be purchased, delivered and settled on a pro-rata basis.

### 9. Required total amount for the repurchase:

20,013,234,498 yen  
(Incl. 13,254,498 yen as transaction cost)

10. Name and head office address of the financial institution for settlement of purchases:

(Tender Offer Agent) Mizuho Investors Securities Ltd.  
1-13-16, Nihombashi-Kayabacho, Chuo-ku, Tokyo

11. Start date of settlement: Wednesday, September 26, 2007

12. Method of settlement:

Promptly after the end of the tender offer period, notice of purchase under the tender offer will be sent to subscribing shareholders (notice to a non-resident shareholder will be sent to the shareholder's standing agent). Purchases will be settled in cash. The purchase amount, less applicable withholding tax, will be remitted promptly from the start date of settlement by the tender offer agent to the place designated by the subscribing shareholder (or if the shareholder is non-resident, to the place designated by the shareholder's standing agent), or paid at the head office or any branch of the tender offer agent.

III. Forecast for 2007 final dividend

Based on current earnings projections, the Board of Directors is prepared to consider a plan to increase the dividend per share to an amount that would result in the total dividends paid remaining at substantially the same aggregate level as the level before the stock repurchase. Subject to the number of shares actually repurchased in the proposed buyback and the necessary corporate decisions regarding dividends, this could result in a final dividend per share of about 19.0 yen/share versus the previously forecast 18.5 yen/share.

IV. Relationship with parent company

The Company believes that its parent company, ExxonMobil Yugen Kaisha, will participate in the tender offer so that its ownership share in the Company, currently 50.02%, will remain constant after completion of the stock repurchase.

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