TonenGeneral Sekiyu K.K.
2QYTD 2012 Financial Results

August 15, 2012
at Bellesalle Yaesu

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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..

東燃ゼネラル石油株式会社

Agenda

- Corporate Mission and Strategies — J. Mutoh
- 2QYTD 2012 Business Results and FY 2012 Financial Forecast — D. R. Csapo
- Q & A

Corporate Mission and Strategies

J. Mutoh

Representative Director, President
TonenGeneral Sekiyu K.K.

Seamless Transition to the New Organization

- Successfully launched the new organization as scheduled
  - EMYK renamed to EMG Marketing Godo Kaisha and integrated with TG Group
  - Smooth closing with ExxonMobil on June 1 exactly in line with Jan 29 agreement
  - New management structure effective June 1 to drive integration and synergy
  - Strong support from customers / business partners

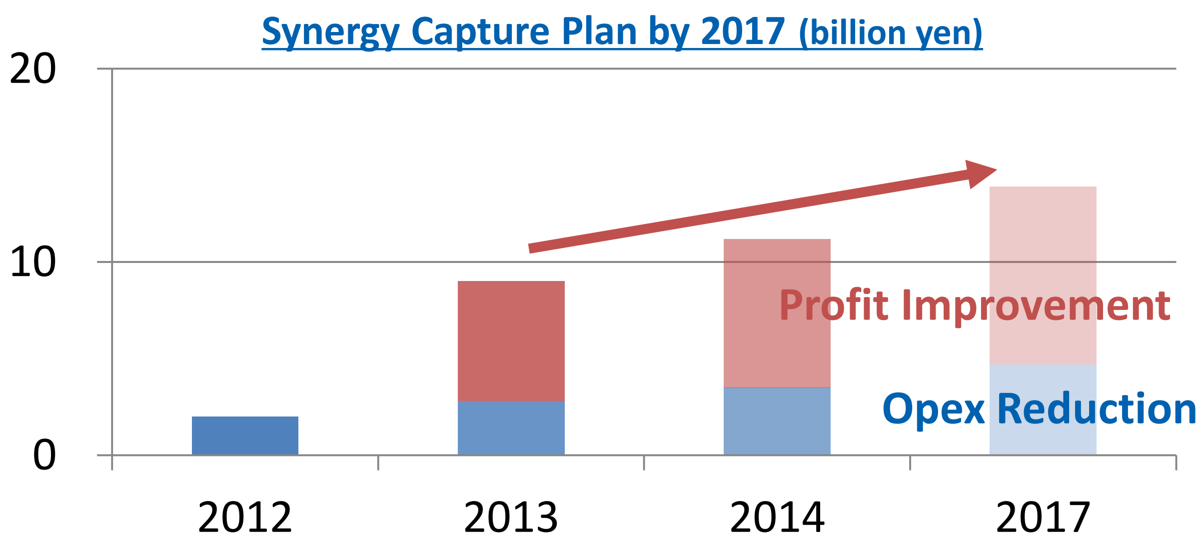
- Seamless transition focusing to maximize value capture
  - IT systems carved out to allow TG to drive process change
  - Expanding crude/product procurement activities through newly built Singapore office
  - Enhancing customer relationship with new support center

- 2012 one-time transition cost is on track
  - 2H 2012 one-time transition cost will be 4 billion yen
  - Focus on flawless operations and accelerated start-up

Synergies

- Transaction basis assumed 10 billion yen a year on a mid-term basis
  - Expand strategic alliance with Seven-Eleven Japan
  - Further enhance refinery cost competitiveness
  - Overhead cost reduction

- Efforts to date confirm synergy potential more than 30% greater than expected
  - Identified profit improvement steps continue to expand



Mission and Strategies

Company Attribute
- Safety & Control
- Efficiency
- Financial discipline
- Powerful brands
- Quality facilities
- People

Market
- Declining demand
- Profitable for the best
- Capacity utilization challenge
- Response to external requirements

Disciplined and focused approach

Strengthen the Core
- Expand integration
- Optimize cost structure

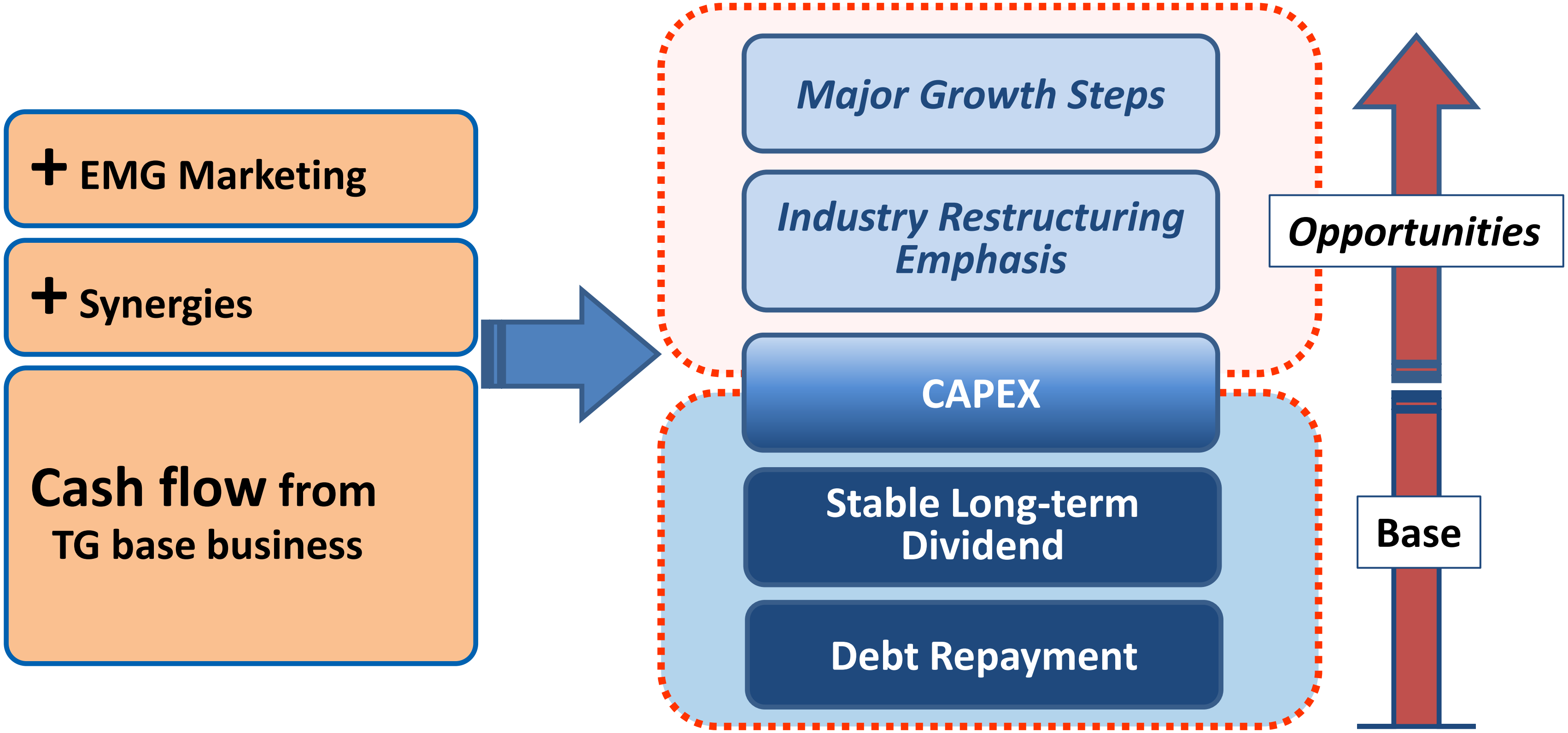
Improve Position
- Advance strategic alliances
- Pursue selective investment

Customer Focus
- Market technologically advanced products & Retail offering

Japan's Premier Petroleum/Petrochemical Company
- Continue stable supply
- Provide value-added service
- Contribute to customers, employees, shareholders and societies

Long-term Management Emphasis

- Debt repayment and stable dividend form the base
- Selective investment based on our financial discipline
- Additional cash flow from EMGM & synergies will enable the Company to capture incremental opportunities



Financial Strategies

- Financial Condition
  - Maintain ability to pay stable dividend, fund attractive investment opportunities, retain debt rating
  - Business is cyclical – financial structure must be resilient

- Equity
  - TG shares held within our group became 200M on June 1
  - Any future issuance of equity would be for strategic purposes that serve the interest of shareholders
    - Public offering not being considered

- Debt
  - Achieve appropriate mix of long/short-term borrowings and fixed/floating rates
  - Pursue optimal long-term financing under historical low interest rate environment, including possible bond issuance

Move Nippon.

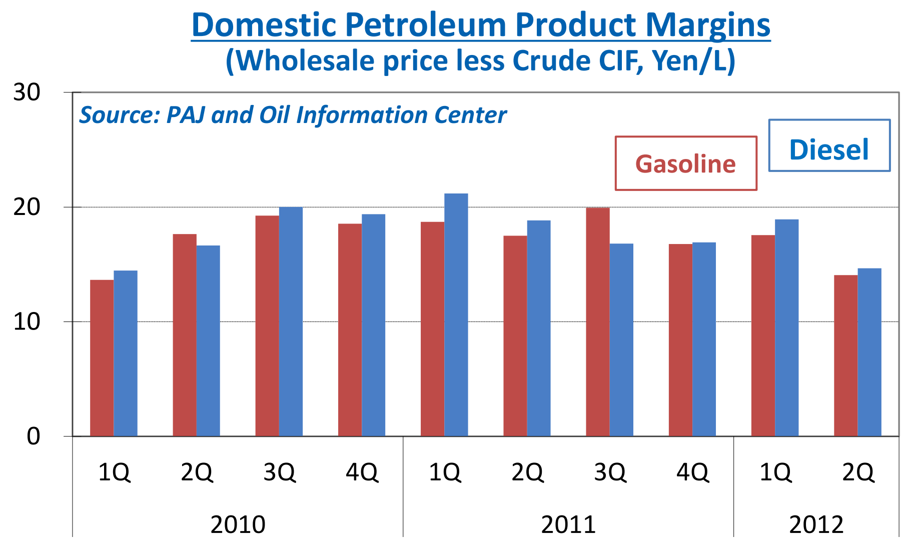

MOVE
NIPPON.
グローバル・メジャーの実力と、日本企業としての柔軟な対応力で、
この国を明日へと動かすエネルギーカンパニーへ。始動、東燃ゼネラルグループ。

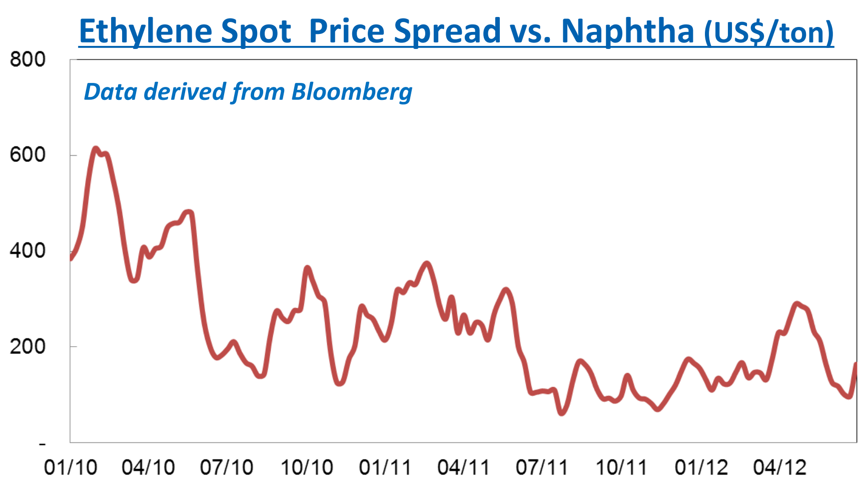
2Q12YTD Business Results and FY 2012 Financial Forecast

D. R. Csapo

Director, Financial Services
TonenGeneral Sekiyu K.K.

2Q12 Business Environment





Oil Segment

- 2Q12 book margins depressed versus 1Q12
  - Arrivals basis margins well below loadings basis
  - Weakness in both domestic and export margins
- 2Q12 YTD industry demand: Gasoline +1.4% and Diesel +2.5%
  - Absence of earthquake effects
  - 10%+ diesel fuel demand increase in Tohoku

Chemical Segment

- Commodity margins weak in 2Q12
  - Weak demand due to economic concerns and customer expectations of lower prices
  - Downturn impacted both olefins and aromatics; spreads to naphtha continue to be low

2Q12 YTD Financial Highlights

- Operating income was negative 14.4 billion yen, a 232.3 billion yen decrease from 2Q11 YTD
  - 210.3 billion yen lower inventory gains reflecting absence of LIFO/WAC change in 2011
  - Both Oil and Chemical in a loss position despite efforts to optimize operations
- 2Q YTD includes 16.4 billion yen extraordinary gain on Battery Separator Film JV dissolution in 1Q12
- Net income was negative 1.4 billion yen

billion yen	2Q11 YTD	2Q12 YTD	Inc./Dec.
Net Sales	1,305.5	**1,345.7**	40.2
Operating income	217.8	**-14.4**	-232.3
Ordinary income	218.7	**-14.2**	-233.0
Extraordinary gain/loss	-0.2	**16.6**	16.7
Net income	130.0	**-1.4**	-131.4

Breakdown of operating income

Inventory gain/loss	201.2	**-9.1**	-210.3
Adjusted Operating income	16.6	**-5.3**	-21.9
Oil segment	8.9	**-4.0**	-12.8
Chemical segment	7.7	**-1.4**	-9.1

Oil segment	
2Q11YTD	**8.9**
• Margin	-11.1
• Volume	-0.1
• Opex	-1.6
2Q12YTD	**-4.0**

Chemical segment	
2Q11YTD	**7.7**
• Margin/vol.	-9.7
• Opex	0.6
2Q12YTD	**-1.4**

Factor Analysis of 2Q12 Operating Income

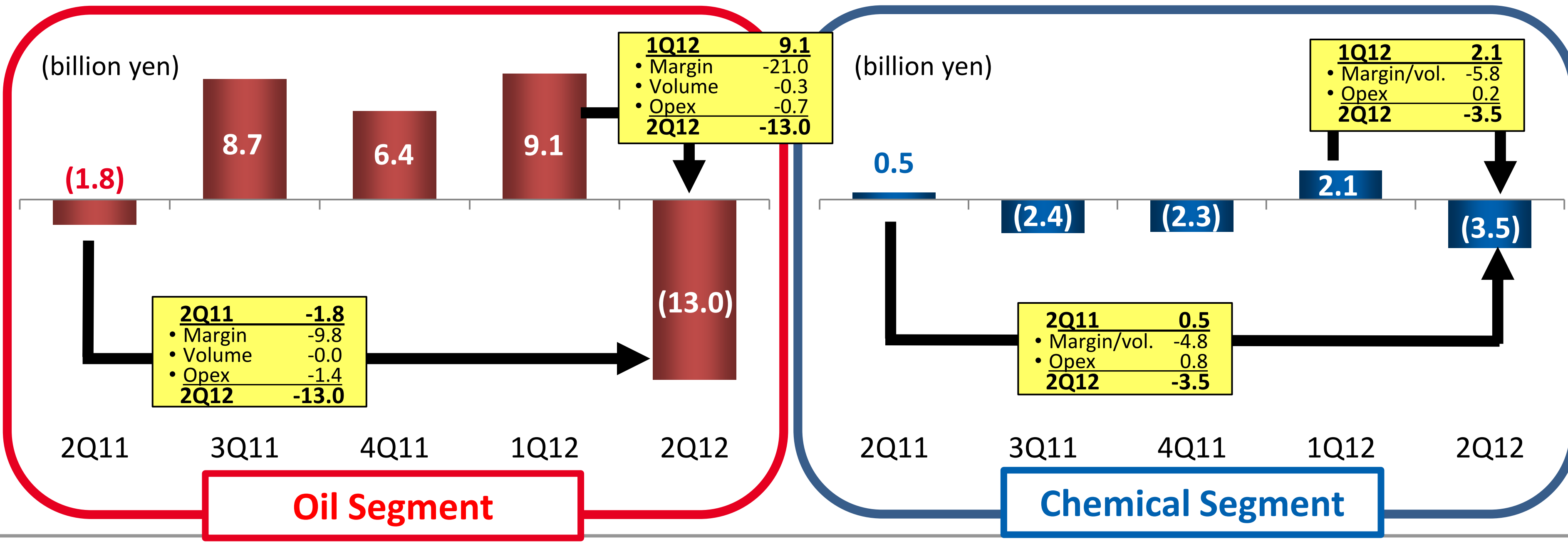
Oil

- After 3 quarters of profitable operations, margins dropped to well below break-even levels
- Export margins particularly weak as product prices reacted quickly to crude decline

Chemical

- Olefins and Aromatics in loss position whereas specialties continue profitable

Quarter to Quarter Adjusted Operating Income (2Q11 through 2Q12)



Sales Volume

Product	2Q11YTD	2Q12YTD	Inc./Dec.	Inc./Dec. Industry
Oil products (KKL)				
Gasoline	4,781	**4,644**	-2.9%	+1.4%
Kerosene	1,323	**1,429**	+8.0%	+0.5%
Diesel Fuel	1,384	**1,352**	-2.3%	+2.5%
Fuel Oil A	909	**838**	-7.8%	-0.3%
Fuel Oil C	772	**837**	+8.5%	+67.8%
LPG/Jet/Others	1,518	**1,425**	-6.1%	
Domestic sales total	10,686	**10,526**	-2.3%	
Export	1,727	**1,837**	+6.4%	
Others *	1,554	1,404	-9.7%	
Oil products total	13,967	**13,767**	-1.4%	
Chemical Products (Kton)				
Olefins and others	771	**794**	+3.0%	
Aromatics	283	**330**	+16.6%	
Specialties	93	**98**	+5.0%	
Chemical products total	1,147	1,222	+6.5%	
Topper Utilization	67%	**67%**	-	

- Limited product availability due to May/June 12 Kawasaki major turnaround
- Chemical volume increase due primarily to absence of 1H11 maintenance in Sakai and Wakayama

* Includes crude, lubricants, products exchange within TonenGeneral Group

Financial Implication of EMGM acquisition

- EMG Marketing Godo Kaisha (EMGM) balance sheet consolidated effective June 30, 2012
  - EMGM income statements consolidated beginning in 3Q12
- Increase in net sales of new TG group including EMGM is modest
  - TG net sales have included sales to EMGM, addition due to EMGM sales not derived from TG likely in the league of 10%
- 383.2 billion yen of EMGM acquisition cost includes 79 billion yen proceeds from 80 million TG shares and businesses divested to EM
- 338.5 billion yen of goodwill reflects strong future cash flow potential of EMGM business
  - To be amortized over 20 years: annual amortization 16.9 billion yen

(billion yen)

Acquisition costs	**383.2**
Purchase price	302.0
Sales proceeds from EM	79.0
Related expenses	2.2

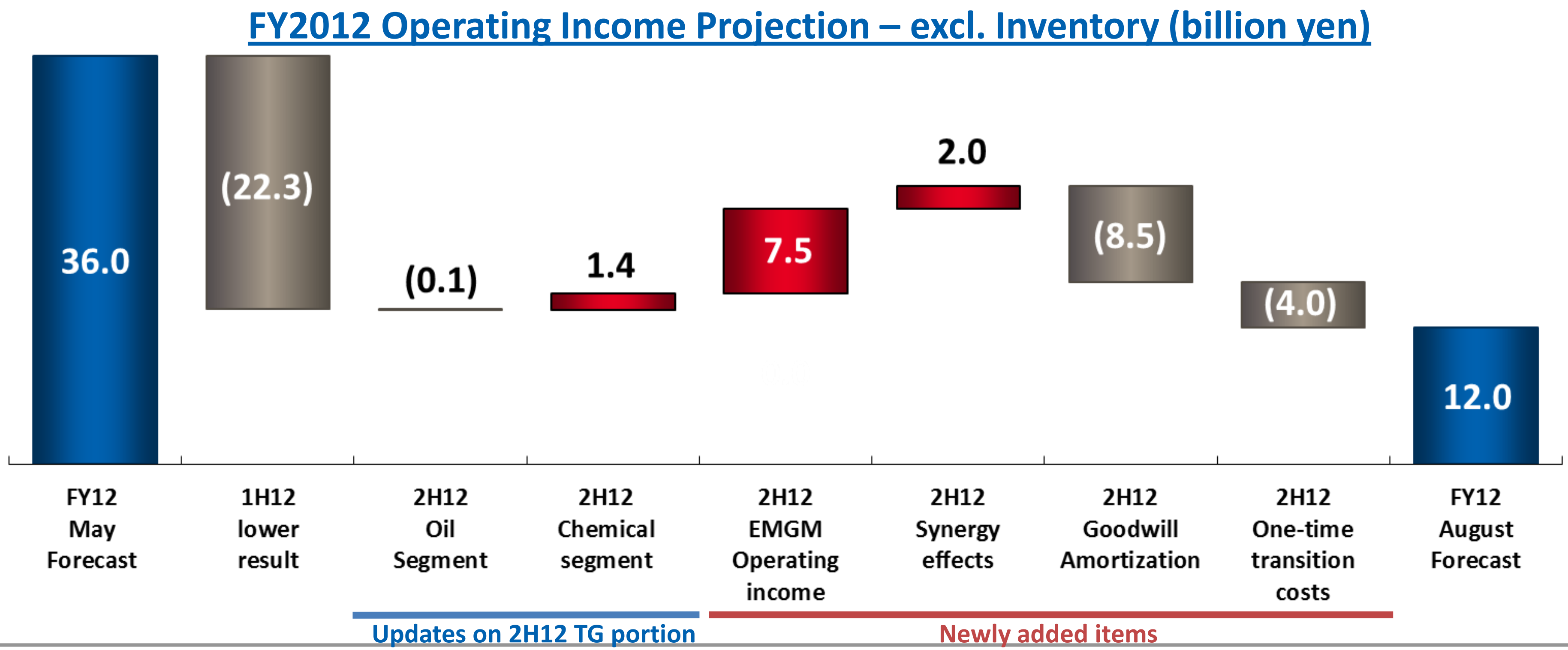
EMGM fair value*	**44.7**
TG shares	140.8
Working capital	-141.7
Other assets & liabilities	45.6

Goodwill	**338.5**

* Excluding minority interest

FY2012 Operating Income Projection for New TG Group

- FY 2012 operating income forecast reflects weak 1H12 results and following 2H12 items;
  - Oil and Chemical margins almost in line with the previous forecast
  - EMGM earnings (7.5 billion yen) and synergy effect expected (2.0 billion yen)
  - Goodwill amortization (8.5 billion yen)
  - 4.0 billion yen one-time transition costs



FY2012 Earnings Projection for New TG Group

- 2H12 Assumption
  - Net sales and inventory effects assume Dubai $99/bbl and Forex at 79Yen/$ through 2012
    - Inventory gain of 9.1 billion yen, zero for the year
  - Interest expense assumed to be approximately 1.5 billion yen
- 38 yen per share dividend forecast reaffirmed (same as 2011)

billion yen	May Forecast		Actual	August Update
	1H12	FY2012	1H12	FY2012
Net Sales	1,400	2,900	1,345.7	**2,800**
Operating income	36	55	-14.4	**12**
Ordinary income	35	55	-14.2	**11**
Extraordinary gain/loss	16	16	16.6	**17**
Net income	28	40	-1.4	**10**

(Breakdown of operating income)

Inventory gain/loss	-19	-19	-9.1	**0**
Adjusted Operating income	17	36	-5.3	**12**
Oil segment	14	30	-4.0	**9**
Chemical segment	3	6	-1.4	**3**

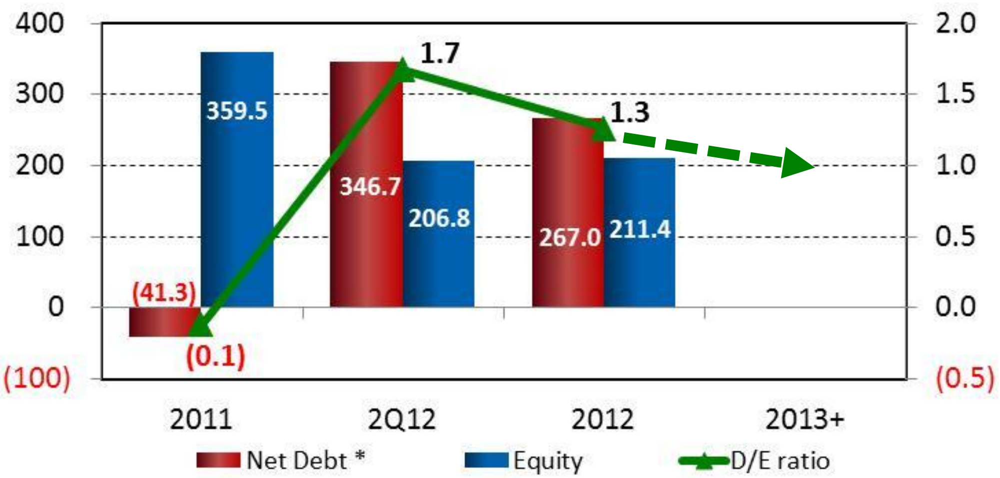
Cash Flows, Debt/Equity

- D/E ratio at 2Q12 end: 1.7 expected to decline by year-end
- EMGM acquisition boosts cash flow
- 8 billion yen lower dividend due to decline in shares outstanding - stable dividend remains a priority

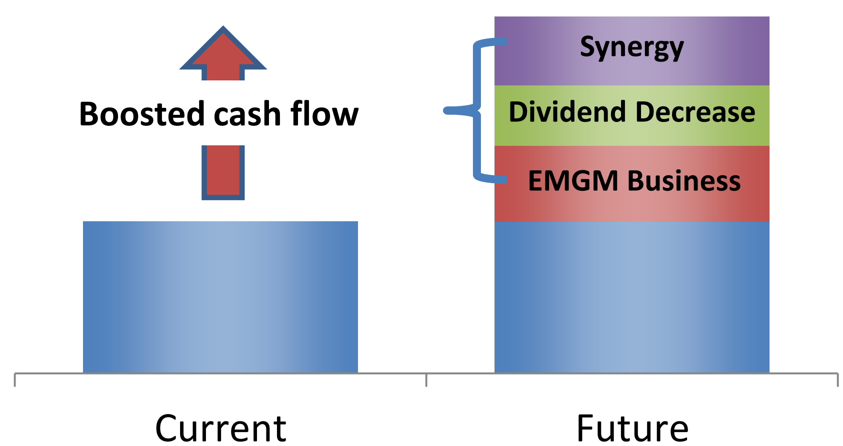
	2Q12YTD	
Free Cash Flow *	**-381.8**	
On-going business cash flow		-27.3
Cash flow from BSF dissolution		23.1
EMGM Acquisition		-377.6
Financing Activities	**394.2**	
Increase in net debt. etc.		404.9
Dividend to shareholders		-10.7
Net Cash Increase / (Decrease)	**12.4**	

* Sum of cash flows from operating and investing activities

Billion Yen **Period end Debt/Equity (2011 – 2012)**



* Deduct cash and cash equivalents



Supplemental Information

Sensitivities for 2012 Earnings Forecast

❑ Base assumption for August disclosure

Key Factors	Unit	Base	Reference
Dubai FOB	US$/Bbl	99	July 2012 average
Exchange Rate	Yen/US$	79	July 2012 average

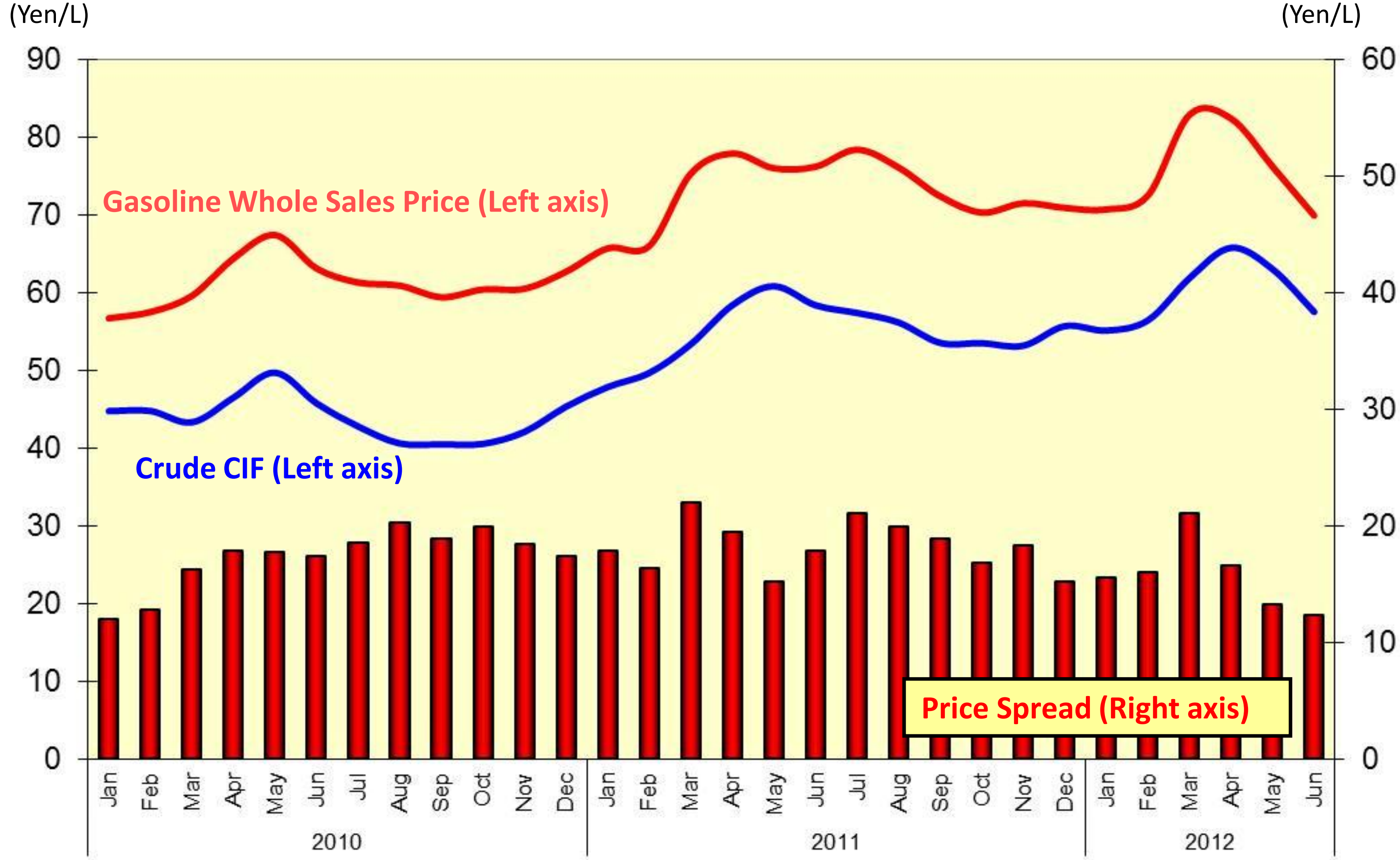
Above assumptions used for net sales and inventory effects calculation

❑ Full year sensitivities in the future operating income

Key Factors	Unit	Appreciation by	Annual Impact (billion yen) Operating / Ordinary income*[1]
Dubai FOB	US$/Bbl	10	19 / 21*[2]
Exchange Rate	Yen/US$	10	- 23 / -25 *[2]
Refining margin	Yen/L	1	33*[3]

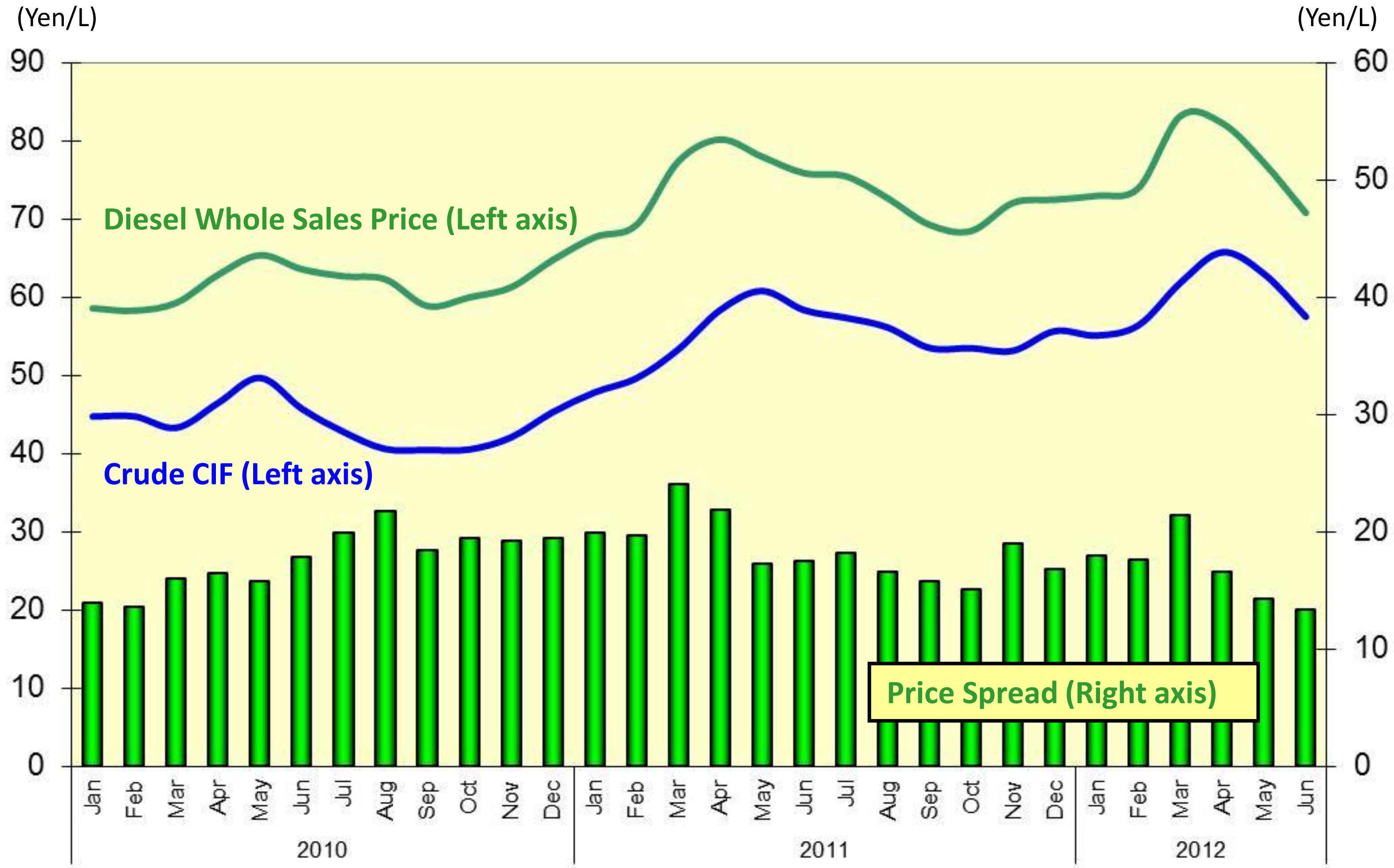
*[1] Including equity earnings for Kyokuto Petroleum Industry (50% after tax) as non-operating income
*[2] Inventory effects only, the sensitivity would change subject to timing of crude price fluctuation and inventory volume
*[3] Impact to operating income on annual basis rounded to nearest billion yen subject to change in sales volume

Price Spread (Gasoline Wholesale Price vs. Crude CIF)



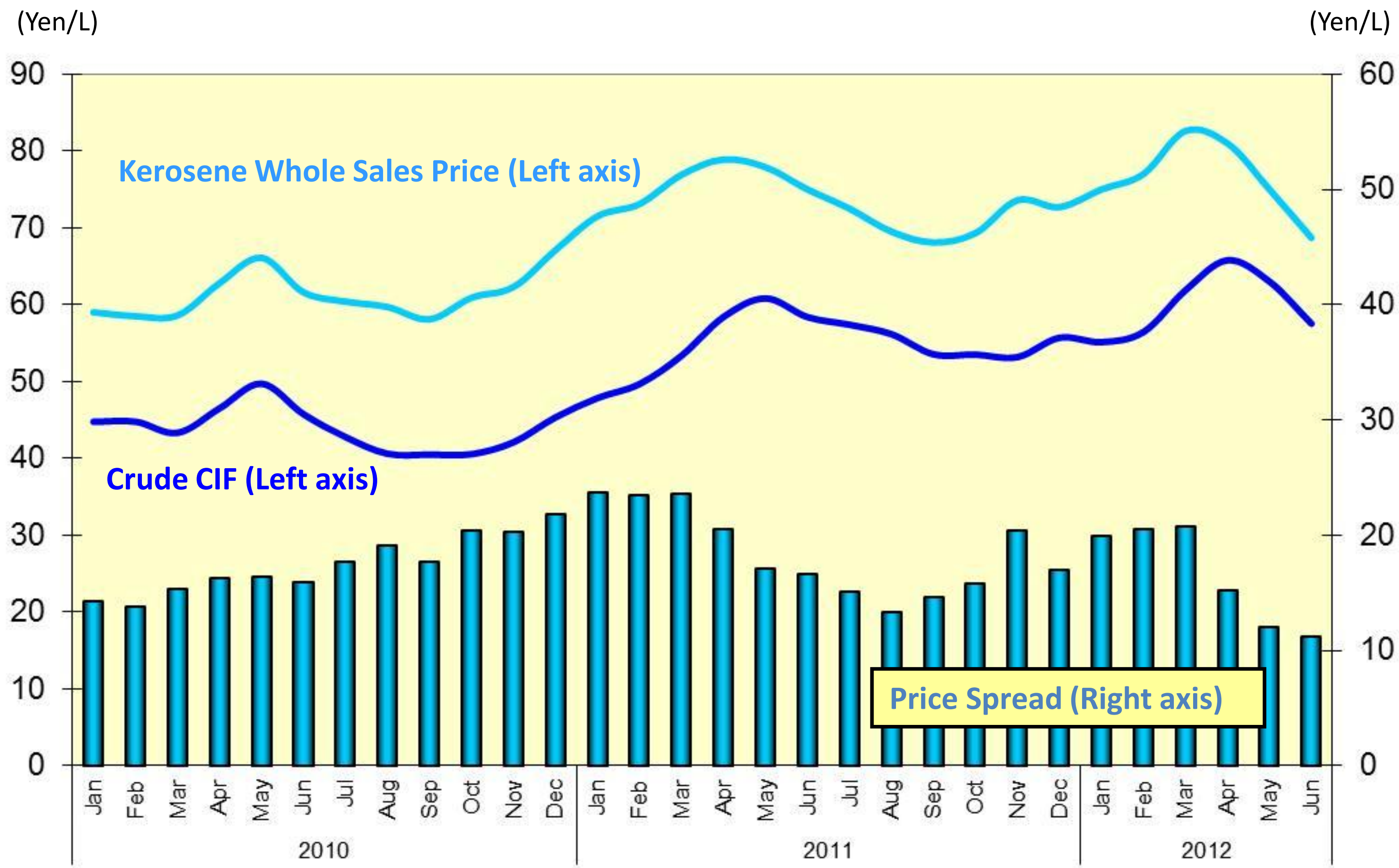
Source: PAJ and The Oil Information Center

Price Spread (Diesel Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Price Spread (Kerosene Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Details of Operating Income (2010 – 2Q12)

2012

(Unit: billion yen)

Breakdown of Operating Income	1Q12	2Q12	3Q12	4Q12	FY2012	1H12	3Q12YTD
Oil segment and others (Substantial)	9.1	-13.0				-4.0	
Chemical segment	2.1	-3.5				-1.4	
Inventory effects	19.2	-28.3				-9.1	
Total	30.4	-44.8				-14.4	

2011

Breakdown of Operating Income	1Q11	2Q11	3Q11	4Q11	FY2011	1H11	3Q11YTD
Oil segment and others (Substantial)	10.7	-1.8	8.7	6.4	24.1	8.9	17.7
Chemical segment	7.2	0.5	-2.4	-2.3	3.0	7.7	5.3
Inventory effects	173.2	28.0	-12.2	0.1	189.1	201.2	189.0
Total	191.1	26.7	-5.9	4.2	216.2	217.8	212.0

2010

Breakdown of Operating Income	1Q10	2Q10	3Q10	4Q10	FY2010	1H10	3Q10YTD
Oil segment and others (Substantial)	-4.8	2.3	24.1	18.1	39.7	-2.5	21.7
Chemical segment	6.4	1.3	-5.5	-0.3	2.0	7.8	2.3
Inventory effects	18.7	-9.4	4.0	-13.5	-0.2	9.3	13.3
Lead lag effects	-2.0	1.0	5.0	-12.0	-8.0	-1.0	4.0
Total	18.4	-4.7	27.6	-7.7	33.5	13.6	41.2