

January 29, 2015

TonenGeneral Sekiyu K.K.
Contact:
EMG Marketing Godo Kaisha
Public and Government Relations
Tel: 03-6713-4400

**Preliminary Environmental Impact Statement for Tentatively Named
Shimizu Natural Gas Power Plant Construction Project**

TonenGeneral Sekiyu K.K. (head office: Minato-ku, Tokyo; president: Jun Mutoh; "TonenGeneral" herein), in conjunction with its evaluation of construction of a natural gas-fueled power generation plant on the premises of its terminal located in Shimizu-ku, Shizuoka City, Shizuoka, has submitted a preliminary environmental impact statement to the Minister of Economy, Trade and Industry, the prefectural governor of Shizuoka and the mayor of Shizuoka City in accordance with the Environmental Impact Assessment Law.

TonenGeneral established the Electric Power Business Department within its organization in August 2014, after having designated the electric power business as a growth option in its medium-term management plan. Taking into account environmental assessments and other factors such as location, size, power demand, economic feasibility and business partners, the company has been considering several competitive power generation projects, using various types of fuel, that would enable it to utilize its tangible and intangible assets.

The project is based on the construction of a high-efficiency gas turbine combined cycle power generation facility on the premises of the TonenGeneral Shimizu terminal. The environmental impact statement was submitted in accordance with environmental assessment procedures implemented in conjunction with investment studies and surveys for the project.

Final decisions regarding the investment will be made after taking into account factors such as environmental assessment results, construction costs, economic returns, the domestic electricity business environment including policy trends, and energy trends and policies both in Japan and abroad.

Overview of natural gas power plant construction project

Name:	Shimizu Natural Gas Power Plant (tentative name) construction project
Power generation method:	Gas turbine and steam (combined cycle method)
Power generation capacity:	Maximum output 2 million KW
Location:	1900 Sodeshi-cho, Shimizu-ku, Shizuoka City, Shizuoka

Fuel: Natural gas
Cooling tower type: Industrial water usage type
Start of operation: April 2021 (tentative)

Public inspection of environmental impact statement and submission of written opinions

1. Public inspection and disclosure of environmental impact statement

Place: Shizuoka City, Shizuoka (city policy information centers located in city offices of Aoi-ku, Suruga-ku and Shimizu-ku)

Date: January 30 to March 2, 2015

Time: Shizuoka prefectural office: 8:30 a.m. to 5:15 p.m.
City policy information centers located in city offices:
9:00 a.m. to 5:00 p.m.
(Shizuoka prefectural office and city offices closed Saturdays, Sundays and holidays.)

Disclosure on the TonenGeneral website:

The environmental impact statement, abstract and outline can be viewed on the TonenGeneral website from January 30 to March 2, 2015.

2. Submission of written opinions

Opinions concerning environmental preservation in regard to the environmental impact statement may be submitted to the address below.

Deadline for submission: March 2, 2015

3. Inquiries:

TonenGeneral Sekiyu K.K. Electric Power Business Department

W Building, 1-8-15 Kohnan, Minato-ku, Tokyo

Phone: 03-6713-4044 (Monday-Friday 9:00 a.m. to 5:00 p.m.)

[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.]