



February 12, 2016

Press release

TonenGeneral Sekiyu K.K.
(Stock Code: 5012 Tokyo Stock Exchange)
Representative Director, President
Jun Mutoh
Contact:
Public and Government Relations
EMG Marketing Godo Kaisha
Tel: 03-6713-4400

Announcement of the Cancellation of Treasury Shares

The Board of Directors of TonenGeneral Sekiyu K.K. (the “Company”) resolved the cancellation of treasury shares as stated below, in accordance with the provision of Article 178 of the Companies Act.

1. Details of the share cancellation

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|--------------------------------------|---|
| (1) Class of shares to be cancelled | Common shares |
| (2) Number of shares to be cancelled | 199,182,000 shares
(35.24% of the shares issued before cancellation) |
| (3) Date of cancellation | February 29, 2016 |

2. Reason for the share cancellation

199,808,000 treasury shares were acquired at the time of the Company’s June, 2012 acquisition of the share capital of EMG Marketing Godo Kaisha. The Company has been studying the option to utilize a portion of the treasury shares for strategic purposes to support potential actions intended to create added value for shareholders. Considering the current sound financial status, the Company has concluded it is appropriate to cancel the 199,182,000 treasury shares.

3. Status of the shares of the Company

	Before the cancellation (As of Dec. 31, 2015)	After the cancellation (Scheduled for Feb. 29, 2016)
The number of shares issued	565,182,000 shares	366,000,000 shares

[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.]