

February 24, 2006

Press Release

TonenGeneral Sekiyu K.K.

(Stock Code: 5012 Tokyo Stock Exchange)

Representative Director,

Chairman and President

G.W. Pruessing

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Public Affairs

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2005 ExxonMobil Yugen Kaisha Financial Results

ExxonMobil Yugen Kaisha (EMYK), parent company of TonenGeneral Sekiyu, announces today its earnings results for the year ending December 31, 2005.

1. Industry Conditions

Petroleum Product Market Trend

The spot price for Dubai crude oil started at 34 dollars per barrel at the beginning of this year and rose dramatically, hitting a peak of 59 dollars per barrel in September. Later, it showed a moderate downward trend toward the end of the year, ending at 53 dollars per barrel. The 2005 average for the year of 49.3 dollars per barrel was about 15.7 dollars per barrel, or 47%, higher than that of last year. The average U.S. dollar-yen exchange rate for the year was around 111.2 yen per dollar or about 2.0 yen higher than that of 2004. The annual average of crude oil cost in yen per liter terms was 34.5 yen per liter, about 11.4 yen (49%) per liter higher than the average price in 2004. Domestic retail market prices for major products such as gasoline, kerosene and diesel in this year showed a firm trend.

Industrial Demand

Demand for petroleum products in the domestic market showed a 0.4% increase over the previous year. For gasoline, there was a slight increase in demand of 0.6% over the previous year even though there was a high demand during the hot summer of 2004. Demand for kerosene showed a 7.6% increase over the previous year due to colder winter impacts in the first and fourth quarters of the year. Diesel demand declined 1.9% over the previous year. Fuel Oil A demand decreased 1.9% over the previous year due to conversion by consumers to other energy sources due to soaring oil prices. Demand for Fuel Oil C declined 1.9% over the previous year as nuclear plants restarted, coupled

with lower power demand in the summer versus the hot summer of 2004.

2. Corporate Initiatives

Sound Operations Considering Safety, Health and the Environment

It is our most important duty and role to supply our products at a fair price, using safe and environmentally-conscious methods. Thoroughgoing attention to safety, health and the environment is our top operational priority. We adhere to our “Operations Integrity Management System” (OIMS), which offers a rigorous and systematic approach to all aspects of safety, health and the environment.

Business Efficiency, Expense Reduction

EMYK has worked to improve corporate value by focusing on enhancing efficiency and competitiveness. For example, we took advantage of synergies by combining a number of administrative activities with other ExxonMobil affiliates across the world, resulting in lower costs. In addition, in April 2005, we consolidated our Tokyo head offices into one.

Marketing

EMYK offers customers the superior service and convenience of a powerful nation-wide network through one integrated marketing strategy for the Esso, Mobil and General brands of the ExxonMobil Japan Group. We have continued to enhance the development of self-serve stations, maintaining our top position in the industry. Four years after its introduction, the branded self-serve site “Express”, with its “quick and easy” brand concept, has expanded to 565 sites nationwide within the ExxonMobil Japan Group. For differentiation and sales promotion at “Express”, ExxonMobil Japan Group is introducing new technology in response to customer needs in a continuous effort to gain even greater customer satisfaction. One example is Speedpass, an innovative payment system that employs our unique technology. Furthermore, in November 2004, we started delivery of Express Video Pump with liquid crystal display and speaker, which allows quick and easy operation for customers. At the end of 2005, Speedpass members numbered more than 730,000 and 170 Express sites had introduced the Express Video Pump.

In addition, in 2004 EMYK and Seven-Eleven Japan Co., Ltd. jointly started pilot tests of combined “Express” sites and convenience stores and are currently operating five pilot sites. If the pilots are successful, the alliance is expected to be rolled out on a nationwide basis. Other key initiatives include the further expansion of the Doutor Coffee Shops network and expansion of Mobil 1 Center to provide customers with the opportunity for quick and easy service for their automobiles using the highest quality lubricant products.

Chemical

EMYK acts as agent for chemical sales and distribution for Tonen Chemical Co., Tonex K.K. (which merged with Tonen Chemical on August 1, 2005) and TonenGeneral Sekiyu K.K., key members of the ExxonMobil Japan Group. The ExxonMobil Japan Group has further enhanced efficiency through consolidation of the chemical marketing and distribution operations in Japan into EMYK.

3. 2005 Financial Results

The results for 2005, which we are disclosing today, have been significantly affected by transactions leading to the 2002 merger between Esso Sekiyu Pte. Ltd., Mobil Sekiyu Pte. Ltd. For that reason, we provide below, in addition to our financial results prepared on a statutory accounting basis, our 2005 results presented on a pro forma basis to remove those effects. We believe that the pro forma presentation reflects more appropriately the true 2005 operating performance of EMYK.

Statutory Financial Results

(Unit: Billion yen)

	Sales Revenue	Operating Income/Loss	Ordinary Income/Loss	Net Income/Loss
2005 (A)	1,844.1	-6.3	4.5	-0.5
2004 (B)	1,772.8	-14.4	-4.8	-10.5
Difference (A-B)	71.3	8.1	9.3	10.0
Increase (%)	4	56	-	-

Pro Forma Financial Results

As discussed above, the pro forma accounts shown below remove the key accounting earnings effects remaining from the transactions leading to the 2002 merger that formed EMYK. This was the establishment, and amortization of, goodwill recognized in connection with the acquisition by Esso Sekiyu to acquire the stock of Mobil Sekiyu prior to the merger. The amortization began in 2002 and will continue through 2006.

(Unit: Billion yen)

	Sales Revenue	Operating Income/Loss	Ordinary Income/Loss	Net Income/Loss
2005 (A)	1,844.1	14.3	25.2	20.1
2004 (B)	1,772.8	6.3	15.9	10.2
Difference (A-B)	71.3	8.0	9.3	9.9
Increase (%)	4	-	58	98

Sales Revenue

Sales revenue increased 4% versus the previous period to 1,844.1 billion yen. This is mainly due to product price increases reflecting higher crude oil costs. (Due to an accounting change, we have eliminated pass-through chemical sales conducted by EMYK as agent for its affiliates from accounting sales revenues. These excluded amounts totaled 256.6 billion yen in 2005, and 206.0 billion yen in 2004.)

Operating Income

With the amortization of goodwill, operating income amounted to negative 6.3 billion yen. Without the amortization of goodwill, operating income was 14.3 billion yen, 8.0 billion yen higher than the

previous year. This was partly due to an increase of sales volume of kerosene due to the effects of a harsh winter and an increase in sales volume of gasoline, along with a slight improvement in the petroleum product margin. In addition, operating expenses declined by 11.4 billion yen (4 billion yen excluding accounting changes) versus the previous year, due to lower pension plan expenses, a reduction in labor costs and other efficiencies.

Net Income

Non-operating income, consisting mostly of dividends from TonenGeneral Sekiyu K.K., increased by 1.3 billion yen from the prior year period to 10.9 billion yen, chiefly due to a decrease in interest expense. As a result, ordinary income on a statutory basis increased by 9.3 billion yen.

Net extraordinary income was negative 2 billion yen due to net loss from divestments of unutilized assets and special additional payments for early retirement, offset in part by gains from the sale of fixed assets and from sales of TonenGeneral Sekiyu shares in that company's stock repurchase in December 2005. As a result, net income increased by 10 billion yen over the previous period.

As of December 31, 2005

Board of Directors

ExxonMobil Yugen Kaisha (EMYK)

G. W. Pruessing	Representative Director and President
J. F. Spruill	Representative Director and Vice President
W.J. Bogaty	Representative Director and Vice President
Harunari Miyashita	Representative Director and Vice President
D. L. Schuessler	Representative Director and Vice President
Fuminao Yasuda	Director
Kazuo Suzuki	Director
Kenichi Taniguchi	Director
Kyoji Yoshida	Director
Yoshinori Miyahara	Director

Balance Sheet

(As of December 31, 2005)

Account Title	Millions of Yen	Account Title	Millions of Yen
Assets	903,198	Liabilities	771,554
Current Assets	374,050	Current Liabilities	528,072
Cash and Cash Equivalents	3,223	Trade Accounts Payable	398,024
Notes Receivable	1	Gasoline Tax Payable	35,681
Trade Accounts Receivable	177,345	Short-term Debt	837
Products and Merchandise	9,947	Other Accounts Payable	57,599
Prepaid Expenses	3,907	Accrued Expenses	9,663
Income Tax Receivable	1,009	Accrued Consumption Tax	1,530
Deferred Tax Assets	7,545	Guarantee Deposits Payable	16,808
Short-term Loans Receivable	106,102	Advance from Customers	5,475
Other Accounts Receivable	65,887	Reserve for Bonus	538
Others	6	Others	1,913
Bad Debt Allowance	-927		
Long Term Assets	529,148		
Property, Plant, and Equipment	132,969		
Buildings	16,475	Long Term Liabilities	243,481
Structures	13,104	Long-term Debt	159,000
Tanks	943	Deferred Tax Liabilities	29,313
Machinery and Equipment	7,668	Reserve for Accrued Pension Costs	51,306
Cars and Vehicles	21	Reserve for Repairs	204
Tools, Furniture, and Fixtures	1,731	Reserve for Offshore Well Abandonment	3,656
Land	91,563		
Incomplete Construction	1,461		
Intangible Assets	30,523	Stockholders' Equity	131,644
Goodwill	20,651	Capital	50,000
Leasehold	7,820	Additional Paid-in Capital	14,264
Software	1,549	Legal Capital Surplus	14,264
Others	501	Retained Earnings	66,903
		Legal Earned Reserve	5,375
		Voluntary Reserves	23,881
Investment and Other Assets	365,656	Reserve for Condensed Booking	23,232
Investment Securities	101,871	Reserve for Mine Exploration	648
Stocks of Subsidiaries	241,376	Unappropriated Retained Earnings	37,646
Long-term Loans Receivable	1,776	Unrealized Holding Gains on Securities	476
Long-term Prepaid Charges	7,811		
Long-term Deposits	13,270		
Others	916		
Bad Debt Allowance	-1,367		
Total Assets	903,198	Total Liabilities and Stockholders' Equity	903,198

Statement of Income

From January 1, 2005

To December 31, 2005

Account Title		Millions of Yen		
Ordinary P/L	Operating P/L	Operating Revenues		
		Sales Revenues		1,844,109
		Operating Expenses		
			1,764,007	
			86,422	
		Operating Loss		6,320
	Non-Operating P/L	Non-Operating Income		
		Interest Income	138	
		Dividends Received	11,225	
		Foreign Exchange Gain	817	
Others		127	12,308	
Non-Operating Expenses				
Interest Expenses		1,233		
	Others	209	1,442	
	Ordinary Income		4,545	
Extraordinary P/L	Extraordinary Gain			
	Gains on Sales of Property, Plant, and Equipment	6,300		
	Gains on Sales of Investment	1,897	8,197	
	Extraordinary Loss			
	Loss on Sales and Disposals of Property, Plant, and Equipment	8,795		
	Additional Allowance for Employees' Early Retirement	1,440	10,235	
	Income before Income Taxes		2,506	
	Current Income Taxes		92	
	Deferred Income Tax		2,956	
	Net Loss		541	
	Unappropriated Retained Earnings Brought Forward		38,188	
	Unappropriated Retained Earnings at The End of Period		37,646	