TonenGeneral Sekiyu K.K.
2004 3QYTD/3Q Results and FY Forecast

November 18, 2004

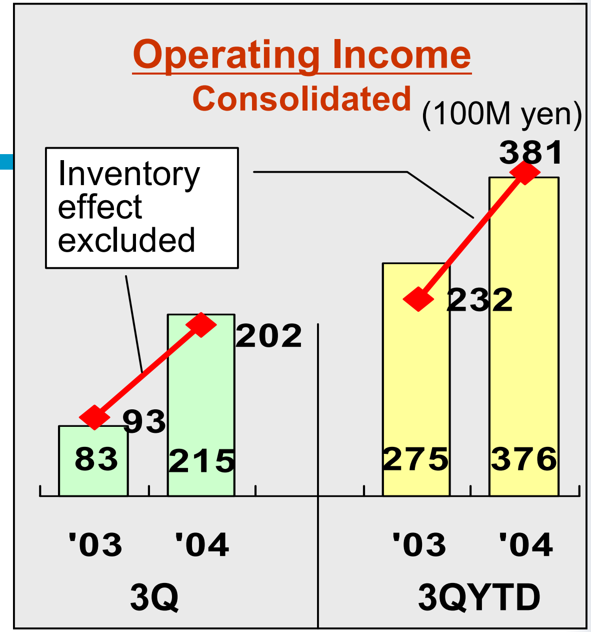
TonenGeneral

This material contains forward-looking statements based on projections and estimates that involve many variables. TonenGeneral operates in an extremely competitive business environment and in an industry characterized by rapid changes in supply-demand balance.

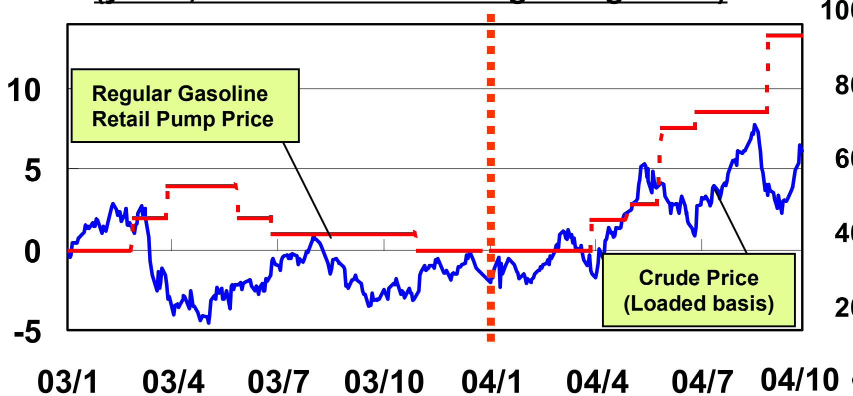
Certain risks and uncertainties including, without limitation, general economic conditions in Japan and other countries, crude prices and the exchange rate between the yen and the U.S. dollar, could cause the Company's results to differ materially from any projections and estimates presented in this publication.

Business Highlights

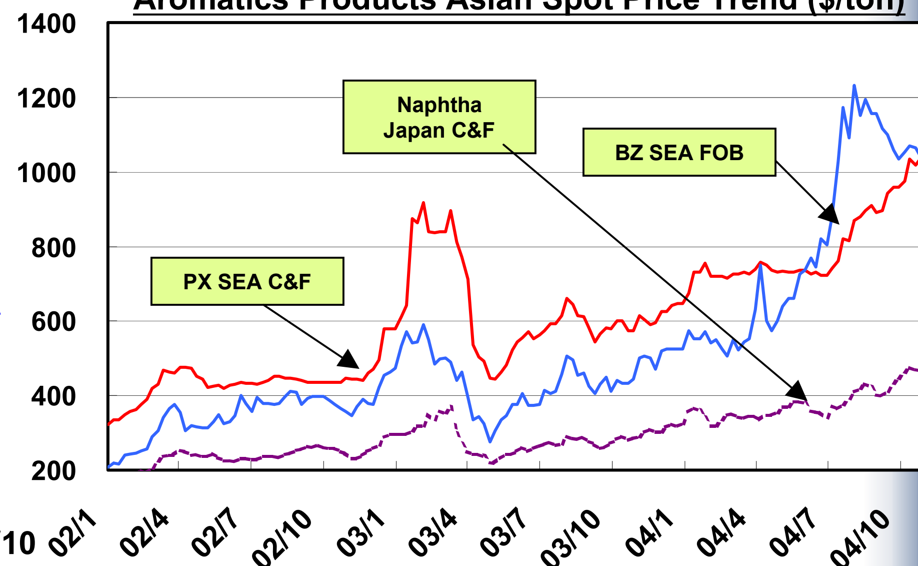
- Operating income increased vs. 3QYTD '03
  - » Chemicals contributed significantly to profits
    - Favorable performance in all lines
    - Product margin supported by active demand
    - Growth in chemical specialties
  - » Downstream margin slightly decreased, but significantly recovered in September
    - Lower crude prices and favorable lag effect of market selling prices
    - But crude prices, and earnings, remain highly volatile on month-to-month basis
  - » Dividend forecast unchanged



Crude and Retail Pump Price
(yen/L, 0=Price as of the beginning of '03)



Aromatics Products Asian Spot Price Trend ($/ton)



Sales Volume/ Capacity Utilization

- Most fuels decreased versus a strong 3Q YTD 2003
- Continued rationalization of SS network to enhance long-term profitability
- Monitored profitability of sales supported by imports
- Capacity utilization down vs last year due to turn-arounds (3Q up vs. 2003)

(Parent, Excluding Barter)

	(KKL)	3QYTD 2003	3QYTD 2004	Inc./Dec.	Industry Inc./Dec.
by Product	Gasoline	8,922	**8,908**	-0.2%	2.5%
	Kerosene	3,040	**2,793**	-8.1%	-5.0%
	Diesel fuel	3,658	**3,518**	-3.8%	- 0.3%
	Fuel oil A	3,218	**3,210**	-0.2%	-1.4%
	Fuel oil C	2,695	**2,656**	-1.4%	-14.1%
	LPG and others	2,666	**2,515**	- 5.7%	N/A
by Channel	*General (Marketing)*	*6,613*	***6,357***	*-3.9%*	
	Esso/Mobil/Kygnus	*17,588*	***17,244***	*-1.9%*	
	Sub Total	24,199	**23,601**	-2.5%	-2.6%
	Naphtha	2,245	2,421	7.8%	
	Chemical Sales	793	811	2.2%	
	Others*	8,881	7,867	-11.4%	
	G. Total	36,118	34,700	-3.9%	
Capacity Utilization (Parent/Consoli.)		**85%/82%**	**82%/79%**		**83%**

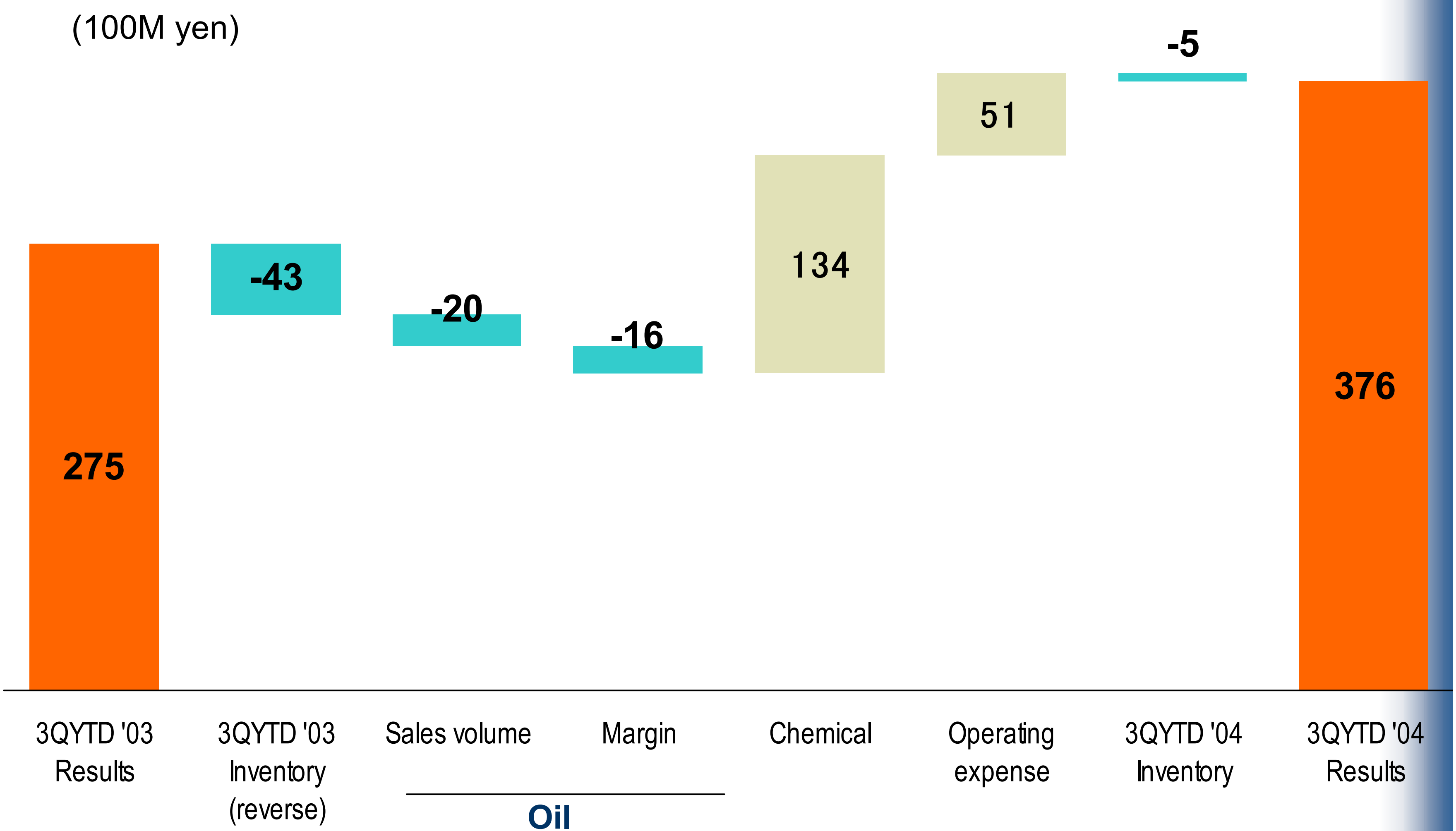
*"Others" includes lube, crude, exports, product exchanges within ExxonMobil Japan Group, etc.

Earnings Results [3Q YTD, Consolidated]

(100M yen)	3Q YTD '03	3Q YTD '04	Inc/Dec
Sales revenue	15,817	**17,030**	1,212
Operating income	275	**376**	101
Ordinary income	310	**411**	101
Extraordinary P/L	40	**24**	-15
Net income	214	**267**	53
Reverse inventory effects	-43	**+5**	48
Adjusted operating income	232	**381**	149
Oil segment and others	101	116	15
Chemical segment	131	265	134

Factor Analysis of Operating Income

[3QYTD '04 Results vs. 3QYTD '03 Results; Consolidated]

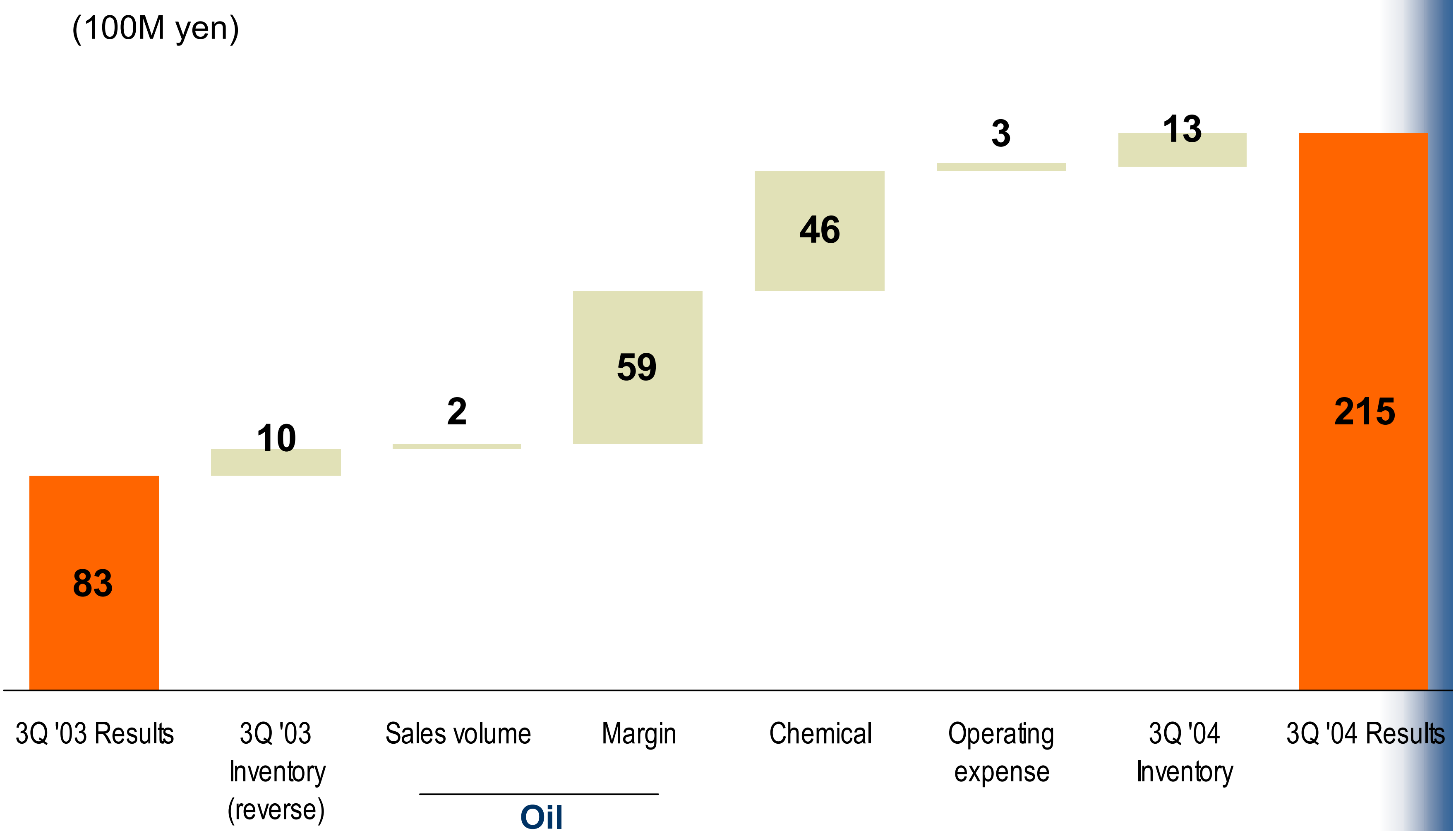


Earnings Results [3Q, Consolidated]

(100M yen)	3Q '03	3Q '04	Inc/Dec
Sales revenue	5,323	**6,256**	933
Operating income	83	**215**	133
Ordinary income	101	**234**	134
Extraordinary P/L	11	**0**	-11
Net income	67	**143**	75
Reverse inventory effects	+10	**-13**	-23
Adjusted operating income	93	**202**	109
Oil segment and others	31	94	63
Chemical segment	62	108	46

Factor Analysis of Operating Income

[3Q '04 Results vs. 3Q '03 Results; Consolidated]

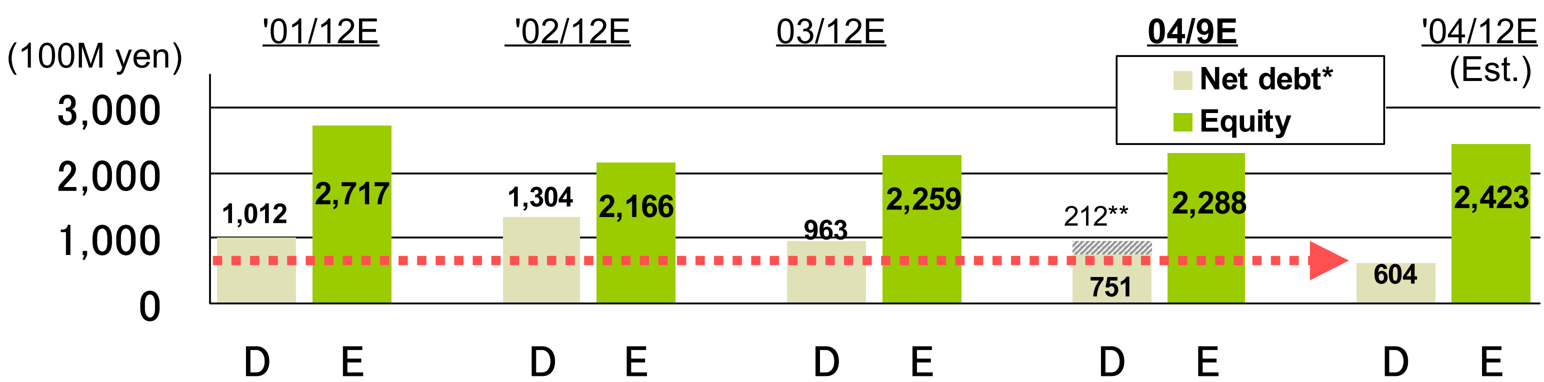


Cash Flows, Debt/Equity [Consolidated]

(100M yen)	3QYTD '04		Adj.(G tax)
Operating / Investing Activities	**209**		**421**
Net income before taxes		436	
Net capex / Depreciation		37	
Asset disposal		112	
Inventory		56	
TAR/TAP/Gas tax payable		-171	41
Income tax payment		-244	
Others		-17	
Financing Activities	**-210**		
Change in debt		-4	-216
Dividend to shareholders		-206	
Net Cash Change	**-1**		

- Financial position continuing to improve

One-month extra payment of gas tax in 3Q YTD due to calendar effects. Net TAP (TAP + gas tax payable - TAR) decreased by 212 oku yen, reflected in higher debt to same extent



Net D/E ratio : 0.37 0.60 0.43 **0.33** 0.25

* Debt excl. cash, loans receivable, Extra Gas Tax, ** Effect of one-month gas tax

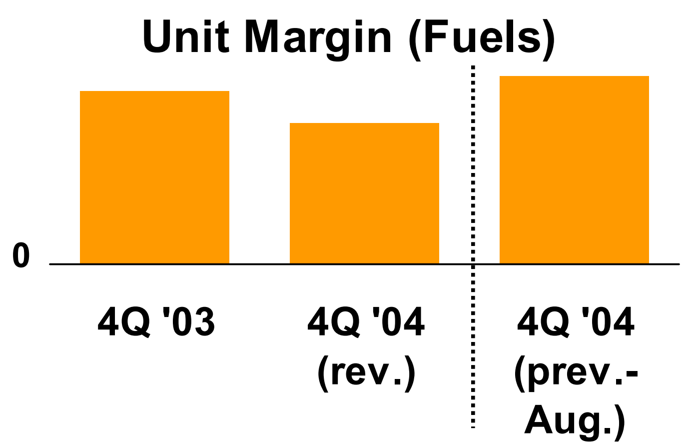
Extraordinary P/L (Consolidated)

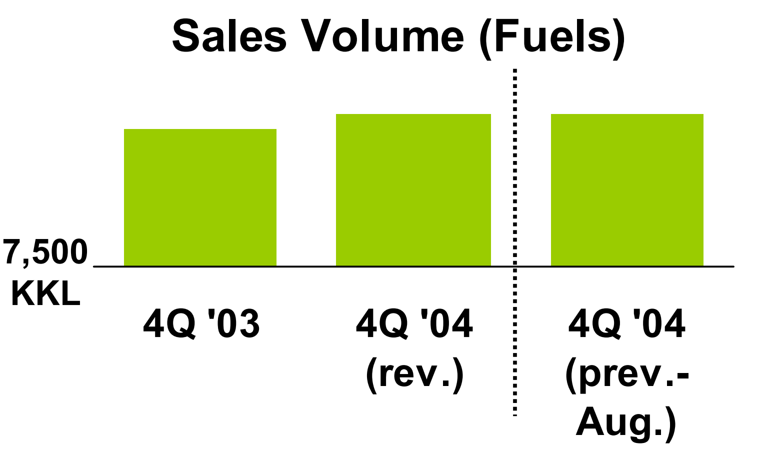
- Asset sales include sale of equity in Kygnus
  - Anticipated closing time is the beginning of December
- Early introduction of asset impairment accounting
  - Mostly service stations
  - Forecast negative impact about 30 oku-yen
  - Relatively small amount due to intense focus on capital efficiency; divestments of non-performing assets since 2000
- Gain related to transfer to the government of certain portion of TG‘s pention plans

(100M yen)	‘04 3Q YTD	‘04 FY Fcst.
Asset Divestments (incl stock)	54	120
Transfer to the government of certain portion of TG’s pension plans	0	50
Early retirement program	(24)	(25)
Asset impairment	0	(30)
Others	(6)	(7)
Total	24	108

Revised Assumptions for 4Q 2004

■ 4Q Margin	Lower than 4Q '03 and previous 4Q forecast
■ 4Q Sales volumes	No change for 4Q versus previous forecast
■ 4Q Operating expense	No change versus previous forecast
■ Inventory accounting effects on earnings	Tentatively forecast to be zero over full year But prices very volatile, and actual year-end effects are unpredictable (inventory effects do not affect cash)
■ Inventory accounting	LIFO/LOCOM (no change in methods)
■ Chemicals	Higher margin/operating income versus previous forecast
■ Crude cost, FX	37.5 $/BBL(Dubai), 111.1 ¥/$ values as of Sep-end '04 [for sales revenues only]

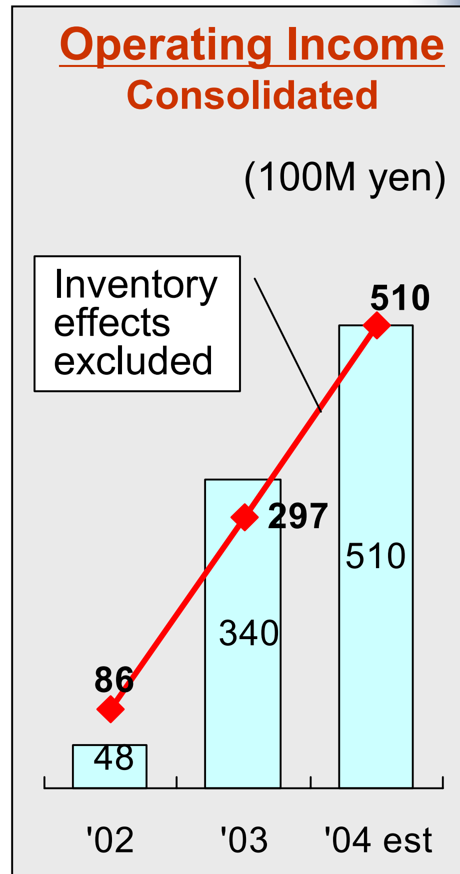




Revised Earnings Forecast [Consolidated]

- Adjusted operating income for full-year 2004 is projected to increase by ¥213 oku from 2003
- Stronger chemical margins; improved oil earnings
- Operating expense basically on target

(100M yen)	'03 act	**'04 est.**	3Q YTD Act.	4Q est.
Sales revenue	21,353	**23,300**	17,030	6,270
Operating income	340	**510**	376	134
Ordinary income	384	**550**	411	139
Extraordinary gain	71	**108**	24	85
Net income	277	**390**	267	123
Reverse inventory effects	-43	**0**	+5	-5
Adjusted operating income	297	**510**	381	129
Oil segment and others	96	135	116	19
Chemical segment	201	375	265	110



Factor Analysis of Operating Income

[FY '04 Forecast; Revised vs. Previous (August); Consolidated]

- Operating income for full-year 2004 is projected to increase by ¥130 oku from the previous forecast in August
- Due to 3Q results, slight improvement in FY volume and margin of oil
  - 4Q margin lower than 3Q actual
- Higher chemical earnings
- Slightly higher opex versus previous forecast in August due to loading of improved catalyst for low-sulfur fuel production