

TonenGeneral Sekiyu K.K. 3QYTD 2009 Financial Results and Revised FY 2009 Financial Forecast

November 13, 2009



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.

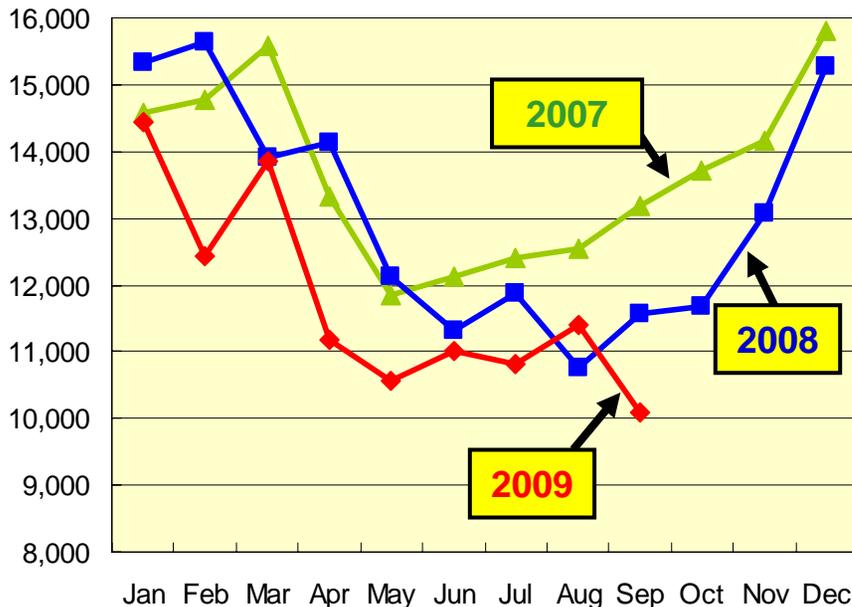
Certain risks and uncertainties including, without limitation, general economic conditions in Japan and other countries, crude prices and the exchange rate between the yen and the U.S. dollar, could cause the Company's results to differ materially from any projections and estimates presented in this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

Business Environment



- 3Q09 downstream margins remained at low levels; product prices did not completely reflect upward crude price movement
 - » Poor margins in export market
 - » Continuous decline in domestic petroleum product demand
 - » Further curtail in refinery crude runs
- Mild recovery in margin & volume in Chemical segment from 2Q09, though aromatics margin declined in September

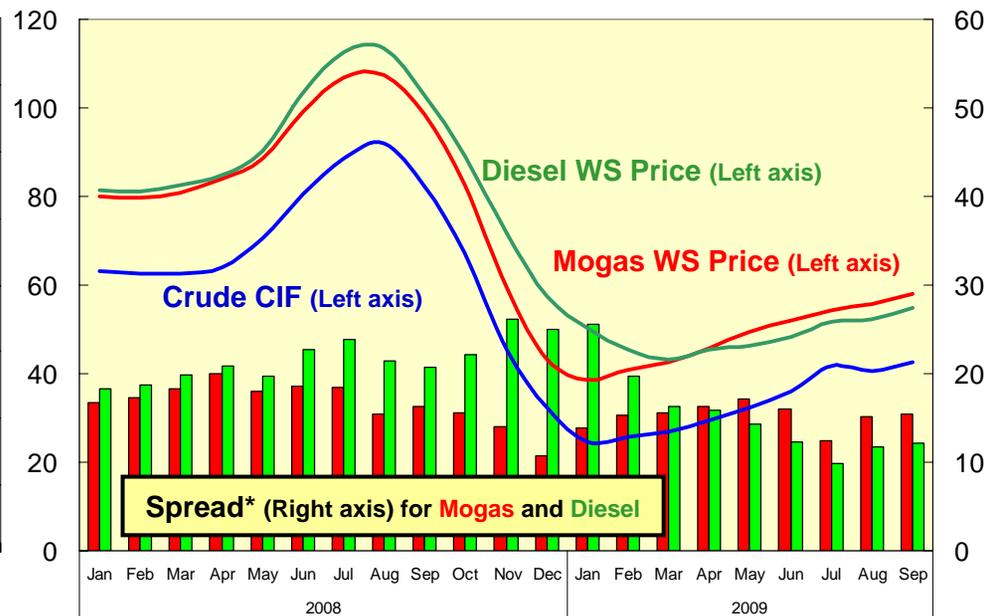
Domestic Petroleum Product Demand (2007-)
(5 Major products*, KKL)



(*) Mogas/ADO/Kerosene/FOA/FOC

Source: METI Statistics

Price Trend for Crude and Products (2008-)
(Crude CIF vs. Mogas/Diesel Wholesale Prices, ¥/L)



(*) Spread: Domestic WS prices – crude CIF

Source: PAJ and Oil Information Center

Financial Highlights



- Operating income declined by 594 oku yen vs. 3Q08YTD
- After adjustment for inventory, lead lag effects and divestment related gain in 1Q08, operating income in 3Q09YTD was 73 oku yen higher than 3Q08YTD
 - » Improvement in adjusted Oil segment more than offset significant drop in Chemical segment

(100M yen)	<u>3Q08YTD</u>	<u>3Q09YTD</u>	<u>Inc./Dec.</u>
Net sales	26,315	15,247	-11,068
Operating income	458	-136	-594
Ordinary income	530	-120	-650
Extraordinary gain/loss	42	-12	-54
Net income	342	-74	-416
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Reverse inventory effects	-327	-95	232
Reverse lead lag effects	-45	280	325
Reverse gain related to divestment	-110	-	110
Adjusted operating income	-24	49	73
Oil segment and others	-273	22	295
Chemical segment	249	27	-222

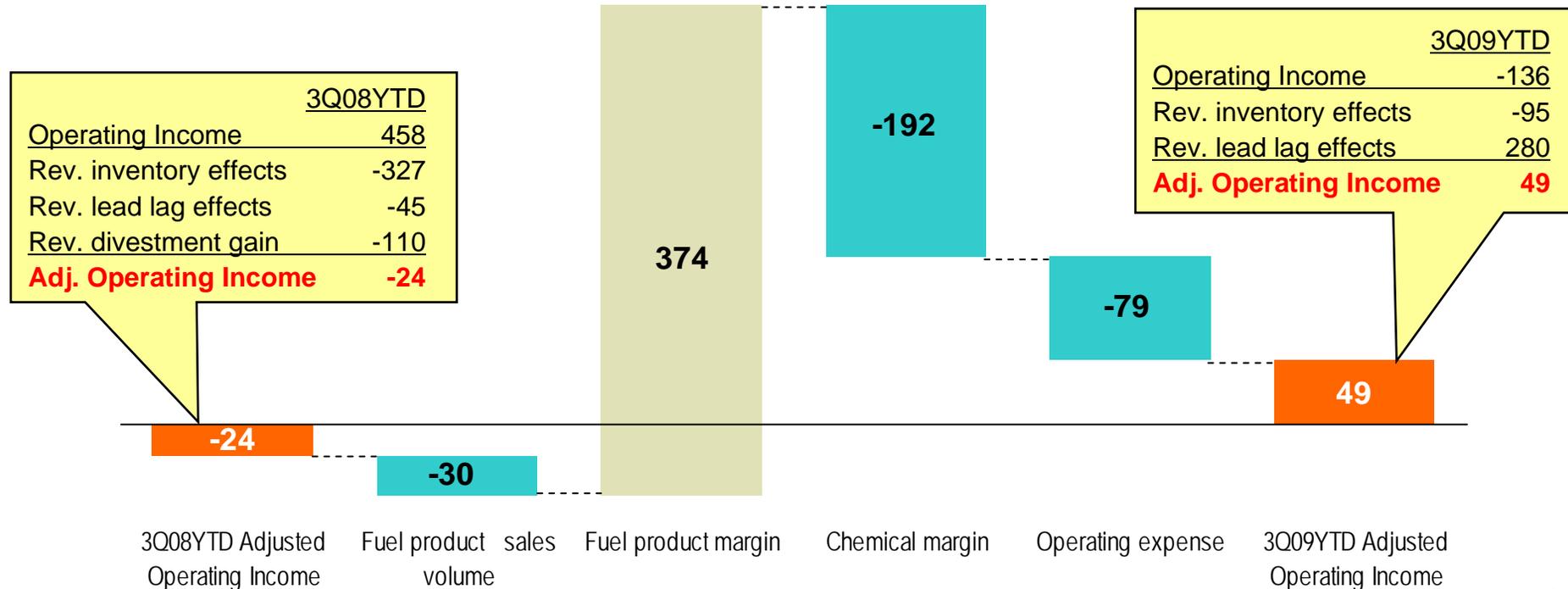
- Net sales decreased by 42% reflecting lower crude prices than in 3Q08YTD
- No significant non-operating and extraordinary gain/loss in 2009, vs. 2008

Factor Analysis of Operating Income

[3Q09YTD Results vs. 3Q08YTD Results; Consolidated]

- Adjusted Oil segment operating income improved, supported by higher refining margins in 1Q09
- Chemical operating income deteriorated, along with general industry pattern, with lower margin and volume due to demand drops associated with economic environment. Some improvement seen in 2Q/3Q09 vs. 1Q09.

(100M yen)

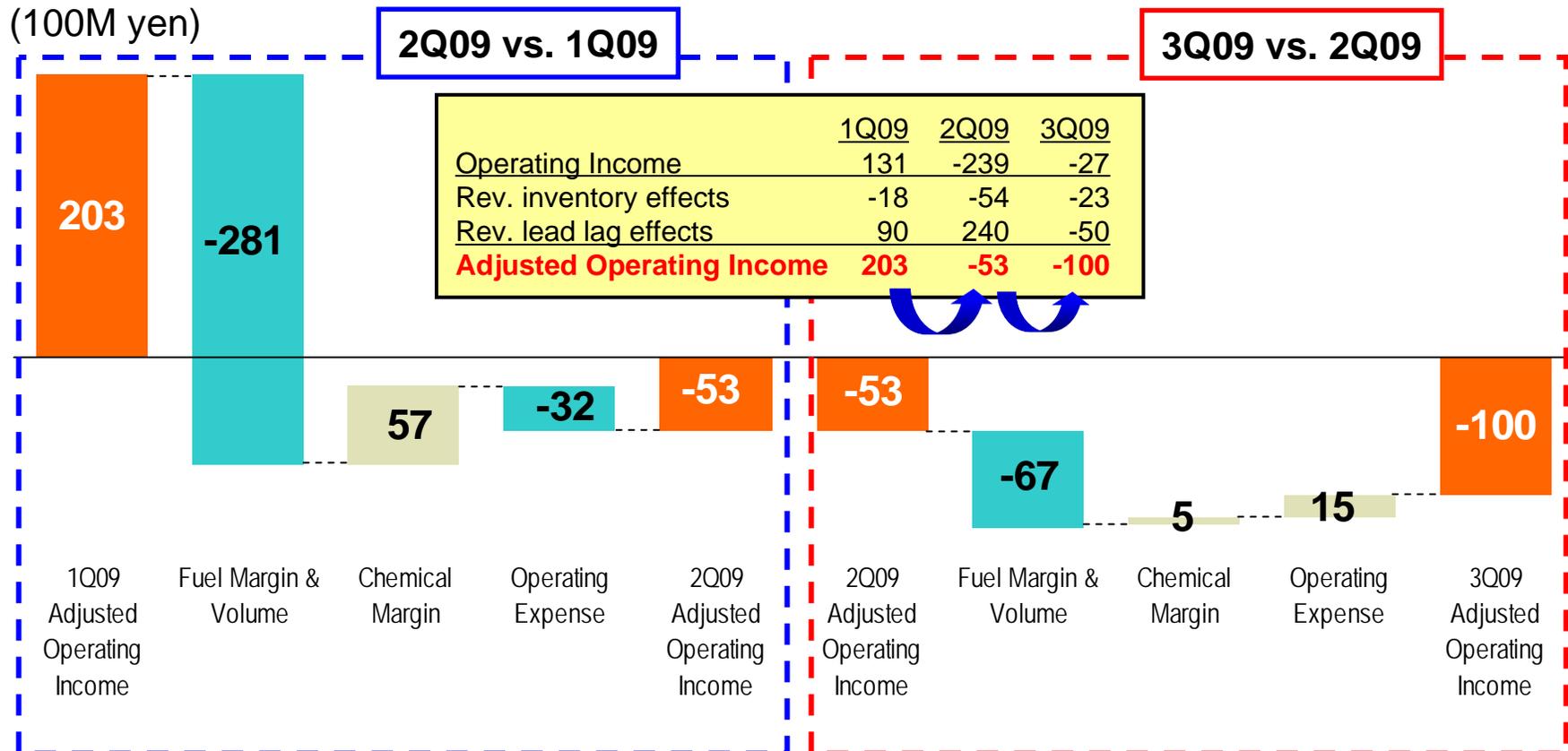


Factor Analysis of Operating Income



[3Q09 Results vs. 2Q09 / 1Q09 Results; Consolidated]

- Adjusted Oil segment operating income deteriorated in 2Q09 versus 1Q, and then further in 3Q09 versus 2Q09.
 - » Significant crude price rises started in April
 - » Especially low refining margins in July
- Chemical margin and demand environment were recovered in 2Q09 vs 1Q09; little growth in 3Q09



Sales Volume/ Capacity Utilization



- Continuously weak domestic distillate demand in 3Q09
- Lower than anticipated export margins; managed balance between domestic and export sales
- Lower olefins and aromatics volume due to low demand in 1Q09 and turn-around at Sakai in May/June 2009 respectively, but chemical volume in 3Q09 recovered nearly to 3Q08 levels

Oil Products*

(KKL)

	3Q08YTD	3Q09YTD	Inc./Dec.	Industry Inc./Dec.****	
Japan Inland Sales	Gasoline	7,433	7,797	+4.9%	0.4%
	Kerosene	2,072	1,873	-9.6%	-6.1%
	Diesel fuel	2,250	2,129	-5.4%	-7.0%
	Fuel oil A	1,815	1,462	-19.4%	-17.4%
	Fuel oil C	1,304	1,040	-20.2%	-30.2%
	5 Major Fuels Total	14,874	14,301	-3.9%	-9.4%
	LPG and others	1,899	1,754	-7.6%	
	Sub Total	16,773	16,055	-4.3%	
	Exports**	3,842	4,327	+12.6%	+7%
	Others***	3,304	2,566	-22.3%	
G. Total	23,919	22,948	-4.1%		

Chemical Products (Consolidated)

(Kton) Olefins and others (TCC)	1,358	1,196	-11.9%
Aromatics and others (TG)	625	592	-5.2%
Chemical Total	1,982	1,788	-9.8%

Topper Utilization

72%

75%

75%

Notes:

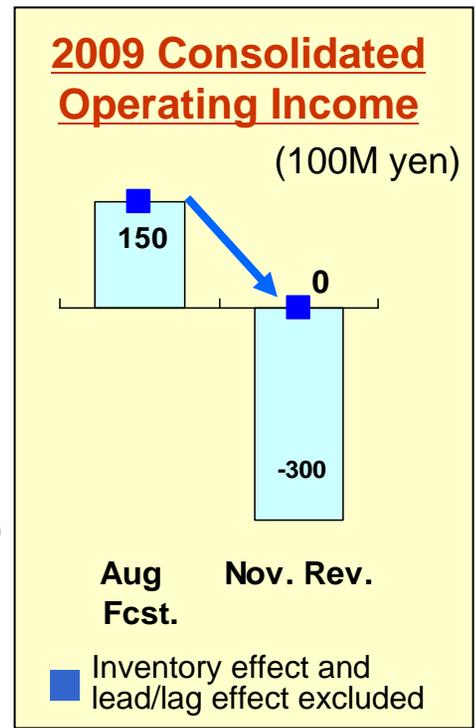
- * Consolidated and excluding Barter
- ** Excluding bond sales
- *** Others include crude, product exchanges within ExxonMobil Japan Group, etc.
- **** Data Source; METI Statistics

Revised Earnings Forecast [Consolidated]



- Full year operating income projected at -300 oku yen
 - » Includes negative 340 oku yen lead lag effects and positive 40 oku yen inventory effects
- Adjusted operating income projected to breakeven
 - » Oil segment operating income projected at negative 50 oku yen, reflecting current low refining margin environment
 - » Chemical segment operating income projection unchanged from positive 50 oku yen
- Dividend forecast unchanged (38 yen/share in 2009)

(100M yen)	2008	2009 Forecast	
	Actual	Aug. Disc	Nov Rev.
Net Sales	32,724	21,000	22,000 (*)
Operating income	1,217	-90	-300
Ordinary income	1,313	-80	-280
Extraordinary gain/loss	24	-20	-20
Net income	793	-50	-170
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Reverse inventory effects	-141	-30	-40
Reverse Lead lag effects	-745	270	340 (*)
Reverse divestment gain	-110	-	-
Adj. operating income	222	150	0
Oil segment and others	198	100	-50
Chemical segment	139	50	50



(*) Based on 73.2 \$/Bbl (Dubai), 90.4 ¥/\$ <Oct 09 month average>

Cash Flows, Debt/Equity [Consolidated]



(100M yen)

Operating / Investing Activities

	3Q '09
Net income before taxes	-132
Net capex/Depreciation/Asset Disposal	35
Inventory	24
TAR/TAP/Gas tax & other payables	-65
Income tax payment	-414
Others	121

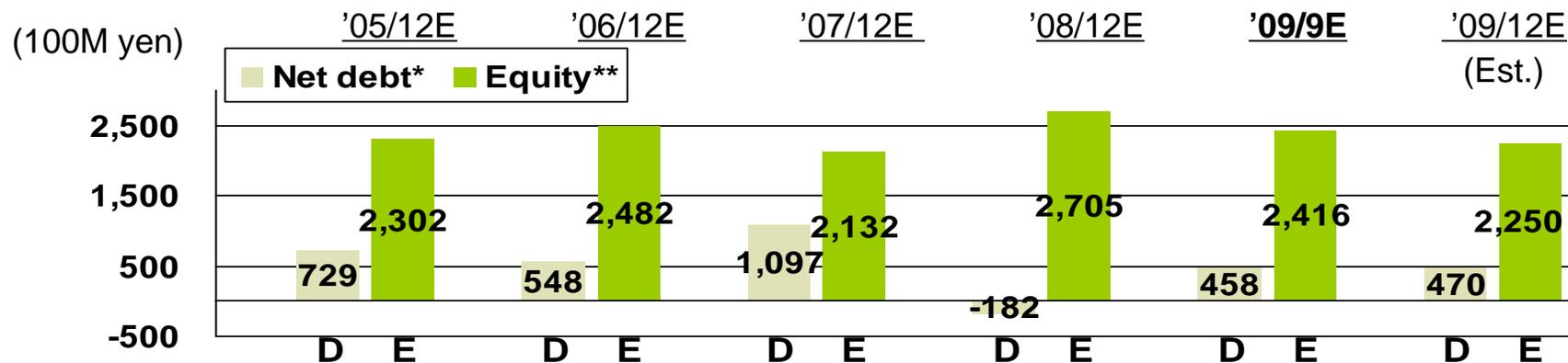
Financing Activities

	3Q '09
Change in debt	644
Dividend to shareholders	-207
Others	-1

Net Cash Change

4

- Net debt higher at 3Q '09 end vs. YE'08, mainly due to negative earnings and large income tax payment associated with high '08 earnings
- Financial position remains healthy
- Revised year-end 2009 Net D/E Ratio forecast at 21%



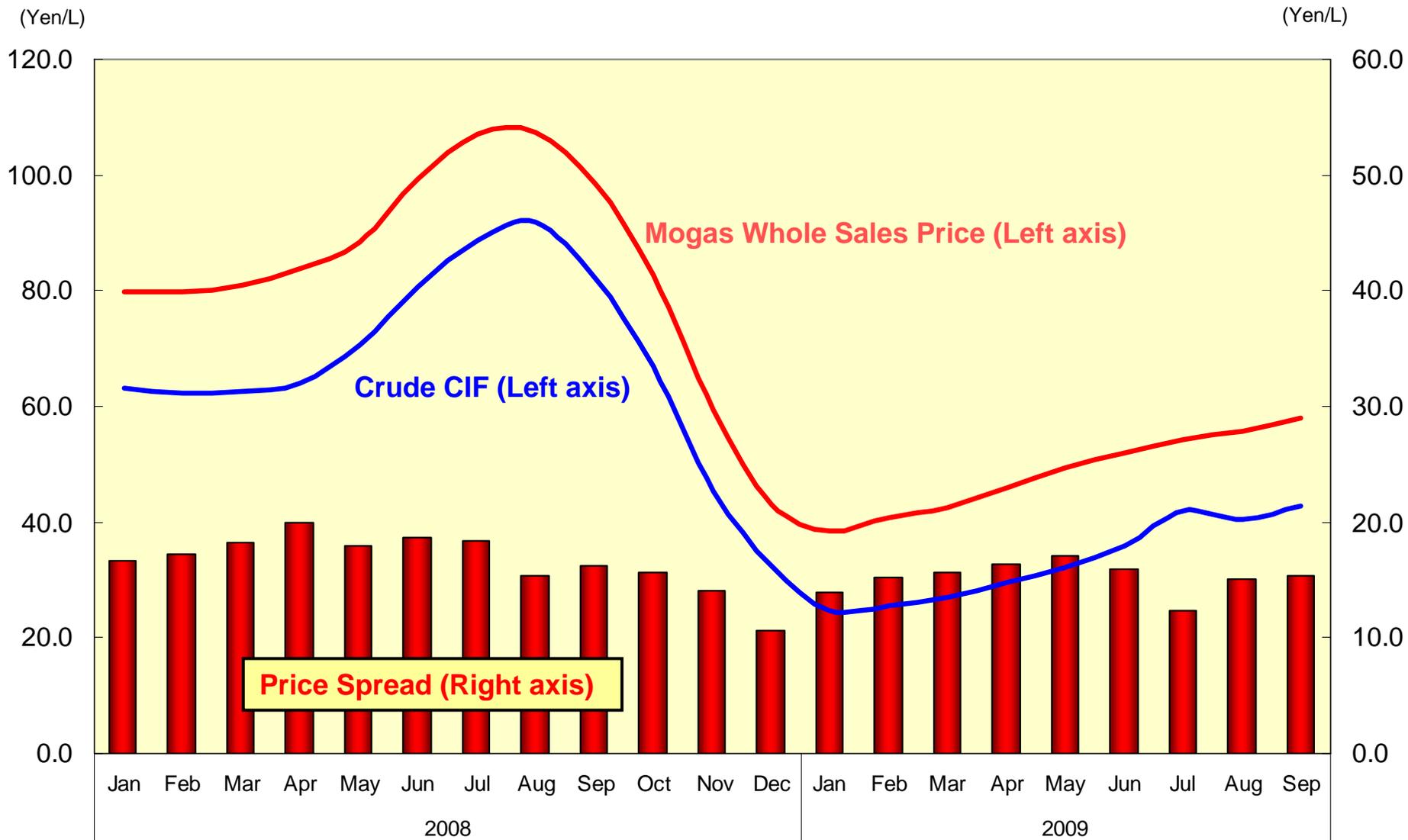
Net D/E ratio : 0.32 0.22 0.51 -0.07 0.19 0.21

* Debt excl. cash and loans receivable

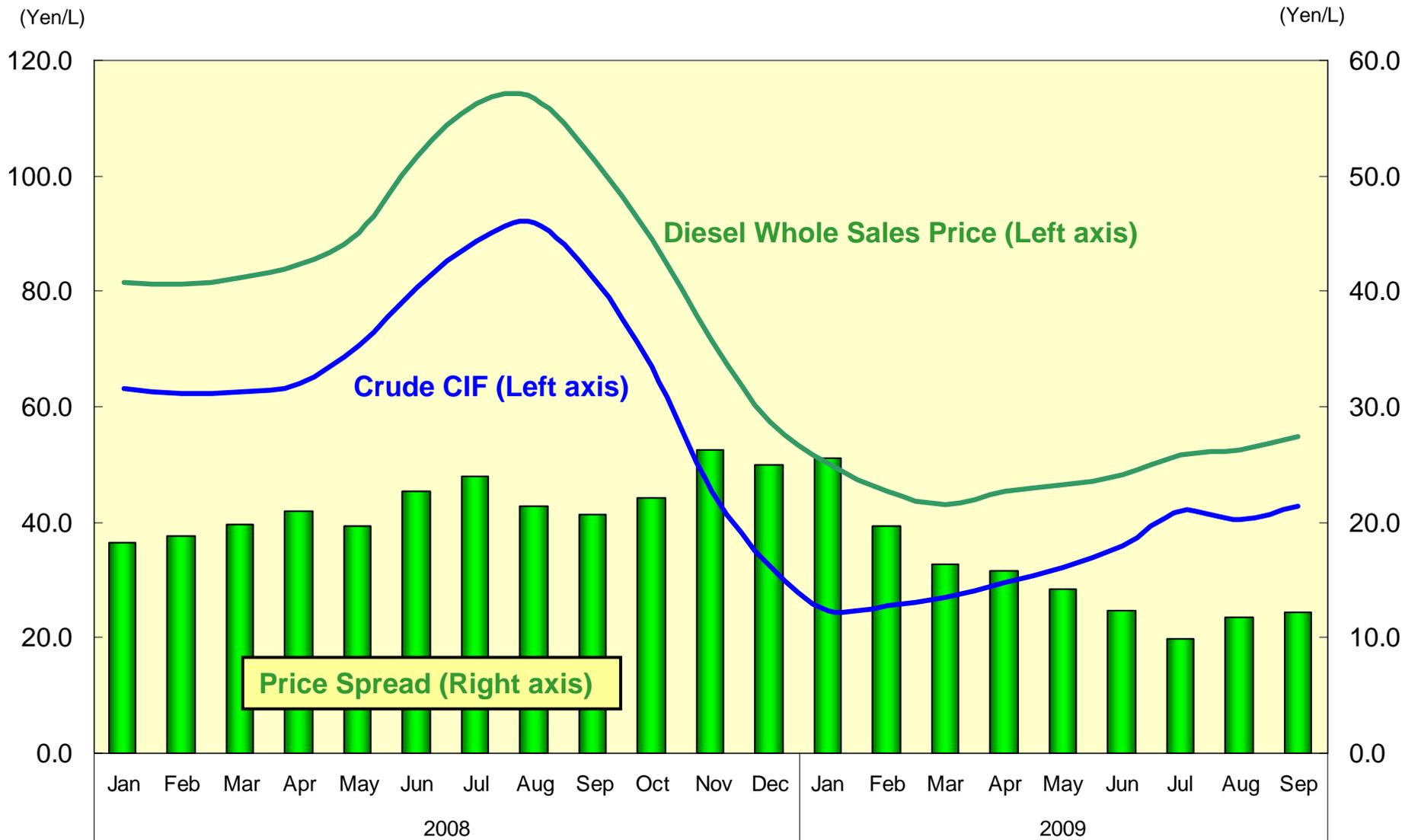
** Net Worth excl. Minority Interest

Reference Information

Price Spread (Mogas Wholesale Price vs. Crude CIF)



Price Spread (Diesel Wholesale Price vs. Crude CIF)



Price Spread (Kerosene Wholesale Price vs. Crude CIF)

