

January 13, 2015

Cosmo Oil Co., Ltd.  
TonenGeneral Sekiyu K.K.

### Joint Project at Chiba Refineries Selected for Grant

Cosmo Oil Co., Ltd. (Representative Director and President: Keizo Morikawa; "Cosmo Sekiyu" herein) and Kyokuto Petroleum Industries, Ltd. (President: Tomohide Miyata; "Kyokuto Petroleum Industries" herein), a subsidiary of TonenGeneral Sekiyu K.K. (Representative Director and President: Jun Mutoh), have applied for and received a grant from the Ministry of Economy, Trade and Industry through the 2014 Oil Industry Structure Improvement Projects program offered by the Research Association of Refinery Integration for Group-Operation (RING). The following project was selected for the grant.

#### Project overview

1. Name

Refinery Integration Project

2. Date

Begun in 2014

3. Description

The objective of the project is to optimize facilities by linking the Chiba refineries of the two companies by pipelines, and to integrate production plans and facilities through a joint organization. Cosmo Sekiyu's fuel oil hydrodesulfurization unit and Kyokuto Petroleum Industries' residue fluid catalytic cracking unit will be combined, thus easing constraints on raw materials and enabling the efficient production of high-value-added white oil. In addition, the exchange of intermediate and finished products between the two companies will help to ensure optimal operation of facilities. The above will enable improvement in the supply structure through the shared use and consolidation of the two companies' refining facilities (see attachment).

Inquiries

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Project overview

Supply structure improvement through shared use and consolidation of refining units

Cosmo Sekiyu

Optimization of refining units

Integration of production plans and consolidation of facilities through joint organization

