

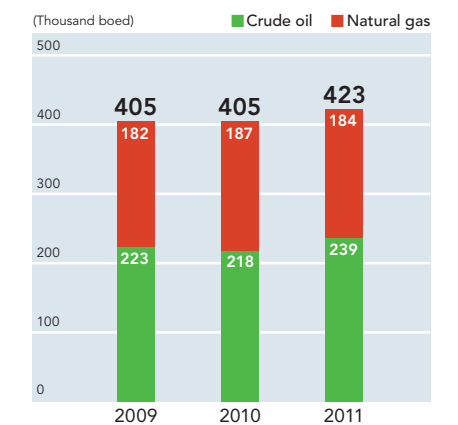
# No.1

Our oil and gas reserves and production volume are the largest among Japanese E&P companies. We aim to establish a firm position as a global independent upstream company, ranking after the oil majors.

Photo: Bontang LNG Plant, Indonesia

Our reserves (proved and probable) stood at approximately 4.13 billion barrels of oil equivalent (boe) as of March 31, 2011, and production for the year ended March 31, 2011, was approximately 423 thousand barrels of oil equivalent per day (boed). These figures make our oil and gas reserves and production volumes the largest of any Japanese E&P company. Internationally, the Company ranks among the mid-tier global independent upstream companies, after the oil majors. We will maintain and expand our reserves and production volumes by commercializing our large LNG projects and acquiring new interests. Our goal is to continue to expand so as to establish a firm position among the top group of independent upstream companies.

### Net production volume



For details, please refer to pp. 36-37.



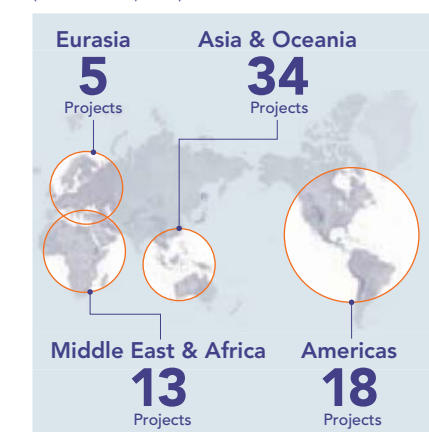
**71** Projects  
**in 26** Countries

We seek to disperse business risk by creating a well-balanced asset portfolio.

Photo: Kashagan Oil Field, Kazakhstan

We avoid excessive dependence on certain regions from the viewpoint of country and operating risks, and seek to achieve a well-balanced portfolio through a combination of different projects, by resource (crude oil and natural gas), by stage (exploration, development and production), by contract, etc. As of June 30, 2011, in addition to Japan, we are engaged in 71 projects in 26 countries in Asia, Oceania, the Middle East, Africa, Eurasia and the Americas.

**Number of overseas projects**  
 (As of June 30, 2011)



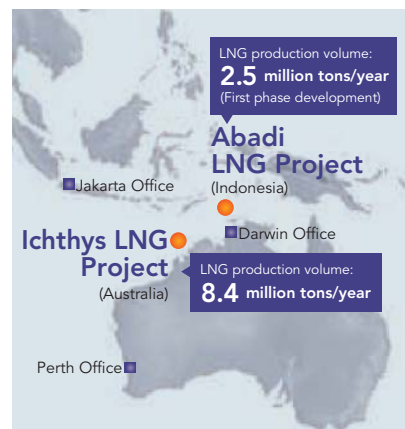
For details, please refer to pp. 38–39.

# Two Large-Scale LNG Projects

We are engaged in two large-scale LNG projects that should contribute to our corporate growth.

We discovered two large gas fields, Ichthys (Australia) and Abadi (Indonesia), in 2000. The final investment decision (FID) for Ichthys is scheduled for Q4 2011, with production scheduled to begin in Q4 2016. Abadi is under preparation for development according to the floating LNG concept. The production volume of these projects will be on a massive scale — equivalent to 15% or more of Japan's current LNG annual import volume. We are proceeding aggressively to commercialize both projects with the goal of achieving further corporate growth.

## Ichthys and Abadi LNG Projects



For details, please refer to pp. 40–45.

Photo: Ichthys LNG Project, Australia

Consolidated net sales:

¥943.1 billion

Consolidated net income:

¥128.7 billion

Despite the appreciation of the Japanese yen during the year, consolidated net sales for the year ended March 31, 2011, were up 12.2% to ¥943.1 billion and consolidated net income was up 20.0% to ¥128.7 billion due to the increase in sales prices of oil and natural gas.

Net sales / Net income (consolidated)

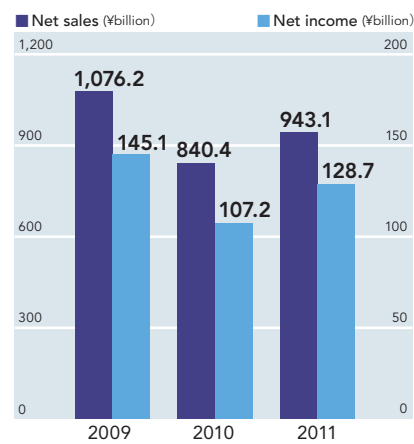


Photo: Financial results presentation for the year ended March 31, 2011 (held on May 12, 2011)

For details, please refer to pp. 12-14.

# Three Fundamental Strategies

We continue to pursue three fundamental strategies in our efforts to achieve corporate growth.

We are engaged in three fundamental strategies in pursuit of achieving our goal of raising our net production level to 800,000-1 million boed by 2020.

**1. Sustainable Expansion of Our E&P Business**

We will pursue continuous maintenance and expansion of our production and reserves by operating and maintaining exploration, development and production projects.

**2. Establishment of a Gas Supply Chain and Proactive Expansion of the Gas Business**

We will develop a high-value-added gas supply chain by organically linking overseas gas resources with the Japanese market.

**3. Evolution into a Company that Offers Diversified Forms of Energy**

We will pursue growth by evolving into a company that contributes to sustainable growth by ensuring the development and supply of various forms of energy.

Photo: Construction of domestic natural gas pipeline (Shizuoka Line)

For details, please refer to pp. 32-33.

# Corporate Social Responsibility

We continue to contribute to the building of an affluent society by providing a stable energy supply, as we operate in harmony with the environment and local communities.

We have created and continue to maintain our own comprehensive HSE (Health/Safety/Environment) Management System. We also seek coexistence with the local communities in which we operate by contributing to their development, and we continue to enhance our corporate governance so as to achieve more sound and efficient management.



Photo: Blaydin Point, Northern Territory, Australia

 For details, please refer to pp. 64–73.