

December 19, 2005

Name of the Company:	Nippon Oil Corporation
Name of the Representative:	Shinji Nishio, President
Code No.:	5001, The First Section of the Tokyo/Osaka /Nagoya/Fukuoka/Sapporo Stock Exchange
Contact:	Koji Araki, General Manager, Public Relations Department
Phone number:	03-3502-1124
Name of the Company:	Teikoku Oil Co., Ltd.
Name of the Representative:	Masatoshi Sugioka, President
Code No.:	1601, The First Section of the Tokyo Stock Exchange/Osaka Stock Exchange
Contact:	Shuhei Miyamoto, Senior General Manager, Corporate Management Department
Phone number:	03-3466-1233
Name of the Company:	INPEX CORPORATION
Name of the Representative:	Naoki Kuroda, President
Code No.:	1604, The First Section of the Tokyo Stock Exchange
Contact:	Seiya Ito, PR Unit General Manager
Phone number:	03-5448-1205

Note of Agreement among the Three Companies

Nippon Oil Corporation, Teikoku Oil Co., Ltd. and INPEX CORPORATION have reached an agreement in connection with the integration of Teikoku Oil Co., Ltd. and INPEX CORPORATION as set forth below.

1. Nippon Oil Corporation agrees with the establishment of a joint-holding company (hereinafter, the "Integrated Company") pursuant to the joint stock transfer agreement executed between Teikoku Oil Co., Ltd. and INPEX CORPORATION.
2. Nippon Oil Corporation, Teikoku Oil Co., Ltd. and INPEX CORPORATION agree with the enhancement of the cooperative relationship as described below, while respecting each other's independence in their management.
 - (1) Cooperation in Operation
The Integrated Company and Nippon Oil Corporation will consider in good faith, the specific cooperation in the new oil upstream projects, in which such cooperative promotion is deemed to be beneficial to the two companies, aiming at efficiently achieving a stable supply of energy to our country.

(2) Cooperation in Capital Investment

The Integrated Company and Nippon Oil Corporation will consider deepening of mutual cross-shareholdings as follows.

Nippon Oil Corporation will consider holding approximately 5% of the Integrated Company's total outstanding shares through further purchase of the shares of the Integrated Company by the date of establishment of the Operational Holding Company (an entity scheduled to be established in June, 2008, by merging the Integrated Company, INPEX CORPORATION and Teikoku Oil Co., Ltd.).

In the event that Nippon Oil Corporation purchases additional shares of the Operational Holding Company, Nippon Oil Corporation's ownership will be capped at 7.5% of the total outstanding shares of the Operational Holding Company.

The Integrated Company will consider holding approximately 1.5% of the total outstanding shares of Nippon Oil Corporation through further purchase of the shares of Nippon Oil Corporation by the date of establishment of the Operational Holding Company (June, 2008).

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