

The first production from Helang Gas Field in Malaysia

November 20, 2003

Teikoku Oil Co., Ltd. ("TEIKOKU") is pleased to announce that the first production from Helang Gas Field in Malaysia in which Nippon Oil Exploration (Malaysia), Limited ("NOMA") is participating.

NOMA is a joint venture company owned by Nippon Oil Exploration Limited (40.15%), TEIKOKU (15.00%), Mitsubishi Corporation (6.27%) and Japan National Oil Corporation (38.58%).

NOMA, as the Operator, acquired 75% working interests in Block SK-10 in 1987 and the Helang Gas Field was discovered in the Block in 1990, NOMA has been conducting the construction of a gas producing facilities for the Helang Gas Field since April 2000.

The approximate daily production rate of the Helang Gas Field will peak at 250mmcf for the gas and 10,000bbl/day for the condensate. The gas and the condensate produced from the Helang field will be transported through the sub-sea pipeline to Bintulu, Sarawak to be separated and liquefied at the MLNG Tiga Plant. The LNG is sold to the customers including the Japanese utility companies and the condensate is sold at the wellhead to Petronas, the Malaysian National Oil Company.

Meanwhile, another group company, Nippon Oil Exploration (Sarawak), Limited. is participating in the construction of a gas producing facilities for the Serai and Jintan Gas Field in Block SK-8 which is located adjacent to Block SK-10 offshore Sarawak. The gas production from Serai and Jintan are scheduled to commence in the 2nd and 3rd quarter, 2004, respectively. The aggregate gross production of Helang, Serai and Jintan is estimated 1050mmscf for the gas and 23,000bbl/day for the condensate after the 3rd quarter, 2004.

Kenji Kawano

New Ventures Department, Teikoku Oil Co., Ltd.

Phone : 81-3-3466-1234



