

Note: This represents a translation, for reference and convenience only, of the original notice issued in Japanese. In the event of any discrepancies between the Japanese and English versions, the former shall prevail.

January 31, 2006

To our shareholders:

Masatoshi Sugioka  
Representative Director and President:  
**Teikoku Oil Co., Ltd.**  
1-31-10, Hatagaya , Shibuya-ku,  
Tokyo, Japan

## **Notice of the Resolution by the Extraordinary Shareholders' Meeting**

We hereby inform you of the resolution approved today at the extraordinary shareholders' meeting of Teikoku Oil Co., Ltd.

Resolution:

### **Proposal: Establishment of the Parent Company through a Stock Transfer**

The proposal was approved and passed in its original form.

Accordingly, Teikoku Oil Co., Ltd. (hereafter "Teikoku") has decided to establish "INPEX Holdings Inc." jointly with INPEX Corporation (hereafter "INPEX") as the parent company of Teikoku and become a wholly owned subsidiary of the parent company through the stock transfer pursuant to Article 364 of the Commercial Code of Japan.

Major contents of the establishment of the parent company through the stock transfer are as follows:

(1) Type and number of shares to be issued by INPEX Holdings Inc. through a stock transfer

INPEX Holdings Inc. shall issue 2,360,659.95 common shares and one (1) special class share.

However, if Teikoku and INPEX retire their own shares prior to the date of stock transfer, the number of common shares to be issued shall be reduced by the number of the shares to be allotted in exchange for the shares retired by Teikoku and INPEX.

In addition, INPEX Holdings Inc. shall employ the odd lot share method.

(2) Share allocation to shareholders of Teikoku and INPEX

Based on the following ratios, shares of INPEX Holdings Inc. shall be allocated to the shareholders of Teikoku and INPEX (hereinafter, including beneficial shareholders) listed or recorded in the final shareholders' register (hereinafter, including the register of beneficial shareholders) on the day before the date of stock transfer.

- 1) 0.00144 INPEX Holdings Inc. common share to be allotted in exchange for 1 common share of Teikoku.
- 2) One (1) INPEX Holdings Inc. common share to be allotted in exchange for 1 INPEX common share.
- 3) One (1) INPEX Holdings Inc. special class share to be allocated for 1 INPEX special class share.

Teikoku employs the stock unit method at 1,000 shares per unit, and INPEX employs the odd-lot share method.

(3) Retirement of the treasury stocks

Teikoku and INPEX shall retire all of their respective then-existing treasury stocks at an appropriate day prior to the date of stock transfer pursuant to the Commercial Code of Japan.

(4) Capital and additional paid-in capital of INPEX Holdings Inc.

- |                               |   |
|-------------------------------|---|
| 1. Capital                    | 30.0 billion yen  |
| 2. Additional paid-in capital | The amount after deducting the capital amount mentioned above and the stock transfer payments paid to shareholders defined in (5) mentioned below, from the sum of the existing capital of Teikoku and INPEX on the day of stock transfer |

(5) Stock transfer payments (The amounts to be paid to shareholders)

INPEX Holdings Inc. will pay a stock transfer payment of ¥3.00 for each common share in Teikoku to shareholders and registered pledgees listed or recorded in the final shareholders' register of Teikoku on the day before the stock transfer date within three months after the stock transfer date, in place of a dividend. However, the amounts of stock transfer payments may be changed through consultations between Teikoku and INPEX in light of the circumstances, including the condition of assets and liabilities of Teikoku changes in general economic conditions and others.

(6) Timing of the stock transfer

The date of the stock transfer shall be April 3, 2006, and the registration to incorporate INPEX Holdings Inc. is planned to be applied for on the same day. However, the date may be changed through consultations between Teikoku and INPEX if necessary due to the procedure for the stock transfer, etc.

(7) Limits on dividends to be distributed prior to the stock transfer date (including the case in which dividends are paid after the date of stock transfer although the dividend record date is before the date of stock transfer)

- 1) Teikoku may pay dividends on profits up to ¥4.50 per common share or to a total of ¥1,372,504,000 to shareholders and registered pledgees listed or recorded in the final shareholders' register of Teikoku as

of December 31, 2005.

- 2) INPEX may pay dividends on profits up to ¥5,500 per common share and per special class share, up to a total of ¥10,559,081,000, to shareholders and registered pledgees listed or recorded in the final shareholders' register of INPEX as of March 31, 2006.

(8) A special class share to be issued by INPEX Holdings Inc.

INPEX Holdings Inc. shall issue one (1) special class share, which has rights equal to those of the special class share of INPEX, currently issued pursuant to its Articles of Incorporation, and allot it to the Minister of Economy, Trade and Industry.

INPEX Holdings Inc. shall stipulate in its Articles of Incorporation that a resolution not only at a shareholders' meeting or a board of directors' meeting but also a resolution at a special class shareholders' meeting is required to determine certain major corporate management actions and transactions, specifically, the "appointment and removal of directors," "a sale or other disposition of important assets," "an amendment to the Articles of Incorporation," a "merger," a "reduction of capital" or a "dissolution."

(9) Board of Directors of INPEX Holdings Inc.

The Directors of INPEX Holdings Inc. are Kunihiko Matsuo, Akira Isono, Masatoshi Sugioka, Naoki Kuroda, Hisatake Matsuno, Katsujiro Kida, Mutsuhisa Fujii, Takeshi Maki, Seiji Yui, Masaharu Sano, Akinori Sakamoto, Seiya Ito, Kazuo Wakasugi, Hisanori Yoshimura, Junji Sato and Shigeo Hirai. Kazuo Wakasugi, Hisanori Yoshimura, Junji Sato and Shigeo Hirai are outside directors as stipulated in Article 188, Paragraph 2, Item (7)-2, of the Commercial Code of Japan.

(10) Statutory Auditors of INPEX Holdings Inc.

Statutory Auditors of INPEX Holdings Inc. are Nobuo Kawa, Shigeru Hayashi, Hiroshi Sato, Tohru Tsuji and Michihisa Shinagawa.

Nobuo Kawa, Hiroshi Sato and Tohru Tsuji are statutory outside auditors as stipulated in Article 18, Paragraph 1, of the Law for Special Exceptions to the Commercial Code Concerning Audit, etc. of Kabushiki-Gaisha.

(11) Compensation of Board of Directors and Statutory Auditors of INPEX Holdings Inc.

The maximum total amount of monthly compensation of Directors shall be 37 million yen, and the maximum total amount of monthly compensation of Statutory Auditors shall be 5.5 million yen.

(12) Accounting auditors of INPEX Holdings Inc.

The accounting auditors of INPEX Holdings Inc. shall be Ernst & Young ShinNihon.

## Notice on the Procedure for Stock Transfer

The common shares of Teikoku held by our shareholders will be transferred to INPEX Holdings Inc. as of the date of the stock transfer (planned to be April 3, 2006).

As a result, you will be allocated a certain number of newly issued INPEX Holdings Inc. common shares in exchange for your shares of Teikoku.

The allotment ratio will be “0.00144 INPEX Holdings Inc. common share in exchange for one (1) common share of Teikoku.”

For this allotment of shares, you are requested to submit all of your share certificates to Teikoku.

Please read carefully the Guide for the Submission of Share Certificates (by Japanese) that will be sent late in February and take the necessary subsequent actions.

If you do not actually have possession of the share certificates because you utilize the custody and transfer system of share certificates or for another reason, Teikoku will substitute the “Guide for Handling Shares (by Japanese)” in place of the aforementioned Guide.

### **Rule 802 Legend**

“This business combination is made for the securities of a foreign company. The offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer of the securities is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court’s judgment.

You should be aware that the issuer may purchase securities otherwise than under this business combination, such as in open market or privately negotiated purchases.”