

Nippon Oil successfully concluded the Exploration and Production Sharing Agreement in Libya.

December 8, 2005

PRESS RELEASE

Nippon Oil Corporation (President: Mr. Shinji Nishio) announced today that on December 7, 2005, Nippon Oil Exploration Limited ("NOEX") (President: Mr. Teruo Omori.), its upstream arm and a wholly owned subsidiary, successfully concluded the Exploration and Production Sharing Agreement ("EPSA") for Area 2 Block 1 & 2 with National Oil Corporation ("NOC"), the state oil company of the Great Socialist People's Libyan Arab Jamahiriya ("Libya").

Following the award of the blocks by NOC in the 2nd bidding round for EPSA held on October 2, 2005, NOEX has conducted various activities in preparation for signing the EPSA in order to enable NOEX to commence the exploration activities under EPSA in a timely manner.

Mr. Abdulla Salem El Badri, Chairman of the Management Committee, represented NOC and Teruo Omori represented NOEX at the signing ceremony held in Tripoli, the capital city of Libya.

Partners in the blocks are: NOEX (90%: Operator) and Mitsubishi Corporation (10%).

The signing ceremony for the Exploration and Production Sharing Agreement for Area 40 Blocks 3 & 4, another production sharing agreement that NOEX was awarded in the 2nd bidding round, was held on December 4, 2005.

Partners in the blocks are: NOEX (38%), Japex Libya Ltd. (42%: Operator) and Mitsubishi Corporation (20%).

Nippon Oil Group is aiming to expand its upstream operations and has been conducting exploration, development and production activities around the world. It is keen to expand its upstream operations in Libya, where one of the world's largest oil and gas reserves are found. Nippon Oil Group is striving for providing stable supply of energy to the world.