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Announcement of Revisions in the Outlook for Performance

In view of recent trends in performance and other factors, Nippon Oil Corporation (the Company) has revised its outlook, originally released at the time of the announcement of interim results on November 15, 2002, as follows.

1. Revised outlook for performance during fiscal 2003 (April 1, 2002, to March 31, 2003)

(1) Revised figures on a consolidated basis

(Units: Millions of yen, %)

	Net sales	Recurring income	Net income
Previous outlook (A)	4,000,000	56,000	21,000
Revised outlook (B)	4,170,000	89,000	31,000
Change (B-A)	170,000	33,000	10,000
Change (%)	4.3%	58.9%	47.6%
For reference: Results for fiscal 2002	3,949,571	71,023	24,006

(2) Revised figures on a non-consolidated basis

(Units: Millions of yen, %)

	Net sales	Recurring income	Net income
Previous outlook (A)	3,130,000	13,000	4,000
Revised outlook (B)	3,300,000	26,500	4,500
Change (B-A)	170,000	13,500	500
Change (%)	5.4%	103.8%	12.5%
For reference: Results for fiscal 2002	2,987,920	22,313	13,035

2. Reasons for the revisions in the Company's outlook

Compared with the initial outlook (released November 15, 2002, at the time of the announcement of the results for the interim period), recurring income on a consolidated basis for the fiscal year is now expected to amount to ¥89.0 billion, or ¥33.0 billion above the initial outlook. This is due to the positive impact on inventories of a sharp rise in crude oil prices, healthy sales of

gasoline, kerosene, and heavy fuel oil C to electric power companies, as well as the Company's continued efforts to achieve cost reduction.

Regarding extraordinary gains and losses, the Company will be obliged to record ¥12.0 billion in investment securities valuation losses due to the decline in stock prices, particularly stocks of financial institutions. Consequently, the Company expected to record extraordinary losses totaling ¥25.0 billion for the fiscal year.

As a result, consolidated net income is expected to amount to ¥31.0 billion (¥10.0 billion more than the initial outlook).

On a non-consolidated basis, owing to the same reasons, recurring income is expected to amount to ¥26.5 billion (¥13.5 billion more than the initial outlook). An extraordinary loss of ¥22.5 billion is expected, and net income is anticipated to amount to ¥4.5 billion (¥0.5 billion more than the initial outlook).

3. Outlook for dividends

The Company has no plans to change its previously announced dividends (¥7 per share for the full fiscal year, comprising an interim dividend of ¥3 per share and a dividend for the year-end of ¥4 per share).

Note: Figures in the above outlook were tabulated based on currently available information and may be subject to various uncertainties. Actual results may differ from this outlook.