

Notice Regarding Three-Party Agreement

Nippon Oil Corporation, Teikoku Oil Co., Ltd., and INPEX CORPORATION announced today the conclusion of an agreement regarding the business integration of Teikoku Oil and INPEX as detailed below.

1. Nippon Oil has approved the establishment of a joint-holding company (referred to hereinafter as “integrated company”) by Teikoku Oil and INPEX pursuant to a joint stock transfer agreement entered into by the two parties.

2. Nippon Oil, Teikoku Oil, and INPEX agree to strengthen their partnerships as detailed below while maintaining respect for the autonomy of each company’s management.

(1) Operational Cooperation

The integrated company and Nippon Oil will work together to drive forward beneficial new oil development projects, sincerely considering concrete collaborative initiatives aimed at effectively realizing stable energy supply in Japan.

(2) Capital Cooperation

The integrated company and Nippon Oil will consider increasing their cross-holdings of each other’s shares as detailed below.

1) Nippon Oil will consider purchasing additional shares in the integrated company to obtain a total of approximately 5% of the integrated company’s outstanding shares by the time of the establishment of the operating holding company in June 2008. In addition, should Nippon Oil purchase additional shares in the operating holding company following its establishment, Nippon Oil’s total shareholdings are not to exceed 7.5% of the operating holding company’s outstanding shares.

2) The integrated company will consider purchasing additional shares in Nippon Oil to obtain a total of approximately 1.5% of Nippon Oil’s outstanding shares by the time of the establishment of the operating holding company in June 2008.