



INPEX CORPORATION TEIKOKU OIL CO., LTD

Joint Presentation Business Integration

Appendix

November 7, 2005

INPEX



TEIKOKU

DISCLAIMER

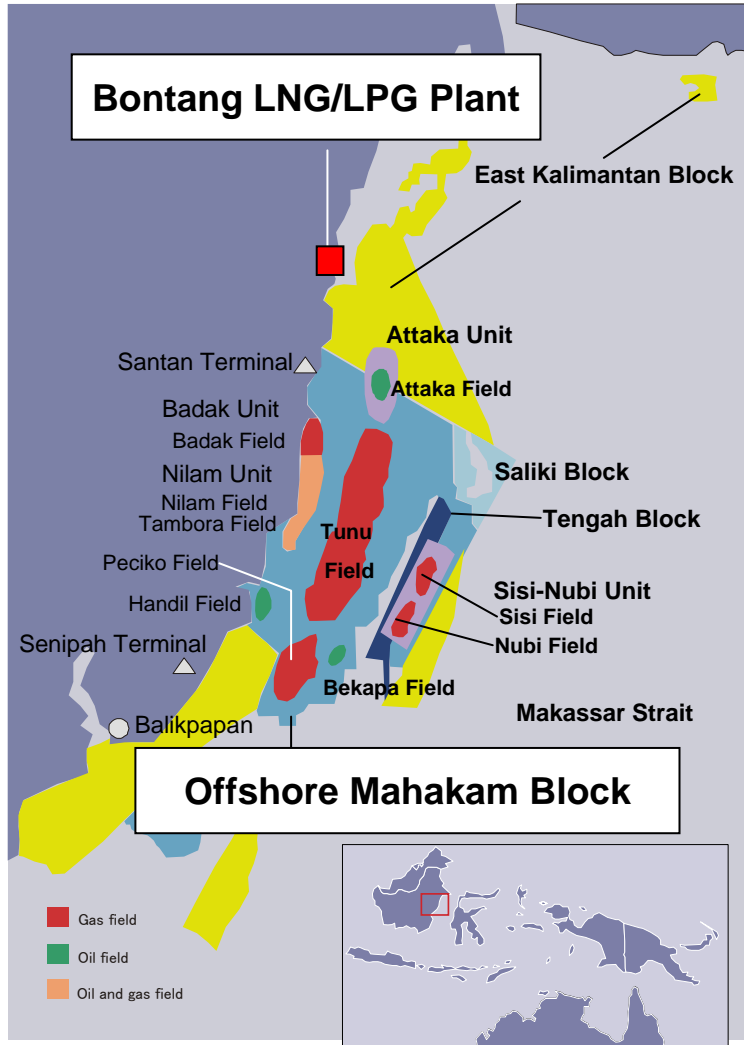
This presentation includes forward-looking statements that reflect the plans and expectations of INPEX CORPORATION (hereinafter 'INPEX') and TEIKOKU OIL CO., LTD. (hereinafter 'Teikoku') in relation to the integration described above and the benefits resulting from it. These forward-looking statements are based on the current assumptions and beliefs of INPEX and Teikoku in light of the information currently available to them, and involve known and unknown risks, uncertainties and other factors, and may be affected by such risks, uncertainties and other factors. Such risks, uncertainties and other factors include, without limitation, the following:

- **Changes in the relationship between the post-integration INPEX/Teikoku group (the "Group") with the governments of the countries or regions in which it will conduct business**
- **Changes in the Japanese government's energy policy and the Group's role within it**
- **Changes in prices or demand for crude oil and natural gas the Group will produce**
- **The risks of increased costs to develop and apply exploration, development, production and related technologies, and the uncertainty of such technologies producing expected results**

INPEX and Teikoku have no obligation to update publicly any forward-looking statements after the date of this presentation.

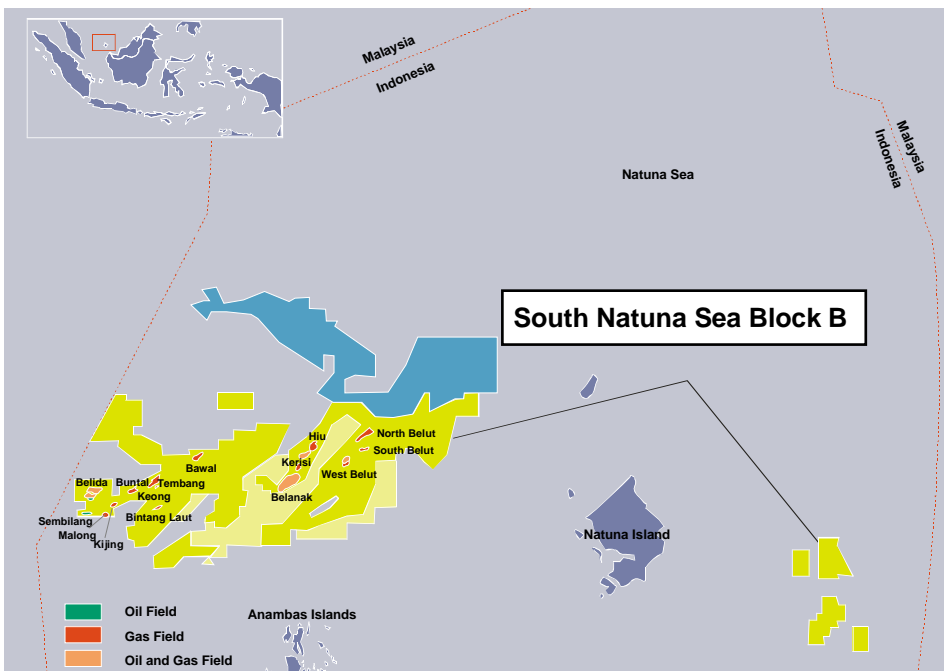
INPEX Project Summary

Mahakam INPEX



- INPEX's Working Interest: 50.0%
- Production*
 - Crude Oil: Approximately 64,000 bbl/d
 - Gas: Approximately 2.6 ft³/d
- PSC: Until 2017
- Continue development activities to stabilize the supply of gas to Bontang LNG plant
 - Gradual development of Tunu / Peciko field
 - Additional development of Tambora field
 - Development of Sisi-Nubi Unit

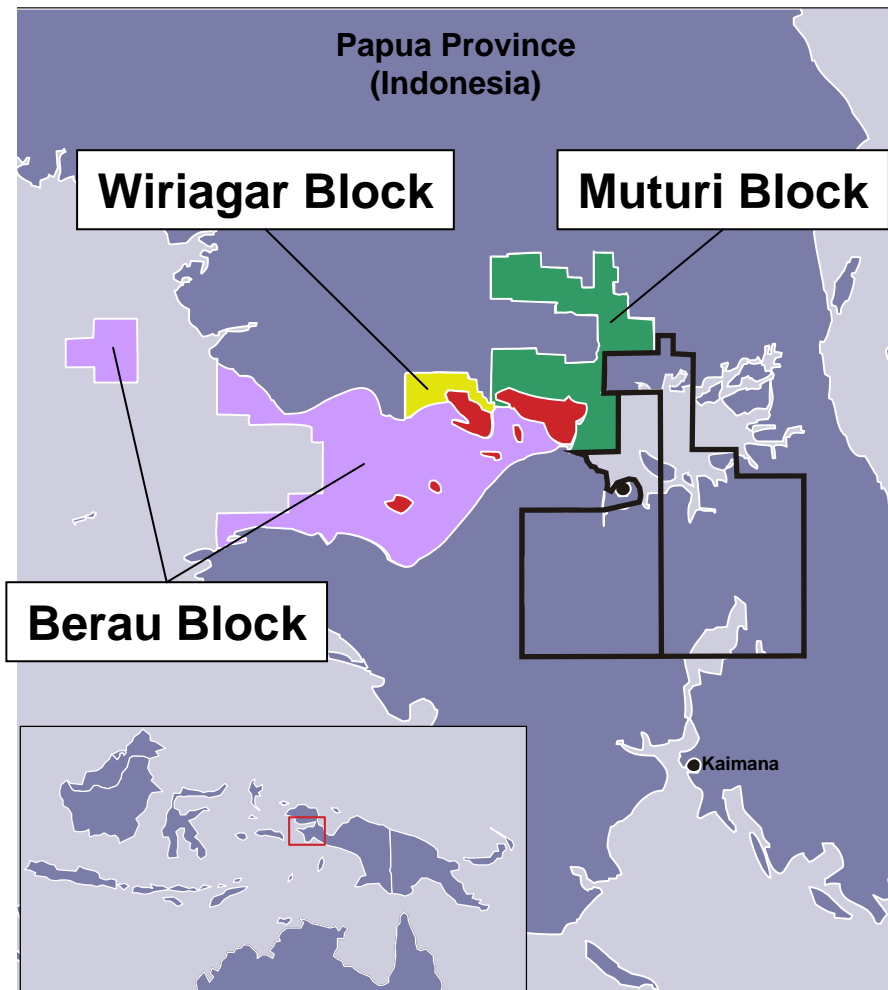
South Natuna Sea Block 'B' INPEX Natuna, Ltd.



- INPEX's Working Interest: 35.0%
- Production*:
 - Crude Oil: Approximately 54,000 bbl/d
 - Gas: Approximately 360 million ft³/d
- PSC: Until 2028
- Signed a gas sales contract for 22 years from 2001 with SembCorp (Singapore) and for 20 years from 2002 with Petronas (Malaysia)
- Belanak commenced production in 2004/12
- Planned to produce sequentially in Hiu (2006), Kerisi (2007)

Note: * Based on all blocks; average daily volume 4/2005 – 6/2005

Berau (Tanggung LNG Project) MI Berau B.V.



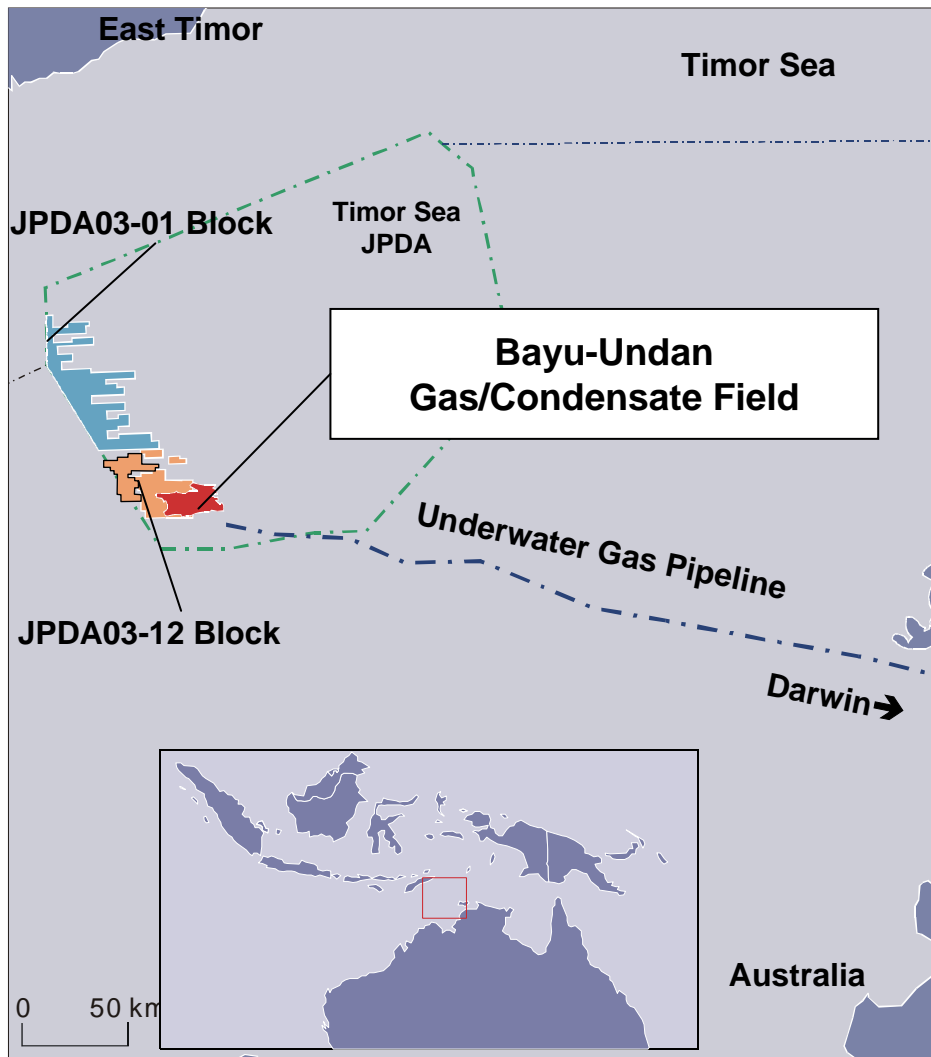
- MI Berau: JV with Mitsubishi Corporation
- MI Berau's Working Interest:
 - Berau: 22.9% (Tanggung Unit: 16.3%)
- PSC: Until 2035
- Development plan and extension of the PS contract were approved by Indonesian government
- LNG plant is scheduled to commence production in the last half of 2008
 - Scheduled to produce 7.6 million tons of LNG per year
 - Signed long-term LNG sales contract for Fujian
 - Signed LNG sales contract with POSCO and K-Power Company of Korea
 - Entered into LNG sales contract with Sempra Energy of the USA

Masela (Abadi) INPEX Masela, Ltd.



- INPEX's Working Interest: 100.0%
- Operator: INPEX
- PSC:
 - 10 years exploration period (until 2008)
 - 30 years development/production period (until 2028)
- Discovered gas in Abadi-1 exploration well in 2000
- Confirmed the extension of gas in the Abadi structure by 2 appraisal wells in 2002
- Plan to drill 4 appraisal wells in 2006

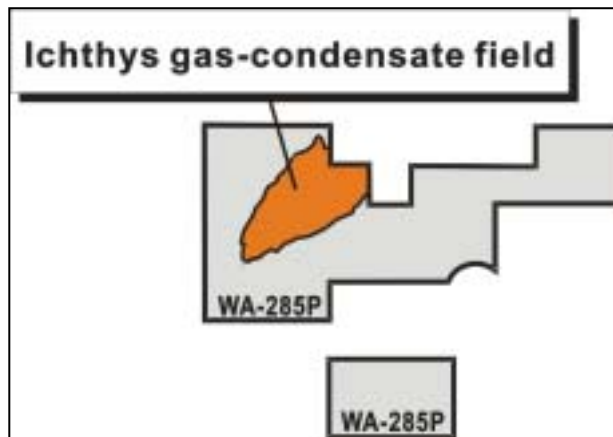
Bayu-Undan INPEX Sahul, Ltd.



Note: * All field base in JPDA03-12 including Elang Kakatua. Average of March 2005

- INPEX's Working Interest: 10.53%
- Production*:
 - Oil / Condensate: Approximately 39,000 bbl/d
 - LPG: Approximately 16,000 bbl/d
- PSC: Until 2022
- Carrying out phase 1 development for production of condensate and LPG
 - Production of condensate and LPG started in February and April 2004 respectively
- Phase 2 development is for LNG (starting in 2006)
 - Entered into LNG Sales Contract with TEPCO and Tokyo Gas (3 million tons per year for 17 years)

WA-285-P (Ichthys) INPEX Browse, Ltd.

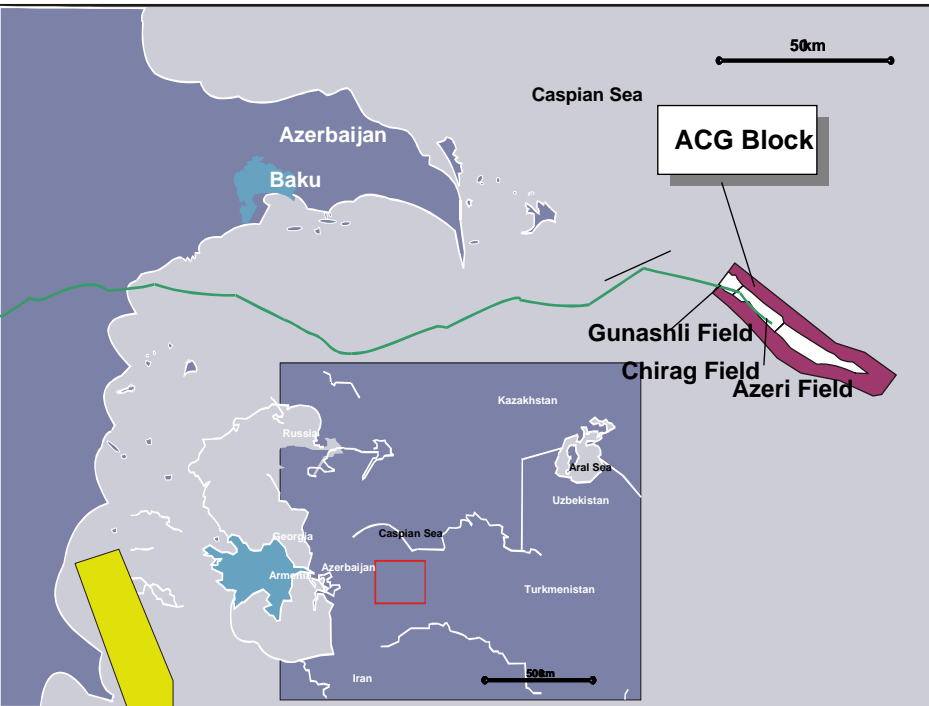


INPEX

- INPEX's Working Interest: 100.0%
- Operator: INPEX
- Concession Contract:
 - Exploration Period until September 2009
 - Production Period for 21 years from the grant of the production license
- Discovered major gas-condensate field, named Ichthys structure, during the first drilling program of three exploration wells conducted from 2000 to 2001
- Confirmed continuous distribution of gas and condensate throughout the Ichthys structure by the second drilling program of three exploration wells conducted from 2003 to 2004
- Pursuing commencement of gas production targeting at early period from 2010

 **TEIKOKU**

ACG INPEX Southwest Caspian Sea, Ltd.

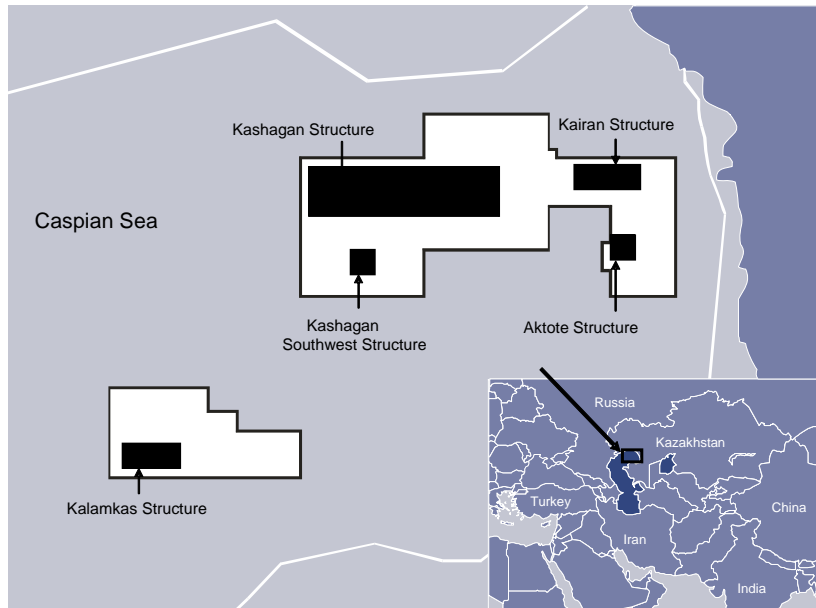


- INPEX's Working Interest: 10.0%
- Production*: Approximately 244,000 bbl/d
- PSC: Until 2024
- Carrying out an early stage oil production in the Chirag oil field and starting oil production in the Central Azeri area in February 2005 (Phase 1)
- BTC pipeline is scheduled to be completed in 2005
- Planning to increase production level to 1 million barrels per day in stages
 - In Phase 2 (West and East Azeri development), production is scheduled to start in 2006
 - In Phase 3 (deepwater portion of Gunashli / West Chirag) , production is scheduled to start in 2008

Note: * Based on all blocks; average daily volume 4/2005 – 6/2005

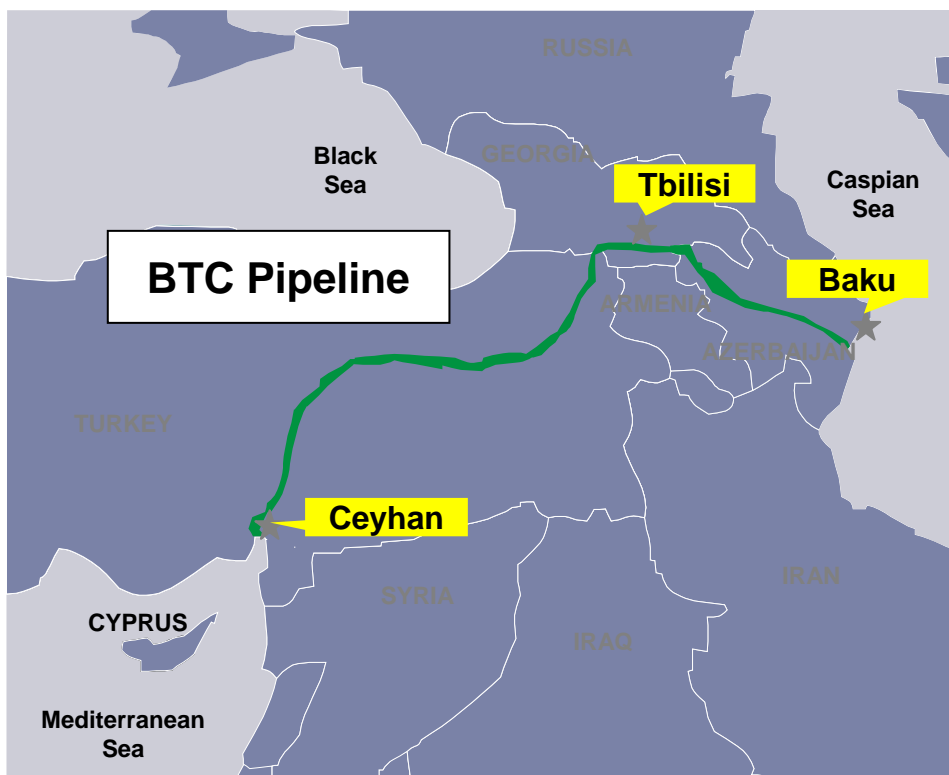
Kashagan, etc. INPEX North Caspian Sea Ltd.

Offshore North Caspian Sea Block



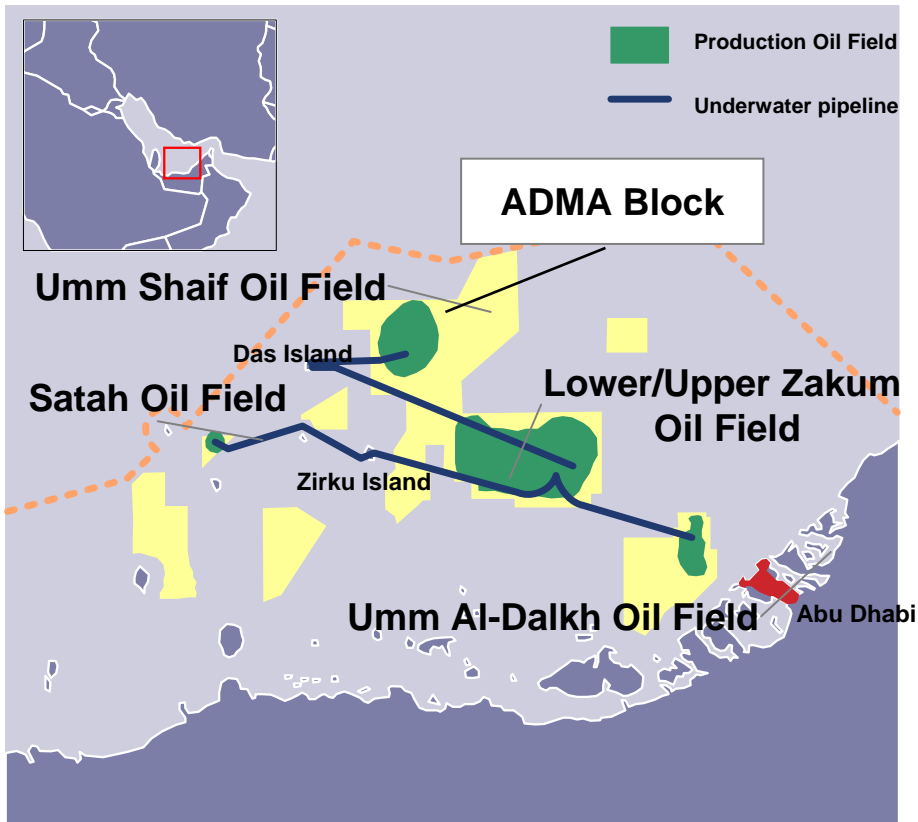
- INPEX's Working Interest: 8.33%
- PSC: Until the end of 2021
- Discovered crude oil in the Kashagan in June 2000, then confirmed crude oil / gas in 7 additional exploratory wells by April 2004
- In addition to the Kashagan structure, existence of hydrocarbon was confirmed in the Kalamkas, Aktote, Kairan and Southwest Kashagan structures
- Kashagan development plan was approved by the Kazakhstan government in February 2004
 - Scheduled to start production of 75,000 bbl/d in 2008, then increase the production level to 1.2 million bbl/d in phases by expanding the development area

BTC(Baku-Tbilisi-Ceyhan) Pipeline Project INPEX BTC Pipeline, Ltd.



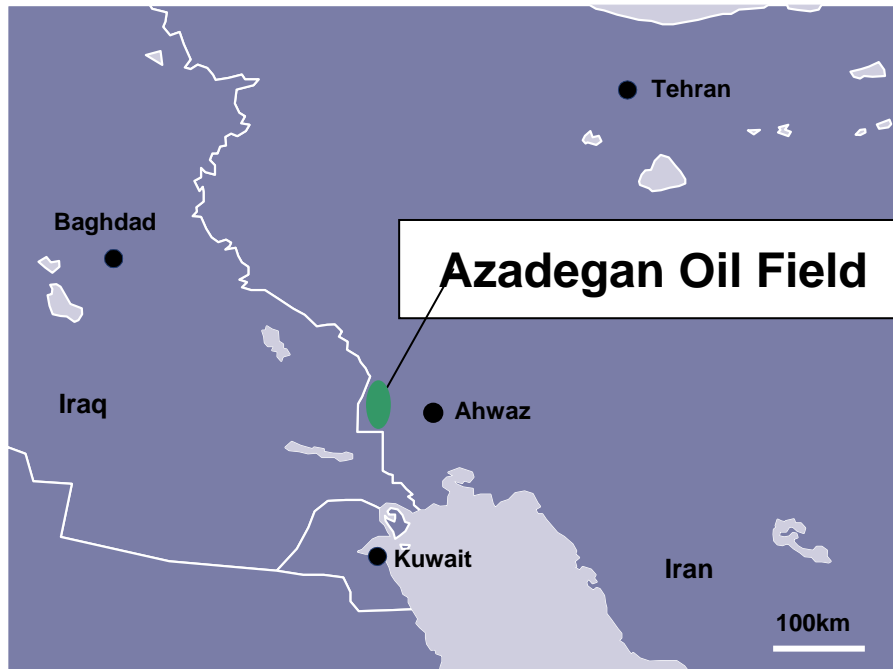
- INPEX's Working Interest: 2.5%
- Obtained stock of the operating company (BTC Co.) through INPEX BTC Pipeline, Ltd. in October 2002
- Participated to secure path for crude oil produced in Caspian Sea in future
- Signed project finance contract to raise capital for the construction of the pipeline in February 2004
 - Currently in construction of the pipeline
 - The pipeline is scheduled to start operation in December 2005

ADMA Japan Oil Development Co., Ltd. (JODCO)



- Umm Shaif / Lower Zakum
 - INPEX's Working Interest: 12.0%
- Upper Zakum / Umm Al-Dalkh / Satah
 - INPEX's Working Interest:
Upper Zakum / Umm Al-Dalkh: 12.0%
Satah: 40.0%
- Concession Contract: Until 2018
- Continuous development to keep the production level
 - Water injections to the main three oil fields (Umm Shaif, Upper / Lower Zakum) have started
 - Gas injection to Umm Shaif field has started

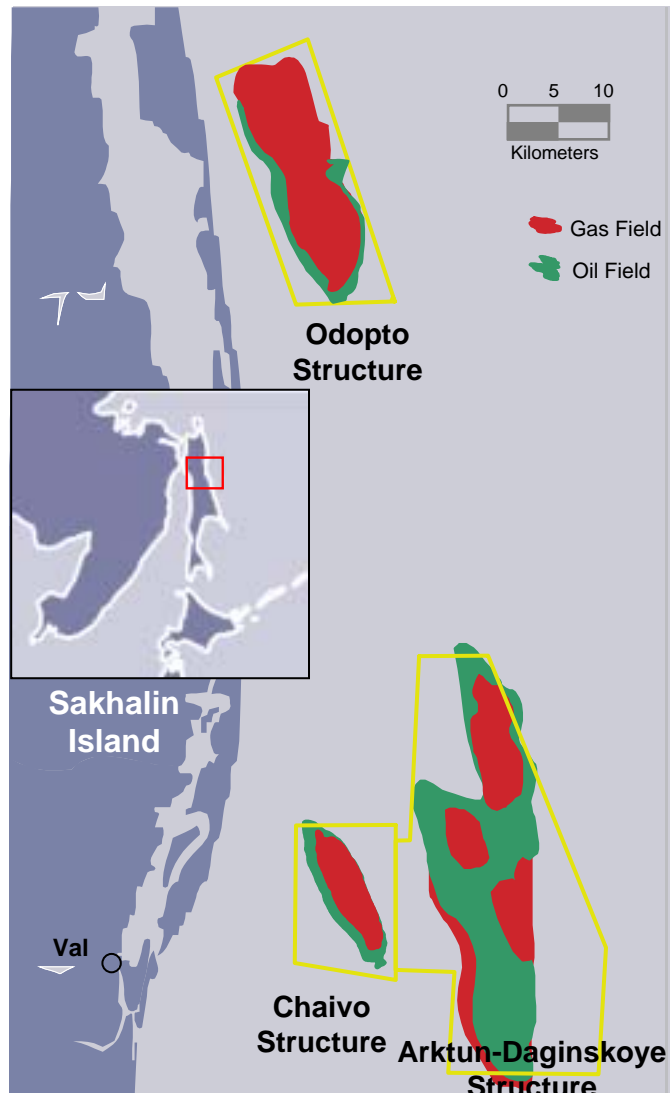
Azadegan



- INPEX's Working Interest: 75.0%
- Target Production*: 150,000 bbl/d (Phase 1)
- Joined as the operator
- Service Contract (Buyback Contract)
- Two Phase Oil Field Development Project
 - In phase 1, planned to reach 150 thousand barrels per day in 2008-09
 - If we decide to move onto phase 2, planned to reach 260,000 bbl/d with additional 110,000 bbl/d in 2012-13

Note: * Based on all blocks; projections at current point in time

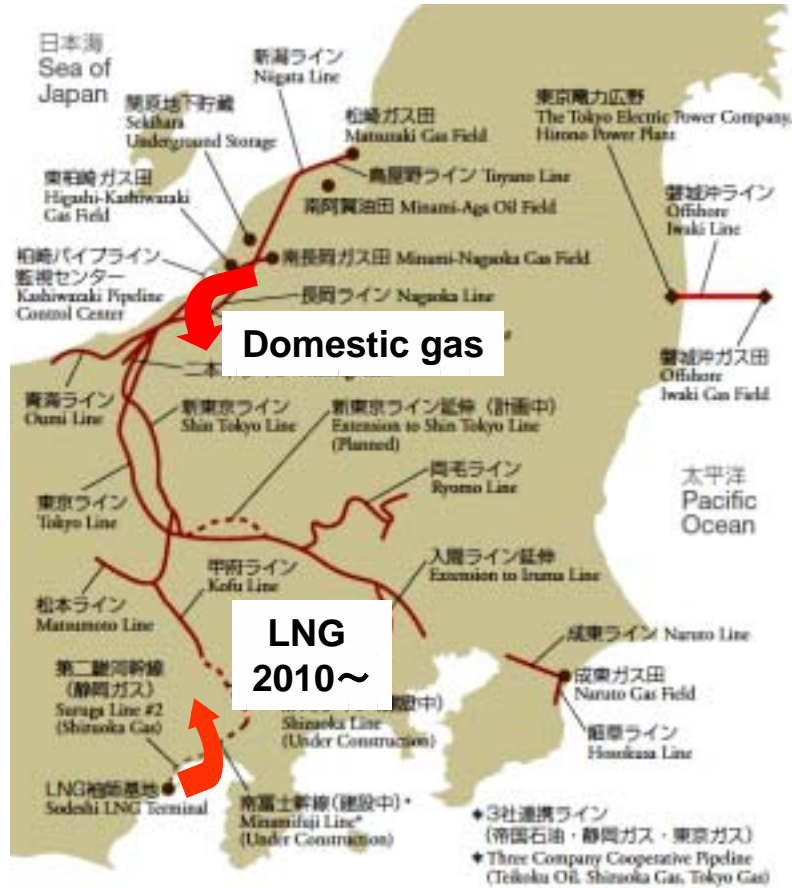
Project-Sakhalin I | Sakhalin Oil and Gas Development Co.



- Sakhalin Oil and Gas Development Co. (SODECO): INPEX owns 4.3% of the total share (INPEX is in the process to purchase to maximum 33% of the SODECO's share from the Ministry of Economy, Trade and Industry which has inherited a 50% of the SODECO's shares from JNOC)
- SODECO's Working Interest
 - Sakhalin I: 30.0%
- Operator: ExxonMobil
- Partners: ONGC Videsh, Sakhalinmorneftegas-Shelf, RN-Astra
- PSC: In Dec. 2001, "Commercialized Declaration" of the project was authorized by Russian government and the project moved into development phase for twenty years
- Commenced production in 10/2005; full-scale production expected in 2006 (Phase 1)
- Performing marketing activity assuming natural gas supply to Japanese, Chinese, and other markets through international pipeline (Phase 2)

Teikoku Oil Project Summary

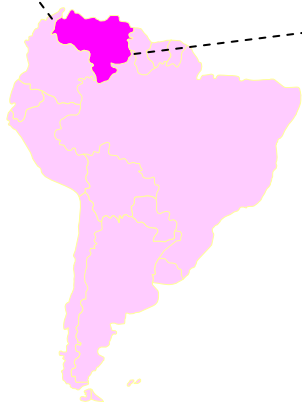
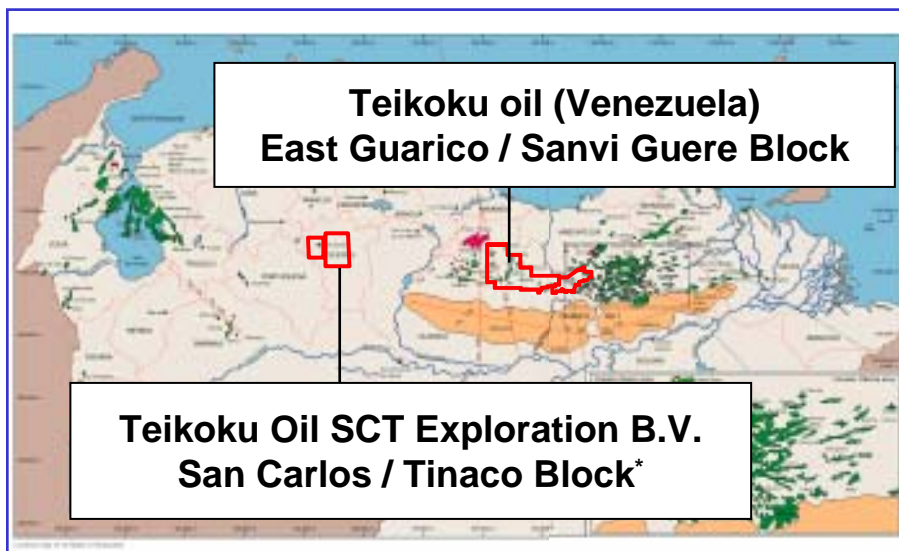
Minami-Nagaoka gas field and other domestic assets



- Production volume* :
 - LNG: approx. 2.4 million m³/day
 - Crude oil: approx. 3,000 bbl/d
- Minami-Nagaoka Gas Field (production commencement in 1984)
 - Promotion of development in the northern field by MHF technique
 - Reinforcement of the plant treatment capability in 2006 (3.2 million m³/day → 4.7 million m³/day)
- Completion of pipeline network construction (1,300km) targeted to expand gas sales to Kanto-Koshinetsu region
 - Extension of Iruma Line (25km: construction completed in July 2005)
 - Shizuoka Line (83km: completion of construction in 2006)
 - Minamifuji Line (31km: completion of construction in 2006)
 - Extension of New Tokyo Line (50km: completion of construction in 2007)
- Electrical power generation plant under construction as new venture (commencement of operation in 2006)

* sum of domestic crude oil and gas fields (FY2004); average daily volume (FY2004)

Venezuela



East Guarico / Sanvi Guere Block

- Rehabilitation of oil / gas fields and exploration and development
- Operating Service Agreement * *
- East Guarico : 1992-2012
- Sanvi Guere : 1993-2013
- Teikoku's Interest : 100% (Operator Project)
- Production volume * * *
- Crude oil (including condensate) : Approx. 3,600bbl/d
- Gas : Approx. 71 million ft³/d

San Carlos / Tinaco Block

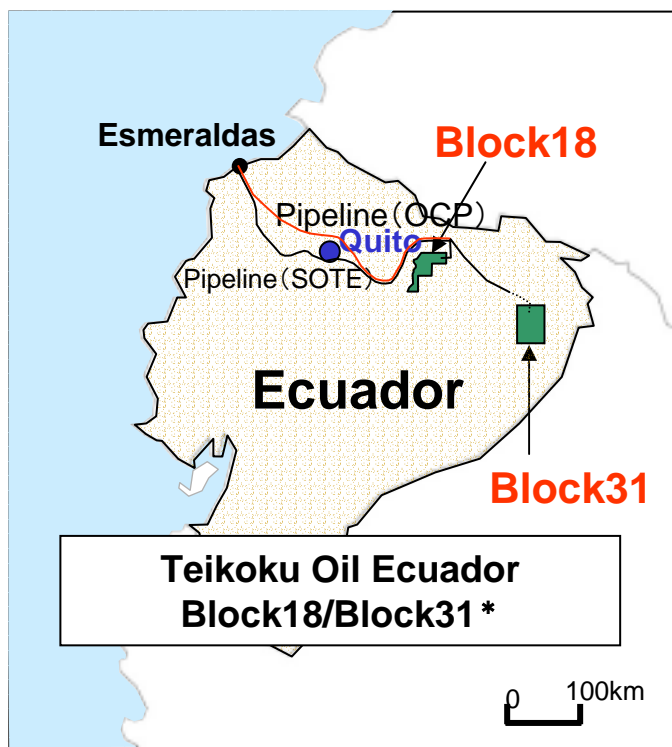
- Exploration phase
- Teikoku's interest : 50% (Operator : Petrobras)

* In a government approval process of interests transfer

* * In a negotiation process of change in terms

* * * Based on all blocks; average daily volume 4/2005 – 6/2005

Ecuador



Block 18

- Concession Contract(2002-2022)
- Teikoku's interest: 40% (Operator: Petrobras)
- Continuing development work for increase in production volume
- Production volume * * : Approx 26,300bbl/d

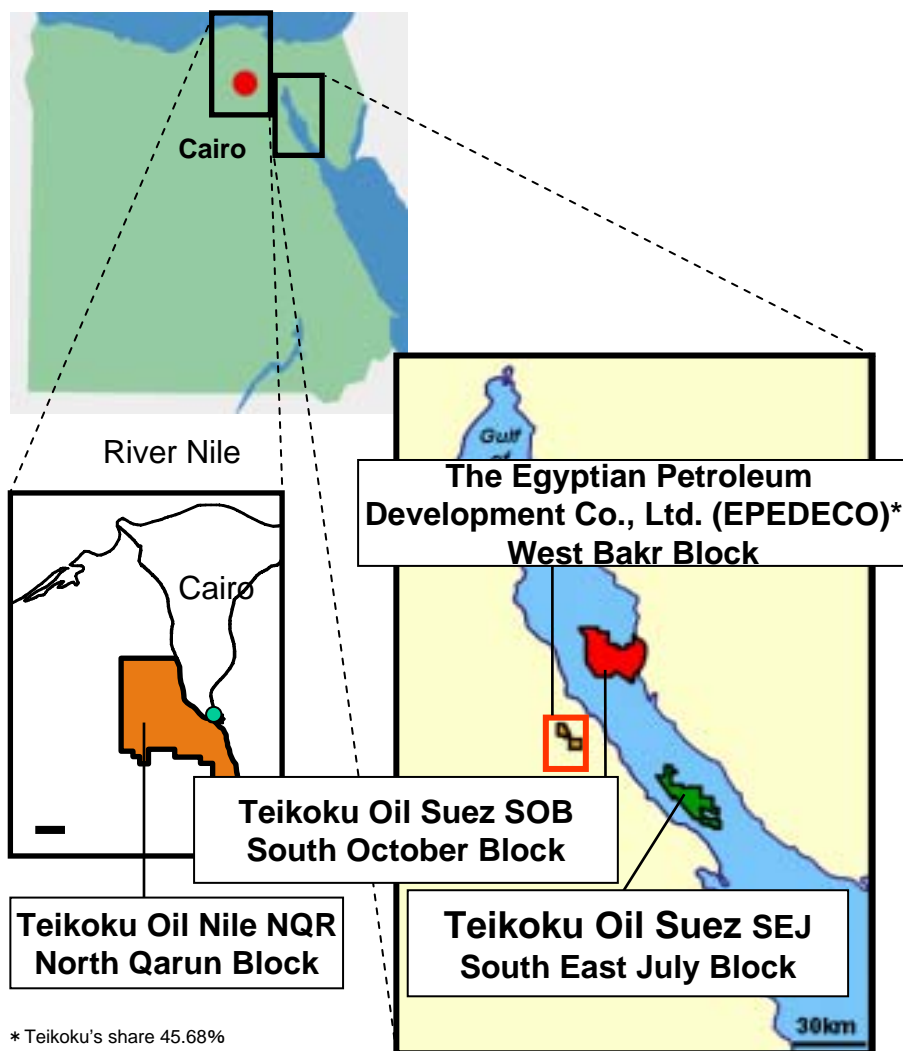
Block 31

- Concession Contract(2004-2024)
- Teikoku's interest: 40% (Operator: Petrobras)
- Development phase

* In a government approval process of interests transfer

* * Based on all blocks; average daily volume 4/2005 – 6/2005

Egypt



The Egyptian Petroleum Development Co., Ltd. (EPEDECO)*
West Bakr Block

Teikoku Oil Suez SOB
South October Block

Teikoku Oil Suez SEJ
South East July Block

Teikoku Oil Nile NQR
North Qarun Block

West Bakr Block

- PSC: Signed block extension agreement (8/2005)
 - 2010 → 2020+5years option
- EPEDECO's interest: 100%(Operator)
- Production commencement : 1980
- Production volume** : Approx 5,000bbl/d

South East July Block

- Exploration phase (PSC effective in 6/2003)
- Teikoku's interest: 30% (Operator: Devon)
- Planning to start trial drilling 2nd exploratory well in 11/2005

South October Block

- Exploration phase (PSC effective in 8/2005)
- Teikoku's interest: 35%(Operator: Devon)
- Obligatory works (3years) : 3D seismic (270 km²), 2 exploratory wells

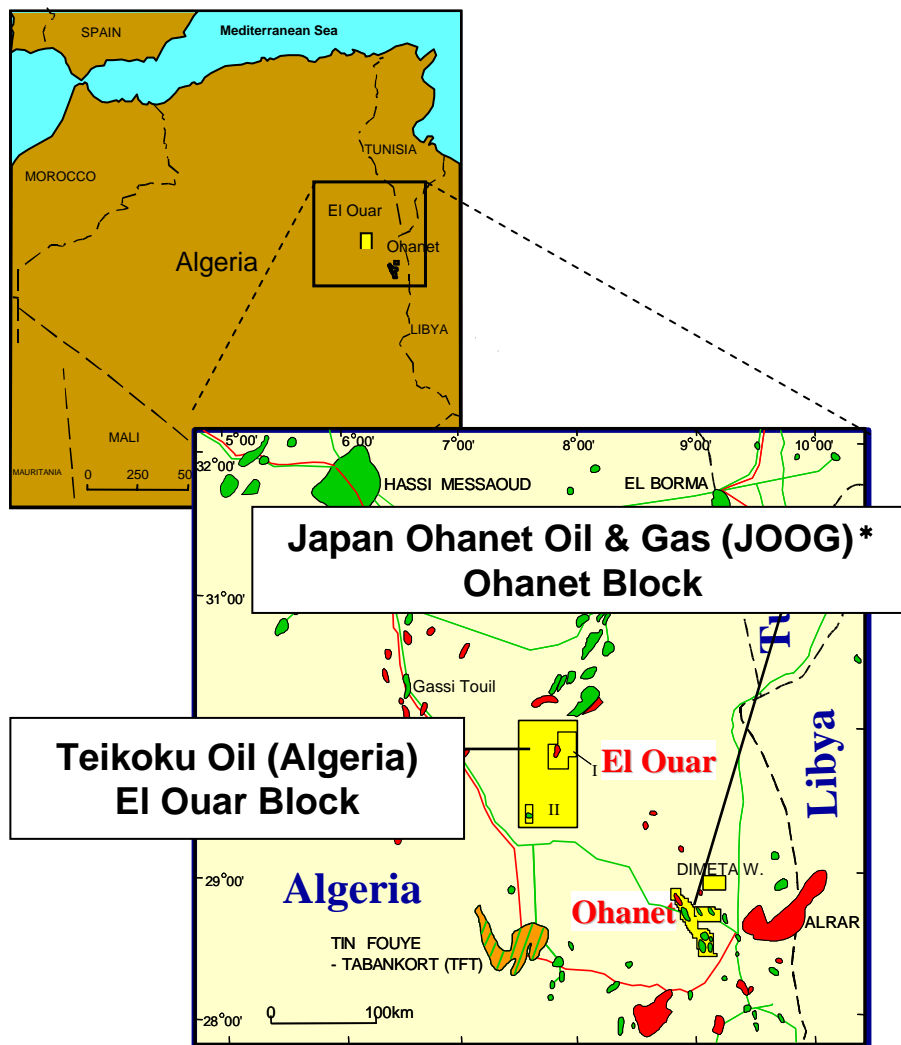
North Qarun Block

- Exploration phase (PSC effective in 8/2005)
- Teikoku's interest: 25%(Operator: Devon)
- Obligatory works (3.5years) : 2D seismic (550km), 2 exploratory wells

* Teikoku's share 45.68%

** Based on all blocks; average daily volume
4/2005 – 6/2005

Algeria



Ohanet

- Gas field development phase
- Risk Service Contract(2000-2011)
- JOOG's interest : 30%(Operator: BHPB)
- Production commencement: 10/2003
- Production volume * *

 - Dry Gas : Approx. 571million ft³/d
 - Condensate : Approx. 28,700bbl/d
 - LPG : Approx.2,300ton/d

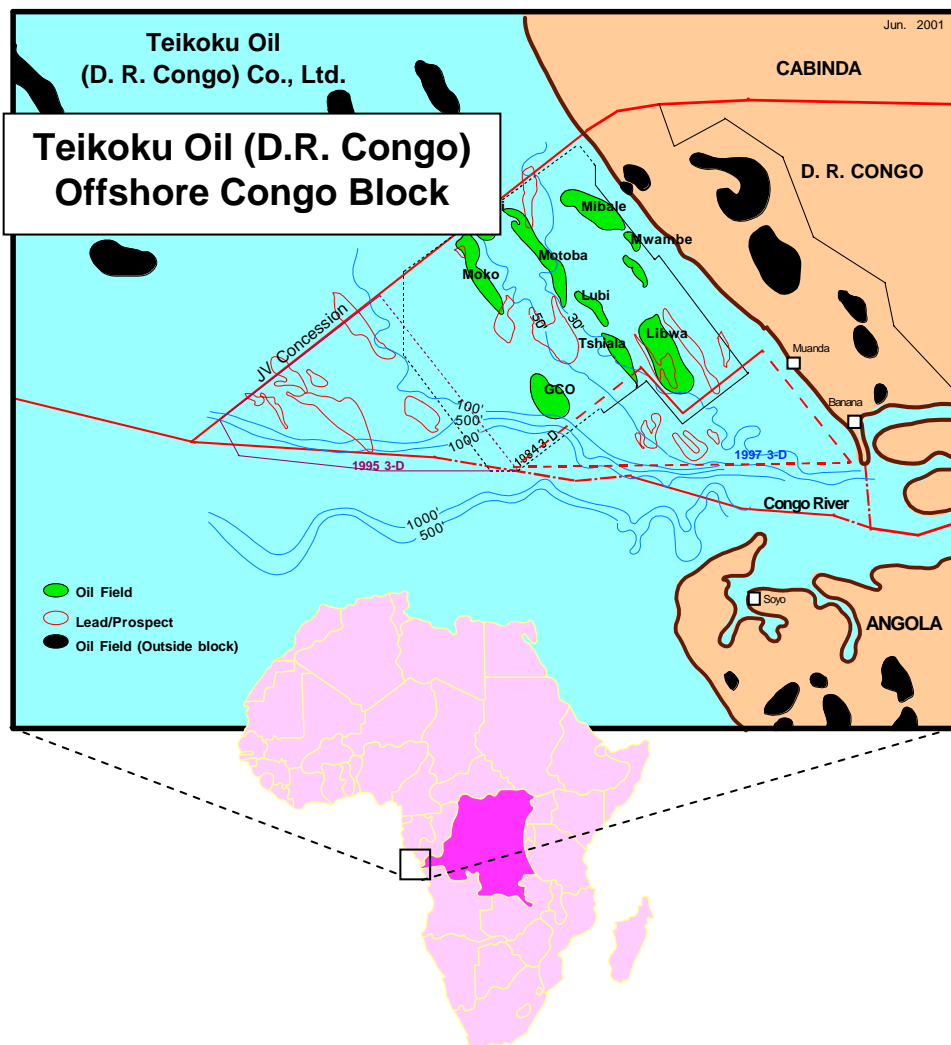
El Ouar Block

- Concession Contract
- Conducting feasibility study on discovered gas/condensate fields including joint development with its surrounding blocks
- Teikoku's interest : 15.43%(Operator: ENI)

* Teikoku Share 15%

** Based on all blocks; average daily volume 4/2005 – 6/2005

Congo

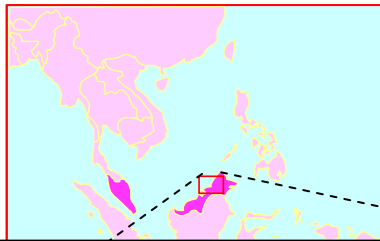


Offshore Congo Block

- Concession Contract (1969-2023)
- Teikoku's interest: 32.28% (Operator: Perenco)
- Production Commencement: 1975
- Production volume*: Approx. 16,200bb/d

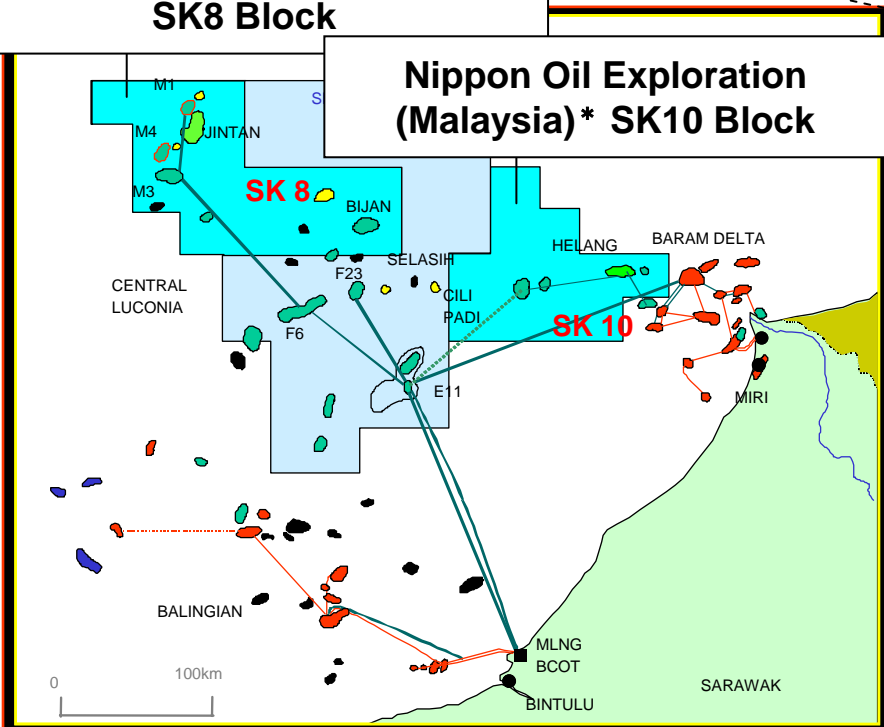
* Based on all blocks; average daily volume 4/2005 – 6/2005

Malaysia



**Nippon Oil Exploration (Sarawak)*
SK8 Block**

**Nippon Oil Exploration
(Malaysia)* SK10 Block**



SK10 Block

- PSC
- Nippon Oil Exploration's interest: 75%(Operator)
- Production Commencement: 11/2003 (20years production period)
- Production volume **
 - Gas: Approx. 264 million cubic ft³/d
 - Condensate: Approx.17,100bbl/d

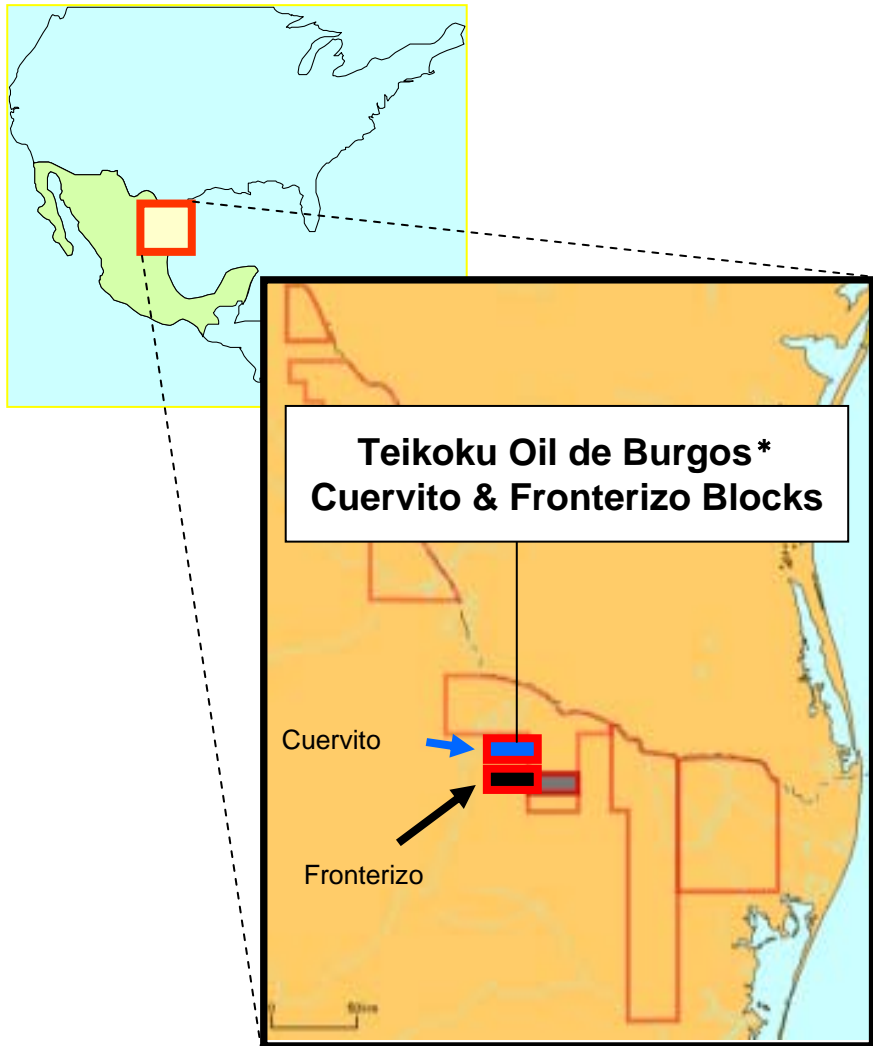
SK8 Block

- PSC
- Nippon Oil Exploration's interest: 37.5%(Operator: Shell)
- Production Commencement (20years production period)
 - Serai: 6/2004/Jintan: 8/2004
- Production volume **
 - Gas: Approx. 727 million ft³/d
 - Condensate: Approx. 19,200bbl/d

* Teikoku's Share 15%

** Based on all blocks; average daily volume 4/2005 – 6/2005

Mexico



Cuervito & Fronterizo Blocks

- Gas development phase
- Multiple Service Contract (Effective in 1/2004)
- Teikoku Oil de Burgos's interest: 40% (Operator: Petrobras)
- Production volume* * : Approx. 31 million ft³/d

* Teikoku's Share 75%

* * Based on all blocks; average daily volume 4/2005 – 6/2005

Additional Information

Special Class Share held by METI

- Objective of Issuance: The new holding company will issue one “Special Class Share” to the Minister of Economy, Trade and Industry of Japan on the date of creation. The special class share of the new holding company, a 100% parent of INPEX, will have veto rights described below, as equivalent as the ones INPEX’s special class share currently has. INPEX’s special class share was issued in consideration that INPEX was expected to play a key role in securing in a cost-effective manner stable supplies of crude oil and natural gas for Japan, based on a report submitted by the Total Resource Energy Survey Committee in March 2003. It was devised as a transparent and minimal but effective measure that has no adverse effects on the efficiency or flexibility of business operations, in order to eliminate possibilities of foreign management control following the November 2004 listing of INPEX shares on the Tokyo Stock Exchange
- Shareholder: Minister of economy, trade and industry
- Scope of Veto Rights of Special Class Share:
 - Appointment and removal of directors: in the event that a party or a group of parties other than the government or public sector entities gain possession of common shares accounting for over 20% of the voting rights of the newly integrated company
 - Disposal, etc. of significant assets: in the event of disposal of significant assets of the newly integrated company or its subsidiaries (assets worth over 20% of total assets or 20% of revenues of the new company)
 - Changes in the articles of incorporation: For issues relating to the objectives of the newly integrated company or assignment of voting rights to shares other than common shares of the new company
 - Merger/share exchange/share transfer: Except if the New Company is the surviving entity (100% parent), or if classified stock of equivalent nature is issued from the new holding company that results from a share transfer. However, veto rights arise in the event that a party or a group of parties other than public sector entities gain possession of common shares accounting for over 20% of the voting rights of the newly integrated company.
 - Capital reduction (Paid-in capital decrease) and company dissolution
- Guidelines for Exercising Veto Rights: Guidelines set forth and announced by METI regarding the exercise of veto rights in INPEX’s class share dictates that such rights be exercised only to the extent that they allow for the efficient, stable supply of energy to Japan. The same guidelines are expected to be established for classified share of the new company.