

Nippon Oil Corporation

Report on Performance

in Fiscal 2008

(from April 1, 2008 to March 31, 2009)

Shinji Nishio

Representative Director, President

Shigeo Hirai

Director, Senior Vice President

April 30, 2009

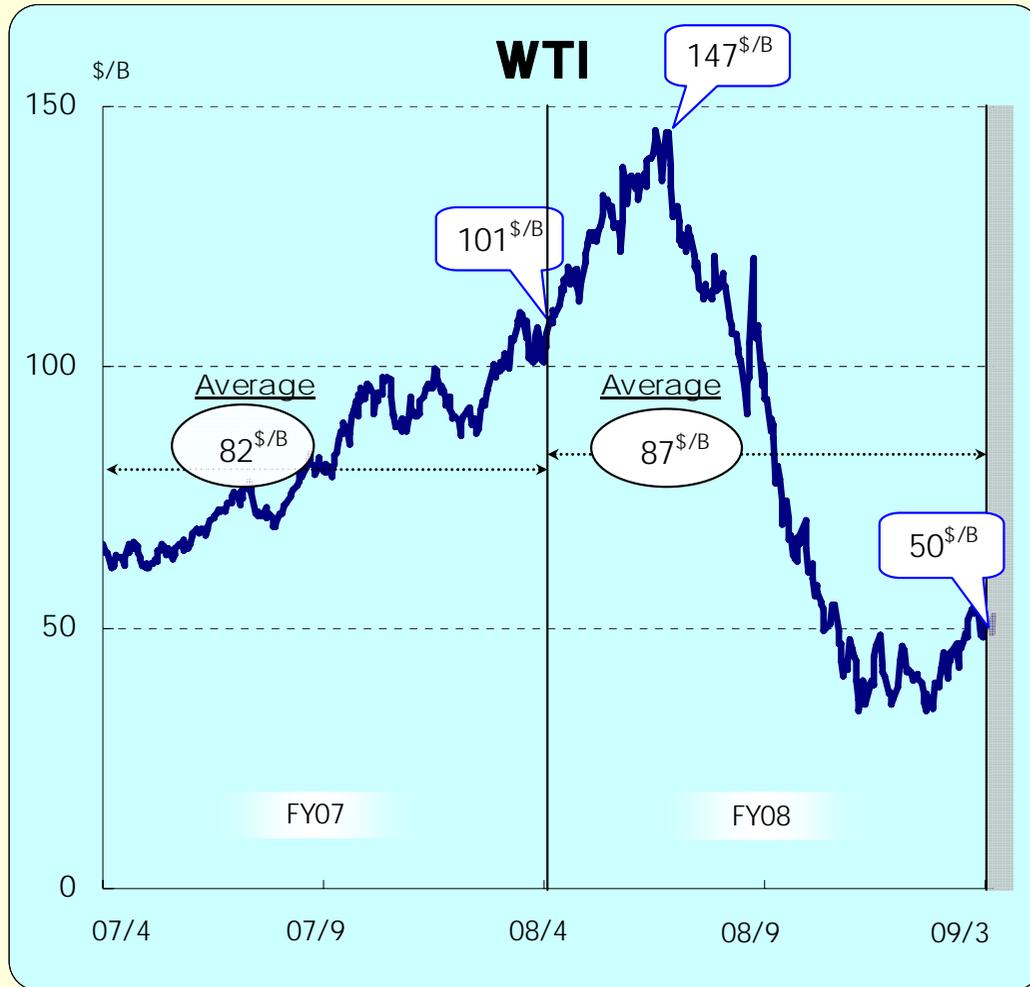


NIPPON OIL
Your Choice of Energy

I. Business Environment and Major Activities

Business Environment (1)

Crude Oil Price



FY07 : Continuous rise



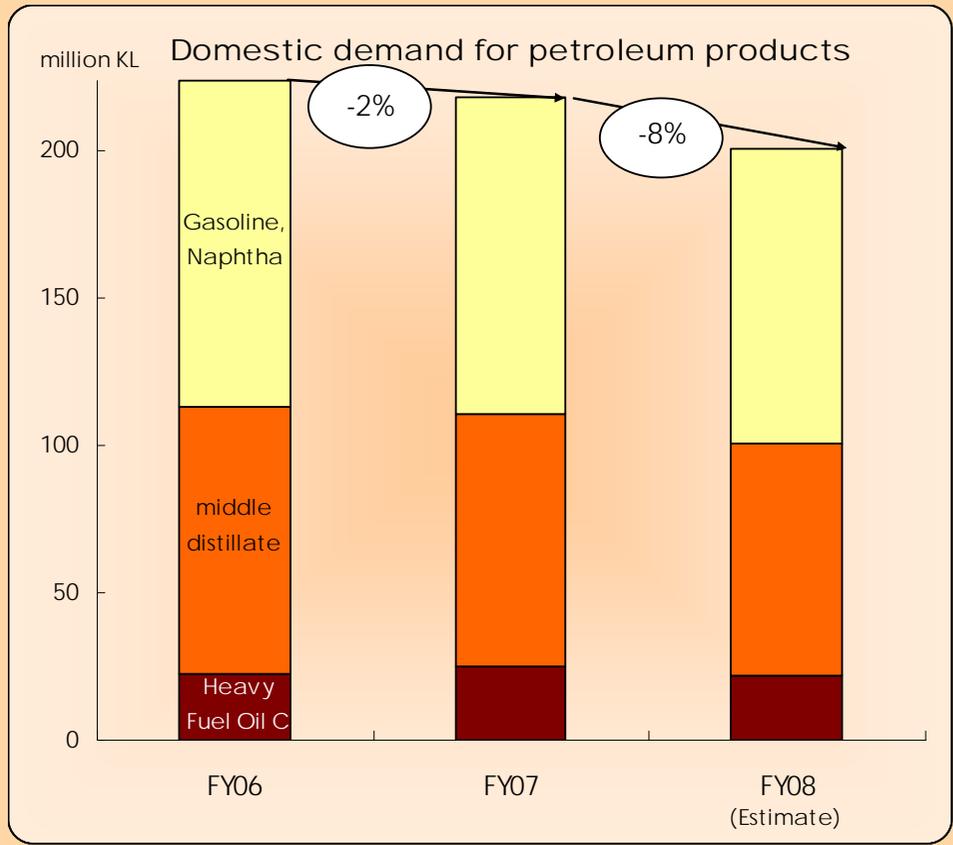
FY08 : Sharp drop since summer

⇒ Bottomed out in Dec,
Stay within certain range

Business Environment (2)

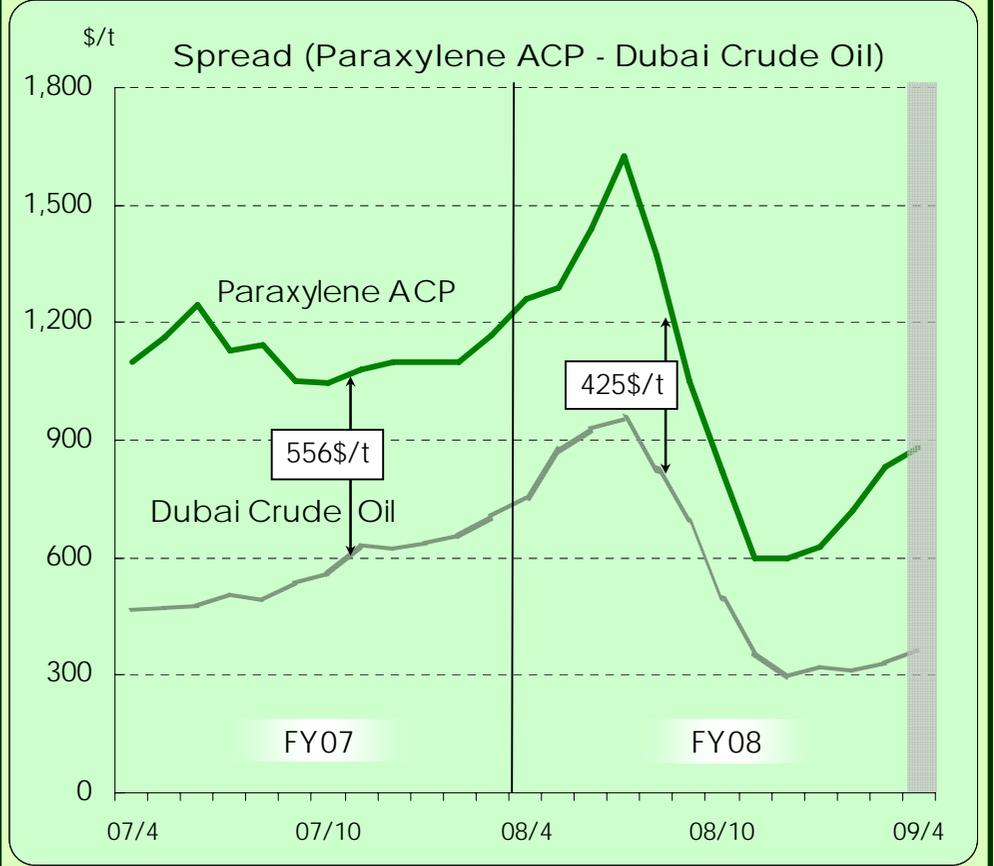
Business Environment of Petroleum and Petrochemical Products

-Petroleum Products Business-



Accelerated decrease in domestic demand for petroleum products

-Petrochemical Products Business-



Declining profit margins

Major Activities (1)

1. Refining and Marketing

Integration with Kyushu Oil

Cease Refining at Nihonkai Oil's Toyama

Expansion of Export

Introduction of New Wholesale Pricing System

Start of Operations of Cumene Producing Unit at Muroran

Start of Operations of SDA* at Mizushima

*SDA : Solvent Deasphalting Unit

Establish an Optimal
Production and
Marketing Framework
via Structural Reforms

Bolster Refinery
Competitiveness

Major Activities (2)

2. Oil and Natural Gas Exploration and Production

Acquisition of the shares in MOC Exploration (U.K.) Limited

Acquisition of LNG Project and Exploration licenses in PNG*

*PNG : Papua New Guinea

3. Overseas Business

Acquisition of new production site in Singapore

4. New Technology Businesses

Construction of new residential-use fuel cell plant

Establishment of SANYO ENEOS Solar Co., Ltd.

Investment in SPACE ENERGY CORPORATION

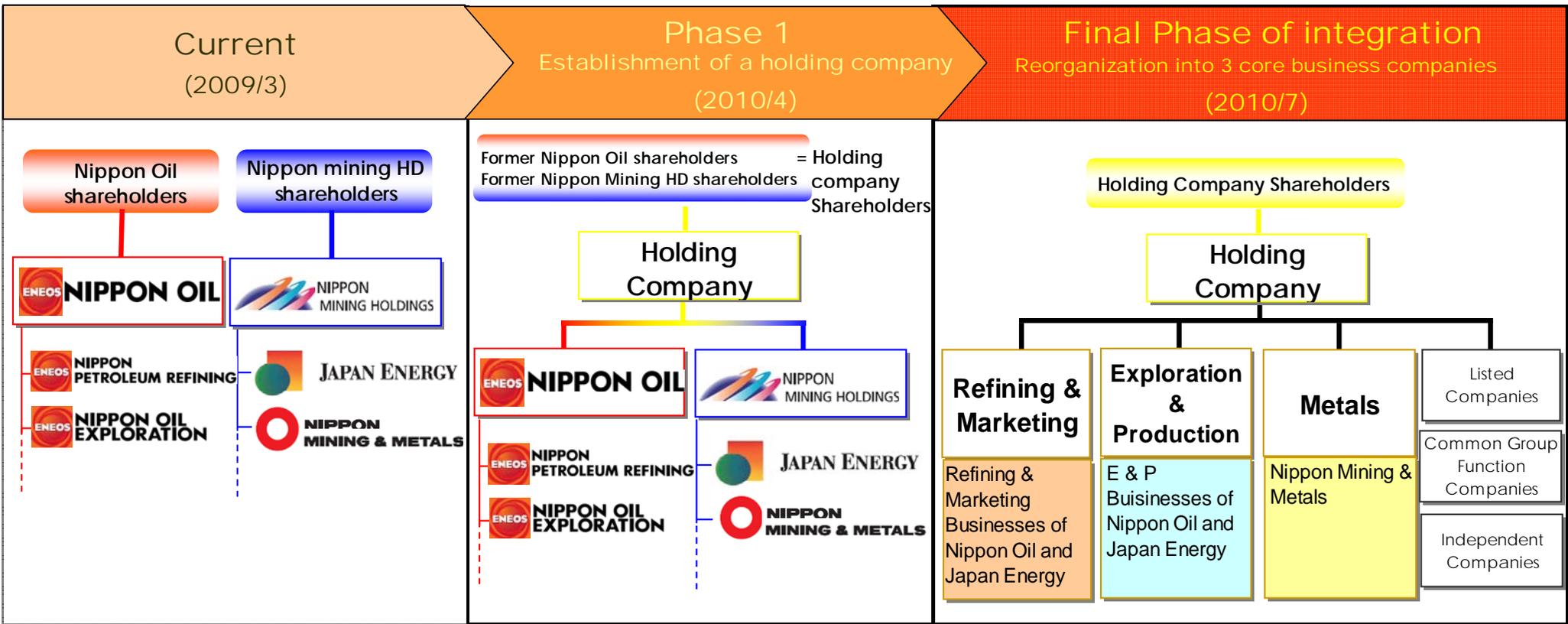
Carry Out Mid-
and-Long Term
Growth Strategy

Integration with Nippon Mining Holdings

■ Establishment of a holding company through stock transfer



■ 3 core business companies



Toward 2010

Capital Expenditure Cut

FY08 ~ FY10

290 JPY billion
(850 → 560)

Additional Cost-cutting

FY08 ~ FY10

15 JPY billion

Cease Refining at Nihonkai Oil

Integration with Kyushu Oil

11 JPY billion/year

Toward
Management
Plan of New
Integrated
Company

II. Highlights of Consolidated Income FY08 <'08/4~'09/3> Forecast for Consolidated Income FY09 <'09/4~'10/3>

Highlights of Consolidated Income FY08

<'08/4 ~ '09/3>

	FY07(Actual) <'07/4-'08/3>		FY08(Actual) <'08/4-'09/3>	
Crude Oil Price (\$/Bbl)	77.0	+7.0	84.0	
Exchange Rate (Yen/\$)	115.3	-14.7	100.6	
Sales Volume Excluding Barter Trade & Others (10,000 KL)	7,028	-438	6,590	
Net Sales	JPY billion 7,524.0	JPY billion -134.8	JPY billion 7,389.2	Inventory Valuation Factors -418.9
Operating Income	264.0	-576.5	-312.5	
(Inventory Valuation Factors)	167.9	-614.9	-447.0	Inventory Write-Down -28.1
(Excluding Inventory Valuation Factors)	96.1	+38.4	134.5	
Non-Operating Income and Loss,Net	11.7	+25.4	37.1	
Ordinary Income	275.7	-551.1	-275.4	
(Excluding Inventory Valuation Factors)	107.8	+63.8	171.6	
Special Gains and Loss,Net	4.1	-94.3	-90.2	Impairment Loss E&P -63.2
Net Income	148.3	-399.9	-251.6	

Changes in Ordinary Income by Business Segment (YoY) FY08 <'08/4 ~ '09/3>

	FY07(Actual) <'07/4-'08/3>		FY08(Actual) <'08/4-'09/3>
	(JPY billion)	(JPY billion)	(JPY billion)
I. Refining & Marketing	153.9	-565.2	-411.3
Petroleum Products	131.3	-507.0	-375.7
Inventory Valuation Factors	167.9	-614.9	-447.0
Excluding Inventory Valuation Factors	-36.6	+107.9	71.3
Petrochemicals	22.6	-58.2	-35.6
II. E&P of Oil & Natural Gas	111.3	+9.8	121.1
III. Construction & Others	10.5	+4.3	14.8
Total	275.7	-551.1	-275.4
Excluding Inventory Valuation Factors	107.8	+63.8	171.6

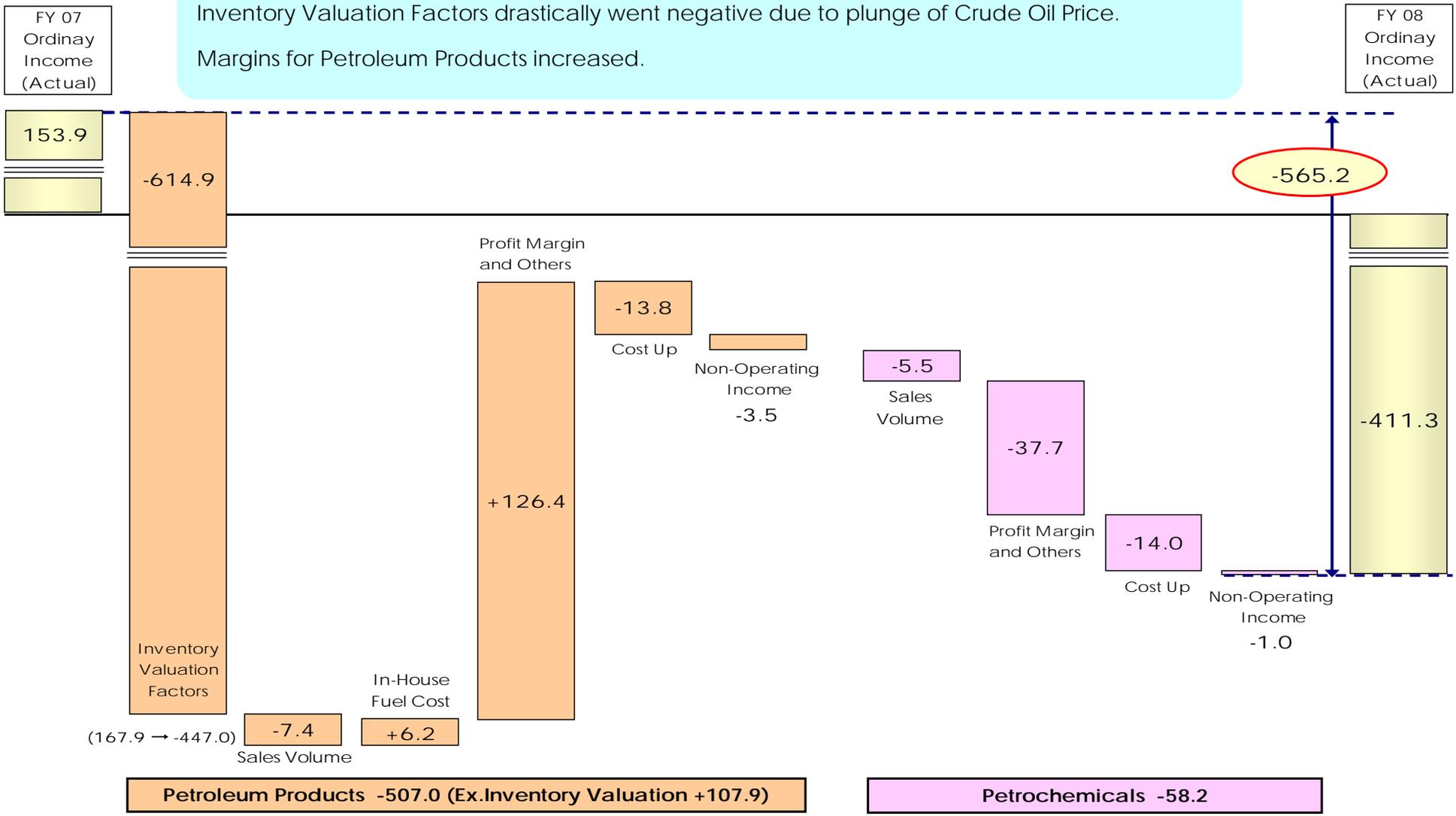
Analysis of Changes in Ordinary Income

- Refining and Marketing (YoY) FY08 <'08/4 ~ '09/3>

Ordinary Income -565.2 JPY billion

(JPY billion)

Inventory Valuation Factors drastically went negative due to plunge of Crude Oil Price.
 Margins for Petroleum Products increased.

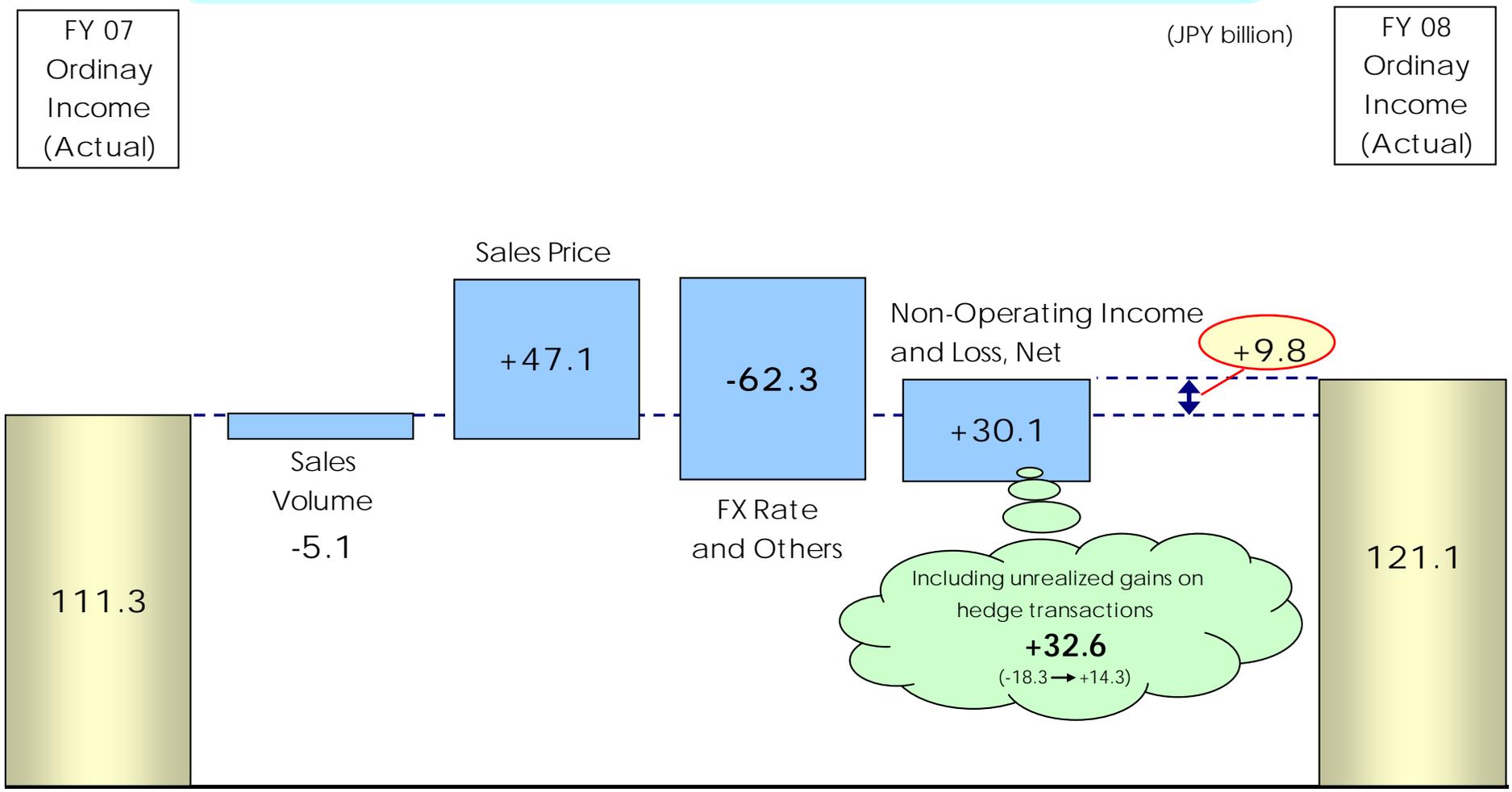


Analysis of Changes in Ordinary Income

- E&P of Oil and Natural Gas (YoY) FY08 <'08/4 ~ '09/3>

Ordinary Income +9.8 JPY billion

Although Sales Price increased, the increase of Ordinary Income was limited, due to negative impact of FX rate and other factors.



Forecast for Consolidated Income (FY09) <'09/4 ~ '10/3>

	FY08(Actual) <'08/4-'09/3>		FY09(Forecast) <'09/4-'10/3>
Crude Oil Price (\$/Bbl)	84.0	-29.6	54.4 <small>Dubai Crude Oil 1H 50\$/B 2H 60\$/B</small>
Exchange Rate (Yen/\$)	100.6	-0.6	100
Sales Volume Excluding Barter Trade & Others (10,000 KL)	6,590	-75	6,515
	JPY billion	JPY billion	JPY billion
Net Sales	7,389.2	-1,859.2	5,530.0
Operating Income	-312.5	+488.5	176.0
(Inventory Valuation Factors)	-447.0	+542.0	95.0
(Excluding Inventory Valuation Factors)	134.5	-53.5	81.0
Non-Operating Income and Loss,Net	37.1	-33.1	4.0
Ordinary Income	-275.4	+455.4	180.0
(Excluding Inventory Valuation Factors)	171.6	-86.6	85.0
Special Gains and Loss,Net	-90.2	+78.2	-12.0
Net Income	-251.6	+331.6	80.0

Forecast for Ordinary Income

by Business Segment FY09 <'09/4 ~ '10/3>

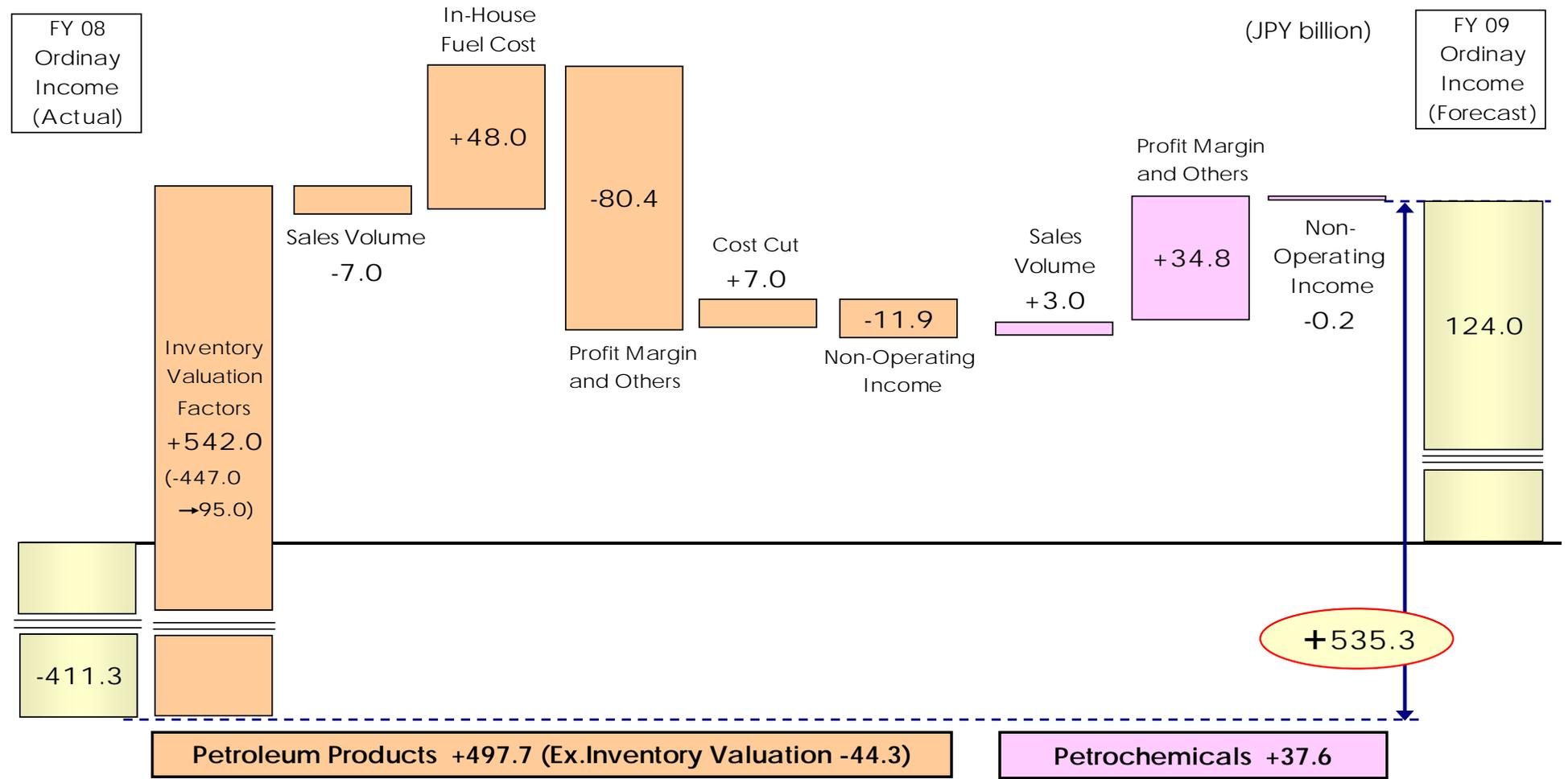
	FY08(Actual) <'08/4-'09/3>		FY09(Forecast) <'09/4-'10/3>
	(JPY billion)	(JPY billion)	(JPY billion)
I. Refining & Marketing	-411.3	+535.3	124.0
Petroleum Products	-375.7	+497.7	122.0
Inventory Valuation Factors	-447.0	+542.0	95.0
Excluding Inventory Valuation Factors	71.3	-44.3	27.0
Petrochemicals	-35.6	+37.6	2.0
II. E&P of Oil & Natural Gas	121.1	-81.1	40.0
III. Construction & Others	14.8	+1.2	16.0
Total	-275.4	+455.4	180.0
Excluding Inventory Valuation Factors	171.6	-86.6	85.0

Forecast for Ordinary Income

-Refining and Marketing FY09 <'09/4 ~ '10/3>

Ordinary Income +535.3 JPY billion

Huge negative effect of Inventory Valuation Factors will turn to the positive effect.
 Although Margins for Petroleum Products will decrease, Ordinary Income excluding Inventory Valuation Factors will slightly decline due to the positive impact of In-house Fuel Cost and Profit Margin of Petrochemical Products.

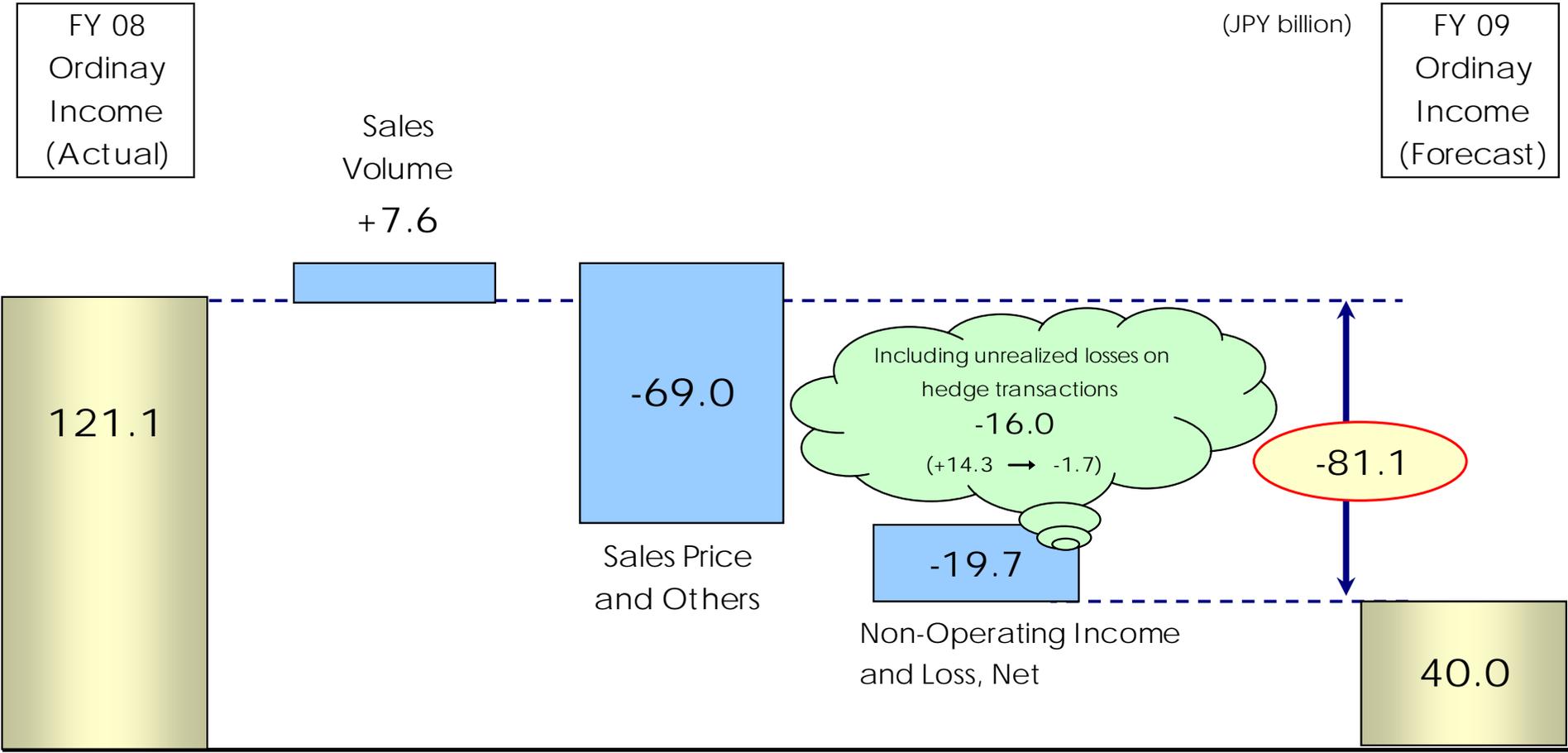


Forecast for Ordinary Income

-E&P of Oil and Natural Gas FY09 <'09/4 ~ '10/3>

Ordinary Income -81.1 JPY billion

Ordinary Income will decrease due to decline of Sales Price.



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Cautions with Respect to Forward-Looking Statements

The financial forecasts, management targets, and any other estimates and projections of the Company presented in this report are based on information available to management as of the date set forth within.

Please note that actual results may vary significantly from projected forecasts due to various uncertain factors, and as such, readers should take care when making investment decisions based solely on the forecasts herein.

The factors affecting actual results include but are not limited to economic conditions, crude oil prices, demand for and market conditions of petroleum and petrochemical products, exchange rate and interest rate trends.

Nippon Oil Corporation

Report on Performance in the Fiscal 2008

(from April 1, 2008 to March 31, 2009)

Supplementary Information

April 30, 2009

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1.Data Related Financial Results for FY08 ('08/4-'09/3)

Net sales, Operating Income and Ordinary Income by Business Segment (YoY) FY08 <'08/4~'09/3>

(JPY billion)

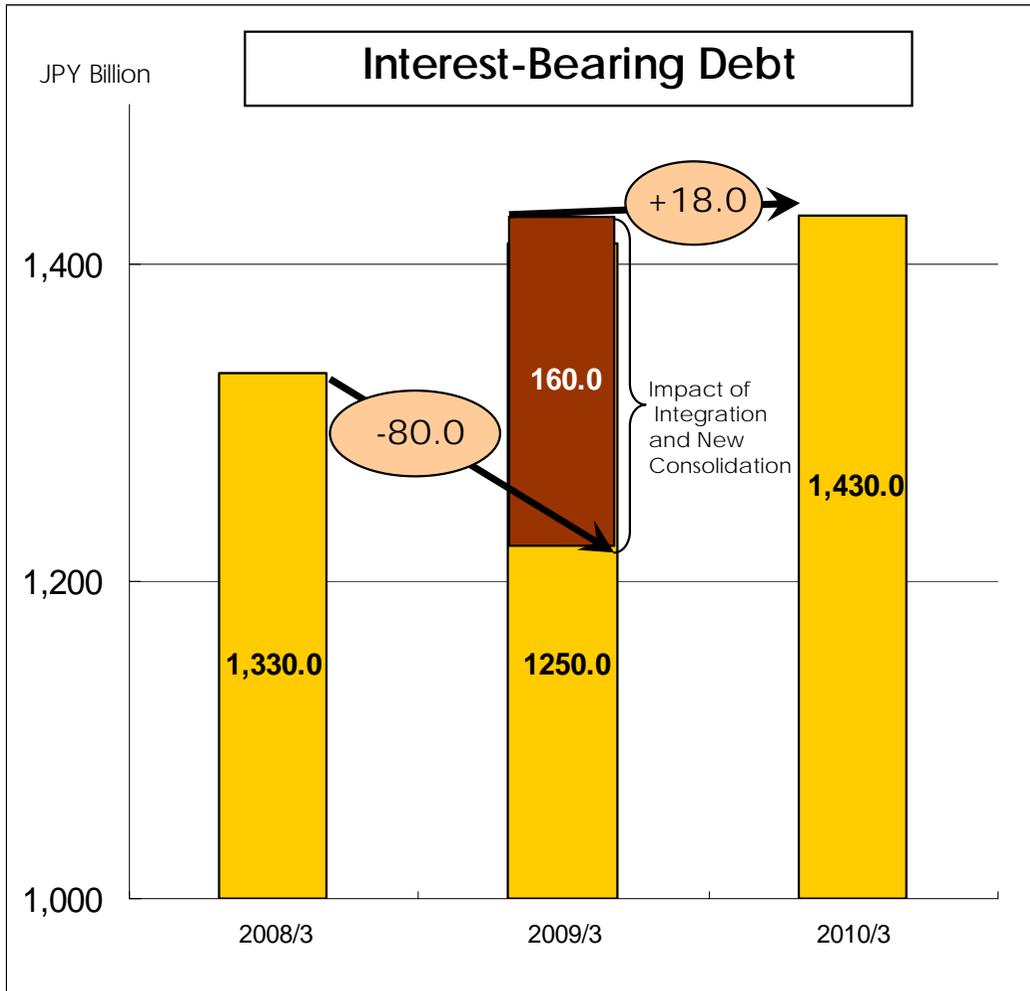
	FY07(Actual)			Changes			FY08(Actual)		
	Net sales	Operating Income	Ordinary Income	Net sales	Operating Income	Ordinary Income	Net sales	Operating Income	Ordinary Income
Refining and Marketing	6,862.1	126.3	153.9	-101.6	-560.7	-565.2	6,760.5	-434.4	-411.3
Excl. Inventory Valuation Factors	-	-41.6	-14.0	-	+54.2	+49.7	-	12.6	35.7
Petroleum Products	6,358.0	102.9	131.3	-17.6	-503.5	-507.0	6,340.4	-400.6	-375.7
Inventory Valuation Factors	-	167.9	167.9	-	-614.9	-614.9	-	-447.0	-447.0
Excl. Inventory Valuation Factors	-	-65.0	-36.6	-	+111.4	+107.9	-	46.4	71.3
Petrochemical Products	504.1	23.4	22.6	-84.0	-57.2	-58.2	420.1	-33.8	-35.6
E&P of Oil and Natural Gas	234.9	126.7	111.3	-16.3	-20.3	+9.8	218.6	106.4	121.1
Construction	371.0	6.1	7.2	-14.5	+1.4	+1.4	356.5	7.5	8.6
Other	56.0	4.9	3.3	-2.4	+3.1	+2.9	53.6	8.0	6.2
Total	7,524.0	264.0	275.7	-134.8	-576.5	-551.1	7,389.2	-312.5	-275.4
Excl. Inventory Valuation Factors	-	96.1	107.8	-	+38.4	+63.8	-	134.5	171.6

Net Sales, Operating Income and Ordinary Income by Business Segment-Forecast for FY09 (Changes from FY08)

(JPY billion)

	FY08(Actual)			Changes			FY09(Forecast)		
	Net sales	Operating Income	Ordinary Income	Netsales	Operating Income	Ordinary Income	Net sales	Operating Income	Ordinary Income
Refining and Marketing	6,760.5	-434.4	-411.3	-1,813.5	+547.4	+535.3	4,947.0	113.0	124.0
Excl. Inventory Valuation Factors	-	12.6	35.7	-	+5.4	-6.7	-	18.0	29.0
Petroleum Products	6,340.4	-400.6	-375.7	-1,723.4	+509.6	+497.7	4,617.0	109.0	122.0
Inventory Valuation Factors	-	-447.0	-447.0	-	+542.0	+542.0	-	95.0	95.0
Excl. Inventory Valuation Factors	-	46.4	71.3	-	-32.4	-44.3	-	14.0	27.0
Petrochemical Products	420.1	-33.8	-35.6	-90.1	+37.8	+37.6	330.0	4.0	2.0
E&P of Oil and Natural Gas	218.6	106.4	121.1	-60.6	-61.4	-81.1	158.0	45.0	40.0
Construction	356.5	7.5	8.6	+8.5	+2.5	+1.9	365.0	10.0	10.5
Other	53.6	8.0	6.2	+6.4	±0	-0.7	60.0	8.0	5.5
Total	7,389.2	-312.5	-275.4	-1,859.2	+488.5	+455.4	5,530.0	176.0	180.0
Excl. Inventory Valuation Factors	-	134.5	171.6	-	-53.5	-86.6	-	81.0	85.0

Interest-Bearing Debt and Cash Flows



	FY08 (Actual)	FY09 (Forecast)
Operating Activity		
	JPY billion	JPY billion
Income before Income Taxes and Minority Interests	-365.6	168.0
Depreciation and Amortization	170.1	176.0
Impairment Loss	63.2	-
Decrease in Working Capital and Others	611.3	-180.0
Subtotal	479.0	164.0
Investing Activity		
Capital Expenditure	-284.0	-148.0
Integration with Kyushu Oil	-74.0	-
Subtotal	-358.0	-148.0
Financing Activity		
Dividend	-41.0	-34.0
Subtotal	-41.0	-34.0
Total	80.0	-18.0

Sales Volume (Unconsolidated)

	FY07 <'07/4-'08/3>	FY08 <'08/4-'09/3>	Changes
	10,000 KL	10,000 KL	%
Gasoline	1,366	1,337	-2.1
Premium	228	208	-8.8
Regular	1,124	1,118	-0.6
Naphtha	181	194	+7.5
JET	128	118	-7.3
Kerosine	575	516	-10.3
Diesel Fuel	832	796	-4.3
Heavy Fuel Oil A	633	507	-20.0
Heavy Fuel Oil C	800	740	-7.5
For Electric Power	490	480	-2.1
For General Use	310	260	-16.1
Total-Domestic Fuel Oil	4,515	4,208	-6.8
Crude Oil	400	244	-38.9
Lubricants & Specialities	264	222	-16.0
Petrochemicals	383	346	-9.6
LPG & Coal	822	690	-16.1
Exported Fuel Oil	644	880	+36.6
Total-Excluding Barter Trade & Others	7,028	6,590	-6.2
Barter trade & Others	1,864	1,855	-0.5
Total	8,892	8,445	-5.0

Impact of Forecast Change of Crude Oil Price and Exchange Rate

Assumption for FY09 Forecast (Shipment since April '09)

-Ordinary Income based-

Crude Oil Dubai **55\$/Bbl (1H 50\$ / 2H 60\$)**
Exchange Rate **100yen/\$**

(JPY billion)

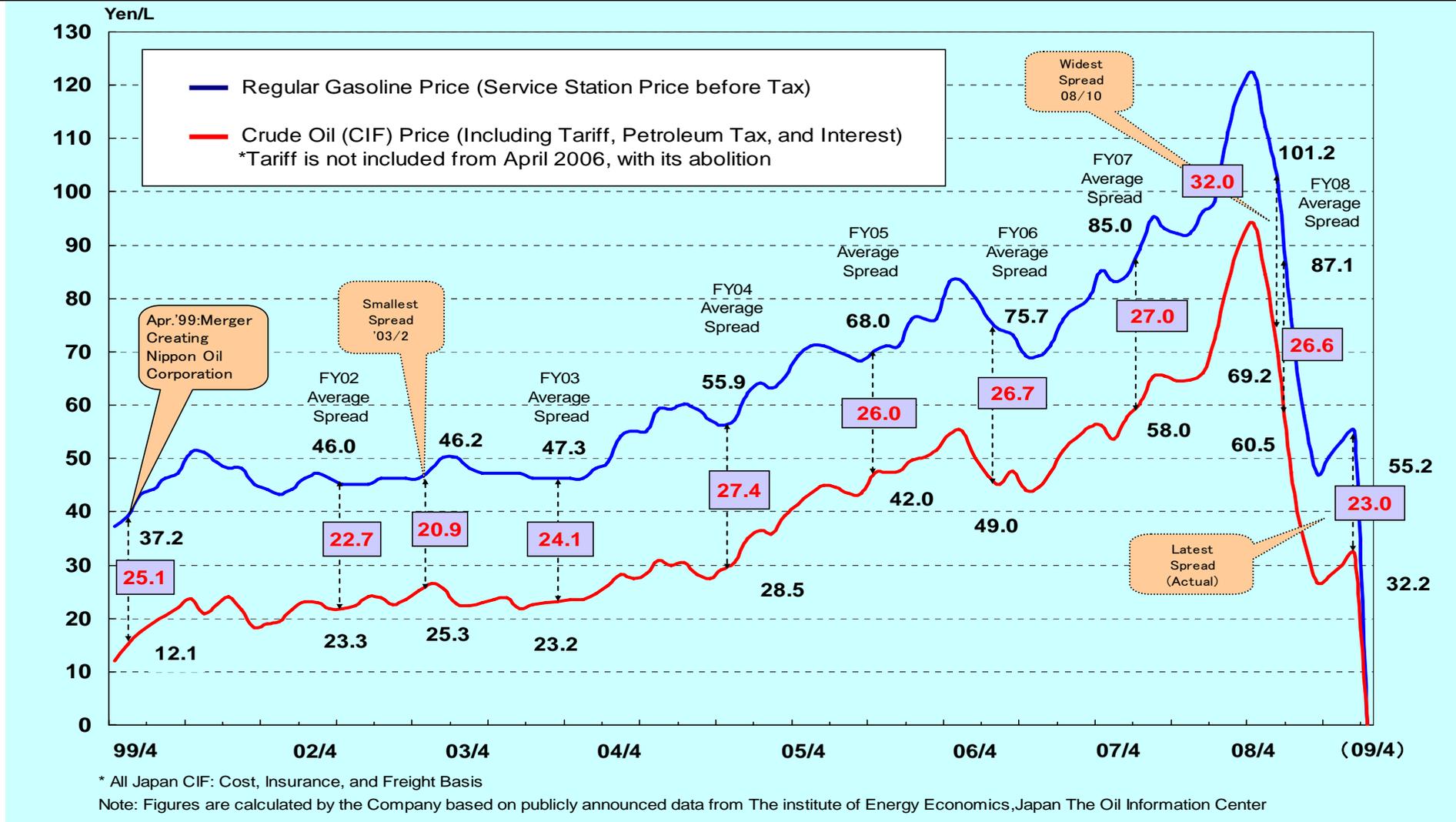
	Crude Oil Price	Exchange Rate
	1\$/Bbl (up)	1Yen/\$ (Depreciation of Yen)
Refining & Marketing	-3.0	±0.0
E&P of Oil and Natural Gas (9 months from Apr. to Dec.)	+1.0	±0.0
Subtotal (Excluding Inventory Valuation Factors)	-2.0	±0.0
Inventory Valuation Factors	+6.0	+3.5
Total (Including Inventory Valuation Factors)	+4.0	+3.5

Note: The above impacts are theoretical figures based on one set conditions. Actual results may vary from projected forecasts due to the various factors include the moving way of crude oil prices, exchange rates and volume of production, sales and inventory.

2. Data Related to Markets Trend (Petroleum Products and Petrochemicals)

Spread (Retail Gasoline Price – Crude Oil CIF Price)

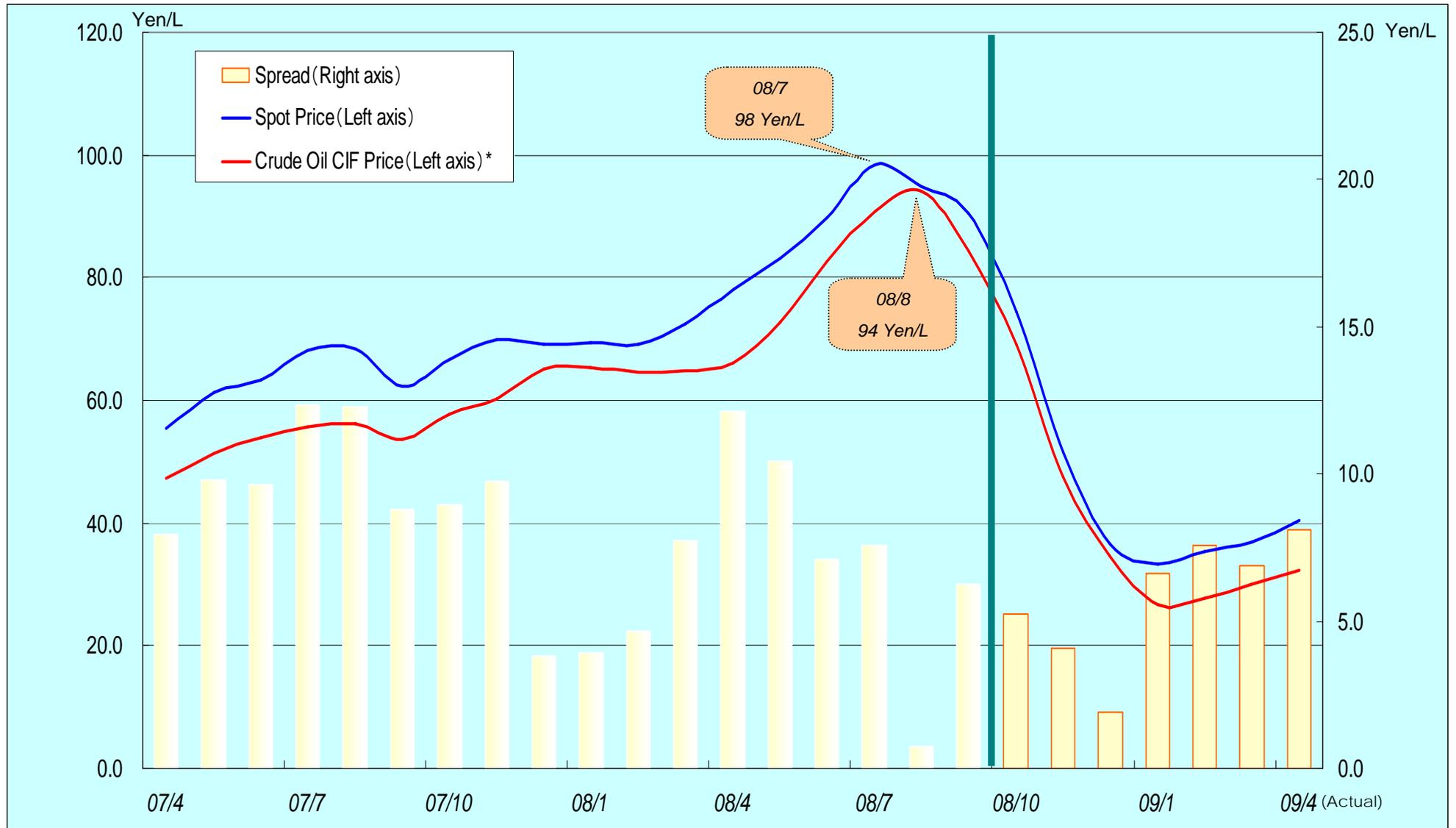
06/1H	06/2H	FY06	07/4-6	07/7-9	07/1H	07/10-12	08/1-3	07/2H	FY07	08/4-6	08/7-9	08/1H	08/10-12	09/1-3	08/2H	FY08
26.3	27.3	26.7	24.3	27.7	26.0	28.5	27.7	28.1	27.0	28.0	28.2	28.1	28.1	22.0	25.1	26.6



* All Japan CIF: Cost, Insurance, and Freight Basis

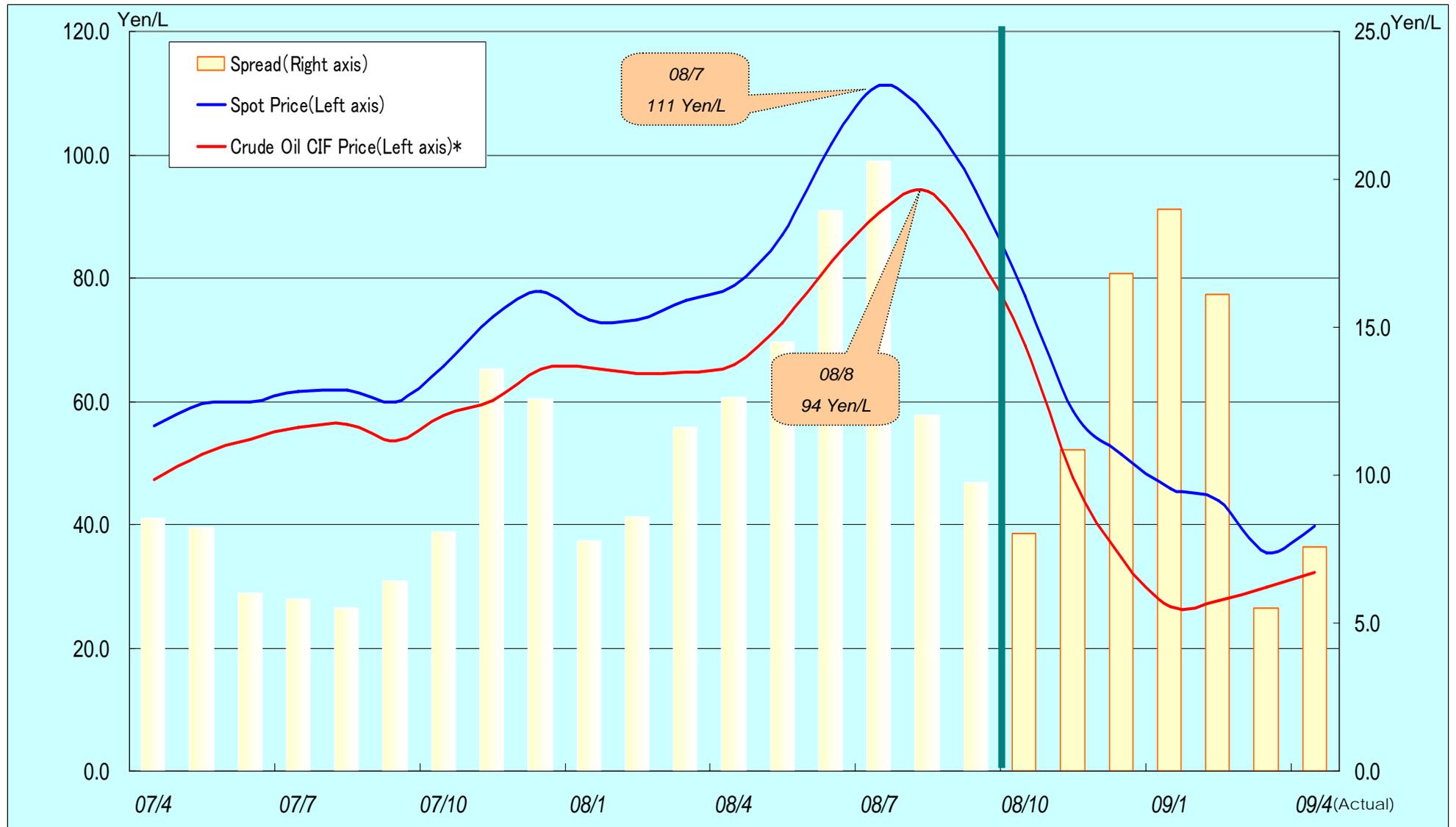
Note: Figures are calculated by the Company based on publicly announced data from The Institute of Energy Economics, Japan The Oil Information Center

Spread (Spot Price of Gasoline – Crude Oil CIF Price)



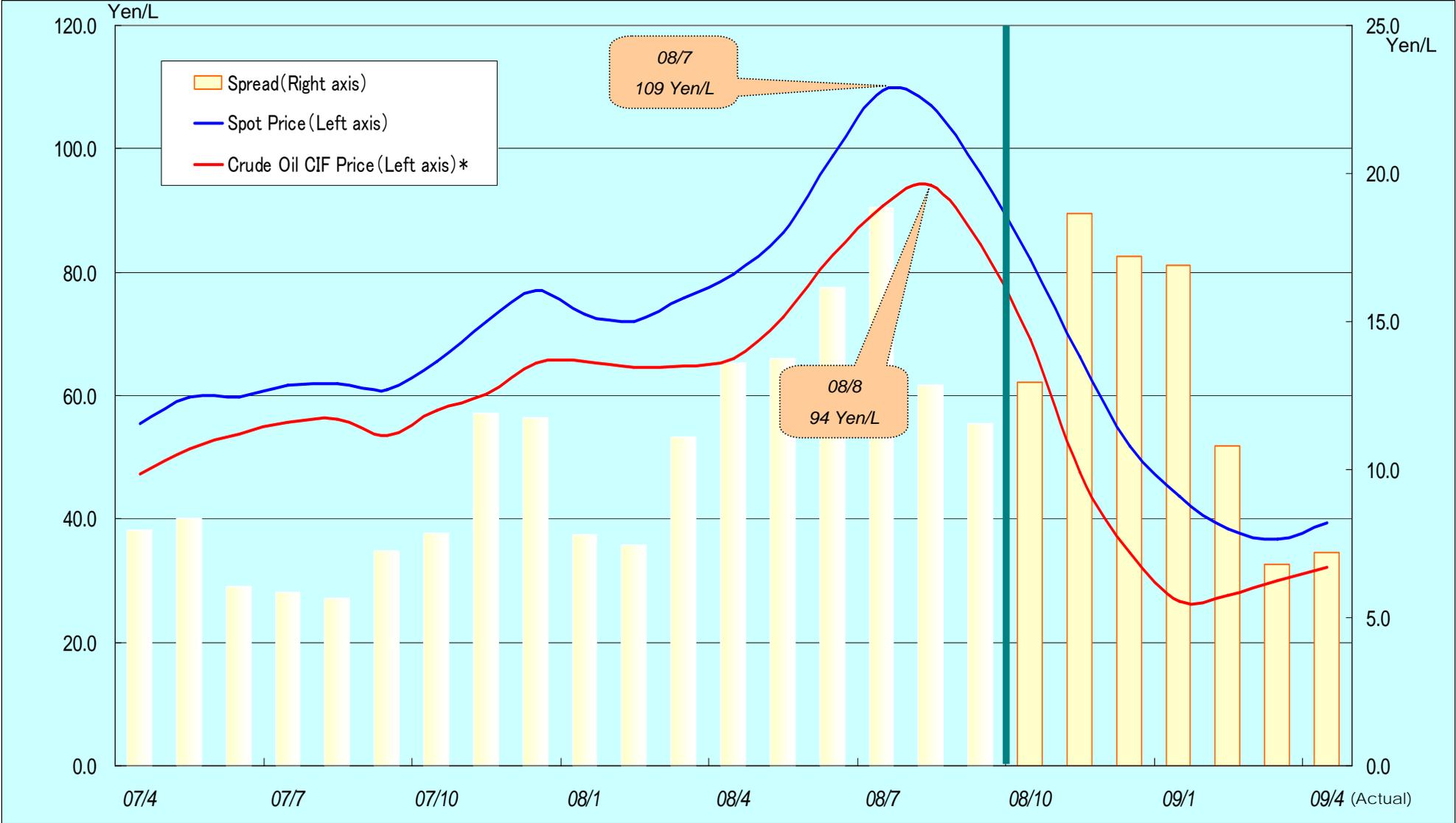
*All Japan CIF including Petroleum Tax and Interest.

Spread (Spot Price of Kerosine - Crude Oil CIF Price)



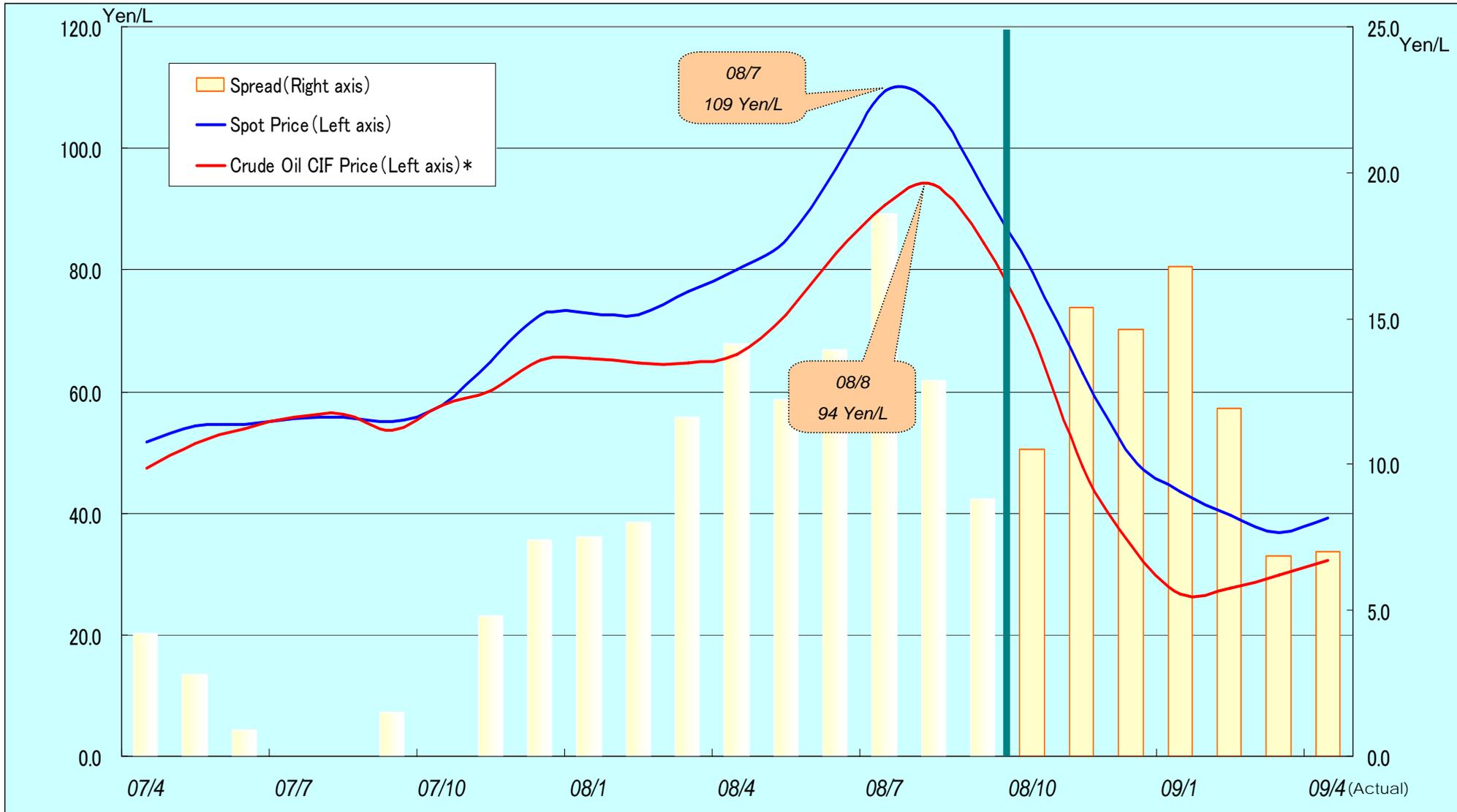
*All Japan CIF including Petroleum Tax and Interest.

Spread (Spot Price of Diesel Fuel – Crude Oil CIF Price)



*All Japan CIF including Petroleum Tax and Interest.

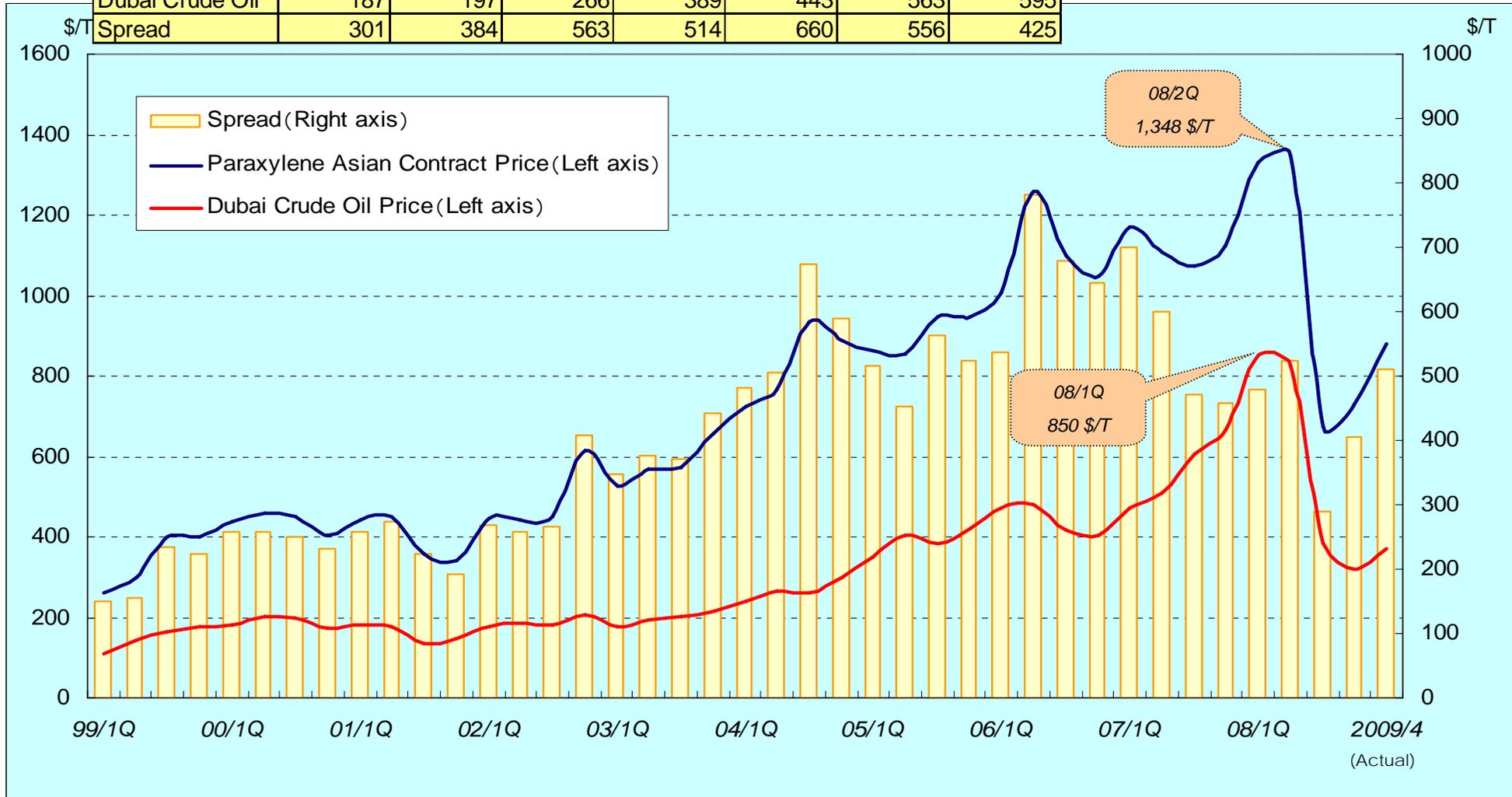
Spread (Spot Price of Heavy Fuel Oil A – Crude Oil CIF Price)



*All Japan CIF including Petroleum Tax and Interest.

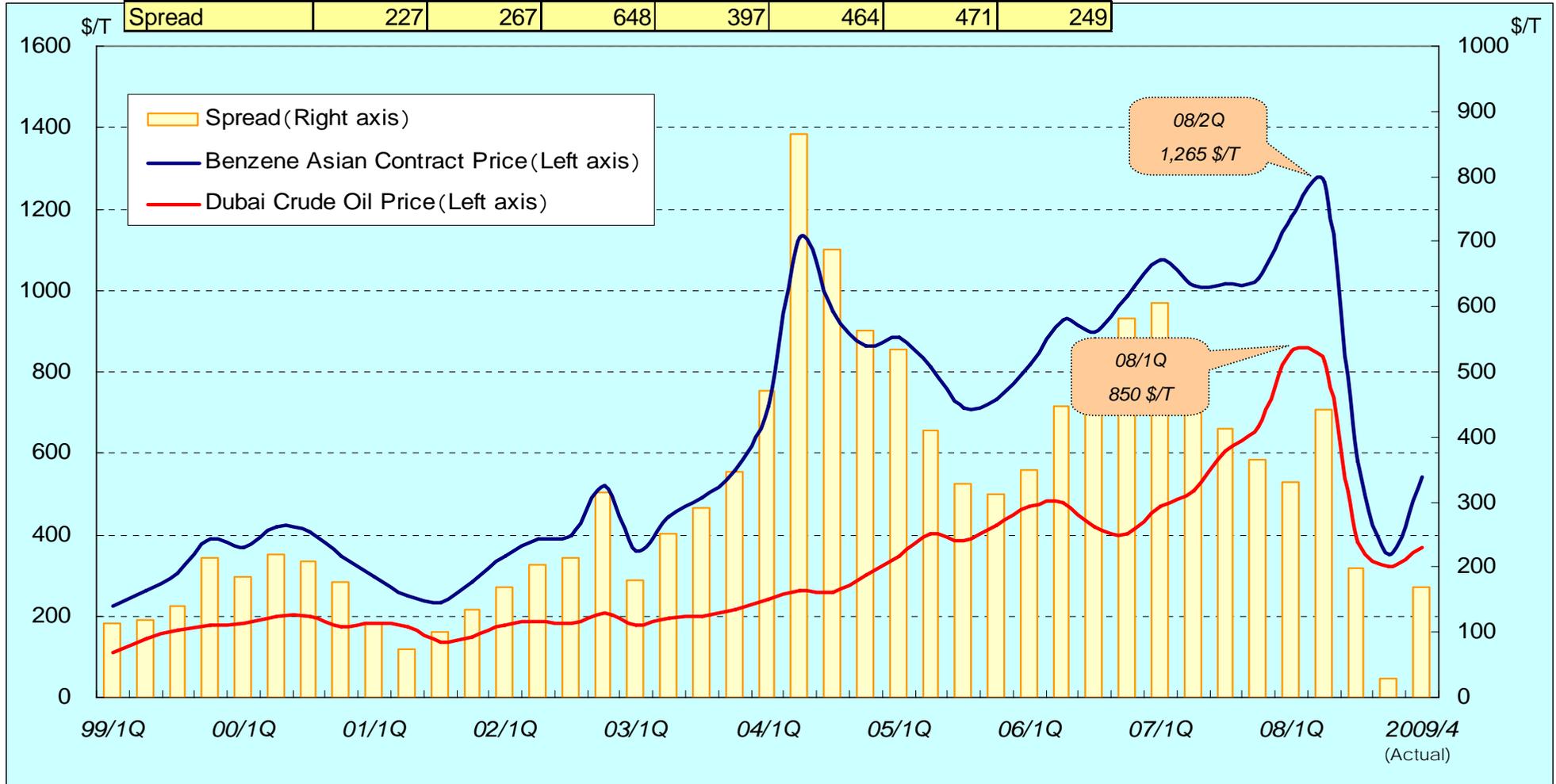
Spread (PX Price - Dubai Crude Oil Price)

Average Price	FY02	FY03	FY04	FY05	FY06	FY07	FY08
ACP	488	581	829	903	1,103	1,119	1,020
Dubai Crude Oil	187	197	266	389	443	563	595
Spread	301	384	563	514	660	556	425



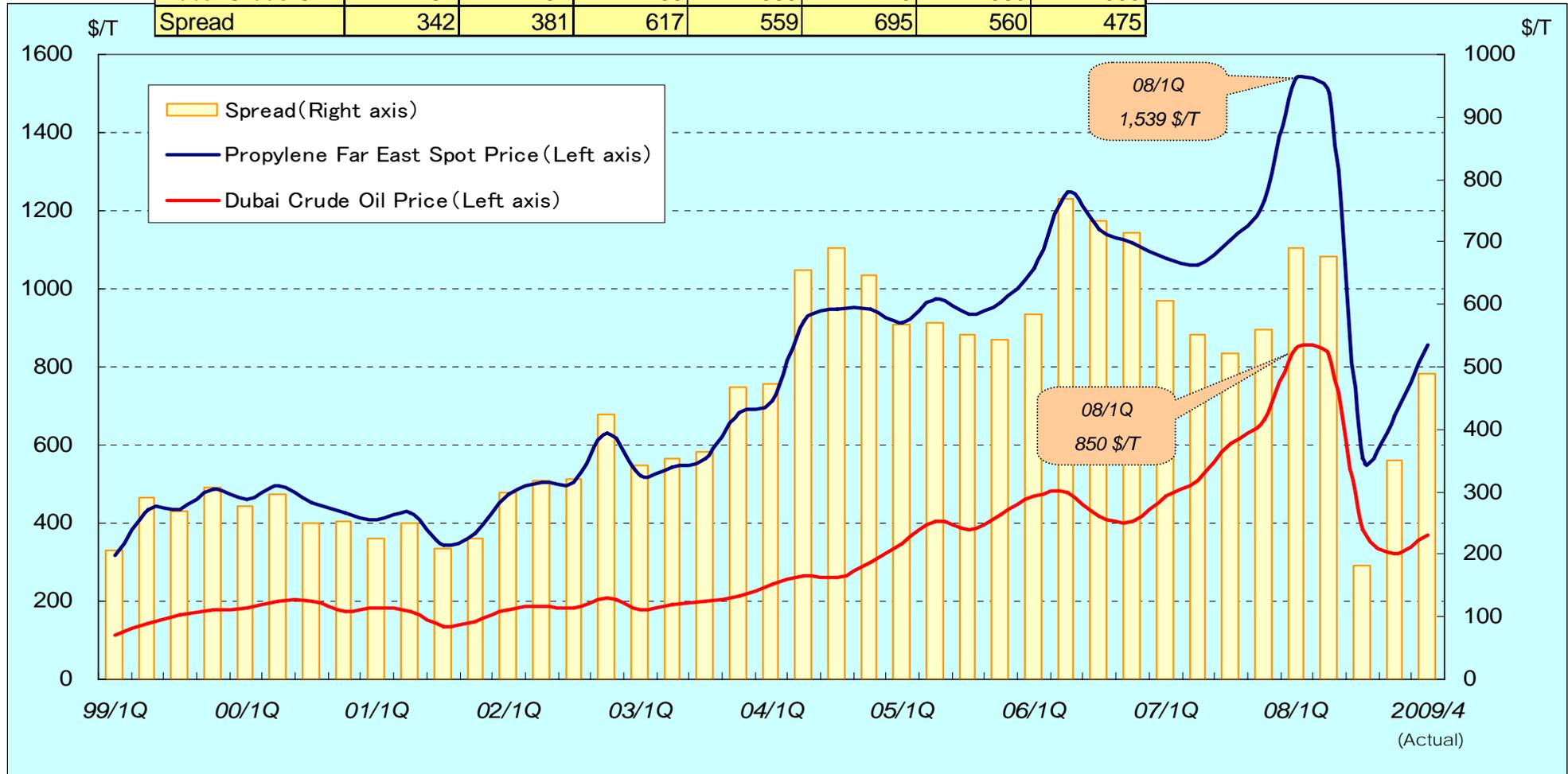
Spread (Benzene Price - Dubai Crude Oil Price)

Average Price	FY02	FY03	FY04	FY05	FY06	FY07	FY08
ACP	414	464	914	786	907	1,034	844
Dubai Crude Oil	187	197	266	389	443	563	595
Spread	227	267	648	397	464	471	249



Spread (Propylene Price – Dubai Crude Oil Price)

Average Price	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Spot Price	529	578	883	948	1,138	1,123	1,070
Dubai Crude Oil	187	197	266	389	443	563	595
Spread	342	381	617	559	695	560	475



3.Data Related to Business Operations (Refining & Marketing)

Refining Capacity and Utilization Rates

	Merger							(million BD)
	FY99 ('99/4 - '00/3)	FY00 ('00/4 - '01/3)	FY01 ('01/4 - '02/3)	FY02 ('02/4 - '03/3)	FY03 ('03/4 - '04/3)	FY04 ('04/4 - '05/3)	FY05 ('05/4 - '06/3)	
^{*1} Nippon Oil Group	1.35 (74%)	1.35 (76%)	1.23 (81%)	1.22 (84%)	1.27 (83%)	1.22 ^{*3} (87%)	1.22 (88%)	
Total for Japan	5.35 (77%)	5.27 (79%)	4.97 (81%)	4.98 (81%)	4.89 ^{*2} (83%)	4.77 ^{*3} (84%)	4.77 (87%)	
	FY06 ('06/4 - '07/3)	FY07			FY08			
		1H (Apr.-Sep.)	2H (Oct.-Mar.)	Total	1H (Apr.-Sep.)	2H (Oct.-Mar.)	Total	
	1.22 (84%)	1.22 (79%)	1.22 (88%)	1.22 (84%)	1.22 (79%)	1.32 ^{*6} (78%)	1.32 (78%)	
	4.83 ^{*4} (83%)	4.84 ^{*5} (79%)	4.89 ^{*5} (87%)	4.89 (83%)	4.89 (78%)	4.84 ^{*7} (-)	4.84 ^{*7} (-)	

Notes: ^{*1}. Figures of Refining Capacity are as of end of fiscal years.

Figures in parentheses of Utilization Rates are averages for the fiscal years.

^{*2}. Discontinuation of crude oil processing at the Idemitsu Kosan Hyogo Refinery in Apr. '03 and the Idemitsu Kosan Group Okinawa Refinery in Nov. '03.

^{*3}. Discontinuation of crude oil processing at Idemitsu Kosan Group Toho Oil in Apr. '04, and partial discontinuation of crude oil processing at the Nippon Oil Negishi Refinery in Apr.'04 and Showa Shell Oil Group's Showa Yokkaichi Oil in June '04.

^{*4}. The capacity of Cosmo Oil Yokkaichi Refinery and Sakaide Refinery increased in Dec '06 and Kashima Oil of Japan Energy Group increased in Jun and Oct '06.

^{*5}. The capacity of Kyushu Oil increased in Jun '07 and Kashima Oil of Japan Energy Group increased in Nov '07).

^{*6}.Oita Refinery joined in Nippon Oil Group due to the integration with Kyushu Oil.

^{*7}.Discontinuation of crude oil processing at Toyama Refinery in Jan. '09

Sources: Ministry of Economy, Trade and Industry; Petroleum Association of Japan; and others

Nippon Oil's Share of Sales of the Four Light Oil Products (Consumption Basis)

Type of product	Merger										(%)
	FY99 (*99/4 - '00/3)	FY00 (*00/4 - '01/3)	FY01 (*01/4 - '02/3)	FY02 (*02/4 - '03/3)	FY03 (*03/4 - '04/3)	FY04 (*04/4 - '05/3)	FY05 (*05/4 - '06/3)	FY06 (*06/4 - '07/3)	FY07 (*07/4 - '08/3)	FY08 (*08/4 - '09/3)	
Gasoline	23.2	22.9	22.8	23.2	23.3	23.9	23.6	23.2	23.1	23.3	
(Premium)	23.4	23.2	24.1	24.6	24.6	25.4	26.2	25.2	25.0	25.0	
Kerosene	23.4	23.3	23.9	24.4	24.3	27.6	27.7	26.3	27.0	27.1	
Diesel Fuel	22.8	22.4	22.0	22.7	22.6	23.0	23.2	22.9	23.6	23.8	
Heavy Fuel Oil A	23.4	23.9	24.3	26.3	28.1	30.4	29.1	29.4	29.6	28.3	
Total	23.2	23.0	23.1	23.9	24.2	25.5	25.3	24.6	24.8	24.7	

Note: Figures are calculated by the Company based on publicly announced data from Agency for Natural Resources Energy.

Figures of FY08 1H do not include Kyushu Oil.

Number of Service Stations (Fixed-Type)

	Merger										
	FY99 (*99/4 -'00/3)	FY00 (*00/4 -'01/3)	FY01 (*01/4 -'02/3)	FY02 (*02/4 -'03/3)	FY03 (*03/4 -'04/3)	FY04 (*04/4 -'05/3)	FY05 (*05/4 -'06/3)	FY06 (*06/4 -'07/3)	FY07 (*07/4-'08/3)	FY08 ^{*4} (*08/4-'09/3)	FY99 FY08
Nippon Oil Corporation	13,162	12,669	11,987	11,694	11,333	11,059	10,807	10,368	9,919	9,974	75.8%
EMGK ^{*1}	8,101	7,898	7,597	7,278	6,904	6,701	6,464	6,044	5,635	5,064	62.5%
Idemitsu Kosan	6,493	6,114	5,896	5,624	5,508	5,358	5,249	5,059	4,913	4,598	70.8%
Showa Shell Sekiyu	5,962	5,642	5,402	5,153	4,968	4,808	4,689	4,560	4,481	4,256	71.4%
Cosmo Oil	5,916	5,600	5,373	5,152	4,926	4,709	4,552	4,359	4,188	3,913	66.1%
Japan Energy	4,952	4,646	4,476	4,296	4,150	4,023	3,833	3,708	3,608	3,344	67.5%
Others ^{*2}	2,128	1,916	1,733	1,642	1,593	1,500	1,439	1,388	1,383	687	32.3%
Oil Companies	46,714 (87.6%)	44,485 (85.6%)	42,464 (83.4%)	40,839 (82.3%)	39,382 (80.4%)	38,158 (79.5%)	37,033 (78.8%)	35,486 (78.9%)	34,127 (79.4%)	31,836 (77.1%)	68.2%
Private Brands and Others	6,593 (12.4%)	7,472 (14.4%)	8,436 ^{*3} (16.6%)	8,761 ^{*3} (17.7%)	9,618 ^{*3} (19.6%)	9,842 ^{*3} (20.5%)	9,967 ^{*3} (21.2%)	9,514 ^{*3} (21.1%)	8,873 ^{*3} (20.6%)	9,464 ^{*3} (22.9%)	143.5%
Total	53,307	51,957	50,900 ^{*3}	49,600 ^{*3}	49,000 ^{*3}	48,000 ^{*3}	47,000 ^{*3}	45,000 ^{*3}	43,000 ^{*3}	41,300 ^{*3}	77.5%

Notes: *1. Figures are pro forma summations of Esso, Mobil, Tonen General Sekiyu, and Kygnus Sekiyu.

*2. Figures are pro forma summations of Kyushu Oil, Taiyo Petroleum, and Mitsui Oil & Gas. (until FY07)
From FY08, figures are pro forma summations of Taiyo Petroleum and Mitsui Oil&Gas.

*3. Estimates by Nippon Oil

Source: Agency of Natural Resources and Energy

Number of Company-Owned Service Stations, Number of Self-Service Facilities, Number of Doctor Drive Service Stations

<Number of Company-Owned Service Stations>

	Merger									
	FY99 (⁹⁹ /04- ⁰⁰ /03)	FY00 (⁰⁰ /4- ⁰¹ /03)	FY01 (⁰¹ /04- ⁰² /03)	FY02 (⁰² /04- ⁰³ /03)	FY03 (⁰³ /04- ⁰⁴ /03)	FY04 (⁰⁴ /04- ⁰⁵ /03)	FY05 (⁰⁵ /04- ⁰⁶ /03)	FY06 (⁰⁶ /04- ⁰⁷ /03)	FY07 (⁰⁷ /04- ⁰⁸ /03)	FY08 (⁰⁸ /04- ⁰⁹ /03)
Nippon Oil Corporation	3,053	2,945	2,857	2,746	2,607	2,518	2,436	2,309	2,175	2,081

<Number of Self-Service Stations>

	Merger									
	FY99 (⁹⁹ /04- ⁰⁰ /03)	FY00 (⁰⁰ /4- ⁰¹ /03)	FY01 (⁰¹ /04- ⁰² /03)	FY02 (⁰² /04- ⁰³ /03)	FY03 (⁰³ /04- ⁰⁴ /03)	FY04 (⁰⁴ /04- ⁰⁵ /03)	FY05 (⁰⁵ /04- ⁰⁶ /03)	FY06 (⁰⁶ /04- ⁰⁷ /03)	FY07 (⁰⁷ /04- ⁰⁸ /03)	FY08 (⁰⁸ /04- ⁰⁹ /03)
Nippon Oil Corporation	21	54	142	342	520	651	794	1,055	1,230	1,517
Total for Japan*1	191	422	1,353	2,522	3,423	3,493	4,257	5,203	6,009	6,367 *2

Notes: *1. This figure includes only self-service retail outlets that are affiliated to oil wholesale companies.

*2. As of Dec. 2008

Sources: Agency of Natural Resources and Energy; The Daily Nenryo yushi

<Number of Doctor Drive Service Stations>

	Merger									
	FY99 (⁹⁹ /04- ⁰⁰ /03)	FY00 (⁰⁰ /4- ⁰¹ /03)	FY01 (⁰¹ /04- ⁰² /03)	FY02 (⁰² /04- ⁰³ /03)	FY03 (⁰³ /04- ⁰⁴ /03)	FY04 (⁰⁴ /04- ⁰⁵ /03)	FY05 (⁰⁵ /04- ⁰⁶ /03)	FY06 (⁰⁶ /04- ⁰⁷ /03)	FY07 (⁰⁷ /04- ⁰⁸ /03)	FY08 (⁰⁸ /04- ⁰⁹ /03)
Nippon Oil Corporation	44	390	1,283	1,610	1,871	1,963	2,505	2,403	2,287	2,130

Number of Depots, Number of Employees

<Number of Depots>

	Merger					
	'99/04	'00/04	'01/04	'02/04	'03/04	'04/04
Nippon Oil Corporation	109	93	75	62	55	51
	'05/04	'06/04	'07/04	'08/04	'09/04	
	50	50	48	46	48	

<Number of Employees>

	Merger					
	'99/04	'00/04	'01/04	'02/04	'03/04	'04/04
Nippon Oil Group	15,964	15,570	14,895	14,368	13,882	14,347 ^{*2}
Nonconsolidated + NPRC	5,163	4,602	4,290	4,108	4,990 ^{*1}	4,920
	'05/04	'06/04	'07/04	'08/04	'09/04	
	13,424	13,628	13,214 ^{*4}	12,697 ^{*6}	14,144 ^{*7}	
	4,437	4,705 ^{*3}	4,907 ^{*5}	4,894	6,005 ^{*8}	

Notes: ^{*1}. The number of employees increased because of the merger(in Apr. '02) of the former NISSEKI Mitsubishi Refining, the former Tohoku Oil, and the former Koa Oil.

^{*2}. The number of employees increased as a result of the inclusion of Dai Nippon Construction Co., Ltd., within the scope of consolidation.

^{*3}. The number of employees increased because of the merger of Nippon Oil Petroleum Gas Company, Limited.

^{*4}. The number of employees decreased because of the removal of IDOMCO Communications Co.,Ltd. from the scope of consolidation.

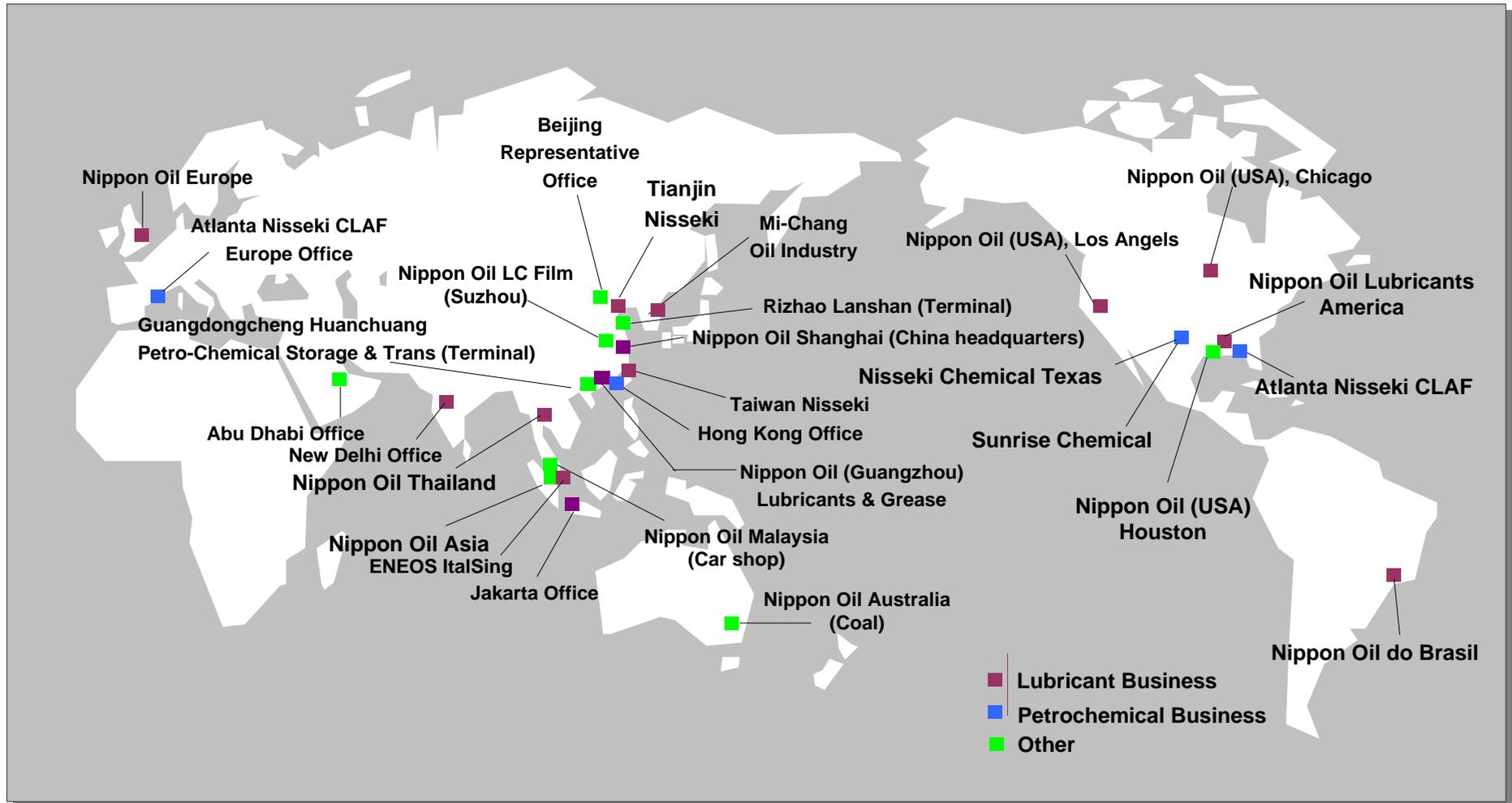
^{*5}. The number of employees increased because of the merger of R&D, management & sales function of Nippon Petrochemicals Company, Limited.

^{*6}. The number of employees decreased because of transfer of employment from the group due to reorganization of affiliated service station operating companies.

^{*7}. The number of employees increased as a result of the consolidation of ENEOS Frontier's 14 equity method affiliates(in Apr. '08) and Integration with Kyushu Oil.(in Oct. '08)

^{*8}. The number of employees increased because of merger of Nippon Petrochemicals Company to Nippon Oil Petroleum Refining Company and Integration with Kyushu Oil. (in Oct. '08)

Principal Overseas Operating Bases



Nippon Oil Group Refineries

Refining Capacity in Japan (As of March, 2009)

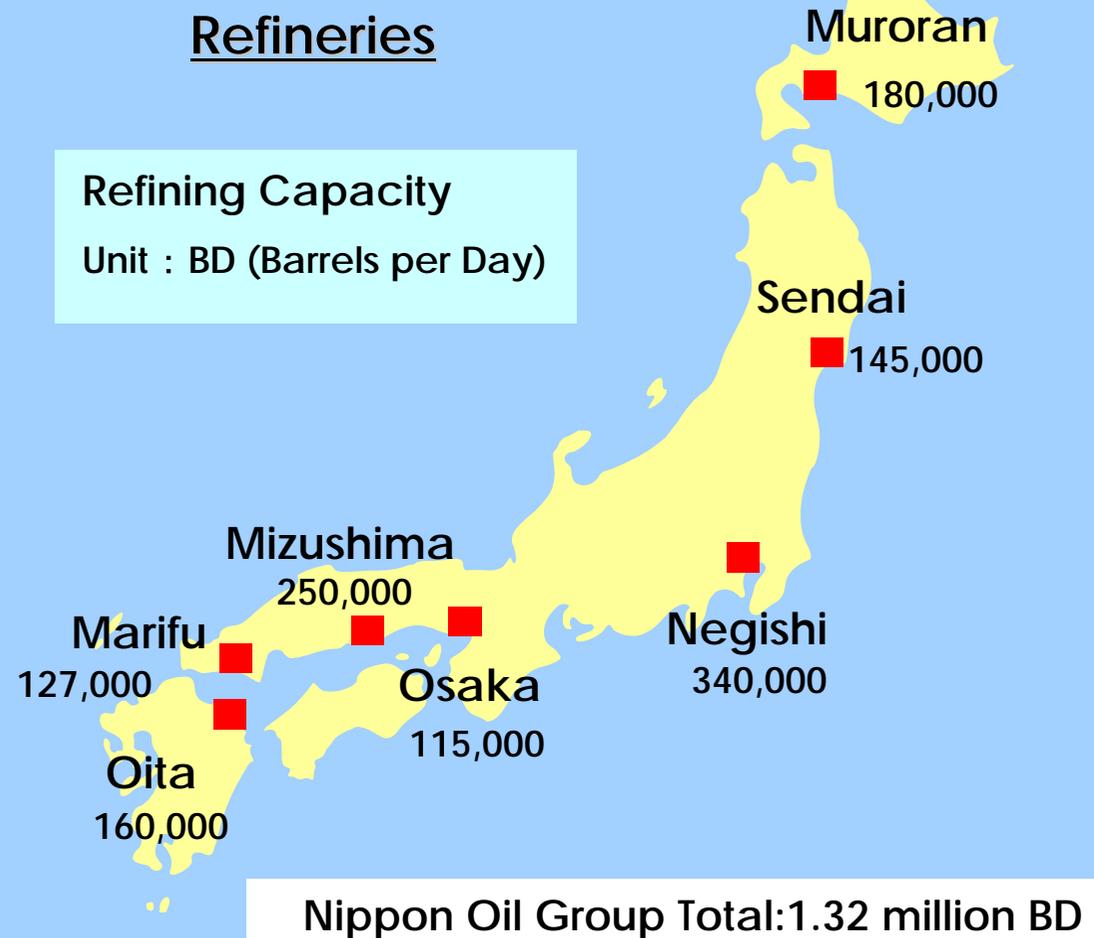
Coporate Group	Number of Refineries	Refining Capacity	Share of Refining Capacity
Nippon Oil Group	7	^{10,000 BD} 132	27.2%
Japan Energy	2	48	9.8%
Exxon Mobil Group	4	84	
Idemitsu Kosan	4	64	
Cosmo Oil	4	64	
Showa Shell Sekiyu	3	52	
Others	4	42	
Total	28	483	

Sources:Petroleum Association of Japan

Nippon Oil Group Refineries

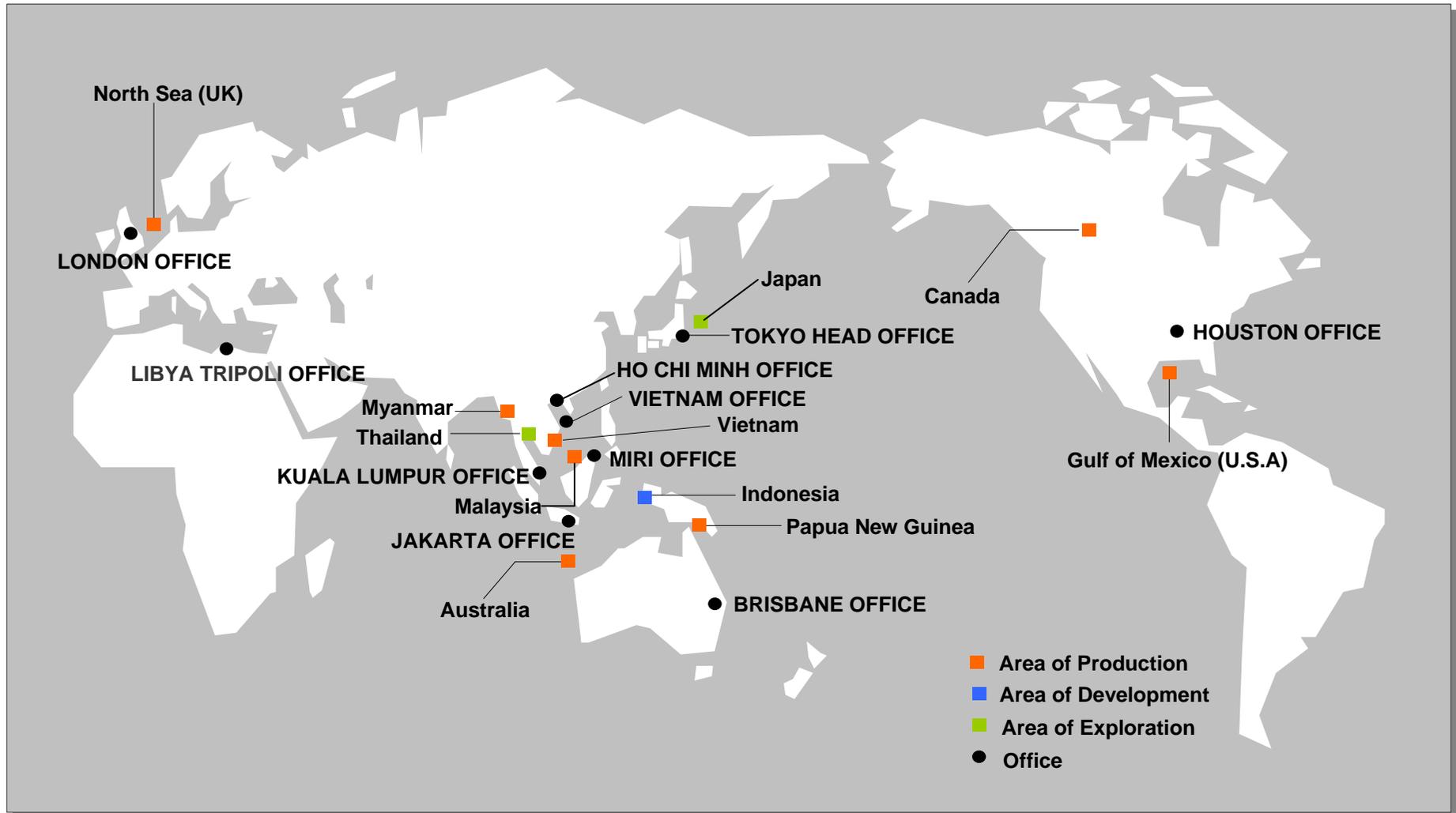
Refining Capacity

Unit : BD (Barrels per Day)



4. Data Related to Business Operations (E&P of Oil and Natural Gas)

Principal Overseas Operating Bases



Outline of Principal E&P of Oil and Natural Gas Projects

Project Name/Company	Total Production	Oil Rights (1,000BOED)		Reserves*
	(1,000BOED)	PC Basis	Nippon Oil Ownership Basis	PC Basis (1 million BOE)
<U.S.A.> Gulf of Mexico (U.S.A.) Nippon Oil Exploration U.S.A. Limited	46	9	9	48
<U.K.> North Sea, U.K. Nippon Oil Exploration and Production U.K. Limited	210	15	15	27
<Southeast Asia> Vietnam Japan Vietnam Petroleum Co., Ltd.	45	16	16	<Southeast Asia Total>
Myanmar Nippon Oil Exploration (Myanmar), Limited	76	9	4	
Malaysia Nippon Oil Exploration (Malaysia), Limited Nippon Oil Exploration (Sarawak), Limited	48 170	23 36	18 27	
<Oceania> Papua New Guinea Japan Papua New Guinea Petroleum Company, Limited	41	2	1	<Oceania Total>
Australia Nippon Oil Exploration (Australia) Pty Ltd.	10	3	3	
<Canada> Canada Japan Canada Oil Company Limited	289	14	14	268
Total	936	126	107	669

*Proved reserves and probable reserves as of Dec. '08. Including reserves from projects currently under development.

Nippon Oil's Reserve Standards

Nippon Oil's criteria for evaluating reserves conforms to the SPE Standards, drafted by the SPE (Society of Petroleum Engineers), WPC (World Petroleum Congress), AAPG (American Association of Petroleum Geologists), and SPEE (Society of Petroleum Evaluation Engineers) and announced in March 2007.

SPE Standards is aiming to become global standards that embody current technological innovation and economic realities, SPE Standards reflect the opinions of a large number of companies. They incorporate surveys on defining and categorizing reserves from every oil firm and country worldwide, as well as input solicited from outside sources.

Nippon Oil's reported reserves are in line with reserves as defined by the SPE Standards. The degree of certainty of the reserve values is categorized, in order, as either Proved, Probable, or Possible. Following trends common at other industry firms, Nippon Oil has used Proven and Probable reserves to arrive at its total reserves (for details to the next page).

Definition of Proved and Probable Reserves

Definition of Proved Reserves:

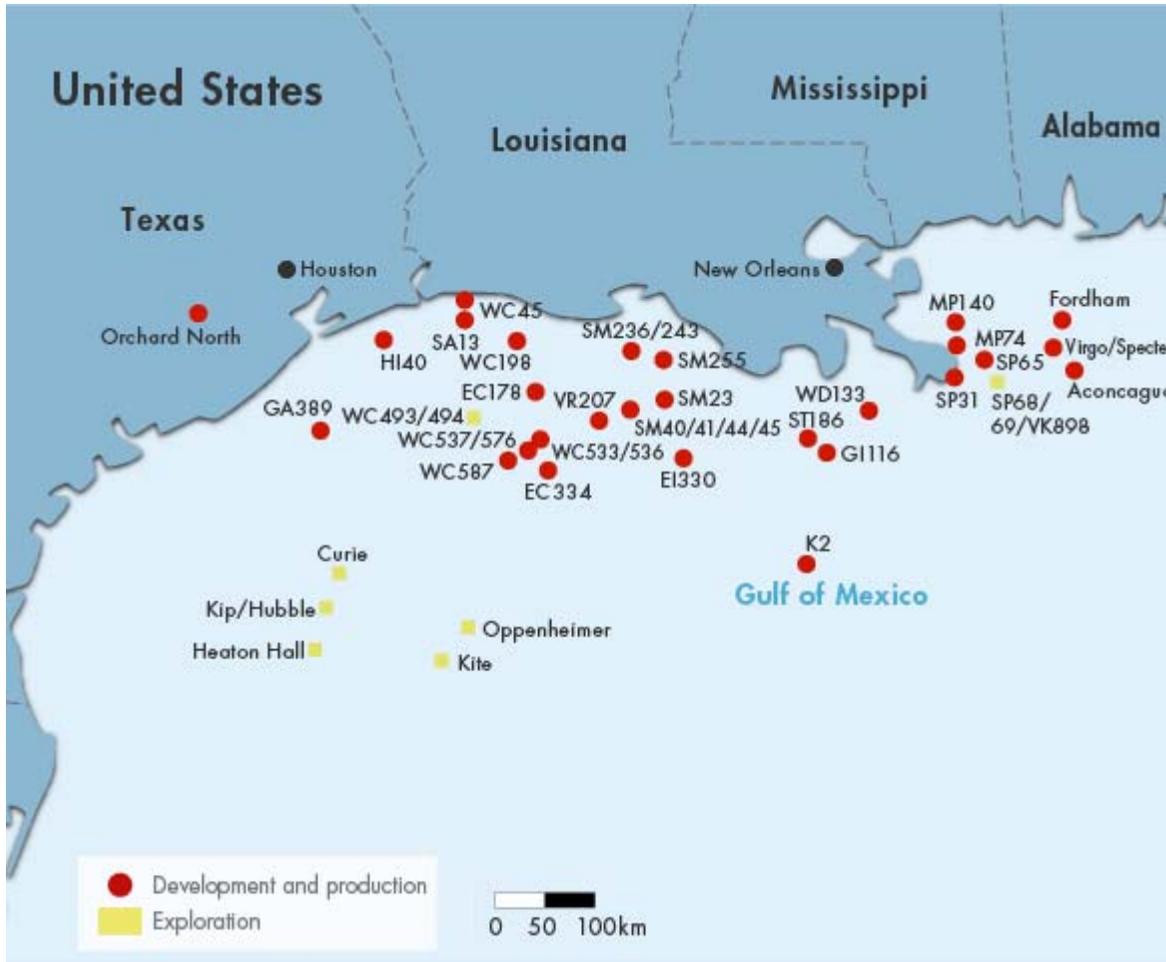
Reserves judged to have a high level of certainty from analysis of geoscience and production/petroleum engineering data, based on economic conditions, operational methods and laws and regulations assumed by Nippon Oil in light of discovered reservoirs—there is at least a 90% probability that actual recovered volume will equal or exceed estimates of oil and natural gas deposits reasonably evaluated as commercially recoverable.

Definition of Probable Reserves:

There is at least a 50% probability that additional oil and natural gas reserves will equal or exceed actual recovered volume of the total of estimated proved and probable reserves. While these additional reserves are evaluated in the same manner as proved reserves, the probability of recoverability of probable reserves is lower than proved reserves, but higher than possible reserves.

Individual E&P Project Overview

Gulf of Mexico



'08 Jan - Dec Production Volume
8,900BOED
(oil: 4,100b/d, gas: 29mmcf/d)

Project Company

Nippon Oil Exploration U.S.A. Limited (NOEX USA) (100%)
(%) = Nippon Oil Group Shareholding

Range of Interests in Individual Fields

6.1% to 100%

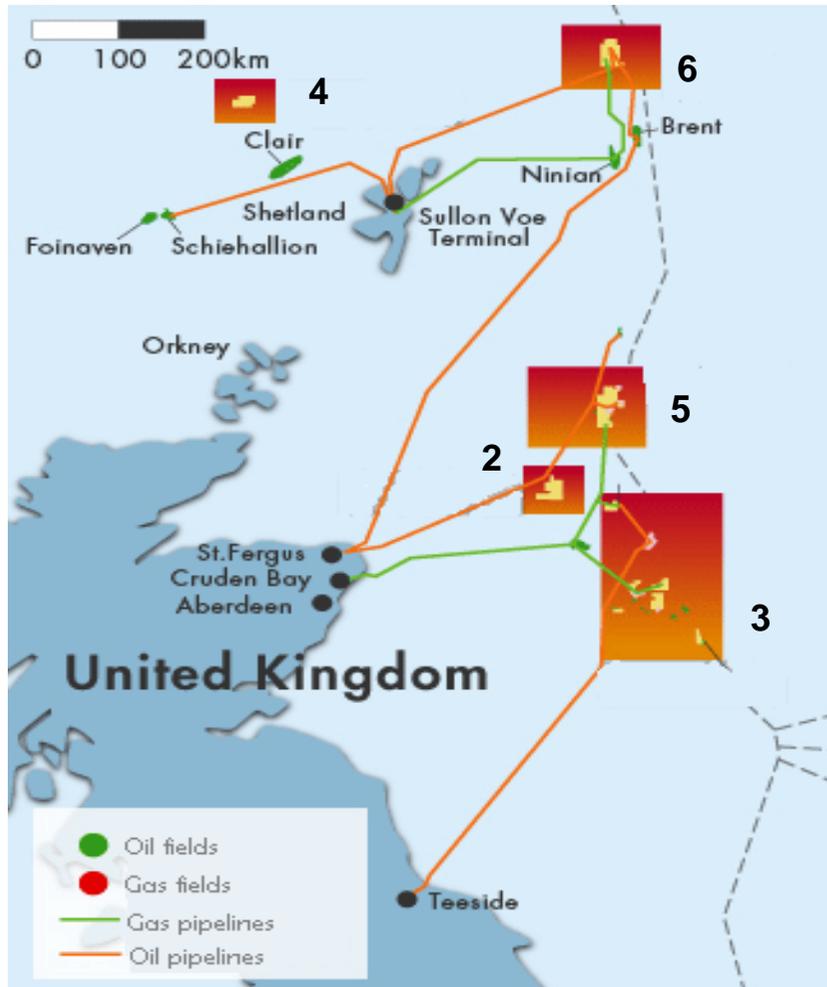
Operators

NOEX USA, Anadarko, ConocoPhillips, other

In 1990, NOEX USA began exploration, development, and production operations at an onshore field in Texas and offshore blocks in both deep as well as shallow waters in the Gulf of Mexico. In addition to continuing such existing operations as those in the Orchard North Gas Field, Aconcagua Gas Field, and Virgo Gas Field, NOEX USA purchased interests in certain producing assets in the Gulf of Mexico from Devon in 2005 and from Anadarko in 2007.

Individual E&P Project Overview

U.K. North sea 1



'08 Jan - Dec Production Volume

14,600BOED

(oil: 9,300b/d, gas: 32mmcf/d)

Project Company

Nippon Oil Exploration and Production U.K. Ltd.

(NOEP UK) (100%)

(%) = Nippon Oil Group Shareholding

Range of Interests in Individual Fields

4.0% to 50%

Operators

BP, Shell, Marathon, other

● MOEX

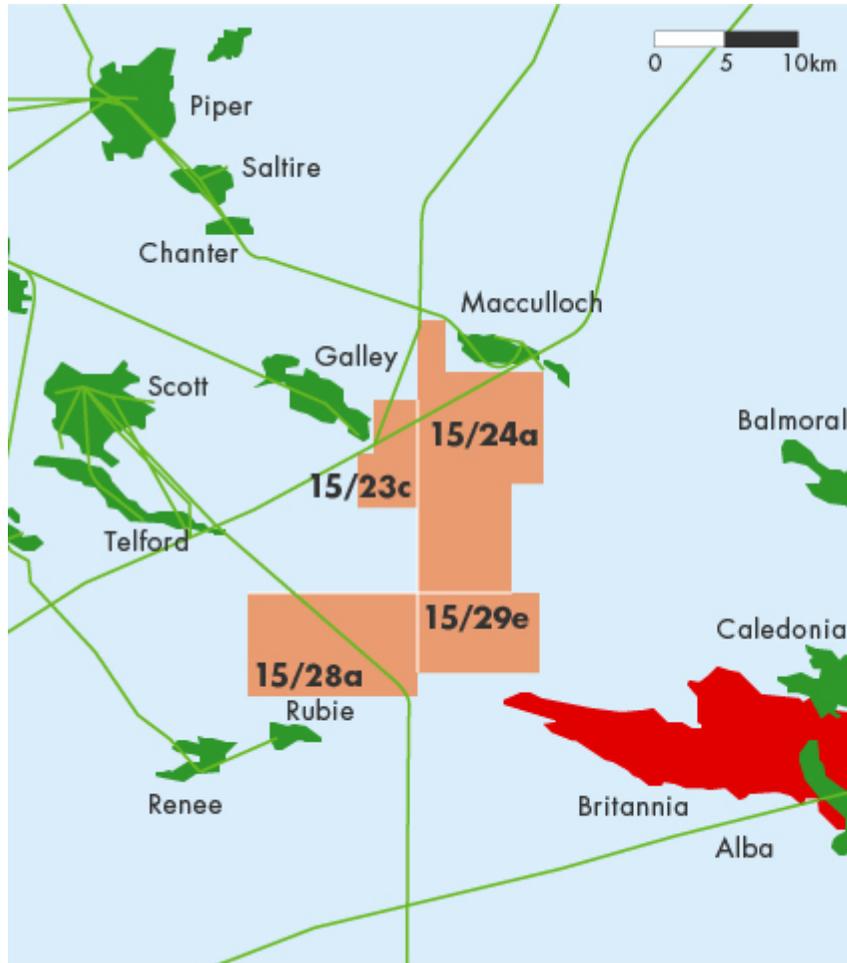
In 1994, MOEX acquired a working interest in blocks, including those in the Andrew Oil Field, the Mungo/Monan Oil Fields, the Pierce Oil Field, the Mirren/Madoes Oil Fields, and the Blane Oil Field. It is currently expanding its exploration, development, and production operations.

● NOEP UK

In 1996, NOEP UK acquired an interest in the Magnus Oil Field, and in 2002 it acquired interests in the Brae Gas Fields and the Fiddich Oil Field. It is currently engaged in development preparation and production operations.

Individual E&P Project Overview

U.K. North Sea 2



The 24th Licensing Round 2006- U.K. North Sea (1)

In February 2007, Nippon Oil Exploration and Production U.K. Ltd was, in the 24th Licensing Round, awarded 6 new exploration blocks which includes 4 operating blocks. Nippon Oil will be the first Japanese operator in the North sea.

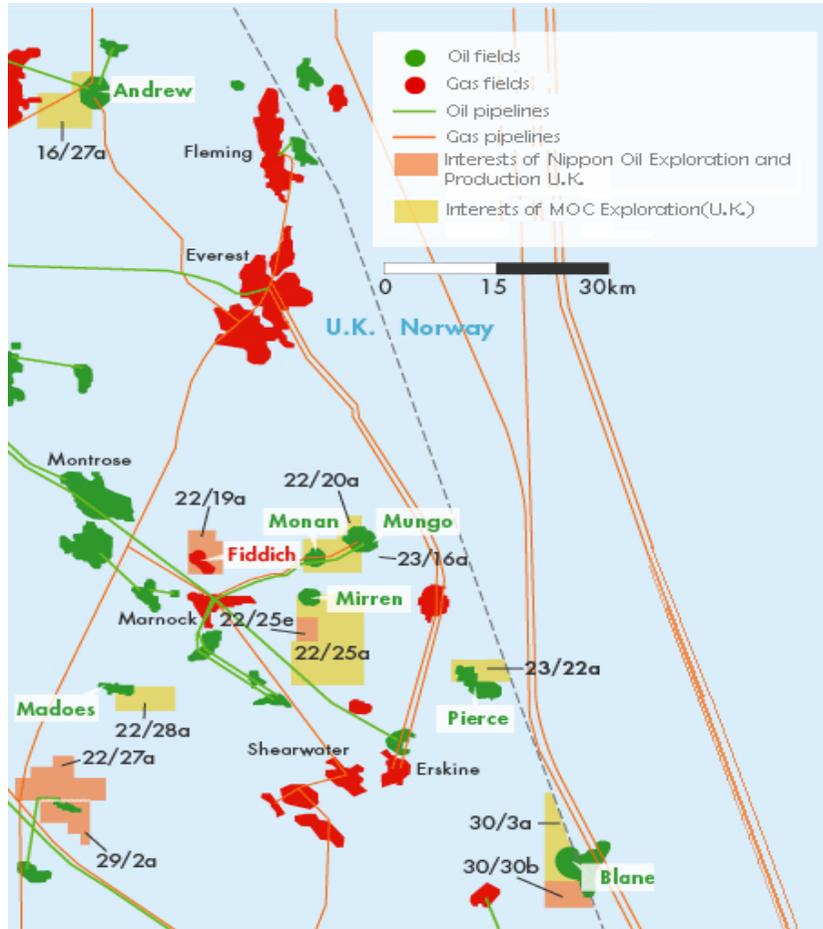
Range of Interests in Individual Fields
17.1% to 30%

Operators

15/23c, 15/24a, 15/28a, 15/28e
-Nippon Oil Exploration and Production U.K. Ltd
22/25c, 30/3b
-Maersk oil North Sea UK Limited

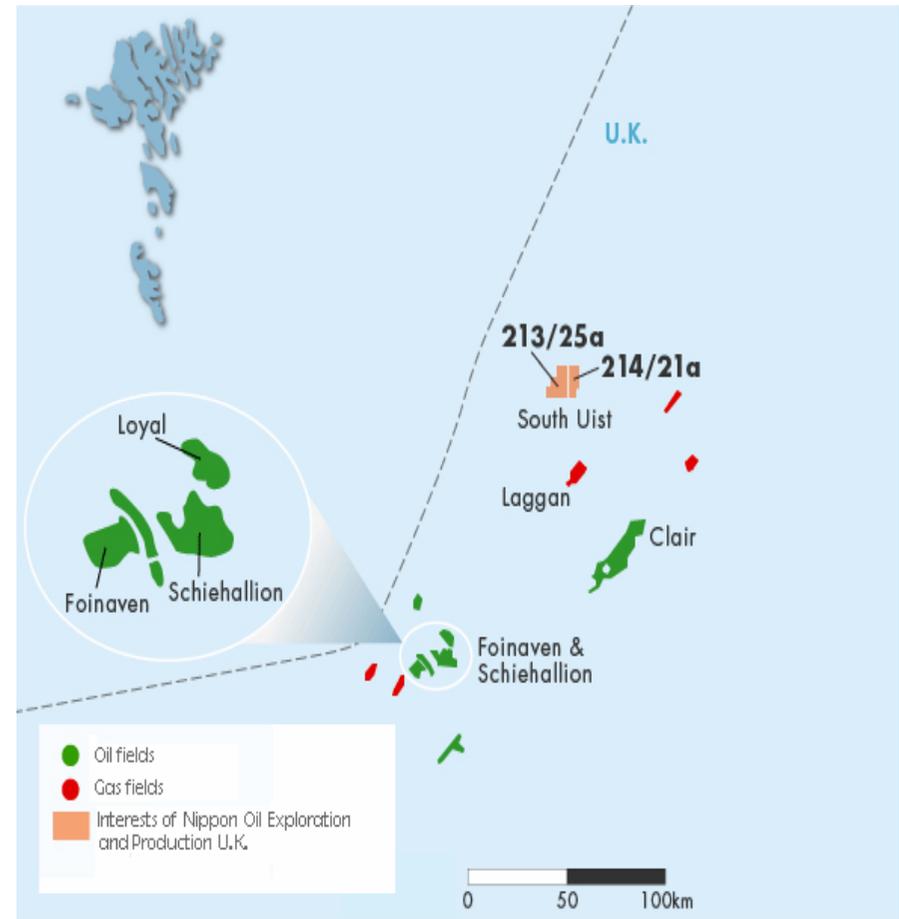
Individual E&P Project Overview

U.K. North Sea 3 (NOEX non-operator area)



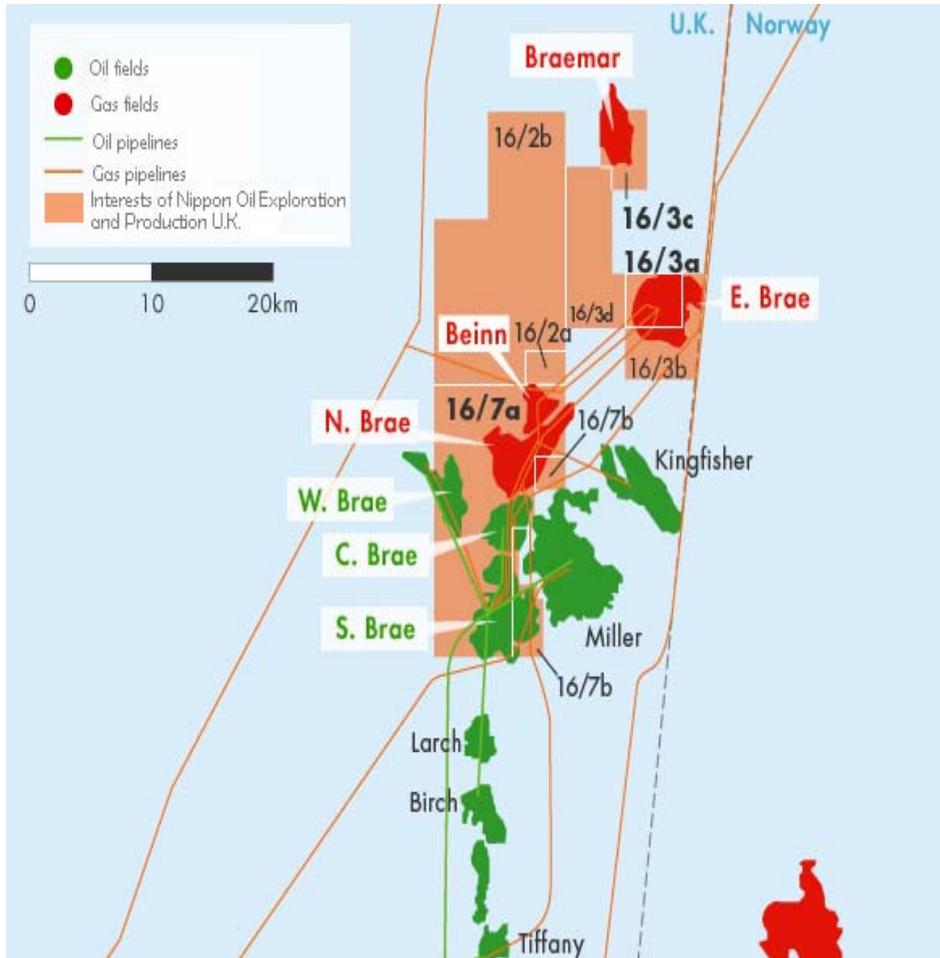
The 24th Licensing Round
2006- U.K. North Sea (2)

U.K. North Sea 4

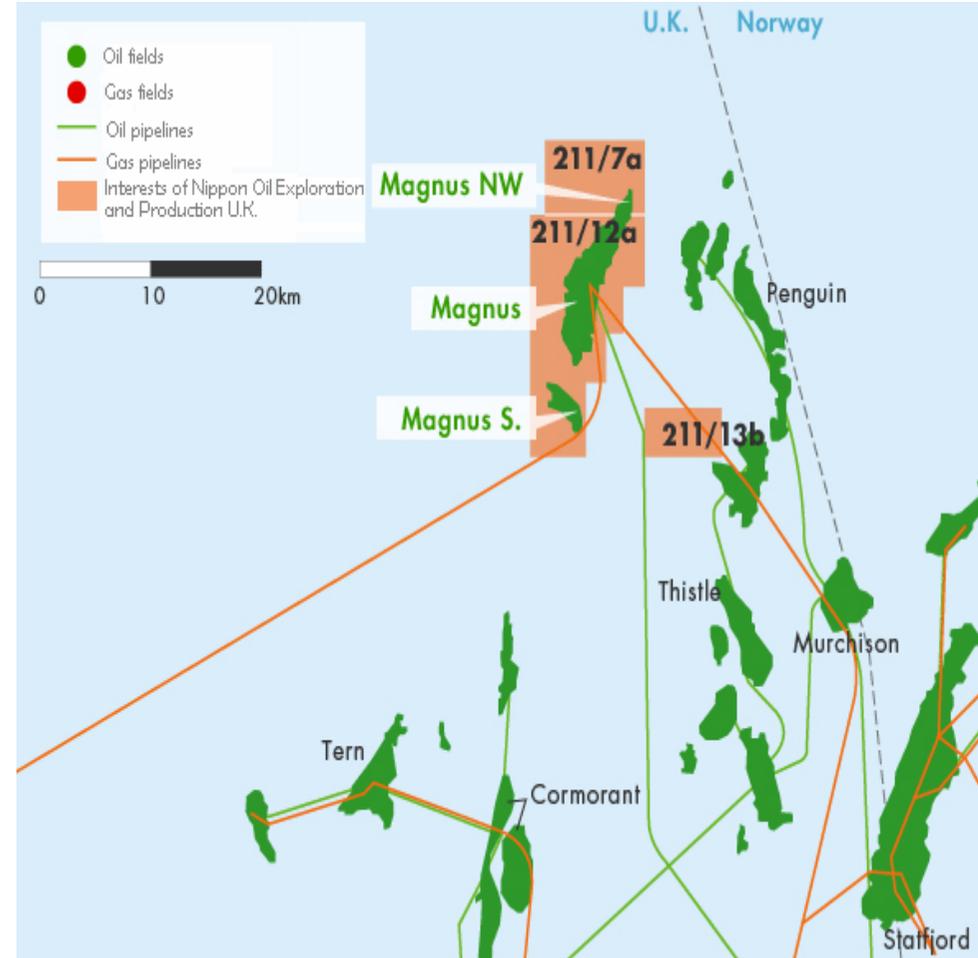


Individual E&P Project Overview

U.K. North Sea 5

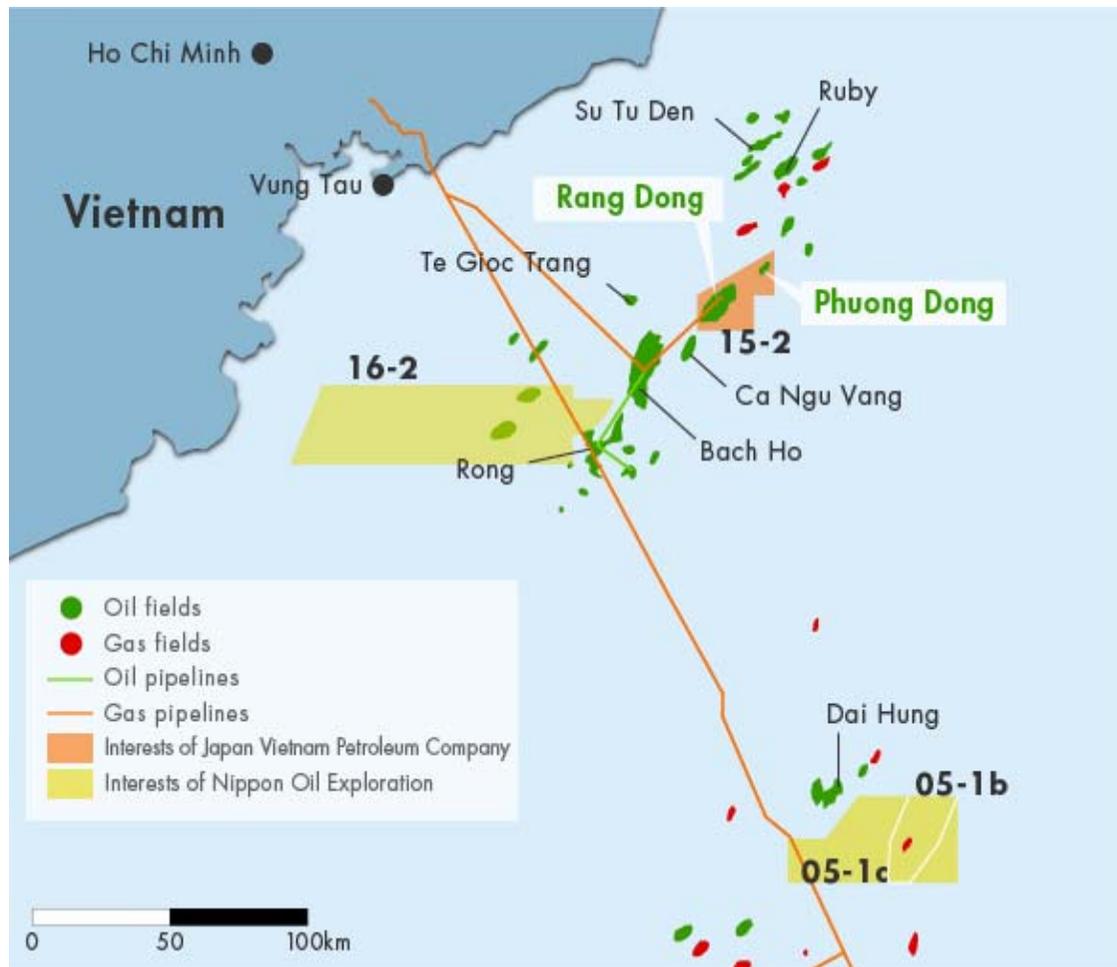


U.K. North Sea 6



Individual E&P Project Overview

Vietnam



'08Jan - Dec Production Volume

16,200BOED

(oil: 10,700b/d, gas: 34mmcf/d)

Project Company

Nippon Vietnam Petroleum Co., Ltd. (JVPC)

(97.1%)

(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

Rang Dong : 46.5%

Phuong Dong : 64.5%

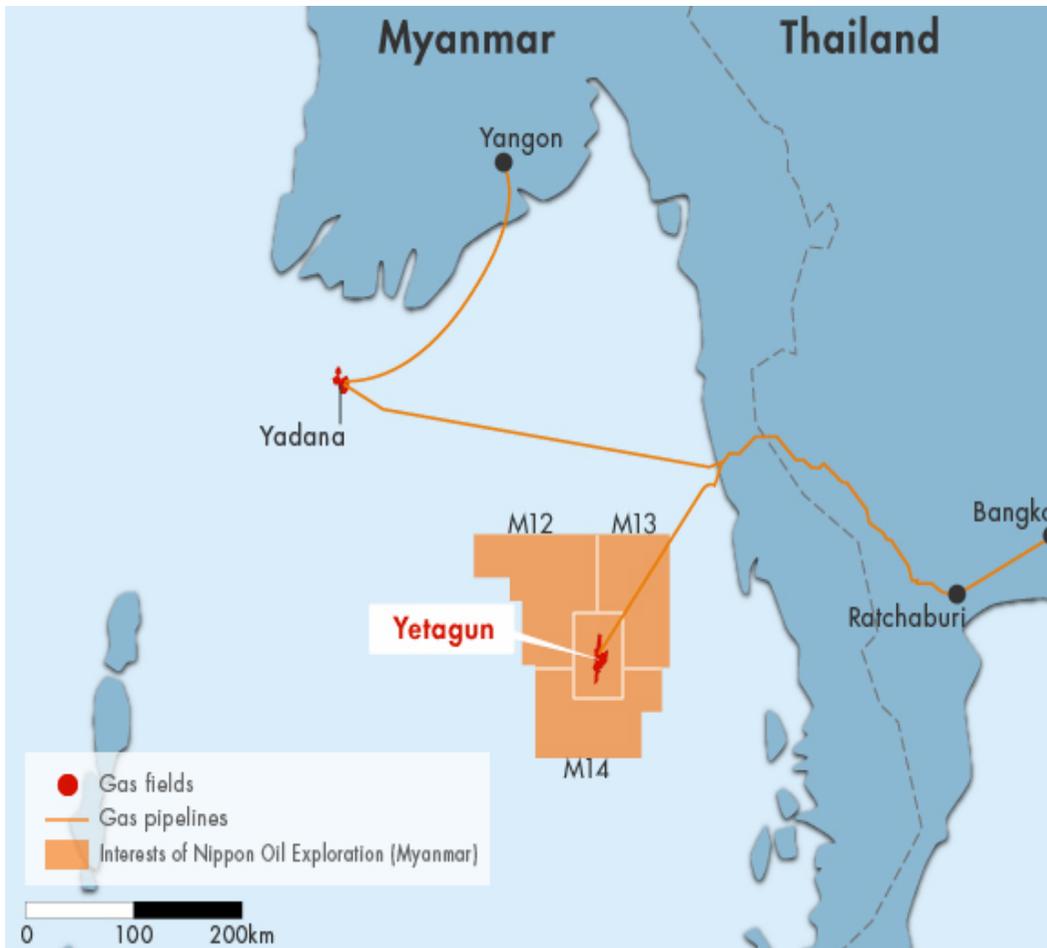
Operator

JVPC

- In 1992, JVPC acquired a working interest in block 15-2 offshore Vietnam.
- In 1994, JVPC discovered the Rang Dong Oil Field within block 15-2, and it began production in that field from 1998.
- In 2006, the Rang Dong Oil Field associated gas recovery and utilization project was approved as a Clean Development Mechanism (CDM) system under the Kyoto Protocol.
- Production Sharing Contract for 16-2 exploration block off the southern coast of Vietnam signed with PetroVietnam in November 2007.
- In February 2008, Rang Dong CDM Project received CER (Certified Emission Reductions) issuance approval under the Kyoto Protocol.
- In August 2008, JVPC began production in the Phuong Dong Field.

Individual E&P Project Overview

Myanmar



'08 Jan - Dec Production Volume

8,700BOED

(oil: 800b/d, gas: 47mmcf/d)

Project Company

Nippon Oil Exploration (Myanmar), Limited
(NOEX Myanmar) (50%)

(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

19.3%

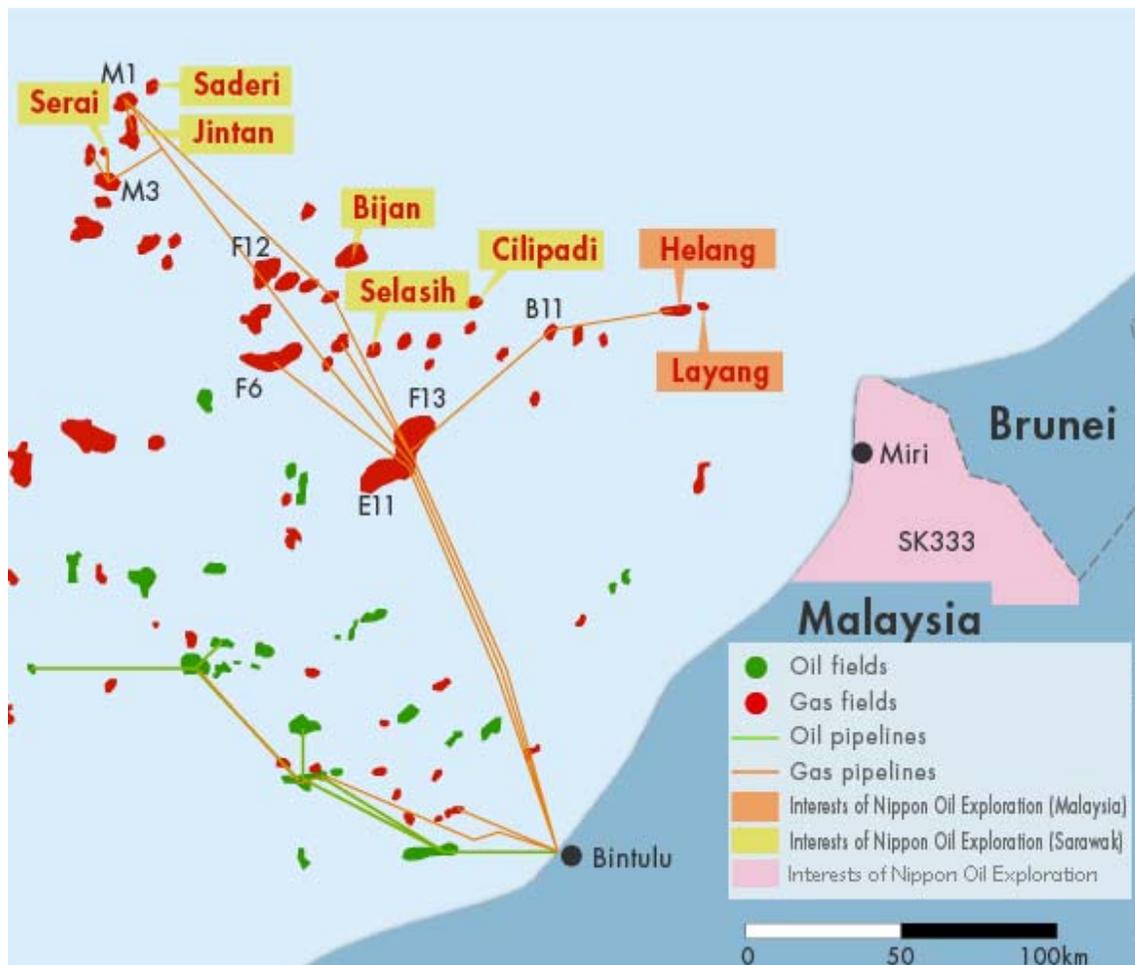
Operator

Petronas

- In 1991, NOEX Myanmar acquired a working interest in blocks M-13/14 offshore Myanmar. The following year, it acquired a working interest in block M-13/1 and discovered the Yetagun Gas Field in that block.
- In 2000, production at the Yetagun Gas Field commenced, with the produced gas supplied to the Ratchaburi power plants in Thailand.

Individual E&P Project Overview

Malaysia



'08 Jan - Dec Production Volume

23,000BOED

(oil: 3,700b/d, gas: 116mmcf/d)

Project Company

Nippon Oil Exploration (Malaysia), Limited (NOMA)

(78.7%)

(%) = Nippon Oil Group Shareholding

Range of Interest in Individual Fields

75%

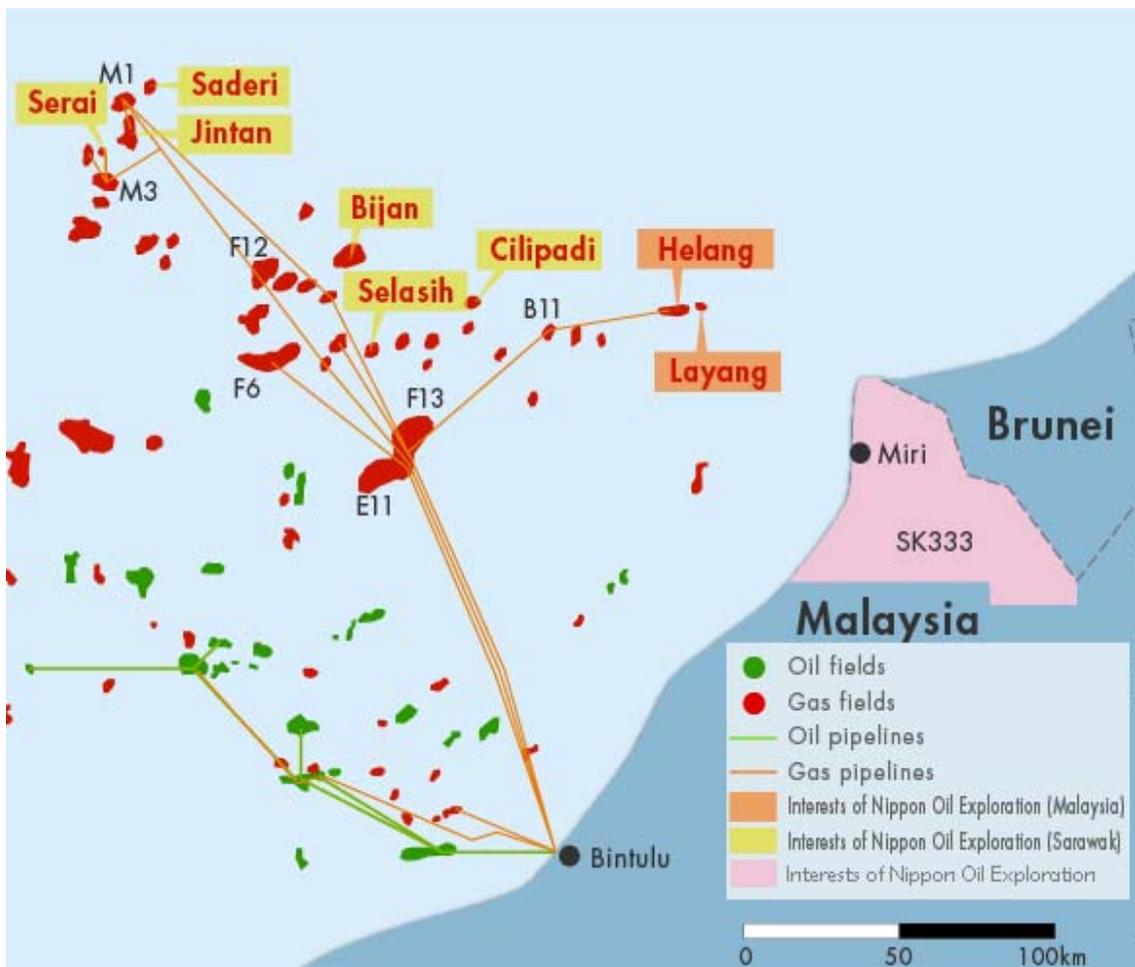
Operator

NOMA

- In 1987, NOMA acquired a working interest in Block SK-10 offshore Sarawak, Malaysia.
- In 1990, NOMA discovered the Helang Gas Field, where production commenced in 2003.

Individual E&P Project Overview

Sarawak



'08 Jan - Dec Production Volume

35,700BOED

(oil: 3,400b/d, gas: 193mmcf/d)

Project Company

Nippon Oil Exploration (Sarawak), Limited
(NOSA)

(76.5%)

(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

37.5%

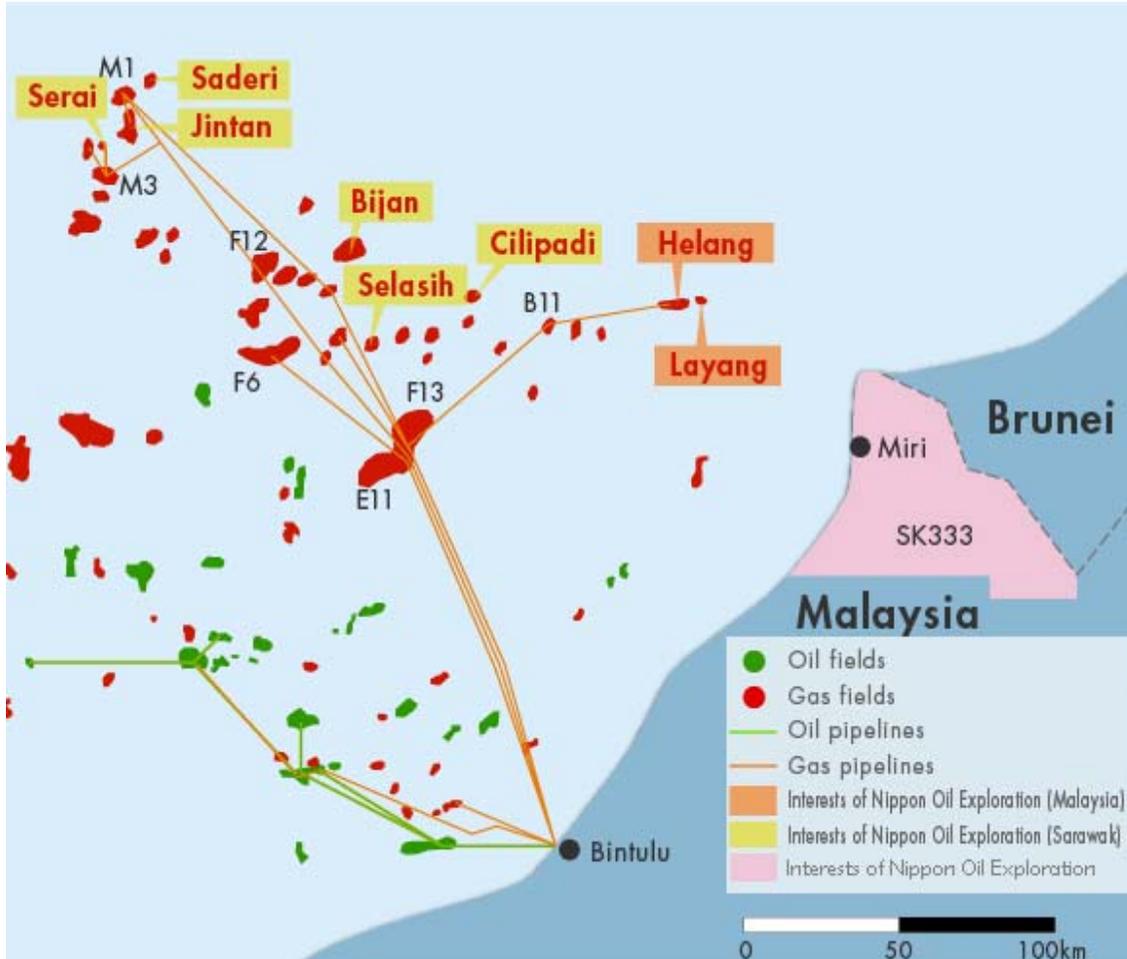
Operator

Shell

- In 1991, NOSA acquired a working interest in Block SK-8 offshore Sarawak, Malaysia.
- From 1992 through 1994, the Jintan and Serai Gas Fields were discovered in that block, and production there commenced in 2004.
- In 2007, Shell discovered the Layang Gas field.

Individual E&P Project Overview

Onshore Sarawak



'08 Jan – Dec Production Volume

-

Project Company

Nippon Oil Exploration Limited (NOEX)

Interest in Individual Fields

75%

Operator

NOEX

- NOEX acquired SK333, onshore exploration block in Sarawak, Malaysia, in December 2007. NOEX has also signed a Production Sharing Contract with Petronas, Malaysia's state-owned petroleum firm.

Individual E&P Project Overview

Offshore Peninsular Malaysia



'08 Jan - Dec Production Volume

-

Project Company

Nippon Oil Exploration (Peninsula Malaysia) Limited

Interest in Individual Fields

20%

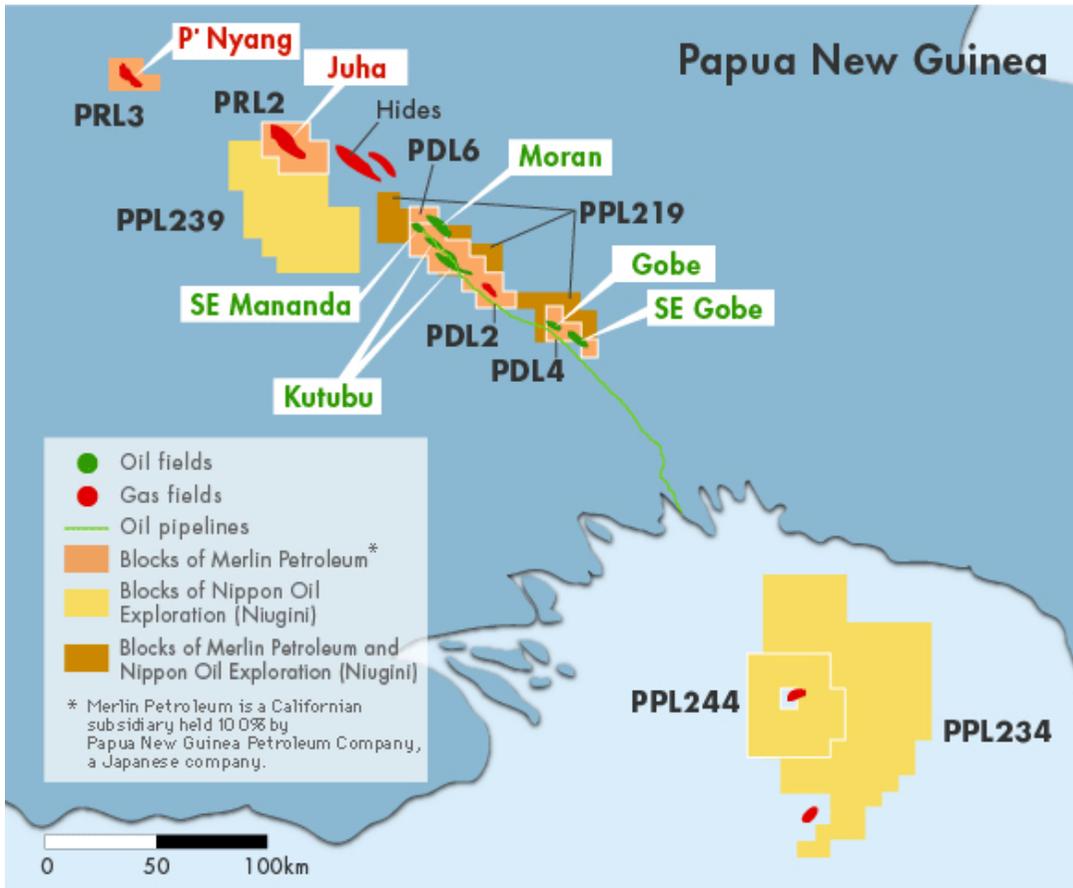
Operator

Lundin Malaysia B.V.

- NOEX acquired exploration block PM308A in waters off the coast of Peninsular Malaysia in April 2008. NOEX also signed a Production Sharing Contract with Petronas, Malaysia's state-owned petroleum firm.

Individual E&P Project Overview

Papua New Guinea



'08 Jan - Dec Production Volume

2,400b/d

Project Company

Japan Papua New Guinea Petroleum Co., Ltd. (36.4%)

Nippon Oil Exploration (PNG) Pty.Ltd. (100%)

Nippon Oil Exploration (Niugini) Pty.Ltd. (100%)

(%) = Nippon Oil Group Shareholding

Range of Interests in Individual Fields

8.3 to 73.5%

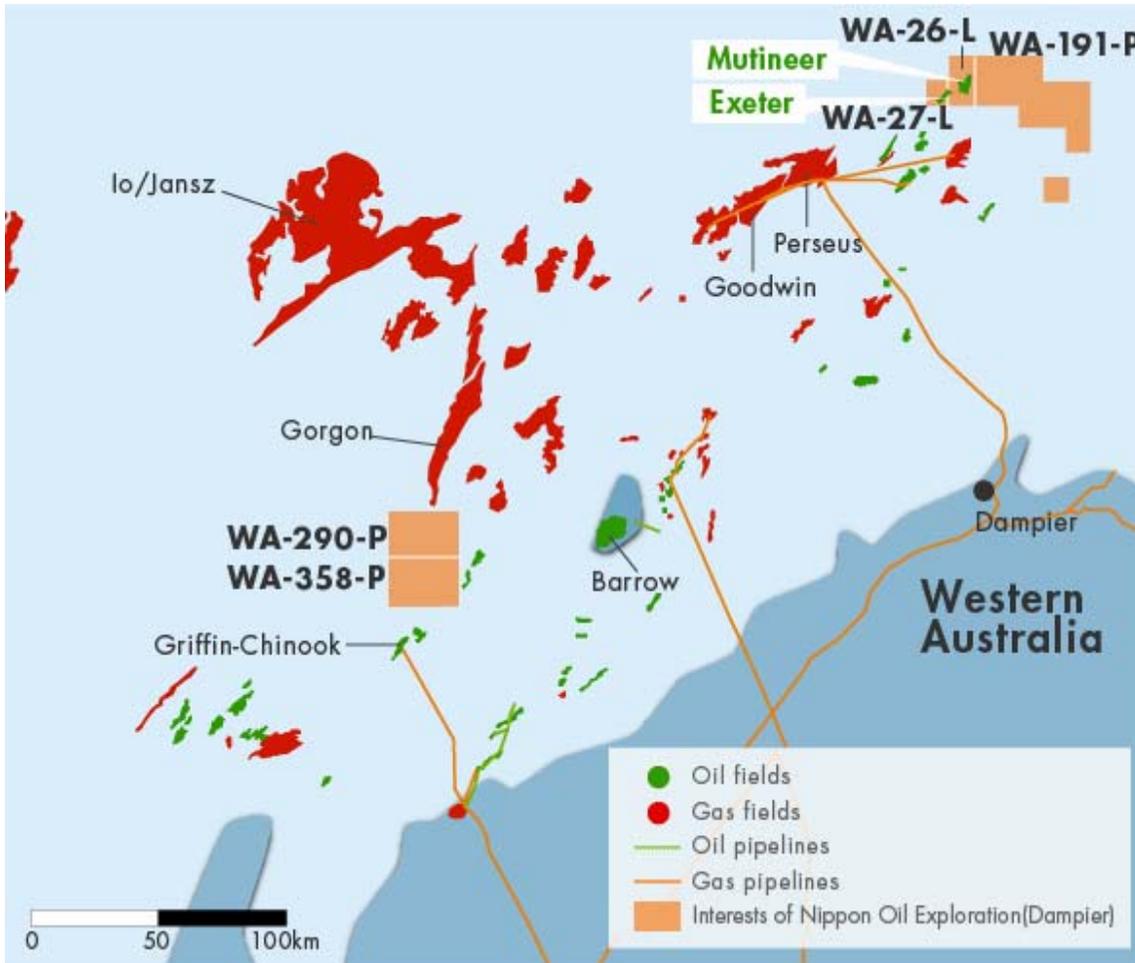
Operator

Oil Search, Exxon Mobil

- In 1990, Japan Papua New Guinea Petroleum acquired exploration rights in Papua New Guinea from Merlin. Subsequently, exploration, development, and production activities have been undertaken in the Kutubu, Moran, Gobe, and SE Gobe oil fields.
- In March 2008, Japan Papua New Guinea Petroleum signed a joint business contract for LNG project to conduct feasibility studies with other participants to determine the project's commercial viability.
- In December 2008, Merlin, Japan Papua New Guinea Petroleum's 100% subsidiary, acquired the PNG LNG Project equity and oil field equity that AGL Energy owned.
- In January 2009, Nippon Oil Exploration (Niugini) acquired the four exploration licenses (both onshore and offshore) from Oil Search Limited.

Individual E&P Project Overview

Australia 1



'08 Jan - Dec Production Volume
2,500b/d

Project Company

Nippon Oil Exploration (Dampier) Pty Ltd.
(NOEX (Dampier)) (100%)
(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

25%

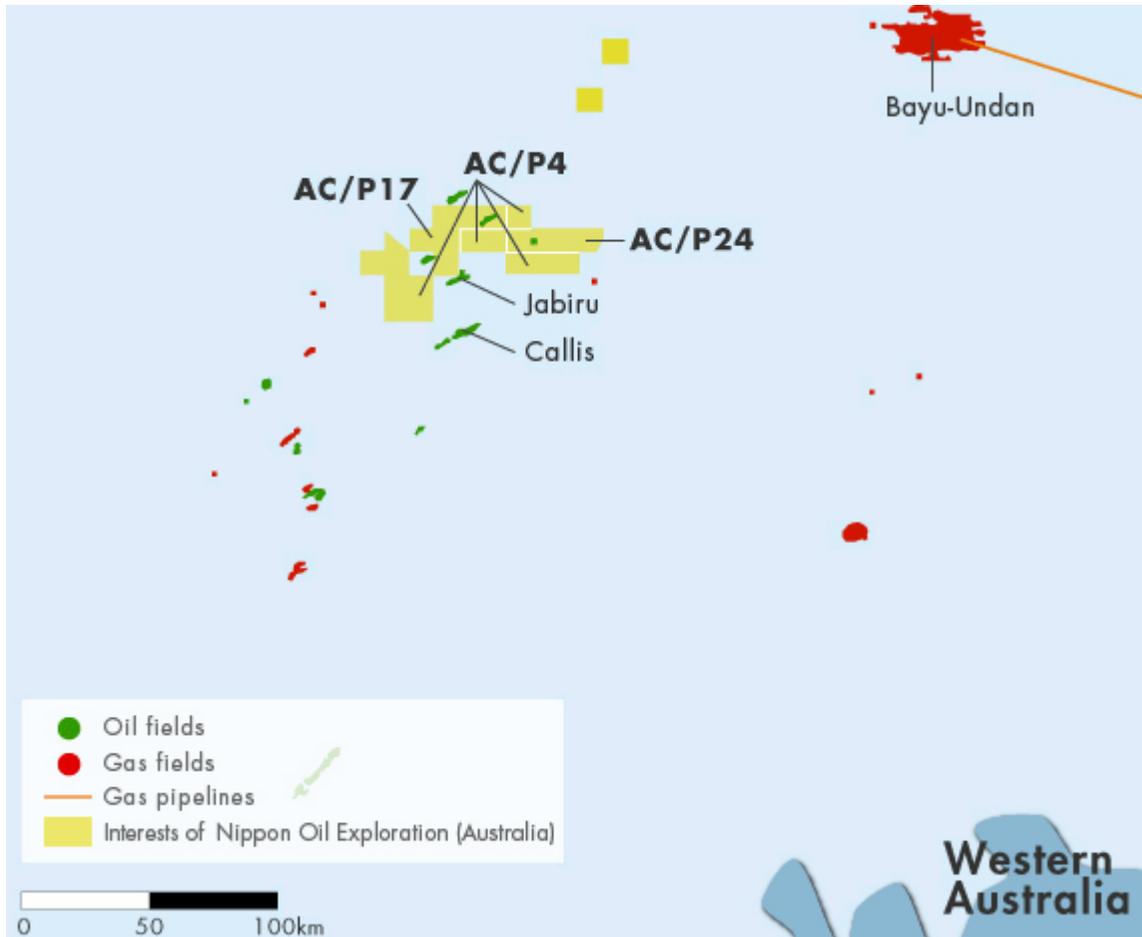
Operator

Santos

- In 1997, NOEX (Dampier) acquired a 25% working interest in Block WA-191-P. Subsequently, the Mutineer and Exeter gas fields were discovered in that block, and production there commenced in 2005.

Individual E&P Project Overview

Australia 2



'08 Jan - Dec Production Volume

-

Project Company

Nippon Oil Exploration (Australia) Pty Ltd
(NOEX (Australia)) (100%)
(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

30%

Operator

OMV

- In 2004, NOEX (Australia) acquired a 30% interest in Block AC/P24.
- In 2005, NOEX (Australia) acquired a 30% working interest in Block AC/P4, AC/P17, AC/RL4b and AC/RL5 .

Individual E&P Project Overview

Canada



'08 Jan - Dec Production Volume
14,400b/d

Project Company

Japan Canada Oil Co., Ltd. (100%)
(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

5%

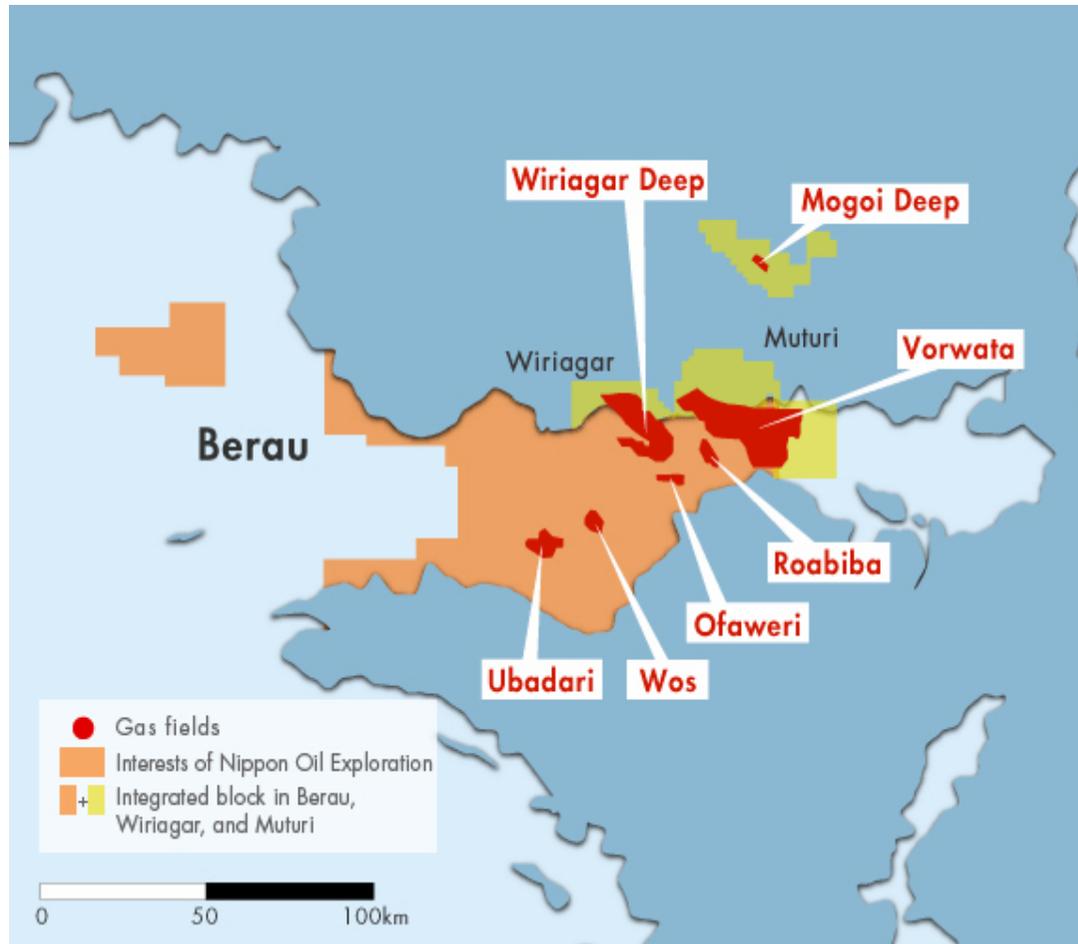
Operator

Syncrude

● In 1992, NOEX acquired a 5% stake in the Syncrude project from PetroCanada. Subsequently, this stake was transferred to Mocal Energy Limited (a wholly owned subsidiary of NOEX).

Individual E&P Project Overview

Indonesia



'08 Jan - Dec Production Volume

-

Project Company

Nippon Oil Exploration (Berau), Limited
(NOEX(Berau)) (51%)

(%) = Nippon Oil Group Shareholding

Interest in Individual Fields

12.2% (after unitization)

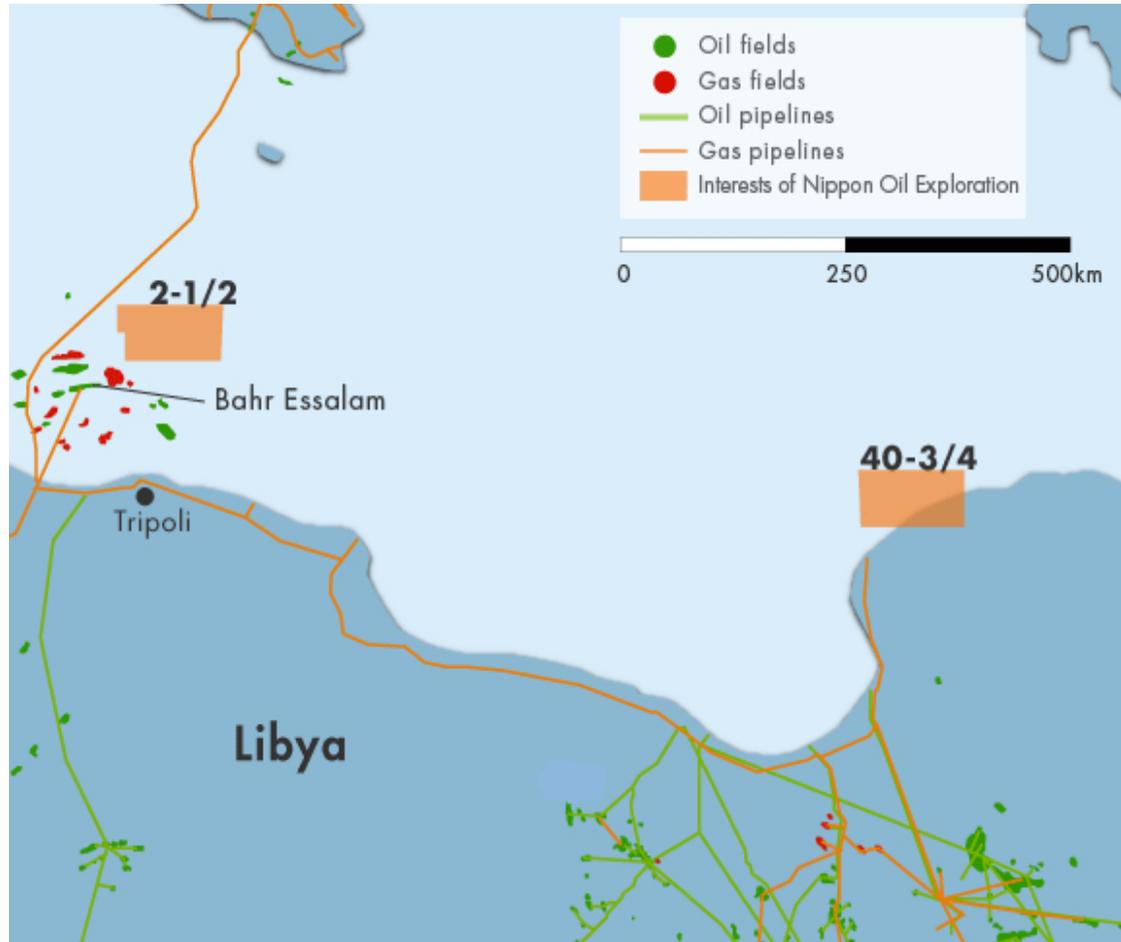
Operator

BP

- From 1990, using three test wells natural gas was discovered in the area. Subsequently, the Vorwata Gas Field, Wiriagar Deep Gas Field, and other gas structures were discovered.
- From 2003, those with interests in the Berau, Wiriagar, and Muturi blocks agreed to become partners in unitizing the blocks and undertake development work cooperatively.
- In the first half of FY2009, production is scheduled to begin.

Individual E&P Project Overview

Libya



'08 Jan - Dec Production Volume

-

Project Company

Nippon Oil Exploration Limited (NOEX)

Interests in Individual Fields

90% (2-1/2 block)

38% (40-3/4 block)

Operators

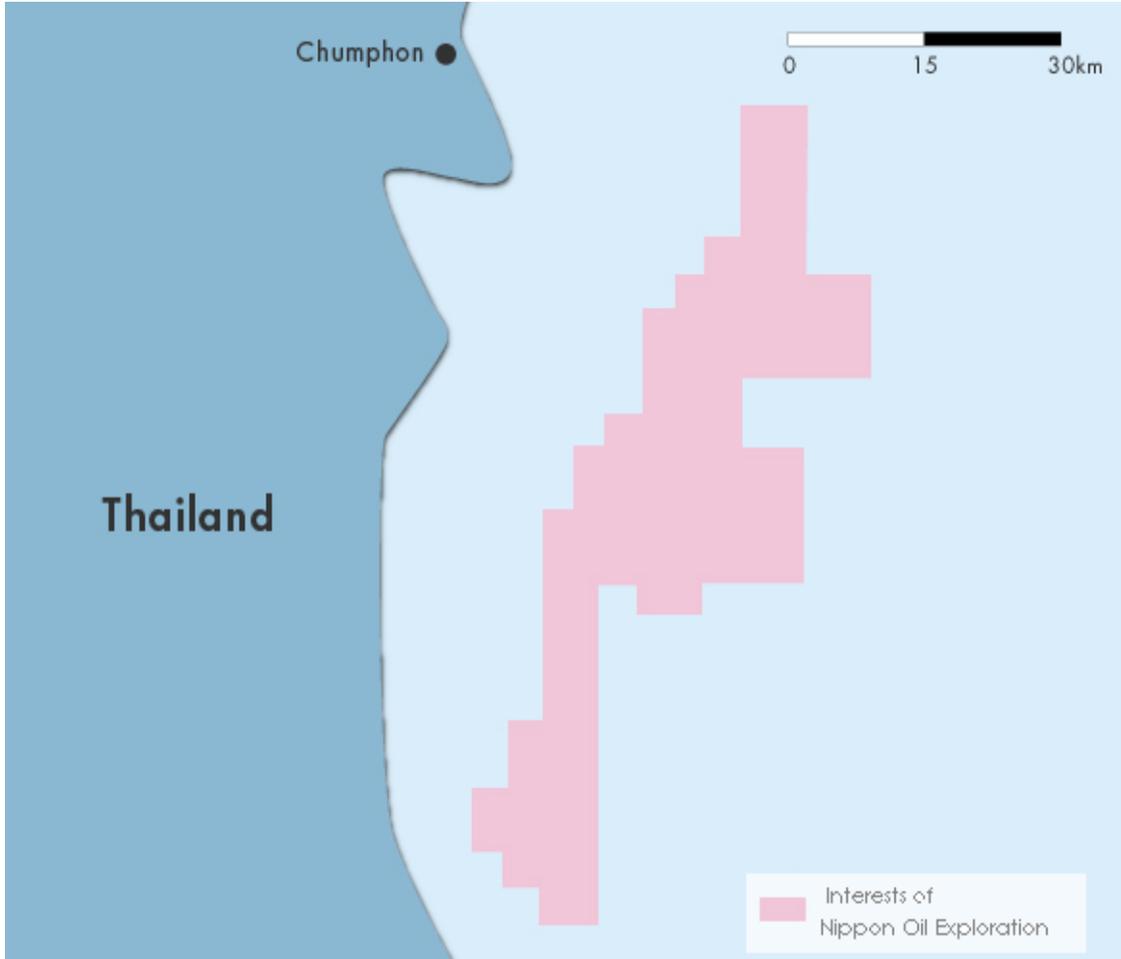
NOEX (2-1/2 block)

Japex Libya Ltd. (40-3/4 block)

● NOEX won interests in two blocks (2-1/2 and 40-3/4) in a round of public bidding held in October 2005. Plans call for beginning exploration activities in those blocks.

Individual E&P Project Overview

Thailand



'08 Jan - Dec Production Volume

-

Project Company

Nippon Oil Exploration Limited (NOEX)

Interests in Individual Fields

40%

Operators

PTTEP

- In December 2007, NOEX concluded a contract for the acquisition of an interest in exploration block B6/27, located in the Gulf of Thailand. Exploration work is set to commence in the near future.
- In April 2008, NOEX applied to Thai government for the license, and it await the approval now. Plans call for beginning exploration activities in the block.

Cautions with Respect to Forward-Looking Statements

The financial forecasts, management targets, and any other estimates and projections of the Company presented in this report are based on information available to management as of the date set forth within.

Please note that actual results may vary significantly from projected forecasts due to various uncertain factors, and, as such, readers should take care when making investment decisions based solely on the forecasts herein.

The factors affecting actual results include but are not limited to economic conditions, crude oil prices, demand for and market conditions of petroleum and petrochemical products, exchange rate and interest rate trends.