

## Flash Report for the third quarter of fiscal 2004 (Consolidated Basis)

Feb 10, 2004

Company name : Nippon Oil Corporation

Stock listings: Tokyo, Osaka, Nagoya, Fukuoka, and Sapporo Exchanges

Code number: 5001

 ( URL <http://www.eneos.co.jp> )

President and Representative Director(CEO): Fumiaki Watari

For further information, please contact: Kenjiro Mutaguchi, Group Manager, Investor Relations Group

Telephone: +81-3-3502-1184

### 1. Items related to the preparation of this summary of quarterly results

- Changes in accounting methods from the most recent consolidated fiscal year: Some simplified methods used in connection.
- There was no Change in the scope of consolidation and equity method application.

### 2. Results for the third quarter of fiscal 2004 (from April 1, 2003 to December 31, 2003)

#### (1) Operating results (Consolidated Basis)

(Figures less than ¥ 1 million have been omitted)

	Net Sales	Operating income	Recurring income
	(% change from the same quarter of the previous year)	(% change from the same quarter of the previous year)	(% change from the same quarter of the previous year)
	Millions of yen	Millions of yen	Millions of yen
Third quarter of FY2004	3,083,949 ( - )	27,907 ( - )	27,751 ( - )
Third quarter of FY2003	- ( - )	- ( - )	- ( - )
Year ended March 31, 2003	4,187,392	96,586	90,796

	Net income	Net income per share	Net income per share after dilution
	(% change from the same quarter of the previous year)		
	Millions of yen	Yen	Yen
Third quarter of FY2004	15,352 ( - )	10.19	-
Third quarter of FY2003	- ( - )	-	-
Year ended March 31, 2003	32,281	21.03	20.76

Note: Because this is the first fiscal year in which the Company has released quarterly performance figures, figures for quarterly performance in the same period of the previous fiscal year are not shown.

#### [Commentary on Consolidated Performance to Date]

Sales of petroleum products through the end of the Company's third quarter (the period from April 1, 2003, through December 31, 2003), including sales of crude oil, amounted to 39.97 million kiloliters, representing an increase of 1.9% over the same period of the previous year. Although sales of kerosene declined, because of the impact of relatively warm winter weather, and demand for diesel oil was lower, sales of heavy fuel oil C for thermal power generation plants remained firm, thus resulting in an overall increase in petroleum product sales.

The consolidated performance for fiscal 2004 to date has virtually attained the levels forecast at the time of the announcement of the interim results. Net sales for the third quarter amounted to 383.9 billion, recurring income was 27.8 billion, and net income amounted to 15.4 billion.

The principal factor enabling the Company to report recurring income, virtually on target with the forecast level, was the continuation of relatively high crude oil prices at an average of US\$27.9/barrel (versus a forecast of US\$26.4/barrel at the time of the announcement of the Company's interim results). Although relatively high oil prices diminished the impact of inventory valuation conducted under the average method (a factor boosting profitability), they offset the decline in sales margins (a factor reducing profitability) and other factors.

## (2)Financial position (Consolidated Basis)

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Third quarter of FY2004	3,530,583	961,389	27.2	637.19
Third quarter of FY2003	-	-	-	-
Year ended March 31, 2003	3,350,237	929,987	27.8	615.89

## 【Cash flows (Consolidated Basis)】

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Third quarter of FY2004	135,182	69,726	20,416	159,375
Third quarter of FY2003	-	-	-	-
Year ended March 31, 2003	49,549	16,170	55,948	109,638

Note: Because this is the first fiscal year in which the Company has released quarterly performance figures, figures for quarterly performance in the same period of the previous fiscal year are not shown.

## (Reference) Nonconsolidated results for the first quarter of fiscal 2004 (from April 1, 2003 to December 31, 2003)

	Net Sales	Operating income	Recurring income
	Millions of yen	Millions of yen	Millions of yen
Third quarter of FY2004	2,458,186	7,456	10,825

	Net income	Total assets	Shareholders' equity
	Millions of yen	Millions of yen	Millions of yen
Third quarter of FY2004	2,082	2,512,435	735,801

## 3. Forecasts of consolidated performance in fiscal 2004 (from April 1, 2003 to March 31,2004)

## Forecasts of consolidated performance in fiscal 2004 (from April 1, 2003 to March 31, 2004)

	Net Sales	Recurring income	Net income
	Millions of yen	Millions of yen	Millions of yen
Fiscal year	4,245,000	44,000	14,000

(Reference) Net income per share(Fiscal year):8.94Yen

## (Reference)Forecasts of nonconsolidated performance in fiscal 2004 (from April 1, 2003 to March 31, 2004)

	Net Sales	Recurring income	Net income
	Millions of yen	Millions of yen	Millions of yen
Fiscal year	3,320,000	13,000	5,000

\* The aforementioned forecasts are forward-looking statements based on all information available to the management at the time of this document's release. Factors including, but not limited to, economic conditions, oil prices, demand trends for petroleum products, market trends, currency exchange rates, and interest rates, may cause actual results to differ substantially from the anticipated results.