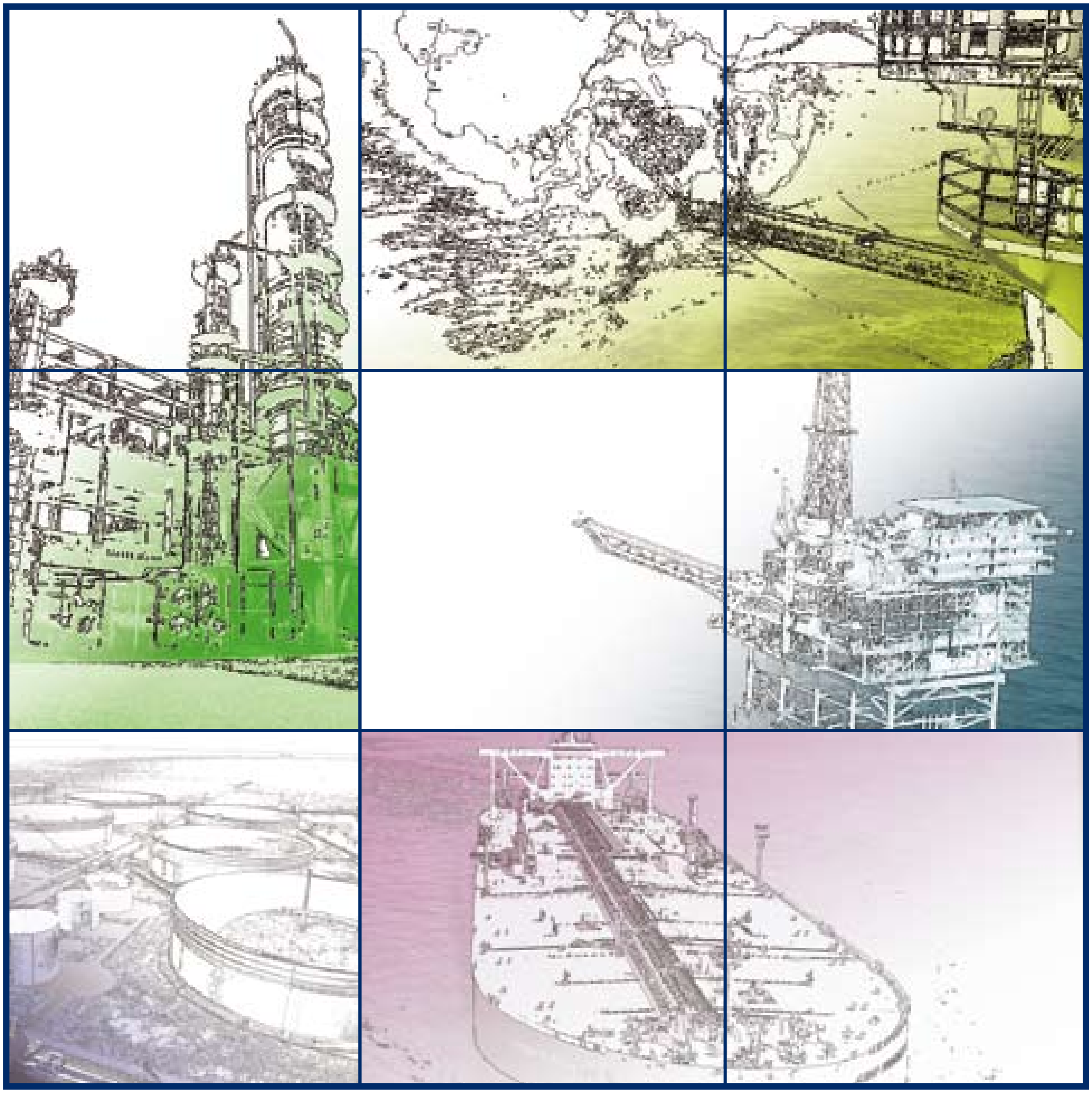
AOC Holdings, Inc.

ANNUAL REPORT 2008

Fiscal year ended March 31, 2008

Reliability In Energy Supply

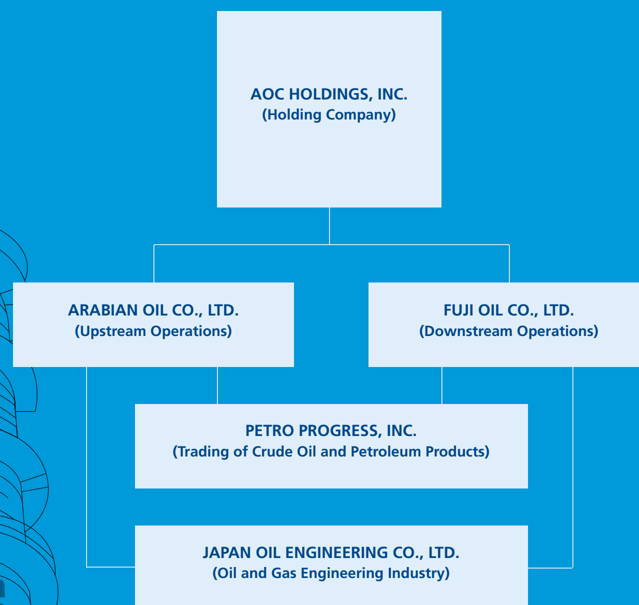


Holdings

Profile

AOC Holdings, Inc., was established in January 2003 as a joint holding company for the Arabian Oil Company, Ltd. (AOC), and the Fuji Oil Company, Ltd. (FOC). These two companies handle upstream and downstream petroleum operations respectively, and form the core of the AOC Holdings Group. Through unified management of these two businesses, AOC Holdings aims to effectively utilize management resources and optimize Groupwide operations. Our fundamental management policy is to maximize corporate value for all stakeholders.

As a comprehensive energy-focused Group, AOC Holdings seeks to fulfill its responsibilities as a corporate citizen by contributing to the future affluence of society and the realization of a safe and comfortable environment. Based on this mission, AOC Holdings provides a stable supply of energy products, including oil, natural gas and petroleum products, which are indispensable to both consumers and industry.



CONTENTS

Financial Highlights	1
To Our Shareholders and Stakeholders	2
Interview with the President	3
Review of Operations	6
Upstream Operations	6
Downstream Operations	10
Corporate Governance	13
Directors, Auditors and Executive Officers	15
Environmental Conservation Initiatives	16
AOC Holdings Group Companies	17
Investor Information	18

Cautionary Statement with Regard to Forward-Looking Statements

Certain of the statements made in this annual report are forward-looking statements, which involve certain risks and uncertainties that could cause actual results to differ from those projected. These statements are based on management's assumptions and beliefs in light of the information currently available.

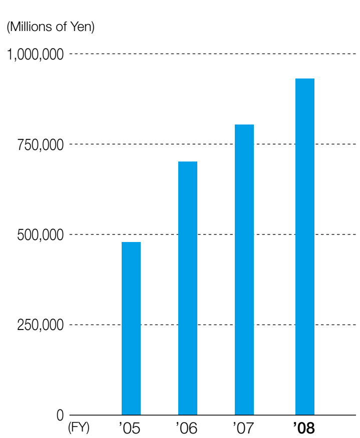
Financial Highlights

(Fiscal years ended March 31)

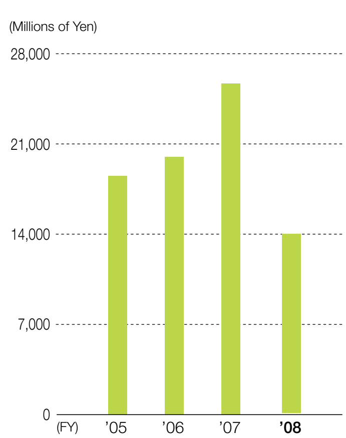
	Millions of Yen				Thousands of U.S. Dollars (Note 1)
	2005	2006	2007	2008	2008
Net sales	¥477,295	¥701,352	¥801,020	¥930,738	$9,289,729
Operating income	18,447	19,864	25,616	13,954	139,275
Income before income taxes	21,418	43,875	27,205	8,401	83,850
Net income	17,248	34,018	18,999	4,665	46,561
Capital expenditures	3,986	11,771	26,542	19,967	199,291
Depreciation and amortization	4,007	4,038	4,580	6,253	62,411
At year-end:					
Total assets	293,404	349,835	385,431	451,892	4,510,350
Total shareholders' equity	76,351	120,017	—	—	—
Total net assets	—	—	143,261	145,147	1,448,717
Interest-bearing debt	113,419	108,918	136,002	176,471	1,761,363
(*)	89,901	77,609	82,475	113,506	1,132,907
Debt–equity ratio (times)	1.49	0.91	0.96	1.22	
(*)	1.18	0.65	0.58	0.78	
Per share (yen and U.S. dollars):					
Net income	¥255.67	¥484.21	¥247.53	¥60.41	$0.6
Cash dividends paid	10	15	15	15	0.14
Number of employees	616	625	629	609	

*Excluding borrowings for lending funds under the loan agreement with Kuwait Gulf Oil Company, which is substantially liable for repayment

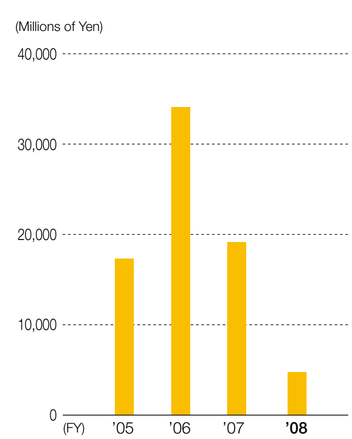
Net sales



Operating income



Net income



To Our Shareholders and Stakeholders

I am pleased to present the results for the fiscal year ended March 31, 2008, in the AOC Holdings Annual Report 2008. In the period under review, by working to expand and strengthen its stable earnings base, the AOC Holdings Group steadfastly strove to fulfill its mission to provide a stable supply of crude oil, natural gas and petroleum products to industry and consumers in Japan. The Group is fully committed to bolstering its earnings potential and maximizing its corporate value through unified efforts to successfully meet the challenges faced by its businesses. In these endeavors, we look forward to the ongoing support and understanding of our shareholders and other stakeholders.

November 2008

Chairman
H. Takeda

President
F. Sekiya

Interview with the President

The upstream operations of AOC and downstream operations of FOC comprise the core businesses of the AOC Holdings Group. Through unified management of these two businesses, AOC Holdings aims to optimize Groupwide operations and maximize corporate value. The Group will continue in its efforts to enhance management efficiency and bolster earnings capabilities.

Q. Please provide an overview of the fiscal year under review, including operating results.

A. Global oil demand remained robust during the year under review, led by such non-OECD countries as China and India. This was despite a slowdown in the United States economy in the second half of the period, primarily owing to the spreading impact of the subprime loan crisis. At the start of the period, the price of West Texas Intermediate (WTI) crude oil fluctuated in the mid-$60 range per barrel, and continued to rise, driven by heightened geopolitical risk in oil-producing countries and tight supply and demand conditions reflecting robust economic growth in emerging economies. From the northern-hemisphere summer onward, crude oil prices rose further as concern over deterioration of the U.S. economy led to a weakening of the U.S. dollar and an influx of speculative funds into the crude oil futures market. In January 2008, the benchmark crude oil price reached $100 per barrel for the first time. Subsequently, although the WTI price temporarily declined to below $90 per barrel, from the second half of February the price once again topped $100, a level at which it remained. The average price of WTI crude oil during the fiscal year under review was approximately $82 per barrel, while Dubai crude oil averaged a price of approximately $77 during the period under review. Both benchmark crudes averaged around $17 higher compared with the previous fiscal year.

In the Japanese domestic market for petroleum products, demand for heavy fuel oil for electric power generation increased owing to the impact of the Chuetsu offshore earthquake in Niigata Prefecture in July 2007, which led to the shutdown of certain nuclear power stations. However, general consumption was further curbed by rising prices and the trend toward conversion to alternative fuels became more pronounced. Overall, fuel oil demand was slightly lower compared with the previous fiscal year. Despite petroleum product price increases driven by rising crude oil prices, the rate of price increases for petroleum products remained slower than the pace at which crude oil prices rose. In the area of petrochemical products, including benzene and xylene, although conditions were favorable in the first half of the period—owing to increasing demand from Asia—rising raw material costs were not fully reflected in product prices, leading to pressure on operating margins.

Under these operating conditions, the AOC Holdings Group posted consolidated net sales amounting to ¥930.7 billion, an increase of 16.2% compared with the previous fiscal year. Ordinary income decreased 57.9%, to ¥11.5 billion, and net income declined 75.4%, to ¥4.7 billion. Factors contributing to this decrease in net income included the posting of a one-off extraordinary loss of ¥2.7 billion related to costs incurred in our loan agreement with Kuwait Gulf Oil Company (KGOC), part of which were deemed irrecoverable.

Q. Please provide a summary of your outlook for the fiscal year ending March 31, 2009.

A. In upstream operations, despite negative impact from the expiry of the technical services agreement with KGOC, AOC is forecast to record a rise in operating income as it expects decrease in exploration costs during the term. In downstream operations, the commencement of production operations by FOC's second fluid catalytic cracking (FCC) unit at its Sodegaura Refinery complex is expected to contribute to increased value added and improved profitability for petroleum pitch. As a result, operating income is expected to increase.

Based on assumptions of an average U.S. dollar exchange rate of ¥106 and an average price for Dubai crude oil of $98 per barrel, the Group's consolidated operating results forecasts for the fiscal year ending March 31, 2009, are as follows. We forecast net sales of ¥1,116.0 billion, operating income of ¥11.5 billion, ordinary income of ¥12.5 billion and net income of ¥6.0 billion. Please note that these forecasts are based on information available at the time the forecasts were made and are therefore subject to fluctuation should circumstances change.

Q. Please outline your current management strategies and near-term business development plans.

A. The Group's medium-term management strategy focuses on three key areas as it develops its businesses—building a stable earnings base, implementing an aggressive investment program and maintaining a sound financial structure. In the upstream business, we are working to expand the scale of business through a sound investment program and implementation of a steadfast strategy, which aims to identify and commercialize new projects with significant potential. In the downstream petroleum business, we are striving to maintain and enhance cost competitiveness and respond to changes in the structure of demand by investing in capacity expansion that enhances our capabilities in light petroleum products and high-value-added products. Furthermore, we are aiming to diversify our customer base and increase sales of petroleum products in the international marketplace. Based on these core strategies, we are carrying out the following program of business development.

In the upstream business, which comprises oil and gas exploration, development and production, our technical services agreement (TSA) with KGOC—an earnings source—expired in January 2008. However, we intend to effectively utilize the Group's considerable human resource assets, particularly our team of over 100 technical staff, including those previously assigned to the TSA. We aim to achieve this by aggressively targeting new upstream projects. Specifically, in June 2008 we received approval from the government of the Arab Republic of Egypt for the development of the Northwest October Block in the Gulf of Suez. We are rapidly proceeding with this development project and aim to commence commercial production during the first half of fiscal 2011, ending March 31, 2011. Furthermore, we intend to maintain steady production at our existing interests in the Gyda oil field located within the Norwegian North Sea. In September 2008, we newly acquired an interest in an exploration license adjacent to our existing producing asset in the Gyda field, and will work toward oil and gas discoveries in this new block. We will proceed with exploration operations and aim to achieve results from exploration during fiscal 2009, ending March 31, 2009. In addition to the two projects outlined above, we are also closely investigating potential new projects, particularly in Egypt, Norway and the Arabian Gulf area.

In the downstream business, which comprises the refining and sale of petroleum products, our business development plans are proceeding substantially according to plan as set out in our Medium-Term Business Plan (fiscal 2008–fiscal 2010), announced during fiscal 2007, ended March 31, 2007. While focusing on the safe and stable operations of our Sodegaura Refinery, we are proceeding with the following measures to respond to a global shift in the demand structure for petroleum products and a declining demand trend for petroleum products in the domestic Japanese market.

In response to weakening demand for heavy fuel oil C used in electric power generation, FOC has expanded its fluid catalytic cracking (FCC) facilities, which can convert low-sulfur fuel oil C that was destined for electric power generation into gasoline and petrochemical feedstocks. The newly completed second FCC unit at the Sodegaura complex commenced operations in March 2008. In response to falling demand for high-sulfur heavy fuel oil C among industrial users, FOC has embarked on a capacity expansion project at its vacuum residue thermal cracking unit (Eureka thermal cracking unit based on FOC's proprietary technology), which is due for completion in June 2009. This facility can convert asphalt—the feedstock used to manufacture high-sulfur heavy fuel oil C—into lighter distillates. We are also implementing a plan to expand gasoline export capacity in response to declining domestic demand for petroleum products. We aim to complete this expansion project in autumn 2008, bolstering gasoline export capacity to one million kiloliters (kl) per year.

Q. Please explain your policies regarding shareholder return.

A. We recognize shareholder return as a key issue for management. Whilst ensuring internal reserves are built up adequately to cater to medium and long-term business development, our basic policy is to strive for the maintenance of stable dividends, after taking into account operating results and our funding balance.

Based on this policy, dividends applicable to the fiscal year under review were ¥15.00 per share. For fiscal 2009, we also plan to pay dividends of ¥15.00 per share.

With regard to internal reserves, while working to maintain a sound financial structure, we intend to implement strategic investments for the purpose of enhancing operating results and creating a stable earnings base as well as enhancing our medium and long-term business foundations. These investments will specifically target the winning of new projects in the upstream business and the rapid commercialization of such projects, and increasing the value-added of products in the downstream business.

Q. Do you have any closing remarks for shareholders and investors?

A. While we anticipate the continuation of a harsh operating environment for the AOC Holdings Group in the near term, we plan to carefully manage the Group's overall operating results and risk exposure. We are committed to achieving further efficiency enhancements in Group management and maximizing the value of the Group for stakeholders.

By providing a stable supply of crude oil, natural gas and petroleum products, AOC Holdings will continue working to fulfill its role as an energy-focused Group and responsibilities as a corporate citizen, thereby contributing to the future affluence of society and the realization of a safe and comfortable environment.

Upstream Operations

Arabian Oil Co., Ltd. (AOC), is the Group's core entity engaged in the exploration, development and production of crude oil and natural gas. For nearly half a century AOC has contributed to the stability of Japan's energy supply as the first Japanese company to undertake petroleum development overseas. This is a crucial role owing to Japan's relatively poor endowment of energy resources.

AOC entered into concession agreements with the government of Saudi Arabia in 1957 and the government of Kuwait in 1958 for oil rights in the offshore Neutral Zone (now Divided Zone) between the two countries. AOC discovered the Khafji oil field in 1960 and the Hout oil field in 1963.

The concession agreement with Saudi Arabia expired in February 2000, as did the agreement with Kuwait in January 2003. However, AOC continued to participate in oil field operations in the offshore Divided Zone from January 2003 based on a technical services agreement and a crude oil purchasing agreement with Kuwait. The five-year technical services agreement expired in January 2008. AOC now has a long-term crude oil purchasing agreement with the Kuwait Petroleum Corporation (KPC). Based on this agreement, AOC continues to supply crude oil to customers in Japan and other countries.

AOC is also involved in oil and natural gas exploration and development projects in regions outside the Middle East. Currently, AOC is pursuing crude oil production projects in China (South China Sea) and Norway (North Sea).

Khafji-Related Operations

Under a technical services agreement with the Kuwait Gulf Oil Company (KGOC), which took effect in January 2003, AOC dispatched personnel to the Al-Khafji Joint Operations in the Kuwait/Saudi Arabia offshore Divided Zone. The technical services agreement for AOC's participation in this oil operation expired on January 4, 2008. AOC sold crude oil purchased under a long-term crude oil purchasing agreement with KPC to customers in Japan and overseas. A portion of these crude oil sales were conducted through Petro Progress Pte Ltd., which is a Singapore-based member of the AOC Holdings Group.

As a result, segment sales amounted to ¥282.0 billion, an increase compared with the previous fiscal year that was mainly attributable to higher crude oil prices. The segment recorded an operating loss of ¥0.7 billion, largely owing to the expiry of its technical services agreement with KGOC.

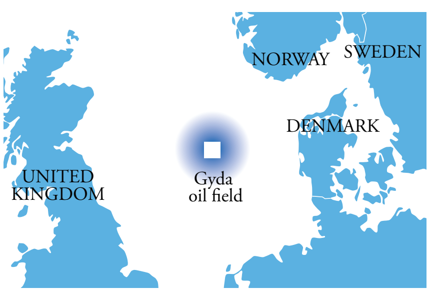
Crude Oil Sales Volume (Fiscal years ended March 31)

(Thousands of barrels per day)	2005	2006	2007	**2008**
Khafji crude oil	78.7	93.2	95.2	**89.8**
Hout crude oil	6.0	5.0	5.0	**5.0**

Arabian Gulf

South China Sea

Norwegian North Sea



Oil and Gas Exploration, Development and Production

AOC subsidiary New Huanan Oil Development Co., Ltd., undertook the development, production and sale of crude oil from the Lufeng 13-1 oil field located in China's part of the South China Sea. In the Norwegian part of the North Sea, AOC subsidiary Norske AEDC AS carried out the development, production and sale of crude oil from the Gyda oil field.

In its operations in the Gulf of Suez, Egypt, AOC proceeded in drafting a development plan for the Northwest October Block. In the South Zeit Bay Block, AOC was unable to confirm the presence of oil or gas during exploratory drilling. Consequently, AOC surrendered its interest over the South Zeit Bay Block.

Although crude oil prices rose during the period under review, mainly owing to a shutdown for regular maintenance work at certain production facilities, segment sales declined compared with the previous period, to ¥9.6 billion. Operating income amounted to ¥1.3 billion, after incurring exploration expenses totaling ¥2.4 billion.

Egyptian Gulf of Suez

Crude Oil Sales Volume (Fiscal years ended March 31)

(Thousands of barrels per day)	2005	2006	2007	**2008**
Nanhai Medium crude oil	3.6	2.9	3.1	**2.5**
Ekofisk crude oil	0.4	0.7	0.6	**0.5**

Fuji Oil Co., Ltd. (FOC), was established in 1964 through investment by such companies as AOC, Tokyo Electric Power Company, Inc. (TEPCO), and Sumitomo Chemical Co., Ltd. Four years later, in 1968 FOC's refinery complex in Sodegaura, Chiba Prefecture, began supplying TEPCO with heavy fuel oil for electric power generation. It also began supplying naphtha to Sumitomo Chemical as feedstock for petrochemical production and providing petroleum products to Kyodo Oil Co., Ltd. (now Japan Energy Corporation). As an advanced, large-scale facility, the Sodegaura Refinery plays a vital role in supplying petroleum products to the greater Tokyo area, which is a major consuming region. FOC has also expanded its operations to provide petrochemical feedstocks.

Downstream Operations

Sodegaura Refinery Petroleum Product Sales Volume

(Fiscal years ended March 31)

(Thousands of kiloliters)

	2005	2006	**2007**	**2008**
Gasoline	1,640	1,771	**1,888**	**1,781**
Naphtha	328	347	**489**	**470**
Jet fuel	953	976	**1,246**	**1,294**
Kerosene	438	499	**340**	**311**
Diesel fuel (Gas oil)	1,126	1,119	**1,395**	**1,481**
Heavy fuel oil A	518	580	**334**	**228**
Heavy fuel oil C	1,142	1,178	**726**	**1,402**
Benzene	176	148	**153**	**150**
Xylene	297	283	**311**	**308**
Other	576	523	**557**	**563**
Subtotal	7,193	7,424	**7,439**	**7,992**
Barter deals	1,533	1,333	**1,299**	**917**
Total	8,726	8,757	**8,738**	**8,910**
Of which, for export (excluding bunker fuel)	166	105	**132**	**398**

Petroleum Refining/Sales

In March 2008, FOC completed the construction of a second fluid catalytic cracking (FCC) unit at its Sodegaura Refinery complex as scheduled. The new unit will cater to anticipated shifts in the structure of petroleum product demand while also increasing the refinery's value-added capabilities. The unit commenced production operations in the same month of March 2008. FOC also proceeded with its project to increase capacity at its Eureka thermal cracking unit. This extra capacity is scheduled to come on stream in July 2009.

In October 2007, FOC commissioned Shell Global Solutions to undertake a business improvement review (BIR) of its operations, as it strives to become one of Japan's most competitive petroleum refineries. In line with its corporate social responsibilities to ensure the safety of its operations and optimize its environmental performance, FOC has formulated a basic management policy on safety and the environment. In the area of safety, FOC conducted assessments of the safety of each of its facilities and implemented programs to ensure the safety of each of its work sites. In the area of environmental protection, FOC worked on measures to reduce environmental burden in accordance with its ISO 14001-based environmental management system.


Eureka thermal cracking unit


New FCC unit

Meanwhile, Singapore-based subsidiary, Petro Progress Pte Ltd., continued its operations covering the shipping, procurement and sale of crude oil and petroleum products.

As a result, segment sales totaled ¥639.0 billion. Operating income declined to ¥13.4 billion, owing to a number of factors. These included the deterioration of margins for certain petroleum products, additional depreciation expenses owing to changes in the tax system, an increase in maintenance expenses and a decrease in valuation gain for inventory, which had been holding down cost of sales.

Corporate Governance

AOC Holdings, Inc., has implemented the following internal control system—pursuant to the stipulations of the Corporation Law of Japan—to ensure efficient corporate management and a stringent level of compliance with laws and regulations.

I. System to Ensure Proper Execution of Duties by Directors

The Company shall formulate a Corporate Code of Conduct and make clear its strong commitment to strict compliance with all relevant laws and regulations, both in Japan and in overseas jurisdictions, as well as its Articles of Association and various internal rules. The Board of Directors shall be responsible for making decisions regarding the Company's compliance system and internal control system. This specifically includes the formulation of policies and plans and the execution of such plans.

The Company shall appoint outside directors in order to maintain and enhance the function of the board of directors in supervising directors' execution of duties. In addition, corporate auditors shall audit the directors' execution of duties.

II. System to Ensure Proper Execution of Business Operations

1. System for the storage and management of information

With regard to information relating to the execution of duties by directors, important documents shall be recorded, stored and managed in accordance with internal rules, and such documents shall be available for subsequent inspection as necessary.

2. Risk management system

Risks that may have a significant impact on the Company's management shall be comprehensively recognized and quantified, and a set of rules for managing risk shall be established. A system shall also be developed for risk prevention and reduction during normal business operations. Should an unforeseen or emergency situation arise, a crisis management center shall be rapidly deployed.

3. System to ensure efficient execution of business operations

The Board of Directors shall determine core management policies and important matters relating to management, and shall supervise the directors' execution of duties. The Executive Committee, comprising the full-time directors, full-time corporate auditor and executive officers, shall share information covering all aspects of management and shall undertake resolutions to ensure the efficient execution of business operations, in accordance with decisions of the Board of Directors. Each department and division of the Company shall receive instructions from directors and executive officers and shall carry out business operations efficiently and in accordance with internal rules and shall report the results of their respective operations.

4. System to ensure proper execution of business operations by employees

The Company shall formulate a Corporate Code of Conduct and maintain a thorough level of compliance with all laws and regulations, both in Japan and overseas, as well as its Articles of Association and internal rules. The Company shall also conduct training programs for directors and employees covering compliance issues. The Company shall establish a help line for employees to facilitate the reporting and discussion of matters relating to legal or internal rule violations.

5. System to ensure proper execution of business operations of Group companies

The Company shall establish clear criteria for subsidiaries and affiliates on matters that must be reported to the Company and matters that require approval from the Company. There shall be close liaisons and exchange of information between departments and divisions of the Company and subsidiaries and affiliates. The Company shall maintain thorough control over subsidiaries and affiliates.

6. System to assist corporate auditors' execution of duties

The Company shall establish the Office of Corporate Auditors as a department dedicated to assisting the corporate auditors' in the execution of their duties. The division of duties and operations shall be determined in accordance with the views of the corporate auditors.

7. Independent assistance for corporate auditors

Staff assigned to the Office of Corporate Auditors shall follow the orders and instructions of corporate auditors.

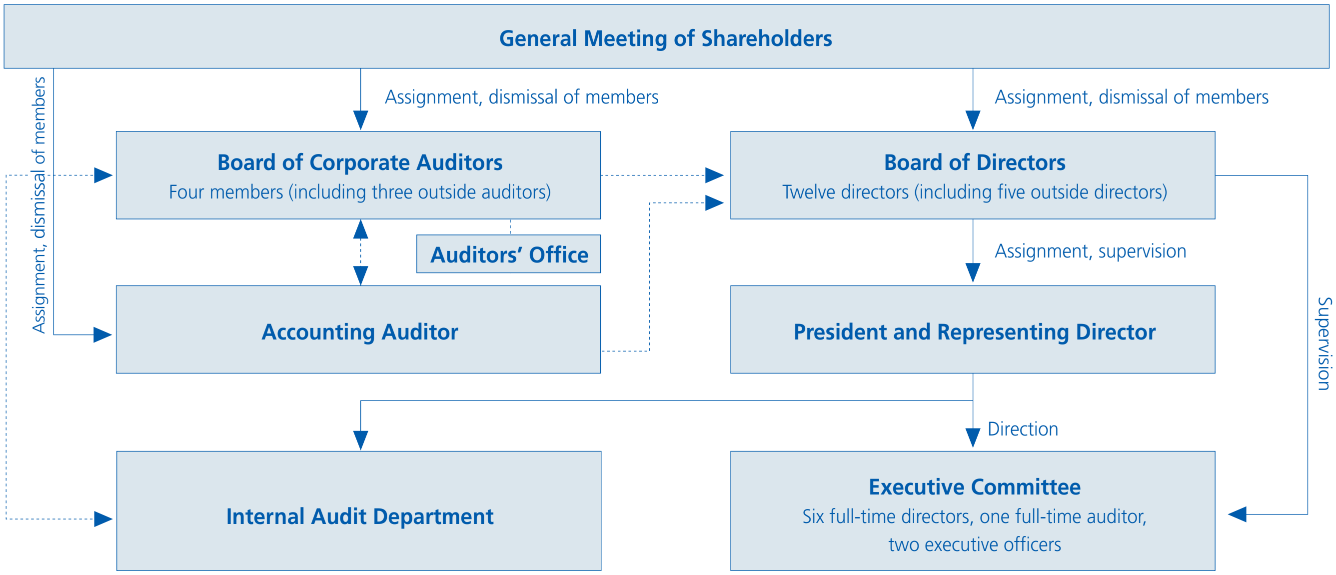
8. System of reporting to corporate auditors

The directors and employees shall provide reports to the corporate auditors on a regular basis as well as when specifically requested by a corporate auditor.

9. Other systems to ensure effective auditing

The directors and corporate auditors shall convene regular meetings to ensure the maintenance of sound communications between them. To ensure that the corporate auditors are able to carry out their duties appropriately, the directors shall cooperate to facilitate the corporate auditors' communication with directors and corporate auditors of subsidiaries and affiliates, information gathering and information exchange, research of major customers and suppliers, and receipt of advice from certified public accountants, attorneys and other outside specialists.

Structure of AOC Holdings' corporate governance



(As of June 26, 2008)

Directors, Auditors and Executive Officers

(As of June 26, 2008)

Chairman

Kuniyasu Takeda

President and Representing Director

Fumio Sekiya

Vice President and Representing Director

Kazutoshi Hoyano

Directors

Toshiyuki Hiroki
Yoshiaki Sekigawa
Taro Shoji
Shigemi Tamura *1
Haruyuki Niimi *2
Hiromasa Yonekura *3
Yahya Jamil Shinawi *4
Nasser Bader Al-Mudhaf *5

Corporate Auditors

Shinichi Ame
Nobuhiko Ishii *6
Koichi Nakanishi
Kuniaki Shirakuma *7

Executive Officers

Yasuo Kiyota
Koichi Sekikawa

*1 Chairman, The Tokyo Electric Power Company, Inc.
*2 Chairman, Showa Shell Sekiyu K.K.
*3 President, Sumitomo Chemical Co., Ltd.
*4 Director General, Eastern Province Branch, Ministry of Petroleum and Mineral Resources, the kingdom of Saudi Arabia
*5 Deputy Managing Director and General Manager, Kuwait Aviation Fueling Co.
*6 Advisor, Oshima Shipbuilding Company, Ltd.
*7 Advisor to the President, Nippon Yusen K.K.

Environmental Conservation Initiatives

Activities at the Sodegaura Refinery

Environmental protection is seen as one of FOC's most vital tasks, and, in line with this philosophy, FOC undertakes a range of initiatives to protect the local environment in which it operates as well as contributes to global environmental protection. Such initiatives are specifically aimed at conserving the world's natural environment, protecting the health of local communities and FOC employees, ensuring the efficient use of energy, reducing waste emissions and increasing the recycling and reuse of resources. FOC has established an environmental management system and has received ISO 14001 certification for such systems. FOC is committed to ongoing environmental activities across its entire organization.

In the area of global warming prevention initiatives, FOC has focused its efforts on such areas as energy conservation, reduction of CO_2 emissions, increasing the efficiency of its facilities, improving the heat recovery ratio of its operations and installing advanced control systems at its facilities. As an example of these efforts, since 2003, FOC has been researching the development of technology to utilize low-grade heat energy that is presently released into the atmosphere. This project aims to facilitate heat exchange among adjacent plants and develop a power generation system by utilizing low-grade waste heat from the refinery's heavy-oil cracking facility. A test operation of the power plant commenced in 2005.

Low-exergy generation system

FOC is also undertaking measures to reduce environmental pollution, prevent water contamination, manage hazardous substances, reduce waste, promote recycling and prevent marine oil spills, thereby helping to reduce the environmental impact of its operations.

FOC is working to minimize the environmental impact of the products it produces by responding to customer needs. Specifically, FOC has installed equipment within its facilities in line with the regulatory move toward sulfur-free (10 ppm or less) petroleum products, such as gasoline and diesel. The enhanced refining processes help to reduce the generation of sulfur oxides (SOx), nitrogen oxides (NOx) and particulate matter when products are used. FOC began shipping products that meet the new stringent environmental standards in January 2005, in advance of the introduction of new regulations.

Joint Projects for Environmental Enhancement in Middle East Oil-Producing Countries

AOC is involved in joint projects for enhancing the environment coordinated by Japan and oil-producing countries in the Arabian Gulf region.

Based on the Japan–Kuwait Cooperation on Environmental Issues and Technology Transfer, AOC was commissioned by the government of Japan and the Japan External Trade Organization (JETRO) to collaborate with other Japanese companies in initiatives to improve the marine environment in Kuwait Bay. The core of this project included the environmental rehabilitation of Kuwait Bay, a marine environment real-time monitoring system and technology transfer through training programs. AOC's role includes participation in marine environmental improvement activities, communication and coordination with local government agencies and undertaking public relations and educational programs.

Man-made tidal flats in the Kuwait Bay

AOC Holdings Group Companies

AOC Holdings, Inc.
As of June 26, 2008

	Company	Head office	Capital	Major shareholders	Principal business
Upstream business	Arabian Oil Co., Ltd. (AOC)	Tokyo, Japan	¥13,000 million	AOC Holdings 100%	Exploration, development, production and sale of crude oil and natural gas
	Norske AEDC AS	Stavanger, Norway	Nkr 1 million	AOC 100%	Exploration, development, production and sale of oil and natural gas in Norway
	New Huanan Oil Development Co., Ltd.	Tokyo, Japan	¥96 million	AOC 83.7% FOC 0.6%	Exploration, development, production and sale of oil and natural gas in China
Downstream business	Fuji Oil Co., Ltd. (FOC)	Tokyo, Japan	¥10,225 million	AOC Holdings 100%	Oil refining and sale of refined products
	Petro Progress, Inc.	Tokyo, Japan	¥3,000 million	AOC 50% FOC 50%	Purchasing, marketing, and transportation of crude oil and refined products
	Petro Progress Pte Ltd.	Singapore	S$34,000,000	Petro Progress Inc. 100%	Overseas purchasing, marketing and transportation of crude oil and refined products
	ARAMO Shipping (Singapore) Pte., Ltd.	Singapore	US$20,742,000	Petro Progress Pte Ltd. 50%	Operation of crude oil tankers
	Fuji Tanker Co., Ltd.	Tokyo, Japan	¥50 million	FOC 100%	Chartering and scheduling of oil tankers
	Fuji Oil Sales Co., Ltd.	Tokyo, Japan	¥100 million	FOC 100%	Sale of oil products
	Fuji Rinkai Co., Ltd.	Chiba, Japan	¥10 million	FOC 70%	Loading and unloading of oil
Other business	Japan Oil Engineering Co., Ltd.	Tokyo, Japan	¥600 million	FOC 50% AOC 49.9%	Engineering and consulting services in upstream and downstream sectors of oil and gas industry
	Tokyo Sekiyu Kogyo K.K.	Tokyo, Japan	¥120 million	AOC 49.8%	Manufacturing, sale and recycling of asphalt mixture

Investor Information

AOC Holdings, Inc.
As of March 31, 2008

Corporate Details

Trade Name:	AOC Holdings, Inc.
Date of Establishment:	January 31, 2003
Paid-in Capital:	¥24,467 million
Total Number of Shares Issued:	78,183,677 shares
Number of Shares Forming a Predetermined Unit:	100 shares
Financial Year:	April 1 to March 31
Stock Exchange:	Shares listed on the Tokyo Stock Exchange
Transfer Agent:	Mizuho Trust & Banking Co., Ltd.
Employees:	30 (AOC Holdings only)
	609 (consolidated)

Principal Shareholders

	Number of shares held (thousands)	Percentage of total shares outstanding (%)
The Tokyo Electric Power Co., Inc.	6,839.9	8.74
Kuwait Petroleum Corporation	5,811.3	7.43
Government of the Kingdom of Saudi Arabia	5,811.3	7.43
Showa Shell Sekiyu K.K.	5,144.0	6.57
Sumitomo Chemical Co., Ltd.	5,051.6	6.46
BBH for Fidelity Low Price Stock Funds	4,140.4	5.29
Nippon Yusen K.K.	2,750.8	3.51
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,530.9	3.23
Japan Trustee Services Bank, Ltd. (Trust Account)	2,117.9	2.70
The Kansai Electric Power Co., Inc.	1,900.0	2.43

Independent Certified Public Accountant

KPMG AZSA & Co.

AOC Holdings, Inc.

Tennozu Parkside Building
5-8, Higashishinagawa 2-chome,
Shinagawa-ku, Tokyo 140-0002, Japan
www.aochd.co.jp

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