

Acquisition of Interests on the Norwegian Continental Shelf for Re-development Field and Exploration acreage

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Arabian Oil Company, Ltd. ("AOC", Head Office: Shinagawa-ku, Tokyo, Director-President: Kazutoshi Hoyano, Capital: 13,000 Million Yen) has acquired 10% interests in four respective production licenses of PL316, PL316B, PL316CS and PL316DS through Norske AEDC AS (NAEDC), a wholly owned Norwegian subsidiary of AOC, from Talisman Energy Norge AS (Talisman) which has the interests of 70% for PL316 and PL316B, 35% for PL316CS and 50% for PL316DS respectively. The blocks of PL316 and PL316B include Yme oil field and PL316CS and PL316DS are the blocks for exploration where several prospects and leads are identified. The acquisition is subject to final approval of Norwegian government.

Since Yme oil field is a re-development field where development and production activities had been conducted and rich geological and reservoir data from the past operations are available, technical risks are limited. In addition, possible increase of recoverable reserves in the field is expected by application of advanced EOR technology. For this redevelopment project, as construction of production facilities and drilling of production well has been already started and oil production is planned to commence in 4th quarter 2009, payout period is expected to be short. Expected oil production (100% interest base) will reach the peak rate of more than 40,000 B/D for the initial period and maintain 25,000 B/D approximate for the first four years from the commencement of production.

As for PL316CS and PL316DS, they are blocks for exploration and relevant works will be conducted in due course.

The Norwegian Continental Shelf is one of the priority areas for the upstream operations of AOC Holdings group as well as the area of the Middle East. The group will continue its necessary activities for expansion and development of its upstream business on the Norwegian Continental Shelf.

Gross Acreage in Acquired Blocks

Block No. :	1) PL316	271 km ²
	2) PL316B	17 km ²
	3) PL316CS	1,109 km ²
	4) PL316DS	841 km ²

Location of Blocks: 150 km south east of Stavanger, Norway

Interests Holders:

1) PL316	Norske AEDC AS	10%
PL316B	Talisman Energy Norge AS	60% (Operator)
	Lotos	10%
	Det Norske oljeselskap ASA	10%
	Wintershall Norge AS	10%
2) PL316CS	Norske AEDC AS	10%
	Talisman Energy Norge AS	25% (Operator)
	NORECO	35%
	Lotos	10%
	Det Norske oljeselskap ASA	10%
	Wintershall Norge AS	10%
3) PL316DS	Norske AEDC AS	10%
	Talisman Energy Norge AS	40% (Operator)
	Bridge Energy	20%
	Wintershall Norge AS	10%
	Det Norske oljeselskap ASA	10%
	Lotos	10%

Location of Blocks Interests Acquired

