

[Press Release]

LNG Japan Acquires Additional Equity Interest in the Tangguh LNG Project

(Japan, February 2, 2004) LNG JAPAN CORPORATION, a 50-50 joint venture between Nissho Iwai Corporation and Sumitomo Corporation, through its wholly owned subsidiary, Indonesia Natural Gas Resources Muturi, Inc. (INGRMI), exercised its pre-emption right over BG Group (BG)'s sale of their 50% interest in the Muturi PSC. INGRMI executed a Sale and Purchase Agreement with BG on January 30th, 2004 to acquire an additional 29.23 % interest in the Muturi PSC for a consideration of US\$137MM.

CNOOC Muturi Limited, a wholly owned subsidiary of CNOOC Limited, also exercised its pre-emption right and signed a Sale and Purchase Agreement with BG on the same date for the acquisition of the remaining 20.77% of BG's interest in the Muturi PSC. Both Sale and Purchase Agreements are subject to approvals by Indonesian government and other related parties including Tangguh LNG Project partners.

This transaction will increase LNG Japan's interest in the Muturi PSC from 5% to 34.23% and its share in the Tangguh LNG Project from 1.07% to 7.35%.

The acquisition will further strengthen LNG Japan's position in the international LNG business and will contribute to LNG Japan's long-term growth.

Equity Share in the Muturi PSC				
(Pre-transaction)			(Post-transaction)	
BG	50%	→	CNOOC	64.77%
CNOOC	44%		LNG Japan	34.23%
LNG Japan	5%		BP	1%
BP	1%			

For inquiries on this, please contact:
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