

Sojitz Cororation

## Acquisition of Interests in Gulf of Mexico Gas Field Blocks

(Japan, October 29, 2004)--Sojitz Corporation and Arabian Oil Company, Ltd. (Head office: Shinagawa-ku, Tokyo; Director-President: Yoshihiro Sakamoto; Paid-in Capital: 13,000 million yen), have reached an agreement that a wholly-owned subsidiary of Sojitz, NI ENERGY VENTURE, INC. (a Delaware corporation; Head office: Houston, Texas, US; President: Shinichi Teranishi; Capital: US\$25 million), will take over the rights for interests pertaining to natural gas (seven blocks, including the three blocks in production; See below.) owned by a wholly-owned subsidiary of Arabian Oil Company, AEDC (USA) INC. (a Delaware corporation; Head office: Houston, Texas, US; President: Yoshio Yokoyama; Capital: US\$12 million) in the Gulf of Mexico, in the United States.

Blocks subject to acquisition: 100 percent interest in a total of seven gas field blocks located in the Gulf of Mexico off Louisiana (MC487, VR70, VR86, VR52, VR76, VR96 and VR111)

Proven reserves of gas subject to acquisition: approximately 15 bcfe (approx. 425 million cubic meters)



Offshore gas and crude oil blocks in the Gulf of Mexico, in the United States

Sojitz positions its petroleum and gas field production and development business as one of its core businesses, having narrowed down its target to 'blocks in production' where production has already been undertaken, and 'blocks in development' where the existence of petroleum and gas (reserves) has been confirmed but production has not yet commenced. Sojitz also carries out investments in upstream interests while diversifying risks and portfolios in areas including the US (the Gulf of Mexico), the UK (the North Sea), South America, Africa, the Middle East and Asia.

With the inclusion of the said seven blocks being acquired, Sojitz will own interests in a total of twenty-nine petroleum and gas fields in the Gulf of Mexico in the United States, with a maximum daily production output of 48mmcfe (approx. 1,360,000 cubic meters) expected as of April 2005. The area is positioned as one of the core regions in Sojitz's upstream energy business. The company will continue to uncover and acquire interests in blue-chip blocks.

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