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Press Release

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(Company Code: 5007, Shares listed
on: TSE, OSE, and NSE first sections)

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Notice Concerning the Amendment to the Forecast for Interim Business Performance

Based on the recent business climate, amendments have been made as follows to the FY2004 (ending March 2005) Consolidated Interim Business Performance Forecasts and the Non-consolidated Interim Business Performance Forecasts, which were released in the financial statements announced on May 18, 2004.

1. Amendments to FY2004 Consolidated Interim Business Performance Forecasts
(April 1, 2004 – September 30, 2004)

(Units: Million yen, %)

	Net sales	Ordinary income	Interim net income
Previously announced forecast (A) (announced on May 18, 2004)	900,000	8,500	2,500
Current amended forecast (B)	1,010,000	18,000	1,000
Variance (B-A)	110,000	9,500	-1,500
Rate of variance	12.2%	111.8%	-60.0%
Actual results of previous period (year ended March 2004)	922,526	8,064	2,797

2. Amendments to FY2004 Non-consolidated Interim Business Performance Forecasts
(April 1, 2004 – September 30, 2004)

(Units: Million yen, %)

	Net sales	Ordinary income	Interim net income
Previously announced forecast (A) (announced on May 18, 2004)	770,000	1,000	500
Current amended forecast (B)	900,000	13,000	3,500
Variance (B-A)	130,000	12,000	3,000
Rate of variance	16.9%	—	600.0%
Actual results of previous period (year ended March 2004)	784,243	1,014	-398

3. Reasons for the amendments

The main causes for the above amendments to the forecasts for interim business performance are, for net sales: a rise in sales prices due to the steep appreciation of crude oil prices; and an increase in sales quantity, especially gasoline, affected by the scorching summer. As a result, the forecast for consolidated net sales is ¥1,010.0 billion (an increase of ¥110.0 billion on the previous forecast), and for non-consolidated net sales, in the order of ¥900.0 billion (an increase of ¥130.0 billion on the previous forecast).

Together with the upward shift in crude oil prices, the main effect on the non-consolidated ordinary income was the substantial slide in cost of sales due to effect from inventory valuation under the gross average method.

As a result of the above, the forecast for consolidated ordinary income is now ¥18.0 billion (an increase of ¥9.5 billion on the previous forecast) and the forecast for non-consolidated ordinary income is now ¥13.0 billion (an increase of ¥12.0 billion on the previous forecast).

The early application this period of the “Accounting for the impairment of assets” will result in the recording of impairment losses (consolidated: approximately ¥10.0 billion, non-consolidated: approximately ¥7.6 billion). Consequently, the consolidated interim net income is forecast at ¥1.0 billion (a reduction of ¥1.5 billion on the previous forecast) and the non-consolidated interim net income is forecast at ¥3.5 billion (an increase of ¥3.0 billion on the previous forecast).

Business performance forecasts for the full year are currently being fully examined.

At present, there are no plans to amend the previously announced figures for interim dividend and year-end dividend.

Note: The above outlook for business performance has been based on currently available information. Please note that actual performance and results may differ in the future for a variety of reasons.