

Mitsubishi Corporation and ConocoPhillips entered into a Joint Development Agreement for LNG Import Terminal Project in the Port of Long Beach

Long Beach, May 17, 2005 - Mitsubishi Corporation announced that its wholly owned subsidiary, Sound Energy Solutions (SES) has entered into a Joint Development Agreement with ConocoPhillips (COP) through its wholly owned subsidiary to jointly develop a proposed liquefied natural gas (LNG) import terminal in the Port of Long Beach, California.

SES was established in 2002 and since then it has been in the process of completing applications for necessary permits and performing technical and commercial preparations in order to develop the LNG import terminal.

SES and COP have established an equally-owned joint venture company, SES Terminal LLC, to further develop the project. The partners expect a final investment decision to commence construction of the terminal in the first half of 2006 after obtaining all necessary approvals and permits from relevant federal, state and local authorities. The terminal is expected to be completed and become operational in 2009.

"We are very excited about this joint company," said Thomas E. Giles, President and CEO of newly established SES Terminal LLC "Combining the skills, assets, and long histories of both Mitsubishi Corporation and ConocoPhillips in the LNG business will allow us to provide the City of Long Beach and the State of California with a state-of-the-art facility that will help clean the air and provide stability in the natural gas market."

The proposed terminal will, when completed, have a capacity to import about 5 million tons of LNG per year, which is equivalent to almost 10% of the natural gas consumed in the State of California.

The terminal will be capable of supplying clean-burning vehicle-grade LNG to the local transportation market, including terminal tractors in the Ports of Long Beach and Los Angeles to assist in improving the air quality around the ports.

"ConocoPhillips looks forward to building on our long-standing relationship with Mitsubishi Corporation through this collaboration on the SES terminal. We will work together to broaden our relationships within the local community and those built by SES and our Los Angeles Refinery," said ConocoPhillips' Rick Hernandez, Executive Vice President, SES Terminal LLC.

Mitsubishi Corporation is a trading and investment company engaged in a wide range of businesses, including information technology and electronics, energy, metals, machinery,

chemicals and living essentials. As one of the world's most diverse business enterprise, Mitsubishi Corporation works closely with its global clientele to develop new businesses through project coordination, sourcing of raw materials, capital investments and the development of sales and marketing channels. The company operates almost 40 offices in Japan and nearly 200 offices and subsidiaries worldwide.

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