

March 3, 2005

Mitsubishi and Marubeni Participate in Brazilian Crude Oil Project

Mitsubishi Corporation (Mitsubishi) and Marubeni Corporation (Marubeni) jointly established a project company, “PDET Offshore S.A.”, which will provide transportation services of crude oil from offshore oil field to onshore refineries in Brazil. The financing contracts worth approximately US\$ 900 million for the implementation of the project were also signed. The loans are provided by Japan Bank for International Cooperation (JBIC), and 12 international commercial banks syndicated by Mizuho Corporate Bank, Ltd. (Mizuho).

This project has been designed by PETRÓLEO BRASILEIRO S.A. – Petrobras, a national oil and gas company in Brazil, as a part of the oil field development in Campos Basin, and PDET Offshore S.A. will construct and own the offshore loading station to deliver up to 630,000 barrels of oil per day to onshore facilities. This project is expected to improve the efficiency in the oil transportation and contribute to environment protection by reducing the risk of oil spill. Petrobras acts as the operator of the project, and JGC Corporation supports the project by providing project management services in the construction.

US\$ 900 million co-financing comprises some US\$ 100 million loan from Mitsubishi and Marubeni, as shareholders of PDET Offshore S.A., some US\$ 500 million loan from JBIC to back up the overseas investment of Mitsubishi and Marubeni, and the commercial banks loan to cover the balance of the project cost. The commercial bank loan is insured by Nippon Export and Investment Insurance. This large volume financing was thus materialized by the cooperation between Japanese governmental financial institutions and private entities.

This project, in which Japanese trading firms - Mitsubishi and Marubeni play a key role, is expected to promote further Japanese investment into Brazil and to strengthen the relationship between Brazil and Japan.

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Outline of PDET Project

– Construction of oil transportation facilities in Campos Basin, Brazil

- Project Cost: Approximately US\$ 900 million
(to construct platform, mono-buoys, sub-sea oil lines, etc)
- Oil Flow Capacity: 630,000 bbl/day
- Commencement of Operation: December 2006
- Operator: PETRÓLEO BRASILEIRO S.A. – Petrobras

Outline of Project Company

- Name: PDET Offshore S.A.
- Shareholders: Mitsubishi Corporation (60%)
Marubeni Corporation (40%)
- Shareholders Equity: Approximately Yen 3 million
- Headquarters: Rio de Janeiro, Brazil

Outline of Finance

- Aggregate Total Amount: Approximately US\$ 900 million
- Lenders:

Japan Bank for International Cooperation

Commercial Banks:

Mizuho Corporate Bank, Ltd., ABN AMRO Bank N.V., Deutsche Bank AG
Citibank, N.A., UFJ Bank Ltd., The Hongkong and Shanghai Banking Corporation Ltd.,
Bayerische Hypo-und Vereinsbank AG, Banco do Estado de São Paulo S.A.-BANESPA,
Australia and New Zealand Banking Group Ltd., WestLB AG, Calyon Corporate and
Investment Bank, The Sumitomo Trust & Banking Co., Ltd

- Insurance Provider Nippon Export and Investment Insurance

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