

August 21, 2009

Environmental Examination Report

1. Project Name: Oil and gas field development Project
2. Project Site: Offshore East Java, Republic of Indonesia
3. Project Outline: Development of the oil and gas field
4. Category Classification: A
5. Reason for Classification: This project falls under the category of large-scale oil and natural gas development sector as set forth by the JBIC Environmental Guidelines. In addition, there are sensitive areas in the surrounding areas.
6. Environmental Permission: It has been confirmed that Environmental Impact Assessment was prepared in accordance with regulations of the Republic of Indonesia, that it was approved by November 2006 by Ministry of Environment.
7. Pollution Mitigation Measures: It has been confirmed that the planned value for the quality of emissions and waste water generated by the project meets the standards of Republic of Indonesia. The waste generated by the project will be segregated and will be transported and treated by licensed contractors.
8. Natural Environment: There are sensitive areas (coral reefs) in the surrounding areas. Waste water generated by the project meets the standards of Republic of Indonesia, and appropriate considerations for offshore pipeline have been made to minimize the impacts on coral reefs.
9. Social Environment: The project site is located on sponsor's land and offshore. There is no need for involuntary resettlement. It has been confirmed that appropriate social considerations have been made for the project.
10. Others & Monitoring: In this project, impacts on the quality of air, water and ecosystems, as well as social environment, will be monitored.