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Iino Kaiun Kaisha, Kansai Electric Power and Mitsui O.S.K. Lines to Establish a Company for Joint Ownership of New LNG Tanker

Iino Kaiun Kaisha, Ltd. (hereafter the “Company”) today announced that the Company, The Kansai Electric Power Co., Ltd. and Mitsui O.S.K. Lines, Ltd. have agreed to jointly establish a new company in the Bahamas for joint ownership of a newly built LNG tanker. The Company had already ordered the 145,000m³ LNG tanker which is currently under construction at the Sakaide shipyard operated by Kawasaki Shipbuilding Corporation. Upon completion, which is scheduled for May 2008, the title of the tanker will be transferred to the new company, “LNG EBISU Shipping Corporation”.

The tanker will be used primarily to transport LNG to be purchased by Kansai Electric Power from the Pluto LNG project off Western Australia.

Outline of New Company

Company name:	LNG EBISU Shipping Corporation
Location:	Nassau, The Commonwealth of The Bahamas
Ownership ratio:	The Company (15%), Kansai Electric Power (70%), Mitsui O.S.K. Lines (15%)
Scheduled date of establishment:	August, 2007

Specifications of New LNG Tanker

Tank capacity:	Approx. 145,000 m ³
Deadweight:	Approx. 71,000 MT
LOA:	Approx. 289.5 m
Breadth:	Approx. 49.0 m
Cargo tank:	Moss Tank type
Main Engine:	Steam turbine

Outline of the Pluto LNG Project

Gas field:	Northwest of Western Australia, off Karratha
Member companies:	Woodside Energy Limited (100%) (Kansai Electric Power and Tokyo Gas each plan to acquire a 5% interest from Woodside.)
LNG to be purchased by:	Kansai Electric Power (1.75 million–2 million tons/year) Tokyo Gas (1.5 million–1.75 million tons/year)
Start of shipment:	End of 2010

Since its construction of Japan's first pressurized gas tanker for domestic transport in 1960, the Company has established a position as a leading company in gas transport. The new tanker will be the first LNG tanker owned by Kansai Electric Power, and also the first LNG tanker jointly owned by the Company with a domestic electric power company. Currently, the Company engages in the operation of 18 LNG carriers (one of which is a coastal LNG tanker), including tankers jointly owned with other companies.

The Company will fully leverage its extensive experience, spanning half a century in gas transport, to actively conduct domestic and overseas LNG business activities, for which demand is expected to grow, and to further expand its transport services.

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