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VENEZUELA'S STATE OWNED OIL COMPANY PDVSA SIGNS \$3.5 BILLION FINANCING AGREEMENT AND LONG-TERM OIL SUPPLY CONTRACT WITH MARUBENI AND MITSUI OF JAPAN

*– Milbank Represents Marubeni in Structuring Agreements
Critical to Japan's Energy Strategy -*

NEW YORK, February 27, 2007 – To help ease Japan's reliance on Middle Eastern oil imports by diversifying supply sources, Japanese trading companies Marubeni Corporation and Mitsui & Co., Ltd. have closed a \$3.5 billion financing and related long-term oil off-taking agreement with Petróleos de Venezuela, S.A. ("PDVSA"), Venezuela's state-owned petroleum company. The \$3.5 billion financing was co-financed by Marubeni and Mitsui along with a syndicate of international banks and support from the JBIC (Japan Bank for International Cooperation). The international law firm Milbank, Tweed, Hadley & McCloy LLP, led by partner Daniel Bartfeld, represented Marubeni in negotiating and structuring the transaction.

Commenting on the transaction, Milbank's Bartfeld stated, "This transaction is the most significant long-term agreement yet between Japan and Venezuela, and is particularly noteworthy given its size and the long term international energy market implications. Venezuela will be a significant source of oil and petroleum for Japan, whose strategy is to diversify its worldwide supply. Milbank has extensive experience working on highly structured, complex deals in challenging environments. In this case we

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were able to draw on our background working with Japanese sponsors and lenders on other global project financings, including past deals in other Latin American countries.”

In addition to Mr. Bartfeld, the Milbank team representing Marubeni included associates Zoe Marckwick, Roland Estevez, Ricardo Exantus, Alfred Wang and Nicholas Bigney.

About the Financing:

Marubeni and Mitsui, two of Japan’s largest trading companies, have signed a \$3.5 billion loan agreement with PDVSA, with financial support from JBIC. The term of the loan is 15 years. Under the terms of the contract, Marubeni and Mitsui will make an advance payment of \$3.5 billion to fund PDVSA’s development of crude oil reserves and petroleum products. At the same time, Marubeni and Mitsui closed supply contracts with PDVSA giving them priority in negotiating volumes of crude oil and petroleum products that they receive each year during the 15-year term. Shipments may begin as early as this summer.

The \$3.5 billion financing is comprised of two separate credit facilities worth \$1.8 billion and \$1.7 billion. The co-financing syndicate of commercial banks was organized by the Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mizuho Corporate Bank, Ltd. as lead arrangers. The banking syndicate also includes Sumitomo Mitsui Banking Corporation, the Tokyo branch of ABN AMRO Bank, N.V., ING Bank N.V., Citibank, N.A., Deutsche Bank AG, Société Générale, BNP Paribas and Calyon. The \$1.61 billion co-financing is supported by a guarantee from JBIC.

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