

Cosmo Oil Co., Ltd.
**Presentation for Results of Third
Quarter of Fiscal Year 2005**

February 15, 2006
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Managing Director

Consolidated Results for 3rd Quarter FY2005 - Financial Highlights

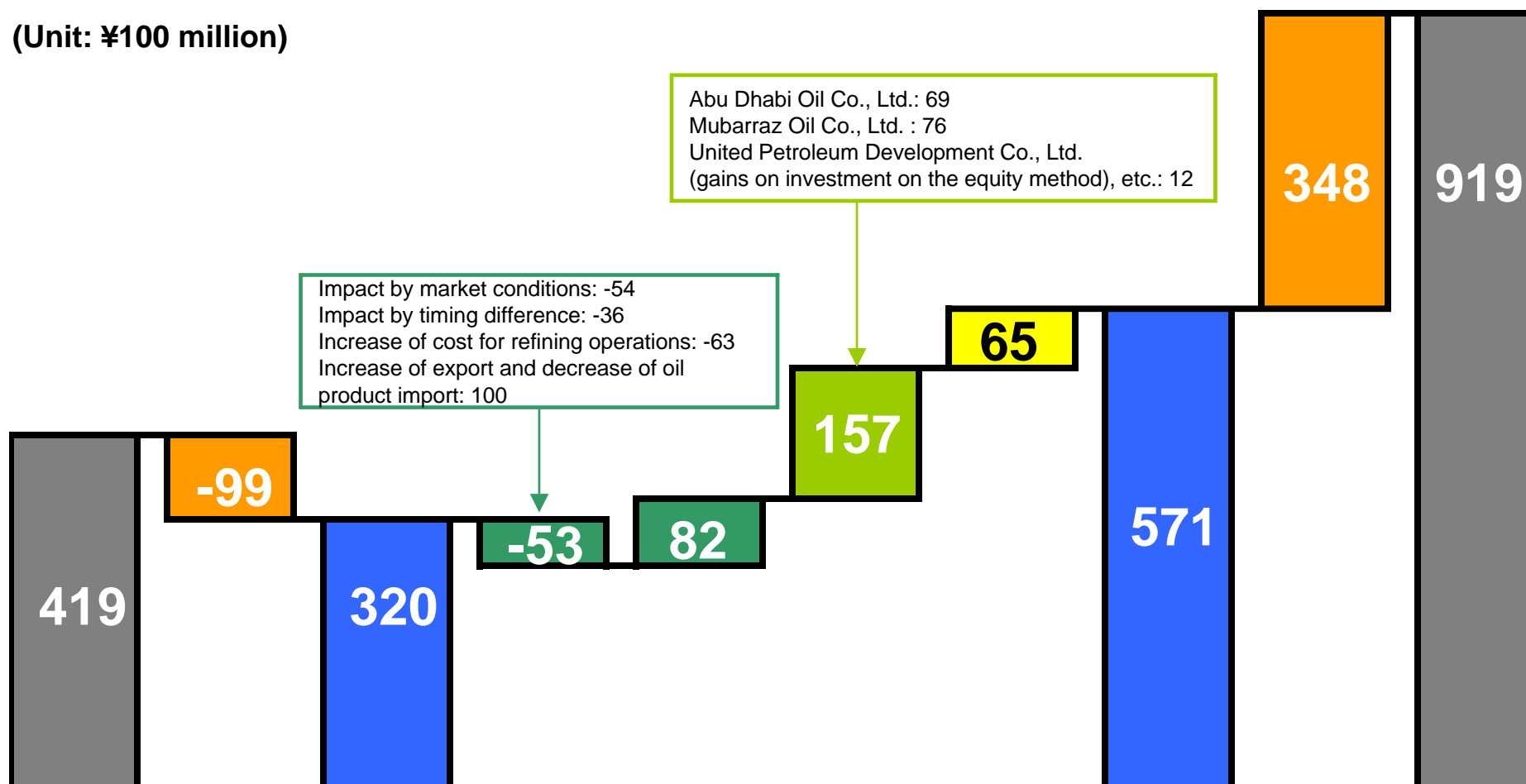
(Unit: ¥100 million)

	Actuals		Change from Q3 FY2004	
		Cosmo Oil alone		Cosmo Oil alone
Net Sales	19,055	17,877	3,470	3,678
Operating Income	845	595	437	285
Ordinary Income	919	605	500	325
(Inventory valuation impact)	348	348	249	249
(Excluding inventory valuation impact)	571	257	251	76
Net Income	477	361	313	234

* For information about crude oil prices, selling volumes and their growth, selling price, etc. please refer to Supplementary Information Page 7

Consolidated Results for 3rd Quarter FY2005 - Ordinary Income Compared with 3rd Quarter FY2004

(Unit: ¥100 million)



Abu Dhabi Oil Co., Ltd.: 69
Mubarraz Oil Co., Ltd. : 76
United Petroleum Development Co., Ltd.
(gains on investment on the equity method), etc.: 12

Impact by market conditions: -54
Impact by timing difference: -36
Increase of cost for refining operations: -63
Increase of export and decrease of oil product import: 100

Q3 FY2004 – actual results			Q3 FY2005 – actual results						
Ordinary Income	Inventory valuation impact	Ordinary income excluding inventory valuation impact	Cosmo Oil alone		Oil exploration and production subsidiaries	Other	Ordinary income excluding inventory valuation impact	Inventory valuation impact	Ordinary Income
			Impact by market condition, etc.	Benefit from the Mid-term Management Plan					

Consolidated Statement of Income - Major Consolidated Subsidiaries and Affiliated Companies Applicable Under the Equity Method

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(Unit: ¥100 million)

<Major Consolidated Subsidiaries – Ordinary Income>

	Q3 FY2005	Change from Q3 FY2004	Key Factor	
Major oil exploration and production subsidiaries and affiliated company	Abu Dhabi Oil Co., Ltd.	155	69	1. Crude oil price hike(35.4→51.6\$/ BBL) 2. Negative impact of USD-JPY exchange rate (as JPY appreciated from 109.2 to 107.1 yen/USD), etc.
	Mubarraz Oil Co., Ltd.	76	76	1. Crude oil price hike(35.4→51.6\$/BBL) 2. Negative impact of USD-JPY exchange rate (as JPY appreciated from 109.2 to 107.1 yen/USD), etc
	United Petroleum Development Co., Ltd. (owned by the Cosmo Oil on the equity method)	26	12	1. Crude oil price hike(35.3→52.3\$/ BBL) 2. Negative impact of USD-JPY exchange rate (as JPY appreciated from 109.0 to 107.8 yen/USD), etc.
	Total	257	157	
Marketing subsidiaries	13	15	Acquisition of Toyo Kokusai Oil Ltd.	
Other major consolidated subsidiaries	44	8	Rationalization efforts, improved market conditions, etc.	

* Please refer to Supplementary Information Page 9 for information on actual results by major consolidated subsidiary and by business segment

<Affiliated companies applicable under the equity method>

	Q3 FY2005	Change from Q3 FY2004
Gains (losses) from investments	72	23

Consolidated Cash Flows and Balance Sheets

(Unit: ¥100 million)

	Actuals	Change from FY2004 results	Key Factors
Cash flow from operating activities	-1,169	-	Increased accounts receivable and inventories due to crude oil price hikes, etc. Delayed receipt of the money since Dec. 31, 2005 fell on a holiday.
Cash flow from investing activities	-69	-	
Cash flow from financing activities	1,398	-	
Cash and cash equivalents at end of the period	546	166	

	Actuals	Change from FY2004 results
Total Assets	15,667	2,435
Shareholders' Equity	2,998	719
Shareholders' Equity Ratio	19.1%	1.9 improved
Interest-Bearing Debts (including zero coupon corporate bond)	6,221	1,243
Debt dependence ratio	39.7%	2.1 aggravated
Debt Equity Ratio	2.1	0.1 improved

Consolidated Statement of Income – Revised Forecast for FY2005 Results - 1

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(Unit: ¥100 million)

	Forecast result		Change from previous forecast		Change from FY2004 results	
		Cosmo Oil alone		Cosmo Oil alone		Cosmo Oil alone
Net Sales	26,500	24,900	1,000	1,400	4,954	5,250
Operating Income	1,070	730	210	240	413	256
Ordinary Income	1,170	730	240	240	538	313
(Inventory valuation impact)	420	420	180	180	294	294
(Excluding inventory valuation impact)	750	310	60	60	244	19
Net Income	600	450	160	150	336	313

**Revised forecast dividend (for the year ending
March 31, 2006)**

**¥5 per share → ¥7 per year
(Ordinary dividend of ¥5 + special dividend of ¥2 to
celebrate the 20th anniversary of merger)**

Full-year dividend of ¥10 per share for FY2005

<< Assumptions for business forecast >>

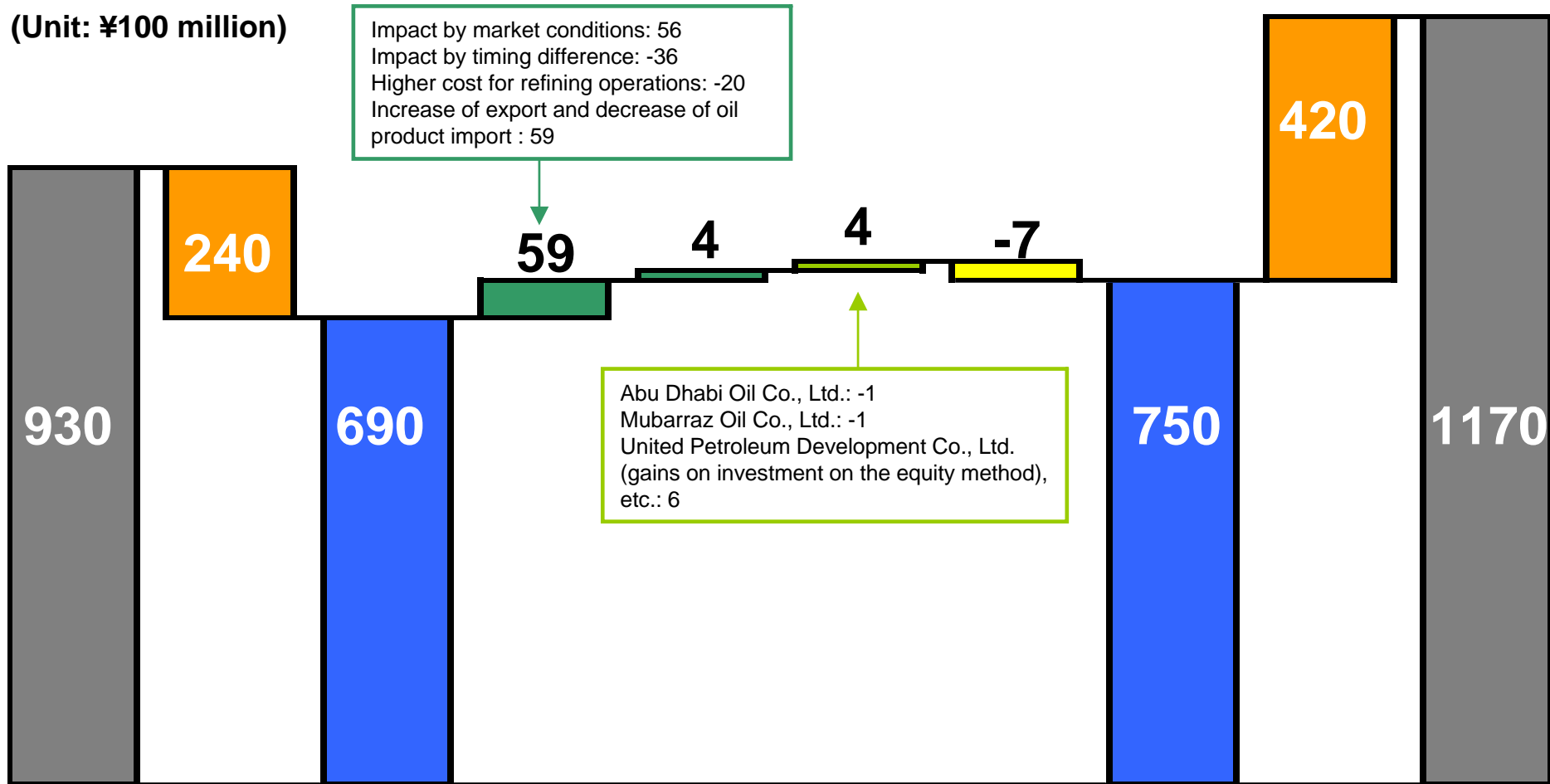
	Q4 FY2005 (Jan-Mar 2006)
Purchased price of crude oil: FOB (USD/BBL)	58.00
Exchange rate (JPY/USD)	115.00

* For information about detailed assumptions for forecast results, please refer to Supplementary Information – Page 7
* For information about forecast results by major consolidated subsidiary and business segment, please refer to Supplementary Information – Pages 10 and 11

Consolidated Statement of Income – Revised Forecast for FY2005 Results – 2.
 Ordinary Income

- Change from Previous Forecast (Announced on Nov. 15, 2005)

(Unit: ¥100 million)



Impact by market conditions: 56
 Impact by timing difference: -36
 Higher cost for refining operations: -20
 Increase of export and decrease of oil product import : 59

Abu Dhabi Oil Co., Ltd.: -1
 Mubarraz Oil Co., Ltd.: -1
 United Petroleum Development Co., Ltd.
 (gains on investment on the equity method),
 etc.: 6

Previous forecast for full-year results for FY2005			Current forecast for full-year results for FY2005						
Ordinary Income	Inventory valuation impact	Ordinary income excluding inventory valuation impact	Cosmo Oil alone		Oil exploration and production subsidiaries	Other	Ordinary income excluding inventory valuation impact	Inventory valuation impact	Ordinary Income
			Impact by market condition, etc.	Benefit from the Mid-term Management Plan					

Supplementary Information – 1 [Actuals and Assumptions] Crude Oil Cost & Processed Volume, Selling Prices & Volume and Changes

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		Q3 FY2005	Change from FY2004 results	Assumptions for Forecast FY2005
Purchased price of crude oil	Crude oil (FOB) USD/BBL	52.97	16.86	58.00
	JPY/USD exchange rate	111.15	2.16 <small>(JPY depreciation)</small>	115.00
	Purchased price of crude oil (tax inclusive) yen/KL	40,385	12,405	-
Crude oil refining	Refined crude oil volume (1,000 KL)	22,322	795	-
	% change		103.7%	-
	Atmospheric distillation operating ratio (Calendar Day)	85.9%	3.2%	-
	Atmospheric distillation operating ratio (Streaming Day*)	94.0%	2.3%	-
Selling price	Selling price (yen/KL)	41,630	9,950	-
Sales volume	Total sales volume (1,000 KL)	33,640	1,028	46,200
	Fuel oil product sales in Japan (1,000 KL)	21,613	-105	-
	Gasoline, kerosene, diesel fuel, heavy fuel oil A (1,000 KL)	13,655	36	-
	High-octane gasoline ratio	16.48%	-0.97%	-
Change in selling volume	Total sales volume		103.2%	102.0%
	Total sales volume in Japan		99.5%	99.0%
	Gasoline		99.5%	100.0%
	Kerosene		106.8%	102.5%
	Diesel fuel		99.4%	99.5%
	Heavy fuel oil A		98.5%	97.0%
	Combined sales of 4 volume products above		100.3%	99.8%
	Naphtha		105.4%	103.2%
	Jet fuel		75.7%	82.0%
	Heavy fuel oil C		86.7%	87.6%

Crude oil purchase cost (FOB) and exchange rate are based the forecasts for January to March 2006.

* Streaming day indicates operating ratio excluding impact of suspended operations due to regular repairs and maintenance, etc.

Supplementary Information – 2
 [Actuals and Outlook] **Non-Consolidated (Cosmo Oil Alone)** - Summary of Progress in
 Medium-Term Management Plan

Item	Department	First Half	Second Half						Full Year			
		Results	Original Plan	Previous review (on Nov. 15, '05)	Current review				Original Plan	Previous review (on Nov. 15, '05)	Current review	Achievement (change vs previous review)
					Oct-Dec '05 – actual	Jan-Mar '06 - outlook	H2 FY2005 - total	Achievement (change vs previous review)				
		(100 million yen)	(100 million yen)	(100 million yen)	(100 million yen)	(100 million yen)	(100 million yen)	(%)	(100 million yen)	(100 million yen)	(100 million yen)	(%)
Rationalization	Supply Department	7	9	9	3	5	8	91.4%	17	16	15	95.0%
	Administrative, etc.	2	1	2	2	1	3	131.8%	3	4	5	115.9%
	Subtotal	9	10	11	5	6	11	99.7%	20	20	20	99.5%
Value creation	Supply Department	14	20	22	18	12	29	127.9%	29	36	43	119.9%
	Sales & Marketing Department	25	13	26	11	12	24	90.7%	38	51	49	95.3%
	Other	0	0	1	0	0	0	61.9%	1	1	0	66.6%
	Subtotal	39	34	49	29	24	53	107.6%	68	88	92	104.7%
Grand total		48	44	60	34	30	64	106.1%	88	108	112	103.8%

Supplementary Information – 3 [Q3 FY2005 Results]
 Actual Results by Major Consolidated Subsidiary and Business Segment (Change from Q3
 FY2004)

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<Operating highlights by major consolidated subsidiary>

(Unit: ¥100 million)

	Net Sales		Operating Income		Ordinary Income		Net income	
		Change from Q3 FY2004		Change from Q3 FY2004		Change from Q3 FY2004		Change from Q3 FY2004
Cosmo Oil Co., Ltd.	17,877	3,678	595	285	605	325	361	234
Abu Dhabi Oil Co., Ltd.	387	119	152	65	155	69	34	21
Mubarraz Oil Co., Ltd.	129	129	74	74	76	76	14	14
Marketing subsidiaries	2,595	415	16	18	13	15	4	26
Cosmo Oil Lubricants Co., Ltd.	246	19	10	2	10	2	6	1
Cosmo Matsuyama Oil Co., Ltd.	185	34	14	-1	14	-1	9	0
CM Aromatics Co.,Ltd.	110	110	6	6	6	6	2	2

※ Net income for 3Q 2005 for each subsidiary above is the amount equivalent to Cosmo Oil's equity interest in the company, as calculated based on the equity method.

<Gains (losses) from investments in subsidiaries and affiliates accounted for under the equity method>

	Q3 FY2005	Change from Q3 FY2004
Gains (losses) from investments	72	23

<Capital investment and depreciation>

	Q3 FY2005	Change from Q3 FY2004
Capital investment	215	-37
Depreciation expense amount	211	25

<Operating highlights by business segment >

	Net Sales	Operating Income	
			Change from Q3 FY2004
Petroleum business	18,679	650	309
Oil exploration and production business	375	221	138
Other business	496	5	4
Elimination or Corporate	-495	-31	-14

Supplementary Information – 4 [Full-Year Forecast]
 Forecast by Major Consolidated Subsidiary and Business Segment (Change from Nov. 15,
 2005 Announcement)

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<Operating highlights by major consolidated subsidiary>

(Unit: ¥100 million)

	Net Sales		Operating Income		Ordinary Income		Net Income	
		Change vs Nov. 15 '05 announcement		Change vs Nov. 15 '05 announcement		Change vs Nov. 15 '05 announcement		Change vs Nov. 15 '05 announcement
Cosmo Oil Co., Ltd.	24,900	1,400	730	240	730	240	450	150
Abu Dhabi Oil Co., Ltd.	522	-31	202	-15	218	-1	48	3
Mubarraz Oil Co., Ltd.	172	-8	101	-4	105	-1	17	-2
Marketing subsidiaries	3,496	161	24	-6	19	-6	-2	-4
Cosmo Oil Lubricants Co., Ltd.	329	0	11	0	12	0	8	0
Cosmo Matsuyama Oil Co., Ltd.	251	24	15	5	15	5	9	3
CM Aromatics Co., Ltd.	159	17	7	5	7	5	3	2

※ Net income for 3Q 2005 for each subsidiary above is the amount equivalent to Cosmo Oil's equity interest in the company, as calculated based on the equity method.

<Gains (losses) from investments in subsidiaries and affiliates accounted for under the equity method>

	2005 full-year forecast	Change vs Nov. 15 '05 announcement
Gains (losses) from investments	95	10

<Capital investment and depreciation>

	2005 full-year forecast	Change vs Nov. 15 '05 announcement
Capital investment	377	-41
Depreciation expense amount	284	0

<Operating highlights by business segment >

	Net Sales	Operating Income	
			Change vs Nov. 15 '05 announcement
Petroleum business	25,990	800	230
Oil exploration and production business	500	290	-20
Other business	690	10	0
Elimination or Corporate	-680	-30	0

Supplementary Information – 5 [Full-Year Forecast]
 Forecast by Major Consolidated Subsidiary and Business Segment
 (Change Vs FY 2004 Results)

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<Operating highlights by major consolidated subsidiary>

(Unit: ¥100 million)

	Net Sales		Operating Income		Ordinary Income		Net Income	
		Change from FY2004		Change from FY2004		Change from FY2004		Change from FY2004
Cosmo Oil Co., Ltd.	24,900	5,250	730	256	730	313	450	313
Abu Dhabi Oil Co., Ltd.	522	155	202	76	218	99	48	45
Mubarraz Oil Co., Ltd.	172	172	101	101	105	105	17	17
Marketing subsidiaries	3,496	445	24	4	19	1	-2	17
Cosmo Oil Lubricants Co., Ltd.	329	27	11	1	12	2	8	1
Cosmo Matsuyama Oil Co., Ltd.	251	51	15	-2	15	-1	9	0
CM Aromatics Co., Ltd.	159	159	7	7	7	7	3	3

※ Net income for 3Q 2005 for each subsidiary above is the amount equivalent to Cosmo Oil's equity interest in the company, as calculated based on the equity method.

<Gains (losses) from investments in subsidiaries and affiliates accounted for under the equity method>

	Full-year FY2005 forecast	Change from FY2004
Gains (losses) from investments	95	40

<Capital investment and depreciation>

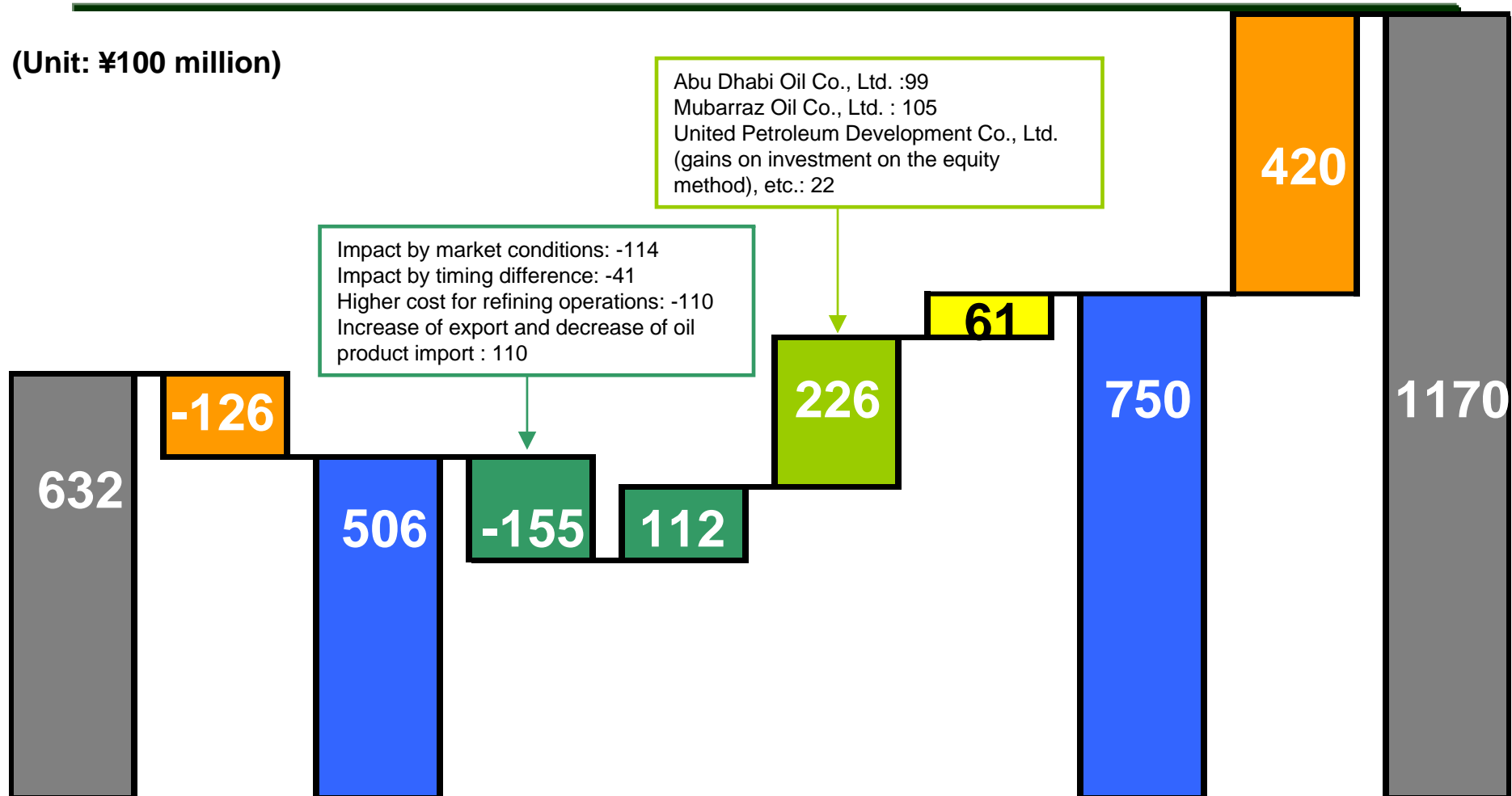
	Full-year FY2005 forecast	Change from FY2004
Capital investment	377	76
Depreciation expense amount	284	35

<Operating highlights by business segment >

	Net Sales	Operating Income	
			Change from FY2004
Petroleum business	25,990	800	253
Oil exploration and production business	500	290	170
Other business	690	10	11
Elimination or Corporate	-680	-30	-21

Supplementary Information – 6 [Full-Year Forecast]
 Consolidated Ordinary Income (Change from Full-Year 2004 Results)

(Unit: ¥100 million)

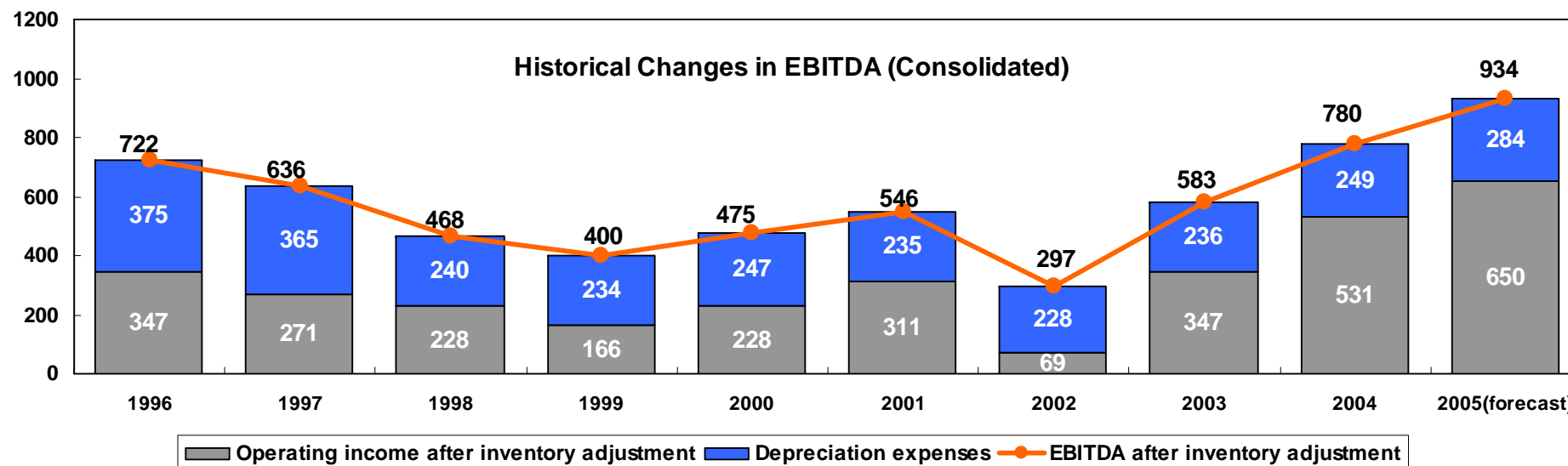


Abu Dhabi Oil Co., Ltd. :99
 Mubarraz Oil Co., Ltd. : 105
 United Petroleum Development Co., Ltd.
 (gains on investment on the equity method), etc.: 22

Impact by market conditions: -114
 Impact by timing difference: -41
 Higher cost for refining operations: -110
 Increase of export and decrease of oil product import : 110

2004 – full-year results			2005 – full-year forecast						
Ordinary Income	Inventory valuation impact	Ordinary income excluding inventory valuation impact	Cosmo Oil alone		Oil exploration and production subsidiaries	Other	Ordinary income excluding inventory valuation impact	Inventory valuation impact	Ordinary Income
			Impact by market condition, etc.	Benefit from the Mid-term Management Plan					

(Unit: ¥100 million)



	2000	2001	2002	2003	2004	2005 (forecast)
Operating income on an accounting basis	366	221	242	252	657	1,070
Impact by inventory valuation on the weighted average method (on operating income)	138	-90	173	-95	126	420
Operating income after inventory adjustment (accounting operating income excluding inventory valuation impact)	228	311	69	347	531	650

The inventory valuation method has been changed since FY2000

Supplementary Information – 8 [Q3 FY2005 Results]

Changes in the Number of Employees, Oil Storage Depots and SSs

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Workforce size (No. of persons)

	Mar 31, '98	Mar 31, '99	Mar 31, '00	Mar 31, '01	Mar 31, '02	Mar 31, '03	Mar 31, '04	Mar. 31, '05	Dec 31, '05
Cosmo Oil alone	3,109	2,677	2,048	1,970	1,892	1,837	1,764	1,729	1,728
Cosmo Oil Group	5,678	5,256	4,600	4,416	3,978	3,736	3,565	3,480	3,468

* Cosmo Oil Group = No. of employees at Cosmo Oil alone + Transfers from Cosmo Oil

No. of oil storage depots (DTs)

	Mar 31, '98	Mar 31, '99	Mar 31, '00	Mar 31, '01	Mar 31, '02	Mar 31, '03	Mar 31, '04	Mar. 31, '05	Dec 31, '05
No. of DTs	57	52	45	41	39	39	38	38	38

No. of Cosmo Oil-affiliated SSs (including mobile stations)

	Mar 31, '98	Mar 31, '99	Mar 31, '00	Mar 31, '01	Mar 31, '02	Mar 31, '03	Mar 31, '04	Mar. 31, '05	Dec 31, '05
Cosmo Oil-owned	1,172	1,105	1,065	1,010	977	959	930	899	891
Individually-owned	5,614	5,376	5,040	4,769	4,564	4,313	4,112	3,912	3,790
Total	6,786	6,481	6,105	5,779	5,541	5,272	5,042	4,811	4,681

Number of Self-Service SSs and Auto B-cle SSs

	Mar 31, '99	Mar 31, '00	Mar 31, '01	Mar 31, '02	Mar 31, '03	Mar 31, '04	Mar. 31, '05	Dec 31, '05
Self-Service SSs	5	8	23	109	285	398	483	596
Auto B-Cle SSs	-	-	-	217	428	652	652	471*

* The adoption of the more rigorous definition of Auto B-cle SSs reduced the number of such SSs, while the number of Auto B-cle SS networks (59) remained unchanged.

Cosmo The Card – Number of cards issued (10,000 cards)

	Mar 31, '99	Mar 31, '00	Mar 31, '01	Mar 31, '02	Mar 31, '03	Mar 31, '04	Mar. 31, '05	Dec 31, '05
No. of cards in force	135	146	162	185	213	239	242	251

Cautionary Statement Regarding Forward-Looking Scenarios

Cautionary Statement Regarding Forward-Looking Scenarios

This presentation contains statements that constitute forward-looking scenarios. While such forward-looking scenarios may include statements based on a variety of assumptions and relating to our plans, objectives or goals for the future, they do not reflect our commitment or assurance of the realization of such plans, objectives or goals.