

Cosmo Oil Co., Ltd.

Presentation on Business Results for Third Quarter of Fiscal 2008

February 5, 2009

Managing Director : Satoshi Miyamoto

[Q3 FY2008 Results] Consolidated Operating Highlights from Q3 FY2007

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	Q3 FY2008	Q3 FY2007	Change from Q3 FY07
Consolidated ordinary income	-110.1 billion yen	73.1 billion yen	-183.2 billion yen
<i>Impact of inventory valuation and cost or market method adoption</i>	<i>-155.5 billion yen</i>	<i>42.0 billion yen</i>	<i>-197.5 billion yen</i>
Net consolidated ordinary income	45.4 billion yen	31.1 billion yen	14.3 billion yen
Price of crude oil accepted Exchange rate	Crude oil price: 101.3 USD/B Exchange rate: 104.7 yen/USD	Crude oil price: 72.0 USD/B Exchange rate: 117.3 yen/USD	Crude oil price: 29.3 USD/B Exchange rate: -12.6 yen/USD

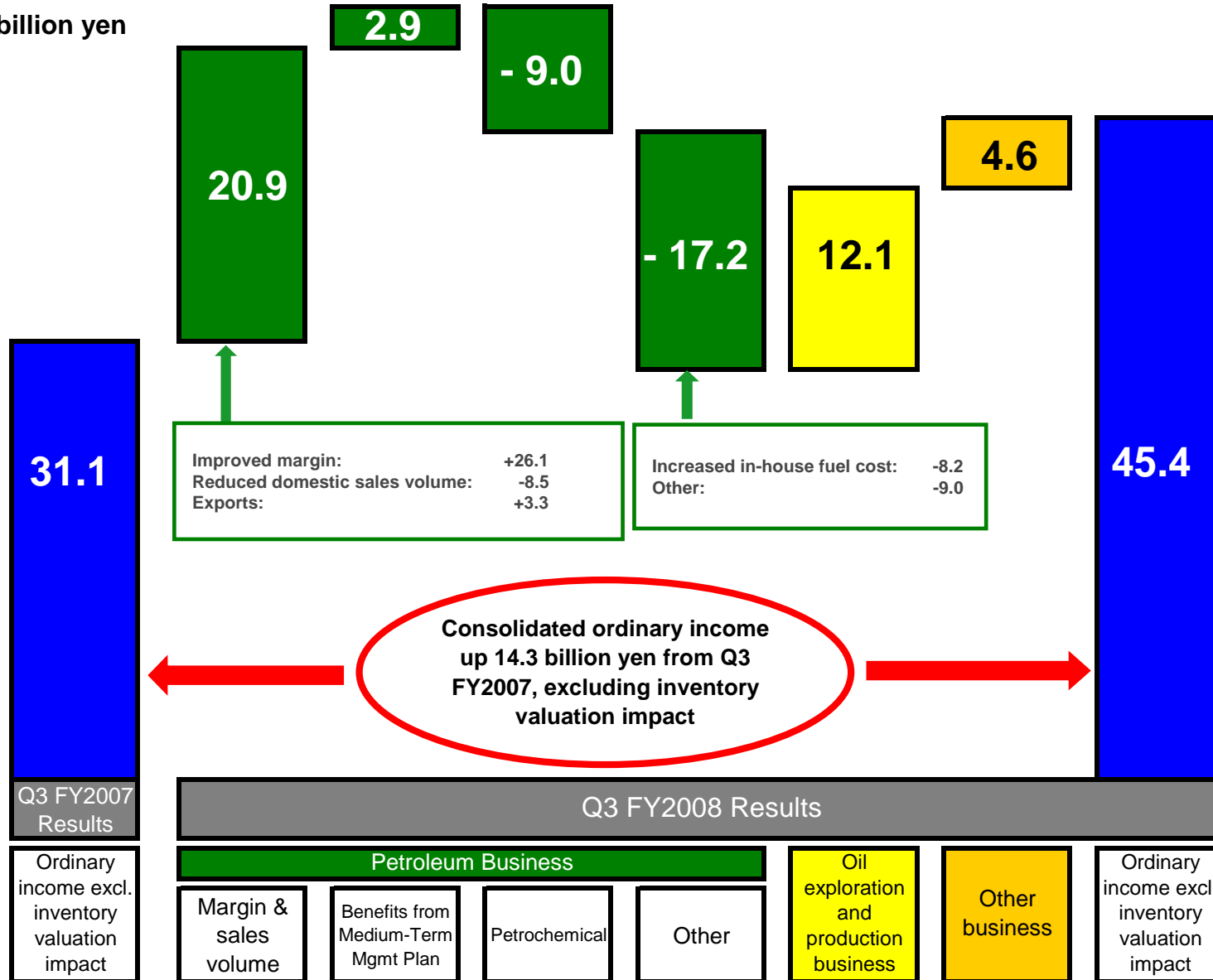


Consolidated Ordinary Income by Business Segment

	Q3 FY2008	Q3 FY2007	Change from Q3 FY07
Petroleum Business	-157.3 billion yen	42.6 billion yen	-199.9 billion yen
<i>Petrochemical</i>	<i>-1.1 billion yen</i>	<i>7.9 billion yen</i>	<i>-9.0 billion yen</i>
<i>Impact of inventory valuation and cost or market method adoption</i>	<i>-155.5 billion yen</i>	<i>42.0 billion yen</i>	<i>-197.5 billion yen</i>
Petroleum Business – Net ordinary income	-0.7 billion yen	-7.3 billion yen	6.6 billion yen
Oil E&P business	45.8 billion yen	33.7 billion yen	12.1 billion yen
Other	1.4 billion yen	-3.2 billion yen	4.6 billion yen

[Q3 FY2008 Results] Consolidated Ordinary Income (Excluding Inventory Evaluation Impact) – Analysis of Changes from Q3 FY2007

Unit: billion yen



	Results as of Dec. 31, 2008	Change from Mar. 31, 2008	Unit: billion yen
Cash flows from operating activities	-11.9	-	
Cash flows from investing activities	-42.7	-	
Cash flows from financing activities	92.3	-	
Cash and cash equivalents at end of the period	118.3	35.6	

	Results as of Dec. 31, 2008	Results as of Mar. 31, 2008	Change
Total Assets	1,503.9	1,627.9	-124.0
Net assets	370.6	469.7	-99.1
Net worth	339.3	442.9	-103.6
Net worth ratio	22.6%	27.2%	Down 4.6 % points
Interest-bearing debts (including zero coupon corporate bonds)	620.4	521.6	98.8
Debt dependence ratio	41.3%	32.0%	Down 9.3 % points
Debt Equity Ratio (Times)	1.8	1.2	Down 0.6 % points
Net interest-bearing debt (including zero coupon corporate bonds)*	502.1	438.9	63.2
Debt dependence ratio	33.4%	27.0%	Down 6.4 % points
Debt Equity Ratio (Times)	1.5	1.0	Down 0.5 % points

* Total interest-bearing debts net of cash and cash equivalents and short-term working fund balance as of the end of the term

[FY2008 Outlook] Highlights of Consolidated Business Outlook - Change from Previous Announcement

	Updated Full-Year FY2008 Outlook	Previous Full-Year FY2008 Outlook	Changes from Previous Announcement
Consolidated ordinary income	-121.0 billion yen	75.0 billion yen	-196.0 billion yen
<i>Impact of inventory valuation and cost or market method adoption</i>	-183.0 billion yen	0 yen	-183.0 billion yen
Net consolidated ordinary income	62.0 billion yen	75.0 billion yen	-13.0 billion yen
Assumption for business outlook	Crude oil price: 86.2 USD/B Exchange rate: 101.0 yen/USD	Crude oil price: 102.5 USD/B Exchange rate: 105.2 yen/USD	Crude oil price: -16.3 USD/B Exchange rate: -4.2 yen/USD

■ Assumptions for 4Q FY2008 (Jan.-Mar. 2009)

Crude oil price: 41.1 USD/B (Dubai)
Exchange rate: 90.0 yen/USD

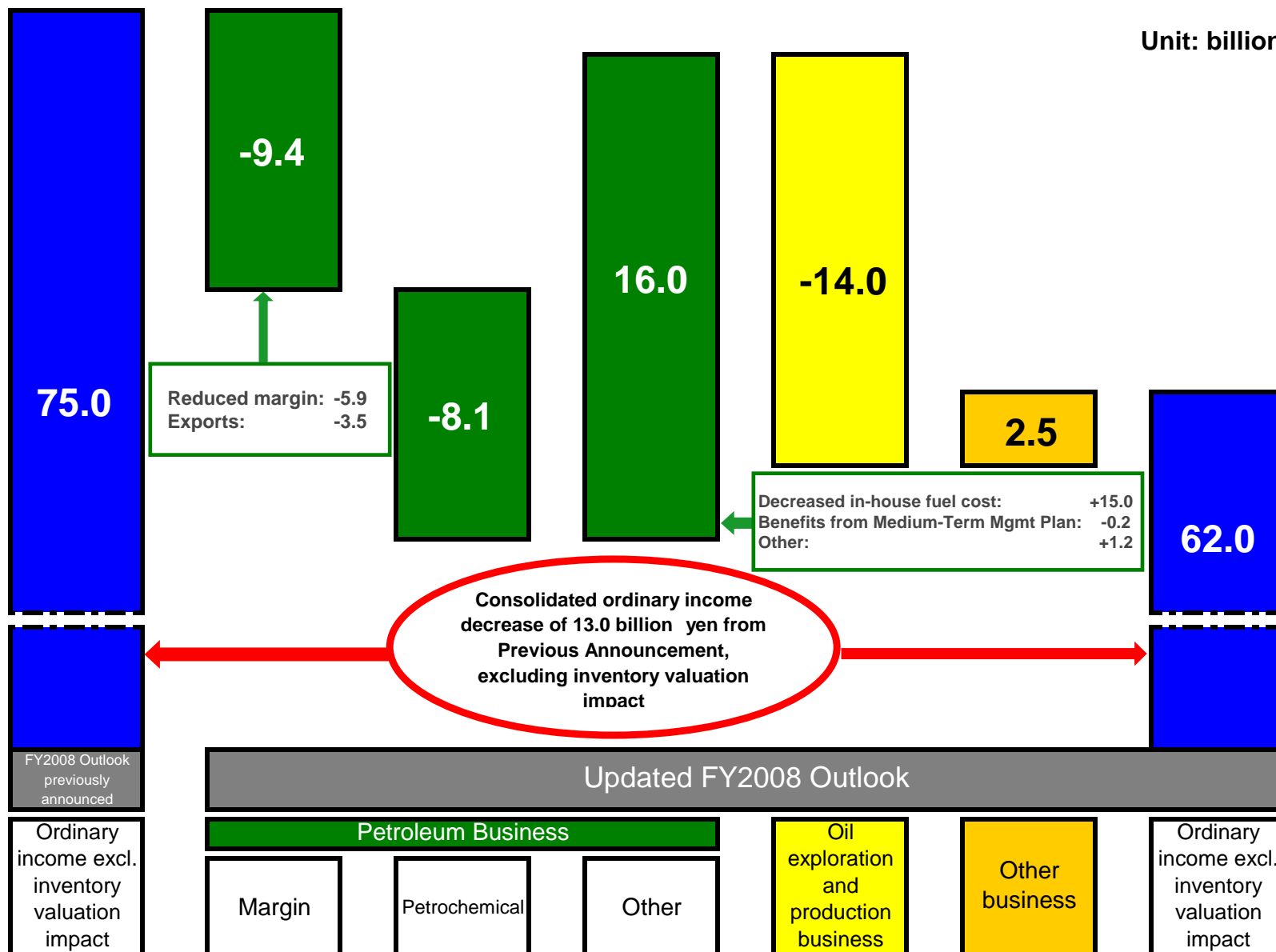
■ Note: Please refer to **Page 7** for sensitivity

Consolidated Ordinary Income by Business Segment

	Updated Full-Year FY2008 Outlook	Previous Full-Year FY2008 Outlook	Changes from Previous Announcement
Petroleum Business	-172.0 billion yen	12.5 billion yen	-184.5 billion yen
<i>Petrochemical</i>	-3.0 billion yen	5.1 billion yen	-8.1 billion yen
<i>Impact of inventory valuation and cost or market method adoption</i>	-183.0 billion yen	0 yen	-183.0 billion yen
Petroleum Business - Net ordinary income	14.0 billion yen	7.4 billion yen	6.6 billion yen
Oil E&P business	46.0 billion yen	60.0 billion yen	-14.0 billion yen
Other	5.0 billion yen	2.5 billion yen	2.5 billion yen

[FY2008 Outlook] Consolidated Ordinary Income (Excluding Inventory Evaluation Impact) – Analysis of Changes from Previous Announcement

Unit: billion yen



[Q3 FY2008 Results]

Unit: billion yen

<Capital Expenditures, Depreciation, etc.>

	Q3 FY2008 Results	Change from Q3 FY2007
Capital expenditures	48.0	17.3
Depreciation expense amount, etc.	30.9	-0.8

<Capital expenditures by Business Segment>

	Q3 FY2008 Results	Q3 FY2007 Results	Change from Q3 FY2007
Petroleum	36.3	22.1	14.2
<i>Refining and sales</i>	33.0	20.3	12.7
<i>Petrochemical</i>	1.0	0.3	0.7
<i>Other</i>	2.3	1.5	0.8
Oil exploration and production	11.6	8.5	3.1
Other	0.1	0.1	0.0
Total	48.0	30.7	17.3

[FY2008 Outlook]

<Capital Expenditures, Depreciation, etc.>

	Full-year FY2008 Outlook	Change from FY2007
Capital expenditures	79.4	30.4
Depreciation expense amount, etc.	41.2	-1.6

<Capital expenditures by Business Segment>

	Full-year FY2008 Outlook	Full-year FY2007 Results	Change from FY2007
Petroleum	60.3	35.1	25.2
<i>Refining and sales</i>	55.2	32.8	22.4
<i>Petrochemical</i>	2.0	1.0	1.0
<i>Other</i>	3.1	1.3	1.8
Oil exploration and production	18.9	13.7	5.2
Other	0.2	0.2	0
Total	79.4	49.0	30.4

Supplementary Information

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<Crude oil procurement cost and processing volume and topper operating ratios>

		Q3 FY2008 Results	Change from Q3 FY2007		Full-Year Assumption
Purchased price of crude oil	Crude oil (FOB) USD/BBL	101.28	29.27	—	86.2 (Jan-Mar 41.1)
	JPY/USD exchange rate	104.66	-12.63	—	101.0 (Jan-Mar 90.0)
	Purchased price of crude oil (tax inclusive) yen/KL	70,733	14,169	—	—
Crude oil refining	Refined crude oil volume (1,000 KL)	20,428	-429	97.9%	97.5%
	Atmospheric distillation operating ratio (Calendar Day)	73.6%	- 1.6%	—	76.6%
	Atmospheric distillation operating ratio (Streaming Day*1)	86.9%	- 0.4%	—	86.6%

*1 SD Operating capacity excluding impact by regular maintenance, etc.

<<Sensitivity>> ... Anticipated impact by crude oil price and exchange rate fluctuations in Feb-March 2009 on inventory valuation gain, in-house fuel cost and timing differences in accounting processing.*2

Crude oil price: +1 USD/BBL
Exchange rate: +1 yen/USD

Petroleum business: +1.4 billion yen
Petroleum business: +0.7 billion yen

*2. No impact by such crude oil price and exchange rate fluctuations on the bottom lines of the companies in the Oil E&P subsidiaries are expected since they adopt the Jan-Dec. accounting period.

<<Crude oil production volume>>

		Q3 FY2008 Results	Investment Ratio
Oil exploration and production subsidiary production volume	Abu Dhabi Oil Co., Ltd.	21,872	63.0%
	Qatar Petroleum Development Co., Ltd.	6,306	85.8%
	United Petroleum Development Co., Ltd.	14,041	35.0%

*3 Production volume: Average production volume by a project company during the term

Production volume of January-September 2008 because each company ends its fiscal year in December.

[Results and Business Outlook Assumption] Selling volume

<<Selling volume>>

(unit:1,000kl)

		Q3 FY2008 Results	Q3 FY2007 Results	Change	Change from Q3 FY2007	FY2008 - Full-Year Assumption change from FY2007 (based on FY2007 level as 100%)
Selling volume in Japan	Gasoline	4,904	5,273	-369	93.0%	94.1%
	Kerosene	1,520	1,618	-98	93.9%	93.3%
	Diesel fuel	3,593	3,670	-76	97.9%	98.1%
	Heavy fuel oil A	1,868	1,930	-61	96.8%	94.8%
	Combined sales of 4 volume products above	11,885	12,490	-605	95.2%	95.2%
	Naphtha	4,461	5,210	-749	85.6%	83.6%
	Jet fuel	277	326	-49	85.0%	89.2%
	Heavy fuel oil C	2,305	2,563	-257	90.0%	88.4%
	incl. Heavy fuel oil C for electric power generation	1,248	1,314	-66	95.0%	92.5%
	Sub-total	18,929	20,589	-1,660	91.9%	91.4%
Export volume	Diesel fuel	1,081	943	138	114.7%	109.5%
	Kerosene/JET	101	226	-125	44.8%	39.0%
	Sub-total	1,182	1,169	13	101.2%	98.0%
Bond sales, etc.	JET	1,225	1,306	-80	93.8%	91.5%
	Heavy fuel oil C	568	590	-22	96.3%	94.4%
	Other	128	101	27	126.5%	125.9%
	Sub-total	1,921	1,997	-76	96.2%	94.1%
Barter deal, etc.		8,190	9,201	-1,011	89.0%	89.8%
Total selling volume		30,222	32,955	-2,733	91.7%	91.3%

[Results and Business Outlook] Overall Review of Progress Made by Petroleum Business (on A Non-Consolidated Basis) in the Medium-Term Management Plan (MTMP)

Item	Department	FY2008 Results/Outlook			Full-year FY2008 Outlook	Outlook full-year FY2008 previous announcement*	Outlook full-year FY2008 change from previous announcement
		1H FY2008 Results	Actuals in Oct-Dec. '08	Outlook for Jan-Mar. '09			
		(billion yen)	(billion yen)	(billion yen)	(billion yen)	(billion yen)	(billion yen)
Rationalization	Supply Department	0.1	0.2	0.3	0.6	0.6	100%
	Sales Department	0.4	0.1	0.0	0.5	0.5	100%
	General Administration, etc.	0.4	0.2	0.3	0.9	1.1	82%
	Subtotal	0.9	0.5	0.6	2.0	2.2	91%
Value creation	Supply Department	0.0	0.0	0.0	0.0	0.0	-
	Sales Department	1.0	0.5	0.5	2.0	2.0	100%
	Othsr	0.0	0.0	0.0	0.0	0.0	-
	Subtotal	1.0	0.5	0.5	2.0	2.0	100%
Grand total		1.9	1.0	1.1	4.0	4.2	95%

Note: * Announced on November 5, 2008

[Q3 FY2008 Results] Results by Business Segment: Change from Q3 FY2007

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<<Results by Business Segment>>

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Excluding inventory valuation and cost or market method impact)	
		Change from Q3 FY2007		Change from Q3 FY2007		Change from Q3 FY2007		Change from Q3 FY2007
Petroleum	2,767.0	282.2	-153.8	-195.5	-157.3	-199.9	-1.8	-2.4
Oil exploration and production	75.4	17.2	45.9	14.9	45.8	12.1	45.8	12.1
Other business	70.7	9.4	1.6	0.2	1.8	0.2	1.8	0.2
Write-off	-80.1	-16.3	0.6	5.0	-0.4	4.4	-0.4	4.4
Total	2,833.0	292.5	-105.7	-175.4	-110.1	-183.2	45.4	14.3

* Figures for the petroleum segment above include a negative impact from inventory valuation of 87.7 billion yen (down 129.7 billion yen from Q3 FY2007).

* Figures for the petroleum segment also include a negative impact of cost or market method adoption of 67.8 billion yen (down 67.8 billion yen from Q3 FY2007).

* Figures for the petroleum segment include ordinary loss of 1.1 billion yen at the companies in the petrochemical business (down 9.0 billion yen from Q3 FY2007).

Petroleum: Cosmo Oil Co., Ltd., Cosmo Oil Sales Co., Ltd., Cosmo Petroleum Gas Co., Ltd.,
Cosmo Oil Lubricants Co., Ltd., etc.

Including petrochemical: Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd.,
Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Group on the equity
method)

Oil exploration and production: Abu Dhabi Oil Co., Ltd., Qatar Petroleum Development Co., Ltd.,
United Petroleum Development Co., Ltd. (owned by the Cosmo Group on the
equity method), etc.

Other: Cosmo Engineering Co., Ltd., Cosmo Trade & Services Co., Ltd., etc.

[FY2008 Outlook] Results by Business Segment: Changes from Previous Announcement

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<<Results by Business Segment>>

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Excluding inventory valuation and cost or market method impact)	
		Changes from Previous Announcement		Changes from Previous Announcement		Changes from Previous Announcement		Changes from Previous Announcement
Petroleum	3,286.2	-661.9	-166.2	-183.4	-172.0	-184.5	11.0	-1.5
Oil exploration and production	88.9	-11.6	51.1	-6.7	46.0	-14.0	46.0	-14.0
Other business	96.0	6.4	1.9	0.6	2.0	0.5	2.0	0.5
Write-off	-101.1	7.1	3.2	1.5	3.0	2.0	3.0	2.0
Total	3,370.0	-660.0	-110.0	-188.0	-121.0	-196.0	62.0	-13.0

*Figures for the petroleum segment above include a negative impact from inventory valuation of 177.0 billion yen (down 177.0 billion yen from previous announcement).

* Figures for the petroleum segment also include a negative impact of cost or market method adoption of 6.0 billion yen (down 6.0 billion yen from previous announcement).

* Figures for the petroleum segment include ordinary loss of 3.0 billion yen at the companies in the petrochemical business (down 8.1 billion yen from previous announcement).

Petroleum: Cosmo Oil Co., Ltd., Cosmo Oil Sales Co., Ltd., Cosmo Petroleum Gas Co., Ltd.,
Cosmo Oil Lubricants Co., Ltd., etc.

Including petrochemical: Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd.,
Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Group on the equity method)

Oil exploration and production: Abu Dhabi Oil Co., Ltd., Qatar Petroleum Development Co., Ltd.,
United Petroleum Development Co., Ltd. (owned by the Cosmo Group on the equity method), etc.

Other: Cosmo Engineering Co.,Ltd., Cosmo Trade & Services Co., Ltd., etc.

[FY2008 Outlook] Highlights of Consolidated Business Outlook - Changes from FY2007

	Full-year FY2008 Outlook	Full-Year FY2007 Results	Change
Consolidated ordinary income	-121.0 billion yen	94.3 billion yen	-215.3 billion yen
<i>Impact of inventory valuation and cost or market method adoption</i>	<i>-183.0 billion yen</i>	<i>45.0 billion yen</i>	<i>-228.0 billion yen</i>
Net consolidated ordinary income	62.0 billion yen	49.3 billion yen	12.7 billion yen
Assumption for business outlook	Crude oil price: 86.2 USD/B Exchange rate: 101.0 yen/USD	Crude oil price: 77.1 USD/B Exchange rate: 114.5 yen/USD	Crude oil price: 9.1 USD/B Exchange rate: -13.5 yen/USD

■ Assumptions for 4Q FY2008 (Jan.-Mar. 2009)

Crude oil price: 41.1 USD/B (Dubai)
Exchange rate: 90.0 yen/USD

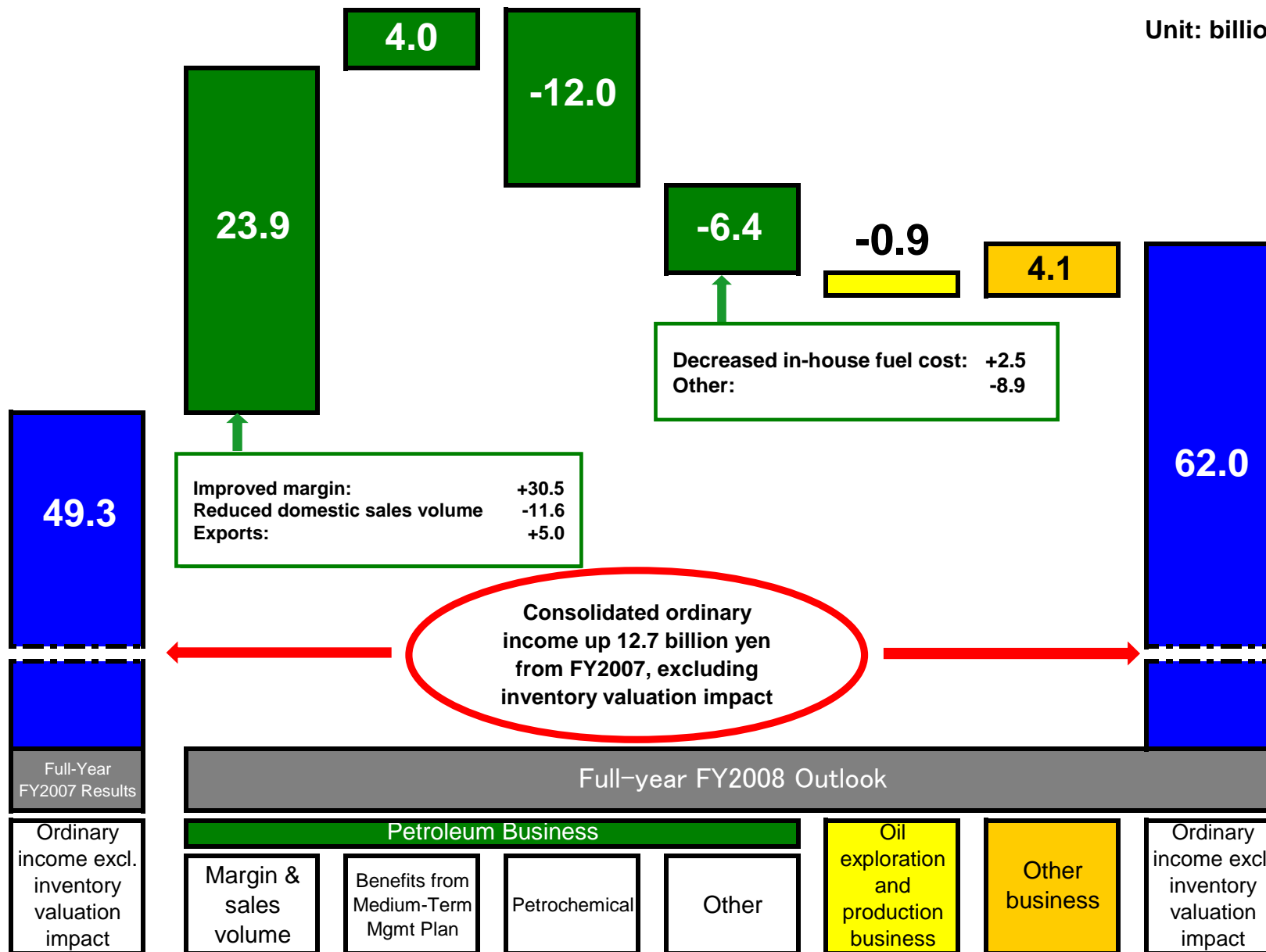
■ Note: Please refer to **Page 7**
for sensitivity

Consolidated Ordinary Income by Business Segment

	Full-year FY2008 Outlook	Full-Year FY2007 Results	Change
Petroleum Business	-172.0 billion yen	46.5 billion yen	-218.5 billion yen
<i>Petrochemical</i>	<i>-3.0 billion yen</i>	<i>9.0 billion yen</i>	<i>-12.0 billion yen</i>
<i>Impact of inventory valuation and cost or market method adoption</i>	<i>-183.0 billion yen</i>	<i>45.0 billion yen</i>	<i>-228.0 billion yen</i>
Petroleum Business - Net ordinary income	14.0 billion yen	-7.5 billion yen	21.5 billion yen
Oil E&P business	46.0 billion yen	46.9 billion yen	-0.9 billion yen
Other	5.0 billion yen	0.9 billion yen	4.1 billion yen

[FY2008 Outlook] Consolidated Ordinary Income (Excluding Inventory Evaluation Impact)
 – Analysis of Changes from FY2007

Unit: billion yen



<<Business Outlook by Business Segment>>

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Excluding inventory valuation and cost or market method impact)	
		Change from FY2007		Change from FY2007		Change from FY2007		Change from FY2007
Petroleum	3,286.2	-156.0	-166.2	-205.5	-172.0	-218.5	11.0	9.5
Oil exploration and production	88.9	4.8	51.1	7.6	46.0	-0.9	46.0	-0.9
Other business	96.0	-3.0	1.9	-0.7	2.0	-0.9	2.0	-0.9
Write-off	-101.1	1.1	3.2	4.8	3.0	5.0	3.0	5.0
Total	3,370.0	-153.1	-110.0	-193.8	-121.0	-215.3	62.0	12.7

* Figures for the petroleum segment above include a negative impact from inventory valuation of 177.0 billion yen (down 222.0 billion yen from FY2007).

* Figures for the petroleum segment also include a negative impact of cost or market method adoption of 6.0 billion yen (down 6.0 billion yen from FY2007).

* Figures for the petroleum segment include ordinary loss of 3.0 billion yen at the companies in the petrochemical business (down 12.0 billion yen from FY2007).

Petroleum: Cosmo Oil Co., Ltd., Cosmo Oil Sales Co., Ltd., Cosmo Petroleum Gas Co., Ltd., Cosmo Oil Lubricants Co., Ltd., etc.

Including petrochemical: Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd., Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Group on the equity method)

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Other: Cosmo Engineering Co.,Ltd., Cosmo Trade & Services Co., Ltd., etc.

[Q3 FY2008 Results] Self-Service SSs Operational and COSMO THE CARDS

THE CARDS in Force

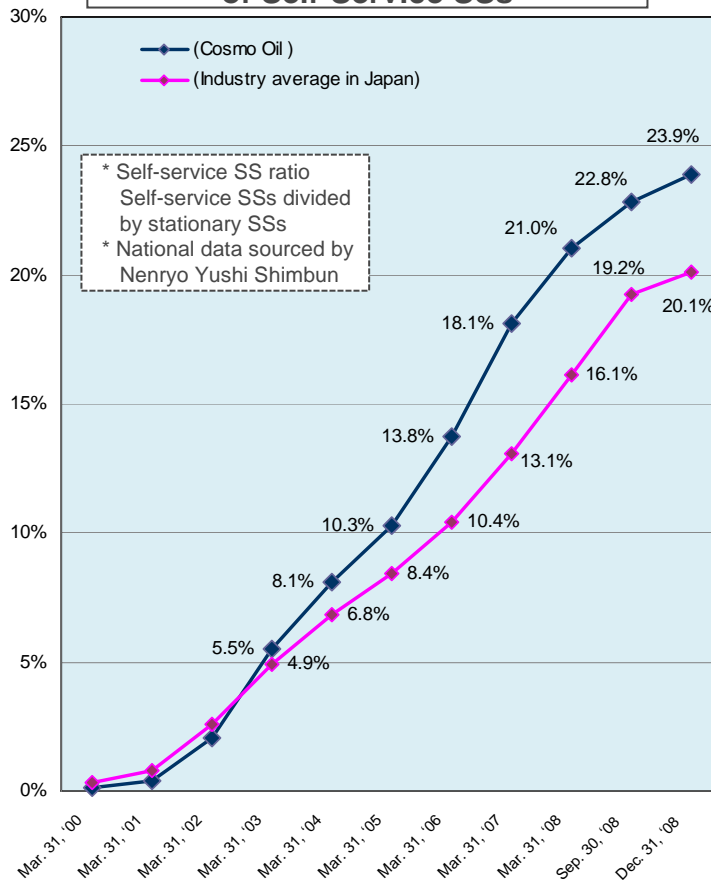
Self-Service SS Business

As of Dec. 31, 2008: 948SSs
 (No. of new SSs opened in Oct.-Dec. '08: 36SSs)
 Share of Self-Service SSs: 23.9%

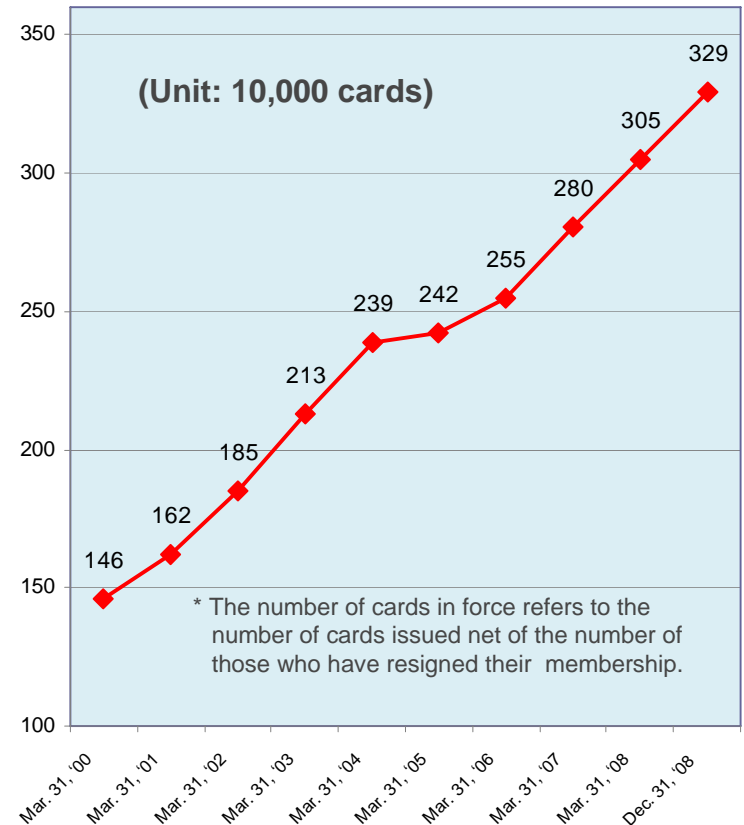
COSMO THE CARD

As of Dec. 31, 2008: 3.29 mil. cards
 (No. of new cards issued in Oct.-Dec. '08: 90,000 cards)

Historical Changes in the Share of Self-Service SSs



Historical Changes in the Number of "Cosmo The Card" Cards in Force



[Q3 FY2008 Results] Historical Changes in the Number of Employees, Oil Storage Depots, SSs and Cards in Force

Workforce size (No. of persons)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	As of Dec. 31, 2008
Cosmo Oil alone	1,892	1,837	1,764	1,729	1,718	1,916	1,957	2,093
Cosmo Oil Group	3,978	3,736	3,565	3,480	3,451	3,335	3,299	3,291

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

Note: Data as of March 31 of each fiscal year except FY2008

No. of oil storage depots (DTs)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	As of Dec. 31, 2008
No. of DTs	39	39	38	38	38	38	38	38

Note: Data as of March 31 of each fiscal year except FY2008

Estimated Number of SSs by Operator Type (including mobile stations)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	As of Dec. 31, 2008
Subsidiaries	543	505	525	1,065	1,190	1,122	1,104	1,067
Dealers	4,998	4,767	4,517	3,746	3,456	3,294	3,074	2,951
Total	5,541	5,272	5,042	4,811	4,646	4,416	4,178	4,018

Note: Data up to FY2005 as of December 31 of each year. Data in FY2006 onwards as of March 31 of the year following each fiscal year

Number of Self-Service SSs out of the Total Estimated Number of SSs Mentioned Above

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	As of Dec. 31, 2008
Subsidiaries	66	159	255	295	370	463	507	539
Dealers	43	126	143	188	256	326	360	409
Total	109	285	398	483	626	789	867	948

Note: Data as of March 31 of each fiscal year except FY2008

Cosmo The Card – Number of cards issued (including the number of Opus cards in force from March 31, 2007 onwards)

	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	As of Dec. 31, 2008
No. of cards in force (10,000 cards)	185	213	239	242	255	280	305	329

Note: Data as of March 31 of each fiscal year except FY2008

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.