

Cosmo Oil Co., Ltd.
The Third Consolidated Medium-Term
Management Plan and
Results of the First Quarter of Fiscal Year 2009

August 3, 2009

Managing Director
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[Q1 FY2009 Results] Consolidated Income Statements

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	1 QFY09 (Apr.-Jun.2009)	1 QFY08 (Apr.-Jun.2008)	Change	(Change)
	bn. yen	bn. yen	bn. yen	
Net sales	548.5	915.5	-367.0	(-40.1%)
Cost of sales	505.0	833.3	-328.3	
Selling general and administrative expenses	33.1	37.4	-4.3	
Operating income	10.4	44.8	-34.4	(-76.7%)
Non-operating income/expenses, net	3.3	-6.7	10.0	
Ordinary income	13.7	38.1	-24.4	(-64.2%)
Extraordinary income/losses, net	-1.8	5.9	-7.7	
Income taxes	5.8	21.6	-15.8	
Minority interests	0.4	-0.5	0.9	
Net income	5.7	22.9	-17.2	(-75.0%)
【Reference】				
Impact of inventory valuation	24.0	36.1	-12.1	
Consolidated ordinary income excluding impact of inventory valuation	-10.3	2.0	-12.3	

[Q1 FY2009 Results] Consolidated Operating Highlights

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	Q1 FY2009 Results	Q1 FY2008 Results	Change from Q1 FY2008
Consolidated ordinary income	13.7 billion yen	38.1 billion yen	-24.4 billion yen
<i>Impact of inventory valuation</i>	<i>24.0 billion yen *</i>	<i>36.1 billion yen</i>	<i>-12.1 billion yen</i>
NET Consolidated ordinary income	-10.3 billion yen	2.0 billion yen	-12.3 billion yen
Purchased price of crude oil JPY/USD exchange rate:	Crude oil: 52.40 \$/B JPY/USD exchange rate: 97.94 yen/\$	Crude oil: 109.89 \$/B JPY/USD exchange rate: 102.67 yen/\$	Crude oil: -57.49 \$/B JPY/USD exchange rate: -4.73 yen/\$

Consolidated Ordinary Income by Business Segment

	Q1 FY2009 Results	Q1 FY2008 Results	Change from Q1 FY2008
Petroleum business	9.8 billion yen	34.7 billion yen	-24.9 billion yen
<i>Petrochemical</i>	<i>0.4 billion yen</i>	<i>1.6 billion yen</i>	<i>-1.2 billion yen</i>
<i>Impact of inventory valuation</i>	<i>23.7 billion yen *</i>	<i>36.1 billion yen</i>	<i>-12.4 billion yen</i>
NET Petroleum business	-14.3 billion yen	-3.0 billion yen	-11.3 billion yen
Oil exploration and production business	6.3 billion yen	5.2 billion yen	1.1 billion yen
Other	-2.4 billion yen *	-1.8 billion yen	-0.6 billion yen

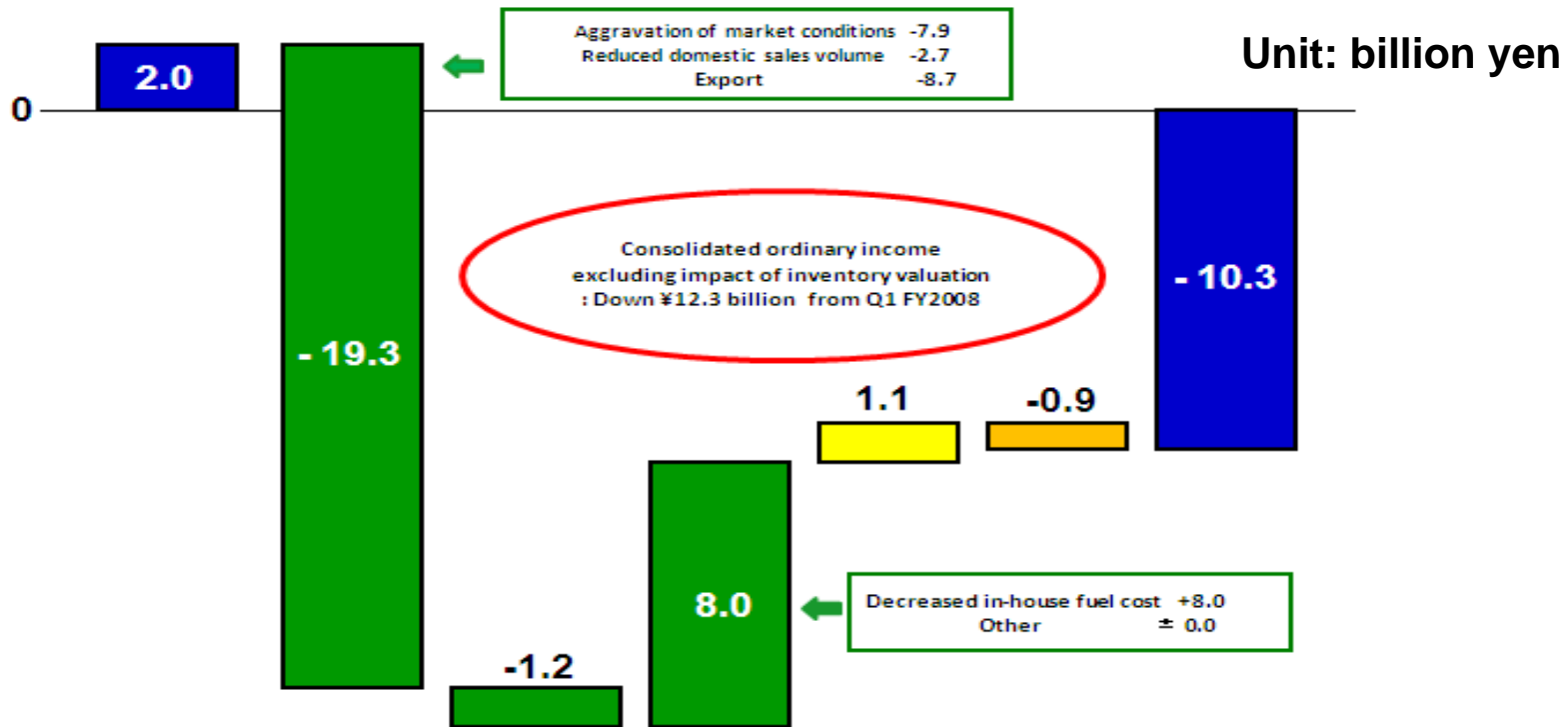
Notes: * Breakdown of impact of inventory valuation of ¥24.0 billion Petroleum business ¥23.7 billion. Other ¥0.3 billion.

[Q1 FY2009 Results] Consolidated Ordinary Income (Excluding Inventory Valuation Impact) - Analysis of Changes from Q1 FY2008

Key point

Consolidated ordinary income excluding impact of inventory valuation : Down ¥12.3 billion from Q1 FY2008

- Aggravation of market conditions
 - Reduced domestic sales volume
- Aggravation of export profit
 - Decreased in – house fuel cost



1Q FY2008 Results	1Q FY2009 Results					
Ordinary income excl. inventory valuation impact	Petroleum			Oil exploration and production business	Other business	Ordinary income excl. inventory valuation impact
	Market conditions and sales volume impact	Petrochemical	Other			

	Results (As of Jun. 30, '09)	Change from FY08 (As of Mar. 31, '09)	Unit: billion yen
Cash flow from operating activities	-16.2	–	
Cash flow from investing activities	-28.4	–	
Cash flow from financing activities	-15.7	–	
Cash and cash equivalents at end of the period	101.1	△ 58.8	

	Results (As of Jun. 30, '09)	FY08 (As of Mar. 31, '09)	Change
Total Assets	1,431.2	1,440.4	-9.2
Net assets	355.1	347.4	7.7
Net worth	335.7	328.4	7.3
Net worth ratio	23.5%	22.8%	Improved by 0.7 points
Interest-bearing debts (including zero coupon corporate bonds)	587.2	598.6	-11.4
Debt dependence ratio	41.0%	41.6%	Improved by 0.6 points
Debt Equity Ratio	1.7	1.8	Improved by 0.1 points
Net interest-bearing debt* (including zero coupon corporate bonds)	486.1	438.7	47.4
Debt dependence ratio	34.0%	30.5%	Down 3.5 points
Debt Equity Ratio	1.4	1.3	Down 0.1 points

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

[Q1 FY2009 Results]

Unit: billion yen

<Capital investment and depreciation>

	Q1 FY2009 Results	Change from Q1 FY2008
Capital expenditures	28.7	11.4
Depreciation expense amount	9.8	-1.3

<Capital Investment by Business Segment>

	Q1 FY2009 Results	Q1 FY2008 Results	Change from Q1 FY2008
Petroleum	23.7	12.2	11.5
<i>Refining and marketing</i>	22.9	11.5	11.4
<i>Petrochemical</i>	0.3	0.4	-0.1
<i>Other</i>	0.5	0.3	0.2
Oil exploration and production	4.9	5.1	-0.2
Other	0.0	0.0	0.0
Total	28.7	17.3	11.4

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Petrochemical Business – Mixed Xylene Market Conditions (Spreads between MX Prices and Naphtha Prices)

[Q1 FY09 Results] Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios, Sensitivity, Crude Oil Production Volume

<<Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios>>

		Q1 FY09 Results	Change from Q1 FY08	
Purchased price of crude oil	Crude oil (FOB) USD/BBL	52.40	-57.49	—
	JPY/USD exchange rate	97.94	-4.73	—
	Purchased price of crude oil (tax inclusive) yen/KL	35,318	-39,233	—
Crude oil refining	Refined crude oil volume (1,000 KL)	6,087	-817	88.2%
	Atmospheric distillation operating ratio (Calendar Day)	66.2%	- 8.9%	—
	Atmospheric distillation operating ratio (Streaming Day) *1	82.8%	- 5.7%	—

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

<<Sensitivity>> Anticipated impact by crude oil price and exchange rate fluctuations on inventory valuation gain, in-house fuel cost and timing differences in accounting processing.
Taking no impact of the cost or market method into consideration

Levels of responsiveness of results of the current period based on the full-year forecast announced in May 2009.

Crude oil + 1 USD/BBL	etroleum: +1.8 billion yen	Oil exploration and production: +0.9 billion yen
JPY/USD +1 exchange rate	etroleum: +0.9 billion yen	Oil exploration and production: +0.5 billion yen

<<Crude Oil Production Volume>>

		Q1 FY09 Results	Investment ratio
Oil exploration and production subsidiary production volume *2	Abu Dhabi Oil Co., Ltd. (Barrels/day)	24,965	63.0%
	Qatar Petroleum Development Co., Ltd. (Barrels/day)	6,413	85.8%
	United Petroleum Development Co., Ltd. (Barrels/day)	14,191	35.0%

*2 Production volume: Average production volume by a project company during the term Production volume of January-March 2009 because each company ends its fiscal year in December.

[Q1 FY09 Results] Selling Volume

<<Selling Volume>>

(1,000 KL)

		Q1 FY09 Results	Q1 FY08 Results	Change	Change from Q1 FY08
Selling volume in Japan	Gasoline	1,659	1,698	-39	97.7%
	Kerosene	395	440	-46	89.7%
	Diesel fuel	1,134	1,229	-94	92.3%
	Heavy fuel oil A	556	629	-72	88.5%
	Combined sales of 4 volume products above	3,745	3,996	-251	93.7%
	Naphtha	1,569	1,288	281	121.8%
	Jet fuel	77	82	-5	93.4%
	Heavy fuel oil C	714	802	-89	88.9%
	incl. Heavy fuel oil C for electric power	361	423	-62	85.3%
	Sub-Total	6,104	6,169	-65	98.9%
Export volume	Diesel fuel	339	406	-68	83.4%
	Kerosene/JET	0	24	-24	0.0%
	Sub-Total	339	430	-91	78.8%
Bond sales, etc.	Jet	368	403	-35	91.4%
	Heavy fuel oil C	195	227	-31	86.2%
	Other	50	63	-13	78.9%
	Sub-Total	613	692	-79	88.6%
Barter deal, etc.		2,445	2,728	-282	89.6%
Total selling volume		9,501	10,019	-518	94.8%

<<Results by Business Segment>>

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Excluding inventory valuation impact)	
		Change from Q1 FY08		Change from Q1 FY08		Change from Q1 FY08		Change from Q1 FY08
Petroleum	541.1	-356.9	9.7	-26.7	9.8	-24.9	-13.9	-12.5
Oil exploration and production	9.4	-8.9	3.3	-6.5	6.3	1.1	6.3	1.1
Other Business	18.4	-1.6	0.1	-0.6	0.3	-0.4	0.3	-0.4
Write-off	-20.4	0.4	-2.7	-0.6	-2.7	-0.2	-3.0	-0.5
Total	548.5	-367.0	10.4	-34.4	13.7	-24.4	-10.3	-12.3

Unit: billion yen

- The impact of inventory valuation of ¥23.7 billion (down ¥12.4 billion from Q1 FY2008) included in the petroleum business segment.
- Ordinary income of the petrochemical business of ¥800 million (down ¥800 million from Q1 FY2008) included in the petroleum business segment.

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), Other

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



Self-Service SSs Operational and Cosmo The Cards in Force

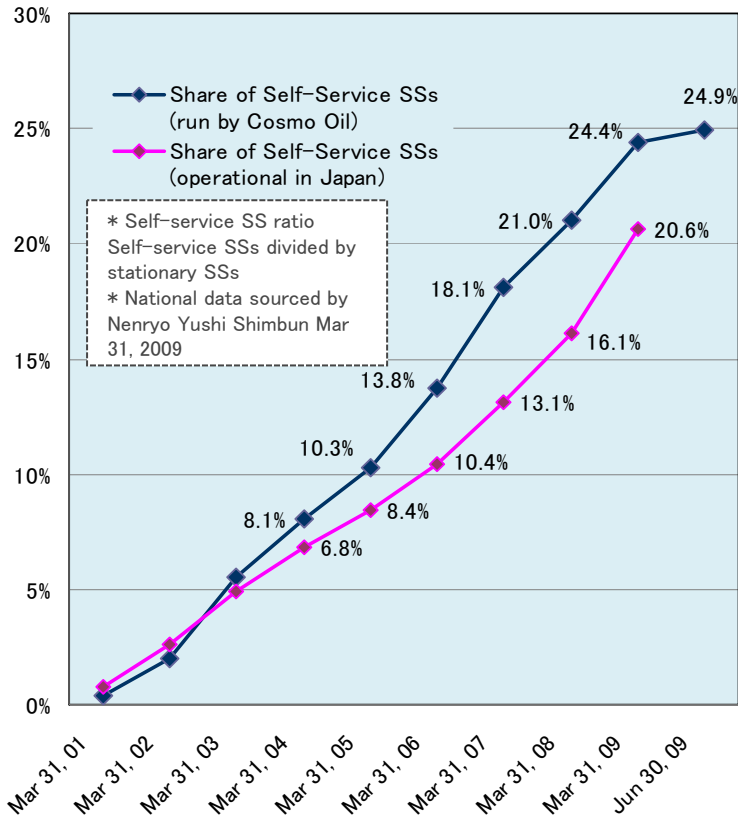
Self-Service SSs Business

As of June. 30, '09: 963SSs
 (No. of new SSs opened in Q1FY09: 8SS)
 Share of Self-Service SSs: 24.9%

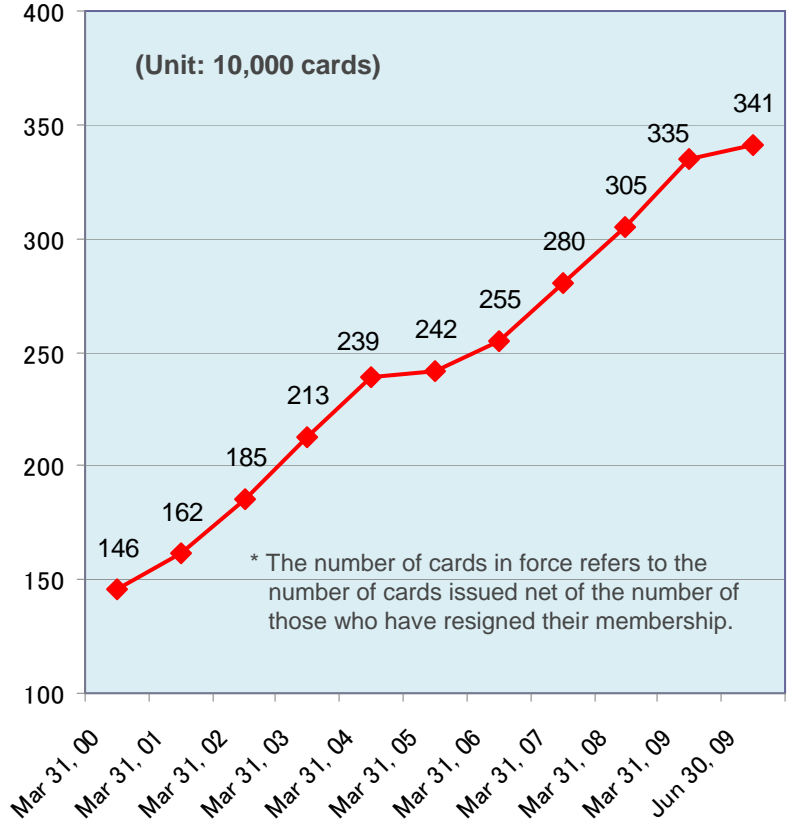
Cosmo The Card

As of June. 30, '09: 3.41 mil. cards
 (No. of new cards issued in Q1FY09: 60,000 cards)

Historical Changes in the Share of Self-Service SSs



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



[Q1 FY09 Results]Historical Changes in the Number of Employees, Oil Storage Depots, SSs and Cards in Force

Workforce size (No. of persons)								
	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	As of June 30, 2009
Cosmo Oil alone	1,837	1,764	1,729	1,718	1,916	1,957	2,064	2,209
Cosmo Oil Group	3,736	3,565	3,480	3,451	3,335	3,299	3,269	3,402

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

Note: Data as of March 31 of each fiscal year

No. of oil storage depots (DTs)								
	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	As of June 30, 2009
No. of DTs	39	38	38	38	38	38	38	38

Note: Data as of March 31 of each fiscal year

Estimated Number of SSs by Operator Type (including mobile stations)								
	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	As of June 30, 2009
Subsidiaries	505	525	1,065	1,190	1,122	1,104	1,023	1,126
Dealers	4,767	4,517	3,746	3,456	3,294	3,074	2,937	2,784
Total	5,272	5,042	4,811	4,646	4,416	4,178	3,960	3,910

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

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	As of June 30, 2009
Subsidiaries	159	255	295	370	463	507	551	550
Dealers	126	143	188	256	326	360	404	413
Total	285	398	483	626	789	867	955	963

Note: Data as of March 31 of each fiscal year

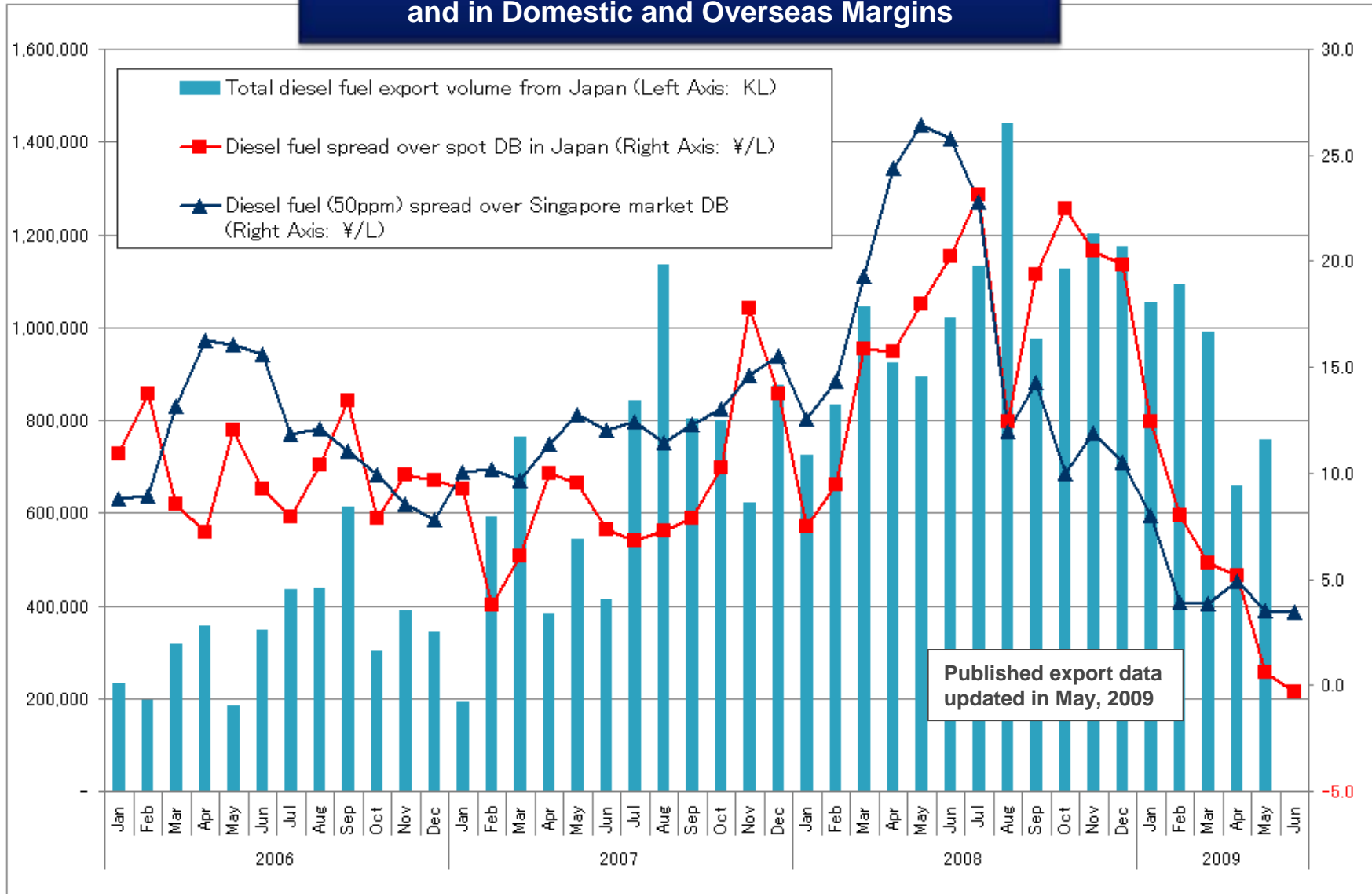
Cosmo The Card – Number of cards issued (including the number of Opus cards in force from 2006 onwards)

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	As of June 30, 2009
No. of cards in force (10,000 cards)	213	239	242	255	280	305	336	341

Note: Data as of March 31 of each fiscal year

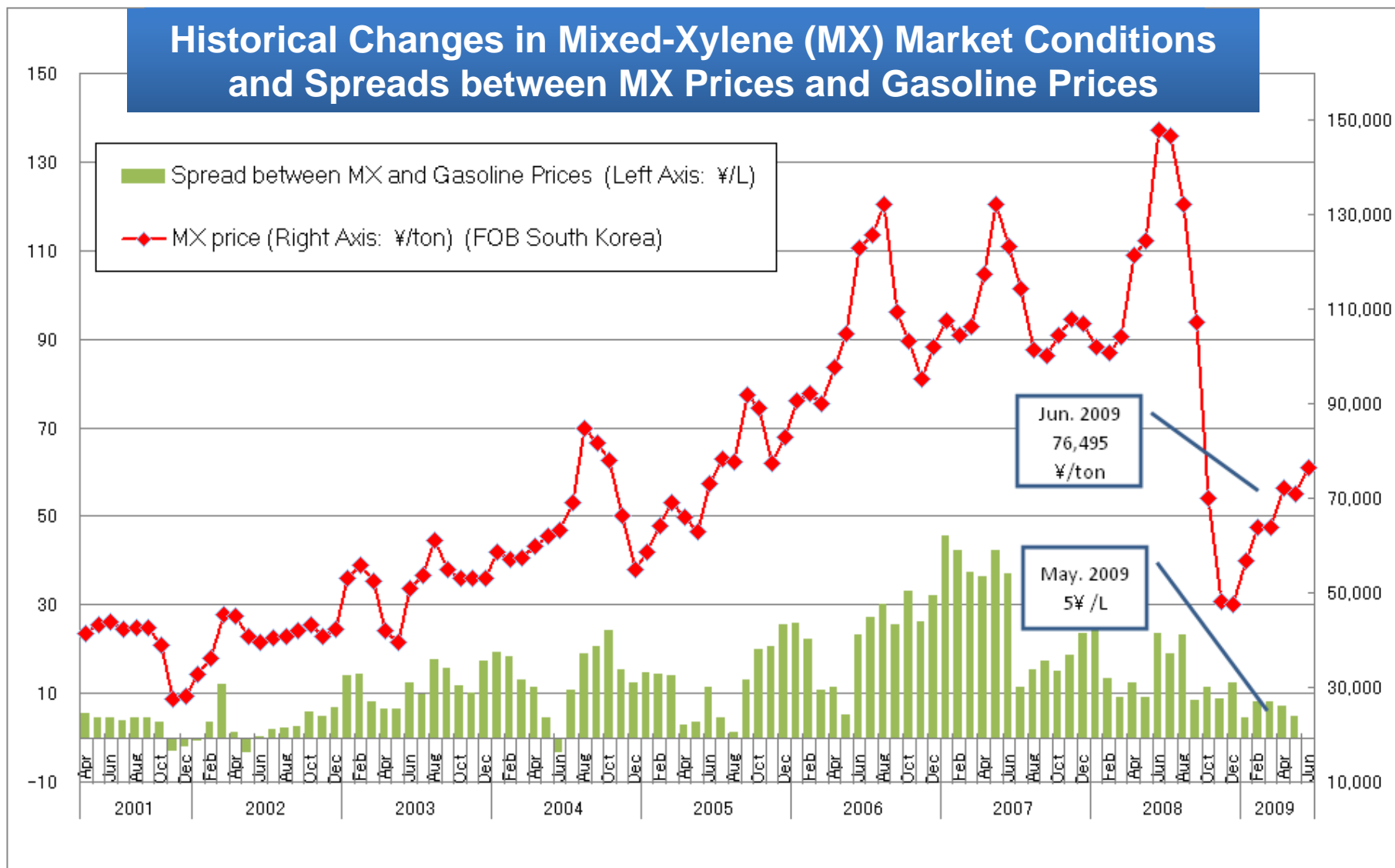
[Programs for Medium-Term Management Plan] Diesel Fuel Export Results and Margin Environment

Historical Changes in Diesel Fuel Export Volume and in Domestic and Overseas Margins



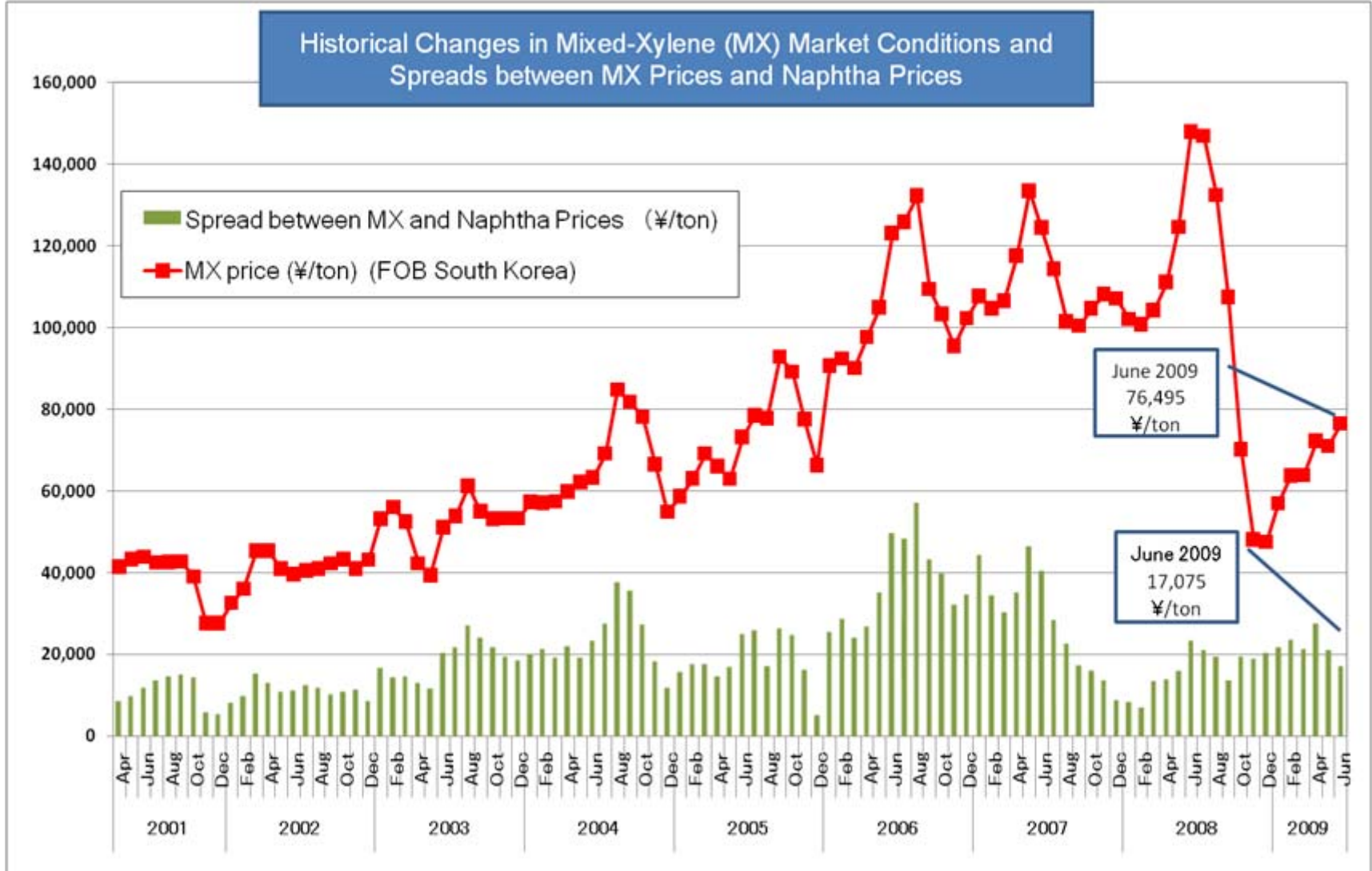
[Programs for Medium-Term Management Plan]

Petrochemical Business – Mixed-Xylene Market Conditions



Information about spreads vs. gasoline prices updated in May 2009.

[Programs for Medium-Term Management Plan] Petrochemical Business – Mixed-Xylene Market Conditions



Information about spreads vs. Naphtha prices updated in June 2009.

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.