

Cosmo Oil Co., Ltd. Presentation on Results for Third Quarter of Fiscal 2010

February 3, 2011

Director, Senior Executive Officer: Satoshi Miyamoto

(unit: billion yen)

	3QFY2010 (Apr.-Dec.2010)	3QFY2009 (Apr.-Dec.2009)	Change
Net sales	1,995.8	1,800.6	195.2
Cost of sales	1,844.6	1,690.9	153.7
Selling, general and administrative expenses	94.3	99.3	-5.0
Operating income	56.9	10.4	46.5
Non-operating income/expenses, net	-5.6	1.0	-6.6
Ordinary income	51.3	11.4	39.9
Extraordinary income/losses, net	-9.1	-6.9	-2.2
Income taxes	24.6	21.4	3.2
Minority interests	3.1	1.6	1.5
Net income	14.5	-18.5	33.0

[Reference]

Impact of inventory valuation	-3.8	46.8	-50.6
Operating income excluding the impact of inventory valuation	60.7	-36.4	97.1
Ordinary income excluding the impact of inventory valuation	55.1	-35.4	90.5

	3QFY2010	3QFY2009	Changes from 3Q FY2009
Consolidated ordinary income	51.3billion yen	11.4billion yen	39.9billion yen
Impact of the inventory valuation (*)	-3.8billion yen	46.8billion yen	-50.6billion yen
Consolidated ordinary income (excluding inventory valuation impact)	55.1billion yen	-35.4billion yen	90.5billion yen
Purchased price of crude oil	Crude oil price: 77.60USD/B Exchange rate: 87.43yen/\$	Crude oil price: 65.28USD/B Exchange rate: 93.84yen/\$	Crude oil price: 12.32USD/B Exchange rate: -6.41yen/\$

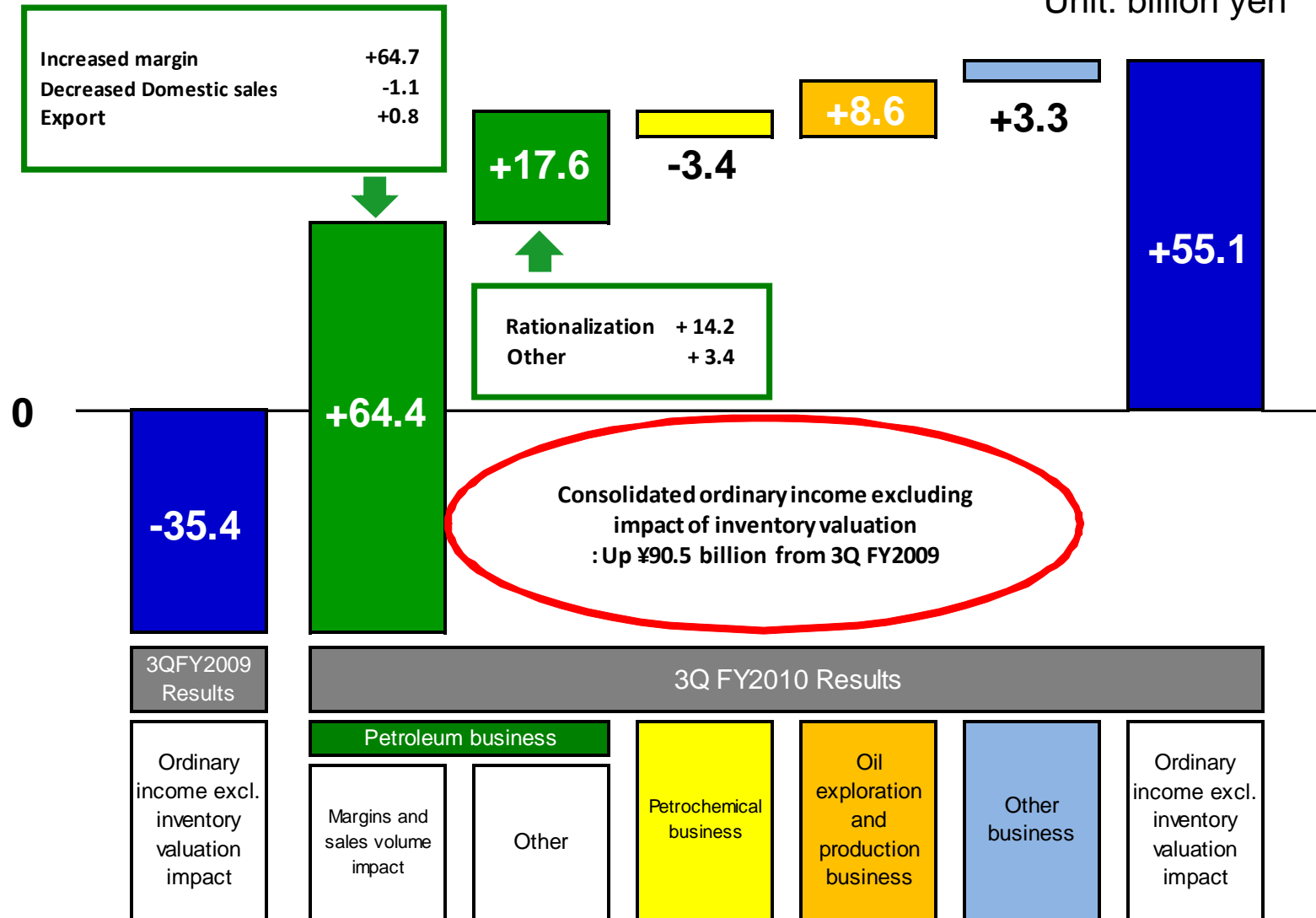
Consolidated ordinary income by Business Segment

	3QFY2010	3QFY2009	Changes from 3Q FY2009
Petroleum business	24.1billion yen	-8.3billion yen	32.4billion yen
Petroleum business (excluding inventory valuation impact)	27.9billion yen	-54.1billion yen	82.0billion yen
Petrochemical Business	-1.0billion yen	3.4billion yen	-4.4billion yen
Petrochemical Business (excluding inventory valuation impact)	-1.0billion yen	2.4billion yen	-3.4billion yen
Oil E & P business	27.8billion yen	19.2billion yen	8.6billion yen
Other	0.4billion yen	-2.9billion yen	3.3billion yen

* Impact of the inventory valuation Petroleum business: -3.8billion yen, Petrochemical Business : 0, Other: 0

[3Q FY2010 Results] Consolidated ordinary income
(excluding inventory valuation impact) Analysis of Changes from 3Q FY2009

Unit: billion yen



Unit: billion yen

	Results (As of Dec. 31, '10)	Change from FY09 (As of Mar. 31, '10)
Cash flows from operating activities	0.2	
Cash flows from investing activities	-57.7	-
Cash flows from financing activities	-76.0	-
Cash and cash equivalents at end of the period	94.0	-134.9

Holiday impact including an outflow of ¥70 billion

	Results (As of Dec. 31, '10)	FY09 (As of Mar. 31, '10)	Change
Total Assets	1,602.6	1,645.0	-42.4
Net assets	336.6	331.6	5.0
Net worth	317.3	315.7	1.6
Net worth ratio	19.8%	19.2%	Improved by 0.6 points
Interest-bearing debts	709.0	777.7	-68.7
Debt dependence ratio	44.2%	47.3%	Improved by 3.1 points
Debt Equity Ratio	2.2	2.5	Improved by 0.3 points
Net interest-bearing debt *	615.0	548.8	66.2
Debt dependence ratio	38.4%	33.4%	Down 5.0 points
Debt Equity Ratio	1.9	1.7	Down 0.2 points

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

Supplementary Information

- P5: [3Q FY2010 Results] Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios, Sensitivity, Crude Oil Production Volume
- P6: [3Q FY2010 Results] Selling Volume
- P7: [3Q FY2010 Results] Results by Business Segment - Changes from 3Q FY2009
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- P12: [Reference] Petrochemical Business - Aromatic Product Market Conditions (1)
- P13: [Reference] Petrochemical Business - Aromatic Product Market Conditions (2)

[3Q FY2010 Results] Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios, Sensitivity, Crude Oil Production Volume

[1] Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios					
		3Q FY2010 Results	3Q FY2009 Results	Change from 3Q FY2009	
Purchased price of crude oil	Crude oil (FOB) USD/BBL	77.60	65.28	12.32	—
	JPY/USD exchange rate	87.43	93.84	-6.41	—
	Purchased price of crude oil (tax inclusive) yen/KL	45,956	41,745	4,211	—
Crude oil refining	Refined crude oil volume (1,000 KL)	18,891	18,921	-30	99.8%
	Atmospheric distillation operating ratio (Calendar Day)	77.8%	68.1%	9.7%	—
	Atmospheric distillation operating ratio (Streaming Day) *	89.4%	85.6%	3.8%	—

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

* Assumptions for 2H FY2010: Crude oil price: USD80.0/BBL; Exchange rate: ¥82.0/USD

* Reduction of the official topper capacity, effective Feb. 2, 2010 (from 635,000 BD to 555,000 BD)

[2] Sensitivity (2nd Half FY2010)			
		Petroleum	Oil E&P
Crude oil	+ 1 USD/B	1.4billion yen	0.3billion yen
JPY/USD	+ 1yen/USD	1.4billion yen	0.3billion yen

* The amounts above represent anticipated impacts by crude oil price and exchange rate fluctuations on inventory valuation gain, in-house fuel cost and timing differences in the accounting process (by taking no impact of the cost or market method into consideration)

* Sensitivity levels above calculated based on the FY2010 full-year business forecast announced in November 2010

[3] Crude oil production volume					
		3Q FY2010	3Q FY2009	Change	Investment ratio
Oil E&P subsidiary production volume (BBL/Day)	Abu Dhabi Oil Co., Ltd.	23,688	24,304	97.5%	63.0%
	Qatar Petroleum Development Co., Ltd.	6,350	6,543	97.1%	75.0%
	United Petroleum Development Co., Ltd.	13,808	13,980	98.8%	45.0%

* Production volume: Average production volume by a project company during the term (Each company closes its accounts in December of each year, so that the production period above is from January to September of the year.)

* Cosmo Oil's equity share at Qatar Petroleum Development Co., Ltd. changed from 85.7% to 75.0%, effective July 20, 2010.

* Cosmo Oil's equity share at United Petroleum Development Co., Ltd. changed from 35.0% to 45.0%, effective March 29, 2010.

(Unit:1,000KL)

		3Q FY2010 Results	3Q FY2009 Results	Change	Change from 3Q FY2009
Selling volume in Japan	Gasoline	4,882	5,010	-128	97.4%
	Kerosene	1,394	1,405	-11	99.2%
	Diesel fuel	3,402	3,420	-18	99.5%
	Heavy fuel oil A	1,745	1,700	45	102.6%
	Combined sales of 4 volume products	11,423	11,536	-113	99.0%
	Naphtha	5,048	5,006	42	100.8%
	Jet fuel	395	305	90	129.5%
	Heavy fuel oil C	1,563	1,882	-319	83.0%
	inc. Heavy fuel oil C for electric	631	834	-203	75.6%
	Sub-Total	18,429	18,729	-300	98.4%
Middle distillate export volume	Diesel fuel	555	754	-199	73.6%
	Kerosene/Jet	153	110	43	138.7%
	Sub-Total	708	864	-156	81.9%
Bond sales, etc.	Jet fuel	1,217	1,122	95	108.4%
	Heavy fuel oil C	401	551	-150	72.7%
	Other	279	106	173	263.1%
	Sub-Total	1,896	1,779	117	106.6%
Barter deal, etc.		7,249	7,600	-351	95.4%
Total selling volume		28,282	28,972	-690	97.6%

unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income(excluding inventory valuation impact by the cost or market method)	
		Change from 3Q FY2009		Change from 3Q FY2009		Change from 3Q FY2009		Change from 3Q FY2009
Petroleum	1,958.6	226.6	29.2	34.6	24.1	32.4	27.9	82.0
Petrochemical Business	30.4	-6.0	-0.2	-0.6	-1.0	-4.4	-1.0	-3.4
Oil E&P	54.6	13.9	28.3	10.0	27.8	8.6	27.8	8.6
Other Business	53.6	-17.8	0.4	-1.0	1.3	-0.4	1.3	-0.4
Write-off	-101.4	-21.5	-0.8	3.5	-0.9	3.7	-0.9	3.7
Total	1,995.8	195.2	56.9	46.5	51.3	39.9	55.1	90.5

* Inventory valuation impact on results of the Petroleum Business amounted to minus ¥3.8 billion (down ¥49.6 billion from 3Q FY2009).

* Inventory valuation impact on results of the Petrochemical Business was nil (down ¥1 billion from 3Q FY2009).

Member Companies of the Cosmo Oil Group (by Business Segment)

Petroleum:	Cosmo Oil Co., Ltd., Cosmo Oil Sales Co., Ltd., Cosmo Petroleum Gas Co., Ltd., Cosmo Oil Lubricants Co., Ltd., etc.
Petrochemical :	Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd., Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Group on the equity method), HC Petrochem Co.,Ltd.(owned by the Cosmo Group on the equity method)
Oil E & P:	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.

Capital Expenditures, Depreciation, etc.

Unit: billion yen

	Q3 FY2010 Results	Change from Q3 FY2009
Capital expenditures	54.2	-18.3
Depreciation expense amount	37.7	6.0

Capital expenditures by Business Segment

Unit: billion yen

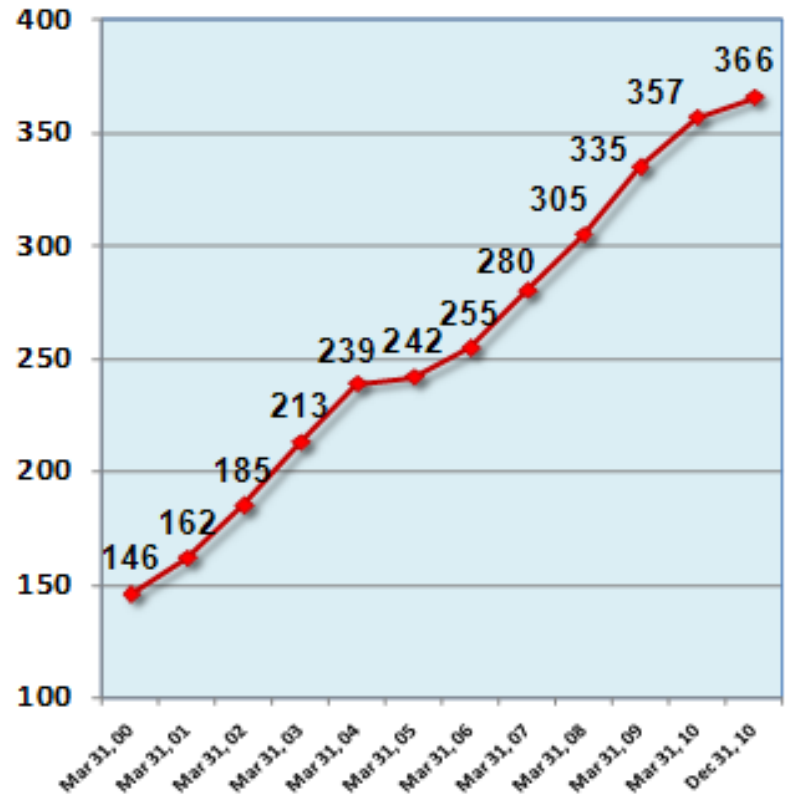
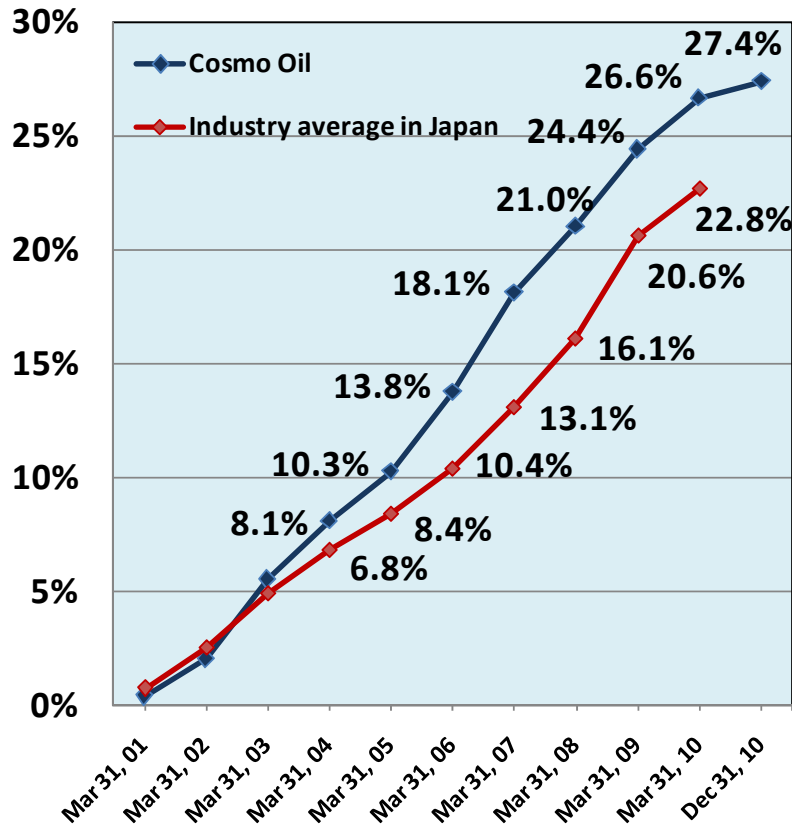
	Q3 FY2010 Results	Q3 FY2009 Results	Change from Q3 FY2009
Petroleum	36.8	60.0	-23.2
Petrochemical	0.6	0.6	0.0
Oil exploration and production	16.7	11.8	4.9
Other	0.1	0.1	0.0
Total	54.2	72.5	-18.3

Historical Changes in the Share of Self-Service SSs

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

As of Dec. 31, 2010: 1,002SS
Share of Self-Service SSs: 27.4%

As of Dec. 31, 2010: 3.66mil. cards



- Self-service SS ratio: Self-service SSs divided by stationary SSs
- National data sourced by Nenryo Yushi Shimbun
- National data as of December 31, 2010 yet to be released

- The number of cards in force refers to the number of cards issued net of the number of those who have resigned their membership.

[3Q FY2010 Results] Historical Changes in the Number of Employees, Oil Storage Depots, SSs and Cards in Force

[1] Workforce size (Number of persons)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	As of Dec. 31, 2010
Cosmo Oil alone	1,764	1,729	1,718	1,916	1,957	2,064	2,180	2,149
Cosmo Oil Group	3,565	3,480	3,451	3,335	3,299	3,269	3,325	3,308

* Data as of March 31 of each fiscal year

* Cosmo Oil Group = No. of employees at Cosmo Oil alone + Transfers from Cosmo Oil (up to FY2008)

* Cosmo Oil Group = No. of employees at Cosmo Oil alone + transfers from Cosmo Oil + probationers + elderly employees (FY2009 onward)

[2] Number of oil storage depots (DTs)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	As of Dec. 31, 2010
No. of DTs	38	38	38	38	38	38	36	35

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

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	As of Dec. 31, 2010
Subsidiaries	525	1,065	1,190	1,122	1,104	1,023	1,025	980
Dealers	4,517	3,746	3,456	3,294	3,074	2,937	2,786	2,714
Total	5,042	4,811	4,646	4,416	4,178	3,960	3,811	3,694

* 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

[4] Number of Self-Service SSs out of [3] Total Estimated Number of SSs operational above

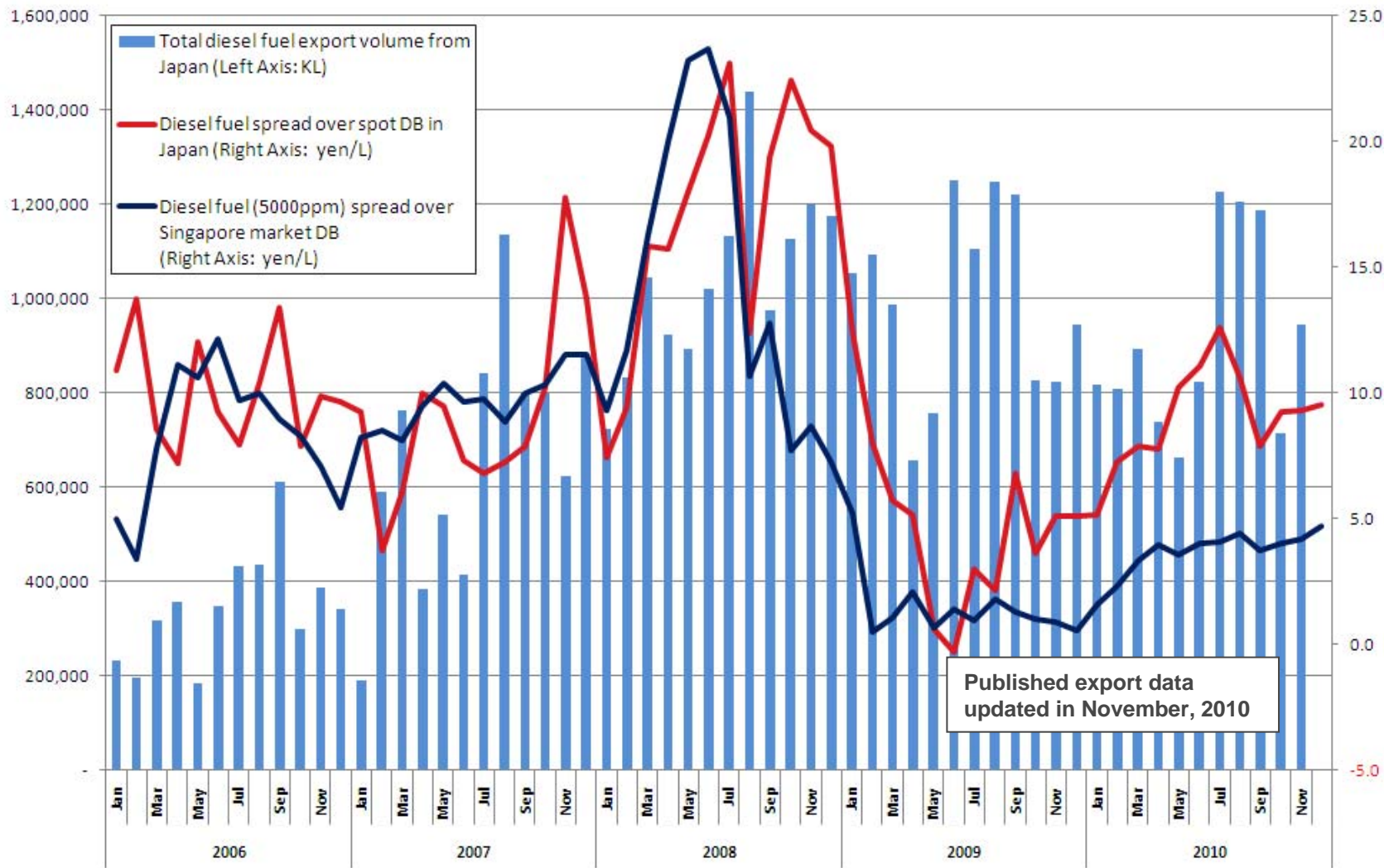
	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	As of Dec. 31, 2010
Subsidiaries	255	295	370	463	507	551	575	551
Dealers	143	188	256	326	360	404	429	451
Total	398	483	626	789	867	955	1,004	1,002

[5] Cosmo The Card - Number of cards issued (including the number of Opus cards in force from 2006 onwards)

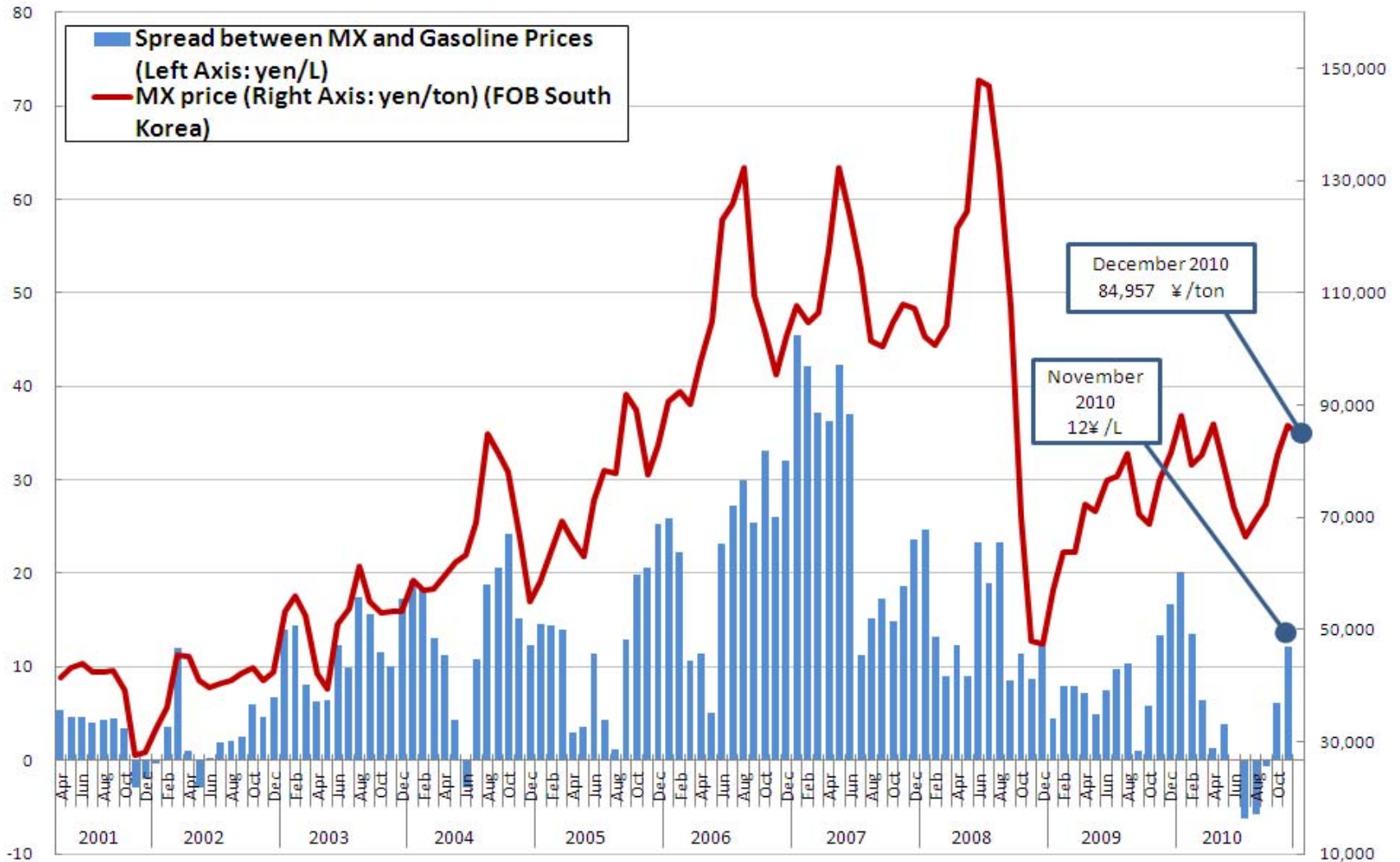
(unit: 10,000)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	As of Dec. 31, 2010
No. of cards in force	239	242	255	280	305	335	357	366

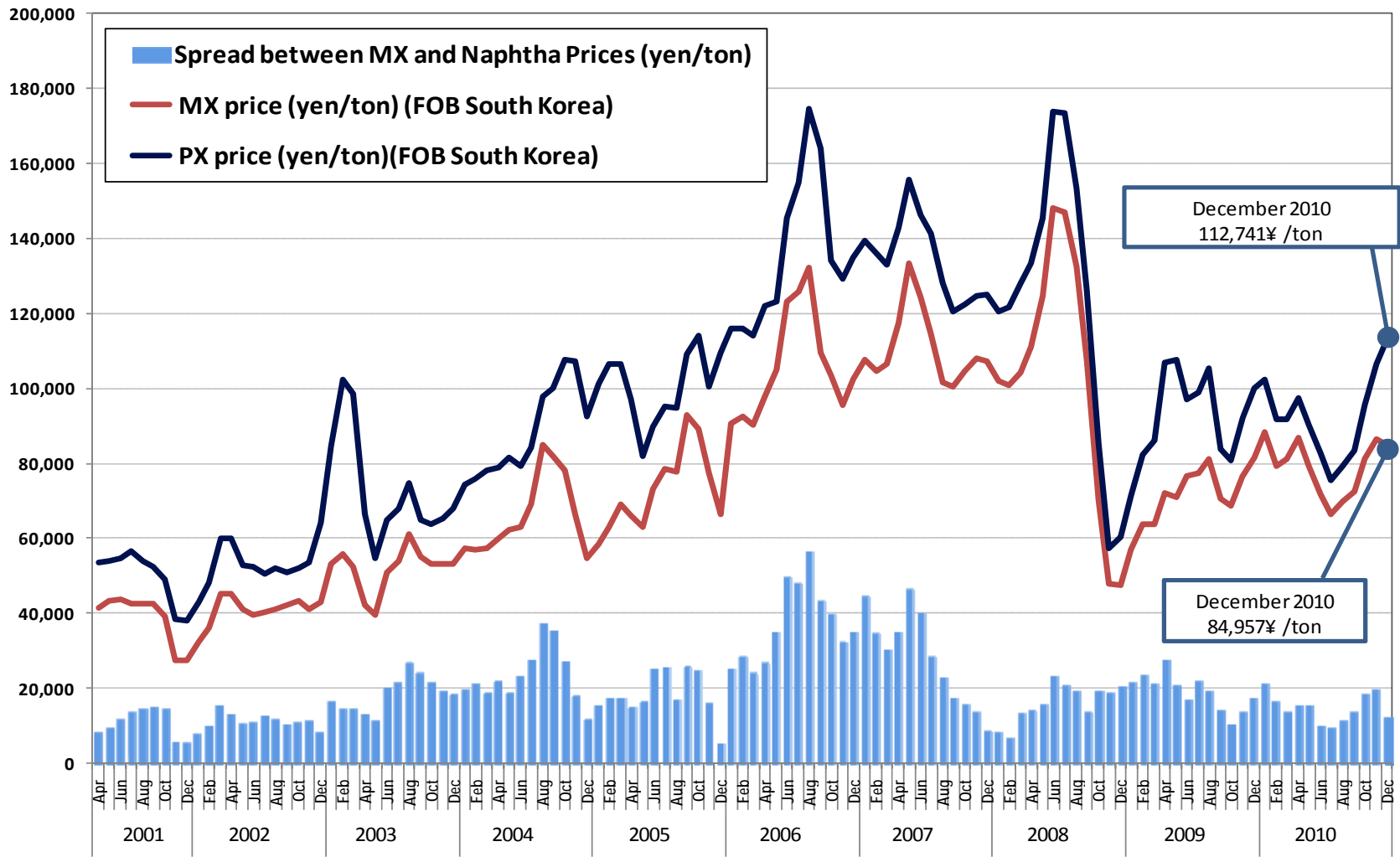
Historical Changes in Diesel Fuel Export Volume and in Domestic and Overseas Margins



Historical Change in MX Market Conditions and Spreads between MX Prices and Gasoline Prices



Historical Change in PX & MX Market Conditions and Spreads between MX Prices and Naphtha Prices



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.