

Cosmo Oil Co., Ltd.
The Fourth Consolidated Medium-Term Management Plan
Progress Made in the 2Q FY2011
and Future Policy

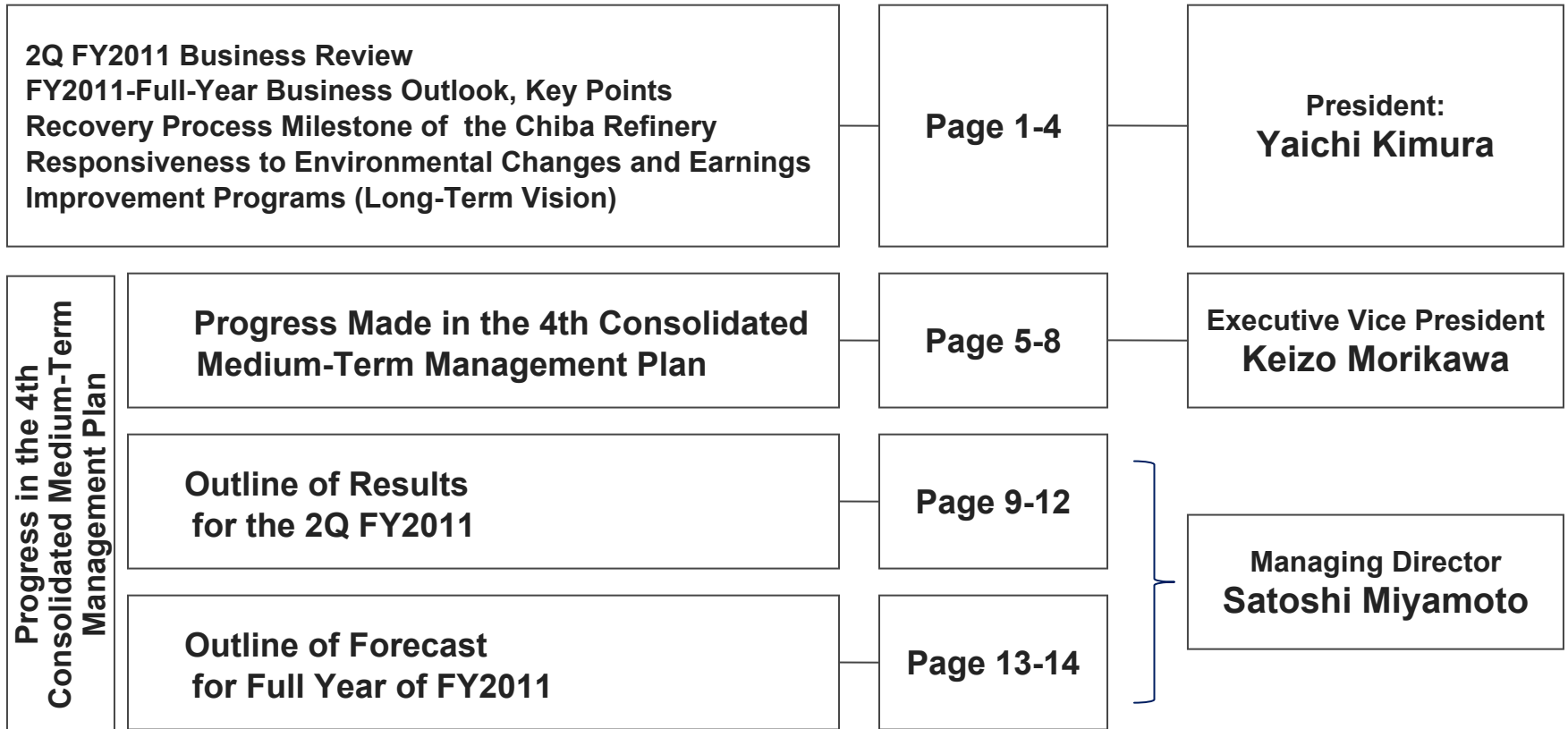
November 4, 2011

President: Yaichi Kimura

Executive Vice President: Keizo Morikawa

Managing Directors: Satoshi Miyamoto

Today's Agenda



Review

Lower oil product margins and alternative oil supply cost burdens recorded reduced profit.

(Unit : billion yen)

	2Q FY 2011	2Q FY2010	Change from 2Q FY2010
Consolidated ordinary income	27.6	26.7	0.9
Impact of the inventory valuation	13.1	-12.9	26.0
Consolidated ordinary income (Excluding inventory evaluation impact)	14.5	39.6	-25.1

Highlights of Results of 2Q FY2011**Petroleum business**

- Ensure stable domestic supply of products mainly to the areas affected by the 3.11 earthquake
- Structural reforms underway to secure appropriate margins

Petrochemical business

- Improvement in the petrochemical market

Oil E & P business

- Qatar Oil Development Co., Ltd. started crude oil production in the new oil field.

Review

Increased alternative supply cost revised the full-year outlook downwardly

(Unit : billion yen)

	Forecast for Full-Year FY2011	FY2011 previous announcement	Change from previous announcement
Consolidated ordinary income	72.0	84.0	-12.0
Impact of the inventory valuation	12.0	4.0	8.0
Consolidated ordinary income (Excluding inventory evaluation impact)	60.0	80.0	-20.0
Purchased price of crude oil JPY/USD exchange rate:	Crude oil price: 108.0USD/B Exchange rate: 78.9yen/USD	Crude oil price: 100.0USD/B Exchange rate: 82.5yen/USD	Crude oil price: +8.0USD/B Exchange rate: -3.6yen/USD

Key Points of Outlook of FY 2011

- Resume the Chiba Refinery operations by giving top priority to safety
- Ensure stable supply by observing the safe operation policy
- Ensure right and stable margins

Policy for Restoration of the Chiba Refinery

■ Work on the restoration of the Chiba Refinery by giving top priority to safety

Recovery Process Milestone

Resume operations of the direct desulfurization unit (*1)

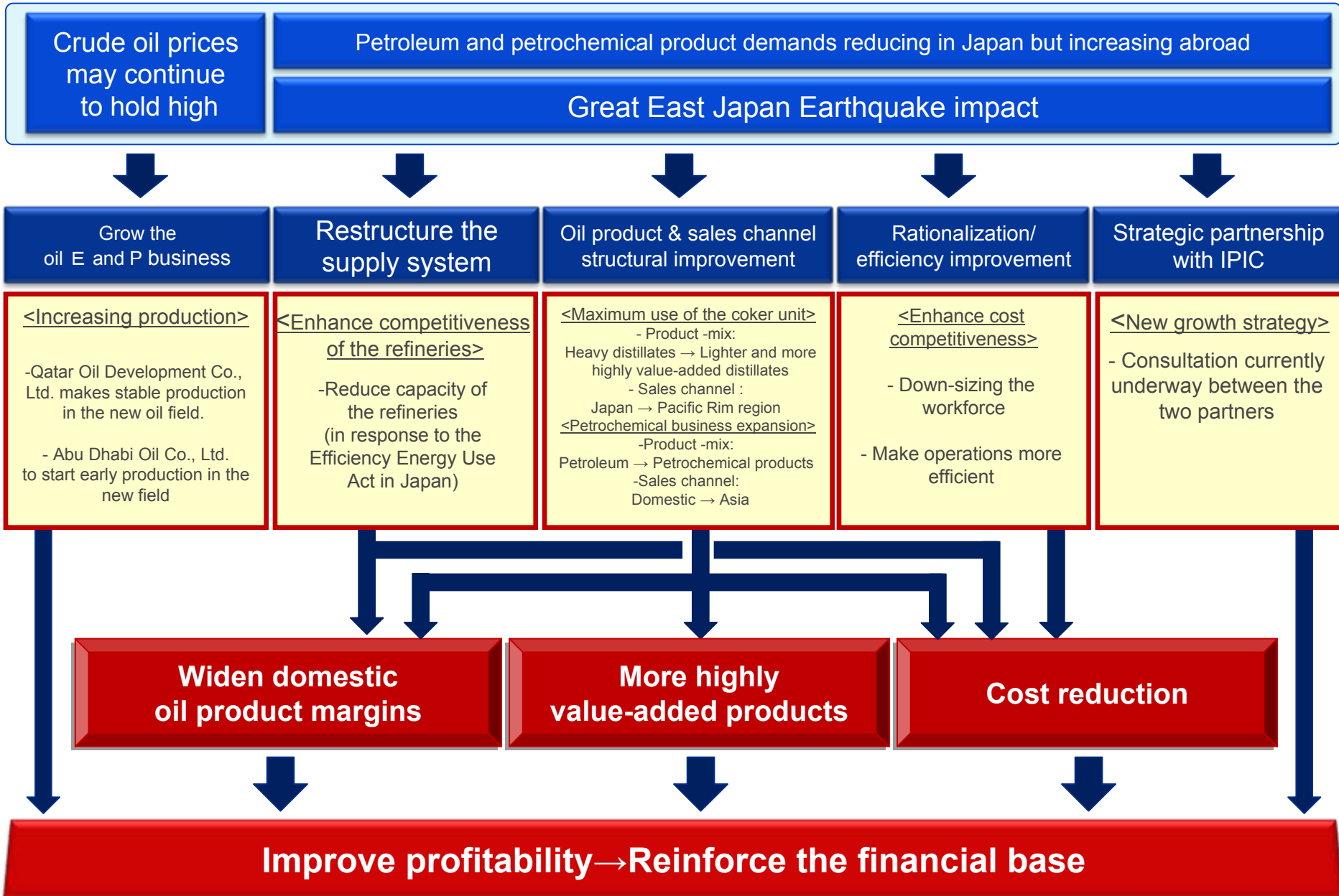
Resume operations of the atmospheric distillation unit (*2)

Complete restoration of the Chiba Refinery
(complete restoration of all the affected LPG tanks)

NB.

- *1. The direct desulfurization unit: A unit designed to remove and collect sulfur from the heavy fuel oil fraction. The unit is used to mainly produce low sulfur heavy fuel oil C for power generation.
- *2. The atmospheric distillation unit: A unit designed to heat crude oil to distill different fractions, such as naphtha, kerosene, diesel fuel and heavy fuel oil, by taking advantage of their different boiling points.

[Policy for Corporate Management] Environmental Change Responsiveness and Profitability Improvement Programs (Long-Term Vision)



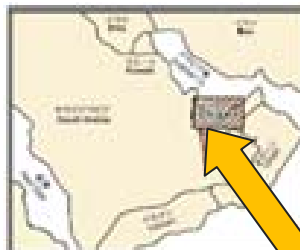
Increasing Production

■ Qatar Oil Development Co., Ltd. New oil field (A-structure south oil field)

- Production got started in April 2011

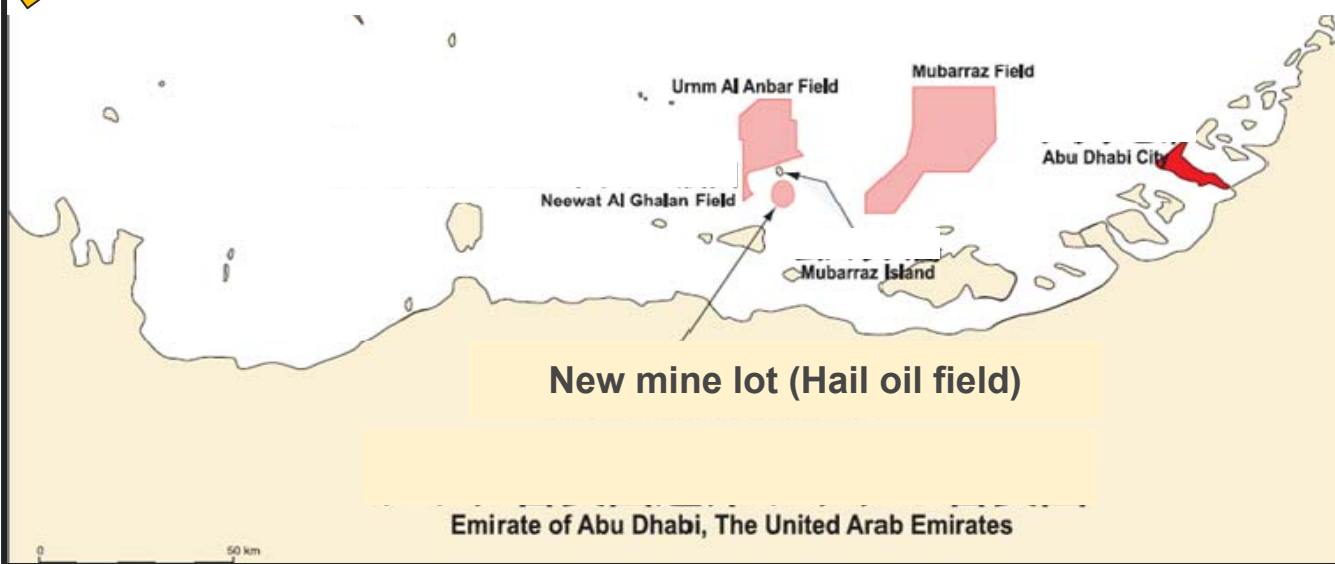
■ Abu Dhabi Oil Co., Ltd., New mine lot (Hail oil field)

- Moved up exploration work (New concession agreement, effective from December 2012)



<Source of Competitiveness>

- Strong relations with oil producing countries through mutual trust
- Operation in areas less risky involving oil exploration and production



Concept behind Refining Capacity Reduction Efforts

- Restructure the supply system from integrated operations of the four refineries to most appropriate one
- Enhance the competitiveness of the Company's refineries, while keeping the structural domestic demand-supply balance most appropriate

Widen domestic oil product margins

Reduce refining costs

Maximum Use of the Coker Unit

- A shift in production toward more highly value-added products:
Heavy distillate ⇒ Lighter distillates
- A shift in sales channels toward regions with higher demands expected:
Japan ⇒ Pacific Rim region

More highly
value-added products

Widen domestic
oil product margins

Reduce crude oil
procurement costs

Sources of the Company's competitiveness at the overseas sales

- Stably supply high-spec (sulfur-free) oil products
- Target regions where environmental regulations provide entry barriers
- Sign “long-term” and “direct” contracts with overseas demanders

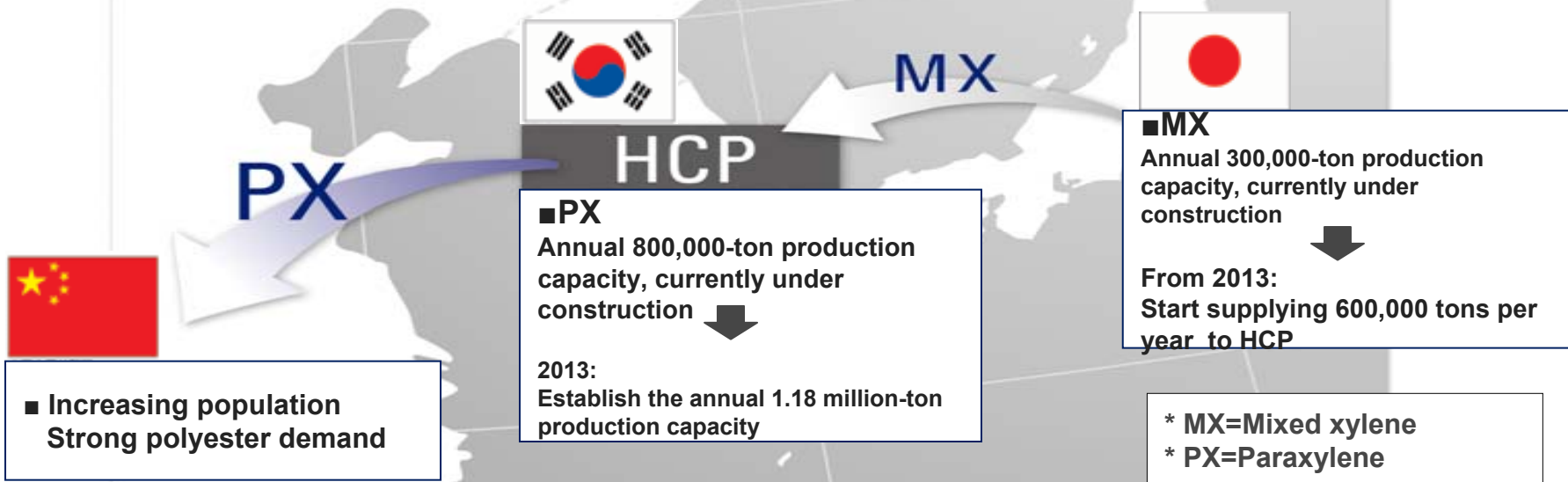
Grow the Petrochemical Business

- A shift in production toward more highly value-added products: gasoline) ⇒ Raw petrochemical materials (MX/PX)
- A shift in sales channels toward regions with higher demands expected: Domestic ⇒ Overseas (Korea → China)

Produce more of petrochemical products

Widen domestic oil product margins

<Sources of the competitiveness (HC Petrochem)>
-The world's largest PX production capacity (1.18 million tons per year per refinery)
- Cost competitiveness by business operations in the ROK



Unit: billion yen

	2Q FY11 (Apr.-Sep.2011)	2Q FY10 (Apr.-Sep.2010)	Changes
Net sales	1,453.5	1,297.5	156.0
Cost of sales	1,363.5	1,204.4	159.1
Selling, general and administrative expenses	62.5	63.4	-0.9
Operating income	27.5	29.7	-2.2
Non-operating income/expenses, net	0.1	-3.0	3.1
Ordinary income	27.6	26.7	0.9
Extraordinary income/losses, net	-11.9	-11.8	-0.1
Income taxes	11.0	11.7	-0.7
Minority interests	1.9	1.9	-0.0
Net income	2.8	1.3	1.5

【Reference】

Impact of inventory valuation	13.1	-12.9	26.0
Operating income excluding impact of inventory valuation	14.4	42.6	-28.2
Ordinary income excluding impact of inventory valuation	14.5	39.6	-25.1

[2Q FY2011 Results] Highlights of Consolidated Operating results

- Changes from 2Q FY2010

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Unit: billion yen

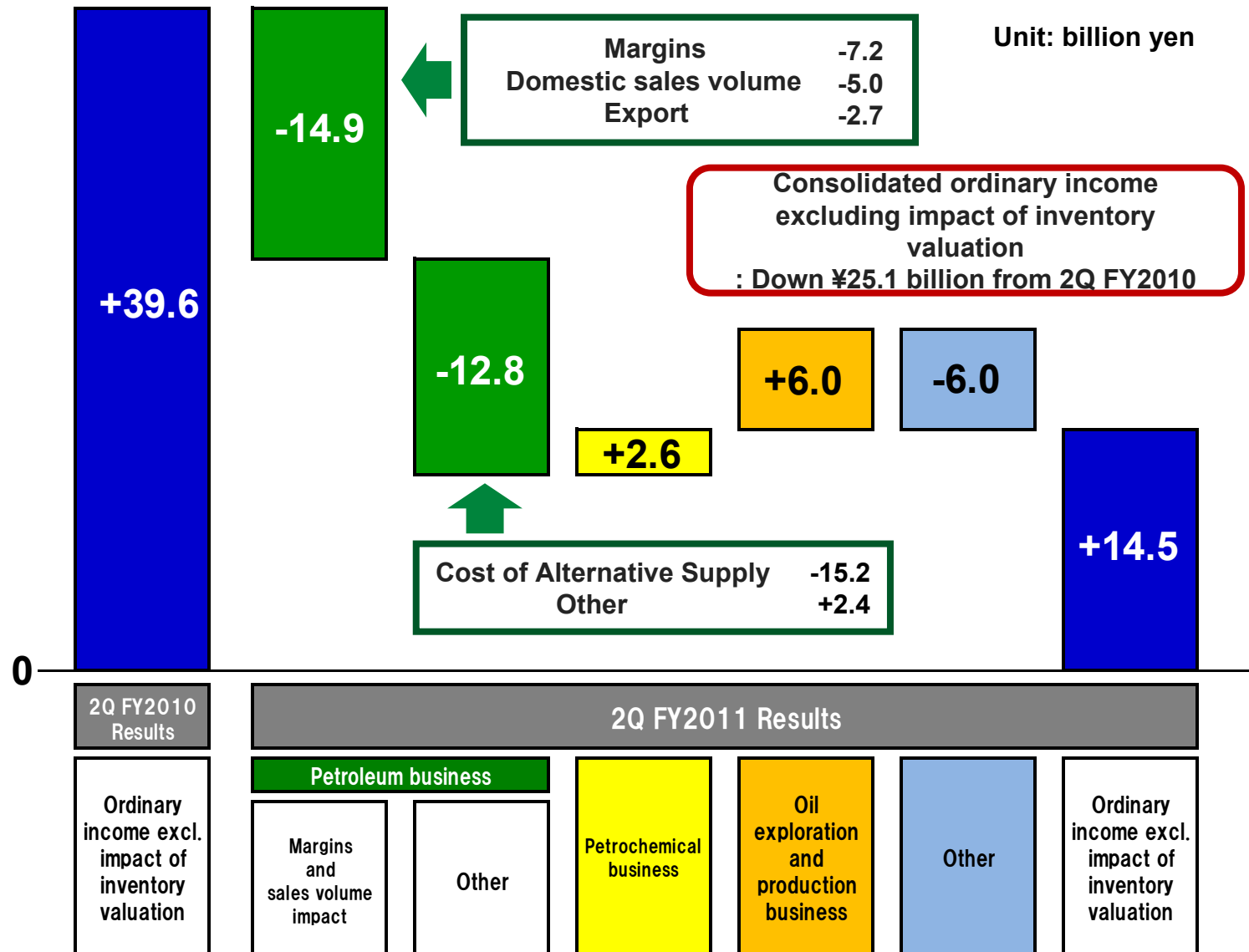
	2Q FY2011	2Q FY2010	Changes
Consolidated ordinary income	27.6	26.7	0.9
Impact of inventory valuation	13.1	-12.9	26.0
NET Consolidated ordinary income	14.5	39.6	-25.1
①Purchased price of crude oil	①110.38 USD/B	①75.68 USD/B	①+34.70 USD/B
②JPY/USD exchange rate	②80.60 yen/USD	②90.10 yen/USD	②-9.50 yen/USD

Unit: billion yen

Consolidated Ordinary Income by Business Segment

	2Q FY2011	2Q FY2010	Changes
Petroleum business	6.1	8.1	-2.0
NET Petroleum business	-7.0	20.7	-27.7
Petrochemical business	1.6	-1.3	2.9
NET Petrochemical business	1.6	-1.0	2.6
Oil E & P business	25.2	19.2	6.0
Other	-5.3	0.7	-6.0

[2Q FY2011 Results] Consolidated Ordinary Income (Excluding impact of inventory valuation) – Analysis of Changes from 2Q FY2010



	Results (As of Sep. 30, '11)	Change from FY10 (As of Mar. 31, '11)	Unit: billion yen
Cash flows from operating activities	20.1	–	
Cash flows from investing activities	-14.7	–	
Cash flows from financing activities	11.8	–	
Cash and cash equivalents at end of the period	110.9	16.6	

	Results (As of Sep. 30, '11)	FY10 (As of Mar. 31, '11)	Changes
Total Assets	1,608.8	1,579.4	29.4
Net assets	343.7	350.2	-6.5
Net worth	324.3	332.7	-8.4
Net worth ratio	20.2%	21.1%	Down 0.9 points
Interest-bearing debts	718.8	700.1	18.7
Debt dependence ratio	44.7%	44.3%	Down 0.4 points
Debt Equity Ratio	2.2	2.1	Down 0.1 points
Net interest-bearing debt *	607.9	605.8	2.1
Debt dependence ratio	37.8%	38.4%	Improved by 0.6 points
Debt Equity Ratio	1.9	1.8	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

[FY2011 Outlook] Highlights of Consolidated Business Outlook - Changes from Previous Announcement

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Unit: billion yen

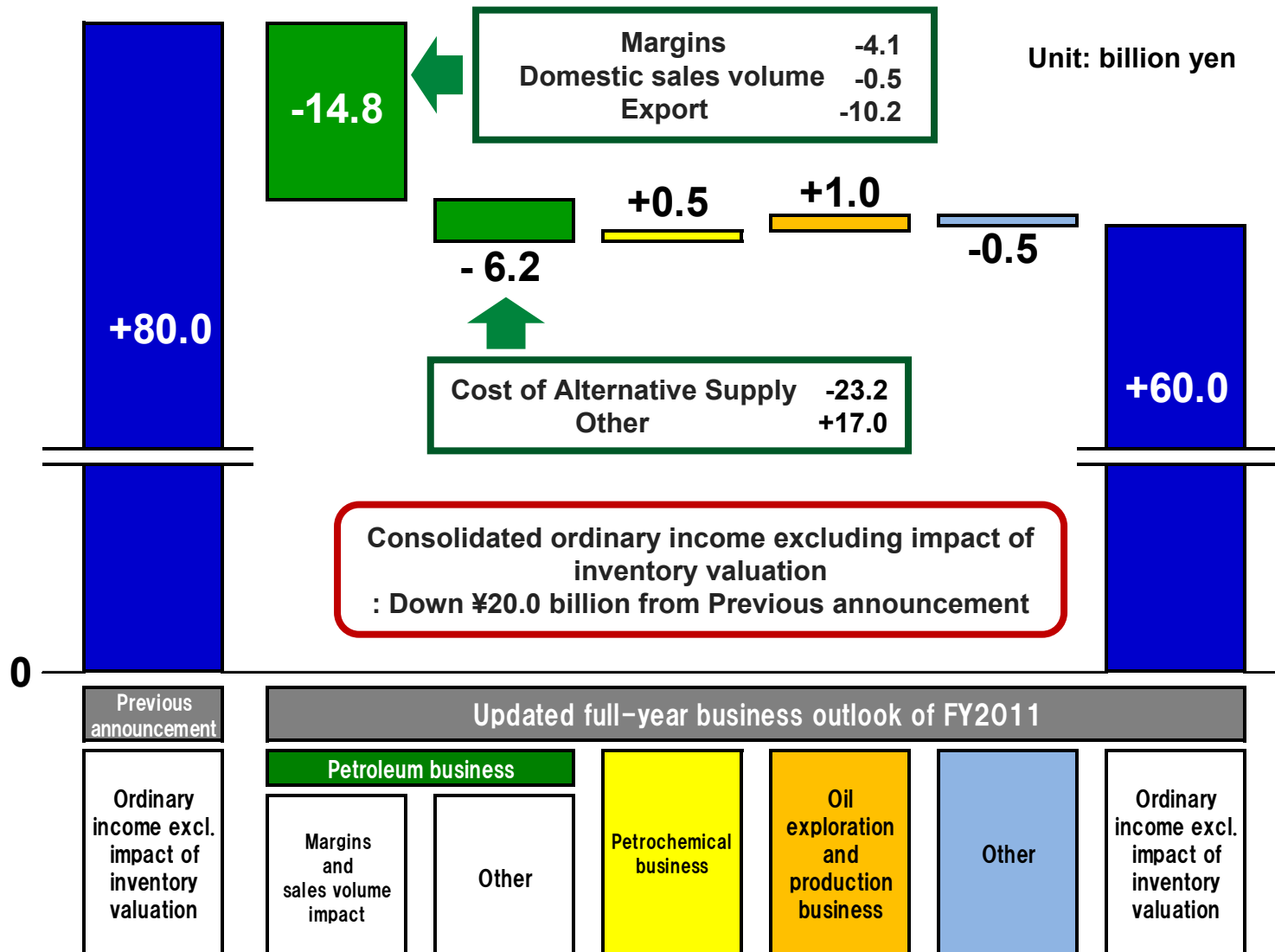
	FY2011 Outlook	Previous announcement	Changes
Consolidated ordinary income	72.0	84.0	-12.0
Impact of inventory valuation	12.0	4.0	8.0
NET Consolidated ordinary income	60.0	80.0	-20.0
①Purchased price of crude oil ②JPY/USD exchange rate	①108.0 USD/B ②78.9 yen/USD	①100.0 USD/B ②82.5 yen/USD	①+8.0 USD/B ②-3.6yen/USD

Unit: billion yen

Consolidated Ordinary Income by Business Segment

	FY2011 Outlook	Previous announcement	Changes
Petroleum business	12.5	25.5	-13.0
NET Petroleum business	0.5	21.5	-21.0
Petrochemical business	1.5	1.0	0.5
NET Petrochemical business	1.5	1.0	0.5
Oil E & P business	56.0	55.0	1.0
Other	2.0	2.5	-0.5

[FY2011 Outlook] Consolidated Ordinary Income (Excluding impact of inventory valuation) – Analysis of Changes from Previous announcement



Supplementary Information

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Supplementary Information

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Highlights of Consolidated Capital Investment**
- P28 : [2Q FY2011 Results] Historical Changes in the Number of Employees,
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- P30 : [Reference] Petrochemical business - Aromatic Product Market Conditions -1**
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[The 4th Medium-Term Management Plan] Results and Plan for Business and Financial Performance and Assumptions

■ Consolidated Business Outlook (Unit: billion yen)

	Results	Results	Review Plan	Original Plan
	FY2009	FY2010	FY2011	FY2012
Net sales	2,612.1	2,771.5	3,070.0	2,643.0
Operating income	34.2	104.1	74.0	69.0
Consolidated ordinary income	36.4	96.1	72.0	65.0
Net income	-10.7	28.9	13.0	33.0

Impact of the inventory valuation	52.6	22.3	12.0	0.0
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■ Consolidated Ordinary Income by Business segment (Unit: billion yen)

	Results	Results	Review Plan	Original Plan
	FY2009	FY2010	FY2011	FY2012
Petroleum business	3.2	58.4	12.5	35.0
Net Petroleum business	-48.4	36.1	0.5	35.0
Petrochemical business	5.9	-0.3	1.5	4.0
Net Petrochemical business	4.9	-0.3	1.5	4.0
Oil E & P business	29.9	34.7	56.0	24.0
Other	-2.6	3.3	2.0	2.0

■ Assumption

	Results	Results	Review Plan	Original Plan
	FY2009	FY2010	FY2011	FY2012
Crude oil price (USD/BBL)	67.97	82.17	108.00	75.00
Exchange rate (yen/USD)	92.89	86.04	78.90	90.00

※FY2011 Crude oil price (USD/BBL) : 1H Results (110.38), 2H Assumption (107.00)

※FY2011 Exchange rate (yen/USD) : 1H Results (80.60), 2H Assumption (78.00)

■ Balance Sheet and Other Financial Variables (Unit: billion yen)

	Results	Results	Review Plan	Original Plan
	FY2009	FY2010	FY2011	FY2012
Total assets	1,645.0	1,579.4	1,517.0	1,477.0
Net worth	315.7	332.7	348.0	374.0
Interest-bearing debts	777.7	700.1	660.0	602.0
Net Interest-bearing debts	548.8	605.8	556.0	490.0
ROE	-3.3%	8.9%	8.3%	9.1%
ROA	-0.7%	1.8%	0.5%	0.6%
Net worth ratio	19.2%	21.1%	23.0%	25.4%
Debt equity ratio (Times)	2.5	2.1	1.9	1.6
Net debt equity ratio (Times)	1.7	1.8	1.6	1.3

Overwhelmingly strong cost competitiveness owing to scale merit

- ◆ The world's largest PX production scale -- 800,000 tons a year at the new plant and 1.18 mil tons a year at a single refinery

PX business entry to enrich the product portfolio covering highly value added business areas

- ◆ Capturing the margin between crude oil and PX
- ◆ PX is the raw material for various essential commodities such as polyester fiber, PET resins, etc. that has no direct substitutes
⇒ Demand for polyester is correlated with the rising population and PX is expected to expand at a steady rate

Taking advantage of the best timing to invest

- ◆ An investment plan aiming at an expected increase in the PX margin after 2013

Enjoying the merits of expanding business abroad (Korea)

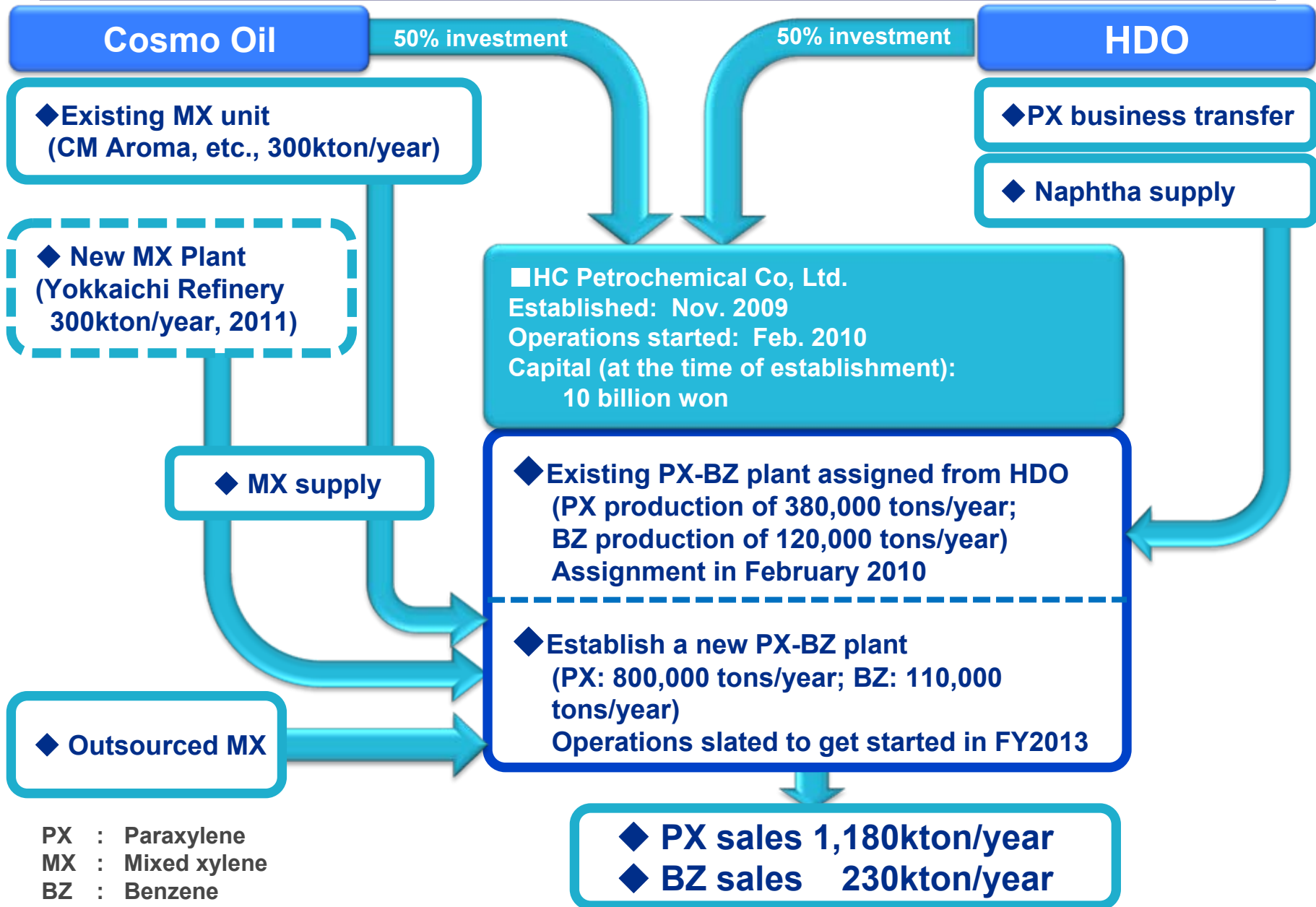
- ◆ Utilization of the preferential tax treatment
 - Korea** - Use a favorable corporate tax rate (of 22.0%)
 - Korea** - Preferential tax treatment for foreign companies (foreign investment ratio 50%): preferential tax rate for 7 years(*) (1st -5th year: 11.0%, 6th -7th year: 16.5%, 22.0% thereafter)
 - Japan** - Exemption of tax charge against dividends received from a foreign subsidiary. From Apr. 2009, only the foreign tax rate will apply against almost all taxable income

Note: The application of the above preferential tax treatment subject to the examination by the ROK authorities. 7 years of application after taxable income generation.

Utilizing HDO's know-how and resources

- ◆ Utilization of HDO's business know-how and resources (e.g. human capital, land, plant infrastructure)

[The 4th Medium-Term Management Plan (Petrochemical business)]
Aromatic Compound Business Expansion (Entry into the PX Business 2)



**New business evolution in the field of environment & ecology
⇒ expected to grow into a pillar ensuring the future income stream**

Raw material

Raw material business

◆ Projects in blue indicate businesses commercially launched

- ◆ Currently manufacturing and selling the technical product for fertilizers, healthy food, animal feed and reagents for lab tests
- ◆ Currently preparing for the systems for manufacturing and selling the technical product for pharmaceutical products

Cosmo Oil supplies for about 80% of the global ALA demand

Finalized product

Fertilizer business

- ◆ Currently selling liquid fertilizers of “Pentakeep” (for the agriculture market) and “PentaGarden” (for horticulture market)
 - ⇒ Increase sales volume (both in Japan and Europe) and develop new markets (in China and the U.S.)
 - ⇒ Launched for sales through a local subsidiary in China
 - ⇒ Tests being conducted and sales channels under development in the U.S.
- ◆ Solid fertilizer products currently under development

■ Fertilizer business

	Remark	FY2010	FY2011	FY2012 -	
Liquid fertilizers	Japan	Now available			
	Europe	Now available			
	China	Sales channel development	Now available		
	US	Demo test result evaluation/Sales channel development		Product launch	
Solid fertilizers		Under product development		Product launch	

**New business evolution in the field of environment & ecology
 ⇒ expected to grow into a pillar ensuring the future income stream**

Animal feed business ◆ Projects in blue indicate businesses commercially launched

Finalized product

- ◆ Already got a newly-developed product registered with the regulator as a raw material for fish feed and currently selling in Japan (finished product now being sold by Intervet)
- ◆ Products for animal feed and pets currently under development

■ Animal feed business

	Remark	FY2010	FY2011	FY2012 -
Marine fish feed		Now available		
Animal feed		Under product development		Product launch
Animal pet feed		Under product development		Product launch

**New business evolution in the field of environment & ecology
 ⇒ expected to grow into a pillar ensuring the future income stream**

Pharmaceutical, cosmetics and healthy food businesses

◆ Projects in blue indicate businesses commercially launched

Finalized product

- ◆ **Healthy food** ⇒ Nutritional supplement product launched by a partner company (in Japan)
- ◆ **Cosmetics** (hand and face cream products currently sold by a partner company)
- ◆ Substance used for diagnostic tests during brain tumor surgeries and cancer treatment
 ⇒ Clinical trial currently underway for an intraoperative diagnostic drug for brain tumors
- ◆ **Hair growth reagents** ⇒ Under development jointly with Milbon Co.

Being promoted by joint venture company SBI ALA Promo Co., Ltd.

■ **Pharmaceutical, cosmetics, healthy food business**

	Remark	FY2010	FY2011	FY2012 -
Healthy food	Supplement	Now available		
Cosmetics	Hand and face cream	Now available		
Non-pharmaceutical category product	Hair growth reagents	Under product development		Product launch
Pharmaceutical category product	Brain tumor (Diagnostic tests)	Clinical test		Product launch

Unit: billion yen

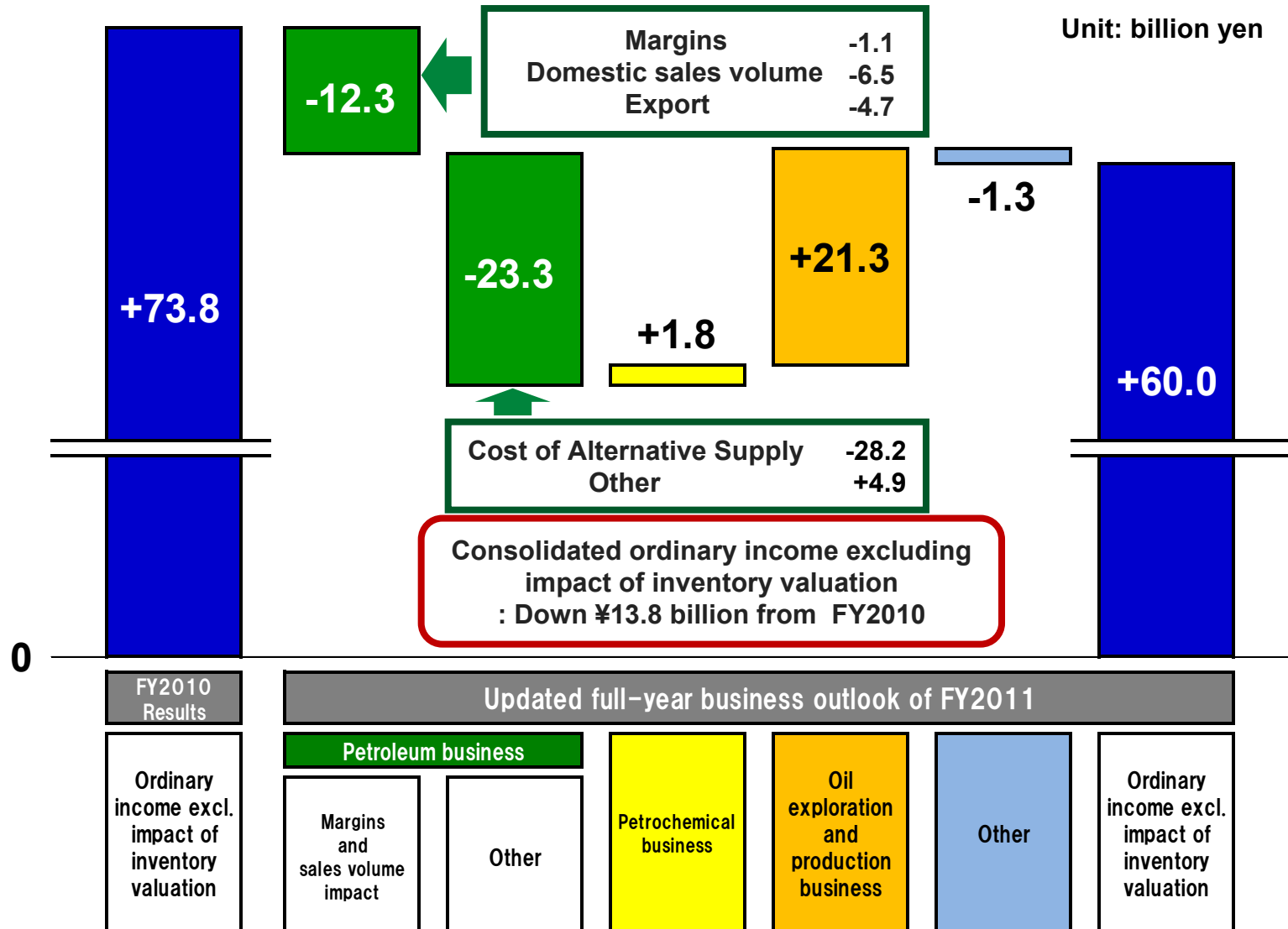
	FY2011 Outlook	FY2010 Results	Changes
Consolidated ordinary income	72.0	96.1	-24.1
Impact of inventory valuation	12.0	22.3	-10.3
NET Consolidated ordinary income	60.0	73.8	-13.8
①Purchased price of crude oil ②JPY/USD exchange rate	①108.00 USD/B ②78.90 yen/USD	①82.17 USD/B ②86.04 yen/USD	①+25.83 USD/B ②-7.14 yen/USD

Unit: billion yen

Consolidated Ordinary Income by Business Segment

	FY2011 Outlook	Previous announcement	Changes
Petroleum business	12.5	58.4	-45.9
NET Petroleum business	0.5	36.1	-35.6
Petrochemical business	1.5	-0.3	1.8
NET Petrochemical business	1.5	-0.3	1.8
Oil E & P business	56.0	34.7	21.3
Other	2.0	3.3	-1.3

[FY2011 Outlook] Consolidated Ordinary Income (Excluding impact of inventory valuation) – Analysis of Changes from FY2010



[2Q FY2011 Results] Crude Oil Procurement Cost and Processing Volume, Topper Operating Ratios, Sensitivity, Crude Oil Production Volume

[1] Crude oil procurement cost and processing volume and topper operating ratios

		2Q FY2011	2Q FY2010	Changes from 2Q FY2010	
Purchased price of crude oil	Crude oil (FOB) USD/BBL	110.38	75.68	34.70	—
	JPY/USD exchange rate	80.60	90.1	-9.50	—
	Purchased price of crude oil (tax inclusive) yen/KL	59,462	46,200	13,262	—
Crude oil refining	Refined crude oil volume (1,000 KL)	9,174	12,587	-3,413	72.9%
	Atmospheric distillation operating ratio (Calendar Day)	49.7%	77.9%	-28.2%	—
	Atmospheric distillation operating ratio (Streaming Day)	85.6%	90.3%	-4.7%	—

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

* The official topper capacity reduced (from 635,000 BD to 555,000 BD), effective Feb. 2, 2010 and the capacity increased (from 555,000 BD to 635,000 BD), effective March 15, 2011.

[2] Sensitivity

	Petroleum Business	Oil E & P Business
Crude oil + 1 USD/BBL	2.0 billion	0.2 billion
JPY/USD + 1 exchange rate	2.7 billion	0.3 billion

* Figures above refer to impacts by crude oil price and yen-dollar exchange fluctuations on inventory valuation gains, in-house fuel costs and timing difference (by taking no impact by the cost or market method into consideration).

[3] Crude oil production volume

		2Q FY2011	2Q FY2010	Changes	Investment ratio
Oil E & P subsidiary production volume (BBL/D)	Abu Dhabi Oil Co., Ltd.	22,634	23,539	96.2%	63.0%
	Qatar Petroleum Development Co., Ltd.	6,072	6,809	89.2%	75.0%
	United Petroleum Development Co., Ltd.	9,768	14,002	69.8%	45.0%

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

Unit:1,000KL

		2Q FY2011 Results	2Q FY2010 Results	Changes	Changes	FY2011 Full Year outlook changes from previous announcement	FY2011 Full Year outlook changes from FY2010
Selling volume in Japan	Gasoline	3,120	3,291	-171	94.8%	99.1%	96.4%
	Kerosene	557	653	-96	85.2%	98.0%	94.3%
	Diesel fuel	2,228	2,185	43	102.0%	101.0%	102.5%
	Heavy fuel oil A	941	1,105	-164	85.2%	99.0%	87.7%
	Sub-Total	6,846	7,234	-388	94.6%	99.5%	96.5%
	Naphtha	3,247	3,135	112	103.6%	104.9%	98.8%
	Jet fuel	236	257	-21	91.8%	85.2%	82.0%
	Heavy fuel oil C	998	1,080	-82	92.4%	113.9%	114.0%
	inc. Heavy fuel oil C for electric	412	461	-49	89.4%	117.8%	140.8%
	Sub-Total	11,327	11,706	-379	96.8%	101.8%	98.2%
Middle distillate export volume	Diesel fuel	98	504	-406	19.3%	25.6%	32.5%
	Kerosene/Jet	64	153	-89	42.0%	18.9%	29.4%
	Sub-Total	162	657	-495	24.6%	24.0%	31.9%
Bond sales, etc.	Jet fuel	807	798	9	101.1%	106.7%	97.7%
	Heavy fuel oil C	278	268	10	103.6%	103.2%	101.5%
	Other	213	213	0	100.0%	73.9%	89.0%
	Sub-Total	1,298	1,279	19	101.5%	99.3%	97.1%
Barter deal, etc.		4,602	4,599	3	100.1%	99.2%	88.9%
Total selling volume		17,389	18,241	-852	95.3%	97.9%	93.8%

2Q FY2011 Results – Changes from 2Q FY2010

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Inventory valuation excluding cost or market method impact)	
		Changes from 2Q FY2010		Changes from 2Q FY2010		Changes from 2Q FY2010		Changes from 2Q FY2010
Petroleum business	1,425.8	153.2	8.3	-2.9	6.1	-2.0	-7.0	-27.7
Petrochemical business	14.5	-1.9	0.6	1.3	1.6	2.9	1.6	2.6
Oil E & P business	40.1	3.2	24.4	5.4	25.2	6.0	25.2	6.0
Other	25.8	-8.4	-0.3	0.0	0.2	0.0	0.2	0.0
Write-off	-52.7	9.9	-5.5	-6.0	-5.5	-6.0	-5.5	-6.0
Total	1,453.5	156.0	27.5	-2.2	27.6	0.9	14.5	-25.1

- Inventory valuation impact on the petroleum business amounted to 13.1 billion yen in 2Q FY2011
- Zero inventory valuation impact on the petrochemical business in 2Q FY2011

Cosmo Group of Companies
(by Segment)

Petroleum business	: Cosmo Oil Co., Ltd., Cosmo Oil Sales Corp, Cosmo Petroleum Gas Co., Ltd., Cosmo Oil Lubricants Co., Ltd., etc.
Petrochemical business	: Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd., Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Oil Group on the equity method), HC Petrochem Co., Ltd. (owned by the Cosmo Oil Group on the equity method)
Oil E & P business	: Abu Dhabi Oil Co., Ltd., Qatar Petroleum Development Co., Ltd., United Petroleum Development Co., Ltd.
Other	: Cosmo Engineering Co., Ltd., Cosmo Trade & Services Co., Ltd., etc.

[FY2011 Outlook] Outlook by Business Segment – Changes from previous announcement and FY2010

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FY2011 Outlook – Changes from previous announcement

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Inventory valuation excluding cost or market method impact)	
		Changes from Previous announcement		Changes from Previous announcement		Changes from Previous announcement		Changes from Previous announcement
Petroleum business	3,001.0	161.0	18.5	-17.5	12.5	-13.0	0.5	-21.0
Petrochemical business	29.0	-26.0	0.5	0.0	1.5	0.5	1.5	0.5
Oil E & P business	93.0	3.0	54.0	2.0	56.0	1.0	56.0	1.0
Other	75.0	0.0	1.5	0.0	2.5	0.0	2.5	0.0
Write-off	-128.0	12.0	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
Total	3,070.0	150.0	74.0	-16.0	72.0	-12.0	60.0	-20.0

- Inventory valuation impact on the petroleum business amounted to 12.0 billion yen in FY2011
- Zero inventory valuation impact on the petrochemical business in FY2011

FY2011 Outlook – Changes from FY2010

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (Inventory valuation excluding cost or market method impact)	
		Changes from FY2010		Changes from FY2010		Changes from FY2010		Changes from FY2010
Petroleum business	3,001.0	272.2	18.5	-47.8	12.5	-45.9	0.5	-35.6
Petrochemical business	29.0	-16.9	0.5	0.1	1.5	1.8	1.5	1.8
Oil E & P business	93.0	23.1	54.0	18.7	56.0	21.3	56.0	21.3
Other	75.0	6.3	1.5	0.2	2.5	-0.2	2.5	-0.2
Write-off	-128.0	13.8	-0.5	-1.3	-0.5	-1.1	-0.5	-1.1
Total	3,070.0	298.5	74.0	-30.1	72.0	-24.1	60.0	-13.8

- Inventory valuation impact on the petroleum business amounted to 12.0 billion yen in FY2011
- Zero inventory valuation impact on the petrochemical business in FY2011

Capital Expenditures, Depreciation, etc.

[2Q FY2011 Results]

Unit:billion yen

	2Q FY2011 Results	Change from 2Q FY2010
Capital expenditures	11.7	-22.6
Depreciation expense amount	25.4	1.2

[FY2011 Outlook]

Unit:billion yen

	FY2011 Outlook	Change from previous announcement
Capital expenditures	37.7	-3.1
Depreciation expense amount	51.1	0.4

Capital expenditures by Business Segment

[2Q FY2011 Results by Segment Vs. 2Q FY2010]

Unit:billion yen

	2Q FY2011 Results	2Q FY2010 Results	Changes
Petroleum	5.9	23.1	-17.2
Petrochemical	0.3	0.5	-0.2
Oil exploration and production	5.6	11.2	-5.6
Other	0.2	0.0	0.2
adjustment	-0.3	-0.5	0.2
Total	11.7	34.3	-22.6

[FY2011 Outlook by Segment Vs. Previous announcement]

Unit:billion yen

	FY2011 Outlook	Change from previous announcement	Changes
Petroleum	22.8	20.8	2.0
Petrochemical	0.7	0.7	0.0
Oil exploration and production	15.0	18.9	-3.9
Other	0.7	2.0	-1.3
adjustment	-1.6	-1.6	0.0
Total	37.7	40.8	-3.1

[2Q FY2011 Results] Historical Changes in the Number of Employees, Oil Storage Depots, Ss and Cards in Force

[1] Workforce size (No. of persons)

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	2Q FY2011
Cosmo Oil alone	1,729	1,718	1,916	1,957	2,064	2,180	2,135	2,069
Cosmo Oil Group	3,480	3,451	3,335	3,299	3,269	3,325	3,268	3,193

* Data as of March 31 of each fiscal year.

* Group headcounts combine those of non-consolidated Cosmo Oil (up until FY2008), while combining those of non-consolidated

[2] No. of oil storage depots (DTs)

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	2Q FY2011
No. of DTs	38	38	38	38	38	36	35	35

[3] Estimated No. of Ss by Operator Type (including mobile stations)

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	2Q FY2011
Subsidiaries	1,065	1,190	1,122	1,104	1,023	1,025	967	961
Dealers	3,746	3,456	3,294	3,074	2,937	2,786	2,678	2,637
Total	4,811	4,646	4,416	4,178	3,960	3,811	3,645	3,598

* 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

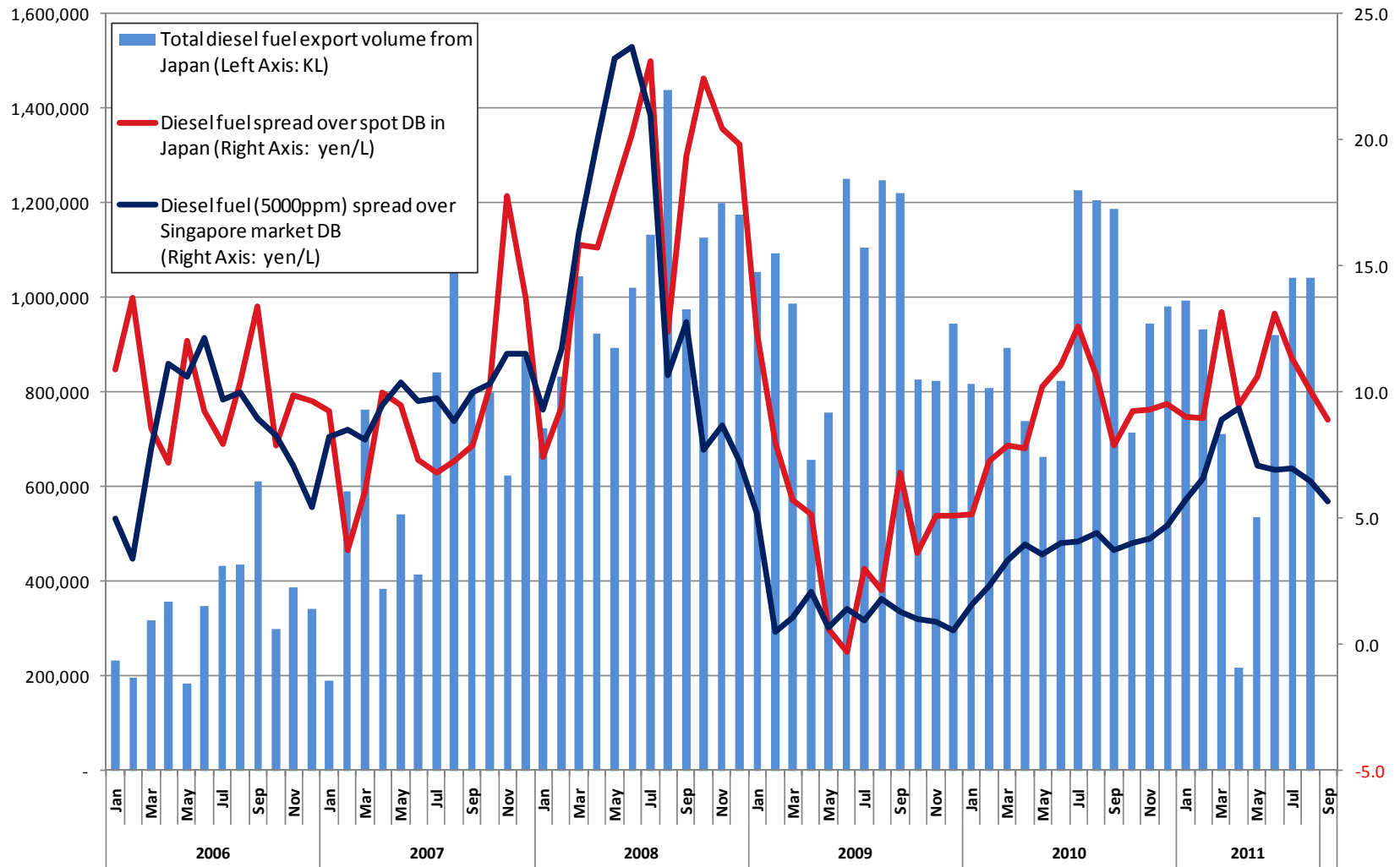
[4] No. of Self-Service Ss out of the Total Estimated No. of Ss Mentioned [3] above.

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	2Q FY2011
Subsidiaries	295	370	463	507	551	575	548	573
Dealers	188	256	326	360	404	429	455	434
Total	483	626	789	867	955	1,004	1,003	1,007
Share of Self-Service Ss	8.1%	10.3%	13.8%	18.1%	21.0%	24.4%	26.6%	28.2%

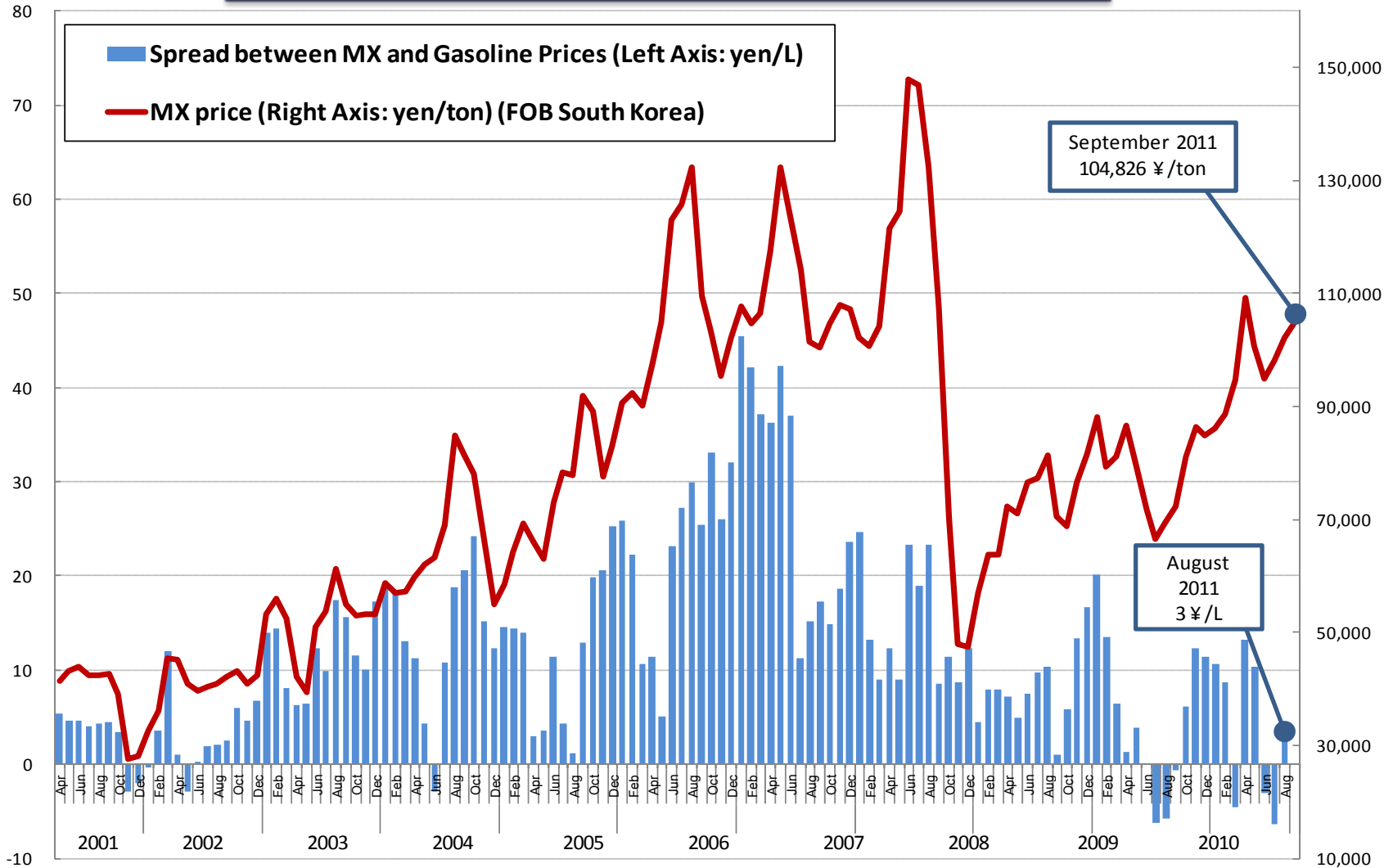
[5] Cosmo The Card – Number of cards issued (including the number of Opus cards in force from 2006 onwards) (Unit: million cards)

	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	2Q FY2011
No. of cards in force	2.42	2.55	2.80	3.05	3.35	3.57	3.67	3.74

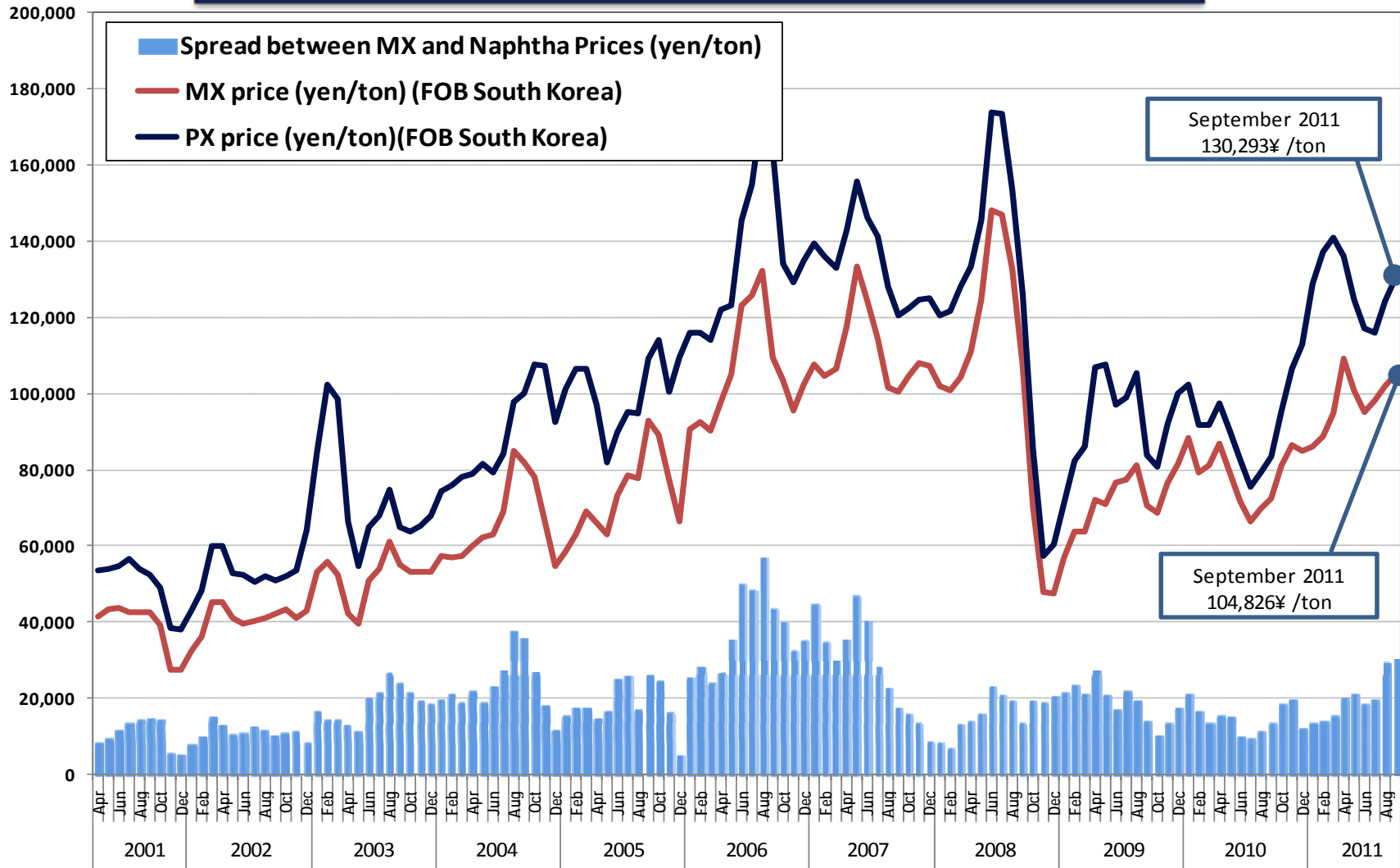
Historical Changes in Diesel Fuel Export Volume and in Domestic and Overseas Margins



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



Historical Changes 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.