Presentation of Full-Year Results for Fiscal 2014 and Progress Made in the 5th Consolidated Medium-Term Management Plan

May 13, 2015

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COSMO OIL CO., LTD.

Progress Made in the 5th Consolidated Medium-Term Management Plan

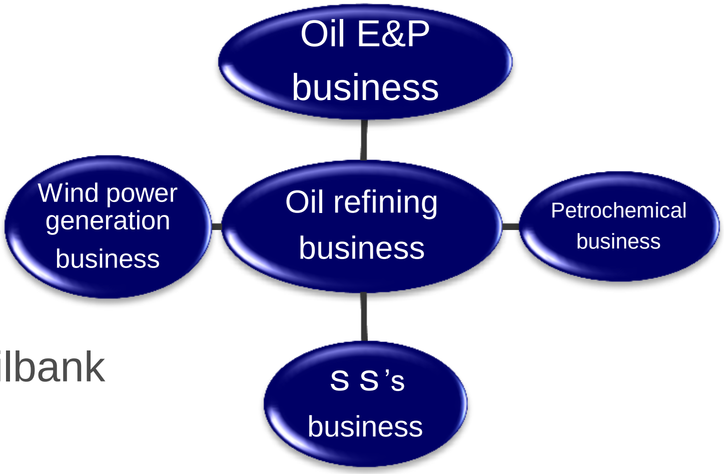
5th Consolidated Medium-Term Management Plan: Four Basic Policies and Progress

- ✓ With the aim of becoming a "vertically integrated global energy company," we have implemented each business strategy steadily and promptly in accordance with the four basic policies.
- ✓ Under the unit system that was introduced in FY2013, we aim to maximize the earnings of each business unit, and the profitability of the overall Group has been steadily improved.
- ✓ We have significantly reduced interest-bearing debts with improved cash flow provided by improved profitability, inventory reduction and other measures.

Regain profitability in the refining & marketing sector

Secure stable income from investments made during the previous medium term management plan

Further strengthen alliances with IPIC and Hyundai Oilbank



Further enhance CSR management

COSMO OIL CO., LTD.

Regain profitability in the refining & marketing sector

■ Realization of safe refinery operation and stable supply

✓ Steady implementation of the Chiba Renewal Plan and investments in safety measures
✓ Establishment of the Refinery Safety Reform Committee (headed by the president)
✓ Safe operation and stable supply at the three refineries

■ Extensive rationalization focusing mainly on the supply division

✓ Closure of the Sakaide Refinery and its conversion to an oil terminal
✓ Ensuring low-inventory operations
✓ Establishment of Keiyo Seisei JV
  → Synergy effect of more than 10 billion yen/Construction of pipelines linking the two refineries
✓ Restructuring the supply system of the lubricant business (closure of the Chiba Plant and consignment of lubricant product manufacture to the Tonen General Group)
✓ Integration of the LP gas businesses of four companies/Decision to establish Gyxis Corporation
✓ Chiba Refinery aims to obtain approval for long-run operations in FY 2016
  → Reducing the cost by skipping shutdown maintenance

■ Strengthening the retail business

✓ Full-scale operation of the Car Leasing Business for individual customers at service stations (Converting to “car life value proposition”)
✓ Business patent obtained for a system for selling fuel for leased vehicles
✓ Addition of Sogo Energy Corporation (formerly Sojitz Energy Corporation) to Group companies.
✓ Alliances with businesses in other industries (Joint opening of stores and joint sales promotion at Aeon Shopping Mall)
✓ Revision to sales price formula, revision to sales channel composition

Secure stable income from investments made during the previous medium term management plan

■ Strategic investments in the Oil Exploration & Production Business

- ✓ 30-year extension of interests in Abu Dhabi Oil Co., Ltd. → Benefitted from high oil prices in 2013 and 2014 through stable production
- ✓ Acquisition of interests in the Hail oil field → Production to begin in the second half of FY2016 (see P.37 for progress in the development of the Hail oil field)

■ Strategic investments for increasing added value of products (Refining / Petrochemical)

- ✓ Coker units → Increasing added value of products
- ✓ Mixed xylene unit → Improving value through the conversion of gasoline to MX
- ✓ Para-xylene unit of HCP → Promotion of streamlining to secure income from investments as soon as possible, as the market is slumping

■ Strategic investments in the Renewable Energy Business:

- ✓ Acquisition of wind power generation business → Enhanced maintenance capability led to profitability, enabling a benefit from the introduction of FIT
- ✓ Starting operation at two new sites (Hirokawa and Aizu) → Improved profitability (up by approximately 25% with an increase of approximately 40,000kW in generation capacity

Further strengthen alliances with IPIC and Hyundai Oilbank

IPIC

✓ A comprehensive strategic alliance with CEPSA, a major Spanish oil company belonging to the IPIC Group
- CEPSA acquired a 20% equity stake in Cosmo Abu Dhabi Energy Exploration & Production Co., Ltd.
- Consultations over the acquisition of new interests in Abu Dhabi and others have been started at a working group launched by ADNOC, Cosmo and CEPSA.

HDO

✓ Establishment of a system for a backup supply of petroleum products in emergencies

✓ Establishment of a system for promoting a backup supply of catalysts and the exchange of human resources

✓ Strengthened cooperation in terms of safety aspects by establishing the Plant Technical Committee

Further enhance CSR management

✓ Working on “earning social trust and always making a positive contribution to society” based on the Management Vision and the CSR Initiative Policy of the Cosmo Oil Group

Transformation to a Holding Company
- Birth of Cosmo Energy Holdings on October 1 -

Background and Objective of the Transformation to a Holding Company

- ✓ Provision of stable dividend, optimal distribution of management resources, flexible, prompt implementation of alliance strategies (collaborations, joint projects, and integration).
- ✓ Achieving sustainable growth and maximizing corporate value by responding to changes in the business environment and transforming the business portfolio with a clear vision of future growth business.

Changes in business environment

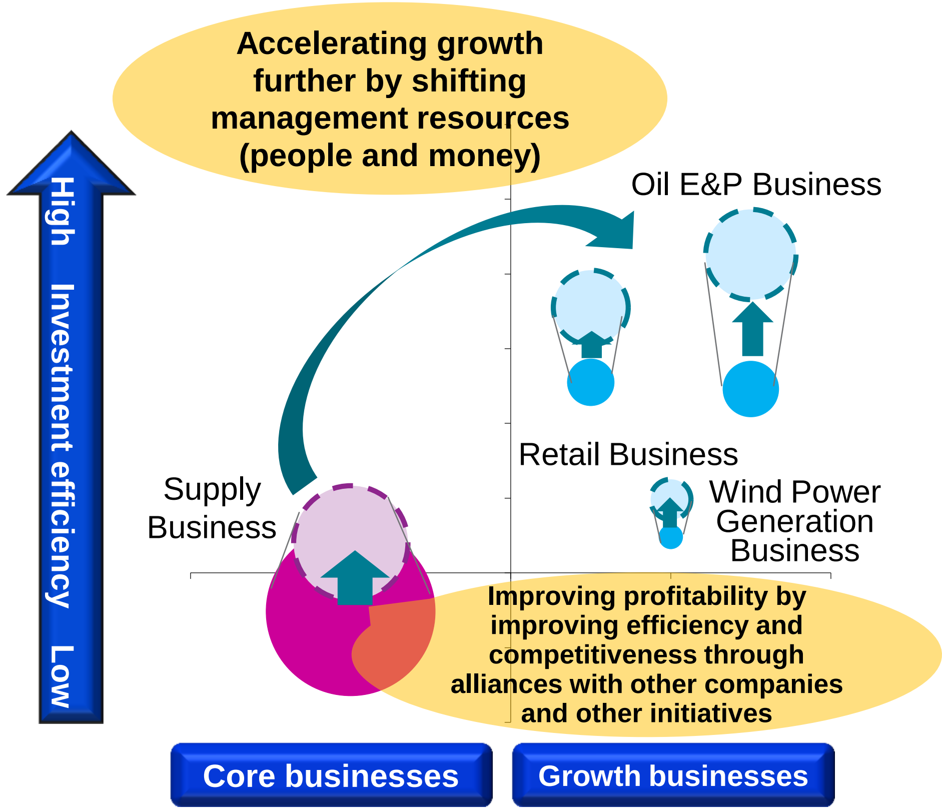
- ✓ Volatile fluctuation of crude oil prices
- ✓ Gradual decrease in domestic demand for oil products
- ✓ Expanded introduction of renewable energy and others

Maximizing corporate value through transformation to a holding company

Objectives and anticipated effects

1) Strengthen business competitiveness / Realize stable profits of the holding company
2) Accelerate the enhancement of group management and the shift of management resources
3) Promote an alliance in each business line

Sustainable growth and improvement of corporate value through the transformation of the business portfolio



* The size of the circle indicates the size of the assets of each business.

Change in the Governing Form

- ✓ Based on Japan’s Corporate Governance Code, we will shift from defensive governance to “aggressive governance” with the aim of improving corporate value.
- ✓ We will separate the monitoring of the Group's management from business execution to strengthen the monitoring function and conduct business execution promptly.

Changes in business environment (social requirements)

- ✓ Revision to the Companies Act
- ✓ Application of Japan’s Corporate Governance Code
- ✓ Application of Japan's Stewardship Code

Transformation to a Company with Audit and Supervisory Committee

Compliance with the Corporate Governance Code

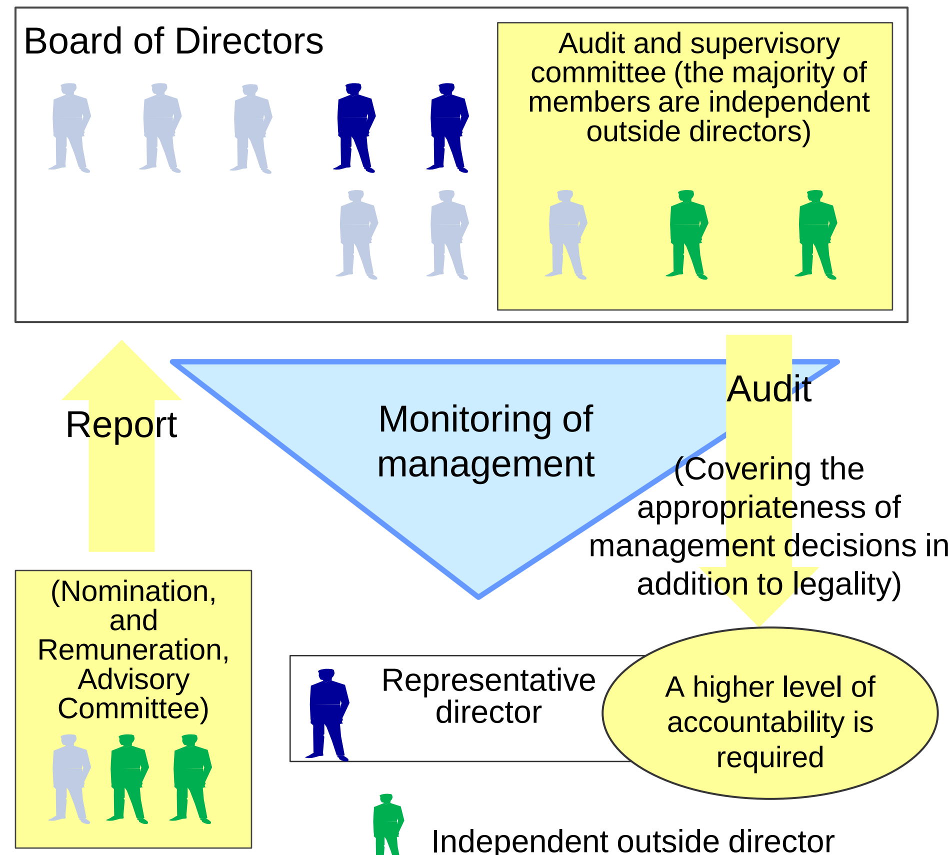
Objectives and anticipated effects (improving corporate value)

1) Increase management transparency

2) Further accelerate decision-making

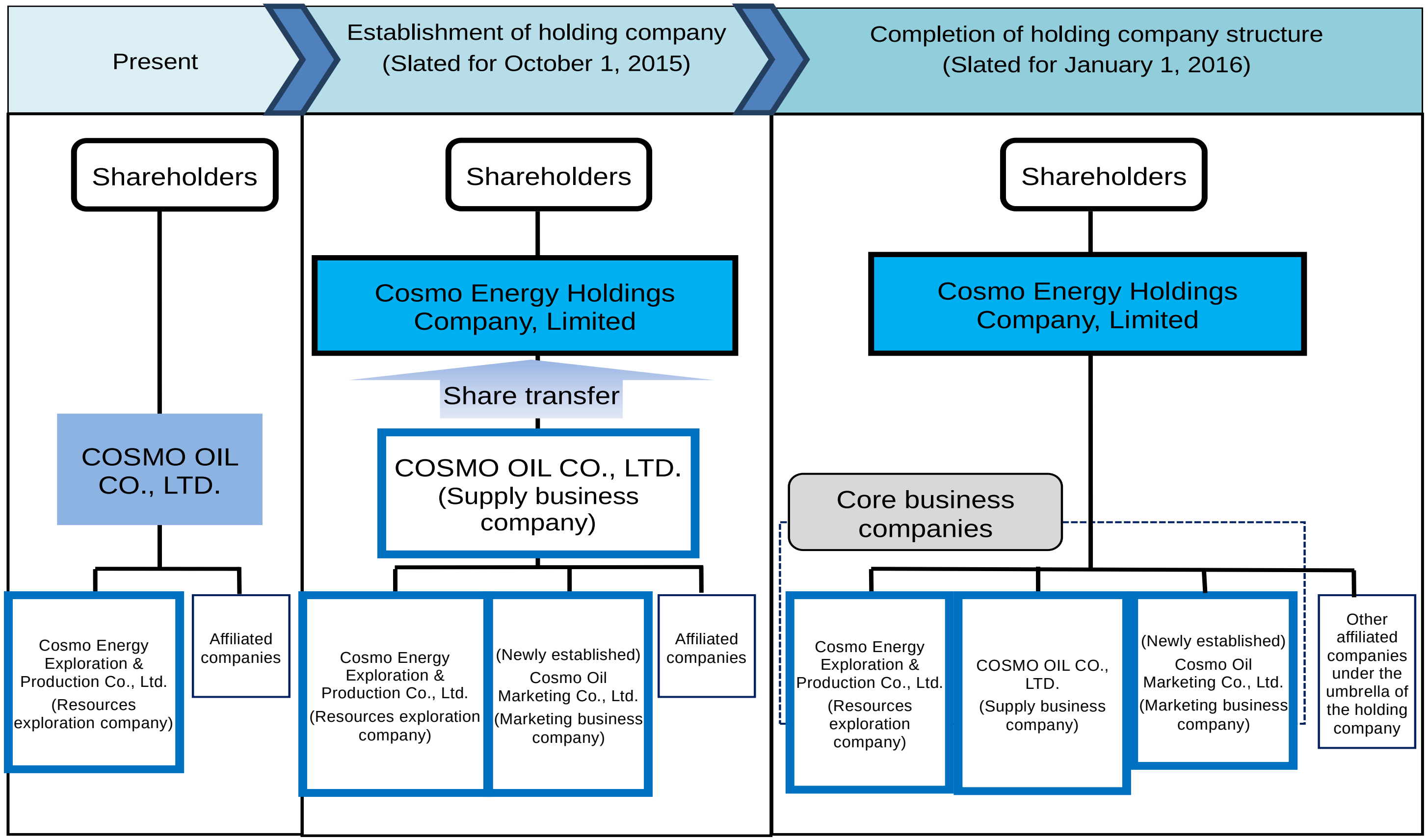
3) Reflect new ways of thinking, opinions, and others in management

Holding company (company with audit and supervisory committee)



Flow of the Transformation to a Holding Company

We will introduce a structure consisting of three core business companies engaged in E&P, supply, and marketing, and improve the competitiveness of each group of businesses, thereby aiming to improve corporate value.



＜Schedule＞

May 12, 2015 Board of Directors meeting for the approval of the Share Transfer Plan
Jun 23, 2015 Annual shareholders meeting for the approval of the Share Transfer Plan
Oct 1, 2015 Establishment of the Cosmo Energy Holdings Co., Ltd.
Jan 1, 2016 Completion of transformation to a holding company
(Equivalence for capital ties of three core business companies)

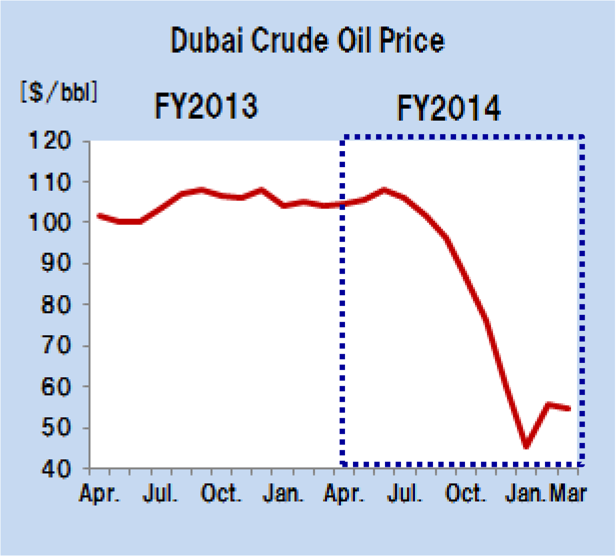
- ✓ Take the transformation to a holding company in FY2015 as an opportunity to further accelerate business strategies in order to fully achieve the goals in the final fiscal year of the 5th consolidated medium-term management plan.

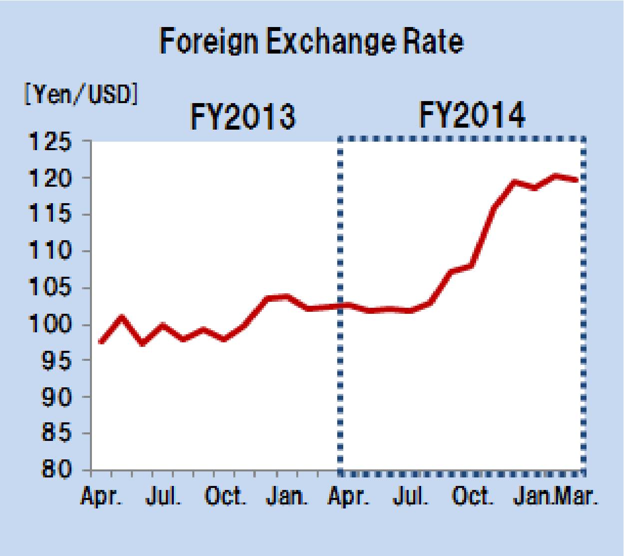
- ✓ With regard to financial strategies: Study various initiatives that will contribute to improving the balance sheet.

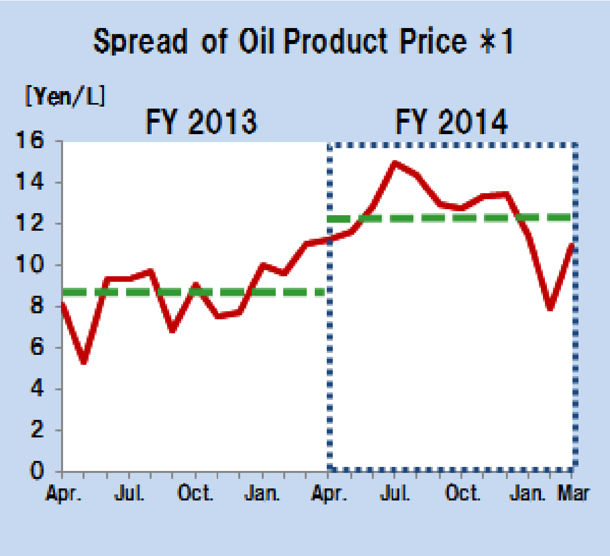
- ✓ Aim to improve corporate value by practicing “aggressive governance” through compliance with the Governance Code and changing the structure to a company with audit and supervisory committees.

Highlights of Results for Fiscal 2014

- ✓ **Crude oil prices**: Prices fell sharply as supply and demand conditions eased, due in part to the shale gas revolution in the US, OPEC's maintenance of its product ceiling, and concern over the economic downturns in Europe and emerging countries. However, prices hit the bottom, mainly reflecting the forecast reduction of shale gas production.
- ✓ **Foreign exchange rate**: Due to the Bank of Japan's continuation of quantitative easing, the yen remained weak, hovering at around 120 yen to the dollar.
- ✓ **Product market**: The spread between crude and product in FY2014 improved from the year-ago level as the market continued to reflect the supply and demand conditions appropriately.







※1 Gasoline, Kerosene, Gas Oil, Fuel Oil A
※2 Product price of Domestic market – Crude oil price (Platt's Dubai)

COSMO OIL CO., LTD.

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Key points of financial results

- ✓ Consolidated ordinary income increased by 40.8 billion yen year on year, to 66.5 billion yen, excluding the impact of inventory valuation.
- ✓ Inventory valuation losses were posted, but cash flow was improved mainly in the Petroleum Business.
- ✓ Deferred tax assets, which are judged based on future profitability, were posted again at 6.7 billion yen.

2

Initiatives for improving the financial framework

- ✓ Interest-bearing debts were reduced by approximately 20% (170.8 billion yen) due mainly to the improved cash flow and reduction of cash reserves.
- ✓ It was decided to reinforce capital virtually through hybrid finance (subordinated loan).

Unit: billion yen

	FY2014 (Apr.-Mar.2015)	FY2013 (Apr.-Mar.2014)	Changes
Net sales	3,035.8	3,537.8	-502.0
Cost of sales	2,944.9	3,369.0	-424.1
Selling, general and administrative expenses	129.3	129.1	0.2
Operating income	-38.4	39.7	-78.1
Non-operating income/expenses, net	-11.2	2.1	-13.3
Ordinary income	-49.6	41.8	-91.4
Extraordinary income/losses, net	5.0	7.6	-2.6
Income taxes	29.8	39.1	-9.3
Minority interests	3.3	6.0	-2.7
Net income	-77.7	4.3	-82.0
Impact of inventory valuation	-116.1	16.1	-132.2
Ordinary income excluding impact of inventory valuation	66.5	25.7	40.8
Dubai crude oil price (USD/B)	83.5	104.6	-21.1
JPY/USD exchange rate (yen/USD)	109.9	100.2	9.7

Unit: billion yen

	FY2014 (Apr.-Mar.2015)	FY2013 (Apr.-Mar.2014)	Changes
Ordinary income excluding impact of inventory valuation	66.5	25.7	40.8
Petroleum business	-93.5	-25.3	-68.2
Petroleum business (Excluding impact of inventory valuation)	22.0	-41.4	63.4
Petrochemical business	-7.6	3.7	-11.3
Petrochemical business (Excluding impact of inventory valuation)	-7.0	3.7	-10.7
Oil E & P business	47.5	58.1	-10.6
Other (*)	4.0	5.3	-1.3

* Including consolidated adjustment

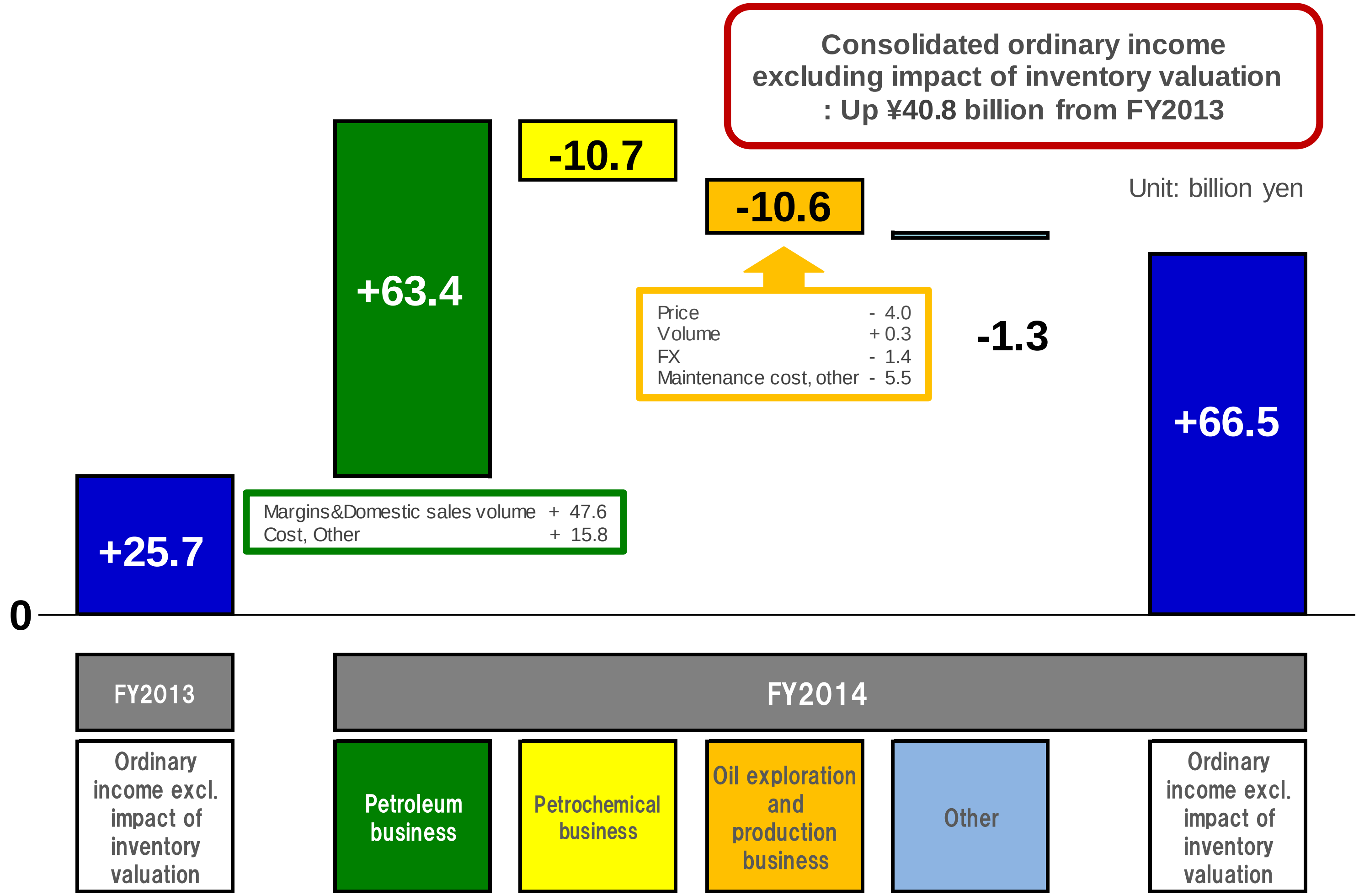
Inventory valuation Petroleum business : FY2014 -115.5 / FY2013 +16.1

Inventory valuation Petrochemical business : FY2014 -0.6 / FY2013 + 0

[FY2014 Results] Consolidated Ordinary Income (Excluding the Impact of Inventory Valuation) - Analysis of Changes from FY2013

Key variable factors

- Petroleum Business : Higher profit mainly due to safe operation and stable supply from refineries and appropriate margins.
- Petrochemical Business : Lower profit due to a slump in petrochemical product market conditions (Paraxylene, MixedXylen).
- Oil E&P Business : Lower profit due in part to the fall of oil prices and operating costs, although production volume recovered.



Outline of Consolidated Cash Flows and Consolidated Balance Sheet

- ✓ Cash flows from operating activities increased significantly.
- ✓ Interest-bearing debts were reduced by approximately 20% through inventory reduction and the reduction of cash reserves.

Consolidated Cash Flows

Unit: billion yen

	FY 2014	FY 2013
Cash flows from operating activities	163.4	35.8
Cash flows from investing activities	-30.1	-61.0
Cash flows from financing activities	-178.9	12.6
Cash and cash equivalents at end of the period	80.8	123.3

Consolidated Balance Sheet

Unit: billion yen

	FY 2014 (As of Mar. 31,'15)	FY2013 (As of Mar. 31,'14)	Changes
Total Assets	1,428.6	1,696.8	-268.2
Net assets	207.5	261.1	-53.6
Net worth	167.2	231.9	-64.7
Net worth ratio	11.7%	13.7%	Down 2.0 points
Interest-bearing debts	692.9	863.7	-170.8
Debt dependence ratio	48.5%	50.9%	Up 2.4 points
Debt Equity Ratio	4.1	3.7	Down 0.4 points
Net interest-bearing debt *	597.7	723.3	-125.6
Debt dependence ratio	41.8%	42.6%	Up 0.8 points
Debt Equity Ratio	3.6	3.1	Down 0.5 points

- ✓ The investment plan was implemented in line with the Consolidated Medium-Term Management Plan.
- ✓ Oil E&P Business: Investments in new drilling projects for increasing production and investments postponed from FY2013.
- ✓ Other businesses: Investments in new sites in the Wind Power Generation Business.

Capital Expenditures, Depreciation, etc.

Unit: billion yen

	FY2014 Results	Change from FY2013
Capital expenditures	70.4	29.2
Depreciation expense amount,etc	32.4	-2.9

Capital Expenditures by Business Segment

Unit: billion yen

	FY2014 Results	FY2013 Results	Change from FY2013
Petroleum	33.3	33.1	0.2
Petrochemical	0.5	0.6	-0.1
Oil E&P	27.4	8.7	18.7
Other	9.1	3.1	6.0
Adjustment	0.1	-4.3	4.4
Total	70.4	41.2	29.2

Forecast for FY2015 Performance

1

Key points of the forecast

- ✓ Sales from the Oil E&P Business will decrease due to falling crude oil prices. In the Petroleum Business, however, we will aim to achieve consolidated ordinary income of 49.0 billion yen through measures including reducing refining costs, forming appropriate market conditions, and securing appropriate margins.
- ✓ Crude oil prices are assumed conservatively by factoring in the average of prices in March 2015.
- ✓ We will aim for net income of 21.0 billion yen (*1), and ROE of 12 %.

(*1) Net income attributable to shareholders

2

Dividend

- ✓ We plan to pay ¥40 (*2) per share of a holding company in comprehensive consideration of factors such as the transformation to a holding company and the profitability, financial position, and investment strategy of the Group.

(*2) The company is planning for the transformation to the Holding Company-Structure through the solo share transfer method whose effective date on October 1, 2015.
As for expected dividends on March 2016, holding company's dividends per share is listed in the case of the Holding Company's dividends 0.1 share are allocated to the company's dividends per share.

✓ The assumptions of the crude oil price and the foreign exchange rate are calculated on the basis of their respective average figures in March 2015.

Unit: billion yen

	FY2015 Forecast	FY2014 Results	Changes
Ordinary income	49.0	-49.6	98.6
impact of inventory valuation	0.0	-116.1	116.1
Ordinary income excluding impact of inventory valuation	49.0	66.5	-17.5
Petroleum business	19.0	22.0	-3.0
Petrochemical business	1.0	-7.0	8.0
Oil E & P business	25.0	47.5	-22.5
Other	4.0	4.0	0.0
Net income (*1)	21.0	-77.7	98.7
Dividend per Share (Forecast) (yen) (*2)	¥40	¥0	-

【Reference】

	FY2015 Forecast	FY2014 Results	Changes
Dubai crude oil price (USD/B)	55.0	83.5	-28.5
JPY/USD exchange rate (yen/USD)	120.0	109.9	10.1

*For sensitivity to the crude oil price and the foreign exchange rate, See page 32.

(*1) Net income attributable to shareholders

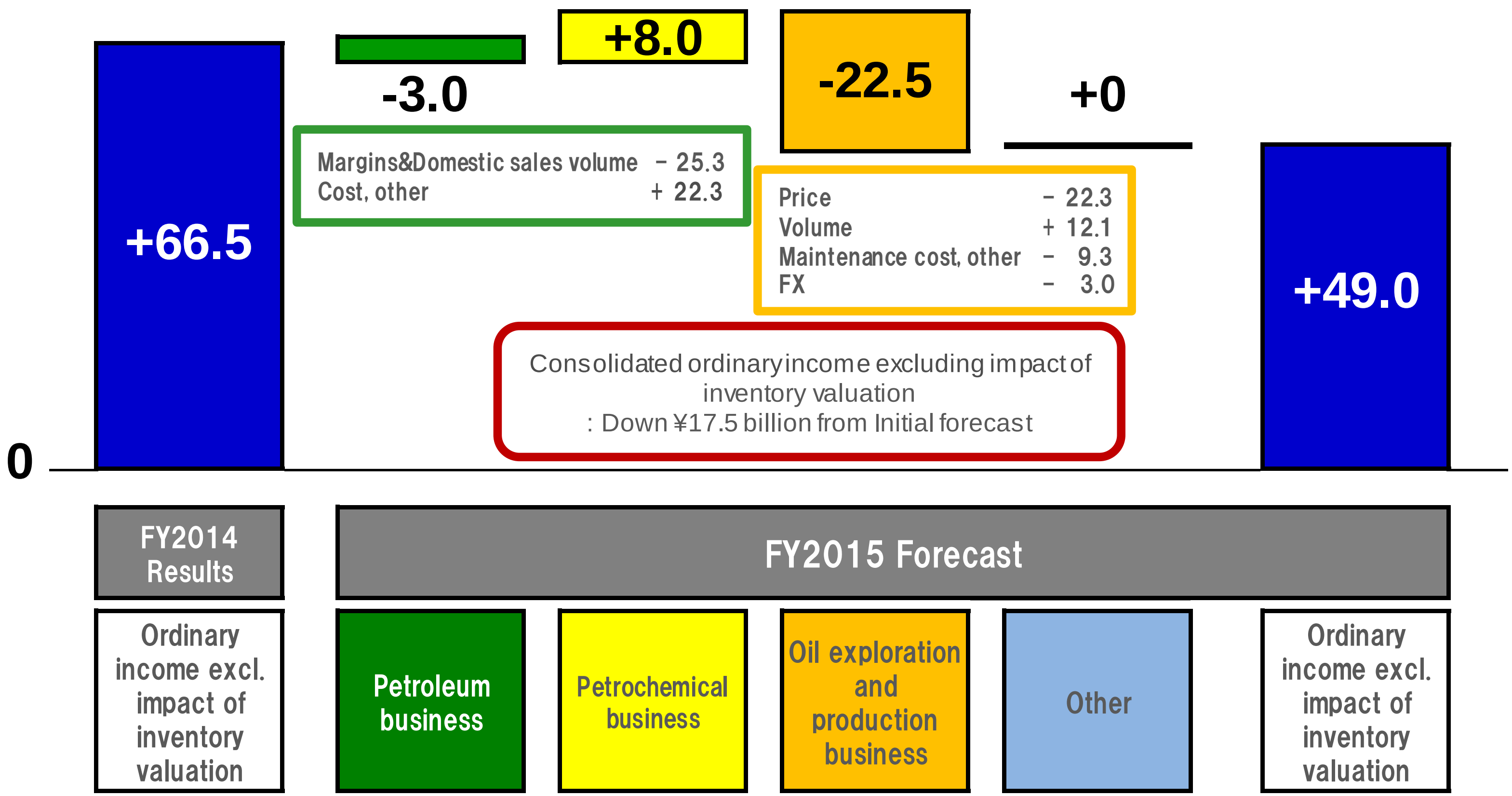
(*2) The company is planning for the transformation to the Holding Company-Structure through the solo share transfer method whose effective date on October 1, 2015. As for expected dividends on March 2016, holding company's dividends per share is listed in the case of the Holding Company's dividends 0.1 share are allocated to the company's dividends per share.

[FY2015 Forecast] Consolidated Ordinary Income (Excluding the Impact of Inventory Valuation) - Analysis of Changes from FY2014

Key variable factors

- Petroleum Business : Secure appropriate margins, but partially cancelled out by resolution of time lag, mainly caused by Naphtha sales.
- Petrochemical Business : Promotion of energy conservation, streamlining, and other initiatives by HCP and a modest recovery of the market conditions of aromatic-products are assumed.
- Oil E&P Business : Production volume is expected to recover, but the fall in crude oil prices is factored in.

Unit: billion yen



[FY2015 Forecast] Outline of Consolidated Capital Expenditure

- ✓ To be implemented in line with the investment plan under the Consolidated Medium-Term Management Plan.
- ✓ Petroleum Business: Installation of pipelines, reinforcement work, and other initiatives are planned for Chiba Refinery.

Capital Expenditures, Depreciation, etc.

Unit: billion yen

	FY2015 Forecast	Changes
Capital expenditures	82.2	11.8
Depreciation expense amount,etc	35.0	2.6

Capital Expenditures by Business Segment

Unit: billion yen

	FY2015 Forecast	FY2014 Results	Changes
Petroleum	50.1	33.3	16.8
Petrochemical	1.0	0.5	0.5
Oil E&P	27.0	27.4	-0.4
Other	5.5	9.1	-3.6
adjustment	-1.4	0.1	-1.5
Total	82.2	70.4	11.8

Supplementary Information

[FY2014 Results/FY2015 Forecast] Sales Volume

Unit: thousand KL

		FY2014 Results	FY2013 Results	Changes	FY2014 Result Changes from FY2013	FY2015 Forecast	FY2015 Full Year outlook changes from FY2014
Selling volume in Japan	Gasoline	5,722	6,053	-331	94.5%	5,631	98.4%
	Kerosene	1,941	2,261	-320	85.9%	1,849	95.3%
	Diesel fuel	4,150	4,399	-248	94.4%	4,026	97.0%
	Heavy fuel oil A	1,555	1,847	-292	84.2%	1,438	92.5%
	Sub-Total	13,368	14,561	-1,193	91.8%	12,944	96.8%
	Naphtha	6,240	6,556	-316	95.2%	6,183	99.1%
	Jet fuel	468	486	-17	96.5%	485	103.4%
	Heavy fuel oil C	1,663	2,038	-376	81.6%	1,262	75.9%
	inc. Heavy fuel oil C for electric	839	1,185	-347	70.8%	509	60.7%
	Total	21,739	23,640	-1,901	92.0%	20,873	96.0%
Export volume	Middle distillates	3,203	3,104	99	103.2%	3,347	104.5%
	Other	1,070	1,085	-15	98.62%	1,017	95.0%
	Sub-Total	4,273	4,189	84	102.0%	4,364	102.2%
Barter deal, etc.		9,710	10,103	-393	96.1%	9,356	96.3%
Total selling volume		35,723	37,932	-2,210	94.2%	34,593	96.8%

[FY2014 Results] Crude Oil Price and Processing Volume, CDU Operating Ratios, Crude Oil Production Volume

[1] Dubai Crude oil price,processing volume and CDU operating ratios

		FY2014	FY2013	Changes from FY2013	
Dubai crude oil price (USD/B)		83.5	104.6	-21.1	—
JPY/USD exchange rate (yen/USD)		109.9	100.2	9.7	—
Crude oil refining	Refined crude oil volume (1,000 KL)	22,043	21,853	190	100.9%
	CDU operating ratio (Calendar Day)	84.0%	69.5%	14.5%	—
	CDU operating ratio (Streaming Day)*	93.5%	83.1%	10.4%	—

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

[2] Crude oil production volume

	FY2014	FY2013	Changes from FY2013	
Cosmo Energy Exploration & Production Co., Ltd. (B/D)	38,031	36,842	1,189	103.2%

*1) The Cosmo Oil Group has a 51.3% stake in Abu Dhabi Oil Co., Ltd., a 75.0% stake in Qatar Petroleum Development Co., Ltd. And a 45.0% stake in United Petroleum Development Co., Ltd.

*2) The production volume represents the total production volumes of the three major developers: Abu Dhabi Oil, Qatar Petroleum Development and United Petroleum Development.

*3)The production period has calculated in the January-December, because that the three major developers of the accounting period December.

Crude Reserves Estimate (Proved and Probable)

(As of Dec. 31, 2014)

Crude Reserves Estimate (working interest base) (*1)		
	mmbls	
①Proved Reserves (*2)	85.3	
②Probable Reserves (*3)	82.3	Note: The reserves include reserves
③Total Proved and Probable Reserves (①+②)	167.6	of new concession area, Hail field.
(Ref.: Reserves to Production Ratio of Total Proved and Probable Reserves)	about 26 years	Note: The daily average crude production based on working interest reached 18 thousands bopd for FY2014.

(*1) About results of reserves estimate
The assessment of ADOC reserves which deemed to have significant impact on Cosmo's future profitability was carried out in an independent assessment by Gaffney, Cline & Associate (hereinafter, "GCA"), a leading global independent reserve auditor. Their assessment confirmed Cosmo affiliates' internal assessment of remaining reserves. The assessment was carried out in accordance with the 2007 "Petroleum Resources Management System (PRMS)" prepared by the Oil and Gas Reserves Committee of the "Society of Petroleum Engineers" (SPE), and reviewed and jointly sponsored by the "World Petroleum Congress" (WPC), the "American Association of Petroleum Geologists" (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE). The assessment of QPD and UPD reserves were carried out in these companies respectively. These assessments of the reserves do not guarantee the reserves and production from them.

(*2) Proved Reserves
Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. When probabilistic methods are used, there should be at least a 90% probability that the actual quantities recovered will equal or exceed the 1P estimate. (Definition of SPE PRMS 2007 March)

(*3) Probable Reserves
Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate. (Definition of SPE PRMS 2007 March)

[FY2014 Results] Results by Business Segment – Changes from FY2013

FY 2014 Results – Changes from FY 2013

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (excluding impact of inventory valuation , cost or market method)	
		Changes from FY2013		Changes from FY2013		Changes from FY2013		Changes from FY2013
Petroleum business	2,997.0	-466.7	-80.0	-62.1	-93.5	-68.2	22.0	63.4
Petrochemical business	55.1	3.5	-2.8	-3.9	-7.6	-11.3	-7.0	-10.7
Oil E&P business	82.3	-6.4	41.0	-11.0	47.5	-10.6	47.5	-10.6
Other business	75.7	-3.7	3.8	-0.8	4.4	-1.1	4.4	-1.1
adjustment	-174.3	-28.7	-0.4	-0.3	-0.4	-0.2	-0.4	-0.2
Total	3,035.8	-502.0	-38.4	-78.1	-49.6	-91.4	66.5	40.8

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., Sogo Energy 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), Hyundai Cosmo Petrochemical Co., Ltd. (owned by the Cosmo Oil Group on the equity method)
Oil E & P business	Cosmo Energy Exploration & Production Co., Ltd.,Abu Dhabi Oil Co., Ltd., Qatar Petroleum Development Co., Ltd.,United Petroleum Development Co., Ltd. etc. (owned by the Cosmo Oli Group on the equity method), etc.
Other business	Cosmo Engineering Co.,Ltd., Cosmo Trade & Services Co., Ltd.,EcoPower Co.,Ltd, etc.

[FY2014 Results] Historical Changes in the Number of Employees, Oil Storage Depots, SSs, Cards in Force, and Number of contracted auto lease

[1] Workforce size (Number of employees)

	FY2010	FY2011	FY2012	FY2013	FY2014
Cosmo Oil alone	2,135	2,025	1,899	1,837	1,643
Cosmo Oil Group	3,268	3,098	2,840	2,782	2,717

＊ Data as of the end of March of each fiscal year.

＊ Group headcounts combine those of non-consolidated Cosmo Oil, with those transferred, probationary employees and with senior employees.

[2] Number of oil storage depots (DTs)

	FY2010	FY2011	FY2012	FY2013	FY2014
No. of DTs	35	35	35	35	36

[3] Number of SSs by Operator Type

	FY2010	FY2011	FY2012	FY2013	FY2014
Subsidiary	967	939	914	899	881
Dealers	2,642	2,559	2,411	2,329	2,252
Total	3,609	3,498	3,325	3,228	3,133
Mobile SSs	36	34	33	34	34

[4] Number of Self-Service SSs out of the Total Number of SSs Mentioned [3] above.

	FY2010	FY2011	FY2012	FY2013	FY2014
Subsidiary	548	570	550	550	552
Dealers	455	437	449	461	479
Total	1,003	1,007	999	1,011	1,031
Share of Self-Service SSs	27.8%	28.8%	30.0%	31.3%	32.9%

[5] Cosmo The Card-Number of cards issued

(Unit: million cards)

	FY2010	FY2011	FY2012	FY2013	FY2014
No. of cards in force	3.67	3.81	3.97	4.20	4.31

※ Including the numbers of the card Opus, Triple.

[6] Number of contracted auto lease

	FY2010	FY2011	FY2012	FY2013	FY2014
Number of contracted auto lease	－	1,287	5,003	11,476	19,040

Full-Year FY 2015 Outlook – Changes from FY 2014

Unit: billion yen

	Net Sales	Changes from FY2014	Operating Income	Changes from FY2014	Ordinary Income	Changes from FY2014	Ordinary Income (excluding impact of inventory valuation , cost or market method)	Changes from FY2014
Petroleum business	2,537.0	-460.0	29.0	109.0	19.0	112.5	19.0	-3.0
Petrochemical business	57.0	1.9	0	2.8	1.0	8.6	1.0	8.0
Oil E&P business	71.0	-11.3	26.0	-15.0	25.0	-22.5	25.0	-22.5
Other business	80.0	4.3	4.5	0.7	4.5	0.1	4.5	0.1
Adjustment	-124.0	50.3	-1.0	-0.6	-0.5	-0.1	-0.5	-0.1
Total	2,621.0	-414.8	58.5	96.9	49.0	98.6	49.0	-17.5

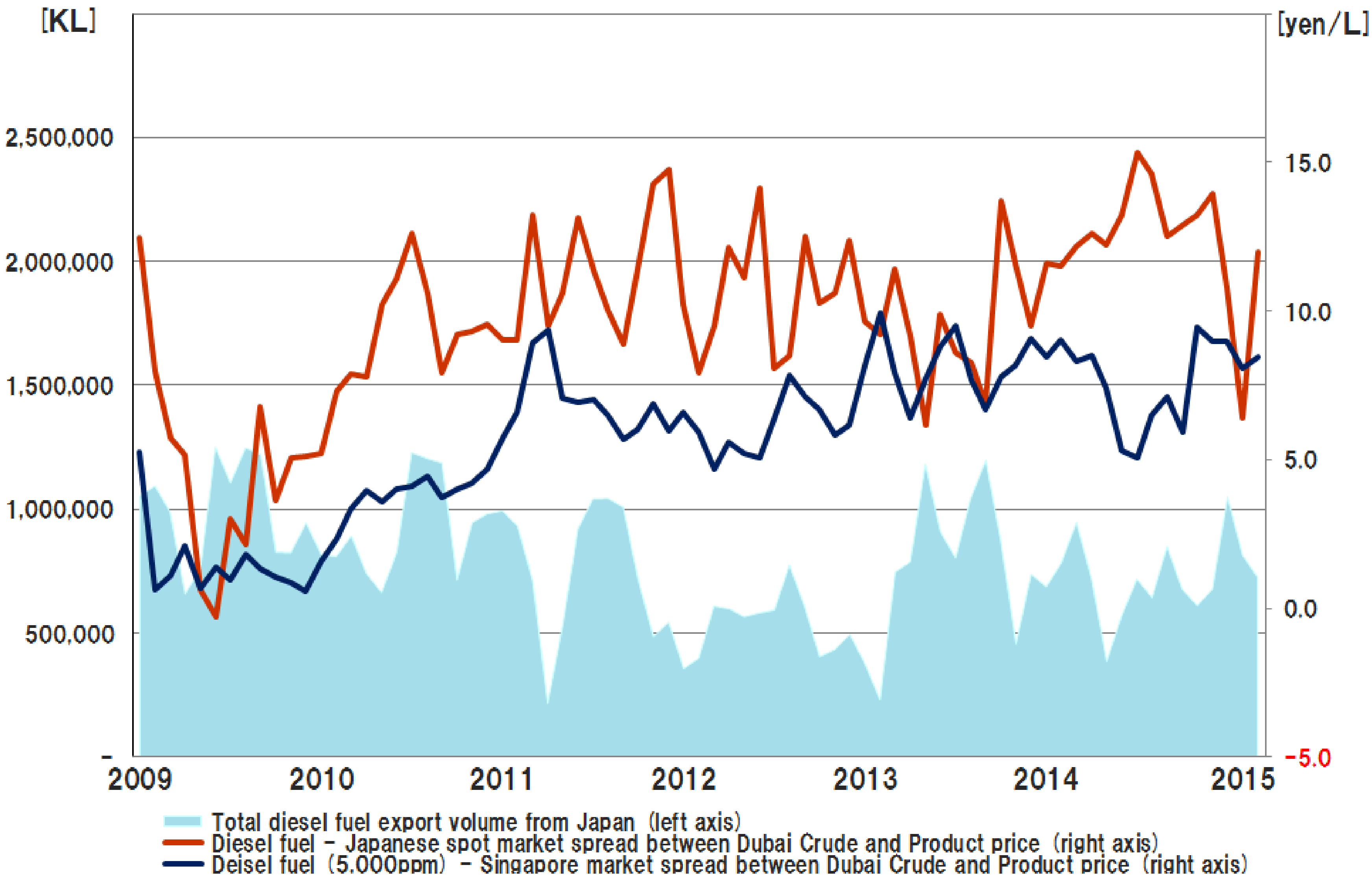
Revised Assumption of Crude Oil Price and Exchange Rate, and Business Sensitivity

	Precondiction	Sensitivity	
		Petroleum Business	Oil E & P Business
Crude oil	55.0 USD/BBL	+ 1.7 billion yen	+ 0.8 billion yen
JPY/USD exchange rate	120.0 yen/USD	+ 0.9 billion yen	+ 0.4 billion yen

＊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).

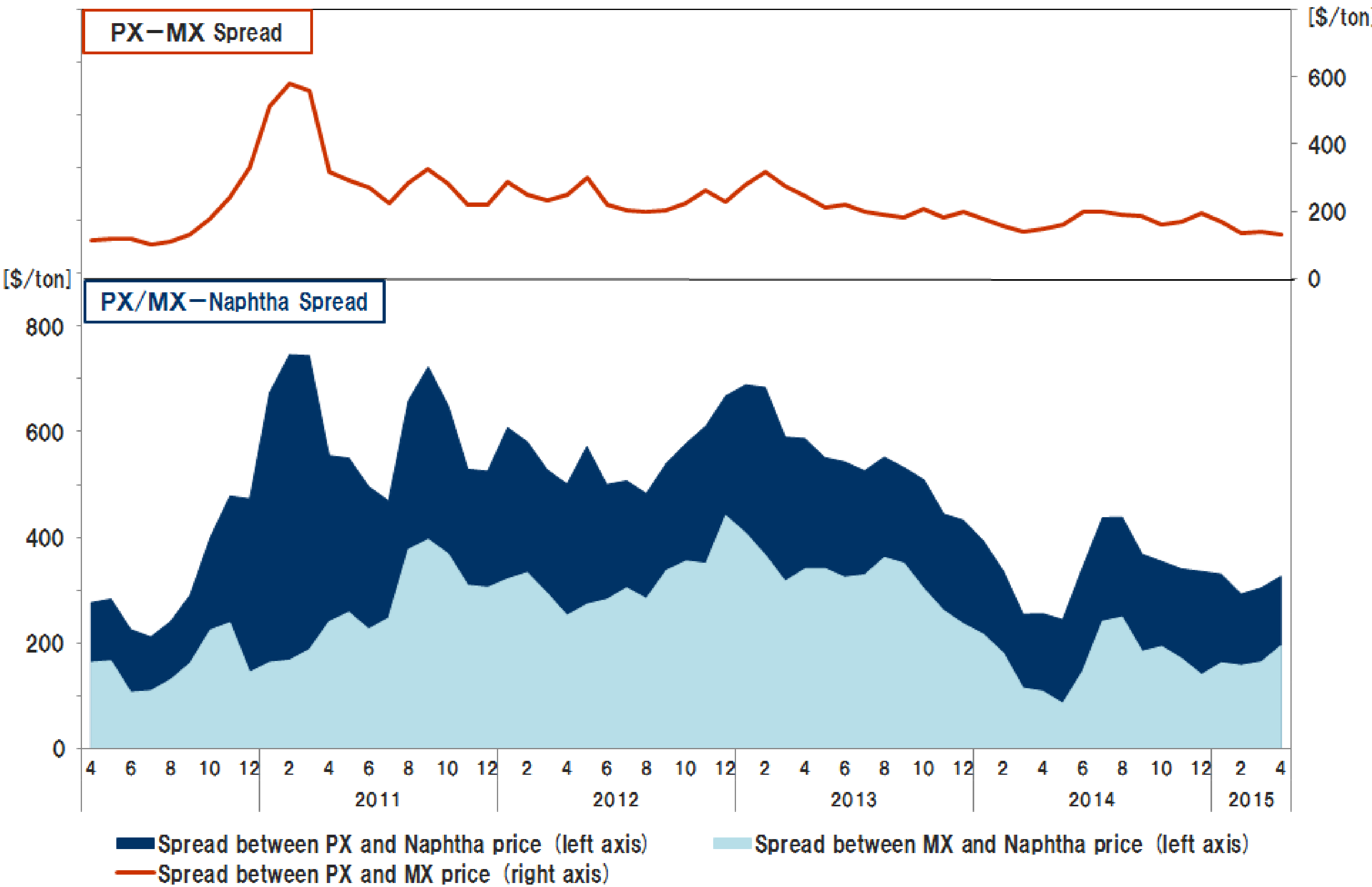
＊A twelve-month period of Apr. 2015 to Mar. 2016 adopted for sensitivity figure estimation for the petroleum business segment, and a nine-month period of Apr. 2014 to Dec. 2015, for the oil exploration and production business.

Diesel Fuel Export Results and Margin Environment



COSMO OIL CO., LTD.

[Petrochemical Business] Aromatic-Product Market Conditions



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Progress of Priority Measures in the 5th Consolidated Medium-Term Management Plan

✓ With the aim of becoming a “vertically integrated global energy company,” we have implemented the measures specified in the medium-term plan steadily and promptly.

Unit: billion yen

	FY2013	FY2014	FY2015	FY2016	FY2017	Ordinary income forecast
<Change of company form>		Resolution at annual general shareholders' meeting	Transformation to a holding company and a company with audit and supervisory committees			112.0
<Oil E&P Business>						
Hail oil field	Acquisition of mining areas	3D seismic prospecting/data analysis	Dredging waterway, construction of artificial island, etc.	Excavation of appraisal well	Production to begin	77.5
Comprehensive strategic alliance with CEPSA		Forming a comprehensive strategic alliance, Cepsa took stake in ADOC, pursuing synergies				
Acquisition of new mining areas		Strengthening alliances with ADNOC and CEPSA to acquire new mining areas in Abu Dhabi				
<Petroleum Business>						
Refineries	Closure of Sakaide Refinery	Rationalization, efficiency improvement (promotion of alliances)		Skipping shutdown maintenance of Chiba Refinery		18.0
Joint business in Chiba	Consider Chiba refinery/Joint business		Establish Keiyo Seisei/Pipeline construction		Start integrated operation of refineries	
Car Leasing Business	Accumulated total: Approx. 20,000 vehicles		Accumulated total: Approx. 60,000 vehicles		Accumulated total: Approx. 90,000 vehicles	
Integration of the LP Gas Business		Agreements to integrate the LP Gas wholesale business as well as the retail business	Establish GYXIS, which is among the top in terms of industry share (integration of four companies)			
<Petrochemical Business>						
PX Business	600,000 tons of MX in Japan ⇒ 1.18 million tons of PX (HCP) --> Clothing and PET (China and others)					10.0
<Wind Power Generation Business>						
Development of new sites	*Generation capacity: Approx.150,000kW	Start of operation at Hirokawa/ Aizu (Approx. 40,000kW) ⇒ Approx. 180,000kW			Start of operation at Watarai (230,000kW)	4.5

Note) The ordinary income forecast for FY2017 includes consolidated accounting processing, other (+2.0 billion yen) of 112.0 billion yen.

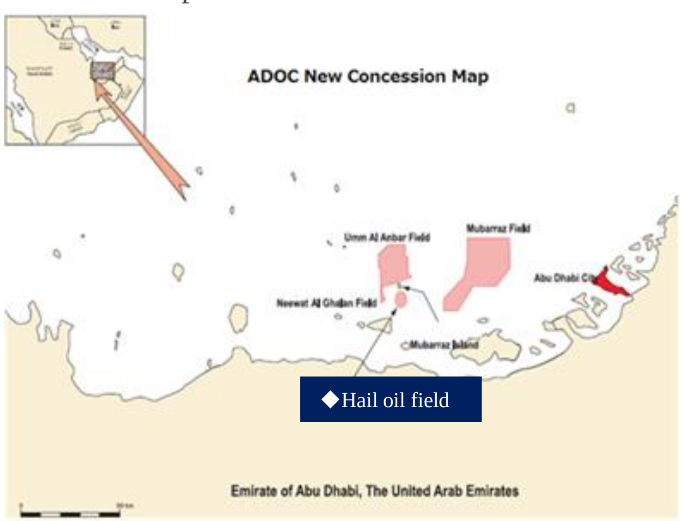
- ✓ Realized low-risk, low-cost development based on a relationship of mutual trust with Middle Eastern oil-producing countries as an operator delivering long-term, stable production
- ✓ Obtained a 30-year extension in concession agreement for three oil fields with Abu Dhabi Oil Company in 2012 and secured the new Hail oil field, which is the same size as the three existing oil fields
  Steadily executing development plan toward start of production in FY2016

FY2017
Ordinary income
77.5 billon yen

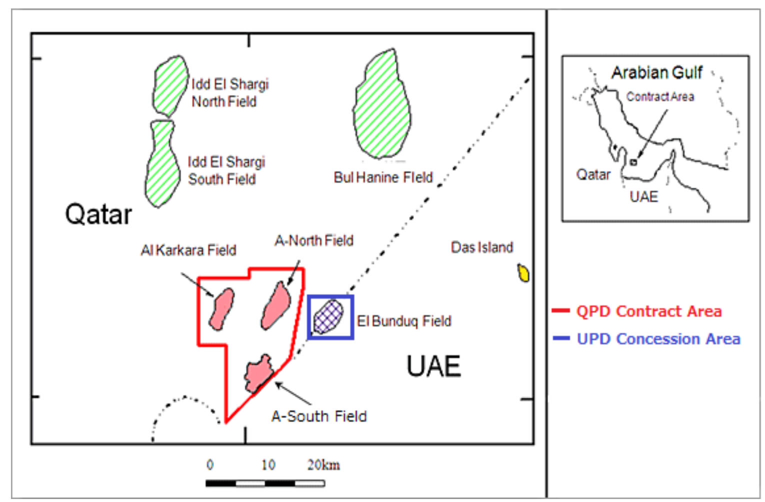
Location	Company Name	Investment Ratio	Establish-ment	Crude Production (BD)	Total Proved and Probable Reserves (mil BD)	Reserve Production Ratio (year)	Segment Ordinary Income (billion yen)
Cosmo Energy E&P		100%	2014	38,031	167.6	approx. 26	47.5
U.A.E	ADOC	51%	1968				
	UPD	45%	1970				
Qatar	QPD	75%	1997				

※Production of Crude Oil, Ordinary income : Result of FY2014
※Crude Reserves Estimate : Total of Proved Reserves and Probable Reserves
(As of 31st, Dec 2014)

■Location Map of ADOC Concession Area



■Location Map of QPD Contract and UPD Concession Area



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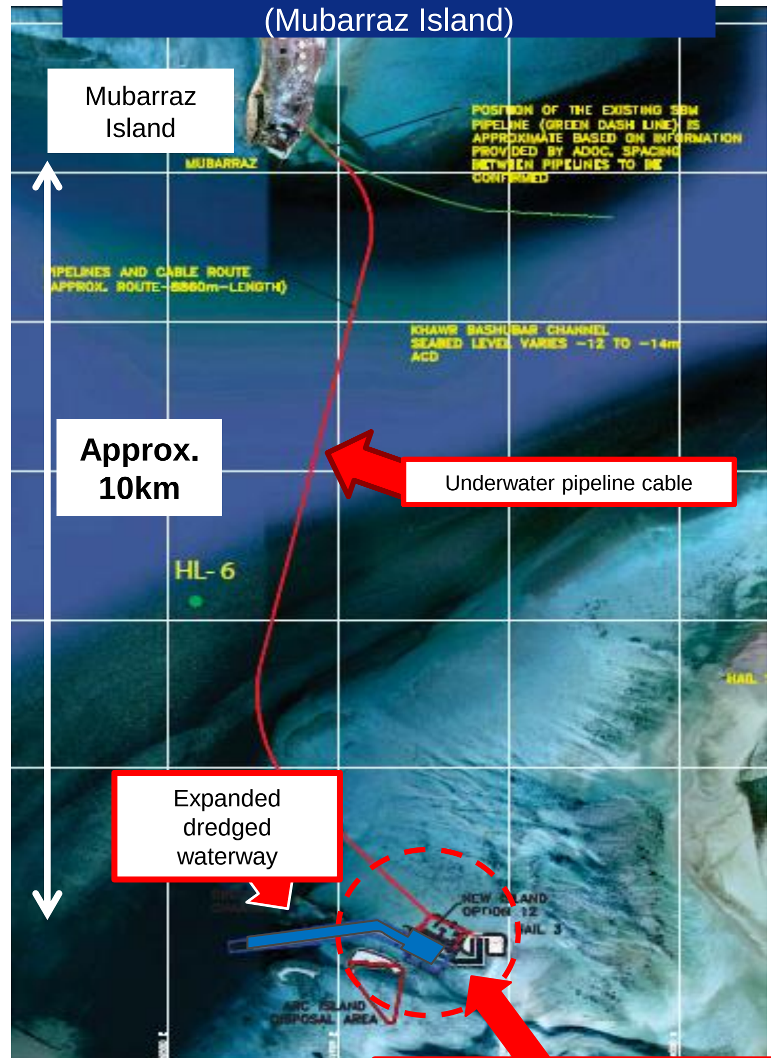
[Oil E&P Business] - Progress in the Development of the Hail Oil Field

- ✓ Steady progress is being made toward the start of production in 2016.
- ✓ The peak production volume is expected to be equivalent to that of the existing three oil fields of Abu Dhabi Oil Company.
- ✓ In FY2015, the minimum required above-ground facilities will be constructed after dredging a waterway and creating an artificial island.
- ✓ In the period between the end of FY2015 and early FY2016, the excavation of an appraisal well that will be converted into a production well will be started.

Development schedule toward start of production

	FY2014	FY2015	FY2016	FY2017
Exploration (data analysis)	3D seismic prospecting; Data analysis (looking for excavation point)			
Development	Planning; Dredging waterway, construction of artificial island	Construction of above-ground facilities		
		Preparing for excavation; Excavation to begin	Production to begin	

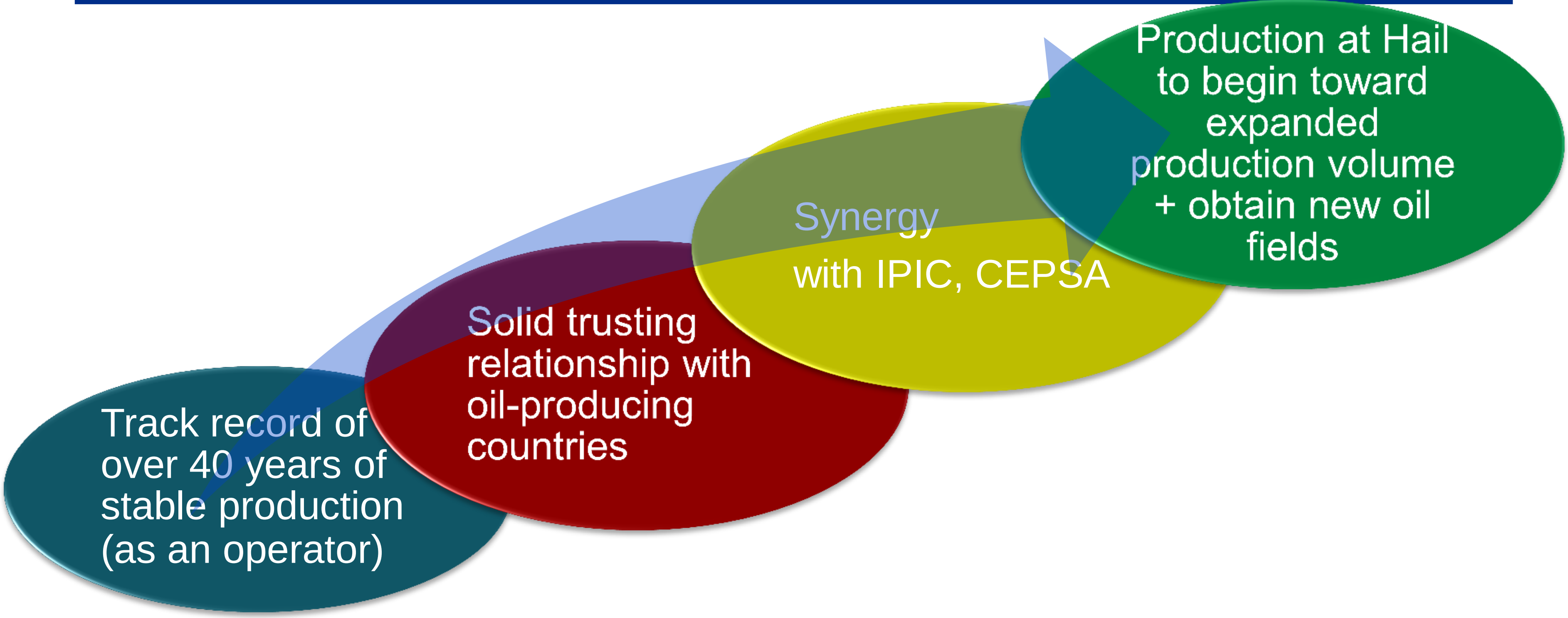
Hail oil field and existing shipping terminal (Mubarraz Island)



[Oil E&P Business] – Become the pillar of vertically integrated global energy companies

<Growth strategy>

- Aim at sustained expansion in production volume by exercising synergy with partner companies
- Concentrated investment on low-risk projects, centered on oil fields that have discovered already but yet to be developed



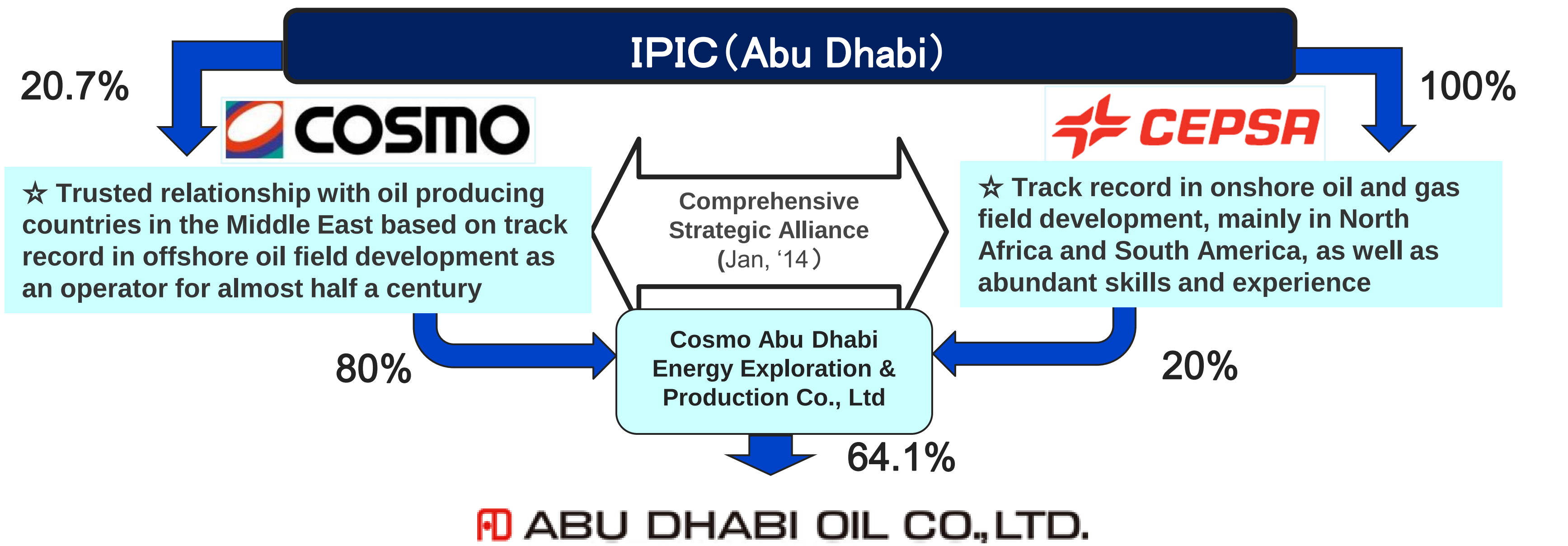
<Risk tolerance>

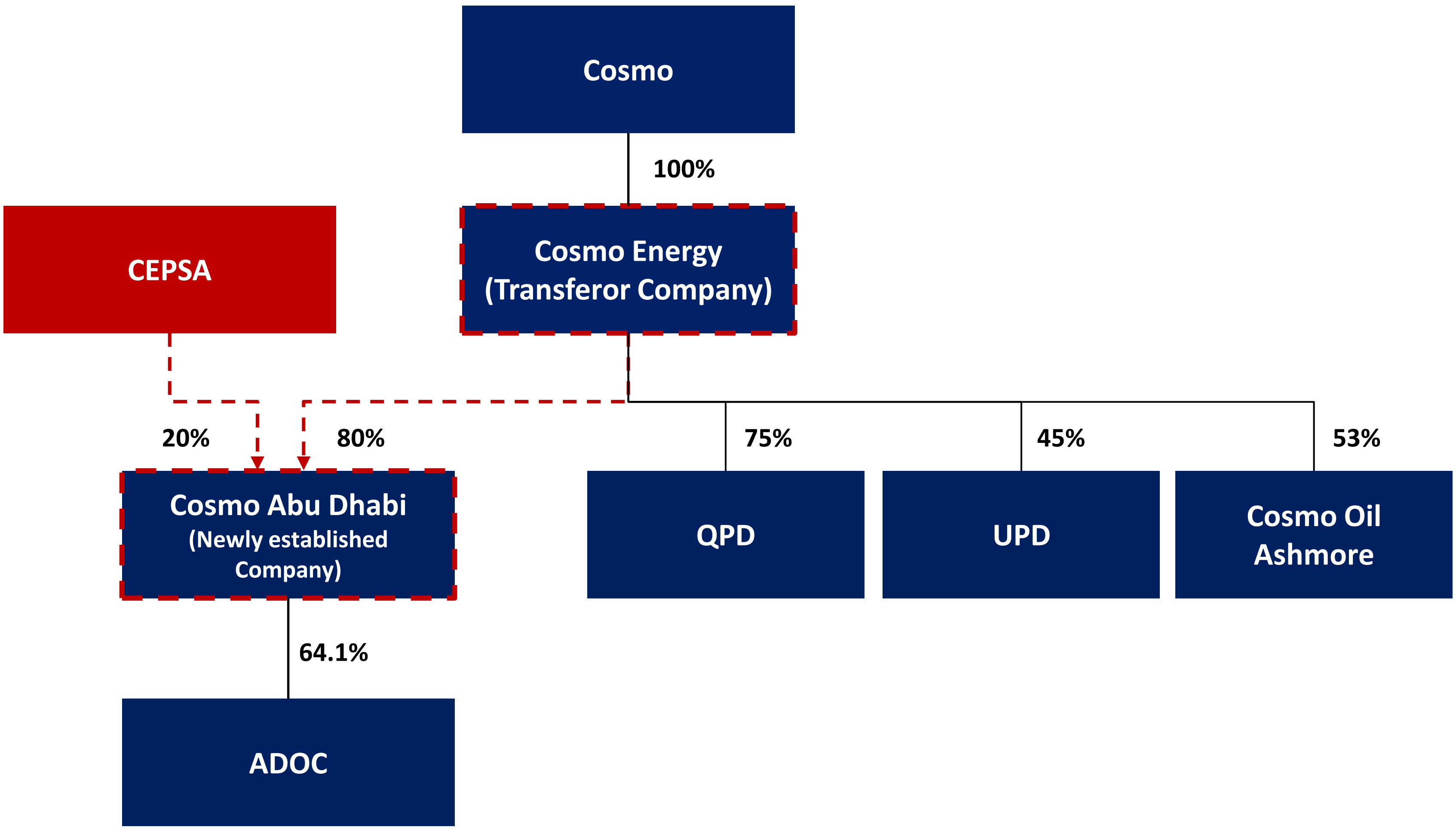
✓ Geopolitical risks	⇒	Operations in UAE, Qatar, where political conditions are relatively stable and where strong motivation to utilize foreign investments exists
✓ Development risks	⇒	Track record as an operator of stable operations of over 40 years and solid trusting relationship with oil-producing countries
✓ Financial risks	⇒	Diversifying business portfolio, joint businesses with partners
✓ Price fluctuation risks	⇒	Factors supporting crude oil prices exist (presence of shale oil, which involves high development costs, budget of oil-producing companies)

[Oil E&P Business] – Enhancement of alliance with CEPSA

- ✓ Cosmo aims to reinforce and expand the strategic partnership with CEPSA by transferring part of shares of newly established upstream subsidiary "Cosmo Abu Dhabi Energy Exploration & Production" (20%, 24.6bn JPY[*1]) to CEPSA, which is in line with the "Further strengthen alliances with IPIC" policy stipulated as part of the 5th Consolidated Medium-Term Management Plan

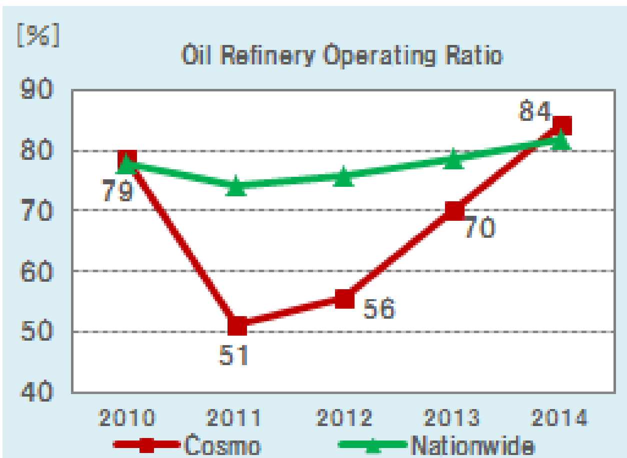
- ✓ Cosmo and CEPSA, with support of common shareholder IPIC, have launched an working group together with the Abu Dhabi National Oil Company to identify new E&P business opportunities



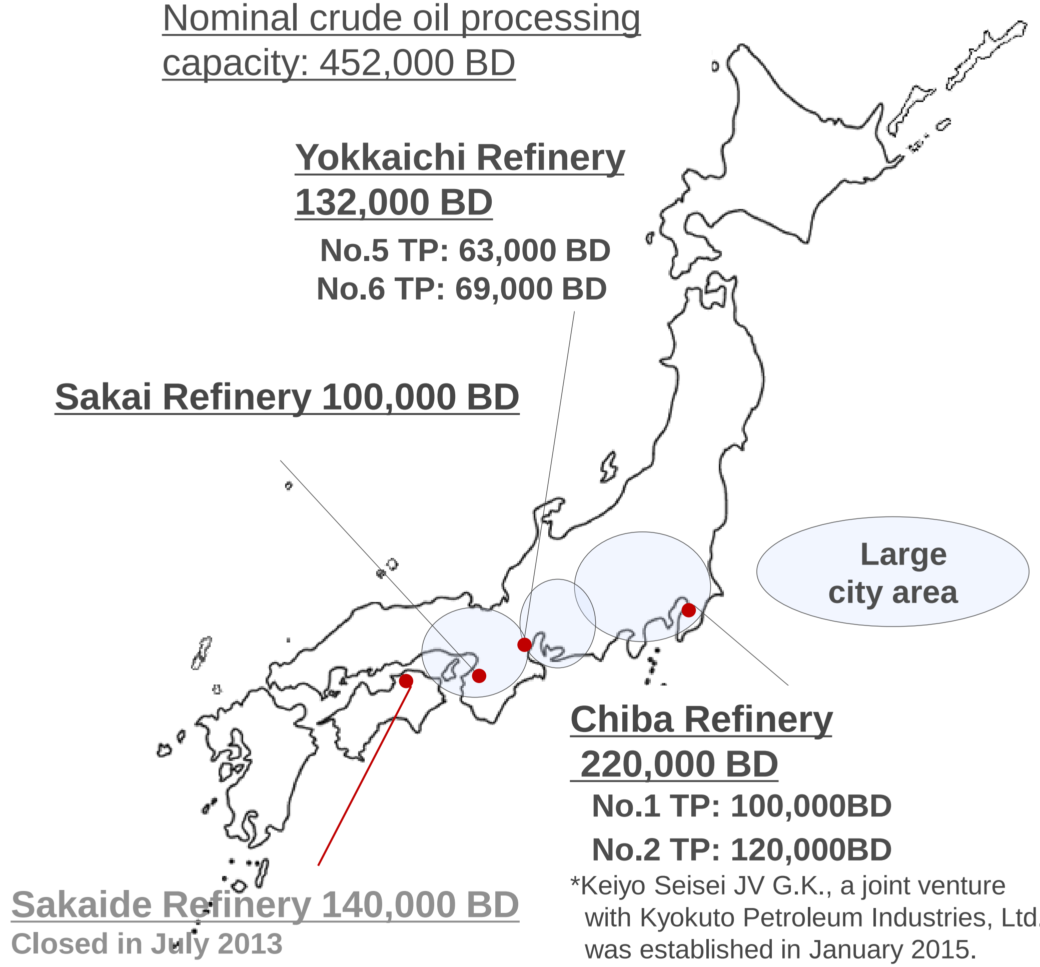

Cosmo
100%
CEPSA
Cosmo Energy
(Transferor Company)
20%
80%
75%
45%
53%
Cosmo Abu Dhabi
(Newly established
Company)
QPD
UPD
Cosmo Oil
Ashmore
64.1%
ADOC

- ✓ Stable operations in FY2014 as per the initial plan, including regular maintenances at Chiba refinery
- ✓ Aim at obtaining plant certification for Chiba refinery during FY2015

FY2017
Ordinary income
18.0 billon yen



Nominal crude oil processing capacity: 452,000 BD



COSMO OIL CO., LTD.

- ✓ Concluded a basic contract on a joint project and established Keiyo Seisei JV G.K. in January 2015.
- ✓ Reached a formal agreement on the construction of pipelines.
- ✓ Aim to improve production efficiency by developing a comprehensive production plan for the two refineries ahead of the completion of pipelines
- ✓ Assume that synergies between both companies will be 10 billion yen (1 billion yen before the completion of pipelines).

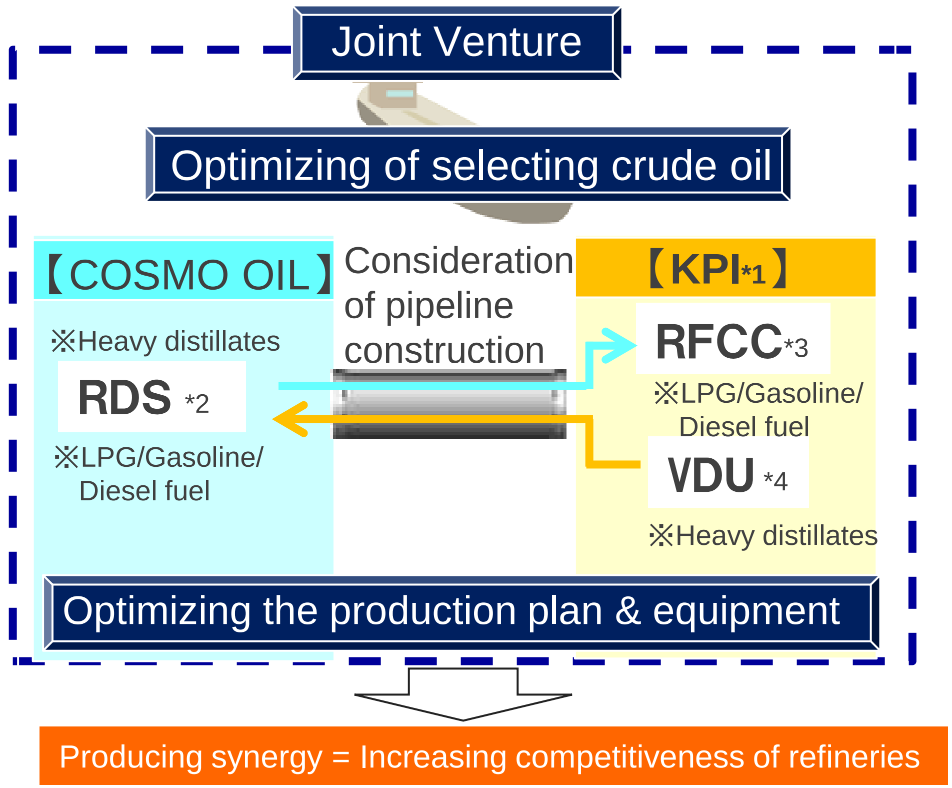
Basic contract, decisions

■Establishment of Keiyo Seisei JV G.K. (January 2015)
- Investment ratio: each company to take a 50% stake
- Business: development of a production plan for both refineries

■Formal agreement on the construction of pipelines
- A formal order to be placed in January 2015
- Nine pipelines to be laid
- Each of the two companies to provide half of the construction costs (each assumed to pay ¥15 billion)
- The project has been chosen as a project to be subsidized by the Ministry of Economy, Trade and Industry.

■Integration of the two refineries
- Integration of refinery equipment after the pipelines are completed
- To produce synergy from the integration, considering optimization of equipment including Crude oil Distillation Unit.

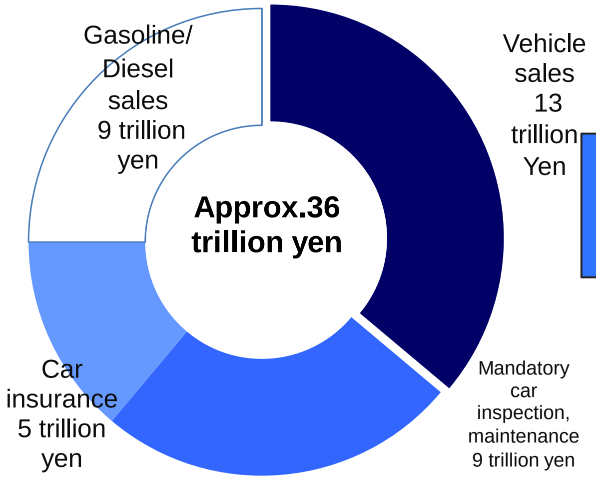
<An example of Synergy>



＊1)KPI＝Kyokuto Petroleum Industries
＊2)RDS＝Residue Hydro desulfurization unit
＊3)RFCC＝Residue Fluid Catalytic Cracker
＊4)VDU＝ Vacuum Distillation Unit

- ✓ Utilize the infrastructure for retaining existing customers and gaining new customers as a platform.
- ✓ Aim at strengthening SS profitability by converting to “car life value proposition” by positioning the individual leasing business at the core.

Market size of car-related business



Source: Created by the Company based on the September 2013 supplementary volume of the monthly issue Gasoline Stand

[Cosmo Oil’s measures to strengthen its retail operations]

<Strategy>

Capitalize on the higher frequency at which SSs serve customers (500,000 vehicles a day*) over competitors engaged in car related business.

Place a focus on the car life market with a scale of 27 trillion yen in addition to gasoline and diesel oil sales

<Tactics>

Capturing and retaining customers in the individual vehicle leasing business

Contract type: Centered on five-year contracts with monthly fixed-rate payments

Contract coverage: Vehicle lease, vehicle inspection and maintenance, insurance and tax

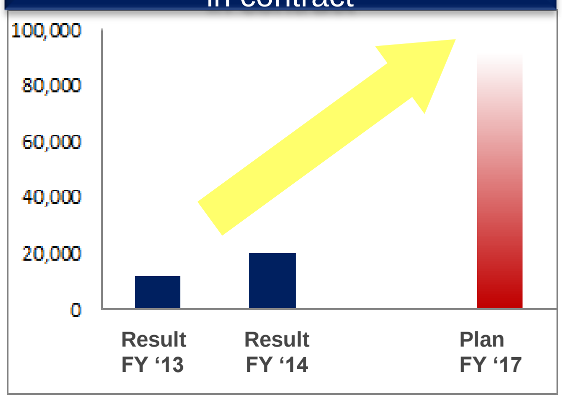
Privilege: A reduced price for fuel oil at Cosmo Oil SSs only

Business model patent acquired

Utilize infrastructure

* The number of vehicles visiting Cosmo Oil SSs estimated by the company

Target for cumulative vehicles in contract



Retaining existing customers

- Cosmo the Card (credit card)
  - Number of active card holders: 4.31 million (as of the end of Mar. 2015)
- Vehicle Life (two-way communication)
  Guiding customers from online to SSs

Gaining new customers

- Mutually introducing customers with large shopping malls (e.g. AEON) and other operators running different types of business
- Launching electronic money payment services at SSs
- Launching SSs at large shopping malls

Break into the MX and PX businesses as measures in response to declining demand for gasoline in Japan, accelerating a shift toward the petrochemical business; a shift “from fuel to raw materials” will improve added values to increase earnings at the business.

FY2017 Ordinary income 10.0 billon yen

Capacity

k ton/year

Company	Ethylene	PX	BZ	MX
HCP	-	1,180	250	-
Maruzen Petrochemical (*1,*2)	1,293	-	598	72
CM Aromatics	-	-	-	270
Cosmo Matsuyama*4)	-	-	91	30
Yokkaichi Refinery (*3)	-	-	-	300

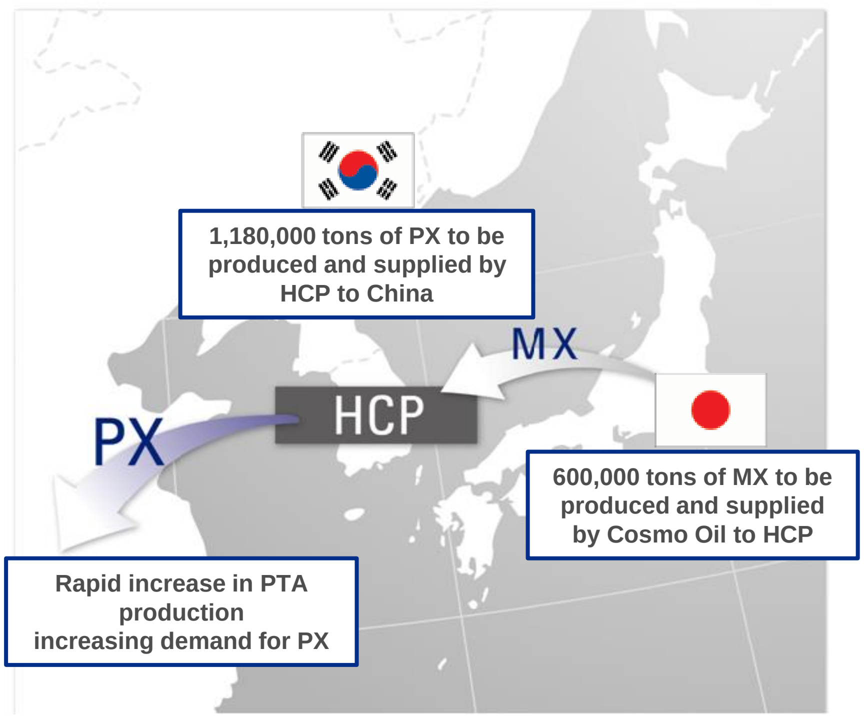
HCP : 50.0% (equity-method affiliate)
Maruzen Petrochemical : 43.9% (equity-method affiliate)
CM Aromatics : 65.0% (consolidated subsidiary)
Cosmo Matsuyama Oil : 100.0% (consolidated subsidiary)

*1) The ethylene production capacity of the Maruzen Petrochemical Co., Ltd. Group includes the capacity of Keiyo Ethylene Co., Ltd. (768,000 tons/year) in Maruzen Petrochemical Co., Ltd. Has a 55% of equity interest.

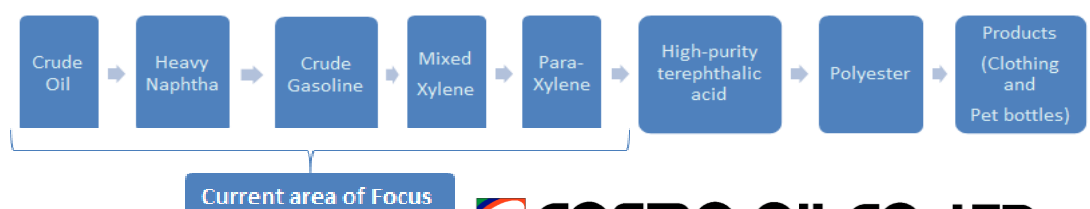
*2) The ethylene production capacity shown in the table is that of non-shut down maintenance year.

*3) Earnings from the MX production unit at the Yokkaichi Refinery are included in the petroleum business segment..

HCP’s East Asia Trans-Border Business Model



Para Xylene Refining Process



COSMO OIL CO., LTD.

- ✓ Major improvement in the profitability of the wind power generation business as a result of the introduction of the Japan's feed-in tariff (FIT) scheme
- ✓ Profitability of the renewable energy business expands by pushing forward with development of new sites

FY2017 Ordinary income 4.5 billon yen

Wind power generation business begins (2010)

Purchased a wind power business at residual value (1 yen) from Ebara Corporation in March 2010. Turned into a profitable business by strengthening maintenance of existing sites.

Introduction of the feed-in tariff (FIT) scheme

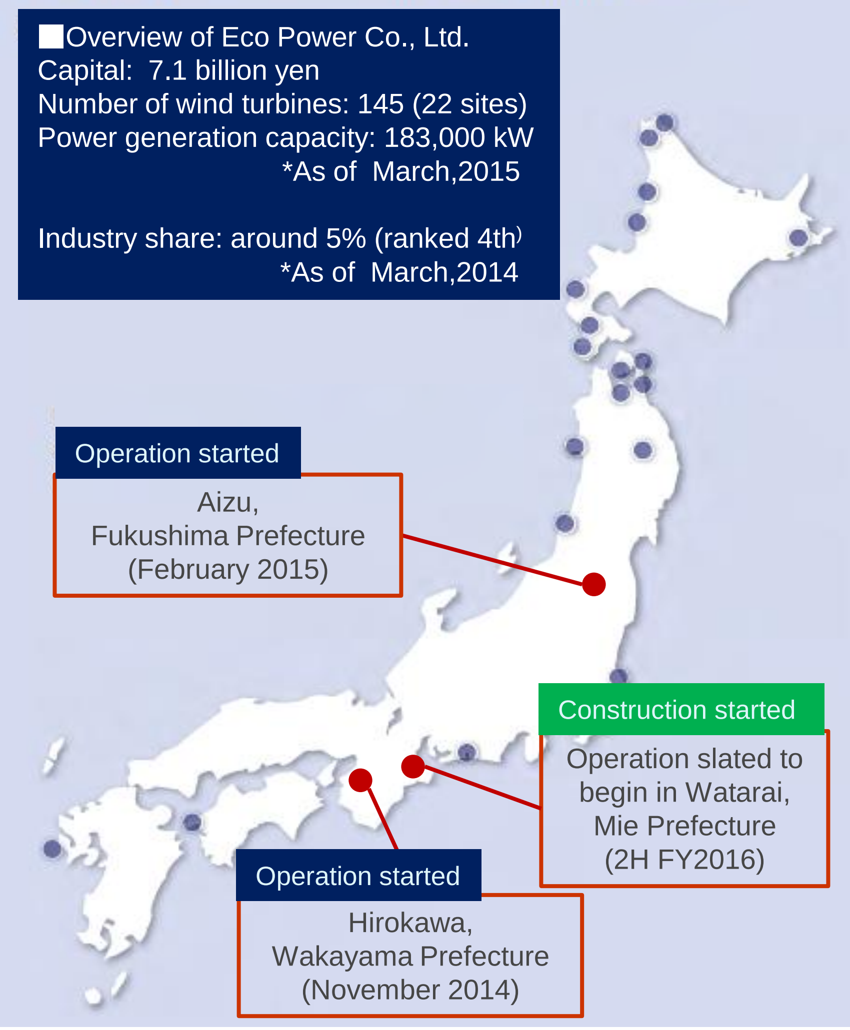
Business profitability improves with the implementation of an all-quantity buyback program program in July 2012. Profits stabilize as acquisition price for wind power generation at 22 yen/kwh (excluding taxes).

Medium-Term Management Plan (FY2013 - 2017)

In view of changes seen in the environment, aim to expand profitability of the wind power generation business and begin development of new sites.
Aim to expand business to <u>a total of around 90,000 kw</u> during the period covered by the Medium-Term Management Plan

■Overview of Eco Power Co., Ltd.
Capital: 7.1 billion yen
Number of wind turbines: 145 (22 sites)
Power generation capacity: 183,000 kW
*As of March,2015

Industry share: around 5% (ranked 4th)
*As of March,2014



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