Cosmo Energy Holdings Co., Ltd.
Presentation on Results for
Third Quarter of Fiscal 2015

February 9, 2016

Senior Executive Officer

Kenichi Taki

COSMO ENERGY HOLDINGS CO., LTD.

Results for Third Quarter of FY2015

1

Review for Each Business and Key Points of the Financial Results

(Petroleum business)

- ✓ Ordinary income decreased 5.2 billion yen year on year, primarily due to deteriorated market conditions associated with a fall in oil prices.

(Petrochemical business)

- ✓ Ordinary income increased 3.5 billion yen year on year due to the buoyant market conditions for ethylene and cost reduction of HCP.

(Oil E&P business)

- ✓ Ordinary income decreased 21.2 billion yen year on year due to the fall in oil prices, although the production volume has been increasing.

(Key point of financial results)

- ✓ Ordinary income decreased 22.4 billion yen year on year to 14.1 yen, excluding the impact of inventory valuation, mainly reflecting decreased income in the Oil E&P Business due to falling oil prices.

2

[Topic] Acquire factory certification for Chiba Refinery

- ✓ Aim to acquire factory certification sometime in April 2016.

→ Start a 2-year long run from FY2016, refinery costs is expected to decrease significantly from the operation merit and the reduction of maintenance costs.

3

[Topic] Acquisition of shares in Maruzen Petrochemical (to make it a consolidated subsidiary)

- ✓ Aim to Strengthen competitiveness by running the oil refinery business and the petrochemical business in a unified manner.

Consolidated Income Statements– Changes from 3Q FY2014

Unit: billion yen

	FY2015 (Apr.-Dec.2015)	FY2014 (Apr.-Dec.2014)	Changes
Net sales	1,731.5	2,340.9	-609.4
Cost of sales	1,662.7	2,262.6	-599.9
Selling, general and administrative expenses	88.3	94.0	-5.7
Operating income	-19.6	-15.7	-3.9
Non-operating income/expenses, net	-7.4	-9.5	2.1
Ordinary income	-27.0	-25.2	-1.8
Extraordinary income/losses, net	-6.4	-8.0	1.6
Income taxes	12.3	26.8	-14.5
Profit attributable to non-controlling interests	2.9	2.1	0.8
Profit attributable to owners of parent	-48.6	-62.1	13.5
Impact of inventory valuation	-41.1	-61.7	20.6
Ordinary income excluding impact of inventory valuation	14.1	36.5	-22.4
Dubai crude oil price (USD/B)	50.5	94.1	-43.6
JPY/USD exchange rate (yen/USD)	121.7	106.7	15.0

Consolidated Ordinary Income excluding impact of inventory valuation by Business Segment

Unit: billion yen

	FY2015 (Apr.-Dec.2015)	FY2014 (Apr.-Dec.2014)	Changes
Ordinary income excluding impact of inventory valuation	14.1	36.5	-22.4
(Each Segment)			
Petroleum business	-43.6	-58.0	14.4
Petroleum business (Excluding impact of inventory valuation)	-2.1	3.1	-5.2
Petrochemical business	0.2	-4.3	4.5
Petrochemical business (Excluding impact of inventory valuation)	-0.2	-3.7	3.5
Oil E & P business	14.4	35.6	-21.2
Other (*)	2.0	1.5	0.5

* Including consolidated adjustment

Inventory valuation Petroleum business : FY2015 3Q -41.5 / FY2014 3Q -61.1
Inventory valuation Petrochemical business : FY2015 3Q 0.4 / FY2014 3Q -0.6

[3Q FY2015 Results] Consolidated Ordinary Income (Excluding impact of inventory valuation) – Analysis of Changes from 3Q FY2014

Key variable factors

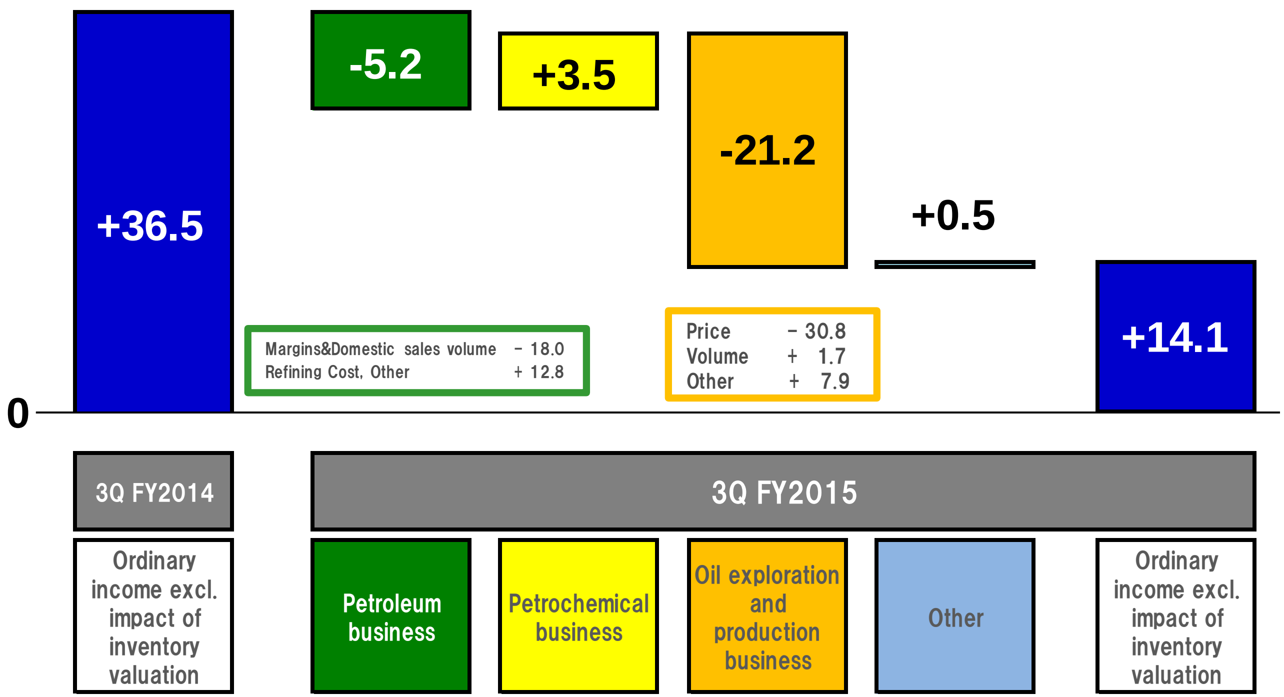
Petroleum business : Lower earnings mainly due to deteriorated market conditions associated with falling oil prices.

Petrochemical business : Higher earnings, reflecting strong market conditions for ethylene and cost reduction of HCP.

Oil E&P business : Lower earnings due to falling oil prices despite an upward trend in the production volume.

Consolidated ordinary income excluding impact of inventory valuation
: Down ¥ 22.4billion from 3Q FY2014

Unit: billion yen



Consolidated Balance Sheets

Unit: billion yen

	FY2015 (As of Dec. 31, '15)	FY2014 (As of Mar. 31, '15)	Changes
Total Assets	1,372.1	1,428.6	-56.5
Net assets	157.8	207.5	-49.7
Net worth	116.9	167.2	-50.3
Net worth ratio	8.5%	11.7%	Down 3.2 points
Net interest-bearing debt *1	739.2	597.7	141.5
Debt Equity Ratio (times) (based on the credit rating) *2	4.8	3.6	Down 1.2 points

[3Q FY2015 Results] Highlights of Consolidated Capital Investment

Capital Expenditures, Depreciation, etc.

Unit: billion yen

	3Q FY2015 Results	Change from 3QFY2014
Capital expenditures	52.1	9.5
Depreciation expense amount,etc	23.0	-0.7

Capital Expenditures by Business Segment

Unit: billion yen

	3Q FY2015 Results	3Q FY2014 Results	Change from 3QFY2014
Petroleum	16.4	20.1	-3.7
Petrochemical	0.6	0.4	0.2
Oil E&P	30.3	13.3	17.0
Other	3.8	7.0	-3.2
Adjustment	1.0	1.8	-0.8
Total	52.1	42.6	9.5

Forecast for FY2015 Performance

1

Earnings forecast

- ✓ The full-year results forecast has been revised in anticipation of a for full-year 57.0 billion yen loss on valuation of inventories, based on the assumption of a crude oil price of $30/bbl and an exchange rate of ¥119/$ in the Jan. to Mar. quarter.
- ✓ Meanwhile, ordinary income excluding inventory valuation has been revised upward in anticipation of higher income in the Petroleum business.
- ✓ The impact of the acquisition of shares in Maruzen Petrochemical Co., Ltd. (to make it a consolidated subsidiary) has been taken into account.

2

Dividend

- ✓ We plan to pay ¥40 per share of the holding company in comprehensive consideration of factors such as the earnings power, financial position, and investment strategy.

Highlights of Consolidated Business Outlook (Compared with Previous announcement)

Unit: billion yen

	FY2015 Forecast	FY2015 Previous Annnoucemnet	Changes
Ordinary income	-29.5	26.0	-55.5
impact of inventory valuation	-57.0	4.5	-61.5
Ordinary income excluding impact of inventory valuation	27.5	21.5	6.0
Petroleum business	5.5	1.0	4.5
Petrochemical business	0.0	0.5	-0.5
Oil E & P business	17.0	17.0	0.0
Other	5.0	3.0	2.0
Profit attributable owners of parent	-27.0	21.0	-48.0
Dividend per Share (Plan) (yen)	40	40	-

【Reference】

	FY2015 Forecast	FY2015 Previous Annnoucemnet	Changes	2016 forecast Jan.-Mar.
Dubai crude oil price (USD/B)	45.4	55.3	-9.9	30.0
JPY/USD exchange rate (yen/$)	121.0	120.9	0.1	119.0

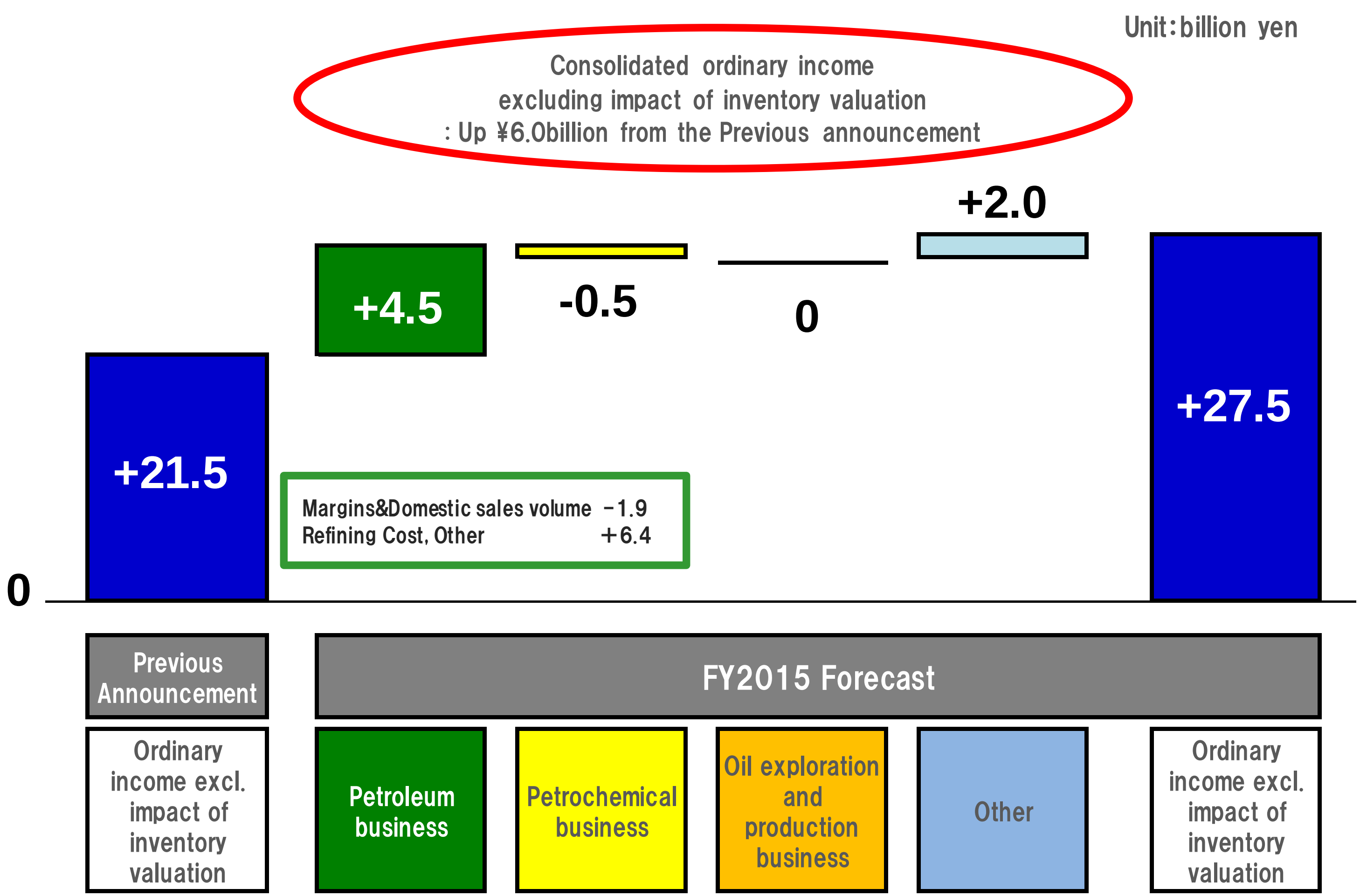
※ For Assumption of Crude oil price and Exchange rate and Business Sensitivity, please see page 27.

[FY2015 Outlook] - Consolidated Ordinary Income(Excluding Impact of Inventory Valuation): Comparison with Previous announcement

Key variable factors

Petroleum Business : Higher earnings mainly due to a decline in refinery costs associated with falling oil prices.

Petrochemical business : Lower earnings by downturn in the aroma market.



The 5th Consolidated Medium-Term Management Plan and Progress

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

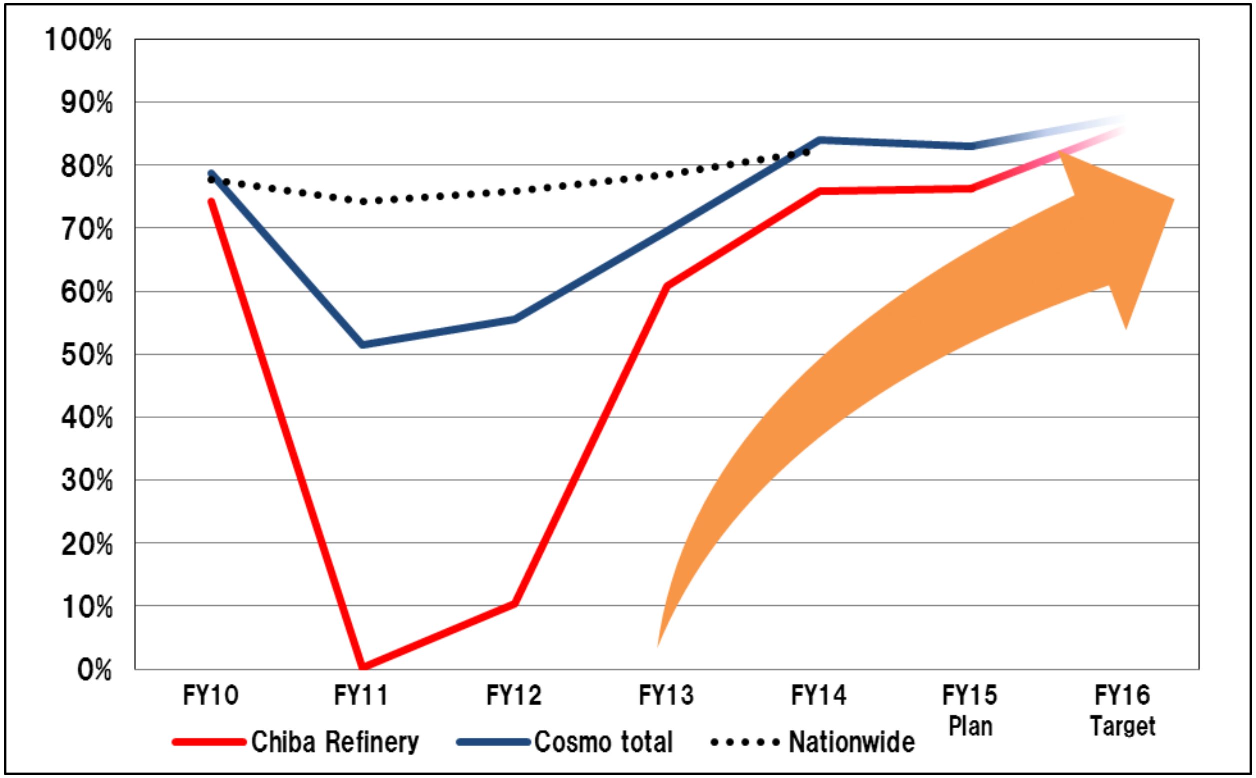
Policy		FY2013	FY2014	FY2015	FY2016	FY2017	FY2017 Ordinary income forecast (Unit: billion yen)
Governance	Change of company form			Shift to a holding company, compliance with the Governance Code			
Oil E&P Business	Hail oil field	Acquisition of mining areas	3D seismic prospecting/data analysis	Dredging waterway, construction of artificial island, etc.	Excavation work	Production to begin	61.0
	Comprehensive strategic alliance with CEPSA		Forming a comprehensive strategic	Capital participation in Abu Dhabi Oil company of CEPSA, consider the acquisition of new interests			
Petroleum Business	Refineries	First period of the Act on Sophisticated Methods of Energy Supply Structure			Second period of the Act on Sophisticated Methods of Energy Supply Structure		37.0
		Safety operation, rationalization, higher efficiency, promotion of alliance					
	Chiba Refinery – Joint venture	Consider alliance with TonenGeneral Sekiyu K.K.		Establishment of Keiyo Seisei/construction of pipeline ⇒ Toward synergy of ¥10 billion			
	Chiba Refinery – Acquisition of factory certification				2-year long run ⇒ Refinery costs decrease significantly		
	Yokkaichi Refinery			Agreed on business alliance with Showa Shell Sekiyu K.K.		Optimization of equipment	
	Sakaide Refinery	Closure	Became an oil terminal				
	Integration of the LP Gas Business		Agreements to integrate the LP Gas wholesale business as well as the retail business	Integration of four companies, establishment of Gyxis			
	Private Car Leasing Business	Accumulated total: Approx. 20,000		Accumulated total: Approx. 60,000 vehicles			
Petro-chemical Business	Aroma business (PX, MX, etc.)	0.6 million tons of MX in Japan ⇒ 1.18 million tons of PX (HCP) ⇒ Clothing and PET (China and others)					※1 5.0
	Olefin business (ethylene, etc.)				Make Maruzen Petrochemical a subsidiary ⇒ Pursuit of synergy		
Other	Wind Power Generation Business	Feed-in tariff (20 years) (Total power generation capacity 150,000Kw)		Hirogawa/ Aizu (Total power generation capacity 180,000Kw)		Watarai (Total power generation capacity 230,000Kw)	4.0
							※2 110.7

※1 : The impact of making Maruzen Petrochemical a subsidiary is not included

※2 : The ordinary income forecast for FY2017 includes consolidated accounting processing, other of 110.7 billion yen.

- ✓ Aim to acquire factory certification sometime in April 2016.
  - ✓ Start a 2-year long run from FY2016.
  - ✓ Refinery costs is expected to decrease significantly from the operation merit and the reduction of maintenance costs

CDU operating ratio (Calendar Day)



[Petrochemical Business] Making Maruzen Petrochemical a consolidated subsidiary

✓ Strengthen competitiveness by running the oil refinery business and the petrochemical business in a unified manner.

Overview of Maruzen Petrochemical Co., Ltd.

Business	Manufacture and sale of basic petrochemical products such as ethylene, propylene and benzene, solvents such as methyl ethyl ketone, and other functional chemicals	
Established	October 10, 1959	
Capital	10 billion yen	
Shareholders	Cosmo Energy Holdings Co., Ltd.	30.0%
	Cosmo Matsuyama Oil Co., Ltd.	10.0%
	Ube Industries, Ltd.	12.0%
	Denka Co., Ltd.	12.0%
	JNC Corporation	12.0%
	Tosoh Corporation	5.0%
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4.0%
	Mizuho Bank, Ltd.	4.0%
	KH Neochem Co., Ltd.	2.0%
	Treasury stock	9.0%

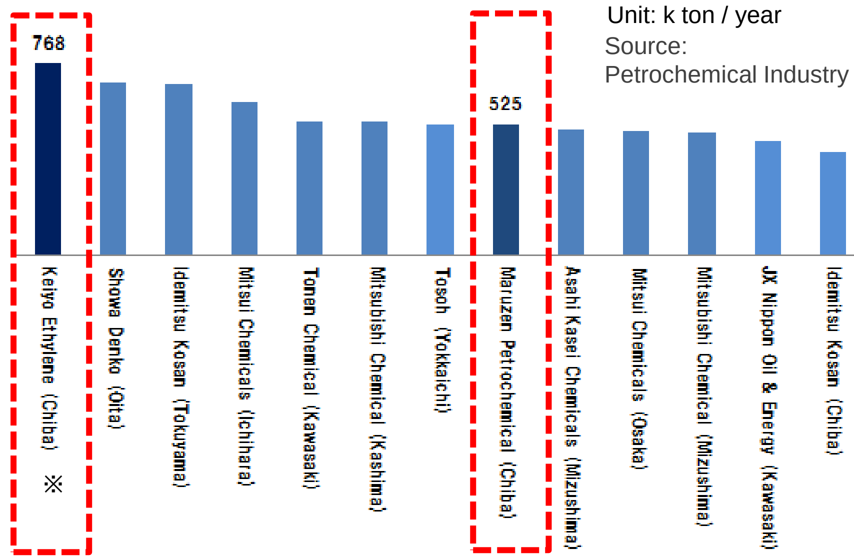
Maruzen Petrochemical Co., Ltd.; Consolidated operating results and financial position

Unit：billion yen

	FY2012	FY2013	FY2014
Net income	421.6	568.4	549.5
Ordinary income	1.3	11.0	6.3
Profit attributable to owners of parent	1.0	7.1	4.2
Net assets	91.7	98.6	103.2

Domestic production capacity of ethylene

Maruzen Petrochemical uses its two plants, including Japan's largest and newest plant for naphtha cracker, to remain competitive in Japan.



Unit: k ton / year
Source:
Petrochemical Industry in Japan 2016

※Keiyo Ethylene Co., Ltd. is a consolidated subsidiary of Maruzen Petrochemical with a 55% stake.

Supplementary Information

COSMO ENERGY HOLDINGS CO., LTD.

Supplementary Information of 3Q FY2015 Results

Unit: thousand KL

		3Q FY2015 Results	3Q FY2014 Results	Changes	3QFY2015 Result Changes from 3Q FY2014	FY2015 Forecast	FY2015 outlook changes from FY2014	FY2015 outlook (Previous Announcement)
Selling volume in Japan	Gasoline	4,297	4,309	-13	99.7%	5,667	99.0%	5,710
	Kerosene	963	1,043	-80	92.4%	1,837	94.7%	1,918
	Diesel fuel	3,105	3,093	12	100.4%	4,141	99.8%	4,116
	Heavy fuel oil A	945	1,068	-122	88.5%	1,396	89.8%	1,437
	Sub-Total	9,310	9,513	-203	97.9%	13,041	97.6%	13,181
	Naphtha	4,754	4,717	37	100.8%	6,177	99.0%	6,164
	Jet fuel	372	336	35	110.5%	502	107.1%	497
	Heavy fuel oil C	1,127	1,092	35	103.2%	1,478	88.9%	1,471
	inc. Heavy fuel oil C for electric	518	479	39	108.2%	515	61.4%	510
	Total	15,563	15,659	-96	99.4%	21,198	97.5%	21,823
Export volume (including bond sales)	Middle distillates	1,966	2,068	-102	95.1%	3,000	93.7%	2,981
	Other	811	774	38	104.8%	1,261	117.9%	1,029
	Sub-Total	2,777	2,841	-64	97.7%	4,261	99.7%	4,010
Barter deal, Others		7,262	6,928	334	104.8%	9,749	100.4%	9,927
Total selling volume		25,602	25,428	174	100.7%	35,208	98.6%	35,760

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

		3Q FY2015 Results	3Q FY2014 Results	Changes from 3Q FY2014	
Dubai crude oil price (USD/B)		50.5	94.1	-43.6	–
JPY/USD exchange rate (yen/USD)		121.7	106.7	15.0	–
Crude oil refining	Refined crude oil volume (thousand KL)	15,533	15,717	-184	98.8%
	CDU operating ratio (Calendar Day)	78.6%	79.5%	-0.9%	–
	CDU operating ratio (Streaming Day)*	96.4%	91.3%	5.1%	–

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

[2] Crude oil production volume

	3Q FY2015 Results	3Q FY2014 Results	Changes from 3Q FY2014	
Cosmo Energy Exploration & Production Co., Ltd. (B/D)	38,879	37,809	1,070	102.8%

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

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

*3) The Cosmo Energy 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.

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 bpd 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)

3Q FY2015 Results – Changes from 3Q FY2014

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (excluding impact of inventory valuation, cost or market method)	
		Changes from 3Q FY2014		Changes from 3Q FY2014		Changes from 3Q FY2014		Changes from 3Q FY2014
Petroleum business	1,718.0	-596.0	-35.8	11.5	-43.6	14.4	-2.1	-5.2
Petrochemical business	36.5	-4.4	-1.0	0.6	0.2	4.5	-0.2	3.5
Oil E&P business	39.1	-21.7	14.9	-17.6	14.4	-21.2	14.4	-21.2
Other	52.4	1.1	1.9	0.5	1.8	-0.4	1.8	-0.4
adjustment	-114.5	11.6	0.4	1.1	0.2	0.9	0.2	0.9
Total	1,731.5	-609.4	-19.6	-3.9	-27.0	-1.8	14.1	-22.4

Cosmo Group of Companies (by Segment)

Petroleum business	Cosmo Oil Co.,Ltd., Cosmo Oil Marketing Co., Ltd., Cosmo Oil Sales Corp, Cosmo Oil Lubricants Co., Ltd.,Sogo Energy Co., Ltd., Gyxis Corporation (owned by the Cosmo Energy Group on the equity method) etc.
Petrochemical business	Cosmo Matsuyama Oil Co., Ltd., CM Aromatics Co., Ltd., Maruzen Petrochemical Co., Ltd. (owned by the Cosmo Energy Group on the equity method), Hyundai Cosmo Petrochemical Co., Ltd. (owned by the Cosmo Energy 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. (owned by the Cosmo Energy Group on the equity method), etc.
Other business	Cosmo Engineering Co.,Ltd., Cosmo Trade & Services Co., Ltd., EcoPower Co.,Ltd, etc.

[1] Oil Refinery Operating Ratio

	FY2010	FY2011	FY2012	FY2013	FY2014	3Q FY2015
CDU operating ratio	78.8%	51.4%	55.6%	70.0%	84.4%	78.6%

＊ Data as of the end of March of each fiscal year.
＊ Calender Year base

[2] Number of SSs by Operator Type

	FY2010	FY2011	FY2012	FY2013	FY2014	3Q FY2015
Subsidiary	967	939	914	899	881	922
Dealers	2,642	2,559	2,411	2,329	2,252	2,148
Total	3,609	3,498	3,325	3,228	3,133	3,070
Mobile SSs	36	34	33	34	34	31

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

	FY2010	FY2011	FY2012	FY2013	FY2014	3Q FY2015
Subsidiary	548	550	550	550	552	581
Dealers	455	457	449	461	479	457
Total	1,003	1,007	999	1,011	1,031	1,038
Share of Self-Service SSs	27.8%	28.8%	30.0%	31.3%	32.9%	33.8%

[4] Cosmo The Card-Number of cards issued

(Unit: million cards)

	FY2010	FY2011	FY2012	FY2013	FY2014	3Q FY2015
No. of cards in force	3.77	3.93	4.10	4.20	4.31	4.37

※ Including the numbers of the card Opus, Triple.

[5] Number of contracted auto lease

	FY2010	FY2011	FY2012	FY2013	FY2014	3Q FY2015
Number of contracted auto lease	-	1,287	5,001	11,734	19,040	24,470

FY2015 Full-Year Forecast (Year on Year)

Unit: billion yen

	FY2015 Forecast	FY2014 Results	Changes
Ordinary income	-29.5	-49.6	20.1
impact of inventory valuation	-57.0	-116.1	59.1
Ordinary income excluding impact of inventory valuation	27.5	66.5	-39.0
Petroleum business	5.5	22.0	-16.5
Petrochemical business	0.0	-7.0	7.0
Oil E & P business	17.0	47.5	-30.5
Other	5.0	4.0	1.0
Profit attributable to owners of parent	-27.0	-77.7	50.7
Dividend per Share (Forecast) (yen) (*)	¥40	¥0	¥40

【Reference】

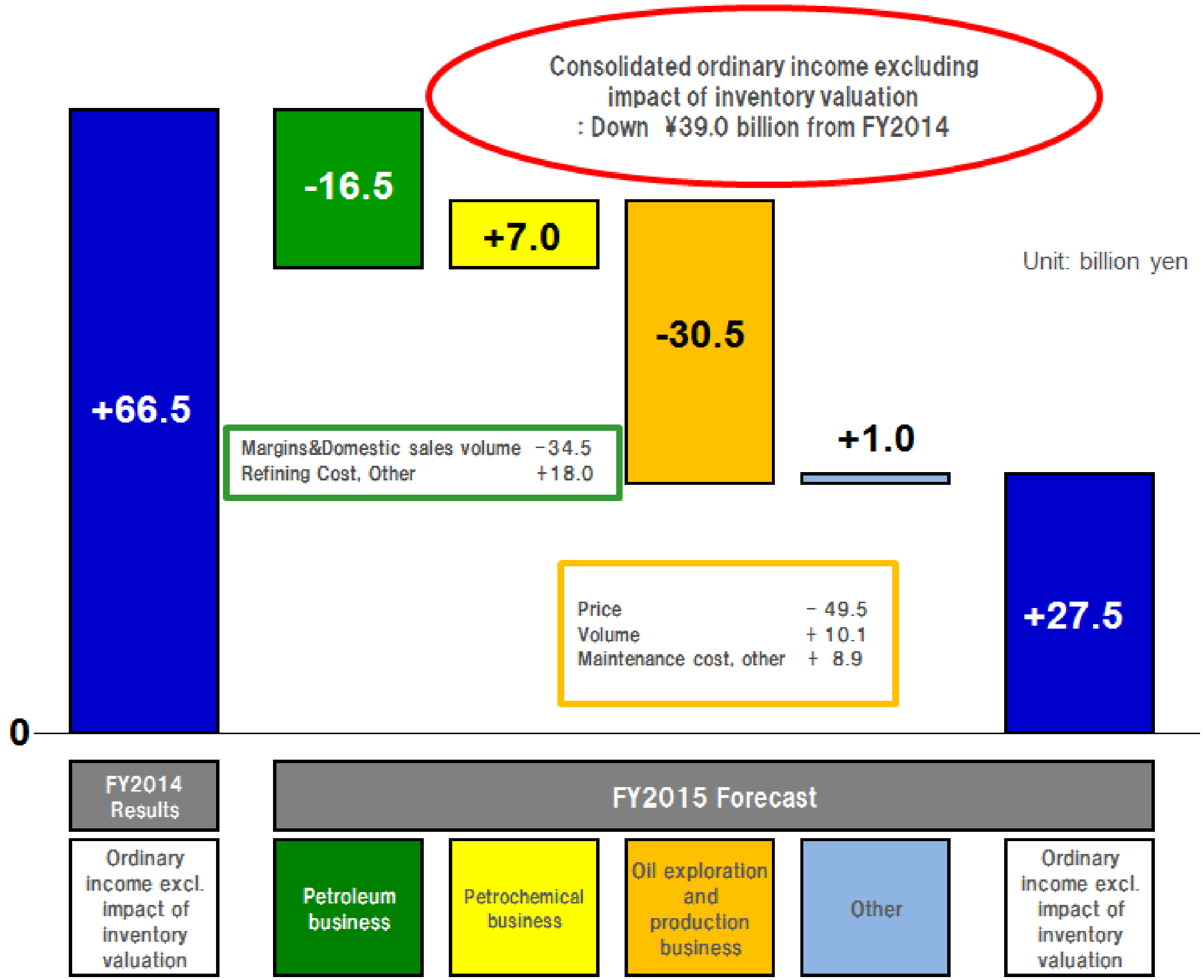
	FY2015 Forecast	FY2014 Results	Changes
Dubai crude oil price (USD/B)	45.4	83.5	-38.1
JPY/USD exchange rate (yen/USD)	121.0	109.9	11.1

(*) Cosmo Oil Co., Ltd. transformed to the Holding Company-Structure through the solo share transfer method 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 Full-Year Forecast – Analysis of Changes in Consolidated Ordinary Income (excluding impact of inventory valuation) from FY2014

Key Variable Factors

Petroleum Business	: Lower profit mainly due to deteriorated market conditions associated with falling oil prices.
Petrochemical business	: Higher profit, reflecting strong market conditions for ethylene and cost reduction of HCP.
Oil E&P business:	: Lower profit due to falling oil prices despite an upward trend in the production volume.



FY2015 Outlook – Changes from Previous announcement

Unit: billion yen

	Net Sales	Changes from the Previous Announcement	Operating Income	Changes from the Previous Announcement	Ordinary Income	Changes from the Previous Announcement	Ordinary Income (excluding impact of inventory valuation , cost or market method)	Changes from the Previous Announcement
Petroleum business	2,232.0	-188.0	-40.0	-56.5	-51.5	-57.0	5.5	4.5
Petrochemical business	55.0	-7.5	-1.0	-1.0	0.0	-0.5	0.0	-0.5
Oil E&P business	56.0	-7.5	17.5	-0.5	17.0	0.0	17.0	0.0
Other business	74.0	-3.5	3.5	0.0	3.5	0.0	3.5	0.0
Adjustment	-155.0	3.5	0.5	1.5	1.5	2.0	1.5	2.0
Total	2,262.0	-203.0	-19.5	-56.5	-29.5	-55.5	27.5	6.0

Capital Expenditures, Depreciation, etc.

Unit: billion yen

	FY2015 Forecast	Changes
Capital expenditures	101.8	-2.3
Depreciation expense amount,etc	32.0	-0.4

Capital expenditures by Business Segment

Unit: billion yen

	FY2015 Forecast	FY2015 Previous Announcement	Changes
Petroleum	47.1	49.3	-2.2
Petrochemical	0.9	1.1	-0.2
Oil E&P	49.5	49.5	0.0
Other	5.5	5.6	-0.1
adjustment	-1.2	-1.4	0.2
Total	101.8	104.1	-2.3

Full-Year FY2015 Outlook, 2014 with Year-on-Year Changes

Unit: billion yen

	Net Sales		Operating Income		Ordinary Income		Ordinary Income (excluding impact of inventory valuation , cost or market method)	
		Changes from FY2014		Changes from FY2014		Changes from FY2014		Changes from FY2014
Petroleum business	2,232.0	-765.0	-40.0	40.0	-51.5	42.0	5.5	-16.5
Petrochemical business	55.0	-0.1	-1.0	1.8	0.0	7.6	0.0	7.0
Oil E&P business	56.0	-26.3	17.5	-23.5	17.0	-30.5	17.0	-30.5
Other business	74.0	-1.7	3.5	-0.3	3.5	-0.9	3.5	-0.9
Adjustment	-155.0	19.3	0.5	0.9	1.5	1.9	1.5	1.9
Total	2,262.0	-773.8	-19.5	18.9	-29.5	20.1	27.5	-39.0

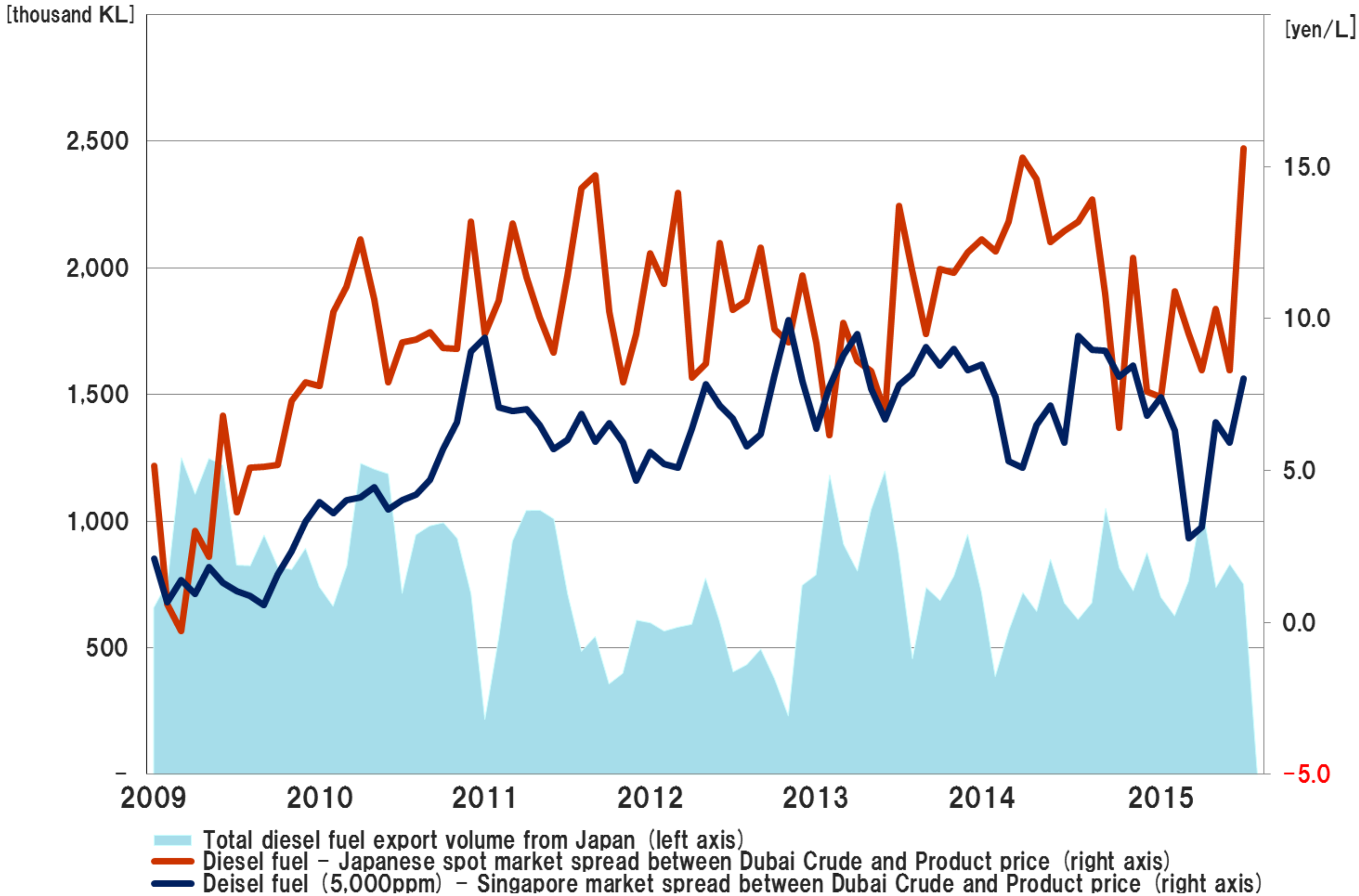
Assumption of Crude Oil Price and Exchange Rate, and Business Sensitivity thereto

	Precondiction	Sensitivity Petroleum Business
Crude oil (Dubai)	30.0 USD/BBL	+ 2.3 billion yen
JPY/USD exchange rate	119.0 yen/USD	+ 0.6 billion yen

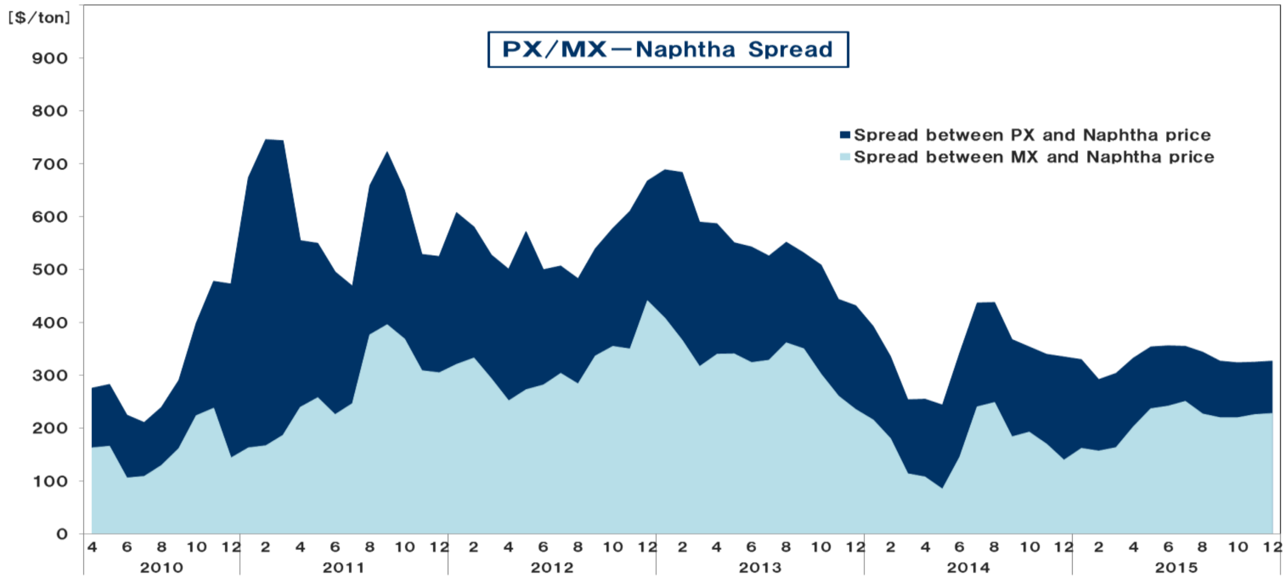
* Figures above refer to impacts by crude oil price and yen-dollar exchange fluctuations on inventory valuation gains, in-house fuel costs and timing difference (by taking no impact by the cost or market method into consideration).

* A three-month period of Jan.2016 to Mar.2016 adopted for sensitivity figure estimation for the petroleum business segment.

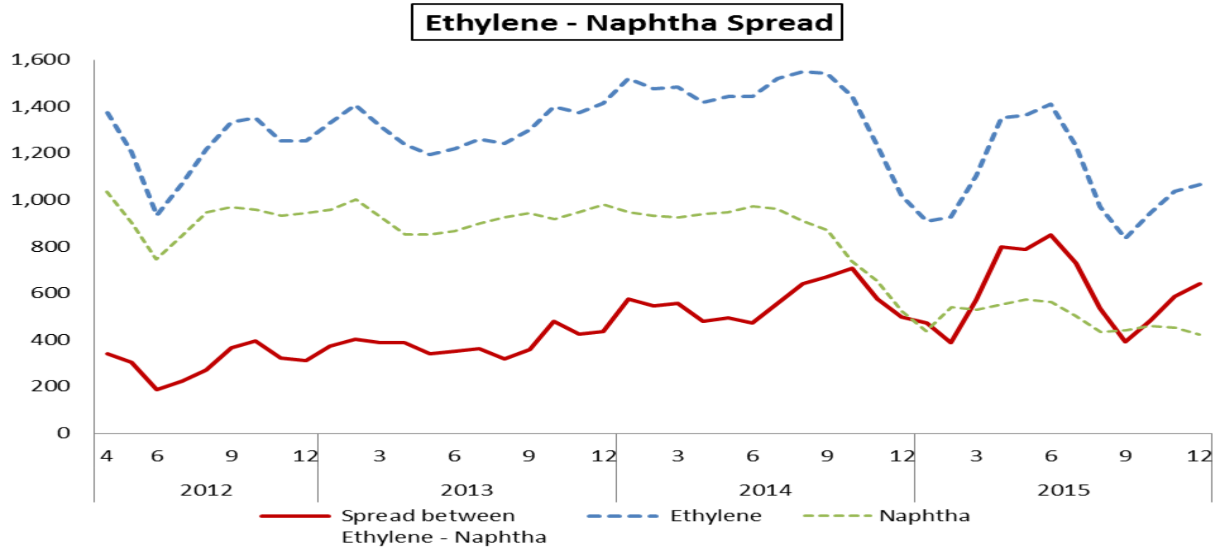
Diesel Fuel Export Results and Margin Environment



◆Aromatic-Product Market Conditions



◆Olefin-Product Market Conditions



For a Holding Company Structure

- ✓ 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.
- ✓ Aim for "vertically integrated global energy company", in a timely manner taking an opportunity for restructuring of organizations.

Changes in business environment

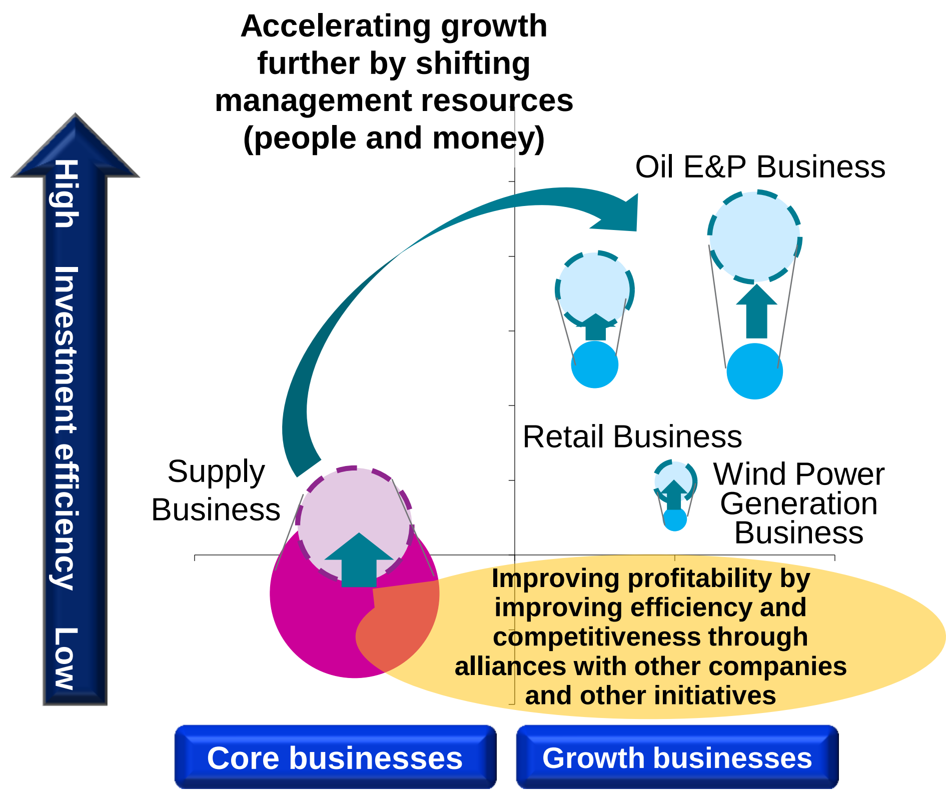
- ✓ Volatile fluctuation of crude oil prices
- ✓ Gradual decrease in domestic demand for oil products
- ✓ Expanded introduction of renewable energy and others

Maximizing corporate value through transformation to a holding company

Objectives and anticipated effects

(1) Stable dividends
(2) Optimum allocation of management resources
(3) Promotion of alliances in each business

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.

COSMO ENERGY HOLDINGS CO., LTD.

Oil development/Production

COSMO ENERGY EXPLORATION & PRODUCTION CO., LTD.

■ Crude production
(three development companies) (*1)
・Approx. 40,000 barrels/day
(Comparison with refining capacity: Approx. 9%)

■ Oil development/production areas
- UAE (Abu Dhabi)
- Qatar

■ Major affiliated companies
- Abu Dhabi Oil Co., Ltd.
- Qatar Petroleum Development Co., Ltd.
- United Petroleum Development Co., Ltd.

Oil refining/Petrochemical

COSMO OIL CO., LTD.

■ Major crude oil importing countries
- UAE (Abu Dhabi)
- Saudi Arabia
- Qatar

■ Oil refining capacity (*2)
- 452,000 barrels/day
- Domestic share: Approx. 11.5%

■ Paraxylene production capacity (*2)
- 1,180,000 tons/year

■ Major affiliated companies
- Cosmo Oil Lubricants Co., Ltd.
- Cosmo Matsuyama Oil Co., Ltd.
- CM Aromatics Co., Ltd.
- Hyundai Cosmo Petrochemical Co., Ltd.
- Keiyo Seisei JV G.K.

Oil product sales, Retail business, etc.

COSMO OIL MARKETING CO., LTD.

■ Domestic sales share (*3)
・Approx. 12%
(Gasoline, Gas oil, Kerosene, A fuel oil)

■ Number of SSs in Japan (*3)
・Number of Cosmo mark SSs 3,133

■ Car lease business for individuals (*2)
・Cumulative total 24,470 cars

■ Major affiliated companies
・Cosmo Oil Sales Corp.
・Sogo Energy Corporation

Group of affiliated companies

■ Major affiliated companies
- Eco Power Co., Ltd.
- Gyxis Corporation
- Maruzen Petrochemical Co., Ltd.
- Cosmo ALA Co., Ltd.

(*1) Results for January -December 2015 (*2) As of December 31, 2015 (*3) As of March 31, 2015

- ✓ Aim to enhance corporate value in the medium- and long-term by complying with Japan's Corporate Governance Code.
- ✓ We will separate the monitoring of the Group's management from business execution to strengthen the monitoring function and conduct business execution promptly.
- ✓ Of the 10 directors, appoint 4 outside directors.

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)

- ✓ Viewing the transformation to a holding company as an opportunity to introduce "Executives Stock Remuneration System", which is an executives remuneration system that further clarifies the connection between remuneration and performance.
- ✓ Basic policies of the system include incentives to enhance business performance and increase corporate value in the medium- and long-term, as well as the sharing of profits with shareholders.

■ Principles of Executives Remuneration Scheme

(1) Clearly valuates company performance and highly links it to remuneration

(2) Encourages executives to increase business performance, and long-term corporate and shareholder value

(3) Makes executives have common interest with the shareholders

(4) Contributes to even much increase of executives challenge spirits

(5) Works to hold back high performance executives

(6) Achieves accountability by acquiring transparency and objectiveness

■Remuneration Structure

Remuneration Category		Fixed	Performance Based	
		Base Remuneration	Annual Incentive (AI)	Long Term Incentive(LTI)
			Bonus	Share Remuneration*
Performance Based Coefficient	HD Company	-	0～150%	0～200%
	Core 3 Companies	-	0～200%	0～150%

*Share Remuneration is executives incentive plan which refers to Performance Share commonly employed in the United States. The scheme is that shares are granted to executives in accordance with target achievement after a certain period by using trust scheme. It works out for executives having common interest with shareholders and motivation to gain consciousness of performance and share price increase from long term perspectives.

■ Date of establishment

October 1, 2015

Business outline

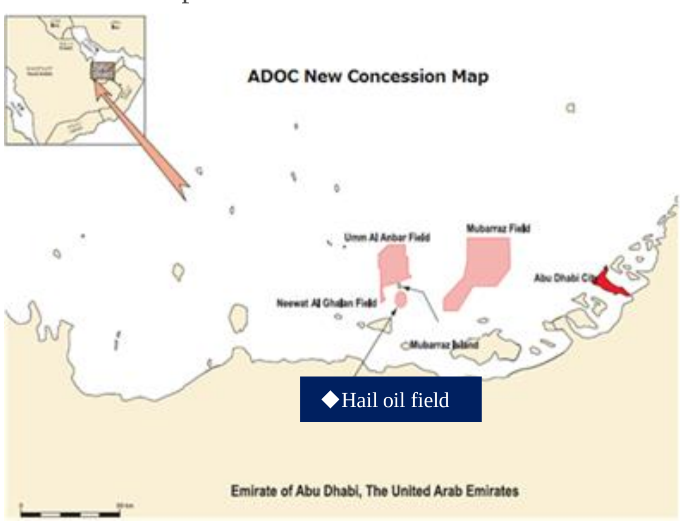
[Oil E&P Business] – Highlights

- ✓ 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

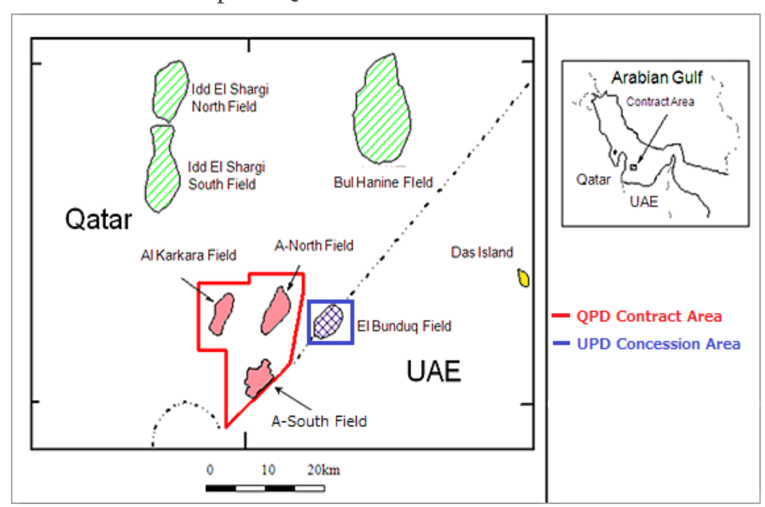
Location	Company Name	Investment Ratio	Establish-ment	Crude Production (BD)	Total Proved and Probable Reserves (mil BD)	Reserve Production Ratio (year)	Segment Ordinary Income (billion yen)
	Cosmo Energy E&P	100%	2014	38,031	167.6	approx. 26	47.5
U.A.E	ADOC	51%	1968				
U.A.E	UPD	45%	1970				
Qatar	QPD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

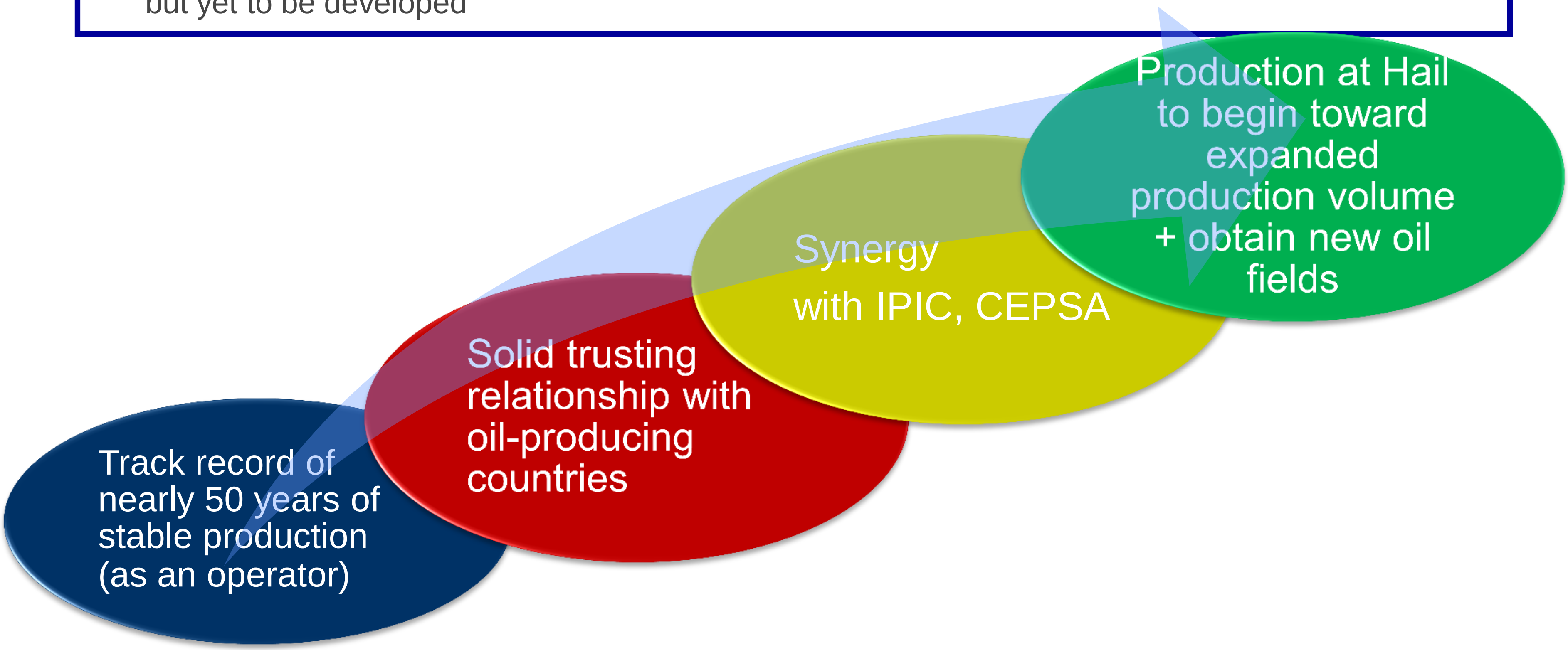


■Location Map of QPD Contract and UPD Concession Area



<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

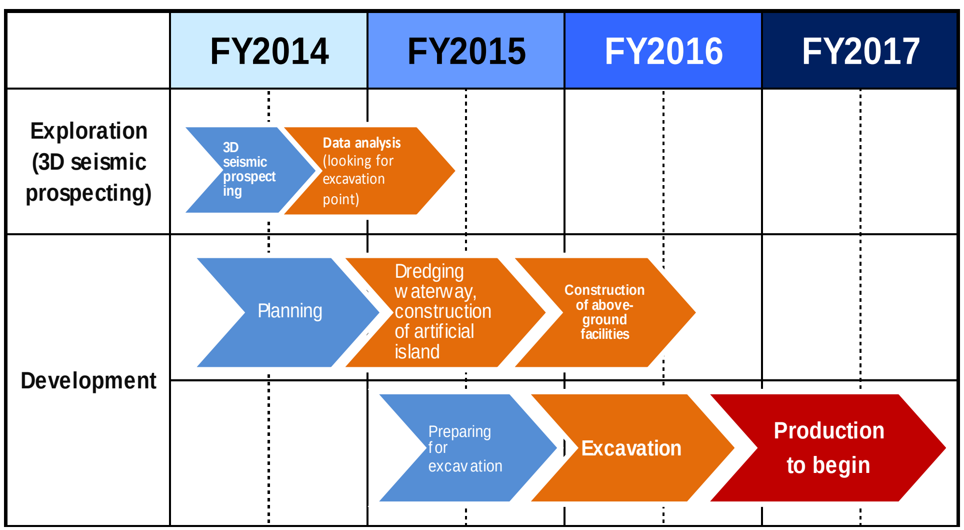


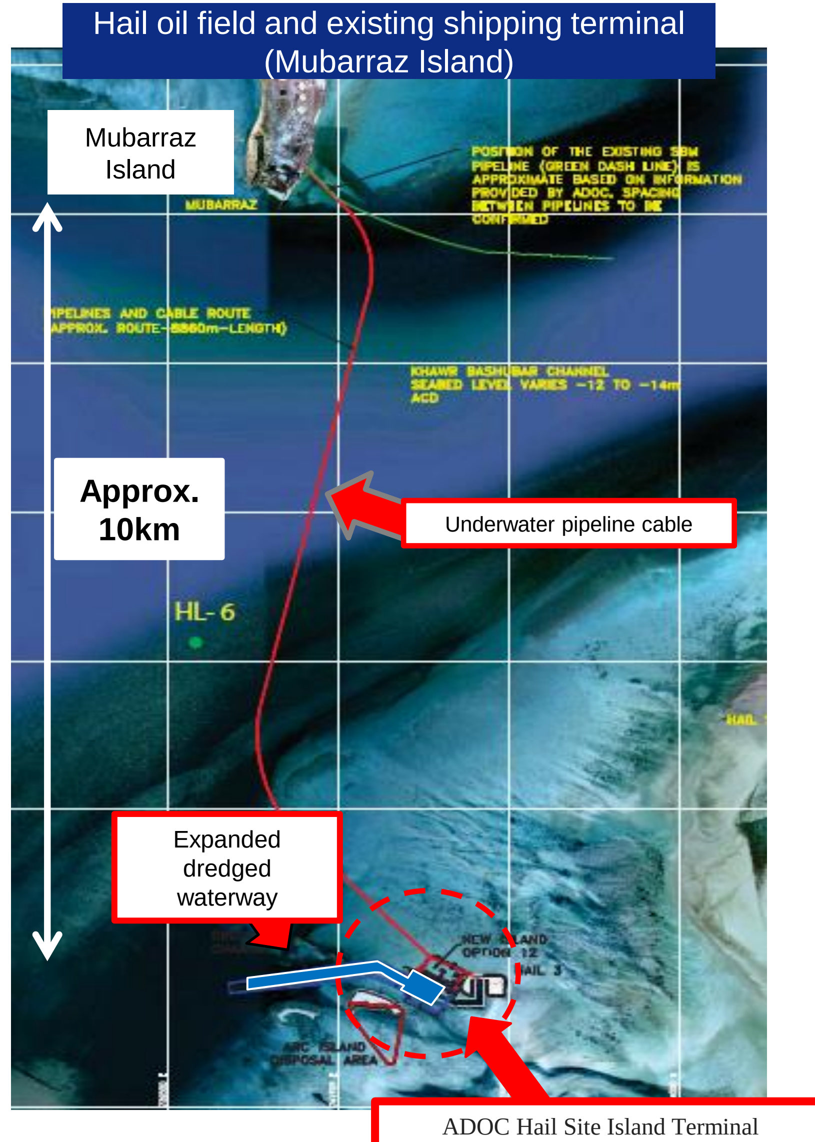
<Risk tolerance>

- ✓ 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 nearly 50 years and solid trusting relationship with oil-producing countries
- ✓ Financial risks ⇒ Diversifying business portfolio, joint businesses with partners
- ✓ Price fluctuation risks ⇒ Crude oil production in the Middle East, one of the most competitive regions in the world

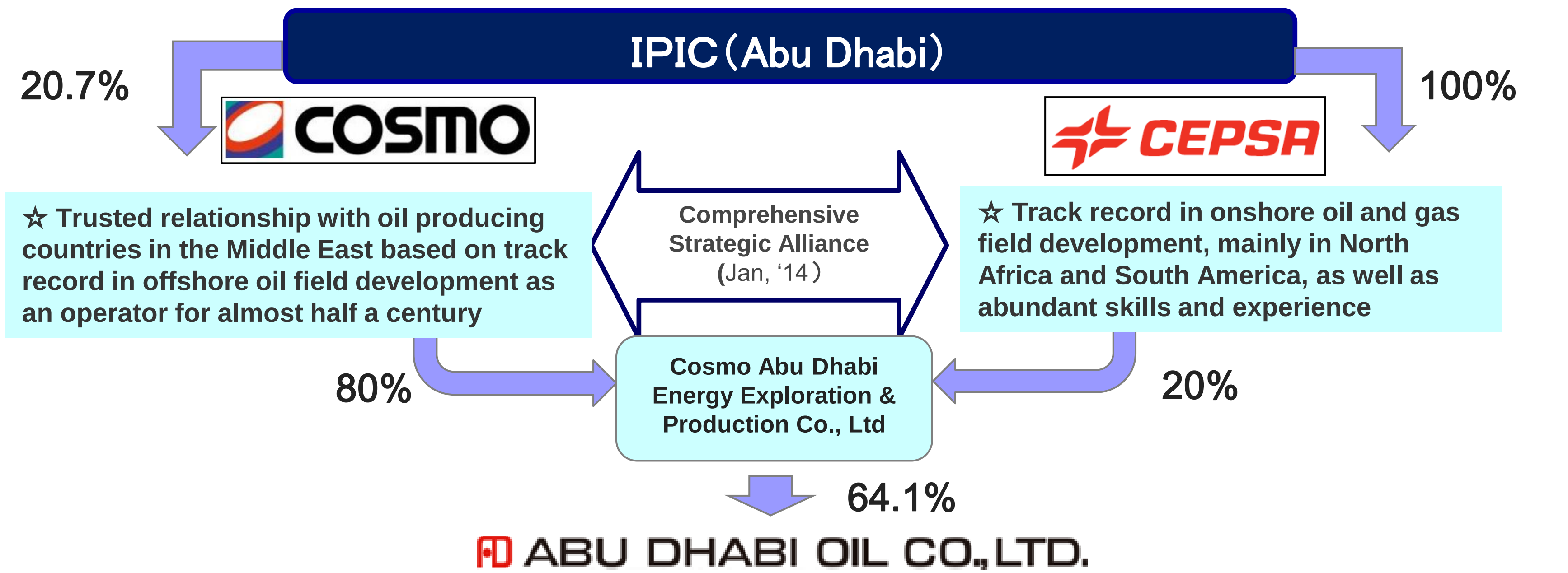
- ✓ The commencement of production is expected in FY2016
- ✓ The peak production volume is expected to be equivalent to that of the existing three oil fields of Abu Dhabi Oil Company.
- ✓ In FY2015, an artificial island has been creating after dredging a waterway.
- ✓ Excavation will begin in FY2016.

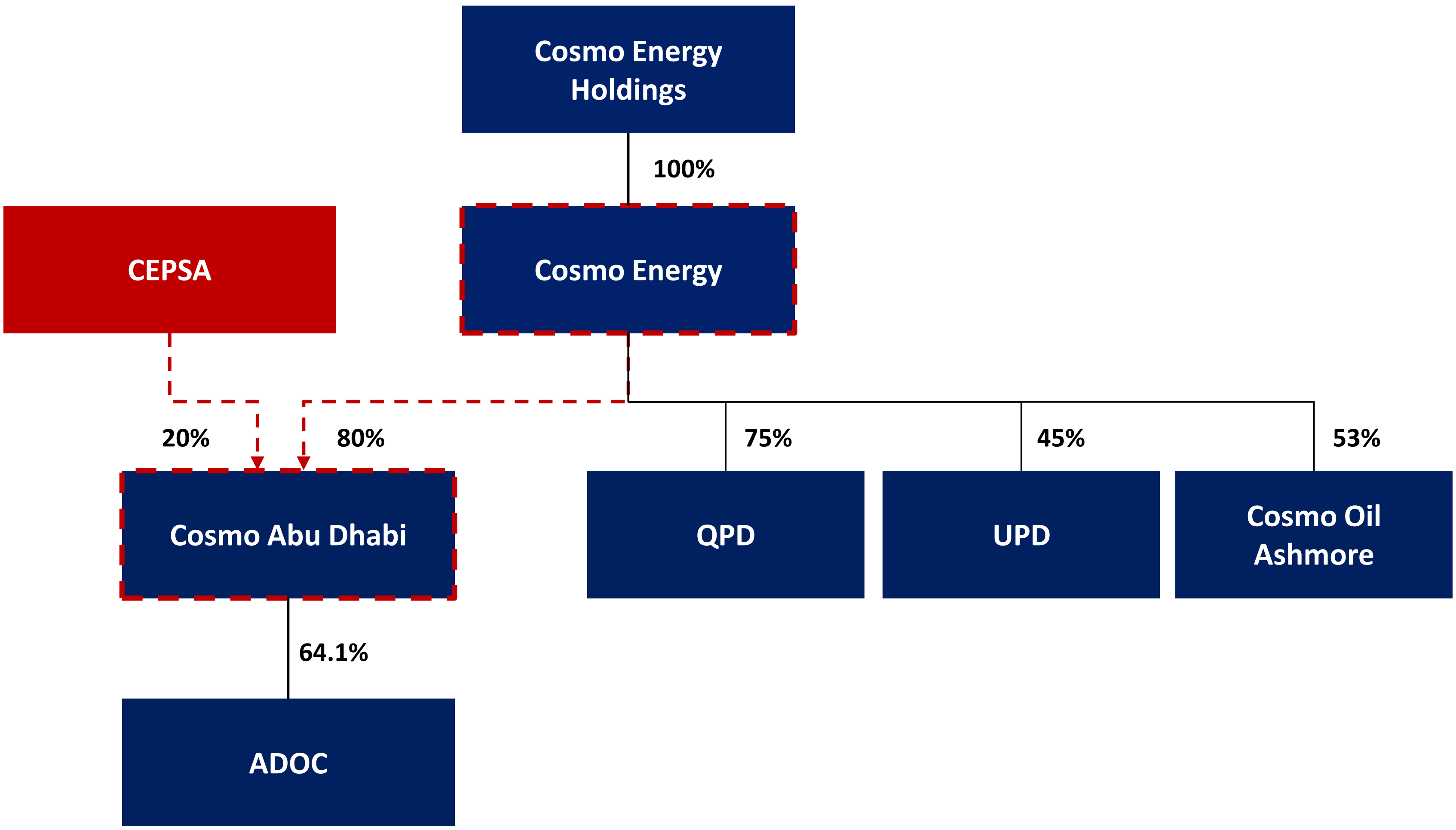
Development schedule toward start of production





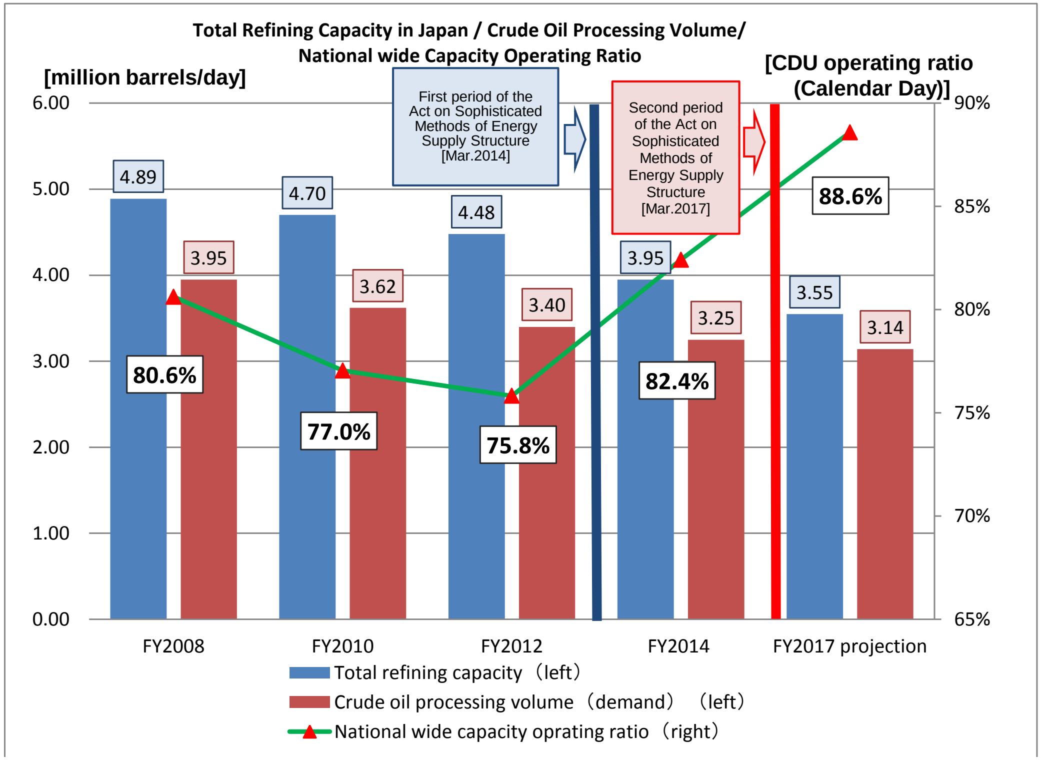
- ✓ Cosmo aims to reinforce and expand the strategic partnership with CEPSA by transferring part of shares of newly established upstream subsidiary “Cosmo Abu Dhabi Energy Exploration & Production” to CEPSA, which is in line with the “Further strengthen alliances with IPIC” policy stipulated as part 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 Energy Holdings
100%
CEPSA
Cosmo Energy
20%
80%
75%
45%
53%
Cosmo Abu Dhabi
QPD
UPD
Cosmo Oil Ashmore
64.1%
ADOC

[Petroleum Business] - Correspondence to the Act on Sophisticated Methods of Energy Supply Structures and the supply-demand balance

- ✓ With the enforcement of the Act on Sophisticated Methods of Energy Supply Structures (deadline of March 2014), domestic refining capacity decreases and the supply and demand balance becomes reasonable.
- ✓ With the partial amendment to the Act above (deadline of March 2017), a reasonable supply and demand balance is expected to be maintained in the medium term.
- ✓ All the refineries across Japan will be operated at almost full capacity, by taking into consideration suspended operations for regular maintenance.



Source: "Natural Resources and Energy Statistics" of the Ministry of Economy, Trade and Industry, etc.

* Actual results of total refining capacity and crude oil processing volume are the average from January to December.

* Total refining capacity for 2017 is a forecast based on the assumption that all companies reduce CDU capacity according to the amended Act on Sophisticated Methods of Energy Supply Structures (deadline of March 2017).

*Crude oil processing volume for FY2017 is our estimation based on the assumption by the Ministry of Economy, Trade and Industry announced on April 2015.

- ✓ Promoted rationalization and efficiency, including alliances in each region.
- ✓ Aim to acquire factory certification for Chiba Refinery in April 2016.
- ✓ Have already determined the policies for complying with the Act of sophisticated methods of energy supply structures.

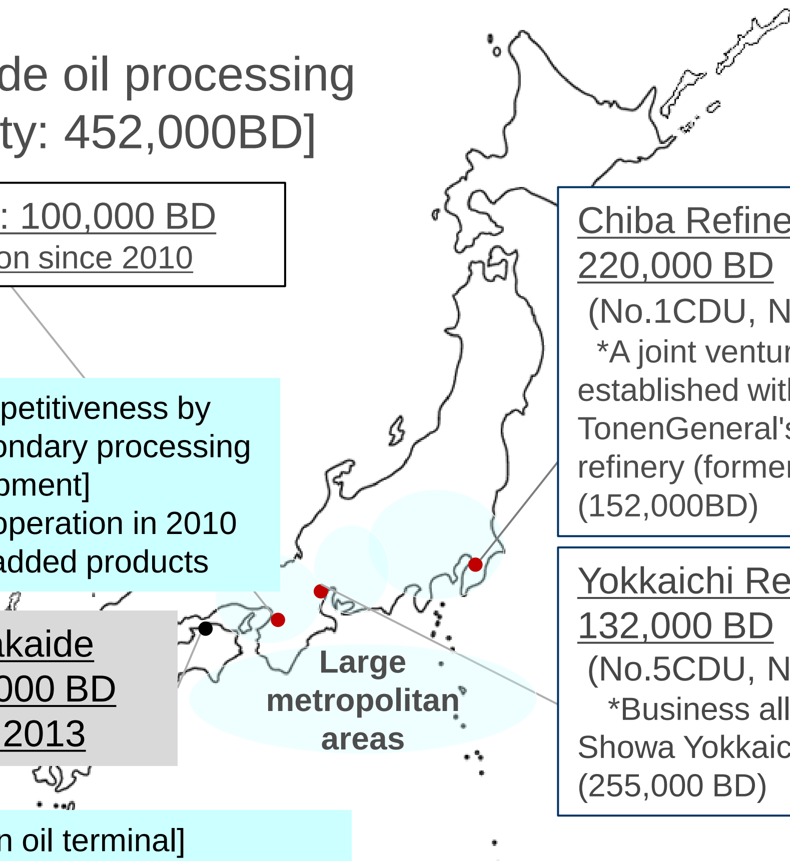
[Our crude oil processing capacity: 452,000BD]

Sakai Refinery: 100,000 BD
*Coker in operation since 2010

[Greater competitiveness by investing in secondary processing equipment]
- ✓ Coker began operation in 2010
- ✓ Higher value-added products

Formerly of Sakaide Refinery: 140,000 BD
Closed in July 2013

[Conversion to an oil terminal]
Streamlining effect: About ¥10 billion



Chiba Refinery: 220,000 BD
(No.1CDU, No.2CDU)
*A joint venture company established with TonenGeneral's Chiba refinery (formerly of KPI) (152,000BD)

[More competitive through JV]
- ✓ Joint venture started by the established JV
- ✓ Construction of a pipeline started
- ✓ Refinery equipment to be integrated with JV after the pipelines are constructed
- ✓ One CDU will be reduced through JV

[Synergy from two companies: ¥10 billion/year]
- ◆ Higher value-added products
- ◆ Streamlined equipment

Yokkaichi Refinery: 132,000 BD
(No.5CDU, No.6CDU)
*Business alliance with Showa Yokkaichi Sekiyu (255,000 BD)

[More competitive through business alliances]
- ✓ One CDU will stop its operation and streamline equipment
- ✓ Consignment of crude oil refining

[Synergy from two companies]
- ◆ Higher value-added products
- ◆ Streamlined equipment

- ✓ Put both companies' refineries under integrated management to streamline and increase efficiency of the Refinery Business.
- ✓ Establish a refinery with top-class competitiveness in Asia.
- ✓ Assume that synergies between both companies will be 10 billion yen (1 billion yen before the completion of pipelines).

Basic contract, decisions

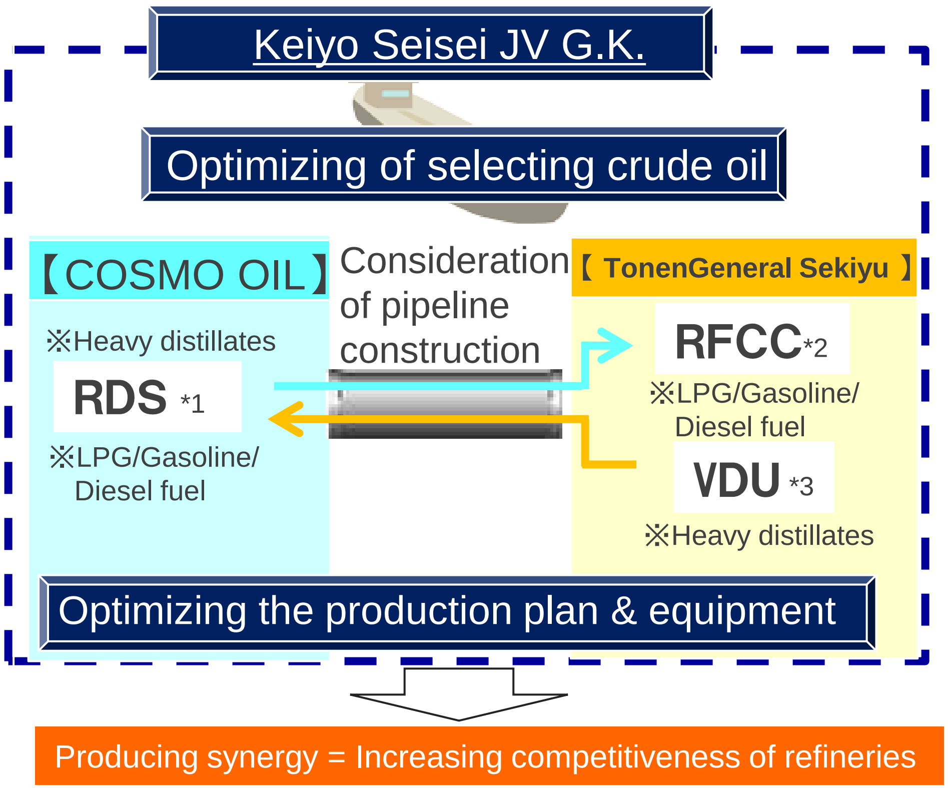
■Establishment of Keiyo Seisei JV G.K. (January 2015)
- Investment ratio: each company to take a 50% stake
- Business: development of a production plan for both refineries

■Formal agreement on the construction of pipelines
- Construction work to started in June 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 atmospheric distillation equipment

＊1)RDS＝Residue Hydro desulfurization unit
＊2)RFCC＝Residue Fluid Catalytic Cracker
＊3)VDU＝ Vacuum Distillation Unit

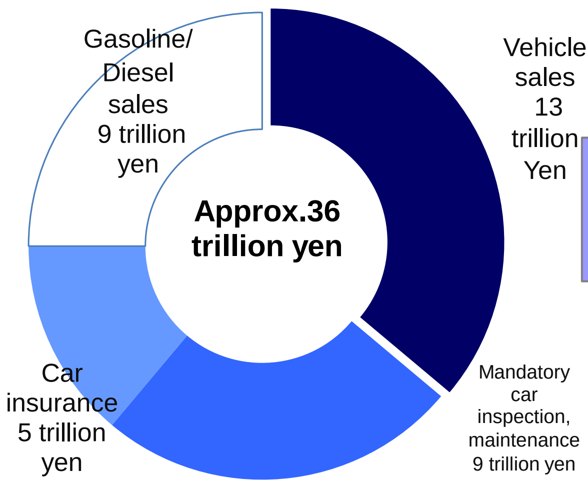
<An example of Synergy>



[Petroleum business] – Strengthen the Retail Business

- ✓ 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: SEIBIKOHOSYA

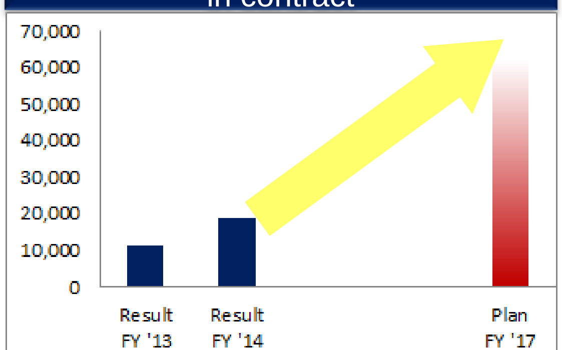
[Cosmo Energy Group measures to strengthen its retail operations]
<Strategy>
Capitalize on the higher frequency at which SSs serve customers (500,000 vehicles a day*) over competitors engaged in car related business.
Place a focus on the car life market with a scale of 27 trillion yen in addition to 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 Energy Group 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: 4.37 million (as of the end of Dec. 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

Press release :as of August 5 ,2014

✓ Purpose of business integration :

The LP gas import and wholesale operations (LP gas import/procurement, shipping terminal operation, logistics, and domestic wholesaling) and overseas trading operations of the four corporate groups(*) will be consolidated into an integrated structure to create one of Japan's top-class LP gas import and wholesale companies.

✓ Business integration method :

The four corporate groups will carry out absorption-type spin-offs of their LP gas import and wholesale operations and integrate these operations, with Cosmo Petroleum Gas Co., Ltd. (a wholly-owned subsidiary of Cosmo) as the receiving company. Cosmo, Showa Shell, Sumitomo Corporation, and Tonen General will each acquire a 25% stake in the integrated import and wholesale company.

✓ Integration deadline : April 1, 2015

*) Cosmo Oil Company, Limited/Showa Shell Sekiyu K.K. / Sumitomo Corporation, / Tonen General Sekiyu K.K.

	Profile of integrated import and wholesale company
Description of business	Manufacture,storage,transport,sale and import/export of LP gas
Capital	11.0 billion yen
Settlement period	December
Shareholders and ownership	Cosmo Oil Co., Ltd. (25%), Showa Shell Sekiyu K.K. (25%), Sumitomo Corporation (25%), TonenGeneral Sekiyu K.K. (25%)
Sales revenue	Approx.450 billion yen
Domestic sales volume	Approx.3.7 million tons (excluding LPG used as electric power and raw materials)
Import volume	Approx.2.8 million tons
Overseas trading volume	Approx.1.0 million tons
Principal offices	Seven LP gas import terminals Kashima,Chiba,Kawasaki, Hekinan (in Aichi Prefecture) ,Yokkaichi,Sakai,Oita Four LP gas secondary terminals Shimizu,Sakaide,Matsuyama,Hiroshima
Principal subsidiaries and affiliates	Yokkaichi LPG Terminal Co., Ltd. Kashima LPG Joint Stockpiling Co., Ltd. Oita LPG Joint Stockpiling Co., Ltd. Hiroshima LPG Terminal Co., Ltd.

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.

Capacity

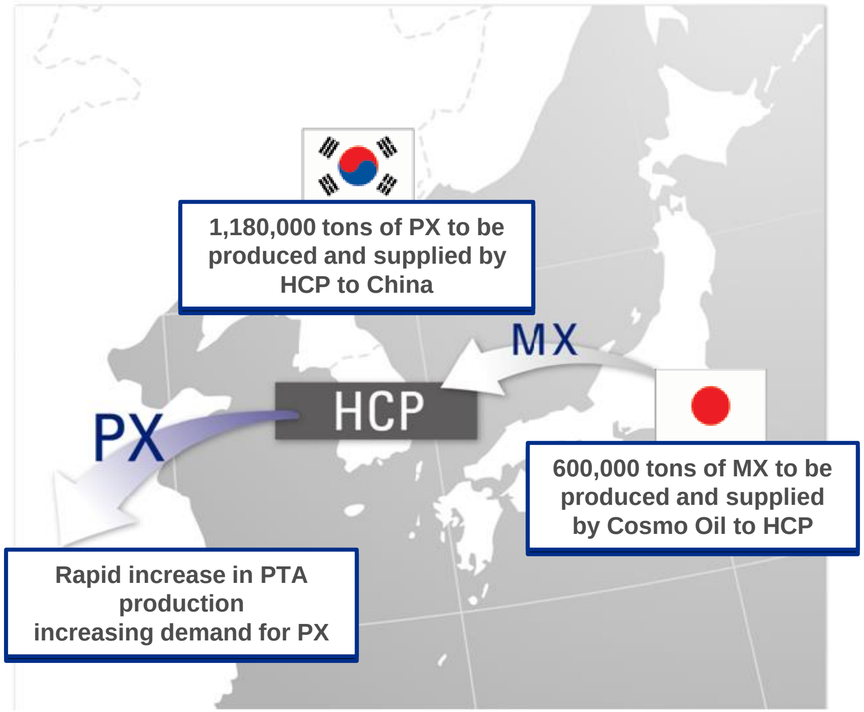
k ton/year

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

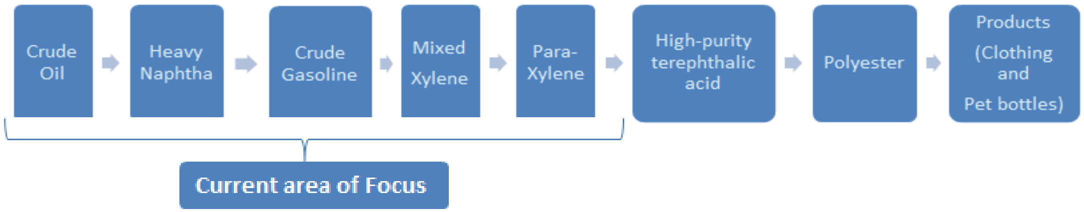
HCP : 50.0% (equity-method affiliate)
Maruzen Petrochemical : 43.9% (equity-method affiliate)
CM Aromatics : 65.0% (consolidated subsidiary)
Cosmo Matsuyama Oil : 100.0% (consolidated subsidiary)

*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..

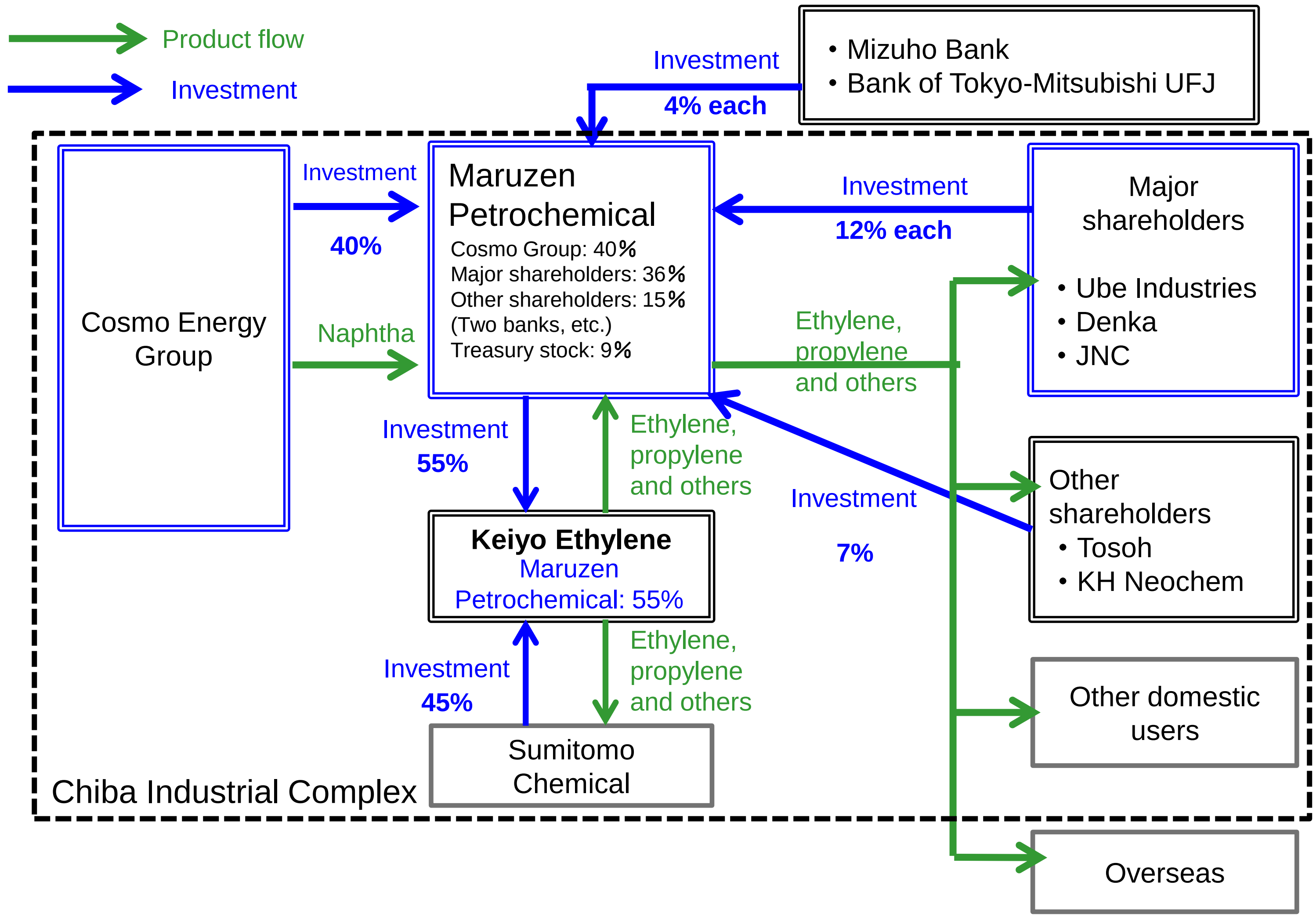
HCP's East Asia Trans-Border Business Model



Para Xylene Refining Process



✓ Maruzen Petrochemical received investments from both the Cosmo Energy Group, which supplies raw materials, and users, who receive the supply of raw materials.



- ✓ 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

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

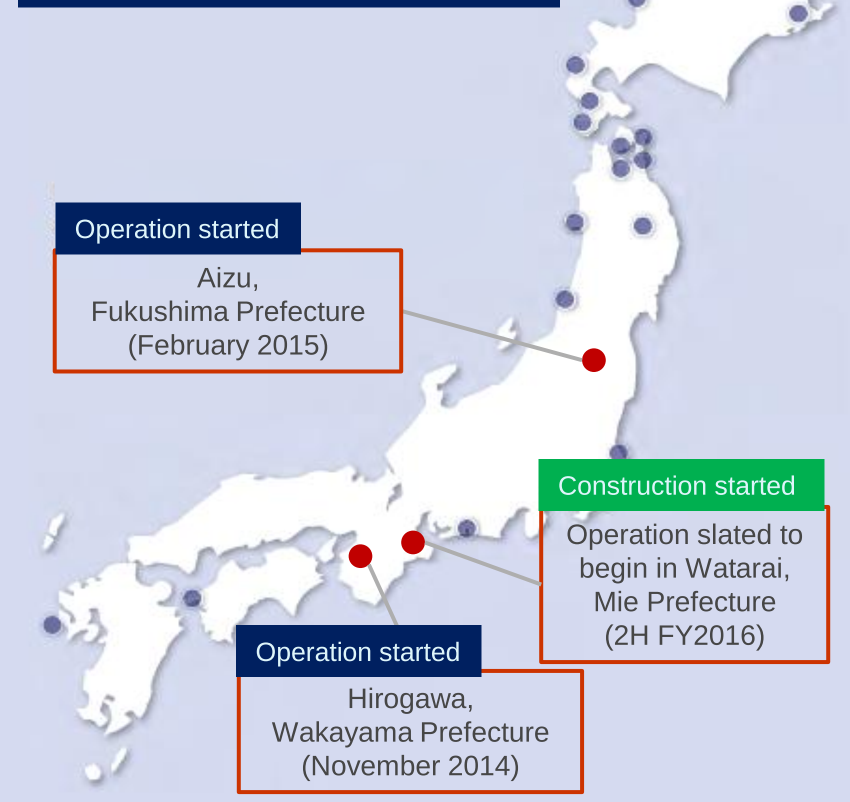
Business profitability improves with the implementation of an all-quantity buyback program program in July 2012. Profits stabilize as acquisition price for wind power generation at 22 yen/kwh (excluding taxes).

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.

(*) About 40,000 kw out of 90,000 kw has been under operation in Hirogawa and Aizu.

■Overview of Eco Power Co., Ltd.
Capital: 7.1 billion yen
Number of wind turbines: 145 (22 sites)
Power generation capacity: 183,000 kW
Industry share: around 6% (ranked 4th)
*As of March,2015



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All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek","anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential","targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.