

Proposal No. 1:

Decrease in the Amount of Legal Capital Surplus and the Amount of Legal Retained Earnings and Appropriation of Surplus

1. Purpose of decrease in the amount of legal capital surplus and the amount of legal retained earnings and appropriation of surplus

It is proposed that the amount of legal capital surplus and the amount of legal retained earnings be decreased and a deficit in retained earnings brought forward be compensated in order to ensure flexibility and mobility for the Company's financial strategy in the future and revive the corporate structure for early resumption of dividend payments.

2. Details of decrease in the amount of legal capital surplus

Pursuant to the provisions of Article 448, Paragraph 1 of the Companies Act, the Company will reduce legal capital surplus, which amounts to ¥89,439,738,670, by ¥72,472,996,266, and transfer the whole decreased amount to other capital surplus. Legal capital surplus after the decrease will be ¥16,966,742,404.

3. Details of decrease in the amount of legal retained earnings

Pursuant to the provisions of Article 448, Paragraph 1 of the Companies Act, the Company will reduce legal retained earnings by the whole amount of ¥7,407,962,628 and transfer the whole decreased amount to retained earnings brought forward.

4. Details of appropriation of surplus

Pursuant to the provisions of Article 452 of the Companies Act, after transferring ¥72,472,996,266 from legal capital surplus to other capital surplus as described in 2. above, the Company will transfer the whole amount to retained earnings brought forward, and combine this amount with ¥7,407,962,628 transferred from legal retained earnings to retained earnings brought forward as described in 3. above, obtaining the amount of ¥79,880,958,894, which the Company will use to cover a shortfall in retained earnings brought forward.

(i) Item and amount of surplus to be decreased

Other capital surplus: ¥72,472,996,266

(ii) Item and amount of surplus to be increased

Retained earnings brought forward: ¥72,472,996,266


5. Effective date of the decrease in the amount of legal capital surplus and the amount of legal retained earnings and appropriation of surplus


June 25, 2013


Proposal No. 2: Election of Ten (10) Directors


The term of office of all Directors will expire at the close of this General Meeting of Shareholders. Therefore, it is proposed that ten (10) Directors be elected.


The candidates for Director are as follows.


1 Reappointment	 Yaichi Kimura (May 20, 1940)	* Career Summary and Status April 1963 Joined Daikyo Oil Co., Ltd. June 1993 Director of the Company June 1996 Managing Director June 1998 Representative Senior Managing Director June 2001 Executive Vice President, Representative Director June 2004 President, Representative Director June 2010 President, Representative Director, Chief Executive Officer June 2012 Chairman, Representative Director (current position)	* Status of Significant Concurrent Position(s) Director, COSMO PETROLEUM GAS CO., LTD. Director, COSMO OIL LUBRICANTS CO., LTD. Director, COSMO ENGINEERING CO., LTD. Director, COSMO OIL SALES CO., LTD. President, Representative Director, Qatar Petroleum Development Co., Ltd. Director, ABU DHABI OIL CO., LTD.
		* Number of Shares of the Company Held 180,000	


2 Reappointment	 Keizo Morikawa (January 29, 1948)	* Career Summary and Status April 1971 Joined Daikyo Oil Co., Ltd. June 2000 Director of the Company June 2002 Managing Director June 2004 Senior Managing Director June 2006 Representative Senior Managing Director June 2008 Executive Vice President, Representative Director June 2010 Representative Director, Executive Vice President June 2012 President, Representative Director, Chief Executive Officer (current position)	* Status of Significant Concurrent Position(s) President, UNITED PETROLEUM DEVELOPMENT CO., LTD. Director, MARUZEN PETROCHEMICAL CO., LTD.
		* Number of Shares of the Company Held 124,000	


3 Reappointment	 Atsuto Tamura (March 20, 1953)	* Career Summary and Status April 1975 Joined Daikyo Oil Co., Ltd. June 2002 General Manager, Project Development Dept. of the Company June 2003 Managing Director, Cosmo Research Institute June 2004 President, Representative Director, Cosmo Research Institute June 2006 Executive Officer, General Manager, Corporate Communication Dept. of the Company June 2008 Senior Executive Officer, General Manager, Corporate Communication Dept. June 2009 Managing Director June 2010 Director, Senior Executive Officer (current position)	* Assignment at the Company General Affairs Dept., Affiliate Relations Dept., Information System Planning Dept., Purchasing Center * Status of Significant Concurrent Position(s) Director, COSMO PETROLEUM GAS CO., LTD. Director, COSMO ENGINEERING CO., LTD. * Number of Shares of the Company Held 85,000
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4 Reappointment	 Hideto Matsumura (August 1, 1952)	* Career Summary and Status April 1975 Joined Maruzen Oil Co., Ltd. June 2005 General Manager, Sakaide Refinery of the Company June 2006 Executive Officer, General Manager, Sakaide Refinery June 2007 Executive Officer, General Manager, Refining & Technology Dept. June 2008 Senior Executive Officer, General Manager, Refining & Technology Dept. June 2009 Managing Director June 2010 Director, Senior Executive Officer (current position)	* Assignment at the Company Refining & Technology Dept., Maintenance & Engineering Dept., Safety & Environment Control Dept. * Status of Significant Concurrent Position(s) Director, COSMO MATSUYAMA OIL CO., LTD. Director, COSMO ENGINEERING CO., LTD. * Number of Shares of the Company Held 99,000
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5	Reappointment	 Hisashi Kobayashi (November 12, 1954)	* Career Summary and Status April 1977 Joined Daikyo Oil Co., Ltd. June 2004 General Manager, Osaka Branch Office of the Company June 2006 Executive Officer, General Manager, Sales Control Dept. June 2008 Senior Executive Officer, General Manager, Sales Control Dept. June 2010 Senior Executive Officer June 2011 Director, Senior Executive Officer (current position)	* Assignment at the Company Sales Dept., Wholesale Marketing Dept., Industrial Fuel Marketing Dept., Distribution Dept. * Status of Significant Concurrent Position(s) Director, COSMO OIL SALES CO., LTD. * Number of Shares of the Company Held 87,000

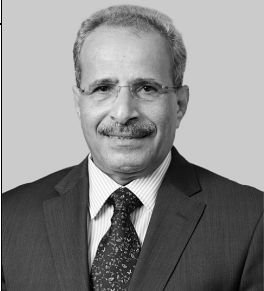
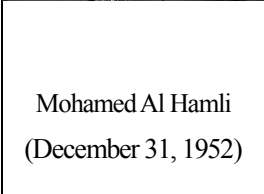
6	Reappointment	 Isao Kusakabe (July 15, 1953)	* Career Summary and Status April 1977 Joined Daikyo Oil Co., Ltd. June 2005 General Manager, International Ventures Dept. of the Company June 2007 Executive Officer, General Manager, International Ventures Dept. June 2009 Senior Executive Officer, General Manager, International Ventures Dept. June 2010 Senior Executive Officer June 2011 Director, Senior Executive Officer (current position)	* Assignment at the Company Petroleum E&P Dept., International Ventures Dept., Crude Oil & Tanker Dept., Petroleum Products Trading Dept. * Status of Significant Concurrent Position(s) Director, Qatar Petroleum Development Co., Ltd. Director, ABU DHABI OIL CO., LTD. Director, UNITED PETROLEUM DEVELOPMENT CO., LTD. * Number of Shares of the Company Held 70,000

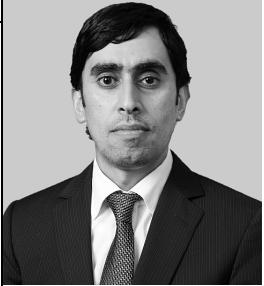
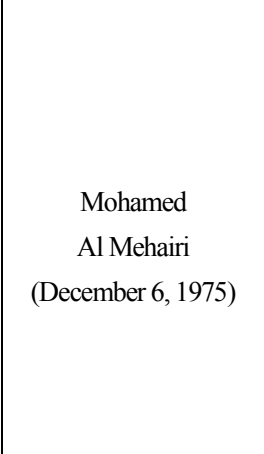
7 New Appointment	 Hirohiko Ogiwara (June 20, 1954)	* Career Summary and Status	* Assignment at the Company	
		April 1978	Joined Daikyo Oil Co., Ltd.	Corporate Communication Dept., Personnel Dept., Supply & Demand Coordination Dept.
		June 2003	General Manager, Wholesale Marketing Dept. of the Company	* Status of Significant Concurrent Position(s)
		June 2007	Executive Officer, General Manager, Wholesale Marketing Dept.	
		June 2008	Executive Officer, General Manager, Tokyo Branch Office	
		June 2009	Senior Executive Officer, General Manager, Tokyo Branch Office	* Number of Shares of the Company Held
	June 2012	Senior Executive Officer (current position)	59,000	

8 New Appointment	 Hiroshi Kiriwama (June 20, 1955)	* Career Summary and Status	* Assignment at the Company	
		April 1979	Joined Daikyo Oil Co., Ltd.	Corporate Planning Dept., R&D Dept.
		June 2004	General Manager, Supply & Demand Coordination Dept. of the Company	* Status of Significant Concurrent Position(s)
		June 2008	Executive Officer, General Manager, Corporate Planning Dept.	Representative Director, Hyundai Cosmo Petrochemical Co., Ltd. Director, MARUZEN PETROCHEMICAL CO., LTD.
		June 2010	Executive Officer, General Manager, Corporate Planning Dept. and Change Promotion Dept.	
		June 2011	Senior Executive Officer, General Manager, Corporate Planning Dept. and Change Promotion Dept.	* Number of Shares of the Company Held
	June 2012	Senior Executive Officer (current position)	60,000	

- (Notes) 1. Yaichi Kimura also serves as Representative Director of our subsidiary Qatar Petroleum Development Co., Ltd., and the Company and the relevant company have transaction relationships such as the sale and purchase of crude oil, etc.
2. Keizo Morikawa also serves as Representative Director of our affiliate UNITED PETROLEUM DEVELOPMENT CO., LTD., and the Company and the relevant company have transaction relationships such as the sale and purchase of crude oil, etc.
3. Hiroshi Kiriwama also serves as Representative Director of our affiliate Hyundai Cosmo Petrochemical Co., Ltd., and the Company and the relevant company have transaction relationships such as the sale and purchase of petroleum products, etc.
4. No special interests exist between the Company and any of the other candidates for Director.

<Candidates for Outside Director>

9		* Career Summary, Status at the Company and Significant Concurrent Position(s)			
		August 1980	Joined Abu Dhabi Marine Operating Company	February 2005	Deputy Chairman, International Petroleum Investment Company (current position)
		March 1997	General manager, Abu Dhabi National Oil Company for Distribution	June 2010	Director of the Company (current position)
		October 1998	Director, Marketing & Refining, Abu Dhabi National Oil Company	* Number of Shares of the Company Held	
Reappointment		November 2004	Minister of Energy, the United Arab Emirates	0	
		* Reasons for choosing the person as candidate for Outside Director			
		Mohamed Al Hamli served as Minister of Energy of the United Arab Emirates and the Company judges him capable of properly executing duties as Outside Director from an international viewpoint with respect to the petroleum industry.			

10		* Career Summary, Status at the Company and Significant Concurrent Position(s)			
		September 1999	Joined Abu Dhabi National Oil Company	March 2008	Vice Chairman, Pak-Arab Refinery Ltd. (current position)
		August 2006	Investment Manager, Invest Management Division, Investment Department, International Petroleum Investment Company	February 2009	Director Investment, International Petroleum Investment Company (current position)
		July 2007	Division Manager, Evaluation & Execution Division, International Petroleum Investment Company	July 2009	Director, Nova Chemicals Corporation (current position)
Reappointment		July 2007	Board Member of Supervisory Board, Borealis (current position)	June 2012	Director of the Company (current position)
		* Number of Shares of the Company Held			
		0			
* Reasons for choosing the person as candidate for Outside Director					
Mohamed Al Mehairi serves as Board Member of Supervisory Board of Borealis, Vice Chairman of Pak-Arab Refinery Ltd., and Director of Nova Chemicals Corporation. Therefore, the Company judges him capable of properly executing duties as Outside Director from his international viewpoint with respect to the petroleum industry.					

(Notes) 1. Mohamed Al Hamli and Mohamed Al Mehairi served for Abu Dhabi National Oil Company (ADNOC) and ADNOC is the specified related operator for the Company.

2. The term of office of Mohamed Al Hamli as Outside Director since assuming office will reach three (3) years at the close of this meeting.
3. The term of office of Mohamed Al Mehairi as Outside Director since assuming office will reach one (1) year at the close of this meeting.
4. Mohamed Al Mehairi is related in the third degree to an executing person of the Company's specified related operator, Abu Dhabi National Oil Company.
5. Pursuant to the provision of Article 423, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mohamed Al Hamli and Mohamed Al Mehairi, to limit the liability for damages. The limit of the liability under the relevant agreement shall be the minimum amount that is set by the provision of Article 425, Paragraph 1 of the said act. If Mohamed Al Hamli and Mohamed Al Mehairi are reelected as Outside Director, the Company will renew the current agreement with them to limit the liability for damages under the same conditions.


Proposal No. 3: Election of One (1) Audit & Supervisory Board Member

The Audit & Supervisory Board Member Hajime Miyamoto passed away on January 30, 2013. Therefore, it is proposed that one (1) Audit & Supervisory Board Member as the substitute be elected.

The proposal at the Meeting had already been agreed upon by the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is as follows.

<Candidate for Outside Audit & Supervisory Board Member>

New Appointment	 Sakae Kanno (June 18, 1947)	* Career Summary, Status at the Company and Significant Concurrent Position(s)	
		April 1971	Joined The Kansai Electric Power Co., Inc.
		June 2001	Executive Officer, Office of Affiliates Management and Business Development, The Kansai Electric Power Co., Inc.
		June 2003	Managing Director, The Kansai Electric Power Co., Inc.
		June 2007	Executive Vice President and Director, The Kansai Electric Power Co., Inc.
	June 2011	Audit & Supervisory Board Member, The Kansai Electric Power Co., Inc. (current position)	* Number of Shares of the Company Held
			0
		* Reasons for choosing the person as candidate for Outside Audit & Supervisory Board Member	
		Sakae Kanno has experience as a Director and Audit & Supervisory Board Member at The Kansai Electric Power Co., Inc. Therefore, the Company judges him capable of properly executing duties as Outside Audit & Supervisory Board Member from his wide-ranging viewpoint, which extends beyond the industry to which the Company belongs.	

- (Notes)
1. No special interests exist between the Company and the candidate for Audit & Supervisory Board Member.
 2. If Sakae Kanno is elected, pursuant to the provision of Article 423, Paragraph 1 of the Companies Act, the Company will enter into an agreement with him, to limit the liability for damages. The limit of the liability shall be the minimum amount that is set by the provision of Article 425, Paragraph 1 of the said act.
 3. If Sakae Kanno is elected, the Company will notify the Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange of his status as an Independent Audit & Supervisory Board Member as stipulated in the regulations of each exchange.