

Value Creation Model

As an integrated energy company, indispensable in people's daily lives, the Cosmo Energy Group aims to solve social issues through its business activities.

Environmental Challenges and Social Issues



Mega-trends in the energy business

Accelerating shift from fossil fuel

- Paris Agreement (greenhouse gas reduction)
- Fourth Industrial Revolution (IT technology innovation)
- Accelerating dissemination of electric vehicles (EVs)



Global mega trend

- Increase in global population
- Climate change and global warming
- Low energy self-sufficiency rate
- Pandemic
- Diversity & inclusion
- Consideration for human rights



Japan's mega-trend

- Expansion of the sharing economy
- Growth in demand for renewable energy
- Aging society and declining working population

Inputs



Human capital

Number of employees (consolidated)	6,846
Average number of temporary workers	3,169
<small>* As of March 31, 2020</small>	



Safety and technology capital

Operational Management System (OMS) as a basis for safe operation and stable supply



Manufactured capital

Crude oil processing capacity	400,000barrels/day
Operating rate of refineries <small>April 1, 2019 to March 31, 2020 CD-based</small>	87.9%
Number of service stations <small>As of March 31, 2020</small>	2,755
Crude oil production <small>FY2019 result</small>	Approx. 51,000barrels/day
<small>(Comparison with refining capacity: Approx. 13%)</small>	
Petrochemical production capacity <small>As of March 31, 2020</small>	
Olefinic production capacity	Ethylene 1.29million tons/year
Aromatic production capacity <small>*As of July 31, 2020</small>	Para-xylene* 1.36million tons/year
	Benzene 0.74million tons/year
	Mixed-xylene 0.62million tons/year
Wind power plant capacity <small>As of July 31, 2020</small>	266,000kW
<small>No. 3 in Japan and 7% domestic share</small>	



Social and relationship capital

Number of Cosmo the Card holders <small>As of March 31, 2020</small>	4.21million cards
Cosmo My Car Lease <small>As of March 31, 2020</small>	Cumulative total 73,634cars
Carlife Square App membership <small>As of March 31, 2020</small>	1.92million members
Friendly relationship with oil-producing countries	Approx. 50years
Corporate brand awareness	98.4%
<small>Surveyed 1,239 individuals, 18-64 years old, who visited a service station by car in the previous month (as of October 30, 2017)</small>	



Natural capital

Crude oil reserves	160million barrels
<small>(equivalent to approx. 17years of supply)</small>	
Total energy consumption <small>FY2018 results</small>	744,623TJ
Wind power, sunlight and other natural energy	



Financial capital

Total assets	¥1,639.8 billion
Net assets	¥362.8 billion
Free cash flow <small>(FY2019 results)</small>	¥27.5 billion

Cosmo Energy Group's business activities

Consolidated Medium-Term Management Plan

Oil & New

Everything About Oil – And Beyond

Consolidated Medium-Term Management Plan [▶ P 09](#)

Consolidated Medium-Term CSR Management Plan [▶ P 13](#)

Our business activities

Four business segments

Oil Exploration and Production Business ▶ P 33	Petroleum Business ▶ P 37	Petrochemical Business ▶ P 41	Renewable Energy and Other Businesses ▶ P 45
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Our business base

Sustainable management [▶ P 51](#)

E Promotion of environmental measures	S Fulfillment of human rights and social contribution measures
G Thorough implementation of safety measures	G Enhanced governance structure

Our values

Brand statement **Filling up your hearts, too.**

Cosmo Energy Group Management Vision

In striving for harmony and symbiosis between our planet, man and society, we aim for sustainable growth towards a future of limitless possibilities.

Outcomes



Social value

- Stable energy supply to society
- Expanding production of clean energy, mainly around wind power generation
- Offering value that supports car-life, mobility and the lives of people

Outputs



Economic value

(FY2022 targets in the Sixth Medium-Term Management Plan)

Ordinary income <small>(excluding impact of inventory valuation)</small>	Over ¥120billion
Profit attributable to owners of parent	Over ¥50billion
Net worth	Over ¥400billion
Free cash flow <small>(FY 2018 - FY 2022, five years total)</small>	Over ¥150billion
Net D/E Ratio	1.0-1.5times
ROE	Over 10%