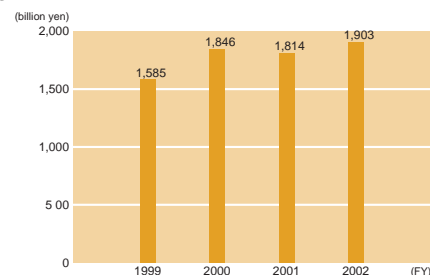


## We have started implementing the Cosmo Oil Group Medium-Term Management Plan, with the aim of enhancing corporate value.

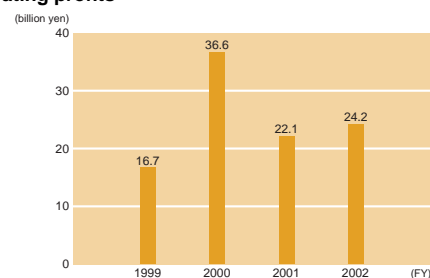
In fiscal 2002, our sales and profits increased on both a consolidated and unconsolidated basis. Higher average selling prices and volume contributed to an increase of 4.9% in sales, to 1,903 billion yen. Rationalization and value creation amounted to 16 billion yen added value, contributing to increases in each profit line, and the resulting bottom line was 3.4 billion yen. Shareholders' equity decreased by 0.7 billion to 193.6 billion yen after dividends. The Cosmo Oil Group implemented the "Value Creation 21" plan during fiscal 2001 and 2002, and realized a total of 43 billion yen in profit improvements through rationalization and value creation, achieving 86% of our target of 50 billion yen. From fiscal 2003, the Cosmo Oil Group started a new three-year "Cosmo Oil Group Medium-Term Management Plan" to enhance its corporate value by fully utilizing the management resources of the entire group. Our target is to generate a total of 56.5 billion yen in added value over three years through rationalization and value creation, as follows: rationalization and enhanced efficiency of oil refining and marketing businesses (21.2 billion yen), value creation (27.4 billion yen), oil exploration (2.0 billion yen), and affiliated companies (6.0 billion yen).

### Selected financial performance indicators (consolidated)

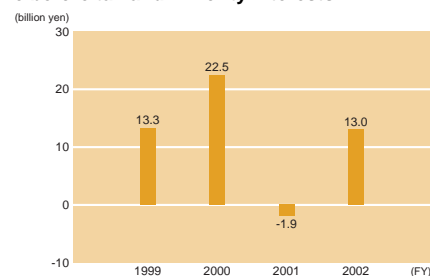
#### Sales



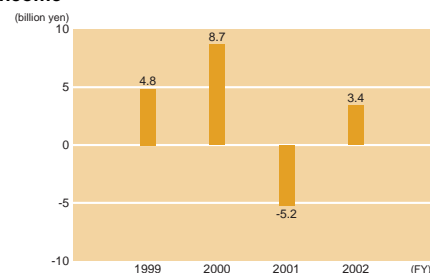
#### Operating profits



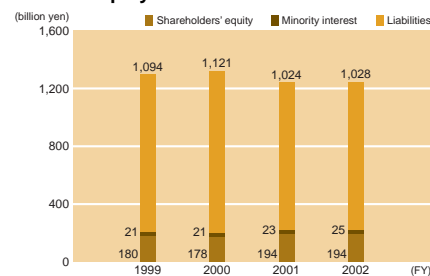
#### Income before tax and minority interests



#### Net income



#### Shareholder's equity and liabilities



#### Total stock issued 631,705 (thousand)

