

Relationships with Our Shareholders and Investors

Cosmo Oil discloses accurate information to shareholders and investors in a timely manner while striving to improve corporate management.

Communications Activities

Related information on investor information can be found at the following Web page:

<http://www.cosmo-oil.co.jp/eng/ir/index.html>

Basic Policy of Our IR Activities

The basic policy of our IR activities is to promote a deeper understanding of the Cosmo Oil Group and build relationships of long-term mutual trust with shareholders and investors by providing appropriate and timely disclosure of our management philosophy and policies, financial condition, and business strategies.

Promoting a Deeper Understanding of Cosmo Oil

We work to deepen people's understanding of the Cosmo Oil Group. Besides publishing annual reports and quarterly shareholder reports, we also work to upgrade information disclosure via our Web site, including providing streaming videos of shareholders' meetings and posting all documents that have been distributed. Of particular note, the Web site has been upgraded as part of efforts to promote a deeper understanding of Cosmo Oil among a broad range of shareholders as well as individual investors. By taking this approach, we have continually earned high marks from IR consulting companies and other external institutions that survey IR Web sites.



Annual Report



Shareholder report
C's MAIL

IR Web Site Wins Awards

Cosmo Oil's IR Web site has attracted high praise, and was selected for Nikko Investor Relations Co. Ltd.'s "Fiscal 2007 Best Corporate Web site Ranking," and as one of Daiwa Investor Relations' "402 Companies with Best Internet IR Sites."



Shareholder Survey

Every year, we send questionnaires to shareholders via the shareholder report, *C's MAIL*. The opinions of shareholders are then used as feedback that is reflected in our management policies and the contents of our reports. In fiscal 2007, 7,000 completed questionnaires were received. In response to a question asking what they wanted from Cosmo Oil, 60% of respondents answered "stable procurement of crude oil." This response reflects the awareness of the high price of crude oil, and indicates the public's concern.

Related information on IR News/News Letters can be found at the following Web page:

<http://www.cosmo-oil.co.jp/eng/ir/newsletters/index.html>

Example of a response to a common question from shareholders:

Questions were answered in the 57th issue of the shareholders report, *C's MAIL* (issued March 2008).

Question:

What type of crude oil development programs is Cosmo Oil involved in? (One 42-year-old male shareholder and 12 other survey respondents)

Answer:

Cosmo Oil develops and produces crude oil with the aim of improving the proportion of independently developed crude oil that it procures. Specifically, its subsidiary Abu Dhabi Oil Co., Ltd. and an equity-method affiliate United Petroleum Development Co., Ltd. produce crude oil in the Emirate of Abu Dhabi, while another subsidiary Qatar Petroleum Development Co., Ltd. began commercial production in Qatar in 2006. Cosmo Oil also continues exploratory work aimed at oil production in the northwest region of Australia.

◆ The Cosmo Oil Group's Crude Oil Production Volume

	Production volume (barrels/day)* ¹	Controlling share* ²
Abu Dhabi Oil Co., Ltd.	23,288	63.0%
Qatar Petroleum Development Co., Ltd.	5,290	85.8%
United Petroleum Development Co., Ltd.	16,578	35.0%

*¹ The production volume is the average amount produced from January to September 2007.

*² Controlling share owned by Cosmo Energy Development Co., Ltd., a wholly owned subsidiary of Cosmo Oil.

Related information on the General Meeting of Shareholders can be found at the following Web page:

<http://www.cosmo-oil.co.jp/eng/ir/meeting/index.html>

SRI Information

In recent years, there has been increased focus on Socially Responsible Investment (SRI)*, a generic term for investments that enable investors to decide on which companies to invest in based not only on a company's financial performance but also taking into consideration whether that company fulfills its environmental and social responsibilities. Cosmo Oil has been included in the FTSE4Good Global Index since March 2003 and in the Morningstar Socially Responsible Investment Index since July 2003. Additionally, Cosmo Oil is incorporated into numerous SRI funds.

*SRI funds invest in companies that fulfill their social responsibilities in terms of social justice, ethics, environmental considerations, consumers, employees, and local communities.