

Consolidated Income Statements 【Operating Highlights】

	FY2008	FY2007	Change	(Change)
	bn. yen	bn. yen	bn. yen	
Net sales	3,428.2	3,523.1	-94.9	(-2.7%)
Cost of sales	3,389.4	3,290.7	98.7	
Selling general and administrative expenses	145.8	148.6	-2.8	
Operating income	-107.0	83.8	-190.8	(—)
Non-operating income/expenses, net	-18.0	10.5	-28.5	
Ordinary income	-125.0	94.3	-219.3	(—)
Extraordinary income/losses, net	7.8	1.2	6.6	
Income taxes	-27.7	55.0	-82.7	
Minority interests	2.9	5.3	-2.4	
Net income	-92.4	35.2	-127.6	(—)

Consolidated Financial Position

	FY2008	FY2007	Change
	As of Mar. 31, 09	As of Mar. 31, 08	
	bn. yen	bn. yen	bn. yen
Total assets	1,440.4	1,627.9	-187.5
Net assets	347.4	469.7	-122.3
Net worth ratio	22.8%	27.2%	-4.4%
Interest-bearing debt	598.6	521.6	77.0
Interest-bearing debt to total assets ratio	41.6%	32.0%	9.6%
Net interest-bearing debt	438.7	438.9	-0.2
Net interest-bearing debt ratio	30.5%	27.0%	3.5%

Note: Net interest-bearing debt is the total interest-bearing debt amount after the deduction of cash and cash equivalents and a short-term working fund balance as of the term-end

Consolidated Operating Highlights 【by Segment】

	Petroleum	(inventory valuation)	Net Petroleum	(Incl. Petroleum)	(Incl. Petrochemical business)	Oil exploration and production	Other	Elimination or corporate	Consolidated
	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen
Net sales	3,352.9		3,352.9	3,283.6	69.3	89.1	91.8	-105.6	3,428.2
(From FY2007)	(-89.3)		(-89.3)	(-70.2)	(-19.1)	(5.0)	(-7.2)	(-3.4)	(-94.9)
Operating income	-162.6	-180.2	17.6	18.9	-1.3	50.8	2.2	2.6	-107.0
(From FY2007)	(-202.0)	(-225.2)	(23.2)	(29.3)	(-6.1)	(7.3)	(-0.3)	(4.2)	(-190.8)

【Reference】

Ordinary income	-175.1	-180.2	5.1	10.1	-5.0	45.9	2.4	1.8	-125.0
(From FY2007)	(-221.5)	(-225.2)	(3.7)	(17.8)	(-14.1)	(-1.0)	(-0.5)	(3.7)	(-219.3)

【Segment-Specific Ordinary Income - Factors for decrease of 219.3 bn. yen from FY2007】

I. Petroleum business (bn. yen)	
① Increase in sales price and decrease in sales volume	19.0
② Petrochemical business	-14.1
③ Impact of inventory valuation, etc	
(Incl. impact of inventory valuation of -225.2(-180.2←-45.0))	-226.4
Petroleum business - total (-175.1←-46.5)	-221.5
II. Oil exploration and production business (45.9←-46.9)	-1.0
III. Other (other businesses, etc.) (4.1←-0.9)	3.2
Ordinary Income (I + II + III)	-219.3

Consolidated Cash Flows

	FY2008	FY2007
	bn. yen	bn. yen
Operating activities	82.1	-4.2
Investment activities	-56.0	-32.8
Financing activities	57.9	-5.2
Cash and cash equivalents at the end of the period	159.9	82.7

【Capital Expenditures and Depreciation Expenses】

	FY2008	FY2007	Change
	(bn. yen)		
Petroleum	48.3	35.1	13.2
(Refining and marketing & sales)	46.1	32.8	13.3
(Petrochemical business)	1.5	1.0	0.5
(Other)	0.7	1.3	-0.6
Oil exploration and production business	18.5	13.7	4.8
Other businesses	0.2	0.2	0.0
Total (consolidated)	67.0	49.0	18.0
Depreciation expenses	41.5	42.8	-1.3

Non-consolidated Income Statements 【 Operating Highlights 】

【 Factors for Changes (From FY2007) 】

	FY2008 Apr.08-Mar.09 bn.yen	FY2007 Apr.07-Mar.08 bn.yen	Change bn.yen
Net sales	3,158.9	3,301.6	-142.7
Cost of sales	3,241.6	3,192.5	49.1
Selling, general and administrative expenses	86.6	88.5	-1.9
Operating income	-169.3	20.6	-189.9
Non-operating income/expenses, net	41.8	5.8	36.0
Ordinary income	-127.5	26.4	-153.9
Extraordinary income/losses, net	0.9	2.6	-1.7
Income taxes	-71.3	15.8	-87.1
Net income	-55.3	13.2	-68.5
Impact of inventory valuation	-177.2	45.0	-222.2
Ordinary income except impact of inventory valuation	49.7	-18.6	68.3
Total selling volume	1,000 kl 41,183	1,000 kl 44,961	1000 kl -3,778
Cash dividends	yen per stock 8	yen per stock 8	-

(Change)	① Net sales 【 3,158.9 bn.yen 】	From FY2007
		-142.7 bn.yen
	• Increase in sales price 65,940 yen/kl (3,380 yen/kl)	(152.0 bn.yen)
	• Decrease in sales volume 41,183 Mkl (-3,778 Mkl)	(-294.7 bn.yen)
	※ Domestic sales (Based on FY2007 as 100%)	
	Gasoline 94.7%	Naphtha 82.6%
	Kerosene 95.6%	Jet fuel 95.3%
	Diesel fuel 97.2%	Heavy fuel oil C 88.0%
	Heavy fuel oil A 96.8%	
	4 Products-Total 95.9%	Total domestic sales 91.6%
	Export: Middle distillate 98.0%	1,558 Mkl
	② Cost of sales 【 3,241.6 bn.yen 】	49.1 bn.yen
	• Increase in price 68,060 yen/kl (7,935 yen/kl)	(333.6 bn.yen)
	• Decrease in volume	(-284.5 bn.yen)
	※ Crude oil price	
	FOB 85.35\$/B (8.21\$/B)	
	Exchange rate 102.94¥/\$ (11.58¥/\$)	Yen appreciation
	Price including tax 59,182 yen/kl (66 yen/kl)	
	③ Decrease in selling, general & administrative expenses	-1.9 bn.yen
	④ Non-operating income/expenses, net	36.0 bn.yen
	Ordinary Income (-127.5 bn.yen ← 26.4 bn.yen)	-153.9 bn.yen

【 Factors: Decrease in 153.9 bn.yen in ordinary income from FY2007 】

① Impact of market change	35.9	bn.yen
② Decrease in sales amount	-10.2	
③ Benefits from the "medium-term management plan"	4.2	
④ Non-operating income/expenses, etc	38.4	
⑤ Impact of inventory valuation	-222.2	
Ordinary income (-127.5 bn.yen ← 26.4 bn.yen)	-153.9	

※ Rationalization and Added-value Creation Improvement

	Rationalization	Added-Value	Total
Supply	0.4	0.0	0.4
Marketing	0.6	2.0	2.6
Other	1.2	0.0	1.2
Total	2.2	2.0	4.2

Non-consolidated Financial Position

	FY2008 As of Mar.31 09 bn.yen	FY2007 As of Mar.31 08 bn.yen	Change bn.yen
Total assets	1,282.8	1,450.9	-168.1
Net assets	257.6	338.1	-80.5
Net worth ratio	20.1%	23.3%	-3.2%
Interest-bearing debt	564.4	484.6	79.8
Interest-bearing debt to total assets ratio	44.0%	33.4%	10.6%
Net interest-bearing debt	445.1	460.9	-15.8
Net interest-bearing debt ratio	34.7%	31.8%	2.9%

Note: Net interest-bearing debt is the total interest-bearing debt amount after the deduction of cash and cash equivalents and a short-term working fund balance as of the term end.

【 Key Indicators 】

No. of SSs	Number of self-service SSs is shown in parenthesis		
	As of Mar.31 2009	As of Mar.31 2008	Change
Cosmo-owned	858 (571)	870 (531)	-12 (40)
Individually-owned	3,102 (384)	3,308 (336)	-206 (48)
Total	3,960 (955)	4,178 (867)	-218 (88)

	FY2008	FY2007	Change
Capital expenditures	43.9	31.2	12.7
Depreciation expenses	22.6	22.6	0.0

I . Consolidated Income Statements 【 Business Outlook 】

	FY2009	FY2008	Change
	bn. yen	bn. yen	bn. yen
Net sales	2,300.0	3,428.2	- 1,128.2
Operating income	85.0	- 107.0	192.0
Ordinary income	82.0	- 125.0	207.0
Net income	33.0	- 92.4	125.4

【Factors Increase in 207.0 bn. yen in Ordinary Income from FY2008】

	(bn. yen)
① Petroleum business	230.1
Market conditions & Export,etc.	(0.0)
Selling volume	(- 8.0)
Petrochemical business	(8.0)
Decrease in in-house fuel costs	(25.0)
Decrease in the costs related to pipeline trouble at Chiba refinery	(9.0)
Impact of inventory valuation,etc (Incl.impact of inventory valuation of 200.2 (20.0 ← -180.2))	(196.1)
② Oil exploration and production business	- 20.9
③ Other (other businesses, etc.)	- 2.2
Ordinary income (82.0 bn. yen ← -125.0 bn. yen)	207.0

【Business Outlook by Segment】

	Petroleum	(inventory valuation)	Net Petroleum	(Incl.Petroleum)	(Incl. Petrochemical business)	Oil exploration and production	Other	Elimination or corporate	Consolidated
	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen	bn. yen
Net sales	2,232.0		2,232.0	2,188.0	44.0	57.0	86.0	- 75.0	2,300.0
(From FY2008)	(-1,120.9)		(-1,120.9)	(-1,095.6)	(-25.3)	(-32.1)	(-5.8)	(30.6)	(-1,128.2)
Operating income	60.0	20.0	40.0	38.5	1.5	23.0	2.0	0.0	85.0
(From FY2008)	(222.6)	(200.2)	(22.4)	(19.6)	(2.8)	(-27.8)	(-0.2)	(-2.6)	(192.0)

【Reference】

Ordinary income	55.0	20.0	35.0	32.0	3.0	25.0	2.0	0.0	82.0
(From FY2008)	(230.1)	(200.2)	(29.9)	(21.9)	(8.0)	(-20.9)	(-0.4)	(-1.8)	(207.0)

【Capital expenditures】

(billion yen)

	FY2009	FY2008	Change
Petroleum business	103.5	48.3	55.2
(Refining and marketing & sales)	102.8	46.1	56.7
(Petrochemical business)	1.0	1.5	-0.5
(Other)	-0.3	0.7	-1.0
Oil exploration and production business	24.8	18.5	6.3
Other businesses	0.3	0.2	0.1
Total (consolidated)	128.6	67.0	61.6
Depreciation expenses	43.9	41.5	2.4

【Sensitivity (Ordinary income)】

(bn. yen)

	Petroleum	Oil exploration and production
Crude Oil : 1.0\$/B	1.8	0.9
Yen-USD exchange rate : 1.0yen/\$ (yen depreciation)	0.9	0.5

II . Non-consolidated Income Statements 【 Business Outlook 】

	FY2009	FY2008	Change
	bn. yen	bn. yen	bn. yen
Net sales	2,100.0	3,158.9	- 1,058.9
Operating income	53.0	- 169.3	222.3
Ordinary income	51.0	- 127.5	178.5
Net income	27.0	- 55.3	82.3

【Assumptions】

- Crude Oil : 50.0\$/B
- Yen-USD exchange rate : 100.0yen/\$
- Selling volume: Total fuel oil selling in Japan: 93.9% (based on FY08 as 100%)
Total selling volume 39,449 (1,000kl) (95.8% based on FY08 as 100%)

※ Fuel Oil Selling Volumes in Japan (by product)

Gasoline	97.6%	Naphtha	92.9%
Kerosene	90.3%	Jet fuel	98.8%
Diesel fuel	97.5%	Heavy fuel oil C	85.0%
Heavy fuel oil A	94.6%		
4 Products-Total	95.9%	Total fuel oil selling volume in Japan	93.9%

Middle distillate export volume	128.9%	2,008 (1,000kl)
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