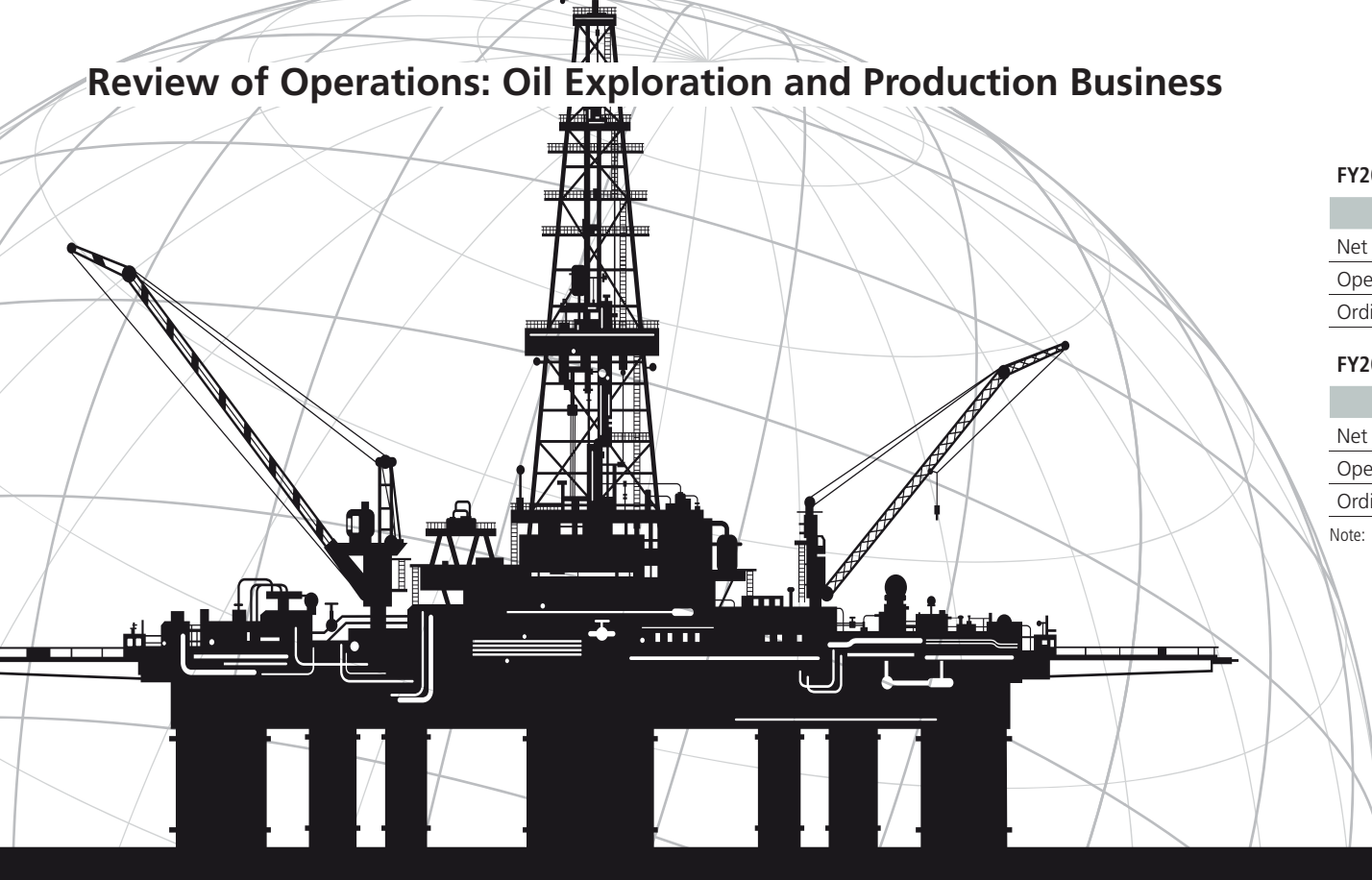


Review of Operations: Oil Exploration and Production Business



FY2012 RESULTS

(Billions of yen)

	Results	Year-on-Year Change
Net sales	¥85.9	Down ¥1.7
Operating income	¥54.3	Up ¥2.5
Ordinary income	¥60.7	Up ¥8.7

FY2013 PROJECTION (Announced in May 2013)

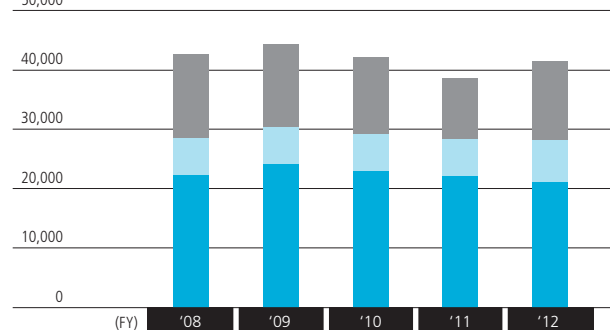
(Billions of yen)

	Projections	Year-on-Year Change
Net sales	¥98.0	Up ¥12.1
Operating income	¥53.0	Down ¥1.3
Ordinary income	¥55.5	Down ¥5.2

Note: The settlement of accounts of companies in the Oil Exploration and Production Business is undertaken in December each year. Accordingly, results are for the 12-month period from January to December.

Trends in Oil Production by Cosmo Oil Group Project Companies

(Barrels/day)
50,000



■ Abu Dhabi Oil Co., Ltd. ■ Qatar Petroleum Development Co., Ltd.
■ United Petroleum Development Co., Ltd.

STRATEGIES

The Oil Exploration and Production Business will strive to increase the total crude oil production volume through the stable operation of existing oil fields and the development of newly discovered fields, underpinned by the Group's relationships with oil-producing nations.

The New Concession Agreement concluded with the Supreme Petroleum Council of Abu Dhabi, the United Arab Emirates in February 2011 came into effect in December 2012. Valid for 30 years, this New Agreement covers the three existing Mubarraz, Umm Al Anbar, and Neewat Al Ghalan fields and the additional Hail Field concession area.



FY2012 PERFORMANCE

In FY2012, Abu Dhabi Oil Co., Ltd. (ADOC), Qatar Petroleum Development Co., Ltd. (QPD), and United Petroleum Development Co., Ltd. (UPD) experienced stable continuous production. As a result, total oil production by the three project companies in the Cosmo Oil Group amounted to 41,556 barrels/day, up 7.4% compared with the previous fiscal year.

Dubai crude oil was around the US\$105/barrel range at the beginning of the period. This climbed to the US\$120/barrel range following suggestions that Iran would close the Straits of Hormuz toward the end of January. Fueled by renewed concerns surrounding the financial crisis in Europe, the price of Dubai crude oil temporarily fell below US\$90/barrel in June. Thereafter, the price again surged to above US\$115/barrel around the end of September. For the full fiscal year, the price of crude oil increased US\$3/barrel year on year.

Accounting for this upswing in price, the Oil Exploration and Petroleum Business segment posted a ¥1.7 billion year-on-year decrease in net sales to ¥85.9 billion, and a ¥8.7 billion rise in ordinary income to ¥60.7 billion.

OUTLOOK FOR FY2013

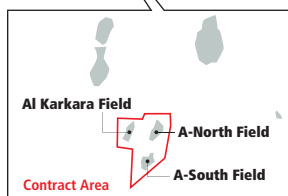
In fiscal 2013, the average crude oil price and exchange rate are forecast at US\$100/barrel and ¥100 per U.S. dollar, respectively. Oil exploration and production activities in the core Middle East region are expected to remain stable.

Looking ahead, net sales are projected to climb ¥12.1 billion to ¥98.0 billion on the back of the weak yen. Taking into consideration forecast stable oil production, on the other hand, operating expenses are forecast to increase resulting in an anticipated decline in ordinary income of ¥5.2 billion to ¥55.5 billion.

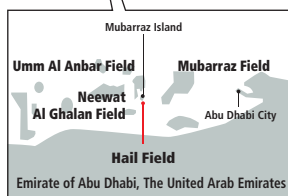
On an individual exploration and production basis, ADOC will undertake evaluation activities including the drilling of evaluation wells at the Hail Oil Field. After confirming the level of reserves, steps will be taken to drill

production wells and construct ground facilities with an eye to early production during 2016. Having confirmed the existence of promising oil structures at the AC/P4 mining lot in Australia, the drilling of exploration wells will commence during the current year. Results will then form the basis for determining exploration policies.

Mine Lot Map in Qatar



Mine Lot Map in Abu Dhabi



Crude Oil Production by Cosmo Oil Group Project Companies in Core Areas

Company	Oil fields currently producing				(Barrels/day)	
		FY2012	FY2011	Change	Investment ratio	
ADOC	• Mubarraz Field • Umm Al Anbar Field • Neewat Al Ghalan Field	21,062	22,059	-4.5%	63%	
QPD	• A-North Field • Al Karkara Field • A-South Field	7,047	6,208	+13.5%	75%	
UPD	• El Bunduq Field	13,447	10,411	+29.2%	45%	
Total for the three companies		41,556	38,678	+7.4%	—	

* Production volumes are averages for the calendar year as all three companies have book-closing periods ending in December.