

Note: The following press release is an English translation of the Japanese-language original.

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Securities Code: 1662

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Notice of Financial Forecasts Revision

Based on recent business trends and performance, Japan Petroleum Exploration Co., Ltd. (hereinafter "JAPEX") hereby revised its consolidated financial forecasts announced on November 8, 2016, as follows.

Revision to consolidated forecasts for FY2017/3 (April 1, 2016 - March 31, 2017)

	Net sales (Unit: Millions of yen)	Operating income (loss) (Unit: Millions of yen)	Ordinary income (loss) (Unit: Millions of yen)	Profit (loss) attributable to owners of parent (Unit: Millions of yen)	Net income (loss) per share (Unit: yen)
Previous forecasts (A)	189,528	(1,285)	(3,725)	(341)	(5.97)
Revised forecasts (B)	210,349	(887)	3,571	4,959	86.76
Difference in amount (B – A)	20,821	399	7,295	5,300	
Rate of change (%)	11.0	—	—	—	
(Reference) FY 2016/3	240,302	8,336	4,652	2,090	36.58

Note: FY=Fiscal Year (FY2017/3, for instance, means 12 months ending March 31, 2017)

Reasons for the revision:

Compared to the previous announcement, net sales and operating income are expected to increase, and ordinary loss and loss attributable to owners of parent are expected to turn to ordinary income and profit attributable to owners of parent.

The main factors are as follows:

- 1) Increase of income by sales volume of purchased crude oil from overseas and the rise of oil and gas unit sales prices
- 2) Increase of profits by exchange losses turning to exchange gains due to the fluctuation of the exchange rates, and recording gain on return of selling land used for a company housing to extraordinary income

(Reference)

[Crude Oil (CIF: Cost, Insurance and Freight) Price]

Previous: 41.64 US\$/bbl of the result from April to September, 2016
45.00 US\$/bbl of the assumption from October, 2016 to March, 2017
Revised: 41.64 US\$/bbl of the result from April to September, 2016
46.72 US\$/bbl of the result from October to December, 2016
50.00 US\$/bbl of the assumption from January to March, 2017

[Exchange Rate]

Previous: 107.67 yen/US\$ of the result from April to September, 2016
100.00 yen/US\$ of the assumption from October 2016 to March, 2017
Revised: 107.67 yen/US\$ of the result from April to September, 2016
103.24yen/US\$ of the result from October to December, 2016
110.00 yen/US\$ of the assumption from January to March, 2017

*The aforementioned forecasts are based on management's assumptions with information available at this time and the actual results may be different from the forecast figures because of various factors that could occur in the future.