

Company Name: Japan Petroleum Exploration Co., Ltd.
 Securities Code: 1662
 Representative: Hideichi Okada, President
 Inquiries: Samdeck Nakamoto, General Manager, Media and Investor Relations Department
 TEL: +81-3-6268-7110

Notice of Financial Forecasts Revision

Based on recent business trends and performance, Japan Petroleum Exploration Co., Ltd. (JAPEX) hereby revised its consolidated financial forecasts announced on February 8, 2017, 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) | 210,349 | (887) | 3,571 | 4,959 | 86.76 |
| Revised forecasts (B) | 207,131 | 685 | 2,222 | 3,443 | 60.24 |
| Difference in amount (B - A) | (3,218) | 1,572 | (1,348) | (1,515) | |
| Rate of change (%) | (1.5) | - | (37.8) | (30.6) | |
| (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, operating loss is expected to turn to operating income by rising crude oil price, increasing sales volume of domestic natural gas, and improving balance of earnings and expenses in domestic contract service regardless of decreasing net sales due to decrease sales volume of overseas crude oil.

In addition, ordinary income and profit attributable to owners of parent are expected to decrease due to recognizing non-operating expenses based on equity in loss of affiliates according to Japan Drilling Co., Ltd. which is an affiliated company accounted for by the equity-method as announced on April 14, 2017.

(Reference)

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

Previous: 43.35 US\$/bbl of the result from April to December, 2016
 50.00 US\$/bbl of the assumption from January to March, 2017
 Revised: 52.00 US\$/bbl of the result from January to March, 2017

[Exchange Rate]

Previous: 106.06 yen/US\$ of the result from April to December, 2016
 110.00 yen/US\$ of the assumption from January to March, 2017
 Revised: 114.38 yen/US\$ of the result 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.