



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

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Transfer of Shares in INPEX North Caspian Sea, Ltd.

Japan Petroleum Exploration Co., Ltd. (JAPEX) announced that it will transfer JAPEX's shares in INPEX North Caspian Sea, Ltd. (INCS) to INPEX CORPORATION (INPEX).

INCS has 7.56% of interest on the Offshore North Caspian Sea block in Republic of Kazakhstan. JAPEX acquired 2.5% shares of INCS in September 1998 and has participated in its crude oil exploration and development through them. However, in a consideration for the overall optimization of our business portfolio, JAPEX has continued to discuss and carry out procedures with stakeholders for transfer of our shares. And, in this time, JAPEX has executed an agreement with INPEX to transfer all of JAPEX's shares in INCS to INPEX.

Following the transfer of shares, it will recognize 1,349 million yen of non-operating income (gain on sales of securities) in the fourth quarter of the fiscal year ending on March 31, 2018 (from January 1 to March 31, 2018).

The consolidated financial forecasts for the fiscal year ending March 31, 2018 including this matter are under examination and will be disclosed promptly if and when it becomes necessary.

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