



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

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## Revision of Financial Forecasts, Interim Dividend, and Year-end Dividend Forecast

Japan Petroleum Exploration Co., Ltd. (JAPEX) hereby revised its consolidated financial forecasts for FY2020/3 announced on August 8, 2019 based on our recent business trends and performance.

Also, payment of dividend recorded on September 30, 2019 (interim dividend) was resolved at the Board of Directors' meeting on November 8, 2019, and forecast of year-end dividend was revised.

### 1. Revision of Financial Forecast

(1) Revision to consolidated forecasts for FY2020/3 (April 1, 2019 - March 31, 2020)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Net income per share (yen)
Previous forecasts (A)	325,014	11,344	20,694	18,022	315.34
Revised forecasts (B)	318,351	11,735	21,898	18,820	329.29
Difference in amount (B - A)	(6,663)	391	1,204	797	
Rate of change (%)	(2.1)	3.4	5.8	4.4	
(Reference) FY 2019/3	267,980	2,313	12,523	14,770	258.44

Note: FY=Fiscal Year (FY2020/3, for instance, means 12 months ended March 31, 2020)

### (2) Reasons of revision

Compared to the previous announcement on August 9, 2019, net sales is expected to decrease due to decrease in sales volume of overseas oil.

Operating profit is expected to increase due to improvement in profit from diluted bitumen sales stemming from further narrowing of the light-heavy differential\*.

Ordinary profit and profit attributable to owners of parent are expected to increase due to increase in share of profit of entities accounted for using equity method.

\* "Light-heavy differential" is the differential between Western Canadian Select (WCS), which is a major benchmark in Canadian heavy crude oil pricing used as the reference price for diluted bitumen, and WTI, which is the primary benchmark in light crude oil pricing. WCS fluctuates depending on WTI, and demand and supply of heavy crude oil price in North America.

(Reference)

[Crude Oil Price (JCC: Japan Crude Cocktail)]

(USD/bbl)

Previous		Revised	
Average from April 2019 to June 2019 (actual)	68.77	Average from April 2019 to September 2019 (actual)	69.13
July 2019 to March 2020 (forecast)	65.00	October 2019 to March 2020 (forecast)	65.00

[Exchange Rate]

(JPY/USD)

Previous		Revised	
Average from April 2019 to June 2019 (actual)	111.11	Average from April 2019 to September 2019 (actual)	109.78
July 2019 to March 2020 (forecast)	110.00	October 2019 to March 2020 (forecast)	107.00

Note: The aforementioned forecasts are based on the current available information and the actual performances and other results may differ materially due to various factors in the future.

## 2. Revision of Interim Dividend and Year-end Dividend

### (1) Interim Dividend

	Determined Dividend	Latest Dividend Forecast (announced on May 10, 2019)	Previous Year-end Dividend (second quarter of the year ended March 31, 2019)
Record Date	September 30, 2019	September 30, 2019	September 30, 2018
Dividend per Share	25.00 yen	20.00 yen	10.00 yen
Total Dividend Payment	1,428 million yen	-	571 million yen
Effective Date	December 16, 2019	-	December 13, 2018
Dividend Source	Retained Earnings	-	Retained Earnings

### (2) Revision of Year-end Dividend

	Dividend per Share		
	End of Second Quarter	Year-end	Total
Previous Forecast (May 10, 2019)	20.00 yen	20.00 yen	40.00 yen
Revised Forecast	-	25.00 yen	50.00 yen
Actual	25.00 yen	-	-
FY2019/3	10.00 yen	30.00 yen	40.00 yen

(3) Reason for Revision

With a basic policy of maintaining long-term and stable dividend payout to shareholders, JAPEX determines an amount of dividend comprehensively based on mid-long term business outlook, considering our financial plan including retained earnings for future investments, such as securing oil and gas reserves that is essential in social life, investments for maintaining and expanding our supply infrastructure, and others, as well as considering profit of each fiscal year and future capital demands.

Based on the policy and consideration of the revised financial forecast as well as the latest financial result of the fiscal year, the interim dividend was determined to be 25 yen per share, and year-end dividend forecast was revised to be 25 yen per share. By these revisions, the forecast of total dividend per share of the fiscal year ended March 2020 is revised to be 50 yen per share.

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