



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

March 28, 2022

Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)
Securities Code: 1662 (First Section of the Tokyo Stock Exchange)
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Notice Regarding the Change in Dividend Policy

Japan Petroleum Exploration Co., Ltd. (JAPEX) announced that it has decided to change its dividend policy, including the adoption of a consolidated dividend payout ratio as an index for calculating dividend amounts, in its medium- to long-term management plan "JAPEX Management Plan 2022-2030" disclosed today.

1. Reason for Change

To strengthen shareholder returns in light of the new management plan's basic policies and profit level forecasts, etc.

2. Changed contents

1) Policy before change (conventional policy)

JAPEX has the basic policy on profit distribution to maintain long-term and stable dividends for shareholders. As a company with the role of providing a stable supply of oil and natural gas essential for society to function, the specific dividend amount is set after giving comprehensive consideration to investments aimed at securing new, proved reserves worldwide and retaining earnings to fund development and expansion of our supply infrastructure in light of the medium- to long-term outlook for the business environment. In addition to the above, we need to consider the level of earnings for each fiscal year and any future funding needs.

2) Policy after change

We recognize that returning profits to shareholders is an important management issue, as well as maintaining a sound management base and strengthening our financial position. We aim to sustainably increase corporate value through proactive investment using retained earnings and expansion of our business base, thereby sharing the fruits of our efforts with our shareholders.

JAPEX's basic policy for profit distribution is to pay dividends in line with business results for each fiscal year with a target consolidated dividend payout ratio of 30%, while striving to maintain an annual dividend of ¥50 per share even in the event of a temporary downturn in business performance due to factors such as changes in the business environment. (However, in the year when profit attributable to

owners of parent fluctuates significantly due to extraordinary income or loss or other exceptional factors, the amount of dividend will be determined in consideration of such fluctuations.)

3. Effective period of change

Effective from the interim and year-end dividends for the fiscal year ending March 31, 2023

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