



[Explanatory Material]

# Financial Results

for the Nine Months Ended December 31, 2024

February 12, 2025

**Japan Petroleum Exploration Co., Ltd.**

Note: This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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**I . Financial Highlights**

**II . Financial Results for the Nine Months Ended December 31, 2024**

**III . Revised Financial Forecasts for the fiscal year ending March 31, 2025**

Note: This material also serves as the presentation material for the financial results briefing for the institutional investors and analysts to be held on February 13, 2025.

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## **I . Financial Highlights**

**II . Financial Results for the Nine Months Ended December 31, 2024**

**III . Revised Financial Forecasts for the fiscal year ending March 31, 2025**

# Financial Highlights

## 1-3Q FY3/25 Results (Year-on-Year)

(Billion Yen)	1-3Q FY3/24 (a)	1-3Q FY3/25 (a)	Change
Operating profit	39.8	<b>44.5</b>	+4.6
Ordinary profit	48.1	<b>46.8</b>	(1.3)
Profit attributable to owners of parent	36.5	<b>74.4</b>	+37.9

- **Operating profit** : Growth of sales volume for overseas crude oil and LNG
- **Ordinary profit** : Reversal from equity method profit to equity method loss, decreased foreign exchange gain
- **Profit attributable to owners of parent** : Recorded gain on sale of investment securities

## Shareholder Returns

- **Interim dividend:** 125 yen per share    **Year-end dividend forecast:** 25 yen per share

- ✓ A 5-for-1 stock split of shares of common stock was conducted on October 1, 2024. The year-end dividend per share for FY2024 (forecast) without considering the stock split will be 125 yen
- ✓ The dividend forecast is currently unchanged from the initial forecast of the year-end dividend (25 yen). We will decide the dividend taking into consideration a full-year business results and other factors at the fiscal year ending March 31, 2025, based on the basic policy to pay dividends in line with business results for each fiscal year, with a target consolidated payout ratio of 30% basically.

## Major Business Progress

- Commencement of Inter-Well CO<sub>2</sub> Injection Test at Sukowati oil field, Indonesia (Oct)
- Commenced FEED for onshore terminal and receiving jetty topside of the CCS project in Sarawak, Malaysia (Nov)
- Conclusion of MOU on Joint Projects for Solar Power Plants with IINO (Dec)
- Commenced commercial operation on Chofu Biomass Power Plant in Shimonoseki City, Yamaguchi (Dec)

## FY3/25 Forecasts Revision (vs Nov.13 Forecasts)

(Billion Yen)	Previous (f) Nov. 13, 2024	Revised (f) Feb. 12, 2025	Change
Operating profit	55.4	<b>63.7</b>	+8.3
Ordinary profit	54.2	<b>66.8</b>	+12.6
Profit attributable to owners of parent	78.5	<b>87.0</b>	+8.5
(Reference) Profit attributable to owners of parent, basis for calculating the consolidated dividend payout ratio of 30%	42.5	<b>47.7</b>	+5.2

- **Operating profit** : Expect an increase in the yen-converted amount of the business results of overseas subsidiaries due to exchange rate fluctuations
- **Ordinary profit** : Expect a decrease in foreign exchange loss

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**I . Financial Highlights**

**II . Financial Results for the Nine Months Ended December 31, 2024**

**III . Revised Financial Forecasts for the fiscal year ending March 31, 2025**

## 1-3Q FY3/25 Results (Year-on-Year)

Million Yen	1-3Q FY3/24 (a)	1-3Q FY3/25 (a)	Change	
Net sales	229,938	<b>274,820</b>	+44,881	+20%
Gross profit	62,745	<b>71,167</b>	+8,422	+13%
Operating profit	39,868	<b>44,510</b>	+4,642	+12%
Ordinary profit	48,162	<b>46,810</b>	(1,351)	(3%)
Profit attributable to owners of parent	36,515	<b>74,440</b>	+37,924	+104%

### Oil Price and Exchange Rate

		1-3Q FY3/24 (a)	1-3Q FY3/25 (a)	Change
WTI	USD/bbl	77.46	<b>77.66</b>	+0.20
Crude oil price (CIF)	USD/bbl	86.26	<b>84.57</b>	(1.69)
Exchange rate	JPY/USD	141.98	<b>152.06</b>	+10.08

## E&P Business Sales (Year-on-Year)

Net sales : Million Yen	Unit	1-3Q FY3/24 (a)		1-3Q FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume	Net sales		
E&P Business	-	-	72,841	-	<b>95,739</b>	-	-	+22,898	+31%

### Breakdown

Crude oil	Thousand KL	1,000	72,350	<b>1,368</b>	<b>93,156</b>	+367	+37%	+20,805	+29%
Crude oil - Japan		161	12,778	<b>169</b>	<b>13,613</b>	+7	+4%	+835	+7%
Crude oil - Overseas <sup>*1</sup>		823	58,369	<b>1,185</b>	<b>78,429</b>	<b>[1]</b> +362	+44%	+20,060	+34%
Purchased crude oil		15	1,203	<b>13</b>	<b>1,113</b>	(1)	(12%)	(89)	(7%)
Natural Gas - Overseas <sup>*2</sup>	Million M3	42	490	<b>108</b>	<b>2,583</b>	+66	+155%	+2,093	+427%

### Main factors for change

[1] Increase in sales volume of U.S. tight oil development and sales begin from the Seagull project in U.K. North Sea

\*1 1-3Q FY3/24 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., and Japex (U.S.) Corp.

1-3Q FY3/25 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

\*2 1-3Q FY3/24 Amounts of overseas consolidated subsidiary Japex (U.S.) Corp.

1-3QFY3/25 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

## I/U Business Sales (Year-on-Year)

Net sales : Million Yen	Unit	1-3Q FY3/24 (a)		1-3Q FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	110,714	-	<b>129,146</b>	-	-	+18,432	+17%

### Breakdown

Natural Gas - Japan	Million M3	646	55,741	<b>642</b>	<b>53,242</b>	(3)	(1%)	(2,498)	(4%)	
- Produced in Japan		305	-	<b>311</b>	-	+6	+2%	-	-	
LNG	Thousand Ton	99	10,193	<b>306</b>	<b>29,959</b>	<b>[1]</b>	+207	+208%	+19,765	+194%
Electricity	Million kWh	2,641	40,059	<b>2,296</b>	<b>35,894</b>	<b>[2]</b>	(345)	(13%)	(4,165)	(10%)
Other*	-	-	4,719	-	<b>10,049</b>	-	-	+5,330	+113%	

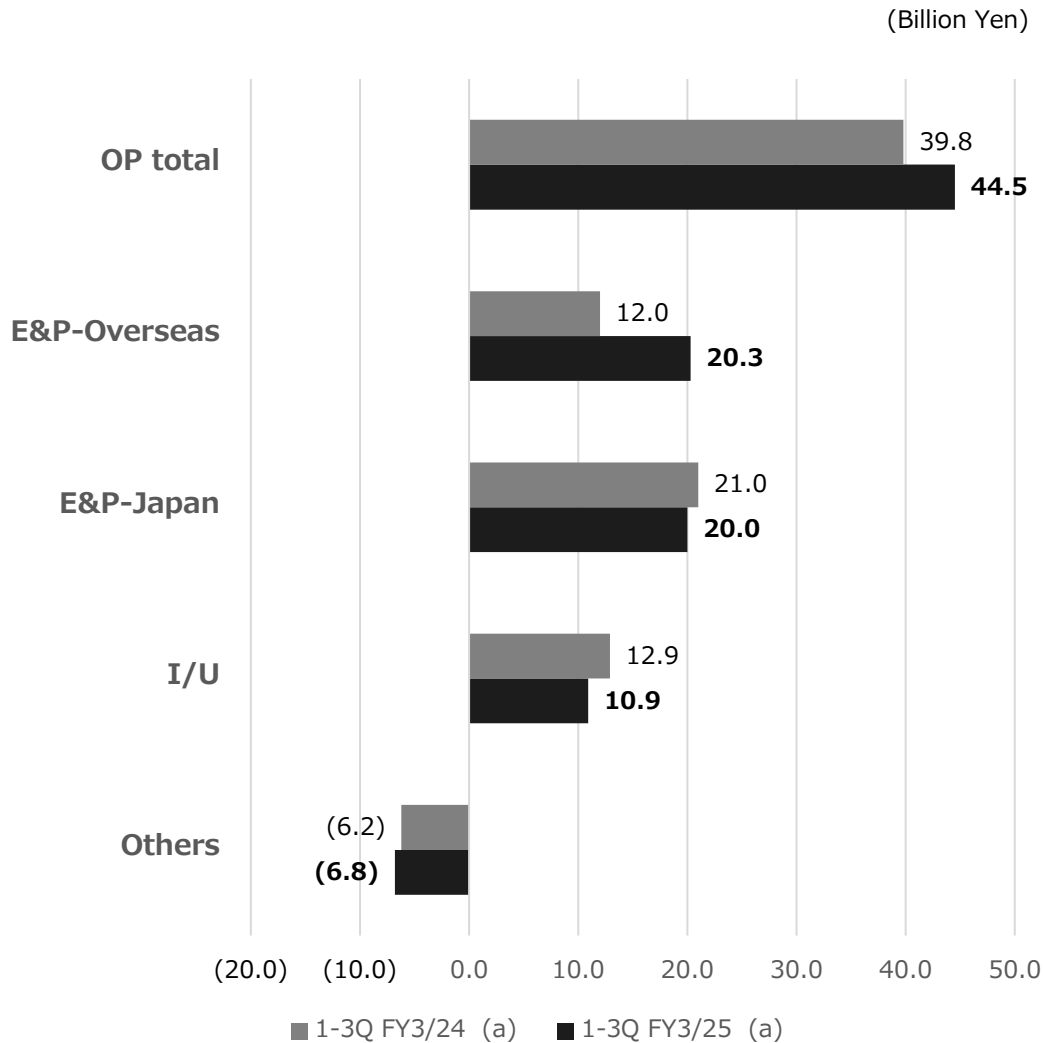
### Main factors for change

- [1] Increase in sales volume
- [2] Decrease in sales volume

\*Including net sales from commissioned transportation of natural gas and commissioned regasification of LNG



# Operating Profit (Year-on-Year)



E&P Business	
<b>Overseas : +8.2 bn.</b>	<b>12.0 bn. → 20.3 bn.</b>
<ul style="list-style-type: none"> <li>• Increase in sales volume of tight oil development in U.S. (+)</li> <li>• Sales begin from the Seagull project in U.K. North Sea (+)</li> </ul>	
<b>Japan : (0.9 bn.)</b>	<b>21.0 bn. → 20.0 bn.</b>
<ul style="list-style-type: none"> <li>• Decrease in sales price* of natural gas (–)</li> </ul>	
* Internal transaction price from E&P Business to Infrastructure/Utilities Business for the internal management	

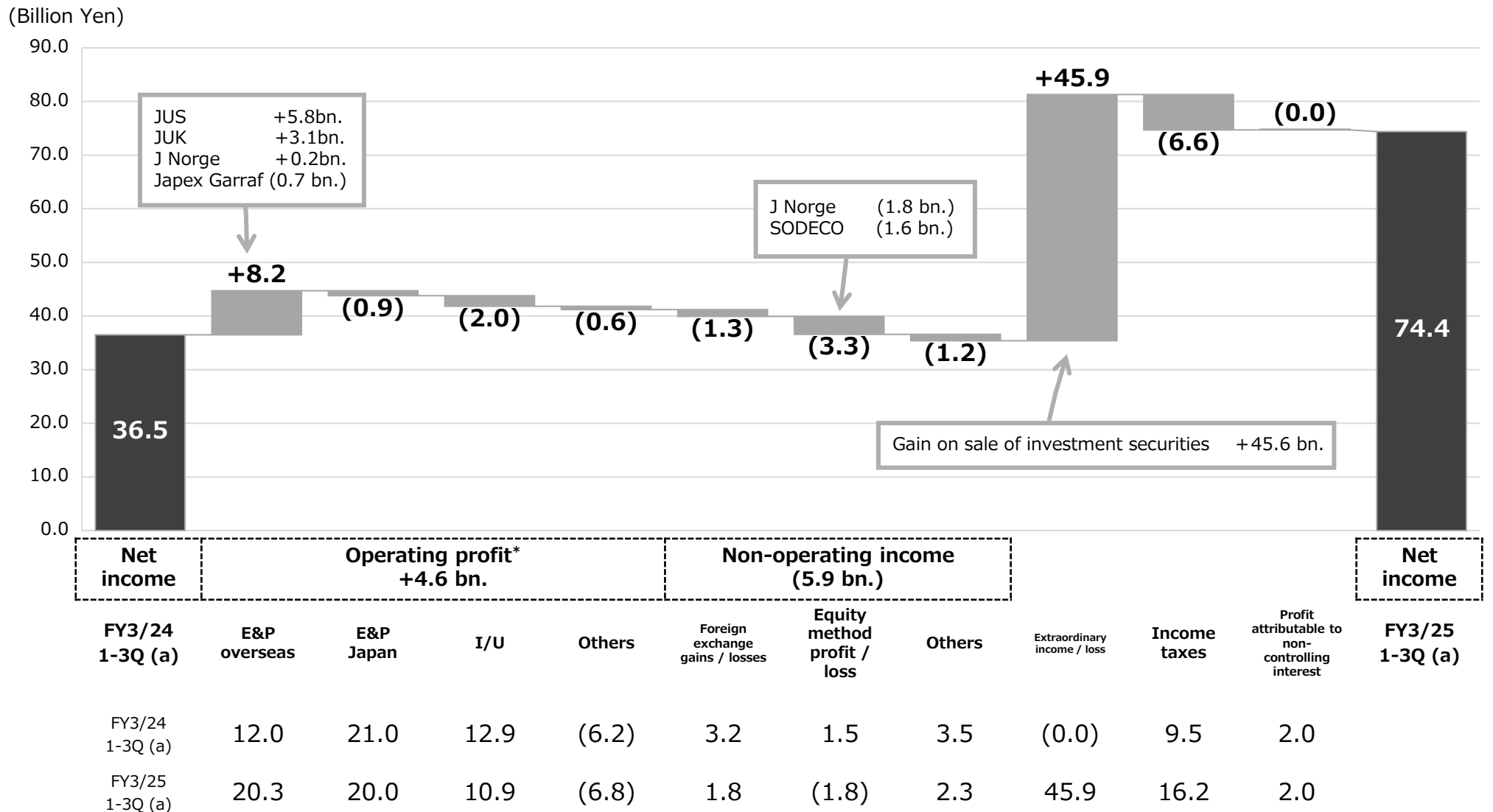
I/U Business	
<b>(2.0 bn.)</b>	<b>12.9 bn. → 10.9 bn.</b>
<ul style="list-style-type: none"> <li>• Decrease in slide time lag gain (–)</li> </ul>	

Others *	
<b>(0.6 bn.)</b>	<b>(6.2 bn.) → (6.8 bn.)</b>
* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

# Analysis of Net Income change (Year-on-Year)



Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

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## **I . Financial Highlights**

## **II . Financial Results for the Nine Months Ended December 31, 2024**

## **III . Revised Financial Forecasts for the fiscal year ending March 31, 2025**

## FY3/25 Forecasts (vs Nov. 13 Forecasts)

Million Yen	Previous (f) Nov. 13, 2024	Revised (f) Feb. 12, 2025	Change	
Net sales	364,000	<b>383,400</b>	+19,400	+5%
Gross profit	91,300	<b>100,000</b>	+8,700	+10%
Operating profit	55,400	<b>63,700</b>	+8,300	+15%
Ordinary profit	54,200	<b>66,800</b>	+12,600	+23%
Profit attributable to owners of parent	78,500	<b>87,000</b>	+8,500	+11%

### Oil Price and Exchange Rate

		Previous (f) Nov. 13, 2024	Revised (f) Feb. 12, 2025	Change
WTI	USD/bbl	74.45	<b>75.75</b>	+1.30
Crude oil price (CIF)	USD/bbl	80.72	<b>82.00</b>	+1.28
Exchange rate	JPY/USD	147.46	<b>150.32</b>	+2.86

## E&P Business Sales Forecasts (vs Nov. 13 Forecasts)

Net sales : Million Yen	Unit	Previous (f) Nov.13, 2024		Revised (f) Feb.12, 2025		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
<b>E&amp;P Business</b>	-	-	115,080	-	<b>128,031</b>	-	-	+12,950	+11%

### Breakdown

<b>Crude oil</b>	Thousand KL	1,716	111,708	<b>1,743</b>	<b>123,537</b>	+26	+2%	+11,829	+11%	
Crude oil - Japan		225	16,881	<b>230</b>	<b>17,806</b>	+4	+2%	+925	+5%	
Crude oil - overseas* <sup>1</sup>		1,472	93,357	<b>1,494</b>	<b>104,258</b>	[1]	+22	+2%	+10,901	+12%
Purchased crude oil		19	1,469	<b>18</b>	<b>1,473</b>	(0)	(3%)	+3	+0%	
<b>Natural Gas - Overseas</b> * <sup>2</sup>	Million M3	145	3,372	<b>150</b>	<b>4,493</b>	+5	+4%	+1,121	+33%	

### Main factors for change

[1] Increase in yen-converted sales of overseas subsidiaries due to exchange rate fluctuations /

Increase in sales volume of the Seagull project in U.K. North Sea

\*1 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

\*2 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

## I/U Business Sales Forecasts (vs Nov. 13 Forecasts)

Net sales : Million Yen	Unit	Previous (f) Nov. 13, 2024		Revised (f) Feb. 12, 2025		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	180,827	-	<b>185,524</b>	-	-	+4,696	+3%

### Breakdown

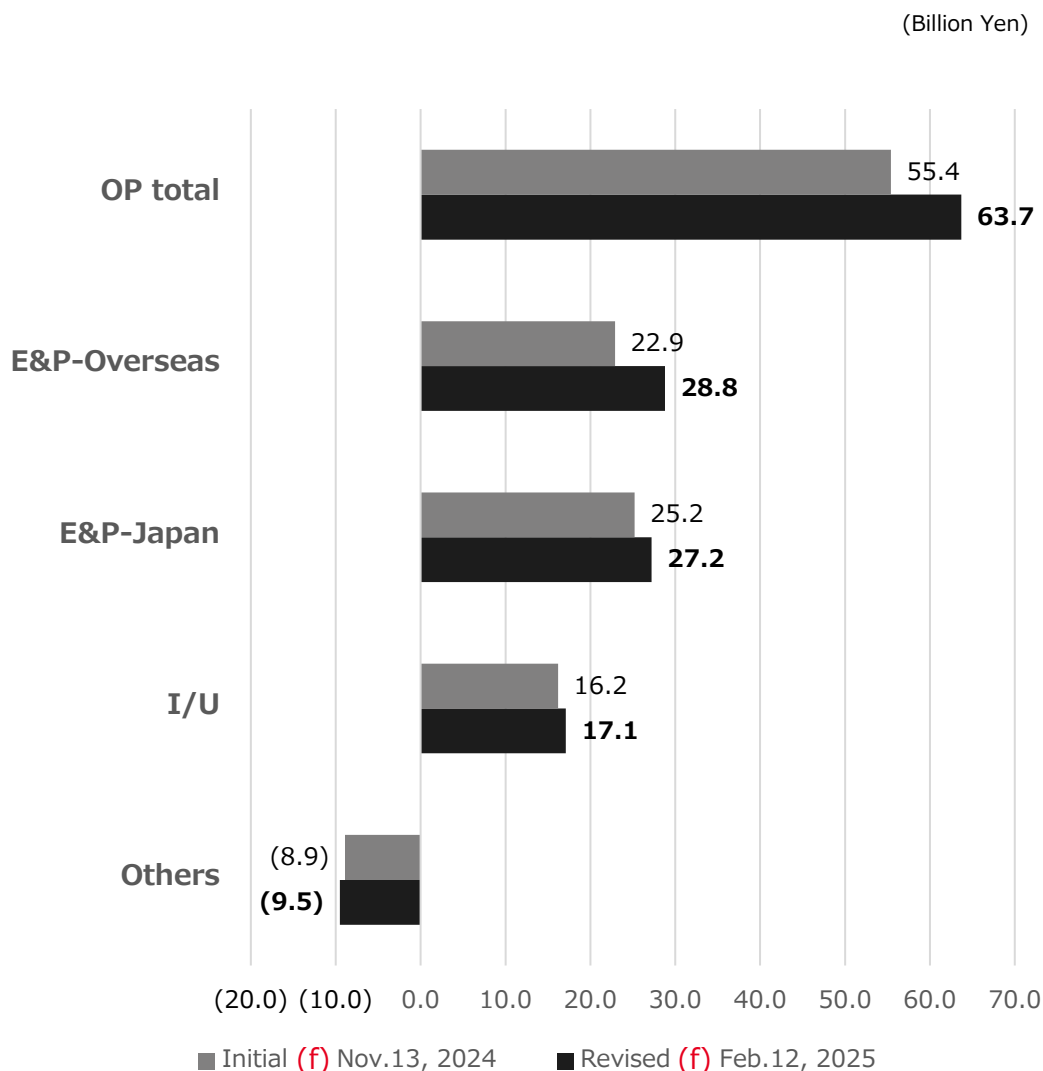
Natural Gas - Japan	Million M3	937	76,586	<b>940</b>	<b>77,605</b>	+3	+0%	+1,018	+1%	
- Produced in Japan		443	-	<b>447</b>	-	+3	+1%	-	-	
LNG	Thousand Ton	423	41,451	<b>421</b>	<b>42,716</b>	[1]	(2)	(1%)	+1,265	+3%
Electricity	Million kWh	3,108	47,441	<b>3,176</b>	<b>49,185</b>	[2]	+68	+2%	+1,743	+4%
Others*	-	-	15,347	-	<b>16,016</b>	-	-	+669	+4%	

### Main factors for change

- [1] Increase in sales price
- [2] Increase in sales volume and sales price

\* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

# Operating Profit Forecasts (vs Nov. 13 Forecasts)



### E&P Business

**Overseas : +5.9 bn.      22.9 bn. → 28.8 bn.**

- Increase in the yen-converted results of overseas subsidiaries due to exchange rate fluctuations (+)
- Increase in sales volume of the Seagull project in U.K. North Sea (+)
- Foreign exchange gap related to cost recovery of Iraqi Garraf project (+)

**Japan : +2.0 bn.      25.2 bn. → 27.2 bn.**

- Increase in sales volume and sales price of crude oil (+)
- Increase in sales volume and sales price\* of natural gas (+)

\* Internal transaction price from E&P Business to Infrastructure/Utilities Business for the internal management

### I/U Business

**+0.9 bn.      16.2 bn. → 17.1 bn.**

- Increase in gain from the sales of LNG cargos (+)

### Others\*

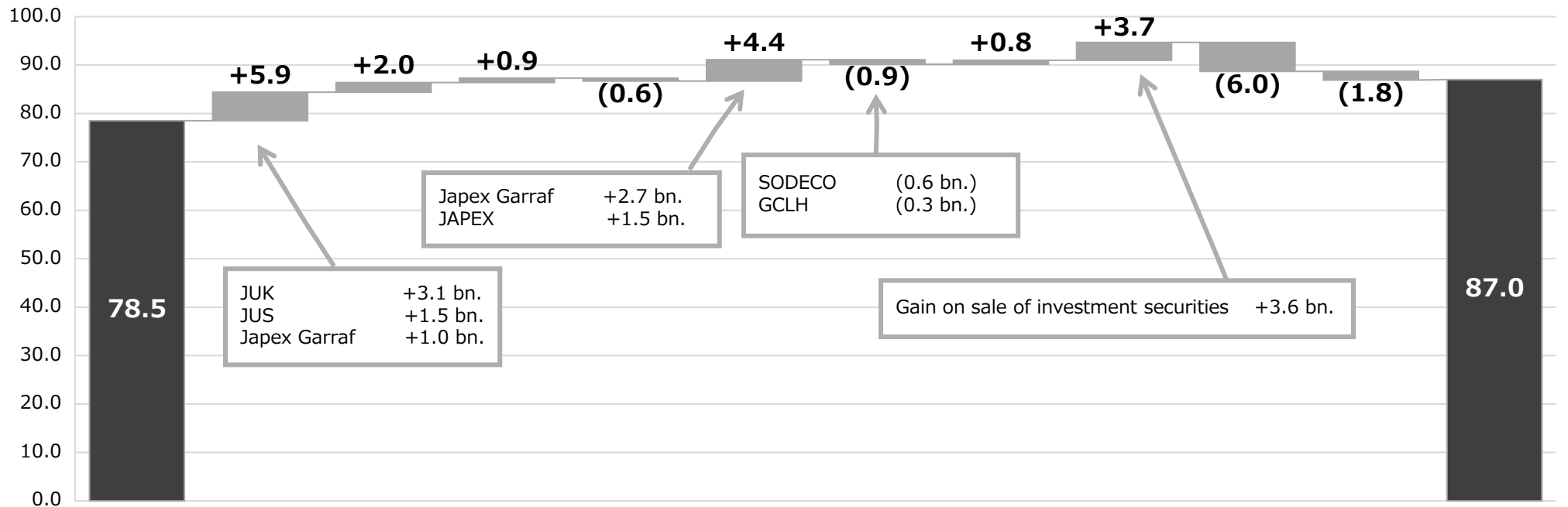
**(0.6 bn.)      (8.9 bn.) → (9.5 bn.)**

\* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

# Analysis of Change in Net Income Forecasts (vs Nov. 13 Forecasts)

(Billion Yen)



FY3/25 (f) Nov.13	Operating profit* +8.3 bn.				Non-operating income +4.3 bn.			Extraordinary income / loss	Income taxes	Profit attributable to non- controlling interest	FY3/25 (f) Feb.12
	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains / losses	Equity method profit / loss	Others				
FY3/25 (f) Nov. 13	22.9	25.2	16.2	(8.9)	(4.4)	0.5	2.7	42.2	17.4	0.5	
FY3/25 (f) Feb. 12	28.8	27.2	17.1	(9.5)	-	(0.4)	3.5	45.9	23.4	2.3	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management



## FY3/25 Forecasts (Year-on-Year)

Million Yen	FY3/24 (a)	FY3/25 Revised (f)	Change	
Net sales	325,863	<b>383,400</b>	+57,536	+18%
Gross profit	87,296	<b>100,000</b>	+12,703	+15%
Operating profit	55,247	<b>63,700</b>	+8,452	+15%
Ordinary profit	68,808	<b>66,800</b>	(2,008)	(3%)
Profit attributable to owners of parent	53,661	<b>87,000</b>	+33,338	+62%

### Oil Price and Exchange Rate

		FY3/24 (a)	FY3/25 Revised (f)	Change
WTI	USD/bbl	77.69	<b>75.75</b>	(1.94)
Crude oil price (CIF)	USD/bbl	86.28	<b>82.00</b>	(4.28)
Exchange rate	JPY/USD	143.28	<b>150.32</b>	+7.04

## E&P Business Sales Forecasts (Year-on-Year)

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 Revised (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	88,810	-	<b>128,031</b>	-	-	+39,220	+44%

### Breakdown

Crude oil	Thousand KL	1,240	87,808	<b>1,743</b>	<b>123,537</b>	+502	+40%	+35,729	+41%	
Crude oil - Japan		225	17,792	<b>230</b>	<b>17,806</b>	+4	+2%	+13	+0%	
Crude oil - overseas <sup>*1</sup>		994	68,397	<b>1,494</b>	<b>104,258</b>	<b>[1]</b>	+500	+50%	+35,860	+52%
Purchased crude oil		20	1,618	<b>18</b>	<b>1,473</b>	(1)	(8%)	(145)	(9%)	
Natural Gas - Overseas <sup>*2</sup>	Million M3	65	1,002	<b>150</b>	<b>4,493</b>	+84	+129%	+3,491	+348%	

### Main factors for change

[1] Increase in sales volume of tight oil development in U.S. and the Seagull project in U.K. North Sea

\*1 FY3/24 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

\*2 FY3/24 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

# I/U Business Sales Forecasts (Year-on-Year)

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 Revised (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	172,147	-	<b>185,524</b>	-	-	+13,376	+8%

## Breakdown

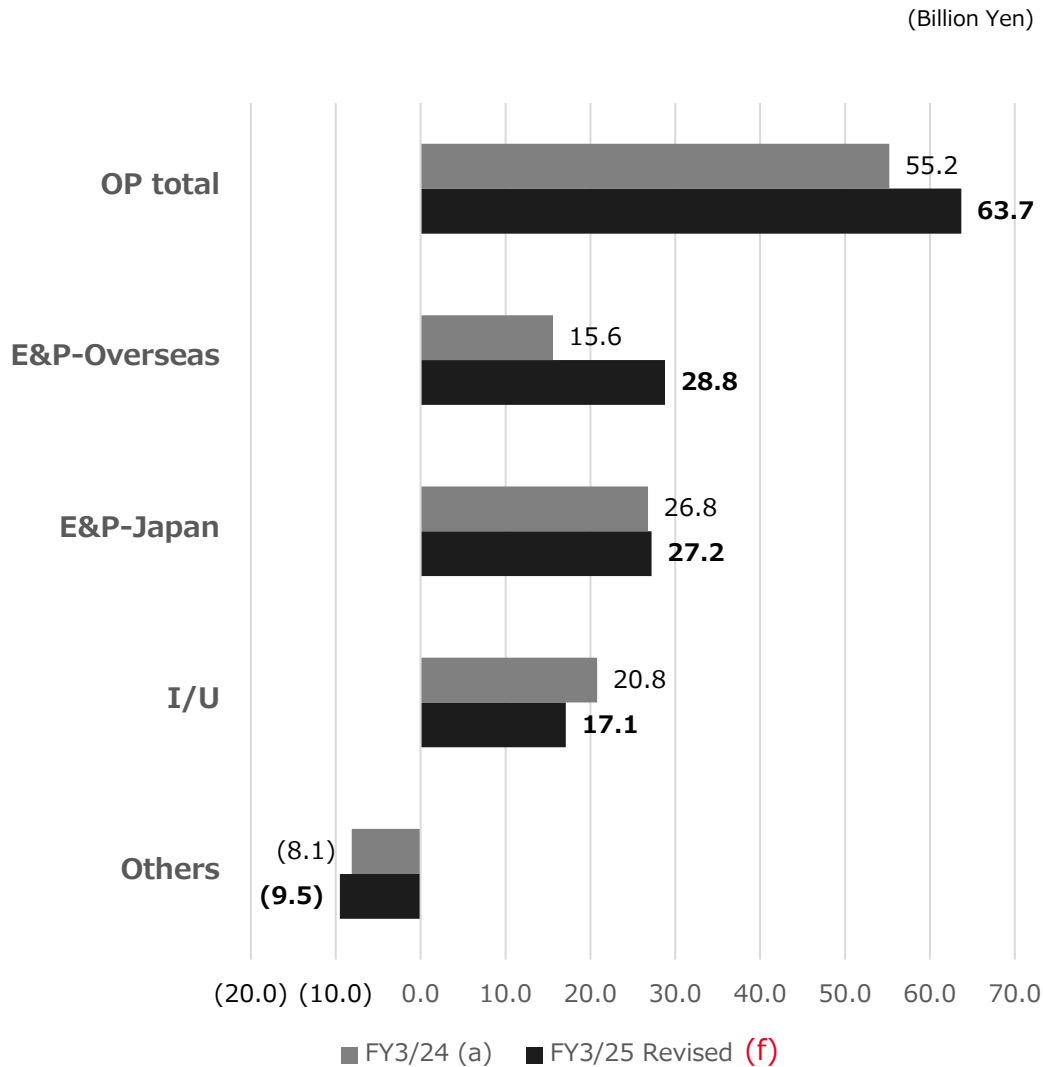
Natural Gas - Japan	Million M3	955	81,487	<b>940</b>	<b>77,605</b>	[1]	(14)	(2%)	(3,881)	(5%)
- Produced in Japan		444	-	<b>447</b>	-	+2	+1%	-	-	
LNG	Thousand Ton	275	30,190	<b>421</b>	<b>42,716</b>	[2]	+146	+53%	+12,526	+41%
Electricity	Million kWh	3,548	53,272	<b>3,176</b>	<b>49,185</b>	[3]	(372)	(10%)	(4,086)	(8%)
Others*	-	-	7,197	-	<b>16,016</b>	-	-	-	+8,819	+123%

## Main factors for change

- [1] Decrease in sales volume and sales price
- [2] Increase in sales volume
- [3] Decrease in sales volume

\* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

# Operating Profit Forecasts (Year-on-Year)



### E&P Business

**Overseas : +13.1 bn. 15.6 bn. → 28.8 bn.**

- Increase in sales volume of tight oil development in U.S. (+)
- Increase in sales volume of the Seagull project in U.K. North Sea (+)

**Japan: +0.3 bn. 26.8 bn. → 27.2 bn.**

### I/U Business

**(3.7 bn.) 20.8 bn. → 17.1 bn.**

- Decrease in slide time lag gain, etc. (–)

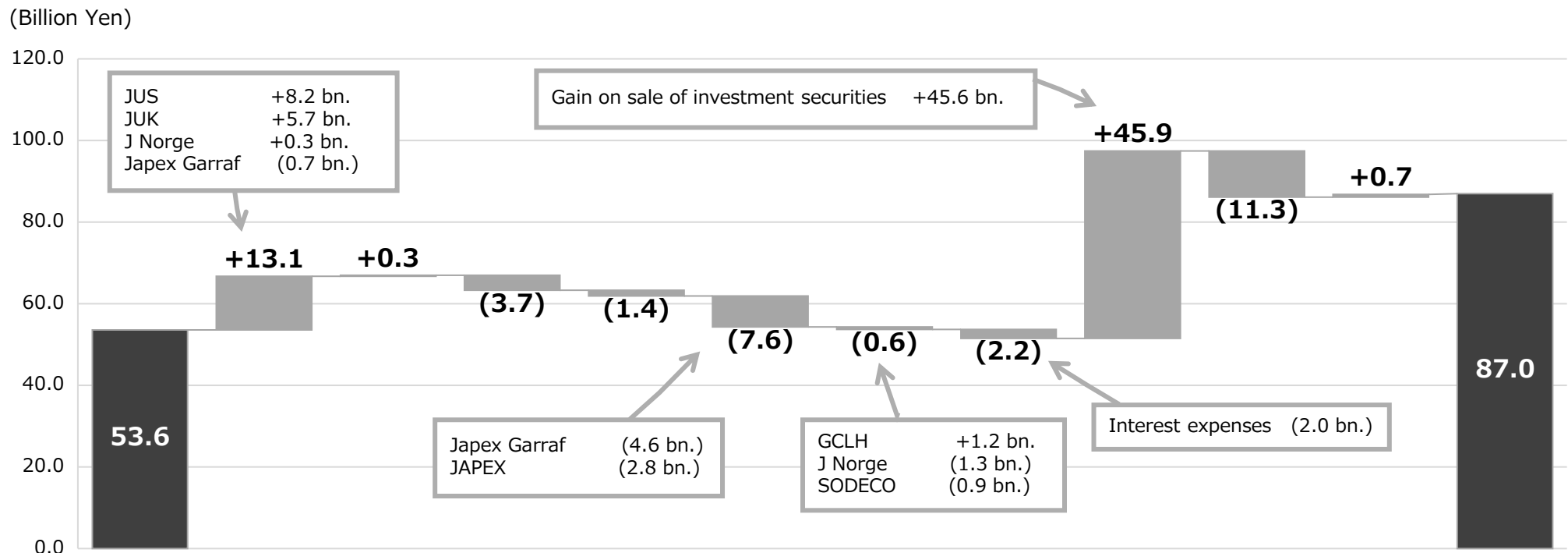
### Others\*

**(1.4 bn.) (8.1 bn.) → (9.5 bn.)**

\* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

# Analysis of Change in Net Income Forecasts (Year-on-Year)



FY3/24 (a)	Operating profit* +8.4 bn.				Non-operating income (10.4 bn.)			Extraordinary income / loss	Income taxes	Profit attributable to non- controlling interest	FY3/25(f) Revised
	Net income	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains / losses	Equity method profit / loss				
FY3/24 (a)	53.6	15.6	26.8	20.8	(8.1)	7.6	0.2	5.7	(0.0)	12.0	3.0
FY3/25(f) Revised	87.0	28.8	27.2	17.1	(9.5)	-	(0.4)	3.5	45.9	23.4	2.3

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

## Cash Flows and Debt

Million Yen	FY3/25 (f) Full year		Change	FY3/24 (a) Full year	Change
	Nov.13	Feb.12			
	A	B	B-A	C	B-C
<b>Cash flows from operating activities</b>	<b>117,418</b>	<b>132,553</b>	<b>+15,134</b>	<b>90,564</b>	<b>+41,988</b>
Profit before income taxes	96,400	112,700	+16,300	68,784	+43,915
Depreciation	40,641	44,705	+4,063	27,646	+17,058
Loss (gain) on sale of short-term and long-term investment securities	(42,000)	(45,698)	(3,698)	-	(45,698)
Recovery of recoverable accounts	26,995	25,767	(1,227)	27,775	(2,008)
<b>Cash flows from investing activities</b>	<b>(134,331)</b>	<b>(127,888)</b>	<b>+6,443</b>	<b>(99,659)</b>	<b>(28,228)</b>
Purchase of property, plant and equipment	(93,326)	(94,933)	(1,607)	(65,924)	(29,009)
Purchase of investment securities	(64,373)	(68,694)	(4,321)	(7,685)	(61,009)
Proceeds from sale and redemption of investment securities	48,295	51,511	+3,216	318	+51,193
Payments of recoverable accounts	(32,186)	(24,676)	+7,509	(25,379)	+703
<b>Cash flows from financing activities</b>	<b>(28,085)</b>	<b>(28,618)</b>	<b>(532)</b>	<b>(28,596)</b>	<b>(22)</b>
<b>Cash and cash equivalents at end of period</b>	<b>107,600</b>	<b>128,645</b>	<b>+21,045</b>	<b>152,598</b>	<b>(23,953)</b>

Interest-bearing debt*1	27,692	27,673	-	9,091	-
EBITDA*2	103,862	117,448	-	93,606	-
Debt-to-EBITDA ratio	0.3	0.2	-	0.1	-

\*1 Interest-bearing debt includes lease obligations, retirement benefit liabilities and contingent liabilities

\*2 EBITDA is the total of operating profit, depreciation, interest and dividends received based on investment cash flow statement

# Appendix

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- 1. Net Sales**
- 2. Financial Results**
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- 7. Business Overview**
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# 1. Net Sales - ① E&P

	Million Yen		FY3/24 (a)			FY3/25 (a)				FY3/25 (f)	
	3Q	1-3Q	Full year	1Q	2Q	3Q	1-3Q	4Q	Full year (f)		
									Nov. 13	Feb. 12	
Sales	25,304	72,841	88,810	29,836	36,110	29,793	95,739	32,291	115,080	128,031	
Sales volume of Crude oil (Thousand KL)	349	1,000	1,240	403	474	490	1,368	374	1,716	1,743	
Net sales	25,091	72,350	87,808	28,966	35,166	29,023	93,156	30,381	111,708	123,537	
Sales volume of Crude oil - Japan (Thousand KL)	60	161	225	51	58	59	169	60	225	230	
Net sales	5,115	12,778	17,792	4,348	4,885	4,379	13,613	4,193	16,881	17,806	
Sales volume of Crude oil - overseas *1 (Thousand KL)	283	823	994	346	410	427	1,185	308	1,472	1,494	
Net sales	19,524	58,369	68,397	24,247	29,824	24,357	78,429	25,828	93,357	104,258	
Sales volume of Purchased crude oil (Thousand KL)	5	15	20	4	5	3	13	5	19	18	
Net sales	451	1,203	1,618	370	456	286	1,113	359	1,469	1,473	
Sales volume of Natural gas -overseas *2 (Million M3)	16	42	65	35	34	39	108	41	145	150	
Net sales	213	490	1,002	869	944	769	2,583	1,909	3,372	4,493	
WTI (USD/bbl)	82.49	77.46	77.69	77.06	80.73	75.19	77.66	70.00	74.45	75.75	
Crude oil price (CIF) (USD/bbl) *3	90.79	86.26	86.28	85.95	87.61	80.49	84.57	75.00	80.72	82.00	

\*1 FY3/24 3Q and 1-3Q: Amounts of overseas consolidated subsidiaries Japex Garraf Ltd. and Japex (U.S.)

FY3/24 Full year and FY3/25 1Q-2Q: Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

From FY3/25 3Q onwards: Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

\*2 FY3/24 3Q and 1Q-3Q: Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp.

FY3/24 Full year and FY3/25 1Q-2Q: Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

From FY3/25 3Q onwards: Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

\*3 Domestic sales price average of crude oil referring to crude oil price (CIF)



# 1. Net Sales – ②I/U

	Million Yen	FY3/24 (a)			FY3/25 (a)				FY3/25 (f)		
		3Q	1-3Q	Full year	1Q	2Q	3Q	1-3Q	4Q	Full year (f)	
										Nov. 13	Feb. 12
Sales		36,027	110,714	172,147	43,749	42,799	42,597	129,146	56,377	180,827	185,524
Sales volume of Natural gas – Japan (Million M3)		246	646	955	195	202	244	642	298	937	940
Net sales		19,351	55,741	81,487	16,778	16,395	20,069	53,242	24,362	76,586	77,605
Sales volume of Natural gas produced in Japan (Million M3)		111	305	444	102	93	115	311	136	443	447
Sales volume of LNG (Thousand ton)		38	99	275	169	97	39	306	114	423	421
Net sales		4,143	10,193	30,190	15,960	8,732	5,266	29,959	12,756	41,451	42,716
Sales volume of Electricity (Million kWh)		695	2,641	3,548	579	934	782	2,296	879	3,108	3,176
Net sales		10,808	40,059	53,272	9,585	14,028	12,280	35,894	13,290	47,441	49,185
Others*		1,723	4,719	7,197	1,425	3,642	4,981	10,049	5,967	15,347	16,016
JLC Price (JPY / ton)		95,287	91,172	93,128	91,340	93,592	92,919	92,617	86,300	88,370	91,054

\* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

## 2. Financial Results

Million Yen	FY3/24 (a)			FY3/25 (a)				FY3/25 (f)		
	3Q	1-3Q	Full year	1Q	2Q	3Q	1-3Q	4Q	Full year (f)	
									Nov. 13	Feb. 12
<b>Net sales</b>	<b>79,229</b>	<b>229,938</b>	<b>325,863</b>	<b>89,465</b>	<b>94,140</b>	<b>91,213</b>	<b>274,820</b>	<b>108,579</b>	<b>364,000</b>	<b>383,400</b>
E&P Business	25,304	72,841	88,810	29,836	36,110	29,793	95,739	32,291	115,080	128,031
Infrastructure/Utility Business	36,027	110,714	172,147	43,749	42,799	42,597	129,146	56,377	180,827	185,524
Others	17,897	46,383	64,905	15,880	15,230	18,823	49,933	19,910	68,092	69,844
Cost of sales	59,789	167,193	238,567	67,187	69,923	66,542	203,652	79,747	272,700	283,400
<b>Gross profit</b>	<b>19,440</b>	<b>62,745</b>	<b>87,296</b>	<b>22,278</b>	<b>24,217</b>	<b>24,671</b>	<b>71,167</b>	<b>28,832</b>	<b>91,300</b>	<b>100,000</b>
Exploration expenses	1,035	2,018	3,536	1,713	409	412	2,535	164	2,800	2,700
SG&A expenses	7,037	20,858	28,512	7,616	7,984	8,519	24,121	9,478	33,100	33,600
<b>Operating profit</b>	<b>11,366</b>	<b>39,868</b>	<b>55,247</b>	<b>12,948</b>	<b>15,822</b>	<b>15,739</b>	<b>44,510</b>	<b>19,189</b>	<b>55,400</b>	<b>63,700</b>
Non-operation income (expense)	<b>(2,339)</b>	<b>8,294</b>	<b>13,561</b>	<b>3,611</b>	<b>(6,568)</b>	<b>5,256</b>	<b>2,300</b>	<b>799</b>	<b>(1,200)</b>	<b>3,100</b>
Interest income	559	1,544	2,265	705	657	556	1,919	280	1,900	2,200
Interest expenses	(161)	(220)	(626)	(598)	(687)	(720)	(2,006)	(693)	(2,800)	(2,700)
Dividend income	71	2,106	4,090	68	2,298	32	2,399	2,300	3,700	4,700
Equity method profit (loss)	245	1,516	214	(589)	(317)	(973)	(1,880)	1,480	500	(400)
Provision for overseas investment	(23)	(38)	78	-	-	1	1	(1)	-	-
Foreign exchange gains (losses)	(3,103)	3,248	7,634	4,086	(8,489)	6,276	1,873	(1,873)	(4,400)	-
Other	72	136	(95)	(59)	(30)	83	(7)	(692)	(100)	(700)
<b>Ordinary profit</b>	<b>9,027</b>	<b>48,162</b>	<b>68,808</b>	<b>16,560</b>	<b>9,254</b>	<b>20,995</b>	<b>46,810</b>	<b>19,989</b>	<b>54,200</b>	<b>66,800</b>
Extraordinary income (loss)	(7)	(20)	(24)	(1)	241	45,698	45,937	(37)	42,200	45,900
Profit before income taxes	9,019	48,141	68,784	16,558	9,496	66,693	92,748	19,951	96,400	112,700
Income taxes	476	9,569	12,067	3,669	970	11,583	16,223	7,176	17,400	23,400
Profit attributable to non-controlling interests	(202)	2,056	3,055	1,395	(1,119)	1,809	2,085	214	500	2,300
<b>Profit attributable to owners of parent</b>	<b>8,745</b>	<b>36,515</b>	<b>53,661</b>	<b>11,493</b>	<b>9,645</b>	<b>53,300</b>	<b>74,440</b>	<b>12,559</b>	<b>78,500</b>	<b>87,000</b>

### 3. Segment Profit

Million Yen		FY3/24 (a)			FY3/25 (a)				FY3/25(f)		
		3Q	1-3Q	Full year	1Q	2Q	3Q	1-3Q	4Q	Full year(f)	
										Nov. 13	Feb. 12
Japan	Operating profit (loss)	9,612	35,954	51,130	9,957	10,586	12,456	33,000	13,529	44,299	46,529
	Equity method profit (loss)	(64)	123	168	110	95	(3)	202	138	224	341
North America	Operating profit (loss)	3,440	8,929	11,417	4,853	5,497	4,438	14,789	4,886	18,145	19,676
	Equity method profit (loss)	-	-	(49)	(29)	(147)	3	(172)	1,133	1,445	961
Europe	Operating profit (loss)	(111)	(360)	426	(275)	2,481	727	2,933	3,666	3,281	6,599
	Equity method profit (loss)	(61)	(61)	(529)	(1,290)	(629)	-	(1,920)	-	(1,920)	(1,920)
Middle East	Operating profit (loss)	1,110	4,230	4,750	1,503	636	1,344	3,484	551	2,976	4,035
	Equity method profit (loss)	7	2	2	-	-	-	-	-	-	-
Others* <sup>1</sup>	Operating profit (loss)	-	-	-	-	-	-	-	-	-	-
	Equity method profit (loss)	364	1,451	622	619	363	(974)	8	208	751	217
Adjustments and Eliminations* <sup>2</sup>		(2,684)	(8,885)	(12,477)	(3,090)	(3,378)	(3,227)	(9,697)	(3,443)	(13,302)	(13,141)
Amounts on consolidated statement of income* <sup>3</sup>	Operating profit	11,366	39,868	55,247	12,948	15,822	15,739	44,510	19,189	55,400	63,700

\*1 Include the Sakhalin Oil and Gas Development Co., Ltd., Energi Mega Pratama Inc., and others

\*2 Mainly intersegment elimination and corporate expense.

Furthermore, corporate expense represents mainly general and administrative expenses and experiment and research expense that are not allocated to reporting segments.

\*3 Segment profit (loss) is reconciled to operating profit in the consolidated statements of income.

## 4. Segment Sales

Million Yen		FY3/24 1-3Q (a)					FY3/25 1-3Q (a)				
		Japan	North America	Europe	Middle East	Total	Japan	North America	Europe	Middle East	Total
E&P Business	Crude oil	13,981	22,936	-	35,432	72,350	14,726	37,217	7,796	33,415	93,156
	Natural Gas - Overseas	-	490	-	-	490	-	660	1,922	-	2,583
	Subtotal	13,981	23,427	-	35,432	72,841	14,726	37,878	9,719	33,415	95,739
I/U Business	Natural Gas - Japan	55,741	-	-	-	55,741	53,242	-	-	-	53,242
	LNG	10,193	-	-	-	10,193	29,959	-	-	-	29,959
	Electricity	40,059	-	-	-	40,059	35,894	-	-	-	35,894
	Others	4,719	-	-	-	4,719	10,049	-	-	-	10,049
	Subtotal	110,714	-	-	-	110,714	129,146	-	-	-	129,146
Other Businesses	Contracting	4,837	-	-	-	4,837	6,377	-	-	-	6,377
	Oil products and commodities	39,028	-	-	-	39,028	41,645	-	-	-	41,645
	Others	2,517	-	-	-	2,517	1,911	-	-	-	1,911
	Subtotal	46,383	-	-	-	46,383	49,933	-	-	-	49,933
Total		171,079	23,427	-	35,432	229,938	193,806	37,878	9,719	33,415	274,820

## 5. Price Assumptions for FY3/25 Forecasts

Market Price			Upper: from January 2023 to March 2024					Full year
			Middle / lower: from January 2024 to March 2025					
			Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	
Crude oil price (CIF) *1	USD/bbl	FY3/24 (a)	-	85.17	81.77	90.79	86.32	86.28
		Previous (f) Nov. 13	-	85.95	87.61	75.00	75.00	80.72
		Revised (f) Feb. 12	-	<b>85.95</b> *2	<b>87.61</b> *2	<b>80.49</b> *2	<b>75.00</b>	<b>82.00</b>
WTI	USD/bbl	FY3/24 (a)	76.11	73.78	82.49	78.36	-	77.69
		Previous (f) Nov. 13	77.06	80.73	70.00	70.00	-	74.45
		Revised (f) Feb. 12	<b>77.06</b> *2	<b>80.73</b> *2	<b>75.19</b> *2	<b>70.00</b>	-	<b>75.75</b>
JLC price	JPY/Ton	FY3/24 (a)	-	89,887	88,343	95,287	98,994	93,128
		Previous (f) Nov. 13	-	91,340	93,773	87,200	81,100	88,370
		Revised (f) Feb. 12	-	<b>91,340</b> *2	<b>93,592</b> *2	<b>92,919</b>	<b>86,300</b>	<b>91,054</b>
Exchange rate	JPY/USD	FY3/24 (a)	-	134.36	141.06	148.53	146.51	143.28
		Previous (f) Nov. 13	-	152.39	156.02	140.00	140.00	147.46
		Revised (f) Feb. 12	-	<b>152.39</b> *2	<b>156.02</b> *2	<b>147.62</b> *2	<b>145.00</b>	<b>150.32</b>

\*1 Domestic sales price average of crude oil referring to crude oil (CIF)

\*2 Actual

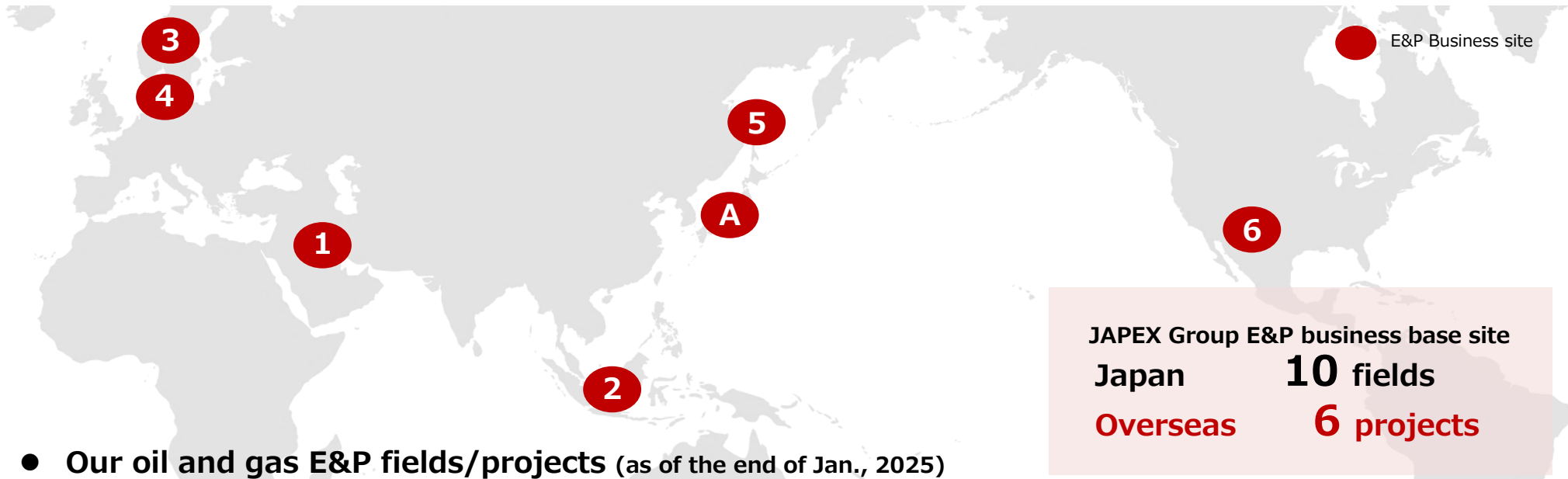
## 6. Sensitivities Analysis on FY3/25 Forecasts Basis

	FY3/25 4Q Assumptions	Fluctuation	Impacts on profit (Million Yen)	Main factors for change positive factor "+" / negative factor "-"
			Operating profit	
Crude oil price	<b>Crude oil price (CIF) 4Q:USD 75.00/bbl</b>	Increase by 1USD/bbl	<b>60</b>	+ Sales of oil and gas - Increase in LNG procurement cost
Exchange rate	<b>JPY 145.00/USD</b>	1 weaker JPY against USD	<b>60</b>	+ Sales of oil and gas - Increase in LNG procurement cost

### 【Assumptions】

- Changes in equity method profit/loss are not considered in the above amount
- In addition to the impact of exchange rate fluctuations shown on the above, translation adjustments of foreign-currency-denominated receivables and payables also may occur
- Actual profits are influenced by various other factors besides crude oil prices and exchange rates

## 7. Business Overview ① E&P Field



### ● Our oil and gas E&P fields/projects (as of the end of Jan., 2025)

No.	Oil and gas field/Project title (Operator)	Interest Share (JAPEX's net)	Production type	Status	Production Volume* <sup>1</sup>
A	Japan: Domestic oil and gas fields (Total of 10 locations in Hokkaido, Akita, Yamagata, and Niigata)	Differ by interest	Crude oil/ natural gas	Production/ Development	Undisclosed
1	Iraq: Garraf Project (PETRONAS Carigali Iraq Holding B.V.)	30% (16.5%)	Crude oil	Production/ Development	Approx. 166,000bbl
2	Indonesia: Kangean Project (Kangean Energy Indonesia Ltd.)	100% (25%)	Crude oil/ natural gas	Production	Approx. 1,950,000m <sup>3</sup> (Approx. 11,901boed)
3	Norway: Offshore Blocks (Equinor ASA, etc.* <sup>2</sup> )	Differ by interest	Crude oil/ natural gas	Exploration/Production/ Development	627boe* <sup>3</sup> * <sup>5</sup>
4	UK North Sea: Seagull Project (BP Exploration Operating Company Ltd.)	15% (15%)	Crude oil/ natural gas	Production/ Development	Undisclosed
5	Russia: Sakhalin-1 Project (Sakhalin-1 Limited Liability Company: S1LLC)	30% (4.59%)* <sup>4</sup>	Crude oil/ natural gas	Production/ Development	Undisclosed
6	North America: Tight Oil Development (EOG Resources Inc., etc.* <sup>2</sup> )	Differ by interest	Crude oil/ natural gas	Production/ Development	15,619boed* <sup>5</sup>

\*1: Average daily Production for 3Q FY2024 (No.1: Apr.-Dec.2024, No.2,3,6: Jan.-Sep.2024) \*2: Operators differ by interest. Main operators listed.

\*3: Since the procedures for the acquisition of interests in production assets were completed at the end of Jan. 2024.

\*4: Pursuant to Government of the Russian Federation order on Nov. 2022, Sakhalin Oil and Gas Development Co., Ltd.(SODECO) was approved to subscribe for 30% equity of the S1LLC. \*5 Stated in net.

## 7. Business Overview ② I/U Field - Gas Supply

### Features of JAPEX's domestic gas supply network

High-pressure gas pipeline network over **800 km total**

**2** LNG terminals for ocean-going carriers

Capable to supply from Sea of Japan and Pacific Ocean

#### ● Domestic gas supply

- Domestic produced gas and regasified LNG supply via pipelines
- Receive, storage, regasify, and deliver LNG
- LNG satellite system: tank trucks, domestic vessels
- Third-party or consignment use of our gas pipelines and LNG terminals etc.

#### ● Respond to diversification of domestic gas supply

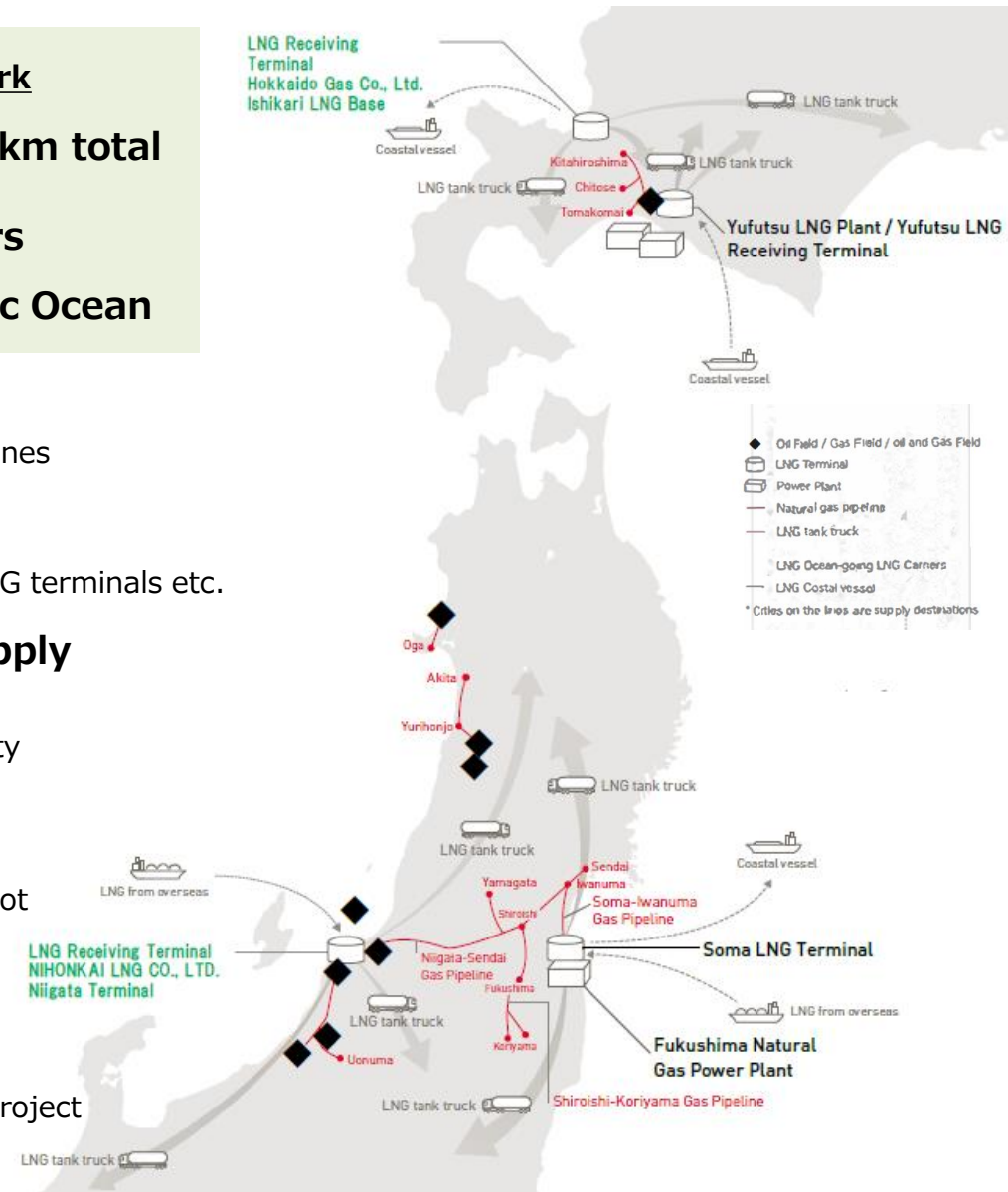
- Support fuel switching to natural gas from other fossil fuels
- Propose and provide energy services in cooperation with city gas suppliers

#### ● LNG procurement

- Procure competitive LNG with a combination of term and spot contracts

#### ● Overseas LNG supply infrastructure

- Project Participation: Freeport LNG Project in Texas, U.S.A.
- Ongoing feasibility study: Northern Vietnam LNG terminal project





## 7. Business Overview ③ I/U Field - Electricity

Power plants **Total 8 sites** Total output **1,389,800kW**  
 (Renewable energy **7 sites** Renewable energy **209,800kW**)

※ Total output represents gross plant output

Power storage facility **Total 1 site** Total output **1,999kW**

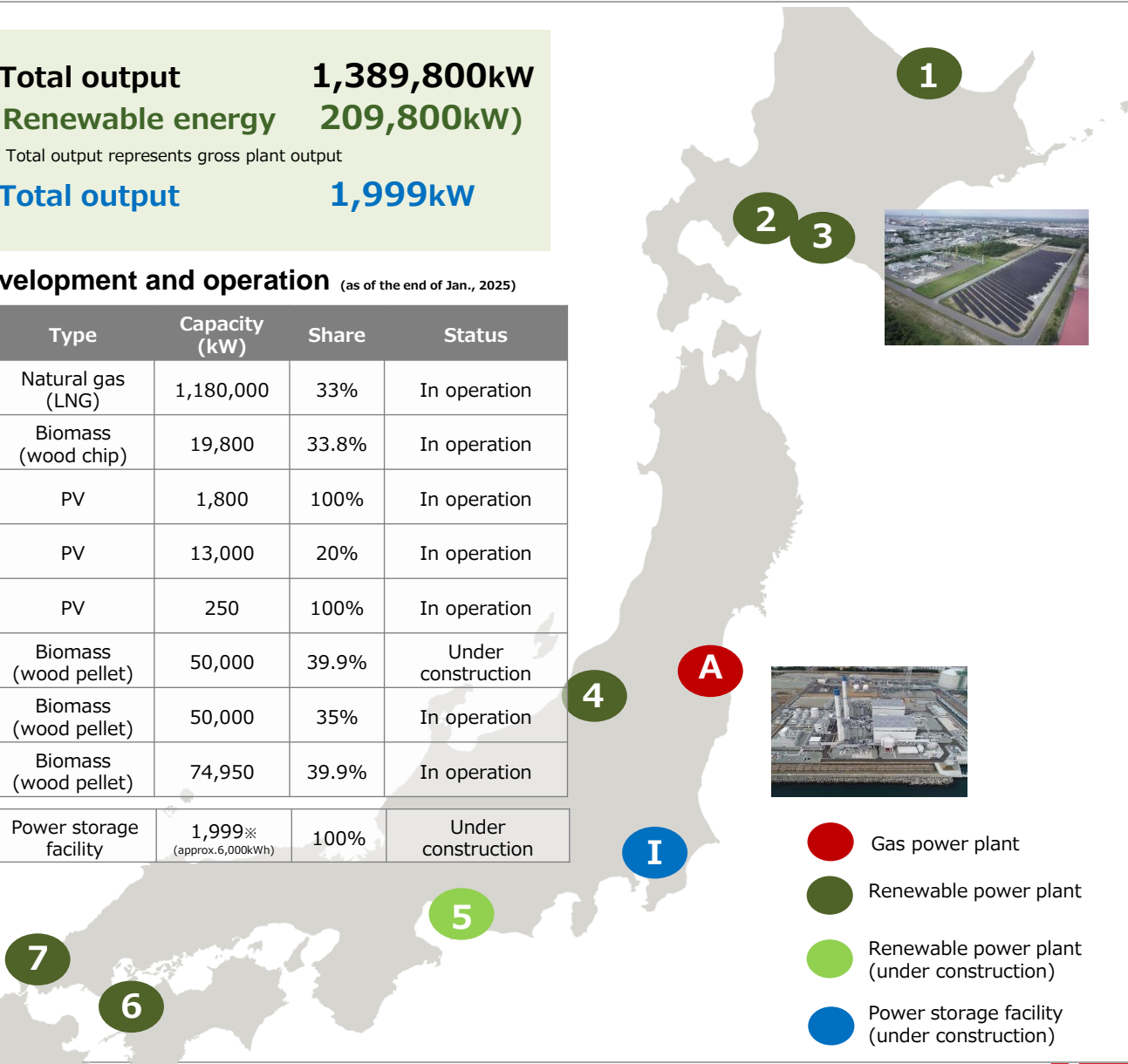
### ● Power plants and power storage facility in development and operation (as of the end of Jan., 2025)

No.	Name	Location	Type	Capacity (kW)	Share	Status
A	Fukushima Natural Gas Power Plant	Shinchi Town, Fukushima	Natural gas (LNG)	1,180,000	33%	In operation
1	Abashiri Biomass No.2&3 Power Plants	Abashiri City, Hokkaido	Biomass (wood chip)	19,800	33.8%	In operation
2	Mega solar power generation at JAPEX Hokkaido District Office	Tomakomai City, Hokkaido	PV	1,800	100%	In operation
3	Yufutsu Solar Power Plant	Tomakomai City, Hokkaido	PV	13,000	20%	In operation
4	Mitsuke PV Power Plant	Mitsuke City, Niigata	PV	250	100%	In operation
5	Tahara Biomass Power Plant	Tahara City, Aichi	Biomass (wood pellet)	50,000	39.9%	Under construction
6	Ozu Biomass Power Plant	Ozu City, Ehime	Biomass (wood pellet)	50,000	35%	In operation
7	Chofu Biomass Power Plant	Shimonoseki City, Yamaguchi	Biomass (wood pellet)	74,950	39.9%	In operation
I	JAPEX Mihama Battery Energy Storage System	Chiba City, Chiba	Power storage facility	1,999※ (approx.6,000kWh)	100%	Under construction

※The figures in parentheses are the capacities within the storage facilities.

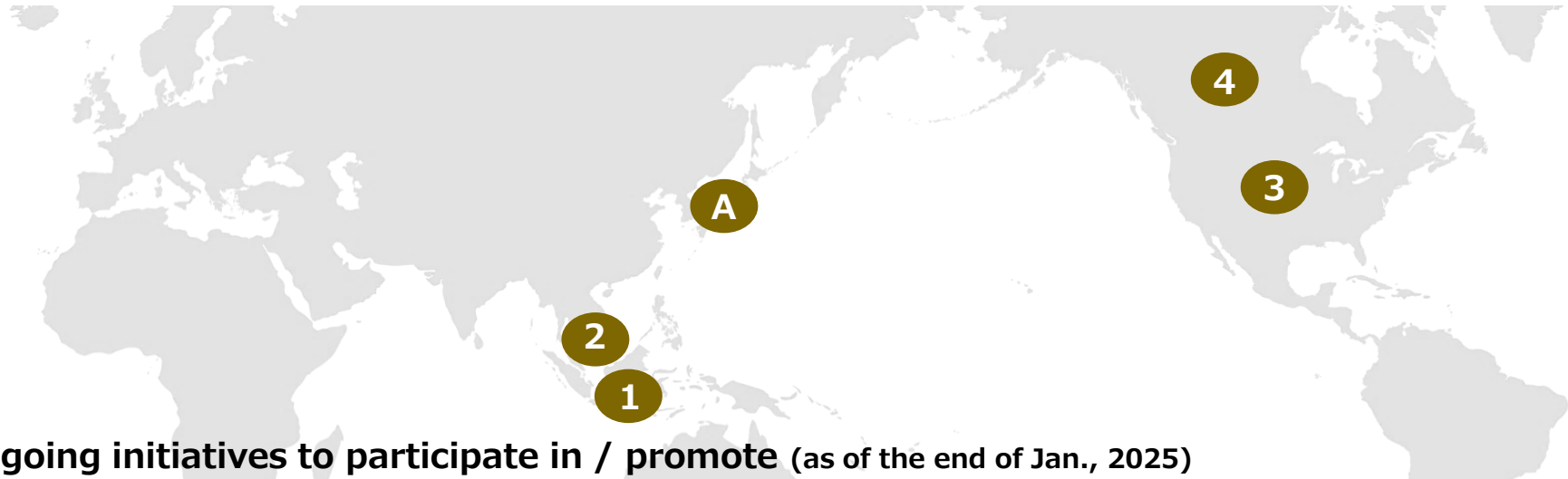
### ● Other renewable energy project

- PHOTON Sustainable Solar Investment Limited Partnership (funding up to 10 billion yen in PV generation projects including non-FIT projects; 50% of our investment ratio)
- A basic agreement was concluded with Iino Kaiun regarding a joint venture for solar power generation (to install solar power generation facilities with a cumulative output of approximately 30 MW by 2030).



- Gas power plant
- Renewable power plant
- Renewable power plant (under construction)
- Power storage facility (under construction)

## 7. Business Overview ④ CN Field



### ● Ongoing initiatives to participate in / promote (as of the end of Jan., 2025)

No.	Country	Major Initiatives
A	Japan	<ul style="list-style-type: none"> <li>✓ Study on technical issues of energy transportation infrastructure for the realization of CN society with JFE Engineering</li> <li>✓ Agreed on Joint Study with Nippon Gas Line on domestic marine transportation of liquefied CO<sub>2</sub> and port developments (Nov 2023)</li> <li>✓ Commencement of Joint Study with MGC, IHI, Mitsui &amp; Co., and MOL to establish ammonia supply base in Soma area, Fukushima (Jan 2024)</li> <li>✓ Adoption of the Survey for establish an ammonia supply base in Soma area, Fukushima Prefecture, for the FY2024 “Subsidy for Measures to Promote Introduction of Non-Fossil Energy (Hydrogen Supply Infrastructure Improvement Project)” (May 2024)</li> <li>✓ Commissioned a CCS engineering design work in Higashi-Niigata Area, as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Sep 2024)</li> <li>✓ Commissioned a CCS engineering design work in Tomakomai Area, as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Oct 2024)</li> </ul>
1	Indonesia	<ul style="list-style-type: none"> <li>✓ Signed a Memorandum of Understanding with SKK Migas for cooperation in realizing Hub &amp; Cluster CCS/CCUS in Indonesia (Sep 2023)</li> <li>✓ Joint Study Agreement for a Feasibility Assessment on BECCS in South Sumatra, Indonesia with Marubeni, Pertamina, PHE (Aug 2024)</li> <li>✓ Commencement of Inter-Well CO<sub>2</sub> Injection Test at Sukowati oil field, Indonesia (Oct 2024)</li> </ul>
2	Malaysia	<ul style="list-style-type: none"> <li>✓ Joint Study on CCS : Jointly conducted site surveys and technical studies with a view to implementing CO<sub>2</sub> geological storage with PETRONAS, JGC Global Corporation, and Kawasaki Kisen Kaisha (Jan 2022)</li> <li>✓ Signed a Key Principles Agreement for the maturation and development of the CCS Project with Petronas' subsidiary PCCSV, JGC HD, and “K” LINE in Malaysia (Sep 2023).</li> <li>✓ Commission a CCS engineering design work in Sarawak, Malaysia as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Sep 2024)</li> </ul>
3	U.S.	<ul style="list-style-type: none"> <li>✓ Capital participation in Blue Spruce Operating LLC of the U.S. to participate in our first CCS business study project in advanced overseas country (Oct 2023)</li> </ul>
4	Canada	<ul style="list-style-type: none"> <li>✓ Signed MOU to foster growth and collaboration in energy market throughout with Invest Alberta Corporation (Mar 2024)</li> </ul>

## 8. Integrated Report and IR Materials, etc.

Please visit our website for the integrated report and IR materials.

### Integrated Report

#### ◆ Integrated Report



<https://www.japex.co.jp/en/ir/library/integratedreport/>

**The latest issue**  
(Integrated Report 2024, published in October 2024)  
is available directly via the following link

[https://www.japex.co.jp/en/ir/uploads/pdf/JAPEX\\_IR2024\\_e.pdf](https://www.japex.co.jp/en/ir/uploads/pdf/JAPEX_IR2024_e.pdf)

### Disclosure Materials Archive

- ◆ Financial Results
- ◆ Explanatory Materials
- ◆ Securities Report

<https://www.japex.co.jp/en/ir/library/result/>

<https://www.japex.co.jp/en/ir/library/explanatory/>

<https://www.japex.co.jp/en/ir/library/report/>

### Performance information, etc.

- ◆ Financial highlights for 5 years  
\* Past 10 years' CVS data is also available
- ◆ Shareholder Returns (Dividends)

<https://www.japex.co.jp/en/ir/figure/>

[https://www.japex.co.jp/ir/uploads/JAPEX\\_10yearFinancialData\\_e.xlsx](https://www.japex.co.jp/ir/uploads/JAPEX_10yearFinancialData_e.xlsx)

<https://www.japex.co.jp/en/ir/stock/dividend/>

## 9. Glossary

### ● Abbreviations

BOE(D)	Barrels of Oil Equivalent (per Day)
CCS	Carbon dioxide Capture and Storage
CCUS	Carbon dioxide Capture, Utilization and Storage
CIF	Cost, Insurance and Freight
CN	Carbon neutral
E&P	Exploration and Production
I/U	Infrastructure & Utility
JCC	Japan Crude Cocktail
WTI	West Texas Intermediate

### ● Main Subsidiaries and Affiliates

Japex Garraf	Japex Garraf Ltd.	Iraq / Garraf Project
EMPI	Energi Mega Pratama Inc.	Indonesia / Kangean Project
SODECO	Sakhalin Oil & Gas Development Co., Ltd.	Russia / Sakhalin-1 Project
J Norge	JAPEX Norge AS	Norway: Offshore Blocks
FGP	Fukushima Gas Power Co., Ltd.	Natural gas-fired electric power generation Business
GCLH	Gulf Coast LNG Holdings LLC	Freeport LNG Project in Texas, U.S.A.

# Cautionary Statement

This document contains future outlooks such as plans, forecasts, strategies, and others which are not historical facts and these are made by the management's judgement based on the obtainable information at the time of the disclosure. Actual results may significantly differ from those future outlooks due to various factors.

This document is not intended to invite investment.

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## Note:

- Abbreviations used herein are as follows:
  - (a) = Actual results
  - (f) = Forecasts
  - FY = Fiscal Year (FY3/25, for instance, means 12 months ending March 31, 2025)
- Figures in parentheses in "Operating profit," "Ordinary profit," "Equity method profit," and "Profit attributable to owners of parent" represent losses in each category.

Any inquiries about the information contained herein or other Investor Relations questions are requested to be directed to:

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