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Semiannual Securities Report

(Semiannual accounting period of the 56th term)

From: April 1, 2025
To: September 30, 2025

Japan Petroleum Exploration Co., Ltd.

1-7-12 Marunouchi, Chiyoda-ku, Tokyo

(E00041)

This document has been produced as a PDF file that contains the contents of the Semiannual Securities Report filed to the Financial Services Agency via the Electronic Disclosure for Investors' NETwork (EDINET) system.

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Cover

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| Document title | Semiannual Securities Report |
| Clause of stipulation | Item 1 of the table in paragraph 1 of Article 24-5 of the Financial Instruments and Exchange Act |
| Place of filing | Director-General of the Kanto Local Finance Bureau |
| Filing date | November 12, 2025 |
| Semiannual accounting period | The semiannual accounting period of the 56th term (April 1, 2025 to September 30, 2025) |
| Company name | Japan Petroleum Exploration Co., Ltd. |
| Company name in English | Japan Petroleum Exploration Co., Ltd. |
| Title and name of representative | YAMASHITA Michiro, Representative Director and President |
| Address of registered headquarters | 1-7-12 Marunouchi, Chiyoda-ku, Tokyo |
| Telephone number | +81-3-6268-7001 |
| Name of contact person | FUJIMOTO Hiroshi, Manager of Document Administration Group, Administration & Legal Dept. |
| Nearest place of contact | 1-7-12 Marunouchi, Chiyoda-ku, Tokyo |
| Telephone number | +81-3-6268-7001 |
| Name of contact person | FUJIMOTO Hiroshi, Manager of Document Administration Group, Administration & Legal Dept. |
| Place for public inspection | Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo) |

Section 1 Company Information

Item 1. Overview of Company

1. Key Financial Data

| Term and Period | Semiannual accounting period of the 55th term | Semiannual accounting period of the 56th term | 55th term |
|---|---|---|--------------------------------------|
| Accounting period | From April 1, 2024 to September 30, 2024 | From April 1, 2025 to September 30, 2025 | From April 1, 2024 to March 31, 2025 |
| Net sales (Millions of yen) | 183,606 | 168,140 | 389,082 |
| Ordinary profit (Millions of yen) | 25,815 | 32,937 | 64,221 |
| Profit attributable to owners of parent (Millions of yen) | 21,139 | 27,055 | 81,153 |
| Comprehensive income (Millions of yen) | 25,728 | 21,178 | 51,939 |
| Net assets (Millions of yen) | 543,425 | 570,630 | 557,257 |
| Total assets (Millions of yen) | 679,925 | 684,737 | 681,598 |
| Basic earnings per share (Yen) | 81.46 | 105.72 | 314.91 |
| Diluted earnings per share (Yen) | — | — | — |
| Equity ratio (%) | 75.0 | 79.0 | 77.4 |
| Net cash provided by (used in) operating activities (Millions of yen) | 61,471 | 56,828 | 130,766 |
| Net cash provided by (used in) investing activities (Millions of yen) | (105,496) | (5,021) | (107,076) |
| Net cash provided by (used in) financing activities (Millions of yen) | 3,433 | (8,594) | (38,671) |
| Cash and cash equivalents at the end of the period (Millions of yen) | 115,809 | 183,480 | 140,931 |

- Notes: 1. Since JAPEX prepares semiannual consolidated financial statements, key financial data of the reporting company are not stated.
2. The amounts of diluted earnings per share are not stated since there were no dilutive shares.
3. JAPEX conducted a 5-for-1 stock split of shares of common stock on October 1, 2024. Basic earnings per share were calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

2. Description of Business

There are no significant changes in the business operated by the Group (JAPEX and its subsidiaries and associates) during the six months ended September 30, 2025.

In addition, changes in major subsidiaries and associates are as follows:

<North America segment>

During the six months ended September 30, 2025, Peoria Resources LLC was newly established and included in the scope of consolidation.

<Europe segment>

During the six months ended September 30, 2025, JAPEX UK E&P LIMITED (hereinafter “JUK”), a consolidated subsidiary of our company, was excluded from the scope of consolidation due to the transfer of all shares in JUK held by JAPEX. For details, please refer to “Item 4. Financial Information, 1. Semiannual Consolidated Financial Statements, Notes to semiannual consolidated financial statements (Business combinations).”

Item 2. Overview of Business

1. Business and Other Risks

During the six months ended September 30, 2025, there are no significant changes in the “Business and Other Risks” included in the Annual Securities Report for the previous fiscal year.

2. Management's Discussion and Analysis of Financial Position, Operating Results, and Cash Flows

Please note that any forward-looking statements in the following discussion are based on the judgement as of the end of the six months ended September 30, 2025.

(1) Overviews of financial position and operating results

During the six months ended September 30, 2025, net sales was ¥168,140 million, a decrease of ¥15,465 million (-8.4%) year on year. Gross profit was ¥43,536 million, a decrease of ¥2,958 million (-6.4%) year on year. Main factors behind the year-on-year decrease for net sales and gross profit include a drop in crude oil and natural gas sales prices, and a decrease in sales volume for LNG.

Exploration expenses were ¥737 million, a decrease of ¥1,385 million (-65.2%) year on year. Selling, general and administrative expenses was ¥17,291 million, an increase of ¥1,689 million (+10.8%) year on year. As a result, operating profit was ¥25,507 million, a decrease of ¥3,263 million (-11.3%) year on year.

Ordinary profit was ¥32,937 million, an increase of ¥7,122 million (+27.6%) year on year, due mainly to a reversal from a share of loss of entities accounted for using equity method to a share of profit and the turnaround from foreign exchange losses to foreign exchange gains.

Profit before income taxes increased by ¥7,894 million year on year to ¥33,949 million. Profit attributable to owners of parent increased by ¥5,916 million year on year to ¥27,055 million.

Below is a breakdown of net sales.

(i) E&P Business

Net sales from the E&P Business came to ¥56,504 million, a decrease of ¥9,441 million (-14.3%) year on year, mainly due to a drop in crude oil prices.

(ii) Infrastructure/Utility Business

Net sales from the Infrastructure/Utility Business came to ¥79,978 million, a decrease of ¥6,570 million (-7.6%) year on year. This was mainly the result of a decrease in sales volume for LNG.

(iii) Other Businesses

Net sales from other businesses, such as the contract services (drilling and geological surveys, etc.), sale of oil products, including liquefied petroleum gas (LPG), fuel oil and the like, as well as other subcontracted tasks, came to ¥31,657 million, an increase of ¥546 million (+1.8%) year on year.

Below is a summary of operating results by segment (before elimination of intersegment transactions).

(a) Japan

Net sales in the Japan segment are mainly composed of crude oil, natural gas (including LNG), electricity, contract services, oil products, and the like. During the six months ended September 30, 2025, net sales came to ¥119,926 million, a decrease of ¥7,807 million (-6.1%) year on year, mainly due to a decrease in sales volume for LNG. Segment profit decreased by ¥3,254 million (-15.8%) year on year to ¥17,289 million, mainly due to a deterioration in profit from the sales of crude oil and natural gas (including LNG), caused by a drop in crude oil prices and a shift in the exchange rates toward a stronger yen year on year.

(b) North America

Net sales in the North America segment are mainly composed of crude oil and natural gas. During the six months ended September 30, 2025, net sales came to ¥29,162 million, an increase of ¥1,793 million (+6.6%) year on year, mainly due to increases in the sales volume of crude oil and natural gas. Segment profit, like net sales, increased by ¥559 million (+5.4%) year on year to ¥10,910 million, mainly due to increases in the sales volume for crude oil and natural gas.

(c) Europe

Net sales in the Europe segment are mainly composed of crude oil and natural gas. During the six months ended September 30, 2025, net sales came to ¥7,185 million, an increase of ¥861 million (+13.6%) year on year, mainly due to increases in the sales volume for crude oil and natural gas. Segment profit decreased by ¥11 million (-0.5%) year on year to ¥2,194 million.

(d) Middle East

Net sales from the Middle East segment are composed of crude oil. During the six months ended September 30, 2025, net sales came to ¥11,867 million, a decrease of ¥10,327 million (-46.5%) year on year, mainly due to a decrease in the sales

volume of crude oil. Segment profit decreased by ¥794 million (-37.1%) year on year to ¥1,345 million.

Total assets as of September 30, 2025 increased by ¥3,138 million from the previous fiscal year-end to ¥684,737 million.

Current assets increased by ¥25,317 million from the previous fiscal year-end. This was mainly due to an increase in cash and deposits, despite a decrease in notes and accounts receivable - trade, and contract assets. Non-current assets decreased by ¥22,178 million from the previous fiscal year-end. This was mainly due to a decrease in property, plant and equipment resulting from the exclusion of JUK from the scope of consolidation following the transfer of all shares of it and other factors, despite an increase in investment securities resulting from the rise in market values.

Liabilities decreased by ¥10,233 million from the previous fiscal year-end to ¥114,106 million.

Current liabilities decreased by ¥10,460 million from the previous fiscal year-end. This was mainly due to a decrease in income taxes payable. Non-current liabilities increased by ¥226 million from the previous fiscal year-end. This was mainly due to an increase in other under non-current liabilities, despite a decrease in asset retirement obligations.

Net assets increased by ¥13,372 million from the previous fiscal year-end to ¥570,630 million. This was mainly due to increases in retained earnings and valuation difference on available-for-sale securities, despite a decrease in foreign currency translation adjustment.

(2) Overview of cash flows for the six months ended September 30, 2025

As of September 30, 2025, cash and cash equivalents (hereinafter “net cash”) increased by ¥42,548 million compared to the end of the previous fiscal year to ¥183,480 million. Below are cash flows for each activity and their respective factors for the six months ended September 30, 2025.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥56,828 million. This was mainly due to profit before income taxes of ¥33,949 million and depreciation of ¥23,134 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥5,021 million. Net cash was mainly used in purchase of property, plant and equipment of ¥16,852 million, payments of recoverable accounts of ¥12,912 million, and purchase of investment securities of ¥6,976 million, while net cash was provided by proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation of ¥17,153 million and proceeds from withdrawal of time deposits of ¥10,737 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥8,594 million. Net cash was mainly used in dividends paid of ¥7,693 million.

(3) Management policy, business strategy, and business and financial issues to be addressed as a priority

During the six months ended September 30, 2025, there are no significant changes in the management policy and business strategy established by the Group, as well as issues to be addressed as a priority by the Group.

In addition, there are no significant changes in the basic policy regarding the person controlling decisions relative to policies for our finances and business during the six months ended September 30, 2025.

(4) Research and development activities

The Group used ¥176 million in research and development activities during the six months ended September 30, 2025.

There are no significant changes in the status of the Group’s research and development activities during the six months ended September 30, 2025.

(5) Major facilities

JAPEX transferred all of its shares in its consolidated subsidiary, JUK, to Ithaca Energy (UK) Limited on July 7, 2025. Accordingly, JUK-related facilities no longer constitute the Group's major facilities.

Furthermore, we had a 1500-meter drilling rig (location: head office and branches in Chiyoda-ku, Tokyo, Tomakomai City, Hokkaido, Akita City, Akita, and Nagaoka City, Niigata; commenced in May 2023) of JAPEX's consolidated subsidiary SK ENGINEERING CO., LTD as a plan for the addition of major facilities at the end of the previous fiscal year. This was completed in October 2025.

3. Material Contracts

Not applicable.

Item 3. Information about Reporting Company

1. Company's Shares, etc.

(1) Total number of shares

1) Total number of shares

| Class | Total number of shares authorized to be issued (Shares) |
|--------------|---|
| Common stock | 600,000,000 |
| Total | 600,000,000 |

2) Issued shares

| Class | Number of shares issued as of the end of the semiannual accounting period (Shares) (September 30, 2025) | Number of shares issued as of filing date (Shares) (November 12, 2025) | Name of financial instruments exchange on which securities are listed, or authorized financial instruments business association to which securities are registered | Description |
|--------------|---|--|--|--|
| Common stock | 257,000,380 | 257,000,380 | Tokyo Stock Exchange Prime Market | The number of shares constituting one unit is 100 shares |
| Total | 257,000,380 | 257,000,380 | — | — |

(2) Share acquisition rights

1) Stock option plans

Not applicable.

2) Share acquisition rights for other uses

Not applicable.

(3) Exercises of moving strike convertible bonds, etc.

Not applicable.

(4) Changes in the number of issued shares, share capital and legal capital surplus

| Period | Changes in the total number of issued shares (Shares) | Balance of the total number of issued shares (Shares) at the end of the period | Increase (decrease) in share capital (Millions of yen) | Balance of share capital (Millions of yen) at the end of the period | Increase (decrease) in legal capital surplus (Millions of yen) | Balance of legal capital surplus (Millions of yen) at the end of the period |
|--|---|--|--|---|--|---|
| From April 1, 2025 to September 30, 2025 | — | 257,000,380 | — | 14,288 | — | — |

(5) Major shareholders

As of September 30, 2025

| Name | Address | Number of shares held (Shares) | Shareholding ratio (excluding treasury shares) (%) |
|---|--|--------------------------------|--|
| Minister of Economy, Trade and Industry | 1-3-1 Kasumigaseki, Chiyoda-ku, Tokyo | 97,163,620 | 37.84 |
| The Master Trust Bank of Japan, Ltd. (Trust account) | Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo | 23,456,800 | 9.14 |
| Custody Bank of Japan, Ltd. (Trust Account) | 1-8-12 Harumi, Chuo-ku, Tokyo | 6,674,700 | 2.60 |
| STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Dept., Mizuho Bank, Ltd.) | ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo) | 5,596,715 | 2.18 |
| STATE STREET BANK AND TRUST COMPANY 505223 (Standing proxy: Settlement & Clearing Services Dept., Mizuho Bank, Ltd.) | P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A. (Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo) | 5,561,922 | 2.17 |
| JFE Engineering Corporation | 2-2-3 Uchisaiwaicho, Chiyoda-ku, Tokyo | 4,620,060 | 1.80 |
| INPEX CORPORATION | 5-3-1 Akasaka, Minato-ku, Tokyo | 3,565,265 | 1.39 |
| JPMorgan Securities Japan Co., Ltd. | Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo | 3,544,843 | 1.38 |
| INTERACTIVE BROKERS LLC (Standing proxy: Interactive Brokers Securities Japan Inc.) | ONE PICKWICK PLAZA GREENWICH, CONNECTICUT 06830 U.S.A. (3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo) | 2,428,800 | 0.95 |
| Marubeni-Itochu Steel Inc. | 2-2-1 Yaesu, Chuo-ku, Tokyo | 2,367,220 | 0.92 |
| Total | — | 154,979,945 | 60.36 |

(6) Voting rights
1) Issued shares

As of September 30, 2025

| Category | Number of shares (Shares) | Number of voting rights | Description |
|--|---------------------------|-------------------------|-------------|
| Shares without voting rights | — | — | — |
| Shares with restricted voting rights (treasury shares, etc.) | — | — | — |
| Shares with restricted voting rights (other) | — | — | — |
| Shares with full voting rights (treasury shares, etc.) | Common stock 242,600 | — | — |
| Shares with full voting rights (other) | Common stock 256,486,000 | 2,564,860 | — |
| Shares of less than one unit | Common stock 271,780 | — | — |
| Number of issued shares | 257,000,380 | — | — |
| Total number of voting rights | — | 2,564,860 | — |

Notes: 1. The number of “Shares with full voting rights (other)” of common stock includes 799,700 shares of JAPEX (7,997 voting rights) held by the Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of the Board Benefit Trust (BBT).

2. The number of “Shares of less than one unit” of common stock includes 80 treasury shares held by JAPEX.

2) Treasury shares

As of September 30, 2025

| Name of the shareholder | Address of the shareholder | Number of shares held in own name (Shares) | Number of shares held in others' names (Shares) | Total number of shares held (Shares) | Shareholding ratio (%) |
|---------------------------------------|--------------------------------------|--|---|--------------------------------------|------------------------|
| Japan Petroleum Exploration Co., Ltd. | 1-7-12 Marunouchi, Chiyoda-ku, Tokyo | 242,600 | — | 242,600 | 0.09 |
| Total | — | 242,600 | — | 242,600 | 0.09 |

Note: 799,700 shares of JAPEX held by the Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of the Board Benefit Trust (BBT) are not included in treasury shares.

2. Directors and Senior Management

There were no changes in Directors and senior management during the six months ended September 30, 2025 after the filing date of the Annual Securities Report for the previous fiscal year.

Item 4. Financial Information

1. Basis for Preparation of Semiannual Consolidated Financial Statements

The semiannual consolidated financial statements of JAPEX are prepared in accordance with the Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976; hereinafter the “Regulation on Consolidated Financial Statements”).

In addition, JAPEX falls under the category of companies listed in the upper column of item 1 of the table in paragraph 1 of Article 24-5 of the Financial Instruments and Exchange Act and prepares its type 1 semiannual consolidated financial statements pursuant to the provisions of Parts I and III of the Regulation on Consolidated Financial Statements.

2. Audit Certificate

Pursuant to the provisions set forth in Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, JAPEX’s semiannual consolidated financial statements for the semiannual accounting period from April 1, 2025, to September 30, 2025, have been subject to an interim review by Ernst & Young ShinNihon LLC.

1. Semiannual Consolidated Financial Statements

(1) Semiannual consolidated balance sheet

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 118,358 | 150,709 |
| Notes and accounts receivable - trade, and contract assets | *1 44,557 | *1 34,746 |
| Securities | 24,000 | 33,000 |
| Merchandise and finished goods | 3,368 | 3,069 |
| Work in process | 62 | 166 |
| Raw materials and supplies | 14,332 | 16,909 |
| Other | 26,222 | 17,616 |
| Allowance for doubtful accounts | (63) | (62) |
| Total current assets | 230,838 | 256,155 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Wells, net | 122,209 | 104,707 |
| Other, net | 105,380 | 76,857 |
| Total property, plant and equipment | 227,590 | 181,565 |
| Intangible assets | 5,095 | 4,874 |
| Investments and other assets | | |
| Investment securities | 180,280 | 200,526 |
| Other | 37,832 | 41,768 |
| Allowance for doubtful accounts | (38) | (152) |
| Total investments and other assets | 218,074 | 242,142 |
| Total non-current assets | 450,760 | 428,581 |
| Total assets | 681,598 | 684,737 |

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|---|----------------------|--------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 11,150 | 10,112 |
| Income taxes payable | 11,943 | 6,592 |
| Provisions | 154 | 566 |
| Other | 25,903 | 21,420 |
| Total current liabilities | 49,152 | 38,691 |
| Non-current liabilities | | |
| Deferred tax liabilities | 33,134 | 35,002 |
| Retirement benefit liability | 3,288 | 3,276 |
| Provisions | 328 | 304 |
| Asset retirement obligations | 34,311 | 29,470 |
| Other | 4,126 | 7,361 |
| Total non-current liabilities | 75,188 | 75,415 |
| Total liabilities | 124,340 | 114,106 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 14,288 | 14,288 |
| Retained earnings | 445,499 | 464,853 |
| Treasury shares | (997) | (959) |
| Total shareholders' equity | 458,791 | 478,182 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 36,630 | 49,563 |
| Deferred gains or losses on hedges | 11,513 | 12,720 |
| Foreign currency translation adjustment | 18,795 | (1,435) |
| Remeasurements of defined benefit plans | 2,014 | 1,890 |
| Total accumulated other comprehensive income | 68,953 | 62,738 |
| Non-controlling interests | 29,512 | 29,709 |
| Total net assets | 557,257 | 570,630 |
| Total liabilities and net assets | 681,598 | 684,737 |

(2) Semiannual consolidated statement of income and semiannual consolidated statement of comprehensive income

Semiannual consolidated statement of income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|--|--|
| Net sales | 183,606 | 168,140 |
| Cost of sales | 137,110 | 124,603 |
| Gross profit | 46,495 | 43,536 |
| Exploration expenses | 2,122 | 737 |
| Selling, general and administrative expenses | * 15,601 | * 17,291 |
| Operating profit | 28,771 | 25,507 |
| Non-operating income | | |
| Interest income | 1,363 | 1,157 |
| Dividend income | 2,367 | 1,448 |
| Share of profit of entities accounted for using equity method | — | 2,557 |
| Foreign exchange gains | — | 2,303 |
| Other | 215 | 2,297 |
| Total non-operating income | 3,945 | 9,764 |
| Non-operating expenses | | |
| Interest expenses | 1,285 | 429 |
| Loss on derivatives | — | 1,256 |
| Share of loss of entities accounted for using equity method | 907 | — |
| Foreign exchange losses | 4,403 | — |
| Other | 306 | 650 |
| Total non-operating expenses | 6,901 | 2,335 |
| Ordinary profit | 25,815 | 32,937 |
| Extraordinary income | | |
| Gain on bargain purchase | 421 | — |
| Gain on sale of shares of subsidiaries | — | 862 |
| Other | 0 | 156 |
| Total extraordinary income | 421 | 1,018 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 6 | 6 |
| Loss on step acquisitions | 175 | — |
| Other | — | 0 |
| Total extraordinary losses | 181 | 7 |
| Profit before income taxes | 26,054 | 33,949 |
| Income taxes | 4,639 | 6,555 |
| Profit | 21,415 | 27,393 |
| Profit attributable to non-controlling interests | 276 | 337 |
| Profit attributable to owners of parent | 21,139 | 27,055 |

Semiannual consolidated statement of comprehensive income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Profit | 21,415 | 27,393 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (15,452) | 12,929 |
| Deferred gains or losses on hedges | (2,776) | 904 |
| Foreign currency translation adjustment | 22,923 | (21,231) |
| Remeasurements of defined benefit plans, net of tax | (129) | (123) |
| Share of other comprehensive income of entities accounted for using equity method | (252) | 1,306 |
| Total other comprehensive income | 4,313 | (6,215) |
| Comprehensive income | 25,728 | 21,178 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 25,452 | 20,840 |
| Comprehensive income attributable to non-controlling interests | 276 | 337 |

(3) Semiannual consolidated statement of cash flows

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 26,054 | 33,949 |
| Depreciation | 20,845 | 23,134 |
| Interest and dividend income | (3,730) | (2,606) |
| Interest expenses | 1,285 | 429 |
| Foreign exchange losses (gains) | 5,111 | (213) |
| Loss (gain) on valuation of derivatives | – | (1,262) |
| Share of loss (profit) of entities accounted for using equity method | 907 | (2,557) |
| Recovery of recoverable accounts | 17,183 | 9,261 |
| Decrease (increase) in trade receivables | (1,702) | 7,118 |
| Decrease (increase) in inventories | 499 | (3,150) |
| Increase (decrease) in trade payables | (1,148) | (1,459) |
| Decrease (increase) in accounts receivable - other | (3,691) | 3,868 |
| Increase (decrease) in accrued consumption taxes | 412 | (1,039) |
| Other, net | 3,243 | 1,641 |
| Subtotal | 65,270 | 67,112 |
| Income taxes refund (paid) | (3,799) | (10,284) |
| Net cash provided by (used in) operating activities | 61,471 | 56,828 |
| Cash flows from investing activities | | |
| Proceeds from withdrawal of time deposits | 21,021 | 10,737 |
| Purchase of property, plant and equipment | (55,247) | (16,852) |
| Purchase of intangible assets | (145) | (281) |
| Purchase of investment securities | (64,519) | (6,976) |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (69) | – |
| Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation | – | 17,153 |
| Payments of recoverable accounts | (12,013) | (12,912) |
| Loan advances | (305) | (18) |
| Interest and dividends received | 5,879 | 3,900 |
| Other, net | (96) | 227 |
| Net cash provided by (used in) investing activities | (105,496) | (5,021) |
| Cash flows from financing activities | | |
| Proceeds from short-term borrowings | 25,000 | 150 |
| Repayments of short-term borrowings | (10,000) | – |
| Repayments of long-term borrowings | (250) | – |
| Net increase (decrease) in commercial papers | 9,990 | – |
| Purchase of treasury shares | (10,437) | – |
| Dividends paid | (9,257) | (7,693) |
| Dividends paid to non-controlling interests | (184) | (328) |
| Interest paid | (1,275) | (594) |
| Repayments of lease liabilities | (152) | (167) |
| Other, net | – | 39 |
| Net cash provided by (used in) financing activities | 3,433 | (8,594) |
| Effect of exchange rate change on cash and cash equivalents | 3,802 | (663) |
| Net increase (decrease) in cash and cash equivalents | (36,789) | 42,548 |
| Cash and cash equivalents at beginning of period | 152,598 | 140,931 |
| Cash and cash equivalents at end of period | * 115,809 | * 183,480 |

Notes to semiannual consolidated financial statements

(Changes in the scope of consolidation or the scope of application of the equity method)

Significant changes in the scope of consolidation

During the six months ended September 30, 2025, Peoria Resources LLC was newly established and included in the scope of consolidation.

JUK, a consolidated subsidiary of our company, was excluded from the scope of consolidation due to the transfer of all shares in JUK held by JAPEX.

Furthermore, this change in the scope of consolidation is expected to have a significant impact on the consolidated financial statements for the fiscal year to which the current semiannual accounting period belongs. It is anticipated to result in a decrease in total assets on the consolidated balance sheet and a decrease in net sales on the consolidated statement of income.

(Specific accounting treatments applied in the preparation of semiannual consolidated financial statements)

(Deferral accounting of cost variance)

Cost variance arising from seasonal changes in production level is deferred as current assets (other) because such variance is expected to be almost completely eliminated by the end of the cost accounting period.

(Calculation of taxes)

For the taxes, JAPEX and some of its consolidated subsidiaries compute first by reasonably estimating the effective tax rate after applying tax effect accounting against profit before income taxes for the fiscal year including the six months ended September 30, 2025, and next by multiplying the semiannual profit before income taxes by such estimated effective tax rate.

However, in cases where the calculation of taxes using such estimated effective tax rate yields a result that is not reasonable to a significant extent, the effective statutory tax rate is used.

Note that income taxes - deferred is included in income taxes.

(Additional information)

Transfer of shares of subsidiary

JAPEX's Executive Committee resolved on May 29, 2025 to transfer all shares of its consolidated subsidiary, Japex Energy Co., Ltd. (hereinafter "JPE"), to Astomos Energy Corporation, and entered into a share transfer agreement on the same date. Pursuant to this agreement, the first share transfer was completed on June 25, 2025.

(1) Reason for the share transfer

Since the acquiring JPE in 2009, JAPEX has pursued initiatives such as selling petroleum products including LPG and fuel oil, through JPE.

In a bid to strengthen profitability and build a medium to long-term business foundation while contributing to realizing a carbon-neutral society under the JAPEX Management Plan 2022-2030, the medium to long-term management plan for the period 2022 to 2030 formulated in March 2022, JAPEX has decided to transfer all shares in JPE as part of a review of its business portfolio.

(2) Outline of the consolidated subsidiary to be transferred

| | |
|---------------------|---|
| Name | Japex Energy Co., Ltd. |
| Details of business | Purchase and sales of LNG, oil products, etc. |

(3) Name of the company to which shares are transferred

Astomos Energy Corporation

(4) Number of shares to be transferred, transfer price and status of shares held before and after the share transfer

| | |
|--|--|
| Number of shares held before the transfer | 900 shares (Number of voting rights: 900) (Percentage of voting rights held: 90%) |
| Number of shares to be transferred | 900 shares (Number of voting rights: 900) |
| Transfer price | ¥101 million |
| Number of shares to be held after the transfer | 0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%) |

(5) Date of the share transfer

| | |
|-------------------------------------|-------------------------------|
| First share transfer (334 shares): | June 25, 2025 |
| Second share transfer (566 shares): | December 25, 2025 (scheduled) |

(6) Future outlook

JPE is scheduled to be excluded from JAPEX's scope of consolidation in the fiscal year ending March 31, 2026. The impact of this share transfer on our consolidated financial results is immaterial.

(Semiannual consolidated balance sheet)

*1 Notes and accounts receivable - trade, and contract assets include accounts receivable from construction contracts.

2 Liabilities for guarantees

JAPEX provides guarantees for borrowings and other obligations from financial institutions by non-consolidated companies as follows:

| (Millions of yen) | | | |
|--|--------|--|--------|
| As of March 31, 2025 | | As of September 30, 2025 | |
| Ozu Biomass Power Co., Ltd. | 6,853 | Ozu Biomass Power Co., Ltd. | 5,677 |
| Abashiri Biomass Power 2 LLC. | 1,708 | Sakhalin Oil and Gas Development Co., Ltd. | 3,668 |
| Abashiri Biomass Power 3 LLC. | 1,626 | Abashiri Biomass Power 2 LLC. | 1,651 |
| Kumamoto Mirai LNG Co., Ltd. | 12 | Abashiri Biomass Power 3 LLC. | 1,570 |
| Employees (borrowings for housing funds) | 8 | Kumamoto Mirai LNG Co., Ltd. | 9 |
| | | Employees (borrowings for housing funds) | 0 |
| Total | 10,208 | Total | 12,577 |

(Semiannual consolidated statement of income)

* Below are major expense items of selling, general and administrative expenses and their amounts:

| (Millions of yen) | | | |
|---|--|--|--|
| | Six months ended September 30, 2024 | Six months ended September 30, 2025 | |
| Personnel expenses | 6,184 | 6,936 | |
| [of the above, retirement benefit expenses] | 215 | 232 | |
| Depreciation | 1,615 | 1,526 | |

(Semiannual consolidated statement of cash flows)

* Below is a reconciliation of cash and cash equivalents at end of period and the amounts of the account titles recorded in the semiannual consolidated balance sheet:

| (Millions of yen) | | | |
|--|--|--|--|
| | Six months ended September 30, 2024 | Six months ended September 30, 2025 | |
| Cash and deposits | 112,919 | 150,709 | |
| Time deposits with maturity over three months | (110) | (229) | |
| Short-term investments, etc. having maturities within three months from the acquisition date | | | |
| (Securities) Money management fund, etc. | 3,000 | 18,000 | |
| (Securities) Negotiable certificates of deposits | — | 15,000 | |
| Cash and cash equivalents | 115,809 | 183,480 | |

(Shareholders' equity, etc.)

I Six months ended September 30, 2024 (April 1, 2024 – September 30, 2024)

1. Cash dividends paid

| Resolution | Class of shares | Total dividends (Millions of yen) | Dividends per share (Yen) | Record date | Effective date | Source of dividends |
|--|-----------------|--------------------------------------|---------------------------------|----------------|----------------|------------------------|
| Ordinary General Meeting of Shareholders held on June 26, 2024 | Common stock | 9,261 | 175 | March 31, 2024 | June 27, 2024 | Retained earnings |

Note: The total amount of the dividend resolved at the Ordinary General Meeting of Shareholders on June 26, 2024, includes a dividend of ¥10 million for shares held by the Board Benefit Trust (BBT).

2. Dividend payments whose record date is in the six months ended September 30, 2024 but whose effective date falls after September 30, 2024

| Resolution | Class of shares | Total dividends (Millions of yen) | Dividends per share (Yen) | Record date | Effective date | Source of dividends |
|---|-----------------|--------------------------------------|---------------------------------|--------------------|-------------------|------------------------|
| Meeting of the Board of Directors held on November 13, 2024 | Common stock | 6,412 | 125 | September 30, 2024 | December 12, 2024 | Retained earnings |

Notes: 1. The total amount of the dividend resolved at the meeting of the Board of Directors held on November 13, 2024, includes a dividend of ¥7 million for shares held by the Board Benefit Trust (BBT).

2. JAPEX conducted a 5-for-1 stock split of shares of common stock on October 1, 2024. The amounts shown for the dividends per share are the amounts before the stock split.

3. Significant changes in the amount of shareholders' equity

JAPEX's Board of Directors resolved at a meeting held on November 10, 2023 on matters related to the repurchase of own shares, and by September 30, 2024, JAPEX had acquired 15,000,000 treasury shares. As a result, treasury shares increased by ¥10,437 million during the six months ended September 30, 2024.

In addition, JAPEX's Board of Directors resolved at a meeting held on November 10, 2023, on matters related to the cancellation of treasury shares, and resolved at a meeting held on September 26, 2024, on matters related to a partial change to the cancellation. JAPEX cancelled 14,500,000 treasury shares on September 30, 2024. As a result, retained earnings and treasury shares decreased by ¥17,788 million each, during the six months ended September 30, 2024.

JAPEX conducted a 5-for-1 stock split of shares of common stock on October 1, 2024. The number of shares shown above is the number of shares after the stock split.

II Six months ended September 30, 2025 (April 1, 2025 – September 30, 2025)

1. Cash dividends paid

| Resolution | Class of shares | Total dividends (Millions of yen) | Dividends per share (Yen) | Record date | Effective date | Source of dividends |
|--|-----------------|--------------------------------------|---------------------------------|----------------|----------------|---------------------|
| Ordinary General Meeting of Shareholders held on June 25, 2025 | Common stock | 7,702 | 30 | March 31, 2025 | June 26, 2025 | Retained earnings |

Note: The total amount of the dividend resolved at the Ordinary General Meeting of Shareholders on June 25, 2025, includes a dividend of ¥25 million for shares held by the Board Benefit Trust (BBT).

2. Dividend payments whose record date is in the six months ended September 30, 2025 but whose effective date falls after September 30, 2025

| Resolution | Class of shares | Total dividends (Millions of yen) | Dividends per share (Yen) | Record date | Effective date | Source of dividends |
|---|-----------------|--------------------------------------|---------------------------------|--------------------|-------------------|---------------------|
| Meeting of the Board of Directors held on November 12, 2025 | Common stock | 5,135 | 20 | September 30, 2025 | December 12, 2025 | Retained earnings |

Note: The total amount of the dividend resolved at the meeting of the Board of Directors held on November 12, 2025, includes a dividend of ¥15 million for shares held by the Board Benefit Trust (BBT).

3. Significant changes in the amount of shareholders' equity

Not applicable.

(Segment information, etc.)

[Segment information]

I Six months ended September 30, 2024 (April 1, 2024 – September 30, 2024)

Information regarding net sales and profit (loss) by reportable segment

(Millions of yen)

| | Reportable segment | | | | | Others | Total | Adjustment (Note 1) | Amount on the semiannual consolidated statement of income (Note 2) |
|---------------------------------------|--------------------|------------------|--------|----------------|---------|--------|---------|------------------------|---|
| | Japan | North America | Europe | Middle East | Total | | | | |
| Net sales | | | | | | | | | |
| Net sales to outside clients | 127,720 | 27,368 | 6,323 | 22,194 | 183,606 | – | 183,606 | – | 183,606 |
| Intersegment sales or transfers | 12 | – | – | – | 12 | – | 12 | (12) | – |
| Total | 127,733 | 27,368 | 6,323 | 22,194 | 183,619 | – | 183,619 | (12) | 183,606 |
| Segment profit | 20,544 | 10,351 | 2,205 | 2,140 | 35,241 | – | 35,241 | (6,469) | 28,771 |

Notes: 1. The segment profit adjustment of ¥(6,469) million includes intersegment eliminations of ¥(1) million and corporate expenses that are not allocated to any reportable segments of ¥(6,468) million. Corporate expenses are mainly general and administrative expenses and experimentation and research expenses, all of which are not attributable to the reportable segments.

2. Segment profit was adjusted to operating profit in the semiannual consolidated statement of income.

II Six months ended September 30, 2025 (April 1, 2025 – September 30, 2025)

1. Information regarding net sales and profit (loss) by reportable segment

(Millions of yen)

| | Reportable segment | | | | | Others | Total | Adjustment (Note 1) | Amount on the semiannual consolidated statement of income (Note 2) |
|---------------------------------------|--------------------|------------------|--------|----------------|---------|--------|---------|------------------------|---|
| | Japan | North America | Europe | Middle East | Total | | | | |
| Net sales | | | | | | | | | |
| Net sales to outside clients | 119,926 | 29,162 | 7,185 | 11,867 | 168,140 | – | 168,140 | – | 168,140 |
| Intersegment sales or transfers | – | – | – | – | – | – | – | – | – |
| Total | 119,926 | 29,162 | 7,185 | 11,867 | 168,140 | – | 168,140 | – | 168,140 |
| Segment profit | 17,289 | 10,910 | 2,194 | 1,345 | 31,740 | – | 31,740 | (6,232) | 25,507 |

Notes: 1. The segment profit adjustment of ¥(6,232) million includes intersegment eliminations of ¥498 million and corporate expenses that are not allocated to any reportable segments of ¥(6,731) million. Corporate expenses are mainly general and administrative expenses and experimentation and research expenses, all of which are not attributable to the reportable segments.

2. Segment profit was adjusted to operating profit in the semiannual consolidated statement of income.

2. Information on assets by reportable segment

During the six months ended September 30, 2025, JUK was excluded from the scope of consolidation due to the transfer of all shares in JUK held by JAPEX.

As a result, compared to the end of the previous fiscal year, the amount of assets in the “Europe” segment in the reportable segments for the six months ended September 30, 2025 decreased by ¥29,131 million.

(Securities)

Available-for-sale securities with market price are significant to the business group's business operation and there has been a substantial fluctuation in the amounts of the securities compared to March 31, 2025.

Available-for-sale securities

As of March 31, 2025

(Millions of yen)

| | Acquisition cost | Consolidated balance sheet amount | Unrealized gain (loss) |
|---------------------------------------|------------------|-----------------------------------|------------------------|
| (1) Equity securities | 7,130 | 58,533 | 51,402 |
| (2) Debt securities | — | — | — |
| Government and local government bonds | — | — | — |
| Corporate bonds | 114 | 119 | 5 |
| Other debt securities | — | — | — |
| (3) Other | 24,000 | 24,000 | — |
| Total | 31,245 | 82,653 | 51,408 |

As of September 30, 2025

(Millions of yen)

| | Acquisition cost | Semiannual consolidated balance sheet amount | Unrealized gain (loss) |
|---------------------------------------|------------------|--|------------------------|
| (1) Equity securities | 7,127 | 76,733 | 69,606 |
| (2) Debt securities | — | — | — |
| Government and local government bonds | — | — | — |
| Corporate bonds | 214 | 214 | (0) |
| Other debt securities | — | — | — |
| (3) Other | 33,000 | 33,000 | — |
| Total | 40,341 | 109,947 | 69,605 |

(Business combinations)

Business separation

(Transfer of shares of subsidiary)

1. Overview of business separation

(1) Name of recipient company

Ithaca Energy (UK) Limited

(2) Content of separated business

Exploration, development, and production of petroleum resources in the UK North Sea, advanced by JUK, in which JAPEX holds 100% of the shares

(3) Main reason for the business separation

The Seagull field (located in the central UK North Sea, around 230km east offshore Aberdeen, Northeast Scotland), in which JAPEX holds a 15% interest through JUK, produced crude oil and natural gas at a rate of approximately 30,000 barrels of oil equivalent per day since November 2023.

JAPEX has been working diligently to improve the profitability of the Seagull field of which investment amount has increased due to the revision of the development plan, etc., caused by the impact of COVID-19 compared to the final investment decision in 2019.

However, the recent introduction of the Energy Profits Levy (EPL) and the increase in tax rates by the UK government in respect of oil and gas projects in the UK have led to a further increase in the sense of uncertainty about the business environment in the UK. As a result, JAPEX evaluated that it will be difficult to maintain and expand the profitability of the Seagull field, and JAPEX transferred all of its JUK shares to Ithaca Energy (UK) Limited.

(4) Business separation date

July 7, 2025

(5) Other details regarding the transaction, including legal form

Share transfer with consideration received solely in the form of cash and other assets

2. Summary of accounting treatment implemented

(1) Amount of transfer gain/loss

Gain on sale of shares of subsidiaries: ¥862 million

(2) Appropriate book value of assets and liabilities related to the transferred business and main breakdown

| | |
|--------------------------|-----------------|
| Current assets: | ¥4,747 million |
| Non-current assets: | ¥25,258 million |
| Total assets: | ¥30,005 million |
| Current liabilities: | ¥1,701 million |
| Non-current liabilities: | ¥4,641 million |
| Total liabilities: | ¥6,342 million |

(3) Accounting treatment

The difference between the sale price of the transferred shares and their consolidated book value is recorded as “Gain on sale of shares of subsidiaries” under extraordinary income.

3. Reportable segments that included the separated business

Europe segment

4. Approximate amount of profit or loss related to the separated business recorded in the semiannual consolidated statement of income

| | |
|-------------------|----------------|
| Net sales: | ¥6,057 million |
| Operating profit: | ¥2,426 million |

(Revenue recognition)

Information on disaggregation of revenue from contracts with clients

Six months ended September 30, 2024 (April 1, 2024 – September 30, 2024)

(Millions of yen)

| | | Reportable segment | | | | |
|-------------------------------------|--------------------------|--------------------|---------------|--------|-------------|---------|
| | | Japan | North America | Europe | Middle East | Total |
| E&P Business | Crude oil | 10,060 | 27,539 | 4,991 | 22,194 | 64,786 |
| | Natural gas (overseas) | – | 481 | 1,332 | – | 1,813 |
| | Subtotal | 10,060 | 28,021 | 6,323 | 22,194 | 66,599 |
| Infrastructure/Utility Business | Natural gas (Japan) | 31,511 | – | – | – | 31,511 |
| | LNG | 23,962 | – | – | – | 23,962 |
| | Electricity | 23,613 | – | – | – | 23,613 |
| | Biomass fuel | 2,229 | – | – | – | 2,229 |
| | Others | 2,838 | – | – | – | 2,838 |
| | Subtotal | 84,155 | – | – | – | 84,155 |
| Other businesses | Contract services | 4,065 | – | – | – | 4,065 |
| | Oil products/merchandise | 25,811 | – | – | – | 25,811 |
| | Others | 1,045 | – | – | – | 1,045 |
| | Subtotal | 30,922 | – | – | – | 30,922 |
| Revenue from contracts with clients | | 125,138 | 28,021 | 6,323 | 22,194 | 181,677 |
| Revenue from other sources | | 2,581 | (652) | – | – | 1,928 |
| Net sales to outside clients | | 127,720 | 27,368 | 6,323 | 22,194 | 183,606 |

Six months ended September 30, 2025 (April 1, 2025 – September 30, 2025)

(Millions of yen)

| | | Reportable segment | | | | |
|-------------------------------------|--------------------------|--------------------|---------------|--------|-------------|---------|
| | | Japan | North America | Europe | Middle East | Total |
| E&P Business | Crude oil | 8,290 | 27,744 | 4,965 | 11,867 | 52,867 |
| | Natural gas (overseas) | – | 981 | 2,220 | – | 3,201 |
| | Subtotal | 8,290 | 28,725 | 7,185 | 11,867 | 56,068 |
| Infrastructure/Utility Business | Natural gas (Japan) | 30,419 | – | – | – | 30,419 |
| | LNG | 7,300 | – | – | – | 7,300 |
| | Electricity | 25,083 | – | – | – | 25,083 |
| | Biomass fuel | 11,541 | – | – | – | 11,541 |
| | Others | 2,599 | – | – | – | 2,599 |
| | Subtotal | 76,945 | – | – | – | 76,945 |
| Other businesses | Contract services | 3,346 | – | – | – | 3,346 |
| | Oil products/merchandise | 27,240 | – | – | – | 27,240 |
| | Others | 997 | – | – | – | 997 |
| | Subtotal | 31,584 | – | – | – | 31,584 |
| Revenue from contracts with clients | | 116,819 | 28,725 | 7,185 | 11,867 | 164,598 |
| Revenue from other sources | | 3,106 | 436 | – | – | 3,542 |
| Net sales to outside clients | | 119,926 | 29,162 | 7,185 | 11,867 | 168,140 |

(Per Share Information)

Basic earnings per share and the basis for its calculation are as follows:

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Basic earnings per share | ¥81.46 | ¥105.72 |
| (Basis for calculation) | | |
| Profit attributable to owners of parent (Millions of yen) | 21,139 | 27,055 |
| Amounts not attributable to common shareholders (Millions of yen) | — | — |
| Profit attributable to owners of parent related to common stock (Millions of yen) | 21,139 | 27,055 |
| Average number of shares of common stock during the period (Thousands of shares) | 259,520 | 255,929 |

Notes: 1. Diluted earnings per share are not presented, since there are no dilutive shares.

2. The shares of JAPEX held by the Board Benefit Trust (BBT) are included in the treasury shares that are deducted when calculating the average number of shares during the period in order to calculate basic earnings per share (306,868 shares during the six months ended September 30, 2024, and 828,355 shares during the six months ended September 30, 2025).

3. JAPEX conducted a 5-for-1 stock split of shares of common stock on October 1, 2024. Basic earnings per share were calculated assuming that the stock split was conducted at the beginning of the fiscal year ended March 31, 2025.

(Significant subsequent events)

Not applicable.

2. Others

At a meeting held on November 12, 2025, the Board of Directors resolved the matters related to the interim dividend for the current fiscal year as follows:

- | | | |
|-----|---|-------------------|
| (a) | Total amount of interim dividends | ¥5,135 million |
| (b) | Amount per share | ¥20.00 |
| (c) | Effective date of requests for payment and commencement date of payment | December 12, 2025 |

Note: Dividends shall be paid to shareholders listed or recorded on the register of shareholders as of September 30, 2025.

(TRANSLATION ONLY)

Section 2 Information of the Reporting Company's Guarantor, etc.

Not applicable.

(For Translation Purposes Only)
Independent Auditor's Interim Review Report

November 12, 2025

The Board of Directors

Japan Petroleum Exploration Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo Office

YAMAZAKI Kazuhiko
Designated and Engagement Partner
Certified Public Accountant

MORONUKI Kentaro
Designated and Engagement Partner
Certified Public Accountant

OTSUKI Masahiro
Designated and Engagement Partner
Certified Public Accountant

Auditor's Conclusion

Pursuant to the provisions of Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, we have conducted an interim review of the semiannual consolidated financial statements of Japan Petroleum Exploration Co., Ltd. and its consolidated subsidiaries (the "Group") provided in the Financial Information section in the Company's Semiannual Securities Report, namely, the semiannual consolidated balance sheet as of September 30, 2025, and the semiannual consolidated statement of income, semiannual consolidated statement of comprehensive income, and semiannual consolidated statement of cash flows for the semiannual accounting period (April 1, 2025 to September 30, 2025) of the fiscal year from April 1, 2025 to March 31, 2026, and the notes thereto.

Based on our interim review, nothing has come to our attention that causes us to believe that the accompanying semiannual consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and its consolidated financial performance and cash flows for the six-month period ended September 30, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Semiannual Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to review of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

Responsibilities of Management, the Audit & Supervisory Board Members and the Audit & Supervisory Board for the Semiannual Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these semiannual consolidated financial statements in accordance

with accounting principles generally accepted in Japan, and for the internal controls as management determines are necessary to enable the preparation of semiannual consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the semiannual consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, including the disclosures related to matters of going concern, as required by accounting principles generally accepted in Japan.

The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Semiannual Consolidated Financial Statements

Our responsibility is to express a conclusion on these semiannual consolidated financial statements based on our review.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude based on the evidence obtained whether anything has come to our attention that causes us to believe that the semiannual consolidated financial statements are not presented fairly in accordance with accounting principles generally accepted in Japan, should we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the semiannual consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation and disclosure of the semiannual consolidated financial statements are not in accordance with accounting principles generally accepted in Japan, or that the overall presentation, structure and content of the semiannual consolidated financial statements, including the disclosures, do not represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing a conclusion on the semiannual consolidated financial statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the review and significant review findings.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the semiannual consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes: 1. The original of the above Independent Auditor's Interim Review Report is kept separately by the Company (the reporting company of the Semiannual Securities Report).

2. The associated XBRL data are not included in the scope of the interim review.

Cover

| | |
|---|---|
| Document title | Confirmation Letter |
| Clause of stipulation | Article 24-5-2, paragraph 1 of the Financial Instruments and Exchange Act |
| Place of filing | Director-General of the Kanto Local Finance Bureau |
| Filing date | November 12, 2025 |
| Company name | Japan Petroleum Exploration Co., Ltd. |
| Company name in English | Japan Petroleum Exploration Co., Ltd. |
| Title and name of representative | YAMASHITA Michiro, Representative Director and President |
| Title and name of Chief Financial Officer | Not applicable. |
| Address of registered headquarters | 1-7-12 Marunouchi, Chiyoda-ku, Tokyo |
| Place for public inspection | Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo) |

(TRANSLATION ONLY)

1. Matters Related to Adequacy of Statements Contained in the Semiannual Securities Report

YAMASHITA Michiro, Representative Director and President of Japan Petroleum Exploration Co., Ltd., has confirmed that this Semiannual Securities Report for the semiannual accounting period of the 56th term (from April 1, 2025 to September 30, 2025) is adequately stated under the Financial Instruments and Exchange Act of Japan.

2. Special Notes

There are no special matters to be noted.