



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

Consolidated financial results for the nine months ended December 31, 2009

February 9, 2010

Japan Petroleum Exploration Co., Ltd.

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Note: The following abbreviations are used within this document:

1H = First half (1Q-2Q)

2H = Second half (3Q-4Q)

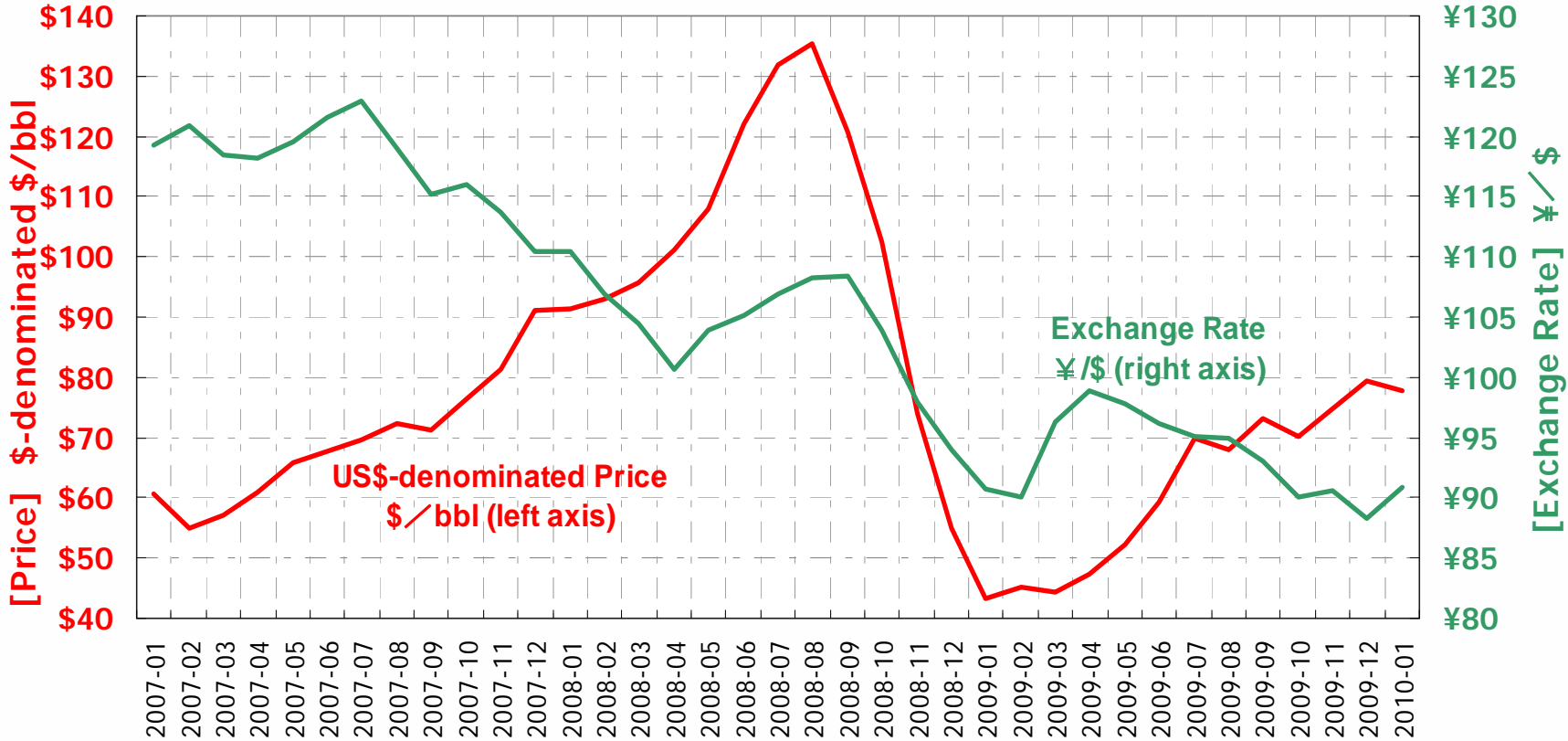
(a) = Actual result

(e) = Estimate

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

Investor Relations Group, Media & Investor Relations Department,
Japan Petroleum Exploration Co., Ltd.
TEL: **+81(Japan)-3(Tokyo)-6268-7111**

Trends in Crude oil prices and Foreign exchange rates



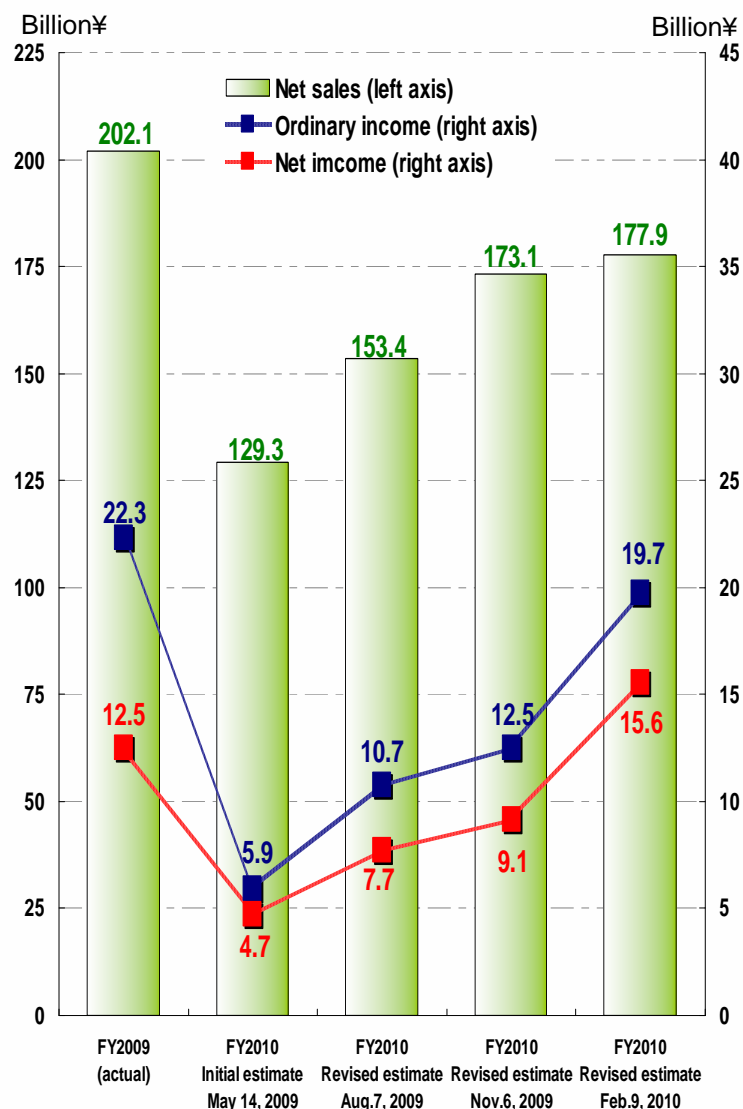
■ Japan Crude Cocktail (JCC) Price in the first ten days of January 2010 (prompt report basis)

\$77.64 /bbl

¥90.89 /\$



Revised consolidated financial estimate for the fiscal year ending March 31, 2010



[Billion ¥]	FY2009 (a)	FY2010(e)			
		Initial estimate announced May 14	Revised estimate announced Aug.7	Revised estimate announced Nov.6	Revised estimate announced Feb.9
Net sales	202.1	129.3	153.4	173.1	177.9
Operating income	20.0	0.9	6.5	8.0	11.2
Ordinary income	22.3	5.9	10.7	12.5	19.7
Net income	12.5	4.7	7.7	9.1	15.6

[Oil price and Exchange rate assumptions]						
JCC price (\$/bbl)		89.71	40.00	57.38	64.31	66.41
Exchange rate (¥/\$)		102.56	90.00	91.39	92.43	92.73

■ FY2010 Revised estimate		1st Q (a)	2nd Q (a)	3rd Q (a)	4th Q (e)
JCC price (\$/bbl)		47.92	65.88	72.78	75.00
Exchange rate (¥/\$)		97.69	95.37	91.20	90.00

—【Main causes of revisions】—

① JCC prices:

Announced Nov.6: 3Q \$70.00/bbl 4Q \$70.00/bbl
 ⇒ Announced Feb.9: 3Q **\$72.78/bbl** 4Q **\$75.00/bbl**

Bitumen prices:

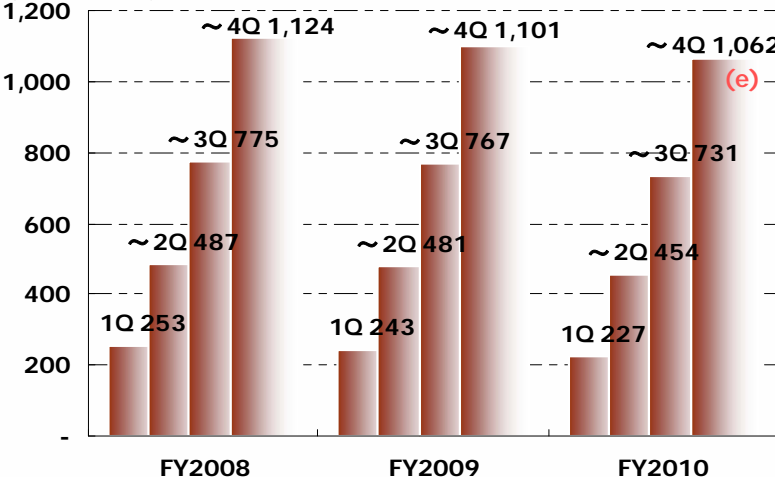
Announced Nov. 6 : 3Q CAD50.50/bbl 4Q CAD50.50/bbl
 ⇒ Announced Feb.9: 3Q **CAD55.60/bbl** 4Q **CAD58.50/bbl**

② Upward revision of “Dividends income”

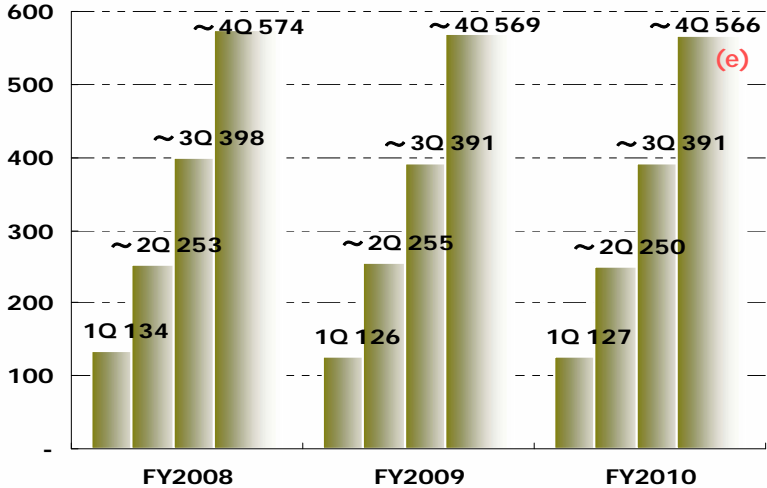
③ Add “Gain on change in equity”

Sales results of natural gas and equity crude oil

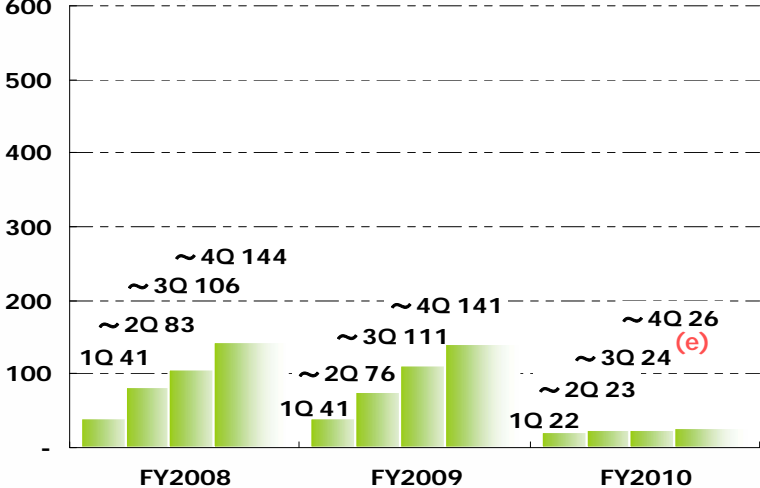
■ Sales volume of domestically produced *natural gas* supplied by pipelines (million m3)



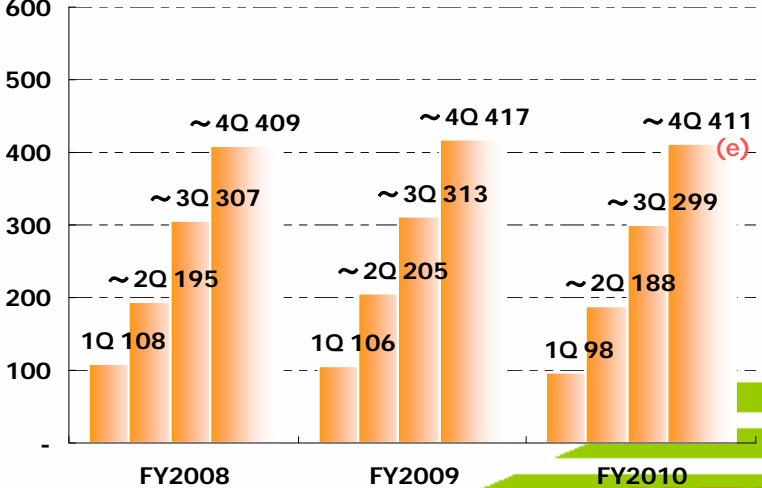
■ Sales volume of domestically produced *crude oil* (thousand KL)



■ Sales volume of overseas subsidiary *crude oil* (thousand KL)



■ Sales volume of *bitumen* (thousand KL)



Actual sales of Crude oil in the nine months ended December 31, 2009 (YoY comparison)

			FY08 1Q-3Q (a)	FY09 1Q-3Q (a)	FY10 1Q-3Q (a)	YoY change
Crude oil:	Sales volume	[thousand KL]	1,765	1,720	1,531	(188)
	Net sales	[million ¥]	88,781	105,819	55,270	(50,549)
	JCC price	(\$/bbl)	69.40	108.89	62.59	(46.30)
	Exchange rate	(¥/\$)	117.86	104.74	94.19	(10.55)

[Breakdown of equity oil]

Domestically produced crude oil:	Sales volume	[thousand KL]	398	391	391	(0)
	Net sales	[million ¥]	21,264	26,043	15,434	(10,608)
Overseas subsidiary crude oil:	Sales volume	[thousand KL]	106	111	24	(86)
	Net sales	[million ¥]	5,117	8,303	630	(7,672)
Bitumen:	Sales volume	[thousand KL]	307	313	299	(13)
	Net sales	[million ¥]	7,757	14,975	7,410	(7,564)

Sales volume and Net sales of "Domestically produced crude oil" stated herein do not include purchased crude oil.

Sales volume and Net sales of "Overseas subsidiary crude oil" are the sum totals of the sales volumes and net sales reported by two overseas consolidated subsidiaries (Japex New Nanhai Ltd. and Japex (U.S.) Corp.).

Actual Sales of Natural gas in the nine months ended December 31, 2009 (YoY comparison)

		FY08 1Q-3Q (a)	FY09 1Q-3Q (a)	FY10 1Q-3Q (a)	YoY change
Natural gas:	Sales volume [million m3]	1,020	1,030	1,028	(2)
	Net sales [million ¥]	32,726	36,966	38,437	1,471
Of which, Domestically produced gas:	Sales volume [million m3]	775	767	731	(35)

Sales volume of "Domestically produced gas" stated herein does not include purchased gas.

Sales volume

Decreased 0.2% year on year (almost flat level)

-  Slowdown in industrial demand amid deteriorating economic conditions and decline in demand for local distribution companies
-  Start of supply to new industrial customers

Net sales

Increased 4.0% year on year

-  Differential profit by price revisions of prior periods

Consolidated financial results in the nine months ended December 31, 2009 and its causes of income fluctuations (YoY comparison)

Actual results for the nine months (consolidated)

[million ¥]	FY09 1Q-3Q (a)	FY10 1Q-3Q (a)	YoY change
Net sales	164,912	118,844	(46,067)
Gross profit	57,184	37,023	(20,161)
Exploration expenses	13,199	8,021	(5,177)
SG&A expenses	24,280	22,566	(1,714)
Operating income	19,704	6,435	(13,268)
Non-operating income (expenses)	193	3,538	3,344
Ordinary income	19,898	9,974	(9,924)
Extraordinary income (losses)	(4,416)	904	5,320
Income taxes	3,968	2,050	(1,918)
Minority interests in income	1,091	582	(509)
Net income	10,420	8,245	(2,175)

« Causes of income fluctuations »

Gross profit

Domestic crude oil and natural gas (¥7.3 billion)
 Overseas consolidated subsidiaries (¥12.2 billion)
 breakdown: JACOS(¥5.8bn.), Japex New Nanhai (¥6.1bn.), JUS(¥0.3bn.)

Exploration expenses

Domestic exploration (¥4.7 billion)
 Overseas exploration (¥0.3 billion)

SG&A expenses

Special petroleum gain levy of China (¥1.8 billion)

Non-operating income (expenses)

Loss on valuation of securities ¥1.7 billion
 Foreign exchange losses ¥1.0 billion
 Equity in earnings of affiliates ¥1.0 billion

Extraordinary income (losses)

Impairment loss and loss on retirement of noncurrent assets of production wells ¥4.5 billion
 Gain on change in equity ¥1.1 billion

Revised estimate sales of Crude oil for the fiscal year ending March 31, (YoY Comparison)

		FY2008 1Q-4Q (a)	FY2009 1Q-4Q (a)	FY2010 Revised estimate announced Feb.9			YoY change
				1Q-3Q (a)	4thQ (e)	Full(1Q-4Q) (e)	
Crude Oil:	Sales volume [thousand KL]	2,450	2,337	1,531	595	2,126	(211)
	Net sales [million ¥]	128,391	115,933	55,270	24,532	79,802	(36,131)
	JCC price (\$/bbl)	76.21	89.71	62.59	75.00	66.41	(23.30)
	Exchange rate (¥/\$)	114.66	102.56	94.19	90.00	92.73	(9.82)

[Breakdown of equity oil]

Domestically produced crude oil:	Sales volume [thousand KL]	574	569	391	175	566	(3)
	Net sales [million ¥]	32,170	30,974	15,434	7,343	22,777	(8,197)
Overseas subsidiary crude oil:	Sales volume [thousand KL]	144	141	24	2	26	(115)
	Net sales [million ¥]	7,483	9,065	630	46	676	(8,389)
Bitumen:	Sales volume [thousand KL]	409	417	299	112	411	(6)
	Net sales [million ¥]	10,468	13,087	7,410	4,047	11,457	(1,630)

Sales volume and Net sales of “Domestically produced crude oil” stated herein do not include purchased crude oil.

Sales volume and Net sales of “Overseas subsidiary crude oil” are the sum totals of the sales volumes and net sales reported by two overseas consolidated subsidiaries (Japex New Nanhai Ltd. and Japex (U.S.) Corp.).



Revised estimate sales of Natural gas for the fiscal year ending March 31, 2010 (YoY Comparison)

		FY2008	FY2009	FY2010 Revised estimate announced Feb.9			YoY change
		1Q-4Q (a)	1Q-4Q (a)	1Q-3Q (a)	4thQ (e)	Full(1Q-4Q) (e)	
Natural gas:	Sales volume [million m3]	1,486	1,485	1,028	453	1,481	(4)
	Net sales [million ¥]	48,982	54,126	38,437	16,583	55,020	894
Of which, Domestically produced gas:	Sales volume [million m3]	1,124	1,101	731	331	1,062	(39)

Sales volume of "Domestically produced gas" stated herein does not include purchased gas.



Sales volume

Decreased 0.3% year on year (almost flat level)

-  Slowdown in industrial demand amid deteriorating economic conditions and decline in demand for local distribution companies
-  Start of supply to new industrial customers

Net sales

Increased 1.6% year on year

-  In addition to the decrease of sales volume, the decrease of the sales prices which adopt the pricing formula linked to the Japan LNG Cocktail (JLC) price
-  Differential profit by price revisions of prior periods

Consolidated financial estimates for the fiscal year ending March 31, 2010 and its causes of income fluctuations (YoY comparison)

■ Revised estimate for the FY2010

[million ¥]	FY09 1Q-4Q (a)	FY10 1Q-4Q (e)	YoY change
Net sales	202,127	177,851	(24,276)
Gross profit	67,680	52,688	(14,992)
Exploration expenses	15,352	10,427	(4,925)
SG&A expenses	32,237	31,069	(1,168)
Operating income	20,090	11,192	(8,898)
Non-operating income (expenses)	2,267	8,536	6,269
Ordinary income	22,358	19,728	(2,630)
Extraordinary income (losses)	(5,250)	965	6,215
Income taxes	3,565	4,314	749
Minority interests in income	981	813	(168)
Net income	12,560	15,566	3,006

« Causes of income fluctuations »

Gross profit

Domestic crude oil and natural gas	¥5.9 billion
Overseas consolidated subsidiaries	¥8.0 billion
breakdown: JACOS(¥1.3bn.), Japex New Nanhai (¥6.4bn.), JUS(¥0.3bn.)	

Exploration expenses

Domestic exploration	¥5.1 billion
Overseas exploration	¥0.2 billion

SG&A expenses

Special petroleum gain levy of China	¥1.8 billion
Depreciation expense of sales and transportation section	¥0.7 billion

Non-operating income (expenses)

Dividends income	¥2.6 billion
Loss on valuation of securities	¥1.7 billion
Provision of cost of abandonment	¥1.3 billion
Foreign exchange losses	¥0.9 billion

Extraordinary income (losses)

Impairment loss and loss on retirement of noncurrent assets of production wells	¥4.5 billion
Gain on change in equity	¥1.2 billion

Revised estimate sales of Crude oil for the fiscal year ending March 31, 2010 (compared with November 6, 2009 estimate)

		FY2010	FY2010	FY2010	FY2010 Revised estimate announced Feb.9			compared with Nov.6 estimate
		Initial estimate announced May14 (e)	Revised estimate announced Aug.7 (e)	Revised estimate announced Nov.6 (e)	1Q-3Q (a)	4Q (e)	Full(1Q-4Q) (e)	
Crude Oil:	Sales volume [thousand KL]	2,194	2,132	2,123	1,531	595	2,126	3
	Net sales [million ¥]	46,970	68,471	74,783	55,270	24,532	79,802	5,019
	JCC price (\$/bbl)	40.00	57.38	64.31	62.59	75.00	66.41	2.11
	Exchange rate (¥/\$)	90.00	91.39	92.43	94.19	90.00	92.73	0.30

[Breakdown of equity oil]

Domestically produced crude oil:	Sales volume [thousand KL]	593	575	573	391	175	566	(7)
	Net sales [million ¥]	13,843	19,614	22,083	15,434	7,343	22,777	694
Overseas subsidiary crude oil:	Sales volume [thousand KL]	21	26	25	24	2	26	0
	Net sales [million ¥]	470	673	656	630	46	676	19
Bitumen:	Sales volume [thousand KL]	437	406	401	299	112	411	10
	Net sales [million ¥]	6,276	8,903	9,416	7,410	4,047	11,457	2,041

Sales volume and Net sales of "Domestically produced crude oil" stated herein do not include purchased crude oil.

Sales volume and Net sales of "Overseas subsidiary crude oil" are the sum totals of the sales volumes and net sales reported by two overseas consolidated subsidiaries (Japex New Nanhai Ltd. and Japex (U.S.) Corp.).

Revised estimate sales of **Natural gas** for the fiscal year ending **March 31, 2010** (compared with **November 6, 2009** estimate)

		FY2010	FY2010	FY2010	FY2010 Revised estimate announced Feb.9			compared with Nov.6 estimate
		Initial estimate announced May14 (e)	Revised estimate announced Aug.7 (e)	Revised estimate announced Nov.6 (e)	1Q-3Q (a)	4Q (e)	Full(1Q-4Q) (e)	
Natural gas:	Sales volume [million m3]	1,545	1,508	1,469	1,028	453	1,481	13
	Net sales [million ¥]	53,415	55,604	54,242	38,437	16,583	55,020	778
Of which, Domestically produced gas:	Sales volume [million m3]	1,128	1,071	1,040	731	331	1,062	22

Sales volume of "Domestically produced gas" stated herein does not include purchased gas.

Sales volume

Increased 13 million m3 (+0.8%)

compared with the previous estimate announced on November 6, 2009

Net sales

Increased ¥0.7billion (+1.4%)

compared with the previous estimate announced on November 6, 2009

Breakdown : Increase of sales volume ¥0.4 billion
Increase of sales price ¥0.3 billion

Consolidated financial estimates for the fiscal year ending March 31, 2010 and its causes of income fluctuations (compared with November 6, 2009 estimate)

■ Revised estimate for the FY2010

[million ¥]	FY2010 1Q-4Q		compared with Nov.6 estimate
	announced Nov.6 (e)	announced Feb.9 (e)	
Net sales	173,148	177,851	4,703
Gross profit	49,376	52,688	3,312
Exploration expenses	9,605	10,427	823
SG&A expenses	31,777	31,069	(708)
Operating income	7,994	11,192	3,198
Non-operating income (expenses)	4,540	8,536	3,996
Ordinary income	12,534	19,728	7,194
Extraordinary income(losses)	(155)	965	1,120
Income taxes	2,633	4,314	1,681
Minority interests in income	611	813	202
Net income	9,135	15,566	6,431

《 Causes of income fluctuations 》

Gross profit

Domestic crude oil and natural gas	¥1.2 billion
Overseas consolidated subsidiaries	¥1.8 billion
breakdown: JACOS ¥1.8 billion	

Exploration expenses

Domestic exploration	¥0.4 billion
Overseas exploration	¥0.3 billion

SG&A expenses

LNG transportation fee	(¥0.2 billion)
Repair costs for facilities (pipelines etc.)	(¥0.2 billion)

Non-operating income (expenses)

Dividends income	¥4.3 billion
Foreign exchange losses	(¥0.2 billion)

Extraordinary income (losses)

Gain on change in equity	¥1.2 billion
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