



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

**Consolidated financial results
for the six months ended September 30, 2011
<Supplementary material>**

November 4 , 2011

Japan Petroleum Exploration Co., Ltd.

Cautionary statement

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Note: The following abbreviations are used within this document:

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

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

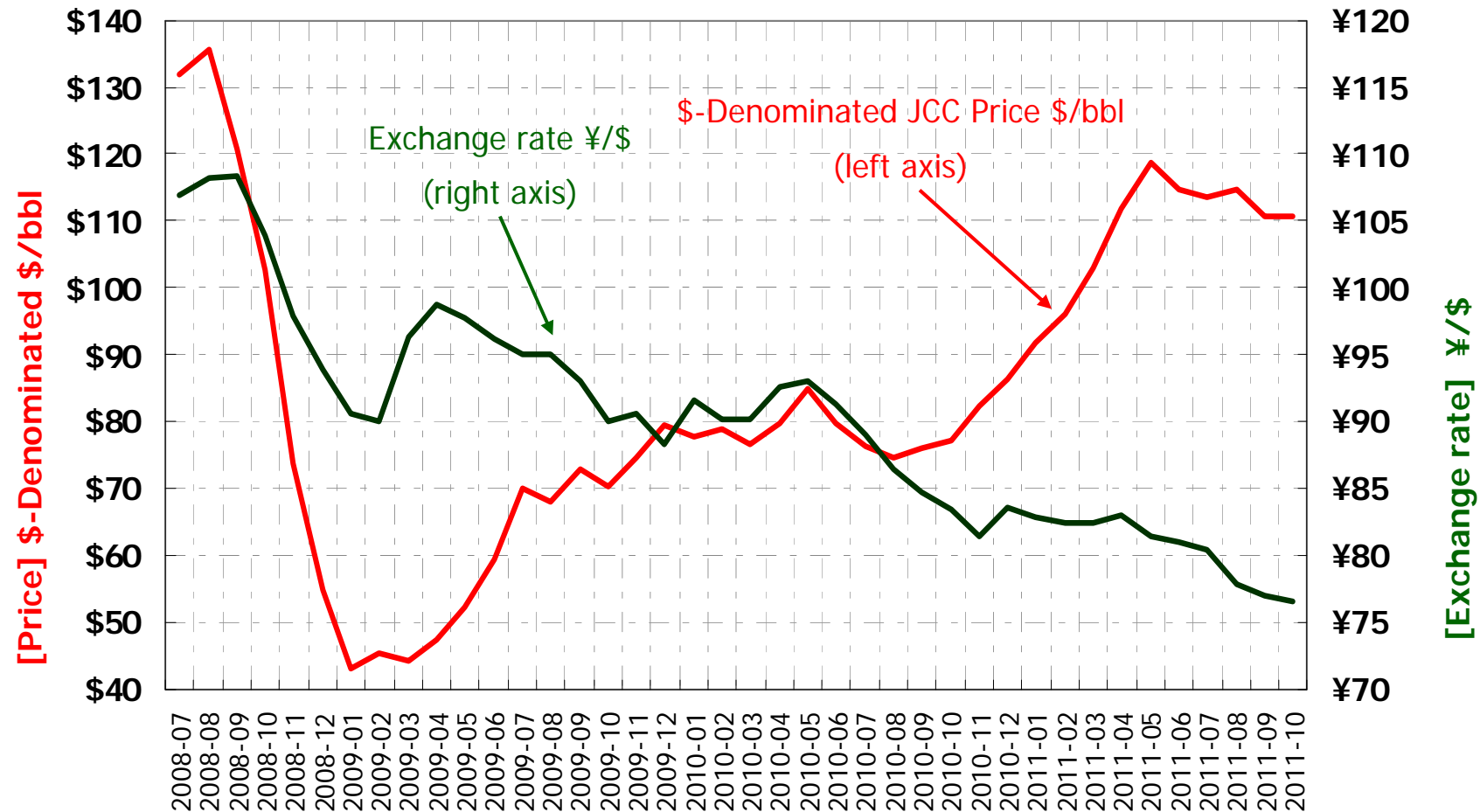
(a) = Actual result

(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: +81-3-6268-7111

Trends in Crude oil prices and Foreign exchange rates



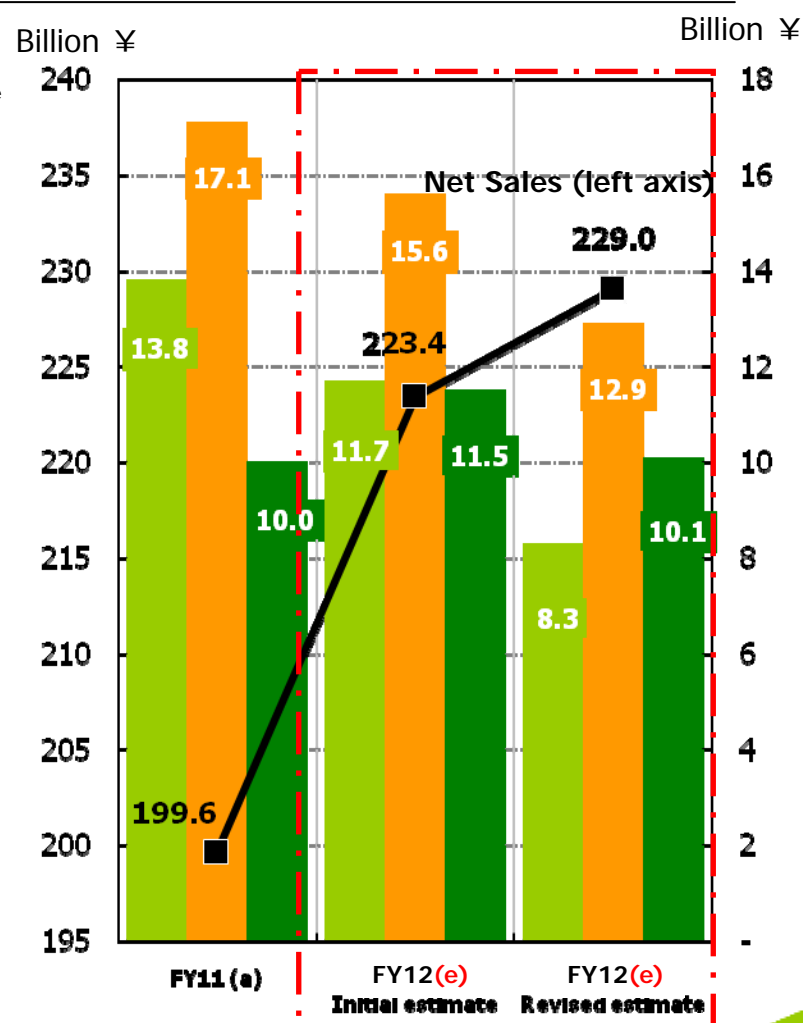
Japan Crude Cocktail (JCC) Price in the first 10 days of July 2011

on a prompt report basis : **USD 110.65 / bbl**

Yen 76.59 / USD

Revised estimates for FY2012 (Highlight)

[Billion ¥]	FY11 (a)	FY12 (e)			% change (vs Initial estimate)
		Initial estimate (May '11)	Revised estimate (Nov. '11)	change	
Net Sales	199.6	223.4	229.0	5.5	2%
Operating income	13.8	11.7	8.3	(3.3)	(29%)
Ordinary income	17.1	15.6	12.9	(2.6)	(17%)
Net income	10.0	11.5	10.1	(1.3)	(12%)
JCC price USD/bbl	82.69	90.00	105.66	15.66	
Exchange rate Yen/USD	86.24	85.00	80.52	(4.48)	
Bitumen price CAD/bbl	48.32	47.82	46.25	(1.57)	
Exchange rate Yen/CAD	81.47	85.00	80.00	(5.00)	
	1Q (a)	2Q (a)	3Q (e)	4Q (e)	
JCC price USD/bbl	110.80	112.38	100.00		
Bitumen price CAD/bbl	40.91	51.14	46.71		



Main points of revised estimate :

Increased Profit

* Increase in sales price of crude oil * Increase of dividends income

Decreased Profit

* Downward revision of the production and sales plans for natural gas and crude oil

* Investment loss on equity method

Operating income (right axis)

Ordinary income (right axis)

Net income (right axis)

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Actual results for 1H FY2012 (Summary)

[Billion ¥]	FY11 1H (a)	FY12 1H		% change (vs Initial estimate)
		Initial estimate (May '11) (e)	(a)	
Net Sales	92.3	101.2	104.5	3%
Operating income	3.8	5.7	6.2	9%
Ordinary income	4.9	7.3	7.8	7%
Net income	1.8	5.4	6.3	16%
JCC price USD/bbl	78.95	90.00	112.38	
Exchange rate Yen/USD	90.71	85.00	81.07	
Bitumen price CAD/bbl	52.98	45.48	45.70	
Exchange rate Yen/CAD	83.76	85.00	83.38	

Main points of difference with initial estimate :

□ Operating income + ¥ 0.5 billion

Net Sales - ¥ 0.4billion (-2%)

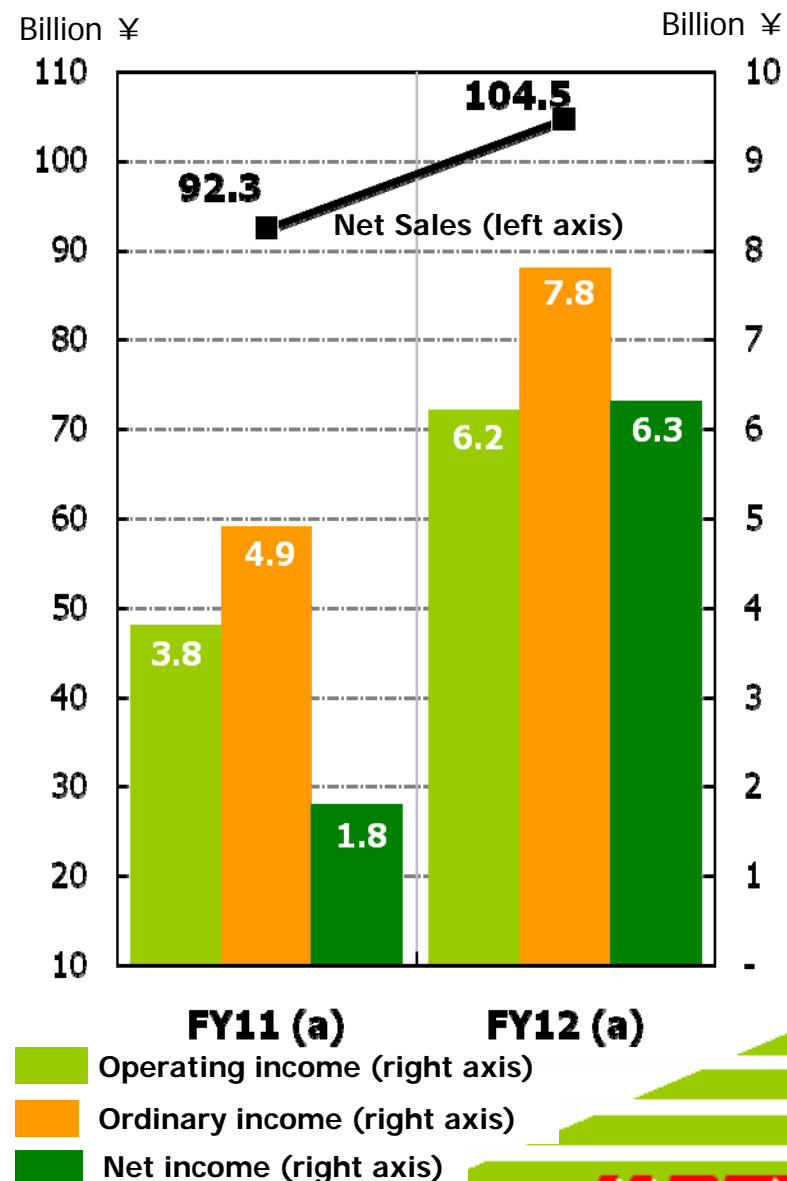
Exploration expenses / SG&A expenses +¥ 0.9billion

□ Ordinary income - ¥ 0.5billion (+7%)

Equity in earnings -¥ 0.2billion

□ Net income - ¥ 0.8billion (+16%)

Income taxes +¥0.2 billion



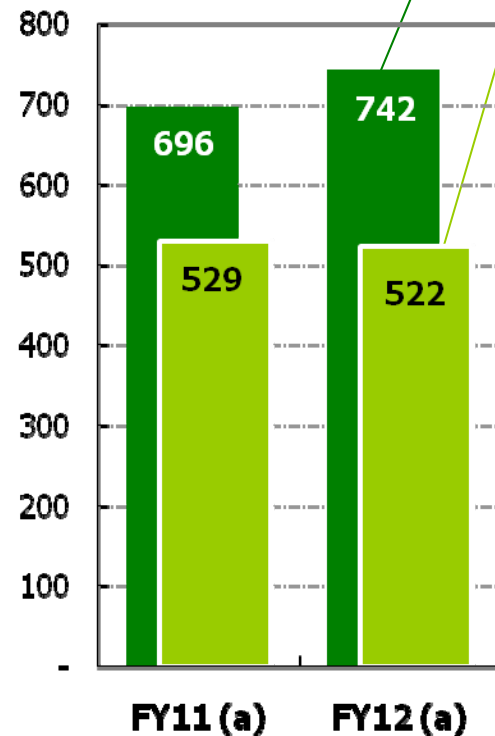
Actual sales of Natural gas in 1H FY2012

Sales volume : Million M3 Net sales : Million ¥		FY11 1H(a)	FY12 1H(a)	change
Natural gas :	Sales volume	696	742	45
	Net sales	27,039	31,170	4,130
Of which, Domestically produced gas :	Sales volume	529	522	(7)

-Increase in demand for industrial users and utility gas customers.
-Rise in sales prices.

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

Million M3



Sales volume (total)

Of which, domestically produced gas

Sales volume increased by 45 million M3 (+7%) vs FY11.

-Increase in demand for industrial users and commercial-scale utility gas customers.

Net sales increased by ¥ 4.1 billion (+15%) vs FY11.

<Cause of increase >

-Increase in demand. (+45 million M3 (+7%))
-Rise in sales prices.

Actual sales of Crude oil in 1H FY2012

Sales volume : Thousand KL Net sales : Million ¥		FY11 1H(a)	FY12 1H(a)	change	
Crude oil:	Sales volume	946	896	(50)	-Decrease in purchased crude oil. -Rise in crude oil price
	Net sales	38,242	46,649	8,406	

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	246	239	(6)	-Rise in crude oil prices
	Net sales	11,083	13,925	2,841	
Overseas subsidiary crude oil:	Sales volume	3	1	(1)	-Decrease in strengthening of the yen
	Net sales	117	84	(33)	
Bitumen:	Sales volume	197	175	(21)	-Rise in loyalty rate
	Net sales	5,512	4,207	(1,304)	

Oil price and Exchange rate assumptions

JCC price	USD/bbl	78.95	112.38	33.43
Exchange rate	Yen/USD	90.71	81.07	(9.64)
Bitumen price	CAD/bbl	52.98	45.70	(7.28)
Exchange rate	Yen/CAD	83.76	83.38	(0.38)

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" stated herein are amounts of Japex (U.S.) Corp., an overseas consolidated subsidiary.

Actual results for 1H FY2012 (vs FY2011)

[Million ¥]	FY11 1H(a)	FY12 1H(a)	change
Net sales	92,369	104,596	12,226
Gross profit	24,140	25,338	1,197
Exploration expenses	6,023	4,043	(1,979)
SG&A expenses	14,272	15,075	802
Operating income	3,845	6,219	2,373
Non-operating income (expenses)	1,083	1,668	584
Ordinary income	4,929	7,887	2,958
Extraordinary income (losses)	(2,414)	(42)	2,372
Income taxes	243	1,277	1,033
Minority interests in income	374	235	(139)
Net income	1,896	6,333	4,437

« Causes of increase(+) or decrease(-) »

Gross profit

Domestic crude oil and natural gas + ¥4.2 billion
 Transportation fee of natural gas - ¥1.8 billion
 Overseas consolidated subsidiaries - ¥1.3 billion

Exploration expenses

Domestic exploration + ¥2.0 billion

Non-operating income (expenses)

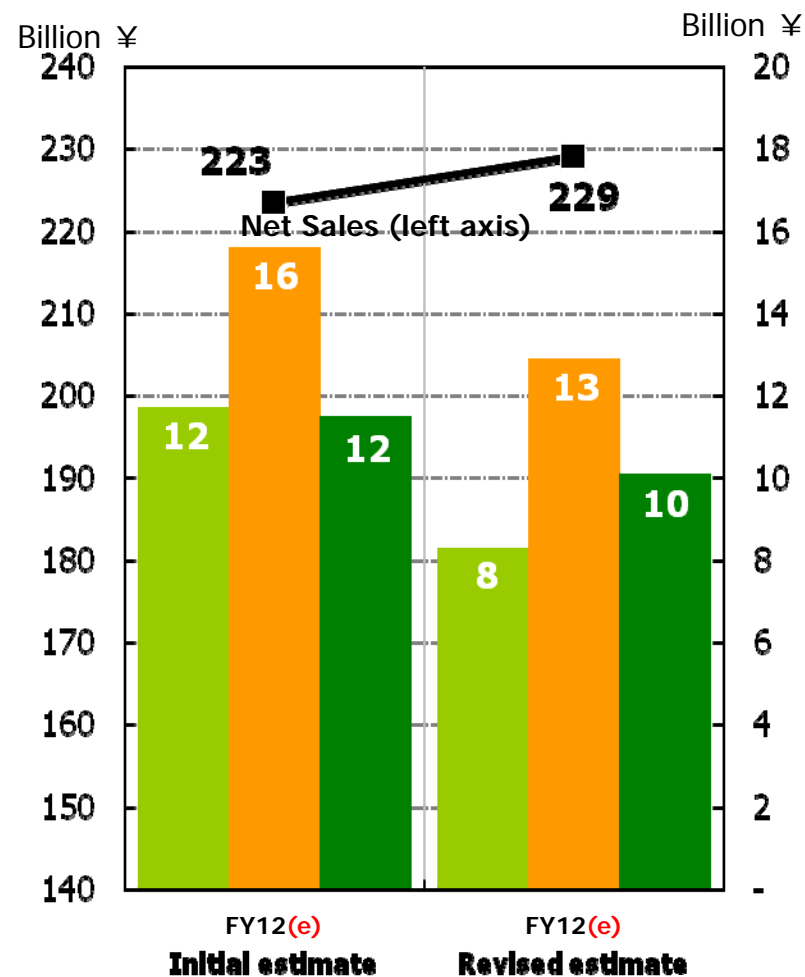
Equity in earnings (losses) of affiliates - ¥0.2 billion
 Gain on redemption of investment securities +¥0.5 billion

Extraordinary income (losses)

Loss on adjustment for changes of accounting standard
 for asset retirement obligations +¥2.3 billion

Revised estimates for FY2012 (Summary)

[Billion ¥]	FY12 (e)			% change
	Initial estimate (May '11)	Revised estimate (Nov. '11)	change	
Net Sales	223.4	229.0	5.5	2%
Operating income	11.7	8.3	(3.3)	(29%)
Ordinary income	15.6	12.9	(2.6)	(17%)
Net income	11.5	10.1	(1.3)	(12%)
JCC price USD/bbl	90.00	105.66	15.66	
Exchange rate Yen/USD	85.00	80.52	(4.48)	
Bitumen price CAD/bbl	47.82	46.25	(1.57)	
Exchange rate Yen/CAD	85.00	80.00	(5.00)	
	1Q (a)	2Q (a)	3Q (e)	4Q (e)
JCC price USD/bbl	110.80	112.38	100.00	
Bitumen price CAD/bbl	40.91	51.14	46.71	



Main points of revised estimate : causes of increase(+) or decrease(-)

<Cause of increase>

- Rise in Sales price
- Increase in dividend income

<Cause of decrease>

- Revise sales plan
- Equity in losses of affiliates

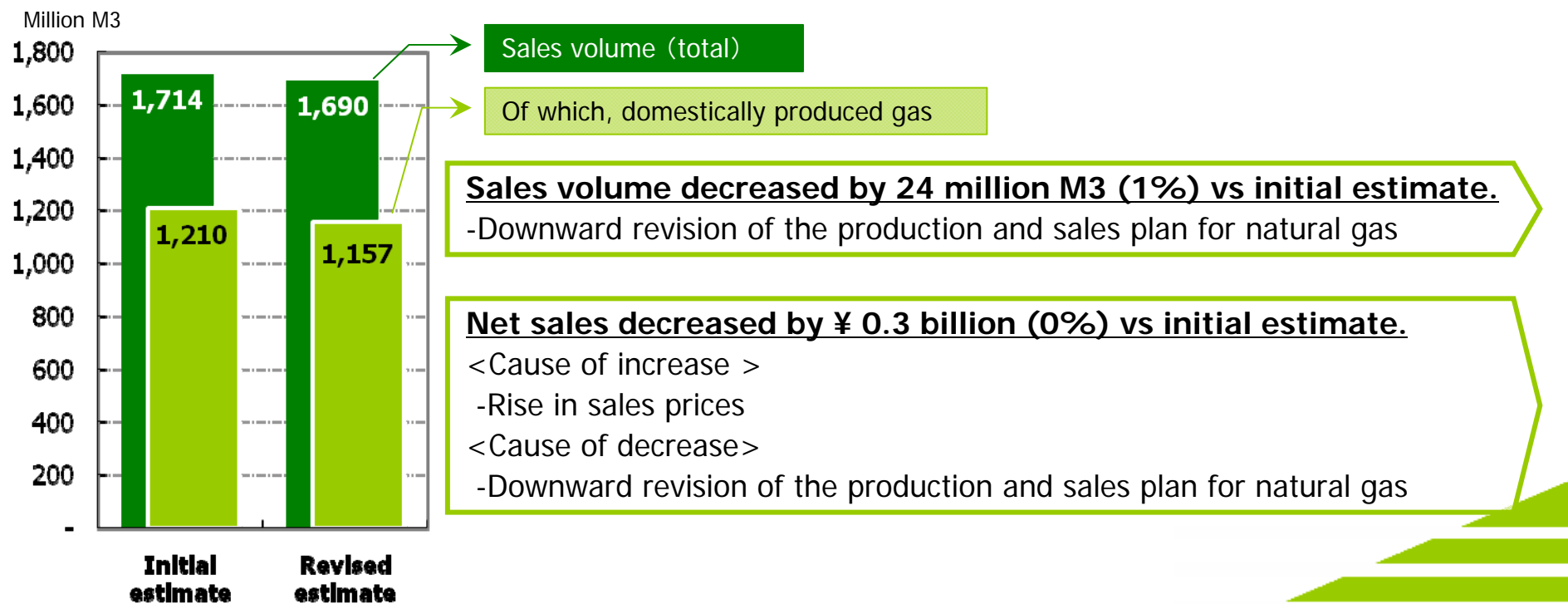
- Operating income (right axis)
- Ordinary income (right axis)
- Net income (right axis)

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Revised estimated Natural gas sales in FY2012 (vs Initial estimate)

Sales volume : Million M3 Net sales : Million ¥		Initial estimate (May '11)		Revised estimate (Nov. '11)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Natural gas :	Sales volume	754	1,714	742	1,690	(12)	(24)
	Net sales	32,493	73,585	31,170	73,266	(1323)	(318)
Of which, Domestically produced gas :	Sales volume	545	1,210	522	1,157	(22)	(54)

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



Revised estimated Crude oil sales in FY2012 (vs Initial estimate)

Sales volume : Thousand KL Net sales : Million ¥		Initial estimate (May '11)		Revised estimate (Nov. '11)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Crude oil :	Sales volume	948	1,949	896	1,897	(52)	(52)
	Net sales	41,774	86,093	46,649	93,253	(4,875)	(7,160)

Breakdown of equity oil

Domestically produced crude oil :	Sales volume	256	554	239	523	(17)	(31)
	Net sales	12,529	26,978	13,925	28,573	1,397	1,595
Overseas subsidiary crude oil :	Sales volume	1	2	1	3	0	1
	Net sales	56	102	84	142	28	40
Bitumen :	Sales volume	191	404	175	384	(16)	(20)
	Net sales	4,645	10,324	4,207	8,931	(438)	(1,393)

Oil price and Exchange rate assumptions

JCC price	USD/bbl	90.00	90.00	112.38	105.66	22.38	15.66
Exchange rate	Yen/USD	85.00	85.00	81.07	80.52	(3.93)	(4.48)
Bitumen price	CAD/bbl	45.48	47.82	45.70	46.25	0.22	(1.57)
Exchange rate	Yen/CAD	85.00	85.00	83.38	80.00	(1.62)	(5.00)

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" stated herein are amounts of Japex (U.S.) Corp., an overseas consolidated subsidiary.

Revised estimates for FY2012 (vs Initial estimate)

[Million ¥]	Initial estimate (May '11)	Revised estimate (Nov. '11)	change
Net sales	223,479	229,031	5,552
Gross profit	52,361	50,593	(1,767)
Exploration expenses	9,446	8,864	(582)
SG&A expenses	31,158	33,365	2,206
Operating income	11,757	8,365	(3,392)
Non-operating income (expenses)	3,877	4,609	731
Ordinary income	15,634	12,974	(2,660)
Extraordinary income (losses)	(255)	(4)	251
Income taxes	3,245	2328	(917)
Minority interests in income	607	468	(139)
Net income	11,528	10,175	(1,353)

« Causes of increase(+) or decrease(-) »

Gross profit

Domestic crude oil and natural gas - ¥1.1 billion
 Transportation fee of natural gas + ¥0.4 billion
 Overseas consolidated subsidiaries - ¥0.8 billion

Exploration expenses

Domestic exploration + ¥0.8 billion
 Overseas exploration - ¥0.2 billion

Non-operating income (expenses)

Dividends income + ¥1.5 billion
 Equity in (earnings) losses of affiliates - ¥1.1 billion

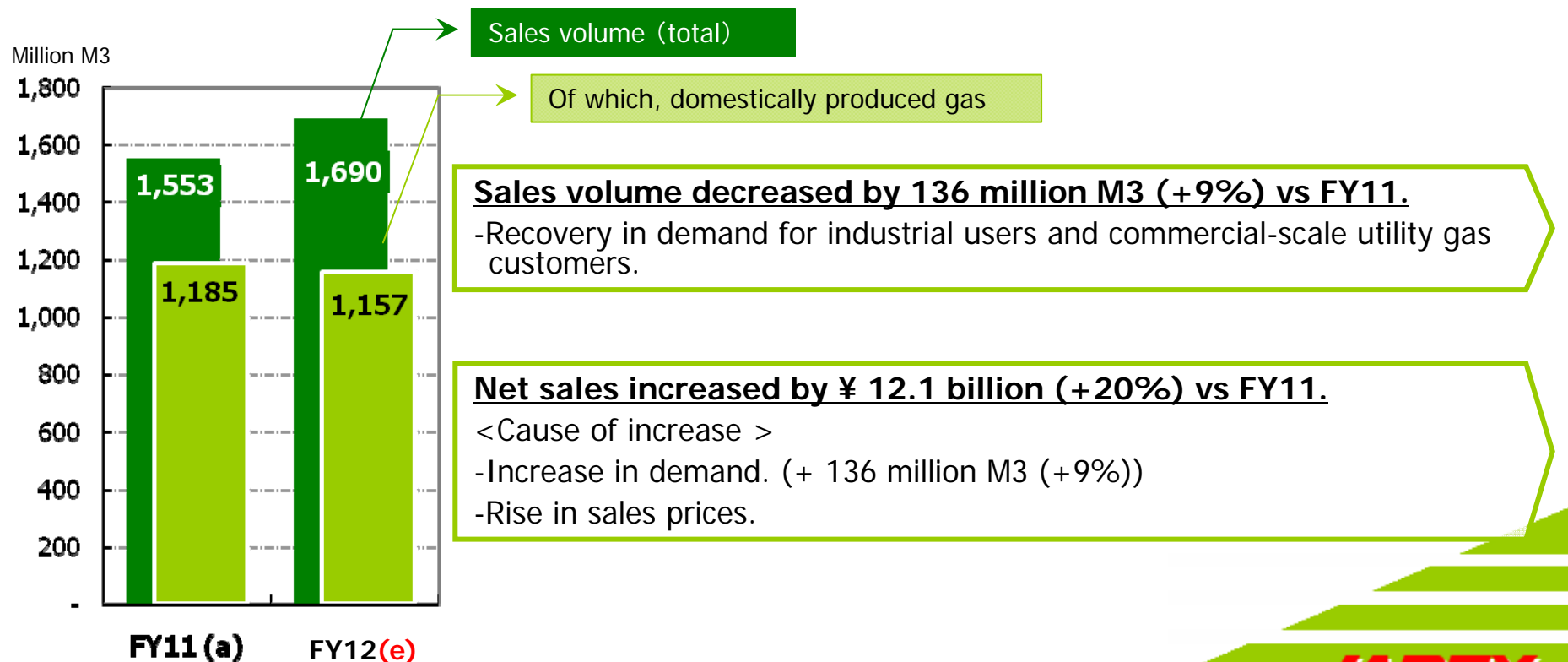
Extraordinary income (losses)

Gain on sales of noncurrent assets
 + ¥0.2 billion

Revised estimated Natural gas sales in FY2012 (vs FY2011)

Sales volume : Million M3 Net sales : Million ¥		FY11	FY12 Revised estimate (Nov. '11)		change (vs FY11)	
		Full (a)	1H (a)	2H (e)		Full (e)
Natural gas:	Sales volume	1,533	742	948	1,690	136
	Net sales	61,090	31,170	42,906	73,266	12,176
Of which, Domestically produced gas:	Sales volume	1,185	522	634	1,157	(29)

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



Revised estimated Crude oil sales in FY2012 (vs FY2011)

Sales volume : Thousand KL Net sales : Million ¥		FY11	FY12 Revised estimate (Nov. '11)			change (vs FY11)
		Full (a)	1H (a)	2H (e)	Full (e)	
Crude oil:	Sales volume	1,899	896	1,001	1,897	(2)
	Net sales	77,629	46,649	46,604	93,253	15,624

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	547	239	284	523	(25)
	Net sales	23,777	13,925	14,648	28,573	2,795
Overseas subsidiary crude oil:	Sales volume	5	1	1	3	(2)
	Net sales	187	84	58	142	(45)
Bitumen:	Sales volume	409	175	209	384	(26)
	Net sales	10,141	4,207	4,724	8,931	(1,210)

Oil price and Exchange rate assumptions

JCC price	USD/bbl	82.69	112.38	100.00	105.66	22.97
Exchange rate	Yen/USD	86.24	81.07	80.00	80.52	(5.72)
Bitumen price	CAD/bbl	48.32	45.70	46.71	46.25	(2.07)
Exchange rate	Yen/CAD	81.47	83.38	80.00	80.00	(1.47)

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" stated herein are amounts of Japex (U.S.) Corp., an overseas consolidated subsidiary.

Revised estimates for FY2012 (vs FY2011)

[Million ¥]	FY2011 (a)	FY2012 (e)	change
Net sales	199,651	229,031	29,379
Gross profit	54,732	50,593	(4,139)
Exploration expenses	9,798	8,864	(935)
SG&A expenses	31,084	33,365	2,280
Operating income	13,849	8,365	(5,485)
Non-operating income (expenses)	3,272	4,609	(1,336)
Ordinary income	17,122	12,974	(4,148)
Extraordinary income (losses)	(4,166)	(4)	4,163
Income taxes	2,161	2,328	167
Minority interests in income	783	465	(316)
Net income	10,010	10,175	164

« Causes of increase(+) or decrease(-) »

Gross profit

Domestic crude oil and natural gas +¥1.5 billion
 LNG substitution expense - ¥1.9 billion
 Transportation fee of natural gas - ¥2.3 billion
 Overseas consolidated subsidiaries - ¥1.4 billion

Exploration expenses

Domestic exploration + ¥1.6 billion
 Overseas exploration - ¥0.7 billion

Non-operating income (expenses)

Dividends income +¥1.2 billion
 Equity in earnings (losses) of affiliates -¥1.2 billion
 Loss on valuation of securities and Exchange
 + ¥1.3 billion




Extraordinary income (losses)

Loss on adjustment for changes of accounting
 standard for asset retirement obligations
 + ¥2.3 billion
 Extraordinary expense related with Great East
 Japan Earthquake + ¥1.6 billion

3Q-4Q : Oil price and Exchange rate assumptions and impact on profits

		FY2011			FY2012				
		1H (a)	2H (a)	Full (a)	1Q (a)	2Q (a)	3Q (e)	4Q (e)	Full (e)
JCC price	USD/bbl	78.95	85.67	82.69	110.80	114.23	100.00		105.66
Exchange rate	Yen / USD	90.71	82.95	86.24	82.25	79.73	80.00		80.52
Bitumen price	CAD/bbl	52.98	43.98	48.32	40.91	51.14	50.33	43.05	46.25
Exchange rate	Yen /CAD	83.76	81.47	81.47	85.66	83.38	80.00	80.00	80.00

3Q-4Q :	JCC price	Exchange rate	Bitumen price (4Q)
Assumption	USD 100 /bbl	Yen 80 /USD	CAD 43.05 /bbl (Yen 80 /CAD)

3Q-4Q :	USD 1 /bbl increase in crude oil prices would push profits up by...	A weakening in the yen to Yen 5/USD would push profits up by...	CAD 1/bbl increase in bitumen prices would push profits up by...
Impact on Profits			
Operating income	200 million Yen	570 million Yen	(650 thousand CAD) 52 million Yen
Net income	130 million Yen	440 million Yen	(570 thousand CAD) 46 million Yen

Note: In addition to the impact of exchange rate fluctuations shown on the above, translation adjustments of foreign-currency- denominated receivables and payables also occur.
Actual profits are influenced by a variety of other factors besides crude oil prices and exchange rates.