



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

# Consolidated financial results ended March 31, 2012

<Supplementary material>

**May 11, 2012**

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)

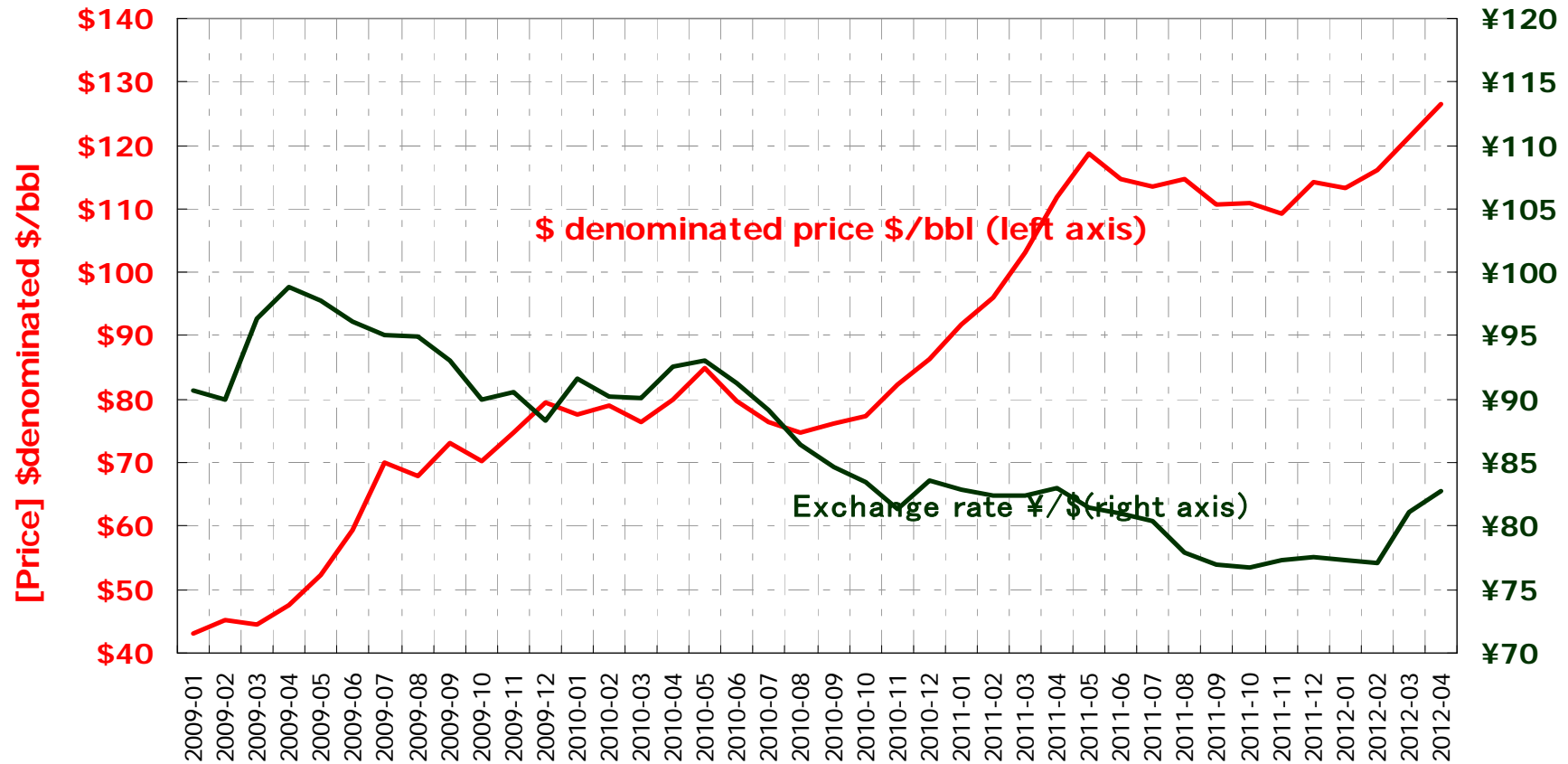
(a) = Actual result

(e) = Estimate

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

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# Trends in Crude oil prices and Foreign exchange rates



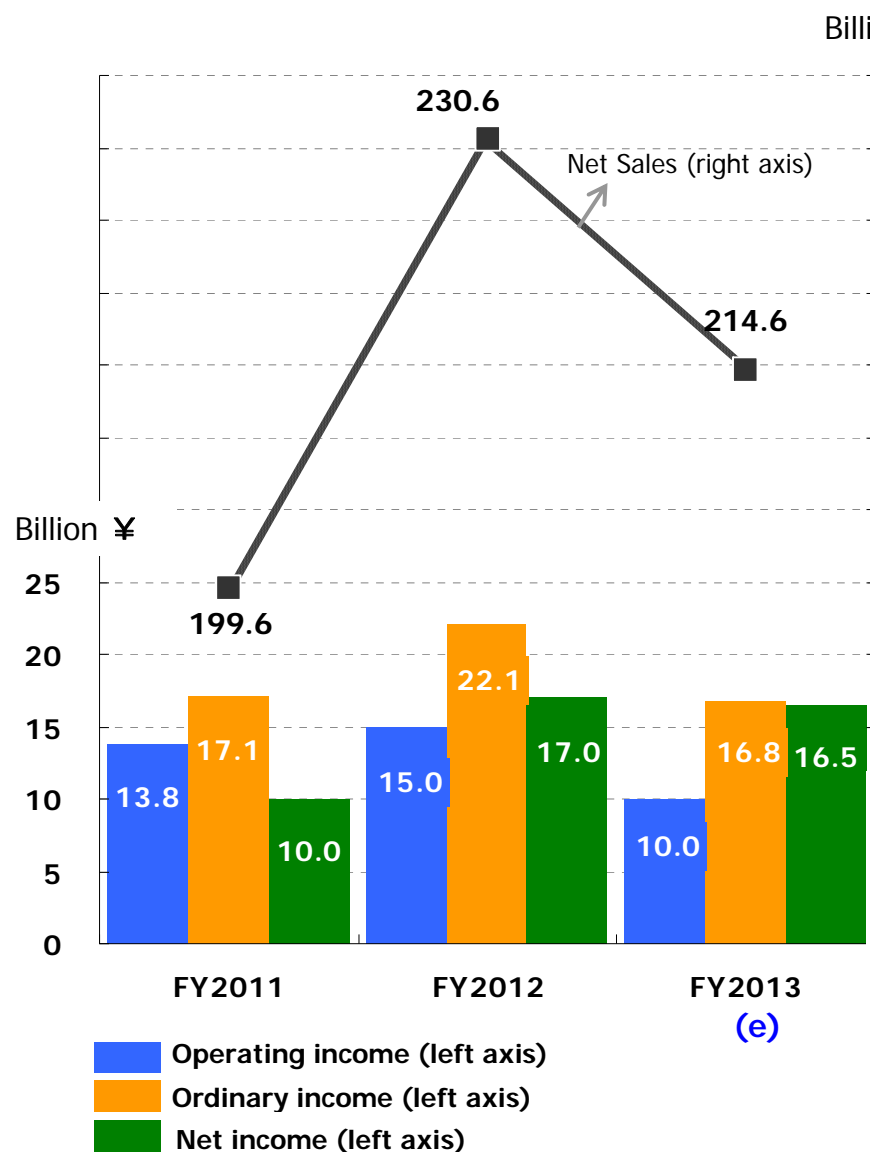
Japan Crude Cocktail (JCC) Price in the first 20 days of April 2012

on a prompt report basis : **USD 126.54/bbl**

**Yen 82.80/USD**



## Actual results for FY2012 and Estimate for FY2013 (Highlight)



### Actual results for FY2012 (vs FY2011)

[ Billion ¥ ]	FY2011 (a)	FY2012 (a)	change	
Net Sales	199.6	230.6	30.9	16%
Operating income	13.8	15.0	1.2	9%
Ordinary income	17.1	22.1	5.0	29%
Net income	10.0	17.0	7.0	70%
JCC price USD/bbl	82.69	112.43	29.74	36%
Exchange rate Yen/USD	86.24	78.93	(7.31)	(8%)

### Estimate for FY2013 (vs FY2012)

[ Billion ¥ ]	FY2012 (a)	FY2013 (e)	change	
Net Sales	230.6	214.6	(16.0)	(7%)
Operating income	15.0	10.0	(5.0)	(33%)
Ordinary income	22.1	16.8	(5.3)	(24%)
Net income	17.0	16.5	(0.5)	(3%)
JCC price USD/bbl	112.43	100.00	(12.43)	(11%)
Exchange rate Yen/USD	78.93	80.00	1.07	1%

## Actual results for FY2012 ( Highlight )

[ Million ¥]	FY2011				FY2012
	<b>Actual</b>	Initial estimate (May 2011)	Revised estimate ① (Nov. 2011)	Revised estimate ② (Feb. 2012)	<b>Actual</b>
Net Sales	<b>199,651</b>	223,479	229,031	226,227	<b>230,638</b>
Operating income	<b>13,849</b>	11,757	8,365	12,214	<b>15,045</b>
Ordinary income	<b>17,122</b>	15,634	12,974	17,932	<b>22,159</b>
Net income	<b>10,010</b>	11,528	10,175	13,805	<b>17,027</b>
JCC price USD/bbl	<b>82.69</b>	90.00	105.66	111.13	<b>112.43</b>
Exchange rate Yen/USD	<b>86.24</b>	85.00	80.52	79.69	<b>78.93</b>
Bitumen price CAD/bbl	<b>48.32</b>	47.82	46.25	49.71	<b>49.81</b>
Exchange rate Yen/CAD	<b>81.47</b>	85.00	80.00	76.22	<b>76.22</b>

**Initial estimate (May 2011) → Revised estimate ① (Nov. 2011)**

**[+]** Rise in crude oil prices

**[-]** Downward revision of the production and sales plans for natural gas & crude oil

**Revised estimate ① (Nov. 2011) → Revised estimate ② (Feb. 2012)**

**[+]** Rise in crude oil prices **[+]** Decrease in exploration expenses **[+]** Increase in non-operating income (expenses)

**Revised estimate ② (Feb. 2012) → Actual results**

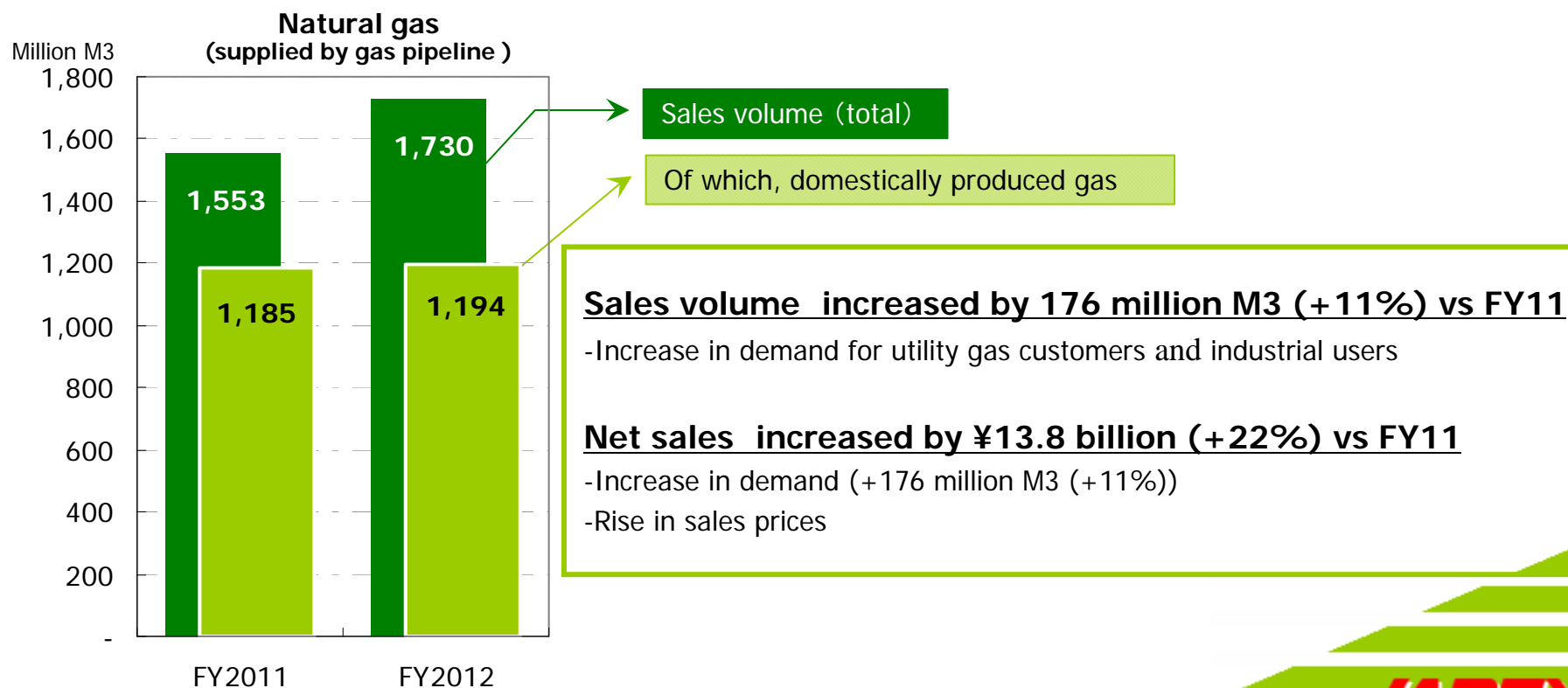
**[+]** Rise in natural gas prices & crude oil prices **[+]** Increase in demand **[-]** Increase in non-operating income (expenses)

Ordinary income ¥ 22.1 billion (+¥4.2billion) Net income ¥17.0 billion (+¥3.2billion)

## Actual sales of Natural gas in FY2012(vs FY2011)

			FY2011		FY2012		change	
			1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
<b>Natural gas:</b>	Sales volume	million M3	696	1,553	742	1,730	45	176
	Net sales	million ¥	27,039	61,090	31,170	74,957	4,130	13,867
Of which, Domestically produced gas:	Sales volume	million M3	529	1,185	522	1,194	(7)	9

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



## Actual sales of Crude oil in FY2012 (vs FY2011)

Sales volume : Thousand KL Net sales : Million ¥		FY 2011		FY 2012		change	
		1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
Crude oil:	Sales volume	946	1,899	896	1,778	(50)	(120)
	Net sales	38,242	77,629	46,649	89,891	8,406	12,262

### Breakdown of equity oil

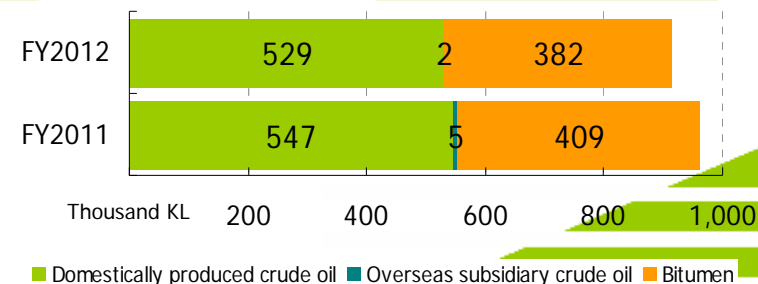
Domestically produced crude oil:	Sales volume	246	547	239	529	(6)	(18)
	Net sales	11,083	25,777	13,925	30,351	2,841	4,573
Overseas subsidiary crude oil:	Sales volume	3	5	1	2	(1)	(2)
	Net sales	117	187	84	128	(33)	(59)
Bitumen:	Sales volume	197	409	175	382	(21)	(26)
	Net sales	5,512	10,141	4,207	9,137	(1,304)	(1,003)

### Oil price and Exchange rate assumptions

JCC price	USD/bbl	78.95	82.69	112.38	112.43	33.43	29.74
Exchange rate	Yen/USD	90.71	86.24	81.07	78.93	(9.64)	(7.31)
Bitumen price	CAD/bbl	52.98	48.32	45.70	49.81	(7.28)	1.49
Exchange rate	Yen/CAD	83.76	81.47	83.38	76.22	(0.38)	(5.25)

Domestically produced crude oil : **[+]** Rise in crude oil prices

Bitumen : **[-]** Decrease in production volume and Strong yen



Sales volume and net sales of "Domestically produced crude oil" stated herein do not include purchased crude oil. Royalty is excluded in the net sales and price of Bitumen.

Sales volume and net sales of "Overseas subsidiary crude oil" stated herein are amounts of Japex (U.S.) Corp., an overseas consolidated subsidiary.



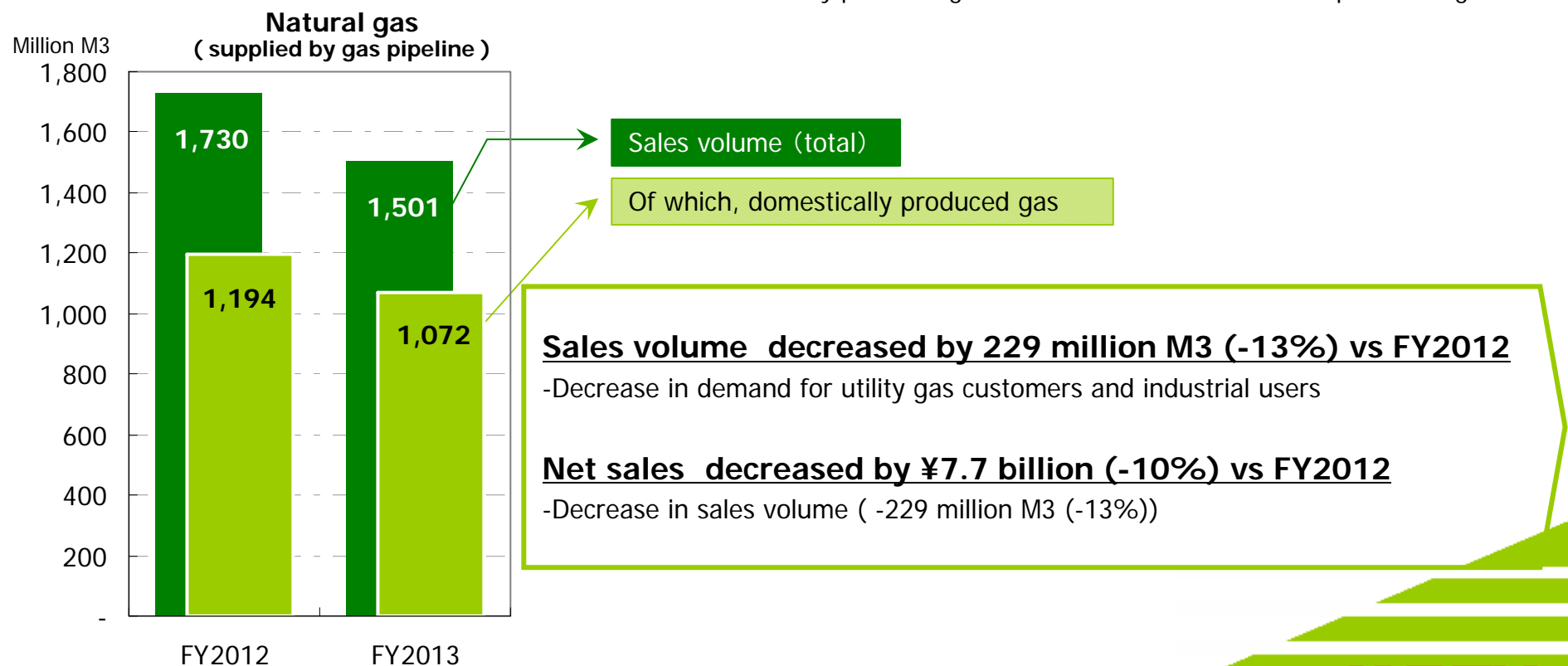




## Estimated Natural gas sales in FY2013

			FY2012		FY2013		change	
			1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
<b>Natural gas:</b>	Sales volume	Million M3	742	1,730	698	1,501	(45)	(229)
	Net sales	Million ¥	31,170	74,957	31,385	67,225	215	(7,733)
Of which, Domestically produced gas:	Sales volume	Million M3	522	1,194	519	1,072	(4)	(123)

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



## Estimated Crude oil sales in FY2013

Sales volume : Thousand KL Net sales : Million ¥		FY 2012		FY 2013		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Crude oil:	Sales volume	896	1,778	804	1,763	(92)	(15)
	Net sales	46,649	89,891	37,577	81,603	(9,072)	(8,288)

### Breakdown of equity oil

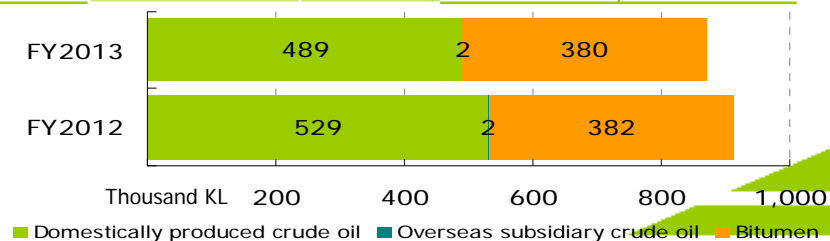
Domestically produced crude oil:	Sales volume	239	529	251	489	11	(40)
	Net sales	13,925	30,351	12,920	25,146	(1,006)	(5,205)
Overseas subsidiary crude oil:	Sales volume	1	2	1	2	(1)	(1)
	Net sales	84	128	48	91	(36)	(37)
Bitumen:	Sales volume	175	382	173	380	(3)	(3)
	Net sales	4,207	9,137	4,705	10,103	498	966

### Oil price and Exchange rate assumptions

JCC price	USD/bbl	112.38	112.43	100.00	100.00	(12.38)	(12.43)
Exchange rate	Yen/USD	81.07	78.93	80.00	80.00	(1.07)	1.07
Bitumen price	CAD/bbl	45.70	49.81	54.12	52.91	8.42	3.10
Exchange rate	Yen/CAD	83.38	76.22	80.00	80.00	(3.38)	3.78

Domestically produced crude oil : 【-】Fall in crude oil prices

Bitumen : 【+】Increase in sales price and Weakening of the yen



Sales volume and net sales of "Domestically produced crude oil" stated herein do not include purchased crude oil. Royalty is excluded in the net sales and price of Bitumen.

Sales volume and net sales of "Overseas subsidiary crude oil" stated herein are amounts of Japex (U.S.) Corp., an overseas consolidated subsidiary.

## Estimates for FY2013

[ Million ¥]	FY2012 (a)	FY2013 (e)	change
Net sales	230,638	214,653	(15,985)
Gross profit	56,278	54,865	(1,413)
Exploration expenses	7,805	13,896	6,090
SG&A expenses	33,426	30,966	(2,461)
Operating income	15,045	10,003	(5,042)
Non-operating income (expenses)	7,114	6,816	(299)
Ordinary income	22,159	16,819	(5,341)
Extraordinary income (losses)	311	2,378	2,067
Income taxes	4,746	1,969	(2,778)
Minority interests in income	696	702	5
Net income	17,027	16,526	(501)

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

### Gross profit

Domestic crude oil and natural gas  
- ¥4.0 billion  
Transportation on consignment income  
+ ¥2.1 billion

### Exploration expenses

Domestic exploration - ¥4.2 billion  
Overseas exploration - ¥1.8 billion

### Non-operating income (expenses)

Dividends income - ¥0.5 billion

## Oil price and Exchange rate assumptions and impact on profits

Assumption	JCC price USD <b>100</b> /bbl	Exchange rate Yen <b>80</b> /USD	Bitumen price CAD <b>52.91</b> /bbl ( Yen 80 /CAD )
Impact on Profits	USD <b>1</b> /bbl increase in crude oil prices would push profits up by...	A weakening in the yen to Yen <b>5</b> /USD would push profits up by...	CAD <b>1</b> /bbl increase in bitumen prices would push profits up by...
Operating income	200 million Yen	890 million Yen	( 2.38 billion CAD ) 190 million Yen
Net income	130 million Yen	620 million Yen	(2.09 billion CAD ) 170 million Yen

		FY2012			FY2013			change
		1H (a)	2H (a)	Full (a)	1H (e)	2H (e)	Full (e)	
JCC price	USD/bbl	112.38	112.48	112.43	100.00	100.00	100.00	(12.43)
Exchange rate	Yen / USD	81.07	77.17	78.93	80.00	80.00	80.00	1.07
Bitumen price	CAD/bbl	45.70	43.98	49.81	54.12	51.89	52.91	3.01
Exchange rate	Yen /CAD	83.38	81.47	76.22	80.00	80.00	80.00	3.78

Note1: Royalty is excluded in "Bitumen price".

Note2: 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.