



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

Presentation of Consolidated financial results for the six months ended September 30, 2012

November 2, 2012

Japan Petroleum Exploration Co., Ltd.

Cautionary statement

Any information contained herein with respect to JAPEX's plans, estimates, strategies and other statements that are not historical facts are forward-looking statements about the future performance of JAPEX. Readers should be aware that actual results and events may differ substantially from these projections due to various factors.

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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

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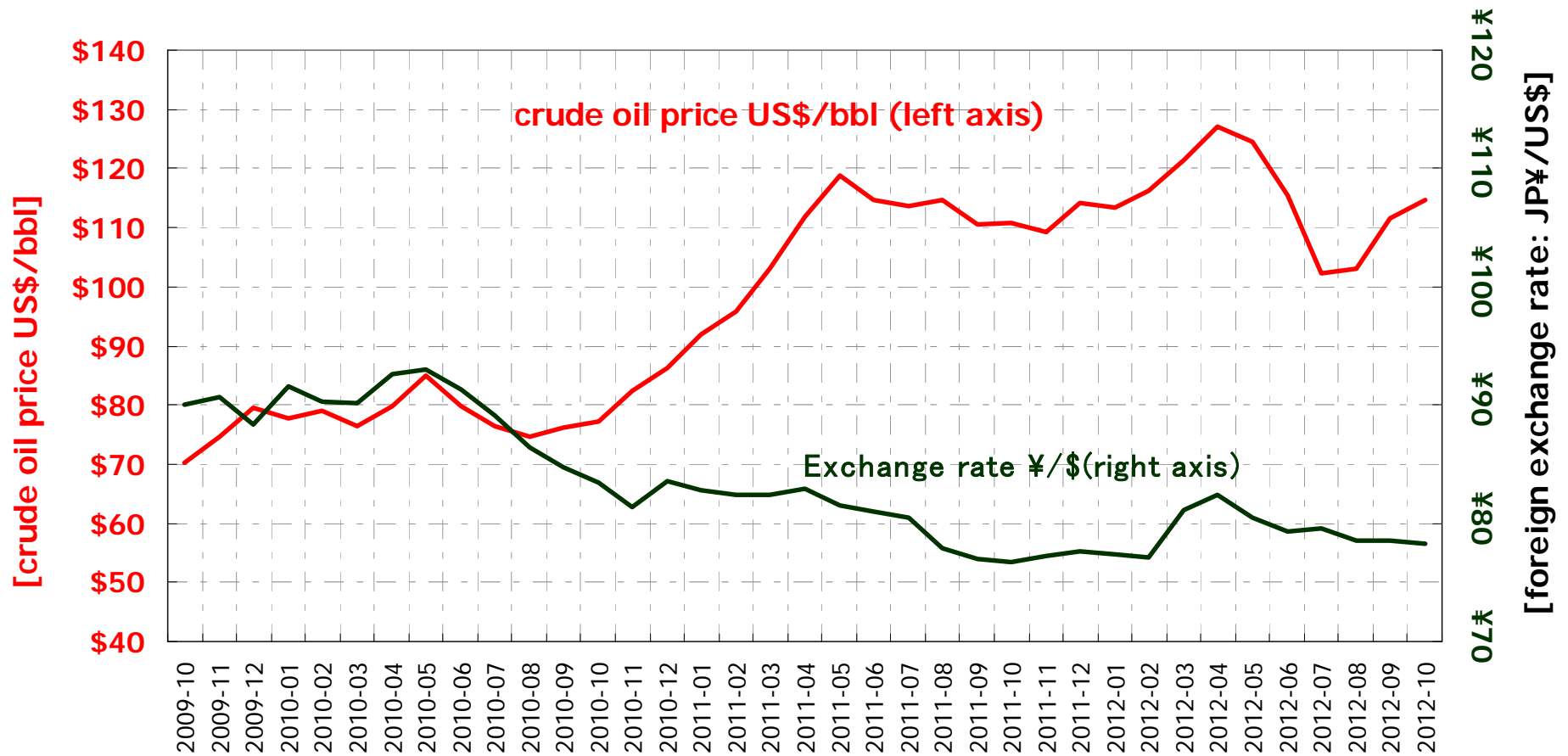
Executive Vice President Hiroshi Sato



Business overview

President
Osamu Watanabe

Trends in Crude oil prices and Foreign exchange rates



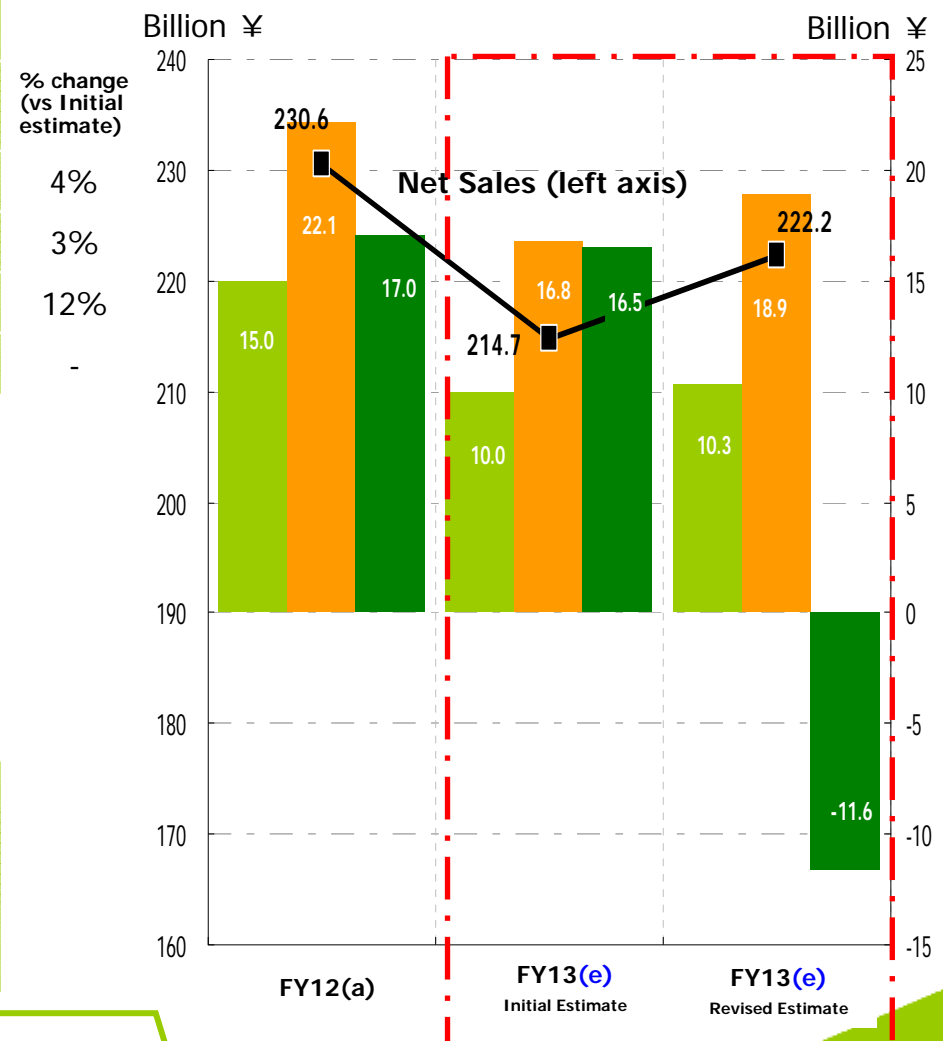
Japan Crude Cocktail (JCC) Price in the first 10 days of October 2012

on a prompt report basis : **USD 114.74/bbl**

Yen 78.24/USD

Revised estimates for FY2013 (Highlight)

[Billion ¥]	FY12 (a)	FY13 (e)			% change (vs Initial estimate)
		Initial estimate (May11 '12)	Revised estimate (Oct. 26'12)	change	
Net Sales	230.6	214.7	222.2	7.6	4%
Operating income	15.0	10.0	10.3	0.3	3%
Ordinary income	22.1	16.8	18.9	2.0	12%
Net income	17.0	16.5	(11.6)	(28.2)	-
JCC price USD/bbl	112.43	100.00	112.08	12.08	
Exchange rate Yen/USD	78.93	80.00	80.19	0.19	
Bitumen price CAD/bbl	49.81	52.91	48.76	(4.15)	
Exchange rate Yen/CAD	76.22	80.00	80.00	-	
	1Q (a)	2Q (a)	3Q (e)	4Q (e)	
JCC price USD/bbl	124.11	106.79	115.00	100.00	
Bitumen price CAD/bbl	54.22	49.57	45.29		



Main points of revised estimate :

- Increased Profit * Increase in sales price * Increase of dividends income
- Decreased Profit
- * Downward revision of the production and sales plans for natural gas and crude oil
- * Impairment loss of business assets at Yufutsu oil & gas field

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



Outline of Yufutsu oil and gas field and the postnig of impairment loss for its business assets

【Outline of Yufutsu oil and gas field and the details of impairment loss】

- Started production since February 1996
Cummurative production : 2,788 thousand kl of crude oil, 4.87 billion m3 of natural gas
- JAPEX has looked into production trends at Yufutsu oil and gas field and has assessed its production capacity. JAPEX found that the quantity of water brought forth with oil gas from the wells significantly exceeded its forecast in the winter of the fiscal year 2012. Following the finding, JAPEX had measured the bottom hole pressure and etc. since June 2012 and reassessed the production capacity.
- As a result, JAPEX posted an impairment loss in extraordinary loss for business assets of Yufutsu oil and gas field

【Outlook for Yufutsu oil and gas field and natural gas supply in Hokkaido】

- JAPEX will maintain and expand the supply of oil and natural gas in Hokkaido by continuing with the long-term, efficient operation of Yufutsu oil and gas field, promoting exploration and development in the surrounding areas.
- In addition to the supply of natural gas produced from Yufutsu oil and gas field, JAPEX has already completed and is now operating its natural gas supply system which is composed of the Yufutsu LNG Receiving Terminal and its domestic vessles. Meanwhile, Hokkaido Gas Co.,Ltd. will start the operation of the Ishikari LNG plant in December 2012. Thus the stable supply of natural gas in Hokkaido will not be disrupted due to the said revised production forecast downward.

After the decline in Yufutsu oil and gas field production — a reinforcement of domestic business

To respond to the decline in the production of the Yufutsu oil and gas field and the associated fall in earnings, the Company will take the following steps aimed at reinforcement and increasing the value of its domestic business.

1. Reducing operating costs

Optimizing the operation structure to respond to the decline in Yufutsu production → Reduce operating costs

- From FY2014 Scheduled to reduce the current five-train gas processing operation with a three-train operation.
- Will further pursue optimization

2. Pursue exploration and development potential in Hokkaido

Aiming for continued long-term operations of the Yufutsu oil and gas field and the effective use of existing Yufutsu infrastructure, pursue exploration and development potential in Hokkaido.

- Pursue the possibility of Yufutsu shallow crude oil formation. → Drilling Akebono (T1) A5 extension well to start from January, 2013.
- Assess the potential of Akeno and others at earliest.

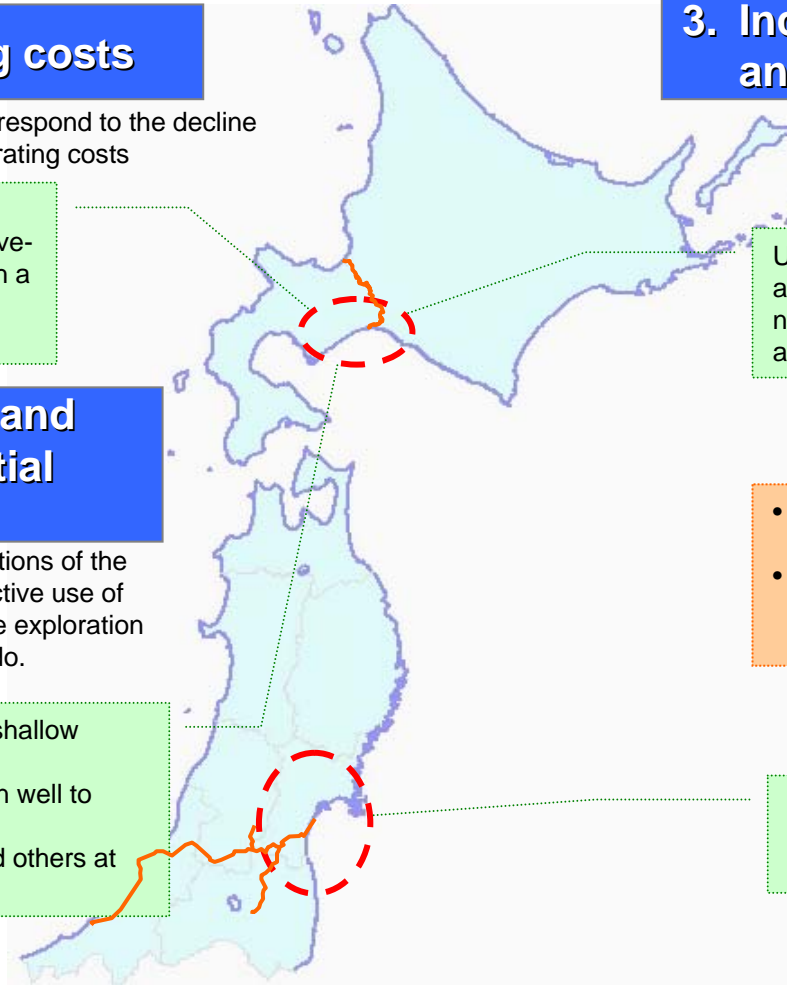
3. Increasing natural gas sales and securing stable supply

Target supply stability and greater competitiveness in domestic natural gas business

Use Yufutsu LNG Receiving Terminal and domestic LNG vessels to cultivate new natural gas demand in the central and southern Hokkaido region.

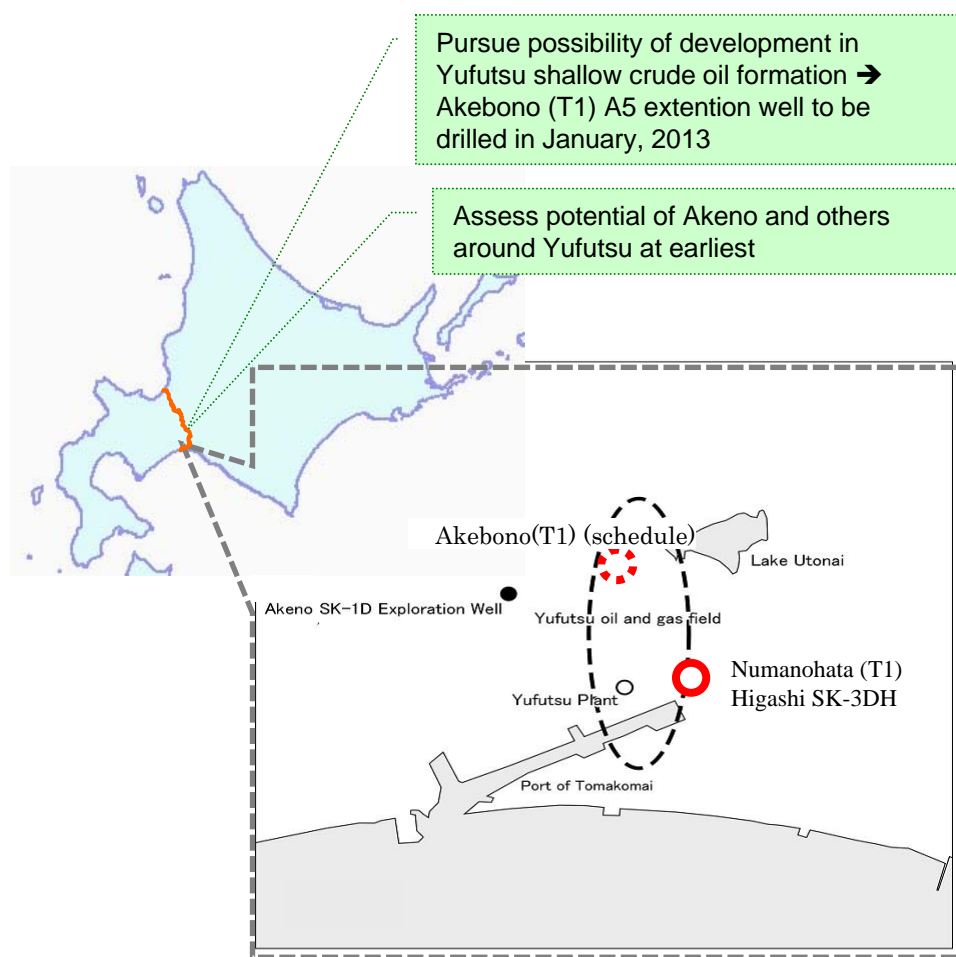
- Plan construction of a new LNG receiving terminal on the Pacific side
- Promote upstream and middle-stream overseas LNG project to secure LNG with competitiveness.

Use existing pipelines and other infrastructure to cultivate new natural gas demand in the Greater Sendai Area



Pursue Exploration and Development Potential in Hokkaido

Consider moving to the development phase for Yufutsu shallow crude oil formation as well as maximizing the exploration and development potential of its surrounding areas, including Akeno, which was discovered in the previous fiscal year.



Basic Principles, etc.

- Aiming for exploration of Yufutsu shallow crude oil formation (Takinoue Formation) in FY2013, drilling is planned for two wells:
 - Numanohata (T1) Higashi SK-3DH extension well and
 - Akebono (T1) A5 extension well
- Based on the drilling results for Numanohata (T1) Higashi SK-3DH extension well (crude oil production test succeeded) and Akebono (T1) A5 extension well to be drilled from January 2013, pursue the possibility of development and production from Yufutsu shallow crude oil formation.
- Assess potential of surrounding areas, including Akeno, at earliest and pursue the possibility of contributing to Yufutsu oil and gas field production.
 - Akeno SK-1D exploration well drilled from August, 2011.
 - Its production test conducted in January 2012 and succeeded in crude oil and gas production.

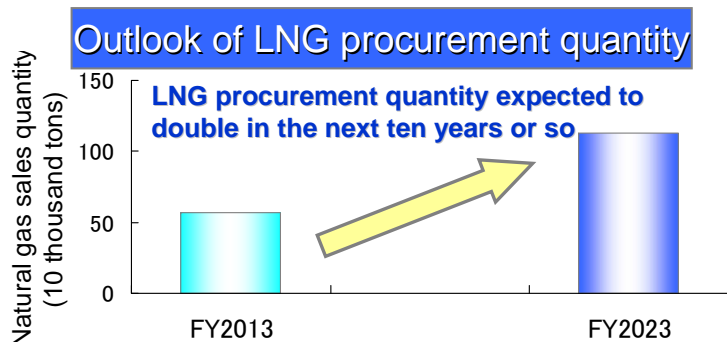
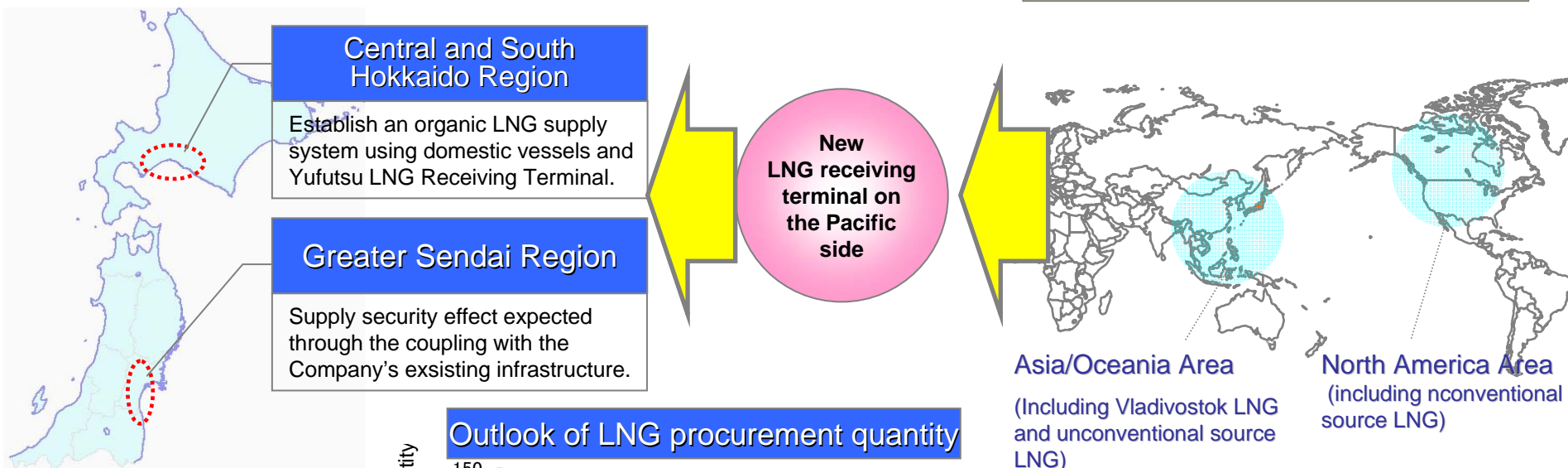
[Reference] Official press release Aug. 3, 2012, Successful Production of Crude Oil from Extension Well in Hokkaido
http://www.japex.co.jp/newsrelease/pdf/20120803_Hokkaido.pdf

Increasing Sales of Natural Gas and Securing of Stable Supply

We will aim to secure stable supply with the use of Yufutsu LNG Receiving Terminal and domestic LNG vessels, while moving forward with the study of a new LNG receiving terminal on the Pacific side to enable competitive material procurement and increased natural gas sales through upstream and middle-stream LNG projects.

With increased sales of natural gas coming through the new LNG receiving terminal on the Pacific side, offset the decline in Yufutsu gas production and sales, and aim to increase value over the long term.

We will focus LNG upstream and middle-stream projects on existing core areas.



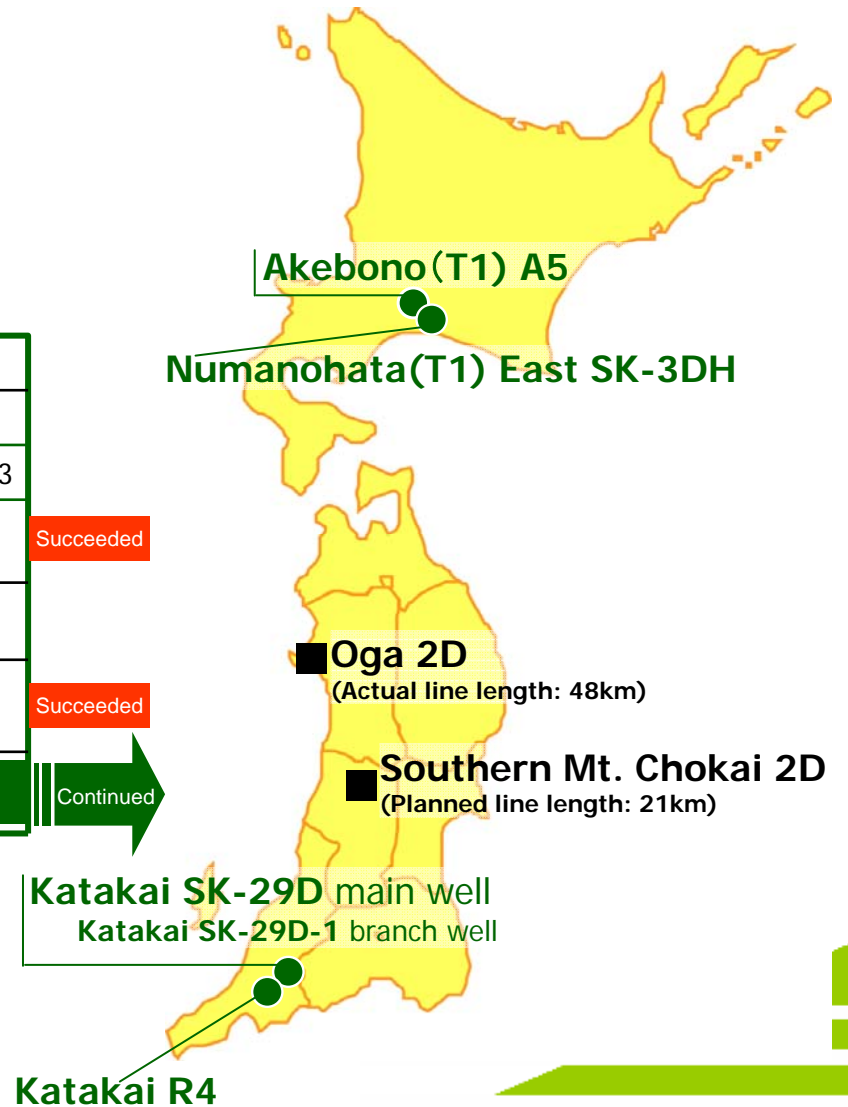
To respond to increased LNG procurement quantity accompanying the rise in sales, etc., construction of a new LNG receiving terminal on the Pacific side will be planned to increase supply security.

Domestic exploration for FY2013 Result for 1H & Plan for 2H

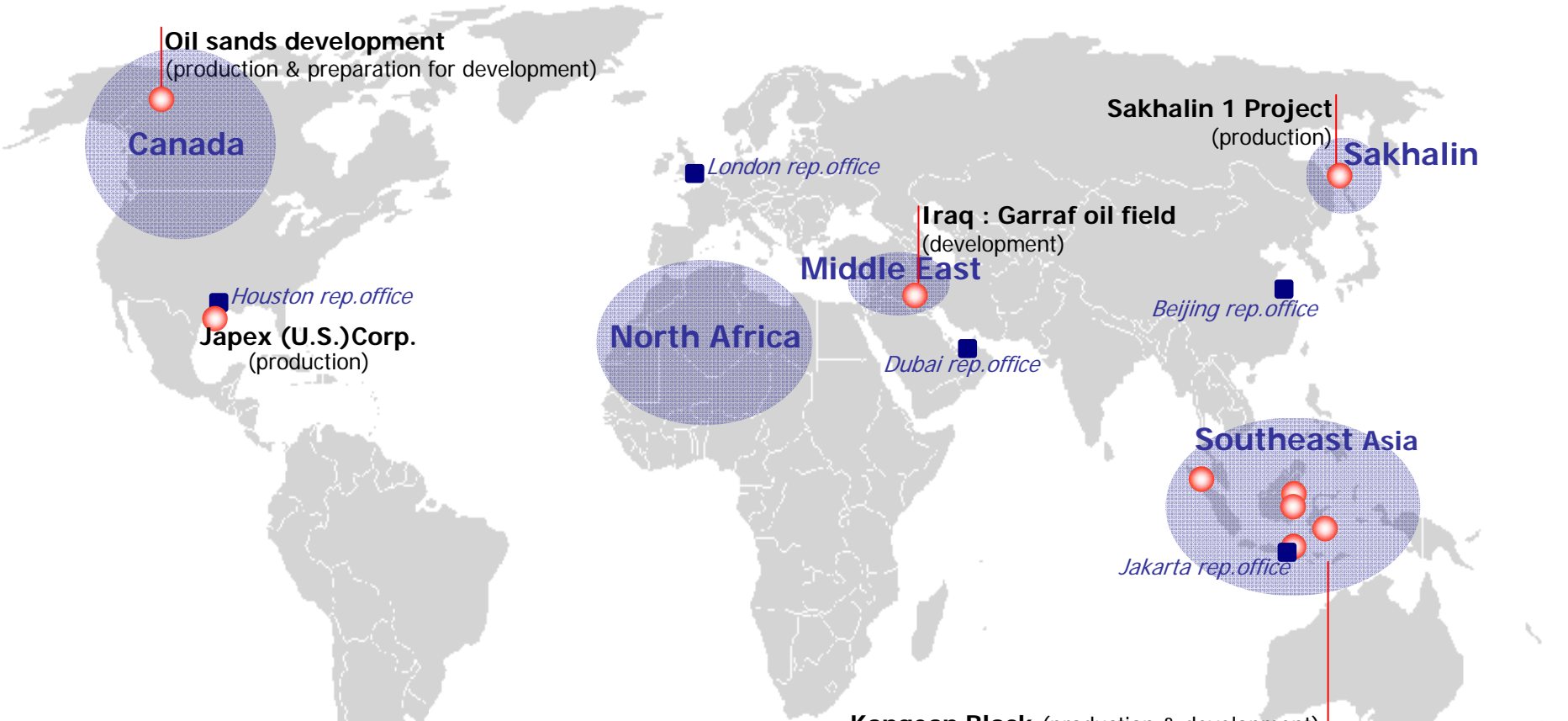
- Extention well : 4 wells
- Seismic survey : 2 sites

● Extention wells drilling schedule

	Total Depth	FY2013													
		1Q			2Q			3Q			4Q				
		4	5	6	7	8	9	10	11	12	1	2	3		
Numanohata(T1) East SK-3DH	2,275m			■											Succeeded
Akebono(T1) A5	1,700m													■	
Katakai SK-29D Katakai SK-29D-1	4,900m 4,940m			■	■	■	■	■	■	■	■	■	■		Succeeded
Katakai R4	5,395m													■	Continued



Overseas business : Basic strategy



Oil sands development
(production & preparation for development)

Canada

Houston rep.office
Japex (U.S.)Corp.
(production)

London rep.office

North Africa

Middle East

Iraq : Garraf oil field
(development)

Dubai rep.office

Sakhalin 1 Project
(production)

Sakhalin

Beijing rep.office

Southeast Asia

Jakarta rep.office

Legend

- 5 Strategic regions
- Blocks in which our consolidated subsidiaries, equity-method affiliates, etc. hold interest.
- 5 overseas representative offices

- Kangean Block (production & development)
- Block A Aceh (preparation for development)
- Buton (exploration)
- Universe Gas & Oil (production)
- Japan CBM (exploration)



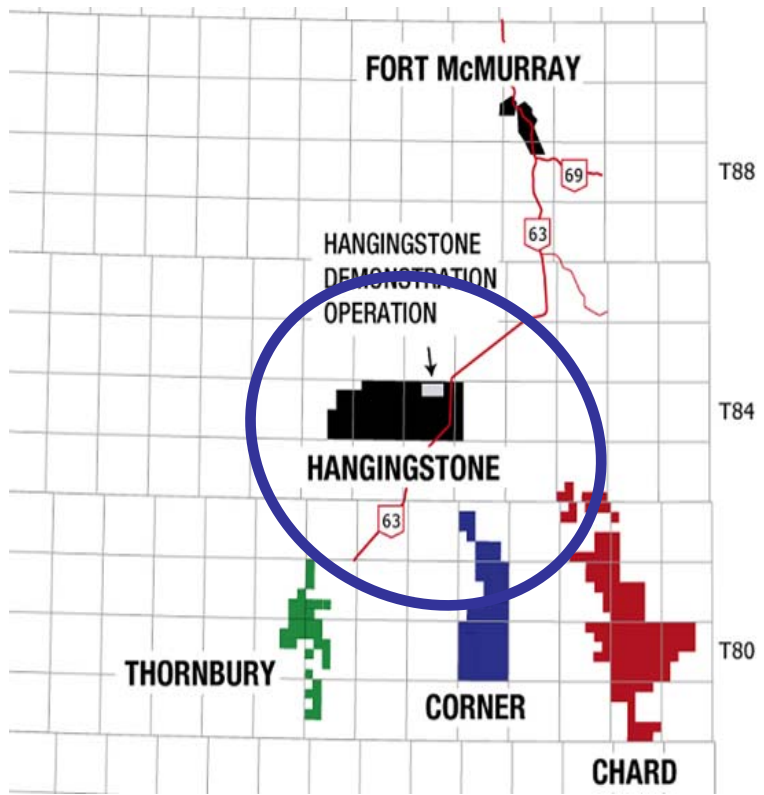
Current status of overseas business ① Canada oil sands

Project company	Canada Oil Sands Co., Ltd. (CANOS) (86.64% owned by JAPEX)
Operator	Japan Canada Oil Sands Ltd. (JACOS) (Local subsidiary, wholly owned by CANOS)
Block	Interest
Hangingsone 3.75 section -Producing around 7,000 bbl/d -Cumulative production of 26 million bbl (as of end-December, 2011)	100%
Expansion project of undeveloped part of Hangingsone area -Additional production of 30,000 bbl/d at the maximum	75%



Schedule	
Apr. 2010	Applied development approval Start FEED
Winter of 2012 to 2013	Make FID after acquiring development approval Start construction
1st Half of 2016	Plan to commence production

■ Areas in which JACOS holds interest in oil sands leases



■ Contingent resources of undeveloped oil sands areas held by JACOS : 1,717 million bbl (as of end-December 2008)

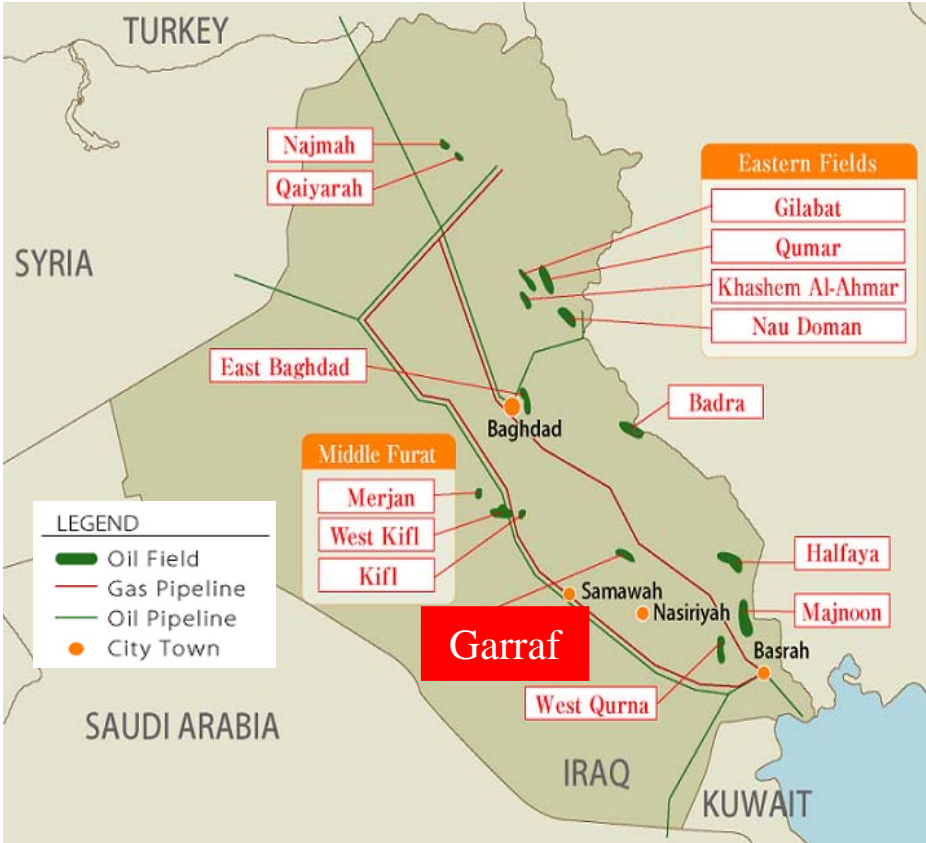
■ Areas where oil sand resources were evaluated:
The Hangingsone area, the Chard area, the Corner area and the Thornbury area were evaluated.



Current status of overseas business ② Iraq

Garraf development project	
Contract Type	Development and Production Service Contract
Counterparty	South Oil Company (SOC)
Contract term	20 years (may be extended for maximum 5 years)

Contractors	PETRONAS (Operator)	JAPEX	North Oil Company (NOC)
Cost share interest	60%	40%	-
Revenue interest	45%	30%	25%



2010	The contract effect on Feb.10, 2010
2011	Drilling campaign commenced in June 2011
2013	Up to 60,000 bbl/d after commercial production
2016	Increase production gradually
2017	Achieve plateau production target of 230,000 bbl/d

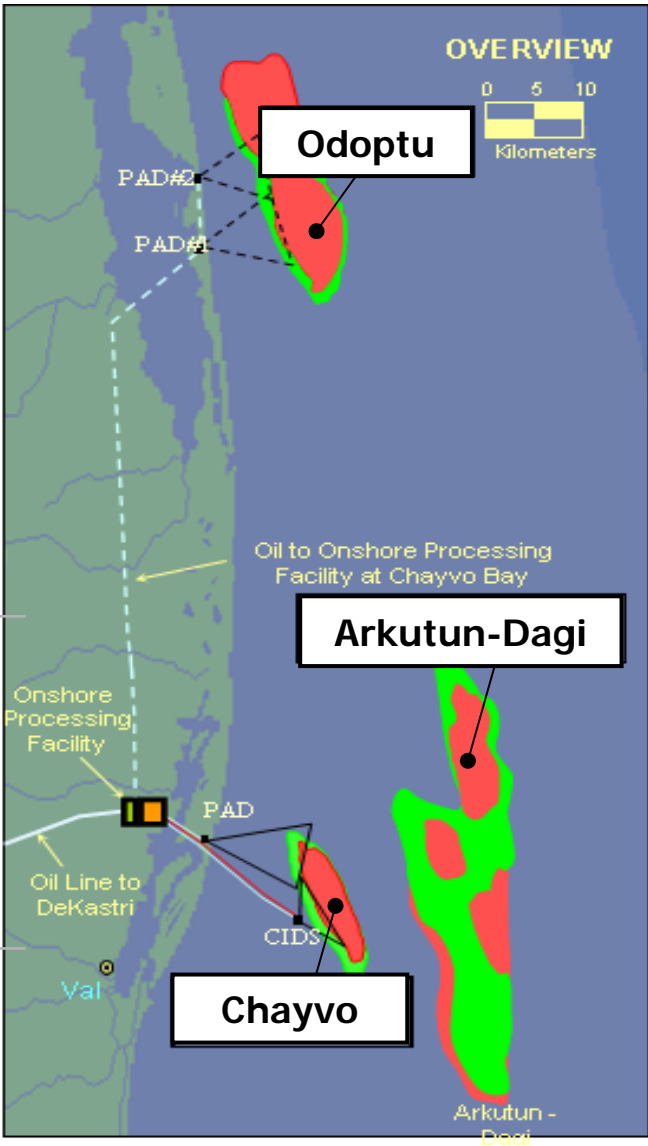
Expected cumulative production during the contract term : **around 1.3 billion bbl**



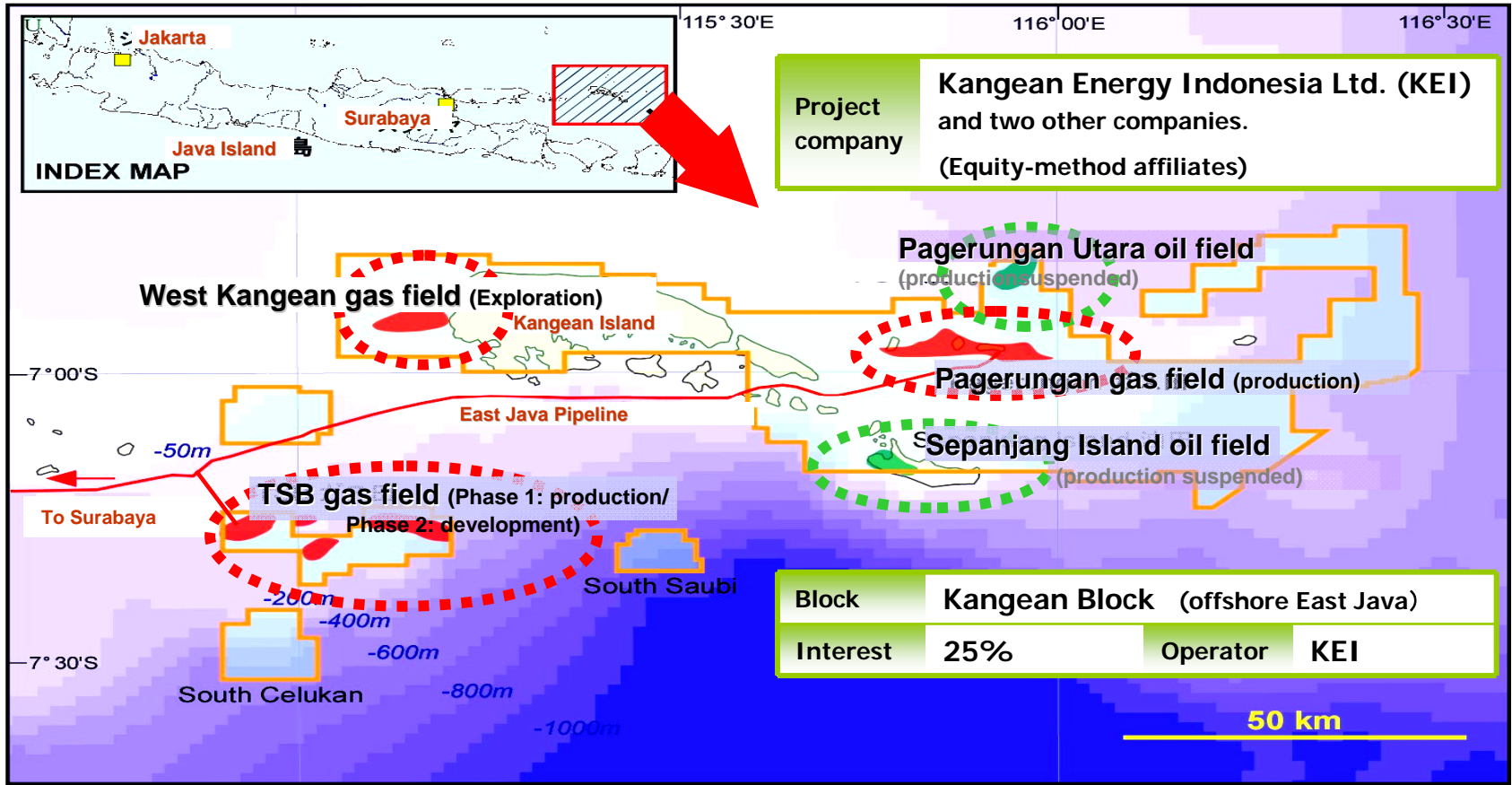
Current status of overseas business ③ Sakhalin 1 Project

Sakhalin 1 Consortium		Interest
Exxon Neftegas Ltd.		30%
Sakhalin Oil and Gas Development Co., Ltd. (SODECO)		30%
Minister of Economy, Trade and Industry : 50.00%		
JAPEX : 14.46%	ITOCHU Corp. : 14.46%	
Marubeni Corp. : 11.68%	INPEX : 5.74%	
ITOCHU Oil Exploration Co., Ltd. : 3.66%		
ONGC		20%
SMNG-Shelf		11.5%
Rosneft - Astra		8.5%

Oct. 2005	Chayvo oil and gas field Commenced production of crude oil
Oct. 2006	Commenced exports of Sokol crude
Feb. 2007	Achieved peak gross production target (250,000 bbl/d)
Jan. 2008	Achieved cumulative production of 100 million bbl
Sep. 2010	Odoptu oil and gas field Commenced production of crude oil
2014	Arkutun-Dagi oil and gas field Expected production of crude oil



Current status of overseas business ④ Indonesia: Kangean Block



- Current gross production : Crude oil equivalent of around 50,000 boe/d
- TSB gas field : Phase 1 (*Terang*): Commenced production in end-May 2012 with max. production of 300 million cf/d (around 50,000 bbl/d in crude oil equivalent). Phase 2 (*Sirasun & Batur*): To be developed



Current status of overseas business ⑤ Indonesia: Block A Aceh

Project company	Japex Block A Ltd.
Interest	16.67%
Block	Block A Aceh (Northern Sumatra)
Operator	Medco
Gross production	Around 100 million cf/d (around 20,000 bbl/d in crude oil equivalent)



- 2011 Effect extension PSC (Sep.) and commence FEED
- 2012 Spud-in of wildcat well (Nov.)
- 2015 Commencement of production from 3 gas fields ; Alur Rambong, Alur Siwah & Julu Rayeu



Consolidated financial results for the six months ended September 30, 2012

Executive Vice President
Hiroshi Sato

Details of Imparment Loss for Yufutsu oil & gas field production facilities

✓ **Sign of imparment loss**

Found the production capacity declined by assessment of the Yufutsu oil & gas field

✓ **Cash flow calculation and its precondition of production volume**

Suppose the production capacity will decrease considerably in FY2013 and will decline gradually afterwards

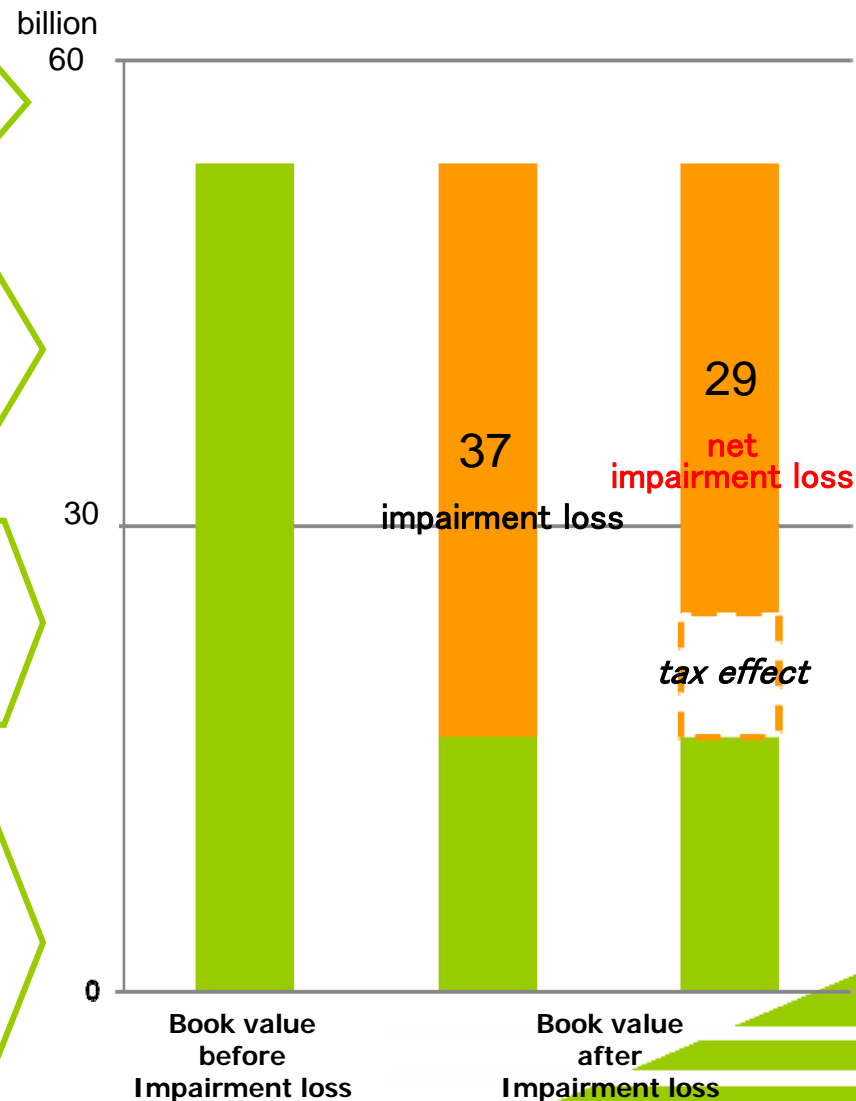
(※undeveloped areas including Akeno are excluded above)

✓ **Preconditions for calculating cash flows**

- Crude oil price: US\$100/bbls
- Foreign exchange rate: ¥80/US\$
- Reduction rate to the present value: 10%

✓ **Results of cash flow calculation**

- Future cash flow from Yufutsu oil & gas field will keep "plus" but will be below the present book value
- Posting a ¥37 billion impairment loss in extraordinary loss
- Impairment loss reflect a decrease in income taxes due to the recording of deffered tax assets

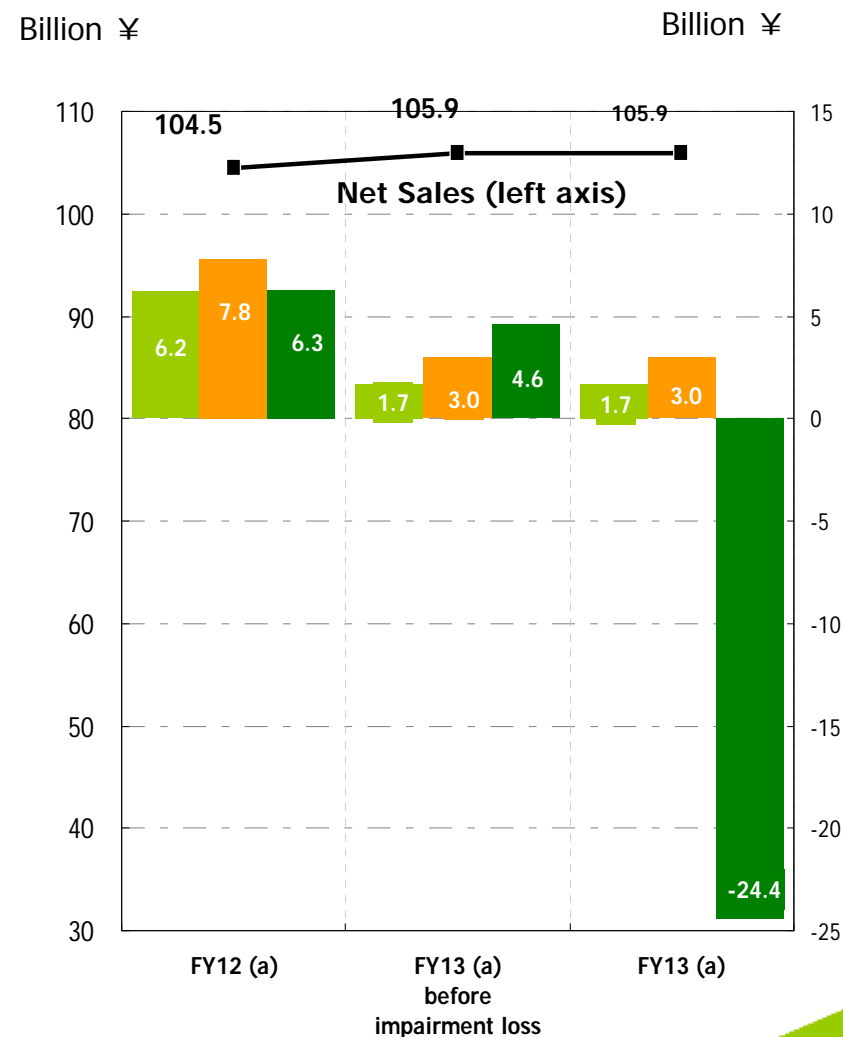


Actual financial results for 1H FY2012 (Summary)

[Billion ¥]	FY12 1H (a)	FY13	1H	% change (vs Initial estimate)
		Initial estimate (Aug. '12) (e)	(a)	
Net Sales	104.5	106.2	105.9	-0%
Operating income	6.2	4.9	1.7	-64%
Ordinary income	7.8	5.1	3.0	-40%
Net income	6.3	6.1	(24.4)	—
JCC price USD/bbl	112.38	115.47	116.16	
Exchange rate Yen/USD	81.07	80.74	80.35	
Bitumen price CAD/bbl	45.70	52.74	52.02	
Exchange rate Yen/CAD	83.38	76.77	76.77	

Main points of difference with initial estimate :

- Operating income - ¥ 3.0 billion
 - Net Sales - ¥ 3.3billion (-12%)
 - Exploration expenses / SG&A expenses +¥ 0.2billion
- Ordinary income - ¥ 2.0billion (-40%)
 - Equity in earnings +¥ 1.1billion
- Net income - ¥ 30.5billion (—)
 - Impairment loss -¥37 billion



Actual sales of natural gas in 1H FY2013 (vs FY2012)

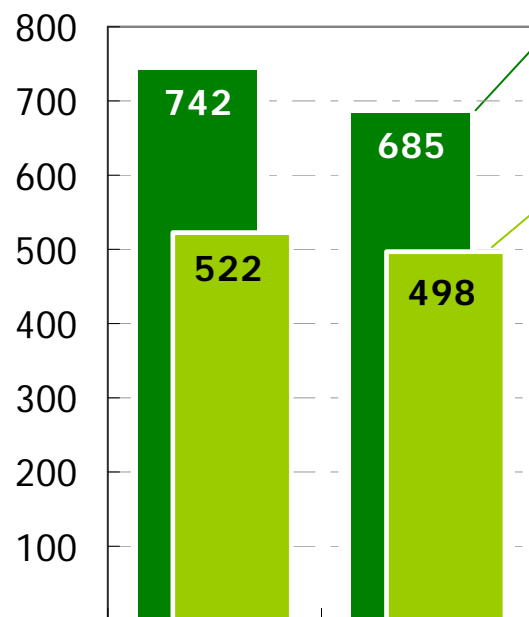
Sales volume : Million m3 Net sales : Million ¥			FY2012	FY2013	change
			1H (a)	1H (a)	1H
Natural gas:	Sales volume	million M3	742	685	(56)
	Net sales	million ¥	31,170	30,054	(1,115)
Of which, Domestically produced gas:	Sales volume	million M3	522	498	(24)

- Decrease in demand for industrial users
- Rise in sales prices

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

Natural gas
(supplied by gas pipeline)

Million M3



Sales volume (total)

Of which, domestically produced gas

Sales volume decreased by 56 million M3 (-7%) vs FY11

-Decrease in demand for industrial users

Net sales decreased by ¥1.1 billion (-3%) vs FY11

-Decrease in demand for industrial users

-Rise in sales prices

FY12 (a)

FY13 (a)

Actual sales of crude oil in 1H FY2013

Sales volume : Thousand KL Net sales : Million ¥		FY2012 1H(a)	FY2013 1H(a)	change
Crude oil:	Sales volume	896	920	24
	Net sales	46,649	46,463	(186)

Increase in purchased crude oil.

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	239	240	0
	Net sales	13,925	14,291	365
Overseas subsidiary crude oil:	Sales volume	1	1	(0)
	Net sales	84	61	(22)
Bitumen:	Sales volume	175	187	12
	Net sales	4,207	4,708	501

-Rise in crude oil prices

-Decrease in sales volume

-Rise in bitumen price

Oil price and Exchange rate assumptions

JCC price	USD/bbl	112.38	116.16	3.78
Exchange rate	Yen/USD	81.07	80.35	(0.72)
Bitumen price	CAD/bbl	45.70	52.02	6.32
Exchange rate	Yen/CAD	83.38	76.77	(6.61)

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 financial results for 1H FY2013 (vs FY2012)

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

[Million ¥]	FY2013 1H (a)	FY2013 1H(a)			change
		before impairment loss	impairment loss	total	
Net sales	104,596	105,958	—	105,958	1,362
Gross profit	25,338	23,638	—	23,638	(1,700)
Exploration expenses	4,043	7,316	—	7,316	3,272
SG&A expenses	15,075	14,542	—	14,542	(532)
Operating income	6,219	1,778	—	1,778	(4,441)
Non-operating income (expenses)	1,668	1,241	42	1,284	(384)
Ordinary income	7,887	3,020	42	3,062	(4,825)
Extraordinary income (losses)	(42)	2,258	(37,031)	(34,773)	(34,730)
Income taxes	1,277	118	(7,890)	(7,772)	(9,049)
Minority interests in income	235	495	—	495	259
Net income	6,333	4,665	(29,098)	(24,433)	(30,766)

Gross profit

Domestic crude oil and natural gas -¥2.8 billion
 LNG substitution expense - ¥1.8 billion
 Transportation fee of natural gas + ¥2.4 billion
 Overseas consolidated subsidiaries + ¥0.7 billion

Exploration expenses

Domestic exploration - ¥2.2 billion
 Overseas exploration - ¥1.0 billion

Non-operating income (expenses)

Dividends income -¥0.5 billion

Extraordinary income (losses)

Gain on transfer of mining rights + ¥2.4 billion
 Impairment loss for the business assets for production operation of Yufutsu oil & gas field - ¥37 billion

Revised full year forecasts for the fiscal year ending March 31, 2013

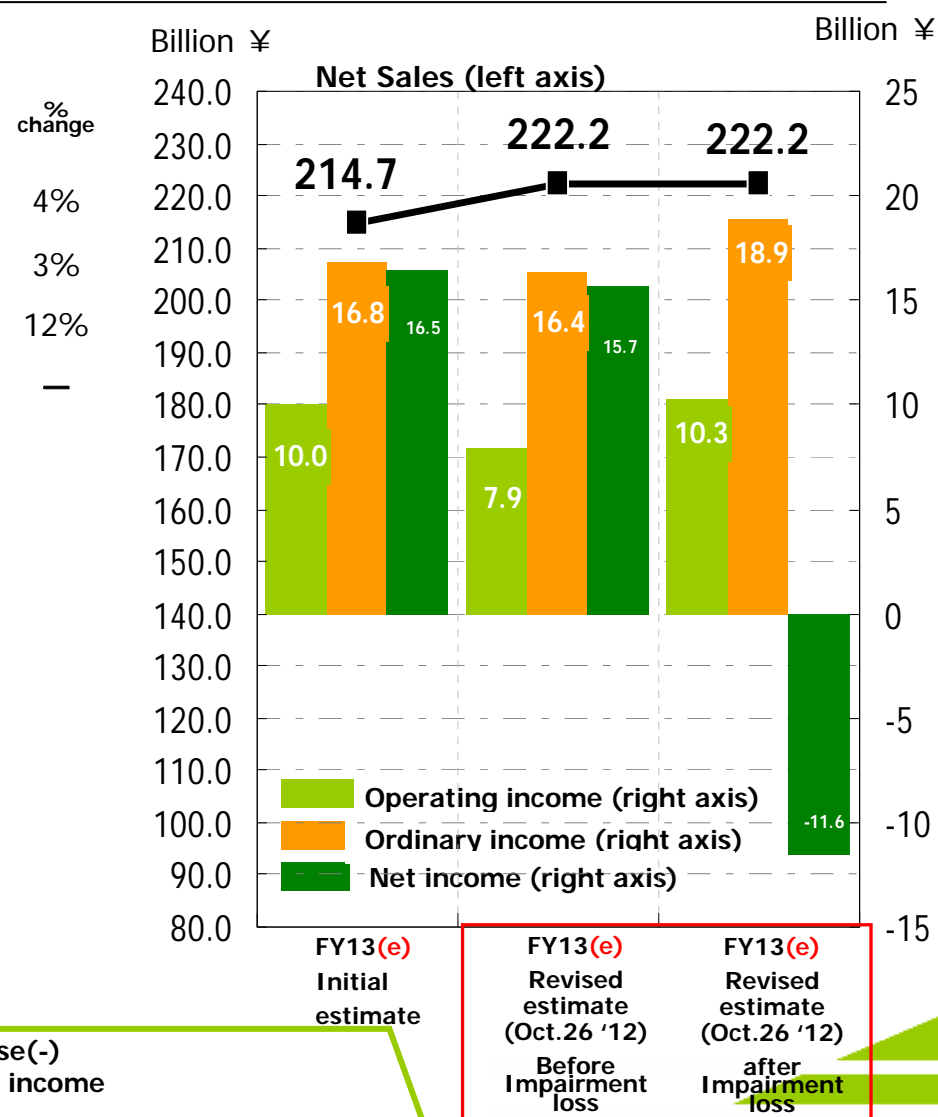
Executive Vice President
Hiroshi Sato

Revised estimates for FY2013 (Summary)

[Billion ¥]	FY2013 (e)		
	Initial estimate (May11 '12)	Revised estimate (Oct.26 '12)	change
Net Sales	214.7	222.2	7.5
Operating income	10.0	10.3	0.3
Ordinary income	16.8	18.9	2.0
Net income	16.5	(11.6)	(28.2)
JCC price USD/bbl	100.00	112.08	12.08
Exchange rate Yen/USD	80.00	80.19	0.19
Bitumen price CAD/bbl	52.91	48.76	(4.15)
Exchange rate Yen/CAD	80.00	80.00	-

	1Q (a)	2Q (a)	3Q (e)	4Q (e)
JCC price USD/bbl	124.11	106.79	115.00	100.00
Bitumen price CAD/bbl	54.22	49.57	45.29	

Main points of revised estimate : causes of increase(+) or decrease(-)
 <Cause of increase> - Rise in sales price - Increase in dividend income
 <Cause of decrease>
 - Downward revision of the production and sales plan for natural gas
 - Impairment loss for the business assets for production operation of Yufutsu oil & gas field

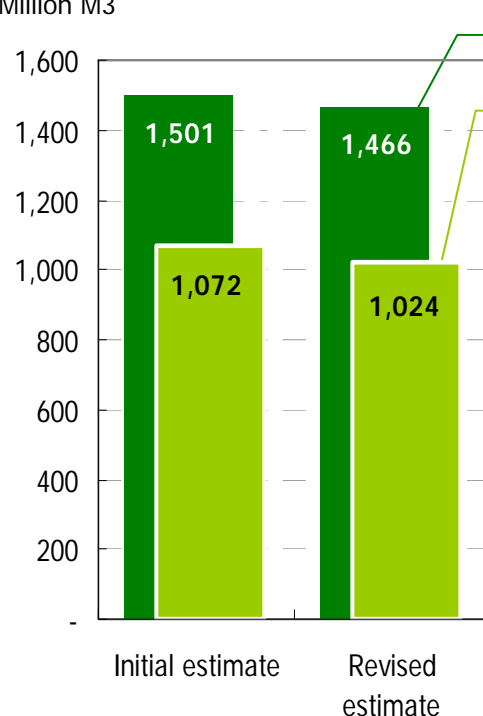


Revised estimated natural gas sales in FY2013 (vs Initial estimate)

Sales volume : Million M3 Net sales : Million ¥		Initial estimate (May11 '12)		Revised estimate (Oct.26 '12)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Natural gas :	Sales volume	698	1,501	685	1,466	(12)	(35)
	Net sales	31,385	67,225	30,054	68,406	(1,330)	1,181
Of which, Domestically produced gas :	Sales volume	519	1,072	498	1,024	(21)	(48)

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 decreased by 35 million M3 (-2%) vs initial estimate.

-Downward revision of the production and sales plan for natural gas

Net sales increased by ¥ 1.1 billion (+2%) vs initial estimate.

<Cause of decrease>

-Downward revision of the production and sales plan for natural gas

<Cause of increase >

-Rise in sales prices

Revised estimated crude oil sales in FY2013 (vs Initial estimate)

Sales volume : Thousand KL Net sales : Million ¥		Initial estimate (May11 '12)		Revised estimate (Oct.26 '12)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Crude oil :	Sales volume	804	1,764	920	1,689	+116	(75)
	Net sales	37,577	81,604	46,463	83,473	8,886	1,869
Breakdown of equity oil							
Domestically produced crude oil :	Sales volume	251	489	240	452	(10)	(37)
	Net sales	12,920	25,146	14,291	25,902	1,371	756
Overseas subsidiary crude oil :	Sales volume	1	2	1	5	1	3
	Net sales	48	91	61	271	14	180
Bitumen :	Sales volume	173	380	187	362	14	(18)
	Net sales	4,705	10,103	4,708	8,917	3	(1,187)
Oil price and Exchange rate assumptions							
JCC price	USD/bbl	100.00	100.00	116.16	112.08	16.16	12.08
Exchange rate	Yen/USD	80.00	80.00	80.35	80.19	0.35	0.19
Bitumen price	CAD/bbl	54.12	52.91	52.02	48.76	(2.10)	(4.15)
Exchange rate	Yen/CAD	80.00	80.00	76.77	80.00	(3.23)	-

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 FY2013 (vs Initial estimate)

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

[Million ¥]	FY2013 (e)	FY2013(e) Revised estimate (Oct.26 '12)			change
	Initial estimate (May11 '12)	before impairment loss	impairment loss	total	
Net sales	214,653	222,228	-	222,228	7,575
Gross profit	54,865	53,160	2,235	55,395	530
Exploration expenses	13,896	13,469	-	13,469	(427)
SG&A expenses	30,966	31,460	162	31,622	656
Operating income	10,003	7,907	2,397	10,304	301
Non-operating income (expenses)	6,816	8,512	39	8,551	1,735
Ordinary income	16,819	16,419	2,436	18,855	2,036
Extraordinary income (losses)	2,378	2,281	(37,031)	(34,750)	(37,128)
Income taxes	1,969	2,224	(7,216)	(4,992)	(6,961)
Minority interests in income	702	727	-	727	25
Net income	16,526	15,749	(27,380)	(11,630)	(28,156)

Gross profit

Domestic crude oil and natural gas	+0.4 billion
LNG substitution expense	- ¥0.5 billion
Transportation fee of natural gas	+ ¥0.8 billion
Overseas consolidated subsidiaries	- ¥0.4 billion

Exploration expenses

Domestic exploration	+ ¥0.9 billion
Overseas exploration	- ¥0.5 billion

Non-operating income (expenses)

Dividends income	+¥1.8 billion
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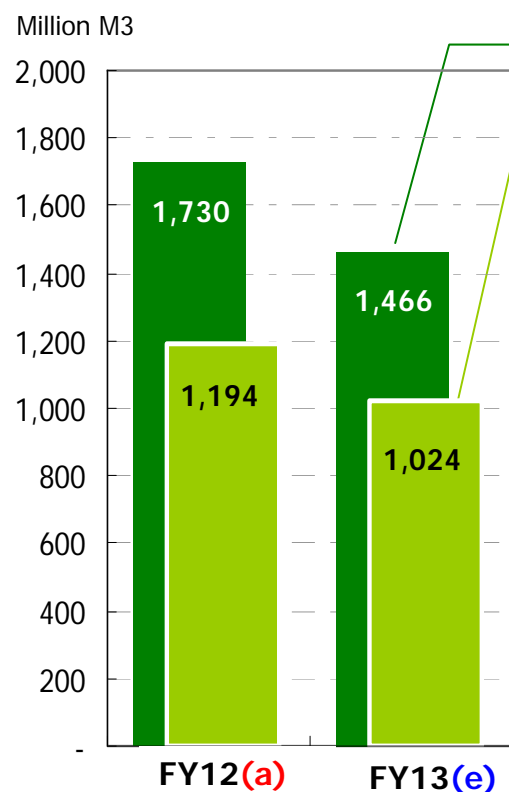
Extraordinary income (losses)

Impairment loss for the business assets for production operation of Yufutsu oil & gas field	- ¥37 billion
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Revised estimated natural gas sales in FY2013 (vs FY2012)

Sales volume : Million M3 Net sales : Million ¥		FY2012	FY2013 Revised estimate (Oct.26 '12)			change (vs FY2012)
		Full (a)	1H (a)	2H (e)	Full (e)	
Natural gas:	Sales volume	1,730	685	781	1,466	(264)
	Net sales	74,957	30,054	38,352	68,406	(6,552)
Of which, Domestically produced gas:	Sales volume	1,194	498	526	1,024	(171)

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



Sales volume (total)

Of which, domestically produced gas

Sales volume decreased by 264 million M3 (-15%) vs FY2012.

- Downward revision of the production and sales plan for natural gas
- Decrease in demand for industrial users

Net sales decreased by ¥ 6.5 billion (-9%) vs FY2012.

<Cause of decrease >

- Downward revision of the production and sales plan for natural gas

<Cause of increase >

- Rise in sales prices

Revised estimated crude oil sales in FY2013 (vs FY2012)

		FY12	FY13 Revised estimate (Oct.26 '12)			change
		Full (a)	1H (a)	2H (e)	Full (e)	(vs FY12)
Sales volume : Thousand KL						
Net sales : Million ¥						
Crude oil:	Sales volume	1,778	920	769	1,689	(90)
	Net sales	89,891	46,463	37,010	83,473	(6,419)

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	529	240	211	452	(77)
	Net sales	30,351	14,291	11,611	25,902	(4,449)
Overseas subsidiary crude oil:	Sales volume	2	1	4	5	3
	Net sales	128	61	210	271	143
Bitumen:	Sales volume	382	187	174	362	(21)
	Net sales	9,137	4,708	4,208	8,917	(221)

Oil price and Exchange rate assumptions

JCC price	USD/bbl	112.43	116.16	107.48	112.08	(0.35)
Exchange rate	Yen/USD	78.93	80.35	80.00	80.19	1.26
Bitumen price	CAD/bbl	49.81	52.02	45.29	48.76	(1.05)
Exchange rate	Yen/CAD	76.22	76.77	80.00	80.00	3.78

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 FY2013 (vs FY2012)

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

[Million ¥]	FY2012 (a)	FY2013 (e) Revised estimate (Oct.26 '12)			change
		before impairment loss	impairment loss	total	
Net sales	230,638	222,228	-	222,228	(8,410)
Gross profit	56,278	53,160	2,235	55,395	(883)
Exploration expenses	7,805	13,469	-	13,469	5,663
SG&A expenses	33,426	31,460	162	31,622	(1,805)
Operating income	15,045	7,907	2,397	10,304	(4,742)
Non-operating income (expenses)	7,114	8,512	39	8,551	1,437
Ordinary income	22,159	16,419	2,436	18,855	(3,305)
Extraordinary income (losses)	311	2,281	(37,031)	(34,750)	(35,061)
Income taxes	4,746	2,224	(7,216)	(4,992)	(9,739)
Minority interests in income	696	727	-	727	30
Net income	17,027	15,749	(27,380)	(11,630)	(28,657)

Gross profit

Domestic crude oil and natural gas	-¥3.5 billion
LNG substitution expense	- ¥0.3 billion
Transportation fee of natural gas	+ ¥3.0 billion
Overseas consolidated subsidiaries	- ¥0.1 billion

Exploration expenses

Domestic exploration	- ¥3.3 billion
Overseas exploration	- ¥2.3 billion

Non-operating income (expenses)

Dividends income	+¥1.3 billion
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Extraordinary income (losses)

Gain on transfer of mining rights	+ ¥2.6 billion
Impairment loss for the business assets for production operation of Yufutsu oil & gas field	- ¥37 billion

Crude oil price and exchange rate assumptions and impact on profits [3Q-4Q]

		FY2012			FY2013				
		1H (a)	2H (a)	Full (a)	1Q (a)	2Q (a)	3Q (e)	4Q (e)	1-4Q (e)
JCC price	USD/bbl	112.38	112.48	112.43	124.11	106.79	115.00	100.00	112.08
Exchange rate	Yen / USD	81.07	77.17	78.93	81.26	79.11	80.00		80.19
Bitumen price	CAD/bbl	45.70	53.30	49.81	54.22	49.57	46.22	44.64	48.76
Exchange rate	Yen /CAD	83.38	76.22	76.22	82.52	76.77	79.14	80.00	80.00

Assumption [3Q-4Q]	JCC price	Exchange rate	Bitumen price [4Q]
	USD 107.48 /bbl	Yen 80 /USD	CAD 44.64 /bbl (Yen 80 /CAD)

Impact on Profits [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...
Operating income	130 million Yen	270 million Yen	(9.2 billion CAD) 70 million Yen
Net income	90 million Yen	260 million Yen	(8.1 billion CAD) 60 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.