



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

**Presentation Meeting  
of Consolidated Financial Results  
for the Fiscal Year Ended March 31, 2014 (FY2014)**

**May 13 , 2014**

**Sapia Tower, Marunouchi Tokyo, Japan**

Japan Petroleum Exploration Co., Ltd.

# Cautionary Statement

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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.

The provision of this document should not be construed as a solicitation for investment.

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**Note:** Abbreviations used herein are as follows:

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

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

(a) = Actual result

(e) = Estimate

FY = Fiscal Year (FY2014, for instance, means 12 months ended March 31, 2014)

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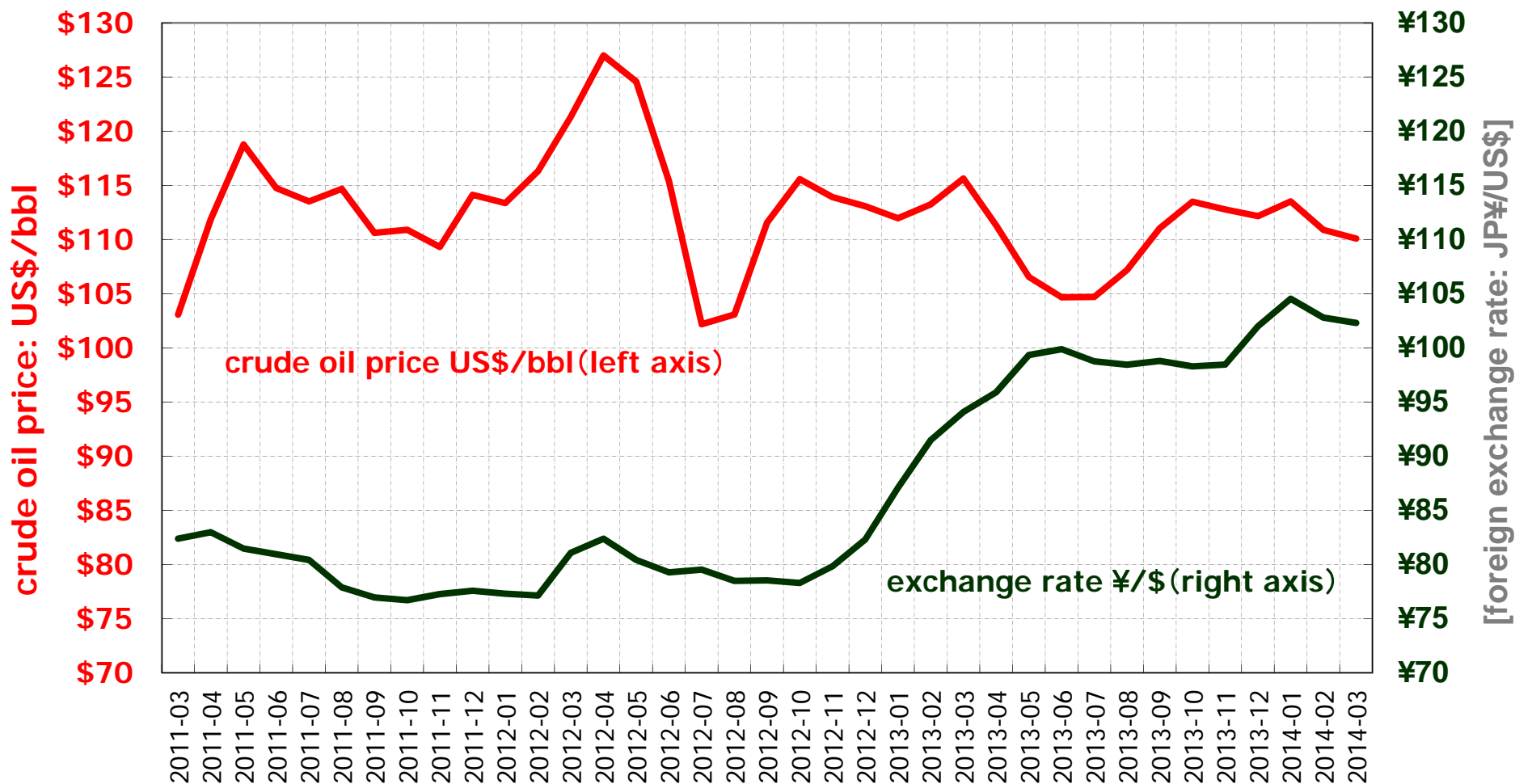
Executive Officer Michiro Yamashita

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# Business Overview

President  
Osamu Watanabe

# Trends in Crude Oil Price and Foreign Exchange Rate



Japan Crude Cocktail (JCC) Price in the first 10 days of April 2014 on a prompt report basis : **US\$ 109.77/bbl**    **JP¥ 101.97/US\$**

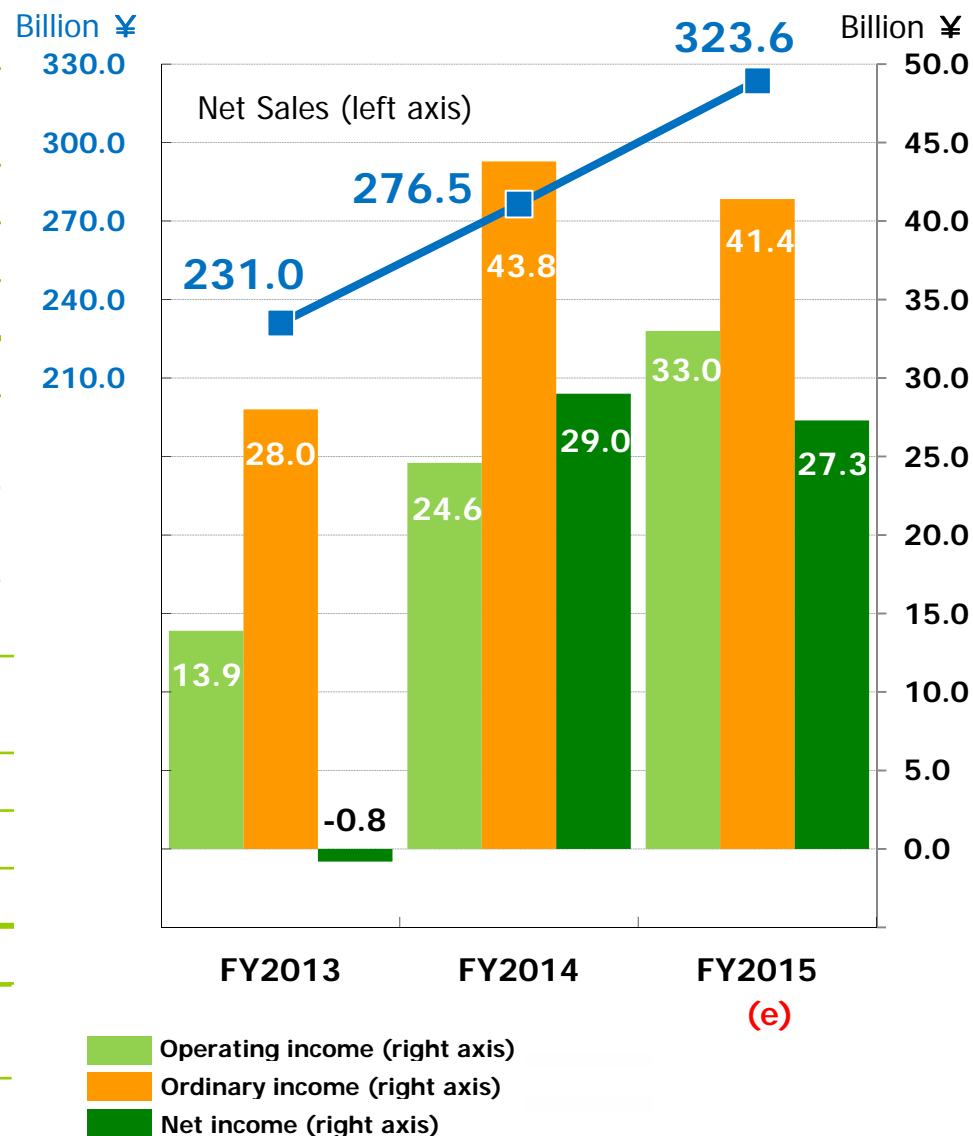
## Actual Results for FY2014 and Estimate for FY2015 (Highlight)

### Actual results for FY2014 (vs FY2013)

[ Billion ¥ ]	FY2013 (a)	FY2014 (a)	change	
Net Sales	231.0	276.5	+45.5	+20%
Operating income	13.9	24.6	+10.7	+77%
Ordinary income	28.0	43.8	+15.8	+56%
Net income	(0.8)	29.0	+29.8	-%
JCC price US\$/bbl	114.67	110.51	(4.16)	(4%)
Exchange rate JP¥/US\$	81.71	99.31	+17.60	+22%

### Estimate for FY2015 (vs FY2014)

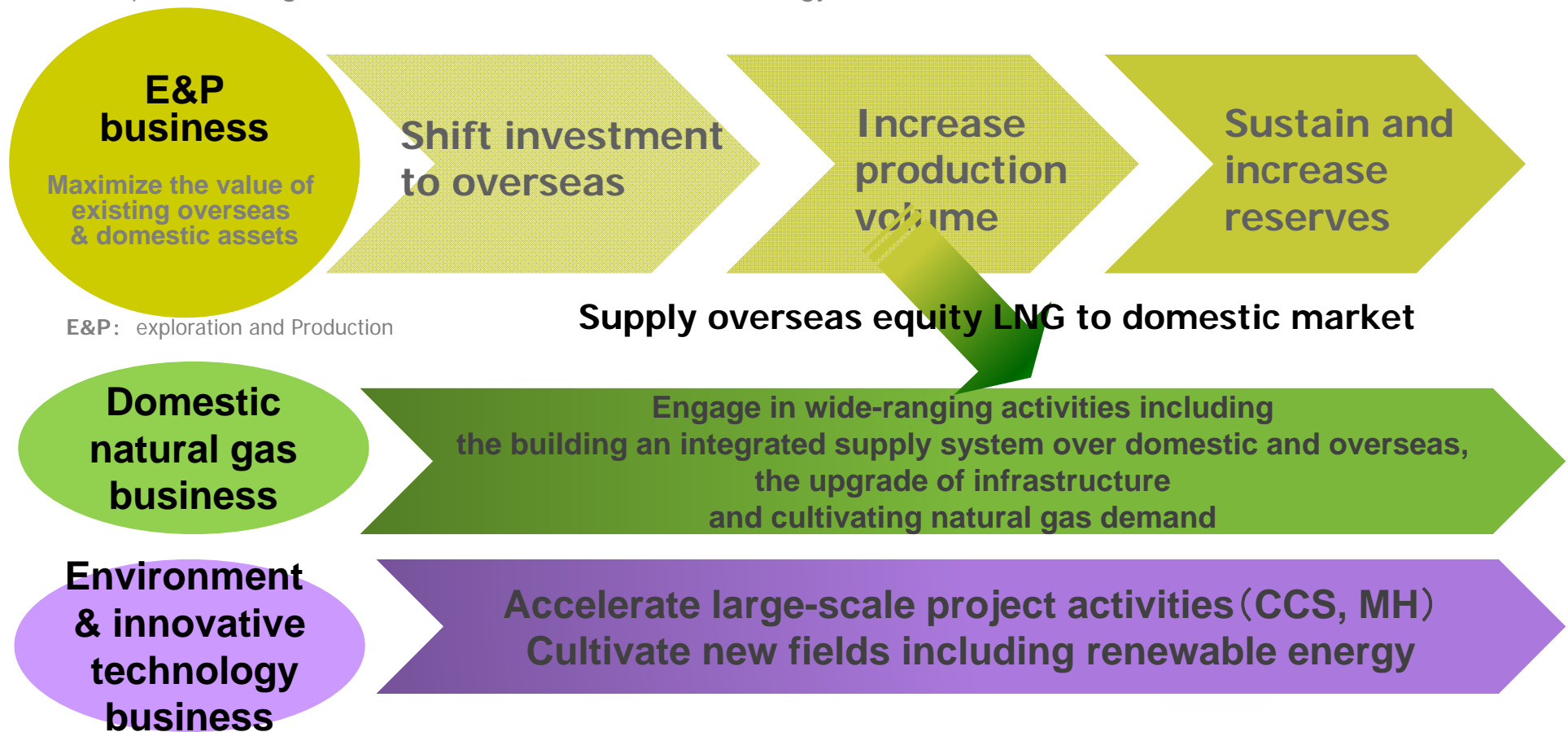
[ Billion ¥ ]	FY2014 (a)	FY2015 (e)	change	
Net Sales	276.5	323.6	+47.1	+17%
Operating income	24.6	33.0	+8.4	+34%
Ordinary income	43.8	41.4	(2.4)	(5%)
Net income	29.0	27.3	(1.7)	(5%)
JCC price US\$/bbl	110.51	100.00	(10.51)	(10%)
Exchange rate JP¥/US\$	99.31	100.00	+0.69	+1%



# Corporate Vision and Basic Strategies for JAPEX Expansion

While positioning E&P business at the Company's main activities, Japex to endeavor to increase business opportunities for realizing its expansion by:

- i) shifting E&P activities overseas,
- ii) strengthening investment in domestic natural gas and,
- iii) cultivating environment and innovative technology.



# Steady Progress of the Medium-Term Business Plan (FY2012-FY2016)

## Domestic natural gas business

### Securing of natural gas resources

- Decline in production volume of Yufutsu oil and gas field
- Successes of domestic exploration (Katakai, Yufutsu)
- Pursuing equity LNG from overseas

### Building domestic gas infrastructures

- Construction of Soma LNG receiving terminal and other pipeline networks

### Expanding natural gas sales

- Expanding sales by combination of price-competitive domestically produced gas and equity LNG from Canada

## E&P business

### Shift investment to overseas

- Overseas investment ratio: expanded to 70% from 30%

### Increase production volume

- Start production from Teran gas field (Indonesia) and Garraf oil field (Iraq)

### Sustain and increase reserves

- FID made in Canada oilsands expansion
- Participation in Canada shale gas/LNG project

- Steady progress of 5-year plan has been made through projects including Canadian LNG along with Soma receiving terminal.
- Expect to reach earlier to the medium-term target of production volume :70,000BOED and of proved reserves: 450Million BOE, respectively.



# Production Volume and Proved Reserves

◆ **Production volume in FY2014 : 48,000 BOED (\*)**

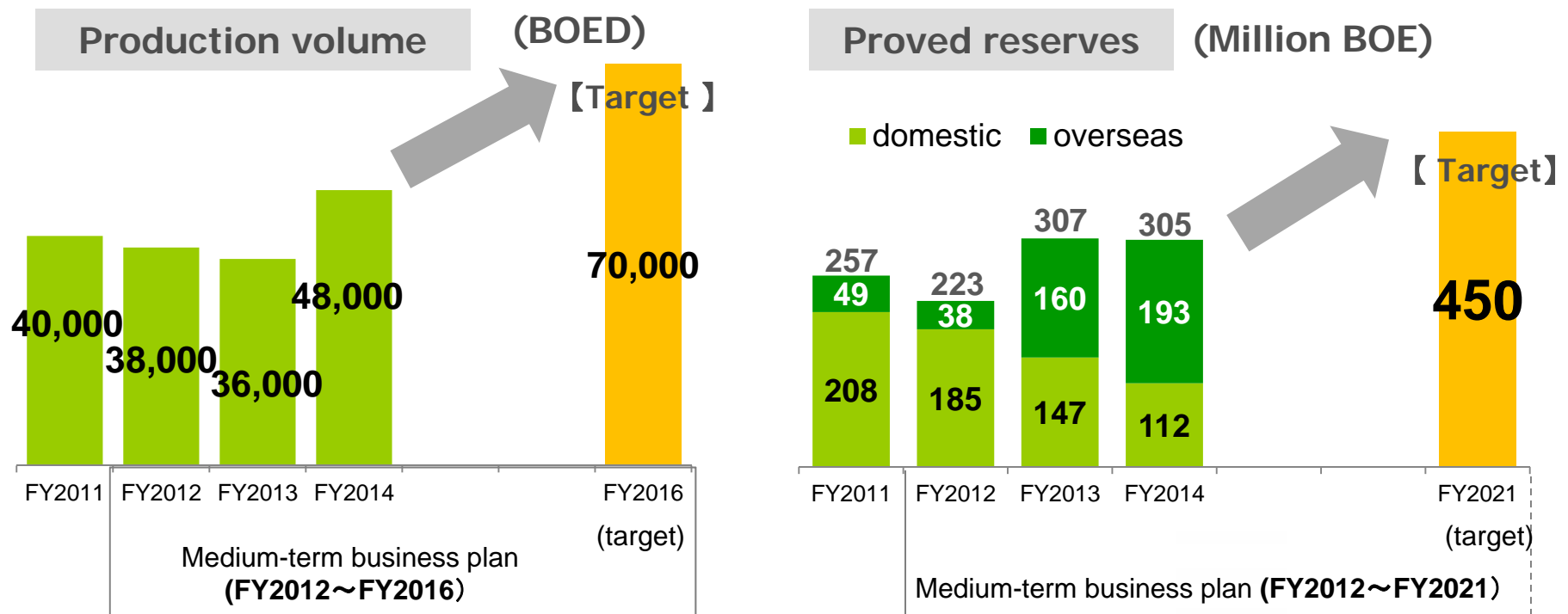
(\*) BOED: Barrels of Oil Equivalent per Day

⇒ Increased 32% YOY. Main reason was full year production of SODECO and Kangean TSB gas field.

◆ **Proved reserves at end of FY2014 : 305 million BOE**

⇒ Decreased 32% YOY. Main reason was the increase by the acquisition of interest in Canadian natural gas development, despite the decline in domestic reserves.

Anticipate to achieve the medium-term targets by ensuring progress in the Canadian natural gas project, Canada oil sands expansion project and Garraf project of Iraq.

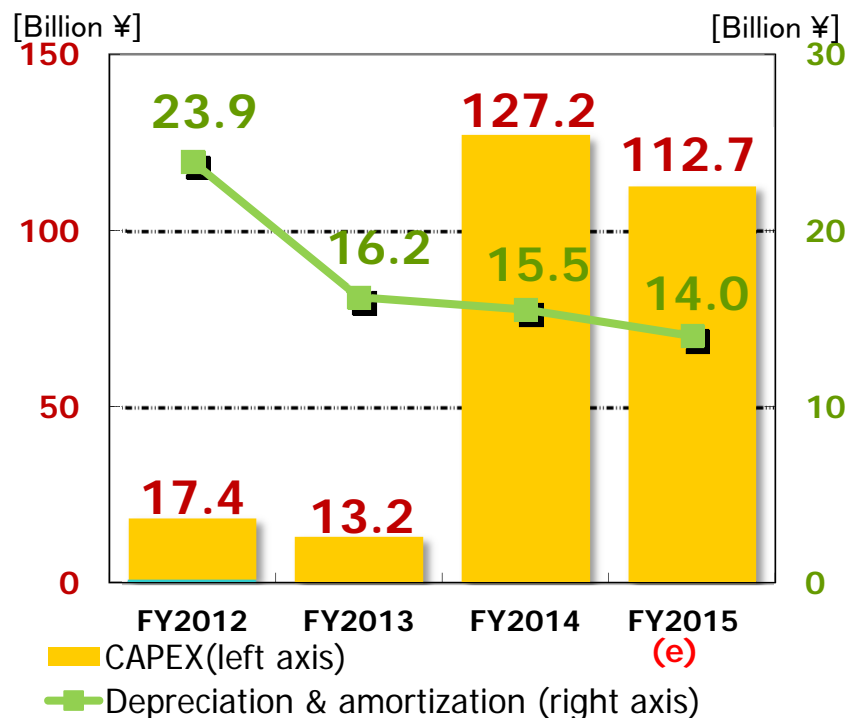


\* The above production volume and proved reserves are equivalent to the JAPEX Group's interest.

# CAPEX Plan for FY2015

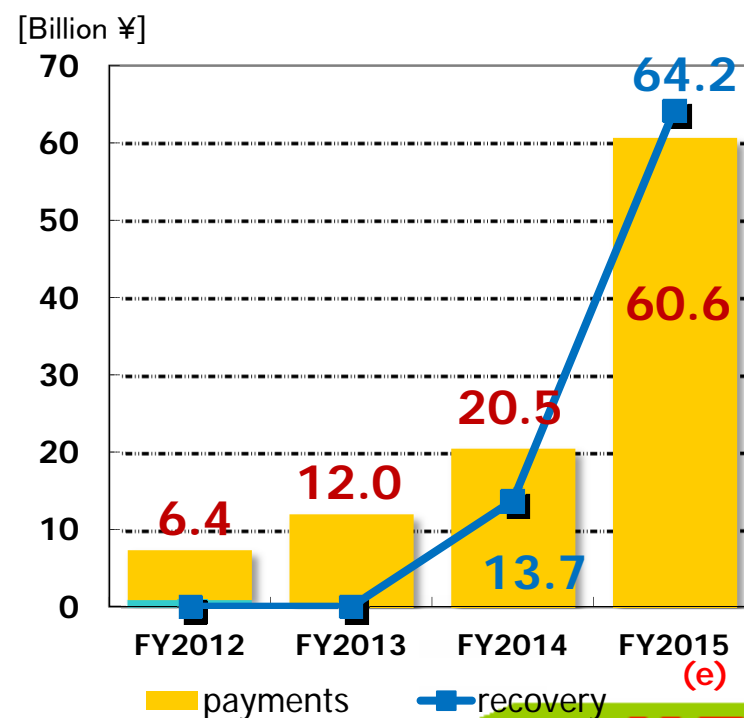
## ■ CAPEX and Depreciation&amortization

[Billion ¥]	FY12	FY13	FY14	FY15 (e)
CAPEX	17.4	13.2	127.2	112.7
Depreciation and amortization	23.9	16.2	15.5	14.0



## ■ Recoverable accounts (Payments and recovery)

[Billion ¥]	FY12	FY13	FY14	FY15 (e)
Payments	6.4	12.0	20.5	60.6
Recovery	-	-	13.7	64.2



# Timeline of Projects & Investment Scale

■ Timeline	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
<b>Canada</b> Oil sand expansion project				◆ Commence production (midst 2016)	Expand production (plan)	
<b>Canada</b> Natural gas (up-stream)	Increase production gradually					
<b>Canada</b> LNG project (mid-stream)		◆ FID (plan) (end of 2014)			◆ Commence LNG production (end of 2018)	
<b>Japan</b> Soma LNG receiving terminal (under construction)					◆ Commence receiving LNG (March, 2018)	

■ Investment scale・Financing	2015/3	2016/3~2020/3
<b>Total investment :</b>	Approx. 110 billion yen	Approx. 160 billion yen
<b>Estimated balance of liabilities</b> (external funds procured, loan guarantee by Japex and its consolidated subsidiaries)	2015/3 Approx. 100 billion yen	Cash required for these investment will be covered by own fund + free cash flows + external funds procured (including financing)

# Domestic Exploration Plan for FY2015

## ● Drilling schedule for FY 2015

	Total Depth	1Q			2Q			3Q			4Q		
		4	5	6	7	8	9	10	11	12	1	2	3
Akebono SK-6bH	5,800 m	■											
Fukumezawa SK-26DH (Tight oil development*)	2,300 m			■ (Horizontal Drilling)					■ (Fracturing)				

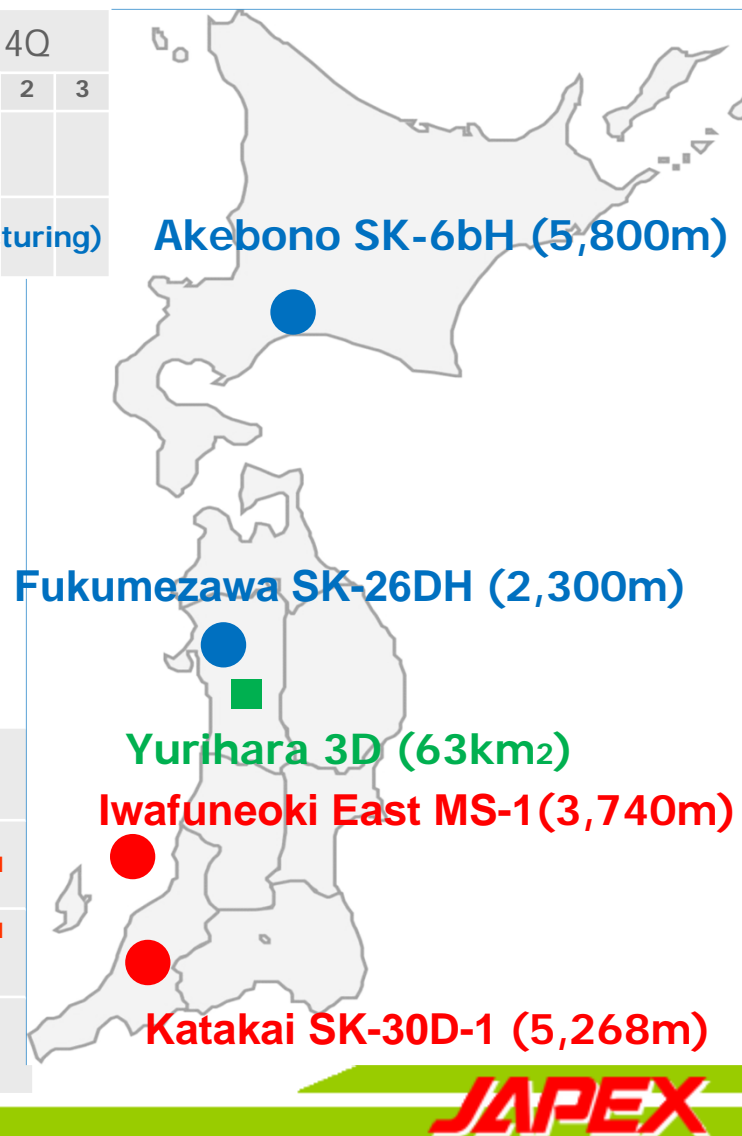
(\*) CAPEX account

## ■ Geophysical prospecting survey plan

3D seismic survey	3D (63km <sup>2</sup> ) Yurihara/Ayukawa field in Akita Prefecture
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## ● Work for FY 2013

	Total Depth	1Q			2Q			3Q			4Q			Result
		4	5	6	7	8	9	10	11	12	1	2	3	
Katakai SK-30D-1	5,268 m	■												Succeeded
Iwafuneoki MS-1	3,740 m			■										Succeeded (Extension well)
Akebono SK-6aH	5,800 m							■						Continued



# Enforcement of Domestic Profit (1) Hokkaido Vision

Continue long-term gas business in Hokkaido promoting the following trinity:

Optimize operating costs at Yufutsu oil & gas field

⇒ Reducing operating costs

Pursue exploration and development potential

⇒ Akebono SK-6bH well is now under drilling  
⇒ Pursue the possibility of shallow crude oil formation

Increasing natural gas sales and securing stable supply

⇒ Utilize Yufutsu LNG Receiving Terminal and domestic LNG vessels  
⇒ Secure price-competitive LNG  
Collaboration with the construction of Soma LNG receiving terminal  
⇒ Increasing natural gas sales in southern area of central Hokkaido



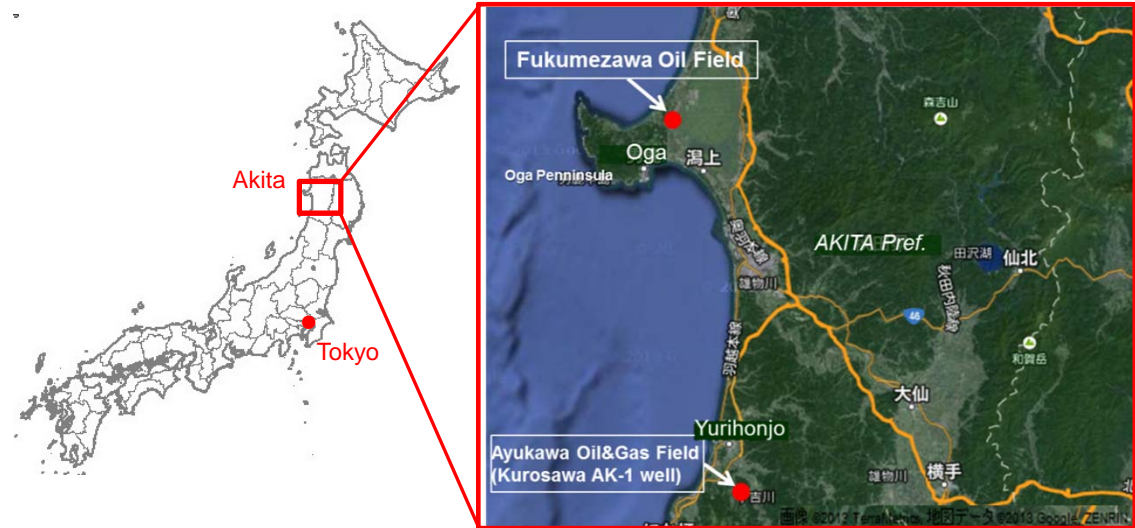
# Enforcement of Domestic Profit (2) Tight oil development in Akita Prefecture

## Ayukawa oil & gas field:

April 1, 2014-

Started commercial production at 35kl/d (220bbl/d)

⇒ striving to obtain knowledge about the tight formation in Ayukawa oil & gas field



## Fukumezawa oil field:

Late May, 2014-

Plan to start horizontal well drilling as a part of Japan's first demonstration experiment of multistage fracturing in tight formation.

⇒ Possibility of increase production in Fukumezawa oil field

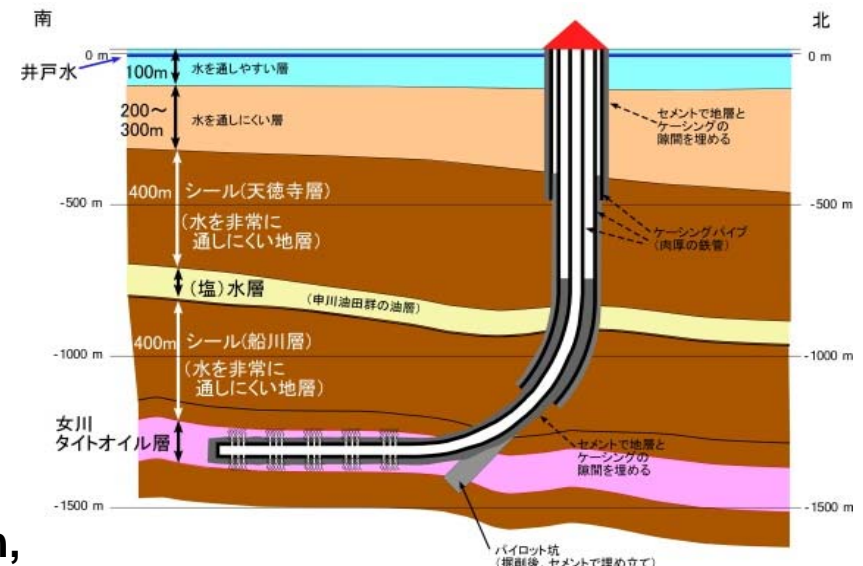


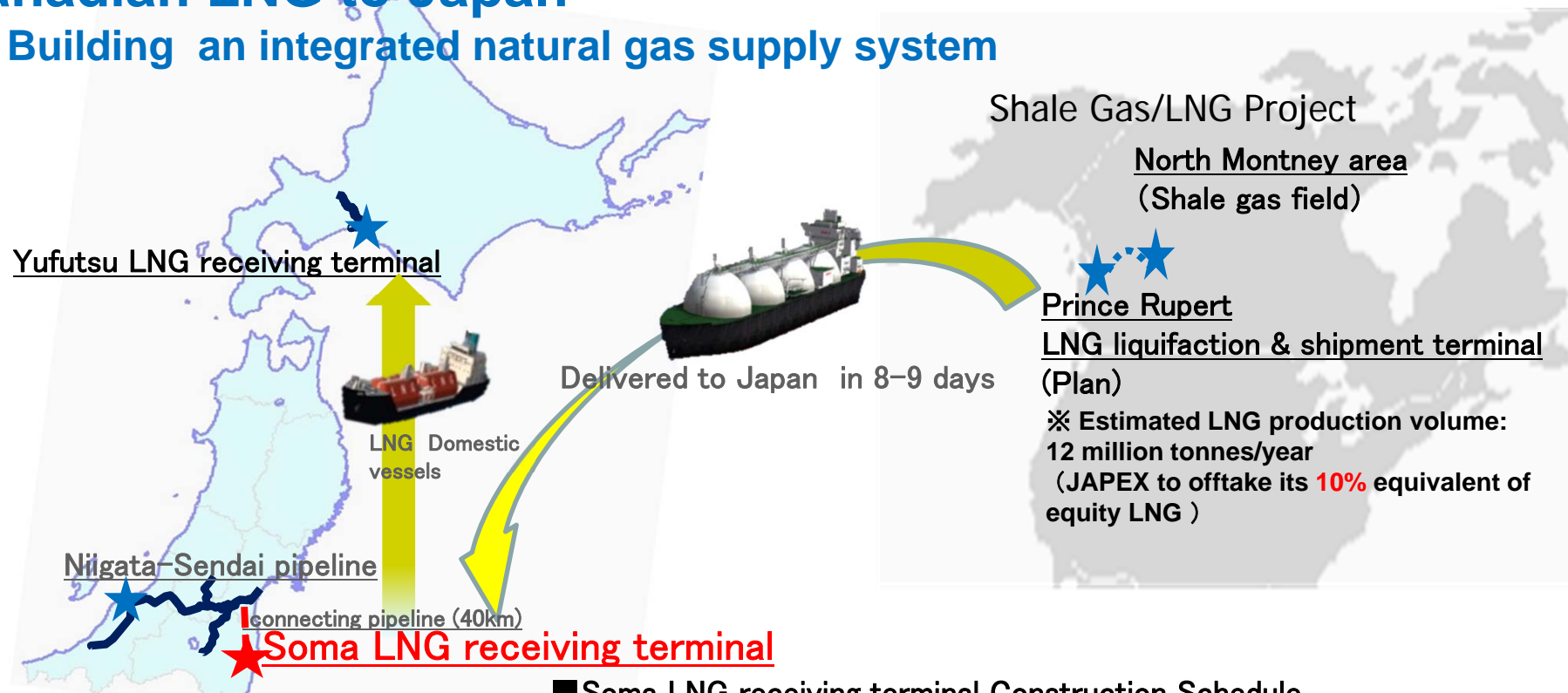
Image of demonstration experiment in Fukumezawa oil field

The results of above experiments are expected to contribute greatly to acquisition of knowledge about development of Onnagawa tight oil formation, distributed widely in Akita Prefecture.

# Enforcement of Domestic Profit (3) Soma LNG receiving terminal

## Canadian LNG to Japan

---- Building an integrated natural gas supply system



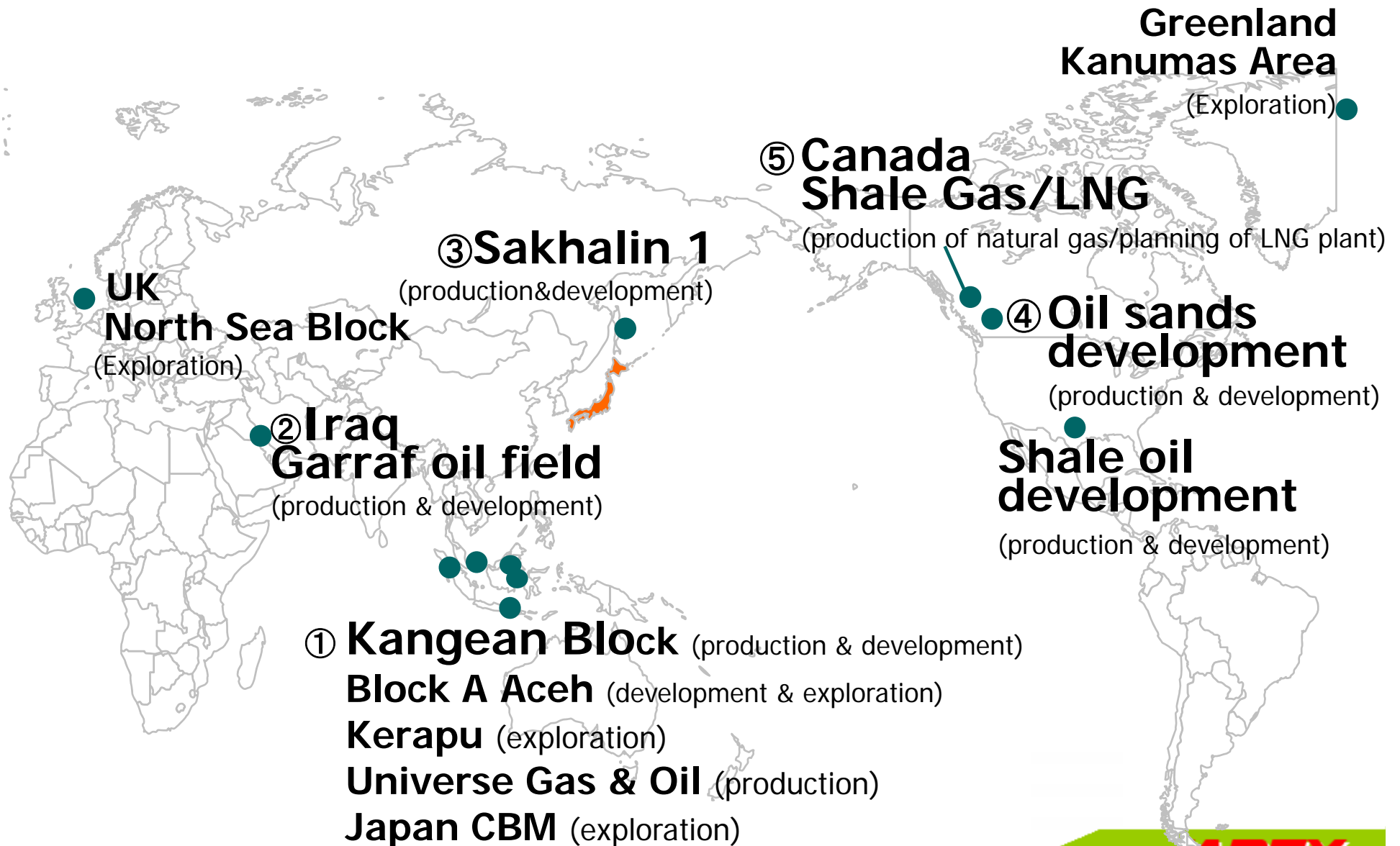
### ■ Soma LNG receiving terminal Construction Schedule

2013 Nov. 27	Final Investment Decision (FID)
2014-	Construction to be commenced
2017 Dec.	Construction to be completed
2018 Mar.	Service to be commenced



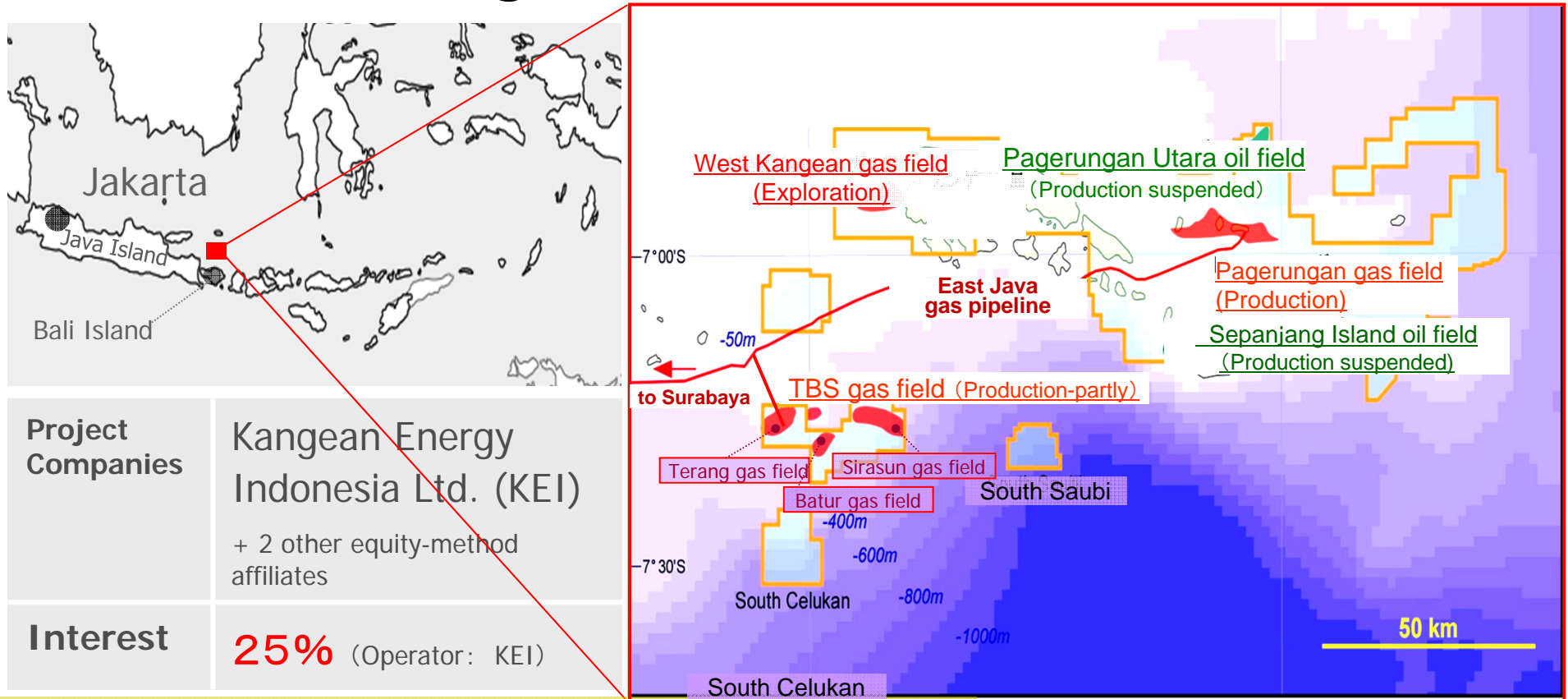
● Blocks owned by our consolidated subsidiaries or equity-method affiliates.

# Current Status of Overseas Business





# Indonesia: Kangean Block



<b>Project Companies</b>	Kangean Energy Indonesia Ltd. (KEI) + 2 other equity-method affiliates
<b>Interest</b>	<b>25%</b> (Operator: KEI)

- Current gross production : Crude oil equivalent of around **50,000 bbl/d**
- TSB gas field  
 (Phase1) *Terang* : Commenced production in end-May 2012.  
 Maximum production 0.3billion cf/d  
 (around 50,000boe/d in crude oil equivalent)  
 (Phase2) *Sirasun, Batur* : Preparing for development



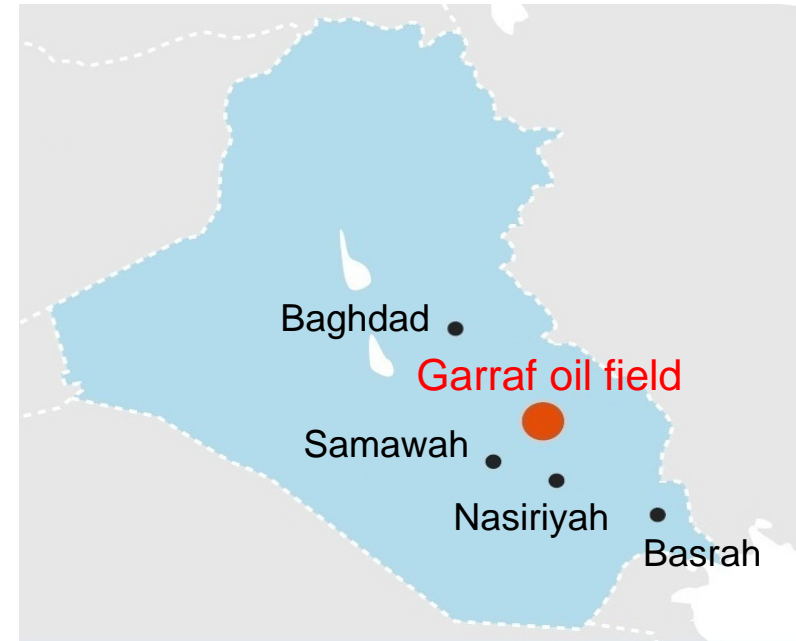
FPU of Terang Gas field



Current status of overseas business ②

# Iraq : Garraf oil field

Project company	Japex Garraf Ltd.	
Interest	<b>30%</b> ( cost share 40% ) Operator : PETRONAS	
Field	Garraf	Production



### Time Schedule

2013	Commenced production Average daily production : 64,000 bbl/d (during production commencement to end of 2013)
2014~2016	Plan to increase production gradually
2017	Plan to achieve plateau production target of <b>230,000 bbl/d</b>



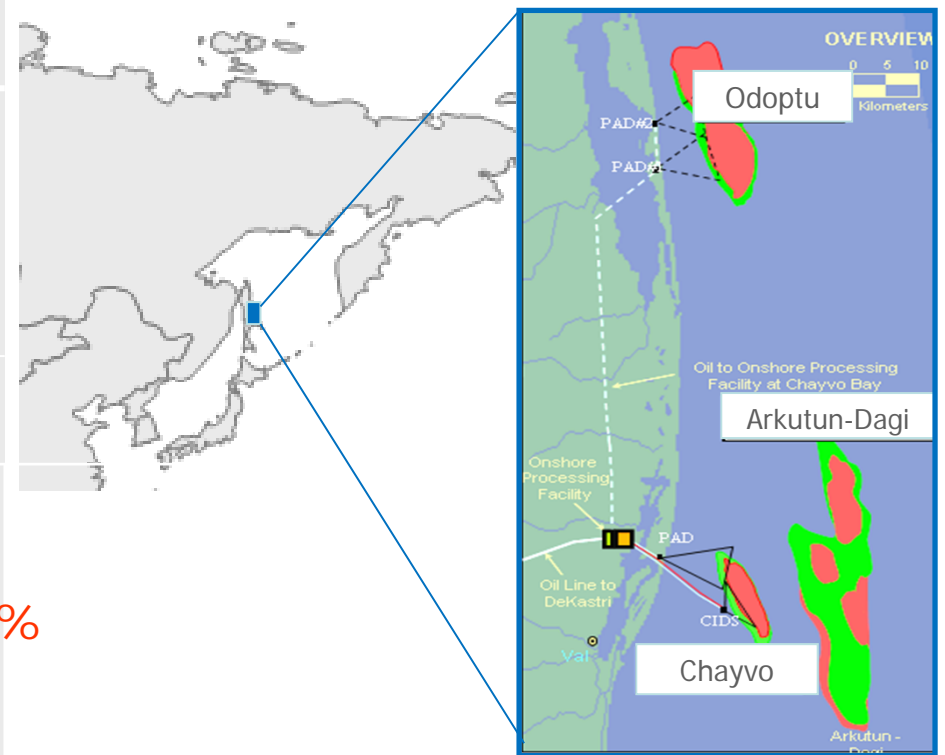
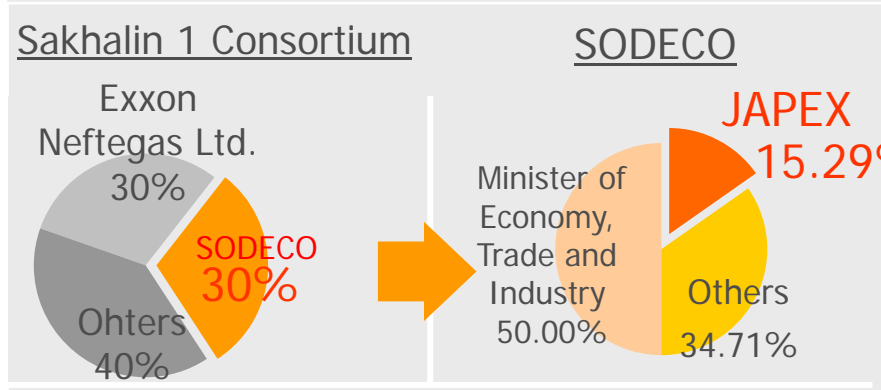
Current status of overseas business ③

# Sakhalin 1 Project

**Project company**

Sakhalin Oil and Gas Development Co., Ltd. (SODECO)

**Interest**



Block	Chayvo, Odoptu : Production
	(Total production of Crude Oil: Around <b>130,000 bbl/d*</b> )
	*Sakhalin 1 project total in 2014 (JAPEX estimates)
	Arkutun-Dagi : Developing toward production of Crude Oil (Target year : 2014)

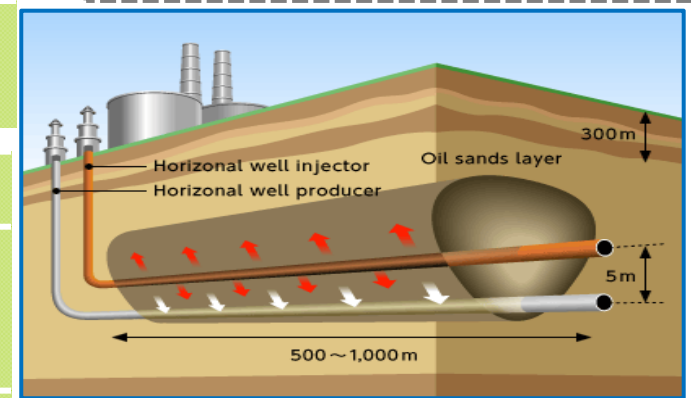
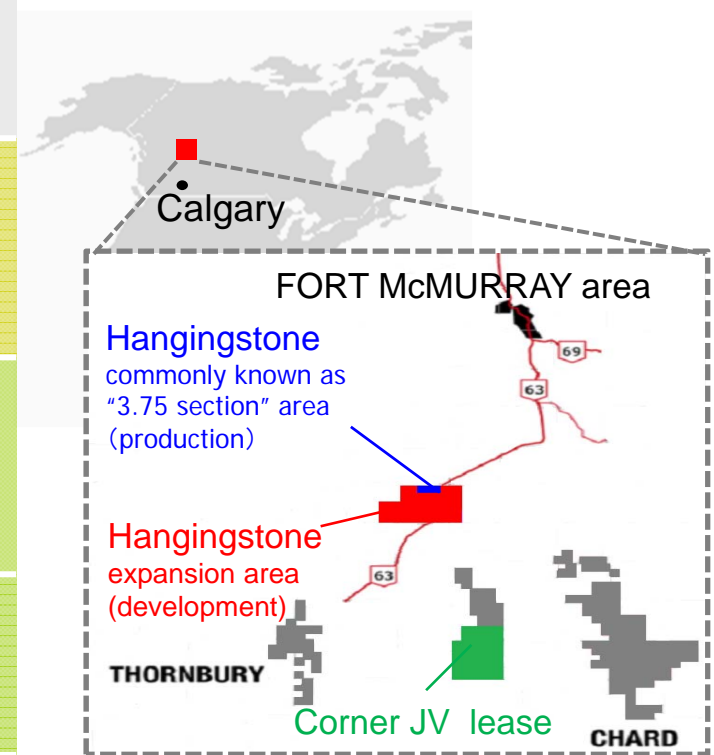


Current Status of Overseas Business ④

# Canada Oil Sands

<b>Project company</b>	Canada Oil Sands Co., Ltd. (CANOS) Operator : Japan Canada Oil Sands Ltd. (JACOS)	
<b>Block</b>	<b>Hangingsstone 3.75 section</b> <b>100%</b> interest around 6,000 bbl/d	<b>Production</b> Cumulative production of <b>31 million bbl</b> (as of end-March, 2014)
	<b>Expansion project of undeveloped part of Hangingsstone area</b> <b>75%</b> interest Additional production of <b>20,000 bbl/d</b> at the maximum	<b>Development</b>
	<b>Coner JV lease</b> <b>12%</b> interest	<b>Appraisal</b>
	<b>Other bitumen leases</b> (include Corner, Chard & Thornbury)	<b>Considering future activities</b>
<b>Schedule</b>		

<b>2012</b>	Dec.: Final Investment Decision (FID)
<b>2013</b>	Feb.: Started construction (early civil work)
	Aug.: Commenced drilling of horizontal wells
	Sep.: Concluded EPC contracts for major facilities
<b>2016</b>	Plan to commence production

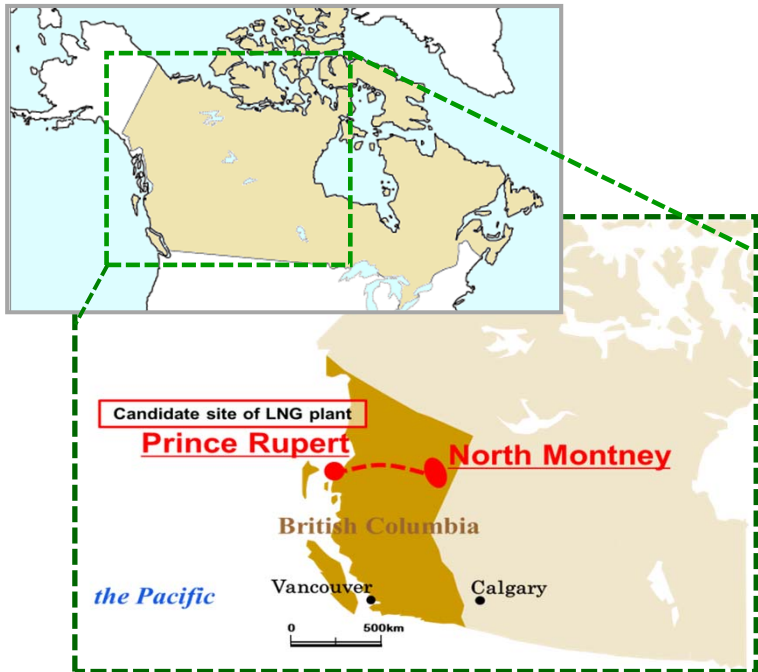


Oilsands development as a pioneer of SAGD method **JAPEX**

Current status of Overseas Business ⑤

# Canada Shale Gas/LNG Project

	Shale Gas development and Production Project (Up-stream)	LNG Project (Middle-stream)
Block/ Candidate site of LNG plant	North Montney, British Columbia, Canada	Lelu Island, the Port of Prince Rupert, B.C.
Interest	<b>10%</b> Interest	<b>10%</b> Equity
Operator	PETRONAS (Includes subsidiaries)	PETRONAS (Includes subsidiaries)
Current Status	Production and sales of Natural Gas	FEED



Drilling at North Montney

## ■ Project Schedule

26 APR 2013	Conclusion of Contract
End of 2014	Plan to FID of LNG plant
2014 ~ 2018	Construction of LNG plant
End of 2018	<b>First LNG Production (12MMtonnes/y)</b>

# Environment and Innovative Technology Business

## Solar Power Business



Image of solar panels to be installed at Japex Hokkaido district office

## Geothermal Energy Business



Drilling operation of Musadake area

## CCS

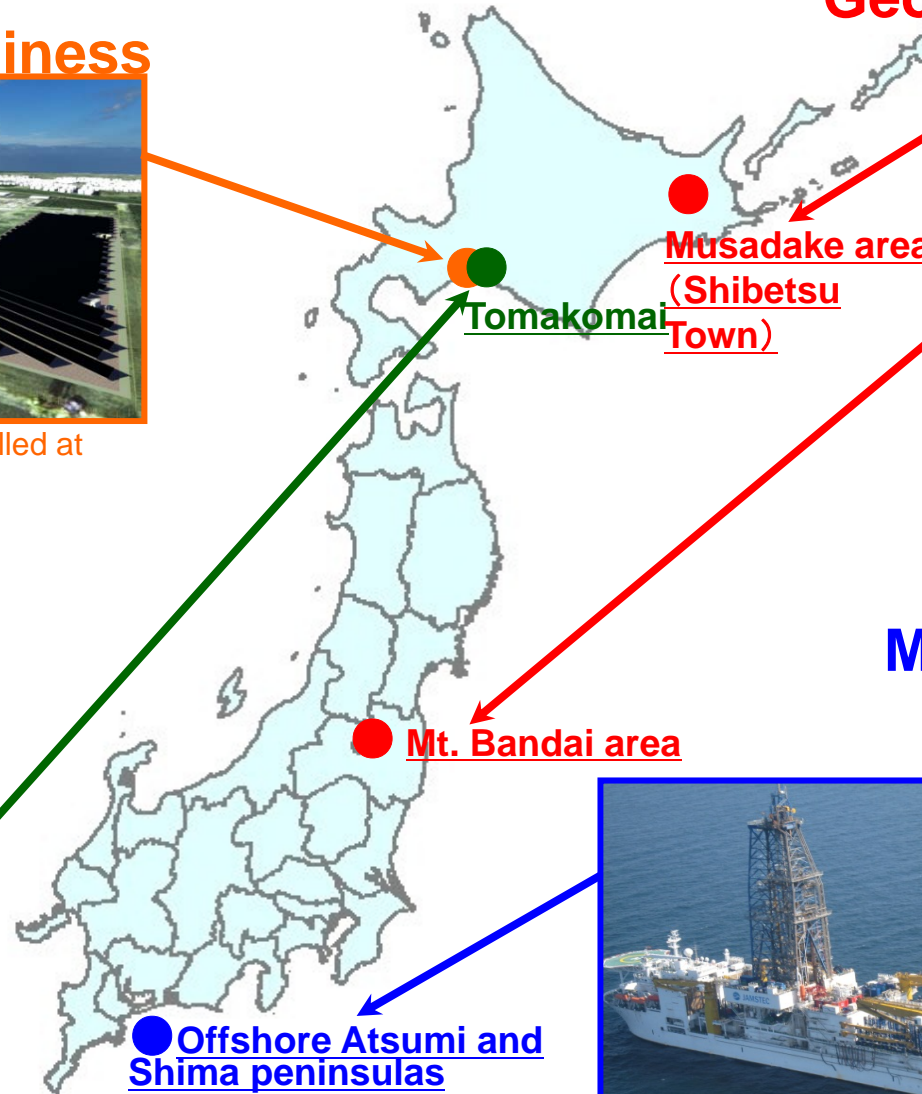


Photo provided by Japan CCS Co., Ltd.  
Drilling of CCS observation well

## Methane Hydrate



Photo provided by JOGMEC



World's first offshore methane hydrate gas production tests

# Actual Results for FY2014

Executive Officer  
Michiro Yamashita

Note: Abbreviations used herein are as follows:

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

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

(a) = Actual result

(e) = Estimate

FY = Fiscal Year

(FY2014, for instance, means 12 months ended March 31, 2014)

## Actual Results for FY2014 ( Highlight )

[ Million ¥ ]	FY2013 Actual	FY2014		
		Initial estimate (May 2013)	Revised estimate (Feb. 2014)	Actual
Net Sales	231,086	232,692	272,802	276,588
Operating income	13,906	20,722	21,540	24,634
Ordinary income	28,082	28,783	38,083	43,889
Net income	(865)	21,511	24,089	29,015

### Oil price and Exchange rate assumptions

JCC price	US\$/bbl	114.67	100.00	109.93	110.51
Exchange rate	JP¥/US\$	81.71	90.00	98.43	99.31
Bitumen price	CA\$/bbl	50.71	45.87	51.58	51.67
Exchange rate	JP¥/CA\$	87.05	90.00	98.42	98.42

**Initial estimate (May 2013)** → **Revised estimate (Feb. 2014)**

【+】 Rise in crude oil and natural gas sales prices 【+】 change of exchange rate 【+】 Equity in earnings in affiliates  
 【-】 Impairment loss for the business assets for production operation of Yufutsu oil & gas field

**Revised estimate (Feb. 2014)** → **Rev. estimate (Feb. 2014) & Actual results (May 2014)**

【+】 Rise in crude oil sales prices 【+】 Equity in earnings in affiliates  
 Operating income ¥24.6 billion (+¥3.0 billion)  
 Ordinary income ¥43.8 billion (+¥5.8 billion)  
 Net income loss ¥29.0 billion (+¥4.9 billion)



## Actual sales of Natural gas for FY2014 (vs FY2013)

Sales volume : Million M3 Net sales : Million ¥		FY 2013		FY 2014		change	
		1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
Natural gas :	Sales volume	685	1,455	614	1,418	(70)	(36)
	Net sales	30,054	69,795	31,883	71,584	+1,828	+1,789

### Breakdown of equity natural gas

Domestically produced gas:	Sales volume	498	1,019	408	853	(89)	(166)
Overseas subsidiary gas:	Sales volume	0	1	37	167	+36	+166

Million M3

1,200

1,000

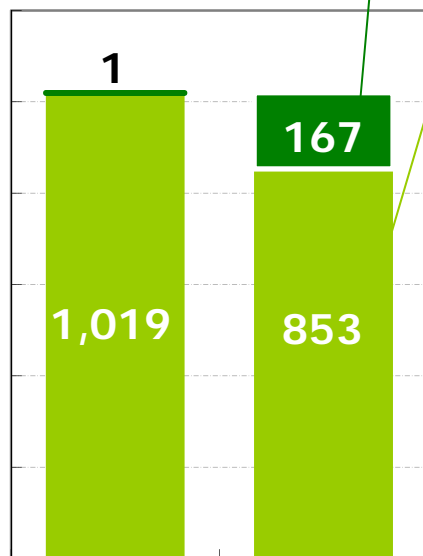
800

600

400

200

-



FY2013

FY2014

Sales volume of overseas subsidiary gas

Sales volume of domestically produced gas

**Sales volume decreased by 36 million M3 (-2%) vs FY2013**

-Decrease in demand for utility gas customers and industrial users

**Net sales increased by ¥1.7 billion (+2%) vs FY2013**

-Increase in sales price of natural gas

-Increase in sales volume of overseas subsidiary gas

Sales volume of "Domestically produced gas" stated herein does not include purchased gas.  
Sales volume of "Overseas subsidiary gas" stated herein are amounts of 2 overseas subsidiaries (Japex (U.S.) Corp. and JAPEX Montney Ltd.).

## Actual Sales of Crude Oil for FY2014 (vs FY2013)

Sales volume : Thousand KL Net sales : Million ¥		FY 2013		FY 2014		change	
		1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
Crude oil:	Sales volume	920	1,684	877	1,902	(42)	+217
	Net sales	46,463	88,529	53,919	119,370	+7,456	+30,841

### Breakdown of equity oil

Domestically produced crude oil:	Sales volume	240	468	188	390	(51)	(78)
	Net sales	14,291	28,167	12,828	27,391	(1,462)	(775)
Overseas subsidiary crude oil:	Sales volume	1	5	8	280	+7	+274
	Net sales	61	290	478	18,080	+417	+17,780
Bitumen:	Sales volume	187	349	165	342	(21)	(6)
	Net sales	4,708	9,694	5,110	10,962	+401	+1,267

### Oil price and Exchange rate

JCC price	US\$/bbl	116.16	114.67	108.53	110.51	(7.63)	(4.16)
Exchange rate	JP¥ / US\$	80.35	81.71	97.58	99.31	+17.23	+17.60
Bitumen price	CA\$/bbl	52.02	50.71	52.22	51.67	+0.20	+0.96
Exchange rate	JP¥ / CA\$	76.77	87.05	94.01	98.42	+17.24	+11.37

**Domestically produced crude oil : [ - ]** Decrease in sales volume

**Overseas subsidiary crude oil : [ + ]** Commencement of sales of crude oil from Garraf oil field

**Bitumen : [ + ]** Rise in sales price

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 3 overseas subsidiaries (Japex (U.S.) Corp., JAPEX Montney Ltd. and Japex Garraf Ltd.).

## Actual Results for FY2014 (vs FY2013)

[ Million ¥]	FY2013	FY2014	Change
	(a)	(a)	
Net sales	231,086	276,588	+45,502
Gross profit	59,010	66,127	+7,117
Exploration expenses	13,086	9,800	(3,285)
SG&A expenses	32,017	31,692	(324)
Operating income	13,906	24,634	+10,728
Non-operating income (expenses)	14,176	19,255	+5,078
Ordinary income	28,082	43,889	+15,806
Extraordinary income (losses)	(34,522)	(8,305)	+26,217
Income taxes	(6,927)	5,566	+12,494
Minority interests in income	1,352	1,002	(350)
Net income	(865)	29,015	+29,880

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

### Gross profit

Domestic crude oil and natural gas	+¥4.3 billion
LNG substitution expense	+¥2.0 billion
Asset retirement obligations	- ¥2.4 billion
Overseas consolidated subsidiaries	+¥ 2.9 billion

### Exploration expenses

Overseas exploration	+¥3.6 billion
Domestic exploration	- ¥0.3 billion

### Non-operating income (expenses)

Share of profit of entities accounted for using equity method	+¥11.3 billion
Dividends income	- ¥7.2 billion

### Extraordinary income (losses)

Gain on transfer of mining rights	- ¥2.8 billion
Decreased of an impairment loss on business assets for production operation of Yufutsu oil & gas field	+¥29.0 billion

# Estimate for FY2015

Executive Officer  
Michiro Yamashita

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

(a) = Actual result

(e) = Estimate

FY = Fiscal Year

(FY2014, for instance, means 12 months ended March 31, 2014)

## Estimates for FY2015 (Point)

[ Million ¥ ]		FY2014		FY2015		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Net Sales		120,281	276,588	157,514	323,633	+37,232	+47,044
Operating income		11,543	24,634	14,339	33,077	+2,796	+8,442
Ordinary income		19,902	43,889	20,159	41,469	+257	(2,420)
Net income		15,883	29,015	13,597	27,379	(2,286)	(1,636)
JCC price	US\$/bbl	108.53	110.51	100.00	100.00	(8.53)	(10.51)
Exchange rate	JP¥/US\$	97.58	99.31	100.00	100.00	+2.42	+0.69
Bitumen price	CA\$/bbl	52.22	51.67	54.42	54.15	+2.20	+2.48
Exchange rate	JP¥/CA\$	94.01	98.42	95.00	95.00	+0.99	(3.42)

### Point FY2015 vs FY2014

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

Operating income  
+¥ 8.4 billion

Exploration expenses  
+¥ 5.9 billion

Ordinary income  
-¥ 2.4 billion

Non-operating income  
(expenses)  
-¥ 10.8 billion

Net income  
-¥ 1.6 billion

Extraordinary income  
(losses)  
+¥ 8.3 billion

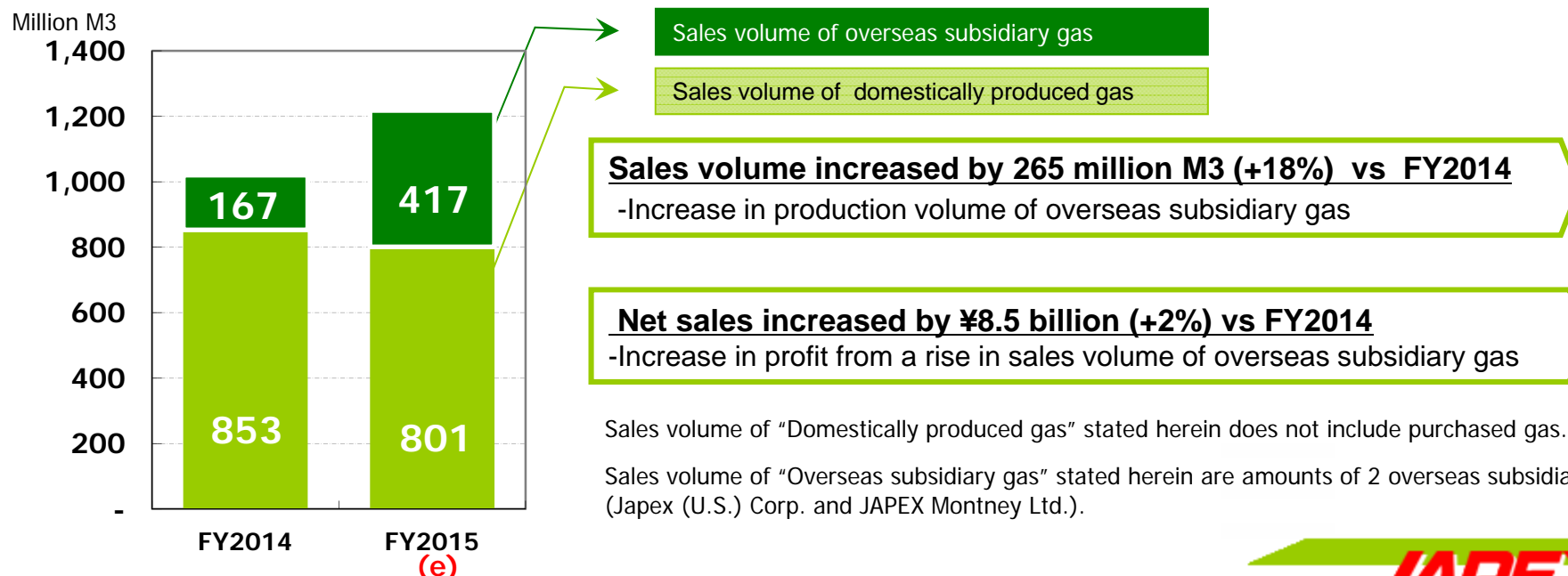
Income taxes  
-¥ 6.6 billion

## Estimated Sales of Natural Gas for FY2015 (vs FY2014)

Sales volume : Million M3 Net sales : Million ¥		FY 2014		FY 2015		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Natural gas :	Sales volume	614	1,418	770	1,684	+155	+265
	Net sales	31,883	71,584	36,293	80,169	+4,409	+8,585

### Breakdown of equity natural gas

Domestically produced gas:	Sales volume	408	853	381	801	(28)	(53)
Overseas subsidiary gas:	Sales volume	37	167	200	417	+163	+249



## Estimated Sales of Crude Oil for FY2015 (vs FY2014)

Sales volume : Thousand KL Net sales : Million ¥		FY 2014		FY 2015		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Crude oil:	Sales volume	877	1,902	1,443	2,695	+565	+793
	Net sales	53,919	119,370	85,582	158,248	+31,662	+38,878

### Breakdown of equity oil

Domestically produced crude oil:	Sales volume	188	390	207	391	+18	+1
	Net sales	12,828	27,391	13,221	25,176	+493	(2,216)
Overseas subsidiary crude oil:	Sales volume	8	280	585	1,223	+576	+943
	Net sales	478	18,070	35,388	73,948	+34,909	+55,878
Bitumen:	Sales volume	165	342	161	330	(4)	(12)
	Net sales	5,110	10,962	5,245	10,666	+135	(295)

### Oil price and Exchange rate assumptions

JCC price	US\$/bbl	108.53	110.51	100.00	100.00	(8.53)	(10.51)
Exchange rate	JP¥ / US\$	97.58	99.31	100.00	100.00	+2.42	+0.69
Bitumen price	CA\$/bbl	52.22	51.67	54.42	54.15	+2.20	+2.48
Exchange rate	JP¥ / CA\$	94.01	98.42	95.00	95.00	+0.99	(3.42)

**Domestically produced crude oil : [ - ]** Fall in sales prices

**Overseas subsidiary crude oil [ + ]** Increase in sales volume

**Bitumen : [ - ]** Decline in sales volume

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 3 overseas subsidiaries (Japex (U.S.) Corp., JAPEX Montney Ltd. and Japex Garraf Ltd.).

## Estimates for FY2015

[ Million ¥]	FY2014	FY2015	Change
	(a)	(e)	
Net sales	276,588	323,633	+47,044
Gross profit	66,127	70,611	+4,483
Exploration expenses	9,800	3,892	(5,908)
SG&A expenses	31,692	33,642	+1,949
Operating income	24,634	33,077	+8,442
Non-operating income (expenses)	19,255	8,393	(10,862)
Ordinary income	43,889	41,469	(2,420)
Extraordinary income (losses)	(8,305)	(1)	+8,304
Income taxes	5,566	12,195	+6,628
Minority interests in income	1,002	1,895	+892
Net income	29,015	27,379	(1,636)

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

### Gross profit

Domestic crude oil and natural gas - ¥2.7 billion  
 Asset retirement obligations + ¥2.4 billion  
 Overseas consolidated subsidiaries + ¥4.6 billion

### Exploration expenses

Domestic exploration + ¥5.9 billion

### Non-operating income (expenses)

Share of profit of entities accounted for using equity method - ¥8.8 billion  
 Foreign exchange profit or loss - ¥1.1 billion

### Extraordinary income (losses)

Impairment loss for the business assets for production operation of Yufutsu oil & gas field + ¥7.9 billion



## Oil Price and Exchange Rate Assumptions and Impact on Profits

Assumption	JCC price	Exchange rate		Bitumen price				
	US\$/bbl	JP¥ / US\$		CA\$/bbl ( JP¥ /CA\$ )				
<b>FY2015 Impact on Profits</b>	<b>US\$ 1/bbl</b> increase in JCC prices would push profits up by...	<b>JP¥ 1/US\$</b> weakening in exchange rates would push profits up by...		<b>CA\$ 1/bbl</b> increase in bitumen prices would push profits up by...				
Operating income	JP¥ 510 million	JP¥ 680 million		( 2.07 million CA\$ ) JP¥ 200 million				
Net income	JP¥ 350 million	JP¥ 370 million		(1.46 million CA\$ ) JP¥ 140 million				
		FY2014			FY2015			change
		1H (a)	2H (a)	Full (a)	1H (e)	2H (e)	Full (e)	
JCC price	US\$/bbl	108.53	112.33	110.51	100.00	100.00	100.00	(10.51)
Exchange rate	JP¥/US\$	97.58	100.84	99.31	100.00	100.00	100.00	+0.69
Bitumen price	CA\$/bbl	52.22	51.16	51.67	54.42	53.89	54.15	+2.48
Exchange rate	JP¥/CA\$	94.01	98.42	98.42	95.00	95.00	95.00	(3.42)

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.