



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

Consolidated Financial Results for the Three Months Ended June 30, 2014 <Supplementary Material>

August 7, 2014

Japan Petroleum Exploration Co., Ltd.

Cautionary Statement

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Note: Abbreviations used herein are as follows:

(a) = Actual result

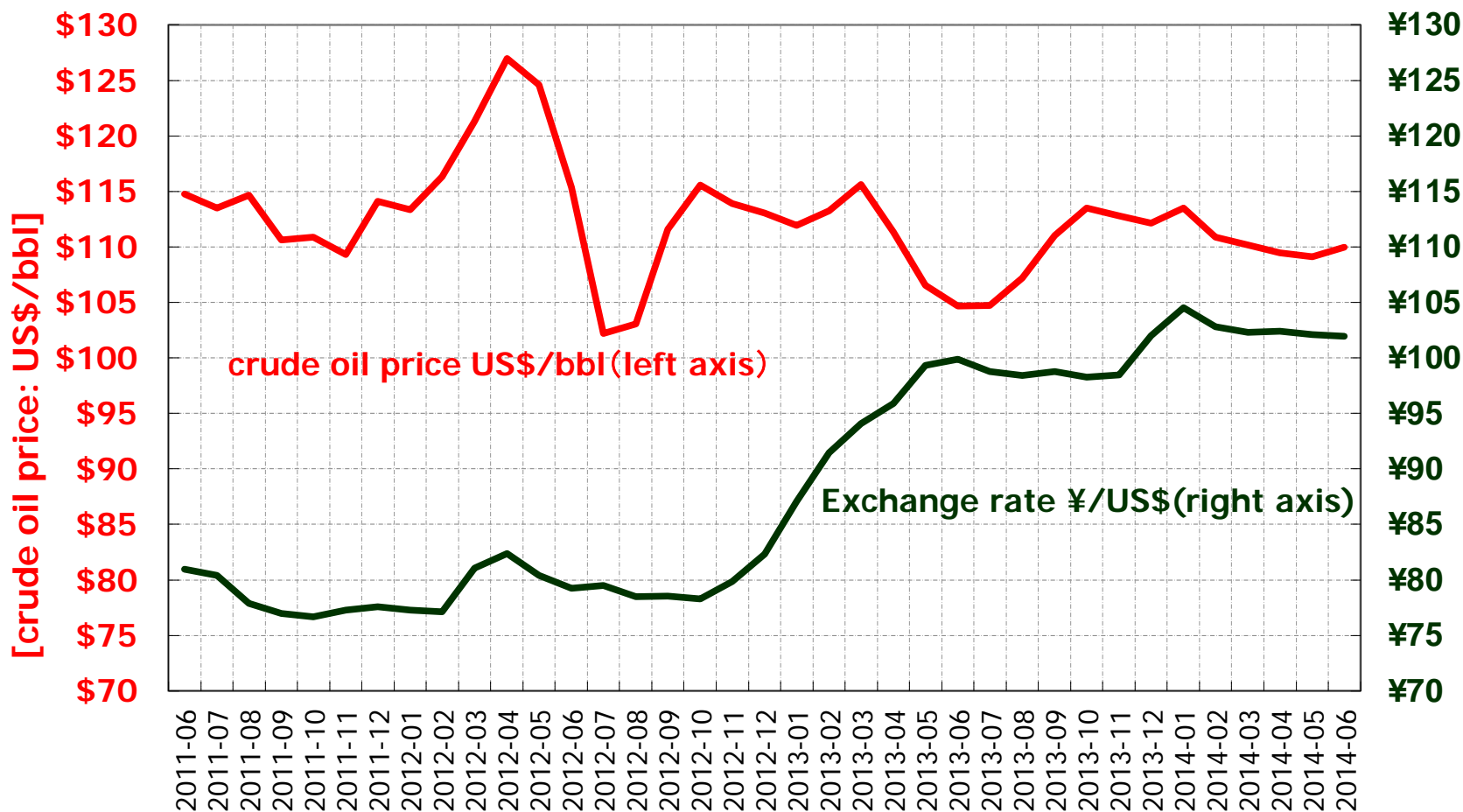
(e) = Estimate

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

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Trends in Crude Oil Prices and Foreign Exchange Rate



Japan Crude Cocktail (JCC) Price in the first 10 days of July 2014

on a prompt report basis : **US\$ 110.98/bbl** **JP¥ 101.89/US\$**

Consolidated Financial Estimates for FY2015 (Highlight)

[Billion JP¥]	FY2014			FY2015			Change		
	1Q (a)	1Q- 2Q (a)	Full (a)	1Q (a)	1Q- 2Q (e)*	Full (e)*	1Q	1Q- 2Q	Full
Net sales	60.1	120.2	276.5	82.2	157.5	323.6	+22.1	+37.2	+47.0
Operating income	5.5	11.5	24.6	8.1	14.3	33.1	+2.6	+2.8	+8.4
Ordinary income	7.8	19.9	43.8	13.0	20.2	41.5	+5.1	+0.3	▲2.4
Net income	5.8	15.8	29.0	9.9	13.6	27.4	+4.1	▲2.2	▲1.6

JCC price and Exchange rate (JCC price: US\$/bbl; Exchange rate: JP¥/US\$)

JCC price	111.17	108.53	110.51	109.51	100.00	100.00	▲1.66	▲8.53	▲10.51
Exchange rate	96.36	97.58	99.31	102.27	100.00	100.00	+5.91	+2.42	+0.69

Bitumen price and Exchange rate (Bitumen price: CA\$/bbl; Exchange rate: JP¥/CA\$)

Bitumen price	46.52	52.22	51.67	56.57	54.42	54.15	+10.05	+2.20	+2.48
Exchange rate	92.58	94.01	98.42	93.17	95.00	95.00	+0.59	+0.99	▲3.42

* Regarding consolidated financial estimates, an examination of the first quarter results revealed that no changes are necessary to both estimates of the six months and full-year released on May 12, 2014.

Point FY2015 vs FY2014

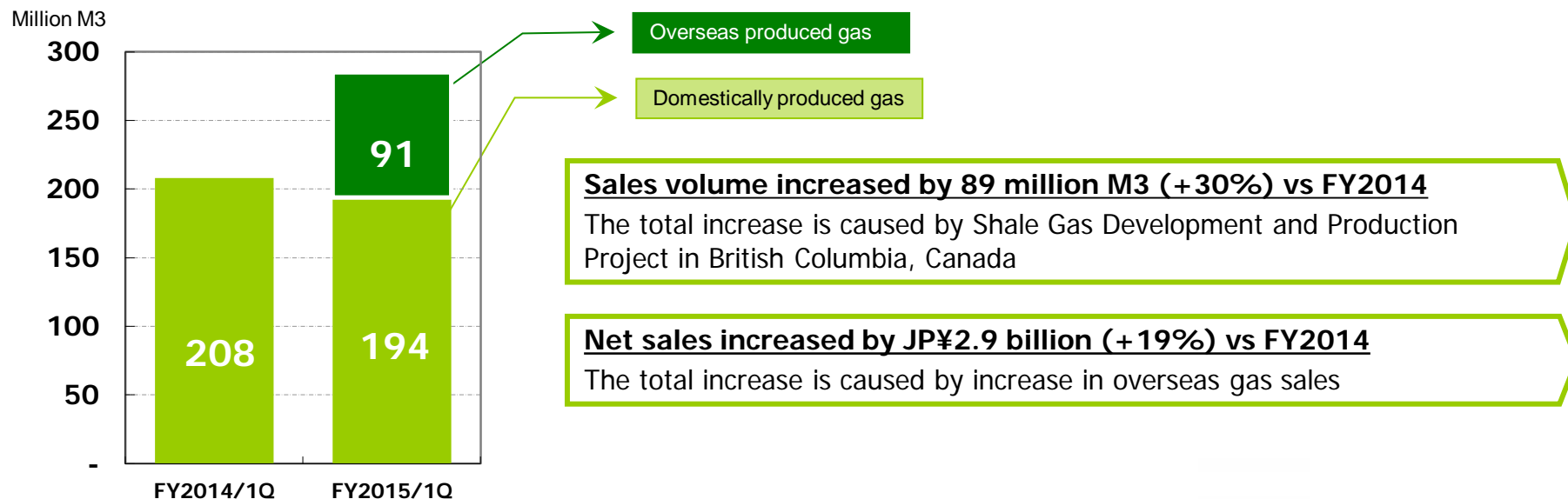
■ Operating income	+¥8.4 billion	➤ Exploration expenses	+¥5.9 billion
■ Ordinary income	▲¥2.4 billion	➤ Non-operating income (expenses)	▲¥10.8 billion
■ Net income	▲¥1.6 billion	➤ Extraordinary income(losses)	+¥8.3 billion
		➤ Income taxes	▲¥6.6 billion

Actual Sales of Natural Gas in 1Q FY2015 (vs FY2014)

Sales volume : Million M3 Net sales : Million ¥		FY2014	FY2015	change
		1Q (a)	1Q (a)	
Natural gas	Sales volume	292	382	+89
	Net sales	15,791	18,772	+2,981

Breakdown of natural gas sales

Domestically produced gas	Sales volume	208	194	▲13
Overseas produced gas	Sales volume	0	91	+91



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

Actual Sales of Crude Oil in 1Q FY2015 (vs FY2014)

		FY2014	FY2015	change
Sales volume : Thousand KL		1Q(a)	1Q(a)	
Net sales : Million ¥				
Crude Oil	Sales volume	460	690	+229
	Net sales	27,405	45,503	+18,098

Breakdown of quality oil

Domestically produced crude oil	Sales volume	101	102	+0
	Net sales	6,887	7,377	+489
Overseas subsidiary crude oil	Sales volume	2	256	+253
	Net sales	173	17,292	+17,119
Bitumen	Sales volume	87	84	▲3
	Net sales	2,373	2,795	+422

Increase is due to count of crude oil sales from Garraf oilfield, Iraq

Oil price and Exchange rate assumptions

JCC price	US\$/bbl	111.17	109.51	▲1.66
Exchange rate	JP¥/US\$	96.36	102.27	+5.91
Bitumen	CA\$/bbl	46.52	56.57	+10.05
Exchange rate	JP¥/CA\$	92.58	93.17	+0.59

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 1Q FY2015 (vs FY2014)

[Million ¥]	FY2014	FY2015	Change
	1Q(a)	1Q(a)	
Net sales	60,107	82,259	+22,151
Gross profit	15,876	19,078	+3,202
Exploration expenses	2,819	2,458	▲361
SG&A expenses	7,544	8,489	+945
Operating income	5,512	8,131	+2,618
Non-operating income (expenses)	2,340	4,879	+2,539
Ordinary income	7,853	13,011	+5,157
Extraordinary income (losses)	▲4	37	+42
Income taxes	1,827	2,263	+435
Minority interests in income	153	798	+645
Net income	5,867	9,987	+4,120

Causes of increase(+) or decrease(-)

Gross profit

Overseas consolidated subsidiaries + ¥ 3 billion

Non-operating income (expenses)

Equity in losses of affiliates + ¥ 4 billion
 Foreign exchange profit or loss ▲ ¥ 0.6 billion
 Provision for loss in overseas investment ▲ ¥ 0.6 billion