



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

**Consolidated Financial Results
for the Fiscal Year Ended
March 31, 2015
<Supplementary material>**

May 12, 2015

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: Abbreviations used herein are as follows:

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

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

(a) = Actual result

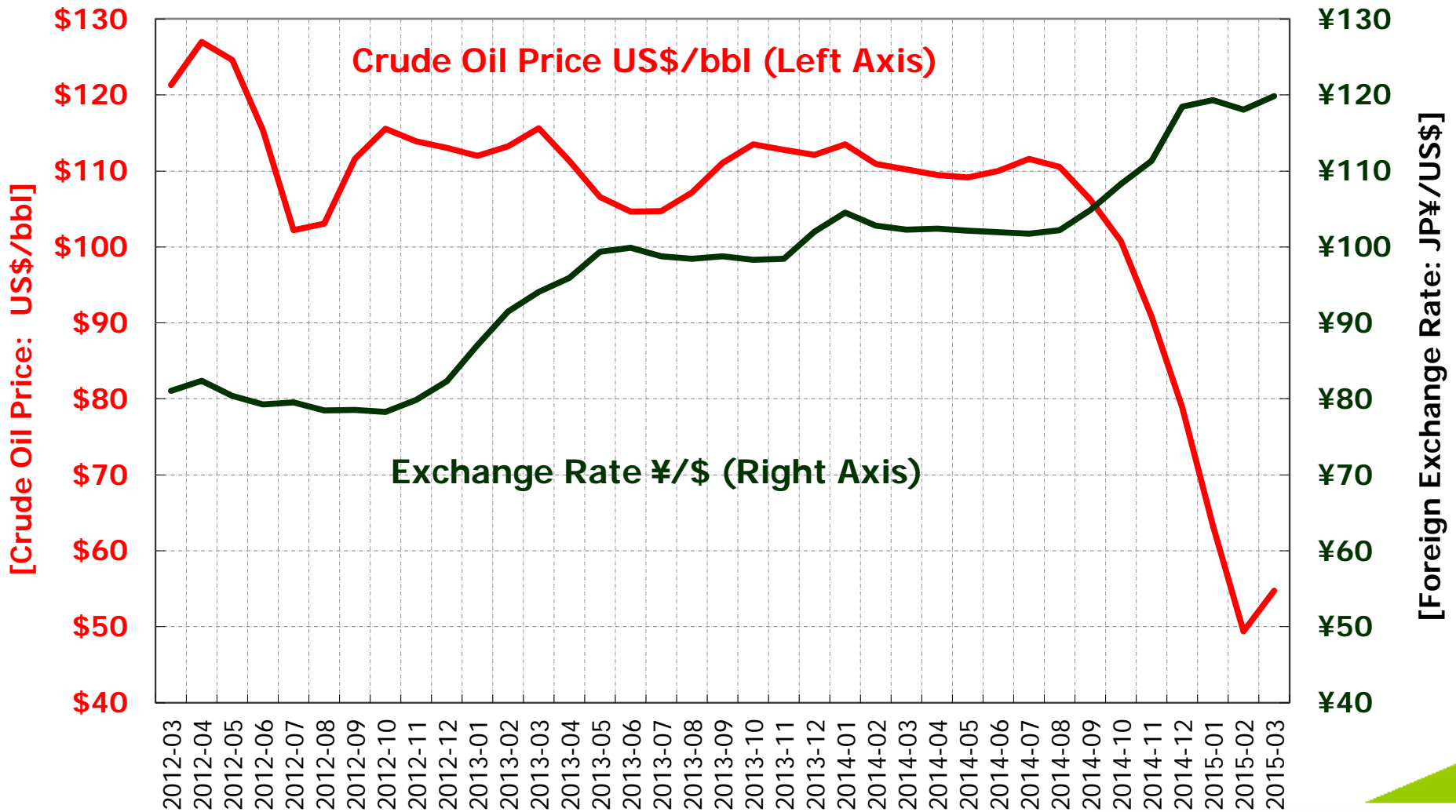
(e) = Estimate

FY = Fiscal Year (FY3/15, for instance, means 12 months ended March 31, 2015)

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Trends in Crude Oil Price and Foreign Exchange Rate



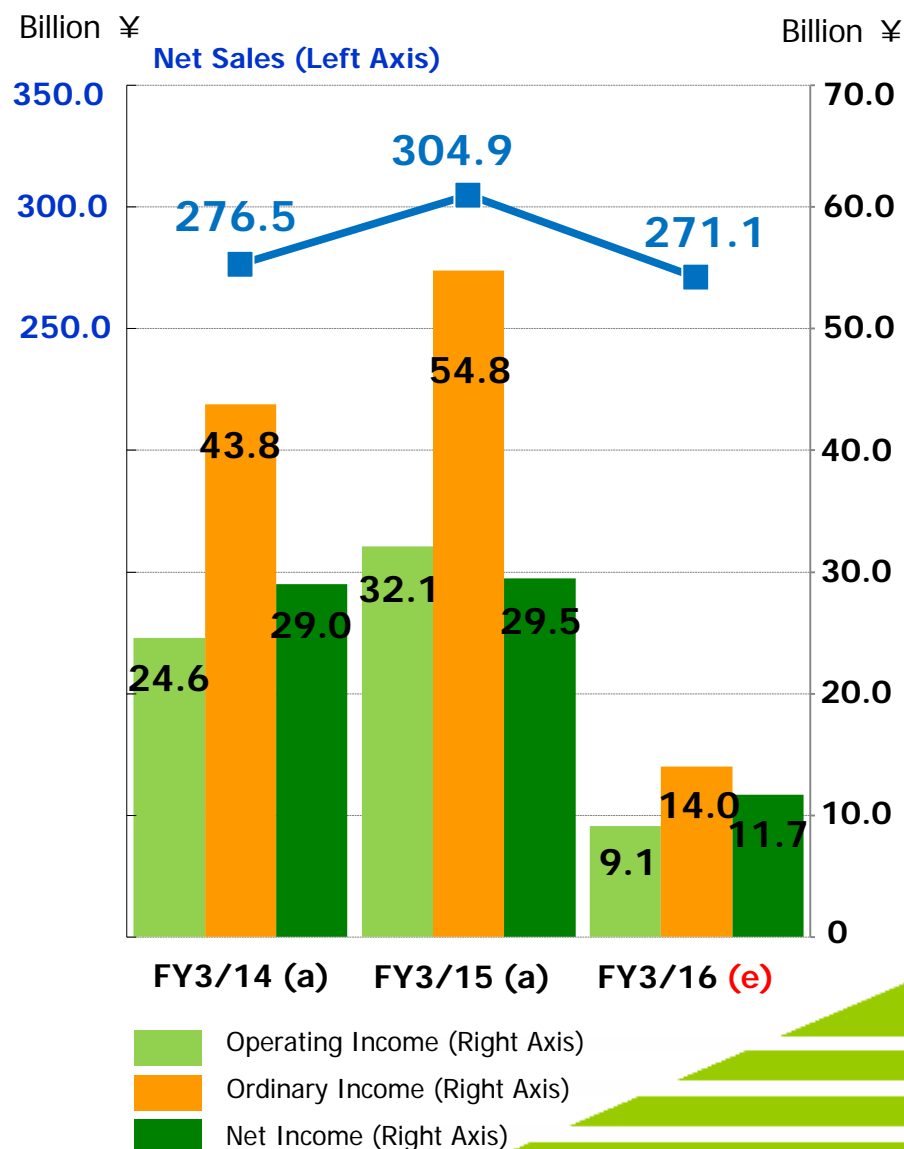
Actual Results for FY3/15 and Estimate for FY3/16 (Highlight)

■ Actual Results for FY3/15 (vs FY3/14)

[Billion ¥]	FY3/14 (a)	FY3/15 (a)	Difference	
Net Sales	276.5	304.9	+28.3	+10%
Operating Income	24.6	32.1	+7.5	+31%
Ordinary Income	43.8	54.8	+10.9	+25%
Net Income	29.0	29.5	+0.5	+2%
JCC Price (US\$/bbl)	110.51	96.48	(14.03)	(13%)
Exchange Rate (JP¥/US\$)	99.31	106.23	+6.92	+7%

■ Estimate for FY 3/16 (vs FY3/15)

[Billion ¥]	FY3/15 (a)	FY3/16 (e)	Difference	
Net Sales	304.9	271.1	(33.7)	(11%)
Operating Income	32.1	9.1	(23.0)	(72%)
Ordinary Income	54.8	14.0	(40.8)	(74%)
Net Income	29.5	11.7	(17.8)	(60%)
JCC Price (US\$/bbl)	96.48	60.00	(36.48)	(37%)
Exchange Rate (JP¥/US\$)	106.23	115.00	+8.77	+8%



Actual Results for FY3/15 (Highlight)

[Million ¥]	FY3/14 Actual (a)	FY3/15		
		Initial Estimate (e) (May 2014)	Revised Estimate (e) (Nov. 2014)	Actual (a)
Net Sales	276,588	323,633	324,378	304,911
Operating Income	24,634	33,077	34,681	32,146
Ordinary Income	43,889	41,469	48,819	54,839
Net Income	29,015	27,379	35,374	29,567

Oil price and Exchange rate assumptions

JCC Price (US\$/bbl)	110.51	100.00	101.27	96.48
Exchange Rate (JP ¥/US\$)	99.31	100.00	103.43	106.23
Bitumen Price (CA\$/bbl)	51.67	54.15	58.16	55.74
Exchange Rate (JP ¥/CA\$)	98.42	95.00	95.00	103.63

◆ Initial Estimate (May 2014) → Revised Estimate (Nov. 2014)
 【+】 Increase of Natural Gas Sales, Increase of Equity Method Income, etc.
 【-】 Decrease of Oil Sales, etc.

◆ Revised Estimate (Nov. 2014) → Actual Result
 【+】 Increase of Exchange Profit, Increase of Equity Method Income, etc.
 【-】 Decrease of Oil Sales, Decrease of Sales Price, Impairment Loss, etc.

Actual Results for FY3/15 (vs Revised Estimate for FY3/15)

[Million ¥]	FY3/15(e)	FY3/15(a)	Change
Net sales	324,378	304,911	(19,467)
Gross profit	72,981	70,262	(2,719)
Exploration expenses	4,712	4,489	(223)
SG&A expenses	33,588	33,625	+37
Operating income	34,681	32,146	(2,535)
Non-operating income (expenses)	14,138	22,692	+8,554
Ordinary income	48,819	54,839	+6,020
Extraordinary income (losses)	(10)	(4,465)	(4,455)
Income taxes	11,000	17,644	+6,644
Minority interests in income	2,436	3,161	+725
Net income	35,374	29,567	(5,807)

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

Gross profit

Domestic crude oil and natural gas - ¥2.0 billion

Non-operating income (expenses)

Share of profit of entities accounted for using

Equity method + ¥2.5 billion

Exchange Profit + ¥6.0 billion

Extraordinary income (losses)

Impairment loss on overseas development assets
- ¥3.9 billion

Income Taxes

Tax effect not applicable to extraordinary loss

- ¥1.6 billion

Deferred tax liabilities associated with the tax reform

- ¥1.8 billion

Other deferred tax assets review

- ¥3.2 billion

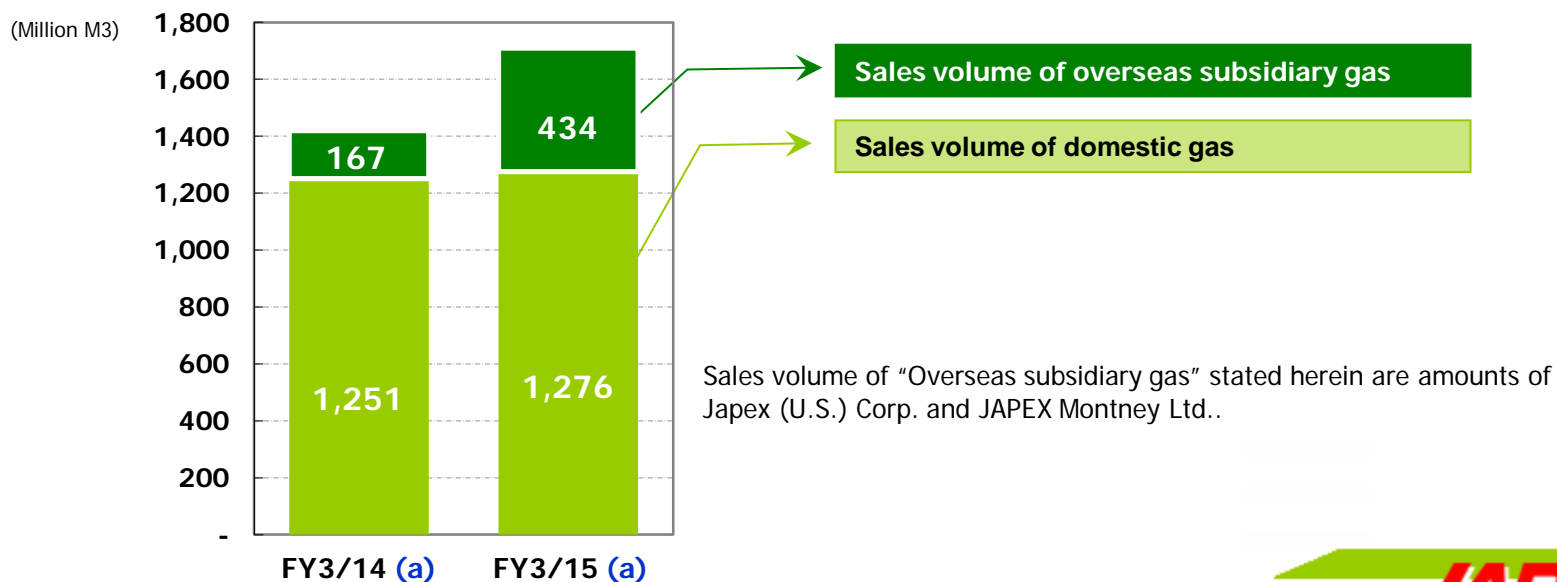
		1Q	2Q	3Q	4Q	1Q-4Q
CIF price	Conventional	109.51	110.70	100.00(e)	85.00(e)	101.27(e)
	US\$/bbl			Actual	99.69 (a)	64.58(a)
Exchange rate	Conventional	102.27	101.96	105.00(e)	105.00(e)	103.43(e)
	JP¥/US\$			Actual	107.77(a)	118.69(a)

Actual sales of Natural gas for FY3/15 (vs FY3/14)

Sales volume : Million M3 Net sales : Million ¥		FY3/14		FY3/15		change	
		1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
Natural gas	Sales volume	614	1,418	775	1,710	+160	+291
	Net sales	31,883	71,584	37,458	83,974	+5,575	+12,390

Breakdown of equity natural gas

Domestic gas sales	Sales volume	577	1,251	578	1,276	+1	+25
(Domestically produced gas)	Sales volume	408	853	382	813	(26)	(39)
Overseas subsidiary gas sales	Sales volume	37	167	196	434	+158	+266



Actual Sales of Crude Oil for FY3/15 (vs FY3/14)

Sales volume : Thousand KL Net sales : Million ¥		FY3/14		FY3/15		change	
		1H (a)	Full (a)	1H (a)	Full (a)	1H	Full
Crude oil:	Sales volume	877	1,902	1,107	2,396	+229	+494
	Net sales	53,919	119,370	73,500	133,346	+19,581	+13,975

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	188	390	190	367	+1	(22)
	Net sales	12,828	27,391	13,768	23,857	+940	(3,534)
Overseas subsidiary crude oil:	Sales volume	8	280	273	830	+264	+549
	Net sales	478	18,070	18,568	43,466	+18,089	+25,395
Bitumen:	Sales volume	165	342	152	332	(12)	(10)
	Net sales	5,110	10,962	5,382	12,105	+271	+1,143

Oil price and Exchange rate

JCC price	US\$/bbl	108.53	110.51	110.06	96.48	+1.53	(14.03)
Exchange rate	JP¥ / US\$	97.58	99.31	102.13	106.23	+4.55	+6.92
Bitumen price	CA\$/bbl	52.22	51.67	58.93	55.74	+6.71	+4.07
Exchange rate	JP¥ / CA\$	94.01	98.42	95.04	103.63	+1.03	+5.21

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 FY3/15 (vs FY3/14)

[Million ¥]	FY3/14 (a)	FY3/15 (a)	Change
Net sales	276,588	304,911	+28,322
Gross profit	66,127	70,262	+4,134
Exploration expenses	9,800	4,489	(5,310)
SG&A expenses	31,692	33,625	+1,932
Operating income	24,634	32,146	+7,512
Non-operating income (expenses)	19,255	22,692	+3,437
Ordinary income	43,889	54,839	+10,949
Extraordinary income (losses)	(8,305)	(4,465)	+3,839
Income taxes	5,566	17,644	+12,077
Minority interests in income	1,002	3,161	+2,159
Net income	29,015	29,567	+552

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

Gross profit

Domestic crude oil and natural gas	- ¥0.3 billion
Overseas consolidated subsidiaries	+ ¥5.3 billion

Exploration expenses

Domestic exploration	+ ¥5.7 billion
Overseas exploration	- ¥0.3 billion

Non-operating income (expenses)

Exchange Profit	+ ¥5.5 billion
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Extraordinary income (losses)

Decreased of an impairment loss on domestic business assets	+ ¥4.0 billion
<small>(FY3/14 Yufutsu: + ¥7.9 billion → FY3/15 Overseas Business: + ¥3.9 billion)</small>	

Income Taxes

Corporate tax increase associated with the increase in profit	- ¥4.6 billion
Tax effect not applicable to extraordinary loss	- ¥1.6 billion
Deferred tax liabilities associated with the tax reform	- ¥1.8 billion
Other deferred tax assets review	- ¥3.2 billion

Estimates for FY3/16 【Assumptions】

[Assumptions of oil/gas price and foreign exchange rate]

	FY3/15 4Q	FY3/16 1Q	FY3/16 2Q	FY3/16 3Q	FY3/16 4Q	FY3/16 Estimate (e)	FY3/15 Actual (a)
CIF price (US\$/bbl)		55.00	60.00	60.00	65.00	60.00	96.48
Exchange rate (JP¥/US\$)		115.00	115.00	115.00	115.00	115.00	106.23
Bitumen (CA\$/bbl)	27.72	32.45	35.16	35.18		32.52	55.74
AECO price (CA\$/MMBtu)	3.50	3.50	3.50	3.50		3.50	4.15
Exchange rate (JP¥/CA\$)	95.00	95.00	95.00	95.00		95.00	103.63

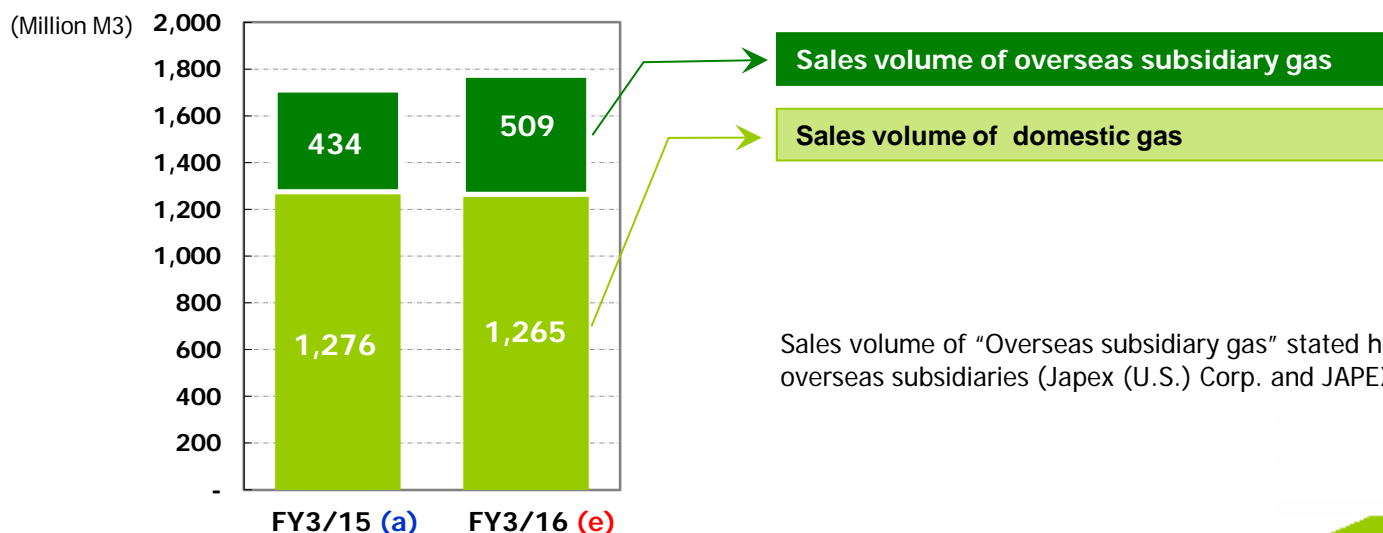
1. Bitumen price is after royalty deduction.
2. "Actual of FY3/15" of Bitumen price and AECO gas price are shown during Jan-Dec 2014.
3. "Actual of FY3/15" of CA\$ exchange price is shown TTM rate on Dec 30, 2014.

Estimated Sales of Natural Gas for FY3/16 (vs FY3/15)

Sales volume : Million M3 Net sales : Million ¥		FY3/15		FY3/16		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Natural gas :	Sales volume	775	1,710	817	1,773	+42	+63
	Net sales	37,458	83,974	31,965	67,856	(5,494)	(16,119)

Breakdown of equity natural gas

Domestic gas sales	Sales volume	578	1,276	573	1,265	(6)	(11)
(Domestically produced gas)	Sales volume	382	813	357	757	(26)	(57)
Overseas subsidiary gas sales	Sales volume	196	434	245	509	+49	+74



Sales volume of "Overseas subsidiary gas" stated herein are amounts of 2 overseas subsidiaries (Japex (U.S.) Corp. and JAPEX Montney Ltd.).

Estimated Sales of Crude Oil for FY3/16 (vs FY3/15)

Sales volume : Thousand KL Net sales : Million ¥		FY3/15		FY3/16		change	
		1H (a)	Full (a)	1H (e)	Full (e)	1H	Full
Crude oil:	Sales volume	1,107	2,396	2,069	3,423	+962	+1,026
	Net sales	73,500	133,346	79,233	135,841	+5,733	+2,494

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	190	367	172	335	(19)	(33)
	Net sales	13,768	23,857	7,388	14,964	(6,381)	(8,894)
Overseas subsidiary crude oil:	Sales volume	273	830	1,154	1,827	+881	+997
	Net sales	18,568	43,466	43,630	72,103	+25,062	+28,637
Bitumen:	Sales volume	152	332	145	294	(8)	(39)
	Net sales	5,382	12,105	2,579	5,710	(2,803)	(6,396)

Oil price and Exchange rate assumptions

JCC price	US\$/bbl	110.06	96.48	57.50	60.00	(52.56)	(36.48)
Exchange rate	JP¥ / US\$	102.13	106.23	115.00	115.00	+12.87	+8.77
Bitumen price	CA\$/bbl	58.93	55.74	29.80	32.52	(29.13)	(23.22)
Exchange rate	JP¥ / CA\$	95.04	103.63	95.00	95.00	(0.04)	(8.63)

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 FY3/16 (vs FY3/15)

[Million ¥]	FY3/15 (a)	FY3/16 (e)	Change
Net sales	304,911	271,118	(33,794)
Gross profit	70,262	49,475	(20,787)
Exploration expenses	4,489	7,243	+2,753
SG&A expenses	33,625	33,112	(513)
Operating income	32,146	9,120	(23,027)
Non-operating income (expenses)	22,692	4,891	(17,801)
Ordinary income	54,839	14,012	(40,828)
Extraordinary income (losses)	(4,465)	(20)	+4,445
Income taxes	17,644	5,205	(12,439)
Minority interests in income	3,161	(2,919)	(6,081)
Net income	29,567	11,705	(17,863)

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

Gross profit

Domestic crude oil and natural gas - ¥11.8billion
Overseas consolidated subsidiaries - ¥ 9.8 billion

Exploration expenses

Domestic exploration - ¥0.3 billion
Overseas exploration - ¥2.3 billion

Non-operating income (expenses)

Share of profit of entities accounted for using equity method - ¥9.7 billion
Exchange profit - ¥6.8 billion

Extraordinary income (losses)

Decreased of an impairment loss on overseas business assets +¥3.9 billion

Oil Price and Exchange Rate Assumptions and Impact on Profits

Assumption	JCC price 60 US\$/bbl	Exchange rate 115.00 JP¥ / US\$	Bitumen price 32.52CA\$/bbl (95.00 JP¥ /CA\$)
FY3/16 Impact on Profits	US\$ 1/bbl increase in JCC prices would push profits up by...	JP¥ 1/US\$ weakening in exchange rates would push profits up by...	CA\$ 1/bbl increase in bitumen prices would push profits up by...
Operating income	JP¥ 490 million	JP¥ 450 million	(1.83 million CA\$) JP¥ 170 million
Net income	JP¥ 340 million	JP¥ 240 million	(1.29 million CA\$) JP¥ 120 million

		FY3/15			FY3/16			change
		1H (a)	2H (a)	Full (a)	1H (e)	2H (e)	Full (e)	
JCC price	US\$/bbl	110.06	82.03	96.48	57.50	62.50	60.00	(36.48)
Exchange rate	JP¥/US\$	102.13	112.10	106.23	115.00	115.00	115.00	+8.77
Bitumen price	CA\$/bbl	58.93	53.04	55.74	29.80	35.17	32.52	(23.22)
Exchange rate	JP¥/CA\$	95.04	103.63	103.63	95.00	95.00	95.00	(8.63)

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.