



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, 2011

November 7, 2011

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

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Contents

I. Business Overview

President **Osamu Watanabe**

II. Consolidated financial results

for the six months ended September 30, 2011

Executive Vice President **Hiroshi Sato**

III. Revised full year forecasts

for the fiscal year ending March 31, 2012

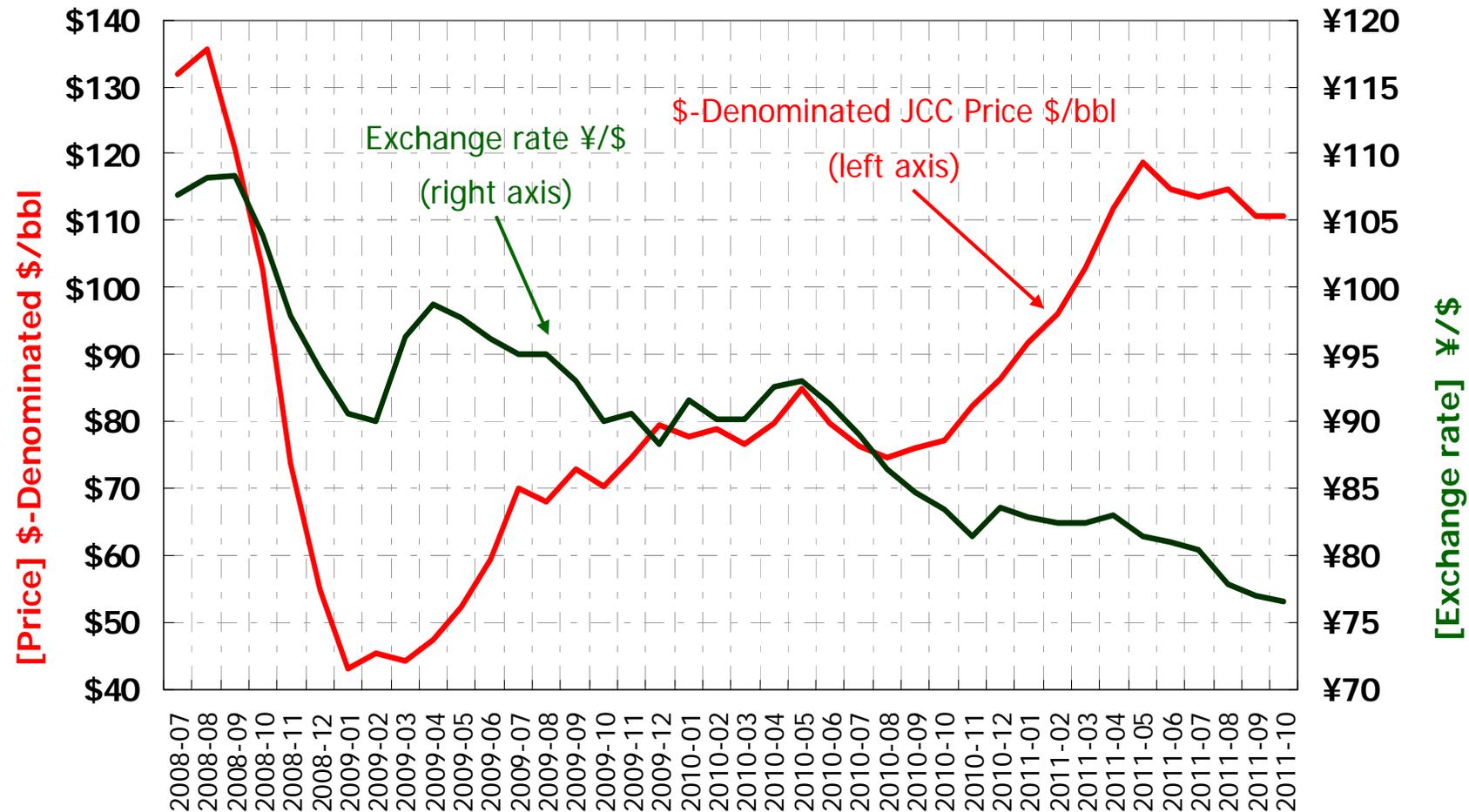
Executive Vice President **Hiroshi Sato**



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 July 2011

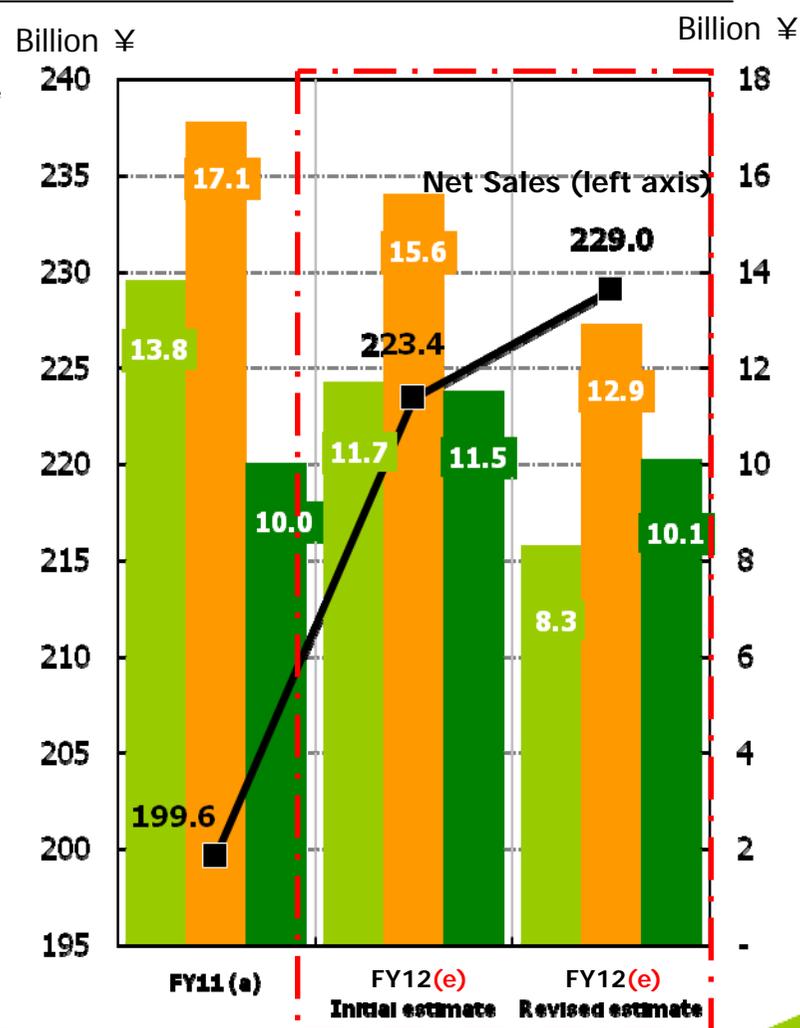
on a prompt report basis : **USD 110.65 / bbl**

Yen 76.59 / USD



Revised estimates for FY2012 (Highlight)

[Billion ¥]	FY11 (a)	FY12 (e)			% change (vs Initial estimate)
		Initial estimate (May '11)	Revised estimate (Nov. '11)	change	
Net Sales	199.6	223.4	229.0	5.5	2%
Operating income	13.8	11.7	8.3	(3.3)	(29%)
Ordinary income	17.1	15.6	12.9	(2.6)	(17%)
Net income	10.0	11.5	10.1	(1.3)	(12%)
JCC price USD/bbl	82.69	90.00	105.66	15.66	
Exchange rate Yen/USD	86.24	85.00	80.52	(4.48)	
Bitumen price CAD/bbl	48.32	47.82	46.25	(1.57)	
Exchange rate Yen/CAD	81.47	85.00	80.00	(5.00)	
	1Q (a)	2Q (a)	3Q (e)	4Q (e)	
JCC price USD/bbl	110.80	112.38	100.00		
Bitumen price CAD/bbl	40.91	51.14	46.71		



Main points of revised estimate :

Increased Profit

* Increase in sales price of crude oil * Increase of dividends income

Decreased Profit

* Downward revision of the production and sales plans for natural gas and crude oil

* Investment loss on equity method

Operating income (right axis)

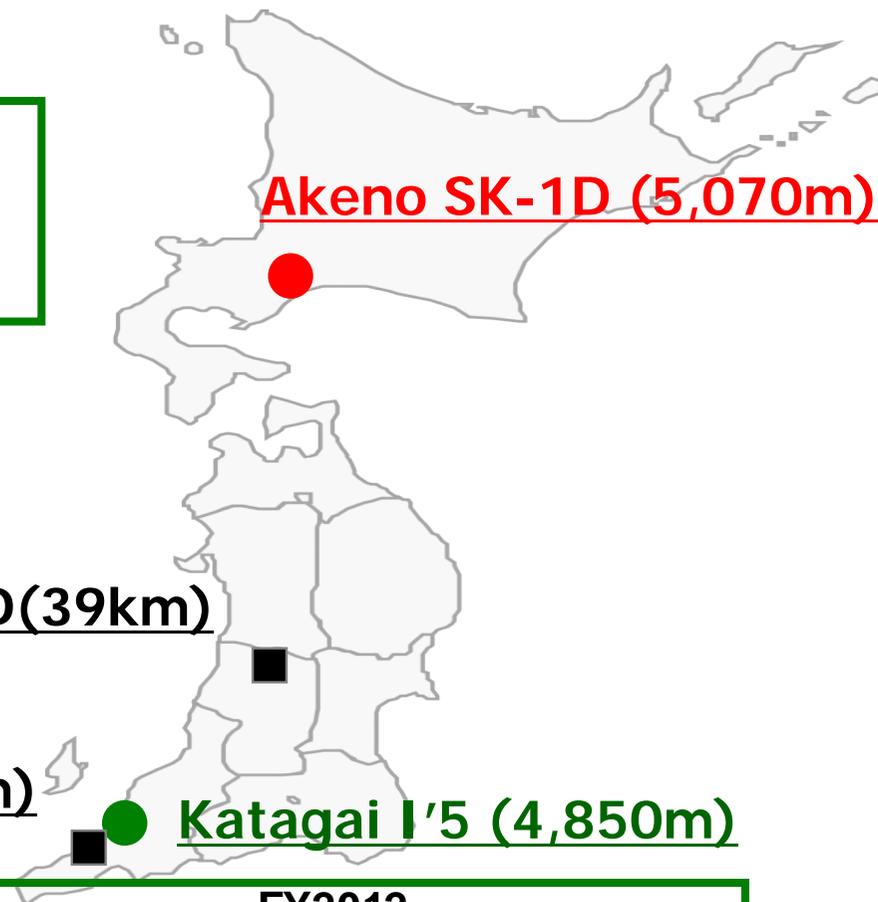
Ordinary income (right axis)

Net income (right axis)

JAPEX

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

- Exploration well : 1 well
- Extension well : 1 well
- Seismic survey : 2 sites



Chokaisan-Nanpo 2D(39km)

Yoneyama 2D (25km)

Katagai I'5 (4,850m)

		Total Depth	FY2012											
			1Q			2Q			3Q			4Q		
			4	5	6	7	8	9	10	11	12	1	2	3
Akeno SK-1D	Exploration Well	5,070 m												
Katagai I'5	Extension Well	4,850 m												

CAPEX plan for FY2012

[Billion ¥]	FY09	FY10	FY11	FY12 Full (e)	FY12 2H (a)
CAPEX	30.9	28.8	21.9	30.7	8.1
Depreciation and amortization	21.5	23.2	24.5	23.8	11.6

Main items of CAPEX for FY2012

Domestic CAPEX ¥ 12.0 billion

◆ Hokkaido

- LNG receiving terminal for domestic vessels
- CO2 emission reduction facility
- (Both projects have continued from FY2010)

◆ Acquire a new facility for disaster recovery from the Great East Japan Earthquake

Overseas CAPEX ¥ 18.7 billion

◆ Iraq

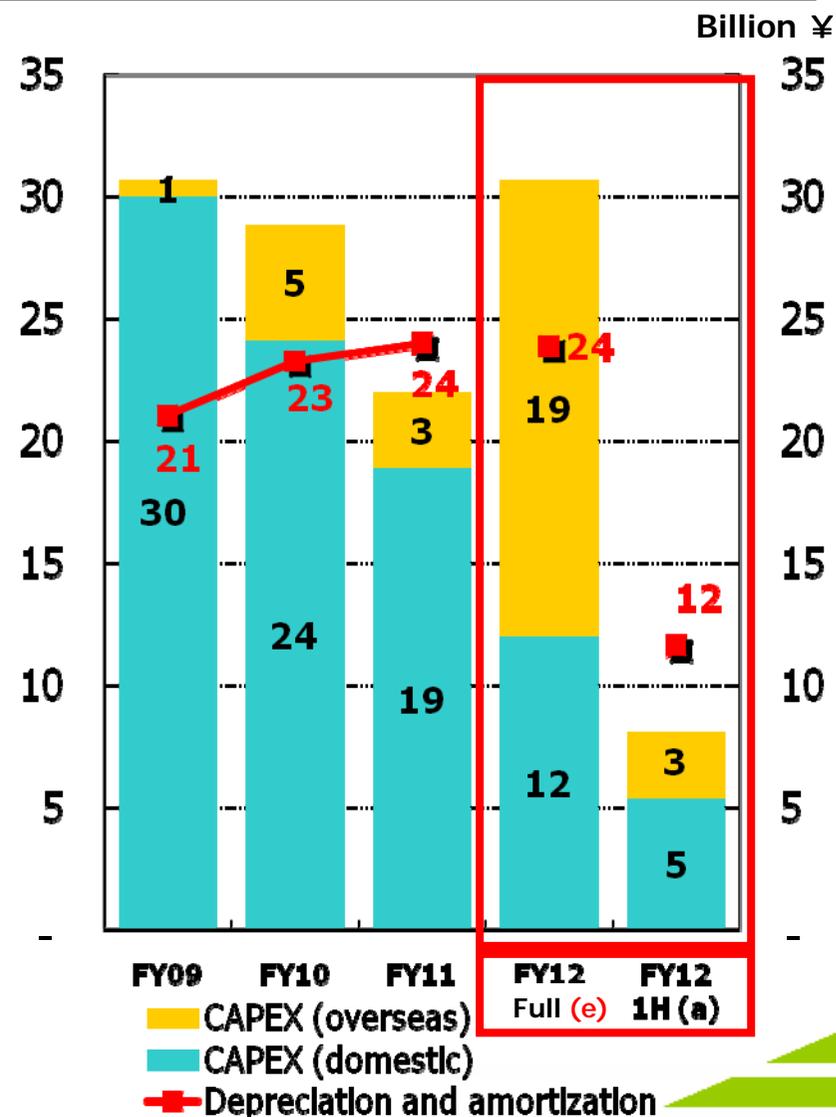
- Development of Garraf oil field

◆ Canada

- Improvement of production facility for the oil sand project

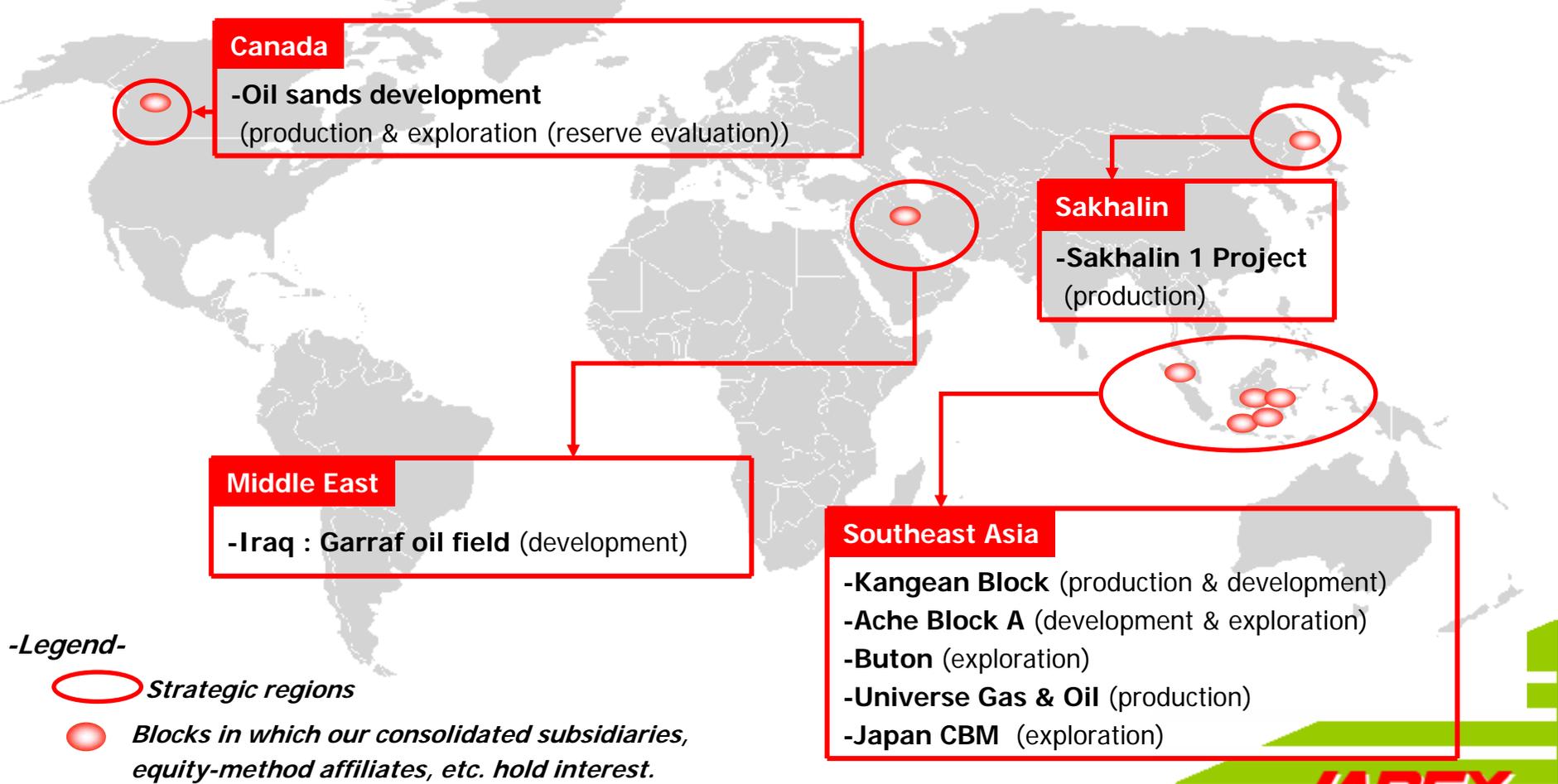
◆ Indonesia

- Development of gas field (Ache Block A)



Overseas business : Basic strategy

- Ensure an appropriate portfolio balance both exploration projects & development projects.
- Set strategic regions, continue the regions-focused strategy.
- Seek up-stream & mid-stream LNG projects.



Current status of overseas business ① Canada oil sands

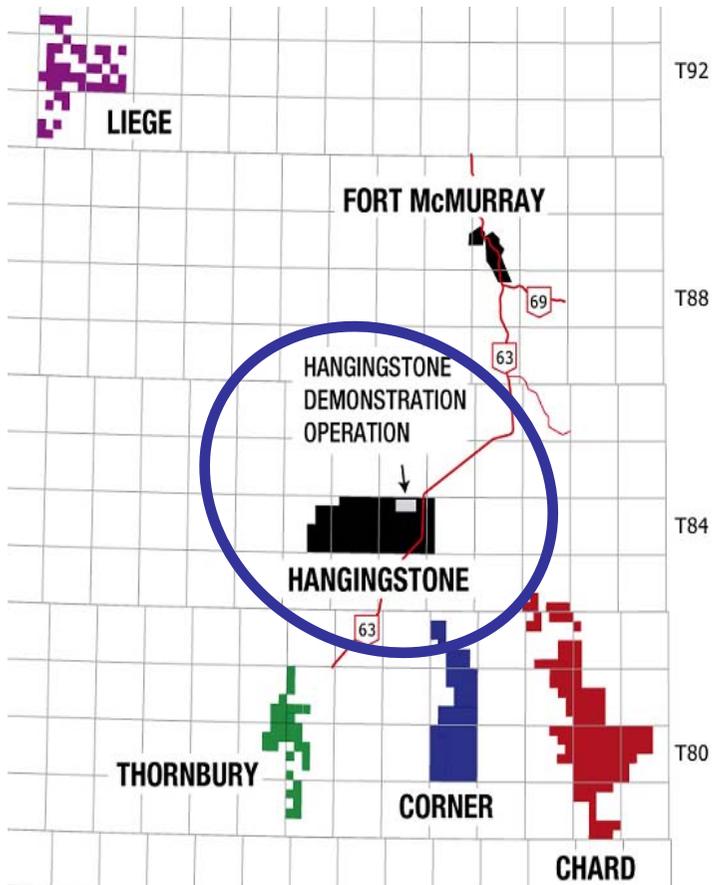
Project company	Canada Oil Sands Co., Ltd. (CANOS) (86.64% owned by JAPEX)
Operator	Japan Canada Oil Sands Ltd. (JACOS) (Local subsidiary, wholly owned by CANOS)
Block	Interest
Hangingsstone 3.75 section -Producing around 7,000 - 8,000 bbl/d -Cumulative production of 25 million bbl (as of end-September, 2011)	100%
Expansion project of undeveloped part of Hangingsstone area -Additional production of 30,000 bbl/d at the maximum	75%



Schedule	
Apr. 2010	Applied development approval Start FEED
2011	Make FID after acquiring development approval
Winter of 2011 to 2012	Start construction
End-2014	Plan to commence production

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

■ Areas in which JACOS holds interest in oil sands leases



■ Areas where oil sand resources were evaluated:

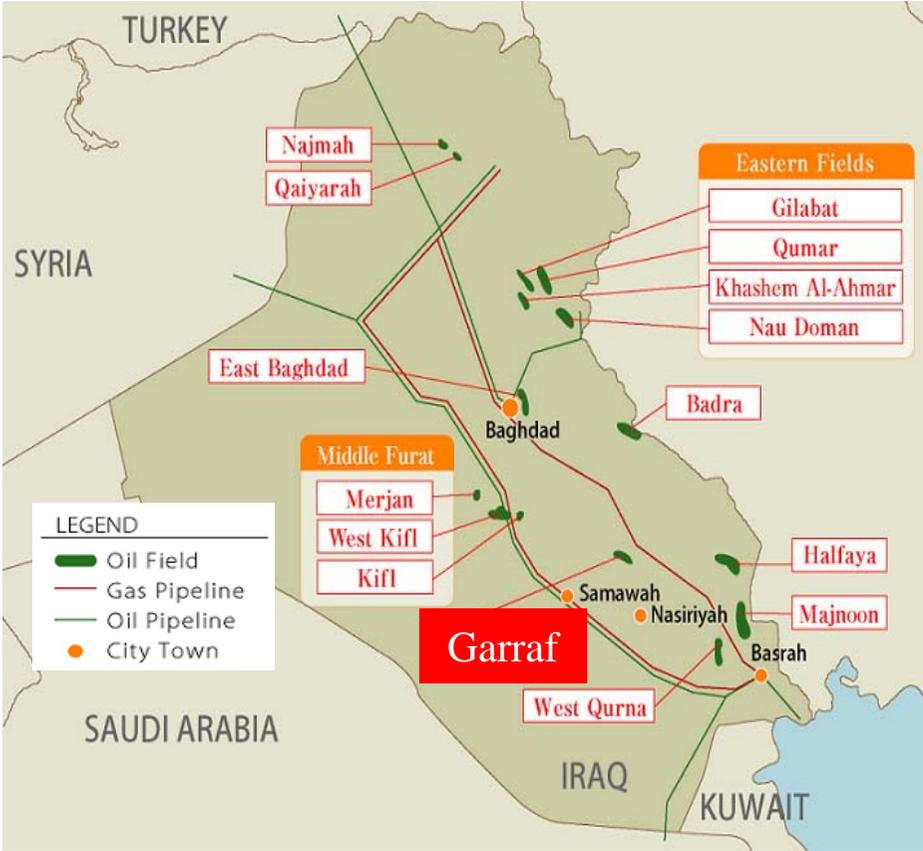
The Hangingsstone area, the Chard area, the Corner area and the Thornbury area were evaluated. The evaluated areas consist of solely owned and jointly owned areas, are 788.4km² (gross) or 373.4km² (net). Bitumen also exists in the Liege area, but there is no bitumen development plan at present due to the subsurface conditions of its existence.



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)
Payment share	60%	40%	-
Participating interest	45%	30%	25%



2010 The contract effect on Feb.10, 2010

2011

2012 Commence initial production at **50,000 bbl/d**

~ Increase production gradually

2015

2017 Achieve plateau production target of **230,000 bbl/d**

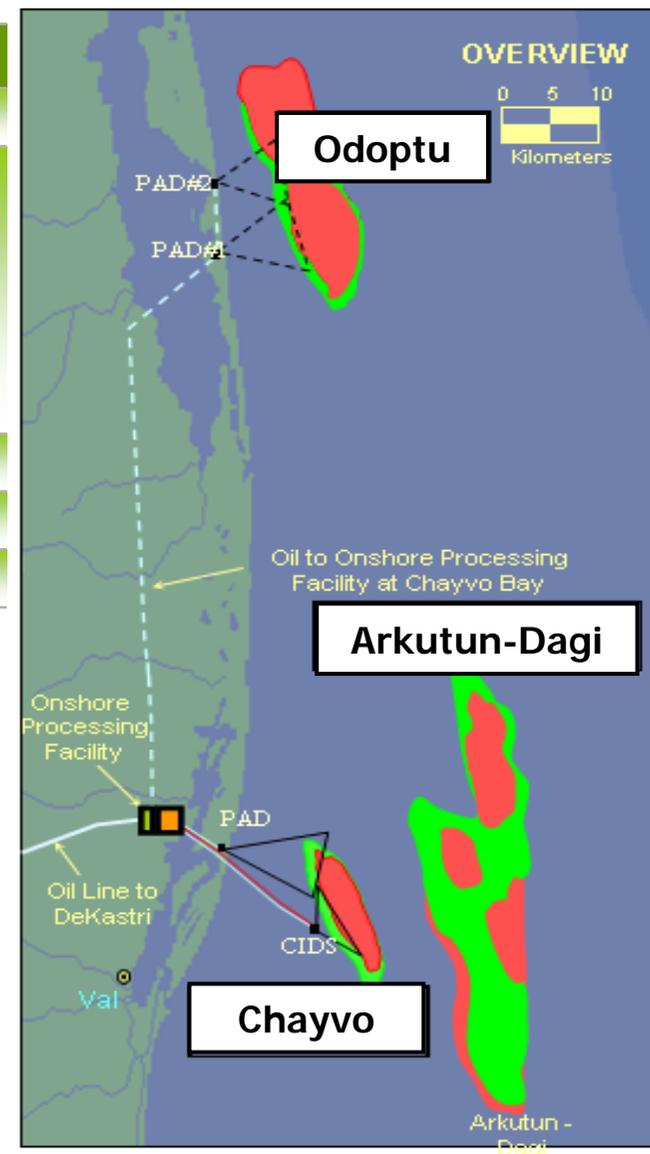
■ Expected cumulative production during the contract term : **around 1.3 billion bbl**



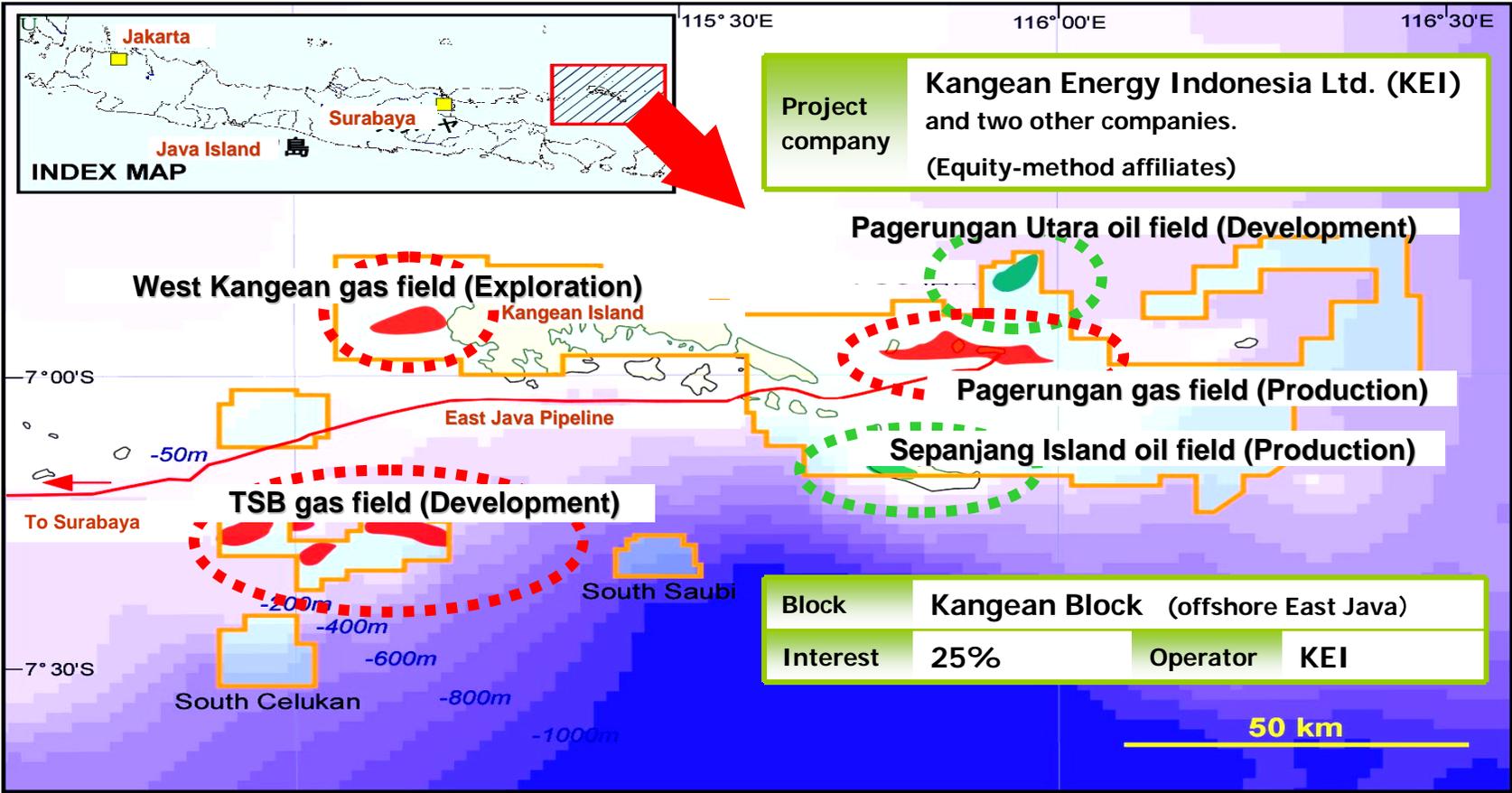
Current status of overseas business ③ Sakhalin 1 Project

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)
Jun. 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 8,000 boe/d.
- TSB gas field : Plan to commence production of 300 million cf/d (around 50,000 boe/d in crude oil equivalent) in 1H 2012.
- Plan to expand gross production to around 60,000 boe/d through the above additional production.

Current status of overseas business ⑤ Indonesia: Ache Block A

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

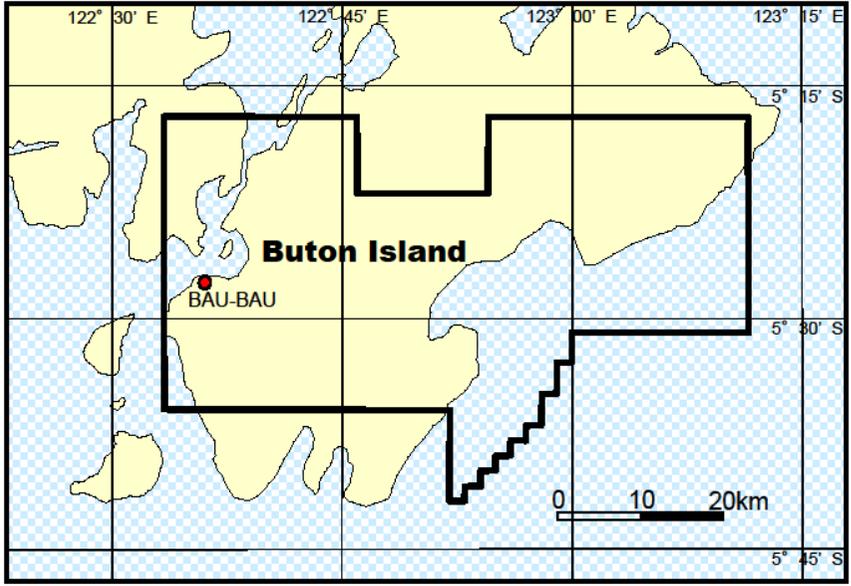


2010	Approved extension PSC	<u>Contract term : 20 years from September 1, 2011</u>
2011 2013		After concluding extension PSC , start development to commence gas production
2014	Alur Rambong gas field Julu Rayeu gas field Alur Siwah gas field	} Gross production of around 100 million cf/d



Current status of overseas business ⑥ Indonesia: Buton Block

Project company	Japex Buton Ltd.	Interest	40%
Block	Buton Block (onshore/offshore block on Buton Island, Southeast Sulawesi)		
2008	Airborne gravity and magnetic surveys 2D seismic surveys		
2009	Selected the exploration well structure		
2012	Plan to drill 1st exploration (obligatory) well		



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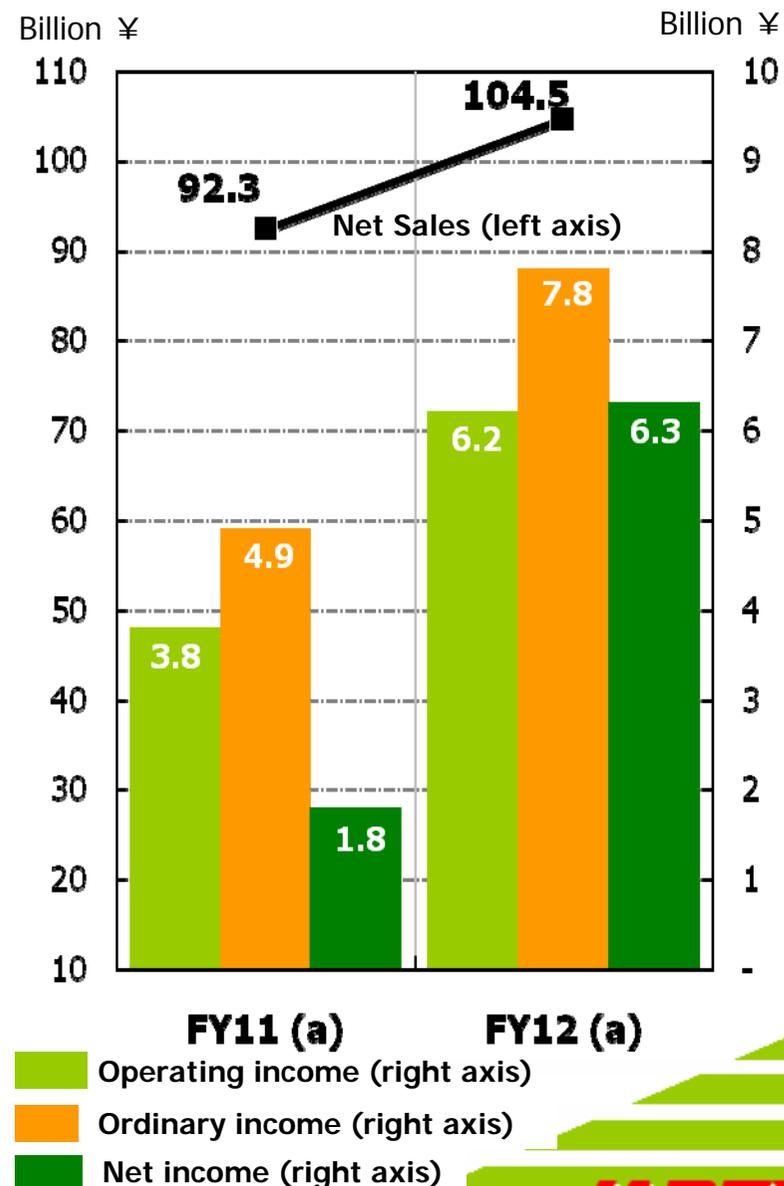
**Consolidated financial results
for the six months ended September 30, 2011**
Executive Vice President **Hiroshi Sato**

Actual results for 1H FY2012 (Summary)

[Billion ¥]	FY11 1H (a)	FY12	1H	% change (vs Initial estimate)
		Initial estimate (May '11) (e)	(a)	
Net Sales	92.3	101.2	104.5	3%
Operating income	3.8	5.7	6.2	9%
Ordinary income	4.9	7.3	7.8	7%
Net income	1.8	5.4	6.3	16%
JCC price USD/bbl	78.95	90.00	112.38	
Exchange rate Yen/USD	90.71	85.00	81.07	
Bitumen price CAD/bbl	52.98	45.48	45.70	
Exchange rate Yen/CAD	83.76	85.00	83.38	

Main points of difference with initial estimate :

- Operating income + ¥ 0.5 billion
 - Net Sales - ¥ 0.4billion (-2%)
 - Exploration expenses / SG&A expenses + ¥ 0.9billion
- Ordinary income - ¥ 0.5billion (+7%)
 - Equity in earnings - ¥ 0.2billion
- Net income - ¥ 0.8billion (+16%)
 - Income taxes + ¥ 0.2 billion



JAPEX

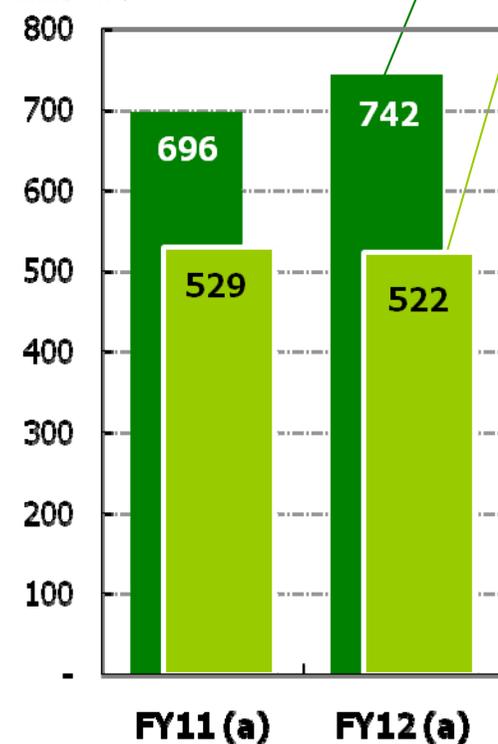
Actual sales of Natural gas in 1H FY2012

Sales volume : Million M3		FY11	FY12	change
Net sales : Million ¥		1H(a)	1H(a)	
Natural gas :	Sales volume	696	742	45
	Net sales	27,039	31,170	4,130
Of which,				
Domestically produced gas :	Sales volume	529	522	(7)

-Increase in demand for industrial users and utility gas customers.
-Rise in sales prices.

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 increased by 45 million M3 (+7%) vs FY11.

-Increase in demand for industrial users and commercial-scale utility gas customers.

Net sales increased by ¥ 4.1 billion (+15%) vs FY11.

<Cause of increase >

-Increase in demand. (+45 million M3 (+7%))

-Rise in sales prices.

Actual sales of Crude oil in 1H FY2012

Sales volume : Thousand KL Net sales : Million ¥		FY11 1H(a)	FY12 1H(a)	change
Crude oil:	Sales volume	946	896	(50)
	Net sales	38,242	46,649	8,406

-Decrease in purchased crude oil.
-Rise in crude oil price

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	246	239	(6)
	Net sales	11,083	13,925	2,841
Overseas subsidiary crude oil:	Sales volume	3	1	(1)
	Net sales	117	84	(33)
Bitumen:	Sales volume	197	175	(21)
	Net sales	5,512	4,207	(1,304)

-Rise in crude oil prices

-Decrease in strengthening of the yen

-Rise in loyalty rate

Oil price and Exchange rate assumptions

JCC price	USD/bbl	78.95	112.38	33.43
Exchange rate	Yen/USD	90.71	81.07	(9.64)
Bitumen price	CAD/bbl	52.98	45.70	(7.28)
Exchange rate	Yen/CAD	83.76	83.38	(0.38)

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 results for 1H FY2012 (vs FY2011)

[Million ¥]	FY11 1H(a)	FY12 1H(a)	change
Net sales	92,369	104,596	12,226
Gross profit	24,140	25,338	1,197
Exploration expenses	6,023	4,043	(1,979)
SG&A expenses	14,272	15,075	802
Operating income	3,845	6,219	2,373
Non-operating income (expenses)	1,083	1,668	584
Ordinary income	4,929	7,887	2,958
Extraordinary income (losses)	(2,414)	(42)	2,372
Income taxes	243	1,277	1,033
Minority interests in income	374	235	(139)
Net income	1,896	6,333	4,437

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

Gross profit

Domestic crude oil and natural gas + ¥4.2 billion
 Transportation fee of natural gas - ¥1.8 billion
 Overseas consolidated subsidiaries - ¥1.3 billion

Exploration expenses

Domestic exploration + ¥2.0 billion

Non-operating income (expenses)

Equity in earnings (losses) of affiliates - ¥0.2 billion
 Gain on redemption of investment securities +¥0.5 billion

Extraordinary income (losses)

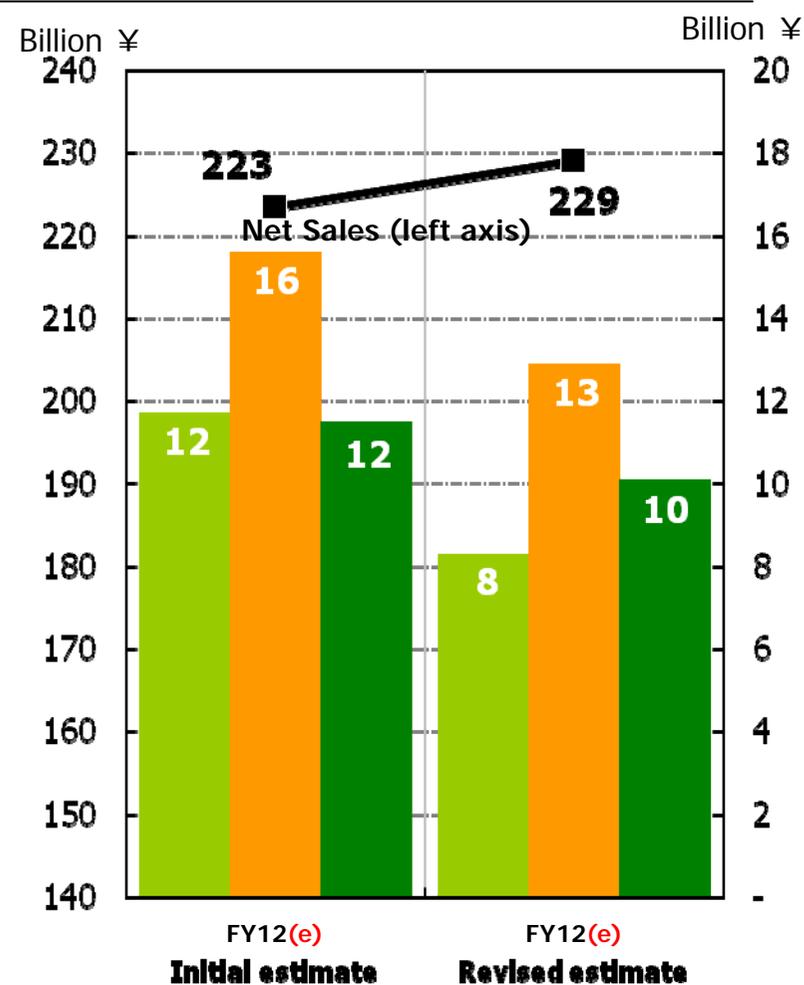
Loss on adjustment for changes of accounting standard
 for asset retirement obligations +¥2.3 billion

Revised full year forecasts for the fiscal year ending March 31, 2012

Executive Vice President **Hiroshi Sato**

Revised estimates for FY2012 (Summary)

[Billion ¥]	FY12 (e)			% change
	Initial estimate (May '11)	Revised estimate (Nov. '11)	change	
Net Sales	223.4	229.0	5.5	2%
Operating income	11.7	8.3	(3.3)	(29%)
Ordinary income	15.6	12.9	(2.6)	(17%)
Net income	11.5	10.1	(1.3)	(12%)
JCC price USD/bbl	90.00	105.66	15.66	
Exchange rate Yen/USD	85.00	80.52	(4.48)	
Bitumen price CAD/bbl	47.82	46.25	(1.57)	
Exchange rate Yen/CAD	85.00	80.00	(5.00)	
	1Q (a)	2Q (a)	3Q (e)	4Q (e)
JCC price USD/bbl	110.80	112.38	100.00	
Bitumen price CAD/bbl	40.91	51.14	46.71	



Main points of revised estimate : causes of increase(+) or decrease(-)

<Cause of increase>

- Rise in Sales price
- Increase in dividend income

<Cause of decrease>

- Revise sales plan
- Equity in losses of affiliates

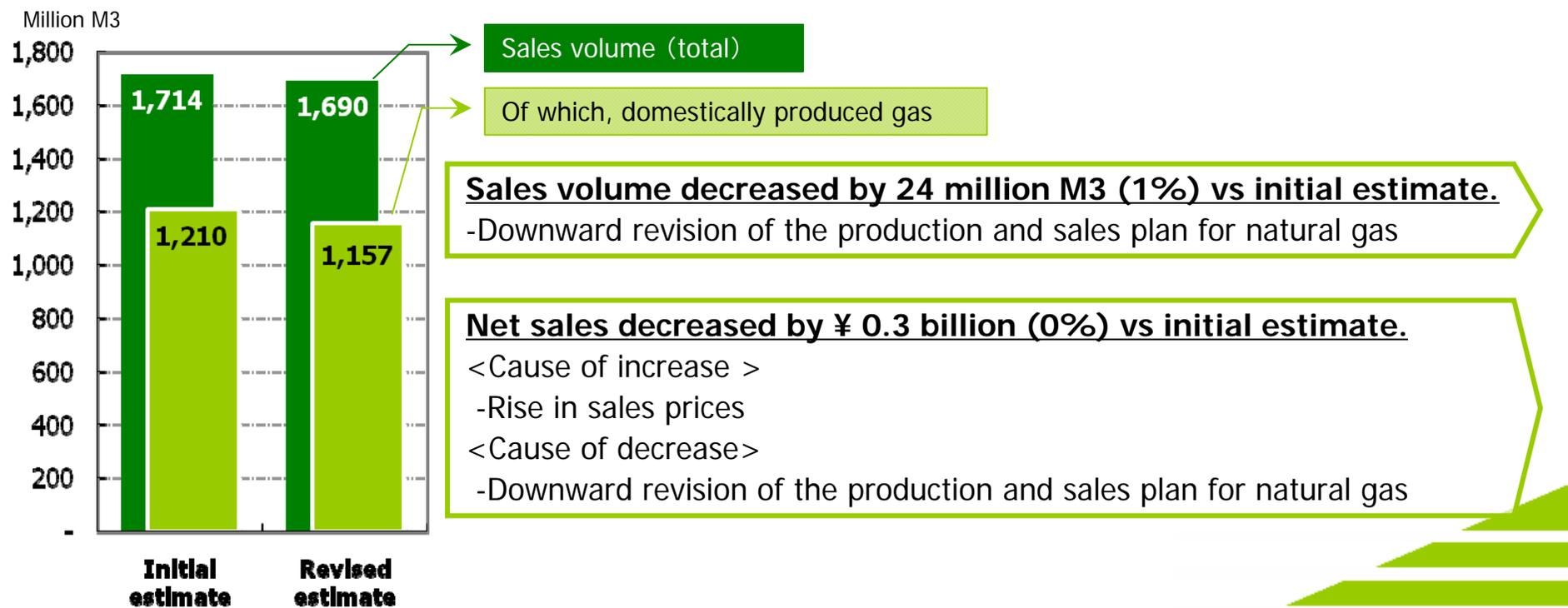
- Operating income (right axis)
- Ordinary income (right axis)
- Net income (right axis)

JAPEX

Revised estimated Natural gas sales in FY2012 (vs Initial estimate)

Sales volume : Million M3 Net sales : Million ¥		Initial estimate (May '11)		Revised estimate (Nov. '11)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Natural gas :	Sales volume	754	1,714	742	1,690	(12)	(24)
	Net sales	32,493	73,585	31,170	73,266	(1323)	(318)
Of which, Domestically produced gas :	Sales volume	545	1,210	522	1,157	(22)	(54)

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



Revised estimated Crude oil sales in FY2012 (vs Initial estimate)

Sales volume : Thousand KL Net sales : Million ¥		Initial estimate (May '11)		Revised estimate (Nov. '11)		change	
		1H (e)	Full (e)	1H (a)	Full (e)	1H	Full
Crude oil :	Sales volume	948	1,949	896	1,897	(52)	(52)
	Net sales	41,774	86,093	46,649	93,253	(4,875)	(7,160)

Breakdown of equity oil

Domestically produced crude oil :	Sales volume	256	554	239	523	(17)	(31)
	Net sales	12,529	26,978	13,925	28,573	1,397	1,595
Overseas subsidiary crude oil :	Sales volume	1	2	1	3	0	1
	Net sales	56	102	84	142	28	40
Bitumen :	Sales volume	191	404	175	384	(16)	(20)
	Net sales	4,645	10,324	4,207	8,931	(438)	(1,393)

Oil price and Exchange rate assumptions

JCC price	USD/bbl	90.00	90.00	112.38	105.66	22.38	15.66
Exchange rate	Yen/USD	85.00	85.00	81.07	80.52	(3.93)	(4.48)
Bitumen price	CAD/bbl	45.48	47.82	45.70	46.25	0.22	(1.57)
Exchange rate	Yen/CAD	85.00	85.00	83.38	80.00	(1.62)	(5.00)

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 FY2012 (vs Initial estimate)

[Million ¥]	Initial estimate (May '11)	Revised estimate (Nov. '11)	change
Net sales	223,479	229,031	5,552
Gross profit	52,361	50,593	(1,767)
Exploration expenses	9,446	8,864	(582)
SG&A expenses	31,158	33,365	2,206
Operating income	11,757	8,365	(3,392)
Non-operating income (expenses)	3,877	4,609	731
Ordinary income	15,634	12,974	(2,660)
Extraordinary income (losses)	(255)	(4)	251
Income taxes	3,245	2328	(917)
Minority interests in income	607	468	(139)
Net income	11,528	10,175	(1,353)

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

Gross profit

Domestic crude oil and natural gas - ¥1.1 billion
 Transportation fee of natural gas + ¥0.4 billion
 Overseas consolidated subsidiaries - ¥0.8 billion

Exploration expenses

Domestic exploration + ¥0.8 billion
 Overseas exploration - ¥0.2 billion

Non-operating income (expenses)

Dividends income + ¥1.5 billion
 Equity in (earnings) losses of affiliates - ¥1.1 billion

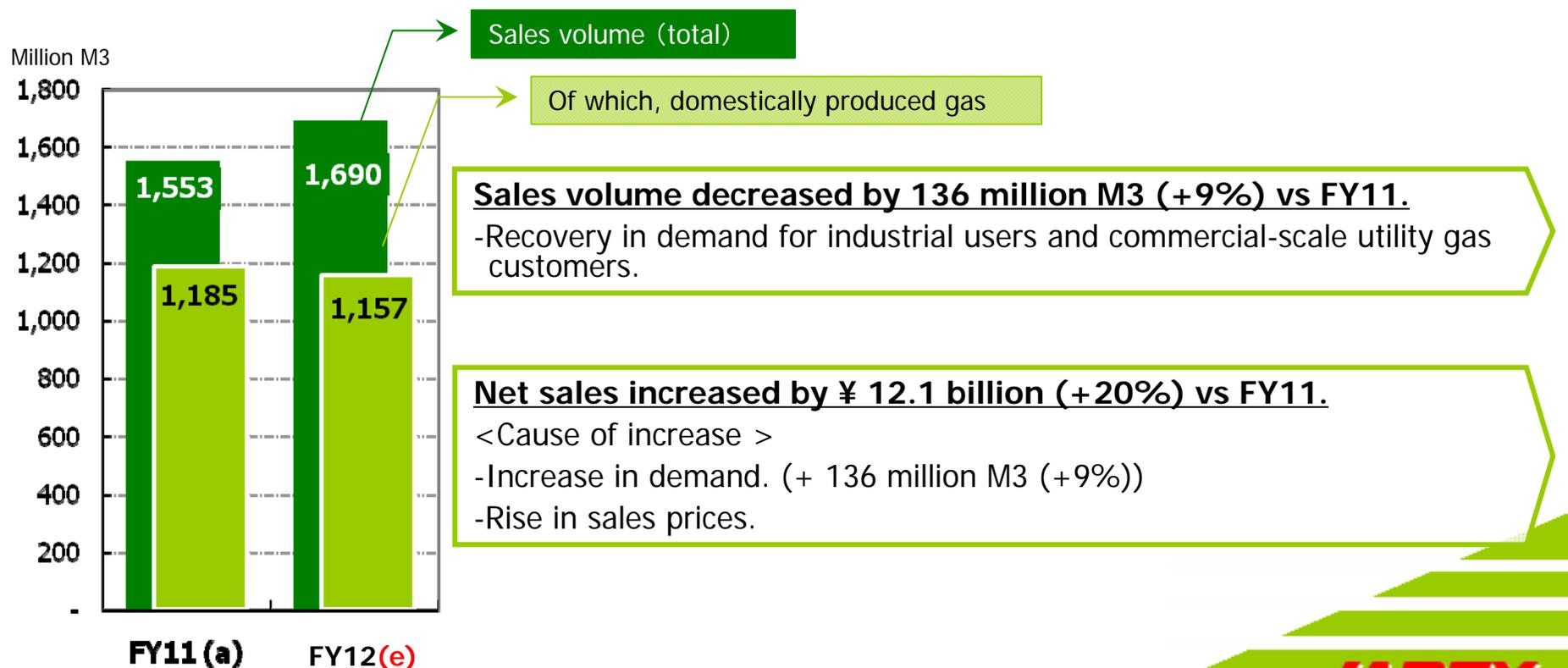
Extraordinary income (losses)

Gain on sales of noncurrent assets
 + ¥0.2 billion

Revised estimated Natural gas sales in FY2012 (vs FY2011)

Sales volume : Million M3		FY11	FY12 Revised estimate (Nov. '11)		change (vs FY11)	
Net sales : Million ¥		Full (a)	1H (a)	2H (e)		Full (e)
Natural gas:	Sales volume	1,533	742	948	1,690	136
	Net sales	61,090	31,170	42,906	73,266	12,176
Of which, Domestically produced gas:	Sales volume	1,185	522	634	1,157	(29)

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



Revised estimated Crude oil sales in FY2012 (vs FY2011)

Sales volume : Thousand KL		FY11	FY12 Revised estimate (Nov. '11)			change
Net sales : Million ¥		Full (a)	1H (a)	2H (e)	Full (e)	(vs FY11)
Crude oil:	Sales volume	1,899	896	1,001	1,897	(2)
	Net sales	77,629	46,649	46,604	93,253	15,624

Breakdown of equity oil

Domestically produced crude oil:	Sales volume	547	239	284	523	(25)
	Net sales	23,777	13,925	14,648	28,573	2,795
Overseas subsidiary crude oil:	Sales volume	5	1	1	3	(2)
	Net sales	187	84	58	142	(45)
Bitumen:	Sales volume	409	175	209	384	(26)
	Net sales	10,141	4,207	4,724	8,931	(1,210)

Oil price and Exchange rate assumptions

JCC price	USD/bbl	82.69	112.38	100.00	105.66	22.97
Exchange rate	Yen/USD	86.24	81.07	80.00	80.52	(5.72)
Bitumen price	CAD/bbl	48.32	45.70	46.71	46.25	(2.07)
Exchange rate	Yen/CAD	81.47	83.38	80.00	80.00	(1.47)

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 FY2012 (vs FY2011)

[Million ¥]	FY2011 (a)	FY2012 (e)	change
Net sales	199,651	229,031	29,379
Gross profit	54,732	50,593	(4,139)
Exploration expenses	9,798	8,864	(935)
SG&A expenses	31,084	33,365	2,280
Operating income	13,849	8,365	(5,485)
Non-operating income (expenses)	3,272	4,609	(1,336)
Ordinary income	17,122	12,974	(4,148)
Extraordinary income (losses)	(4,166)	(4)	4,163
Income taxes	2,161	2,328	167
Minority interests in income	783	468	(316)
Net income	10,010	10,175	164

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

Gross profit

Domestic crude oil and natural gas +¥1.5 billion
 LNG substitution expense - ¥1.9 billion
 Transportation fee of natural gas - ¥2.3 billion
 Overseas consolidated subsidiaries - ¥1.4 billion

Exploration expenses

Domestic exploration + ¥1.6 billion
 Overseas exploration - ¥0.7 billion

Non-operating income (expenses)

Dividends income +¥1.2 billion
 Equity in earnings (losses) of affiliates -¥1.2 billion
 Loss on valuation of securities and Exchange
 + ¥1.3 billion

Extraordinary income (losses)

Loss on adjustment for changes of accounting
 standard for asset retirement obligations
 + ¥2.3 billion
 Extraordinary expense related with Great East
 Japan Earthquake + ¥1.6 billion

3Q-4Q : Oil price and Exchange rate assumptions and impact on profits

		FY2011			FY2012				
		1H (a)	2H (a)	Full (a)	1Q (a)	2Q (a)	3Q (e)	4Q (e)	Full (e)
JCC price	USD/bbl	78.95	85.67	82.69	110.80	114.23	100.00		105.66
Exchange rate	Yen / USD	90.71	82.95	86.24	82.25	79.73	80.00		80.52
Bitumen price	CAD/bbl	52.98	43.98	48.32	40.91	51.14	50.33	43.05	46.25
Exchange rate	Yen /CAD	83.76	81.47	81.47	85.66	83.38	80.00	80.00	80.00

3Q-4Q : Assumption	JCC price USD 100 /bbl	Exchange rate Yen 80 /USD	Bitumen price (4Q) CAD 43.05 /bbl (Yen 80 /CAD)
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3Q-4Q : Impact on Profits	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	200 million Yen	570 million Yen	(650 thousand CAD) 52 million Yen
Net income	130 million Yen	440 million Yen	(570 thousand CAD) 46 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.