



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

Consolidated Financial Results for the Six Months Ended September 30, 2015 <Supplementary Material>

November 9, 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

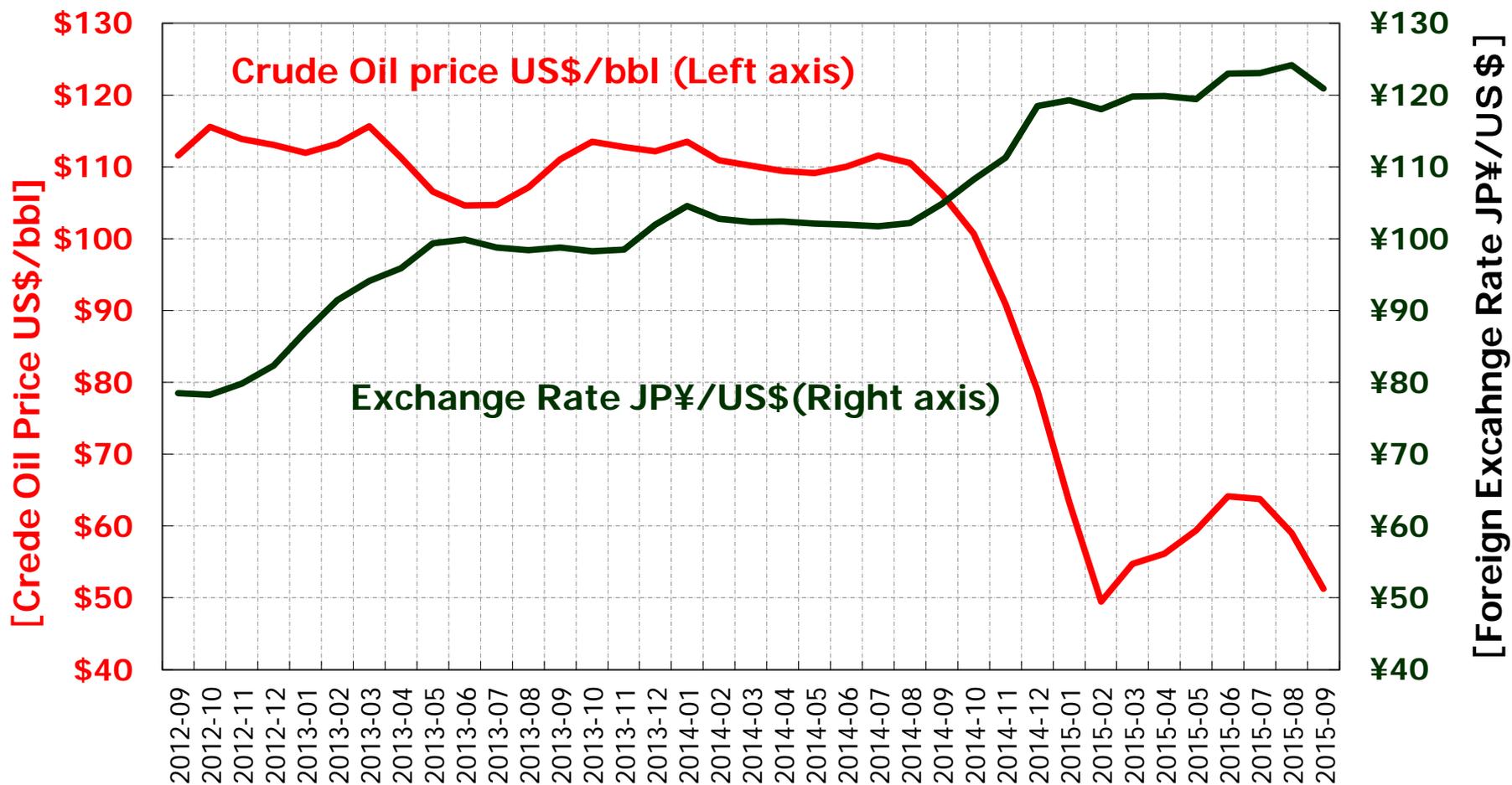
(e) = Estimates

FY = Fiscal Year (FY3/16, for instance, means 12 months ending March 31, 2016)

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Trends in Crude Oil Prices and Foreign Exchange Rate



Japan Crude Cocktail (JCC) Price in the first 10 days of October 2015
on a prompt report basis : **US\$ 47.81/bbl** **JP¥ 120.31/US\$**

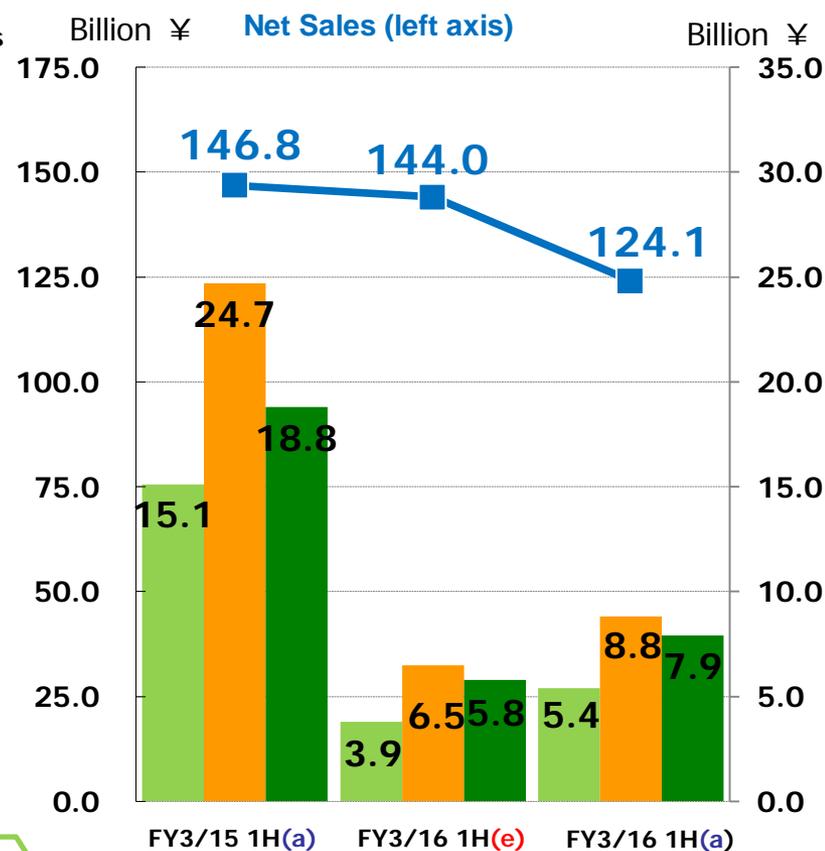
Revised Estimates for FY3/16 (Highlight)

Billion ¥	FY3/15	FY3/16				Change	
	Full (a)	Initial estimate 1H(e) May12,'15①	1H (a) ②	Initial estimate Full (e) May12,'15③	Revised estimate Full (e) Nov.6,'15④	1H (②-①)	Full (④-③)
Net sales	304.9	144.0	124.1	271.1	257.7	▲19.8	▲13.4
Operating income	32.1	3.9	5.4	9.1	8.7	+1.5	▲0.4
Ordinary income	54.8	6.5	8.8	14.0	5.9	+2.3	▲8.1
Net income(loss)	29.5	5.8	7.9	11.7	7.0	+2.1	▲4.7
JCC price US\$/bbl	96.48	57.50	59.21	60.00	54.81	+1.71	▲5.19
Exchange rate JP¥/bbl	106.23	115.00	121.44	115.00	120.82	+6.44	+5.82
Bitumen price CA\$/bbl	55.74	29.80	32.93	32.52	27.45	+3.13	▲5.07
Exchange rate JP¥/CA\$	103.63	95.00	98.61	95.00	90.00	+3.61	▲5.00

Revised estimates Full (e) Nov.6,'15	1Q (a)	2Q (a)	3Q (e)	4Q (e)
JCC price US\$/bbl	56.49	62.50	50.00	50.00
Exchange rate JP¥/US\$	119.74	123.31	120.00	120.00

Actual Financial Results for 1H FY3/16 (Summary)

Billion ¥	FY3/15 1H (a)	FY3/16 1H (e) (May12 '15)	FY3/16 1H (a)	change vs Initial estimates %
Net Sales	146.8	144.0	124.1	▲13%
Operating income	15.1	3.9	5.4	+38%
Ordinary income	24.7	6.5	8.8	+35%
Net income	18.8	5.8	7.9	+36%
JCC price US\$/bbl	110.06	57.50	59.21	
Exchange rate JP¥/US\$	102.13	115.00	121.44	
Bitumen price CA\$/bbl	58.93	29.80	32.93	
Exchange rate JP¥/CA\$	95.04	95.00	98.61	



Main points of difference with initial estimate and FY2016

- Net Sales ▲ ¥19.8billion Re-schedule of crude oil sales of Garraf Oil Field, Iraq, into third quarter of fiscal year ending March 31, 2016.
- Operating income +¥ 1.5billion
- Ordinary income +¥ 2.3billion Equity in losses of affiliates +¥ 1.0 billion
- Net income +¥ 2.1 billion

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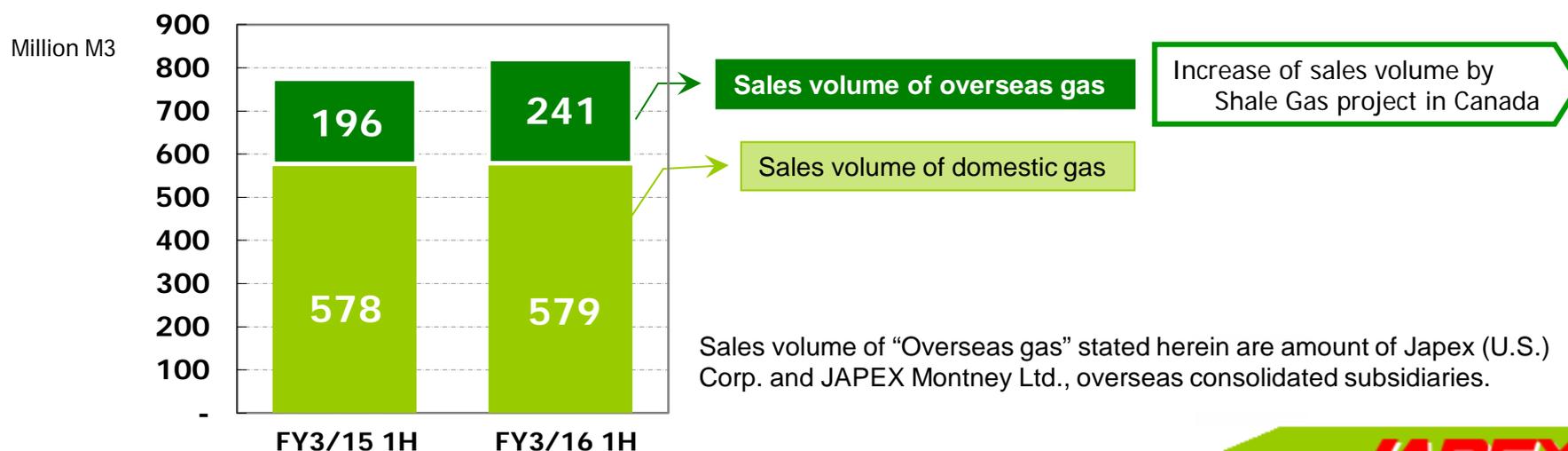
- Operating income
- Ordinary income
- Net income

Actual Sales of Natural Gas in 1H FY3/16 (vs 1H FY3/15)

Sales volume : Million M3 Net sales : Million ¥		FY2015 1H(a)	FY2016 1H (a)	Change
Natural gas	Sales volume	775	820	+45
	Net sales	37,458	33,031	▲4,427

Breakdown of equity natural gas

Domestic gas	Sales volume	578	579	+0
(Domestically produced gas)	Sales volume	(382)	(361)	(▲21)
Overseas gas	Sales volume	196	241	+45



Actual Sales of Crude Oil in 1H FY3/16 (vs 1H FY3/15)

Sales volume : Thousand KL Net sales : Million ¥		FY3/15 1H(a)	FY3/16 1H(a)	Change
Crude oil	Sales volume	1,107	1,480	+372
	Net sales	73,500	57,148	▲16,352

Breakdown of equity oil sales

Domestic crude oil:	Sales volume	190	180	▲10	Decline in sales prices
	Net sales	13,768	8,427	▲5,341	
Overseas crude oil:	Sales volume	273	669	+396	Increase of sales of crude oil from Garraf oil field
	Net sales	18,568	24,416	+5,847	
Bitumen:	Sales volume	152	143	▲9	Decline in sales prices
	Net sales	5,382	2,927	▲2,454	

Oil price and Exchange rate assumptions

JCC price	US\$/bbl	110.06	59.21	▲50.85
Exchange rate	JP¥ / US\$	102.13	121.44	+19.31
Bitumen price	CA\$/bbl	58.93	32.93	▲26.00
Exchange rate	JP¥ / CA\$	95.04	98.61	+3.57

Sales volume and net sales of "Domestic 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 crude oil" stated herein are amounts of 3 overseas subsidiaries (Japex (U.S.) Corp., JAPEX Montney Ltd. and Japex Garraf Ltd.).

Actual Financial Results for 1H FY3/16 (vs 1H FY3/15)

[Million ¥]	FY3/15	FY3/16	Change	Causes of increase(+) or decrease(▲)
	1H(a)	1H(a)		
Net sales	146,850	124,157	▲22,692	
Gross profit	34,515	26,408	▲8,106	Gross profit Domestic crude oil and natural gas ▲¥3.7billion Overseas consolidated subsidiaries ▲¥4.4billion
Exploration expenses	3,260	4,769	+1,509	Exploration expenses Domestic exploration +0.8billion Overseas exploration ▲2.3billion
SG&A expenses	16,143	16,231	+87	
Operating income	15,110	5,407	▲9,703	
Non-operating income (expenses)	9,625	3,434	▲6,190	Non-operating income (expenses) Share of profit of entities accounted for using equity method ▲ ¥4.8 billion Foreign currency translation differences ▲ ¥1.2 billion
Ordinary income	24,736	8,842	▲15,894	
Extraordinary income (losses)	13	▲72	▲85	
Income taxes	4,781	3,660	▲1,121	
Minority interests in income	1,095	▲2,853	▲3,948	
Net income	18,873	7,963	▲10,910	

Revised Full Year Estimates for FY3/16

[Assumption for Crude Oil Prices and Exchange Rate]

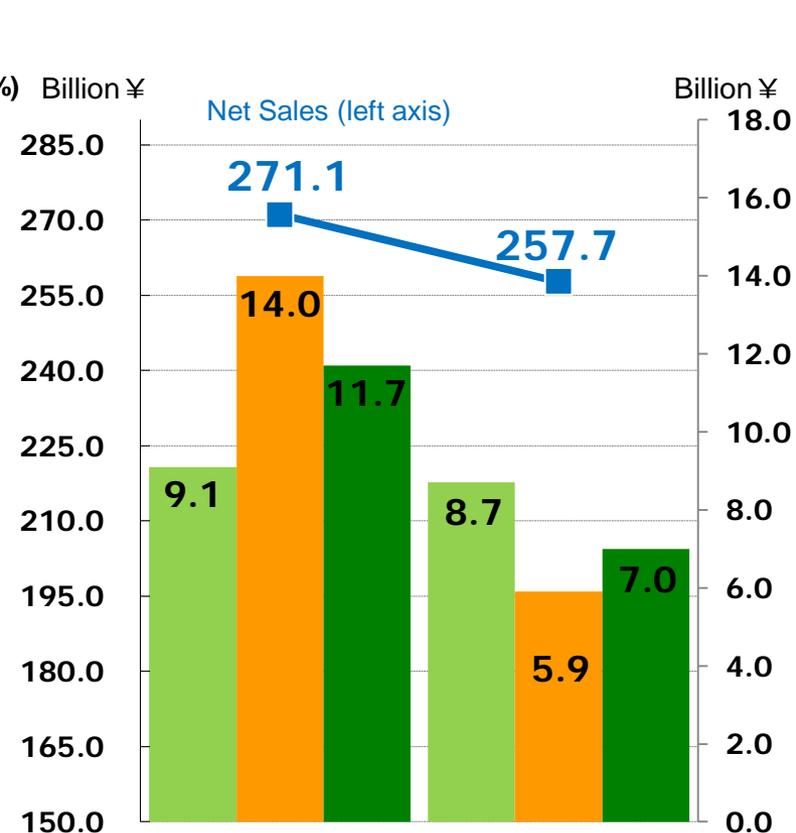
			2015				2016	Full year
			Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	
W T I	US\$/bbl	Initial estimates	50.00	55.00	60.00	60.00		56.25
		Revised estimates	48.70	57.75	46.50	40.00		48.24
JCC price	US\$/bbl	Initial estimates		55.00	60.00	60.00	65.00	60.00
		Revised estimates		56.49	62.50	50.00	50.00	54.81
Exchange rate	JP¥/US\$	Initial estimates		115.00	115.00	115.00	115.00	115.00
		Revised estimates		119.74	123.31	120.00	120.00	120.82
JACOS Bitumen	CA\$/bbl	Initial estimates	27.72	32.45	35.16	35.18		32.52
		Revised estimates	28.15	38.57	24.32	20.07		27.45
JML Gas	CA\$/mcf	Initial estimates	3.54	3.53	3.57	3.62		3.57
		Revised estimates	2.37	2.35	2.23	1.82		2.17

1. "JACOS Bitumen" stated herein Bitumen selling price of Japan Canada Oil Sands Ltd. (Deduction of Royalty)
2. "JML Gas" stated herein Gas sales price of JAPEX Montney Ltd. (Deduction of Royalty)

Revised Estimates in FY3/16 (Summary)

[Billion ¥]	Initial estimates Full(e) May12,'15	Revised estimates Full(e) Nov.6,'15	Change	Change VS Initial Estimates(%)
Net Sales	271.1	257.7	▲13.4	▲4%
Operating income	9.1	8.7	▲0.4	▲4%
Ordinary income	14.0	5.9	▲8.1	▲58%
Net income	11.7	7.0	▲4.7	▲40%
JCC price US\$/bbl	60.00	54.81	▲5.19	
Exchange rate JP¥/US\$	115.00	120.82	+5.82	
Bitumen price CA\$/bbl	32.52	27.45	▲5.07	
Exchange rate JP¥/CA\$	95.00	90.00	▲5.00	

	1Q (a)	2Q (a)	3Q (e)	4Q (e)
JCC price US\$/bbl (Initial estimates)	55.00	60.00	60.00	65.00
(Revised estimates)	56.49	62.50	50.00	50.00
Bitumen price CA\$/bbl (Initial estimates)	27.72	32.45	35.16	35.18
(Revised estimates)	28.15	38.57	24.32	20.07



Initial estimates (e) Mar.12,'15 Revised estimates (e) Nov.6,'15

right axis

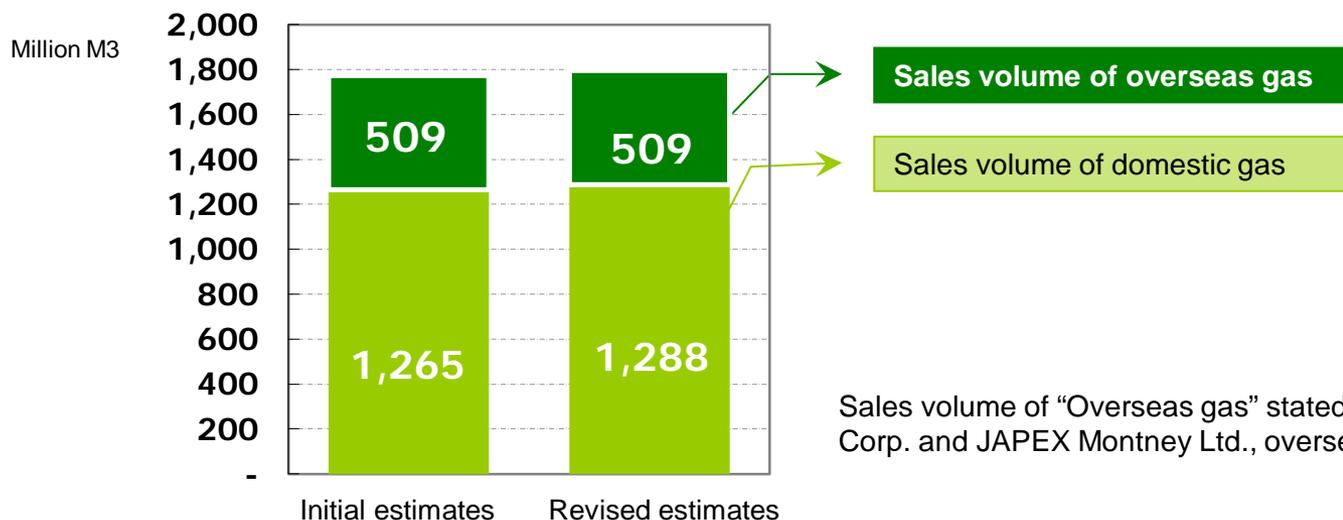
- Operating income
- Ordinary income
- Net income

Revised Estimated Natural Gas Sales in FY3/16 (vs Initial Estimates)

Sales volume : Million M3 Net sales : Million ¥		Initial estimates Full(e) May12,'15	Revised estimates Full(e) Nov.6,'15	Change
Natural gas	Sales volume	1,773	1,797	+23
	Net sales	67,856	70,094	+2,239

Breakdown of natural gas sales

Domestic gas	Sales volume	1,265	1,288	+23
(Domestically produced gas)	Sales volume	(757)	(765)	(+8)
Overseas gas	Sales volume	509	509	+0



Sales volume of "Overseas gas" stated herein are amount of Japex (U.S.) Corp. and JAPEX Montney Ltd., overseas consolidated subsidiaries.

Revised Estimated Crude Oil Sales in FY3/16 (vs Initial Estimates)

Sales volume : Thousand KL Net sales : Million ¥		Initial estimates Full(e) May12,'15	Revised estimates Full(e) Nov.6,'15	Change
Crude Oil	Sales volume	3,423	3,397	▲25
	Net sales	135,841	119,837	▲16,004

Breakdown of equity oil sales

Domestic crude oil	Sales volume	335	341	+7
	Net sales	14,964	15,181	+218
Overseas crude oil	Sales volume	1,827	1,796	▲31
	Net sales	72,103	59,893	▲12,209
Bitumen	Sales volume	294	296	+2
	Net sales	5,710	4,599	▲1,111

Decline in sales prices

Decline in sales prices

Oil price and Exchange rate assumptions

JCC price	USD/bbl	60.00	54.81	▲5.19
Exchange rate	JP¥/US\$	115.00	120.82	+5.82
Bitumen price	CAD/bbl	32.52	27.45	▲5.07
Exchange rate	JP¥/CA\$	95.00	90.00	▲5.00

Sales volume and net sales of "Domestic 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 crude oil" stated herein are amounts of 3 overseas subsidiaries (Japex (U.S.) Corp., JAPEX Montney Ltd. and Japex Garraf Ltd.).

Revised Estimates for FY3/16 (vs Initial Estimates)

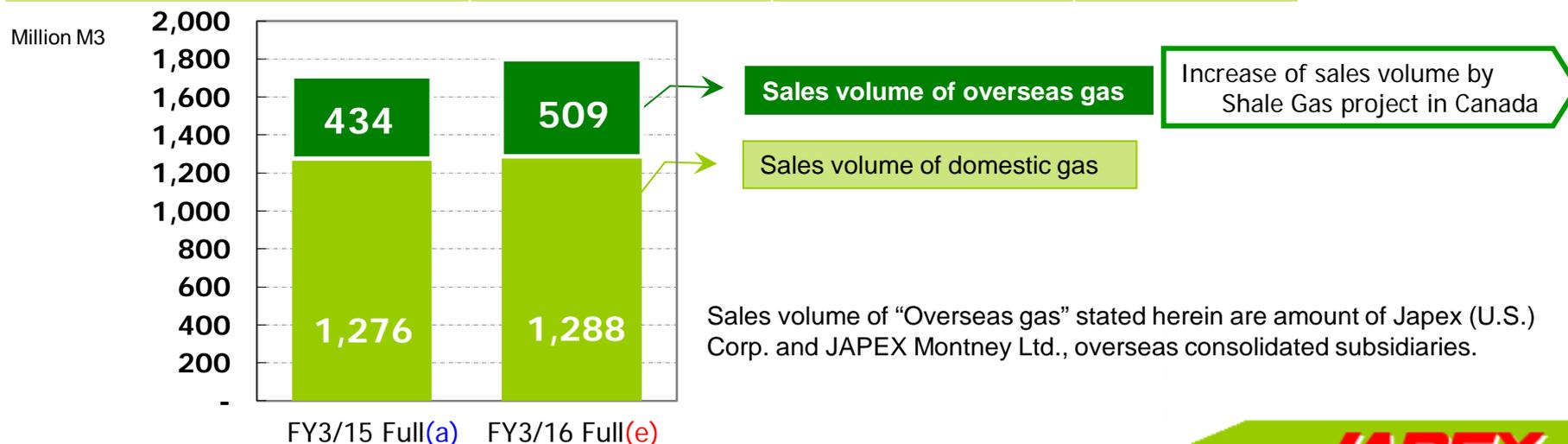
Million ¥	Initial estimates Full(e) May12,'15	Revised estimates Full(e) Nov.6,'15	Change	Causes of increase(+) or decrease(▲)
Net sales	271,118	257,724	▲13,394	
Gross profit	49,475	49,055	▲421	Gross profit Domestic crude oil and natural gas +¥2.7billion Overseas consolidated subsidiaries ▲¥2.6billion
Exploration expenses	7,243	7,338	+95	
SG&A expenses	33,112	33,038	▲74	
Operating income	9,120	8,679	▲441	
Non-operating income	4,891	▲2,802	▲7,694	Non-operating income (losses) Foreign currency translation adjustments on debt ▲¥6.9billion Equity in earnings ▲¥0.3billion
Ordinary income	14,012	5,877	▲8,135	
Extraordinary income	▲20	52	+73	
Income taxes	5,205	5,466	+261	
Minority interests in income	▲2,919	▲6,506	▲3,587	
Net income	11,705	6,970	▲4,735	

Revised Estimated Natural Gas Sales in FY3/16 (vs FY3/15)

Sales volume : Million M3 Net sales : Million ¥		FY3/15	FY3/16	Change
		Full (a)	Revised estimates Full(e) Nov.6,'15	
Natural gas	Sales volume	1,710	1,797	+86
	Net sales	83,974	70,094	▲13,880

Breakdown of equity natural gas

Domestic gas	Sales volume	1,276	1,288	+11
(Domestically produced gas)	Sales volume	(813)	(765)	(▲49)
Overseas gas	Sales volume	434	509	+74



Revised estimated crude oil sales in FY3/16 (vs FY3/15)

		FY3/15	FY3/16	Change
Sales volume : Thousand KL			Revised estimates	
Net sales : Million ¥		Full (a)	Full(e) Nov.6,'15	
Crude oil	Sales volume	2,396	3,397	+1,001
	Net sales	133,346	119,837	▲13,510

Breakdown of equity oil sales

Domestic crude oil:	Sales volume	367	341	▲26	Decline in sales prices
	Net sales	23,857	15,181	▲8,676	
Overseas crude oil:	Sales volume	830	1,796	+966	Increase of sales of crude oil from Garraf oil field
	Net sales	43,466	59,893	+16,427	
Bitumen	Sales volume	332	296	▲36	Decline in sales price
	Net sales	12,105	4,599	▲7,507	

Oil price and Exchange rate assumptions

JCC price	US\$/bbl	96.48	54.81	▲41.67
Exchange rate	JP¥/USD	106.23	120.82	+14.59
Bitumen	CA\$/bbl	55.74	27.45	▲28.29
Exchange rate	JP¥/CA\$	103.63	90.00	▲13.63

Sales volume and net sales of "Domestic 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 crude oil" stated herein are amounts of 3 overseas subsidiaries (Japex (U.S.) Corp., JAPEX Montney Ltd. and Japex Garraf Ltd.).

Revised Estimates for FY3/16 (vs FY3/15)

Million ¥	FY3/15 Full(a)	FY3/16 Revised estimates Full(e) Nov.6,'15	Change
Net sales	304,911	257,724	▲47,188
Gross profit	70,262	49,055	▲21,207
Exploration expenses	4,489	7,338	+2,848
SG&A expenses	33,625	33,038	▲588
Operating income	32,146	8,679	▲23,468
Non-operating income	22,692	▲2,802	▲25,495
Ordinary income	54,839	5,877	▲48,962
Extraordinary income	▲4,465	52	+4,518
Income taxes	17,644	5,466	▲12,178
Minority interests in income	3,161	▲6,506	▲9,668
Net income	29,567	6,970	▲22,598

Causes of increase(+) or decrease(▲)

Gross profit

Domestic crude oil and natural gas ▲¥7.6billion
Overseas consolidated subsidiaries ▲¥12.5billion

Exploration expenses

Increase of Overseas exploration ▲2.7billion

Non-operating income (losses)

Share of profit of entities accounted for using equity method ▲¥10.1 billion
Foreign currency translation adjustments on debt ▲¥6.9 billion
Other ▲¥6.4 billion

Crude Oil Prices and Exchange Rate Assumptions and Impact on Profits [3Q-4Q]

		FY3/15	FY3/16				
		1Q-4Q(a)	1stQ(a)	2ndQ(a)	3rdQ(e)	4thQ(e)	1Q-4Q(e)
JCC price	US\$/bbl	96.48	56.49	62.50	50.00	50.00	54.81
Exchange rate	JP¥/USD	106.23	119.74	123.31	120.00	120.00	120.82
Bitumen	CA\$/bbl	55.74	28.15	38.57	24.32	20.07	27.45
Exchange rate	JP¥/CA\$	103.63	94.78	98.61	89.34	90.00	90.00
Canadian gas	CA\$/mcf	4.20	2.37	2.35	2.23	1.82	2.17

Assumption	JCC price (3rdQ-4thQ) USD 50.00/bbl	Exchange rate (3rdQ-4thQ) 120.00 JP¥/US\$	Bitumen (4thQ) CA\$ 20.07/bbl (90.00 JP¥/CA\$)	Canadian gas (4thQ) CA\$ 1.82/mcf
Impact on Profits	US\$ 1 /bbl increase in crude oil prices would push profits up by...	A weakening in Yen 1/US\$ would push profits up by...	CAD 1 /bbl increase in bitumen prices would push profits up by...	CAD 1 /mcf increase in Canadian gas prices would push profits up by...
Operating income	360 Million Yen	200 Million Yen	40 Million Yen	410 Million Yen
Net income	250 Million Yen	120 Million Yen	30 Million Yen	170 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.