

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 <under Japanese GAAP>

May 12, 2015

Note: The following report is a summary of the Japanese-language original.

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 Listing: Tokyo Stock Exchange, First Section
 Securities code: 1662
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 Scheduled date of ordinary general shareholders' meeting: June 24, 2015
 Scheduled date to commence dividend payments: June 25, 2015
 Scheduled date to file Securities Report: June 25, 2015
 Presentation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting (for institutional investors and analysts): Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2015	304,911	10.2	32,146	30.5	54,839	24.9	29,567	1.9
March 31, 2014	276,588	19.7	24,634	77.1	43,889	56.3	29,015	–

Note: Comprehensive income: FY2015: 45,151 million yen (-1.4 %) FY2014: 45,798 million yen (- %)

Fiscal year ended	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to sales
	Yen	Yen	%	%	%
March 31, 2015	517.35	–	6.7	7.8	10.5
March 31, 2014	507.68	–	7.2	7.4	8.9

Reference: Equity in earnings (losses) of affiliates: FY2015: 11,996 million yen FY2014: 12,140 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	736,862	540,647	62.5	8,055.59
As of March 31, 2014	663,038	496,915	63.7	7,389.62

Reference: Equity As of March 31, 2015: 460,398 million yen As of March 31, 2014: 422,336 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2015	78,666	(63,031)	18,475	142,657
March 31, 2014	45,226	(131,600)	71,680	102,830

2. Cash dividends

	Annual dividends					Total annual cash dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2014	–	25.00	–	25.00	50.00	2,857	9.8	0.7
Fiscal year ended March 31, 2015	–	25.00	–	25.00	50.00	2,857	9.7	0.6
Fiscal year ending March 31, 2016 (Forecast)	–	25.00	–	25.00	50.00		24.4	

3. Consolidated financial forecasts for the fiscal year ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the six months ending September 30, 2015	144,019	(1.9)	3,899	(74.2)	6,523	(73.6)	5,848	(69.0)	102.32
Fiscal year ending March 31, 2016	271,118	(11.1)	9,120	(71.6)	14,012	(74.4)	11,705	(60.4)	204.80

* Notes

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement: None
- (3) Number of issued shares (common shares)
 - a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2015	57,154,776 shares
As of March 31, 2014	57,154,776 shares
 - b. Number of treasury shares at the end of the period

As of March 31, 2015	2,139 shares
As of March 31, 2014	2,139 shares
 - c. Average number of shares during the period

Fiscal year ended March 31, 2015	57,152,637 shares
Fiscal year ended March 31, 2014	57,152,637 shares

Reference: Summary of non-consolidated results

Non-consolidated financial results for the fiscal year ended March 31, 2015
(April 1, 2014 – March 31, 2015)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2015	227,251	9.7	19,973	20.8	26,560	(19.1)	20,088	(12.3)
March 31, 2014	207,086	18.6	16,532	44.9	32,841	34.8	22,909	–

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
March 31, 2015	351.49	–
March 31, 2014	400.85	–

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	488,789	393,437	80.5	6,883.97
As of March 31, 2014	486,800	373,587	76.7	6,536.67

Reference: Equity As of March 31, 2015: 393,437 million yen As of March 31, 2014: 373,587 million yen

* Indication regarding execution of audit procedures

At the time of disclosure of this financial results report, the audit procedures for the consolidated financial statements in accordance with the Financial Instruments and Exchange Act are in progress.

* Proper use of financial forecasts, and other special matters

The forward-looking statements, including the financial forecasts shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially from these forecasts due to various factors.

For the suppositions that form the assumptions for financial forecasts and cautions concerning the use thereof, please refer to the section of “(1) Analysis of operating results” of “1. Analysis of operating results and financial position” on pages 4-6 of the attached material to the financial results report.

(Method of accessing supplementary material on financial results)

On May 12, 2015 (Tuesday), JAPEX plans to post supplementary material on its website.

In addition, JAPEX plans to hold a presentation meeting for institutional investors and analysts on May 13, 2015 (Wednesday). JAPEX plans to post the material distributed at this presentation meeting on its website promptly after the meeting is held.

(Attached Material)

1. Analysis of operating results and financial position

(1) Analysis of operating results

In the fiscal year ended March 31, 2015, the Japanese economy continued with a moderate tone of recovery with overall trends of improvement in corporate earnings and the employment situation continuing from the previous fiscal year, despite weak trends in personal consumption due to a fall in demand following the rush ahead of the consumption tax hike at the beginning of the fiscal year.

The Japan Crude Cocktail (JCC) price moved close to \$110 per barrel over the summer but fell sharply in the autumn due to such effects as the increase in supply from shale oil production increases in the United States, and at the end of the fiscal year, it was languishing just above and below the \$50 mark.

In the currency exchange market, the trend of yen depreciation of the previous fiscal year continued through the fiscal year under review. Against the US dollar, the yen began the fiscal year at around the low-end of the ¥100 range, and around the end of the fiscal year, its movement was in the high-end of the ¥110 range. As a result, the JAPEX Group's crude oil prices for the fiscal year fell compared with the previous fiscal year, due to the effect of weak JCC prices over the autumn and winter.

On the other hand, although there has been persistently high demand for natural gas, following the Great East Japan Earthquake, there has also been ongoing fierce competition in procurement of liquefied natural gas (LNG) and sales of gas in vaporized form, among others, and in addition, industry trends in relation to the supply infrastructure continued to move forward. As a result the JAPEX Group faced an uncertain market environment.

Given this environment, the JAPEX Group endeavored to secure production and transportation, and focused on efficient E&P in Japan and overseas toward achieving a stable, long-term supply of energy essential for daily life.

During the fiscal year under review, net sales was at ¥304,911 million, an increase of ¥28,322 million (+10.2%) year on year, and gross profit was at ¥70,262 million, an increase of ¥4,134 million (+6.3%) year on year. The main factors behind the year-on-year increases in net sales and gross profit were increases in sales volumes of crude oil overseas and natural gas overseas.

Exploration expenses decreased by ¥5,310 million (-54.2%) year on year to ¥4,489 million. This was mainly the result of a considerable decrease in domestic exploration expenses outweighing overseas exploration expenditures. Selling, general and administrative expenses increased by ¥1,932 million (+6.1%) year on year to ¥33,625 million. As a result, operating income increased by ¥7,512 million (+30.5%) year on year to ¥32,146 million.

Ordinary income increased ¥10,949 million (+24.9%) year on year to ¥54,839 million, mainly due to an increase in foreign exchange gains.

Income before income taxes and minority interests was ¥50,373 million, an increase of ¥14,789 million (+41.6%) year on year. This mainly reflected a decrease in extraordinary losses of ¥3,840 million accompanying a decrease in impairment loss.

Net income was ¥29,567 million, an increase of ¥552 million (+1.9%) year on year. This was the result of an increase in deferred income taxes mainly due to the decline of deferred tax assets and the increase of deferred tax liabilities.

Below is a breakdown of sales.

(i) E&P

Net sales from E&P (including liquefied natural gas (LNG) and bitumen) came to ¥245,631 million, an increase of ¥28,474 million (+13.1%) year on year, mainly due to increases in sales volume of crude oil overseas and natural gas overseas.

(ii) Contract Services

Net sales from contract services (involved in drilling and geological surveys) came to ¥10,487 million, an increase of ¥1,747 million (+20.0%) year on year.

(iii) Other Businesses

Net sales from other businesses, such as the sale of oil products, including liquefied petroleum gas (LPG), fuel oil and the like, the transportation of natural gas and others as well as other subcontracted tasks, came to ¥48,792 million, a decrease of ¥1,899 million (-3.7%) year on year.

Below is a summary of performance by segment.

(1) Japan

Net sales from the Japan segment is mainly composed of E&P (including LNG), contract services, and oil products and the like. In the fiscal year under review, net sales was at ¥280,719 million, an increase of ¥19,171 million (+7.3%) year on year, mainly due to the increase of crude oil products purchased from the Garraf oilfield in Iraq. Segment profit came to ¥35,205 million, an increase of ¥3,597 (+11.4%) year on year. This mainly reflected a decline in exploration expenses due to a decline in well drilling work volume.

(2) North America

Net sales from the North America segment is mainly composed of E&P (including bitumen). Net sales came to ¥22,729 million, an increase of ¥8,061 million (+55.0%) year on year due mainly to an increase in sales volume of E & P of a project for the development and production of shale gas in British Columbia, Canada. As a result, segment profit came to ¥3,223 million, an increase ¥1,325 million (+69.9%) year on year.

(3) Middle East

Net sales from the Middle East segment is mainly composed of crude oil. Net sales came to ¥39,514 million, an increase of ¥23,270 million (+143.3%) year on year, due mainly to an increase in sales of crude oil at the Garraf oilfield in Iraq. Segment profit came to ¥5,241 million, an increase of ¥2,978 million (+131.6%) year on year.

Outlook for the fiscal year ending March 31, 2016

The latest financial forecasts are based on a JCC price of \$55 per barrel for the first quarter, \$60 per barrel for the second and third quarters, and \$65 per barrel for the fourth quarter, and an exchange rate of ¥115/\$ for the whole fiscal year. Actual non-consolidated results for the fiscal year under review came to \$96.48 per barrel and ¥106.23/\$.

Net sales for the fiscal year ending March 31, 2016 is expected to decrease by ¥33,794 million (-11.1%) from the fiscal year under review to ¥271,118 million. This is because we expect a decline in the sales volumes of domestically produced crude oil and LNG.

Operating income is expected to decrease ¥23,027 million (-71.6%) from the fiscal year under review to ¥9,120 million as we expect an increase in exploration expenses to outweigh declines in sales costs and selling, general and administrative expenses.

Ordinary income is expected to decrease ¥40,828 million (-74.4%) from the fiscal year under review to ¥14,012 million, mainly due to an expected decline in share of profit of entities accounted for using equity method and a decline in foreign exchange gains.

Profit attributable to owners of parent is expected to decrease ¥17,863 million (-60.4%) from the fiscal year under review to ¥11,705 million, despite the absence of the impairment loss posted under extraordinary losses in the fiscal year under review and a decline in income taxes.

(2) Analysis of financial position

a. Balance sheet

Total assets at the end of this fiscal year stood at ¥736,862 million, an increase of ¥73,824 million from the previous fiscal year-end. The main factor behind this increase was an increase of ¥89,165 million in property, plant and equipment due to an increase in construction in progress.

Total liabilities increased by ¥30,091 million from the previous fiscal year-end to ¥196,214 million. The main factor behind this increase was an increase of ¥29,413 million in current liabilities due to increases in short-term loans payable and other current liabilities.

Total net assets increased by ¥43,732 million from the previous fiscal year-end to ¥540,647 million. The main factor behind this increase was increases in retained earnings, foreign currency translation adjustment and minority interests.

b. Cash flows

As of March 31, 2015, cash and cash equivalents (hereinafter, "net cash") totaled ¥142,657 million, up ¥39,827 million, compared to the end of the previous fiscal year. Below is a summary of cash flows for each activity.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥78,666 million. The main factors were ¥50,373 million in income before income taxes and minority interests, ¥16,811 million in depreciation and ¥33,665 million in recovery of recoverable accounts in spite of ¥11,996 million in share of profit of entities accounted for using equity method and a decrease in notes and accounts payable - trade of ¥9,853 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥63,031 million. Net cash was mainly used in purchase of property, plant and equipment of ¥86,756 million, while net cash was mainly provided by proceeds from withdrawal of time deposits of ¥28,582 million.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥18,475 million. Net cash was mainly provided by an increase in short-term loans payable of ¥223,797 million, while net cash was mainly used in a decrease of short-term loans payable of ¥202,648 million.

Reference: Trend of cash flow indicators

Fiscal years ended March 31	2011	2012	2013	2014	2015
Equity ratio (%)	74.7	73.7	72.8	63.7	62.5
Equity ratio on mark-to-market basis (%)	46.1	41.3	40.6	29.6	31.6
Interest-bearing debt to cash flow ratio (years)	0.8	0.9	0.8	1.2	1.0
Interest coverage ratio (times)	170.9	197.6	110.9	53.2	99.4

Equity ratio: Equity/Total assets

Equity ratio on mark-to-market basis: Total market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Cash flows

Interest coverage ratio: Cash flow/Interest paid

Notes:

- *1. The above indicators are calculated based on consolidated financial figures.
- *2. Total market capitalization is calculated based on the number of shares outstanding (excluding treasury shares).
- *3. Cash flow here is cash flows from operating activities.
- *4. Interest-bearing debt is all debt subject to interest payments within liabilities (excluding lease obligations) shown on the consolidated balance sheet.

(3) Fundamental policy on allocation of profits and dividends for this year and next year

JAPEX's basic policy is to sustain stable dividends over the long term. Taking into account the medium- and long-term outlook for the business, dividend payments are set based on respect for the return of profits to shareholders. While considering the need to secure new reserves in Japan and overseas as an energy company that plays a role in providing stable supplies of oil and natural gas, which are indispensable for society, the policy also takes into account the need for retained earnings to develop, upgrade and improve supply infrastructure.

Based on the above reasoning, an annual dividend of ¥50 per share (¥25 yen per share interim dividend and ¥25 yen per share year-end dividend) is planned for the fiscal year under review. In addition, the same annual dividend of ¥50 per share (¥25 yen per share interim dividend and ¥25 yen per share year-end dividend) is planned for the next fiscal year.

2. Business policies

(1) Fundamental business policies

Since its establishment in 1955, JAPEX has pursued its mission of contributing to Japan's energy supplies by securing reserves and expanding production centered on the exploration, development, and sale of oil and natural gas. Guided by this mission, JAPEX has steadily discovered oil and natural gas reserves to result in the business base of today.

In light of its expanding role as a supplier and, consequently, related increases in its responsibility to society with regard to a stable supply, the JAPEX Group is actively focused on constructing a new business model that not only relies on expanding reserves but also upgrading and expanding transportation systems for natural gas and other initiatives. As such, the Group aims to move forward as a company with the competitive capabilities required to respond to changes in its operating environment. The section below outlines the Group's business philosophy in this respect.

JAPEX is committed to contributing to local communities through a stable supply of energy

- Explore for, develop, produce and deliver oil and natural gas in Japan and overseas.
- Further enhance the gas supply chain, supported by our own domestic infrastructures, through aggressive introduction of LNG business.
- Leverage our existing technology and expertise to develop and commercialize new technology.
- Make all stakeholder trust our first priority while striving to achieve sustainable growth and maximize corporate value.

(2) Medium- and long-term business strategy and critical issues

The replacement and expansion of reserves, which are depleted by production and sales activities, and the formulation of a supply structure of oil and natural gas that would ensure long-term stability is of paramount importance to JAPEX, a company whose business is centered on exploration, development and sales of these resources. Additionally, with factors such as intensification in the competitive environment for the domestic natural gas business and changes in social conditions marked by an increase in the importance of global warming countermeasures, the business environment encompassing JAPEX is undergoing a rapid transformation. JAPEX, under the policy of its previous medium-term plan, has been working on establishing a clear action plan for the attainment of important business challenges over the long term by setting the following three activities as core business objectives; "Sustaining and increasing reserves through exploration and development," "Strengthening our natural gas integrated operation system" and "Pursuing technological R&D activities and initiatives to address global environmental challenges." Furthermore, on May 2011, JAPEX announced a medium-term plan that, while continuously positioning the above-mentioned three activities as the three basic policies for the purpose of the Company's business expansion, particularly positions "Sustaining and increasing reserves through exploration and development" (E&P business) as the core for future growth and focuses on shifting investment to overseas in the E&P business.

Details and subsequent progress of the JAPEX Group Medium-Term Business Plan (for fiscal years 2012 to 2016) released on May 13, 2011 may be accessed with the following URLs in our Website.

http://www.japex.co.jp/english/newsrelease/pdf/JAPEX_20110513c.pdf

"Notice of the Medium-Term Business Plan of the JAPEX Group" (English translation of original Japanese text)

http://www.japex.co.jp/english/ir/pdf/library/JAPEX_Presentation_20120514_E.pdf

"Presentation of Consolidated financial results for the fiscal year ended March 31, 2012" (English translation of original Japanese text)

http://www.japex.co.jp/english/ir/pdf/library/JAPEX_PresentationMaterial_20130513_E.pdf

"Presentation of Consolidated Financial Results for the Fiscal Year Ended March 31, 2013" (English translation of original Japanese text)

http://www.japex.co.jp/english/ir/pdf/library/JAPEX_PresentationMaterial_20140513_E.pdf

"Presentation of Consolidated Financial Results for the Fiscal Year Ended March 31, 2014" (English translation of original Japanese text)

In the aforementioned Medium-Term Business Plan (hereinafter "Previous Medium-Term Plan"), a clear plan for growth was stated for E&P business, providing quantitative targets for three stages (Stage 1: Shift of investment to overseas in fiscal years 2011 through 2015; Stage 2: Increase daily consolidated production volume to 70,000 barrels of crude oil equivalent by fiscal year 2015; Stage 3: Increase consolidated reserves

by fiscal year 2020 to 450 million barrels in oil equivalent). However as a result of our efforts during this time, we expect to achieve these targets earlier than planned. Accordingly, we have decided to formulate a Medium-Term Business Plan that targets the five years from fiscal years 2015 through 2019 aiming for these achievements and a long-term vision for the next 10 years.

Although the outlook is unclear concerning recovery of the international crude oil price, which has sharply fallen since the second half of last year, in the next Long-Term Vision and Medium-Term Business Plan, we recognize that oil and natural gas will continue to be the major energy source in the world over the long-term period and accordingly, we have oriented the direction of future efforts based on an imperative to continue to further develop the “three basic policies for business expansion” that were outlined in the Previous Medium-Term Plan.

(Long-term vision)

“Transformation to Integrated Energy Company, around Oil and Gas E&P Business”

As a result of having shifted the business platform overseas as per the Previous Medium-Term Plan, the production volume is expected to be 100,000 barrels/day, and the size of reserves is expected to be 550 million barrels at the end of fiscal year 2015, which is significantly larger than Previous Medium-Term Plan, due to such efforts as the development shift to Hangingstone Oil Sands Expansion Project (HE Project) in Canada, and our proactive participation in the Pacific Northwest LNG (PLWL) project.

By continuing with these current projects, we expect to securely receive return on investment and contribution to profits from the start of production operation onward. We expect these projects will be sufficient to realize the targets of Stages 2 and 3 following the shift of the E&P business to overseas (increase production volume and reserve volume and establish a cycle of reinvestment), and consider them to be the important step for the jump of 2025.

Concerning the domestic E&P business, while carrying out efforts to maximize value of existing oil and gas fields and pursue the new potential in offshore projects through the basic surveys conducted by the government, even if the inevitable demise of the mining industry emerges, we aim to further utilize and expand domestic gas supply infrastructure as part of our firm commitment to the fulfillment of providing a stable supply of energy to domestic customers, which is the No. 1 mission of the JAPEX Group.

Furthermore, in response to the recent substantial fall in oil prices, we have reappraised the size of volatility for oil prices. If we take into account that overseas E&P business revenues will increase in the future, we believe that business diversification is crucial to reduce the level of effect of oil price fluctuation on operating results as much as possible, and thereby maximize the stability of the JAPEX Group business.

To this end, concerning the business field of the Company that has mostly been specialized in the E&P business up until now, we will actively expand into fields related to the supply of oil and natural gas, including the power generation business (natural gas fired power generation, LNG cargo trading, base peripheral businesses, etc.) and new business fields where special E&P technologies held by the JAPEX Group can be applied (making profitable companies out of environment and innovative technology business projects, exploration projects for offshore mineral resources, etc.) and aim to expand revenues from businesses outside the conventional framework of the E&P business.

(Business development policy)

“E&P Business”

- Secure revenues at the production stage by securely executing the ongoing projects.
- Pursue potential domestically and build efficient systems for business operations
- Even after fiscal year 2020, the target for the completion of development of the ongoing projects, sustain $RRR > 1$ ^(Note).

Note: RRR : Reserve Replacement Ratio = (within a fixed term) “additional portion of reserves volume” / “production volume”

“Domestic Natural Gas and Other Supply Business”

- Diversify and expand the sale of procurement sources and supply formats.
- Start operations at the Soma LNG Base and realize a power generation business.
- Aim to be a supplier of 2.5 Million tons (LNG equivalent of natural gas) by 2025.

“Environment & Innovative Technology Business”

- Develop technology for methane hydrate.
- Promote demonstration trials of CO₂ Capture and Storage (CCS), and prepare privatization requirements (systems etc.)
- Promotion of geothermal power generation.
etc.

“Management objectives for CSR”

- Responding to the expectations and demands of all stakeholders, the JAPEx Group aims to grow as a trusted global company by promoting initiatives to realize the goals of JAPEx Core CSR Issues “SHINE.”

(Earnings Target)

- Maximize the scale of revenue by perfectly controlling the ongoing projects.
- Keep “stable dividend” during low oil prices.
- Increase shareholder returns at the time oil prices have recovered and ongoing projects started contributing to profits.

The JAPEx Group aims to utilize these activities to further strengthen its operating base and enhance its competitiveness as well as bolster operating efficiency. The ultimate goal is to achieve sustainable development and maximize shareholder value.

3. Basic rationale for selecting the accounting standard

The JAPEX Group currently has a policy to prepare the consolidated financial statements based on the generally accepted accounting standards in Japan (Japanese GAAP), giving consideration to the possibility of comparing the consolidated financial statements between terms

Concerning the adoption of International Financial Reporting Standards (IFRS), the Group intends to respond appropriately giving due consideration to the situation in Japan and overseas.

4. Consolidated financial statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2014	As of Mar. 31, 2015
Assets		
Current assets		
Cash and deposits	81,031	92,956
Notes and accounts receivable - trade	37,222	25,248
Securities	41,203	45,605
Merchandise and finished goods	4,653	4,551
Work in process	128	250
Raw materials and supplies	6,285	7,488
Deferred tax assets	1,127	1,088
Short-term loans receivable	13,831	13,810
Other	9,772	7,531
Allowance for doubtful accounts	(48)	(38)
Total current assets	195,209	198,492
Non-current assets		
Property, plant and equipment		
Buildings and structures	151,904	164,644
Accumulated depreciation	(118,794)	(122,646)
Buildings and structures, net	33,110	41,997
Wells	80,675	103,733
Accumulated depreciation	(69,058)	(72,995)
Wells, net	11,616	30,737
Machinery, equipment and vehicles	111,305	115,091
Accumulated depreciation	(88,411)	(92,251)
Machinery, equipment and vehicles, net	22,894	22,839
Mineral resources	27,075	44,256
Accumulated depreciation	(1,056)	(3,514)
Mineral resources, net	26,019	40,741
Land	12,193	13,591
Construction in progress	88,541	132,122
Other	19,624	22,065
Accumulated depreciation	(13,446)	(14,378)
Other, net	6,177	7,687
Total property, plant and equipment	200,552	289,718
Intangible assets		
Other	11,365	9,949
Total intangible assets	11,365	9,949
Investments and other assets		
Investment securities	190,765	187,926
Long-term loans receivable	29,100	17,172
Deferred tax assets	6,039	4,009
Net defined benefit asset	-	462
Other	34,329	32,494
Allowance for doubtful accounts	(39)	(47)
Allowance for overseas investment loss	(4,284)	(3,317)
Total investments and other assets	255,910	238,701
Total non-current assets	467,828	538,369
Total assets	663,038	736,862

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,610	6,728
Short-term loans payable	28,169	50,809
Provision for directors' bonuses	118	120
Other	31,555	55,210
Total current liabilities	83,454	112,868
Non-current liabilities		
Long-term loans payable	21,636	20,726
Deferred tax liabilities	32,509	36,657
Provision for directors' retirement benefits	829	874
Net defined benefit liability	6,845	3,534
Asset retirement obligations	16,001	17,475
Other	4,845	4,077
Total non-current liabilities	82,668	83,346
Total liabilities	166,123	196,214
Net assets		
Shareholders' equity		
Capital stock	14,288	14,288
Retained earnings	318,433	346,441
Treasury shares	(10)	(10)
Total shareholders' equity	332,711	360,719
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	84,856	86,174
Deferred gains or losses on hedges	(56)	3
Foreign currency translation adjustment	5,166	12,980
Remeasurements of defined benefit plans	(340)	521
Total accumulated other comprehensive income	89,624	99,678
Minority interests	74,579	80,249
Total net assets	496,915	540,647
Total liabilities and net assets	663,038	736,862

(2) Consolidated statement of income and Consolidated statement of comprehensive income
Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2014 (April 1, 2013- March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014- March 31, 2015)
Net sales	276,588	304,911
Cost of sales	210,460	234,649
Gross profit	66,127	70,262
Exploration expenses		
Exploration expenses	9,985	4,748
Exploration subsidies	(184)	(258)
Total exploration expenses	9,800	4,489
Selling, general and administrative expenses	31,692	33,625
Operating income	24,634	32,146
Non-operating income		
Interest income	2,341	2,042
Dividend income	2,366	2,431
Gain on sales of securities	693	96
Share of profit of entities accounted for using equity method	12,140	11,996
Foreign exchange gains	1,173	6,675
Other	1,868	1,248
Total non-operating income	20,584	24,491
Non-operating expenses		
Interest expenses	839	785
Loss on valuation of derivatives	147	164
Share issuance cost	155	80
Provision for allowance for losses on overseas investments	-	393
Other	187	373
Total non-operating expenses	1,329	1,799
Ordinary income	43,889	54,839
Extraordinary income		
Gain on sales of non-current assets	2	0
Subsidy income	40	40
Other	0	1
Total extraordinary income	42	42
Extraordinary losses		
Loss on retirement of non-current assets	145	336
Impairment loss	7,983	4,006
Other	219	165
Total extraordinary losses	8,347	4,507
Income before income taxes and minority interests	35,584	50,373
Income taxes - current	6,825	9,453
Income taxes - deferred	(1,258)	8,190
Total income taxes	5,566	17,644
Income before minority interests	30,017	32,729
Minority interests in income	1,002	3,161
Net income	29,015	29,567

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014 (April 1, 2013- March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014- March 31, 2015)
Income before minority interests	30,017	32,729
Other comprehensive income		
Valuation difference on available-for-sale securities	6,543	1,313
Deferred gains or losses on hedges	(288)	58
Foreign currency translation adjustment	9,486	9,985
Remeasurements of defined benefit plans, net of tax	–	861
Share of other comprehensive income of entities accounted for using equity method	39	202
Total other comprehensive income	15,781	12,421
Comprehensive income	45,798	45,151
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	42,807	39,622
Comprehensive income attributable to minority interests	2,991	5,529

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2014 (April 1, 2013 – March 31, 2014)

(Millions of yen)

	Shareholders' equity			
	Capital stock	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	14,288	291,990	(10)	306,268
Cumulative effects of changes in accounting policies				–
Restated balance	14,288	291,990	(10)	306,268
Changes of items during period				
Dividends of surplus		(2,571)		(2,571)
Net income		29,015		29,015
Net changes of items other than shareholders' equity				
Total changes of items during period	–	26,443	–	26,443
Balance at end of current period	14,288	318,433	(10)	332,711

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	78,310	226	(2,362)	–	76,173	21,183	403,625
Cumulative effects of changes in accounting policies							–
Restated balance	78,310	226	(2,362)	–	76,173	21,183	403,625
Changes of items during period							
Dividends of surplus							(2,571)
Net income							29,015
Net changes of items other than shareholders' equity	6,546	(283)	7,529	(340)	13,451	53,395	66,846
Total changes of items during period	6,546	(283)	7,529	(340)	13,451	53,395	93,290
Balance at end of current period	84,856	(56)	5,166	(340)	89,624	74,579	496,915

Fiscal year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(Millions of yen)

	Shareholders' equity			
	Capital stock	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	14,288	318,433	(10)	332,711
Cumulative effects of changes in accounting policies		1,297		1,297
Restated balance	14,288	319,731	(10)	334,009
Changes of items during period				
Dividends of surplus		(2,857)		(2,857)
Net income		29,567		29,567
Net changes of items other than shareholders' equity				
Total changes of items during period	–	26,710	–	26,710
Balance at end of current period	14,288	346,441	(10)	360,719

	Accumulated other comprehensive income					Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	84,856	(56)	5,166	(340)	89,624	74,579	496,915
Cumulative effects of changes in accounting policies							1,297
Restated balance	84,856	(56)	5,166	(340)	89,624	74,579	498,213
Changes of items during period							
Dividends of surplus							(2,857)
Net income							29,567
Net changes of items other than shareholders' equity	1,318	60	7,813	861	10,054	5,670	15,724
Total changes of items during period	1,318	60	7,813	861	10,054	5,670	42,434
Balance at end of current period	86,174	3	12,980	521	99,678	80,249	540,647

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014 (April 1, 2013- March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014- March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	35,584	50,373
Depreciation	15,567	16,811
Impairment loss	7,983	4,006
Loss on retirement of property, plant and equipment	139	336
Increase (decrease) in allowance for doubtful accounts	25	(1)
Decrease (increase) in net defined benefit asset	-	(617)
Increase (decrease) in net defined benefit liability	(585)	(164)
Increase (decrease) in provision for directors' retirement benefits	26	44
Increase (decrease) in allowance for overseas investment loss	(346)	(967)
Interest and dividend income	(4,708)	(4,473)
Interest expenses	839	785
Loss (gain) on sales of short-term and long-term investment securities	(693)	(96)
Share of (profit) loss of entities accounted for using equity method	(12,140)	(11,996)
Recovery of recoverable accounts	13,749	33,665
Decrease (increase) in notes and accounts receivable - trade	(4,766)	12,068
Decrease (increase) in inventories	506	(1,222)
Increase (decrease) in notes and accounts payable - trade	364	(9,853)
Increase (decrease) in accrued consumption taxes	134	420
Other, net	(3,086)	(3,125)
Subtotal	48,595	85,994
Income taxes (paid) refund	(3,369)	(7,327)
Net cash provided by (used in) operating activities	45,226	78,666

(Millions of yen)

	Fiscal year ended March 31, 2014 (April 1, 2013- March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014- March 31, 2015)
Cash flows from investing activities		
Payments into time deposits	(37,754)	(2,574)
Proceeds from withdrawal of time deposits	31,372	28,582
Purchase of securities	(200)	(100)
Proceeds from sales and redemption of securities	3,204	938
Purchase of property, plant and equipment	(121,283)	(86,756)
Proceeds from sales of property, plant and equipment	12	10
Purchase of intangible assets	(248)	(877)
Proceeds from sales of intangible assets	248	-
Payments for asset retirement obligations	(202)	(507)
Purchase of investment securities	(6,066)	(1,497)
Proceeds from sales and redemption of investment securities	1,430	1,803
Payments for investments in capital	(1,353)	(1,063)
Payments of recoverable accounts	(20,553)	(31,396)
Payments of loans receivable	(48)	(26)
Collection of loans receivable	4,768	17,342
Interest and dividend income received	13,702	13,004
Proceeds from dividends of residual property	-	23
Proceeds from capital reduction of investments	1,326	1,011
Other, net	42	(947)
Net cash provided by (used in) investing activities	(131,600)	(63,031)
Cash flows from financing activities		
Increase in short-term loans payable	206,318	223,797
Decrease in short-term loans payable	(178,149)	(202,648)
Proceeds from long-term loans payable	300	5,881
Repayments of long-term loans payable	(4,816)	(5,162)
Cash dividends paid	(2,571)	(2,816)
Cash dividends paid to minority shareholders	(377)	(529)
Interest expenses paid	(850)	(791)
Repayments of lease obligations	(556)	(557)
Proceeds from share issuance to minority shareholders	52,383	1,303
Net cash provided by (used in) financing activities	71,680	18,475
Effect of exchange rate change on cash and cash equivalents	4,884	5,716
Net increase (decrease) in cash and cash equivalents	(9,809)	39,827
Cash and cash equivalents at beginning of period	112,639	102,830
Cash and cash equivalents at end of period	102,830	142,657

4. Others

Status of production and sales

1. Production

		Fiscal year ended March 31, 2014 (April 1, 2013 – March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014 – March 31, 2015)
E&P	Crude oil (kl)	828,870 (424,040)	1,990,143 (1,601,853)
	Natural gas (thousand m ³)	1,104,533 (170,549)	1,302,003 (436,841)
	LNG (t)	12,235	1,000
	Bitumen (kl)	344,757 (344,757)	332,757 (332,757)

- Notes: 1. The figures in parentheses represent overseas production and are included in the total.
2. Part of the natural gas production volume is used as a feedstock for LNG.
3. Bitumen is a type of extra-heavy oil extracted from oil sands.

2. Sales

		Fiscal year ended March 31, 2014 (April 1, 2013 – March 31, 2014)		Fiscal year ended March 31, 2015 (April 1, 2014 – March 31, 2015)	
		Volume	Amount (Millions of yen)	Volume	Amount (Millions of yen)
E&P	Crude oil (kl)	1,559,888	108,408	2,064,266	121,240
	Natural gas (thousand m ³)	1,418,963	71,584	1,710,779	83,974
	LNG (t)	268,510	26,202	274,044	28,311
	Bitumen (kl)	342,565	10,962	332,342	12,105
Subtotal			217,157		245,631
Contract services			8,740		10,487
Other businesses	Oil products/merchandise		42,860		41,040
	Others		7,830		7,751
Subtotal			50,691		48,792
Total			276,588		304,911

- Notes: 1. “Oil products/merchandise” includes liquefied petroleum gas (LPG), fuel oil, gas oil and kerosene, and “Others” includes the transportation of natural gas and oil products as well as other subcontracted tasks.
2. Monetary amounts in the table do not include consumption taxes.