



[Explanatory Material]

Financial Results

for the Three Months Ended June 30, 2024

August 8, 2024

Japan Petroleum Exploration Co., Ltd.

Note: This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Contents

I . Financial Highlights

II . Financial Results for the Three Months Ended June 30, 2024

III . Revised Financial Forecasts for the fiscal year ending March 31, 2025

Note: This material also serves as the presentation material for the financial results briefing for the institutional investors and analysts to be held on August 9, 2024.

I . Financial Highlights

II . Financial Results for the Three Months Ended June 30, 2024

III . Revised Financial Forecasts for the fiscal year ending March 31, 2025

Financial Highlights

1Q FY3/25 Results (Year-on-year)

(Billion Yen)	1Q FY 3/24 (a)	1Q FY 3/25 (a)	Change
Operating profit	12.9	12.9	+0.0
Ordinary profit	18.2	16.5	(1.6)
Profit attributable to owners of parent	12.9	11.4	(1.5)

- **Ordinary profit** : Decrease in equity method profit and foreign exchange gains

FY3/25 Forecast Revision (vs. May 14 Forecasts)

(Billion Yen)	May 14, 2024 (f)	Aug 8, 2024 (f)	Change
Operating profit	52.4	53.8	+1.4
Ordinary profit	55.5	57.8	+2.3
Profit attributable to owners of parent	42.8	44.0	+1.2

- **Operating profit** : Expect to increase in sales prices of domestic crude oil and domestic natural gas
- **Ordinary profit** : Expect to increase in equity method profit

Shareholder Returns

- **FY3/25 annual dividend (forecast)** :

Interim 125 yen per share + Year-end 25 yen per share, unchanged from the previous forecast

- ✓ A 5-for-1 stock split of common stock, effective October 1, 2024, was resolved at the Board of Directors' meeting held on May 14, 2024. The year-end dividend per share for FY2024 (forecast) without considering the stock split is 125 yen
- ✓ The dividend forecast is currently unchanged from the initial forecast of the interim dividend (125 yen) and year-end dividend (25 yen). We will decide dividend forecast taking into consideration a full-year earnings forecast and other factors at the second quarter of the fiscal year ending March 31, 2025, based on the basic policy to pay dividends in line with business results for each fiscal year, with a target consolidated payout ratio of 30%.

Business Progress

- Participated in the Freeport LNG Project in Texas, U.S.A.(May)
- Acquired additional well interests in tight oil development project in U.S.(Jun)
- Made Longboat JAPEX Norge AS, a Norwegian offshore exploration, development, and production company, a wholly owned subsidiary and renamed JAPEX Norge AS (J Norge) (Jul)

I . Financial Highlights

II . Financial Results for the Three Months Ended June 30, 2024

III . Revised Financial Forecasts for the fiscal year ending March 31, 2025

1Q FY3/25 Results (Year-on-Year)

Million Yen	1Q FY3/24 (a)	1Q FY3/25 (a)	Change	
Net sales	61,321	89,465	+28,143	+46%
Gross profit	20,508	22,278	+1,769	+9%
Operating profit	12,903	12,948	+45	+0%
Ordinary profit	18,219	16,560	(1,658)	(9%)
Profit attributable to owners of parent	12,999	11,493	(1,505)	(12%)

Oil Price and Exchange Rate

		1Q FY3/24 (a)	1Q FY3/25 (a)	Change
WTI	USD/bbl	76.11	77.06	+0.95
Crude oil price (CIF)	USD/bbl	85.17	85.95	+0.78
Exchange rate	JPY/USD	134.36	152.39	+18.03

E&P Business Sales (Year-on-Year)

Net sales : Million Yen	Unit	1Q FY3/24 (a)		1Q FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	10,724	-	29,836	-	-	+19,111	+178%

Breakdown

Crude oil	Thousand KL	152	10,608	403	28,966	+250	+164%	+18,358	+173%	
Crude oil - Japan		50	3,700	51	4,348	+1	+3%	+647	+17%	
Crude oil - Overseas ^{*1}		97	6,532	346	24,247	[1]	+249	+255%	+17,715	+271%
Purchased crude oil		5	375	4	370	(1)	(12%)	(5)	(1%)	
Natural Gas - Overseas ^{*2}	Million M3	10	116	35	869	+24	+239%	+753	+648%	

Main factors for change

[1] Increase in sales volume of Iraq Garraf project and U.S. tight oil development

*1 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., and Japex (U.S.) Corp.

*2 Amounts of overseas consolidated subsidiary Japex (U.S.) Corp.

I/U Business Sales (Year-on-Year)

Net sales : Million Yen	Unit	1Q FY3/24 (a)		1Q FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	36,398	-	43,749	-	-	+7,351	+20%

Breakdown

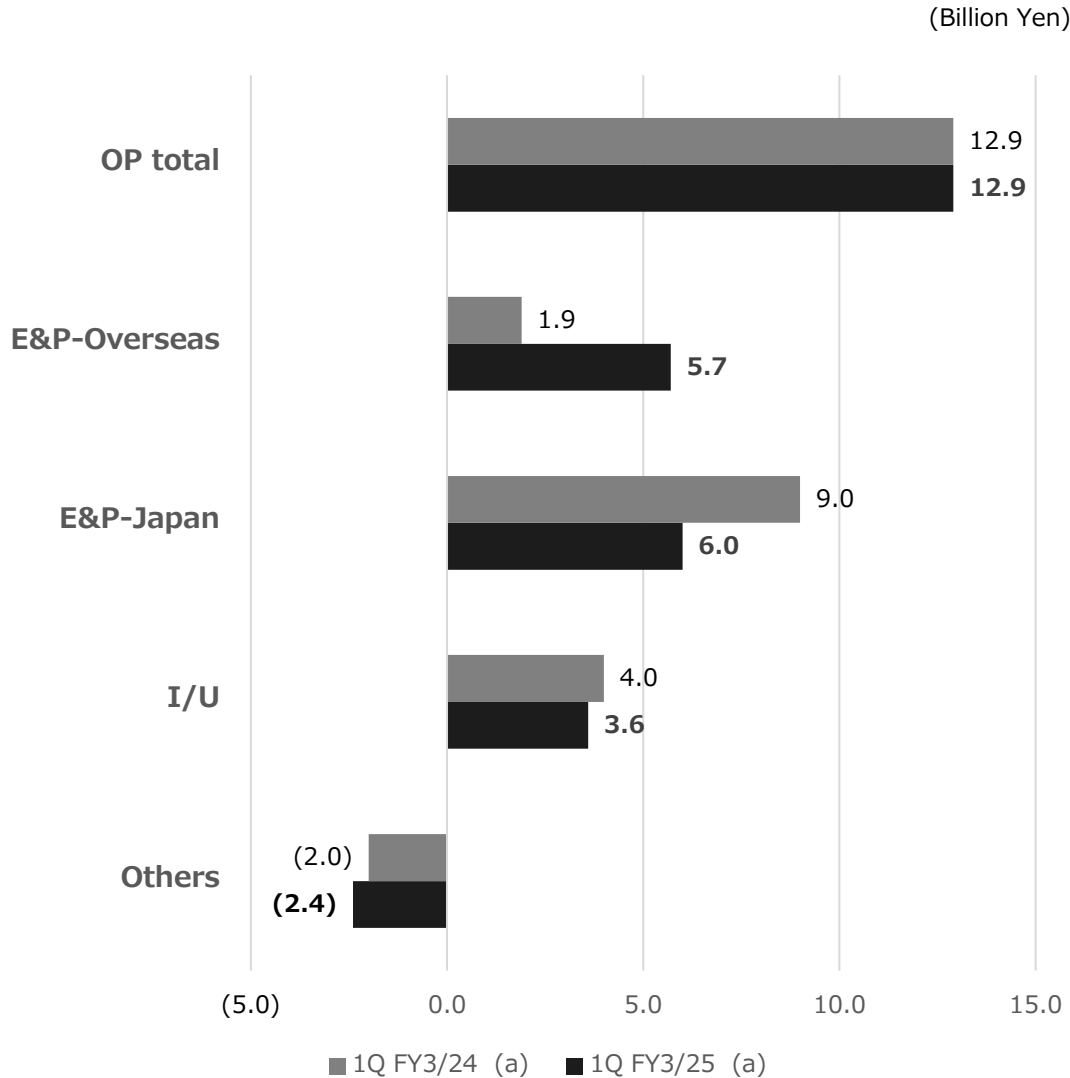
Natural Gas - Japan	Million M3	202	20,200	195	16,778	(6)	(3%)	[1] (3,422)	(17%)
- Produced in Japan		102	-	102	-	+0	+0%	-	-
LNG	Thousand Ton	30	1,498	169	15,960	[2] +138	+446%	+14,462	+965%
Electricity	Million kWh	774	13,137	579	9,585	[3] (194)	(25%)	(3,552)	(27%)
Other*	-	-	1,561	-	1,425	-	-	(136)	(9%)

Main factors for change

- [1] Decrease in sales price
- [2] Increase in sales volume
- [3] Decrease in sales volume

*Including net sales from commissioned transportation of natural gas and commissioned regasification of LNG

Operating Profit (Year-on-Year)

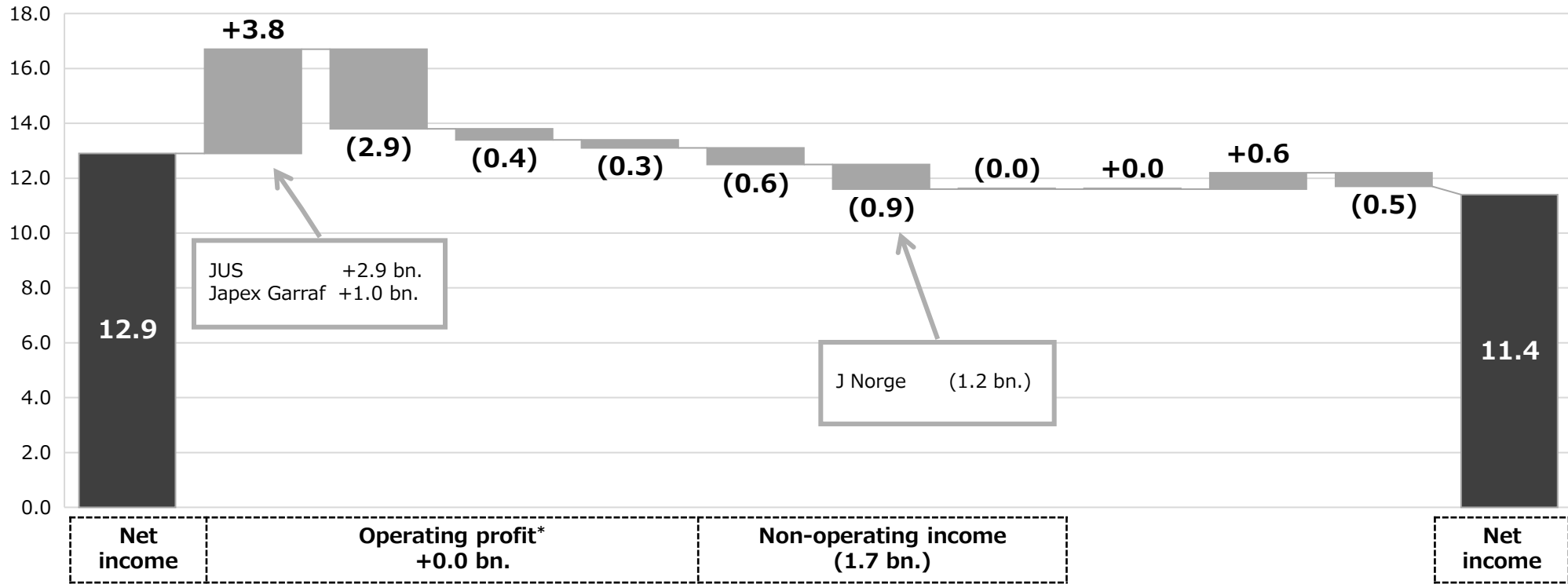


E&P Business	
Overseas : +3.8 bn.	1.9 bn. → 5.7 bn.
<ul style="list-style-type: none"> • Increase in sales volume of U.S. tight oil development (+) • Foreign exchange gap related to cost recovery of Iraqi Garraf project (+) 	
Japan : (2.9 bn.)	9.0 bn. → 6.0 bn.
<ul style="list-style-type: none"> • Decrease in sales price* of natural gas (-) • Increase in exploration expenses (-) 	
* Internal transaction price from E&P Business to Infrastructure/Utilities Business for the internal management	
I/U Business	
(0.4 bn.)	4.0 bn. → 3.6 bn.
<ul style="list-style-type: none"> • Raw material slide time lag (-) • Increase in marginal gain on LNG procurement (+) 	
Others *	
(0.3 bn.)	(2.0 bn.) → (2.4 bn.)
* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

Analysis of Net Income change (Year-on-Year)

(Billion Yen)



JUS +2.9 bn.
Japex Garraf +1.0 bn.

J Norge (1.2 bn.)

Net income	Operating profit* +0.0 bn.					Non-operating income (1.7 bn.)					Net income
FY3/24 1Q (a)	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains / loss	Equity method profit / loss	Others	Extraordinary income / loss	Income taxes	Profit attributable to non- controlling interest	FY3/25 1Q (a)
FY3/24 1Q (a)	1.9	9.0	4.0	(2.0)	4.7	0.3	0.2	(0.0)	4.3	0.8	
FY3/25 1Q (a)	5.7	6.0	3.6	(2.4)	4.0	(0.5)	0.1	(0.0)	3.6	1.3	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

I . Financial Highlights

II . Financial Results for the Three Months Ended June 30, 2024

III . Revised Financial Forecasts for the fiscal year ending March 31, 2025

FY3/25 Forecasts (vs May 14 Forecasts)

Million Yen	Initial (f) May 14, 2024	Revised (f) Aug. 8, 2024	Change	
Net sales	379,400	358,400	(21,000)	(6%)
Gross profit	86,300	88,800	+2,500	+3%
Operating profit	52,400	53,800	+1,400	+3%
Ordinary profit	55,500	57,800	+2,300	+4%
Profit attributable to owners of parent	42,800	44,000	+1,200	+3%

Oil Price and Exchange Rate

		Initial (f) May 14, 2024	Revised (f) Aug. 8, 2024	Change
WTI	USD/bbl	80.00	75.52	(4.48)
Crude oil price (CIF)	USD/bbl	85.00	81.30	(3.70)
Exchange rate	JPY/USD	140.00	146.71	+6.71

E&P Business Sales Forecasts (vs May 14 Forecasts)

Net sales : Million Yen	Unit	Initial (f) May 14, 2024		Revised (f) Aug. 8, 2024		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	141,190	-	118,000	-	-	(23,189)	(16%)

Breakdown

Crude oil	Thousand KL	2,009	138,031	1,665	114,563	(343)	(17%)	(23,467)	(17%)
Crude oil - Japan		220	16,507	233	17,637	+12	+6%	+1,130	+7%
Crude oil - overseas ^{*1}		1,769	120,096	1,413	95,419	[1] (356)	(20%)	(24,676)	(21%)
Purchased crude oil		18	1,427	19	1,505	+1	+6%	+78	+5%
Natural Gas - Overseas^{*2}	Million M3	151	3,158	144	3,436	(7)	(5%)	+278	+9%

Main factors for change

[1] Decrease in sales volume of Iraq Garraf Project / Decrease in sales volume and sales price of U.S. tight oil development

*1 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

*2 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

I/U Business Sales Forecasts (vs May 14 Forecasts)

Net sales : Million Yen	Unit	Initial (f) May 14, 2024		Revised (f) Aug. 8, 2024		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	171,691	-	173,516	-	-	+1,825	+1%

Breakdown

Natural Gas - Japan	Million M3	970	76,623	950	76,017	(19)	(2%)	(605)	(1%)
- Produced in Japan		457	-	453	-	(4)	(1%)	-	-
LNG	Thousand Ton	366	34,401	360	35,427	(5)	(2%)	[1] +1,026	+3%
Electricity	Million kWh	2,980	44,678	3,032	45,645	[2] +51	+2%	+966	+2%
Others*	-	-	15,988	-	16,426	-	-	+438	+3%

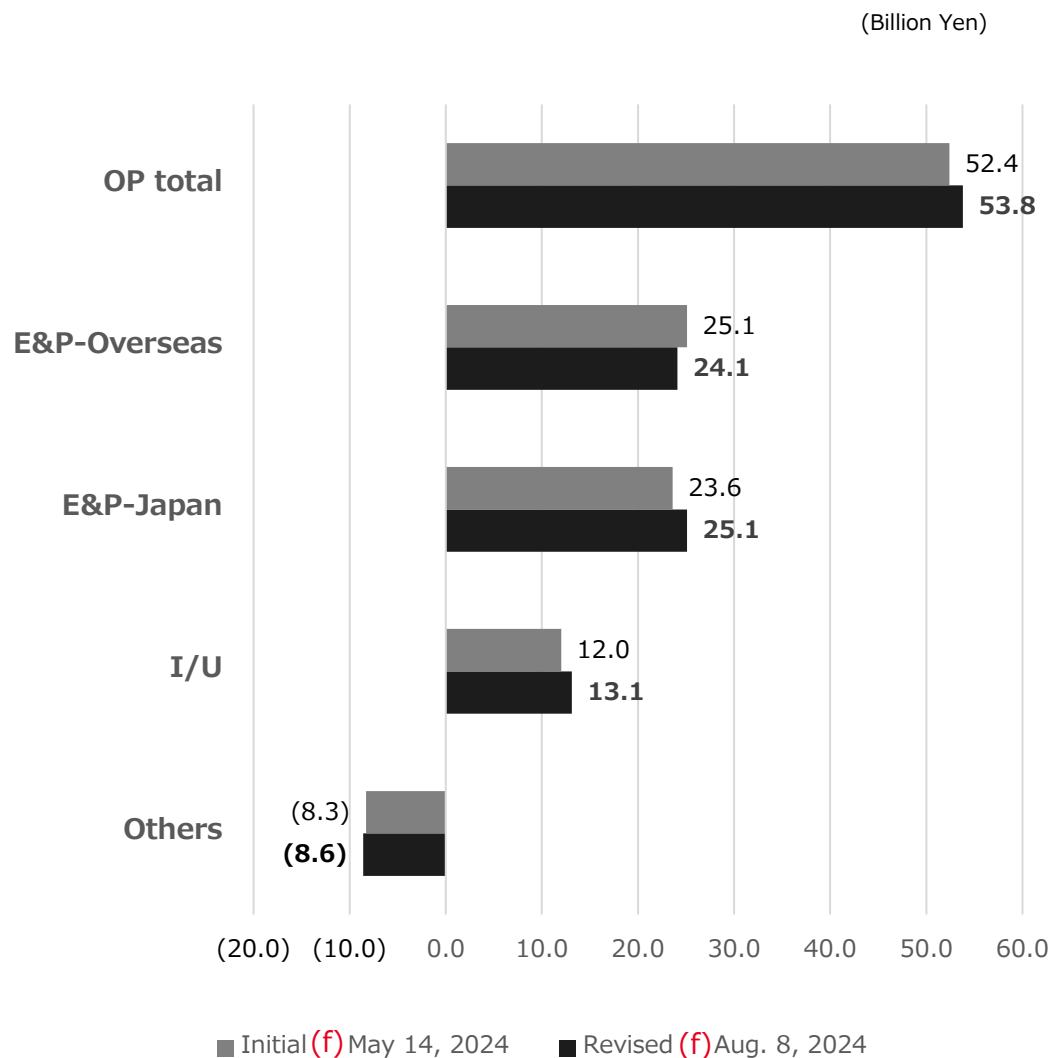
Main factors for change

[1] Increase in sales price

[2] Increase in sales volume

* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

Operating Profit Forecasts (vs May 14 Forecasts)



E&P Business

Overseas : (0.9 bn.) 25.1 bn. → 24.1 bn.

- Decrease in sales volume and sales price of U.S. tight oil development (-)
- Increase in cost of sales for the Seagull project in U.K. North Sea (-)
- Foreign exchange gap related to cost recovery of Iraqi Garraf project (+)

Japan : +1.5 bn. 23.6 bn. → 25.1 bn.

- Increase in sales volume of crude oil (+)

I/U Business

+1.1 bn. 12.0 bn. → 13.1 bn.

- Increase in marginal gain on LNG procurement (+)

Others*

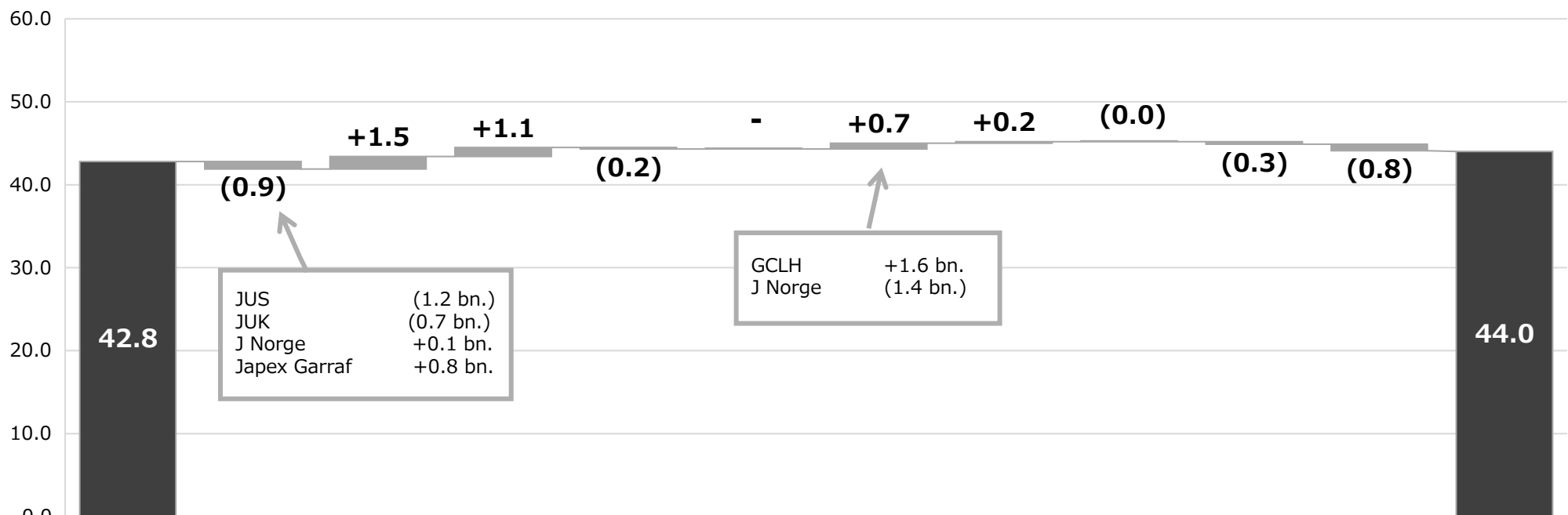
(0.2 bn.) (8.3 bn.) → (8.6 bn.)

* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

Analysis of Change in Net Income Forecasts (vs May 14 Forecasts)

(Billion Yen)



Net income	Operating profit* +1.4 bn.							Non-operating income +0.8 bn.			Net income
------------	-------------------------------	--	--	--	--	--	--	----------------------------------	--	--	------------

FY3/25 (f) May 14	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains / loss	Equity method profit / loss	Others	Extraordinary income / loss	Income taxes	Profit attributable to non-controlling interest	FY3/25 (f) Aug. 8
FY3/25 (f) May 14	25.1	23.6	12.0	(8.3)	-	0.6	2.5	-	11.9	0.8	
FY3/25 (f) Aug. 8	24.1	25.1	13.1	(8.6)	-	1.3	2.7	(0.0)	12.2	1.6	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

FY3/25 Forecasts (Year-on-Year)

Million Yen	FY3/24 (a)	FY3/25 Revised (f)	Change	
Net sales	325,863	358,400	+32,536	+10%
Gross profit	87,296	88,800	+1,503	+2%
Operating profit	55,247	53,800	(1,447)	(3%)
Ordinary profit	68,808	57,800	(11,008)	(16%)
Profit attributable to owners of parent	53,661	44,000	(9,661)	(18%)

Oil Price and Exchange Rate

		FY3/24 (a)	FY3/25 Revised (f)	Change
WTI	USD/bbl	77.69	75.52	(2.17)
Crude oil price (CIF)	USD/bbl	86.28	81.30	(4.98)
Exchange rate	JPY/USD	143.28	146.71	+3.43

E&P Business Sales Forecasts (Year-on-Year)

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 Revised (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	88,810	-	118,000	-	-	+29,189	+33%

Breakdown

Crude oil	Thousand KL	1,240	87,808	1,665	114,563	+424	+34%	+26,754	+30%	
Crude oil - Japan		225	17,792	233	17,637	+7	+3%	(155)	(1%)	
Crude oil - overseas ^{*1}		994	68,397	1,413	95,419	[1]	+418	+42%	+27,021	+40%
Purchased crude oil		20	1,618	19	1,505	(1)	(6%)	(113)	(7%)	
Natural Gas - Overseas ^{*2}	Million M3	65	1,002	144	3,436	+78	+118%	+2,433	+243%	

Main factors for change

[1] Increase in sales volume of U.S. tight oil development and Seagull project in U.K. North Sea.
Recognition of sales due to the acquisition of JAPEX Norge AS as a subsidiary

*1 FY3/24 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

*2 FY3/24 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

I/U Business Sales Forecasts (Year-on-Year)

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 Revised (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	172,147	-	173,516	-	-	+1,369	+1%

Breakdown

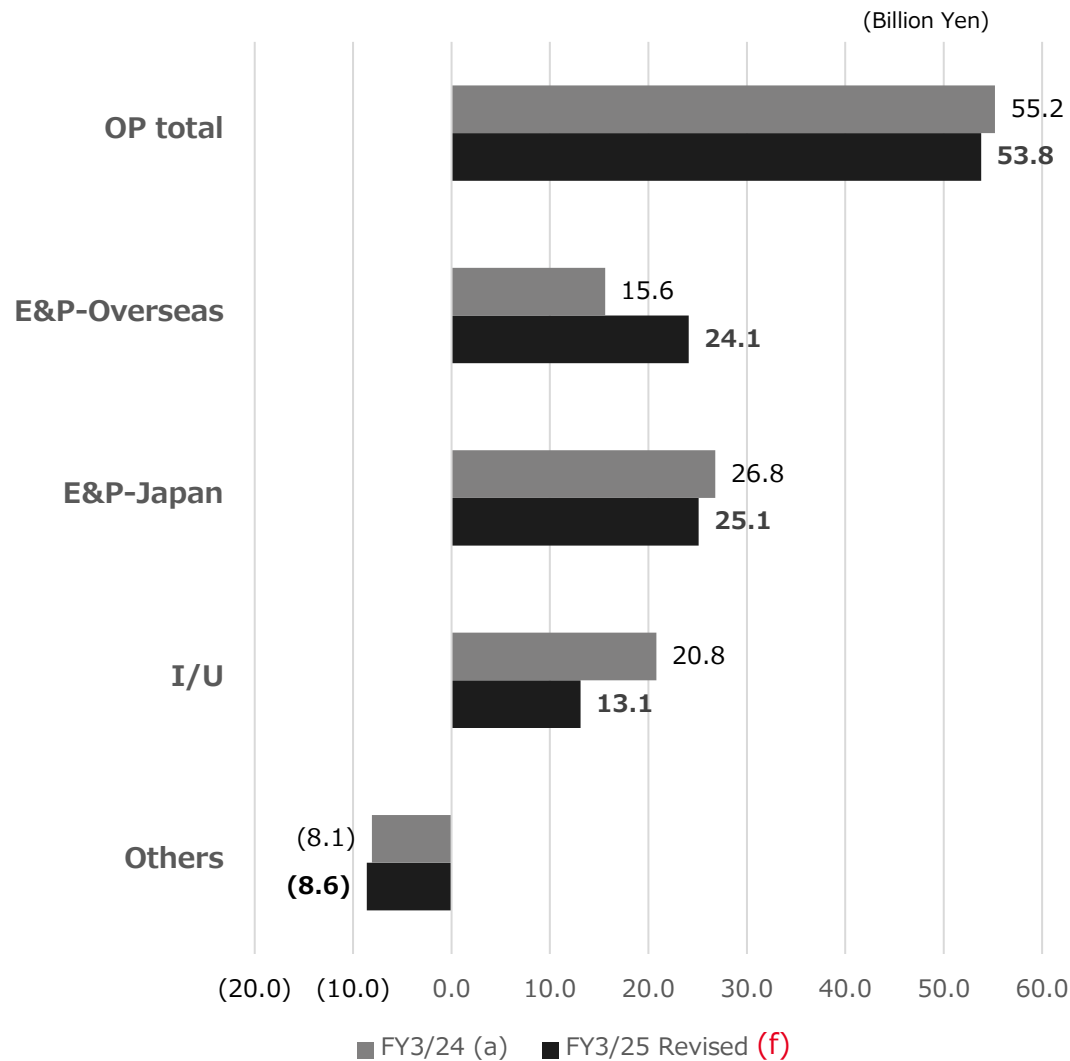
Natural Gas - Japan	Million M3	955	81,487	950	76,017	(5)	(1%)	[1]	(5,469)	(7%)
- Produced in Japan		444	-	453	-	+9	+2%		-	-
LNG	Thousand Ton	275	30,190	360	35,427	[2]	+85	+31%	+5,236	+17%
Electricity	Million kWh	3,548	53,272	3,032	45,645	[3]	(516)	(15%)	(7,626)	(14%)
Others*	-	-	7,197	-	16,426	-	-	[4]	+9,228	+128%

Main factors for change

- [1] Decrease in sales price
- [2] Increase in sales volume
- [3] Decrease in sales volume
- [4] Increase in sales volume of biomass fuel

* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

Operating Profit Forecasts (Year-on-Year)



E&P Business

Overseas : +8.5 bn. 15.6 bn. → 24.1 bn.

- Increase in sales volume of U.S. tight oil development (+)
- Increase in sales volume at the Seagull Project in U.K. North Sea (+)

Japan : (1.7 bn.) 26.8 bn. → 25.1 bn.

- Decrease in sales price* of natural gas (-)

* Internal transaction price from E&P Business to Infrastructure/Utilities Business for the internal management

I/U Business

(7.7 bn.) 20.8 bn. → 13.1 bn.

- Raw material slide time lag (-)

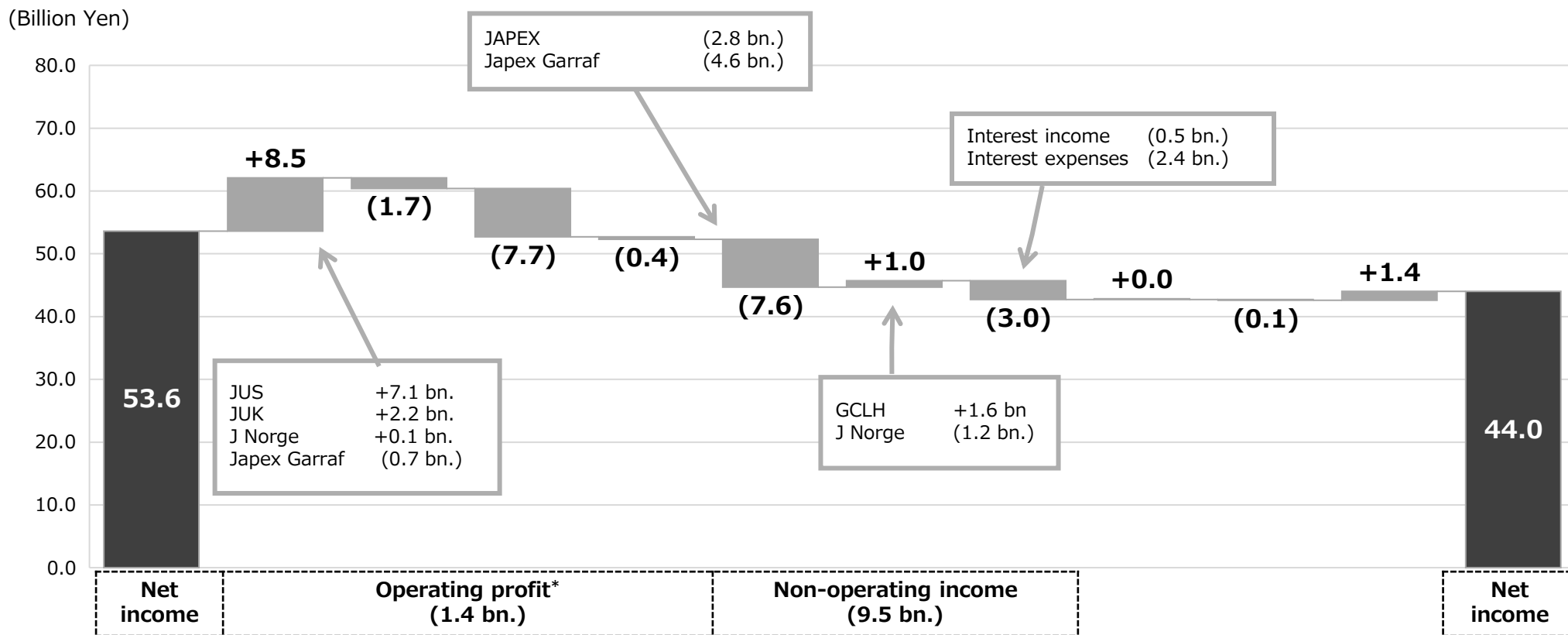
Others*

(0.4 bn.) (8.1 bn.) → (8.6 bn.)

* Operating profit not belonging to the above business units (CN, contracting, oil products and commodities, and others) less headquarters administrative expenses

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

Analysis of Change in Net Income Forecasts (Year-on-Year)



FY3/24 (a)	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains / loss	Equity method profit / loss	Others	Extraordinary income / loss	Income taxes	Profit attributable to non-controlling interest	FY3/25 Revised (f)
FY3/24 (a)	15.6	26.8	20.8	(8.1)	7.6	0.2	5.7	(0.0)	12.0	3.0	
FY3/25 Revised (f)	24.1	25.1	13.1	(8.6)	-	1.3	2.7	(0.0)	12.2	1.6	

Note) The amounts in the operating profit breakdown by business segment are the figures for the Group's internal management

Cash Flows and Debt

Million Yen	FY3/24 (a)	FY3/25 (f)	
	Full year	Full year	
		May 14	Aug.8
Cash flows from operating activities	90,564	123,326	117,159
Profit before income taxes	68,784	55,500	57,800
Depreciation	27,646	42,098	40,557
Recovery of recoverable accounts	27,775	54,166	30,823
Cash flows from investing activities	(99,659)	(112,674)	(187,799)
Purchase of property, plant and equipment	(65,924)	(74,238)	(95,733)
Purchase of investment securities	(7,685)	(5,985)	(65,228)
Payments of recoverable accounts	(25,379)	(41,746)	(36,206)
Cash flows from financing activities	(28,596)	(30,624)	(4,448)
Cash and cash equivalents at end of period	152,598	132,626	77,510

Interest-bearing debt* ¹	9,091	17,789	47,700
EBITDA* ²	93,606	100,370	102,590
Debt-to-EBITDA ratio	0.1	0.2	0.5

*1 Interest-bearing debt includes lease obligations, retirement benefit liabilities and contingent liabilities

*2 EBITDA is the total of operating profit, depreciation, interest and dividends received based on investment cash flow statement

Appendix

- 1. Net Sales**
- 2. Financial Results**
- 3. Segment Profit**
- 4. Segment Sales**
- 5. Price Assumptions for FY3/25 Forecasts**
- 6. Sensitivities Analysis on FY3/25 Forecasts Basis**
- 7. Business Overview**
- 8. Integrated Report and IR Materials, etc.**
- 9. Glossary**

1. Net Sales - ①E&P

	Million Yen	FY3/24 (a)		FY3/25		
		1Q	Full year	1Q	Full year (f)	
					May 14	Aug. 8
Sales		10,724	88,810	29,836	141,190	118,000
Sales volume of Crude oil (Thousand KL)		152	1,240	403	2,009	1,665
Net sales		10,608	87,808	28,966	138,031	114,563
Sales volume of Crude oil - Japan (Thousand KL)		50	225	51	220	233
Net sales		3,700	17,792	4,348	16,507	17,637
Sales volume of Crude oil - overseas *1 (Thousand KL)		97	994	346	1,769	1,413
Net sales		6,532	68,397	24,247	120,096	95,419
Sales volume of Purchased crude oil (Thousand KL)		5	20	4	18	19
Net sales		375	1,618	370	1,427	1,505
Sales volume of Natural gas -overseas *2 (Million M3)		10	65	35	151	144
Net sales		116	1,002	869	3,158	3,436
WTI (USD/bbl)		76.11	77.69	77.06	80.00	75.52
Crude oil price (CIF) (USD/bbl) *3		85.17	86.28	85.95	85.00	81.30

*1 FY3/24 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

*2 FY3/24 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

FY3/25 Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. and JAPEX Norge AS

*3 Domestic sales price average of crude oil referring to crude oil price (CIF)

1. Net Sales - ②I/U

	Million Yen	FY3/24 (a)		FY3/25		
		1Q	Full year	1Q	Full year (f)	
					May 14	Aug. 8
Sales		36,398	172,147	43,749	171,691	173,516
Sales volume of Natural gas – Japan (Million M3)		202	955	195	970	950
Net sales		20,200	81,487	16,778	76,623	76,017
Sales volume of Natural gas produced in Japan (Million M3)		102	444	102	457	453
Sales volume of LNG (Thousand ton)		30	275	169	366	360
Net sales		1,498	30,190	15,960	34,401	35,427
Sales volume of Electricity (Million kWh)		774	3,548	579	2,980	3,032
Net sales		13,137	53,272	9,585	44,678	45,645
Others*		1,561	7,197	1,425	15,988	16,426
JLC Price (JPY / ton)		89,887	93,128	90,208	85,800	87,302

* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

2. Financial Results

	Million Yen	FY3/24 (a)		FY3/25		
		1Q	Full year	1Q	Full year (f)	
					May 14	Aug. 8
Net sales		61,321	325,863	89,465	379,400	358,400
E&P Business		10,724	88,810	29,836	141,190	118,000
Infrastructure/Utility Business		36,398	172,147	43,749	171,691	173,516
Others		14,199	64,905	15,880	66,518	66,883
Cost of sales		40,812	238,567	67,187	293,100	269,600
Gross profit		20,508	87,296	22,278	86,300	88,800
Exploration expenses		255	3,536	1,713	1,800	3,000
SG&A expenses		7,349	28,512	7,616	32,100	32,000
Operating profit		12,903	55,247	12,948	52,400	53,800
Non-operation income (expense)		5,315	13,561	3,611	3,100	4,000
Interest income		520	2,265	705	1,000	1,700
Interest expenses		(24)	(626)	(598)	(2,300)	(3,100)
Dividend income		57	4,090	68	4,300	4,300
Equity method profit (loss)		338	214	(589)	600	1,300
Provision for overseas investment		(15)	78	-	200	-
Foreign exchange gains (loss)		4,764	7,634	4,086	-	-
Other		(325)	(95)	(59)	(700)	(200)
Ordinary profit		18,219	68,808	16,560	55,500	57,800
Extraordinary income (loss)		(9)	(24)	(1)	-	(0)
Profit before income taxes		18,209	68,784	16,558	55,500	57,800
Income taxes		4,335	12,067	3,669	11,900	12,200
Profit attributable to non-controlling interests		874	3,055	1,395	800	1,600
Profit attributable to owners of parent		12,999	53,661	11,493	42,800	44,000

3. Segment Profit

Million Yen		FY3/24 (a)		FY3/25		
		1Q	Full year	1Q	Full year (f)	
					May 14	Aug. 8
Japan	Operating profit (loss)	13,732	51,130	9,957	39,031	41,181
	Equity method profit (loss)	136	168	110	334	452
North America	Operating profit (loss)	1,952	11,417	4,853	19,732	18,532
	Equity method profit (loss)	-	(49)	(29)	(66)	1,565
Europe	Operating profit (loss)	(111)	426	(275)	3,490	2,884
	Equity method profit (loss)	-	(529)	(1,290)	(378)	(1,810)
Middle East	Operating profit (loss)	447	4,750	1,503	3,154	3,982
	Equity method profit (loss)	(1)	2	-	-	-
Others* ¹	Operating profit (loss)	-	-	-	-	-
	Equity method profit (loss)	202	622	619	709	1,092
Adjustments and Eliminations* ²		(3,118)	(12,477)	(3,090)	(13,008)	(12,780)
Amounts on consolidated statement of income* ³	Operating profit	12,903	55,247	12,948	52,400	53,800

*1 Include the Sakhalin Oil and Gas Development Co., Ltd., Energi Mega Pratama Inc., and others

*2 Mainly intersegment elimination and corporate expense.

Furthermore, corporate expense represents mainly general and administrative expenses and experiment and research expense that are not allocated to reporting segments.

*3 Segment profit (loss) is reconciled to operating profit in the consolidated statements of income.

4. Segment Sales

Million Yen		FY3/24 1Q (a)					FY3/25 1Q (a)				
		Japan	North America	Europe	Middle East	Total	Japan	North America	Europe	Middle East	Total
E&P Business	Crude oil	4,076	5,628	-	903	10,608	4,718	12,131	32	12,084	28,966
	Natural Gas - Overseas	-	116	-	-	116	-	256	612	-	869
	Subtotal	4,076	5,744	-	903	10,724	4,718	12,388	645	12,084	29,836
I/U Business	Natural Gas - Japan	20,200	-	-	-	20,200	16,778	-	-	-	16,778
	LNG	1,498	-	-	-	1,498	15,960	-	-	-	15,960
	Electricity	13,137	-	-	-	13,137	9,585	-	-	-	9,585
	Others	1,561	-	-	-	1,561	1,425	-	-	-	1,425
	Subtotal	36,398	-	-	-	36,398	43,749	-	-	-	43,749
Other Businesses	Contracting	1,329	-	-	-	1,329	1,662	-	-	-	1,662
	oil products and commodities	12,112	-	-	-	12,112	13,605	-	-	-	13,605
	Others	756	-	-	-	756	611	-	-	-	611
	Subtotal	14,199	-	-	-	14,199	15,880	-	-	-	15,880
Total		54,673	5,744	-	903	61,321	64,348	12,388	645	12,084	89,465

5. Price Assumptions for FY3/25 Forecasts

Market Price			Upper: from January 2023 to March 2024					Full year
			Lower: from January 2024 to March 2025					
			Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	
Crude oil price (CIF) *1	USD/bbl	FY3/24 (a)	-	85.17	81.77	90.79	86.32	86.28
		Initial (f) May 14	-	85.00	85.00	85.00	85.00	85.00
		Revised (f) Aug. 8	-	85.95 *2	80.00	80.00	80.00	81.30
WTI	USD/bbl	FY3/24 (a)	76.11	73.78	82.49	78.36	-	77.69
		Initial (f) May 14	80.00	80.00	80.00	80.00	-	80.00
		Revised (f) Aug. 8	77.06 *2	75.00	75.00	75.00	-	75.52
JLC price	JPY/Ton	FY3/24 (a)	-	89,887	88,343	95,287	98,994	93,128
		Initial (f) May 14	-	86,400	85,600	85,600	85,600	85,800
		Revised (f) Aug. 8	-	90,208	88,600	85,200	85,200	87,302
Exchange rate	JPY/USD	FY3/24 (a)	-	134.36	141.06	148.53	146.51	143.28
		Initial (f) May 14	-	140.00	140.00	140.00	140.00	140.00
		Revised (f) Aug. 8	-	152.39 *2	145.00	145.00	145.00	146.71

*1 Domestic sales price average of crude oil referring to crude oil price (CIF)

*2 Actual

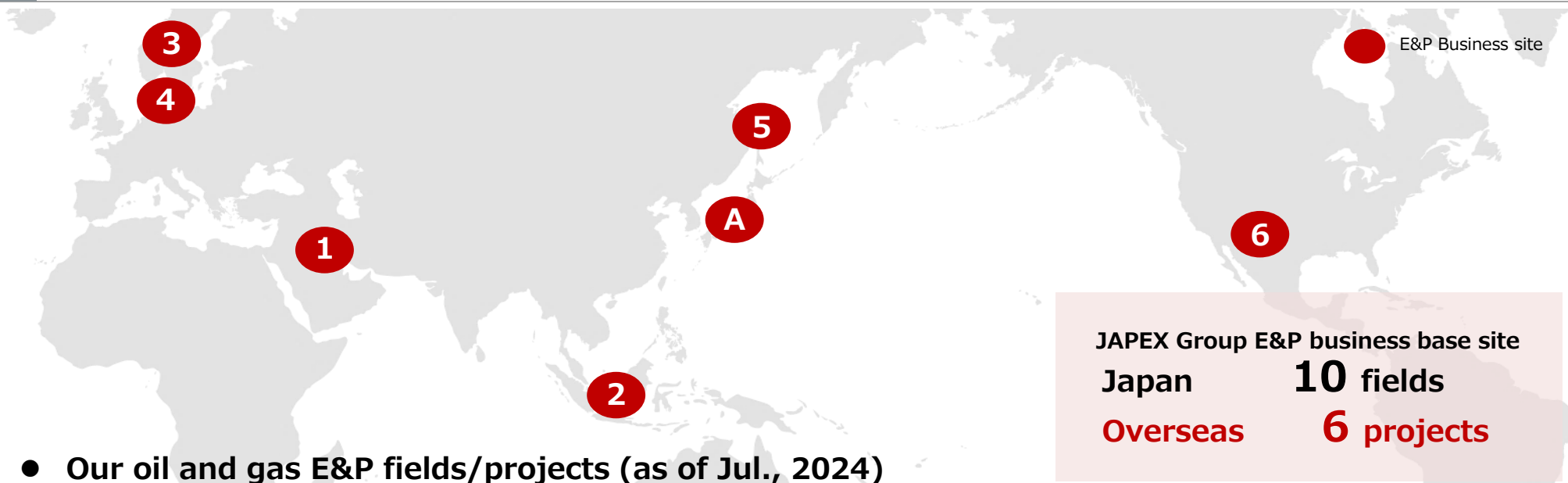
6. Sensitivities Analysis on FY3/25 Forecasts Basis

	FY3/25 2Q-4Q Assumptions	Fluctuation	Impacts on profit (Million Yen)	Main factors for change positive factor "+" / negative factor "-"
			Operating profit	
Crude oil price	WTI USD 75.00/bbl Crude oil price (CIF), Brent USD 80.00/bbl	Increase by 1USD/bbl	290	+ Sales of oil and gas - Increase in LNG procurement cost
Exchange rate	JPY 145.00/USD	1 weaker JPY against USD	380	+ Sales of oil and gas - Increase in LNG procurement cost

【Assumptions】

- Changes in equity method profit/loss are not considered in the above amount
- In addition to the impact of exchange rate fluctuations shown on the above, translation adjustments of foreign-currency-denominated receivables and payables also may occur
- Actual profits are influenced by various other factors besides crude oil prices and exchange rates

7. Business Overview ① E&P Field



● Our oil and gas E&P fields/projects (as of Jul., 2024)

No.	Oil and gas field/Project title (Operator)	Interest Share (JAPEX's net)	Production type	Status	Production Volume* ¹
A	Japan: Domestic oil and gas fields (Total of 10 locations in Hokkaido, Akita, Yamagata, and Niigata)	Differ by interest	Crude oil/ natural gas	Production/ Development	Undisclosed
1	Iraq: Garraf Project (PETRONAS Carigali Iraq Holding B.V.)	30% (16.5%)	Crude oil	Production/ Development	Approx. 152,000bbl
2	Indonesia: Kangean Project (Kangean Energy Indonesia Ltd.)	100% (25%)	Crude oil/ natural gas	Production	Approx. 2,000,000m ³ (Approx. 12,190boed)
3	Norway: Offshore Blocks (Equinor ASA, etc.* ²)	Differ by interest	Crude oil/ natural gas	Exploration/Production/ Development	381boe* ³ * ⁵
4	UK North Sea: Seagull Project (BP Exploration Operating Company Ltd.)	15% (15%)	Crude oil/ natural gas	Production/ Development	Undisclosed
5	Russia: Sakhalin-1 Project (Sakhalin-1 Limited Liability Company: S1LLC)	30% (4.59%)* ⁴	Crude oil/ natural gas	Production/ Development	Undisclosed
6	North America: Tight Oil Development (EOG Resources Inc., etc.* ²)	Differ by interest	Crude oil/ natural gas	Production/ Development	14,469boe* ⁵

*1: Average daily Production for 1Q FY2024 (No.1: Apr.-Jun.2024, No.2,3,6: Jan.-Mar.2024) *2: Operators differ by interest. Main operators listed.

*3: Since the procedures for the acquisition of interests in production assets were completed at the end of Jan. 2024.

*4: Pursuant to Government of the Russian Federation order on Nov. 2022, Sakhalin Oil and Gas Development Co., Ltd.(SODECO) was approved to subscribe for 30% equity of the S1LLC. *5 Stated in net.

7. Business Overview ② I/U Field - Gas Supply

Features of JAPEX's domestic gas supply network

High-pressure gas pipeline network over **800 km total**

2 LNG terminals for ocean-going carriers

Capable to supply from Sea of Japan and Pacific Ocean

● Domestic gas supply

- Domestic produced gas and regasified LNG supply via pipelines
- Receive, storage, regasify, and deliver LNG
- LNG satellite system: tank trucks, domestic vessels
- Third-party or consignment use of our gas pipelines and LNG terminals etc.

● Respond to diversification of domestic gas supply

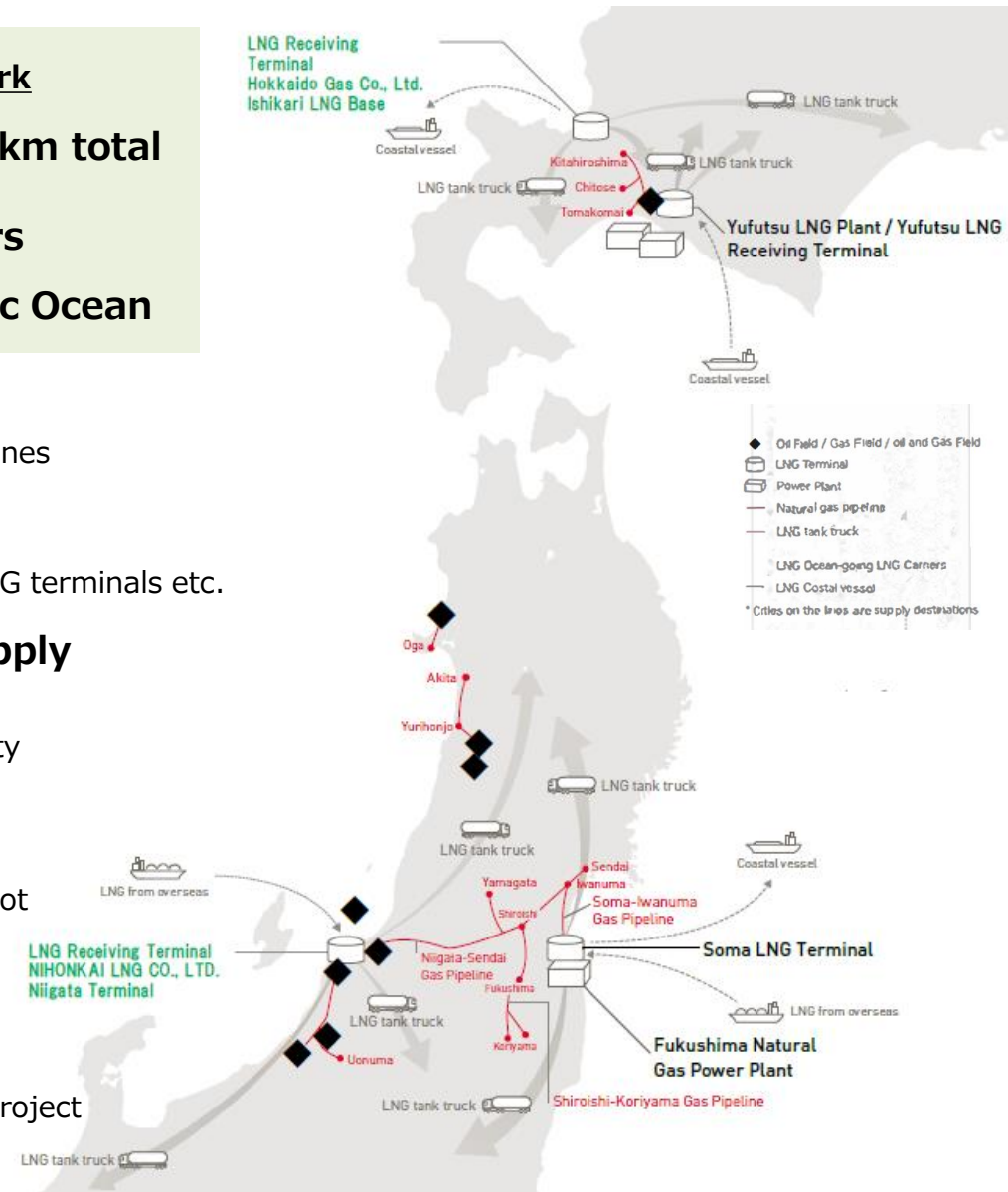
- Support fuel switching to natural gas from other fossil fuels
- Propose and provide energy services in cooperation with city gas suppliers

● LNG procurement

- Procure competitive LNG with a combination of term and spot contracts

● Overseas LNG supply infrastructure

- Project Participation: Freeport LNG Project in Texas, U.S.A.
- Ongoing feasibility study: Northern Vietnam LNG terminal project



7. Business Overview ③ I/U Field - Electricity

JAPEX's joining power plants are

Total 8 sites **Total output 1,389,800kW**
(Renewable energy 7 sites) **Renewable energy 209,800kW)**
 ※ Total output represents gross plant output

● Power plants in development and operation (as of Jul., 2024)

No.	Name	Location	Type	Capacity (kW)	Share	Status
A	Fukushima Natural Gas Power Plant	Shinchi Town, Fukushima	Natural gas (LNG)	1,180,000	33%	In operation
1	Abashiri Biomass No.2&3 Power Plants	Abashiri City, Hokkaido	Biomass (wood chip)	19,800	33.8%	In operation
2	Mega solar power generation at JAPEX Hokkaido District Office	Tomakomai City, Hokkaido	PV	1,800	100%	In operation
3	Yufutsu Solar Power Plant	Tomakomai City, Hokkaido	PV	13,000	20%	In operation
4	Mitsuke PV Power Plant	Mitsuke City, Niigata	PV	250	100%	In operation
5	Tahara Biomass Power Plant	Tahara City, Aichi	Biomass (wood pellet)	50,000	39.9%	Under construction
6	Ozu Biomass Power Plant	Ozu City, Ehime	Biomass (wood pellet)	50,000	35%	Under construction
7	Chofu Biomass Power Plant	Shimonoseki City, Yamaguchi	Biomass (wood pellet)	74,950	39.9%	Under construction

● Other renewable energy project

- PHOTON Sustainable Solar Investment Limited Partnership (funding up to 10 billion yen in PV generation projects including non-FIT projects; 50% of our investment ratio)

1

2 3



4

A



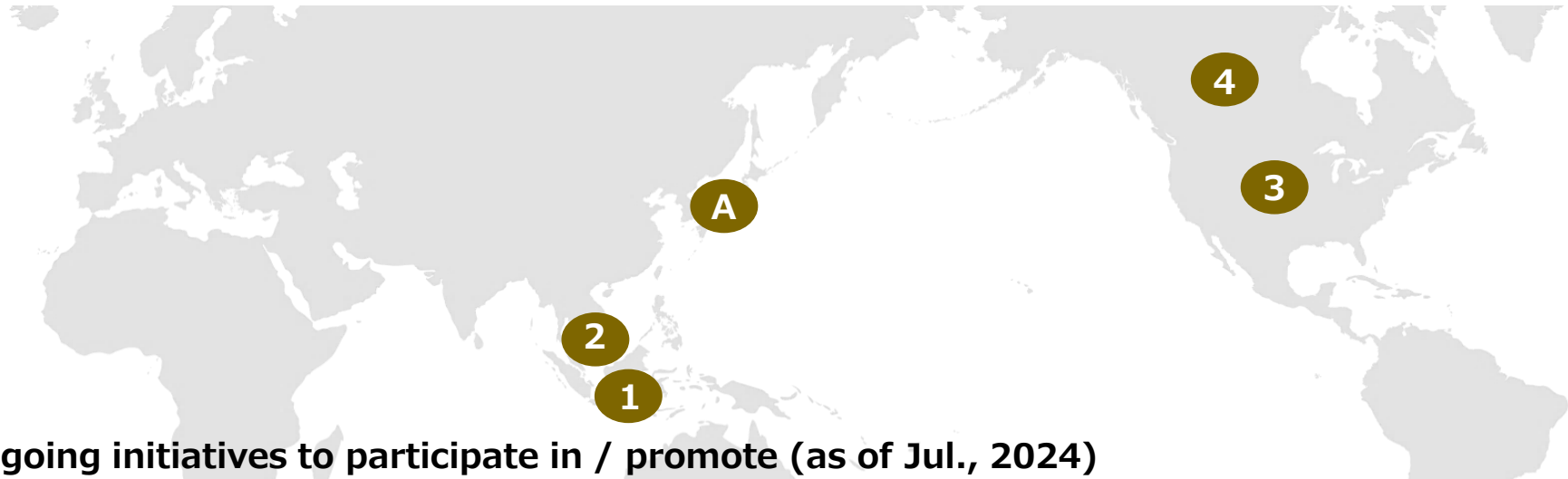
7

6

5

- Gas power plant
- Renewable power plant
- Renewable power plant (under construction)

7. Business Overview ④ CN Field



● Ongoing initiatives to participate in / promote (as of Jul., 2024)

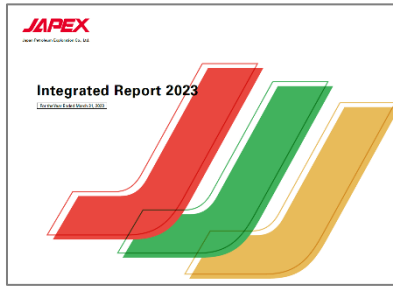
No.	Country	Major Initiatives
A	Japan	<ul style="list-style-type: none"> ✓ Study on technical issues of energy transportation infrastructure for the realization of CN society with JFE Engineering ✓ JAPEX, Idemitsu, and HEPCO commissioned a CCS Study in Tomakomai Area as the “Business Feasibility Study on Japanese Advanced CCS Project” in FY2023 by JOGMEC (Jul 2023) ✓ JAPEX, MGC, TOHOKU-EPCO, HC and NRI commissioned a Study in East-Niigata Area as the “Business Feasibility Study on Japanese Advanced CCS Project” in FY2023 by JOGMEC (Aug 2023) ✓ Agreed on Joint Study with Nippon Gas Line on domestic marine transportation of liquefied CO₂ and port developments (Nov 2023) ✓ Commencement of Joint Study with MGC, IHI, Mitsui & Co., and MOL to establish ammonia supply base in Soma area, Fukushima (Jan 2024) ✓ Adoption of the Survey for establish an ammonia supply base in Soma area, Fukushima Prefecture, for the FY2024 “Subsidy for Measures to Promote Introduction of Non-Fossil Energy (Hydrogen Supply Infrastructure Improvement Project)” (May 2024)
1	Indonesia	<ul style="list-style-type: none"> ✓ Continue CO₂ injection testing at the Sukowati oil field in Indonesia based on a joint study agreement with JOGMEC and the Pertamina Group (Jun 2023) ✓ Signed a Memorandum of Understanding with SKK Migas for cooperation in realizing Hub & Cluster CCS/CCUS in Indonesia (Sep 2023)
2	Malaysia	<ul style="list-style-type: none"> ✓ Joint Study on CCS : Jointly conducted site surveys and technical studies with a view to implementing CO₂ geological storage with PETRONAS, JGC Global Corporation, and Kawasaki Kisen Kaisha (Jan 2022) ✓ Agreed with JFE Steel Corporation to establish CCS value chain originated from JAPAN in conjunction with the above CCS joint study in FY2023 (Jun 2023), Chugoku Electric Power and Nippon Gas Line newly participated in the same study (Feb 2024).
3	U.S.	<ul style="list-style-type: none"> ✓ Capital participation in Blue Spruce Operating LLC of the U.S. to participate in our first CCS business study project in advanced overseas country (Oct 2023)
4	Canada	<ul style="list-style-type: none"> ✓ Signed MOU to foster growth and collaboration in energy market throughout with Invest Alberta Corporation (Mar 2024)

8. Integrated Report and IR-related Materials, etc.

Please visit our website for the integrated report and IR materials.

Integrated Report

◆ Integrated Report



<https://www.japex.co.jp/en/ir/library/integratedreport/>

The latest issue
(Integrated Report 2023, published in October 2023)
is available directly via the following link

https://www.japex.co.jp/en/ir/uploads/pdf/JAPEX_IR2023_e.pdf

Disclosure Materials Archive

- ◆ Financial Results
- ◆ Explanatory Materials
- ◆ Securities Report

<https://www.japex.co.jp/en/ir/library/result/>

<https://www.japex.co.jp/en/ir/library/explanatory/>

<https://www.japex.co.jp/en/ir/library/report/>

Performance information, etc.

- ◆ Financial highlights for 5 years
* Past 10 years' CVS data is also available
- ◆ Shareholder Returns (Dividends)

<https://www.japex.co.jp/en/ir/figure/>

https://www.japex.co.jp/ir/uploads/JAPEX_10yearFinancialData_e.xlsx

<https://www.japex.co.jp/en/ir/stock/dividend/>

9. Glossary

● Abbreviations

BOE(D)	Barrels of Oil Equivalent (per Day)
CCS	Carbon dioxide Capture and Storage
CCUS	Carbon dioxide Capture, Utilization and Storage
CIF	Cost, Insurance and Freight
CN	Carbon neutral
E&P	Exploration and Production
I/U	Infrastructure & Utility
JCC	Japan Crude Cocktail
WTI	West Texas Intermediate

● Main Subsidiaries and Affiliates

Japex Garraf	Japex Garraf Ltd.	Iraq / Garraf Project
EMPI	Energi Mega Pratama Inc.	Indonesia / Kangean Project
SODECO	Sakhalin Oil & Gas Development Co., Ltd.	Russia / Sakhalin-1 Project
J Norge	JAPEX Norge AS	Norway: Offshore Blocks
FGP	Fukushima Gas Power Co., Ltd.	Natural gas-fired electric power generation Business
GCLH	Gulf Coast LNG Holdings LLC	Freeport LNG Project in Texas, U.S.A.

Cautionary Statement

This document contains future outlooks such as plans, forecasts, strategies, and others which are not historical facts and these are made by the management's judgement based on the obtainable information at the time of the disclosure. Actual results may significantly differ from those future outlooks due to various factors.

This document is not intended to invite investment.

Copyright: All information contained herein is protected by copyright, and may not be copied or reproduced without prior consent of JAPEX.

Note:

- Abbreviations used herein are as follows:
 - (a) = Actual results
 - (f) = Forecasts
 - FY = Fiscal Year (FY3/25, for instance, means 12 months ending March 31, 2025)
- Figures in parentheses in "Operating profit," "Ordinary profit," "Equity method profit," and "Profit attributable to owners of parent" represent losses in each category.

Any inquiries about the information contained herein or other Investor Relations questions are requested to be directed to:

Corporate Communication Office, Japan Petroleum Exploration Co., Ltd. (JAPEX)
Tokyo, JAPAN TEL: +81-3-6268-7111

JAPEX