



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

November 13, 2024

Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)
Securities Code: 1662 (Prime Market of the Tokyo Stock Exchange)
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Notice of Financial Forecasts Revision, Interim Dividend Payout, and the Change in Dividend Policy

Japan Petroleum Exploration Co., Ltd. (JAPEX) hereby revised its consolidated financial forecasts for the fiscal year ending March 31, 2025, which was disclosed on August 8, 2024, based on our recent business trends and performance.

In addition, JAPEX announces that its Board of Directors, at a meeting held today, resolved to pay an interim dividend with a record date of September 30, 2024, and changed dividend policy in line with a 5-for-1 stock split of shares of common stock that was conducted on October 1, 2024.

1. Financial Forecasts Revision

(1) Revision to consolidated forecasts for FY2025/3 (April 1, 2024 - March 31, 2025)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Previous forecasts (A)	358,400	53,800	57,800	44,000	170.62
Revised forecasts (B)	364,000	55,400	54,200	78,500	304.43
Difference in amount (B - A)	5,600	1,600	(3,600)	34,500	
Rate of change (%)	1.6	3.0	(6.2)	78.4	
(Reference) FY 2024/3	325,863	55,247	68,808	53,661	994.43

Note: 1. FY=Fiscal Year (FY2025/3, for instance, means 12 months ending March 31, 2025)

2. JAPEX conducted a 5-for-1 stock split of shares of common stock, with an effective date of October 1, 2024. Basic earnings per share in the consolidated earnings forecast for the fiscal year ending March 31, 2025 takes into account the impact of the stock split. If the stock split is not considered, the basic earnings per share for the revised forecast is projected to be 1,522.14 yen.

(2) Reasons of revision

Compared with the previous forecast (August 8, 2024), net sales and operating profit are expected to increase mainly due to increase in the sales volume of LNG and electricity.

In addition, although ordinary profit is expected to decrease due to the recording of foreign exchange losses, profit attributable to owners of parent is expected to increase due to the recording of gain on sale of investment securities as extraordinary income.

(3) Reference:

[Crude Oil Price (CIF)]		(USD/bbl)	
Previous		Revised	
Apr. to Jun. 2024 (average of actual)	85.95	Apr. to Sep. 2024 (average of actual)	86.84
Jul. 2024 to Mar. 2025 (forecast)	80.00	Oct. 2024 to Mar. 2025 (forecast)	75.00

[Exchange Rate]		(JPY/USD)	
Previous		Revised	
Apr. to Jun. 2024 (average of actual)	152.39	Apr. to Sep. 2024 (average of actual)	154.34
Jul. 2024 to Mar. 2025 (forecast)	145.00	Oct. 2024 to Mar. 2025 (forecast)	140.00

Note) The aforementioned forecasts are based on the current available information and the actual performances and other results may differ materially due to various factors in the future.

2. Payment of Interim Dividend

(1) Details of the interim dividend

	Determined Dividend	Latest Dividend Forecast (disclosed on May 14, 2024)	Previous Interim Dividend (Six months ended September 30, 2023)
Record Date	September 30, 2024	September 30, 2024	September 30, 2023
Dividend per Share	125.00 yen	125.00 yen	125.00 yen
Total Dividend Payment	6,412 million yen	-	6,787 million yen
Effective Date	December 12, 2024	-	December 12, 2023
Dividend Source	Retained Earnings	-	Retained Earnings

(2) Reason

Our basic policy for profit distribution is to pay dividends in line with business results for each fiscal year, with a target consolidated dividend payout ratio of 30% basically. If the profit attributable to owners of parent fluctuates significantly due to extraordinary income or loss or other exceptional factors, the amount of dividend will be determined in consideration of such fluctuations.

(Reference) Year-end dividend forecast

	Dividend per Share (Yen)		
	2 nd quarter-end	Year-end	Annual total
Previous forecasts (on May 14, 2024)	125.00	25.00	-
Actual dividends for FY2025/3	125.00	-	-
Actual dividends for FY2024/3	125.00	175.00	300.00

Note) JAPEX conducted a 5-for-1 stock split of shares of common stock, with an effective date of October 1, 2024. The year-end dividend per share for the fiscal year ending March 31, 2025 (forecast) is stated after considering the effect of such the stock split. If the stock split is not considered, the year-end dividend will be 125.00 yen.

3. Change in dividend policy

(1) Reason for Change

Change due to conducted a 5-for-1 stock split of shares of common stock, with an effective date of October 1, 2024.

(2) Changed contents (The underlined text is amended.)

Policy before change (former policy)	Policy after change
<p>We recognize that returning profits to shareholders is an important management issue, as well as maintaining a sound management base and strengthening our financial position. We aim to sustainably increase corporate value through proactive investment using retained earnings and expansion of our business base, thereby sharing the fruits of our efforts with our shareholders.</p> <p>JAPEX's basic policy for profit distribution is to pay dividends in line with business results for each fiscal year with a target consolidated dividend payout ratio of 30%, while striving to maintain an annual dividend of <u>¥50</u> per share even in the event of a temporary downturn in business performance due to factors such as changes in the business environment. (However, in the year when profit attributable to owners of parent fluctuates significantly due to extraordinary income or loss or other exceptional factors, the amount of dividend will be determined in consideration of such fluctuations.)</p>	<p>We recognize that returning profits to shareholders is an important management issue, as well as maintaining a sound management base and strengthening our financial position. We aim to sustainably increase corporate value through proactive investment using retained earnings and expansion of our business base, thereby sharing the fruits of our efforts with our shareholders.</p> <p>JAPEX's basic policy for profit distribution is to pay dividends in line with business results for each fiscal year with a target consolidated dividend payout ratio of 30%, while striving to maintain an annual dividend of <u>¥10</u> per share even in the event of a temporary downturn in business performance due to factors such as changes in the business environment. (However, in the year when profit attributable to owners of parent fluctuates significantly due to extraordinary income or loss or other exceptional factors, the amount of dividend will be determined in consideration of such fluctuations.)</p>

(3) Effective period of change

Effective from the year-end dividends for the fiscal year ending March 31, 2025

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