



[Explanatory Material]

Financial Results

for the Fiscal Year Ended March 31, 2024

May 14, 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.

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Note: This material also serves as the presentation material for the financial results briefing for the institutional investors and analysts to be held on May 15, 2024.

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Financial Highlights

FY3/24 Results (Year-on-Year)

(Billion Yen)	FY3/23 (a)	FY3/24 (a)	Change
Operating profit	62.0	55.2	(6.8)
Ordinary profit	83.1	68.8	(14.3)
Profit attributable to owners of parent	67.3	53.6	(13.7)

- **Operating profit** : Decreased due to lower sales prices of crude oil, natural gas, and LNG, etc. (-)
- **Ordinary profit** : Decreased in equity method profit, etc. (-)

FY3/25 Forecasts (Year-on-Year)

(Billion Yen)	FY3/24 (a)	FY3/25 (f)	Change
Operating profit	55.2	52.4	(2.8)
Ordinary profit	68.8	55.5	(13.3)
Profit attributable to owners of parent	53.6	42.8	(10.8)

- **Operating profit** : Expect to decline in sales prices of crude oil, natural gas, etc. (-)
- **Ordinary profit** : Expect to decrease in foreign exchange gains, etc. (-)

Shareholders Return

- **FY3/24 annual dividend per share (result)** : 300 yen per share (interim 125 yen + year-end 175 yen)
- **FY3/25 dividend per share (forecast)** : 125 yen for interim and 25 yen for year-end*

*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

Management Goal and Fund Allocation

Management target (quantitative target)

Item	Target	FY2023	FY2024 forecast
Assumptions	Oil Price (JCC) 50USD/bbl Exchange Rate 110yen/USD	Oil Price (JCC) 86.28USD/bbl Exchange Rate 143.28yen/USD	Oil Price (JCC) 85USD/bbl Exchange Rate 140yen/USD
Business profit*1	FY2026 30 billion Yen FY2030 50 billion Yen	55.8 billion Yen	52.6 billion Yen
ROE	FY2026 5% FY2030 8%	11.5%	8.4%
Profit composition (E&P : non-E&P)	FY2026 6 : 4 FY2030 5 : 5	7 : 3	8 : 2

Fund allocation

Item	Assumed allocation*2	FY2023	FY2024 forecast
Growth investment	Cumulative total for FY2026 275 billion Yen FY2030 450 billion Yen	73.3 billion Yen	77 billion Yen+a (cumulative total 194.5billion Yen+a)
Shareholders return	Cumulative total for FY2026 25 billion Yen FY2030 50 billion Yen	26.6 billion Yen (Breakdown) Year-end dividend of previous FY 11.9 billion Yen Interim dividend 6.7 billion Yen Share repurchases 7.9 billion Yen	27.7 billion Yen (cumulative total 68.1 billion Yen) (Breakdown) Year-end dividend of previous FY 9.2 billion Yen Interim dividend 6.4 billion Yen Share repurchases 12.0 billion Yen

*1: Operating profit and equity method profit (Including profits to be distributed under limited liability investment partnership and silent partnership agreements)

*2: Five-years cumulative total from FY2022 through FY2026 and nine-years from FY2022 through FY2030

Main Updates and Outlook on Priority Items

	FY2023 result	FY2024 outlook
E&P	<p>[Japan]</p> <ul style="list-style-type: none"> ➢ Additional development of Katakai gas field in Niigata : Started production of the first well (Dec) /Drilling the second well <p>[Overseas]</p> <ul style="list-style-type: none"> ➢ Capital participation in a subsidiary of U.K.-based Longboat Energy PLC (Longboat JAPEX Norge AS : LBJ) which promotes exploration and development in offshore Norway (May) ➢ Acquisition of additional well interests in tight oil development project in U.S. (May & Dec) ➢ Started production of crude oil and natural gas at the Seagull project in U.K. North Sea (Nov) 	<p>[Japan]</p> <ul style="list-style-type: none"> ➢ Additional development of Katakai gas field in Niigata : Start production of the second well (second half of the year) <p>[Overseas]</p> <ul style="list-style-type: none"> ➢ All well development work complete at the Seagull project in U.K. North Sea, expanding production. (second half of the year) ➢ Production to begin step by step from additional interests acquired in the U.S. tight oil development.
	<p>On-going</p> <ul style="list-style-type: none"> • Considering low-carbon measures for domestic operations • Ongoing overseas development project Garraf project : Continue additional development to 230,000 barrels per day. Exploration and Development of Norwegian Offshore blocks through LBJ. 	
I/U	<p>[Development of domestic renewable energy]</p> <ul style="list-style-type: none"> ➢ Established PJ Asset Management Co., Ltd., to develop, manage and operate of solar power generation projects (Jun) ➢ Started operation of Mitsuke PV Power Plant, Niigata (Aug) ➢ Invested in Storage battery-related company PowerX, Inc (Aug) <p>[LNG transport and supply]</p> <ul style="list-style-type: none"> ➢ Conducts Feasibility Study of Energy Service Utilizing LNG to the Industrial Park in Northern Vietnam (Aug) 	<p>[Development of domestic renewable energy]</p> <ul style="list-style-type: none"> ➢ Ozu Biomass Power Plant in Ehime begins commercial operation (Aug) ➢ Chofu Biomass Power Plant in Yamaguchi begins commercial operation (Jan)
	<p>On-going</p> <ul style="list-style-type: none"> • Development of domestic renewable energy (Under construction) Tahara Biomass Power Plant in Aichi (FY2025) • Overseas LNG midstream and downstream business development Continue to consider new business opportunities. 	
CN	<ul style="list-style-type: none"> ➢ CCS Studies in Tomakomai Area and East-Niigata Area were commissioned as the "Business Feasibility Study on Japanese Advanced CCS Project" by JOGMEC in FY2023 (Jul&Aug) ➢ Launched our first concrete CCS commercialization study in advanced overseas country by capital participation in Blue Spruce Operating LLC of the U.S. (Oct) ➢ CO2 injection field test at Sukowati oil field in Indonesia (Dec) ➢ Commenced joint study to establish ammonia supply base in Soma area, Fukushima (Jan) ➢ Signed a storage site agreement with PETROS to develop the CCS project in Malaysia (Feb) 	
	<p>On-going</p> <ul style="list-style-type: none"> • Feasibility study of domestic CN business : Promoting commercialization studies in the Tomakomai and Higashi-Niigata areas • Overseas CCS/CCUS feasibility study : Indonesia CO2 EOR with Pertamina Group / Malaysia CCS with PETRONAS / America CCS with BSO 	

+ Focus on acquisition of new overseas oil and gas interests

+ Focus on participation in new renewable energy projects in Japan and overseas

+ Continue to consider participation in new CN projects in Japan and overseas

Main Updates on Shareholders return and ESG items

		FY2023 result	FY2024 outlook
ESG	Shareholders return	<ul style="list-style-type: none"> Commenced share repurchases (Nov) Actual dividends : 300 yen per year (interim 125 yen + year-end 175 yen, Dividend payout ratio 30.2%) 	<ul style="list-style-type: none"> Completion of share repurchase(Aug) /Cancel repurchased shares (Sep) Annual dividends forecast : interim 125 yen + year-end 25 yen, Dividend payout ratio 30.1% <ul style="list-style-type: none"> ※A 5-for-1 stock split of common stock, effective October 1, 2024, was resolved. The year-end dividend per share for FY2024 (forecast) without considering the stock split is 125 yen
	E	<ul style="list-style-type: none"> Participation in GX League and goal setting (Apr&Sep) Commitment to decarbonized society <ul style="list-style-type: none"> ➢ Offsetting Scope 2 GHG emissions by purchasing non-fossil fuel certificates (Year-round) ➢ Reduction of GHG emissions Scope 2 by starting operation of a solar power generation facility on idle land in Mitsuke (Aug) Launch of TNFD (biodiversity) framework initiatives (Oct) 	<ul style="list-style-type: none"> + Enhance the climate change-related disclosures + Strengthen activities to realize CN society, including GX-related activities
	S	<ul style="list-style-type: none"> Developed and disclosed multi-stakeholder policies (May) Started trial of office environment reform (Nov) Conducted human rights due diligence on domestic group companies (Nov) Selected as the health & productivity stock selection and White 500 company in health & productivity management outstanding organizations recognition program (Mar) Implementation of the free dress code trial in office hours (Year-round) 	<ul style="list-style-type: none"> Officially starts the free dress code in office hours (Apr) Reform of the personnel system (Jul) + Enhance the investment in human capital and related disclosures + Promote optimization of organization and operations by utilizing DX and other measures
	G	<ul style="list-style-type: none"> Publication of “Action to Implement Management that is Conscious of Cost of Capital and Stock Price” (Nov) 	<ul style="list-style-type: none"> + Continue addressing with “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

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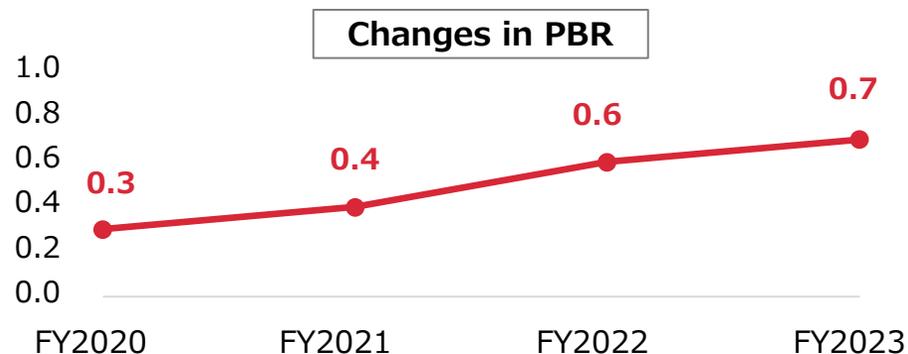
II. Initiatives for Sustainable Growth and Medium- to Long-term Enhancement of Corporate Value

Initiatives for Sustainable Growth and Medium- to Long-term Enhancement of Corporate Value

Market Evaluation Status

Item	FY2023	TSE prime average FY2022
PBR*	x0.7	x1.2
ROE	11.5%	8.5%
PER*	x6.9	x15.0

* Share price of March 29, 2024 (6,860 yen) is used



Policies aimed at Enhancing Corporate Value

Already announced in the financial results for the second quarter of the fiscal year ending March 31, 2024.

- Analyzed that the main reason of less than 1x P/B ratio is due to below-average PER, while ROE has been above the TSE Prime average
- Recognized that the low PER is partly due to the lack of understanding and confidence in our efforts to enhance corporate value, in addition to structural factors such as the sustainability of the oil and natural gas business toward decarbonized society and the volatility of oil and natural gas prices
- Future policies to enhance corporate value have been summarized as “Investments focused on capital efficiency,” “Enhancement of shareholder returns,” and “Continuous dialogue with stakeholder”

Progress of Policies

【Investments focused on capital efficiency】

- Organize policies to build core assets that are expected to contribute to profits in the medium to long term (next page)

【Enhancement of shareholder returns】

- Ongoing share repurchases (Nov 2023 - Aug 2024)

【Continuous dialogue with stakeholder】

- Stock split to increase the liquidity of the Company's shares and expand the investor base (Oct 2024)

Toward Building Core Assets ①

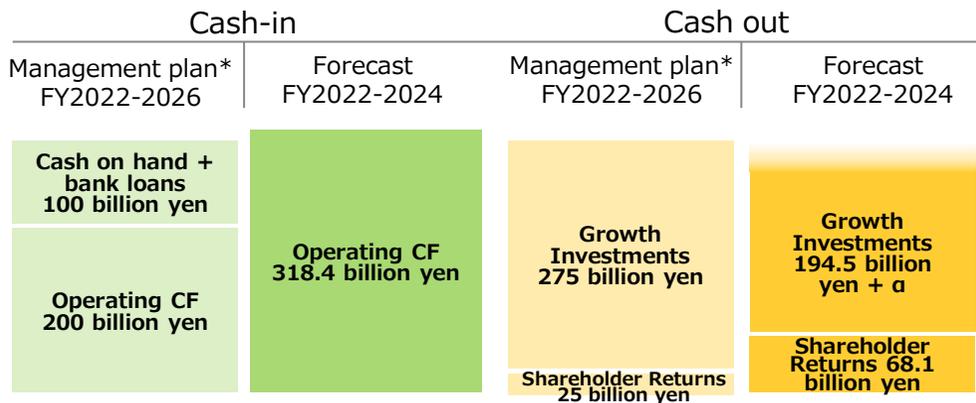
Pivot from strengthening profitability to building a business foundation for the late 2020s, 30s and beyond

- | | |
|--------------------------|--|
| Current Awareness | <ul style="list-style-type: none"> ● Recognize that oil and natural gas will remain significant energy sources. Reaffirmed the importance of stable energy supply amid rising geopolitical risks ● Recognize that CCS/CCUS business, necessary for the sustainable use of oil and natural gas have the potential to become a multi-trillion yen domestic market in the future ● In E&P field, investment in the U.S. business has improved profitability in the short term. In I/U field, FGP, Soma LNG terminal, and LNG procurement margins contributed to earnings, and investments were also made in the biomass power generation business in Japan. In CN field, continued to study commercialization of CCS/CCUS in Japan and overseas ● Forecast to secure the management plan targets for FY2026 (business profit of 30 billion yen and ROE of 5%) even with only the assets already acquired by the end of FY2023 |
|--------------------------|--|

- | | |
|--------------------------|---|
| Investment Policy | <ul style="list-style-type: none"> ● Focus the improved cash flow on building competitive and sustainable assets (core assets) for the late 2020s, 30s and beyond, which is the issue for the future ● Position E&P field and CCS/CCUS, which are expected to contribute to profits in the future, as immediate core assets ● In the I/U field, make investments with profitability in mind, considering environmental changes, such as excessive competition in offshore wind power |
|--------------------------|---|

< Progress in cash flow >

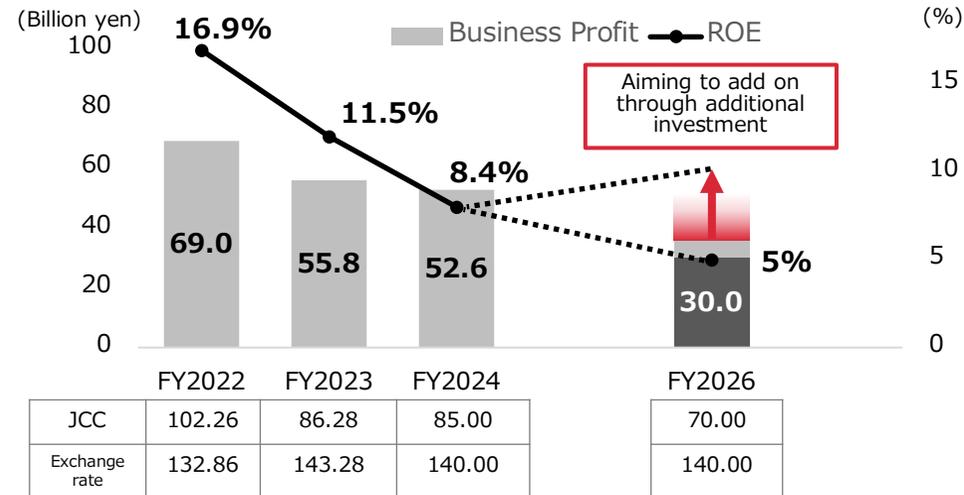
- Operating CF reached about 1.5 times of the FY2026 cumulative value two years ahead of the schedule
- Growth investments generally progressed as planned
- Progress in shareholder returns will be approximately 2.5 times of the FY2026 cumulative value by FY2024



* Assuming oil price (JCC) 50USD/bbl and exchange rate 110 yen/USD

< Progress in Business Profit >

- Forecast to secure the business profit of the management plan target for FY2026, even with only the assets already acquired by the end of FY2023
- Aim to further increase business profit by investing in growth from FY2024 onward



Toward Building Core Assets ②

<p>E&P</p>	<p align="center">Develop operator business mainly overseas and build core assets that are cost-competitive and sustainable</p> <ul style="list-style-type: none"> ➤ Concentrate management resources in the U.S., where we have accumulated knowledge and networks, and Norway, where we have established a base through capital participation ➤ Build core assets by starting with a small operator business in the U.S. and gradually expanding the scale of operations, and by working with Longboat Energy Norge AS, in which we have a stake, for even exploration activities in Norway ➤ In Japan, continue to pursue potential through additional reserves through Katakai additional development etc. and offshore exploration
<p>I/U</p>	<p align="center">Strengthening earnings base to withstand changes in the external environment, such as oil price fluctuations</p> <ul style="list-style-type: none"> ➤ Promote initiatives to further increase stable cash flow, particularly in renewable energy and overseas supply infrastructure businesses
<p>CN</p>	<p align="center">Become one of the leading CCS/CCUS companies in Japan as the top runner in CCS/CCUS in Japan</p> <ul style="list-style-type: none"> ➤ Focus on launching two projects in the Higashi Niigata and Tomakomai areas commissioned as “Business Feasibility Study on Japanese Advanced CCS Project” to build hub and cluster CCS/CCUS business assets after 2030 ➤ In advanced overseas countries, lead the final investment decision for the CCS project under consideration with BSO of the U.S., in which we had a capital participation, and also participate in other minor investment projects ➤ In emerging countries, taking a leading role in promoting CCS/CCUS feasibility studies in Sarawak, Malaysia, and Sukowati oil field, Indonesia
<p align="center">Strengthening the management base underpins the building of core assets</p>	
<p>Human Capital</p>	<ul style="list-style-type: none"> ➤ Transition from a “job qualification grading system” to a “role grading system” based on the roles that one plays to make it easier for talented people to play more active role (Jul 2024) ➤ Allocate human resources to new growth areas generated by the organizational integration of the domestic E&P business and the natural gas and LNG supply business (Jul 2025)
<p>DX</p>	<ul style="list-style-type: none"> ➤ Complete the construction of an integrated data infrastructure, identified as an issue in BPR (Business Process Reengineering) by FY2025, to achieve greater efficiency, sophistication, and productivity in operations from FY2026

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FY3/24 Results (Year-on-Year)

Million Yen	FY3/23 (a)	FY3/24 (a)	Change	
Net sales	336,492	325,863	(10,628)	(3%)
Gross profit	96,111	87,296	(8,814)	(9%)
Operating profit	62,085	55,247	(6,838)	(11%)
Ordinary profit	83,130	68,808	(14,321)	(17%)
Profit attributable to owners of parent	67,394	53,661	(13,732)	(20%)

Oil Price and Exchange Rate

		FY3/23 (a)	FY3/24 (a)	Change
WTI	USD/bbl	94.42	77.69	(16.73)
Crude oil price (CIF)	USD/bbl	102.26	86.28	(15.98)
Exchange rate	JPY/USD	132.86	143.28	+10.42

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

Net sales : Million Yen		FY3/23 (a)		FY3/24 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	56,063	-	88,810	-	-	+32,747	+58%

Breakdown

Crude oil	Thousand KL	695	55,703	1,240	87,808	+545	+78%	+32,105	+58%
Crude oil - Japan		238	20,760	225	17,792	(12)	(5%)	(2,967)	(14%)
Crude oil - Overseas ^{*1}		436	33,084	994	68,397	[1] +558	+128%	+35,313	+107%
Purchased crude oil		20	1,858	20	1,618	(0)	(3%)	(240)	(13%)
Natural Gas - Overseas ^{*2}	Million M3	11	360	65	1,002	+54	+474%	+641	+178%

Main factors for change

[1] Increase in sales volume of U.S. tight oil development and Iraq Garraf project / Sales begin from the Seagull project in U.K. North Sea

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

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

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

Net sales : Million Yen		FY3/23 (a)		FY3/24 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	213,657	-	172,147	-	-	(41,510)	(19%)

Breakdown

Natural Gas - Japan	Million M3	989	97,360	955	81,487	[1]	(33)	(3%)	(15,873)	(16%)
- Produced in Japan		461	-	444	-	(16)	(4%)	-	-	
LNG	Thousand Ton	340	51,572	275	30,190	[2]	(65)	(19%)	(21,382)	(41%)
Electricity	Million kWh	3,005	58,735	3,548	53,272	+542	+18%	[3]	(5,463)	(9%)
Other*	-	-	5,988	-	7,197	-	-	+1,209	+20%	

Main factors for change

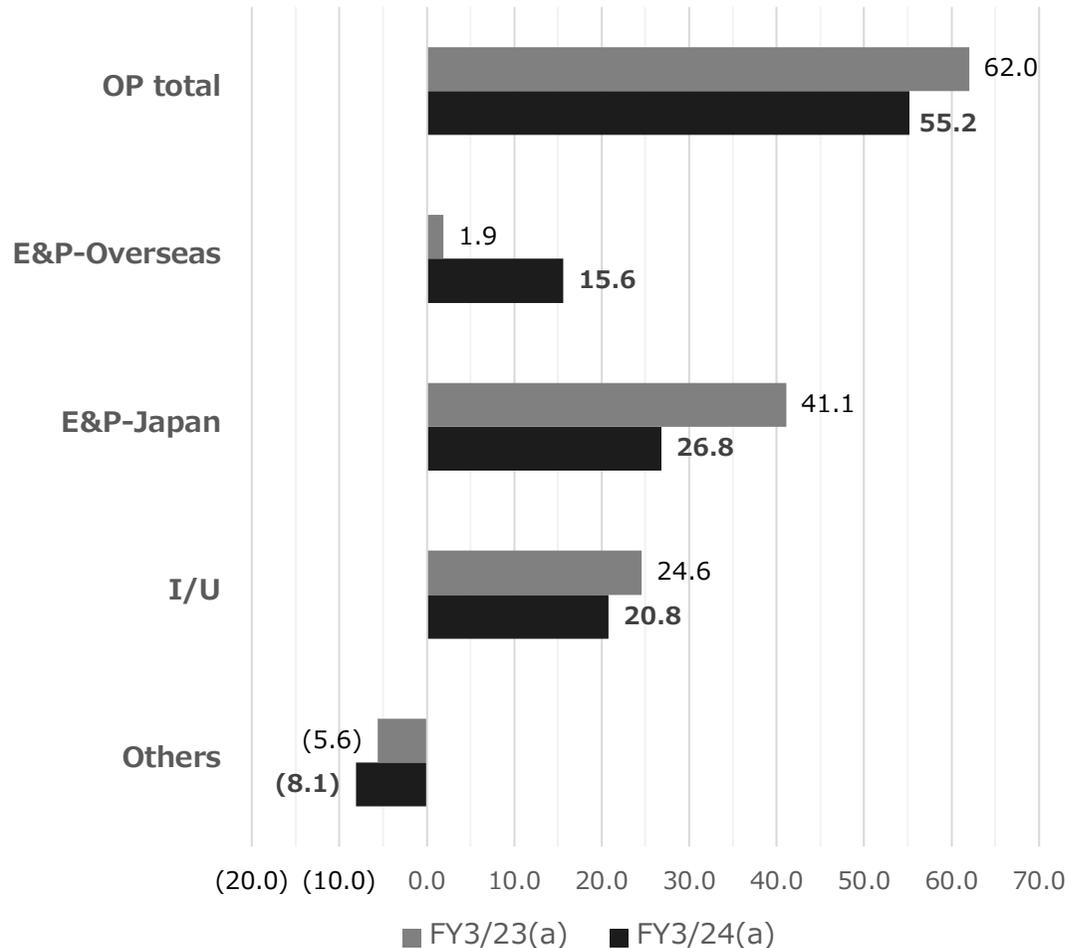
[1]-[2] Decrease in sales volume and sales price

[3] Decrease in sales price

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

Operating Profit (Year-on-Year)

(Billion Yen)



E&P Business

Overseas : +13.6 bn. 1.9 bn. → 15.6 bn.

- Increase in sales volume of tight oil development in U.S. (+)
- Absence of one-time expenses of the Iraqi Garraf project, etc. (+)

Japan : (14.2 bn.) 41.1 bn. → 26.8bn.

- Decrease in sales volume and sales price of crude oil (-)
- Decrease in sales volume and sales price* of natural gas (-)

* Internal transaction price from E&P Business to I/U Business for the internal management

I/U Business

(3.7 bn.) 24.6 bn. → 20.8 bn.

- Decrease in marginal gain on LNG procurement (-)
- Raw material slide time lag (+)

Others *

(2.4 bn.) (5.6 bn.) → (8.1 bn.)

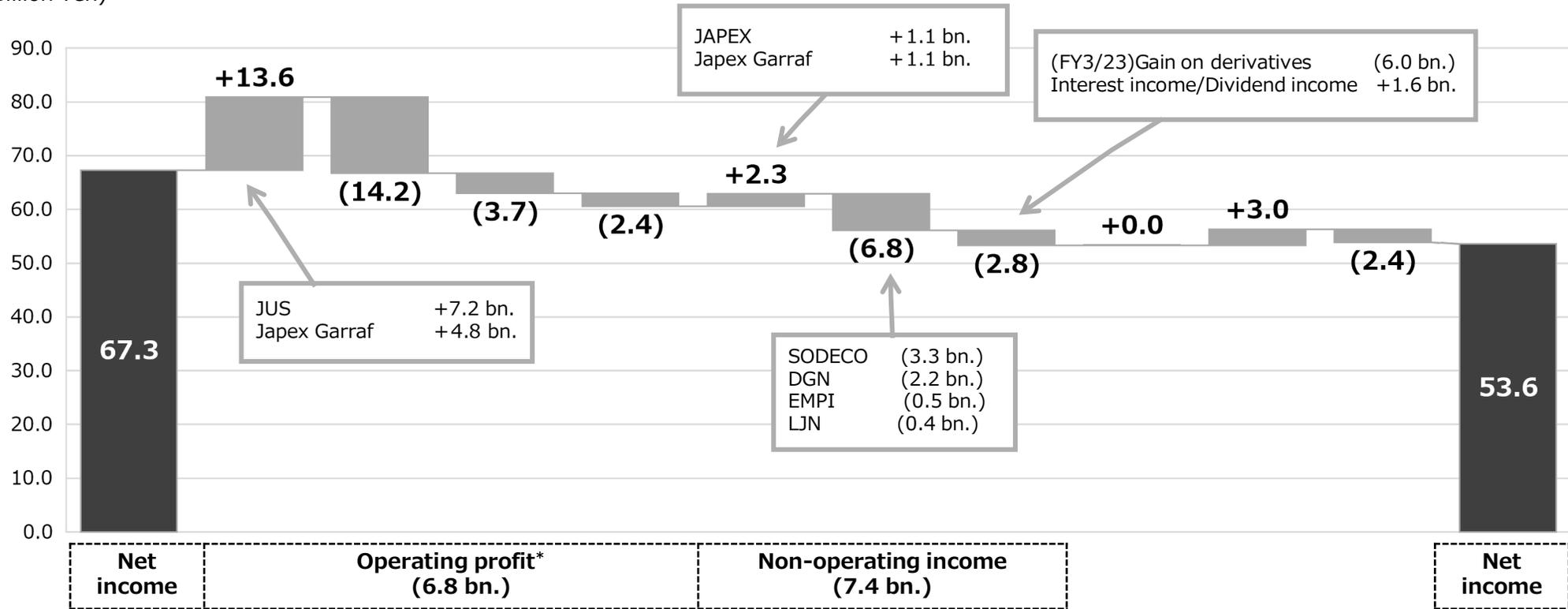
- Increase in general and administrative expenses (Personnel and digital-related expenditures etc.) (-)
- Decrease in profit of contract services at subsidiaries (-)

* 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)



Net income	Operating profit* (6.8 bn.)					Non-operating income (7.4 bn.)			Extraordinary income	Income taxes	Profit attributable to non-controlling interest	Net income
FY3/23 (a)	E&P overseas	E&P Japan	I/U	Others	Foreign exchange gains and loss	Equity method profit	Others				FY3/24 (a)	

FY3/23(a)	1.9	41.1	24.6	(5.6)	5.3	7.1	8.6	(0.0)	15.1	0.5	
FY3/24(a)	15.6	26.8	20.8	(8.1)	7.6	0.2	5.7	(0.0)	12.0	3.0	

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

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FY3/24 Forecasts

Million Yen	FY3/24 (a)	FY3/25 (f)	Change	
Net sales	325,863	379,400	+53,536	+16%
Gross profit	87,296	86,300	(996)	(1%)
Operating profit	55,247	52,400	(2,847)	(5%)
Ordinary profit	68,808	55,500	(13,308)	(19%)
Profit attributable to owners of parent	53,661	42,800	(10,861)	(20%)

Oil Price and Exchange Rate

		FY3/24 (a)	FY3/25 (f)	Change
WTI	USD/bbl	77.69	80.00	+2.31
Crude oil price (CIF)	USD/bbl	86.28	85.00	(1.28)
Exchange rate	JPY/USD	143.28	140.00	(3.28)

E&P Business Sales Forecasts

Net sales : Million Yen		FY3/24 (a)		FY3/25 (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	88,810	-	141,190	-	-	+52,379	+59%

Breakdown

Crude oil	Thousand KL	1,240	87,808	2,009	138,031	+768	+62%	+50,222	+57%	
Crude oil - Japan		225	17,792	220	16,507	(5)	(2%)	(1,285)	(7%)	
Crude oil - overseas* ¹		994	68,397	1,769	120,096	[1]	+775	+78%	+51,698	+76%
Purchased crude oil		20	1,618	18	1,427	(1)	(9%)	(190)	(12%)	
Natural Gas - Overseas* ²	Million M3	65	1,002	151	3,158	+85	+130%	+2,156	+215%	

Main factors for change

[1] Increase in sales volume of U.S. tight oil development, Garraf Project in Iraq and the Seagull project in U.K. North Sea

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

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

I/U Business Sales Forecasts

Net sales : Million Yen		FY3/24 (a)		FY3/25 (f)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	172,147	-	171,691	-	-	(456)	(0%)

Breakdown

Natural Gas - Japan	Million M3	955	81,487	970	76,623	+14	+1%	[1]	(4,863)	(6%)	
- Produced in Japan		444	-	457	-	+13	+3%		-	-	
LNG	Thousand Ton	275	30,190	366	34,401	[2]	+91	+33%	+4,210	+14%	
Electricity	Million kWh	3,548	53,272	2,980	44,678	[3]	(568)	(16%)	(8,593)	(16%)	
Others*	-	-	7,197	-	15,988		-	-	[4]	+8,790	+122%

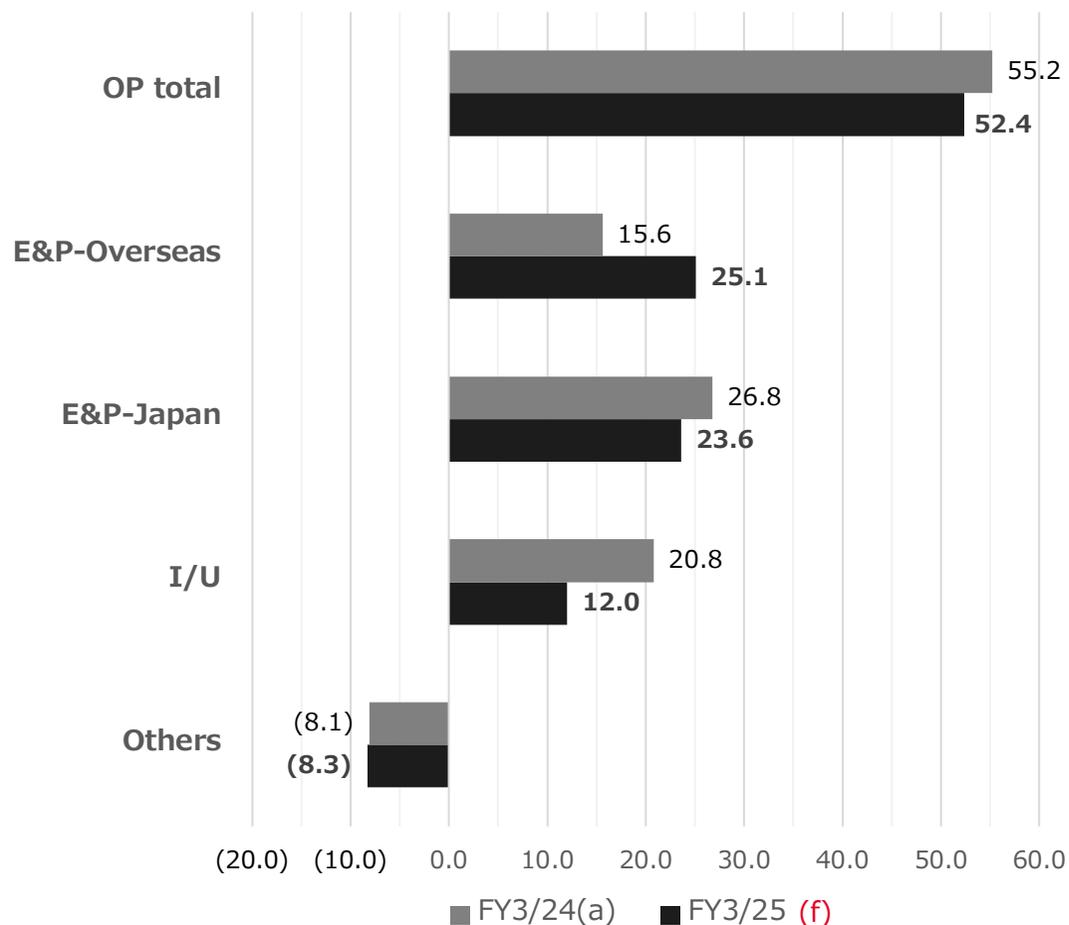
Main factors for change

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

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

Operating Profit Forecasts

(Billion Yen)



E&P Business

Overseas : +9.5 bn. 15.6 bn. → 25.1 bn.

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

Japan : (3.2 bn.) 26.8 bn. → 23.6 bn.

- Decrease in sales volume and sales price of crude oil (-)
- Decrease in sales price* of natural gas (Japan) (-)

* Internal transaction price from E&P Business to I/U Business for the internal management

I/U Business

(8.8 bn.) 20.8 bn. → 12.0 bn.

- Decrease in marginal gain on LNG procurement (-)

Others*

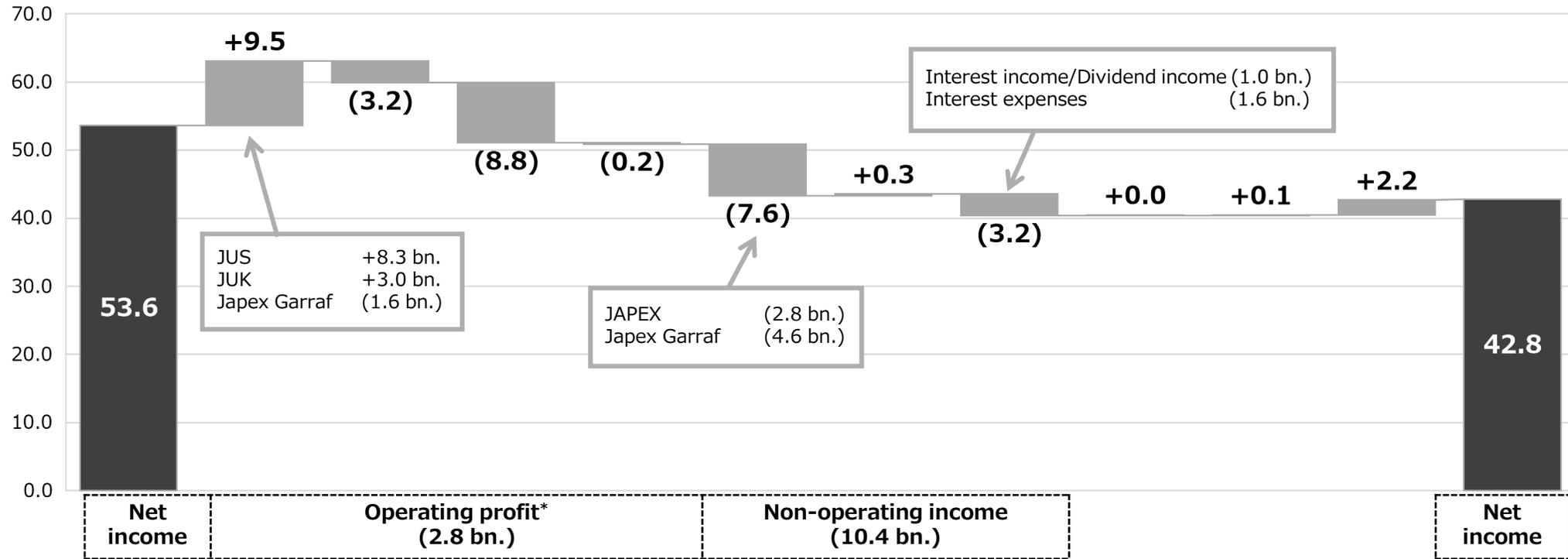
(0.2 bn.) (8.1 bn.) → (8.3 bn.)

* 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

(Billion Yen)



Net income	Operating profit* (2.8 bn.)					Non-operating income (10.4 bn.)					Net income
FY3/24 (a)	E&P Overseas	E&P Japan	I/U	Others	Foreign exchange gains and loss	Equity method profit	Others	Extraordinary income	Income taxes	Profit attributable to non-controlling interest	FY3/25 (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 (f)	25.1	23.6	12.0	(8.3)	-	0.6	2.5	-	11.9	0.8	

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

Balance sheet

Million Yen	FY3/23(a)	FY3/24(a)	Change
Current assets	281,791	249,768	(32,022)
Non-current assets	286,388	411,160	+124,771
Property, plant and equipment	118,411	176,300	+57,889
Investment securities	115,940	180,415	+64,474
Recoverable accounts	23,455	20,916	(2,538)
Other	28,580	33,528	+4,947
Total assets	568,180	660,928	+92,748
Current liabilities	64,250	49,095	(15,155)
Non-current liabilities	46,759	74,258	+27,498
Total net assets	457,169	537,574	+80,405
Valuation difference on available-for-sale securities	46,324	84,686	+38,361
Non-controlling interests	31,536	33,671	+2,135
Total liabilities and net assets	568,180	660,928	+92,748

Capital expenditure for tight oil development in U.S. and Seagull project in U.K. North Sea, etc.

Increase in market value of investment securities
Capital participation in Norwegian business, etc.

Recording of net income for the period (+)
Increase in unrealized gains on available-for-sale securities (+)
Decrease due to dividend payment and share repurchase (-)

Cash Flows and Debt

Million Yen	FY3/23 (a)	FY3/24 (a)	FY3/25 (f)
	Full year	Full year	Full year
			May 14
Cash flows from operating activities	104,581	90,564	123,326
Profit before income taxes	83,084	68,784	55,500
Depreciation	14,257	27,646	42,098
Recovery of recoverable accounts	18,295	27,775	54,166
Cash flows from investing activities	(52,723)	(99,659)	(112,674)
Purchase of property, plant and equipment	(35,973)	(65,924)	(74,238)
Payments of recoverable accounts	(27,729)	(25,379)	(41,746)
Cash flows from financing activities	(14,506)	(28,596)	(30,624)
Cash and cash equivalents at end of period	186,166	152,598	132,626

Interest-bearing debt*1	10,413	9,091	17,789
EBITDA*2	85,316	93,606	100,370
Debt-to-EBITDA ratio	0.1	0.1	0.2

*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. Price Assumptions for FY3/25 Forecasts**
- 5. Sensitivities Analysis on FY3/25 Forecasts Basis**
- 6. Business Overview**
- 7. Integrated Report and IR-related Materials, etc.**
- 8. Glossary**

1. Net Sales - ① E&P

	Million Yen	FY3/23 (a)		FY3/24 (a)				FY3/25 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 14
Sales		56,063	10,724	36,811	25,304	15,969	88,810	141,190
Sales volume of Crude oil (Thousand KL)		695	152	497	349	240	1,240	2,009
Net sales		55,703	10,608	36,650	25,091	15,457	87,808	138,031
Sales volume of Crude oil - Japan (Thousand KL)		238	50	50	60	63	225	220
Net sales		20,760	3,700	3,962	5,115	5,014	17,792	16,507
Sales volume of Crude oil - overseas *1 (Thousand KL)		436	97	441	283	171	994	1,769
Net sales		33,084	6,532	32,312	19,524	10,028	68,397	120,096
Sales volume of Purchased crude oil (Thousand KL)		20	5	5	5	5	20	18
Net sales		1,858	375	375	451	414	1,618	1,427
Sales volume of Natural gas -overseas *2 (Million M3)		11	10	15	16	23	65	151
Net sales		360	116	160	213	511	1,002	3,158
WTI (USD/bbl)		94.42	76.11	73.78	82.49	78.36	77.69	80.00
Crude oil price (CIF) (USD/bbl) *3		102.26	85.17	81.77	90.79	86.32	86.28	85.00

(Reference)

Proved reserves at the end of FY2023: 141MMBOE (56MMBOE Japan, 84MMBOE overseas / 86MMBOE of Crude oil, 54MMBOE of Natural gas)

Production volume in FY2023 32MBOED (12MBOED Japan, 20MBOED overseas / 20MBOED Crude oil , 12MBOED Natural gas)

*1 Amounts of overseas consolidated subsidiaries, Japex Garraf Ltd. and Japex (U.S.) Corp. for FY3/23, Japex Garraf Ltd., Japex (U.S.) Corp., and JAPEX UK E&P Ltd., for FY3/24 and FY3/25

*2 Amounts of overseas consolidated subsidiaries, Japex (U.S.) Corp. for FY3/23, Japex (U.S.) Corp. and JAPEX UK E&P Ltd., for FY3/24 and FY3/25

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

1. Net Sales - ②I/U

	Million Yen	FY3/23 (a)		FY3/24 (a)				FY3/25 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 14
Sales		213,657	36,398	38,288	36,027	61,433	172,147	171,691
Sales volume of Natural gas - Japan (Million M3)		989	202	197	246	309	955	970
Net sales		97,360	20,200	16,189	19,351	25,745	81,487	76,623
Sales volume of Natural gas produced in Japan (Million M3)		461	102	90	111	139	444	457
Sales volume of LNG (Thousand ton)		340	30	30	38	175	275	366
Net sales		51,572	1,498	4,551	4,143	19,996	30,190	34,401
Sales volume of Electricity (Million kWh)		3,005	774	1,171	695	906	3,548	2,980
Net sales		58,735	13,137	16,113	10,808	13,212	53,272	44,678
Others*		5,988	1,561	1,434	1,723	2,478	7,197	15,988

JLC Price (JPY / ton)	126,286	89,887	88,343	95,287	98,994	93,128	85,800
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* Including biomass fuel sales, net sales from commissioned transportation of natural gas and commissioned regasification of LNG

2. Financial Results

	Million Yen	FY3/23 (a)		FY3/24 (a)				FY3/25 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 14
Net sales		336,492	61,321	89,387	79,229	95,924	325,863	379,400
E&P Business		56,063	10,724	36,811	25,304	15,969	88,810	141,190
Infrastructure/Utility Business		213,657	36,398	38,288	36,027	61,433	172,147	171,691
Others		66,771	14,199	14,286	17,897	18,522	64,905	66,518
Cost of sales		240,380	40,812	66,591	59,789	71,373	238,567	293,100
Gross profit		96,111	20,508	22,795	19,440	24,551	87,296	86,300
Exploration expenses		2,885	255	726	1,035	1,518	3,536	1,800
SG&A expenses		31,139	7,349	6,470	7,037	7,653	28,512	32,100
Operating profit		62,085	12,903	15,597	11,366	15,379	55,247	52,400
Non-operation income (expense)		21,044	5,315	5,318	(2,339)	5,267	13,561	3,100
Interest income		1,173	520	464	559	720	2,265	1,000
Interest expenses		(5)	(24)	(34)	(161)	(406)	(626)	(2,300)
Dividend income		3,520	57	1,977	71	1,984	4,090	4,300
Share of profit of entities accounted for using equity method		7,109	338	932	245	(1,301)	214	600
Provision for overseas investment		(44)	(15)	0	(23)	116	78	200
Foreign exchange gains and loss		5,332	4,764	1,587	(3,103)	4,385	7,634	-
Other		3,958	(325)	390	72	(232)	(95)	(700)
Ordinary profit		83,130	18,219	20,916	9,027	20,646	68,808	55,500
Extraordinary income (loss)		(46)	(9)	(3)	(7)	(3)	(24)	-
Profit before income taxes		83,084	18,209	20,912	9,019	20,642	68,784	55,500
Income taxes		15,102	4,335	4,757	476	2,498	12,067	11,900
Profit attributable to non-controlling interests		587	874	1,384	(202)	998	3,055	800
Profit attributable to owners of parent		67,394	12,999	14,770	8,745	17,145	53,661	42,800

3. Segment Profit

Million Yen		FY3/23 (a)	FY3/24 (a)					FY3/25 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May.14
Japan	Operating profit	68,855	13,732	12,608	9,612	15,176	51,130	39,031
	Share of profit (loss) of entities accounted for using equity method	326	136	50	(64)	45	168	334
North America	Operating profit	4,210	1,952	3,536	3,440	2,488	11,417	19,732
	Share of profit (loss) of entities accounted for using equity method	-	-	-	-	(49)	(49)	(66)
Europe	Operating profit (loss)	(170)	(111)	(137)	(111)	786	426	3,490
	Share of profit (loss) of entities accounted for using equity method	-	-	-	(61)	(467)	(529)	(378)
Middle East	Operating profit (loss)	(112)	447	2,672	1,110	519	4,750	3,154
	Share of profit (loss) of entities accounted for using equity method	(11)	(1)	(3)	7	-	2	-
Others* ¹	Operating profit	-	-	-	-	-	-	-
	Share of profit (loss) of entities accounted for using equity method	6,793	202	884	364	(829)	622	709
Adjustments and Eliminations* ²		(10,697)	(3,118)	(3,082)	(2,684)	(3,591)	(12,477)	(13,008)
Amounts on consolidated statement of income* ³								
Operating profit		62,085	12,903	15,597	11,366	15,379	55,247	52,400

*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. 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) *	USD/bbl	FY3/24 (a)	-	85.17	81.77	90.79	86.32	86.28
		FY3/25 (f)	-	85.00	85.00	85.00	85.00	85.00
WTI	USD/bbl	FY3/24 (a)	76.11	73.78	82.49	78.36	-	77.69
		FY3/25 (f)	80.00	80.00	80.00	80.00	-	80.00
JLC price	JPY/Ton	FY3/24 (a)	-	89,887	88,343	95,287	98,994	93,128
		FY3/25 (f)	-	86,400	85,600	85,600	85,600	85,800
Exchange rate	JPY/USD	FY3/24 (a)	-	134.36	141.06	148.53	146.51	143.28
		FY3/25 (f)	-	140.00	140.00	140.00	140.00	140.00

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

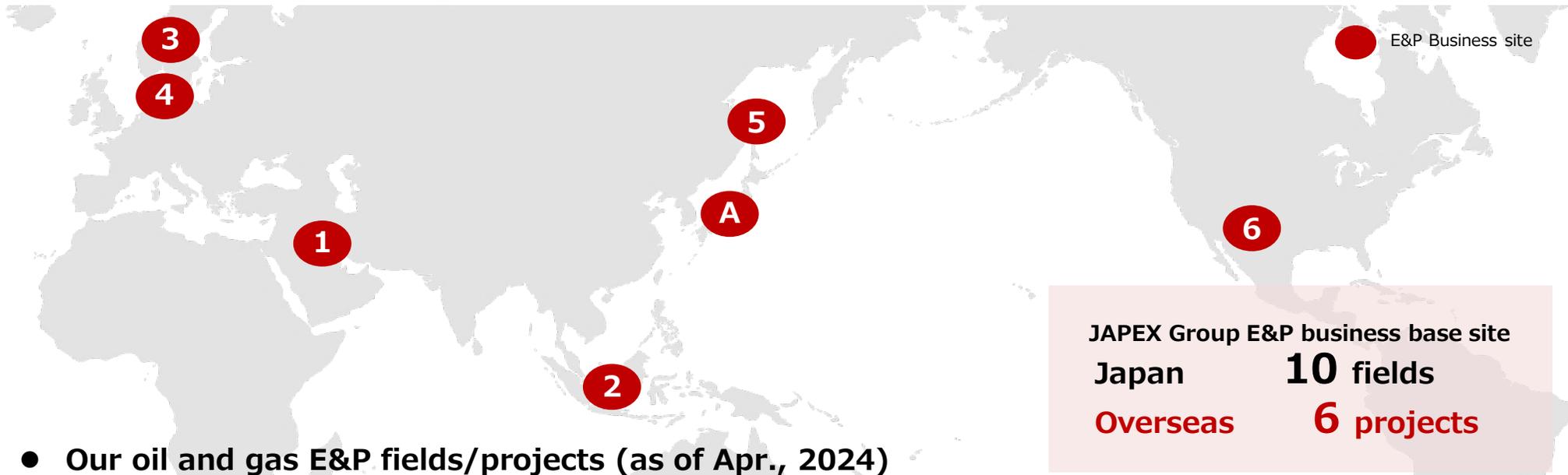
5. Sensitivities Analysis on FY3/25 Forecasts Basis

	FY3/25 Assumptions	Fluctuation	Impacts on profit (Million Yen)	Main factors for change positive factor "+" / negative factor "-"
			Operating profit	
Crude oil price	WTI USD 80.00/bbl Crude oil price (CIF), Brent USD 85.00/bbl	Increase by 1USD/bbl	620	+ Sales of oil and gas - Increase in LNG procurement cost
Exchange rate	JPY 140.00/USD	1 weaker JPY against USD	580	+ 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

6. Business Overview ① E&P Field



● Our oil and gas E&P fields/projects (as of Apr., 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: Garraff Project (PETRONAS Carigali Iraq Holding B.V.)	30% (16.5%)	Crude oil	Production/ Development	Approx. 154,000bbl
2	Indonesia: Kangean Project (Kangean Energy Indonesia Ltd.)	100% (25%)	Crude oil/ natural gas	Production	Approx. 2,450,000m ³ (Approx. 14,928boed)
3	Norway: Offshore Blocks (Equinor ASA, etc.*2)	Differ by interest	Crude oil/ natural gas	Exploration/Production/ Development	—*3
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	9,360boe*5

*1: Average daily Production for FY2023 (No.1: Apr.2023-Mar.2024, No.2,6: Jan.-Dec.2023) *2: Operators differ by interest. Main operators listed.

*3: Completion of capital participation (49.9% stake) in Jul. 2023. Since the procedures for the acquisition of interests in production assets were completed at the end of Jan. 2024, there was no production by the Group during this period (Jan-Dec 2023).

*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.

6. 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

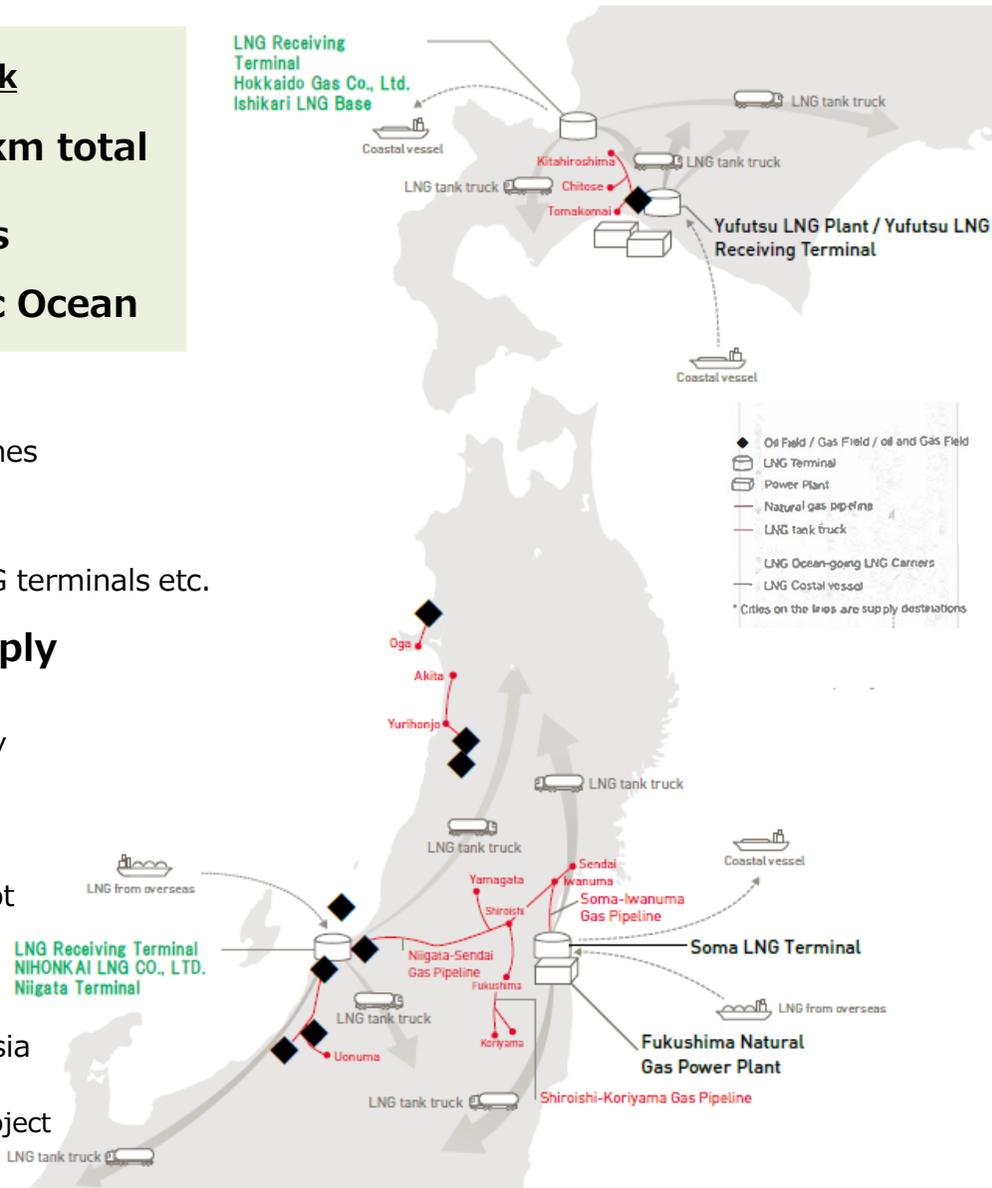
- Support fuel switching to natural gas from other fossil fuels
- Propose and provide energy services in cooperation with city gas suppliers

● LNG procurement

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

● Overseas LNG supply infrastructure

- Launch new projects or other process mainly in Southeast Asia with stronger demands for gas
 - ✓ Ongoing feasibility study: Northern Vietnam LNG terminal project



6. 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 Apr., 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)

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A



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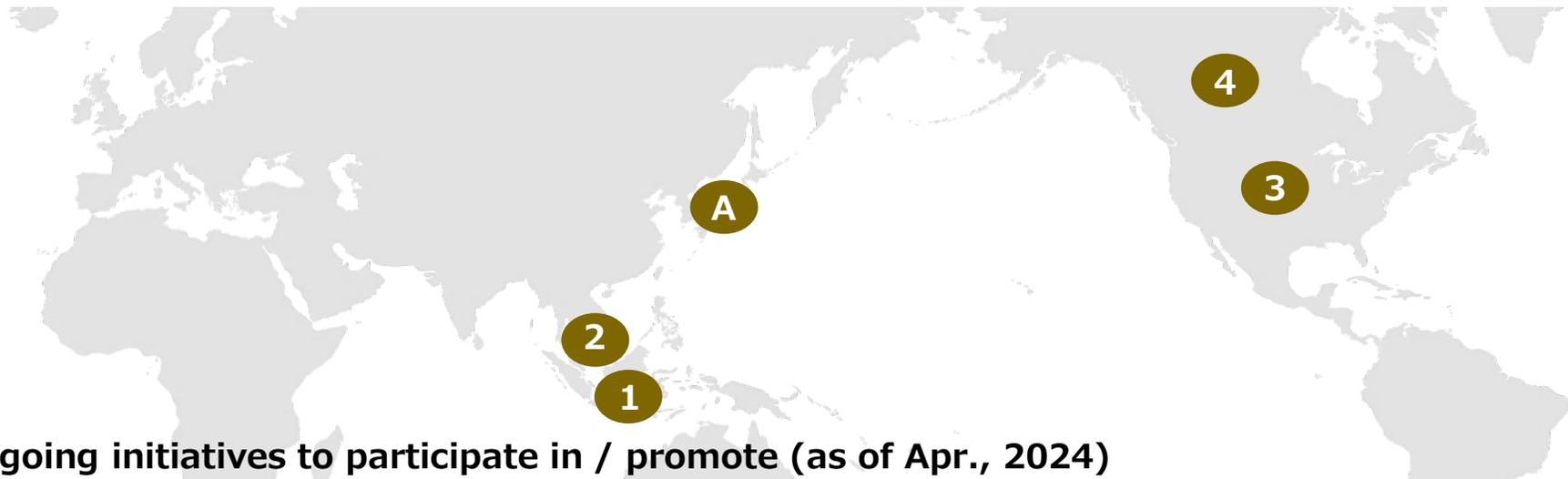
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● Gas power plant

■ Renewable power plant

■ Renewable power plant (under construction)

6. Business Overview ④ CN Field



● Ongoing initiatives to participate in / promote (as of Apr., 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 ✓ Feasibility study of CCUS project in Tomakomai area, Hokkaido with Idemitsu and HEPCO (Jan 2023~) ✓ 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~)
1	Indonesia	<ul style="list-style-type: none"> ✓ Signed a Memorandum of Understanding with SKK Migas for cooperation in realizing Hub & Cluster CCS/CCUS in Indonesia (Sep 2023) ✓ Started CO₂ injection testing at the Sukowati oil field in Indonesia based on a joint study agreement with JOGMEC and the Pertamina Group (Dec 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)

7. 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/>

8. 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
LBJ	Longboat JAPEX Norge AS	Norway: Offshore Blocks
FGP	Fukushima Gas Power Co., Ltd.	Natural gas-fired electric power generation Business

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.

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Note:

• Abbreviations used herein are as follows:

(a) = Actual results

(f) = Forecasts

FY = Fiscal Year (FY3/24, for instance, means 12 months ending March 31, 2024)

• Figures in parentheses in "Operating profit," "Ordinary profit," "Share of profit of entities accounted for using equity method," 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:

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