



[Explanatory Material]

Financial Results

for the Fiscal Year Ended March 31, 2025

May 13, 2025

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 and Business Progress

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

III . Financial Results for the Fiscal Year Ended March 31, 2025

IV . Financial Forecasts for the Fiscal Year Ending March 31, 2026

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 14, 2025.

I . Financial Highlights and Business Progress

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

III . Financial Results for the Fiscal Year Ended March 31, 2025

IV . Financial Forecasts for the Fiscal Year Ending March 31, 2026

Financial Highlights

FY3/25 Results (Year-on-Year)

(Billion Yen)	FY3/24 (a)	FY3/25 (a)	Change
Operating profit	55.2	62.0	+ 6.7
Ordinary profit	68.8	64.2	(4.5)
Profit attributable to owners of parent	53.6	81.1	+ 27.4
(Reference) Profit attributable to owners of parent, basis for calculating the consolidated dividend payout ratio of 30%	53.6	47.6	(5.9)

- **Operating profit** : Growth of sales volume for overseas crude oil and LNG
- **Ordinary profit** : Worsening foreign exchange gains and losses
(From a gain of 7.6 billion yen in FY3/24 to a loss of 1.8 billion yen in FY3/25)
- **Profit attributable to owners of parent** : Recording of gain on sale of investment securities

FY3/26 Forecasts (Year-on-Year)

(Billion Yen)	FY3/25 (a)	FY3/26 (f)	Change
Operating profit	62.0	28.0	(34.0)
Ordinary profit	64.2	36.0	(28.2)
Profit attributable to owners of parent	81.1	30.0	(51.1)

- **Operating profit** : Expect a decrease in sales prices of crude oil, etc.
- **Ordinary profit** : Absence of gain on sale of investment securities

Shareholder Returns

- **FY3/25 dividend per share: Interim 125 yen and Year-end 30 yen***

*A 5-for-1 common stock split, effective October 1, 2024, was conducted.

The year-end dividend per share for FY3/25 (forecast) without considering the stock split is 150 yen

- **FY3/26 dividend per share (forecast): Interim 20 yen and Year-end 20 yen (raising the minimum dividend per share from 10 yen to 40 yen).**

Management Goal and Fund Allocation

Management target (quantitative target)

Item	Target	FY2024 actual	FY2025 forecast
Assumptions	Oil Price (JCC) 50USD/bbl Exchange Rate 110yen/USD	Oil Price (JCC) 82.66USD/bbl Exchange Rate 152.83yen/USD	Oil Price (JCC) 65USD/bbl Exchange Rate 140yen/USD
Business profit*1	FY2026 30 billion Yen FY2030 50 billion Yen	61.8 billion Yen	30.6 billion Yen
ROE	FY2026 5% FY2030 8%	15.7%	5.6%
Profit composition (E&P : non-E&P)	FY2026 6 : 4 FY2030 5 : 5	7 : 3	6 : 4

Fund allocation

Item	Assumed allocation*2	FY2024 actual	FY2025 forecast
Growth investments	FY2026 275 billion Yen FY2030 450 billion Yen	161.4 billion Yen	29.5 billion Yen + α (cumulative total 308.5 billion Yen + α)
Shareholder returns	FY2026 25 billion Yen FY2030 50 billion Yen	26.7 billion Yen (Breakdown) Year-end dividend of previous FY 9.2 billion Yen Interim dividend 6.4 billion Yen Share repurchases 11.0 billion Yen	12.8 billion Yen (cumulative total 80 billion Yen) (Breakdown) Year-end dividend of previous FY 7.7 billion Yen Interim dividend 5.1 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

	FY2024 result	FY2025 outlook
E&P	<p>【Japan】</p> <ul style="list-style-type: none"> ➢ Additional development of Katakai gas field in Niigata : Started production of the second well (Feb) <p>【Overseas】</p> <ul style="list-style-type: none"> ➢ Acquired additional well interests in tight oil development 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) ➢ Established Peoria Resources LLC, an operator asset acquisition and operating company, in U.S. (Mar) <p>On-going</p> <ul style="list-style-type: none"> ● Ongoing overseas development project Garraf project : Continue additional development to 230,000 barrels per day. Production from additional acquired assets for tight oil development in U.S. is to be started sequentially. Exploration and Development of Norwegian Offshore blocks through J Norge. 	<p>【Japan】</p> <ul style="list-style-type: none"> ➢ Exploratory drilling survey in the offshore Hidaka area of Hokkaido (Mar) <p>【Overseas】</p> <ul style="list-style-type: none"> ➢ Completion of transfer of JAPEX UK E&P LIMITED (JUK) shares (Jul) <p>+ Focus on acquisition of new overseas oil and gas interests</p>
I/U	<p>【Development of domestic renewable energy · Power storage facility】</p> <ul style="list-style-type: none"> ➢ Started commercial operation of Ozu Biomass Power Plant, Ehime Prefecture (Aug) ➢ Started construction of Mihama storage power plant in Chiba and entered grid-scale battery business (Aug) ➢ Concluded basic agreement on joint venture for solar power generation with Iino Kaiun (Dec) ➢ Started commercial operation of Chofu Biomass Power Plant, Yamaguchi Prefecture (Dec) ➢ Started commercial operation of Matsuhama PV Power Plant, Niigata Prefecture (Mar) <p>【LNG Transport and Supply】</p> <ul style="list-style-type: none"> ➢ Participated in the Freeport LNG Project in Texas, U.S.A. (May) 	<p>【Development of domestic renewable energy · Power storage facility】</p> <ul style="list-style-type: none"> ➢ Tahara Biomass Power Plant in Aichi begins commercial operation (Apr) ➢ Mihama Storage Power Plant in Chiba begins commercial operation (First half of current year) <p>+ Focus on participation in new renewable energy projects · Power Storage facility in Japan and overseas</p>
CN	<ul style="list-style-type: none"> ➢ Signed joint study agreement for a Feasibility Assessment on BECCS in South Sumatra, Indonesia (Aug) ➢ Commissioned 3 CCS Studies as the “Engineering Design Work for Advanced CCS Projects” by JOGMEC in FY2024 East-Niigata Area (Sep) / Sarawak, Malaysia (Sep) / Tomakomai Area (Oct) ➢ Commenced inter-well CO₂ injection test at Sukowati oil field, Indonesia (Oct) ➢ Commenced FEED for onshore terminal and receiving jetty topside of the CCS project in Sarawak, Malaysia (Nov) ➢ Invested a venture capital fund “ONE 1 Fund” specializing in the carbon neutral field (Mar) <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 	<ul style="list-style-type: none"> ➢ Advancing preparations for FID for the Dry Piney project in U.S. within the fiscal year <p>+ Continue to consider participation in new CN projects in Japan and overseas</p>

Main Updates on Shareholder returns and ESG items

		FY2024 result	FY2025 outlook
Shareholder returns		<ul style="list-style-type: none"> Completed repurchase of 3 million shares (Aug) /Cancelled 2.9 million repurchased shares (Sep) Conducted a 5-for-1 stock split of shares of common stock (Oct) Actual dividends※ : Interim 125 yen (Before the stock split), Year-end 30 yen <p>※Dividend amount determined excluding non-recurring factors such as gains on sales of investment securities</p>	<ul style="list-style-type: none"> Annual dividends forecast : Interim 20 yen + Year-end 20 yen, Dividend payout ratio 34.1% Minimum annual dividend of 40 yen per share
ESG	E	<ul style="list-style-type: none"> Commitment to decarbonized society <ul style="list-style-type: none"> ➢ Offsetting Scope2 GHG emissions by purchasing non-fossil fuel certificates (Year-round) ➢ Started commercial operation of Matsuhama PV Power Plant, Niigata Prefecture※ (Mar) <p>※Katakai Field Office expects to reduce CO₂ emissions by 183 tons per year.</p> Commitment to TNFD (biodiversity) framework <ul style="list-style-type: none"> ➢ Quantitative analysis of risks and opportunities (Year-round) 	<div>+ Enhance the climate change-related disclosures</div> <div>+ Strengthen activities to realize CN society, including GX-related activities</div>
	S	<ul style="list-style-type: none"> Commitment to human capital <ul style="list-style-type: none"> ➢ Reform of personnel system, trial introduction of internal job-sharing system (Jul) ➢ Awarded the Bronze Rating in the PRIDE Index for the first time (Nov) ➢ Selected as the health & productivity stock selection (2nd time) and White 500 company in health & productivity management outstanding organizations recognition program (Mar) Commitment to respect for human rights <ul style="list-style-type: none"> ➢ Implemented human rights due diligence for overseas group companies and some suppliers (Dec) 	<ul style="list-style-type: none"> Commitment to human capital <ul style="list-style-type: none"> ➢ Full-scale launch of ABW (Activity Based Working) across all floors of the head office ➢ Strategic optimization of personnel allocation through reorganization (within the fiscal year) Commitment to DX <ul style="list-style-type: none"> ➢ Consolidation of domestic E&P operations and natural gas and LNG supply management operations ➢ Partial launch of integrated data platform <div>+ Enhance the investment in human capital and related disclosures</div> <div>+ Promote optimization of organization and operations by utilizing DX and other measures</div>
	G	<ul style="list-style-type: none"> Appointed a chairperson of the Board of Directors from among members other than the president (Jun) Appointed an external director as chair of the Nomination and Compensation Committee (Jun) Sold a portion of strategic shares (Nov) 	<div>+ Continue addressing with “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”</div>

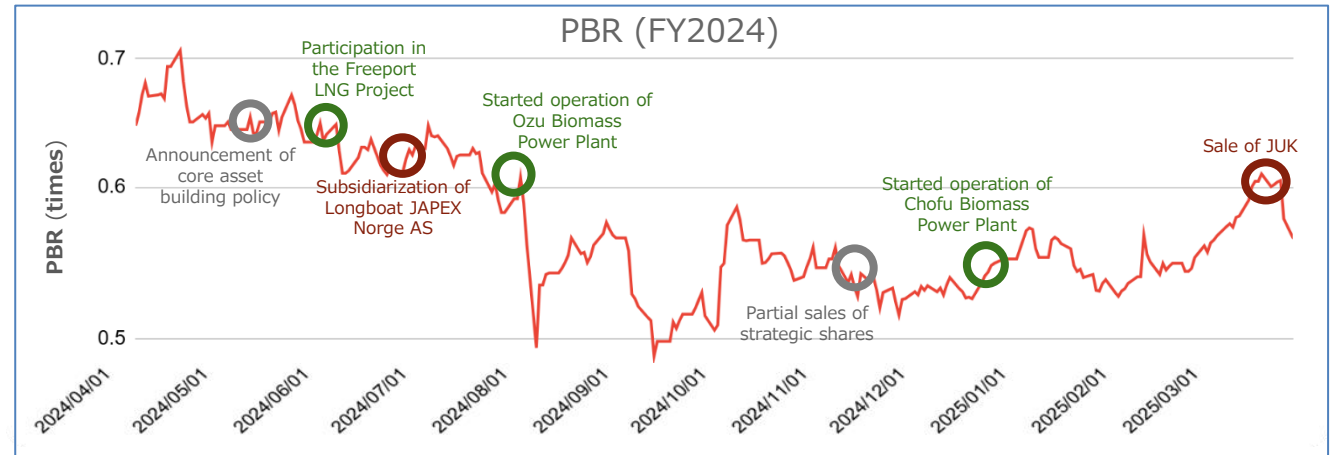
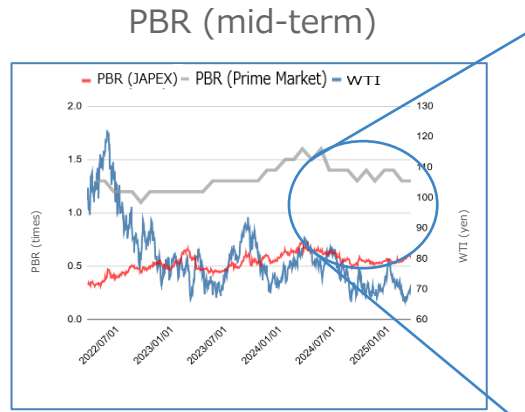
I . Financial Highlights and Business Progress

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

III . Financial Results for the Fiscal Year Ended March 31, 2025

IV . Financial Forecasts for the Fiscal Year Ending March 31, 2026

Analysis of PBR Levels and Future Initiative



- In November 2023, analyzed the main factor of 1>PBR has been below-average PER
- Promoting “Investments focused on capital efficiency,” “Enhancement of shareholder returns,” and “Continuous dialogue with stakeholders”
- The PBR for FY 2024 remains at around 0.5 to 0.7 times, and recognize that still halfway there
- In FY 2025, continue the three-initiative mentioned above and aim to expand our sustainable business revenue base (core assets)*

※“Enhancement of shareholder returns,” and “Continuous dialogue with stakeholders” are explained on page 13

	Analysis of initiative in FY 2024	Future initiative
E&P	<ul style="list-style-type: none"> • No major asset acquisitions in overseas E&P during the fiscal year • Despite divesting the UK North Sea and selling strategic shares, there was no significant improvement in asset efficiency 	<ul style="list-style-type: none"> • Aiming to acquire operator assets in the U.S. utilizing Peoria Resources LLC • Aiming to acquire projects in Norwegian offshore blocks utilizing J Norge
I/U	<ul style="list-style-type: none"> • Participation in the Freeport LNG project has secured a long-term stable source of cash flow, but further improvements in profitability are necessary 	<ul style="list-style-type: none"> • Aiming to increase revenue through synergies between the Freeport LNG project and upstream operations
CN	<ul style="list-style-type: none"> • The outlook for commercialization remains uncertain, and the impact on current performance is expected to be limited 	<ul style="list-style-type: none"> • The Advanced CCS Projects aim to reach FID in FY 2026 and commence storage in FY 2030 • The Dry Piney project in the U.S. commenced FEED in 2024 and is currently promoting the project to reach FID within FY 2025

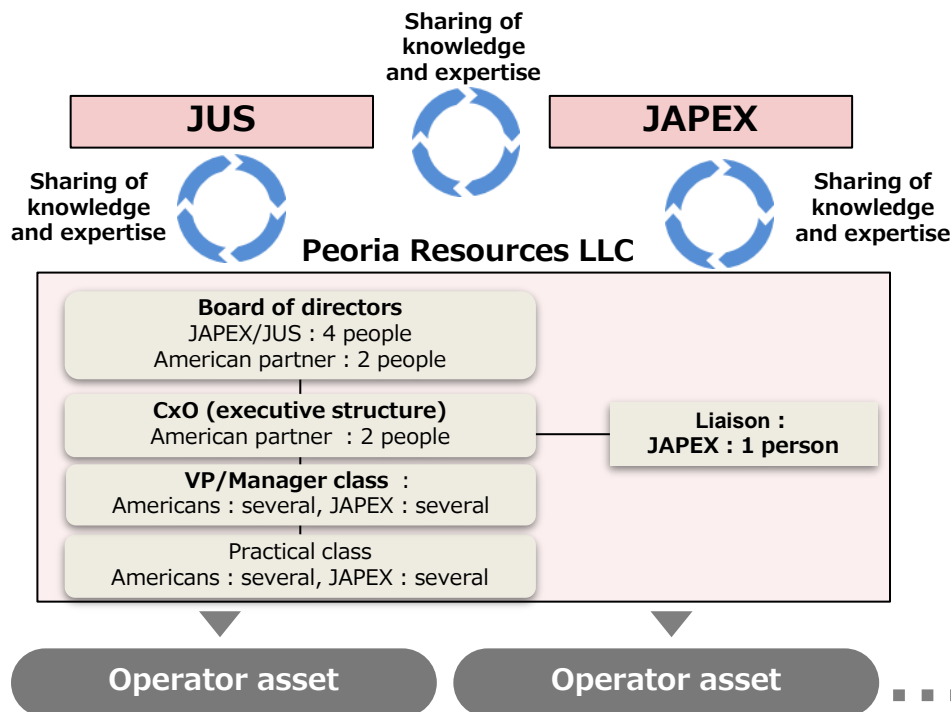
Toward Building Core Assets ①

Preparations of the structures for building core assets (U.S. ・ Norway)

- Preparations for building core assets have been completed in the U.S. and Norway by establishing structures incorporating local knowledge including assigning representatives and local personnel to various positions

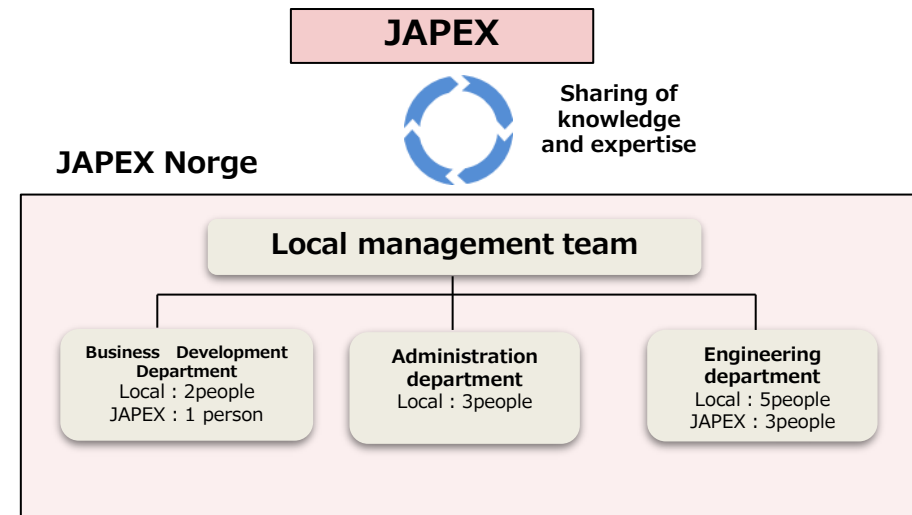
U.S.

- Established Peoria Resources LLC
- Aiming to acquire assets with experienced U.S. partners in the tight oil business
- Absorb operational know-how and insights to enhance asset value



Norway

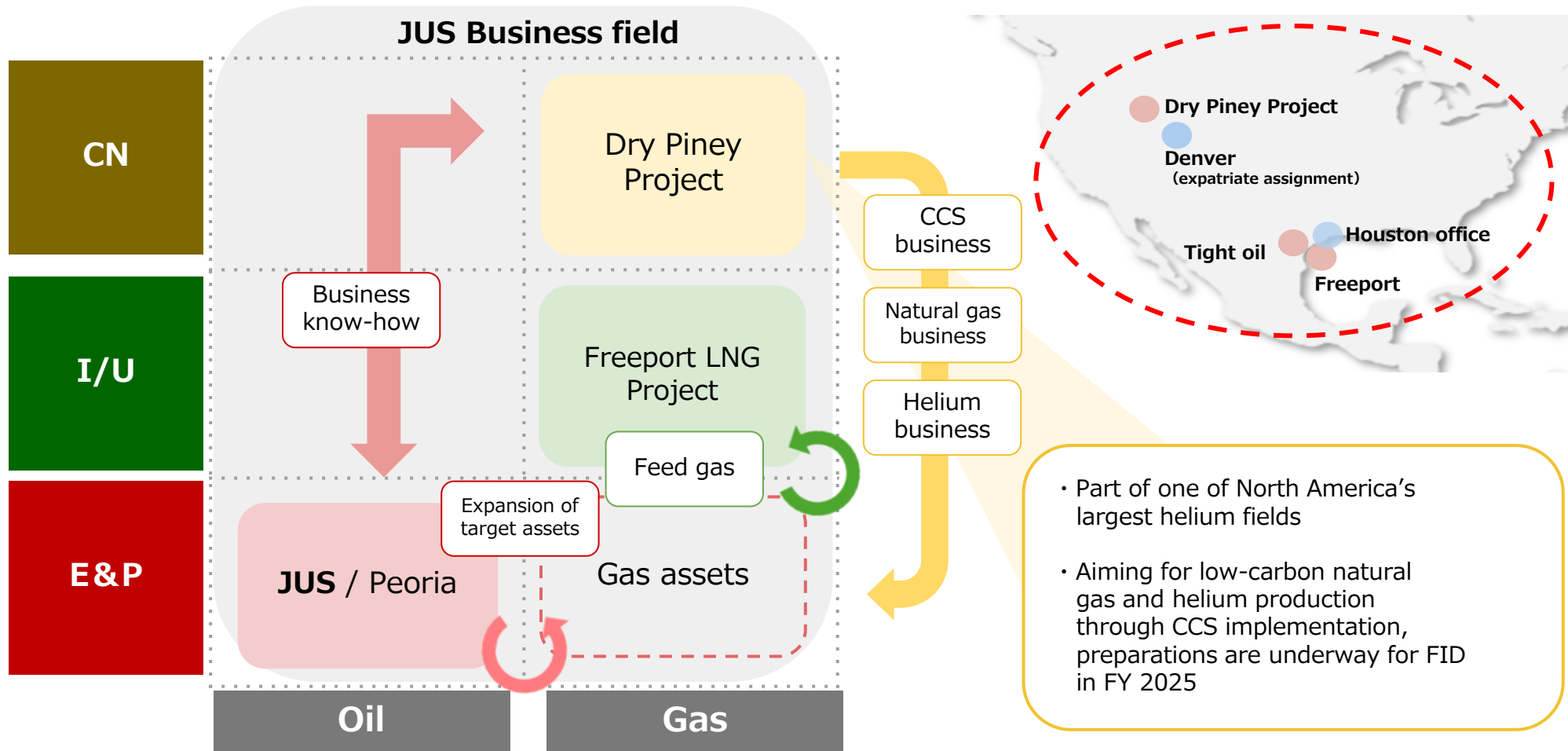
- Full consolidation of Norwegian company
- Local management, including top management, is composed of local personnel. Focusing on asset acquisition by leveraging existing networks
- Two production areas (Statfjord Øst, Sygna) have been acquired, aim to expand further production



Toward Building Core Assets ②

Future outlook for core asset development (U.S.)

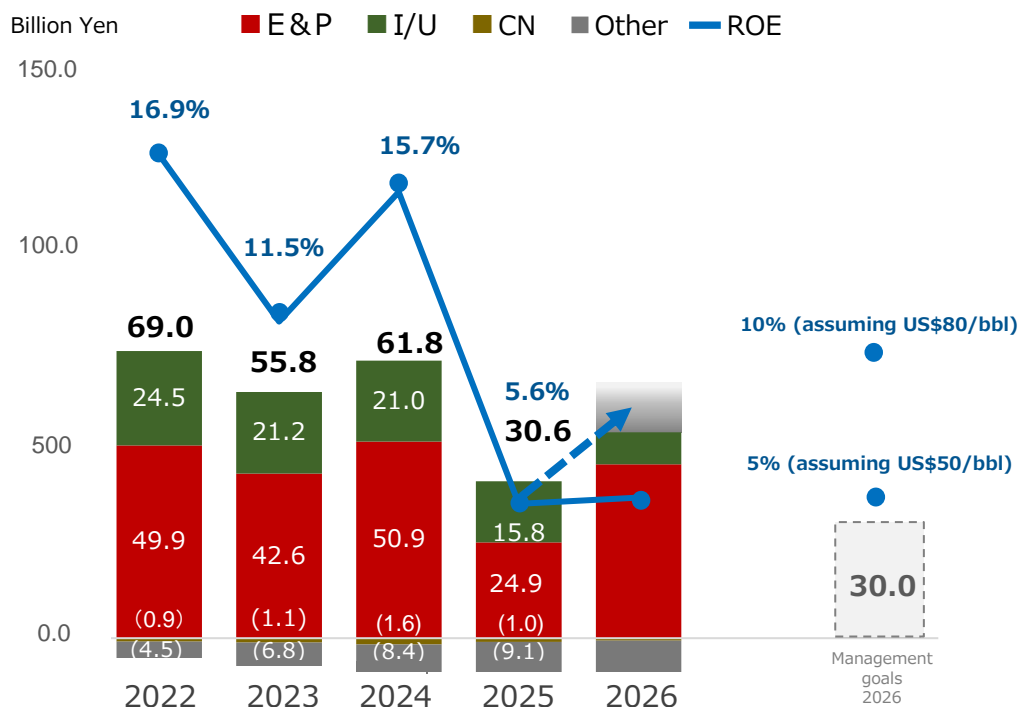
- Acquired operator assets for tight oil development, which will serve as a source of revenue, and aims to acquire gas assets and cooperate with Freeport LNG in the future
- Applying North American business management expertise cultivated at Japex (U.S.) Corp. (JUS) and Peoria Resources LLC to the Dry Piney project
- Leveraging business experience from the Dry Piney project, including CCS operations, to enhance E&P business



Toward Building Core Assets ③

Business profit

- Aiming to achieve a level of earnings that consistently exceeds capital costs through investments centered on core assets
- Aiming to further accumulate operating income through growth investments from FY 2025 onwards

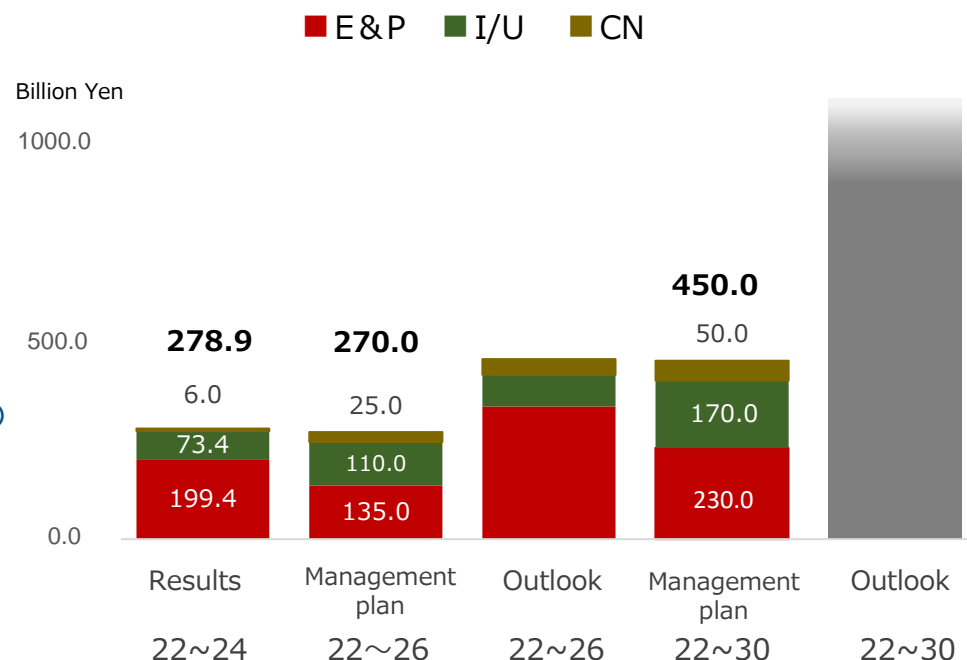


JCC	102.26	86.28	82.66	65.00	75.00
Exchange rate	132.86	143.28	152.83	140.00	140.00

50.00
110.00

Growth investment

- Accelerating growth investment mainly in overseas E&P with the aim of building core assets



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

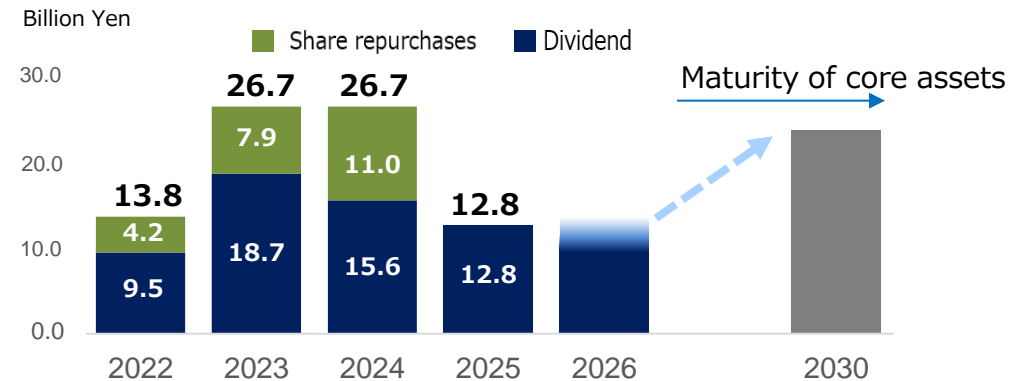
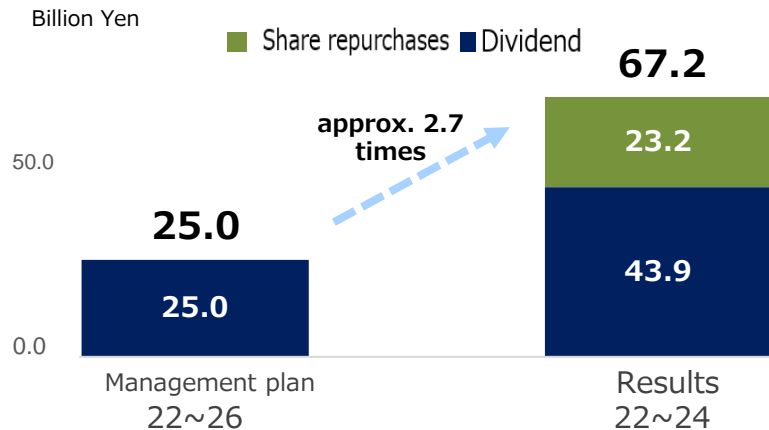
Enhancement of Shareholder Returns and Continuous Dialogue with Stakeholders

Enhancement of shareholder returns

- Completed repurchase of 3 million shares (Aug) and cancelled 2.9 million repurchased shares (Sep)
- To stabilize shareholder returns, the minimum dividend will raise from 10 yen to 40 yen per share (May 2025)

〈Progress and outlook for shareholder returns〉

- The cumulative amount of shareholder returns for the three years (FY 2022 to 2024) was approximately 2.7 times the cumulative target of management plan for the five-year (FY 2022 to 2026)
- Consider the appropriate method of shareholder returns taking into account financial conditions and the business environment when core assets have matured enough to be called “sustainable core profits”



Continuous dialogue with stakeholders

〈For institutional investors and analysts〉

- Participation of outside directors in financial results briefing (May)
- Held facility tour (Jul)
- Issued Integrated Report (Sep)
- Held first ESG briefing session (Dec)

〈For individual investors〉

- Held Company presentations for individual investors (Sep)
- Held facility tours for shareholders (Jan)

I . Financial Highlights and Business Progress

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

III. Financial Results for the Fiscal Year Ended March 31, 2025

IV. Financial Forecasts for the Fiscal Year Ending March 31, 2026

FY3/25 Results (Year-on-Year)

Million Yen	FY3/24 (a)	FY3/25 (a)	Change	
Net sales	325,863	389,082	+63,218	+19%
Gross profit	87,296	99,157	+11,860	+14%
Operating profit	55,247	62,012	+6,764	+12%
Ordinary profit	68,808	64,221	(4,587)	(7%)
Profit attributable to owners of parent	53,661	81,153	+27,491	+51%

Oil Price and Exchange Rate

		FY3/24 (a)	FY3/25 (a)	Change
WTI	USD/bbl	77.69	75.83	(1.86)
Crude oil price (CIF)	USD/bbl	86.28	82.66	(3.62)
Exchange rate	JPY/USD	143.28	152.83	+9.55

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

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
E&P Business	-	-	88,810	-	129,012	-	-	+40,201	+45%

Breakdown

Crude oil	Thousand KL	1,240	87,808	1,746	124,415	+506	+41%	+36,607	+42%	
Crude oil - Japan		225	17,792	231	18,303	+5	+2%	+510	+3%	
Crude oil - Overseas ^{*1}		994	68,397	1,496	104,601	[1]	+502	+50%	+36,203	+53%
Purchased crude oil		20	1,618	18	1,510	(1)	(9%)	(107)	(7%)	
Natural Gas - Overseas ^{*2}	Million M3	65	1,002	152	4,597	[2]	+86	+131%	+3,594	+359%

Main factors for change

[1]-[2] Increase in sales volume of U.S. tight oil development and the Seagull project in U.K. North Sea

*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 (Year-on-Year)

Net sales : Million Yen	Unit	FY3/24 (a)		FY3/25 (a)		Change			
		Sales volume	Net sales	Sales volume	Net sales	Sales volume		Net sales	
Infrastructure & Utility Business	-	-	172,147	-	189,178	-	-	+17,031	+10%

Breakdown

Natural Gas - Japan	Million M3	955	81,487	936	77,538	(19)	(2%)	(3,948)	(5%)	
- Produced in Japan		444	-	444	-	+0	+0%	-	-	
LNG	Thousand Ton	275	30,190	422	43,990	[1]	+147	+53%	+13,799	+46%
Electricity	Million kWh	3,548	53,272	3,313	51,395	(235)	(7%)	(1,876)	(4%)	
Other*	-	-	7,197	-	16,254	[2]	-	-	+9,056	+126%

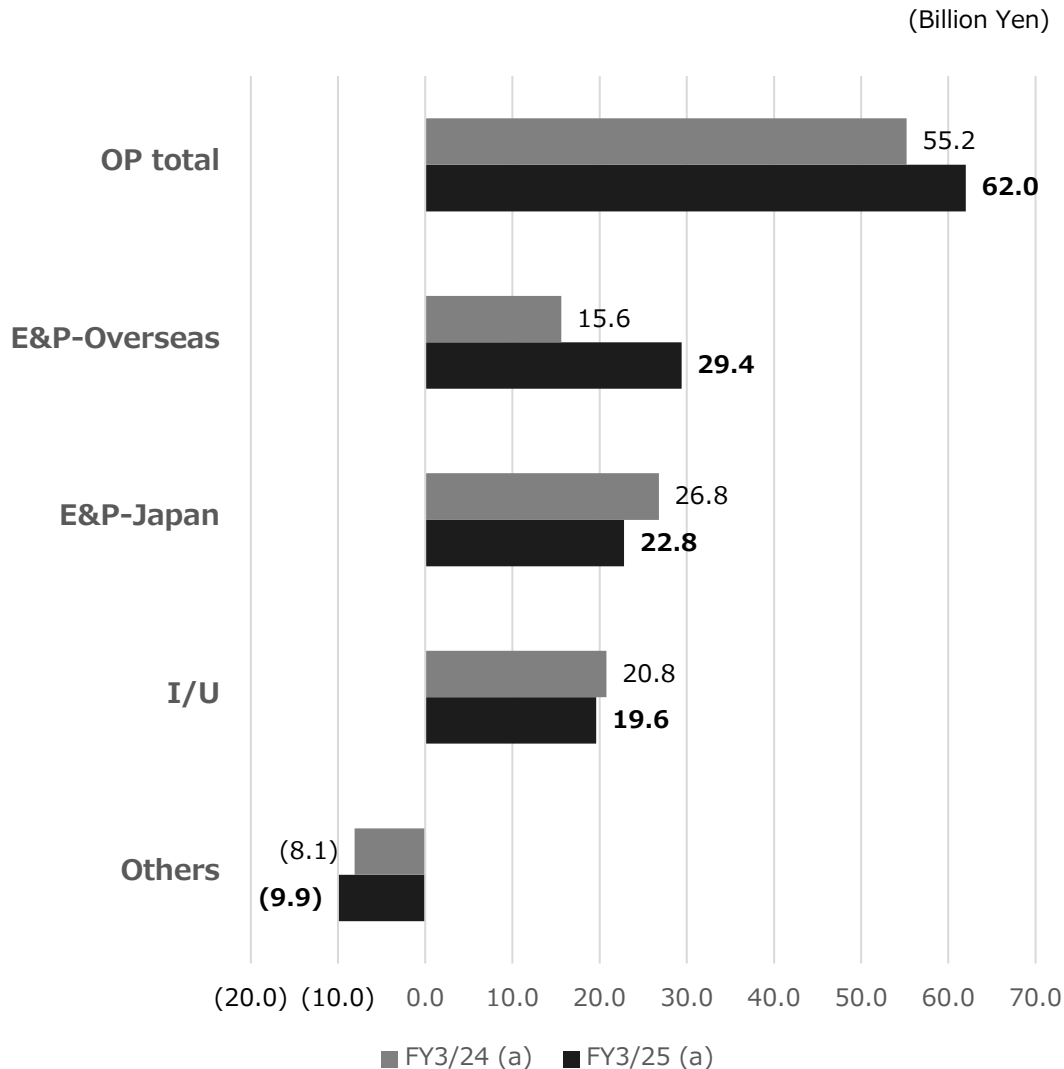
Main factors for change

[1] Increase in sales volume

[2] Increase in sales volume of biomass fuels

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

Operating Profit (Year-on-Year)



E&P Business

Overseas : +13.8 bn. 15.6 bn. → 29.4 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 : (4.0 bn.) 26.8bn. → 22.8bn.

- Increase due to change in estimate of asset retirement obligations (–)

I/U Business

(1.1 bn.) 20.8 bn. → 19.6 bn.

- Decrease in slide time lag gain (–)

Others *

(1.7 bn.) (8.1 bn.) → (9.9 bn.)

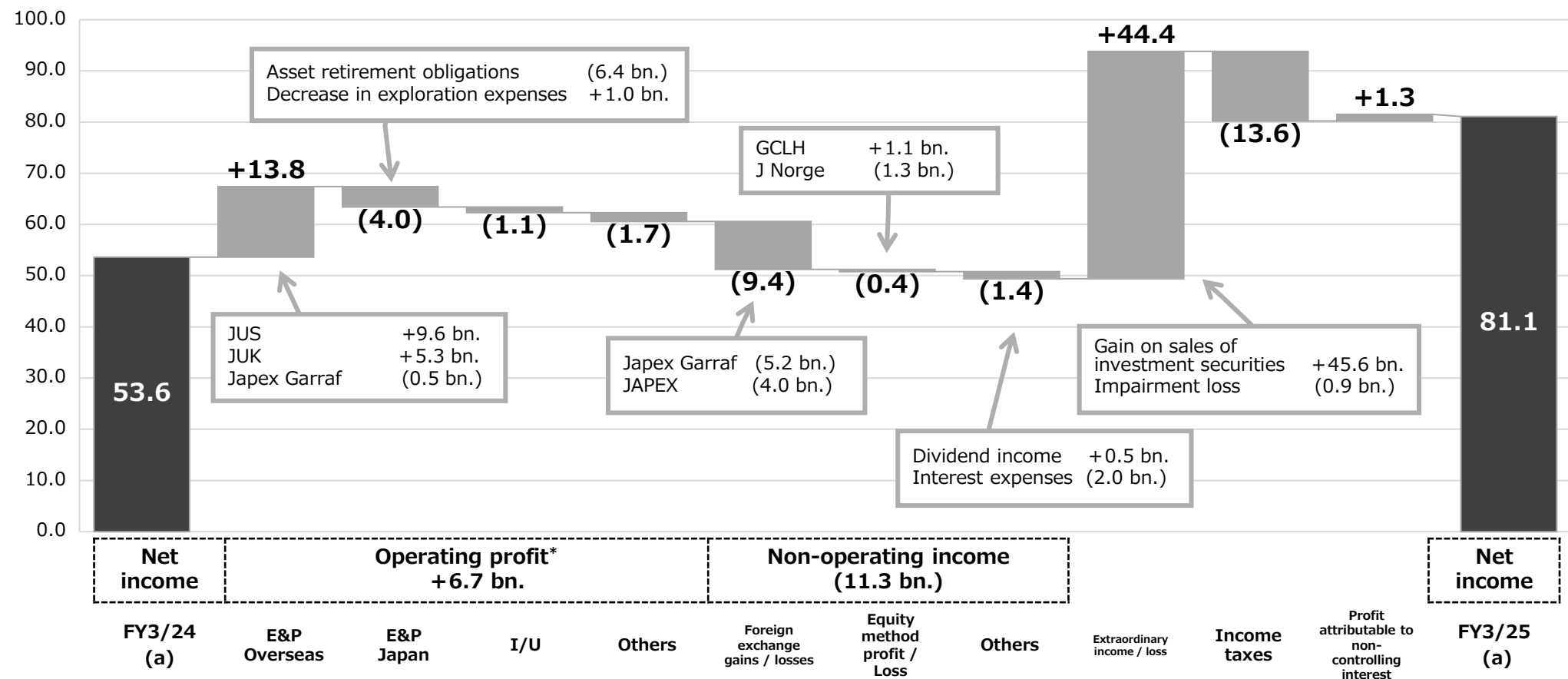
- Increase in general and administrative expenses (–)

* 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)



FY3/24 (a)	E&P Overseas	E&P Japan	I/U	Others	Foreign exchange gains / losses	Equity method profit / Loss	Others	Extraordinary income / loss	Income taxes	Profit attributable to non- controlling interest	FY3/25 (a)
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(a)	29.4	22.8	19.6	(9.9)	(1.8)	(0.2)	4.2	44.3	25.7	1.6	

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

I . Financial Highlights and Business Progress

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

III . Financial Results for the Fiscal Year Ended March 31, 2025

IV . Financial Forecasts for the Fiscal Year Ending March 31, 2026

FY3/25 Forecasts

Million Yen	FY3/25 (a)	FY3/26 (f)	Change	
Net sales	389,082	332,400	(56,682)	(15%)
Gross profit	99,157	66,400	(32,757)	(33%)
Operating profit	62,012	28,000	(34,012)	(55%)
Ordinary profit	64,221	36,000	(28,221)	(44%)
Profit attributable to owners of parent	81,153	30,000	(51,153)	(63%)

Oil Price and Exchange Rate

		FY3/25 (a)	FY3/26 (f)	Change
WTI	USD/bbl	75.83	62.87	(12.96)
Crude oil price (CIF)	USD/bbl	82.66	65.00	(17.66)
Exchange rate	JPY/USD	152.83	140.00	(12.83)

E&P Business Sales Forecasts

Net sales : Million Yen	Unit	FY3/25 (a)		FY3/26 (f)		Change	
		Sales volume	Net sales	Sales volume	Net sales	Sales volume	Net sales
E&P Business	-	-	129,012	-	94,946	-	(34,066) (26%)

Breakdown

Crude oil	Thousand KL	1,746	124,415	1,694	91,124	(52)	(3%)	(33,290)	(27%)
Crude oil - Japan		231	18,303	208	11,861	[1] (22)	(10%)	(6,441)	(35%)
Crude oil - overseas ^{*1}		1,496	104,601	1,468	78,263	[2] (27)	(2%)	(26,338)	(25%)
Purchased crude oil		18	1,510	17	999	(1)	(8%)	(510)	(34%)
Natural Gas - Overseas ^{*2}	Million M3	152	4,597	152	3,821	(0)	(0%)	(775)	(17%)

Main factors for change

[1] Decrease in sales volume and sales price

[2] Decrease in sales price of U.S. tight oil development and Garraf Project in Iraq / Decrease in sales volume due to withdrawal from the Seagull project in U.K. North Sea

*1 Amounts of overseas consolidated subsidiaries, Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. (Scheduled to transfer all shares on July 1, 2025) and JAPEX Norge AS

*2 Amounts of overseas consolidated subsidiaries, Japex (U.S.) Corp., JAPEX UK E&P Ltd. (Scheduled to transfer all shares on July 1, 2025) and JAPEX Norge AS

I/U Business Sales Forecasts

Net sales : Million Yen	Unit	FY3/25 (a)		FY3/26 (f)		Change	
		Sales volume	Net sales	Sales volume	Net sales	Sales volume	Net sales
Infrastructure & Utility Business	-	-	189,178	-	160,639	-	(28,539) (15%)

Breakdown

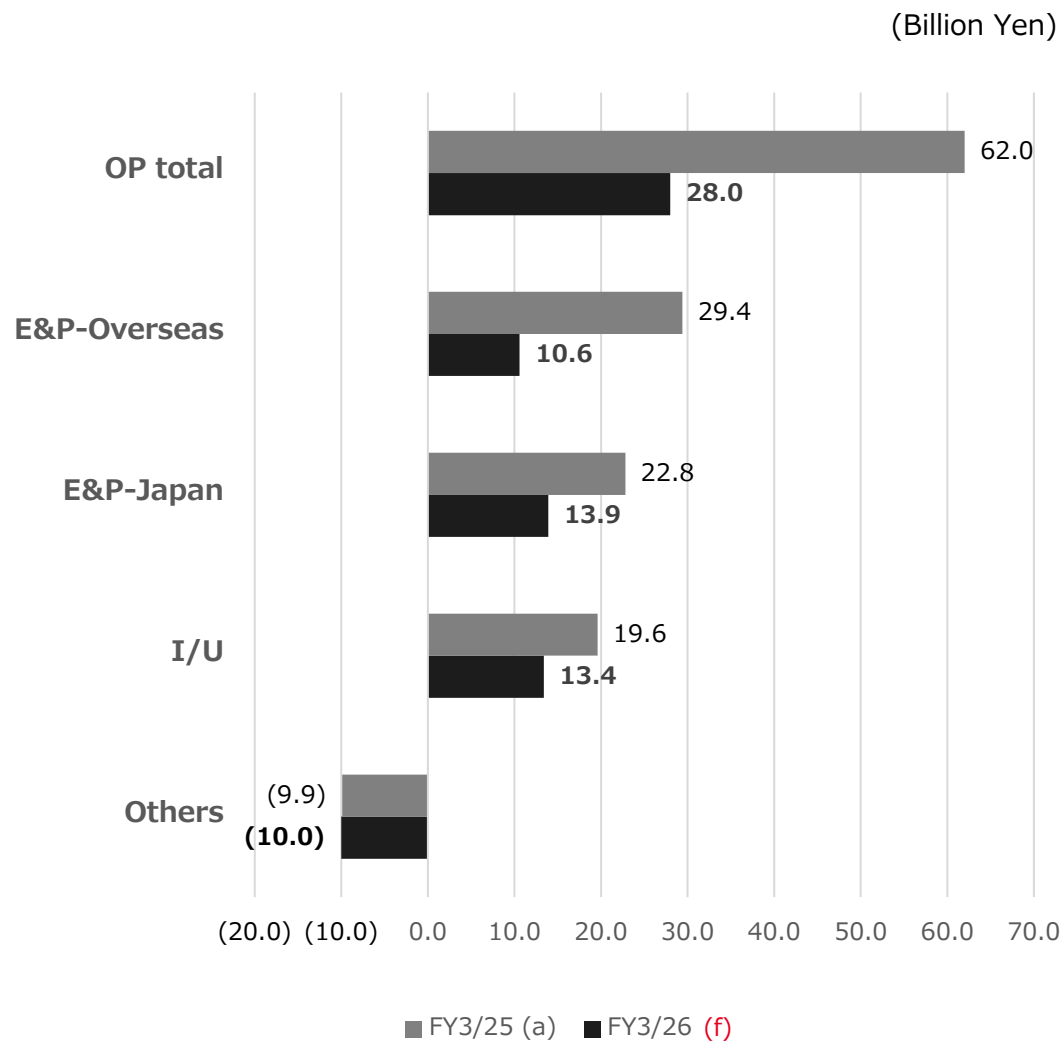
Natural Gas - Japan	Million M3	936	77,538	933	69,082	(2)	(0%)	[1] (8,455)	(11%)
- Produced in Japan		444	-	419	-	(25)	(6%)	-	-
LNG	Thousand Ton	422	43,990	242	21,919	[2] (179)	(43%)	(22,070)	(50%)
Electricity	Million kWh	3,313	51,395	3,215	44,307	[3] (97)	(3%)	(7,088)	(14%)
Others*	-	-	16,254	-	25,329	[4]	-	+9,075	+56%

Main factors for change

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

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

Operating Profit Forecasts



E&P Business

Overseas : (18.7 bn.) 29.4 bn. → 10.6 bn.

- Decrease in sales price of tight oil development in U.S. (–)
- Decrease in sales volume due to withdrawal from the Seagull project in U.K. North Sea (–)

Japan : (8.8 bn.) 22.8 bn. → 13.9 bn.

- 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 Infrastructure/Utilities Business for the internal management

I/U Business

(6.2 bn.) 19.6 bn. → 13.4 bn.

- Decrease in sales volume of LNG (–)
- Decrease in marginal gain on LNG procurement (–)

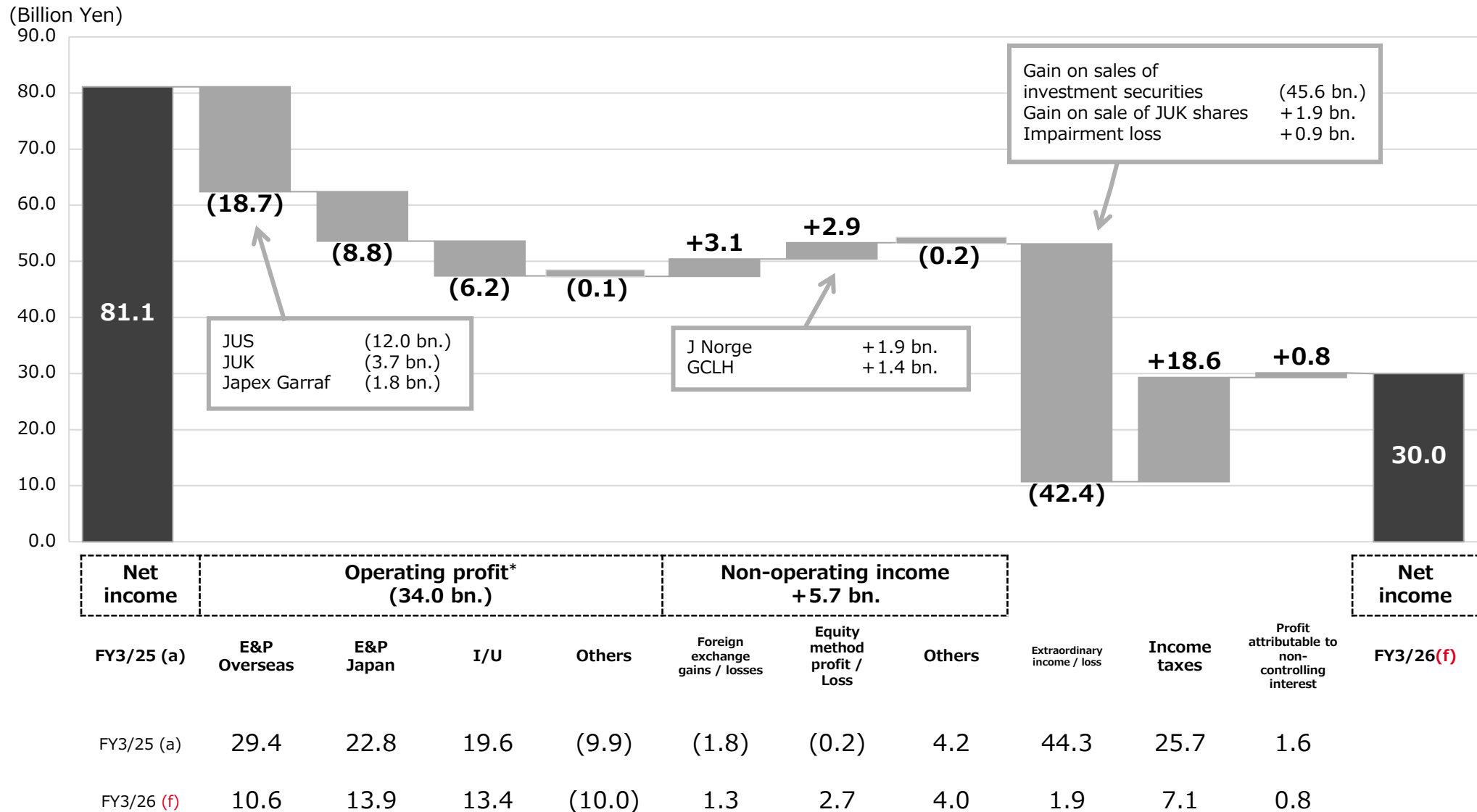
Others*

(0.1 bn.) (9.9 bn.) → (10.0 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



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

Balance sheet

Million Yen	FY3/24(a)	FY3/25(a)	Change
Current assets	249,768	230,838	(18,930)
Non-current assets	411,160	450,760	+39,599
Property, plant and equipment	176,300	227,590	+51,289
Investment securities	180,415	180,280	(134)
Recoverable accounts	20,916	19,144	(1,772)
Other	33,528	23,745	(9,782)
Total assets	660,928	681,598	+20,669
Current liabilities	49,095	49,152	+56
Non-current liabilities	74,258	75,188	+930
Total net assets	537,574	557,257	+19,682
Valuation difference on available-for-sale securities	84,686	36,630	(48,056)
Non-controlling interests	33,671	29,512	(4,158)
Total liabilities and net assets	660,928	681,598	+20,669

Capital expenditure for tight oil development in U.S. (+)

- Participation in Freeport LNG Project in U.S. (+)
- Selling a portion of the strategic shareholdings (–)

- Recording of net income for the period (+)
- Payment of dividends and acquisition of treasury stock (–)
- Decrease in valuation difference on available-for-sale securities (–)

Cash Flows and Debt

Million Yen	FY3/24 (a) A	FY3/25 (a) B	Change B-A	FY3/26 (f)	Change C-B
				May 13 C	
Cash flows from operating activities	90,564	130,766	+40,202	74,804	(55,962)
Profit before income taxes	68,784	108,614	+39,830	37,900	(70,714)
Depreciation	27,646	49,906	+22,259	40,043	(9,862)
Loss (gain) on sale of short-term and long-term investment securities	-	(45,698)	(45,698)	-	+45,698
Recovery of recoverable accounts	27,775	25,767	(2,008)	25,535	(232)
Cash flows from investing activities	(99,659)	(107,076)	(7,416)	(33,382)	+73,693
Purchase of property, plant and equipment	(65,924)	(90,531)	(24,607)	(22,598)	+67,933
Purchase of investment securities	(7,685)	(69,859)	(62,173)	(8,705)	+61,153
Proceeds from sale and redemption of investment securities	318	51,511	+51,193	864	(50,647)
Proceeds from (or Payments for) sale (or purchase) of shares of subsidiaries resulting in change in scope of consolidation	-	2,967	+2,967	17,727	+14,760
Payments of recoverable accounts	(25,379)	(24,004)	+1,375	(27,687)	(3,682)
Cash flows from financing activities	(28,596)	(38,671)	(10,075)	(14,669)	+24,002
Cash and cash equivalents at end of period	152,598	140,931	(11,667)	167,684	+26,752

Interest-bearing debt *1	9,091	14,980	-	14,663	-
EBITDA *2	93,606	125,334	-	74,746	-
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. Segment Sales**
- 5. Price Assumptions for FY3/26 Forecasts**
- 6. Sensitivities Analysis on FY3/26 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 (a)					FY3/26 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 13
Sales		88,810	29,836	36,110	29,793	33,272	129,012	94,946
Sales volume of Crude oil (Thousand KL)		1,240	403	474	490	378	1,746	1,694
Net sales		87,808	28,966	35,166	29,023	31,259	124,415	91,124
Sales volume of Crude oil - Japan (Thousand KL)		225	51	58	59	62	231	208
Net sales		17,792	4,348	4,885	4,379	4,690	18,303	11,861
Sales volume of Crude oil - overseas *1 (Thousand KL)		994	346	410	427	311	1,496	1,468
Net sales		68,397	24,247	29,824	24,357	26,171	104,601	78,263
Sales volume of Purchased crude oil (Thousand KL)		20	4	5	3	5	18	17
Net sales		1,618	370	456	286	396	1,510	999
Sales volume of Natural gas -overseas *2 (Million M3)		65	35	34	39	43	152	152
Net sales		1,002	869	944	769	2,013	4,597	3,821
WTI (USD/bbl)		77.69	77.06	80.73	75.19	70.35	75.83	62.87
Crude oil price (CIF) (USD/bbl) *3		86.28	85.95	87.61	80.49	77.61	82.66	65.00

(Reference)

Proved reserves at the end of FY2024: 115MMBOE (50MMBOE Japan, 64MMBOE overseas / 65MMBOE Crude oil, 50MMBOE Natural gas)

Production volume in FY2024 41MBOED (12MBOED Japan, 29MBOED overseas / 29MBOED Crude oil , 12MBOED Natural gas)

*1 FY3/24 Full year and FY3/25 1Q-2Q: Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

From FY3/25 3Q onwards: Amounts of overseas consolidated subsidiaries Japex Garraf Ltd., Japex (U.S.) Corp., JAPEX UK E&P Ltd. (Scheduled to transfer all shares on July 1, 2025) and JAPEX Norge AS

*2 FY3/24 Full year and FY3/25 1Q-2Q: Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp. and JAPEX UK E&P Ltd.

From FY3/25 3Q onwards: Amounts of overseas consolidated subsidiaries Japex (U.S.) Corp., JAPEX UK E&P Ltd. (Scheduled to transfer all shares on July 1, 2025) 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 (a)					FY3/26 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 13
Sales		172,147	43,749	42,799	42,597	60,032	189,178	160,639
Sales volume of Natural gas – Japan (Million M3)		955	195	202	244	294	936	933
Net sales		81,487	16,778	16,395	20,069	24,295	77,538	69,082
Sales volume of Natural gas produced in Japan (Million M3)		444	102	93	115	133	444	419
Sales volume of LNG (Thousand ton)		275	169	97	39	115	422	242
Net sales		30,190	15,960	8,732	5,266	14,030	43,990	21,919
Sales volume of Electricity (Million kWh)		3,548	579	934	782	1,016	3,313	3,215
Net sales		53,272	9,585	14,028	12,280	15,501	51,395	44,307
Others*		7,197	1,425	3,642	4,981	6,204	16,254	25,329

JLC Price (JPY / ton)	93,128	91,340	93,592	93,820	95,211	93,491	74,900
-----------------------	--------	--------	--------	--------	--------	--------	--------

* 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 (a)					FY3/26 (f)
		Full year	1Q	2Q	3Q	4Q	Full year	Full year
								May 13
Net sales		325,863	89,465	94,140	91,213	114,261	389,082	332,400
E&P Business		88,810	29,836	36,110	29,793	33,272	129,012	94,946
Infrastructure/Utility Business		172,147	43,749	42,799	42,597	60,032	189,178	160,639
Others		64,905	15,880	15,230	18,823	20,957	70,891	76,814
Cost of sales		238,567	67,187	69,923	66,542	86,271	289,924	266,000
Gross profit		87,296	22,278	24,217	24,671	27,990	99,157	66,400
Exploration expenses		3,536	1,713	409	412	636	3,172	2,700
SG&A expenses		28,512	7,616	7,984	8,519	9,851	33,972	35,700
Operating profit		55,247	12,948	15,822	15,739	17,501	62,012	28,000
Non-operation income (expense)		13,561	3,611	(6,568)	5,256	(91)	2,208	8,000
Interest income		2,265	705	657	556	572	2,492	1,900
Interest expenses		(626)	(598)	(687)	(720)	(640)	(2,646)	(1,300)
Dividend income		4,090	68	2,298	32	2,210	4,610	2,700
Equity method profit (loss)		214	(589)	(317)	(973)	1,628	(252)	2,700
Provision for overseas investment		78	-	-	1	-	1	-
Foreign exchange gains (losses)		7,634	4,086	(8,489)	6,276	(3,686)	(1,812)	1,300
Other		(95)	(59)	(30)	83	(176)	(183)	700
Ordinary profit		68,808	16,560	9,254	20,995	17,410	64,221	36,000
Extraordinary income (loss)		(24)	(1)	241	45,698	(1,545)	44,392	1,900
Profit before income taxes		68,784	16,558	9,496	66,693	15,865	108,614	37,900
Income taxes		12,067	3,669	970	11,583	9,543	25,766	7,100
Profit attributable to non-controlling interests		3,055	1,395	(1,119)	1,809	(390)	1,694	800
Profit attributable to owners of parent		53,661	11,493	9,645	53,300	6,712	81,153	30,000

3. Segment Profit

Million Yen		FY3/24 (a)	FY3/25 (a)					FY3/26 (f)
			1Q	2Q	3Q	4Q	Full year	Full year
								May.13
Japan	Operating profit (loss)	51,130	9,957	10,586	12,456	11,984	44,985	28,887
	Equity method profit (loss)	168	110	95	(3)	(39)	162	(60)
North America	Operating profit (loss)	11,417	4,853	5,497	4,438	6,311	21,100	9,025
	Equity method profit (loss)	(49)	(29)	(147)	3	1,071	899	2,396
Europe	Operating profit (loss)	426	(275)	2,481	727	2,660	5,593	1,238
	Equity method profit (loss)	(529)	(1,290)	(629)	-	-	(1,920)	-
Middle East	Operating profit (loss)	4,750	1,503	636	1,344	670	4,154	2,286
	Equity method profit (loss)	2	-	-	-	-	-	-
Others* ¹	Operating profit (loss)	-	-	-	-	-	-	-
	Equity method profit (loss)	622	619	363	(974)	596	605	364
Adjustments and Eliminations* ²		(12,477)	(3,090)	(3,378)	(3,227)	(4,124)	(13,821)	(13,438)
Amounts on consolidated statement of income* ³								
Operating profit		55,247	12,948	15,822	15,739	17,501	62,012	28,000

*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 (a)					FY3/25 (a)				
		Japan	North America	Europe	Middle East	Total	Japan	North America	Europe	Middle East	Total
E&P Business	Crude oil	19,410	29,932	2,282	36,182	87,808	19,813	54,629	15,660	34,311	124,415
	Natural Gas - Overseas	-	675	327	-	1,002	-	1,076	3,520	-	4,597
	Subtotal	19,410	30,607	2,609	36,182	88,810	19,813	55,705	19,181	34,311	129,012
I/U Business	Natural Gas - Japan	81,487	-	-	-	81,487	77,538	-	-	-	77,538
	LNG	30,190	-	-	-	30,190	43,990	-	-	-	43,990
	Electricity	53,272	-	-	-	53,272	51,395	-	-	-	51,395
	Others	7,197	-	-	-	7,197	16,254	-	-	-	16,254
	Subtotal	172,147	-	-	-	172,147	189,178	-	-	-	189,178
Other Businesses	Contracting	6,395	-	-	-	6,395	8,572	-	-	-	8,572
	Oil products and commodities	55,423	-	-	-	55,423	59,598	-	-	-	59,598
	Others	3,087	-	-	-	3,087	2,720	-	-	-	2,720
	Subtotal	64,905	-	-	-	64,905	70,891	-	-	-	70,891
Total		256,463	30,607	2,609	36,182	325,863	279,883	55,705	19,181	34,311	389,082

5. Price Assumptions for FY3/26 Forecasts

Market Price			Upper: from January 2024 to March 2025					Full year
			Lower: from January 2025 to March 2026					
			Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	
Crude oil price (CIF) *	USD/bbl	FY3/25 (a)	-	85.95	87.61	80.49	77.61	82.66
		FY3/26 (f)	-	65.00	65.00	65.00	65.00	65.00
WTI	USD/bbl	FY3/25 (a)	77.06	80.73	75.19	70.35	-	75.83
		FY3/26 (f)	71.46	60.00	60.00	60.00	-	62.87
JLC price	JPY/Ton	FY3/25 (a)	-	91,340	93,592	93,820	95,211	93,491
		FY3/26 (f)	-	79,800	73,300	73,300	73,300	74,900
Exchange rate	JPY/USD	FY3/25 (a)	-	152.39	156.02	147.62	155.06	152.83
		FY3/26 (f)	-	140.00	140.00	140.00	140.00	140.00

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

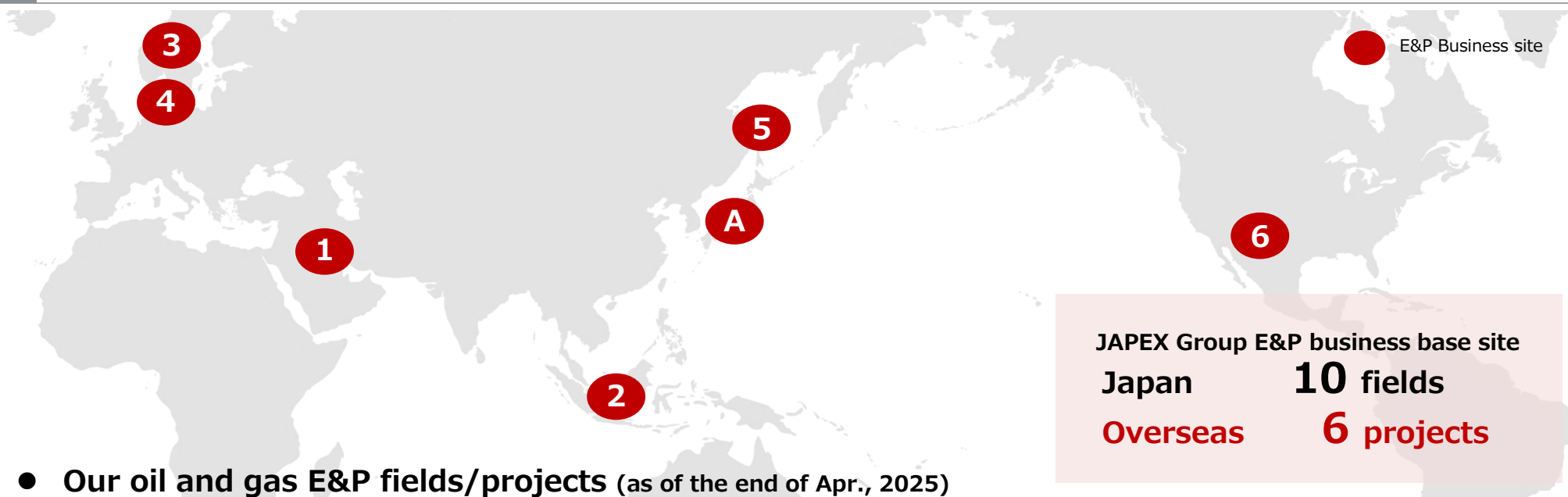
6. Sensitivities Analysis on FY3/26 Forecasts Basis

	FY3/26 Assumptions	Fluctuation	Impacts on profit (Million Yen)	Main factors for change positive factor “+” / negative factor “-”
			Operating profit	
Crude oil price	WTI USD 60.00/bbl Crude oil price (CIF), Brent USD 65.00/bbl	Increase by 1USD/bbl	370	+ Sales of oil and gas - Increase in LNG procurement cost
Exchange rate	JPY 140.00/USD	1 weaker JPY against USD	450	+ 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 the end of Apr., 2025)

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. 170,000bbl/d
2	Indonesia: Kangean Project (Kangean Energy Indonesia Ltd.)	100% (25%)	Crude oil/ natural gas	Production	Approx. 1,920,000m ³ /d (Approx. 11,684boed)
3	Norway: Offshore Blocks (Equinor ASA, etc.*2)	Differ by interest	Crude oil/ natural gas	Exploration/Production/ Development	659boed*4
4	UK North Sea: Seagull Project (BP Exploration Operating Company Ltd.) *5	15% (15%)	Crude oil/ natural gas	Production/ Development	Undisclosed
5	Russia: Sakhalin-1 Project (Sakhalin-1 Limited Liability Company: S1LLC)	30% (4.59%) *3	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	15,771boed*4

*1: Average daily Production for FY2024 (No.1: Apr.2024-Mar.2025, No.2,3,6: Jan.-Dec.2024) *2: Operators differ by interest. Main operators listed.

*3: 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. *4: Stated in net.

*5: Scheduled to transfer all shares on July 1, 2025

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

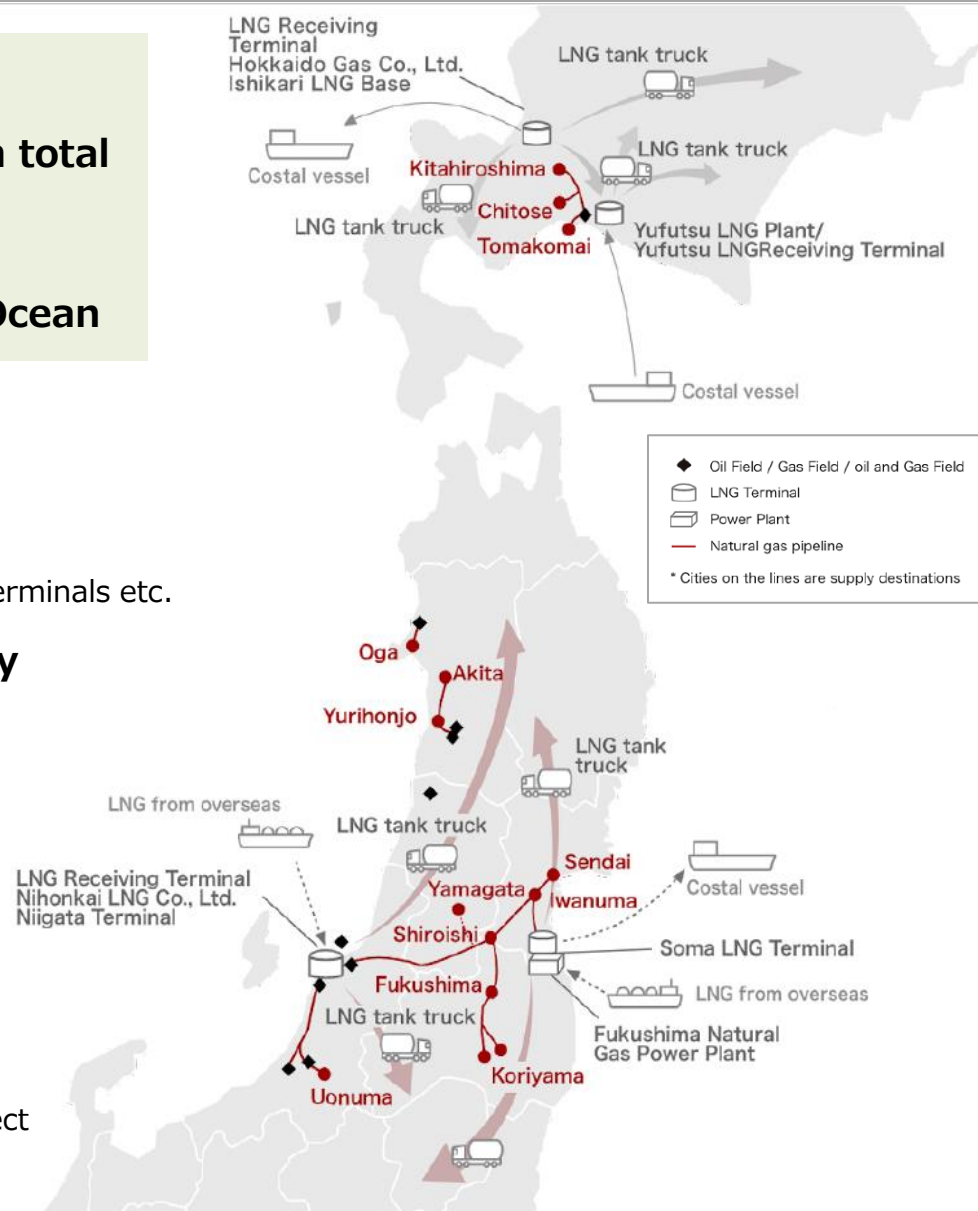
- Support fuel switching to natural gas from other fossil fuels
- Propose and provide energy services in cooperation with city gas suppliers

● 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

Power plants	Total (Renewable energy 8 sites)	9 sites 8 sites	Total output Renewable energy	1,390,100kW 210,100kW)
Power storage facility	Total	1 site	Total output	1,999kW

※ Total output represents gross plant output

● Power plants and power storage facility in development and operation (as of the end of Apr., 2025)

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	Niigata Matsuhamu PV Power Plant	Niigata City, Niigata	PV	300	100%	In operation
5	Mitsuke PV Power Plant	Mitsuke City, Niigata	PV	250	100%	In operation
6	Tahara Biomass Power Plant	Tahara City, Aichi	Biomass (wood pellet)	50,000	39.9%	In operation
7	Chofu Biomass Power Plant	Shimonoseki City, Yamaguchi	Biomass (wood pellet)	74,950	39.9%	In operation
8	Ozu Biomass Power Plant	Ozu City, Ehime	Biomass (wood pellet)	50,000	28.28%	In operation
I	JAPEX Mihama Battery Energy Storage System	Chiba City, Chiba	Power storage facility	1,999※ (approx. 6,000kWh)	100%	Under construction

※The figures in parentheses are the capacities within the storage facilities.

● 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)
- A MOU was concluded with Iino Kaiun Kaisha regarding joint projects for solar power plants (to install solar power generation facilities with a cumulative output of approximately 30 MW by 2030).

1

2 3



4

5

A



I

6

7

8

● Gas power plant

● Renewable power plant

● Power storage facility (under construction)

7. Business Overview ④ CN Field



● Ongoing initiatives to participate in / promote (as of the end of Apr., 2025)

No.	Country	Major Initiatives
A	Japan	<ul style="list-style-type: none"> ✓ Commissioned a CCS engineering design work in Higashi-Niigata Area, as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Sep 2024) ✓ Commissioned a CCS engineering design work in Tomakomai Area, as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Oct 2024) ✓ Invested in a venture capital fund “ONE 1 Fund” specializing in the carbon neutral field (Mar 2025)
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) ✓ Joint Study Agreement for a Feasibility Assessment on BECCS in South Sumatra, Indonesia with Marubeni, Pertamina, PHE (Aug 2024) ✓ Commencement of Inter-Well CO₂ Injection Test at Sukowati oil field, Indonesia (Oct 2024)
2	Malaysia	<ul style="list-style-type: none"> ✓ Commission a CCS engineering design work in Sarawak, Malaysia as the “Engineering Design Work for Advanced CCS Projects” in FY2024 (Sep 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 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 2024, published in October 2024)
is available directly via the following link

https://www.japex.co.jp/en/ir/uploads/pdf/JAPEX_IR2024_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

