

Appendix : Additional Slides

TEIKOKU OIL CO., LTD.

**Additional Slides : Financial Results for the year ended December 31, 2005
and Financial Results for the year ended March 31, 2006**

Consolidated Subsidiaries and Affiliates

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TEIKOKU

Domestic Operation

Oil and Gas-Related Businesses

Teikoku Oil Co., Ltd.

Teiseki Pipeline Co., Ltd.
 Teiseki Propane Co., Ltd.
 Teiseki Topping Plant Co., Ltd.
 Offshore Iwaki Petroleum Co., Ltd.
 Saitama Gas Co., Ltd.
 Teiseki Transport System Co., Ltd.

Other Businesses

Teiseki Real Estate Co., Ltd.
 Teiseki Drilling Co., Ltd.
 Daiichi Warehouse Co., Ltd.

* Other Overseas operation companies 4
 (Local operating companies 2 , others 2)

* Liquidation
 (2 companies)

Overseas Operation

Teikoku Oil (Venezuela) Co., Ltd.* (Venezuela , Production)

Teikoku Gas Venezuela, C.A. (Venezuela , Exploration)

Teikoku Oil (D.R. Congo) Co., Ltd. (D.R. Congo ,
 Production)

Teikoku Oil Company Panama, S.A. (Crude Oil Sales)

Teikoku Oil (Algeria) Co., Ltd. (Algeria , Development**)

The Egyptian Petroleum Development Co., Ltd. (Egypt ,
 Production)

Teikoku Oil (North America) Co., Ltd. (U.S.A. Exploration)

Teikoku Oil (Con Son) Co., Ltd. (Vietnam , Exploration)

Teikoku Oil Ecuador (Ecuador , Production)***

Teikoku Oil Suez SOB Co., Ltd. (Egypt , Exploration)

Teikoku Oil Nile NQR Co., Ltd. (Egypt , Exploration)

Teikoku Oil Libya UK Ltd (Libya , Exploration)

Affiliate accounted for equity method
 Japan Ohanet Oil & Gas Co., Ltd.

* Teikoku Oil (Venezuela) Co., Ltd. and Teikoku Oil (Sanvi-Guere) Co., Ltd.
 merged in June, 2005.

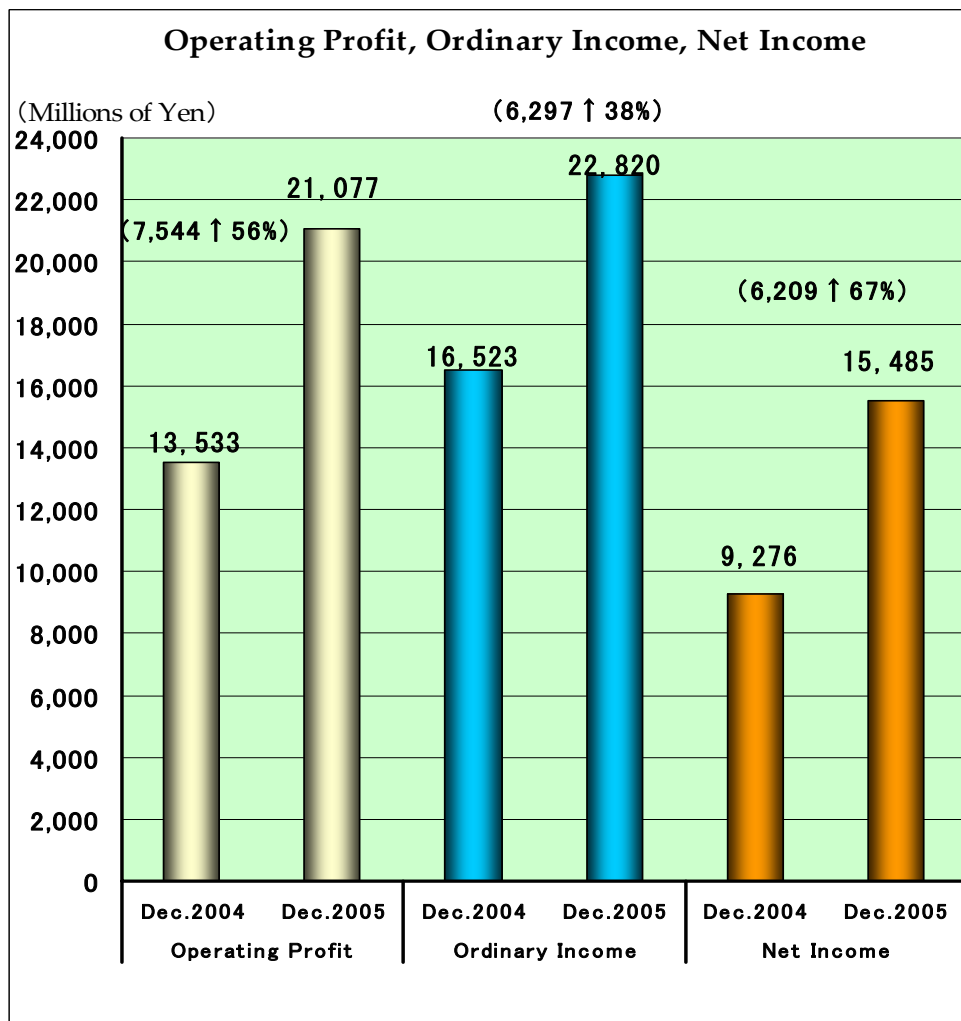
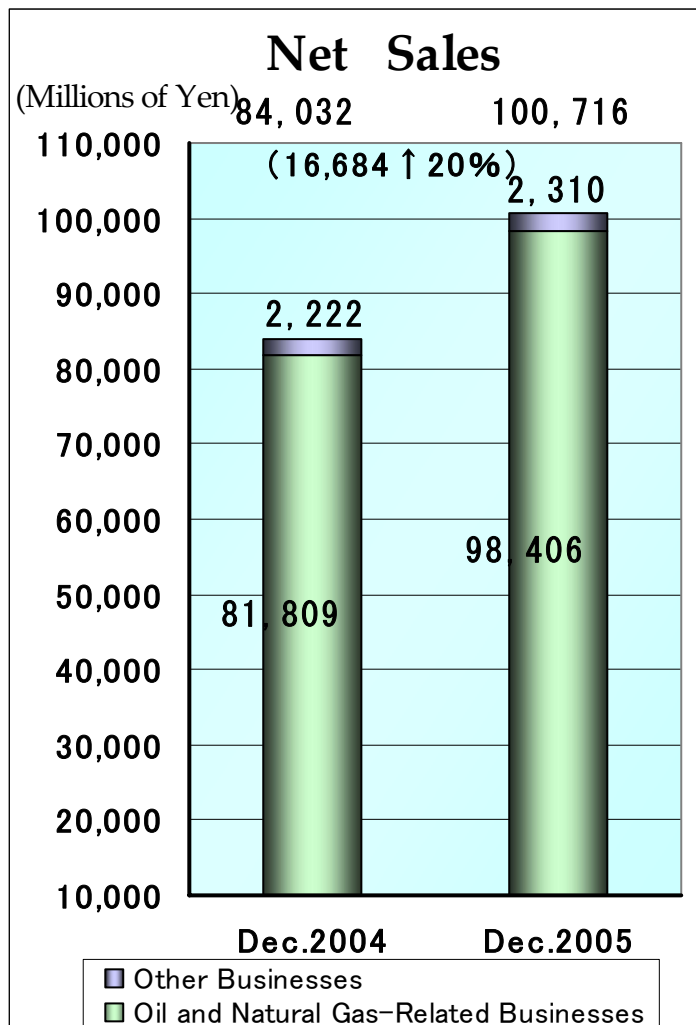
** Waiting for the government's approval

*** In a government approval process of interests transfer

**** New consolidated subsidiaries in 2005

Overview of Consolidated Financial Results for the year ended December 31, 2005

Sales and net income increased, reflecting expansion of overseas business and higher oil price



Net Sales by Products

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(Millions of Yen)

	Dec.2004	Dec.2005	Change	% Change
Natural Gas	34,534	38,004	3,470	10%
Liquefied Petroleum Gas	1,957	2,280	323	17%
Crude Oil	10,219	17,702	7,483	73%
Petroleum Products	33,372	38,365	4,993	15%
Iodine	704	818	114	16%
Others	1,021	1,234	213	21%
Oil and Natural Gas-Related Businesses	81,809	98,406	16,597	20%
Other Businesses	2,222	2,310	88	4%
Total	84,032	100,716	16,684	20%

Natural Gas Sales

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- **Sales for Teikoku Oil increased**, reflecting sales expansion to industrial users, due to higher sales volumes by 2.4 billion yen and lower unit price by 0.8 billion yen.
- **Venezuela projects** were converted to fully be consolidated.

(Millions of Yen)

	Dec. 2004	Dec. 2005	Change
Net Sales	34,534	38,004	3,470
(Teikoku Oil, Offshore Iwaki)	(34,534)	(35,928)	(1,394)
(Venezuela projects)		(2,075)	(2,075)

*(Teikoku Oil) 43.12MJ (10,300kcal) per 1 cubic meter

(Millions of M3)

	Dec. 2004	Dec. 2005	Change
Teikoku Oil Co., Ltd.	847	913	66
Offshore Iwaki Petroleum	95	91	△ 4
Venezuela projects		682	682
Sales Volume	942	1,685	743

Crude Oil Sales

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- **Sales for D.R. Congo increased** by higher oil price while sales volumes decreased by 2 shipments.
- **Venezuela projects** were converted to fully be consolidated, and the consolidation of **The Egyptian Petroleum Development** were fully from its first half of the year.

		Dec.2004	Dec.2005	Change		
Sales Volume (thousand bbl)		2,847	3,779	932		
Net Sales (Millions of Yen)		10,219	17,702	7,483		
(Unit / Volume : thousand bbl, Value : Millions of Yen, Unit price : \$/bbl)						
(Segment Information)		Dec.2004	Dec.2005	Change	Increased (decreased) due to: (Billions of Yen)	
Teikoku Oil (D.R.Congo)	Volume	2,426	1,724	△ 702	Volume	△ 2.6
	Value	9,003	9,762	759	Unit price	3.0
	Unit price	35.62	51.36	15.74	Foreign exchange	0.4
The Egyptian Petroleum Development	Volume	352	726	374	Volume	1.0
	Value	941	2,378	1,437	Unit price	0.3
	Unit price	24.74	29.35	4.61	Foreign exchange	0.1
Venezuela projects	Volume		1,267	1,267		
	Value		5,246	5,246		
	Unit price		35.64	35.64		

Petroleum Products Sales

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- **Sales increased** by higher oil price and an increase in sales volume.

(Millions of Yen)

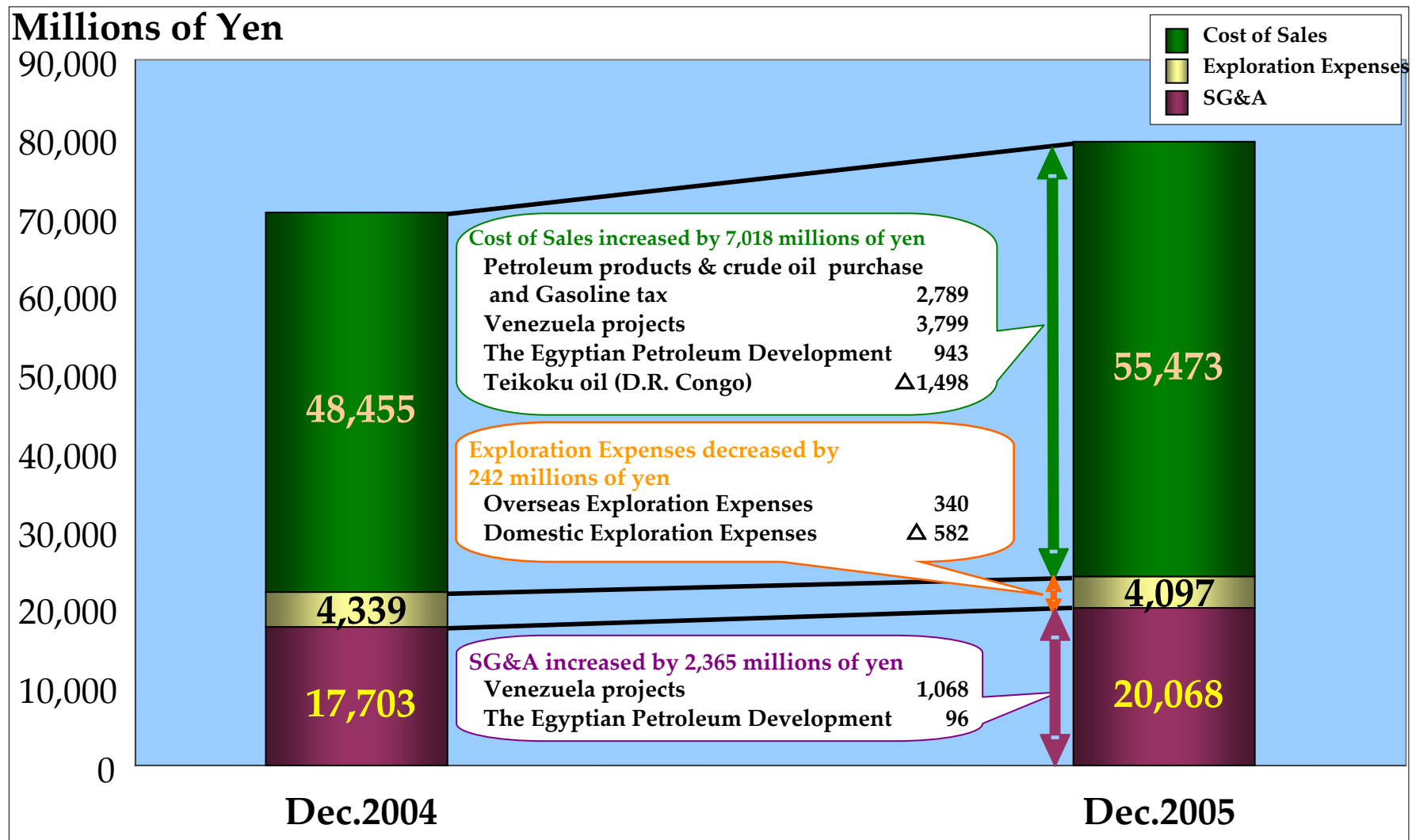
	Dec.2004	Dec.2005	Change
Net Sales	33,372	38,365	4,993

(Thousand KL)

Sales Volume of Teikoku Oil	Dec.2004	Dec.2005	Change
Sale of purchased products	385	405	20
(Storage and shipment operations at oil terminal)	(250)	(263)	(13)
Sales refined by Teikoku	210	220	10
Total	595	625	30

Cost of Sales/Exploration Expenses/ Selling, General & Administrative Expenses (SG&A)

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Other Income/Expenses

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- **Decrease in the equity in earnings of affiliates**
- **Increase in the provision for allowance for losses on overseas investments**

(Millions of Yen)

	Dec.2004	Dec.2005	Change
Other Income			
Interest income & Dividend income	764	990	226
Oil & gas royalties earned	584	721	137
Equity in earnings of affiliates	1,354	320	△ 1,034
Reversal of allowance for losses on overseas investments	199		△ 199
Miscellaneous income	951	1,568	617
Total other income	3,854	3,600	△ 254
Other Expenses			
Interest paid	368	608	240
Provision for allowance for losses on overseas investments		928	928
Provision for accrued estimated cost of abandonment of wells	146	95	△ 51
Miscellaneous losses	349	224	△ 125
Total other expenses	864	1,857	993
Provision for allowance for losses on overseas investments	△ 199	928	1,127
Breakdown			
Provision	73	1,200	1,127
Reversal	△ 272	△ 272	0

Overseas exploration investment	926	2,393	1,467
Breakdown			
Exploration expenses	853	1,193	340
Provision for allowance for losses on overseas investments	73	1,200	1,127

Extraordinary Income/Expenses

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	(Millions of Yen)		
	Dec.2004	Dec.2005	Change
Extraordinary Income			
Gain on the sale of fixed assets	138	146	8
Gain on the sale of marketable securities		3,430	3,430
Reversal of allowance for doubtful receivables	14	1	△ 13
Total	153	3,578	3,425
Extraordinary Expenses			
Impairment Expenses		275	275
Total		275	275

Balance Sheets

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- Increase in the construction in progress by **constructing new pipelines and facilities**
- Increase in marketable securities due to **higher stock price**
- Increase in long-term borrowings due to new borrowings for **domestic operations**, etc.

(Millions of Yen)

	Dec.2004	Dec.2005	Change		Dec.2004	Dec.2005	Change
Current Assets	45,658	58,586	12,928	Current Liabilities	27,439	28,998	1,559
				Short-term borrowings	(4,406)	(5,175)	(769)
				Accounts payable-other	(14,211)	(14,323)	(112)
Fixed Assets	194,854	235,180	40,326	Long-Term Liabilities	44,986	65,230	20,244
Property, plant and equipment	114,220	125,418	11,198	Long-term borrowings	(13,529)	(23,847)	(10,318)
Buildings & structures	(79,763)	(79,346)	(Δ 417)	Deferred tax liabilities	(12,611)	(23,277)	(10,666)
Construction in progress	(11,743)	(24,417)	(12,674)	Total Liabilities	72,425	94,229	21,804
Intangible assets	776	811	35	Minority interests in consolidated subsidiaries	2,150	2,320	170
Investments and other assets	79,858	108,949	29,091	Capital stock	19,579	19,579	-
Investments in securities	(68,381)	(96,025)	(27,644)	Capital surplus	11,225	11,230	5
Allowances for losses on overseas investments	(Δ 2,253)	(Δ 2,946)	(Δ 693)	Retained earnings	114,999	127,688	12,689
Oil and gas investments	(2,582)	(3,312)	(730)	Net unrealized gain on securities	20,533	39,081	18,548
				Foreign currency translation adjustment	78	457	379
				Treasury stock	Δ 479	Δ 820	Δ 341
				Total Shareholders' Equity	165,936	197,216	31,280
Total Assets	240,513	293,767	53,254	Total Liabilities, Minority Interests & Shareholders' Equity	240,513	293,767	53,254

Amounts in parenthesis () above represent breakdown of each items

Statements of Cash Flows

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- Increase in **income before income taxes and minority interests** and increase in long-term borrowings due to new borrowings for **domestic operations** etc.

(Millions of Yen)

	Dec.2004	Dec.2005	Change
Cash and cash equivalents at the beginning of year	28,789	22,234	△ 6,555
Cash Flows from Operating Activities	19,225	15,118	△ 4,107
Income before income taxes and minority interests	(16,676)	(26,122)	(9,446)
Depreciation and Amortization	(10,160)	(8,962)	(△ 1,198)
Income tax paid	(△ 5,903)	(△ 10,045)	(△ 4,142)
Cash Flows From Investing Activities	△ 20,018	△ 20,287	△ 269
Additions to property, plant and equipment	(△ 15,964)	(△ 19,980)	(△ 4,016)
Acquisition of subsidiaries stock resulting	(△ 2,421)	(△ 107)	(2,314)
Payments for oil and gas investment	(△ 56)	(△ 3,083)	(△ 3,027)
Cash Flows from Financing Activities	△ 5,824	7,845	13,669
Proceeds from long-term debt	(260)	(14,860)	(14,600)
Cash dividends paid	(△ 1,823)	(△ 2,729)	(△ 906)
Effect of exchange rate on changes on cash and cash equivalents	16	632	616
Increase (decrease) in cash and cash equivalents	△ 6,601	3,309	9,910
Increase in cash and cash equivalents due to inclusion in consolidation	46	1	△ 45
Cash and cash equivalents at the end of year	22,234	25,545	3,311

Amounts in parenthesis () above represent breakdown of each items

Statements of Income : Jan-Mar 2006

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(Millions of Yen)

	Mar.2006
Net Sales	27,718
Cost of Sales	12,807
Exploration Expenses	740
Selling, General & Administrative Expenses	4,699
Operating Profit	9,470
Other Income	5,249
Other Expenses	1,915
Ordinary Income	12,804
Extraordinary Income	
Extraordinary Expenses	2,587
Income Before Income Taxes and Minority Interests	10,216
Corporate & local taxes	3,731
Minority interests in earnings of consolidated subsidiaries	
Net Income for the Period	6,484

Sales by segment

Natural Gas	12,951
Liquefied Petroleum Gas	235
Crude Oil	3,995
Petroleum Products	9,867
Iodine	202
Others	466
Total	27,718

Equity in earnings of affiliate of Dai-Ichi Oil Development (4,067)

Amortization of exploration & development rights (1,067)

Loss for past investment in Venezuela projects due to change of contracts

Natural Gas Sales : Jan-Mar 2006

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(Millions of Yen)

	FY12/05 1Q	Mar.2006	Change
Net Sales	12,032	12,951	919
(Teikoku Oil, Offshore Iwaki)	(11,616)	(12,281)	(665)
(Venezuela projects)	(415)	(669)	(254)

*(Teikoku Oil) 43.12MJ (10,300kcal) per 1 cubic meter

(Millions of M3)

	FY12/05 1Q	Mar.2006	Change
Teikoku Oil Co., Ltd.	280	323	43
Offshore Iwaki Petroleum	33	20	△ 13
Venezuela projects	140	202	62
Sales Volume	453	545	92

Crude Oil Sales : Jan-Mar 2006

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	FY12/05 1Q	Mar.2006	Change		
Sales Volume (thou bbl)	864	700	△ 164		
Net Sales (Millions of Yen)	3,507	3,995	488		
(Unit/Volume : thousand bbl, Value : Millions of Yen, Unit price : \$/bbl)					
(Segment Information)	FY12/05 1Q	Mar.2006	Change	Increased (decreased) due to: (Billions of Yen)	
Teikoku Oil (D.R.Congo)	Volume	335	366	31	Volume 0.1
	Value	1,581	2,564	983	Unit price 0.6
	Unit price	45.15	59.83	14.68	Foreign exchange 0.3
The Egyptian Petroleum Development	Volume	179		△ 179	Volume
	Value	414		△ 414	Unit price
	Unit price	21.97		△ 21.97	Foreign exchange
Venezuela projects	Volume	327	319	△ 8	Volume △0.0
	Value	1,416	1,339	△ 77	Unit price 0.2
	Unit price	30.60	37.86	7.26	Foreign exchange △0.3

The Egyptian Petroleum Development has not changed the fiscal year end, therefore its sales is not included

Forecast of the March 2007 Fiscal Year

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	Dec. 2005A	Mar. 2007E	Change	(Billions of Yen) % Change
Net Sales	100.7	119.8	19.1	19%
Cost of Sales	55.5	64.5	9.0	
Exploration Expenses	4.1	3.1	△ 1.0	
Selling, General & Administrative Expenses	20.0	21.0	1.0	
Operating Profit	21.1	31.2	10.1	48%
Other Income	3.6	9.8	6.2	
Other Expenses	1.9	5.1	3.2	
Ordinary Income	22.8	35.9	13.1	57%
Extraordinary Income	3.6	0.2	△ 3.4	
Extraordinary Expenses	0.3		△ 0.3	
Income Before Income Taxes and Minority Interests	26.1	36.1	10.0	38%
Corporate & local taxes	10.3	13.5	3.2	
Minority interests in earnings of consolidated subsidiaries	0.3	1.0	0.7	
Net Income for the Period	15.5	21.6	6.1	39%

	Dec. 2005A	Mar. 2007E	Increase/ Decrease	(Billions of Yen) Percent
Net Sales				
Natural Gas	38.0	49.0	11.0	29%
Liquefied Petroleum Gas	2.3	2.3	0.0	0%
Crude Oil	17.7	19.6	1.9	11%
Petroleum Products	38.4	43.2	4.8	13%
Iodine	0.8	0.9	0.1	13%
Others	3.5	4.8	1.3	37%
Total	100.7	119.8	19.1	19%

Forecast of Net Sales

INPEX

TEIKOKU

Net Sales

(Billions of Yen)

	Dec.2005A	Mar.2007E	Change	% Change
Natural Gas	38.0	49.0	11.0	29%
Liquefied Petroleum Gas	2.3	2.3	0.0	0%
Crude Oil	17.7	19.6	1.9	11%
Petroleum Products	38.4	43.2	4.8	13%
Iodine	0.8	0.9	0.1	13%
Others	3.5	4.8	1.3	37%
Total	100.7	119.8	19.1	19%

Forecast of Natural Gas Sales

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- **Sales for Teikoku Oil increased** by an increase of industrial users.
- **Sales for Venezuela projects increased** by an increase of production volume.

(Billions of Yen)

	Dec.2005A	Mar.2007E	Change
Net Sales	38.0	49.0	11.0
(Teikoku Oil, Offshore Iwaki)	(35.9)	(42.4)	(6.5)
(Venezuela projects)	(2.1)	(6.6)	(4.5)

*(Teikoku Oil) 43.12MJ (10,300kcal) per 1 cubic meter

	Dec.2005A	Mar.2007E	Change
Teikoku Oil Co., Ltd.	913	1,140	227
Offshore Iwaki Petroleum	91	67	△ 24
Venezuela projects	682	783	101
Sales Volume	1,685	1,990	305

Forecast of Crude Oil Sales

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- Oil JV operations in **Venezuela** will be consolidated under the equity method.

	Dec.2005A	Mar.2007E	Change
Sales Volume (thousand bbl)	3,779	4,032	253
Net Sales (Billions of Yen)	17.7	19.6	1.9

(Unit / Volume : thousand bbl, Value : Billions of Yen, Unit price : \$/bbl)

(Segment Information)		Dec.2005A	Mar.2007E	Change	Increased (decreased) due to: (Billions of Yen)
Teikoku Oil (D.R.Congo)	Volume	1,724	1,750	26	Volume 0.1
	Value	9.8	9.8	0.0	Unit price Δ 0.1
	Unit price	51.36	51.00	Δ 0.36	Foreign exchange 0.0
The Egyptian Petroleum Development	Volume	726	767	41	Volume 0.1
	Value	2.4	2.4	0.0	Unit price 0.0
	Unit price	29.35	29.00	Δ 0.35	Foreign exchange Δ 0.1
Venezuela projects	Volume	1,267		Δ 1,267	
	Value	5.2		Δ 5.2	
	Unit price	35.64		Δ 35.64	

* Assumptions WTI \$57 / Brent \$55

Forecast of Petroleum Products Sales

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▪ Increase in sales volume

	Dec.2005A	Mar.2007E	(Billions of Yen) Change
Net Sales	38.4	43.2	4.8

	Dec.2005A	Mar.2007E	(Thousand KL) Change
Sales Volume of Teikoku Oil			
Sale of purchased amount	405	467	62
(Storage and shipment operations at oil terminal)	(263)	(319)	(56)
Sale from productions	220	221	1
Total	625	688	63

* (Assumption for Mar.2007E) CIF \$53

Forecast of Income

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	Dec, 2005A	Mar, 2007E	Change	(Billions of Yen) % Change
Net Sales	100.7	119.8	19.1	19%
Cost of Sales	55.5	64.5	9.0	* 1
Exploration Expenses	4.1	3.1	△ 1.0	* 2
Selling, General & Administrative Expenses	20.0	21.0	1.0	* 3
Operating Profit	21.1	31.2	10.1	48%
Other Income	3.6	9.8	6.2	
Other Expenses	1.9	5.1	3.2	* 4
Ordinary Income	22.8	35.9	13.1	57%
Extraordinary Income	3.6	0.2	△ 3.4	* 5
Extraordinary Expenses	0.3		△ 0.3	
Income Before Income Taxes and Minority Interests	26.1	36.1	10.0	38%
Corporate & local taxes	10.3	13.5	3.2	
Minority interests in earnings of consolidated subsidiaries	0.3	1.0	0.7	
Net Income for the Period	15.5	21.6	6.1	39%

* 1 Purchase of petroleum products 0.8
 Gasoline tax 3.2
 Teikoku Oil (D.R. Congo) 1.0
 Venezuela Projects △1.0

* 4 Provision for allowance for recoverable
 accounts under production sharing 3.2

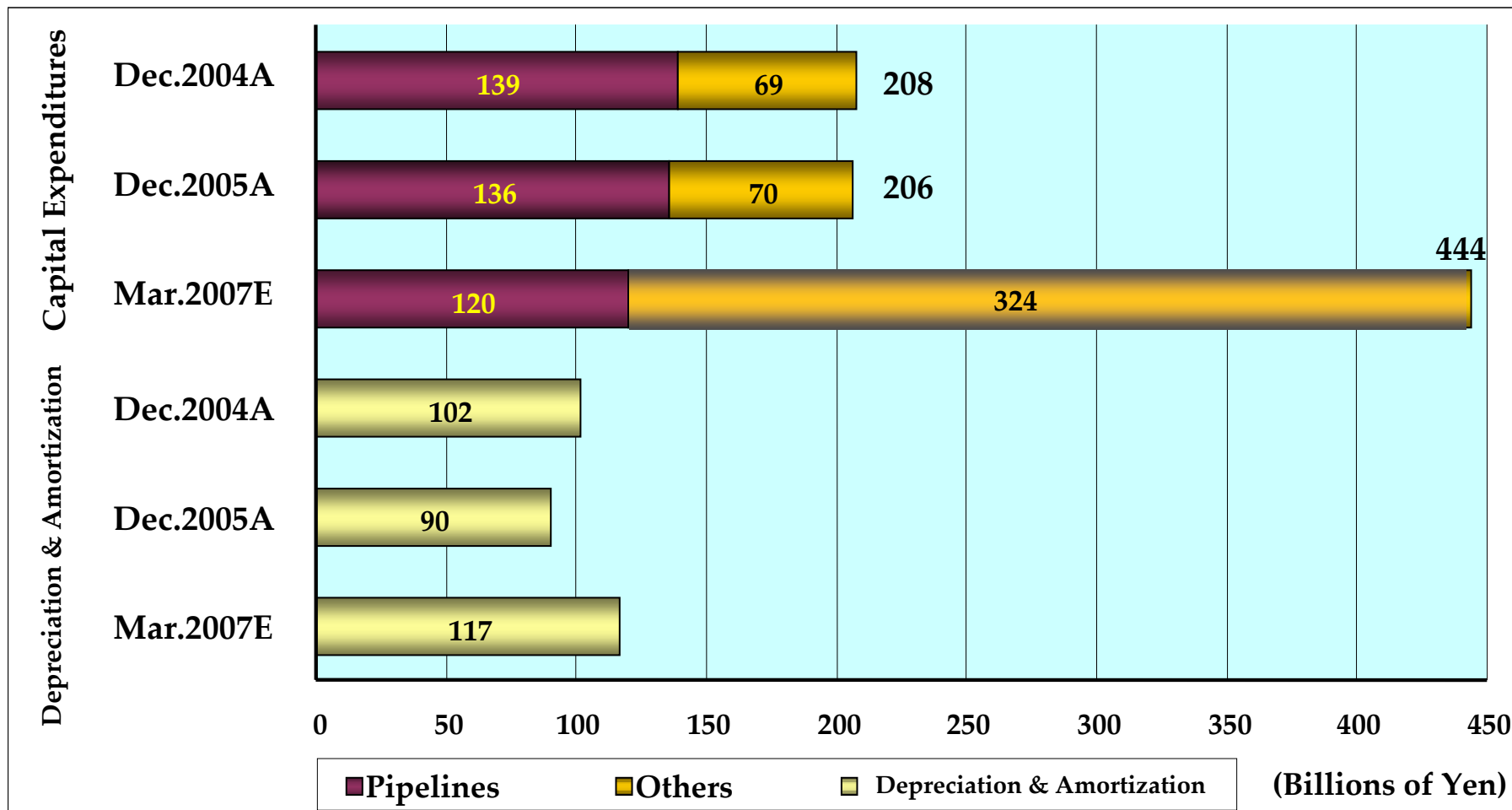
* 5 Gain on the sale of marketable securities △3.4

* 2 Overseas Exploration Expenses 1.5
 Domestic Exploration Expenses △ 2.5

* 3 Depreciation and Amortization 0.6
 Venezuela Projects △ 0.9

Forecast of Capital Expenditures and Depreciation & Amortization

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INPEX CORPORATION

Additional Slides : Consolidated Financial Results for the year ended March 31, 2006

Highlights of Non-Consolidated Financial Results for the year ended March 31, 2006

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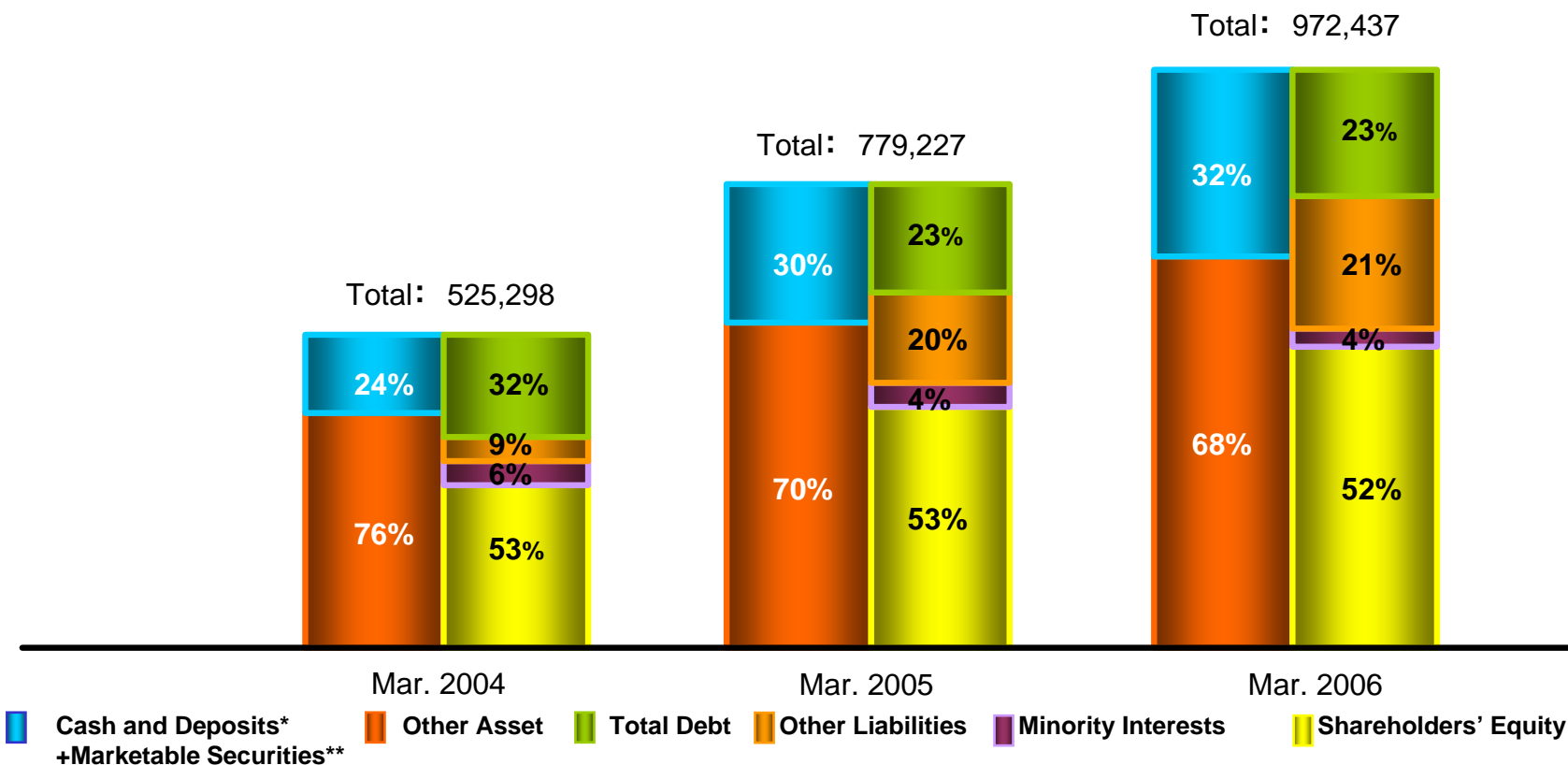
(Billions of yen)	Mar. 2005	Mar. 2006	Change	% of change
Net sales	2,027	2,581	554	27.3%
Operating income	1,135	1,609	474	41.7%
Ordinary income	1,125	1,593	468	41.6%
Net income	507	699	191	37.7%
Net income per share (¥)	(26,717.47)	(36,372.85)	(9,655.38)	(36.1%)
Cash dividends paid	76	105	28	37.5%
Dividends per share (¥)	(4,000)	(5,500)	(1,500)	(37.5%)

Overview of Consolidated Balance Sheets

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(Millions of Yen)



Notes: * Including collateralized fixed-term deposit of JPY 9,140 million for the year ended Mar. 2004, of JPY 8,200 millions for the year ended Mar. 2005 and JPY 9,400 million for the year ended Mar. 2006

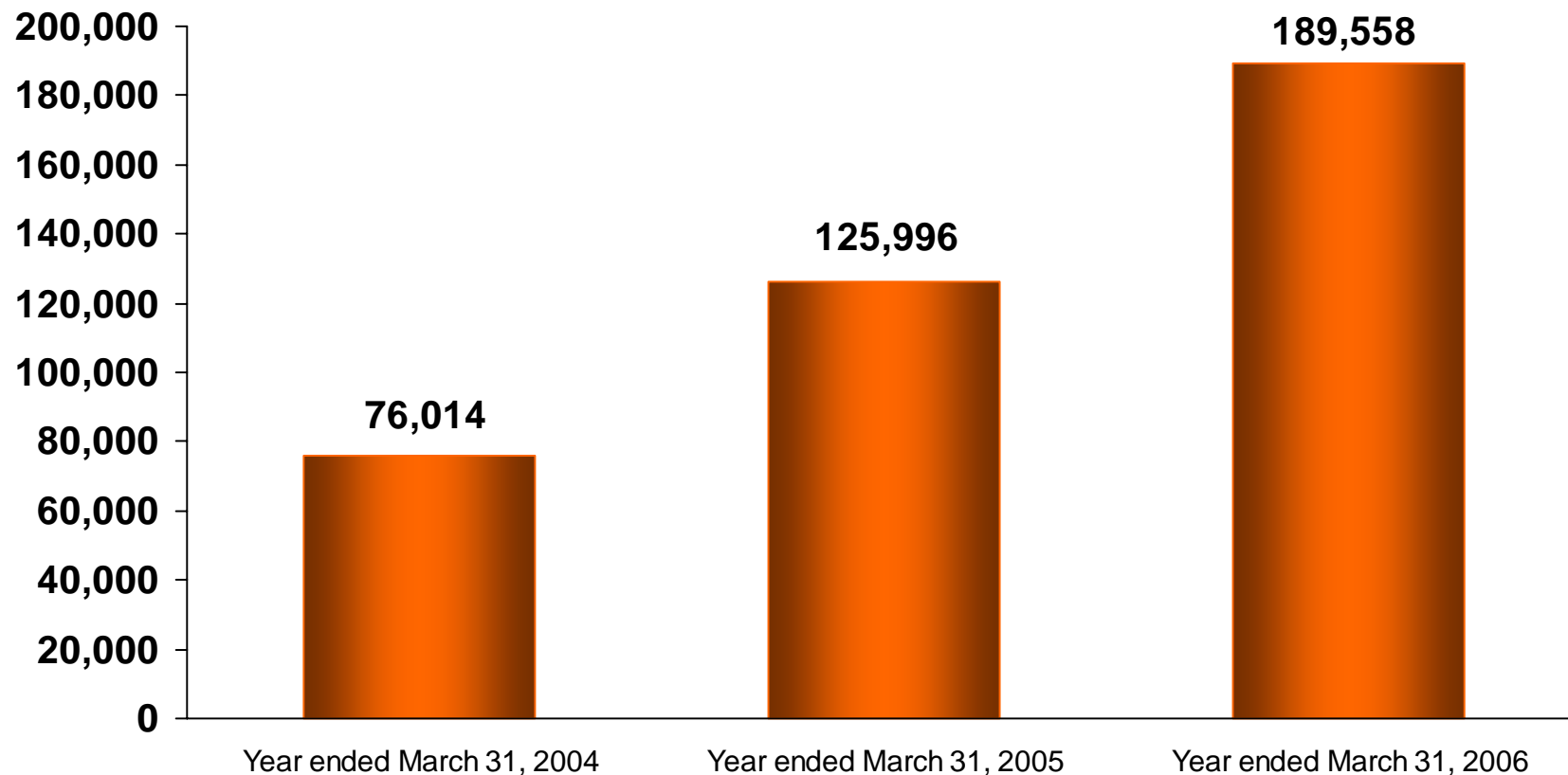
** Government bonds, government agency bonds and corporate bonds (with market value)

Earning Before Interest, Depreciation and Amortization, and Exploration (EBIDAX)*

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(Millions of Yen)



Note: * Net Income + Minority Interests + Deferred Tax + (1 – Tax Rate) x (Interest Expense – Interest Income) + (Depreciation and Amortization + Recovery of Recoverable Accounts under Production Sharing (Capital Expenditure)) + (Exploration Expenses + Provision for Allowance for Recoverable Accounts under Production Sharing) + Amortization of Exploration and Development Right + Exchange Profit and Loss. Our EBIDAX measures may not be comparable to other similarly titled measures of other companies

Details of EBIDAX Calculations for the year ended March 31, 2006

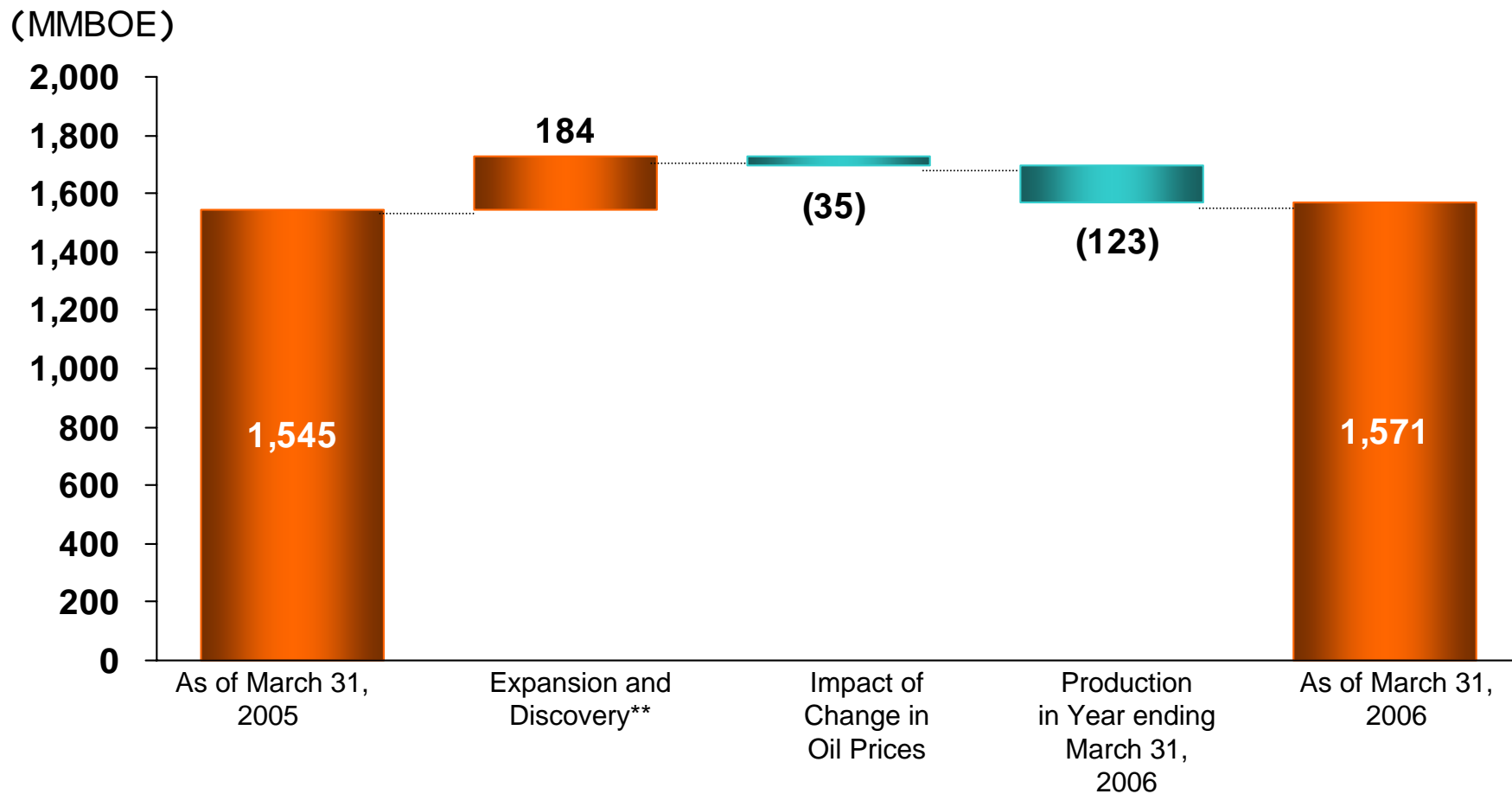
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	INPEX	Source	Notes
Net Income	103,476	P/L	
Minority interests	1,406	P/L	
Depreciation equivalent amount	78,395		
Depreciation and amortization	16,065	C/F	Depreciation under concession agreements and G&A
Recovery of Recoverable accounts under production sharing (capital expenditure)	62,330	C/F	Depreciation under PSC
Exploration cost equivalent amount	9,163		
Exploration expenses	5,521	P/L	Exploration expense under concession agreements
Provision for allowance for recoverable accounts under production sharing	3,642	P/L	Exploration expense under PS contracts
Material non-cash items	(2,832)		
Deferred income taxes	(13,862)	P/L	
Foreign exchange (gain) loss	11,030	C/F	
Amortization of exploration and Development rights	404	P/L	Cash expense for acquisitions of assets under exploration phase
Net interest expenses (income), after tax	(454)	P/L	After-tax interest expense minus interest income
EBIDAX	189,558		

Factor Analysis of Change in Proved Reserves*(INPEX CORPORATION only)

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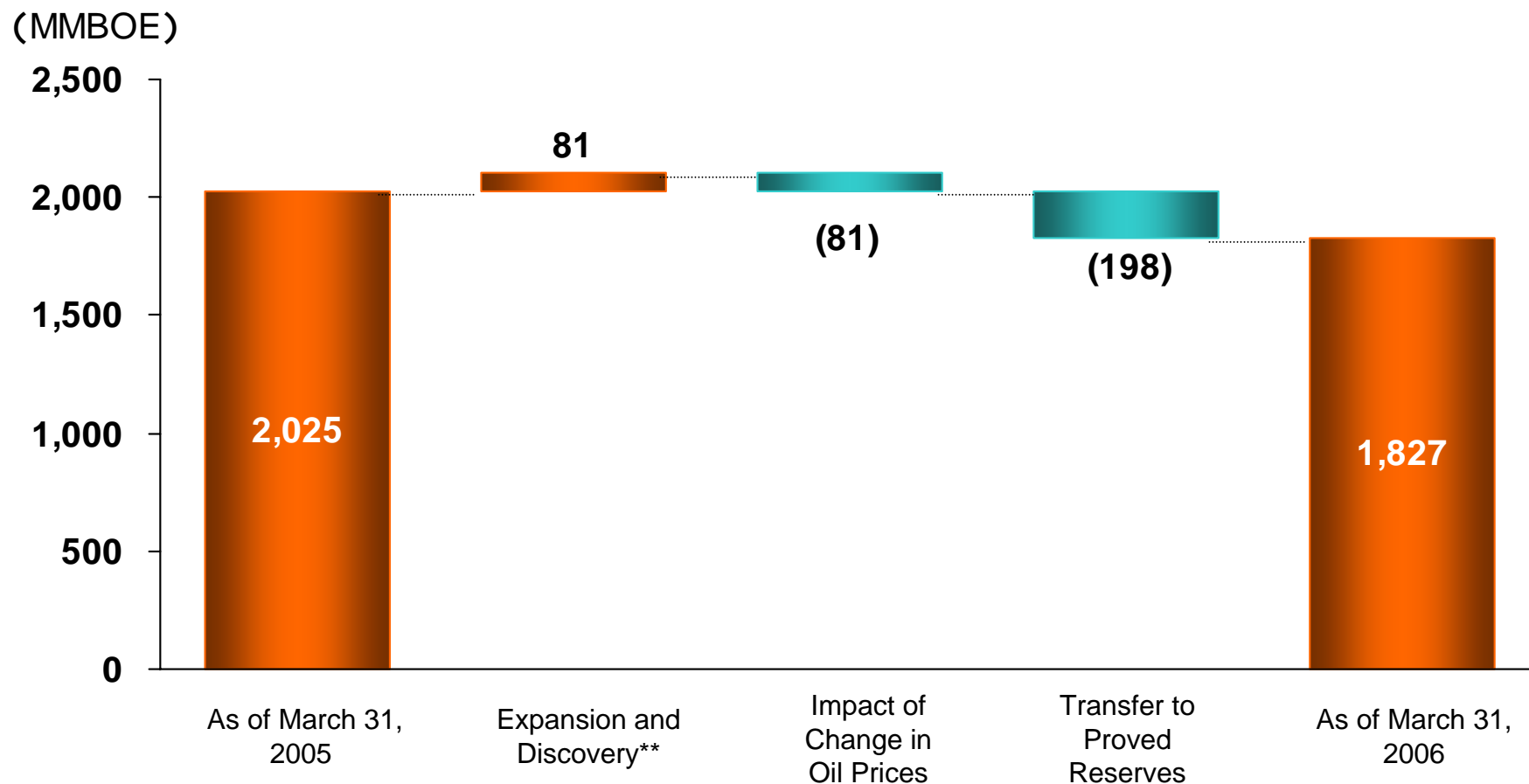
* Proved reserve amounts are based on the reserve reports by DeGolyer and MacNaughton in accordance with SEC regulation. Amounts attributable to the equity affiliates are included

** Includes acquisition and sales, revision to technology assessment and transfer from probable reserves.

Factor Analysis of Change in Probable Reserves*(INPEX CORPORATION only)

INPEX

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* Probable reserve amounts are based on the reserve reports by DeGolyer and MacNaughton in accordance with SPE and WPC regulation. Amounts attributable to the equity affiliates are included

** Includes acquisition and sales and revision to technology assessment

Definition of Proved Reserves

- Our definition of proved reserves is in accordance with the SEC Regulation S-X, Rule 4-10, which defines proved reserves as the estimated quantities of oil/gas which can be recovered with reasonable certainty in future years under current economic and operational conditions based on geographical and engineering data
- To be classified as a proved reserve, the SEC rule requires a market and means of economical production/processing/shipping to exist already or to become available in near future. Thus, this definition is known to be the most conservative among the various definitions of reserves used in the oil and gas industry
- The SEC rule separates proved reserves into two categories; proved developed reserves which can be recovered by existing wells and infrastructure, and proved undeveloped reserves which require future development of wells and infrastructure to be recovered

Definition of Probable Reserves

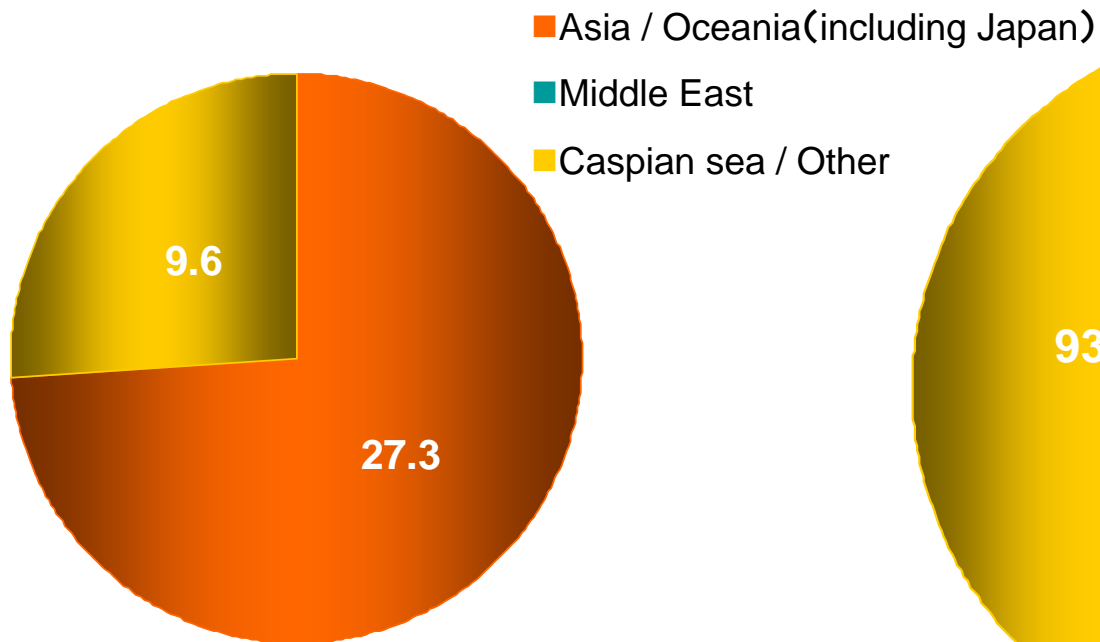
- Probable reserves, which term is defined by SPE/WPC, are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable
- In this context, when probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proved plus probable reserves
- The difference from the definition of proved reserves based on the SEC rule is whether oil/gas can be recovered with high certainty. Probable reserves will be upgraded to proved reserves with addition of new technical data, under different economical conditions, and with advance in operational conditions

INPEX Holdings

Investments for the year ending March 31, 2007

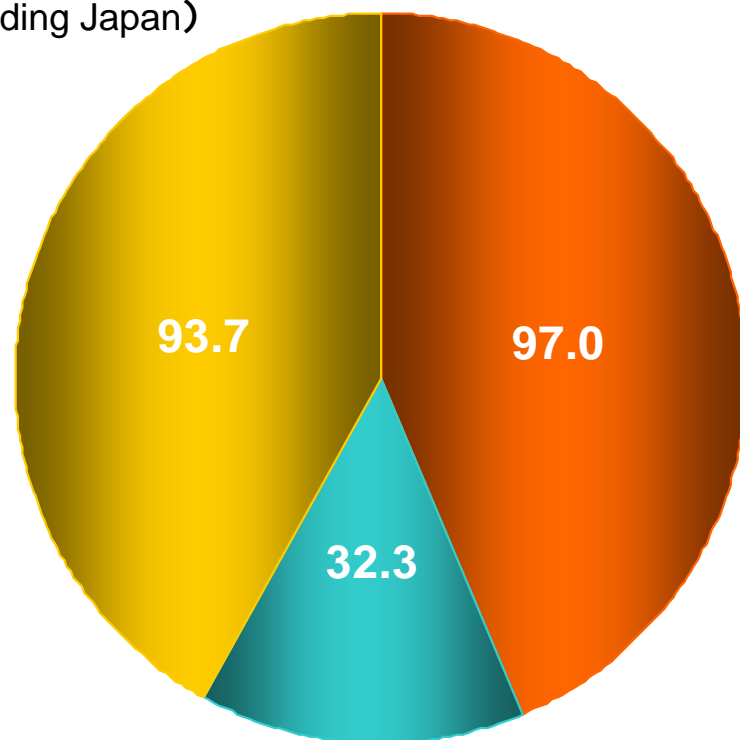
Exploration and Development Investments for the year ending March 31, 2007 (INPEX Holdings Inc.)

Exploration Expenditures



Exploration Expenditures: 36.9
(Billions of yen)

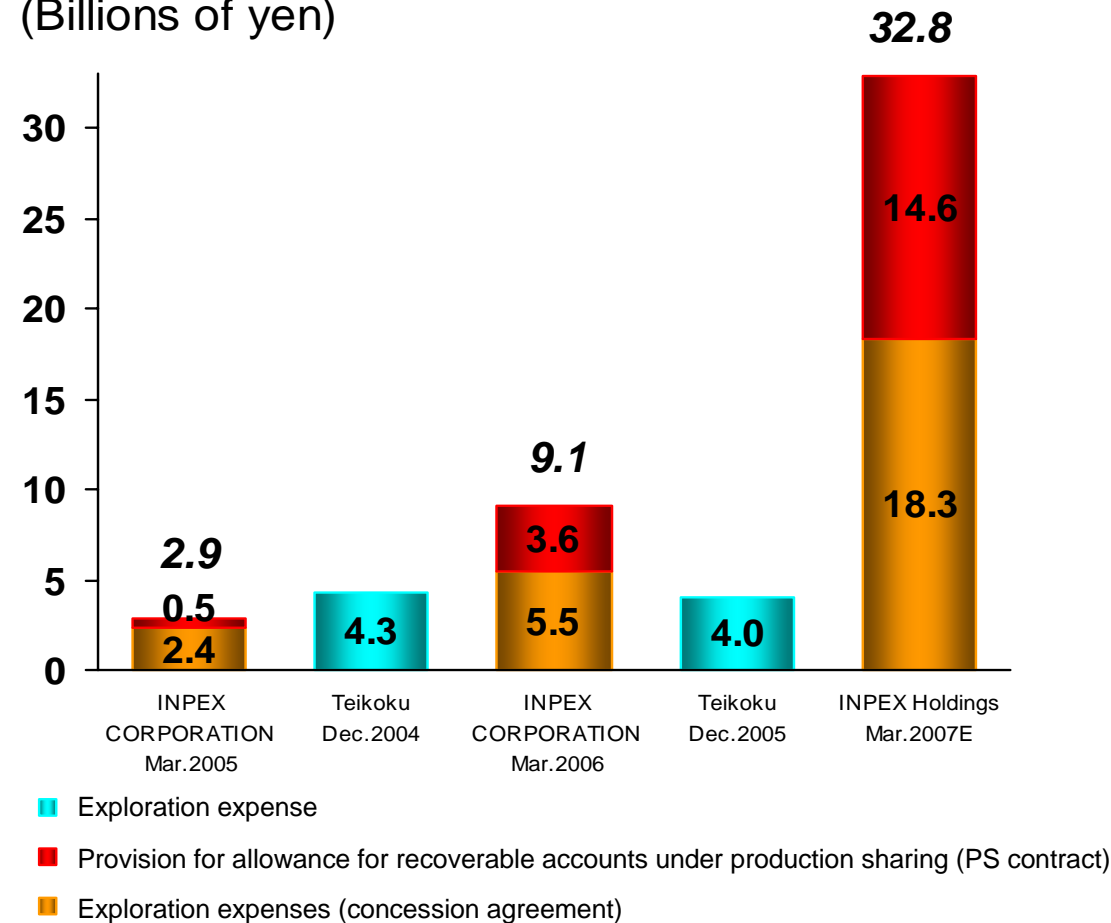
Development Expenditures



Development Expenditures:
223.0
(Billions of yen)

Estimate of Exploration Cost Equivalent Amount

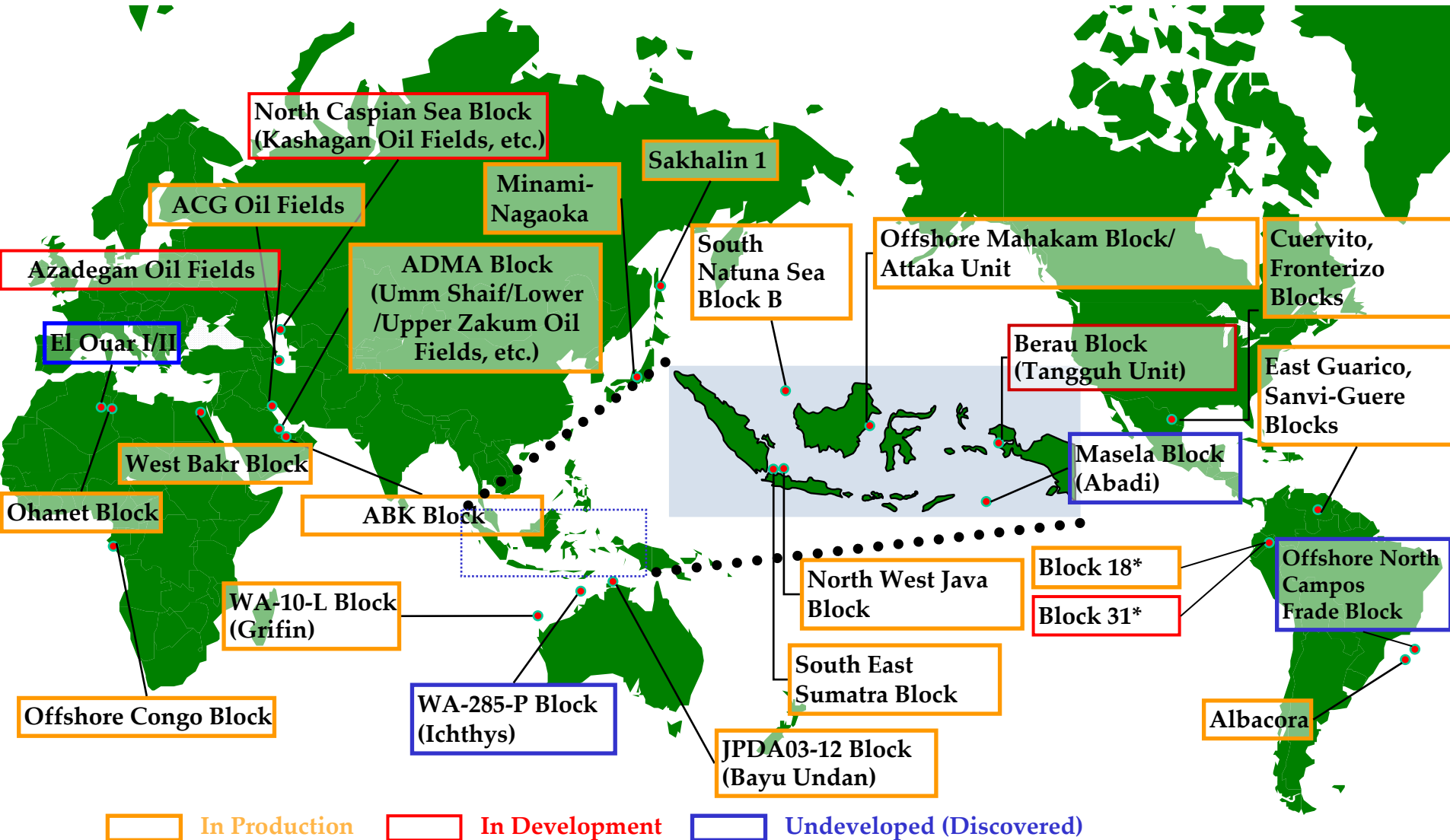
(Billions of yen)



- Fiscal year of INPEX is from April to March and Teikoku is from January to December
- Teikoku's exploration expense includes all exploration investment regardless of types of contract
- INPEX's exploration cost equivalent amount in the year ended March 31, 2006 increased sharply year-over-year due to the drilling activity at the WA-285-P (Ichthys) Block
- INPEX Holdings' estimate of exploration cost equivalent amount in the year ending March 31, 2007 will increase sharply due to the scheduled drilling at WA-285-P (Ichthys) Block and Masela Block

Project Summary

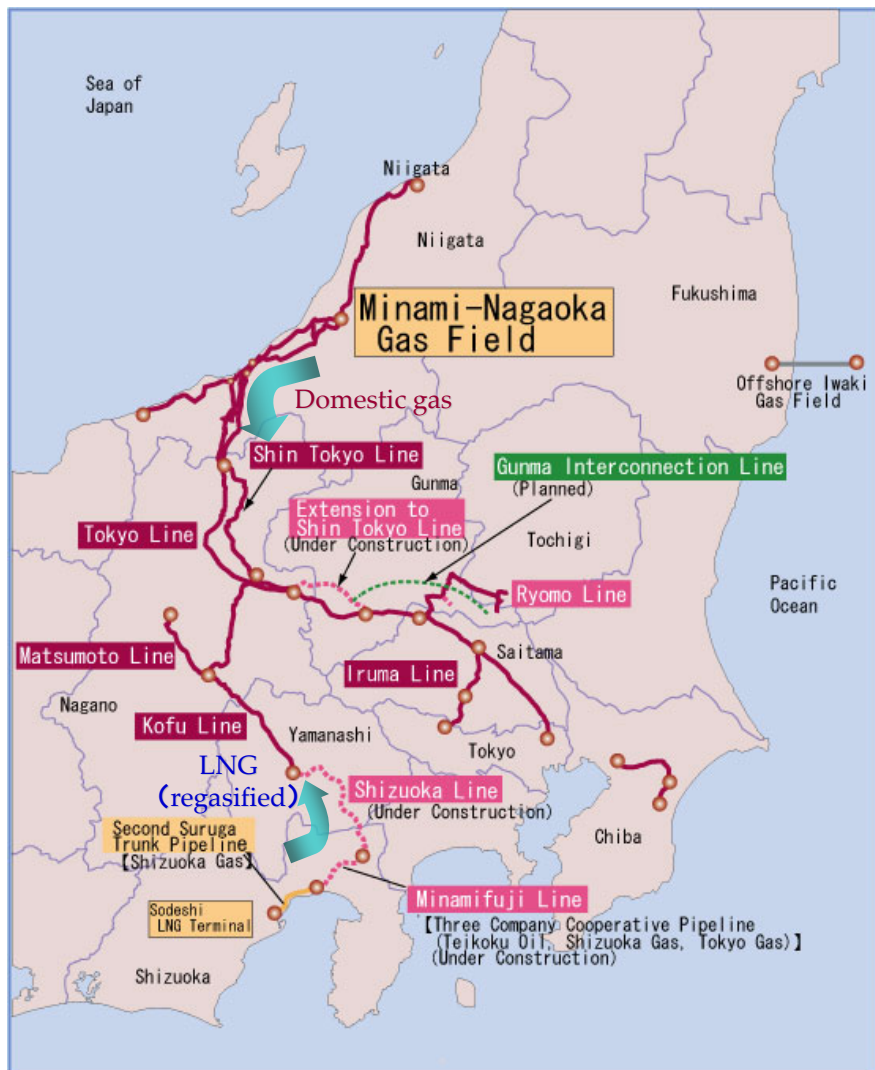
Existing Interests in Major Assets



In Production In Development Undeveloped (Discovered)

* In a governmental approval process for interests transfer

Minami-Nagaoka gas field and domestic assets Teikoku Oil Co., Ltd.



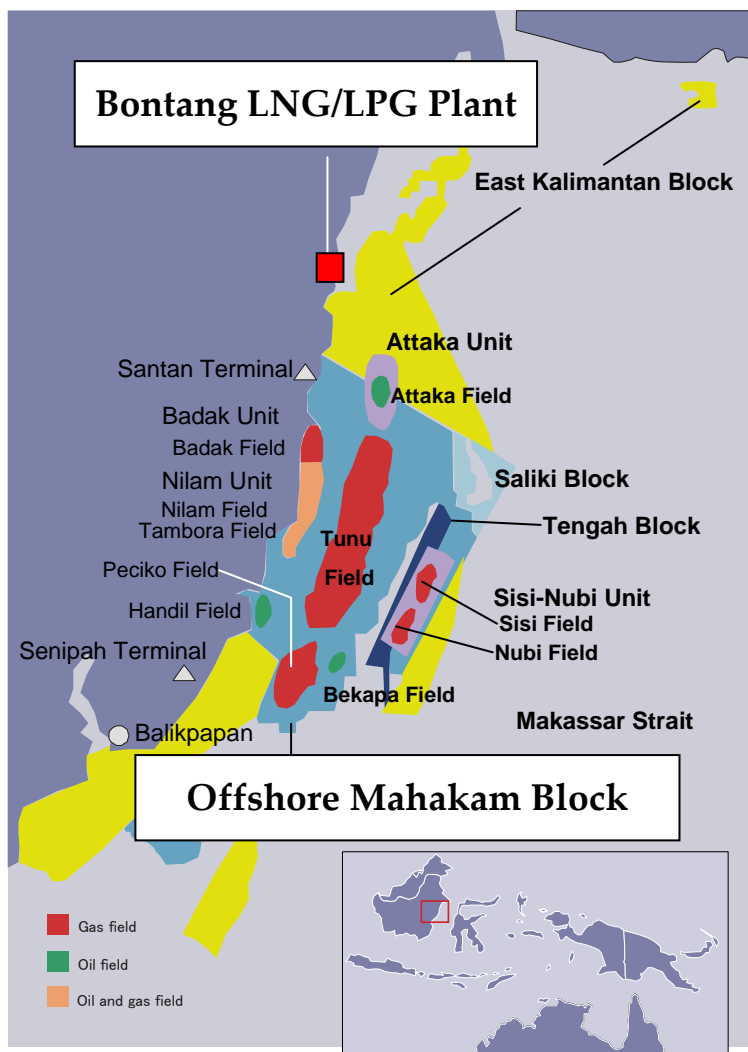
Domestic pipeline network

- Production volume* :
 - Natural gas: approximately 2.6 million m³/d
 - Crude oil: approximately 3,200 bbl/d
- Minami-Nagaoka Gas Field (production commencement in 1984)
 - Promotion of development in the northern part of the field by Massive Hydraulic Fracturing (MHF) Technology
 - Reinforcement of the plant processing capacity in 2006 (3.4 million m³/d → 4.9 million m³/d)
- Completion of pipeline network construction (1,300km) in 2007 targeted to expand gas sales to Kanto-Koshinetsu region
 - Shizuoka Line (83km: Approximately 22 billion yen: completion in 2006)
 - Minamifuji Line (30km: Approximately 2.7 billion yen: completion in 2006)
 - Extension of Shin-Tokyo Line (50km: Approximately 11 billion yen: completion in 2007)
- Electrical power generation plant under construction as new venture (Start operation in 2007)

* sum of domestic crude oil and gas fields (FY2005); average daily volume (FY2005)

Mahakam

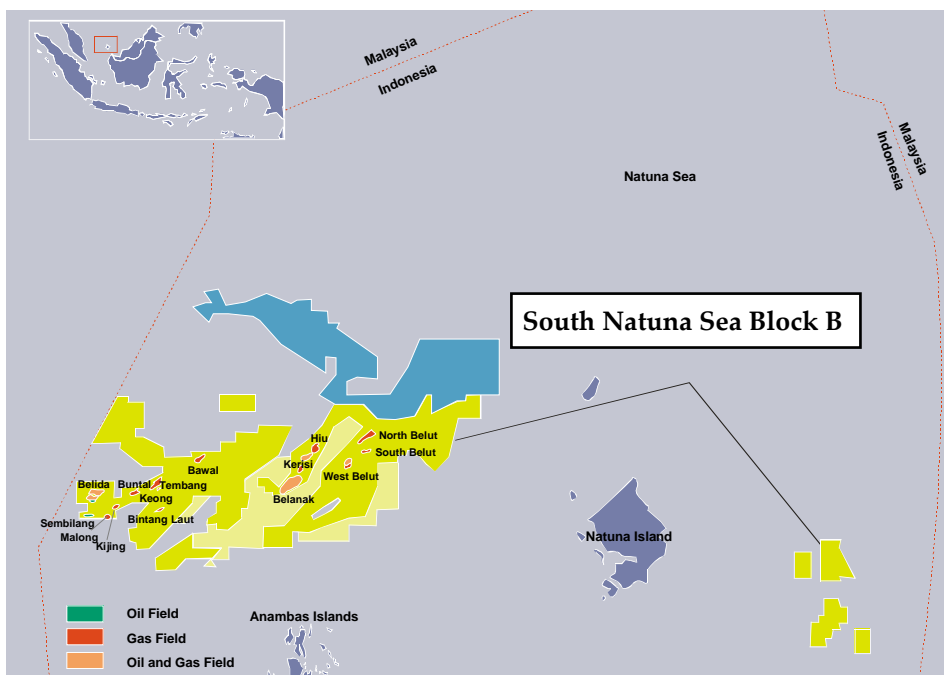
INPEX CORPORATION



* All field base and average of March 2006

- INPEX's Working Interest: 50.0%
- Production*
 - Crude Oil: Approximately 67,000 bbl/d
 - Gas: Approximately 2.7 billion ft³/d
- PSC: Until 2017
- Continue development activities to stabilize the supply of gas to Bontang LNG plant
 - Gradual development of Tunu / Peciko field
 - Additional development of Tambora field
 - Development of Sisi-Nubi Unit

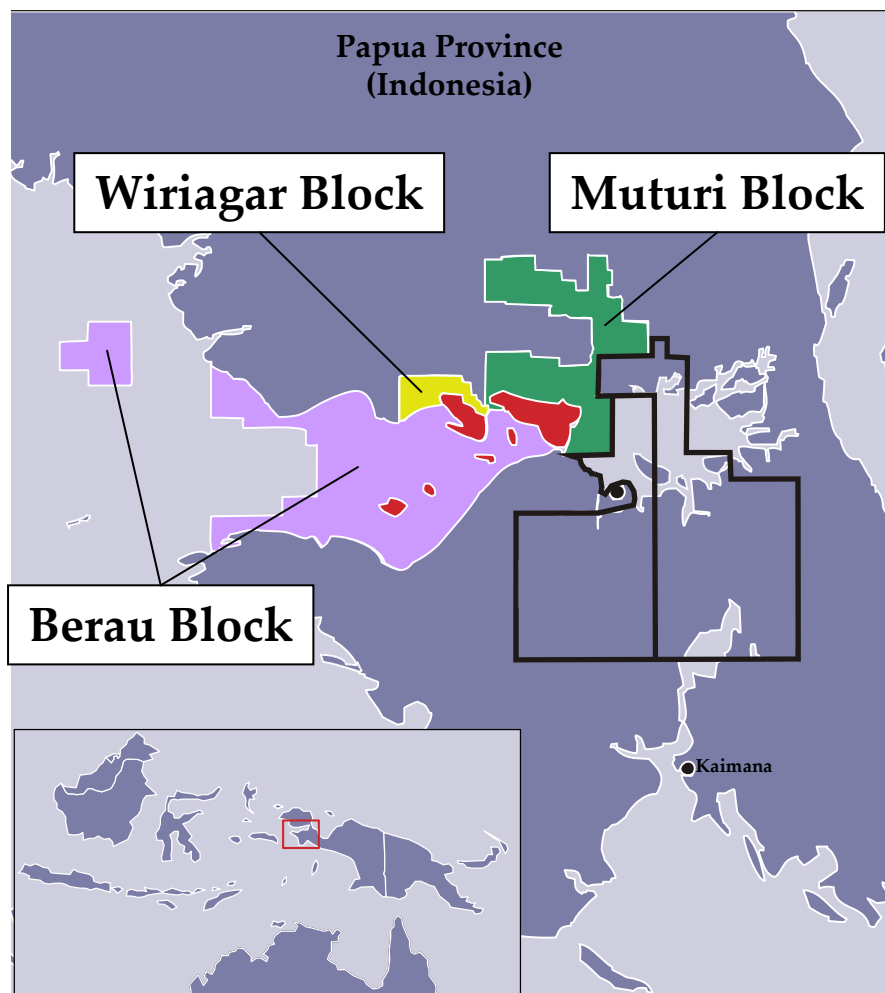
South Natuna Sea Block 'B' INPEX Natuna, Ltd.



* All field base and average of March 2006

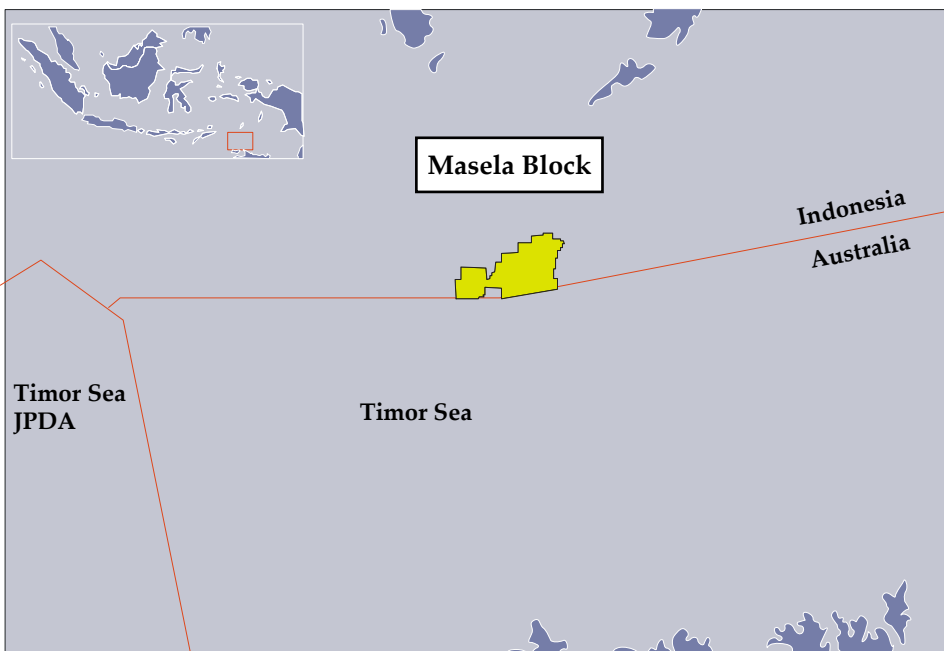
- INPEX's Working Interest: 35.0%
- Production*:
 - Crude Oil: Approximately 54,000 bbl/d
 - Gas: Approximately 360 million ft³/d
- PSC: Until 2028
- Signed a gas sales contract for 22 years from 2001 with SembCorp (Singapore) and for 20 years from 2002 with Petronas (Malaysia)
- Belanak commenced production in December 2004
- Planned to produce in Hiu (2006), Kerisi (2007)
- Scheduled to produce in North Belut (2009)

Berau (Tangguh LNG Project) MI Berau B.V.



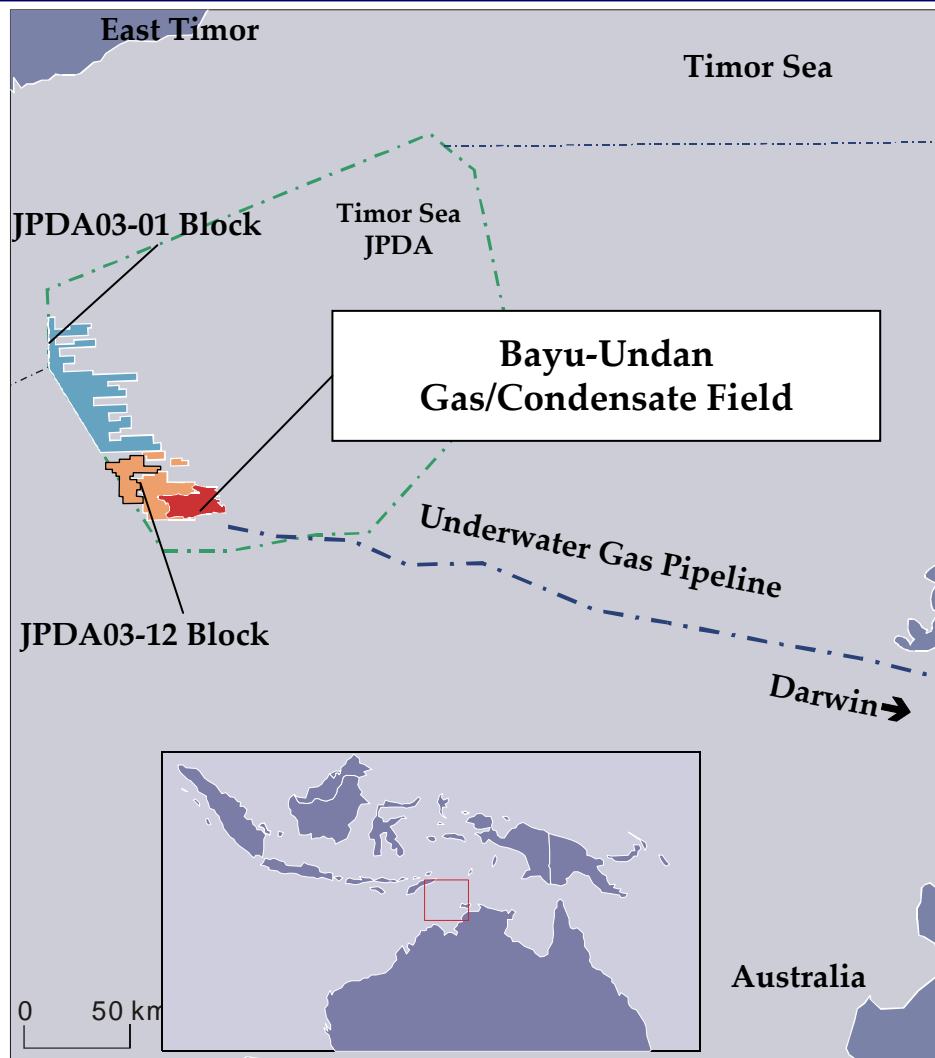
- MI Berau: JV with Mitsubishi Corporation
- MI Berau's Working Interest:
 - Berau: 22.9%(Tangguh Unit: 16.3%)
- PSC: Until 2035
- Development plan and extension of the PS contract were approved by Indonesian government
- LNG plant is scheduled to commence production in the last half of 2008
 - Scheduled to produce 7.6 million tons of LNG per year
 - Signed long-term LNG sales contract for Fujian
 - Signed LNG sales contract with POSCO and K-Power Company of Korea
 - Entered into LNG sales contract with Sempra Energy of the USA

Masela (Abadi) INPEX Masela, Ltd.



- INPEX's Working Interest: 100.0%
- Operator: INPEX
- PSC:
 - 10 years exploration period (until 2008)
 - 30 years development/production period (until 2028)
- Discovered gas in Abadi-1 exploration well in 2000
- Confirmed the extension of gas in the Abadi structure by 2 appraisal wells in 2002
- Plan to drill 4 appraisal wells from later 2006

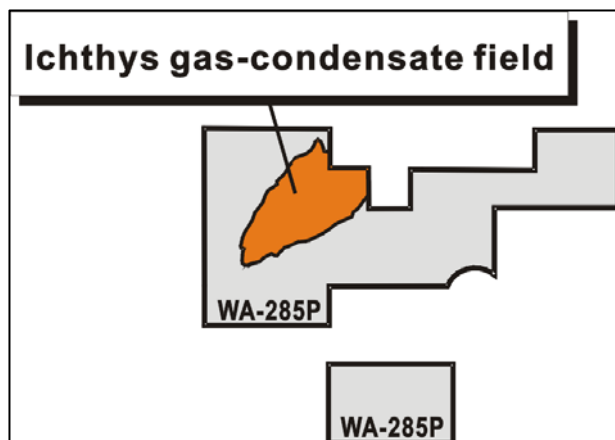
Bayu-Undan INPEX Sahul, Ltd.



- INPEX's Working Interest: 10.53%
- Production*:
 - Oil / Condensate: Approximately 72,000 bbl/d
 - Gas: Approximately 1.1 billion ft³/d
 - LPG: Approximately 36,000 bbl/d
- PSC: Until 2022
- Carrying out phase 1 development for production of condensate and LPG
 - Production of condensate and LPG started in the first half of 2004
- Phase 2 development is for LNG (started in February 2006)
 - Entered into LNG Sales Contract with TEPCO and Tokyo Gas (3 million tons per year for 17 years from 2006)

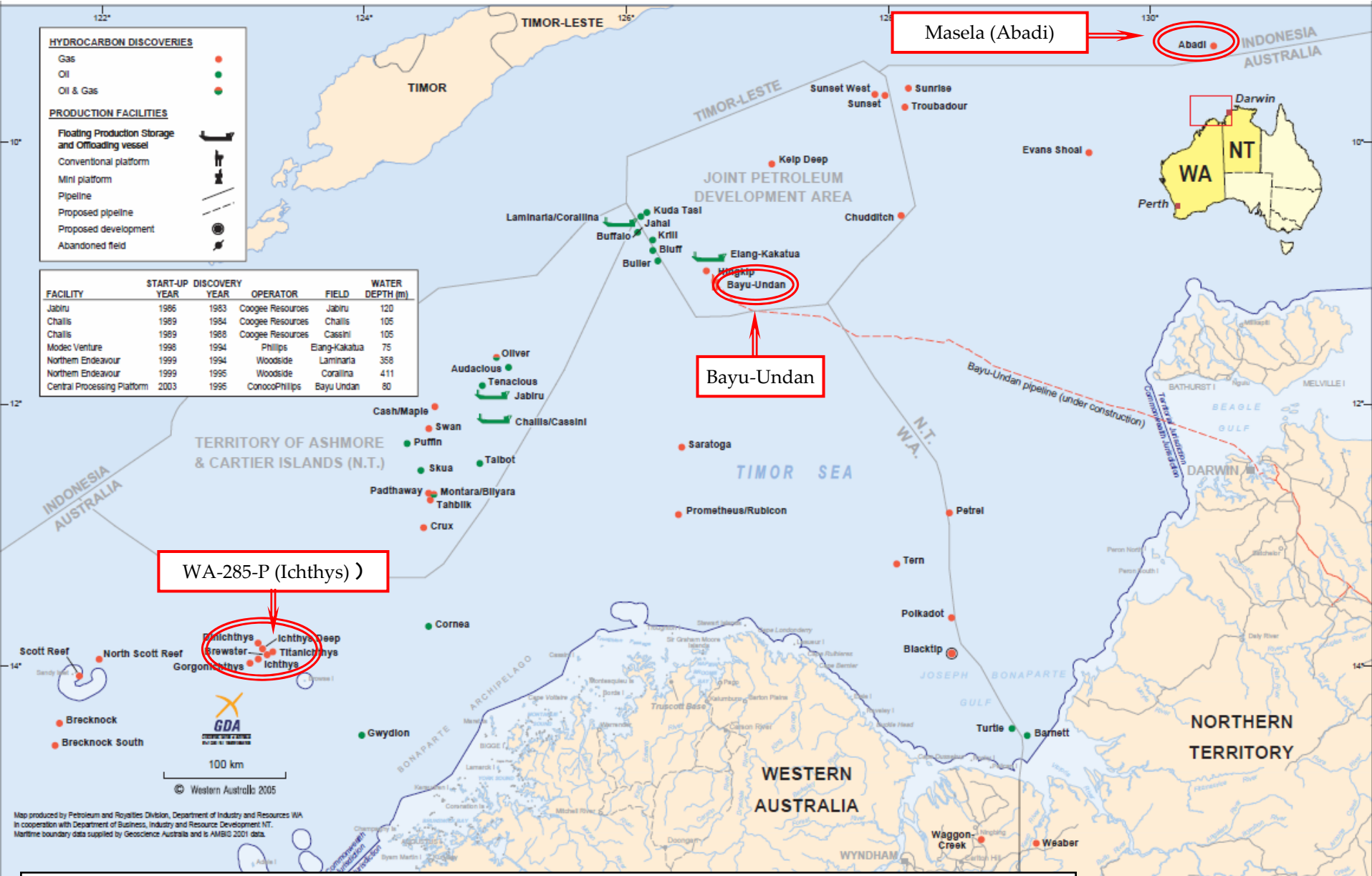
* All field base in JPDA03-12 including Elang Kakatua and average of March 2006

WA-285-P (Ichthys) INPEX Browse, Ltd.



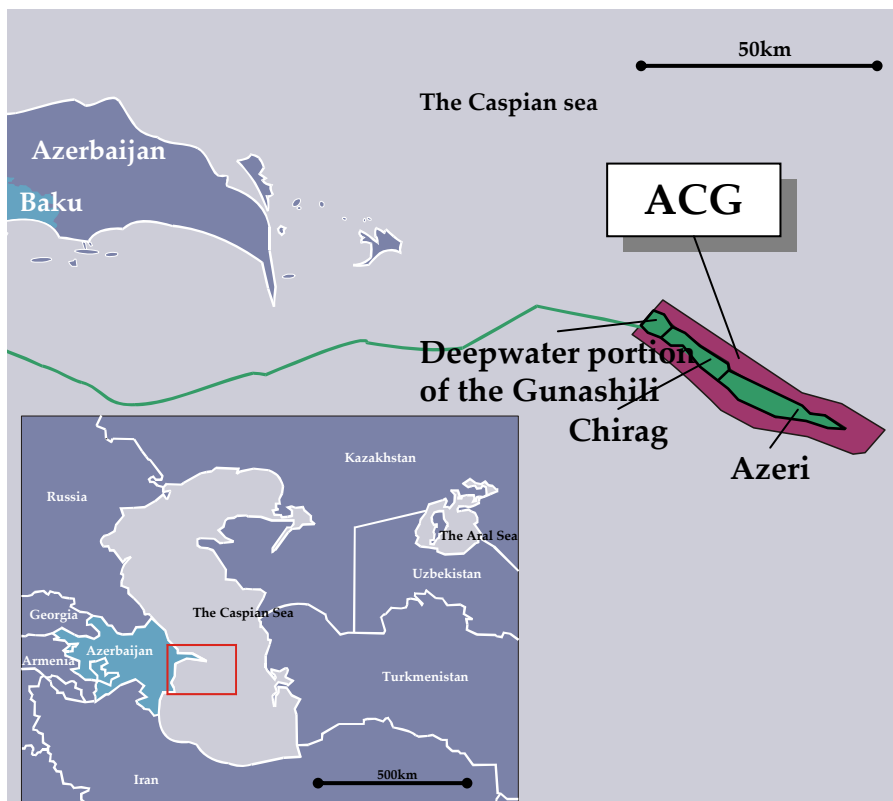
- INPEX's Working Interest: 100.0%
- Operator: INPEX
- Concession:
 - Exploration Period until September 2009
 - Production Period for 21 years from the grant of the production license
- Drilled six exploration wells from 2000 and discovered major gas-condensate field, named Ichthys structure
- Commenced Australian federal and West Australian state government approval processes for assessment of environmental impact of the Ichthys project in May 2006
- Conducting feasibility study for the target commencement of production in the middle of 2012.
- Plan to initially produce approximately 6 MTPA of LNG and around 100,000 bbl/day of condensate and LPG

Location of Masela (Abadi) and WA-285-P (Ichthys)



Source: Department of Industry and Resources, WA (<http://www.doir.wa.gov.au/>)

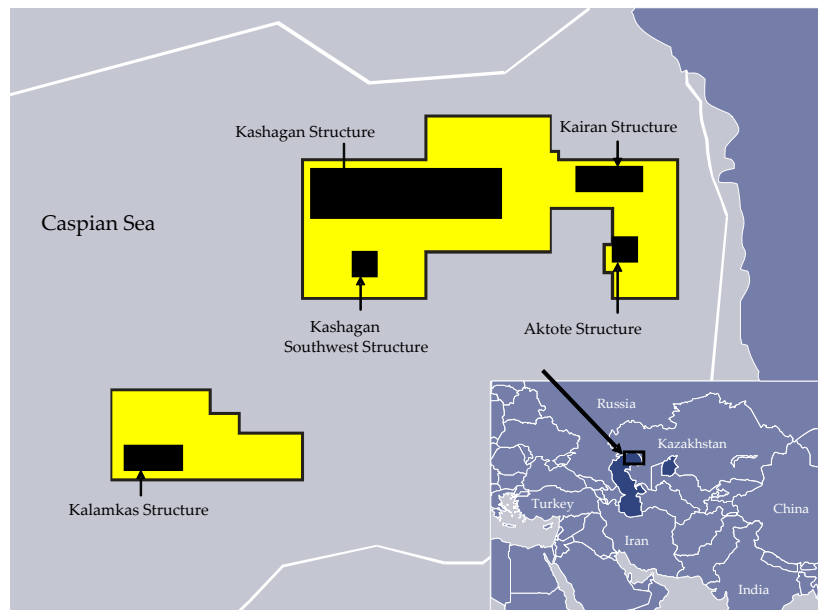
ACG INPEX Southwest Caspian Sea, Ltd.



- INPEX's Working Interest: 10.0%
- Production*: Approximately 403,000 bbl/d
- PSC: Until 2024
- Carrying out an early stage oil production in the Chirag oil field and starting oil production in the Central Azeri area in February 2005 (Phase 1) and West Azeri area in December 2005 (Phase 2)
- Planning to increase production level to 1 million barrels per day in stages
 - In Phase 2 (East Azeri development), production is scheduled to start in November 2006
 - In Phase 3 (deepwater portion of Gunashli / West Chirag), production is scheduled to start in 2Q 2008

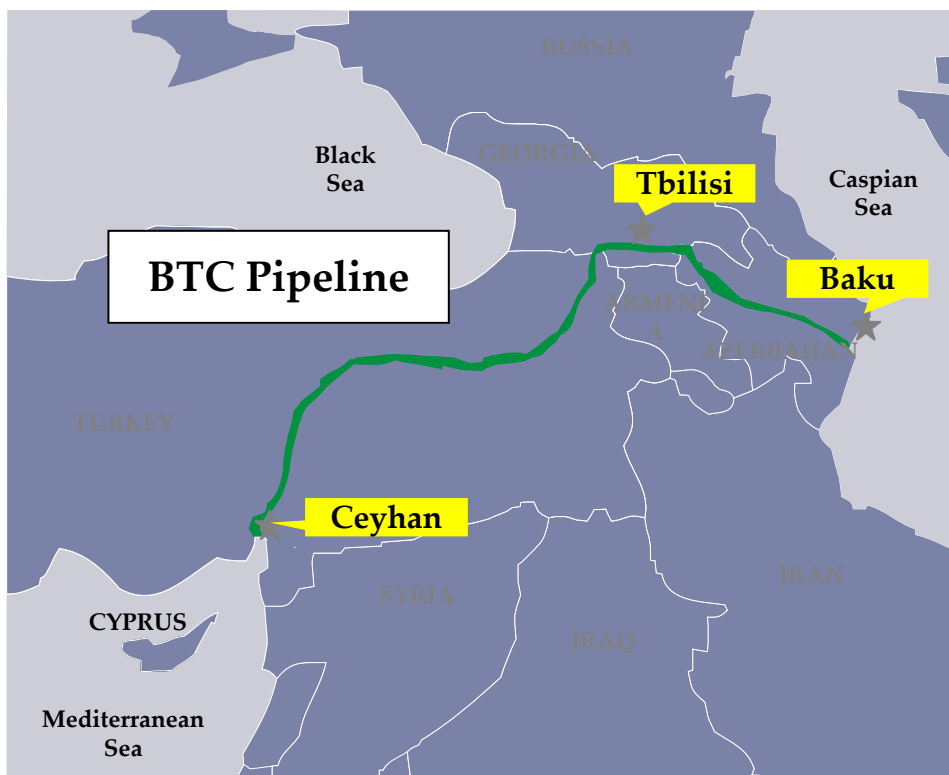
* All field base and average of March 2006

Kashagan, etc. INPEX North Caspian Sea Ltd.



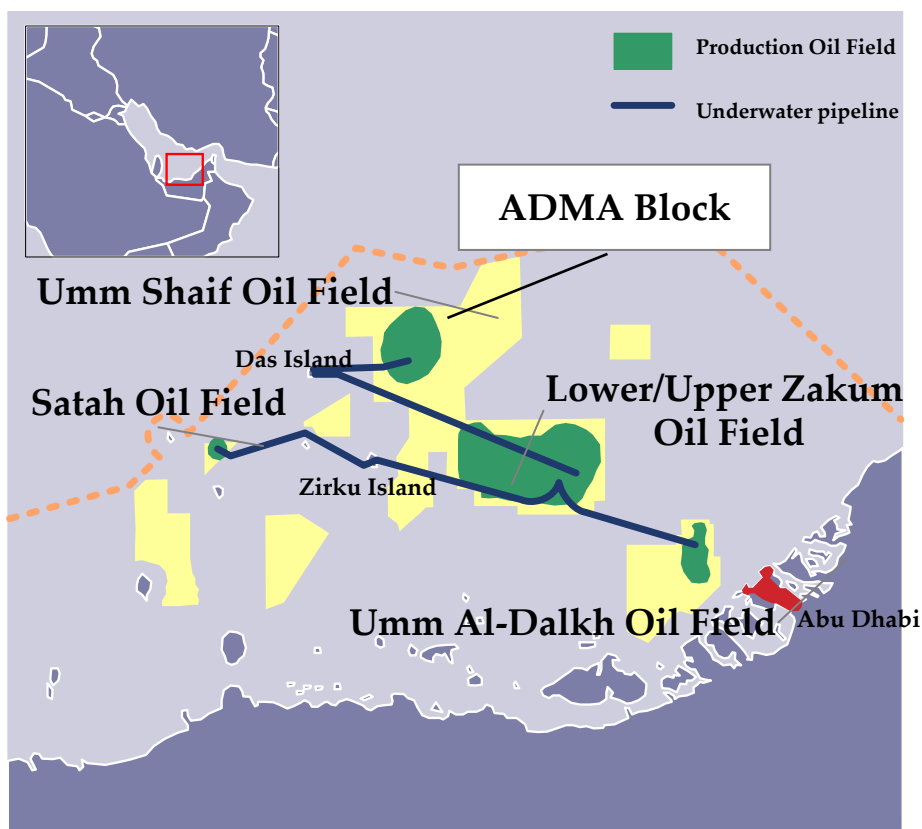
- INPEX's Working Interest: 8.33%
- PSC: Until the end of 2021
- Discovered crude oil in the Kashagan in June 2000, then confirmed crude oil / gas in 7 additional exploratory wells by April 2004
- In addition to the Kashagan oil field, existence of hydrocarbon was confirmed in the Kalamkas, Aktote, Kairan and Southwest Kashagan structures
- Kashagan development plan was approved by the Kazakhstan government in February 2004
 - Scheduled to start production of 75,000 bbl/d in 2008, then increase the production level to 1.2 million bbl/d in phases by expanding the development area

BTC(Baku-Tbilisi-Ceyhan) Pipeline Project INPEX BTC Pipeline, Ltd.



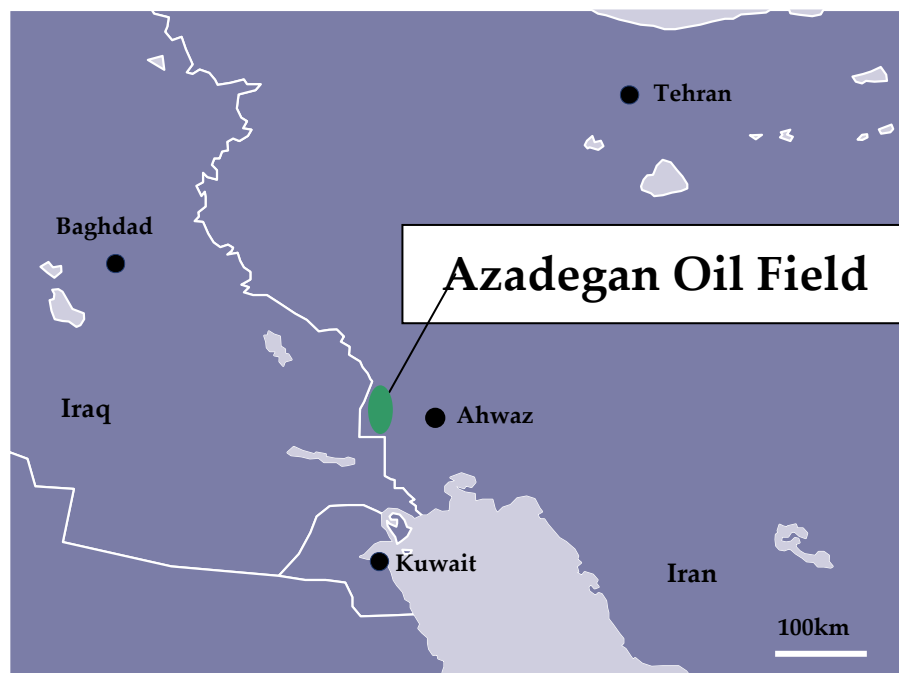
- INPEX's Working Interest: 2.5%
- Obtained stock of the operating company (BTC Co.) through INPEX BTC Pipeline, Ltd. in October 2002
- Signed project finance contract to raise capital for the construction of the pipeline in February 2004
- Currently filling the pipeline and commissioning the pump station, targeting commencement of pipeline operation at the end of May 2006

ADMA Japan Oil Development Co., Ltd. (JODCO)



- Umm Shaif / Lower Zakum
 - INPEX's Working Interest: 12.0%
- Upper Zakum / Umm Al-Dalkh / Satah
 - INPEX's Working Interest:
 - Upper Zakum / Umm Al-Dalkh: 12.0%
 - Satah: 40.0%
- Concession : Until 2018
 (Contract of Upper Zakum extended from 2018 to 2026 by signing amended joint development agreement in March 2006)
- Continuous development to keep and increase the production level
 - Water injections to all the fields have started
 - Gas injection to Umm Shaif / Lower Zakum fields has started

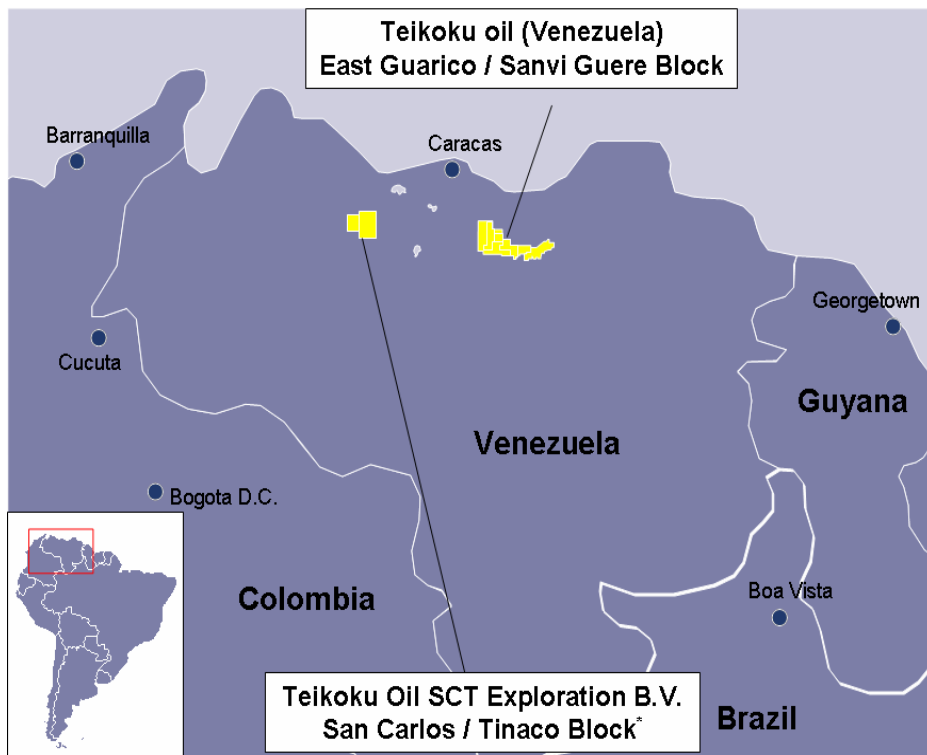
Azadegan Azadegan Petroleum Development, Ltd



- INPEX's Working Interest: 75.0%
- Target Production*: 150,000 bbl/d (Phase 1)
- Operator: INPEX
- Service Contract (Buyback Contract)
- Two Phase Oil Field Development Project
 - In phase 1, planned to reach 150,000 bbl/d in 2008-09
 - In case we move onto phase 2, planned to reach 260,000 bbl/d with additional 110,000 bbl/d in 2013-14

* all bocks base; projections at current point in time

Venezuela Teikoku Oil (Venezuela) Co., Ltd. Teikoku Oil SCT Exploration B.V.



East Guarico / Sanvi-Guere Block

- Rehabilitation of oil / gas fields and exploration and development project
- Operating Service Agreement *
 - East Guarico:1992-2012
 - Sanvi Guere:1993-2013
- Teikoku's Interest:100% (Operator Project)
- Production volume**
 - Crude oil (including condensate):
Approximately 3,600bbl/d
 - Gas: Approximately 82 million cf/d

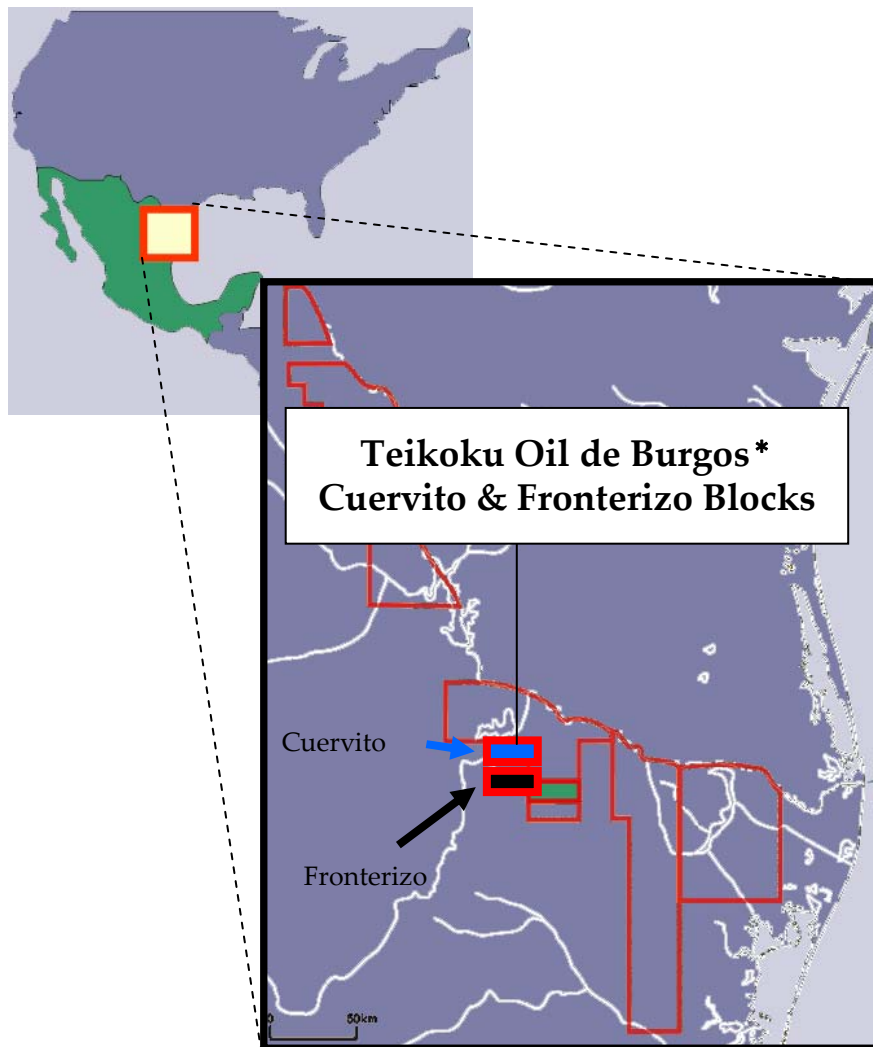
San Carlos / Tinaco Block

- Gas exploration project
- Teikoku's interest:50%
(Operator: PETROBRAS)

* Will be altered to joint venture agreement

** Total of the two blocks. All field base and average of March 2006

Mexico Teikoku Oil de Burgos, S.A. de C.V.



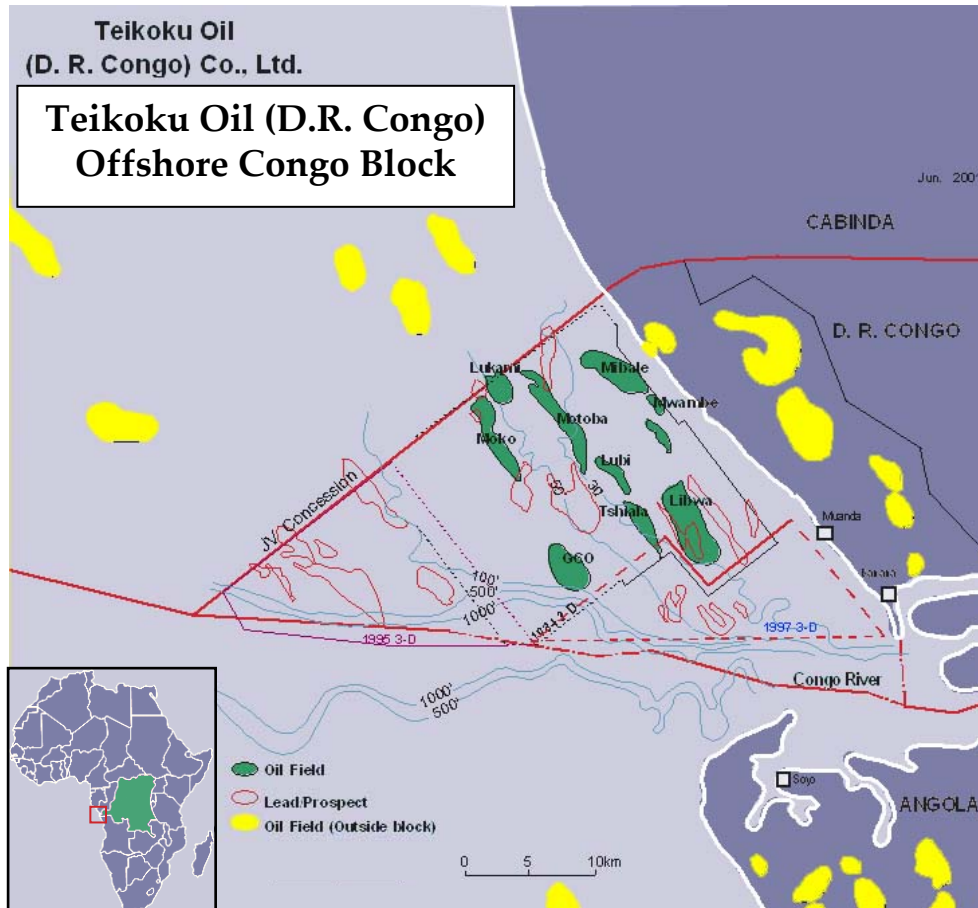
Cuervito & Fronterizo Blocks

- Gas exploration and development project
- Multiple Service Contract (Effective in Jan 2004)
- Teikoku's interest: 40% (Operator: PETROBRAS)
- Production volume** : Approximately 28 million cf/d

* Teikoku's share 75%

** All field base and average of March 2006

Congo Teikoku Oil (D.R. Congo) Co., Ltd.



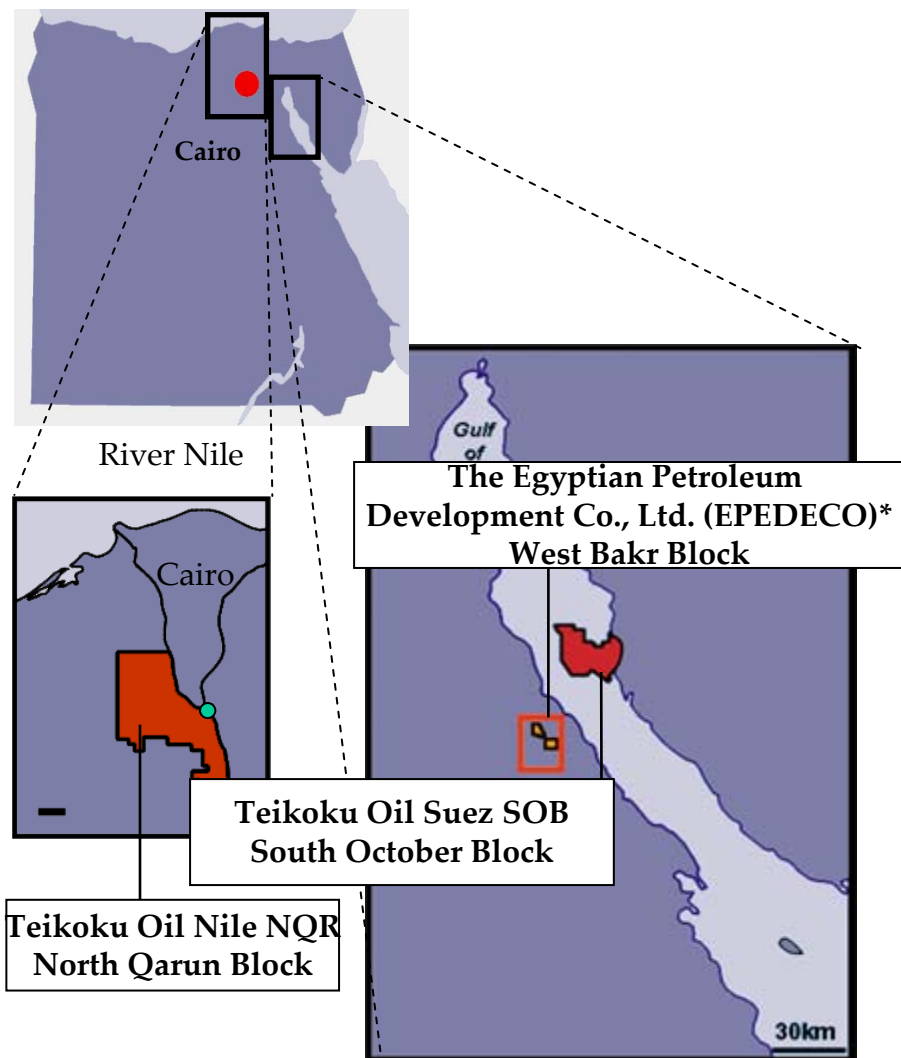
Offshore Congo Block

- Oil exploration and development project
- Concession (1969-2023)
- Teikoku's interest: 32.28% (Operator: Perenco)
- Production Commencement: 1975
- Production volume*: Approximately 14,800 bbl/d

* All field base and average of March 2006

Egypt

The Egyptian Petroleum Development Co., Ltd.
 Teikoku Oil Suez SOB Co., Ltd.
 Teikoku Oil Nile NQR Co., Ltd.



West Bakr Block

- Oil exploration and development project
- PSC: Signed extension agreement (July 2005)
 - 2010 → 2020+5years option
- EPEDECO's interest: 100%(Operator)
- Production commencement : 1980
- Production volume** : Approximately 5,200bbl/d

South October Block

- Oil Exploration phase (PSC effective in August 2005)
- Teikoku's interest: 35%(Operator: Devon)
- Obligatory works (3years): 3D seismic (270 km²), 2 exploratory wells

North Qarun Block

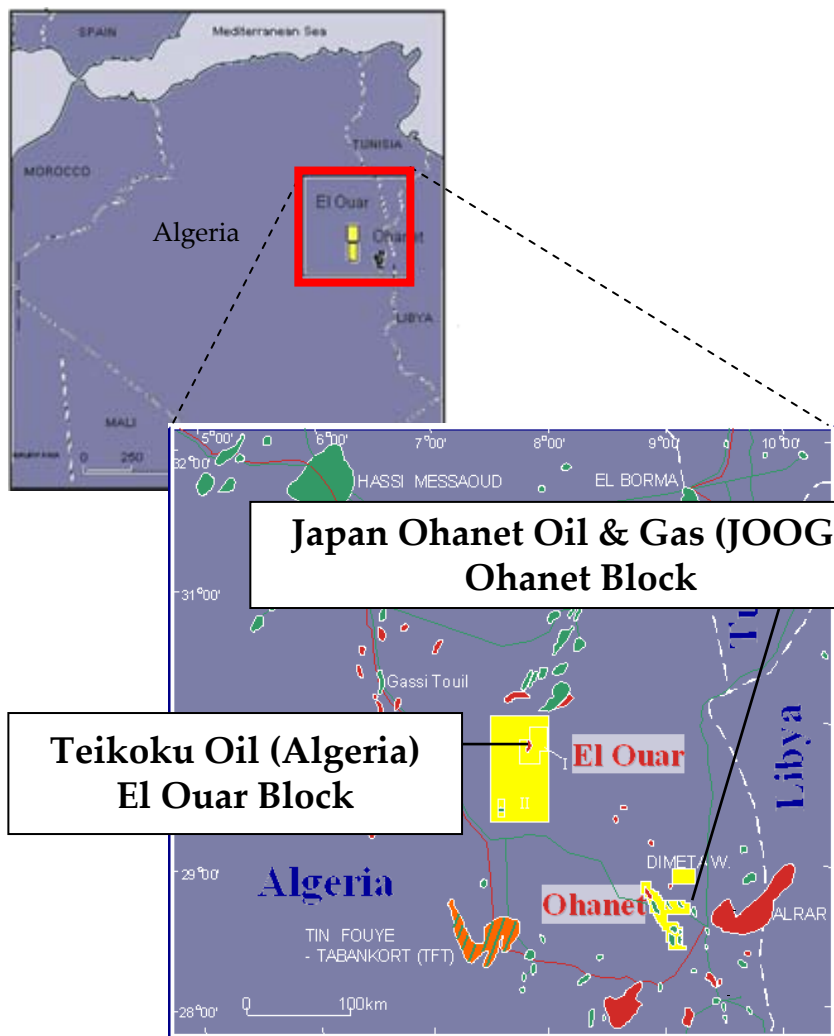
- Oil Exploration phase (PSC effective in August 2005)
- Teikoku's interest: 25%(Operator: Devon)
- Obligatory works (3.5years): 2D seismic (550km), 2 exploratory wells

* Teikoku's share 45.73%

** All field base and average of March 2006

Algeria

Japan Ohanet Oil and Gas Co., Ltd.
Teikoku Oil (Algeria) Co., Ltd.



Ohanet

- Gas development project
- Risk Service Contract(2000-2011)
- JOOG's interest:30%(Operator:BHPB)
- Production commencement:Oct, 2003
- Production volume**
 - Dry Gas: Approximately 516million cf/d
 - Condensate: Approximately 27,200bbl/d
 - LPG: Approximately 2,100 ton/d

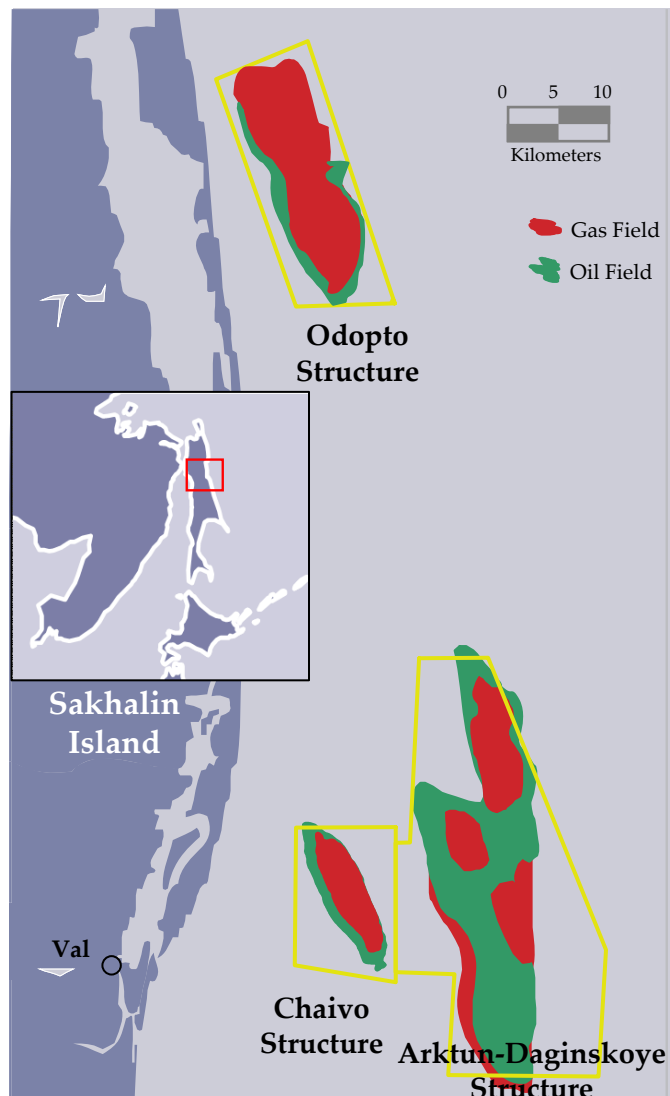
El Ouar Block

- Oil and Gas exploration and development project
- Concession
- Conducting feasibility study on discovered gas/condensate fields including joint development with its surrounding blocks
- Teikoku's interest:15.43%(Operator:ENI)

* Teikoku's share 15%

** All field base and average of March 2006

Project-Sakhalin I Sakhalin Oil and Gas Development Co.

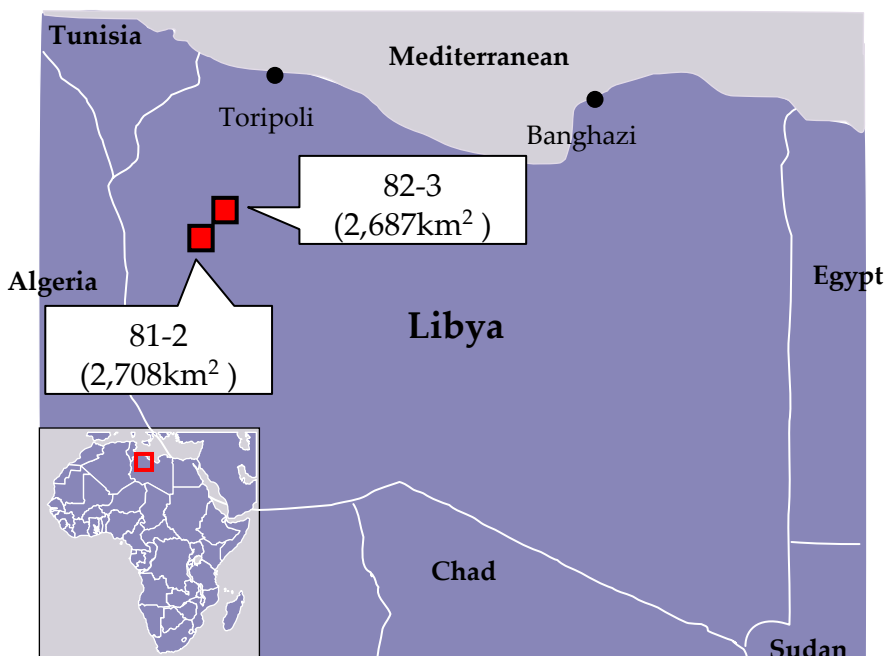


- Sakhalin Oil and Gas Development Co. (SODECO):
INPEX Holdings owns 5.75% of the total share (In the process to purchase to maximum 33% of the SODECO's share from the Ministry of Economy, Trade and Industry which has inherited a 50% of the SODECO's shares from JNOC)
- SODECO's Working Interest
 - Sakhalin I: 30.0%
- Operator: ExxonMobil
- Partners: ONGC Videsh, Sakhalinmorneftegas-Shelf, RN-Astra
- PSC: In Dec. 2001, "Commercialized Declaration" of the project was authorized by the Russian government and the project moved into development phase for 20 years
- Commenced production in Oct. 2005; full-scale production expected in 2006 (Phase 1)
- Performing marketing activity assuming natural gas supply to Japanese, Chinese, and other markets (Phase 2)

New Projects

81-2&82-3 Block

Teikoku Oil Libya UK Ltd

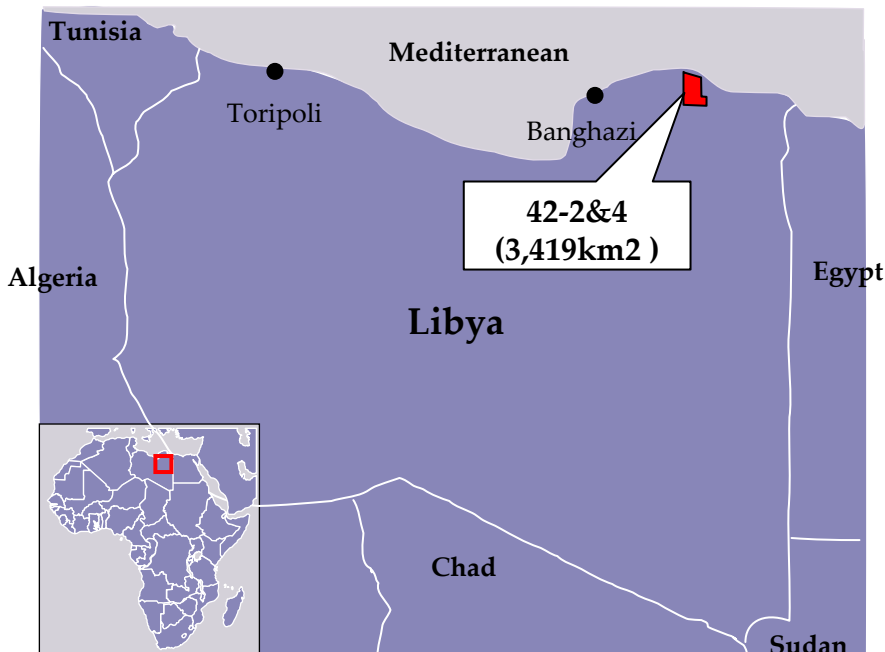


- Oil exploration project
- Exploration and Production Sharing Agreement :EPSA
- Effective date: 10th December, 2005
- Teikoku's interest :73% (Operator Project)
- Currently preparing for seismic survey

New Projects

42-2&4 Block

INPEX Libya, Ltd.

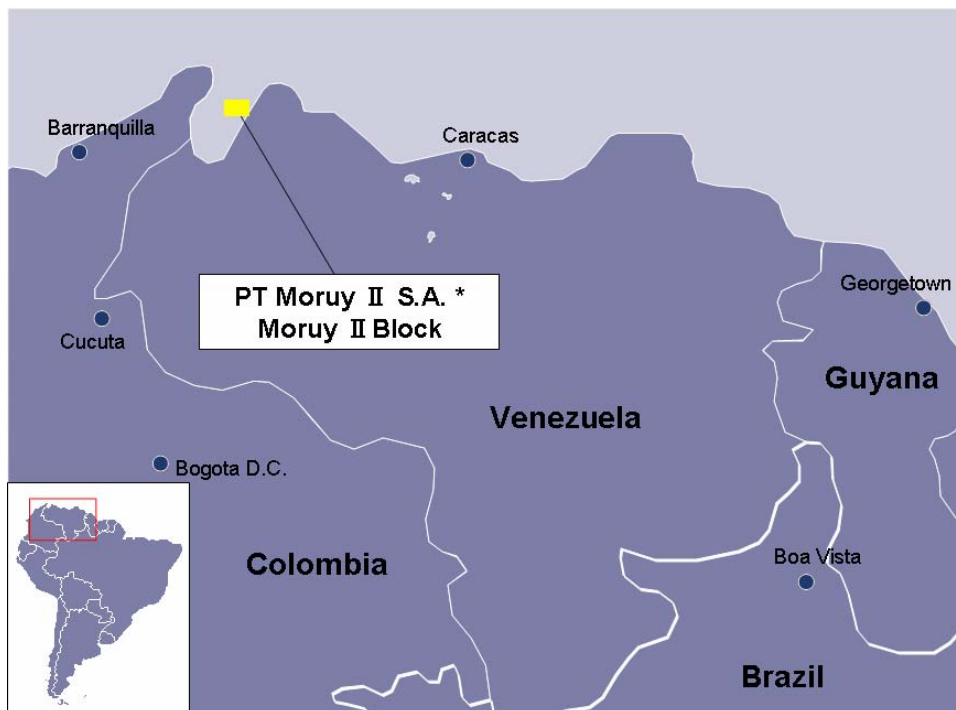


- Successfully bid for 42-2&4 block in northern part of Libya jointly with TOTAL at October 2nd, 2005
- Established as 100% subsidiary of INPEX at October 17th, 2005
- Exploration and Production Sharing Agreement :EPSA
- Effective date: 10th December, 2005
- INPEX's Working Interest: 40% (Operator TOTAL: 60%)
- Obligatory works: 2D seismic (2,500km), 1 exploratory well
- Scheduled to start exploration activities after the summer of 2006

New Projects

Moruy II Block

PT Moruy II S.A.



Moruy II Block

- Gas exploration project
- Gas License was awarded in Jan, 2006
- Teikoku's interest: 50%
(Operator PETROBRAS: 50%)
- Currently preparing for seismic survey

* Joint Venture company with PETROBRAS (50:50)

Key Investments

Compan	Field / Project Name	Country	INPEX HD	
			Ownership	Stage
Japan				
TEIKOKU OIL	Minami-Nagaoka, etc. *	Japan	—	Producing
Asia/Oceania				
INPEX	Mahakam	Indonesia	—	Producing
INPEX Natuna	South Natuna Block 'B'	Indonesia	100%	Producing
MI Berau B.V.	Berau(Tangguh LNG Project)	Indonesia	44%	Development
INPEX Masela	Masela(Abadi)*	Indonesia	52%	Under discussion for Development
INPEX Sahul	Bayu-Undan	JPDA	100%	Producing
INPEX Browse	WA-285-P(Ichthys)*	Australia	100%	Under discussion for Development
The Middle East				
JODCO	ADMA(Upper Zakum, etc.)	UAE	100%	Producing
Azadegan	Azadegan*	Iran	100%	Development
Caspian Sea				
INPEX Southwest Caspian Sea	ACG	Azerbaijan	51%	Producing
INPEX North Caspian Sea	Kashagan	Kazakhstan	45%	Development
Latin America				
Teikoku Oil (Venezuela)	East Guarico* / Sanvi-Guere*	Venezuela	100%	Producing
Teikoku Oil de Burgos	Cuervito / Fronterizo	Mexico	75%	Producing
Africa				
Teikoku Oil (D.R. Congo)	Offshore D.R.Congo	D.R.Congo	100%	Producing
The Egyptian Petroleum Development	West Bakr*	Egypt	45.7%	Producing
Japan Ohanet Oil & Gas	Ohanet	Algeria	15%	Producing
Teikoku Oil (Algeria)	El Ouar I / II	Algeria	100%	Under discussion for Development

Note: *Operator project

Key Contracts (1)

Field	Country or Region	Contract Type
Mahakam/Attaka	Indonesia	Production Sharing
South Natuna Sea Block 'B'	Indonesia	Production Sharing
Berau(Tangguh)	Indonesia	Production Sharing
Masela(Abadi)	Indonesia	Production Sharing
Bayu-Undan	JPDA	Production Sharing
WA-10-L(Griffin Fields)	Australia	Concession
WA-285-P(Ichthys)	Australia	Concession
North Caspian Sea(Kashagan, etc.)	Kazakhstan	Production Sharing
ACG	Azerbaijan	Production Sharing
Umm Shaif/Lower Zakum/ Upper Zakum	UAE	Concession
Azadegan	Iran	Service Contract

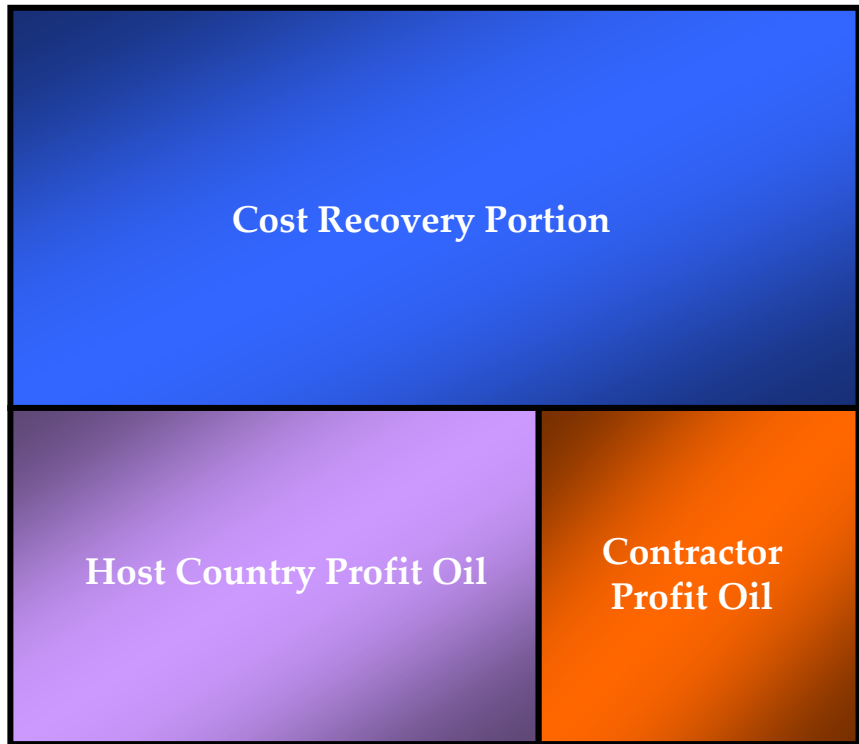
Key Contracts (2)

Field	Country or Region	Contract Type
East Guarico / Sanvi-Guere	Venezuela	Operating Service Agreement *
Cuervito & Fronterizo	Mexico	Multiple Service Contract
Offshore Congo	Congo	Concession
West Bakr	Egypt	Production Sharing
Ohanet	Algeria	Risk Service Contract
El Ouar I/II	Algeria	Concession

*Will be altered to joint venture agreement

Others

Production Sharing Contracts



1. Cost Recovery Portion

- Non-capital expenditures incurred for production and recovered during the current period
- Scheduled depreciation of the capital expenditures for the current period and recovered during the current period
- Recoverable costs that have not been recovered in the previous periods



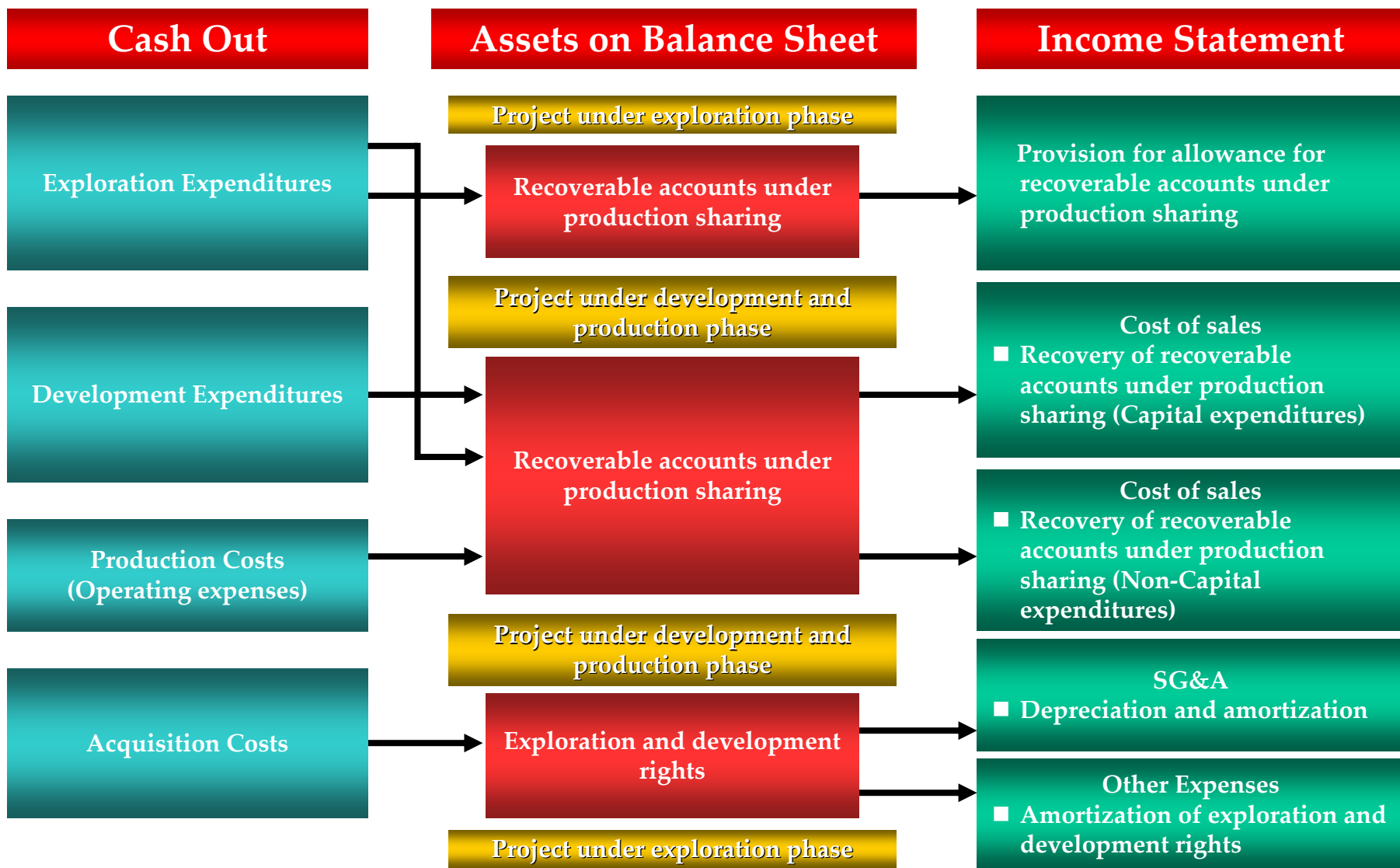
2. Equity Portion (Profit Oil)



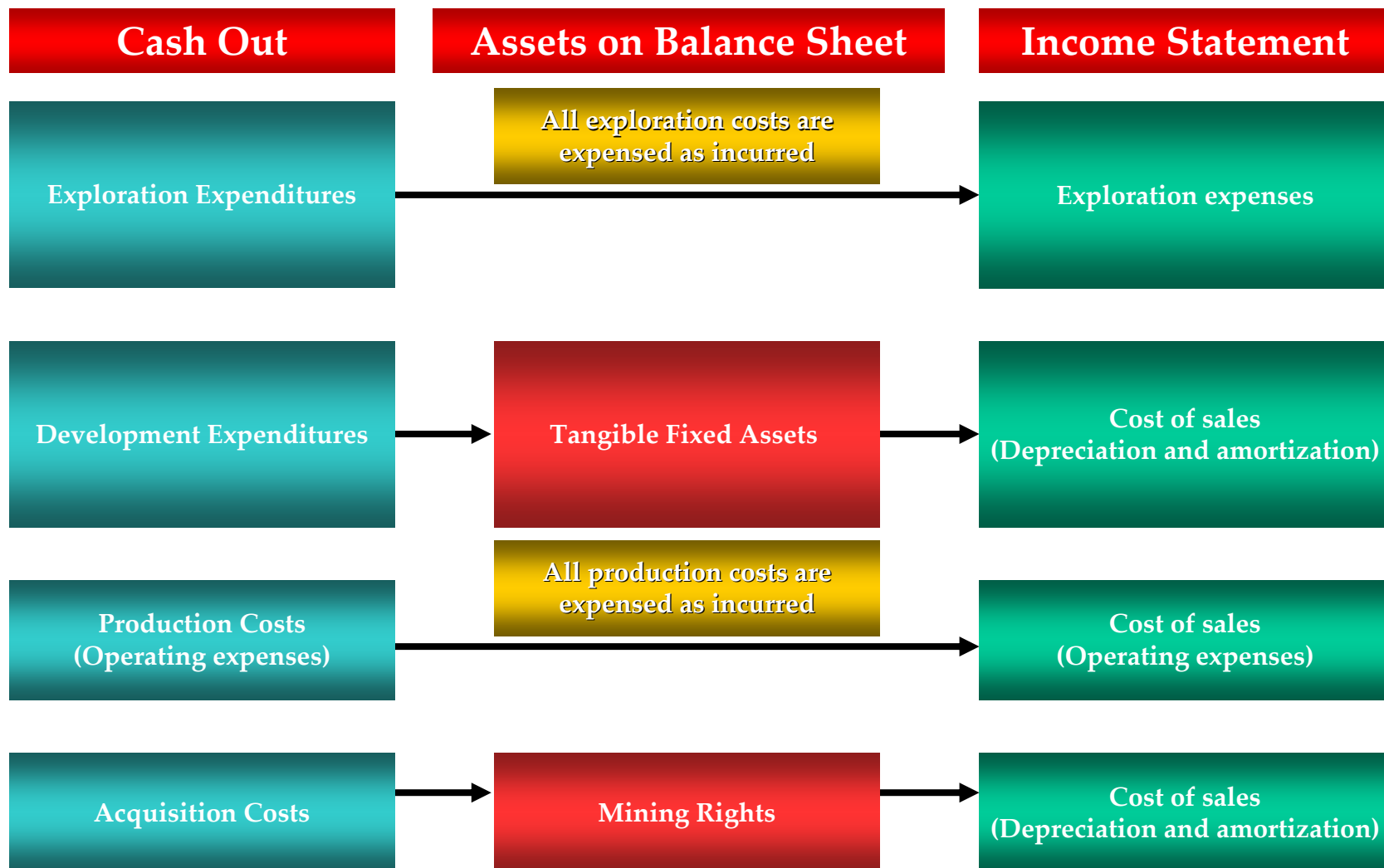
← Host Country Share Contractor Share →

	: Host Country Take	
	: Subject to Tax	}
	: Not Subject to Tax	
		Contractor Take

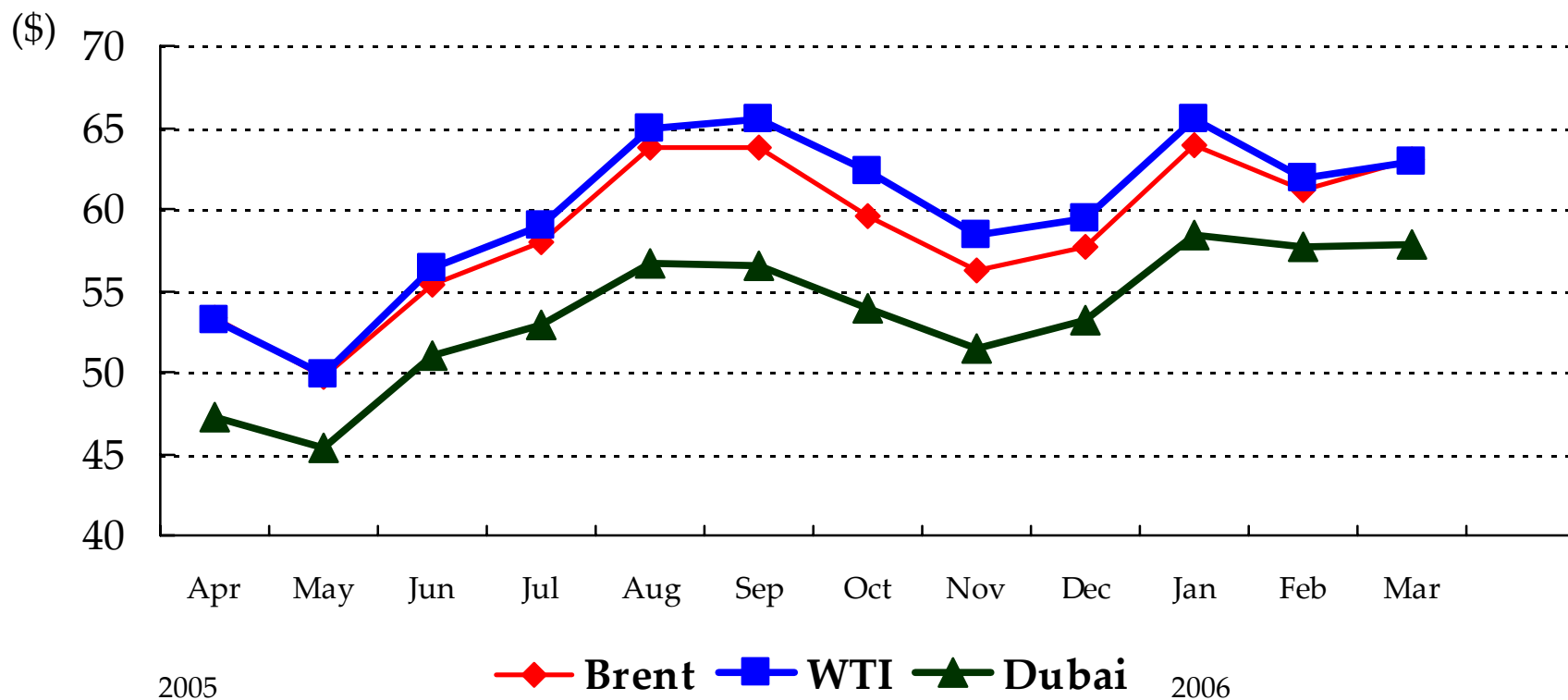
Accounting on Production Sharing Contract



Accounting on Concession Agreement



Crude Oil Price



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average
Brent	53.31	49.67	55.42	57.95	63.80	63.80	59.50	56.23	57.63	63.86	61.14	63.03	58.78
WTI	53.22	49.87	56.42	59.03	64.99	65.55	62.27	58.34	59.45	65.54	61.93	62.97	59.96
Dubai	47.20	45.40	51.08	52.83	56.60	56.54	53.96	51.39	53.20	58.44	57.61	57.82	53.50

*Brent is from IPE, WTI is from NYMEX, Dubai is from Platt's

Change in Fiscal Regime of JODCO

- The government of the United Arab Emirates has decided that the fiscal regime for tax rates, royalty rates and depreciation periods applicable to the Upper Zakum field will be changed from January 2004.
- A fixed margin regime will be applied from January 2006.
- The change to a fixed margin regime have no impact on net sales, but net income decline.
- The Umm Shaif and Lower Zakum fields have been applied for a fixed margin since JODCO participated.
- Net sales and net income changes in relation to crude oil prices on the Umm Al-Dalhk and Satah fields where a fixed margin is not applied.